Ohio underperforms in April jobs report

April was a big month for national job growth with a gain of more than 263,000 jobs. Unfortunately, this was not reflected in Ohio’s job numbers. Seasonally adjusted jobs data released today by the Ohio Department of Job and Family Services show Ohio gained just 1,400 jobs in April. This gain is on top of a downwardly revised March gain. In total, Ohio has added 13,400 jobs this calendar year, gaining an average of only 3,350 jobs a month. Over the last 12 months, Ohio has grown by 0.8 percent, a full percentage point below the national average.

“Since 2005 Ohio policy has been based on the false assumption that tax cuts and deregulation create a so-called business friendly environment that will result in robust job growth and a better standard of living for everyone,” said Hannah Halbert, project director with Policy Matters Ohio. “Yet, the state continues to trail the nation in terms of job growth, unemployment, infant mortality, college affordability, and a host of other metrics that measure livability and economic security. It is beyond time to try a new direction, one that puts working families ahead of big business interests.”

The separate household survey, which generates the data used to calculate the unemployment rate, again had more positive news than the survey that generates the jobs data. The household data showed more Ohioans working or looking for work in April than in prior months. The labor force grew by about 8,000 in the last month, and unemployment fell. Overall, the Ohio unemployment rate improved to 4.3 percent, down slightly from 4.4 percent. The national rate is 3.6 percent.

Notably, the share of Ohio’s working aged population that is employed, a metric called the employment-to-population rate, broke 60 percent in April, according to the household survey. This has not happened since February 2009. In 2007, the year before the great recession, more than 63 percent of Ohioans were working. The employment-to-population rate goes beyond the unemployment rate to include all working-aged people, not just those who are actively seeking work. Ohio trails the nation in this measure as well.

“The economy should work for everyone, not just the privileged few,” Halbert said. “People, particularly those working full-time, year round, should not have to struggle to afford the basics. Yet, that is the economy our policy choices has created. Nearly all other metro-regions in the state outside of Cincinnati and Columbus still have not recovered all of the of jobs lost to the 2007 recession. Many of Ohio’s jobs pay less as a share of poverty now than they did nearly two decades ago. Increasing the minimum wage, increasing overtime protections, and enforcing existing wage and hour laws are essential reforms to help Ohio workers share in the wealth their labor creates.”

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