May job report shows continued COVID crisis
Ohio regains jobs, remains 757K short of previous May

The numbers: Seasonally adjusted data released today by the Ohio Department of Job and Family Services (ODJFS) show Ohio employers added 127,100 in May, increasing the total number of jobs in the state from a revised 4,704,000 in April to 4,831,100. The state remains in a deep shortfall, with 757,600 fewer jobs last month than in May 2019.

From April to May 2020:
- Employers in goods producing industries brought 38,400 workers back last month. Construction firms added 19,200 jobs, manufacturers added 19,000 and mining and logging firms added 200.
- Private service sector employers restored 112,000 jobs. Leisure and hospitality firms restored 36,600 jobs. Trade, transportation, and utilities added 31,400 jobs while educational and health services added 17,000. Other services added 13,900 jobs and professional and business services added 11,900. Financial activities added 2,000. Information firms were the only private sector industry that cut jobs overall (-800).
- Public sector employment fell by 23,300 jobs with most cuts in local government jobs (-21,300). The state cut 2,000 jobs, and no change was reported in federal government jobs.

Ohio’s unemployment rate in May was 13.7%, down from 17.6% in April but still higher than any month during the Great Recession and just below the highest levels of the early 1980s recession.

Even with the new jobs added in May, Ohio still has an enormous jobs shortfall. From May 2019 to last month, Ohio employers shed 757,600 jobs. Employers in goods-producing industries cut 100,800 jobs. Private service-providing sector employers cut 586,000 jobs. State, local and the federal government cut 70,800 jobs.

What it means: “Last month’s dip in joblessness stems from those called back to work straightaway when Gov. DeWine’s public health orders lifted,” said Policy Matters Ohio researcher Michael Shields. “Now Ohio will face the trickier challenge of steering a recovery for those whose employers cut payrolls due to loss of revenue. The economic slowdown collapsed state and local government revenues and hit public sector workers especially hard. Private sector employers faced contracted consumer demand as Ohioans were laid off from work and many waited weeks or months for unemployment benefits. We are far from out of the woods.”
Ohio policymakers should be demanding more federal support, investments in workers, and in our shared resources to recover.”

“May’s jobless numbers were released on Juneteenth, the day we celebrate the 1865 order that proclaimed the last enslaved people free: those in the most remote Confederate state of Texas. As we celebrate, we must acknowledge that COVID-19 and its economic fallout are falling particularly hard on Black Ohioans, and we must commit to sustained policy solutions until everyone is included in the recovery. Black Ohioans are 13.0% of state residents, but represented 19.0% of displaced workers filing initial unemployment claims last month. Disparities like this have been exposed by the COVID-19 crisis and the mobilizations for racial justice happening around the nation, but they are longstanding. Ohio lawmakers must call on the federal government to pass a recovery package designed to correct them.

Solutions:
Continue supports as long as they’re needed: “It’s vital that policymakers do not take the dip in unemployment as a sign that it’s time to stop providing necessary relief to working people, their families, and state and local governments. Without significant, targeted, and urgent federal aid, Ohio will endure a painful and protracted recession that hits Ohioans with low incomes and Ohioans of color the hardest.

Ensure everyone who needs Unemployment Compensation gets enough support to make ends meet: “As we approach the expiration of federal Pandemic Unemployment Compensation program, which provides unemployed workers an additional $600 in support, hundreds of thousands of Ohioans remain displaced from work by the coronavirus recession. Many others are returning to jobs that pay so little a family of three would still need food assistance. Congress must extend these benefits and implement economic triggers to keep them in place as long as they are needed. And Ohio policymakers should raise the state’s minimum wage to one that ensures all working people get a fair return for the hours they put in.”

“Ohio and the nation face the deepest recession of our time. Sustaining all Ohioans through the crisis and steering the economy to recovery will require a deliberate and sustained policy commitment.”