

**2005 SURVEY OF RESIDENT SENTIMENTS
ON TOURISM IN HAWAII**

Analysis and Report

December 2005

Prepared by:

Market Trends Pacific Inc. *(Data collection and processing)*
John M. Knox & Associates Inc. *(Survey design and analysis)*

Prepared for:

The Hawai'i Tourism Authority

EXECUTIVE SUMMARY

The primary purpose of this regular Hawai'i Tourism Authority (HTA) survey is to "track" resident attitudes over time, to see if attitudes are changing or stable. To the extent possible, we use similar questions each survey year – though some new questions are added when appropriate, and some sets of questions are used on a staggered basis (i.e., in some years but not others) to allow a variety of issues to be addressed over time.

This 2005 effort is the fourth in a regular series of telephone surveys that Market Trends Pacific, Inc. and John M. Knox & Associates, Inc. have carried out for the HTA and/or the State Department of Business, Economic Development, & Tourism (DBEDT) – previous ones were done in 1999, 2001, and 2002. Additionally, one or both companies did other large-scale resident surveys in 1988 and 2003, as well as a much smaller 1993 effort. Thus, most 2005 questions have now been asked at least twice, and a few key questions have been asked five or six times.

Detectable Patterns Over Time

Consistency: Results for many core attitudinal items have remained highly stable over 17 years. These include the positive evaluation that *tourism benefits exceed any problems* (68% - 77% agreement); the belief that our *economy is too dependent on tourism* (78% - 85%); and agreement there should be *no more hotel development* (generally around 70%). If there are to be any more resorts, about 65% each year wanted to keep them close to existing hotels. Also fairly consistent over time have been perceptions that tourism is *good for jobs and income*, but *bad for traffic, housing costs, and crime* (though in reality crime rates are falling and studies have shown no clear or consistent tourism-crime links in Hawai'i).

Perceptions about *tourism jobs* have also remained fairly constant over time – strong majorities appreciating the fact that the industry actually offers a wide variety of jobs, but pluralities or slight majorities believing these jobs are characterized by poor hours and little chance for advancement, with the best positions going to outsiders rather than local people.

Trend Lines: A few long-term trends are now apparent. One is the declining belief that tourism has been "*mostly good for you and your family.*" Very few people believe tourism has been "mostly bad," and many think it has had no effect on them at all – however, a small but increasing minority is talking about overall mixed ("some good, some bad") personal effects. There have also been very slow but perceptible increases in percentages agreeing that "*This island is being run for tourists at the expense of local people.*" For the first time in 2005, a definite majority agreed with this sentiment. Because past surveys have shown positive feelings toward visitors as people, we interpret this less as "anti-tourist" feeling than as latent resentment toward political and economic decision makers for not better managing impacts of growth.

Another clear (and we suspect related) trend involves growing percentages who believe population and, especially, traffic comprise "big problems" in their communities, whether or not they blame tourism.

Cycles: Tourism is cyclical, and the 2005 survey was the first since 1988 to be conducted in a definite "boom" period. During these boom periods, residents express more appreciation for the visitor industry's *job-creating effects* than at other times, but also are less likely to say they think *tourism jobs pay well*. (Only minorities believe this at any time, but the size of the minority shrinks, not expands, when the economy grows.) There is also markedly less agreement – and in 2005, majority disagreement – with the *need for more tourism jobs* when the tourism economy is good.

Other Specific Results That Can Be Compared to Past Surveys

- Residents remain solidly supportive of government expenditures to improve the quality of the tourism "product" – especially *restoring and sustaining existing parks and scenic attractions*, but also *creating new parks, improving infrastructure in tourist areas, and festivals or cultural activities* that mingle visitors with residents. (The latter item was new this year; the others have been on the survey since 1999.)
- There is also longstanding and overwhelming (about 80% each year since 1999) support for using "much of the tax money from tourism" to *preserve the environment*. However, support for using tourism tax money for *public improvements in visitor areas* declined from 70% in 2001 to 55% in 2005. And the idea that *more visitor activity should be encouraged "in wilderness areas"* went from majority agreement in 2001-02 to majority disagreement in 2005 ... maybe due to actual shifts in opinion, but also perhaps to changes in questionnaire construction.
- A series of questions – first asked in 2003 – probed resident perceptions about visitor industry performance on various topics. In general, the industry got lower marks on most things in 2005 than in 2003, but the general pattern was much the same. That is, both surveys found mostly "good" ratings for *providing jobs* (the one item with improved scores), making *local residents welcome* at resorts, building *attractive facilities*, and *giving visitors a good sense* of Hawai`i's history and people. The visitor industry got more "poor ratings" (not a majority "poor," but more "poor" than "good") for taking a *leadership role* in solving community problems, *protecting the environment*, and *conserving natural resources*.
- A similar series asked about local government performance relative to tourism. Government got majority "good" marks for *marketing and advertising* the various islands (the only item with better scores in 2005 than in 2003) and for *promoting festivals and cultural activities*. There were relatively more "poor" marks for *building new infrastructure* to keep up with growth (an actual majority "poor" for this infrastructure item) and for *balancing tourism's benefits with problems* created. We would guess these are the sorts of issues being tapped by the previously-mentioned growing belief that "This island is being run for tourists at the expense of local people."

New Questions This Year

Bed-and-Breakfasts (B&Bs) and Vacation Rentals: On O`ahu and Kaua`i, pluralities or slight majorities (i.e., 47% – 54%) disagreed that either B&Bs or vacation rentals "are a necessary part of Hawai`i's visitor industry, despite any problems they may cause for neighbors," definitely outweighing agreement. In Maui and Hawai`i counties, results were more 50-50, with a slight tilt toward agreement. However, in all four counties, about 70% agreed that B&Bs and vacation rentals "should be strictly controlled and limited to areas where nearby residents agreed to allow them."

Tax Incentives for Hotel Renovation Vs. New Construction: There was 57% agreement with tax incentives for renovating existing hotels, but 74% disagreement with tax incentives for building new hotels.

Convention Center Performance: Asked if the convention center has "proved its worth in attracting meetings and conferences," substantial percentages – especially on the Neighbor Islands – had no opinion. When these "don't know" responses were removed, O`ahu residents were evenly split (50% agreeing, 50% disagreeing); Neighbor Islanders agreed or disagreed on a 65% - 35% basis.

Comments About Geographical And Demographic Differences

Geographical Differences: *Maui Island* residents were generally among the most concerned about population growth and environmental issues, and were most critical of their industry's environmental performance. At the same time, Maui residents were often more aware and/or appreciative of tourism's economic contributions, and were among the most willing to support government expenditures for various improvements. *West Hawai`i, Kaua`i, and Lana`i* joined Maui in being more strongly concerned about many tourism impacts than was the case for *O`ahu* and *East Hawai`i* respondents. *Moloka`i* residents expressed the strongest economic needs and the fewest concerns about environmental degradations – yet were still opposed to more hotel development.

Demographic Characteristics: In general, demographics like gender, age, and household income rarely are much related to opinions on Hawai`i's visitor industry. However, ethnicity sometimes has an impact. Filipinos tend to have a more positive response on many items. This year, we found that Hawaiian respondents often had a more negative view of tourism – especially its impact on culture and the environment; ratings of visitor industry performance in many domains; and agreement with negatively-worded items such as *"This island is being run for tourists at the expense of the local people;" "The best tourism jobs go to outsiders;"* and *"I don't want to see any more hotels on this island."* In the past, Hawaiians sometimes had more negative views than other groups, but the pattern was more striking this year. It should be noted that (1) the differences were not always dramatic, just consistent; and (2) sampling error is always a possible explanation. However, we suggest these ethnic differences be carefully checked in future surveys.

Affiliation with the Visitor Industry: Resident surveys over the years have consistently found that having a past or present tourism job, or having other household members in tourism jobs, makes little difference in most attitudes about tourism. One expectable exception: People with tourism work affiliations are more likely to say tourism has been *"mostly good for you and your family."* On the other hand, people with tourism work affiliations were a little more likely (usually not by much) to give negative responses to some items, including the extensive list of things on which they were asked if the visitor industry has done a "good" or "poor" job.

Residence in or Near a Major Resort Area: For the most part, this made little difference in attitudes, and people who lived "within a five-minute drive" of resort areas almost never had different attitudes than those living farther away. However, people who said they lived "right in" a major resort area or tourist attraction tended to be more critical of government performance in *providing infrastructure, balancing tourism's economic benefits with problems created,* etc. Statistically, this group represented a small sub-sample with high sampling error. However, it does suggest that resort-area residents may have particular issues, and that someday it may be valuable to survey just (or to over-sample) residents of areas highly impacted by tourism.

CONTENTS

<u>I. METHODS AND SAMPLE CHARACTERISTICS</u>	7
A. PURPOSE AND METHOD	8
B. DEMOGRAPHIC CHARACTERISTICS OF SAMPLE	9
C. TOURISM WORKFORCE CONNECTIONS	10
<u>II. QUESTIONS REPEATED FROM PRIOR HTA RESIDENT SURVEYS</u>	13
A. OVERALL EFFECTS OF TOURISM ON COMMUNITY, SELF, AND FAMILY	14
1. Evaluation of Overall Benefit for Island	14
2. Impact on Self and Family	15
B. MAJOR ISSUES AND PROBLEMS IN COMMUNITY	17
C. PERCEIVED COMMUNITY IMPACTS OF TOURISM	19
D. RESIDENT ATTITUDES TOWARD VISITOR INDUSTRY JOBS AND VISITORS	21
1. Visitor Industry Jobs	21
2. Whether Visitors Are Seen As Being Given Priority Over Local People	24
E. OPINIONS ON SELECTED POLICY ISSUES	25
1. Attitudes About Government Action on Tourist-Related Infrastructure	25
2. Attitudes Toward Various Aspects of Tourism Growth and Planning	27
<u>III. QUESTIONS REPEATED FROM 2003 SUSTAINABLE TOURISM SURVEY</u>	29
A. RATING THE VISITOR INDUSTRY ON SPECIFIC FUNCTIONS AND BENEFITS FOR HAWAII	30
B. RATING GOVERNMENT ON TOURISM MARKETING, PLANNING, & IMPACT MANAGEMENT	32
<u>IV. NEW QUESTIONS THIS YEAR ABOUT TRANSIENT VACATION UNITS AND OTHER POLICY MATTERS</u>	34
A. ATTITUDES TOWARD TRANSIENT VACATION UNITS	35
1. Perceived Necessity of B&Bs and Vacation Rentals	35
2. Need to Control/Limit B&Bs and Vacation Rentals	36
3. Relationship with Other Key Tourism Attitudes	37
B. TAX INCENTIVES FOR HOTEL RENOVATION VS. CONSTRUCTION	38
C. VALUE OF THE HAWAII CONVENTION CENTER	39
2005 SURVEY INSTRUMENT	40

I. METHODS AND SAMPLE CHARACTERISTICS

A. PURPOSE AND METHOD

Report Covers 2005 Survey, Including Comparison with Earlier Surveys

The Hawai'i Tourism Authority (HTA) initiated regular surveys of resident attitudes about tourism in 1999. With some changes, the 1999 HTA survey was repeated in 2001, 2002, and now 2005. Some questions in these surveys also repeat questions first asked in a 1988 survey sponsored by the State Dept. of Business, Economic Development & Tourism (DBEDT), as well as a brief independent 1993 survey by the authors of this report. Additionally, the 2003 DBEDT "Sustainable Tourism" Survey contained a number of questions that HTA elected to repeat in this year's survey. HTA's 2002 and 2005 sample sizes were larger than those for most of the earlier surveys; this permitted analysis of separate results for East and West Hawai'i and the three islands of Maui County.

General Purposes of the HTA Resident Surveys

- Tracking over time of standard questions about attitudes toward the industry and jobs; opinions about growth; nature of problems from tourism, etc.
- Special questions might be added in a particular year (in 2005, these were minimal – mostly small wording adjustments or additions to series of questions used previously, plus several newly-worded questions about bed-and-breakfasts and vacation rentals, the Convention Center, and tax incentives for hotels).

Methods

- Computer-assisted telephone interviews (CATI), with data processing and analysis using SPSS 12.0.
- Questionnaire (see appendix) consisted entirely of closed-ended questions, most of them repeated from previous surveys for tracking purposes.
- Length of interview – about 20 minutes, a little shorter than in the past but still a long survey. Hawai'i respondents gave these tourism surveys unusual cooperation until 2002, when more resistance began. Market Trends has noted increasing reluctance in all its general population surveys in recent years.
- Sample sizes and other information for the 2005 vs. 2002 surveys:

Location	2005 SURVEY			2002 SURVEY		
	Sample Size	Max. Error	Polling Period	Sample Size	Max. Error	Polling Period
Statewide*	1,352	+3.6%	October 2005 to December 2005	1,643	+3.7%	September 2002 to January 2003
O`ahu	404	+4.9%		402	+4.9%	
Maui County	396	+6.5%		622	+5.1%	
-- Maui Island	--191	--+7.1%		--317	--+5.5%	
-- Moloka`i	--104	--+9.5%		--150	--+7.9%	
-- Lana`i	--101	--+9.6%		--155	--+7.6%	
Kaua`i County	200	+6.9%		220	+6.6%	
Hawai`i County	352	+5.3%		399	+4.9%	
-- East Hawai`i**	--175	--+7.4%		--200	--+6.9%	
-- West Hawai`i	--177	--+7.4%		--199	--+6.9%	

* As explained on next page, statewide results weighted to reflect area populations.

** East Hawai`i defined as Laupāhoehoe to Volcano phone prefixes. West Hawai`i was Pa`auilo through the Kohalas, Konas, and Ka`u.

B. DEMOGRAPHIC CHARACTERISTICS OF SAMPLE

In 2005, as in previous years, statewide results were weighted to reflect appropriate numbers for each county or island surveyed, based on 2004 Census estimates for county populations and 2000 data on percentages for sub-county areas. That is, because O`ahu accounts for the great majority of the state's adult population, O`ahu results were given appropriately greater "weight" when calculating total State results.

As shown in Exhibits 1.1 (State and counties) and 1.2 (sub-county areas), the 2005 samples were older and more Caucasian than previous samples (with the exception of Kaua'i.) The 2005 sample was also a little more female. Median household income increased substantially since 2002, presumably reflecting Hawai'i's improved economy. Initially, we were concerned that some of the results – such as the high percentage of Caucasians in West Hawai'i and Maui Island, the high female rates for Moloka'i and West Hawai'i, or high number of older residents for Maui Island – might reflect sampling error which could bias overall results. However: (1) Available 2004 Census estimates do suggest increasing Caucasian percentages in these areas since 2000; and (2) we ran special cross-tabulations for these potential demographic anomalies and found that none of these differences were statistically significant for key attitudinal items we have tracked over time.

