

Ohio's minimum wage to increase

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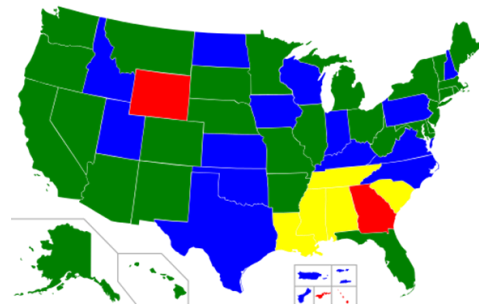
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Thousands of Ohio workers earning minimum wage will see an increase in their paychecks in 2019.

The hourly amount for non-tipped minimum wage employees is set to increase by 25 cents to \$8.55 in 2019. Workers who regularly earn at least \$30 in tips a month will see a 15 cent increase raising their wages to \$4.30 per hour.

Certain types of job are excluded from the increase, including people employed by the federal government, salesman compensated by commission and live-in companions.

Employers who gross less than \$314,000 annually are exempt from the increase, but they must pay the federal minimum wage of \$7.25. Ohio is one of 29 states with a minimum wage higher than the federal rate, including Ohio's bordering states Michigan and West Virginia.



Ohio, Michigan and West Virginia are among the states that have state minimum wages higher than the federal minimum wage. Green - higher minimum wage, Blue - same state minimum wage as federal, red - lower minimum wage, yellow - no state minimum wage

The federal minimum wage will remain the same and hasn't increased since 2009, but Ohio is one of 20 states that will increase its minimum wage in 2019.

Ohio's increase is due to an amendment in the state constitution, which was approved by voters in 2006 and requires increases the minimum wage to account for inflation.

"Ohio citizens voted to increase our state minimum wage in 2006, and every year workers are helped by that forward-move," said Michael Shields a researcher for Policy Matters Ohio, in a news release. "Inflation-adjustments preserves the value of minimum wage."

According to Policy Matters Ohio, a non-profit policy research institute, even with the increase, the minimum wage is worth just 72 percent of what the federal minimum wage was worth in 1968 which would be \$11.85 in today's dollars.

The group calls for the minimum wage to increase to \$15 per hour by 2025.

“Moving forward, Ohio should put in place an increase beyond inflation to reflect our workforce’s improved productivity and get us back toward where wages once were,” Shields said.

But the Employment Policy Institute, a non-profit research organization studying the impact of employment policy, fear raising the minimum wage by too much would put a strain on businesses leading to closures and increased unemployment.

“Business owners and employees will face a depressing New Year’s from the negative consequences of wage hikes across the country,” said Samantha Summers, a spokesman for the institute. “Overwhelming research shows that minimum wage increases continue to harm those it’s intended to help by eliminating jobs and forcing businesses to close.”

According to a study by the University of Washington, a law in Seattle raising the minimum wage from \$11 an hour to \$13 an hour resulted in 5,000 lost jobs, according to an opinion piece by Vanessa Brown Calder, a policy analyst at the Cato Institute in Washington, D.C.