



Employment Trends in Oregon

George Fox University

September 1, 2022



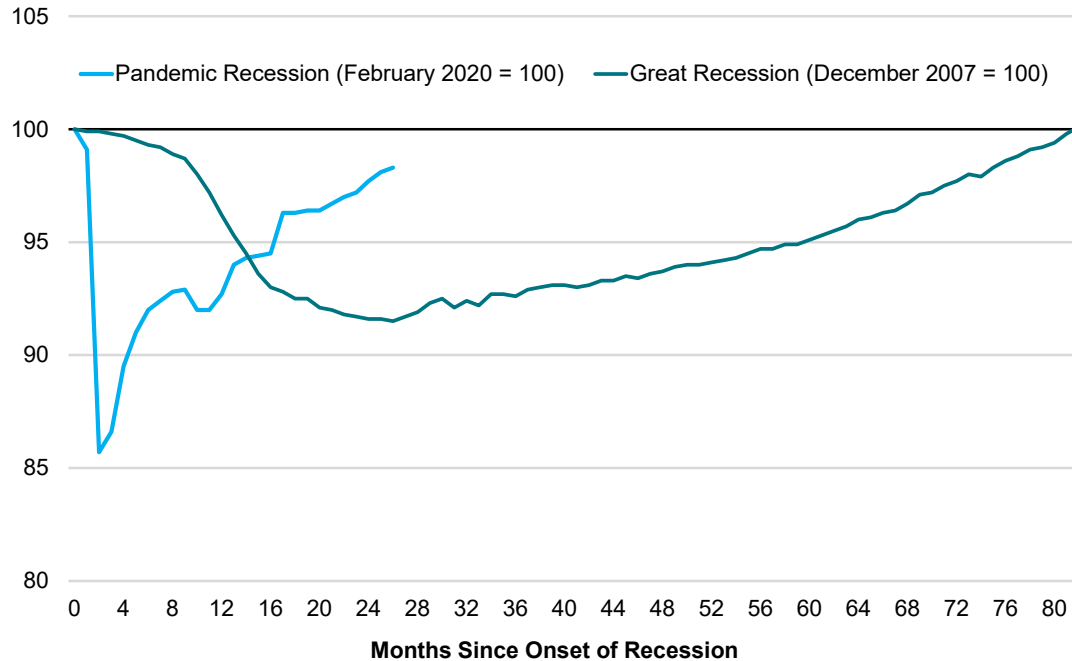
Key Facts from Recent News Release

- Oregon's unemployment rate was 3.5% in July, unchanged from 3.5%, as revised, in June.
 - The U.S. unemployment rate was also 3.5% in July.
 - Over the past five months, unemployment rates for the U.S. and Oregon have averaged 3.6%, near record lows dating back almost 50 years.
- In Oregon, nonfarm payroll employment grew by 4,200 in July.
 - Monthly gains in July were largest in leisure and hospitality (+1,500 jobs), other services (+1,400), manufacturing (+1,300), and private educational services (+1,300).
 - Retail trade (-700 jobs) was the only major industry that shed a substantial number of jobs.



Rapid Reversal of Pandemic Recession Job Losses

Indexed Total Nonfarm Employment in Oregon



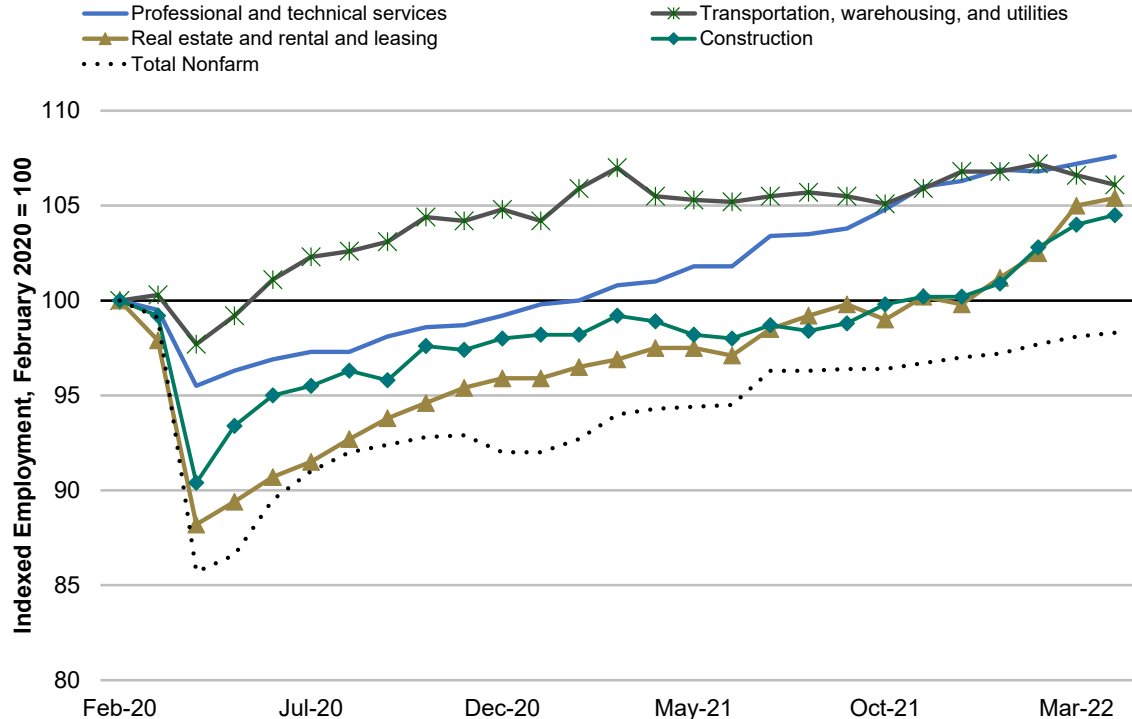
Source: Oregon Employment Department, Current Employment Statistics

Two years after Oregon hit its recessionary bottom, Oregon had regained nine out of 10 jobs lost in spring 2020.

By comparison, it took Oregon more than six years to recover the jobs lost in the Great Recession.

Sectors Leading in Oregon's Jobs Recovery

Oregon Sectors Above Pre-Recession Job Levels



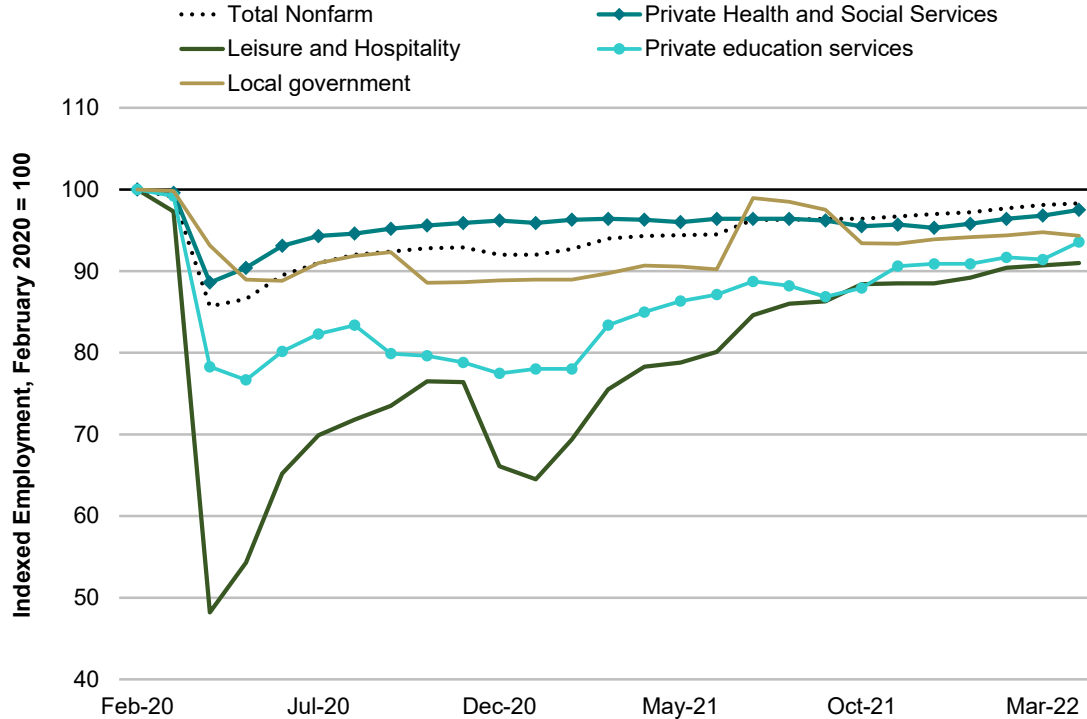
Source: Oregon Employment Department, Current Employment Statistics

As of spring 2022, the sectors leading recovery have homes and residences as a common thread: greater likelihood to be working from them, building them, selling them, or making deliveries to them.



Lagging Sectors in Oregon's Jobs Recovery

Selected Oregon Sectors Below Pre-Recession Job Levels



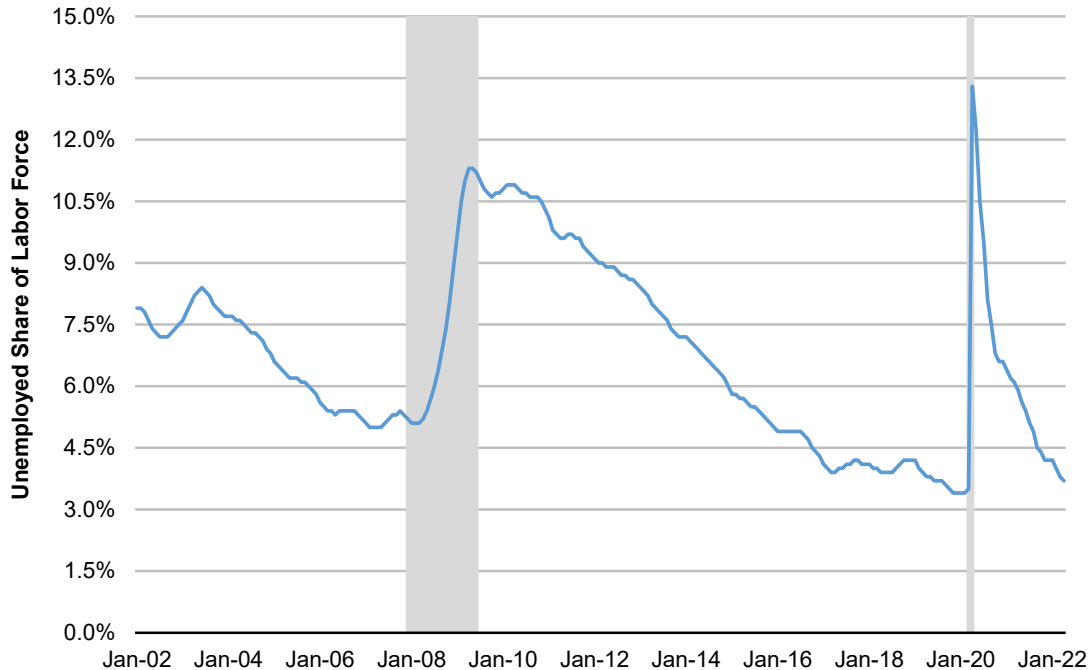
Source: Oregon Employment Department, Current Employment Statistics

Sectors struggling to regain their pandemic recession job losses include leisure and hospitality, public and private education services, and private health care and social assistance.



