2007 SURVEY OF RESIDENT SENTIMENTS ON TOURISM IN HAWAI'I

Analysis and Report

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EXECUTIVE SUMMARY

The primary purpose of this regular Hawai'i Tourism Authority (HTA) survey is to "track" resident attitudes over time, to see if they change or remain 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 now 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 2007 effort is the sixth in a regular series of telephone surveys that Market Trends Pacific, Inc. and John M. Knox & Associates, Inc. have carried out for the HTA – previous ones were done in 1999, 2001, 2002, 2005, and 2006. Additionally, one or both companies did other large-scale resident surveys in 1988 and 2003 for the State Department of Business, Economic Development, & Tourism (DBEDT), as well as a much smaller 1993 independent effort. Most 2007 questions have now been asked at least three times (including a few first asked in the 2003 DBEDT survey), and some key questions have been asked seven or eight times. This 2007 survey also included a few first-time questions on certain "special focus" topics.

Because resistance to telephone surveys has been growing, HTA staff last year suggested that many of the longer series of past questions be cut in half – with part of those questions asked in 2006 and the remainder asked in this 2007 survey. While many past questions will now be "staggered" in this way, other core questions will continue to be asked each and every year. The most important are listed below. Except for variation in desire for tourism jobs, all core measures this year held steady or became relatively more positive – including a 10-point drop in the % saying *"This island is run for tourists at the expense of local people."*

A. Results for "Core" Survey Items

Question	2007 Result	Areas Most Agreeing	Areas Least Agreeing	Statistically Significant?	Trend Over Time/ Significance of Time Change
Positively Worded Items					
Tourism brings more benefits than problems	73% agree	All Other Areas/ Islands 69%-77%	Moloka'i 55%	Yes	All past surveys give about the same figure; 2007 figure identical with 2006.
We need more tourism jobs on this island	43% agree	E. Hawai'i 61% Lāna'i 54%	Kaua'i 33% Maui Island 38%	Yes	See-sawing over last 4 surveys – down this year from 51% in 2006, but still higher than 2005 (36%).
Is tourism mostly good or bad for you/family?	45% good (very few "bad," more mixed/unsure)	Lāna'i 51% O'ahu 47%	Moloka'i 37% E. Hawai'i 31%	Yes	Percentage had been sliding until 2005; since, it has stabilized and ticked slightly upward (mostly due to O'ahu results).
Does tourism make overall quality of life better/worse?	46% better (very few "worse," more no effect/unsure)	Lāna'i 50% O'ahu 48%	Kaua'i 35% Moloka'i 32%	Yes	Percentage had been sliding until 2006; this year, it held steady on a statewide basis (with some Neighbor Island variation).
Negatively Worded Items					
This island economy too dependent on tourism	*[Not asked this year]*	*N/A*	*N/A*	*N/A*	All past surveys showed consistent high agreement (ca 80%), though "strong" agreement declining.
Even if more visitors come, no more hotels this island	67% agree	Moloka'i 80% Kaua'i 79%	E. Hawai'i 49%	Yes	Has generally held steady in 65% - 70% range; up a few points from last year, especially on N.I.'s.
This island run for tourists at expense of local people	52% agree	Maui Island 66% Kaua'i/Lāna'i 65%	O'ahu 49%	Yes	While still high, down 10 points from last year. "% agree" stable or down in nearly every area of state.

B. Other Questions Repeated from Past Surveys

Several lengthy series of questions were divided in half, with part asked in 2006 and the remainder in 2007. Here we summarize these as one 2006-07 survey:

- In items about community issues and perceived tourism impacts on those issues, our surveys have consistently found that residents tend to believe tourism has negative impacts on the most important problems, particularly traffic and housing cost. That was again true. The industry gets its highest marks for improving "number of jobs," but job availability as a community concern has dropped sharply in recent years while concerns about growth impacts are rising..
- Also now being staggered are ratings of government and visitor industry performance. Government gets high ratings for tourism marketing and creating cultural events/festivals (both key parts of HTA's mission), but very poor ratings for developing infrastructure apace with visitor and residential growth. The industry still gets high ratings for economic benefit and making residents feel welcome, but decidedly mixed reviews for environmental practice and "community leadership."

C. Special 2007 Survey Focus: #1 Tourism Effects on Housing and Traffic, and #2 Visitor Industry Leadership

This year's survey contained some first-time questions to probe some of the apparent issues or areas of weakness noted above:

(1) Is tourism considered a primary cause of traffic and housing problems? The answer is no. Actually, other surveys (not sponsored by HTA) had already established that relatively few residents believe tourism is "mostly" responsible for growth and congestion impacts, though they tend to consider tourism to be a secondary cause ("somewhat" responsible). To substantiate and update this, the 2007 survey began by asking those residents who thought housing or traffic were "big problems" to then give us top-of-mind impressions about who or what was responsible for housing and traffic problems.

Less than 1% of the statewide sample – zero on O'ahu, small numbers on Neighbor Islands – identified tourism or hotels as primarily responsible for traffic or housing cost issues in the top-of-mind questions. (By contrast, various government entities were frequently criticized for poor planning or policies.) Nevertheless, when the later question was asked about tourism impact, substantial pluralities or majorities still said tourism made housing cost and traffic "worse." This is consistent with the idea that tourism is seen as an indirect or secondary cause, related to its historical function as a growth engine. We also found a moderate psychological effect – those who blamed "someone" (e.g., government, developers) rather than "something" (e.g., market forces) in the top-of-mind questions were later somewhat more likely to say tourism made housing or traffic "worse."

Another new question asked for agreement or disagreement that "*The increase in out-of-state people buying homes in residential areas is mostly due to tourism*." Statewide, 45% agreed and 31% disagreed, with the remainder uncertain. Majorities agreed with this idea in Kaua'i, Moloka'i, Lāna'i, and Maui.

(2) What sort of "community leadership" should the visitor industry be focusing on? First, we established that 75% agree that, "*In general, the visitor industry tries hard to be good corporate citizens.*" But anyone who did not rate the visitor industry as doing a "good" job for "*Taking a leadership role in solving community problems*" was then asked for top-of-mind responses to: "Which particular types of community problems do you think the visitor industry should show better leadership in solving?

As is often the case with such open-ended questions, many had no ready reply, and other answers went across the board. Interestingly, relatively few were about tourism impacts on the community. A moderate number were about internal tourism issues such as treatment of workers or guests. But more than half involved general community issues with no specific stated visitor industry link. Among these, the big three were Environment/natural resources, Traffic, and Housing/homelessness. Traffic was heavily mentioned on Kaua'i. Environment was relatively more emphasized by upper-income residents and/or newcomers.

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I. METHODS AND SAMPLE CHARACTERISTICS

A. PURPOSE AND METHOD

Report Covers 2007 Survey, Including Comparison with Earlier Surveys

The Hawai'i Tourism Authority (HTA) initiated regular surveys of resident attitudes about tourism in 1999. With various changes, the 1999 HTA survey was repeated in 2001, 2002, 2005, 2006, and now 2007. 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. Since 2002, HTA sample sizes have been larger than those for most of the earlier survey, permitting analysis of separate results for East and West Hawai'i and for 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 2007, such questions focus on visitor industry leadership and impacts on housing and traffic.)

Methods

- Computer-assisted telephone interviews (CATI), with data processing and analysis using the SPSS statistical package.
- Questionnaire (see appendix) consisted entirely of closed-ended questions, most of them repeated from previous surveys for tracking purposes.
- Length of interview – shorter than in the past but still a long survey. Market Trends has noted increasing reluctance in all its general population surveys in recent years. Consequently, HTA decided to "stagger" questions in certain inter-related series, asking half last year and the remainder this year. However, certain other questions were identified as central or "core" questions that will continue to be repeated in each and every annual survey.
- Sample sizes and other information for the 2007 vs. 2006 surveys – the 2007 sample provide more accuracy for Kaua'i County, a little less for the various parts of Maui County:

	2007 SURVEY			2006 SURVEY		
Location	Sample Size	Max. Error	Polling Period	Sample Size	Max. Error	Polling Period
Statewide*	1,644	±3.5%	October 2007 to early January 2008	1,609	±3.6%	September 2006 to November 2006
O'ahu	405	±4.9%		405	±4.9%	
Maui County	533	±5.4%		591	±5.6%	
-- Maui Island	282	±5.8%		302	±5.6%	
-- Moloka'i	124	±8.6%		151	±7.9%	
-- Lāna'i	127	±8.3%		138	±8.2%	
Kaua'i County	301	±5.6%		200	±6.9%	
Hawai'i County	405	±4.9%		413	±4.9%	
-- East Hawai'i**	201	±6.8%		209	±6.8%	
-- West Hawai'i	204	±6.9%		204	±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

For 2007, as for previous years, statewide results were weighted to reflect appropriate numbers for each county or island surveyed, based on 2006 Census estimates for county household populations and 2000 data on percentages for sub-county areas. This means, because O'ahu accounts for the great majority of the state's adult population, that 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 2007 statewide and O'ahu samples were somewhat more affluent, older, and a little more female than was the 2006 sample. Neighbor Island households had somewhat higher incomes than in 2006 (with a particular increase for Kaua'i, possibly due to sampling variation), but still lagged O'ahu incomes for 2007. Average number of workers per household remained roughly constant on a statewide basis, despite some Neighbor Island variation. The 2007 ethnic distribution was similar to that in previous years. A new variable, asking about time in Hawai'i, found slightly higher proportions of newcomers in Maui and Hawai'i Counties.

Overall, there has been a reasonable degree of consistency in the sample demographics over the years. However, both the rising ages and incomes may be in some part due to the increasing popularity of cell phones among young people (who earn less), which means they are less likely to be captured in traditional telephone surveys such as this one.

Exhibit 1.1: Demographics (State and Counties) – 2002 to 2007 **(For purposes of space, we omit 1999 and 2001 numbers – these can be found in past reports.)**

	STATE				O'AHU				MAUI COUNTY				HAWAI'I COUNTY				KAUA'I COUNTY			
Ethnicity*	2007	2006	2005	2002	2007	2006	2005	2002	2007	2006	2005	2002	2007	2006	2005	2002	2007	2006	2005	2002
Caucasian	32%	28%	34%	30%	28%	22%	29%	26%	42%	46%	49%	43%	44%	40%	45%	41%	38%	34%	40%	44%
Japanese	18%	16%	14%	17%	20%	19%	15%	18%	11%	7%	10%	10%	13%	10%	10%	15%	13%	11%	12%	12%
Hawaiian/Pt Hawn	16%	14%	19%	19%	15%	13%	19%	17%	22%	16%	17%	23%	19%	17%	17%	25%	18%	21%	20%	19%
Filipino	10%	11%	9%	12%	10%	13%	10%	14%	11%	8%	8%	9%	7%	6%	8%	6%	14%	13%	13%	11%
Mixed (non-Hawn)	7%	9%	7%	7%	8%	9%	7%	7%	5%	7%	5%	6%	5%	11%	7%	7%	5%	8%	12%	7%
Other	14%	17%	15%	13%	16%	19%	16%	16%	7%	12%	10%	6%	9%	15%	15%	5%	9%	10%	5%	4%
Median HH Income	$65,600	$52,000	$57,900	$46500	$69,900	$52,700	$60,500	$49,000	$51,000	$53,400	$51,000	$40,500	$50,000	$51,100	$43,400	$36,500	$71,500	$44,700	$51,300	$40,300
Time in Hawai'i**																				
<5 Yr.	6%	Not Asked In Prior HTA Surveys			5%	Not Asked In Prior HTA Surveys			7%	Not Asked In Prior HTA Surveys			10%	Not Asked In Prior HTA Surveys			7%	Not Asked In Prior HTA Surveys		
5-10 Yr.	8%				8%				9%				7%				7%			
11-20 Yr.	8%				6%				13%				12%				9%			
20 Yr., More	27%				28%				25%				24%				24%			
Lifetime	50%				52%				43%				45%				51%			
Median Age	52 yrs	50 yrs	49 yrs	44 yrs	51yrs	51 yrs	48 yrs	43 yrs	52 yrs	48yrs	50 yrs	45 yrs	56 yrs	50 yrs	50 yrs	49 yrs	52 yrs	49 yrs	47 yrs	47 yrs
Gender																				
Male	40%	42%	4%	44%	39%	41%	44%	45%	42%	44%	42%	42%	41%	43%	42%	45%	37%	45%	46%	47%
Female	60%	58%	57%	56%	61%	59%	56%	55%	58%	56%	58%	58%	59%	57%	58%	55%	63%	55%	54%	53%
Average # People in HH Employed	1.85 people	1.85 people	1.90 people	1.78 people	1.91 people	1.90 people	1.96 people	1.82 people	1.69 people	1.90 people	1.78 people	1.74 people	1.57 people	1.62 people	1.67 people	1.57 people	2.01 people	1.73 people	1.87 people	1.79 people
Base (Unweighted):	(1,644)	(1,609)	(1,352)	(1,643)	(405)	(405)	(404)	(402)	(533)	(591)	(396)	(622)	(405)	(413)	(352)	(399)	(301)	(200)	(200)	(220)

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

** HTA requested the addition of this variable starting in the 2007 variable.

Note: Median household incomes and ages for prior years have been revised from previous reports; medians have now been estimated on a standardized basis for all years shown.

