

State of the Lane County Economy

Eugene Economic Summit

Henry Fields

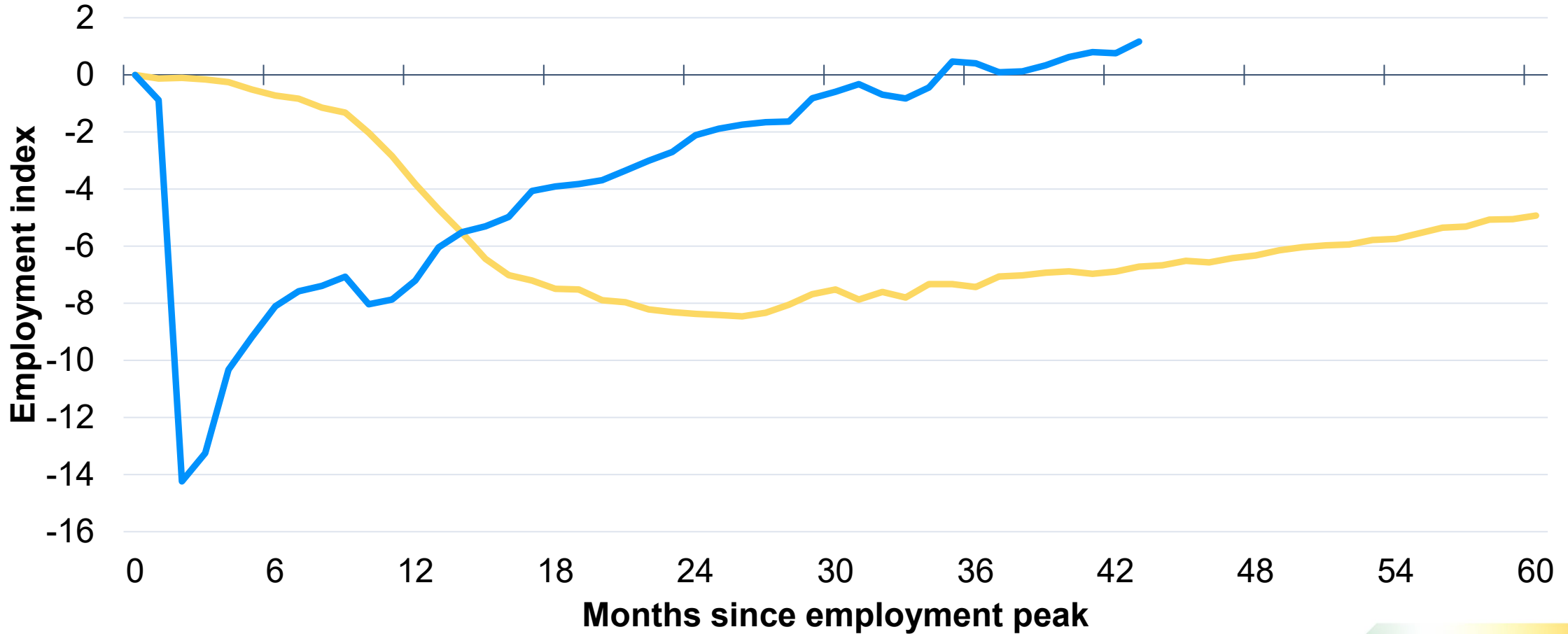
Lane and Douglas County Workforce Analyst

