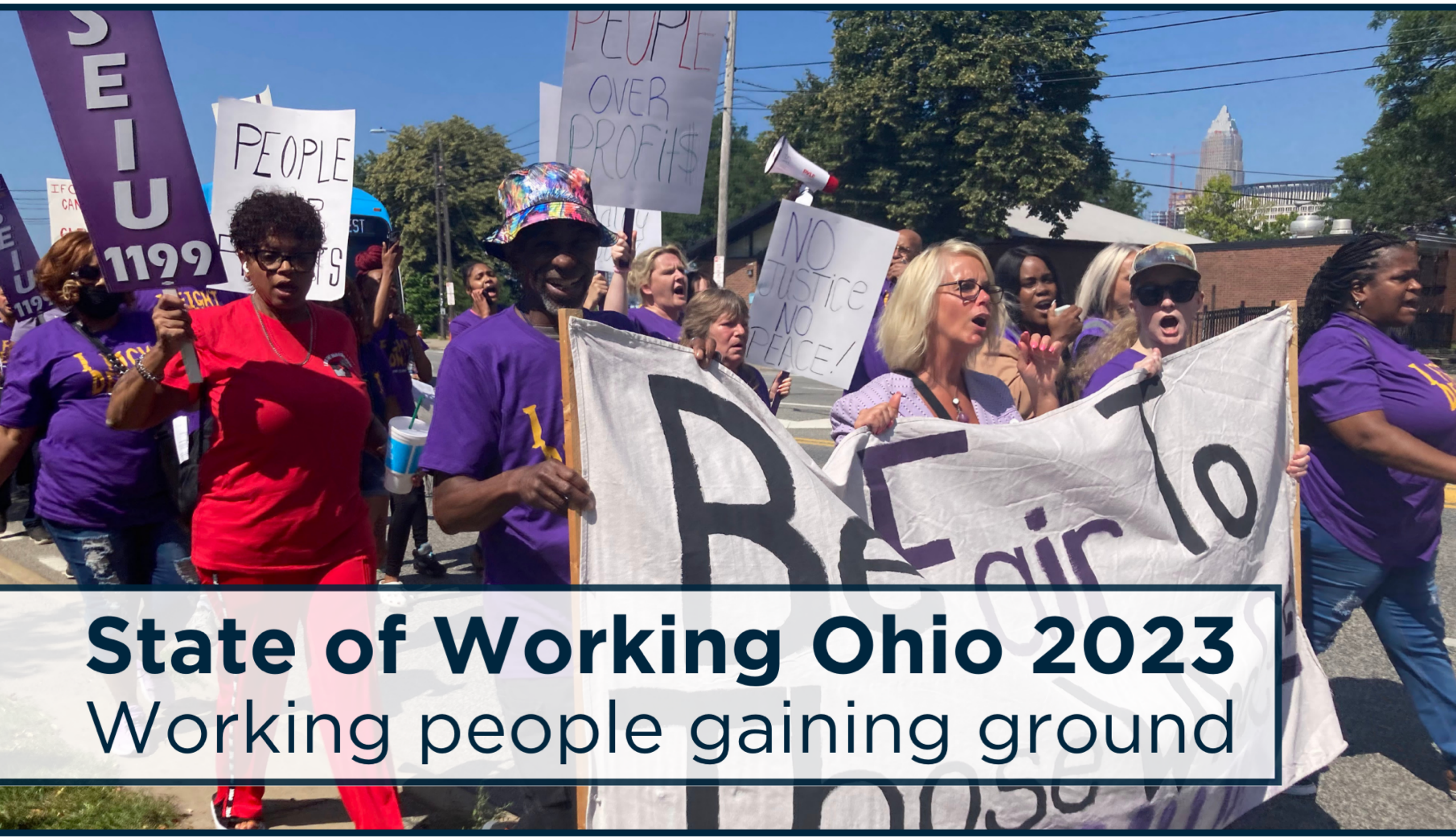
Policy Matters Ohio



State of Working Ohio 2023

Working people gaining ground

Michael Shields
Jazmine Amoako
Bryce Springfield

The State of Working Ohio is Policy Matters Ohio's annual report on work, wages and the labor force in our state. It is made possible with funding and other support from The George Gund Foundation, Economic Policy Institute, The Economic Analysis and Research Network and the Center on Budget and Policy Priorities.

As always, it is dedicated to working people of Ohio.

Policy Matters Ohio

September 2023

The State of Working Ohio

Cover photo: Bryce Springfield. Special thanks to SEIU 1199.

Contents

This July, Ohio reached a critical milestone. The state posted the largest number of jobs in its history: 5,639,200. Reaching this benchmark was especially important because the previous peak was more than 23 years ago, in May 2000. The July jobs number is preliminary, so we could learn that the true milestone came a month or so before or after, but what's clear is that Ohio's recovery from the COVID-created recession stands in stark contrast to the two decades prior, in which the state's recoveries from recessions were slow and incomplete. This could be a turning point for the state. After decades in which corporations held wages nearly flat and captured most of the economic gains made possible by Ohio's working people, the labor market is tilting in favor of workers.

Many of the challenges made more acute by the pandemic were not new. They were the result of longstanding structural shortfalls in our labor market's ability to deliver a high quality of life to all those who spent their lives working. What remains to be seen is how well we use the lessons learned to forge lasting change to the way Ohioans live and work that enable all people to thrive.

Today Ohio's strong labor market is more favorable to working people than at any time since the Great Recession and, by some measures, much longer. This tight labor market is the labor market Ohio needs. This is long overdue good news that policymakers should sustain as long as possible to reverse the setbacks working people have faced over the last two decades of plunder. Year after year, corporations and the wealthiest have held wages flat for middle-income earners and pushed them down for some, even as working people make the state wealthier than it's ever been.[1] The strong labor market is also vital to pressure employers to hire those workers most marginalized in the labor market. Unemployment rates for Black workers have consistently run double that of their white counterparts in good economic times and bad, for as long as the data have been kept. No policy attempt has yet succeeded in getting employers to hire Black workers at parity with their white counterparts. With that reality, and with inadequate policy in place to support equity in education and on the job, it takes a very tight labor market to force employers in aggregate to overcome bias, discrimination and systemic failings to hire the Black women and men still most likely to be sidelined from work.

Ohio's statewide jobs recovery masks sustained challenges in a majority of Ohio communities to recover the jobs lost to the COVID recession. Just four of Ohio's 11 Metropolitan Statistical Areas (MSAs) had more jobs by July than they did before the pandemic recession. Strong growth predominantly around Cincinnati and Columbus is creating opportunities for people there and boosting the statewide jobs total, but jobs have yet to fully return to most Ohio communities. Ohio's low unemployment rate is remarkably good, but it is only historically low because some 100,000 Ohioans have yet to come back to the workforce. While some have opted out of work, others struggle to manage childcare along with paid work.

Despite low unemployment, many Ohio jobs remain poor quality and many employers still pay poorly. Low wages hurt all workers but especially harm Black workers and other workers of color, women and migrant workers — all of whom are especially likely to be underpaid. Their disproportionate representation in low-paid jobs is the result of structural racism and sexism, rooted in chattel slavery. Until we confront and dismantle its legacy, we will continue to tolerate economic outcomes that systematically undervalue the contributions of specific working people based on their status as members of affected demographic groups. That includes undervaluing the occupations in which these workers are overrepresented.[2] We must confront these issues now.

The strong labor market has set up a clash between working people whose power – mostly through organized labor – is resurgent after decades of losses and a corporate lobby still determined to secure a steady supply of cheap labor by getting more creative about the pools of people it can force into low-paid work. Ohioans are making demands for better pay and working conditions after decades of wage suppression That includes demands for greater flexibility to care for their families, with benefits such as paid family and medical leave, and remote or hybrid workplaces with some work done from home so that working parents can care for children. Meanwhile firms are broadening their sights to consider new groups of workers. That includes progress — such as opening opportunities to Ohioans harmed by the criminal legal system — and concerning trends, such as lobbying lawmakers to clear pathways to staff children for later shifts on school nights.

It remains to be seen whether working people's new expectations of work that arose in response to the trauma and instability wrought by COVID-19 will persist as permanent structural changes to employment arrangements or be defeated by corporate attempts to suppress them.

Key Findings

- Ohio has restored the number of jobs lost to COVID-19. However, that recovery was confined to just four metro areas with significant job growth, while most Ohio communities continue to face jobs shortfalls.

- By some measures, Ohio's labor market is highly favorable to working people, with a record low unemployment rate and two job openings per unemployed worker. However, for a significant share of Ohio working people, this tight labor market is not translating into livable wages, and understaffing is creating additional work and stress for those on the job.

- Pay growth in the COVID era was limited to low wage Ohioans and was substantial for that cohort following decades of flat wages.

- This recent pay growth, however, has not been enough to reverse decades of widening inequality between more and less privileged workers, and inequality between workers and their employers has skyrocketed.

- Based on MIT's living wage calculator, a family of four with two working parents needs each to be paid at least $24.53 per hour, meaning that Ohioans aren't paid enough to support a small family until they reach the 60th percentile of all working people in the state.

- To restore a steady supply of cheap labor, Ohio employers are seeking access to more vulnerable workers including children and people harmed by the criminal legal system; classifying workers as contractors to skirt labor protections; funding the Issue 1 campaign to cut off Ohioans' ability to raise the minimum wage through direct democracy; and asking lawmakers to worsen the hardship workers face in unemployment.

- Inflation slowed to 3 percent this summer, giving the Federal Reserve ample space to slow inflation-suppressing measures. Because the strong growth economy makes our labor market more effective and fair, the Fed should back off further efforts to reduce inflation.

Today's tight labor market is helping workers share in prosperity for the first time in decades

By some measures, Ohio is experiencing the tightest labor market in a generation. That is, jobs are relatively plentiful compared to the number of workers. This report will delve into many facets of that story: how a jobs boom concentrated in some parts of the state has driven Ohio as a whole to record job numbers, but left large swaths of the state with fewer jobs than before the COVID recession; how strong demand for workers is helping them to negotiate better wages and terms of work with their employers; how – in effort to retain a steady supply of cheap labor — some employers are trying to tap new and more vulnerable pools of workers or lobby the legislature to put more workers in that category; and how the tight labor market is opening new doors to long-marginalized people and better enabling them to participate in work and share in prosperity.

Ohio needs a tight labor market with strong demand for workers. Today's tight labor market is vital to restore decades of suppressed wage growth, during which workers produced more wealth than ever, but corporations and the wealthiest captured most of the gains. It is also vital to overcoming labor market discrimination and pushing employers to hire those Ohioans frequently marginalized — especially Black working people whose unemployment rate trends at double that of white counterparts in good economic times and bad. Today's tight labor market supports wage growth because, unlike in most years in recent history, employers are forced to compete for workers instead of workers competing for too few jobs to go around. Working people at the bottom of the pay scale have achieved real wage gains –gains that exceed inflation – throughout the course of the pandemic.

Having unfilled jobs is far better than having people out of work: Most Ohioans rely on wages to survive. While a job opening with no takers limits a business's ability to grow, it also signals that the labor market is working as it should: by matching workers to jobs where they can be most effective. A company that struggles to hire can overcome this constraint by reworking its business plan. This is how the labor market is supposed to work. It is supposed to motivate workers to move to the jobs where they can realize the highest pay and best working arrangements. The firms that offer the best can do so because they are the most effective at putting employees to work on high-value tasks. When the labor market works in this way, we all benefit.

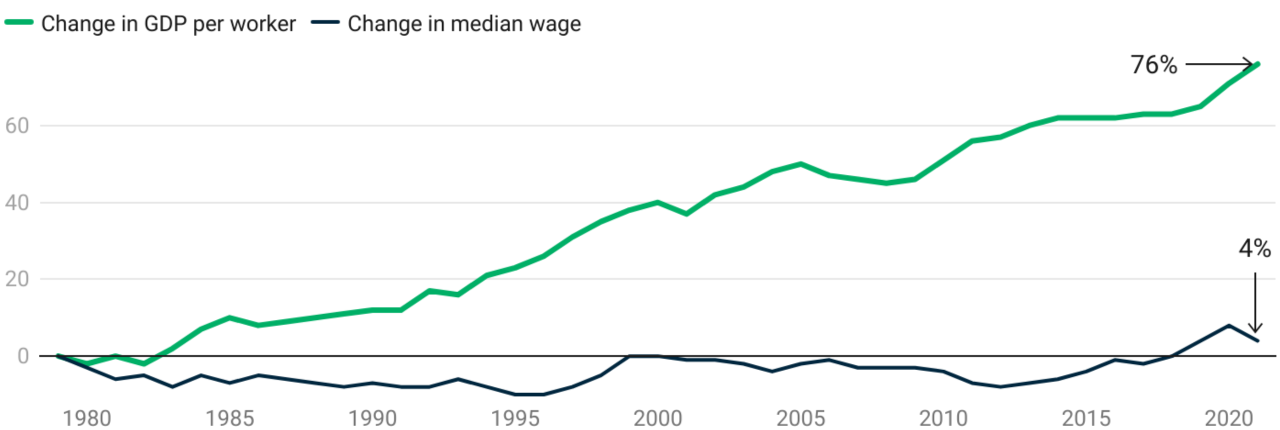
Employers have successfully held wages down despite Ohio workers producing more wealth than ever before

This strong labor market could help rebalance income distribution, which has been out of whack for decades because corporations and the wealthiest have successfully rigged the rules of our economy to their benefit and used their power to capture nearly all the growth working people produced, breaking the link between productivity and pay. While Ohio working people became more productive on the job than ever before, their wages hardly budged. From 1979 to 2021, gross state product per worker grew by 76 percent in Ohio. This means each Ohio worker produced 76% more on average than their counterpart four decades prior. However, wages for the median Ohio worker rose just 4% over that timeframe. See Figure 1. These figures account for the fact that Ohio also added some 994,000 workers over this timeframe (22%). Counting both new workers and their productivity gains, Ohio workers produced twice as much wealth in 2021 as they had in 1979 (101% more).

Figure 1

Ohio workers more productive than ever, median wage barely changed in four decades

Change in Ohio per-worker GDP versus change in median wage, 1979-2021



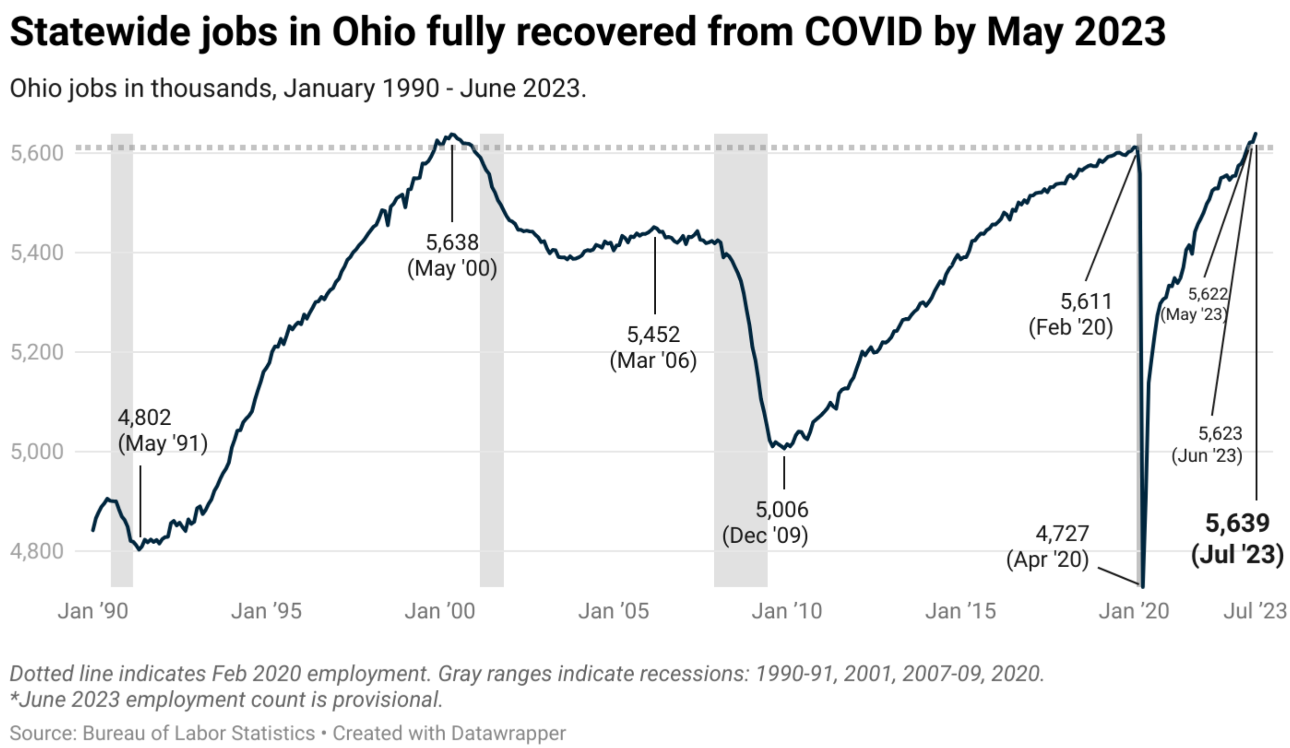
Productivity per worker derived from state Gross Domestic Product divided by employed workers. State GDP from Bureau of Economic Analysis. Note trend line combines data measured from Standard Industrial Classification through 1997, and North American Industrial Classification System beginning that year. Wages from Economic Analysis and Research Network.

This outcome makes clear that simply doing well at one's job does not translate into a good living on its own. To restore balance, Ohio policymakers must pass policies that retain existing high-quality jobs and improve the quality of now low-paid service sector jobs, which make up a growing share of our jobs mix. This means supporting high wages directly with a minimum wage that meets the cost of living and supporting workers' ability to form unions that help them counterbalance concentrated corporate power. Policy Matters Ohio's May Day report, A New Way Forward, lays out a 10-point policy strategy to support working people in Ohio. An overview of the policies is included at the end of this report.[3]

Ohio recently posted the largest number of jobs in state history

Ohio fully recovered our pre-COVID jobs level in May 2023, then went on to post the highest number of jobs in the state's history by July, with 5,639,200 jobs.[4] These job numbers are preliminary and will undergo a revision in September and a benchmark in March 2024 for improved accuracy, so we may later learn that the milestone was reached a month or so sooner or later than first identified, but this figure is consistent with the strong growth trend of recent months and represents a major breakthrough.

