



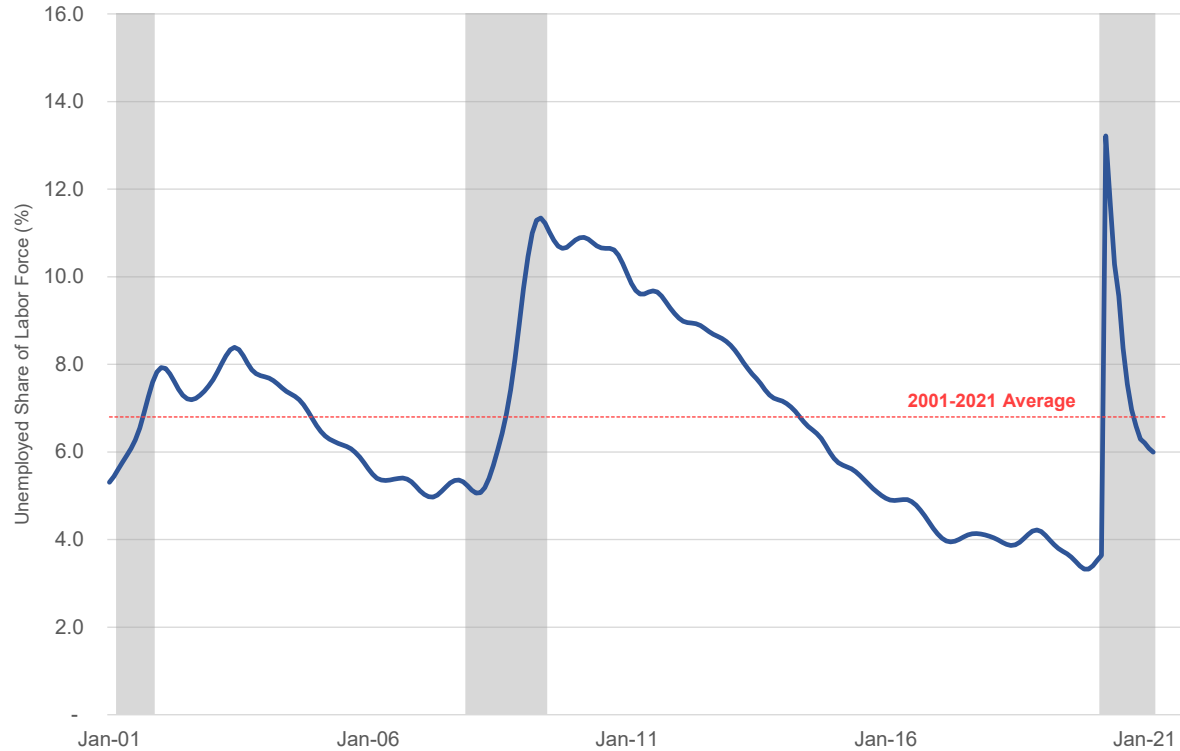
Labor Market Barriers and Difficulty Finding Workers

National Association of State Workforce Agencies

May 13, 2021



Oregon's Unemployment Rate is Currently Below Its Long-Run Average



Oregon's seasonally adjusted unemployment rate was 6.0% in March, below the average rate (6.8%) of the past two decades.

Unlike Great Recession, when most job losses were permanent, and excess labor supply lasted for years, currently the largest group of unemployed persons in Oregon are on temporary layoff, and excess labor supply rapidly plummeted.

