



## California Association for Micro Enterprise Opportunity

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# Self-employment IS Job Creation The Potential Workforce Investment Board and Micro Enterprise Partnerships

## *Job Creation: The Workforce Imperative in California*

Californians need to embrace new job creation strategies that build on our cultural advantage of entrepreneurship and utilize the untapped entrepreneurial capacity in our diverse communities.

- 64% of new jobs are created by very small (micro) businesses, most of them without employees.
  - Homegrown, locally owned businesses hire locally.
  - Self-employment grew 28% over past 5 years (new labor trend).

In 2010, the Department of Labor (DOL) released directives encouraging local Workforce Investment Boards (WIBs) to integrate entrepreneurial training as a vital workforce development strategy.

## *Rationale for Funding Micro Enterprise Development*

It is estimated by the Employment Development Department that 5% of the unemployed have entrepreneurial potential, meaning there are an estimated 120,000 people in CA who could benefit from self-employment training offered through the 100 Micro Enterprise Development and Small Business Development Corporations throughout the state. If only half of those unemployed entrepreneurs obtained help in starting a business (60,000), they would create a total of 144,000 jobs over 3-5 years (the owner plus two employees).

## *Workforce Innovation Fund*

The Department of Labor will have \$125,000,000 in new funding that will be available for application in September. We ask that you urge Governor Brown to apply for the Workforce Innovation Grant to fund a demonstration project that would integrate entrepreneurial training programs into the work of local Workforce Investment Boards.

