



NATIVE HAWAIIANS IN HAWAII'S TOURISM SECTOR – 2023 UPDATE

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Development and Tourism

State of Hawaii

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Executive Summary

Between 2017 and 2021, an average of 47,431 Native Hawaiians worked in tourism intensive industries per year. There was a slight decline in the number of Native Hawaiians who worked in the tourism sector (2.6%), and in the number of tourism sector workers overall (3.2%), compared to the 2015-2019 period. This is consistent with the updated data including 2020, the year the COVID-19 pandemic was declared, as well as tourism's continued recovery from the effects of the pandemic. The share of Native Hawaiians in the tourism sector remained constant at 19.8 percent of total workers, and Native Hawaiian workers in tourism intensive industries accounted for 35.5 percent of Native Hawaiian workers in all the industries, compared to 36.5 percent between 2015-2019.

Compared with all the employees in the tourism intensive industries, Native Hawaiian workers were generally younger, more likely to be single, and more likely to have a high school diploma (but less likely to have a bachelor's degree or graduate or professional degree). The average earnings of Native Hawaiian workers is generally lower than the average earnings of all workers in the state's tourism intensive industries. More Native Hawaiians were wage and salary employees, including government employees, at 95.4 percent of workers compared to 90.9 percent for all workers in tourism intensive industries.

The top five occupations for Native Hawaiian workers in the tourism sector were in sales, food preparation and serving, transportation and material moving, office administration, and management. However, in terms of Native Hawaiians' share in the occupation category for tourism intensive industries, legal occupations had the largest share of Native Hawaiians at 58.5 percent; followed by life, physical, and social sciences at 32.2 percent; architecture and engineering at 27.5 percent; transportation and material moving at 27.4 percent; and production at 21.8 percent.

Native Hawaiians in Hawaii's Tourism Sector

This report is an overview of Native Hawaiians who were employed in Hawaii's tourism sector¹. The focus of the report is on five tourism intensive industries: accommodation and food services; arts, entertainment, and recreation; real estate and rental and leasing; retail trade; and transportation and warehousing. The data used is from the U.S. Census Bureau, 2017-2021 American Community Survey (ACS) 5-year Public Use Microdata Sample (PUMS). This updated data includes the year 2020, during which COVID-19 pandemic was declared, and 2021, during which tourism continued to recover from the effects of the pandemic. For the purposes of this report, Native Hawaiians are defined using the "RACNH" variable in the PUMS.²

Demographic Characteristics

From 2017 to 2021, an average of 47,431 Native Hawaiians were employed in Hawaii's tourism sector, accounting for just under 20 percent of the sector's 239,307 employees.³ There were slightly more male workers compared to female workers both among Native Hawaiians and among all workers in the tourism sector.

On average, Native Hawaiian employees tended to be younger than all employees in the tourism sector; over half (59.3 percent) of Native Hawaiians in the tourism industry were under the age of 40, compared with 47.4 percent of all employees in tourism.

Figure 1. Native Hawaiians in the tourism sector by gender

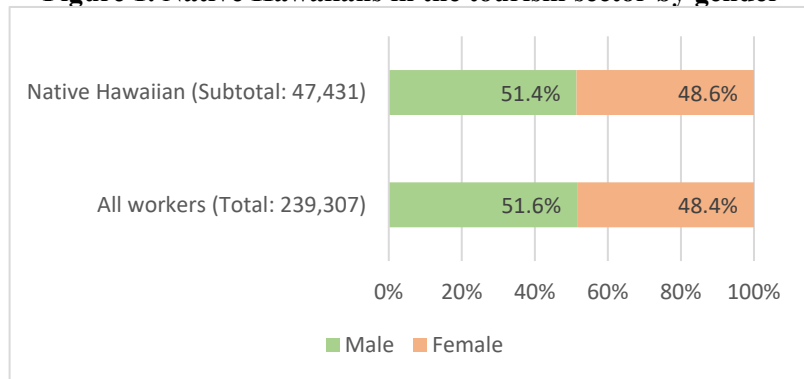
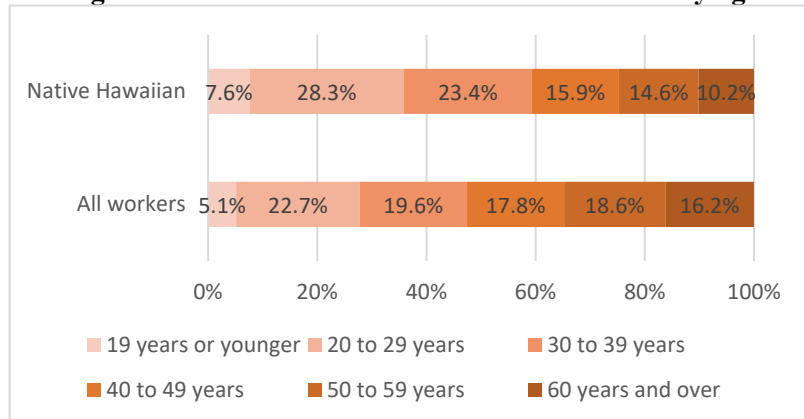


