Hawaii Over The Past 20 Years:
Minimal Change, Minimal Growth
What Should Hawaii Plan For?

Panos D. Prevedouros, PhD
Professor of Transportation
Department of Civil Engineering
pdp@hawaii.edu

January 23, 2013

Description of the Presentation

- All data shown in the next 12 slides are from the U.S. Census Bureau.
- Some data are for the whole state and most are for Oahu.
- They cover the period from 1980 to 2012.
- Since various data come in various units we standardized each one by setting it equal to 100 for the year 2000.
- Therefore, the graphs show the change up or down before and after the turn of the millennium.
- A yellow box spanning 20 years is added to each graph. If start and end data points fall inside the box then the annual growth rate was 1% or less (i.e., minimal change.)
- The last slide suggests what Hawaii should plan for.

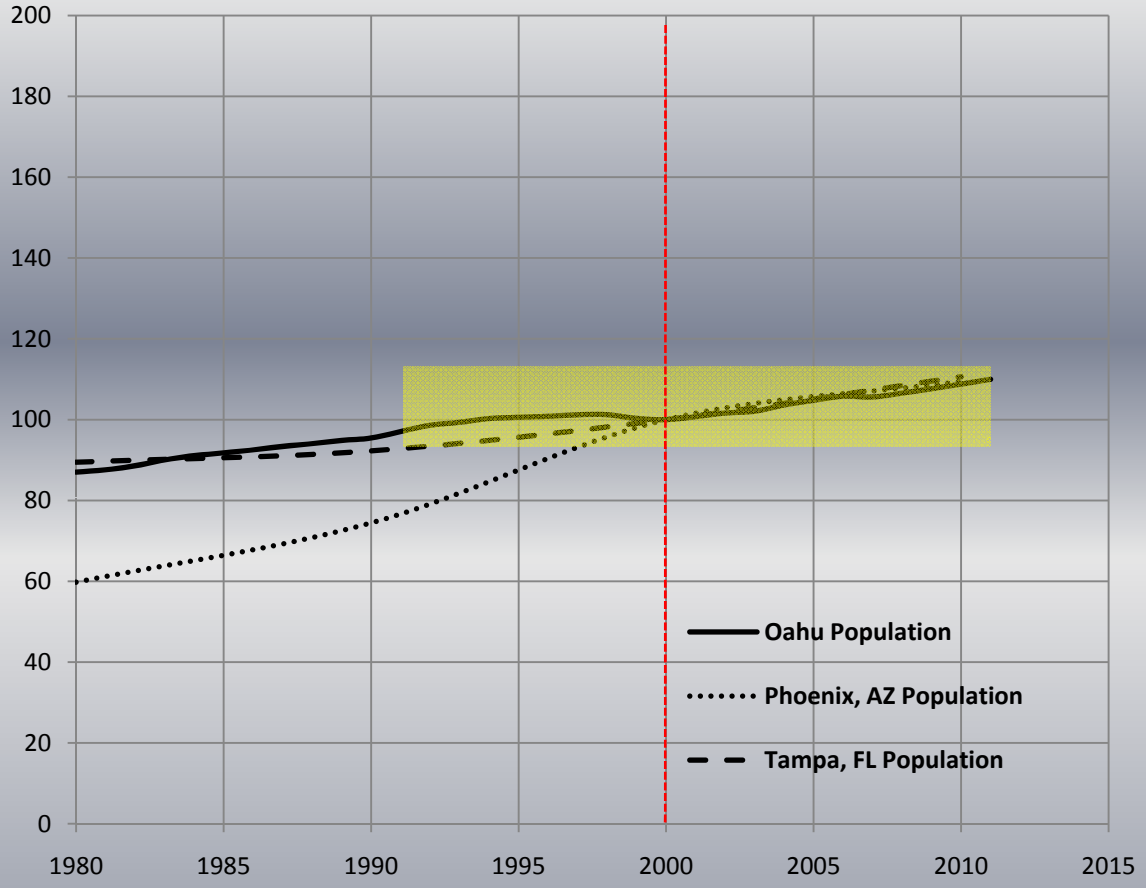

Figure 1: OAHU'S POPULATION has a slow rate of growth. Oahu grew faster than Tampa between 1980 and 1992, then stagnated between 1993 and 2003. Since 1980, Oahu never experienced a fast growth rate, such as that of Phoenix.