Rapid Recovery Brings Unemployment Near Record Lows Again

Oregon's Unemployment Rate, Seasonally Adjusted
NBER Recessions in Gray



Source: Oregon Employment Department, Local Area Unemployment Statistics

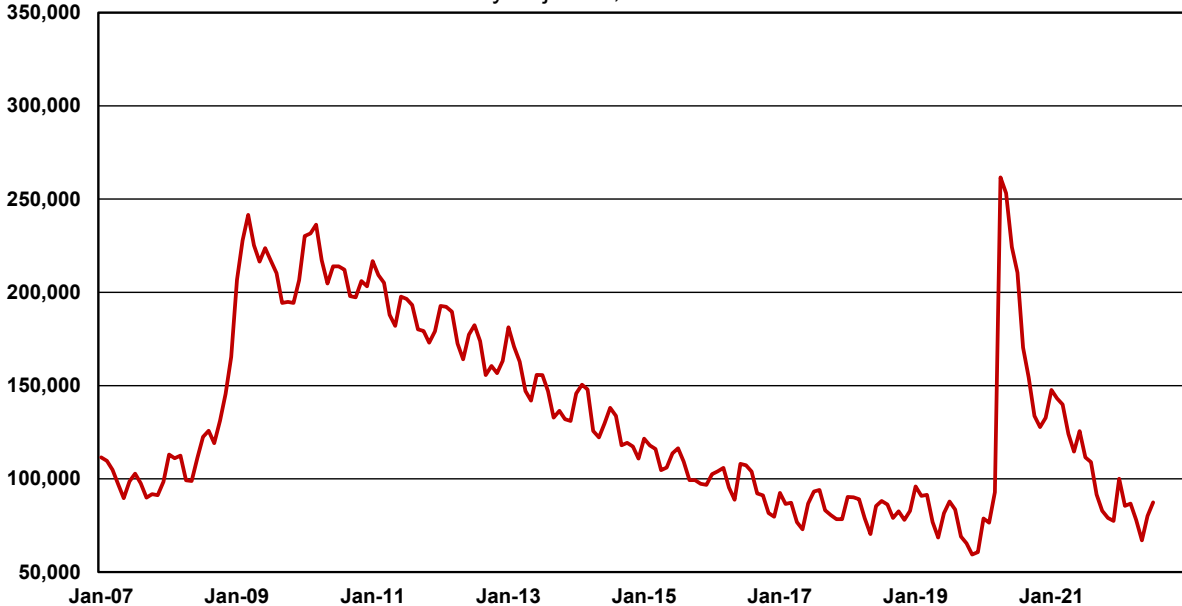
Oregon's unemployment rate hit a record high of 13.3% in April 2020. Oregon's unemployment rate is now near a record low again.

There have only been three periods in the past 46 years that Oregon's unemployment rate was below 4.5%. They included a few months in the mid-1990s, the two years immediately preceding the pandemic recession, and now.



The number of unemployed Oregonians is similar to pre-pandemic lows.

Unemployed Persons, Oregon Statewide
Not Seasonally Adjusted, 2007 to Present



Source: Oregon Employment Department, Local Area Unemployment Statistics

Number of Unemployed in July (not adjusted):

- 2017: 93,200
- 2018: 88,300
- 2019: 87,800
- 2020: 210,600
- 2021: 111,500
- 2022: 87,300

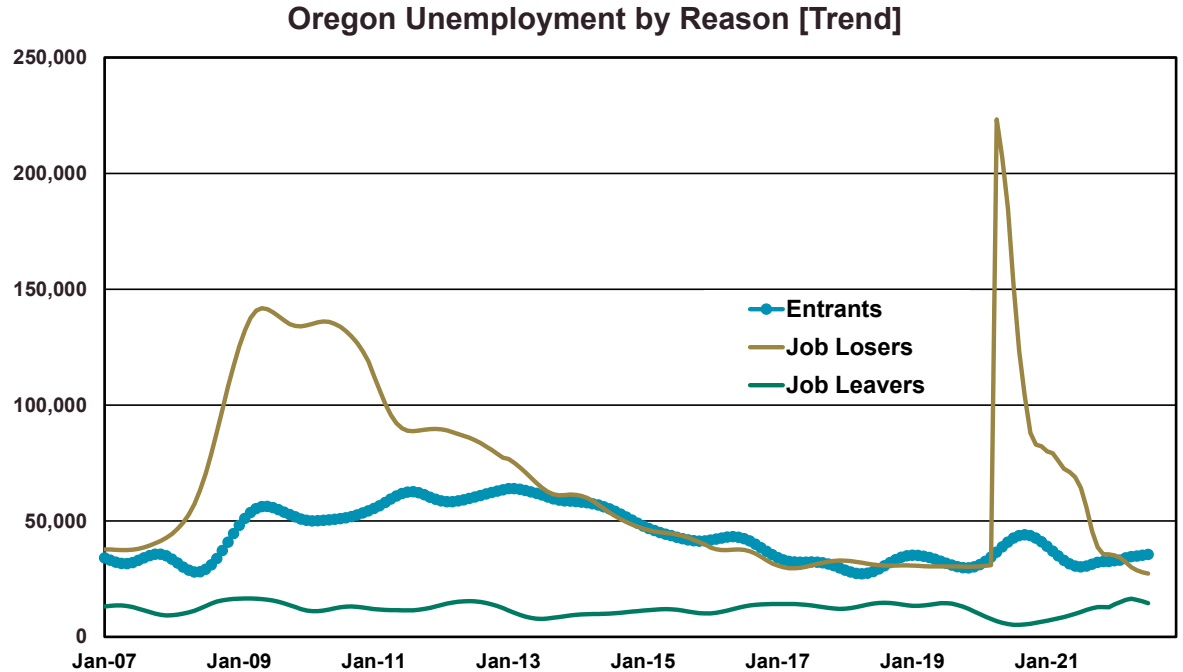


Why are Oregonians Unemployed?

New to the workforce
35,600 (46%)

Lost job
27,300 (35%)

Left job voluntarily
14,500 (19%)

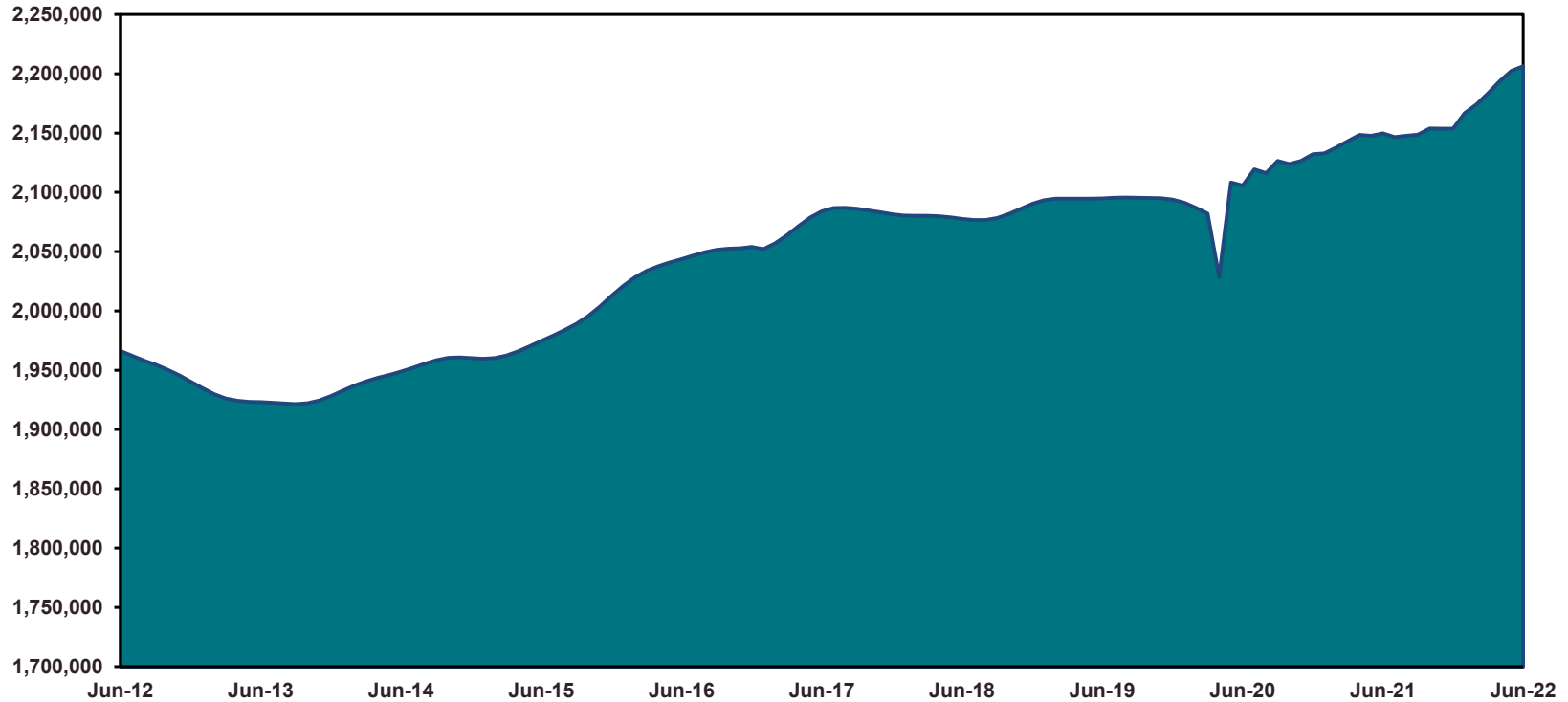


Source: Oregon Employment Department, Current Population Survey



Oregon's labor force grew to a record high in June 2022.

