



# De-Risking the Business Location Decision

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**John Bourdeaux**, President & CEO, AdvanceCT

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*All data current as of January 2025.*





## ASSESSING RISK ASSESSMENT

**THANK YOU FOR TAKING THE TIME** to review AdvanceCT's 2025 Connecticut Risk Report.

For those of you responsible for making facility location decisions for investment and expansions, risk takes on many different forms. Traditional risk factors such as weather events, crime, and infrastructure stability are clear, but critical and emerging areas of risk are often ignored because they are hard if not impossible to quantify. Our business leaders seek predictability, and the pursuit of predictability is the Holy Grail of decision making. "Safe" decisions that are supported by data provide a certain blanket of protection for those who have the final word.

However, we must confront the fact that as we are looking at workforce availability, weather events, and other risks, the calculus is much more complicated. Think about culture, political tenor, social capital, healthcare infrastructure, childcare, public transportation infrastructure, affordable housing, and the litany of factors that impact productivity.

What happens when the numbers add up and a location looks great on paper, but in practice, you have issues with absenteeism because people don't have transportation to get to work or employees can't find adequate childcare? What happens when 70% of your workforce calls in sick on the first day of duck hunting season or your defense operation is being blockaded by protesters because you have located your facility near a favorite retirement community for Vietnam-era anti-war protesters?

There are localized risk factors that don't represent catastrophic disruptions to your business, but nonetheless, they do disrupt and impact productivity. In the United States, local culture is one that is not considered enough. The scenarios seem endless, but the bottom line is that there is more to a location decision than assessing the risks of labor availability, labor costs, real estate costs, and traditional, dollar-driven considerations. Taxes are lower in certain jurisdictions, but bills must be paid somehow and typically this deficit is addressed by fees and non-fixed costs, which present their own predictability issues.

As you peruse this report, I urge you to define what the true risks are for your business because they are not always evident at first glance. We must bring a risk assessment lens to the very way that we are assessing risk. Each operation is unique in its ability to absorb and react to external factors, and you must examine exactly how these very localized factors impact your business.



A handwritten signature in dark ink that reads "John Bourdeaux". The signature is fluid and cursive, with the first name being more prominent.

**John Bourdeaux**  
President & CEO

THE WALL STREET JOURNAL

French Joblessness Rose at End of Year  
Amid Economic, Political Woes

S&P Global

Economic implications of conflict  
escalation in the Middle East

B B C

Firm blames European economy for  
agency staff cuts



Climate risk will take trillion-dollar bite out of  
America's real estate, report finds

Droughts, Hurricanes,  
Accidents, Failing  
Infrastructure Contribute  
To Growing Number Of  
Water Stress-Related  
Crises

Forbes

The New York Times

As Insurers Around the U.S. Bleed Cash From  
Climate Shocks, Homeowners Lose



Striking unions impacting the  
economy at a level not seen in  
decades

TSMC in the US: can Taiwan's  
chip giant overcome a culture  
clash?

FINANCIAL TIMES

Unfamiliar approaches to construction and labour are proving obstacles to  
the semiconductor giant's Arizona project

The  
Guardian

Wildfires having devastating effect on  
air quality in western US, study finds

B B C

Who are the millions of Britons not  
working, and why?

## Why Focus on **Business Risk**?

When making a location decision, companies know to ask about factors like talent availability and cost, real estate options, access to markets, and local and regional incentives.

However, many companies do not give adequate weight to **risk analysis** when making these crucial location decisions. Myriad challenges outside of the company's business can impact operations, profitability, and long-term sustainability. By assessing factors such as natural disaster and climate risk, infrastructure reliability, political climate, crime, health and social well-being, and workforce culture, businesses can minimize the chance of unexpected costs or disruptions.

A proactive approach not only **minimizes exposure to risks** but also ensures a business is positioned in a location that **supports growth, operational efficiency, and competitive advantage**.

## Business Risks Cited by Thought Leaders & Experts

### ENVIRONMENTAL RISK

Climate Change | Natural Disasters

dun & bradstreet



Forbes

McKinsey & Company

### INFRASTRUCTURE RISK

Infrastructure | Energy Costs/Reliability | Water Availability

Deloitte

Forbes



McGrady Clarke

McKinsey & Company

Pew Research Center



### HEALTH & SOCIAL RISK

Healthcare | Crime

dun & bradstreet

McKinsey & Company

Pew Research Center



U.S. Chamber of Commerce

### WORKFORCE STABILITY RISK

Education | Workforce Retention | Strikes & Union Activity



Forbes

Pew Research Center



TRAVELERS

### POLITICAL & ECONOMIC RISK

Fiscal Stability | Government Integrity

Fitch Ratings



MOODY'S

reason FOUNDATION

## Environmental Risk

### De-Risking the Business Location Decision

Environmental risk is one of the most impactful and prevalent forms of risk in the United States. The notable increase in large scale disasters has devastated cities and uprooted communities, in addition to disrupting business and supply chains. It is critical to consider these risks and how they might impact businesses when making a location decision.





## WORKING TO MITIGATE CLIMATE CHANGE



**Connecticut aims to achieve  
zero-carbon energy  
supply by 2040<sup>7</sup>**

**WORKING TO REDUCE CO<sub>2</sub> EMISSIONS AND IMPROVE ENERGY EFFICIENCY** meets two important goals of our administration – meeting our targets to combat the impacts of climate change and lowering the cost of doing business for Connecticut manufacturers.

– **Governor Ned Lamont<sup>8</sup>**

- #1** Lowest individual waste per capita<sup>1</sup>
- #2** Lowest climate change contributions<sup>2</sup>
- #4** Lowest carbon intensity per dollar of GDP<sup>3</sup>
- #7** Best state for climate change efforts<sup>1</sup>
- #9** Highest use of public transit<sup>4</sup>
- #9** Lowest risk of climate-related disasters<sup>5</sup>
- #9** Most environmentally friendly state<sup>6</sup>

Connecticut is at the leading edge of states addressing climate change and protecting the environment. Connecticut ranks among the top states in a broad range of factors that reduce climate risk, including fostering a low-carbon-intensity economy, adoption of green technology, using public transit, encouraging recycling and reducing waste, and adoption of green policies.<sup>9</sup> In addition to these efforts, the state is also one of the lowest risk for experiencing climate-related disasters, such as extreme heat, drought, wildfires, and flooding.<sup>10</sup>

Not only is Connecticut one of the lowest contributors to climate change, the state is also one of the most active in developing green initiatives. Connecticut Green Bank was the first of its kind in the nation, accelerating the deployment of clean energy using public dollars to attract private investment and making clean energy more affordable for residents and businesses.<sup>11</sup> The State has also provided funding for a multitude of climate impact plans across the state, as well as incentives for residents and businesses to adopt green technologies.

