



Opening Statement of Chairman Tom Rice
House Committee on Small Business
Subcommittee on Economic Growth, Tax and Capital Access
Field Hearing: “Getting Rural America Back to Work: Solutions to Lower Unemployment.”
January 24, 2014

Good afternoon. Thank you all for being here with us. I would especially like to thank each of our witnesses for taking time out of their undoubtedly busy schedules to provide testimony on ways we can all work together to lower unemployment in our rural communities and grow the economy. We have an excellent panel of local leaders, experts, and folks who know how to create jobs and I am looking forward to their testimony and discussion.

Ladies and gentlemen, we are mired in the worst recovery from a recession since World War II. The “Great Recession” ended in June of 2009. That is 54 months ago. Since the end of the downturn we have seen tepid GDP growth, uneasy economic conditions, uncertainty all around the marketplace, and a lagging labor market.

By most accounts, our economy has not “recovered” in those 54 months. Not even close. Anybody who follows it closely must have serious concerns about whether the country is on the right track. Our economy is large and complex, with many factors influencing its trajectory. As we examine these factors, we must take a hard look at the policies coming out of Washington and determine what we can do differently and better.

Take, for instance, the most recent jobs report coming from Washington. By November of 2013, the country was still 1.3 million jobs short of the pre-recession peak. In December, however, only 74,000 jobs were created in this country. That is 130,000 less than the month before. While the national unemployment rate dropped to below 7 percent for the first time in 60 months, it was only because 374,000 people simply left the workforce. They just gave up because they couldn’t find work. This is unacceptable. Clearly we must do better.

One of those places where we need to do better is in our rural communities and with the stubbornly high levels of unemployment in those communities. As a sector of the economy, rural areas, particularly right here in northeastern South Carolina, have significantly higher levels of unemployment when compared to urban areas. For instance, right here in Dillon County, the unemployment rate is 10.4 percent. That’s almost 50 percent higher than the national average. It is even worse in neighboring Marion County, where it stands at 13.1 percent. When you compare that to the Charleston or Greenville areas at 5.5 percent, the dichotomy becomes even more troubling.

With new technology, rural communities have the capability to be connected to the world economy in ways not previously encountered, from high-speed Internet to participation in international trade. By identifying what impediments rural communities face, we can work together to remove those obstructions and get our rural economies growing along with their more urban brethren.

Various studies conducted by organizations such as the United States Chamber of Commerce and the National Federation of Independent Business continually point to high levels of taxation, regulation, and a general uncertainty about where the economy is going as significant impediments to growth. I believe we have a real opportunity to enact changes that give local economies and 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 our nation back on the path to economic prosperity.

Again, I would like to thank each of you for taking the time to provide my subcommittee with testimony. I am really looking forward to it.