

QUARTERLY STATISTICAL & ECONOMIC REPORT,

Executive Summary

3rd Quarter 2008

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DBEDT
THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
STATE OF HAWAII



This *Quarterly Statistical and Economic Report* has been prepared by the staff of the Research and Economic Analysis Division of the State Department of Business, Economic Development & Tourism (DBEDT). The report provides concise statistical information and analyses on Labor, Income and Prices, Taxes, Tourism, Construction, and other indicators, as well as an overview of the State of Hawaii and the four counties.

Technical notes and source descriptions have been kept to a minimum. However, the staff of the Research and Economic Analysis Division would be happy to respond to any inquiries of a technical nature that readers may have (586-2466). The quarterly information contained in this report reflects data received by the Research Division on or before August 14, 2008.

On-line availability of *Quarterly Statistical and Economic Report*

Since 1988, the Hawaii Department of Business, Economic Development & Tourism has had the *State of Hawaii Data Book* available on-line to anyone with a personal computer and a modem. Since 1997, the *Quarterly Statistical and Economic Report*, *State of Hawaii Data Book* and other DBEDT publications and information have been made available via the Internet at <http://www.hawaii.gov/dbedt/>.

Printing of the *QSER* was discontinued in March 2000. The full version and a *QSER Executive Summary* will be available on-line at http://www.hawaii.gov/dbedt/info/economic/data_reports/qser/.

For further information about available data and sources, users should call the Research and Economic Analysis Division Library at (808) 586-2424.

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STATE OF THE ECONOMY

Indicators for Hawaii's economy were mixed in the second quarter of 2008. Total civilian employment and total civilian wage and salary jobs showed positive growth in the second quarter of 2008 over that of 2007, albeit at slower rates than in the previous quarters. Total tax collections distributed to the State general fund revenues, visitor arrivals and visitor expenditures, and new private building authorizations however, decreased for the quarter.

In the second quarter of 2008, the civilian labor force totaled 664,950, an increase of 14,650 or 2.3 percent from the same quarter of 2007. In 2007, civilian labor force grew 0.2 percent over 2006.

Civilian employment in Hawaii increased in the second quarter of 2008 to 640,350, an increase of 7,150 or 1.1 percent from that in the second quarter of 2007. In 2007, total civilian employment remained about the same as that in 2006.

The number of civilian unemployed averaged 24,600 in the second quarter of 2008, a 43.4 percent increase from the second quarter of 2007. As a result, the unemployment rate increased from 3.0 percent in the second quarter of 2007 to 3.7 percent in the second quarter of 2008 – the increase due to rapid increase in civilian labor force. In 2007, the number of unemployed averaged 17,150, the second lowest since 1991.

In the second quarter of 2008, Hawaii's civilian wage and salary jobs increased 0.4 percent to 633,800, or 2,300 jobs over the second quarter of 2007. Professional and Business Services added the most jobs in the second quarter of 2008, an increase of 1,500 jobs or 2.0 percent, followed by Retail Trade with 950 jobs or 1.4 percent, Health Care and Social Assistance with 850 jobs or 1.4 percent, and Educational Services with 800 jobs or 5.5 percent. In 2007, wage and salary jobs were up 1.0 percent from 2006.

In the first quarter of 2008, total nominal personal income increased \$2,642 million or 5.3 percent from the same quarter of 2007. The greatest growth was in Dividends, Interest, and Rent (9.2 percent), followed by Supplements to Wages and Salaries (6.1 percent), Personal Current Transfer Receipts (4.9 percent), and Wage and Salary Disbursements (4.9 percent). Contributions for

Government Social Insurance, which is subtracted from personal income, increased 5.6 percent. For 2007, total personal income increased 6.2 percent from 2006.

In the first half of 2008, Honolulu's consumer price increased 4.9 percent – slightly lower than the 5.0 percent increase in the first half of last year.

For the second quarter of 2008, total tax collections distributed to the State general funds totaled \$1,231.9 million, a \$63.3 million or 4.9 percent decrease over the second quarter of 2007. General Excise and Use Tax (GET) revenues totaled \$641.1 million, a decrease of \$20.9 million or 3.2 percent. Net Individual Income Tax revenues decreased \$29.5 million or 6.0 percent to \$459.0 million. Transient Accommodations Tax (TAT) revenues were down \$9.0 million or 14.0 percent. In 2007, State general fund tax revenues totaled \$4,683.1 million, up \$160.8 million or 3.6 percent from 2006.

Hawaii's tourism sector changed from positive growth in the first quarter of 2008 to negative growth in the second quarter of 2008. The total number of visitors arriving by air to Hawaii decreased 10.1 percent in the second quarter of 2008 compared to the same quarter of 2007. Total average daily census was down 10.0 percent. In 2007, total arrivals were down 0.4 percent, while average daily census was about the same as that of 2006. Comparing second quarters of 2007 and 2008, average hotel occupancy rate was down 3.0 percentage points to 69.0 percent. In 2007, hotel occupancy averaged 75.3 percent, down 4.2 percentage points from 2006.

The second quarter indicators of Hawaii's construction industry were mixed. Construction jobs increased 1.7 percent; however, the value of private building authorizations decreased 3.4 percent in the second quarter of 2008 compared to the same quarter of 2007. In the existing housing market, while the median resale prices of single-family units decreased, the median resale prices of condominium units increased slightly in the second quarter of 2008 compared to the same quarter in 2007. However, the numbers of unit resales were down substantially for both single-family and condominium unit.

**Table 1. 2008 QUARTERLY ECONOMIC INDICATORS:
STATE OF HAWAII**

SERIES	UNIT	2nd QUARTER 2008		YEAR-TO-DATE 2008	
		NUMBER	% CHANGE YEAR AGO	NUMBER	% CHANGE YEAR AGO
Civilian labor force 1/	Persons	664,950	2.3	659,450	1.2
Civilian employed	Persons	640,350	1.1	637,350	0.3
Civilian unemployed	Persons	24,600	43.4	22,100	38.1
Unemployment rate 1/ 2/	%	3.7	1.1	3.4	0.9
Total wage and salary jobs	Jobs	633,800	0.4	633,650	0.6
Total non-agriculture wage and salary jobs	Jobs	627,600	0.4	627,350	0.7
Nat. Resources, Mining, Constr.	Jobs	39,350	1.7	39,500	3.3
Manufacturing	Jobs	15,200	-0.3	15,150	-1.0
Wholesale Trade	Jobs	18,500	0.8	18,550	1.4
Retail Trade	Jobs	70,550	1.4	70,400	0.9
Transp., Warehousing, Util.	Jobs	29,850	-9.1	31,100	-5.3
Information	Jobs	10,850	-0.5	10,700	-1.4
Financial Activities	Jobs	29,950	-0.3	29,950	-0.3
Professional & Business Services	Jobs	77,250	2.0	77,100	1.8
Educational Services	Jobs	15,300	5.5	15,150	5.9
Health Care & Social Assistance	Jobs	59,600	1.4	59,300	1.5
Arts, Entertainment & Recreation	Jobs	11,500	-5.0	11,400	-4.6
Accommodation	Jobs	38,450	-2.5	38,800	-1.8
Food Services & Drinking Places	Jobs	59,000	-0.4	58,700	-0.1
Other Services	Jobs	27,100	2.3	26,950	2.5
Government	Jobs	125,150	1.8	124,700	1.4
Federal	Jobs	31,850	0.6	31,650	-0.6
State	Jobs	74,850	1.8	74,800	1.9
Local	Jobs	18,450	3.7	18,300	3.1
Agriculture wage and salary jobs	Jobs	6,200	-5.3	6,300	-5.3
State general fund revenues	\$1,000	1,231,862	-4.9	2,370,406	-1.7
General excise and use tax revenues	\$1,000	641,149	-3.2	1,319,638	-0.4
Income-individual	\$1,000	459,040	-6.0	795,394	-4.1
Declaration estimated taxes	\$1,000	199,732	-6.6	301,549	-3.3
Payment with returns	\$1,000	132,466	16.8	146,152	-18.9
Withholding tax on wages	\$1,000	324,976	-1.4	690,267	9.2
Refunds ('-' indicates relative to State)	\$1,000	-198,134	17.7	-342,575	16.5
Transient accommodations tax	\$1,000	54,829	-14.0	116,781	-2.6
Honolulu County Surcharge 3/	\$1,000	48,772	23.2	93,195	73.2
Visitor Days - by air	Days	15,123,791	-10.0	32,813,756	-4.1
Domestic visitor days - by air	Days	12,206,090	-11.2	26,103,878	-4.1
International visitor days - by air	Days	2,917,701	-4.9	6,709,878	-4.2
Visitor arrivals by air - by air	Persons	1,668,307	-10.1	3,499,442	-5.0
Domestic flight visitors - by air	Persons	1,251,140	-12.8	2,596,332	-5.9
International flight visitors - by air	Persons	417,167	-1.2	903,110	-2.4
Hotel occupancy rates 2/	%	69.0	-3.1	73.8	-0.9
Visitor expenditures - arrivals by air	\$1,000	2,751,683	-8.7	5,923,104	-3.4

1/ Labor force and jobs are Hawaii DLIR monthly and annual data. Quarterly averages computed by the Hawaii DBEDT.

2/ Change represents absolute change in rates rather than percentage change in rates.

3/ 0.5% added to the general excise tax to pay for O'ahu's mass transit system and took effect January 1, 2007.

Includes taxpayers who have business activities on Oahu but whose businesses are located outside Oahu.

Source: Hawaii State Department of Business, Economic Development, & Tourism <<http://www.hawaii.gov/dbedt/inf/>>, Hawaii State Department of Labor & Industrial Relations <<http://www.hiwi.org/cgi/dataanalysis/?PAGEID=94>>; Hawaii State Department of Taxation <http://www.hawaii.gov/tax/a5_3txcolrpt.htm> and Hospitality Advisors, LLC.

OUTLOOK FOR THE ECONOMY

In its latest quarterly economic report, the Department of Business, Economic Development & Tourism (DBEDT) forecasts modest growth in most of Hawaii's economy in 2008 and 2009. Personal income, total wage and salary jobs, and state gross domestic product (GDP) are all forecast to grow, although the rates of growth have been lowered from the previous forecast. Visitor arrivals and visitor expenditures are expected to decrease substantially in 2008, but will stabilize in 2009.

The 2008 forecast for real (inflation-adjusted) personal income growth is estimated to be 0.4 percent, down from 0.8 percent in the previous forecast. For 2009, real personal income growth is projected to be 0.8 percent, a 0.3 of a percentage point decrease from the last forecast. These decreases in real income growth forecasts mainly reflect the revised higher inflation forecasts in both 2008 and 2009.

In 2008, the Honolulu Consumer Price Index (CPI) is expected to rise 4.5 percent, 0.3 of a percentage point higher than in the previous forecast. The projected CPI growth for 2009 is 3.5 percent, up 0.2 of a percentage point from the previous forecast.

Hawaii's real GDP is projected to grow 1.9 percent and 2.0 percent, respectively, in 2008 and 2009, down 0.4 and 0.2 of a percentage point, respectively, from the previous forecast.

The future outlook for Hawaii's economy will depend on the growth of the Mainland U.S. and Japanese economies. In response to a stream of weaker-than-expected economic data in recent months, continued weakness in the housing market, further signs of tightening credit conditions and continued problems in the financial market, the consensus forecast for the U.S. economic growth has changed over the past month. According to the July 2008 *Blue Chip Economic Consensus Forecasts*, the real GDP growth for the U.S. is now expected to be 1.6 percent in 2008, up 0.1 of a percentage point from the forecast in June 2008. The forecast of 2009 real GDP growth was down 0.2 of a percentage

point to 1.7 percent. For Japan, real GDP growth is projected to be 1.4 percent in 2008 and 1.6 percent in 2009. The 2008 real GDP growth forecast is the same as the previous forecast but the 2009 forecast is 0.1 of a percentage point higher than the previous forecast. The latest forecast for U.S. consumer price inflation is 4.2 percent for 2008 and 2.9 percent for 2009.

Based on the data through the second quarter of 2008 and the outlook in coming months, total visitor arrivals are now expected to decline 6.7 percent in 2008, in contrast to a 3.0 percent decrease in the last forecast. Visitor days are now expected to decrease 6.4 percent in 2008, as compared to 2.4 percent decrease projected earlier. The 2008 forecast for total nominal (current dollar) visitor expenditures growth is revised from positive 0.5 percent in the previous forecast to negative 6.4 percent. For 2009, both visitor arrivals and visitor days are predicted to decrease 0.8 percent, while the visitor expenditures are forecast to increase 2.9 percent from 2008.

Construction completed, as defined as the contracting tax base, declined by 5.3 percent in the first quarter of 2008. Despite percentage decreases in the value of total new private building authorizations in 2007, permit levels in terms of dollar value still remain high, suggesting continued activity in coming months.

Government construction has continued to grow. The ongoing multi-billion dollar military housing privatization initiative will also contribute to positive growth in Hawaii's construction industry in the coming years. State government capital improvement project (CIP) expenditures also showed double-digit increases.

In response to moderation in job growth in the latest quarter and the impacts of the sudden reduction in airline seats in April, total wage and salary jobs are now expected to grow 0.2 percent in 2008. The 2009 forecast for job growth is also lowered to 0.5 percent.

