

CONCLUSION AND RECOMMENDATIONS

Creating a more fair, prosperous and sustainable Ohio requires thinking big. Of course, simply having wage and benefit standards is the first step, and we start with those basic recommendations. But if we truly want to transform Ohio, we have to get beyond the basics. Below are seven policies that would make 2007 the year we begin creating an economy that works in Ohio.

1. Raise the minimum wage

For 68 years in America, the minimum wage has been an important part of an economy that works better for all. But the federal government has allowed that wage to deteriorate to its lowest point in more than 50 years. Research shows that the proposal to raise Ohio's minimum wage to \$6.85 would increase the wages of more than 700,000 workers, many of whom are the sole earner in their household. States with higher minimum wages have had more job growth than Ohio and other low-minimum wage states. Raising the minimum wage helps low-wage workers and is consistent with a thriving economy. For more, see "Good for Business" and "Who Needs a Raise" at www.policymattersohio.org.

2. Enact a state earned income tax credit

The earned income tax credit (EITC) provides refunds to working families earning less than about \$38,000 a year. Ohio should join the 20 states that have added a state EITC to the federal credit, and should continue to build on the network of free tax preparation services that help eligible families claim what they earned. For more, see www.stateeitc.com.

3. Solve the health care crisis

Too many people are trapped in jobs that don't provide health insurance coverage, and too many Ohio employers are struggling to do what's right, while knowing that other workplaces aren't rising to this responsibility. Costs are soaring and coverage is declining. Premiums spiked 73 percent in just the past five years.¹⁵ This leads people into crises – bankruptcy stems, half the time, from being overwhelmed by medical costs.¹⁶ Eighty percent of uninsured Americans live in working families. Our economy is profitable enough to make sure that families have health insurance. One creative idea is to provide a "pay or play" option for employers, which requires businesses to provide workers with health insurance coverage or pay into a government fund that will do it for them. We could also expand the scope of coverage of Medicaid and SCHIP (State Children's Health Insurance Program), so that more working people could access them. This could be paid for through a progressive income tax and a fee for employers that don't provide coverage. For more information on health insurance issues in Ohio, go to www.uhcanohio.org or www.spanohio.org.

4. Educate or stagnate

Studies of outcomes from investments in early childhood education find that it more than pays for itself, particularly for lower-income children. Ohio can lead the nation by providing every four-year old with

¹⁵ "If it's Broke, Fix It: A Progressive Response to Americans' Demand for Major Health Care Reform." Americans for Health Care & Center for American Progress. Survey Report, November 15-22, 2005.

¹⁶ Physicians for a National Health Program. http://www.pnhp.org/news/2005/february/bankruptcy_study_hig.php

a year of pre-kindergarten education, so that our kids start kindergarten ready to learn. For more, see the Early Care and Education resources at www.communitysolutions.com.

Ohio's unconstitutional K-12 school funding system must be repaired to ensure an excellent education for all Ohio students. Under the current system, poor districts have less to spend, and many schools simply don't spend enough to give students what they need to succeed in our economy. For more on how to fix Ohio's school finance system, go to www.ohiofairschools.org.

At a time when higher education has become more essential to good employment, we have made it more difficult for Ohio students to afford college, and our state is falling behind as a result. For more, read *Below the Curve: Higher Education Opportunity in Ohio* at www.policymattersohio.org.

Male labor force participation has dropped dramatically in the past generation, in part because workers who lose jobs often can't find adequate replacements. Adult workers who are pushed out of jobs need skills training, designed to connect them to real opportunities. This will help meet the skill needs that so many employers say they have, while ensuring that we employ the talented resources of our communities. For more, read about the Ohio Bridges to Opportunity Initiative on the Knowledgeworks website at www.kwfdn.org.

5. Invest in Infrastructure

Our friends at Greater Ohio have pointed out how failure to maintain our urban centers and inner ring suburbs has encouraged outward sprawl, with negative consequences for energy use, air and water quality, equity and community. Reinvesting in our core areas, fixing existing roads before building new ones, prioritizing core areas for water and sewer maintenance and doing more to plan will result in a better Ohio – more efficient, more equal, and more prepared for the future. Learn more at www.greaterohio.org.

6. Energy

We are too dependent on foreign energy, with negative results for our economy, our environment, and our foreign policy. Investing in renewable energy and retrofitting public buildings to be more energy efficient would reduce oil and gas usage, keep money in our local economy, create Ohio jobs, and make us all healthier. It's so obvious that it's hard to figure out why it isn't already being done. For more, see www.apolloalliance.org.

7. Target development spending

Economic development subsidies should be reserved for companies that pay high wages, maintain high standards, pledge not to oppose unions, and are committed to their workforce and their community. Local governments should join together to create “no-poaching” agreements, to reduce the likelihood that companies can force municipalities to compete to lower their taxes. Companies that maintain training programs for their workforce are particularly deserving of public support because they're adding value and increasing their commitment to the region – happily, they're also more likely to be successful. For more, see www.goodjobsfirst.org.