



Connecticut Working Families Organization  
30 Arbor Street, Hartford, CT 06106  
Workingfamilies.org/Connecticut  
(860) 523-1699

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Testimony from Lindsay Farrell, Connecticut state director of the Working Families Organization.

Senator Gomes, Senator Miner, Representative Porter, and the members of the Labor Committee:

Thank you for holding this hearing today and for giving us the opportunity to speak in favor of several bills. Working Families is a growing progressive political organization that fights for an economy that works for all of us, and a democracy in which every voice matters. We believe that our children's life chances must not be determined at birth, and that America must be a nation that allows all its people to thrive.

Our economy is not working for too many Connecticut workers. Pay is unjustifiably low and workers are insecure. Women and workers of color are hit especially hard by gaps in our policies and the unfair practices of some employers. We would like to submit testimony in support of the following bills, in no particular order:

S.B. No. 747 AN ACT PROHIBITING "ON-CALL" SHIFT SCHEDULING

On the opening day of session, Representative Smith from this committee rightly pointed out that decent, predictable schedules are crucial for safety and to respect everyone's time. We completely agree! Fair scheduling legislation is so critical to improving the lives of working people, particularly lower-wage workers. Nationally, 41 percent of early career workers in hourly jobs receive one week or less advance notice of their schedules, and three-quarters see their hours fluctuate from week to week. Such unpredictability makes arranging child care, building skills through education and training, or simply making ends meet virtually impossible. Through legislation to reign in on-call schedules, workers would be able to plan their lives and their pay.

H.B. No. 5591 AN ACT CONCERNING PAY EQUITY IN THE WORKFORCE

This is pretty basic common sense. In Connecticut Women are paid on average 83¢ to every dollar paid to their white male counterpart for the same work. It gets worse – African American woman are paid only 59¢ and Latinas are paid an astounding 48¢. Annually,

Connecticut women who work full time lost approximately \$5.5 billion in pay<sup>1</sup>, which could be supporting their families and being spent in our local economy. Paying two people different amounts for the same work is unjustifiable and we look forward to the specifics of this bill's language.

S.B. No. 1 AN ACT CREATING A PAID FAMILY AND MEDICAL LEAVE SYSTEM IN THE STATE and H.B. No. 6212 AN ACT CREATING A PAID FAMILY AND MEDICAL LEAVE SYSTEM IN THE STATE

Paid family and medical leave is long overdue in this country and in this state. First, to segue from the legislation for pay equity above, we have to address the need for paid leave in any serious, comprehensive agenda to close the pay gap. Women lose 4% of their earning potential with every child that they have because they are fired from their jobs, punished for taking time off, or unable to advance because they leave the workforce and need to start over.<sup>2</sup>

But equality for women is just one reason on a long list why paid family leave is needed to move Connecticut forward. Too many families are just a couple paychecks away from being unable to pay their bills — a sudden medical crisis or a new child puts most families in the impossible position of having to choose between taking care of themselves and being able to pay their bills.

It is a myth that we are not already paying for this problem. People already have heart attacks and broken bones, children are already being born and adopted. When these things happen families piece together any leave they do have, but they often come up short. They become financially insecure and cannot contribute to the local economy with disposable income. They rely on safety net programs, which our state and federal governments need to pay for. If only they had income replacement and a protected job, they would be financially secure and able to spend on local businesses.

This policy is already in place in Rhode Island and New Jersey, and is being implemented in New York. It is also under consideration in Massachusetts. If Connecticut does not take action to create our own paid family and medical leave program, we will lose even more workers and families to our neighboring states who provide this security. We will also put our small businesses at a regional disadvantage since they will still not be able to offer paid leave to their workers without an additional cost. We are losing residents too quickly to concede this advantage to our neighbors.

Please don't hold our state back and keep punishing our workers for having a family or a medical crisis. Pass paid family and medical leave.

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<sup>1</sup> <http://www.nationalpartnership.org/research-library/workplace-fairness/fair-pay/4-2016-ct-wage-gap.pdf>

<sup>2</sup> [http://content.thirdway.org/publications/853/NEXT\\_-\\_Fatherhood\\_Motherhood.pdf](http://content.thirdway.org/publications/853/NEXT_-_Fatherhood_Motherhood.pdf)

S.B. No. 13 (COMM) AN ACT CONCERNING THE MINIMUM FAIR WAGE and H.B. No. 6208 (COMM) AN ACT INCREASING THE MINIMUM WAGE

Last fall, Connecticut Voices for Children published the State of Working Connecticut 2016<sup>3</sup>, a study which illustrates trends in Connecticut's workforce's financial stability. They describe the Job Swap, in which formerly middle class positions have come back as low-wage service sector jobs. Almost half of all jobs created since the start of the economic recovery have been in low-wage industries, like retail and fast food service, which pay less, and lack the benefits, predictability and flexibility of jobs past. Since 2001, the share of private-sector jobs in low-wage industries has increased by 20 percent, while the share of private-sector jobs in high-wage industries has decreased by 13 percent. Nearly half of new private sector jobs since 2010 are in low-wage industries. The median and bottom 10 percent of wage-earners have seen their wages decline by more than 2 percent since 2002, while the top 10 percent have experienced growth of more than 11 percent.

All this means that our economy needs to raise standards if we expect enough of our adult workers to support themselves through employment. The average minimum wage worker is now 36, with all the typical financial responsibilities that come at that age. Our economy has changed, and we need to change with it.

