

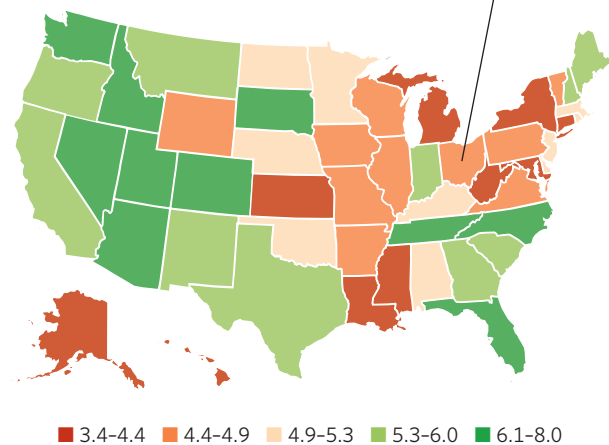
# Ohio's Political Leaders Must Acknowledge that the Status Quo Simply Isn't Working for Ohio

Over the past few weeks, two elected officials have made excuses for Ohio's poor private sector job growth. One, a statewide elected official, essentially used the "blame the workers" excuse by claiming that there are plenty of jobs available if Ohioans would just get off their couches and work. The other, a county elected official in western Ohio, lamely cited Ohio's "low" unemployment rate as proof that everything is fine. Both excuses simply don't fly.

First, not all jobs are created equal. As data from the U.S. Bureau of Economic Analysis shows, personal income growth in Ohio over the last five years has been very weak. In fact, across the fifty states and the District of Columbia (D.C.), Ohio's personal income growth from 2017 to 2022 is ranked 41st. That result isn't surprising when you think about it. If job growth is weak, as it has been in Ohio, then competition for workers is weak, which keeps wages (i.e., personal income) depressed. Given Ohio hasn't netted a single private sector job since 2019 as we remain below our private sector job total from January 2020, wages really have nowhere to go. Based on final February jobs data from the U.S. Bureau of Labor Statistics (BLS), Ohio remains -0.15% below the January 2020 jobs total, which makes it just one of twelve states not to fully recover jobs from the DeWine-Husted Admin-

## Very Weak Personal Income Growth in Ohio

PERCENTAGE PERSONAL INCOME GROWTH, 2017-2022 Ohio rank: #41



SOURCE: Bureau of Economic Analysis.

istration pandemic shutdown and holds the 38th best spot in America. So, while there may be jobs available (as is the case in every state by the way), those jobs must not be paying enough to spur labor force participation.

Speaking about labor force participation, according to the BLS, Ohio's rate is 61.5%, which is ranked 32nd among the states and D.C. Again, like our jobs recovery ranking, Ohio is firmly in the bottom half of the states when it comes to labor force participation. Perhaps instead of blaming Ohioans, our elected officials could enact policies that would spur greater job creation in Ohio, thereby driving competition for workers and their wages higher.

As for Ohio's "low" unemployment rate, when compared to other states, Ohio's rate is the 39th lowest, which really isn't that impressive. It is always fun to use numbers out-of-context to "prove" a point, but far better and more honest to use numbers in a straightforward and intellectually serious manner. Ohio is in bad shape when compared to the other forty-nine states and D.C.

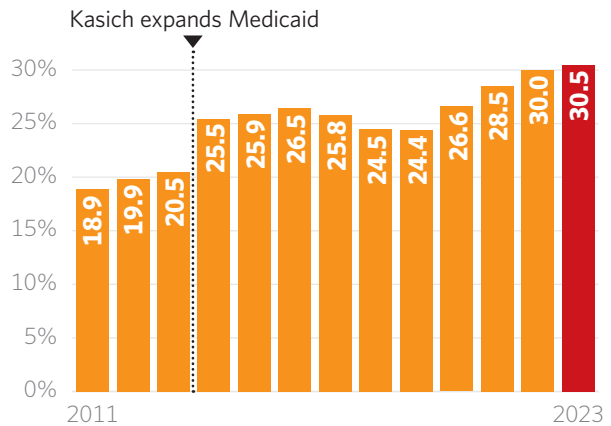
One way to see that clearly (and dispassionately) is to rank each state based on labor force participation, net percentage job growth since January 2020, and unemployment rates. The combination of these three factors gives a fuller picture that normalizes for oddities each state may possess (i.e., higher illegal laborers, more seniors, etc.). When you do that, what you see is that America has a group of stronger states, a group of mediocre states, and a group of weaker states. By and large the stronger states all tend to have higher rankings in all three categories. These states include Utah, South Dakota, Nebraska, Montana, Idaho, Colorado, and New Hampshire.

