



## PRESS RELEASE

Contact: Michael Shields  
mshields@policymattersohio.org  
330.906.2062

### **CEOs at wealthy Ohio corporations paid 273 times as much as their typical employee**

Fifty-three of Ohio's largest employers paid their CEOs a median of 273 times what they paid the typical employee in 2022. That's according to a new report by Policy Matters Ohio that compiles the ratio of CEO pay to the median employee — the person whose pay falls in the middle - for all Ohio's largest 100 employers required under the Dodd-Frank Act to report their rate to the Securities and Exchange Commission (SEC). Together they employed 511,756 people, 9.3% of all Ohio workers in 2022. A short-term dip in stock prices that comprise most of CEOs' pay made last year's rate the lowest in the six years company level data were kept, but CEOs still gained a 1,209% raise nationally since 1978 and stock prices have nearly recovered since 2022, lifting CEO back-pay with them.

"Last year's dip notwithstanding, CEO's have captured enormous pay gains over decades by leveraging the bargaining power they have on corporate boards," said Policy Matters Ohio economist and lead report author, Michael Shields. "CEO pay came from wealth that working people created, but their wages didn't grow along with it."

Median pay among this group of CEOs was \$12.9 million last year. Two thirds of these corporations paid their CEO's at least 200 times the pay of their typical worker. Nearly a quarter paid their median worker less than the federal poverty level for a family of four of \$27,750. The 15 companies (28%) that paid their median worker between \$25,000 and \$50,000 employed nearly half of the Ohio workers at all the companies in the group, nearly 250,000 people.

On a positive note, median worker pay rose 10% over the year to \$53,321. This change insulated workers from inflation and will be a lasting change that doesn't fluctuate like stock prices. It came ahead of significant union contract wins this year by workers at some of the biggest firms, who highlighted enormous CEO-to-median worker pay at their companies in their campaigns.

"Those victories helped workers to secure substantial pay gains, provided more stable jobs for temp and other marginalized workers, and committed companies to investments in communities where workers live," said Shields.

The report recommends reining in outsized CEO pay with tax penalties; allowing shareholders a binding vote on pay and corporate responsibility; restoring prohibitions that long outlawed share buybacks as a form of price manipulation; and boosting workers' pay and voice with a livable minimum wage and policies to support workers' efforts to form a union.

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*Policy Matters Ohio is a nonprofit, nonpartisan state policy research institute with offices in Cleveland and Columbus.*