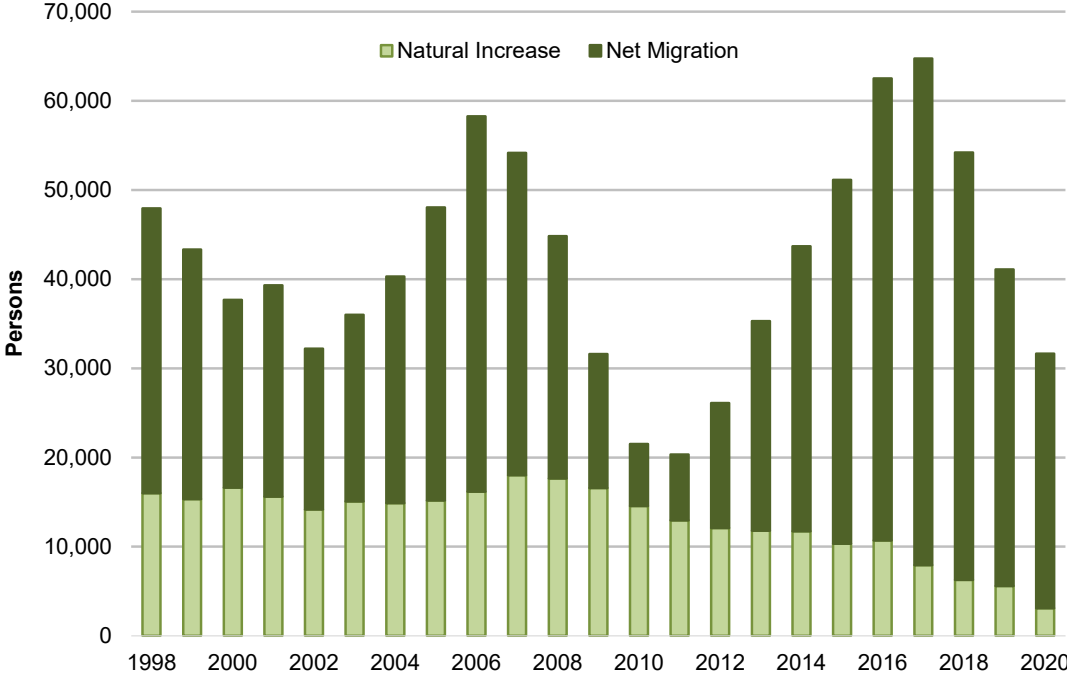
As hiring heated up in the first quarter, employer competition did too.

Latest: Mar '21 | Source: Oregon Employment Dept, Oregon Office of Economic Analysis



Our labor force isn't growing like it usually does.

Components of Oregon's Annual Population Change



For decades, Oregon has mainly grown its labor force from net in-migration of workers from other states and areas. Net in-migration was 20% lower in 2020, at 28,600, than in 2019.