**ACTUAL AND FORECAST KEY ECONOMIC INDICATORS FOR HAWAII:
2006 TO 2011**

Economic Indicators	2006	2007	2008	2009	2010	2011
	(Actual)		(Forecast)			
Total population (thousands)	1,279	1,283	1,292	1,303	1,316	1,329
Visitor arrivals (thousands) 1/	7,628	7,628	7,116	7,062	7,164	7,284
Visitor days (thousands) 1/	69,885	70,075	65,570	65,056	66,005	67,144
Visitor expenditures (million dollars) 1/	12,492	12,811	11,994	12,339	12,886	13,494
Honolulu CPI-U (1982-84=100)	209.4	219.5	229.4	237.4	244.4	251.2
Personal income (million dollars)	47,340	50,277	52,760	55,051	57,329	59,702
Real personal income (millions of 2000\$) 2/	39,866	40,381	40,551	40,881	41,355	41,896
Total wage & salary jobs (thousands)	624.0	630.1	631.1	634.3	640.4	646.7
Gross domestic product (million dollars)	58,676	61,532	64,692	67,607	70,425	73,318
Real gross domestic product (millions of 2000\$)	48,428	49,860	50,795	51,819	52,816	53,856
Gross domestic product deflator (2000=100)	121.2	123.4	127.4	130.5	133.3	136.1
Annual Percentage Change						
Total population	0.9	0.4	0.7	0.8	1.0	1.0
Visitor arrivals 1/	1.8	0.0	-6.7	-0.8	1.4	1.7
Visitor days 1/	2.4	0.3	-6.4	-0.8	1.5	1.7
Visitor expenditures 1/	4.9	2.6	-6.4	2.9	4.4	4.7
Honolulu CPI-U	5.8	4.9	4.5	3.5	2.9	2.8
Personal income	6.9	6.2	4.9	4.3	4.1	4.1
Real personal income 2/	1.0	1.3	0.4	0.8	1.2	1.3
Total wage & salary jobs	2.5	1.0	0.2	0.5	1.0	1.0
Gross domestic product	7.0	4.9	5.1	4.5	4.2	4.1
Real gross domestic product	3.2	3.0	1.9	2.0	1.9	2.0
Gross domestic product deflator	3.7	1.9	3.2	2.4	2.2	2.1

1/ Visitors who came to Hawaii by air or by cruise ship.

2/ DBEDT calculated using BEA estimate of nominal personal income deflated by U.S. Bureau of Labor Statistics Honolulu CPI-U.

Source: Hawaii State Department of Business, Economic Development & Tourism, August 14, 2008.

COUNTY ECONOMIC CONDITIONS

Overall economic conditions were mixed across counties in the second quarter of 2008. Civilian labor force and employment increased in all counties, except in Maui County; total tax revenues were down in all counties; and wage and salary jobs were up in Honolulu and Kauai, but down in Hawaii and Maui County, compared to the second quarter of 2007 (Tables 2 through 5). The performance of the visitor sector was negative, both total visitor arrivals and total visitor days decreased substantially in all counties. Hotel occupancy rates were also down in all counties. Values of private building permits increased in Maui and Kauai counties, but decreased in Honolulu and Hawaii counties.

In the second quarter of 2008, all neighbor island counties saw significant decreases in General Excise and Use Tax (GET) revenues (excluding the Honolulu County Surcharge); only Honolulu County had a slight increase in GET revenues, compared to the same quarter of 2007. The Net Individual Income Tax collections decreased in all counties for the second quarter. Maui County had the largest decrease (-36.6 percent), followed by Hawaii County (-30.6 percent), Kauai County (-6.2 percent), and Honolulu (-0.7%). In Honolulu, increases in GET revenues were more than offset by decreases in Net Individual Income Tax collections and Transient Accommodation Tax collections, and resulted in net decrease in total tax revenues.

In the second quarter of 2008, Honolulu added 2,100 wage and salary jobs or 0.5 percent increase over the second quarter of 2007. The largest increase occurred in Professional and Business Services (1,250 jobs or 2.1 percent), followed by Natural Resources, Mining, and Construction (850 jobs or 3.3 percent), the State Government (850 jobs or 1.5 percent), Educational Services (700 jobs or 5.7 percent), and Retail Trade (700 jobs or 1.5 percent). The Transportation, Warehousing and Utilities sector was down 2,350 jobs or 9.6 percent; Arts,

Entertainment & Recreation lost 750 jobs; and Accommodation lost 500 jobs in the quarter.

In the second quarter of 2008, Hawaii County lost 50 wage and salary jobs, a 0.1 percent decrease from the second quarter of 2007. Natural Resources, Mining and Construction lost the most (450 jobs), followed by Accommodation (250 jobs), Transportation, Warehousing and Utilities (150 jobs) and Agriculture (150 jobs). The State Government added 300 jobs in the quarter, and the Local Government and the Health Care & Social Assistance sector both added 200 jobs.

Maui County saw a net loss of 550 jobs in the second quarter of 2008, a 0.7 percent decrease from the same quarter of 2007. Accommodation and the Transportation, Warehousing and Utilities sectors lost 600 and 400 jobs, respectively, in the quarter. Professional & Business Services added 250 jobs; and State Government, Retail Trade, and Health Care & Social Assistance each added 150 jobs.

In the second quarter of 2008, Kauai County registered a gain of 650 wage and salary jobs or a 2.1 percent increase from the same quarter last year. Natural Resources, Mining, and Construction and Accommodation both added 300 jobs in the second quarter.

Both total visitor arrivals and visitor days by air decreased substantially in all counties in the second quarter of 2008, compared to the second quarter of 2007.

In the second quarter of 2008, Kauai and Maui counties showed 123.0 percent and 21.9 percent positive growth, respectively, in the value of private building permit (Table E-8), compared to the second quarter of 2007. Honolulu and Hawaii counties showed decreases of 2.2 percent and 39.0 percent, respectively, in the total value of private building authorizations in the quarter.

**Table 2. 2008 QUARTERLY ECONOMIC INDICATORS:
CITY AND COUNTY OF HONOLULU**

SERIES	UNIT	2nd QUARTER 2008		YEAR-TO-DATE 2008	
		NUMBER	% CHANGE YEAR AGO	NUMBER	% CHANGE YEAR AGO
Civilian labor force 1/	Persons	460,400	2.2	456,650	1.1
Civilian employed	Persons	444,600	1.3	442,550	0.4
Civilian unemployed	Persons	15,750	37.0	14,150	31.6
Unemployment rate 1/ 2/	%	3.4	0.9	3.1	0.7
Total wage and salary jobs	Jobs	458,850	0.5	458,700	0.7
Total non-agriculture wage and salary jobs	Jobs	457,350	0.5	457,150	0.7
Nat. Resources, Mining, Constr.	Jobs	26,950	3.3	27,000	4.9
Manufacturing	Jobs	11,800	-0.4	11,750	-0.8
Wholesale Trade	Jobs	14,800	0.7	14,850	1.4
Retail Trade	Jobs	46,700	1.5	46,500	0.4
Transp., Warehousing, Util.	Jobs	22,150	-9.6	23,100	-5.9
Information	Jobs	9,000	0.0	8,850	-0.6
Financial Activities	Jobs	22,950	0.2	22,850	0.0
Professional & Business Services	Jobs	61,100	2.1	61,050	2.1
Educational Services	Jobs	12,900	5.7	12,750	5.8
Health Care & Social Assistance	Jobs	46,050	1.1	45,850	1.0
Arts, Entertainment & Recreation	Jobs	6,100	-10.9	6,050	-9.7
Accommodation	Jobs	15,800	-3.1	16,050	-1.5
Food Services & Drinking Places	Jobs	41,300	-0.1	41,150	0.2
Other Services	Jobs	21,050	2.2	20,950	2.4
Government	Jobs	98,600	1.3	98,400	1.0
Federal	Jobs	29,100	0.2	28,950	-1.0
State	Jobs	57,450	1.5	57,500	1.7
Local	Jobs	12,000	2.1	11,950	2.1
Agriculture wage and salary jobs	Jobs	1,500	-9.1	1,550	-8.8
General excise and use tax revenues	\$1,000	527,852	0.6	1,103,605	0.4
Income-individual	\$1,000	393,028	-0.7	700,047	0.4
Declaration estimated taxes	\$1,000	160,442	2.8	245,636	7.5
Payment with returns	\$1,000	101,045	29.1	109,047	-19.5
Withholding tax on wages	\$1,000	281,845	-1.3	602,134	9.6
Refunds	\$1,000	-150,303	21.4	-256,769	18.7
Transient accommodations tax	\$1,000	33,072	-15.6	74,846	-9.0
Honolulu County Surcharge 3/	\$1,000	48,139	23.3	91,976	73.3
Visitor Days - by air	Days	7,186,924	-7.9	15,061,042	-3.6
Domestic visitor days - by air	Days	5,012,938	-8.7	10,279,735	-3.0
International visitor days - by air	Days	2,173,986	-6.2	4,781,307	-5.0
Visitor arrivals by air - by air	Persons	1,037,868	-10.3	2,150,391	-5.6
Domestic flight visitors - by air	Persons	659,250	-13.5	1,344,082	-7.2
International flight visitors - by air	Persons	378,618	-4.1	806,309	-3.0
Hotel occupancy rates 2/	%	72.9	-1.2	76.1	0.1

1/ Labor force and jobs are Hawaii DLIR monthly and annual data. Quarterly averages computed by the Hawaii DBEDT.

2/ Change represents absolute change in rates rather than percentage change in rates.

3/ 0.5% added to the general excise tax to pay for O'ahu's mass transit system and took effect January 1, 2007.

Includes taxpayers who have business activities on Oahu but whose businesses are located outside Oahu.

Source: Hawaii State Department of Business, Economic Development, & Tourism <<http://www.hawaii.gov/dbedt/inf/>>, Hawaii State Department of Labor & Industrial Relations <<http://www.hiwi.org/cgi/dataanalysis/?PAGEID=94>>; Hawaii State Department of Taxation <http://www.hawaii.gov/tax/a5_3txcolrpt.htm> and Hospitality Advisors, LLC.

Table 3. 2007 QUARTERLY ECONOMIC INDICATORS: HAWAII COUNTY

SERIES	UNIT	2nd QUARTER 2008		YEAR-TO-DATE 2008	
		NUMBER	% CHANGE YEAR AGO	NUMBER	% CHANGE YEAR AGO
Civilian labor force 1/	Persons	88,900	2.7	87,950	1.3
Civilian employed	Persons	84,450	1.0	84,000	-0.2
Civilian unemployed	Persons	4,450	50.8	3,950	46.3
Unemployment rate 1/ 2/	%	5.0	1.6	4.5	1.4
Total wage and salary jobs	Jobs	69,300	-0.1	69,300	-0.1
Total non-agriculture wage and salary jobs	Jobs	66,950	0.1	66,900	0.1
Nat. Resources, Mining, Constr.	Jobs	5,450	-7.6	5,500	-6.8
Manufacturing	Jobs	1,700	3.0	1,700	0.0
Wholesale Trade	Jobs	1,750	2.9	1,750	2.9
Retail Trade	Jobs	9,550	1.6	9,550	2.1
Transp., Warehousing, Util.	Jobs	2,950	-4.8	3,100	-1.6
Information	Jobs	700	0.0	750	0.0
Financial Activities	Jobs	2,850	0.0	2,900	0.0
Professional & Business Services	Jobs	4,950	0.0	4,900	-2.0
Educational Services	Jobs	1,150	9.5	1,100	4.8
Health Care & Social Assistance	Jobs	6,450	3.2	6,400	2.4
Arts, Entertainment & Recreation	Jobs	1,950	2.6	1,950	2.6
Accommodation	Jobs	6,700	-3.6	6,750	-3.6
Food Services & Drinking Places	Jobs	5,900	-1.7	5,850	-1.7
Other Services	Jobs	2,250	4.7	2,200	2.3
Government	Jobs	12,700	4.1	12,600	3.7
Federal	Jobs	1,300	4.0	1,300	4.0
State	Jobs	8,700	3.6	8,650	3.0
Local	Jobs	2,700	8.0	2,650	6.0
Agriculture wage and salary jobs	Jobs	2,350	-6.0	2,400	-5.9
General excise and use tax revenues	\$1,000	42,519	-14.4	81,081	-1.9
Income-individual	\$1,000	27,477	-30.6	40,118	-26.8
Declaration estimated taxes	\$1,000	14,198	-32.9	20,836	-30.6
Payment with returns	\$1,000	12,954	-13.0	14,973	-19.7
Withholding tax on wages	\$1,000	18,875	2.3	38,369	13.6
Refunds	\$1,000	-18,551	24.3	-34,060	23.3
Transient accommodations tax	\$1,000	6,291	-5.8	12,876	17.3
Honolulu County Surcharge 3/	\$1,000	235	46.5	395	72.0
Visitor Days - by air	Days	2,046,399	-12.7	4,843,318	-6.3
Domestic visitor days - by air	Days	1,784,223	-14.5	4,212,691	-6.8
International visitor days - by air	Days	262,176	2.3	630,627	-3.2
Visitor arrivals by air - by air	Persons	321,008	-19.1	712,610	-12.7
Domestic flight visitors - by air	Persons	251,936	-23.1	558,799	-15.3
International flight visitors - by air	Persons	69,072	-0.2	153,811	-1.7
Hotel occupancy rates 2/	%	58.1	-5.8	65.7	-3.4

1/ Labor force and jobs are Hawaii DLIR monthly and annual data. Quarterly averages computed by the Hawaii DBEDT.

2/ Change represents absolute change in rates rather than percentage change in rates.

3/ 0.5% added to the general excise tax to pay for O'ahu's mass transit system and took effect January 1, 2007.

Includes taxpayers who have business activities on Oahu but whose businesses are located outside Oahu.