Exhibit 1.1: Demographics (State and Counties) – Multiple Years

	STATE				O`AHU				MAUI COUNTY				HAWAII COUNTY				KAUAI COUNTY			
Ethnicity*	2005	2002	2001	1999	2005	2002	2001	1999	2005	2002	2001	1999	2005	2002	2001	1999	2005	2002	2001	1999
Caucasian	34%	30%	31%	33%	29%	26%	28%	31%	49%	43%	43%	45%	45%	41%	40%	36%	40%	44%	33%	23%
Japanese	14%	17%	17%	21%	15%	18%	19%	24%	10%	10%	14%	9%	10%	15%	11%	16%	12%	12%	11%	18%
Hawaiian/Pt Hawn	19%	19%	17%	18%	19%	17%	16%	17%	17%	23%	18%	22%	17%	25%	23%	21%	20%	19%	21%	30%
Filipino	9%	12%	10%	8%	10%	14%	11%	8%	8%	9%	10%	12%	8%	6%	8%	9%	13%	11%	15%	15%
Mixed (non-Hawn)	7%	7%	7%	6%	7%	7%	7%	5%	5%	6%	4%	9%	7%	7%	5%	8%	12%	7%	18%	6%
Other	15%	13%	16%	12%	16%	16%	18%	13%	10%	6%	11%	3%	15%	5%	13%	11%	5%	4%	1%	7%
Median HH Income	\$59,900	\$46,900	\$47,200	\$44,500	\$61,200	\$50,300	\$48,800	\$52,800	\$51,600	\$40,900	\$47,400	\$43,200	\$43,800	\$35,900	\$45,900	\$39,200	\$53,100	\$40,600	\$45,000	\$46,600
50% or More of Family Income from Outside Hawai'i**	Not Asked This Year	15%	20%	26%	N/A	16%	21%	27%	N/A	11%	17%	20%	N/A	13%	22%	22%	N/A	14%	22%	17%
Median Age	49 yrs	43 yrs	46 yrs	41 yrs	49 yrs	42 yrs	44 yrs	40 yrs	49 yrs	45 yrs	46 yrs	43 yrs	50 yrs	49 yrs	47 yrs	45 yrs	47 yrs	47 yrs	48 yrs	43 yrs
Gender																				
Male	43%	44%	46%	45%	44%	45%	46%	46%	42%	42%	42%	38%	42%	45%	50%	43%	46%	47%	46%	43%
Female	57%	56%	54%	55%	56%	55%	54%	54%	58%	58%	58%	62%	58%	55%	50%	58%	54%	53%	54%	56%
Average # People in HH Employed	1.90 people	1.78 people	1.80 people	1.80 people	1.96 people	1.82 people	1.79 people	1.85 people	1.78 people	1.74 people	1.86 people	1.83 people	1.67 people	1.57 people	1.72 people	1.53 people	1.87 people	1.79 people	1.95 people	1.68 people
Unemployment Rate***	N/A	6.8%	N/A	N/A	N/A	6.7%	N/A	N/A	N/A	5.5%	N/A	N/A	N/A	6.5%	N/A	N/A	N/A	7.3%	N/A	N/A
Base (Unweighted):	(1,352)	(1,643)	(1,007)	(1,003)	(404)	(402)	(404)	(403)	(396)	(622)	(201)	(200)	(352)	(399)	(200)	(200)	(200)	(220)	(202)	(200)

* Ethnicity percentages may sum to less than 100% because refusals or "don't knows" not shown.

** Not asked in 2005. Previous results have one comparability issue: For 1999 and 2001, types of income suggested in this question included "Social Security or other federal assistance; federal jobs; stock dividends; and so forth". In 2002, the question was reworded to remove the "assistance" components and instead asked about "stock dividends, work outside Hawai'i, retirement income earned mostly from jobs outside Hawai'i, and so forth." The lower 2002 figure probably reflects this change.

*** Also not part of the 2005 survey. See footnote for this item in following Exhibit 1.2.

The 2005 and 2002 surveys included specific sub-samples for the sub-county areas of Maui Island, Moloka`i, Lana`i, East Hawai`i, and West Hawai`i. Exhibit 1.2 also repeats weighted statewide figures for comparison purposes. The exhibit shows ways in which these various specific areas are demographically distinct:

- Maui Island and West Hawai`i samples were disproportionately Caucasian; Lana`i, more Filipino; and Moloka`i, relatively more Hawaiian.
- Reported incomes advanced in most areas from 2002 to 2005, but Moloka`i incomes remained relatively lower. West Hawai`i incomes were also lower than for other areas, though we suspect this particular result is due to the inevitable sampling error which always affects occasional survey items.
- In general, the 2005 samples on all islands (except Kaua`i – see Exhibit 1.1) were older and more Caucasian than previous samples.

Exhibit 1.2: Demographics (Maui Island, Lana`i, Moloka`i, East Hawai`i, West Hawai`i) – 2005 vs. 2002

	MAUI ISLAND		MOLOKA`I		LANA`I		EAST HAWAII		WEST HAWAII	
Ethnicity	<u>2005</u>	<u>2002</u>	<u>2005</u>	<u>2002</u>	<u>2005</u>	<u>2002</u>	<u>2005</u>	<u>2002</u>	<u>2005</u>	<u>2002</u>
Caucasian	51%	45%	31%	17%	26%	23%	42%	35%	49%	49%
Japanese	10%	10%	3%	6%	11%	9%	10%	20%	7%	11%
Hawaiian/Pt Hawn	16%	22%	39%	57%	12%	21%	20%	25%	15%	25%
Filipino	7%	9%	9%	8%	31%	37%	6%	7%	5%	5%
Mixed (non-Hawn)	5%	6%	6%	5%	7%	8%	5%	7%	10%	6%
Other	9%	6%	11%	3%	13%	1%	15%	7%	14%	3%
Median HH Income	\$52,600	\$41,850	\$40,921	\$32,619	\$49,318	\$33,281	\$44,375	\$33,500	\$41,176	\$41,058
50%+ Family Income from Outside Hawai`i	N/A	11%	N/A	13%	N/A	6%	N/A	13%	N/A	13%
Median Age	50 yrs	44 yrs	52 yrs	50 yrs	47 yrs	41 yrs	51 yrs	49 yrs	49 yrs	48 yrs
Gender										
Male	42%	42%	34%	37%	47%	42%	45%	45%	38%	45%
Female	58%	58%	66%	63%	53%	58%	55%	55%	62%	55%
Average # People in HH Employed	1.79	1.76	1.56	1.44	1.83	1.47	1.72	1.47	1.61	1.68
	people		people		people		people		people	
Unemployment Rate*	N/A	4.9%	N/A	16.3%	N/A	8.1%	N/A	8.1%	N/A	5.1%
Base (Unweighted):	(191)	(317)	(104)	(150)	(101)	(155)	(177)	(200)	(175)	(199)

* In 2002, we were able to calculate a rough unemployment rate estimate for each area by asking a question about number of household adults who were actively seeking work. This was one of the questions eliminated in 2005 in order to reduce the length of the questionnaire.

C. TOURISM WORKFORCE CONNECTIONS

We explored relationships between demographics (ethnicity and income) and two constructed variables indicating extent of tourism job affiliation. The first of these constructed variables simply tracked which households had at least one current tourism worker in the household, vs. households comprised strictly of non-tourism workers or households with no workers at all. The second identified persons who had now or had once worked a tourism job; then, among the remainder, those reporting another household member currently working in tourism; and last, no personal or current household tourism job affiliation. We found:

- Compared to their overall proportions of the statewide sample, Hawaiians and Filipinos were somewhat more likely to report tourism job affiliations; Caucasians and Japanese, less affiliation. The differences were not vast, but they were consistently present in both 2002 and 2005. Additionally, cross-tabulations attached to this report show Hawaiian and Filipino respondents were more likely to say household tourism workers were in a labor union.
- Households with at least one tourism worker had lower median incomes (\$53,300 in 2005) than households comprised strictly of non-tourism workers (\$65,100). However, tourism households also had more workers per household. A rough analysis (dividing median income by average number of people employed per household) therefore shows an even greater gap – the \$23,900 “per-worker” figure for tourism households is only about 70% of the \$33,600 figure for households with all non-tourism workers. That 70% ratio was also true for 2002 (i.e., \$19,000 divided by \$26,700).
- A similar procedure for the other measure of “tourism job affiliation” also shows a gap in per-worker income between households with no current tourism affiliation and those with some job affiliation.

Exhibit 1.3: Degree of Tourism Job Affiliation Related to Ethnicity and Income

	STATE		NO. OF TOURISM WORKERS IN HH						DEGREE OF JOB AFFILIATION WITH TOURISM							
			At Least 1 Tourism Worker in Household		HH Has Workers, but None in Tourism		Nobody in Household Works At All		Respondent Now Works in Tourism		Respondent Once Worked in Tourism		Another HH Member Now Works Tourism		No HH Tourism Job Affiliation	
<u>Ethnicity</u>	<u>2005</u>	<u>2002</u>	<u>2005</u>	<u>2002</u>	<u>2005</u>	<u>2002</u>	<u>2005</u>	<u>2002</u>	<u>2005</u>	<u>2002</u>	<u>2005</u>	<u>2002</u>	<u>2005</u>	<u>2002</u>	<u>2005</u>	<u>2002</u>
Caucasian	34%	30%	30%	26%	34%	31%	50%	34%	31%	N/A	30%	N/A	31%	23%	39%	34%
Japanese	14%	17%	10%	14%	16%	16%	17%	26%	9%	N/A	14%	N/A	13%	8%	16%	15%
Hawaiian/Pt. Hawn	19%	19%	23%	23%	17%	17%	16%	19%	22%	N/A	26%	N/A	25%	23%	12%	16%
Filipino	9%	12%	12%	18%	9%	12%	5%	3%	15%	N/A	6%	N/A	5%	23%	10%	12%
Mixed (non-Hawn)	7%	7%	8%	9%	6%	7%	5%	3%	6%	N/A	10%	N/A	4%	11%	5%	7%
Other	15%	13%	16%	10%	16%	14%	6%	13%	14%	N/A	12%	N/A	19%	12%	17%	13%
Median HH Income	\$59,900	\$46,900	\$53,300	\$46,250	\$65,100	\$51,500	\$35,900	\$39,400	\$51,900	N/A	\$56,300	N/A	\$55,800	\$55,500	\$61,700	\$53,650
Average # People in HH Employed	1.90	1.78	2.23	2.43	1.94	1.93	0.00	0.00	2.30	N/A	1.89	N/A	2.18	2.45	1.69	1.96
Income Divided by Persons Employed	\$31,530	\$26,350	\$23,900	\$19,000	\$33,600	\$26,700	N/A	N/A	\$22,600	N/A	\$29,800	N/A	\$25,600	\$22,650	\$36,500	\$27,370
Base (Weighted):	(1,352)	(1,643)	(339)	(462)	(781)	(926)	(82)	(240)	(260)	(N/A)	(406)	(N/A)	(76)	(160)	(596)	(688)

Exhibit 1.4 presents comparative data about tourism workforce connections from the five primary State-sponsored surveys since 1988. Several of these variables were constructed by combining separate survey questions, such as “Number of Tourism Workers in Household.” The overall pattern shows strong consistency over time for most questions. For example, the percentage of respondents with tourism jobs has remained very stable at 16% to 19% since 1988. However, this year's sample had slightly more tourism job affiliations than past ones. The number of respondents with present or past tourism jobs reached 49%. And the number of households with at least one tourism worker – which had fallen slightly from the initial 1988 tourism "boom" year level of 30% during the 1999-2002 period – in 2005 was at a record 32%. Additionally, this year we were able to calculate that 22% of workers in respondent households were in tourism jobs.

Exhibit 1.4: Occupation and Tourism Affiliation

	2005 (N=1,352)	2002 (N=1,643)	2001 (N=1,007)	1999 (N=1,003)	1988 (N=3,904)
No. of Tourism Workers in Household					
1 or More Household Workers in Tourism	32%	28%	29%	27%	30%
Household Has Some Workers, Not Tourism	62%	56%	56%	58%	57%
Household Has No Workers At Present	7%	15%	14%	15%	13%
(% All Household Workers in Tourism Jobs)	(22%)	N/A	N/A	N/A	N/A
Respondent's Current Job Type	<i>(Not asked in 2005)</i>	<i>(2002 not strictly comparable)</i>			
Tourism Job	N/A	61% private, including tourism	16%	18%	16%
Non-Tourism Job (Private)	N/A		35%	38%	31%
Non-Tourism Job (Public)	N/A	20%	23%	22%	17%
Not Employed	N/A	10%	26%	22%	35%
Respondent's Tourism Job Affiliation		<i>(2002 not strictly comparable)</i>			
Respondent Has Present Tourism Job	19%	37% present <u>or</u> previous tsm. job	16%	18%	16%
Respondent Had Previous Tourism Job	30%		25%	25%	19%
Other Household Member in Tourism Work	6%	10%	6%	5%	8%
No Respondent/Household Tourism Affiliation	44%	42%	52%	52%	54%
Information Unavailable	1%	11%	1%	1%	3%
(% of Household Tourism Workers in Union)	(26%)	(30%)	(21%)	(27%)	(Not Asked This Year)
Respondent Experience "As Tourists"	<i>(Question not asked these years)</i>				
Stayed Hawai'i Resort/Condo in Past 12 Months	N/A	N/A	50%	55%	1988:51% 1993:54%
Vacationed Outside Hawai'i in Past 12 Months	N/A	N/A	61%	57%	1988: 48% 1993: 63%

Exhibit 1.5 shows that Neighbor Island respondents (except in East Hawai'i) were usually much more likely than those on O'ahu to report someone in the household was a tourism worker in 2005 or that they were themselves tourism workers. More than half the Maui Island, Lana'i, Kaua'i, and West Hawai'i households had at least one tourism worker, and more than 40% of all working adults in respondents' households were perceived to be "tourism workers" in these four areas.

Additionally, the increase in 2005 levels of tourism job affiliation over 2002 was generally much stronger on the Neighbor Islands than on O'ahu.

Exhibit 1.5: Degree of Tourism Job Affiliation by Geographical Area

	STATE		O'AHU		MAUI COUNTY		Maui Island		Moloka'i		Lana'i		KAUA'I		HAWAII COUNTY		East Hawai'i		West Hawai'i	
	2005	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005	2002
No. of Tourism Workers in Household																				
1+ in Tourism	32%	28%	27%	26%	50%	39%	51%	40%	32%	21%	66%	46%	54%	39%	36%	28%	24%	17%	51%	40%
Workers, None Tourism	62%	57%	68%	60%	41%	48%	40%	48%	60%	57%	30%	37%	37%	46%	53%	53%	68%	61%	33%	44%
No Workers in HH	7%	15%	5%	14%	10%	13%	10%	12%	8%	22%	5%	17%	9%	15%	12%	19%	8%	22%	16%	16%
(% of All HH Workers in Tsm Jobs)	(22%)	N/A	(17%)	N/A	(39%)	N/A	(40%)	N/A	(22%)	N/A	(53%)	N/A	(43%)	N/A	(28%)	N/A	(17%)	N/A	(45%)	N/A
Base:*	(1,352)	(1,628)	(404)	(400)	(396)	(602)	(191)	(306)	(104)	(150)	(101)	(154)	(200)	(216)	(362)	(395)	(175)	(196)	(177)	(199)
Degree of Job Affiliation with Tourism																				
Respondent Has Present Tourism Job	19%	42% now or once	15%	38% now or once	32%	57% now or once	32%	57% now or once	21%	48% now or once	52%	64% now or once	39%	56% now or once	23%	48% now or once	16%	42% now or once	31%	55% now or once
Respondent Now or Once Worked in Tourism	30%		30%		32%		32%		37%		17%		30%		31%		29%		33%	
No Respondent History, but Another HH Member Now Works Tourism	6%	11%	6%	12%	5%	7%	4%	8%	6%	7%	6%		6%	9%	5%	10%	4%	8%	7%	13%
No HH Tourism Job Affiliation	44%	47%	48%	51%	30%	35%	30%	35%	36%	46%	27%	35%	26%	35%	39%	41%	49%	51%	27%	31%
Base:*	(1,352)	(1,460)	(404)	(360)	(396)	(567)	(191)	(291)	(104)	(120)	(101)	(136)	(200)	(194)	(352)	(331)	(175)	(159)	(177)	(173)

* For 2002, bases in this exhibit delete cases for which no information was available to manufacture these constructed variables. Therefore, State percentages differ slightly from those in the 2002 column of Exhibit 1.4, where the base included cases with no known values. (In 2005, the variable "Number of Tourism Workers in Household" was constructed in such a way that it included the whole sample. The variable "Degree of Job Affiliation" in 2005 had 1% with missing information.)

