

## Section 14

# PRICES

This section presents indexes of consumer prices for Honolulu, the implicit price deflator for gross state product, actual prices for selected foods, and comparisons of Honolulu living costs with those in other urban areas. Other statistics on prices are reported in Sections 7, 16, 17, 18, 21, and 23.

During the first six months of 1989, the Honolulu all-items consumer price index for all urban consumers (CPI-U) averaged 126.4, with the 1982-1984 level equal to 100. The index had increased 5.2 percent over the first half of 1988, 23.3 percent since 1984, and 70.1 percent since 1979. Prices have risen most rapidly since the 1982-84 base period for shelter (37.4 percent) and medical care (36.0 percent) and have dropped most rapidly for electricity (27.5 percent). The implicit price deflator for expenditures on gross state product (a measure of price changes used in the state product accounts) rose 61.5 percent between 1978 and 1988.

An "intermediate" budget for a four-person family living on Oahu was unofficially estimated at \$44,614 as of 1988. This family budget was 28.7 percent higher than the corresponding urban United States average. Differences were particularly marked for renter shelter costs (43.0 percent higher) and personal income taxes (66.4 percent higher).

The Honolulu consumer price index has been compiled by the U.S. Bureau of Labor Statistics since December 1963. This index measures the average change in prices of goods and services purchased by urban households. Prices are expressed as a percent of the average levels reported in 1982-1984, the base date. Current data for Honolulu and other cities are published in CPI Detailed Report, issued monthly by BLS.

Important technical changes have been made in the consumer price index in recent years. In 1978, the Bureau of Labor Statistics added a new index, the CPI-U, covering all urban consumers, to the older index, the CPI-W, which was limited to urban wage earners and clerical workers and their families. In 1983, the basis for measuring homeowners' costs was substantially modified. In 1987, component weights based on a 1982-1984 survey replaced the older weights derived from 1972-1973 data. At the same time, the publication of the Honolulu indexes was moved from a bimonthly to a semi-annual basis. Beginning in 1988, the base period was shifted from 1967 to 1982-1984. Both the CPI-U and CPI-W have been linked to older indexes going back to 1940.

Official comparisons of Honolulu and Mainland living costs are no longer being made. The annual four-person family budgets estimated by the Bureau of Labor Statistics for Honolulu and the Mainland were discontinued after 1981, and are now maintained unofficially by the Bank of Hawaii. The annual comparison of prices in Hawaii and Washington,

D.C., compiled by the U.S. Office of Personnel Management to provide a basis for cost of living adjustments for Federal employees, has not been published since 1983. Annual surveys of food prices in Honolulu and other cities were regularly made by the Honolulu Advertiser in conjunction with the Tampa Tribune from 1979 to 1987.

No composite wholesale or producer price index is available for Hawaii. Average wholesale prices of agricultural products are reported in Statistics of Hawaiian Agriculture, issued by the Hawaii Agricultural Statistics Service, and in various other publications of the State Department of Agriculture. Wholesale price statistics of other commodities are seldom available.

Data on prices and living costs for the nation as a whole and other areas are summarized in Statistical Abstract of the United States: 1989, Section 15. Long-term trends for Hawaii are traced in Historical Statistics of Hawaii, Section 5.

Table 401.-- IMPLICIT PRICE DEFLATOR FOR EXPENDITURES ON GROSS STATE PRODUCT: SELECTED YEARS, 1958 TO 1988

[1982 = 100]

Year	Deflator	Year	Deflator	Year	Deflator
1958 ...	34.1	1977 ...	71.0	1983 ...	104.2
1960 ...	34.4	1978 ...	77.1	1984 ...	108.1
1965 ...	37.7	1979 ...	84.0	1985 ...	111.7
1970 ...	47.3	1980 ...	89.3	1986 ...	114.6
1975 ...	63.9	1981 ...	93.3	1987 ...	119.8
1976 ...	67.5	1982 ...	100.0	1988 ...	124.5

Source: Hawaii State Department of Business and Economic Development, Hawaii Gross State Product Accounts: 1958-1988 (June 1989), tables 1-A and 1-5.

