

# Hawai'i Economic Outlook

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**Presentation to the  
House Committee on Finance**

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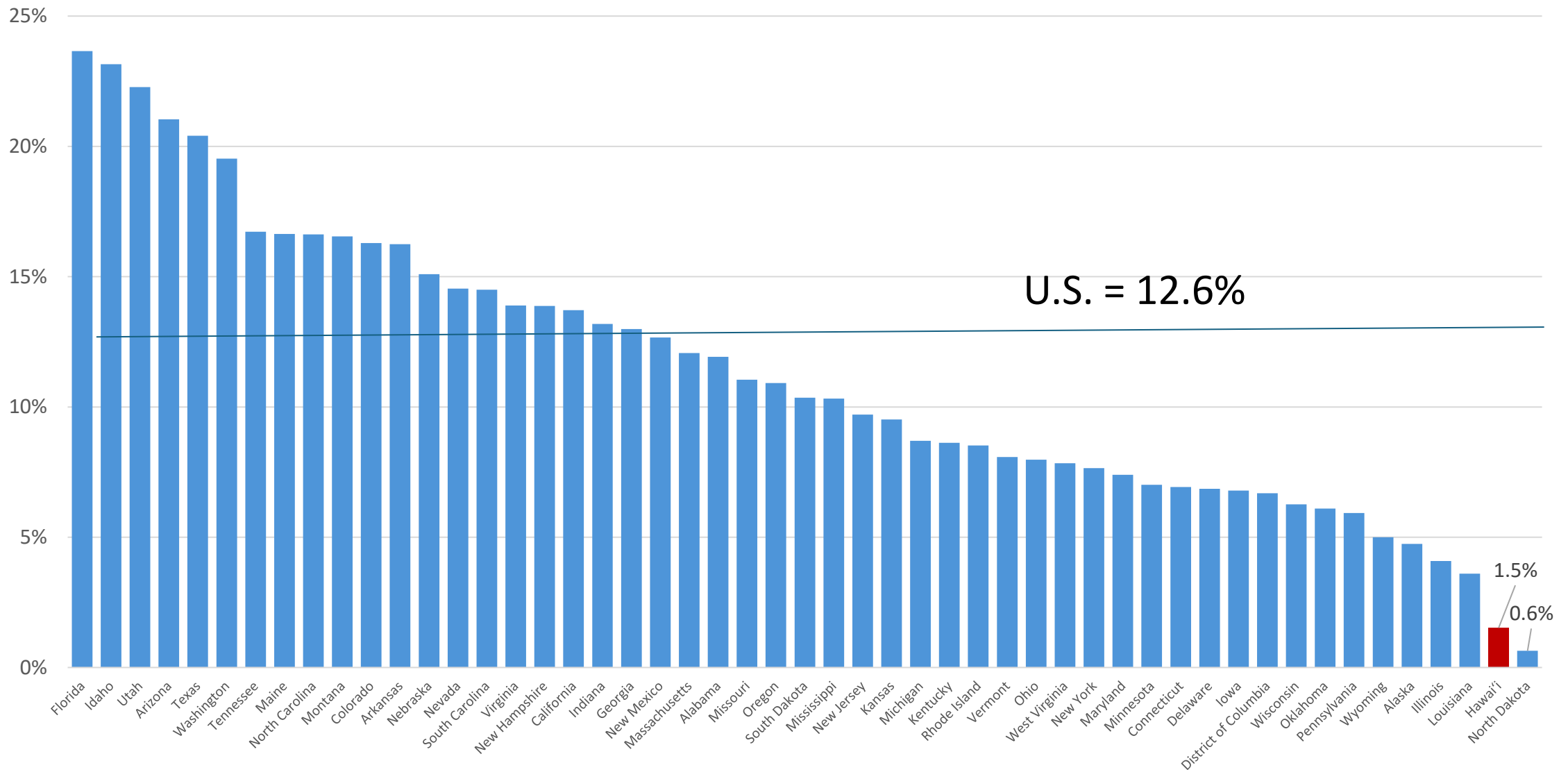
# December 2024 World Economic Growth Projections

Economy	2019	2020	2021	2022	2023	2024	2025
USA	2.3	-2.2	6.1	2.5	2.9	2.7	2.1
Canada	1.9	-5.1	5.0	4.2	1.5	1.2	1.8
Japan	-0.2	-4.7	2.3	1.1	1.6	-0.2	1.2
S. Korea	2.2	-0.7	4.3	2.7	1.4	2.3	2.0
Hong Kong	-1.7	-6.5	6.4	-3.7	3.3	2.6	2.3
Taiwan	3.1	3.4	6.5	2.7	1.1	4.1	2.7
China	6.0	2.2	8.5	3.0	5.2	4.8	4.3
United Kingdom	1.7	-11.0	8.7	4.8	0.3	0.9	1.4
Germany	1.1	-4.1	3.1	1.4	-0.1	-0.1	0.6
France	1.8	-7.9	6.4	2.6	1.1	1.1	0.8
Euro area	1.6	-6.3	5.9	3.6	0.5	0.8	1.0
Australia	2.0	-1.8	5.2	4.1	2.1	1.1	2.0
Brazil	1.2	-3.3	5.0	3.0	3.2	3.1	2.1

