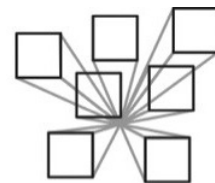




The United States  
Conference of Mayors



Ohio Mayors Alliance

# Ohio Metro Economies:

## *GMP and Job Growth*

July 2018

**Prepared for:**

The United States  
Conference of Mayors

and

Ohio Mayors Alliance

**Prepared by:**



IHS Markit™



## METROPOLITAN ECONOMIES IN OHIO

Metropolitan areas dominate Ohio's economy. In 2017 they were home to 70.8% of the state's population, and 83.5% of its jobs. The metro shares of Ohio's jobs, wage income, 86.1%, and of real gross domestic product, 85.1%, have each increased over the last two decades. The metro proportion of state jobs is 1.3 percentage points higher than in 2000. And the productivity of those metro workers is higher than the state average, as witnessed by the greater metro share of GDP. Metro areas accounted for all of Ohio's job gains and 87% of Ohio's GDP gains since 2000.

The largest Ohio metros, Cincinnati, Columbus, and Cleveland rank in the top 30 of US metro by GDP, totaling over \$400 billion. (Table 1) They would each rank in the top 100 largest economies of the world, ahead of Kuwait and Ghana. (Table 2) Each of their GDP levels exceed that of Montana, Arkansas and the District of Columbia. The three cities account for 59% of Ohio GDP. Also, Dayton, Akron, and Toledo all rank in the top 100 in GDP among 381 US metros.

Ohio got off to a good economic start to begin 2018, with payrolls in May 1.4% above year-ago levels, the best performance since 2015. Manufacturing and construction have posted solid gains, while the natural resources and mining sector gradually adds jobs. The growth in construction is mostly in the area of work on roads and bridges, rather than buildings. Ohio's manufacturing numbers continue to be supported by the success of the automotive industry, especially the robust demand for SUVs built in Ohio and nearby states.

By the end of 2018, the report projects that the unemployment rate in five Ohio metros will be at or below 4.0% (Columbus 3.3%; Cincinnati 3.5%; Dayton 3.7%; Springfield 3.7%; and Lima 4.0%). All but three Ohio metros will have unemployment rates of 5.0% or below. (Table 7).

From 2016 to 2018 Dayton has experienced the largest increase in labor participation rate, jumping from 59.2% to 60.3%. Columbus in 2018 leads all Ohio metros with a labor participation rate of 65.3%. Only half (7 out of 14) Ohio metros have labor participation rates above 60%. The national average is 61.5% (Table 8)

The report also forecasts that over the two-year period (2019-2020) Columbus will lead Ohio job employment growth with an average annual 1.60% gain, followed by Cincinnati (1.10%); Akron (.80%); and Cleveland and Dayton (.70%). But in the 2021-2022 period, the economic slowdown will result in all Ohio metros seeing no growth or declining growth in jobs (Table 5).

Among metros, Columbus has seen by far the largest number of new jobs, with 16% growth since 2000. Indeed, the only other metros which have not experienced net job loss since 2000 are Akron and Cincinnati. This is primarily due to the loss of manufacturing industry across the state. Over the years the manufacturing sector in Ohio has not performed well. Central Ohio has been one of the few areas in the state that has experienced notable growth over the past decade. Columbus is the primary source, achieved in part because of its more diversified employment

mix. The recent turnaround in Ohio's manufacturing sector will disproportionately help the historically poor-performing areas on the perimeter of the state, but longer-term growth prospects are better for central Ohio.

There are two long term trends in the US economy that have disadvantaged these metros. First was the flow of interstate migration from the northern states to the Sun Belt states. While much of this was driven by economic reasons it also created a demographic slowdown that limits growth by reducing labor force availability and the demand for local production of goods and services.