Since 2002, surveys included specific sub-samples for the sub-county areas of Maui Island, Moloka'i, Lāna'i, East Hawai'i, and West Hawai'i. The exhibit below shows ways in which these various specific areas are demographically distinct:

- Compared to the rest of the state, Maui Island and West Hawai'i samples were disproportionately Caucasian; Lāna'i, more Filipino; and Moloka'i, more Hawaiian.
- While incomes for the O'ahu and Kaua'i samples were up substantially this year (Exhibit 1.1), there were more modest increases or slight decreases for the areas in Exhibit 1.2 below. West Hawai'i was the one area where incomes appear to be consistently rising in a meaningful way over the past five years..
- For the new variable about "Time in Hawai'i," Moloka'i claimed the highest percentage of Lifetime residents, and West Hawai'i the highest percentages of relative newcomers. The Lāna'i sample had fewer Lifetime residents than might be expected – though whether that reflects reality or problems getting proportionate representation from non-English-speaking households remains an open question.

Exhibit 1.2: Demographics (Maui Island, Lāna'i, Moloka'i, East Hawai'i, West Hawai'i) – 2002 to 2007

	MAUI ISLAND				MOLOKA'I				LĀNA'I				EAST HAWAI'I				WEST HAWAI'I			
Ethnicity	2007	2006	2005	2002	2007	2006	2005	2002	2007	2006	2005	2002	2007	2006	2005	2002	2007	2006	2005	2002
Caucasian	44%	49%	51%	45%	22%	20%	31%	17%	23%	18%	16%	23%	37%	33%	42%	35%	52%	49%	49%	49%
Japanese	11%	7%	10%	10%	5%	7%	3%	6%	10%	9%	11%	6%	16%	13%	10%	20%	10%	5%	7%	11%
Hawaiian/Pt Hawn	20%	15%	16%	22%	52%	36%	39%	57%	14%	13%	12%	21%	18%	18%	20%	25%	20%	14%	15%	25%
Filipino	10%	7%	7%	9%	7%	10%	9%	8%	39%	34%	31%	37%	9%	7%	6%	7%	5%	4%	5%	5%
Mixed (non-Hawn)	5%	7%	5%	6%	6%	13%	6%	5%	6%	14%	7%	8%	5%	9%	5%	7%	4%	14%	10%	6%
Other	7%	15%	9%	6%	6%	13%	11%	3%	5%	12%	13%	1%	11%	18%	15%	7%	6%	11%	14%	3%
Median HH Income	$62.5 K	$54.3 K	$52.1 K	$41.5 K	$42.1 K	$43.6 K	$40.5 K	$32.5 K	$48.8 K	$56.6 K	$42.9 K	$31.5 K	$44.8 K	$49.6 K	$43.9 K	$33.0 K	$55.6 K	$51.9 K	$42.5 K	$41.3 K
Time in Hawai'i																				
<5 Yr.	7%				6%				11%				8%				12 %			
5-10 Yr.	10%	Not Asked In Prior HTA Surveys			4%	Not Asked In Prior HTA Surveys			5%	Not Asked In Prior HTA Surveys			5%	Not Asked In Prior HTA Surveys			10%	Not Asked In Prior HTA Surveys		
11-20 Yr.	14%				6%				12%				9%				16%			
20 Yr., More	26%				19%				32%				27%				20%			
Lifetime	42%				64%				36%				49%				41%			
Median Age	52 yrs	47 yrs	49 yrs	45 yrs	54 yrs	53 yrs	52 yrs	53 yrs	50 yrs	49 yrs	47 yrs	49 yrs	55yrs	50 yrs	51 yrs	50 yrs	56 yrs	50 yrs	49 yrs	48 yrs
Gender																				
Male	43%	44%	42%	42%	29%	41%	34%	37%	44%	45%	47%	42%	43%	40%	45%	45%	39%	48%	38%	45%
Female	57%	56%	58%	58%	71%	59%	66%	63%	56%	55%	53%	58%	57%	60%	55%	55%	61%	52%	62%	55%
Average # People in HH Employed	1.70 people	1.94 people	1.79 people	1.76 people	1.45 people	1.28 people	1.56 people	1.44 people	1.73 people	1.88 people	1.83 people	1.47 people	1.48 people	1.49 people	1.72 people	1.47 people	1.67 people	1.80 people	1.61 people	1.68 people
Base (Unweighted):	(282)	(302)	(191)	(317)	(124)	(151)	(104)	(150)	(127)	(138)	(101)	(155)	(201)	(209)	(177)	(200)	(204)	(204)	(175)	(199)

Note: Median household incomes and ages for prior years have been revised from previous reports; medians have now been estimated on a standardized basis for all years shown.

C. TOURISM WORKFORCE CONNECTIONS

We explored relationships between demographics (ethnicity and income) and two variables indicating extent of tourism job affiliation. The first item 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 (constructed from other questions) 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 are somewhat more likely to report tourism job affiliations; Caucasians and Japanese, less affiliation. The differences were not vast, but they were consistently present in 2002, 2005, 2006, and 2007.
- Households with at least one tourism worker had lower median incomes ($66,800 in 2006) than households comprised strictly of non-tourism workers ($73,500). 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 $29,400 "per-worker" figure for tourism households is about 80% of the $37,200 figure for households with all non-tourism workers. For 2002 through 2006 surveys, the ratio had been 70%. If the 80% ratio continues to hold in future surveys, it will indicate rising pay in the visitor industry vs. the rest of the economy.
- 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. The gap for this sort of comparison has not narrowed so much this year, so future surveys will need to confirm if tourism worker pay is indeed rising faster than pay for other sectors of the economy.

Exhibit 1.3: Degree of Tourism Job Affiliation Related to Ethnicity and Income – 2007 vs. 2006 and 2005 **(comparable results for 2002 are in prior reports)**

		NO. OF TOURISM WORKERS IN HH			DEGREE OF JOB AFFILIATION WITH TOURISM			
	STATE	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
Ethnicity	2007 2006 2005	2007 2006 2005	2007 2006 2005	2007 2006 2005	2007 2006 2005	2007 2006 2005	2007 2006 2005	2007 2006 2005
Caucasian	32% 28% 34%	27% 24% 30%	37% 29% 34%	37% 36% 50%	26% 25% 31%	28% 23% 30%	28% 27% 31%	38% 30% 39%
Japanese	18% 16% 14%	16% 13% 10%	17% 16% 16%	25% 26% 17%	15% 15% 9%	17% 15% 14%	12% 12% 13%	21% 17% 16%
Hawaiian/Pt. Hawn	16% 14% 19%	20% 18% 23%	16% 12% 17%	6% 9% 16%	18% 16% 22%	21% 25% 26%	31% 15% 25%	11% 10% 12%
Filipino	10% 11% 9%	13% 15% 12%	8% 13% 9%	5% 4% 5%	13% 19% 15%	8% 8% 6%	17% 6% 5%	8% 11% 10%
Mixed (non-Hawn)	7% 9% 7%	11% 13% 8%	6% 7% 6%	4% 8% 5%	15% 12% 6%	10% 13% 10%	1% 17% 4%	3% 6% 5%
Other	14% 17% 15%	12% 16% 16%	14% 22% 16%	19% 15% 6%	12% 13% 14%	14% 13% 12%	11% 24% 19%	15% 19% 17%
Median HH Income ($1000)	$65.6 $52.0 $57.9	$66.8 $48.6 $52.7	$73.5 $59.1 $64.5	$45.4 $41.7 $35.0	$60.9 $48.3 $51.3	$68.9 $50.6 $56.8	$68.0 $56.0 $55.3	$64.9 $54.3 $62.5
Average # People in HH Employed	1.85 1.85 1.90	2.27 2.32 2.23	1.97 1.93 1.94	0.00 0.00 0.00	2.32 2.23 2.30	1.77 2.02 1.89	2.44 2.54 2.18	1.57 1.63 1.69
Med. Income Divided by Persons Employed ($1000s)	$35.5 $28.2 $30.5	$29.4 $21.0 $23.6	$37.2 $30.6 $33.2	N/A N/A N/A	$26.3 $21.7 $22.3	$38.9 $25.0 $30.0	$27.8 $22.0 $25.4	$41.5 $33.4 $37.0
Base (Weighted):	1,644 1,609 1,352	(570) (474) (339)	(722) (954) (781)	(218) (181) (82)	(365) (276) (260)	(426) (310) (406)	(89) (69) (76)	(751) (954) (596)

Note: Median household incomes for prior years have been revised from previous reports; medians have now been estimated on a standardized basis for all years shown.

Exhibit 1.4 presents comparative data about tourism workforce connections from the seven 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." Although this year's survey appeared to include somewhat more visitor industry workers, 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, with a "bump" up to 22% this year. The additional tourism workers in this year's sample appear to have been drawn relatively heavily from the unionized ranks, since the percentage of self-described tourism workers belonging to a union was this year the highest found in any general population survey to date.

Exhibit 1.4: Occupation and Tourism Affiliation – Multiple Years

	2007 (N=1,644)	**2006** (N=1,609)	**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	35%*	30%*	32%	28%	29%	27%	30%
Household Has Some Workers, Not Tourism	44%	45%	62%	56%	56%	58%	57%
Household Has No Workers At Present	13%	10%	7%	15%	14%	15%	13%
(% All Household Workers in Tourism Jobs)	(36%)	(27%)	(22%)	N/A	N/A	N/A	N/A
Respondent's Tourism Job Affiliation				***(2002 not strictly comparable)***			
Respondent Has Present Tourism Job	22%	17%	19%	*37% present or previous tsm. job*	16%	18%	16%
Respondent Had Previous Tourism Job	26%	19%	30%		25%	25%	19%
Other Household Member in Tourism Work	5%	4%	6%	*10%*	6%	5%	8%
No Respondent or Household Tourism Affiliation	46%	59%	44%	*42%*	52%	52%	54%
Information Unavailable	1%	0%	1%	*11%*	1%	1%	3%
(% of Household Tourism Workers in Union)	(47%)	(38%)	(26 %)	(30%)	(21%)	(27%)	*(Not Asked)*
Respondent's Current Job Type	***(Not asked in 2007)***	***(Not asked in 2006)***	***(Not asked in 2005)***	***(2002 not strictly comparable)***			
Tourism Job	N/A	N/A	N/A	*61% private, including tourism*	16%	18%	16%
Non-Tourism Job (Private)	N/A	N/A	N/A		35%	38%	31%
Non-Tourism Job (Public)	N/A	N/A	N/A	*20%*	23%	22%	17%
Not Employed	N/A	N/A	N/A	*10%*	26%	22%	35%

*Note: Figures for 2006 and 2007 do not add to 100% because of "Don't know" or missing responses. The methods used to calculate the 2006 and 2007 figures were more painstaking than in the past. We believe the percentages for "1 or more household workers in tourism" are comparable for all years, but the other two categories are more accurate for 2006 and 2007 than in the past. We also believe the higher 2006 and 2007 figures for "percentage of all household workers in tourism jobs" are better figures than the 2005 one.

Exhibit 1.5 shows that Neighbor Island respondents (except in Moloka'i and East Hawai'i) were more likely than those on O'ahu to report someone in the household was a tourism worker in 2006 or that they were themselves tourism workers. The Lāna'i sample has consistently had the higher proportion of tourism-affiliated respondents and households.

Compared to 2006, the 2007 sample statewide and in all counties reported more personal or household tourism job affiliation. There has been some sampling variation in these figures, with 2005 and 2007 numbers generally higher than in other survey years.

Exhibit 1.5: Degree of Tourism Job Affiliation by Geographical Area – 2007 vs. 2006

See Earlier Reports for 2005 and Earlier County or Island Data

	STATE		O'AHU		MAUI COUNTY		*Maui Island*		*Moloka'i*		*Lāna'i*		KAUA'I		HAWAI'I COUNTY		*East Hawai'i*		*West Hawai'i*	
No. of Tourism Workers in Household*	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
1+ in Tourism	35%	30%	34%	27%	40%	39%	40%	42%	29%	26%	54%	51%	46%	33%	32%	28%	26%	22%	39%	37%
Workers, None Tourism	44%	45%	44%	46%	44%	42%	44%	40%	48%	34%	24%	35%	36%	45%	44%	47%	50%	52%	38%	41%
No Workers in HH	13%	10%	12%	9%	14%	8%	14%	7%	23%	30%	18%	11%	13%	12%	20%	17%	21%	20%	19%	12%
% of All HH Workers in Tsm Jobs	**36%**	**27%**	**37%**	**25%**	**36%**	**33%**	**36%**	**33%**	**28%**	**31%**	**52%**	**40%**	**41%**	**33%**	**29%**	**24%**	**25%**	**17%**	**32%**	**33%**
Base:*	**1,644**	**1,609**	**405**	**405**	**533**	**501**	**282**	**302**	**124**	**151**	**127**	**138**	**301**	**200**	**405**	**413**	**201**	**209**	**204**	**204**
Degree of Job Affiliation with Tourism																				
Respondent Has Present Tourism Job	22%	17%	20%	16%	31%	27%	32%	27%	12%	11%	43%	40%	30%	21%	23%	16%	18%	13%	28%	20%
Respondent Now or Once Worked in Tourism	26%	19%	26%	20%	27%	18%	26%	18%	41%	26%	20%	14%	32%	19%	24%	18%	23%	14%	26%	23%
No Respondent History, but Another HH Member Now Works Tourism	5%	4%	6%	4%	3%	6%	3%	6%	5%	5%	4%	4%	8%	4%	3%	5%	3%	4%	3%	7%
No HH Tourism Job Affiliation	46%	59%	48%	61%	37%	50%	37%	49%	42%	59%	28%	42%	30%	55%	48%	61%	55%	69%	40%	50%
Base:	**1,644**	**1,609**	**405**	**405**	**533**	**501**	**282**	**302**	**124**	**151**	**127**	**138**	**301**	**200**	**405**	**413**	**201**	**209**	**204**	**204**

* See footnote to Exhibit 1.4.

