



PRESS STATEMENT

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Minimum wage to track inflation to \$10.10 January 1 40-year inflation high shows wisdom of voters' safeguard

Next month, Ohio's minimum wage gets an 80-cent adjustment to \$10.10 per hour to keep up with rising prices. The adjustment is the biggest on record, and will benefit some 466,000 Ohioans. The Economic Policy Institute estimated that 188,300 Ohioans now paid less than \$10.10 will see a direct wage increase from the index, and 278,000 currently paid a little more will get a likely boost as employers adjust pay scales. The change will help Ohioans of all backgrounds: 289,000 women and 179,000 men; workers who are Black (81,000), white (331,000), Hispanic (27,000), Asian (9,300) and other races (18,000). Two-thirds of workers affected by the adjustment are age 20+, and 356,000 Ohio children live in households that will benefit. Policy Matters Ohio researcher Michael Shields issued this statement:

"In 2006, Ohioans came together and voted to increase the minimum wage. In their wisdom, they indexed the wage to inflation, so it won't lose value over time. While those new pay scales won't push up workers' buying power, they serve as a vital safeguard against inflation, which hit a 40-year high this year. Without a similar index, the nation's minimum wage has lost nearly half its peak value. The vital wage adjustment is a direct result of Ohioans exercising their right to bring important issues to the ballot. It underscores the need to defend voter access to direct democracy against [hostile legislative attacks like now stalled House Joint Resolution 6](#).

"Now policymakers must take steps to return buying power to low- and middle-income Ohioans across the board. That starts with restoring working people's ability to bargain for their fair share of the wealth they make possible. Once again this past year, [Ohio workers were more productive than ever before](#), but the [wealthiest have captured most of the gains](#) over recent decades. Delivering power back to working people means supporting their efforts to join together in union.

"It also means using more [targeted strategies to rein in inflation](#), so the low- and middle-income Ohioans harmed the most by inflation will not also bear the cost of bringing it down. With progress through the second half of the year - inflation fell from 9.1% in June to 7.1% by November - policymakers at the Fed must ease off interest rate hikes that can kill jobs until all states have recovered their pre-COVID number. [Ohio has just over 100,000 jobs left to restore](#).

"No matter our race or gender, a thriving economy takes all our work, from the child care teacher to the grocery cashier. While Ohio's minimum wage index has proven its worth time and again, what it can't do is provide Ohio workers a true raise, over and above the level of price rise. It's time for Ohio to join 12 states and D.C. where four in 10 Americans work and [pass a \\$15 minimum wage](#) that meets the cost of living and honors the value of work."

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