Source: Blue Chip Economic Indicators, December 10, 2024

# Economic Recovery from 2020 COVID Recession by State

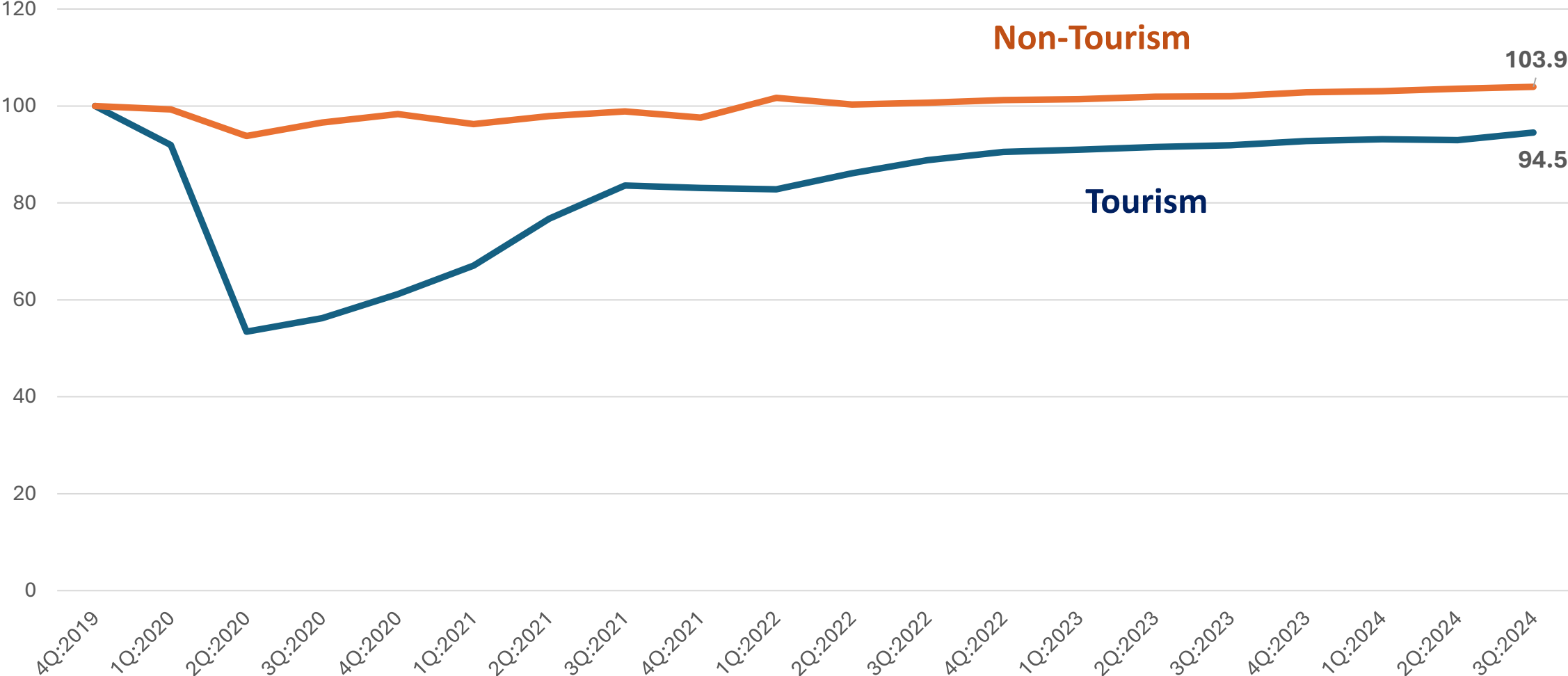
(Real GDP growth between 1<sup>st</sup> 3Qs 2019 and 1<sup>st</sup> 3Qs of 2024)



Source: U.S. Bureau of Economic Analysis

# Hawai'i Economic Recovery Status

(% of real GDP in 4Q 2019)



