

GEORGE FREITAS

THE WATUMULL FOUNDATION ORAL HISTORY PROJECT

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(1920 -)

George Freitas, who retired in 1983 as Tax Director of the State of Hawaii, explains the philosophy that guided him through his forty-four year career in the Tax Department.

Mr. Freitas describes his early and continuing education, his family background, and his friends and neighbors in the Punchbowl area of Honolulu. He recalls his many jobs, his fondness for sports and his love of yardwork.

Hawaii's centralized tax system, changes in the tax structure over many years, and the automation of his department are discussed. He emphasizes the need for a personal approach in dealing with the public and the dedication required to fulfill a commitment to public service.

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INTERVIEW WITH GEORGE FREITAS

At his home 2424 Manoa Road, Honolulu, Hawaii

October 23, 1986

F: George Freitas

S: Alice Sinesky, Interviewer

F: My name is George Freitas. I was born in Honolulu, Hawaii. My father was an emigrant from Portugal who came to Hawaii in 1883 to work on a plantation. My grandfather came over as a stone mason to develop water flumes in the water lines of the various plantations.

S: Did they come together?

F: Yes, my dad came with his father. My dad came here with his parents as an emigrant from Madeira, Portugal. They worked on the plantations.

S: Which plantation?

F: Well, they were in Hakalau, Papaikou; they were in Pauwilo in Hilo. Then they moved down to Wailua plantation in Honolulu. Then my grandparents left the plantation and my grandfather went into construction business, working for contractors like E. E. Black, doing stone work. He was working on the Royal Hawaiian building when it was built, and the old American Factors building in downtown Honolulu.

My father didn't have much education, but he went to work for the Dillinghams and he worked on the railroad there for almost fifty years before he retired. He became a locomotive fireman on the trains.

My mother was born here in Honolulu. Her parents came from Portugal as immigrants. My mother's parents came over as coopers. Coopers are people who repair the barrels for food brought over from Europe. My mother, who was born in Hawaii, remembered the annexation and always talked to us about that.

My parents had three children. I have a brother older than I am, James Freitas. He retired recently after working for Dillingham for forty-seven or forty-eight years. He has a wife and two children. I have a sister who is married and

lives in California. She's married and has twin daughters. They reside in South San Francisco.

I was the second in the family. I was born here at Queen's Hospital on Emma Street close to Honolulu, my mother told me. I was born on August 29, 1920, and I went to Royal School. I used to play around the YMCA on Nuuanu Street where there's Safeway today.

After leaving Royal School, I was very active with Boy Scouts and different things of that nature as a young boy. I went to St. Louis for high school. I was supposed to graduate in June of 1939 and I was offered a job in the tax office on April 1, 1939. They were bringing in a group of people to run the bookkeeping machines. Since the brothers of Mary, who ran the school, were very familiar with the business opportunities in the city, I got a job in the tax office as a trainee on April 1, 1939, and I had to continue to go to classes to get my work done. I worked for April, May and June in the tax office as a trainee employee.

S: You worked full time and yet you were doing your regular school work?

F: Yes, and they allowed me to take time off in the middle of June to take the final examinations. Then the civil service system for the territorial government at that time commenced, and I had to take an examination. I passed and I was given a job as clerk in the tax office on July 1, 1939. At that time the Tax Director was Mr. William Borthwick.

I worked in the tax office and got married in 1942 to my wife Dorothy Dos Santos. Her father was from Portugal; her mother was born in Hawaii. Her father worked for the Oahu Railway on the trains and then went to Pearl Harbor as an engineer at the supply depot.

S: Where did you meet your wife?

F: I met my wife through a girlfriend of hers. We went out one night and I met her. Back in 1940. We have two children: a son, George, Jr., who is a lieutenant in the police department in Richmond, California, and who lives in Napa, California; a daughter, Doreen, who lives on Maui, up in Kula. Her husband is a head baker at the Maui Prince Hotel. He's a boy from the Middle West. His name is Holton. My son married a girl named Klein, German-Irish, from San Francisco. He went to school at USF. He met her at school. They have three boys. My daughter has two children, a boy and a girl.

I worked in the tax office and I continued to study taxation. I took LaSalle accounting courses on my own, extension courses. I took American accounting courses on my

own for many years. I went to the University of Hawaii and Chaminade for at least ten years or better, I would say, taking courses in corporation accounting, financing, auditing, business management, business practices. I kept up with all the tax courses that came out each year. I went to many, many tax seminars.

S: You never got a degree because you were just taking the courses that you were interested in and that were in your field.

F: Management, taxation, finance, accounting. I continued to do that, and as I was in the tax office I began to move up to different positions. I took an examination to be an auditor and I was an auditor. I was also in charge of a division there. I moved up where I was an administrative officer. Then I was the income tax assessor where I was in charge of the entire income, general excise and tax program. I was the assessor for about twelve years, and, back in 1973, I became what they call the district administrator in charge of all the tax operations as the highest civil service employee under the Tax Director and the Deputy Tax Director, who were appointees.

I spent many of my years going out and making speeches to people on taxation, trying to train the public in what they must know in order to file a better tax return. I was very much concerned all my life that my job was to be a good public servant working for the government. Taxation is not a very nice place to work: you take people's money and, as we know from the old days of the gospel, you weren't a very popular man. But I always felt that if you were able to understand people, relate to people, listen to their criticisms, be patient, be calm and collected, not to raise your voice or get excited or not treat them in any way that is not good business ethics or personality.

I did take courses at the university on management, and Morley Theaker, who was a local Sears manager, was a great instructor there many years ago on how you manage people, how you control people. Dr. Roberts was very good on that. Dr. St. Clair at the University of Hawaii--they were good on some of these subjects; the psychology of people, how to deal with people, how you interact with people. I felt that if I was going to be a tax official and a tax executive, this was going to be an important asset you have to maintain all the way through. Otherwise, you're not going to be able to meet the general public.

Fortunately, going back to around 1958 and the sixties, I was able to work the budget with the tax officers who were in charge above me. I did radio speeches on tax training back in 1962 when Jack Burns was the governor. Ed Burns was the tax director. I did teach courses at night school at the

community colleges on taxation. I even went out to teach courses at Fort Shafter night school.

Later on, I got involved, when I was the assessor, to go out and have training seminars for the military with the federal people on how to file taxes. We made sample forms, examples, had a seminar and then these military people went out to the South Pacific wherever they were stationed to help people with their returns.

We went to Kaneohe Hospital in those days to help the people who had mental problems with their tax problems. One good example that always stood in my mind--there was a man in Leahi Hospital with a bad case of tuberculosis who could not be cured. One of my classmates was a Dr. Ching who was a doctor out there. He asked me if I could come and talk to this man. He felt that there was something bothering this man far beyond just the problem of being sick. I responded, went out there, put on my white coat and mask and went to talk to this person once. I went twice and then a third time and got to know him pretty well. He had been working overseas during the war in the South Pacific for the U. S. Engineers. He was so upset because he had not filed federal and state tax returns for a number of six or seven years. That worried him to death. He was very embarrassed to face his family--for discrediting his family name. We began to talk about various subject matters and I told him that if he would give me what information he had, I would gladly give him a hand and help him. He went to his shaving kit and brought out these thick envelopes with all these W-2s and all these interest reports for several years.

S: Oh, he had everything there but just couldn't get it together.