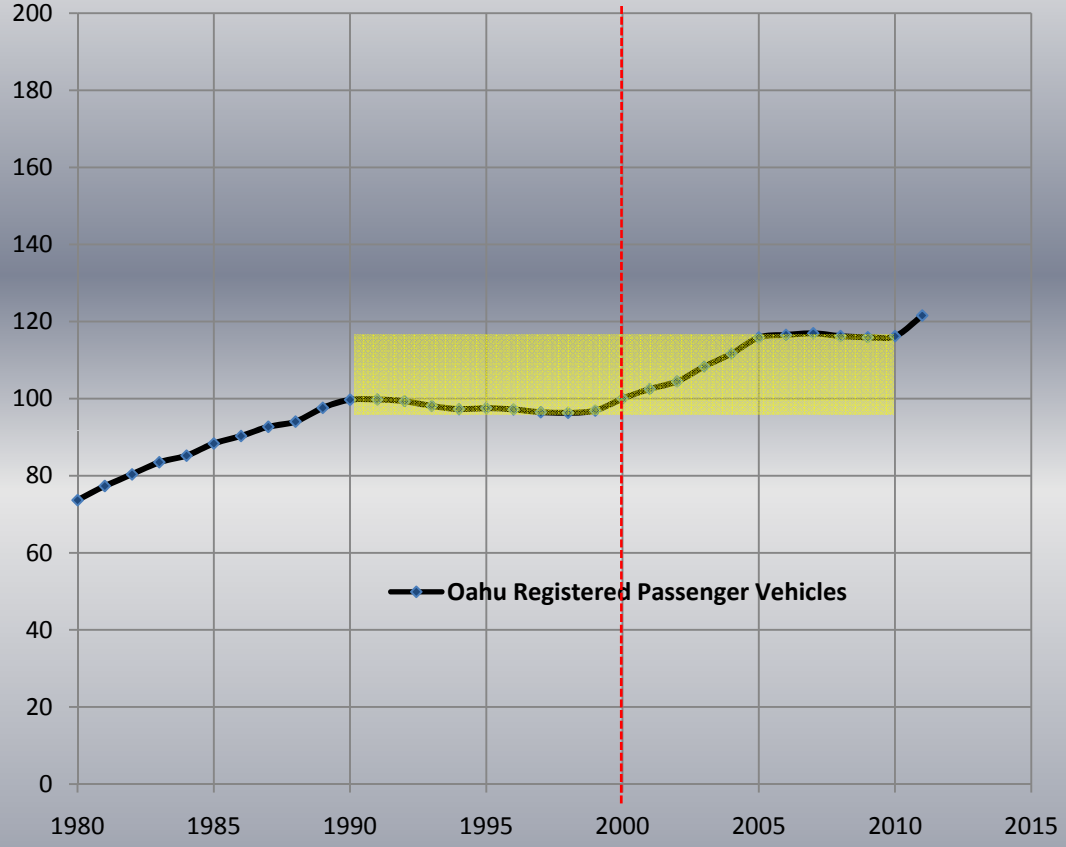

Figure 2: OAHU'S REGISTERED VEHICLE COUNT grew less than 10% between 1990 and 2010, or less than 0.5% per year.

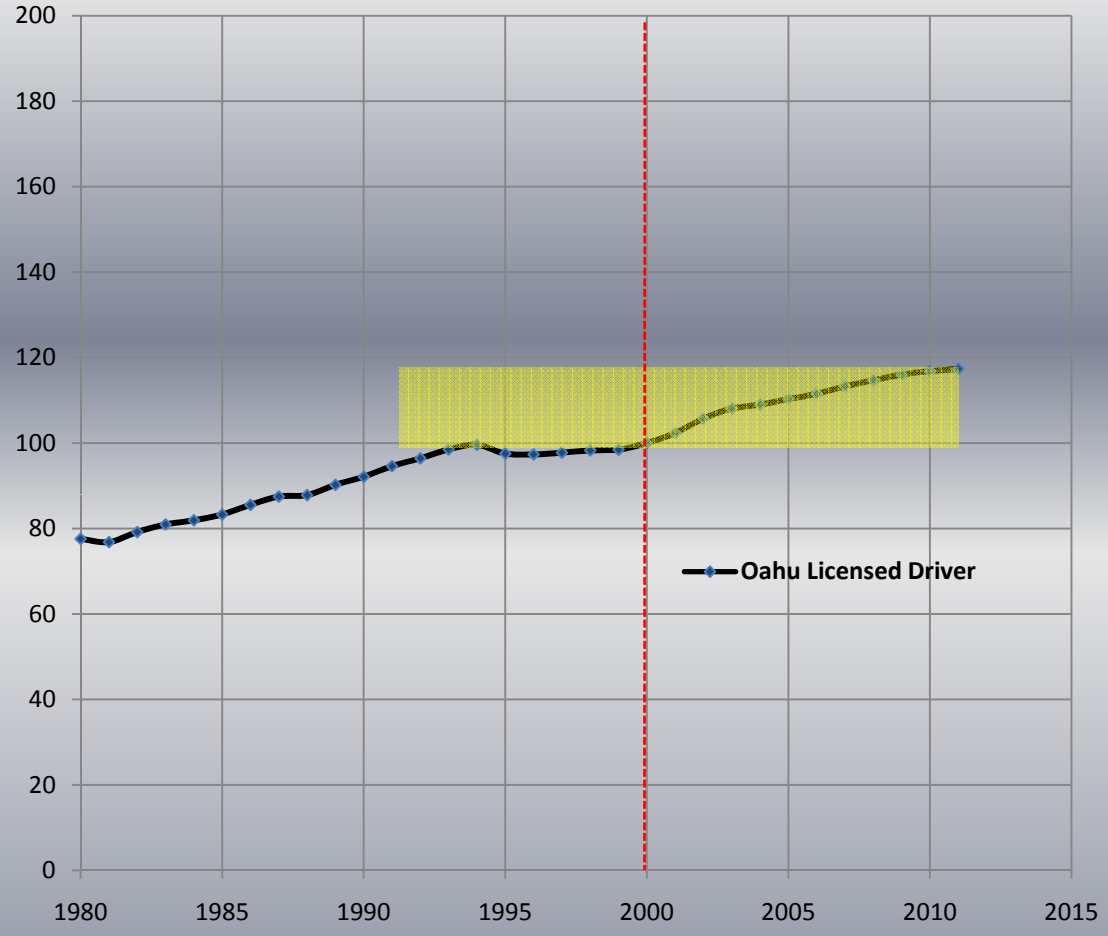

Figure 3: OAHU'S LICENSED DRIVER COUNT grew only slightly more than 10% between 1990 and 2010, or about 0.55% per year.