Table 402.-- CONSUMER PRICE INDEX (ALL ITEMS COMBINED), BY TYPE OF CONSUMER, FOR HONOLULU: ANNUAL AVERAGES, 1940 TO 1988

[1982-1984 average = 100. Excludes rent before 1963]

Year	CPI-U	CPI-W	Year	CPI-U	CPI-W
1940 .....	14.7	14.5	1965 .....	34.4	33.9
1941 .....	15.5	15.3	1966 .....	35.3	34.8
1942 .....	17.6	17.4	1967 .....	36.3	35.8
1943 .....	18.9	18.7	1968 .....	37.7	37.2
1944 .....	19.2	19.0	1969 .....	39.4	38.8
1945 .....	19.7	19.5	1970 .....	41.5	40.9
1946 .....	21.0	20.8	1971 .....	43.2	42.6
1947 .....	24.4	24.1	1972 .....	44.6	44.0
1948 .....	25.7	25.4	1973 .....	46.6	45.9
1949 .....	25.2	24.9	1974 .....	51.5	50.8
1950 .....	24.3	24.0	1975 .....	56.3	55.5
1951 .....	25.7	25.4	1976 .....	59.1	58.3
1952 .....	26.5	26.2	1977 .....	62.1	61.2
1953 .....	26.7	26.4	1978 .....	66.9	65.9
1954 .....	26.9	26.6	1979 .....	74.3	73.2
1955 .....	27.3	27.0	1980 .....	83.0	81.9
1956 .....	27.7	27.4	1981 .....	91.7	90.5
1957 .....	28.6	28.3	1982 .....	97.2	96.0
1958 .....	30.0	29.6	1983 .....	99.3	99.8
1959 .....	30.5	30.1	1984 .....	103.5	104.3
1960 .....	31.3	30.9	1985 .....	106.8	107.9
1961 .....	32.1	31.7	1986 .....	109.4	110.3
1962 .....	32.8	32.4	1987 .....	114.9	115.9
1963 .....	33.5	33.1	1988 .....	121.7	122.8
1964 .....	33.7	33.3			

Source: 1964-1988 from U.S. Bureau of Labor Statistics tapes tabulated by Hawaii State Data Center. 1940-1963 from surveys by Eugene Danaher and Hawaii State Department of Labor and Industrial Relations, cited in Hawaii State Department of Planning and Economic Development, The Honolulu Consumer Price Index, 1940-1986 (Statistical Report 187, May 30, 1986), as shifted to 1982-1984 base by Hawaii State Data Center.

Table 403.-- CONSUMER PRICE INDEX (ALL ITEMS COMBINED), BY TYPE OF CONSUMER, FOR HONOLULU: SEMI-ANNUALLY, 1984 TO 1989

[1982-1984 average = 100]

Year	All urban consumers (CPI-U)			Urban wage earners and clerical workers (CPI-W)		
	Annual average	First half	Second half	Annual average	First half	Second half
1984 ...	103.5	102.5	104.4	104.3	103.0	105.5
1985 ...	106.8	106.3	107.4	107.9	107.4	108.4
1986 ...	109.4	108.9	109.9	110.3	109.9	110.7
1987 ...	114.9	113.3	116.5	115.9	114.3	117.6
1988 ...	121.7	120.1	123.4	122.8	121.1	124.5
1989 ...		126.4			127.4	

NA Not available.

Source: U.S. Bureau of Labor Statistics, tapes tabulated by Hawaii State Data Center and press releases.