Oregon Civilian Labor Force, Seasonally Adjusted
2012 to Present

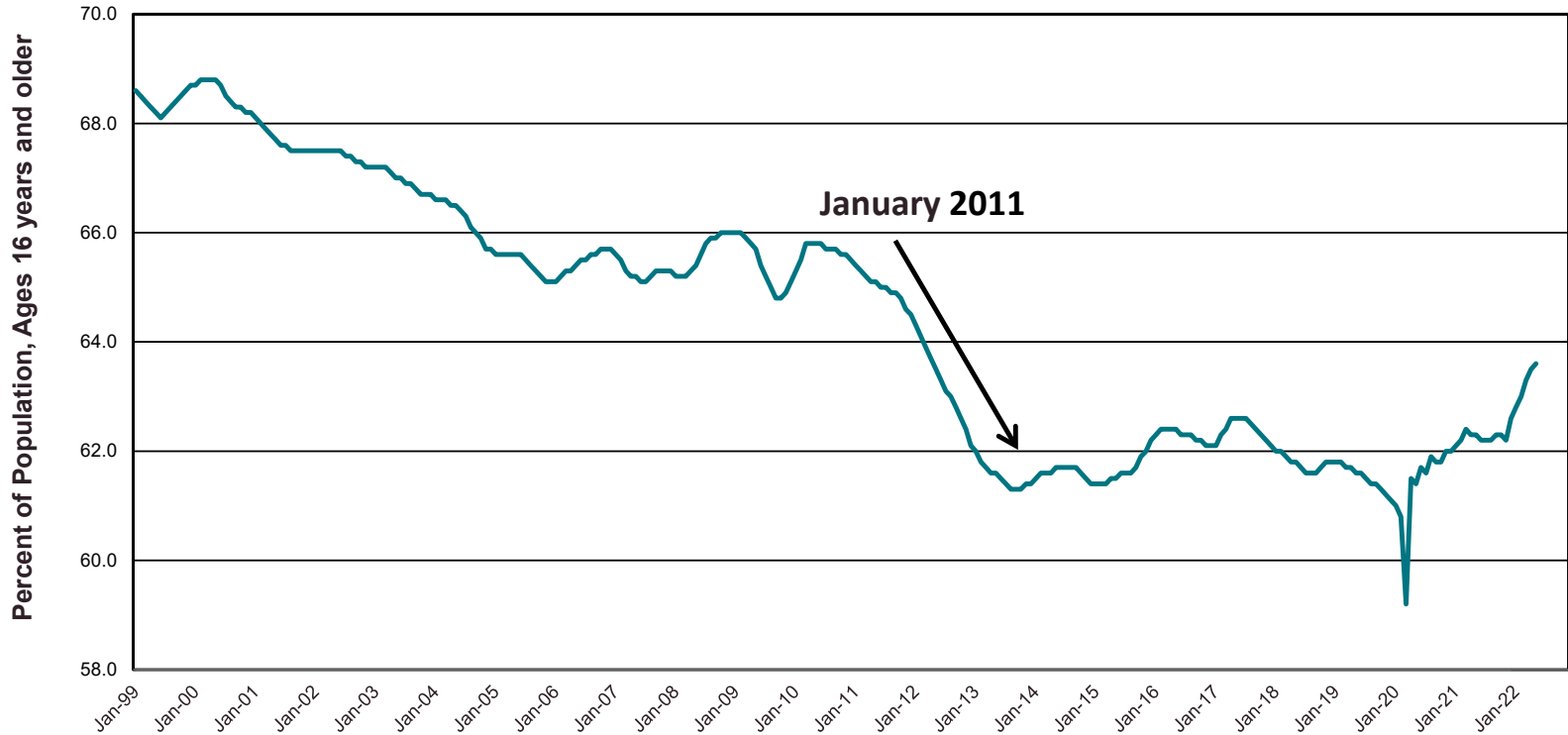


Source: Local Area Unemployment Statistics



Oregon's labor force participation edged up to 63.6% in June.

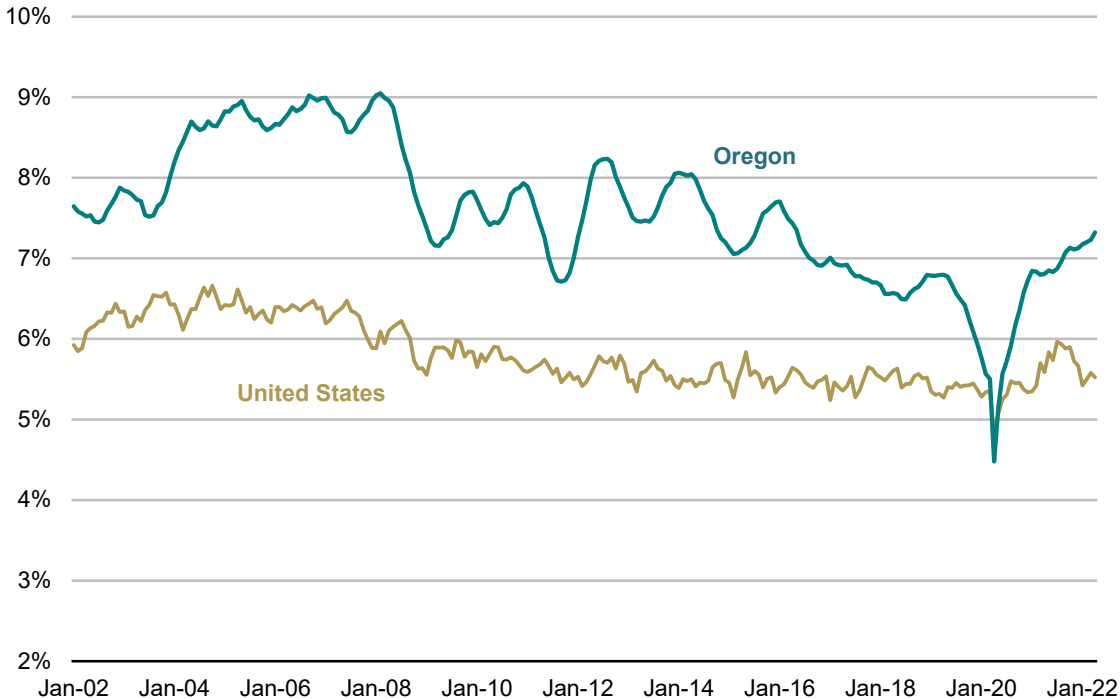
Oregon Labor Force Participation Rate



Oregon Employment Department, Local Area Unemployment Statistics

More (Self)Employed Oregonians

Non-Agricultural Self-Employment as a Share of Labor Force
U.S. and Oregon, 2002-2022



Although not all nonfarm payroll jobs have been recovered, there are more Oregonians working in 2022 than before the pandemic.

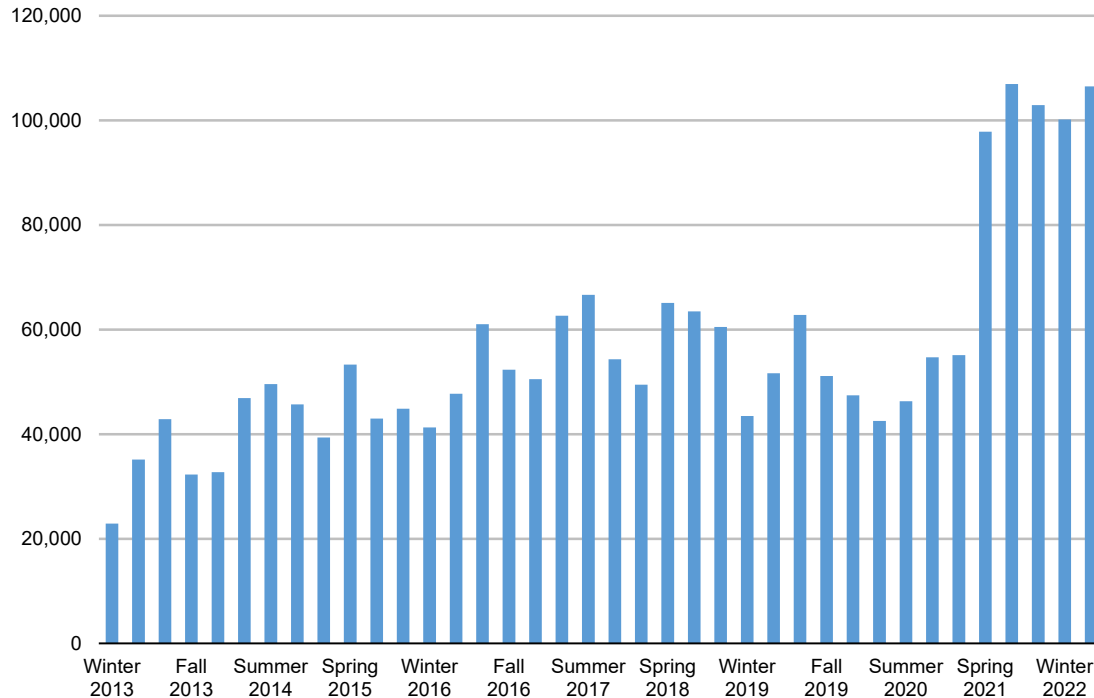
The share of self-employed workers in the labor force is higher. More people may have also pursued gig or freelance work, or may be living in Oregon but working remotely for a business based in another state or place.

Sources: U.S. Bureau of Labor Statistics, Oregon Employment Department



Record-High Job Openings Amid Low Unemployment

Job Openings with Private Employers in Oregon, 2013-2022



Source: Oregon Employment Department, Quarterly Job Vacancy Survey

Employers are looking to fill about twice as many job openings now as the last time unemployment was this low.

That contributes to record difficulty filling vacancies. Seven out of 10 job openings were reported as hard to fill over the past year.



WHERE DID THEY GO?

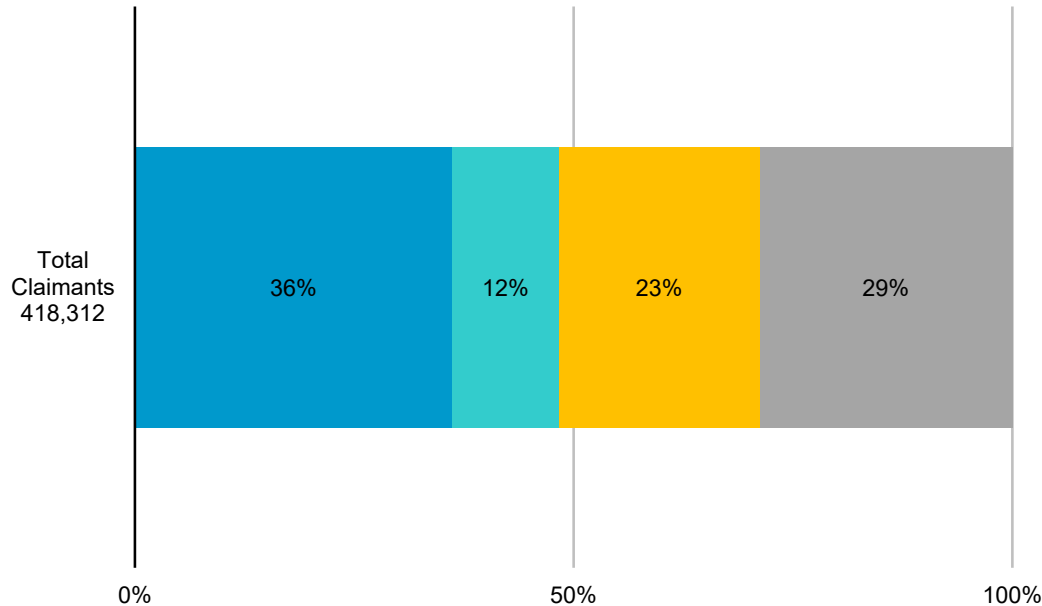
Re-Employment Patterns of Pandemic Recession Unemployment
Claimants 18 Months Later



Most Common Outcome: Returned to Employer

Re-employment Patterns of Pandemic Recession Unemployment Claimants in Oregon by Winter 2022

■ Recalled by same employer ■ Changed employer but in same sector ■ Changed employer in different sector ■ Not in Payroll Records



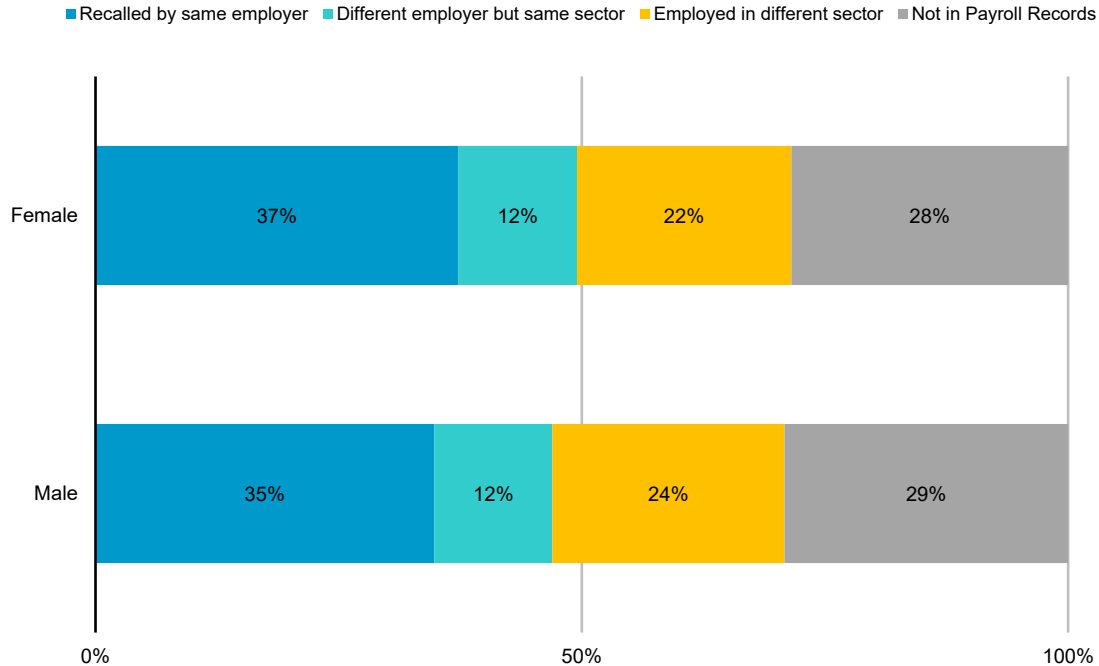
- 36% returned to and still worked for the same employer by winter 2022.
- 12% worked for a different employer in the same sector of the economy.
- One out of four (23%) changed broad sectors of employment by winter 2022.
- Three out of 10 regular unemployment claimants were no longer found in Oregon's payroll records.

