

ALERT

VOLUME 34, NUMBER 24 • AUGUST 8, 2008



Sick Leave Mandate Bill Dies in Senate Committee



Strong **opposition** from the California Chamber of Commerce and businesses up and down the state has stopped legislation that un-

reasonably expands an employer's costs and liability by mandating a specific paid sick leave policy.

Held in the Senate Appropriations Committee Suspense File on August 7 was **AB 2716 (Ma; D-San Francisco)**.

Job Loss

CalChamber Policy Advocate Marti Fisher pointed out, "California's employers are already struggling with rising energy, health care and regulatory costs in the midst of a challenging economy. This bill would cause employers to make tough decisions that would hurt California workers and cost jobs."

The proposed sick leave mandate would have covered all employees, so that part-time, seasonal and temporary workers would earn paid sick days.

State Costs

Thomas Sheehy, deputy director of legislation for the California Department of Finance, also opposed the bill, telling Senate Appropriations on August 4 that

AB 2716 would cumulatively result in lowering wages, reduce available health insurance, limit job training programs and create job loss and a reduction in work hours for many employees.

"Because this bill would impose a significant burden on California employers at a time when efforts are being made to stimulate job growth and to improve California's business climate, we can't support this measure," Sheehy said.

The bill mandated, without exception, that all employers provide paid sick leave to an employee after seven days of work in a calendar year to care for their own illness, or to provide to a sick child, spouse, domestic partner or other relative.

Sheehy labeled the costs of the bill as a strong reason why the Finance Department opposed AB 2716. The General Fund costs would approach \$600,000 in the 2008-09 fiscal year and \$1 million in 2009-10, and it would be ongoing for the Division of Labor Standards and Enforcement at the Department of Industrial Relations, he said.

Not included in the Finance Department's cost estimate was the significant unreimbursed costs the bill would cause for cities, counties and school districts to pay sick leave for part-time workers, student assistants, seasonal and temporary employees.

Staff Contact: Marti Fisher

Hard Times Push State Unemployment Fund Toward Bankruptcy

A sluggish economy combined with the predicted impact of huge benefit increases adopted without counterbalancing reforms are pushing the employer-funded state unemployment insurance (UI) fund toward bankruptcy for the second time in less than a decade.

According to the May 2008 Unemployment Insurance Fund Forecast published by the Employment Development Department (EDD), the UI Trust Fund balance was \$2.4 billion at the end of 2007. The fund is projected to have a balance of \$1.1 billion at the end of 2008.

Further strain may come at the end of 2009 when the report concludes the fund could be in a deficit.

Surplus to Bankruptcy

In 2001, the UI Trust Fund had a surplus of nearly \$6 billion. Legislation passed that year mandated a 95 percent increase in benefits over a three-year period, without providing for offsetting reforms in eligibility standards or tax relief that historically accompany such benefit increases.

Legislation passed in 2002 retroactively applied the benefit increases approved the previous year, which resulted in nearly \$1 billion in additional payouts.

These benefit increases, combined with an economic downturn, reduced the fund to bankruptcy in 2004.

To continue paying benefits, California took out an emergency loan of \$1.4

See Hard: Page 4

**They won't know unless you tell them.
Write your legislator.
calchambervotes.com**

Inside

- Coalition Backs Korea Trade Agreement: Page 7

Labor Law Corner

No Meal Period Waiver Available for Working Lunches



Dale Louton
Senior Helpline
Consultant

We conduct monthly working lunches to inform staff of progress and pending items of interest. Can the meal period requirement be waived for this working lunch? We do provide, at no cost to the staff, a nice catered lunch!

A working lunch is considered hours worked for non-exempt employees because they are not relieved of all duty.

The time must be paid and an extra hour's wage must be paid to the employee for the meal period violation. Premium pay of time-and-a-half must be paid for hours worked in excess of eight per day.

