

## Section 24

# FOREIGN AND INTERSTATE COMMERCE

This section includes data on the flow of goods, services, and capital between Hawaii and the rest of the world, with particular emphasis on trade and investment involving foreign countries.

Imports to Hawaii from foreign nations rose from \$139 million in 1968 to \$1.1 billion in 1978. Exports to foreign countries amounted to only \$49 million in 1968, but by 1978 exceeded \$137 million. (These figures, it should be noted, refer to merchandise imports for consumption and exports of domestic merchandise through the Honolulu Customs District. They do not necessarily represent exports of commodities originating in Hawaii, nor imports for direct consumption within the State.)

Trade with the Mainland United States has similarly risen in the past decade. Merchandise received from the Mainland increased from \$689 million in 1966 to \$1.8 billion in 1976, the most recent year available. Merchandise exported to the Mainland rose from \$311 million in 1966 to \$817 million in 1974, then slipped back to \$415 million in 1976.

Among the foreign nations, Hawaii's leading trading partners in 1977 were Indonesia for imports and Australia for exports. Imports from Indonesia amounted to \$257 million, or 26 percent of the total, while exports to Australia reached \$23 million, or 24 percent of all foreign exports. The Indonesian imports consisted mostly of crude oil.

The Honolulu Foreign Trade Zone received merchandise valued at \$14.6 million in fiscal 1978. Merchandise forwarded was valued at \$14.5 million.

Foreign-owned U.S. firms in Hawaii operated 138 establishments in 1976, and employed 7,729 persons with an annual payroll of \$71 million. Out of 39,782 hotel rooms in the State as of July 1978, 8,381 (or 21.1 percent) were foreign owned.

Sources for statistics on interstate and foreign commerce include the U.S. Bureau of the Census (for foreign trade), the Bank of Hawaii (for interstate trade and balance of payments), Foreign Trade Zone No. 9, the Hawaii International Services Agency, and recent studies of Foreign Direct Investment in the United States and Selected Characteristics of Foreign-Owned U.S. Firms issued by the U.S. Department of Commerce. Further information appears in cargo data by origin and destination, compiled by the Army Corps of Engineers and cited in Section 18.

Comparable data for the nation as a whole appear in Section 31 of Statistical Abstract of the United States: 1978. Long-term Island trends are summarized in Historical Statistics of Hawaii, Section 21.

Table 395.-- INTERSTATE TRADE: 1967 TO 1977  
 [In millions of dollars]

Year	Imports	Exports
1967 .....	822.4	325.3
1968 .....	886.7	329.1
1969 .....	1,029.1	321.7
1970 .....	1,194.1	339.8
1971 .....	1,201.4	365.7
1972 .....	1,220.0	350.2
1973 .....	1,563.5	381.8
1974 .....	1,866.2	817.0
1975 .....	1,773.9	522.4
1976 .....	1,756.3	415.2
1977 .....	1,982.7	471.0

Source: Bank of Hawaii, Hawaii 79 (August 1979), p. 45. Compiled from reports of major shippers and carriers, for commodities moving between Hawaii and the Mainland.

Table 396.-- FOREIGN TRADE THROUGH THE HONOLULU  
CUSTOMS DISTRICT: 1968 TO 1978

[Value, in millions of dollars, of U.S. imports and exports entered or exported through the Honolulu Customs District. The data may include imports intended for consumption on the Mainland and exports originated on the Mainland.]

Year	General imports <u>1/</u>	Imports for consumption <u>1/</u>	Exports of foreign and domestic merchandise <u>2/</u>
1968 ...	142.5	138.7	49.0
1969 ...	171.0	167.3	46.4
1970 ...	174.7	167.4	51.2
1971 ...	223.6	215.5	46.3
1972 ...	244.3	227.5	60.4
1973 ...	340.1	304.9	72.8
1974 ...	645.3	605.5	115.2
1975 ...	784.4	757.6	95.7
1976 ...	915.1	876.5	66.2
1977 ...	1,038.2	988.1	98.3
1978 ...	1,184.5	1,126.4	137.8

1/ Customs value basis. Excludes vessels under their own power or afloat and shipments valued under \$251.