Figure 2



Recovering the jobs lost to COVID-19 in less than half the time it took to recover jobs form the Great Recession is a triumph for good public policy. Whereas the prior recovery was slowed by austerity policies that choked off government spending when it was needed most, the federal response to the COVID recession was scaled to the size of the crisis.

In a recession, individuals and businesses cut back on spending to preserve their bottom line, a response that can deepen the cycle. But the government — accountable to the public as a whole — commands enough resources and is sufficiently coordinated to restore enough spending to end a recession. Economists have understood this for nearly a century.[5] But in 2011 when the U.S. was still struggling to overcome the Great Recession, Republican Congress members forced spending cuts as a precondition for raising the debt ceiling, a stunt first used in that crisis which they have since repeated.[6] Reducing public spending when it was needed most made that recovery the slowest since the Great Depression. The federal response to the COVID recession was different. By pushing unprecedented levels of aid out to individuals, businesses, and state and local governments, federal policymakers spared many families from being financially ruined by unemployment, prevented widespread business closures and jumpstarted a rapid recovery that has led to the strong growth economy we enjoy today.

This recovery also benefitted from the fact that the COVID recession was caused by the necessary stay-at-home orders issued in Ohio and other states to protect residents and prevent the healthcare system from being overwhelmed. Absent COVID-19, there was no underlying economic reason for recession, meaning many businesses were able to quickly resume operations when it was once again safe to do so. This too represents good policy: Congress paid businesses who retained workers in the downturn, and made robust unemployment payments to laid-off workers so that they stood ready to go back on the job.

Today's record jobs level has been decades in the making. Until this July, Ohio had never regained all the jobs lost to the early 2000's recession. The state's previous record was 5,638,000 jobs in May 2000. Over the last two decades, Ohio has only barely or nearly restored job losses from each downturn before the next occurred to set the job market back again. It took Ohio 117 months to fully recover the number of jobs it had in March 2006, on the eve of the Great Recession.[7] Over the same time, the U.S. added nearly 19 million jobs (17.4%) — enough to insulate it against the shock from the COVID recession. COVID did not reduce the U.S. back to year 2000 job levels.

By contrast, Ohio employers cut much more steeply in bad economic times, then only added enough jobs to reduce deficits during recovery years, never fully restoring jobs to their peak[8] — until now. This new peak is good news, but it's tempered by the fact that in the time since the previous peak, Ohio's population has grown by 392,500 people.[9] That growth rate (3.5%) is modest — but it is 162 times the growth rate of Ohio jobs over the same timeframe (0.02%).

Because of these slow recoveries, past recessions have harmed working people with periods of joblessness and suppressed wages that persisted for years of their working lives. Slow job growth has limited work opportunities for job-seekers and the abundance of available workers competing for too few jobs enabled firms to hold wages down broadly, making it very difficult for working people to win pay increases commensurate with their productivity growth. Today, the relative scarcity of workers for available jobs flips that script, opening opportunities for workers to find better jobs or renegotiate for better terms at the ones they've got.

Tight labor market helping Ohio workers, but not all can participate

Available jobs significantly outpaced the number of job seekers for the first time

Led by strong demand for workers in and around Columbus and Cincinnati, jobs have returned to Ohio in the aftermath of COVID-19. By May of 2023, the number of job seekers per job opening had fallen to 0.5.[10] That figure had reached a peak of 5.5 unemployed people per job in April 2020. By comparison, the number of job seekers per job averaged 6.7 in 2009 and 2010 during the Great Recession and exceeded 8-to-one on two occasions in that window. After briefly trending just below one worker per job before the COVID recession, the number of available jobs first substantially exceeded the number of job seekers in June 2021, marking an inflexion point that created more job choice for Ohio workers after many years when firms had their pick of multiple workers scrambling to land a job. Figure 3 shows the number of unemployed Ohioans per job.

Today's tight labor market is vital to restore decades of suppressed wage growth and to extend recovery and new opportunity to marginalized working people. Though workers in much of the state are leveraging the tight labor market, many Ohioans live in communities it has yet to reach.

Figure 3

More jobs than job-seekers is the labor market Ohio needs now

Unemployed Ohioans per job opening

Dotted line indicates a 1:1 ratio (one job for every job-seeker).

Chart: Policy Matters Ohio • Source: Job Opening and Labor Turnover Survey December 2000 through June 2023. June 2023 figure is preliminary • Created with Datawrapper

Jobs recovery has not reached all parts of the state

A key feature of the COVID recovery is that it has yet to reach all regions of the state. Instead, Ohio's jobs recovery has been concentrated to just four metro areas: Columbus, Cincinnati, Springfield and Dayton.[11] These regions have created so many more jobs than they had before COVID-19 that their growth makes up for persistent job shortfalls in most of the state. Of Ohio's 11 MSAs, seven have yet to restore the jobs they had before the COVID recession. Greater Cleveland was still missing 24,800 jobs by July of 2023. The rural MSA of Lima and its surrounding towns was down 1,800 jobs, a figure that accounted for a 3.4% shortfall for that smaller community. This means that, while the statewide jobs recovery is a critical and long needed benchmark, it obscures a geographical mismatch between where many of the new jobs are available and where most Ohioans live.

Figure 4

A few metro areas account for most job gains

Jobs restored in Ohio and 11 Metropolitan Statistical Areas

Region	July 2023 jobs	Change in jobs since February 2020	Percent change in jobs since February 2020
Ohio	**5,639,200**	**28,100**	**0.5%**
Cincinnati	1,167,300	39,900	3.5%
Columbus	1,155,700	30,600	2.7%
Springfield	51,000	1,900	3.9%
Dayton	394,100	1,500	0.4%
Mansfield	50,700	−500	−2.5%
Lima	51,300	−1,800	−3.4%
Canton-Massillon	171,100	−2,600	−1.5%
Youngstown-Warren-Boardman	210,000	−5,200	−2.4%
Akron	334,600	−5,700	−1.7%
Toledo	302,800	−8,900	−2.9%
Cleveland-Elyria	1,058,700	−24,800	−2.3%

Source: Source: Bureau of Labor Statistics, with Ohio Department of Job and Family Services Labor Market Information, Current Employment Statistics, February 2020 and July 2023, seasonally adjusted data. • Created with Datawrapper

Columbus and Cincinnati are enjoying the benefits of a job mix different from that of much of the state. Most of Ohio's cities grew as manufacturing hubs and most have depopulated as manufacturing jobs have been eliminated due to offshoring and automation.[12] Columbus and Cincinnati have more diverse economies, including large universities; headquarters of banking, insurance and other large firms; and a large market for information technology jobs.[13]

Policymakers have invested enormous resources into efforts to attract new private sector jobs to Central Ohio, most notably over $2 billion to Intel Corporation to build two semiconductor plants. These strategies fuel a low-road strategy that pits states and communities against one another to attract powerful corporations with incentives that extract needed revenue from the community and shift the added infrastructure costs onto other taxpayers. Incentives often lack transparency, and firms have been known to renege on their commitments, as General Motors did when it shuttered the Lordstown Chevy Cruze plant.[14] An alternative strategy would focus on longer term, better distributed development. Investing in teachers and child care could increase jobs across the state and improve outcomes for kids.

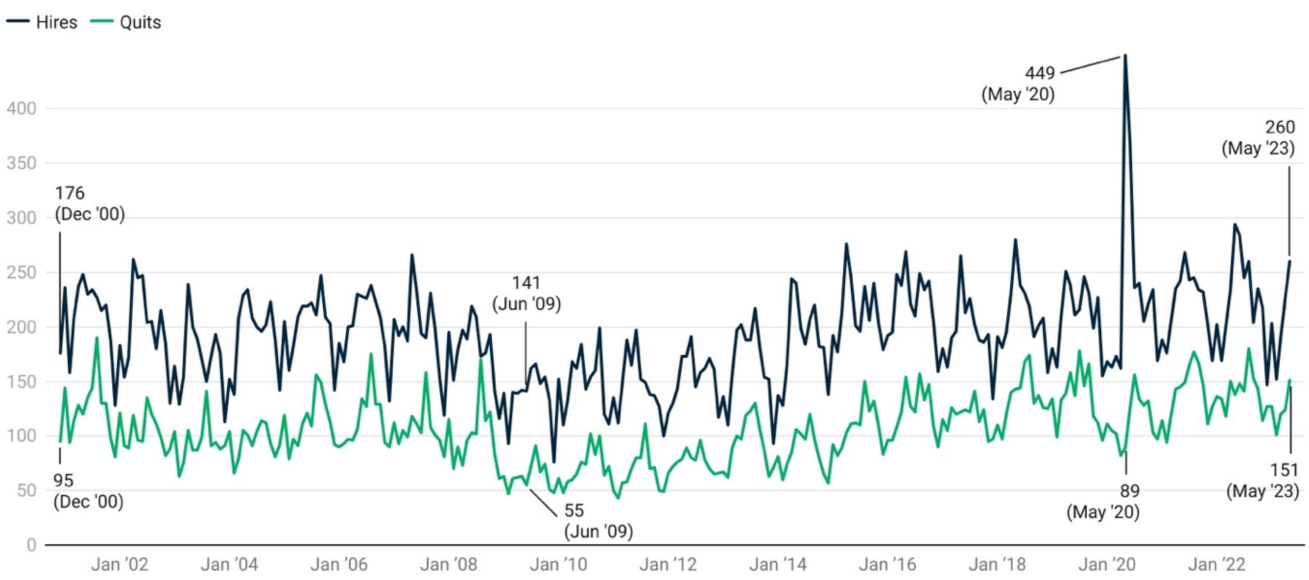
Ohioans are leaving jobs for better ones

Figure 5, from the Job Openings and Labor Turnover Survey, shows that, while a relatively large number of Ohioans have left their jobs in recent months, most are not leaving the workforce, but trading up for better jobs. In May 2023, 151,000 Ohioans quit their jobs, but 260,000 were hired.[15] The number of Ohioans hired has exceeded the number who quit every month on record.

Figure 5

The monthly number of Ohioans hired has exceeded the number who quit, every month on record

Hires and quits in Ohio in thousands, Dec 2000 - May 2023, not seasonally adjusted.



Source: Bureau of Labor Statistics • Created with Datawrapper

Workforce participation[16] in Ohio never rebounded from Great Recession

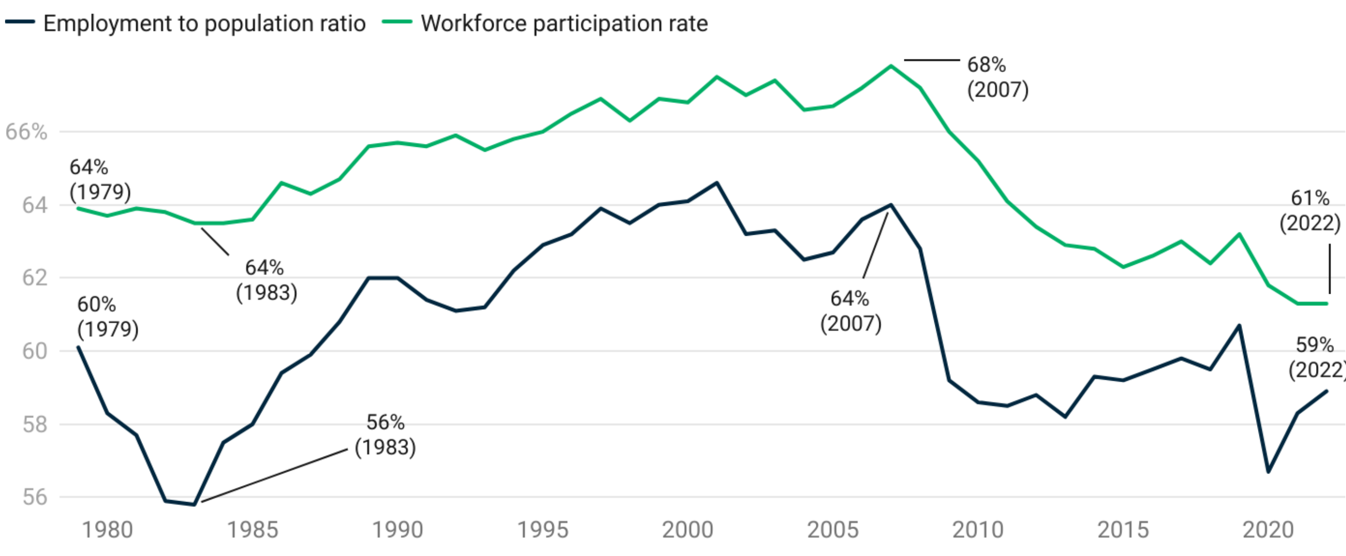
This tight labor market exists in part because some Ohioans are sidelined from work: Some 100,000 fewer Ohioans are in the job market today than before COVID-19.. Factors pushing Ohioans out of the labor market include both demographic changes that were already under way before COVID-19 — namely, the aging Ohio population — and new developments since the pandemic. Those include continuing to be at high-risk for severe COVID complications; becoming disabled from long-COVID; living in areas that have not been included in the recession recoveries; and other practical challenges, especially child care needs.[17] A quarter of women surveyed by the Chamber of Commerce who left the workforce after experiencing unemployment said that others in the family made enough money that working fulltime was no longer essential for them.[18] (The high costs of child care that families take on when all adults work outside of the home is likely a factor in this calculus.) Understaffing has also led to burnout among many workers who stayed on the job through COVID; they were forced to take on more work, often with no increase in pay.[19]

Ohio's workforce participation rate has never again approached its peak of 67.8%, reached in 2007 just before the Great Recession. COVID-19 sent many Ohioans home from work and some have yet to return to the job market. The labor force shrunk by 359,000 people from February to April of 2020. Most Ohioans who left the labor force have since returned or been replaced by new job seekers, but 101,000 Ohioans remained out of the workforce by June 2022, making the workforce smaller by 1.7%.[20] Workforce participation reached 62.1% in July 2023.[21]

Figure 6

Ohio's employment & workforce participation have dropped since 2007

Employment-to-population ratio and workforce participation, Ohio, 1979-2022



Source: Economic Policy Institute • Created with Datawrapper

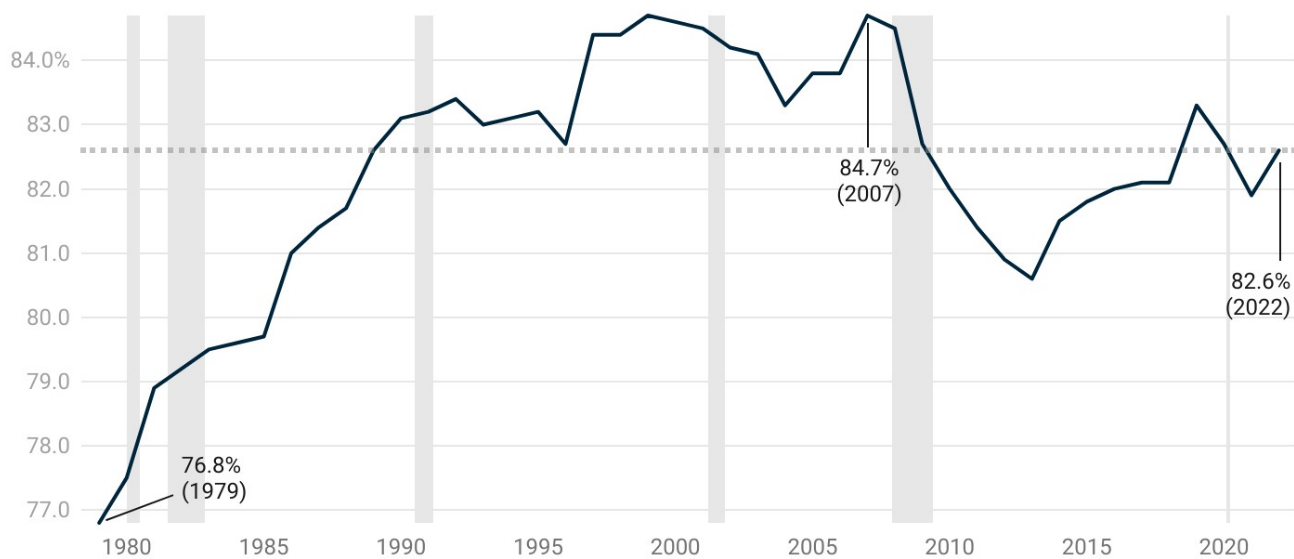
Employment-to-population ratio[22] remains below the '07 peak

Ohio's workforce is experiencing a slow recovery, both because a smaller share of Ohioans are working and because the state's population is beginning to contract.

As Figure 7 shows, the employment to population ratio (EPOP) for prime-aged Ohioans (25 to 54) has recovered since 2020, and reached 82.6% by 2022, showing that people who are in their prime working years are, in fact, working. Ohio's prime-age EPOP is slightly better than the nation's, which was 79.9% in 2022. Though Ohioans in prime working age were slightly less likely to be in the workforce than in the last period of growth ended by the Great Recession, they worked (or sought jobs) at higher rates than in most of the long recovery from that recession. The growth in the share of prime age Ohioans working throughout the 1980's likely reflects more women entering the workforce. On the whole, these numbers suggest that Ohio's aging population is a major factor suppressing employment and workforce participation. But with prime-age EPOP 2 points below its 2007 peak of 84.7%, policymakers should also address challenges sidelining people in their prime working years. One major priority should be providing adequate and affordable child care.[23]

Figure 7

Prime-age employment-to-population ratio, Ohio, 2022



"Prime-age" refers to ages 25-54. The dotted line indicates the 2022 level of prime-age employment-to-population. Gray segments represent recessions.

Source: Economic Policy Institute • Created with Datawrapper

Ohio is also contending for the first time with a shrinking population. Due largely to COVID-19, a record number of Ohioans died in 2020 when the state lost 143,600 people, then again in 2021 when 147,500 Ohioans died.[24] 2020 was the first year that deaths exceeded births for the state (by 14,000). Ohio's population is projected to continue to fall through 2050. Among all age groups, only those aged 75+ are expected to increase in population by then.

Who is in the workforce?