Figure 2. Native Hawaiians in the tourism sector by age



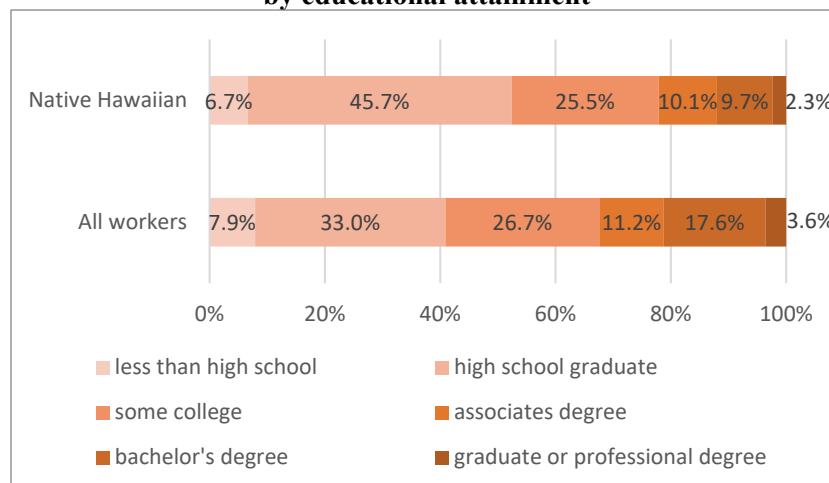
¹ According to the North American Industry Classification System (NAICS), tourism is not classified as an industry. Most tourism studies define tourism as a sector which consists of the partial assignment of industries such as accommodation, food services, retail trade, transportation, and so on. This report looks at five tourism intensive industries. According to the Hawaii Department of Business, Economic Development and Tourism (DBEDT) 2017 Input-Output model, these five industries accounted for about 90.5 percent of all visitor expenditures.

² "RACNH" is a variable indicating whether the respondent identified as Native Hawaiian alone or in combination with one or more races.

³ This report includes data for all civilians employed in the State of Hawaii, with a focus on tourism-intensive industries. It does not include those who were in the armed forces, unemployed, or not in the labor force.

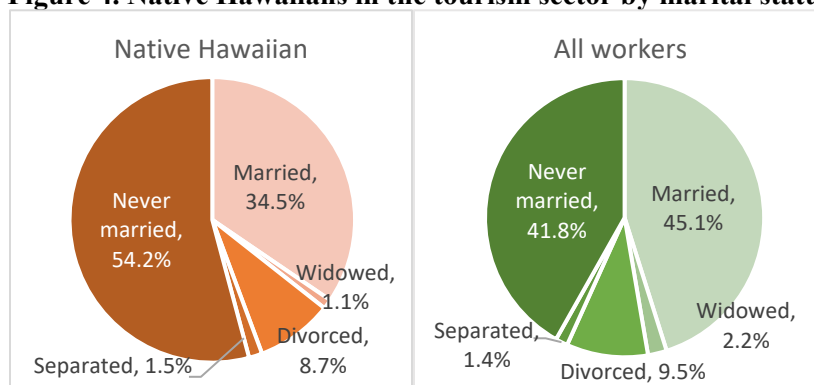
Just under half of Native Hawaiian employees in the tourism sector had an educational attainment of high school graduate, compared with almost one third of all employees in tourism. Shares of employees with some college education, or with an associate's degree were similar between Native Hawaiian and all workers. However, 12 percent of Native Hawaiian employees had a bachelor's, graduate, or professional degree, compared with over 21 percent among all tourism industry workers in Hawaii.

Figure 3. Native Hawaiians in the tourism sector by educational attainment



More than half of Native Hawaiian employees were never married, over 10 percentage points higher than for all workers. This may be related to the fact that Native Hawaiian employees were younger, on average, than all workers in Hawaii's tourism sector.

Figure 4. Native Hawaiians in the tourism sector by marital status



Employment and Earnings by Industry

In Hawaii's tourism sector, the accommodation and food services industry had the largest group of Native Hawaiian workers, 16,024 in total, followed by the retail industry, where 15,805 Native Hawaiians were employed. In both the arts, entertainment, and recreation industry and the real estate and rental and leasing industry, there were less than 4,000 Native Hawaiians.

Across all five industries, most Native Hawaiians were employed in Honolulu County, followed by Maui, Kalawao and Kauai County⁴, except in the retail trade and transportation and

⁴ In the U.S. Census American Community Survey data, Maui, Kalawao and Kauai Counties are combined. The U.S. Census Bureau recognizes Kalawao as a County according to the Kalaupapa settlement in the 1880's.

warehousing industries where Hawaii County had more Native Hawaiian workers than Maui, Kalawao and Kauai County.

