



Tax Incentive Accountability



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SPEEA and IAM 751

Tie tax breaks to good jobs before more fly away!

SEATTLE – With employment at The Boeing Company down more than 3,600 jobs since Washington extended \$8.7 billion in tax incentives to “maintain and grow” the state’s aerospace industry, leaders of SPEEA, IAM 751 and state Representative June Robinson (D-Everett) today renewed the call to tie the breaks to actual job numbers.

With impacted members of each union looking on, Robinson, IAM District 751 President Jon Holden and SPEEA, IFPTE Local 2001 President Ryan Rule went through a lengthy list of work movements and Boeing actions that fly counter to the state’s intent in November 2013 to extend Washington’s Aerospace Tax Preference bill 16 more years to 2040.

“Boeing has not increased the number of jobs in Washington since November 2013. They haven’t even maintained the same number of jobs,” said Robinson. “What’s even more disturbing than the lack of commitment Boeing is making to Washington, its state of origin, is the commitments Boeing is making to other places.”

Representing more than 50,000 employees at Boeing around Puget Sound, union leaders said without firm numbers tied to the tax incentives, Boeing has been able to move jobs from Washington to other locations that require jobs for tax incentives.

“Boeing has made a series of purposeful decisions to move jobs out of Washington state because that was the easy way for it to meet job ‘creation’ targets that other states have required to receive their tax incentives,” said Holden. “Other states did it right. Missouri, Oklahoma, Alabama, and South Carolina already require a specific amount of jobs and capital investment for the tax incentives they were willing to spend. This is responsible and we need our state to be responsible as well.”

The effort for accountability started in the legislature earlier this year. Proposed by Robinson, HB 2147 ties tax breaks to jobs and HB 1786 requires aerospace suppliers to pay a living wage. Both resume in the House Finance Committee when the 2016 session begins Jan. 11.

Polling earlier this year showed public support was solidly behind the effort. Two-thirds of likely voters across Washington supported tying aerospace tax incentives to requirements that the companies taking the tax breaks maintain jobs in the state and pay workers a living wage. Support was on both sides of the Cascades and across the political spectrum.

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SPEEA President Rule said that unless we keep these high-skilled engineering and manufacturing jobs, Washington will see its prominent position as a leader in aerospace slip away.

“Adding accountability puts our state on a level playing field with others competing to build or enhance their own aerospace industry,” Rule said. “It’s right for workers. It’s needed by our state. And, it’s right for Boeing.”

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Contacts:

Bill Dugovich, SPEEA communications, 206-674-7368 or 206-683-9857 (cell)

Connie Kelliher, IAM communications, 206-764-0343 or 206-755-8575 (cell)

Bryan Corliss, IAM communications, 206-764-0357 or 425-327-3512 (cell)