For example, an employee works from 8 a.m. to 5 p.m. with a working lunch. He/she has worked nine hours, eight of which are paid at straight time and one hour at time-and-a-half. The additional hour is paid at the employee's regular rate of pay for the meal period violation. No waiver is available for working lunches.

On-Duty Meal Periods

Within the Industrial Welfare Commission Wage Orders there is provision for an "on-duty" meal period. The elements required to justify an "on-duty" meal period were covered in the April 11 *Alert* "Labor Law Corner." A written agreement is required.

This is not a waiver, but an agreement for an "on-duty" meal period allowed under special circumstances. A working lunch does not appear to meet the criteria necessary to justify an "on-duty" meal period.

If an employee is required by the employer to attend a luncheon, dinner or

other work-related meal or training accompanied by a meal, the employer must pay for the cost of the meal.

Limited Waiver

A limited waiver of meal period requirements is possible in two situations:

- If a work period of not more than six hours will complete the day's work, the meal period may be waived by mutual consent of the employer and employee.

- An employer may not require an employee to work more than 10 hours in a workday without providing a second meal period. This second meal period may be waived if there are no more than 12 hours worked.

Neither of these waivers requires a written waiver—only mutual consent of employer and employee. However, waiver forms are available for your consideration at www.hrcalifornia.com.

The Labor Law Helpline is a service to California Chamber of Commerce preferred and executive members. For expert explanations of labor laws and Cal/OSHA regulations, not legal counsel for specific situations, call (800) 348-2262 or submit your question at www.hrcalifornia.com.

California Chamber Officers

Edwin A. Guiles
Chair

Frederick R. Ruiz
First Vice Chair

Larree M. Renda
Second Vice Chair

S. Shariq Yosufzai
Third Vice Chair

Russell Gould
Immediate Past Chair

Allan Zaremborg
President and Chief Executive Officer

Alert (ISSN 0882-0929) is published weekly during legislative session with exceptions by California Chamber of Commerce, 1215 K Street, Suite 1400, Sacramento, CA 95814-3918. Subscription price is \$50 paid through membership dues. Periodicals Postage Paid at Sacramento, CA.

POSTMASTER: Send address changes to Alert, 1215 K Street, Suite 1400, Sacramento, CA 95814-3918. Publisher: Allan Zaremborg. Executive Editor: Ann Amioka. Associate Editor: Blake Ellington. Art Director: Marcy Wacker. Graphics Assistant: Jason Untalan. Capitol Correspondent: Christine Haddon. Photographer: Aaron Lambert.

Permission granted to reprint articles if credit is given to the California Chamber of Commerce Alert, and reprint is mailed to Alert at address above.

*E-mail: alert@calchamber.com.
Home page: www.calchamber.com.*

CalChamber-Sponsored Seminars/Trade Shows

More information: calchamber.com/events.

Business Resources

Minority Enterprise Development Week 2008. Minority Business Development Agency. August 15, San Francisco. (415) 744-3001.

International Trade

The Americas Competitiveness Forum II. Secretary of Commerce Carlos Gutierrez. August 17-19, Atlanta. (404) 446-4179.

Building Bridges with Chile. Metro Atlanta Chamber. August 20, Atlanta. ngligo@corfo.cl.

International Trade Finance: Methods of Payment. Sacramento Regional Center for International Trade Development. August 20, Sacramento. (916) 563-3200.

BIS Export Regulation Course. U.S. Bureau of Industry and Security. August 20-21, Universal City. (949) 660-1688.

Renewable Energy India 2008 Expo. Ministry of New & Renewable Energy, Government of India. August 21-23, Pragati Maidan, New Delhi.

Labor Law

HR 201: Labor Law Update On-Demand Web Seminar. CalChamber. 90 minutes. (800) 331-8877.