Figure 5. Employment of Native Hawaiians in the tourism sector by industry and county

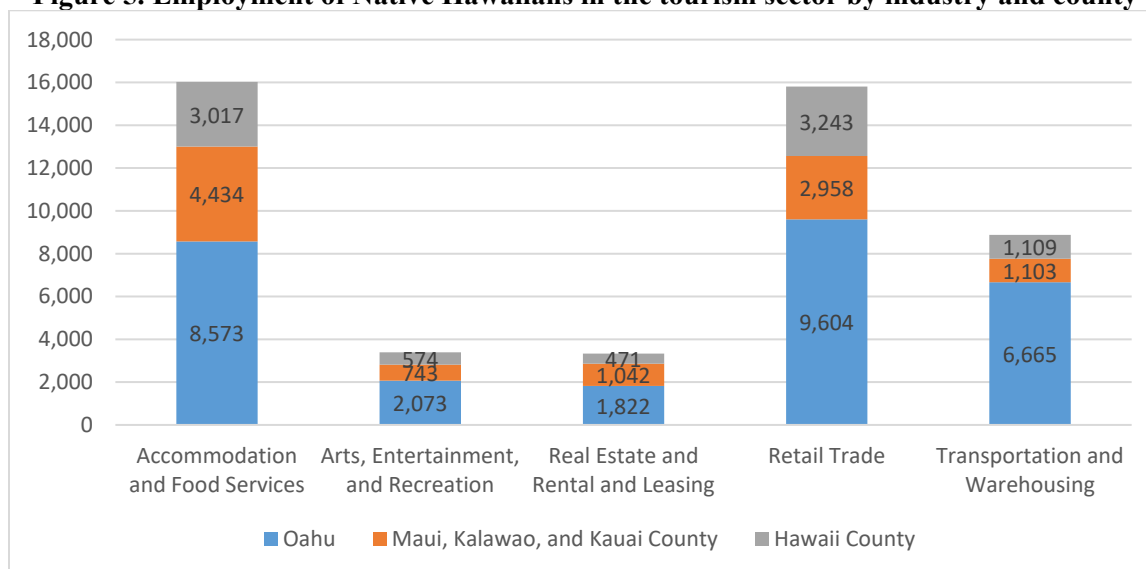


Table 1. Employment of Native Hawaiians in the tourism sector by industry and county

| Industry | Native Hawaiian | | | | All workers | | | |
|-------------------------------------|-----------------|---------------------------------|---------------|----------------|----------------|---------------------------------|---------------|----------------|
| | Oahu | Maui, Kalawao, and Kauai County | Hawaii County | Total | Oahu | Maui, Kalawao, and Kauai County | Hawaii County | Total |
| Accommodation and Food Services | 8,573 | 4,434 | 3,017 | 16,024 | 56,579 | 23,795 | 11,924 | 92,298 |
| Arts, Entertainment, and Recreation | 2,073 | 743 | 574 | 3,390 | 9,790 | 4,454 | 2,695 | 16,939 |
| Real Estate and Rental and Leasing | 1,822 | 1,042 | 471 | 3,335 | 11,432 | 5,654 | 3,629 | 20,715 |
| Retail Trade | 9,604 | 2,958 | 3,243 | 15,805 | 50,940 | 12,107 | 10,775 | 73,822 |
| Transportation and Warehousing | 6,665 | 1,103 | 1,109 | 8,877 | 27,596 | 4,782 | 3,155 | 35,533 |
| Tourism subtotal | 28,737 | 10,280 | 8,414 | 47,431 | 156,337 | 50,792 | 32,178 | 239,307 |
| Total | 85,882 | 23,403 | 24,506 | 133,791 | 472,130 | 116,967 | 89,431 | 678,528 |

In Hawaii's tourism sector, 89.2 percent of Native Hawaiians were private sector wage and salary ("W&S") workers, compared with 85.8 percent of all employees in tourism.⁵ The percentage of private sector wage and salary workers tends to be higher in tourism compared to all industries, among both Native Hawaiian and all workers. The share of government workers is lower in tourism compared to the total of all industries. Approximately six percent of Native Hawaiian workers and five percent of all workers in the tourism sector were government employees. Across all industries, 21.5 percent of Native Hawaiians and 20.5 percent of all workers, were government employees.