Table 404.-- PERCENT CHANGE IN SELECTED PRICE INDEXES: 1978 TO 1988

Index <u>1/</u>	1978 to 1988	1978 to 1983	1983 to 1988	1985 to 1986	1986 to 1987	1987 to 1988
GSP deflator .....	61.5	35.1	19.5	2.6	4.5	3.9
Honolulu CPI-U ....	81.9	48.4	22.6	2.4	5.0	5.9
Honolulu CPI-W ....	86.3	51.4	23.0	2.2	5.1	6.0
U.S. CPI-U .....	81.4	52.8	18.8	1.9	3.7	4.1

1/ GSP deflator, the implicit price deflator for expenditures on Hawaii gross state product; CPI-U, consumer price index for all urban consumers; CPI-W, consumer price index for urban wage earners and clerical workers.

Source: Hawaii State Department of Business and Economic Development, "The Honolulu Consumer Price Index, 1988," Quarterly Statistical & Economic Report, 1st Quarter 1989, pp. 9-19; present report, table 401.

Table 405.-- CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS, BY EXPENDITURE CATEGORY AND COMMODITY AND SERVICE GROUP, FOR HONOLULU: ANNUAL AVERAGES, 1984 TO 1988

[Unless otherwise specified, 1982-1984 average=100]

Group	1984	1985	1986	1987	1988
All items .....	103.5	106.8	109.4	114.9	121.7
Food and beverages .....	103.6	107.8	110.0	114.1	120.3
Food .....	103.7	107.7	109.9	114.3	120.2
Food at home .....	103.4	106.7	109.0	113.4	120.0
Cereals and bakery products .....	103.8	109.4	112.8	117.2	127.0
Meats, poultry, fish, and eggs ...	101.7	102.6	104.3	108.5	119.1
Meats, poultry, and fish .....	101.3	102.6	104.3	107.9	119.1
Dairy products .....	101.2	103.6	105.0	105.9	106.5
Fruits and vegetables .....	106.4	111.9	112.3	116.5	122.3
Other foods at home .....	104.7	108.9	113.2	119.4	122.2
Food away from home .....	104.5	108.6	111.4	115.6	121.0
Alcoholic beverages .....	102.4	108.4	111.1	111.4	121.0
Housing .....	103.1	106.0	108.4	115.0	123.0
Shelter .....	104.0	108.5	113.9	122.1	132.1
Renters' costs <u>1/</u> .....	109.4	115.0	121.1	127.3	133.9
Rent, residential .....	105.8	110.9	116.9	122.3	129.4
Other renters' costs .....	109.4	117.9	122.5	129.7	131.7
Homeowners' costs <u>1/</u> .....	105.9	110.4	115.7	124.9	136.5
Owners' equivalent rent <u>1/</u> .....	105.8	110.4	115.8	125.0	136.8
Fuel and other utilities .....	100.2	97.5	87.6	88.8	87.3
Fuels .....	97.7	93.0	75.2	77.8	72.6
Gas (piped) and electricity .....	97.7	92.9	74.9	77.4	72.1
Electricity .....	97.5	92.3	73.3	76.0	70.4
Utility (piped) gas .....	99.4	98.7	88.2	87.6	86.5
Household furnishings and operation ..	101.7	103.0	104.7	108.8	117.3
Apparel and upkeep .....	100.2	99.6	99.8	102.5	106.8
Apparel commodities .....	99.6	98.6	98.5	101.2	105.4
Men's and boys' apparel .....	101.0	104.2	106.8	114.7	121.2
Women's and girls' apparel .....	100.2	102.8	102.0	100.3	105.3
Footwear .....	101.9	103.2	100.8	100.4	101.2
Transportation .....	102.9	104.9	105.2	109.7	116.1
Private transportation .....	103.3	105.3	105.4	109.7	116.4
Motor fuel .....	99.7	100.7	88.5	90.9	95.4
Gasoline .....	99.9	100.8	88.5	91.0	95.3
Public transportation .....	100.0	101.8	103.8	109.1	112.9
Medical care .....	107.3	113.2	122.3	127.9	132.5
Entertainment .....	104.3	111.9	113.2	118.6	122.9
Other goods and services .....	106.6	112.5	119.6	129.7	137.1
Personal care .....	100.7	103.8	107.3	112.6	115.8

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Table 405.-- CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS, BY EXPENDITURE CATEGORY AND COMMODITY AND SERVICE GROUP, FOR HONOLULU: ANNUAL AVERAGES, 1984 TO 1988 -- Con.

