



# Impacts of the Pandemic Recession and Re-Employment in Oregon

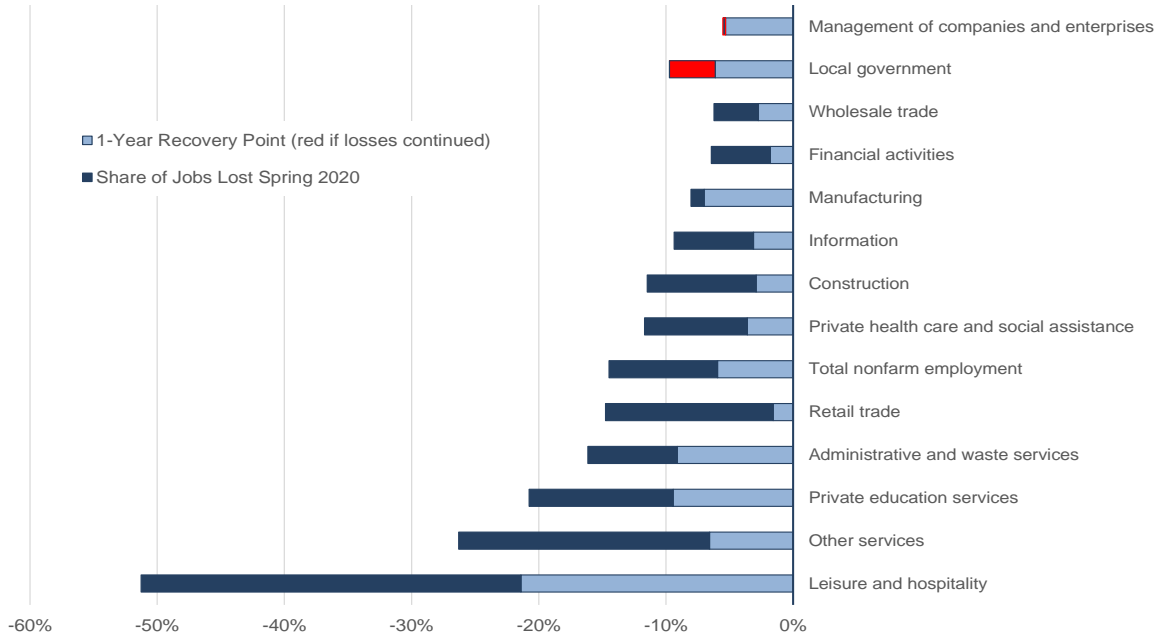
Census Local Employment Dynamics Webinar  
October 2022



# Oregon lost 282,000 (-14.3%) jobs during the initial economic shock in March and April 2020.

## Pandemic Recession Job Loss and Recovery

Losses Feb-Apr 2020 and Recovery Apr 2020 to Apr 2021, Seasonally Adjusted



Leisure and hospitality, other services, and private education services accounted for nearly half (-48%) of all losses.

Restaurants, hotels, bars, and entertainment places lost more than half of all their jobs in two months.

Other services lost one-fourth of its jobs, and private education services shed one out of every five jobs.

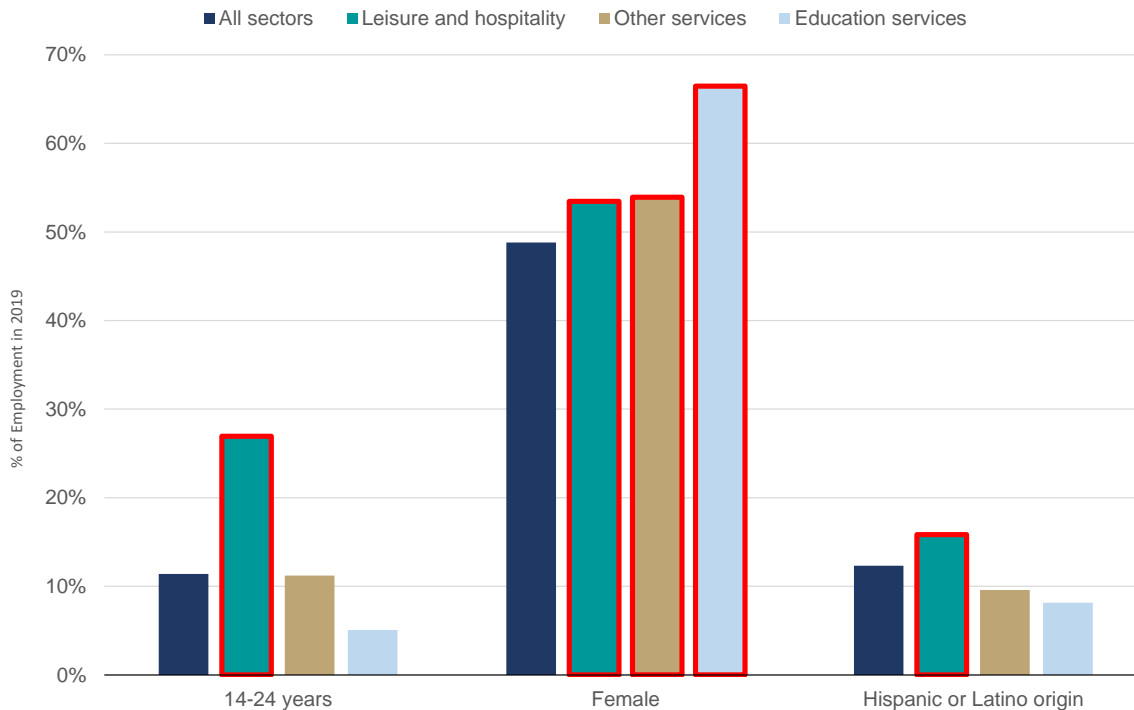
Local government shed jobs from April 2020 to April 2021 (-9.6%).

