



Jobs

Minnesota is a great place to live and work. Increased competition in the global marketplace, however, has led to many jobs fleeing our state. Our tax structure needs reform to become more business friendly. We need to provide incentives to attract, and maintain, job providers.

Minnesota is currently home to twenty-one Fortune 500 companies – 7th most of any state in the nation. This is a testament to our dynamic, diverse and well-educated workforce. These large companies, however, are not the only job-providers in the state. The lifeblood of our economy lies in small businesses. This is where Minnesota has some room for improvement.

The Small Business and Entrepreneurship Council recently ranked the public policy climate for small businesses in Minnesota 43rd (7th worst) in the country. All our neighbor states rank higher than us – with South Dakota at #1. This is very troubling. Small businesses drive innovation, economic growth and job creation. Unless Minnesota adopts a more small business friendly climate we risk becoming uncompetitive in the global marketplace. The result would be a permanent decrease in jobs and a lower quality of life. This is unacceptable.

We need to encourage businesses to create new jobs. The best way to do this is by lowering taxes, eliminating mandates and reducing regulation.

1) Lowering Taxes

Minnesota's tax structure is not conducive to job creation. Income and capital gains are both taxed at the same rate in Minnesota. Each is, respectively, the 7th highest rate in the country. Reducing each of these rates will encourage investment in small businesses. This could be in the form of either financing a new business or expanding an existing one. Either way this results in new jobs for the hard working people of Minnesota.

2) Eliminating Mandates

Small businesses in Minnesota are burdened by regulations. These regulations drive up the cost of doing business. The result of this is fewer jobs for hard-working Minnesotans. Minnesota ranks second highest in the number of health insurance related mandates on small businesses. There are nearly 70 of them! We need to reduce mandates on small businesses so they are able to use more of their income expanding their business and creating more jobs.

3) Reducing Regulation

Excessive regulation prohibits small businesses from expanding and hiring new workers. Recently, the House Small Business Caucus conducted a survey of small businesses across the state. This provided insight into what the state can do to help small businesses succeed. The number two thing the state could do, according to the small business owners, is reduce or improve regulations (number one is reduce taxes). We as a state need to do everything we can to help small business owners. By reducing regulation we get government of their way, allowing them to create jobs and keep the economy moving.