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Mixed picture on Ohio jobs for October Household survey reports big gains: Business survey says they're small and slowing

The numbers: Seasonally adjusted <u>data released today</u> by the Ohio Department of Job and Family Services (ODJFS) show Ohio employers added 30,800 jobs in October as the recovery continues to slow. Ohio had 5,222,300 in October 2020, down 353,600 since October 2019. The October gain trailed the 44,300 revised gain in September and is the smallest on record since the recovery began.

- Employers in private service-providing industries added 23,700 jobs, led by gains in professional and business services (+7,300), leisure and hospitality (+6,100) and trade and transportation (+5,700). Only information workers lost net jobs (-300).
- Employers in private goods-producing industries added 9,900 jobs, with most gains in manufacturing (+8,100). Employers also called back workers in construction (+1,500) and logging (+300).
- Government cut 2,800 jobs as federal job losses (-5,500) exceeded gains to state (+2,600) and local jobs (+100).

Industry-level job gains come from the business survey. Separate household survey data gathered at the same time estimated much larger gains of 293,000 jobs since September. It is normal for these surveys to differ, but this is an exceptionally large discrepancy that underscores the fact that these are preliminary data subject to revision.

Ohio's unemployment rate was 5.6% in October 2020, down from a revised 8.3% in September and compared with 6.9% for the nation. Adding to the questions about the unemployment data, nearly as many Ohioans claimed regular unemployment compensation the week of the survey as were reported unemployed, and that doesn't count the many others receiving federal UC benefits.

Policy Matters Ohio Researcher Michael Shields gave this statement:

What it means: "With major discrepancies between surveys, the numbers this month tell a mixed story, but what we know is that Ohio has long way to go to a full recovery. Support for unemployed Ohioans remains vital, but we are fast approaching the expiration of critical supports just as the number of long-term unemployed Ohioans is growing. Some 110,000 Ohio workers have exhausted the 26 weeks of regular unemployment compensation (UC) and are now receiving extended benefits."

Solutions:

Congress must restore and extend federal unemployment benefits. "Congress slowed the recovery when the Senate failed to renew \$600-per-week supplemental federal unemployment benefits and replace state and local government revenue losses this summer. With more CARES Act benefits set to expire by the end of this year, another fiscal crisis is looming. Pandemic Unemployment Assistance covers workers excluded from state unemployment systems, and Pandemic Emergency Unemployment Compensation extends benefits for long-term unemployed workers who have exhausted their regular benefits. Together they support some 330,000 Ohioans. If Congress fails to renew them and restore expired federal payments, those workers will face major hardship, and the loss of their spending will prolong the recession.

Ohio policymakers must extend the work search waiver. "On December 1, Ohio's waiver of work search requirements to qualify for unemployment benefits will expire. The General Assembly needs to continue the waiver. With COVID-19 cases surging, this provision is more necessary now than when it was enacted last March. This serves the public health and the interests of all Ohioans to limit spread. Moreover, with 354,000 fewer jobs in Ohio than at this time last year, many displaced Ohioans will not find work. As Gov. DeWine and localities are forced to impose new restrictions because of the virus, policymakers must extend the work search waiver to ensure public health and that displaced Ohio workers retain the income to get through this crisis."

Last word: "Initial hopes for a <u>quick recovery have been dashed</u>. Now policymakers must step up to ensure displaced workers continue to get the income they need through the crisis. Failure to do so would hurt those families and prolong the recession."