Long term, the importance of climate change cannot be overstated. Sea level rise and pollution create major concerns regarding the future cost and livability of certain regions. According to a new report from First Street, home ownership costs have increased significantly in areas exposed to severe weather.<sup>12</sup> Furthermore, many of the efforts that reduce climate risk have other positive externalities, such as increased energy efficiency resulting in cost savings, and creation of green spaces that serve as a public amenity.

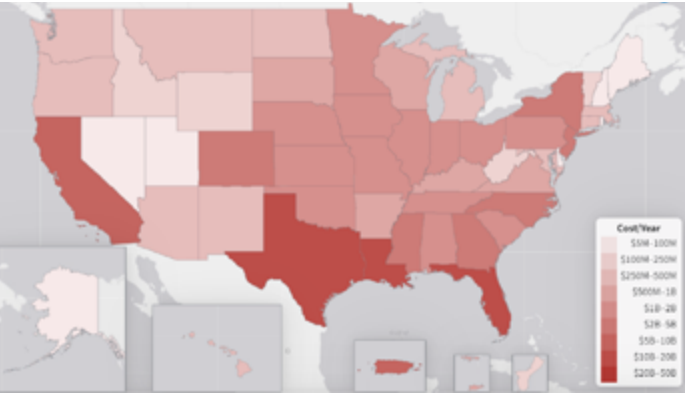
SOURCE: <sup>1</sup>WISEVOTER, 2022 (MOST RECENT AVAILABLE AS OF JANUARY 2025). CRITERIA INCLUDE CARBON EMISSIONS, GREEN TECH ADOPTIONS, LANDFILL USAGE, RECYCLING, AND GREEN POLICIES. <sup>2</sup>WALLETHUB, 2024. <sup>3</sup>EIA, 2022 (MOST RECENT AVAILABLE AS OF JANUARY 2025). <sup>4</sup>U.S. CENSUS BUREAU, 2023 (MOST RECENT AVAILABLE AS OF JANUARY 2025). <sup>5</sup>SAFEHOME.ORG, 2024. CRITERIA INCLUDE EXTREME HEAT, DROUGHT, WILDFIRES, COASTAL FLOODING, AND INLAND FLOODING. <sup>6</sup>WALLETHUB, 2024. <sup>7</sup>CT DEEP, ACCESSED APRIL 2024. <sup>8</sup>OFFICE OF GOVERNOR NED LAMONT, 2023 (MOST RECENT AVAILABLE AS OF JANUARY 2025). <sup>9</sup>WISEVOTER, 2022. <sup>10</sup>SAFEHOME, 2024. <sup>11</sup>CONNECTICUT GREEN BANK, ACCESSED 2025. <sup>12</sup>FIRST STREET, 2025.



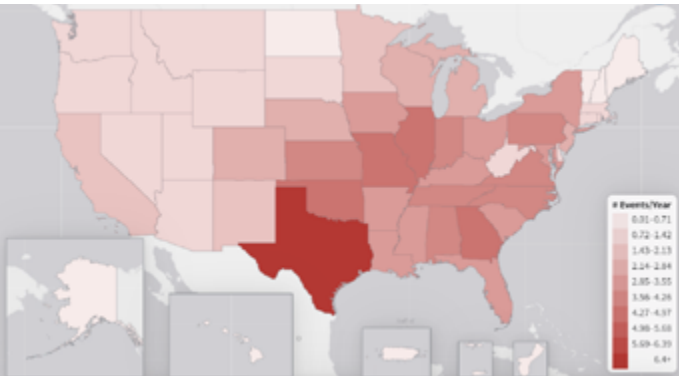
NATURAL DISASTERS

According to the federal government, the cost of natural disasters to U.S. businesses and residents doubled between 2023 and 2024, underscoring the financial impact and large-scale disruption these events can instigate.<sup>1</sup> These incidents occur very infrequently in Connecticut, and when they do occur, the costs are lower than in other areas of the country. Connecticut is rarely impacted by the most destructive types of disasters, which include tropical cyclones, drought and heat waves, wildfires, and flooding.<sup>2</sup> The disaster most frequently experienced in Connecticut is winter storms; however, the state rarely receives more than one per year. Furthermore, Connecticut is prepared for winter storms and is able to minimize impact when they do happen. A recent study by ValuePenguin and LendingTree found that the average annual cost for natural disasters in Connecticut was \$2 per household, the third lowest ranking in the country. In contrast, the highest natural disaster costs were experienced by Texas, with an estimated \$1,476 annual property damage cost per household. The national average was \$104 per household annually.<sup>3</sup>

Cost per Year, 2004-2024 Billion Dollar Disasters<sup>1</sup>



Events per Year, 2004-2024 Billion Dollar Disasters<sup>1</sup>



Billion-Dollar Disasters, 2004-2024<sup>4</sup>

State	Events/Year	Cost/Year
Connecticut	1.2	\$250M-500M
Massachusetts	1.3	\$250M-500M
California	1.5	\$5B-10B
New Jersey	2.6	\$2B-5B
New York	3.3	\$2B-5B
North Carolina	4.1	\$2B-5B
Georgia	4.9	\$2B-5B
Texas	7.1	\$10B-20B

SOURCE: <sup>1</sup>NOAA, 2024. <sup>2</sup>NOAA, 2022. <sup>3</sup>VALUEPENGUIN, 2020 (MOST RECENT AVAILABLE AS OF JANUARY 2025). <sup>4</sup>VALUEPENGUIN, 2020 (MOST RECENT AVAILABLE AS OF JANUARY 2025).

## Infrastructure Risk

### De-Risking the Business Location Decision

Reliable infrastructure is critical for uninterrupted business operations: proximity to maintained roads, rail, and ports are essential to bringing in raw materials and sending goods to market. Fast broadband service helps businesses place just-in-time orders and stay in touch with clients, while disruption of basic services such as water or electricity quickly cause chaos and financial losses.

