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tipped workers will get a 5 cent bump to \$3.98 an hour.

Dec. 26, 2013

Ohio's 330,000 minimum wage workers will see their pay climb 10 cents to \$7.95 an hour beginning Jan. 1 when the automatic hike takes effect. Minimum wages for tipped workers will get a 5 cent bump to \$3.98 an hour.

For a full-time minimum wage worker, the 10 cent raise will mean annual earnings will go to \$16,536, a hike of \$208.

The state's minimum wage is linked to inflation under a constitutional amendment approved by Ohio voters in 2006. Unions and advocates for low-wage workers pushed the measure as a way to protect workers from losing buying power over time. Voters endorsed the measure 56.6 percent to 43.4 percent.

Danielle Fritz, owner of a trio of Dayton-area small businesses with her family, including Centerville Coin & Jewelry, is weathering the change in stride.

"To be honest, I think it's too low," Fritz said.

As a small business owner, Fritz said she simply doesn't have time to fire bad employees. She needs to find the right people to start with, and that's very difficult at minimum wages, she said.

"I have a totally different reaction because you can't get quality people at minimum wage in my industry" she said.

Greg McAfee, owner of Kettering's McAfee Heating & Air, has a different take. He contends that raising the minimum wage only lowers the number of jobs available to those wage earners.

“Today in the HVAC industry, we start trainees out at close to \$10 an hour right out of

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Sean Chichelli, Ohio Chamber of Commerce director of labor and human resources policy, said businesses don't embrace the minimum wage hike but at least it's predictable. “They're prepared for it because they know it's there and this adjustment is made yearly.”

Chichelli said a large swath of minimum wage workers are younger, single people without children who are gaining work experience. The federal Bureau of Labor Statistics data indicate half of those earning minimum wage are younger than 25 and roughly 4 percent of hourly workers make the federal minimum, Chichelli said.

A mandatory minimum wage has been on the federal books since 1938 when President Franklin D. Roosevelt signed it into law during the Great Depression. The federal minimum wage stands at \$7.25 an hour, unchanged since July 2009.

Ohio is one of 13 states that will increase the minimum wage on New Year's Day. According to the U.S. Department of Labor, 19 states and the District of Columbia have minimum wage laws that set the rate higher than the federal minimum, four states have rates lower than the federal minimum and five states have no minimum wage laws. Ten states link minimum wage increases to inflation.

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