

# POLICY MATTERS OHIO

## JOB WATCH

March 2005

### Ohio job picture remains bleary

Ohio's job picture remains bleary, as the state has lost jobs during five out of the last six months. According to the latest seasonally adjusted payroll numbers issued March 18 by the Ohio Department of Job & Family Services, the state lost more than 4,000 nonagricultural jobs in the last month, leaving it with 188,000 or 3.4 percent fewer jobs than it had when the recession officially began in March 2001. At this point after the early 1990s recession started, 166,000 jobs had been created in Ohio, an increase of 3.4 percent.

The number of jobs in the state grew from 2003 lows to a high last summer, but then plateaued and dropped in the past three months. February employment was the lowest since March, 2004.

Month-to-month data can vary and each month's statistics are later revised, so it is unwise to put too much weight in a single month's statistics. The ODJFS adjusted its February count of non-farm wage and salary employment upward by 300. Ohio job losses, though still severe, were not as substantial in 2003-2004 as those originally reported, according to annual revisions of that data made available in March (see graph below).

The ODJFS also reported from a separate survey of households that the Ohio unemployment rate increased to 6.4 percent in February, which is higher than the previous month at 5.9 percent. The number of unemployed workers in Ohio was estimated at 379,000, which is more than 30,000 more than during the previous month.

The following table by the Economic Policy Institute and Policy Matters Ohio puts the latest Ohio employment numbers in perspective:

	2/2005	1/2001	Percent Change since 1/2001	3/2001 (Start of recession)	Percent Change since 3/2001	11/2001 (End of recession)	Percent Change since 11/2001
<b>Total Jobs</b>	5,402.6	5,604.6	-3.6%	5,591	-3.4%	5,486.4	-1.5%
<b>Manuf. Jobs</b>	823.3	998.4	-17.5%	984.4	-16.3%	915.5	-10.0%

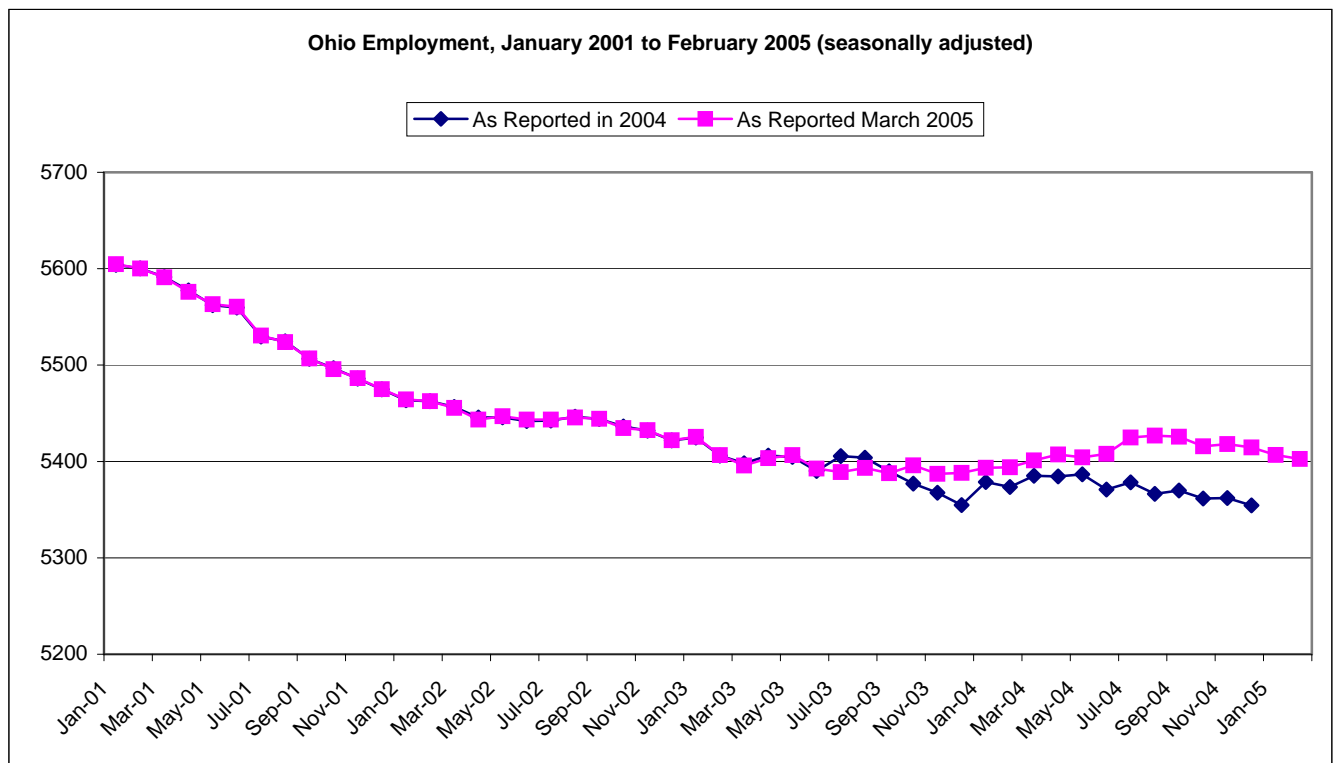
Source: Employer Survey, Ohio Department of Job & Family Services and U.S. Department of Labor, number of jobs in thousands.

At the comparable point after the end of the early 1990s recession, the state had gained almost 254,000 jobs, a gain of 5.3 percent, compared to the loss of 83,000 or 1.5 percent, since November 2001. The latest ODJFS employment report showed a decline in manufacturing jobs to 823,300, near the low last June.

Once a year, the government revises previously issued numbers from its employer survey based on actual employer reports for unemployment compensation. It also revises the factors used to seasonally adjust the job numbers. This year's statistical revisions in Ohio job numbers underline that manufacturing jobs have accounted for the vast bulk – 175,000 – of the state's 202,000 lost jobs since January 2001.

Between then and December 2004, the state lost 190,000 jobs, fewer than the nearly 250,000 reported prior to the revision. Altogether, Ohio generated 26,500 new jobs in 2004, a better showing than the loss of 200 reported earlier. State officials note that it is common after a recession to underestimate job growth in a recovery. However, the 2004 gain only began to put a dent in overall job loss; at that rate, it will be another seven years before Ohio has as many jobs as it did when the recession began.

The chart below shows the number of overall jobs in Ohio going back to January 2001, as reported and as revised:



**JobWatch**, an ongoing project of the Economic Policy Institute ([www.epinet.org](http://www.epinet.org)), tracks current trends in the U.S. labor market and offers up-to-date readings on its status.

**Policy Matters Ohio**, a nonprofit research institute, assists in the evaluation and release of the data in Ohio. A detailed description of the JobWatch project can be found at <http://www.jobwatch.org/>.

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