Figure 6. Employment status of Native Hawaiians in the tourism sector by industry

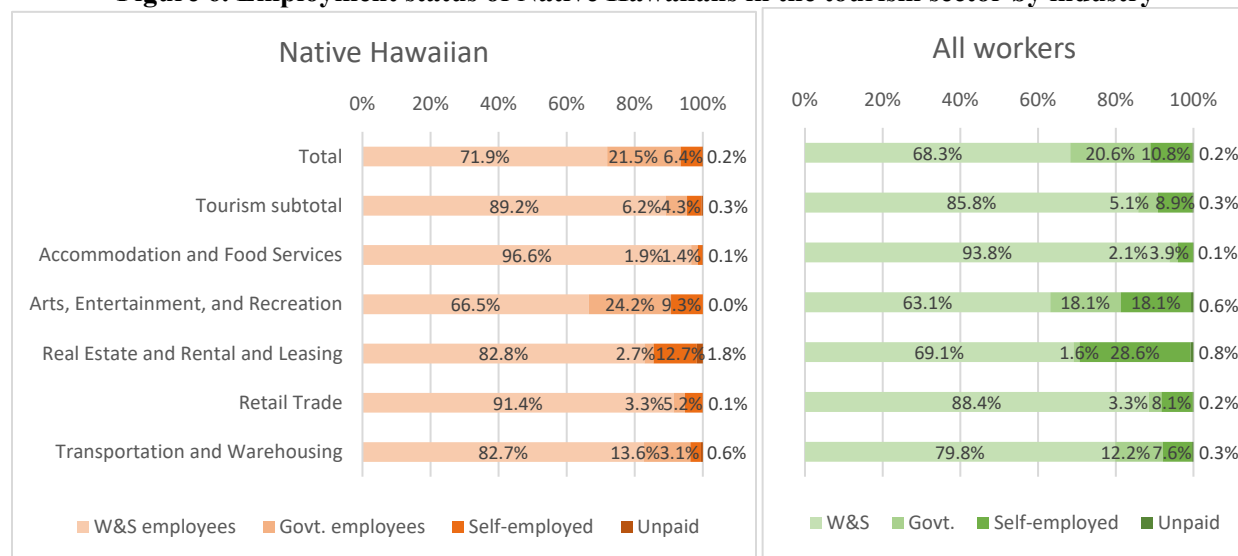


Table 2. Employment status of Native Hawaiians in the tourism sector by industry

| Industry | Native Hawaiian | | | | | All workers | | | | |
|-------------------------------------|-----------------|---------------|---------------|------------|----------------|----------------|----------------|---------------|--------------|----------------|
| | W&S | Govt. | Self-employed | Unpaid | Total | W&S | Govt. | Self-employed | Unpaid | Total |
| Accommodation and Food Services | 15,480 | 308 | 219 | 17 | 16,024 | 86,598 | 1,970 | 3,618 | 112 | 92,298 |
| Arts, Entertainment, and Recreation | 2,254 | 820 | 316 | 0 | 3,390 | 10,692 | 3,071 | 3,070 | 106 | 16,939 |
| Real Estate and Rental and Leasing | 2,763 | 90 | 423 | 59 | 3,335 | 14,318 | 324 | 5,916 | 157 | 20,715 |
| Retail Trade | 14,451 | 522 | 818 | 14 | 15,805 | 65,291 | 2,433 | 5,986 | 112 | 73,822 |
| Transportation and Warehousing | 7,343 | 1,211 | 274 | 49 | 8,877 | 28,371 | 4,345 | 2,700 | 117 | 35,533 |
| Tourism subtotal | 42,291 | 2,951 | 2,050 | 139 | 47,431 | 205,270 | 12,143 | 21,290 | 604 | 239,307 |
| Total | 96,229 | 28,824 | 8,522 | 216 | 133,791 | 463,308 | 140,014 | 73,569 | 1,637 | 678,528 |

For each tourism intensive industry, the share of private sector wage and salary workers among Native Hawaiians was higher than for all workers. The accommodation and food service industry saw the greatest share of wage and salary workers, with 96.6 percent among Native Hawaiians and

⁵ In prior reports regarding Native Hawaiians in Hawaii's Tourism Sector, wage and salary employees included both private sector wage and salary employees and government employees. This report disaggregates the reporting of wage and salary workers into those who work for the government and those who work for the private sector.

93.8 percent among all workers. Among the tourism intensive industries, the highest share of government workers was in Arts, Entertainment, and Recreation, at 24.2% of Native Hawaiian workers and 18.1% of all workers. The largest share of self-employed workers was in the Real Estate and Rental and Leasing industry, with 12.7% of Native Hawaiian workers and 28.6% of all workers being self-employed. Relatively few Native Hawaiians were unpaid workers, accounting for less than 0.3 percent of all Native Hawaiians workers in tourism.