The second trend was the evolution of the US, and other advanced economies, from goods production towards a services economy. Manufacturing became a less important component of economic growth, diminishing the advantages of the factories and skilled laborers of the Northeast and Midwestern regions. Technological advances in automation have further diminished the demand for labor in goods production. The share of all US workers in manufacturing fell from 13.2% in 1990, to 8.5% in 2017. During this time the nation lost 5.4 million manufacturing jobs. For the Midwest the implications were dire – in 1990 manufacturing jobs were more crucial to the local economy, making up 20.8% of its employment. In 2017 that share has fallen to 13.1%, as the region lost 28% of its production jobs. Ohio lost 374,000 production jobs since 1990, before gaining 2,000 in 2017.

Going forward, the US economy will be slowing as it reaches full employment levels and declining labor force growth. The labor force constraints on growth are even tighter in Ohio, with an older, aging, workforce, and little population growth. Moreover, the recent gains in the manufacturing sector, while very good news, cannot be expected to drive the economy as it had in the past. The experience of Columbus, as a diversified, service and knowledge- oriented economy, should be the model for future growth. This report has demonstrated that Ohio cannot grow unless its cities' metro areas do, and that those regional economies will be best served by aggressively transitioning to new and emerging industries while preserving their manufacturing base.

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**Table 1: Gross Metropolitan Product of Ohio Metro Areas**  
(US\$, Billions)

| <b>Rank 2017 (of 381)</b> |                                     | <b>2016</b> | <b>2017</b> | <b>2018</b> | <b>2019</b> |
|---------------------------|-------------------------------------|-------------|-------------|-------------|-------------|
| 25                        | Pittsburgh, PA                      | 138.0       | 143.8       | 150.5       | 157.4       |
| 26                        | Austin-Round Rock, TX               | 133.7       | 142.9       | 153.3       | 162.8       |
| 27                        | Indianapolis-Carmel, IN             | 136.8       | 142.9       | 149.7       | 158.1       |
| 28                        | Cincinnati, OH-KY-IN                | 131.6       | 137.6       | 143.9       | 151.0       |
| 29                        | Columbus, OH                        | 130.5       | 137.2       | 143.9       | 151.8       |
| 30                        | Cleveland-Elyria, OH                | 129.2       | 133.9       | 139.9       | 146.2       |
| 31                        | Orlando-Kissimmee-Sanford, FL       | 127.3       | 133.6       | 141.0       | 149.7       |
| 32                        | Kansas City, MO-KS                  | 128.9       | 133.1       | 138.9       | 146.3       |
| 50                        | Urban Honolulu, HI                  | 65.5        | 67.8        | 70.4        | 72.7        |
| 67                        | Fresno, CA                          | 40.7        | 42.7        | 45.1        | 47.8        |
| 68                        | Greenville-Mauldin-Easley, SC       | 40.9        | 42.2        | 43.9        | 46.1        |
| 69                        | Dayton, OH                          | 40.5        | 42.0        | 43.7        | 45.8        |
| 70                        | Knoxville, TN                       | 40.2        | 41.9        | 43.7        | 46.0        |
| 71                        | Columbia, SC                        | 40.3        | 41.6        | 43.2        | 45.6        |
