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Contact: Hannah Halbert, 614.221.4505  
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## Ohio job growth trails nation since 2005, analysis finds

### Unemployment rate lower because Ohioans have stopped looking for jobs

Since Ohio policymakers passed large income-tax cuts in 2005, Ohio has lost ground compared to the nation in total job growth, according to a new analysis by Policy Matters Ohio.

From June 2005, when the tax-cut phase-in began, to March 2013, Ohio lost 4.4 percent of its jobs, while the U.S. as a whole added 1.2 percent. During this period, Ohio has seen the fourth-worst job growth among states, losing 238,000 jobs.

“Proponents promised that the cuts would boost the state’s struggling economy and create jobs, but that promise has not panned out,” said Hannah Halbert, Policy Matters workforce researcher. “Not a single sector in Ohio has outpaced national performance.”

Ohio employment growth has been slower than the nation’s, even though Ohio’s unemployment rate has stayed below the national average since November 2010. According to the analysis, Ohio’s unemployment rate is better than the nation’s because more people have left the Ohio labor market, not because more have found work.

“State economies are complicated, and there are many reasons Ohio job growth is lagging,” said Halbert. “But it’s clear that the 2005 tax cuts did not bring about the promised job growth – there is no reason to think that further tax cuts will, either.”

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

#### Key findings

Since Ohio’s 2005 tax cuts:

- The U.S. saw 1.2 percent job growth while Ohio jobs fell by 4.4 percent.
- Not a single sector in Ohio outpaced national performance.
- Ohio has had the fourth worst rate of job growth among states.

Ohio’s elevated unemployment rate means Ohioans can once again get expanded federal benefits.

Ohio’s unemployment rate is better than the nation’s because more people have left the Ohio labor market, not because more have found work.