F: He couldn't come across. I talked to him and he finally gave me the information. Before I did that, I asked him to call his attorney as a witness. The attorney came in and we got the papers. I went back to the office and worked up federal and the state, made up all the papers, went back to see him, told him what it was--the costs and everything else. He paid the whole thing and in less than six months he was out of Leahi Hospital and he's walking the streets today as a plumber. He's retired now.

S: It was all that guilt that was working on him.

F: The mental anguish bothered him. You would be surprised at the people who have come to my office, in my years of experience, crying because they didn't do something or because they did do something but they were afraid to let it be known to their family or their associates or friends. Mentally, this thing affects certain people.

I got involved in many domestic cases where problems of taxation came about. Many cases where properties of inheritance because of death and so forth. You sit down with four or five people and try to iron out the kinks. It was a whole philosophy that I had: what can I do to make life easier for the next person who has to give us money? I've always used the expression--you go to the tax office and you give them \$100 or \$500 and they give you a piece of paper back as a receipt. You walk in a supermarket and you always get a package of food, even though it may be expensive. I tried to sell this to my employees: we're not selling, we're not giving, we're just taking, so you're in a bad position.

When you go to somebody's company to audit their books or you call somebody and you want to review their returns, always remember you're questioning their integrity, you're questioning their honesty and you're questioning their highly confidential data. Naturally, normal human people will retaliate.

It's how you approach the problem; how you go in. I told my employees that when you go to audit a man, always go with the concept that everything is in order, everything is correct. If you go with the concept that he's trying to beat you, then you start off on a plateau where two different minds are not meeting. This is what I tried to tell some of the younger people. I made speeches at the accountants' associations, the women accountants, the CPA training course, and I did a lot of this operations work.

Then in 1978, Governor George Ariyoshi called me and asked me if I would be the Tax Director for the state of Hawaii. It's a political job; they've always appointed politicians to the job, and I was a career man. When I retired in 1983, I had put in forty-four years and six months in the tax office. The Governor asked me in December of 1978 if I would want to take over the tax office as director. He called me to his office and asked me. I said, "Well, Governor, do you feel I'm qualified? If you feel I can do the job, my answer is definitely 'yes'." There was no hesitating.

He said, "Well, let me think about it and see what I'm going to do." This was in November or December. Finally, I got a call about Christmas. I went to Maui to visit my daughter, and on Christmas Eve I got a call that he was going to appoint me as Tax Director on December 29, 1978.

S: Had you been active politically?

F: No, I had just been a government employee, and I always said I had the motive in my life to be a good public servant and do a good job for the government.

S: So were you surprised when he asked you?

F: I was somewhat surprised when he called me, because I was not a politician. I was not engaged in politics. After he called me and told me about it, he sent my name down to the state Senate for approval, for confirmation. I got quite a few people in town--the Chamber of Commerce, Alexander & Baldwin, Castle & Cooke and so forth who came out and supported me very highly at the hearing. They wanted somebody who knew tax work, but mostly they wanted somebody they could talk to.

They didn't agree with everything that I said, but at least they had that philosophy. So when I went up for confirmation in the Senate, they asked me what was my work. I told them what I had done and explained my philosophy of good, efficient business management. Government is like a business firm. You have to run it in efficient business fashion. I told them that what I planned to do was carry out the laws in equity and fairness to all people, try to do as much as I can in educating the public, in training.

You could see that with the tax returns you got back in 1979 there was a book with a letter on the front page from the Tax Director and I sent out copies to the various business people in the community--the accountants, the CPAs, the bankers--here's the form, you tell me what's wrong, you want to make corrections. I tried to do it so it would be a two-way street. The business people could say, "This is good. This is not good. This is bad." So we'd have an input. So it would not be the bureaucracy coming out with the answers.

I even formed a committee in the tax office after I became the director where we would have meetings every three months with the business community--accountants, CPAs, tax attorneys--to have them tell us what we did wrong or what ideas they had to improve. The reason why we did this was again to get a feed from the business community because, in any operation of our type, you are only as good as the people out there filing the correct returns. It's a self-assessing system and if you get the support of the public in doing what is right, then you don't have to go through all this, irritating people. I felt that the more you educate, the more you supply data of what to do, the more you give out regulations--not in a lawyer's language, in a layman's language.

S: Simplify.

F: Simplify, because no one can read the details of the tax laws. I read it all my life and I studied it for years and I like it and I enjoy it, but not everybody likes the same

thing I like. I cannot go and fix your car if the car breaks down. I'm not a mechanic.

So in that philosophy I tried to build the office--we had 500 and somewhat employees in the office. The 1978 state constitution in 1981 transferred the real property to the city and county in the various districts. Hawaii is a centralized system of taxation. It goes way back to the Great Mahele of 1819. In those days the people paid taxes on what they produced from their land, and they had a poll tax and a little tax on their valued land. That was all they had.

It was not until 1932 that the territory finally commenced with an income tax law. We had a poll tax prior to that of \$5 a person and that was the only tax they paid and they paid a tax on their property. This four percent gross receipt tax didn't come into play until 1935. We had an inheritance tax, but in those days values were small, people didn't have the wealth and it was no big problem.

So as I rose through the ranks and became the Tax Director, I was always cognizant of how other people treated me. I had worked for seven governors in my experience. Governor Poindexter, Governor Stainback, Governor King, Governor Long, Governor Quinn, Governor Burns, Governor Ariyoshi, and I worked for six tax directors who were appointed before I was appointed. Mr. [Earl W.] Fase is gone, Mr. Borthwick is gone, Mr. Westly, Mr. Burns, Mr. [Ralph] Kondo, Mr. [Gordon] Wong. I worked with six tax directors and seven governors.

I had the opportunity to testify back in 1962 before the Legislature on the tax measures and budgets and so forth, and I've always said in my mind when you go the Legislature, I'm only going to bring them information of how I see the picture and I will tell them the good side and I'll tell them the bad side. The decision to pass a law or not pass a law is not mine; it's theirs. I'm not lobbying for business, for labor, for education, I'm just there to say, "If you pass a law, you have these good points and you have these bad points. You choose whatever you want to do," and in my years as a Tax Director, I had no problem with the Legislature, either Republican or Democrat. When I came up for confirmation, fortunately everybody on the committee confirmed me. I had nobody against me.

But again, I think, it's the willingness to avail yourself to help people. When the Legislature was in session, I was working seven days a week until midnight. I used to leave in the morning at six o'clock and put in a ten-hour day in the office. If there was a report to be made to the governor or a letter to be answered for him, I got it done. Some people said I was a workaholic, but I enjoyed the

job; I enjoy life, I enjoy giving. I hung around with a man called Father [Kenneth] Bray in charge of Iolani School many years ago. Father Bray, when I was a boy many years ago at the YMCA, always talked to us about doing your best--never give half a loaf--give the full punch--whatever you do.

S: This is what's lacking today, don't you think?

F: Give the full punch. If you want to be a good bus driver, a good nurse, a good policeman, be one, but don't be a mediocre one. Whatever you do, give it your best punch. I think today that's our problem in society; nobody wants to give their best punch.

I've been retired three years in December and I go in the office once a week or so to help them. I check with the governor. I check with the Legislature. But if the resentment of people to come out and be free and express what knowledge they have--if five of us sat down with the five different knowledges here, I'm certain we can abstract good points from each one and have a solid foundation. I fought very hard with the tax office to have the tax offices automated. I said, "Automation is the thing. Hiring people isn't going to solve the problem; it's automation. It's a way to speed the process, getting information to the public immediately."