Source: Oregon Employment Department, Current Employment Statistics, excludes professional and technical services, and transportation, warehousing, and utilities



# Quarterly Workforce Indicators as Part of Research Foundation

Women, Youth, and Workers of Hispanic or Latino Origin Overrepresented in Oregon's Hardest-Hit Pandemic Recession Sectors



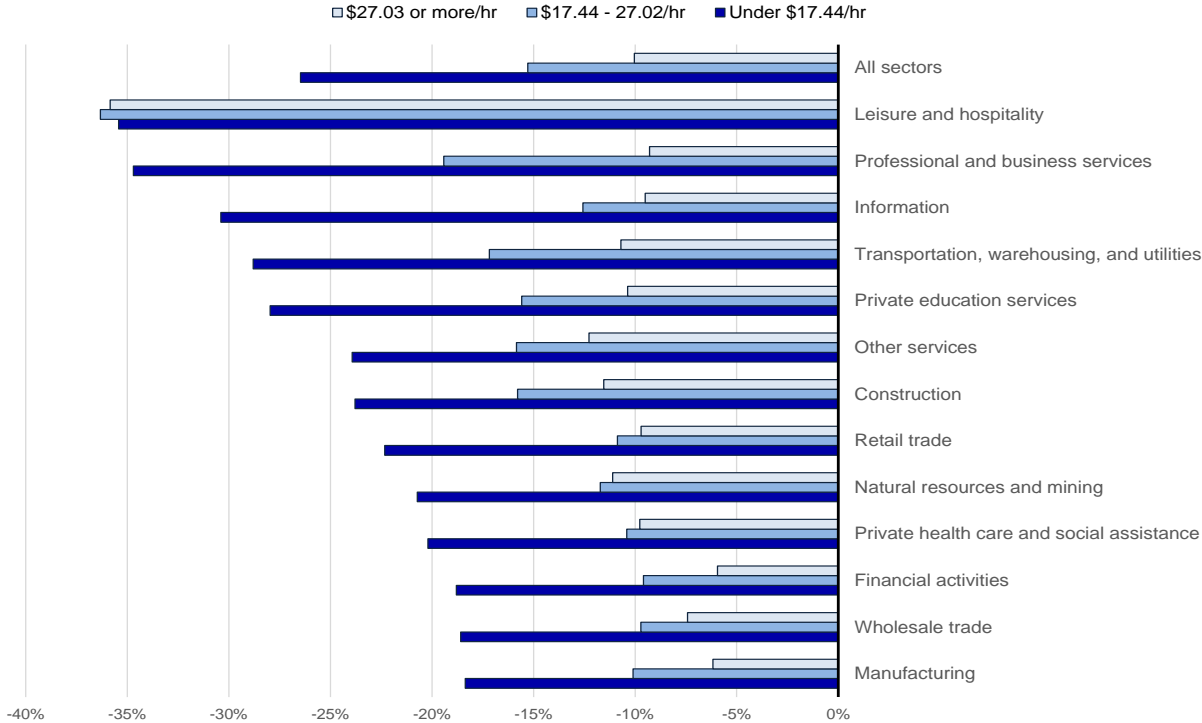
Employment by demographics and industry inform our expectations of who might be more likely to experience unemployment.

Source: U.S. Census Bureau, Quarterly Workforce Indicators



# QWI Enhances the View from Our Own Wage Records

Share of All Stable Jobs Lost in Oregon by Wage Category, Second Quarter 2020



Source: Oregon Employment Department, Unemployment Insurance Wage Records

Stable jobs declined by 17.3% across all wage earners in 2<sup>nd</sup> quarter 2020.

-26.5% for the lowest one-third of earners.

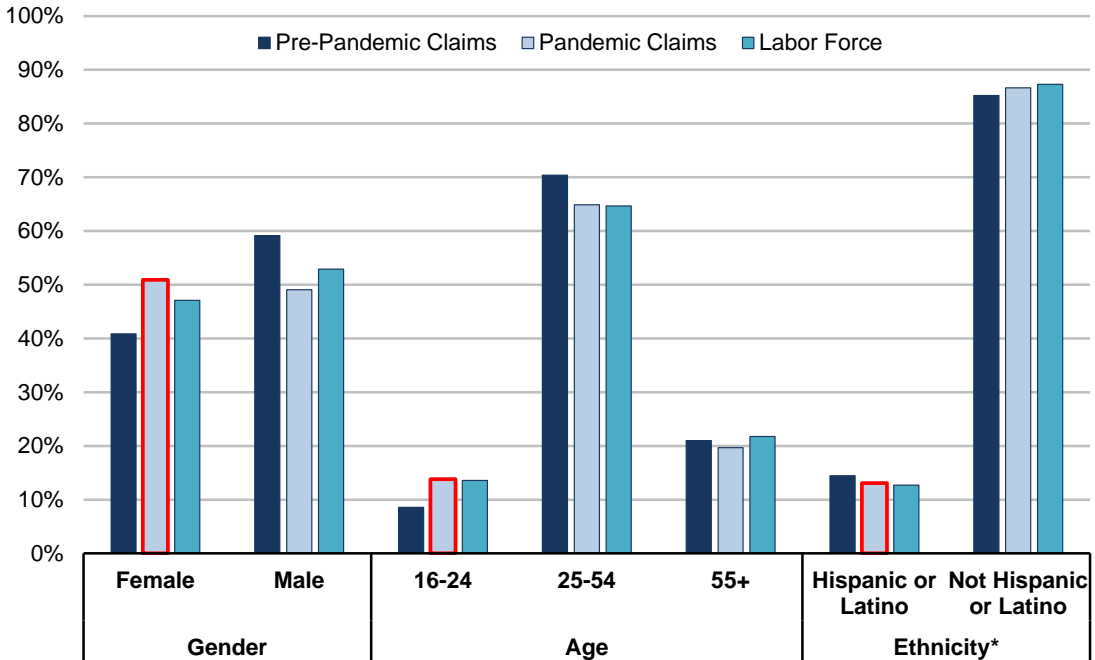
-15.3% for middle-wage earners

-10.0% for high-wage earners



# Women and young workers overrepresented in regular unemployment insurance claims, while Hispanic workers were underrepresented in pandemic claims.