Source: Hawaii State Department of Business, Economic Development, & Tourism <<http://www.hawaii.gov/dbedt/inf/>>,

Hawaii State Department of Labor & Industrial Relations <[http://www.hiwi.org/cgi/dataanalysis/?PAGEID=94](http://www.hiwi.org/cgi/dataanalysis/?PAGEID=94;)>;

Hawaii State Department of Taxation <http://www.hawaii.gov/tax/a5_3txcolrpt.htm> and Hospitality Advisors, LLC.

Table 4. 2007 QUARTERLY ECONOMIC INDICATORS: MAUI COUNTY

SERIES	UNIT	2nd QUARTER 2008		YEAR-TO-DATE 2008	
		NUMBER	% CHANGE YEAR AGO	NUMBER	% CHANGE YEAR AGO
Civilian labor force 1/	Persons	81,200	1.5	80,750	1.1
Civilian employed	Persons	78,050	-0.1	77,850	-0.4
Civilian unemployed	Persons	3,150	65.8	2,900	61.1
Unemployment rate 1/ 2/	%	3.8	1.4	4	1.4
Total wage and salary jobs	Jobs	73,950	-0.7	74,150	0.1
Total non-agriculture wage and salary jobs	Jobs	72,300.0	-0.6	72,450	0.1
Nat. Resources, Mining, Constr.	Jobs	4,800	-1.0	4,900	1.0
Manufacturing	Jobs	1,300	-7.1	1,300	-7.1
Wholesale Trade	Jobs	1,400	0.0	1,400	0.0
Retail Trade	Jobs	10,150	1.5	10,150	2.0
Transp., Warehousing, Util.	Jobs	3,250	-11.0	3,400	-5.6
Information	Jobs	800	-5.9	800	-5.9
Financial Activities	Jobs	2,950	-3.3	3,050	0.0
Professional & Business Services	Jobs	7,550	3.4	7,500	4.2
Educational Services	Jobs	1,050	0.0	1,050	0.0
Health Care & Social Assistance	Jobs	4,800	3.2	4,750	3.3
Arts, Entertainment & Recreation	Jobs	2,350	0.0	2,350	0.0
Accommodation	Jobs	11,250	-5.1	11,400	-3.8
Food Services & Drinking Places	Jobs	8,350	-0.6	8,250	-1.8
Other Services	Jobs	2,800	0.0	2,800	0.0
Government	Jobs	9,450	3.8	9,350	3.3
Federal	Jobs	850	6.3	800	0.0
State	Jobs	6,050	2.5	6,050	3.4
Local	Jobs	2,550	4.1	2,500	4.2
Agriculture wage and salary jobs	Jobs	1,650	-5.7	1,700	-2.9
General excise and use tax revenues	\$1,000	52,349	-19.7	98,983	-5.0
Income-individual	\$1,000	23,335	-36.6	34,618	-37.6
Declaration estimated taxes	\$1,000	14,147	-46.6	20,650	-48.0
Payment with returns	\$1,000	13,053	-10.5	15,632	-15.8
Withholding tax on wages	\$1,000	17,165	-7.9	35,512	1.0
Refunds	\$1,000	-21,030	-8.4	-37,176	-2.1
Transient accommodations tax	\$1,000	11,864	-11.1	22,077	10.9
Honolulu County Surcharge 3/	\$1,000	301	-14.6	634	36.5
Visitor Days - by air	Days	4,050,371	-11.7	9,105,460	-3.3
Domestic visitor days - by air	Days	3,640,191	-12.8	7,980,884	-4.2
International visitor days - by air	Days	410,180	-0.3	1,124,576	3.5
Visitor arrivals by air - by air	Persons	539,056	-16.1	1,152,630	-8.6
Domestic flight visitors - by air	Persons	473,124	-18.0	992,605	-10.1
International flight visitors - by air	Persons	65,932	0.9	160,025	1.5
Hotel occupancy rates 2/	%	66.9	-5.2	73.8	-1.8

1/ Labor force and jobs are Hawaii DLIR monthly and annual data. Quarterly averages computed by the Hawaii DBEDT.

2/ Change represents absolute change in rates rather than percentage change in rates.

3/ 0.5% added to the general excise tax to pay for O'ahu's mass transit system and took effect January 1, 2007.

Includes taxpayers who have business activities on Oahu but whose businesses are located outside Oahu.

Source: Hawaii State Department of Business, Economic Development, & Tourism <<http://www.hawaii.gov/dbedt/inf/>>,

Hawaii State Department of Labor & Industrial Relations <[http://www.hiwi.org/cgi/dataanalysis/?PAGEID=94](http://www.hiwi.org/cgi/dataanalysis/?PAGEID=94;)>;

Hawaii State Department of Taxation <http://www.hawaii.gov/tax/a5_3txcolrpt.htm> and Hospitality Advisors, LLC.

Table 5. 2007 QUARTERLY ECONOMIC INDICATORS: KAUAI COUNTY

SERIES	UNIT	2nd QUARTER 2008		YEAR-TO-DATE 2008	
		NUMBER	% CHANGE YEAR AGO	NUMBER	% CHANGE YEAR AGO
Civilian labor force 1/	Persons	34,500	4.1	34,150	3.0
Civilian employed	Persons	33,250	2.8	33,000	2.0
Civilian unemployed	Persons	1,250	56.3	1,150	43.8
Unemployment rate 1/ 2/	%	3.6	1.1	3	0.9
Total wage and salary jobs	Jobs	31,600	2.1	31,500	2.3
Total non-agriculture wage and salary jobs	Jobs	30,950	2.1	30,850	2.5
Nat. Resources, Mining, Constr.	Jobs	2,150	16.2	2,100	16.7
Manufacturing	Jobs	400	0.0	400	0.0
Wholesale Trade	Jobs	500	-9.1	550	0.0
Retail Trade	Jobs	4,150	0.0	4,200	1.2
Transp., Warehousing, Util.	Jobs	1,500	-6.3	1,550	-3.1
Information	Jobs	300	-14.3	300	-14.3
Financial Activities	Jobs	1,200	0.0	1,200	0.0
Professional & Business Services	Jobs	3,650	0.0	3,650	-1.4
Educational Services	Jobs	250	25.0	250	25.0
Health Care & Social Assistance	Jobs	2,250	0.0	2,250	2.3
Arts, Entertainment & Recreation	Jobs	1,050	5.0	1,050	5.0
Accommodation	Jobs	4,650	6.9	4,600	5.7
Food Services & Drinking Places	Jobs	3,450	0.0	3,450	1.5
Other Services	Jobs	1,000	5.3	1,000	5.3
Government	Jobs	4,400	2.3	4,400	2.3
Federal	Jobs	550	0.0	550	0.0
State	Jobs	2,650	1.9	2,650	1.9
Local	Jobs	1,200	4.3	1,150	0.0
Agriculture wage and salary jobs	Jobs	650	0.0	650	-7.1
General excise and use tax revenues	\$1,000	18,429	-18.6	35,968	-5.1
Income-individual	\$1,000	15,200	-6.2	20,611	-8.1
Declaration estimated taxes	\$1,000	10,945	6.9	14,428	5.5
Payment with returns	\$1,000	5,414	-3.7	6,500	-12.1
Withholding tax on wages	\$1,000	7,092	0.5	14,253	4.5
Refunds	\$1,000	-8,250	23.0	(14,570)	18.6
Transient accommodations tax	\$1,000	3,602	-21.1	6,981	1.7
Honolulu County Surcharge 3/	\$1,000	98	255.7	190	360.9
Visitor Days - by air	Days	1,840,097	-11.1	3,803,937	-4.8
Domestic visitor days - by air	Days	1,768,741	-10.9	3,630,569	-3.5
International visitor days - by air	Days	71,356	-15.3	173,368	-25.2
Visitor arrivals by air - by air	Persons	268,399	-19.8	550,849	-13.7
Domestic flight visitors - by air	Persons	246,639	-20.6	501,621	-13.6
International flight visitors - by air	Persons	21,760	-8.8	49,228	-15.6
Hotel occupancy rates 2/	%	70.6	-3.3	73.7	0.2

1/ Labor force and jobs are Hawaii DLIR monthly and annual data. Quarterly averages computed by the Hawaii DBEDT.

2/ Change represents absolute change in rates rather than percentage change in rates.

3/ 0.5% added to the general excise tax to pay for O'ahu's mass transit system and took effect January 1, 2007.

Includes taxpayers who have business activities on Oahu but whose businesses are located outside Oahu.

Source: Hawaii State Department of Business, Economic Development, & Tourism <<http://www.hawaii.gov/dbedt/inf/>>,

Hawaii State Department of Labor & Industrial Relations <[http://www.hiwi.org/cgi/dataanalysis/?PAGEID=94](http://www.hiwi.org/cgi/dataanalysis/?PAGEID=94;)>;

Hawaii State Department of Taxation <http://www.hawaii.gov/tax/a5_3txcolrpt.htm> and Hospitality Advisors, LLC.

A. LABOR FORCE AND JOBS

Hawaii's labor market conditions were mixed in the second quarter of 2008 compared to the same quarter of 2007. While civilian labor force and wage and salary jobs achieved moderate growth after several quarters of decline or virtually no growth, civilian unemployment also increased in the quarter. As a result, Hawaii's unemployment rate increased to 3.7 percent in the second quarter of 2008 - the highest unemployment rate since the third quarter of 2003.

In the second quarter of 2008, the civilian labor force totaled 664,950 people, an increase of 14,650 people or 2.3 percent from the same quarter of 2007 (Tables 1 and A-1). The strong growth in the second quarter pushed the growth for the first half of the year to 1.2 percent. In 2007, civilian labor force grew only 0.2 percent from 2006, significantly lower than the 2.0 percent average growth rate achieved in the previous two years.

Civilian employment also showed moderate growth in the second quarter after three consecutive quarters of decline. In the second quarter of 2008, 640,350 people were employed in Hawaii, which is 7,150 people or 1.1 percent more than that in the second quarter of 2007 (Tables 1 and A-2). This modest increase pushed the growth for the first half of 2008 up by 0.3 percent over the same period last year. For 2007, total civilian employment remained about the same as that in 2006.

The number of civilian unemployed averaged 24,600 in the second quarter of 2008, a 43.4 percent increase from the second quarter of 2007 (Table A-3). The increase in the number of unemployed reflects several highly publicized bankruptcies including that of Aloha Airlines. In 2007, the number of unemployed averaged 17,150, a 7.2 percent increase from 2006.

Due to a rapid increase in the number of unemployed and a relatively slow growth of the civilian labor force, the Hawaii unemployment rate (not seasonally adjusted) increased from 2.6 percent in the second quarter of 2007 to 3.7 percent in the second quarter of 2008 (Table A-4).

For the first half of the year, the unemployment rate was 3.4 percent. In 2007, Hawaii's unemployment rate averaged 2.6 percent, slightly higher than that of 2006.

In the second quarter of 2008, Hawaii's civilian wage and salary jobs totaled 633,800, an increase of 0.4 percent or 2,300 jobs over the second quarter of 2007 (Table A-5). For the first half of the year, jobs increased by 0.6 percent in 2008 over the same period last year. Wage and salary jobs increased 1.0 percent in 2007 on top of 2.5 percent increase in 2006.

Compared to the second quarter of 2007 Professional and Business Services added the most jobs in the second quarter of 2008, - an increase of 1,500 jobs or 2.0 percent (Table A-14), followed by Retail Trade with 950 jobs or 1.4 percent (Table A-10), Health Care and Social Assistance with 850 jobs or 1.4 percent (Table A-16), Educational Services with 800 jobs or 5.5 percent (Table A-15), Natural Resources, Mining and Construction with 650 jobs or 1.7 percent (Table A-7), and Other Services with 600 jobs or 2.3 percent (Table A-20).

In the second quarter of 2008, Transportation, Warehousing, and Utilities lost 3,000 wage and salary jobs or 9.1 percent (Table A-11) compared to the same quarter of 2007; Accommodation lost 1,000 jobs or 2.5 percent (Table A-18); Arts, Entertainment, and Recreation lost 600 jobs or 5.0 percent (Table A-17); Food Services & Drinking Places lost 250 jobs or 0.4 percent; and Financial Activities lost 100 jobs or 0.3 percent (Table A-13). Agriculture also lost 350 wage and salary jobs or 5.3 percent (Table A-25).

During the second quarter of 2008, government added 2,250 jobs or 1.8 percent (Table 1) compared to the same quarter of 2007. Federal government added 200 jobs (Table A-22); State government added 1,350 jobs (Table A-23); and Local government added 650 jobs (Table A-24) in the second quarter of 2008 compared with the second quarter of 2007.

