

## Columbus Forecast: Slower Growth but Better than U.S. Average

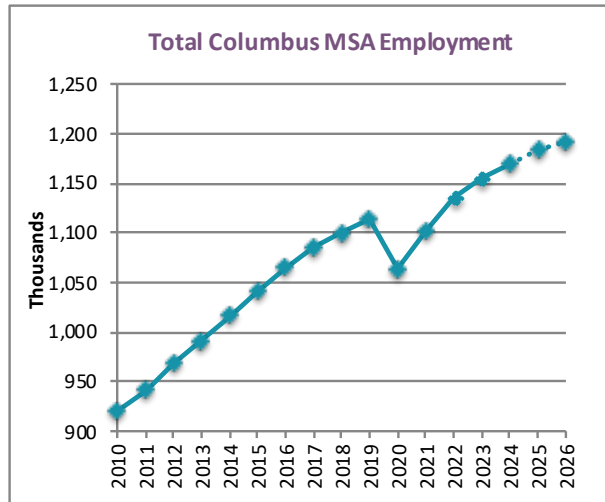
U.S. economic growth is likely to slow in 2026 due to tariffs, weak consumer sentiment, sticky inflation, and the immigration crackdown. However, economists believe that a recession is unlikely this year.

The preliminary Bureau of Labor Statistics (BLS) estimates of Columbus metropolitan statistical area (MSA) employment in 2025 seem closer to reality than those in 2024. Adjustments by Regionomics to these estimates in some sectors still seemed necessary, though. The result is 2025 growth of 14,600 (1.2%).

MSA employment growth should slow in 2026 but still exceed the U.S. average. The Regionomics forecast is for employment growth of 0.7%, better than the growth expected for the U.S.

U.S. employment increased 0.9% in 2025. National forecasters expect a 2026 net employment gain of 0.5%.

Preliminary Ohio employment growth was 1.1% in 2025 according to BLS, but this may have been overestimated. Construction and business services outperformed the U.S., while transportation and leisure were notably weak.



### 2026 Regionomics® Columbus MSA Forecast

| Sector                          | Percentage change, 2024-2025 |             |             | MSA employment   |                  | MSA Change, 2025-26 |             |
|---------------------------------|------------------------------|-------------|-------------|------------------|------------------|---------------------|-------------|
|                                 | MSA                          | Ohio        | U.S.        | 2025             | 2026             | Number              | Pct.        |
| <b>Total</b>                    | <b>1.2%</b>                  | <b>1.1%</b> | <b>0.9%</b> | <b>1,183,500</b> | <b>1,191,600</b> | <b>8,000</b>        | <b>0.7%</b> |
| Construction and mining         | 4.6%                         | 5.4%        | 0.9%        | 57,200           | 57,600           | 400                 | 0.7%        |
| Manufacturing                   | 1.3%                         | 0.6%        | (0.7%)      | 77,100           | 77,400           | 400                 | 0.5%        |
| Wholesale trade                 | 0.3%                         | 1.5%        | 0.4%        | 42,400           | 42,200           | (200)               | (0.5%)      |
| Retail trade                    | 1.1%                         | 0.8%        | 0.3%        | 105,000          | 104,700          | (300)               | (0.3%)      |
| Transportation and utilities    | 1.9%                         | (0.0%)      | 1.1%        | 79,400           | 79,000           | (400)               | (0.4%)      |
| Information                     | (1.0%)                       | 1.3%        | (0.5%)      | 17,900           | 17,800           | (100)               | (0.6%)      |
| Financial activities            | 0.3%                         | 1.1%        | 0.7%        | 80,000           | 80,100           | 0                   | 0.1%        |
| Professional and business svcs. | (0.3%)                       | 0.9%        | (0.3%)      | 189,100          | 187,900          | (1,300)             | (0.7%)      |
| Professional and tech. services | 0.3%                         | 0.4%        | 0.3%        | 75,000           | 75,000           | 0                   | (0.0%)      |
| Management of companies         | (0.3%)                       | 0.5%        | 0.4%        | 42,900           | 42,900           | 0                   | 0.0%        |
| Admin. support and waste svcs.  | (0.8%)                       | 1.7%        | (1.2%)      | 71,300           | 70,000           | (1,300)             | (1.8%)      |
| Education and health services   | 4.2%                         | 2.2%        | 3.1%        | 186,700          | 190,600          | 3,900               | 2.1%        |
| Private educational services    | 3.7%                         | 0.2%        | 0.8%        | 20,100           | 19,800           | (300)               | (1.7%)      |
| Healthcare and social services  | 4.3%                         | 2.4%        | 3.5%        | 166,600          | 170,500          | 4,000               | 2.4%        |
| Leisure and hospitality         | 1.2%                         | (0.2%)      | 1.2%        | 112,500          | 112,200          | (400)               | (0.3%)      |
| Other services                  | (1.6%)                       | 1.3%        | 1.2%        | 43,900           | 43,700           | (300)               | (0.6%)      |
| Government                      | 2.4%                         | 0.2%        | 0.8%        | 196,400          | 198,500          | 2,000               | 1.0%        |
| Federal government              | (0.3%)                       | (1.5%)      | (2.6%)      | 15,300           | 15,100           | (200)               | (1.3%)      |
| State government                | 4.6%                         | 1.1%        | 1.1%        | 86,700           | 88,100           | 1,400               | 1.6%        |
| Local government                | 0.9%                         | 0.2%        | 1.4%        | 94,500           | 95,200           | 700                 | 0.7%        |