| 75                        | Tucson, AZ                          | 37.2        | 38.6        | 40.7        | 43.1        |
| 76                        | Akron, OH                           | 37.2        | 38.3        | 39.9        | 41.7        |
| 77                        | Bakersfield, CA                     | 35.4        | 36.8        | 39.0        | 41.5        |
| 78                        | Harrisburg-Carlisle, PA             | 35.4        | 36.8        | 38.4        | 40.2        |
| 79                        | Boise City, ID                      | 32.3        | 34.2        | 36.0        | 38.1        |
| 80                        | Toledo, OH                          | 33.1        | 33.9        | 35.4        | 37.0        |
| 81                        | Syracuse, NY                        | 33.0        | 33.7        | 34.5        | 35.9        |
| 99                        | Reno, NV                            | 26.0        | 27.8        | 29.8        | 31.7        |
| 125                       | Lincoln, NE                         | 19.8        | 20.3        | 20.9        | 22.0        |
| 126                       | Youngstown-Warren-Boardman, OH-PA   | 19.9        | 20.2        | 20.7        | 21.6        |
| 127                       | Davenport-Moline-Rock Island, IA-IL | 19.4        | 19.8        | 20.5        | 21.3        |
| 142                       | Montgomery, AL                      | 17.3        | 17.8        | 18.4        | 19.3        |
| 147                       | Elkhart-Goshen, IN                  | 15.7        | 16.9        | 18.3        | 19.2        |
| 148                       | Canton-Massillon, OH                | 16.3        | 16.8        | 17.5        | 18.3        |
| 149                       | Salem, OR                           | 16.1        | 16.7        | 17.6        | 18.5        |
| 153                       | Tallahassee, FL                     | 15.8        | 16.5        | 17.3        | 18.3        |
| 160                       | Rockford, IL                        | 14.9        | 15.1        | 15.9        | 16.7        |
| 161                       | Huntington-Ashland, WV-KY-OH        | 14.3        | 14.9        | 15.4        | 16.0        |
| 162                       | South Bend-Mishawaka, IN-MI         | 14.2        | 14.8        | 15.4        | 16.1        |
| 191                       | Napa, CA                            | 10.6        | 11.2        | 11.6        | 12.2        |
| 239                       | Monroe, LA                          | 7.4         | 7.6         | 7.8         | 8.2         |
| 240                       | Wheeling, WV-OH                     | 7.2         | 7.6         | 7.8         | 8.2         |
| 241                       | La Crosse-Onalaska, WI-MN           | 7.3         | 7.5         | 7.9         | 8.3         |
| 273                       | Jackson, MI                         | 6.1         | 6.3         | 6.6         | 6.9         |
| 294                       | Owensboro, KY                       | 5.5         | 5.8         | 6.1         | 6.4         |
| 295                       | Lima, OH                            | 5.5         | 5.7         | 5.9         | 6.2         |
| 294                       | Owensboro, KY                       | 5.5         | 5.8         | 6.1         | 6.4         |
| 316                       | Ithaca, NY                          | 5.1         | 5.3         | 5.5         | 5.7         |
| 337                       | Lake Havasu City-Kingman, AZ        | 4.3         | 4.5         | 4.8         | 5.1         |
| 338                       | Springfield, OH                     | 4.3         | 4.5         | 4.6         | 4.8         |