H.B. No. 6901 AN ACT CONCERNING THE RECOUPMENT OF STATE COSTS ATTRIBUTABLE TO LOW WAGE EMPLOYERS

In lieu of a universal fair minimum wage, this legislation would help raise standards for some while also offering some much-needed revenue for the state.

Exploitative corporations like Walmart, McDonald's, and others have developed money-making models that rely on their employees receiving public subsidies such as HUSKY, Food Stamps, Earned Income Tax Credits, Housing, child care, and others. A lot of these offenders are large chains with enormous power and influence and executives that get paid exorbitantly. For example, McDonald's made 5.4 billion dollars in 2012 and paid its CEO \$13.7 million.<sup>4</sup>

Meanwhile, these employers keep wages for their workers extremely low to maximize their profits. This is not and unfortunate byproduct of the marketplace, it is a chosen business practice, adopted to outsource costs that are typically the responsibility of an employer onto public budgets.

In the United States, between 2007 to 2011, the public benefits programs that many of these low-wage workers were forced to rely on spent \$243 billion each year on working families living in poverty. Nationally it costs American taxpayers nearly \$7 billion dollars each year to provide public assistance to fast-food workers and their families. Walmart workers at one

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<sup>3</sup> <http://www.ctvoices.org/publications/state-working-connecticut-2016>

<sup>4</sup> "Super-sizing Public Costs: How Low Wages at Top Fast Food Chains Leave Taxpayers Footing the Bill" NELP, October 2013

single Walmart Supercenter rely on public benefits ranging from 904,000 to 1.7 million per year,<sup>5</sup> and there are nearly 40 Walmart locations in Connecticut.

Those who work hard for a living should not have to rely on public subsidies in this way. These costs are borne by taxpayers and are costing our state millions of dollars, while these corporations enjoy the profits. It is middle class families who subsidize big corporations by paying for healthcare, childcare and other services when highly profitable corporations don't pay their employees enough to get by.

Working Families believes a healthy safety net should be protected and adequately funded for those who need it, but it should not be exploited to subsidize corporate profits.

This bill gives these large employers a choice: they can pay a fair wage, or they can reimburse the rest of us. We believe this is a reasonable approach to the issue — one that will both incentivize these corporations to pay their workers a decent hourly wage and hold them accountable to the workers and the public when they do not.

#### **H.B. No. 6215 AN ACT REQUIRING EMPLOYERS TO PROVIDE PAID SICK LEAVE TO SCHOOL TUTORS**

I would like to refer you to my testimony from January 31<sup>st</sup> on a similar bill for medical dispatchers and call receiving operations. Like that legislation, the flaw with this bill is that it is far too narrow in scope. Yes, medical dispatchers, call operators, and tutors deserve paid sick time and giving them that protection is smart public health policy, but that is true for almost all of the job classifications that are missing from this law. There are two major flaws with Connecticut's paid sick days standard:

1. The business size is far too high at 50 employees. Too many employees are carved out, about half of all hourly employees who need coverage. The second highest business threshold is 11 employees in our neighboring state of Massachusetts. All other laws in the country apply to smaller businesses.
2. The list of job classifications is arbitrary, exclusionary, and insufficient. No other paid sick days law in the country does this, everywhere else paid sick days are universal with maybe one or two job classification exemptions.

Here is a list of jurisdictions who have passed paid sick days laws or referenda since we did in Connecticut six years ago, and who all have the low employee thresholds and universal coverage as described above:

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<sup>5</sup> The Low-Wage Drag on Our Economy: Wal-Mart's Low Wages and Their Effect on Taxpayers and Economic Growth, Democratic Staff of the U.S. House Committee on Education and the Workforce, May 2013

- Seattle, Washington
- New York City, New York
- Portland, Oregon
- Jersey City, New Jersey
- State of California
- State of Massachusetts
- Oakland, California
- Newark, New Jersey
- East Orange, New Jersey
- Irvington, New Jersey
- Passaic, New Jersey
- Paterson, New Jersey
- Montclair, New Jersey
- Trenton, New Jersey
- State of Oregon
- Emeryville, California
- Montgomery County, Maryland
- Bloomfield, New Jersey
- Elizabeth, New Jersey
- New Brunswick, New Jersey
- Philadelphia, Pennsylvania
- Pittsburgh, Pennsylvania
- Tacoma, Washington
- State of Vermont
- Los Angeles, California
- Santa Monica, California
- Plainfield, New Jersey
- Spokane, Washington
- Minneapolis, Minnesota
- San Diego, California
- Chicago, Illinois
- Berkley, California
- St. Paul, Minnesota
- Morristown, NJ
- Cook County, Illinois
- State of Washington
- State of Arizona

We support this bill but it is not good enough. Lets make real changes and get it right.

H.B. No. 6668 AN ACT CONCERNING PREGNANT WOMEN IN THE  
WORKPLACE

We are not living in the economy of the 1950's anymore. Pregnant women need to work, and they have every right to be active in the workforce. Discrimination is wrong. It's all as simple as that.

H.B. No. 6914 AN ACT CONCERNING A MINIMUM WORK WEEK FOR PERSONS  
PERFORMING JANITORIAL OR BUILDING MAINTENANCE SERVICES

This is another issue of job reliability and security. The service workers in our buildings deserve security and financial stability.