November 9th, 2023

Overall jobs recovery is fast by historical standards

Oregon Job Change

— Great Recession — COVID

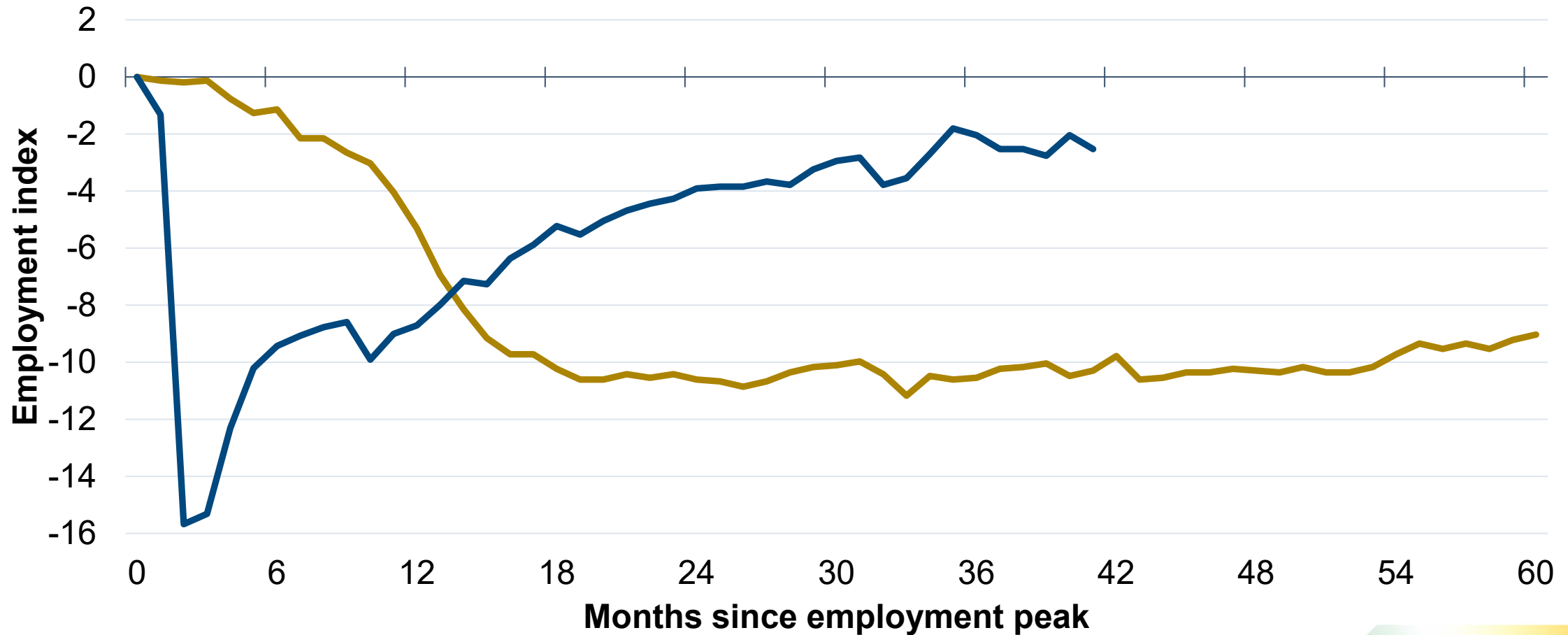


Source: Oregon Employment Department, Current Employment Statistics

Overall jobs recovery is fast by historical standards

Lane Job Change

— Great Recession — COVID

