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## A Tangle of Federal Edicts Throttles More Robust Job Growth in Florida

By Alfredo Ortiz

Not only did the U.S. economy add 215,000 jobs in March, but Florida is considered by many to boast one of the country's strongest economies.

The Orlando area is no exception: The local unemployment rate has been below 5 percent for months now.

But surface-level statistics don't tell the whole story. Federal taxes, regulations and barriers to capital are taking a toll on Florida. The unemployment rate accounts for only the employed and those actively looking for work, ignoring people who have dropped out of the labor force altogether — these frustrated job-seekers technically no longer count as unemployed. A better gauge of the labor market is the labor force participation rate, which includes them by calculating the percentage of people in the labor force.

And Florida's labor force participation rate doesn't look so rosy: It dropped from 61.6 percent in 2010 to 59.3 percent in 2015. (The national rate is 63 percent as of Friday.) And while the number of individuals participating in the work force increased during that time — Florida's economy added about 460,000 employees — it was rapidly outpaced as the population grew by more than 1.3 million people. What's more, Florida's rate of

labor participation has consistently remained below the national average.

Considering the U.S. rate is at its lowest point since the late 1970s, this raises a red flag.

And while many Floridians are retiring (e.g. leaving the labor force), the meager showing holds when you consider those younger than 44. Vacancies in the labor force left by retirees aren't being filled at the same rate by the younger Floridians.

It has prompted University of Central Florida economist Sean Snaith to voice his concern. "The unemployment rate isn't really the clearest indicator of the health of the labor market," Snaith recently admitted. "There's still a lot of underemployment and people out of the labor force who would historically be in it."

So how can Florida get these people working again?

The answer is encouraging job creation. Helping business owners grow their business and hire new people will jump-start not only Orange County and the Sunshine State, but the national economy as well.

Federal policies are holding job creators down. A recent poll from The Job Creators Network found that only one in five small-business owners plan to hire new employees next year.

One reason is an uncompetitive federal tax code: Two-thirds of business owners claim high taxes threaten the viability of their business. Another explanation is the endless stream of government regulations coming from Washington, D.C. Three-fifths of business owners admit government red tape puts undue pressure on them.

Even with a pro-growth governor at the helm, Florida is hard-pressed to overcome the burdens imposed by the federal government.

Florida legislators should focus on protecting the opportunity economy that is under threat right now from Washington bureaucrats. The Department of Labor, for example, is seeking to double the threshold under which salaried employees are required to receive overtime pay. This would impose significantly higher labor costs on business owners — implementation of the new standard is projected to surpass \$592 million in the first year alone — and cause negative unintended consequences for employees, who lose out on promotions and benefits.

Or take the National Labor Relations Board, which is trying to implement a new "joint employer" standard that would redefine America's franchise system by making franchis-

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ers responsible for the employment actions of independent franchisees. This rule threatens the wildly successful franchise system, which supports 18 million American jobs and contributes more than \$2 trillion to the economy, disproportionately impacting minorities who are more likely to use the franchise system as their gateway to the middle class.

To highlight these threats, The

Job Creators Network is launching a “Bring Small Businesses Back” bus tour in Orlando on Thursday. Showcasing a panel of small-business owners and messaging expert Frank Luntz, the event will try to identify the specific hurdles facing small businesses and pinpoint solutions to overcome them. It’s time for policymakers — in Florida and nationwide — to recognize the obstacles facing

job creators and work toward common-sense solutions to address them.

And there’s no better place to bring that message home than in Orlando, whose economy is in many ways a microcosm of the nation as a whole.

*Alfredo Ortiz is president and CEO of the Job Creators Network, a national business advocacy organization.*