Group	1984	1985	1986	1987	1988
All items .....	103.5	106.8	109.4	114.9	121.7
Commodities .....	103.0	105.7	106.2	109.6	115.5
Food and beverages .....	103.6	107.8	110.0	114.1	120.3
Commodities less food and beverages ..	102.5	104.0	103.1	106.0	111.8
Nondurables less food and beverages	102.0	104.3	102.5	105.5	110.1
Durables .....	103.4	103.7	104.5	107.2	114.9
Services .....	103.9	107.9	112.3	119.8	127.4
Medical care services .....	107.4	113.0	122.1	128.1	132.4
Special indexes:					
All items less shelter .....	103.3	106.3	107.7	112.2	117.7
All items less medical care .....	103.2	106.4	108.6	114.1	121.0
All items less energy .....	103.9	107.8	112.0	118.1	125.5
Energy .....	98.8	97.1	82.3	84.8	84.7
Commodities less food .....	102.5	104.2	103.5	106.2	112.1
Nondurables less food .....	102.1	104.6	103.0	105.8	110.7
Nondurables .....	102.9	106.2	106.6	110.2	115.7
Services less rent of shelter <sup>1/</sup> .....	105.8	109.2	112.6	119.0	123.8
Services less medical care .....	103.5	107.3	111.2	118.8	126.6

<sup>1/</sup> December 1982=100.

Source: U.S. Bureau of Labor Statistics, printouts and tapes tabulated by Hawaii State Data Center.

Table 406.-- CONSUMER PRICE INDEX FOR URBAN WAGE EARNERS AND CLERICAL WORKERS,  
 BY EXPENDITURE CATEGORY AND COMMODITY AND SERVICE GROUP, FOR HONOLULU:  
 ANNUAL AVERAGES, 1984 TO 1988

[Unless otherwise specified, 1982-1984 average=100]

Group	1984	1985	1986	1987	1988
All items .....	104.3	107.9	110.3	115.9	122.8
Food and beverages .....	103.7	108.3	110.8	115.3	121.7
Food .....	103.8	108.2	110.8	115.6	121.7
Food at home .....	103.6	107.4	110.1	114.9	121.9
Cereals and bakery products .....	103.5	108.8	111.7	115.7	125.4
Meats, poultry, fish, and eggs ...	102.4	105.2	107.6	112.9	124.3
Meats, poultry, and fish .....	102.1	105.3	107.8	112.4	124.6
Dairy products .....	101.1	103.5	104.9	105.5	106.5
Fruits and vegetables .....	106.3	111.1	112.3	117.9	123.0
Other foods at home .....	104.7	109.1	113.3	119.0	122.0
Food away from home .....	104.6	108.8	111.8	116.1	121.4
Alcoholic beverages .....	102.6	108.5	111.3	111.1	121.4
Housing .....	104.9	108.6	111.0	117.4	125.5
Shelter .....	106.6	112.3	117.7	126.0	136.3
Renters' costs <u>1/</u> .....	(NA)	102.8	108.2	113.2	119.3
Rent, residential .....	105.8	110.9	116.9	122.3	129.4
Other renters' costs .....	110.0	118.9	122.8	128.8	130.7
Homeowners' costs <u>1/</u> .....	(NA)	103.3	108.4	116.9	127.9
Owners' equivalent rent <u>1/</u> .....	(NA)	103.3	108.4	117.0	128.1
Fuel and other utilities .....	100.2	97.5	87.6	88.7	87.4
Fuels .....	97.7	93.1	75.3	77.7	72.7
Gas (piped) and electricity .....	97.7	93.0	75.1	77.5	72.4
Electricity .....	97.5	92.2	73.3	76.0	70.4
Utility (piped) gas .....	99.4	98.6	88.3	87.6	86.5
Household furnishings and operation ..	101.5	103.4	105.6	109.7	118.7
Apparel and upkeep .....	100.3	99.4	100.1	103.7	108.2
Apparel commodities .....	99.7	98.4	98.7	102.3	106.9
Men's and boys' apparel .....	101.1	104.9	107.6	116.6	123.5
Women's and girls' apparel .....	100.5	102.9	103.1	101.8	107.1
Footwear .....	101.8	103.0	100.8	100.4	101.4
Transportation .....	102.8	104.7	104.7	109.2	115.7
Private transportation .....	103.1	105.0	104.8	108.8	115.5
Motor fuel .....	99.7	100.7	88.5	90.9	95.4
Gasoline .....	99.9	100.8	88.5	91.0	95.3
Public transportation .....	99.9	101.8	103.6	110.2	113.6
Medical care .....	106.9	112.6	121.1	126.7	131.4
Entertainment .....	104.6	111.9	113.1	119.3	123.6
Other goods and services .....	106.6	112.5	119.1	128.7	136.4
Personal care .....	100.8	104.0	107.5	112.7	115.7

