



JobWatch
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Ohio job growth picks up in June

Ohio posted a solid job gain in June, helping reverse job losses earlier in the year. According to jobs data from a survey of employers released today by the Ohio Department of Job and Family Services, Ohio added 11,500 jobs last month, the strongest gain since last July. However, the increase still leaves the state well behind the growth trend in previous years and national job performance. For the second month in a row, a majority of the Ohio gain was due to increases in public sector jobs (+6,100).

“In recent years, Ohio has been unable to sustain strong job gains for more than a few months at a time,” said Zach Schiller, research director for Policy Matters Ohio. “Monthly numbers are volatile and subject to later revision, so an evaluation of the longer-term is more meaningful. While the June gain was encouraging, job growth for the year remains tepid at best.”

Ohio has added just 56,800 jobs over the past year. That amounts to a 1 percent increase, compared to a national gain of 1.6 percent over the same time period. In the first six months of the year, the state gained 25,100 jobs, compared to more than 36,000 in the first half of 2016. And last year’s overall gain was the smallest since the end of the 2007 recession.

“The state job market needs to continue its recent rebound for more than a month or two to provide the employment opportunities Ohioans need,” Schiller said. “Growth in government jobs illustrates the importance of the public sector in providing not only jobs but the education, infrastructure and services needed for a strong economy. Unfortunately, the General Assembly missed an opportunity in the recently enacted state budget to reverse its tax-cutting policies that have undercut such needed investments.”

A separate survey of households produced less positive news. The unemployment rate increased to 5.0 percent, up from 4.9 percent in May, as the number of unemployed grew and employment fell (this survey of households can deliver different results than the employer survey that showed a good gain for the month). And the size of the labor force shrank by 7,000, reversing the recent growth trend. The number of people working or actively looking for work is down 192,000 from the beginning of recession almost a decade ago.

“The labor force decline is a negative sign after months of growth,” Schiller said. “We need the labor market to strengthen further so that more Ohioans join it.”

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*Policy Matters Ohio is a nonprofit, nonpartisan state policy research institute
with offices in Cleveland and Columbus.*