



State of Working Ohio 2022

Ohio Workforce Coalition

Presentation by Tanisha Pruitt, Ph.D.

Report by Michael Shields and Annie Volcker

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Policy Matters Ohio is a nonprofit policy research institute that creates a more vibrant, equitable, sustainable and inclusive Ohio for everyone through research, strategic communications, coalition building and policy advocacy.



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OVERVIEW

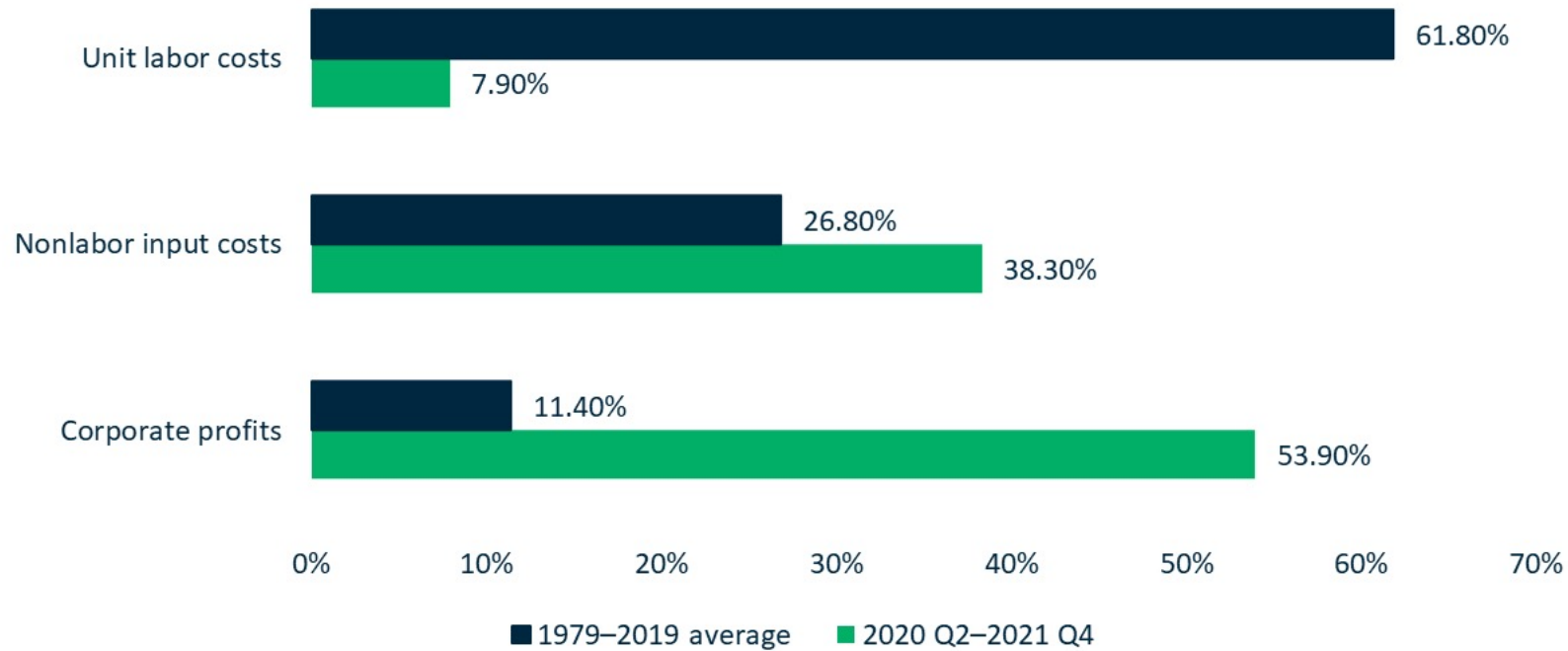
- Since the pandemic Ohioans have been able to get back to work and work towards a working economy for everyone.
- Historic levels of federal spending to families, businesses, and state and local government helped drive a rapid partial jobs recovery from the COVID recession. By July 2022, Ohio had recovered **85% of jobs lost to COVID-19**.
- Even with the jobs destroyed during the pandemic, the number and share of Ohioans working or seeking work has approached **pre-COVID levels**.
- Although disparities continue to persist, during COVID-19, working people won **pay increases** across the income scale for the first time.
- **High inflation** now threatens to wipe out those gains for many.

INFLATION

- Across the nation we are feeling the impact on inflation; rising gas prices, rising food prices, and an increase on rental prices are deeply impacting our economy.
- COVID-19 triggered inflation by creating **supply chain bottlenecks** and **new consumer buying patterns**. Russia's war on Ukraine has made it worse.
- Inflation reached **9.1%** in June 2022, a 40-year high, before dipping to **8.7%** by July. Rapid price growth is making it more difficult for the Ohioans who were already struggling to cover the basics.
- **Corporate profiteering** is keeping U.S. inflation rates above what they would be if corporations were not taking a historic share of price growth as profits.

Corporate profits unprecedently responsible for high prices

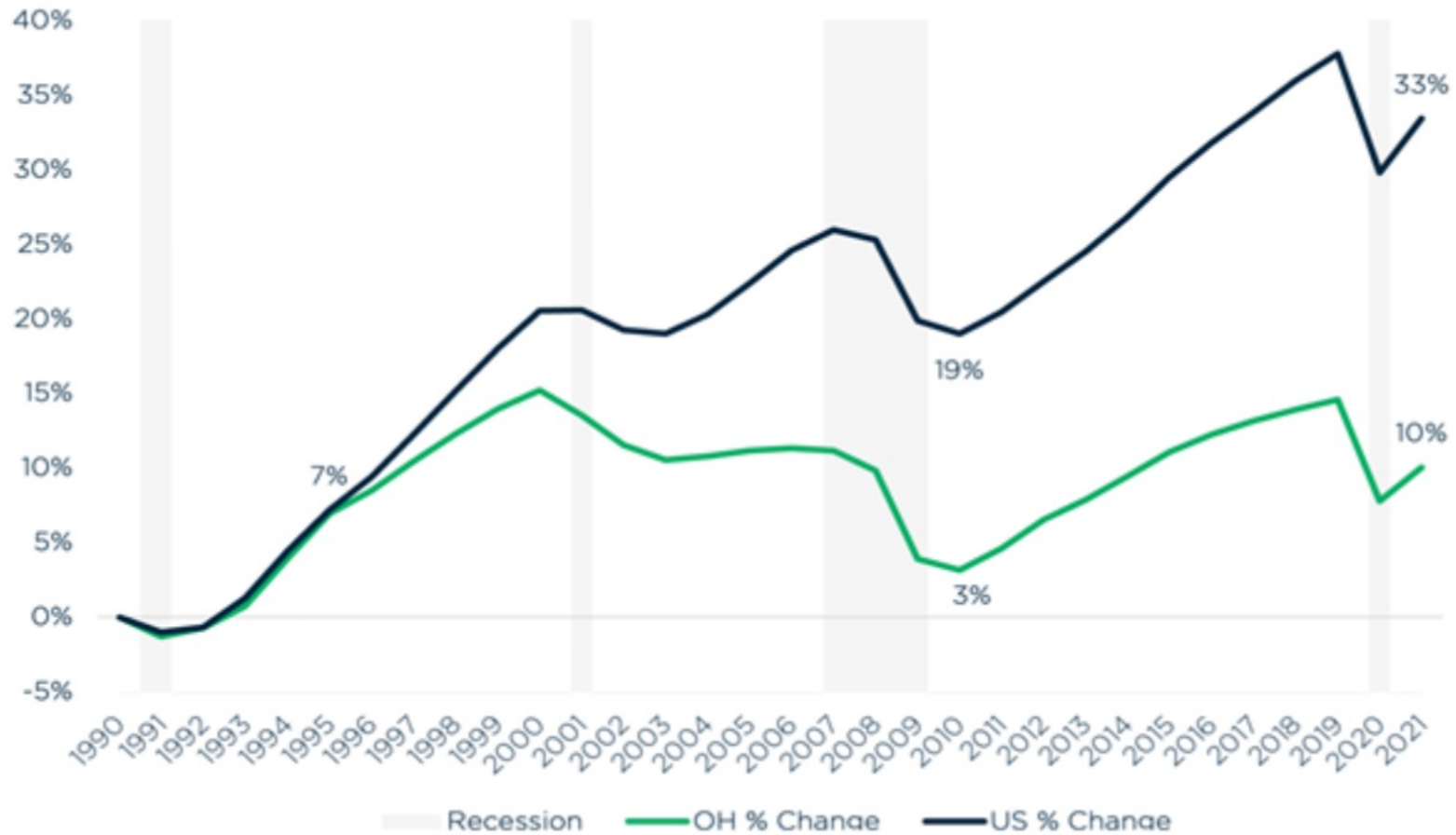
Causes of inflation, 1979-2019 v. 2020-2021



Source: Bivens' analysis of data from Table 1.15 from the National Income and Product Accounts (NIPA) of the Bureau of Economic Analysis (BEA).

Ohio recovered slowly from Great Recession, never from prior recession

Percent change in employment in Ohio and US since 1991

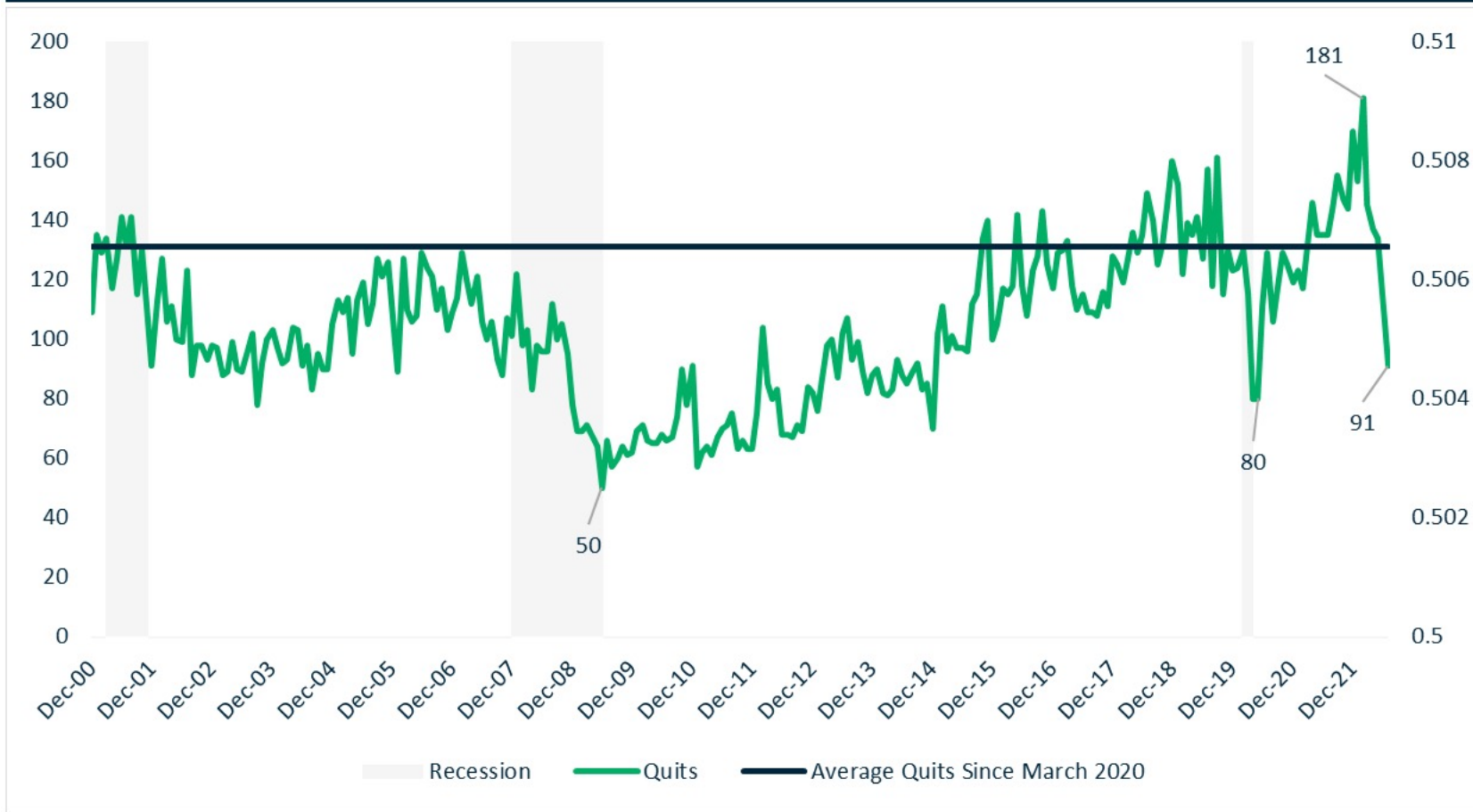


Source: Employment, Hours, and Earnings from the Current Employment Statistics Survey

