House Committee on Labor and Public Employment Representative Karl Rhoads, Chair Representative Kyle Yamashita, Vice Chair

Tuesday, March 22, 2011 9:00 A.M. Conference Room Hawaii State Capitol

Testimony Supporting House Concurrent Resolution 127

"Requesting the Department of Human Resources Development to Establish a Task Force to Examine How the Compensation of State and County Employees in the State Compares With That of Government Employees in Other States and Jurisdictions"

Establishes a task force of ten members to examine wages, salaries and employment compensation benefits of State and County employees in Hawaii and other jurisdictions.

Paul T. Tsukiyama
Vice President and Director of Human Resources
Hawaii Health Systems Corporation

On behalf of the Hawaii Health Systems Corporation (HHSC) Board of Directors, thank you for the opportunity to present testimony in strong support of HCR 127 which establishes a task force to examine compensation of state and county employees in Hawaii in comparison with employees on other states and jurisdictions when factoring in Hawaii's cost of living. Ten members shall be appointed to the task force, including the State Director of Human Resources Development, City and County of Honolulu Director of Human Resources, County of Hawaii Director of the Department of Resources, County of Maui Director of the Department of Personnel Services, County of Kauai Director of the Department of Personnel Services, Chairperson of the Board of Trustees of the Hawaii Employer-Union Health Benefits Trust Fund, Chairperson of the Board of Trustees of the Hawaii State Employees' Retirement System.

HHSC is a separate State jurisdiction which employs the largest contingent of health care employees, four thousand, among the public employers, such as registered nurses (1144), pharmacists (41), radiologic technicians (125), physical therapists (24), physical therapy assistants (40), and licensed practical nurses (143). These positions are difficult to fill, in part due to competition with private health care employers, and overall because candidates are in short supply. Compounding our ability to recruit candidates is the rural locations of ten of our

3675 KILAUEA AVENUE • HONOLULU, HAWAII 96816 • PHONE: (808) 733-4020 • FAX: (808) 733-4028

hospitals in Kau, Honokaa, Kohala, Kona, Hilo, Kula, Wailuku, Lanai, Waimea and Kapaa, with the higher cost of living in such rural communities. We continue to face challenges in attracting new candidates or returning Hawaii residents to give up higher salaries earned at mainland health care facilities for lower wages, more expensive homes, and higher food and gas prices in Hawaii.

We are requesting the addition of HHSC to the task force to provide representation of the Neighbor Island communities, many of which experience difficulty filling vacancies due to a higher cost of living and a uniform salary structure.

We respectfully request that the Vice President and Director of Human Resources of the HHSC or the director's designee be included as a member of this Task Force to represent HHSC. Decisions made by the task force will have significant impact upon our employees, the majority of whom are not employed by the representatives of the proposed task force. HHSC is interested in working with the members of the task force and the Legislature to address a growing workforce concern.

Thank you for the opportunity to testify before this committee.