



JobWatch
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Contact: [Michael Shields](#)
330.906.2062

June job report shows continued gains Coronavirus surge spells trouble ahead

The numbers: Seasonally adjusted data released today by the Ohio Department of Job and Family Services (ODJFS) show Ohio employers added 208,000 jobs in June, adding to gains in May, when revised employment stood at 4,825,200. Ohio's June jobs total of 5,033,200 remains 554,600 short of the state's jobs a year ago in June 2019. Ohio's unemployment rate stood at 10.9% last month.

These gains posted before new coronavirus cases began a sharp increase, raising concerns that an inadequate public health response could erase recent gains.

The numbers from the monthly jobs report:

- Employers in goods producing industries added 29,600 jobs in June, on top of gains of 38,400 for May. Manufacturers accounted for 28,900 of June's new or restored jobs.
- Private service sector employers added 165,700 jobs in June, following 112,000 gained in May. Leisure and hospitality led in June with 82,300 new or restored jobs.
- Public sector employment rose by 12,700 jobs in June, with gains of 10,900 local government jobs. These gains fell short of recovering the 23,300 government jobs lost in May.

[Separate data show](#) that new unemployment claims have topped 30,000 every week since March 21. Last week's 35,422 claims for regular benefits exceeded all but the two worst weeks of the Great Recession.

What it means: "Two factors spell trouble for continued job gains going forward," said Policy Matters Ohio researcher Mike Shields. "First, Ohio is experiencing a surge in new coronavirus cases, which may signal that some parts of the economy were reopened too quickly and may have to be slowed once more to avert even more illness and deaths. Second, Congress's lack of action on Pandemic Unemployment Compensation (PUC) is set to let expire the \$600 weekly unemployment supplement displaced Ohio workers receive, creating a fiscal cliff that will contract consumer spending and deepen the recession."

New Ohio coronavirus cases rose to 1,304 per day on average for the latest week through July 15, more than three times the average of 391 new daily cases for the week ended June 13, when data were gathered for the June unemployment numbers. "These numbers show the pandemic is strengthening with [destructive consequences](#) for both Ohioans' health and the economy," Shields said.

Solutions:

Extend Pandemic Unemployment Compensation and replace time limits with economic triggers:

“The most urgent need right now is to extend the \$600 federal supplement displaced workers receive with their state unemployment check,” said Shields. “Without action, that payment will abruptly end next week on July 25, creating immense hardship for Ohio families and causing a major contraction in consumer spending that will shutter more businesses and destroy more jobs. Congress should renew PUC and keep support flowing as long as it’s needed by replacing the arbitrary end-date with an economic trigger of near-full employment.

Commit to supporting Ohioans in and out of work through a long recovery: “Last month’s job numbers and the surge in new coronavirus cases underscore that this recession is going to stick around for a while. The Legislative Budget Office projects that [Ohio’s economic output](#) will not return to pre-COVID levels until Fiscal Year 2023. Employment will trail behind that. The recession has already triggered a 20-week extension of unemployment compensation payments, available to workers who have exhausted regular benefits and all 13 weeks of federal Pandemic Extended Unemployment Compensation.

To restore economic vitality to Ohio, policymakers must center public health. This means implementing [workplace safety measures](#) to protect workers and the public from exposure to COVID-19, committing to sustained unemployment support of those displaced [Ohioans who cannot yet return to work safely](#), and providing adequate [paid sick leave](#) for workers.

Last word: “Steering the economy back to health means keeping *people* healthy. Job gains are welcome when Ohioans can safely return to work, but the surge in new coronavirus cases shows there is more to be done to control the pandemic’s spread. That means workplace safety protocols and extended unemployment. Without both, we will see needless loss of life and new job losses.”