

UNEMPLOYMENT AND THE SMALL BUSINESS JOBS ACT

However, it remains to be seen how the Small Business Jobs Act affects the prospects of jobseekers: Tax cuts, benefits, and incentives for profitability will not translate into hiring needs unless there is more business. More shops do not guarantee more customers, nor do more customers guarantee increase in number of purchases. Unless there are definite economic strategies to increase the purchasing power of the people, added benefits to small businesses may bring little change to the economic scene. One of the best steps in the Small Business Jobs Act, that of enhancing export potentials and abilities of small businesses, really goes to prove the point of those who are against blind government spending and assiduously maintain that it is unrealistic for a nation to have a healthy economy but a bankrupt government. The amendments in the Export Promotion Act to boost small business exports and the creation of the position of Assistant USTR for Small Business, Market Access, and Industrial Competitiveness *has no cost associated with it*, but is expected to support the creation of 40,000 jobs. Historically, it has been proved by the Department of Commerce's International Trade Administration, that for every \$1 million in appropriated funds, there has been \$56.6 million of returns through export. However, in totality, the Small Business Jobs Act aims to provide \$12 billion in tax cuts to small businesses, and expects the creation or support of 500,000 new jobs. The proposed law is focused on four principal areas:

- Increasing the ability of small businesses to make investments
- Promoting entrepreneurship
- Helping small businesses access capital easily
- Promoting fairness in competition

In fact, the entire list of benefits provided for entering small businesses is so comprehensive that there can be an imminent rush for opening small businesses. The new amendments go to such detail as to even remove cellular phones from "listed property" enabling their costs to be depreciated like other business property. This single removal of cellular phones from the list is expected to cost the government \$410 million over the next ten years. Whatever be the long-term benefit of the Small Business Jobs Act, it is sure that it will help to improve the immediate statistics on unemployment. A spurt of growth in small businesses, irrespective of their future success or failure will lead to a decrease in the number of people who can claim to be unemployed.

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