

Statewide Employment Fact Sheet

Ohio 2024

Still working for too little in Ohio, 2024

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Everyone who works for a living should be paid a wage that enables them to cover the basics for themselves and their families. Yet last year, four of Ohio's 10 largest occupations paid their median worker so little they would qualify for and likely depend on food aid to feed a small family of three. That's a wage less than \$32,318 in 2023.¹ These four occupations alone employ 476,000 Ohioans (8.7% of all workers in the state). This is up from 3 in 10 last year when low-paying jobs in the top 10 employed 372,000 Ohioans and down from 2019 when the figure was 6 of the top 10 and included 711,000 workers. The overall number of workers receiving low pay changes much less than this year-to-year; having an occupation drop from the top 10 to just below it can cause big swings in the number of low-paid workers on the top 10 list, but those low-paying jobs still employ enormous numbers of workers, even if they're the 11th largest job or so forth.

Pay is rising in eight of the 10 most common jobs, and better-paying jobs have displaced some of the low-paying jobs that dominated Ohio's labor market prior to the COVID-19 recession and recovery. This means more Ohio workers are finally securing better pay for their work after decades of rising productivity but stagnant compensation. The progress, however, is not yet enough to move workers in these jobs into real economic security. Overall pay rose by less than pay for the most common jobs. Only two of the 10 jobs – General Managers and Registered Nurses - pay enough to qualify a family of three as "economically stable," with wages at or above 200% of the poverty level: That's \$49,720 in 2023.

This report draws from newly released May 2023 figures from Occupational Employment and Wage Statistics (OEWS) and covers the 10 most common jobs in the state as ranked by the number of workers holding them. Together these 10 occupations account for nearly 1.2 million jobs, 21.9% of all jobs in the state. May 2023 is also the month Ohio regained the jobs lost to the COVID recession. We couple the new OEWS data with the latest Current Employment Statistics, which show that, despite that statewide recovery, a majority of Ohio communities were still missing jobs by February 2024, and no additional regions have yet joined the recovery after May 2023.

¹ The gross monthly income threshold for food assistance is 130 percent of poverty for Ohio and most states. The poverty level depends on the family size and was \$24,860 for a family of three in 2023. See <u>Health and Human Services Federal Poverty Level 2023</u>.

² The survey uses three years of sample data to estimate wages for the year, making this release the first since the COVID recession to exclude data from the highly irregular 2020 labor market disrupted by COVID-19.

Ohio and federal policymakers must ensure that the job market enables all Ohioans who want a job to find one; support childcare infrastructure that provides a safe place for children while parents work; ensure a robust unemployment system that enables working people to withstand times of joblessness and use them to train for better jobs; and pass a wage floor and other policies that enable Ohioans to take home a wage that covers the basics and better reflects their worth on the job.

Pay grew in most common jobs; jobs mix shifted away from low-paying and service jobs

COVID-19 disproportionately destroyed the jobs of low-paid Ohioans. That directed much of the harm to those who had the fewest resources to withstand it. Now in the fourth year of recovery, Ohio's job market is providing opportunities for better jobs, and pay has risen within most of the biggest occupations by number of workers. Of the four top 10 occupations paying below the level of food subsistence, three have yet to restore 2019 job levels: fast food workers, retail salespeople, and home health aides.

Jobs that shrunk were concentrated in the service sector, suggesting that COVID-19 may have had a lasting impact on the job mix. After COVID changed Ohioans' buying habits, the recovery did not entirely restore the same jobs; it created new ones in different industries. Some 11,850 waiters and waitresses have left the occupation, so many that it has fallen out of the top 10: by 2023, waiters and waitresses were paid just \$13.96 per hour, ranked 686th of all 713 occupations for which an annual pay is known.³

The number of general and operations managers has been on a steady rise in recent years and grew for the first time to top the list in 2023 with 143,080 workers, more than double their 2019 number (62,150). General managers are paid well, but their pay has decreased substantially as their numbers swelled.⁴ Companies also increased the number of jobs in other combined management categories by 20.5%, while the number of nonmanagement roles fell 1.8%.⁵ The combination of more jobs and reduced pay – though pay is still higher than for most occupations – suggests both a shift in business strategies to incorporate more management personnel, and that the job of manager, which was previously reserved for high level staff, is being reimagined to include more mid-level staff. Other occupations that grew substantially during the recovery were stockers and order fillers, and miscellaneous assemblers and fabricators.

