



**Opening Statement of Chairman Joe Walsh
Committee on Small Business
Subcommittee on Economic Growth, Tax and Capital Access
High Fuel Prices: The Impact on Illinois Small Businesses and Job Creation
June 25, 2012**

Good morning everyone and thank you for joining us. The hearing will now come to order.

I want to thank the witnesses for appearing today and for agreeing to testify on an issue that is so important to small businesses and consumers: high fuel prices.

Few things have such broad effects on consumers, the economy and small businesses as high fuel prices. While fuel prices have moderated somewhat from their recent highs, the price of a gallon of regular gasoline and diesel fuel is still 29 percent and 28 percent higher than two years ago. Overall, Americans are paying 93 percent more for gasoline than when President Obama took office in January of 2009.

The price of gasoline often determines where and when consumers will shop, what it costs a small business to deliver products and services and the cost of purchasing materials and other inputs necessary for business operations.

When consumers have less money to spend, and small businesses are forced to shift resources to fuel purchases or pay higher prices for inputs, weak economic growth and anemic job creation are often the result.

High fuel prices also increase economic uncertainty for both small businesses and their customers. Small businesses have repeatedly testified before the Committee about their need for certainty in order to grow their businesses and create jobs.

Last year, I chaired a Subcommittee field hearing in Woodstock, Illinois. At this hearing, a number of small businesses testified about how uncertainties created by policy actions in Washington inhibit their ability to grow and operate their businesses. These uncertainties can include new federal regulations, federal mandates on employers and the direction of tax and spending policies. In addition to your views on the effects of high fuel prices on small businesses, the Committee will certainly be interested in learning how these additional uncertainties affect you as well.