Source: Oregon Employment Department, Unemployment Insurance Wage Records



Re-Employment Trends Were Similar for Men and Women

Re-employment Patterns of Oregon Pandemic Recession Unemployment Claimants in Winter 2022 by Gender



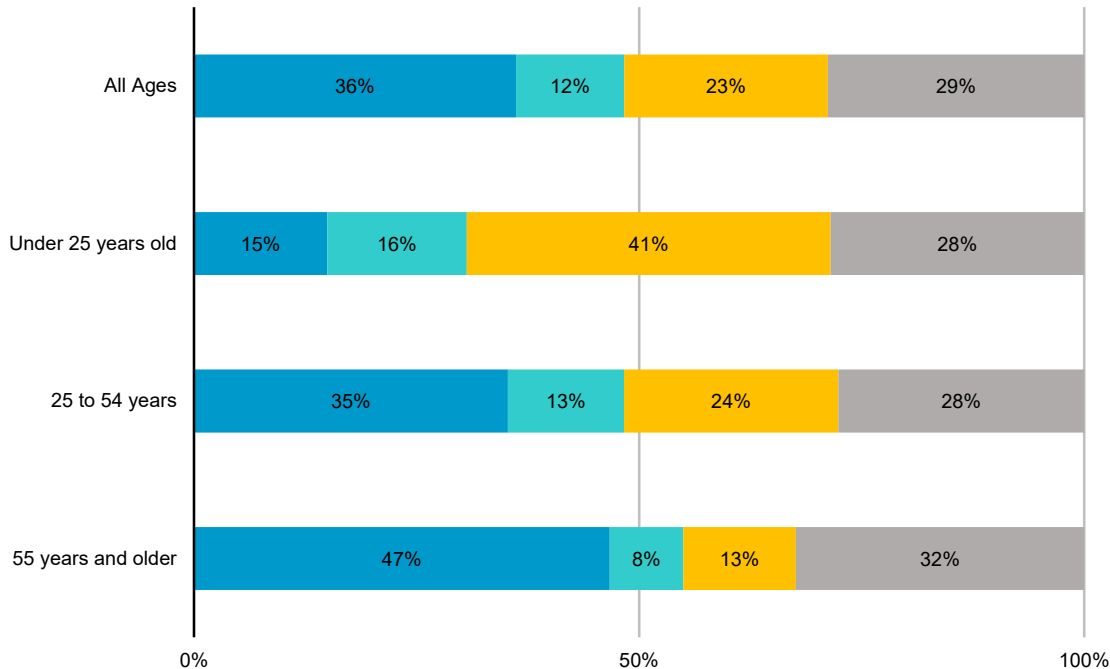
Source: Oregon Employment Department, Unemployment Insurance Wage Records



Re-Employment Trends Differed Notably by Claimants' Age

Re-employment Patterns of Pandemic Recession Unemployment Claimants in Oregon by Winter 2022 by Age Group

■ Recalled by same employer ■ Different employer but same sector ■ Employed in different sector ■ Not in Payroll Records



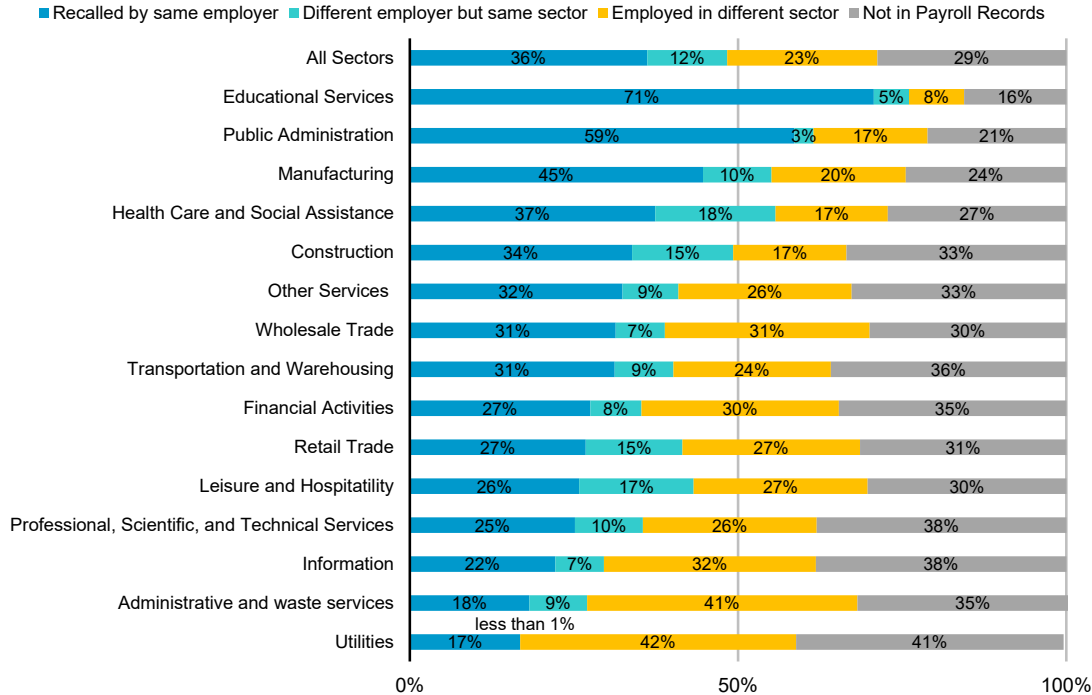
Source: Oregon Employment Department, Unemployment Insurance Records

- Nearly half (47%) of those ages 55 and older returned to and stayed with the same employer.
- Claimants under 25 years old were slightly more likely to switch employers in the same sector by winter 2022, and far more likely to switch sectors of employment entirely.



Recall and Retention Varied Widely by Sector

Re-employment Patterns of Pandemic Recession Unemployment Claimants in Oregon in Winter 2022 by Sector



Sectors with the largest share of claimants who returned and stayed with the same employer:

- Education services
- Public administration
- Manufacturing

Sectors with the largest share who switched employers within the same sector:

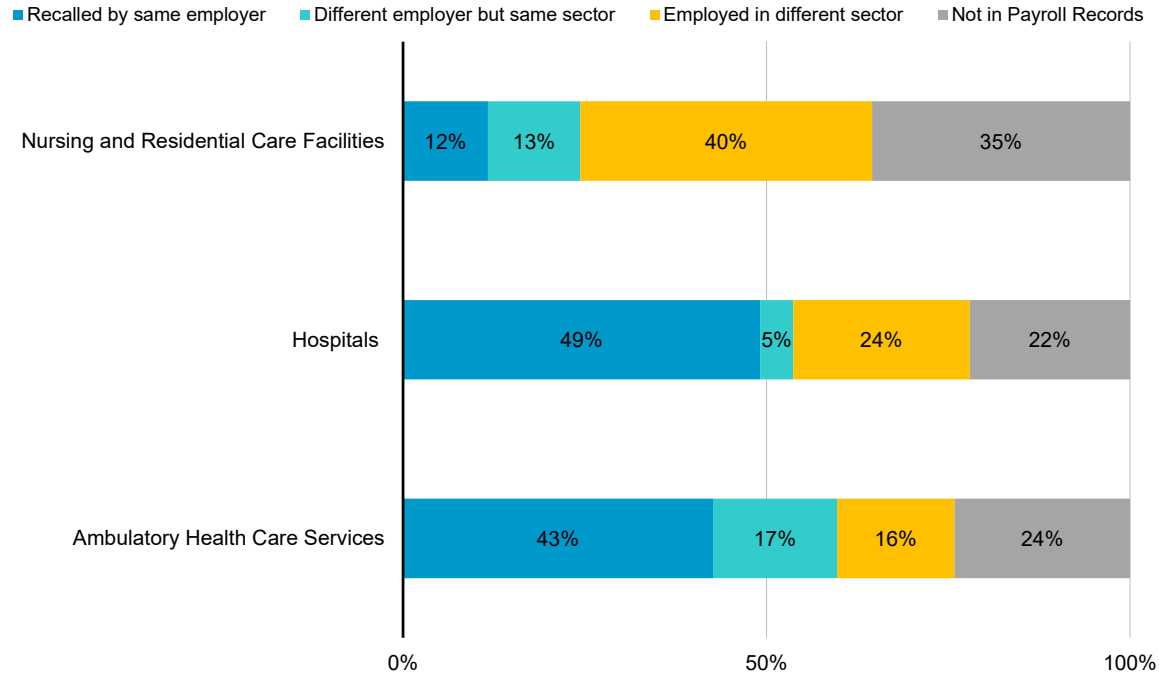
- Leisure and hospitality
- Health care and social assistance

Source: Oregon Employment Department, Unemployment Insurance Records



Re-Employment Patterns Also Varied Within Health Care

Re-employment Patterns of Health Care Workers with Pandemic Unemployment Claims in Oregon by Winter 2022