**Table 1: Gross Metropolitan Product of Ohio Metro Areas**  
*(US\$, Billions)*

| <b>Rank 2017 (of 381)</b> |                             | <b>2016</b> | <b>2017</b> | <b>2018</b> | <b>2019</b> |
|---------------------------|-----------------------------|-------------|-------------|-------------|-------------|
| 339                       | Goldsboro, NC               | 4.4         | 4.4         | 4.6         | 4.8         |
| 340                       | Sherman-Denison, TX         | 4.3         | 4.4         | 4.6         | 4.9         |
| 341                       | Mansfield, OH               | 4.3         | 4.4         | 4.6         | 4.8         |
| 342                       | Cleveland, TN               | 4.3         | 4.4         | 4.6         | 4.9         |
| 352                       | Beckley, WV                 | 4.0         | 4.2         | 4.4         | 4.5         |
| 353                       | Weirton-Steubenville, WV-OH | 4.0         | 4.1         | 4.2         | 4.4         |
| 354                       | Bloomsburg-Berwick, PA      | 3.9         | 4.1         | 4.2         | 4.4         |
| 381                       | Sebring, FL                 | 2.0         | 2.1         | 2.1         | 2.3         |

**Table 2: Gross Product of Countries (GDP) and Metro Areas (GMP)**  
(US\$, Billions)

| <b>Rank (of 584)</b> | <b>Country or Metro Area</b>             | <b>2017</b> |
|----------------------|--|-------------|
| 1                    | United States                            | 19,390.6    |
| 86                   | Hungary                                  | 139.0       |
| 87                   | <b>Cincinnati, OH-KY-IN</b>              | 137.6       |
| 88                   | <b>Columbus, OH</b>                      | 137.2       |
| 89                   | <b>Cleveland-Elyria, OH</b>              | 133.9       |
| 95                   | Kuwait                                   | 122.0       |
| 127                  | Luxembourg                               | 62.4        |
| 149                  | Ghana                                    | 46.2        |
| 157                  | <b>Dayton, OH</b>                        | 42.0        |
| 160                  | Cote d'Ivoire                            | 41.4        |
| 169                  | Democratic Republic of Congo             | 38.4        |
| 170                  | <b>Akron, OH</b>                         | 38.3        |
| 171                  | Azerbaijan                               | 37.6        |
| 176                  | Bahrain                                  | 34.9        |
| 178                  | <b>Toledo, OH</b>                        | 33.9        |
| 185                  | North Korea                              | 30.5        |
| 218                  | Iceland                                  | 24.0        |
| 242                  | Papua New Guinea                         | 20.2        |
| 243                  | <b>Youngstown-Warren-Boardman, OH-PA</b> | 20.2        |
| 253                  | Bosnia and Herzegovina                   | 18.4        |
| 262                  | Botswana                                 | 17.7        |
| 267                  | <b>Canton-Massillon, OH</b>              | 16.8        |
| 272                  | Laos                                     | 16.6        |
| 273                  | Zimbabwe                                 | 16.5        |
| 283                  | <b>Huntington-Ashland, WV-KY-OH</b>      | 14.9        |
| 284                  | Palestinian Authority                    | 14.8        |
| 290                  | Jamaica                                  | 14.4        |
| 332                  | Macedonia                                | 11.1        |
| 380                  | Niger                                    | 8.3         |
| 390                  | <b>Wheeling, WV-OH</b>                   | 7.6         |
| 400                  | Kyrgyzstan                               | 7.2         |
| 419                  | Bermuda                                  | 6.4         |
| 445                  | Guam                                     | 5.9         |
| 453                  | <b>Lima, OH</b>                          | 5.7         |
| 461                  | Mauritania                               | 5.5         |
| 486                  | Fiji                                     | 5.0         |
| 500                  | Togo                                     | 4.6         |
| 504                  | <b>Springfield, OH</b>                   | 4.5         |
| 507                  | <b>Mansfield, OH</b>                     | 4.4         |
| 519                  | <b>Weirton-Steubenville, WV-OH</b>       | 4.1         |
| 529                  | US Virgin Islands                        | 3.8         |
| 530                  | Cayman Islands                           | 3.7         |
| 584                  | Tuvalu                                   | 0.0         |

**Table 3: Gross Metropolitan Product of Ohio Metro Areas  
and Gross State Product of U.S. States**  
(US\$, Billions)

| <b>Rank (of 432)</b> | <b>State or Metro Area</b>               | <b>2017</b>  |
|----------------------|--|--------------|
| 8                    | Pennsylvania                             | 746.4        |
| 10                   | <b>Ohio</b>                              | <b>651.9</b> |
| 11                   | New Jersey                               | 589.6        |
| 56                   | Kansas                                   | 152.6        |
| 61                   | <b>Cincinnati, OH-KY-IN</b>              | <b>137.6</b> |
| 62                   | <b>Columbus, OH</b>                      | <b>137.2</b> |
| 63                   | <b>Cleveland-Elyria, OH</b>              | <b>133.9</b> |
| 67                   | District of Columbia                     | 131.6        |
| 69                   | Arkansas                                 | 127.2        |
| 110                  | Montana                                  | 47.7         |
| 118                  | <b>Dayton, OH</b>                        | <b>42.0</b>  |
| 121                  | Wyoming                                  | 41.3         |
| 126                  | <b>Akron, OH</b>                         | <b>38.3</b>  |
| 130                  | <b>Toledo, OH</b>                        | <b>33.9</b>  |
| 136                  | Vermont                                  | 32.1         |
| 177                  | <b>Youngstown-Warren-Boardman, OH-PA</b> | <b>20.2</b>  |
| 199                  | <b>Canton-Massillon, OH</b>              | <b>16.8</b>  |
| 291                  | <b>Wheeling, WV-OH</b>                   | <b>7.6</b>   |
| 346                  | <b>Lima, OH</b>                          | <b>5.7</b>   |
| 389                  | <b>Springfield, OH</b>                   | <b>4.5</b>   |
| 392                  | <b>Mansfield, OH</b>                     | <b>4.4</b>   |
| 404                  | <b>Weirton-Steubenville, WV-OH</b>       | <b>4.1</b>   |

