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JOINT COMMITTEE PRINT

CENTRAL CITY BUSINESSES—
PLANS AND PROBLEMS

A STUDY

PREPARED FOR THE USE OF THE

SUBCOMMITTEE ON FISCAL AND
INTERGOVERNMENTAL POLICY

OF THE

JOINT ECONOMIC COMMITTEE
CONGRESS OF THE UNITED STATES



JANUARY 14, 1979

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LETTERS OF TRANSMITTAL

JANUARY 12, 1979.

To the Members of the Joint Economic Committee:

Transmitted herewith is a study entitled "Central City Businesses—Plans and Problems." This study was prepared by the committee staff and examines the business intentions of over 1,300 firms in 10 cities and the effect of city traits in shaping those decisions.

The study was funded by the Joint Economic Committee's Special Study on Economic Change (SSEC). The SSEC is charged with the responsibility of providing a long-range analysis of the Nation's economy and its implications for the future.

It is understood that the views contained in this study do not necessarily reflect the views of individual committee members.

Sincerely,

RICHARD BOLLING,
Chairman, Joint Economic Committee.

JANUARY 9, 1979.

HON. RICHARD BOLLING,
*Chairman, Joint Economic Committee,
U.S. Congress, Washington, D.C.*

DEAR MR. CHAIRMAN: I am pleased to transmit herewith a staff study prepared for the Subcommittee on Fiscal and Intergovernmental Policy of the Joint Economic Committee entitled "Central City Businesses—Plans and Problems."

It provides an indepth assessment of the business climate and problems in 10 large central cities. It also documents the intention of firms to increase or reduce their work force and to expand or contract their operations. Further, the study analyzes some of the city characteristics which may influence these decisions.

This study was not intended to ignite regional or inter-city controversy, but to provide valuable information to Congress, the executive branch, and local governments in formulating economic development programs and policies.

The study was conducted by Deborah Norelli Matz of the committee staff.

Sincerely,

WILLIAM S. MOORHEAD,
*Cochairman,
Subcommittee on Fiscal and Intergovernmental Policy.*

JANUARY 3, 1979.

HON. WILLIAM S. MOORHEAD,
*Cochairman, Subcommittee on Fiscal and Intergovernmental Policy,
 Joint Economic Committee, U.S. Congress, Washington, D.C.*

DEAR MR. MOORHEAD: Transmitted herewith is a staff study entitled "Central City Businesses—Plans and Problems." The study provides a detailed analysis of business intentions and needs in 10 central cities. In particular, the study analyzes the decisions of firms to alter their location and work force and the characteristics of cities which affect these decisions.

The committee is deeply appreciative of the cooperation and assistance provided by the following:

Carl Backman, Senate Computer Center

David Birch, Massachusetts Institute of Technology,

Center of Neighborhood and Regional Change

Craig Boyle, Senate Computer Center

G. Thomas Cator, Senate Small Business Committee

Royce Crocker, Congressional Research Service, Library of Congress

Edwin Dale, Economic Stabilization Subcommittee, House Committee on Banking, Finance and Urban Affairs

Bernard Weinstein, University of Texas at Dallas; Southern Growth Policies Board

In addition, we are particularly indebted to Thomas Muller of the Urban Institute for his invaluable suggestions and extensive assistance in reviewing the manuscript.

The study was conducted by Deborah Norelli Matz of the committee staff. Research assistance was provided by Ginger Reich. The burden of typing the manuscript was borne by Carole Geagley. Valuable administrative assistance was provided by David Battey and Michael Nardone.

Sincerely,

JOHN R. STARK,
Executive Director, Joint Economic Committee.

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CENTRAL CITY BUSINESSES—PLANS AND PROBLEMS

INTRODUCTION AND SUMMARY

The Joint Economic Committee has long had a keen interest in the economic condition of our nation's cities. In recent years, the committee and its various subcommittees have held hearings and conducted studies to determine the economic health and needs of our cities.

Our cities, like the residents within them, are not monoliths. While some are still experiencing population and job reductions or only slow improvements with the national economic recovery, others appear to be thriving. The private sector, it seems, holds the key to the economic well-being of and disparity between city economies. The private sector is vital in both providing employment opportunities and generating the tax revenues necessary to provide local services. Since it is now recognized by most local officials that economic development or redevelopment policies are pivotal to ensuring a successful future for our cities, competition to attract industry is fierce. Both at the local and Federal levels, public officials have been planning, creating and implementing programs and policies intended to keep existing firms in cities, encourage their expansion and attract new firms, as well.

However, the differences between cities, and the lack of sufficient information on business needs, business climate, and the factors which determine business climate have rendered this job extremely difficult. Thus, it was felt that a survey of a large number of central city businesses in a select number of cities would make a significant contribution toward meeting our information needs. The collection and dissemination of such information is essential as a first step in assisting local jurisdictions.

This survey was mailed to a probability sample of 2,611 firms in 10 central cities. Of these, 288 were sent to wrong addresses, or were otherwise unusable resulting in a final sample of 2,323 firms. Ultimately, 1,290 usable responses were received. The cities included in the survey were Atlanta, Dallas, Detroit, Los Angeles, Minneapolis, New York, Phoenix, Pittsburgh, Seattle, and St. Louis. The results of the survey led to a division of the 10 cities into three categories of "business climate"—most favorable, somewhat favorable and least favorable. (See section on Business Climate for explanation.)

The results of the survey indicate that:

I. DISPARITIES BETWEEN GROWING AND DECLINING CITIES WILL CONTINUE

In all three city categories, most favorable, somewhat favorable and least favorable business climate, a larger percentage of firms is plan-

ning to increase their work force and expand their operations at their present location than is planning to reduce their work force or operations. This trend is stronger, however, in cities with the most favorable business climate than in cities with the least favorable business climate.

The difference between the percentage of firms which have decided to expand their operations in the most favorable category and those which have decided to expand in the least favorable category as well as an analysis of the percentage of firms in each category planning to reduce their operations, indicates that the disparities between growing and declining cities are still occurring. In cities which are perceived to have the most favorable business climate, 44 percent of the firms will be increasing employment and 39 percent expanding their operations at their present location in the near future. This contrasts with only 25 percent which plan to increase employment and 22 percent which plan to expand in cities perceived to have the least favorable business climate.

It is apparent, based on firm considerations to expand or reduce their operations, that the disparities between growing and declining cities will not abate in the near future. A larger percentage of firms surveyed is considering expanding their operations in the most favorable cities than in the least favorable cities. Conversely, a larger percentage of the firms in the least favorable category is considering reducing their operations than in the most favorable category. In fact, in the least favorable category, twice as many responses indicated negative actions being considered (moving, selling, going out of business, and reducing operations) than positive actions (expanding). This contrasts with the most favorable cities in which twice as many responses indicated consideration is being given to expanding than to faking a negative action. It appears unlikely therefore that growing or declining cities will soon witness a reversal of the current trends.

II. SMALL BUSINESSES PERFORM POORLY IN CITIES

The firms most likely to increase employment and expand operations are those with 25 to 499 employees, as opposed to the very largest or smallest firms.

The firms least likely to increase employment are the firms with 500 or more employees (27 percent). The least likely to expand their operations are those firms with fewer than 25 employees (22 percent).

These findings underscore a serious problem in our cities. There is evidence that smaller firms generally provide the greatest number of all net new jobs and expanded operations. The results of this survey suggest, however, that in cities the performance of smaller firms are, at best, equal to larger firms in these respects. As a result, significant job and capital investment expansion potential is lost. This fact may help to explain the severe economic problems encountered by many cities and the disparities between cities and suburbs. It is apparent that policies intended to assist local economies should focus on assisting small businesses to perform in cities as they do elsewhere, since small businesses generate most of the net new jobs.

III. FINANCIAL FIRMS LEAD EXPANSIONS OF EMPLOYMENT AND OPERATIONS

The finance sector has the largest percentage of firms planning to increase employment (45 percent) and expand operations (33 percent).

The smallest percentage of firms planning to increase employment is the retail firms (26 percent), while the largest percentage planning work force reductions is in manufacturing (8 percent).

The smallest percentage of firms planning to expand their operations is the transportation-public utilities firms (24 percent) and construction firms (25 percent).

IV. CITY'S QUALITY OF LIFE MORE IMPORTANT THAN BUSINESS-RELATED FACTORS

The perceived business climate of a city closely parallels the perceived quality of life in that city. Six of the seven variables viewed as most important by the respondents are overall city attributes and not necessarily business-related factors. They are:

- (1) City government attitude toward business.
- (2) Crime level.
- (3) Adequacy of public facilities.
- (3) Adequacy of public facilities.
- (4) Market demand for product or services.
- (5) Adequacy of public services.
- (6) Quality of city's schools.
- (7) Cultural attractions.

Tax rates, business costs and labor factors, in general, are not viewed as important as the quality of life characteristics.

When comparing cities, the greatest disparities perceived by the respondents, once again, are in the quality of life characteristics.

The greatest perceived disparities between cities with the most favorable business climate and those with the least favorable are, in the following order:

- Quality of city's schools.
- Labor cost.
- Adequacy of public facilities.
- Crime level.
- City government attitude toward business.
- Personal tax rate.

One of the primary policy conclusions to be drawn is that improving the quality of life in cities where it is poor, and maintaining it where it is good, can have an important impact on decisions of firms to relocate, alter the size of their work force and reduce or expand their operations.

V. BUSINESSES OVERBURDENED BY REGULATIONS

The open-ended comments by respondents overwhelmingly cited the need for reduced Federal paperwork and regulations. This was the single most widely expressed sentiment and was universally stated by all types and sizes of firms in all cities.

IMPLICATIONS FOR PUBLIC POLICY

The results of this survey suggest that individual programs and policies which respond to a particular business need will probably be of limited success in encouraging firms to expand or attract new firms if it is not part of a comprehensive effort to upgrade the quality of life in the city. One of the primary policy conclusions to be drawn is that improving the city quality of life where it is poor can have a significant impact on decisions firms make regarding location and work force changes.

While in selected instances, government incentives may influence locational choice, it appears that firms consider pleasant, hospitable surroundings to be of paramount importance in their site selection. The data indicate that even in cities with the most favorable business climate, several important characteristics were viewed negatively, such as the crime level, personal tax rate and energy cost. However, in almost every instance, the characteristics of the cities with the least favorable business climate were rated lower than the characteristics of the cities with the most favorable business climate.

In particular, the survey reinforces the need to address the problems experienced by small businesses in cities. Small businesses possess the greatest potential for net new job creation and operation expansions. Evidence suggests that small businesses generate a large percentage of all the new jobs and in general the smaller the business the more likely it is to expand. Small businesses in cities, however, are not following this pattern. The results of this survey suggest that in cities smaller firms are at best equal to large firms with respect to planned expansion of work force and operations. As a result, significant job and capital investment expansion potential are lost. This fact may help to explain the severe economic problems encountered by many cities and the disparities between cities and their suburbs. It is apparent that policies intended to assist local economies should focus on assisting small businesses to perform in cities as they do elsewhere, since small businesses generate most of the new jobs.

In addition, it is important that economic development activities not be conducted in a vacuum. While programs to reduce labor costs, financing costs and taxes are important they should be part of an overall effort to upgrade the quality of life through improved schools, services, and public facilities. While the Federal Government can, and in the past has attempted to assist in many of these areas, they remain essentially the domain of local governments. Local tax rates and, most particularly, the city government attitude toward business are not only important, but also vary significantly between the most favorable and least favorable cities. These characteristics are determined exclusively by local government. This survey reinforces the importance of joint public-private efforts in resolving local problems and in designing suitable approaches to making cities more livable. Regardless of Federal initiatives, however, if the city government attitude toward business and the quality of life are not perceived as positive, the effectiveness of discrete programs and policies is likely to be diminished.

COMMENTS BY RESPONDENTS

Following are some of the specific suggestions received from respondents on the appropriate government response to business needs. Generally, they fall into four distinct categories: Reducing regulations and paperwork, providing tax relief, assisting small businesses, and improving the quality of life in cities.

ATLANTA

"In order to interest the business community in the core urban area, the Federal Government must do the following: (1) Create a special tax (investment credit or property) that would provide economic relief for building or relocating into the core area. (2) Subsidize the business for hiring and training the urban unskilled unemployed. The Government could pay a direct subsidy per person employed or grant tax credits. (3) Lower property taxes that provide investment disincentives. Core urban areas have come to be havens for the nontaxable, nonprofit institution, leaving the remaining businesses an unbearable tax burden.

"Less government interference.

"Our No. 1 problem is labor. We need an efficient public personnel agency which will bring employers together with those who sincerely want to work. . . ."

DALLAS

"Just please get government out of business. Quit regulating! Let business do what should be done—employ people—make reasonable profits and grow!

"The need is the availability of nonskilled employees that are mature and reliable. Training can be provided if the people are available.

"Some of the problems or needs affecting employers of inner city employers include adequate public transportation, low cost public parking and availability of day-care centers for children."

DETROIT

"Complete revamping of work force and social assistance programs to bring unskilled individuals back into the labor market that are now prevented from working by government programs.

"Tax credits for businesses that are forced to train employees in basic clerical skills, i.e., typing and shorthand. Our labor market is such that we must hire clerical persons with less than adequate skills and then train them.

"Aid in obtaining capital for expansion for small and medium size businesses. . . ."

LOS ANGELES

"Stop paying benefits to unemployed that equal or exceed wages paid by industry. The present system tends to reward people for not working.

"The increasing burden of compliance with the rules of the various regulatory bodies substantially increases costs both to the business organization and the ultimate consumer. This trend, if not reversed, could have dire economic consequences."

MINNEAPOLIS

"Reduce the capital gains tax so that small business has a better chance of survival in urban areas, and for that matter, anywhere else. . . .

"Reduce paperwork for reports, and so forth.

"Reduce capital gains tax.

"Reduce Federal expenditures.

"Direct grants to cities for commercial and industrial area rehabilitation."

NEW YORK

"The Federal Government needs to help urban areas by creating a better overall environment. The environment can be substantially improved through reducing unemployment; this can be done only by creating incentives which will provide light manufacturing jobs suitable to the unskilled workers who are the predominant number on the unemployment roles. Correction of the unemployment problem should help correct some of the other problems such as crime, deteriorating housing, etc. The long-term solution would require massive aid to education, but this aid must be channeled into specific remedial programs and not to merely raise the present salaries of administrators and teachers.

"The Federal Government, through administration of welfare and unemployment compensation programs, should also devise incentives for people on these roles to move from areas of high unemployment to areas of relative labor shortages. The true unemployment rate of the country and of any given area is not now being measured accurately enough to provide the necessary information for such a program.

"Eliminate improper interferences by all levels of government and regulatory agencies which are arbitrary, inappropriate, and inconsistent with underlying statutes."

PHOENIX

"Stop government interference—let business operate without assistance and it will be alright.

"The most obvious (solution) is to reduce Federal Government involvement in small business. The interference jeopardizes any incentive for staying in business. Help should be in the form of less government controls. Small business is "choking to death" on government regulations."

PITTSBURGH

“(1) Encourage capital investment by increasing investment tax credit, and shortening depreciation periods. (2) Be more reasonable on environmental regulations. (3) lessen the burden of government data requirements that business must prepare.

“Lower cost on financing and better conditions for the central city as far as labor, location and perhaps land donations would be useful. Actually, the Federal Government could only help on loans at lower rates (tax-free) or funds to permit local area to provide needed services.”

SEATTLE

“Allow investment tax credit on real property in the inner cities. Grant low interest loans to small business within the inner city.

“What we need is less involvement by the Federal Government. Federal support programs aren't a windfall. Every dollar received probably costs \$2 in taxes!”

ST. LOUIS

“As far as St. Louis is concerned, the best way that the Federal Government can assist business in urban areas is to improve the public facilities. In addition, stabilizatoin of the economy of the local government unit would be beneficial. If possible, the various Federal programs which presently assist cities should be better coordinated and simplified.

“Increase and improve personal and business safety and security in urban areas. People will move away from areas where their personal safety is at risk and where schools are of low caliber and high risk to their children. When families leave neighborhoods, businesses fail and leave. And larger businesses and industry is faced with increasing vandalism and employment problems. The collapse begins when security lessens. Federal assistance in funding and training of police—and supporting them in the courts would be two major steps.

“In the order listed (the Federal Government should) :

“(1) Reduce Government spending.

“(2) Control money supply.

“(3) Reduce real taxes.

“(4) Reduce regulations.”

METHODOLOGY

SELECTION OF CITIES

The 10 central cities selected for the survey are all large, industrial cities. Consideration was given to geographic dispersion and representation of economically growing and shrinking cities. The cities are as follows:

Atlanta	New York
Dallas	Phoenix
Detroit	Pittsburgh
Los Angeles	Seattle
Minneapolis	St. Louis

SELECTION OF FIRMS

Massachusetts Institute of Technology's Program on Neighborhood and Regional Change maintains a computer file of 5.6 million U.S. business establishments obtained through Dun & Bradstreet records. By using MIT's computer system, known as ACCESS, a probability sample of 300 firms was drawn for each city. The firms were not constrained to a particular size or industrial category.

However, the sample was weighted toward larger employers. The committee's interest in developing this survey was not merely to generate information on firms, but also on employment. We sought to learn what was occurring to the employers of people. The sampling methodology therefore utilized employees rather than firms as the basis for selection. For each city, a random list of firms was converted into a random list of employees. Employees were selected at a given interval and the firms in which the individual worked became part of the sample. As a result, large employers were significantly more likely than small employers to be selected. In fact, a firm's probability of selection was exactly proportional to its number of employees. If no weighting had been utilized, a very large proportion of the sample would have been firms with fewer than four employees.

While there are some limitations connected with using the Dun & Bradstreet data, their files include businesses employing approximately 80 to 82 percent of all U.S. employees. Services, particularly professional services as doctors, lawyers, et cetera, tend to be under-represented in the file. However, the broad scope and easy availability of these data rendered it suitable for the committee's purpose.

SAMPLE SIZE

Of the sample of 3,000 firms, Dun & Bradstreet provided the names and addresses of 2,611 establishments. Each of these 2,611 firms was sent a survey. (See appendix for sample of survey instrument.) The survey instrument sent to each city was identical but for the name

of the particular city the form was sent to, which was identified throughout the questions.

Each firm was asked to respond to the questions only for the branch or firm whose name appeared on the mailing label even if other branches, plants or subsidiaries were owned by the same firm or located in the same city.

After the initial mailing, nonrespondents received two additional copies of the survey, sent several weeks apart. In all, 288 surveys were returned due to incorrect addresses, or were otherwise unusable and 1,033 firms did not respond. Surveys which were not usable fell into three categories:

(1) Firms located outside of the central city.

(2) Public rather than private organizations, that is, U.S. Army, school boards, et cetera.

(3) Firms which had gone out of business in the past year.

Ultimately, the sample size included 2,323 establishments, of which 1,290 usable responses were received. Of these, 399 have fewer than 25 employees, 332 have 25 to 99, 346 have 100 to 499 and 205 have a work force of 500 employees or more.¹

There are 516 firms included in the most favorable business category, 547 in the somewhat favorable category, and 227 in the least favorable category.

The industrial categories are as follows: ²

93 construction firms.

282 manufacturing firms.

75 transportation/public utility firms.

155 wholesale firms.

159 retail firms.

129 finance firms.

384 service firms.

¹ For eight firms, the size of the work force is unknown.

² Ten agriculture, forestry and fishery firms and three mining firms which responded were not included in the analyses by industrial sector.

I. BUSINESS CLIMATE

The preparation of this survey was based on the thesis that, the business owners' and managers' *perception* of a city's business climate is highly correlated with firm decisions to expand, contract or relocate. In formulating the survey, it was felt that the perception of business climate is the sum total of many factors—some seemingly nonbusiness in scope—and that the perception varies from one individual to the next. The premise was that regardless of specific data on factors which combine to form the business climate, perception of the climate itself influences firm decisions.

In the first question, the respondents were asked to rate the business climate in their city from highly favorable to highly unfavorable. Thus, we were able to obtain for each city, the percentage of firms in each city which felt the business climate was favorable and those which felt it was unfavorable.

The results were as follows:

TABLE 1.—PERCEPTION OF BUSINESS CLIMATE

City	Number of respondents	Favorable ¹	Unfavorable ¹	Expressed no opinion ¹
Dallas.....	140	98.6	0	1.4
Seattle.....	133	88.0	5.3	6.7
Phoenix.....	147	82.3	4.1	13.6
Atlanta.....	116	81.9	3.4	14.7
Pittsburgh.....	141	57.5	11.3	31.2
St. Louis.....	141	57.4	14.2	28.4
Minneapolis.....	154	56.5	24.7	18.8
Los Angeles.....	130	53.1	10.0	36.9
Detroit.....	127	30.7	33.9	35.4
New York City.....	114	27.2	39.5	33.3

¹ Percentage of respondents in each city.

PERCEPTION OF BUSINESS CLIMATE

Based on the response to the question of perception of business climate, the cities were divided into three categories:

Highly favorable: Cities in which at least 80 percent of the respondents viewed the business climate as favorable and less than 10 percent as unfavorable:

Dallas	Phoenix
Seattle	Atlanta

Somewhat favorable: Cities in which more than 50 percent, but less than 80 percent, of the responses were favorable and between 10 to 25 percent were unfavorable:

Pittsburgh	Minneapolis
St. Louis	Los Angeles

Least favorable: Cities in which less than 35 percent of the responses were favorable and more than 30 percent were unfavorable:

Detroit	New York City
---------	---------------

It should be noted that in general the smallest percentage of respondents who felt their city's business climate was favorable, the greater the percentage who expressed no opinion. In 8 of the 10 cities surveyed, of the respondents who did not view the business climate as favorable, a larger percentage expressed "no opinion" than "unfavorable." It appears there is a reluctance to indicate an unfavorable business climate and it might not be unreasonable to infer that those who expressed no opinion viewed the business climate more negatively than positively.

The analysis of the results of the survey which follows focuses on the variation in firm decisions between the city categories and the extent of the variation. Further, consideration is given to firm size (based on the number of employees) and the type of firm, that is, manufacturing, service, finance, wholesale, retail, public utilities-transportation, and construction.

II. CHANGES IN WORK FORCE

All firms were asked whether in the next year they had plans to increase, decrease, or keep about the same their number of employees. They were further asked for a breakdown by type of employee: Blue collar, white collar, and clerical.

The largest increase in employment is planned in the most favorable cities. About 45 percent of the respondents in these cities are planning increases as opposed to approximately 35 percent of the somewhat favorable cities and 25 percent in the least favorable cities.

