

Hawaii

Hawaii's 116,236 small businesses provide economic opportunities to diverse groups of people and bring innovative products and services to the marketplace.* This profile from the Office of Advocacy compiles the latest facts and figures on the status and role of small business in the state. (Note that a small business is defined here as one with fewer than 500 employees.)

- Hawaii had 25,883 small employers in 2006, representing 96.9% of the state's employers and 56.1% of its private-sector employment.
- The accommodation and food services industry was the state's largest small business and overall employer in 2006 (Table 1).
- Small businesses created 58% of the state's net new jobs from 2004 to 2005 (Table 2).
- Hawaii's real gross state product increased by 3.0% in 2007. By comparison, growth in the Far West region was 1.9% and the United States, 2.0%. (Source: U.S. Dept. of Commerce: Bureau of Economic Analysis)

For Further Information

- Data on all the states and territories is available at www.sba.gov/advo/research/profiles.
- For other small business data and analysis, visit www.sba.gov/advo/research, call (202) 205-6533, or email advocacy@sba.gov.
- To learn about state efforts to adopt or implement regulatory flexibility, visit www.sba.gov/advo/laws/law_modeleg.html.
- Visit <http://web.sba.gov/list> to subscribe to listservs for Advocacy's newsletter, press releases, regulatory news and research reports.
- Visit www.sba.gov/advo/rsslibrary.html for RSS feeds.

* The number of small businesses is the number of small employers plus the number of nonemployers in 2006.

Hawaii Small Business Facts

	Level in 2006†	% Change from 2005 2000	
Number of Businesses			
Small employers (<500 employees)	25,883	1.6	10.0
Large employers (500+ employees)	840	3.2	5.1
Nonemployers	90,353	3.0	22.4
	Level in 2002†	% Change from 1997	
Business Owner Demographics			
Male-owned	50,984	4.2	
Woman-owned	29,943	16.0	
Equally male/female-owned	13,864	-11.7	
African American-owned	817	28.1	
Asian-owned	44,924	2.8	
Hispanic-owned	3,095	-25.5	
Native American/Alaskan-owned	892	NA	
Hawaiian and Pacific Islander-owned	8,359	20.7	
	Level in 2007†	% Change from 2006 2000	
Workforce (Thousands) /Unemployment (%)			
Private-sector employment	502	1.2	14.9
Government employment	122	0.6	6.5
Self-employed (incorp. & uninc.)	73	-9.3	0.3
Female self-employment	28	-9.9	1.0
Male self-employment	45	-8.9	-0.1
Minority self-employment	46	-0.1	17.9
Veteran self-employment	11	-10.7	5.9
Unemployment rate (%)	2.6	0.1	-1.4
Business Turnover			
Quarterly establishment openings	5,074	-5.8	-0.2
Quarterly establishment closings	6,062	21.9	33.1
Business bankruptcies	56	124	-24.3
Income and Finance			
Proprietors' income (\$billion)	3	-5.5	2.9
Bank branches	288	-0.3	-5.6
No. of bus. loans under \$100,000	26,089	-9.9	NA
Total value of business loans under \$100,000 (\$million)	472	0.8	NA

Sources: U.S. Dept. of Commerce, Bureau of the Census and Bureau of Economic Analysis; U.S. Dept. of Labor, Bureau of Labor Statistics; Administrative Office of the U.S. Courts; Federal Deposit Insurance Corporation, Summary of Deposits; and U.S. Small Business Administration, Office of Advocacy (www.sba.gov/advo/research/lending.html).

† Latest available data; certain figures are economywide.

**Table 1. Firms and Employment in Hawaii by Industry and Firm Size, 2006
(Non-farm, thousands)**

Industry	Nonemployer firms	Employer firms			Employment		
		Total	1-19 Employees	1-499 Employees	Total	1-19 Employees	1-499 Employees
Total	90.4	26.7	22.6	25.9	512.5	97.7	287.6
Forestry, etc. and agriculture support	1.6	0.0	0.0	0.0	(D)	(D)	(D)
Mining	0.0	0.0	0.0	0.0	(D)	(D)	(D)
Utilities	0.1	0.0	0.0	0.0	2.8	(D)	(D)
Construction	7.3	2.8	2.5	2.8	32.1	10.6	28.2
Manufacturing	2.0	0.9	0.7	0.9	15.2	3.9	11.2
Wholesale trade	2.5	1.7	1.3	1.5	20.8	6.1	15.2
Retail trade	9.2	3.4	2.8	3.2	72.6	13.1	32.4
Transportation and warehousing	2.5	0.7	0.5	0.6	30.0	2.4	11.0
Information	1.1	0.4	0.3	0.3	10.5	1.1	2.9
Finance and insurance	3.0	0.9	0.7	0.8	20.1	2.5	7.2
Real estate and rental and leasing	11.7	1.8	1.6	1.7	16.1	5.1	9.8
Professional, scientific, and technical svcs.	13.3	3.1	2.7	3.0	25.8	9.3	19.0
Management of companies and enterprises	--	0.2	0.0	0.1	5.7	0.1	1.6
Admin., support, waste mgt., remed. svcs.	6.5	1.6	1.3	1.5	41.8	5.7	21.9
Educational services	1.9	0.5	0.4	0.5	17.4	1.9	8.4
Health care and social assistance	6.6	2.9	2.6	2.8	61.9	11.4	33.9
Arts, entertainment, and recreation	5.8	0.5	0.3	0.5	12.4	(D)	(D)
Accommodation and food services	1.4	2.7	2.0	2.7	101.2	12.0	51.6
Other services (except public admin.)	13.8	3.1	2.8	3.1	25.7	10.9	22.1
Unclassified	--	0.1	0.1	0.1	(D)	(D)	(D)

Source: U.S. Dept. of Commerce, Bureau of the Census, Statistics of U.S. Businesses. (See www.sba.gov/advo/research/data.html for data from other years, and for starts, closures, job creation and destruction by industry and by size category.)

(D) Data suppressed to protect the confidentiality of individual firms.

Table 2: Net Job Change by Firm Size, 2002–2005 (Non-farm)

	Total	Employment size of firm						
		1-4	5-9	10-19	20-99	100-499	<500	500+
2004 - 2005	17,679	3,789	997	606	2,351	2,519	10,262	7,417
2003 - 2004	13,596	4,042	1,350	592	1,613	-672	6,925	6,671
2002 - 2003	17,879	4,952	2,296	1,549	5,340	2,753	16,890	989

Source: U.S. Dept. of Commerce, Bureau of the Census. (For more detailed data see www.sba.gov/advo/research/data.html.)

Table 3: Establishment and Employment Turnover by Quarter, 2007 (Non-farm, thousands)

	Establishments				Employment			
	Openings	Expansions	Contractions	Closings	Openings	Expansions	Contractions	Closings
Quarter 4	1.4	7.1	7.0	1.5	5.2	22.3	21.1	4.9
Quarter 3	1.1	6.9	7.3	1.6	3.9	22.0	24.2	6.6
Quarter 2	1.3	7.2	7.1	1.5	5.1	24.3	21.7	5.4
Quarter 1	1.2	6.9	6.9	1.5	4.9	22.6	22.0	4.7

Source: U.S. Dept. of Labor, Bureau of Labor Statistics, Business Employment Dynamics. (For more detailed data see www.bls.gov/bdm/home.htm.)

Note: The establishment turnover figures contain all firm sizes, but Census data from 2005 showed that 87 percent of establishment births and deaths were in firms with fewer than 500 employees.