II. QUESTIONS REPEATED FROM PRIOR HTA RESIDENT SURVEYS

This part of the report focuses on tracking major topic areas covered in one or more prior HTA resident survey (and sometimes in the 1988 and 1993 surveys as well):

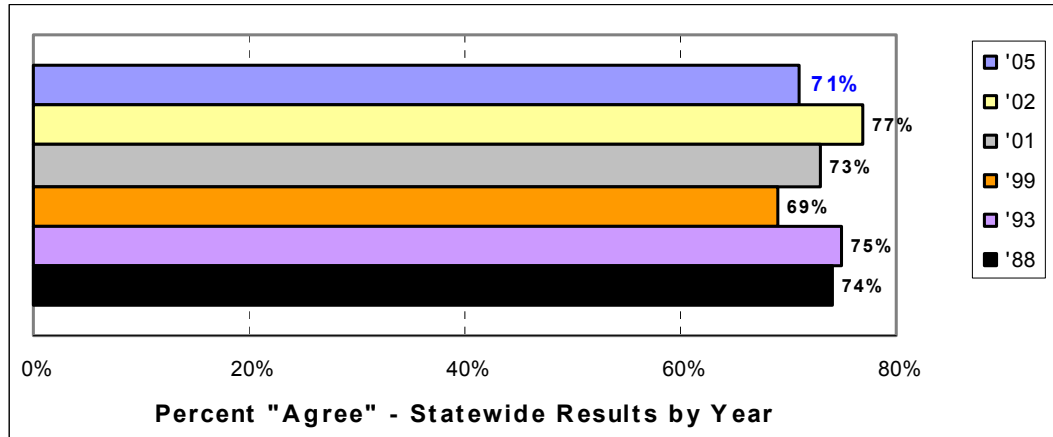
- *Perceived overall tourism effects on community, self, and family;*
- *Ratings of major issues and problems in the community;*
- *Perceived tourism impacts on these issue areas;*
- *Attitudes toward visitor industry jobs;*
- *Opinions on selected policy issues.*

A. OVERALL EFFECTS OF TOURISM ON COMMUNITY, SELF, AND FAMILY

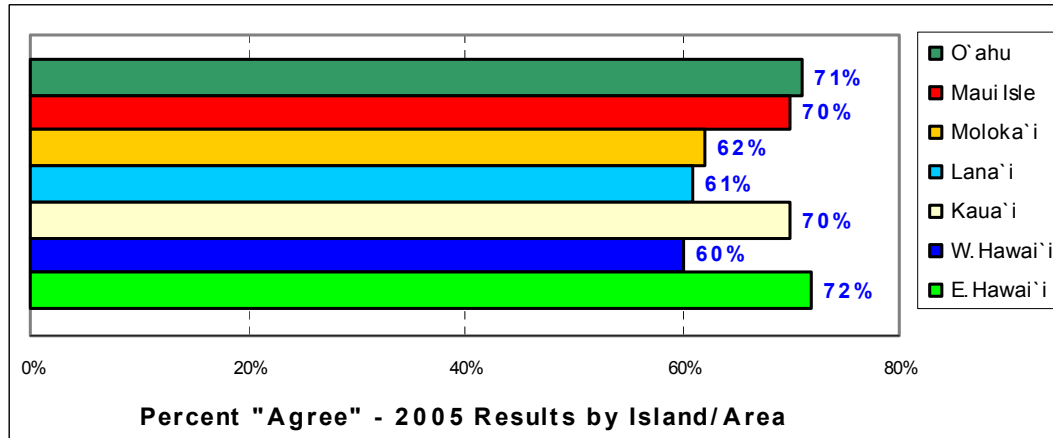
1. EVALUATION OF OVERALL BENEFIT FOR ISLAND

Exhibit 2.1: Do you agree or disagree that "Overall, tourism has brought more benefits than problems to this island"? (Q3b)

Note: %'s in this and most exhibits combine "strongly" and "somewhat" agree



N = 1,352 (2005); 1,643 (2002); 1,007 (2001); 1,003 (1999); 500 (1993); 3,904 (1988)

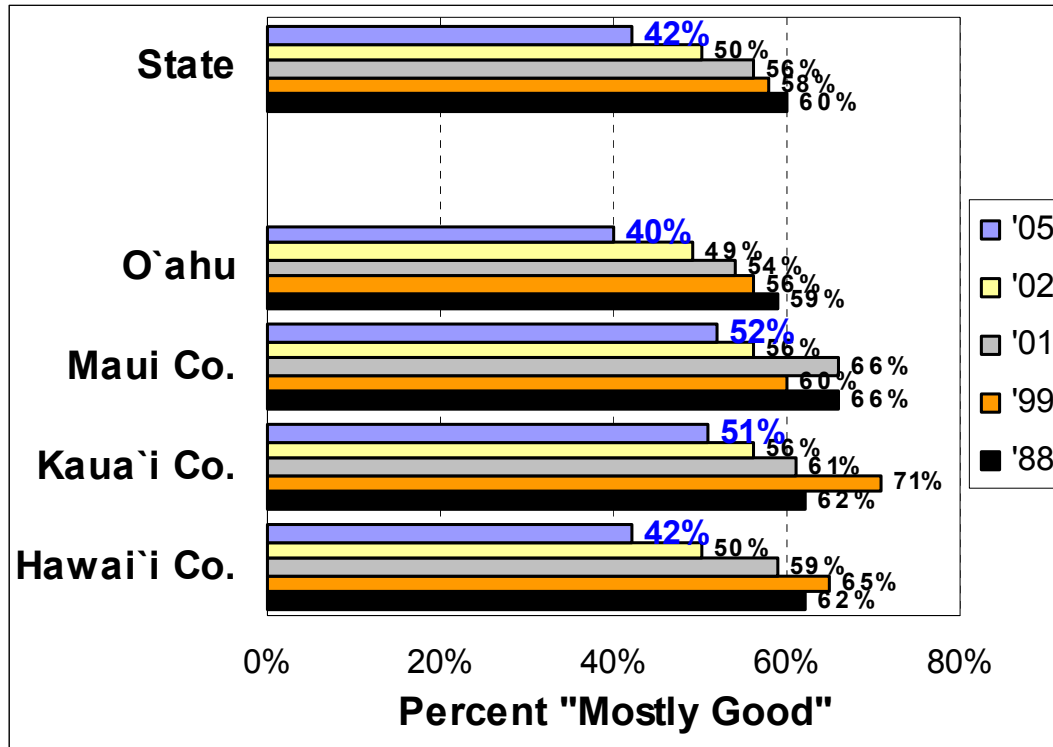


N = 404 for O'ahu; 191 for Maui Island, 104 for Moloka'i; 101 for Lana'i; 200 for Kaua'i; 177 for West Hawai'i; and 175 for East Hawai'i

- Statewide agreement that "tourism has brought more benefits than problems" dropped slightly (but not enough to be statistically significant) from 2002 to 2005. In all surveys, agreement has been in the 70% - 77% range, with no consistent trend over time.
- In 2005, there was a little less agreement in West Hawai'i, Lana'i, and Moloka'i than in other areas – again, though, not quite enough less to be statistically significant.
- On each island, only about 20% - 25% actively disagreed, with "don't know's" generally in the 6% - 9% range.
- The 2005 results for this item did not vary across any demographic groups or by extent of tourism job affiliation. (See cross-tabulations in Volume II.)

2. IMPACT ON SELF AND FAMILY

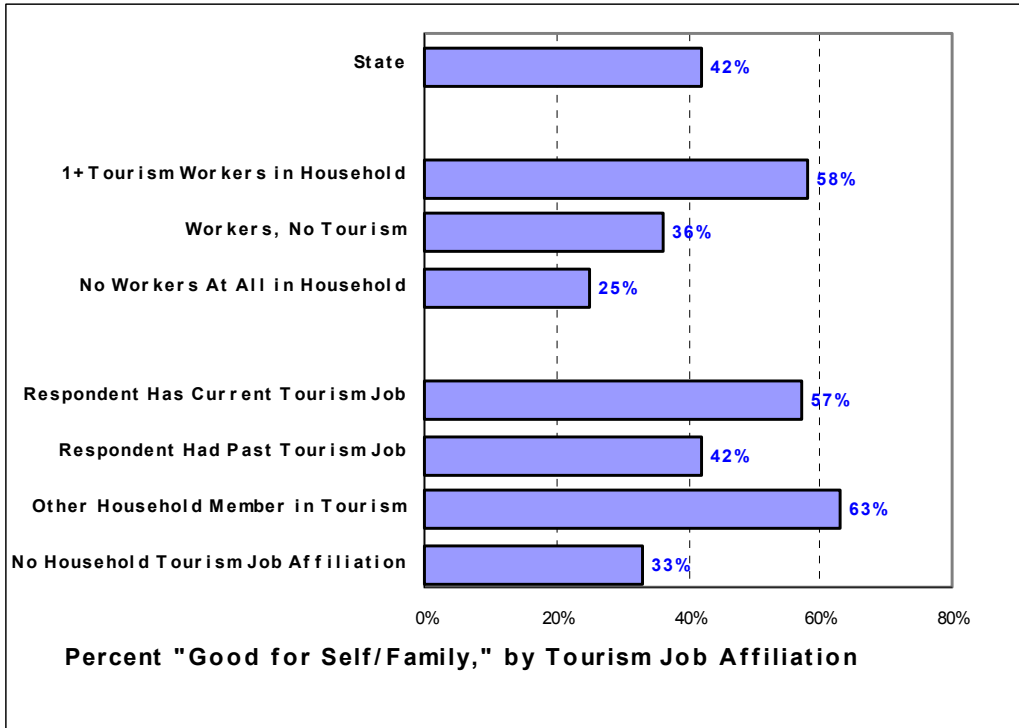
Exhibit 2.2: Has tourism been mostly good or mostly bad for you and your family? (Q7, by County)



N = 1,352 for 2005; 1,643 for 2002; 1,007 for 2001; 1,003 for 1999; 3,904 for 1988

- There has been a clear trend since 1988 for residents in all counties to be less likely to say that tourism has been "mostly good" for them and their families. This year, only minorities on O`ahu and the Big Island gave this positive response.
- For the most part, this is not because of more people saying "bad." Only 6% statewide this year said tourism had been "bad" for them (though this was in fact up very slightly from 3% in 2002).
- Most of the people who do not say "good" are instead answering "no effect" (29% in 2005) or "some good, some bad" (21% in 2005).
- However, the decline over time in "good" has mostly been due to an increase over time in "some good, some bad" and not the more neutral "no effect." The 2005 21% figure for "some good, some bad" compares with 10% in 2002 and just 3% back in 1988. Mixed feelings about tourism have been rising particularly fast on the Neighbor Islands.
- Filipinos were the most likely to say "good" in 2005 (56%), while Hawaiians were least likely (31%). Hawaiians were the most likely to say either "bad" (10%) or "some good, some bad" (28%) – the only group with a higher percentage of at least some "bad" (38%) than pure "good" (31%).

Exhibit 2.3: Has tourism been mostly good or bad or you and your family? (Q7, By Job Affiliation Measures)

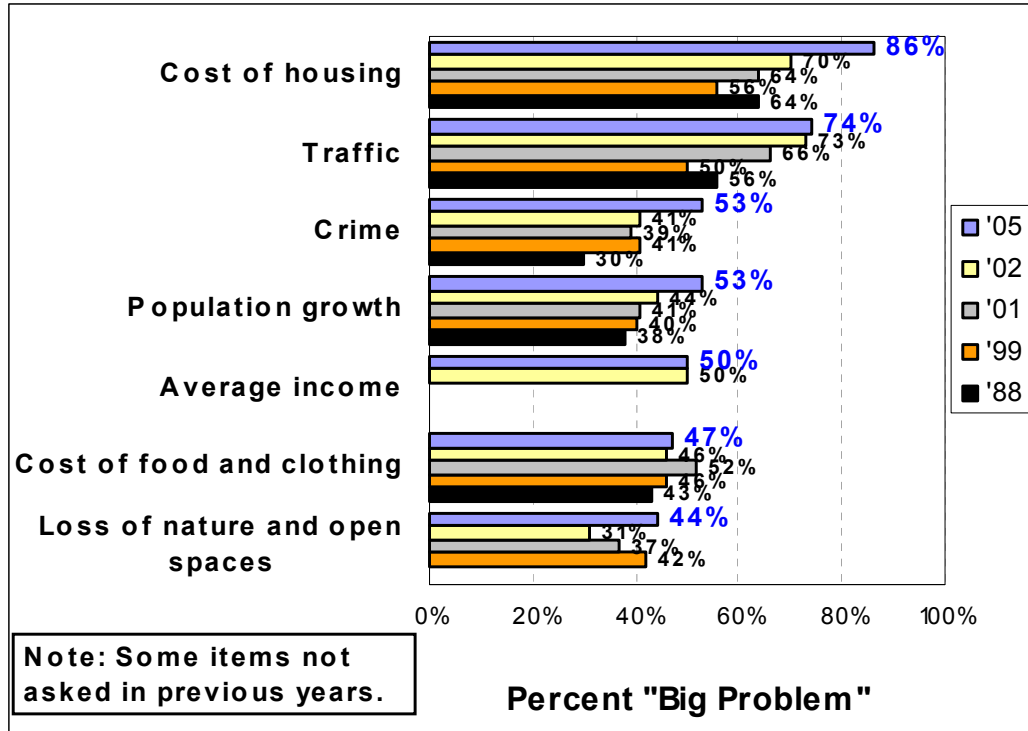


N = 1,352 (2005 results only)

- Not surprisingly, those employed in tourism were much more likely to believe tourism has been “*mostly good*” for themselves and their families. Respondents who said their household contained at least one current tourism worker were more than twice as likely to say “good” as those with no tourism workers or no workers at all.
- Also, those who had a current tourism job (or who had someone else in the household with a current tourism job) were much more likely to say "good" than those who had a past personal history of tourism work. But all three of these groups were more likely to say “good” than respondents with no household tourism job affiliation at all.
- The groups less likely to say “good” were not found to be more likely to say “bad.” Instead, they were just more likely to say “no effect.”