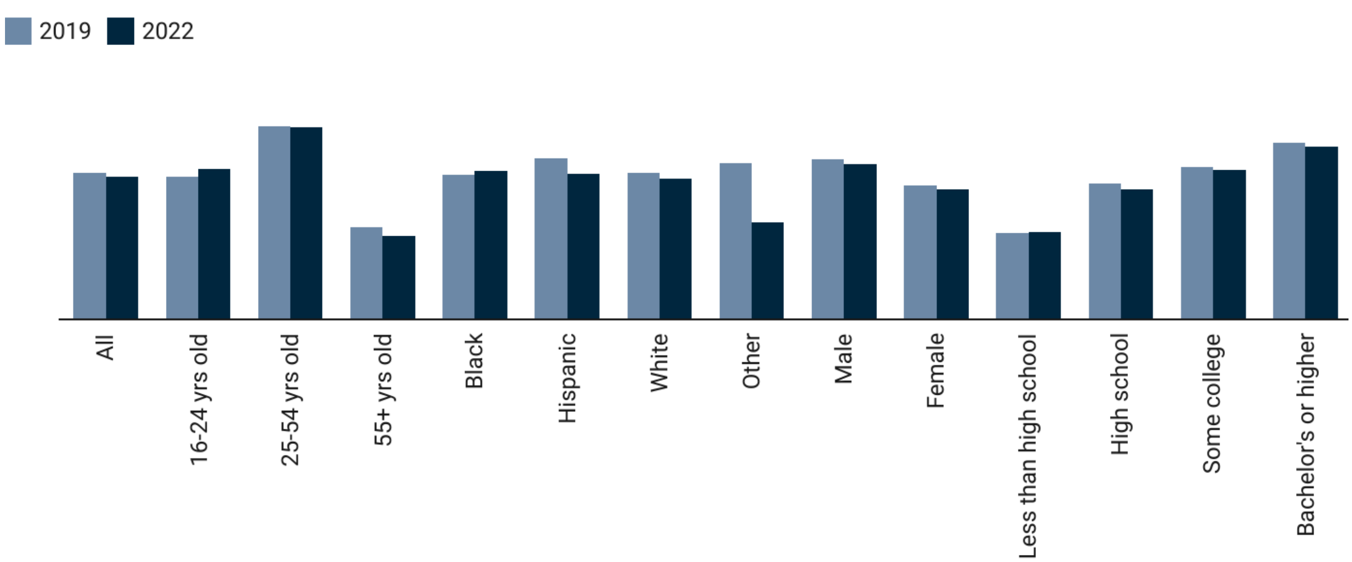
Disaggregating workforce participation data helps explain why Ohio struggles to rebuild its workforce. Figure 8 shows the workforce participation rate and employment-to-population ratio for various groups of Ohioans. Ohio's aging population is a major driver of the state's reduced workforce participation rate. In 2022, 18.4% of Ohioans were aged 65+.[25] Workers aged 55 and up were the age group most likely to leave the workforce during COVID-19 and not return. Their participation fell 3.6 points (9.0%) from 2019 to 2022. Young people aged 16 to 24 increased their participation by about as many points (3.7 points, 6.0%). Those in their prime working age were only slightly less likely to work or seek work by 2022 as they had been in 2019, down 0.7 percentage points.

By race, Black Ohioans were the only group to increase workforce participation from 2019 to 2022, up 1.3 points (2.1%). White Ohioans left the workforce by 2.3 points (-2.7%), indicating that they may have had more options available to them to leave work. Hispanic[26] workers' participation fell 6.6 points (9.5%), a notable drop that may reflect their disproportionate representation in jobs that were shuttered by COVID-19. Notably, though Black Ohioans were more likely to be working or seeking work than their Hispanic or white counterparts by 2022, they were employed at no higher rate than the other groups. Though workforce participation for Black Ohioans was 3 points higher than white counterparts at 64%, just 59% of each group had a job.

Figure 8

Only Black workers and young workers increased workforce participation

Ohioans' workforce participation rates by demographic characteristics



Source: Economic Policy Institute • Created with Datawrapper

Ohioans across race are about equally likely to participate in the workforce and to have jobs by 2022, except for those Ohioans the survey categorized as belonging to "other" races. The "other races" category and label used by the Census Bureau include people of diverse backgrounds, from

Indigenous people to residents of Asian origin. They are grouped together because they represent small populations and too few of them are counted in the survey that makes up the dataset to reliably report on without combining populations. It is important to recognize that this category aggregates many people of diverse backgrounds; better measurement is needed to understand their unique challenges. Over a third of Ohioans of other races left the workforce from 2019 to 2022, a remarkable change that is difficult to understand without more information about who they are.

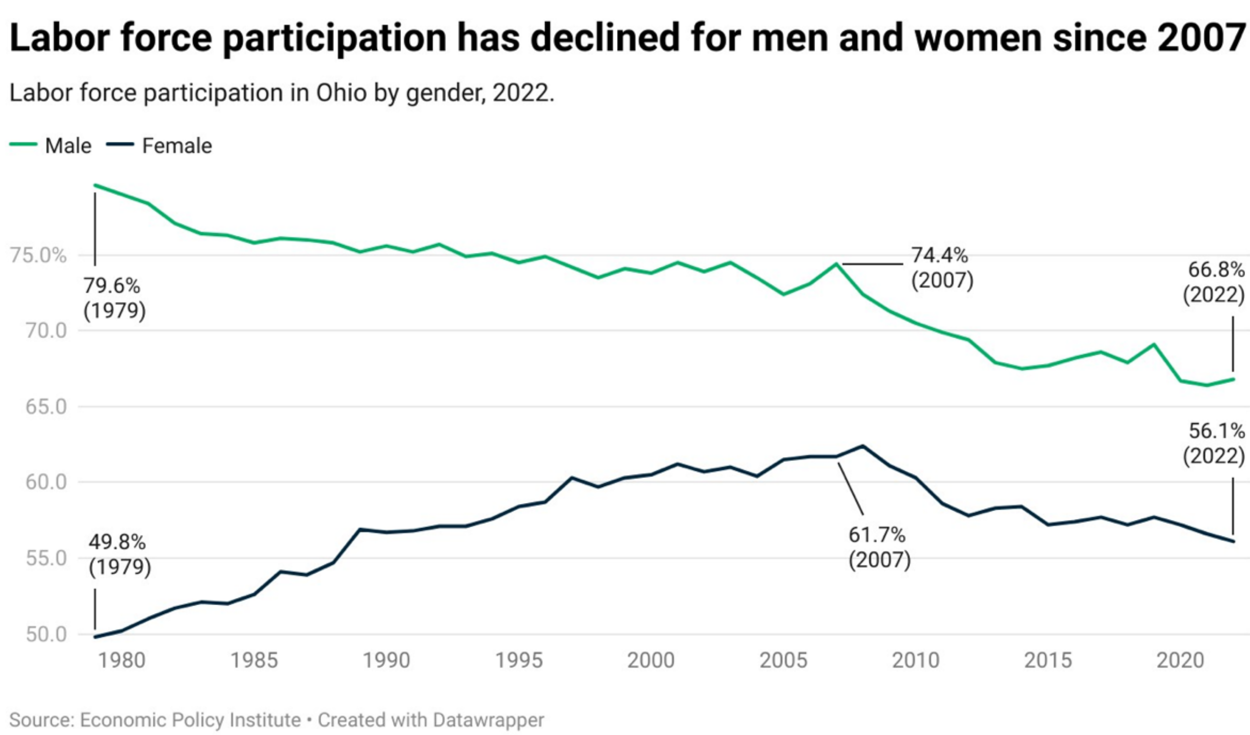
Rates of workforce participation were higher for those with higher educational attainment, and more-educated workers were less likely to leave the workforce during COVID-19. Workers with a college degree were most likely to have benefits such as the ability to work from home during the pandemic. Notably, even Ohioans with some college were more likely to be working or seeking work than those whose highest education level was high school, even though the "some college" cohort includes active students who have yet to graduate.

Men and women[27] in the workforce

After reaching a record low of 66.4% in 2021, men's workforce participation rebounded slightly to 66.8% by 2022. While COVID-19 forced many men out of work, men's workforce participation has been on a general decline since data were kept starting in 1979.

Women's workforce participation was even lower than men's, at 56.1% in 2022, a low not seen since 1988. When the data series began in 1979, only half of women were in the workforce, compared with 80% of men. But women were already joining the job market in record numbers as their male counterparts left it, narrowing the gap in workforce participation. That trend reversed with the Great Recession, when women's workforce participation began to fall along with men's. Women were displaced by COVID more than men and were more likely to leave the workforce altogether. COVID-19 dramatically increased the workload of caregiving tasks, which were largely picked up by women. Barriers to work, like child care and low pay, prevent women from moving back in. Figure 9 shows men's and women's long-term workforce participation.

Figure 9



Various factors limit women's freedom to participate

Our policymakers have allowed corporations to craft an economy in which two people must do paid work to maintain a standard of living once affordable with one income. However, they have failed to build the structures that make work participation possible, instead expecting families to function as if all women were stay-at-home moms.[28] Even when they work full-time jobs, women continue to shoulder the bulk of child and home care responsibilities.

Even where child care is available, it is costly — often prohibitively so. The U.S. Department of Health and Human Services (HHS) defines the cost of child care as burdensome if it exceeds 7% of a family's budget. In Ohio, infant care for a single child costs 16.9% of the median family's budget on average ($9,687 a year). Child care for a 4-year-old averages 13.8% ($7,895).[29] In other words, most Ohio families with young children (not just those with low incomes) have been priced out or burdened by the cost of child care. This is despite the low wages paid to caregivers, which have driven an exodus from that field. COVID-19 exacerbated the challenges by permanently shuttering 798 child care programs across Ohio.[30] Today, 39% of Ohioans live in a child care desert.[31] The problem is especially acute outside of Ohio's major cities.[32]

The cost of paid child care is so high it can factor into parents' — especially mothers' — decision to stay at home with their own child or work in the paid labor market. Families face significant costs either way: in child care tuition or a parent's forgone earnings. The disruption can reduce the person's earnings for the remainder of her working life, and contribute to the persistent gender pay gap. As of 2022, women ages 25 to 34 were paid 92% as much as men of the same ages, but women ages 35 to 44 and 45 to 54 were paid 83% as much and women 55 to 64 just 79% as much. This means that while women face a pay gap starting their careers, the time many women spend juggling work and family pushes them even further behind over the course of their lives.[33] A family's rational response to these wage gaps — for the lower-paid parent to take a break from work to care for children — can reinforce pay suppression for women caused by other factors.

Providing enough high-quality child care at affordable costs must be a priority for policymakers seeking to grow Ohio's workforce. That will require them to ensure that child care workers are paid a livable wage that recognizes the value of the vital work they do: at least $20 per hour. Ohio pays providers of publicly funded child care so little the state was sued and forced to increase the amounts.[34] For too long, Ohio has foisted the high cost of quality care onto the people doing it, in the form of poverty-level wages that make it difficult for child care workers to provide for their own families' needs. This is one factor contributing to Ohio's persistent shortage of child care workers. A proposed federal rule would make child care more affordable for families by capping copayments at the 7% income threshold HHS recommends, and increase the amount the government pays to providers, which would stabilize them and enable them to increase wages to retain staff.[35]

Ohioans' pay, once higher, now lags the nation's

For decades, employers have suppressed working people's ability to bargain for wages that reflect their worth, and in some cases even for pay that covers basic living costs. But a tight labor market can drive up wages, and there are signs that is beginning to happen.

Wages in Ohio and the U.S.

Wages have risen in Ohio and the nation since 1979, though, as Figure 1 showed, not nearly as much as worker productivity. In Ohio, pay growth lagged the U.S. and workers experienced long periods of losses. Median hourly pay in Ohio was $21.51 in 2022, leaving it $1.37 short of the national median of $22.88. Pay for both Ohio and the U.S. grew during the recovery from the Great Recession but fell from 2021 to 2022, largely owing to historically high inflation. All wages are adjusted for inflation and reported in 2022 dollars.

Figure 10

Ohio wages improved in recent years, still less than US

Median wages US and Ohio, 1979-2022.

Wages are adjusted into 2022 dollars by the R-CPI-U-RS.

Source: Economic Policy Institute • Created with Datawrapper

Wages for both Ohio and the U.S. reflect competing trends. For instance, higher educational attainment tends to push wages up over time and may be one factor boosting wages for the U.S. higher than in Ohio, where educational attainment is lower. Ohio's relatively higher union representation in the past may account for its higher wages at the start of the series. Since then, loss of union density has hurt workers' ability to bargain for higher wages in both Ohio and the U.S., but Ohio fell further than the nation. These losses are due to corporate union busting, offshoring of once unionized domestic operations, automation, and other tactics.

The wage reversal that put Ohio below the national average is a setback for the state, which was once a destination for working people seeking opportunity. During the labor shortages of World War I, Ohio industries attracted Black southerners who were the descendants of enslaved people to its tire and rubber factories, iron works, railroads, and coal mines, where they could earn double the wages available back home.[36] They met with opportunity, but sometimes also violence at the hands of residents resentful of competition for jobs or motivated by racism. Ohio cities likewise attracted people from the mines and railroad construction of Appalachia. In 1979, the median Ohio wage was significantly higher than that of the U.S. As recently as 2001, Ohio's median wage still exceeded the nation's.

Ohio is still a destination for workers seeking job opportunity, but today's cohort consists of immigrants born outside of the U.S. They face challenges including low pay, hazardous working conditions, and precarious job security.[37] The Migration Policy Institute estimates that 89,000 undocumented people are in Ohio, with just five countries of origin accounting for 65% of them: Mexico (26,000), India (14,000), Guatemala (8,000), China/Hong Kong (6,000), and El Salvador (5,000).[38] While some are migrants who intend to return home, 67% are Ohioans who have resided in the U.S. for more than five years. Among the 83,000 aged 16+, 67% are working or seeking work, giving them a workforce participation rate about 5 points higher than the population overall. Without the influx of migrants, Ohio's labor force and population decline would be even steeper. These workers build wealth for Ohio and they deserve the same protections as all other working people.

Higher wage growth for top-paid workers widens inequality

Over the long term, top-paid workers have increased their wages much more than those in the middle and bottom. Recent years have been different, though not enough to reverse significant pay inequality accumulated over the preceding decades. Only workers at the bottom of the pay scale saw pay gains between 2019 and 2022.

Disaggregating wage data by income class shows how the highest-paid working people have captured much of the wage growth seen since 1979, except in the COVID era. Ohio's 90th percentile worker — the worker paid more than 90% of all workers — was paid $47.90 per hour in 2022 and saw pay growth of $10.19 (27.0%) over the past four decades, three times the increase of the next highest, $3.63, which went to the 80th percentile. Workers in the 20th percentile, paid $14.92 in 2022, saw growth of $2.44 per hour since 1979.

Figure 11 shows pay growth from 1979 to 2019 in blue, then from 2019 to 2022 in red — most Ohioans experienced losses — and finally the total change in pay since 1979 in gray. While highly paid workers fared better than everyone else in the job market, their pay growth also fell far short of both overall economic growth over the same timeframe, and corporate profits. CEO pay nationally[39] grew 1460% from 1978 to 2021. The median CEO among Ohio's biggest employers that trade on the stock market was paid 396 times as much as their company's median worker in 2021.[40]

Figure 11

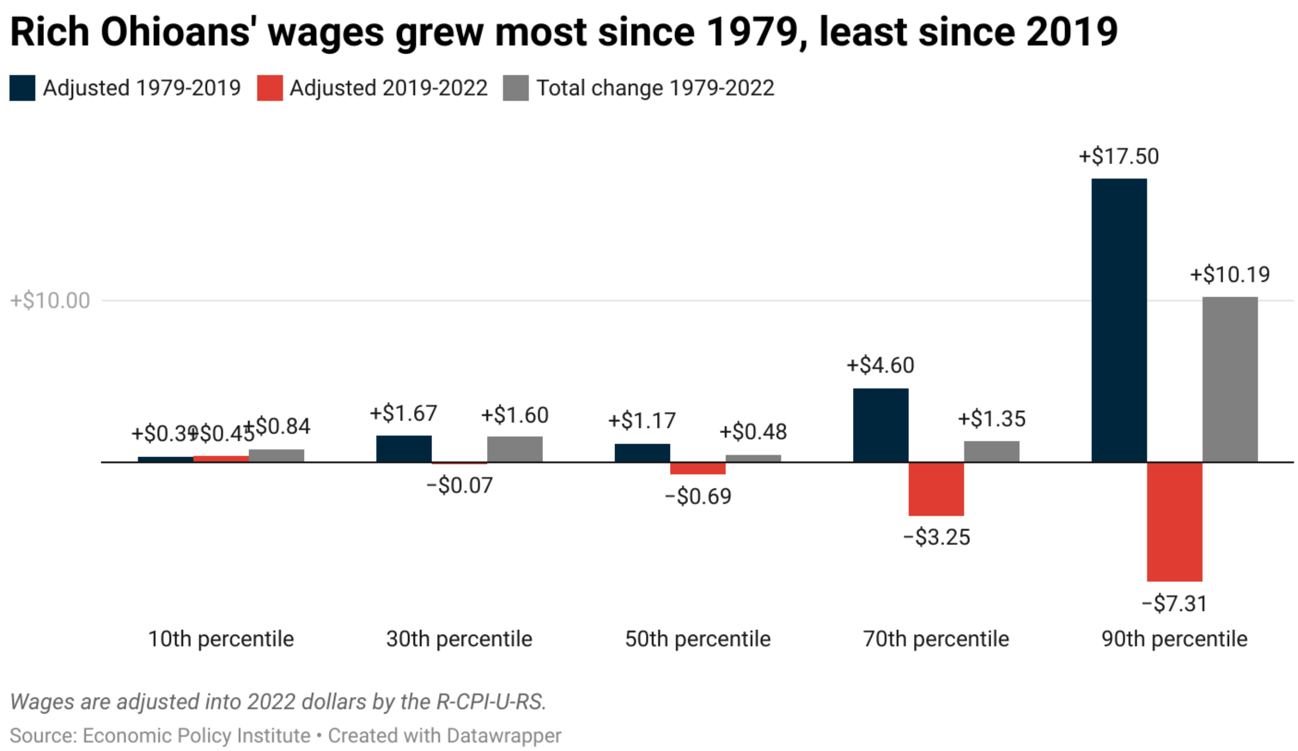


Figure 12 shows the median pay of workers in each decile. Generally, people in Ohio have too little to cover the basics, despite working. MIT's living wage calculator finds that a single childless adult needs $15.33 per hour of full-time work to meet the cost of living in Ohio. That is more than the bottom 20% of workers are paid.[41] A family with two children and two parents working full time needs an average hourly wage of $24.53 per worker to make ends meet, meaning Ohioans aren't paid enough to support a small family until they reach the 60th percentile of all working people in the state.