**Table 4: Gross Metropolitan Product as a Share of Gross State Product**  
*(US\$, Billions)*

|                                   | <b>2017 GMP</b> | <b>% of GSP</b> |
|-----------------------------------|-----------------|-----------------|
| <b>Ohio</b>                       |                 |                 |
| Akron, OH                         | \$38.3          | 5.9%            |
| Canton-Massillon, OH              | \$16.8          | 2.6%            |
| Cincinnati, OH-KY-IN              | \$113.6         | 17.5%           |
| Cleveland-Elyria, OH              | \$133.9         | 20.6%           |
| Columbus, OH                      | \$137.2         | 21.1%           |
| Dayton, OH                        | \$42.0          | 6.5%            |
| Huntington-Ashland, WV-KY-OH      | \$1.2           | 0.2%            |
| Lima, OH                          | \$5.7           | 0.9%            |
| Mansfield, OH                     | \$4.4           | 0.7%            |
| Springfield, OH                   | \$4.5           | 0.7%            |
| Toledo, OH                        | \$33.9          | 5.2%            |
| Weirton-Steubenville, WV-OH       | \$2.3           | 0.3%            |
| Wheeling, WV-OH                   | \$2.7           | 0.4%            |
| Youngstown-Warren-Boardman, OH-PA | \$15.7          | 2.4%            |
| <i>Sum of Metro Areas</i>         | \$552.3         | 85.1%           |

**Indiana**

Sum of Metro Areas \$296.80 82.60%

**Kentucky**

Sum of Metro Areas \$150.50 74.30%

**West Virginia**

Sum of Metro Areas \$52.40 68.20%

**Pennsylvania**

Sum of Metro Areas \$696.10 92.60%

**Michigan**

Sum of Metro Areas \$448.80 88.90%

**Table 5: Employment Growth, 2017 to 2022  
average annual rate**

|                      | <b>2017-2018</b> | <b>2019-2020</b> | <b>2021-2022</b> |
|----------------------|------------------|------------------|------------------|
| Akron, OH            | 0.50%            | 0.80%            | -0.30%           |
| Canton-Massillon     | 0.60%            | 0.40%            | -0.40%           |
| Cincinnati, OH-KY    | 1.10%            | 1.10%            | 0.00%            |
| Cleveland-Elyria, OH | 0.40%            | 0.70%            | -0.30%           |
| Columbus, OH         | 1.50%            | 1.60%            | 0.50%            |
| Dayton, OH           | 1.20%            | 0.70%            | -0.30%           |
| Huntington-Ashland   | 0.00%            | 0.70%            | -0.10%           |
| Lima, OH             | 0.50%            | 0.50%            | -0.40%           |
| Mansfield, OH        | 0.20%            | 0.40%            | -0.50%           |
| Springfield, OH      | 0.30%            | 0.60%            | -0.50%           |
| Toledo, OH           | 0.00%            | 0.60%            | -0.50%           |
| Weirton-Steubenville | -1.20%           | 0.20%            | -0.60%           |
| Wheeling, WV-OH      | -0.10%           | 0.60%            | -0.10%           |
| Youngstown-Warren    | -1.00%           | 0.40%            | -0.50%           |

