

Recognize local economic barriers to overcome them

THE CHAMBER VIEW

by Pamela Tumpap



Government, businesses and residents are nose to wall right now on barriers we have allowed

to become ingrained and solidly built over time. The barriers did not just happen.

While the economic recession slammed us against these walls in a relatively short period of time, ultimately we were going to hit them because we have allowed faulty government systems to persist without fixing things when we better could afford to.

What things? Here are a few:

- An overdependency on oil.
- Escalating health care costs.
- A flawed, top-heavy kindergarten-through-12th-grade educational system.

• Government size beyond our means, with skyrocketing, unfunded government employee health-and-retirement-benefits debt.

• Ongoing expansion of government, with broadened services and numerous pieces of legislation that are introduced each year and that multiply our costs.

• Increasing taxes and fees to make up for revenue shortfalls.

Now we face major obstacles when we least can afford to pay for them. And, as tough as this legislative and budget season may seem, next year could be considerably worse. Until improvements are institutionalized or there is a strong economic rebound with a ton of money flowing throughout our economy, we will keep hitting the wall.

Complaints about these broken systems abound, and dissatisfaction is growing. Increasing numbers of people feel that lawmakers are not listening and not

willing to make tough calls. Knowing that the Maui Chamber of Commerce and other organizations statewide advocate for progress and a true reinventing of government, many individuals continue to ask: How far will we have to sink before the necessary, bold steps are taken? When will our elected officials get it?

Businesses have become clearly aware we cannot keep doing things the same old way and expect different results. Government inefficiencies combined with a slow economy are hitting businesses left and right, and hurting their customers when expenses are passed on.

A primary increase businesses face is swelling unemployment-insurance taxes. They are a major state challenge because the fund has been depleted and must be replenished, given the tremendous usage over the past couple of years. While lawmakers passed a measure that pro-

vides relief, more assistance is needed and the unemployment-determination process has considerable flaws.

While employers want to help and protect their laid-off workers and are willing to pay for legitimate unemployment claims, we hear about filing abuse and unfounded claims going through that raise employers' utilization. Higher utilization puts employers in an elevated rate band, further increasing the costs they pay for each employee on their payroll. This added expense hampers employers from creating jobs or augmenting work hours. Further, more and more businesses have stories about employees who have quit, filed for and received unemployment. In a number of cases we have heard about, the employees quit to move back to the Mainland for a job and are drawing Hawaii unemployment from there. We also are being informed of in-

stances when an employer tries to hire an individual off of unemployment, only to be told that this person is electing to ride the unemployment out before returning to work. The holes that allow such costly misuse must be fixed.

Also of note: Government may issue the unemployment checks, but the employers/businesses pay for them. Much of the public and those receiving unemployment do not connect with this fact.

The rising unemployment-insurance tax and abuse are just two examples of the many challenges businesses face as a result of government structures needing repair.

If we do nothing, we will continue to get a poor return on our investment. Therefore, we cannot maintain the status quo of costly, broken systems.

Often, meaningful change is motivated by pain and frustration. Sadly, we have too much

of both going around. People are feeling overly squeezed, and the intense pressure has some ready to blow. However, we need to channel this energy in a positive direction. Instead of wallowing in one's dissatisfaction and grumbling about the consequences faced by inaction so far, it is time for us to encourage and support our elected officials to make the tough calls in areas that are not working, and to elect people who will.

Better alternatives exist, and positive transformation is possible, especially when we all come together to make it happen. You can make a difference today by helping to educate others on these issues, constructively sharing concerns and answers with lawmakers, and encouraging all you know to get out and vote. Join us and be a part of the solution.

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