Regionomics increases of 2025 BLS employment in blue; reductions in red. Employment totals and changes rounded to the nearest hundred.

### About this Forecast and Regionomics®

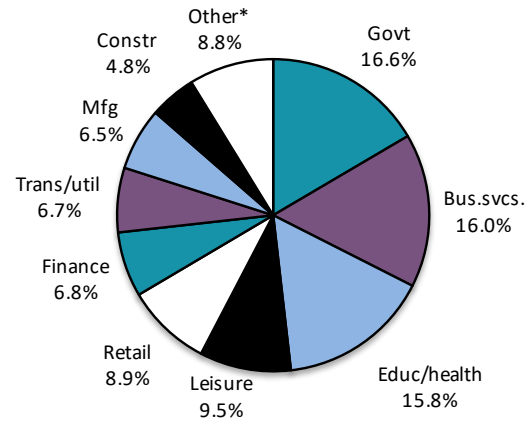
This is the 27th annual Columbus MSA forecast by Bill LaFayette, Ph.D., founder and owner, Regionomics®.

Regionomics is a Columbus-based economic and workforce strategy firm focusing on community and regional economies, employment analysis and forecasting, fiscal analysis, and economic and workforce policy.

Dr. LaFayette has more than 30 years of experience in Central Ohio economic analysis and development. Before founding Regionomics in 2011, he spent 12 years as vice president of economic analysis at the Columbus Chamber and four years with Rickenbacker Port Authority. He is currently an adjunct faculty member of The Ohio State University's John Glenn College of Public Affairs.

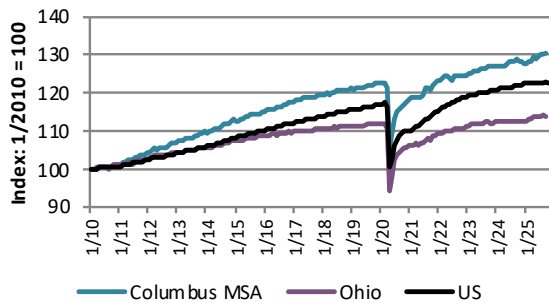
Please contact Regionomics at [info@regionomicsllc.com](mailto:info@regionomicsllc.com) or 614.654.2151. You can follow Bill on the Regionomics LLC page on Facebook. Learn more at [regionomicsllc.com](http://regionomicsllc.com).

### Columbus MSA Employment Distribution



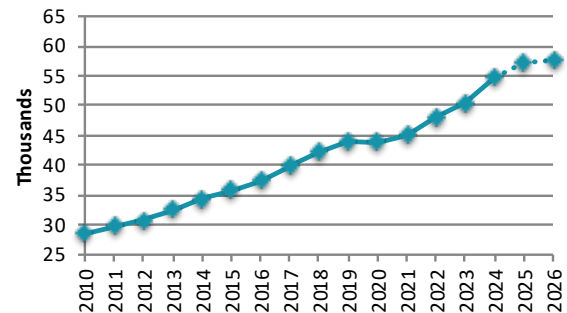
\*Wholesale trade, other services, and information.

