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# Labor Market Information

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May 2022

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## Third Quarter 2021: Higher Wages at Larger Firms, and Small Firm Job Gains

*Oregon employers must report total wages and hours worked for each employee covered by unemployment insurance. These quarterly records cover more than two million individuals employed in the state but don't include roughly 230,000 self-employed workers. Past quarterly wage reports are available in the Oregonians @ Work box at [www.qualityinfo.org/pubs](http://www.qualityinfo.org/pubs).*

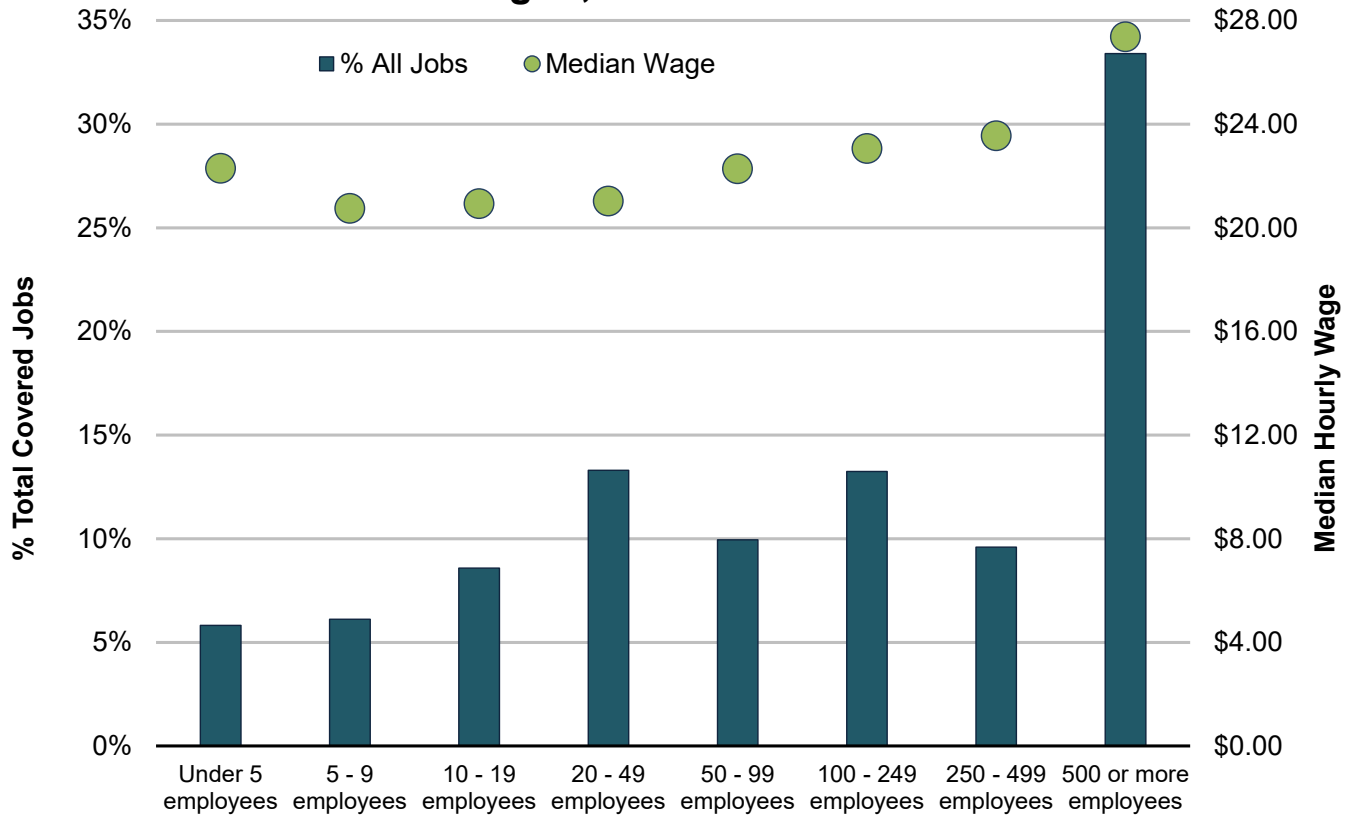
Oregon had 1.99 million people working in jobs covered by the state's unemployment insurance system during the third quarter of 2021. They earned a total of \$29.3 billion, with an average wage of about \$14,700 per worker for the quarter. The median hourly pay during the quarter was \$23.49.