LABOR FORCE PARTICIPATION

Quit rates during COVID were slightly elevated, but were not outliers

Average quits since March 2020

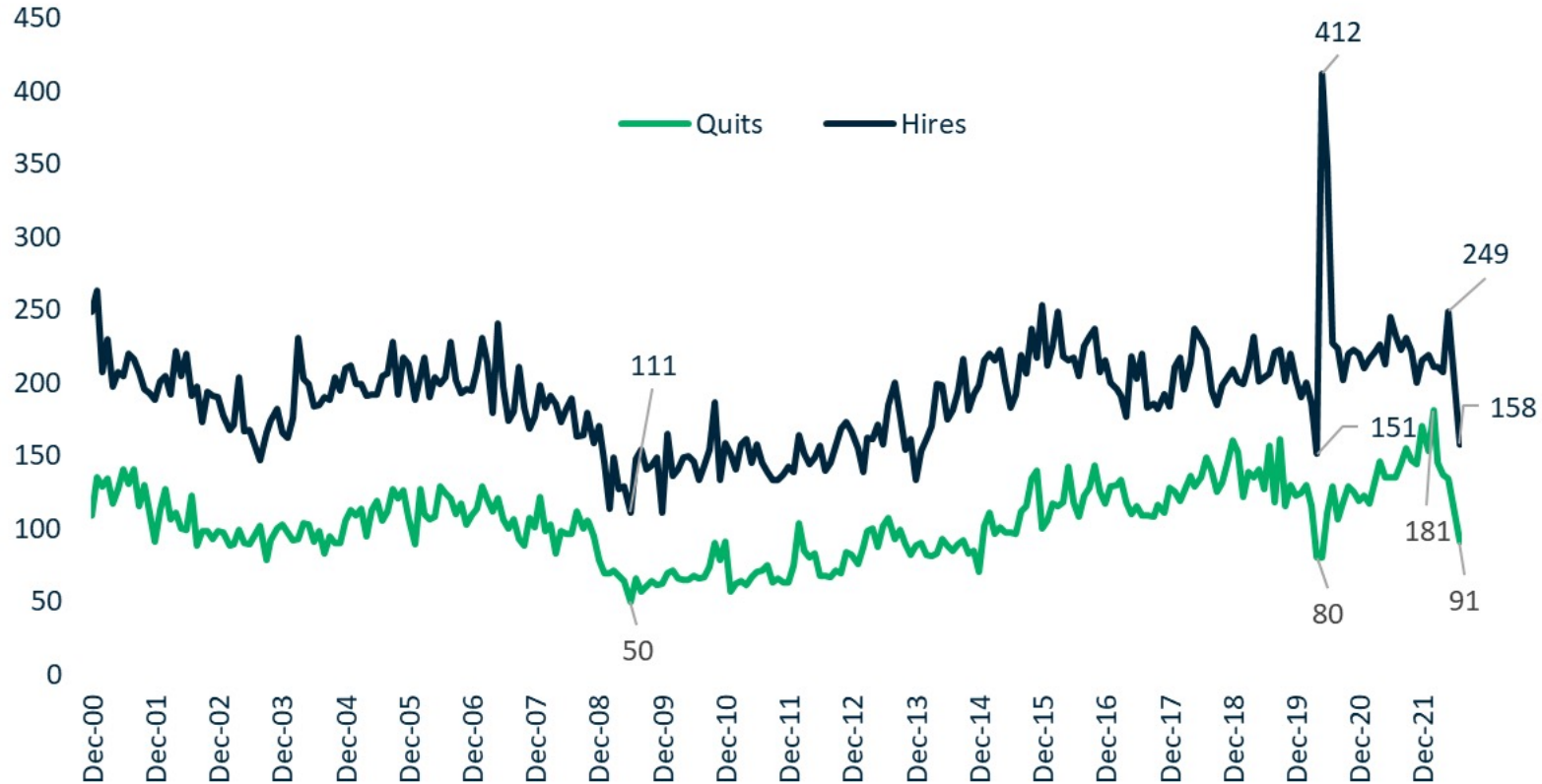


Source: Bureau of Labor Statistics, Job Openings and Labor Turnover Survey, December 2000-May 2022

<https://www.bls.gov/data/>

The monthly number of Ohioans hired has exceeded the number who quit — every month on record.

Hires and quits in Ohio 2000-2021

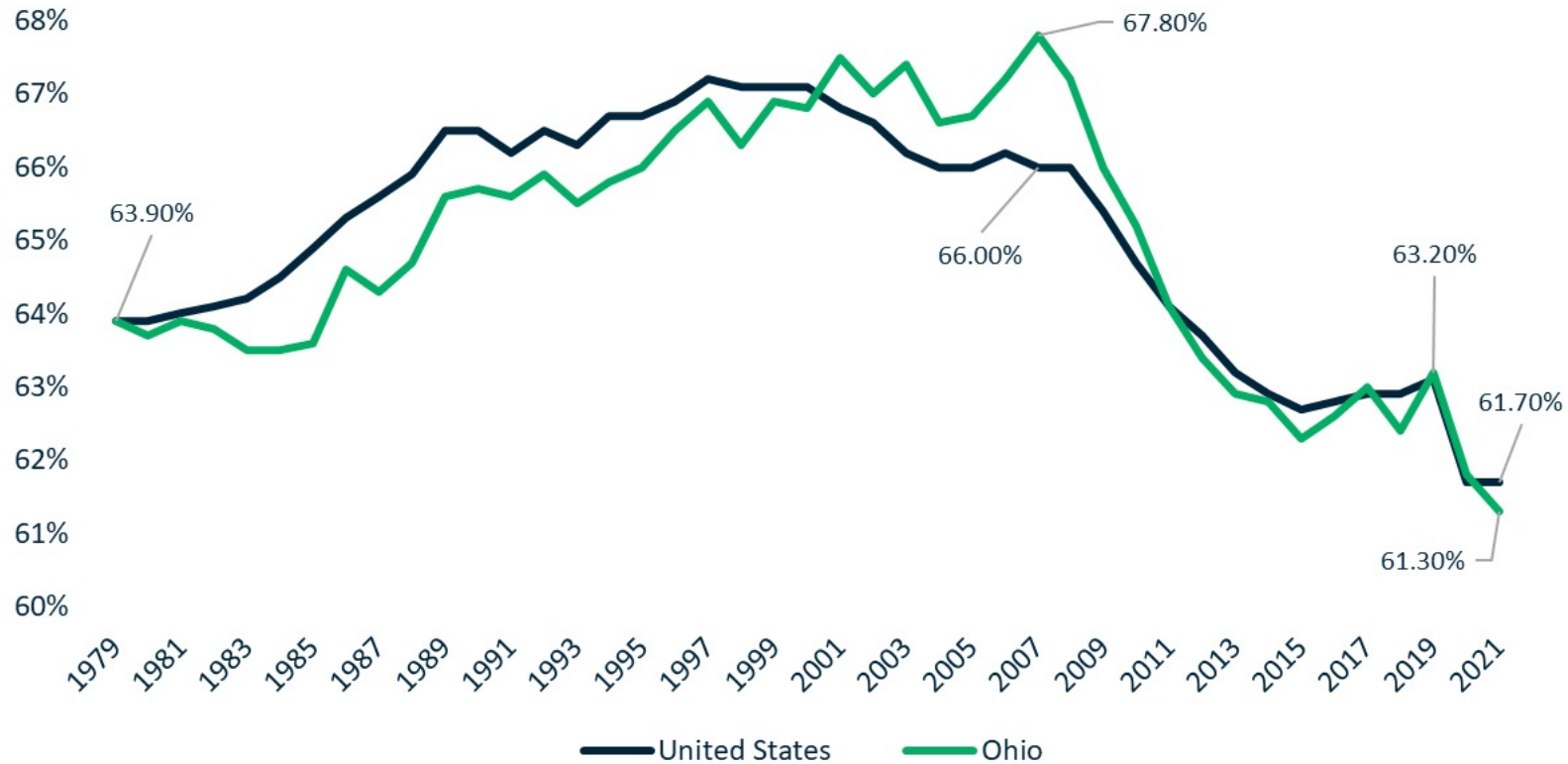


Source: Bureau of Labor Statistics, Job Openings and Labor Turnover Survey, December 2000-May 2022

