Benefits expiration looms as Ohio recovery shambles on
November jobs grew, but state remains 336,300 short of a year ago

The numbers: Seasonally adjusted data released today by the Ohio Department of Job and Family Services (ODJFS) show the state added 29,400 jobs in November. That rate, which would be impressive in normal times, leaves Ohio a year out from recovering the 336,300 jobs lost since November of last year. With the exception of a revised 26,700 jobs added October, the rate of recovery has slowed every month since it began. A separate survey gave conflicting job numbers and showed a significant number of Ohioans left the labor force in November, contributing to a lower unemployment rate.

The survey of employers reported the sunnier news of job gains in November. According to the employer survey:

- Employers in private service-providing industries added 28,500 jobs, with the biggest gains in Leisure and Hospitality (+11,300), Professional and Business Services (+7,400) and Transportation, Warehousing and Utilities (+5,000). Other Services (-1,600) and Information (-300) lost jobs. The Leisure and Hospitality sector remains the hardest hit, where 100,000 Accommodation and Food Services workers remain out of work since November 2019.
- Employers in private goods-producing industries cut 900 jobs overall, as losses in Manufacturing (-2,000) exceeded gains in Construction (+1,000) and Mining and Logging (+100).
- Government added 1,800 jobs as Local (+2,800) and State Government (+1,800) gains exceeded Federal job cuts (-1,800).

The separate household survey found that employers eliminated 132,000 jobs from a revised 5,480,000 in October to an initial 5,348,000 in November. The unemployment rate fell as 164,000 Ohioans left the workforce. This number reverses an unexpected boost of 177,000 labor force entrants in October, and may speak to challenges in survey collection created by the pandemic and recession. Ohio’s unemployment rate was 5.7%, down from a revised 6.1% in October, and compared with 6.7% for the nation.

It is normal for these surveys to differ, and important to keep in mind that these preliminary figures are subject to revision.

Policy Matters Ohio Researcher Michael Shields issued this statement:
What it means: “Though the surveys paint different specifics, one thing is clear: Ohio’s job growth has already slowed just as we approach the expiration of jobless benefits, which will create a crisis for workers experiencing job loss and slow our recovery even further. If Congress fails to extend federal benefits slated to end December 26, the loss in consumer spending, along with more possible business closures as new COVID-19 cases surge, could reverse the recovery early next year.

Solutions:

Extend federal unemployment benefits slated to end December 26th
“Pandemic Unemployment Assistance (PUA), which covers workers excluded from regular state benefits, and Pandemic Extended Unemployment Compensation (PEUC), which covers long-term unemployed workers who have used up all their regular benefits, are set to expire December 26. These programs had 262,000 and 101,000 Ohio claimants, respectively, the week ended December 12, exceeding the number of Ohioans who claimed regular state benefits that week (194,000). The loss of these programs this month — if Congress fails to act — is premature and will be devastating. Congress must quickly pass the extended benefits now being considered in a $900 billion stimulus bill, then follow up with a more robust package early next year.

Restore the $600 federal payment ended July
“The supports ending this month follow the July expiration of Pandemic Unemployment Compensation (PUC), which added $600 weekly federal payments to recipients’ regular benefits. (Another federal program paid $300 a week for six additional weeks.) The Economic Policy Institute has estimated that restoring PUC and extending the federal benefits scheduled for December expiration would create or restore 185,000 Ohio jobs next year, increasing employment by 3.5% over October numbers. Most of the gains would come from reinstatement of the $600-per-week PUC payment, which supported consumer spending by displaced workers in the early months of the pandemic, and provided a needed income boost to low-wage workers. The pending stimulus bill restores PUC at just $300 per week. To restore income to displaced workers already in crisis, this should be passed immediately. Follow-on legislation should increase these payments early next year.

Last word:
“As the COVID-19 pandemic rages, Ohio workers are already in crisis. Congress this summer allowed one vital safeguard to expire, and now faces the looming expiration of others it had months to prevent. PUA and PEUC must be extended. $600 weekly PUC must be restored. The time to act is now.”