### Bigger Wages in Larger Firms

Just about 2% of Oregon's firms have 100 or more employees. Yet, more than half (56%) of all jobs in third quarter 2021 were at firms with at least 100 employees. One out of every three jobs (33%) in Oregon was with a firm with 500+ employees.

Bigger employers tend to pay higher wages. Firms with 500 or more employees paid a median hourly wage of \$27.37 in the third quarter. That's nearly \$4 per hour more than the next-highest median of \$23.55, which was also in the next-largest firm size class of 250 to 499 employees. As the firm size class got smaller, so too did the median wage in third quarter 2021, all the way down to firms with five to nine employees. Oregon's smallest employers stood out as an exception to this trend. The median wage for firms with fewer than five employees was \$22.29, about the same as firms with 50 to 99 employees (\$22.27).

## Share of Jobs and Median Wage by Employer Firm Size in Oregon, Third Quarter 2021



Source: Oregon Employment Department, Unemployment Insurance Wage

Median wage gains in the third quarter of 2021 were strong when compared with pre-pandemic pay in the third quarter of 2019. Over the two-year period, real median earnings for all jobs grew by 8.2% in Oregon. Median wage gains were strongest at the largest firms. Between the third quarters of 2019 and 2021, median wages rose by 9.8% at firms with 500 or more employees. Similar to median hourly earnings, inflation-adjusted median wage gains were lower at smaller firms. Still, even in the smallest class sizes, real median wages grew by about 6%.

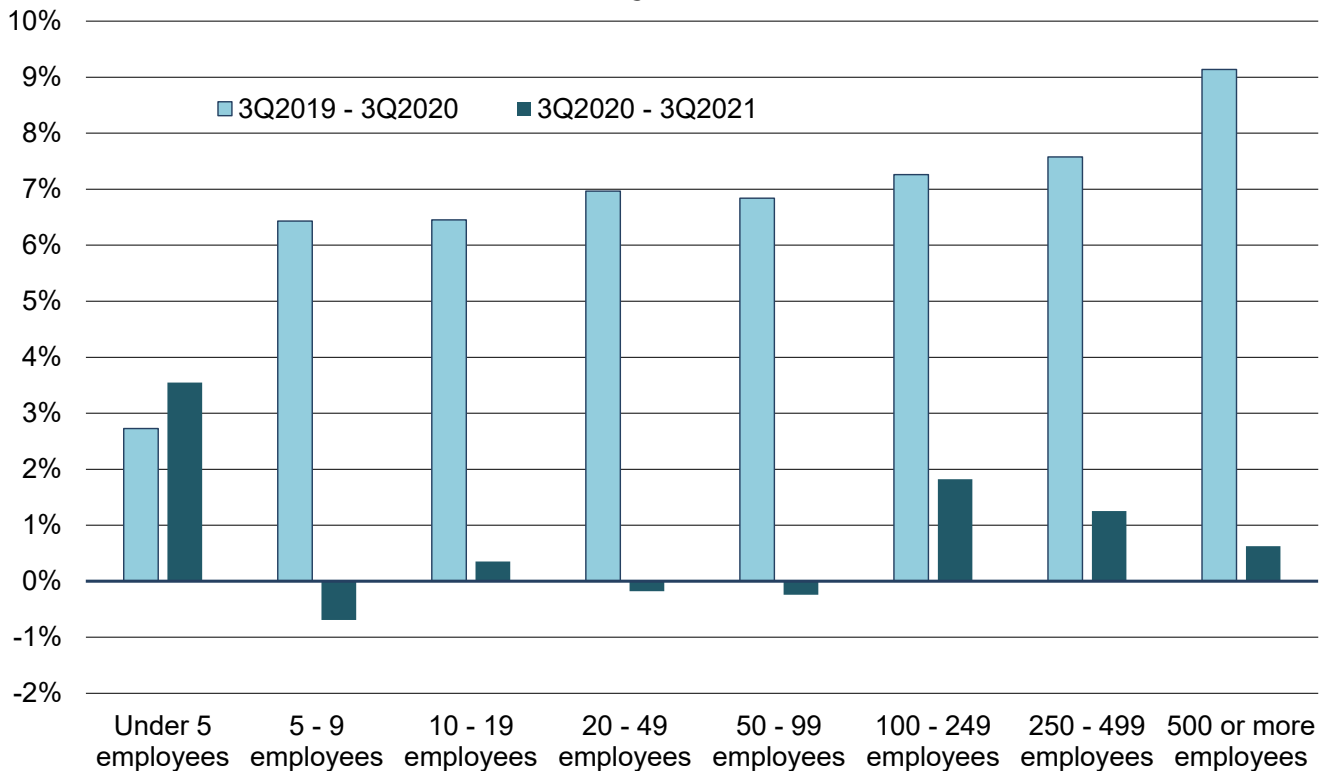
### Real Median Hourly Wage Gains by Firm Size in Oregon, 3Q2019 - 3Q2021 (in 2021\$)