<https://www.bls.gov/data/>

U.S. and Ohio labor force participation far from 2008 recession levels

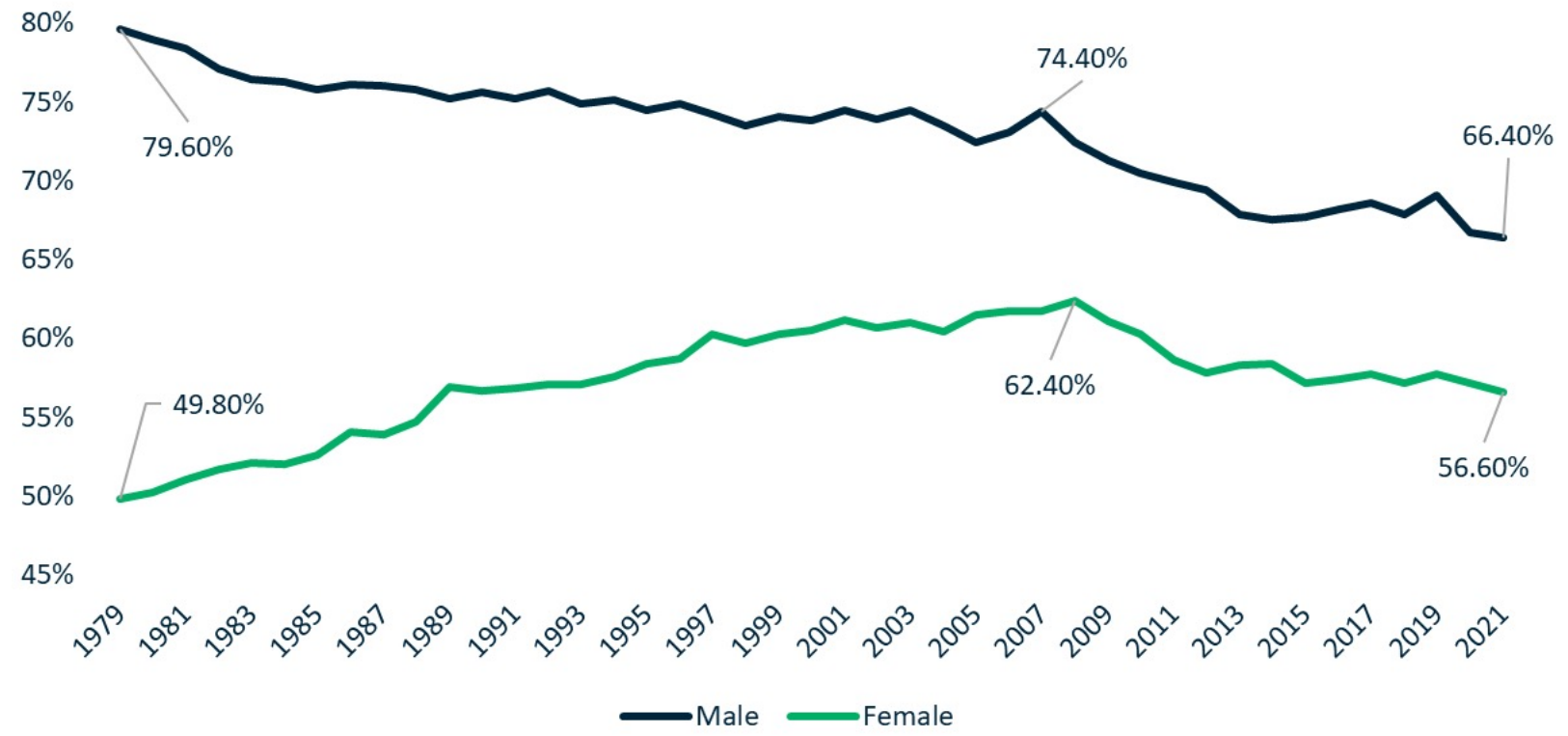
Labor force participation in U.S. and Ohio



Source: Economic Policy Institute analysis of Current Population Survey microdata from the U.S. Census Bureau. A 1-percentage-point change represents about 92,700 Ohioans in 2021.

Shrinking gap, but both men and women working less after COVID-19 pandemic

Labor force participation: men v. women

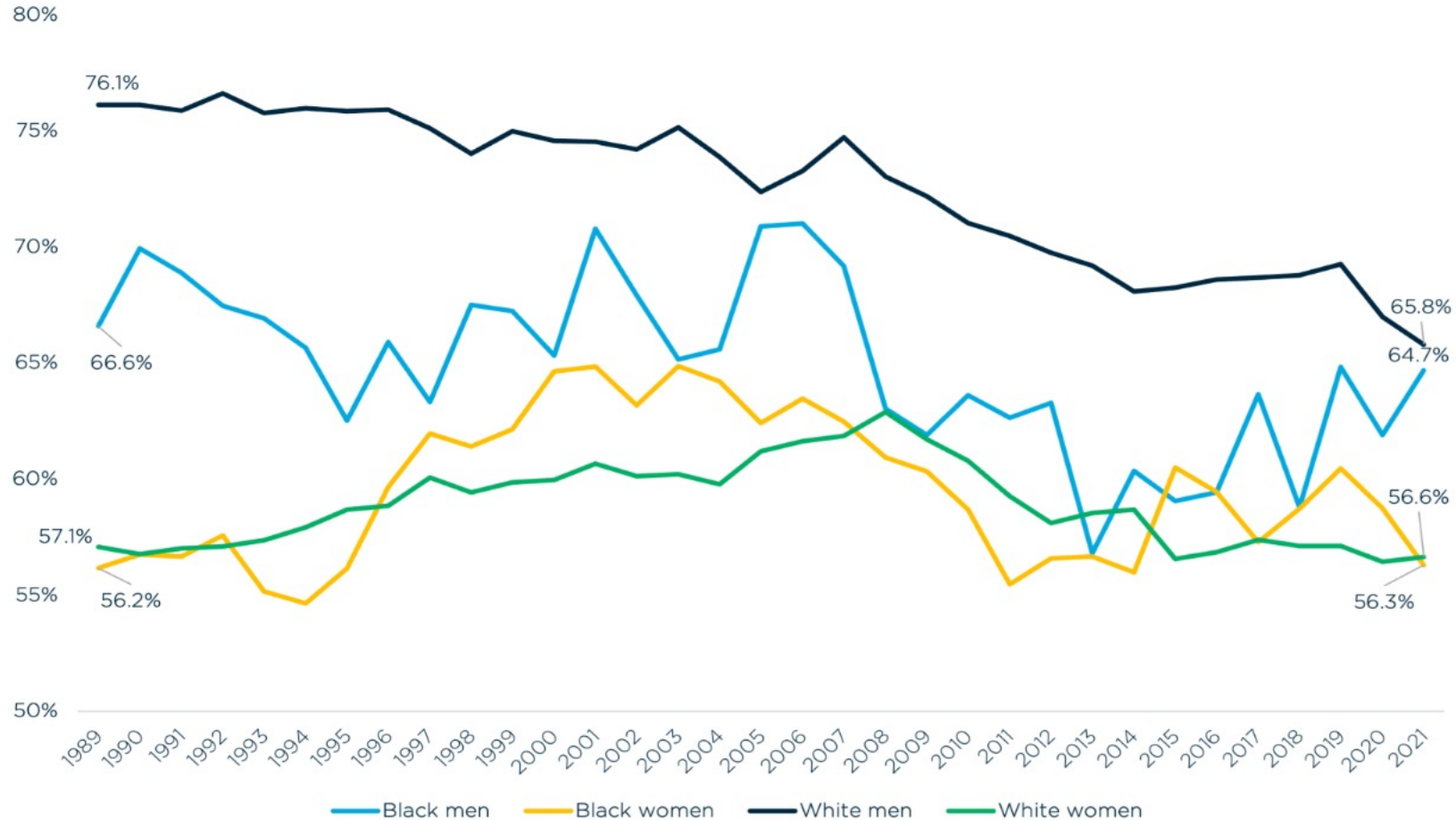


Source: Economic Policy Institute analysis of Current Population Survey microdata from the U.S. Census Bureau.



Workforce participation declining for white men, volatile for others

Labor force participation by race and gender

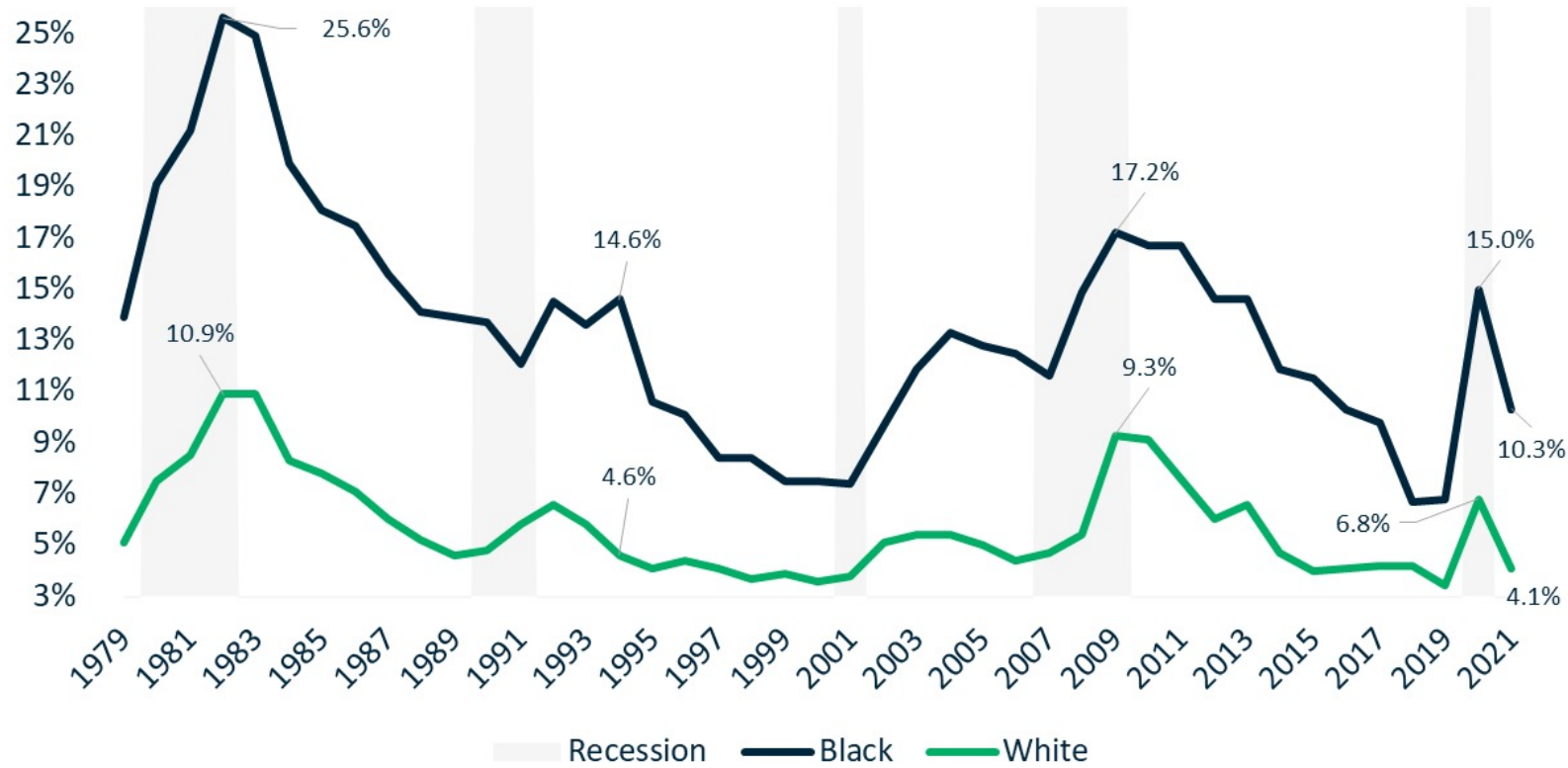


Source: Economic Policy Institute analysis of 1989-2021 Current Population Survey Basic data.