Figure 12

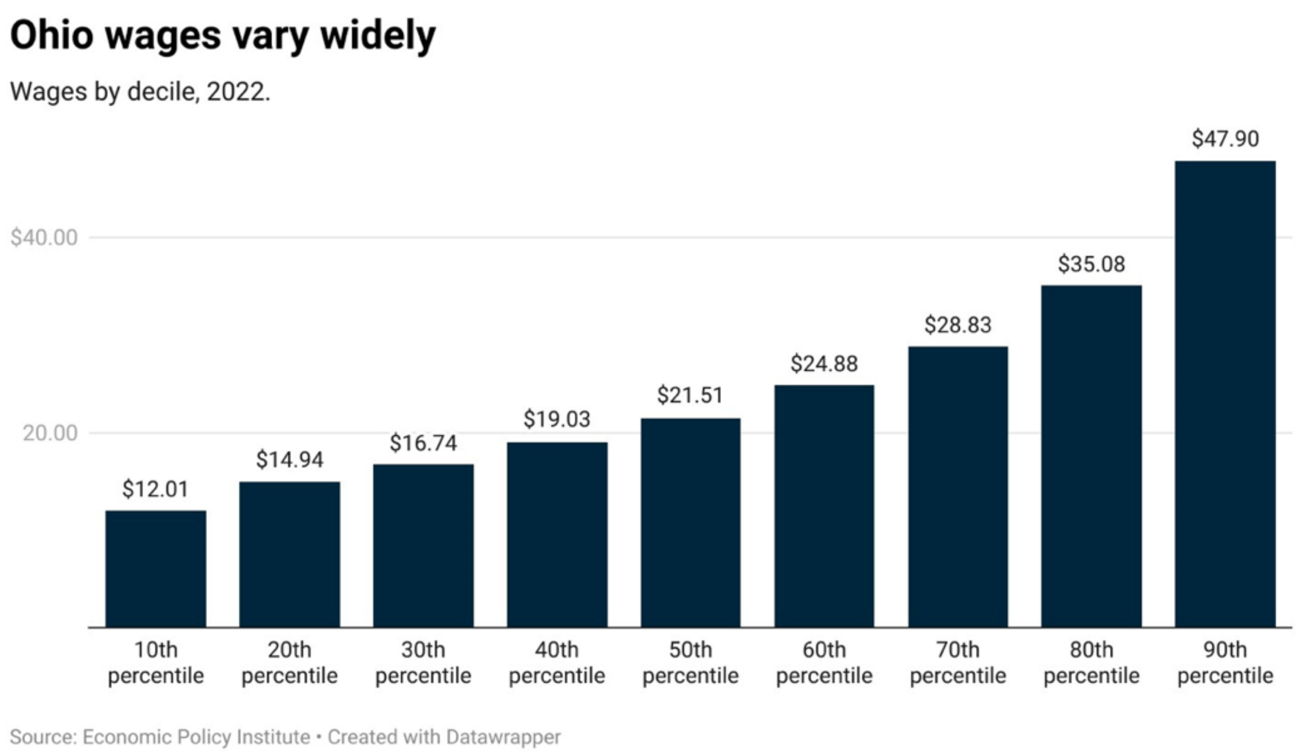
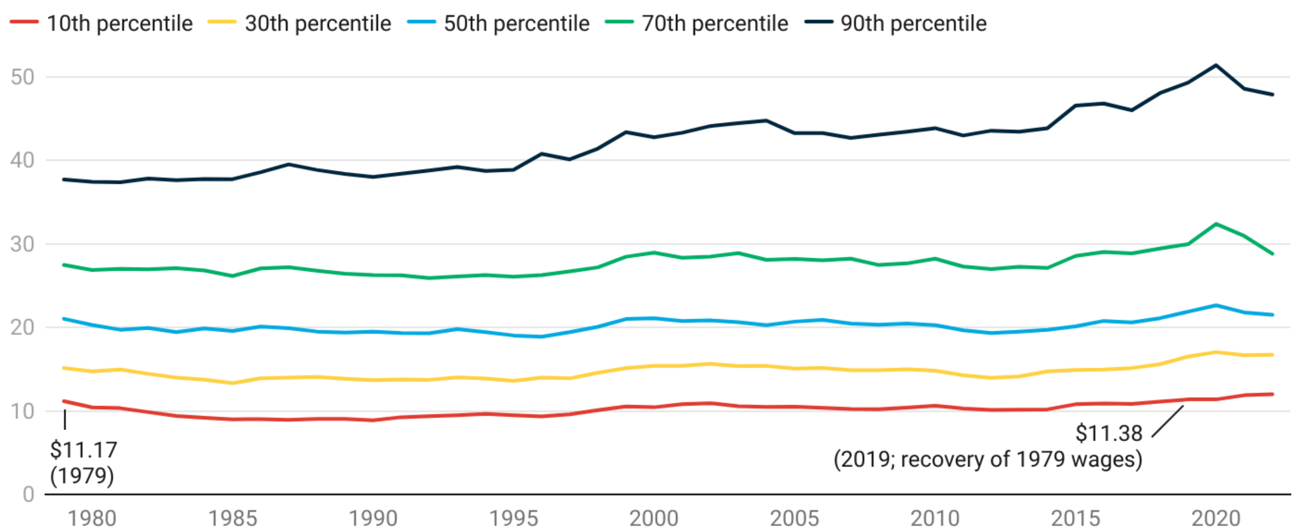


Figure 13 shows that, for workers in most earnings groups, pay in Ohio generally remains flat over many years, and has occasionally fallen. The rare periods of pay growth for workers are critical. Policymakers should work to prolong this one, and make them more common in the future.

Figure 13

Pay held flat for low- & middle-income Ohioans for 40 years

Hourly wage by decile, 1979-2022.



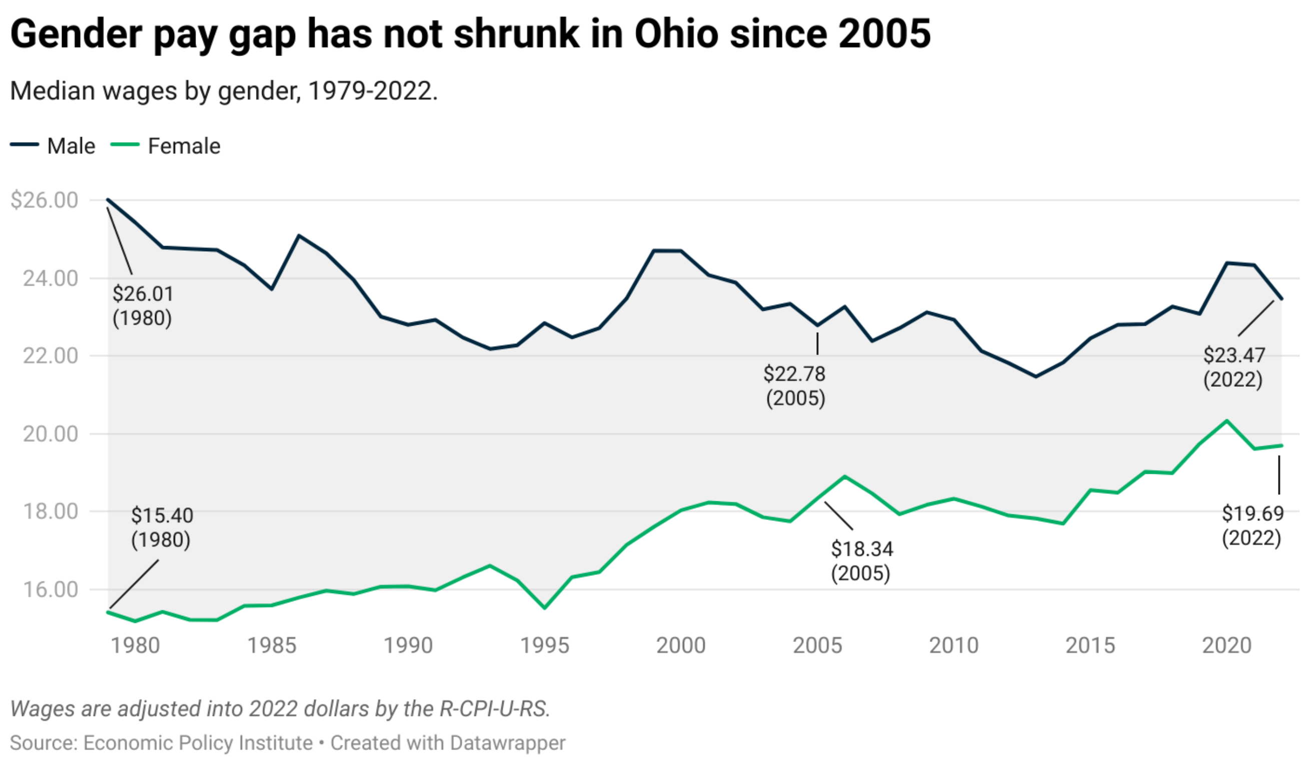
Wages are adjusted into 2022 dollars by the R-CPI-U-RS.

Source: Economic Policy Institute • Created with Datawrapper

The gender pay gap narrowed until the Great Recession, then persisted

By 2022, Ohio women were paid just 84 cents on the dollar compared with their male counterparts. This was a significant improvement over 1979, when data were first kept: That year women were paid just 59 cents on the dollar compared with men. Growth in women's pay over the past four decades is one of the most positive long-term trends in Ohio's labor market. Women's pay rose 27.9% ($4.29 per hour) over that timeframe. However, men's pay fell 9.8% (-$2.54) over the same timeframe, raising concerns for policymakers to address. Overall, progress on the gender pay gap has been stalled since 2005 by some measures. That year, women's pay was $4.11 short of men's; by 2022 women's pay fell $4.37 short.

Figure 14



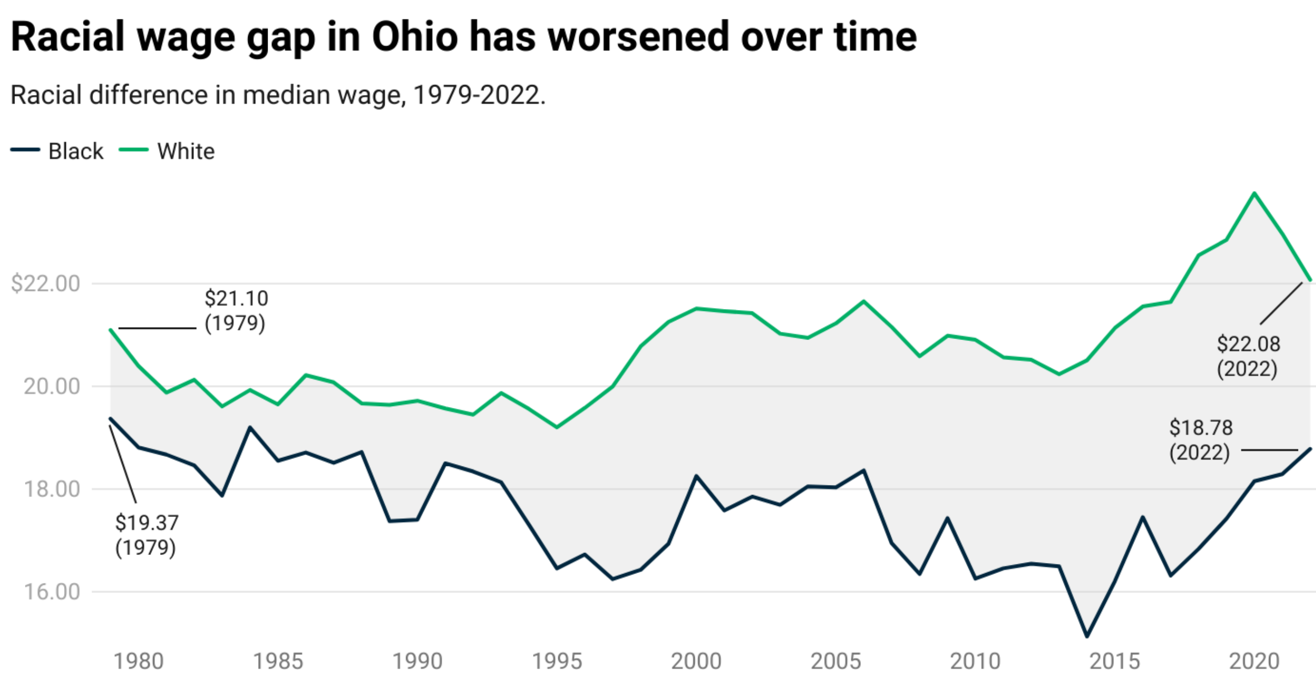
This figure also shows a changing relationship between men's and women's pay. At the start of the series, men's pay fell in most years, while women's pay rose. Then, beginning in the late 1990's, men's and women's pay began trending in the same direction from one year to the next, growing together until the early 2000's when pay began to flatten for both. This appears to indicate that, from the late 1970's, men and women faced two largely distinct labor markets. This could reflect significant occupational segregation: men and women were directed into different jobs. Women's pay growth coincides with much greater entry into the workforce among groups of women from middle- and higher-income families who did not previously participate in paid work. Rising pay for women could reflect the higher educational attainment of those women entering the workforce. Beginning in the mid-nineties, trends that affected both men and women in the workforce may have become stronger than gender-specific ones, yet women's pay trails that of men.

Wage suppression for Black Ohioans and a widening pay gap undercut Civil Rights era goals

This past August marked the 60-year anniversary of the 1963 March on Washington for Jobs and Freedom. Marchers made demands for equitable treatment of African Americans and for sweeping reforms that could transform Americans' lives regardless of their race: an increase in the minimum wage; affordable housing; and reforms to strengthen voters' rights.[42] The individuals and organizations that turned the Civil Rights movement's goals into policy removed barriers to equality from the law by repealing Jim Crow laws and other discriminatory laws. Congress passed the Civil Rights Act of 1964, the Voting Rights Act of 1965, and the Fair Housing Act of 1968. Yet six decades later, the struggle to achieve the economic goals and overcome the inequities created by a long legacy of discrimination in law and practice continues. Along with equal rights for African Americans, central Civil Rights Movement goals included livable wages and access to housing for all.

Unlike the gender pay gap, the gap between Black and white Ohioans' pay has grown. By this metric, Ohio has backslid on racial equity. In 1979, Black workers were paid 92 cents for each dollar paid to a white worker. By 2022, that figure fell to 85 cents. Not only were Black Ohioans paid less compared with their white counterparts; they were paid less overall. Median pay for Black Ohioans fell 59 cents between 1979 and 2022, from $19.37 to $18.78. Over the same time white Ohioans' pay rose 98 cents (from $21.10 to $22.08). This is all despite Black Ohioans having stronger labor market attachment[43] than their white counterparts.

Figure 15



Wages are adjusted into 2022 dollars by the R-CPI-U-RS.

Source: Economic Policy Institute • Created with Datawrapper

The net decline in Black workers' wages since 1979 was borne entirely by Black men. As Figure 16 shows, Black men's wages were pushed down $3.92 per hour since 1979, a decrease of 16.4%. This figure includes substantial pay growth of $1.40 per hour (7.5%) for the median Black man for the single year from 2021 to 2022. That large fluctuation could in part reflect data irregularity from the relatively small sample size of Black men in the dataset.

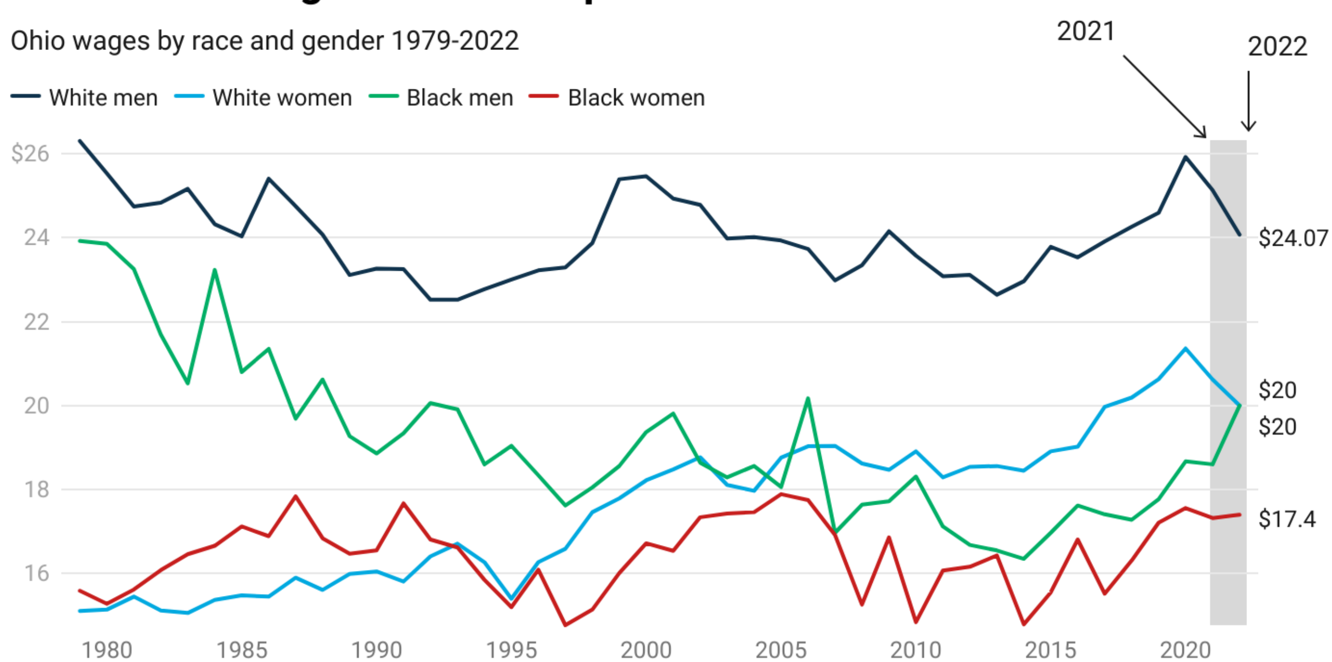
Over that timeframe, white men lost $2.23 per hour (-8.5%). The racial pay gap for men has doubled from 9.1% in 1979 to 16.9% by 2022. Black men were paid 83 cents on the dollar compared with their white male counterparts in 2022 and 91 cents in 1979.