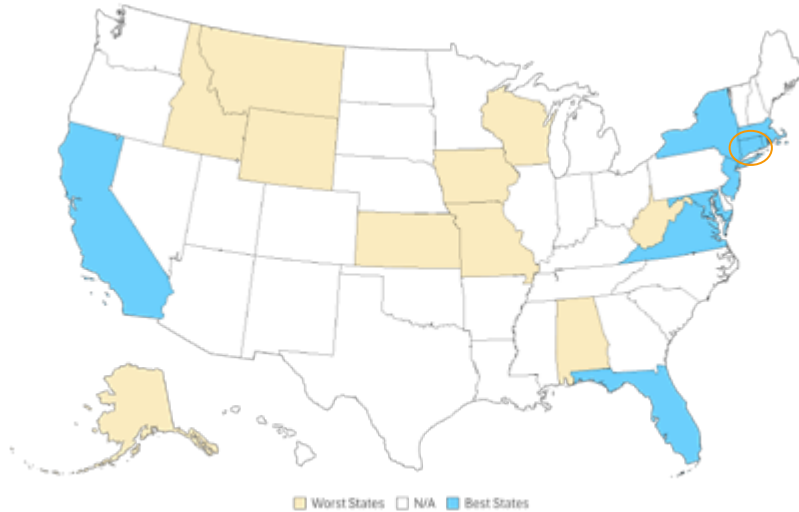




## BROADBAND ACCESS

Connecticut is one of the BroadbandNow 2024 Best States for Internet based on **coverage**, **speed**, and **price access**.

Best and Worst States for Internet, 2024



High-speed internet has grown in importance as work becomes more and more technology dependent. In alignment with its reputation for being home to high-tech industry and a skilled workforce, Connecticut has some of the best broadband internet coverage in the country, with accessible, affordable, and fast service.

#2

Access to Gigabit Internet<sup>2</sup>

#3

Best Internet Access<sup>2</sup>



"Expanding broadband access will help **spur jobs and economic opportunity** where they are needed most."

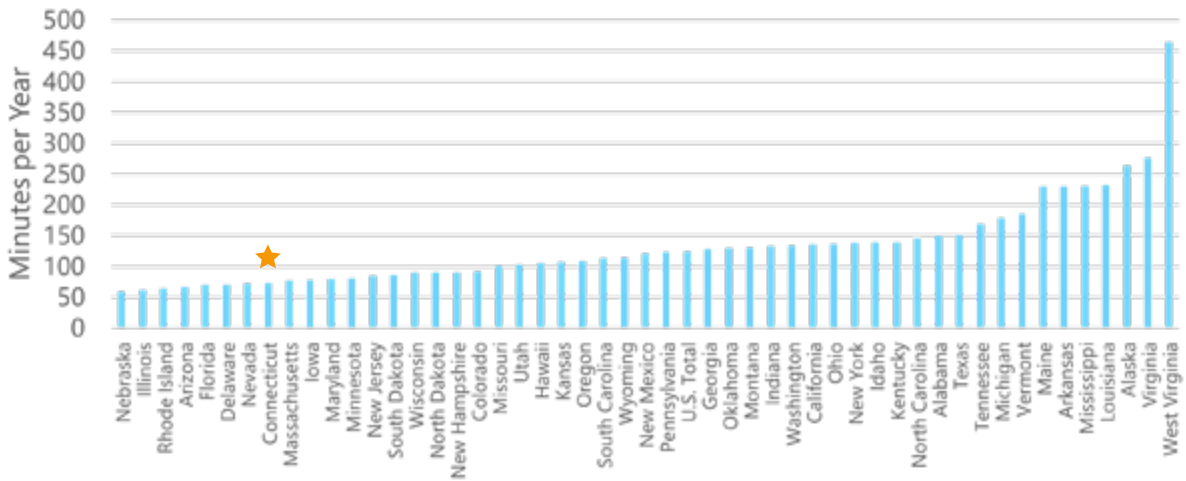
— Michael Bloomberg

SOURCE: <sup>1</sup>BROADBANDNOW, 2024 BEST AND WORST STATES FOR INTERNET; <sup>2</sup>U.S. NEWS AND WORLD REPORT, 2024.

ENERGY RELIABILITY

Connecticut has one of the most reliable electrical grids in the United States, with **few outages** and **low total downtime**.

Average Minutes of Electrical Interruption per Year  
(2019-2023, Without Major Event Days)



Loss of power for an extended time period can be detrimental to business. Connecticut has one of the most reliable electric grids in the U.S., with the eighth lowest minutes without power per customer over the past 5 years. The state has experienced few outages and low total minutes of downtime as well, providing stable infrastructure for businesses to operate.

Electrical Interruptions

#1

**Fewest Total Outages on Average  
per year in New England  
BETWEEN 2021-2023**

#8

**Fewest Minutes of Outages on  
Average Nationwide  
BETWEEN 2019-2023**



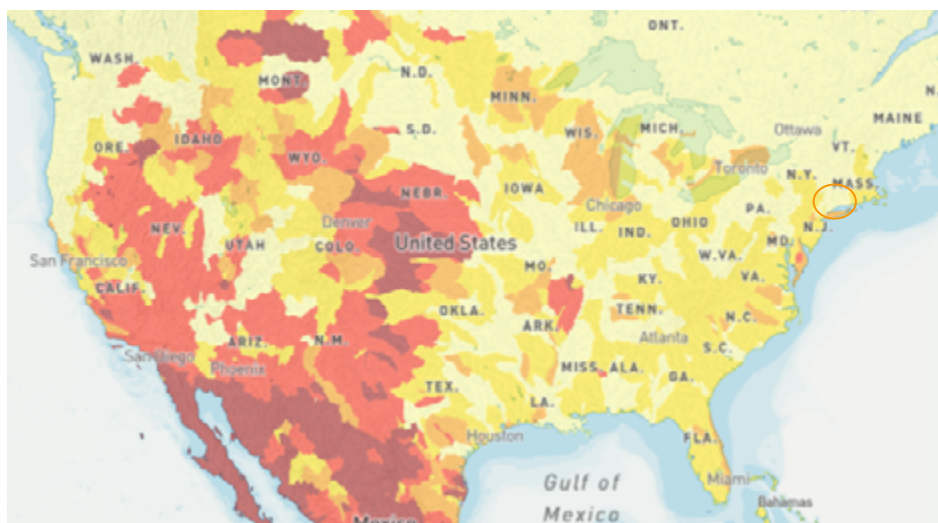
SOURCE: EIA, 2023; A MAJOR EVENT DAY IS ANY DAY THAT EXCEEDS A DAILY SYSTEM AVERAGE INTERRUPTION DURATION INDEX (SAIDI) THRESHOLD CALLED TMED. TMED IS A DURATION STATISTIC CALCULATED FROM DAILY SAIDI VALUES FROM THE PAST FIVE YEARS. SOME MAJOR EVENTS ARE SELF-REPORTED BY THE UTILITIES.



