

Minimum Wage Summary



Introduction

Sufficient wages are the main way families can achieve economic security. For many Ohio families, the jobs available to them simply do not pay enough money for them to get by. The minimum wage in Ohio is not high enough to adequately support workers and their families. Insufficient wages increase risk factors for the perpetration of intimate partner violence (IPV).

Ohio's minimum wage is not a reliable path out of poverty for most families.

- About 84,000 workers in Ohio make the minimum wage. 134
- Full-time work at minimum wage **is not enough** to cover most families' needs or even raise them above the federal poverty level.¹⁴⁰
- When a family cannot escape poverty despite full-time work, this decreases their financial security and raises the risk of violence.

Similarly, when the jobs in a community are mainly lowwage, community poverty increases, and there are less economic opportunities available. Both of these outcomes increase risk factors for IPV.

Minimum Wage Workers, Industries, and Representation



The minimum wage has fallen by 28% in the five decades since its peak in 1968

A worker at **minimum wage made \$18,096 in 2020** if they worked 40 hours each of the 52 weeks of the year. However, it is unlikely that many minimum wage workers made this much. In addition, **people need days off** if they or their loved ones are sick, for other personal matters, or just to take a break. Minimum wage workers **rarely receive paid days off** to take care of such matters.¹³⁶

Workers in service industries are also more likely to be involuntarily part-time. ^{137,138} The leisure and hospitality industry saw the largest decline in jobs during the pandemic. As a result, minimum wage workers were likely to experience a period of at least brief unemployment in 2020 and may continue to experience unemployment or face reduced hours. ¹³⁹ Most minimum wage workers are employed in the service industry, particularly in food service. Women are over-represented in the service industry in positions like food server and cashier. ^{149,150}

Poverty does not cause intimate partner violence (IPV). Rather, the same conditions that create poverty also create the risk factors for IPV.

Several risk factors for IPV are related to economic and financial security. They range from personal factors to conditions affecting our entire society.

Economic Risk Factors for IPV Perpetration

- Societal: Income inequality
- **Community**: Neighborhood poverty, diminished economic opportunities, high unemployment rates
- Relationship and Individual: Economic stress

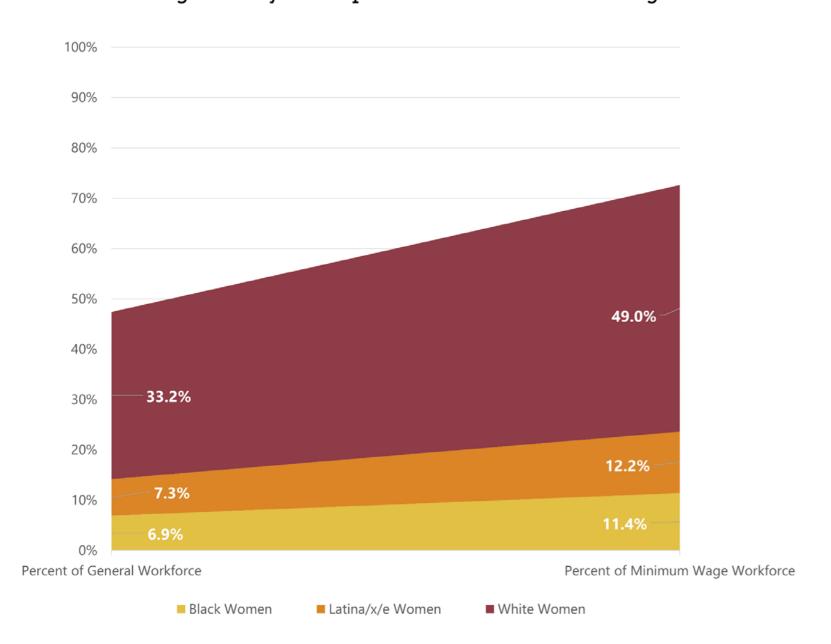
Strengthening household financial security and strengthening supports for workers and families are two ways to reduce risk for IPV perpetration in Ohio.



A single mother of 2 with a full-time minimum wage job would have to work an average of **5.3 hours of overtime** every week just to meet the poverty level.



For both Black and Latina/x/e women, their representation in the minimum wage workforce is 66% higher than their general workforce representation. White women are also significantly overrepresented in the minimum wage workforce.



Many food service workers make the **tipped minimum** wage, which is less than minimum wage. **The state** tipped minimum wage is only \$4.35 per hour. 152

Minimum wage and tipped minimum wage workers are also more likely to experience wage theft, racial and gender biases, and sexual harassment in the workplace.

Moreover, 2/3rds of minimum wage workers across the country are women despite being only 1/2 of the total workforce.¹⁴⁸

Impact of Raising the Minimum Wage

Policy Matters Ohio estimated that a \$15 minimum wage phased in by 2023 would benefit 2 million Ohio workers.¹³⁵ This impact may be reduced by COVID-19 and recession-related job losses, which are concentrated among low-wage workers. The minimum wage must adequately cover the annual cost of living for individuals wherever they reside in the State of Ohio.

Minimum Wage Barriers and Opportunities

Barriers

- Workers are facing decreased hours and pay due to the COVID-19 induced recession. This decrease in pay negatively impacts workers' financial stability, especially minimum wage workers who are already underpaid.
- All but one of Ohio's ten most common jobs pays poverty or near-poverty wages. 206,207
- Among the 29 states and D.C. that have a higher minimum wage than the federal rate, Ohio is near the bottom of the group when compared to other states.
- Prior to the pandemic, the gender pay gap was decreasing and the racial wage gap was stagnant, resulting in earnings gains for white women and potential losses for women of color.

Opportunities

- Efforts to raise the minimum wage are growing across the country, as are efforts to end the lower tipped minimum wage.
- Ohio's minimum wage is higher than the federal minimum wage and indexed to inflation. Ohio is among 29 states and D.C. that has a minimum wage exceeding the federal rate of \$7.25.
- Increased minimum wage for all workers would help to address wage gaps and poverty wages because women of color are over-represented in low-wage industries.
- Some employers offered hazard pay to low-wage essential workers in Spring 2020.

Minimum Wage Policy Recommendations and Action Items

Raise the minimum wage and eliminate the tipped minimum wage

Increase protections and enforcement against wage theft