In good times and bad, Black Ohioans over twice as likely as white workers to be unemployed

Unemployment by race 1979-2021

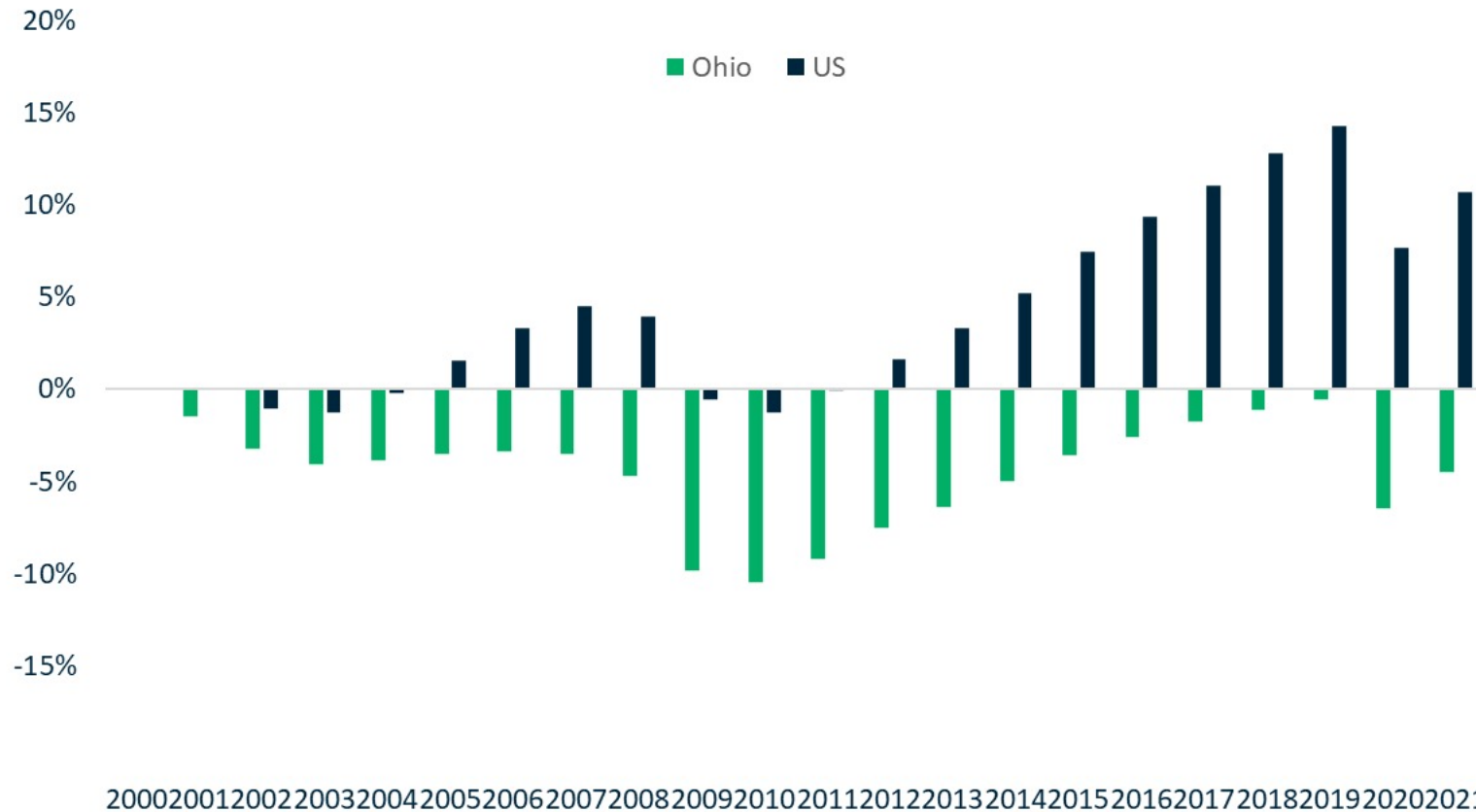


Source: Economic Policy Institute analysis of Current Population Survey microdata from the U.S. Census Bureau.

WORK AND WAGES

Ohio lost jobs while the nation gained them

Percent change in jobs 2000-2021

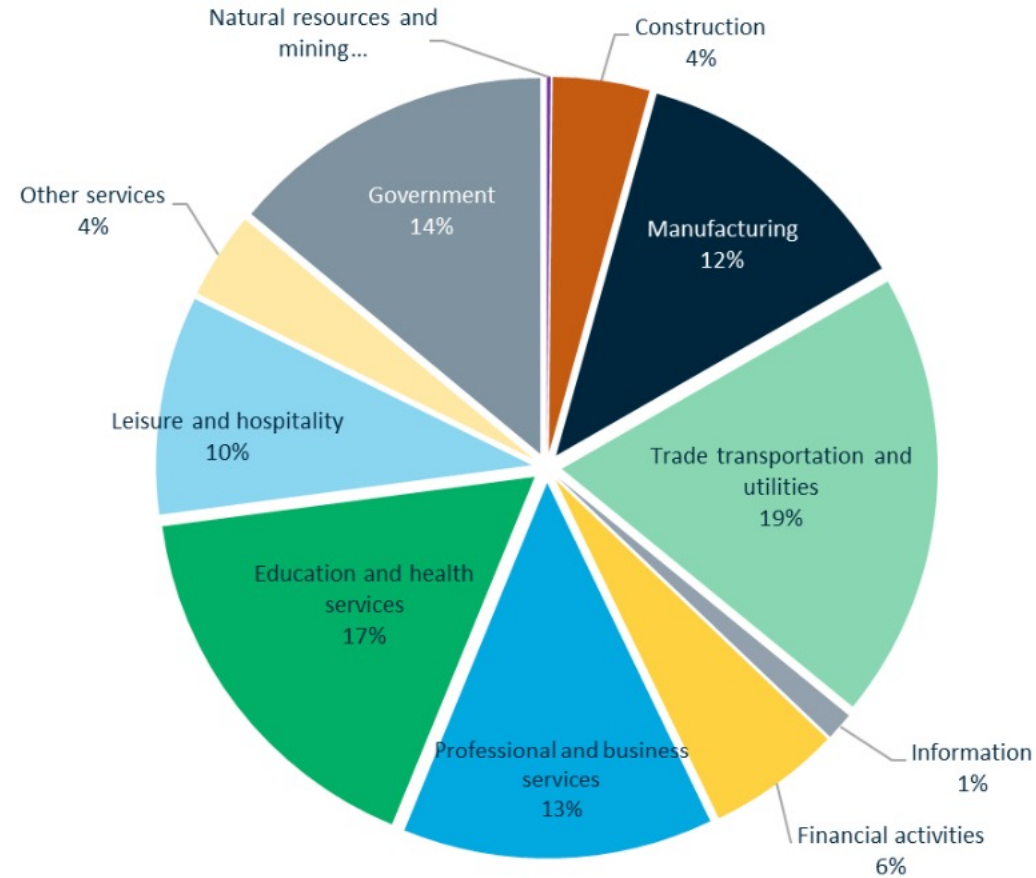


Source: Economic Policy Institute analysis of U.S. Bureau of Labor Statistics data.



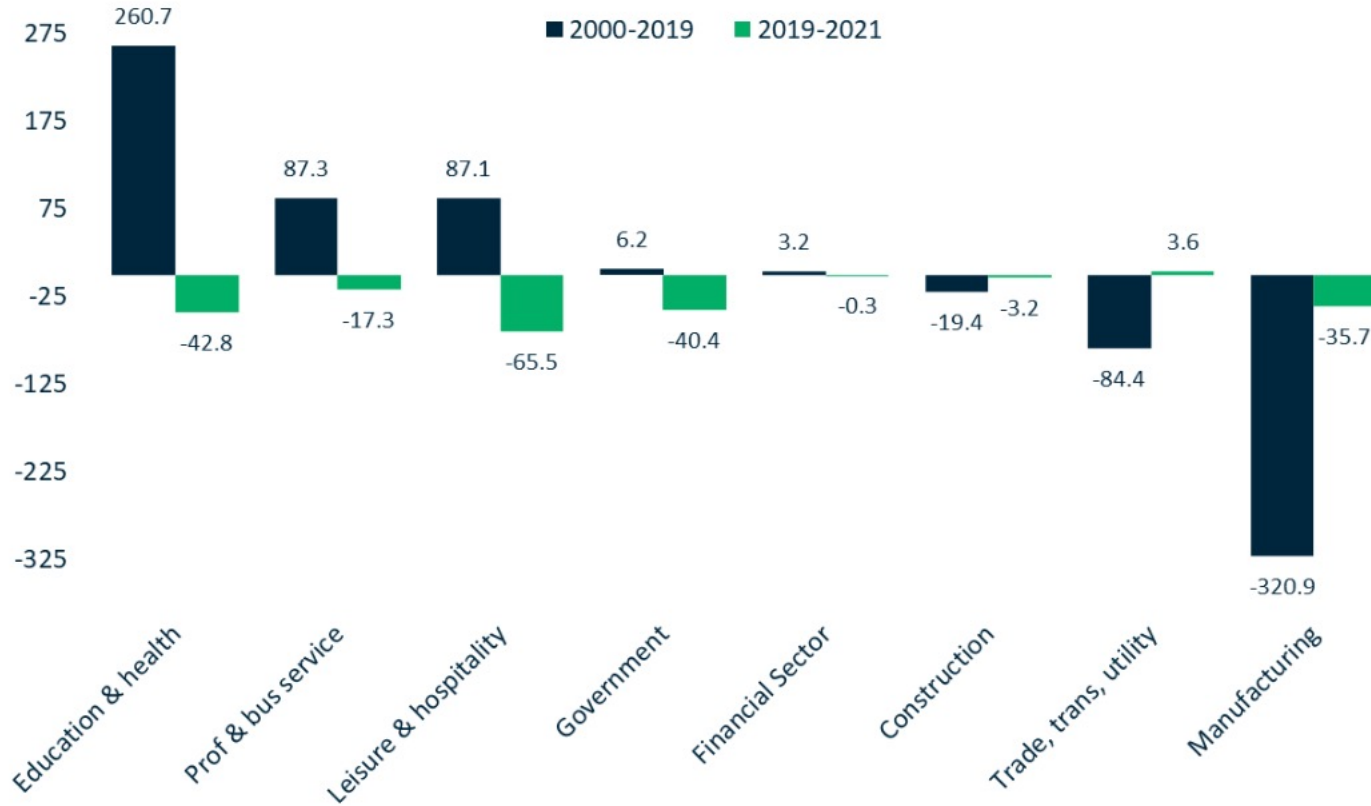
Trade, transportation and utilities was Ohio's biggest employer in 2021

Ohio's key job industries in 2021



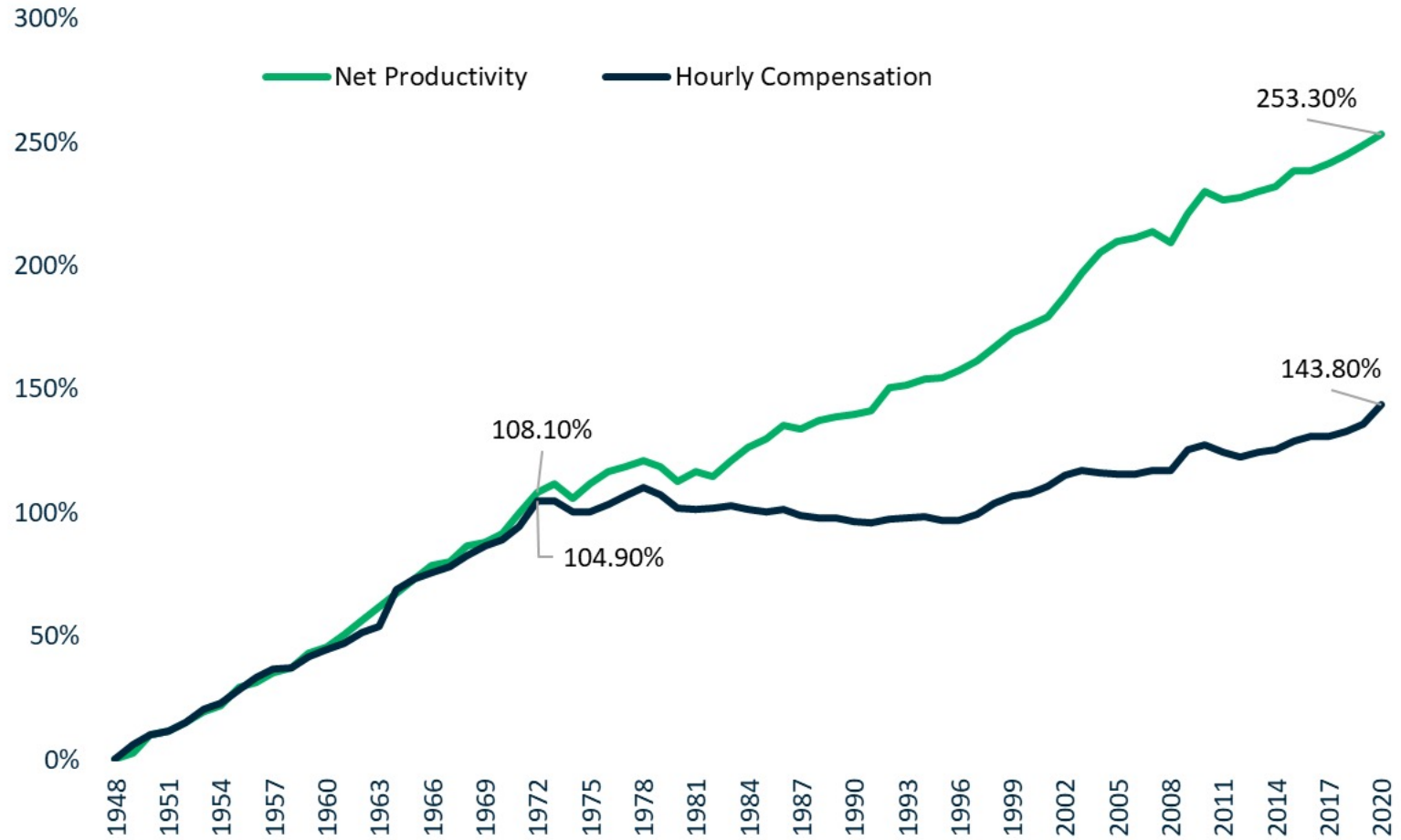
Source: Economic Policy Institute analysis of Current Population Survey microdata from the U.S. Census Bureau.