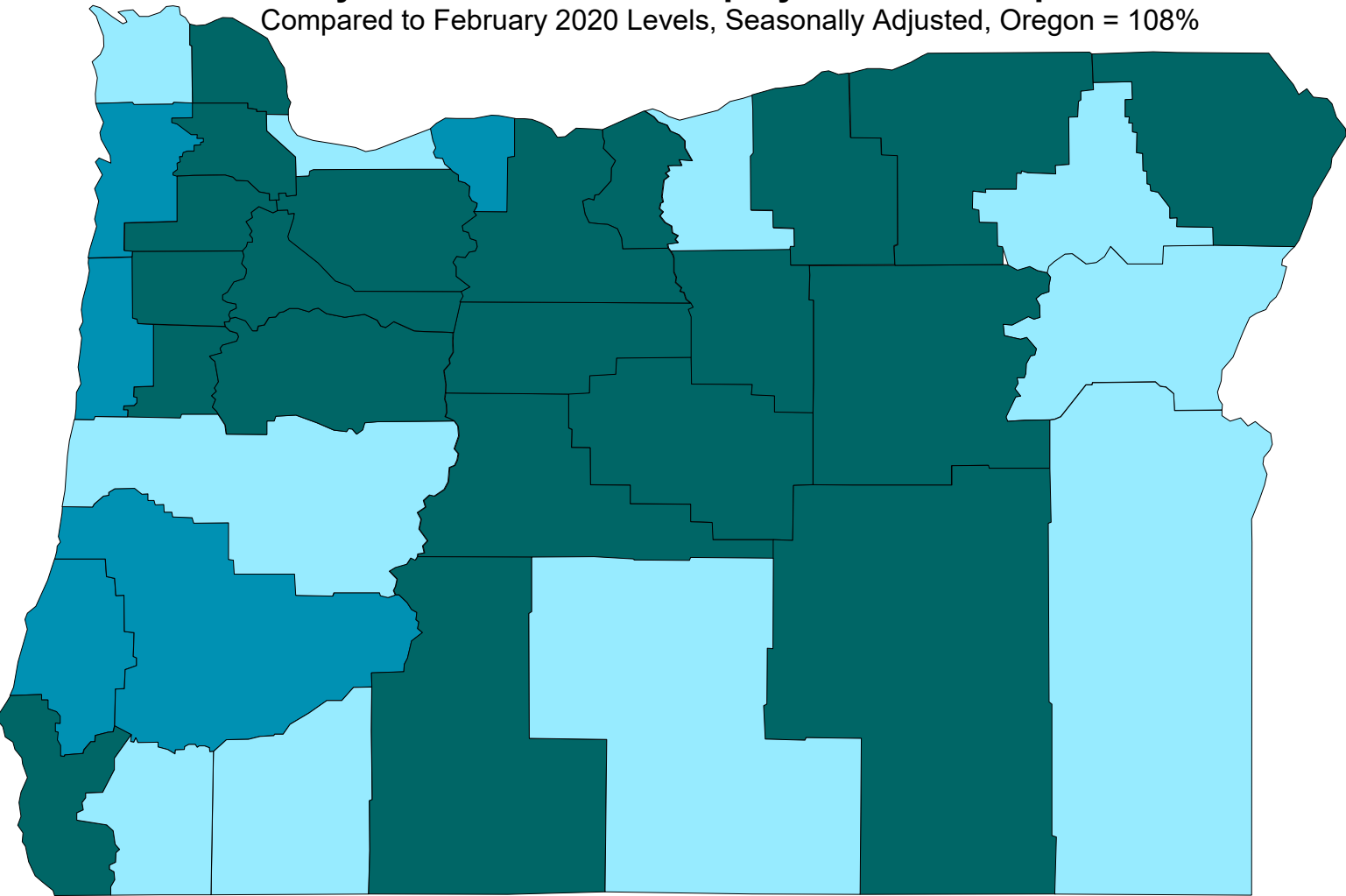


Source: Oregon Employment Department, Current Employment Statistics

Oregon has more jobs now than before the pandemic recession

Recovery of Total Nonfarm Employment as of September 2023

Compared to February 2020 Levels, Seasonally Adjusted, Oregon = 108%



Jobs recovery and expansion is widespread across the state:

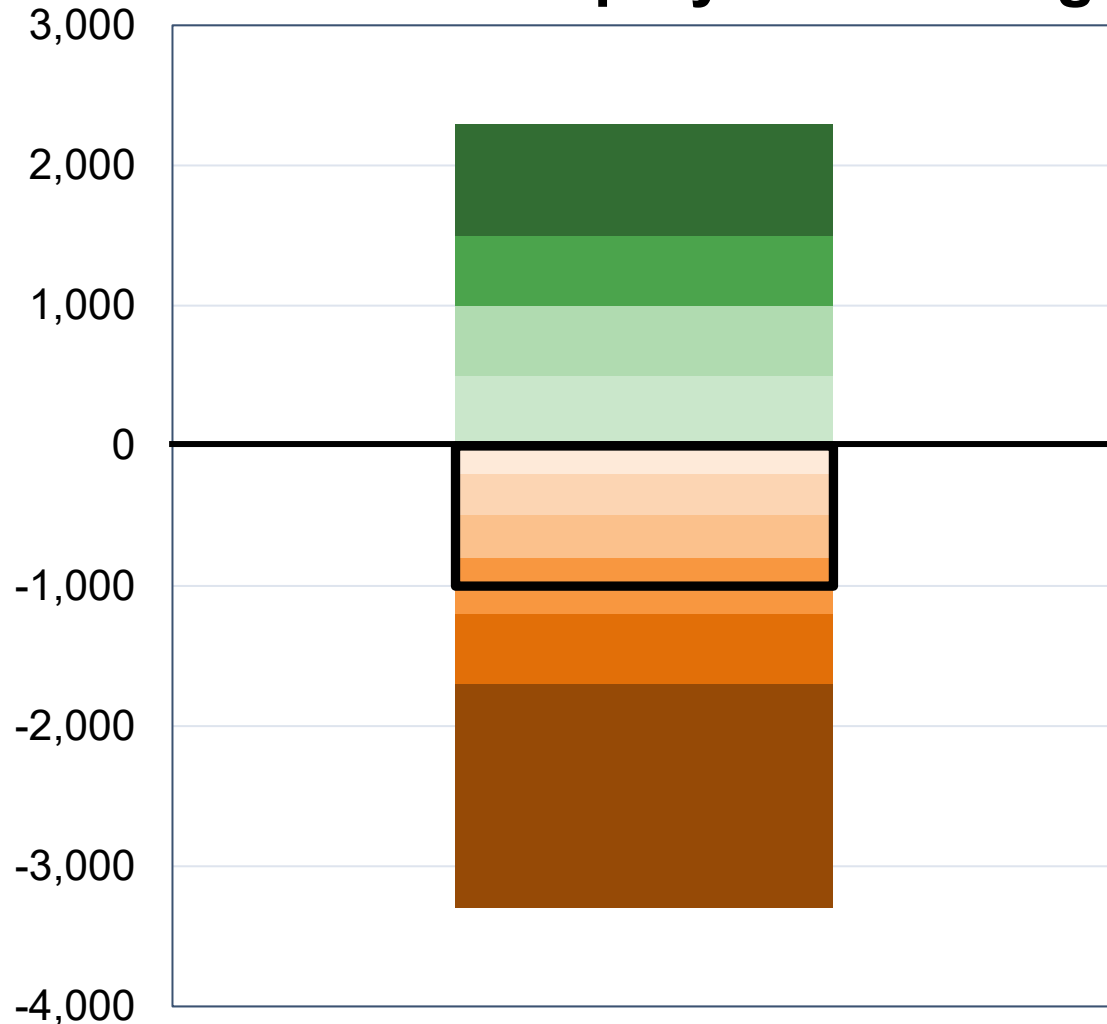
- 21 counties have regained their total pandemic recession job losses.
- Recovery has been a bit slower in Multnomah, Southern Oregon and the Coast.

