

# POLICY MATTERS OHIO

## JOB WATCH

April 2006

### Signs of improvement in Ohio's job market

There were some signs of improvement in Ohio's job market last month. Employment growth resumed after three months of job losses, according to a survey of employers. A separate survey of households indicated the number of unemployed has fallen.

Overall, the state has gained 27,000 jobs in the last year, according to the latest seasonally adjusted payroll numbers released by the Ohio Department of Job & Family Services April 25. These numbers for nonfarm wage and salary employment are based on a survey of employers. During much of the 1990s, Ohio employment grew at several times that rate.

The ODJFS also reported from a separate survey of households that the Ohio unemployment rate dropped to 5.0 percent in March, a reduction from the 5.3 percent in February and the lowest rate since November 2001. This was based on both an increase in employment and a decline in the number of unemployed, which dropped below 300,000. Month-to-month data can be volatile, so it is unwise to put too much weight in a single month's statistics. However, the drop follows a decline earlier in the year, and new claims for unemployment benefits also have fallen, suggesting there has been some improvement in the Ohio labor market.

Still, the household survey shows a much bigger gain in jobs over the past year – 66,000 – than the employer survey. Most economists agree that the survey of employers is more reliable than the survey of households, which covers a much smaller sample. Thus, there is reason to be cautious about the strength of the improvement in the job market.

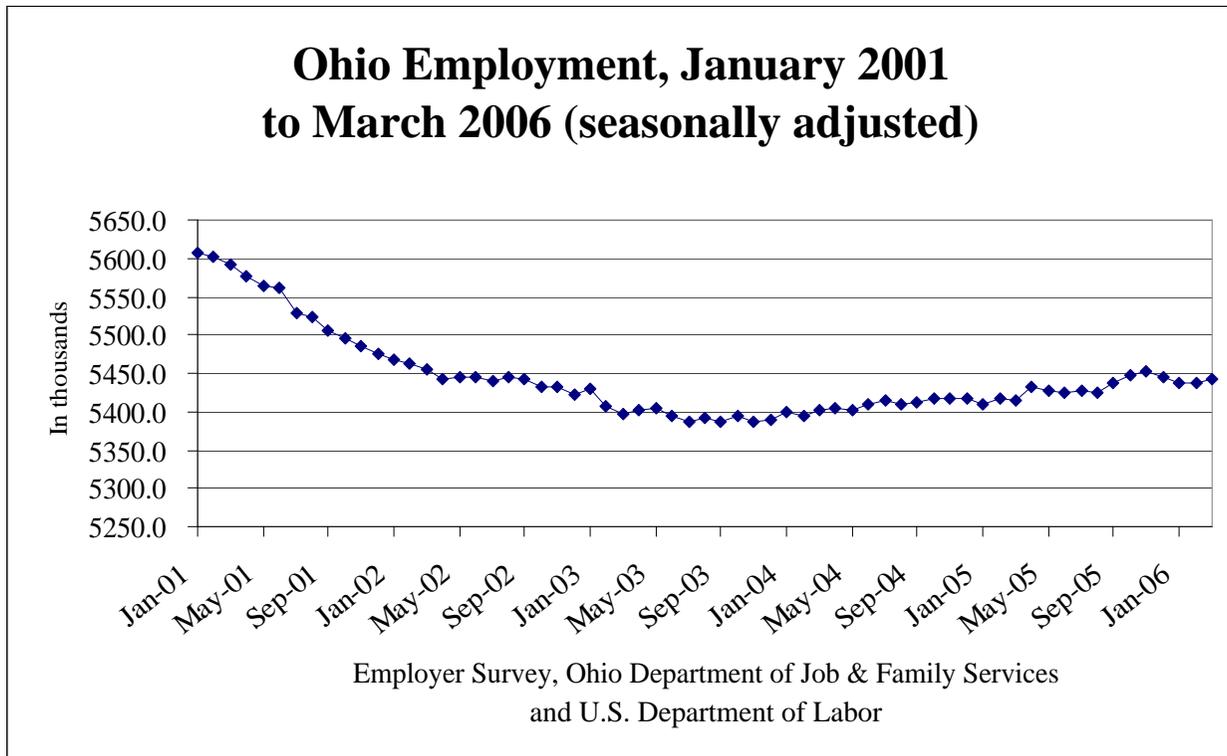
The following statistics, based on the latest seasonally adjusted ODJFS payroll numbers, highlight changes in the Ohio job market since 2001:

	3/2006	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>	5,441.9	5,606.1	-2.9%	5,591.7	-2.7%	5,486.2	-0.8%
<b>Manuf. Jobs</b>	808.5	998.8	-19.1%	984.6	-17.9%	915.7	-11.7%

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

According to the employer survey, Ohio has nearly 150,000 fewer jobs than it did five years ago, when the last recession began. While the nation as a whole has posted a moderate gain of 1.9

percent since then, Ohio has lost 2.7 percent, more than any other state except Michigan, Massachusetts and hurricane-wracked Louisiana.



*JobWatch* is an ongoing project of the **Economic Policy Institute** (<http://www.epinet.org>) and **Policy Matters Ohio**, (<http://www.policymattersohio.org>), both nonprofit policy research institutes.

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