

## Spring Upswing: Positive job news for May

Hannah Halbert

Data from two separate surveys released by the Ohio Department of Job and Family Services (ODJFS) today suggest that Ohio's recovery has regained some steam. The state's unemployment rate continued to fall in May, landing at 7.3 percent according to seasonally adjusted data released from ODJFS's survey of households for May 2012.

A separate survey of employers also released today by ODJFS showed that Ohio added 19,600 jobs in May. Month-to-month data is highly subject to revision, and it is ill advised to make too much of month-to-month comparisons. However today's data suggest that Ohio's job market may be regaining some momentum after a weak beginning to the spring.

There is more certainty in examining longer-term job trends. Even with the positive reports earlier this year, recovery in Ohio remains painfully slow. Since the official end of the great recession in June 2009, the state has had modest job growth of just 2.1 percent, with the addition of 108,100 jobs. Since May 2011, the state job total has grown by 75,700, or 1.5 percent. At the rate of growth Ohio has experienced over the past 12 months, it will still take nearly three and a half years to generate the additional 261,500 jobs needed to return Ohio to pre-2007 recession levels of employment. That figure would be even higher if population growth were taken into account.

Figure 2 highlights changes in the Ohio job market from key points in time, including the 2001 and 2007 recessions, and the 2005 approval of a major state tax overhaul, which promised speedier economic growth. These figures include the latest seasonally-adjusted data from the monthly survey of employers (Current Employer Survey) done by ODJFS in co-operation with the U.S. Bureau of Labor Statistics.

### Key Findings

- From May 2011-May 2012, Ohio's jobs grew at 1.5%; adding 75,700 jobs.
- At this rate of growth, it will take nearly three and a half years for the state to regain the jobs lost during the 2007 recession.
- Manufacturing added an estimated 6,400 jobs in May, good news after a disappointing report in April.

