

POLICY MATTERS OHIO

JOB WATCH

July 2005

Halting progress for the Ohio job market

Ohio employment continues to show only halting progress, according to the latest seasonally adjusted payroll numbers issued July 22 by the Ohio Department of Job & Family Services. While employment has rebounded somewhat since January, the recent low point in employment, job gains lately have been slight. Nonfarm wage and salary employment still remains below where it was when the recession officially ended in November, 2001, and 161,600 or 2.9 percent below where it was when the recession began in March of that year.

Month-to-month data can be volatile 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 May count of nonfarm wage and salary employment downward by 3,000. Thus, the overall gain over the past two months has been just 2,400 jobs. Manufacturing employment remains stagnant, dropping to a new low of 819,800 in June.

Job gains in Ohio since the recession began more than four years ago still trail far behind those for the United States as a whole. Ohio is one of 15 states (including the District of Columbia) that have had a net loss in jobs since the recession began, and ranks behind only Michigan, Massachusetts and Illinois in relative job losses over that period. At this point after the early 1990s recession started, 221,100 jobs had been created in Ohio, an increase of 4.5 percent.

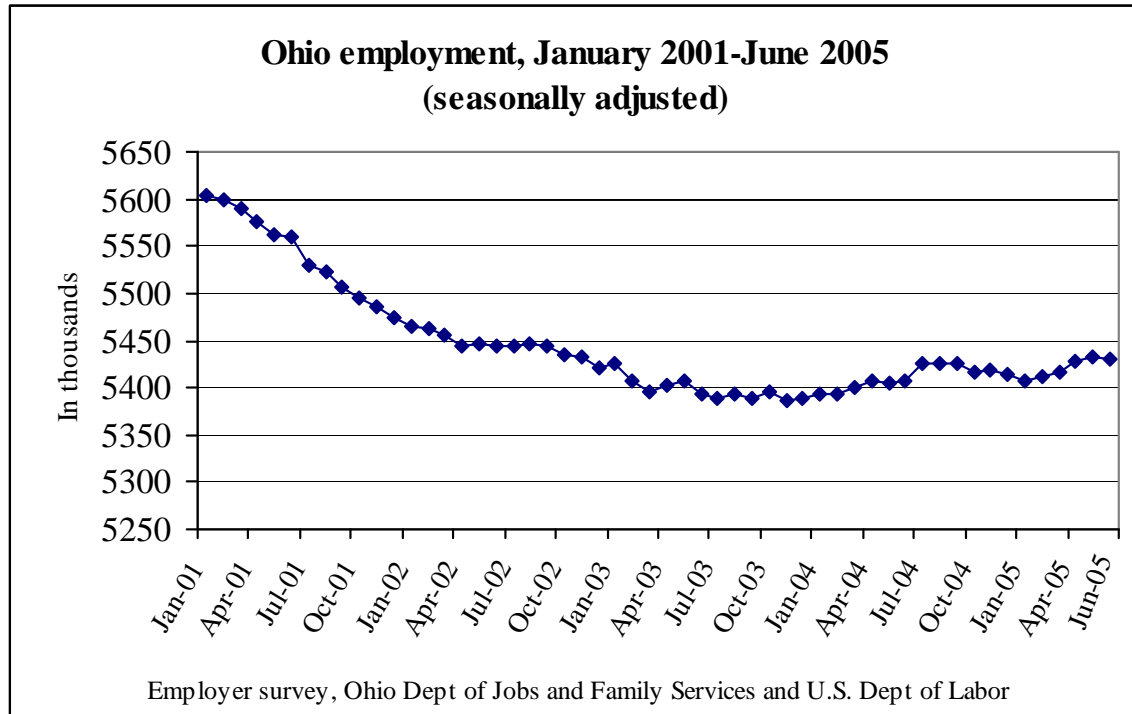
The ODJFS also reported from a separate survey of households that the Ohio unemployment rate remained at 6.1 percent in May, the same as in the previous two months. The number of people who were unemployed was down by 1,000, to 362,000, while according to this survey, the number of employed fell from the month before.

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

	6/2005	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
Total Jobs	5,429.4	5,604.6	-3.1%	5,591	-2.9%	5,486.4	-1.0%
Manuf. Jobs	819.8	998.4	-17.9%	984.4	-16.7%	915.5	-10.5%

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

The state has yet to recover all of the jobs lost since the recession officially ended in November 2001. At the comparable point after the end of the early 1990s recession, Ohio had gained 308,500 jobs, an increase of 6.4 percent, compared to the loss of 57,000, or 1 percent, since November 2001.



JobWatch, an ongoing project of the Economic Policy Institute (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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