



Manufacturing plays crucial role in Ohio economy Despite declines, manufacturing accounts for 1 in 8 Ohio jobs

Despite comprising a shrinking share of Ohio’s economy, the manufacturing sector still remains vital to the economy and labor market. Ohio should enact policies to strengthen manufacturing and ensure that it continues to be a source of quality jobs going forward. Those are the findings of a report released today by Policy Matters Ohio.

Manufacturing matters because it contributes about \$17 of every \$100 to the state economy, drives higher demand for other products and services than most sectors, and is a source of good jobs. The typical Ohio worker with a high school degree and no college earns \$2.99 more per hour in manufacturing.

Since the Recession, manufacturing jobs have made a shallow recovery. That could simply be part of the recovery, or it could signal a trend toward modest growth as firms explore reshoring to reduce transit costs and connect to regional innovation hubs.

“The loss of manufacturing jobs has devastated once thriving communities both rural and urban, across the state,” said Michael Shields, Policy Matters Ohio researcher and the report’s author. “But with nearly 700,000 Ohioans still working in this sector, we can’t count manufacturing out.”

Today, manufacturing jobs account for one in eight Ohio jobs, down from an all-time high of more than half at the height of World War II production. While manufacturing will likely never dominate the state that way again, Ohio remains the third leading state in the nation for total manufacturing jobs – about 687,000 – and has added 78,000 since June 2009.

The report identifies policies to strengthen state manufacturing by boosting demand through procurement and infrastructure investment, especially in renewable energy; helping small firms that comprise a growing share of the sector by improving access to capital and R&D; training workers, leveraging existing funds, and developing industry-recognized credentials; and advocating for federal policies that promote fair trade and keep Ohio manufacturers competitive.

“The loss of manufacturing jobs in Ohio and US communities was not inevitable,” said Shields. “It was the result of policy decisions we need to reassess in order to strengthen this industry, preserve, and grow the jobs that built the middle class.”

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