

Get Florida's Economy Truly Rolling By Bringing Small Businesses Back

By Alfredo Ortiz

A glance at the March jobs numbers released last week suggests that the national economy is doing fairly well. Over 200,000 jobs were created and the unemployment rate was virtually unchanged at 5 percent.

The numbers look even better for Florida, whose state unemployment rate has fallen below 5 percent and which has created nearly a quarter of a million new jobs over the past year.

But a different story emerges when you look deeper at the data. The national labor force participation rate (LFPR) – the employed and unemployed as a percent of the working age population – is at a historic low. Today's 63 percent labor force participation rate is hovering near a low not seen since the 1970s (a time when far fewer women were part of the labor force than today). Florida's LFPR is even lower at 59 percent.

The low LFPR suggests that the fall in both the national and state unemployment rate is not so much a factor of more people working but of people leaving the workforce altogether and not officially being counted as unemployed.

In fact, if the LFPR remained at its pre-Great Recession level of 66 percent, the national unemployment rate would be 9.3 percent right now.

Evidently, the popular narrative that the economy is back on track is far more complicated than it appears. The fact is that the economy is still operating somewhere between recession and recovery and millions of Americans are still struggling.

So how do we finally get the economy back on track? A big part of the answer is to get small businesses, which account for two-thirds of new jobs and half of existing jobs, booming again. As goes the state of small businesses so goes state of the economy as a whole.

A recent national poll conducted by the Job Creators Network of over 400 small businesses shows that small businesses still have not recovered from the Great Recession. Only one in five responded that they plan to add new employees over the next year. And nearly three-quarters expect the next year to be more difficult to conduct business in than the previous one. National indicators like the downward trend of business creation confirm this trend.

The poll identifies that the main culprits for small business struggles are overtaxation, overregulation, and a lack of access to credit. Two thirds of respondents said that overtaxation threatens the viability of their business. Three-fifths said the same about overregulation.

In an effort to identify exactly which taxes and regulations are having the biggest negative impact on small businesses, the Job Creators Network is hosting a free event in Orlando on Thursday evening featuring a panel of small business owners who will discuss the particular challenges they're facing.

The event will headline world-renowned messaging expert Frank Luntz, who will explain the messaging strategies defenders of the opportunity econ-

omy should use to push back against the threats posed by overtaxation and overregulation.

Florida is a pro-growth state, but that can't stop the attacks it's facing from unelected federal bureaucrats in Washington. For example, the Department of Labor is proposing doubling the threshold under which salaried employees are required receive overtime pay. Such a move is expected to cost \$592 million in the first year alone, a price that will be paid largely by employees who miss out on promotions and benefits and get moved from salaried to hourly positions.

Then there's the National Labor Relations Board's rule that attacks the wildly successful franchise business model by redefining "joint employer" so that franchisors become responsible for the millions of daily decisions made by independent franchisees. The liable implications of such a decision threaten the franchise system, which supports 18 million American jobs and contributes more than \$2 trillion to the economy, disproportionately hurting minorities who are more likely to use the franchise system as their ticket to the middle class.

The Orlando event is the first stop in a "Bring Small Businesses Back" bus tour that tries to get past the topline economic indicators and address the real threats facing American small businesses and identify solutions to overcome them.

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