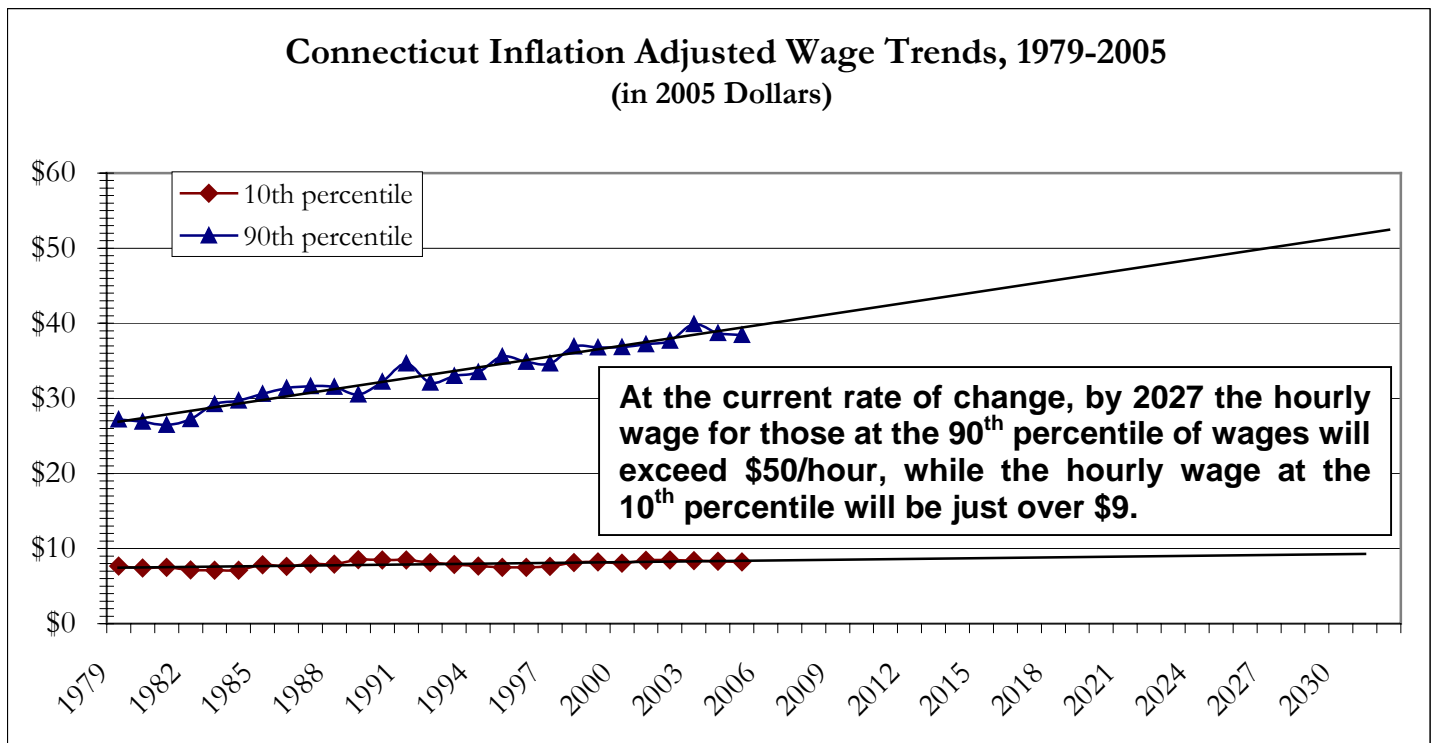




## Curbing Inequality: Achieving Our Goals for Income Equality

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In 2005, the hourly wage for those at the 90<sup>th</sup> percentile of wages in Connecticut was \$38.44, compared to a wage of \$8.21 for those at the 10<sup>th</sup> percentile of wages. On the path that we are on, by the year 2027, the hourly wage at the 90<sup>th</sup> percentile would be over \$50/hour, while the hourly wage at the 10<sup>th</sup> percentile would be just over \$9. Over this 22 year period, the hourly wage for those at the 90<sup>th</sup> percentile will have grown 30 percent, whereas the wages of those at the 10<sup>th</sup> percentile will have grown by only 9 percent. At this point the income ratio for the 90<sup>th</sup> and 10<sup>th</sup> percentile wage earners will have grown from 4.7 today to 5.6 in 2027.

The growing inequality of incomes is a sign that wage expansion is not benefiting all who are contributing to Connecticut's economic growth. Adverse consequences of increasing income inequality are many. The large increases for those at the top can lead to more demand for housing and higher housing prices, but because the incomes of those at the bottom are not growing at the same rate, it becomes harder for low wage earners to afford adequate housing. Also, increased inequality reduces social cohesion and threatens communities and families. Research has shown that income inequality is associated with higher overall death rates, higher rates of dying from heart disease, cancers, homicide and infant mortality, not only for those at the low end of the inequality scale, but for **everyone** in the community.