

Connecticut Business Industry Association

<https://www.cbia.com/news/media-center/labor-shortage-impact-connecticut-businesses/>

Survey: Labor Shortage Impacting 85% of Connecticut Businesses

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The labor shortage is handcuffing Connecticut's economic recovery, with the state's high cost of living among the key contributing factors according to a new survey.

The [2022 Survey of Connecticut Businesses](#), produced by CBIA and the accounting and business advisory firm **Marcum LLP**, found that 85% of employers experienced difficulty finding and retaining workers.

Released today at the annual The Connecticut Economy conference in Hartford, the survey also showed that just 26% of businesses expect the state's economy to expand next year.

Nearly a quarter (24%) believed tax relief should be the main priority for the state's next governor and legislature, while 22% said state spending and pensions reforms were the top issues.

Key findings:

- A third (33%) report that the state's high cost of living was the top concern for employees and their families, while 20% cited taxes
- 89% of business leaders say the cost of doing business in Connecticut is increasing and 50% believe the state's business climate is declining
- 83% of companies were impacted by supply chain disruptions, and more than half (56%) raised prices due to inflation
- 29% of employers make their greatest investment in employee retainment, up five percentage points from 2021
- 34% expect their workforce to grow in the next six months, up one point over last year
- Just over two-thirds (68%) of companies reported profits in 2021, up from 64% in 2020
- 44% forecast sales growth in 2022, up one percentage point from last year and the highest since 2014
- Only 20% expect the U.S. economy to grow next year

CBIA president and CEO Chris DiPentima said the survey reaffirmed current economic data that policymakers must acknowledge to identify and implement solutions.

"Connecticut has [41% more job openings](#) than before the pandemic, yet over the same period we've lost over 45,000 people from the labor force," he said.

"Structural issues like affordability and high taxes that disrupted and derailed Connecticut's recovery from the last recession remain real threats today—threats that cannot be ignored."

“Solving the labor shortage crisis—our economy’s greatest threat—requires long-term sustainable solutions that will make Connecticut more affordable for residents and employers and unlock opportunities for all.”

The survey’s conclusion [features policy recommendations](#) designed to cut the cost of living, incentivize the expansion of housing options, retain and attract recent graduates, broaden pathways to careers in manufacturing and the trades, and develop a more competitive business climate.

“We invite all policymakers to embrace these solutions and open the doors to opportunity for all communities and residents and make our economy more vibrant, robust, and equitable,” DiPentima said.

“It is more important than ever that we foster an environment where people want to live and work,” added [Thomas Filomeno](#), Marcum’s [New England] partner in charge for tax consulting.

“We want to be the state where people can achieve their dreams and that can only happen with a healthy and vibrant business economy.”

Marcum’s Hartford office managing partner, [Michael Brooder](#), said this year’s survey reinforced the urgency needed to address the factors driving the state’s worker shortage.

“Despite an abundance of jobs, finding dedicated, skilled workers remains a challenge,” he said. “If we don’t reassess our business policies, education system, and job training, and create initiatives to keep people here, our recovery will continue to lag.”

CBIA mailed and emailed the [2022 Survey of Connecticut Businesses](#) to more than 3,700 top executives throughout the state from July 6 through Aug. 8.

The majority of surveyed firms are small businesses—80% employ less than 50 people, with 10% employing 50–99 workers, 6% between 100 and 249, 2% 250 to 499, while 2% employ more than 500 employees.

The survey's response rate was 16.7%, with a margin of error of +/- 1.2%.