

FOR IMMEDIATE RELEASE

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The Los Angeles County Economic Development Corp. (LAEDC) Forms Strike Team: "LA Jobs Defense Council" to Confront Sequestration and Looming Defense Cuts

The following Statements were issued:

From the **LAEDC**:

"We urge Congress to find a budget compromise and President Obama to sign the Sequestration Transparency Act of 2012 to openly and precisely lay out how the automatic defense spending cuts will be implemented if no compromise is reached. Cutting another \$500 billion from the Defense budget over the next decade on top of the \$489 billion in Pentagon-related reductions over the next 10 years that are already called for in the 2013 proposed budget by the United States Senate would be an absolute disaster for the already struggling California and Los Angeles County economies. The thought of California losing another 135,000 private-sector jobs and \$11.7 billion in gross state product (GSP) from Defense-related cuts over Congress's inability to come together is alarming news to a state already facing tepid economic growth, job creation and revenue generation problems. The impact of sequestration cuts would be most especially felt here in Los Angeles County, home to about 18,000 Northrop Grumman and 11,000 Boeing jobs, with some estimates placing L.A. County's potential for lost defense-related contract revenue at \$2 billion.

To prepare for the worst, the LAEDC is forming a strike team, the *L.A. Jobs Defense Council*, together with California Senate, Assembly, County Supervisorial, and local municipal offices along with Los Angeles-based aerospace and defense-related partners. The L.A. Jobs Defense Council will, first and foremost, implore members of Congress to put aside their differences and political motivations to find a solution to ward off these automatic cuts; second, the Jobs Defense Council will call on the President to sign the Sequestration Transparency Act so we can reasonably prepare here in Los Angeles County for the full impact of these forced cuts; and third, the strike team will look for locally-driven strategies to help mitigate the most devastating impacts faced by residents and communities here in Los Angeles should these sequestration cuts be implemented."

Speaking about the LA Jobs Defense Council, **United States Congressman Howard P. 'Buck' McKeon**, who represents California's 25th District and chairs the House Armed Services Committee, said:

"Californians know what many in Washington have yet to learn, that Sequestration isn't something that begins next year or after the next election. Sequestration is happening now.

"Already we are seeing a slowdown in new hires. Troops who have fought for their country for the past decade are being told their service is no longer needed. Our enemies are becoming emboldened. I voted for the Budget Control Act because it would have been irresponsible to add more debt to the national credit card. I had hoped that Republicans and Democrats would stay at the negotiating table to find a way forward that could avoid these cuts. That hasn't happened yet, but I am not ready to give up. Projects like the Los Angeles Jobs Defense Council are vital to our success. We can talk endlessly inside the beltway and never get anywhere. It is only when voices from around the country speak up that real solutions are found. I am very interested in what the Los Angeles Jobs Defense Council will have to say."

City of Palmdale Mayor Jim Ledford also pledged his support for the Council and highlighted the value of the aerospace industry and its impact on jobs and the economy throughout the region:

"The City of Palmdale strongly supports the "L.A. Jobs Defense Council" in their efforts to retain, strengthen, grow and promote our vital aerospace industry. I cannot stress enough how important the aerospace industry is to the Antelope Valley and the Southern California region, but also to the security of our nation and our freedoms, and our economic futures, as the fruits of their labor reaches far and wide into the day-to-day lives, social fabric, and activities of millions of people. Together, we need to be much more proactive and direct in getting this message across to those outside the Antelope Valley who lack the appreciation of this vital asset to our Valley and the nation."

And "**Supervisor [Mike] Antonovich** has made it clear that as a region we must do all we can to combat the dangerous effects sequestration will have on our local economy. Los Angeles County, and especially the northern region of the County, is still the center of the most innovative and skilled work force employed by defense contractors in the design, testing, and production of equipment used by our Armed Services," stated Norm Hickling, Senior Deputy to Los Angeles County Supervisor Mike Antonovich. "We cannot allow this industry to be dismantled. We look forward to working with our region stakeholders in the important effort."

About the LAEDC

The LAEDC, the region's premier economic development leadership organization, is a private, non-profit organization established in 1981 under section 501(c)(3). Its mission is to attract, retain, and grow business and jobs for the regions of Los Angeles County. Since 1996, the LAEDC has helped to retain or attract 177,975 annual jobs in Los Angeles County with an estimated labor income, including wages and benefits, of \$10.8 billion. Taken together with the supported indirect and induced economic activity, a total of more than 400,000 annual jobs with labor income of more than \$21 billion were impacted, accounting for an estimated \$850 million in property and sales tax revenues to the County of Los Angeles.

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