B. MAJOR ISSUES AND PROBLEMS IN COMMUNITY

Exhibit 2.4: Is (issue) a big, small or not a problem in your community? (Q1, Partial)

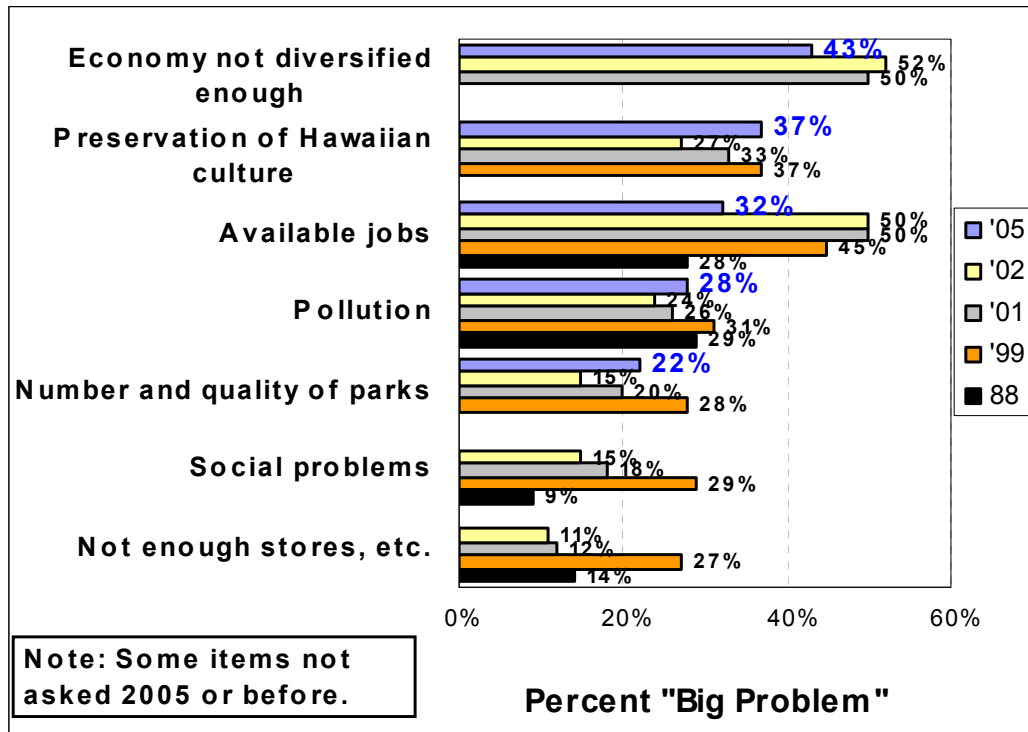


N = 1,352 for 2005; 1,643 for 2002; 1,007 for 2001; 1,003 for 1999; 3,409 for 1988

See next page for a continuation of this exhibit, showing additional questions that generated lower levels of concern.

- "Cost of housing" shot to the top of the community problems list this year – named as a big problem by 86% statewide, 90% on Kaua`i, and 95% on Maui Island. "Traffic" also remained a major community issue in all areas except Lana`i and Moloka`i.
- Concerns about economic problems (such as "availability of jobs" in following exhibit) clearly dropped from 2002 to 2005 on a statewide basis. (There were isolated exceptions – 84% in Moloka`i and 52% in East Hawai`i still thought job availability to be a big problem.)
- However statewide concerns about growth-related issues picked up in 2005 – e.g., *population growth*, *crime*, *loss of nature and open space*, and others all had higher marks than in 2002.
- As was the case in 2002, the greatest 2005 concern over rapid *population growth* was expressed on Maui Island (69% "big problem," up from 58% in 2002) and in West Hawai`i (68%, up from 52% in 2002). Moloka`i and Lana`i residents tended to think population growth was "not a problem" in those communities (roughly 50% each).
- Some items had also been asked in 1988, the last tourism "boom" period. The 2005 results resemble 1988 in relative lack of anxiety about *cost of food/clothing* and *job availability* (next page) – but there is now even more concern than in 1988 about *housing cost*, *traffic*, *population growth*, and *crime* (despite police data indicating lower reported crime rates now).

Exhibit 2.4 (continued): Is (issue) a big, small or not a problem in your community? (Q1, Remainder)



N = 1,352 for 2005; 1,643 for 2002; 1,007 for 2001; 1,003 for 1999

- Although increasing from 2002 levels, concerns about *pollution*, *number and quality of parks*, and *preservation of Native Hawaiian culture* were less widespread than the issues listed in the preceding exhibit. This was true both in 2005 and previously.
- Perhaps consistent with their focus on population growth, Maui Island and West Hawai'i residents reported the relatively highest level of concern about environmental issues in 2005, while Moloka'i and Lana'i residents were least concerned. For example, 58% of Maui Island and 51% of West Hawai'i residents said "*loss of nature and open space*" was a big problem, while just 12% of the Lana'i sample felt the same.
- Maui Island residents also had the highest concern about "*preservation of Native Hawaii culture*" (53%, up from 34% in 2005 – vs. 28% on Moloka'i and 24% on Lana'i).
- Lana'i residents were least likely to say virtually anything (other than housing cost) qualified as a "big problem" in that community. For example, only 29% of Lanaians thought "*average income for residents*" was a big problem, compared to 50% - 60% in all other parts of the state.
- Native Hawaiians were more likely to say *crime*, *preserving Hawaiian culture*, and *environmental* issues were "big problems."

C. PERCEIVED COMMUNITY IMPACTS OF TOURISM

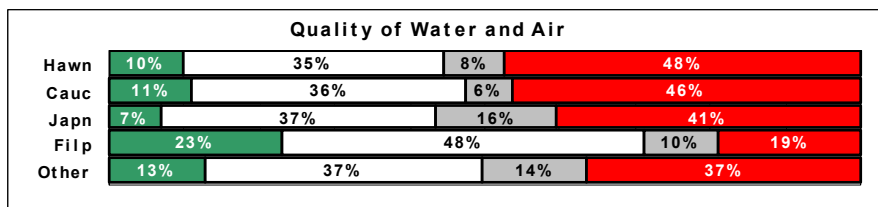
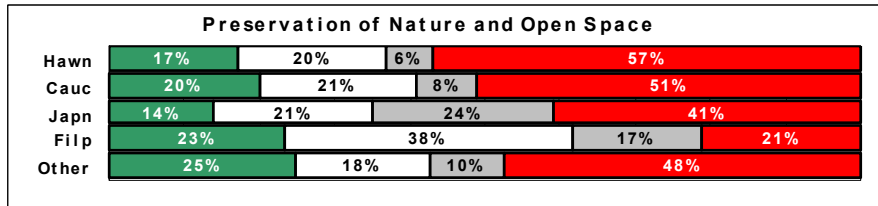
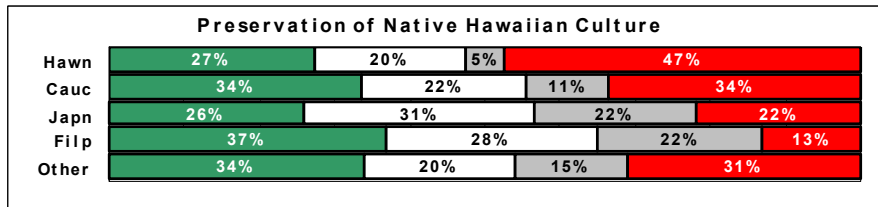
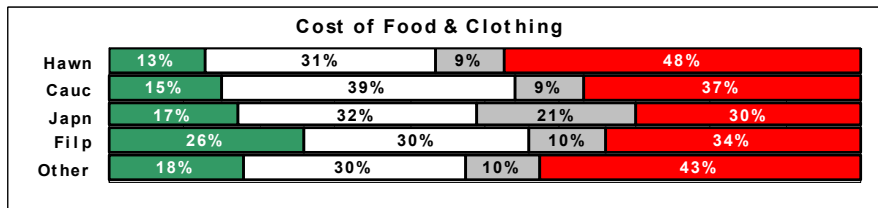
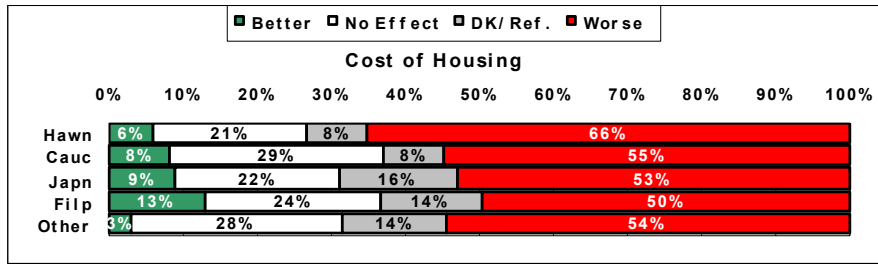
- In 2005, as in previous years, residents were most likely to say tourism has a negative impact (“makes it worse”) on several things they consider “big problem(s)” or moderate problems in their community – particularly traffic (77% negative in 2005), crime (56%) and housing costs (56%). Detailed results show Maui Island, Kaua`i, and West Hawai`i had even higher negative impact ratings for traffic (85%+) and housing costs (ca. 70%), but Lana`i had a very low figure (22%) for crime.
- However, tourism was perceived to have a mostly positive impact on economic issues such as availability of jobs (ca. 80% positive in both 2005 and 2002), and average resident income (ca. 54% in the two most recent surveys). These things had been judged to be moderate or less important community problems. (See exhibits on immediately preceding pages.) Tourism also received good marks for effects on “overall” quality of life, though a bit down from 2002.
- For those 2005 items which can be compared to the original 1988 series of similar questions, fewer people now than then are saying tourism makes things “better.” The differences are generally small and within the range of sampling error. However, these items will be important to track if the good tourism economy continues into the time when the next resident survey is done.

Exhibit 2.5: Has tourism made issue better or worse? (Q6)

	2005 "BETTER"	2005 "WORSE"	2002 "BETTER"	2002 "WORSE"	2001 "BETTER"	2001 "WORSE"	1999 "BETTER"	1988 "BETTER"
Number of jobs	78%	7%	80%	7%	73%	14%	67%	82%
Shopping, etc. for residents	N/A	N/A	70%	8%	67%	15%	51%	60%
Overall standard of living	N/A	N/A	67%	9%	55%	21%	49%	63%
Average income for residents	53%	19%	54%	15%	N/A	N/A	N/A	N/A
Overall quality of life	50%	20%	66%	9%	59%	14%	49%	N/A
Relations between people	N/A	N/A	47%	11%	53%	15%	45%	35%
Diversity of economic activities	45%	25%	45%	20%	52%	20%	47%	N/A
Number and quality of parks	33%	19%	41%	12%	44%	14%	44%	44%
Preservation of Hawaiian culture	32%	32%	46%	19%	40%	29%	42%	47%
Preservation of nature and open space	20%	47%	32%	25%	27%	42%	35%	33%
# of people living in your part of the island	18%	30%	25%	15%	24%	23%	34%	27%
Cost of food and clothing	16%	39%	24%	33%	21%	41%	32%	20%
Quality of water and air	12%	42%	16%	31%	17%	43%	31%	N/A
Cost of housing	7%	56%	15%	35%	11%	48%	26%	8%
Crime	7%	56%	8%	41%	7%	63%	22%	6%
Traffic	3%	77%	7%	54%	3%	78%	22%	4%

N = 1,352 for 2005; 1,643 for 2002; 1,007 for 2001; 1,003 for 1999; 3,904 for 1988. Note: “Better” and “Worse” %’s do not add to 100% because people could also say “No Effect” or “Don’t Know.” (This was true for these items in all five surveys.)

Exhibit 2.6: Has tourism made issue better or worse? (Q6, Partial, by Ethnicity, 2005 Results)



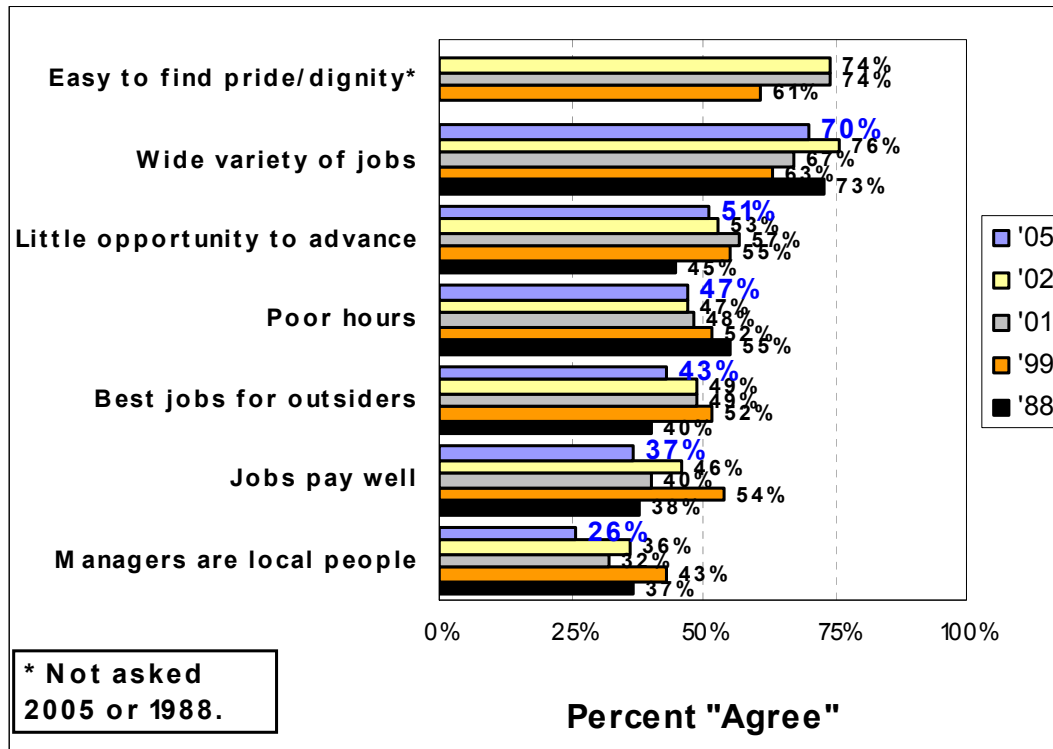
N (wtd.) = 251 Hawaiians, 460 Caucasians, 186 Japanese, 127 Filipinos, 297 Others

- On a number of these items, Hawaiian respondents were the most likely ethnic group – or one of the most likely – to say tourism makes things "worse." Exhibit 2.6 shows this was the case for a number of questions related to *cost of living*, *Hawaiian culture*, and the *environment*.
- Although not shown for reasons of space, Native Hawaiians also had somewhat higher percentages saying "worse" for *number and quality of parks*, *number of people living in your part of the island*, and *overall quality of life*.
- Other demographic differences (see cross-tabulations in Volume II): Males were a little more likely than females to say tourism had a positive impact on *overall quality of life*. Younger people had a little more negative view of tourism impact on *preservation of nature*, *number of people living in your part of the island*, and *cost of food & clothing*. Older people, especially seniors, were more likely to say tourism had "no effect" on these items. Income made virtually no difference for any of the items about perceived impact.
- Tourism job affiliation generally had no relationship to any of these items, except that respondents in households with tourism workers were a little more negative about tourism impact on *cost of food & clothing*.
- It should be noted that we cannot say for certain whether any of these differences are "statistically significant." When data are weighted by geography, as was the case for this survey, it becomes impossible to test for significance of differences in variables except geography.