Figure 7. Full-time/part-time status of Native Hawaiians in the tourism sector by industry

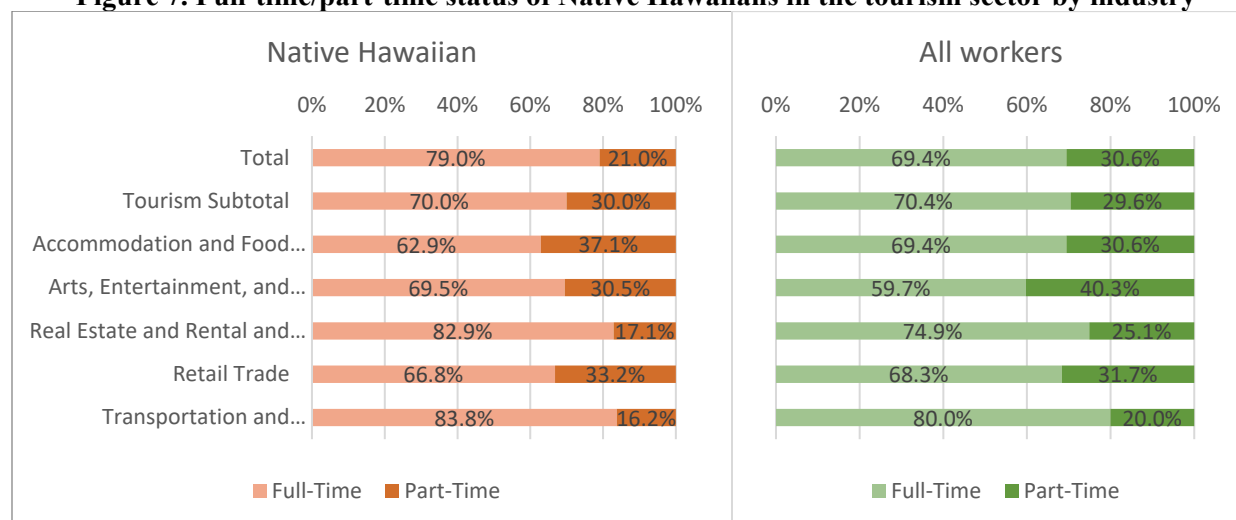


Table 3. Full-time/part-time status of Native Hawaiians in the tourism sector by industry

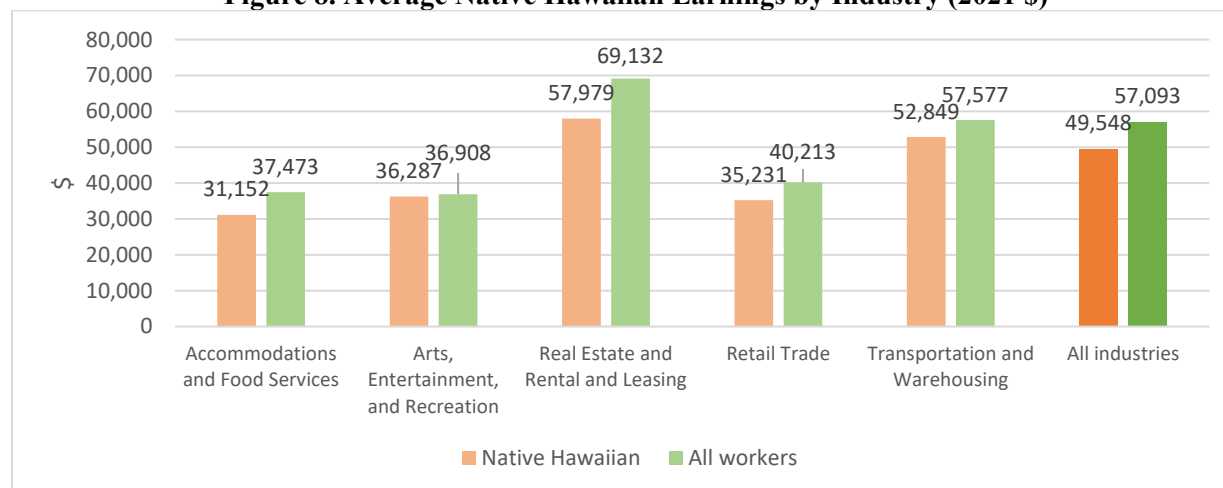
| Industry | Native Hawaiian | | | All workers | | |
|-------------------------------------|-----------------|---------------|----------------|----------------|----------------|----------------|
| | Full-Time | Part-Time | Total | Full-Time | Part-Time | Total |
| Accommodation and Food Services | 10,075 | 5,949 | 16,024 | 64,088 | 28,210 | 92,298 |
| Arts, Entertainment, and Recreation | 2,356 | 1,034 | 3,390 | 10,121 | 6,818 | 16,939 |
| Real Estate and Rental and Leasing | 2,765 | 570 | 3,335 | 15,520 | 5,195 | 20,715 |
| Retail Trade | 10,557 | 5,248 | 15,805 | 50,429 | 23,393 | 73,822 |
| Transportation and Warehousing | 7,435 | 1,442 | 8,877 | 28,414 | 7,119 | 35,533 |
| Tourism subtotal | 33,188 | 14,243 | 47,431 | 168,572 | 70,735 | 239,307 |
| Total | 105,722 | 28,069 | 133,791 | 529,420 | 149,108 | 678,528 |

