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Ohio added jobs in July Revision shows small gains for June

The takeaway: With revised numbers showing that Ohio made small gains in June, job growth in July marks Ohio's ninth straight month of gains. Initial June data suggested the economy was cooling too quickly in response to the Federal Reserve's efforts to manage inflation. This month's report is better news for Ohio, and a solid reminder that the monthly job numbers are preliminary. Nationally, significant job gains for July show strong U.S. recovery and allay concerns that the U.S. has dipped into recession. Though Ohio posted more modest gains, July growth is an encouraging signal. While high inflation remains a concern, an overcorrection by the Federal Reserve poses the greatest risk to continued job recovery. Pulled down by slowing wage growth and possibly the Fed rate hikes in the spring, inflation dipped to 8.7% in July after a 40-year high of 9.1% in June.

The numbers: Seasonally adjusted data released today by the Ohio Department of Job and Family Services (ODJFS) show that Ohio employers restored 7,000 jobs over the month, from an upwardly revised 5,477,000 in June to 5,484,000 in July. June's revised numbers showed a substantial positive correction: Instead of losing 11,300 jobs as originally thought, Ohio gained 300 jobs in June. Ohio has restored 85.0% of jobs lost to COVID-19 and still needs 129,800 jobs to recover our pre-COVID number from February 2020. This recovery includes 88.9% of private sector jobs lost, but just 16.6% of government jobs lost.

"Today's job numbers are an encouraging sign of continued recovery for Ohio, following on a spectacular jobs report for the U.S. earlier this month," said Policy Matters Ohio researcher, Michael Shields. "Ohio is still far from recovering the total number of jobs lost to the COVID-created recession. Public employment is dragging, despite increased federal investments and increased public need for the kinds of [services public employees provide](#), from treating illness to teaching our children.

The details: No sector has fully recovered its jobs lost to COVID-19, but within sectors, some industries have recovered. Transportation, warehousing and utilities employers added the most jobs (+37,700), lifted by new consumer habits caused by COVID-19, which drove Ohioans to shift from hiring services to buying more goods, and to make more of those purchases online. In the service sector, professional, scientific and technical services (+3,300); finance and insurance (+1,500); and information (+900) have all made modest recoveries. Overall, the service sector remains 81,300 jobs below its pre-COVID level, with the largest remaining shortfalls in healthcare and social assistance (-48,000 jobs), and leisure and hospitality (-37,800 jobs). Among goods producers, nondurable goods manufacturers have added 6,400 jobs, construction jobs have added zero, and durable goods makers are down 10,100 jobs.

The household survey: According to the separate household survey, the number of Ohioans working or seeking work was 5,795,000, unchanged from the prior month. Ohio's unemployment rate remained at 3.9%. The nation's fell 0.1 points to 3.5% for July.

“Buoyed by federal stimulus that met the scale of the crisis, Ohio is recovering jobs much faster than in recent past recessions,” said Shields. “State and local lawmakers should spend their remaining [American Rescue Plan dollars](#) restoring public sector jobs and supporting the working people and families most harmed by COVID-19 and the recession. To protect the recovery and bring all Ohioans back in from the sidelines, policymakers at the Fed should [slow or pause interest rate hikes](#) until jobs are fully recovered in Ohio and all states.”