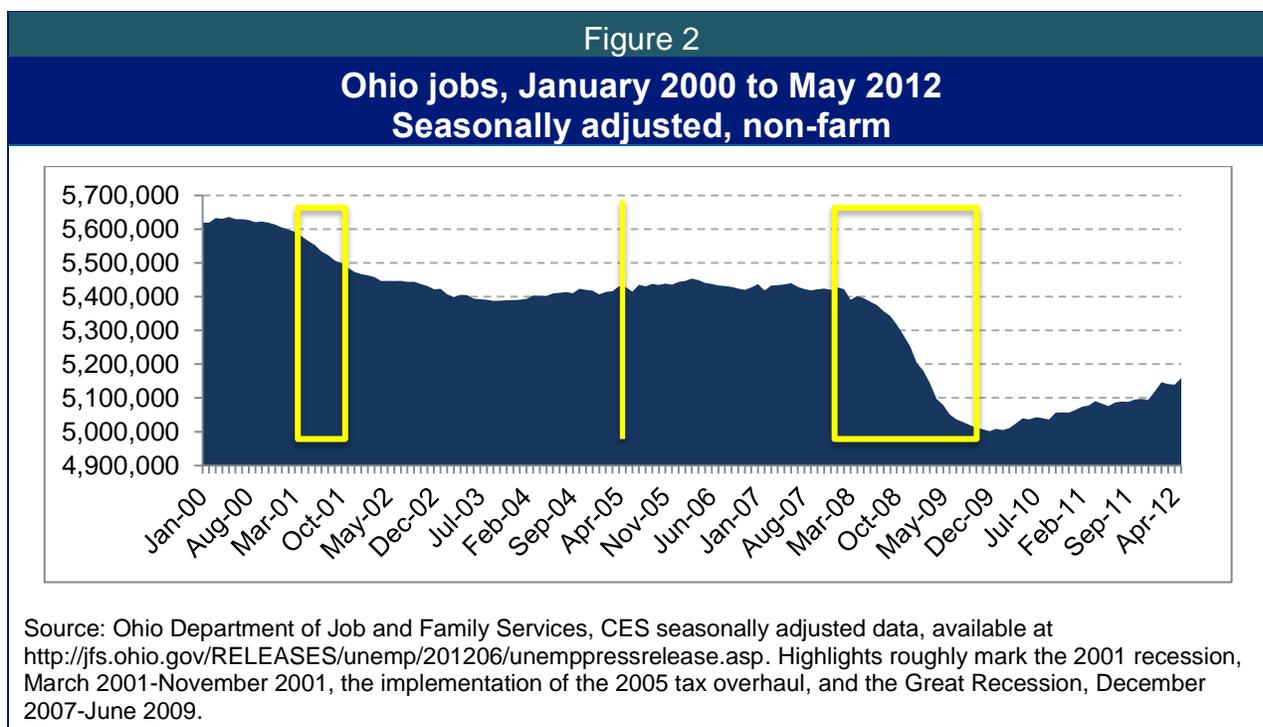


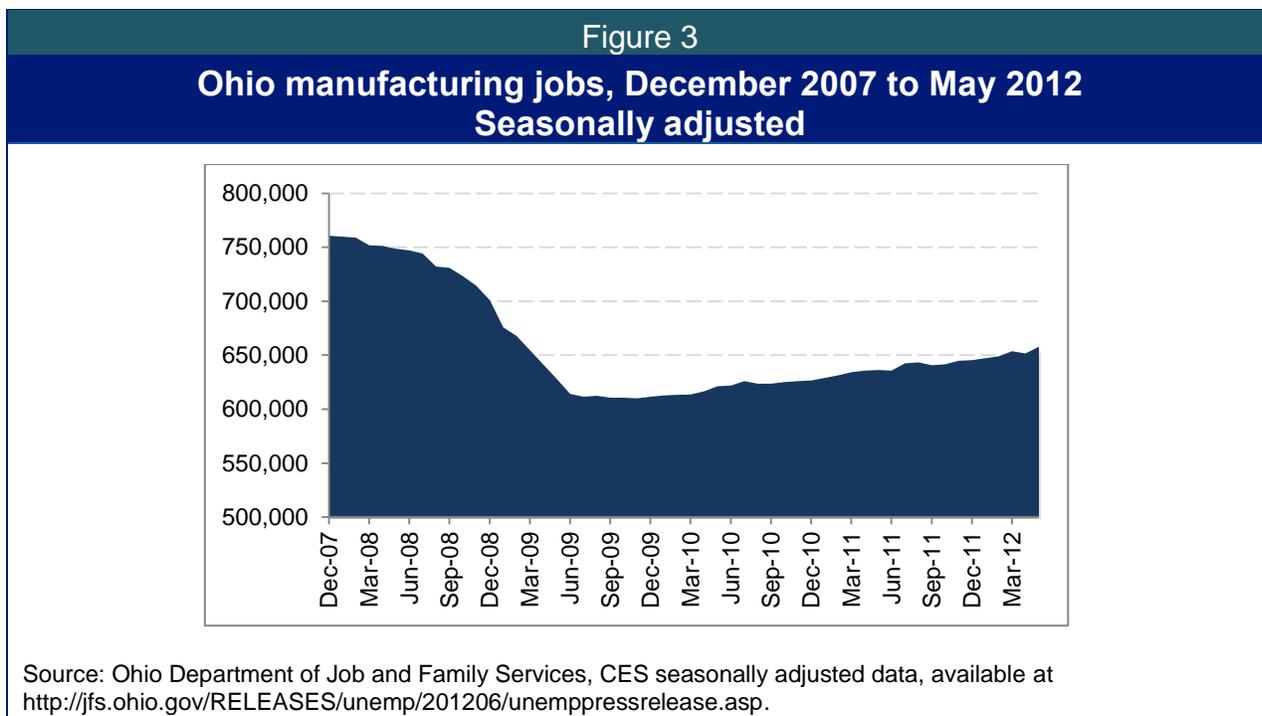
Table 1 details these changes. Not only is the state struggling to recover from the 2007 recession, Ohio never recovered from the 2001 recession, having lost more than 433,000 jobs since that recession began. Since the start of the 2007 recession, the state has lost 261,500 jobs. If Ohio had avoided cuts to state and local public jobs at the end of the 2007 recession, an additional 23,700 Ohioans would be employed.

