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Almost 50% of Hawaii residents struggle to make ends meet, study shows

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Almost half of all households in Hawaii are unable to make ends meet, according to a new study by Aloha United Way.

The report, which was sponsored by [Bank of Hawaii](#), [Hawaii Community Foundation](#) and [Kamehameha Schools](#), found that 37 percent of Hawaii households fall under an economic category United Way calls "Asset Limited, Income Constrained, Employed," or ALICE.

ALICE have income above the federal poverty level, but not enough to afford basic necessities including housing, child care, food, transportation and health care, according to the nonprofit.

The study found that in Hawaii 37 percent of total households are ALICE, while 11 percent of total households live below the federal poverty level, resulting in 48 percent of total households in the state are ALICE or below.

"Given the kind of work we do in the community on some level, it wasn't surprising," said [Cindy Adams](#), president and CEO of Aloha United Way, on the results of the



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study. "I think more importantly, it was surprising given that we hear the unemployment rate is so low in Hawaii."

Hawaii's unemployment rate was at 2 percent in November, according to the most recent figures released by the state Department of Labor & Industrial Relations.

"The implication of that is that the vast majority of the jobs in Hawaii pay below a certain hourly rate that facilitates the large number of ALICE households," she added.

In January, Hawaii increased its minimum wage from \$9.25 to \$10.10.

"Certainly, increasing someone's take-home pay is very helpful in terms of what they are able to afford as a necessity as a household," Adams said. "That is not the only solution. Just addressing that will not address the ALICE issue."

Last month, several of the Hawaii's largest banks and businesses opted to raise their minimum wage to \$15 and above, as well as award holiday bonuses of as much \$1,500 to non-executive staff.

"That was a way for some businesses to get involved," Adams said, referring the businesses' recent decisions. "It was not something that was dictated by the State Legislature and it was something that they decided to do for the right reasons, for the community."

Adams said having 48 percent of the state's households at ALICE or below impacts the state's economic activity.

"There are health implications associated with that. When they don't have enough money to address health issues it becomes chronic health issues," she said. "They don't have money to pay for car insurance or car repair. All of these examples are things that drive up costs and taxes for the rest of the community and effect productivity, economic stability for the state, effect absenteeism in the workplace and effect employee productivity. I think there are a number of connections to the business community."

Adams said her organization is hoping the Legislature will renew the organization's eviction prevention program for rapidly rehousing homeless

individuals and families as well as provide subsidies for families and individuals facing eviction.

Lawmakers said funding for Aloha United Way's Coordinated Statewide Homeless Initiative was cut in favor of more long-term solutions.

Adams said she hoping to see funding for the program this session, but said she believes there is no one solution to the issue

"I think there are a number of things we can do as a community to help elevate ALICE," she said. "The government can't do this on their own and businesses can't do this on their own."

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