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Business group releases job-growth plan

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Growing jobs in Pennsylvania will require reforms to the business tax structure, labor laws and health-care and legal systems, said a state business group, which unveiled a job creation plan on Monday.

The Pennsylvania Chamber of Business and Industry's "Agenda for Jobs" is the result of input from more than 9,000 Pennsylvania employers.

"For years now, the business community in Pennsylvania has stood by and watched while other states and nations have run circles around us in the job competitiveness war, as many of our communities have stagnated, and as our state population has become the second oldest in the country," said Kirk Liddell, first vice chairman of the chamber's board of directors and chairman of the Government Affairs Roundtable.

The chamber's plan urges across-the-board reforms and reductions in business taxes. The chamber said those reforms should not be revenue neutral or "just shift taxes," a complaint voiced by business groups over the final recommendations issued by the Pennsylvania Business Tax Reform Commission in November.

The commission's plan, which the governor mandated be revenue neutral, would lower the state's corporate net income tax from the third highest in the nation to the 26th highest. The cost of doing so would be offset in part by a new tax on "pass through" businesses, such as S corporations, partnerships, business trusts and limited liability companies in which profits pass through to the owner or shareholder and are taxed as personal income.

Rising health-care costs, high legal costs and labor laws also serve as obstacles for business, which should be addressed, the chamber said.

Between June 2003 and June 2004, the Philadelphia region has lost 10,600 jobs, reported the U.S. Department of Labor's Bureau of Labor Statistics last month.

"No matter what side of the debate one is on -- be it labor or ownership -- we all agree that a climate that leads to creating jobs is the best solution for everyone," House Democratic Leader Bill DeWeese said in response to the chamber's plan.

"We worked with Governor Ed Rendell to form the Business Tax Reform Commission, and now we stand ready to work with business leaders to ensure the Commonwealth is the place for businesses of all sizes to create jobs."