While Native Hawaiians were more likely to be full-time workers among all industries relative to all workers, the percentages of full-time and part-time workers in the tourism sector are similar for both Native Hawaiian and all workers.⁶ Native Hawaiian workers in the accommodations and food services industry worked part-time over 6 percentage points more than all workers. In retail trade, Native Hawaiians were slightly less likely to work full-time, by around 1.5 percentage

⁶ For the purposes of this report, full-time work is defined as usually working 35 or more hours per week.

points. Native Hawaiians were more likely to work full time in the Arts, Entertainment and Recreation; Real Estate and Rental and Leasing; and Transportation and Warehousing industries.

Figure 8. Average Native Hawaiian Earnings by Industry (2021 \$)



The average earnings of Native Hawaiian workers was lower than the average earnings of all workers in each of the tourism intensive industries.⁷ Looking across all industries, the average earnings for Native Hawaiian workers was about \$7,500 less than the average earnings for all workers. Average earnings in accommodations and food services; arts, entertainment, and recreation; and retail trade are lower compared to the state average earnings whether Native Hawaiian workers or all workers are considered. Jobs in accommodations and food services and retail trade comprise over two-thirds of the total employment in the tourism intensive industries.

Employment and Earnings by Occupation

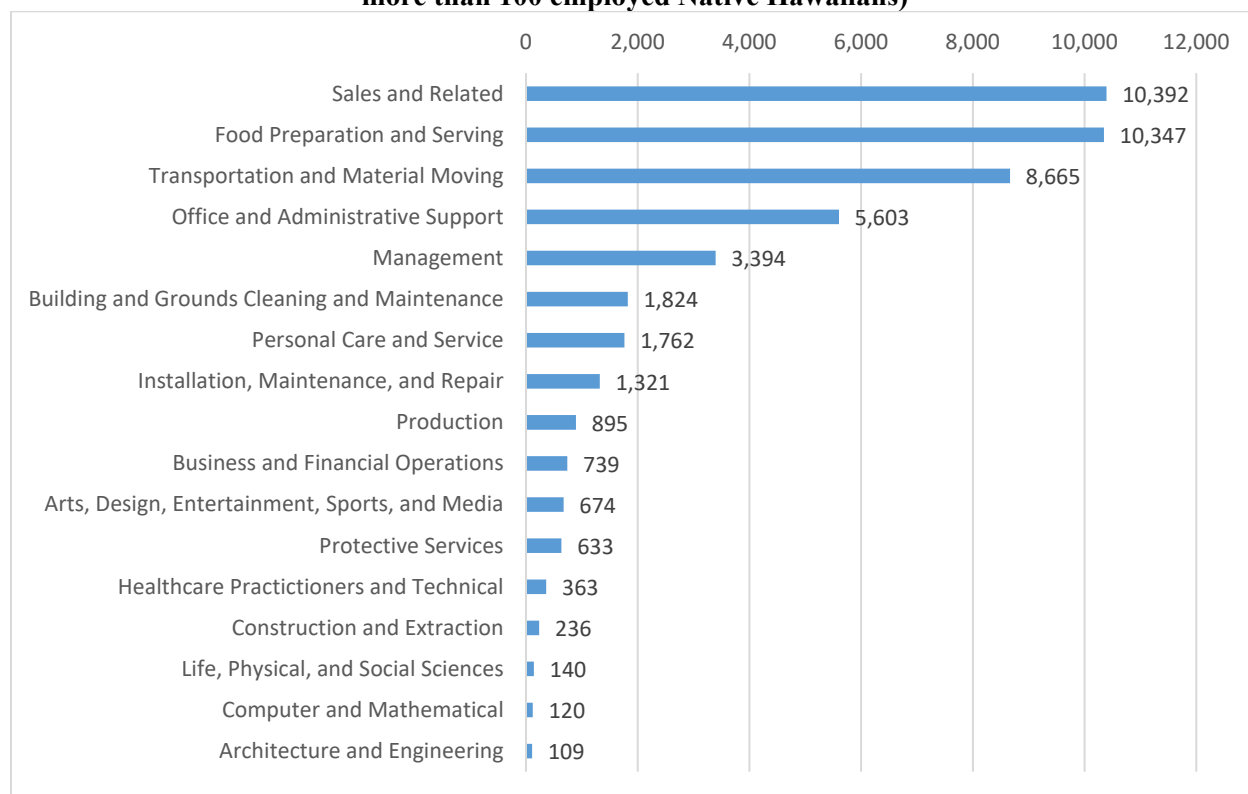
Of those Native Hawaiians employed in Hawaii's tourism sector, more had sales and related jobs than any other occupation.⁸ Between 2017 and 2021, an average of 10,392 Native Hawaiians worked in sales and related jobs. Food preparation and serving followed closely as the next most populated occupation, with 10,347 Native Hawaiian workers. Transportation and material moving occupations was third, with 8,665 Native Hawaiians employed, followed by office and administrative support, with 5,603 Native Hawaiians employed.⁹

⁷ Average earnings include wage and salary income as well as self-employment income. The average earnings of both full-time and part-time employees are included.