## WATER AVAILABILITY

Unlike many regions in the U.S. or across the globe, Connecticut has **ample water supply**. Connecticut is among states only exposed to the two lowest levels of water risk.<sup>1</sup>

Aqueduct Water Risk Atlas: Overall Water Risk<sup>1</sup>



Water availability is a growing concern globally, and one of Connecticut's most undervalued strengths is its water supply. The state's water supply is both abundant and high-quality, and the state has one of the lowest drought vulnerability indexes in the country, meaning there is low risk of drought, and/or the state is well-positioned to adapt when droughts do occur.<sup>4</sup> Furthermore, the state has one of the lowest water stress levels in the nation, measured as the total water demand relative to available renewable surface and groundwater supply. Western and central Connecticut use less than 20% of the available water resources on an annual basis, while large swaths of the central and western United States utilize more than 80%.<sup>5</sup>

**ZERO**  
Areas of High or  
Extreme Water Stress<sup>1</sup>

**#7**  
best tap water  
in the U.S.<sup>2</sup>

**\$41M**  
funding to improve water  
infrastructure and access<sup>3</sup>

SOURCE: <sup>1</sup>WORLD RESOURCES INSTITUTE, WATER RISK ANALYSIS, 2023 (MOST RECENT DATA AS OF JANUARY 2025). WATER RISK AGGREGATES SEVERAL MEASURES ENCOMPASSING WATER AVAILABILITY, DEMAND, AND QUALITY. <sup>2</sup>CNBC, 2024. <sup>3</sup>WHITEHOUSE.GOV, 2024. <sup>4</sup>NOAA, 2020 (MOST RECENT AVAILABLE AS OF JANUARY 2025). <sup>5</sup>AQUEDUCT WATER RISK ATLAS, 2023 (MOST RECENT AVAILABLE AS OF JANUARY 2025).



## MULTI-MODAL LOGISTICS



Connecticut is a highly accessible state, with roads, rail, and ports connecting end to end.



### By Water

- There are three deep water ports in Connecticut: Bridgeport, New London, and New Haven, the third largest port in New England.<sup>1</sup>



### By Road

- I-95 and I-91 connect Canada to Florida, and I-84 connects to Massachusetts and New York State.
- 5th highest in the nation for overall highway cost-effectiveness and condition.<sup>2</sup>



### By Air

- Bradley International Airport has over 3.3 million sq ft dedicated to cargo operations and nearly 350 million pounds of cargo annually.<sup>3</sup>



### By Rail

- Connecticut's freight is handled by CSX, Housatonic Railroad, Naugatuck Railroad, PanAm Southern Railway, and Providence & Worcester Railway, serving interstate and intrastate transportation.

SOURCE: <sup>1</sup>U.S. CENSUS BUREAU, USATRADEONLINE, 2023, IMPORTS PLUS EXPORTS BY WEIGHT. <sup>2</sup>REASON FOUNDATION, 2023. <sup>3</sup>CAA, 2025.

## Political Risk

### De-Risking the Business Location Decision

Political risk is difficult to quantify, yet the consequences of instability can be equally impactful as many of the other risks listed in this report. States that provide a predictable political environment incentivize business growth, while grandstanding and unwillingness to compromise create logjams that impede efficient governing. Businesses can expect to feel more secure in states that have leadership whose values are centered on reasonableness and create a stable environment for growth.





## FISCAL STABILITY

**A**ligned with the goal of maintaining a stable business climate, Connecticut has made a big push in recent years to improve its fiscal stability and long-term economic outlook through a long-term fiscal stability plan. While many states have experienced budget surpluses in recent years, Connecticut has invested its surplus toward long-term growth. The pension fund, previously underfunded, has grown significantly, with the state having paid in an additional \$8.6B since 2020.<sup>1</sup> The state has also contributed the maximum to its rainy-day fund and made historic tax cuts – allowing for broader economic growth. In recognition of this progress, all four of the major credit rating agencies have upgraded Connecticut’s bond ratings.

### Stability Metrics



#### Rainy-Day Fund<sup>2</sup>:

**Connecticut can last 60.4 days on their fund alone**

Nationwide average is 48.1 days

Northeast average is 52.4 days

#### State Bond Credit Score<sup>3</sup>:

**AA- as of Nov 14, 2024**

Since 2021, all four of the major credit rating agencies have upgraded Connecticut’s general obligation bond ratings.<sup>4</sup>



**Connecticut Pension Funds Generated  
Returns of 11.5% in Fiscal Year 2024**



**Lamont keeps CT budget within fiscal  
guardrails, pays down \$500M in debt**

**GENERATING RETURNS ABOVE OUR ASSUMED RATES OF RETURN**, like we have the past two years, guards against the impact of future down markets and accelerates the speed at which we can pay down legacy pension debt inherited by the current generation of Connecticut taxpayers. It reduces the required State contributions that must be budgeted for each year, saving taxpayers money immediately and in the future.<sup>5</sup>

**– Treasurer Erick Russell**

**FOR THE FIRST TIME IN A GENERATION**, the state of Connecticut is not lurching from one financial crisis to the next. The state’s financial position is stable, and, unlike other states, we are not facing deficits that would result in deep cuts in spending or substantial increases in taxes.<sup>6</sup>

**– Lamont Administration**

SOURCE: <sup>1</sup>CT.GOV, 2024. <sup>2</sup>PEW, 2025. <sup>3</sup>FITCHRATINGS, 2024. <sup>4</sup>CT.GOV, 2024. <sup>5</sup>CT BY THE NUMBERS, 2024. <sup>6</sup>HARTFORD BUSINESS JOURNAL, 2024.