Source: U.S. Bureau of Economic Analysis

# U.S. and Hawai'i Industry Structure: % of 2024 Real GDP by Industry\*

Industry	U.S.	Hawaii	Concentration U.S. =100
Agriculture, forestry, fishing and hunting	0.9	0.5	62.3
Mining, quarrying, and oil and gas extraction	1.4	0.1	3.8
Utilities	1.5	1.8	121.0
Construction	3.7	5.0	135.6
Manufacturing	10.2	1.7	16.9
Trade	11.1	9.9	88.8
Transportation and warehousing	3.1	5.3	173.0
Information	7.1	3.1	43.9
Finance and insurance	6.8	3.8	55.8
Real estate and rental and leasing	13.5	17.3	128.5
Professional and business services	14.9	9.9	66.7
Educational services	1.1	1.1	96.3
Health care and social assistance	7.8	8.0	102.7
Hospitality	3.9	10.7	275.6
Other services	1.8	2.1	118.1
Government	11.2	19.7	175.1
<b>Top 5 Industries</b>	<b>54.6</b>	<b>67.5</b>	<b>123.6</b>

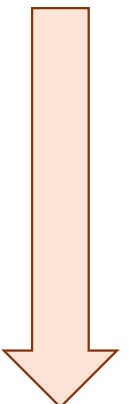
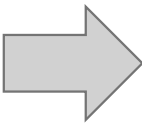
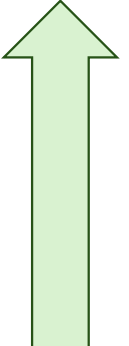
Hawai'i's economy is more concentrated than the U.S.

\* 1<sup>st</sup> 3 quarters  
Source: U.S. Bureau of Economic Analysis



# Hawai'i Industry Share of Real GDP: 2005 and 2024\* (%)

Industry (by NAICS code)	2005	2024
Real estate and rental and leasing	15.4	17.3
Health care and social assistance	5.8	8.0
Professional, scientific, and technical services	4.0	5.3
Transportation and warehousing	4.5	5.3
Information	1.7	3.1
Administrative & support & waste management & remediation services	2.8	3.1
Utilities	1.7	1.8
Management of companies and enterprises	1.3	1.5
<b>Finance and insurance</b>	<b>3.8</b>	<b>3.8</b>
Federal government	11.9	11.2
Hospitality	11.9	10.7
Trade	10.6	9.9
State and local	10.2	8.5
Mining and construction	7.6	5.0
Other services (except government and government enterprises)	2.9	2.1
Manufacturing	1.9	1.7
Educational services	1.2	1.1
Agriculture, forestry, fishing and hunting	0.7	0.5



\* 1<sup>st</sup> 3 quarters

Source: U.S. Bureau of Economic Analysis

## Average Weekly Initial Unemployment Claims

Year	O'ahu	Hawai'i	Maui	Kaua'i	State
2009	1,290	494	487	194	2,464
2010	1,207	447	356	182	2,191
2011	1,148	393	281	155	1,976
2012	1,058	331	241	119	1,749
2013	1,088	324	253	114	1,779
2014	965	275	232	107	1,579
2015	796	217	191	84	1,288
2016	743	215	175	74	1,207
2017	796	205	167	70	1,238
2018	777	232	156	72	1,236
2019	746	212	144	73	1,176
2020	5,211	1,070	1,400	587	8,268
2021	1,745	343	367	169	2,624
2022	865	170	150	54	1,262
2023	718	153	491	57	1,443
2024*	665	142	204	59	1,090
Dec 28, 2024	567	126	118	56	879

