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Employment in South Central Oregon: September 2026

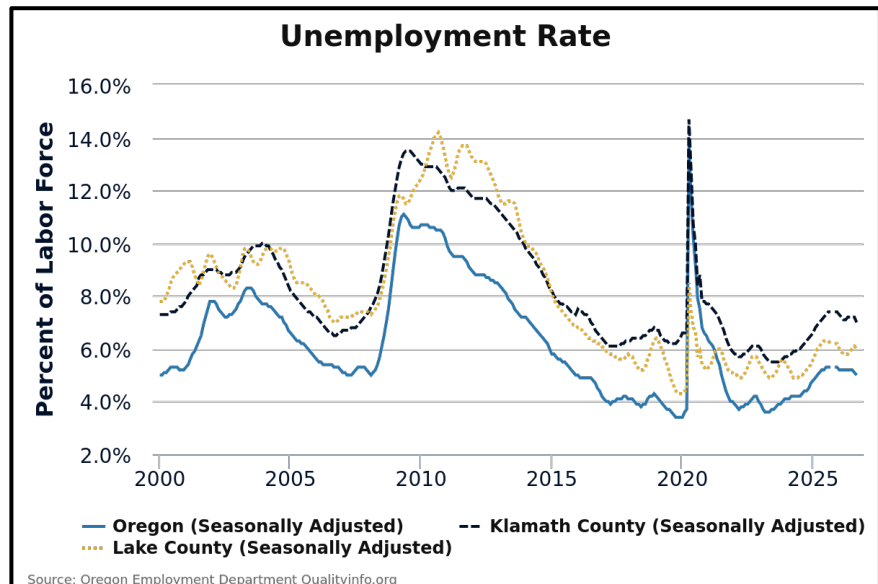
Seasonally adjusted unemployment rates across South Central Oregon edged downward in September.

Klamath County: Klamath County's seasonally adjusted unemployment rate declined from 7.2% in August to 7.0% in September. The rate sits 0.4 percentage point lower than it was a year ago.

Monthly job gains came in softer than typical for September. Total nonfarm employment increased by 350 jobs (+1.5%), compared with the usual seasonal bump of roughly 370 jobs. As a result, seasonally adjusted employment slipped by 20 jobs (-0.1%) from August to September.

Private losses during the month were centered in construction (-40 jobs), leisure and hospitality (-30 jobs), and professional and business services (-30 jobs). Modest declines were also seen in other services (-20 jobs); financial activities (-10 jobs); trade, transportation, and utilities (-10 jobs); and mining and logging (-10 jobs). Private-sector gains were minimal and occurred in private education and health services (+10 jobs), while all remaining private industries were largely unchanged. Public-sector employment still posted a net increase of 490 positions, mainly local government (+500 jobs) with a smaller downtick at the federal level (-10 jobs) and no movement at the state level.

Over the past year, Klamath County shed 320 seasonally adjusted nonfarm jobs (-1.4%). An increase of about 10 jobs would normally be expected, but instead employment fell by 310 jobs. Most losses occurred across private industries (-240 jobs), with notable declines in manufacturing (-80 jobs), in both durable goods (-50 jobs) and nondurable goods (-30 jobs); private education and health services (-60 jobs); professional and business services (-50 jobs); trade, transportation, and utilities (-40 jobs);



other services (-30 jobs); leisure and hospitality (-10 jobs); and mining and logging (-10 jobs). Private-sector gains were limited to construction (+40 jobs) at the broader industry level. The public sector decreased by 70 jobs overall, with declines in both federal (-40 jobs) and local government (-30 jobs), while state government remained flat.

Lake County: Lake County's seasonally adjusted unemployment rate declined to 6.0% in September, down from 6.1% in August. The rate is down 0.2 percentage point compared with last year when it was 6.2%.

Employment gains for the month were marginally larger than normal. Total nonfarm employment rose by 10 jobs (+0.5%), when typically no change would be expected. Seasonally adjusted employment increased by 10 jobs (+0.5%) between August and September as a result.

Overall, industry employment shifted very little during the month. Minor private-sector losses occurred in trade, transportation, and utilities (-10 jobs) and other services (-10 jobs), while no other industries posted any measurable gains. Government employment was up 20 jobs over the month with a gain of 30 jobs in local government and a decline of 10 jobs at the federal level. Activity across the rest of the local economy held essentially steady.

Seasonally adjusted total nonfarm employment was down 40 jobs (-1.8%) over the year ending in September. Lake County lost 30 nonfarm jobs over the past year (-1.4%), while an increase of 10 jobs would be expected. Public-sector employment accounted for most of the decline, down 50 jobs with losses in both local (-40) and federal government (-10). Private-sector losses occurred in trade, transportation, and utilities (-20 jobs) and manufacturing (-10 jobs). Gains were concentrated in private education and health services (+20 jobs); mining, logging, and construction (+20 jobs); and other services (+10 jobs). Taken together, private industries posted a net gain of 20 jobs over the year.

Next Press Releases

The Oregon Employment Department plans to release the next statewide unemployment rate and employment survey data for October on Wednesday, Nov. 18 and county and metropolitan area unemployment rates and employment survey data on Tuesday, Nov. 24.