New business models and changing consumer demand changed Ohio's job mix
Change in jobs before and during the COVID-19 pandemic (thousands)



Source: U.S. Bureau of Labor Statistics, in thousands.

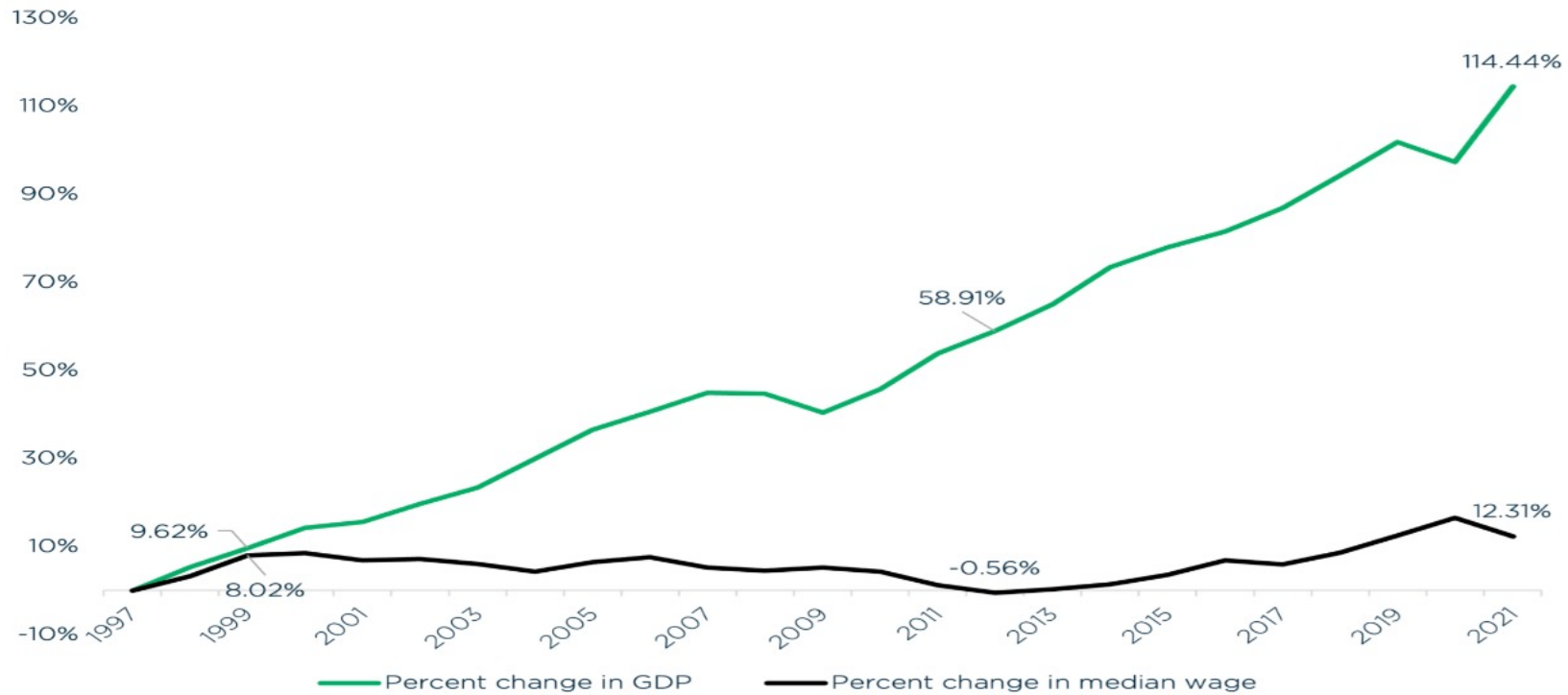
U.S. wage growth matched productivity, then lagged Net productivity and hourly compensation: 1948-2021



Source: Economic Policy Institute, State of Working America Data Library, "Productivity and Hourly Compensation," 2022.

Ohio wages have not grown at the same rate as production

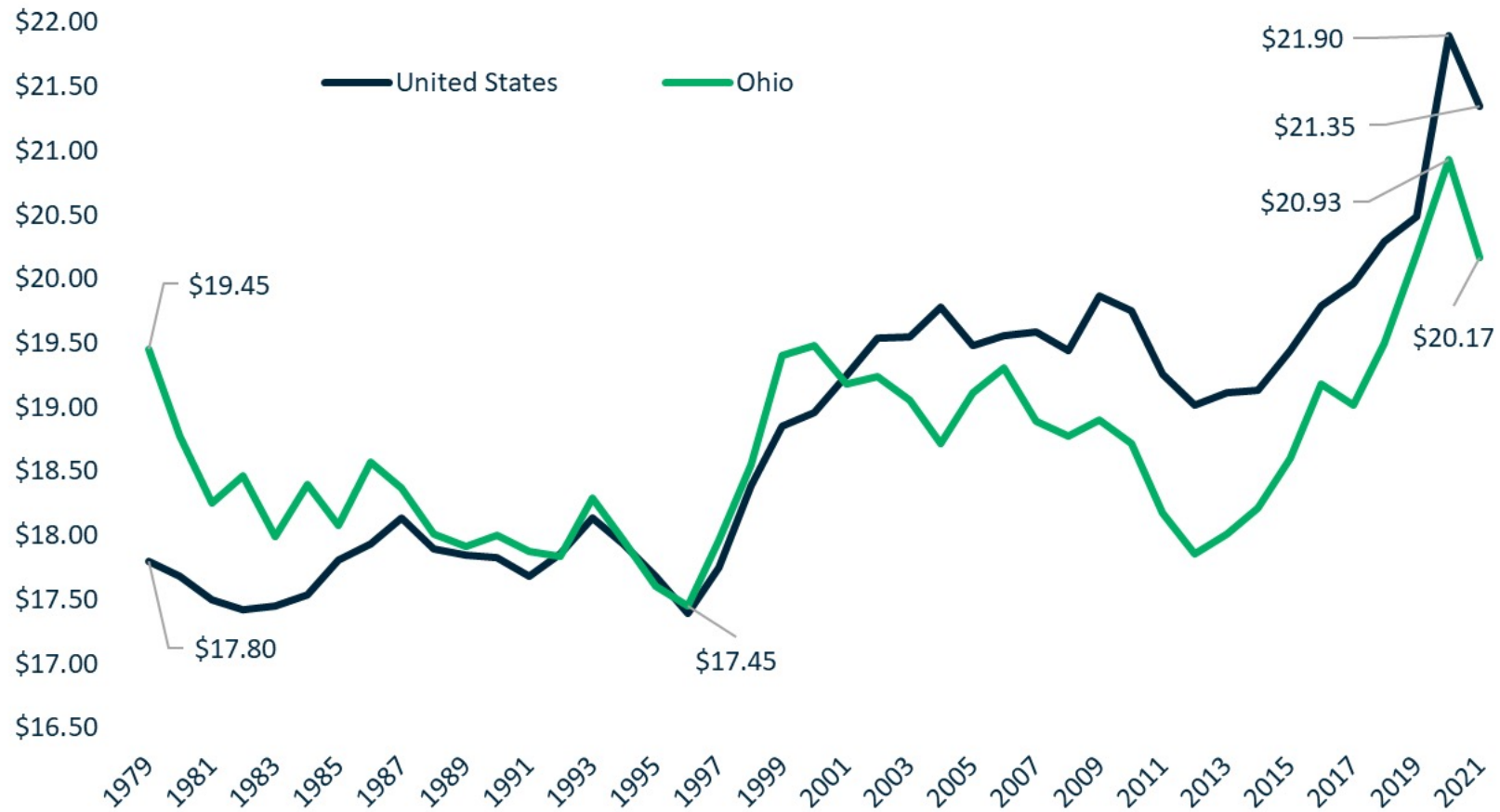
Percent change in Ohio's GDP and median wages



Source: Economic Policy Institute analysis of Current Population Survey microdata, Federal Reserve Bank of St. Louis Economic Research Division <https://fred.stlouisfed.org/series/OHNGSP>