Firm Size	Wage Growth
Under 5 employees	6.4%
5 - 9 employees	5.7%
10 - 19 employees	6.8%
20 - 49 employees	6.8%
50 - 99 employees	6.6%
100 - 249 employees	9.2%
250 - 499 employees	8.9%
500 or more employees	9.8%
<b>All Size Classes</b>	<b>8.2%</b>

Source: Oregon Employment Department, Unemployment Insurance Wage Records

The larger trends in median wage gains mask some underlying labor market dynamics. It is likely some wage gains during the first half of this two-year period were compositional. Between the third quarters of 2019 and 2020, wage records show 198,000 fewer jobs in Oregon. Lower-earning workers were more likely to lose their jobs across all sectors of the economy during the pandemic recession of spring 2020. While workers who kept jobs did see real gains, the numbers may be exaggerated due to lower-earning workers disproportionately becoming unemployed.

## Median Real Wage Growth by Firm Size in Oregon, Third Quarter 2019-Third Quarter 2021 Inflation-Adjusted to 2021\$



Source: Oregon Employment Department, Unemployment Insurance Wage Records

Looking at the real wage gains between the third quarters of 2020 and 2021 shows a different picture of wage growth. Large job gains occurred in Oregon during this period, and wage records show nearly 147,000 (or 7%) more jobs over the year. Some of the compositional effects from the prior year may have reversed, weighing on real median wage gains.

The larger factor pulling down real median wage gains to 1% between the third quarters of 2020 and 2021 was inflation. Of the 147,000 jobs Oregon employers added to their covered payrolls, gains occurred in every wage category except jobs paying less than \$15.00. So employment did move up the wage scale between the fall of 2020 and 2021.

Meanwhile, the Consumer Price Index started to rise notably in 2021, topping 5% over the year by the third quarter of 2021. This brought median wage gains into negative territory for firms with five to nine employees, those with 20 to 49 employees, and firms with 50 to 99 employees. Larger firms still had real median wage gains, but they were much smaller than the year before. Interestingly, firms with fewer than five employees had the largest inflation-adjusted median wage gain (+3.5%) between the third quarters of 2020 and 2021.

## Job Gains at Smaller Firms

Although smaller firms tend to pay lower median wages than the largest employers, firms with the fewest employees are leading post-pandemic job gains. By the third quarter of 2021, each firm category with less than 20 employees rebounded and gained jobs relative to pre-pandemic levels two years before. The largest gains occurred at firms with fewer than 5 employees (+6.5%). Meanwhile, the largest deficits remained at firms with 250 to 499 employees (-5.8%) and those with 500 or more employees (-4.2%).

