



Opening Statement of
Chairman Sam Graves
Committee on Small Business
Hearing: "The Path to Job Creation: The State of American Small Businesses"
February 1, 2012

Good morning. This hearing will come to order. Thank you all for joining us today as we examine the state of the small business economy. I know that some of our witnesses traveled quite a bit to be with us, and we at the Committee appreciate that.

Being a small business owner in America is a tough job. No matter what your business, you must wear many different hats. In addition to doing what you went into business for in the first place, you probably have to tackle responsibilities as a tax accountant, advertising executive, regulations expert, fund raiser and human resources expert as well. Yet throughout our history, entrepreneurs in America have done all these things and more. Recently, though, the business of being in business has gotten a lot more difficult.

Late last year, Gallup released a poll outlining the most significant concerns facing America's small businesses. Small business owners have a simple message for Washington: "get out of our way." Entrepreneurs in this poll pointed to excessive government regulation, lack of available capital, and low consumer confidence as the biggest hurdles small business must overcome. This poll mirrors numerous trade association, think tank, and national media polls that say the same thing—small businesses want Washington to let them do what they do best.

Earlier this year, the U.S. Chamber of Commerce released a poll showing the vast majority of small businesses believe that the national economy is on the wrong track. Nearly two out of three do not plan to hire in the coming year due to regulations and general uncertainty in the national economy. Seventy-eight percent of small businesses surveyed reported that the taxation, regulation and legislation from Washington make it harder for their business to hire more employees. The uncertainty is coming at them from all sides, and we must do a better job at restoring confidence to entrepreneurs and consumers alike.

Adding yet more doubt to the economy is the rising federal deficit and financial crises abroad. We are seeing firsthand how out-of-control debt can destroy economies over in Europe. This can impact our economy through decreased exports and the exposure of American investments to losses overseas. Small businesses remain uncertain, not only about the U.S. economy, but the trouble in the world economy as well. This economic uncertainty disproportionately impacts small businesses more than larger businesses that have the resources to deal with a rapidly changing economic environment.

We have a real opportunity to enact changes that give small businesses the tools they need to lead an economic revival. Government does not create jobs or produce long-term economic growth. The private sector does. The faster Washington releases the reins, the faster we will see Americans back on the job and put our nation back on the path to economic prosperity.

Again, I want to thank each of our witnesses for taking the time to be with us today. I look forward to hearing your testimony. I now yield to our Ranking Member, Ms. Velazquez, for her opening statement.