Table A-5. TOTAL WAGE AND SALARY JOBS

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual Average</i>
Number of Jobs					
1990	528,900	537,950	536,300	548,800	537,950
1991	546,700	546,650	546,200	555,150	548,650
1992	552,300	554,050	548,400	553,750	552,100
1993	548,800	551,800	540,900	547,950	547,350
1994	543,300	546,050	538,950	548,150	544,100
1995	543,100	543,250	533,400	540,900	540,200
1996	538,450	538,600	533,500	541,900	538,100
1997	539,700	540,250	533,950	541,250	538,800
1998	537,050	540,350	535,700	542,250	538,850
1999	535,300	542,000	540,650	552,950	542,700
2000	550,200	559,950	557,500	569,250	559,300
2001	562,300	566,000	561,550	559,600	562,350
2002	555,700	563,850	562,150	574,150	563,950
2003	571,150	573,650	571,200	583,000	574,750
2004	580,800	588,950	588,550	604,400	590,650
2005	599,000	608,350	607,850	619,150	608,600
2006 1/	615,650	624,000	622,500	633,800	624,000
2007 1/	628,200	631,500	624,850	635,800	630,050
2008 2/	633,500	633,800	(NA)	Year-to-Date	633,650
Percentage Change from the Same Period in Previous Year					
1991	3.4	1.6	1.8	1.2	2.0
1992	1.0	1.4	0.4	-0.3	0.6
1993	-0.6	-0.4	-1.4	-1.0	-0.9
1994	-1.0	-1.0	-0.4	0.0	-0.6
1995	0.0	-0.5	-1.0	-1.3	-0.7
1996	-0.9	-0.9	0.0	0.2	-0.4
1997	0.2	0.3	0.1	-0.1	0.1
1998	-0.5	0.0	0.3	0.2	0.0
1999	-0.3	0.3	0.9	2.0	0.7
2000	2.8	3.3	3.1	2.9	3.1
2001	2.2	1.1	0.7	-1.7	0.5
2002	-1.2	-0.4	0.1	2.6	0.3
2003	2.8	1.7	1.6	1.5	1.9
2004	1.7	2.7	3.0	3.7	2.8
2005	3.1	3.3	3.3	2.4	3.0
2006 1/	2.8	2.6	2.4	2.4	2.5
2007 1/	2.0	1.2	0.4	0.3	1.0
2008 2/	0.8	0.4	(NA)	Year-to-Date	0.6

1/ Data have been benchmarked by DLIR in March, 2008.

2/ 1st Quarter has been revised.

Source: Hawaii Department of Labor & Industrial Relations monthly and annual data

<<http://www.hiwi.org/cgi/dataanalysis/?PAGEID=94>>. Quarterly averages computed by the Hawaii State Department of Business, Economic Development & Tourism.

B. INCOME AND PRICES

Hawaii total personal income increased at 5.3 percent during the first quarter of 2008 (the period for which the latest data are available from the U.S. Bureau of Economic Analysis) over the same quarter of 2007. The rate of increase was the highest for Dividends, Interest and Rent. Earnings grew in all major sectors except for Real Estate, Forestry, Fishing, and Related Activities, and Farm (Table B-1), with Government and Construction leading the growth.

In the first quarter of 2008, total nominal personal income (i.e., not adjusted for inflation) increased \$2,642 million or 5.3 percent from the first quarter of 2007 (Tables B-1 and B-2). For the year of 2007, total personal income increased 6.2 percent from 2006, compared to 6.9 percent increase seen in 2006 over 2005.

During the first quarter of 2008, Wage and Salary Disbursements, the largest component of personal income, increased \$1,373 million or 4.9 percent from the first quarter of 2007. For 2007, Wage and Salary Disbursements grew 5.5 percent from 2006, lower than the 6.6 percent growth between 2005 and 2006 (Table B-3). Wage and Salary Disbursements comprised about 57 percent of total personal income.

Supplements to Wages and Salaries, consisting of employer payments to retirement plans, private group health insurance plans, private workers compensation plans, and other such benefits, increased \$485 million or 6.1 percent in the first quarter of 2008 from the same quarter of 2007 (Table B-4). For 2007, Supplements to Wages and Salaries increased 5.3 percent, 1.4 percentage point lower than the 6.7 percent annual increase between 2005 and 2006.

Proprietors' Income, the income most closely related to entrepreneurial activity, decreased \$24 million or 0.8 percent in the first quarter of 2008 over that of 2007 (Table B-5). This is the first negative quarter-over-quarter growth since the fourth quarter of 2002. For 2007, Proprietors' Income was up 1.8 percent from 2006, compared to 4.2 percent between 2005 and 2006.

Dividends, Interest, and Rent increased \$728 million or 9.2 percent in the first quarter of 2008 from the same quarter of 2007. For the year of 2007, Dividends, Interest, and Rent were up 9.8 percent from 2006, which is slightly lower than that in 2006 over 2005 (Table B-6).

Personal Current Transfer Receipts, consisting largely of retirement and medical payments, grew by \$309 million or 4.9 percent in the first quarter of 2008 from the same quarter of 2007. For the year of 2007, Personal Current Transfer Receipts grew at a rate of 7.7 percent compared to a 5.7 percent growth in 2006 (Table B-7).

In the first quarter of 2008, Contributions to Government Social Insurance, which is subtracted from total personal income, increased \$228 million or 5.6 percent compared to the first quarter of 2007. For 2007, Contributions to Government Social Insurance grew 5.6 percent from 2006 (Table B-8).

In the first quarter of 2008, total non-farm private sector earnings increased \$1,000 million or 3.8 percent from the first quarter of 2007. Earnings increased across most private sectors in the first quarter of 2008 over 2007. In dollar terms, the largest increase occurred in Construction, followed by Accommodation and Food Services, Professional and Technical Services, and Wholesale Trade. During the first quarter of 2008, total government earnings increased \$847 million or 6.8 percent from the first quarter of 2007 (Table B-1).

In the first half of 2008, Honolulu's consumer price index (CPI) increased 4.9 percent from the same period last year, compared to the U.S. average CPI increase of 4.2 percent for the same period (Table B-9). The Honolulu CPI increase in the first half of 2008 was primarily due to increases in Housing, Transportation, Other Goods and Services, and Food and Beverages components, which increased 5.6 percent, 5.4 percent, 5.1 percent, and 4.7 percent, respectively in the first half of 2008 compared to the first half of 2007.

Table B-1. PERSONAL INCOME FOR HAWAII BY MAJOR SOURCES

[In millions of dollars at seasonally adjusted annual rates and percent. As of QSER September 2003, according to NAICS classification only]

Series	First Quarter 2007	Second Quarter 2007	Third Quarter 2007	Fourth Quarter 2007	First Quarter 2008	AnnAver 2006	AnnAver 2007	Percentage change from		
								To First Quarter 2008 From		Ann Aver
								First Quarter 2007	Fourth Quarter 2007	
PERSONAL INCOME	49,393	49,803	50,678	51,233	52,035	47,340	50,277	5.3	1.6	6.2
Earnings By Place of Work	39,234	39,357	39,952	40,325	41,068	37,758	39,717	4.7	1.8	5.2
Wage and salary disbursements	28,201	28,249	28,709	28,996	29,574	27,040	28,539	4.9	2.0	5.5
Supplements to wages and salaries	7,887	7,938	8,096	8,178	8,372	7,621	8,025	6.1	2.4	5.3
Emp'ler contrib. for emp'ee pension & ins. funds	5,881	5,937	6,061	6,127	6,263	5,705	6,002	6.5	2.2	5.2
Employer contributions for gov't social ins.	2,006	2,001	2,035	2,051	2,110	1,916	2,023	5.2	2.9	5.6
Proprietors' income	3,146	3,170	3,146	3,151	3,122	3,097	3,153	-0.8	-0.9	1.8
Farm proprietors' income	-4	12	-6	-2	-25	1	0	(1/)	(1/)	(1/)
Nonfarm proprietors' income	3,150	3,158	3,152	3,153	3,146	3,096	3,153	-0.1	-0.2	1.8
Dividends, interest, and rent	7,955	8,214	8,454	8,615	8,683	7,568	8,310	9.2	0.8	9.8
Personal current transfer receipts	6,300	6,325	6,437	6,492	6,609	5,932	6,389	4.9	1.8	7.7
State unemployment insurance benefits	98	98	116	120	135	92	108	37.8	12.5	17.1
Personal current transfer receipts exc State U.I.	6,202	6,227	6,321	6,372	6,474	5,840	6,281	4.4	1.6	7.6
Less: Contributions for gov't social insurance	4,097	4,093	4,165	4,198	4,325	3,917	4,138	5.6	3.0	5.6
Personal contributions for gov't social insurance	2,091	2,092	2,130	2,147	2,215	2,001	2,115	5.9	3.2	5.7
Employer contributions for gov't social insurance	2,006	2,001	2,035	2,051	2,110	1,916	2,023	5.2	2.9	5.6
Earnings By Industry	39,234	39,357	39,952	40,325	41,068	37,758	39,717	4.7	1.8	5.2
Farm Earnings	215	233	217	223	203	216	222	-5.6	-9.0	2.7
Nonfarm Earnings	39,019	39,124	39,734	40,102	40,866	37,541	39,495	4.7	1.9	5.2
Private earnings	26,589	26,591	26,934	27,152	27,589	25,494	26,817	3.8	1.6	5.2
Forestry, fishing, related activities, and other 6/	50	44	40	42	40	53	44	-20.0	-4.8	-17.4
Mining	57	57	57	58	60	53	57	5.3	3.4	7.5
Utilities	311	316	337	326	339	316	323	9.0	4.0	2.2
Construction	3,254	3,232	3,253	3,321	3,415	2,910	3,265	4.9	2.8	12.2
Manufacturing	1,036	1,043	1,048	1,041	1,068	978	1,042	3.1	2.6	6.5
Durable goods	397	394	397	392	405	363	395	2.0	3.3	8.9
Nondurable goods	639	649	651	649	663	616	647	3.8	2.2	5.1
Wholesale trade	1,130	1,156	1,154	1,205	1,234	1,073	1,161	9.2	2.4	8.3
Retail trade	2,501	2,516	2,527	2,532	2,544	2,433	2,519	1.7	0.5	3.5
Transportation and warehousing	1,636	1,629	1,646	1,680	1,691	1,544	1,648	3.4	0.7	6.7
Information	722	753	765	768	794	750	752	10.0	3.4	0.3
Finance and insurance	1,299	1,332	1,317	1,312	1,328	1,300	1,315	2.2	1.2	1.2
Real estate and rental and leasing	1,112	1,072	1,045	1,021	1,050	1,076	1,063	-5.6	2.8	-1.3
Professional and technical services	2,345	2,400	2,414	2,464	2,498	2,264	2,406	6.5	1.4	6.2
Management of companies and enterprises	658	654	693	642	665	630	662	1.1	3.6	5.1
Administrative and waste services	1,598	1,596	1,606	1,631	1,645	1,618	1,608	2.9	0.9	-0.6
Educational services	539	548	554	569	578	519	553	7.2	1.6	6.4
Health care and social assistance	3,356	3,191	3,367	3,351	3,410	3,188	3,316	1.6	1.8	4.0
Arts, entertainment, and recreation	447	466	471	483	480	430	467	7.4	-0.6	8.7
Accommodation and food services	3,327	3,366	3,405	3,459	3,484	3,201	3,389	4.7	0.7	5.9
Other services, except public administration	1,212	1,219	1,235	1,247	1,267	1,161	1,228	4.5	1.6	5.8
Government and government enterprises	12,430	12,533	12,800	12,949	13,277	12,047	12,678	6.8	2.5	5.2
Federal	7,610	7,609	7,732	7,863	8,081	7,335	7,704	6.2	2.8	5.0
Federal, civilian	2,894	2,877	2,878	2,905	2,996	2,826	2,889	3.5	3.1	2.2
Military	4,716	4,732	4,854	4,958	5,085	4,509	4,815	7.8	2.6	6.8
State and local	4,819	4,924	5,068	5,087	5,196	4,713	4,975	7.8	2.1	5.6

Source data for 2007Q1 to 2007Q4 have been revised.

D Estimate is suppressed to avoid disclosure of confidential information.

1/ Percentage changes involving zero or negative values are not meaningful.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, State Quarterly Personal Income, June 19, 2008 <<http://www.bea.doc.gov/bea/regional/sqpi/>>.

**Table B-9. HONOLULU and U.S. CONSUMER PRICE INDEX,
ALL URBAN CONSUMERS (CPI-U)**
[1982-84=100. Data are not seasonally adjusted]

