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Ohio public-sector workers under-compensated compared to private-sector counterparts, EPI study finds

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A new Economic Policy Institute study released this week finds that **full-time state and local government employees in Ohio are undercompensated by *6.0%***, when compared to otherwise similar private-sector workers. By using a comprehensive database that is updated monthly by the U.S. Census Bureau and Bureau of Labor Statistics, the study provides an accurate comparison of public- and private-sector compensation in Ohio.

The analysis, *Are Ohio Public Employees Over-compensated?* by Labor and Employment Relations Professor Jeffrey Keefe of Rutgers University, controls for education, experience, hours of work, organizational size, gender, race, ethnicity, experience, citizenship and disability. The study uses data collected primarily from the National Compensation Survey, and in accordance with standard survey practice, focuses on year-round, full-time public and private-sector employees.

Major findings of the study include:

- On an annual basis, full-time state and local employees and school employees are under-compensated by 6.0% in Ohio, in comparison to otherwise similar private-sector workers. When comparisons are made for differences in annual hours worked, the gap remains, albeit at a smaller percentage of 3.5%.

- Ohio public-sector workers are more highly educated than private-sector workers; 49% of full-time Ohio public-sector workers hold at least a four-year college degree, compared to 26% of full-time private-sector workers.

- Ohio state and local governments and school districts pay college-educated workers on average 25% less than do private employers.

- In addition to having higher education levels, compared to Ohio private-sector employees, Ohio state and local government and local school employees on average are more experienced (23.2 years compared to 21.7 years).

The study makes clear that public employees—like every other American worker—have in fact been victims of the worst recession since the Great Depression. In fact, severe financial problems as a result of the Great Recession have forced state, county and municipal elected officials across the country to make massive cuts in spending. **As a result, tens of thousands of public sector employees have been laid off and thousands more have been subject to forced furloughs, pay freezes and cuts in benefits.**

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