The mediocre states are strong in two areas, but weak in one area—usually the Labor Force Participation Rate (LFPR). These states include Florida, Texas, Georgia, Arizona, Alabama, North Carolina, Arkansas, and Maryland. A specific issue likely explains a state's weakness in one area. For example, Florida's 41st ranked LFPR is likely due to the number of working age Americans who are retired and Texas' 40th ranked unemployment rate probably comes from the higher presence of illegal labor (Arizona, as well).

The weaker states are weak in two, if not all three, areas. These states include (from last place) Louisiana,

## Nearly One-Third of Ohio on Medicaid

PERCENTAGE OF STATE POPULATION



SOURCES: Ohio Department of Medicaid and Ohio Office of Budget and Management.

New York, Hawaii, West Virginia, Michigan, New Mexico, and, yes, Ohio. Several reasons account for these states' weak results including:

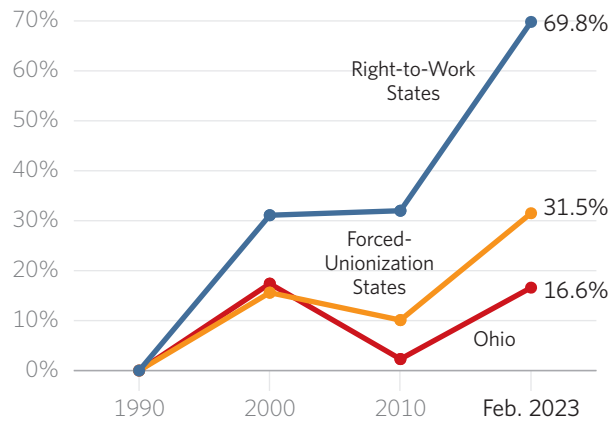
- Expanded Medicaid under ObamaCare;
- Severe business pandemic shutdowns;
- High state and local tax policies;
- No or only recently enacted right-to-work policies; and
- High government spending.

In Ohio's case, all of those issues weigh down our economy. Since John Kasich forced through Medicaid expansion under ObamaCare, contrary to his promise it would only add 275,000 Ohioans to the rolls, Ohio has added nearly 1.2 million people to the rolls. With 3.6 million Ohioans dependent on government for their health care (excluding our seniors on Medicare), the incentive to work to secure benefits is greatly reduced. Medicaid spending also swallows 50% of state spending, thereby driving government spending north of \$40 billion annually in Ohio<sup>1</sup>.

<sup>1</sup> Behind the guise of the implementation of the Ohio Medicaid Enterprise System, Ohio hasn't released the monthly cost figures since December 2022. The most recent message I sent on March 27, 2023, to Ohio Medicaid asking when the cost figures would be released was ignored.

## Right-to-Work States Have Added More Jobs

PERCENTAGE CHANGE IN JOBS SINCE 1990



SOURCE: Bureau of Labor Statistics.

That higher spending prevents Ohio from eliminating the state income tax and keeps local taxes among the highest in America, which decreases Ohio's economic competitiveness.

Because Governor Mike DeWine and Lieutenant Governor Jon Husted ceded too much power to left-wing progressive Amy Acton, Ohioans suffered a long, severe pandemic shutdown of its businesses and schools from which we still haven't recovered. Without a right-to-work law, Ohio's private sector,

like many of the pro-union, anti-worker states, is muzzled from having robust job growth. Since 1990, right-to-work states have netted on average 70% job growth, as pro-union, anti-worker states only managed 32%, with Ohio staggering along at only 17% net job growth over thirty-two years.