**Female and Youth Shares of Unemployment Rose During Pandemic**

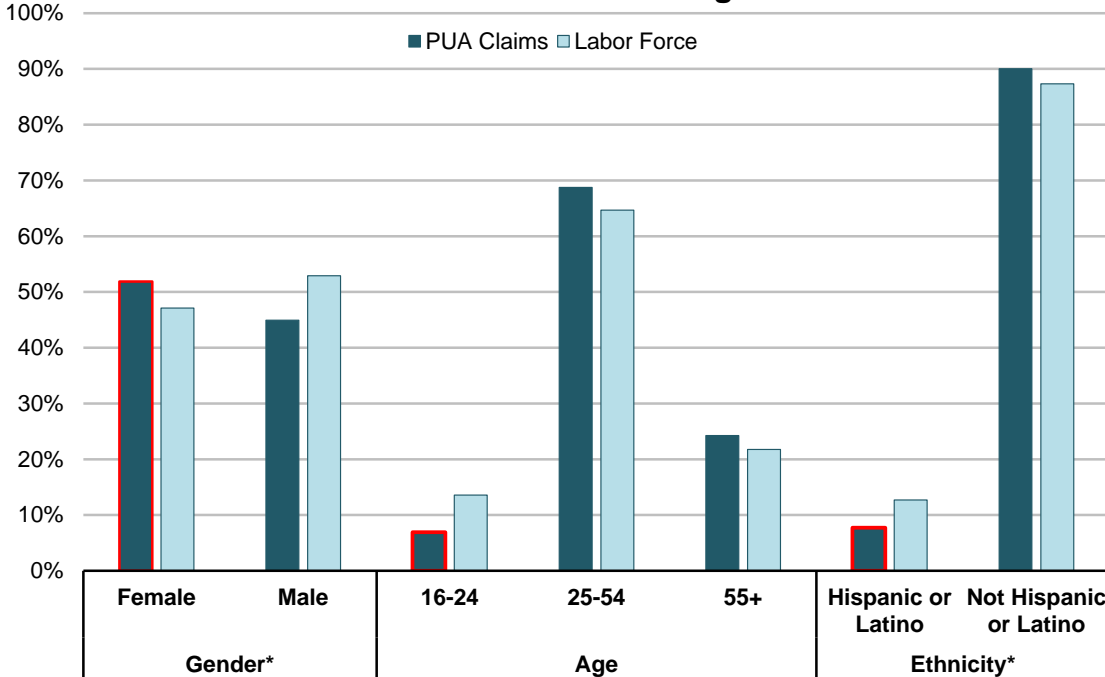


Sources: U.S. Census Bureau, American Community Survey, and Oregon Employment Department, Unemployment Insurance Claims  
\*excludes unknown



# Women also had an outsized share of pandemic unemployment assistance claims relative to their share of labor force.

Shares of Pandemic Unemployment Assistance Claims and Labor Force in Oregon



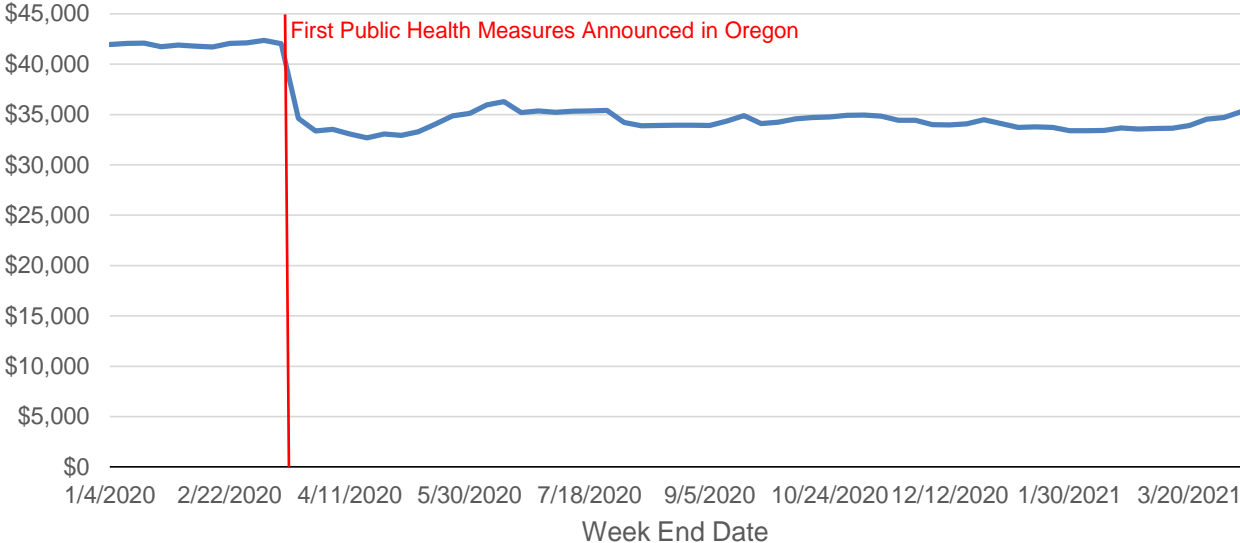
- Women made up 52% of Pandemic Unemployment Assistance (PUA) claimants but only 47% of the labor force.
- Younger workers' share of PUA claims (7%) was half the size of the share of the labor force (14%)
- Hispanic or Latino workers were also underrepresented among PUA claimants (8% of claims vs. 13% of the labor force)

Sources: U.S. Census Bureau, American Community Survey, and Oregon Employment Department, Unemployment Insurance Claims  
\*excludes unknown



# Unemployment benefits served as a safety net of support for lower-earning workers during the pandemic.

Average Base Year Earnings of Regular Unemployment Claimants in Oregon



Source: Oregon Employment Department, Unemployment Insurance Benefits

Nationally, 2 out of 5 workers in households with income below \$40,000 lost jobs in March 2020.

In Oregon, the average base year earnings for those receiving UI benefits dropped by 22% to \$32,700 in the months after the pandemic recession began.