Reductions in work force are planned by 10 percent of the firms in the least favorable category, 6 percent in the somewhat favorable category and 4 percent in the most favorable category. Similarly, 65 percent of the firms in the least favorable category plan no increases or decreases in work force, contrasted with 59 percent in the somewhat favorable category and 52 percent in the most favorable category.

The variation is best illustrated by considering individual cities. In Phoenix, 50 percent of the respondents are planning to increase their work force while in Detroit the rate is only 24 percent.

Similarly, 2 percent of the respondents in Dallas are planning work force reductions, while in New York City, 12 percent of the surveyed firms are planning to decrease employment levels.

CHANGES IN WORK FORCE: By CITY CATEGORY AND TYPE OF EMPLOYEE

It appears that the most favorable category has the largest percentage of firms planning to increase employment for each type of employee and the smallest percentage of firms which is planning to reduce each type of employee. As seen in the aggregate data, the opposite can be said for the firms in the least favorable category. The largest percentage of firms planning work force reductions is found in this category for each employee type. It should be noted, however, that in each category, and in each city, for each type of labor, more firms plan to increase their work force than plan to reduce it. This is true even in the least favorable cities. The greatest net differential, of course, of increase over decrease can be found in the most favorable category.

TABLE 2.—PERCENTAGE OF FIRMS PLANNING CHANGES IN WORK FORCE: BY CITY CATEGORY AND TYPE OF EMPLOYEE

	Blue collar			White collar			Clerical		
	In-crease	De-crease	No change	In-crease	De-crease	No change	In-crease	De-crease	No change
Most favorable.....	1 37.6 (174)	1 5.6 (26)	1 56.8 (263)	1 37.2 (184)	1 3.4 (17)	1 59.3 (293)	1 33.7 (166)	1 3.7 (18)	1 62.6 (308)
Somewhat favorable.....	1 29.1 (137)	1 6.8 (32)	1 64.0 (301)	1 28.9 (151)	1 5.7 (30)	1 65.3 (341)	1 25.7 (132)	1 5.1 (26)	1 69.2 (355)
Least favorable.....	1 19.6 (39)	1 11.1 (22)	1 69.3 (138)	1 17.9 (40)	1 8.1 (18)	1 74.0 (165)	1 17.0 (38)	1 8.9 (20)	1 74.1 (166)

¹ Percent of firms responding for each category. Totals may not equal 100 percent due to rounding.

Note: Number in () is absolute number of firms.

CHANGES IN WORK FORCE: BY FIRM SIZE

In the aggregate, a greater percentage of very large firms (500 or more employees) plan to reduce their work force and a smaller percentage plan to increase their work force relative to other size categories. In net terms, the largest percentage of firms which plan to increase employees over those which plan to decrease employees in the coming year is in the two categories 25 to 99 employees and 100 to 499. A net of roughly one-third of the firms in each of these categories anticipates increases. The net percentage of the largest firms predicting increases is the lowest for all size categories—less than 20 percent.

TABLE 3.—1-YR PROJECTED WORK FORCE CHANGES: BY SIZE OF FIRM

	Less than 25 ¹	25 to 99 ¹	100 to 499 ¹	500 plus ¹
Increase.....	34.5	41.9	41.0	27.1
Decrease.....	5.5	5.4	4.6	9.2
Keep the same.....	60.0	52.7	54.3	63.8
Number of responses.....	403	332	368	240

¹ Percentage of firms responding for each size category.

Note: Totals may not add to 100 percent due to rounding.

CHANGES IN WORK FORCE: BY TYPE OF EMPLOYMENT AND SIZE OF FIRM

In each category—blue collar, white collar, and clerical—the largest percentage of firms planning increases over those planning decreases is in the size grouping 25 to 99 and 100 to 499. A net of approximately 30 percent of the firms in these size categories plan increases in blue collar, white collar, and clerical workers.

The lowest net percentage of firms planning increases in each category is the largest size (500 or more employees). Only a net of 9 percent of the firms plan increases in blue collar workers, 17 percent in white collar, and 14 percent in clerical.

TABLE 4.—PERCENTAGE OF FIRMS PROJECTING CHANGES IN WORK FORCE: BY TYPE OF EMPLOYMENT AND SIZE OF FIRM

1-yr work force plans	Blue collar				White collar				Clerical			
	Less than 25	25 to 99	100 to 499	500 plus	Less than 25	25 to 99	100 to 499	500 plus	Less than 25	25 to 88	100 to 499	500 plus
Planned work force expansions.....	¹ 29.9 (89)	¹ 36.1 (104)	¹ 35.0 (114)	¹ 19.5 (43)	¹ 23.9 (78)	¹ 34.1 (109)	¹ 35.5 (127)	¹ 26.0 (61)	¹ 20.5 (66)	¹ 28.8 (91)	¹ 34.5 (123)	¹ 23.9 (56)
No change.....	¹ 63.1 (188)	¹ 57.3 (165)	¹ 59.8 (195)	¹ 70.0 (154)	¹ 71.5 (233)	¹ 60.9 (195)	¹ 60.9 (218)	¹ 65.1 (153)	¹ 75.2 (242)	¹ 66.8 (211)	¹ 62.2 (222)	¹ 65.8 (154)
Planned work force reductions.....	¹ 7.0 (21)	¹ 6.6 (19)	¹ 5.2 (17)	¹ 10.5 (23)	¹ 4.6 (15)	¹ 5.0 (16)	¹ 3.6 (13)	¹ 8.9 (21)	¹ 4.3 (14)	¹ 4.4 (14)	¹ 3.4 (12)	¹ 10.3 (24)

¹ Percentage of firms responding for each size category. Totals may not equal 100 percent due to rounding.

Note: Number in () is the absolute number.

CHANGES IN WORK FORCE: BY CITY CATEGORY AND SIZE OF FIRM

Across the board, in each size interval, the smallest net percentage of firms planning work force increases over those planning decreases is in the least favorable category. The net percentage of firms planning increases in the least favorable category is relatively constant for 1 to 24, 25 to 99, and 100 to 499 employee firms. However, for the largest firms a larger proportion is planning work force reductions than expansions. The net percentage of large firms planning reductions is 3.4 percent.

Similarly in the most favorable and somewhat favorable categories, the largest establishments are planning the smallest net percentage of work force expansions—35 percent and 18 percent, respectively.

Unfortunately, these data measure only the percentage of firms planning work force changes and not the magnitude of the change. However, consistent throughout the data, the smallest net percentage of firms planning work force increases is found in the largest firms. In addition, the largest percentage of firms planning work force reductions are the firms with 500 or more employees.

TABLE 5.—PERCENTAGE OF FIRMS PLANNING CHANGES IN WORK FORCE: BY CITY CATEGORY AND SIZE OF FIRM

	Most favorable				Somewhat favorable				Least favorable			
	Less than 25 ¹	25 to 99 ¹	100 to 499 ¹	500 plus ¹	Less than 25 ¹	25 to 99 ¹	100 to 499 ¹	500 plus ¹	Less than 25 ¹	25 to 99 ¹	100 to 499 ¹	500 plus ¹
Increase.....	44.0	48.6	42.1	40.5	28.0	39.0	45.3	25.5	29.0	32.8	25.9	13.3
Decrease.....	3.8	3.6	4.9	5.4	5.7	5.9	4.7	7.5	8.7	8.6	3.7	16.7
Keep the same.....	52.2	47.8	53.0	54.1	66.3	55.1	50.0	67.0	62.3	58.6	70.4	70.0
Number of responses.....	159	138	164	74	175	136	150	106	69	58	54	60

¹ Percentage of firms responding for each size category. Totals may not equal 100 percent due to rounding.

CHANGES IN WORK FORCE: BY INDUSTRY TYPE

In the aggregate, the largest percentage of firms planning to increase their work force is in the finance sector—45 percent. This contrasts with the retail sector in which only 1 in 4 of the firms surveyed plans to expand the number of employees.

In net terms (increases less decreases), the largest percentage of firms planning increases again is located in the finance sector (39 percent) and the smallest in retailing (20 percent). However, in absolute percentages, the largest percentage of firms planning work force reductions is in the manufacturing sector (8 percent) and the smallest percentage is in services (4 percent).

TABLE 6.—PERCENTAGE OF FIRMS PLANNING CHANGES IN WORK FORCE: BY INDUSTRY TYPE

	Construc- tion	Manu- facturing	Transporta- tion/public utilities	Wholesale	Retail	Finance	Services
Increase.....	139.6	138.6	132.9	138.0	125.6	144.5	137.4
Decrease.....	15.2	17.8	16.6	16.1	16.1	15.8	14.2
Keep the same.....	155.2	153.6	160.5	155.8	168.3	149.6	158.4
Number of responses....	96	293	76	163	164	137	401

¹ Percentage of firms responding by industry type.

Note: Totals may not equal 100 percent due to rounding.

CHANGES IN WORK FORCE: BY CITY CATEGORY

The data in table 7 are consistent with the work conducted by Birch¹ and by Jusenius and Ledebur.² They conclude that the difference in employment growth between growing and declining regions is not a factor of differential rates of job losses but is attributable to the rate at which job are replaced. The results of this survey indicate the percentage of firms planning reductions does not sharply differ from one category to the next. The difference between the percentage of firms planning reductions in the most favorable and least favorable categories is only 5 percent. The variation in the percentage of firms planning employment increases, however, is 19 percent.

TABLE 7.—PERCENTAGE OF FIRMS PLANNING CHANGES IN WORK FORCE: BY CITY CATEGORY

	Most favorable	Somewhat favorable	Least favorable
Increase.....	144.1	134.7	125.3
Decrease.....	14.3	15.8	19.5
Number of responses.....	535	567	241

¹ Percentage of firms responding for each category. Totals may not equal 100 percent due to rounding.

¹ Birch, et al., "The Behavioral Foundations of Neighborhood Change," report submitted to U.S. Department of Housing and Urban Development, March 1977.

² Jusenius, Carol L. and Ledebur, Larry C., "Documenting the 'Decline' of the North, Economic Development Research Report, U.S. Department of Commerce, June 1978.

III. BUSINESS OPTIONS BEING CONSIDERED AND DECIDED UPON

Firms were first asked whether in the last year they had considered:

- Moving away from the city.
- Expanding central city operations.
- Reducing scope of city operations.
- Selling in lieu of going out of business.
- Going out of business.
- None of the above.

Next they were asked if a decision had been made regarding any of the above options.

Table 8 indicates the aggregate response:

TABLE 8.—BUSINESS OPTIONS DECIDED UPON AND BEING CONSIDERED

	Considered ^{1 2}	Decided ³
Move away from city.....	11.7	3.4
Expand within city.....	34.7	29.9
Reduce operations in city.....	9.3	3.9
Sell business.....	8.2	3.1
Go out of business.....	2.9	6
None of the above.....	44.9	59.1

¹ Total exceeds 100 percent due to respondents who are considering more than 1 option.

² Percentage of total responses to question.

³ Percentage of firms responding to question.

OPTIONS BEING CONSIDERED AND DECIDED UPON: BY CITY CATEGORY

In virtually every instance, negative decisions (reduce operations, move away, sell, go out of business) were made by a larger percentage of firms located in the least or somewhat favorable category than in the most favorable category. Conversely, 17 percent more of the firms in the most favorable category have decided to expand their central city operations than in the least favorable category.

The magnitude of the percentage of firms and the disparity between the most favorable and least favorable category is even greater for those considering expanding (as opposed to having made a decision). The difference between the percentage of firms considering expanding in the most favorable and least favorable categories is 20 percent. In addition, the trend of a larger percentage of the firms in the least favorable category having decided upon negative options, as compared to the most favorable category is magnified when analyzing the data for those considering negative options; as is the disparity between the most favorable and least favorable categories.

In the least favorable category, twice as many responses indicated negative actions being considered (moving, selling, going out of business, reducing operations) than positive action (expanding). This contrasts with the most favorable cities in which twice as many re-

sponses indicated consideration is being given to expanding than to taking negative actions. The inescapable conclusion is that a significantly larger percentage of the firms surveyed in these cities are dissatisfied with their present situation as compared to the most favorable category.

More specifically, for example, while nearly 40 percent of the responses from Detroit indicated negative options are being considered only 7 percent of the Dallas responses indicated negative considerations. On the other end of the scale, 47 percent of the responses from Dallas and 46 percent from Phoenix indicated expansions are being considered in central city operations, while only 20 percent of the New York responses and 22 percent of the St. Louis responses indicated such positive actions are being considered.

While the data concerning respondents who have decided upon a specific course of action provides meaningful information about what is happening in a city currently or may occur in the immediate future, an analysis of the options being considered can perhaps shed some light on the economic future of the cities. The conclusion appears to be that the disparities between growing and declining cities remain and these cities are not likely to witness a reversal of the current trends in the near future.

TABLE 9.—BUSINESS OPTIONS BEING CONSIDERED AND DECIDED UPON: BY CITY CATEGORY

	Considering ¹			Decided ¹		
	Most favorable	Somewhat favorable	Least favorable	Most favorable	Somewhat favorable	Least favorable
Moving away.....	5.9	12.8	22.3	2.2	3.2	6.6
Expanding.....	45.2	29.0	24.8	38.7	24.7	22.0
Reducing operations.....	4.2	10.1	18.5	2.0	4.5	7.0
Selling.....	7.6	8.4	9.2	2.9	3.2	3.5
Going out of business.....	1.5	3.2	5.0	.6	.7	0
None of the above.....	43.3	48.2	40.8	53.6	63.7	60.8
Number of responses.....	529	562	238	511	534	227

¹ Percentage of responses for each category.

Note: Options considered: Totals exceed 100 percent due to respondents who are considering more than 1 of the above options. Options decided: Totals may not equal 100 percent due to rounding.

BUSINESS OPTIONS DECIDED UPON: BY FIRM SIZE

The largest percentage of firms planning to expand their operations at their present location are the 25 to 99 employee and 100 to 499 employee firms (35 percent and 33 percent, respectively). A similar percentage of the largest firms is planning to expand—31 percent. The largest firms, however, have the highest percentage of firms planning to reduce operations—8 percent. The percentage of firms planning negative actions varies between 17 percent for the smallest firms, 8 percent for the 25 to 99 employee firms, 8 percent for firms of 100 to 499, and 11 percent for the largest firms.

Unlike the data on employment increases, the lowest percentage of firms planning to expand operations is the smallest firms (22 percent). This size category also contains the largest percentage of firms planning to move (6 percent). Presumably, these firms are prospering, but do not find the central city an advantageous location in which to expand.

This finding, in combination with the data on work force changes in large part provides the key to the economic problems experienced by cities vis-a-vis their suburbs and nonmetropolitan areas. Small businesses (20 or fewer employees), in general, provide the vast majority of net new jobs and the highest percentage of operation expansions. However, small firms are not thriving in cities to the extent that they are elsewhere. As a result significant employment and operation expansion potential is lost. This is a major problem facing cities today.

TABLE 10.—BUSINESS OPTIONS DECIDED UPON: BY FIRM SIZE

	Less than 25 ¹	25 to 99 ¹	100 to 499 ¹	500 plus ¹
Expand operations.....	22.0	35.4	32.5	31.3
No change.....	61.2	56.6	59.8	58.1
Move.....	6.0	2.8	2.0	1.8
Reduce.....	3.1	2.2	3.7	7.9
Sell.....	5.8	2.8	2.0	.9
Go out of business.....	1.8	0.	0.	0
Number of responses.....	381	316	348	227

¹ Percentages of firms responding for each size category. Totals may not equal 100 percent due to rounding.

BUSINESS OPTIONS DECIDED UPON: BY CITY CATEGORY AND SIZE OF FIRM

In the most favorable category, the largest percentage of firms planning to expand at their present location is the largest firms. Over half the firms with more than 500 employees surveyed in the most favorable cities plan to expand. Since the percentage of firms in this category exceeds the percentage planning to increase employment, it can be assumed that a high proportion of the large firms involved are planning capital intensive (labor saving) investments.

In the somewhat favorable and least favorable categories the largest percentage of firms planning expansions is found in the 25 to 99 and 100 to 499 employee category. These data closely parallel the findings related to proposed changes in the work force. The greater percentage of firms in these two categories are planning to increase employment than to expand their operations, is probably attributable to the fact that some of the expanded operations will be labor intensive while some of the firms which plan to keep the size of their operations constant, may increase their work force.

TABLE 11.—BUSINESS OPTIONS DECIDED UPON: BY CITY CATEGORY AND SIZE OF FIRM

	Most favorable				Somewhat favorable				Least favorable			
	Less than 25 ¹	25 to 99 ¹	100 to 499 ¹	500 plus ¹	Less than 25 ¹	25 to 99 ¹	100 to 499 ¹	500 plus ¹	Less than 25 ¹	25 to 99 ¹	100 to 499 ¹	500 plus ¹
Expand.....	28.9	43.6	38.7	50.7	17.2	30.2	28.9	24.0	18.2	27.8	23.5	19.6
Move.....	3.9	1.5	.6	2.8	7.4	.8	2.1	1.0	7.6	11.1	5.9	1.8
Other negative options.....	8.6	5.3	2.6	5.6	12.3	2.3	9.2	8.0	12.1	11.1	5.9	12.5
No change.....	58.6	49.6	55.1	40.8	63.2	66.7	59.9	66.0	62.1	50.0	64.7	66.1
Number of responses.....	152	133	155	71	162	129	142	100	66	54	51	56

¹ Percentage of firms of a particular size interval planning change in operation. Totals may not equal 100 percent due to rounding.

BUSINESS OPTIONS DECIDED UPON: BY INDUSTRY TYPE

The percentage of firms planning to expand at their present location does not vary significantly across industrial sectors. The largest percentage of firms planning to expand their operations is in the finance sector (33 percent). The lowest percentage of firms planning to expand is found in the transportation-public utility sector (24.3 percent). The difference between the sector with the greatest percentage of firms planning expansions and the lowest is only 8.3 percent.

The percentage of firms planning to expand their operations at their present location, is lower than the percentage planning to increase their work force in each industrial sector, except retailing.

RELATIONSHIP BETWEEN EMPLOYMENT INCREASES AND EXPANSION OF OPERATIONS

The lower percentage of firms in virtually every sector planning to expand as compared with those planning to increase their work force can probably be explained by the large percentage of firms that plan to keep their plant status quo but may be expanding their work force. In the aggregate, 30 percent of the respondents are planning to expand their operations at their present location while a total of 37 percent plan to increase their work force.

Of the firms planning to increase their work force, only 52 percent are also planning to expand their operations. The remaining firms, it appears, will be increasing their work force but not their capital investment. Thus, the planned increase in employment is probably to utilize unused capacity and will not generate increased investment.

On the other hand, 64 percent of the firms planning to expand their operations at their present location are also planning to increase their work force. It can be assumed therefore that the other 36 percent are planning capital intensive expansions which will not affect their work force.

However, 26 percent of the firms planning to keep their operations status quo are planning to increase employment.

TABLE 12.—BUSINESS OPTIONS DECIDED UPON: BY INDUSTRIAL TYPE

	Construc- tion ¹	Manufac- turing ¹	Transporta- tion/public utilities ¹	Wholesale ¹	Retail ¹	Finance ¹	Services ¹
Expand.....	24.7	29.5	24.3	30.2	29.4	32.6	31.7
No change.....	64.5	56.1	70.0	58.4	58.8	56.6	58.8
Move.....	3.2	5.2	2.9	4.0	1.3	2.3	3.4
Reduce.....	1.1	6.6	0	4.0	4.4	6.2	2.6
Sell.....	4.3	2.2	2.9	3.4	5.0	2.3	3.1
Go out of business.....	2.2	.4	0	0	1.3	0	.5
Number of responses....	93	271	70	149	160	129	388

¹ Percentage of firms responding for each industrial type. Totals may not equal 100 percent due to rounding.

IV. CITY CHARACTERISTICS

The firms surveyed were provided with a list of 26 variables and were asked to rate each as to whether it is "strongly encouraging," or "discouraging" them to stay or expand at their present location. They were also given the option of selecting "does not apply" or "unimportant."

Table 13 indicates the relative importance of each characteristic and the difference in perception between the respondents in the most favorable and least favorable categories.

TABLE 13.—IMPORTANCE OF CITY CHARACTERISTICS

City characteristics	Importance ranked by response rate	Mean score of responses		Difference of means most/least
		Most favorable	Least favorable	
City government attitude toward business.....	88.5	0.54	-0.21	0.75
Crime level.....	88.0	-.35	1.14	.79
Adequacy of public facilities.....	85.9	.74	.32	.42
Market demand for product or service.....	85.1	1.14	1.04	.10
Adequacy of public services.....	82.8	.95	.15	.80
Quality of city's schools.....	82.2	.58	-.71	1.29
Cultural attractions.....	80.6	1.03	1.03	0
Cost of energy.....	80.0	-.46	-.92	.46
Availability of skilled workers.....	78.2	.08	-.24	.32
Personal tax rate.....	75.6	-.28	-1.03	.75
Local property tax rate.....	74.0	-.12	-.79	.67
Labor cost.....	73.9	.09	-.75	.84
Corporate tax rate.....	69.1	-.17	-.91	.74
Availability of professional employees.....	66.9	.33	-.08	.41
Cost of financing.....	59.4	-.37	-.49	.12
Personal ties to local neighborhood.....	59.4	.65	.02	.63
Cost of land.....	58.8	-.32	-.33	.01
Tax depreciation.....	58.5	.21	-.05	.26
Availability of unskilled workers.....	58.3	.15	.19	.04
Availability of investment tax credit.....	55.4	.26	.04	.22
Availability of short-term financing.....	55.3	.48	.13	.35
Availability of land.....	54.9	.30	-.05	.35
Availability of long-term financing.....	52.4	.25	-.04	.29
Existence of labor unions.....	46.6	-.31	-.66	.35
High education level of workers.....	43.2	.42	.18	.24
Low education level of workers.....	35.2	-.22	-.51	.29

The first column indicates the importance of the variable but does not attach a value (negative or positive) to the variable. The score was arrived at by subtracting all the responses (for each variable) which had indicated "does not apply" or "unimportant." The remaining responses were grouped together and are given as a percentage of responses. For each variable, though the rate does not indicate direction, it does demonstrate the relative importance of each characteristic.

To arrive at the last three columns, a value ranging from +2 to -2 was assigned to each given response from strongly encouraging (+2) to strongly discouraging (-2). The last column indicates the difference between the mean score for the most favorable and least favorable category for each variable.