These data points also serve as an additional damning indictment of JobsOhio. After all, if after twelve years of operations Ohio finds itself ranked so low in each category and collectively 45th among the fifty states and D.C., then only a sycophant or a person financially dependent on JobsOhio would still defend it. For example, who would seriously defend Ohio State Buckeyes Coach Ryan Day if after twelve years of coaching his record was in the bottom 25% of Big Ten coaches during that span? He would have been fired the moment the trend line developed that he just wasn't that good of a coach. With JobsOhio, given Ohio's poor private sector job growth record year-after-year, it should have been eliminated within the first five years of its existence.

Elected officials can continue to cherry pick pieces of data that appear to make it look like Ohio is doing well, but a sober analysis looking at the full picture continues to show that Ohio is struggling to keep up with the other states. This blissful ignorance may help advance a political agenda or career, but it does absolutely nothing for the 11.7 million Ohioans who deserve leaders willing to do whatever it takes to get Ohio's private sector booming.

# Ohio's Ranks Poorly in Post-Pandemic Employment

■ Score worse than Ohio's

| Overall Rank | State                | KEY EMPLOYMENT METRICS                     |      |                                 |      |                   |      | Average Rank of Key Employment Metrics |
|--------------|----------------------|--|------|---------------------------------|------|-------------------|------|--|
|              |                      | Labor Force Participation Rate, March 2023 |      | Job Growth, Jan. 2020-Feb. 2023 |      | Unemployment Rate |      |  |
|              |                      | VALUE                                      | RANK | VALUE                           | RANK | VALUE             | RANK |  |
| 1            | Utah                 | 68.9                                       | 4    | 10.32%                          | 2    | 2.4               | 6    | 4.0                                    |
| 2            | South Dakota         | 67.5                                       | 8    | 4.66%                           | 13   | 1.9               | 1    | 7.3                                    |
| 3            | Nebraska             | 69.5                                       | 2    | 1.79%                           | 27   | 2.1               | 2    | 10.3                                   |
| 4            | Montana              | 62.6                                       | 28   | 7.78%                           | 4    | 2.3               | 4    | 12.0                                   |
| 6-t          | Colorado             | 68.5                                       | 5    | 3.00%                           | 19   | 2.8               | 14   | 12.7                                   |
| 6-t          | Idaho                | 62.6                                       | 27   | 10.56%                          | 1    | 2.6               | 10   | 12.7                                   |
| 7            | New Hampshire        | 65.8                                       | 11   | 2.44%                           | 22   | 2.4               | 7    | 13.3                                   |
| 8            | Kansas               | 66.6                                       | 9    | 2.06%                           | 26   | 2.9               | 17   | 17.3                                   |
| 9            | North Dakota         | 69.3                                       | 3    | -1.81%                          | 47   | 2.1               | 3    | 17.7                                   |
| 11-t         | Iowa                 | 68.2                                       | 6    | 0.29%                           | 35   | 2.8               | 15   | 18.7                                   |
| 11-t         | Missouri             | 62.9                                       | 24   | 2.33%                           | 24   | 2.5               | 8    | 18.7                                   |
| 12           | Minnesota            | 68.0                                       | 7    | 0.14%                           | 36   | 2.8               | 16   | 19.7                                   |
| 14-t         | Wisconsin            | 64.6                                       | 18   | 0.50%                           | 33   | 2.5               | 9    | 20.0                                   |
| 14-t         | Indiana              | 63.5                                       | 23   | 3.46%                           | 15   | 3.1               | 22   | 20.0                                   |
| 16-t         | Virginia             | 65.9                                       | 10   | 1.66%                           | 28   | 3.2               | 25   | 21.0                                   |
| 16-t         | New Jersey           | 64.8                                       | 15   | 3.08%                           | 17   | 3.5               | 31   | 21.0                                   |
| 17           | Florida              | 59.3                                       | 41   | 8.15%                           | 3    | 3.1               | 20   | 21.3                                   |
| 19-t         | Texas                | 63.9                                       | 21   | 7.55%                           | 5    | 4.0               | 40   | 22.0                                   |
| 19-t         | Georgia              | 61.1                                       | 34   | 5.27%                           | 11   | 3.1               | 21   | 22.0                                   |
| 20           | Arizona              | 61.6                                       | 31   | 6.29%                           | 8    | 3.5               | 29   | 22.7                                   |
| 21           | Alabama              | 56.7                                       | 47   | 3.01%                           | 18   | 2.3               | 5    | 23.3                                   |