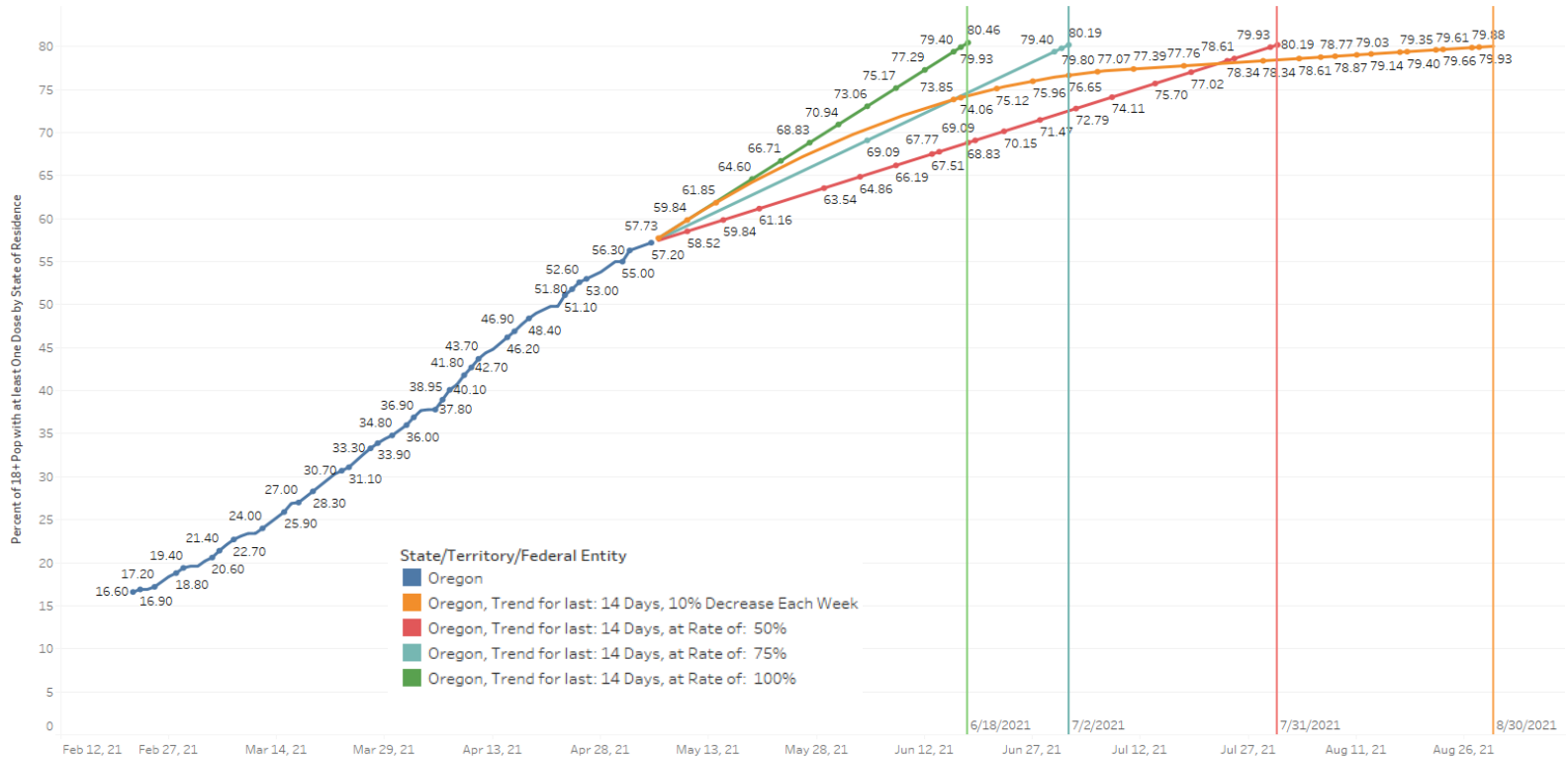
That also marked the lowest net in-migration since 2013.

Source: Oregon Employment Department and Portland State University, Population Research Center



Many Oregonians are sitting out the labor force due to COVID-19 concerns.

Percent of 18+ Pop with at least One Dose by State of Residence



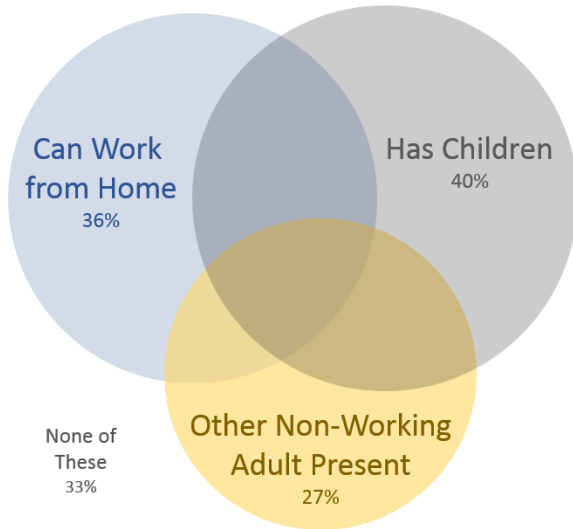
The trend of sum of Percent of 18+ Pop with at least One Dose by State of Residence for As of. Color shows details about State/Territory/Federal Entity. The marks are labeled by sum of Percent of 18+ Pop with at least One Dose by State of Residence.