Thus in relative terms the seven most important variables are:

- (1) City government attitude towards business.
- (2) Crime level.
- (3) Adequacy of public facilities.
- (4) Market demand for product or services.
- (5) Adequacy of public services.
- (6) Quality of city's schools.
- (7) Cultural attractions.

It is apparent that overall city characteristics, rather than particular characteristics which are associated with business, are paramount. The market demand for product or services is the only directly business-related attribute of the seven viewed as most important. The city government attitude toward business, the most important characteristic, is probably not conditioned by any one factor, but is a reflection of a combination of municipal functions and attitudes. Of the tax options, personal income tax appears to be most important, followed closely by local property tax rate.

Again, labor cost and personal tax rate being the exceptions, four of the six factors with the greatest variation between city categories are overall attributes, and not directly associated with business costs. The evidence seems to indicate that the overall quality of life in a city is particularly significant from the business perspective.

To recap, the greatest difference between cities perceived to have the most favorable business climate and the least favorable business climate are in quality of life characteristics and not business related factors, although generally the most favorable category rates better on business related factors, as well.

Thus, the business climate is perceived as the sum total of environmental factors which directly affect the firm's owners, employees, their families as well as the operation of the business itself.

APPENDIX

SAMPLE Congress of the United States

JOINT ECONOMIC COMMITTEE
WASHINGTON, D.C. 20510

Q (1-2)

(3-5)

Q 1 (6-7)

SURVEY OF CENTRAL CITIES BUSINESS NEEDS

Please answer the questions below by marking an X or providing the information requested in the space provided. If the question does not apply to your operation, please either leave the space blank or indicate "n/a" (not applicable) and go to the next question. Please answer the questions as they apply to your business operations only in the city of Atlanta.

1. First, how would you rate the business climate in Atlanta?
(Please mark an X in the appropriate space.)
 (1) Highly Favorable (2) Favorable (3) Neither Favorable nor Unfavorable
 (4) Unfavorable (5) Highly Unfavorable (8)

2. Of the cities that are listed below, which one do you feel has the most favorable business climate?
(Please mark an X in only one space.)
 (1) Atlanta (2) Los Angeles (3) Pittsburgh (4) St. Louis
 (5) Detroit (6) Minneapolis (7) Phoenix (8) Dallas
 (9) New York (10) Seattle (9-10)
- 2(a). Why? _____
 _____ (11-12)

3. In the past year, have you had a problem hiring employees whose qualifications meet your needs?
 (1) Yes (2) No (Go to Q. 4) (13)
- 3(a). (IF "YES") What was the greatest problem (for example, not enough workers with managerial skills available)?

 _____ (14-15)

4. Approximately how many blue collar workers, white collar and clerical workers do you presently employ in your business in Atlanta? (For the purposes of this question blue collar workers are defined as skilled and unskilled laborers, white collar workers are managerial and professional employees, and clerical includes secretarial workers.)
 Number of blue collar workers (16-20)
 Number of white collar workers (21-25)
 Number of clerical workers (26-30)
- 4(a). Within the next year, do you have plans to increase, decrease or keep about the same the number of employees in your business in the city of Atlanta?
 (1) Increase (2) Decrease (3) Keep the Same (31)
- 4(b). (IF EITHER "INCREASE" OR "DECREASE") By about what percentage does your firm in the city of Atlanta expect to increase or decrease its number of blue collar, white collar, and clerical workers during the next year? (Please mark an X in the appropriate box.)

BLUE-COLLAR WORKERS

DECREASE BY				INCREASE BY				
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
50-100%	25-49%	10-24%	1-9%	NO CHANGE	1-9%	10-24%	25-49%	50-100%
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

(32)

WHITE COLLAR WORKERS

DECREASE BY				INCREASE BY				
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
50-100%	25-49%	10-24%	1-9%	NO CHANGE	1-9%	10-24%	25-49%	50-100%
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

(33)

CLERICAL WORKERS

DECREASE BY				INCREASE BY				
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
50-100%	25-49%	10-24%	1-9%	NO CHANGE	1-9%	10-24%	25-49%	50-100%
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

(34)

5. In the last year, has your business seriously considered: (Please mark an X in all that apply.)

- (1) Moving away from the city of Atlanta (35)
 (1) Expanding operations in the city of Atlanta (36)
 (1) Reducing scope of operations in the city of Atlanta (37)
 (1) Selling in lieu of going out of business (i.e., changing ownership) (38)
 (1) Going out of business (39)
 (1) No, none of the above considered (40)

If you are considering a move, where are you thinking of moving to?

_____ (41-42)

5(a). Has your business made a decision (even if it is tentative) to:

- (1) Move away from the city of Atlanta (43)
 (1) Expand operations in the city of Atlanta (44)
 (1) Reduce scope of operations in the city of Atlanta (45)
 (1) Sell in lieu of going out of business (46)
 (1) Go out of business (47)
 (1) No, none of the above decided (48)

If you have decided to move, where are you moving to?

_____ (49-50)

6. Since 1969, has your firm expanded or increased any of the following?
(Please mark an X in all that apply.)

- (1) Number of employees (51)
 (1) New line of products or services (52)
 (1) Capital investment (53)

6(a). (IF YOU MARKED AN X IN ANY OF THE ABOVE) What was the type(s) of financing used for such an expansion? (Please mark an X in all that apply.)

- (1) Commercial bank or financial institution (54)
 (1) Government loan (55)
 (1) Internal financing from retained earnings (i.e., investment of profits) (56)
 (1) State industrial development corporation (57)
 (1) Sale of securities (i.e., equity capital) (58)
 (1) Other (please specify)

_____ (59-60)

6(b). Is access to capital a problem?

- (1) Yes (2) No (61)

6(c). Is cost of capital a problem (i.e., high interest rates)?

- (1) Yes (2) No (62)

6(d). Since 1969, has your firm expanded or built a facility elsewhere which performs the same functions as your Atlanta facility?

- (1) Yes (2) No (63)

If so, where? _____ (64-65)

0 (1-2)

(3-5)

0 2 (6-7)

7. We are interested in finding out what conditions, presently existing in Atlanta, are important for your business in either encouraging or discouraging you to stay or expand your firm there. From the following list, please mark an X in the appropriate space indicating whether the condition **strongly encourages, encourages, discourages or strongly discourages** your firm to stay or expand in Atlanta (that is, what are the advantages or disadvantages of staying in Atlanta?). If the condition does not apply to your location, please mark an X in the "Does Not Apply" column. **PLEASE BASE YOUR ANSWERS ON YOUR PRESENT EXPERIENCE and NOT on what you would like to see occur.**

	Does Not Apply	Strongly Encouraging	Encouraging	Unimportant	Discouraging	Strongly Discouraging	
LABOR							
Availability of Skilled Workers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(8)
Availability of Unskilled Workers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(9)
Existence of Labor Unions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(10)
Low Education Level of Workers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(11)
High Education Level of Workers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(12)
Labor Cost at Present Location	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(13)
Availability of Professional Employees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(14)
FINANCING							
Availability of Long-Term Financing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(15)
Availability of Short-Term Financing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(16)
Cost of Financing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(17)
TAXES							
Local Property Tax Rate	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(18)
Corporate Tax Rate	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(19)
Availability of Investment Tax Credit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(20)
Tax Depreciation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(21)
Personal Tax Rate	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(22)
CITY GOVERNMENT							
Adequacy of Public Services, i.e., trash collection, fire protection	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(23)
Adequacy of Public Facilities, i.e., sewers, transportation, roads	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(24)
Attitudes of City Government to Business	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(25)
Quality of Schools for Employees' Children	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(26)
Personal Ties to Local Neighborhood	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(27)
Crime Level	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(28)
Cultural Attractions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(29)
OTHER DEMAND AND COST FACTORS							
Market Demand for your Product or Service	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(30)
Availability of Land	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(31)
Cost of Land	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(32)
Cost of Energy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(33)
OTHER (Please be Very Specific)							
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(34)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(35)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(36)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(37)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(38)
							(39-40)
							(41-42)
							(43-44)
							(45-46)
							(47-48)

8. The Government is considering several possible programs to assist central city business. What type of government policy, program or assistance would be most helpful to your company? (Please mark an X next to your top three choices only.)

_____ (1) Low interest loans (49)

_____ (1) Tax relief (i.e., investment tax credit, accelerated depreciation, tax abatement, etc.) (50)

_____ (1) Improved public services (i.e., police, fire, transportation, etc.) (51)

_____ (1) Wage subsidy (i.e., credit on Federal tax payment based on number of additional employees hired.) (52)

_____ (1) Improved public facilities (i.e., housing, schools, etc.) (53)

_____ (1) Job training programs (54)

_____ (1) Less government interference (55)

_____ (1) Other (please specify) _____ (56-57)

0 (1-2)

_____ (3-5)

0 3 (6-7)

9. What, if any, government programs or assistance, either local, State or Federal has ever been utilized by your firm in Atlanta? (Please mark all that apply.)

	Local (1)	State (1)	Federal (1)
Professional technological assistance	____(8)	____(20)	____(32)
Low interest loans	____(9)	____(21)	____(33)
Loan Guarantee	____(10)	____(22)	____(34)
Grants for training programs	____(11)	____(23)	____(35)
Grants for facility development	____(12)	____(24)	____(36)
Donation of land	____(13)	____(25)	____(37)
Provision of facility under leaseback arrangement	____(14)	____(26)	____(38)
Worker training	____(15)	____(27)	____(39)
Site selection assistance	____(16)	____(28)	____(40)
Development of public facilities to meet your business needs (e.g., sewer system, access road)	____(17)	____(29)	____(41)
None	____(18)	____(30)	____(42)
Other (Please Be Specific) _____			
_____	____(19)	____(31)	____(43)

_____ (44-45)

_____ (46-47)

10. What type of government tax benefits or tax relief does your business get from each level of government? (Mark an X in all that apply.)

	Local (1)	State (1)	Federal (1)
Property tax relief	____(48)	____(53)	____(58)
Accelerated depreciation	____(49)	____(54)	____(59)
Investment tax credit	____(50)	____(55)	____(60)
Employment tax credit	____(51)	____(56)	____(61)
Other tax benefit (please specify) _____			
_____	____(52)	____(57)	____(62)

_____ (63-64)

11. In general, if you have any further ideas about how the Federal Government might assist business in urban areas, the Joint Economic Committee would appreciate having them. (Please feel free to add additional sheets for your comments.)

_____ (65-66)

PLEASE INDICATE THE NAME AND TELEPHONE NUMBER OF THE PERSON COMPLETING THIS QUESTIONNAIRE

NAME _____

PHONE _____

Thank you very much for taking the time to complete this questionnaire. If you have any questions, please contact Deborah Matz at (202) 224-5171. After you have completed the questionnaire, please place it in the postage paid envelope and send it to the Joint Economic Committee, G-133 Dirksen Building, Washington, D.C. 20510.

Congress of the United States

JOINT ECONOMIC COMMITTEE
WASHINGTON, D.C. 20510

0 (1-2)

(3-5)

0 1 (6-7)

SURVEY OF CENTRAL CITIES BUSINESS NEEDS

Please answer the questions below by marking an X or providing the information requested in the space provided. If the question does not apply to your operation, please either leave the space blank or indicate "n/a" (not applicable) and go to the next question. Please answer the questions as they apply to your business operations only in the city of Atlanta.

1. First, how would you rate the business climate in Atlanta?
(Please mark an X in the appropriate space.)

<u>21.6</u> (1) Highly Favorable	<u>60.3</u> (2) Favorable	<u>14.7</u> (3) Neither Favorable nor Unfavorable		
<u>1.7</u> (4) Unfavorable	<u>1.7</u> (5) Highly Unfavorable			(8)

2. Of the cities that are listed below, which one do you feel has the most favorable business climate?
(Please mark an X in only one space.)

<u>60.4</u> (1) Atlanta	<u>2.0</u> (2) Los Angeles	<u> </u> (3) Pittsburgh	<u>1.0</u> (4) St. Louis		
<u> </u> (5) Detroit	<u> </u> (6) Minneapolis	<u>5.9</u> (7) Phoenix	<u>29.7</u> (8) Dallas		
<u>1.0</u> (9) New York	<u> </u> (10) Seattle				(9-10)

2(a). Why? _____
_____ (11-12)

3. In the past year, have you had a problem hiring employees whose qualifications meet your needs?

<u>48.7</u> (1) Yes	<u>51.3</u> (2) No (Go to Q. 4)
---------------------	---------------------------------

3(a). (IF "YES") What was the greatest problem (for example, not enough workers with managerial skills available)?

_____ (14-15)

4. Approximately how many blue collar workers, white collar and clerical workers do you presently employ in your business in Atlanta? (For the purposes of this question blue collar workers are defined as skilled and unskilled laborers, white collar workers are managerial and professional employees, and clerical includes secretarial workers.)

_____ Number of blue collar workers	
_____ Number of white collar workers	(16-20)
_____ Number of clerical workers	(21-25)
	(26-30)

4(a). Within the next year, do you have plans to increase, decrease or keep about the same the number of employees in your business in the city of Atlanta?

<u>36.5</u> (1) Increase	<u>5.2</u> (2) Decrease	<u>58.3</u> (3) Keep the Same
--------------------------	-------------------------	-------------------------------

4(b). (IF EITHER "INCREASE" OR "DECREASE") By about what percentage does your firm in the city of Atlanta expect to increase or decrease its number of blue collar, white collar, and clerical workers during the next year? (Please mark an X in the appropriate box.)

BLUE-COLLAR WORKERS

DECREASE BY				INCREASE BY				
<u>1.9</u>	<u>1.9</u>	<u>5.7</u>	<u>1.9</u>	<u>85.8</u>	<u>17.0</u>	<u>22.4</u>	<u>5.7</u>	<u>7.5</u>
50-100%	25-49%	10-24%	1-9%	NO CHANGE	1-9%	10-24%	25-49%	50-100%
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
(32)								

WHITE COLLAR WORKERS

DECREASE BY				INCREASE BY				
<u>1.8</u>	<u>1.8</u>	<u> </u>	<u>5.4</u>	<u>85.7</u>	<u>82.1</u>	<u>17.9</u>	<u>5.4</u>	<u> </u>
50-100%	25-49%	10-24%	1-9%	NO CHANGE	1-9%	10-24%	25-49%	50-100%
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
(33)								

CLERICAL WORKERS

DECREASE BY				INCREASE BY				
<u>3.5</u>	<u>1.8</u>	<u> </u>	<u>5.3</u>	<u>42.1</u>	<u>86.8</u>	<u>8.8</u>	<u> </u>	<u>1.8</u>
50-100%	25-49%	10-24%	1-9%	NO CHANGE	1-9%	10-24%	25-49%	50-100%
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
(34)								

5. In the last year, has your business seriously considered: (Please mark an X in all that apply.)

- 4.9 (1) Moving away from the city of Atlanta (35)
33.3 (1) Expanding operations in the city of Atlanta (36)
5.7 (1) Reducing scope of operations in the city of Atlanta (37)
6.5 (1) Selling in lieu of going out of business (i.e., changing ownership) (38)
0.8 (1) Going out of business (39)
48.8 (1) No, none of the above considered (40)

If you are considering a move, where are you thinking of moving to?

(41-42)

5(a). Has your business made a decision (even if it is tentative) to:

- 3.7 (1) Move away from the city of Atlanta (43)
28.4 (1) Expand operations in the city of Atlanta (44)
3.7 (1) Reduce scope of operations in the city of Atlanta (45)
4.6 (1) Sell in lieu of going out of business (46)
 _____ (1) Go out of business (47)
59.6 (1) No, none of the above decided (48)

If you have decided to move, where are you moving to?

(49-50)

6. Since 1969, has your firm expanded or increased any of the following? (Please mark an X in all that apply.)

- _____ (1) Number of employees (51)
 _____ (1) New line of products or services (52)
 _____ (1) Capital investment (53)

6(a). (IF YOU MARKED AN X IN ANY OF THE ABOVE) What was the type(s) of financing used for such an expansion? (Please mark an X in all that apply.)

- _____ (1) Commercial bank or financial institution (54)
 _____ (1) Government loan (55)
 _____ (1) Internal financing from retained earnings (i.e., investment of profits) (56)
 _____ (1) State industrial development corporation (57)
 _____ (1) Sale of securities (i.e., equity capital) (58)
 _____ (1) Other (please specify) (58)

(59-60)

6(b). Is access to capital a problem?

- _____ (1) Yes _____ (2) No (61)

6(c). Is cost of capital a problem (i.e., high interest rates)?

- _____ (1) Yes _____ (2) No (62)

6(d). Since 1969, has your firm expanded or built a facility elsewhere which performs the same functions as your Atlanta facility?

- _____ (1) Yes _____ (2) No (63)

If so, where? _____ (64-65)

0 (1-2)
 _____ (3-5)
 0 2 (6-7)

7. We are interested in finding out what conditions, presently existing in Atlanta, are important for your business in either encouraging or discouraging you to stay or expand your firm there. From the following list, please mark an X in the appropriate space indicating whether the condition strongly encourages, encourages, discourages or strongly discourages your firm to stay or expand in Atlanta (that is, what are the advantages or disadvantages of staying in Atlanta?). If the condition does not apply to your location, please mark an X in the "Does Not Apply" column. **PLEASE BASE YOUR ANSWERS ON YOUR PRESENT EXPERIENCE and NOT on what you would like to see occur.**

	Does Not Apply	Strongly Encouraging	Encouraging	Unim- portant	Dis- cour- aging	Strongly Discour- aging	
LABOR							
Availability of Skilled Workers	14.4	15.3	33.3	7.2	28.8	0.9	(8)
Availability of Unskilled Workers	24.3	9.3	35.5	10.3	18.7	1.9	(9)
Existence of Labor Unions	33.0	1.9	8.7	19.4	24.3	12.6	(10)
Low Education Level of Workers	30.0	1.0	6.0	27.0	33.0	3.0	(11)
High Education Level of Workers	25.5	8.2	36.7	22.4	5.1	2.0	(12)
Labor Cost at Present Location	16.0	7.5	36.8	7.5	28.3	3.8	(13)
Availability of Professional Employees	17.3	12.5	38.5	8.7	21.2	1.9	(14)
FINANCING							
Availability of Long-Term Financing	40.2	6.5	25.2	11.2	9.3	7.5	(15)
Availability of Short-Term Financing	39.0	9.5	27.6	11.4	8.6	3.8	(16)
Cost of Financing	37.3	3.9	7.8	7.8	30.4	12.7	(17)
TAXES							
Local Property Tax Rate	11.2	4.7	24.3	8.4	34.6	16.8	(18)
Corporate Tax Rate	20.8	0.9	23.6	7.5	31.1	16.0	(19)
Availability of Investment Tax Credit	24.5	11.8	22.5	12.7	24.5	3.9	(20)
Tax Depreciation	23.5	8.8	29.4	10.8	23.5	3.9	(21)
Personal Tax Rate	15.0	2.8	17.8	10.3	35.5	18.7	(22)
CITY GOVERNMENT							
Adequacy of Public Services, i.e., trash collection, fire protection	7.4	11.1	59.3	5.6	13.9	2.8	(23)
Adequacy of Public Facilities, i.e., sewers, transportation, roads	6.5	14.8	56.5	4.6	12.0	5.6	(24)
Attitudes of City Government to Business	4.5	10.0	48.2	3.6	27.3	6.4	(25)
Quality of Schools for Employees' Children	8.3	5.5	36.7	5.5	37.6	6.4	(26)
Personal Ties to Local Neighborhood	20.0	7.6	40.0	19.0	12.4	1.0	(27)
Crime Level	4.8	1.0	17.1	1.0	57.1	19.0	(28)
Cultural Attractions	8.4	30.8	51.4	7.5	1.9	0.0	(29)
OTHER DEMAND AND COST FACTORS							
Market Demand for your Product or Service	6.4	31.2	52.3	4.6	5.5	0.0	(30)
Availability of Land	25.5	12.3	31.1	14.2	14.2	2.8	(31)
Cost of Land	26.4	4.7	17.9	14.2	26.4	10.4	(32)
Cost of Energy	11.2	1.9	16.8	7.5	41.1	21.5	(33)
OTHER (Please be Very Specific)							
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(34)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(35)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(36)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(37)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(38)

_____(39-40)
 ____-(41-42)
 ____-(43-44)
 ____-(45-46)
 ____-(47-48)

8. The Government is considering several possible programs to assist central city business. What type of government policy, program or assistance would be most helpful to your company? (Please mark an X next to your top three choices only.)

_____(1) Low interest loans (49)
 _____(1) Tax relief (i.e., investment tax credit, accelerated depreciation, tax abatement, etc.) (50)
 _____(1) Improved public services (i.e., police, fire, transportation, etc.) (51)
 _____(1) Wage subsidy (i.e., credit on Federal tax payment based on number of additional employees hired.) (52)
 _____(1) Improved public facilities (i.e., housing, schools, etc.) (53)
 _____(1) Job training programs (54)
 _____(1) Less government interference (55)
 _____(1) Other (please specify) _____ (56-57)

0 (1-2)

_____ (3-5)

0 3 (6-7)

9. What, if any, government programs or assistance, either local, State or Federal has ever been utilized by your firm in Atlanta? (Please mark all that apply.)

	Local (1)	State (1)	Federal (1)
Professional technological assistance	____(8)	____(20)	____(32)
Low interest loans	____(9)	____(21)	____(33)
Loan Guarantee	____(10)	____(22)	____(34)
Grants for training programs	____(11)	____(23)	____(35)
Grants for facility development	____(12)	____(24)	____(36)
Donation of land	____(13)	____(25)	____(37)
Provision of facility under leaseback arrangement	____(14)	____(26)	____(38)
Worker training	____(15)	____(27)	____(39)
Site selection assistance	____(16)	____(28)	____(40)
Development of public facilities to meet your business needs (e.g., sewer system, access road)	____(17)	____(29)	____(41)
None	____(18)	____(30)	____(42)
Other (Please Be Specific) _____			
_____	____(19)	____(31)	____(43)

_____ (44-45)

_____ (46-47)

10. What type of government tax benefits or tax relief does your business get from each level of government? (Mark an X in all that apply.)

	Local (1)	State (1)	Federal (1)
Property tax relief	____(48)	____(53)	____(58)
Accelerated depreciation	____(49)	____(54)	____(59)
Investment tax credit	____(50)	____(55)	____(60)
Employment tax credit	____(51)	____(56)	____(61)
Other tax benefit (please specify) _____			
_____	____(52)	____(57)	____(62)

_____ (63-64)

11. In general, if you have any further ideas about how the Federal Government might assist business in urban areas, the Joint Economic Committee would appreciate having them. (Please feel free to add additional sheets for your comments.)