### Cumulative Change, Jan. 2010 - Nov. 2025



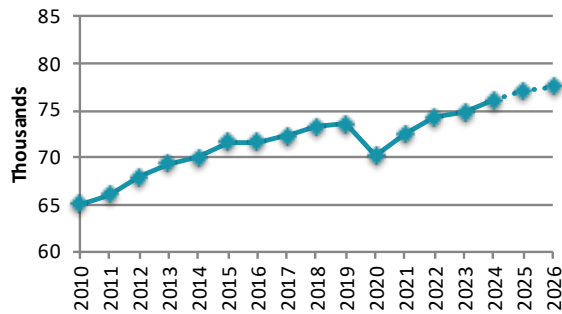
Employment growth is as given by BLS. The past two years of estimates are preliminary. Columbus MSA and Ohio estimates were delayed by the government shutdown and are available only through September.

### Construction & Mining Employment



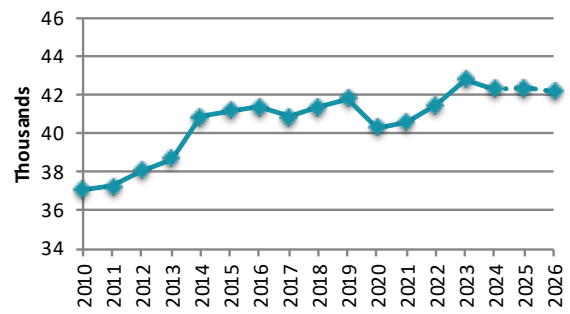
Construction job growth will slow in 2026 in the face of the slowing economy and fixed investment, immigration policy, and the ongoing skills mismatch.

### Manufacturing Employment



MSA manufacturing employment has been bucking the slow U.S. employment decline that began in 2023. The slower economic growth expected for 2026 will create headwinds.

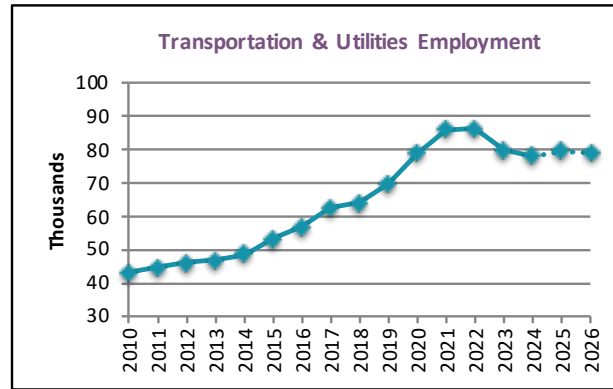
### Wholesale Trade Employment



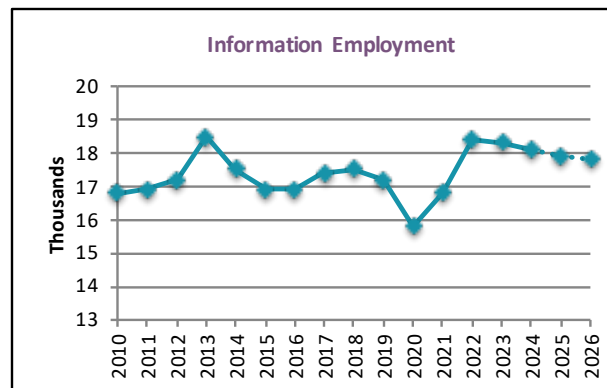
Other employment data suggest that the preliminary 2025 estimates of trade, transportation, and utilities (TTU) employment are too low. Wholesale employment is restated upward but growth is still lackluster.



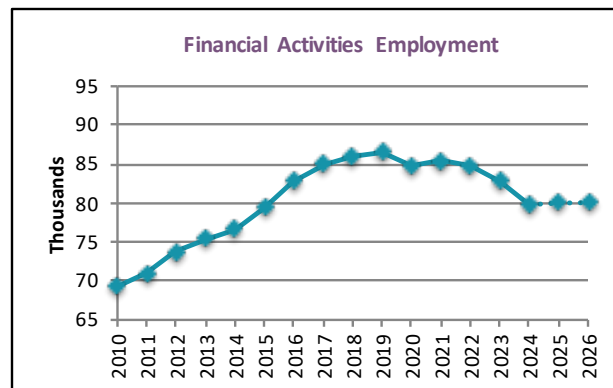
In contrast to the likely understatement of 2025 TTU employment, retail employment may have been overstated. Given the weak economy, a small decline is predicted for 2026.