II. "CORE" SURVEY QUESTIONS

The following individual survey questions have, over time, come to be considered as key benchmarks for resident attitudes toward the Hawai'i visitor industry:

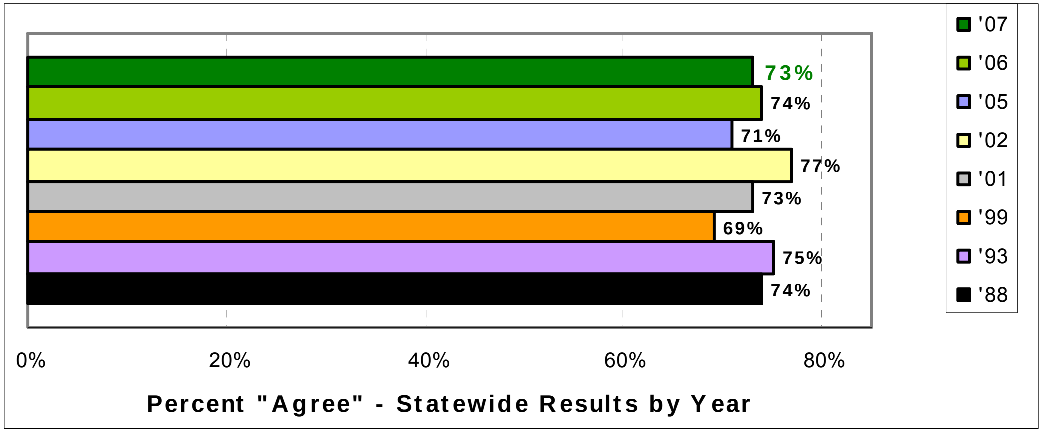
- *Perceived overall tourism effects on community, self, and family;*
- *Attitudes toward various aspects of tourism growth and planning – desire for new hotels, new jobs, etc.*
- *Whether visitors are seen as being given priority over local people*

(An additional "core question" – beliefs about tourism impact on overall quality of life – is discussed in the immediately following Section III.)

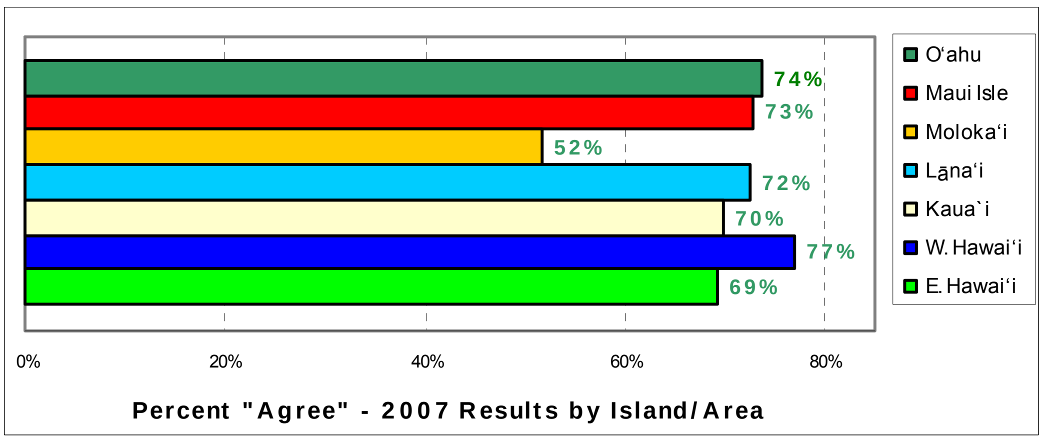
A. OVERALL EFFECTS OF TOURISM ON COMMUNITY, SELF, AND FAMILY

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"? (Q4b)
Note: %'s in this and most following exhibits combine "strongly" and "somewhat" agree



N = 1,644 (2007); 1,609 (2006); 1,352 (2005); 1,643 (2002); 1,007 (2001); 1,003 (1999); 500 (1993); 3,904 (1988)

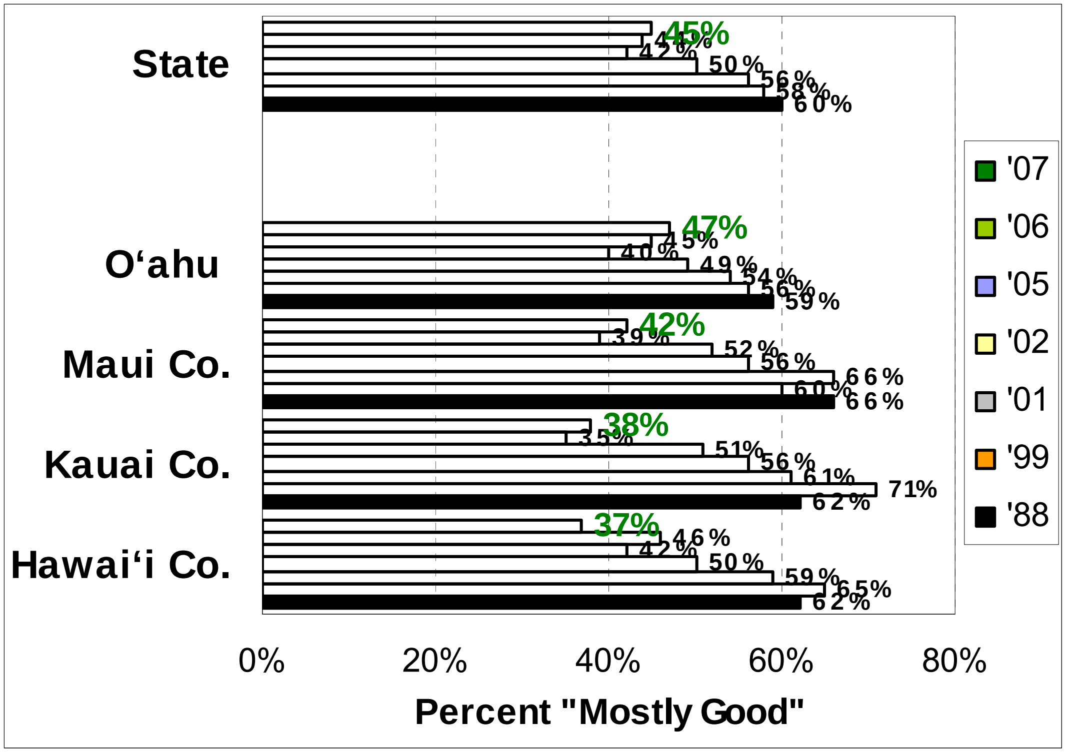


N = 405 for O'ahu; 282 for Maui Island, 124 for Moloka'i; 127 for Lāna'i; 301 for Kaua'i; 204 for West Hawai'i; and 201 for East Hawai'i

- Statewide agreement that "*tourism has brought more benefits than problems*" – perhaps the most critical "bottom-line" resident opinion – was 73% statewide this year. In all surveys, agreement has been in the 70% - 77% range, with no consistent trend over time.
- Only on Moloka'i has agreement been frequently lower in recent surveys. This year, it fell to 52% (with 39% active disagreement). The 52% is still a majority, but is the smallest figure yet encountered for any island. This year's Moloka'i sample was also markedly less positive toward the visitor industry on a number of other items.
- In all other areas, only about 15% - 25% actively disagreed, with "don't know's" generally in the 5% - 8% range.
- In 2007 Native Hawaiians, Filipinos, and/or lower-income residents were a little less likely to agree, but agreement figures were still above 60%. As in some other recent past surveys, Native Hawaiians were less positive on a number of "core" opinion items this year. But as was true in the past, there were no significant or meaningful differences by extent of tourism job affiliation. (See cross-tabulations in Volume II.) There was also no relationship with time lived in Hawai'i.

2. IMPACT ON SELF AND FAMILY

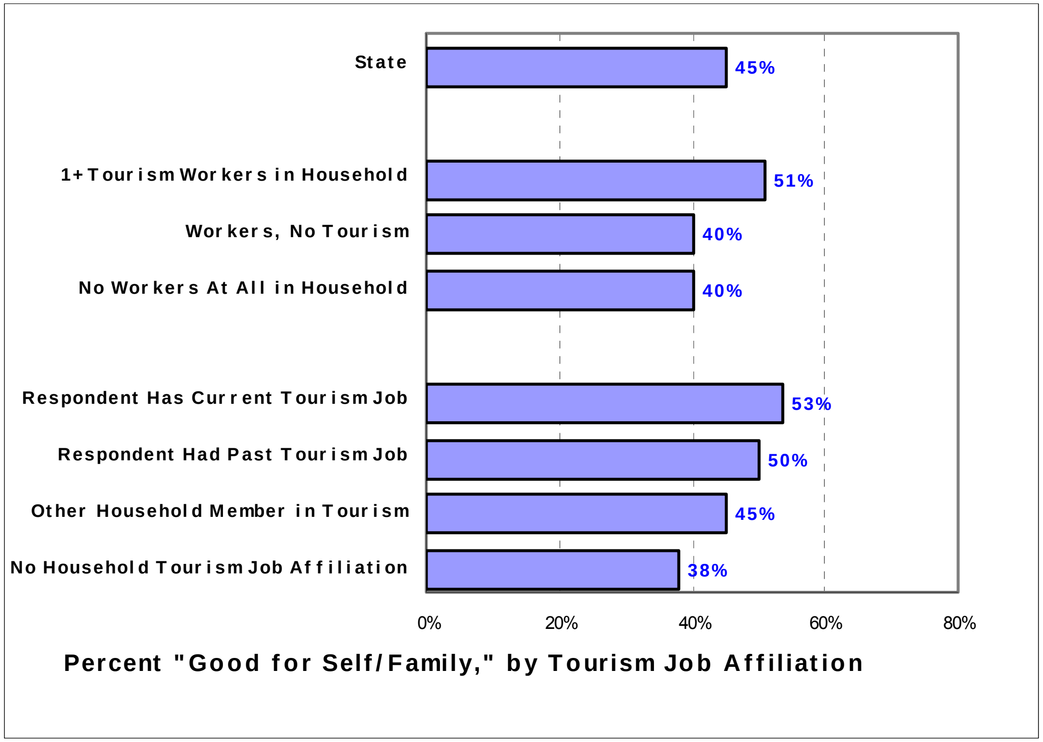
Exhibit 2.2: Has tourism been mostly good or mostly bad f or you and your family? (Q6, by County)



N = 1,644 (2007); 1,609 (2006); 1,352 (2005); 1,643 (2002); 1,007 (2001); 1,003 (1999); 500 (1993); 3,904 (1988)

- Prior to 2006, there had been a clear trend since 1988 for residents in all counties to be <u>less likely</u> to say that tourism has been "*mostly good*" for them and their families. In 2007 and 2006, this trend has begun to turn around, particularly on O‘ahu. Only Hawai‘i County had a drop this year.
- For the most part, those who decline to say “good” are <u>not</u> saying "bad." Only 5% statewide this year said tourism had been "bad" for them.
- Most of the people who do not say "good" are instead answering "no effect" (28% in 2007) or "some good, some bad" (21% in 2007). The highest percentages of mixed good/bad this year were on Kaua‘i (35%) and Moloka‘i (33%); the lowest (17%), on O‘ahu, where there was also a strong tendency to say “no effect on us” (30%).
- Hawaiians were the least likely to say “good” (just 31%), and most likely to say either "bad" (9%) or "some good, some bad" (28%). People with household incomes of $75,000 or more were more likely to say “good” (50%) than those with incomes under $35,000 (35%). These lower-income people were again unlikely to say “bad” (6%), but 31% gave mixed reviews of “some good, some bad.”

Exhibit 2.3: Has tourism been mostly good or bad or you and your family? (Q6, By Job Affiliation Measures)



N = 1,644 (2007 results only)

- Not surprisingly, and as in past years, those employed in tourism were much more likely to believe tourism has been "*mostly good*" for themselves and their families. In the past, respondents who said their household contained at least one current tourism worker were nearly twice as likely to say "good" as those with no tourism workers or no workers at all. The difference was not so dramatic this year, but still present

- The lower part of Exhibit 2.3 also shows a linear relationship between degree of personal visitor industry job affiliation with likelihood of saying "good." Those who had a current tourism job were substantially more likely to say "good" than respondents with no personal or household tourism job affiliation at all.