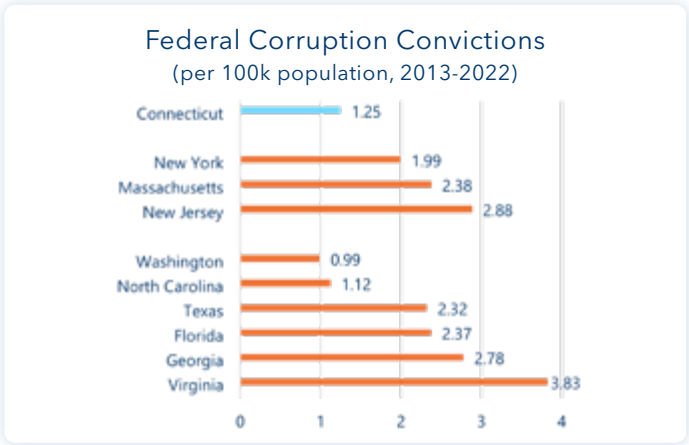
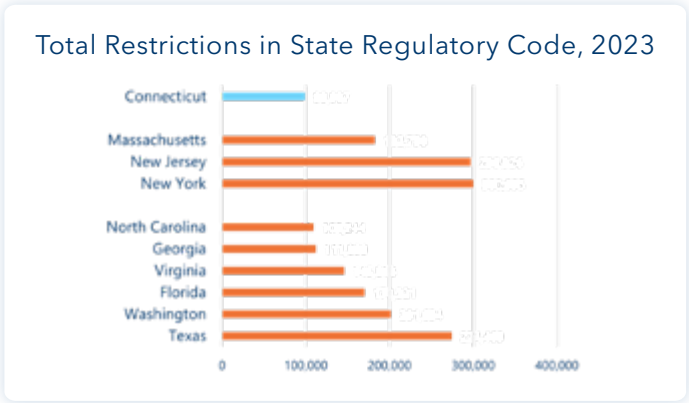
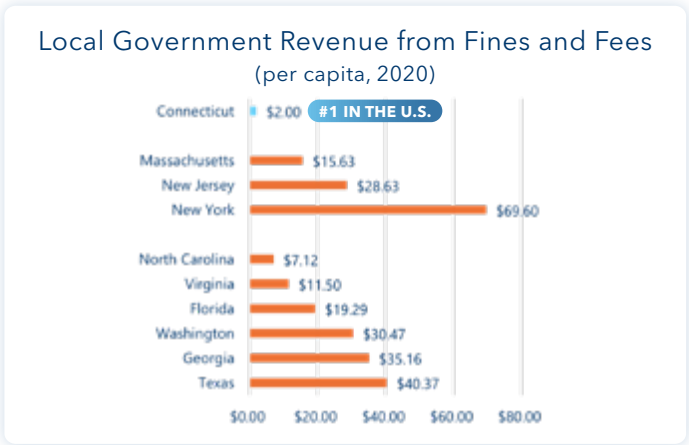
GOVERNMENT INTEGRITY

In addition to its improved long-term economic stability, Connecticut has one of the most stable state governments in the country. The state has fewer regulations than many states with “business-friendly” reputations, as well as lower corruption and minimal abuse of fines and fees. Connecticut has pragmatic leaders looking to make life better for its residents and businesses.

**Fines and Fees**  
Can become exploitative when governments rely on law enforcement as an essential source of revenue<sup>1</sup>

**Government Regulations**  
Volume and complexity of regulations create economic barriers to entry<sup>2</sup>

**Ethics and Corruption**  
Abuse of public trust by elected officials can include bribery, extortion, election crimes, and criminal conflict of interest<sup>3</sup>



SOURCE: <sup>1</sup>REASON FOUNDATION, 2023 (MOST RECENT AVAILABLE AS OF JANUARY 2025); <sup>2</sup>QUANTGOV, MERCATUS CENTER AT GEORGE MASON UNIVERSITY, 2023 (MOST RECENT AVAILABLE AS OF JANUARY 2025); <sup>3</sup>U.S. DEPARTMENT OF JUSTICE, 2022 (MOST RECENT AVAILABLE AS OF JANUARY 2025); U.S. CENSUS BUREAU PEP, 2022; ADVANCECT CALCULATIONS.



## Health and Social Risk

### De-Risking the Business Location Decision

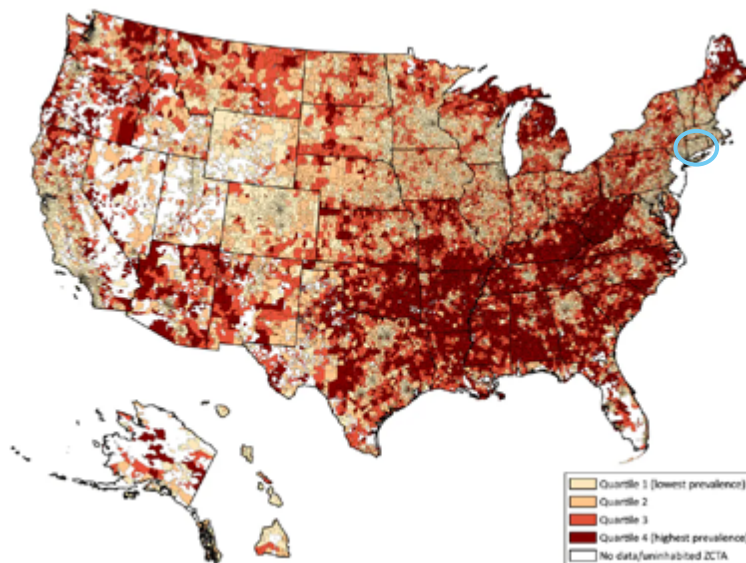
The health and well-being of a community can have many impacts on the success of a business. At an individual level, poor health can cause employee absenteeism, and socioeconomic challenges can cause stress or distraction that reduce productivity. At a societal level, issues like crime or disease outbreak can cause larger-scale disruptions. Prioritizing the health and safety of citizens is a key attribute of states that provide a reliable and productive workforce and a stable environment for businesses.





## CHRONIC DISEASE

Chronic illness is an indicator of both socioeconomic and environmental well-being for a state. States with more challenges in both areas find chronic illness much more difficult to manage. Chronic illness can also indicate greater barriers to health care access. Connecticut is one of the healthiest states, with very low prevalence of chronic illness.



Map of the U.S. showing the geographic distribution of chronic disease prevalence scores by quartile across Zip Code Tabulation Areas (ZCTAs).

### Chronic Illness & Workforce

Connecticut's low incidence of chronic illness means better workforce reliability.



Areas with a high prevalence of chronic illness face socioeconomic and environment challenges.



These challenges make preventing chronic illness more difficult.



These areas face greater barriers to healthcare access.

SOURCE: BENAVIDEZ, GABRIELA., WHITNEY E. ZAHND, PEIYIN HUNG, AND JAN M. EBERTH. "CHRONIC DISEASE PREVALENCE IN THE US: SOCIODEMOGRAPHIC AND GEOGRAPHIC VARIATIONS BY ZIP CODE TABULATION AREA." PREVENTING CHRONIC DISEASE 21 (FEBRUARY 29, 2024).