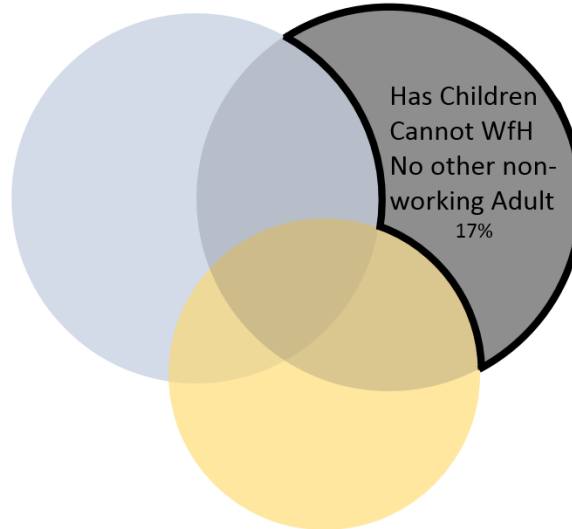
The lack of full-time, in-person schooling puts working parents in a bind.

COVID Challenges Working Oregon Parents

Oregon's Workforce: 2.1 million



Working Parents in a Bind: 350,000



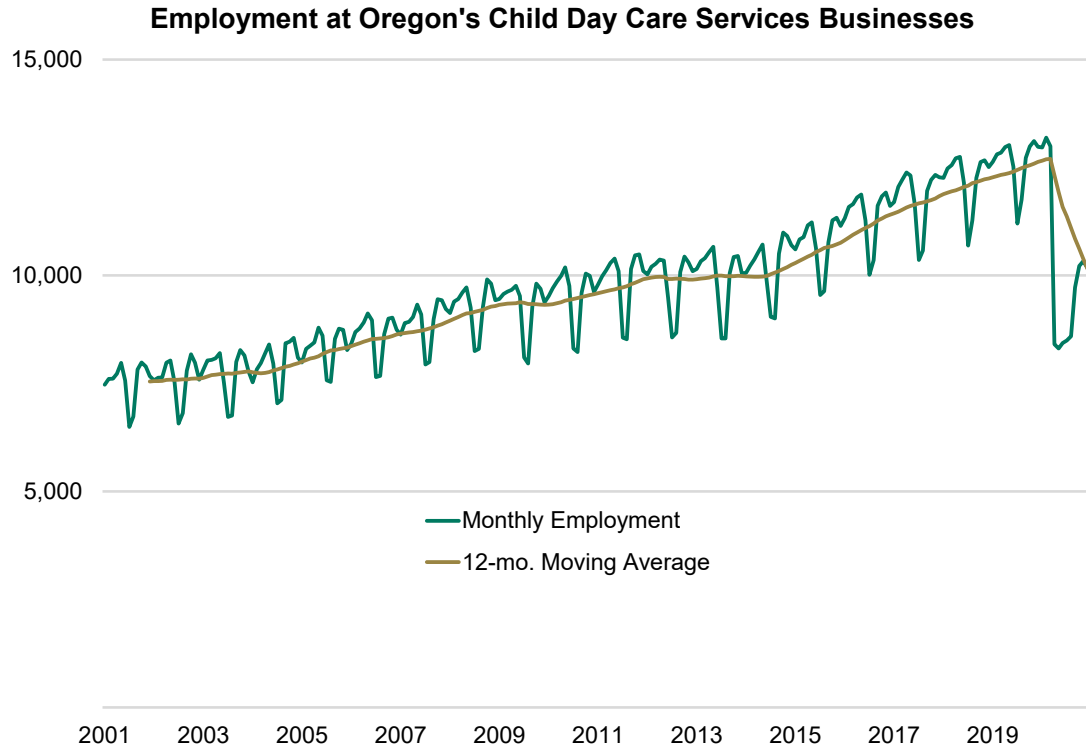
Heading into the pandemic, one out of six workers in Oregon's labor force had children present in their household, and also had a job that could not be teleworked, and also did not have another non-working adult present in the household.

As of mid-May, [two-thirds of K-12 schools](#) were still in full or partial remote learning.