_____ (65-66)

PLEASE INDICATE THE NAME AND TELEPHONE NUMBER OF THE PERSON COMPLETING THIS QUESTIONNAIRE

NAME _____

PHONE _____

Thank you very much for taking the time to complete this questionnaire. If you have any questions, please contact Deborah Matz at (202) 224-5171. After you have completed the questionnaire, please place it in the postage paid envelope and send it to the Joint Economic Committee, G-133 Dirksen Building, Washington, D.C. 20510.

Congress of the United States

JOINT ECONOMIC COMMITTEE
WASHINGTON, D.C. 20510

1 (1-2)

(3-5)

0 1 (6-7)

SURVEY OF CENTRAL CITIES BUSINESS NEEDS

Please answer the questions below by marking an X or providing the information requested in the space provided. If the question does not apply to your operation, please either leave the space blank or indicate "n/a" (not applicable) and go to the next question. Please answer the questions as they apply to your business operations only in the city of Dallas.

1. First, how would you rate the business climate in Dallas?
(Please mark an X in the appropriate space.)
69.3 (1) Highly Favorable 29.3 (2) Favorable 1.4 (3) Neither Favorable nor Unfavorable
 ___ (4) Unfavorable ___ (5) Highly Unfavorable (8)
2. Of the cities that are listed below, which one do you feel has the most favorable business climate?
(Please mark an X in only one space.)
1.3 (1) Atlanta 1.6 (2) Los Angeles ___ (3) Pittsburgh ___ (4) St. Louis
 ___ (5) Detroit 1.6 (6) Minneapolis 0.8 (7) Phoenix 88.7 (8) Dallas
 ___ (9) New York ___ (10) Seattle (9-10)
- 2(a). Why? _____
 _____ (11-12)
3. In the past year, have you had a problem hiring employees whose qualifications meet your needs?
71.2 (1) Yes 28.8 (2) No (Go to Q. 4) (13)
- 3(a). (IF "YES") What was the greatest problem (for example, not enough workers with managerial skills available)?

 _____ (14-15)
4. Approximately how many blue collar workers, white collar and clerical workers do you presently employ in your business in Dallas? (For the purposes of this question blue collar workers are defined as skilled and unskilled laborers, white collar workers are managerial and professional employees, and clerical includes secretarial workers.)
 _____ Number of blue collar workers (16-20)
 _____ Number of white collar workers (21-25)
 _____ Number of clerical workers (26-30)
- 4(a). Within the next year, do you have plans to increase, decrease or keep about the same the number of employees in your business in the city of Dallas?
43.9 (1) Increase 2.2 (2) Decrease 54.0 (3) Keep the Same (31)
- 4(b). (IF EITHER "INCREASE" OR "DECREASE") By about what percentage does your firm in the city of Dallas expect to increase or decrease its number of blue collar, white collar, and clerical workers during the next year? (Please mark an X in the appropriate box.)

BLUE-COLLAR WORKERS

DECREASE BY				INCREASE BY				
□	□	<u>2.7</u>	<u>2.7</u>	<u>29.7</u>	<u>2.3</u>	<u>82.4</u>	<u>4.7</u>	<u>5.4</u>
50-100%	25-49%	10-24%	1-9%	NO CHANGE	1-9%	10-24%	25-49%	50-100%
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

WHITE COLLAR WORKERS

DECREASE BY				INCREASE BY				
□	□	□	<u>2.5</u>	<u>53.4</u>	<u>45.8</u>	<u>15.0</u>	<u>3.7</u>	<u>1.2</u>
50-100%	25-49%	10-24%	1-9%	NO CHANGE	1-9%	10-24%	25-49%	50-100%
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

CLERICAL WORKERS

DECREASE BY				INCREASE BY				
□	□	□	<u>3.9</u>	<u>59.0</u>	<u>42.9</u>	<u>9.3</u>	<u>5.9</u>	<u>1.3</u>
50-100%	25-49%	10-24%	1-9%	NO CHANGE	1-9%	10-24%	25-49%	50-100%
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

5. In the last year, has your business seriously considered: (Please mark an X in all that apply.)

- 4 (1) Moving away from the city of Dallas (35)
47.9 (1) Expanding operations in the city of Dallas (36)
1.4 (1) Reducing scope of operations in the city of Dallas (37)
5.5 (1) Selling in lieu of going out of business (i.e., changing ownership) (38)
1 (1) Going out of business (39)
41.1 (1) No, none of the above considered (40)

If you are considering a move, where are you thinking of moving to?

(41-42)

5(a). Has your business made a decision (even if it is tentative) to:

- 1.5 (1) Move away from the city of Dallas (43)
41.8 (1) Expand operations in the city of Dallas (44)
1.5 (1) Reduce scope of operations in the city of Dallas (45)
3.0 (1) Sell in lieu of going out of business (46)
1 (1) Go out of business (47)
52.2 (1) No, none of the above decided (48)

If you have decided to move, where are you moving to?

(49-50)

6. Since 1969, has your firm expanded or increased any of the following?
(Please mark an X in all that apply.)

- 1 (1) Number of employees (51)
1 (1) New line of products or services (52)
1 (1) Capital investment (53)

6(a). (IF YOU MARKED AN X IN ANY OF THE ABOVE) What was the type(s) of financing used for such an expansion? (Please mark an X in all that apply.)

- 1 (1) Commercial bank or financial institution (54)
1 (1) Government loan (55)
1 (1) Internal financing from retained earnings (i.e., investment of profits) (56)
1 (1) State industrial development corporation (57)
1 (1) Sale of securities (i.e., equity capital) (58)
1 (1) Other (please specify) (59-60)

6(b). Is access to capital a problem?

- 1 (1) Yes 1 (2) No (61)

6(c). Is cost of capital a problem (i.e., high interest rates)?

- 1 (1) Yes 1 (2) No (62)

6(d). Since 1969, has your firm expanded or built a facility elsewhere which performs the same functions as your Dallas facility?

- 1 (1) Yes 1 (2) No (63)

If so, where?

(64-65)

1 (1-2)

(3-5)

0 2 (6-7)

7. We are interested in finding out what conditions, presently existing in Dallas, are important for your business in either encouraging or discouraging you to stay or expand your firm there. From the following list, please mark an X in the appropriate space indicating whether the condition strongly encourages, encourages, discourages or strongly discourages your firm to stay or expand in Dallas (that is, what are the advantages or disadvantages of staying in Dallas?). If the condition does not apply to your location, please mark an X in the "Does Not Apply" column. **PLEASE BASE YOUR ANSWERS ON YOUR PRESENT EXPERIENCE and NOT on what you would like to see occur.**

	Does Not Apply	Strongly Encouraging	Encouraging	Unimportant	Discouraging	Strongly Discouraging	
LABOR							
Availability of Skilled Workers	16.5	6.8	36.1	3.8	30.1	6.8	(8)
Availability of Unskilled Workers	23.7	3.8	30.5	10.7	26.0	5.3	(9)
Existence of Labor Unions	42.3	10.0	6.9	14.6	15.4	10.8	(10)
Low Education Level of Workers	43.4	0.0	4.9	22.1	27.9	1.6	(11)
High Education Level of Workers	33.6	12.3	32.0	18.0	3.3	0.8	(12)
Labor Cost at Present Location	22.3	10.8	43.8	5.4	27.7	0.0	(13)
Availability of Professional Employees	23.3	13.2	40.3	7.8	12.4	3.1	(14)
FINANCING							
Availability of Long-Term Financing	37.0	16.5	26.8	8.7	9.4	1.6	(15)
Availability of Short-Term Financing	32.3	18.9	36.2	7.1	4.7	0.8	(16)
Cost of Financing	32.3	4.8	21.0	8.1	26.6	7.3	(17)
TAXES							
Local Property Tax Rate	14.3	18.3	42.1	7.1	14.3	4.0	(18)
Corporate Tax Rate	25.2	23.6	24.4	9.8	12.2	4.9	(19)
Availability of Investment Tax Credit	29.8	24.8	28.1	11.6	5.0	0.8	(20)
Tax Depreciation	27.9	22.1	34.4	9.0	4.9	1.6	(21)
Personal Tax Rate	17.5	22.2	27.8	5.6	16.7	10.3	(22)
CITY GOVERNMENT							
Adequacy of Public Services, i.e., trash collection, fire protection	9.2	43.1	43.1	1.5	1.5	1.5	(23)
Adequacy of Public Facilities, i.e., sewers, transportation, roads	10.0	42.3	37.7	1.5	6.9	1.5	(24)
Attitudes of City Government to Business	9.2	43.8	39.2	0.8	4.6	2.3	(25)
Quality of Schools for Employees' Children	9.9	28.2	46.6	0.8	11.5	3.1	(26)
Personal Ties to Local Neighborhood	14.3	23.0	39.7	19.8	1.6	1.6	(27)
Crime Level	7.1	8.7	35.4	3.9	37.8	7.1	(28)
Cultural Attractions	10.9	31.3	47.7	10.2	0.0	0.0	(29)
OTHER DEMAND AND COST FACTORS							
Market Demand for your Product or Service	12.3	43.8	40.0	2.3	1.5	0.0	(30)
Availability of Land	22.8	17.3	41.7	11.0	6.3	0.8	(31)
Cost of Land	23.0	7.1	27.8	10.3	27.8	4.0	(32)
Cost of Energy	12.4	4.7	28.7	3.1	37.2	14.0	(33)
OTHER (Please be Very Specific)							
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(34)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(35)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(36)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(37)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(38)
_____							(39-40)
_____							(41-42)
_____							(43-44)
_____							(45-46)
_____							(47-48)

8. The Government is considering several possible programs to assist central city business. What type of government policy, program or assistance would be most helpful to your company? (Please mark an X next to your top three choices only.)

- _____ (1) Low interest loans (49)
- _____ (1) Tax relief (i.e., investment tax credit, accelerated depreciation, tax abatement, etc.) (50)
- _____ (1) Improved public services (i.e., police, fire, transportation, etc.) (51)
- _____ (1) Wage subsidy (i.e., credit on Federal tax payment based on number of additional employees hired.) (52)
- _____ (1) Improved public facilities (i.e., housing, schools, etc.) (53)
- _____ (1) Job training programs (54)
- _____ (1) Less government interference (55)
- _____ (1) Other (please specify) _____

(56-57)

1 (1-2)

_____ (3-5)

0 3 (6-7)

9. What, if any, government programs or assistance, either local, State or Federal has ever been utilized by your firm in Dallas? (Please mark all that apply.)

	Local (1)	State (1)	Federal (1)	
Professional technological assistance	____(8)	____(20)	____(32)	
Low interest loans	____(9)	____(21)	____(33)	
Loan Guarantee	____(10)	____(22)	____(34)	
Grants for training programs	____(11)	____(23)	____(35)	
Grants for facility development	____(12)	____(24)	____(36)	
Donation of land	____(13)	____(25)	____(37)	
Provision of facility under leaseback arrangement	____(14)	____(26)	____(38)	
Worker training	____(15)	____(27)	____(39)	
Site selection assistance	____(16)	____(28)	____(40)	
Development of public facilities to meet your business needs (e.g., sewer system, access road)	____(17)	____(29)	____(41)	
None	____(18)	____(30)	____(42)	
Other (Please Be Specific) _____				
_____	____(19)	____(31)	____(43)	
				_____ (44-45)
				_____ (46-47)

10. What type of government tax benefits or tax relief does your business get from each level of government? (Mark an X in all that apply.)

	Local (1)	State (1)	Federal (1)	
Property tax relief	____(48)	____(53)	____(58)	
Accelerated depreciation	____(49)	____(54)	____(59)	
Investment tax credit	____(50)	____(55)	____(60)	
Employment tax credit	____(51)	____(56)	____(61)	
Other tax benefit (please specify) _____				
_____	____(52)	____(57)	____(62)	
				_____ (63-64)

11. In general, if you have any further ideas about how the Federal Government might assist business in urban areas, the Joint Economic Committee would appreciate having them. (Please feel free to add additional sheets for your comments.)

_____ (65-66)

PLEASE INDICATE THE NAME AND TELEPHONE NUMBER OF THE PERSON COMPLETING THIS QUESTIONNAIRE

NAME _____

PHONE _____

Thank you very much for taking the time to complete this questionnaire. If you have any questions, please contact Deborah Matz at (202) 224-5171. After you have completed the questionnaire, please place it in the postage paid envelope and send it to the Joint Economic Committee, G-133 Dirksen Building, Washington, D.C. 20510.

Congress of the United States

JOINT ECONOMIC COMMITTEE
WASHINGTON, D. C. 20510

2 (1-2)

(3-5)

01 (6-7)

SURVEY OF CENTRAL CITIES BUSINESS NEEDS

Please answer the questions below by marking an X or providing the information requested in the space provided. If the question does not apply to your operation, please either leave the space blank or indicate "n/a" (not applicable) and go to the next question. Please answer the questions as they apply to your business operations only in the city of Detroit.

1. First, how would you rate the business climate in Detroit?
(Please mark an X in the appropriate space.)

<u>3.9</u> (1) Highly Favorable	<u>26.8</u> (2) Favorable	<u>35.4</u> (3) Neither Favorable nor Unfavorable		
<u>24.4</u> (4) Unfavorable	<u>9.4</u> (5) Highly Unfavorable			(8)

2. Of the cities that are listed below, which one do you feel has the most favorable business climate?
(Please mark an X in only one space.)

<u>13.3</u> (1) Atlanta	<u>8.4</u> (2) Los Angeles	<u>2.4</u> (3) Pittsburgh	<u>1.2</u> (4) St. Louis	
<u>15.7</u> (5) Detroit	<u>8.4</u> (6) Minneapolis	<u>6.0</u> (7) Phoenix	<u>39.8</u> (8) Dallas	
<u>2.4</u> (9) New York	<u>2.4</u> (10) Seattle			(9-10)

2(a). Why? _____

 _____ (11-12)

3. In the past year, have you had a problem hiring employees whose qualifications meet your needs?

<u>74.0</u> (1) Yes	<u>26.0</u> (2) No (Go to Q. 4)
---------------------	---------------------------------

 (13)

3(a). (IF "YES") What was the greatest problem (for example, not enough workers with managerial skills available)?

 _____ (14-15)

4. Approximately how many blue collar workers, white collar and clerical workers do you presently employ in your business in Detroit? (For the purposes of this question blue collar workers are defined as skilled and unskilled laborers, white collar workers are managerial and professional employees, and clerical includes secretarial workers.)

_____ Number of blue collar workers	(16-20)
_____ Number of white collar workers	(21-25)
_____ Number of clerical workers	(26-30)

4(a). Within the next year, do you have plans to increase, decrease or keep about the same the number of employees in your business in the city of Detroit?

<u>24.2</u> (1) Increase	<u>7.8</u> (2) Decrease	<u>68.0</u> (3) Keep the Same		
--------------------------	-------------------------	-------------------------------	--	--

 (31)

4(b). (IF EITHER "INCREASE" OR "DECREASE") By about what percentage does your firm in the city of Detroit expect to increase or decrease its number of blue collar, white collar, and clerical workers during the next year? (Please mark an X in the appropriate box.)

BLUE-COLLAR WORKERS

DECREASE BY				INCREASE BY				
<u>4.2</u>	<u>2.1</u>	<u>2.1</u>	<u>10.4</u>	<u>59.6</u>	<u>15.6</u>	<u>10.4</u>	<u>8.3</u>	<u>8.3</u>
50-100%	25-49%	10-24%	1-9%	NO CHANGE	1-9%	10-24%	25-49%	50-100%
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

WHITE COLLAR WORKERS

DECREASE BY				INCREASE BY				
<u>7.8</u>			<u>8.9</u>	<u>45.1</u>	<u>23.5</u>	<u>7.8</u>	<u>13.9</u>	<u>7.8</u>
50-100%	25-49%	10-24%	1-9%	NO CHANGE	1-9%	10-24%	25-49%	50-100%
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

CLERICAL WORKERS

DECREASE BY				INCREASE BY				
<u>7.7</u>		<u>1.9</u>	<u>3.8</u>	<u>53.8</u>	<u>25.5</u>			<u>7.7</u>
50-100%	25-49%	10-24%	1-9%	NO CHANGE	1-9%	10-24%	25-49%	50-100%
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

5. In the last year, has your business seriously considered: (Please mark an X in all that apply.)

- 17.9 (1) Moving away from the city of Detroit (35)
 22.2 (1) Expanding operations in the city of Detroit (36)
 15.4 (1) Reducing scope of operations in the city of Detroit (37)
 12.3 (1) Selling in lieu of going out of business (i.e., changing ownership) (38)
 6.2 (1) Going out of business (39)
 25.9 (1) No, none of the above considered (40)

If you are considering a move, where are you thinking of moving to?

(41-42)

5(a). Has your business made a decision (even if it is tentative) to:

- 9.3 (1) Move away from the city of Detroit (43)
 23.7 (1) Expand operations in the city of Detroit (44)
 7.6 (1) Reduce scope of operations in the city of Detroit (45)
 4.2 (1) Sell in lieu of going out of business (46)
 ___ (1) Go out of business (47)
 55.1 (1) No, none of the above decided (48)

If you have decided to move, where are you moving to?

(49-50)

6. Since 1969, has your firm expanded or increased any of the following?
(Please mark an X in all that apply.)

- ___ (1) Number of employees (51)
 ___ (1) New line of products or services (52)
 ___ (1) Capital investment (53)

6(a). (IF YOU MARKED AN X IN ANY OF THE ABOVE) What was the type(s) of financing used for such an expansion? (Please mark an X in all that apply.)

- ___ (1) Commercial bank or financial institution (54)
 ___ (1) Government loan (55)
 ___ (1) Internal financing from retained earnings (i.e., investment of profits) (56)
 ___ (1) State industrial development corporation (57)
 ___ (1) Sale of securities (i.e., equity capital) (58)
 ___ (1) Other (please specify) (58)

(59-60)

6(b). Is access to capital a problem?

- ___ (1) Yes ___ (2) No (61)

6(c). Is cost of capital a problem (i.e., high interest rates)?

- ___ (1) Yes ___ (2) No (62)

6(d). Since 1969, has your firm expanded or built a facility elsewhere which performs the same functions as your Detroit facility?

- ___ (1) Yes ___ (2) No (63)

If so, where? _____

(64-65)

2 (1-2)

(3-5)

0 2 (6-7)

7. We are interested in finding out what conditions, presently existing in Detroit, are important for your business in either encouraging or discouraging you to stay or expand your firm there. From the following list, please mark an X in the appropriate space indicating whether the condition strongly encourages, encourages, discourages or strongly discourages your firm to stay or expand in Detroit (that is, what are the advantages or disadvantages of staying in Detroit?). If the condition does not apply to your location, please mark an X in the "Does Not Apply" column. **PLEASE BASE YOUR ANSWERS ON YOUR PRESENT EXPERIENCE and NOT on what you would like to see occur.**

	Does Not Apply	Strongly Encouraging	Encouraging	Unimportant	Discouraging	Strongly Discouraging	
LABOR							
Availability of Skilled Workers	17.4	2.5	15.7	5.0	43.8	15.7	(8)
Availability of Unskilled Workers	18.2	9.9	26.4	17.4	23.1	5.0	(9)
Existence of Labor Unions	22.7	1.7	2.5	14.8	35.6	19.5	(10)
Low Education Level of Workers	17.6	0.8	3.4	19.3	48.7	10.1	(11)
High Education Level of Workers	43.7	0.0	14.6	29.1	8.7	3.9	(12)
Labor Cost at Present Location	14.3	0.8	8.4	10.9	46.2	19.3	(13)
Availability of Professional Employees	21.3	2.5	22.1	9.8	32.8	11.5	(14)
FINANCING							
Availability of Long-Term Financing	35.7	4.3	17.4	15.7	18.3	8.7	(15)
Availability of Short-Term Financing	34.5	4.3	22.4	19.0	14.7	5.2	(16)
Cost of Financing	28.2	0.0	7.7	12.8	39.3	12.0	(17)
TAXES							
Local Property Tax Rate	15.7	0.8	9.1	16.5	41.3	16.5	(18)
Corporate Tax Rate	25.8	0.0	2.5	10.8	38.3	22.5	(19)
Availability of Investment Tax Credit	25.1	11.1	21.4	17.1	13.7	7.7	(20)
Tax Depreciation	25.2	7.0	20.0	23.5	18.3	6.1	(21)
Personal Tax Rate	15.1	0.8	5.9	15.1	42.0	21.0	(22)
CITY GOVERNMENT							
Adequacy of Public Services, i.e., trash collection, fire protection	9.2	7.5	56.7	10.8	12.5	3.3	(23)
Adequacy of Public Facilities, i.e., sewers, transportation, roads	5.0	14.0	59.5	6.6	13.2	1.7	(24)
Attitudes of City Government to Business	6.8	7.7	36.8	5.1	37.6	6.0	(25)
Quality of Schools for Employees' Children	10.7	2.5	10.7	5.8	44.6	25.6	(26)
Personal Ties to Local Neighborhood	21.2	2.5	26.3	26.3	16.1	7.1	(27)
Crime Level	1.6	0.0	13.0	1.6	51.2	32.5	(28)
Cultural Attractions	6.6	19.8	51.2	10.7	17.4	4.1	(29)
OTHER DEMAND AND COST FACTORS							
Market Demand for your Product or Service	6.7	18.3	53.3	5.8	13.3	2.5	(30)
Availability of Land	28.0	5.1	23.7	22.9	14.4	5.9	(31)
Cost of Land	28.0	1.7	13.6	18.6	30.5	7.6	(32)
Cost of Energy	9.3	1.7	9.3	14.4	44.9	20.3	(33)
OTHER (Please be Very Specific)							
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(34)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(35)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(36)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(37)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(38)
_____							(39-40)
_____							(41-42)
_____							(43-44)
_____							(45-46)
_____							(47-48)

8. The Government is considering several possible programs to assist central city business. What type of government policy, program or assistance would be most helpful to your company? (Please mark an X next to your top three choices only.)

