



CONNECTICUT AFL-CIO

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**Testimony of John W. Olsen
President of the Connecticut AFL-CIO
Labor and Public Employees Committee
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Senator Prague, Representative Zalaski and members of the Labor and Public Employees Committee thank you for the opportunity to testify. As President of the Connecticut AFL-CIO, I speak on behalf of our affiliates in favor of Senate Bill 181 – An Act Requiring Standard and Prevailing Wage be Paid to Certain Employees of Employers Who Received Financial Assistance from State Economic Development Entities.

Economic development should help get Connecticut workers back to work in jobs that provide wages and benefits that will provide for working families. This bill is necessary because the trend is towards different types of economic development investments. For example, prevailing wage is currently only applicable to public works projects – those that are funded by state bonding or municipal dollars. State grants, loan guarantees and tax credits do not apply. When Pfizer receives a multi-million dollar grant from the Department of Economic and Community Development (DECD) to build a new structure, the prevailing wage does not apply. Standard wage law only applies to some service workers in state buildings and would not currently apply to a grant, for example, from Connecticut Innovations to build the Jackson Laboratory.

The Connecticut AFL-CIO believes that the spirit and intent of investment of tax dollars in economic development is that area wage standards be upheld – not undermined. Without such a bill, construction workers and service workers more often than not receive low wages without access to health care. Paying workers decent wages and benefits is a critical component of economic development. When workers make enough to sustain their families and themselves, they can buy homes, shop in local businesses, pay taxes, all of which helps support their local communities. The Connecticut AFL-CIO urges your support of this bill and others, including increasing the minimum wage and ending discriminatory hiring practices towards the unemployed, all of which leads to an economy that works for all Connecticut residents.

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