We opened up a tax information division at the tax office and you can call in and ask any tax question you want and they can give you an answer. Before, you had to go to twelve or thirteen departments to find the answer. People don't want to be shifted around. It's more efficient to have one section because we took studies--at least three-fourths of the calls can be answered very simply. The few that are tough can be referred to your technical staff or someone else in charge.

I did this because I wanted to build up a rapport between the people of Hawaii and the tax office, so we will receive the respect of the community--business, labor, whatever it is. By doing so, I made my job easier and I made my employees' jobs easier. I have always talked to my employees about initiative, motivation. I even had a paper put out at the tax office called The Communicator, which I used primarily to get people to start thinking. To get people to put their thinking banner on and start to think of what they do and what they have to do.

The reason why I did this was that I felt that if more people would start thinking of being more than you're supposed to be, and even in the Christmas message to the employees I talked about leadership role. I am talking that "each of us has a unique set of responsibilities... No one is a 'born leader'." This ability is cultivated by building

into ourself in whatever we do. The best seamstress, the best cook in the country, the best maitre'd--they were made. They weren't born overnight. "Therefore, let us all be true leaders in our daily work. Learn to praise and when to praise. Most of all, to make our work rewarding, recognize the human need for reassurance and the genuine appreciation we must have for each other as employees."

I think we have to go back and build the responsibility whereby each one of us has to tie into the link of a chain to make it a strong community, so we can all be strong and move ahead.

I have another one here. "... earnestly request your continued support and assistance in shaping the future shape of tax administration. To accomplish this, your skillful, careful and efficient application of the processes with which you are all most familiar is needed. Let us all be mindful of our late president's statement that all public servants know whether his post is high or low, that a man's rank and reputation in administration will be determined by the size of the job he does and not by the size of his staff, his office or budget. Our challenge to each of us is to render prompt, courteous and efficient service to every taxpayer we deal with. Our reward will be self-satisfaction and enduring respect of our community for the good of our department."

I feel that today a lot of these things are lacking in the operation of the world we live in. I feel you have to be willing to stand up and be counted. You have to be willing to stand up and listen to the other man's story and be able to help him.

S: Well, this is one of the pitfalls of automation--where people are made to feel just like numbers and you lose that personal touch.

F: But that other case--the one that I told you about. His attorney wrote me a letter. "On behalf of my client I want to thank you, Mr. Freitas, for your work in most generous fashion to determine this case. You can imagine the mental anguish my client had undergone up until the time he made his voluntary disclosure." He even wrote to the governor on this, but as long as I live I'll never forget this.

I used to go to Kaneohe Hospital to work with people who were sick. Some of them were sick, mentally, because of finances. You go in the room, close the door and talk to them for a while. I found that in going out to talk to the farmers in Kaneohe growing bananas or the farmers raising pigs in Ewa, they're different people. You're not talking to the attorney or the accountant. You go down to their level and try to explain to them what they have to do because they are important contributors to society, to our economy.

But today people say, "I'm an accountant. Why should I talk to the farmer?" He doesn't realize that if that farmer doesn't produce 5,000 heads of pig, we wouldn't have pork chops on our table once in a while or bacon to eat. The philosophy has changed. I, for one, believe that we've got to instill into our people's hearts and souls and minds, "What can I do for my neighbor?"

I recall we had some trouble in our tax office in Kauai and the governor sent me to Kauai for three months in 1964. During the war when we had people working overseas, I was sent by Governor Burns two months to Okinawa, Guam, and Japan to contact all the military people and advise them of their rights, what they should and shouldn't do. I can recall on some of those trips we brought in half a million dollars in revenue and more than that. But what it was, was talk to people one to one, explain to them what was supposed to be done. Ninety-nine percent of the people will fall in line.

S: As you say, it's education. I think they aren't trying to get away with anything; they just don't understand. Once it's explained to them they'll go along.

F: I believe that the majority of people want to comply with whatever there is to comply with, whether it's driving a car or whatever they're doing. But you have to tell them. Some people absorb it quickly; some take three and four times to absorb it. I find in my tax work that you have to be very, very patient with people.

There's a military seminar we gave. They wrote to the tax director. It takes a little time to make up all the sample forms. You go out to Hickam, to Fort Shafter, you get three or four hundred people out there and you have to work with them and what does it tell you? These people are not tax people. They are good soldiers, they are good airplane pilots or whatever they are. You sit down and go over this with them. I did this training seminar for many, many years.

This man wrote a letter from a mainland company. He came here for some information with my auditing staff and I finally got involved with him. We tried to clear this up. It was a business deal--millions of dollars--and he wanted some answers right away, not tomorrow, not next week. I remember talking to this man. I remember he phoned me a couple of times from the mainland. Again, you see we'll have to instill--I use Morley Theaker many times because I thought he was a great man who taught his people at Sears and whatever he did--he was Aloha United Fund Drive--he did a good job. People began to respect him.

I always tried to mold myself, "What can I do?" and I have more satisfaction in life today trying to help people

solve problems. Even though I'm retired now, I'm still involved with taxation. I'm on the board of regents with the Chaminade Tax Institute. We have training beginning next Monday for forty hours.

I do go out with different tax group people--attorneys, accountants, public accountants. We sit down and discuss taxes from the point of how they see it, how I see it and where are we going to go.

Again, it's the whole thing that I happened to help a man came from California years ago, Mr. Russell Bock, and he wanted to write a book about Hawaii taxes. He had written a book in California about taxes and he wanted to write one about Hawaii taxes. This started way back in 1964 or 1965. We sat down together and decided to put a book to explain Hawaii taxes with all the forms in the book. [Taxes of Hawaii] Mr. Russell Bock was with an accounting firm, but he did this book on his own. He used to be a teacher at the University of Southern California.

He wrote: "Space does not permit adequate acknowledgement and thanks for the valuable assistance I have received from my many friends in writing this book. My special thanks go to George Freitas in the Department of Taxation in Honolulu..." [1964 edition] He put this book out for years. You still see it around. I still work on the book.

[The 1985 edition is dedicated to George Freitas. "Tax collectors usually are not referred to with fondness. George Freitas, who retired as Director of the Hawaii Tax Department on December 31, 1983, is the exception. George devoted his career to serving the people of Hawaii. He was a student of the law. His door was always open to tax professionals. He was willing to listen to their side of an issue and was not afraid to state his position. We dedicate this edition to George Freitas for his many contributions to Hawaii's tax laws."]

S: Does it get updated?

F: It's just a volunteer thing. Every year we update it. Mr. Russell Bock enjoyed doing these things. Doing things like that and working on books like that, constantly, keeps your mind updated. You must remember we have a federal tax code, the state has something like fourteen different kinds of taxes.

S: The state really has its job cut out for it now, doesn't it, with the new federal tax laws?

F: Under the 1978 state constitution, the 1957 income tax law, we have to legislate each year with the federal changes

whether to accept or not to accept. They have tried as much as possible in the past to have the same adjustable tax income to simplify for the people. The rates are different, other things are different.

They'll have to go this year through the entire section of the law to see what they're going to do. I went to class twice this week. The federal one will take steps in 1986 a piece, very small; 1987 a piece; 1988 and 1989; after 1990 we'll be operating. You won't see the full results for three or four years.

It's a good tax law, I think, and there are reasons why it's a good tax law. They are going to try to move away some of the taxes from the people below the \$50,000 class, which is the working class. In Hawaii, for example, they take in \$446 million in income tax. That comes from about seventy-six percent of the population who make under \$50,000. Between \$20,000 and \$50,000, they carry the load. Most of the people are in there.

