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the impact of Obamacare on employment, Republicans in Congress are renewing some objections to the controversial legislation and modifying others.

Ken Berry, JD • Feb. 13, 2014



In the wake of a new report from the Congressional Budget Office (CBO) assessing the impact of Obamacare on employment, Republicans in Congress are renewing some objections to the controversial legislation and modifying others. On the opposing side, White House officials and Democratic supporters have developed their own spin on the report. As usual, the findings are open for interpretation.

[This is the fifth in a series of articles on new developments relating to the Patient Protection and Affordable Care Act of 2010 (aka "Obamacare").] See Also:

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years. The projections are mainly attributable to low-income workers scaling back hours so they can keep subsidies available under the law.

The CBO went on to state that workplace participation would be reduced by the equivalent of 2.5 million jobs by 2024. According to an earlier analysis, the agency had predicted a loss of 800,000 fewer full-time jobs by 2021. In any event, the latest summary points to a slowdown in the rate of employment growth over the next decade.

The correlation between the employment numbers and the health care law will likely be showcased by the GOP as national elections draw near. The PPACA, which has been a lightning rod in our nation's capital since its inception in 2010, has suffered some bumps and bruises along, including highly-publicized glitches with the website (www.healthcare.gov) set up to handle individual enrollment. The new CBO report is more grist for the mill.

"The president's healthcare law creates uncertainty for small businesses, hurts take-home pay, and makes it harder to invest in new workers. The middle class is getting squeezed in this economy, and this CBO report confirms that Obamacare is making it worse," said House Speaker John Boehner (r-Ohio) in a prepared statement.

But the White House wasn't willing to concede that the law is having a negative impact. "It's not that the businesses are cutting those jobs," said Jason Furman, chairman of the White House Council of Economic Advisers, who appeared at the press conference announcing the CBO report. Furman said the CBO report attributed the reduction to labor supply rather than demand for workers from employers.

Furthermore, Furman argued that the impact is actually a positive one because it gives more flexibility to workers to pursue their own devices, including self-employment. "This is a choice on the part of workers," Furman said. "I have no doubt that if, for example, we got rid of Social Security and Medicare, there are many

95-year-olds that would choose to work more. I don't think anyone would say that

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predicted that 24 million people will eventually come on board by 2017.

At the very least, the CBO report provided a small measure of encouraging economic news, regardless of political leanings. It concluded that the U.S. budget deficit for fiscal year (FY) 2014 would be \$514, lower than the previous estimate of \$560 billion, and down considerably from the \$680 billion deficit in FY 2013.

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