CalChamber Calendar

Tourism Committee:

September 4, Half Moon Bay

Water Committee:

September 4, Half Moon Bay

Board of Directors:

September 4-5, Half Moon Bay

Council for International Trade:

September 5, Half Moon Bay



Senate Passes Freight Movement Tax



The California Chamber of Commerce is urging Governor Arnold Schwarzenegger to **veto** a “job killer” bill that imposes a \$400

million per year tax on all containerized cargo moving in or out of the state’s three largest ports.

SB 974 (Lowenthal; D-Long Beach) increases the cost of shipping goods and makes California less competitive by imposing an illegal per-container tax in the ports of Long Beach, Los Angeles and Oakland.

The CalChamber believes that a “one-size-fits-all” approach, such as that established in SB 974, is inappropriate for financing the infrastructure improvements and environmental mitigation projects created by California’s growing population and economy.

The ports of Los Angeles and Long Beach have jointly adopted two separate container fees — a \$35 per 20-foot equivalent unit (TEU) fee intended to reduce environmental impacts by replacing port trucks, and a \$15 per TEU fee aimed at funding necessary infrastructure improvements.

These new fees combined total \$50 per TEU, or nearly double the \$30 per TEU container tax proposed by SB 974, of which 70 percent is devoted to environmental mitigation in the form of truck replacement. The ports of Los Angeles and Long Beach are scheduled to begin collecting the fees earlier than the tax contained in SB 974, and they will raise more funds on an annual basis.

Diversion of Cargo

Proponents of SB 974 insist that cargo won’t be diverted to other ports if a \$30 per TEU tax is imposed at the state’s three largest ports. International trade follows the path of least resistance, however, and when California piles on additional costs, discretionary cargo is likely to flow into competing ports.

For example, an 8,000 TEU cargo ship that drops off a full load, and then picks up a full load, will be saddled with an additional shipping cost of \$480,000. California’s ports are already more expensive than competitors, and an

additional cost of \$480,000 per 8,000 TEU vessel is likely to add to other cost pressures and lead to diversion of cargo.

In fact, the Port and Modal Elasticity Study (Leachman Study) prepared for the Southern California Association of Governments found that container fees, which combined to total more than \$100 per TEU, could cause the Southern California ports to lose up to 1 million TEUs per year.

With SB 974, the combined container fees in Southern California would be \$130 per TEU, well above the threshold in the study — the total of the \$50 per TEU pier pass fee, the \$35 per TEU truck replacement fee, the \$15 per TEU infrastructure fee, and the \$30 per TEU fee contained in SB 974.

Problems with SB 974

The CalChamber and a sizable coalition of companies and organizations have been pointing out to legislators the many problems with SB 974. The bill threatens to:

- Put port economic benefits at risk;
- Divert cargo;
- Hurt the state’s agricultural industry;
- Make California’s manufacturing industry less competitive;
- Compromise recycling;
- Enact an illegal tax;
- Violate the commerce clause;
- Violate numerous trade agreements;
- Prompt litigation; and
- Freeze private investment in port infrastructure.

Other Solutions Exist

The claimed purpose of SB 974 is to finance infrastructure improvements and environmental mitigation projects. Despite suggestions to the contrary, acceptable alternatives to this illegal solution do exist, the coalition has pointed out.

Ports are financed with billions of dollars in private sector investments, paid for mostly through revenue bonds financed by port terminal operators and others through true user fees. California ports are carrying close to \$3.5 billion in revenue bonds for maritime infrastructure improvements, and these funds continue to be spent on updating and building new roads, rail capacity and a variety of other projects.

In addition, public-private partnerships

offer a viable way to fund goods movement-related projects outside of the ports. In principle, a public-private partnership must provide real and tangible benefits to all who contribute funds. This concept is most applicable to individual projects because funding sources may derive varying levels of benefit from each specific project and, therefore should have varying levels of financial involvement in those projects. The “one-size-fits-all” approach offered by SB 974 does not constitute a true public-private partnership.

