



Greater Binghamton Chamber of Commerce's annual economic forecast and building BC awards

February 14, 2023 - Front Section

Binghamton, NY The Greater Binghamton Chamber of Commerce held the annual Economic Forecast and Building BC Awards on Tuesday, February 14, 2023.

Economist Presentation for 2023

Peter Kneis, senior vice president of Commercial Planning & Analytics, M&T Bank, gave attendees a big picture overview of how U.S. economic growth is being disrupted by three key drivers including:

Labor shortages and wage costs – Employers across industries are struggling to find qualified applicants for open positions.

Pent-Up Demand/Savings – There was increased spending in 2022, while recessionary headwinds have increased caution in discretionary spend into 2023 but there is still pent-up demand in certain categories

Inflation – The FED has taken aggressive action to reduce inflation, but we can still expect a post-COVID range above 2.5%

National Labor Market Trends: Total U.S. private employment is 1.5% higher than before the pandemic, with nearly 2 million jobs recovered yet there are not enough workers to fill available jobs. On average, there are almost 2 available jobs for every unemployed person looking for work – a record high.

Has the Workforce Returned?: Older workers were more likely to leave the labor force during COVID, for reasons including health concerns, shifting life priorities, and financial gains (rising stock market) but have started to return; one noticeable change is that those who have attained a high school diploma have rebounded significantly as they return to the workforce and the economy reopened post-COVID.

Binghamton Labor Market Overview: While improving, Binghamton private sector employment is still approximately 1,000 jobs below the pre-pandemic peak. Once again, the number of unemployed is smaller than before the pandemic and is driven by fierce competition for a smaller overall workforce, because the labor force has shrunk by 2.6%, due to retirements, structural changes, and lingering

COVID pressures.

Binghamton Key Industry Employment Trends: Our area is trending upwards and performing well in the retail trade, transportation and utilities. Certain sectors, such as leisure and hospitality, have made tremendous improvements throughout 2021 & 2022, while we are still striving to grow other sectors such as healthcare and education and business and professional services.

Upstate NY Peer Comparison: While there is some variation between major Upstate NY cities, the overall story is the same – employment has overall recovered from the pre-pandemic lull.

Business Leader Outlook for 2023

Stacey Duncan, Leadership Alliance CEO, reviewed the results of our local business leaders survey conducted in December 2022.

This survey gives the community a sense of the current economic climate in our region. As we conduct this survey each year, we will be able to chart the trends year over year and see how accurately the data reflects on what is happening in our business marketplace.

Who participated in the Greater Binghamton Business Leader Survey?

55% of respondents were Business Owners/CEOs or the main management decision makers.

60% of the respondents employ 50 or less employees.

Diverse disbursement of different business classifications

32% said their business is located in the City of Binghamton; 25% the Town of Vestal; and 4% use multiple locations.

Businesses cited that the Top Five State and Local Business Challenges include:

NYS Business Regulation

Lack of Qualified Workers

NYS Business Taxes

Attracting & Retaining Employees

Regional Economic Climate

The Top Five National Factors that Impact Their Economic Outlook include:

Inflation/Deflation

Access to Talent

Cost of Healthcare

Energy Policy
Interest Rates

2023 Economy Prediction: Survey results are split on predictions for the 2023 economy. While 39% of businesses expect the economy to expand (a 6% increase over 2022), another 39% expect it to remain unchanged.

2022 Vs. 2023 Outlook: Our survey revealed mixed sentiments on the outlook for 2023. While 35% of businesses feel more optimistic about this year (an 11% increase over 2022), 40% of businesses feel less optimistic about this year compared to 2022.

Sales Revenue Expectations: Nearly 43% of businesses who responded believe revenues for their business will increase in 2023, a 3% increase over 2022.

Workforce Expectations: Nearly 41% of survey respondents anticipate adding employees to their company in 2023, while 47% anticipate their workforce remaining the same.

This year, just under 200 community members attended our in-person event as we recognized and celebrated the innovation and growth of our community, as well as honored two individuals who have worked together to make significant contributions towards enhancing the business conditions and economic climate of Broome County via our Building BC Awards.

The Greater Binghamton Chamber is pleased to congratulate and recognize the Chamber's 2023 Building BC Award Recipients:

2023 Building BC Innovative Award
McIntosh Labs
Accepted By: Charlie Randall, President

2023 Building BC Restorative Awards
Pritchard Development Corporation
Accepted By: Brett Pritchard, President

2023 Building BC Transformative Award
BAE Systems
Accepted By: Rob Dykema, North America Transit Accounts Director

2023 Building BC Individual Award
David & Karen Sobotka, Owners of the Rumble Ponies

Where: Holiday Inn Binghamton, 2-8 Hawley Street Binghamton, New York 13905