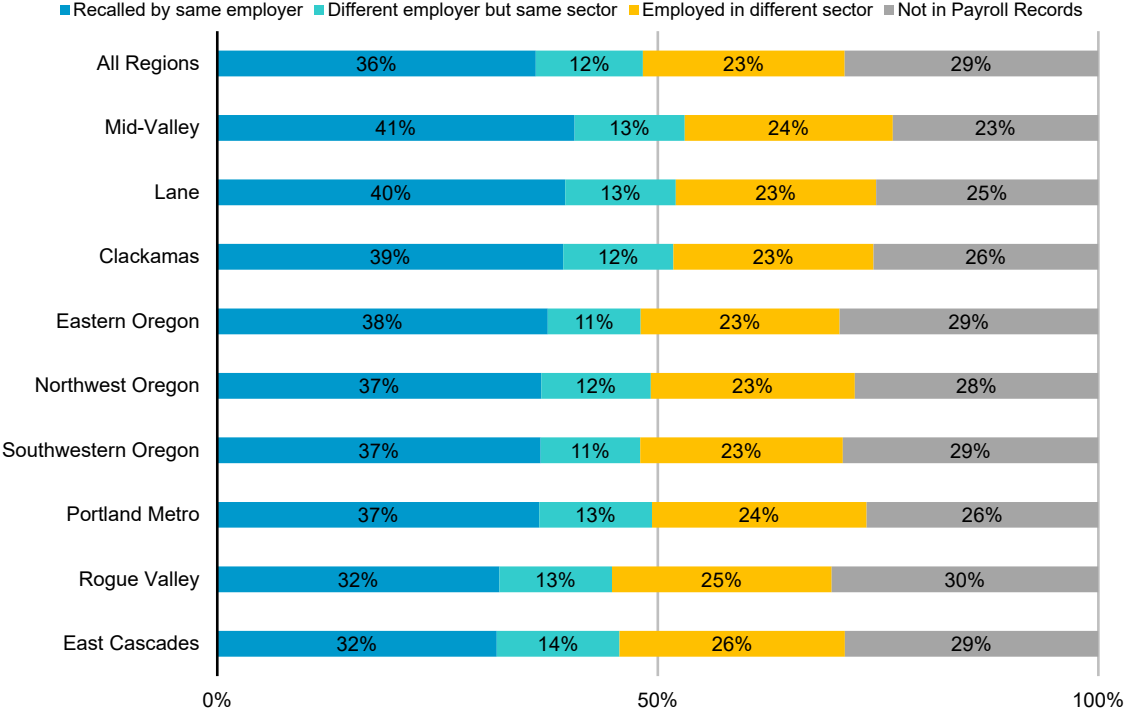


Source: Oregon Employment Department, Unemployment Insurance Records



High-Level Re-Employment Patterns Mostly Consistent Across Regions

**Re-employment Patterns of Pandemic Recession
Unemployment Claimants in Winter 2022 by Region**



Source: Oregon Employment Department, Unemployment Insurance Records



Re-Employment and Real Wage Gains

Inflation-Adjusted Median Hourly Wages of Oregon Workers Who Re-entered the Workforce After Separation

	2016 Cohort	2020 Cohort
Base Hourly Wage	\$18.37	\$21.29
1-Year After Separation	\$17.49	\$22.74
18 months After Separation	\$18.10	\$24.00
1-Year After Separation	-5%	7%
18 months After Separation	-1%	13%

Source: Oregon Employment Department, Unemployment Insurance Wage Records

Pandemic recession unemployment claimants also had larger wage gains than for all Oregon workers during the 18-month period.

All workers saw smaller inflation-adjusted gains of \$0.72 per hour (or 3%).

At least in the short term, the pandemic unemployment cohort seems less likely to have the additional economic scarring of wage losses if and when they resumed working.



Long-Term Employment Growth in Oregon

Industry and Occupational Employment Projections,
2020-2030



The Big Picture

Oregon's total employment will grow by 16 percent between 2020 and 2030.

- 318,000 new jobs over the decade
- 251,000 average annual total job openings, mostly to replace workers who leave the labor force or transfer into significantly different occupations

Leisure and hospitality is projected to increase the fastest and add the largest number of jobs.

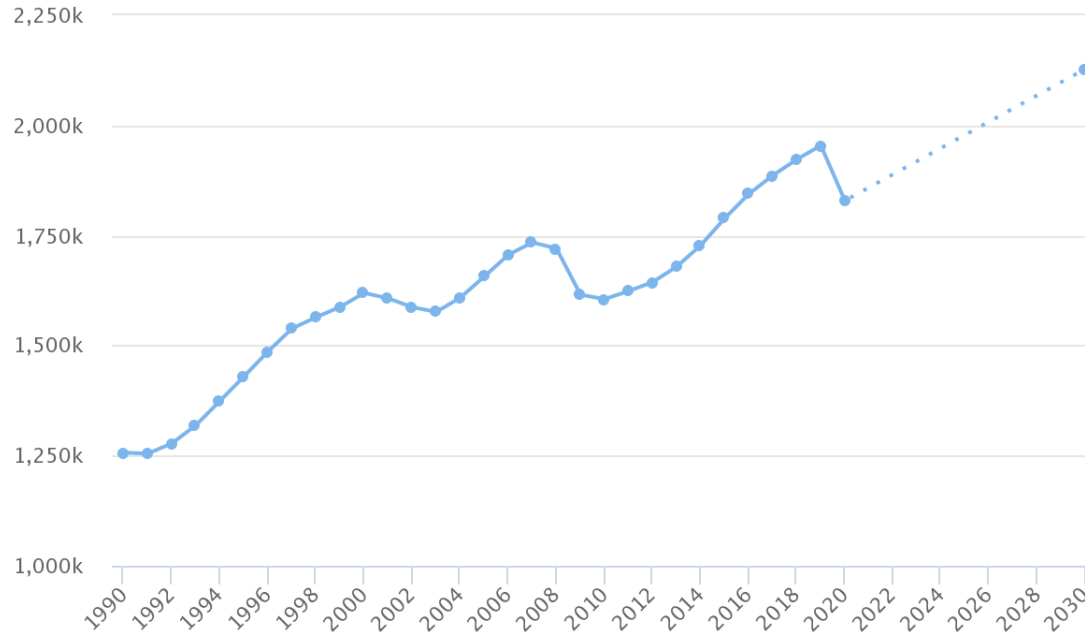
- Leisure and hospitality accounts for one out of every four new jobs in Oregon by 2030.
- Among detailed industries with 1,000 jobs or higher, leisure and hospitality accounts for 8 of the 20 fastest-growing industries.
- Ten of the 20 fastest-growing occupations in Oregon are heavily concentrated in leisure and hospitality.

A broad array of future career opportunities exist across Oregon's economy.

- All sectors statewide and all regions of the state are expected to add jobs.
- Even slower-growing sectors and regions need an abundance of newly trained workers to replace those who retire or otherwise leave the labor force.

Oregon's total employment is projected to grow by 16 percent.

Oregon to Add More Than 300,000 New Jobs by 2030



Source: Oregon Employment Department

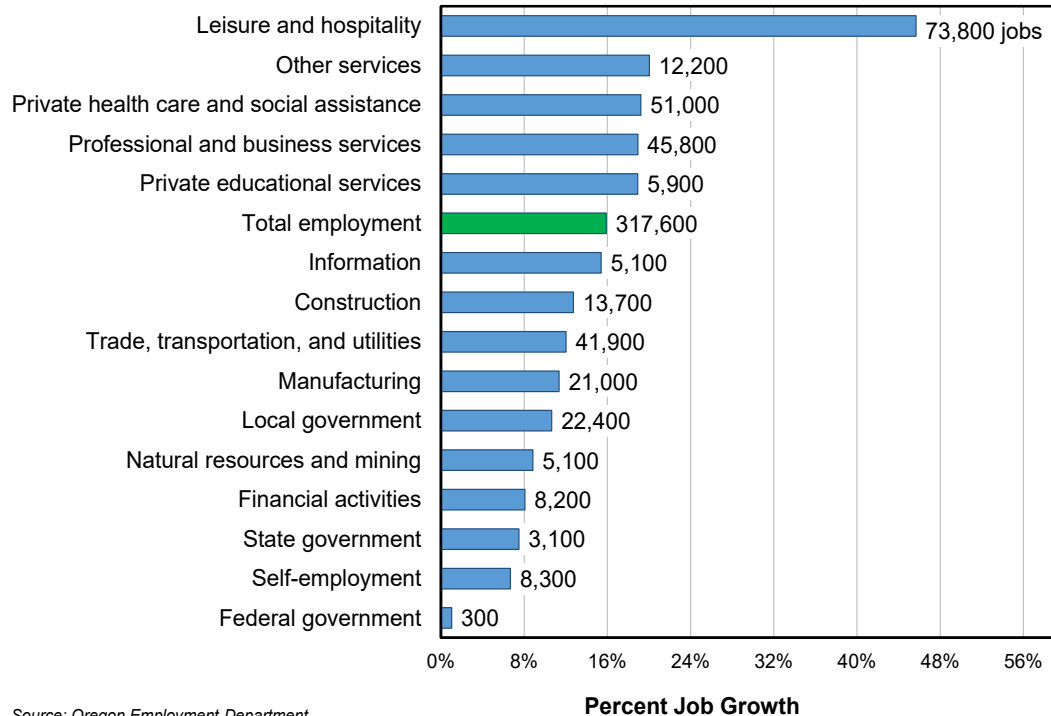
Private-sector growth of 283,500 jobs (18%)

Slower growth in government, adding 26,000 jobs (9%)

Additional 8,000 self-employed Oregonians (7%)

Leisure and Hospitality is Projected to Recover and Growth.

Leisure and Hospitality is Projected to Recover and Grow Oregon Industry Projections, 2020-2030



Source: Oregon Employment Department

Leisure and hospitality accounts for one-fourth of all new jobs by 2030.

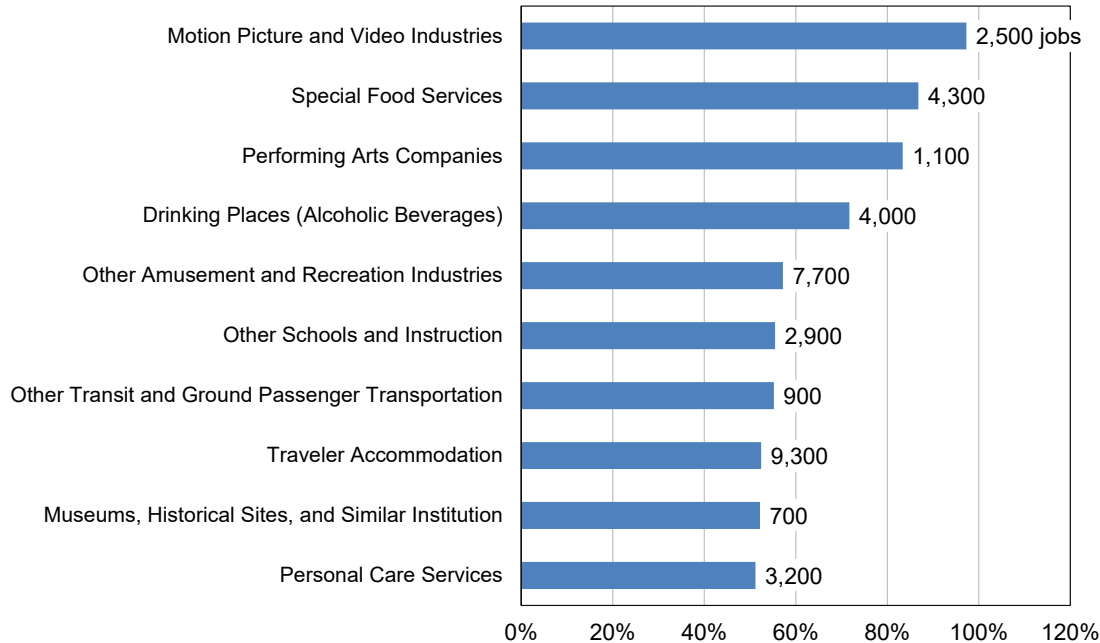
Other services will be the second-fastest growing sector (20%).

Private health care and social assistance, professional and business services, and private educational services are the third-fastest growing industries (19%).

Leisure and hospitality is also well-represented among the fastest-growing industries at a more detailed level.

