

FACT SHEET: State of Working Connecticut 2015

Too Many Left Out of Economic Recovery

The Problem: Despite lower unemployment, the recovery has left behind many of our state’s residents, including people of color, young workers, those paid low wages, and many with low levels of education. These trends have contributed to record levels of child poverty and made it more difficult for families to afford basic needs.

CT’s Job Recovery Remains Weak

- Connecticut’s unemployment rate has fallen significantly, but it remains higher than pre-Great Recession rates at 5.2%.
- Connecticut remains nearly 20,000 jobs short of full recovery.
- The rate of job growth continues to trail the national average, as it has nearly every year for the past 25 years.
- The state has struggled to recover high-paying jobs, while job growth has been concentrated in industries that typically pay lower wages.

Employment Opportunities Differ by Education, Place, Race, and Age

- Unemployment rates are much higher in cities such as Bridgeport (10%), Hartford (12.1%) and Waterbury (9.5%).
- Unemployment for black residents (13.1%) is more than double the rate for whites (5.1%).
- Workers with lower education levels experienced a steeper decline in their rate of unemployment.
- In 2014, youth unemployment was 12.1% – roughly double the rate for older workers.

Falling Wages and Growing Disparity

- If Connecticut’s wage growth had kept pace with productivity since 1979, the average worker would have made a median hourly wage of \$35.24 in 2013, compared with the actual wage of \$20.46.
- Workers of color in Connecticut receive a median hourly wage that is, on average, \$7.25 to \$8 lower than that of white workers.
- Between 1979 and 2014, earners at the top 10% enjoyed a raise of over 45%, to \$48.17 an hour from \$33.17, while those at the bottom 10% saw real wages fall by \$0.26 per hour.

Rebounding Labor Force Measures Vary by Age and Color

- Since 2013, Connecticut’s labor force participation rate has rebounded at a higher rate than that of similar states.
- Yet the percentage of workers ages 25-54 participating in the labor force continues to sink even lower than pre-recession levels for people of color; barely one in every two black Connecticut residents is employed.
- Nearly 40% of the jobless in Connecticut have been unemployed for over six months, a higher share than in previous downturns and ninth highest in the nation.

The Solutions:

1. Invest in high-quality education for all children and youth, cradle to career.
2. Reform our state tax system by:
 - Providing tax assistance** for low-income working families and families with dependents;
 - Balancing property taxes** to address resource disparities from place to place that threatens the quality of schools and other services.