Those with \$120,000 have all kinds of tax exemptions and tax shelters. The tax office has a book showing the different income brackets and who pays the taxes.

As I say again, I hope that my work with the tax office ...and I tried to instill in my employees with the tax office the necessity of being good and able employees of the tax office. As I said goodbye to my employees when I retired, I wrote them something and I thought I'd like to read it to you, how I feel about it:

"As I look back upon my many, many years of government service to which I accepted with enthusiasm.

"Enthusiasm, to me is something that some people would like to have, something that some people never allowed themselves to express. Most of us like to feel enthusiastic about life and living. Let me make today a day of enthusiasm for something, some experience, some person, something that is meaningful in our lives. Let us right this moment decide to stir up a spirit of enthusiasm, to express a joyous happy spirit.

"We can be enthusiastic about the beauty of today. We can be enthusiastic about some projects in our home or at our place of work. We can be enthusiastic about opportunities that come to us, to use our talents and abilities. We can be enthusiastic about applying the constructive ideas and knowledge that come to all of us.

"We who hold government office, whether appointive or civil servants, are afforded high privileges. For to us is given the opportunity to meet that divine injunction. He

who would be greatest among you, must be the servant to all. With no regrets, with an unclouded conscience.

"As I leave this office with the knowledge that I have done my best within the limited capabilities, I leave enriched with countless new and cherished friendships, with nothing but fond memories of years of mutual efforts toward the best for all and with deep and abiding love for the people in whose cause together we have sought a life of public service.

"I hope that you remain steadfast and courageous in the expression of your personal and professional convictions in your daily life.

"I consider it a privilege to have worked with you - all.

"To each and all of you, I extend my very best wishes for continued enthusiasm and success.

"Mahalo, Aloha and God bless you A L L."

I felt that I had to not just say goodbye; I wanted to leave a message. I had a lot of young people on the staff and I wanted to leave a message to them that they have to see what it is there and what it is there for them to learn. When they had a dinner for me before I left the office, and I thanked the people for coming and I talked about my family and I said:

"As we all know from the biblical times in the sacred scriptures, the tax collector was not the most liked or popular person in society. I presume that I was not identified as that type of person from your presence here tonight.

"As we celebrate this occasion, let us remember the importance of the event. We should be friendly, cooperative and foster goodwill among our fellow men to achieve greater human understanding as we all strive for excellence in every undertaking. In Hawaii the ALOHA SPIRIT must never lose its importance in the hearts of modern man. It was the ALOHA SPIRIT of understanding, love and respect for fellowmen which made Hawaii the gem of all the world.

"As I leave government service with the knowledge that I have done my best...of years of mutual efforts towards the best for all and deep and abiding love for the people in whose cause together we have sought a life of PUBLIC SERVICE. My primary goal in life was that of a DEDICATED PUBLIC SERVANT to all the people and integrity, equity and fairness in the method of operation of the system of taxation for Hawaii.

"May this joyful event inspire one another with confidence to collectively use our talents, knowledge and skills as we aspire to create a better life for ourselves and with continued effort and enthusiasm we can fulfill our commitment to the ALOHA SPIRIT and to the pursuit of happiness.

"...I wish each and everyone of you years blessed with health, happiness and success and may our good Lord guide you safely home."

I did some of this because I wanted to see that these young men and women who had been hired, who had come out of college with a lot of degrees and education--CPAs and attorneys--that's great. That's important. But to me, that's not the whole world yet.

I just heard a speech of the Prince of England that he made to the Harvard Business School some time ago. He said that all of these people come out of Harvard with all these degrees, but do we use those degrees as human beings to live with our fellow people?

Back in 1982 and 1983 my Communicator letter to the employees every other month was just to keep them informed as to what was going on. I tried to use it as a hitting point for something different. I don't think we have done enough in our community--in our society today--to try and instill and bring back this spirit of cooperation.

Maybe I grew up in the YMCA; maybe I went to a government school; we had public health nurses come and check our teeth; but these people were dedicated to you. They were concerned about you. You know, when you're playing baseball in the park, you learn at the YMCA that you take a shower before you go in to swim. You don't take a shower, you go home. I mean simple things. Simple.

I tried in the tax office to win public support. Without that, the government cannot function. I said to someone the other day with the election coming up, "I don't care who the governor's going to be, but are they going to get the people to go out there and render this dedicated service to get the fish back to the net?"

I never believed in too many office memos. You can write all the memos you want to write. They can go in the wastebasket. If you want to hit a guy, hit him face to face. I used to be very strong. When my employees were sick, I visited them. When the girls had babies, I made sure I visited them or sent a bunch of flowers. When they were married or if there were funerals in the family, I made sure

I was there. I felt this outside activity is going to bridge the gap to make us much stronger.

S: Well, some of this feeling must go back--not only to the YMCA and that type of thing--but to your parents, your family life.

F: My father was very strict about helping people.

S: Was there a religious aspect also?

F: My mother was very religious. You never hurt anybody else.

S: Again, this is what's lacking today.

F: If you brought a pencil home, my father would say, "Where did you find it?" "On the street." "Put it back. Somebody lost it." If you found a baseball in the park, "Where did you find it? Put it back. Somebody bought that baseball." Small things like that. That's how he was.

I always felt that I was appreciative that I was able to be born. I felt that once you had a little spark, the rest was upon you to go out and make a life for yourself. Nobody's going to give it to you. Your parents give you a foundation, but I still believe you should instill in everyone's heart the aggressiveness of trying to be productive, trying to have motivation, trying to have initiative and try to be able to serve the next man. If there's anything great in this world, it's to help somebody solve a problem.

Same as going to the hospital every year to help those people prepare their tax returns. My boys put on their aprons and their masks and went from ward to ward. Some didn't want the service; some accepted it, but the fact that you were there made a difference.

The fact that I had meetings in my office with the Honolulu business community--the Chamber of Commerce and so forth. At least you had a channel. And if they criticized or do something wrong, I was learning at the same time. Maybe I didn't see through the forest--the trees were too thick. Again, you're not only seeing through the forest but you're getting closer to understanding one another. We were able to discuss.

S: Seeing each other's side of it.

F: This was my whole philosophy. As the Tax Director--the Governor appointed me and he reappointed me again in 1982. I told him I didn't want to stay on. I wanted to call it quits. I wanted to retire and take it easy. He said, "No, no." So I was reappointed in 1982 and I finally left in

1983. I had forty-four years and I felt that I should step down and give somebody else a chance. Naturally, he picked up some other boy from the ranks and brought him up. Eight or ten people got promoted, which is a good morale builder.

But I think what we have to do is get everybody to learn that it's a pleasure to help their neighbor. That's my philosophy. I need the eyeglass doctor when I need my glasses repaired, I need the dentist to have my teeth fixed, I need the shoe repair to have my shoes cleaned. I need somebody else. I don't live in this world by myself.

S: We're all dependent on each other.

F: But how do you sell that to our modern society of people. I went to a government school where I had people like Mr. Smith, the principal, Mrs. Sisson, Mrs. Motiyama, Mrs. Chang, Mrs. Nunes. They were dedicated. They touched on the basic fundamentals. You learned this very fast. They brought it to you. I went to government school for eight years, then I went to St. Louis and then I went on my own. But nothing I say--I think it's great for these people who get out of high school if they want to go and study extension courses or go to the university. Once you work and you are married, you see the responsibilities of life. You apply yourself positively.

