



Testimony of Ellen Small Billard, MSW
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Labor and Public Employees Committee

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In support of H.B. 5291 An Act Increasing the Minimum Wage

Good afternoon Senator Prague, Representative Zalaski, and members of the Committee. Thank you for the opportunity to testify today. My name is Ellen Small Billard, and I am coordinator of the CABHN Network, the *Connecticut Alliance for Basic Human Needs*. I am here today to testify in support of H.B. 5291: **An Act Increasing the Minimum Wage**.

CABHN is a statewide advocacy and outreach network committed to helping CT families meet their basic needs, achieve self-sufficiency, and attain economic security. Most of the parents we encounter through our work are working at minimum wage jobs. They often struggle to find and maintain full-time employment. They work as many hours as they can, while balancing their responsibilities as parents and just trying to pay the bills. **For these families, the minimum wage simply does not cut it.**

Full-time workers receiving minimum wage in Connecticut currently earn less than \$17,000 a year. Both the federal minimum wage and Connecticut's minimum wage keep full-time workers and their families living on incomes below the Federal Poverty Level. How are families expected to make ends meet on such wages?

The unfortunate answer is, they can't.

Instead of being able to provide for their families on their income alone, they must also rely on the support of public benefits programs such as SNAP, Medicaid, Section 8, Care 4 Kids, and Temporary Family Assistance (cash assistance) to supplement their inadequate wages. **This safety net is vital to protecting lower-income families from experiencing even greater financial crisis and preventing homelessness.**

This year, workers in several states, including Oregon, Washington, Ohio, Colorado, and Montana, saw their minimum wages rise, and as a result, they will take home an additional \$700 or more annually to help meet even the most basic needs of their families. For the low-wage workers in the CABHN network, such a raise is not just extra money that's nice to have. It is money that will certainly be used to meet needs that are currently going unmet -- and money that will be funneled directly back into Connecticut's economy.

Raising Connecticut's minimum wage and indexing it to inflation will prove both an important poverty-reduction measure and an economic stimulus strategy as it:

- **Increases the buying power of the minimum wage.** After adjusting for inflation, CT's minimum wage has fallen by 9 percent since 1979, while median wage increased 21 percent. This failure to keep pace with inflation means that over the years, the minimum wage has and will continue to buy less and less. This is neither good for families nor the economy. It is projected that raising the minimum wage to \$9.75/hour will inject more than \$71 million each year into Connecticut's economy. Ten states already index their minimum wage so that local economies benefit from increased purchasing power. It's time for Connecticut to follow suit.
- **Would impact a significant number of workers age 20 and over who are employed more than half-time.** Many of the 226,000 CT workers who would benefit are employed more than half-time and 75% of CT's minimum wage earners are over the age of 20.
- **Improves wages for workers in growing sectors of Connecticut's economy.** Of the jobs in Connecticut with the most openings – sales and food-industry workers – most pay at or near minimum wage.

Just like other anti-poverty measures, such as the Earned Income Tax Credit, an increased minimum wage can go a long way toward helping struggling families meet even their most basic needs and escape poverty. A stronger minimum wage will increase self-sufficiency, reducing the need of many families for public assistance, and help lift thousands of Connecticut workers out of poverty.

Thank you for your time and consideration to this bill. I urge you to vote in favor of increasing economic stability for some of Connecticut's most vulnerable families.

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