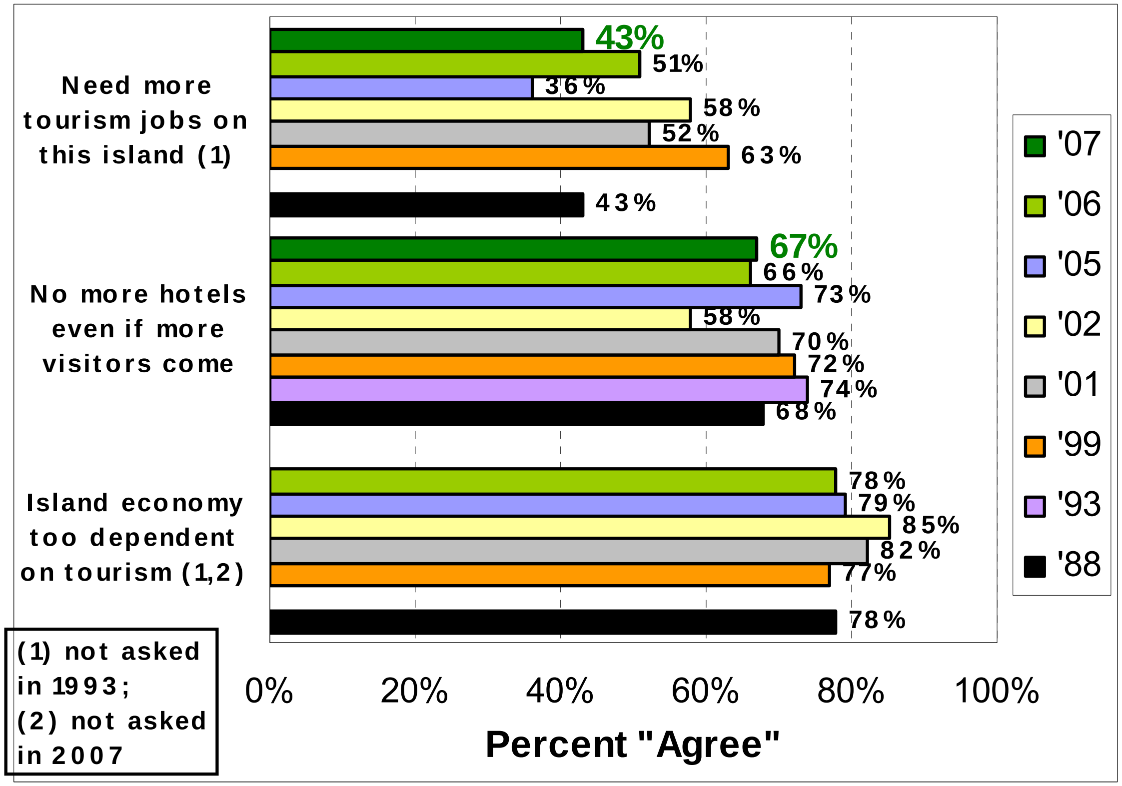
- Again, the groups less likely to say "good" were not found to be more likely to say "bad." Instead, they were just more likely to say "no effect."

- Roughly the same sorts of differences have been found virtually every time this question has been asked on a resident survey.

B. ATTITUDES TOWARD VARIOUS ASPECTS OF TOURISM GROWTH AND PLANNING

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

Exhibit 2.4: Do you agree or disagree with the following statements? *(Q4e and 4f)*
Note: Item wording truncated here – see full wording in attached questionnaire.

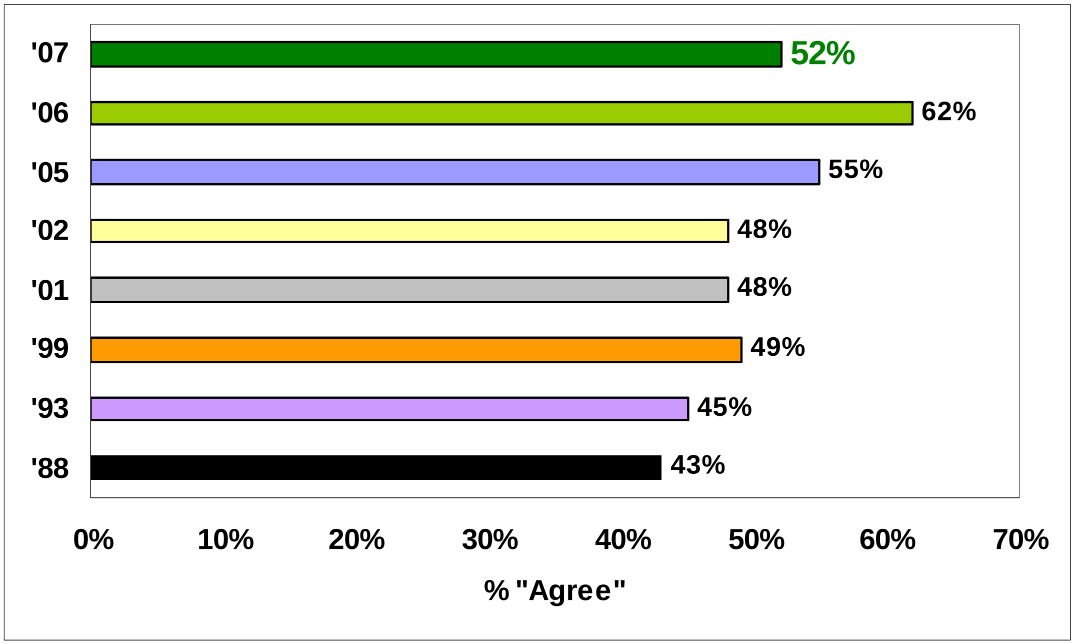


N = 1,644 (2007); 1,609 (2006); 1,352 (2005); 1,643 (2002); 1,007 (2001); 1,003 (1999); 500 (1993); 3,904 (1988)

- These are three core attitudinal items that have been tracked since 1988. *However, this year we did not ask the question about "economy too dependent on tourism" because (1) we wanted to make space for other questions; and (2) overall agreement levels for this item had changed so little over nearly two decades.*
- Statewide agreement about the need for "*more tourism jobs*" is one of the few "core" items which see-saws over time. This year it was back down to the 1988 level of 43%. There was more disagreement (49%) than agreement.
- The general pattern of more disagreement than agreement was most pronounced in this year's Kaua'i sample (64% disagree; 33% agree). However, this was not true in Lāna'i (54% vs. 40%) or East Hawai'i (61% agree; 34% disagree), two areas with lower incomes.
- Resident agreement with the sentiment of "*no more hotels*" remained at typical high levels. Native Hawaiians and longtime/lifetime residents were particularly in agreement.
- Moloka'i, followed by Kaua'i and Maui Island, were the most opposed to new hotels (all in the 75% to 80% range). East Hawai'i at 49% has the least agreement. Tourism job affiliation had no clear effect on either of these two items.

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

Exhibit 2.5: Do you agree or disagree that "This island is being run for tourists at the expense of local people?" (Q4a)



N = 1,644 (2007); 1,609 (2006); 1,352 (2005); 1,643 (2002); 1,007 (2001); 1,003 (1999); 500 (1993); 3,904 (1988)

- Although 1988, 1999, and 2001 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. Agreement escalated in 2005 and 2006.

- However, in 2007 the figure was 52% – still a majority, but also a clear 10-point drop.

- Declines were observed in almost every part of the state, with the greatest drops in O'ahu (11 points), Maui Island (11 points), and West Hawai'i (17 points). O'ahu fell slightly back below the 50% mark to 49%. However, there was still about 65% agreement on Maui Island, Kaua'i, and Lāna'i.

- Cross-tabulations in Volume II show younger people 18-34 and/or those in lower-income brackets were a little more likely to agree. People who had lived 20+ years (but not their whole lives) in Hawai'i were one of the few groups less likely to agree (42%) than disagree (48%). However, lifetime residents agreed (56%) far more than they disagreed (36%). (The "lifetime" group tends to be younger on average than the 20+ group.)

- As was true last year, people with tourism jobs had much the same level of agreement as those with no tourism job affiliation.

III. PERCEIVED COMMUNITY ISSUES AND RELATED TOURISM IMPACTS

Ever since 1988, the resident surveys have included two inter-related series of items:

- *Perceptions about whether certain things are "big problems" or less important issues;*
- *Later, perceptions about whether tourism has a mostly positive or mostly negative effect on essentially the same set of issues (plus "overall quality of life").*

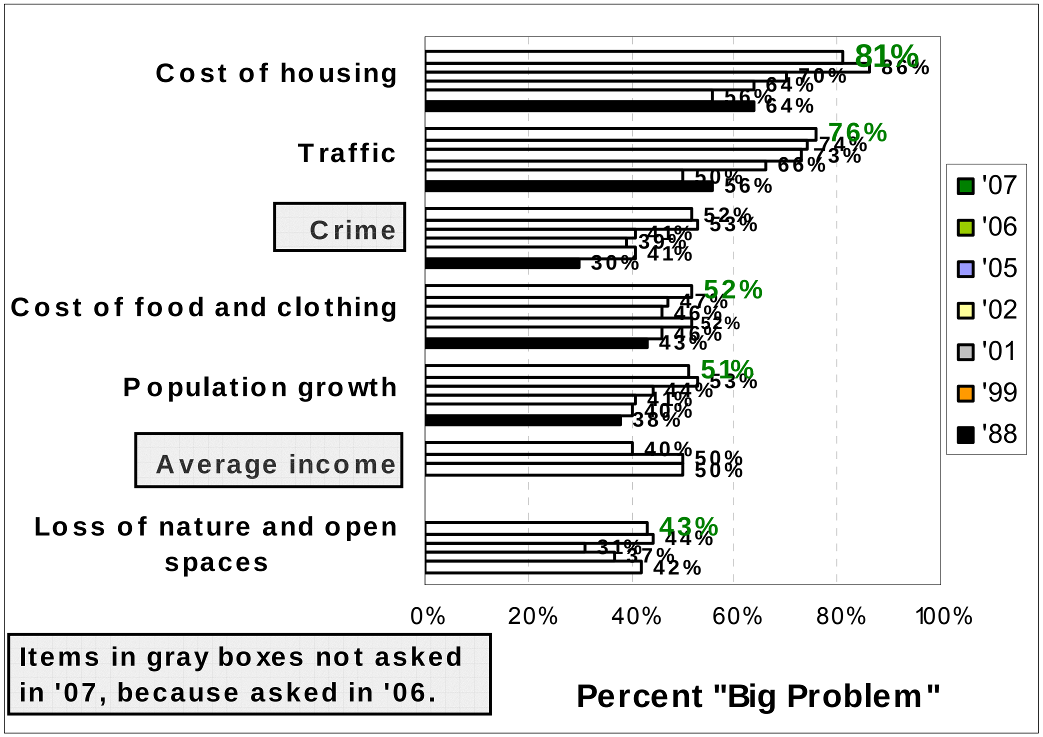
In order to reduce the survey questionnaire length, last year we asked only half the usual items, with the other half to be asked this year. *However, two items were asked in both 2006 and 2007:*

(1) "Cost of housing" as a community problem and as a tourism impact topic, because this is a special survey focus area this year (see Section IV); and

(2) "Quality of life" as a tourism impact topic, because it is considered as another "core question" (see Section II).

A. MAJOR ISSUES AND PROBLEMS IN COMMUNITY

Exhibit 3.1: Is (issue) a big, small or not a problem in your community? (Q1, Partial)



N = 1,644 (2007); 1,609 (2006); 1,352 (2005); 1,643 (2002); 1,007 (2001); 1,003 (1999); 500 (1993); 3,904 (1988)

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

- *"Cost of housing"* stayed at the top of the community problems list this year – named as a big problem by 81% statewide, 87%% on Kaua'i, 83% on O'ahu, and 81% on Maui Island.* It was the top-ranked community issue for almost every demographic group.

- *"Traffic"* was the next highest Hawai'i issue at 76% statewide – and 83% on Kaua'i and 80% on O'ahu. It was a miniscule concern only on Lāna'i and Moloka'i, where more than 75% said it was "not a problem" at all.

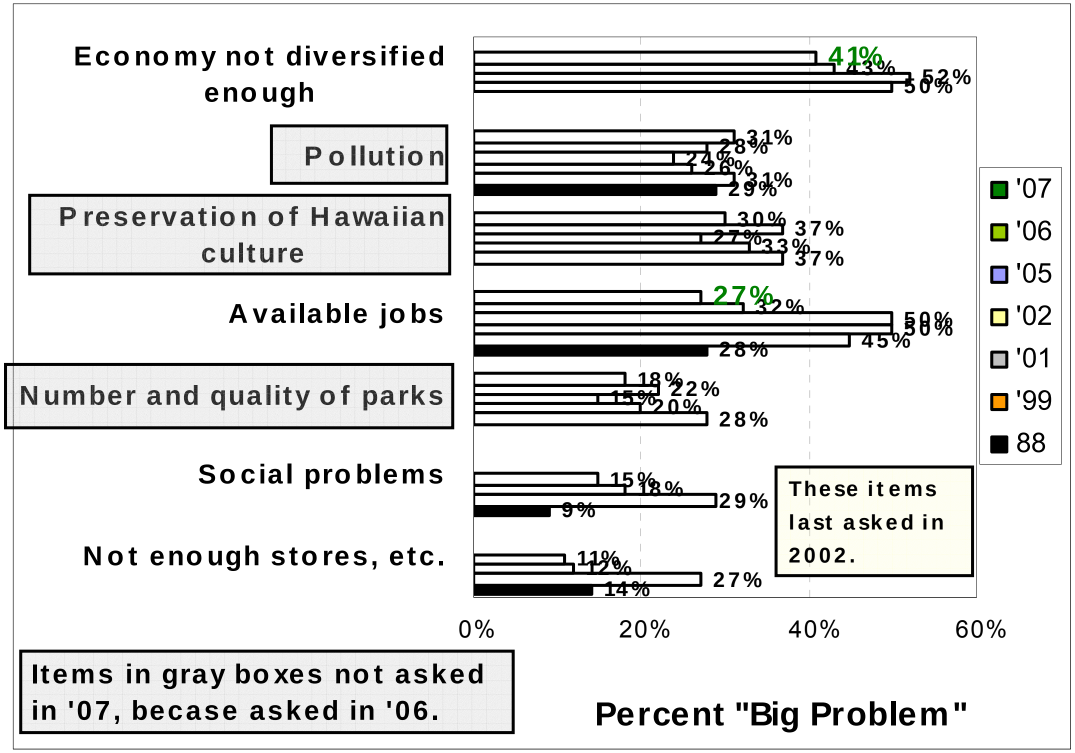
- *"Cost of food and clothing"* climbed back over the 50% mark in 2007, and was a particular issue for Native Hawaiian (61%).