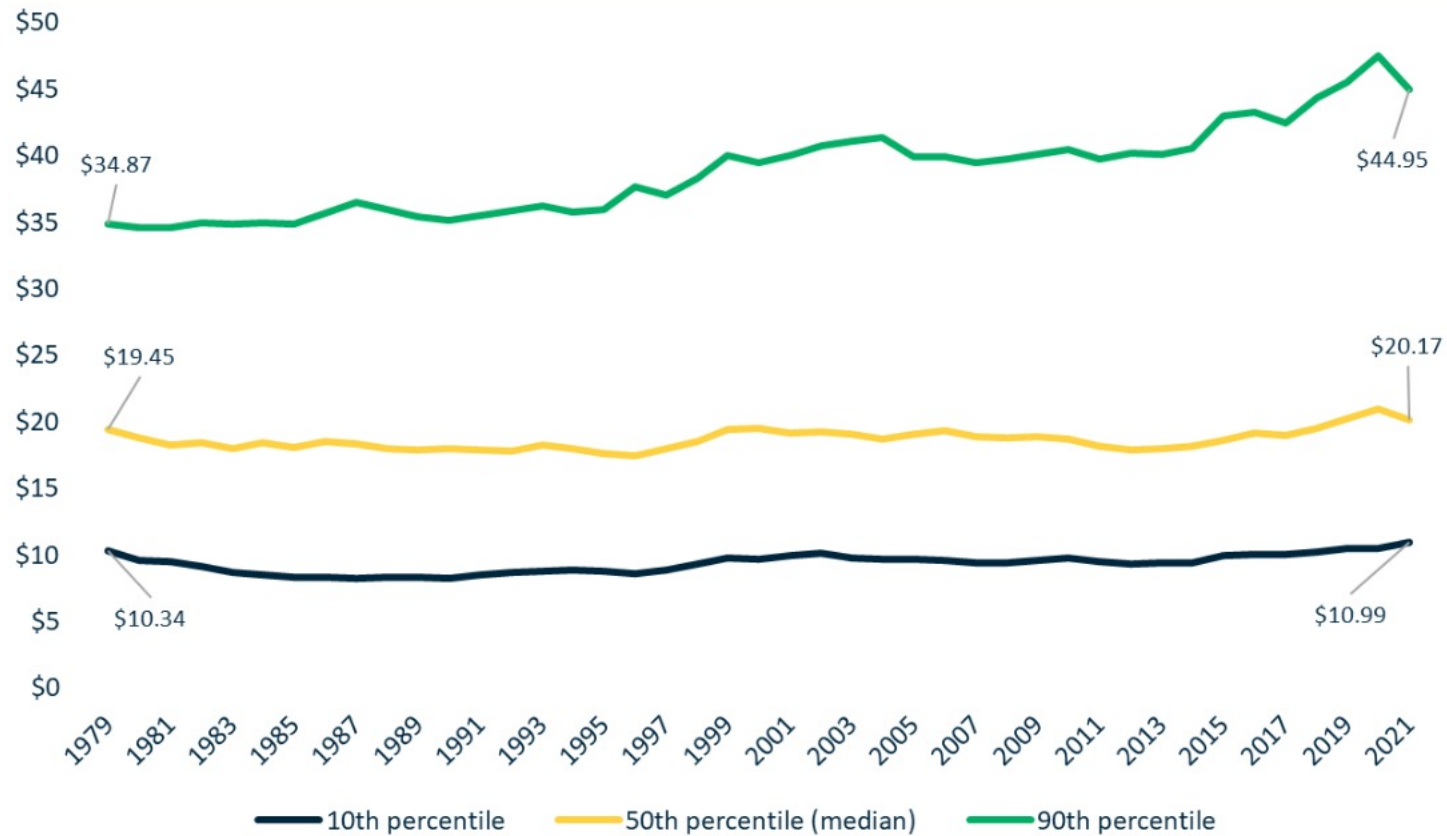
Ohio continues to fall behind U.S., with both below pre-COVID wage levels

Real median wages 1979-2020



The wealthiest are being paid more while employers hold down wages for lowest-paid workers

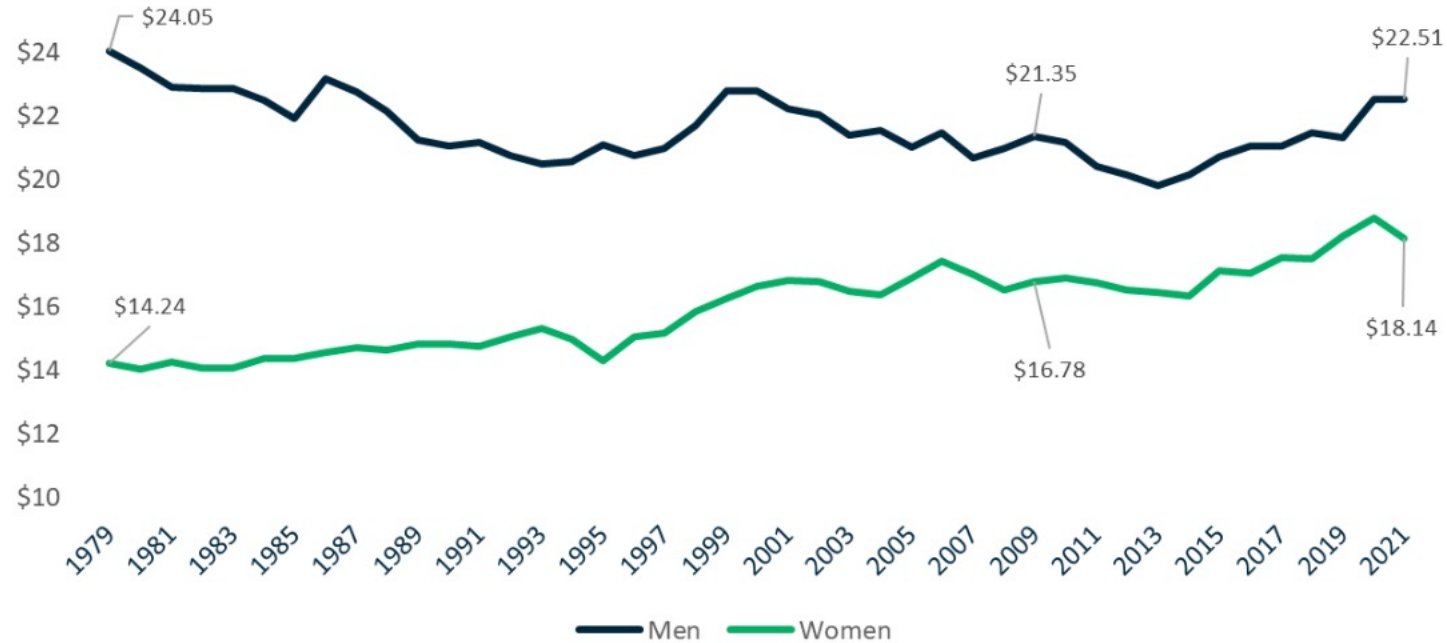
Median wages since 1979 by income percentile



Source: Economic Policy Institute analysis of Current Population Survey microdata from the U.S. Census Bureau, adjusted to 2021 dollars.

The gender wage gap was shrinking until 2020

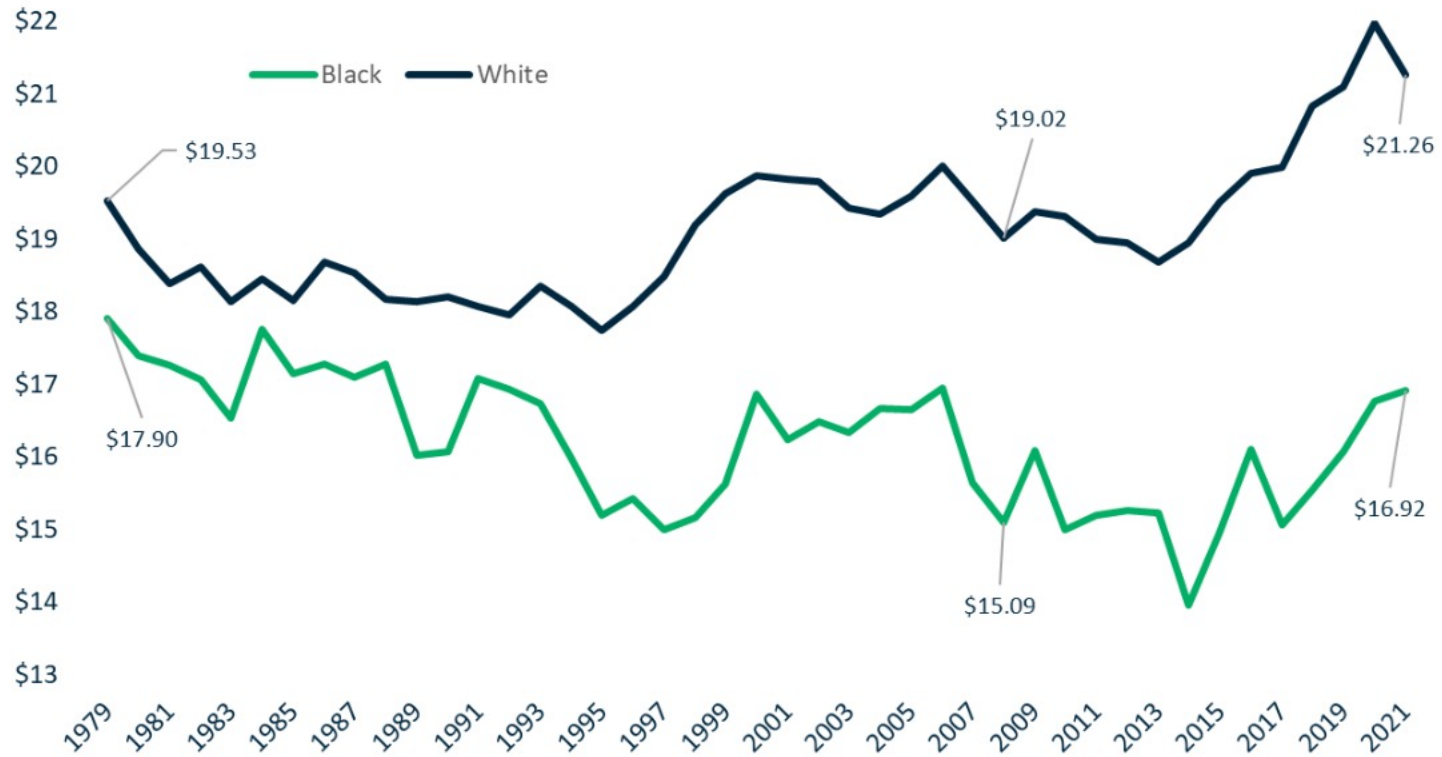
Median wages for men and women: 1979 to 2021



Source: Economic Policy Institute analysis of Current Population Survey microdata from the U.S. Census Bureau, adjusted to 2021 dollars.

Pay difference between white and Black Ohioans has tripled

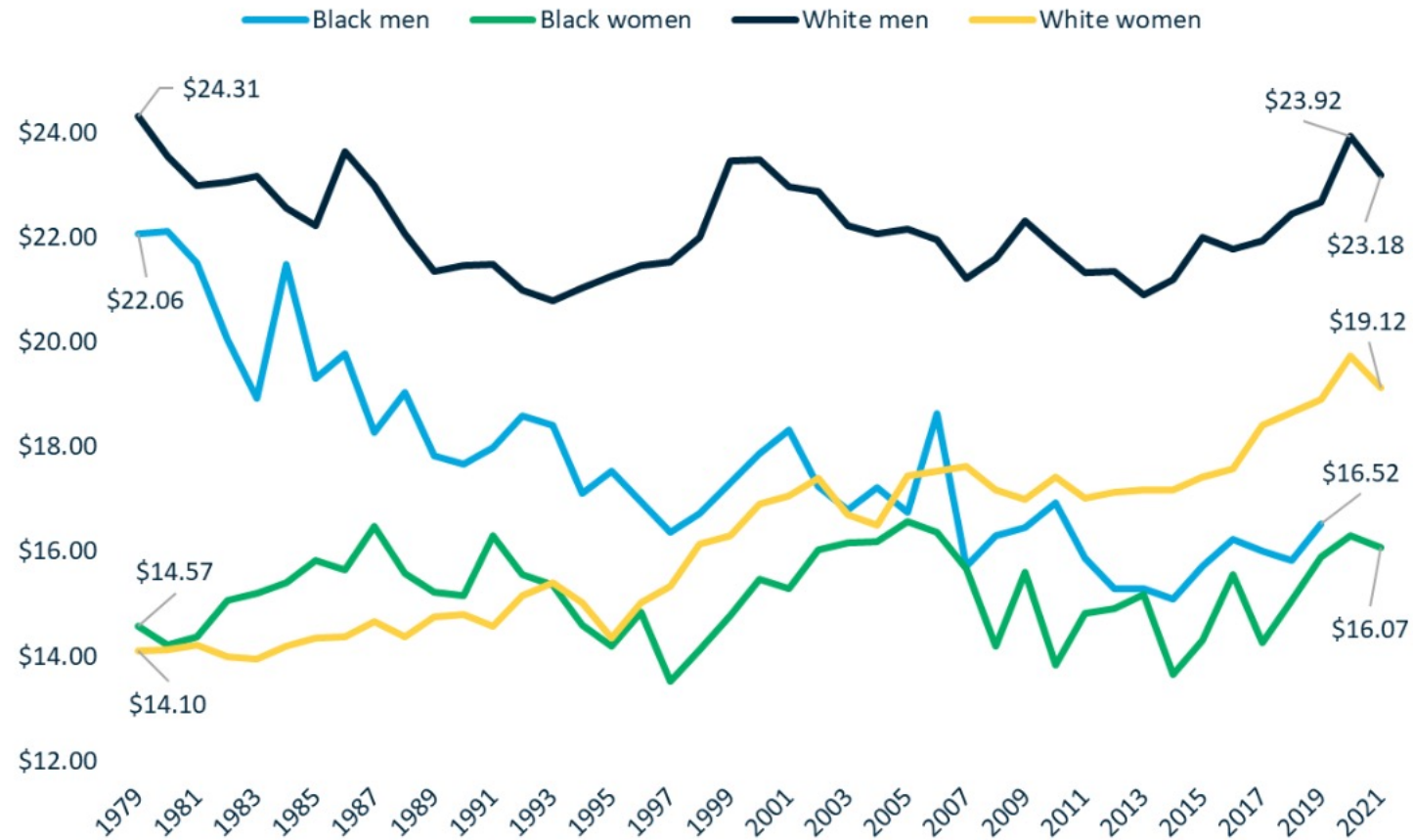
Pay for Black v. white Ohioans: 1979-2021



