
POLICY MATTERS OHIO

2912 EUCLID AVENUE • CLEVELAND, OH 44115 • 216-921-0354
[HTTP://WWW.POLICYMATTERSOHIO.ORG/](http://www.policymattersohio.org/)

FOR RELEASE SUNDAY, SEPT. 5, 2004
Contact: Amy Hanauer 216 931-9922

Ohio workers struggled in 2003

Policy Matters report finds wages fell, jobs vanished, inequality increased last year

2003 was a tough year for workers in Ohio, where jobs continued to disappear and median hourly wages fell for the third straight year. Over a longer trend, inequality has increased, gaps between black and white workers have widened, and median wages have not grown.

These are among the conclusions of The State of Working Ohio 2004, an annual snapshot of work and wages in Ohio released today by Policy Matters Ohio, a nonprofit research institute. Other findings include:

- Ohio lost a large number of jobs during the national recession between March and November 2001, and continued to lose jobs during the recovery, especially in the high-paying manufacturing sector. Percentage job loss in Ohio has been worse than all but two other states, and is much worse than that seen in the aftermath of previous recessions.
- Annual rates of unemployment and underemployment have risen in Ohio, though Ohio's monthly unemployment rate fell to 5.9 percent in July from 6.3 percent a year earlier.
- Annual rates of African-American unemployment in Ohio saw a startling 63% increase in two years, from 7.4% in 2001 to 12.1% in 2003. The annual rate in 2003 was twice the level facing white workers (5.4 percent).
- Ohio's real median wage fell slightly in each of the last three years and has been below the national median since 2001. In 2003, Ohio's year-end median wage was \$13.14 an hour, down from its 2000 peak of \$13.51. Ohio's median wage, which was \$1.00 an hour above the national median wage in 1979, is now \$.48 below that of the U.S.
- Wage gaps between women and men have narrowed since the 1980s, but disparities between black and white workers have grown. The median white worker made \$13.58 an hour in 2003 while the median black worker earned \$11.18 an hour, about 82.3 percent as much.
- Those with more education earn substantially more and workers in unions have higher wages with fewer gender and race disparities. But unionization rates are falling and Ohio is not keeping pace with the nation in college attainment.

MORE

- Household and family income rose in the 1990s and have declined since the year 2000. Wage and income inequality have grown substantially over the past several decades. Between 1979 and 2003, workers in the bottom 60 percent of the earnings spectrum have seen wage erosion or stagnant wages, adjusted for inflation. In contrast, the wage of a worker making more than 90 percent of those in the state grew from \$23.59 an hour in 1979 to \$28.05 an hour in 2003, and now is more than twice that of the worker in the middle of the wage spectrum.
- Rates of health insurance coverage and employer-provided retirement benefits have declined and poverty rates remain high.
- The manufacturing sector still employs nearly one in six Ohio workers but its share of the workforce has plummeted by 29 percent, from 21.7 percent of the state's jobs in 1990 to 15.4 percent by 2004.

“Ohio is still struggling to find its footing in the aftermath of the 2001 recession,” said report author Amy Hanauer, who is executive director of Policy Matters Ohio. “In the last few years, jobs have been lost and not replaced. Over a longer trend, inequality has increased, gaps between black and white workers have widened, and median wages have not grown. Understanding these trends is the first step toward reversing them.”

The State of Working Ohio 2004, the sixth annual such report issued each year on Labor Day, concludes with ten recommendations for improving Ohio's economy.

Policy Matters Ohio is a non-profit, non-partisan policy research institute, dedicated to researching issues that matter to working families. The institute is funded primarily by the George Gund Foundation. Special support for the State of Working Ohio comes from the St. Ann Foundation.

END