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Table 406.-- CONSUMER PRICE INDEX FOR URBAN WAGE EARNERS AND CLERICAL WORKERS,  
 BY EXPENDITURE CATEGORY AND COMMODITY AND SERVICE GROUP, FOR HONOLULU:  
 ANNUAL AVERAGES, 1984 TO 1988 -- Con.

Group	1984	1985	1986	1987	1988
All items .....	104.3	107.9	110.3	115.9	122.8
Commodities .....	103.3	106.4	107.0	110.7	116.8
Food and beverages .....	103.7	108.3	110.8	115.3	121.7
Commodities less food and beverages ..	103.0	105.4	104.5	107.4	113.3
Nondurables less food and beverages	102.1	104.3	102.2	105.4	110.1
Durables .....	103.8	106.2	107.4	110.0	117.8
Services .....	105.6	109.8	114.3	121.9	129.5
Medical care services .....	107.0	112.3	120.7	126.9	131.3
Special indexes:					
All items less shelter .....	103.2	106.3	107.8	112.4	118.2
All items less medical care .....	104.1	107.6	109.6	115.2	122.2
All items less energy .....	104.8	109.0	113.3	119.3	126.9
Energy .....	98.9	97.5	83.0	85.4	85.7
Commodities less food .....	103.0	105.6	104.7	107.5	113.6
Nondurables less food .....	102.1	104.6	102.8	105.7	110.8
Nondurables .....	103.0	106.5	107.1	111.0	116.7
Services less rent of shelter <sup>1/</sup> .....	(NA)	101.0	104.1	110.5	115.0
Services less medical care .....	105.5	109.5	113.5	121.2	129.1

NA Not available.

<sup>1/</sup> December 1982=100.

Source: U.S. Bureau of Labor Statistics, printouts and tapes tabulated  
 by Hawaii State Data Center.

Table 407.-- RELATIVE IMPORTANCE OF COMPONENTS IN THE CONSUMER  
PRICE INDEX FOR HONOLULU: DECEMBER 1988

[Percent of all items]

Group	CPI-U <u>1/</u>	CPI-W <u>2/</u>
EXPENDITURE CATEGORY		
All items .....	100.000	100.000
Food and beverages .....	20.709	21.984
Food .....	19.253	20.254
Food at home .....	12.053	12.262
Cereals and bakery products .....	1.693	1.934
Meats, poultry, fish, and eggs .....	3.928	4.245
Meats, poultry, and fish .....	3.670	3.919
Dairy products .....	.976	.920
Fruits and vegetables .....	2.612	2.495
Other foods at home .....	2.844	2.668
Food away from home .....	7.200	7.993
Alcoholic beverages .....	1.456	1.730
Housing .....	41.636	38.802
Shelter .....	30.844	28.403
Renters' costs .....	8.891	9.000
Rent, residential .....	7.722	8.198
Other renters' costs .....	1.169	.802
Homeowners' costs .....	21.754	19.217
Owners' equivalent rent .....	21.515	19.049
Fuel and other utilities .....	4.233	4.512
Fuels .....	1.909	2.017
Fuel oil, coal, and bottled gas .....	.022	.026
Fuel oil .....	.001	.003
Other fuels .....	.021	.022
Gas (piped) and electricity .....	1.887	1.991
Electricity .....	1.709	1.734
Utility (piped) gas .....	.178	.257
Household furnishings and operations .....	6.559	5.887
Apparel and upkeep .....	5.470	5.756
Apparel commodities .....	5.150	5.420
Men's and boys' .....	1.458	1.611
Women's and girls' .....	2.285	2.369
Footwear .....	.663	.733

