

**GOVERNOR LINDA LINGLE'S REMARKS
HAWAI'I RESTAURANT ASSOCIATION
HALL OF FAME INDUCTION CEREMONY**

Monday, September 15, 2008

Aloha everyone.

It's great to be here with you tonight. This is such an important event because this is such an important industry, such an important part of Hawai'i's economy and our culture and our way of life.

I have several friends who are among the honorees tonight so it's a special pleasure to be here to watch them be recognized. But to all honorees, I want to congratulate you and thank you for the contributions that you made to Hawai'i and I want to say to the industry, it's important to understand just how significant you are in our economy.

This year in 2008, although it is a challenging year, your industry is on track to generate \$3.1 billion in revenues, which is a 3 percent increase over 2007, and that's through challenging times. You deserve a round of applause for that.

Your industry employs about 85,000 people and as you well know, for every dollar that's spent in a restaurant, there's another couple of dollars that's generated in all the services, in all of the vendors that you deal with, so you clearly are a key part of the economy.

Talking with a couple of the chefs tonight about the current economy, I wanted them to know how strongly I felt about the need to further promote the state and why I'm pushing the Hawai'i Tourism Authority to increase their marketing budget immediately.

The reason this is so important is because when situations change, just as in your own business, when things change, you have to adapt. You can't stick with a plan that you adopted a year ago, when the situation has changed. And I'll continue to push for that increase in marketing.

The final point I want to make to you is because the restaurant business is so tough, margins are so small, the work hours so long, I think it can be difficult to become involved in political action and legislative affairs, but I want you to know how important that is.

I want to recognize your executive director, Gail Ann Chew, for her involvement, for staying on top of the issues that matter to your industry. I want to recognize the chairman of the board of directors, Victor Lim, for his involvement. And I want to mention two specific issues where your industry, through your leadership, has had a very important impact on all your employees as well as your businesses.

The first one was a year ago when you helped us to get passed a reduction in the unemployment insurance taxes. This was a tax that every employer pays and over the three years that the bill will be in effect, every business in the state will save money cumulatively. That's \$150 million in savings to businesses over that three-year period, simply because we got the unemployment insurance rate cut. You were a big part of that and I appreciate it very much.

The second issue I want to mention, because it will come up again and I want you to be alert to it, is a bill the Legislature passed this session and I vetoed it. It has a very innocuous sounding name – it's called the Card Check Bill. I don't know how many of you have heard of the Card Check Bill but it takes away the rights of your employees to a secret ballot when there is an election for whether or not your business should join a union, whether or not your employees should be represented by a labor union.

While that's certainly their right as Americans, and something many people may feel is important to do, a critical part of that process has always been the right to a secret ballot. An employee has the right to go in and, in their own privacy, decide 'do I want to belong to a union or not.'

But this year the Legislature came up with what they called a Card Check Bill, which meant that there was no longer a secret ballot. Someone could simply walk around to your employees, in the work place, and ask them to sign a piece of paper saying they want to join a union.

Now imagine your employee being approached by perhaps a colleague, perhaps someone else they know, just being asked to sign up to join a union and feeling intimidated because it's not secret. Because now the person will know did they vote yes or were they reluctant to sign that piece of paper. The bill passed. I vetoed it, and with your support, and the support of the Hotel Association, the agriculture industry and the Chamber of Commerce the Legislature did not override that veto. But I can promise you there will be future attempts to pass that bill. It's not good for the industry, it's not good for your business and it's not fair for employees to take away the most basic of American rights – and that is the right to a secret ballot. So you have made a difference.

I use these two examples because I want you to know that you've made a difference on the one hand by getting a good law passed which lowered your unemployment insurance tax rates, and you've helped by stopping a bad law from going into effect. I need you all to stay engaged in these coming legislative sessions.

We're entering a challenging time. We're going to meet the challenge and come out even stronger, and a big part of our ability to do that is that success of you and this industry. So thanks for everything you do.

Mahalo.