



JobWatch
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A new normal? Ohio's job growth rate now average, unemployment rate doesn't budge

Seasonally adjusted data released today by the Ohio Department of Job and Family Services show that Ohio's job growth rate caught up to the national average in August with a 12-month gain of 1.6 percent. The state has added 90,200 jobs in the last 12 months. 2018 is shaping up to be the best post-recession year since 2014, when Ohio gained 95,400 jobs.

"Today's report is good news for Ohio. The state continues to add jobs and we have pulled even with the national average," said Hannah Halbert, project director with Policy Matters Ohio. "Other data released today signal some weakness: the labor force got smaller and the number of unemployed Ohioans grew."

Jobs data are generated by a survey of employers. The unemployment rate is determined by a survey of households. The two surveys have different methodologies and definitions of employment. They paint two different pictures of Ohio's economy.

The number of employed Ohioans fell last month by 16,000. The data show 13,000 people left the labor force, which means they stopped working or looking for work. Another 3,000 became unemployed. The overall unemployment rate for Ohio remained unchanged at 4.6 percent.

"It is not unheard of for these two surveys to produce incongruous results, particularly when looking at monthly data that is subject to revision. While it is ill-advised to make too much of the monthly changes, today's report echoes a larger trend: job growth alone is insufficient to solve the state's labor market woes," said Halbert. "Ohio has slowly added jobs, but wages and labor force participation haven't rebounded. Poverty remains too high."

Though Ohio has recovered all the jobs lost during the 2007 recession, census data released last week showed there were still 118,000 more Ohioans in poverty in 2017 than there were in the year before the recession. Median household income was statistically unchanged from the year prior and the overall poverty rate improved by less than one percentage point.

"Today's report reminds us that Ohio's recovery has been exceedingly slow and a job isn't necessarily enough to make ends meet. Ohioans live in a divided economy: it's booming for the very well-off, and sluggish for those living paycheck to paycheck. Policy to restore wages can close the gap," said Halbert.

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