Period	U.S.	Honolulu								
		All Items	Food & Beverages	Housing	Apparel	Transportation	Medical Care	Recreation 1/	Educ. & Comm. 1/	Other Goods & Services
1990	130.7	138.1	137.8	141.5	107.0	131.1	154.2	(NA)	(NA)	160.4
1991	136.2	148.0	145.9	152.8	110.5	139.3	171.3	(NA)	(NA)	175.7
1992	140.3	155.1	148.5	161.7	114.2	147.4	182.6	(NA)	(NA)	189.0
1993	144.5	160.1	152.9	166.5	116.5	150.5	197.4	(NA)	(NA)	200.1
1994	148.2	164.5	153.4	171.6	118.7	156.4	206.0	(NA)	(NA)	209.6
1995	152.4	168.1	156.8	174.7	117.5	162.4	209.8	(NA)	(NA)	216.8
1996	156.9	170.7	156.6	176.8	118.5	167.0	215.0	(NA)	(NA)	226.5
1997	160.5	171.9	159.2	177.1	117.3	166.2	217.3	(NA)	(NA)	239.0
1998	163.0	171.5	159.1	176.0	112.2	162.5	226.1	100.8	99.1	256.1
1999	166.6	173.3	162.9	175.8	105.4	162.2	231.3	101.9	104.5	275.6
2000	172.2	176.3	164.8	177.9	103.5	169.6	239.8	102.8	106.5	279.7
2001	177.1	178.4	169.5	179.1	101.0	174.5	2/	101.6	104.6	289.3
2002	179.9	180.3	171.9	181.2	102.6	170.9	2/	99.5	107.8	302.2
2003	184.0	184.5	174.9	186.2	98.5	176.4	2/	100.4	112.5	307.6
2004	188.9	190.6	180.2	194.3	101.2	182.4	275.9	102.3	113.5	312.4
2005	195.3	197.8	185.9	205.2	102.5	191.6	2/	97.8	114.3	321.0
2006	201.6	209.4	194.2	222.5	104.4	202.1	2/	101.1	114.0	332.1
2007	207.3	219.5	204.9	238.4	104.1	205.0	2/	102.6	114.0	347.5
1995H1	151.5	166.9	156.5	173.4	118.1	160.0	207.8	(NA)	(NA)	214.4
H2	153.2	169.4	157.1	176.0	116.9	164.9	211.8	(NA)	(NA)	219.2
1996H1	155.8	170.5	156.9	176.8	120.0	166.3	214.9	(NA)	(NA)	220.6
H2	157.9	171.0	156.3	176.8	116.9	167.7	215.0	(NA)	(NA)	232.4
1997H1	159.9	172.1	159.4	177.3	119.8	167.8	215.6	(NA)	(NA)	232.5
H2	161.2	171.8	159.0	177.0	114.8	164.6	219.1	(NA)	(NA)	245.5
1998H1	162.3	172.0	160.0	176.3	116.4	163.2	222.5	101.4	98.9	254.3
H2	163.7	171.0	158.2	175.7	108.0	161.8	229.8	100.3	99.3	258.0
1999H1	165.4	172.7	162.4	175.5	106.0	162.3	231.0	101.3	102.6	273.9
H2	167.8	173.8	163.5	176.0	104.9	162.0	231.5	102.5	106.4	277.3
2000H1	170.8	175.9	165.5	177.3	104.5	167.7	235.9	103.1	107.3	277.5
H2	173.6	176.7	164.1	178.5	102.6	171.5	243.8	102.6	105.6	281.9
2001H1	176.6	178.1	168.3	178.8	99.7	176.0	246.1	102.1	103.5	287.5
H2	177.5	178.7	170.7	179.3	102.3	173.0	2/	101.1	105.8	291.1
2002H1	178.9	180.1	172.3	180.5	106.2	171.7	2/	99.9	106.9	299.1
H2	180.9	180.4	171.6	181.9	99.1	170.1	266.5	99.2	108.7	305.3
2003H1	183.3	183.2	173.7	184.7	99.2	175.2	2/	99.3	111.1	307.0
H2	184.6	185.7	176.0	187.7	97.8	177.7	2/	101.5	113.8	308.2
2004H1	187.6	189.2	179.5	192.2	102.6	180.2	274.8	102.6	113.5	309.6
H2	190.2	191.9	180.9	196.3	99.9	184.6	277.0	102.0	113.6	315.2
2005H1	193.2	195.0	184.7	199.9	104.9	188.2	2/	98.5	115.8	318.6
H2	197.4	200.6	187.1	210.5	100.0	195.1	2/	97.0	112.8	323.3
2006H1	200.6	206.4	191.6	216.9	104.1	201.6	2/	100.9	114.3	329.5
H2	202.6	212.3	196.8	228.0	104.7	202.6	2/	101.3	113.7	334.7
2007H1	205.709	216.620	202.952	233.606	102.648	204.402	2/	102.058	112.887	343.703
H2	208.976	222.388	206.932	243.250	105.642	205.652	309.195	103.087	115.047	351.295
2008H1	214.429	227.334	212.390	246.676	105.917	215.519	317.380	105.600	115.126	361.286

Data on U.S. CPI are released monthly and Honolulu CPI, twice a year in February and August for the half (H) year previous.

NA Not available.

1/ New indexes as of January 1998. Base period is December 1997. The former "Entertainment" index has been discontinued.

2/ No data were available or data did not meet U.S. Bureau of Labor Statistics' publication criteria.

Source: U.S. Bureau of Labor Statistics, Consumer Price Index-All Urban Consumers (Current Series) <<http://data.bls.gov/cgi-bin/dsrv>> and BLS Honolulu CPI News Releases and <<http://www.bls.gov/ro9/cpihono.htm>> accessed August 14, 2008.

**Table B-9. HONOLULU and U.S. CONSUMER PRICE INDEX,
ALL URBAN CONSUMERS (CPI-U) - Con.**

Period	U.S.	Honolulu								
		All Items	Food & Beverages	Housing	Apparel	Transportation	Medical Care	Recreation 1/	Educ. & Comm. 1/	Other Goods & Services
Percentage Change from the Same Period in Previous Year										
1991	4.2	7.2	5.9	8.0	3.3	6.3	11.1	(NA)	(NA)	9.5
1992	3.0	4.8	1.8	5.8	3.3	5.8	6.6	(NA)	(NA)	7.6
1993	3.0	3.2	3.0	3.0	2.0	2.1	8.1	(NA)	(NA)	5.9
1994	2.6	2.7	0.3	3.1	1.9	3.9	4.4	(NA)	(NA)	4.7
1995	2.8	2.2	2.2	1.8	-1.0	3.8	1.8	(NA)	(NA)	3.4
1996	3.0	1.5	-0.1	1.2	0.9	2.8	2.5	(NA)	(NA)	4.5
1997	2.3	0.7	1.7	0.2	-1.0	-0.5	1.1	(NA)	(NA)	5.5
1998	1.6	-0.2	-0.1	-0.6	-4.3	-2.2	4.0	(NA)	(NA)	7.2
1999	2.2	1.0	2.4	-0.1	-6.1	-0.2	2.3	1.1	5.4	7.6
2000	3.4	1.7	1.2	1.2	-1.8	4.6	3.7	0.9	1.9	1.5
2001	2.8	1.2	2.9	0.7	-2.4	2.9	2/	-1.2	-1.8	3.4
2002	1.6	1.1	1.4	1.2	1.6	-2.1	2/	-2.1	3.1	4.5
2003	2.3	2.3	1.7	2.8	-4.0	3.2	2/	0.9	4.4	1.8
2004	2.7	3.3	3.0	4.4	2.7	3.4	2/	1.9	0.9	1.6
2005	3.4	3.8	3.2	5.6	1.3	5.0	2/	-4.4	0.7	2.8
2006	3.2	5.9	4.5	8.4	1.9	5.5	2/	3.4	-0.3	3.5
2007	2.8	4.8	5.5	7.2	-0.2	1.4	2/	1.5	0.0	4.6
1996H1	2.8	2.2	0.3	2.0	1.6	3.9	3.4	(NA)	(NA)	2.9
H2	3.1	0.9	-0.5	0.5	0.0	1.7	1.5	(NA)	(NA)	6.0
1997H1	2.6	0.9	1.6	0.3	-0.2	0.9	0.3	(NA)	(NA)	5.4
H2	2.1	0.5	1.7	0.1	-1.8	-1.8	1.9	(NA)	(NA)	5.6
1998H1	1.5	-0.1	0.4	-0.6	-2.8	-2.7	3.2	(NA)	(NA)	9.4
H2	1.6	-0.5	-0.5	-0.7	-5.9	-1.7	4.9	(NA)	(NA)	5.1
1999H1	1.9	0.4	1.5	-0.5	-8.9	-0.6	3.8	-0.1	3.7	7.7
H2	2.5	1.6	3.4	0.2	-2.9	0.1	0.7	2.2	7.2	7.5
2000H1	3.3	1.9	1.9	1.0	-1.4	3.3	2.1	1.8	4.6	1.3
H2	3.5	1.7	0.4	1.4	-2.2	5.9	5.3	0.1	-0.8	1.7
2001H1	3.4	1.3	1.7	0.8	-4.6	4.9	4.3	-1.0	-3.5	3.6
H2	2.2	1.1	4.0	0.4	-0.3	0.9	2/	-1.5	0.2	3.3
2002H1	1.3	1.1	2.4	1.0	6.5	-2.4	2/	-2.2	3.3	4.0
H2	1.9	1.0	0.5	1.5	-3.1	-1.7	2/	-1.9	2.7	4.9
2003H1	2.5	1.7	0.8	2.3	-6.6	2.0	2/	-0.6	3.9	2.6
H2	2.0	2.9	2.6	3.2	-1.3	4.5	2/	2.3	4.7	0.9
2004H1	2.3	3.3	3.3	4.1	3.4	2.9	2/	3.3	2.2	0.8
H2	3.0	3.3	2.8	4.6	2.1	3.9	2/	0.5	-0.2	2.3
2005H1	3.0	3.1	2.9	4.0	2.2	4.4	2/	-4.0	2.0	2.9
H2	3.8	4.5	3.4	7.2	0.1	5.7	2/	-4.9	-0.7	2.6
2006H1	3.8	5.8	3.7	8.5	-0.8	7.1	2/	2.4	-1.3	3.4
H2	2.6	5.8	5.2	8.3	4.7	3.8	2/	4.4	0.8	3.5
2007H1	2.5	5.0	5.9	7.7	-1.4	1.4	2/	1.1	-1.2	4.3
H2	3.1	4.8	5.1	6.7	0.9	1.5	2/	1.8	1.2	5.0
2008H1	4.2	4.9	4.7	5.6	3.2	5.4	2/	3.5	2.0	5.1

Data on U.S. CPI are released monthly and Honolulu CPI, twice a year in February and August for the half (H) year previous.

NA Not available.

1/ New indexes as of January 1998. Base period is December 1997. The former "Entertainment" index has been discontinued.

2/ No data were available or data did not meet U.S. Bureau of Labor Statistics' publication criteria.

Source: U.S. Bureau of Labor Statistics, Consumer Price Index-All Urban Consumers (Current Series) <<http://data.bls.gov/cgi-bin/dsrv>> and BLS Honolulu CPI News Releases and <<http://www.bls.gov/ro9/cpihono.htm>> accessed August 14, 2008.

C. TAX REVENUES

The State general fund tax revenues decreased substantially in the second quarter of 2008 year-over-year for the first time since the third quarter of 2006.¹ General Excise and Use Tax (GET) revenues, Net Individual Income Tax collections, Transient Accommodations Tax (TAT) collections, and Net Corporate Income Tax collections were all down for the quarter.

For the second quarter of 2008, total tax collections distributed to the State general funds totaled \$1,231.9 million, a decrease of \$63.3 million or 4.9 percent over the second quarter of 2007 (Tables C-1 and C-2). Following a 2.0 percent increase in the first quarter, the revenues for the first half of 2008 were down by 1.7 percent compared to the same period in 2007. In 2007, State general fund tax revenues amounted to \$4,683.1 million, an increase of \$160.8 million or 3.6 percent over 2006.

During the second quarter of 2008, GET revenues (excluding the Honolulu County Surcharge) totaled \$641.1 million, a decrease of \$20.9 million or 3.2 percent over the second quarter of 2007 (Tables C-1 and C-3). This was the first negative growth in GET revenues since the second quarter of 2002. The 2.4 percent growth in the first quarter offset the loss to result in a modest decrease of 0.4 percent for the first half of the year. In 2006 and 2007, GET revenues increased 8.6 percent and 6.8 percent, respectively, from the previous year.

Compared to the second quarter of 2007, Net Individual Income Tax revenues decreased \$29.5 million or 6.0 percent to \$459.0 million in the second quarter of 2008 (Table C-4). This decrease was largely due to a \$29.8 million or 17.7 percent increase in Refunds (Table C-8), which is subtracted from the categories of

individual income tax revenues. Payments with Returns (Table C-6) which is related to self-employment income increased \$19.1 million or 16.8 percent. However, this increase was offset by a \$14.2 million or 6.6 percent decrease in Declaration of Estimated Taxes (Table C-5) and a \$4.6 million or 1.4 percent decrease in Revenues from Withholding Tax on Wages (Table C-7). In 2007, Net Individual Income Tax collections were almost the same as that in 2006 – increasing by 0.2 percent to \$1,579.1 million. The annual increases from 2004 to 2006 in the Net Individual Income Tax collections were 15.3 percent, 17.2 percent, and 8.9 percent, respectively.

Net Corporate Income Tax revenues, which tend to be very volatile in nature, decreased slightly in the second quarter of 2008 compared to the second quarter of 2007 (Table C-9). A \$2.4 million or 5.2 percent decrease in Declaration of Estimated Taxes (Table C-10) was mostly offset by a \$1.9 million or 16.0 percent decrease in Refunds in the quarter (Table C-12). Corporate Payments with Returns remained about the same during the quarter (Table C-11). In 2007, Net Corporate Income Tax revenues decreased \$7.0 million or 8.0 percent from 2006.

Reversing a positive trend that began in the fourth quarter of 2003, except the second quarter of 2007, Transient Accommodations Tax (TAT) revenues were also down \$9.0 million or 14.0 percent in the second quarter of 2008 compared to the second quarter of 2007 (Table C-13). In 2007, TAT collections grew \$12.0 million or 5.4 percent from 2006.

Compared to the first quarter of 2007, all major categories of the GET tax base decreased in the first quarter of 2008. Retailing tax base decreased 2.1 percent or \$139.2 million (Table C-14), the Contracting tax base decreased 5.3 percent or \$105.9 million (Table C-16), the Hotel Rentals tax base decreased 2.2 percent (Table C-17). Only the Services tax base remained about the same (Table C-15).

¹ When interpreting tax figures in conjunction with other quarterly data in this report, it should be kept in mind that the tax data represent collections during the quarter. The transactions on which the taxes were paid did not necessarily take place during the quarter.