\* Through week ending December 28, 2024

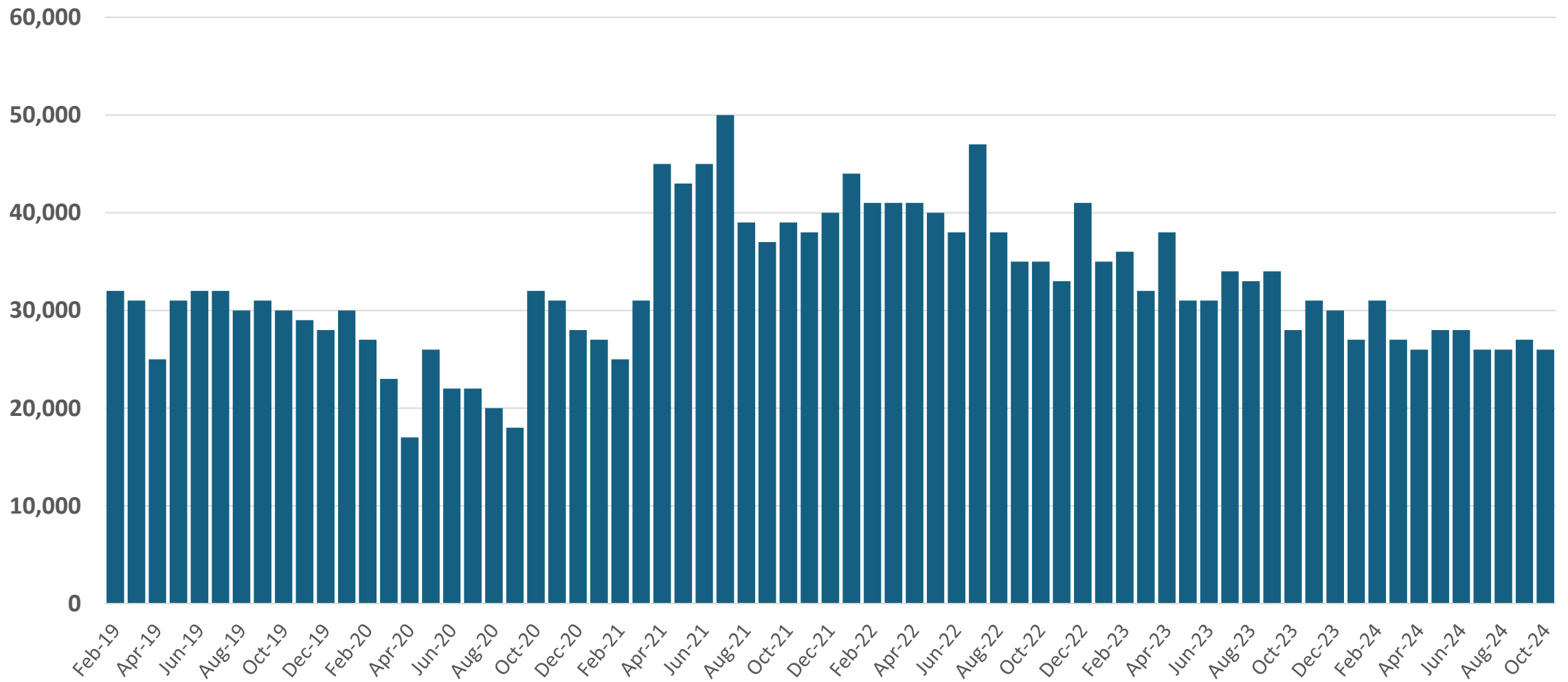
Source: Hawaii State Department of Labor and Industrial Relations

# Payroll Job Recovery (January-November) 2024 vs 2019

Industry	State	Honolulu County	Hawai'i County	Maui County	Kaua'i County
<b>Number of payroll jobs lost</b>	21,300	10,000	-200	9,500	1,600
<b>Total</b>	96.8	97.9	100.3	88.2	95.2
Construction	110.4	113.1	95.7	113.8	96.5
Manufacturing	90.6	84.7	127.8	97.7	103.6
Wholesale trade	94.1	94.3	99.0	84.7	100.0
Retail trade	90.2	88.3	103.0	84.9	94.0
Transportation & utilities	94.0	96.0	101.4	78.3	106.8
Information	75.4	72.0	95.7	100.0	100.0
Financial activities	89.3	90.5	87.9	83.6	82.7
Professional & business services	98.0	100.7	92.0	80.7	96.6
Educational services	104.7	104.4	100.0	109.1	126.9
Health care	103.9	106.5	97.1	99.5	90.1
Hospitality	94.4	97.0	105.6	80.7	93.5
Other services	90.5	90.3	103.7	82.0	106.5
Government	99.6	99.7	99.6	100.9	96.3

