

ALERT

CALIFORNIA CHAMBER OF COMMERCE

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Chamber-Opposed Prop. 82 Rejected by State Voters

California voters gave an emphatic “no” to California Chamber-opposed Proposition 82, the initiative increasing taxes an estimated \$2.4 billion to create a massive new preschool bureaucracy.

“As was said throughout the recent campaign, Proposition 82 was never about the merits of preschool,” said Chamber President Allan Zaremborg. “The question before the voters was whether Proposition 82 was the right solution. Californians agreed with more

than 40 major newspaper editorials and voted against raising taxes and spending billions of dollars to create a government-run preschool program that would have increased participation by only 4-5 percent.”



Opposition Statewide

Statewide, 60.9 percent of voters said “no” on Proposition 82, while 39.1 percent voted “yes.” A sizable majority of voters in all but two counties rejected

See Chamber-Opposed: Page 7

Chamber Hosts Visit from President of Mexico



Photo by Steve Snyder

California Chamber President Allan Zaremborg helps moderate a question-and-answer session with President of Mexico Vicente Fox during his stop at the Chamber. See story on Page 3.

Chamber-Backed Candidates Win in Legislative Primaries

For the June primary election cycle, the California Chamber of Commerce successfully led a broad business community effort to help pro-jobs candidates win their party’s nomination.

Despite very low voter turnout (statewide, only 28 percent of registered voters cast ballots), which often allows more extremist views to dominate, the Chamber was successful in assisting the following candidates through the primary:

- Assembly District 17 (Tracy) - Cathleen Galgiani;
- Assembly District 28 (Salinas) - Anna Caballero;
- Assembly District 55 (Long Beach) - Laura Richardson;
- Assembly District 58 (Montebello) - Chuck Calderon;
- Senate District 20 (San Fernando Valley) - Alex Padilla;
- Senate District 30 (Montebello) - Ron Calderon;
- Senate District 34 (Santa Ana) - Lou Correa.

In legislative races, the Chamber generally endorses only when there is a clear difference between candidates in their positions on jobs and economic growth and where the Chamber’s endorsement can help the pro-jobs candidate to victory.

“California has made great strides recently in improving its business climate and fiscal health,” said Chamber Presi-

See Chamber-Backed: Page 5

Inside

Assembly Votes on 4-Day Workweek: Page 4

Chamber Breakfast for Mexico President Highlights Strong Economic Ties with State

The California Chamber of Commerce hosted His Excellency Vicente Fox, president of Mexico, at an international trade breakfast on May 26 to discuss trade and expanding the economic relationship between California and Mexico.

The more than 100 guests who greeted President Fox included a delegation of officials from Mexico, representatives of California's state government and business people from California and Mexico, including representatives of agriculture, the service industry and manufacturing.

Mexican Economy Improving

President Fox discussed the successes of his administration since being elected in July 2000 in a historic race. He commented that Mexico has a balanced budget this year, its overall economy is improving and jobs are increasing.

"Now our economy has two motors — local consumption and our trading with the rest of the world," said President Fox. "This year our economy started very strong: five-and-a-half percent growth in the first quarter, 350,000 new jobs. This year very possibly we will end up creating one million new jobs throughout the year. It has been a long time since we have been able to generate a million new jobs."

The biggest challenge Mexico faces, President Fox said, is the need to expedite the speed at which it educates its workers because there is a deficit of 100,000 jobs along the border between the United States and Mexico. "We have the demand for jobs. We just have to work harder to meet the requirements for those jobs."

Number One Export Market

"As you know, California and Mexico are neighbors," said California Chamber President Allan Zaremborg. "We share a common border, history and are heavily dependent on each other for trade and economic growth.

In 1999, Mexico replaced Japan as the number one destination for California exports.

"The California Chamber of Commerce is a longtime supporter of NAFTA



Photo by Steve Snyder

Joining President of Mexico Vicente Fox (left) at a brief reception preceding his breakfast talk at the California Chamber of Commerce are (from left) Sunne Wright McPeak, secretary of the California Business, Transportation and Housing Agency; Susan Corrales-Diaz, chair of the Chamber International Trade Committee; California Secretary of State Bruce McPherson; and Chamber President Allan Zaremborg.

based on the assessment that it serves the employment, trading and environmental interests of California, the United States, Canada and Mexico," Zaremborg said.

Mexico continues to be California's top export market.

California exports to Mexico increased in 2005 to top \$17 billion. Mexico purchases nearly 16 percent of all California exports. California exports to Mexico are driven by computer and electronic products, which account for 34 percent of all California exports to Mexico. Key exports to Mexico showing growth in 2005 include transportation equipment, processed foods and chemicals.

California exports to Mexico directly and indirectly support approximately 177,000 California jobs, with more than half of these jobs resulting from export growth under NAFTA.

President Fox's Career

President Fox's varied career has in-

cluded years of experience in both business and politics. He began working for Coca-Cola in 1964, starting as a delivery route supervisor and ending up as the president of the company for Mexico and Latin America, the youngest person in the company to occupy the position.

He entered politics in the 1980s and in 1995 was elected governor of his home state of Guanajuato. During his administration, the state became the fifth largest economy in Mexico. He has served as a board member of the U.S.- Mexico Chamber of Commerce and as a director of the Grupo Fox, whose companies are involved in agribusiness and manufacturing footwear and cowboy boots for export, providing many employment opportunities.

The international trade breakfast was co-sponsored by the Sacramento Hispanic Chamber of Commerce.

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