Although Oregon experienced tremendous job losses in 2020, one hallmark of the pandemic recession was that relatively few firms were lost. Instead, employers seemed to lay off workers but stay in business. That could move some firms in the wage records into smaller size classes following layoffs, and contributing to aggregate job gains in smaller firms.

Another possibility could be increased startup activity in the wake of the pandemic recession. Research from [the St. Louis Federal Reserve](#) shows that startups averaged four employees nationally.

## Outsized Job Growth and Pay

Oregon's large employers make up a small share of all firms. At the same time, they account for a majority of jobs, and the highest median hourly wages paid to workers. Meanwhile, Oregon's smallest employers, those with fewer than five employees, countered the trend of higher wages in larger firms with their relatively high median wages. The state's smallest firms also had the largest job gains of any employer size class relative to the pre-pandemic period.

## Change in Oregon Jobs by Firm Size Class, 3Q2019 - 3Q2021

<b>Size Class</b>	<b>Job Change</b>	
Under 5 employees	7,804	6.5%
5 - 9 employees	2,325	1.8%
10 - 19 employees	2,109	1.1%
20 - 49 employees	-1,067	-0.4%
50 - 99 employees	-4,962	-2.2%
100 - 249 employees	-11,713	-3.9%
250 - 499 employees	-12,921	-5.8%
500 or more employees	-32,408	-4.2%
<b>All Size Classes</b>	<b>-50,833</b>	<b>-2.3%</b>

*Source: Oregon Employment Department, Unemployment Insurance Wage Records*

**Table 1: Oregon - Number of Jobs by Hourly Wage Level and Broad Industry - 3rd Quarter 2021\***

	<b>Under \$15.00</b>	<b>\$15.00 - \$19.99</b>	<b>\$20.00 - \$29.99</b>	<b>\$30.00 - \$39.99</b>	<b>\$40.00 - \$49.99</b>	<b>\$50.00 - \$59.99</b>	<b>\$60.00 or more</b>	<b>Total</b>	<b>Median Wage</b>
Total - All Industries	317,021	525,268	558,665	270,108	164,023	105,519	247,543	2,188,147	\$23.49
Natural Resources and Mining	23,603	33,943	24,903	7,733	2,679	1,239	2,228	96,328	\$18.11
Construction	5,678	20,949	38,602	24,381	19,245	11,526	11,358	131,739	\$30.00
Manufacturing	12,249	45,269	64,262	29,564	16,191	10,355	27,594	205,484	\$26.20
Wholesale Trade	5,402	16,610	25,224	13,591	7,214	4,666	12,085	84,792	\$27.60
Retail Trade	78,908	87,644	55,693	16,768	6,595	3,632	10,037	259,277	\$17.40
Transportation, Warehousing, and Utilities	4,573	13,766	28,890	10,089	5,335	3,576	7,803	74,032	\$25.41
Information	2,188	3,403	6,986	6,370	4,907	3,697	11,235	38,786	\$40.76
Financial Activities	5,722	15,978	27,864	14,940	9,141	6,002	14,532	94,179	\$28.85
Professional and Business Services	31,153	69,712	62,627	34,712	22,893	15,752	47,660	284,509	\$25.60
Private Educational Services	4,867	6,259	8,565	4,678	2,501	1,770	2,729	31,369	\$24.81
Health Care & Social Assistance	26,748	78,861	84,324	31,988	21,662	15,703	43,304	302,590	\$23.90
Leisure and Hospitality	85,419	84,629	52,947	15,526	5,052	1,876	3,761	249,210	\$16.74
Other Services	13,802	19,030	18,953	8,394	3,935	2,324	4,069	70,507	\$20.61
State Government	184	2,657	10,360	11,594	8,804	5,726	5,556	44,881	\$37.65
Local Government	15,259	24,672	46,206	38,461	27,012	17,102	42,626	211,338	\$34.73
Non-classifiable	1,266	1,886	2,259	1,319	857	573	966	9,126	\$25.00

\* Count of records. Individuals holding multiple jobs will be counted more than once.