Due to small sample size, pay trends for Black workers fluctuate substantially year-over-year, but the overall trend is clear: Black men's pay has been pushed down dramatically by employers since 1979. Data are not shown for workers of other races because there are too few respondents in the sample to show single-year data.

Figure 16

Black men's wages have been pushed down for decades

Ohio wages by race and gender 1979-2022



Occupational segregation, undervaluing the work typically done by women and especially women of color, and underpayment within occupations are still embedded in the labor market. The economic goals of the Civil Rights Movement are yet to be fully realized— a fact evinced by disparities across numerous economic and quality of life indicators. Both Black women and men are highly likely to be underemployed.[44] Black women, however, are paid less than any of the other cohorts for whom we have sufficient data today.

Overall, between 1979 and 2022, Black women's wages remained extremely low, even at their peak, and despite having historically strong labor market participation and employment attachment. At the peak in 2005, the typical Black woman worker was earning $17.89 an hour — 72 cents on the dollar compared with white men. White women were paid 83 cents. Since 1979, wages for Black women grew $1.81 (11.6%), but grew slower than those of white women ($4.90, 32.4%). That means Black women were paid 87 cents for each dollar paid to a white woman. As with their male counterparts, the trendline shows pay fluctuation for Black women likely due to small sample size.

Black women were paid 48 cents more than white women at the median in 1979 when the data began being tracked ($15.59 per hour and $15.11). Black women's higher pay in the beginning of the trend likely reflects their consistent participation in work,[45] whereas higher pay for white men and social stigmas and bars against white working women among the middle class meant that many did not or could not work outside the home; those who did disproportionately belonged to poor families.

White women's wages first exceeded wages paid to Black women in 1993. Declining pay for Black men and rising pay for white women converged in 2007. Since then, white women's wages exceeded Black men's every year until 2022. One factor driving white women's pay growth is likely that over time they were able to enter new industries and education previously limited by law and custom to men.

Racial wage gaps persist because policymakers failed to deliver on the promise and potential of the Civil Rights Movement. The march on Washington included specific economic goals including livable wages for all people, deep federal investment into job training, and a commitment to place unemployed workers. Advocates sought and won changes to the Fair Labor Standards Act to include previously excluded workers in agriculture, education, nursing homes and restaurants. The next 60 years instead brought a stagnant minimum wage that policymakers allowed inflation to devalue; falling union coverage; geographic and occupational segregation; discrimination in hiring and pay; and inequitable pathways to education, skills, and promotion.[46] [47]

Persistent pay gaps also reflect a very long history of undervaluing occupations dominated by Black people regardless of gender and women regardless of race. The care economy, tipped work, and agricultural work all comprise disproportionate shares of people of color, and women make up large majorities of child care and restaurant workers. These occupations were excluded from basic employment protections at enactment and some of that legacy persists today. For instance, domestic and agricultural jobs where large numbers of African Americans worked were originally excluded from the 1935 Social Security Act passed in the New Deal in a compromise with white supremacist Southern Democrats.[48] Allowing employers of tipped workers to claim customer tips as a wage subsidy and use them to offset worker pay is likewise a legacy of Jim Crow, when formerly enslaved waitresses and porters were hired to work in restaurants and trains and depended on customer gratuities to survive. Seven states have eliminated the tipped sub-minimum wage; Ohio should too.[49] Reversing pay suppression, especially for Black Ohioans and women, will require significant reforms to reverse legacy policies grounded in racism and to recognize the value of all working people.

Unemployment is low, but historically so only because of sidelined workers

Ohio's unemployment rate reached a record low 3.4% in June 2023. However, the departure of Ohioans from the workforce contributed to that number. An estimated 100,531 fewer Ohioans were in the workforce in June 2023 as compared with February 2020.[50] These Ohioans are not working, but they are not counted among the unemployed because they are not actively seeking work. Had they stayed in the workforce or been replaced by new job-seekers, the unemployment rate would have been 5.1% instead of a historic low. Likewise, the return of jobs to Ohio has been borne by strong growth in just a few parts of the state, which left out a majority of Ohio communities.[51]

Unemployment is not uniform across all groups of working people. Nor does a low general unemployment rate mean that all Ohioans who need a job can secure one, especially a job that offers livable wages, predictable scheduling, respect on the job, safety and long-term economic stability. Focus group participants expressed frustration to Federal Reserve surveyors that they received no follow-up from prospective employers after applying for anywhere from 30 to over 100 jobs.[52]

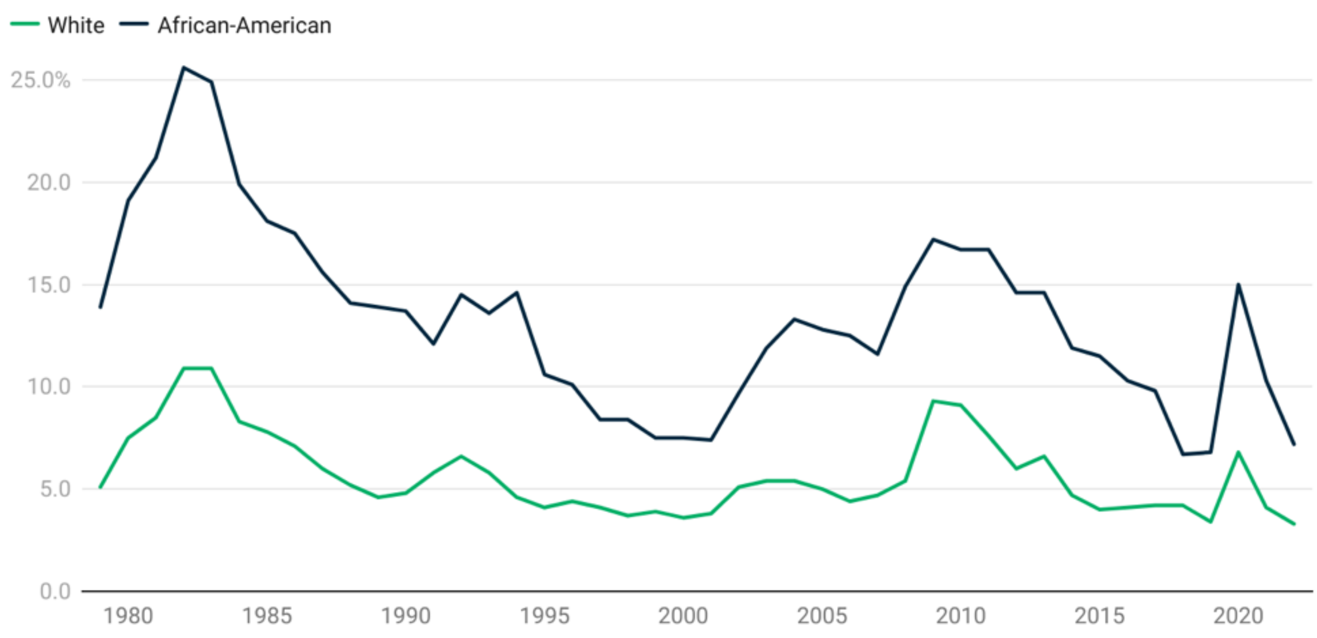
Double unemployment rate for Black Ohioans underscores the need to sustain strong demand for workers

The unemployment rate for white residents fell to an all-time low of 3.3% in 2022, but for Black Ohioans, unemployment remained at a concerningly high 7.2%. Unemployment for Black working people runs double the rate of their white counterparts, in both Ohio and the nation, and in good economic times and bad. This means that reducing unemployment a percentage point for white workers typically reduces it by two points for Black workers.

Looking at the labor market through a racial equity lens, it becomes clear both that policymakers have a duty to hold unemployment levels as low as possible to protect the most marginalized workers, and that the tools used to lower joblessness have added leverage that most benefits those who need it. Figure 17 breaks out the unemployment rate by race.

Figure 17

Unemployment Rate by Race

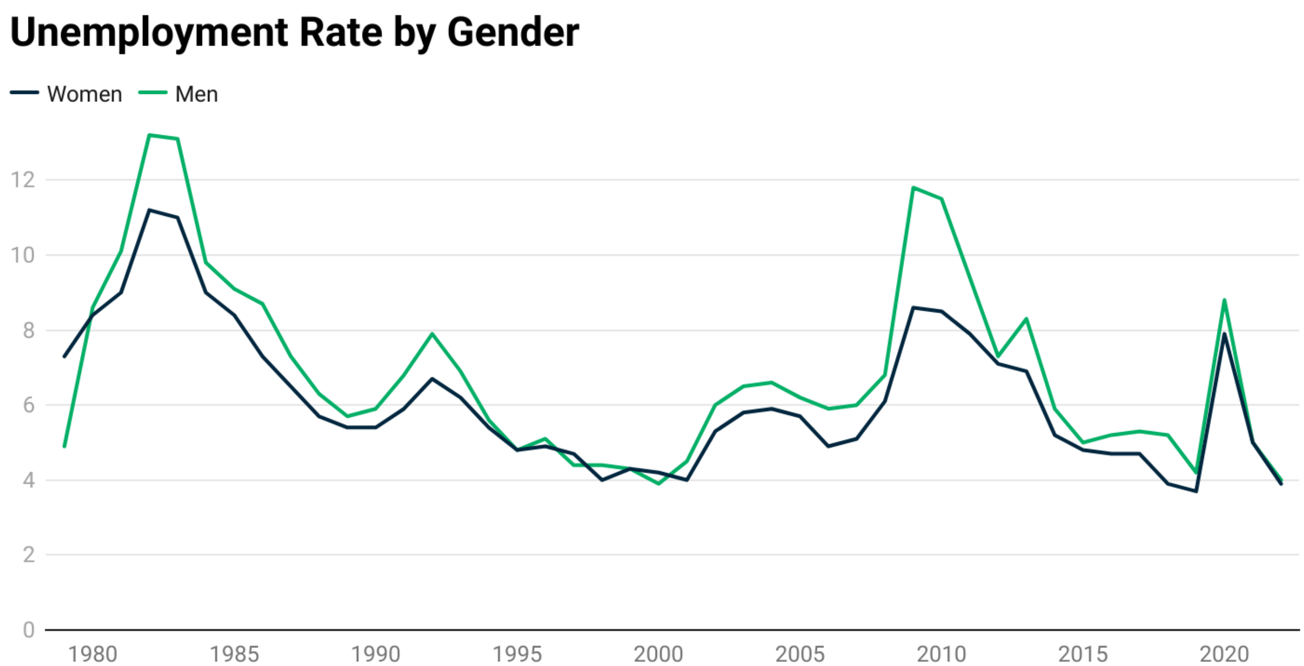


Source: Economic Policy Institute • Created with Datawrapper

Unlike in past recessions, women unemployed by COVID recession at similar rate to men

Unemployment rates have trended at similar levels for men and women since the recovery from the Great Recession. Figure 18 shows that, whereas previous recessions caused substantially higher layoffs for men, the COVID recession sent nearly as large a share of women into unemployment. Notably, those who left the workforce are not counted among the unemployed. Past recessions have severely reduced manufacturing and construction jobs most likely to be held by men. Construction jobs were especially affected by the Great Recession, which was set off by massive defaults in subprime mortgages. The early 2000's recession destroyed manufacturing jobs, which — unlike in other recoveries — never rebounded and instead continued to decline.[53]

Figure 18



Source: Source: Economic Policy Institute analysis of Current Population Survey microdata from the U.S. Census Bureau • Created with Datawrapper

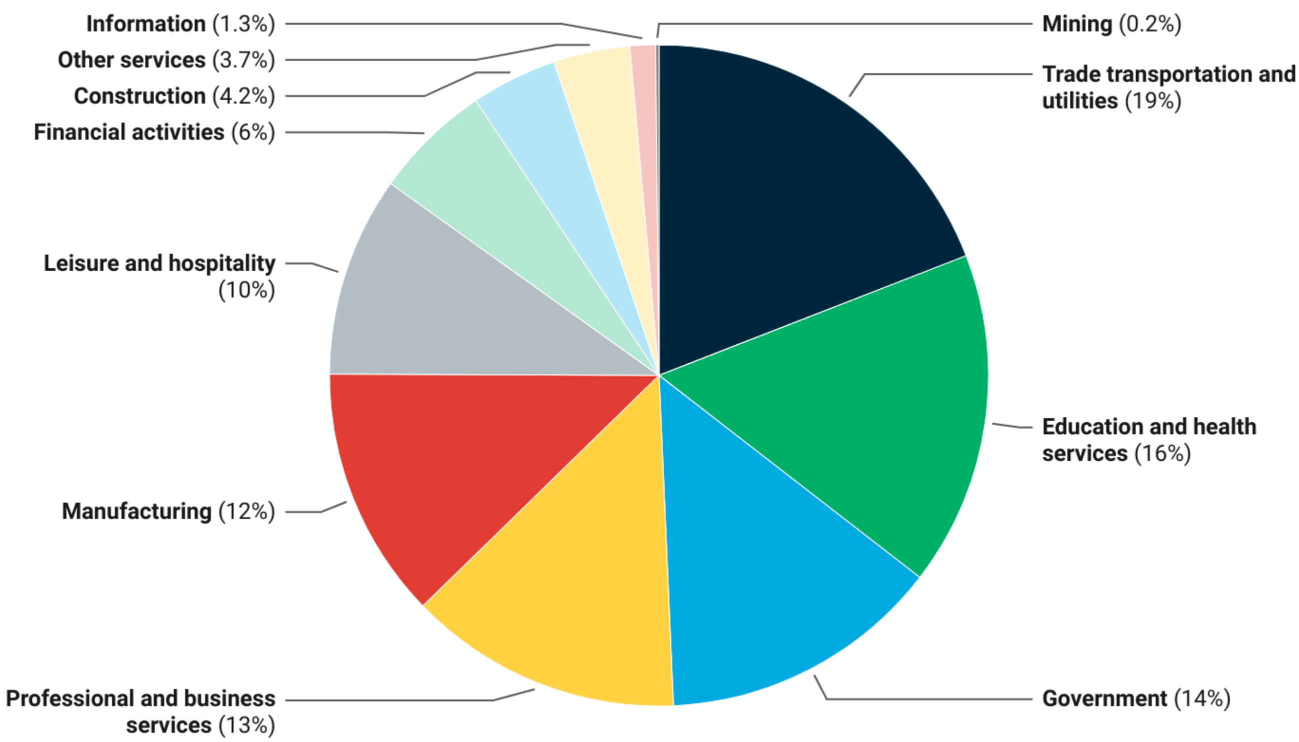
Jobs returned to Ohio, but the mix of jobs has changed

Public policy choices that have stunted job growth in Ohio over the last two decades have also shifted the job mix from union-dense manufacturing and public sector jobs to lower-paying service sector jobs. Corporations in the service sector have historically limited worker voice on the job and paid correspondingly low wages. The shift to more of these jobs has limited work opportunities for Ohioans to join and remain securely in the middle class. Now, three years into the recovery, the jobs landscape continues to shift. Manufacturing job losses sustained over decades leave the state with half its peak manufacturing jobs, and state and local governments have failed to restore pre-COVID losses, especially for teachers. Low-paying jobs in the leisure and hospitality industry remain unfilled as working people demand better pay and treatment on the job.

Figure 19 shows the mix of jobs in Ohio's labor market today. As of 2022, trade transportation and utilities was the state's biggest employer with 19% of Ohio jobs, followed by education and health services (16%). Government jobs still comprised 14%, despite a failure by state and local officials to restore many public sector jobs, especially for teachers. By 2022, once-dominant manufacturing made up just 12% of Ohio jobs.

Figure 19

Ohio jobs by industry, 2022



Source: Bureau of Labor Statistics • Created with Datawrapper

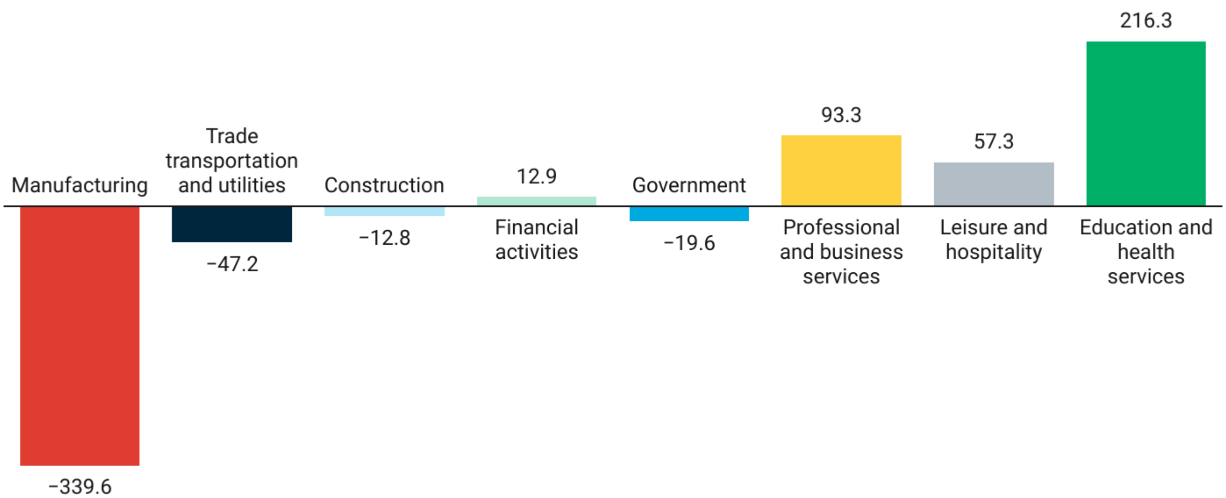
Long term shifts in job sectors

The mix of jobs in Ohio has also changed over the long term. From 2000, when Ohio reached its previous peak number of jobs, to 2022, Ohio lost 339,600 manufacturing jobs. Though trade, transportation and utilities now reigns as the top source of jobs and grew during COVID lockdowns, overall the sector lost some 47,200 jobs over the last two decades. Growing sectors were led by education and health services (+216,300), and professional and business services (+93,300). Leisure and hospitality grew over the long term, adding 57,300 jobs.