# Potential Barriers to Accessing Unemployment Insurance

- Overloaded phone lines

*Oregon has long had language line assistance for claimants to get interpreters. Yet the Employment Department received **20 million inbound calls to unemployment claims lines** in April 2020 alone.*

- Lack of in-person assistance during the pandemic due to social distancing-related health measures

*This impacts things like ability to access internet for claim activity at a job center or public library*

- Timely information in languages other than English

*Oregon translated unemployment information and applications into 15 languages, but it took time.*



# Roughly 6% of people in Oregon's labor force had limited English proficiency in 2019.

Labor Force's Ability to Speak English by Race and Ethnicity in Oregon, 2019

Race/Ethnicity	All English Abilities	Speaks English but less than "very well"	Does Not Speak English	Limited English Proficiency	% With Limited English Proficiency
<b>All</b>	<b>2,095,541</b>	<b>115,212</b>	<b>15,299</b>	<b>130,511</b>	<b>6.2%</b>
Some Other Race	70,798	22,396	2,451	24,847	35.1%
Asian, Native Hawaiian, or Other Pacific Islander	108,283	28,316	1,726	30,042	27.7%
Black or African American	39,909	2,798	251	3,049	7.6%
American Indian or Alaska Native	23,049	1,309	144	1,453	6.3%
Two or More Races	83,651	3,522	435	3,957	4.7%
White	1,769,851	56,871	10,292	67,163	3.8%
Hispanic or Latino	266,968	70,293	12,841	83,134	31.1%
Non-Hispanic or Latino	1,828,573	44,919	2,458	47,377	2.6%

Communities in Oregon who identified as Some Other Race (35.1%), Asian, Native Hawaiian, or Pacific Islander (27.7%), or Hispanic or Latino (31.1%) had higher shares of people with limited English proficiency in 2019.

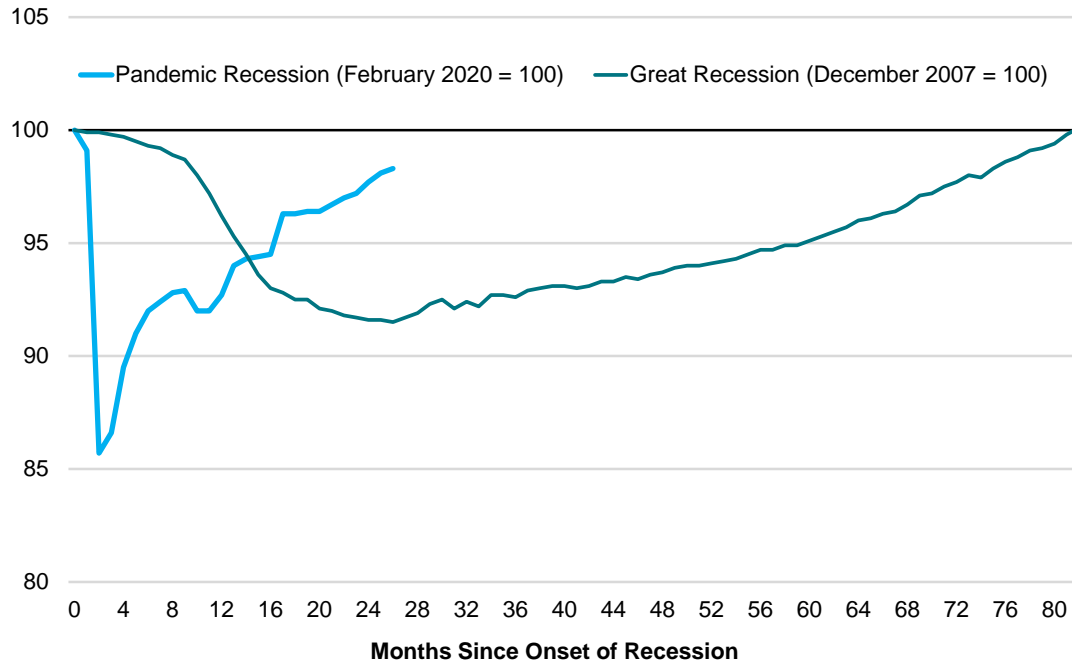
Source: Oregon Employment Department and IPUMS-USA, American Community Survey

Note: Limited English Proficiency is defined in this analysis as speaking English less than "very well"



# Rapid Reversal of Pandemic Recession Job Losses

## Indexed Total Nonfarm Employment in Oregon



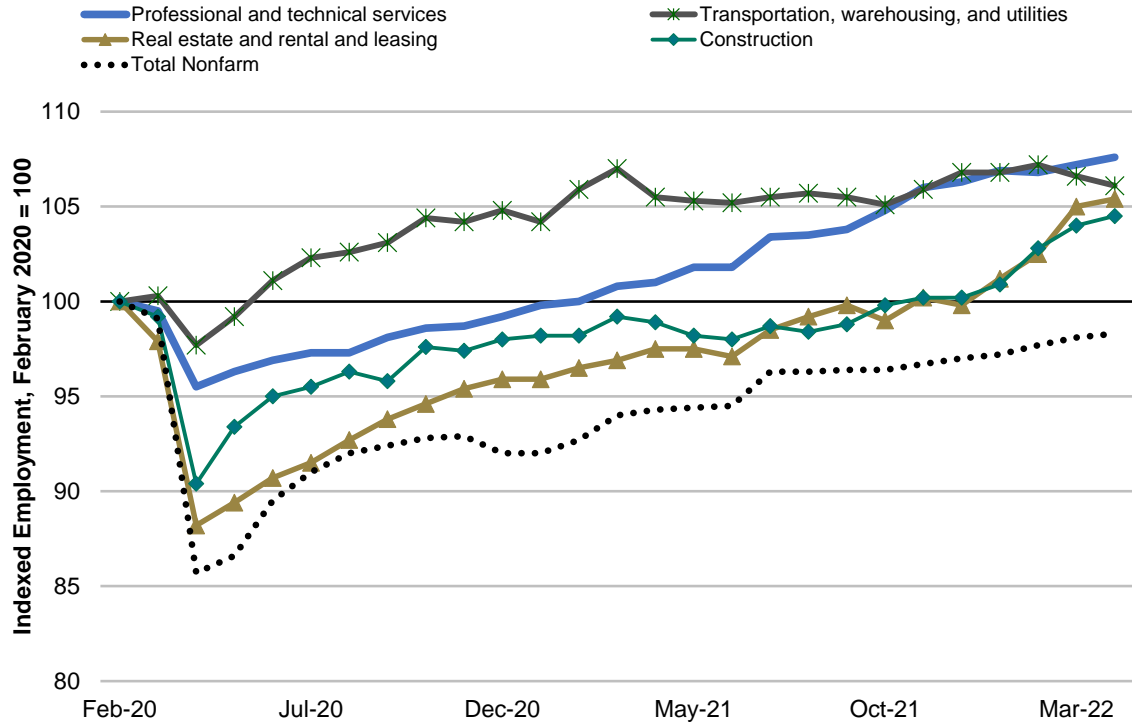
Source: Oregon Employment Department, Current Employment Statistics