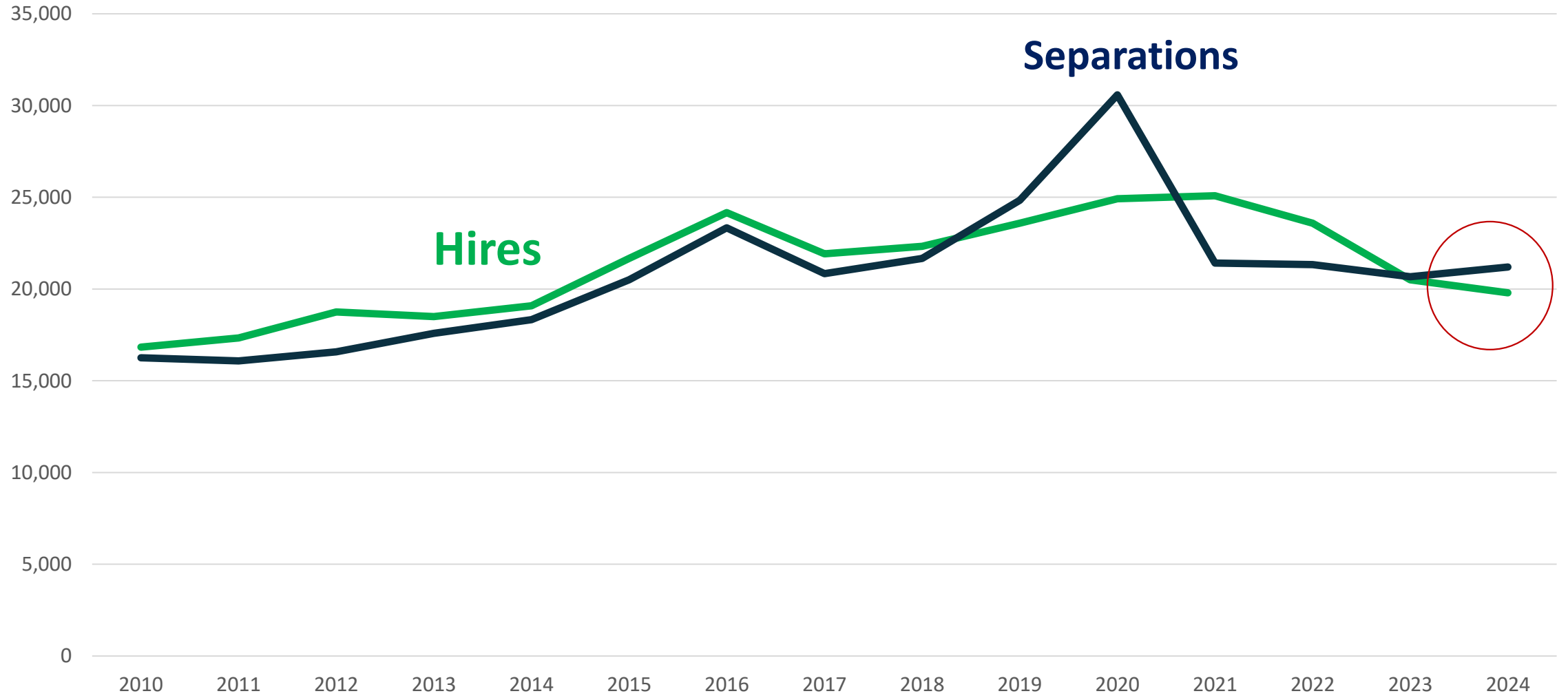


# Statewide Job Openings Declined to Below 2019 Levels in 2024



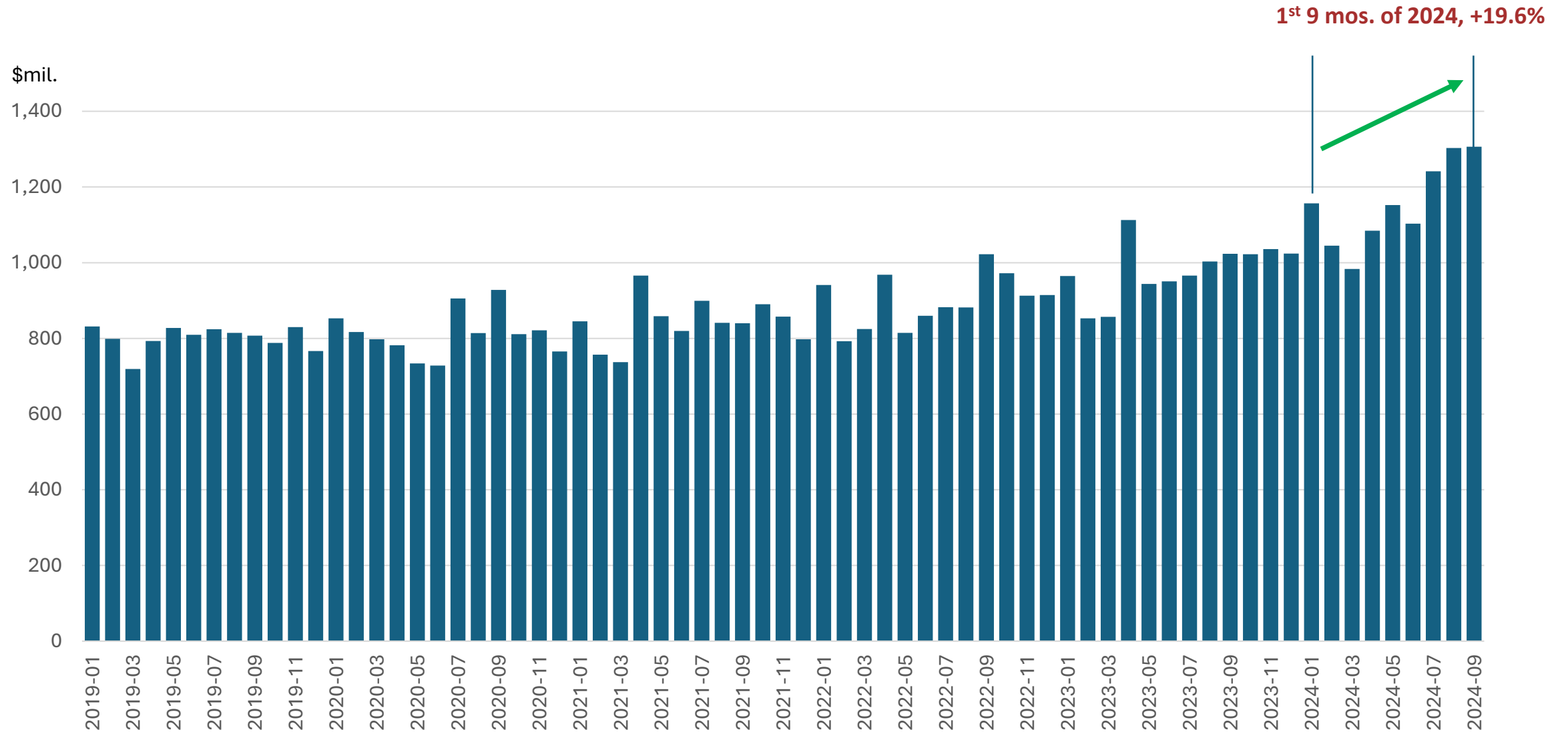
Source: U.S. Bureau of Labor Statistics

# Average Monthly Hires and Separations



Source: U.S. Bureau of Labor Statistics

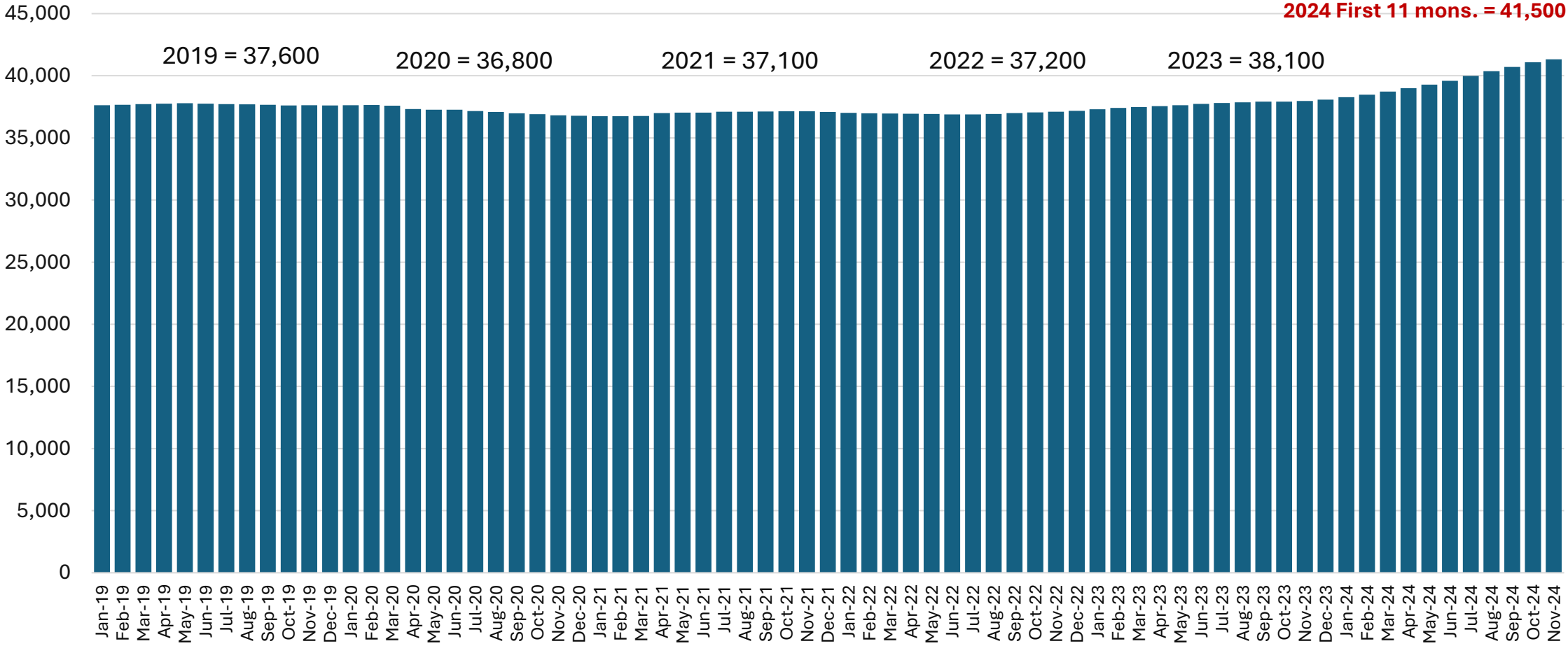
# Contracting Tax Base Increased



Source: Hawaii State Department of Taxation and DBEDT Estimates

# Construction Payroll Job Count

(Not Seasonally adjusted, 12 month moving averages)



Source: DBEDT



# Value of Building Permits Increased Statewide

(first 11 months of 2024, \$M)

