









GROWJOBSCT NEWS

INSIDE THIS ISSUE:

<i>Jobs & Education</i>	2
<i>Insurance Costs</i>	2
<i>Health Care Principles</i>	3
<i>GJCT Advisory Board</i>	3
<i>What Is GrowJobsCT?</i>	4

The Stats on CT Manufacturing:

-  193,300 CT manufacturing jobs.
-  12% of total CT employment.
-  \$11.1 billion in wages & salaries in 2005.
-  5,300 CT manufacturing firms.
-  Each manufacturing job creates 1—5 other jobs.
-  \$20 billion of CT's state gross product.

CONNECTICUT NEEDS JOB CREATION & EDUCATION

By Janice Podsada — reprinted from the Hartford Courant

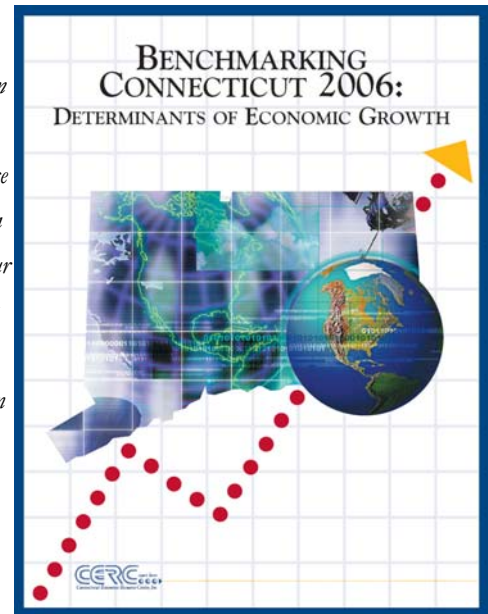
Unless Connecticut cleans up its crumbling inner cities, improves its decaying educational system and promotes job creation, it faces a bleak economic future, according to a report released on December 2, 2006 by the Connecticut Economic Resource Center Inc., a nonprofit economic development agency.

"We have a Third World educational system in Hartford and Bridgeport," said Jeffrey W. Blodgett, CERC's vice president of research. "These are our future workers, and until we can affect that, we won't like the world of 2020."

Increasingly, U.S. workers aren't just competing with one another but with workers in China, India and other countries. As a result, adults without the necessary educational skills will be left by the wayside, the report said.

"High school dropouts had a tough time in the old economy; in the new economy it's

A new report from the Connecticut Economic Resource Center warns of a bleak future for our state if we do not invest in worker training, education and job creation.



hopeless," Blodgett said. Manufacturing jobs that once served as a safety net for workers without sufficient educational skills have mostly disappeared.

In some Connecticut cities, urban high school dropout rates are approaching 50 percent, the report said. Lacking education and well-paying jobs to support their families,

the population of inner cities will face further hardships, requiring an even higher proportion of social services. "We can't afford to have a permanent underclass," Blodgett said.

The report, Benchmarking Connecticut 2006, urges the state to dramatically improve

(Continued on page 2)

UNIVERSAL HEALTH CARE MEANS JOBS

The uncontrollable cost of health care is impacting our economy. One of the top challenges to job growth identified by Connecticut businesses is skyrocketing health care costs. The cost of health care drives employment decisions by preventing hiring, or

discouraging companies from relocating to our state and is cited as a major factor for leaving Connecticut. This is why health care is a JOBS issue.

Health care premiums have almost doubled in cost

since 1995 and can be expected to continue rising with increases of 10% or more next year. Employers want to provide health care coverage and find it necessary to attract a qualified workforce. To address the problem of

(Continued on page 2)

INSURANCE COSTS HURTING EMPLOYERS & WORKERS

(Continued from page 1)

rising health care costs, employers are shifting more of the costs to employees. This is unsustainable, as premiums are outpacing wages, profit and investments.

For workers, cost-shifting erodes wages, and often hits families the hardest when they are already reeling from the illness or injury of a loved one. Few families today have the savings on hand to pay the deductibles and other financial burdens increasingly imposed by insurance plans. Many people with insurance are foregoing treatment, in-



cluding medication, due to costs. These constraints on staying healthy show up in the workplace as well, through lost productivity and diminished work performance.

Despite the increases in the cost of health benefits over the years, 82% of Connecticut manufacturers provide health care benefits. Unfortunately, the ability to

afford health benefits strains employers to compete globally. In countries with a universal health care system, health care costs are not factored into production costs.