Records meeting the following conditions have been excluded from this analysis:

- 0 (zero) hours reported
- 999 hours reported
- wages < \$7.25/hr calculated
- wages > \$500/hr calculated and < 10 hours reported
- federal government employment

Source: *Unemployment Insurance Wage Records*

**Table 2: Oregon - Fraction of Jobs by Broad Industry by Hourly Wage Level - 3rd Quarter 2021\***

	<b>Under \$15.00</b>	<b>\$15.00 - \$19.99</b>	<b>\$20.00 - \$29.99</b>	<b>\$30.00 - \$39.99</b>	<b>\$40.00 - \$49.99</b>	<b>\$50.00 - \$59.99</b>	<b>\$60.00 or more</b>	<b>Total</b>
Total - All Industries	14.5%	24.0%	25.5%	12.3%	7.5%	4.8%	11.3%	100.0%
Natural Resources and Mining	24.5%	35.2%	25.9%	8.0%	2.8%	1.3%	2.3%	100.0%
Construction	4.3%	15.9%	29.3%	18.5%	14.6%	8.7%	8.6%	100.0%
Manufacturing	6.0%	22.0%	31.3%	14.4%	7.9%	5.0%	13.4%	100.0%
Wholesale Trade	6.4%	19.6%	29.7%	16.0%	8.5%	5.5%	14.3%	100.0%
Retail Trade	30.4%	33.8%	21.5%	6.5%	2.5%	1.4%	3.9%	100.0%
Transportation, Warehousing, and Utilities	6.2%	18.6%	39.0%	13.6%	7.2%	4.8%	10.5%	100.0%
Information	5.6%	8.8%	18.0%	16.4%	12.7%	9.5%	29.0%	100.0%
Financial Activities	6.1%	17.0%	29.6%	15.9%	9.7%	6.4%	15.4%	100.0%
Professional and Business Services	10.9%	24.5%	22.0%	12.2%	8.0%	5.5%	16.8%	100.0%
Private Educational Services	15.5%	20.0%	27.3%	14.9%	8.0%	5.6%	8.7%	100.0%
Health Care & Social Assistance	8.8%	26.1%	27.9%	10.6%	7.2%	5.2%	14.3%	100.0%
Leisure and Hospitality	34.3%	34.0%	21.2%	6.2%	2.0%	0.8%	1.5%	100.0%
Other Services	19.6%	27.0%	26.9%	11.9%	5.6%	3.3%	5.8%	100.0%
State Government	0.4%	5.9%	23.1%	25.8%	19.6%	12.8%	12.4%	100.0%
Local Government	7.2%	11.7%	21.9%	18.2%	12.8%	8.1%	20.2%	100.0%
Non-classifiable	13.9%	20.7%	24.8%	14.5%	9.4%	6.3%	10.6%	100.0%

\* Count of records. Individuals holding multiple jobs will be counted more than once.

Records meeting the following conditions have been excluded from this analysis:

- 0 (zero) hours reported
- 999 hours reported
- wages < \$7.25/hr calculated
- wages > \$500/hr calculated and < 10 hours reported
- federal government employment