- _____ (1) Low interest loans (49)
- _____ (1) Tax relief (i.e., investment tax credit, accelerated depreciation, tax abatement, etc.) (50)
- _____ (1) Improved public services (i.e., police, fire, transportation, etc.) (51)
- _____ (1) Wage subsidy (i.e., credit on Federal tax payment based on number of additional employees hired.) (52)
- _____ (1) Improved public facilities (i.e., housing, schools, etc.) (53)
- _____ (1) Job training programs (54)
- _____ (1) Less government interference (55)
- _____ (1) Other (please specify) _____ (56-57)

2 (1-2)

_____ (3-5)

0 3 (6-7)

9. What, if any, government programs or assistance, either local, State or Federal has ever been utilized by your firm in Detroit? (Please mark all that apply.)

	Local (1)	State (1)	Federal (1)
Professional technological assistance	___ (8)	___ (20)	___ (32)
Low interest loans	___ (9)	___ (21)	___ (33)
Loan Guarantee	___ (10)	___ (22)	___ (34)
Grants for training programs	___ (11)	___ (23)	___ (35)
Grants for facility development	___ (12)	___ (24)	___ (36)
Donation of land	___ (13)	___ (25)	___ (37)
Provision of facility under leaseback arrangement	___ (14)	___ (26)	___ (38)
Worker training	___ (15)	___ (27)	___ (39)
Site selection assistance	___ (16)	___ (28)	___ (40)
Development of public facilities to meet your business needs (e.g., sewer system, access road)	___ (17)	___ (29)	___ (41)
None	___ (18)	___ (30)	___ (42)
Other (Please Be Specific) _____			
_____	___ (19)	___ (31)	___ (43)

_____ (44-45)

_____ (46-47)

10. What type of government tax benefits or tax relief does your business get from each level of government? (Mark an X in all that apply.)

	Local (1)	State (1)	Federal (1)
Property tax relief	___ (48)	___ (53)	___ (58)
Accelerated depreciation	___ (49)	___ (54)	___ (59)
Investment tax credit	___ (50)	___ (55)	___ (60)
Employment tax credit	___ (51)	___ (56)	___ (61)
Other tax benefit (please specify) _____			
_____	___ (52)	___ (57)	___ (62)

_____ (63-64)

11. In general, if you have any further ideas about how the Federal Government might assist business in urban areas, the Joint Economic Committee would appreciate having them. (Please feel free to add additional sheets for your comments.)

_____ (65-66)

PLEASE INDICATE THE NAME AND TELEPHONE NUMBER OF THE PERSON COMPLETING THIS QUESTIONNAIRE

NAME _____

PHONE _____

Thank you very much for taking the time to complete this questionnaire. If you have any questions, please contact Deborah Matz at (202) 224-5171. After you have completed the questionnaire, please place it in the postage paid envelope and send it to the Joint Economic Committee, G-133 Dirksen Building, Washington, D.C. 20510.

Congress of the United States

JOINT ECONOMIC COMMITTEE
WASHINGTON, D.C. 20510

3 (1-2)

(3-5)

0.1 (6-7)

SURVEY OF CENTRAL CITIES BUSINESS NEEDS

Please answer the questions below by marking an X or providing the information requested in the space provided. If the question does not apply to your operation, please either leave the space blank or indicate "n/a" (not applicable) and go to the next question. Please answer the questions as they apply to your business operations only in the city of Los Angeles.

1. First, how would you rate the business climate in Los Angeles?
(Please mark an X in the appropriate space.)

<u>12.3</u> (1) Highly Favorable	<u>40.8</u> (2) Favorable	<u>36.9</u> (3) Neither Favorable nor Unfavorable	
<u>6.9</u> (4) Unfavorable	<u>3.1</u> (5) Highly Unfavorable		(8)
2. Of the cities that are listed below, which one do you feel has the most favorable business climate?
(Please mark an X in only one space.)

<u>6.5</u> (1) Atlanta	<u>41.9</u> (2) Los Angeles	<u>4.3</u> (3) Pittsburgh	<u> </u> (4) St. Louis
<u>1.1</u> (5) Detroit	<u>2.2</u> (6) Minneapolis	<u>8.6</u> (7) Phoenix	<u>21.9</u> (8) Dallas
<u>3.2</u> (9) New York	<u>10.8</u> (10) Seattle		(9-10)

2(a). Why? _____
_____ (11-12)
3. In the past year, have you had a problem hiring employees whose qualifications meet your needs?

<u>61.2</u> (1) Yes	<u>38.8</u> (2) No (Go to Q. 4)
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3(a). (IF "YES") What was the greatest problem (for example, not enough workers with managerial skills available)?

_____ (14-15)
4. Approximately how many blue collar workers, white collar and clerical workers do you presently employ in your business in Los Angeles? (For the purposes of this question blue collar workers are defined as skilled and unskilled laborers, white collar workers are managerial and professional employees, and clerical includes secretarial workers.)

_____ Number of blue collar workers	(16-20)
_____ Number of white collar workers	(21-25)
_____ Number of clerical workers	(26-30)

4(a). Within the next year, do you have plans to increase, decrease or keep about the same the number of employees in your business in the city of Los Angeles?

<u>33.3</u> (1) Increase	<u>4.7</u> (2) Decrease	<u>62.0</u> (3) Keep the Same
--------------------------	-------------------------	-------------------------------

4(b). (IF EITHER "INCREASE" OR "DECREASE") By about what percentage does your firm in the city of Los Angeles expect to increase or decrease its number of blue collar, white collar, and clerical workers during the next year? (Please mark an X in the appropriate box.)

BLUE-COLLAR WORKERS

DECREASE BY				INCREASE BY				
	<u>5.5</u>	<u>1.8</u>	<u>5.5</u>	<u>84.5</u>	<u>20.0</u>	<u>20.0</u>	<u>10.9</u>	<u>1.8</u>
50-100%	25-49%	10-24%	1-9%	NO CHANGE	1-9%	10-24%	25-49%	50-100%
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

WHITE COLLAR WORKERS

DECREASE BY				INCREASE BY				
	<u>1.6</u>	<u>4.9</u>	<u>4.9</u>	<u>10.0</u>	<u>27.9</u>	<u>14.8</u>		<u>4.9</u>
50-100%	25-49%	10-24%	1-9%	NO CHANGE	1-9%	10-24%	25-49%	50-100%
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

CLERICAL WORKERS

DECREASE BY				INCREASE BY				
	<u>1.7</u>	<u>1.7</u>	<u>8.5</u>	<u>87.3</u>	<u>80.5</u>	<u>16.9</u>	<u>1.7</u>	<u>1.7</u>
50-100%	25-49%	10-24%	1-9%	NO CHANGE	1-9%	10-24%	25-49%	50-100%
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

5. In the last year, has your business seriously considered: (Please mark an X in all that apply.)

<u>12.2</u>	(1) Moving away from the city of Los Angeles	(35)
<u>24.5</u>	(1) Expanding operations in the city of Los Angeles	(36)
<u>12.2</u>	(1) Reducing scope of operations in the city of Los Angeles	(37)
<u>5.4</u>	(1) Selling in lieu of going out of business (i.e., changing ownership)	(38)
<u>4.1</u>	(1) Going out of business	(39)
<u>41.5</u>	(1) No, none of the above considered	(40)

If you are considering a move, where are you thinking of moving to?

(41-42)

- 5(a). Has your business made a decision (even if it is tentative) to:

<u>5.5</u>	(1) Move away from the city of Los Angeles	(43)
<u>25.2</u>	(1) Expand operations in the city of Los Angeles	(44)
<u>6.3</u>	(1) Reduce scope of operations in the city of Los Angeles	(45)
<u>2.4</u>	(1) Sell in lieu of going out of business	(46)
<u>1.6</u>	(1) Go out of business	(47)
<u>59.1</u>	(1) No, none of the above decided	(48)

If you have decided to move, where are you moving to?

(49-50)

6. Since 1969, has your firm expanded or increased any of the following?
(Please mark an X in all that apply.)

_____	(1) Number of employees	(51)
_____	(1) New line of products or services	(52)
_____	(1) Capital investment	(53)

- 6(a). (IF YOU MARKED AN X IN ANY OF THE ABOVE) What was the type(s) of financing used for such an expansion? (Please mark an X in all that apply.)

_____	(1) Commercial bank or financial institution	(54)
_____	(1) Government loan	(55)
_____	(1) Internal financing from retained earnings (i.e., investment of profits)	(56)
_____	(1) State industrial development corporation	(57)
_____	(1) Sale of securities (i.e., equity capital)	(58)
_____	(1) Other (please specify)	

(59-60)

- 6(b). Is access to capital a problem?

_____ (1) Yes _____ (2) No (61)

- 6(c). Is cost of capital a problem (i.e., high interest rates)?

_____ (1) Yes _____ (2) No (62)

- 6(d). Since 1969, has your firm expanded or built a facility elsewhere which performs the same functions as your Los Angeles facility?

_____ (1) Yes _____ (2) No (63)

If so, where?

(64-65)

3 (1-2)

(3-5)

0 2 (6-7)

7. We are interested in finding out what conditions, presently existing in Los Angeles, are important for your business in either encouraging or discouraging you to stay or expand your firm there. From the following list, please mark an X in the appropriate space indicating whether the condition strongly encourages, encourages, discourages or strongly discourages your firm to stay or expand in Los Angeles (that is, what are the advantages or disadvantages of staying in Los Angeles?). If the condition does not apply to your location, please mark an X in the "Does Not Apply" column. **PLEASE BASE YOUR ANSWERS ON YOUR PRESENT EXPERIENCE and NOT on what you would like to see occur.**

	Does Not Apply	Strongly Encouraging	Encouraging	Unimportant	Discouraging	Strongly Discouraging	
LABOR							
Availability of Skilled Workers	9.6	9.6	27.2	6.4	40.8	6.4	(8)
Availability of Unskilled Workers	28.3	15.8	25.8	18.3	10.8	0.8	(9)
Existence of Labor Unions	38.3	0.0	3.3	27.5	15.8	15.0	(10)
Low Education Level of Workers	39.8	0.8	1.7	23.7	28.0	5.9	(11)
High Education Level of Workers	40.7	8.0	23.9	20.4	7.1	0.0	(12)
Labor Cost at Present Location	21.3	0.8	19.7	13.1	32.8	12.3	(13)
Availability of Professional Employees	23.3	14.2	27.5	7.5	22.5	5.0	(14)
FINANCING							
Availability of Long-Term Financing	33.1	7.4	19.8	15.7	17.4	6.6	(15)
Availability of Short-Term Financing	33.3	8.4	21.4	17.9	15.4	3.4	(16)
Cost of Financing	30.0	1.7	5.8	14.2	37.5	10.8	(17)
TAXES							
Local Property Tax Rate	11.3	4.8	17.7	9.7	39.5	16.9	(18)
Corporate Tax Rate	23.1	2.5	3.3	6.6	44.6	19.8	(19)
Availability of Investment Tax Credit	31.3	3.5	25.2	13.9	20.0	6.1	(20)
Tax Depreciation	22.4	4.3	27.6	17.2	24.1	4.3	(21)
Personal Tax Rate	16.0	0.8	5.9	8.4	43.7	25.2	(22)
CITY GOVERNMENT							
Adequacy of Public Services, i.e., trash collection, fire protection	12.7	17.5	55.6	6.3	6.3	1.6	(23)
Adequacy of Public Facilities, i.e., sewers, transportation, roads	11.2	15.2	59.2	5.6	8.0	0.8	(24)
Attitudes of City Government to Business	7.3	7.3	42.7	4.8	27.4	10.5	(25)
Quality of Schools for Employees' Children	13.7	6.5	29.8	9.7	33.1	7.3	(26)
Personal Ties to Local Neighborhood	19.3	7.6	26.9	29.4	14.3	2.5	(27)
Crime Level	4.8	2.4	12.7	4.0	50.8	25.4	(28)
Cultural Attractions	12.1	19.4	45.2	16.1	7.3	0.0	(29)
OTHER DEMAND AND COST FACTORS							
Market Demand for your Product or Service	11.3	31.5	53.2	1.6	1.6	0.8	(30)
Availability of Land	22.8	2.4	14.6	18.7	31.7	9.8	(31)
Cost of Land	20.0	1.7	5.8	11.7	35.8	25.0	(32)
Cost of Energy	17.2	0.8	7.4	8.2	40.2	26.2	(33)
OTHER (Please be Very Specific)							
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(34)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(35)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(36)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(37)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(38)

_____(39-40)
 _____(41-42)
 _____(43-44)
 _____(45-46)
 _____(47-48)

8. The Government is considering several possible programs to assist central city business. What type of government policy, program or assistance would be most helpful to your company? (Please mark an X next to your top three choices only.)

- _____(1) Low interest loans (49)
- _____(1) Tax relief (i.e., investment tax credit, accelerated depreciation, tax abatement, etc.) (50)
- _____(1) Improved public services (i.e., police, fire, transportation, etc.) (51)
- _____(1) Wage subsidy (i.e., credit on Federal tax payment based on number of additional employees hired.) (52)
- _____(1) Improved public facilities (i.e., housing, schools, etc.) (53)
- _____(1) Job training programs (54)
- _____(1) Less government interference (55)
- _____(1) Other (please specify) _____

(56-57)

3 (1-2)

(3-5)

0 3 (6-7)

9. What, if any, government programs or assistance, either local, State or Federal has ever been utilized by your firm in Los Angeles? (Please mark all that apply.)

	Local (1)	State (1)	Federal (1)
Professional technological assistance	___ (8)	___ (20)	___ (32)
Low interest loans	___ (9)	___ (21)	___ (33)
Loan Guarantee	___ (10)	___ (22)	___ (34)
Grants for training programs	___ (11)	___ (23)	___ (35)
Grants for facility development	___ (12)	___ (24)	___ (36)
Donation of land	___ (13)	___ (25)	___ (37)
Provision of facility under leaseback arrangement	___ (14)	___ (26)	___ (38)
Worker training	___ (15)	___ (27)	___ (39)
Site selection assistance	___ (16)	___ (28)	___ (40)
Development of public facilities to meet your business needs (e.g., sewer system, access road)	___ (17)	___ (29)	___ (41)
None	___ (18)	___ (30)	___ (42)
Other (Please Be Specific) _____			
_____	___ (19)	___ (31)	___ (43)

(44-45)

(46-47)

10. What type of government tax benefits or tax relief does your business get from each level of government? (Mark an X in all that apply.)

	Local (1)	State (1)	Federal (1)
Property tax relief	___ (48)	___ (53)	___ (58)
Accelerated depreciation	___ (49)	___ (54)	___ (59)
Investment tax credit	___ (50)	___ (55)	___ (60)
Employment tax credit	___ (51)	___ (56)	___ (61)
Other tax benefit (please specify) _____			
_____	___ (52)	___ (57)	___ (62)

(63-64)

11. In general, if you have any further ideas about how the Federal Government might assist business in urban areas, the Joint Economic Committee would appreciate having them. (Please feel free to add additional sheets for your comments.)

(65-66)

PLEASE INDICATE THE NAME AND TELEPHONE NUMBER OF THE PERSON COMPLETING THIS QUESTIONNAIRE

NAME _____

PHONE _____

Thank you very much for taking the time to complete this questionnaire. If you have any questions, please contact Deborah Matz at (202) 224-5171. After you have completed the questionnaire, please place it in the postage paid envelope and send it to the Joint Economic Committee, G-133 Dirksen Building, Washington, D.C. 20510.

Congress of the United States
 JOINT ECONOMIC COMMITTEE
 WASHINGTON, D. C. 20510

4 (1-2)

_____ (3-5)

0 1 (6-7)

SURVEY OF CENTRAL CITIES BUSINESS NEEDS

Please answer the questions below by marking an X or providing the information requested in the space provided. If the question does not apply to your operation, please either leave the space blank or indicate "n/a" (not applicable) and go to the next question. Please answer the questions as they apply to your business operations only in the city of Minneapolis.

1. First, how would you rate the business climate in Minneapolis?
 (Please mark an X in the appropriate space.)
7.1 (1) Highly Favorable 49.4 (2) Favorable 18.8 (3) Neither Favorable nor Unfavorable
18.2 (4) Unfavorable 6.2 (5) Highly Unfavorable (8)
2. Of the cities that are listed below, which one do you feel has the most favorable business climate?
 (Please mark an X in only one space.)
12.8 (1) Atlanta 4.7 (2) Los Angeles 1.9 (3) Pittsburgh 0.9 (4) St. Louis
0.9 (5) Detroit 18.9 (6) Minneapolis 9.4 (7) Phoenix 38.7 (8) Dallas
0.9 (9) New York 3.9 (10) Seattle (9-10)
- 2(a). Why? _____
 _____ (11-12)
3. In the past year, have you had a problem hiring employees whose qualifications meet your needs?
58.8 (1) Yes 41.2 (2) No (Go to Q. 4) (13)
- 3(a). (IF "YES") What was the greatest problem (for example, not enough workers with managerial skills available)?

 _____ (14-15)

4. Approximately how many blue collar workers, white collar and clerical workers do you presently employ in your business in Minneapolis? (For the purposes of this question blue collar workers are defined as skilled and unskilled laborers, white collar workers are managerial and professional employees, and clerical includes secretarial workers.)
- _____ Number of blue collar workers (16-20)
 _____ Number of white collar workers (21-25)
 _____ Number of clerical workers (26-30)
- 4(a). Within the next year, do you have plans to increase, decrease or keep about the same the number of employees in your business in the city of Minneapolis?
38.6 (1) Increase 7.8 (2) Decrease 53.6 (3) Keep the Same (31)
- 4(b). (IF EITHER "INCREASE" OR "DECREASE") By about what percentage does your firm in the city of Minneapolis expect to increase or decrease its number of blue collar, white collar, and clerical workers during the next year? (Please mark an X in the appropriate box.)

BLUE-COLLAR WORKERS

DECREASE BY				INCREASE BY				
<u>1.4</u>	<u>1.4</u>	<u>2.7</u>	<u>12.3</u>	<u>21.9</u>	<u>30.1</u>	<u>19.2</u>	<u>6.8</u>	<u>4.3</u>
50-100%	25-49%	10-24%	1-9%	NO CHANGE	1-9%	10-24%	25-49%	50-100%
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

WHITE COLLAR WORKERS

DECREASE BY				INCREASE BY				
<input type="checkbox"/>	<input type="checkbox"/>	<u>2.5</u>	<u>8.6</u>	<u>50.9</u>	<u>84.6</u>	<u>13.6</u>	<u>4.9</u>	<u>4.3</u>
50-100%	25-49%	10-24%	1-9%	NO CHANGE	1-9%	10-24%	25-49%	50-100%
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

CLERICAL WORKERS

DECREASE BY				INCREASE BY				
<u>1.3</u>	<input type="checkbox"/>	<u>5.1</u>	<u>3.8</u>	<u>89.7</u>	<u>33.3</u>	<u>9.0</u>	<u>3.8</u>	<u>3.8</u>
50-100%	25-49%	10-24%	1-9%	NO CHANGE	1-9%	10-24%	25-49%	50-100%
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

5. In the last year, has your business seriously considered: (Please mark an X in all that apply.)

<u>12.2</u>	(1) Moving away from the city of Minneapolis	(35)
<u>26.8</u>	(1) Expanding operations in the city of Minneapolis	(36)
<u>7.9</u>	(1) Reducing scope of operations in the city of Minneapolis	(37)
<u>10.4</u>	(1) Selling in lieu of going out of business (i.e., changing ownership)	(38)
<u>2.4</u>	(1) Going out of business	(39)
<u>40.2</u>	(1) No, none of the above considered	(40)

If you are considering a move, where are you thinking of moving to?

(41-42)

- 5(a). Has your business made a decision (even if it is tentative) to:

<u>3.6</u>	(1) Move away from the city of Minneapolis	(43)
<u>25.0</u>	(1) Expand operations in the city of Minneapolis	(44)
<u>3.6</u>	(1) Reduce scope of operations in the city of Minneapolis	(45)
<u>3.6</u>	(1) Sell in lieu of going out of business	(46)
<u>0.7</u>	(1) Go out of business	(47)
<u>63.6</u>	(1) No, none of the above decided	(48)

If you have decided to move, where are you moving to?

(49-50)

6. Since 1969, has your firm expanded or increased any of the following?
(Please mark an X in all that apply.)

_____	(1) Number of employees	(51)
_____	(1) New line of products or services	(52)
_____	(1) Capital investment	(53)

- 6(a). (IF YOU MARKED AN X IN ANY OF THE ABOVE) What was the type(s) of financing used for such an expansion? (Please mark an X in all that apply.)

_____	(1) Commercial bank or financial institution	(54)
_____	(1) Government loan	(55)
_____	(1) Internal financing from retained earnings (i.e., investment of profits)	(56)
_____	(1) State industrial development corporation	(57)
_____	(1)* Sale of securities (i.e., equity capital)	(58)
_____	(1) Other (please specify)	

(59-60)

- 6(b). Is access to capital a problem?

_____ (1) Yes _____ (2) No (61)

- 6(c). Is cost of capital a problem (i.e., high interest rates)?

_____ (1) Yes _____ (2) No (62)

- 6(d). Since 1969, has your firm expanded or built a facility elsewhere which performs the same functions as your Minneapolis facility?

