

POLICY MATTERS OHIO

JOB WATCH

August 2005

Some bounce for Ohio's job market

The Ohio job market showed some bounce last month, as employment increased to its highest level since October 2002, according to the latest seasonally adjusted payroll numbers issued Aug. 19 by the Ohio Department of Job & Family Services. However, nonfarm wage and salary employment still remains well below where it was when the recession began in March 2001. If Ohio employment were to continue growing at the same rate that it has so far this year, it would take more than four and a half years to regain the job losses since the recession began.

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 June count of nonfarm wage and salary employment downward by 3,500, so that on a revised basis, employment fell that month. Manufacturing employment finally showed some life in July, growing to its highest level since last December, but is still down 159,100, or 16.2 percent, since the recession began.

Job gains in Ohio since the recession began trail far behind those for the United States as a whole. Since March 2001, Ohio has lost 156,900 jobs, or 2.8 percent of its total. Ohio is one of 15 states that have had a net loss in jobs since the recession began, and continues to rank behind only Michigan, Massachusetts and Illinois in relative job losses over that period. At this point after the early 1990s recession started, 237,800 jobs had been created in Ohio, an increase of 4.9 percent.

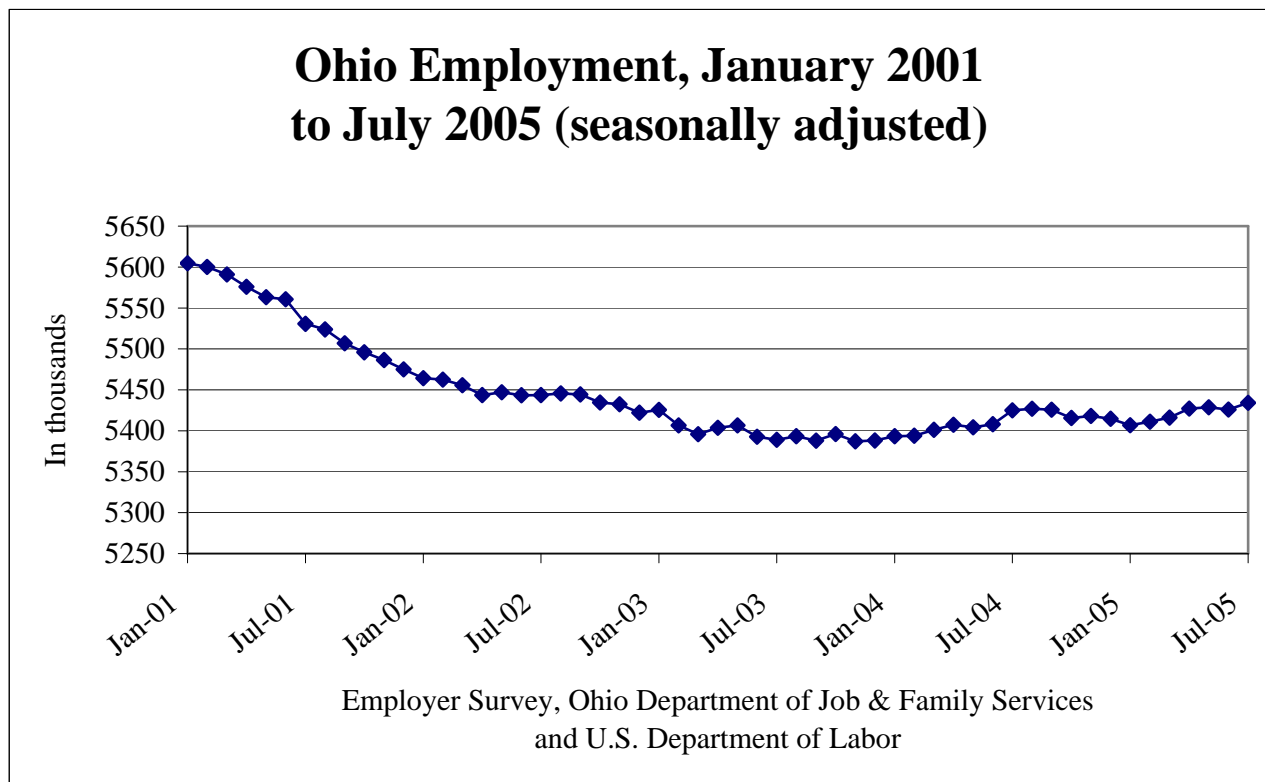
The ODJFS also reported from a separate survey of households that the Ohio unemployment rate fell to 5.7 percent in July, down from a revised rate of 6.2 percent in June (the rate was initially reported to be 6.1 percent). That is the lowest the unemployment rate has been since March 2002. The number of people who were unemployed in July was down from the month before by 27,000, to 336,000, while according to this survey, the number of employed rose from the month before.

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

	7/2005	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	5,434.1	5,604.6	-3.0%	5,591	-2.8%	5,486.4	-1.0%
Manuf. Jobs	825.3	998.4	-17.3%	984.4	-16.2%	915.5	-9.9%

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 325,200 jobs, an increase of 6.8 percent, compared to the loss of 52,300, 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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