

Business climate is cooling

Once ranked fifth in the nation, Vermont's business climate is reportedly losing some ground. Business climate is determined by government and fiscal policy, business incubation, human resources, technology and other factors.

Permitting processes, telecommunications needs, utility costs, and other business-related hurdles can make it difficult for startups to get going.

the FACTS

- The Beacon Hill Institute's *State Competitive Report* placed Vermont 15th in the nation for business climate in 2005, losing out to 10 states it had surpassed just four years earlier.¹⁰²
- Business leaders have indicated that these areas of Vermont's business climate need improvement: permitting processes, worker compensation, the regulatory environment, healthcare costs, workforce retention, workforce skills and ethics, business taxes, utility costs, telecommunications, housing affordability, personal taxes, air travel, the highway system and childcare.¹⁰³

Vermont is ranked the 11th most expensive state for doing business, for its wages, tax burden, electricity costs, and price of industrial rent and office space.¹⁰⁴

- In 2005, the Vermont Business Roundtable's *Pulse of Vermont: Quality of Life* study reported that Vermonters felt their quality of life was threatened by a lack of financial security and/or problems with affordable access to healthcare. Generally, Vermonters believed that their quality of life would improve with economic growth in the state.¹⁰⁵

GIVING THOUGHT

Philanthropy and public policy

Many believe philanthropy is ideally suited to serve as the "research and development" sector for society.

It's the "independent sector"—with unique flexibility for testing new approaches.

Grantmaking can generate and test innovations that may be taken to scale through the governmental or corporate sectors. In this way, lessons learned through philanthropic endeavor may be used to inform public policy.

The Vermont Community Foundation offers philanthropists with an eye toward policy change the opportunity to learn about unmet needs, promising approaches, grantmaking strategies, and assessment of results through credible evaluation.