Source: Economic Policy Institute analysis of Current Population Survey microdata from the U.S. Census Bureau, adjusted to 2021 dollars.

Pay increased for women, pushed down for Black men

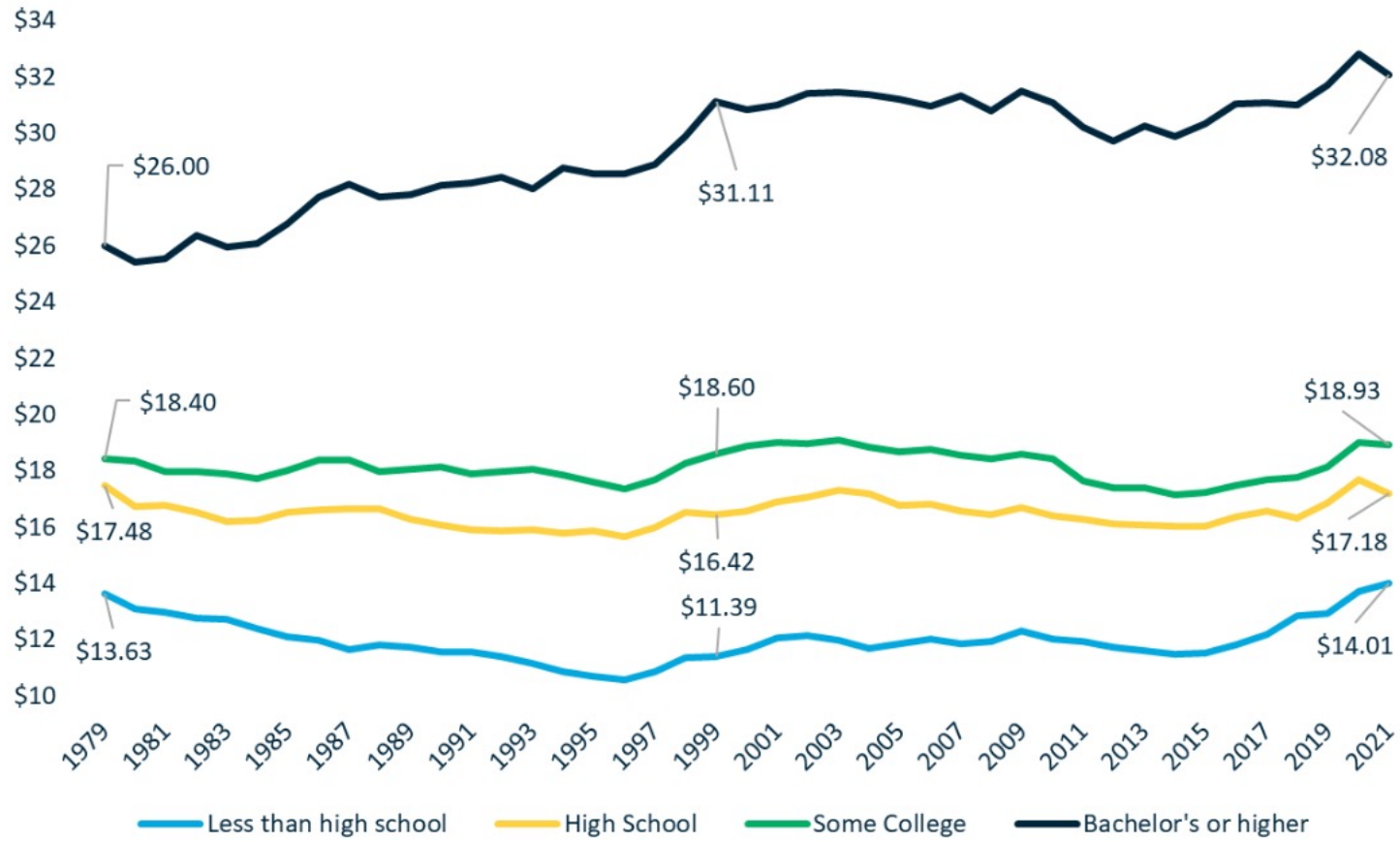
Ohio wages by race and gender 1979-2020



Source: Economic Policy Institute analysis of 1989-2021 Current Population Survey Outgoing Rotation Group data.

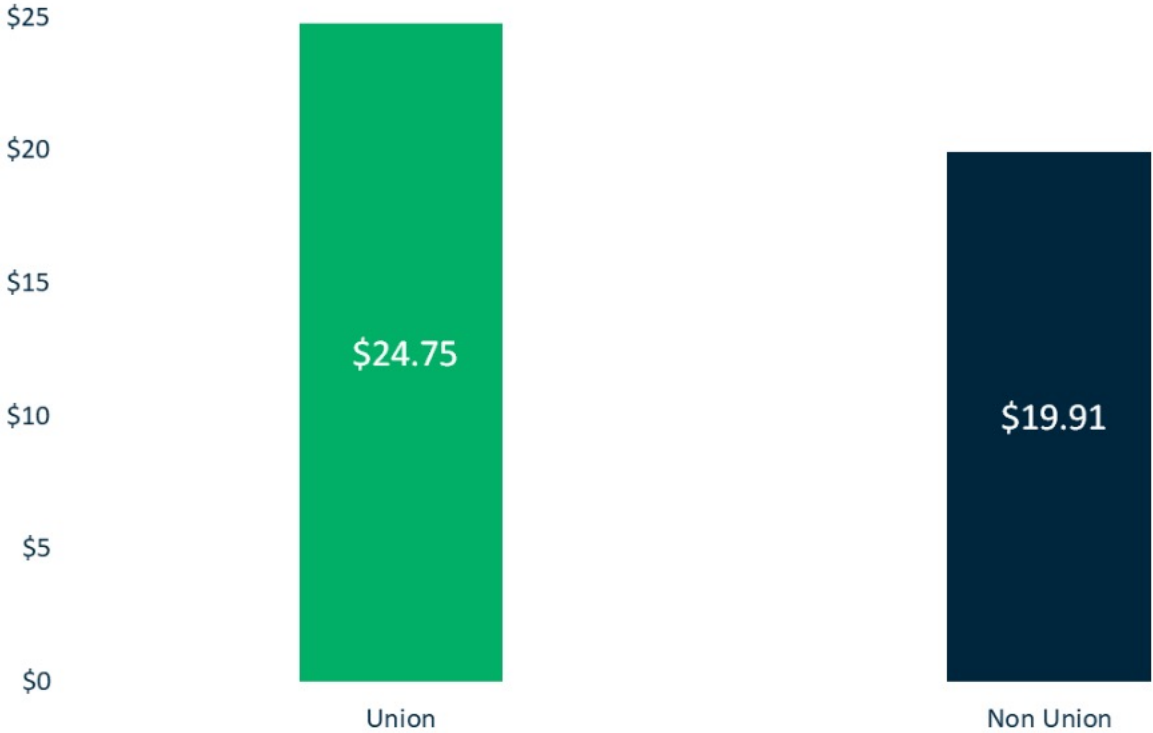
Note: Three-year pools of data. All wage values in 2021 dollars. Some values were omitted due to sample size.

Workers with college degrees are paid nearly twice as much as high school grads
Median wages by level of education 1979-2021



UNIONS AND WAGES

Union membership brings higher wages
Median hourly wage in 2021: union members v. nonunion members



Source: Economic Policy Institute analysis of Current Population Survey microdata from the U.S. Census Bureau.



Union representation increases median wages for Ohioans of many backgrounds

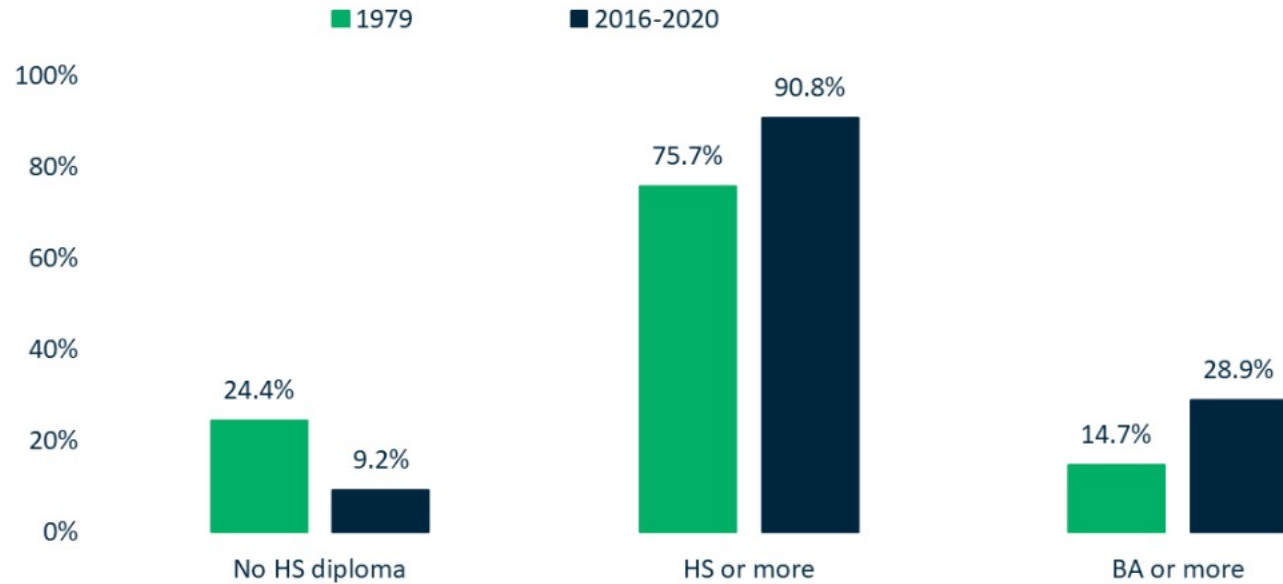
Union wages v. nonunion wages by race and gender



Source: Economic Policy Institute analysis of 2019-2021 Current Population Survey data. All wage values in 2021 dollars.