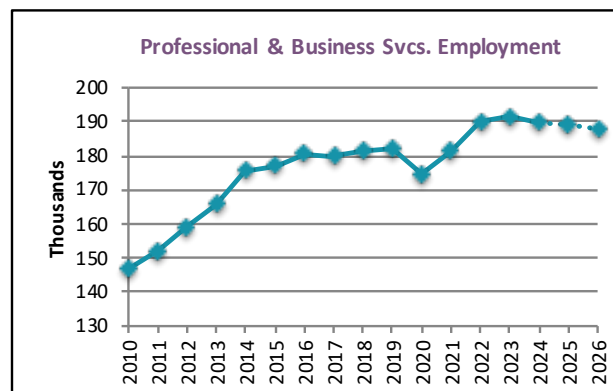
Recent weakness in the transportation sector was due to the unwinding of the COVID-related ramp-up. The small net decline in 2026 is a function of the slowing economy.



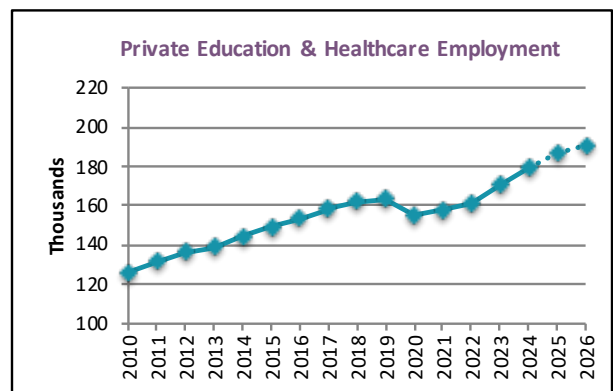
MSA data center employment increased more than 1,100 (54%) between 2021 and 2024. This growth was offset by declines in publishing, broadcasting, and telecommunications. Another small decline is expected in 2026.



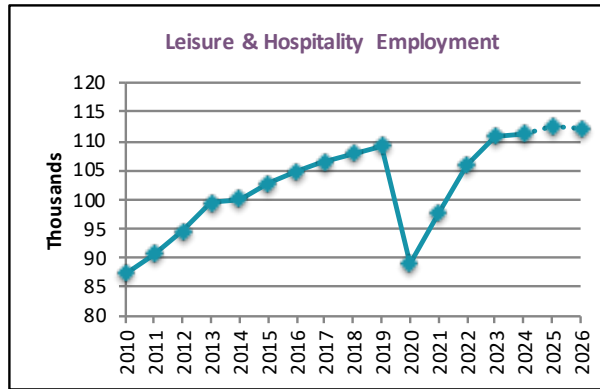
The slide in insurance employment, which has cost the industry nearly 30% of its jobs since 2019, may have ended at last. The slowing economy is behind the predicted stagnation in 2026.



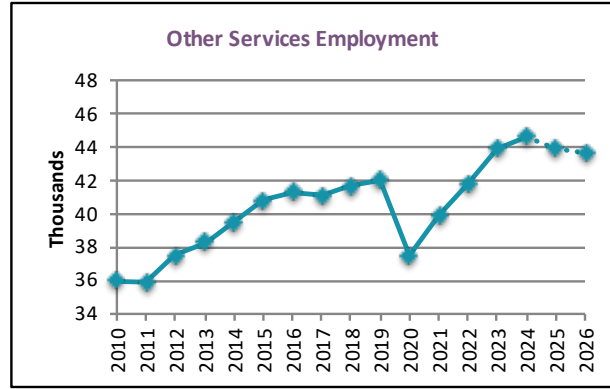
Business services were once a key driver of the MSA's growth, but have stagnated locally and nationally over the past several years. None of the key industries has shown strength, and employment services (including all temp jobs) have declined.