Data: 2018 ACS | Source: IPUMS-USA, Univ of Chicago, Oregon Office of Economic Analysis



Lack of child care can also limit parents' workforce options.



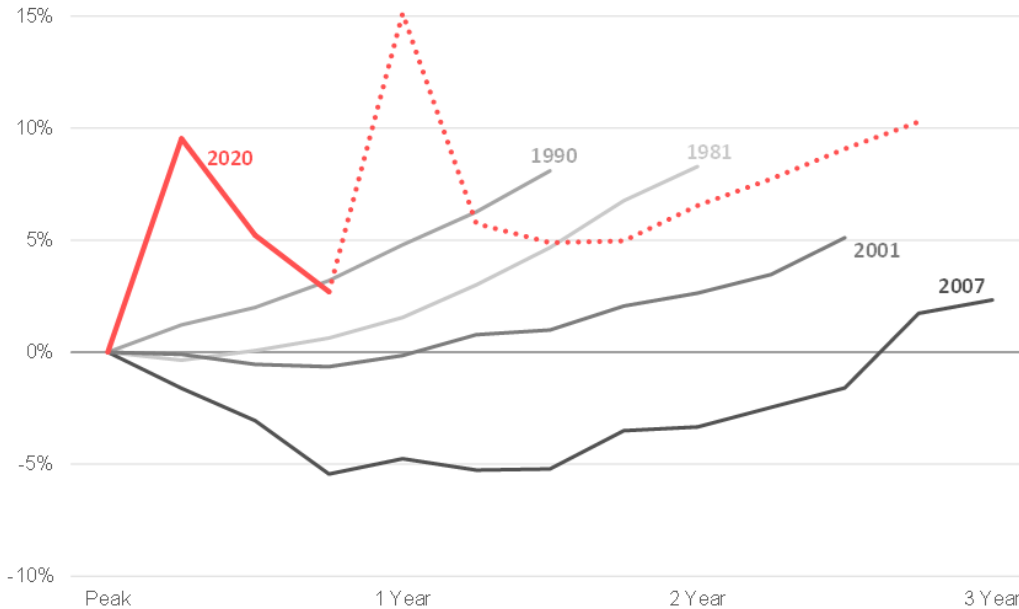
Source: Oregon Employment Department, Quarterly Census of Employment and Wages.

Many areas of the state already had too few child care slots prior to the pandemic.

With reduced capacity and employment still down in the child care industry, that hasn't improved over the past year.

Total personal income is about 20% higher today than pre-pandemic.

Total Oregon Personal Income
Nominal, Percent Change from Pre-Recession Peak



More than \$24 billion in additional federal funds have come to Oregon since the pandemic began. Federal recovery rebates alone have added \$12 billion to personal income in Oregon.

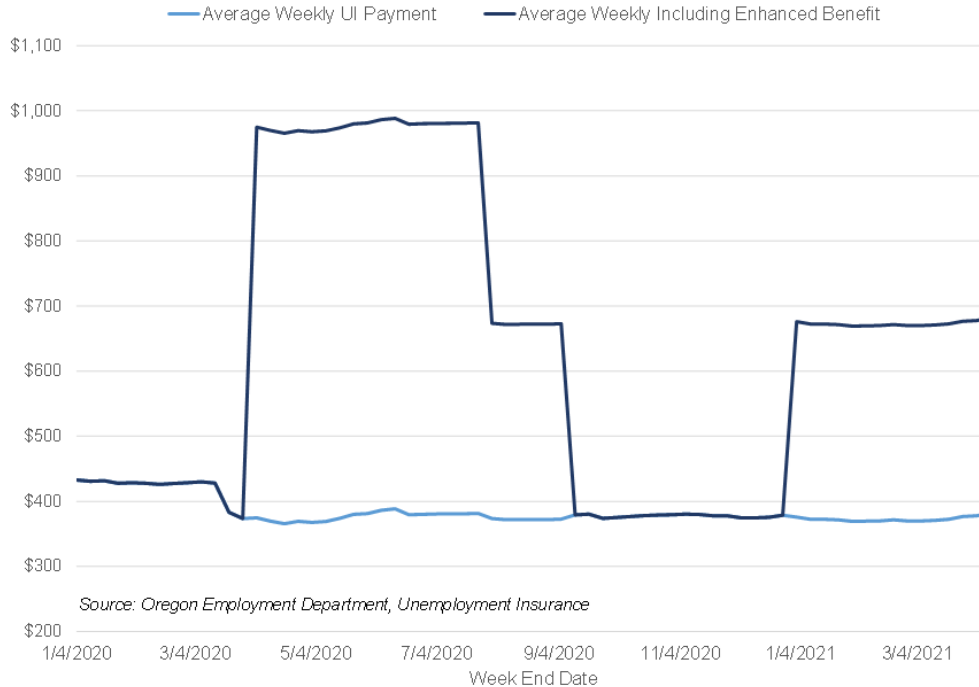
Brightens overall economic outlook, and may also reduce labor force participation in the short term.