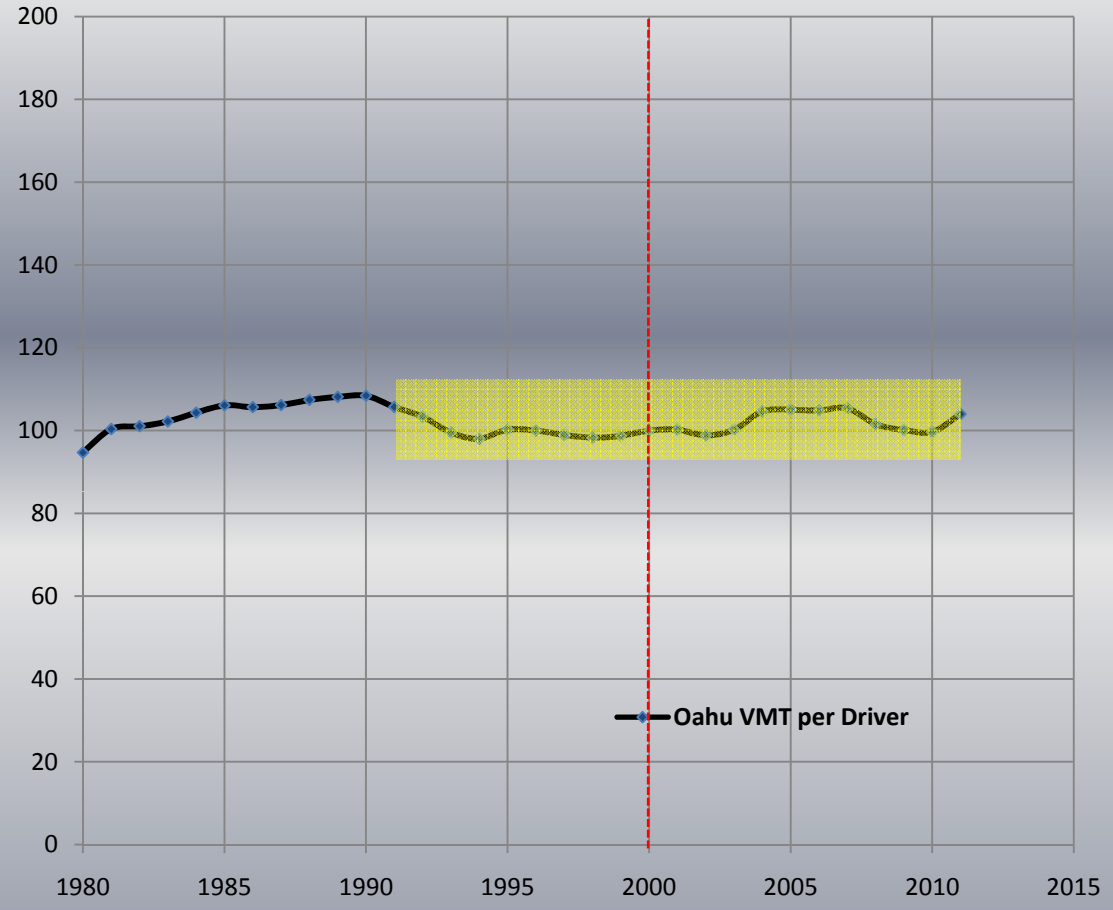

Figure 4: OAHU'S VEHICLE MILES OF TRAVEL PER DRIVER did not change at all between 1992 and 2011! This is despite the exodus to the suburbs. Oahu's congestion "explosion" is a politician's myth.

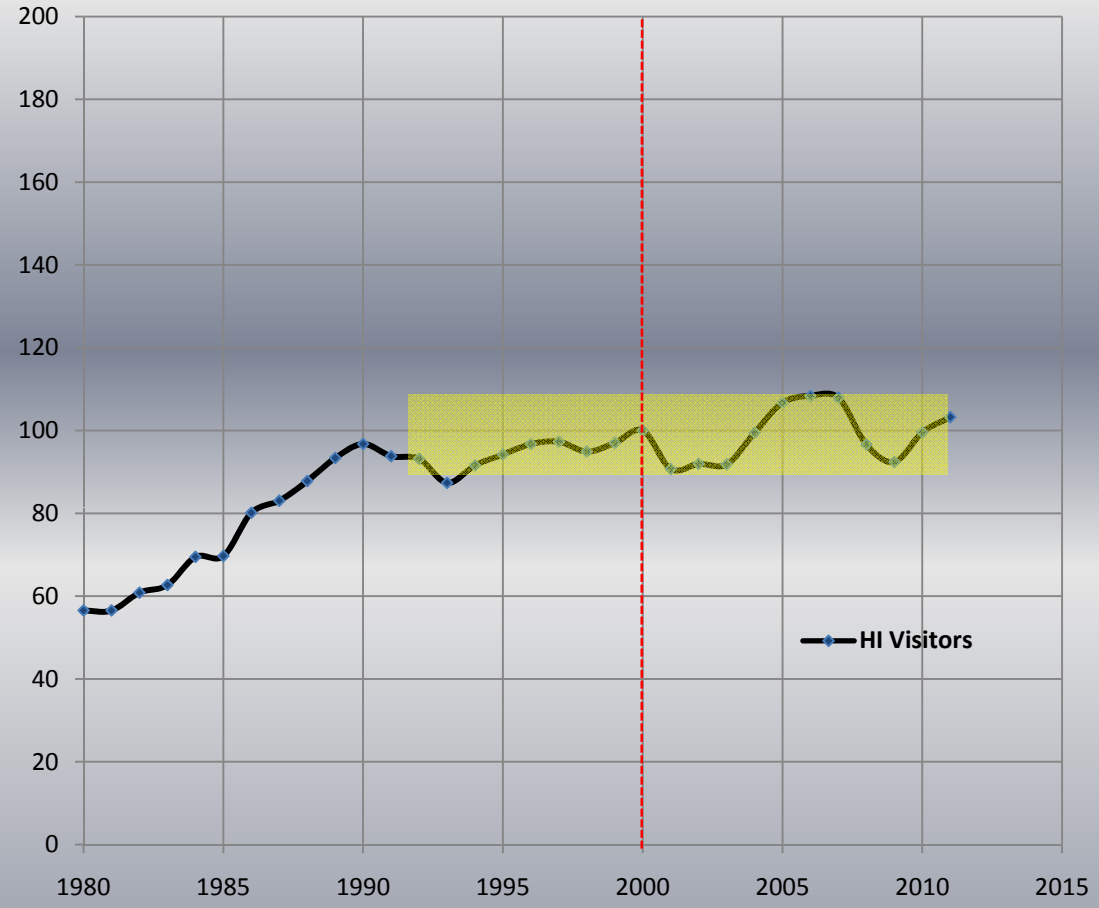

Figure 5.a: VISITOR COUNT TO HAWAII did not change much between 1990 and 2011. Clearly Hawaii is a mature market but its tourist industry is resilient. For example losses from Japan and California were made up by gains from S. Korea, other Asia and eastern U.S. As an economic sector this is not a growth area for Hawaii.

