

In This Issue

In this issue, we look at the opinions of Long Beach Small Business toward the new minimum wage initiatives recently passed by the LB City Council and State Government in Sacramento.

The purpose of the Long Beach Small Business Monitor is to provide the greater Long Beach region an understanding of the expectations, struggles and desires of Long Beach Small Business owners.

Results are based on surveys of small business owners in Long Beach with 50 employees or less

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Table 3:
How Many Employees

Attitudes are Driven by Neighborhood Economic Conditions

Common expectations are that the more conservative areas of east Long Beach would be opposed, and more liberal areas of the west and north side of the City would support an increase in the minimum wage. *But, this is not the case.* Instead, there are more small business owners on the west and north sections of the City opposed to the increase than on the east side of Long Beach, where a majority support the minimum wage increase (see chart below).

The north and west areas are more economically challenged and presumably the small businesses located there are at financial risk. They would be the least able to absorb the increase in the minimum wage which explain greater opposition to it. This is not the case in the east parts of the City, where a majority support the minimum wage hikes and where more positive economic conditions may help them feel they can manage the new labor costs.

In sum, owners of smaller businesses and those in more economically challenged parts of the City are most opposed to the minimum wage increases presumably because they are concerned about being able to pay for them. *Factors in the form of greater access to credit and cash flow, and marketing to help increase revenues, should help them better manage the wage increases that are coming.*