Figure 20

Ohio's manufacturing sector has seen the greatest amount jobs lost over the past two decades

Ohio job change by sector, 2000-2022, in thousands



Source: Source: U.S. Bureau of Labor Statistics • Created with Datawrapper

The COVID recession caused major recent changes to the jobs mix

Among Ohio's eight leading industries, four lost jobs during the COVID recession and had yet to fully restore them by 2022. These include education and health services, government, manufacturing, and leisure and hospitality. Education and health services has seen a one percent decrease in employment from 2018, shedding 26,400 jobs. Trade, transportation and utilities grew during the pandemic, buoyed by new consumer buying patterns as Ohioans sheltered at home, cut back on services, and bought more goods, especially online. Leisure and hospitality employment plummeted from February to April of 2020, losing 250,300 jobs. By January 2023, the sector employed 523,100 people, down 23,700 jobs (4.3%) from 546,800 in February 2020.

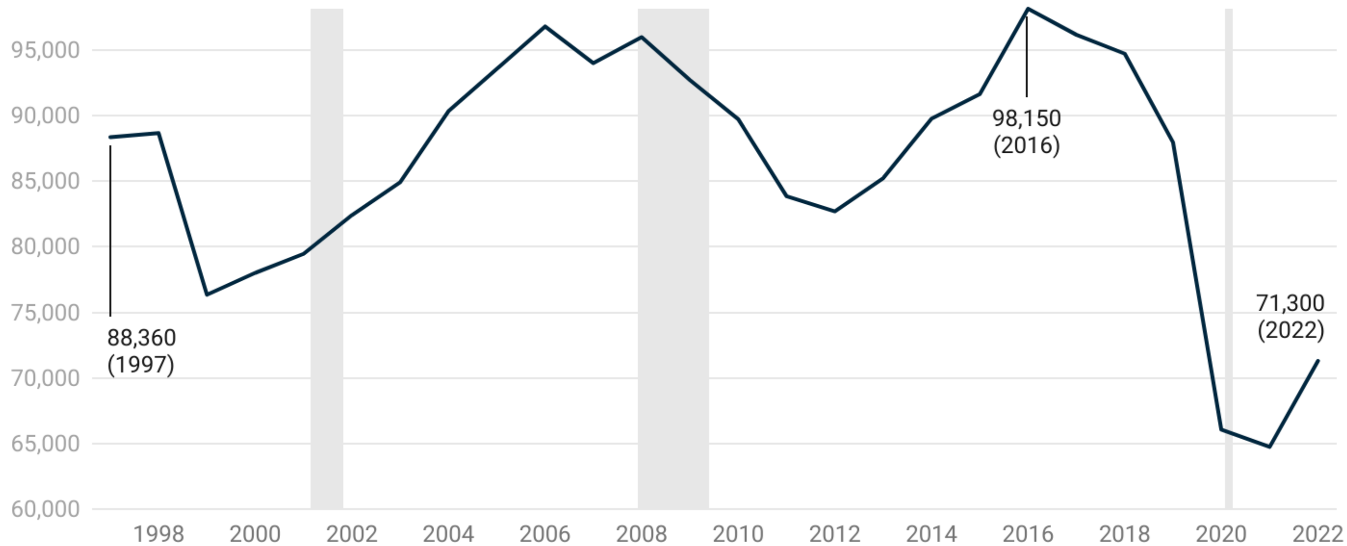
Low pay and poor work conditions limit recovery of specific jobs

Within sectors, some specific occupations have yet to recover. Low-paid jobs in the leisure and hospitality industry have sustained large losses. Ohio lost 40,150 fast food and counter workers since 2019 and 16,660 waiters and waitresses.[54] Fast food workers are paid just $11.44 an hour at the median; waiters and waitresses $11.25, just pennies more than recent peaks in 2010 and 2016. Food and hospitality workers in a Federal Reserve focus group cited job instability and unpredictable income loss in the sector as reasons they were choosing new career paths.[55] Paying all working people a livable wage is not only a moral imperative, it is becoming increasingly necessary if firms want to hire all the staff they need.

Figure 21

Waiter and waitress jobs well below previous counts

Employment of waiters and waitresses, 1997-2022.



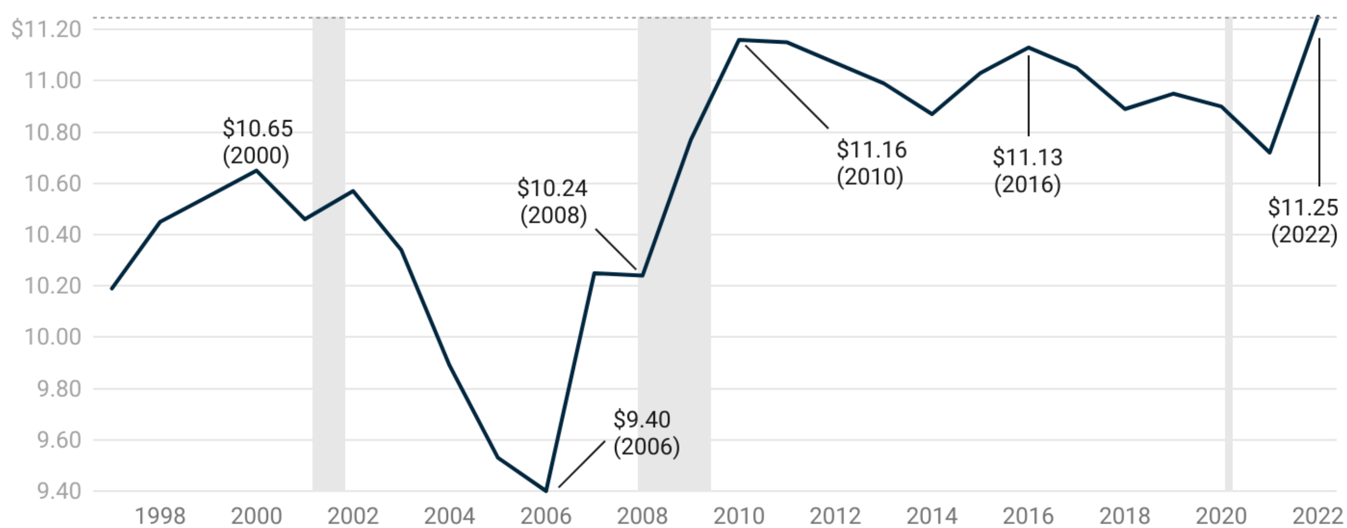
Gray bars represent recessions.

Source: Bureau of Labor Statistics • Created with Datawrapper

Figure 22

Waiter and waitress wages not much higher than previously

Median waiter and waitress hourly wages, adjusted to 2022 dollars.



Wages are adjusted into 2022 dollars by the R-CPI-U-RS. Gray bars represent recessions.
The dotted line represents the peak wage of $11.25 in 2022.

Source: Bureau of Labor Statistics • Created with Datawrapper

State investments are needed to attract workers to fill critical jobs

Care workers

Child care, elder and home care, and education are fundamental to long-term prosperity, a healthy population and a strong labor market. Teachers, child care workers, and home health aides are essential but are paid wages that don't reflect the importance of their work or meet the cost of living. Sixteen percent of early childhood workers and 32% of home health aides relied on SNAP in 2022.[56] For Medicaid, those numbers are 23% and 42%. Black workers are highly overrepresented[57] as home health workers, comprising 36%, and significantly overrepresented as childcare workers at 17%. Both professions are also dominated by women. Such low pay for these highly skilled workers reflects a long legacy of undervaluing the vital work of women, and women of color.[58]

Teachers

As of June 2023, Ohio was still missing 22,400 state and local government jobs, most of them teachers and education support staff.[59] Even before COVID-19 introduced intense new stressors into teachers' lives, interest in the profession had already been waning. Ohio faces a long-time teacher shortage after the state lost 39,820 teachers from 2008 to 2011 in the Great Recession. By 2022, Ohio had 180,230 teachers in K-12 education, 9,740 fewer than in 2008. Ohio teacher training enrollment fell nearly 50 percent from 2010 to 2018, a decline of more than 10,000 students.[60]

A national survey found that most students uninterested in teaching reported low pay as a primary reason.[61] Teachers in Ohio were paid 14.4% less than comparably educated workers as of 2021.[62] Under the latest state budget, teachers can be paid as little as $35,000 a year.[63]

Policymakers, workers and employers respond to a tight labor market

The relatively high demand for workers has set up a clash between working people, who are attempting to leverage this moment to secure wage gains after decades of little pay growth, and employers seeking alternative sources of cheap labor. How policymakers respond will decide the outcome. Because wages have been suppressed for so long, policymakers should support workers' efforts to restore balance. Ohio policymakers have a slate of options available to them, but how the Federal Reserve manages inflation will impact how long this window of strong labor demand stays with us.

Inflation response could stall wage and employment progress

As economic growth and the job market began to recover from COVID-19, inflation became a key policy concern, but high inflation turned out to be short-lived. In June 2022, COVID-era inflation peaked at 9.1%, a high not seen since November 1981, when 12-month inflation reached 9.6%.[64] By June 2023, 12-month inflation had fallen to just 3.0% before climbing to a still-modest 3.2% in July.[65] The Federal Reserve targets an inflation rate of 2%, though it uses an alternative measure.[66] [67]

This drop in the inflation rate gives the Federal Reserve (the Fed) room to stop raising interest rates, its primary method for fighting inflation. Higher interest rates are a direct concern for low- and middle- income Ohioans because they raise the cost of credit, particularly raising housing and auto purchase costs. Higher rates also make it more costly for companies to invest, slowing hiring and risking a resurgence of unemployment. The Fed has no tools to address the profit hoarding which has been a primary driver of inflation spikes. [68] Congress does have more targeted tools to fight high inflation, such as an excess profits tax to discourage price gouging, but today with inflation nearly back to normal, both Congress and the Fed can afford a more hands-off approach.

A unique feature of this recovery is that, so far, inflation has abated significantly without the job losses that have accompanied past efforts to slow it.[69] The possibility that inflation could spike once more exists, but so far a strong job market and modest inflation trending downward mark a strong economy. Key priorities must be to sustain it and use this opportunity to help working people reclaim their share of income and extend prosperity to those excluded.

Employers seek access to new sources of cheap labor

Ohio corporations have responded to the historically tight labor market by seeking access to new groups of workers who, because of their incarceration history, immigration status or other factors, have fewer options and protections on the job, making them more vulnerable to exploitation. New opportunities are opening to formerly incarcerated people as more employers consider applicants with a record in their past. This is a good thing, provided that these workers are paid fairly and treated similarly to other workers doing the same job. Other business strategies are cause for concern. Employers are pressuring lawmakers to extend the hours they can staff young teenagers in defiance of federal law.[70] Business associations are lobbying the state legislature to cut off unemployment benefits for displaced workers,[71] and have sought to block Ohioans from passing a $15 minimum wage by limiting access to citizens ballot initiatives[72] and requiring a supermajority for passage.

Formerly incarcerated workers see new opportunities

After serving their time, Ohioans with a conviction face a bevy of work-related "collateral sanctions" that restrict their ability to work in one in four Ohio jobs.[73] These policies can also discourage employers from considering applicants with a record even when no law says they must. Fortunately, research suggests that with the relatively tight labor market in the recovery from COVID-19, employers are more willing to consider job applicants with a criminal conviction. A study of job postings on Indeed found that fair chance employment policies rose 31% from May 2019 to June 2022.[74] Such policies include avoiding questions about criminal convictions until a conditional offer is made, disregarding arrests if a conviction was dismissed, or highlighting inclusive policies in job descriptions to let applicants know a conviction in their past won't bar them from being considered.

Public policy has also been creating new opportunities for formerly incarcerated Ohioans. The Fresh Start Act prohibits state licensing bodies from denying an occupational license to an applicant based on having a felony conviction, unless it was for a violent crime or the license issuer can demonstrate that the conviction makes the applicant unable to perform the job.[75] Ohio Means Jobs should restore a vital tool that helps Ohioans with a conviction and the workforce development professionals helping them to navigate the job market: the Civil Consequences of a Criminal Conviction database (CIVICC), which catalogues Ohio's collateral sanctions. CIVICC is no longer updated after its contract with the Ohio Department of Rehabilitation and Corrections ran out.[76]

Restoring Ohioans harmed by the criminal legal system requires valuing their work, even behind bars

Preparing Ohioans harmed by the criminal legal system for good jobs when they return home is supposed to start while they are still incarcerated, but Ohio's prison system not only relies on the work of incarcerated people working for almost no pay at all, it also contracts prison work out to companies in the private sector. Imprisoned workers in Ohio are paid just $.10 to $1.35 an hour.77 Incarcerated workers accrue no social security, cannot pay child support, cannot otherwise contribute to their family, and are ultimately released from prison damaged by the experience in their ability to find work. While Ohio's Department of Rehabilitation & Correction did not provide data to ACLU researchers on how many incarcerated Ohioans are working, nearby states New York and Pennsylvania reported 31,00078 and 30,491,79 respectively. If Ohio's incarcerated workforce is on that scale, then those workers would increase the size of the state's employed workforce by 0.5% — if they were counted. Staffing so many people in jobs with such little pay likely displaces market rate job opportunities in the larger labor market, particularly in the fields where incarcerated workers have developed a skill.

To truly help — not exploit — workers harmed by the criminal legal system, Ohio prison employment must follow two guidelines. First, no one should ever be forced to participate in work or punished for refusing work. Second, all work must be paid at least the state minimum wage, regardless of whether the person is incarcerated. Failure to adhere to these principles creates a window of opportunity for both the state and private firms to substitute incarcerated workers for free workers and reduce market rate job opportunities in the labor market. Other states have made progress in eliminating this two-tiered labor market. Colorado last year passed legislation mandating that incarcerated workers employed by third parties are entitled to the state minimum wage (currently $13.65 per hour).[80] [81] A bill introduced in Washington state would raise incarcerated workers' wages to the state minimum of $15.74.[82]

The business lobby seeks expanded access to child labor.

Restrictions on child labor are commonsense protections that have been settled law for decades. However, Ohio legislators have responded to business lobby demands for cheap labor by introducing legislation allowing employers to schedule children ages 14 and 15 for work as late as 9:00 p.m. on school nights — beyond the 7:00 p.m. limit maintained by federal law — and asking Congress to repeal portions of the Fair Labor Standards Act so that they could take effect.[83][84] The USDOL this year assessed $1.5 million in fines against Packers Sanitation Services Inc., which has operations in Ohio, for illegally employing over 100 children aged 13 to 17 in overnight jobs using hazardous chemicals to clean razor-sharp meat-cutting saws.[85] Dismantling long-settled laws designed to protect children from abuse clears the way for corporations to access and exploit children in desperate situations, instead of paying livable wages that would attract adult workers.[86]

Policymakers should instead implement policies that improve job quality, starting with a minimum wage that meets the cost of living, so that no family must rely on the wages of children to get by.[87]

The business lobby seeks to make unemployment more painful

This year, some Ohio lawmakers continued their campaign to cut unemployment benefits, proposing to limit benefits to as few as 12 weeks, depending on the unemployment rate and maxing out at 20 weeks, down from the 26 weeks now standard in Ohio and a total of 37 states.[88] Cutting benefits and making unemployment as painful as possible is a strategy to force displaced workers to take any job available, and to limit their bargaining power to negotiate livable wages and work arrangements.[89] Ohio already excludes some 840,000 Ohioans — about 15% of the employed workforce — from eligibility for unemployment insurance, primarily due to low pay, and for some due to limited work hours.[90] Less than a quarter of unemployed Ohioans received any benefits as of the second quarter of 2023.[91]

Unemployment insurance can make or break families, staving off financial ruin in a time of crisis, and in some cases opening doors to the long-term benefit of a better job. It also prevents economic downturns from deepening into more intractable crises by enabling those displaced from work to continue to buy basic goods and services, providing the revenue businesses need to stay afloat. The federal response to COVID-era unemployment showed the power of a robust policy response to keep families afloat and jumpstart the economy. Federal benefits included many workers left out of state systems and paid workers enough to get by, in some cases for the first time.[92] Yet Ohio lawmakers have failed to get the message. In response to the thousands of calls Ohio legislators received from constituents who were out of work and unable to access unemployment compensation benefits, lawmakers set up the Unemployment Compensation Modernization Council to study the problem. Then they disregarded some of the council's recommendations for improving access, instead cynically passing only anti-fraud measures that will slow approvals and reject more Ohioans' claims.[93][94] Ohio lawmakers should be making it easier, not more difficult, for Ohioans to access unemployment benefits when displaced from work.

The business lobby supported Issue 1 in attempt to block voter initiative to raise the Ohio minimum wage and other potential pro-worker efforts

The Ohio Chamber of Commerce funded and lobbied for Issue 1, which would have required a 60% majority for any citizen's ballot initiative to amend Ohio's constitution. Currently, the citizen-initiated ballot measure is the final check on legislative power in Ohio. Anti-abortion advocates scurried to get Issue 1 on the ballot in a special August election to block Ohioans from passing a protection on abortion care access this November. Ohio Chamber of Commerce president Steve Stivers stated frankly that the Chamber endorsed Issue 1 to block passage of the popular minimum wage petition now gathering signatures for inclusion on Ohio's 2024 ballot.[95] Ohio voters soundly rejected Issue 1, 57% to 43%.[96]

Workers seek better pay and work conditions through higher education and union organizing

As employers seek new sources of cheap labor, working people are leveraging the moment to win higher pay and benefits, through higher education and by joining together in unions.