**Table 1**  
**Change in Ohio jobs by sector (in thousands)**

|                      | May 2012 | Job change since 2001 recession start | % change since 2001 recession | Job change since 2005 tax overhaul | % change since 2005 tax overhaul | Job change since 2007 recession start | % change since 2007 recession |
|----------------------|----------|---------------------------------------|-------------------------------|------------------------------------|----------------------------------|---------------------------------------|-------------------------------|
| <b>Total jobs</b>    | 5,158.9  | -433.0                                | -7.7                          | -256.0                             | -4.7                             | -261.5                                | -4.8                          |
| <b>Manufacturing</b> | 657.9    | -326.9                                | -33.2                         | -152.7                             | -18.8                            | -102.8                                | -13.5                         |
| <b>Public sector</b> | 765.8    | -26.2                                 | -3.3                          | -31.0                              | -3.9                             | -27.5                                 | -3.5                          |

Source: Ohio Department of Job and Family Services, CES seasonally adjusted data, available at <http://jfs.ohio.gov/RELEASES/unemp/201206/unemprelease.asp>.

Job growth has been far too slow but some gains have been made. As Figure 3 shows, the manufacturing sector has had steady but slow growth since the end of the 2007 recession. Manufacturing has been a bright spot in Ohio’s recovery not only because of consistent job gains but also because the sector has historically produced jobs with family sustaining wages and benefits. In April, the manufacturing sector posted its first job loss since September 2011. May’s report shows a return to positive growth in this important sector.



### Recent WARN notices in Ohio

The Worker Adjustment Retraining Notification (WARN) Act protects workers and communities by requiring employers with more than 100 employees to provide 60 days’ advance notice of plant closures or mass layoffs. Federal, state, and local government entities are not covered. WARN triggers rapid response services, which can include layoff aversion, training and dislocated worker assistance. As Table 2 shows, ten WARN Act notices were filed with ODJFS in May, impacting 3,155 workers, of whom 1,910 are in a union. In May, many of the WARN layoffs centered on food and pharmaceutical distribution. RG Steel’s idling of steel-making facilities in Warren and elsewhere affected the largest number of workers.

| Table 2                                    |  |  |                  |
|--|--|--|------------------|
| WARN Act notices filed in Ohio, May 2012   |  |  |                  |
| Employer                                   | Location   | Type of work                                     | Impacted workers |
| SFI of Ohio, LLC                           | New Boston (Scioto)  | Manufacturing, crane and construction components | 81*              |
| Anda Inc. (Watson Pharmaceuticals, Inc.)   | Groveport (Franklin)   | Distribution center                              | 55               |
| MTD (Industrial Plastics)                  | Valley City (Medina)   | Plastics production                              | 152*             |
| Lipari Foods (I&K Dist./Countryside Foods) | Delphos (Allen)  | Food distribution                                | 57               |
| Super Valu Ohio Valley Distribution Center | Xenia (Greene)   | Save-a-lot distribution center                   | 123*             |
| Kerry Flavor Systems US, LLC               | Cincinnati (Hamilton)  | Food flavoring manufacturing                     | 141              |
| BioScrip, Inc.                             | Columbus (Franklin)  | Mail order pharmacy                              | 189              |
| AVI Food systems, Inc.                     | Cleveland & Ashtabula (Cuyahoga, Ashtabula)                  | Food Service Contractor                          | 803              |
| RG Steel LLC, Wheeling                     | Steubenville, Martins Ferry, Yorkville (Jefferson & Belmont) | Steel production                                 | 534*^            |
| RG Steel, LLC                              | Warren (Trumbull)  | Steel production                                 | 1020*^           |

Source: Ohio Department of Jobs and Family Services, WARN Act Notices, available at <http://jfs.ohio.gov/warn/current.stm>, last accessed June 14, 2012. \* Unionized workplace, ^idled facility,

## Conclusion

While today's report is good news for the state, one thing is clear: Ohio remains a long way from robust recovery. We need increased investment to restore our communities and grow good jobs.

*JobWatch* is an ongoing project of the *Economic Policy Institute* (<http://www.epinet.org>) and *Policy Matters Ohio*, (<http://www.policymattersohio.org>). Both are nonprofit policy research institutes.