END OF TAPE 1/SIDE 1

F: My wife enjoyed going to night school and taking up child psychology and things like that. I think that when I was working, I felt that if I stayed home at night and did the studying of my taxes and my children were doing their homework, we were all doing the same thing. I wasn't in a chair watching TV. It doesn't work. Watching the TV and doing your homework. I sat at a table and did my tax study and did my office work. I was a great one for bringing office work home. I was a great one for that. I enjoyed that.

But what I was trying to do at the same time was to get my children to see that you have to do it. To set an example. There was no TV during study period.

S: We've talked a lot about your philosophy and what you did and let's talk a little bit more, if we could, about some actual incidents when you were growing up. You mentioned your schooling. Did you enjoy school all along?

F: Yes. As I grew up as a boy I loved school. I loved to have people talk to me. I was not an athlete in school. I used to raise chickens as a young boy about ten or twelve years old. Imported eggs from California; I had somebody

hatch them for me in an incubator; I used to sell the chickens.

S: Where did you live while you were doing this?

F: I lived up in the Punchbowl area. My dad had a big yard and we had chicken coops in the back. I used to raise them by the hundreds. At one time I must have had 2,000 chickens. I used to kill every Saturday so many and take them to the butcher shops. I used to sell a dozen eggs for thirty or thirty-five cents. In those days you used to buy a bag of feed for \$2.80; today it cost you about \$14.

As a young boy I used to clean yards for people. I maintained people's yards. Dr. Dobson is dead and there were the Fernandes and there were other people. I maintained their yards for many years.

I enjoyed one sport--that was bicycling. Peter Schubert used to be a bicycle rider out here. I rode bicycle for six or seven years, I would say, until I got through high school. Bicycle races. Mr. Farrington of the Honolulu Star-Bulletin used to give us trophies or prizes. Mr. Twigg-Smith of the Advertiser used to sponsor some of this stuff. But primary were the Farringtons. Riley Allen of the Star-Bulletin was very supportive of this stuff. The only sport I got involved in was riding a racing bicycle. I loved it. I used to get up in the morning at five o'clock to train for an hour, come home, take care of my chickens and go to school.

I used to raise chickens and do yard work. I loved to do yard work. I love it. It's my pleasure. To see things grow; to see things come up. So with my young boyhood days, I loved to watch baseball and football, but I wasn't much of a sports enthusiast.

S: But you grew up in a nice time in Hawaii. Everybody said that the thirties were so great.

F: Then I went to work in the pineapple cannery in 1933. There was a Mr. Jenkins down there who was the boss. I went to the Dole Pineapple Company during the summer vacations to make some money. I thought it was good because you were told what to do, how to do it and somebody told you what to do. I worked at Dole Cannery for about four or five summers. In those days at fourteen years old, you'd pick up in the cannery and go to work. There was no law. You went to work in the cannery. I went to work in the cannery for fifteen cents an hour. You got \$7.50 in the envelope. You went home and gave it to your mother. That's what it was all about. You got a quarter or a dime and you were fortunate.

That money helped to pay for my school clothes. I went to St. Louis in those days. Tuition. To help my mom and dad

keep us in school. We always ate; we had no problems. As a young boy, as I said, I grew up in the neighborhood around the YMCA, I lived around Royal School, which was Emma Street and the Pacific Club. It's a new building now. I played around that area where Central Grammar is. That was actually downtown Honolulu. St. Andrew's was right there. St. Peter's Church on Emma Street. Queen's Hospital was right close by. The same area.

I grew up in a neighborhood where we all had responsibilities. We had to come home and feed the chickens, clean the yard, sweep the yard. There was always some responsibility. At night when your mom washed the dishes, you had to wipe the dishes and put them away. Get some food and feed the dog or clean the dog mess. But there was some responsibility. And I think those kind of responsibilities build into you and become part of your life. I mean, try to be neat, keep yourself neat, keep your clothes neat.

S: You're responsible for yourself and you try to help others.

F: As a young boy growing up I went to work--I was a young man at that time--at the tax office. They said, "You don't get paid for three months." My dad said, "You're going to learn something. It's worth it." I worked for three months with no compensation; April, May, June. Official records show me on the payroll July 1. I learned how to do things. That's how before the plantations hired these boys from various schools to go work as trainees. But today in our society of unions and everything else we have, we stop all this. Then we wonder why we have problems. As a young boy, I said, I went to school, I raised my chickens, I had my bicycle for my sport, I loved to go swimming, I loved to hike all these mountains around here--Tantalus, Manoa, all around here. We used to have Summer Fun with the Park Board--go out hiking with the YMCA boys. We hiked Halawa Valley. I knew all of them. Just recently, I took some kids from up here, some neighbors' children and some parents for a hike up to Aiea. Way back there's a plane that crashed...

S: Oh yes, I've done the Aiea Loop.

F: I took some kids and the mothers and fathers and went for a hike. The kids never been in that kind of place. The parents don't take them. As a young man growing in a community where everybody was working--my mom did not work, but she took care of the house, she sewed, she sewed pajamas for us and sewed underwear for us, she sewed everything for us--and kept us all going. She did the best she possibly could.

My dad said, "Take the job. You're going to learn."
So I took the job with no pay.

S: How long did your parents live?

F: My father lived until eighty-nine; my mother was seventy-nine. They lived a good age. My mother went to school in Honolulu. She went to the Sacred Hearts School on Fort Street where the Ritz Store is now.

S: What was her maiden name?

F: Mother was Fernandes. She went to school there and she was a stickler for education. She was good in math. Good in spelling. And she was demanding that you do homework every night. Growing with that atmosphere and your neighbors were the same way. Everybody was concerned; everybody shared their fruits and vegetables; everybody shared their chickens; everybody shared what they had.

I remember Mom during the holiday season making fruitcakes by the dozen. Chop all that stuff up by hand. But I think that's how we spent our Christmas, by sharing what we had. We might have roasted two dozen chickens and give them away. Maybe sweet bread. I remember the walnut cake was good. We gave that stuff away. That's how they did it.

S: But in return, people were giving to you. It was exchanging and sharing.

F: It was the atmosphere that we grew up in. Mr. Pfeiffer, for example, and I worked together in the pineapple cannery back in 1931 and 1932. I knew Pfeiffer way, way back. He was an ordinary boy but he made his way. He was a seaman upon a ship. And I think I have more respect for him because he was the only one in this community--in the business world--who was able to keep Weinberg from taking over the company. Weinberg was a big stockholder. Pfeiffer was the only one who stood up. That's why I think A & B is retaining Pfeiffer. He's my age and he's supposed to be retired, but he's still around.

S: Yes, he's planning on a couple of more years.

F: He's very concerned about the welfare of the community, of the universities. He's very generous. I grew up around town and I saw people donate money to the YMCA, the Salvation Army, the Atherton family, the Wards, the Wilcoxes, the Cookes, the Dillinghams, the Rices. I saw these returns, these trust returns where they poured thousands of dollars to these organizations. That, to me, showed a humanitarian side of caring for their neighbors.

Salvation Army, okay. Mr. Worrall was a senator one time. He owned KGMB before Heftel came around. J. Howard Worrall. Dudley Pratt selling his home and giving it to the Boy Scouts. The Foster Gardens one. Ala Moana Park. You've got so much of this type of people who are so generous to keep this society going. The Chinese Palolo Home, the Salvation Army, the Waioli Tearoom. Somebody keeps it going.