Key Vote

SB 974 passed the Senate on August 5 by a vote of 22-10:

Ayes: Alquist (D-Santa Clara), Cedillo (D-Los Angeles), Corbett (D-San Leandro), Correa (D-Santa Ana), Ducheny (D-San Diego), Florez (D-Shafter), Kehoe (D-San Diego), Kuehl (D-Santa Monica), Lowenthal (D-Long Beach), Machado (D-Linden), Margett (R-Arcadia), Midgen (D-San Francisco), Negrete McLeod (D-Chino), Oropeza (D-Long Beach), Padilla (D-Pacoima), Perata (D-Oakland), Scott (D-Pasadena), Simitian (D-Palo Alto), Steinberg (D-Sacramento), Torlakson (D-Antioch), Wiggins (D-Santa Rosa), Yee (D-San Francisco).

Noes: Aanestad (R-Grass Valley), Battin (R-La Quinta), R. Calderon (D-Montebello), Cogdill (R-Modesto), Cox (R-Fair Oaks), Denham (R-Merced), Hollingsworth (R-Murrieta), Maldonado (R-Santa Maria), McClintock (R-Thousand Oaks), Wyland (R-Del Mar).

Absent/abstaining/not voting: Ackerman (R-Tustin), Ashburn (R-Bakersfield), Dutton (R-Rancho Cucamonga), Harman (R-Huntington Beach), Ridley-Thomas (D-Los Angeles), Romero (D-Los Angeles), Runner (R-Lancaster), Vincent (D-Inglewood).

Action Needed

Governor Schwarzenegger has 12 days to act on legislation sent to him during the legislative session. The CalChamber is strongly urging businesses to send Governor Schwarzenegger a letter asking that he **veto SB 974**.

For a sample letter, visit

www.calchambervotes.com.

Staff Contact: Jason Schmelzer

Hard Times Push State Unemployment Fund Toward Bankruptcy Again

From Page 1

billion from the federal government for the first time in the state's history and increased taxes on employers to the maximum "F" level plus a 15 percent surcharge, the highest allowed by law.

Subsequent economic growth and job creation in California temporarily improved the fiscal health of the fund, which skirted insolvency at the end of 2004 with a razor-thin reserve of \$397 million.

Maximum Tax Rate

Now, even though employers have been paying the maximum allowable rate since 2004, the fund is projected to be insolvent in 2009, according to the EDD report.

As of June, unemployment rates had reached 6.9 percent, the highest since the year before the UI Fund went bankrupt. UI benefit payments are projected to be \$6.5 billion in 2008 and \$6.6 billion in 2009, for a total of \$13.1 billion.

Total tax receipts for the UI Fund are projected to be \$5.2 billion in both 2008 and 2009, for a total of \$10.4 billion.

