

Business Roundtable

July 2009

Hawaii's Economy Depends on Worldwide American Companies

Hawaii's 304 worldwide American companies and their employees need a level international playing field to prosper and grow. These companies support substantial employment and economic output in Hawaii, directly through their production of goods and services, through their suppliers, and through spending by the people they employ.

If the Congress raises international taxes on worldwide American companies – while other nations are adopting more competitive tax structures – it will put Hawaii companies and their employees at a competitive disadvantage with their foreign competitors and jeopardize the substantial contributions they make to Hawaii's economy.

The Economic Contribution of Worldwide American Companies in Hawaii, 2007

	Direct Contribution*	Indirect Contribution**	Total Contribution	Total Contribution as a percent of State Total
Jobs	60,000	127,700	187,600	27.6%
Payroll	\$2.6 B	\$5.1 B	\$7.7 B	28.8%
Value-Added	\$4.6 B	\$8.6 B	\$13.3 B	30.4%

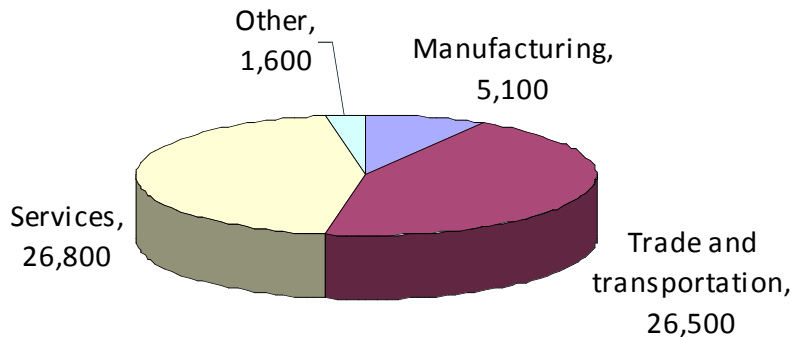
*The direct contribution consists of employment in and the payroll and production of worldwide American companies in the state.

**The indirect contribution consists of employment, payroll, and production supported by worldwide American companies through their supply chains and the consumption spending of the people they employ directly or indirectly.

- In 2007, worldwide American companies in Hawaii employed **60,000** people and supported an additional **127,700 jobs** through their supply chains and spending by the people they employed directly or indirectly.
- These jobs accounted for **27.6 percent** of all private-sector employment in Hawaii and **28.8 percent** of the total private-sector payroll in the state.
- Worldwide American companies in Hawaii create high quality jobs, paying on average **\$42,537 per worker** in wages and salaries and fringe benefits in 2007.
- Worldwide American companies in Hawaii accounted for **30.4 percent** of Hawaii's GDP (\$13.3 billion) in 2007.
- Worldwide American companies also paid approximately **\$670 million** in dividends to Hawaii residents in 2007.

Direct Employment by Worldwide American Companies in Hawaii by Industry

Worldwide American companies employed **60,000** Hawaii workers in 2007 in a wide range of industries, including the following:



Services: 151 companies, 26,800 jobs

- Accommodation: 7 companies, 4,300 jobs
- Food services: 12 companies, 3,900 jobs
- Administrative and support services: 30 companies, 3,200 jobs
- Other services: 116 companies, 15,500 jobs

Trade and transportation: 138 companies, 26,500 jobs

Manufacturing: 59 companies, 5,100 jobs

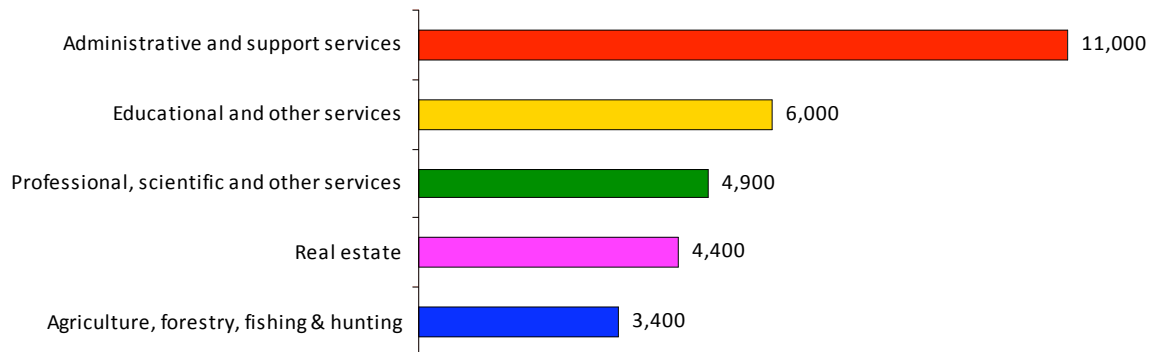
- Nonmetallic mineral products: 1 company, 1,100 jobs
- Food: 6 companies, 1,000 jobs
- Transport equipment except motor vehicles: 4 companies, 700 jobs
- Other manufacturing: 51 companies, 2,200 jobs

All other industries: 19 companies, 1,600 jobs

Note: Company counts by industry do not sum to the state total (304) because a company may have operations in multiple industries. Job counts have been rounded to the nearest 100. Detail may not sum to totals due to rounding.

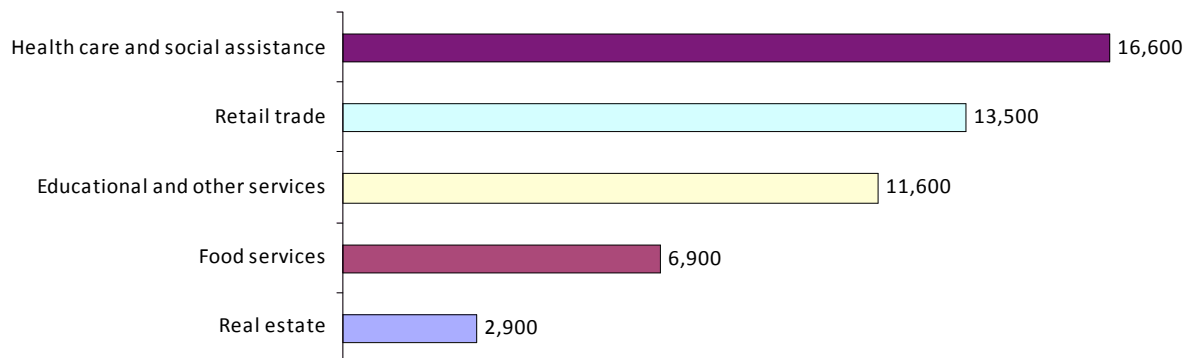
Indirect Employment through Purchases of Goods and Services from Suppliers

Worldwide American companies supported an additional **56,400 jobs** in Hawaii in 2007 through their purchases of goods and services from suppliers in Hawaii. Top Hawaii suppliers for worldwide American companies include the following industries:



Indirect Employment through Consumption Spending by Employees

Consumption spending by the employees of worldwide American companies and their suppliers supported an additional **71,300 jobs** in Hawaii in 2007, including in these leading industries:



Protect U.S. Jobs and Wages. U.S. Tax Policy Must Keep Worldwide American Companies Competitive with Foreign Multinational Firms.