2/ Totals are on f.a.s. (free alongside ship) basis.

Source: U.S. Bureau of the Census, U.S. Foreign Trade: Highlights of Exports and Imports, FT 990 (through 1973) and Highlights of U.S. Export and Import Trade, FT 990 (1974 and later), cumulative totals in December issues.

Table 397.-- FOREIGN TRADE THROUGH THE HONOLULU CUSTOMS  
DISTRICT, BY METHOD OF TRANSPORTATION: 1978

[See headnote to preceding table]

Category and method of transportation	Value (million dollars)	Shipping weight (million pounds)
General imports, all methods .....	1,184.5	(NA)
Vessel .....	738.7	10,088.8
Air .....	406.0	16.9
Imports for consumption, all methods <u>1/</u>	1,126.4	(NA)
Exports, all methods .....	137.8	(NA)
Vessel .....	50.0	520.6
Air .....	53.9	13.5

NA Not available.

1/ Not available by method of transportation.

Source: U.S. Bureau of the Census, Highlights of U.S. Export and Import Trade, FT 990, December 1978, tables E-4 and I-14.

Table 398.-- IMPORTS AND EXPORTS, BY GEOGRAPHIC AREA,  
FOR THE HONOLULU CUSTOMS DISTRICT: 1977

[In dollars. Includes all trade through the Honolulu Customs District, and thus may include imports intended for consumption on the Mainland or exports originated on the Mainland.]

Geographic area	Imports for consumption	Exports of domestic merchandise
All areas .....	993,159,085	96,779,887
Regions:		
North America .....	46,897,287	5,949,033
South America .....	3,520,639	40,627
Europe .....	32,832,781	8,691,377
Africa .....	22,546,471	71,217
Asia .....	856,636,862	43,784,376
Australia and Oceania .....	30,725,045	38,243,257
Nations: <u>1/</u>		
Australia .....	9,961,384	23,415,909
Brunei .....	91,078,758	662
Canada .....	13,845,391	2,940,632
China, Republic of .....	68,529,642	680,510
Costa Rica .....	-	3,000,000
French Pacific Islands .....	156,333	3,415,364
Hong Kong .....	20,388,858	2,214,970
Indonesia .....	256,569,163	438,339
Japan .....	140,335,234	13,145,195
Malaysia .....	40,134,837	37,316
Netherlands .....	1,161,386	7,070,580
Nigeria .....	22,360,924	69,072
Oman .....	40,892,799	-
Philippines .....	9,497,451	10,822,013
Saudi Arabia .....	31,422,722	355,869
Singapore .....	129,741,092	1,883,739
Trust Territory of the Pacific Is...	501,480	8,498,867
United Arab Emirates .....	6,936,354	11,332,211

1/ Shown separately for the ten leading import sources (over \$20,000,000) and ten leading export destinations (over \$2,000,000).

Source: Hawaii State Department of Planning and Economic Development, Hawaii International Services Agency, Hawaii's Foreign Trade 1977 (International Business Series No. 5, June 1978).

Table 399.-- MANUFACTURED EXPORTS, 1960 TO 1976, AND AGRICULTURAL EXPORTS, 1968 TO 1977

Subject	Amount
MANUFACTURED EXPORTS	
Export value (million dollars):	
1960 .....	17
1972 .....	26
1976 .....	51
Export value as percent of total manufacturing production, 1976 .	2.7
Employment related to exports, 1976:	
Estimated number .....	500
Percent of total employment .....	2.0
AGRICULTURAL EXPORTS	
Export values (million dollars; fiscal years):	
1968 .....	16
1972 .....	17
1977 .....	59
Export value as percent of farm sales, fiscal 1977 .....	18.0

Source: U.S. Department of Commerce, Industry and Trade Administration, Hawaii Exports (1978), pp. 4, 5, 10, and 11.

