

NJBIA

REPORT TO MEMBERS *by Philip Kirschner, President*

New Jersey CEOs Feeling Better About Economy

Which way is the economy headed? That's the question on everyone's mind these days.

While no one can say for sure what is going to happen in the future, the state's CEOs believe New Jersey's economy is coming back and its business climate is improving. That's the main finding of the C-Suite Survey measuring the attitudes of Garden State CEOs, and it provides clear evidence that the pro-business actions of Governor Chris Christie and the Legislature are paying off.

Conducted by the Edward J. Bloustein School of Planning and Public Policy at Rutgers University, in conjunction with NJBIA and the commercial real estate firm of Cushman and Wakefield, the C-Suite survey measured the views of CEOs on the economy and New Jersey's business climate. The survey found they were significantly more optimistic about the state's business climate and its economic prospects than they were at in the fall of 2009, when the previous C-Suite survey was conducted. In the new survey, 32 percent said they plan to increase employment in New Jersey in the year ahead. In the 2009 survey, only 15 percent said they planned

to increase employment. Seventy four percent of respondents said they also expected revenues to improve in 2011.

Furthermore, 42 percent of respondents said they believe New Jersey's economy has improved over the past 12 months, while only 8 percent said it has gotten worse, and 59 percent say the state economy will

improve over the next 12 months, while 11 percent said it will deteriorate. These represent the most positive responses in the survey's history.

What's really striking, however, is the change in the attitude of CEOs towards state government. Seventy-five percent of survey participants said state government has become more responsive to the needs of business over the past six months. Only 30 percent of respondents expressed this sentiment when the survey was last conducted in the fall of 2009. Sixty-seven percent said New Jersey is fair-to-good as a place to do business, up from 51 percent 18 months ago, and 69 percent said New Jersey is fair-to-good as a place for business expansion, up from 48 percent.

>Clearly, **employers have noticed state government's improved attitude** towards business.

Clearly, employers have noticed state government's improved attitude towards business. The Governor and the Legislature have worked together on the enactment of tax and regulatory reform initiatives. The Christie Administration has also pursued a course of strict fiscal discipline to resolve New Jersey's perpetual budget crises.

The Governor has steadfastly ruled out increasing taxes and has balanced the budget by cutting spending. In fact, Christie's proposed budget for Fiscal 2012 not only holds the line on tax increases, but also cuts business taxes by \$200 million. Just as important is the state's new attitude toward business. The Governor and the Legislature recognize that the private sector is the engine that has to drive future job creation. If businesses dislike New Jersey's business climate, they are not going to expand their businesses or hire new employees here.

New Jersey's poor business climate didn't develop overnight. It took years of bad policy decisions by politicians from both parties, and it's going to take years to fix what's wrong. The C-Suite survey shows that the state is off to a good start. **NJB**

