

# Port of Deadwood



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The Port of Los Angeles is not only swimming against the tide with regard to depressed cargo volumes and port revenues, it is also about to be penalized by the City of Los Angeles for its inability to balance its budget.

The Port dutifully followed the Mayor's "Shared Sacrifice" initiative by leaving multiple staff positions unfilled and encouraging early retirement by dozens of employees – all in an effort to reduce costs. In return, the Port is about to become the dumping ground for dozens upon dozens of city employees, adding millions of unanticipated costs because of the LA City Council's unwillingness to cut back 1,500 positions as part of an effort to reduce the City's half a billion dollar budget deficit.

All of the Port's good faith efforts over the past year to reduce its staffing levels and payroll expenses are for naught. The shifting of unwanted and surplus employees by the City to the Port increases the Port's operating costs at a time when its revenue continues to decline. It penalizes the Port for exercising due diligence in following the Mayor's policy directives to reduce costs, and it sacrifices the Port's tideland trust responsibilities to the State because of the lack of political courage by the LA City Council.

The Port of Los Angeles operates in a very competitive global environment. By forcing the Port to increase its operating costs during a recession by shifting city employees from one department to another, it is nothing more than a phantasmagorical budget exercise – and it threatens the competitive viability of the Port. The decision to put deadwood at the Port is hypocritical at best, and its benefits are imaginary - and unfortunately, it is a reflection of the lack of political leadership that California desperately needs.