_____ (1) Yes _____ (2) No (63)

If so, where? _____

(64-65)

4 (1-2)

(3-5)

0 2 (6-7)

7. We are interested in finding out what conditions, presently existing in Minneapolis, are important for your business in either encouraging or discouraging you to stay or expand your firm there. From the following list, please mark an X in the appropriate space indicating whether the condition strongly encourages, encourages, discourages or strongly discourages your firm to stay or expand in Minneapolis (that is, what are the advantages or disadvantages of staying in Minneapolis?). If the condition does not apply to your location, please mark an X in the "Does Not Apply" column. **PLEASE BASE YOUR ANSWERS ON YOUR PRESENT EXPERIENCE and NOT on what you would like to see occur.**

	Does Not Apply	Strongly Encouraging	Encouraging	Unimportant	Discouraging	Strongly Discouraging	
LABOR							
Availability of Skilled Workers	13.3	6.7	40.0	6.7	26.0	7.3	(8)
Availability of Unskilled Workers	21.1	2.0	38.1	17.7	17.7	3.4	(9)
Existence of Labor Unions	31.3	0.0	2.0	21.8	28.6	16.3	(10)
Low Education Level of Workers	50.7	0.7	5.1	29.7	13.0	0.7	(11)
High Education Level of Workers	26.2	9.2	36.9	21.3	5.7	0.7	(12)
Labor Cost at Present Location	11.6	1.4	17.7	12.2	44.2	12.9	(13)
Availability of Professional Employees	16.3	8.8	40.1	12.9	19.7	2.0	(14)
FINANCING							
Availability of Long-Term Financing	29.9	2.8	34.0	9.0	19.4	4.9	(15)
Availability of Short-Term Financing	22.6	6.2	43.2	8.9	17.1	2.1	(16)
Cost of Financing	23.4	1.4	9.7	6.9	46.9	11.7	(17)
TAXES							
Local Property Tax Rate	9.9	0.0	0.7	4.6	44.4	40.4	(18)
Corporate Tax Rate	15.4	0.0	0.7	2.6	34.9	46.3	(19)
Availability of Investment Tax Credit	29.1	2.8	31.2	10.6	18.4	7.8	(20)
Tax Depreciation	23.7	1.5	25.2	15.3	25.2	9.2	(21)
Personal Tax Rate	8.7	0.0	0.7	2.0	32.7	56.0	(22)
CITY GOVERNMENT							
Adequacy of Public Services, i.e., trash collection, fire protection	6.0	20.0	68.0	4.7	1.3	0.0	(23)
Adequacy of Public Facilities, i.e., sewers, transportation, roads	4.7	23.3	62.0	4.7	4.7	0.7	(24)
Attitudes of City Government to Business	4.8	4.1	33.3	2.0	42.2	13.6	(25)
Quality of Schools for Employees' Children	5.4	30.9	49.7	7.4	6.7	0.0	(26)
Personal Ties to Local Neighborhood	14.4	18.5	41.1	23.3	2.1	0.7	(27)
Crime Level	6.1	5.4	45.9	7.4	31.1	4.1	(28)
Cultural Attractions	8.1	50.3	34.2	5.4	2.0	0.0	(29)
OTHER DEMAND AND COST FACTORS							
Market Demand for your Product or Service	11.6	23.1	53.1	5.4	6.1	0.7	(30)
Availability of Land	29.3	6.1	31.3	16.3	15.0	2.0	(31)
Cost of Land	26.8	0.0	6.0	10.1	45.0	12.1	(32)
Cost of Energy	6.7	0.7	6.7	9.4	55.0	21.5	(33)
OTHER (Please be Very Specific)							
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(34)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(35)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(36)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(37)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(38)
_____							(39-40)
_____							(41-42)
_____							(43-44)
_____							(45-46)
_____							(47-48)

8. The Government is considering several possible programs to assist central city business. What type of government policy, program or assistance would be most helpful to your company? (Please mark an X next to your top three choices only.)

- _____ (1) Low interest loans (49)
- _____ (1) Tax relief (i.e., investment tax credit, accelerated depreciation, tax abatement, etc.) (50)
- _____ (1) Improved public services (i.e., police, fire, transportation, etc.) (51)
- _____ (1) Wage subsidy (i.e., credit on Federal tax payment based on number of additional employees hired.) (52)
- _____ (1) Improved public facilities (i.e., housing, schools, etc.) (53)
- _____ (1) Job training programs (54)
- _____ (1) Less government interference (55)
- _____ (1) Other (please specify) _____ (56-57)

4 (1-2)

(3-5)

0 3 (6-7)

9. What, if any, government programs or assistance, either local, State or Federal has ever been utilized by your firm in Minneapolis? (Please mark all that apply.)

	Local (1)	State (1)	Federal (1)
Professional technological assistance	___(8)	___(20)	___(32)
Low interest loans	___(9)	___(21)	___(33)
Loan Guarantee	___(10)	___(22)	___(34)
Grants for training programs	___(11)	___(23)	___(35)
Grants for facility development	___(12)	___(24)	___(36)
Donation of land	___(13)	___(25)	___(37)
Provision of facility under leaseback arrangement	___(14)	___(26)	___(38)
Worker training	___(15)	___(27)	___(39)
Site selection assistance	___(16)	___(28)	___(40)
Development of public facilities to meet your business needs (e.g., sewer system, access road)	___(17)	___(29)	___(41)
None	___(18)	___(30)	___(42)
Other (Please Be Specific) _____			
_____	___(19)	___(31)	___(43)

(44-45)

(46-47)

10. What type of government tax benefits or tax relief does your business get from each level of government? (Mark an X in all that apply.)

	Local (1)	State (1)	Federal (1)
Property tax relief	___(48)	___(53)	___(58)
Accelerated depreciation	___(49)	___(54)	___(59)
Investment tax credit	___(50)	___(55)	___(60)
Employment tax credit	___(51)	___(56)	___(61)
Other tax benefit (please specify) _____			
_____	___(52)	___(57)	___(62)

(63-64)

11. In general, if you have any further ideas about how the Federal Government might assist business in urban areas, the Joint Economic Committee would appreciate having them. (Please feel free to add additional sheets for your comments.)

(65-66)

PLEASE INDICATE THE NAME AND TELEPHONE NUMBER OF THE PERSON COMPLETING THIS QUESTIONNAIRE

NAME _____

PHONE _____

Thank you very much for taking the time to complete this questionnaire. If you have any questions, please contact Deborah Matz at (202) 224-5171. After you have completed the questionnaire, please place it in the postage paid envelope and send it to the Joint Economic Committee, G-133 Dirksen Building, Washington, D.C. 20510.

Congress of the United States

JOINT ECONOMIC COMMITTEE
WASHINGTON, D.C. 20510

5 (1-2)

(3-5)

0 1 (6-7)

SURVEY OF CENTRAL CITIES BUSINESS NEEDS

Please answer the questions below by marking an X or providing the information requested in the space provided. If the question does not apply to your operation, please either leave the space blank or indicate "n/a" (not applicable) and go to the next question. Please answer the questions as they apply to your business operations only in the city of New York.

1. First, how would you rate the business climate in New York?
(Please mark an X in the appropriate space.)
2.6 (1) Highly Favorable 4.6 (2) Favorable 3.3 (3) Neither Favorable nor Unfavorable
28.9 (4) Unfavorable 10.5 (5) Highly Unfavorable (8)
2. Of the cities that are listed below, which one do you feel has the most favorable business climate?
(Please mark an X in only one space.)
12.0 (1) Atlanta 7.6 (2) Los Angeles 2.5 (3) Pittsburgh (4) St. Louis
 (5) Detroit 1.3 (6) Minneapolis 8.9 (7) Phoenix 22.1 (8) Dallas
27.8 (9) New York 3.8 (10) Seattle (9-10)
- 2(a). Why? _____ (11-12)
3. In the past year, have you had a problem hiring employees whose qualifications meet your needs?
43.4 (1) Yes 56.6 (2) No (Go to Q. 4) (13)
- 3(a). (IF "YES") What was the greatest problem (for example, not enough workers with managerial skills available)?

 _____ (14-15)
4. Approximately how many blue collar workers, white collar and clerical workers do you presently employ in your business in New York? (For the purposes of this question blue collar workers are defined as skilled and unskilled laborers, white collar workers are managerial and professional employees, and clerical includes secretarial workers.)

_____	Number of blue collar workers	(16-20)
_____	Number of white collar workers	(21-25)
_____	Number of clerical workers	(26-30)
- 4(a). Within the next year, do you have plans to increase, decrease or keep about the same the number of employees in your business in the city of New York?
26.5 (1) Increase 11.5 (2) Decrease 61.9 (3) Keep the Same (31)
- 4(b). (IF EITHER "INCREASE" OR "DECREASE") By about what percentage does your firm in the city of New York expect to increase or decrease its number of blue collar, white collar, and clerical workers during the next year? (Please mark an X in the appropriate box.)

BLUE-COLLAR WORKERS

DECREASE BY				INCREASE BY				
	<u>2.1</u>	<u>6.3</u>	<u>6.8</u>	<u>33.3</u>	<u>10.4</u>	<u>22.9</u>	<u>6.3</u>	
50-100%	25-49%	10-24%	1-9%	NO CHANGE	1-9%	10-24%	25-49%	50-100%
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

WHITE COLLAR WORKERS

DECREASE BY				INCREASE BY				
<u>6.9</u>	<u>2.0</u>	<u>5.9</u>	<u>11.8</u>	<u>41.2</u>	<u>25.5</u>	<u>3.9</u>	<u>5.9</u>	
50-100%	25-49%	10-24%	1-9%	NO CHANGE	1-9%	10-24%	25-49%	50-100%
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

CLERICAL WORKERS

DECREASE BY				INCREASE BY				
<u>2.0</u>		<u>8.0</u>	<u>16.0</u>	<u>32.0</u>	<u>24.0</u>	<u>12.0</u>	<u>6.0</u>	
50-100%	25-49%	10-24%	1-9%	NO CHANGE	1-9%	10-24%	25-49%	50-100%
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

5. In the last year, has your business seriously considered: (Please mark an X in all that apply.)

- 19.2 (1) Moving away from the city of New York (35)
18.4 (1) Expanding operations in the city of New York (36)
15.2 (1) Reducing scope of operations in the city of New York (37)
1.6 (1) Selling in lieu of going out of business (i.e., changing ownership) (38)
1.6 (1) Going out of business (39)
44.0 (1) No, none of the above considered (40)

If you are considering a move, where are you thinking of moving to?

(41-42)

5(a). Has your business made a decision (even if it is tentative) to:

- 3.7 (1) Move away from the city of New York (43)
20.2 (1) Expand operations in the city of New York (44)
6.4 (1) Reduce scope of operations in the city of New York (45)
2.8 (1) Sell in lieu of going out of business (46)
 ___ (1) Go out of business (47)
67.0 (1) No, none of the above decided (48)

If you have decided to move, where are you moving to?

(49-50)

Since 1969, has your firm expanded or increased any of the following?

(Please mark an X in all that apply.)

- ___ (1) Number of employees (51)
 ___ (1) New line of products or services (52)
 ___ (1) Capital investment (53)

6(a). (IF YOU MARKED AN X IN ANY OF THE ABOVE) What was the type(s) of financing used for such an expansion? (Please mark an X in all that apply.)

- ___ (1) Commercial bank or financial institution (54)
 ___ (1) Government loan (55)
 ___ (1) Internal financing from retained earnings (i.e., investment of profits) (56)
 ___ (1) State industrial development corporation (57)
 ___ (1) Sale of securities (i.e., equity capital) (58)
 ___ (1) Other (please specify) (59-60)

6(b). Is access to capital a problem?

- ___ (1) Yes ___ (2) No (61)

6(c). Is cost of capital a problem (i.e., high interest rates)?

- ___ (1) Yes ___ (2) No (62)

6(d). Since 1969, has your firm expanded or built a facility elsewhere which performs the same functions as your New York facility?

- ___ (1) Yes ___ (2) No (63)

If so, where? _____

(64-65)

5 (1-2)

(3-5)

0 2 (6-7)

7. We are interested in finding out what conditions, presently existing in New York, are important for your business in either encouraging or discouraging you to stay or expand your firm there. From the following list, please mark an X in the appropriate space indicating whether the condition strongly encourages, encourages, discourages or strongly discourages your firm to stay or expand in New York (that is, what are the advantages or disadvantages of staying in New York?). If the condition does not apply to your location, please mark an X in the "Does Not Apply" column. **PLEASE BASE YOUR ANSWERS ON YOUR PRESENT EXPERIENCE and NOT on what you would like to see occur.**

	Does Not Apply	Strongly Encouraging	Encouraging	Unimportant	Discouraging	Strongly Discouraging	
LABOR							
Availability of Skilled Workers	20.4	13.9	22.2	7.4	32.4	3.7	(8)
Availability of Unskilled Workers	35.2	10.5	21.0	20.0	11.4	1.9	(9)
Existence of Labor Unions	31.5	0.0	1.9	21.3	25.9	19.4	(10)
Low Education Level of Workers	40.0	0.0	1.9	24.8	28.6	4.8	(11)
High Education Level of Workers	40.8	10.2	24.5	20.4	3.1	1.0	(12)
Labor Cost at Present Location	19.8	0.0	5.7	12.3	44.3	17.9	(13)
Availability of Professional Employees	34.6	14.4	17.3	10.6	16.3	6.7	(14)
FINANCING							
Availability of Long-Term Financing	41.9	6.7	16.2	15.2	13.3	6.7	(15)
Availability of Short-Term Financing	37.7	11.3	17.0	17.9	12.3	3.8	(16)
Cost of Financing	36.1	0.9	9.3	13.0	27.8	13.0	(17)
TAXES							
Local Property Tax Rate	28.3	0.0	0.0	6.6	34.0	31.1	(18)
Corporate Tax Rate	22.4	0.0	0.9	4.7	40.2	31.8	(19)
Availability of Investment Tax Credit	44.0	3.0	13.0	20.0	12.0	8.0	(20)
Tax Depreciation	37.6	3.0	14.9	19.8	14.9	9.9	(21)
Personal Tax Rate	14.7	0.0	0.0	0.9	37.6	46.8	(22)
CITY GOVERNMENT							
Adequacy of Public Services, i.e., trash collection, fire protection	13.8	4.6	24.8	11.0	32.1	13.8	(23)
Adequacy of Public Facilities, i.e., sewers, transportation, roads	14.8	7.4	24.1	14.8	26.9	12.0	(24)
Attitudes of City Government to Business	12.0	2.8	22.2	7.4	36.1	19.4	(25)
Quality of Schools for Employees' Children	26.2	0.9	13.1	5.6	32.7	21.5	(26)
Personal Ties to Local Neighborhood	29.0	7.5	16.8	27.1	12.1	7.5	(27)
Crime Level	8.3	1.8	0.9	5.5	35.8	47.7	(28)
Cultural Attractions	18.7	43.0	19.6	12.1	3.7	2.8	(29)
OTHER DEMAND AND COST FACTORS							
Market Demand for your Product or Service	23.8	24.8	29.5	4.8	15.2	1.9	(30)
Availability of Land	59.8	0.0	3.9	19.6	9.8	6.9	(31)
Cost of Land	60.2	0.0	1.0	14.6	10.7	13.6	(32)
Cost of Energy	19.6	0.0	1.9	5.6	30.8	42.1	(33)
OTHER (Please be Very Specific)							
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(34)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(35)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(36)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(37)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(38)
_____							(39-40)
_____							(41-42)
_____							(43-44)
_____							(45-46)
_____							(47-48)

8. The Government is considering several possible programs to assist central city business. What type of government policy, program or assistance would be most helpful to your company? (Please mark an X next to your top three choices only.)

- _____ (1) Low interest loans (49)
- _____ (1) Tax relief (i.e., investment tax credit, accelerated depreciation, tax abatement, etc.) (50)
- _____ (1) Improved public services (i.e., police, fire, transportation, etc.) (51)
- _____ (1) Wage subsidy (i.e., credit on Federal tax payment based on number of additional employees hired.) (52)
- _____ (1) Improved public facilities (i.e., housing, schools, etc.) (53)
- _____ (1) Job training programs (54)
- _____ (1) Less government interference (55)
- _____ (1) Other (please specify) _____

5 (1-2)

(3-5)

0 3 (6-7)

9. What, if any, government programs or assistance, either local, State or Federal has ever been utilized by your firm in New York? (Please mark all that apply.)

	Local (1)	State (1)	Federal (1)
Professional technological assistance	___ (8)	___ (20)	___ (32)
Low interest loans	___ (9)	___ (21)	___ (33)
Loan Guarantee	___ (10)	___ (22)	___ (34)
Grants for training programs	___ (11)	___ (23)	___ (35)
Grants for facility development	___ (12)	___ (24)	___ (36)
Donation of land	___ (13)	___ (25)	___ (37)
Provision of facility under leaseback arrangement	___ (14)	___ (26)	___ (38)
Worker training	___ (15)	___ (27)	___ (39)
Site selection assistance	___ (16)	___ (28)	___ (40)
Development of public facilities to meet your business needs (e.g., sewer system, access road)	___ (17)	___ (29)	___ (41)
None	___ (18)	___ (30)	___ (42)
Other (Please Be Specific) _____			
_____	___ (19)	___ (31)	___ (43)

_____ (44-45)

_____ (46-47)

10. What type of government tax benefits or tax relief does your business get from each level of government? (Mark an X in all that apply.)

	Local (1)	State (1)	Federal (1)
Property tax relief	___ (48)	___ (53)	___ (58)
Accelerated depreciation	___ (49)	___ (54)	___ (59)
Investment tax credit	___ (50)	___ (55)	___ (60)
Employment tax credit	___ (51)	___ (56)	___ (61)
Other tax benefit (please specify) _____			
_____	___ (52)	___ (57)	___ (62)

_____ (63-64)

11. In general, if you have any further ideas about how the Federal Government might assist business in urban areas, the Joint Economic Committee would appreciate having them. (Please feel free to add additional sheets for your comments.)

_____ (65-66)

PLEASE INDICATE THE NAME AND TELEPHONE NUMBER OF THE PERSON COMPLETING THIS QUESTIONNAIRE

NAME _____

PHONE _____

Thank you very much for taking the time to complete this questionnaire. If you have any questions, please contact Deborah Matz at (202) 224-5171. After you have completed the questionnaire, please place it in the postage paid envelope and send it to the Joint Economic Committee, G-133 Dirksen Building, Washington, D.C. 20510.

Congress of the United States

JOINT ECONOMIC COMMITTEE
WASHINGTON, D.C. 20510

6 (1-2)

(3-5)
0 1 (6-7)

SURVEY OF CENTRAL CITIES BUSINESS NEEDS

Please answer the questions below by marking an X or providing the information requested in the space provided. If the question does not apply to your operation, please either leave the space blank or indicate "n/a" (not applicable) and go to the next question. Please answer the questions as they apply to your business operations only in the city of Phoenix.

1. First, how would you rate the business climate in Phoenix?
(Please mark an X in the appropriate space.)
3 0 . 6 (1) Highly Favorable 1 . 7 (2) Favorable 1 3 . 6 (3) Neither Favorable nor Unfavorable
4 . 1 (4) Unfavorable ___ (5) Highly Unfavorable (8)
2. Of the cities that are listed below, which one do you feel has the most favorable business climate?
(Please mark an X in only one space.)
4 . 8 (1) Atlanta 6 . 4 (2) Los Angeles 1 . 6 (3) Pittsburgh 0 . 8 (4) St. Louis
___ (5) Detroit 1 . 6 (6) Minneapolis 5 8 . 4 (7) Phoenix 2 4 . 0 (8) Dallas (9-10)
0 . 8 (9) New York ___ (10) Seattle
2(a). Why? _____ (11-12)
3. In the past year, have you had a problem hiring employees whose qualifications meet your needs?
6 1 . 4 (1) Yes 3 8 . 6 (2) No (Go to Q. 4) (13)
- 3(a). (IF "YES") What was the greatest problem (for example, not enough workers with managerial skills available)?

_____ (14-15)

4. Approximately how many blue collar workers, white collar and clerical workers do you presently employ in your business in Phoenix? (For the purposes of this question blue collar workers are defined as skilled and unskilled laborers, white collar workers are managerial and professional employees, and clerical includes secretarial workers.)

	_____ Number of blue collar workers (16-20)
	_____ Number of white collar workers (21-25)
	_____ Number of clerical workers (26-30)
- 4(a). Within the next year, do you have plans to increase, decrease or keep about the same the number of employees in your business in the city of Phoenix?
5 0 . 3 (1) Increase 4 1 . 2 (2) Decrease 4 5 . 6 (3) Keep the Same (31)
- 4(b). (IF EITHER "INCREASE" OR "DECREASE") By about what percentage does your firm in the city of Phoenix expect to increase or decrease its number of blue collar, white collar, and clerical workers during the next year? (Please mark an X in the appropriate box.)

BLUE-COLLAR WORKERS

DECREASE BY				INCREASE BY				
1 . 2	1 . 3	7 . 0		2 3 . 3	3 3 . 7	2 2 . 1	7 . 0	4 . 7
50-100%	25-49%	10-24%	1-9%	NO CHANGE	1-9%	10-24%	25-49%	50-100%
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

WHITE COLLAR WORKERS

DECREASE BY				INCREASE BY				
1 . 2			2 . 4	3 3 . 3	3 1 . 0	2 3 . 8	4 . 8	3 . 6
50-100%	25-49%	10-24%	1-9%	NO CHANGE	1-9%	10-24%	25-49%	50-100%
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

CLERICAL WORKERS

DECREASE BY				INCREASE BY				
1 . 2			2 . 3	3 7 . 2	3 4 . 9	1 7 . 1	2 . 3	4 . 7
50-100%	25-49%	10-24%	1-9%	NO CHANGE	1-9%	10-24%	25-49%	50-100%
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

5. In the last year, has your business seriously considered: (Please mark an X in all that apply.)

<u>2.6</u>	(1) Moving away from the city of Phoenix	(35)
<u>45.2</u>	(1) Expanding operations in the city of Phoenix	(36)
<u>5.2</u>	(1) Reducing scope of operations in the city of Phoenix	(37)
<u>9.0</u>	(1) Selling in lieu of going out of business (i.e., changing ownership)	(38)
<u>1.9</u>	(1) Going out of business	(39)
<u>36.1</u>	(1) No, none of the above considered	(40)

If you are considering a move, where are you thinking of moving to?

(41-42)

- 5(a). Has your business made a decision (even if it is tentative) to:

<u>0.7</u>	(1) Move away from the city of Phoenix	(43)
<u>38.7</u>	(1) Expand operations in the city of Phoenix	(44)
<u>2.1</u>	(1) Reduce scope of operations in the city of Phoenix	(45)
<u>2.8</u>	(1) Sell in lieu of going out of business	(46)
<u>0.7</u>	(1) Go out of business	(47)
<u>54.9</u>	(1) No, none of the above decided	(48)

If you have decided to move, where are you moving to?

(49-50)

6. Since 1969, has your firm expanded or increased any of the following?
(Please mark an X in all that apply.)

_____	(1) Number of employees	(51)
_____	(1) New line of products or services	(52)
_____	(1) Capital investment	(53)

- 6(a). (IF YOU MARKED AN X IN ANY OF THE ABOVE) What was the type(s) of financing used for such an expansion? (Please mark an X in all that apply.)

_____	(1) Commercial bank or financial institution	(54)
_____	(1) Government loan	(55)
_____	(1) Internal financing from retained earnings (i.e., investment of profits)	(56)
_____	(1) State industrial development corporation	(57)
_____	(1) Sale of securities (i.e., equity capital)	(58)
_____	(1) Other (please specify)	

(59-60)

- 6(b). Is access to capital a problem?

_____ (1) Yes _____ (2) No (61)

- 6(c). Is cost of capital a problem (i.e., high interest rates)?

_____ (1) Yes _____ (2) No (62)

- 6(d). Since 1969, has your firm expanded or built a facility elsewhere which performs the same functions as your Phoenix facility?

_____ (1) Yes _____ (2) No (63)

If so, where?