Source: Oregon Employment Department



Employment recovery is uneven by industry

Employment Change September 2019 to 2023

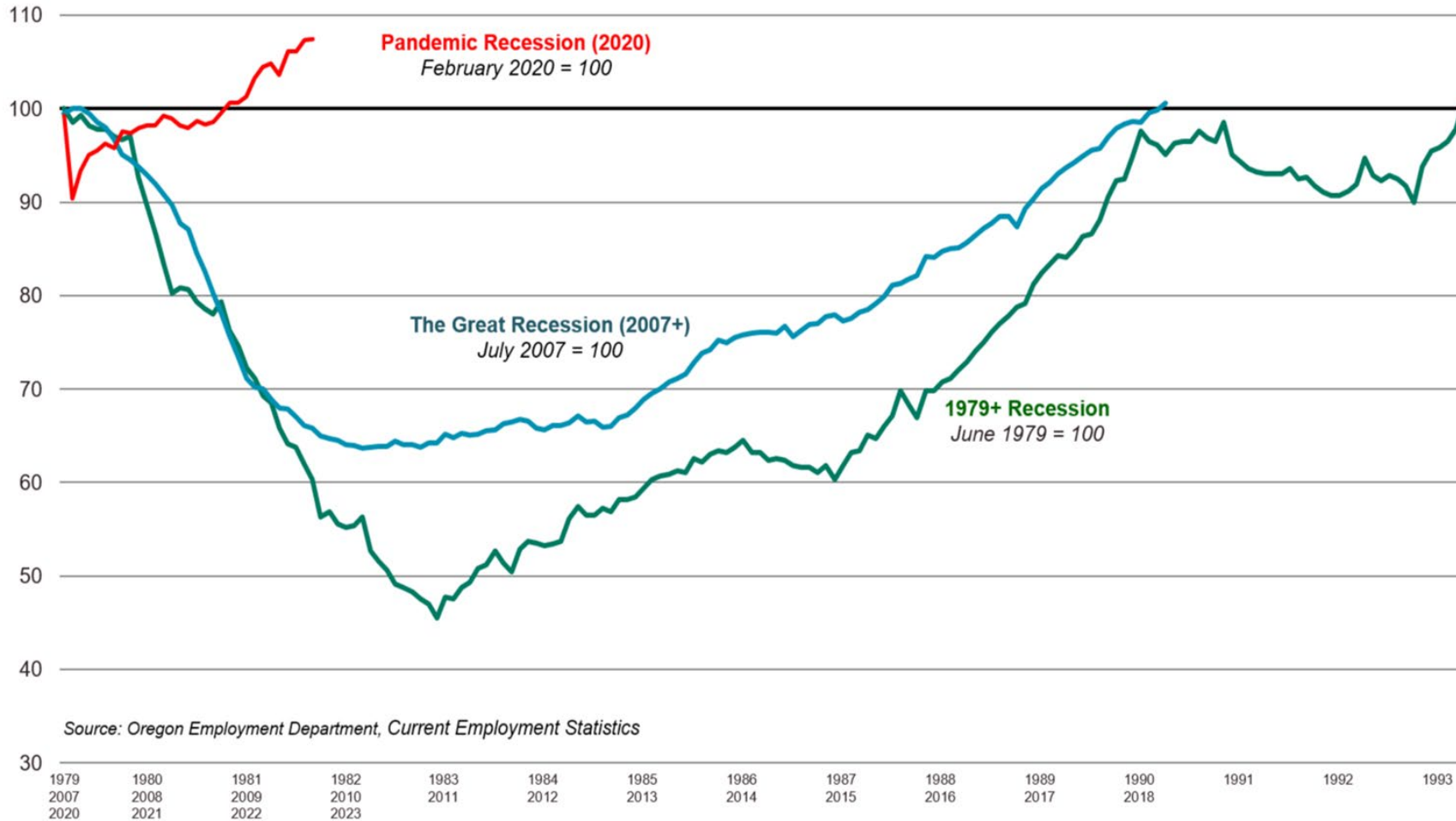


- Professional & business services (+4%), 800
- Financial activities (+6%), 500
- Government minus local education (+4%), 500
- Manufacturing (+4%), 500
- Total (-1%), -1,000**
- Other services (-4%), -200
- Information (-13%), -300
- Trade, transport, & utilities (-1%), -300
- Local education (-2%), -400
- Leisure & hospitality (-3%), -500
- Private education & health services (-5%), -1,600