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



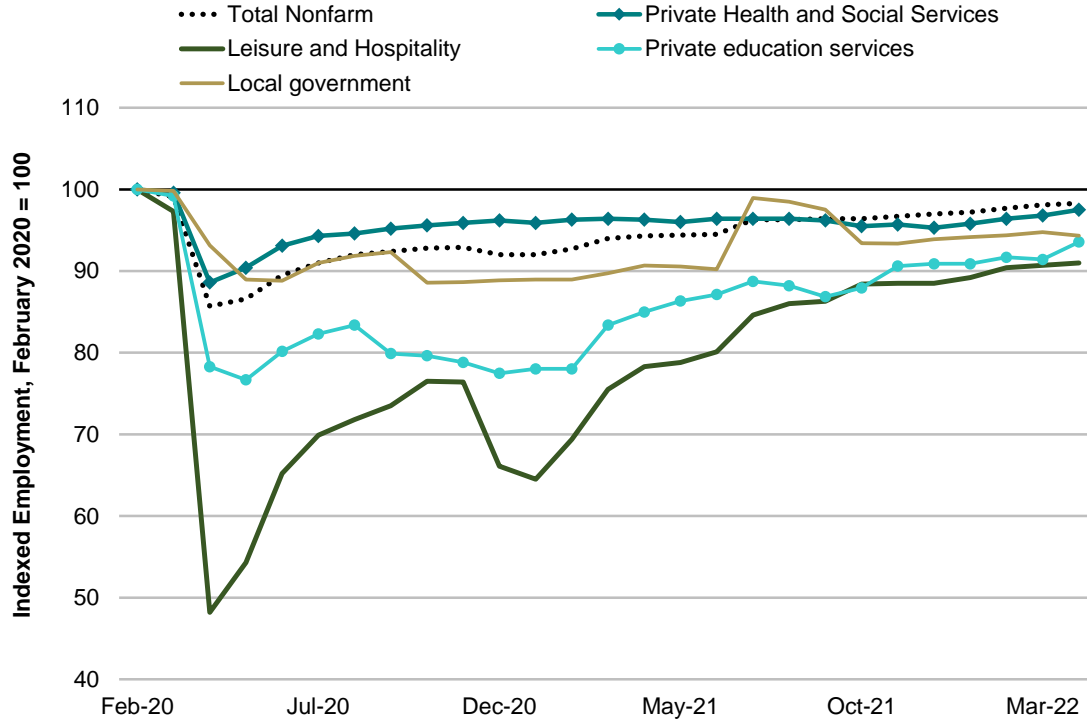
Source: Oregon Employment Department, Current Employment Statistics