Pay rose notably in Ohio's largest job categories as compared with the market before the COVID recession and recovery: eight of the top 10 occupations have had pay growth, and seven have had double digits. There was also a change in the mix of jobs. Combined,

³ The number of Ohioans working as waiters and waitresses fell from 87,960 (ninth place) in 2019 to 76,110 (13th) in 2023

⁴ General managers' hourly median pay decreased 20% from an inflation-adjusted \$55.59-per-hour in 2019 to \$45.14 by 2023; pay also decreased at the 10th and 75th percentile; 90th percentile pay was not given in 2019.

⁵ The number of General and operations managers grew 51.4%, while the number of all other managers combined grew 20.5% from 158,180 to 190,530.

⁶ Growth is shown by improvement in annual pay as share of the poverty level for a small family of three.

these trends mean that the share of Ohio's 10 biggest jobs leaving a small Ohio family of three in food precarity fell from six in 2019 to four by 2023: up slightly from three of 10 in 2022.⁷ The median wage also rose from \$22.02 in 2019 to \$22.45 by 2023, an increase slightly above inflation.

Pay	growth re	covered	l lost grou	nd in most	t common	Ohio jobs		
Changes in jobs and pay among Ohio's most common jobs in 2023								
Top 10 occupations	2023 jobs	Change since 2019	Percent Change since 2019	2023 median hourly pay	2023 median annual pay	2023 pay as % of poverty level	Percent change in pay since 2019*	
General & Operations Managers	143,080	80,930	130%	\$45.14	\$93,880	378%	-17%	
Fast Food & Counter Workers	140,760	-34,740	-20%	\$13.16	\$27,370	110%	19%	
Stockers & Order Fillers	135,260	49,110	57%	\$17.57	\$36,550	147%	20%	
Registered Nurses	133,300	7,830	6%	\$38.44	\$79,940	322%	4%	
Cashiers	122,370	4,930	4%	\$13.27	\$27,600	111%	11%	
Retail Salespersons	120,500	-27,970	-19%	\$14.46	\$30,070	121%	9%	
Laborers & Freight, Stock, & Material Movers, Hand	114,010	-4,120	-3%	\$18.08	\$37,600	151%	8%	
Customer Service Representatives	99,090	-10,930	-10%	\$19.17	\$39,880	160%	-1%	
Misc. Assemblers & Fabricators	99,020	15,170	18%	\$19.31	\$40,170	162%	1%	
Home Health & Personal Care Aides	91,890	-2,980	-3%	\$14.08	\$29,290	118%	9%	

Source: Bureau of Labor Statistics (BLS), Occupational Employment and Wage Statistics (OEWS) Survey, May 2019, and May 2023. Estimates, available at https://www.bls.gov/oes/tables.htm, updated April 3, 2024. *Percent change in pay since 2019 is given as a change in pay as a share of the poverty level for the year in which it was reported. Largest detail occupations in Ohio by employment. Orange text marks a decrease in jobs or wages. Median annual pay shown as a share of the poverty threshold for a family of three in 2023 (\$24,860). Red text indicates annual income below 130% of poverty for a family of three, (\$32,3189), the threshold for food assistance. Note that BLS implemented a change to the data estimation methodology between 2019 and 2023, so comparisons with prior reports may vary slightly. See Bureau of Labor Statistics, "Survey Methods and Reliability Statement for MB3 Research Estimates of the Occupational Employment and Wage Statistics Survey." We have used the updated MB3 method for both years.