(64-65)

6 (1-2)

(3-5)

0 2 (6-7)

7. We are interested in finding out what conditions, presently existing in Phoenix, are important for your business in either encouraging or discouraging you to stay or expand your firm there. From the following list, please mark an X in the appropriate space indicating whether the condition strongly encourages, encourages, discourages or strongly discourages your firm to stay or expand in Phoenix (that is, what are the advantages or disadvantages of staying in Phoenix?). If the condition does not apply to your location, please mark an X in the "Does Not Apply" column. **PLEASE BASE YOUR ANSWERS ON YOUR PRESENT EXPERIENCE** and **NOT** on what you would like to see occur.

	Does Not Apply	Strongly Encouraging	Encouraging	Unimportant	Discouraging	Strongly Discouraging	
LABOR							
Availability of Skilled Workers	14.8	4.2	31.7	4.9	38.0	6.3	(8)
Availability of Unskilled Workers	27.5	4.9	31.7	16.2	16.2	3.5	(9)
Existence of Labor Unions	50.7	0.7	5.9	21.3	13.2	8.1	(10)
Low Education Level of Workers	48.5	0.0	5.1	23.5	21.3	1.5	(11)
High Education Level of Workers	44.9	4.4	27.9	14.0	8.8	0.0	(12)
Labor Cost at Present Location	18.4	2.1	41.8	11.3	23.4	2.8	(13)
Availability of Professional Employees	24.8	7.1	31.9	7.8	24.1	4.3	(14)
FINANCING							
Availability of Long-Term Financing	36.0	6.6	27.2	7.4	16.9	5.9	(15)
Availability of Short-Term Financing	32.4	8.1	41.2	5.1	10.3	2.9	(16)
Cost of Financing	29.6	2.2	8.1	9.6	39.3	11.1	(17)
TAXES							
Local Property Tax Rate	16.9	2.2	30.1	8.1	30.1	12.5	(18)
Corporate Tax Rate	24.8	2.2	19.0	10.9	27.7	15.3	(19)
Availability of Investment Tax Credit	28.9	5.9	22.2	14.1	21.5	7.4	(20)
Tax Depreciation	23.4	5.8	21.9	14.6	27.0	7.3	(21)
Personal Tax Rate	15.4	2.2	14.0	11.8	40.4	16.2	(22)
CITY GOVERNMENT							
Adequacy of Public Services, i.e., trash collection, fire protection	8.5	14.9	60.3	9.2	6.4	0.7	(23)
Adequacy of Public Facilities, i.e., sewers, transportation, roads	6.9	9.0	45.8	5.6	24.3	8.3	(24)
Attitudes of City Government to Business	5.0	19.1	44.7	2.8	27.0	1.4	(25)
Quality of Schools for Employees' Children	9.3	21.4	51.4	7.1	10.7	0.0	(26)
Personal Ties to Local Neighborhood	13.6	16.4	42.1	20.7	5.7	1.4	(27)
Crime Level	7.9	2.1	14.3	8.6	45.7	21.4	(28)
Cultural Attractions	7.1	20.0	50.0	15.7	5.0	2.1	(29)
OTHER DEMAND AND COST FACTORS							
Market Demand for your Product or Service	7.0	38.5	46.2	1.4	4.2	2.8	(30)
Availability of Land	13.7	10.1	42.4	11.5	16.5	5.8	(31)
Cost of Land	15.0	2.9	18.6	9.3	39.3	15.0	(32)
Cost of Energy	7.0	2.1	7.0	4.2	49.3	30.3	(33)
OTHER (Please be Very Specific)							
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(34)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(35)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(36)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(37)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(38)
_____							(39-40)
_____							(41-42)
_____							(43-44)
_____							(45-46)
_____							(47-48)

8. The Government is considering several possible programs to assist central city business. What type of government policy, program or assistance would be most helpful to your company? (Please mark an X next to your top three choices only.)

- _____ (1) Low interest loans (49)
- _____ (1) Tax relief (i.e., investment tax credit, accelerated depreciation, tax abatement, etc.) (50)
- _____ (1) Improved public services (i.e., police, fire, transportation, etc.) (51)
- _____ (1) Wage subsidy (i.e., credit on Federal tax payment based on number of additional employees hired.) (52)
- _____ (1) Improved public facilities (i.e., housing, schools, etc.) (53)
- _____ (1) Job training programs (54)
- _____ (1) Less government interference (55)
- _____ (1) Other (please specify) _____ (56-57)

6 (1-2)

(3-5)

0 3 (6-7)

9. What, if any, government programs or assistance, either local, State or Federal has ever been utilized by your firm in Phoenix? (Please mark all that apply.)

	Local (1)	State (1)	Federal (1)
Professional technological assistance	___(8)	___(20)	___(32)
Low interest loans	___(9)	___(21)	___(33)
Loan Guarantee	___(10)	___(22)	___(34)
Grants for training programs	___(11)	___(23)	___(35)
Grants for facility development	___(12)	___(24)	___(36)
Donation of land	___(13)	___(25)	___(37)
Provision of facility under leaseback arrangement	___(14)	___(26)	___(38)
Worker training	___(15)	___(27)	___(39)
Site selection assistance	___(16)	___(28)	___(40)
Development of public facilities to meet your business needs (e.g., sewer system, access road)	___(17)	___(29)	___(41)
None	___(18)	___(30)	___(42)
Other (Please Be Specific) _____			
_____	___(19)	___(31)	___(43)

(44-45)

(46-47)

10. What type of government tax benefits or tax relief does your business get from each level of government? (Mark an X in all that apply.)

	Local (1)	State (1)	Federal (1)
Property tax relief	___(48)	___(53)	___(58)
Accelerated depreciation	___(49)	___(54)	___(59)
Investment tax credit	___(50)	___(55)	___(60)
Employment tax credit	___(51)	___(56)	___(61)
Other tax benefit (please specify) _____			
_____	___(52)	___(57)	___(62)

(63-64)

11. In general, if you have any further ideas about how the Federal Government might assist business in urban areas, the Joint Economic Committee would appreciate having them. (Please feel free to add additional sheets for your comments.)

(65-66)

PLEASE INDICATE THE NAME AND TELEPHONE NUMBER OF THE PERSON COMPLETING THIS QUESTIONNAIRE

NAME _____

PHONE _____

Thank you very much for taking the time to complete this questionnaire. If you have any questions, please contact Deborah Matz at (202) 224-5171. After you have completed the questionnaire, please place it in the postage paid envelope and send it to the Joint Economic Committee, G-133 Dirksen Building, Washington, D.C. 20510.

Congress of the United States

JOINT ECONOMIC COMMITTEE
WASHINGTON, D. C. 20510

7 (1-2)

(3-5)

0 1 (6-7)

SURVEY OF CENTRAL CITIES BUSINESS NEEDS

Please answer the questions below by marking an X or providing the information requested in the space provided. If the question does not apply to your operation, please either leave the space blank or indicate "n/a" (not applicable) and go to the next question. Please answer the questions as they apply to your business operations only in the city of Pittsburgh.

1. First, how would you rate the business climate in Pittsburgh?
(Please mark an X in the appropriate space.)

<u>2.8</u> (1) Highly Favorable	<u>54.6</u> (2) Favorable	<u>31.2</u> (3) Neither Favorable nor Unfavorable	
<u>8.5</u> (4) Unfavorable	<u>2.8</u> (5) Highly Unfavorable		(8)

2. Of the cities that are listed below, which one do you feel has the most favorable business climate?
(Please mark an X in only one space.)

<u>24.3</u> (1) Atlanta	<u>4.9</u> (2) Los Angeles	<u>17.7</u> (3) Pittsburgh	<u>1.9</u> (4) St. Louis
<u> </u> (5) Detroit	<u>1.0</u> (6) Minneapolis	<u>7.8</u> (7) Phoenix	<u>35.9</u> (8) Dallas
<u>3.9</u> (9) New York	<u>2.9</u> (10) Seattle		(9-10)

2(a). Why? _____
(11-12)

3. In the past year, have you had a problem hiring employees whose qualifications meet your needs?

<u>45.7</u> (1) Yes	<u>54.3</u> (2) No (Go to Q. 4)
---------------------	---------------------------------

3(a). (IF "YES") What was the greatest problem (for example, not enough workers with managerial skills available)?

(14-15)

4. Approximately how many blue collar workers, white collar and clerical workers do you presently employ in your business in Pittsburgh? (For the purposes of this question blue collar workers are defined as skilled and unskilled laborers, white collar workers are managerial and professional employees, and clerical includes secretarial workers.)

_____ Number of blue collar workers	(16-20)
_____ Number of white collar workers	(21-25)
_____ Number of clerical workers	(26-30)

4(a). Within the next year, do you have plans to increase, decrease or keep about the same the number of employees in your business in the city of Pittsburgh?

<u>38.8</u> (1) Increase	<u>6.5</u> (2) Decrease	<u>54.7</u> (3) Keep the Same
--------------------------	-------------------------	-------------------------------

(31)

4(b). (IF EITHER "INCREASE" OR "DECREASE") By about what percentage does your firm in the city of Pittsburgh expect to increase or decrease its number of blue collar, white collar, and clerical workers during the next year? (Please mark an X in the appropriate box.)

BLUE-COLLAR WORKERS

DECREASE BY				INCREASE BY					
6.7		1.7	6.7	35.0	23.3	26.7	3.3	1.7	
50-100%	25-49%	10-24%	1-9%	NO	1-9%	10-24%	25-49%	50-100%	
(1)	(2)	(3)	(4)	CHANGE	(5)	(6)	(7)	(8)	
									(32)

WHITE COLLAR WORKERS

DECREASE BY				INCREASE BY					
4.5	1.5	3.1	3.1	24.8	43.1	16.9	4.6	1.5	
50-100%	25-49%	10-24%	1-9%	NO	1-9%	10-24%	25-49%	50-100%	
(1)	(2)	(3)	(4)	CHANGE	(5)	(6)	(7)	(8)	
									(33)

CLERICAL WORKERS

DECREASE BY				INCREASE BY					
4.5	1.5		4.6	35.4	40.0	15.4	1.5		
50-100%	25-49%	10-24%	1-9%	NO	1-9%	10-24%	25-49%	50-100%	
(1)	(2)	(3)	(4)	CHANGE	(5)	(6)	(7)	(8)	
									(34)

5. In the last year, has your business seriously considered: (Please mark an X in all that apply.)
- | | | |
|-------------|---|------|
| <u>10.1</u> | (1) Moving away from the city of Pittsburgh | (35) |
| <u>27.2</u> | (1) Expanding operations in the city of Pittsburgh | (36) |
| <u>9.5</u> | (1) Reducing scope of operations in the city of Pittsburgh | (37) |
| <u>5.1</u> | (1) Selling in lieu of going out of business (i.e., changing ownership) | (38) |
| <u>5.1</u> | (1) Going out of business | (39) |
| <u>43.0</u> | (1) No, none of the above considered | (40) |
- If you are considering a move, where are you thinking of moving to?
-
- (41-42)
- 5(a). Has your business made a decision (even if it is tentative) to:
- | | | |
|-------------|--|------|
| <u>2.3</u> | (1) Move away from the city of Pittsburgh | (43) |
| <u>25.6</u> | (1) Expand operations in the city of Pittsburgh | (44) |
| <u>6.2</u> | (1) Reduce scope of operations in the city of Pittsburgh | (45) |
| <u>3.1</u> | (1) Sell in lieu of going out of business | (46) |
| <u>0.8</u> | (1) Go out of business | (47) |
| <u>62.0</u> | (1) No, none of the above decided | (48) |
- If you have decided to move, where are you moving to?
-
- (49-50)
6. Since 1969, has your firm expanded or increased any of the following?
(Please mark an X in all that apply.)
- | | | |
|-------|--------------------------------------|------|
| _____ | (1) Number of employees | (51) |
| _____ | (1) New line of products or services | (52) |
| _____ | (1) Capital investment | (53) |
- 6(a). (IF YOU MARKED AN X IN ANY OF THE ABOVE) What was the type(s) of financing used for such an expansion? (Please mark an X in all that apply.)
- | | | |
|-------|---|------|
| _____ | (1) Commercial bank or financial institution | (54) |
| _____ | (1) Government loan | (55) |
| _____ | (1) Internal financing from retained earnings (i.e., investment of profits) | (56) |
| _____ | (1) State industrial development corporation | (57) |
| _____ | (1) Sale of securities (i.e., equity capital) | (58) |
| _____ | (1) Other (please specify) | |
-
- (59-60)
- 6(b). Is access to capital a problem?
- | | | | | |
|-------|---------|-------|--------|------|
| _____ | (1) Yes | _____ | (2) No | (61) |
|-------|---------|-------|--------|------|
- 6(c). Is cost of capital a problem (i.e., high interest rates)?
- | | | | | |
|-------|---------|-------|--------|------|
| _____ | (1) Yes | _____ | (2) No | (62) |
|-------|---------|-------|--------|------|
- 6(d). Since 1969, has your firm expanded or built a facility elsewhere which performs the same functions as your Pittsburgh facility?
- | | | | | |
|-------|---------|-------|--------|------|
| _____ | (1) Yes | _____ | (2) No | (63) |
|-------|---------|-------|--------|------|
- If so, where? _____ (64-65)

7. We are interested in finding out what conditions, presently existing in Pittsburgh, are important for your business in either encouraging or discouraging you to stay or expand your firm there. From the following list, please mark an X in the appropriate space indicating whether the condition strongly encourages, encourages, discourages or strongly discourages your firm to stay or expand in Pittsburgh (that is, what are the advantages or disadvantages of staying in Pittsburgh?). If the condition does not apply to your location, please mark an X in the "Does Not Apply" column. **PLEASE BASE YOUR ANSWERS ON YOUR PRESENT EXPERIENCE and NOT on what you would like to see occur.**

	Does Not Apply	Strongly Encouraging	Encouraging	Unim- portant	Dis- cour- aging	Strongly Discour- aging	
LABOR							
Availability of Skilled Workers	19.5	4.7	39.1	10.2	22.7	3.9	(8)
Availability of Unskilled Workers	27.2	4.0	34.4	20.0	12.8	1.6	(9)
Existence of Labor Unions	34.4	1.6	1.6	18.0	28.1	16.4	(10)
Low Education Level of Workers	45.6	0.0	2.4	25.6	24.8	1.6	(11)
High Education Level of Workers	41.3	5.0	25.6	22.3	5.8	0.0	(12)
Labor Cost at Present Location	19.0	0.8	19.8	9.9	41.3	9.1	(13)
Availability of Professional Employees	23.8	7.1	36.5	13.5	16.7	2.4	(14)
FINANCING							
Availability of Long-Term Financing	33.9	5.8	24.0	13.2	20.7	2.5	(15)
Availability of Short-Term Financing	32.2	10.2	28.0	13.6	12.7	3.4	(16)
Cost of Financing	30.3	1.6	11.5	11.5	33.6	11.5	(17)
TAXES							
Local Property Tax Rate	23.0	0.8	6.3	15.1	39.7	15.1	(18)
Corporate Tax Rate	20.9	0.8	0.8	13.2	41.1	23.3	(19)
Availability of Investment Tax Credit	22.1	5.7	27.9	21.3	15.6	7.4	(20)
Tax Depreciation	22.2	1.7	28.2	20.5	19.7	7.7	(21)
Personal Tax Rate	16.3	0.0	9.8	13.8	35.8	24.4	(22)
CITY GOVERNMENT							
Adequacy of Public Services, i.e., trash collection, fire protection	7.1	9.4	53.5	14.2	12.6	3.1	(23)
Adequacy of Public Facilities, i.e., sewers, transportation, roads	7.1	7.1	30.7	4.7	32.3	18.1	(24)
Attitudes of City Government to Business	8.1	6.5	48.4	7.3	21.8	8.1	(25)
Quality of Schools for Employees' Children	8.9	9.8	45.5	9.8	20.3	5.7	(26)
Personal Ties to Local Neighborhood	16.1	15.3	33.9	25.4	8.5	0.8	(27)
Crime Level	5.7	3.3	34.1	6.5	39.8	10.6	(28)
Cultural Attractions	7.3	32.5	51.2	6.5	1.6	0.8	(29)
OTHER DEMAND AND COST FACTORS							
Market Demand for your Product or Service	8.9	18.5	53.2	8.1	8.1	3.2	(30)
Availability of Land	29.5	2.5	13.1	25.4	25.4	4.1	(31)
Cost of Land	32.2	0.8	5.0	19.8	30.6	11.6	(32)
Cost of Energy	12.3	0.0	5.7	9.0	35.2	37.7	(33)
OTHER (Please be Very Specific)							
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(34)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(35)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(36)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(37)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(38)
_____							(39-40)
_____							(41-42)
_____							(43-44)
_____							(45-46)
_____							(47-48)

8. The Government is considering several possible programs to assist central city business. What type of government policy, program or assistance would be most helpful to your company? (Please mark an X next to your top three choices only.)

- _____ (1) Low interest loans (49)
- _____ (1) Tax relief (i.e., investment tax credit, accelerated depreciation, tax abatement, etc.) (50)
- _____ (1) Improved public services (i.e., police, fire, transportation, etc.) (51)
- _____ (1) Wage subsidy (i.e., credit on Federal tax payment based on number of additional employees hired.) (52)
- _____ (1) Improved public facilities (i.e., housing, schools, etc.) (53)
- _____ (1) Job training programs (54)
- _____ (1) Less government interference (55)
- _____ (1) Other (please specify) _____ (56-57)

7 (1-2)

(3-5)

0 3 (6-7)

9. What, if any, government programs or assistance, either local, State or Federal has ever been utilized by your firm in Pittsburgh? (Please mark all that apply.)

	Local (1)	State (1)	Federal (1)
Professional technological assistance	___(8)	___(20)	___(32)
Low interest loans	___(9)	___(21)	___(33)
Loan Guarantee	___(10)	___(22)	___(34)
Grants for training programs	___(11)	___(23)	___(35)
Grants for facility development	___(12)	___(24)	___(36)
Donation of land	___(13)	___(25)	___(37)
Provision of facility under leaseback arrangement	___(14)	___(26)	___(38)
Worker training	___(15)	___(27)	___(39)
Site selection assistance	___(16)	___(28)	___(40)
Development of public facilities to meet your business needs (e.g., sewer system, access road)	___(17)	___(29)	___(41)
None	___(18)	___(30)	___(42)
Other (Please Be Specific) _____			
_____	___(19)	___(31)	___(43)

(44-45)

(46-47)

10. What type of government tax benefits or tax relief does your business get from each level of government? (Mark an X in all that apply.)

	Local (1)	State (1)	Federal (1)
Property tax relief	___(48)	___(53)	___(58)
Accelerated depreciation	___(49)	___(54)	___(59)
Investment tax credit	___(50)	___(55)	___(60)
Employment tax credit	___(51)	___(56)	___(61)
Other tax benefit (please specify) _____			
_____	___(52)	___(57)	___(62)

(63-64)

11. In general, if you have any further ideas about how the Federal Government might assist business in urban areas, the Joint Economic Committee would appreciate having them. (Please feel free to add additional sheets for your comments.)

(65-66)

PLEASE INDICATE THE NAME AND TELEPHONE NUMBER OF THE PERSON COMPLETING THIS QUESTIONNAIRE

NAME _____

PHONE _____

Thank you very much for taking the time to complete this questionnaire. If you have any questions, please contact Deborah Matz at (202) 224-5171. After you have completed the questionnaire, please place it in the postage paid envelope and send it to the Joint Economic Committee, G-133 Dirksen Building, Washington, D.C. 20510.

Congress of the United States
 JOINT ECONOMIC COMMITTEE
 WASHINGTON, D. C. 20510

8 (1-2)

_____ (3-5)

01 (6-7)

SURVEY OF CENTRAL CITIES BUSINESS NEEDS

Please answer the questions below by marking an X or providing the information requested in the space provided. If the question does not apply to your operation, please either leave the space blank or indicate "n/a" (not applicable) and go to the next question. Please answer the questions as they apply to your business operations only in the city of Seattle.

1. First, how would you rate the business climate in Seattle?
 (Please mark an X in the appropriate space.)
38.3 (1) Highly Favorable 49.6 (2) Favorable 6.8 (3) Neither Favorable nor Unfavorable
3.8 (4) Unfavorable 1.5 (5) Highly Unfavorable (8)

2. Of the cities that are listed below, which one do you feel has the most favorable business climate?
 (Please mark an X in only one space.)
4.9 (1) Atlanta 7.8 (2) Los Angeles ___ (3) Pittsburgh ___ (4) St. Louis
 ___ (5) Detroit 1.0 (6) Minneapolis 4.2 (7) Phoenix 21.6 (8) Dallas
3.2 (9) New York 5.2 (10) Seattle (9-10)
 2(a). Why? _____
 _____ (11-12)

3. In the past year, have you had a problem hiring employees whose qualifications meet your needs?
61.9 (1) Yes 38.1 (2) No (Go to Q. 4) (13)
 3(a). (IF "YES") What was the greatest problem (for example, not enough workers with managerial skills available)?

 _____ (14-15)

4. Approximately how many blue collar workers, white collar and clerical workers do you presently employ in your business in Seattle? (For the purposes of this question blue collar workers are defined as skilled and unskilled laborers, white collar workers are managerial and professional employees, and clerical includes secretarial workers.)
 _____ Number of blue collar workers (16-20)
 _____ Number of white collar workers (21-25)
 _____ Number of clerical workers (26-30)

- 4(a). Within the next year, do you have plans to increase, decrease or keep about the same the number of employees in your business in the city of Seattle?
44.0 (1) Increase 6.0 (2) Decrease 50.0 (3) Keep the Same (31)

- 4(b). (IF EITHER "INCREASE" OR "DECREASE") By about what percentage does your firm in the city of Seattle expect to increase or decrease its number of blue collar, white collar, and clerical workers during the next year? (Please mark an X in the appropriate box.)