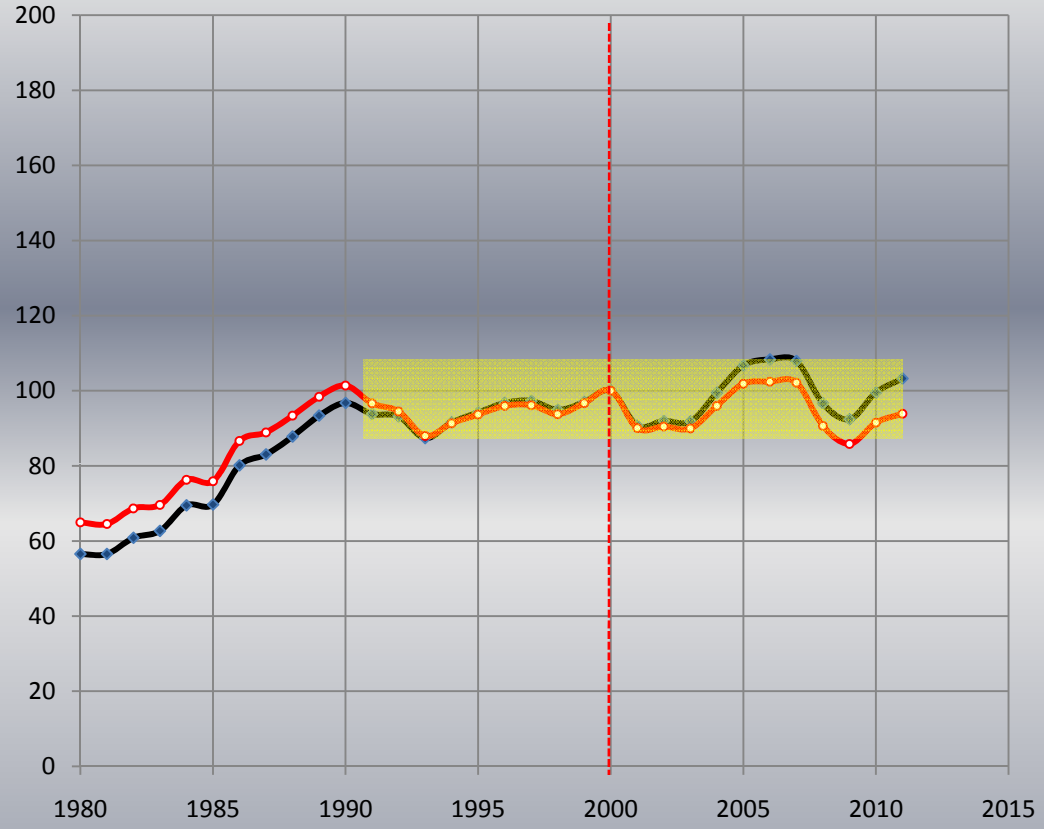

Figure 5.b: The VISITOR COUNT TO HAWAII looks even less impressive when it is adjusted for local population (red line.)
In 1990 we had about 8 visitors per local resident. In 2010 we had 7.25 visitors per local resident. Taxes generated from tourists do not keep up with local needs for services on a per capita basis.

