



PRESS STATEMENT

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Minimum wage gets inflation adjustment January 1 \$8.80-per-hour still not enough to make ends meet

Next month, Ohio's minimum wage gets a 10-cent adjustment to \$8.80 per hour to keep up with rising prices. Last January's change kept the wages of 84,000 Ohioans from losing value. This year, the recession disproportionately harmed people who work in sectors that pay low wages. Those working in restaurants accounted for 49% of the people affected by the most recent adjustment, while retail workers made up 16.3% of the group. The upheaval these sectors have faced makes it too soon to calculate the index's scope even as COVID-19 showcases just how critical – and underpaid – Ohio frontline workers are. Policy Matters researcher Michael Shields issued this statement:

“The pandemic has shed light on how much we all count on the work done by our fellow Ohioans, especially those on the frontlines caring for the sick and elderly, keeping the food supply chain flowing, and delivering essentials to our doors. Yet many of Ohio’s frontline workers are among the state’s lowest paid. Congress failed to pass separate hazard pay proposals made this spring [by House Democrats](#), and [Sen. Mitt Romney](#). Premium pay implemented by [some Ohio employers](#) early in the pandemic has since ended even as COVID-19 cases continue to rise. It’s time to give Ohio workers a meaningful and lasting raise.

“Next month’s minimum wage adjustment safeguards the wage against losing buying power over time. That’s because Ohio voters wisely tied the minimum wage to inflation when they raised it in 2006, but by then policymakers had already neglected the wage for so long that it [lost much of its value](#). The peak minimum wage covering Ohio workers – the federal wage back in 1968 – was worth more than \$12 per hour in today’s dollars. [Ohioans working on the frontlines](#) deserve policies that keep *them* safe on the job, and a minimum wage that recovers lost ground and affirms the dignity of work.

“[Florida voters](#) this November made their state the ninth plus D.C. to pass legislation raising the minimum wage to \$15 per hour through stepped increases. [A Policy Matters study](#) found that similar legislation in Ohio could benefit around 2 million Ohioans, though that number has likely been reduced by job losses caused by the COVID recession. Policymakers should also eliminate the carve-out that lets tipped workers’ employers claim those tips to offset up to half the minimum wage. The tipped minimum wage allows employers to get away with paying [low wages, stealing their workers’ wages, and committing abuse](#).

“Ohioans working on the frontlines have always been essential. Today’s health crisis reminds us why. It’s time to recognize their value and to pass a \$15 minimum wage that meets the cost of living.”

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