BLUE-COLLAR WORKERS

DECREASE BY				INCREASE BY				
<input type="checkbox"/>	<input checked="" type="checkbox"/> 1.4	<input checked="" type="checkbox"/> 2.9	<input checked="" type="checkbox"/> 7.1	<input checked="" type="checkbox"/> 31.4	<input checked="" type="checkbox"/> 27.1	<input checked="" type="checkbox"/> 27.1	<input checked="" type="checkbox"/> 1.4	<input checked="" type="checkbox"/> 1.4
50-100%	25-49%	10-24%	1-9%	NO CHANGE	1-9%	10-24%	25-49%	50-100%
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

WHITE COLLAR WORKERS

DECREASE BY				INCREASE BY				
<input type="checkbox"/>	<input checked="" type="checkbox"/> 2.5	<input checked="" type="checkbox"/> 1.2	<input checked="" type="checkbox"/> 5.0	<input checked="" type="checkbox"/> 30.0	<input checked="" type="checkbox"/> 36.2	<input checked="" type="checkbox"/> 21.2	<input checked="" type="checkbox"/> 3.7	<input type="checkbox"/>
50-100%	25-49%	10-24%	1-9%	NO CHANGE	1-9%	10-24%	25-49%	50-100%
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

CLERICAL WORKERS

DECREASE BY				INCREASE BY				
<input checked="" type="checkbox"/> 2.0	<input checked="" type="checkbox"/> 1.3	<input checked="" type="checkbox"/> 1.3	<input checked="" type="checkbox"/> 2.6	<input checked="" type="checkbox"/> 35.9	<input checked="" type="checkbox"/> 42.3	<input checked="" type="checkbox"/> 1.7	<input checked="" type="checkbox"/> 6.4	<input type="checkbox"/>
50-100%	25-49%	10-24%	1-9%	NO CHANGE	1-9%	10-24%	25-49%	50-100%
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

5. In the last year, has your business seriously considered: (Please mark an X in all that apply.)

- 10.3 (1) Moving away from the city of Seattle (35)
40.0 (1) Expanding operations in the city of Seattle (36)
3.4 (1) Reducing scope of operations in the city of Seattle (37)
6.9 (1) Selling in lieu of going out of business (i.e., changing ownership) (38)
2.8 (1) Going out of business (39)
36.6 (1) No, none of the above considered (40)

If you are considering a move, where are you thinking of moving to?

(41-42)

5(a). Has your business made a decision (even if it is tentative) to:

- 3.2 (1) Move away from the city of Seattle (43)
44.4 (1) Expand operations in the city of Seattle (44)
0.8 (1) Reduce scope of operations in the city of Seattle (45)
1.6 (1) Sell in lieu of going out of business (46)
1.6 (1) Go out of business (47)
48.4 (1) No, none of the above decided (48)

If you have decided to move, where are you moving to?

(49-50)

6. Since 1969, has your firm expanded or increased any of the following?
(Please mark an X in all that apply.)

- _____ (1) Number of employees (51)
 _____ (1) New line of products or services (52)
 _____ (1) Capital investment (53)

6(a). (IF YOU MARKED AN X IN ANY OF THE ABOVE) What was the type(s) of financing used for such an expansion? (Please mark an X in all that apply.)

- _____ (1) Commercial bank or financial institution (54)
 _____ (1) Government loan (55)
 _____ (1) Internal financing from retained earnings (i.e., investment of profits) (56)
 _____ (1) State industrial development corporation (57)
 _____ (1) Sale of securities (i.e., equity capital) (58)
 _____ (1) Other (please specify) (58)

(59-60)

6(b). Is access to capital a problem?

- _____ (1) Yes _____ (2) No (61)

6(c). Is cost of capital a problem (i.e., high interest rates)?

- _____ (1) Yes _____ (2) No (62)

6(d). Since 1969, has your firm expanded or built a facility elsewhere which performs the same functions as your Seattle facility?

- _____ (1) Yes _____ (2) No (63)

If so, where?

(64-65)

8 (1-2)

(3-5)

0 2 (6-7)

7. We are interested in finding out what conditions, presently existing in Seattle, are important for your business in either encouraging or discouraging you to stay or expand your firm there. From the following list, please mark an X in the appropriate space indicating whether the condition strongly encourages, encourages, discourages or strongly discourages your firm to stay or expand in Seattle (that is, what are the advantages or disadvantages of staying in Seattle?). If the condition does not apply to your location, please mark an X in the "Does Not Apply" column. **PLEASE BASE YOUR ANSWERS ON YOUR PRESENT EXPERIENCE and NOT on what you would like to see occur.**

	Does Not Apply	Strongly Encouraging	Encouraging	Unimportant	Discouraging	Strongly Discouraging	
LABOR							
Availability of Skilled Workers	12.4	8.5	34.9	6.2	32.6	5.4	(8)
Availability of Unskilled Workers	28.3	2.5	30.0	16.7	19.2	3.3	(9)
Existence of Labor Unions	32.0	0.8	4.9	14.8	30.3	17.2	(10)
Low Education Level of Workers	47.5	0.8	5.1	27.1	16.9	2.5	(11)
High Education Level of Workers	29.9	11.1	33.3	18.8	6.0	0.9	(12)
Labor Cost at Present Location	14.8	2.5	23.8	4.9	43.4	10.7	(13)
Availability of Professional Employees	22.2	15.1	31.7	7.1	19.0	4.8	(14)
FINANCING							
Availability of Long-Term Financing	35.5	6.6	32.2	11.6	8.3	5.8	(15)
Availability of Short-Term Financing	30.6	12.1	36.3	10.5	8.9	1.6	(16)
Cost of Financing	29.3	1.6	11.4	9.8	33.3	14.6	(17)
TAXES							
Local Property Tax Rate	18.0	1.6	12.5	12.5	43.0	12.5	(18)
Corporate Tax Rate	22.2	2.4	12.7	9.5	42.1	11.1	(19)
Availability of Investment Tax Credit	29.5	8.2	29.5	14.8	12.3	5.7	(20)
Tax Depreciation	29.1	4.3	28.2	13.7	18.8	6.0	(21)
Personal Tax Rate	24.2	4.8	13.7	10.5	26.6	20.2	(22)
CITY GOVERNMENT							
Adequacy of Public Services, i.e., trash collection, fire protection	9.9	26.7	57.3	3.8	0.8	1.5	(23)
Adequacy of Public Facilities, i.e., sewers, transportation, roads	8.4	26.7	54.2	5.3	4.6	0.8	(24)
Attitudes of City Government to Business	7.7	10.0	38.5	3.1	34.6	6.2	(25)
Quality of Schools for Employees' Children	8.5	14.6	50.8	5.4	16.9	3.8	(26)
Personal Ties to Local Neighborhood	17.8	15.5	45.0	15.5	3.9	2.3	(27)
Crime Level	9.2	3.8	38.9	10.7	29.8	7.6	(28)
Cultural Attractions	10.0	32.3	50.8	6.2	0.8	0.0	(29)
OTHER DEMAND AND COST FACTORS							
Market Demand for your Product or Service	6.1	36.4	46.2	2.3	7.6	1.5	(30)
Availability of Land	24.6	4.0	20.6	11.1	30.2	9.5	(31)
Cost of Land	22.8	2.4	6.3	11.0	38.6	18.9	(32)
Cost of Energy	13.3	11.7	27.3	12.5	27.3	7.8	(33)
OTHER (Please be Very Specific)							
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(34)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(35)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(36)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(37)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(38)
_____							(39-40)
_____							(41-42)
_____							(43-44)
_____							(45-46)
_____							(47-48)

8. The Government is considering several possible programs to assist central city business. What type of government policy, program or assistance would be most helpful to your company? (Please mark an X next to your top three choices only.)

- _____ (1) Low interest loans (49)
- _____ (1) Tax relief (i.e., investment tax credit, accelerated depreciation, tax abatement, etc.) (50)
- _____ (1) Improved public services (i.e., police, fire, transportation, etc.) (51)
- _____ (1) Wage subsidy (i.e., credit on Federal tax payment based on number of additional employees hired.) (52)
- _____ (1) Improved public facilities (i.e., housing, schools, etc.) (53)
- _____ (1) Job training programs (54)
- _____ (1) Less government interference (55)
- _____ (1) Other (please specify) _____ (56-57)

8 (1-2)

(3-5)

0 3 (6-7)

9. What, if any, government programs or assistance, either local, State or Federal has ever been utilized by your firm in Seattle? (Please mark all that apply.)

	Local (1)	State (1)	Federal (1)	
Professional technological assistance	___(8)	___(20)	___(32)	
Low interest loans	___(9)	___(21)	___(33)	
Loan Guarantee	___(10)	___(22)	___(34)	
Grants for training programs	___(11)	___(23)	___(35)	
Grants for facility development	___(12)	___(24)	___(36)	
Donation of land	___(13)	___(25)	___(37)	
Provision of facility under leaseback arrangement	___(14)	___(26)	___(38)	
Worker training	___(15)	___(27)	___(39)	
Site selection assistance	___(16)	___(28)	___(40)	
Development of public facilities to meet your business needs (e.g., sewer system, access road)	___(17)	___(29)	___(41)	
None	___(18)	___(30)	___(42)	
Other (Please Be Specific) _____				
_____	___(19)	___(31)	___(43)	_____(44-45)
_____				_____(46-47)

10. What type of government tax benefits or tax relief does your business get from each level of government? (Mark an X in all that apply.)

	Local (1)	State (1)	Federal (1)	
Property tax relief	___(48)	___(53)	___(58)	
Accelerated depreciation	___(49)	___(54)	___(59)	
Investment tax credit	___(50)	___(55)	___(60)	
Employment tax credit	___(51)	___(56)	___(61)	
Other tax benefit (please specify) _____				
_____	___(52)	___(57)	___(62)	_____(63-64)

11. In general, if you have any further ideas about how the Federal Government might assist business in urban areas, the Joint Economic Committee would appreciate having them. (Please feel free to add additional sheets for your comments.)

(65-66)

PLEASE INDICATE THE NAME AND TELEPHONE NUMBER OF THE PERSON COMPLETING THIS QUESTIONNAIRE

NAME _____

PHONE _____

Thank you very much for taking the time to complete this questionnaire. If you have any questions, please contact Deborah Matz at (202) 224-5171. After you have completed the questionnaire, please place it in the postage paid envelope and send it to the Joint Economic Committee, G-133 Dirksen Building, Washington, D.C. 20510.

Congress of the United States

JOINT ECONOMIC COMMITTEE
WASHINGTON, D.C. 20510

9 (1-2)

_____ (3-5)

01 (6-7)

SURVEY OF CENTRAL CITIES BUSINESS NEEDS

Please answer the questions below by marking an X or providing the information requested in the space provided. If the question does not apply to your operation, please either leave the space blank or indicate "n/a" (not applicable) and go to the next question. Please answer the questions as they apply to your business operations only in the city of St. Louis.

1. First, how would you rate the business climate in St. Louis?
(Please mark an X in the appropriate space.)
6.4 (1) Highly Favorable 51.1 (2) Favorable 28.4 (3) Neither Favorable nor Unfavorable
12.1 (4) Unfavorable 2.1 (5) Highly Unfavorable (8)
2. Of the cities that are listed below, which one do you feel has the most favorable business climate?
(Please mark an X in only one space.)
20.8 (1) Atlanta 2.8 (2) Los Angeles 0.9 (3) Pittsburgh 14.2 (4) St. Louis
0.9 (5) Detroit 4.7 (6) Minneapolis 10.4 (7) Phoenix 39.6 (8) Dallas
3.8 (9) New York 1.9 (10) Seattle (9-10)
2(a). Why? _____
_____ (11-12)
3. In the past year, have you had a problem hiring employees whose qualifications meet your needs?
48.3 (1) Yes 51.7 (2) No (Go to Q. 4) (13)
3(a). (IF "YES") What was the greatest problem (for example, not enough workers with managerial skills available)?

_____ (14-15)
4. Approximately how many blue collar workers, white collar and clerical workers do you presently employ in your business in St. Louis? (For the purposes of this question blue collar workers are defined as skilled and unskilled laborers, white collar workers are managerial and professional employees, and clerical includes secretarial workers.)
_____ Number of blue collar workers (16-20)
_____ Number of white collar workers (21-25)
_____ Number of clerical workers (26-30)
- 4(a). Within the next year, do you have plans to increase, decrease or keep about the same the number of employees in your business in the city of St. Louis?
28.1 (1) Increase 4.1 (2) Decrease 67.8 (3) Keep the Same (31)
- 4(b). (IF EITHER "INCREASE" OR "DECREASE") By about what percentage does your firm in the city of St. Louis expect to increase or decrease its number of blue collar, white collar, and clerical workers during the next year? (Please mark an X in the appropriate box.)

BLUE-COLLAR WORKERS

DECREASE BY				INCREASE BY				
<u>1.8</u>	<input type="checkbox"/>	<u>5.4</u>	<u>3.6</u>	<u>33.9</u>	<u>30.4</u>	<u>23.4</u>	<input type="checkbox"/>	<u>1.8</u>
50-100%	25-49%	10-24%	1-9%	NO	1-9%	10-24%	25-49%	50-100%
(1)	(2)	(3)	(4)	CHANGE	(5)	(6)	(7)	(8)
(32)								

WHITE COLLAR WORKERS

DECREASE BY				INCREASE BY				
<u>1.7</u>	<u>1.7</u>	<u>3.3</u>	<u>6.7</u>	<u>33.3</u>	<u>45.0</u>	<u>16.7</u>	<u>1.7</u>	<input type="checkbox"/>
50-100%	25-49%	10-24%	1-9%	NO	1-9%	10-24%	25-49%	50-100%
(1)	(2)	(3)	(4)	CHANGE	(5)	(6)	(7)	(8)
(33)								

CLERICAL WORKERS

DECREASE BY				INCREASE BY				
<u>8.8</u>	<input type="checkbox"/>	<u>1.8</u>	<u>7.1</u>	<u>42.9</u>	<u>39.3</u>	<u>7.1</u>	<input type="checkbox"/>	<input type="checkbox"/>
50-100%	25-49%	10-24%	1-9%	NO	1-9%	10-24%	25-49%	50-100%
(1)	(2)	(3)	(4)	CHANGE	(5)	(6)	(7)	(8)
(34)								

5. In the last year, has your business seriously considered: (Please mark an X in all that apply.)
- | | | |
|-------------|---|------|
| <u>11.3</u> | (1) Moving away from the city of St. Louis | (35) |
| <u>25.2</u> | (1) Expanding operations in the city of St. Louis | (36) |
| <u>6.9</u> | (1) Reducing scope of operations in the city of St. Louis | (37) |
| <u>8.8</u> | (1) Selling in lieu of going out of business (i.e., changing ownership) | (38) |
| _____ | (1) Going out of business | (39) |
| <u>47.8</u> | (1) No, none of the above considered | (40) |
- If you are considering a move, where are you thinking of moving to?
-
- (41-42)
- 5(a). Has your business made a decision (even if it is tentative) to:
- | | | |
|-------------|---|------|
| <u>1.1</u> | (1) Move away from the city of St. Louis | (43) |
| <u>23.2</u> | (1) Expand operations in the city of St. Louis | (44) |
| <u>2.2</u> | (1) Reduce scope of operations in the city of St. Louis | (45) |
| <u>3.6</u> | (1) Sell in lieu of going out of business | (46) |
| _____ | (1) Go out of business | (47) |
| <u>69.6</u> | (1) No, none of the above decided | (48) |
- If you have decided to move, where are you moving to?
-
- (49-50)
6. Since 1969, has your firm expanded or increased any of the following?
(Please mark an X in all that apply.)
- | | | |
|-------|--------------------------------------|------|
| _____ | (1) Number of employees | (51) |
| _____ | (1) New line of products or services | (52) |
| _____ | (1) Capital investment | (53) |
- 6(a). (IF YOU MARKED AN X IN ANY OF THE ABOVE) What was the type(s) of financing used for such an expansion? (Please mark an X in all that apply.)
- | | | |
|-------|---|------|
| _____ | (1) Commercial bank or financial institution | (54) |
| _____ | (1) Government loan | (55) |
| _____ | (1) Internal financing from retained earnings (i.e., investment of profits) | (56) |
| _____ | (1) State industrial development corporation | (57) |
| _____ | (1) Sale of securities (i.e., equity capital) | (58) |
| _____ | (1) Other (please specify) | |
-
- (59-60)
- 6(b). Is access to capital a problem?
- | | | |
|---------------|--------------|------|
| _____ (1) Yes | _____ (2) No | (61) |
|---------------|--------------|------|
- 6(c). Is cost of capital a problem (i.e., high interest rates)?
- | | | |
|---------------|--------------|------|
| _____ (1) Yes | _____ (2) No | (62) |
|---------------|--------------|------|
- 6(d). Since 1969, has your firm expanded or built a facility elsewhere which performs the same functions as your St. Louis facility?
- | | | |
|---------------|--------------|------|
| _____ (1) Yes | _____ (2) No | (63) |
|---------------|--------------|------|
- If so, where? _____ (64-65)

9 (1-2)

(3-5)

0 2 (6-7)

7. We are interested in finding out what conditions, presently existing in St. Louis, are important for your business in either encouraging or discouraging you to stay or expand your firm there. From the following list, please mark an X in the appropriate space indicating whether the condition strongly encourages, encourages, discourages or strongly discourages your firm to stay or expand in St. Louis (that is, what are the advantages or disadvantages of staying in St. Louis?). If the condition does not apply to your location, please mark an X in the "Does Not Apply" column. **PLEASE BASE YOUR ANSWERS ON YOUR PRESENT EXPERIENCE** and **NOT** on what you would like to see occur.

	Does Not Apply	Strongly Encouraging	Encouraging	Unimpor- tant	Dis- cour- aging	Strongly Discour- aging	
LABOR							
Availability of Skilled Workers	17.8	5.9	40.0	5.9	20.7	9.6	(8)
Availability of Unskilled Workers	25.7	8.1	34.6	12.5	14.0	5.0	(9)
Existence of Labor Unions	24.8	4.5	3.7	11.2	28.4	23.9	(10)
Low Education Level of Workers	34.4	0.0	6.3	23.4	26.6	9.4	(11)
High Education Level of Workers	35.7	2.3	28.7	21.7	9.4	2.3	(12)
Labor Cost at Present Location	19.5	0.0	25.6	6.8	34.6	13.5	(13)
Availability of Professional Employees	26.5	12.1	32.6	12.9	10.6	5.3	(14)
FINANCING							
Availability of Long-Term Financing	33.8	10.0	24.6	15.4	13.1	3.1	(15)
Availability of Short-Term Financing	31.5	12.3	30.8	16.2	8.5	0.8	(16)
Cost of Financing	26.9	2.3	13.1	13.1	31.5	13.1	(17)
TAXES							
Local Property Tax Rate	13.7	3.8	22.9	12.2	35.9	11.5	(18)
Corporate Tax Rate	19.5	2.3	10.9	14.1	38.3	14.8	(19)
Availability of Investment Tax Credit	26.4	8.8	29.6	18.4	9.6	7.2	(20)
Tax Depreciation	20.2	8.4	25.2	18.5	21.8	5.9	(21)
Personal Tax Rate	12.4	1.6	11.6	12.4	37.2	24.8	(22)
CITY GOVERNMENT							
Adequacy of Public Services, i.e., trash collection, fire protection	12.4	15.3	48.9	10.2	10.9	2.2	(23)
Adequacy of Public Facilities, i.e., sewers, transportation, roads	11.0	16.2	52.2	4.4	13.2	2.9	(24)
Attitudes of City Government to Business	7.5	8.2	43.3	6.7	23.1	11.2	(25)
Quality of Schools for Employees' Children	11.9	8.9	37.0	11.1	25.9	5.2	(26)
Personal Ties to Local Neighborhood	17.6	6.6	44.1	20.6	7.4	3.7	(27)
Crime Level	8.0	0.7	21.9	5.1	47.4	16.8	(28)
Cultural Attractions	9.6	37.5	42.6	7.4	2.2	0.7	(29)
OTHER DEMAND AND COST FACTORS							
Market Demand for your Product or Service	13.3	20.7	46.7	7.4	10.4	1.5	(30)
Availability of Land	24.6	4.5	25.4	27.6	11.2	6.7	(31)
Cost of Land	25.2	3.0	10.8	21.5	27.4	12.6	(32)
Cost of Energy	8.2	2.2	13.4	11.9	40.3	23.0	(33)
OTHER (Please be Very Specific)							
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(34)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(35)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(36)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(37)
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(38)

_____(39-40)
 _____(41-42)
 _____(43-44)
 _____(45-46)
 _____(47-48)

8. The Government is considering several possible programs to assist central city business. What type of government policy, program or assistance would be most helpful to your company? (Please mark an X next to your top three choices only.)

- _____ (1) Low interest loans (49)
- _____ (1) Tax relief (i.e., investment tax credit, accelerated depreciation, tax abatement, etc.) (50)
- _____ (1) Improved public services (i.e., police, fire, transportation, etc.) (51)
- _____ (1) Wage subsidy (i.e., credit on Federal tax payment based on number of additional employees hired.) (52)
- _____ (1) Improved public facilities (i.e., housing, schools, etc.) (53)
- _____ (1) Job training programs (54)
- _____ (1) Less government interference (55)
- _____ (1) Other (please specify) _____ (56-57)

9 (1-2)

(3-5)

0 3 (6-7)

9. What, if any, government programs or assistance, either local, State or Federal has ever been utilized by your firm in St. Louis? (Please mark all that apply.)

	Local (1)	State (1)	Federal (1)
Professional technological assistance	___(8)	___(20)	___(32)
Low interest loans	___(9)	___(21)	___(33)
Loan Guarantee	___(10)	___(22)	___(34)
Grants for training programs	___(11)	___(23)	___(35)
Grants for facility development	___(12)	___(24)	___(36)
Donation of land	___(13)	___(25)	___(37)
Provision of facility under leaseback arrangement	___(14)	___(26)	___(38)
Worker training	___(15)	___(27)	___(39)
Site selection assistance	___(16)	___(28)	___(40)
Development of public facilities to meet your business needs (e.g., sewer system, access road)	___(17)	___(29)	___(41)
None	___(18)	___(30)	___(42)
Other (Please Be Specific) _____			
_____	___(19)	___(31)	___(43)

(44-45)

(46-47)

10. What type of government tax benefits or tax relief does your business get from each level of government? (Mark an X in all that apply.)

	Local (1)	State (1)	Federal (1)
Property tax relief	___(48)	___(53)	___(58)
Accelerated depreciation	___(49)	___(54)	___(59)
Investment tax credit	___(50)	___(55)	___(60)
Employment tax credit	___(51)	___(56)	___(61)
Other tax benefit (please specify) _____			
_____	___(52)	___(57)	___(62)

(63-64)

11. In general, if you have any further ideas about how the Federal Government might assist business in urban areas, the Joint Economic Committee would appreciate having them. (Please feel free to add additional sheets for your comments.)

(65-66)

PLEASE INDICATE THE NAME AND TELEPHONE NUMBER OF THE PERSON COMPLETING THIS QUESTIONNAIRE

NAME _____

PHONE _____

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