Table 400.-- FOREIGN TRADE ZONE NO. 9 AND SUBZONE NO. 9A OPERATIONS: 1968 TO 1978

Fiscal years <u>1/</u>	Foreign Trade Zone No. 9 <u>2/</u>						Subzone No. 9A <u>3/</u>				
	Firms using zone	User employment at zone	Value of mdse. (\$1,000)		Revenues (dollars)	Expenditures (dollars)	User <u>4/</u> employment at subzone	Merchandise, in/out		Exports	
			In/out	Exports				1,000 short tons	Value (\$1,000)	1,000 short tons	Value (\$1,000)
1968 ...	82	42	6,279	498	88,060	122,718	...	...	...	...	...
1969 ...	94	56	10,079	1,187	120,990	122,628	...	...	...	...	...
1970 ...	124	65	11,682	1,850	160,438	156,424	...	...	...	...	...
1971 ...	138	57	17,363	3,147	206,159	193,450	...	...	...	...	...
1972 ...	132	58	20,648	2,895	296,605	236,683	45	453.0	9,300	41.1	1,106
1973 ...	140	83	23,377	2,775	323,866	316,724	73	3,250.0	76,760	1,178.1	33,614
1974 ...	139	113	25,394	6,140	410,939	380,835	95	3,046.8	156,454	564.0	52,436
1975 ...	148	131	29,798	6,317	536,475	488,838	(NA)	3,794.6	340,996	707.1	72,003
1976 ...	179	139	24,396	4,576	575,007	523,331	159	5,755.7	534,023	815.2	80,719
1977 ...	205	145	25,702	3,956	797,793	704,043	156	6,349.6	608,815	893.2	83,134
1978 ...	191	193	29,095	4,395	923,625	676,665	139	6,837.5	705,711	1,178.5	117,247

NA Not available.

1/ Ended June 30, 1968 to 1976, and September 30, 1977 and 1978.

2/ Began operation June 15, 1966.

3/ Began operation April 7, 1972.

4/ Full-time users only.

Source: Hawaii State Department of Planning and Economic Development, Foreign-Trade Zone No. 9, records.

Table 401.-- CHARACTERISTICS OF ESTABLISHMENTS OF FOREIGN-OWNED U.S. FIRMS IN HAWAII: 1975 AND 1976

Kind of establishment and year	Firms	Establishments	Employment <u>1/</u>	Payroll (\$1,000)	
				First quarter	Annual
All foreign-owned firms:					
1975 <u>2/</u> .....	39	123	7,111	14,497	57,340
1976 .....	42	138	7,729	17,809	70,894
Manufacturing:					
1975 .....	...	8	560	...	8,062
1976 .....	...	7	578	...	8,746
Nonmanufacturing:					
1975 .....	...	115	6,551	...	49,278
1976 .....	...	131	7,151	...	62,148

1/ For week containing March 12.

2/ Based on preliminary 1975 data for all multiestablishment firms with 50 or more employees in Hawaii, these foreign-owned firms accounted for 3.2 percent of the establishments, 5.6 percent of the employment, and 4.5 percent of the annual payroll.

Source: U.S. Bureau of the Census, Selected Characteristics of Foreign-Owned U.S. Firms: 1975-1976, Series FOF, No. 1 (November 1978), tables 6, 7, and 9.



Table 402.-- FOREIGN DIRECT INVESTMENT IN HAWAII: 1974

Subject	All Hawaii affiliates of foreign parents	Hawaii affiliates of Japanese parents	Hawaii affiliates of other foreign parents
Land controlled, Dec. 31 (1,000 acres) ..	110	(D)	(D)
Owned .....	51	6	45
Leased from others .....	60	(D)	(D)
Property, plant, and equipment owned (\$ million) .....	716	483	233
Agricultural and timber land .....	11	(D)	(D)
Other natural resources .....	-	-	-
Transient lodging, residential, and recreational .....	423	354	69
Industrial .....	44	(D)	(D)
Other commercial and business .....	147	66	81
Other .....	90	57	33
Employees .....	13,095	(NA)	(NA)
Wages and salaries (\$ million) .....	91	(NA)	(NA)

D Data suppressed to avoid disclosure of information for individual firms.

