

## Hawaii

Hawaii's small businesses are key to the state's well-being. They account for a significant share of the state's economic production and hiring. This profile from the Office of Advocacy uses the latest available data to illustrate the status and contributions of Hawaii small businesses. (Note that a small business is defined as one with fewer than 500 employees.)

- Small businesses totaled 119,182 in the state in 2008. Of these, 25,478 were employers, and they accounted for 55.5% of private-sector jobs in the state (Table 1). Small firms made up 96.7% of the state's employers.
- Hawaii's real gross state product increased by 0.7% and private-sector employment decreased by 5.7% in 2009. By comparison, real GDP in the United States grew 0.7% and private-sector employment declined by 5.5%.
- Business ownership is becoming more inclusive in the state. The number of both women and minority business owners has grown. In particular, minority-owned businesses numbered 68,563 in 2007, a 28.1% increase over 2002.
- The state's small business employment has undergone major shifts in recent years (Table 2).
- The state's businesses showed signs of stability and improvement in the fourth quarter of 2009 compared to the first quarter (Table 3).

### For Further Information

- Data on all states and territories is available at [www.sba.gov/advocacy/848](http://www.sba.gov/advocacy/848).
- For other small business data and analysis, visit [www.sba.gov/advocacy/847](http://www.sba.gov/advocacy/847), call (202) 205-6533, or email [advocacy@sba.gov](mailto:advocacy@sba.gov).
- Visit <http://web.sba.gov/list> to subscribe to Advocacy's Listservs.

### Hawaii Small Business Facts

	2008*	2007	2000
<b>Number of Businesses</b>			
Small employers (<500 employees)	25,478	26,034	23,526
Large employers (500+ employees)	882	855	799
Nonemployers	93,704	96,263	73,810
	<b>Level in 2007*</b>	<b>% Share in 2007</b>	<b>% Change 2002-2007</b>
<b>Business Owner Demographics</b>			
Male-owned	57,318	47.6	12.4
Woman-owned	37,391	31.0	24.9
Equally male/female-owned	20,765	17.2	49.8
African American-owned	1,066	0.9	30.5
Asian-owned	56,872	47.2	26.6
Hispanic-owned	4,384	3.6	41.6
Native American/Alaskan-owned	1,555	1.3	74.3
Hawaiian/Pacific Islander-owned	11,368	9.4	36.0
Veteran-owned	10,318	8.6	n.a.
	<b>Level in 2009*</b>	<b>% Change from 2008 2000</b>	
<b>Workforce (Thousands) /Unemployment (%)</b>			
Private-sector employment	470	-5.7	5.9
Government employment	121	0.8	11.6
Self-employed (incorp. & uninc.)	64	-15.0	-11.5
Female self-employment	23	-20.2	-15.5
Male self-employment	41	-11.7	-9.1
Minority self-employment	39	-23.6	-3.5
Veteran self-employment	7	-34.2	-30.8
Unemployment rate (%)	6.8	2.8†	2.8†
<b>Business Turnover</b>			
Quarterly establishment openings	5,003	-0.2	-1.6
Quarterly establishment closings	7,042	4.8	54.6
Business bankruptcies	113	31.4	79.4
	<b>2009*</b>	<b>2008</b>	<b>2000</b>
<b>Income and Finance</b>			
Proprietors' income (\$billion)	3.3	3.5	2.9
Number of bank branches	290	288	305
No. of bus. loans under \$100,000‡	27,726	56,225	12,562
Total value of business loans under \$100,000 (\$million)‡	350	636	206

Source: U.S. Dept. of Commerce, Census Bureau, Bureau of Economic Analysis; U.S. Dept. of Labor, Bureau of Labor Statistics; Admin. Office of the U.S. Courts; Federal Deposit Insurance Corporation; and U.S. Small Business Admin., Office of Advocacy.  
\* Latest available data. †Percentage point change. ‡Data are for CRA loans.

**Table 1: Firms and Employment in Hawaii by Industry and Firm Size, 2008  
(Nonfarm, Thousands)**

Industry	Nonemployer Firms	Employer Firms			Employment		
		Total	1-19 Employees	1-499 Employees	Total	1-19 Employees	1-499 Employees
Total	93.7	26.4	22.3	25.5	518.2	96.5	282.4
Forestry, etc. and agriculture support	1.7	0.0	0.0	0.0	0.3	0.1	0.3
Mining	0.0	0.0	0.0	0.0	0.2	D	D
Utilities	0.1	0.0	0.0	0.0	3.1	0.1	D
Construction	7.6	2.9	2.5	2.8	34.0	11.4	29.2
Manufacturing	2.0	0.9	0.7	0.9	14.2	3.7	10.5
Wholesale trade	2.5	1.6	1.2	1.5	20.6	5.4	15.2
Retail trade	9.0	3.2	2.6	3.0	71.4	12.9	30.8
Transportation and warehousing	2.7	0.7	0.5	0.6	30.2	2.5	11.1
Information	1.2	0.4	0.3	0.3	10.0	1.0	3.0
Finance and insurance	2.9	0.9	0.7	0.8	19.4	2.4	7.1
Real estate and rental and leasing	11.0	1.7	1.5	1.6	15.7	4.6	9.0
Professional, scientific, and technical svcs.	13.8	3.0	2.7	2.9	24.1	9.0	18.3
Management of companies and enterprises	--	0.2	0.0	0.1	6.5	0.1	2.1
Admin., support, waste mgt., remed. svcs.	7.9	1.6	1.3	1.6	47.6	5.4	22.7
Educational services	2.2	0.5	0.4	0.5	19.2	2.0	8.7
Health care and social assistance	7.2	2.9	2.6	2.8	64.8	11.6	34.6
Arts, entertainment, and recreation	6.1	0.5	0.3	0.4	10.9	1.6	9.3
Accommodation and food services	1.5	2.8	2.0	2.7	99.9	12.0	47.3
Other services (except public admin.)	14.2	3.2	2.9	3.1	26.3	10.9	22.5
Unclassified	--	0.0	0.0	0.0	D	D	D

Source: U.S. Dept. of Commerce, Bureau of the Census, Statistics of U.S. Businesses. (See [www.sba.gov/advocacy/849/12162](http://www.sba.gov/advocacy/849/12162) 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, 2004–2007 (Nonfarm)**

	Total Net New Jobs	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
2005 - 2006	20,970	4,744	1,842	1,374	2,606	4,123	14,689	6,281
2006 - 2007	6,690	4,565	518	-709	-1,634	-1,673	5,623	1,067

Source: U.S. Dept. of Commerce, Bureau of the Census. (For more detailed data see [www.sba.gov/advocacy/849/12162](http://www.sba.gov/advocacy/849/12162).)

**Table 3: Establishment and Employment Turnover by Quarter, 2009 (Nonfarm, Thousands)**

	Establishments				Employment Change Due To:			
	Openings	Expansions	Contractions	Closings	Openings	Expansions	Contractions	Closings
Quarter 1	1.2	5.7	7.7	1.8	4.1	17.6	24.9	5.7
Quarter 2	1.2	5.9	7.2	1.9	4.8	18.1	24.3	6.9
Quarter 3	1.1	6.0	6.7	1.8	4.7	18.6	22.2	6.2
Quarter 4	1.5	6.0	6.8	1.6	4.9	19.0	20.5	5.8

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

Note: These figures contain all firm sizes; Census data from 2007 show that 86 percent of establishment births and deaths were in firms with fewer than 500 employees.