HEALTHCARE

**W**hen comparing both public health and healthcare nationwide, Connecticut excels. Healthcare in Connecticut is high quality for both physical and mental health. In addition, the state has one of the highest rates of healthcare accessibility, meaning people who need healthcare receive it. This is critical for businesses, since lack of access to healthcare negatively impacts workforce productivity and economic growth.<sup>1</sup>

**#3**

**Access to Healthcare<sup>2</sup>**

**#3**

**Best Healthcare<sup>2</sup>**

**#6**

**Public Health<sup>2</sup>**



Mental Healthcare



**#1**

**Best care for youth mental health and lowest prevalence of youth mental health issues<sup>3</sup>**

**#1**

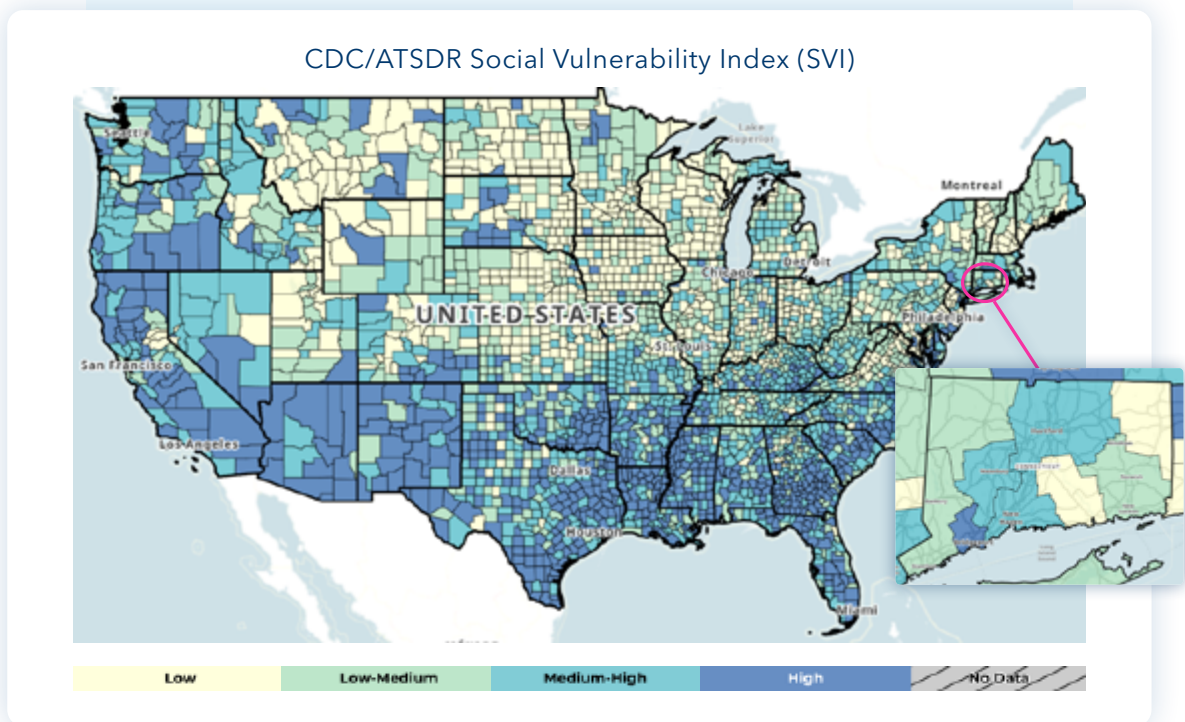
**Lowest prevalence of mental health issues and substance abuse<sup>3</sup>**

SOURCE: <sup>1</sup>UNITED NATIONS, 2023 (MOST RECENT AVAILABLE AS OF JANUARY 2025). <sup>2</sup>U.S. NEWS AND WORLD REPORT, 2024. <sup>3</sup>MENTAL HEALTH AMERICA, 2024.



## SOCIAL VULNERABILITY

**P**reparedness for catastrophe and the ability to recover can impact the degree of business disruption during a major event. The Social Vulnerability Index from the U.S. Department of Health and Human Services measures the degree to which external stressors on human health, such as natural disasters or disease outbreak, will cause human suffering and economic losses. Connecticut is one of the few states with minimal areas of high vulnerability, indicating both a high preparedness for disaster and a strong ability to recover.

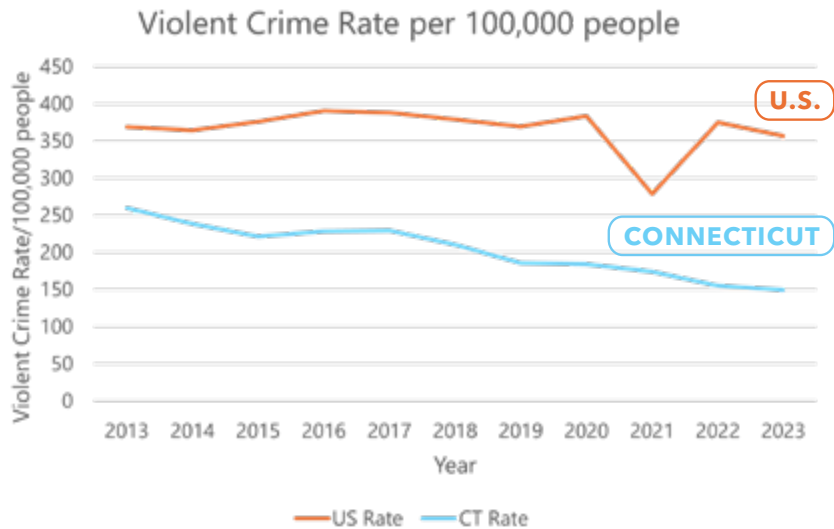


### Interpreting SVI

The Social Vulnerability Index measures the degree to which external stressors on human health such as natural disasters or disease outbreak will cause human suffering and economic losses. Preparedness for catastrophe and the ability to recover can impact the degree of business disruption during a major event.

SOURCE: U.S. DEPT OF HEALTH AND HUMAN SERVICES, CDC/ATSDR SOCIAL VULNERABILITY INDEX (SVI), 2022 (MOST RECENT AVAILABLE AS OF JANUARY 2025).