**Table 6: Real GMP Growth, 2017 to 2022  
average annual rate**

|                     | <b>2017-2018</b> | <b>2019-2020</b> | <b>2021-2022</b> |
|---------------------|------------------|------------------|------------------|
| Akron, OH           | 1.70%            | 1.60%            | 0.70%            |
| Canton-Massillon    | 1.70%            | 1.80%            | 0.90%            |
| Cincinnati, OH-KY   | 2.80%            | 2.10%            | 1.10%            |
| Cleveland-Elyria, I | 2.00%            | 1.70%            | 0.70%            |
| Columbus, OH        | 3.10%            | 2.60%            | 1.70%            |
| Dayton, OH          | 2.20%            | 1.70%            | 0.90%            |
| Huntington-Ashla    | 2.10%            | 0.90%            | 0.60%            |
| Lima, OH            | 1.80%            | 2.00%            | 1.00%            |
| Mansfield, OH       | 1.50%            | 1.70%            | 0.60%            |
| Springfield, OH     | 1.80%            | 1.90%            | 0.70%            |
| Toledo, OH          | 1.60%            | 1.80%            | 0.70%            |
| Weirton-Steuben'    | 1.00%            | 1.30%            | 0.40%            |
| Wheeling, WV-Ot     | 2.30%            | 1.60%            | 1.10%            |
| Youngstown-War      | 0.20%            | 1.20%            | 0.30%            |

**Table 7: Unemployment Rate**

|                               | <b>2016</b> | <b>2018</b> | <b>2020</b> |
|-------------------------------|-------------|-------------|-------------|
| Akron, OH                     | 5.0         | 4.1         | 3.8         |
| Canton-Massillon, OH          | 5.5         | 4.4         | 3.9         |
| Cincinnati, OH-KY-IN          | 4.3         | 3.5         | 3.4         |
| Cleveland-Elyria, OH          | 5.4         | 4.9         | 4.1         |
| Columbus, OH                  | 4.1         | 3.3         | 3.2         |
| Dayton, OH                    | 4.7         | 3.7         | 3.6         |
| Huntington-Ashland, WV-KY-OH  | 6.2         | 5.0         | 4.3         |
| Lima, OH                      | 5.0         | 4.0         | 3.7         |
| Mansfield, OH                 | 5.5         | 4.6         | 4.2         |
| Springfield, OH               | 5.2         | 3.7         | 3.5         |
| Toledo, OH                    | 4.8         | 4.3         | 4.0         |
| Weirton-Steubenville, WV-OH   | 7.7         | 5.7         | 4.8         |
| Wheeling, WV-OH               | 6.9         | 5.2         | 4.2         |
| Youngstown-Warren-Boardman, O | 6.3         | 5.8         | 5.2         |



**Table 8: Labor Force Participation Rate  
percentage**

|                     | <b>2016</b> | <b>2018</b> | <b>2020</b> |
|---------------------|-------------|-------------|-------------|
| Akron, OH           | 62.2        | 62.3        | 62.3        |
| Canton-Massillon    | 61.1        | 60.7        | 61.6        |
| Cincinnati, OH-KY   | 63.4        | 64.1        | 64.4        |
| Cleveland-Elyria, I | 61.4        | 61.0        | 61.4        |
| Columbus, OH        | 65.1        | 65.3        | 65.7        |
| Dayton, OH          | 59.2        | 60.3        | 60.2        |
| Huntington-Ashla    | 50.4        | 51.3        | 52.1        |
| Lima, OH            | 58.1        | 58.2        | 59.5        |
| Mansfield, OH       | 54.2        | 54.0        | 54.9        |
| Springfield, OH     | 58.6        | 58.8        | 60.4        |
| Toledo, OH          | 62.9        | 63.0        | 63.3        |
| Weirton-Steuben'    | 52.1        | 51.3        | 51.3        |
| Wheeling, WV-Ot     | 55.1        | 54.9        | 55.1        |
| Youngstown-War      | 55.4        | 54.6        | 55.2        |

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