Our local missionaries who came here had a heart of gold to contribute to the welfare of the state. They made money on the plantations; you read about the Dillingham life; you read about the Theo Davies life. Those cases make you think that there are people who are concerned.

I think growing up in my neighborhood--growing up with the YMCA, with the church activities, there was Catholics, there was St. Andrew's Episcopalian--Father Bray was around then. We all respected him. Father Victorino, the Catholic priest, the boys all respected him. He came around and we were playing ball--we played volleyball and he said, "It's foul." You could holler all you want. He said, "You're out," you're out. Nobody argued with him. Why? Because you respected him.

And to me living in that surroundings, growing up in that area, I think it rubbed off and affected me in my later life. I've always wanted to do in this world something that would bring pride and joy to my parents, to my wife and to my family. I would never do anything to hurt them in any way, shape or form. I don't care if that is driving a car with common sense. People say they like to get drunk. I don't believe that stuff. You aren't going to be respecting yourself. Some of those basic things have been strong with me.

My son is raising three boys. He's holding the same line. My daughter's raising two kids. That's up to them, but I believe that this is very important to all of us.

S: There's nothing that can replace the values that come from the family.

F: Just taking your own history. How many Japanese boys are in prison today? Why? Because of the family. You don't embarrass the family. And I think the Asiatic and European families, this was part of their philosophy. Never embarrass Daddy and Mother, Grandma and Grandpa. No way. I think that is important.

As a young boy growing up, I grew up in a neighborhood where it was a tough time. Nineteen twenty-eight and twenty-nine was the Depression. No jobs. Money was hard to come

by, but we survived. We didn't have all the things that people have today, but we survived.

S: And you didn't have the discrimination.

F: I grew up in a neighborhood with Koreans, Chinese, colored people--Ted Shaw was a baseball pitcher who came to Hawaii from the Black Giants. He stayed here. He was a coach of the Islander baseball team. He passed away. We had Hawaiians, Portuguese, Germans, French. We had no problem. The Cooke family, Pfeiffer lived up there, the Gertz family we knew well. I can mention name after name. The Wilders. No problem. Everybody lived together okay. Because you had a little more than he had didn't make a difference.

S: Tell me about the World War II period. You were about the right age to be drafted.

F: My wife worked at Pearl Harbor. She was there December 7. She was there the Monday after that. I was called into Civilian Defense for World War II. We were with the government. We were activated to Civilian Defense. We worked with the military. We worked seven days a week. They worked seven days at Pearl Harbor. Three shifts. I was with the Civilian Defense and we were with the Army Intelligence. I did not get drafted. I was going into the Army, but the war ended. During the war, I spent my time rendering service to the various military bases on taxation for the various military people. From Kaneohe to Barber's Point, West Loch, Kolekole Pass. I used to go to all those areas.

S: Were you deferred because of the nature of your work? You were considered essential because of what you were doing.

F: They didn't take me. I didn't have to go into the service and that's the reason why. But I did perform government service. I was with Civilian Defense and we went out every night to patrol the streets until midnight with gas masks and so forth. I wasn't married in 1941. My wife was single but she was at Pearl Harbor.

S: What do you remember exactly about Pearl Harbor Day?

F: We got up that Sunday morning and saw the explosion.

S: Where were you living then?

F: By Emma Street. We got in the car and drove to Pearl Harbor to see what the fire was all about. When we got to Pearl Harbor, it was a mess and Governor Poindexter declared martial law. The military picked us up and we had to go and help to remove the desks from the classrooms in Royal School, to bring in Army cots and move the wives and children from Pearl Harbor and Hickam Field to live in Royal School. At

night we had to carry hot water in ten-gallon drums to the rooms so they can wash their children and bathe themselves and then carry them back when they were through. We carried the food from the cafeteria to the rooms where they were feeding their families. They moved them from Hickam Field and Pearl Harbor and put them in the government schools. Royal School was one, McKinley was one, St. Louis was a hospital. Punahou was another school taken over by the Army Engineers.

For about three or four months we worked with Civilian Defense. It had to be done in darkness. We did it; nobody grumbled. There was no compensation; it was a volunteer service. I've never seen people volunteer so much, work long hours as they did after December 7th in Hawaii. People worked seven days a week. My dad worked moving troops seven days a week, ten or twelve working hours a day. My wife's father was at Pearl Harbor Naval Supply Center providing fuel for the ships seven days a week, twelve or fourteen hours a day. Nobody died. My wife was working twelve hours a day, seven days a week, for a long time. That's how it was. You give your best.

I did grow up in the war. I was here during the war. I remember when they brought the Italian soldiers to Fort Shafter and Schofield. All that wall at Fort Shafter was built by Italian soldiers. A whole bunch of Italian soldiers was brought here to do work at Schofield.

S: Masonry type?

F: All that masonry wall at Fort Shafter, and then at Schofield they had a big laundry out there. Huge laundry to wash all the clothes for the military. They brought them over here for that purpose because they didn't have the manpower to do the jobs.

I went out to Schofield, Pearl Harbor, Ford Island. I used to go out there at least two weeks of the month. I got the security badge from the military government. We went out and tried to help. We didn't have a big office at that time. Only a few of us were left in the shop.

S: And what year did you get married?

F: Nineteen forty-two. I got married during the Battle of Midway. June 7, 1942.

S: Did your wife work during these years?

F: She worked at Pearl Harbor. After we got married, I didn't want her to work. Our son was born in 1943. My wife worked at home. She kept accounting books for people; keeping payrolls. All her life she's been self-employed.

She kept books for people; payroll, contractors, orchestra players, restaurants. At least for twenty-five or thirty years she kept self-employed.

S: Where did she get her accounting training?

F: Sacred Hearts Academy in Kaimuki and had good accounting training. She kept studying accounting work and did accounting work for years. At one time she must have had about a dozen accounts. Making payroll and keeping records.

S: Isn't that nice?

F: She did it even while the kids were growing up. She could watch the kids and still do it. She did it for many. Right now she only has one account left. It's a very small account. It's only a rental account. Apartment rental. The people had a retail store. The husband died. She has one account only. This old lady wanted her to take care of it. She's done it for them for, I'd say, for thirty-five years.

S: None of the children cared about accounting?

F: I wanted my son to become an accountant. I had an idea that he would become an accountant and I'd leave the tax office and open up a tax office with tax advice and so forth. But my son didn't want anything to do with accounting. In my family I was the only one that came out to the business field. My father, my brothers, most of my brothers-in-law, uncles, were all in the mechanical trade--carpenters, masons, plumbers. I was the only one who took over to the business field and I loved it. I still love it. I think it's the greatest thing in the world to do this business work. Especially in the tax office. To me it was a great occasion because I had the satisfaction of helping people solve their problems.

To me I think--the governor sent me to Kauai, to Japan, to Okinawa, to the mainland many, many times. It was a sacrifice on my wife's part, too, you know, because she had to be alone with the kids. It's a two-way street. When I spent three months on Kauai, she was here with the two children. In fact, one summer she sent the boy to Kauai to stay with me for about a month.

Then I went to Japan and Okinawa for about a month and a half and the mainland many times. She had to be by herself for a minimum of two weeks. It was a sacrifice on both sides. She had to take care of the kids and run the house. But she was always supportive of me when I became the Tax Director.

