

Getting to a Better Tomorrow: A Women's Economic Security Package



Connecticut, like other New England states, faces economic challenges that require strong partnerships among government, business, education, labor and social service agencies. State agencies and advocates have developed successful workforce competitiveness and educational initiatives.¹ This package builds on those measures and places women at the center of the analyses and approaches. These programs must be reshaped because demand-driven workforce initiatives may inadvertently reproduce historical inequities for women and people of color in the labor market.

The Permanent Commission on the Status of Women (PCSW) is releasing this companion package to *Where Connecticut Stands* to offer solutions to the issues raised in the report. *Where Connecticut Stands* has remarkable findings for people of color (particularly Latinos), women (especially single parents) and urban residents. State investments in workforce development and education should be targeted to them.²

This first of three briefs will be devoted to workforce development and education, since *Where Connecticut Stands* and other national studies show that these two investments are the most effective not only in promoting workforce competitiveness, but also in raising women's earnings and economic security.

The fact that one out of five Connecticut families cannot meet their basic needs with their income is a startling indicator of our poor economic health. Two findings offer incomparable focus to the solutions:

- **Employment is key to income adequacy (but not all jobs are equal)**
- **Education reduces the rate of income inadequacy, especially for people of color and/or women**

These findings are consistent with those from a recent poll commissioned by the PCSW, which found that³:

- **Economic insecurity is very high in Connecticut and even higher for women and people of color.** A staggering 71% worry about energy, housing and food costs.

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- Hispanic adults voice the most concern about basic needs.
- Making ends meet is more worrisome to those without a college education compared to those with a college degree.
- The majority -- 73% -- of Connecticut women feel that more skills, training or education would improve their work lives.



PCSW encourages policymakers to acknowledge the central role that women play in our economy through its state planning and appropriations.⁴ Connecticut can use existing institutions to build access to *quality* jobs in Connecticut. Our state can make such jobs more accessible to a specified segment of the current and future workforce. Furthermore, the state should actively address the bias in our employment system that has historically kept low-skill and low-wage women below self-sufficiency.

Our package will address the following areas, which seek to maximize the role of women and people of color in Connecticut's economy:

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Part 1

*Workforce Development
Education & Training*

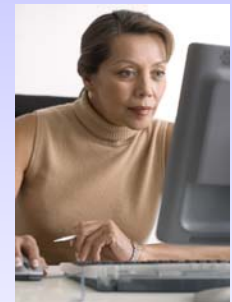
- Job training
- Adult education
- English as a second language
- Career & technical education
- Higher education
- Science Technology, Engineering, and Math



Part 2

*Economic &
Asset Development*

- Small business support
- Sector initiatives
- Transportation
- Financial literacy
- Insurance
- Credit/Debt/Savings
- Taxes



Part 3

*Income, Work Supports &
Workplaces*

- Paid time off
- Flexibility
- Advancement opportunities
- Earnings
- Child care

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The PCSW acknowledges that women's economic mobility is determined by much more than wages alone. Job quality affects health and economic security, and family well-being. The Center for Law and Social Policy suggests that these factors contribute to job quality: benefits, job security, advancement opportunities (including educational pathways and on-the-job training), work schedule, health and safety, fairness and worker voice (ability of workers to influence their daily activities at work as well as their overall working conditions). Some of these issues will be discussed in parts two and three of the package.

Opportunities in Workforce Development

There are some unique opportunities for women in the context of workforce development. *If Connecticut does nothing else, we should actively utilize the Family Economic Self-Sufficiency Standard (FESS)⁵ as a planning tool* for all publicly funded employment and educational activities. This would help improve labor shortages and create career pathways with sustainable, sufficient wages for women. Some states have user-friendly, automated self-sufficiency calculators to help with education and career counseling.⁶

In addition, non-traditional occupations should be a more central part of our state workforce strategy. Women in non-traditional occupations typically earn 20-30% more than women in female-dominated careers. While women represent only 24% of the nation's science and engineering workforce,⁷ they are more likely to complete graduate education, participate in continuing education, and possess occupational licenses or certifications than men (42% v. 34%).⁸ Below are policy recommendations to build on Connecticut's education and training systems to redirect investments to areas with higher returns for women.

- **Invest state dollars to supplement and reorganize federal employment initiatives** such as the 1998 federal Workforce Investment Act (WIA) and the federal Temporary Assistance to Needy Families (TANF) program. The federal government has withdrawn support from job training programs, especially those which promote non-traditional careers for women.⁹ By investing state money to enhance limited federal and categorical funding streams, Connecticut can:
 - meet the needs of more low-wage, low-skill workers,
 - prevent critical labor shortages in traditionally male-dominated occupations such as the trades and high-tech manufacturing,
 - promote a stronger link between workforce skills and business needs; and
 - increase earnings for women, especially women of color.