NA Not available.

Source: U.S. Department of Commerce, Foreign Direct Investment in the United States, Vol. 2, Report of the Secretary of Commerce: Benchmark Survey, 1974 (April 1976), pp. 124, 129, 150, and 155.

Table 403.-- HOTEL ROOMS, BY LOCATION OF OWNERS AND SIZE OF HOTEL:  
JULY 1978

Location of hotel owners <sup>1/</sup>	All hotel rooms	Rooms in hotels with --	
		1 to 99 rooms	100 or more rooms
All owners .....	39,782	3,177	36,605
Hawaii .....	21,895	2,175	19,720
Mainland U.S. ....	9,506	432	9,074
Japan .....	6,778	155	6,623
Canada .....	476	158	318
Hong Kong .....	430	60	370
Korea .....	300	-	300
Taiwan .....	200	-	200
Unknown .....	197	197	-

<sup>1/</sup> For corporations or huis, refers to location of headquarters.  
Source: First Hawaiian Bank, Research Division, "Hotel Ownership  
in Hawaii," Economic Indicators, September 1978, and records.

Table 404.-- CUMULATIVE FOREIGN INVESTMENT  
IN HAWAII, BY COUNTRY OF ORIGIN AND  
COUNTY AND TYPE OF INVESTMENT:  
1959 TO 1979

[In thousands of dollars]

Subject	Amount
All foreign investments .....	774,100
Country of origin:	
Australia .....	48,850
Canada .....	178,950
Hong Kong .....	72,100
Japan .....	414,900
Korea, South .....	9,500
Other countries .....	49,800
County of investment:	
Honolulu .....	612,600
Hawaii .....	103,400
Kauai .....	-
Maui .....	58,100
Type of investment:	
Retail stores .....	29,400
Hotels <sup>1/</sup> .....	281,700
Golf courses .....	17,300
Restaurants .....	8,150
Insurance portfolios .....	42,300
Real estate .....	300,400
Agriculture .....	54,200
Other types .....	40,650

<sup>1/</sup> At the time of the survey, Hawaii had 23 foreign-owned hotels, with a total of 9,726 units. Japanese owners accounted for 16 hotels and 7,802 units; Canadians, for 3 hotels with 613 units; and all other countries, for 4 hotels and 1,311 units.

Source: Hawaii State Department of Planning and Economic Development, Hawaii International Services Agency (HISA), data supplied September 6, 1979.

Table 405.-- BALANCE OF PAYMENTS: 1975 TO 1977  
 [In millions of dollars. Excludes capital movements.]

Category	1975	1976	1977
<b>EARNINGS BY HAWAII FROM OVERSEAS</b>			
Total earnings .....	4,351	4,632	5,381
Commodity exports .....	616	481	569
Federal expenditures .....	1,979	2,186	2,381
Services performed .....	1,543	1,711	2,141
Return on overseas investments .....	213	254	290
<b>EXPENDITURES BY HAWAII TO OVERSEAS</b>			
Total expenditures .....	4,864	4,961	5,635
Commodity imports .....	2,558	2,671	3,025
Payments to Federal government .....	1,215	1,118	1,301
Services performed .....	779	827	929
Return on investments in Hawaii .....	312	345	380

Source: Bank of Hawaii, Hawaii 79, Annual Economic Review (August 1979), p. 45. Based on data from a variety of private and governmental sources, including published reports, interviews, answers to letters, and related procedures. Excluded are capital movement items such as the flow of investment funds, deposits of financial institutions, loans and repayment of loans, securities, and currency.