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Job Growth Stalls: After three months of solid growth Ohio lost jobs in April

After three months of steady job growth the state lost 1,000 jobs in April, according to data from the Current Employment Statistics Survey (CES) released today by the Ohio Department of Job and Family Services (ODJFS). Manufacturing (-1,800) and arts, entertainment and recreation experienced the largest losses (-4,000). Gains in trade, transportation and warehousing (+3,900) and professional business services (+2,300) could not fully offset these and other smaller losses. The nation has made steadier gains, reaching a 1.6 percent growth rate over the previous 12 months.

“January through March brought good news, but April suggests a return to sluggishness,” said Hannah Halbert, researcher with Policy Matters Ohio, about the CES data. “Since last April, Ohio has added nearly 57,000 jobs, a 1 percent job growth rate. More than a decade and a half of tax cuts and slack investment in public services still has not brought rapid job growth, as some politicians and business interests promised.”

“This month’s data is mixed, with bad news from one survey and good news from another,” said Halbert, who also cautioned that monthly data is subject to revision. Data from the Household Survey, also released today by ODJFS was more positive than the CES data. Both include data important to understanding the state labor market. The CES collects information on payroll and employment in surveyed firms. The Household Survey collects information from people about individual participation in the labor force. They have different sample sizes, respondent populations, and definitions for “jobs” and “employment.” These differences mean that the surveys can differ. That is the case in April.

The Ohio unemployment rate and other data from the Household Survey moved in a solidly positive direction. The number of people working or looking for work increased (+7,000) as did the number employed (+11,000). The number of unemployed people fell by 4,000. This suggests that people moved off the bench into jobs, dropping the unemployment rate to 4.3 percent in April from 4.4 percent in March.

“A growing labor force, with more employed Ohioans is unequivocally good. However, Ohio’s labor force has never recovered to its pre-recession level,” Halbert said. “The state needs 208,000 more people working or actively seeking work to break even. A tighter labor market should boost wages, particularly for African-American workers. The wage gap between black and white workers in Ohio has doubled since 1979. Policies like raising the minimum wage and expanding overtime to workers will help balance the scales.”

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