- *"Population growth"* and *"Loss of nature and open spaces"* remained moderate issues at the 40% to 50% level. It should be noted that the question wording asks whether these things are problems in "your community;" other surveys with a more islandwide focus have sometimes found higher levels of stated concern.

  "*Population growth*" was nonetheless rated a major problem by 61% of Maui Island residents and more than 50% on Kaua'i and the Big Island – the Maui figure being significantly higher than on O'ahu (49%) or, of course, Lāna'i or Moloka'i (about 20% each).

* Note: *"Cost of housing"* was also asked in 2006, and was considered a big problem by 73% then. We repeated the item this year because of the HTA's interest in learning more about resident perception regarding tourism impact on housing cost (see following Section IV).

Exhibit 3.1 (continued): Is (issue) a big, small or not a problem in your community? (Q1, Remainder)



N = 1,644 (2007); 1,609 (2006); 1,352 (2005); 1,643 (2002); 1,007 (2001); 1,003 (1999); 500 (1993); 3,904 (1988)

- Concerns about the economic issues of "*Economy not diversified enough*" and "*Availability of jobs*" have been sliding sharply since 2002. The percentage who consider job availability a big problem is now back to the level experienced in the last economic boom survey year of 1988, when unemployment was very low.

- However, job availability remains a highly important issue on Moloka'i (63%) and a moderately important one in East Hawai'i (40%). The fact that 55% of the 2007 Moloka'i sample disagreed that "*We need more tourism jobs on this island*" is striking, in light of the otherwise high demand for new employment on that island.

- On a statewide basis, Native Hawaiians – also among the least likely to want new tourism jobs – were among the most likely to believe that job availability was a big problem (40%), as well as lack of economic diversification (49%).

- On an overall basis, tourism job affiliation was unrelated to concerns about job availability. However, when unionized tourism workers were broken out, they were somewhat more focused on job availability as an issue (39%) than non-unionized tourism workers or non-tourism workers (about 25% each).

B. PERCEIVED COMMUNITY IMPACTS OF TOURISM

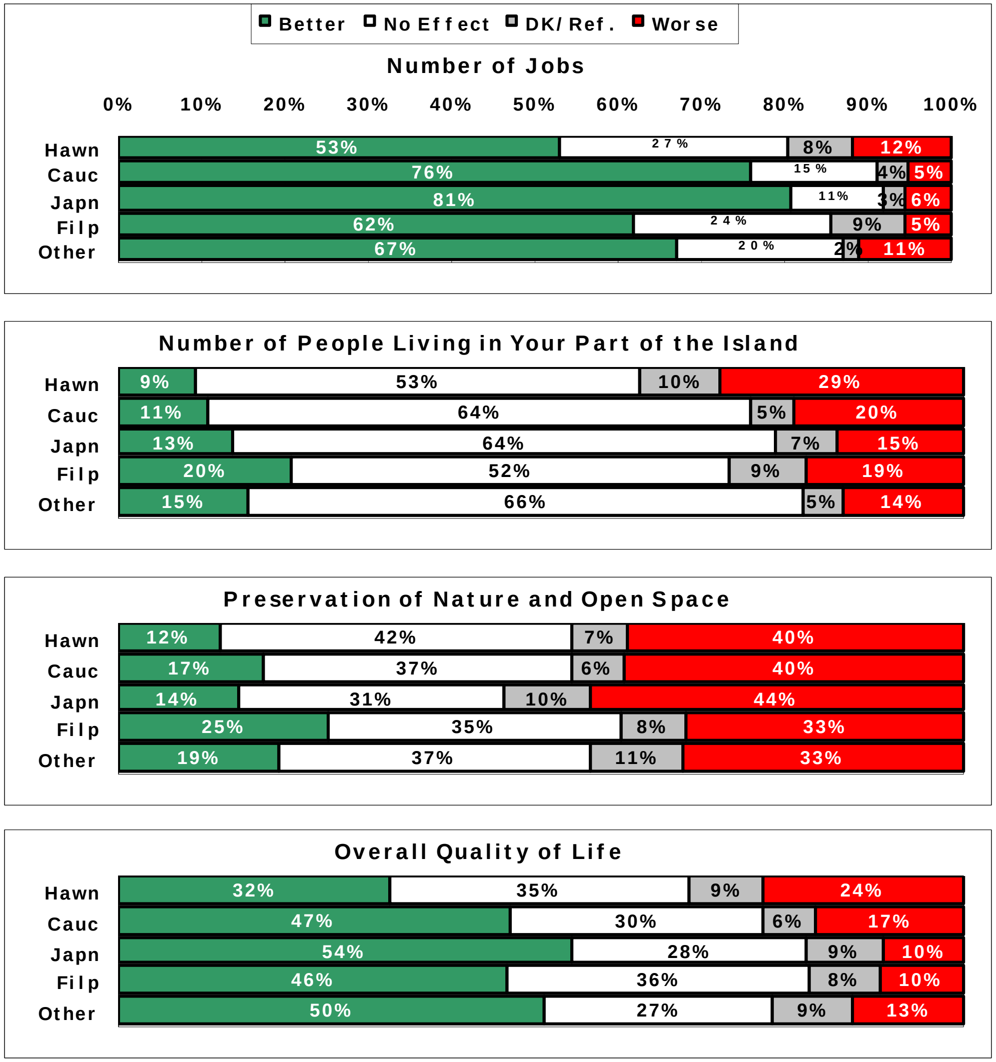
- Because they paralleled the foregoing questions on community problems, these items were also essentially split in 2006 and 2007, with about half asked each year.
- In 2006-07, as in previous years, residents were most likely to say tourism has a negative impact ("makes it worse") on several things they consider "big problem(s)" or moderate problems in their community – particularly *Cost of housing* (42% in 2007) or *Traffic* (54%). Majorities or near-majorities said tourism makes housing cost worse in all areas except O'ahu and East Hawai'i (about 37% each). Large majorities said tourism makes traffic worse on Maui Island (82%), Kaua'i (81%), and in West Hawai'i (71%). Because of such results, this year's survey asked some additional questions about perceived causes of housing and traffic issues (following Section IV).
- On a statewide basis, tourism is generally perceived as having a positive effect on *Overall quality of life*, which is also counted among the other "core" survey measures set forth in Section II. There had been some downward trend in that tendency since 2002, but that trend line evened out in 2007 at 46%. Tourism was most appreciated for quality of life impacts this year on Lāna'i (50% "better") and O'ahu (48%), significantly less so on Kaua'i (35%) and Moloka'i (32%).
- However, for the list of items as a whole, the gradual trend since the earlier surveys of 1988 and 1999 has still been for fewer people saying "better" now than they once did.

Exhibit 3.2: Has tourism made issue better or worse? (Q5) **Questions with wording in darker boxes not asked in '07 because asked in '06.**

	2007 "BETTER"	*2007 "WORSE"*	2006 "BETTER"	*2006 "WORSE"*	2005 "BETTER"	*2005 "WORSE"*	2002 "BETTER"	2001 "BETTER"	1999 "BETTER"	1988 "BETTER"
Number of jobs	69%	*8%*	N/A	*N/A*	78%	*7%*	80%	73%	67%	82%
Shopping, etc. for residents	*[Discontinued]*		*[Discontinued]*		*[Discontinued]*		70%	67%	51%	60%
Overall standard of living	*[Discontinued]*		*[Discontinued]*		*[Discontinued]*		67%	55%	49%	63%
Average income for residents	N/A	*N/A*	45%	*25%*	53%	*19%*	54%	N/A	N/A	N/A
Overall quality of life	46%	*15%*	46%	*19%*	50%	*20%*	66%	59%	49%	N/A
Relations between people	*[Discontinued]*		*[Discontinued]*		*[Discontinued]*		47%	53%	45%	35%
Diversity of economic activities	39%	*19%*	N/A	*N/A*	45%	*25%*	45%	52%	47%	N/A
Number and quality of parks	N/A	*N/A*	29%	*18%*	33%	*19%*	41%	44%	44%	44%
Preservation of Hawaiian culture	N/A	*N/A*	29%	*32%*	32%	*32%*	46%	40%	42%	47%
Preservation of nature and open space	17%	*39%*	N/A	*N/A*	20%	*47%*	32%	27%	35%	33%
# of people living in your part of the island	13%	*19%*	N/A	*N/A*	18%	*30%*	25%	24%	34%	27%
Cost of food and clothing	11%	*26%*	N/A	*N/A*	16%	*39%*	24%	21%	32%	20%
Quality of water and air	N/A	*N/A*	18%	*40%*	12%	*42%*	16%	17%	31%	N/A
Cost of housing	5%	*42%*	11%	*54%*	7%	*56%*	15%	11%	26%	8%
Crime	N/A	*N/A*	9%	*58%*	7%	*56%*	8%	7%	22%	6%
Traffic	3%	*54%*	N/A	*N/A*	3%	*77%*	7%	3%	22%	4%

N = 1,644 (2007); 1,609 (2006); 1,352 (2005); 1,643 (2002); 1,007 (2001); 1,003 (1999); 500 (1993); 3,904 (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 six surveys.)

Exhibit 3.3: Has tourism made issue better or worse? (Q5, Partial, by Ethnicity, 2007 Results)



N (wtd.) = 268 Hawaiians, 527 Caucasians, 297 Japanese, 159 Filipinos, 347 Mixed/Others

- On a number of these items, Hawaiian respondents were the least likely ethnic group – or one of the least likely – to say tourism makes things "better" (and/or the most likely to say "worse"). Last year's report found this was the case for questions related to *Hawaiian culture, Average income, Parks* and *Overall quality of life*. This year, Exhibit 3.3 shows it also to be the case for *Number of jobs, Number of people living in your part of the island, Preservation of Nature and Open Space,* and (once again) *Overall Quality of Life.*

- Other demographic differences (see cross-tabulations in Volume II) were generally minor. Younger people were a little more likely to say tourism has "no effect" on quality of life.

- Last year, we noted that people with household incomes of $75,000 and over had more positive beliefs about tourism impacts on *Average income* than did people with incomes of $35,000 or below (37% "better" and 36% "worse"). This year, we found a similar effect for another economic variable: There were stronger majorities believing tourism had a beneficial effect on *Availability of jobs* among the upper-income brackets than among the lower ones.

- And though it's just a matter of degree, "Lifetime" Hawai'i residents were less likely to say tourism is good for *Availability of jobs* than were newcomers here 5 years or less (66% vs. 81%, respectively).

- It should be noted that we cannot say for certain whether are 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.

IV. SPECIAL 2007 SURVEY FOCUS #1: ADDITIONAL QUESTIONS ABOUT IMPACTS ON HOUSING AND TRAFFIC

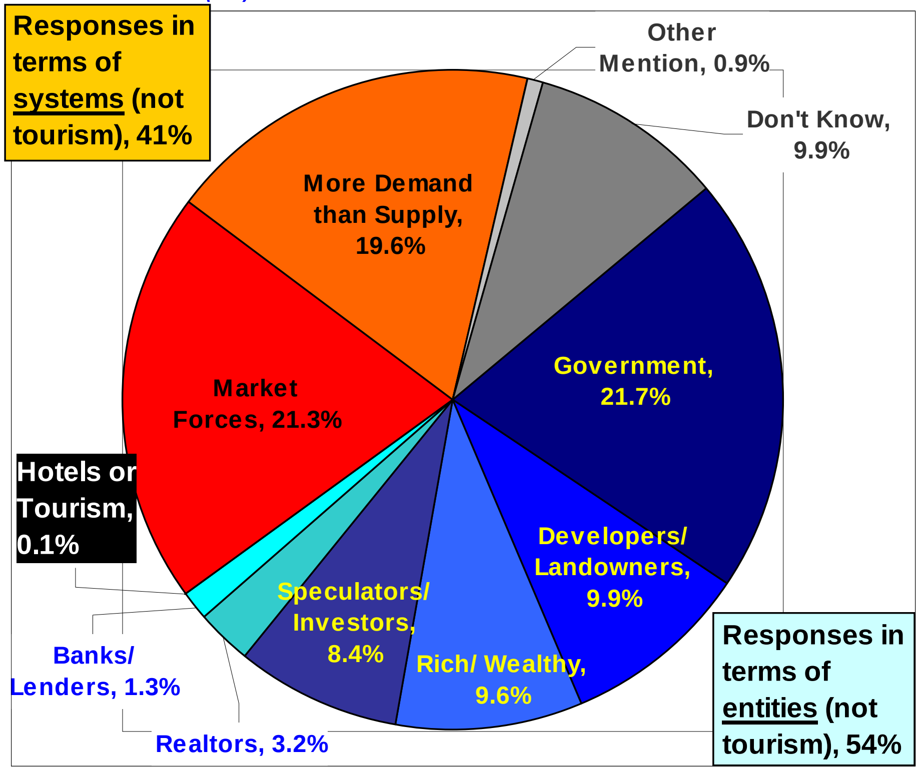
Because HTA's resident surveys have consistently shown tourism is perceived as making housing cost and traffic "worse," there has been some concern that residents believe tourism is a primary cause of these problems. The authors of these reports have never believed this, because our 2003 survey for DBEDT's Sustainable Tourism project showed that only minorities of residents thought tourism was "mostly" responsible for these and similar congestion issues.[1]

However, the HTA wanted to explore the question in its own surveys. At their request, we asked people who thought housing cost or traffic to be "big problems" whom or what they thought "is responsible" for housing and/or traffic issues. These questions were asked before this year's question about whether tourism makes various things "better" or "worse." We also asked a new question about whether tourism is responsible for increased purchases of residential housing stock by offshore buyers.

