

Labor and Public Employees Committee

Public Testimony of the CT Women's Education and Legal Fund (CWEALF)

H.B. 5388: *An Act Concerning A Fair Minimum Wage*

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The Connecticut Women's Education and Legal Fund (CWEALF) is a statewide non-profit that advocates for and empowers women and girls in Connecticut, especially those who are underserved or marginalized. For nearly forty-five years, CWEALF has advocated for policies that promote women's economic security.

CWEALF urges the Committee to support House Bill 5388: *An Act Concerning A Fair Minimum Wage*, which will incrementally raise the minimum wage in Connecticut to \$15.00 by Jan 1, 2021. This legislation follows the recommendations of the Connecticut Low Wage Advisory Board and provides businesses the time to adjust to the change in statute.

In Connecticut, our minimum wage is far below what is needed to meet a family's basic financial needs.¹ The Basic Economic Security Tables (BEST) calculate that, on average, a working adult in Connecticut without children requires \$43,392 annually or \$20.55 per hour to be financially secure.¹ This number increases significantly when adding children: for a family of two with one adult and one child age 0-3, the standard for basic economic security rises to \$68,964 annually, or \$32.65 per hour.¹ However, under the current minimum wage of \$10.10 per hour, a worker's income only amounts to \$21,008 annually.²

Additionally, women in our state are paid, on average, significantly less than their male counterparts. Women in Connecticut are paid 79 cents for every dollar paid to men.³ This discrepancy is significantly larger for women of color, who are overrepresented in the low-wage workforce. In Connecticut, more than 170,000 family households are headed by women. Roughly 24% of those families, or 40,431 family households, have incomes that fall below the poverty level.⁷

Roughly 336,000 workers in Connecticut currently make less than \$15.00 per hour, 60% of whom are women.⁴ A minimum wage that does not provide the means to be financially secure disproportionately impacts women and exacerbates the gender-pay gap. Incrementally raising the minimum wage to \$15.00 will provide essential relief to these working women and their families.

In an economy with a minimum wage of \$15.00, thousands of workers will have the means necessary to buy more goods and services, stimulating the economy.¹⁰ Moreover, minimum wage workers will become less reliant on government programs to meet their essential needs. Businesses will see a decreased amount of job turnover and absenteeism, increasing worker productivity and business prosperity.⁵

¹ "BEST Result." *IWPR*, www.basiceconomicsecurity.org/best/budget.aspx.

² "Connecticut Minimum Wage for 2017, 2018." *Federal and State Minimum Wage Rates for 2018*, Minimum-Wage.org, www.minimum-wage.org/connecticut

³ Connecticut: National Women's Law Center. <https://nwlc.org/state/connecticut/>

⁴ Noonan, Ray, and Derek Thomas. *The State of Working Connecticut*. Connecticut Voices for the Children, Sept. 2016.

⁵ "Raising the Minimum Wage: Good for Workers, Businesses and the Economy." *Fact Sheet*, Committee on Education and the Workforce Democrats, democrats-edworkforce.house.gov/imo/media/doc/FactSheet-RaisingTheMinimumWageIsGoodForWorkers,Businesses,andTheEconomy-FINAL.pdf

Thousands of residents in Connecticut currently live without basic financial security and the means necessary to live healthy and productive lives. CWEALF strongly urges lawmakers to support H. B. 5388 to provide much needed relief to minimum wage workers, the majority of whom are women, to support them and their families across our state.