Two Steps Back
July jobs data erase recent Ohio gains

Job and unemployment data released today by the Ohio Department of Job and Family Services (ODJFS) show that Ohio’s job market took a turn in the wrong direction in July. According to the monthly survey of employers, Ohio lost 12,400 jobs from a downwardly revised June total. The unemployment rate, which is calculated from a different survey, did not bring any brighter news. The labor force shrunk again in July, and the unemployment rate ticked up by 0.2 percentage points to 5.7 percent.

“July job losses erase nearly all the gains Ohio has made since March,” said Hannah Halbert, workforce researcher with Policy Matters Ohio. “Ohio had not sustained even a three-month job growth streak since last summer.”

Monthly numbers are always preliminary and subject to revision, making it unwise to make too much of monthly fluctuations. Today’s report continues a trend of on-and-off, painfully slow job growth. Over the last 12 months, Ohio produced a 0.5 percent job growth rate, trailing the national average of 1.9 percent. While many states and the nation have regained the jobs lost to the 2007 recession Ohio still needs 129,300 jobs just to recapture what was lost since the recession officially began in December 2007.

The unemployment rate, based on a separate ODJFS survey of households, also suggests that Ohio took a step backwards in July. The survey, which uses a different sample and definition of employment than the employer survey, showed that the slight increase in the unemployment rate was because all unemployment indicators moved in the wrong direction: employment decreased (-13,000), unemployment increased (7,000), and the labor force shrunk (-6,000). Overall, Ohio’s labor force is down by 222,000 (3.7 percent) since the recovery started.

“Ohio has made gains since the end of the 2007 recession, but we are nowhere near recovery,” said Halbert. “The state needs sustained, robust job growth to improve our jobs deficit.”

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Policy Matters Ohio is a nonprofit, nonpartisan state policy research institute with offices in Cleveland and Columbus.

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