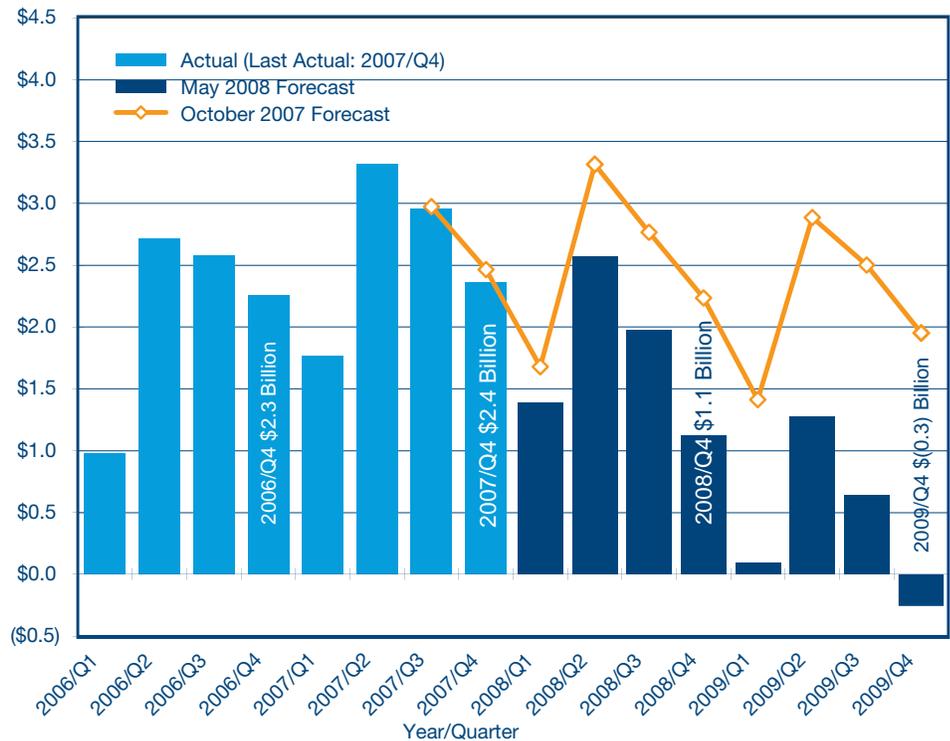
If the economy fails to improve, causing demands on the fund to outstrip tax receipts, California would be forced to borrow more money in order to meet its payment obligations to qualified individuals.

Increasing Debt Load

Under normal conditions, employers pay a Federal Unemployment Tax Act (FUTA) rate of 0.8 percent on the first \$7,000 in wages paid to each employee annually.

If the state continues to borrow and has a federal loan amount outstanding by November 10 of the second year, employers in the state lose the tax credit for the federal unemployment tax they pay, in effect increasing the employer tax rate and boosting the tax per employee by 37.5 percent.

Unemployment Insurance Fund Balance 2006 – 2009



Source: Employment Development Department

For each year the state still owes on the federal loan, employers' tax credit declines and the effective tax rate increases. By the fourth year of an outstanding loan, for example, the federal tax employers pay would have more than doubled, from \$56 per employee to \$119 per employee, according to EDD.

Interest on the federal loan cannot be repaid out of the state's UI Fund, making it likely that the General Fund would have to be tapped for that amount instead.

EDD reports that over the years, UI programs of about 75 percent of the states have borrowed from the federal Treasury, while six states have secured private loans to cover their UI benefit payment

costs. Eight states borrowed from the U.S. Treasury between December 2002 and December 2004.

In 2004 and 2005, New York failed to repay the federal government, triggering an increase in employers' federal unemployment tax rate. New York employers also paid an interest assessment surcharge to repay interest on the federal loan.

New York's fund returned to a positive balance in 2006, but the state has extended the surcharge through 2008 in case it is needed again, according to EDD. As of 2007, the New York fund measured very low on a solvency scale that includes a comparison of benefits paid to UI tax revenues.

Staff Contact: Robert Callahan

Visit calchamber.com for sample letters to use in contacting your legislators on the issues that affect your business.

Profiles in Trade

Global Food Company Provides Expertise to Help Businesses Reach Overseas Markets

Selling in international markets can be appealing to businesses seeking to seize opportunities arising from the current dollar exchange rate or to create a buffer against sales fluctuations of the domestic economy.

Getting into outside markets creates different layers of complexity for small and medium-sized businesses to consider, however, ranging from cultural differences to the logistics of getting products to customers in other countries.

Experienced Partner

Companies such as Otis McAllister, a member of the California Chamber of Commerce and its Council for International Trade, bring valuable experience in global trade to a potential exporting partnership.

Otis McAllister handles global distribution and sales for such food and beverage brands as Sun-Maid Raisins, SunSweet Dried Plums and Martinelli's juice.

Based in San Francisco, the company maintains offices in Hong Kong, Mexico City and Bangkok. Its operations extend into more than 80 countries and represent buyers and producers around the world.