For example, health care costs add about \$1,000 to the price of each car manufactured by US automakers. This extra burden now threatens the future of that industry in the US. Furthermore, in our employment-based system, employers that provide health insurance compete against those who do not.

GrowJobsCT's Health Care Initiative is devoted to working with employers, workers and policymakers to find alternatives that will preserve economic stability and grow employment in Connecticut.

For workers, cost-shifting often hits hardest when families are already reeling from the illness or injury of a loved one.

CT'S FUTURE REQUIRES ACTION TODAY

(Continued from page 1)

the public school system.

Although Connecticut's economic future is less certain than ever, it isn't alone in the problems it's facing, which include waning entrepreneurship and a rate of job creation that hasn't kept pace with national levels. All New England states are facing similar challenges. The report urges New England's policymakers to ignore state boundaries and work together as a region to entice businesses.

"Tunnel vision won't cut it," said Robert Tannenwald, vice president and director of the New England Public Policy Center at the Federal Reserve Bank of Boston. "The New England states can do so much better as a whole in terms of affecting transportation, energy distribution and health care."



Other factors that may contribute to the lagging rate of job creation are related to the state's sluggish entrepreneurial climate. According to the report, Connecticut ranked 48th among the best states for entrepreneurs in 2006, down from 43rd in 2005.

"Here in Connecticut, the data seems to show that we're not creating jobs, we're not seeing people move into the state to create jobs," said

R. Michael Goman, president and CEO of Konover Development Corp. The remedy, Goman said, isn't rocket science: Make it simple for businesses to invest in our state. Speed is of the essence: "People can't wait three or four years for a return." And above all, make it certain - "If I meet all the rules and regulations, then I can open my business in your state," Goman said.

"This is a state that is really characterized by complacency," said Bruce Katz, of the Brookings Institution.

Unless Connecticut addresses its deficits - a failing educational system and inner city blight - and promotes a business climate steeped in innovation the state faces an uncertain economic future, the report concluded.

The full report can be downloaded from www.cerc.com/benchmarks.

"This is a state that is really characterized by complacency."

Bruce Katz, Brookings Institution

UNIFYING PRINCIPLES OF HEALTH CARE REFORM

GJCT Director John Harity and Health Care Initiative Staff Associate Laurie Julian have met with a number of manufacturers and labor leaders about health care reform. From those discussions have come an initial set of "Unifying Principles," which represent areas of common agreement on the question of how to reform health care. It's clear that this issue affects everyone — and there's more agreement than you might have thought! The Unifying Principles include:

Health care costs are outpacing wages. Premiums grow faster than revenues, forcing lower wages, profit and investments. US employers compete against businesses in countries with efficient health care delivery and financing system that give competitors a built-in price advantage. Employers that provide health insurance also compete against those who do not.

Excess health care costs reduce the standard of living and threaten economic growth and the sustainability of middle class American jobs.

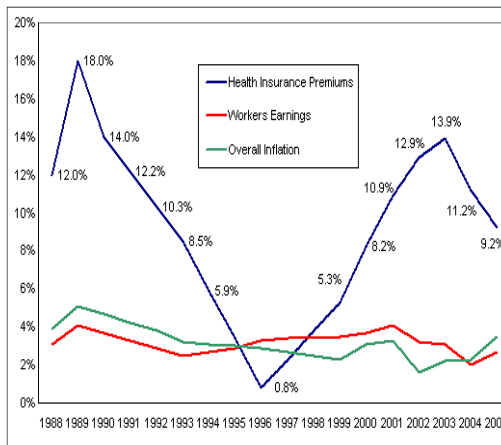
Business, workers and their families need substantial relief from the spiraling costs of health insurance premiums. The current health care system is not sustainable. Broad reform is necessary to bring affordable health

care to businesses and their employees.

Universal health care coverage is needed to improve health status and to control costs so that everyone has access to coverage and costs are financed equitably.

Health care coverage should be continuous and portable.

Reduce the waste and inefficiency in the system by increasing quality care and accountability. Reward health quality outcomes based on evidence-based measures.



Annual Growth Rates for Health Insurance Premiums, Workers Earnings, and Overall Inflation, 1988-2005

Simplified administration is essential to contain and reduce costs. Create a more efficient health care system by minimizing undue and duplicative testing and paperwork.

