

POLICY MATTERS OHIO

JOB WATCH

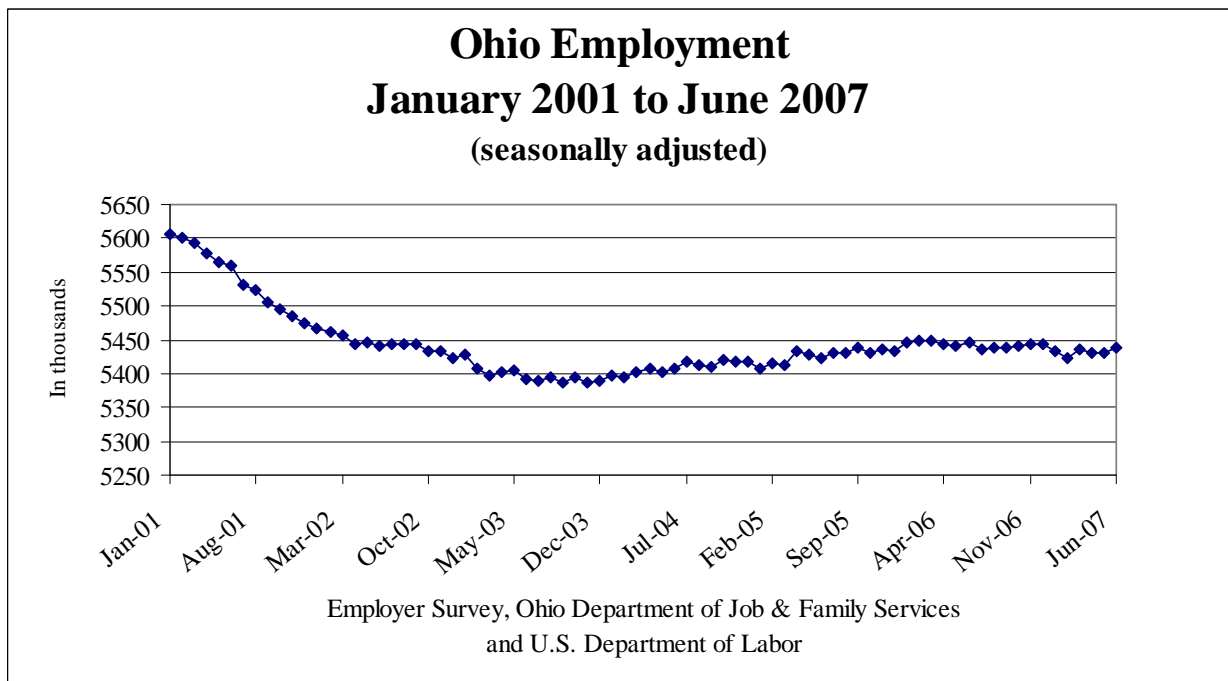
July 2007

Signs of life in the Ohio job market

Ohio's job market showed signs of life in June, allowing the state to post a modest gain in jobs during the second quarter according to seasonally adjusted payroll numbers for nonfarm wage and salary jobs released July 20 by the Ohio Department of Job and Family Services (ODJFS). However, Ohio employment still has not advanced to where it was late in 2006.

Two years after an overhaul of state taxes was signed into law with the intent of creating jobs, employment in Ohio has grown by a modest 16,400 jobs, or 0.3 percent. During the same period, the nation added 4.4 million jobs, for a growth rate of 3.3 percent. U.S. manufacturing employment has fallen since June 2005 by 177,000 jobs. However, Ohio has lost more than 29,000 manufacturing jobs in the same period, nearly three times the relative loss experienced by the nation as a whole.

Month-to-month data can be volatile and are later revised, so it is unwise to put too much weight in a single month.



The chart above and the following statistics, based on the latest seasonally adjusted ODJFS payroll numbers, highlight recent changes in the Ohio job market:

	6/2007	1/2001	Job Change since 1/2001	Percent Change since 1/2001	6/05 (Ohio tax reform approved)	Job Change since 6/05	Percent Change since 6/05
Total Jobs	5,439.5	5,606.1	-166.6	-3.0%	5,423.1	16.4	0.3%
Manufacturing Jobs	781.9	998.6	-216.7	-21.7%	811.3	-29.4	-3.6%

Source: Employer Survey, Ohio Department of Job & Family Services and U.S. Department of Labor Bureau of Labor Statistics, number of jobs in thousands. BLS numbers for months prior to February 2007, which sometimes differ slightly from ODJFS numbers, are used here and above.

Overall, the number of jobs in the state remains below where it was when the recession officially ended in November 2001. Ohio, along with Massachusetts and Michigan, are the only three states that have lost jobs since then. In that time period, the United States has added more than 7.1 million jobs, or a gain of 5.5 percent.

The ODJFS reported from a separate survey of households that the Ohio unemployment rate in June rose to 6.1 percent, up from 5.7 percent in May.

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. Policy Matters is grateful to the Joyce, Gund, Cleveland and Sisters of Charity Foundations and to Greater Cleveland Community Shares for financial support.