| 22           | North Carolina       | 60.4                                       | 37   | 7.31%                           | 6    | 3.5               | 28   | 23.7                                   |
| 23           | Arkansas             | 57.4                                       | 46   | 5.89%                           | 9    | 3.0               | 18   | 24.3                                   |
| 24           | Maryland             | 64.9                                       | 14   | -2.48%                          | 48   | 2.7               | 12   | 24.7                                   |
| 26-t         | Oklahoma             | 61.0                                       | 35   | 2.06%                           | 25   | 3.0               | 19   | 26.3                                   |
| 26-t         | Tennessee            | 59.0                                       | 43   | 5.73%                           | 10   | 3.4               | 26   | 26.3                                   |
| 28-t         | Massachusetts        | 65.0                                       | 13   | 0.29%                           | 34   | 3.5               | 33   | 26.7                                   |
| 28-t         | Washington           | 64.6                                       | 17   | 4.28%                           | 14   | 4.5               | 49   | 26.7                                   |
| 30-t         | Vermont              | 63.7                                       | 22   | -2.69%                          | 49   | 2.7               | 13   | 28.0                                   |
| 30-t         | Maine                | 58.0                                       | 44   | 1.52%                           | 29   | 2.6               | 11   | 28.0                                   |
| 31           | South Carolina       | 56.1                                       | 49   | 4.74%                           | 12   | 3.2               | 24   | 28.3                                   |
| 32           | Rhode Island         | 62.9                                       | 25   | -0.77%                          | 42   | 3.1               | 23   | 30.0                                   |
| 33           | Nevada               | 61.4                                       | 33   | 7.25%                           | 7    | 5.5               | 51   | 30.3                                   |
| 34           | Alaska               | 65.3                                       | 12   | -0.80%                          | 43   | 3.7               | 37   | 30.7                                   |
| 35           | Wyoming              | 64.3                                       | 20   | -0.36%                          | 40   | 3.7               | 36   | 32.0                                   |
| 36           | Mississippi          | 54.4                                       | 51   | 3.08%                           | 16   | 3.5               | 30   | 32.3                                   |
| 37           | California           | 62.3                                       | 29   | 2.44%                           | 23   | 4.4               | 46   | 32.7                                   |
| 38           | Connecticut          | 64.5                                       | 19   | -0.34%                          | 39   | 4.0               | 41   | 33.0                                   |
| 39           | Illinois             | 64.7                                       | 16   | -0.14%                          | 37   | 4.4               | 48   | 33.7                                   |
| 40           | District of Columbia | 70.6                                       | 1    | -5.31%                          | 51   | 4.8               | 50   | 34.0                                   |
| 42-t         | Oregon               | 62.7                                       | 26   | 0.90%                           | 30   | 4.4               | 47   | 34.3                                   |
| 42-t         | Kentucky             | 57.5                                       | 45   | 2.84%                           | 20   | 3.8               | 38   | 34.3                                   |
| 43           | Pennsylvania         | 62.0                                       | 30   | 0.71%                           | 31   | 4.2               | 44   | 35.0                                   |
| 44           | Delaware             | 59.7                                       | 40   | 2.72%                           | 21   | 4.4               | 45   | 35.3                                   |
| 45           | Ohio                 | 61.5                                       | 32   | -0.15%                          | 38   | 3.8               | 39   | 36.3                                   |
| 46           | New Mexico           | 56.7                                       | 48   | 0.55%                           | 32   | 3.5               | 32   | 37.3                                   |
| 49-t         | Hawaii               | 60.4                                       | 38   | -4.86%                          | 50   | 3.5               | 34   | 40.7                                   |
| 49-t         | Michigan             | 59.9                                       | 39   | -0.48%                          | 41   | 4.1               | 42   | 40.7                                   |
| 49-t         | West Virginia        | 54.6                                       | 50   | -1.61%                          | 45   | 3.4               | 27   | 40.7                                   |
| 51-t         | New York             | 60.7                                       | 36   | -1.14%                          | 44   | 4.1               | 43   | 41.0                                   |
| 51-t         | Louisiana            | 59.3                                       | 42   | -1.74%                          | 46   | 3.6               | 35   | 41.0                                   |

SOURCES: Federal Reserve Bank of St. Louis and Bureau of Labor Statistics.