Source: Oregon Employment Department, Current Employment Statistics

Construction employment was not severely impacted in 2020

Oregon Construction Employment Indices
Select time periods, seasonally adjusted



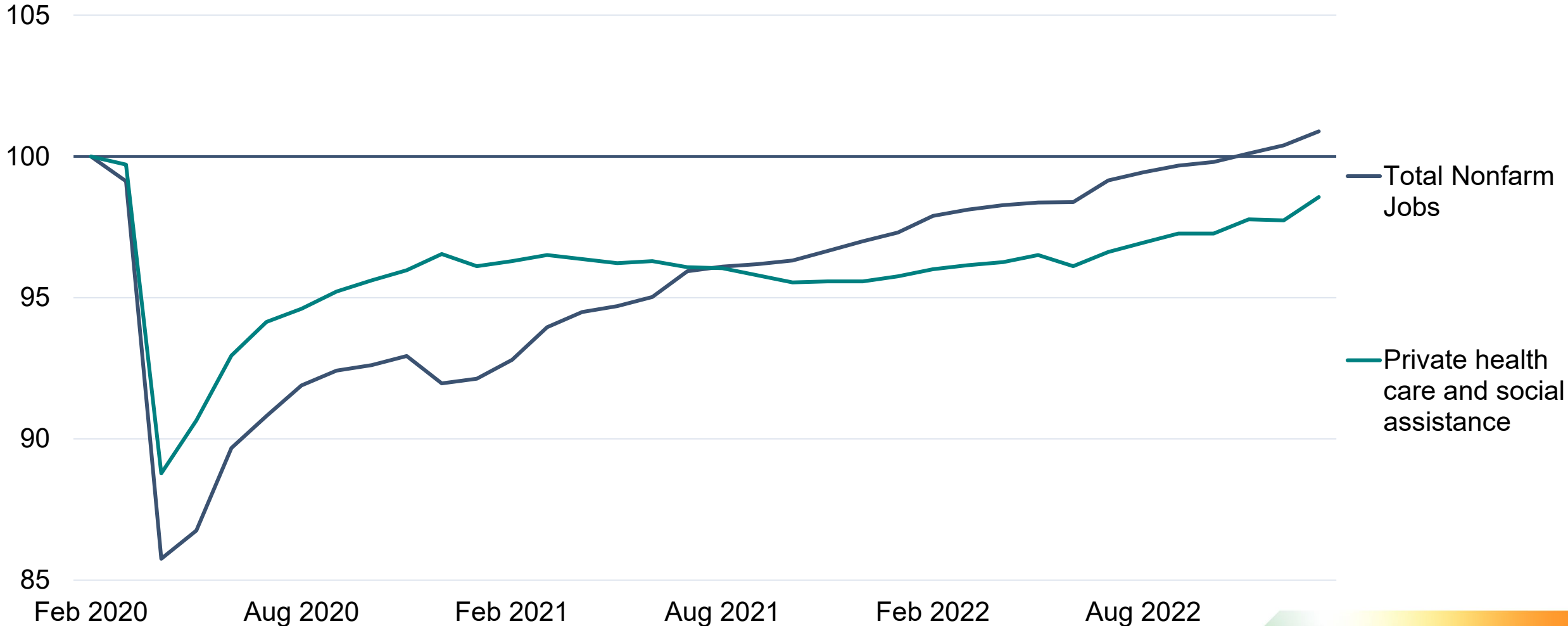
1979 Recession:
55% job loss
14 years until full recovery

2007 Recession
35% job loss
11 years until full recovery

2020 Recession
10% job loss
<2 years until full recovery

Unlike in previous recessions, health care has struggled

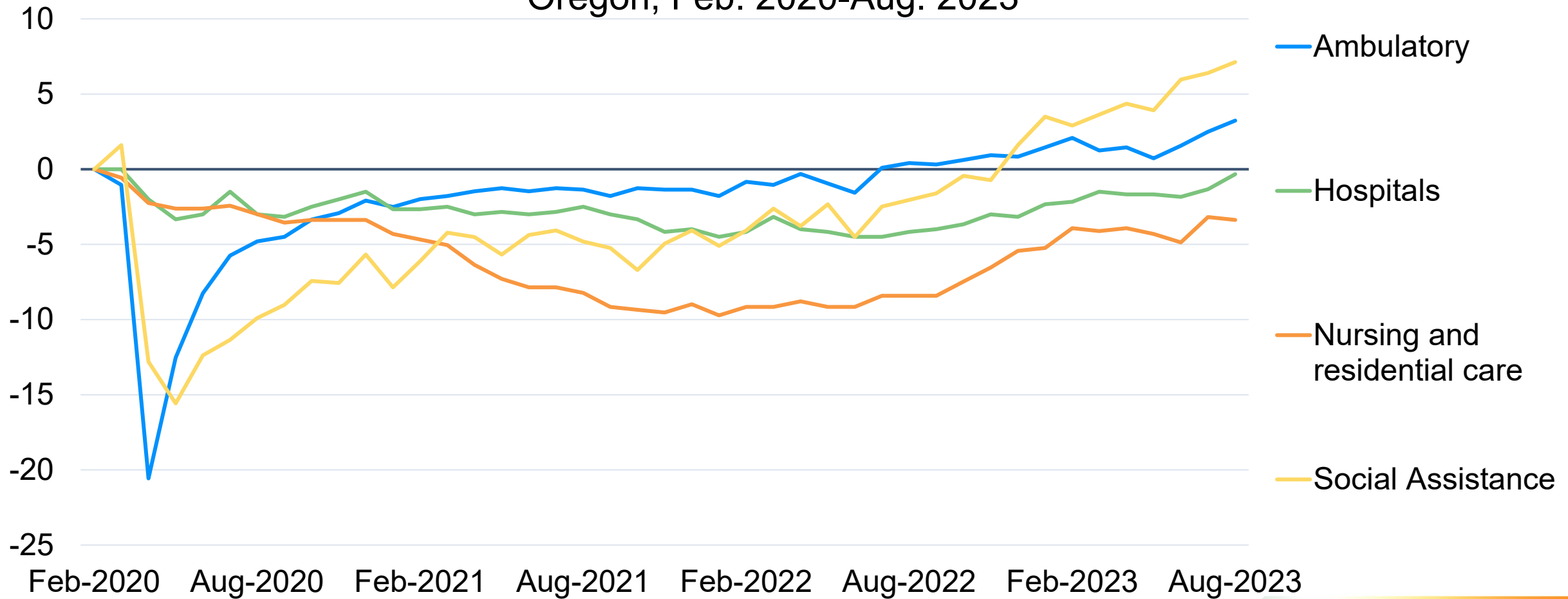
Oregon Indexed Employment, Seasonally Adjusted, February 2020 - January 2023