D. RESIDENT ATTITUDES TOWARD VISITOR INDUSTRY JOBS AND VISITORS

1. VISITOR INDUSTRY JOBS

Exhibit 2.7: Do you agree or disagree with the following statements? (Q8)

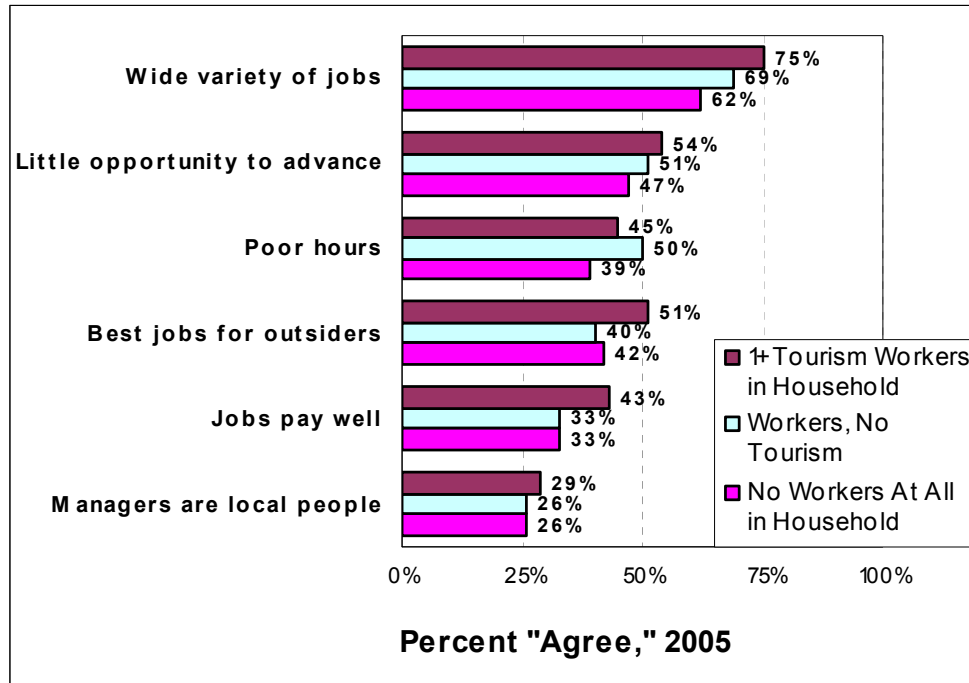


N = 1,352 for 2005; 1,643 for 2002; 1,007 for 2001; 1,003 for 1999

Note: The "pride and dignity" question was not asked in 1988 or 2005. Also, 1988 wording for a few items was slightly different.

- While residents recognize that tourism offers a *wide variety of jobs*, many believe there is *little opportunity to advance*, that the *best jobs go to outsiders*, and that jobs are characterized by *low pay and poor hours*.
- There was a little less agreement this year with all items – whether positively or negatively worded. That means the "don't know" answers increased, which is a little strange since half this year's respondents said they currently or previously held tourism jobs themselves.
- The largest drop from 2002 to 2005 was in agreement that most tourism jobs *"pay pretty well."* The 2005 figure dropped back to the 1988 level, suggesting that tourism "booms" may correlate with perceptions of lower pay.
- That decline in agreement was especially pronounced on O`ahu, where more people disagreed than agreed in 2005. On the Neighbor Islands, more people agreed than disagreed (though usually by small margins) that tourism jobs pay well.
- As in 2002, Lana`i had a particularly high percentage agreeing that tourism jobs *pay well* (67%) and yet also a very high percentage saying the *best jobs go to outsiders* (68%). These 2005 Lana`i percentages were very close to the 2002 results for that island.

Exhibit 2.8: Agreement with selected attitudes toward jobs (Q8, by Household Tourism Work Affiliation)



Figures represent % saying Strongly or Somewhat Agree with statement. "Don't know" have been excluded because non-tourism households were much more likely to have no opinion. N's for remainder vary by item, according to how many "Don't know" were excluded. Weighted N's = about 300 to 380 for households with tourism workers; 585-690 for households with workers, but none in tourism; and 54 to 70 for households with no workers at all.

(approximate numbers – some uncertainty introduced by weighting, other calculations)

- Because respondents from households with no tourism work affiliation were much more likely to say "Don't know," Exhibit 2.8 shows recalculated results after the "Don't know" were taken out of the mix.
- Overall, respondents from tourism worker households answered these questions about tourism jobs much the same as anyone else. They agreed with both some positive and negative statements a little more than others, but not by much.
- The biggest difference was on a negative item – people from tourism worker households were more likely to agree that *"The best tourism jobs to outsiders a lot more often than to local people."*
- We also checked to see if respondents who reported holding a current tourism job themselves answered these questions differently. They gave very slightly more positive answers on *pay* and *working hours/times*, but for the most part their image of tourism jobs was much like that of everybody else.
- For the most part, demographics generally made little difference in perception of tourism jobs. However, Hawaiians were the only ethnic group with a majority (58%) agreeing that *best jobs go to outsiders*.

How Many People Think of “Visitor Industry Jobs” Simply as “Hotel Jobs?”

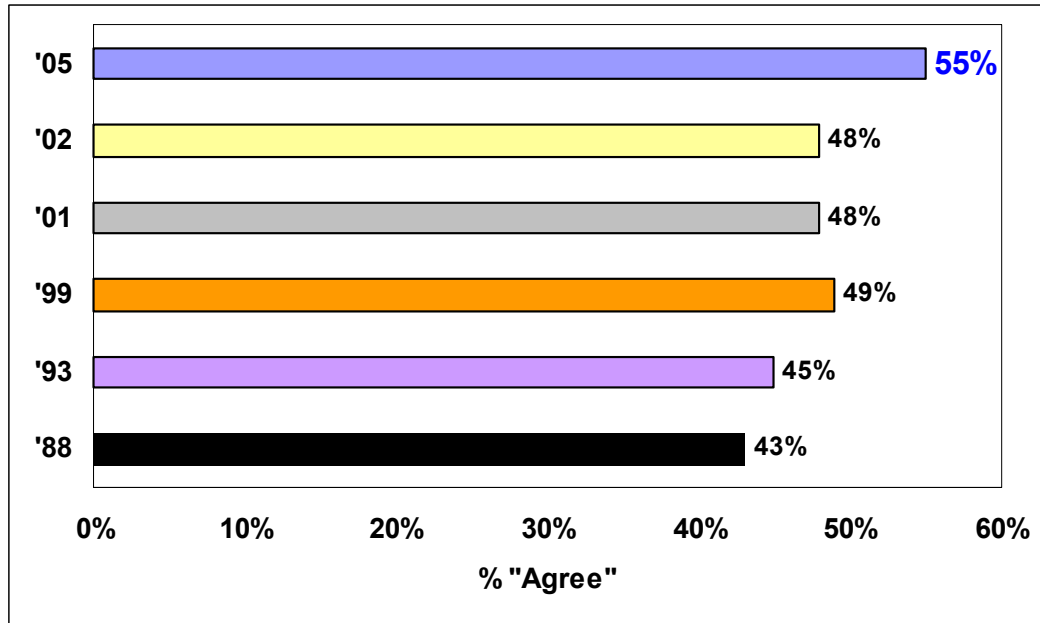
Exhibit 2.9: Image of “Visitor Industry Job” and Relation to Previous Answers (Q8g by 8a-f)

% Agreement with Items Based on Answer Above	<i>"When I think about visitor industry jobs, I am really thinking mostly just about hotel jobs."</i>			
	<u>Agreed</u>		<u>Disagreed</u>	
	2005:	2002:	2005:	2002:
	52%	45%	45%	48%
	<u>2005</u>	<u>2002</u>	<u>2005</u>	<u>2002</u>
"Most visitor industry jobs pay pretty well."	38%	53%	36%	41%
"Most tourism jobs don't have much opportunity for advancement."	53%	65%	50%	44%
"There's a wide variety of jobs in Hawaii's visitor industry."	66%	75%	77%	82%
"The best tourism jobs to go to outsiders a lot more than to local people."	51%	61%	37%	42%
"Tourism workers often have poor hours or work only part of the year."	50%	58%	45%	40%
"These days most visitor industry managers grew up in Hawaii."	31%	40%	23%	35%
Base (weighted statewide numbers):	(703)	(744)	(605)	(792)

- After we finished asking the other questions about visitor industry jobs, we added a new follow-up: Were people thinking about “visitor industry” jobs simply as “hotel jobs?” This exhibit shows that 52% said they were, and 45% said they were not. (The other 3% were unsure.) The numbers with roughly comparable with 2002 results; given sampling error – i.e., roughly half are saying yes and half are saying no.
- We then checked to see if answers to the other questions about tourism jobs depended on whether their mental image was mostly about hotel jobs.
- As the exhibit shows, for the most part, there was no consistent relationship for the first two items. There was a slight and expected tendency for those who said the visitor industry meant more than hotels to agree there's a wide variety of jobs.
- But most interesting was the consistent if small relationship each year for the three items at bottom. That is, people who equate “visitor industry jobs” with “hotel jobs” only do have a slightly more negative image in terms of working conditions and the competitiveness of local residents for better jobs.

2. WHETHER VISITORS ARE SEEN AS BEING GIVEN PRIORITY OVER LOCAL PEOPLE

Exhibit 2.10: Do you agree or disagree that "This island is being run for tourists at the expense of the local people?" (Q3a)



N = 1,352 for 2005; 1,643 for 2002; 1,007 for 2001; 1,003 for 1999; 500 for 1993; 3,904 for 1988

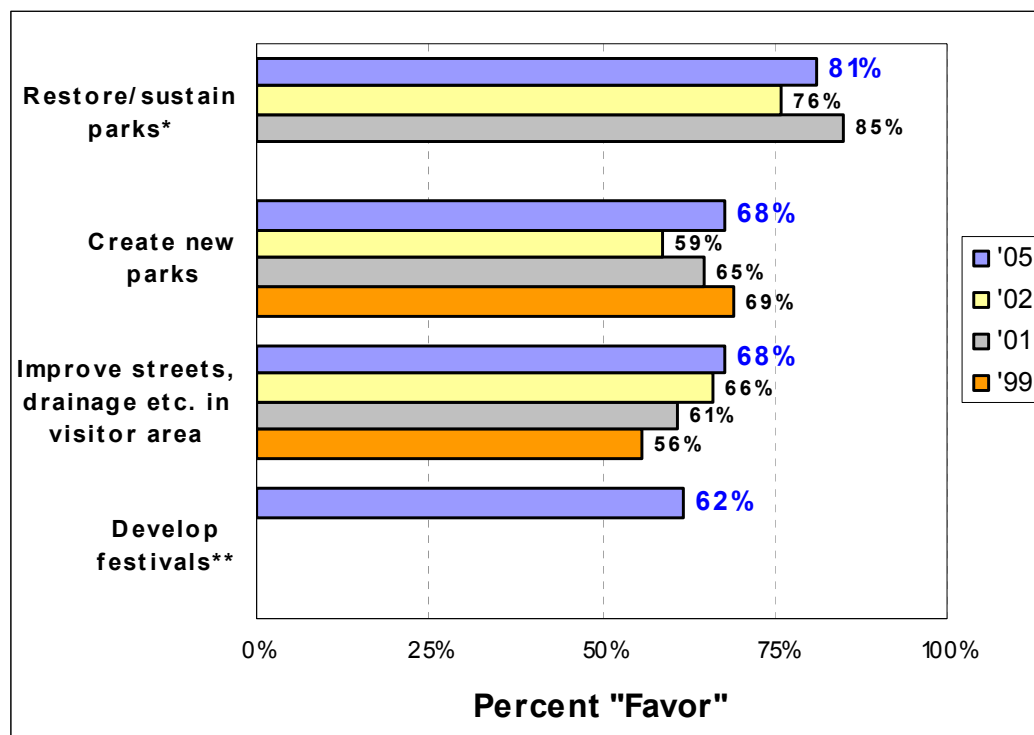
- Although 1988 and 1999 survey results showed very positive attitudes toward visitors as people, this question has revealed a vein of political resentment toward perceived preference by decision makers for tourists over local people.
- In 2005, for the first time, an actual statewide majority expressed agreement with this perception. (The difference between 2005 and 2002 results was just shy of statistical significance, but the difference between 2005 and results for some earlier years was significant.)
- The only areas in which a majority did not agree with this statement were Moloka'i (just 34%) and East Hawai'i (45%). By contrast, 67% on Lana'i and 72% on Maui agreed.
- Cross-tabulations in Volume II show that Hawaiian respondents agreed more (70%) than other ethnic groups (50% - 54%) in 2005.
- There was slightly more agreement by people with tourism jobs or in households with tourism workers, but only by a very slight extent.

E. OPINIONS ON SELECTED POLICY ISSUES

1. ATTITUDES ABOUT GOVERNMENT ACTION ON TOURIST-RELATED INFRASTRUCTURE

Exhibit 2.11: Tell me if you would strongly favor, tend to favor, tend to oppose or strongly oppose government budgeting more money for ... (Q2a – 2d)

Note: %'s in exhibit combine “strongly” and “tend to favor – item wording truncated; see questionnaire for full wording



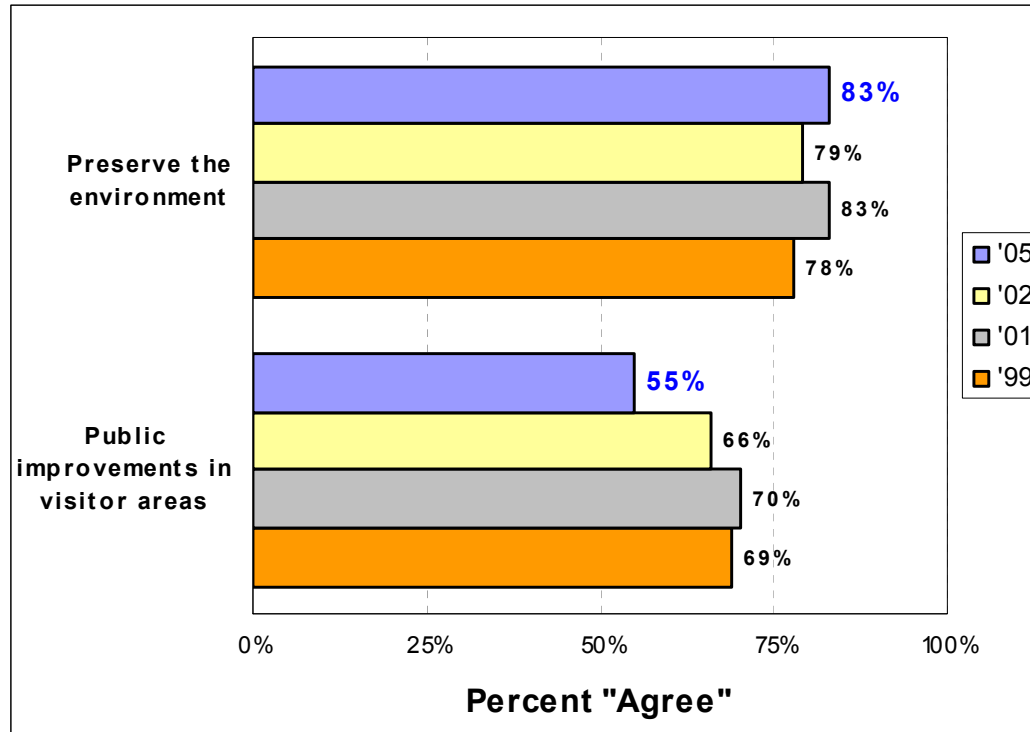
* Not asked in 1999

** First asked in 2005

N = 1,352 for 2005; 1,643 for 2002; 1,007 for 2001; 1,003 for 1999

- Majorities – statewide and in all counties – support budgeting more money for various activities that can be said to “improve the tourism product” (parks, infrastructure, festivals, etc.).
- There has consistently been more support for government expenditures to “*restore and sustain parks, marine preserves, and other scenic attractions*” than to create new ones.
- To a lesser but still substantial degree, there is consistent support both for *new scenic attraction/park development* and also for *infrastructure improvements* in tourist areas. Support for the latter appears to be growing over time – but see next page for a possible contradictory finding.
- A smaller majority endorsed budgeting more money for *festivals, arts, and cultural activities* for both visitors and residents. Support for this was slightly lower on O`ahu (59%) than on the Neighbor Islands (up to 74% on Lana`i), perhaps reflecting debates about whether the county government could afford to keep on supporting the “Sunset on the Beach” events.
- Opinions on all these items were quite similar regardless of demographics or differences in tourism work affiliation.