Oregon's Fastest-Growing Industry Groups, 2020-2030

(Minimum 1,000 jobs in 2020)

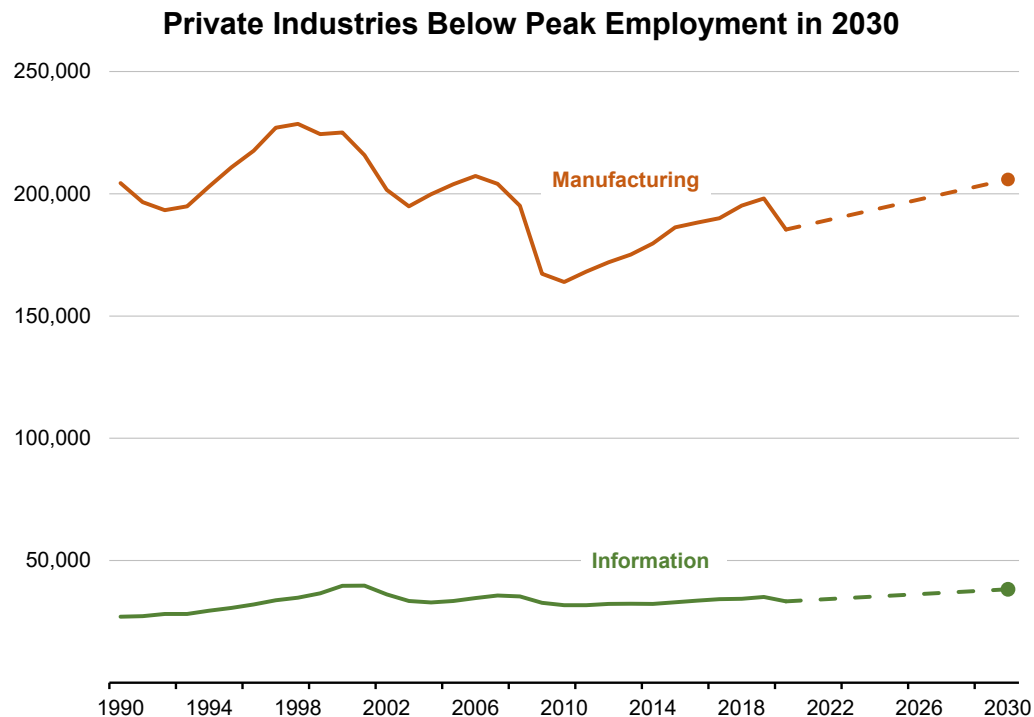


Offices of other health practitioners (+34%) – which include offices of chiropractors, optometrists, physical, occupational, and speech therapists – and management, scientific, and technical consulting services (+31%) are also among the fastest-growing industries.

Source: Oregon Employment Department



Manufacturing and information will fall short of their peak employment.



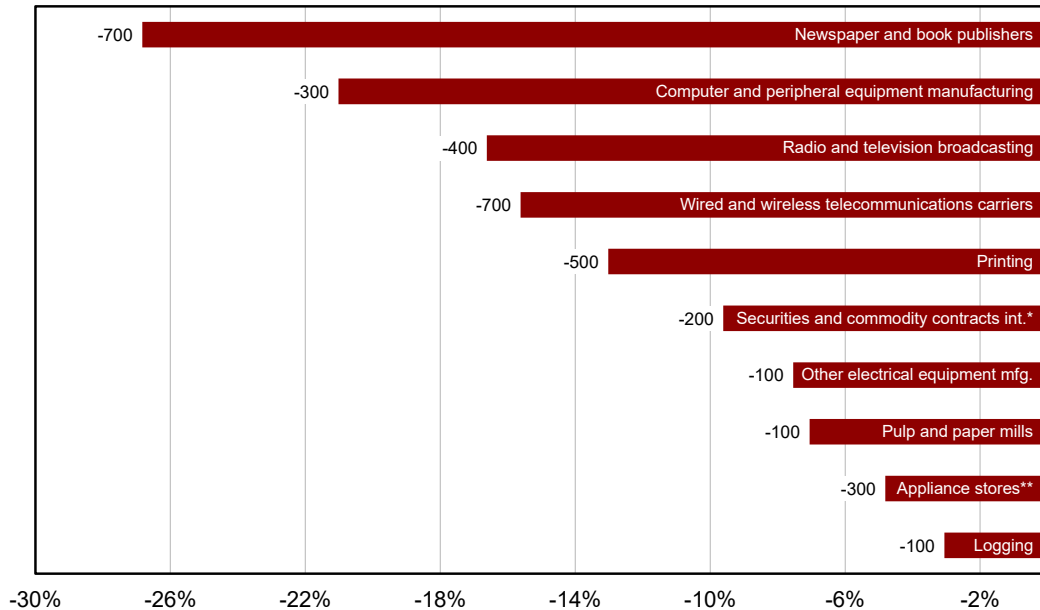
Some private industries will not regain peak employment by 2030. Manufacturing should grow by 11 percent to 205,900 jobs. That's below its most recent peak of 207,300 jobs in 2006. Its all-time high was 228,600 jobs in 1998. Information sector employment should grow to 38,200, about 1,500 jobs below its last peak in 2001.

Source: Oregon Employment Department



Industries related to news media, paper, and retail trade are among the declining industries.

Oregon Industry Groups with Fastest Job Declines, 2020-2030
At Least 1,000 Jobs in 2020



* Securities and Commodity Contracts Intermediation and Brokerage

** Electronics and appliance stores

Source: Oregon Employment Department

Despite a net loss of jobs, these industries will still need many newly trained workers to replace those who retire and leave the labor force.

Occupational Projections

Nearly one quarter of job openings expected in service occupations

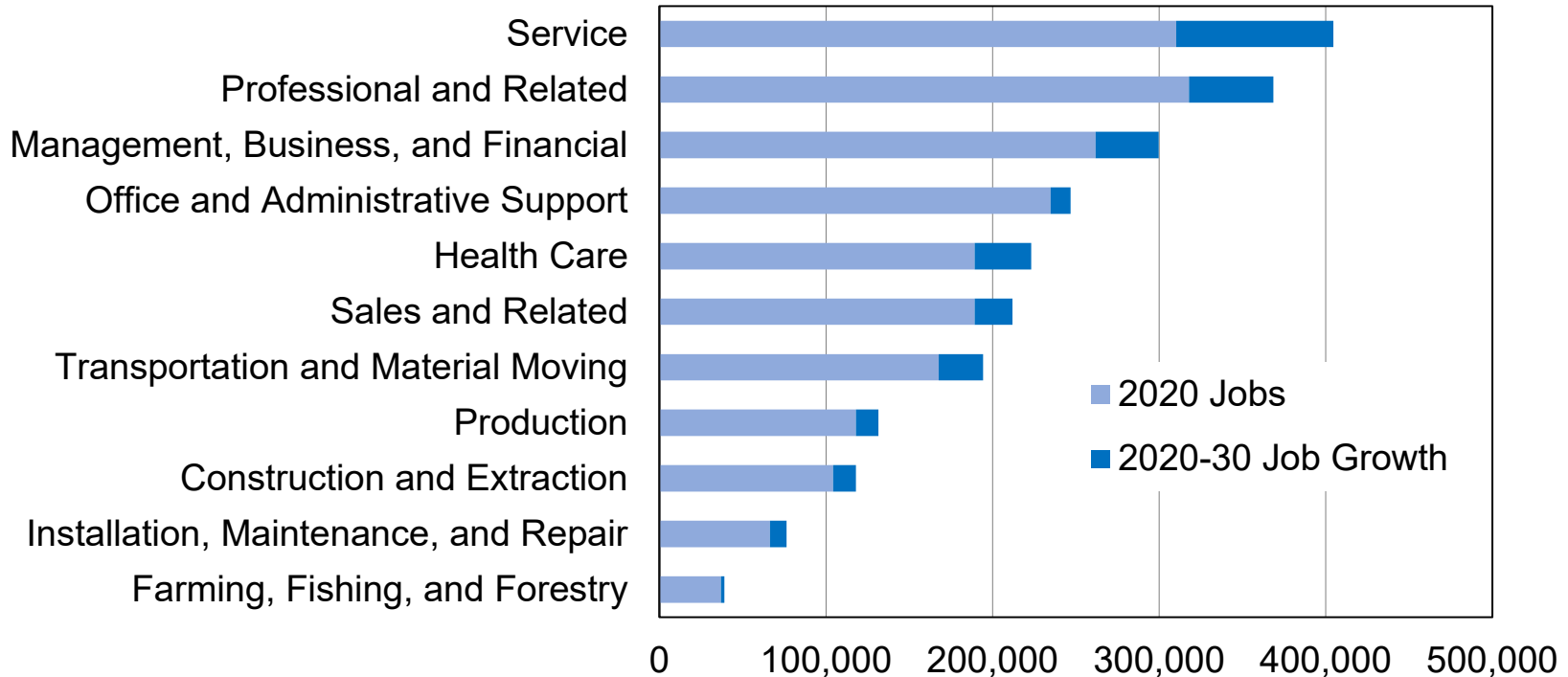
Occupational Group	2020 Employment	2030 Employment	Percent Change	Employment Change	Replacement Rate	Total Openings
Total, All Occupations	1,998,427	2,315,999	15.9%	317,572	2,197,188	2,514,760
Service	310,184	404,596	30.4%	94,412	511,029	605,441
Professional and Related	317,850	368,637	16.0%	50,787	273,278	324,065
Office and Administrative Support	234,730	246,740	5.1%	12,010	251,498	263,508
Sales and Related	189,171	211,847	12.0%	22,676	239,122	261,798
Management, Business, and Financial	261,882	299,755	14.5%	37,873	218,893	256,766
Transportation and Material Moving	167,741	194,212	15.8%	26,471	202,434	228,905
Health Care	189,225	223,187	17.9%	33,962	152,976	186,938
Production	117,975	131,461	11.4%	13,486	126,119	139,605
Construction and Extraction	104,200	117,858	13.1%	13,658	102,408	116,066
Installation, Maintenance, and Repair	66,392	76,332	15.0%	9,940	61,967	71,907
Farming, Fishing, and Forestry	36,846	39,010	5.9%	2,164	54,136	56,300
Nonclassifiable	2,231	2,364	6.0%	133	3,328	3,461

Source: Oregon Employment Department



All broad occupational categories expected to grow.

Employment by Broad Occupational Group, 2020-2030



Food preparation and serving related occupational group is expected to see the fastest employment growth.