Source: *Unemployment Insurance Wage Records*

**Table 3: Oregon - Fraction of Jobs by Hourly Wage Level by Broad Industry - 3rd Quarter 2021\***

	<b>Under \$15.00</b>	<b>\$15.00 - \$19.99</b>	<b>\$20.00 - \$29.99</b>	<b>\$30.00 - \$39.99</b>	<b>\$40.00 - \$49.99</b>	<b>\$50.00 - \$59.99</b>	<b>\$60.00 or more</b>	<b>Total</b>
Total - All Industries	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Natural Resources and Mining	7.4%	6.5%	4.5%	2.9%	1.6%	1.2%	0.9%	4.4%
Construction	1.8%	4.0%	6.9%	9.0%	11.7%	10.9%	4.6%	6.0%
Manufacturing	3.9%	8.6%	11.5%	10.9%	9.9%	9.8%	11.1%	9.4%
Wholesale Trade	1.7%	3.2%	4.5%	5.0%	4.4%	4.4%	4.9%	3.9%
Retail Trade	24.9%	16.7%	10.0%	6.2%	4.0%	3.4%	4.1%	11.8%
Transportation, Warehousing, and Utilities	1.4%	2.6%	5.2%	3.7%	3.3%	3.4%	3.2%	3.4%
Information	0.7%	0.6%	1.3%	2.4%	3.0%	3.5%	4.5%	1.8%
Financial Activities	1.8%	3.0%	5.0%	5.5%	5.6%	5.7%	5.9%	4.3%
Professional and Business Services	9.8%	13.3%	11.2%	12.9%	14.0%	14.9%	19.3%	13.0%
Private Educational Services	1.5%	1.2%	1.5%	1.7%	1.5%	1.7%	1.1%	1.4%
Health Care & Social Assistance	8.4%	15.0%	15.1%	11.8%	13.2%	14.9%	17.5%	13.8%
Leisure and Hospitality	26.9%	16.1%	9.5%	5.7%	3.1%	1.8%	1.5%	11.4%
Other Services	4.4%	3.6%	3.4%	3.1%	2.4%	2.2%	1.6%	3.2%
State Government	0.1%	0.5%	1.9%	4.3%	5.4%	5.4%	2.2%	2.1%
Local Government	4.8%	4.7%	8.3%	14.2%	16.5%	16.2%	17.2%	9.7%
Non-classifiable	0.4%	0.4%	0.4%	0.5%	0.5%	0.5%	0.4%	0.4%

\* Count of records. Individuals holding multiple jobs will be counted more than once.

Records meeting the following conditions have been excluded from this analysis:

- 0 (zero) hours reported
- 999 hours reported
- wages < \$7.25/hr calculated
- wages > \$500/hr calculated and < 10 hours reported
- federal government employment

Source: *Unemployment Insurance Wage Records*

**Table 4: Oregon - Number of Jobs by Hourly Wage Level and Firm Employment Size Class - 3rd Quarter 2021\***

	<b>Under \$15.00</b>	<b>\$15.00 - \$19.99</b>	<b>\$20.00 - \$29.99</b>	<b>\$30.00 - \$39.99</b>	<b>\$40.00 - \$49.99</b>	<b>\$50.00 - \$59.99</b>	<b>\$60.00 or more</b>	<b>Total</b>	<b>Median Wage</b>
Total - All Size Classes	317,021	525,268	558,665	270,108	164,023	105,519	247,543	2,188,147	\$23.49
Under 5 employees	18,421	34,571	31,767	14,191	8,310	5,585	14,419	127,264	\$22.29
5 - 9 employees	26,127	35,357	36,320	14,536	8,042	4,223	9,247	133,852	\$20.75
10 - 19 employees	37,457	48,732	50,683	21,368	11,460	6,036	12,026	187,762	\$20.93
20 - 49 employees	54,052	78,874	75,707	33,436	18,057	9,918	20,901	290,945	\$21.03
50 - 99 employees	31,786	58,197	58,422	27,049	15,618	8,855	17,704	217,631	\$22.27
100 - 249 employees	40,818	73,338	75,696	38,026	22,301	12,969	26,675	289,823	\$23.06
250 - 499 employees	29,946	50,631	54,411	27,162	16,759	10,047	20,921	209,877	\$23.55
500 or more employees	78,414	145,568	175,659	94,340	63,476	47,886	125,650	730,993	\$27.37

\* Count of records. Individuals holding multiple jobs will be counted more than once.