Adequate resources are needed to strengthen critical case management and retention components of workforce development programs. Other ways to sharpen accountability and focus in WIA programs is to evaluate outcomes using the FESS and to set specific

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wages thresholds for on-the-job training contracts, as other states do.

- **Expand career ladders initiatives.** Career ladder programs are effective for female-dominated, low-wage occupations. Connecticut can build on lessons learned in career ladder pilots by expanding bridges to other high paying jobs. An example from the health sector could be linking nursing pathways to radiology technicians, dental hygienists, respiratory therapists. Additional resources would also allow successful pilots to be brought to scale statewide.
- **Strengthen One-Stop and Career Development Services.** Market more effectively the Department of Labor's career specialist services and the "Education and Training ConneCTion" so that clients can access them as continuing education and retention resources. Ensure accessibility of "one-stop" centers during non-traditional hours and to individuals with limited English proficiency. New information technologies could also automate applications and link individuals with hands-on training and classes.
- **Allow families receiving cash assistance to meet federal work requirements with postsecondary education.** A relatively small number of Connecticut families receiving cash assistance participate in vocational education (14%) and adult education (10%) programs.¹⁰ The emphasis of current cash assistance programs has been to move families to employment – "jobs first." Connecticut should re-orient program goals and measures to strive for skill building and self-sufficiency.
- **Expand funding for the incumbent worker training program.** A number of states¹¹ assess a surcharge on the unemployment insurance tax to pay for employer-based training. Twenty-three states use their own funds to match federal job training dollars. Funds can go to various companies to upgrade workers' skills. For example, Indiana's payroll tax funds an apprenticeship and job-training program. With additional funding, more aggressive outreach to employers would also be possible in Connecticut.

Opportunities in Education and Training

There is a broad consensus that Connecticut's strong performance in higher education is undermined by great disparities in ethnicity, income and gender. We continue to struggle with diminished federal support for adult training and education, despite increasing need and a rapidly changing economy.

There is also evidence that investments in education and training are recouped not only by students, but also in social service savings. It is estimated that the Connecticut community college system alone saves \$24 million each year in social welfare costs.¹²

Low-wage workers, often women, are much less likely to receive even limited employer-provided

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training than higher wage workers.¹³ This leaves women's mobility vulnerable to volatile public funding for continuing education. Some recommendations to reconfigure and enhance education dollars are as follows:

- **Remove the legislative cap on adult education** which reduces grants to all adult education providers. It is estimated that 40% of Connecticut adults lack adequate literacy skills to function effectively in the workplace, and only about 15% of adults over 25 without a high school equivalency diploma are in Connecticut's adult education system.¹⁴

The Legislative Program Review and Investigations Committee also found that there is serious unmet need for adult basic education. Over 500,000 Connecticut residents don't have a high school General Equivalency Diploma or English language proficiency, and about 30,000 students are served in adult education in any one year. At least 181,000 more adults would participate if classes were available.¹⁵

Once again, however, a simple increase would not necessarily reach the target population. Approximately 52% of adult education enrollees¹⁶ are women including English as a Second Language classes (in which women represent 59% of enrollees). Child care and public transportation need to be affordable and accessible during classes. Such classes would need to be offered days, evenings, weekends, and summers.

- **Improve affordability of higher education and invest in need based financial aid**, especially in the Connecticut State University System and community colleges. Community college costs for low- and middle-income students in Connecticut represent 37% of annual family income; costs to attend four year public universities represent almost one-half of family income.¹⁷ *These two sectors enroll two-thirds of our students in Connecticut.* More can be done to reach women of color in these two systems, especially those attending part-time.

- **Strengthen gender equity in career and technical education.** In Connecticut's vocational high schools, electronics, automotive and carpentry programs have been about 85% male, while hairdressing and fashion were 96% female.¹⁸ One way to address these imbalances is to re-institute a gender equity "set aside" in Carl Perkins vocational education dollars, as well as WIA and other job training funds. Other strategies include training educators and counselors to expose and prepare girls for non-traditional careers. Again, the FESS should be used to inform and evaluate career and educational counseling.

Affordability of Continuing Education for Women

Congress and the President have recently lifted restrictions on federal Pell grants for low-income students. This is good news because federal funding for need-based aid has diminished in recent years. This has had a direct impact on women's economic security:

- ◆ Over half —58%—of Connecticut State University enrollees are female.
- ◆ Graduates of the University of Connecticut had average educational debts of over \$19,000.
- ◆ About 60% of University of Connecticut students were likely to have debt.

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- **Prioritize non-traditional [including Science, Technology, Engineering and Math (STEM)] training programs for women**, particularly through state and local workforce board initiatives. Research shows that women in male-dominated fields have much higher earnings than those in female-dominated jobs. Federal and state workforce programs have yet to upgrade these investments and market them widely. A variety of educational strategies can be marshaled to upgrade non-traditional preparation for women. For example, more state funding should support middle, high and post-secondary science, math, and information technology curricula,¹⁹ hand-in-hand with gender equity initiatives.