Fastest-Growing Occupational Groups in Oregon, 2020-2030

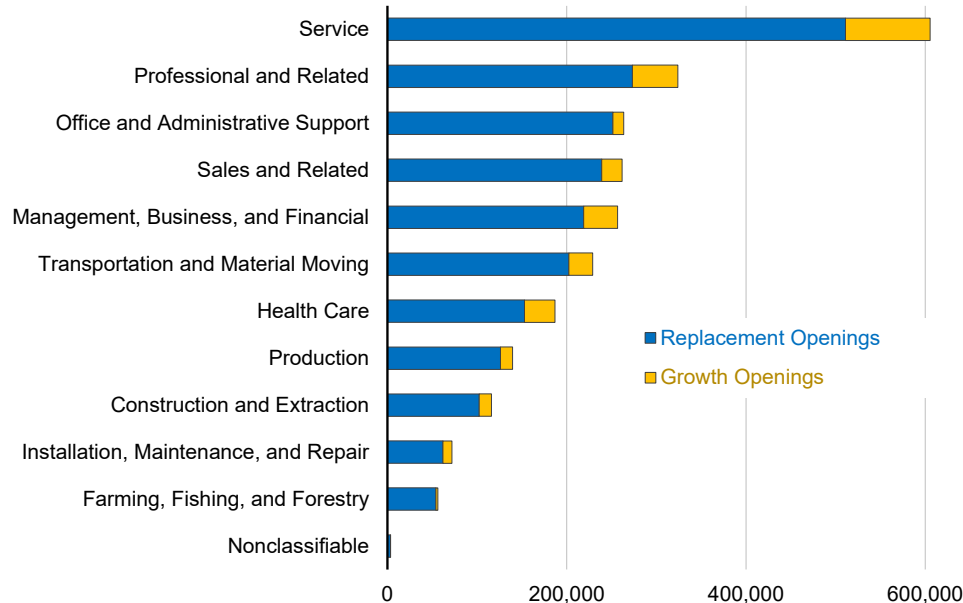
	Job Growth Rate, 2020-2030	2020 Jobs
Food Preparation and Serving Related	37.7%	153,591
Personal Care and Service	28.6%	62,888
Building and Grounds Cleaning and Maintenance	23.6%	61,229
Arts, Design, Entertainment, Sports, and Media	23.3%	36,113
Healthcare Support	21.8%	79,198
Computer and Mathematical	19.1%	54,980
Community and Social Service	16.9%	36,702
Transportation and Material Moving	15.8%	167,741
Healthcare Practitioners and Technical	15.2%	110,027
Installation, Maintenance, and Repair	15.0%	66,392

Source: Oregon Employment Department

Nine out of 10 total job openings are replacement openings.

Occupational Openings, 2020-2030, Oregon

Replacement Openings vs. Growth Openings



Source: Oregon Employment Department, Occupational Employment Projections, 2020-2030

Service occupations (+30%) top the list for fastest growing by 2030. Service occupations, which include food preparation and serving workers, personal appearance workers, protective services, building and grounds cleaning rank first in most job openings. The fast growth in service occupations is mainly caused by the job losses incurred in 2020.

Service occupations top the list of fastest-growing occupations.

Fastest-Growing Occupations in Oregon, 2020-2030

(Minimum of 1,000 jobs in 2020)

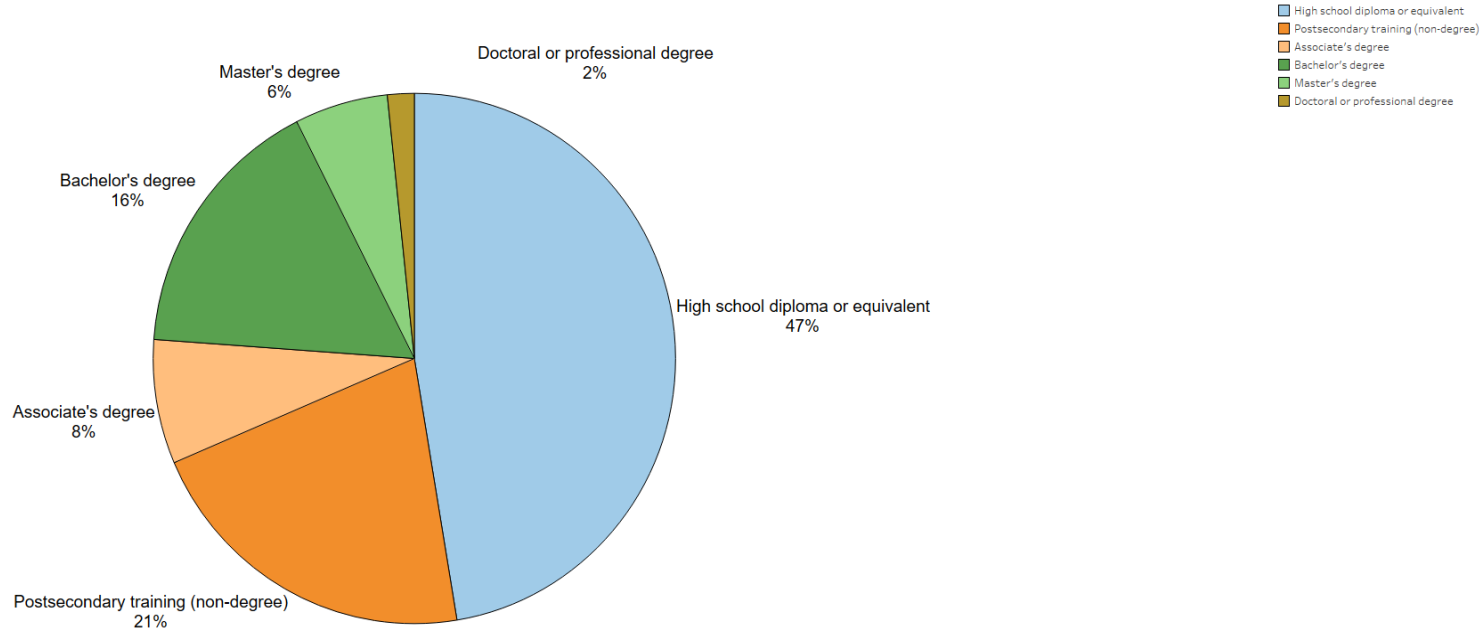
Occupation	10-Year Job Growth Rate	2020 Employment	2020 Median Wage,	2020 Typical Entry-Level Education
Manicurists and Pedicurists	66.7%	1,872	\$31,866	Postsecondary training (non-degree)
Cooks, Restaurant	61.6%	17,018	\$32,198	Less than high school
Nurse Practitioners	61.6%	2,378	\$121,514	Master's degree
Skincare Specialists	55.0%	1,241	\$34,694	Postsecondary training (non-degree)
Exercise Trainers and Group Fitness Instructors	54.8%	3,950	\$41,912	High school diploma or equivalent
Amusement and Recreation Attendants	50.5%	1,765	\$28,163	Less than high school
Bartenders	48.0%	6,383	\$27,830	Less than high school
Massage Therapists	44.0%	2,357	\$63,378	Postsecondary training (non-degree)
Chefs and Head Cooks	41.5%	1,647	\$53,685	Postsecondary training (non-degree)
Coaches and Scouts	40.2%	4,600	\$37,952	High school diploma or equivalent
Fast Food and Counter Workers	40.1%	56,302	\$27,269	Less than high school
Physician Assistants	39.1%	1,673	\$119,371	Master's degree
Hosts and Hostesses, Restaurant, Lounge, and Coffee Shop	39.0%	3,196	\$28,392	Less than high school
Hotel, Motel, and Resort Desk Clerks	39.0%	3,094	\$28,870	High school diploma or equivalent
Information Security Analysts	37.8%	1,258	\$105,726	Bachelor's degree

Source: Oregon Employment Department



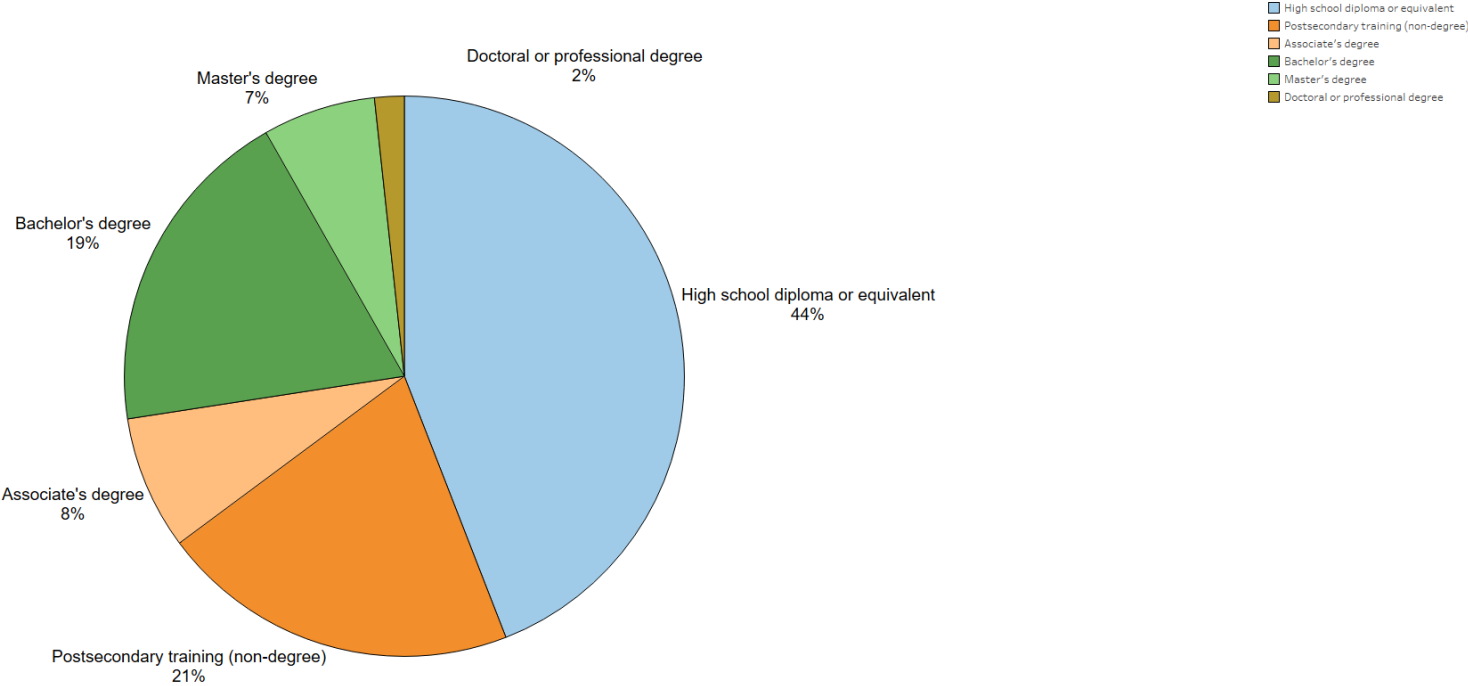
Roughly one-in-four (24%) job openings in Oregon require a Bachelor's degree or higher.

