Ohio slowdown continues with job losses in October

New seasonally adjusted data released today by the Ohio Department of Job and Family Services (ODJFS) show Ohio employers cut 1,000 jobs in October. Monthly job data are always reported as preliminary and subject to revision. This month ODJFS revised September data, which now shows employers added 400 jobs instead of eliminating 1,500.

Longer-term trends are better indicators of Ohio’s economic health and these suggest that Ohio’s economy is slowing down. Overall, Ohio employers have cut jobs in five of the last 10 months. In October, Ohio had 10,300 fewer jobs than it did in January. Over the last 12 months Ohio’s job growth rate is just 0.4% compared to the national average of 1.4%.

“The trade war with China and the GM strike were among the factors dragging down Ohio’s job growth rate,” said Hannah Halbert, project director with Policy Matters Ohio. “The strike ended and a trade deal with China looks a little more likely at the moment, but Ohio’s job weakness extends beyond manufacturing. Ohio policymakers should be working to insulate the state against the next national recession. They should extend unemployment insurance coverage to more low-wage workers, and encourage employers to participate in the state’s workshare program which helps people stay employed during a downturn.”

Employers in production work, which includes manufacturing, construction and mining, eliminated 10,400 jobs in the last 12 months. Much of that was in construction (-8,600). Employers in administrative, support, and waste services eliminated 8,500 jobs, while retail employers cut 5,200 jobs over that time.

Ohio employers are hiring, but mostly in the high and low-paying jobs. Companies in the “Professional, Scientific and Technical Services” sector added 12,500 jobs in the last 12 months. Health care and social assistance organizations, which employ both highly paid workers who require years of formal education and very-low paid assistants and aides, have added 13,600 jobs. Firms in food and accommodation services, which tend to employ low-wage workers, added 8,700.

ODJFS data projects that fast food companies will have the most annual job openings in Ohio through 2026 (+31,702/year). The data predicts there will be 12,020 openings for home health aides, which is projected to be the state’s single fastest growing job (+43.7%). Fast food employers pay a typical service worker $9.21 an hour. A typical home health aide earns barely more, $10.33.
“The low rates the state pays for home health aides through Medicaid and an insufficient minimum wage mean these workers are among the most poorly paid. It is no coincidence that women, especially Black women, hold an outsized share of these jobs. Employers should be paying these workers the full value of their work. State polices can ensure they do. That would transform Ohio and ensure there are enough workers to keep up with demand. This is how Ohio can build a new middle class,” said Halbert.

A separate survey of households released today by ODJFS showed the unemployment rate holding at 4.2% and a slight increase in the number of Ohioans working or looking for work (+200). Ohio needs 155,000 people to join the labor market just to return to the pre-recession labor force size.

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