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Employment Training Panel Awards \$21.6 MILLION IN JOB TRAINING FUNDS – of which \$10 million goes to VIRGIN AMERICA’S START-UP IN SAN FRANCISCO

SACRAMENTO – The California Labor and Workforce Development’s Employment Training Panel (ETP), at its December 8, 2005, meeting, awarded \$10 million in job training funds to Virgin America, Inc., a start-up airline locating in California. At the same meeting, the Panel also approved an additional \$11.6 million in proposals. Combined with the Virgin America project, the Panel approved 42 contracts, totaling over \$21 million in job training contracts for the training of more than 13,000 California workers.

Virgin America is a start-up domestic airline that has chosen to locate its principal operations base at the San Francisco International Airport and its headquarters in the Bay Area, a decision that came after fierce competition between many states to lure this new airline to their regions. Under the contract between ETP and Virgin America, the company will receive \$10 million to train 1,200 new employees. Following the initial start-up phase, Virgin America expects to expand its operations to 3,000 new jobs within its first five years. Also, it is estimated that several thousand ancillary jobs will be created in the area around the airport because of Virgin America’s decision to launch its single home base in the Bay Area.

“California’s ETP is a performance-based program, providing funds for trainees who successfully complete approved training programs and are retained in well paying jobs for a specific period of time,” said Victoria Bradshaw, Secretary of the Labor and Workforce Development Agency. “Because employers must match training funds awarded through ETP contracts, these projects are considered true public-private partnerships to improve California’s workforce.”

According to research by the Bay Area Economic Forum, the location of a new domestic airline in the San Francisco Bay Area will generate nearly 4,000 jobs, 1,692 of which will be airport related and approximately half of which will be associated with the visitor industry. The Forum’s research also indicates that this type of project will create approximately \$147 million in wage and salary income, and \$24 million in state and local taxes -- a major boom not only to the San Francisco Bay Area, but to the entire State of California.

“As beneficiaries of the state’s one-of-a-kind program, we’re grateful to ETP, the state and local leaders for their visionary approach to partnering with businesses to stimulate economic growth in California,” said Todd Pawlowski, Virgin America’s VP of Airports and Guest Services. **“California’s unique program played a large role in our decision to launch and grow our company here.”**

Funding for the Virgin America project will be provided by the ETP, which is one of California's major economic development tools. ETP is a business and labor supported state agency that reimburses California companies for new employee training and retraining efforts. The program is funded by the Employment Training Tax paid by California employers, and targets firms threatened by out-of-state and international competition.

To learn more about the ETP program, visit www.etp.ca.gov.

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