CRIME



Connecticut's crime rate is **less than half the U.S. average**, and declining.<sup>1</sup>

Crime is an ongoing concern for both businesses and individuals. A U.S. Chamber of Commerce survey indicated 56% of small businesses have experienced theft, while the National Retail Federation cites workplace violence, cybersecurity, and emergency management as growing concerns.<sup>2,3</sup> While no region is immune to these challenges, Connecticut remains one of the safest states in the nation. Even though violent crime rates at the national level have remained relatively stable over the past 10 years, Connecticut's crime rate has continued to decline.

Connecticut displays a **low rate of violent crime** compared to peer states.<sup>4</sup>



Region	Violent Crimes per 1,000 people
Connecticut	1.50
New Jersey	1.79
Massachusetts	3.20
Georgia	3.30
United States	3.60
North Carolina	3.86
New York	4.23

SOURCE: <sup>1</sup>LIGHTCAST, 2023 (MOST RECENT AVAILABLE AS OF JANUARY 2025). <sup>2</sup>U.S. CHAMBER OF COMMERCE, CRIME RISK TO BUSINESS REPORT, 2023 (MOST RECENT AVAILABLE AS OF JANUARY 2025). <sup>3</sup>NATIONAL RETAIL FEDERATION, 2025. <sup>4</sup>FBI CRIME DATA EXPLORER, 2023 (MOST RECENT AVAILABLE AS OF JANUARY 2025); US CENSUS BUREAU, PEP, 2013-2023; ADVANCECT CALCULATIONS. <sup>5</sup>WALLETHUB, 2023 (MOST RECENT AVAILABLE AS OF JANUARY 2025).

## Workforce Stability Risk

### De-Risking the Business Location Decision

Workforce is arguably the #1 concern for businesses. In their location decisions, companies should consider not only current availability of talent that can fill current positions, but also the region's long-term investment in education and training that will continue to provide for their long-term needs. Furthermore, ensuring that the region is a good cultural fit is an often-overlooked factor that can determine the success or failure of a business venture.





# WORKFORCE

Among the most reliable and productive workforces in the nation, Connecticut showcases a higher than average workforce participation rate, and an extremely high productivity – nearly \$23,000 per worker higher than the U.S. average. The state’s workforce is also very dedicated, as workers voluntarily leave their jobs (quit) less frequently than the U.S. average. These attributes provide both stability and value to Connecticut’s businesses.

## Connecticut vs. U.S. Participation & Productivity

**Connecticut has high labor force participation<sup>1</sup>:**



**CT: 64.1%**

U.S.: 62.5%

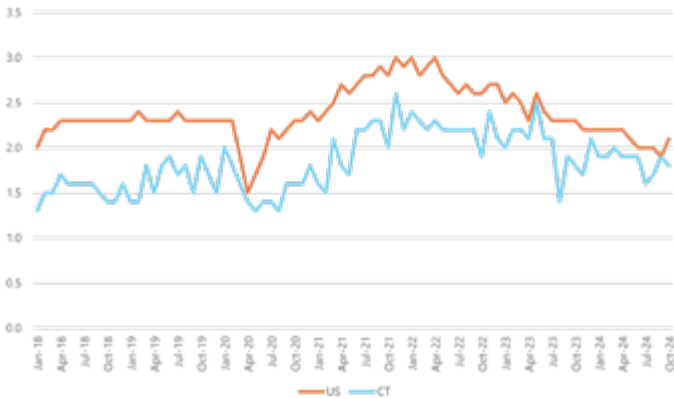
**And 5th highest workforce productivity in the U.S.<sup>2</sup>:**



**CT: \$183,599**

U.S.: \$160,691

Quit Rates, U.S. and Connecticut



Connecticut employees **leave their job less frequently** than the U.S. average.<sup>3</sup>

SOURCE: <sup>1</sup>BLS, OCTOBER 2024. <sup>2</sup>BEA, 2023 (MOST RECENT AVAILABLE AS OF JANUARY 2025); LIGHTCAST 2023; ADVANCECT CALCULATIONS. GDP PER EMPLOYED WORKER USING 2023 AVG. EMPLOYMENT. <sup>3</sup>BLS, JOLTS, 2024.



EDUCATION



One of the main drivers behind Connecticut's high-quality workforce is the state's premier education system. Connecticut has some of the best public schools in the nation across all grade levels. The state is also home to an incredible higher education system, ranging from community colleges to R1 research universities.



Nearly **55,000** graduates annually from Connecticut institutions<sup>1</sup>



High Quality Education



**#3**

**best community college system in the nation<sup>2</sup>**

**#3**

**state for Pre-K to 12 education<sup>3</sup>**

**#3**

**for percent of population with a graduate or professional degree<sup>4</sup>**

**#7**

**for percent of population with a bachelor's degree or higher<sup>4</sup>**

SOURCE: <sup>1</sup>IPEDS, ALL COMPLETIONS, RETRIEVED FROM LIGHTCAST, 2023 (MOST RECENT AVAILABLE AS OF JANUARY 2025). <sup>2</sup>WALLETHUB, 2024. <sup>3</sup>U.S. NEWS AND WORLD REPORT, 2023. <sup>4</sup>U.S. CENSUS BUREAU, ACS 1Y, 2023 (MOST RECENT AVAILABLE AS OF JANUARY 2025).

## WORKPLACE CULTURE

**T**he culture of the workforce is an often overlooked aspect when starting a business. This can vary greatly by state, from when workers show up and clock out to different norms when it comes to sick days and time off. Businesses should look for states whose cultural values align with their own, and whose people take pride in hard work and the opportunity to make an impact.



### Volunteering & Giving

Connecticut residents are generous with their time and money. Connecticut's rate of formal volunteering in 2023 was 37.4%, almost 10 percent higher than the national average of 28.3%, and their charity is on the uptick, as the Connecticut rate increased 8.6% between 2021 and 2023.<sup>1</sup>