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

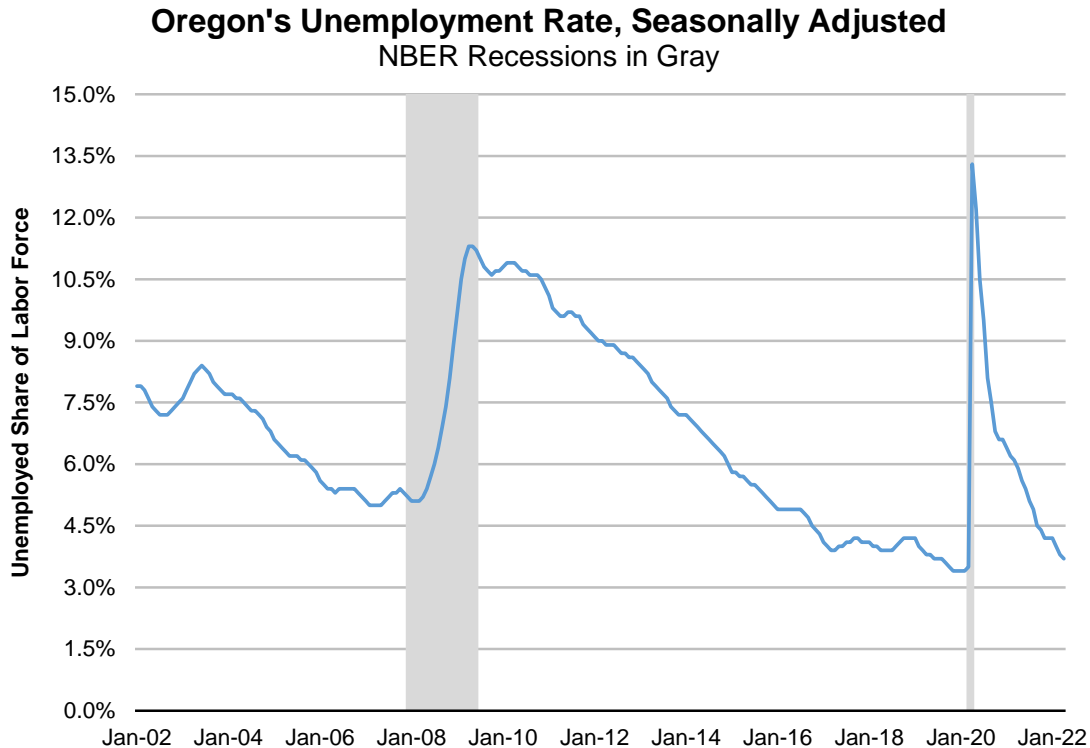


Source: Oregon Employment Department, Current Employment Statistics

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



Source: Oregon Employment Department, Local Area Unemployment Statistics

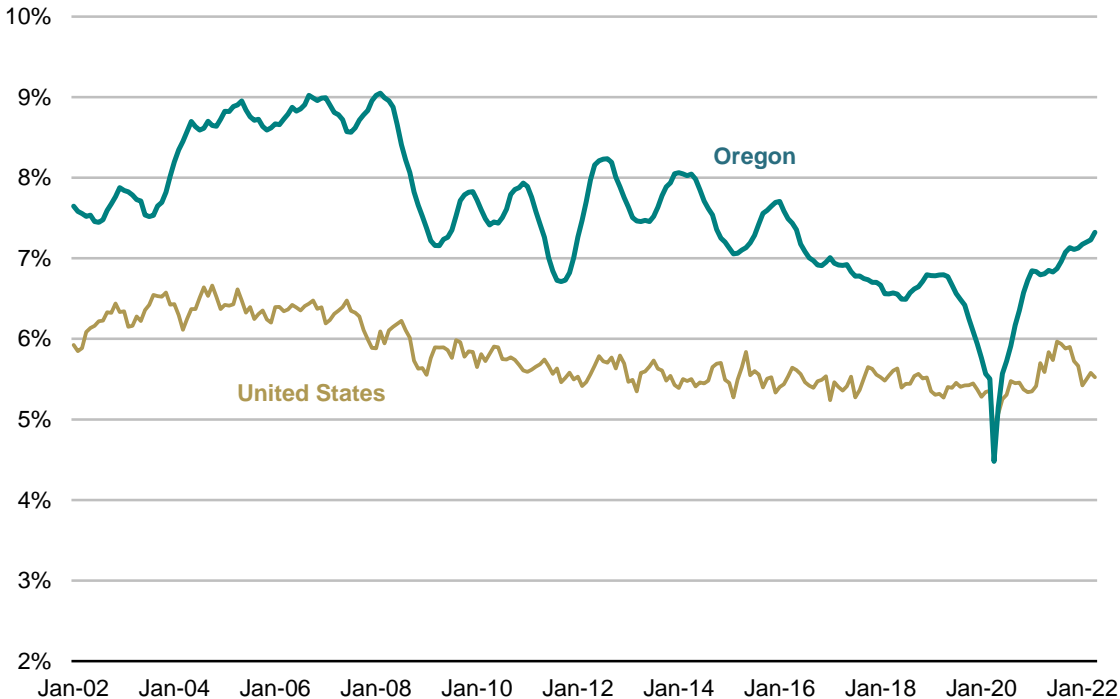
Oregon's unemployment rate hit a record high of 13.3% in April 2020. Oregon's unemployment rate is now near a record low again.

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.



# More (Self)Employed Oregonians

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



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

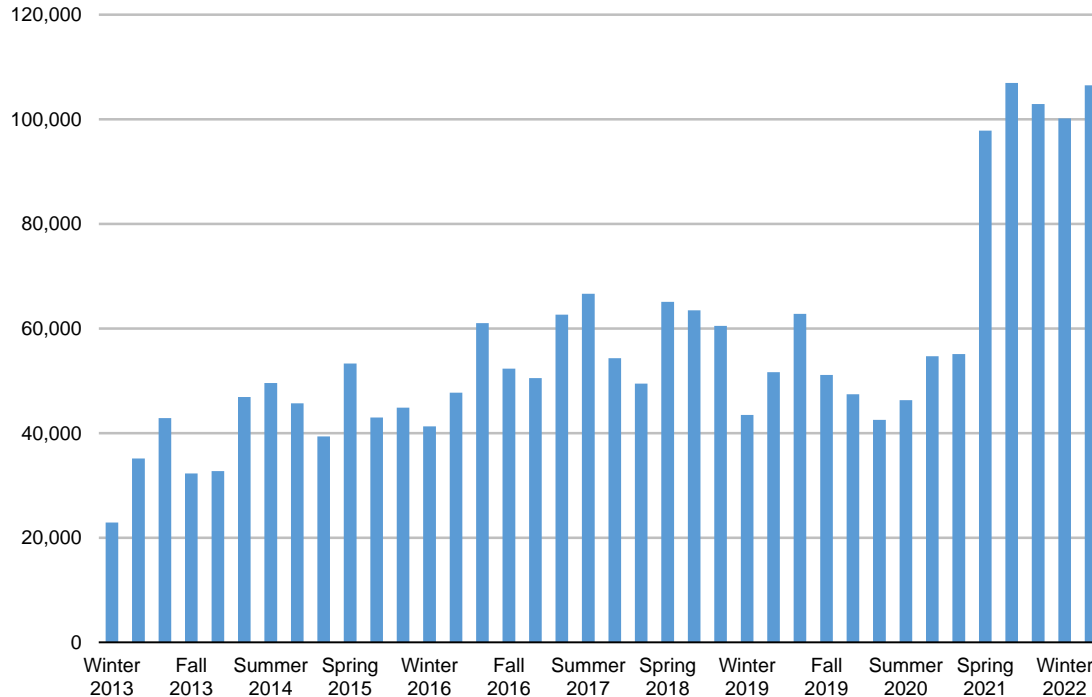
Months before nonfarm payroll jobs were fully recovered, there were more Oregonians working in 2022 than before the pandemic.

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.