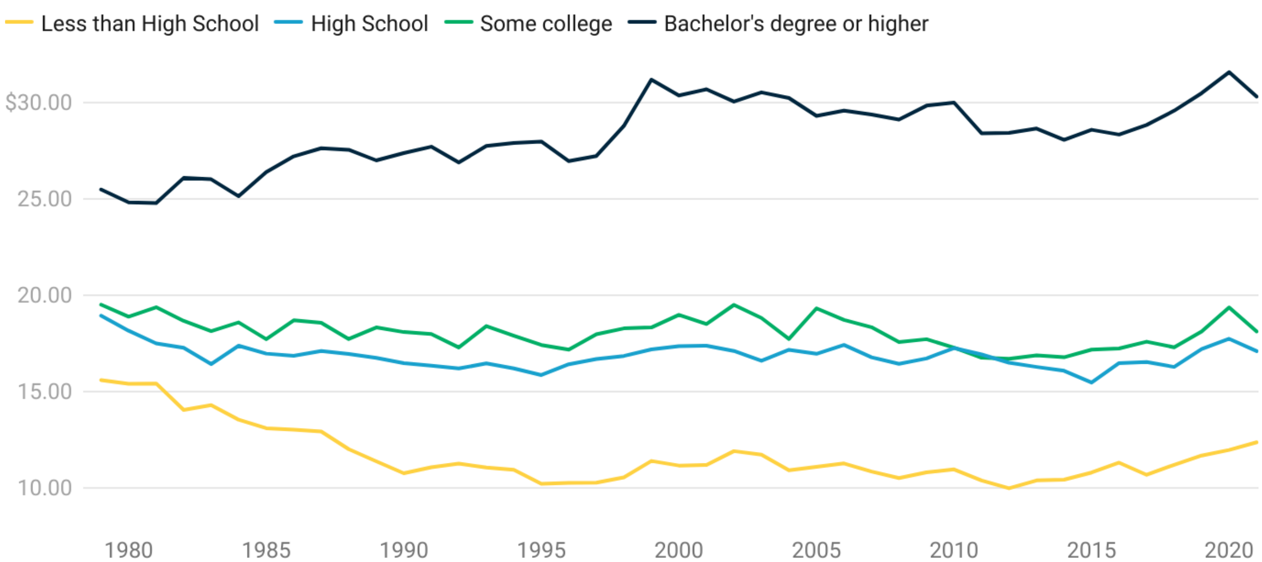
Ohioans became more educated than ever before as only college grads secured pay growth
Ohio workers went into staggering amounts of debt to be competitive in the post-NAFTA job market, that increasingly required a bachelor's degree to receive a decent wage. Manufacturing that once had that promise for people without traditional post-secondary education was in decline, so Ohioans responded with greater levels of education. By 2021, 91.1% of Ohioans had finished high school, up from just 75.7% in 1979, while 29.7% had completed a bachelor's degree or higher, more than double the 14.7% share who had done so in 1979. Only those with a bachelor's degree or higher were paid more in 2021 than in 1979.

After growing in the late 1990s, the pay premium for a bachelor's degree has held fairly steady. By 2021, bachelor's degree holders were paid $13.21 more than their high school grad counterparts, a premium of 77.3%. It's clear that, in aggregate and for those Ohioans who could afford to go, college education has been a highly valuable investment in future earnings. However, most Ohio jobs for the foreseeable future do not require education beyond high school, so as more Ohioans finish college, opportunities for them may be limited. According to Ohio Department of Job and Family Services projections, 70.2% of annual job openings through 2030 will require a high school education (39.9%) or have no formal educational requirement (30.3%).[97] Just 19.4% will require a bachelor's degree or higher. This means that while some Ohioans will be able to advance in the job market by earning a degree, many jobs will not require traditional post-secondary education. Work is needed to improve the quality of the high-school credential jobs we have and can expect to have for the foreseeable future.

Figure 23

Education pays, but pay growth is limited at all levels

Ohio median hourly pay by education level



Source: Economic Policy Institute • Created with Datawrapper

Ohioans represented by a union see pay premium

Education can help individual workers navigate to a higher place within existing power frameworks in the labor market, but increasing union density can change those power structures in ways that lift all workers and enable working people to claim a fair share of the wealth they create. Corporate executives understand this: It's why they have aggressively sought to gut union density for decades, too often with policymakers' help. As workers emerge from the traumas of COVID-19, there are signs that employers' monopoly on power in the labor market is beginning to fracture.

The typical Ohio worker represented by a union was paid $24.13 per hour in 2022, compared with $20.73 for their nonunion counterparts, a wage premium of $3.40 per hour. This figure does not control for factors like educational attainment, meaning that even with a higher concentration of workers in the nonunion workforce holding university and professional degrees, workers still fare better when represented by a union.

In prior years, the premium has been higher; it has declined with lower union density, more non-union workers earning degrees, and likely also reflects increased organizing among low-paid workers including baristas and janitors. Belonging to a union pays, and increasing union density can make the union pay premium even higher.

The union pay premium is larger for women in most years. In 2022, the premium was $4.89 for women and $2.01 for men, one of the larger gaps on record. The higher return on union membership for women likely reflects the fact that union workplaces have more equitable pay structures, whereas employers in non-union shops have an easier time holding pay down for women workers.

Ohioans joined unions, won contracts, and supported labor actions

The share of Ohioans represented by a union has decreased over the last several decades, as corporations strategically dismantled unionized workforces and resisted union drives. Membership as a share of employment had already been declining by the time the Bureau of Labor Statistics began keeping state data; for the U.S., it was 34.8% in 1954, and almost certainly higher in Ohio.[98] Today, 14.0% of Ohio workers are represented by a union (12.8% are members).[99] Altogether, 699,000 Ohio workers were covered by a union contract in 2022. Ohio ranks thirteenth in the nation in the share of workers represented by a union.

Though many Americans have been pushed out of unions, most of the nation has long been pro-union. Gallup's latest survey found that 71% of Americans said they approve of labor unions.[100] While this was the highest approval rating since 1965, surveys conducted since 1937 found that most Americans approved of unions every year on record except for 2009. Despite strong majority support for unions, relatively few Ohioans belong to one, even when they want to. But there are signs this could be changing. Ohio workers held 49 union elections in the past year and won 32 (with 10 still pending). These represent 1,826 new union members, triple the number added over the same window last year.[101]

Workers in Ohio and across the U.S. have also been winning strong contract language in negotiation with their employers. One major theme is the move to eliminate two-tier contracts. The United Auto Workers (UAW) are following the Teamsters' success in eliminating two-tier contracts with the same demand of their own.[102] These contracts typically retain strong wages, pensions and other benefits for long-time workers, but feature far lower job quality provisions for newer workers, even when they perform the same jobs. Two-tier contracts were once rare and typically featured sunset provisions. But decades of corporate consolidation of power forced unions to accept indefinite two-tier contracts in about 20% of union contracts by 2013.[103] That year, the lower tier in many contracts ranged from about $12 to $20 an hour, topping out at the starting wage for the upper tier, that ranged from about $20 to $33 an hour.

The more equitable contracts unions are winning today may reflect in part greater participation of members in the process. Rank-and-file Teamsters served on the bargaining committee for the first time in this year's negotiation, which won significant wage increases for members, eliminated the lower tier, and averted a strike.[104] The UAW's core contract demands, once known as the President's Demands, have previously been delivered to management behind closed doors. This year, UAW President Shawn Fain shared them directly with the members on Facebook Live.

Ohio workers are also demonstrating solidarity with one another across the state. More than 500 Ohioans testified against Senate Bill 83, which would strip away the right of university professors to go on strike.[105] SB83 recalls many of the same provisions as Senate Bill 5, passed in 2011, which barred public employees from going on strike, before being repealed by overwhelming majority in a citizen's ballot referendum. SAG-AFTRA members with the Ohio-Pittsburgh local held a rally in solidarity with striking Hollywood screenwriters and actors in Parma this summer; those workers are seeking protections that would bar media corporations from using their likenesses to create AI-generated content indefinitely.[106] Two hundred nurses, hospital staff and supporters rallied outside of Cleveland's Lutheran Hospital in support of a fair contract in August while nurses and other hospital workers stayed on the job.[107]

As working people come together to win better working conditions for all, policymakers should support their efforts. This includes mandating wages that meet the cost of living, and passing policies that make it easier for working people to exercise their voice on the job and in their communities.

Policy recommendations

Policy choices determine whether Ohio's labor market succeeds or falls short for working people. Policymakers at all levels of government have the opportunity and the responsibility to use the power of government to support working people and restore balance to labor markets where employers dominate power relationships with the people who work for them. Policymakers must:

- Protect workers' right to join or form a union. Labor unions have proven to be the most effective tool workers can use to balance the power of their employers in the workplace. Policymakers should support organizing with new federal protections in the PRO Act. State and local policymakers should make neutrality a condition of any tax incentive and award points for it in contracts.

- Pass a minimum wage that meets the cost of living and respects the value of work. An initiative petition now collecting signatures for inclusion on the 2024 ballot would raise Ohio's minimum wage to $15 per hour by 2026. The Raise the Wage Act of 2023 would raise the federal minimum wage to $17 per hour by 2028.

- Protect working people from wage theft — and hold employers who steal from their workers accountable. Cincinnati, Columbus, Cleveland, Euclid, and Cuyahoga County have passed ordinances restricting city contracts from employers with a recent wage theft finding. State lawmakers should enhance enforcement with enough staff to target high-offender industries such as restaurant work and construction.

- End misclassification and repeal laws that declare ride-hail drivers as nonemployees. State legislators should ensure that all workers have formal labor protections using the ABC test. With it, workers can only be classified as independent contractors if the worker controls the work free from direction from the employer; does work that differs from the company's main business and generally takes place off site; and the worker has an independent business or trade.[108]

- Ensure paid sick leave for all Ohio workers. Ohio lawmakers should mandate that all Ohio workers can earn at least seven days paid sick time annually for regular use, and more during emergencies. The time could be spent to recover from short-term illnesses; access preventive care; care for a sick family member; or seek assistance related to domestic violence, sexual assault or stalking. Coverage should include an expansive definition of family to ensure that all Ohioans are able to access PFMLA if they need it.

- Fund quality child care for families and ensure livable wages for care workers. Quality, affordable child care is imperative to maintain a large workforce that includes all people who want to participate. The state should offer subsidized care to all families earning up to 300% of the poverty level, increase reimbursements to centers and in-home providers, and make the funding conditional on child-care providers paying all staff at least $20 per hour.

- End arbitrary and overbroad collateral sanctions that bar Ohioans with a record from work. Ohio's web of collateral sanctions imports racism from the criminal legal system into the labor market. To roll it back and create equitable opportunities for all Ohioans, lawmakers must eliminate all arbitrary and overbroad restrictions on the work a person can do after receiving an unrelated conviction.

- Strengthen the public sector instead of cutting taxes for the wealthiest. Ohio must replace the more than 22,000 state and local government jobs still missing from our state as of June: most of them for teachers and education support staff.[109]

- Extend unemployment benefits to those blocked due to low pay, make benefits delivery more accessible, and strengthen the system with additional funds from workers. Our recent experience with the COVID recession underscores how policymakers should be making it easier — not more difficult — for Ohioans to receive unemployment benefits after losing a job. Lawmakers should qualify any worker who worked at least 20 weeks during the year and made $1,500, with $1,000 in at least one quarter. Policymakers should ensure that the current 26-week duration of benefits is preserved.

- Protect democracy. Ohio voters rejected Issue 1, which would have allowed a minority to block popular citizen's ballot initiatives that fell short of a 60% supermajority.[110] Workplace and civic democracy go hand in hand. When more Ohioans belong to a union, they experience opportunities to exercise collective power in their workplaces, and it translates into civic engagement across their communities.

A detailed roadmap to achieve these policy changes is found in [A new way forward: 10 ways to support working people and restore prosperity and democracy to Ohio,]() the policy counterpart to the State of Working Ohio released this past May Day.[111]

Conclusion

In 2023, as working people in Ohio emerge from the trauma and upheaval of COVID-19, many are demanding better of their employers, increasingly joining together with one another to form unions or win better contracts under threat of strike actions. Ohioans are working and leaving jobs for better ones, forcing employers in many sectors to improve wages and conditions.

Employers in response to the tightening labor market are turning to vulnerable workers, including once-incarcerated people and children, and frantically leaning on lawmakers to grant them greater access to vulnerable workers, or to make more workers vulnerable, by gutting unemployment benefits for those already enduring the financial duress of a job loss. Ohio lawmakers should not help them.

For the first time since the Great Recession, a new job market seems possible in Ohio. One in which every person who works for a living is paid a wage that recognizes the value of their work and meets the cost of living; where they are both safe and respected on the job; have the ability to take time off when they need it to care for their loved ones; and have the financial security of a predictable income that covers their families' needs.

Notes

[1] Elise Gould, "The equalizing effect of strong labor markets," The Economic Policy Institute, July 17, 2023, https://www.epi.org/blog/the-equalizing-effect-of-strong-labor-markets-explaining-the-disproportionate-rise-in-the-black-employment-to-population-ratio/

[2] The Economic Policy Institute, "Why the U.S. needs at least a $17 minimum wage," July 31, 2023, https://www.epi.org/publication/why-17-minimum-wage/

[3] Michael Shields, "A new way forward: 10 ways to support working people and restore prosperity and democracy to Ohio," Policy Matters Ohio, May 1, 2023, https://www.policymattersohio.org/research-policy/fair-economy/work-wages/a-new-way-forward

[4] Michael Shields, "JobWatch: Ohio has recovered all jobs lost to COVID-19," Policy Matters Ohio, June 16, 2023, https://www.policymattersohio.org/research-policy/fair-economy/work-wages/job-watch/jobwatch-ohio-has-recovered-all-jobs-lost-to-covid-19. This may change with the annual benchmarking of this data set, shifting the milestone earlier or a little later, depending on the revisions.

[5] See John Maynard Keynes, The General Theory of Employment, Interest, and Money, 1936 https://www.goodreads.com/en/book/show/303615

[6] Josh Bivens, "Why is recovery taking so long – and who is to blame?," The Economic Policy Institute, August 11, 2016, https://www.epi.org/publication/why-is-recovery-taking-so-long-and-who-is-to-blame/

[7] Bureau of Labor Statistics, Current Employment Statistics, Ohio jobs peaked at 5,453,100 in March 2006, then did not reach that level again until December 2015 when the state had 5,454,600 jobs.

[8] For more analysis of this history, see Figures 3 and 4 and their accompanying text in State of Working Ohio 2022.

[9] Federal Reserve Economic Data "Resident Population in Ohio," from U.S. Census Bureau, updated Febrary 9, 2023, https://fred.stlouisfed.org/series/OHPOP

[10] Bureau of Labor Statistics, Job Openings and Labor Turnover Survey, Unemployed persons per job opening ratio, Ohio, https://www.bls.gov/jlt/data.htm

[11] Michael Shields and Bryce Springfield, "Still working for too little in Ohio," Policy Matters Ohio, July 18, 2023, https://www.policymattersohio.org/research-policy/fair-economy/work-wages/still-working-for-too-little-in-ohio-2023 Dayton regained jobs after that report was released. Table is updated through July 2023 for this report.

[12] Michael Shields, "Manufacturing a high wage Ohio," The Century Foundation, March 12, 2018, https://tcf.org/content/report/manufacturing-high-wage-ohio/

[13] Albert Lee, "While Surrounding Cities Shrink, Columbus is a Growing Midwest Metropolis," Midstory, February 1, 2022, https://www.midstory.org/while-surrounding-cities-shrink-columbus-is-a-growing-midwest-metropolis/

[14] Dan O'Brein, "Ohio Just Ordered GM to Repay $28 Million in Tax Breaks for Closing the Lordstown Auto Plant," ProPublica, September 28, 2020, https://www.propublica.org/article/ohio-just-ordered-gm-to-repay-28-million-in-tax-breaks-for-closing-the-lordstown-auto-plant

[15] Total job separations including quits, layoffs and other causes were 220,000 in May, meaning the total number of Ohioans who began working exceeded the number who left work by about 40,000. See Job Openings and Labor Turnover Survey, Bureau of Labor Statistics, available at https://www.bls.gov/jlt/data.htm

[16] The workforce participation rate describes the share of working-age Ohioans who are either (a) employed or (b) actively seeking employment.

[17] Katharine Abraham and Lea Rendell, "Where Are the Missing Workers?," BPEA conference draft, The Brookings Institution, March 17, 2023, https://www.brookings.edu/wp-content/uploads/2023/03/BPEA_Spring2023_Abraham-Rendell_unembargoed.pdf

[18] Stephanie Ferguson, "Understanding America's Labor Shortage," U.S. Chamber of Commerce, July 12, 2023, https://www.uschamber.com/workforce/understanding-americas-labor-shortage

[19] Sarah Miller, Merissa Piazza, Ashley Putnam, Kristen Broady, "Worker Voices: shifting perspectives and expectations on employment," Fed Communities, May 24, 2023, https://fedcommunities.org/research/worker-voices/2023-shifting-perspectives-expectations-employment/

[20] Michael Shields, "JobWatch: The most jobs in Ohio history," Policy Matters Ohio, August 18, 2023, https://www.policymattersohio.org/research-policy/fair-economy/work-wages/job-watch/the-most-jobs-in-ohio-history

[21] Ohio Department of Job and Family Services, "Employment Situation Indicators for Ohio, July 2023," https://jfs.ohio.gov/static/ocomm/pdf/Ohio%20US%20EmploymentSituation.pdf?

[22] The employment-to-population ratio shows the number of non-institutionalized civilians over 16 who are employed as a share of that population. ("Prime-age EPOP," discussed here, narrows the age range to 25-54.) EPOP differs from workforce participation rate in that the latter also includes people who are not employed but are looking for work. See here for more.

[23] For more on how and why, see Petrik, Will. Policy Matters Ohio. "Shaping the future of child care in Ohio," 2023.

[24] State of Ohio, "Population Projections Report 2023," https://devresearch.ohio.gov/files/research/P6001.pdf

[25] US Census Bureau Quick Facts for Ohio https://www.census.gov/quickfacts/fact/table/OH/AGE775222 and the US https://www.census.gov/quickfacts/fact/table/US/AGE775222

[26] Throughout this report, the term "Hispanic" is used to maintain consistency with data in or derived from U.S. Census Bureau surveys, which use that term to describe people of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin regardless of race.

[27] The U.S. Census Bureau and Bureau of Labor Statistics, on whose data our research is based, does not report these data across the gender spectrum. Nonbinary people encounter unique intersections of oppression and exclusion that affect their employment, but current census practices do not allow us to examine these factors at scale.

[28] Claire Trageser, "Stop telling women they're amazing," Elle, February 24, 2021, https://www.elle.com/life-love/a35562291/stop-telling-women-theyre-amazing/. See also, Elizabeth Warren and Amelia Warren Tayagi, The Two Income Trap: Why Middle Class Parents Are Going Broke, Basic Books, 2004, https://hls.harvard.edu/bibliography/the-two-income-trap-why-middle-class-parents-are-going-broke/

[29] The Economic Policy Institute, "Child care costs in the United States: The cost of childcare in the Ohio," https://www.epi.org/child-care-costs-in-the-united-states/#/OH accessed August 11, 2023

[30] Amanda Meade, "How will Ohio spend the half a billion dollars of child care ARPA funds not yet authorized?" Groundwork Ohio, December 12, 2022, https://www.groundworkohio.org/post/how-will-ohio-spend-the-half-a-billion-dollars-of-child-care-arpa-funds-not-yet-authorized

[31] A child care desert is a Census tract with at least 50 children under age 5 that has at least three children per child care spot. Some have no available child care at all.