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Table 407.-- RELATIVE IMPORTANCE OF COMPONENTS IN THE CONSUMER  
PRICE INDEX FOR HONOLULU: DECEMBER 1988 -- Con.

Group	CPI-U <u>1/</u>	CPI-W <u>2/</u>
EXPENDITURE CATEGORY -- Con.		
Transportation .....	16.533	18.548
Private .....	14.699	17.135
Motor fuel .....	2.957	3.594
Public .....	1.833	1.413
Medical care .....	5.041	4.749
Entertainment .....	4.604	4.435
Other goods and services .....	6.008	5.725
Personal care .....	1.240	1.349
COMMODITY AND SERVICE GROUP		
All items .....	100.000	100.000
Commodities .....	43.889	47.515
Food and beverages .....	20.709	21.984
Commodities less food and beverages .....	23.180	25.531
Nondurables less food and beverages ....	14.131	15.368
Durables .....	9.049	10.163
Services .....	56.111	52.485
Medical care services .....	4.115	3.800
Special indexes:		
All items less shelter .....	69.156	71.597
All items less medical care .....	94.959	95.251
All items less energy .....	95.135	94.389
Energy .....	4.865	5.611
Commodities less food .....	24.636	27.261
Nondurables less food .....	15.587	17.098
Nondurables .....	34.840	37.352
Services less rent of shelter .....	25.720	24.451
Services less medical care .....	51.995	48.685

1/ Consumer price index for all urban consumers.

2/ Consumer price index for urban wage earners and clerical workers.

Source: U.S. Bureau of Labor Statistics, printout.

Table 408.-- RETAIL FOOD PRICES FOR HONOLULU AND KAUAI, COMPARED WITH MAINLAND CITIES: 1985 TO 1987

[June data for a "market basket" of 35 or more common food items surveyed in various cities. Data include sales taxes. This survey was suspended after 1987]

Subject	1985	1986	1987
Honolulu:			
Amount (dollars) .....	61.45	59.64	65.83
Rank .....	1	1	1
Percent of U.S. average .....	131.4	125.3	126.6
Kauai:			
Percent of Honolulu .....	111	(NA)	119
Percent of U.S. average .....	145	(NA)	147
Number of cities surveyed (excl. Kauai) .....	21	21	17

NA Not available.

Source: Honolulu Advertiser, July 22, 1985, (p. D-1) August 21, 1985 (p. A-7), July 29, 1986 (p. B-1), and June 25, 1987 (p. A-1, as corrected); Sunday Star-Bulletin and Advertiser, August 30, 1987 (p. B-1).

Table 409.-- ANNUAL INTERMEDIATE BUDGETS, BY ITEM, FOR A FOUR-PERSON FAMILY  
IN THE UNITED STATES AND ON OAHU: 1981 AND 1988

[Hypothetical budgets for a family of specified characteristics, based on 1972-1973 expenditure patterns as updated by the consumer price index and current tax rates. The 1981 values are official estimates published by the U.S. Bureau of Labor Statistics; the 1988 values are unofficial estimates prepared by the Bank of Hawaii, using comparable assumptions and methodology. Users of these estimates should bear in mind the limitations imposed by the underlying assumptions and methods]

