



SMALL BUSINESS NEWS

CREATING A BETTER HAWAII THROUGH PRIVATE ENTERPRISE

Small Business Hawaii | Volume 25 Number 1 | January 2000



Small Business Views

By **Sam Slom**, President, Small Business Hawaii

Let the new Millennium Begin! (unless you are a purist waiting until January 1, 2001). In any event, the past is prologue and together we can help make Hawaii work again this year, SBH's 25th!

Governor Cayetano's December "Y2K" message stated there was no need to "stock up" on food, water, gasoline or money - just in case. Nearly every other state told its residents the opposite: at least be prudent and be prepared with extra items just as you would with a storm warning or other possible disaster.

The Governor may now be forming a new task force to study why nothing terrible happened when the clocks struck 12 January 1st.

Lt. Gov. **Mazie Hirono** (aka, "Hawaii's Swat Queen"), must be doing a wonderful job with her SWAT (Slice Waste And Tape) project since there's little controversy - or action -surrounding it. We are assured SWAT is right on track for full implementation and possible actual cutting of red tape... by the winter of 2002, just in time for her gubernatorial election campaign. In the meantime, all cynical, "mean spirited" business people should be grateful things aren't even worse.

A funny thing happened on the way to the "revolution" in the State Senate in December. Democrat party "regulars" called in the big gun, Senator Dan Inouye, who convened one of his famous "fireside chats" (aka, secret sessions, at a Waikiki hotel). The chat, similar to the one that convinced Mayor Jeremy Harris not to run against Governor Cayetano in the Democrat primary last year-in exchange for promises made of political support in the future-apparently did the trick and defused the change in Senate leadership pushed by the so-called Democrat "dissidents," freshmen, and Republicans, who sought to replace the entire Senate leadership and committee lineup before the January 19 Session opening. Because only cosmetic changes may be made, look for continuing Senate blockage of changes to the business climate, privatization, or civil service reform. Public unions still dominate.

OSHA's proposed repetitive "ergonomic" work rules are estimated to cost employers hundreds of millions in compliance, but would more likely soar to the \$ billions. Will there be anything employers are not liable for? Locally, HIOSH still targeting small businesses for revenue enhancement purposes; look for a possible class action lawsuit against the government agency more concerned about quotas than about genuine workplace safety.

The "Pacific Resource Partnership," propaganda arm of the unionized carpenters and contractors, allegedly making increasing numbers of false complaints to HIOSH, DOL, tax

department and potential customers where non-union businesses are involved.

Carpenters Union boss **Walter Kupau** and developer **Andy Anderson** had an alliance on Anderson's Kakaako redevelopment plan (yes, the one that did include a giant Ferris Wheel) that would create hundreds of jobs and provide millions in taxes. Then Kupau died and the Hawaii Community Development Association (HCDA) reversed itself and nixed the project. A fuming Anderson swore he never would do business here again and took out an ad accusing the heavy hand of Governor Cayetano and Democrat politics. The Guv's tried and true response: stop whining.

Just in time for the end of 1999: Matson Navigation raised shipping rates AGAIN (3rd time during the year) by 4.5% to pay for the recent ILWU dockworkers threatened strike.

Tesoro and BHP paid \$15 million extortion money to the State to excuse them from the suit against petroleum producers. Coincidentally, Hawaii gasoline prices then went up. Watt Homes Hawaii announced it was leaving the state: too hard to make a buck. Oh, stop crying over spilt forced campaign bucks.

Mufi Hanneman again bounced from City Council leadership (Transportation) for speaking up against the latest Mayor Harris fiscal boondoggle. Meanwhile GOP wooing him daily to run as a Republican for Congress. Not likely.

Flamingo Chuckwagon just a memory. Soon will be razed and replaced with a furniture store. Cinerama Theatre showed last flick "The Insider" and was toasted in November.

Pacific Business News' **John Duchemin** wrote an excellent expose (12/17/99) on Hawaii ADA scammer lawyer **Lunsford Phillips** and an ADA "consultant" who have been trolling for business and lawsuits on the mainland. A recent ADA target, L&L's, **Eddie Flores** (last year's Hawaii Small Business Person of the year) had the guts to fight back in court. ADA has become a chilling battleground for greedy lawyers preying on small businesses who don't have the resources to defend themselves.

Let's give credit where it's due: the recent 30,000 delegate **American Dentist Association** convention at the State Convention Center was a success in a number of ways. But, problems remain with low advance bookings, union control, and the certainty of high debt repayment costs. One convention does not an economy turnaround make!

Please join us (and bring a friend) to the **SBH Annual Conference** on Wednesday, January 12. It will be worth your time; promise!

SBH will rededicate itself to improving Hawaii's economic-and political-indicators during this pivotal year. We need your support.

Happy New Year of the Dragon!

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