County	Jan.-Nov. 2023	Jan.-Nov. 2024	% Change
Honolulu	\$2,767.8	\$3,669.1	32.6%
Hawai'i	\$840.9	\$944.4	12.3%
Maui	\$699.7	\$590.3	-15.6%
Kaua'i	\$391.3	\$386.4	-1.2%
<b>Total</b>	<b>\$4,699.6</b>	<b>\$5,590.1</b>	<b>18.9%</b>

## Number of Home Sales Increased 18% During the 1<sup>st</sup> 9 Months of 2024

County	2021	2022	2023	2024	2021- 2022	2022- 2023	2023- 2024
State	19,240	17,237	11,703	13,815	-10.4%	-32.1%	18.0%
Honolulu	11,297	10,998	7,263	8,620	-2.6%	-34.0%	18.7%
Hawai'i	4,402	3,837	2,794	3,299	-12.8%	-27.2%	18.1%
Maui	2,436	1,692	1,159	1,311	-30.5%	-31.5%	13.1%
Kaua'i	1,105	710	487	585	-35.7%	-31.4%	20.1%

# Prices Also Increased for Single Family Homes

(1<sup>st</sup> 9 mons. of the year)

## Average single-family sale prices

County	2021	2022	2023	2024	2021-2022	2022-2023	2023-2024
State	\$1,045,179	\$1,087,736	\$1,014,574	\$1,104,714	4.1%	-6.7%	8.9%
Honolulu	\$1,196,458	\$1,355,560	\$1,265,723	\$1,315,254	13.3%	-6.6%	3.9%
Hawai'i	\$661,565	\$623,098	\$569,793	\$718,286	-5.8%	-8.6%	26.1%
Maui	\$1,472,237	\$1,431,898	\$1,410,255	\$1,443,262	-2.7%	-1.5%	2.3%
Kaua'i	\$1,202,992	\$1,393,277	\$1,290,541	\$1,364,134	15.8%	-7.4%	5.7%

## Average condo sale prices

County	2021	2022	2023	2024	2021-2022	2022-2023	2023-2024
State	\$661,037	\$716,065	\$733,076	\$750,938	8.3%	2.4%	2.4%
Honolulu	\$586,459	\$647,489	\$656,503	\$638,292	10.4%	1.4%	-2.8%
Hawai'i	\$748,345	\$944,558	\$922,762	\$904,789	26.2%	-2.3%	-1.9%
Maui	\$921,098	\$977,107	\$1,160,658	\$1,550,894	6.1%	18.8%	33.6%
Kaua'i	\$1,009,496	\$1,200,188	\$992,791	\$1,186,821	18.9%	-17.3%	19.5%

## Visitor Recovery Rate by Market: First 11 Months of 2019, 2022-2024

Market	Arrivals, 11 mon. 2019	Arrivals, 11 mon. 2022	Arrivals, 11 mon. 2023	Arrivals, 11 mon. 2024	Recovery rate 2022	Recovery rate 2023	Recovery rate 2024	23-24 growth
TOTAL	9,434,230	8,362,095	8,795,160	8,779,058	88.6	93.2	93.1	-0.2%
U.S. West	4,176,799	4,830,023	4,575,290	4,518,879	115.6	109.5	108.2	-1.2%
U.S. East	2,061,163	2,240,772	2,217,571	2,134,050	108.7	107.6	103.5	-3.8%
Japan	1,439,570	157,421	518,824	649,663	10.9	36.0	45.1	25.2%
Canada	475,922	352,898	416,842	379,847	74.2	87.6	79.8	-8.9%
Other	1,148,584	699,288	924,210	946,638	60.9	80.5	82.4	2.4%
Cruise ship	132,194	81,692	142,421	149,981	61.8	107.7	113.5	5.3%