"When we take a brand to an overseas market, we put together the foreign-language marketing plans and labeling for the brand, whether in Spanish, or Chinese or another language," says Everett Golden, president of Otis McAllister. "We handle the registration of those products in the foreign countries, and make sure everything is legal. We coordinate that for each market."

The company, in existence since 1892, offers services that can help the fledgling exporter understand the overseas market, as well as keep personnel costs down by allowing firms to tap into Otis McAllister's expertise rather than retaining specialty positions.

Bridging Cultural Gap

For example, the staff at Otis McAllister can help U.S. companies bridge the cultural gap between them and foreign business partners.



Photo by Bill Mahon

Everett Golden, president of Otis McAllister, presides over a company that helps clients trade food products across time zones and national boundaries around the globe.

"When we hire new employees, we look for people who are bilingual or trilingual, and who have some experience living in a foreign country," says Golden. "It's so important in our business to be culturally aware and open-minded, so that you can deal with a lot of different people in a lot of different societies."

Keeping Costs Down

The company also helps its clients keep export costs down, linking the needs of a substantial and diverse customer base.

"We can combine the brands we represent in shipments to make it more efficient for all of them to get their products overseas," Golden explains. "Each one alone might not be large enough to make international trading worth it."

In addition, "We have our own traffic department," says Golden. "We handle all of the logistics for our clients, including shipment and documentation. We have an internal staff and we also use outside freight forwarders."

The company has resources for importers as well. It is the largest importer of jasmine rice in the United States under its Super Lucky Elephant brand. It also owns La Sirena, which has

been packing canned seafood, meats, fruits and vegetables since 1918 for Latin American and now the U.S. markets.

Long Tradition

Otis McAllister traces its origins to the pre-Gold Rush partnership between the company's founding families and Captain Frederick William Macondray, who helped provide capital for starting several global trade businesses in that era.

Its website makes clear that from the establishment of Otis McAllister & Co. in 1892 through a reorganization in the 1960s to its activities today, the company has consistently pursued its mission: "To provide our global customers the widest breadth of sources for high quality and reasonably priced foods and food ingredients."

Staff Contact: Susanne Stirling

"Profiles in Trade" is a new, regular feature in Alert highlighting the international trade activities of member companies. Elke Peterson and Ham Dethero contributed to this article. Past profiles and more international trade information are available at www.calchamber.com/international.

Truck/Bus Replacement Rule Spells Ruin for Truck School If No Changes Made

Michael Darling has been happy to do business in California for the last 18 years, but should the impending truck and bus replacement rule being drafted by the California Air Resources Board (ARB) be adopted as is, he expects his company to run out of money by 2013.

As vice president of operations for the West Sacramento-based Western Truck School, a California Chamber of Commerce member, Darling is already coping with high gas prices and low enrollment numbers due to a lagging economy. He estimates the new rule, which will force him to replace all 30 trucks and buses the company uses for training or upgrade them with low-emitting air filters, could cost him upwards of \$1 million, putting him out of business within five years.

"We have no problem with complying with a regulation to clean up the air — none — but to completely revamp a fleet in 18 months? Impossible," Darling said.

Replacement Rule

While Darling is busy operating his four truck training campuses in California, which help put 800 to 1,000 truck drivers on the road each year, ARB is formulating regulations that could affect an additional 1.5 million trucks and buses currently in use on the state's roads, highways and farms. The rule applies to diesel engines and means owners of these engines will be required to replace or make upgrades in just a few short years.

ARB's goal is to have the entire model year 2006 and older heavy-duty trucks meet model year 2007 emission levels by 2014. Compliance options begin phasing in starting December 31, 2010.

Darling said he has no problem protecting the environment, but thinks it should be done in a way that does not have such a negative impact on a California economy that already is struggling or the deficit-plagued state budget. The main issue the 32-year-old Western Truck School, and many other small to large companies in the industry have with the rule, he said, is the short amount of time that would be given to comply with the ARB standards.