⁸ In 2018, the Standard Occupational Classification (SOC) system was updated. Accordingly, caution is advised when doing comparisons of occupations between the 2017 report and subsequent reports. For more information, see "2018 Standard Occupation Classification System", available at https://www.bls.gov/soc/2018/major_groups.htm.

⁹ Note that occupation categories are distinct from industry categories. For example, the Arts, Design, Entertainment industry (NAICS 71) may include workers with occupations in Arts, Design, Entertainment, Sports, and Media (SOC 27-0000) as well as in personal care and service (SOC 39-0000), building and grounds cleaning and maintenance (SOC 37-0000), management (SOC 11-0000), sales and related (SOC 41-0000), etc.

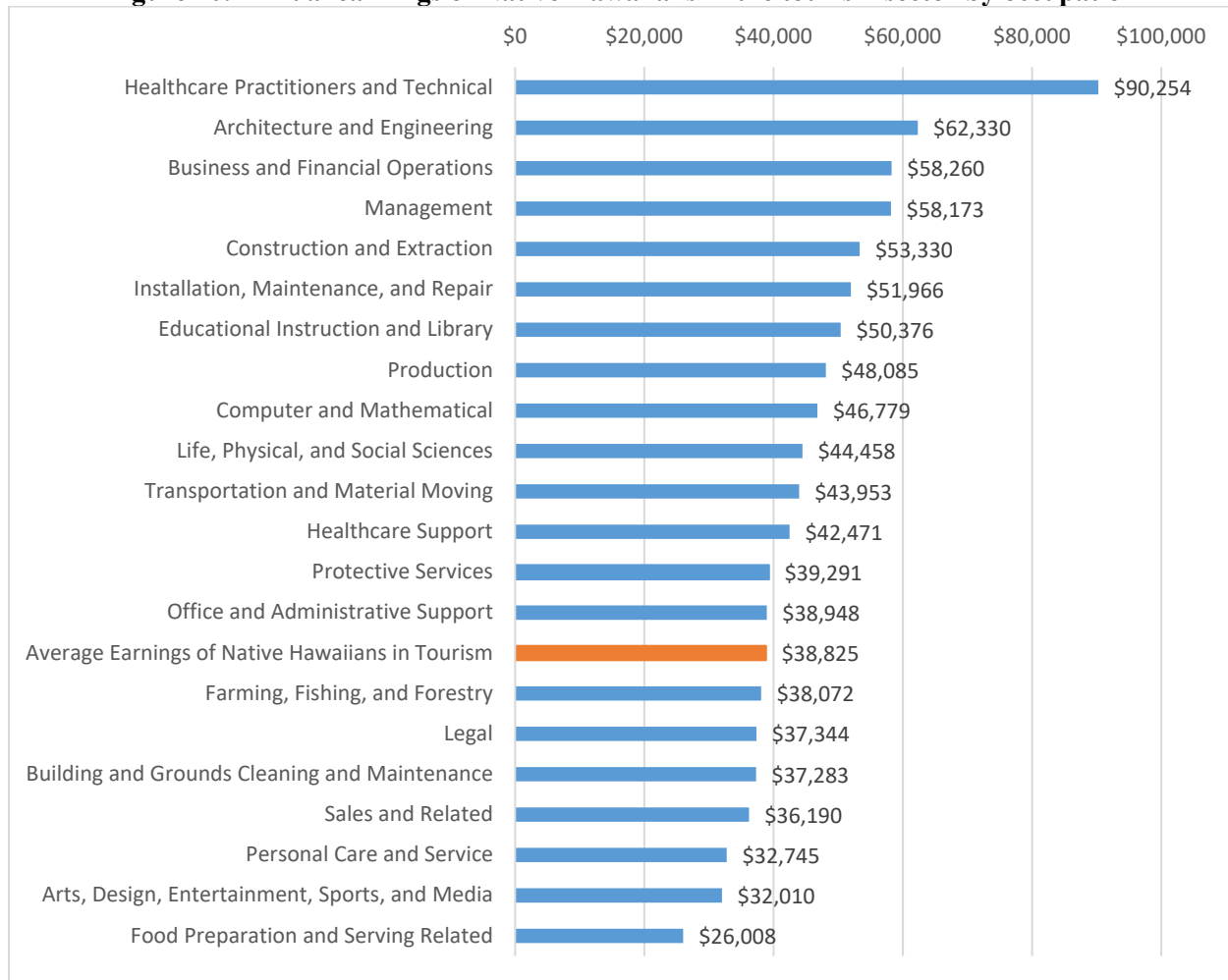
Figure 9. Employment of Native Hawaiians in the tourism sector by occupation (occupations with more than 100 employed Native Hawaiians)