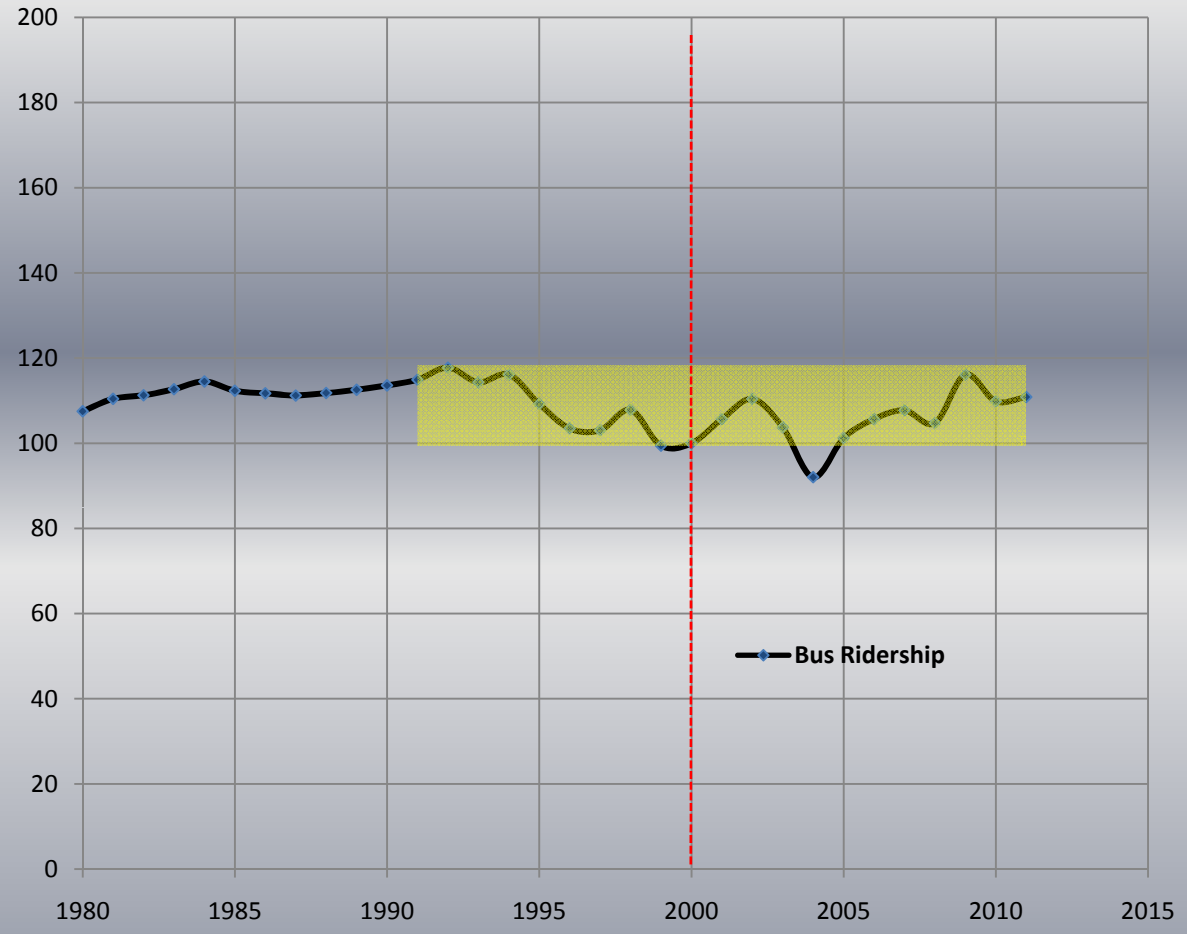

Figure 6.a: *TheBus* RIDER COUNT appears to hold steady. Despite Honolulu's gain of about 200,000 people between 1980 and 2010, the number of riders carried by bus is about the same. This despite adding over 200 buses, many new routes, and BRT and Express buses. The last thing a trend like this would suggest is multi-billion dollar investment in transit.

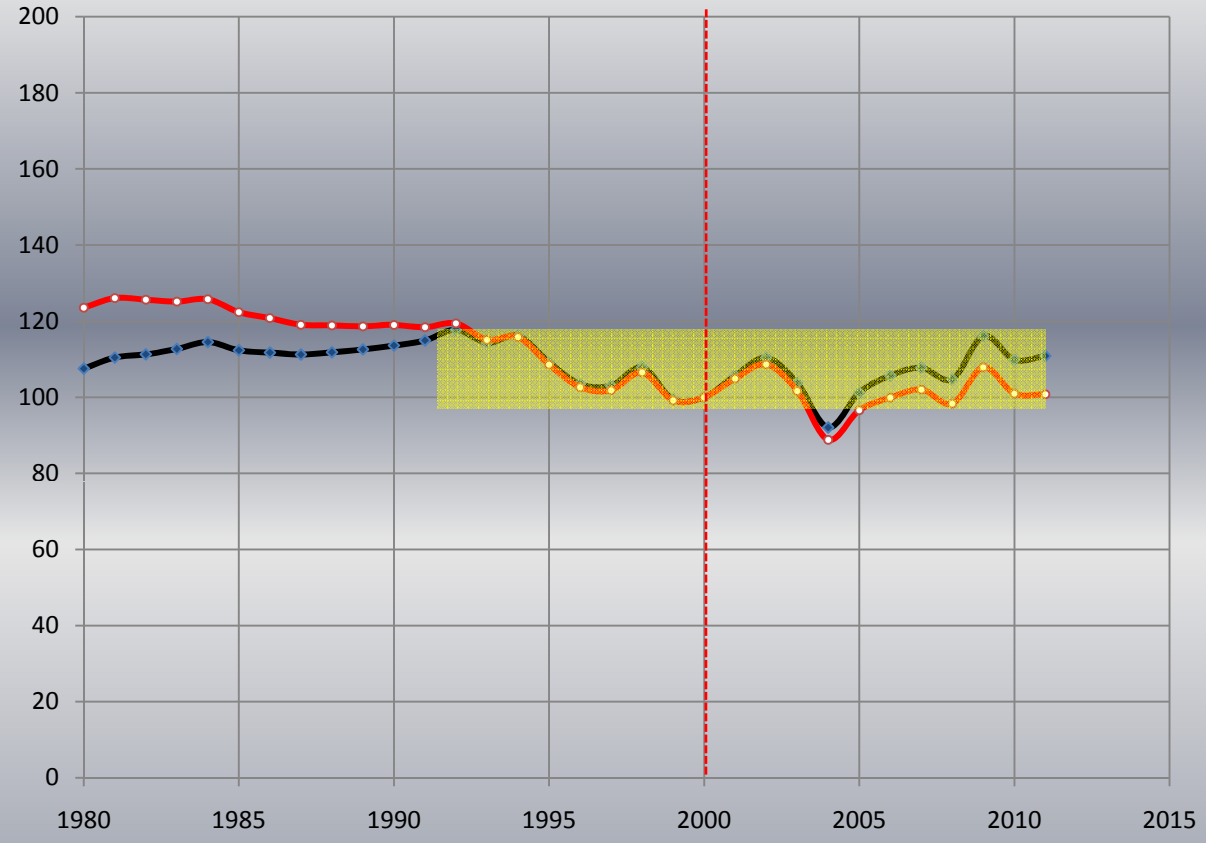

Figure 6.b.: *TheBus* RIDERSHIP trend is clearly downward when adjusted for population (red line.)
In 1980 Honolulu had 760,000 residents and *TheBus* carried 71.6 million trips, or 7.5 trips per resident per month.
In 2010 Honolulu had 960,000 residents and *TheBus* carried 73 million trips, or 6.4 trips per resident per month, a 15% drop in per capita productivity.