# 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

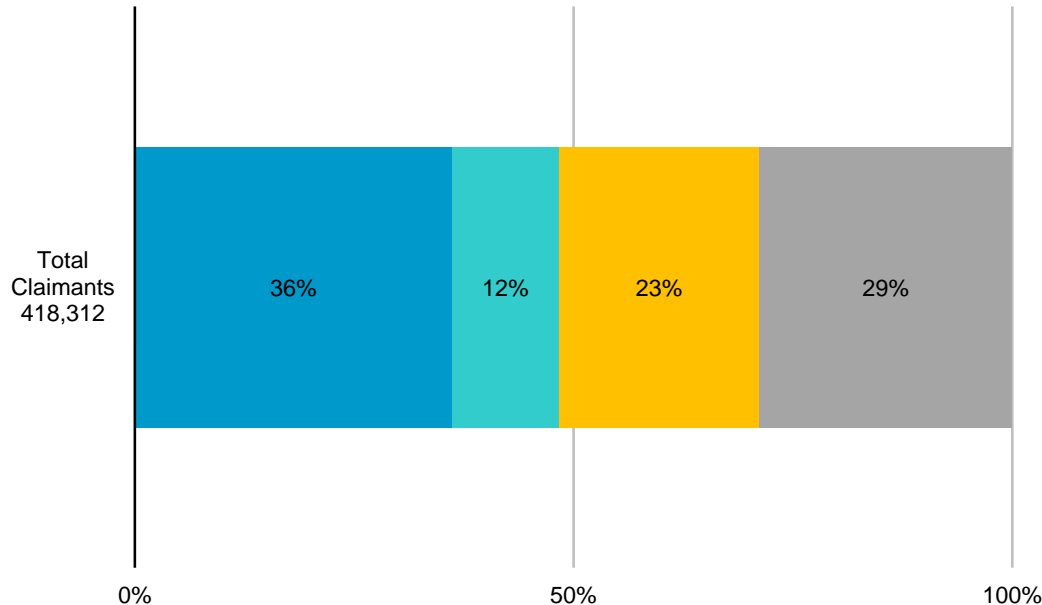




# Most Common Outcome: Returned to Employer

## 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



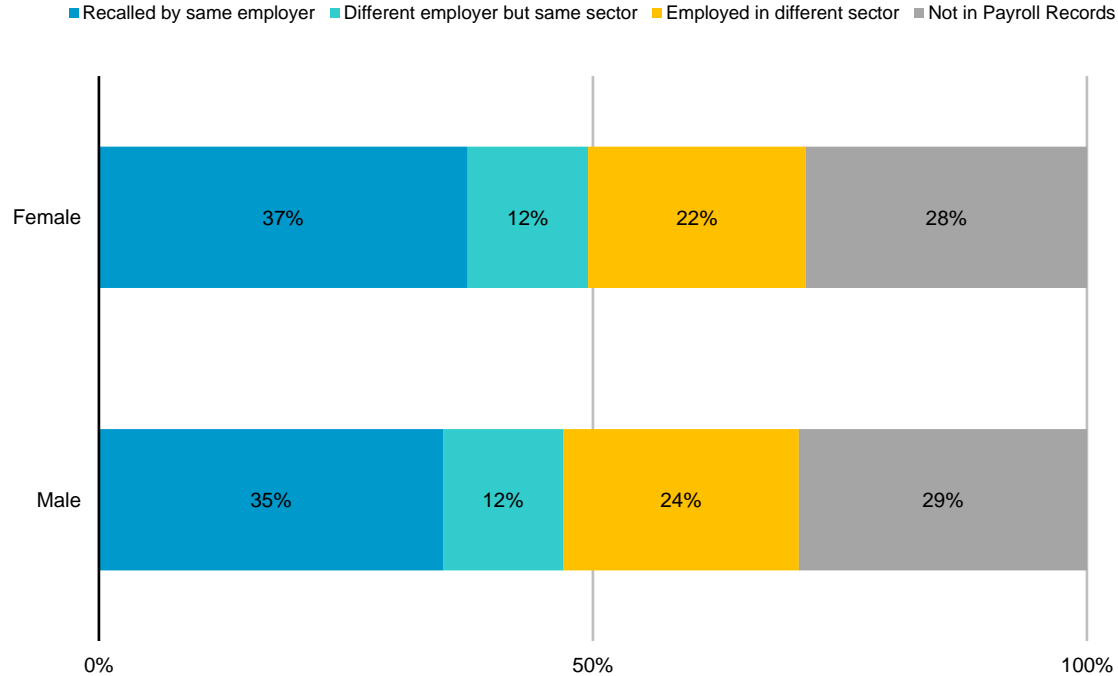
Source: Oregon Employment Department, Unemployment Insurance Wage Records

- 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.



# Re-Employment Trends Were Similar for Men and Women

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



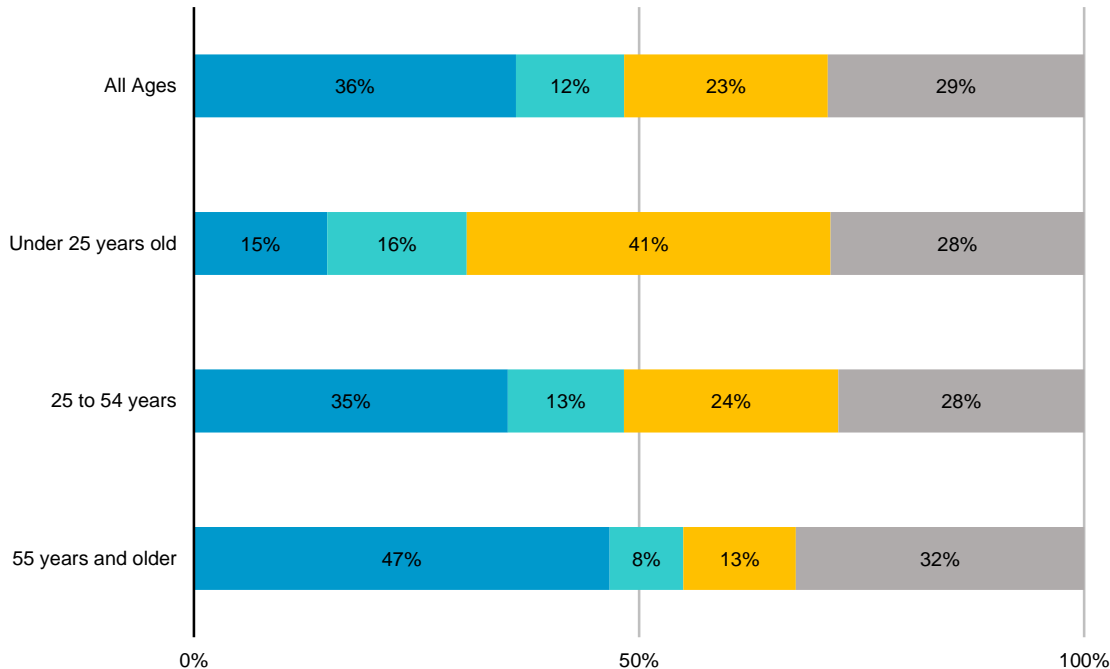
Source: Oregon Employment Department, Unemployment Insurance Wage Records