Quarterly data. Latest data 2020q4 | Source: BEA, Oregon Office of Economic Analysis



Enhanced Unemployment Benefits

Average Weekly Regular Unemployment Insurance Payments in Oregon



During the first three months of 2021, weekly UI payments averaged \$670 per week. That's equivalent to \$16.75 per hour for full-time work.

Earning \$16.75 per hour and working full-time, year round would result in gross earnings of \$34,800. In 2019, the median earnings of Oregon workers was \$50,700.

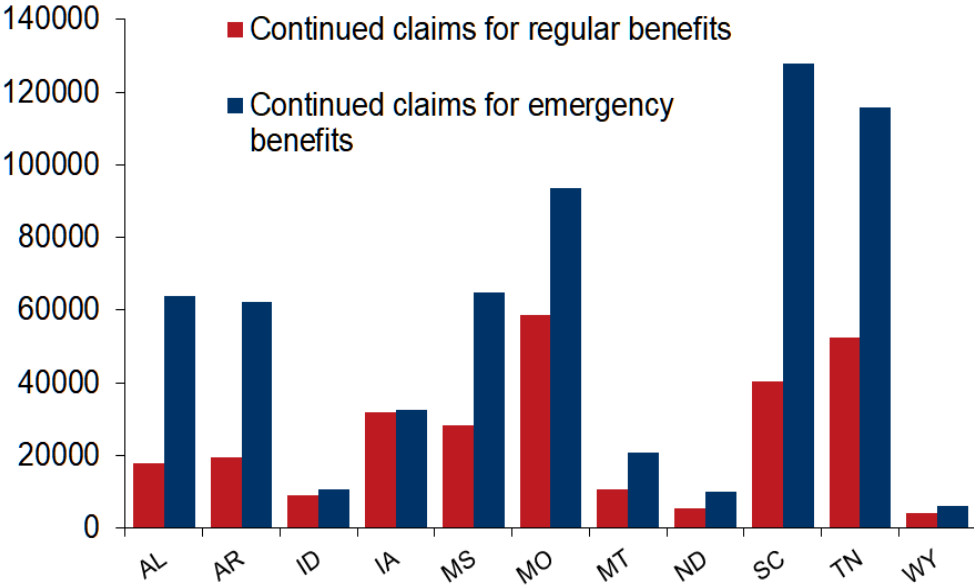
PUA benefits may also allow some self-employed or contract workers to be supported until that work picks up again, rather than immediately take a payroll job.

Note: turning down work due solely to UI payments is considered fraud, and should be reported by employers at <https://bit.ly/2QpAhWd>



The Benefits Cliff

US: States ending emergency benefits



An estimated 900,000 combined workers across these 11 states will see their benefits end in June or July.

Source : Oxford Economics/Haver Analytics. Data as of 4/17/21.





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The full report on this topic can be found at <http://bit.ly/ORLaborMarket>

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