Exhibit 2.12: Do you agree or disagree that "Much of the tax money from tourism should go to ..."?
(Q4a and 4e)



N = 1,352 for 2005; 1,643 for 2002; 1,007 for 2001; 1,003 for 1999

Note: Question wording abbreviated in exhibit; see questionnaire in appendix for full wording.

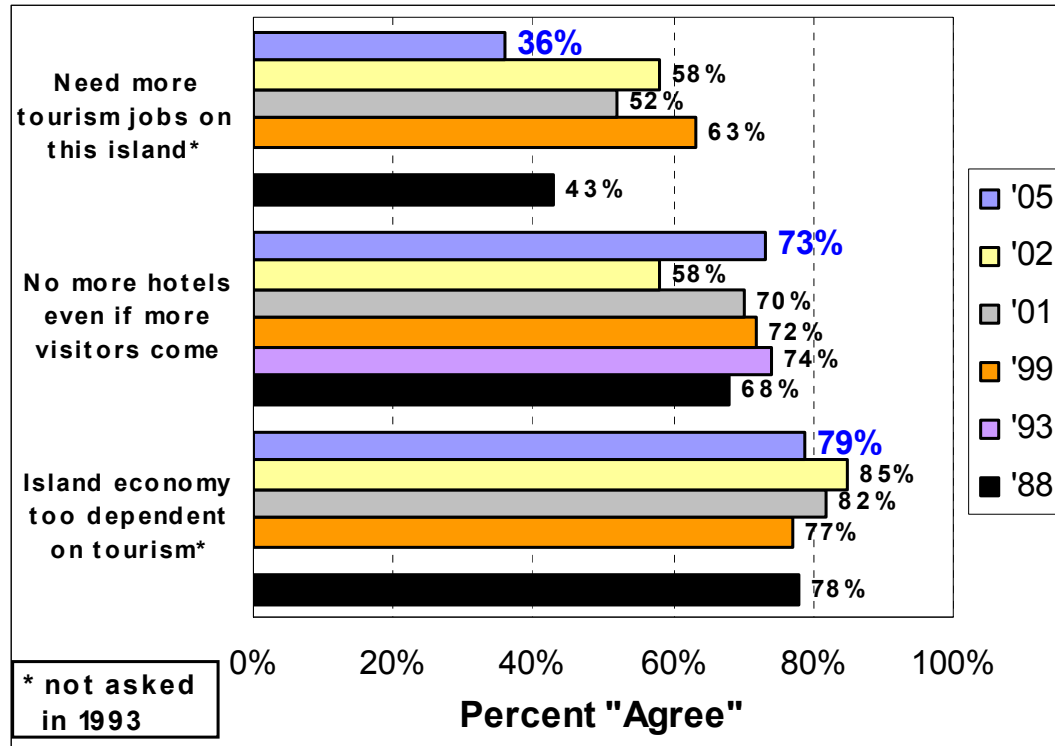
- Residents support using “tax money from tourism” for both *environmental preservation* (83% in 2005) and *public improvements in visitor areas* (55%).
- It may be noted, however, that support for improvements in visitor areas declined 11 percentage points from 2002 to 2005. Drops in support on this item occurred to varying extents in all geographical areas throughout the state.
- This decline contradicts the previous finding of growing support for "*government budgeting more money to improve infrastructure such as streets, drainage and landscaping in tourist areas.*" This contradiction is something that might be further explored in future surveys.
- There were no substantial or meaningful differences for these items by demographics or tourism job affiliation.
- Interestingly, people who reported living "right in" a "really large resort area or tourist attraction" were slightly less likely to agree (45%, vs. 56% for others) that "*Much of the tax money from tourism should go to public improvements in visitor areas.*" This group comprised a small sub-sample, with high sampling error, so not too much should be made of it – except that it does raise the issue of how residents of resort areas see things differently in regard to public improvements.

2. ATTITUDES TOWARD VARIOUS ASPECTS OF TOURISM GROWTH AND PLANNING

Opinions on Additional Hotels, Tourism Jobs, and Economic Dependence on Tourism

Exhibit 2.13: Do you agree or disagree with the following statements? (Q3c, 3e, and 3f)

Note: Item wording truncated here – see full wording in attached questionnaire.

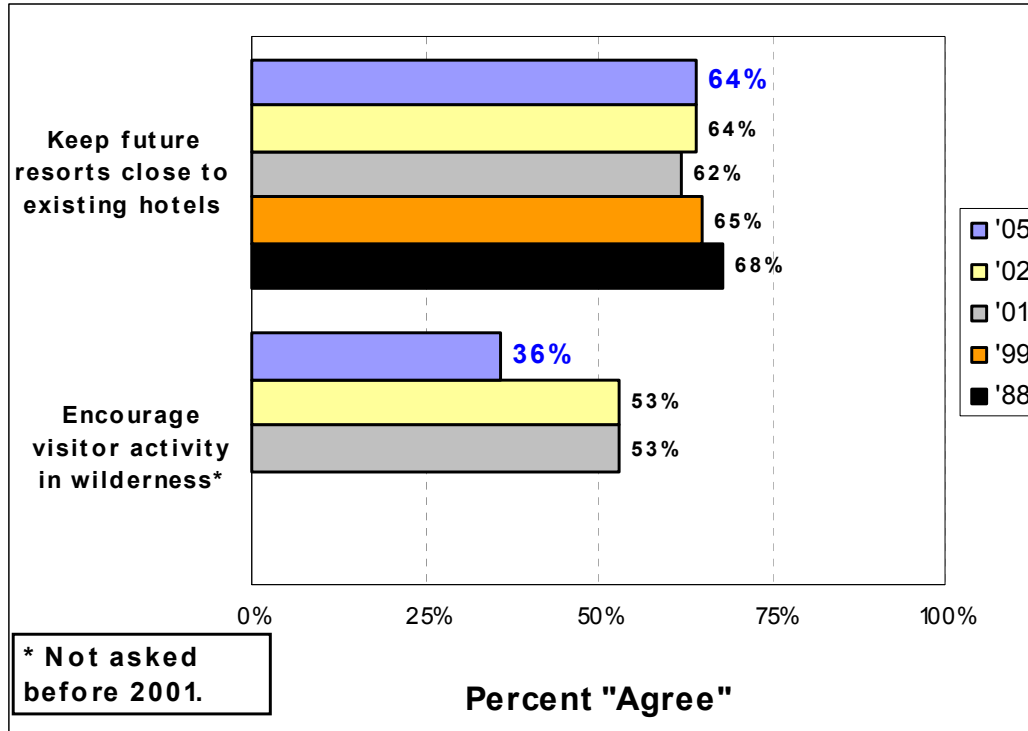


N = 1,352 (2005); 1,643 (2002); 1,007 (2001); 1,003 (1999); 500 (1993); 3,904 (1988)

- These are three core attitudinal items that have been tracked since 1988.
- The 2005 survey found agreement about the need for "more tourism jobs" had dropped back even below the previous low mark of 1988 (the last "boom" year in which a survey was done).
- All geographical areas actually had majority disagreement with the need for "more tourism jobs" – except in Moloka`i and East Hawai`i, where disagreement fell just shy of 50%. Demographically, Filipinos were the most likely to want more jobs (60%), while Caucasians and Japanese were least likely (29% and 26%).
- Resident agreement with the sentiments of "no more hotels" and "too dependent on tourism" bounced back to, or remained at, high levels. Hawaiians were particularly adamant about "no more hotels" (84%), while Filipinos had the least agreement (but still a majority 60%) with this opinion.
- Moloka`i was the only place where a majority disagreed that their island was *too dependent on tourism*. Nevertheless, even in Moloka`i, more than 70% wanted to see *no more hotels* on that island.

Concentrating / Dispersing Hotels, Other Tourism Activities

Exhibit 2.14: Do you agree or disagree with the following statements? (Q4b and 4f)



N = 1,352 for 2005; 1,643 for 2002; 1,007 for 2001; 1,003 for 1999

- Residents have consistently said they prefer to "keep all future resorts close to existing hotels." The two islands with the highest ratio of visitors to residents – Maui and Kaua'i – had the highest levels of agreement (78% and 73%, respectively).
- There were no important differences on this item by demographics or work affiliation.
- Willingness to see *more visitor use of wilderness areas* dropped sharply this year, with only a minority agreeing. Majorities actively disagreed in all areas except Lana'i, where results were closer to a 50-50 split.

(In the past, this item had been preceded by a question about willingness to encourage visitors to spend more time and money throughout the whole island, which was strongly supported. This may have generated a "halo effect," resulting in some carry-over support for visitors in wilderness areas – support that eroded when the preceding question was dropped this year.)

- Filipinos were by far the most willing to encourage more visitor activity in wilderness areas (53%, about double the agreement from Caucasians and Japanese, the least willing groups.)

III. QUESTIONS REPEATED FROM 2003 SUSTAINABLE TOURISM SURVEY

This part of the report focuses on tracking two general topic areas first covered in the 2003 "Sustainable Tourism "survey"^a

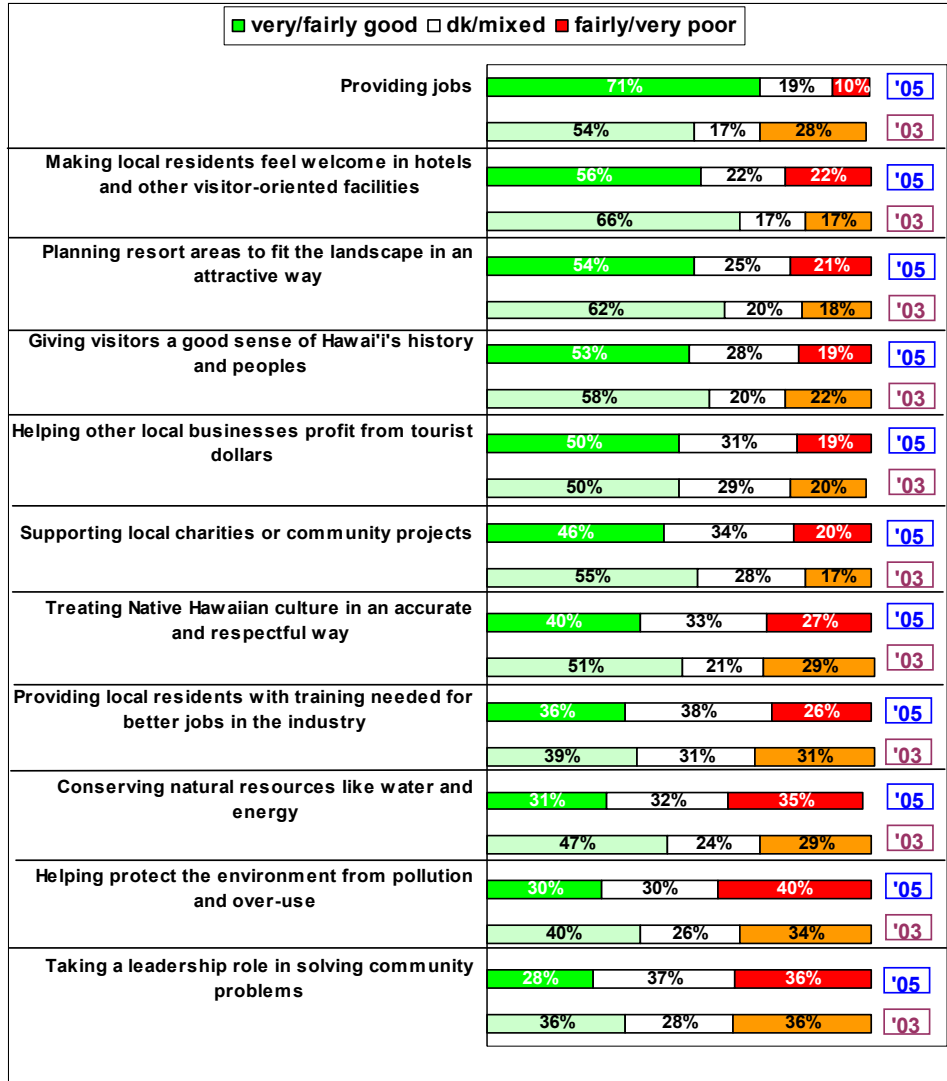
- *Rating the visitor industry on specific functions and benefits for Hawai`i;*
- *Rating government on tourism marketing, planning, and impact management.*

HTA staff felt many of these items were related to current Strategic Planning goals (some of which reflect objectives coming out of the Sustainable Tourism effort).

^a This survey was sponsored by the Hawai`i State Dept. of Business, Economic Development, & Tourism (DBEDT), though with input from the HTA. The 2005 HTA survey repeated some, though not all, of the 2003 questions. Repeated were two series of questions originally intended to gather residents' ratings on how well the industry and local government were "sustaining" key tourism assets. Because the new HTA strategic plan lists goals and objectives for many of the same topic areas addressed by these questions, HTA staff requested these items become part of the 2005 survey. One question from the original 2003 series was dropped because of extremely high agreement levels, and one new one was added.

