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L.A. BUSINESS GROUPS DENOUNCE CITY COUNCIL VOTE TO REGULATE PRIVATE SECTOR WAGES

Today's economically destructive move called city's 'most anti-business vote of the year'

Los Angeles, CA—Following a majority vote in favor of imposing wage standards on Los Angeles International Airport-area hotels, Los Angeles' three leading business advocacy organizations condemned the new package of laws as the city's most anti-business vote of the year.

The Los Angeles Area Chamber of Commerce, Central City Association (CCA) and Valley Industry & Commerce Association (VICA) joined forces to criticize the L.A. City Council for improperly extending the city's living wage ordinance, as well as other requirements to private sector employers with no contractual obligations to the city—a move that is both economically and legally questionable.

"The City Council fails to understand the terrible message this sends to businesses, especially those who could create new jobs in Los Angeles," said Gary Toebben, president and CEO of the Los Angeles Area Chamber of Commerce. "They shouldn't tell private companies, that have no contractual relationship with the city, how to run their business."

Business groups have also pointed out that the new regulations are unfair, since they only target LAX-area hotels. The ordinance is bad for jobs and the economy of Los Angeles.

"The city has no legal standing to set wage standards for the private sector," said Brendan Huffman, president of VICA. "This ordinance will eventually be overturned after several million dollars of taxpayer money are wasted on defending the city council's unwise vote."

"This kind of action by the City Council sends a negative message to existing businesses and the businesses we are trying to attract," said Carol Schatz, president and CEO of CCA. "It sends the message that labor always wins and business always loses. If business loses, we lose jobs."

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