Item	Urban United States (dollars)		Oahu (dollars)		Oahu as percent of urban U.S.	
	1981	1988	1981	1988	1981	1988
Total budget .....	25,409	34,657	31,893	44,614	125.5	128.7
Consumption .....	18,242	24,293	21,530	29,190	118.0	120.2
Food .....	5,843	7,312	7,626	9,775	130.5	133.7
Food at home .....	4,866	6,004	6,649	8,439	136.6	140.6
Food away .....	977	1,308	977	1,336	100.0	102.1
Housing .....	5,547	7,522	6,493	9,185	117.1	122.1
Homeowner shelter costs ..	4,886	6,841	5,467	7,998	111.9	116.9
Renter shelter costs .....	2,732	3,925	3,991	5,613	146.1	143.0
Housefurnishings and operations .....	1,199	1,410	1,395	1,783	116.3	126.5
Transportation .....	2,372	2,767	2,421	2,937	102.1	106.1
Clothing .....	1,333	1,614	1,432	1,618	107.4	100.2
Personal care .....	508	681	590	781	116.1	114.7
Medical care .....	1,443	2,414	1,590	2,575	110.2	106.7
Other family consumption <u>1/</u>	1,196	1,983	1,378	2,318	115.2	116.9
Other items <u>2/</u> .....	1,021	1,329	1,137	1,509	113.6	113.5
Social Security payments .....	1,703	2,829	2,049	3,602	120.3	127.3
Personal income taxes .....	4,443	6,198	7,177	10,314	161.5	166.4

1/ Reading, recreation, tobacco products, alcoholic beverages, education, and miscellaneous expenditures.

2/ Includes gifts and contributions, life insurance, and occupational expenses.

Source: U.S. Bureau of Labor Statistics, Autumn 1981 Urban Family Budgets and Comparative Indexes for Selected Urban Areas (release USDL: 82-139, April 16, 1981); 1988 estimates by Paul Brewbaker, Economics Department, Bank of Hawaii.

Table 410.-- COST OF LIVING INDEXES, 1983, AND PAY DIFFERENTIALS, 1989, FOR FEDERAL EMPLOYEES IN HAWAII RELATIVE TO WASHINGTON, D.C.

Allowance category <u>1/</u>	Oahu	Kauai	Maui County	Hawaii
INDEXES <u>2/</u>				
Local retail:				
Private housing .....	121.7	114.6	120.9	113.1
Federal housing .....	105.0	106.7	113.4	104.6
Commissary, PX:				
Private housing .....	111.8	113.1	...	...
Federal housing .....	95.1	105.1	...	...
ALLOWANCE RATES <u>3/</u>				
Local retail:				
Private housing .....	22.5	17.5	20.0	15.0
Federal housing .....	5.0	7.5	12.5	7.5
Commissary, PX:				
Private housing .....	12.5	17.5	...	...
Federal housing .....	0	7.5	...	...

1/ Based on access to military commissary and exchange facilities and type of housing occupied. "Local retail" refers to Federal employees who purchase goods and services from private retail establishments; "commissary, PX," to Federal employees who have unlimited access to and who use military commissary and exchange facilities. "Private housing" refers to Federal employees who occupy housing units that are privately owned or rented; "Federal housing," to Federal employees who occupy units owned or leased by a Federal agency.

2/ Washington, D.C., living costs=100. Based on a survey of comparative costs for Federal employees in 1983.

3/ Authorized allowance rate, expressed as a percentage differential, effective January 19, 1986, and current as of June 14, 1989.

Source: U.S. Office of Personnel Management, "Nonforeign Area Cost-of-Living Allowances for Guam and the State of Hawaii and Post Differentials for Certain Pacific Islands," Federal Personnel Manual System, FPM Letter 591-47 (1983), and "Nonforeign Area Cost-of-Living Allowances," Federal Personnel Manual System, FPM Letter 591-49 (1989).

