



JobWatch
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Ohio job growth keeps chugging along, approaching national average

Seasonally adjusted data released today by the Ohio Department of Job and Family Services show that Ohio job growth continues to chug along, with an increase of 7,600 jobs in July. Repeating last month's performance, the state inched closer to the nation's job growth average. Over the last 12 months Ohio jobs grew by 1.5 percent, the nation's by 1.6 percent. Ohio added nearly 82,000 jobs during the first seven months of 2018, almost twice as many jobs as the state added in the same period of 2014 (42,600), which now stands as the state's best recent recovery year.

"So far, 2018 looks to be a banner year. This is good news for Ohio, particularly after the disappointing growth seen last year. The state needs many more months of strong growth to pull in new workers and restore the state's labor force to its pre-recession level," said Hannah Halbert, project director with Policy Matters Ohio.

A mix of industries have led the state's job growth over the last 12 months. Leisure and hospitality added more jobs than any other sector (+17,200), with most of those jobs falling into accommodation and food service work. Manufacturing was the second largest jobs producer, gaining 16,700.

"Ohio has been adding jobs across many industrial sectors, but the state still has far too many jobs paying less than a family-sustaining wage. The tightening labor market may help drive up wages, but the national experience suggests additional policy interventions are needed. Nationally, real wages have fallen over the year, particularly for workers who are in production jobs or non-supervisory positions," said Halbert.

The state's unemployment rate ticked up again in July from 4.5 to 4.6 percent. The unemployment rate is generated from a separate survey of households, which has a different methodology and definition of employment than the survey of employers that generates the jobs data. Unlike last month's report, which suggested the rate increase was because workers were being lured back into the labor market by a more positive jobs outlook, July's change was driven by a decrease in employment and an increase in unemployment.

"It is not uncommon for the surveys that generate the jobs data and the unemployment data to diverge. It's a good reminder not to read too much into monthly data that is subject to revision. Ohio's overall job growth trend is positive. Ensuring that the growth is accompanied by broadly held prosperity should be a top priority of policymakers," said Halbert.

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