Records meeting the following conditions have been excluded from this analysis:

- 0 (zero) hours reported
- 999 hours reported
- wages < \$7.25/hr calculated
- wages > \$500/hr calculated and < 10 hours reported
- federal government employment

Source: Unemployment Insurance Wage Records



**Table 5: Oregon - Fraction of Jobs by Firm Employment Size Class by Hourly Wage Level - 3rd Quarter 2021\***

	<b>Under \$15.00</b>	<b>\$15.00 - \$19.99</b>	<b>\$20.00 - \$29.99</b>	<b>\$30.00 - \$39.99</b>	<b>\$40.00 - \$49.99</b>	<b>\$50.00 - \$59.99</b>	<b>\$60.00 or more</b>	<b>Total</b>
Total - All Size Classes	14.5%	24.0%	25.5%	12.3%	7.5%	4.8%	11.3%	100.0%
Under 5 employees	14.5%	27.2%	25.0%	11.2%	6.5%	4.4%	11.3%	100.0%
5 - 9 employees	19.5%	26.4%	27.1%	10.9%	6.0%	3.2%	6.9%	100.0%
10 - 19 employees	19.9%	26.0%	27.0%	11.4%	6.1%	3.2%	6.4%	100.0%
20 - 49 employees	18.6%	27.1%	26.0%	11.5%	6.2%	3.4%	7.2%	100.0%
50 - 99 employees	14.6%	26.7%	26.8%	12.4%	7.2%	4.1%	8.1%	100.0%
100 - 249 employees	14.1%	25.3%	26.1%	13.1%	7.7%	4.5%	9.2%	100.0%
250 - 499 employees	14.3%	24.1%	25.9%	12.9%	8.0%	4.8%	10.0%	100.0%
500 or more employees	10.7%	19.9%	24.0%	12.9%	8.7%	6.6%	17.2%	100.0%

\* Count of records. Individuals holding multiple jobs will be counted more than once.

Records meeting the following conditions have been excluded from this analysis:

- 0 (zero) hours reported
- 999 hours reported
- wages < \$7.25/hr calculated
- wages > \$500/hr calculated and < 10 hours reported
- federal government employment

Source: *Unemployment Insurance Wage Records*

**Table 6: Oregon - Fraction of Jobs in Hourly Wage Level by Firm Employment Size Class - 3rd Quarter 2021\***

	<b>Under \$15.00</b>	<b>\$15.00 - \$19.99</b>	<b>\$20.00 - \$29.99</b>	<b>\$30.00 - \$39.99</b>	<b>\$40.00 - \$49.99</b>	<b>\$50.00 - \$59.99</b>	<b>\$60.00 or more</b>	<b>Total</b>
Total - All Size Classes	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Under 5 employees	5.8%	6.6%	5.7%	5.3%	5.1%	5.3%	5.8%	5.8%
5 - 9 employees	8.2%	6.7%	6.5%	5.4%	4.9%	4.0%	3.7%	6.1%
10 - 19 employees	11.8%	9.3%	9.1%	7.9%	7.0%	5.7%	4.9%	8.6%
20 - 49 employees	17.0%	15.0%	13.6%	12.4%	11.0%	9.4%	8.4%	13.3%
50 - 99 employees	10.0%	11.1%	10.5%	10.0%	9.5%	8.4%	7.2%	9.9%
100 - 249 employees	12.9%	14.0%	13.5%	14.1%	13.6%	12.3%	10.8%	13.2%
250 - 499 employees	9.4%	9.6%	9.7%	10.1%	10.2%	9.5%	8.5%	9.6%
500 or more employees	24.7%	27.7%	31.4%	34.9%	38.7%	45.4%	50.8%	33.4%

\* Count of records. Individuals holding multiple jobs will be counted more than once.