Table C-1. GENERAL FUND TAX REVENUES AND MAJOR COMPONENTS

<i>Year</i>	<i>General Excise and Use Tax</i>	<i>Net Individual Income Tax 1/</i>	<i>Net Corporate Income Tax 2/</i>	<i>Tax Revenues Distributed to State General Fund</i>	
In Thousands of Dollars					
1990	1,250,204	743,114	86,269	2,246,752	
1991	1,287,818	900,962	70,568	2,397,289	
1992	1,299,814	922,206	42,737	2,523,670	
1993	1,308,797	951,405	22,239	2,555,912	
1994	1,347,945	1,003,479	34,228	2,672,291	
1995	1,386,684	918,811	37,336	2,614,713	
1996	1,469,766	995,456	51,243	2,799,972	
1997	1,433,012	985,000	55,594	2,756,621	
1998	1,436,654	1,093,241	50,112	2,889,291	
1999	1,454,778	1,053,858	47,692	2,841,290	
2000	1,611,446	1,080,372	67,650	3,067,622	
2001	1,660,763	1,100,317	48,269	3,172,250	
2002	1,679,840	1,059,646	55,373	3,116,029	
2003	1,820,498	1,071,360	5,189	3,211,431	
2004	1,991,539	1,235,721	75,172	3,652,686	
2005	2,263,393	1,447,744	132,589	4,252,231	
2006	2,457,379	1,576,674	86,975	4,522,261	
2007	2,623,514	1,579,138	80,014	4,683,086	
2002	1 Qtr.	395,795	266,388	18,655	761,922
	2 Qtr.	400,462	255,030	25,751	757,798
	3 Qtr.	473,241	266,331	4,267	820,290
	4 Qtr.	410,341	271,897	6,700	776,019
2003	1 Qtr.	455,018	254,081	-25,417	772,047
	2 Qtr.	454,098	245,799	22,712	813,686
	3 Qtr.	473,268	274,363	8,154	819,182
	4 Qtr.	438,113	297,117	-260	806,515
2004	1 Qtr.	506,097	261,760	12,022	874,018
	2 Qtr.	482,899	335,713	36,737	946,670
	3 Qtr.	519,129	325,902	15,156	946,218
	4 Qtr.	483,415	312,346	11,257	885,780
2005	1 Qtr.	579,475	338,591	12,413	1,054,797
	2 Qtr.	554,585	404,642	46,780	1,110,743
	3 Qtr.	579,607	361,900	67,092	1,099,688
	4 Qtr.	549,727	342,612	6,305	987,002
2006	1 Qtr.	638,194	355,719	1,330	1,106,472
	2 Qtr.	587,788	490,365	55,282	1,241,830
	3 Qtr.	605,813	361,508	22,781	1,076,795
	4 Qtr.	625,584	369,081	7,582	1,097,164
2007	1 Qtr.	662,362	341,183	9,136	1,116,467
	2 Qtr.	662,003	488,514	42,336	1,295,154
	3 Qtr.	646,384	379,033	27,297	1,146,614
	4 Qtr.	652,765	370,408	1,245	1,124,851
2008	1 Qtr.	678,489	336,354	14,593	1,138,545
	2 Qtr.	641,149	459,040	41,946	1,231,862

1/ Declaration of estimated taxes, plus payments with returns, plus withholding tax on wages, less refunds.
Individual income tax rates changed effective January 1, 1999, 2001 and 2002.

2/ Declaration of estimated taxes, plus payments with returns, less refunds.

Source: Hawaii State Department of Taxation and <http://www.hawaii.gov/tax/a5_3txcolrpt.htm>.

Table C-1. GENERAL FUND TAX REVENUES AND MAJOR COMPONENTS - Con.

<i>Year</i>	<i>General Excise and Use Tax</i>	<i>Net Individual Income Tax 1/</i>	<i>Net Corporate Income Tax 2/</i>	<i>Tax Revenues Distributed to State General Fund</i>	
Percentage Change from the Same Period in Previous Year					
1991	3.0	21.2	-18.2	6.7	
1992	0.9	2.4	-39.4	5.3	
1993	0.7	3.2	-48.0	1.3	
1994	3.0	5.5	53.9	4.6	
1995	2.9	-8.4	9.1	-2.2	
1996	6.0	8.3	37.2	7.1	
1997	-2.5	-1.1	8.5	-1.5	
1998	0.3	11.0	-9.9	4.8	
1999	1.3	-3.6	-4.8	-1.7	
2000	10.8	2.5	41.8	8.0	
2001	3.1	1.8	-28.6	3.4	
2002	1.1	-3.7	14.7	-1.8	
2003	8.4	1.1	-90.6	3.1	
2004	9.4	15.3	1,348.7	13.7	
2005	13.7	17.2	76.4	16.4	
2006	8.6	8.9	-34.4	6.4	
2007	6.8	0.2	-8.0	3.6	
2003	1 Qtr.	15.0	-4.6	(3/)	1.3
	2 Qtr.	13.4	-3.6	-11.8	7.4
	3 Qtr.	0.0	3.0	91.1	-0.1
	4 Qtr.	6.8	9.3	(3/)	3.9
2004	1 Qtr.	11.2	3.0	(3/)	13.2
	2 Qtr.	6.3	36.6	61.8	16.3
	3 Qtr.	9.7	18.8	85.9	15.5
	4 Qtr.	10.3	5.1	(3/)	9.8
2005	1 Qtr.	14.5	29.4	3.2	20.7
	2 Qtr.	14.8	20.5	27.3	17.3
	3 Qtr.	11.6	11.0	342.7	16.2
	4 Qtr.	13.7	9.7	-44.0	11.4
2006	1 Qtr.	10.1	5.1	-89.3	4.9
	2 Qtr.	6.0	21.2	18.2	11.8
	3 Qtr.	4.5	-0.1	-66.0	-2.1
	4 Qtr.	13.8	7.7	20.2	11.2
2007	1 Qtr.	3.8	-4.1	586.7	0.9
	2 Qtr.	12.6	-0.4	-23.4	4.3
	3 Qtr.	6.7	4.8	19.8	6.5
	4 Qtr.	4.3	0.4	-83.6	2.5
2008	1 Qtr.	2.4	-1.4	59.7	2.0
	2 Qtr.	-3.2	-6.0	-0.9	-4.9

1/ Declaration of estimated taxes, plus payments with returns, plus withholding tax on wages, less refunds.

Individual income tax rates changed effective January 1, 1999, 2001 and 2002.

2/ Declaration of estimated taxes, plus payments with returns, less refunds.

3/ Percentage changes involving negative values not meaningful.

Source: Hawaii State Department of Taxation and <http://www.hawaii.gov/tax/a5_3txcolrpt.htm>.

D. TOURISM

Hawaii's tourism sector changed from positive growth in the first quarter of 2008 to negative growth in the second quarter of 2008. Substantial decrease in both the U.S. West Market and the U.S. East Market was the main reason for decreased total visitor arrivals. The average daily visitor census also decreased in both the domestic market and the international market. In the second quarter of 2008, both visitor expenditures and total air capacity decreased substantially; and hotel occupancy rate also decreased compared to the same quarter last year.

The arrival, census and expenditure data herein are revised for 2006, final for 2007, and preliminary 2008.

The total number of visitors arriving by air to Hawaii decreased 10.1 percent in the second quarter of 2008 compared to the same quarter of 2007 (Tables D-1 and D-2). Following the 0.3 percent increase in the first quarter, visitor arrivals were down 5.0 percent for the first half of the year compared to the same period last year. Similarly, total average daily census was down 10.0 percent. In 2007, total visitor arrivals by air decreased 0.4 percent from 2006, while average daily census remained about the same as that in 2006.

Total visitor arrivals on domestic flights decreased 183,305 or 12.8 percent in the second quarter of 2008 from the second quarter in 2007 and down 5.9 percent for the first half of the year (Table D-3). In 2007, domestic arrivals were up 32,405 or 0.6 percent from that in 2006.

Arrivals on international flights decreased 4,997 or 1.2 percent in the second quarter of 2008 compared to the second quarter of 2007 (Table D-4). In 2007, international arrivals were down 63,691 or 3.2 percent.

In terms of major market areas, from the second quarter of 2007 to the second quarter of 2008, arrivals from the U.S. West decreased 129,842 or 15.4 percent (Table D-5), the largest decrease since the third quarter of 1992 for this market; while arrivals from the U.S. East decreased 57,771 or 11.5 percent (Table D-6). This was the fourth consecutive quarterly decline in the U.S. East Market. Similarly, arrivals from Japan decreased 21,828 or 7.7 percent (Table D-7). In the twelve quarters from the third quarter of 2005 to the second quarter of 2008, only one quarter (2007Q3) had a quarter-over-quarter increase in the Japanese market.

In 2007, arrivals from U.S. West were up 24,759 or 0.8 percent from that of 2006; arrivals from the U.S. East were down 51,814 or 2.7 percent; and Japanese arrivals were down 66,453 or 4.9 percent from 2006.

The total average daily visitor census was down 10.0 percent or 18,506 visitors per day in the second quarter of 2008 over the same quarter of 2007 (Table D-8). Domestic average daily census decreased 11.2 percent or 16,843 visitors per day (Table D-9), while international average daily census decreased 4.9 percent or 1,663 visitors per day (Table D-10). In 2007, a 0.9 percent positive growth in domestic daily census was almost completely offset by an 8.5 percent decrease in international daily census. The net result was almost unchanged total average daily visitor census in 2007 over 2006.

Nominal visitor expenditures by air totaled \$2,751.7 million in the second quarter of 2008, down 8.7 percent from the same quarter of 2007 (Table D-11). In 2007, visitor expenditures reached \$12,578.3 million, an increase of 2.7 percent from 2006, as compared to 4.9 percent increase in Honolulu's Consumer Price Index.

Total airline capacity, as measured in terms of the number of available seats flown to Hawaii, decreased substantially in the second quarter of 2008 compared to the same quarter of 2007 after the bankruptcies of Aloha Airlines and ATA (Table D-12). A 13.6 percent or 257,512 decrease in domestic seats (Table D-13) combined with a 12.6 percent or 87,503 decrease in international seats (Table D-14) led to a 13.3 percent or 345,015 decrease in the number of total available seats for the quarter. For the year 2007, both domestic and international seats were also down.

In the second quarter of 2008, statewide hotel occupancy rate averaged 69.0 percent, down 3.0 percentage points from the same quarter of 2007 (Table D-15). For all of 2007, occupancy rate averaged 75.3 percent, down 4.2 percentage points from 2006.

Readers interested in visitor statistics on a monthly basis can find them at: <http://www.hawaii.gov/dbedt/info/visitor-stats/tourism/> and those interested in daily passenger arrival data at: http://www.hawaii.gov/dbedt/info/economic/data_reports/special/

Table D-1. VISITOR ARRIVALS AND AVERAGE DAILY VISITOR CENSUS - BY AIR

Year	Visitor Arrivals 1/			Average Daily Visitor Census		
	Total	Domestic	International	Total	Domestic	International
1990	6,723,531	4,315,161	2,408,370	154,517	113,066	41,450
1991	6,518,460	4,068,508	2,449,952	147,323	105,686	41,637
1992	6,473,669	3,791,945	2,681,724	152,249	106,589	45,660
1993	6,070,995	3,570,059	2,500,936	147,498	100,430	47,068
1994	6,364,674	3,813,279	2,551,395	156,630	107,904	48,726
1995	6,546,759	3,743,474	2,803,285	157,098	105,649	51,450
1996	6,723,141	3,794,113	2,929,028	158,297	106,404	51,892
1997	6,761,135	3,890,798	2,870,337	157,187	108,019	49,168
1998	6,595,790	4,014,140	2,581,650	157,389	112,068	45,320
1999	6,741,037	4,255,621	2,485,416	164,439	117,998	46,441
2000	6,948,595	4,446,936	2,501,659	168,637	123,442	45,196
2001	6,303,789	4,224,321	2,079,469	158,247	118,106	40,141
2002	6,389,059	4,358,850	2,030,208	160,195	121,029	39,165
2003	6,380,438	4,531,288	1,849,150	161,048	123,389	37,659
2004	6,912,094	4,892,960	2,019,134	171,481	132,355	39,126
2005	7,416,574	5,313,281	2,103,293	185,445	144,396	41,049
2006 2/	7,528,106	5,550,125	1,977,981	189,441	149,545	39,895
2007 2/	7,496,820	5,582,530	1,914,290	189,412	150,960	38,452
2001 1 Qtr.	1,715,088	1,079,787	635,301	164,816	125,173	39,642
2 Qtr.	1,673,990	1,129,578	544,413	171,435	126,075	45,360
3 Qtr.	1,647,049	1,091,324	555,726	162,537	117,911	44,626
4 Qtr.	1,267,662	923,632	344,030	176,954	126,606	50,348
2002 1 Qtr.	1,537,636	1,042,843	494,792	159,596	120,781	38,816
2 Qtr.	1,583,029	1,115,788	467,241	162,674	119,887	42,787
3 Qtr.	1,694,239	1,170,113	524,126	134,185	105,365	28,821
4 Qtr.	1,574,155	1,030,106	544,049	162,745	122,622	40,124
2003 1 Qtr.	1,562,878	1,049,338	513,540	153,178	119,430	33,749
2 Qtr.	1,501,363	1,168,919	332,444	167,584	126,274	41,310
3 Qtr.	1,719,130	1,234,881	484,249	157,250	115,809	41,441
4 Qtr.	1,597,067	1,078,150	518,917	163,475	118,886	44,588
2004 1 Qtr.	1,639,213	1,138,607	500,606	150,775	123,760	27,016
2 Qtr.	1,712,588	1,252,707	459,881	171,357	131,942	39,415
3 Qtr.	1,852,939	1,318,363	534,576	158,528	118,874	39,654
4 Qtr.	1,707,354	1,183,283	524,071	171,479	128,237	43,242
2005 1 Qtr.	1,821,151	1,279,704	541,447	164,897	131,766	33,132
2 Qtr.	1,787,046	1,304,549	482,497	180,936	140,130	40,806
3 Qtr.	1,995,901	1,452,425	543,476	168,540	129,234	39,306
4 Qtr.	1,812,476	1,276,603	535,873	192,126	146,732	45,394
2/ 2006 1 Qtr.	1,836,867	1,300,840	536,027	172,635	137,683	34,952
2/ 2 Qtr.	1,865,545	1,410,404	455,141	196,484	153,816	42,667
2/ 3 Qtr.	1,992,088	1,496,473	495,615	180,542	139,332	41,209
2/ 4 Qtr.	1,833,607	1,342,409	491,198	198,665	149,596	49,069
2/ 2007 1 Qtr.	1,826,527	1,323,255	503,272	180,356	147,415	32,942
2/ 2 Qtr.	1,856,609	1,434,445	422,164	195,968	156,511	39,457
2/ 3 Qtr.	2,002,719	1,491,746	510,973	182,876	144,638	38,238
2/ 4 Qtr.	1,810,966	1,333,085	477,881	193,365	149,663	43,701
2/ 2008 1 Qtr.	1,831,135	1,345,192	485,943	184,702	150,976	33,726
2/ 2 Qtr.	1,668,307	1,251,140	417,167	195,509	156,793	38,716

1/ Staying overnight or longer.

