



JobWatch
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More jobs restored in April Response to inflation could slow or reverse recovery

The takeaway: Ohio's job recovery continued in April, but wage growth currently lags inflation, which dipped slightly to 8.3% in April but remains near a 40-year high. Policymakers can target the corporate profits driving price hikes. If instead they try to quell inflation by raising interest rates, they could slow or reverse the jobs recovery.

"New jobs added last month keep us on track for a full jobs recovery by the end of the year, thanks to the unprecedented scale of federal stimulus that drove rapid early recovery," said Policy Matters Ohio researcher, Michael Shields. "Policymakers are now rightly focused on high inflation, but they've got to use the right tool to tame it. **Policymakers should choose a temporary excess profits tax on the corporations driving price hikes.** If instead the Federal Reserve moves to stem inflation by slowing the economy, working people will be the ones harmed by more job losses in a job market that has still not recovered, and where wages are outpaced by price hikes."

[Inflation is growing faster than wages](#), pushing working Ohioans behind. [Corporate profits have driven more than half the rise in prices](#) since the second quarter of 2020 (54%), while wages have contributed less than 8%.

"Corporate greed is the main driver of inflation in this recovery," said Shields. "Policymakers must reduce corporate power — not working people's jobs — in order to tame it."

The numbers: Seasonally adjusted data released today by the Ohio Department of Job and Family Services (ODJFS) show that Ohio employers restored 9,500 jobs over the month, from a downwardly revised 5,464,400 in March to 5,473,900 in April. This is about half as many jobs as Ohio gained the prior month, but preliminary numbers are subject to revision. Ohio has restored 83.5% of jobs lost to COVID-19 and still needs 139,900 jobs to recover our pre-COVID number from February 2020.

The details: Ohio goods producers added 7,200 jobs last month, far outpacing the larger service sector (+1,900), and government (+400). This substantial gain places goods producers just 0.7% short of their pre-COVID February 2020 level (-7,200 jobs). The service sector is 2.3% short (-90,200 jobs), while government is 5.4% short (-42,700).

The household survey: According to the separate household survey, 11,000 Ohioans entered the workforce last month to accept a job or begin their search, and 14,000 job seekers found work. Ohio's unemployment rate fell 0.1 points to 4.0%. The nation's was 0.4 points lower at 3.6% for April.

"Many new job seekers entered the labor force last month following even more who joined in March," said Shields. "This trend shows that Ohioans want to work, and more are confident that they can find a job. The unprecedented federal response to the COVID recession has put us on track to a record recovery. Enhanced unemployment benefits helped Ohioans to survive the worst of the crisis."