

# Dayton Daily News

## Ohio unemployment rate falls to 6-year low

Posted: 6:18 p.m. Friday, March 21, 2014

BY [DAVE LARSEN](#) - STAFF WRITER

Ohio's unemployment rate fell to a post-recession low of 6.5 percent in February, even though the state lost 4,600 jobs last month, according to data released Friday by the Ohio Department of Job and Family Services.

The jobless rate dropped from 6.9 percent in January, and the number of unemployed workers fell by 18,000 to 377,000, the report said.

Ohio's 6.5 percent unemployment rate is the state's lowest rate since June 2008. Last month's drop also puts Ohio below the U.S. rate, which was 6.7 percent in February.

Experts attributed conflicting data about the number of Ohio jobs lost last month to the way unemployment rates are calculated.

The monthly unemployment report is based on two surveys, one of households and one of employers.

The household survey conducted by the U.S. Census Bureau showed 20,000 more people working and 18,000 fewer people unemployed, said Benjamin Johnson, a spokesman for the Ohio Department of Job and Family Services.

Johnson said the survey also showed the state's labor force — a count of people who are either working or looking for work — grew by 2,000 people. This indicates the drop to 6.5 percent wasn't because people had stopped looking for work. "The unemployment rate fell because more people were working," he said.

However, the employer survey showed a decrease of 4,600 jobs in Ohio's total non-farm employment.

Hannah Halbert, a workforce researcher at the nonprofit policy research organization Policy Matters Ohio, said it is not uncommon for two surveys to send mixed signals, because they use different methods and measures.

"The unemployment rate is moving in the right direction, but the state is nowhere near a full recovery," Halbert said in a statement.

Ohio's overall number of jobs remains below pre-recession levels. Ohio had 5.28 million employed non-farm workers last month, compared to 5.38 million in June 2008, according to state data.

George Zeller, an economic research analyst in Cleveland, said the Census Bureau's household survey is conducted on a national level, rather than a state-by-state basis. Consequently, the unemployment estimate is "unreliable," because it doesn't reflect what is happening at the state level, he said.

Zeller said the 4,600 job cuts in the employer survey is "discouraging" in the wake of Ohio's strong gain of 15,700 jobs in January. He attributed much of that decline to the loss of 4,000 of jobs in the local and federal government sectors, including school districts, police and fire departments, and county workers.

"The cuts to government are slowing down the state's recovery," Zeller said.

The construction sector, which added 8,000 jobs in January, cut 8,100 jobs in February.

Johnson said the construction figure probably is changing more as a result of the state's seasonal adjustment model, "than as a result of what is actually happening on the ground."

Manufacturing added the most jobs of any sector last month with a gain of 3,700 jobs. Private education and health care added 2,600 jobs; and the trade, transportation and utilities sector added 2,400 jobs.

Zeller said the manufacturing gains should come as welcome news to the Dayton region. Locally, that sector employs more than 112,500 workers, with a \$5.6 billion annual payroll, according to the Dayton Region Manufacturer's Association.

"In every recession we've ever had in this country, when we start to get a recovery, it gets driven by manufacturing," Zeller said.

James Brock, a Miami University economics professor, said there is a "lot of noise" in month-to-month employment data, with numbers from different surveys being calculated in different ways. Instead, it is more important to look at long-term employment trends, he said.

"The bigger picture right now and for the foreseeable future is that things are getting better in terms of the job market. Not as good as we would like, not as fast as we would like, but they are heading in the right direction," Brock said.