Individual responsibility through preventive wellness can reduce costs.

GROWJOBSCT WORKING TO KEEP CT JOBS

(Continued from page 4)
support for education in manufacturing, including technical schools and apprenticeships. GrowJobsCT's Director, John Harity, serves on the Board of the Workforce Alliance of New Haven, which focuses on employment & training issues.

GJCT's Advisory Board brings together labor, business and community repre-



sentatives, along with elected officials who understand the

importance of supporting manufacturing in CT.

It's not too late — CT still has 193,000 manufacturing jobs. But if we sit back and do nothing, jobs will continue to disappear.

Get involved! If you would like to know more about GrowJobsCT, check out our web site at:

www.growjobsct.org

GrowJobsCT Advisory Board

John Bauman — TORAW (The Organization For The Rights Of American Workers)

Tom Beach — Peening Technologies, Hydro Honing Laboratories

Thomas Carroll — Commissioner, Federal Mediation & Conciliation Service

Rosa Delauro — US Representative

Elliot Ginsberg for US Representative Larson

Indira Googe — Googe Wheelchair And Livery Services

Anthony Guglielmo — State Senator

John Harity — GrowJobsCT

Frank Johnson — Manufacturers Alliance Of Connecticut

Kathline Jackson — Greater Hartford Labor Council; Coalition Of Black Trade Unionists

John Larson — US Representative

Lou Mangini for US Representative Delauro

Ed Mann For Senator Dodd

Amy Mclean — Connecticut Citizen Action Group

Robert Meyer — Atlantic Wire Company, Inc

Maureen Moriarty for US Representative Larson

Denise Nappier — Treasurer, State Of Connecticut

John Olsen — CT AFL-CIO

Lori Pelletier — CT AFL-CIO

Mike Petosa — Bristol Labor Council

Edith Prague — State Senator

Bill Rudis — IAM Grand Lodge Representative

Fay Sheppard — National Association Of Women Business Owners

Rob Simmons — US Representative

Alfred Tenney — Hartford Compressors, Inc.

Nancy Wyman — Comptroller, State Of Connecticut

“Manufacturing makes
CT’s future”

GrowJobsCT
365 New Britain Road
Kensington, CT 06037

Phone: 860-828-0359
Fax: 860-828-9542
Email: jharrity@growjobsct.org

We’re on the Web!
growjobsct.org

GrowJobsCT Staff

John Harrity – Director

Laurie Julian – Health Care
Initiative Staff Associate

IAM GLR Bill Rudis –
Project Coordinator



“This document was financed in whole or in part by a \$ 105,550 grant from the Federal Mediation & Conciliation Service.”

GrowJobsCT also receives
generous support from:



UNIVERSAL
HEALTH CARE
FOUNDATION
of CONNECTICUT

WHAT IS GROWJOBSCT?

In 2004, US Representative John Larson met with Machinists Union leaders, and remarked, “I just came from a Chamber of Commerce meeting, and if I had closed my eyes, I would have thought I was in a Union Hall.”

Larson said Connecticut small business owners were complaining about unfair trade laws, Wal-Mart, the impact of China, health care costs and the need to do everything possible to keep manufacturing jobs in Connecticut.

The realization that small and medium-size business had issues in common with labor led the Machinists Union to take the initiative of forming GrowJobsCT.


The basic premise is





simple: bringing together all the stakeholders interested in sustaining and expanding manufacturing in our state.


The mission is urgent: Connecticut lost more than a third of its manufacturing jobs in the last 15 years. That’s a huge hit on workers, area businesses, tax revenues and our communities. Yet nobody seemed to be focused on trying to halt the exodus of jobs. GrowJobsCT takes up that fight, wherever it needs to be fought.

Some of the projects with which we are currently involved include:

 Working to expand the fuel cell and renewable energy industry in CT. GrowJobsCT is a founding member of the CT Hydrogen and Fuel Cell Council.

 Promoting universal health care in CT to foster economic growth. GrowJobsCT is a grantee of the Universal Health Care Foundation of CT.

 Helping to advance the National Center for Aerospace Excellence in East Hartford. This project, fostered by Congressman Larson, is aimed at making CT the center of a national effort to keep on the cutting edge of aerospace R&D. development.

 Seeking to expand state

(Continued on page 3)