Many people do not know that when you become a cabinet officer of the governor, you are on call seven days a week,

seven nights a week. You go to many receptions, you go to meet many dignitaries on his behalf if he cannot do it. You go out and make speeches for him, you go out and make informational talks. I remember going to the airport one morning at two o'clock to receive an ambassador coming in from Brazil or some place like that. That's how it is.

I can recall going with him or his wife to different places. He used to try to locate different cabinet officials to try to help. Again, it was giving up one's time and self. And, again, I think it was the greatest reward because I really enjoyed working and helping these people. Because, you know, what are we in this short time in this world--whether it's twenty or thirty or forty or sixty or seventy or eighty years--it's all over. What's life all about? If I have a skill, I'll share my skill with my carpenter or my mechanic at the garage. If I stop for some gas and he has a tax problem and asks, I'll have some answers for him. The plumber calls and he has some problem. He wants to know what to do for disability. I told him to go down and file a claim. That's all he has to do, but somebody has to tell him. Who's going to lead him to it?

I enjoy coordinating talks for the senior citizens groups at Central Union Church and other places throughout the community. I did that for many years. I went to the schools and gave talks at Kaimuki, Roosevelt and McKinley to the students about taxes. I think the schools should go more into this, especially with juniors and seniors. It's a way of life today; all the kids are working at McDonald's or wherever. We should teach them from the beginning. I used to go to Roosevelt and give some classes.

S: You're right, because these kids have to learn how to deal with it.

F: All this book theory is okay, but you don't live with book theory. It's the real world--how you apply yourself to meet and understand people, to converse with them, to be able to be available for their assistance and at the same time pick up some points that they can share with you.

In my years in office I always tried to do things like this to build up people--what to do, how to do it. I made speeches to different associations about the history of Hawaiian taxes. I've been to the mainland and the Western States Tax Conferences and the NAT (National Tax Conferences). I prepared speeches up there many times on different laws. There's one here in 1972 (I was an assessor then--I wasn't the director then) about the general excise tax, all about how it operates. Here's one here I wrote about the taxes in Hawaii under successive governments. They came in 1810--I did some research on this. How the chiefs and the kings had the big mahele.

S: In mentioning the Great Mahele, you used the date 1890. I thought it was about 1849.

F: It was about 1890 when they paid taxes to the kings and so forth. I said 1890, after you had the annexation. Prior to that time that's how they operated. The tax office, even prior to 1932, was a division of the Territorial Treasury. It was not a tax department.

S: Do you think there's anybody else on this Island who knows as much about Hawaii taxes as you do at this point? (laughs)

F: I don't know. I did some study and I tried to do some picking up when I went out to make some of these speeches--the change from the old to the new. I wanted to show how we made the switch over. Mainly, we had this gross income tax. People talk about this. I wrote some articles on that. There are many other things. I try to look at the trends. Our taxation is centralized; not like the mainland. We have a centralized system and we supply the counties. We have a centralized school; centralized health. On the mainland you have separate school districts.

S: Do you see any inequities at this point?

F: I think the centralized government is much more efficient. It can be handled where everyone has the same treatment; there's not the discrimination. When you have each Island doing its own, they use different yardsticks. We had a uniform system of assessment. We all used the same method. If you live in Kauai, Honolulu, Molokai, Maui, Hilo, you have the same method. If you have separate jurisdictions, each one will go its own way and then you have disparity.

Since we are a state--you know, many mainland people have told me that when they have tax problems, they come to the Hawaii tax office and solve their problems. If they were in California, you go to San Mateo, you go to San Bruno, and you go to San Jose. It's a problem. They started with the municipalities; we started with a centralized system.

They talk about breaking it up and giving it to the respective counties. You know darn well Kauai could never afford a junior college and a school system and a health system and a welfare system with something like 50,000 people. It never will be. Maui the same thing. Hilo has a vast amount of unused land--unvalued land. Could they supply the children there with a good school system--elementary school, grammar, high school? No way. You wouldn't have the state building that you have today; you wouldn't have the Hilo Airport. They couldn't afford it.

There are some pluses to centralization and some minuses, but I think that if we're going to have a million population in Hawaii, centralization is much more economical. The taxpayers in Hilo, Maui and Kauai have the same rules to follow, the same place to pay.

The people that I met during my years of belonging to the Western States and various associations all think that we have the greatest system in the world. Again, many mainland states elect the Tax Director. I hear people talking about doing this and doing that. I think government has to address itself to become more businesslike, more efficient, so that with efficiency we can become more economically stabile and diversify our supply to a greater number of people. You hear about government bureaucracy. Sometimes it's too tough. You don't need it.

I think that we're coming to a point in our state where the costs of wages is becoming so high that something has to give. It has to stop some place. The way we're going now, we're pricing ourself out of the economy and, therefore, we don't have any more work. I think in Hawaii with all the immigrants coming in doing all the menial tasks and we have some kids who are not good in school--maybe give them a training course as a cook or a salad maker or as a tailor. Down in Kakaako the fender shops are ninety percent all foreigners--Koreans, Filipinos. What's wrong with having our boys taught how to fix fenders?

Sometimes I think we're missing this in our educational system. It's nice to be all college graduates, all with BAs and MAs, but you can't use them all. I've always said one thing in my tax office to my employees, "Every time you get a dollar in wages you have to make five times that dollar so your boss can stay in business." A twenty-dollar an hour man has to produce a hundred dollars or his boss will not be in business.

There was an article in a news magazine about sending more people to Japan to be taught how to build cars. They don't have to be taught how to build cars; they have to be taught how to work. They can do it, but they have to have initiative and motivation to be the best. They don't care, you see. They don't have pride.

I was talking to a businessman this morning about pilferaging. The problem of pilferaging. Now that should not be. Every time you have somebody pilferaging, you and I are going to be paying for that at the grocery store. They think it's the way to live.

Again, even in government, in the tax office with all the cash. You could pay tax in Hilo, Maui, Kauai--no matter

where you live. Before, you had to pay Hilo to Hilo, Maui to Maui. We centralized it. Automation. We do posting every night. We bring in temporary kids every night to help us run the returns through, run the cash through. Why leave it there idling? Why pay overtime? They come from the university, part-time, five hours a day from five to ten. They make \$4.50 or \$5.00. No fringes. What are the banks doing today? Sears? Woolworth's? Liberty House? Hiring women for nineteen hours a week. If everybody works nineteen hours, we won't be able to live. They'll need two jobs and if you work two jobs, you destroy the family. Daddy works in the day and Daddy works at night. Who watches the kids? They're out at meetings and who watches the kids? There's Kiwanis and Lions and bowling. I think that's where we make our mistakes.

S: And you know, you have plenty of time for that after your kids are grown.

F: My kids are grown up now and my wife and I retired, so we can go for trips. Last year we went to the Carribean; we've been to the mainland different times. Plenty of time for that.

I believe that the example of the few--and I know quite a few--if we can just try to infringe on some of these people to follow some of these policies, or at least try to adapt some of it, maybe they'll see the results of it after a while. Not what is in this world for me, but what can I do for somebody else? As for me, do I need more clothes, more food, more cars? It's all material things that have no value.

S: I think as you get older, too, you become much more aware of that.

F: Young people look at it a little differently. Going to a big, fancy dinner or a nightclub is a big deal, but doing it ten times, you don't care any more. What I'm trying to say is that we should start with our educational institutions to try to instill this method of training. I don't think it's obsolete; I don't think it's old-fashioned; I think it's a necessary ingredient.