[1] On the other hand, the 2003 survey also found that about 50% of residents concerned about these issues believed tourism bears "most" or "some" responsibility for these issues. This helps explain why few people might identify tourism as a primary cause of housing cost or traffic woes, yet why many still say they believe tourism contributes to the problems.

A. TOP-OF-MIND CAUSES FOR HOUSING COSTS

Exhibit 4.1: Who or what do you think is responsible for cost of housing being such a problem now? (Q2)



Wtd. N = 1,228 (only those who said in Q1 that cost of housing was a "big problem" in their community). Percentages sum to slightly more than 100% because people could give more than one answer.

- Those who said housing cost was a "big problem" were asked the follow-up question about who or what was responsible. Respondents answered in their own words, and their replies were later coded into general categories, with particular attention as to whether "tourism" or "hotels" were mentioned.

- *Hotels or tourism* were in fact mentioned by a negligible 0.1% of respondents statewide (Exhibit 4.1). There was actually zero mention on O'ahu – all that occurred came from Neighbor Islands; even that was miniscule (e.g., 1.4% on the island of Maui).

  This question was asked shortly before the question about whether tourism makes housing cost "better" or "worse." As previously noted in Exhibit 3.2, a large plurality still went ahead and said tourism makes housing cost "worse." The simplest explanation, borne out by previous surveys, is that people regard tourism as a secondary, not primary, cause. The primary cause is growth (or arguably poor planning for growth), and tourism reminds people (or is seen as an engine) of growth.

- Other responses were coded into various types of answers involving either entities (people or institutions) or systems (e.g., *Market forces*). There was a little more tendency to name entities (various shades of blue in the pie chart) than systems (shades of red or orange). State and county *Governments* were the entities most often blamed.

- Native Hawaiians/Part Hawaiians were more likely than most others to say that developers/landowners, the rich, and speculators/investors were responsible for the perceived housing problem.

B. INTER-RELATIONSHIPS AMONG HOUSING RESPONSES

Exhibit 4.2: Relationship Between Answers to Top-of-Mind Question about Causes and and to Later Question about Tourism Effect on Housing Cost

	Cost of Housing				
	Tourism makes it better	Tourism makes it worse	Tourism has no effect	Don't know/ refused	Total
Total	**4%**	**46%**	**43%**	**8%**	**100%**
Selected responses to earlier top-of-mind question about causes:					
ENTITIES					
Government	2%	55%	34%	9%	100%
Rich/wealthy	2%	67%	23%	9%	100%
Speculators/investors	3%	52%	39%	6%	100%
Developers/landowners	5%	36%	55%	4%	100%
SYSTEMS					
Market forces	7%	48%	40%	5%	100%
More demand than supply	4%	35%	53%	8%	100%

- We cross-tabulated answers to the question about top-of-mind causes for the housing cost issue with the later question about whether tourism makes housing cost "better" or "worse."

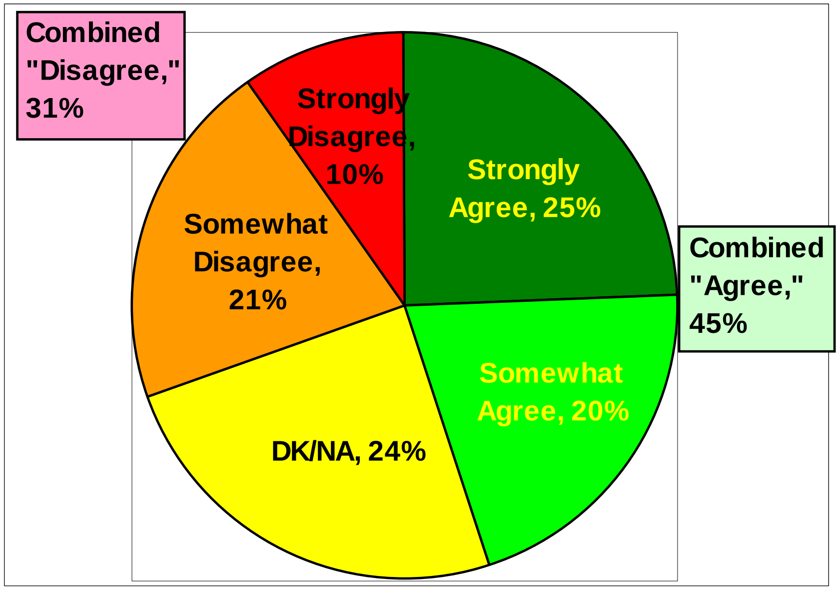
- Exhibit 4.2 shows selected major results. In general, people who blamed various "Entities" for housing cost problems were more likely than average to say tourism also made housing cost "worse." Those who blamed *Government*, the *Affluent*, or *Speculators* were later a bit more likely to say tourism was also a part of this picture.

- People who earlier attributed housing costs to one type of "System" – *More demand than supply* – were later more likely to be among those who said tourism has "no effect" on housing cost. However, another and very similar "system" response – *Market forces* – produced no similar effect, and those who earlier talked about *Developers/ landowners* seemed to make a distinction between them and tourism operations.

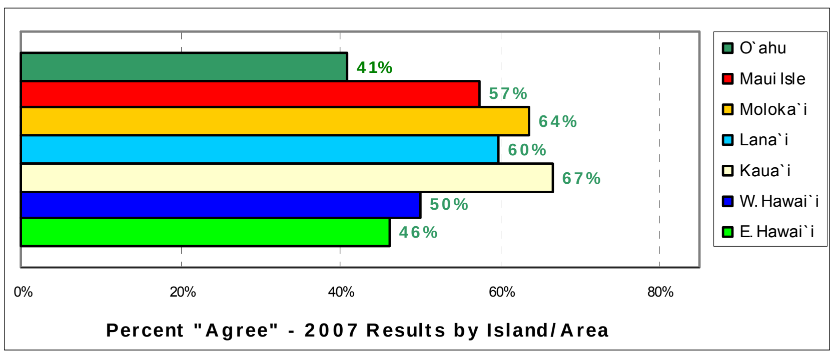
- Thus, even the apparent relationships in Exhibit 4.2 are not totally conceptually consistent or particularly strong. Although it is clearly established that tourism is not the primary cause of housing cost in most people's minds, it seems to remain a latent issue that can be easily tapped through suggestion.

C. IF TOURISM RESPONSIBLE FOR OFFSHORE HOUSING PURCHASES

Exhibit 4.3: Do you agree or disagree that "The increase in out-of-state people buying homes In residential neighborhoods is mostly due to tourism?" (Q4c)



Statewide N = 1,644 (2007)



N = 405 for O'ahu; 282 for Maui Island, 124 for Moloka'i; 127 for Lāna'i; 301 for Kaua'i; 204 for West Hawai'i; and 201 for East Hawai'i

- We asked this new question after the "top-of-mind causes" question discussed previously, but before the question about whether tourism makes housing and other things "better" or "worse."*

- Statewide, there was more agreement than disagreement, but there was substantial variation by island/region (Exhibit 4.3).

- Agreement was significantly greater for the Kaua'i, Moloka'i, and Lanai samples (in the 60% - 67% range) than for the Big Island or O'ahu samples (40% to 50%), with Maui in between at 57%.

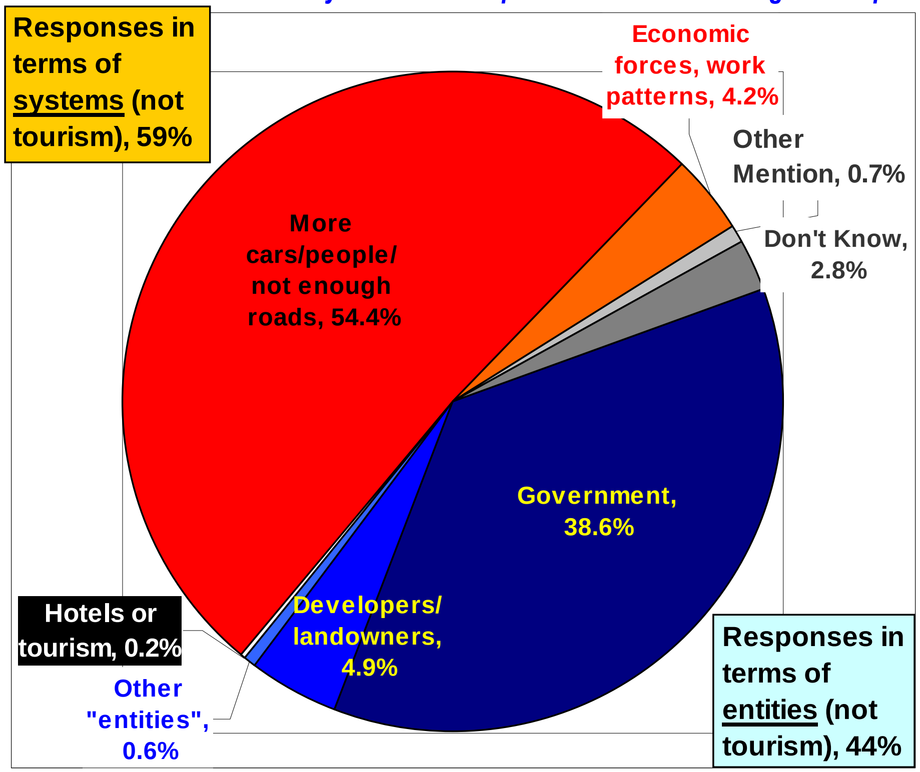
- Cross-tabulations in Volume II show there was greater agreement (above 50%) for Native Hawaiians, young people 18-34, and lower-income brackets.

- Households with tourism workers were also a bit more likely to agree than were households comprised purely of non-tourism workers.

* Note: Exhibit 3.2 showed the percentage saying tourism makes housing costs "worse" was down 12 to 14 points this year compared to the past few surveys. That may in part be due to the combined effects of asking the two previous questions – i.e., the one addressed on this page and the "top-of-mind" question about reasons for housing cost.

D. TOP-OF-MIND CAUSES FOR TRAFFIC PROBLEMS

Exhibit 4.4: Who or what do you think is responsible for traffic being such a problem now? (Q3)



Wtd. N = 1,197(only those who said in Q1 that traffic was a "big problem" in their community).

- Those who said traffic was a "big problem" were asked the follow-up question about who or what was responsible. Respondents answered in their own words, and their replies were later coded into general categories, with particular attention as to whether "tourism" or "hotels" were mentioned.

- As with housing, *Hotels or tourism* were mentioned by zero O'ahu respondents and only a few on the Neighbor Islands, resulting in a statewide total of just 0.2%. (See Exhibit 4.4.)

  Nevertheless, as was shown in Exhibit 3.2, 54% later still said they thought tourism makes traffic conditions "worse." Again, this is consistent with tourism being seen as a secondary or indirect cause, with growth and/or poor planning being seen as more immediate drivers.

- This interpretation is borne out by the top-of-mind answers to this question about traffic causes. As with the housing question, we looked for distinctions in replies between entities ("who" was responsible) or systems ("what" was responsible.

  This time, there was more overall focus on general forces and systems, with substantial mention of simple growth in people and cars. However, there was still a large percentage believing *Government* was at fault. (In fact, responses of "not enough roads" would be implicitly critical of government planning as well.) Neighbor Islanders tended to blame government (and to some extent developers/ landowners) as much or more than impersonal growth forces.

E. INTER-RELATIONSHIPS AMONG TRAFFIC RESPONSES

Exhibit 4.5: Relationship Between Answers to Top-of-Mind Question about Causes and and to Later Question about Tourism Effect on Traffic

	Traffic				
	Tourism makes it better	Tourism makes it worse	Tourism has no effect	Don't know/ refused	Total
Total	**3%**	**54%**	**40%**	**4%**	**100%**
Selected responses to earlier top-of-mind question about causes:					
ENTITIES					
Government	4%	60%	33%	3%	100%
Developers/landowners	2%	69%	26%	5%	100%
SYSTEMS					
More cars/people, not enough roads	1%	55%	41%	2%	100%
Economic forces/ work patterns	2%	45%	53%	0%	100%

- We again cross-tabulated answers to the question about top-of-mind causes for the traffic issue with the later question about whether tourism makes traffic "better" or "worse."

