

Legislative Update: 2010 Ballot Proposals

There is no doubt about it; Michigan's workforce is in crisis. Currently, the State of Michigan holds the highest unemployment rate in the country at 15%. The national average is considerably lower at 9%. We have all seen the aftermath of a state's ill economy: lower community spending, home foreclosures, a huge decline in the residential and commercial real estate market, and eventually poverty rates skyrocket. The Michigan Democratic Party has come up with several proposals for the 2010 election ballot that reflect their approach to solving the problem. In the opinion of several pro-business groups, these proposals are not only flawed, but a potential death sentence to an already sick economy.

The first of the proposals raises the current minimum wage by 35%. With the passage of this proposal, the state minimum wage would be set at \$10 per hour. To business owners it is very clear why this is such a bad idea. Businesses are typically not growing in Michigan; therefore the budget line item for employment is not increasing, in fact in most cases, it's decreasing. Less income and higher rates of pay equal less jobs.

The next proposal for the 2010 ballot mandates healthcare provision for all employees in Michigan. Again, adding this cost to an employer's budget simply lowers the number of employees one business can hire.

Next, we have a proposal that seeks to increase unemployment benefits by \$100 per week and adds six months to the length of time an individual can collect unemployment. Unemployment benefits are a cost paid for entirely by Michigan business owners. The result of course is less money for employment and even fewer jobs in our state.

The approach taken by the State Democratic Party seems rather circular in its reasoning and method. MMA members and other business owners and operators in Michigan need to band together and stand firm against further circular reasoning and ineffective mandates placed upon their businesses by elected officials.

The fact of the matter is that the statutory initiative process (petitions with signatures of 8% of voters) is always a hard uphill battle for any group hoping to get a proposal on the ballot. However, just because it is a tough battle doesn't make it an impossible feat. Those opposing this initiative must act now to spread the word. This group of proposals could be the final straw for Michigan Businesses. Please visit www.mimovers.org, find your elected official and contact them today! Use your voice to defend your industry.