2/ 2006 and 2007 have been revised, 2007 is final and 2008 data are preliminary.

Source: Hawaii State Department of Business, Economic Development & Tourism and <<http://www.hawaii.gov/dbedt/info/visitor-stats/>>.

Table D-1. VISITOR ARRIVALS AND AVERAGE DAILY VISITOR CENSUS - BY AIR - Con.

Year	Visitor Arrivals 1/			Average Daily Visitor Census		
	Total	Domestic	International	Total	Domestic	International
Percentage Change from the Same Period in Previous Year						
1991	-3.1	-5.7	1.7	-4.7	-6.5	0.5
1992	-0.7	-6.8	9.5	3.3	0.9	9.7
1993	-6.2	-5.9	-6.7	-3.1	-5.8	3.1
1994	4.8	6.8	2.0	6.2	7.4	3.5
1995	2.9	-1.8	9.9	0.3	-2.1	5.6
1996	2.7	1.4	4.5	0.8	0.7	0.9
1997	0.6	2.5	-2.0	-0.7	1.5	-5.2
1998	-2.4	3.2	-10.1	0.1	3.7	-7.8
1999	2.2	6.0	-3.7	4.5	5.3	2.5
2000	3.1	4.5	0.7	2.6	4.6	-2.7
2001	-9.3	-5.0	-16.9	-6.2	-4.3	-11.2
2002	1.4	3.2	-2.4	1.2	2.5	-2.4
2003	-0.1	4.0	-8.9	0.5	1.9	-3.8
2004	8.3	8.0	9.2	6.5	7.3	3.9
2005	7.3	8.6	4.2	8.1	9.1	4.9
2006 2/	1.5	4.5	-6.0	2.2	3.6	-2.8
2007 2/	-0.4	0.6	-3.2	0.0	0.9	-3.6
2/ 2002 1 Qtr.	-10.3	-3.4	-22.1	-3.2	-3.5	-2.1
2 Qtr.	-5.4	-1.2	-14.2	-5.1	-4.9	-5.7
3 Qtr.	2.9	7.2	-5.7	-17.4	-10.6	-35.4
4 Qtr.	24.2	11.5	58.1	-8.0	-3.1	-20.3
2003 1 Qtr.	1.6	0.6	3.8	-4.0	-1.1	-13.1
2 Qtr.	-5.2	4.8	-28.8	3.0	5.3	-3.5
3 Qtr.	1.5	5.5	-7.6	17.2	9.9	43.8
4 Qtr.	1.5	4.7	-4.6	0.4	-3.0	11.1
2004 1 Qtr.	4.9	8.5	-2.5	-1.6	3.6	-20.0
2 Qtr.	14.1	7.2	38.3	2.3	4.5	-4.6
3 Qtr.	7.8	6.8	10.4	0.8	2.6	-4.3
4 Qtr.	6.9	9.8	1.0	4.9	7.9	-3.0
2005 1 Qtr.	11.1	12.4	8.2	9.4	6.5	22.6
2 Qtr.	4.3	4.1	4.9	5.6	6.2	3.5
3 Qtr.	7.7	10.2	1.7	6.3	8.7	-0.9
4 Qtr.	6.2	7.9	2.3	12.0	14.4	5.0
2/ 2006 1 Qtr.	0.9	1.7	-1.0	4.7	4.5	5.5
2/ 2 Qtr.	4.4	8.1	-5.7	8.6	9.8	4.6
2/ 3 Qtr.	-0.2	3.0	-8.8	7.1	7.8	4.8
2/ 4 Qtr.	1.2	5.2	-8.3	3.4	2.0	8.1
2/ 2007 1 Qtr.	-0.6	1.7	-6.1	4.5	7.1	-5.8
2/ 2 Qtr.	-0.5	1.7	-7.2	-0.3	1.8	-7.5
2/ 3 Qtr.	0.5	-0.3	3.1	1.3	3.8	-7.2
2/ 4 Qtr.	-1.2	-0.7	-2.7	-2.7	0.0	-10.9
2/ 2008 1 Qtr.	0.3	1.7	-3.4	2.4	2.4	2.4
2/ 2 Qtr.	-10.1	-12.8	-1.2	-0.2	0.2	-1.9

1/ Staying overnight or longer.

2/ 2006 and 2007 have been revised, 2007 is final and 2008 data are preliminary.

Source: Hawaii State Department of Business, Economic Development & Tourism and <<http://www.hawaii.gov/dbedt/info/visitor-stats/>>.

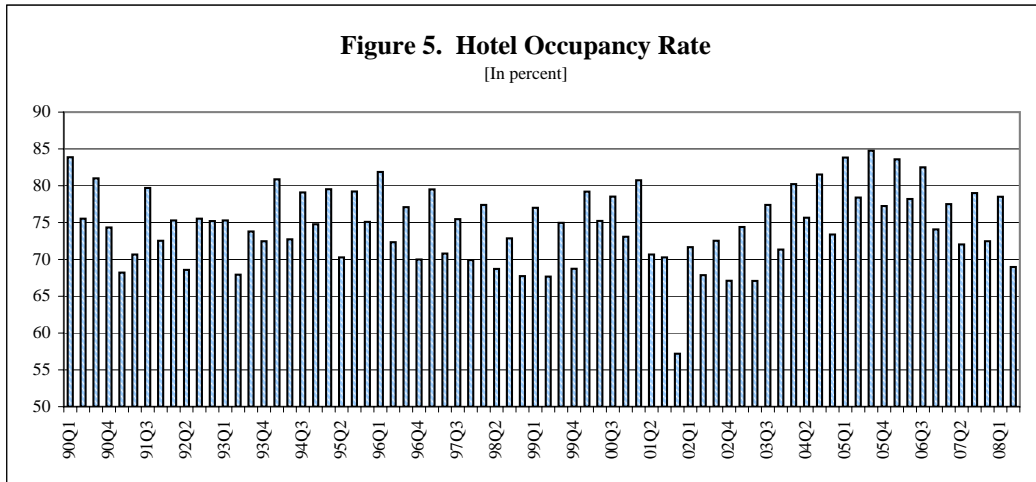
Table D-15. HOTEL OCCUPANCY RATE

Year	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Annual Average
In Percent					
1982	79.0	65.9	70.9	66.7	70.4
1983	75.2	68.1	71.7	66.5	69.7
1984	84.0	75.6	74.6	75.1	76.0
1985	88.1	69.1	75.0	72.5	76.1
1986	87.0	78.8	79.9	76.8	81.7
1987	88.0	77.1	82.1	77.8	81.1
1988	81.7	75.1	81.3	75.1	78.5
1989	85.9	73.9	81.0	75.7	79.0
1990	83.9	75.5	81.0	74.3	78.8
1991	68.2	70.7	79.7	72.5	72.4
1992	75.3	68.6	75.5	75.2	72.7
1993	75.3	67.9	73.8	72.5	72.0
1994	80.9	72.7	79.1	74.8	76.5
1995	79.5	70.3	79.2	75.1	75.8
1996	81.9	72.3	77.1	70.0	75.2
1997	79.5	70.8	75.5	69.9	73.9
1998	77.4	68.7	72.9	67.7	71.5
1999	77.0	67.7	75.0	68.7	72.1
2000	79.2	75.2	78.5	73.1	76.0
2001	80.7	70.7	70.3	57.2	69.2
2002	71.7	67.9	72.5	67.1	69.7
2003	74.4	67.1	77.4	71.3	72.6
2004	80.2	75.7	81.5	73.4	77.7
2005	83.8	78.4	84.8	77.2	81.1
2006	83.6	78.2	82.5	74.1	79.5
2007 1/	77.5	72.0	79.0	72.5	75.3
2008	78.5	69.0	(NA)	Year-to-Date	73.8

Quarterly averages are computed by Hawaii State Department of Business, Economic Development & Tourism from PKF-Hawaii monthly averages through January 1995 and Hospitality Advisors LLC monthly averages from February 1995.

1/ Source revised months of 2nd Quarter.

Source: Hawaii State Department of Business, Economic Development & Tourism, PKF-Hawaii and Hospitality Advisors LLC.



E. CONSTRUCTION

The dollar value of private building authorizations and government contracts awarded both decreased in the second quarter of 2008 compared with the same quarter last year. Increases in additions & alterations permits were offset by decreases in new residential building permits and new commercial and industrial permits. State Government Capital Improvement Project (CIP) expenditures, however, increased significantly in the quarter. In addition, construction jobs continued to grow, although the pace of growth has slowed from the previous two years. At the same time, the median sale price for single family homes in Honolulu decreased while median prices for condominium resales increased slightly. The number of units sold continued to decrease significantly.

Construction continued to be one of the major contributors to ongoing job growth in Hawaii. In the second quarter of 2008, the Natural Resources, Mining and Construction sector added 650 jobs, an increase of 1.7 percent compared with the same quarter last year, on top of a 4.8 percent growth in the first quarter of 2008 (Table 1 and Table A-7). The pace of growth is consistent with the slower growth starting in the third quarter of 2007. Nonetheless, at 39,350 jobs for the quarter, construction jobs were still close to the highest level of 39,950 (in 2007Q4) since the series began in 1990.

In the second quarter of 2008, total value of private building authorizations decreased \$37.1 million or 3.4 percent compared with the second quarter of 2007 (Tables E-1 and E-8). In the second quarter, the value of new residential permits was down \$151.4 million or 22.6 percent; the value of new commercial and the industrial permits was down \$68.0 million or 30.5 percent; while the value of additions and alternations permits was up \$182.3 million or 93.8 percent, compared to the same quarter last year. In the first half of 2008, total private building authorizations decreased \$33.1 million or 1.8 percent compared with the same period of 2007.

At the county level, in the second quarter of 2008, the value of total private building permits in Kauai County and Maui County increased \$50.6 million or 123.0 percent and \$43.3 million or 21.9 percent, respectively, from the same quarter of 2007. However, values of Honolulu and Hawaii County private authorizations decreased \$11.6 million or 2.2 percent and \$119.4 million or 39.0 percent, respectively (Table E-8).

Government contracts awarded decreased \$184.9 million or 58.2 percent in the second quarter of 2008 compared to the same quarter of 2007. In the first half of 2008, government contracts awarded decreased \$168.8 million or 33.9 percent compared with the same period of 2007 (Table E-1). State Government Capital Improvement Project (CIP) expenditures were up \$133.0 million or 50.3 percent in the second quarter of 2008 from the same quarter in 2007 (Table E-2).

The single-family unit authorizations declined 30.4 percent in the second quarter of 2008 on top of a 24.5 percent decrease in the previous quarter and a 16.7 percent decline in 2007 from 2006 (Table E-4). The value of multi-family units authorized was down 16.6 percent for the second quarter of 2008 following a 92.7 percent decrease in the previous quarter and a 66.9 percent increase in the year of 2007 (Table E-5).

The Honolulu Construction Cost Index for Single Family Residences rose 5.5 percent in the second quarter of 2008 over that of 2007 (Table E-6), while the comparable index for High-Rise Buildings rose 6.0 percent (Table E-7).

In the second quarter of 2008, Honolulu's median price for single family resales was \$636,000, down by 4.4 percent (Table E-9), while the median price for condominium resales increased 0.6 percent to \$330,000 compared to the same quarter in 2007 (Table E-10). In the second quarter of 2008, the numbers of single-family unit and condominium unit resales were down 28.6 percent and 30.7 percent, respectively, from the second quarter of 2007 (Tables E-11 and E-12).

