

Hawaii Reporter

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Business Journal Attacks Pro-Business Reforms at State Department of Labor

The Front Page Article Demonstrates How Far to the Left the Publication Has Come

By Malia Zimmerman, 9/10/2004 1:42:24 AM

The Department of Labor and Industrial Relations has long been considered the worst run department of all state departments in Hawaii. The staff has had an extreme anti-business attitude, openly referring to business owners as "the enemy."

That is what makes the article on the Department of Labor and Industrial Relations being "too business friendly" which appeared recently in Hawaii's oldest business journal -- *Pacific Business News* -- all the more absurd.

The article was based on a federal evaluation complimenting the state on a job well done. However the piece was written as if from a pro-labor writer -- against the state's pro-business reforms -- and demonstrated how far to the left the once prestigious conservative journal has deviated from founder George Mason's mission since he sold the paper to a national chain in 1983.

Highly critical of Gov. Linda Lingle's administration for making her inspection division within the Department of Labor "too business friendly," the article has no point and gives credence to the opinions of people who have no business being quoted unless their professional and personal conflicts are acknowledged.

The article contradicts the very federal evaluation report findings the writer is reviewing -- the federal evaluation report commends the state for the marked improvements in inspections and consultations and the numbers alone show that there is a decrease in injuries/illnesses, yet PBN focuses on the negative.

In addition, the writer quotes James Peck who is making unsubstantiated claims contradicting the facts in the report, without acknowledging the reasons behind his criticisms. The writer seems oblivious to the fact that Peck, who is a private consultant for companies needing guidance to prevent or negotiate fines from the Department of Labor, will be out of business if HIOSH becomes too friendly by working with businesses, rather than attacking and fining them.

In addition, the PBN story does not acknowledge Peck, a former inspector for HIOSH, is a close associate of Jennifer Shishido who was recently reassigned to another division after heading HIOSH for a number of years because she was such a poor director. Shishido was highlighted as one of the people most hostile to business in Hawaii in a 1999 report issued by the Small Business Regulatory Review Board appointed by then Gov. Benjamin Cayetano.

The taskforce interviewed more than 300 business owners and operators before

completing the 11-page report. Though the director of the Department of Labor and Industrial Relations Nelson Befitel could not easily fire her because of strict union rules, he re-assigned her to another labor division. Though the move brought relief to many businesses that complained for years about Shishido, the reassignment created hostility among her supporters both in and out of the division, and that was reflected in the PBN article, seemingly without the writer's knowledge.

That is another oddity about the story -- PBN reported in the late 1990s in a multitude of stories about Shishido's anti-business and retaliatory ways and how she single-handedly was shutting down businesses because of the fines she was levying against them for minor infractions. Often these businesses were owned by political opponents or critics of Gov. Benjamin Cayetano, for whom she worked. In fact, in 1999 and 2000, businesses and safety consultants proposed shutting down the state's HIOSH division altogether and letting the federal government inspection division, Occupational Safety & Health Administration or OSHA, handle all safety inspections in the state.

Yet PBN does not acknowledge the report or those trying times. The publication's editorial staff seems to have forgotten those dark days and how far the department has come, writing a highly inflammatory, front-page story based on a few people's statements with conflicts, while ignoring the fact that the report was virtually all positive.

Director Befitel told *Hawaii Reporter* in an earlier interview that the Administration's approach is to work with businesses to assist them with accident prevention and containment costs.

His efforts are working. There is a downward trend in workplace injuries and illnesses as shown by the Bureau of Labor Statistics maintained by the state. The downward trend continues despite the fact that Hawaii is in a construction boom where a higher number of employees are involved in the construction industry. Compare the numbers to the "heavy handed days" when construction work was low but the injury/illness rates were high.

In addition, HIOSH significantly increased the number of private sector compliance inspections, conducting 999 in FY 2003, compared to 812 in FY 2002, and 494 in FY 2001. "The State is to be commended for their efforts in increasing their number of private sector compliance inspections," the report reads.

Another plus in the report: Historically, the number of consultation visits with businesses have been relatively low, which has raised concerns over the last several evaluations by OSHA. However, in FY 2003, HIOSH significantly increased the number of consultation visits, conducting 253 consultation visits, which exceeded its goal of 245. "For FY 2003, the State officials are to be commended for their efforts in increasing the level of productivity," the report reads.

The federal evaluation gives other accolades. "Overall, the results of Hawaii's enforcement program are considered effective in most required program areas including responding promptly to complaints, obtaining entry to conduct inspections when entry was denied, response to imminent complaints or referrals classified as imminent danger, citation lapse time, abatement verification and sustaining violations and penalties in informal conferences and when they are formally contested."

All this was accomplished with a small staff of inspectors as the department is having a difficult time keeping inspectors because the pay is low -- around \$24,000 a year -- and the work can be demanding. Yet more was done with fewer inspectors -- quite an accomplishment most business owners would say.

The state should be commended by businesses and the publication that supposedly represents their views on the vast improvements within the department, rather than attempting to bring a negative tone to a positive achievement.

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