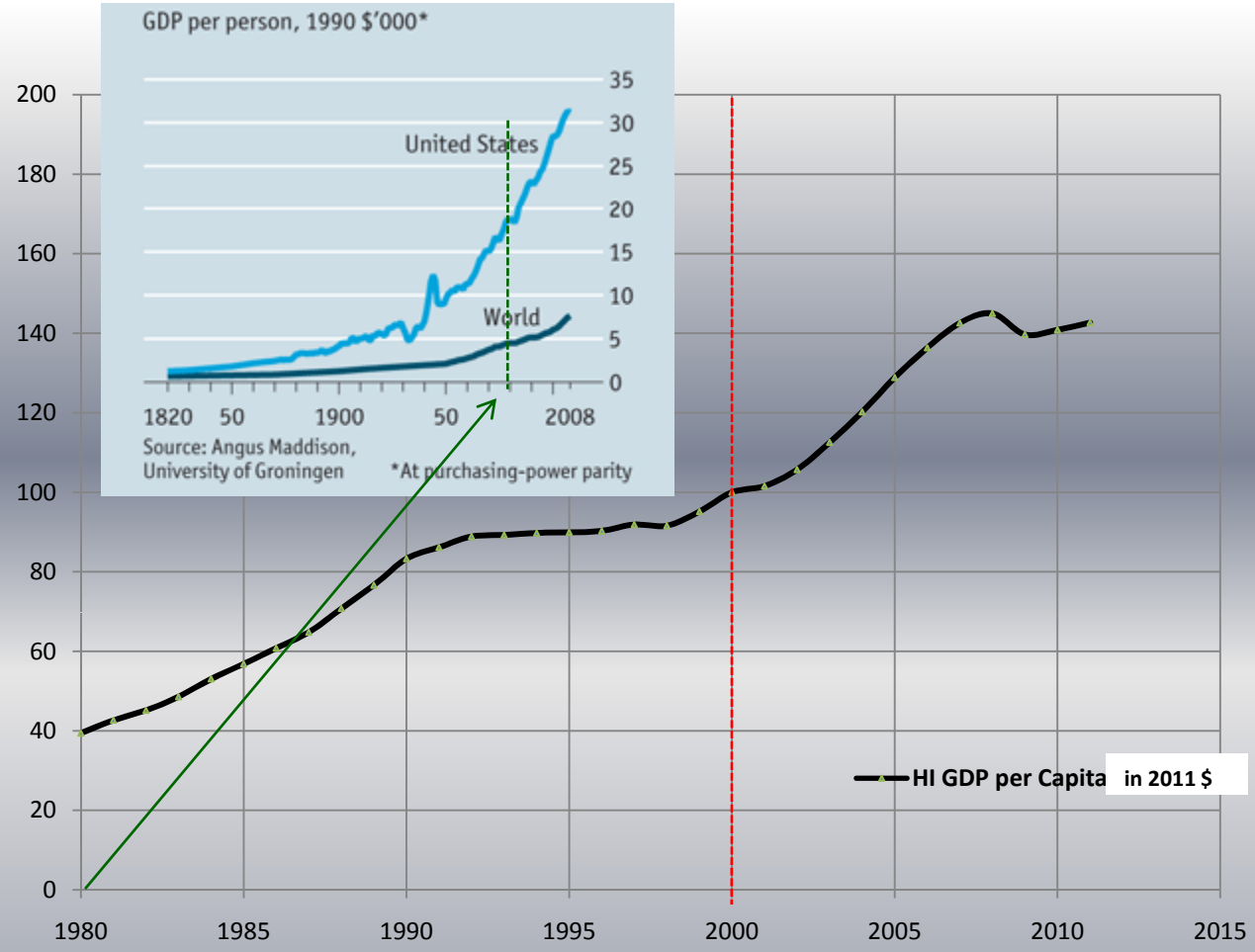

Figure 7: GROSS STATE PRODUCT is the only index that exhibits a substantial annual growth. However, it compares poorly with US growth since 1980. Hawaii is inefficient and slow to adopt innovation and technology in productive ways. After 2012 Hawaii will likely experience a decline in state GDP, the combined effect of large unfunded liabilities, large national debt (federal cuts) and dramatic loss in Congressional seniority.