- Exhibit 4.5 shows selected major results. People who blamed a "who" (entities such as government or developers), rather than a "what" (impersonal systems), were somewhat more likely later on to say tourism also makes traffic worse.

- On the other hand, the majority of residents – those who just said traffic is due to more cars than roads – were no more or less likely to say tourism is a factor in the later question. The small proportion who answered in relatively sophisticated terms of "economic forces and work patterns" were, however, a bit more likely later to say tourism has no effect on traffic.

- As with the similar foregoing analysis for housing (Exhibit 4.2), the numbers in this Exhibit 4.5 suggest a real but not terribly strong relationship between top-of-mind responses for responsibility and later tendency to blame tourism for traffic problems when specifically asked about tourism as a factor. Both analyses found just a moderate association between the top-of-mind tendency to blame "someone" (rather than impersonal "some-things") and later blaming of tourism.

V. RATINGS OF GOVERNMENT AND VISITOR INDUSTRY PERFORMANCE

This part of the report focuses on tracking two general topic areas first covered in the 2003 "Sustainable Tourism" survey:[2]

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

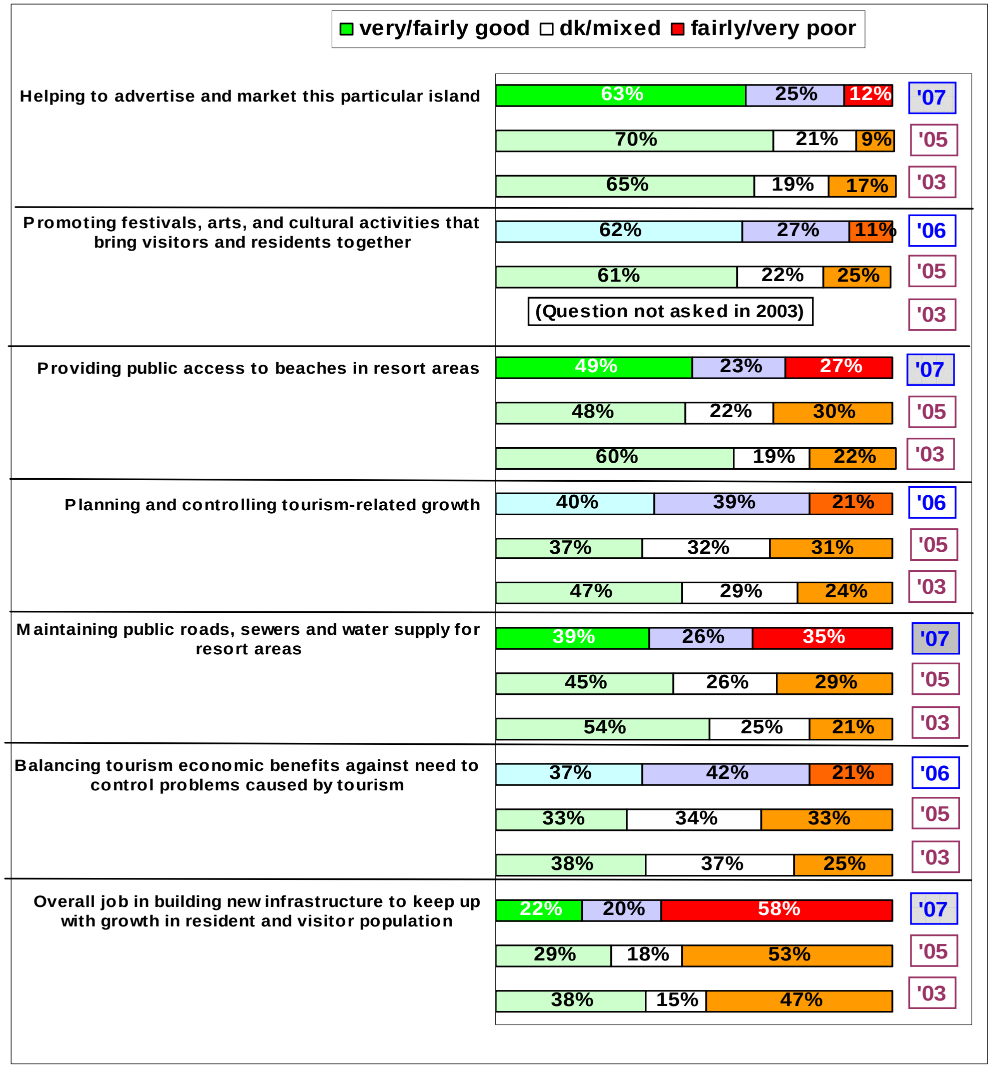
HTA staff felt many of these items were related to current Strategic Planning goals (some of which reflect objectives coming out of the Sustainable Tourism effort).

As with questions in the last section: In order to reduce the survey questionnaire length, we asked half the usual items last year, with the other half asked this year. *One item was repeated from last year because of its relevance for the second "special focus" of the 2007 survey" (see Section VI on Visitor Industry Leadership) – rating the visitor industry on "Taking a leadership role on solving community problems."*

[2] This 2003 survey was sponsored by the Hawai'i State Dept. of Business, Economic Development, & Tourism (DBEDT), though with input from the HTA. The 2005 - 2007 HTA surveys repeated some, though not all, of the 2003 questions. Of interest here are 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 State Tourism 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 HTA surveys.

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

Exhibit 5.1: Overall, how good a job do you think government has done on the following things related to tourism? (Q9, Q10)



N = 1,644 for 2007; 1,609 for 2006; 1,352 for 2005; 1,000 for 2003

- This series of items – as well as a related series about rating the visitor industry (following page) – was also split and staggered between 2006 and 2007.
- The two governmental functions most clearly related to the Hawai'i Tourism Authority – *Marketing* and *Promoting festivals, arts and culture* have consistently been rated "good" by more than 60% of the statewide population.

  In 2007, *Marketing* approval was about 67% for both O'ahu and Maui Island. It fell into the 42% - 47% range only for the Big Island and for Moloka'i. Moloka'i gave the highest "poor" reply (33%) in the state. However, all demographic and tourism job affiliation categories give high approval ratings for marketing performance.
- Two items for which public ratings have clearly been sliding are *Maintaining public infrastructure in resort areas* and *Overall job in keeping infrastructure up with growth.* For the latter, majorities on all islands (except Lāna'i and Moloka'i) gave "poor" ratings, reaching 71% in West Hawai'i and 65% in Kaua'i.

  Caucasians and/or non-lifetime Hawai'i residents were particularly unhappy about infrastructure, but even lifetime residents gave government a 53% "poor" score.
- There was substantial variation by area in regard to *Providing beach access in resort areas*. Lāna'i (61% "good") and O'ahu (53%) were highest. Most other areas were down around 40%, and West Hawai'i had 40% "poor." Also, current or former visitor industry workers gave government less positive ratings on this.

B. RATING THE VISITOR INDUSTRY ON SPECIFIC FUNCTIONS AND BENEFITS FOR HAWAI'I

Exhibit 5.2: Overall, how good a job do you think this island's visitor industry does for each of the following things? (Q7)

N = 1,644 for 2007; 1,609 for 2006; 1,352 for 2005; 1,000 for 2003.

- In all surveys to date, residents have given the Hawai'i visitor industry high marks for *Providing jobs* and fairly high marks for *Helping other businesses profit* (improved this year), *Making residents feel welcome at resorts, Giving visitors a good sense of Hawai'i,* and *Attractive landscape-sensitive design.*

- The industry always gets its <u>least</u> positive ratings in *Conserving natural resources, Protecting the environment,* and, especially, *Taking a community leadership role*. The low marks for *Community leadership* are perhaps curious in light of the moderately good ratings for *Supporting local charities or community projects*, and so the final "special focus" for this year's survey involves probing that item some more (following Section VI).

- For the questions posed in 2007, we found that self-reported tourism workers (or those with tourism workers in the household) answered much the same as everyone else.

- However, the cross-tabulations in Volume II show variation by geography. For many items, Lāna'i and O'ahu samples gave more positive responses, and other Neighbor Islanders – especially, interestingly, East Hawai'i – were less positive. For *Protecting the environment*, for example, East Hawai'i residents gave the industry just 24% "good" ratings, and West Hawai'i, Kaua'i, and Maui were not much higher. But Lāna'i delivered a 49% positive rating on this.

- Native Hawaiians were often among the least positive, giving just 24% "good" for *Taking a community leadership role* and 48% for *Giving visitors a good sense of Hawai'i.*

VI. SPECIAL 2007 SURVEY FOCUS #2: ADDITIONAL QUESTIONS ABOUT VISITOR INDUSTRY LEADERSHIP

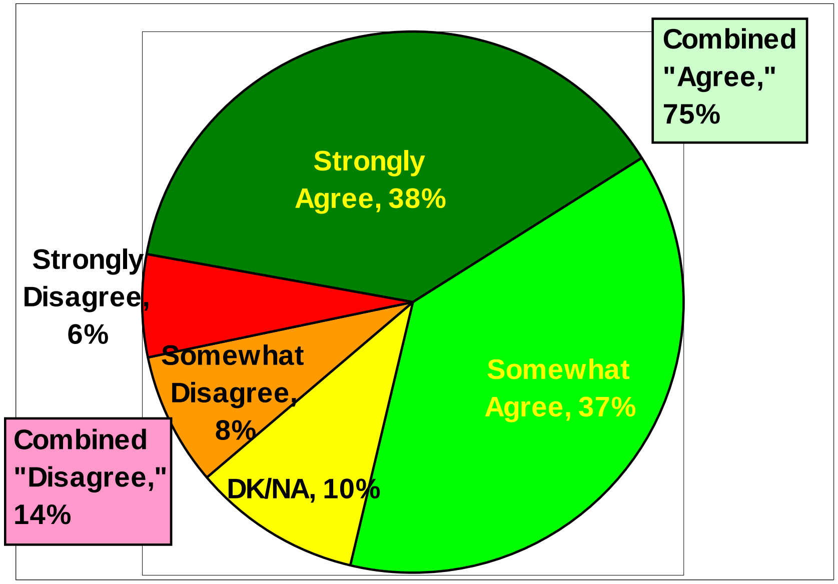
Residents have consistently given the visitor industry relatively low ratings for "Taking a leadership role in solving community problems," even though they have given the industry relatively better ratings for "Supporting local charities or community projects" (see Exhibit 5.2, preceding page).

This raises a question as to which types of issues residents think the industry should be helping with. Therefore, every respondent who did not give the industry a "very good" or "fairly good" rating on the "leadership role" question was asked: "Which particular types of community problems do you think the visitor industry could do a better job solving?"

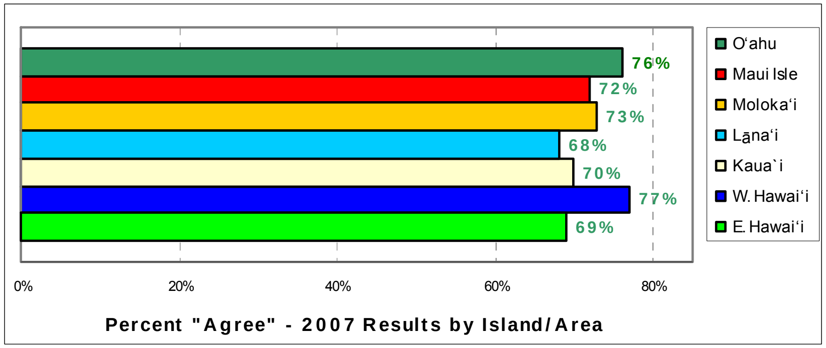
Somewhat earlier, we also asked an agree-disagree question about whether the industry "tries hard" to be good corporate citizens.

A. IF VISITOR INDUSTRY TRYING TO BE GOOD CITIZENS

Exhibit 6.1: Do you agree or disagree: "In general, the visitor industry tries hard to be good corporate citizens." (Q4d)



Statewide N = 1,644 (2007)



N = 405 for O'ahu; 282 for Maui Island, 124 for Moloka'i; 127 for Lāna'i; 301 for Kaua'i; 204 for West Hawai'i; and 201 for East Hawai'i

- Viewed alone, this question appears to be a "motherhood item" inviting a polite positive response, but it should be noted that it was actually asked among the "core questions" discussed in Section II, and so was incorporated in an overall mix of positively- and negatively-worded items.