A. RATING THE VISITOR INDUSTRY ON SPECIFIC FUNCTIONS AND BENEFITS FOR HAWAII

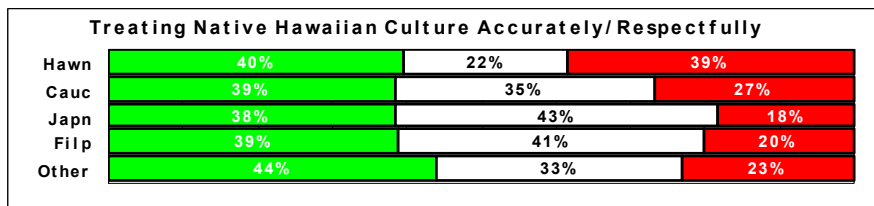
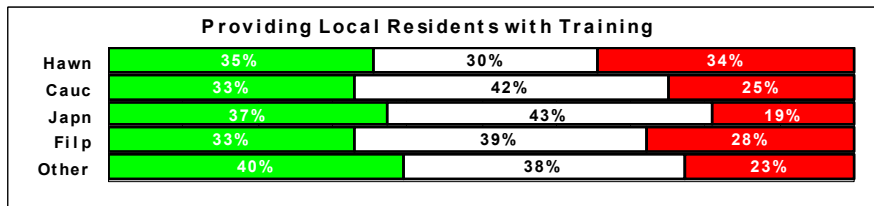
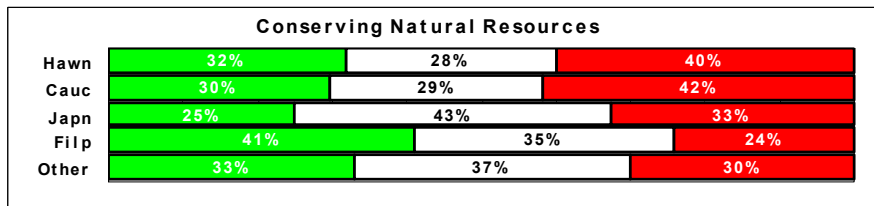
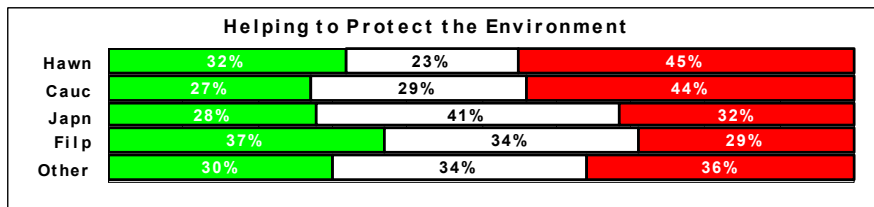
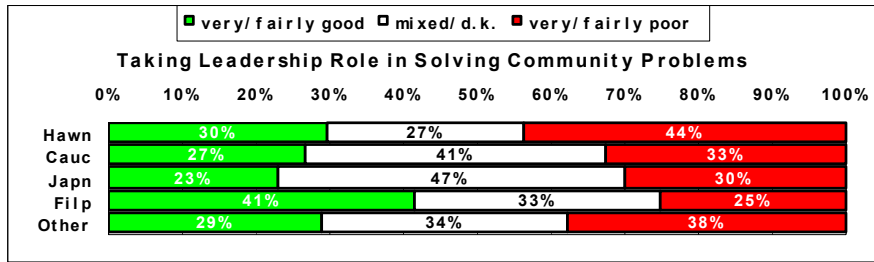
Exhibit 3.1. Overall, how good a job do you think this island's visitor industry does for each of the following things? (Q9)



N = 1,352 for 2005; 1,000 for 2003.

- In both surveys to date, residents have given the Hawai'i visitor industry good marks in *providing jobs, making residents feel welcome at resorts, attractive landscape-sensitive design, and giving visitors a good sense of what Hawai'i is all about*
- The industry gets much less positive ratings in taking a *community leadership role, environmental sensitivity, and providing residents with training to advance*. In 2005, there were more "poor" than "good" marks for leadership and environmental protection.
- As the economy has advanced from 2003 to 2005, residents have given the industry even more credit for "*providing jobs*" – but less credit for most other things, particularly energy conservation and treatment of Native Hawaiian culture.
- Maui Island residents were particularly critical of their industry's environmental performance – "poor" marks of 53% for *conserving natural resources* and 60% for *protecting the environment*.
- Kaua'i residents had larger minorities (but still just minorities) looking favorably at their industry's environmental record.

Exhibit 3.2: Rating the Visitor Industry (Q9, Partial, by Ethnicity, 2005 Results)

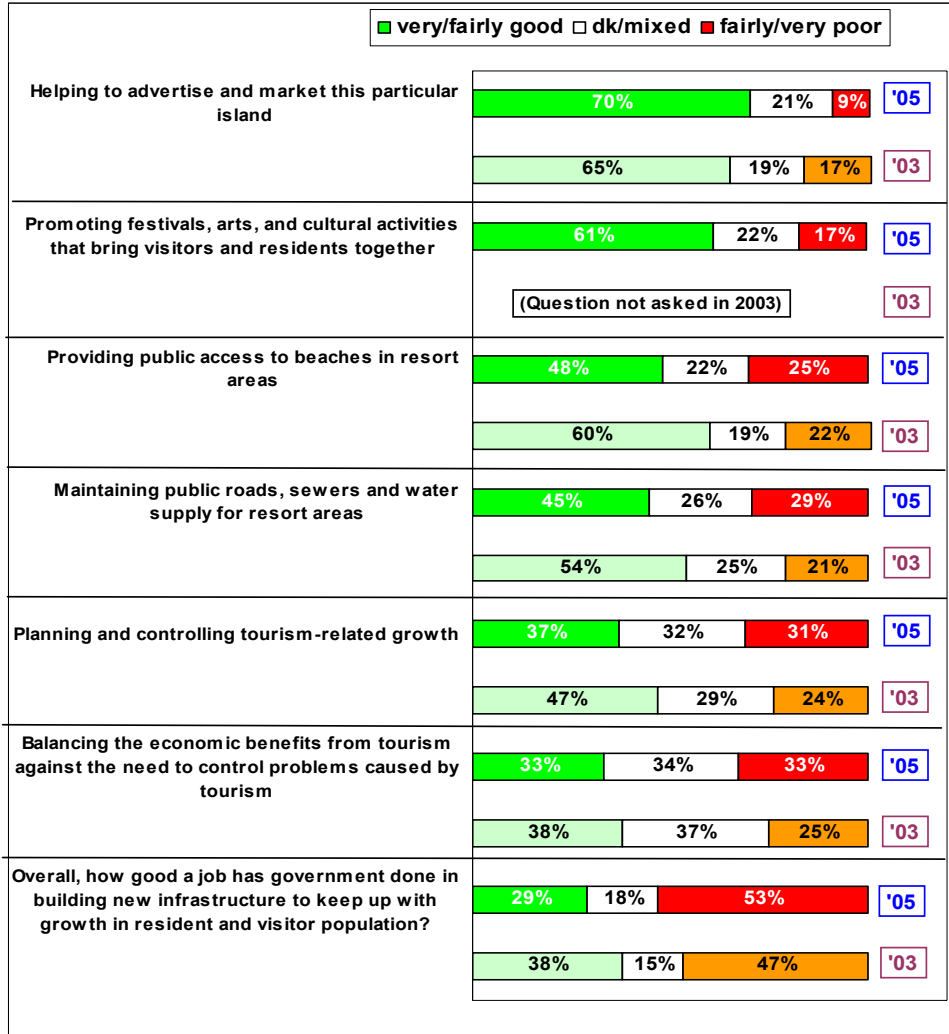


N (wtd.) = 251 Hawaiians, 460 Caucasians, 186 Japanese, 127 Filipinos, 297 Others

- On a number of these items, Hawaiian respondents were the most likely ethnic group – or one of the most likely – to say the visitor industry has done a "poor" job. Exhibit 3.2 shows this was the case for a number of questions related to *leadership, the environment, job training, and treatment of Hawaiian culture*. (The preceding Exhibit 2.6 showed similar greater Hawaiian negative perceptions about many types of tourism impact.)
- Although not shown for reasons of space, Native Hawaiians also had somewhat higher percentages saying "poor" for *making local residents feel welcome, planning resorts attractively, and giving visitors a good sense of Hawai'i's history and peoples*.
- On many of the items in Exhibit 3.2 and others in this series, Filipinos gave the most positive ratings.
- Other demographic differences (see cross-tabulations in Volume II): Senior citizens 65+ tended to be more positive than other age groups.
- There was a very slight – certainly within the range of sampling error – but still very consistent tendency for past or present tourism workers to be more negative in their ratings of the visitor industry.

B. RATING GOVERNMENT ON TOURISM MARKETING, PLANNING, & IMPACT MANAGEMENT

Exhibit 3.4: Overall, how good a job do you think government has done on the following things related to tourism? (Q10 and Q11¹)

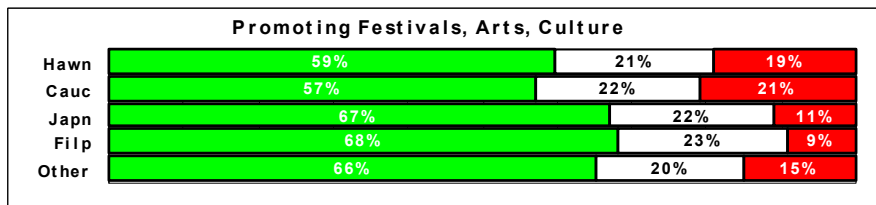
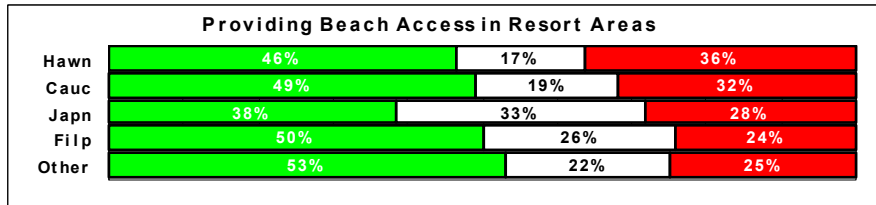
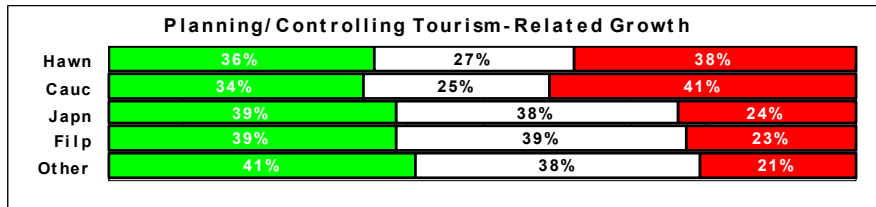
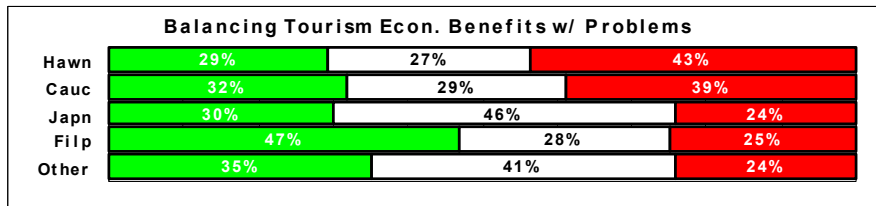
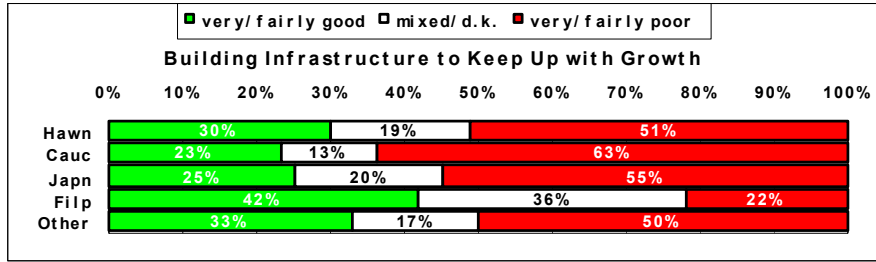


N = 1,352 for 2005; 1,000 for 2003

- On a statewide basis, government agencies (presumably including the HTA) got strong positive marks for *marketing* each island and *promoting festivals, arts, and cultural activities*.
- O`ahu and Maui residents were particularly likely to give "good" marks for marketing (about 75% each), while the less touristically-developed areas of Moloka`i and East Hawai`i had "good" marks under 50%.
- Residents were less happy with local government's ability to *provide new infrastructure* and *balance tourism benefits with problems*. All areas (except Lana`i and Moloka`i) gave majority "poor" ratings for keeping up on *infrastructure*, and more than 40% in West Hawai`i and Maui Island also said "poor" for items about *balancing benefits vs. problems* and about *planning tourism-related growth*.
- Positive ratings for *marketing/advertising* slightly increased from 2003 to 2005, but "good" ratings for most other items decreased.

¹ Question 11, pertaining to infrastructure, had a longer question format that included a definition of "infrastructure" – see questionnaire for exact wording.

Exhibit 3.5: Rating Local Government on Tourism Actions (Q10, Partial, and Q11 by Ethnicity, 2005 Results)



N (wtd.) = 251 Hawaiians, 460 Caucasians, 186 Japanese, 127 Filipinos, 297 Others

- For the most part, ethnic differences on the government ratings were not as plentiful or pronounced as on the visitor industry ratings.
- However, as seen in the upper part of Exhibit 3.5, Filipinos were much more likely to give positive ratings on *building infrastructure to keep up with growth* and *balancing tourism economic benefits with problems*.
- Hawaiians and/or Caucasians tended to give the most negative ratings for the items in this exhibit – with the greatest difference between them and others on *balancing tourism economic benefits with problems* and *planning/controlling tourism-related growth*.
- Other demographic differences (see cross-tabulations in Volume II): Younger residents (under 35) were a little more positive about *beach access* (53% vs. 38% - 44% for other groups). We would assume younger residents are more likely to use beach access ways in resort areas.
- Tourism work affiliation made little or no difference, but people living "right in" resort areas or tourist attractions tended to give government lower ratings on almost all the items in this series (except for beach access). The differences were particularly large for *maintaining public roads, etc. in resort areas*, *balancing tourism economic benefits with problems*, *planning/controlling tourism-related growth*, and *building infrastructure to keep up with growth*. Again, this group was small and so results could be due to chance.

IV. NEW QUESTIONS THIS YEAR ABOUT TRANSIENT VACATION UNITS AND OTHER POLICY MATTERS

HTA staff provided the initial wording of several question, to gauge resident agreement with statements about the necessity and the need for controls on two different types of transient vacation units:

- *Bed-and-breakfasts (B&Bs);*
- *Vacation rentals.*

The question lead-in included definitions: " 'Bed-and-breakfasts' are places where visitors rent bedrooms in somebody's house. 'Vacation rentals' are places where visitors rent whole homes or apartments with no resident living on site." Past HTA surveys have included a few questions about transient vacation units, but none that separately repeated the same items in ways that separated agreement about B&Bs vs. vacation rentals.