# 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



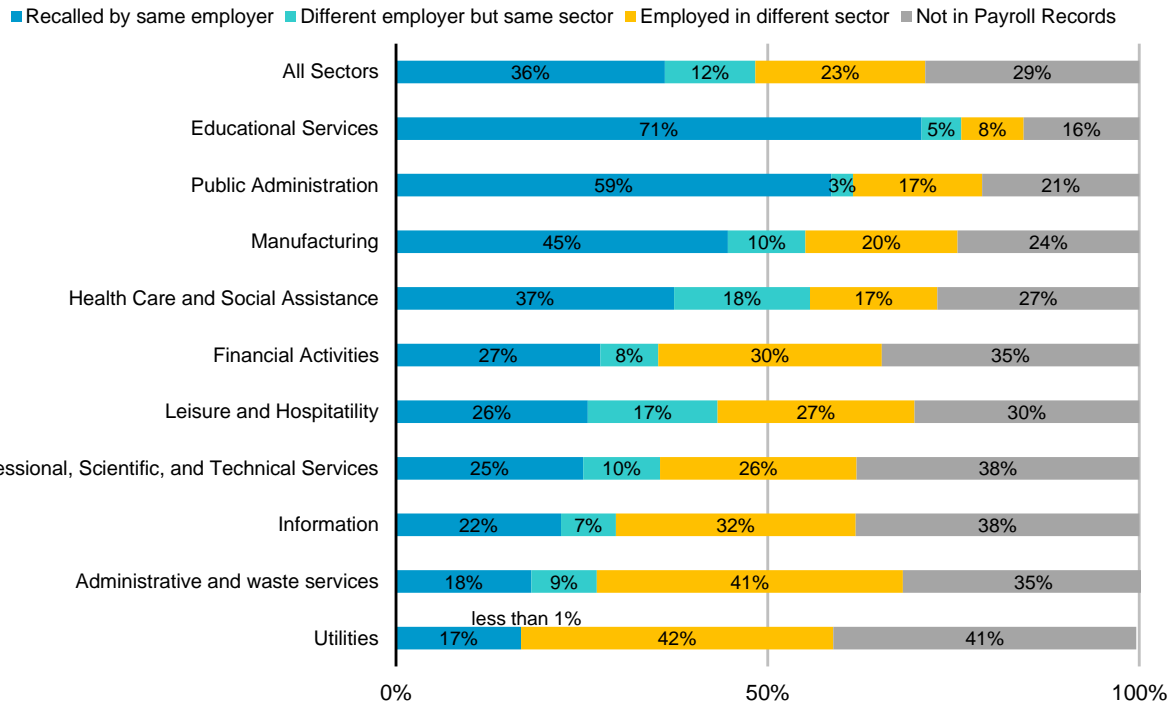
- Nearly half (47%) of those ages 55 and older returned to and stayed with the same employer.
- Claimants under 25 years old were slightly more likely to switch employers in the same sector by winter 2022, and far more likely to switch sectors of employment entirely.

Source: Oregon Employment Department, Unemployment Insurance Records



# Recall and Retention Varied Widely by Sector

## Re-employment Patterns of Pandemic Recession Claimants in Oregon by Winter 2022, Selected Sectors



- Overall pandemic recession claimant cohort was slightly more likely to be found in Oregon wage records 18 months after displacement.
- Slightly less likely to switch to working in a new sector than their peer cohort from 2016.

Source: Oregon Employment Department, Unemployment Insurance Records



# Job-to-Job Flows Example: Same Sector After Brief Nonemployment

## Oregon Workers Hired After a Brief Nonemployment Spell, 3Q2020

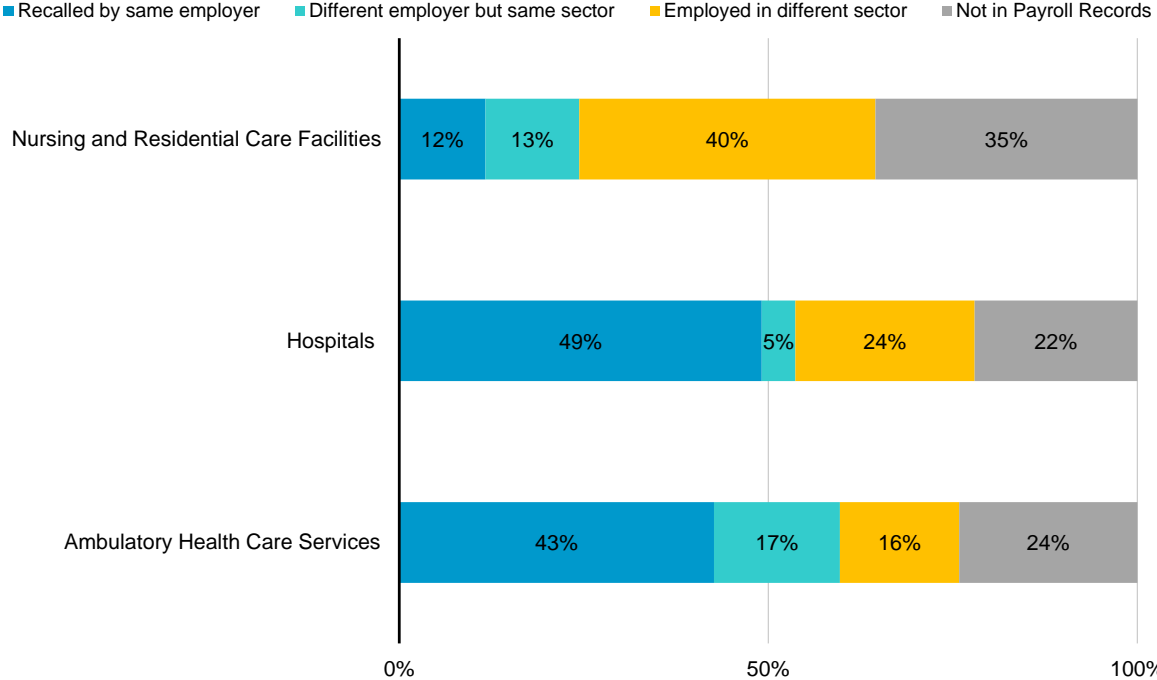
Origin Sector	Destination Sector of Employment								
	Natural Resources and Mining	Construction	Manufacturing	TTU	Info, Finance, or Professional	Education	Health Care	Leisure	Other Services
Natural Resources and Mining	499	68	67	123	129				
Construction	94	1,259	119	28	311		77	74	52
Manufacturing	122	199	537	544	425		101	175	84
Trade, Transportation, and Utilities	195	251	383		1,156	79	407	378	257
Information, Finance, or Professional and Business Services	212	349	398	1,119	3,030	133	562	409	274
Education Services	65	6	68	298	1,371	1,071	352	185	210
Health Care and Social Assistance	19	41	81	470	493	160	2,005	276	192
Leisure and Hospitality	188	163	304	1,370	805	83	459	1,957	155
Other Services (incl. Public Administration)				308	273	144	186	121	321

Source: U.S. Census Bureau, Job-to-Job Flows, LEHD

- Could be a future comparison once timeframes sync, and with demographics!

# 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



# 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.

## DISPARATE IMPACTS OF THE PANDEMIC RECESSION IN OREGON



July 2021



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## THE RE-EMPLOYMENT OF OREGON



August 2022