Records meeting the following conditions have been excluded from this analysis:

- 0 (zero) hours reported
- 999 hours reported
- wages < \$7.25/hr calculated
- wages > \$500/hr calculated and < 10 hours reported
- federal government employment

Source: *Unemployment Insurance Wage Records*

**Table 7: Oregon - Unemployment Insurance Wage Record Summary Statistics - 3rd Quarter 2021**

	Count	12-Month		Total Wages	12-Month		Mean Wages Per Quarter	12-Month Percent Change
		Percent Change	Percent of Total SSNs		Percent Change	Percent of Total Wages		
Total SSNs	1,987,683	4.8%	100.0%	\$ 29,281,119,535	17.9%	100.0%	\$ 14,731	12.4%
One Job	1,757,119	2.7%	88.4%	\$ 26,476,099,239	15.8%	90.4%	\$ 15,068	12.7%
Two Jobs	199,366	24.0%	10.0%	\$ 2,449,346,895	42.5%	8.4%	\$ 12,286	14.8%
Three Jobs	24,936	30.5%	1.3%	\$ 277,692,196	41.7%	0.9%	\$ 11,136	8.5%
Four or More Jobs	6,262	15.8%	0.3%	\$ 77,981,205	26.2%	0.3%	\$ 12,453	8.9%
Total Records	2,260,049	6.8%						
Records per SSN	1.14							
Two or More Jobs	230,564	24.5%	11.6%					
Workers in Oregon's workforce in 3rd Quarter 2021 who:								
- did not work in Oregon in 2nd quarter 2021	191,816	10.9%						
- had not worked in Oregon since 1990	71,397	37.6%						
- returned to Oregon's workforce*	120,419	-0.5%						
Percent in workforce one year ago	80.5%							
Percent in same primary industry	83.1%							
Percent in new primary industry (3-digit NAICS)	16.9%							

\*Did not work in Oregon in 2nd Quarter 2020, but have worked in Oregon at some point since 1990.

Source: Unemployment Insurance Wage Records

**Table 8: Oregon - Quarterly Wages by Quintile and Hours Worked - 3rd Quarter 2021**

**2021 3rd Quarter Wages**

**All Workers**

	All <sup>1</sup>	Quintile				
		1	2	3	4	5
Quintiles		\$4,422	\$8,610	\$12,784	\$20,276	NA
Mean	\$14,731	\$2,127	\$6,606	\$10,573	\$16,069	\$38,281
Median	\$10,501	\$2,100	\$6,662	\$10,501	\$15,834	\$28,229

<sup>1</sup>1,987,683 SSNs

**Employed 200+ Hours**

	All <sup>2</sup>	Quintile				
		1	2	3	4	5
Quintiles		\$7,321	\$10,522	\$14,723	\$22,296	NA
Mean	\$17,138	\$5,252	\$8,930	\$12,458	\$18,022	\$41,029
Median	\$12,376	\$5,378	\$8,937	\$12,376	\$17,804	\$30,449

<sup>2</sup>1,593,415 SSNs

**Employed 350+ Hours**

	All <sup>3</sup>	Quintile				
		1	2	3	4	5
Quintiles		\$8,947	\$11,987	\$16,254	\$24,060	NA
Mean	\$19,064	\$7,175	\$10,406	\$13,959	\$19,678	\$44,104
Median	\$13,882	\$7,403	\$10,385	\$13,882	\$19,454	\$32,597

<sup>3</sup>1,299,106 SSNs

**Percent Change from Prior Year**

**All Workers**

	All <sup>1</sup>	Quintile				
		1	2	3	4	5
Quintiles		8.9%	9.5%	7.9%	7.6%	NA
Mean	12.4%	10.3%	9.4%	8.6%	7.8%	16.3%
Median	8.5%	10.9%	9.7%	8.5%	7.7%	8.6%

**Employed 200+ Hours**

	All <sup>2</sup>	Quintile				
		1	2	3	4	5
Quintiles		8.9%	7.9%	7.5%	7.3%	NA
Mean	11.3%	8.4%	8.4%	7.6%	7.2%	15.6%
Median	7.5%	8.3%	8.5%	-26.4%	7.3%	8.3%

**Employed 350+ Hours**

	All <sup>3</sup>	Quintile				
		1	2	3	4	5
Quintiles		8.5%	7.8%	7.3%	7.3%	NA
Mean	11.5%	9.1%	8.0%	7.4%	7.2%	16.2%
Median	7.4%	9.2%	8.1%	7.4%	7.2%	8.7%

Source: Unemployment Insurance Wage Records