[32] See Center for American Progress's interactive map on childcare deserts, https://childcaredeserts.org/2018/index.html?state=OH&urbanicity=All accessed August 23, 2023

[33] Rakesh Kochhar, "The enduring grip of the gender pay gap," The Pew Research Center, March 1 2023, https://www.pewresearch.org/social-trends/2023/03/01/the-enduring-grip-of-the-gender-pay-gap/#:~:text=In%202022%2C%20women%20ages%2025,in%20at%20least%20four%20decades.

[34] Eileen McClory, "Ohio ordered to pay more to low-income childcare centers," Dayton Daily News, July 25, 2023, https://www.daytondailynews.com/local/ohio-ordered-to-pay-more-to-low-income-childcare-centers/YQCTCDK3NVGTXDJX5OBH4GPASE/

[35] Will Petrik, "New rule for child care could lower costs for families and stabilize providers," Policy Matters Ohio, August 24, 2023, https://www.policymattersohio.org/research-policy/shared-prosperity-thriving-ohioans/basic-needs-unemployment-insurance/basic-needs/new-rule-for-child-care-could-lower-costs-for-families-and-stabilize-providers

[36] Matthew I. Doran, "Shaping the promised land: the great migration comes to Columbus, Ohio," Teaching Columbus, https://www.teachingcolumbus.org/the-great-migration-comes-to-columbus.html. Accessed August 5, 2023.

[37] Sarah Miller, Merissa Piazza, Ashley Putnam, Kristen Broady, "Worker Voices: shifting perspectives and expectations on employment," Fed Communities, May 24, 2023, https://fedcommunities.org/research/worker-voices/2023-shifting-perspectives-expectations-employment/

[38] Migration Policy Institute, "Profile of the Unauthorized Population: Ohio," https://www.migrationpolicy.org/data/unauthorized-immigrant-population/state/OH accessed August 6, 2023.

[39] The figure is not available for Ohio alone.

[40] Michael Shields, "CEO pay report 2022: Big Ohio CEO's :396, Typical employee: 1," Policy Matters Ohio, December 19, 2022, https://www.policymattersohio.org/research-policy/fair-economy/work-wages/ceo-pay-report-2022

[41] Massachusetts Institute of Technology, "Living Wage Calculation for Ohio," https://livingwage.mit.edu/states/39, accessed August 10, 2023

[42] Adewale A. Maye, "Chasing the dream of equity: How policy has shaped racial economic disparities," The Economic Policy Institute, August 1, 2023, https://www.epi.org/publication/chasing-the-dream-of-equity/

[43] Black Ohioans' workforce participation rate was 64% by 2022, compared with 61% for white Ohioans. See Figure 8.

[44] Brittney Oliver, "This is what it's like to search for a job as a Black woman," Career Contessa, https://www.careercontessa.com/advice/job-search-as-a-black-woman/

[45] Nina Banks, "Black women's labor Market history reveals deep-seated race and gender discrimination," Economic Policy Institute, February 19, 2019, https://www.epi.org/blog/black-womens-labor-market-history-reveals-deep-seated-race-and-gender-discrimination/

[46] Adewale A. Maye, "Chasing the dream of equity: How policy has shaped racial economic disparities," The Economic Policy Institute, August 1, 2023, https://www.epi.org/publication/chasing-the-dream-of-equity/

[47] Richard Rothstein, The Color of Law: A Forgotten History of How Our Government Segregated America, Liveright, 2017, https://www.epi.org/publication/the-color-of-law-a-forgotten-history-of-how-our-government-segregated-america/

[48] Larry DeWitt, "The decision to exclude agricultural and domestic workers from the 1935 Social Security Act," Social Security Bulletin Vol. 40, No. 4, Social Security Administration, 2010, https://www.ssa.gov/policy/docs/ssb/v70n4/v70n4p49.html#:~:text=Social%20Security%20Act-

,The%20Decision%20to%20Exclude%20Agricultural%20and%20Domestic,the%201935%20Social%20Security%20Act&text=The%20Social%20Security%20Act%20of,of%20whom%20were%20African%20Americans.

[49] The Economic Policy Institute, Minimum Wage Tracker, Values updated July 1, 2023, https://www.epi.org/minimum-wage-tracker/#/tip_wage/California

[51] See Figure 4 for the breakdown.

[52] Sarah Miller, Merissa Piazza, Ashley Putnam, Kristen Broady, "Worker Voices: shifting perspectives and expectations on employment," Fed Communities, May 24, 2023, https://fedcommunities.org/research/worker-voices/2023-shifting-perspectives-expectations-employment/

[53] Federal Reserve Economic Data, "All Employees: Manufacturing in Ohio," Bureau of Labor Statistics, updated July 21, 2023, https://fred.stlouisfed.org/series/OHMFGN . See also: Dean Baker, "Manufacturing jobs and trade: A tale of two graphs," Center for Economic Policy Research, August 6, 2023, https://cepr.net/manufacturing-jobs-and-trade-a-tale-of-two-graphs/

[56] The Ohio Workforce Coalition, "When Working Isn't Enough: Wages and Public Benefits in Ohio," June 2023, https://www.ohioworkforcecoalition.org/webinars

[57] Black workers represent 12% of the overall workforce.

[58] Nina Banks, "Black women's labor market history reveals deep-seated race and gender discrimination," The Economic Policy Institute, February 19, 2019, https://www.epi.org/blog/black-womens-labor-market-history-reveals-deep-seated-race-and-gender-discrimination/

[59] Michael Shields, "JobWatch: Small Ohio job gains in June after recovering pre-COVID job level in May," Policy Matters Ohio, July 21, 2023, https://www.policymattersohio.org/research-policy/fair-economy/work-wages/job-watch/jobwatch-small-ohio-job-gains-in-june-after-recovering-pre-covid-job-level-in-may

[60] Jessica Poiner, "Some Ohio schools are facing a teacher shortage. What caused it, and how can it be addressed?" Thomas B. Fordham Institute, September 17, 2021, https://fordhaminstitute.org/ohio/commentary/some-ohio-schools-are-facing-teacher-shortage-what-caused-it-and-how-can-it-be

[61] Michelle Croft, Gretchen Guffy and Dan Vitale, "Encouraging more high school students to consider teaching," ACT Research and Policy, June 2018, https://www.act.org/content/dam/act/unsecured/documents/pdfs/Encouraging-More-HS-Students-to-Consider-Teaching.pdf

[62] Sylvia Allegretto, "The teacher pay penalty has hit a new high," The Economic Policy Institute, updated August 26, 2022, https://www.epi.org/publication/teacher-pay-penalty-2022/

[63] See Policy Matters forthcoming report on the teacher shortage by Tanisha Pruitt, this fall.

[64] Bureau of Labor Statistics, "All items in U.S. city average, all urban consumers, not seasonally adjusted," 12-month percent change, available at Current Price Index Databases: https://www.bls.gov/cpi/data.htm

[65] These figures are from the Consumer Price Index for Urban Consumers, a measure by the Bureau of Labor Statistics.

[66] Jennifer Nash, "CPI and PCE: Two Measures of Inflation and Fed Policy," VettaFi Advisor Perspectives, July 31, 2023, https://www.advisorperspectives.com/dshort/updates/2023/07/31/cpi-and-pce-two-measures-of-inflation-and-fed-policy

[67] The Federal Reserve uses the core Personal Consumption Expenditures (PCE) Price Index maintained by the Bureau of Economic Analysis. It reached 4.1% by June 2023.

[68] New consumer habits and supply chain bottlenecks both caused by COVID-19 unleashed rapid price growth in 2021. It was exacerbated a year later by Russia's war on Ukraine, which spiked food and energy prices globally as both a direct result of the invasion and due to sanctions. Corporations took advantage of the new pricing power inflation gave them in consumer markets to boost their own profits, and their price-gouging accounted for 54% of the cost of inflation through the fourth quarter of 2021. The makeup of price growth marked a key policy concern, because the Fed's tools to reduce inflation lack the precision to direct its cost to the corporations that were largely responsible. Had firms not responded to inflation by price gouging – raising their prices far beyond the level needed to simply recover their own increased costs – inflation would have run at half the rates it reached.

[69] Paul Krugman, "A S.A.D. story: What can we learn from the 1970's?" The New York Times, August 29, 2023, https://www.nytimes.com/2023/08/29/opinion/a-sad-story-what-can-we-learn-from-the-1970s.html

[70] Senate Bill 30, 135th Ohio General Assembly, see business lobby testimony https://www.legislature.ohio.gov/legislation/135/sb30/committee

[71] Senate Bill 116, 135th Ohio General Assembly, https://www.legislature.ohio.gov/legislation/135/sb116

[72] Crain's Cleveland Business, "Abortion opponents gain ally in Ohio's special election: business groups," August 7, 2023, https://www.crainscleveland.com/government/abortion-foes-business-groups-join-ohio-special-election

[73] Michael Shields and Pam Thurston, "Wasted Assets," Policy Matters Ohio, December 18, 2018, https://www.policymattersohio.org/research-policy/fair-economy/work-wages/wasted-assets-the-cost-of-excluding-ohioans-with-a-record-from-work

[74] AnnElizabeth Konkel, "Job Ads Noting Fair Chance Hiring Rise in Tight Labor Market," Austin, TX: Hiring Lab, June 9, 2022. hiringlab.org/2022/06/09/fair-chance-hiring-job-ads-rise/

[75] House Bill 263, 133rd Ohio General Assembly, https://www.legislature.ohio.gov/legislation/133/hb263

[76] CIVICC was built and maintained by the Ohio Justice and Policy Center. It is described in a 2018 report that drew on the dataset. See: Michael Shields and Pam Thurston, "Wasted Assets," Policy Matters Ohio, December 18, 2018, https://www.policymattersohio.org/research-policy/fair-economy/work-wages/wasted-assets-the-cost-of-excluding-ohioans-with-a-record-from-work

[77] American Civil Liberties Union and the University of Chicago Law School Global Human Rights Clinic, "Captive Labor: Exploitation of Incarcerated Workers," June 15, 2022, https://www.aclu.org/sites/default/files/field_document/2022-06-15-captivelaborresearchreport.pdf

[78] American Civil Liberties Union and the University of Chicago Law School Global Human Rights Clinic, "Captive Labor: Exploitation of Incarcerated Workers," June 15, 2022, https://www.aclu.org/sites/default/files/field_document/2022-06-15-captivelaborresearchreport.pdf. See note 851.

[79]Data from Pennsylvania Department of Corrections. See American Civil Liberties Union and the University of Chicago Law School Global Human Rights Clinic, "Captive Labor: Exploitation of Incarcerated Workers," June 15, 2022, https://www.aclu.org/sites/default/files/field_document/2022-06-15-captivelaborresearchreport.pdf note 861.

[80] Colorado Senate Bill 22-050, passed March 30, 2022, https://aboutbtax.com/2lk

[81] The Economic Policy Institute, Minimum Wage Tracker, Colorado $13.65 minimum wage effective January 1, 2023, https://www.epi.org/minimum-wage-tracker/?gad=1&gclid=CjwKCAjw8symBhAqEiwAaTA__H3L8HwLcy4CpDUwgoaejS1W-S7mAAjhxqEjc4Sk33Q6cpgvRVfLKRoC0aoQAvD_BwE#/min_wage/Colorado

[82] Jadenne Radoc Cabahug, "Bill would pay WA's incarcerated workers minimum wage," The Seattle Times, February 6, 2023, https://www.seattletimes.com/seattle-news/politics/bill-would-pay-was-incarcerated-workers-minimum-wage/

[83] Senate Bill 30, 135th Ohio General Assembly, https://www.legislature.ohio.gov/legislation/135/sb30

[84] Senate Concurrent Resolution 2, 135th Ohio General Assembly, https://www.legislature.ohio.gov/legislation/135/scr2

[85] U.S. Department of Labor, "MORE THAN 100 CHILDREN ILLEGALLY EMPLOYED IN HAZARDOUS JOBS, FEDERAL INVESTIGATION FINDS; FOOD SANITATION CONTRACTOR PAYS $1.5M IN PENALTIES," News Release, accessed June 8, 2023, https://www.dol.gov/newsroom/releases/whd/whd20230217-1

[86] Michael Shields, "Ohio needs child labor protections," Cleveland.com, July 2, 2023, https://www.cleveland.com/opinion/2023/07/ohio-needs-child-labor-protections-michael-shields.html

[87] Michael Shields, "Ohio Needs Child Labor Protections," Cleveland.com, July 2, 2023, https://www.cleveland.com/opinion/2023/07/ohio-needs-child-labor-protections-michael-shields.html

[88] Zach Schiller, "Testimony on Senate Bill 116 before the Senate Insurance Committee," Policy Matters Ohio, June 7, 2023, https://www.policymattersohio.org/research-policy/shared-prosperity-thriving-ohioans/basic-needs-unemployment-insurance/unemployment-insurance/testimony-on-senate-bill-116-before-the-senate-insurance-committee

[89] Zach Schiller, "Chamber of Commerce plan would slash Ohio unemployment benefits," Policy Matters Ohio, March 31, 2021,https://www.policymattersohio.org/blog/2021/03/31/chamber-of-commerce-plan-would-slash-ohio-unemployment-benefits

[90] Michael Shields, "A ray of hope for low-paid workers," Policy Matters Ohio, October 27, 2022, https://www.policymattersohio.org/research-policy/shared-prosperity-thriving-ohioans/basic-needs-unemployment-insurance/unemployment-insurance/a-ray-of-hope-for-low-paid-workers

[91] U.S. Department of Labor, Employment & Training Administration, Quarterly UI Data Summary, 2nd Quarter 2023, https://oui.doleta.gov/unemploy/data_summary/DataSum.asp

[92] Pandemic Unemployment Assistance (PUA), covered workers who would have been excluded from their state's unemployment compensation system for wide-ranging reasons including low pay and status as independent contractors, while Pandemic Unemployment Compensation supplemented unemployed workers' regular benefit with a $600-per-week payment.

[93] Zach Schiller, "Testimony before the Unemployment Compensation Modernization & Improvement Council, Dec. 1, 2022," Policy Matters Ohio, https://www.policymattersohio.org/research-policy/shared-prosperity-thriving-ohioans/basic-needs-unemployment-insurance/unemployment-insurance/testimony-before-the-unemployment-compensation-modernization-improvement-council-dec-1-2022

[94] Senate Bill 302, 133rd Ohio General Assembly, https://www.legislature.ohio.gov/legislation/134/sb302

[95] Crain's Cleveland Business, "Abortion opponents gain ally in Ohio's special election: business groups," August 7, 2023, https://www.crainscleveland.com/government/abortion-foes-business-groups-join-ohio-special-election

[96] Ballotpedia, "Ohio Issue 1, 60% Vote Requirement to Approve Constitutional Amendments Measure (2023)," https://ballotpedia.org/Ohio_Issue_1,_60%25_Vote_Requirement_to_Approve_Constitutional_Amendments_Measure_(2023)

[97] Ohio Department of Job and Family Services, "2030 Ohio job outlook," see Figure 15, https://ohiolmi.com/_docs/PROJ/Ohio/OhioJobOutlook2020_2030.pdf

[98] Gerald Mayer, Congressional Research Service, "Union membership trends in the United States," Cornell University ILR School, August 31, 2004, https://bit.ly/3jxB7sI.

[99] Union Affiliation of employed wage and salary workers by state, Bureau of Labor Statistics, updated January 19, 2023 https://www.bls.gov/news.release/union2.t05.htm

[100] Gallup's annual Work and Education survey, collected Aug. 1-23, 2022, https://news.gallup.com/poll/398303/approval-labor-unions-highest-point-1965.aspx

[101] Union Elections Data, https://unionelections.org/data/states/ Data updated August 11, 2023.

[102] Zach Schiller, "Thinking big with the UAW: A conversation with Dave Green," Policy Matters Ohio, August 15, 2023, https://www.policymattersohio.org/research-policy/fair-economy/work-wages/collective-bargaining/thinking-big-with-the-uaw

[103] Louis Uchitelle, "How Two-Tier Union Contracts Became Labor's Undoing," The Nation, February 6, 2013, https://www.thenation.com/article/archive/how-two-tier-union-contracts-became-labors-undoing/

[104] International Brotherhood of Teamsters, "'We've Changed the Game': Teamsters Win Historic UPS Contract," July 25, 2023, https://teamster.org/2023/07/weve-changed-the-game-teamsters-win-historic-ups-contract/

[105] Morgan Trau, "Ohio labor unions fight back against higher education bill banning strikes," Ohio Capital Journal, May 31, 2023, https://ohiocapitaljournal.com/2023/05/31/ohio-labor-unions-fight-back-against-higher-education-bill-banning-strikes/

[106] Paul Kiska, "Local union rallies in Parma for Hollywood actors, writers," Fox 8, August 7, 2023 https://fox8.com/news/local-union-rallies-in-parma-for-hollywood-actors-writers/

[107] Michelle Nicks, "Rally held outside Cleveland Clinic Lutheran Hospital by union workers demanding a fair contract," 19 News, August 17, 2023, https://www.cleveland19.com/2023/08/17/rally-held-outside-cleveland-clinic-lutheran-hospital-by-union-workers-demanding-fair-contract/

[108] Cornell Law School "ABC Test," https://www.law.cornell.edu/wex/abc_test accessed April 23, 2023

[109] Michael Shields, "JobWatch: Small Ohio job gains in June after recovering pre-COVID job level in May," Policy Matters Ohio, July 21, 2023, https://www.policymattersohio.org/research-policy/fair-economy/work-wages/job-watch/jobwatch-small-ohio-job-gains-in-june-after-recovering-pre-covid-job-level-in-may

[110] Karen Juanita Carrillo, "Ohio votes under 'extreme' gerrymandering that favors Republicans," The Center for Public Integrity, October 6, 2022, https://publicintegrity.org/politics/elections/who-counts/ohio-votes-under-extreme-gerrymandering-that-favors-republicans/

[111] Michael Shields, "A new way forward: 10 ways to support working people and restore prosperity and democracy to Ohio," Policy Matters Ohio, May 1, 2023, https://www.policymattersohio.org/research-policy/fair-economy/work-wages/a-new-way-forward