

## **2012 BROOKLYN CHAMBER MEMBER ISSUES SURVEY**

The Brooklyn Chamber of Commerce, under the direction of the Government Affairs Committee, conducts an annual survey of its membership to inform the Chamber's position on key economic and legislative issues affecting the local economy, as well as issues vital to you and the growth of your business, and as a means to prioritize its advocacy agenda. Every year, through the Chamber's Member Issues Survey, Members are polled on a variety of topics from their outlook on their respective businesses and the economy; to the greatest obstacles to growth.

### **Key Findings**

Overall, there are signs of an economy on the mend, as is evidenced by job creation, increased revenues and positive business outlook. The key to maintaining this trend is to ensure that job creation remains a priority, and that businesses operate in an environment where there are few obstacles to growth and development. The positions outlined herein are aimed to maintain our job base, stimulate business growth and improve our workforce – key elements to maintaining a growing economy. We look forward to working with our state legislators to help shape and influence governmental programs and activities to achieve these results.

### **Revenue & Job Retention**

In 2012 48% of survey respondents reported an increase in revenue from 2011, with 26% of respondents reporting revenue levels similar to 2011. Additionally, the majority of respondents indicated that they will maintain current levels of operation (48%) or grow their business (46%) if current economic trends remain.

### **Outlook for 2013**

The majority of respondents (62% percent) anticipate that 2013 will be better for their business than 2012. Accordingly, more than half of respondents indicated that they are ready to hire additional employees in 2013. While this may demonstrate anecdotal evidence of an economic recovery additional wage subsidies would be beneficial.

### **Obstacles**

The top three obstacles to growth as indicated by survey respondents are:

1. Increased cost of providing health insurance for employees
2. Fuel or energy costs (gas, diesel, electric, oil, etc.)
3. Cost of real estate

As is evidenced above, the cost of providing health insurance for employees is a significant obstacle to doing business in New York State. For the past five years this issue has consistently ranked as the number one problem being faced by small businesses.

**Therefore, it is crucial that continued state funding is allocated in the FY 2014 budget and beyond, to support *Brooklyn HealthWorks*, the Brooklyn Chamber of Commerce's private-label Healthy NY product that subsidizes the cost of health insurance for small businesses.**

Under the stewardship of the New York State Department of Financial Services, Healthy NY currently insures nearly 170,819 State residents. *Brooklyn HealthWorks*, the Chamber's private-label Healthy NY product tailored to meet the needs of small businesses in Brooklyn, requires adequate funding to meet future program demands. Since the State began providing funding for *Brooklyn HealthWorks* in October 2007, active small business enrollment has increased more than five-fold—from 123 to nearly 905 small businesses in every corner of Brooklyn.



Because of consistent demand for *Brooklyn HealthWorks*, available State premium support was exhausted at the end of 2009. While the Chamber continues to enroll businesses and recently added sole proprietor and individual plan options, overall enrollment has slowed since the loss of premium support.

**QUALITY OF LIFE**

To what degree are you concerned about the following quality of life issues?	Percentage citing problem or severe problem	Current Rank	Rank in 2011 (Top 3)	Rank in 2010 (Top 3)	Rank in 2009 (Top 3)	Rank in 2008 (Top 3)
Parking availability	75%	1	(2) 71%	(1) 76%	(1) 69%	(3) 68%
Potholes and poor street conditions	70%	2	(1) 79%	(3) 71%	(3) 52%	(3) 64%
Traffic congestion	69%	3	(3) 67%	(2) 75%	(2) 63%	(1) 73%
Parking violations	60%	4	.	.	.	.
Rats, bed bugs and other vermin	52%	5	.	.	.	.
Litter	49%	6	.	.	.	.
Public safety & security	45%	7	.	.	.	.
Bike and Bus Lanes	36%	8	.	.	.	.
Unfinished development / construction sites	31%	9	.	.	.	.
Graffiti	30%	10	.	.	.	.



**OBSTACLES TO GROWTH**

<b>Obstacles</b>	<b>Percentage citing problem or severe problem</b>	<b>Current rank</b>	<b>Rank in 2011 (Top 6)</b>	<b>Rank in 2010 (Top 6)</b>	<b>Rank in 2009 (Top 6)</b>	<b>Rank in 2008 (Top 6)</b>
<b>Increased cost of providing health insurance for my employees</b>	56%	1	(1) 74%	(1) 64%	(1) 54%	(1) 55%
<b>Fuel or energy costs (gas, diesel, electric, oil, etc.)</b>	49%	2	(2) 56%	(2) 51%	(2) 51%	(1) 51%
<b>Cost of real estate</b>	47%	3	(9) 40%	(8) 40%	–	–
<b>Finding /hiring reliable, qualified workers</b>	45%	4	(14) 31%	(16) 26%	–	–
<b>Traffic/transportation problems</b>	42%	5	(3) 48%	(4) 50%	(5) 42%	(4) 46%
<b>Cost of general liability insurance</b>	40%	6	(3) 47%	(3) 52%	(3) 49%	(3) 48%
<b>Corporate taxes</b>	39%	7	(10) 40%	(12) 33%	–	–
<b>Labor costs</b>	39%	7	(8) 36%	(7) 42%	–	(6) 38%
<b>Finding available business space/real estate</b>	38%	8	(14) 31%	(16) 26%	–	–
<b>Government regulations, fines and violations</b>	37%	9	(4) 47%	(6) 45%	(4) 44%	–
<b>Real estate taxes</b>	35%	10	(11) 39%	(13) 32%	–	–
<b>Worker's compensation costs</b>	34%	11	(5) 45%	(5) 46%	(6) 41%	(5) 44%
<b>Unemployment insurance</b>	34%	12	(8) 36%	(14) 31%	–	–
<b>Sales taxes (City, State)</b>	33.3%	15	(15) 28%	–	–	–
<b>Water and sewage charges</b>	25%	17	(15) 28%	–	–	–