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State will seek to stem aerospace job exodus

By Martha J. Alcott
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State government's top business official said Tuesday he will do what he can to slow an exodus of defense and aerospace operations from California.

"I am prepared to do whatever I can to assist not only the aerospace industry but business in general to make it easier," said Carl Covitz, the state's secretary of business, housing and transportation.

That statement came after about a dozen aerospace executives met with Gov. Pete Wilson and Covitz Tuesday to discuss ways to keep companies from expanding operations outside the state.

Among the actions Covitz said he is considering is setting up a one-stop-shopping process for businesses to obtain permits and meet guidelines.

"In the past, nobody seemed to

care," he said. "Now there is an administration that not only cares but is going to do something about it."

Roger Ramseier, president of Sacramento-based Aerojet General and one of the executives who met with the state leaders, applauded the effort.

"There's not going to be an overnight solution" to the problems facing the defense industry, he said. "But just having the governor interested and having a state that wants business here is a very positive move."

Ron Cedillos, a defense subcontractor who helped bring the industry's problems to the governor's attention, said, "There is a perception in industry, and rightfully so, that California is a very difficult place to do business."

This is leading aerospace companies to expand their operations in

Aerospace: Industry fleeing state

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states other than California, he said. For instance, Lockheed is moving the production of its advanced tactical fighter to Georgia, taking with it thousands of potential jobs for Californians.

The impact of any exodus is significant because aerospace represents a third of all manufacturing jobs in the state, Cedillos said.

A recent study commissioned by the Los Angeles Chamber of Commerce and released earlier this month found that 60,000 aerospace jobs have been lost in the state in the recent economic downturn, most of them in Southern California. The study also found that aerospace and related industries provide 1.4 million jobs in the state.

Covitz said that although Tuesday's meeting did not result in a concrete plan of action, it did confirm the problem areas. They include:

- A complex regulatory environment.

- A higher cost of doing business, i.e., salaries, housing, taxes, workers' compensation.

- A lack of cohesive support by the California congressional delegation for industry in general.

Cedillos noted that the prospects for funding Northrop's B-2 bomber are uncertain, largely because of di-

vision among California's elected officials in Washington, D.C.

"The California delegation simply has to assume some responsibility for the health of an industry that supplies a full one-third of the manufacturing jobs in the state. To date, they haven't, although other states do," he said.