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Greater Cincinnati's April unemployment rate highest since records began

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April was a bloodbath for Greater Cincinnati's jobs picture as coronavirus reared its ugly head.

The local unemployment rate soared to the highest level since 1990, when the state of Ohio began tracking comparable numbers. Meanwhile, the local economy lost nearly 150,000 jobs. And it could get worse.

The jobless rate in the 15-county region skyrocketed to 14.1% in April, according to figures from the Ohio Department of Job and Family Services. The previous high was 11.1% in January 2009, during the financial crisis.

Greater Cincinnati lost 145,400 jobs in April compared with March, according to the data. The number of jobs plummeted 164,900 from a year ago.

The state releases local jobs numbers once a month, so this is the first look at the local employment picture for a full month since the coronavirus pandemic started shutting down the economy in mid-March.

Greater Cincinnati's jobless rate soared from 4.4% in March and 3.1% in April 2019.

The silver lining: Among Ohio's seven largest metro areas, Cincinnati had the second-best unemployment rate. Only Columbus, at 13.7%, fared better. Cleveland,



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at 23.1%, had the worst jobless rate of the big Ohio metro areas. Toledo's metro area came in at 22%.

Greater Cincinnati's jobless rate also was better than that of Ohio and the nation. Ohio's unemployment rate was at 16.8% in April while the U.S. rate stood at 14.7%.

Leisure and hospitality suffered the biggest local job losses. That's not surprising, considering so many businesses in those fields shut down or saw the amount of customers dramatically decrease. That sector lost 40% of its jobs in April compared with March, shedding 44,800 jobs.

Other sectors that got hammered include:

Educational and health services, which lost 22,300 jobs

Trade, transportation, and utilities, which includes retail stores, 22,000

Professional and business services, 18,000

Manufacturing, 12,600.

While things were bad in April, Christopher Nicak, co-director of research at the University of Cincinnati's Alpaugh Family Economics Center, told me the jobs picture and economy isn't likely to bounce back quickly even though parts of the economy have opened up again.

"The total number of claimants is likely to continue to increase despite some restaurants and retail reopening," Nicak said. "A key factor when considering what the next few months will look like is what the shape of the recovery will be. We often think the recovery will be V shaped – a steep decline followed by quick recovery. The Covid-19 pandemic could be a rockier recovery when additional waves or spikes of incidence occur resulting in ongoing levels of increased unemployment."

As bad as the April numbers sound, they likely understate the true level of unemployment, Janet Harrah, senior director of the Center for Economic Analysis and Development at Northern Kentucky University's Haile/U.S. Bank College of Business, told me.

The numbers don't account for reductions in hours and pay rates among people who are still employed, Harrah said. And the job losses in leisure and hospitality will have a negative effect on the economy down the road. Those people who lost jobs

will reduce their spending on items like household appliances, cars, home maintenance and myriad other areas, causing other job cuts elsewhere.

“Those layoffs in consumer spending-driven industries will have a ripple effect in the coming months across the rest of the economy,” Harrah said.

On top of that, Harrah pointed out the numbers show 138,000 local people dropped out of the work force in April. So they’re not counted in the unemployment numbers. Add them to the jobless total and the number of unemployed nearly doubles.

Steve Watkins

Staff Reporter

Cincinnati Business Courier