Table 411.-- ANNUAL BUDGETS FOR A FOUR-PERSON FAMILY AND A RETIRED COUPLE ON OAHU: 1981 AND 1988

Year and budget level	Total budget (dollars)		Percent of U.S. urban average		Rank among 25 metro. areas	
	4-person family	Retired couple <u>1/</u>	4-person family	Retired couple	4-person family	Retired couple
1981						
Lower budget .....	20,319	8,665	133	120	2	2
Intermediate budget .....	31,893	12,157	126	119	1	2
Higher budget .....	50,317	17,576	132	117	1	2
1988						
Intermediate budget	44,614	(NA)	129	(NA)	(NA)	(NA)

NA Not available.

1/ Excludes personal income taxes.

Source: U.S. Department of Labor, Bureau of Labor Statistics, Autumn 1981 Urban Family Budgets and Comparative Indexes for Selected Urban Areas (release USDL:82-139, April 16, 1982), and Three Budgets for a Retired Couple, Autumn 1981 (release USDL:82-266, July 30, 1982); Bank of Hawaii, Business Trends, March-April 1989, pp. 5-6.

Table 412.-- COST OF RAISING A CHILD FROM BIRTH TO AGE 18: 1988

[In dollars. Moderate-cost level for a husband-wife family with no more than 5 children, living in the Western States]

Residence	18-year total	Annual average
Urban .....	112,017	6,223
Rural nonfarm .....	117,000	6,500

Source: U.S. Department of Agriculture, Family Economics Review, 1989, Vol. 2, No. 2, pp. 24-25.

## Section 15

# BANKING, INSURANCE, AND BUSINESS ENTERPRISE

Statistics in this section relate to banks and other financial institutions, stocks and bonds, insurance, fires, and business firms.

There were 10 banks with 182 locations, seven savings and loan associations with 158 locations, four trust companies with seven branches, and 54 industrial loan or small loan licensees with 185 branch offices in Hawaii as of December 31, 1988. Deposits in insured commercial banks reached \$10.2 billion at the end of 1987, compared with \$4.5 billion in 1980. Assets of savings and loan associations stood at \$5.5 billion in December 1987, almost double their 1980 level of \$2.9 billion. There were 136 credit unions with combined assets of \$2.3 billion at the end of 1988.

Approximately 256,000 Hawaii residents held shares in U.S. public corporations or investment companies in 1985.

Life insurance in force in Hawaii at the end of 1987 amounted to \$37 billion, more than twice the figure reported ten years earlier. For all 782 insurance companies doing business in the Islands, Hawaii premiums amounted to \$1.5 billion in 1987 and losses, claims, and benefits paid came to \$694 million. Fire losses in fiscal 1989 amounted to \$20 million. Persons covered by the four major prepaid health insurance plans as of December 31, 1988 numbered 744,000, with annual membership dues of \$611 million.

By mid-1989, almost 51,000 corporations and partnerships were registered to do business in Hawaii: 34,600 local ("domestic") corporations, 5,900 out-of-State ("foreign") corporations, and 10,400 partnerships. Business establishments with one or more employees in 1986 numbered 26,200; over half had fewer than five employees. During fiscal 1989, 4,600 new local corporations were formed. Business receipts of corporations in 1985 exceeded \$22 billion; business receipts of partnerships and proprietorships in the same year amounted to respectively \$1.9 billion and \$1.6 billion. Hawaii's largest corporation, Castle & Cooke, reported annual sales of \$2.5 billion. Business failures numbered 179 in 1988.

Sources for statistics on these subjects include the Hawaii State Department of Commerce and Consumer Affairs (specifically its Financial Institutions, Insurance, and Business Registration Divisions), the State Department of Taxation, county fire departments, the New York Stock Exchange, Dun and Bradstreet, Inc., local health insurance plans, the Hawaii Credit Union League, and the annual report on County Business Patterns issued by the U.S. Bureau of the Census. Historical Statistics of Hawaii, Sections 22 and 23, provides information for earlier periods. Comparable Mainland data appear in Sections 16 and 17 of Statistical Abstract of the United States: 1989.