

Minnesota employers tee up 2015 legislative agenda

Continued disconnect between business needs and action at the Capitol, Business Barometer finds

Minnesota employers understand the impact that state policy-makers have on their bottom lines, but they believe elected officials generally do not understand the everyday challenges facing businesses.

The Minnesota Business Barometer Survey, in its 11th year, is co-sponsored by the Minnesota Chamber of Commerce and Himle Rapp and Company, a public affairs firm headquartered in Minneapolis. The Minnesota Chamber is the state's largest business advocacy organization representing 2,300 companies of all types and sizes across the state.

SURVEY HIGHLIGHTS

Employers generally are feeling better about the economy, but say elected officials in St. Paul can do more to help develop and grow Minnesota's economy:

- 46% say the economy is getting better, while 11% say it's worse and 43% say it's about the same.
- 88% say the Governor and Legislature play a role – 35% say a very important role – in determining the business climate. 41% say policy-makers have had mixed success in that role.
- 63% say legislators do not understand everyday business challenges.
- 44% say reforming the tax code is one of the two most important issues state government should address; next are improving access to affordable health care (33%) and reducing government spending (32%).

TAXES

- 62% say high taxes are one of the two biggest barriers to job creation.
- 67% say their business tax burdens are greater than five years ago.

HEALTH CARE

- 21% say the cost of health care is one of the two biggest barriers to job creation.
- 55% say their health care costs are increasing; 42% say costs are about the same.
- Only 2% say they would stop providing insurance in five years if costs continue to increase at current rates.
- For those who do not provide insurance, 77% say they are not planning any changes in their approach to employee coverage.

ENERGY

- 30% say affordability has worsened during the past few years. The price of electricity remains a bigger concern than reliability.
- 33% say affordability and reliability issues may affect their ability to expand in Minnesota during the next decade.

EDUCATION/WORKFORCE DEVELOPMENT

- Only 45% say they can find the right number of workers with the right skills for their businesses.
- 38% say the lack of skilled workers is affecting their ability to do business today, and another 21% say they'll feel the impact in a couple of years.
- 80% say they spend money on training employees for specialized skills; 18% say they spend money on training employees for skills they should have learned in school.

TRANSPORTATION

- 61% say the state's transportation system is better – including 11% who say much better – than four years ago in the areas they most frequently travel.
- 75% say the current highway and transit system will serve their needs during the next 10 years.
- 57%, including 25% strongly so, say the state does not need to find new revenue to make needed investments in transportation; 32% say it should identify new revenue.

The message from Minnesota's business community to Governor Dayton and the Legislature:

1. If we are going to put more people to work, and consistently put more money in the pockets of our current workers, we have to start controlling the costs placed on employers. Taxes are always a major concern for businesses, but regulatory, energy and health care costs also impact business decisions.
2. Comparing the success of Minnesota schools with those in other states is only one measure of educational success. More importantly, we have to find ways of providing the right skills for the employers willing to invest in Minnesota. While university-educated workers are always desired, businesses with the greatest workforce needs are also looking for workers with a technical education or even just a high school education.