In these four most common occupations by Native Hawaiians, transportation and material moving and office and administrative support occupations had average annual earnings above the average annual earnings of Native Hawaiians in the tourism sector of \$38,825; sales and related occupations and food preparation and serving occupations had average annual earnings below this average. By comparison, the three highest paid occupations for Native Hawaiians in the tourism sector – healthcare practitioners and technical, architecture and engineering, and business and financial operations – employed fewer workers (363, 109, and 739 Native Hawaiian workers, respectively).¹⁰

¹⁰ Average earnings may change significantly between surveys due to variations in the sample size and the composition of full-time and part-time workers, as well as due to the composition of sub-occupations within higher level occupation groups.

Figure 10. Annual earnings of Native Hawaiians in the tourism sector by occupation



On average, Native Hawaiians in the tourism industry were paid approximately 12 percent less than the average worker in the tourism industry, around \$38,825 compared to \$44,004. Native Hawaiians who worked in farming, fishing, and forestry, healthcare practitioner and technical, and education instruction and library occupations were paid the most when compared to all workers in those respective occupations, as much as 45 percent more for in farming, fishing, and forestry occupations. Conversely, Native Hawaiians in the tourism industry were paid significantly less in the management, sales and related, and computer and mathematical occupations. In management occupations, Native Hawaiians in the tourism sector were paid 74.9% percent of the average worker's income (\$58,173 compared to \$77,650).

Table 4. Employment and average earnings of Native Hawaiians in the tourism sector by occupation

| Occupation | Employment | | | Average earnings (\$) | | |
|--|-----------------|----------------|------------------|-----------------------|---------------|------------------|
| | Native Hawaiian | State Total | NH as % of State | Native Hawaiian | State Total | NH as % of State |
| Architecture and Engineering | 109 | 397 | 27.5% | 62,330 | 69,284 | 90.0% |
| Arts, Design, Entertainment, Sports, and Media | 674 | 4,796 | 14.1% | 32,010 | 31,990 | 100.1% |
| Building and Grounds Cleaning and Maintenance | 1,824 | 14,565 | 12.5% | 37,283 | 37,681 | 98.9% |
| Business and Financial Operations | 739 | 4,491 | 16.5% | 58,260 | 63,593 | 91.6% |
| Community and Social Services | 0 | 64 | 0.0% | - | 20,821 | - |
| Computer and Mathematical | 120 | 851 | 14.1% | 46,779 | 55,456 | 84.4% |
| Construction and Extraction | 236 | 1,239 | 19.0% | 53,330 | 62,664 | 85.1% |
| Educational Instruction and Library | 40 | 1,131 | 3.5% | 50,376 | 42,307 | 119.1% |
| Farming, Fishing, and Forestry | 31 | 245 | 12.7% | 38,072 | 26,256 | 145.0% |
| Food Preparation and Serving Related | 10,347 | 53,096 | 19.5% | 26,008 | 29,367 | 88.6% |
| Healthcare Practitioners and Technical | 363 | 1,933 | 18.8% | 90,254 | 67,200 | 134.3% |
| Healthcare Support | 81 | 713 | 11.4% | 42,471 | 36,615 | 116.0% |
| Installation, Maintenance, and Repair | 1,321 | 6,067 | 21.8% | 51,966 | 58,545 | 88.8% |
| Legal | 62 | 106 | 58.5% | 37,344 | 42,445 | 88.0% |
| Life, Physical, and Social Sciences | 140 | 435 | 32.2% | 44,458 | 48,954 | 90.8% |
| Management | 3,394 | 22,331 | 15.2% | 58,173 | 77,650 | 74.9% |
| Office and Administrative Support | 5,603 | 26,167 | 21.4% | 38,948 | 40,787 | 95.5% |
| Personal Care and Service | 1,762 | 8,126 | 21.7% | 32,745 | 30,890 | 106.0% |
| Production | 895 | 4,097 | 21.8% | 48,085 | 41,097 | 117.0% |
| Protective Services | 633 | 2,905 | 21.8% | 39,291 | 36,950 | 106.3% |
| Sales and Related | 10,392 | 53,872 | 19.3% | 36,190 | 45,770 | 79.1% |
| Transportation and Material Moving | 8,665 | 31,680 | 27.4% | 43,953 | 45,601 | 96.4% |
| Total – Tourism Sector | 47,431 | 239,307 | 19.8% | 38,825 | 44,004 | 88.2% |