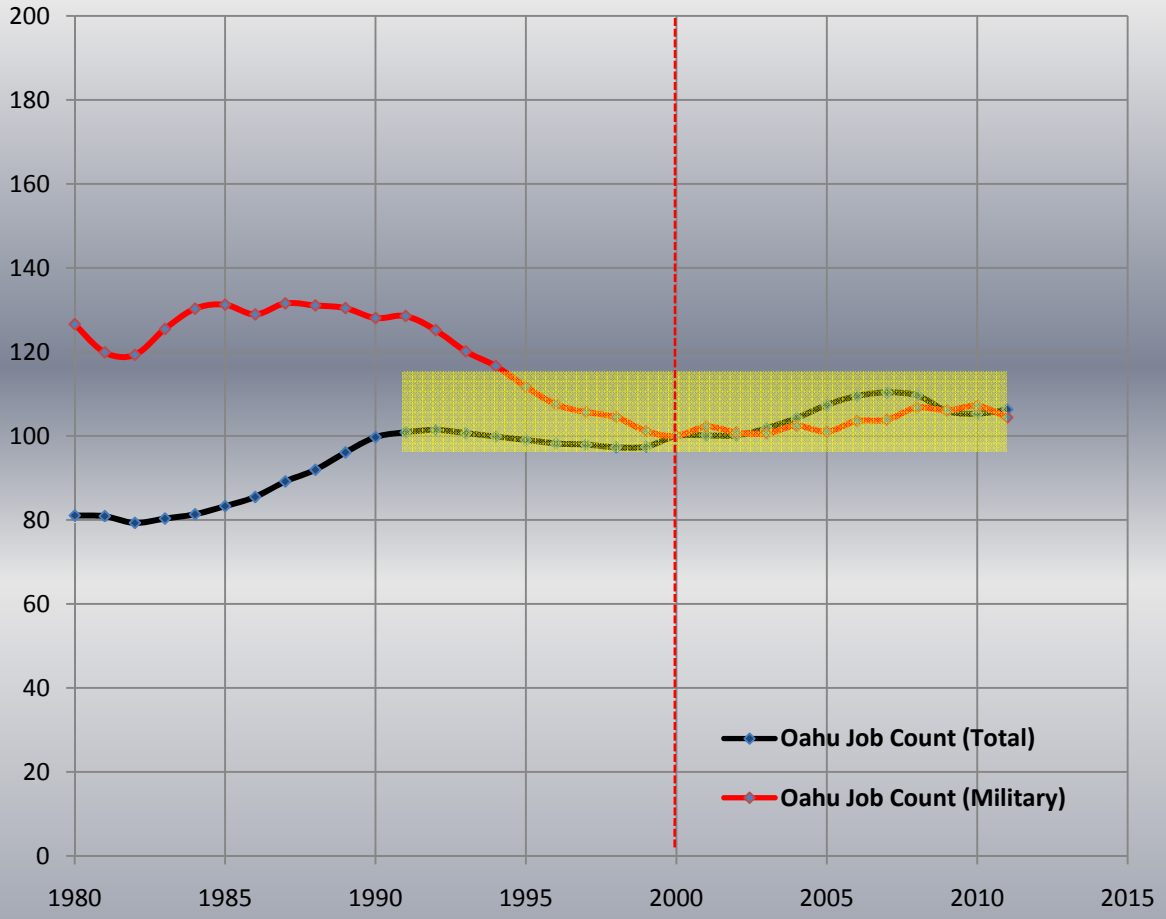

Figure 8: OAHU'S TOTAL JOB COUNT has remained largely unchanged in the last 22 years. Military job count reduced by 30% between 1985 and 2000, then increased by roughly 10%. The best result to hope for the next decade is for the job count to remain unchanged.

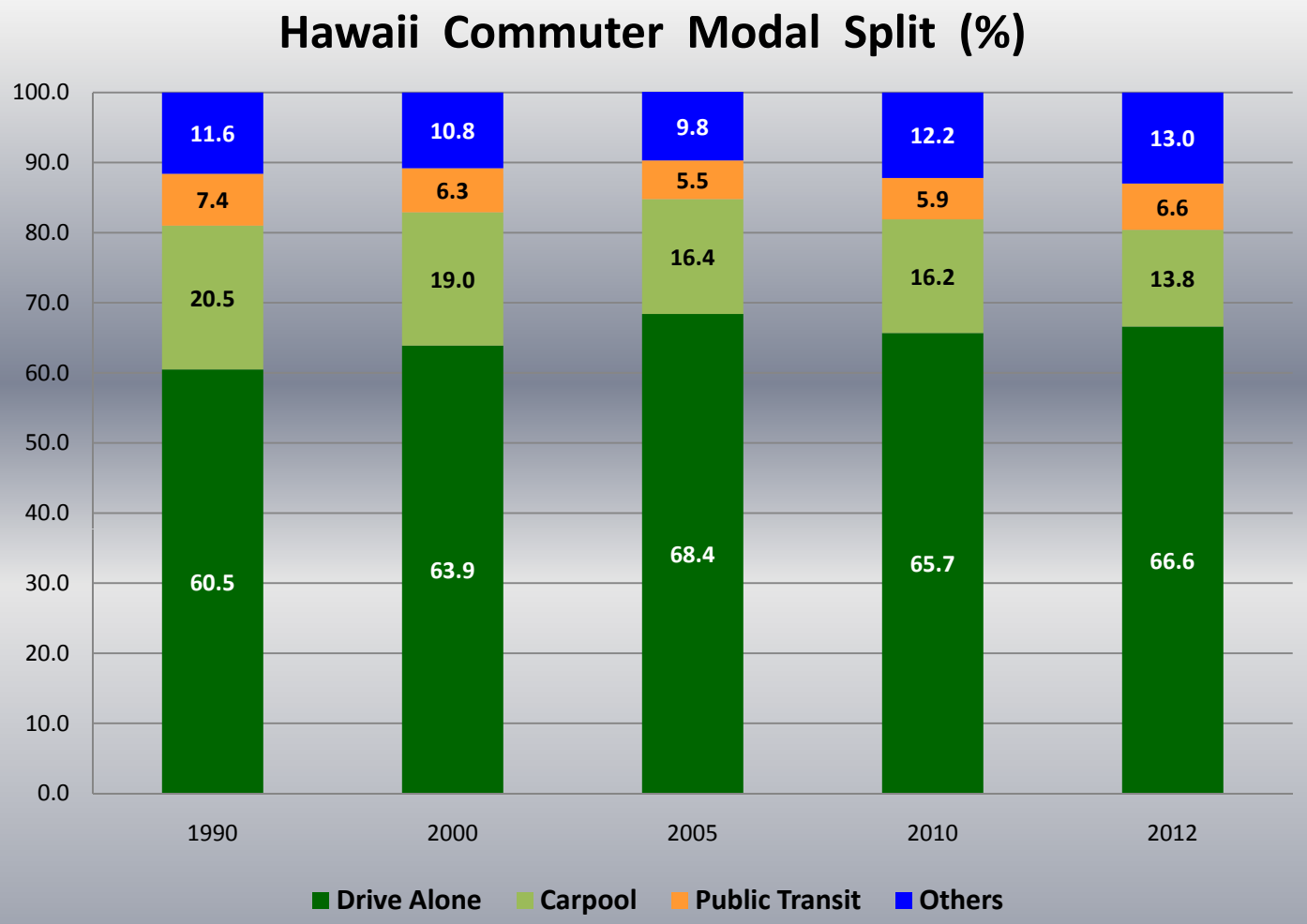

Figure 9: Most COMMUTER SHARES remained largely unchanged. Car modes (drive alone and carpool) totaled 81% in 1990 and 81% in 2012. Transit shows a slight uptick from the 2005 low because of the small bus systems on the neighboring islands. Carpooling has lost share because the freeway HOV lanes provide a low travel time benefit.