Jobs still missing from a majority of Ohio communities

Ohio regained the number of jobs lost to COVID-19 in May 2023, but both the type of jobs and their locations changed.⁸ As of February 2024, among Ohio's 11 Metropolitan Statistical Areas (MSA's), only Columbus, Cincinnati and Springfield recovered more than they lost; the same group that had recovered as of May 2023 when Ohio made its statewide recovery. That leaves the majority of Ohio communities still working to restore jobs lost to the COVID recession. Most have made continued progress over the past year, but Dayton

⁷ Michael Shields, "<u>Working for Less 2020</u>," Policy Matters Ohio, May 2020; data from 2019

⁸ COVID-19 destroyed 881,600 jobs from February to April 2020.

has lost even more jobs (-1,200 since May 2023). By February 2024, Cleveland was still missing the most jobs by far (-15,700). A full recovery must include all Ohio communities. Until it does, policymakers should be focused on growing high quality jobs across the entire state and should carefully preserve jobless benefits for Ohioans who need them.

A few metro areas account for most job gains Jobs restored in Ohio and 3 Metropolitan Statistical Areas								
Ohio	5,632,700	23,300	0.4%					
Columbus	1,156,400	33,300	3.0%					
Springfield	50,500	1,400	2.9%					
Cincinnati	1,157,400	31,000	2.8%					
Akron	339,200	-2,400	-0.7%					
Toledo	308,800	-2,700	-0.9%					
Youngstown-Warren-Boardman	212,100	-3,100	-1.4%					
Cleveland-Elyria	1,067,500	-15,700	-1.4%					
Lima	52,300	-800	-1.5%					
Dayton	386,400	-6,100	-1.6%					
Canton-Massillon	170,600	-3,100	-1.8%					
Mansfield	50,900	-1,100	-2.1%					

Source: Bureau of Labor Statistics, with Ohio Department of Job and Family Services Labor Market Information, Current Employment Statistics, February 2020 and February 2024, seasonally adjusted data, available at: https://ohiolmi.com/Home/CES/DS Results CES. Red text indicates annual income below 130% of poverty for a family of three, (\$32,3189), the threshold for food assistance.

Policy solutions must create access to jobs and ensure livable wages for all

Recession and recovery have made notable changes to Ohio's job landscape, including boosting pay among most of Ohio's most common jobs, and reducing the number of most common jobs that leave Ohioans needing food aid if they support a family of three. However, food subsistence is a very low bar, and four of the 10 most common jobs still leave their median worker short. Policy change must address this persistent trend of lowwage jobs.

Pay all Ohioans a minimum wage of at least \$15 per hour. Ohio needs a livable wage for all working people. Ohioans have not fully returned to jobs that don't pay a living wage. A ballot measure to raise the wage to \$15-per-hour would benefit nearly 1 million workers and deliver the highest wage boost to those workers most likely to be pushed to the margins, including women, Black and brown Ohioans, workers with a disability, and others.¹⁰

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⁹ Dayton's job shortfall since the COVID recession was previously reported at -900. However, these numbers are benchmarked each year. Updated figures show that Dayton was in a shortfall of -4,900 jobs at that time.

¹⁰ Michael Shields, "Raise the Wage," Policy Matters Ohio, April 2024.

Support working parents with robust childcare. Parents who want or need to work need a childcare option that provides a safe place for their children. For too long, Ohio has relied on federal dollars to fund three quarters of its childcare infrastructure and skimped on wages to the childcare workforce; a disproportionately Black, Latina and female workforce whose work has long been undervalued. Childcare workers in Ohio were paid just \$13.44-per-hour at the median in 2023. Lawmakers must immediately allocate emergency funds to stave off the current childcare crises they made through underfunding; create a real fix in the next budget cycle; and raise reimbursement rates to childcare providers with mandates that a portion of that money flows through to workers in the form of livable wages.

Pass a slate of proworker policies. Working people in Ohio face challenges from low pay to wage theft to employer efforts to block their right to form a union. They can also face crisis when they lose a job. Policymakers must support working people with a full slate of proworker policies. In *A New Way Forward*, Policy Matters Ohio has laid out a 10-point roadmap.¹¹

Conclusion

Too many of Ohio's most common jobs pay too little. For decades, working Ohioans have done their part, year after year producing more wealth for the state and their employers than ever before. It's policymakers falling on the job, letting employers and the wealthiest grab a bigger piece for themselves.

Everyone who works deserves to be paid a wage that dignifies the value of their work and meets the cost of living. It's time for Ohio policymakers to make that a reality for all Ohio working people.

¹¹ Michael Shields, "<u>A New Way Forward</u>," Policy Matters Ohio, May 2023