

Hawaii

Small businesses totaled 115,186 in Hawaii in 2009. They represent 96.5 percent of all employers and employ 54.6 percent of the private-sector workforce. Being such a large part of the state's economy, these businesses are central to Hawaii's health and well-being.

This profile uses the latest available data to illustrate the status of Hawaii's small businesses. (Note that a small business is defined as one with fewer than 500 employees.)

- Hawaii's economy was mixed in 2010, with real gross state product increasing 0.4 percent and private-sector employment decreasing 0.9 percent (Bureau of Economic Analysis, Bureau of Labor Statistics).
- Most of Hawaii's small businesses are very small as 77.8 percent of all businesses did not have employees and most employers have fewer than 20 employees.
- Small businesses employed 266,478 workers in 2009 (Table 1) with most of the employment coming from firms with 20-499 employees.
- While the employment situation in 2008-2009 was weak (Table 2), small businesses in Hawaii represented 54.8 percent of the net new private-sector jobs from 2005-2008.
- Self-employment in Hawaii declined over the last decade. Male self-employment fared the best compared with other demographic groups during the decade.*
- Throughout 2010, the number of opening establishments was lower than closing establishments and the net employment change from this turnover was negative (Table 3).

For Further Information

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

* Because of the relatively low number of veterans in the survey data source, the veteran self-employment figure is susceptible to large fluctuations.

Hawaii Small Business Facts

	2009*	2008	2000
Number of Businesses			
Small employers (<500 employees)	24,838	25,478	23,526
Large employers (500+ employees)	908	882	799
Nonemployers	90,348	93,704	73,810
Level in 2007* (000)			
	Firms	Employment	Receipts(\$M)
Business Owner Demographics			
Male-owned	57	168	26,099
Woman-owned	37	37	3,881
Equally male/female-owned	21	32	4,249
African American-owned	1	2	298
Asian-owned	57	112	16,371
Hispanic-owned	4	4	555
Native American/Alaskan-owned	2	1	283
Hawaiian/Pacific Islander-owned	11	16	2,032
Veteran-owned	16	40	6,919
Publicly held, unclassified	5	258	58,716
	Level in 2010*	% Change from 2009 2000	
Workforce (Thousands)			
Private-sector employment	462	-0.9	5.7
Government employment	125	-0.6	9.1
Self-employed (incorp. & uninc.)	60	-15.6	-12.0
Female self-employment	23	-17.2	-20.7
Male self-employment	38	-14.5	-5.8
Minority self-employment	40	-20.2	-6.0
Veteran self-employment	4	-19.8	-19.2
Unemployment Rate (Percent)	6.6	-0.2†	2.6†
Business Turnover			
Quarterly establishment openings	5,095	-7.1	0.2
Quarterly establishment closings	6,730	6.2	47.5
Business bankruptcies	156	38.1	147.6
	2010*	2009	2000
Income and Finance			
Proprietors' income (\$billion)	3.6	3.2	3.4
Number of bank branches	284	290	305
No. of bus. loans under \$100,000‡	17,320	27,726	12,562
Total value of business loans under \$100,000 (\$million)‡	244	350	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, 2009
(Nonfarm, Thousands)**

Industry	Nonemployer Firms	Employer Firms			Employment		
		Total	1-19 Employees	1-499 Employees	Total	1-19 Employees	1-499 Employees
Total	90.3	25.7	21.8	24.8	488.4	93.6	266.5
Forestry, etc. and agriculture support	1.7	0.0	0.0	0.0	0.3	D	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	0.5
Construction	7.2	2.8	2.5	2.8	29.5	10.3	25.6
Manufacturing	1.9	0.8	0.7	0.8	12.9	3.5	9.7
Wholesale trade	2.5	1.6	1.2	1.4	19.0	5.4	14.2
Retail trade	8.6	3.0	2.5	2.8	67.0	11.9	27.6
Transportation and warehousing	2.6	0.7	0.5	0.6	25.5	2.4	10.5
Information	1.1	0.3	0.2	0.3	9.4	0.9	2.8
Finance and insurance	2.8	0.8	0.6	0.7	19.2	2.2	7.0
Real estate and rental and leasing	10.1	1.6	1.5	1.6	14.2	4.3	8.0
Professional, scientific, and technical svcs.	13.5	3.0	2.7	2.9	23.2	9.1	17.5
Management of companies and enterprises	--	0.2	0.0	0.1	6.0	0.1	2.0
Admin., support, waste mgt., remed. svcs.	7.7	1.6	1.3	1.5	47.1	5.3	21.0
Educational services	2.2	0.5	0.4	0.5	19.3	1.9	8.7
Health care and social assistance	7.2	2.9	2.6	2.8	65.0	11.5	34.6
Arts, entertainment, and recreation	5.6	0.5	0.3	0.5	10.3	1.5	9.2
Accommodation and food services	1.4	2.7	2.0	2.6	92.0	12.4	45.6
Other services (except public admin.)	14.0	3.1	2.8	3.1	25.2	10.7	21.5
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/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, 2005–2009 (Nonfarm)

	Total Net New Jobs	Employment Size of Firm						
		1-4	5-9	10-19	20-99	100-499	<500	500+
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	1,067	5,623
2007 - 2008	-1,185	3,352	-310	-750	-1,937	-1,607	-1,252	67
2008 - 2009	-28,951	2,136	-1,321	-3,046	-7,938	-7,034	-17,203	-11,748

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

Table 3: Establishment and Employment Turnover by Quarter, 2010 (Nonfarm, Thousands)

	Establishments				Employment			
	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Openings	1.2	1.2	1.2	1.5	4.0	4.1	5.1	4.7
Expansions	6.1	5.9	6.3	6.4	19.7	19.0	22.5	21.3
Contractions	6.7	6.6	6.2	6.0	20.1	20.8	19.5	17.9
Closings	1.6	1.8	1.7	1.6	5.0	6.2	6.0	5.3

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

Note: These figures contain all firm sizes; Census data from 2009 show that 85 percent of establishment births and deaths were in firms with fewer than 500 employees.