Workforce & Economic Research Division

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October 20, 2026

Klamath County Current Labor Force and Industry Employment

	--Change From--				
	September 2026	August 2026	September 2025	August 2026	September 2025
Labor Force Status					
Civilian labor force	29,957	29,940	30,263	17	-306
Unemployed	1,642	2,032	1,988	-390	-346
Unemployment rate	5.5%	6.8%	6.6%	-1.3	-1.1
<i>Unemployment rate (seasonally adjusted)</i>	<i>7.0%</i>	<i>7.2%</i>	<i>7.4%</i>	<i>-0.2</i>	<i>-0.4</i>
Employed	28,315	27,908	28,275	407	40
Nonfarm Payroll Employment					
Total nonfarm employment	23,830	23,480	24,140	350	-310
<i>Total nonfarm employment (seasonally adjusted)</i>	<i>23,320</i>	<i>23,340</i>	<i>23,640</i>	<i>-20</i>	<i>-320</i>
Total private	18,330	18,470	18,570	-140	-240
Mining, logging, and construction	1,430	1,480	1,400	-50	30
Mining and logging	90	100	100	-10	-10
Construction	1,340	1,380	1,300	-40	40
Manufacturing	1,450	1,450	1,530	0	-80
Durable goods	1,370	1,370	1,420	0	-50
Wood product manufacturing	1,070	1,070	1,110	0	-40
Nondurable goods	80	80	110	0	-30
Trade, transportation, and utilities	4,590	4,600	4,630	-10	-40
Wholesale trade	670	670	710	0	-40
Retail trade	3,120	3,120	3,080	0	40
Food and beverage retailers	720	720	630	0	90
General merchandise retailers	840	840	870	0	-30
Transportation, warehousing, and utilities	800	810	840	-10	-40
Information	100	100	100	0	0
Financial activities	830	840	830	-10	0
Professional and business services	1,510	1,540	1,560	-30	-50
Private education and health services	4,780	4,770	4,840	10	-60
Leisure and hospitality	2,770	2,800	2,780	-30	-10
Other services	870	890	900	-20	-30
Government	5,500	5,010	5,570	490	-70
Federal government	780	790	820	-10	-40
State government	640	640	640	0	0
Local government	4,080	3,580	4,110	500	-30
Local education	2,430	1,940	2,460	490	-30

The most recent month is preliminary, the prior month is revised. Prepared in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

Civilian labor force includes employed and unemployed individuals 16 years and older by place of residence.

Employed includes payroll employment, self-employed, unpaid family workers, domestics, agriculture, and labor disputants.

Unemployment rate is calculated by dividing unemployed by civilian labor force.

Nonfarm Payroll Employment: Data are by place of work and cover full- and part-time employees who worked or received pay for the pay period that includes the 12th of the month. The data exclude the self-employed, volunteers, unpaid family workers, and domestics.



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Lake County Current Labor Force and Industry Employment

	--Change From--				
	September 2026	August 2026	September 2025	August 2026	September 2025
Labor Force Status					
Civilian labor force	3,638	3,706	3,636	-68	2
Unemployed	167	204	194	-37	-27
Unemployment rate	4.6%	5.5%	5.3%	-0.9	-0.7
<i>Unemployment rate (seasonally adjusted)</i>	<i>6.0%</i>	<i>6.1%</i>	<i>6.2%</i>	<i>-0.1</i>	<i>-0.2</i>
Employed	3,471	3,502	3,442	-31	29
Nonfarm Payroll Employment					
Total nonfarm employment	2,180	2,170	2,210	10	-30
<i>Total nonfarm employment (seasonally adjusted)</i>	<i>2,130</i>	<i>2,120</i>	<i>2,170</i>	<i>10</i>	<i>-40</i>
Total private	1,180	1,190	1,160	-10	20
Mining, logging, and construction	160	160	140	0	20
Mining and logging	50	50	40	0	10
Construction	110	110	100	0	10
Manufacturing	200	200	210	0	-10
Trade, transportation, and utilities	330	340	350	-10	-20
Retail trade	240	240	250	0	-10
Information	20	20	20	0	0
Financial activities	30	30	30	0	0
Professional and business services	70	70	70	0	0
Private education and health services	120	110	100	10	20
Leisure and hospitality	150	150	150	0	0
Other services	100	110	90	-10	10
Government	1,000	980	1,050	20	-50
Federal government	200	210	210	-10	-10
State government	210	210	210	0	0
Local government	590	560	630	30	-40

The most recent month is preliminary, the prior month is revised. Prepared in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

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The Oregon Employment Department and the U.S. Bureau of Labor Statistics (BLS) work cooperatively to develop and publish monthly payroll employment and labor force data for Oregon's metropolitan areas and counties. The estimates of monthly job gains and losses are based on a survey of businesses. The estimates of unemployment are based on a survey of households and other sources.

The Oregon Employment Department payroll employment estimates are revised quarterly using information from unemployment insurance tax records. All department publications use data from this *official Oregon series* unless noted.

The department also makes the BLS-produced nonfarm payroll employment series for metropolitan areas available. These are revised annually by BLS.

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To file an Unemployment Insurance claim, visit our online claims system or call our contact centers, where Employment Department staff are ready to help by phone, at 1-877-FILE-4-UI (1-877-345-3484). For help finding jobs and training resources, go to: www.WorkSourceOregon.org

The Oregon Employment Department (OED) is an equal opportunity agency. Everyone has a right to use OED programs and services. OED provides free help. Some examples are: Sign language and spoken language interpreters, written materials in other languages, braille, large print, audio and other formats. If you need help, please call 971-673-6400. TTY users call 711. You can also ask for help at OED_Communications@employ.oregon.gov.

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