Currently, college-educated women earn less than a third of bachelor's degrees in math and computer science.²⁰ The Connecticut Innovations Technology Scholar Program provides financial assistance to Connecticut college students studying the sciences and also provides internships in science and technology. Fellowships, financial aid and enrollment targets for women and people of color would enhance more opportunities.

A more aggressive strategy is needed to give more low-income women technical, math or science training short of a college degree that could create pathways to self-sufficiency. Connecticut has the authority (through Perkins III²¹) to direct workforce investment boards to prioritize initiatives for single parents and students in non-traditional training programs.²²

While women often comprise the majority of workforce development and (publicly funded) continuing education participants, they are not at the core of the design of most programs. In order to maximize the assets and talents that women bring to Connecticut's economy, our state must link women not only to the labor market but provide pathways to self-sufficiency.

Job training and education can be more effective in improving women's work lives and earnings. In order for any of these programs to be effective, they must be structured to include dependent care. Affordable child care plays a critical role in increasing women's earnings and mobility in workplace, and goes hand-in-hand with workforce development. Recommendations about child and dependent care will be addressed in part three of PCSW's economic security package on income, work supports and good workplaces.

Finally, though job training and education can address the origins of the wage gap, discrimination in hiring, promotion and compensation must also be addressed in order to achieve significant gains and *maintain* equity.

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¹See especially Carroll, Jude et al. *Sowing Prosperity: Low-Income Working Families and Connecticut's Economic Future*. Connecticut Association for Human Services, December 2005; and Wider Opportunities for Women, *Reality Check: Promoting Self-Sufficiency in the Public Workforce System*, September 2007.

²The repeal of federal affirmative action policies, combined with reductions in federal funding for workforce development, career and technical education and gender equity, leave the burden on states to enforce and strengthen employment laws which prevent discrimination and address the employment status and retention of women and people of color.

³Connecticut Permanent Commission on the Status of Women. *Making Ends Meet*, October 2006.

⁴PCSW's package does not calculate the costs of implementing policy options.

⁵FESS calculates how much it costs for different types of households to meet their basic living expenses in different regions of Connecticut.

⁶For example, the states of Illinois, Massachusetts and New York.

⁷Women in Government, "Success in STEM" No date.

⁸Goldberg, Judy Dey and Hill, Catherine. *Behind the Pay Gap*. AAUW Educational Foundation, Washington, DC: 2007.

⁹Not only have the Workforce Investment Act, Temporary Assistance for Needy Families, and Carl Perkins Grants been cut and made less gender responsive, but funding for the Nontraditional Training for Women Act and the Women in Apprenticeships and Non-traditional Occupations Act have all but been eliminated.

¹⁰Carroll, Jude et al. *Sowing Prosperity: Low-Income Working Families and Connecticut's Economic Future*. Connecticut Association for Human Services, December 2005.

¹¹California, Delaware, Minnesota, Massachusetts, New Jersey, Rhode Island, and Tennessee.

¹²The Workforce Alliance. The Alliance also estimates that for every \$1 invested, students get back over \$6 in earnings over a 35 year period. www.workforcealliance.biz/

¹³Lerman, Robert I. et al., *Employer Provided Training and Public Policy*. 1999.

¹⁴Carroll, Jude et al. *Sowing Prosperity: Low-Income Working Families and Connecticut's Economic Future*. Connecticut Association for Human Services, December 2005. See also Stephen Reder, Portland State University, using the 1992 National Adult Literacy Survey and 1990 Census at <https://www.casas.org/lit/litcode/Detail.CFM?census AREAID=7>

¹⁵Connecticut Program Review and Investigations Committee. Coordination of Adult Literacy Programs. December 14, 2006.

¹⁶Connecticut State Department of Education. Connecticut Adult Reporting System (CARS) data, August 6, 2007.

¹⁷The National Center for Public Policy and Higher Education. *Measuring Up 2006*. www.highereducation.org

¹⁸*Invisible Again: The Impact of Changes in Federal Funding on Vocations Program for Women and Girls*. Washington, DC: The National Coalition for Women and Girls in Ed. October 2001.

¹⁹Minnesota, for example, is considering a proposal to provide in-state tuition rates for high-achieving non-resident students majoring in science and technology fields.

²⁰National Coalition for Women and Girls in Education. Letter to U.S. Congress, Committee on Health Education, Labor and Pensions. May 15, 2007.

²¹The Carl D. Perkins Vocational and Applied Technology Education Act was reauthorized and changed by Congress in 1998. This act, established in the 1970s to ensure the women and girls had equal opportunity in vocational education, became known as Perkins III and eliminated gender equity set aside and most states' gender equity coordinators.

²²*Invisible Again: The Impact of Changes in Federal Funding on Vocations Program for Women and Girls*. Washington, DC: The National Coalition for Women and Girls in Ed. October 2001.