



JobWatch
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Despite recent slowdown, 2018 best year for Ohio job growth since 1994

Seasonally-adjusted data released today by the Ohio Department of Job and Family Services show that the state's job growth in 2018 was the strongest in years, but slowed over the last four months. In December, Ohio gained just 2,900 jobs, a departure from the five-figure gains the state saw earlier in the year. In the first eight months of 2018, Ohio added 100,300 jobs. In the months since, Ohio has gained just 16,200.

"The Ohio economy appears to be coming down from a stimulus-induced growth spurt. Last year's federal tax cuts demonstrate how stimulus can shore up a sluggish economy. Because those tax cuts were poorly targeted and inefficient, too much of the gains went to the wealthiest and to corporate stock buybacks. Smarter stimulus would mean investment in infrastructure and transit, workforce training, or expanding the Earned Income Tax Credit. These policies drive demand and they support low- and moderate-income workers, instead of the super-rich."

In 2018, Ohio had a job growth rate of 2.1 percent. That was the state's best year since 1994's rate of 3.6 percent. This is good news for the state. Last year is also the first year since 2010 that the state outperformed the nation's job growth average.

"Ohio's economy responds well to stimulus policy. In 2018 and 2010, the two post-recession years in which Ohio outperformed the nation, federal fiscal policy provided a boost. Ohio's economy needs investment, not cuts and budget austerity. Policymakers should prioritize investments that will bring more Ohioans into the economy and keep the state on track to reach full employment," said Halbert.

Today's data is preliminary. Monthly data are always subject to revision and an annual benchmarking process to make the data more accurate. In March, the Department of Labor will release new data for the year and many of these initial estimates may change. It is possible for some of those revisions to change the overall totals and trajectory of the trends.

Ohio's unemployment rate again remained at 4.6 percent, higher than the national rate of 3.9 percent. A year of relatively strong growth has not pulled people into the labor force. Rather, 15,000 fewer people were working or looking for work this December than last. This decline is out of sync with the national trend. The U.S. labor force has grown by 1.6 percent over the last year.

"Ohio's working people need an economy at full employment to drive up their wages, which have been sluggish over a generation," said Halbert. "Targeted investments work."

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