10 years of recession recovery
Ohioans are working, but continue to struggle

Ohio’s unemployment rate of 4% is the lowest it has been since 2001. Since the Great Recession ended 10 years ago last month, Ohio has added more than 539,000 jobs. That’s enough to replace the jobs lost to the recession but not enough to keep up with population growth. Nevertheless, Ohio’s growth trails the nation, and far too many people aren’t sharing in the recovery.

The seasonally adjusted jobs data released today by the Ohio Department of Job and Family Services (ODJFS) show the state gained just 1,500 jobs in June. Even with this gain the state had fewer jobs last month than it did in January. In the last 12 months Ohio jobs have grown by a measly 0.5%. The U.S. average was 1.5%. A separate survey also released today by ODJFS shows that the unemployment rate ticked down to 4% from 4.1%. This improvement was largely driven by increased employment instead of a shrinking labor force. However, Ohio still needs 178,000 people to work or actively look for work to return to our pre-recession labor force.

“Ohioans are working, but they are not getting ahead,” said Hannah Halbert project director with Policy Matters Ohio. “In their drive to cut taxes for the wealthy and for corporations, legislators forgot about working people. We have had 10 years of below average job growth, and more people in poverty.”

Even though Ohio workers created record wealth every year since the recession ended, more people are struggling to make ends meet and are living in distressed communities. There were 118,000 additional people in poverty in 2017 than in the year prior to the recession. Ohio is 12th in the nation for the share of children growing up in poverty. By 2016 10% of Ohio neighborhoods were areas of concentrated poverty, a two-fold increase since 2000.

“Restoring the minimum wage and overtime protections would help more working people share in the wealth they create. Lowering eligibility standards for child care assistance and boosting public transit can help take the pressure of working people – especially those earning low wages,” Halbert said.

“Ohio has not made any progress in job growth this calendar year,” she said. “We can celebrate the low unemployment rate but policymakers need to get real about job growth and wages. People are working, but jobs aren’t paying all the bills. Our state tax changes have funneled more wealth to the already wealthy, leaving fewer resources available to spend on public policies that could build an economy that works for all Ohioans, regardless of color, gender, or zip code. Ohio can do better.”

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Policy Matters Ohio is a nonprofit, nonpartisan state policy research institute.