2020-2030 Oregon Job Openings by Competitive Education Level



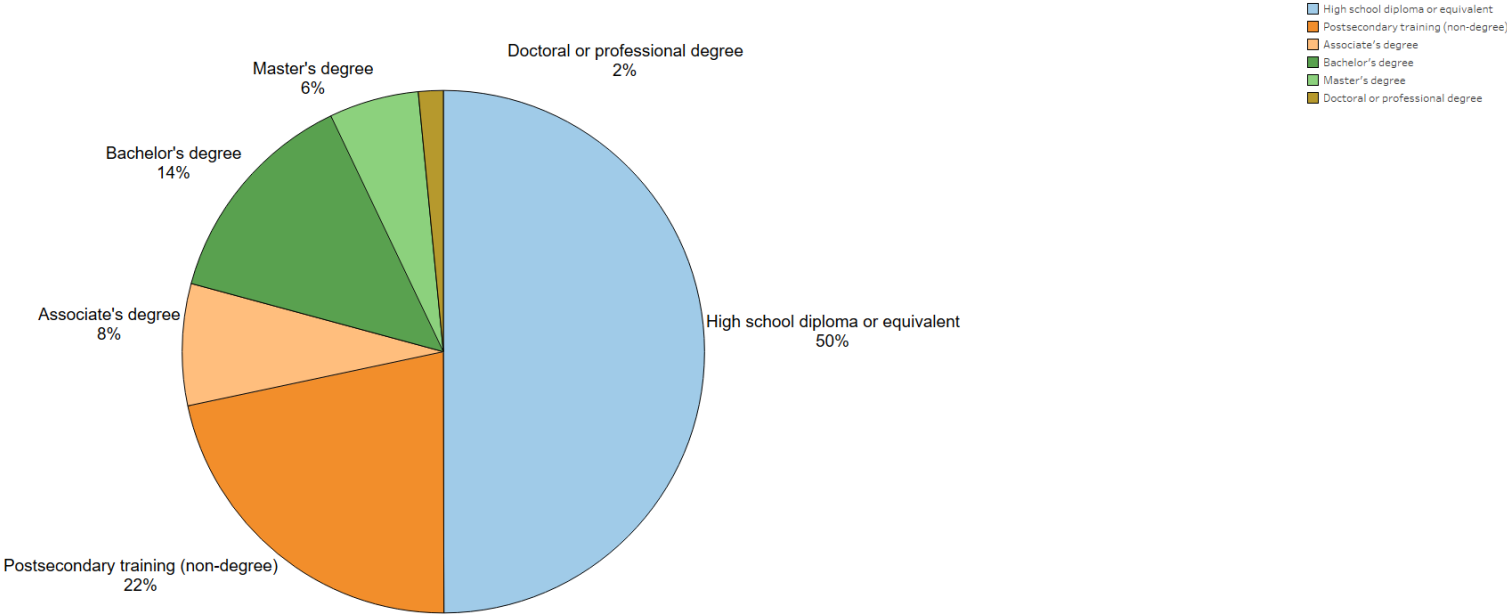
In Portland 28% of job openings will require a Bachelor's degree or higher.

2020-2030 Portland Tri-County Job Openings by Competitive Education Level



Slightly less job openings in the Mid-Valley require a Bachelor's degree.

2020-2030 Mid Valley Job Openings by Competitive Education Level



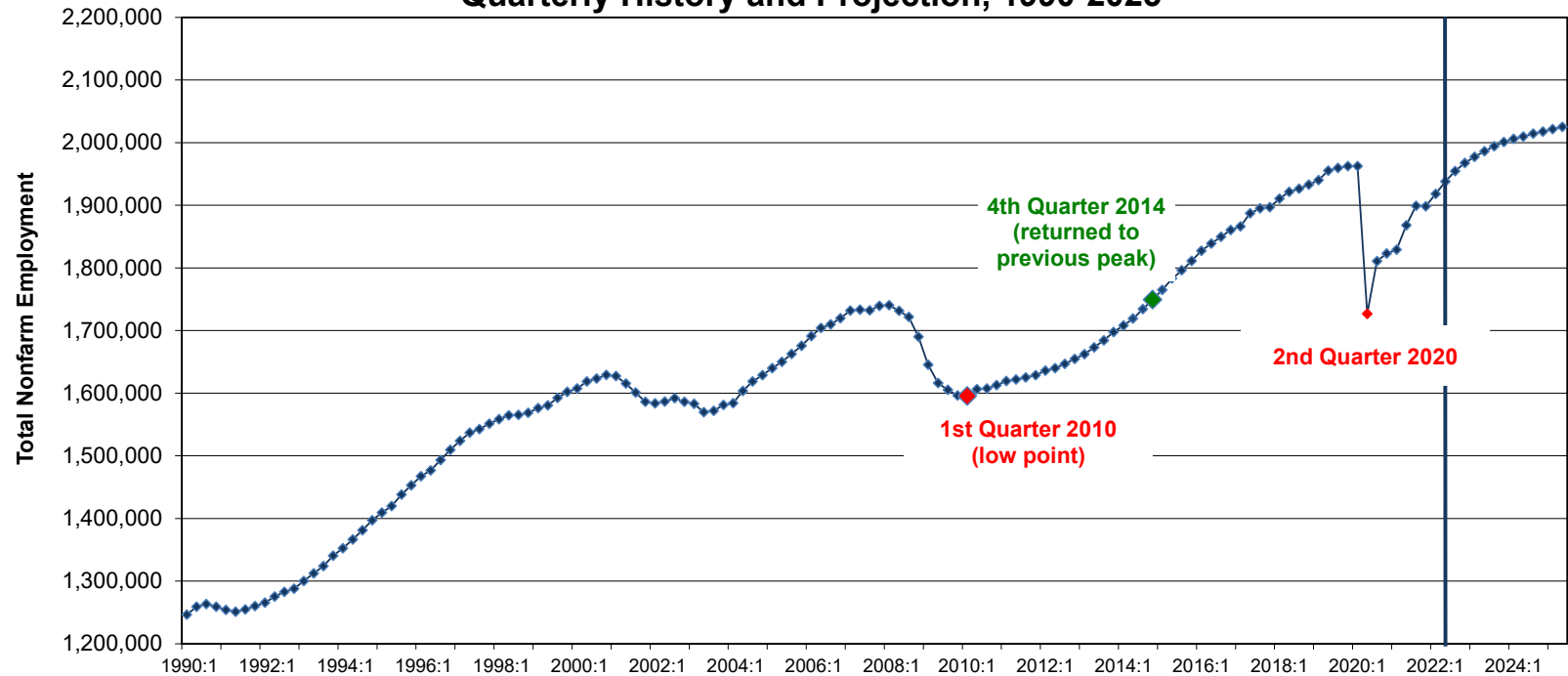


Short-Term Employment Forecast



The Office of Economic Analysis expects a return to pre-pandemic job levels by the end of 2022.

Oregon Nonfarm Payroll Employment Quarterly History and Projection, 1990-2025

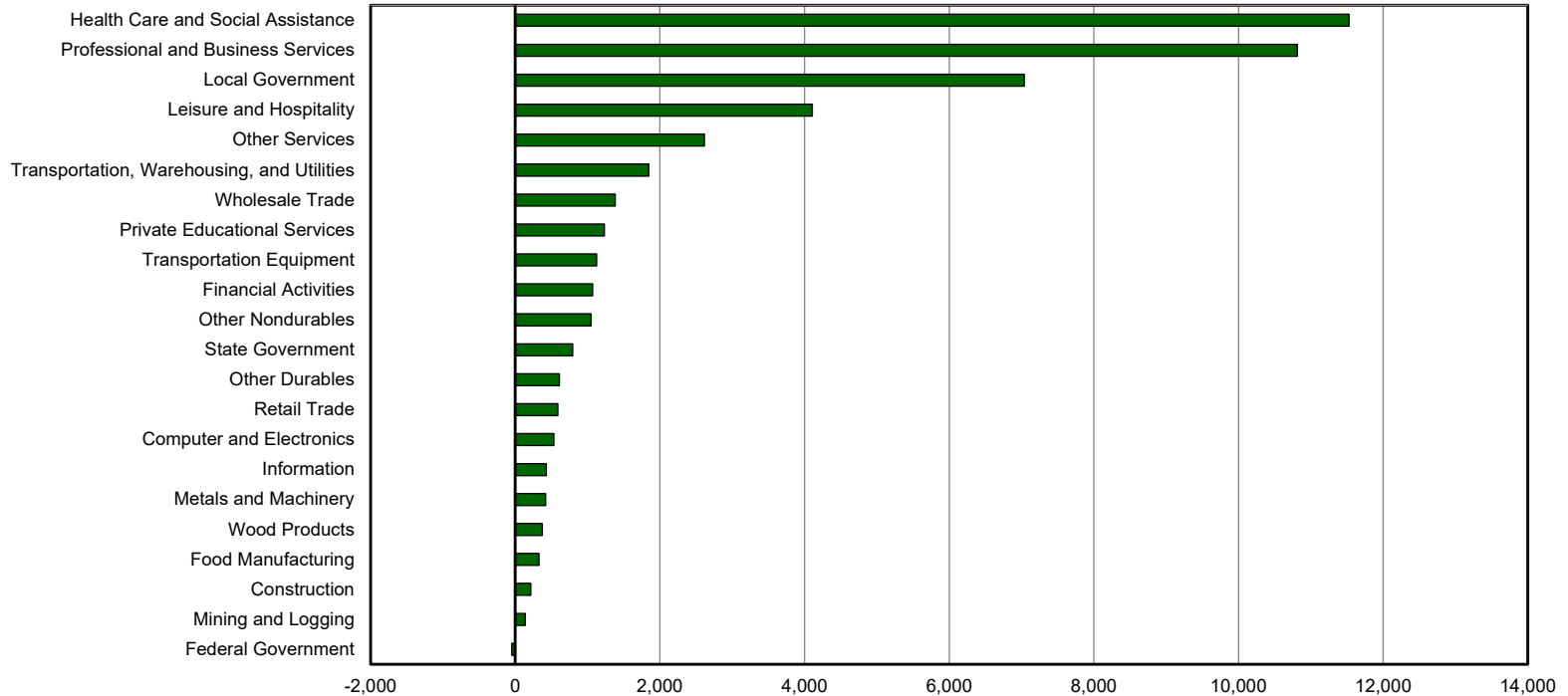


Source: Office of Economic Analysis, Department of Administrative Services, June 2022



OEA expects Oregon to add about 48,000 jobs in the next 12 months.

Expected Job Changes by Industry Sector Over The Year (2Q 2022 - 2Q 2023)



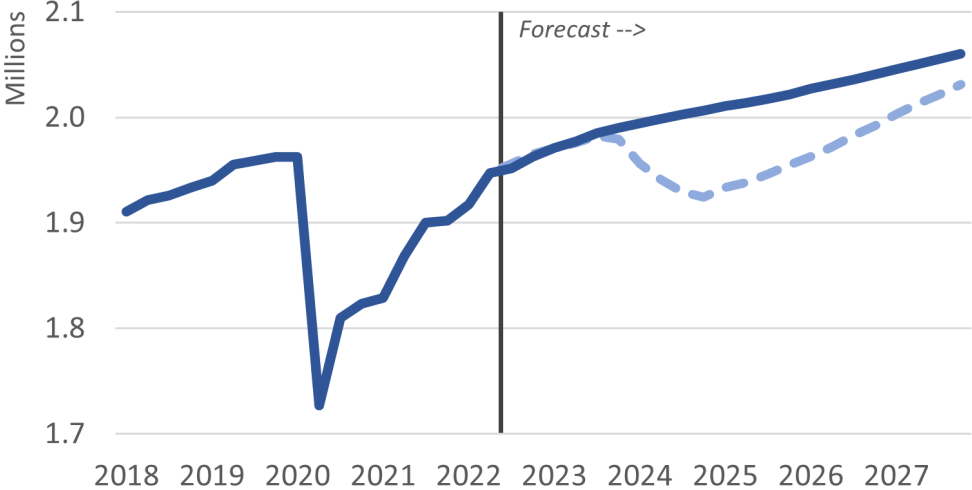
Source: Oregon Employment Department analysis using Oregon Office Economic Analysis Forecast, June 2022



If inflation does not slow, and the Federal Reserve raises rates further, a mild recession in late 2023 becomes more likely.

Alternative Scenario Employment

Oregon Nonfarm Employment, **Baseline** vs **Boom/Bust**



Latest: 2022q2 | Source: BLS, Oregon Office of Economic Analysis



Patrick O'Connor, Regional Economist

Patrick.s.oconnor@employ.Oregon.gov

Get the latest labor market data and analysis at QualityInfo.org

Join the conversation:

OregonEmployment.Blogspot.com

Twitter [@OED Research](https://twitter.com/OED_Research)

