This weekend, we celebrate Labor Day across the U.S. In addition to its salute to America’s working men and women, the holiday means the end of summer, the start of a new school year and the opening of football season. For millions, it also means a day off from work, a trip to the beach, a drive to the mountains, a picnic in the park or perhaps a backyard barbecue.

However, a day off does not apply if you work in Travel & Tourism. Labor Day weekend is a busy time whether you are working for a hotel, a restaurant, an amusement park, an airline, a car rental agency or any of the many other components of one of the world’s largest industries, which supports more than 258 million jobs around the world and generates some 9.1 percent of global domestic product – the value of all the goods and services produced on the planet.

For many who live along the U.S. East Coast, Labor Day 2011 means cleaning up or trying to salvage something from destruction left by Hurricane Irene, which damaged thousands of homes and businesses, washed out roads and bridges and crushed automobiles. Over 40 people perished, and total property damage is estimated at over $20 billion.

Labor Day was set aside as a federal holiday 117 years ago. As we pay tribute to our nation’s workers this year, it is important that we also stop and take a look at their status as we enter the second decade of the 21st century. What is the direction in which our country is heading, and what is the effect that the decisions made by our politicians in the past two and a half years are having on those who work and those who want to work in our country?

Here’s some data to start with:

<table>
<thead>
<tr>
<th>U.S. Work Force - July 2011*</th>
<th>People (Millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unemployed (U-3, the usual definition)</td>
<td>13.9</td>
</tr>
<tr>
<td>Unemployed (U-6, actual unemployment)</td>
<td>24.6</td>
</tr>
<tr>
<td>Potential Work Force</td>
<td>153.2</td>
</tr>
<tr>
<td>Working</td>
<td>130.1</td>
</tr>
<tr>
<td>Not Working</td>
<td>182.0</td>
</tr>
<tr>
<td>U.S Population</td>
<td>312.1</td>
</tr>
</tbody>
</table>

The mainstream media typically reports the U.S. unemployment rate by using the “U-3 Total Unemployed” number provided by the Bureau of Labor Statistics of the U.S. Department of Labor.

As of July 2011, the U-3 Total Unemployed – the usual definition – was 9.1 percent of the workforce. It has been above 9 percent every month since May 2009 except for February and March of 2011. The U-3 unemployment rate hit a high of 10.1 percent in October 2009.

To put it another way, 13.9 million people are currently “U-3 unemployed” in a nation with a total potential labor force of 153.2 million. That’s a lot of people looking for a job!

But, wait! The mainstream media typically fails to report the broader U-6 Unemployment numbers, which includes those unemployed citizens who want to work full-time but are not counted as “U-3 Total Unemployed” because:

a) They may have a temporary, part-time job.

b) They are discouraged and no longer actively looking for work.

c) They are not on the unemployment rolls because they have exhausted their unemployment payments, which last up to 99 weeks in 22 states.

The current U-6 Total Unemployed – the actual unemployed – rate is 16.1 percent. That is 24.6 million who would like to work if they could find a job – a number practically equal to the entire population of Texas (24.8 million)!

Using those numbers, do the math. It’s frightening.

We have 130.1 million people working to support our country’s population of 312.1 million.

In other words, 41.7 percent of our population is working to support the other 58.3 percent.

To put it even more clearly (rounding off for the sake of clarity), it takes the efforts of two workers to provide food, clothing, shelter, etc. not only for themselves, but for three other

Continued on page 2
people. Or, each worker is providing, on average, half the support needed by another person.

You say you’re single and supporting only yourself? Or you have a family and are supporting only your dependents? Think again! Your taxes – federal, state and local, which amount to the single biggest expense in the budgets of most Americans – are going, in part, to support the unemployed and others (e.g., children, retirees) who are not in the workforce.

Yes, this Labor Day we should certainly honor our workers for the burdens they shoulder for the other three-fifths of the population.

With that background I think we should be concerned that in the third year of the current administration in Washington, little has been done to shrink unemployment. To the contrary, many things have been done to make the situation worse. The size and scope of government, taxes, regulations and bureaucratic roadblocks have been significantly increased.

Total annual spending by the federal government has shot up from 19 percent of our gross domestic product (GDP – the value of all the goods and services produced in our country) in 2008 to over 25 percent today.

Every dollar that goes from the private sector to the government is one less dollar available for investment and job creation.

Everything the federal government gets into means less freedom of choice and opportunity for the people.

At Outrigger and OHANA Hotels, we do everything possible to make our business a win-win situation for everyone.

- For our ‘ohana: Fair and competitive wages and benefits along with good working conditions and opportunities for advancement.
- For our investors: A fair return on their investment along with opportunities for growth and diversification and security in the future.

We have a great 64-year record in this area, but looking at the current situation and the future, we’ll have to work even harder to achieve these goals.

So, as you fire up the grill, drop a hot dog into a bun and sip a cold drink, take a moment to thank those who are working hard to support everyone else.

At the same time, think about what each and every one of us can do and needs to do to reduce the size and scope of government, increase job opportunity and get this wonderful country back on the path that has made it the greatest nation on earth for 235 years.

Happy Labor Day 2011!

* Data Sources:
Unemployment Rates http://goo.gl/CMoD
Population http://goo.gl/Bu0x
Federal Spending as Percent of GDP http://goo.gl/PNgiv