You take the old Japanese who came here. They had nothing; they worked hard. There was Matsumoto Estate that owns all that property. He married a local Hawaiian-Portuguese widow who had property. He had a trust for his grandchildren. I know so many trusts in this town; Atherton Trust gave to the university. Generous people. That's why we have Mother Rice and Playground [KCAA Pre-School and Kindergarten] for the kids, and we have this and that because of people like that. But can we maintain that?

I feel very strongly about this and hope the other corporations join the bandwagon. Bellinger at First Hawaiian Bank is very strong. And you have Stephens at Bank of Hawaii that you can talk to. I met with Stephens just recently on some business deal. The bank is trying to cooperate and make loans to small business people. You make a loan to a hundred small business people for three million apiece, you've got that much money. You make one big loan to one big person for eighty-four million and he goes broke and you're dead. You see the concept--you use the majority. You get a hundred and you lose five, you've got ninety-five. You got one big loser and you're out. I was just talking to Stephens recently on this.

They're talking about all this big economics for growth. Let's step back. What do we need to train our people? Hawaii is coming to be a service occupation community and this service community does not pay the wages that you do in scientific, manufacturing, architectural or engineering. That's why so many local boys are going to the mainland.

My son got through school and got a job in personnel management in the police department. Now he's in charge of internal affairs. He went to criminology in Southern California and it pays well and he has a good job. He wants to come back, but where's your employment?

I say we should start with our own people and train them. Everybody can't be a bellhop or a waitress. You can't live on a bellhop's salary. They can't live on that and raise their family and buy a home. No way.

Individuals have to sit down and those who are in authority must be able to feed this down. First line supervisor, second line, third line, general manager--must be able to feed this down to those that they work with. It won't succeed the first time; try the second time; try the third time. Recultivate it; it's going to take seed eventually. And if it only takes seed ten percent, you do it five times and you've got half the thing going. Some people are slow coming; some come fast.

I look at the whole thing. This is how I measure my life. Even today I'm retired and I'm in good health and I'm happy the government provided me with a livelihood to support my wife and my children, and now if I can give back to the government in help in what I know, I'm ready to go. What good is it if you have knowledge and keep it to yourself? You should be able to share it with other people, so that when you close your eyes, they can pick up some piece of the pie. Not all of it, but some of it. We want people to pick these things up so that they can move ahead. I think it's really great and we all have to sit down and really try.

I talk to my niece, my nephews, my friends' children and I keep pounding away. This one girl was writing a report for the university and she gave it to me and asked me to read it and make some corrections. I read a part of it and some of the things do not come out clear and concise. You know why? Because they're trying to do other things. You have to go in the room, close the door, sit there by yourself. You'll find out. You'll learn fast.

I spend a lot of time reading. I'm not a TV lover. I spend a lot of time reading financial books, business books.

In 1974 the state had an award for the employees of the year and I was picked as the tax office employee. Something they put in here: "Freitas spends much of his evenings, weekends, vacation time gathering information about tax laws and their interpretations in regard to judicial rulings, legal opinions and reading material relevant to his job. He is familiar with the local business and business practices..." If you don't know business practice, you cannot put into play accounting principles that you know. They go hand in hand. They can't be by themselves. I for one spent a lot of time doing that and I enjoyed doing this kind of thing. I enjoy trying to help somebody solve a problem. I might not have all the answers, but at least I try. If I give them some answer, it makes them think.

S: And you're going to continue doing this for the next thirty or forty years.

F: I don't want to stop. I feel if you keep the mentality of your mind going...I can't see people retiring. I go to Ala Moana Park for a walk and I see Russell Cades out there walking, Milton Cades, Chinn Ho. Walking is okay, but sitting around there playing cards for three or four hours...

S: You have to keep the mental going. It's wonderful to have good health, but you have to keep the mind going.

F: Take the old European, the old Japanese--they keep their mind going seventy, eighty, ninety years of age. Take this man Mr. [Masayuki] Tokioka, National Finance. He's ninety years of age. Look at Hiram Fong. He goes down to the office every day for three or four hours. There's a man in his eighties. Chinn Ho goes down every day for three or four hours. I know a man in San Francisco, Mr. Al Wilsey, Sr., he doesn't have to work, but he's down the office every day. By six o'clock he's down in the shop seeing what goes on. His boys are running the business, but he's there. He keeps busy.

S: Yes, you have to keep up to date and on top of it.

F: I'm going to Chaminade next week. I've been going to Chaminade for the last twenty years.

S: And you'll be going for the next twenty. It's been a pleasure meeting you.

END OF TAPE 1/SIDE 2

SUBJECT INDEX

- 1 Family background: emigration from Portugal
 Siblings: one brother and one sister
- 2 Attendance at Royal and St. Louis High Schools
 First employment with city tax office while still
 attending high school
 Marriage to Dorothy dos Santos in 1942: son
 George, Jr. and daughter Doreen
- 3 Continuing education in accounting, taxation, and
 finance
 Progression in career
- 4 Teaching at community college and tax seminars
 Anecdote: assisting patient at Leahi Hospital
- 5 Appointment as Tax Director in 1978
- 6 Efforts at education of taxpayers: letter on front
 page of 1979 return, meetings with business
 community
- 7 History of taxation in Hawaii
- 8 Introduction of automation to the tax office
 Introduction of tax information division
- 8-9 Quotes from The Communicator to tax personnel
- 9 Direct contact with taxpayers
- 10 Travels to Okinawa, Guam and Japan to aid overseas
 personnel
 Seminars for military personnel
- 11 Association with Russell Bock on Taxes of Hawaii
 State acceptance of federal tax laws
- 12-13 Message to tax office employees at the time of his
 retirement
- 14 Philosophy on the spirit of cooperation
 Religious influence

- 15 Assistance to taxpayers
Need for mutual support
- 16 Early childhood business: raising chickens
- 17 Hobby: bicycling
Employment at Dole Pineapple Cannery
- 18 Family chores
Mother's education
- 19 Admiration for Robert Pfeiffer
Generosity of kamaaina families
- 20 Importance of family pride
Lack of discrimination while growing up
- 21 Activities during World War II
Recollections of December 7, 1941
- 22 Anecdote of World War II: Italian soldiers built
wall at Fort Shafter
Wife's interest and training in accounting
- 23 Extended duties of state cabinet officer
- 24 Tax education for varied groups
Speeches to professional associations
- 25 Views on centralized system
- 26-28 Views on educational system
- 29 Views on retirement

THE WATUMULL FOUNDATION ORAL HISTORY PROJECT

The Watumull Foundation Oral History Project began in June of 1971. During the following seventeen months eighty-eight people were taped. These tapes were transcribed but had not been put in final form when the project was suspended at the end of 1972.

In 1979 the project was reactivated and the long process of proofing, final typing and binding began. On the fortieth anniversary of the Watumull Foundation in 1982 the completed histories were delivered to the three repositories.

As the value of these interviews was realized, it was decided to add to the collection. In November of 1985 Alice Sinesky was engaged to interview and edit thirty-three histories that have been recorded to mark the forty-fifth anniversary of the Foundation.

The subjects for the interviews are chosen from all walks of life and are people who are part of and have contributed to the history of Hawaii.

The final transcripts, on acid-free Permalife bond paper and individually Velo-bound, are deposited and are available to scholars and historians at the Hawaii State Archives, the Hamilton Library at the University of Hawaii and the Cooke Library at Punahou School. The tapes are sealed and are not available.

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