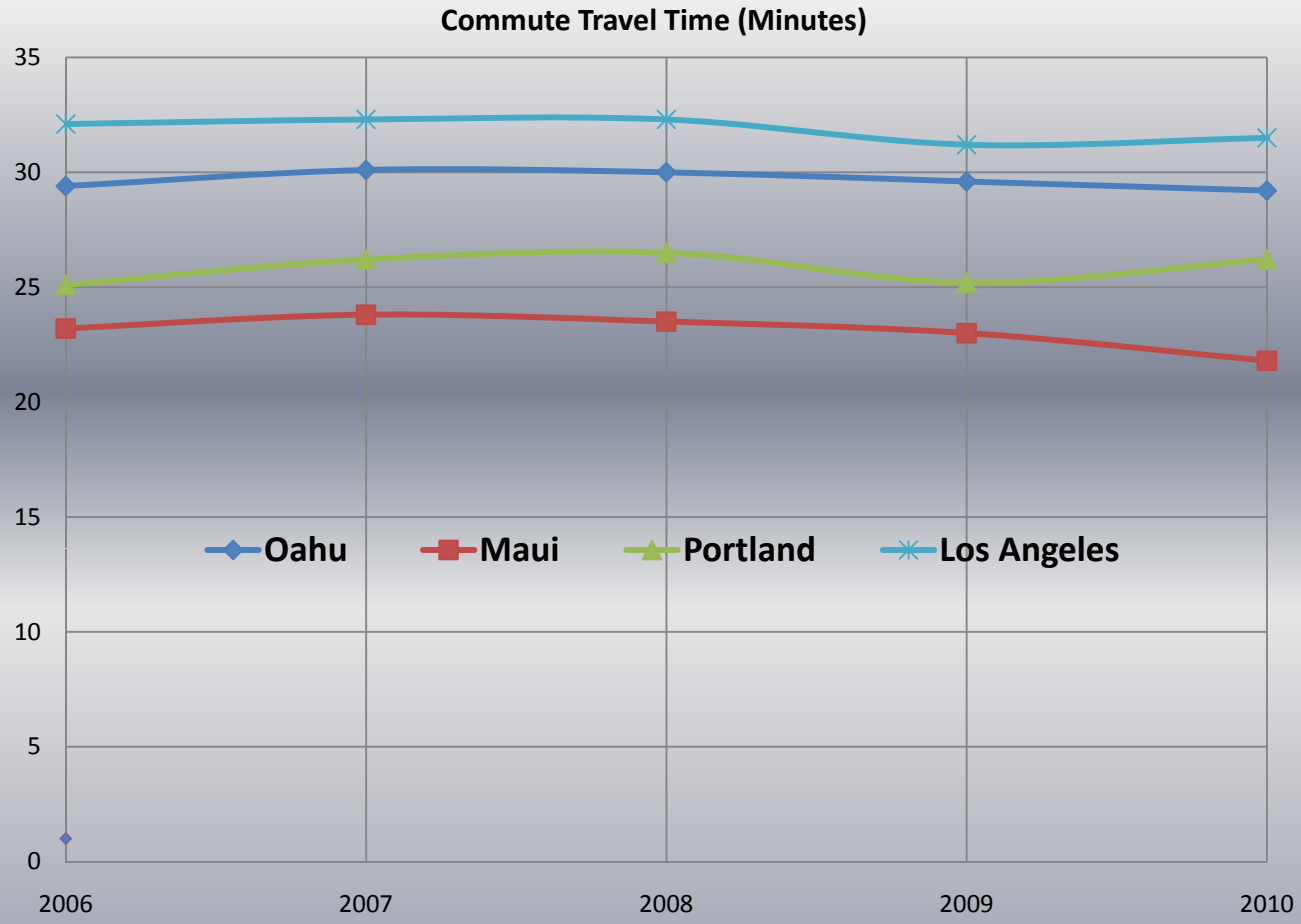

Figure 10: COMMUTE TRAVEL TIME ON OAHU has remained largely unchanged for every year since 2006. It is trending downward but U.S. Census statistics are thin in this area. Cosmopolitan areas have average commutes between 25 and 35 minutes. Rural places like Maui enjoy commutes of under 25 minutes.

What Should Hawaii Do in the Next 10 Years?

1. Plans focused on growth for Oahu must be abandoned.
2. Decline followed by stability will be the trend: The underlying 0.5% growth per year will be pushed downward by local, national and international pressures.
3. Top Priority: Maintain, Rehabilitate, Replace, Modernize.
4. Scrap rail. Use $3 B to fix roads and add express lanes.
5. Scrap wind. Focus on natural gas, waste-to-energy and geothermal. Empty barges from outer islands to Oahu: Haul their trash and make power on Oahu. Trash and waste is fuel!
6. Scrap the EPA agreement for secondary treatment. Focus on accelerated replacement of water and sewer lines.
7. Fix what we've got. From park bathrooms, to schools to harbor piers, our core is falling apart.
8. Manage current and future budgets to sustain item 3.
9. Send "visions" to the cemetery; growth is fast asleep!

Based on economic data for the 300 world metropolitan areas with the largest gross domestic product (GDP), the US accounts for 36 of the top 50 metropolitan economies, and 67 of the top 100. Honolulu ranks 205th!