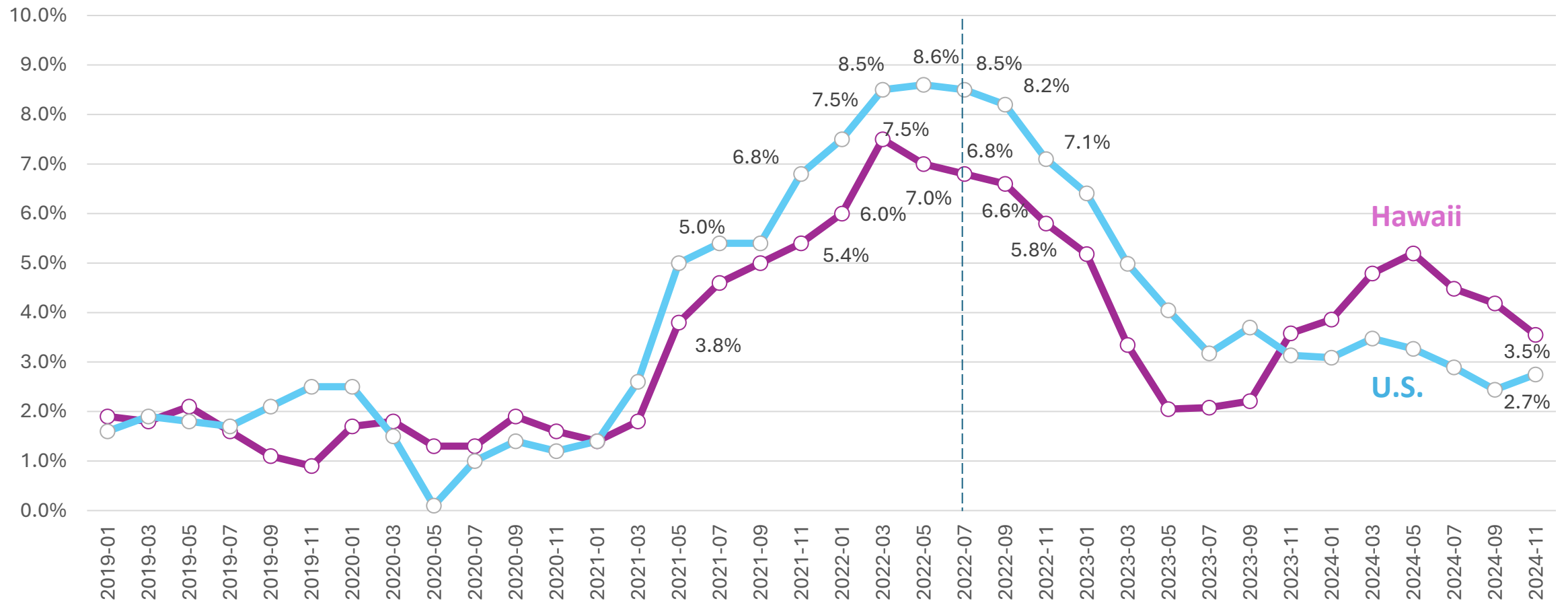


# Air Seat Capacity Growth During the First 6 Months of 2025

Market	First 6 months of 2025	First 6 months of 2024	% change
Total	6,654,473	6,646,734	0.1
Domestic	5,331,006	5,259,834	1.4
US West	4,655,449	4,646,183	0.2
US East	675,557	613,651	10.1
International	1,323,467	1,386,900	-4.6
Japan	642,380	694,630	-7.5
Canada	233,593	253,406	-7.8
Other Asia	133,988	144,903	-7.5
Oceania	146,796	146,924	-0.1

Source: Diio MI Flight Schedules

# Hawai'i Consumer Inflation Has Been Higher Than the U.S. Since November 2023



Source: U.S. Bureau of Labor Statistics

# DBEDT Economic Forecast

Economic Indicators	Actual					Forecast			
	2019	2020	2021	2022	2023	2024	2025	2026	2027
<b>Total population (1,000)</b>	<b>1,457</b>	<b>1,451</b>	<b>1,447</b>	<b>1,439</b>	<b>1,435</b>	<b>1,433</b>	<b>1,434</b>	<b>1,435</b>	<b>1,437</b>
<b>Visitor arrivals (1,000)</b>	<b>10,387</b>	<b>2,708</b>	<b>6,778</b>	<b>9,234</b>	<b>9,658</b>	<b>9,602</b>	<b>9,906</b>	<b>10,162</b>	<b>10,407</b>
<b>Visitor expenditures (\$M)</b>	<b>17,844</b>	<b>5,162</b>	<b>13,154</b>	<b>19,800</b>	<b>20,866</b>	<b>20,572</b>	<b>21,461</b>	<b>22,305</b>	<b>23,203</b>
<b>Honolulu consumer inflation rate (%)</b>	<b>1.6</b>	<b>1.6</b>	<b>3.8</b>	<b>6.5</b>	<b>3.1</b>	<b>4.3</b>	<b>3.1</b>	<b>2.7</b>	<b>2.6</b>
<b>Non-agricultural wage &amp; salary jobs (1,000)</b>	<b>658.6</b>	<b>560.0</b>	<b>586.9</b>	<b>618.1</b>	<b>632.2</b>	<b>637.7</b>	<b>645.4</b>	<b>653.0</b>	<b>659.8</b>
<b>Civilian unemployment rate (%)</b>	<b>2.5</b>	<b>11.7</b>	<b>6.0</b>	<b>3.5</b>	<b>3.0</b>	<b>2.9</b>	<b>2.7</b>	<b>2.6</b>	<b>2.5</b>
<b>Real GDP growth rate (%)</b>	<b>0.0</b>	<b>-10.1</b>	<b>5.7</b>	<b>2.9</b>	<b>2.0</b>	<b>1.6</b>	<b>2.0</b>	<b>2.0</b>	<b>1.8</b>