**#7 state for highest  
volunteering rate in 2023<sup>1</sup>**



**#9 state for total charitable  
giving per tax filing<sup>2</sup>**

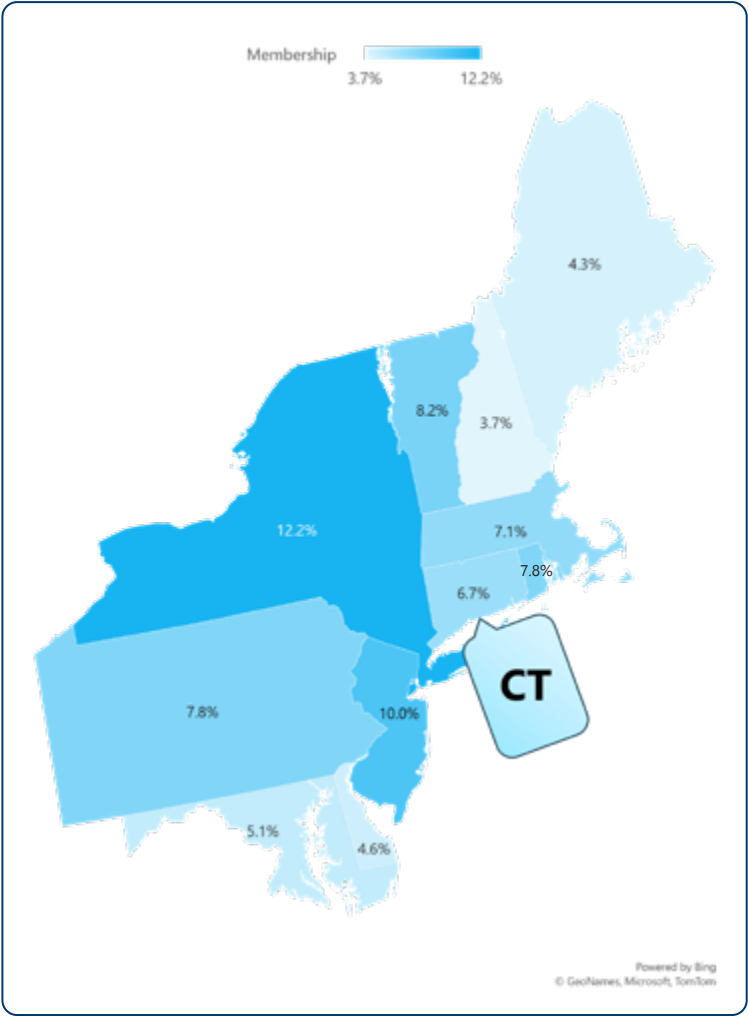
SOURCE: <sup>1</sup>AMERICORPS CIVIC ENGAGEMENT AND VOLUNTEERING DATABASE, 2023 (MOST RECENT AVAILABLE AS OF JANUARY 2025). <sup>2</sup>IRS, TAX YEAR 2022 (MOST RECENT AVAILABLE AS OF JANUARY 2025).



PRIVATE SECTOR UNION MEMBERSHIP

Union activity is often raised by businesses as an area of concern. Globally, strikes that disrupt supply chains or essential services are headline news, and businesses that are impacted by strikes can face significant losses. While Connecticut has higher rates of union membership than many states, much of this membership consists of state employee and teacher unions, so the state’s private sector union membership are middle-of-the-road compared to other U.S. states and lower than all of the immediately surrounding states.

State	2023 Private Sector Union Membership
New York	12.2%
New Jersey	10.0%
Vermont	8.2%
Rhode Island	7.8%
Pennsylvania	7.8%
Massachusetts	7.1%
<b>Connecticut</b>	<b>6.7%</b>
Maryland	5.1%
Delaware	4.6%
Maine	4.3%
New Hampshire	3.7%



Connecticut has a moderate rate of private sector union membership, in the 6-7% range, while U.S. states range from 2-15%. Connecticut’s private sector union membership rates are lower than all of the immediately surrounding states.

SOURCE: UNIONSTATS.COM, 2023; (MOST RECENT AVAILABLE AS OF FEBRUARY 2025); ADVANCECT CALCULATIONS.



Region	Trade Union Density
Iceland*	92.2%
Denmark**	67.0%
Sweden**	65.2%
Finland**	58.8%
Norway**	50.4%
Belgium**	49.1%
Italy**	32.5%
Luxembourg**	28.2%
Canada*	27.2%
Austria**	26.3%
Ireland*	26.2%
United Kingdom**	23.5%
Costa Rica**	20.5%
New Zealand***	17.7%
Japan**	16.8%
Chile***	16.6%

Region	Trade Union Density
Germany**	16.3%
OECD - Total**	15.8%
Netherlands**	15.4%
Switzerland***	14.4%
Australia***	13.7%
Spain**	12.5%
Mexico*	12.4%
Korea***	11.6%
Latvia***	11.6%
Czech Republic***	11.4%
Slovak Republic***	11.3%
United States*	10.3%
Türkiye**	9.9%
Hungary***	8.3%
Lithuania**	7.4%
Estonia**	6.0%

SOURCE: OECD, ACCESSED FEB 2025. MOST RECENT DATA SELECTED: \*2020, \*\*2019, \*\*\*2018.

At the national level, U.S. union membership rates are lower than most developed nations. Furthermore, the amount of work disruption from union activity in Connecticut is very low, with only two large-scale stoppages in the last 10 years, and with smaller strikes averaging two days in length with a median of less than 80 participants.

Union Work Disruption in Connecticut is Low



**Large-scale (1000+ workers) work stoppages in Connecticut:**  
**2**, averaging 12.7 days idle per worker, **in the last 10 years**<sup>1</sup>



**Smaller strikes in Connecticut:**  
**16 in the past three years**; median of 78.5 participants and 2 days per strike<sup>2</sup>

SOURCE: <sup>1</sup>U.S. BLS, 2014-2024, ADVANCECT CALCULATIONS. BLS REPORTS STOPPAGES AFFECTING 1,000+ WORKERS FOR AT LEAST ONE FULL SHIFT. <sup>2</sup>CORNELL ILR SCHOOL LABOR ACTION TRACKER, 2022-2024; ADVANCECT CALCULATIONS. \*TOTAL PARTICIPANTS NOT LISTED FOR THE TWO RIDESHARE STRIKES AND PODS STRIKE; DEC 2024 IHEALTH STRIKE EXCLUDED FROM TOTAL DUE TO INCOMPLETE DATA.







## ABOUT ADVANCECT



### OUR **MISSION**

AdvanceCT is a nonprofit economic development organization that drives job creation and new capital investment in Connecticut through business attraction, retention, and expansion work.

### OUR ROLE IN THE **ECONOMIC DEVELOPMENT ECOSYSTEM**

Economic development is the lifeblood of Connecticut's economy, and AdvanceCT plays a critical role in the state's business attraction and business retention efforts. We work to attract corporate investment and to support existing businesses as they expand. AdvanceCT works in close partnership with public and private organizations across the state to ensure new and existing businesses have the support they need to thrive in Connecticut.

### WHAT **WE DO**

We focus on inclusive business development and business retention work in close collaboration with the Connecticut Department of Economic and Community Development, other economic development organizations throughout the state, and the private sector.

LEARN MORE AT **ADVANCECT.ORG**





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