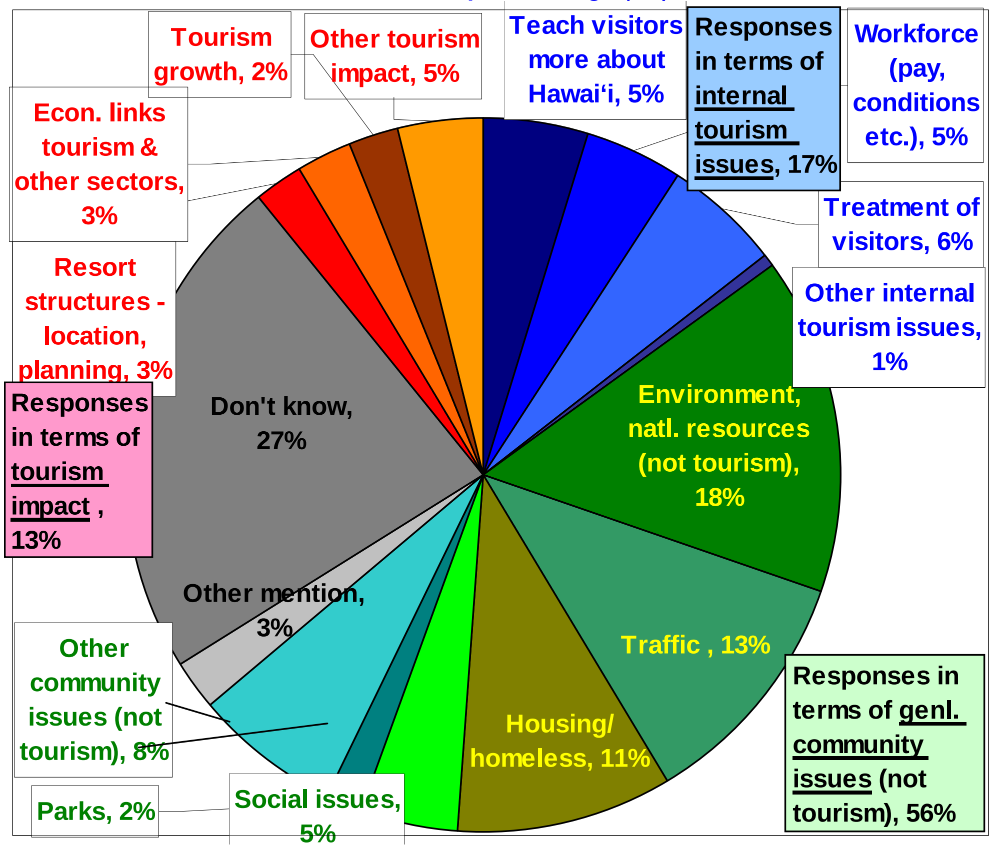
- Overall, there was 75% statewide agreement with the statement (Exhibit 6.1).

- Results were fairly consistent in all areas, with murmurs of dissent slightly more pronounced in Lāna'i and East Hawai'i. Disagreement was highest in East Hawai'i and still reached only 22% there.

- Cross-tabulations in Volume II show show no particular differences in regard to visitor industry job affiliation. Caucasians were most likely to agree (79%), and Hawaiians least likely (still 64% agreement, with just 24% disagreement.

B. TYPES OF PROBLEMS THE INDUSTRY SHOULD FOCUS ON

Exhibit 6.2: Which particular types of community problems do you think the visitor industry should show better leadership in solving? (Q8)



Wtd. N = 863 (only those who, on the preceding Q7e, failed to give the industry a "good" rating for *Taking a leadership role in solving community problems*").

"

- Those who did not give the industry a "good" rating for the preceding item about "Taking a leadership role in solving community problems" were asked this follow-up question. Respondents answered in their own words, and their replies were later coded into general categories. However, more than a quarter of the respondents really had no definite answers.

- The biggest overall bloc of definite responses involved various sorts of general community issues that were not explicitly related to tourism impact – the most frequent of these being environment, traffic, and housing issues. (These are shown as various shades of green in Ex. 6-2.) This is consistent with the general focus on overall growth and development, more than tourism in particular.

  Traffic was particularly heavily mentioned on Kaua'i (30%), while O'ahu residents were somewhat more likely than others to mention *Environment.* Statewide, upper-income residents were more likely than lower-income ones to mention non-tourism community issues in general and *Environment* in particular. Newcomers were also more likely to say *Environment*.

- Another general set of answers involved various types of "internal" tourism issues not involving community impacts (various shades of blue in the exhibit) – e.g., the desire to teach visitors more about Hawaiian culture or history; concerns about poor treatment of visitors (crime, price gouging) or of the industry workforce itself (pay, promotion, working conditions). Unionized tourism workers were a bit more likely to mention such topics.

- The last – and, notably, smallest – overall set of answers involved particular tourism impacts (various shades of red or orange in the exhibit), such as location or planning of resorts or desire for better economic linkages.

2007 Survey Instrument

(Questionnaire includes weighted statewide percentages for each item.)

2007 Resident Survey

Reference No.__________________
Time Ended __________________
Time Started___________________
Total Minutes___________________

Date:_________
Interviewer Name_______________________________________ **Interviewer ID**__________________
Respondent Name______________________________________ **Telephone**___________________________

Hello, good morning/afternoon/evening, I'm _____________ from Market Trends Pacific, a professional survey research center in Hawaii. Today we're conducting a short survey on residents' attitudes on public issues in Hawaii. Let me assure you this survey is to get your opinions only, and we're not selling anything. Let me also assure you that all of your answers will be kept completely confidential.

A. Are you a full-time Hawaii resident who is 18 years of age or older?
YES ← CONTINUE
NO ← TERMINATE

1. I am going to read you a list of possible community problems. For each one, please tell me if you think it is a problem or not a problem in your community. Let us begin with [READ FIRST ITEM – **ROTATE** START]. Would you say that it is a big problem, a small problem or not a problem at all in your community?

		Big Problem	Small Problem	Not a Problem	Expressed Opposite View	Ref./ Don't Know
a.	availability of jobs	27%	33%	32%	1%	6%
b.	cost of food and clothing	52%	30%	17%	0%	1%
c.	cost of housing	81%	10%	8%	0%	1%
d.	population growing too fast	51%	24%	22%	0%	3%
e.	traffic	76%	14%	9%	0%	0%
f.	loss of nature and open space	43%	28%	26%	0%	2%
g.	economy not diversified enough	41%	28%	21%	1%	9%

2. [ASK ONLY IF Q1c, "Cost of Housing," was marked "Big Problem:"] You mentioned that Cost of Housing was a big problem in your community. Who or what do you think is responsible for cost of housing being such a problem now? [RECORD VERBATIM:]

   [See Report Exhibit 4.1 for final response categories and results.]

3. [ASK ONLY IF Q1E, "Traffic," was marked "Big Problem:"] You mentioned that Traffic was a big problem in your community. Who or what do you think is responsible for traffic being such a problem now? [RECORD VERBATIM:]

   [See Report Exhibit 4.4 for final response categories and results.]

4. Please tell me if you strongly agree, somewhat agree, somewhat disagree, or strongly disagree with each of these statements. [**ROTATE**]

		Strongly Agree	Somewhat Agree	Somewhat Disagree	Strongly Disagree	DK/NA
a.	This island is being run for tourists at the expense of local people	29%	23%	22%	18%	8%
b.	Overall, tourism has brought more benefits than problems to this island.	45%	29%	11%	10%	6%
c.	The increase in out-of-state people buying homes in residential neighborhoods is mostly due to tourism.	25%	20%	24%	21%	10%
d.	In general, the visitor industry tries hard to be good corporate citizens	38%	37%	8%	8%	10%
e.	Even if more visitors come, I don't want to see any more hotels on this island.	47%	21%	17%	12%	4%
f	We need more tourism jobs on this island.	23%	20%	28%	22%	7%

5. We'd like to know how you think tourism affects things on your island. For each thing I mention, tell me if you feel tourism makes it better or worse these days. Does tourism make [READ FIRST ITEM – **ROTATE**] better or worse?

		Better	Worse	No Effect	DK/NA
a.	number of jobs	69%	8%	18%	5%
b.	cost of food and clothing	11%	26%	54%	9%
c.	cost of housing	5%	42%	44%	8%
d.	number of people living in your part of the island	13%	19%	61%	7%
e.	traffic	3%	54%	40%	4%
f.	preservation of nature and open space	17%	39%	36%	8%
g.	diversity of economic activities	39%	19%	29%	13%
h.	overall quality of life	46%	15%	30%	9%

6. What about you personally? Overall, has tourism been mostly good or mostly bad for you and your family?

good for self and family	45%
bad for self and family	5%
some good, some bad	21%
no effect at all	28%
don't know/no response	1%

7. Overall, how good a job do you think this island's visitor industry does for each of the following things – a very good job, fairly good job, fairly poor job, or very poor job? [**ROTATE**]

		very good	fairly good	mixed/ neutral	fairly poor	very poor	DK
a.	Supporting local charities or community projects	23%	28%	18%	7%	8%	16%
b.	Helping protect the environment from pollution and over-use	11%	22%	23%	17%	18%	9%
c.	Giving visitors a good sense of Hawai`i's history and peoples	24%	32%	20%	9%	7%	7%
d.	Providing local residents with training needed for better jobs in the industry	18%	27%	19%	12%	10%	14%
e.	Taking a leadership role in solving community problems	9%	22%	26%	14%	17%	13%
f.	Planning resort areas to fit the landscape in an attractive way	23%	30%	19%	11%	10%	7%

8. [ASK ONLY IF Q7e WAS NOT MARKED "GOOD:"] Which particular types of community problems do you think the visitor industry should show better leadership in solving? [RECORD VERBATIM.]

   [See Report Exhibit 6.2 for final response categories and results.]

9. Overall, how good a job do you think government has done on the following things related to tourism – very good, fairly good, fairly poor, or very poor? [**ROTATE**]

		very good	fairly good	mixed/ neutral	fairly poor	very poor	DK
a.	Maintaining public roads, sewers and water supply for resort areas	18%	21%	15%	15%	20%	11%
b.	Helping to advertise and market this particular island	27%	36%	16%	6%	6%	9%
c.	Providing public access to beaches in resort areas	20%	30%	17%	13%	14%	7%

10. The word "infrastructure" means the physical things that government builds to keep our society working – things like roads, schools, parks, sewer lines, and so forth. Overall, how good a job has government done in building new infrastructure to keep up with growth in resident and visitor population – very good, fairly good, fairly poor, or very poor?

    Very good 6%
    Fairly good 16%
    (Mixed/neutral) 17%
    Fairly poor 22%
    Very poor 37%
    (Don't know/refused) 2%

11. These last questions are just for statistical purposes. Are you currently employed?

    Yes .... 67% → ASK Q12A
    No .... 32% → ASK Q12B
    Refused .... 1% → ASK Q12B

[READ BEFORE ASKING 12A OR 12B:] Let's define the "visitor industry" as any business depending mostly on tourists or depending on other businesses working with tourists.

12. [READ DIFFERENT INITIAL SENTENCE DEPENDING ON ANSWER ABOVE:]

    A. Would you say your job is actually part of the visitor industry? [IF YES, OR IF RESPONDENT HAS SEVERAL JOBS AND AT LEAST ONE IS IN VISITOR INDUSTRY, MARK "1" AND GO TO Q.13. IF NO, ASK B.]

    B. Have you ever worked in the visitor industry? [IF YES, MARK "2" AND GO TO Q.15. IF NO, ASK C.]

    C. Does anyone else in this household currently work in the visitor industry? [IF YES, MARK "3." IF NO, MARK "4".]

    Respondent now works in visitor industry 22%
    Respondent onced worked in visitor industry 26%
    Other household member in visitor industry 5%
    No household affiliation with visitor industry 46%
    Refused/DK/Other Answers 1%

13. Including yourself, how many of the adults in your household are employed?

    Avg. 1.85 [IF 0 OR DK, GO TO Q.16]

14. [IF Q12 WAS "4," WRITE IN ZERO AND GO TO Q.16 WITHOUT READING. ELSE, READ:] Including yourself, how many adults in your household now work in the visitor industry?

Avg. 0.66 [IF 0 OR DK, GO TO Q.16]

15. Including yourself, how many of these visitor industry workers belong to a labor union? **Avg. 0.31**

16. In which age category are you?	Under 25	7%
	25 to 34	11%
	35 to 44	15%
	45 to 54	24%
	55 to 64	22%
	65 or older	20%
	[Refused]	2%
17. What is your ethnic identification? [IF MORE THAN ONE:] With which do you identify the most?	Caucasian	32%
	Filipino	10%
	Hawaiian or part-Hawaiian	16%
	Japanese	18%
	Mixed, non-Hawaiian	7%
	Other (specify:) _______________	14%
	[Refused]	3%
18. How long have you lived in Hawai'i?	Less than 5 years	6%
	5 to 10 years	8%
	11 to 20 years	8%
	20 years or more	27%
	All your life	50%
	[Refused]	1%
19. Which of the following categories includes your total annual family income before taxes for 2006? Just stop me when I reach the correct category.	Less than $25,000	8%
	$25,000 but less than $35,000	6%
	$35,000 but less than $50,000	14%
	$50,000 but less than $75,000	16%
	$75,000 but less than $100,000	12%
	$100,000 and over	19%
	[Refused]	26%
20. Gender [RECORD, DO NOT ASK]	Male	40%
	Female	60%
21. Island [RECORD, DO NOT ASK] **(These percentages are weighted – see page 6 of report for actual sample sizes.)**	O`ahu	71%
	Maui	10%
	Moloka`i	1%
	Lāna`i	1%
	Kaua`i	5%
	Big Island WEST	6%
	Big Island EAST	7%

In case my supervisor would like to verify this survey, may I have just your first name please? [RECORD RESPONDENT NAME ON COVER.] And that was my last question. Thank you very much for your time and cooperation in completing this survey!