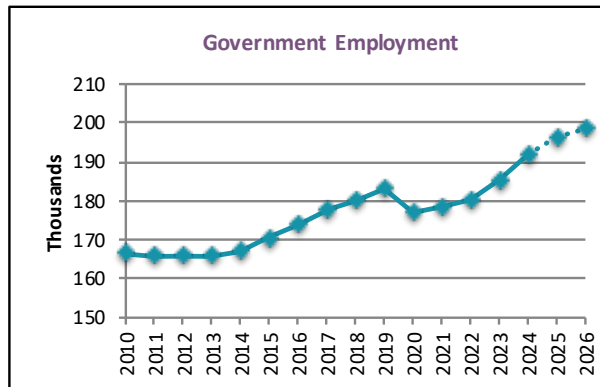
This sector is 89% healthcare. It does not include the more than 20,500 OSU Wexner Medical Center jobs, which are classified in government. Growth will continue, but at a slightly slower pace.



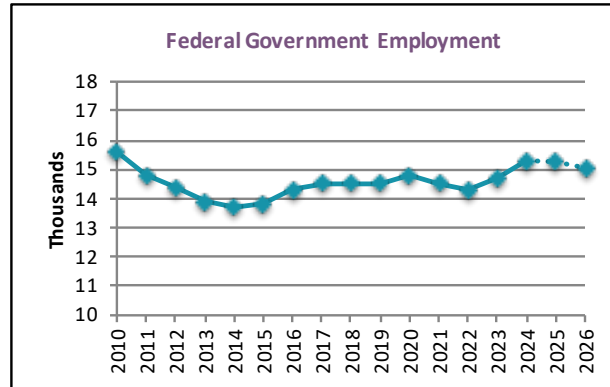
Leisure employment increased at a rate close to average in 2025 (after Regionomics adjustments). Leisure's growth depends on discretionary spending, so the sector should take a small hit in 2026.



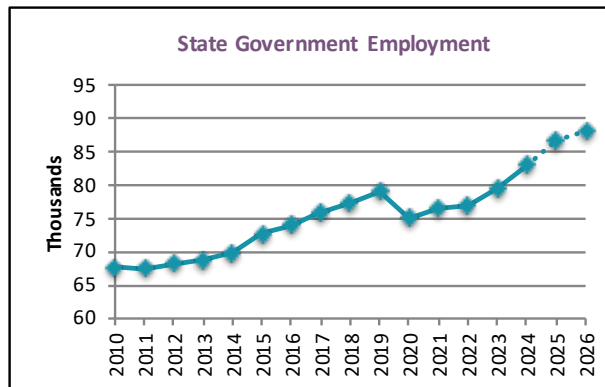
This catch-all sector includes repair services, personal services, religious organizations, grantmakers, and professional and social organizations. The latter categories may come under pressure in 2026.



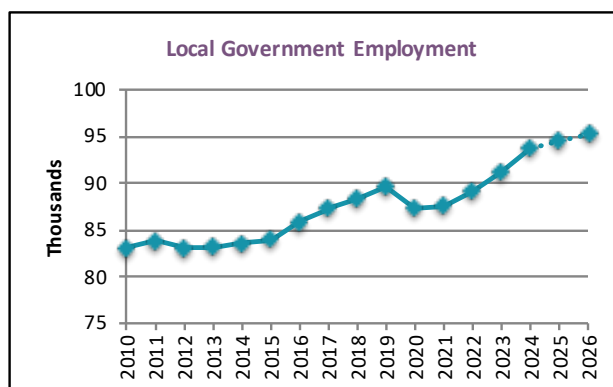
Despite federal government job losses, overall government employment increased in 2025 and will increase in 2026 as well. Federal employment is less than 8% of total government employment, so is not a major factor.



Federal job cutbacks in Columbus were much less severe than average, given the importance of the defense-related operations at the Defense Supply Center. Job losses may increase somewhat in 2026.



Job growth at the OSU Wexner Medical Center was likely the key driver of state government employment growth in 2025. The same is likely to be the case in 2026.



Local government job growth in the 10 MSA counties during the first six months of 2025 was mixed. Employment declined in Hocking and Morrow and increased elsewhere. Overall growth will continue in 2026.