



TUESDAY | February 13, 2007

THE BUSINESS PERSPECTIVE:



Strike Two On Saving L.A. Jobs



Coming up at the Chamber

[View all upcoming events on our Web calendar.](#)

THU | Feb. 15
Export Seminar Series:
Developing & Expanding
Export Markets
[more info](#)

THU | Feb. 15
Land Use, Construction &
Housing Committee Meeting
[more info](#)

FRI | Feb. 16
Accenture Pancakes &
Politics
Featuring Connie Rice, co-
director of The Advancement
Project, and L.A. City
Councilmember Tony Cardenas
[more info](#)

FRI | Feb. 16
Doing Business with Rosario,
Argentina
[more info](#)

WED | Feb. 21
International Trade &
Investment Committee
Meeting
[more info](#)

WED | Feb. 21
Transportation & Goods
Movement Committee
Meeting
[more info](#)

WED | Feb. 21
Energy, Water &
Environment Committee
Meeting
[more info](#)

THU | Feb. 22
Education & Workforce
Development Committee
Meeting
[more info](#)

FRI | Feb. 23
Principal For a Day
[more info](#)

TUE | Feb. 27
Referral Network
[more info](#)

The Los Angeles Area Chamber of Commerce is the voice of business in L.A. County. Founded in 1888, the Chamber promotes a prosperous economy and quality of life in the Los Angeles region. For more information, visit www.lachamber.org

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The Los Angeles City Council will discuss today a [substitute ordinance intended to replace the Los Angeles International Hotels/Minimum Wage Ordinance](#), which was successfully rescinded after 103,000 signatures were collected to place a referendum on the May 15 ballot.

Over the past several weeks, the L.A. Area Chamber has worked diligently with the mayor's office, the City Council, the County Federation of Labor and the hotels at LAX to develop a compromise on a substitute ordinance, which would balance the interests of business and labor. We maintained our commitment to a compromise as we participated in a news conference on Jan. 31, announcing that the City Council would rescind the original ordinance and submit a substantially different substitute ordinance in the near future. We called the negotiations "a work in progress" and applauded the mayor's efforts to bring all parties to the table and the Council's decision to rescind the original ordinance.

Despite hours of discussions with all parties at the table, the new ordinance is unacceptable for business and the Chamber cannot support it. That was the decision of the Chamber's Board of Directors who reviewed the document over the weekend and concluded that the new ordinance is not substantially different from the original and provides no long-term assurances to the business community. As a result, we will continue to work with the broader business community to advocate for an ordinance that truly balances the interests of business and labor.

The new ordinance contains provisions discussed during the negotiations, but at the heart of both ordinances is the requirement that a private business having no contractual relationship with the city is required to pay a minimum wage higher than the state minimum wage, unless the business has a collective bargaining agreement with a labor union.

The ordinance outlines a series of taxpayer funded investments in the Century Boulevard corridor, but it does not provide any relief to the hotels regarding their primary concern, which is the base compensation of tipped employees who earn considerably more than the minimum wage outlined in the city's living wage ordinance.

During the negotiations, the Chamber pressed for an assurance to employers in other industries that their businesses would not be targeted next. Provisions were added to make it more difficult to replicate what happened at LAX. But in the end, our board of directors concluded that these provisions are not strong enough to provide the business community with the long-term assurances it needs. Several of our board members reminded us that 10 years ago, when the living wage ordinance was adopted by the City Council, we were promised the new ordinance would only apply to businesses that voluntarily sought to do business with the city.

The business community in L.A. is united in opposition to the unprecedented government control contained in this ordinance. This type of government intervention in negotiations between labor and business discourages private investment in L.A. and detracts from, rather than aids, the creation of more high paying jobs in our community.

This item is on today's Council agenda at 10 a.m. We encourage our members and other businesses to [call your L.A. City Council member](#) today or during the coming week and voice your opinion on this important issue that may target your business next.



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by Gary Toebben, President & CEO, Los Angeles Area Chamber of Commerce

L.A. Business THIS WEEK

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And that's *The Business Perspective*.

Gary L. Toebben

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*The Business Perspective is a weekly opinion piece by Gary Toebben,
President & CEO of the Los Angeles Area Chamber of Commerce,
produced with the input of Senior Policy Advisor Rusty Hammer.*

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