Table E-1. ESTIMATED VALUE OF COMPLETED CONSTRUCTION, NEW PRIVATE BUILDING AUTHORIZATIONS, AND GOVERNMENT CONTRACTS AWARDED

Year	Contracting tax base 1/	Private Building Authorization 4/				Government
		Total Private Authorizations	Residential 4/	Commercial & Industrial 2/	Additions & Alterations	Contracts Awarded
In Millions of Dollars						
1982	1,294.9	683.1	299.2	242.9	141.1	391.6
1983	1,353.4	685.2	296.2	203.2	185.9	275.0
1984	1,242.9	581.5	327.7	104.0	149.9	388.7
1985	1,367.7	888.9	500.1	208.8	180.1	248.9
1986	1,808.0	1,025.2	455.5	267.4	302.3	422.7
1987	2,003.1	1,161.9	507.0	344.4	310.5	370.9
1988	2,487.6	1,546.5	689.2	541.2	316.1	665.0
1989	3,112.8	1,882.4	910.7	561.8	409.9	725.2
1990	4,003.7	2,101.8	952.3	698.0	451.5	825.5
1991	4,334.1	2,151.8	1,192.0	556.2	403.7	729.4
1992	4,012.7	1,751.9	811.1	532.3	408.5	1,159.1
1993	3,803.6	1,505.4	742.1	308.0	455.3	651.8
1994	3,322.3	1,612.9	849.3	370.3	393.4	693.0
1995	3,133.5	1,531.3	745.5	368.3	417.5	490.2
1996	3,285.1	1,117.8	487.0	252.8	378.0	885.5
1997	2,944.4	1,179.2	542.5	264.5	372.2	615.6
1998	3,016.0	1,054.3	485.5	205.6	363.2	685.1
1999	2,991.2	1,320.2	628.8	306.2	385.3	584.8
2000 3/	3,613.5	1,512.6	800.1	246.2	466.2	810.9
2001	3,766.4	1,585.7	882.4	329.1	374.2	715.7
2002 4/	4,275.0	1,772.0	1,112.9	254.2	404.9	768.3
2003 4/	4,536.3	2,351.8	1,335.1	509.2	507.5	633.4
2004 4/	4,921.5	2,726.5	1,767.7	303.3	655.6	1,384.6
2005 4/	5,851.0	3,492.0	2,259.3	433.5	799.1	725.1
2006 4/ 5/	7,223.3	3,770.1	1,811.8	732.0	1,226.2	853.8
2007 4/ 5/	8,072.9	3,585.4	1,855.4	703.9	1,026.2	869.5
1998 1 Qtr.	757.1	260.4	118.2	50.4	91.9	155.3
2 Qtr.	706.3	246.7	121.3	48.4	76.9	127.5
3 Qtr.	793.6	296.0	123.5	55.1	117.3	218.7
4 Qtr.	759.0	251.3	122.6	51.7	77.0	183.5
1999 1 Qtr.	732.1	342.9	141.6	125.0	76.3	177.3
2 Qtr.	737.0	314.3	153.4	72.3	88.5	104.6
3 Qtr.	758.1	314.0	151.1	63.9	99.0	147.1
4 Qtr.	764.0	349.0	182.6	45.0	121.4	155.8
2000 1 Qtr.	877.6	351.8	203.3	61.3	87.3	217.1
2 Qtr.	869.1	392.9	194.9	72.9	125.1	96.6
3 Qtr.	894.9	377.4	204.1	59.1	114.2	405.1
4 Qtr.	971.8	390.4	197.9	52.9	139.6	92.1
2001 1 Qtr.	920.5	362.5	186.3	96.6	79.6	178.0
2 Qtr.	918.4	423.6	234.3	77.9	111.5	175.7
3 Qtr.	893.2	421.0	256.3	68.3	96.4	113.1
4 Qtr.	1,034.3	378.6	205.6	86.3	86.7	248.9
2002 4/ 1 Qtr.	913.7	336.3	191.7	47.0	97.6	250.8
2 Qtr.	1,025.0	437.1	276.9	59.3	100.9	133.6
3 Qtr.	1,213.7	497.6	346.6	47.2	103.8	255.7
4 Qtr.	1,122.5	501.1	297.7	100.7	102.6	128.2
2003 4/ 1 Qtr.	1,122.3	655.1	326.0	217.9	111.3	168.3
2 Qtr.	1,139.3	708.2	389.0	155.7	163.4	86.0
3 Qtr.	1,179.6	531.0	316.5	87.9	126.6	228.3
4 Qtr.	1,095.1	457.5	303.7	47.6	106.2	150.8
2004 4/ 1 Qtr.	1,143.3	780.8	542.5	107.4	130.8	256.7
2 Qtr.	1,126.0	718.9	440.5	50.8	227.6	804.1
3 Qtr.	1,345.9	597.6	366.0	73.0	158.6	187.2
4 Qtr.	1,306.3	629.3	418.7	72.1	138.5	136.6
2005 4/ 1 Qtr.	1,334.0	706.5	420.3	48.7	237.6	213.6
2 Qtr.	1,427.4	728.5	450.7	103.4	174.4	105.5
3 Qtr.	1,579.2	1,050.5	662.1	220.1	168.4	314.4
4 Qtr.	1,510.4	1,006.4	726.2	61.4	218.8	91.5
2006 4/ 5/ 1 Qtr.	1,714.7	766.2	481.1	61.1	224.0	297.2
2 Qtr.	1,677.1	908.1	451.6	160.7	295.9	174.4
3 Qtr.	1,920.2	1,051.5	460.5	206.5	384.5	220.6
4 Qtr.	1,911.3	1,044.2	418.6	303.8	321.8	161.6
2007 4/ 5/ 1 Qtr.	1,991.0	737.1	412.1	59.7	265.3	180.1
2 Qtr.	2,081.1	1,085.7	668.8	222.6	194.2	317.7
3 Qtr.	1,924.9	896.3	412.1	144.3	339.9	255.1
4 Qtr.	2,075.9	866.3	362.3	277.2	226.8	116.5
2008 4/ 1 Qtr.	1,885.1	741.1	353.2	94.0	293.9	196.2
2 Qtr.	(NA)	1,048.5	517.4	154.7	376.5	132.8

NA Not available.

First Hawaiian Bank has discontinued compiling Government Contracts Awarded. Hawaii State Department of Business, Economic Development & Tourism has compiled preliminary estimates beginning with the fourth quarter 1997 based on data in *Building Industry*.

1/ Formerly, this category was "Value of Construction Completed", subject to revision by Hawaii State Department of Taxation.

2/ Includes hotels.

3/ Kauai County Private Building Authorizations data for November consist of residential data only.

4/ Beginning with 2002 Kauai Private Building Authorizations data available for residential only.

6/ Contracting tax base data have been revised

Source: Hawaii State Department of Taxation; county building departments; U.S. Census Bureau; First Hawaiian Bank; *Building Industry*.

Table E-1. ESTIMATED VALUE OF COMPLETED CONSTRUCTION, NEW PRIVATE BUILDING AUTHORIZATIONS, AND GOVERNMENT CONTRACTS AWARDED - Con.

Year	Contracting tax base 1/	Private Building Authorization 4/				Government
		Total Private Authorizations	Residential 4/	Commercial & Industrial 2/	Additions & Alterations	Contracts Awarded
Percentage Change from the Same Period in Previous Year						
1983	4.5	0.3	-1.0	-16.3	31.8	-29.8
1984	-8.2	-15.1	10.6	-48.8	-19.4	41.3
1985	10.0	52.9	52.6	100.8	20.1	-36.0
1986	32.2	15.3	-8.9	28.1	67.9	69.8
1987	10.8	13.3	11.3	28.8	2.7	-12.3
1988	24.2	33.1	35.9	57.1	1.8	79.3
1989	25.1	21.7	32.1	3.8	29.7	9.1
1990	28.6	11.7	4.6	24.2	10.1	13.8
1991	8.3	2.4	25.2	-20.3	-10.6	-11.6
1992	-7.4	-18.6	-32.0	-4.3	1.2	58.9
1993	-5.2	-14.1	-8.5	-42.1	11.5	-43.8
1994	-12.7	7.1	14.4	20.2	-13.6	6.3
1995	-5.7	-5.1	-12.2	-0.5	6.1	-29.3
1996	4.8	-27.0	-34.7	-31.4	-9.5	80.6
1997	-10.4	5.5	11.4	4.6	-1.5	-30.5
1998	2.4	-10.6	-10.5	-22.3	-2.4	11.3
1999	-0.8	25.2	29.5	48.9	6.1	-14.6
2000 3/	20.8	14.6	27.3	-19.6	21.0	38.7
2001	4.2	4.8	10.3	33.7	-19.7	-11.7
2002 4/	13.5	11.7	26.1	-22.8	8.2	7.3
2003 4/	6.1	32.7	20.0	100.3	25.3	-17.6
2004 4/	8.5	15.9	32.4	-40.4	29.2	118.6
2005 4/	18.9	28.1	27.8	43.0	21.9	-47.6
2006 4/	23.5	8.0	-19.8	68.8	53.4	17.8
2007 4/	11.8	-4.9	2.4	-3.8	-16.3	1.8
1999 1 Qtr.	-3.3	31.7	19.8	148.2	-17.0	14.1
2 Qtr.	4.3	27.4	26.5	49.4	15.1	-18.0
3 Qtr.	-4.5	6.1	22.4	15.9	-15.6	-32.8
4 Qtr.	0.7	38.9	49.0	-13.1	57.7	-15.1
2000 1 Qtr.	19.9	2.6	43.6	-51.0	14.4	22.4
2 Qtr.	17.9	25.0	27.0	0.8	41.3	-7.6
3 Qtr.	18.0	20.2	35.0	-7.4	15.3	175.4
3/ 4 Qtr.	27.2	11.9	8.4	17.6	15.0	-40.9
2001 1 Qtr.	4.9	3.0	-8.3	57.6	-8.8	-18.0
2 Qtr.	5.7	7.8	20.2	6.8	-10.9	81.9
3 Qtr.	-0.2	11.5	25.6	15.6	-15.6	-72.1
4 Qtr.	6.4	-3.0	3.9	63.3	-37.9	170.2
2002 4/ 1 Qtr.	-0.7	-7.2	2.9	-51.4	22.6	40.9
4/ 2 Qtr.	11.6	3.2	18.2	-23.8	-9.5	-24.0
4/ 3 Qtr.	35.9	18.2	35.2	-31.0	7.7	126.1
4/ 4 Qtr.	8.5	32.4	44.8	16.7	18.4	-48.5
2003 4/ 1 Qtr.	22.8	94.8	70.0	364.0	14.0	-32.9
4/ 2 Qtr.	11.2	62.0	40.5	162.4	62.0	-35.6
4/ 3 Qtr.	-2.8	6.7	-8.7	86.3	22.0	-10.7
4/ 4 Qtr.	-2.4	-8.7	2.0	-52.7	3.4	17.6
2004 4/ 1 Qtr.	1.9	19.2	66.4	-50.7	17.6	52.5
4/ 2 Qtr.	-1.2	1.5	13.2	-67.4	39.3	835.0
4/ 3 Qtr.	14.1	12.5	15.7	-17.0	25.3	-18.0
4/ 4 Qtr.	19.3	37.6	37.9	51.3	30.5	-9.4
2005 4/ 1 Qtr.	16.7	-9.5	-22.5	-54.7	81.6	-16.8
4/ 2 Qtr.	26.8	1.3	2.3	103.7	-23.4	-86.9
4/ 3 Qtr.	17.3	75.8	80.9	201.6	6.2	68.0
4/ 4 Qtr.	15.6	59.9	73.4	-14.8	57.9	-33.0
2006 4/ 1 Qtr.	28.5	8.4	14.5	25.6	-5.7	39.1
4/ 2 Qtr.	17.5	24.7	0.2	55.4	69.6	65.3
4/ 3 Qtr.	21.6	0.1	-30.5	-6.2	128.4	-29.8
4/ 4 Qtr.	26.5	3.8	-42.3	394.5	47.1	76.6
2007 4/ 1 Qtr.	16.1	-3.8	-14.3	-2.3	18.4	-39.4
4/ 2 Qtr.	24.1	19.6	48.1	38.6	-34.4	82.1
4/ 3 Qtr.	0.2	-14.8	-10.5	-30.1	-11.6	15.7
4/ 4 Qtr.	8.6	-17.0	-13.4	-8.7	-29.5	-27.9
2008 4/ 1 Qtr.	-5.3	0.5	-14.3	57.4	10.8	8.9
4/ 2 Qtr.	(NA)	-3.4	-22.6	-30.5	93.8	-58.2

NA Not available.

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1/ Formerly, this category was "Value of Construction Completed", subject to revision by Hawaii State Department of Taxation.

2/ Includes hotels.

3/ Kauai data for November consist of residential data only.

4/ Beginning in 2002 Kauai data available for residential only.

Source: Hawaii State Department of Taxation; county building departments; U.S. Census Bureau; First Hawaiian Bank; *Building Industry*.

F. OTHER INDICATORS

The total number of bankruptcy filings in Hawaii increased 25.3 percent for the first quarter of 2008 from the same quarter of 2007. For 2007, total filings increased 43.6 percent from 965 cases in 2006 to 1,386 cases in 2007. The 2007 total filings were still significantly below the 4,489 total filings in 2005. Between 1996 and 2005, total filings fluctuated between about 3,000 and 6,000 cases per year.

The number of Chapter 7 filings, the largest category, increased 20.7 percent or 56 cases from 270 cases in the first quarter of 2007 to 326 cases in the first quarter of 2008. Chapter 7 filings are intended to liquidate assets and discharge debt to provide the debtor with a fresh start. For 2007, Chapter 7 filings were up 38.3 percent or 307, following a decrease of 80.6 percent or 3,330 in 2006.

Chapter 11 filings decreased from 5 cases in the first quarter of 2007 to 3 cases in the first quarter of 2008. For 2007, Chapter 11 filings increased from 9 to 18. Chapter 11 filings involve the structuring of repayment plans for companies. Chapter 11 filings were down from 16 in 2005 to 9 in 2006.

In the first quarter of 2008, Chapter 13 filings increased 55.4 percent or 31 cases from 56 filings in the first quarter of 2007. In 2007, Chapter 13 filings were up 69.3 percent or 106 cases from 153 in 2006. Chapter 13 bankruptcy allows debtors to work out repayment arrangements with creditors. In 2006, Chapter 13 filings were down 55.1 percent or 188 cases from 2005.

For quarterly bankruptcy statistics, see: <http://www.uscourts.gov/bnkrpctstats/statistics.htm>

Total Bankruptcy Filings (Chapters 7, 11, 12, and 13)

