



JobWatch
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Ohio employers slashed jobs in June

Policymakers must protect working people when fighting inflation

The takeaway: Ohio employers cut jobs last month for the first time since October. As inflation hit 9.1% in June, policymakers at the Federal Reserve have signaled plans to further hike interest rates. As they prepare to meet next week, the latest jobs report should [caution Fed officials](#) against rapid rate increases, and lawmakers should begin implementing more targeted tools to moderate inflation while minimizing harm to working people.

“By directing historic resources to families, businesses, and state and local governments, federal policymakers drove a rapid recovery from the deepest recession on record,” said Policy Matters Ohio researcher, Michael Shields. “The Fed’s response to inflation could put that all at risk. Inflation takes the biggest toll on the same people who were harmed most by the COVID recession: people with low incomes and Black, brown and Indigenous Americans. Policymakers must ensure the tools they use to stem it are not allowed to reverse the recovery, and instead use tools that help all Americans make ends meet and fully recover.”

The numbers: Seasonally adjusted data released today by the Ohio Department of Job and Family Services (ODJFS) show that Ohio employers cut 11,300 jobs over the month, from a downwardly revised 5,476,700 in May to 5,465,400 in June. This marks the first month Ohio employers have cut jobs since October 2021. Figures are from a survey of employers and preliminary numbers are subject to revision. It will take additional months of data to confirm whether this is a new trend. Today’s figure shows that Ohio’s recovery is faltering. Now we are 148,400 jobs short of our pre-COVID jobs number from February 2020. Ohio has restored 83.2% of jobs lost.

The details: Government job cuts (-5,900) led losses in all three major sectors, with 7,300 state cuts exceeding 300 cuts in federal jobs and offsetting 1,700 gains in local government jobs. A state cut on this scale is uncharacteristically large and could contain a data or seasonal adjustment irregularity. Goods producers shed 2,900 jobs with losses in manufacturing (-3,600). Service employers cut 2,500 jobs, with the biggest losses in leisure and hospitality (-3,500) and trade transportation and utilities (-2,500), the sector that has fared well overall as the COVID recession changed Ohioans’ buying habits. The sub-category of transportation, warehousing and utilities has added 39,200 (+16.1%) jobs since February 2020, by far the largest gains.

“Without government cuts, Ohio’s job losses would have been half what they were last month,” said Shields. “If these numbers hold, it’s even more concerning because when governments cut jobs, they also cut vital services. Public sector workers keep our roads safe, our water clean and our aging neighbors cared for. Ohio policymakers can directly restore these jobs.”

The household survey: According to the separate household survey, 2,000 Ohioans entered the workforce last month to accept a job or begin their search, 4,000 found work, and the number unemployed rose by 2,000. Ohio’s unemployment rate held steady at 3.9% in June. The nation’s was 0.3 points lower at 3.6%. The share of working age Ohioans working or seeking work remained at 62.0%, near the nation’s rate of 62.2%, which fell 0.1 points from the previous month.

“Last month’s job numbers are a stark reminder that Ohioans have yet to heal from the COVID recession,” said Shields. “Policymakers must keep that in mind as they [work to quell inflation](#). It’s time to use a new set of tools to [direct the cost to the corporations now driving the inflation](#) that was started by COVID-19 and Russia’s war on Ukraine, and provide access to [child care so working parents can return to their jobs](#).”