Strenuous Timeline

Darling said his company could



Photo by Aaron Lambert

Vice President of Operations Michael Darling (left) and Training Coordinator Don Schweizer of Western Truck School say the impending truck and bus replacement rule could put them out of business.

comply with such standards within a five- to 10-year period, but coming up with \$1 million (the filters are expected to cost \$15,000 to \$20,000 each) on such a short timeline to retrofit an old truck just to keep it on the road is another matter.

"We can't do it," he said.

Although industry leaders are developing an alternative proposal to submit to ARB, Darling said the rule should avoid focusing on the smaller businesses that emit very low levels of emissions.

"There has to be a line there; let's go after the gross polluters, let's go after the ones that are truly affecting the high waste first and at least give some consideration to what it is going to do to the California economy," he said.

Western Truck School's operational fleet consists of 30 vehicles with engine model years ranging from 1987 to 1999. Typical usage for the vehicles is 1,000 miles per month, Darling said.

Economic Impact

With driving schools such as Western Truck School looking down the barrel of bankruptcy, Darling said the economic strain on the state will be evident in that there will be less product transported along the highways. Truck driving students will then be forced to train in other states, which in turn would lead to income and tax revenues being transplanted into other states, he said.

Western Truck School Training

Coordinator Don Schweizer said the impact will be recognizable when Californians view their highways.

"Everything that everybody has, owns, wears, lives — without a truck, they wouldn't have it, it's that simple," Schweizer commented.

He said that the word about the rule is not spreading fast enough.

"It needs to get out there faster because we only have a few months," Schweizer said.

Asked whether he would move his company to a neighboring state if the ARB adopts the standard in its current form, Darling emphatically replied, "Yes. Do we have a choice? We really don't, not given the timeframe."

Coalition Working for Change

The CalChamber, along with truck owners, farmers, construction contractors and other business and community leaders, has formed a coalition focusing on the pending rule, which will be voted on at the October 23-24 ARB meeting.

The coalition, Driving Toward a Cleaner California (DTCC), is committed to working with ARB to craft a sensible truck and bus replacement rule that both cleans the air and keeps California's economy moving forward.

For more information about DTCC, visit www.drivecleanca.org.

A link to the coalition website is available at www.calchamber.com.

CalChamber-Led Coalition Urges Congress to Approve Trade Agreement with Korea



The California Coalition for Free Trade, led by the California Chamber of Commerce and including more than 55 members, urged Congress to approve the U.S.-Korea Free Trade Agreement

(FTA) on August 5, during President George W. Bush's visit to Korea.

"California businesses and their employees will benefit greatly from the increased trade the U.S.-Korea FTA will bring between California and its fifth largest export market, Korea," said Allan Zaremberg, CalChamber president and chief executive officer. "Agreements like this proposed FTA ensure that the United States will continue to gain access to world markets, which will result in an improved economy and additional employment of Americans."

Enhanced Trade

The FTA will eliminate tariffs and other barriers to trade in goods and services, promote economic growth, and enhance trade between the United States and Korea.

Korea is a \$1 trillion economy and is the United States' seventh largest goods trading partner.

In 2007, two-way trade between the two countries topped \$82 billion and U.S. goods exported to Korea were \$34.7 billion, a steady increase over the previous five years. In 2007, California exported \$7.5 billion to Korea.

By giving U.S. exporters a leg-up in the world's 10th largest economy, the agreement with Korea will enhance the ability of U.S. companies to compete in the dynamic Asian economy.

Benefits for California

From pharmaceuticals to pistachios, the U.S.-Korea FTA is a win for California. According to the International Trade Administration in the U.S. Department of Commerce, computer and electronic products accounted for \$2.3 billion of California's merchandise exports to Korea in 2007. Immediately removing these related tariffs will make exports more affordable to Koreans.