EDUCATION AND WAGES

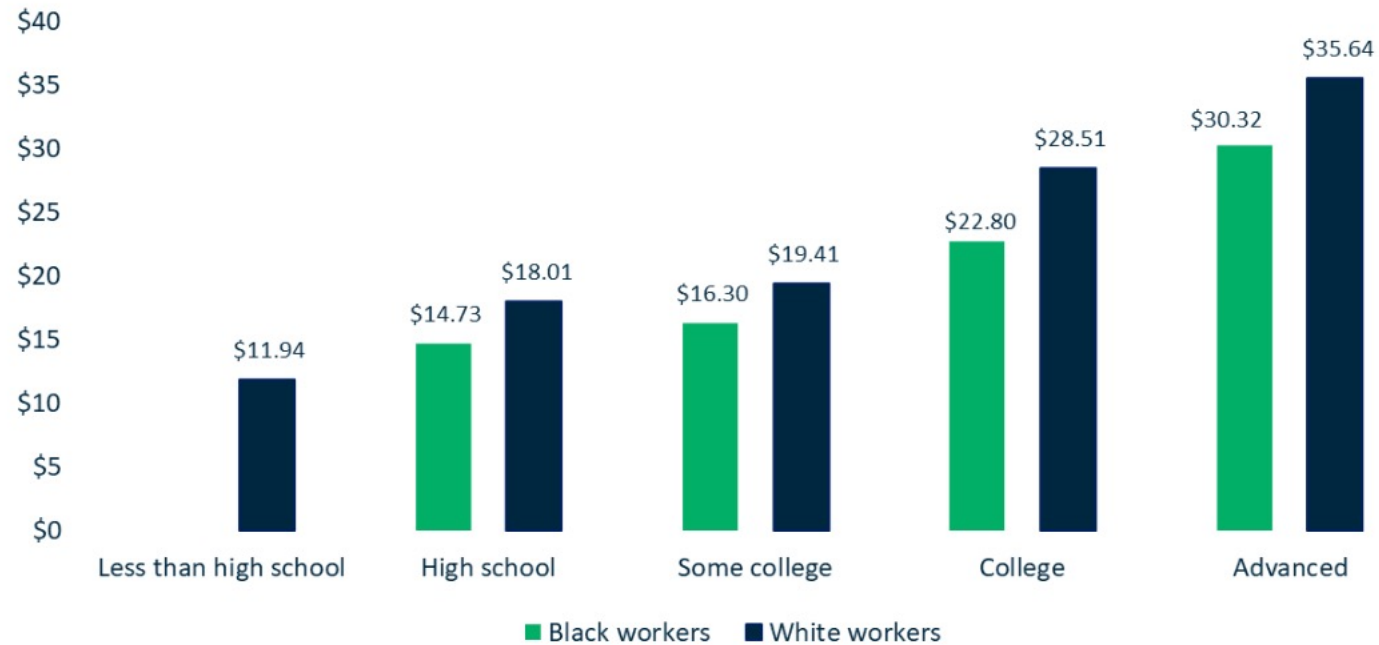
Ohioans more educated than ever before High School and college graduation rates 1979 and 2020



Source: Percent of persons age 25+ years, estimates US Census bureau quick facts:
<https://www.census.gov/quickfacts/fact/table/OH/EDU635220>, 1979 data: Current Population Survey.

Racial wage gap persists across every level of education

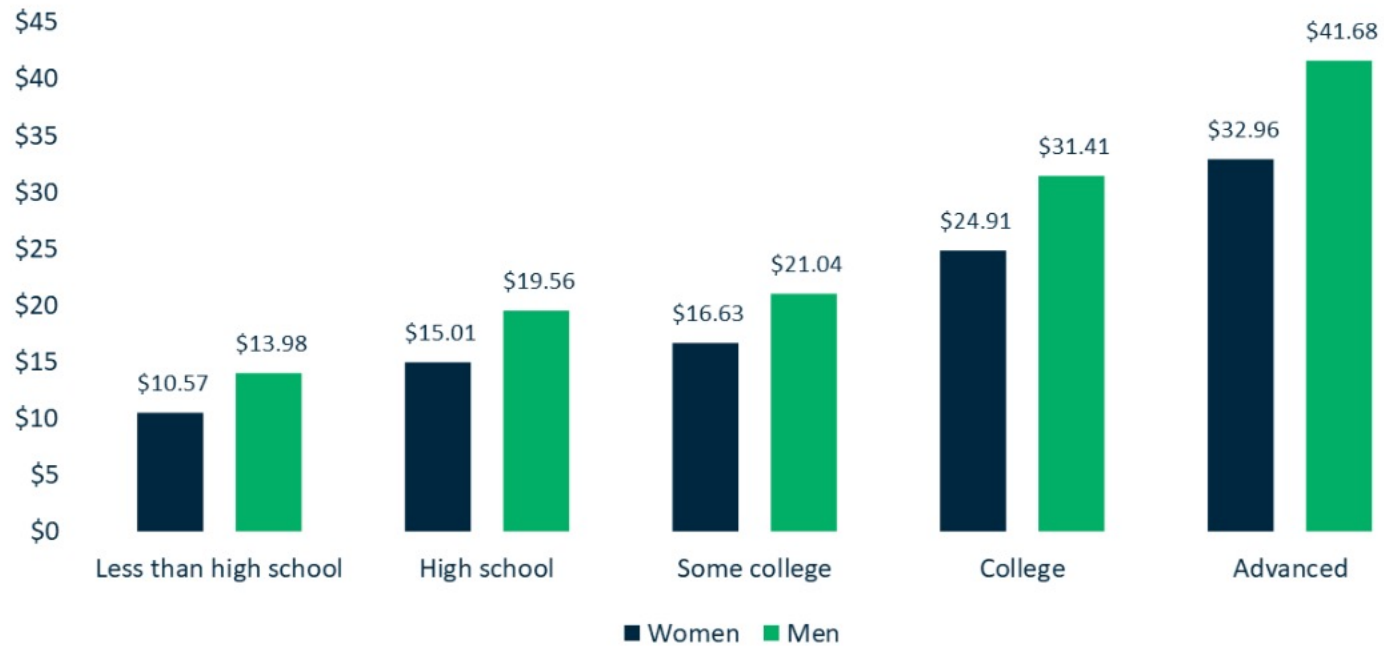
Wages by race and education level: 2021



Source: Economic Policy Institute analysis of 2019-2021 Current Population Survey data. All wage values in 2021 dollars. Some values restricted due to sample size.

Gender wage gap persists across every level of education

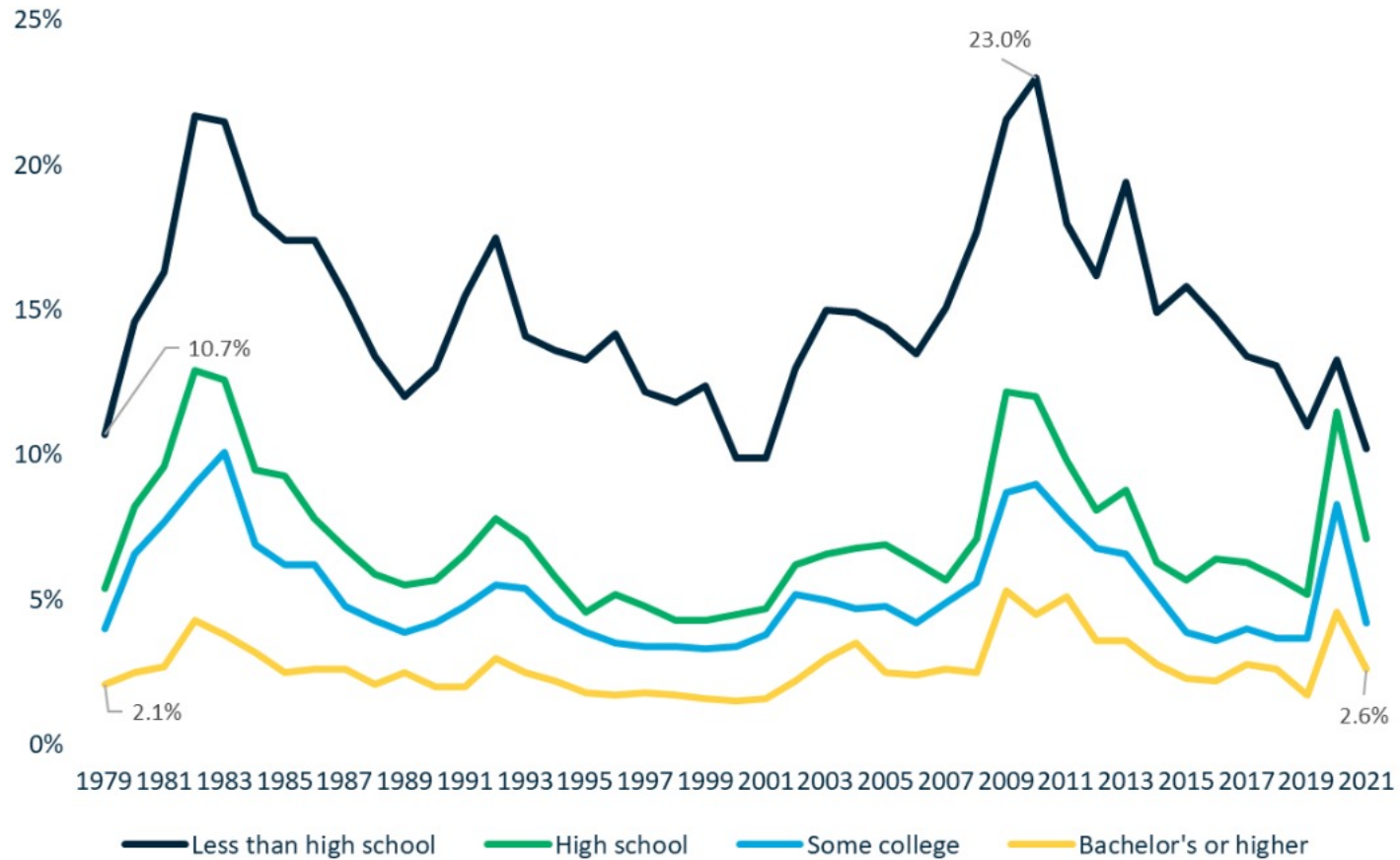
Ohioans' pay by gender and education in 2021



Source: Economic Policy Institute analysis of 2019-2021 Current Population Survey data. All wage values in 2021 dollars. Some values restricted due to sample size.

Having a college education helps people hold onto jobs

Unemployment by level of education 1979-2021



Source: Economic Policy Institute analysis of Current Population Survey microdata from the U.S. Census Bureau.

CONCLUSION

- We owe much of our recovery, which has moved three times as fast as recovery from the Great Recession, to the **historic funding from the federal government**.
- More than **4 in 5** jobs have been restored.
- Workers have begun to have success **bargaining for higher wages**.
- Today, inflation caused by COVID-19 and Russia's war on Ukraine has become the **immediate policy challenge**.
- Given Ohio's weak and often partial recovery from recent recessions, and how aggressive inflation policy decimated Ohio manufacturing jobs in the past, **Ohioans have a stake** in making sure policymakers choose targeted tools that limit job destruction and direct the cost of inflation reduction to the corporations profiting from it, so that **we all can thrive**



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