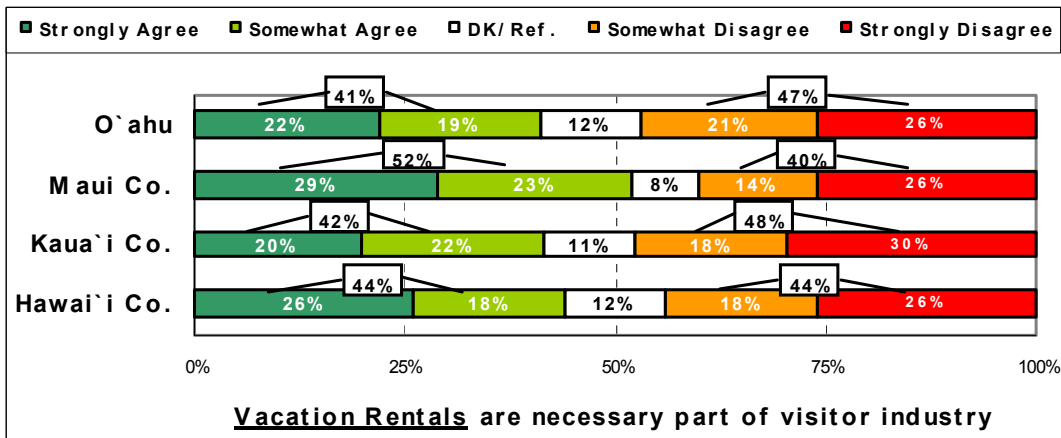
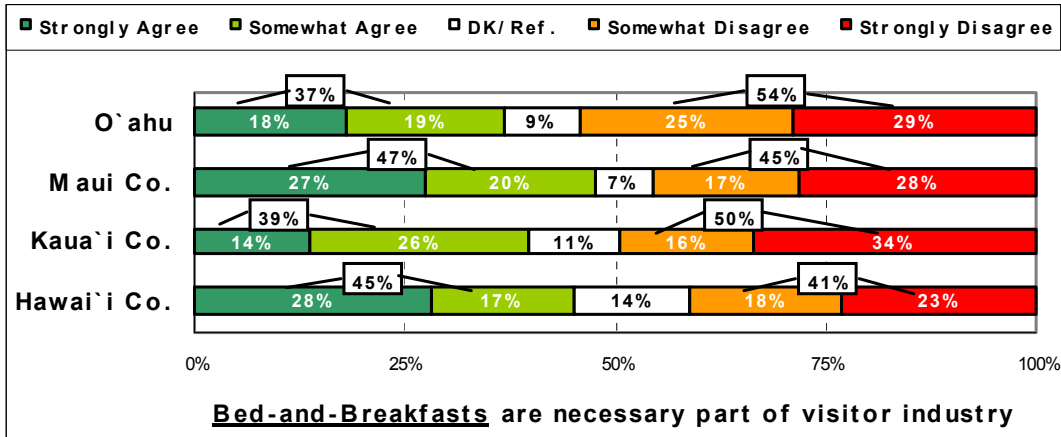
Other new questions in this year's survey included:

- *Endorsement of tax incentives for new hotel construction vs. renovation; and*
- *Beliefs about the value of the Hawai`i Convention Center.*

A. ATTITUDES TOWARD TRANSIENT VACATION UNITS

1. PERCEIVED NECESSITY OF B&B'S AND VACATION RENTALS

Exhibit 4.1: Agree or disagree: "___ are a necessary part of Hawai'i's visitor industry, despite any problems they may cause for neighbors." (Q5a – 5b)

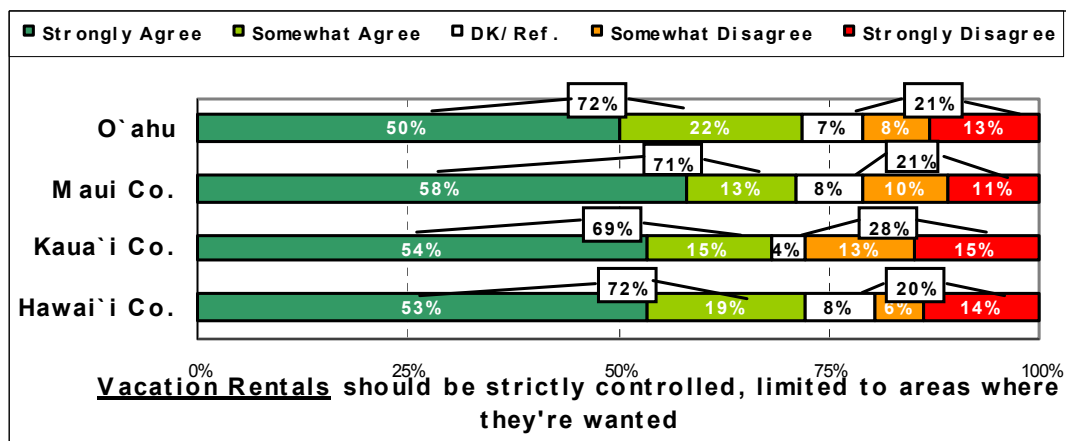
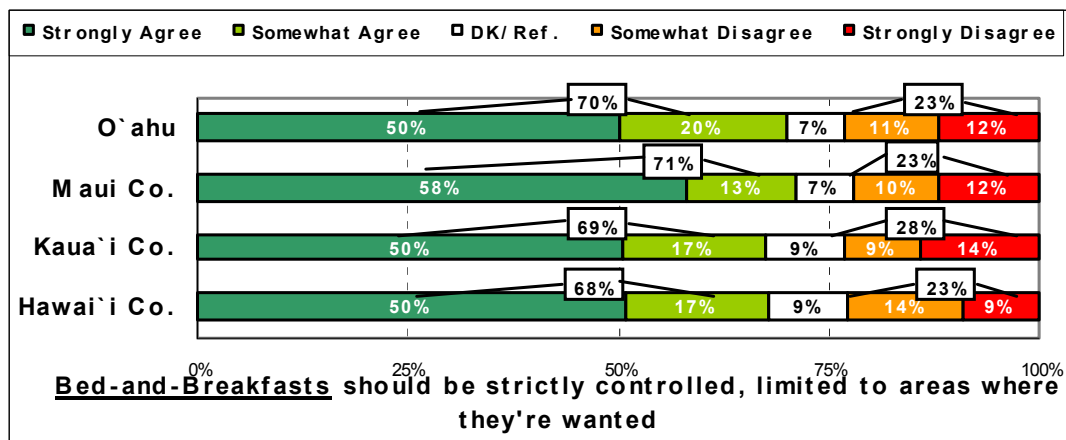


N = 404 for O`ahu, 396 for Maui County, 200 for Kaua`i County, and 362 for Hawai`i County

- Because control of transient vacation units is a county issue, we show results by county.
- Past surveys questions (worded differently) have generally found roughly 50-50 attitudes toward B&Bs and vacation rentals, but with somewhat more acceptance of B&Bs than of vacation rentals.
- With new wording, this year's results – and following substantial controversy on several islands – were a little different. Attitudes were still split, but in two counties where the debate has been particularly vocal – Kaua`i and O`ahu – they tilted more toward the negative. And this year there was slightly more acceptance of vacation rentals than of B&Bs in most counties.
- Substantial portions of both those who agreed and disagreed said they just "some-what" agreed or disagreed, suggesting that opinions may be flexible or nuanced.
- Japanese respondents were somewhat less sure than others that either type of unit is "necessary" for the visitor industry. Tourism work affiliation made no difference.

2. NEED TO CONTROL / LIMIT B&B'S AND VACATION RENTALS

Exhibit 4.2: Agree or disagree: "___ should be strictly controlled and limited to areas where nearby residents agree to allow them." (Q5a – 5b)



N = 404 for O`ahu, 396 for Maui County, 200 for Kaua`i County, and 362 for Hawai`i County

- Opinions were far more clear-cut on this issue – about 70% in all counties agreed on the need for controls and limiting transient vacation units to areas where they're welcomed by residents.
- Furthermore, those who agreed were inclined to agree "strongly" – indicating that opinions are more firmly fixed about this than about the "necessity" of transient vacation units.
- While residents of all counties were very slightly more inclined to say vacation rentals were "necessary" than B&Bs (Exhibit 4.1), they were also very slightly more likely to say vacation rentals should be controlled, compared to B&Bs.
- Japanese respondents were even more likely than other groups to agree that both types of transient vacation units should be controlled. Tourism work affiliation and other demographic differences were negligible.

3. RELATIONSHIP WITH OTHER KEY TOURISM ATTITUDES

Exhibit 4.3: Attitudes Toward Transient Vacation Units by Other Key Attitudes (Q5a – 5b, by Q3e, 3f)

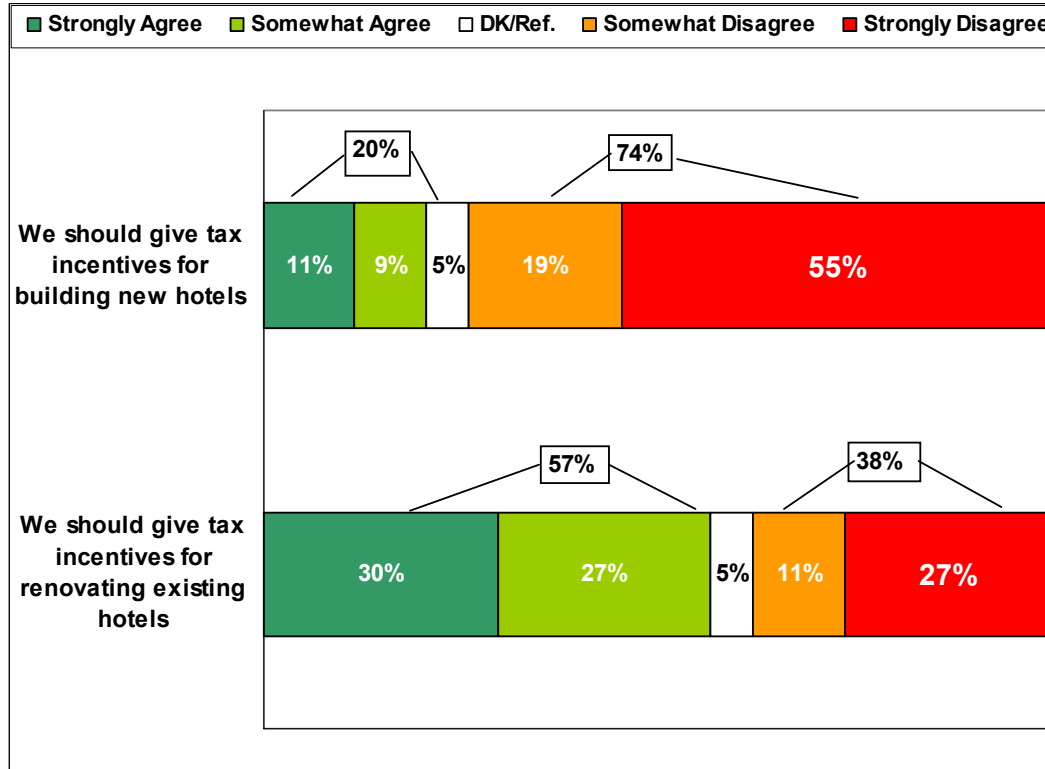
	Attitude toward: "No more hotels!"		Attitude toward: "Need more tourism jobs on this island!"	
	Agree	Disagree	Agree	Disagree
% Agree that: "B&Bs are necessary part of visitor industry"	39%	43%	46%	37%
% Agree that: "Vacation rentals are necessary part of industry"	41%	51%	50%	40%
% Agree that: "B&Bs should be strictly controlled / limited"	74%	61%	67%	72%
% Agree that: "Vacation rentals should be strictly controlled"	75%	65%	71%	73%
(Weighted Statewide Base:)	(981)	(304)	(485)	(734)

- We were curious whether attitudes toward transient vacation units were strongly linked with some other basic attitudinal items, and so we ran some special cross-tabulations.
- The results are in the direction that might be expected – people against more hotels or tourism jobs are less convinced that transient vacation units are necessary and even more determined to control them.
- However, the differences are quite small and within the probable range of sampling error.* Being "pro-tourism growth" or "anti-tourism growth" is only very slightly related to opinions about B&Bs and vacation rentals.

* Strictly speaking, it is impossible to calculate statistically significant differences between non-geographical groups for data that have been weighted on the basis of geography. However, if the bases were not weighted, most of these differences would be either not significant or just marginally significant.

B. TAX INCENTIVES FOR HOTEL RENOVATION VS. CONSTRUCTION

Exhibit 4.4: Do you agree or disagree with the following statements? (Q4c and 4d)

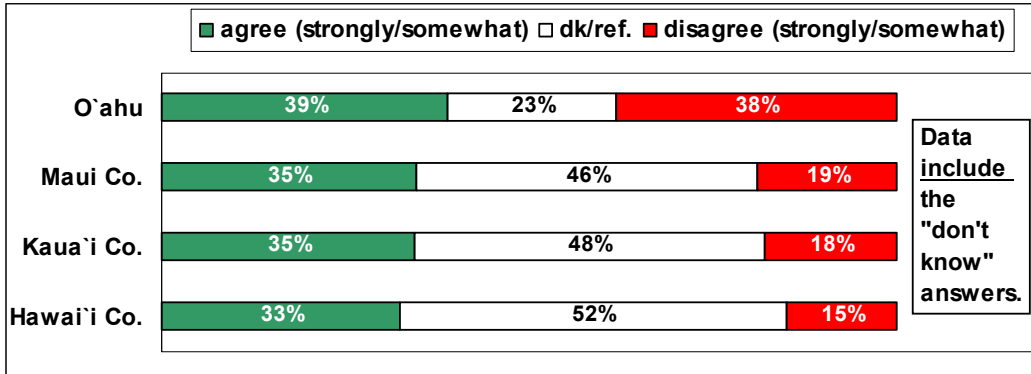


N = 1,352 statewide

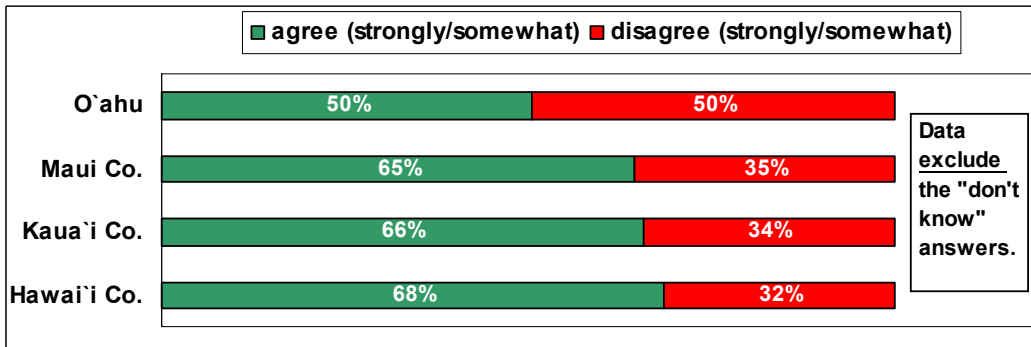
- In 2001 and 2002, a survey item asked for agreement with the statement: "We should give tax incentives for renovating or building new hotels" (garnering just 34% agreement in 2001 and 38% in 2002).
- In 2005, the HTA wisely suggested breaking this into two separate questions. The results lend themselves to consideration of the extent of agreement or disagreement as well.
- Consistent with previously noted opposition to new hotels (Exhibit 2.13), there is clear disagreement that tax incentives should be given for *building new hotels*. What is more, this is primarily "strong" disagreement.
- By contrast, there is majority agreement with *tax incentives for renovating existing hotels*. Note, however, that the "agrees" are fairly evenly split between "strongly" and "somewhat" agreeing, while the "disagrees" are still mostly "strong" disagreement.
- The only area tending to disagree with incentives for renovation was Lana'i, where the resort stock is still new.
- Senior citizens 65+ were the only age group with more disagreement (51%) than agreement (39%) with *incentives for renovation*. Current tourism workers were slightly more in favor of *incentives for new hotels*, but even they opposed incentives more than 2 to 1.

C. VALUE OF THE HAWAII CONVENTION CENTER

Exhibit 4.5: Do you agree or disagree that "the Hawai'i Convention Center has proved its worth in attracting meetings and conferences"? (Q3d)



N= 404 for O'ahu; 396 for Maui County; 200 for Kaua'i County; 362 for Hawai'i County



N = 311 for O'ahu; 212 for Maui County; 105 for Kaua'i County; 172 for Hawai'i County

(approximate numbers – some uncertainty introduced by weighting, other calculations)

- A new question this year asked about perceived *value of the Hawai'i Convention Center*. Because this facility is located on O'ahu, it is useful to view results by county rather on a statewide basis.
- The first conclusion is that many people just didn't know – and that "don't know" responses were much more prevalent on the Neighbor Islands, where about half the people had no opinion. People on the island where the facility is sited (i.e., O'ahu) are more likely to have formed an opinion.
- When the "don't know's" are taken out of the equation, O'ahu residents have a 50-50 response, while Neighbor Islanders with an opinion tend to report a positive perception.

(While not shown here, the split between "strongly" and "somewhat" agree or disagree was roughly equal on O'ahu, a little tilted toward "stronger" agreement or disagreement on the Neighbor Islands.)
- There were no clear or important differences by tourism work affiliation or demographic category.