California's exports of machinery also will benefit from U.S.-Korea FTA reductions as machinery manufactures accounted for \$1.4 billion of the state's

merchandise exports to Korea in 2007.

Transportation equipment accounted for \$590 million of the state's export sales to Korea in 2007 and most of these duties also would be eliminated immediately.

In addition, tariffs and other barriers would be eliminated on most agricultural products produced in California.

At an August 2007 CalChamber gathering, His Excellency Lee Tae-sik, Korean ambassador to the United States, enumerated the benefits of the U.S.-Korea FTA for California businesses.

More information on the U.S.-Korea FTA is available at www.calchamber.com/international/USKoreaFTA.

The California Coalition for Free Trade is a group of California companies and business organizations working to secure congressional approval of the FTAs with Colombia, Panama and South Korea.

Action Needed

The CalChamber is urging members of the business community to ask their representatives in Congress to **support the U.S.-Korea FTA**. For a sample letter, visit www.calchambervotes.com.
Staff Contact: Susanne Stirling

Participants in WTO Trade Talks 'Unable to Bridge Differences'

After more than seven years of intense negotiations, World Trade Organization (WTO) Director-General Pascal Lamy announced on July 29 that the Doha Development Agenda negotiations failed to move forward after trade ministers stalled in their efforts to agree on blueprint agreements in agriculture and industrial products.

The California Chamber of Commerce-supported negotiations offered U.S. businesses improved access to foreign markets and better rules to ensure that competition for foreign business is conducted fairly. These trade talks also had a tremendous impact on how California producers of goods and services compete in overseas markets, as

well as domestically, and would have helped create jobs and economic growth through expanded international trade and investment.

Trade Negotiations

Negotiations resumed on Monday, July 21, 2008—having been suspended in July 2006—and ran late into the night and through the weekend. But in a sequence of meetings following the "concentric circles" structure, Lamy told participants that there was no escaping the fact that ministers had been unable to bridge their differences, specifically over the special safeguard mechanism for developing countries.

Tuesday's meetings included a group

of seven ministers, followed by an informal consensus-seeking "green room" session of about 30 representative delegations (with 20 ministers still present) and finally the informal meeting of the full membership.

CalChamber Policy

The CalChamber, in keeping with long-standing policy, enthusiastically supports free trade worldwide, expansion of international trade and investment, fair and equitable market access for California products abroad and elimination of disincentives that impede the international competitiveness of California business.
Staff Contact: Susanne Stirling



Select course at
www.calbizcentral.com/training.
Enter priority code HPU
at checkout to save 15%.

California Harassment Prevention Training ORDER NOW AND SAVE 15%!

Meet mandatory training requirements and educate all your employees with our NEW **California Harassment Prevention Training** courses. Developed by legal and HR training experts, these self-paced, Web-based courses cover both federal and California state laws, and contain interactive material that is educational and engaging.

- ▶ **Train conveniently.** Employees train via the Internet on their schedule.
- ▶ **Save money.** The course is less expensive than hiring a trainer and priced competitively to other online courses.
- ▶ **Save administration time.** Our new Admin ToolBox contains the tools you need to effectively and painlessly administer training.
- ▶ **Meet mandatory requirements.** The course for supervisors is compliant with all AB 1825 regulations.

Preferred and Executive members receive a 20% discount instead of this offer.

Offer cannot be combined with any other offer and applies to new orders only. Prepayment is required.

Hurry!
Offer expires
8/27/08

View our demo at www.calbizcentral.com/shdemo.

 **calbizcentral**[™]
presented by **CalChamber**

ADDRESS SERVICE REQUESTED

Helping California Business Do BusinessSM

www.calchamber.com
(916) 444-6670 FACSIMILE (916) 444-6685
P.O. BOX 1736 SACRAMENTO, CA 95812-1736

CALIFORNIA CHAMBER OF COMMERCE

ALERT

Periodicals
Postage
PAID
Sacramento, CA