



JobWatch
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Wrong direction: Ohio lost jobs in September

Ohio's job market is moving in the wrong direction. According to seasonally adjusted data released today by the Ohio Department of Job and Family Services (ODJFS), the state lost 1,500 jobs in September. Production work fell by 3,000 jobs. Ohio has lost jobs in five of the last nine months.

Monthly job data are always reported as preliminary and subject to revision. The strike at General Motors also injected an element of uncertainty into the September numbers. Longer-term trends are better indicators of Ohio's economic health. Ohio had 11,200 fewer jobs in September than in January. Ohio continues to underperform the nation. Over the last 12 months Ohio's job growth has slowed to 0.4%, compared to 1.4% growth nationally.

"Ohio has been fortunate to ride the coattails of the national recovery, and there are troubling signs that ride may be coming to an end," said Hannah Halbert, project director with Policy Matters Ohio. "State tax cuts for the wealthy haven't spurred the economy but have left us with fewer resources for the basics like affordable higher education. And Ohio's unemployment compensation system still needs to be strengthened and modernized."

"The Trump administration promised a blue collar renaissance but those sectors are starting to shrink in Ohio, along with jobs in the public sector," said Halbert. Over the last 12 months manufacturing job growth has essentially stalled with the addition of only 1,800 jobs. Construction has lost 7,600 jobs over that time, shrinking by 3.4%. There are fewer public sector jobs at the state and local level now than there were this time last year. Local governments have shed 2,500 jobs and the state has lost 1,000 over that time.

A separate survey of households released today by ODJFS also showed some weakness in September. The unemployment rate increased to 4.2%, up from 4.1% in August. The number of people working or seeking work improved, with 4,000 entering the labor force. This is good news as Ohio needs 157,000 people just to return to the pre-recession labor force size. However, the survey showed unemployment growing in September (+5,000) and employment shrinking (-2,000).

"This month's reports both send clear messages about weakness in the Ohio economy," Halbert said. "The vast majority of the gains made during the recovery have gone to those who were already well-off. Businesses grew, but the majority of working Ohioans didn't share in that growth. Wages have been slow to grow. It is time to focus on recession-protection policies: extend unemployment insurance to hard-working Ohioans who earn low wages, increase employers' understanding of workshare programs, and make post-secondary education affordable for adults seeking retraining."

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