Source: Oregon Employment Department, Current Employment Statistics

Health care employment post-2020 diverged by subsector

Employment change in health care subsectors Oregon, Feb. 2020-Aug. 2023

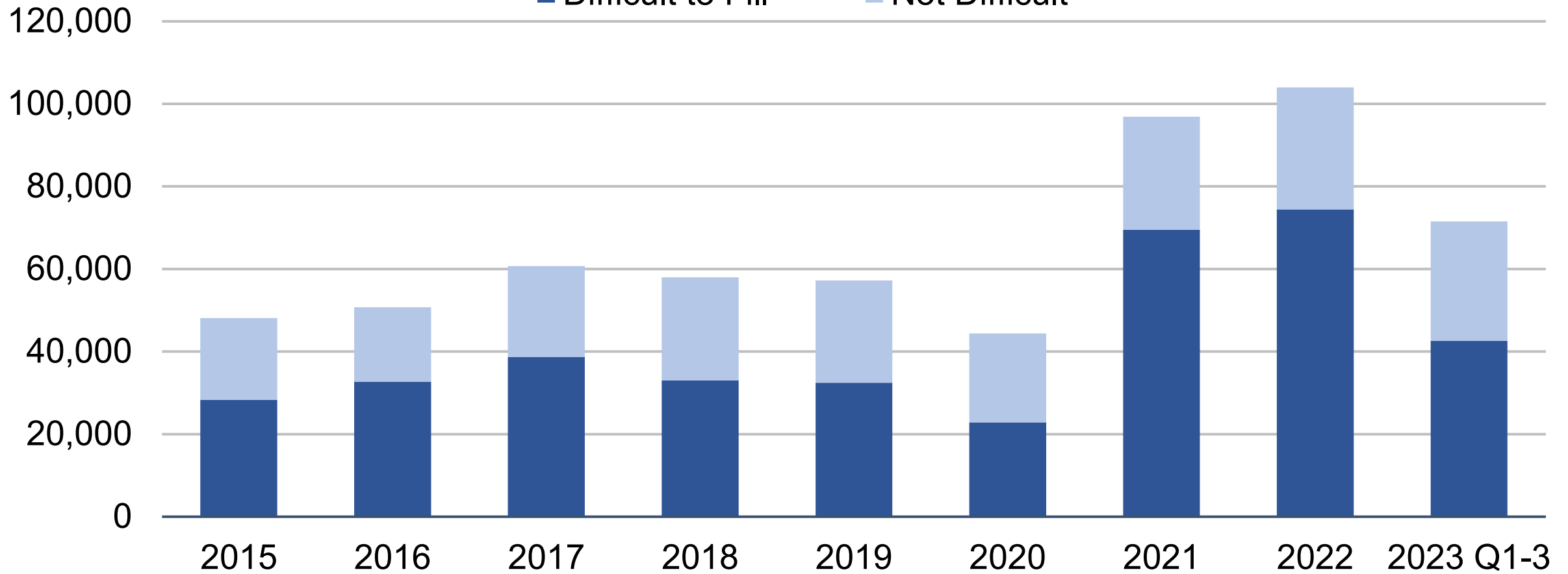


Source: Oregon Employment Department, Current Employment Statistics

2023 saw fewer job vacancies, but still elevated

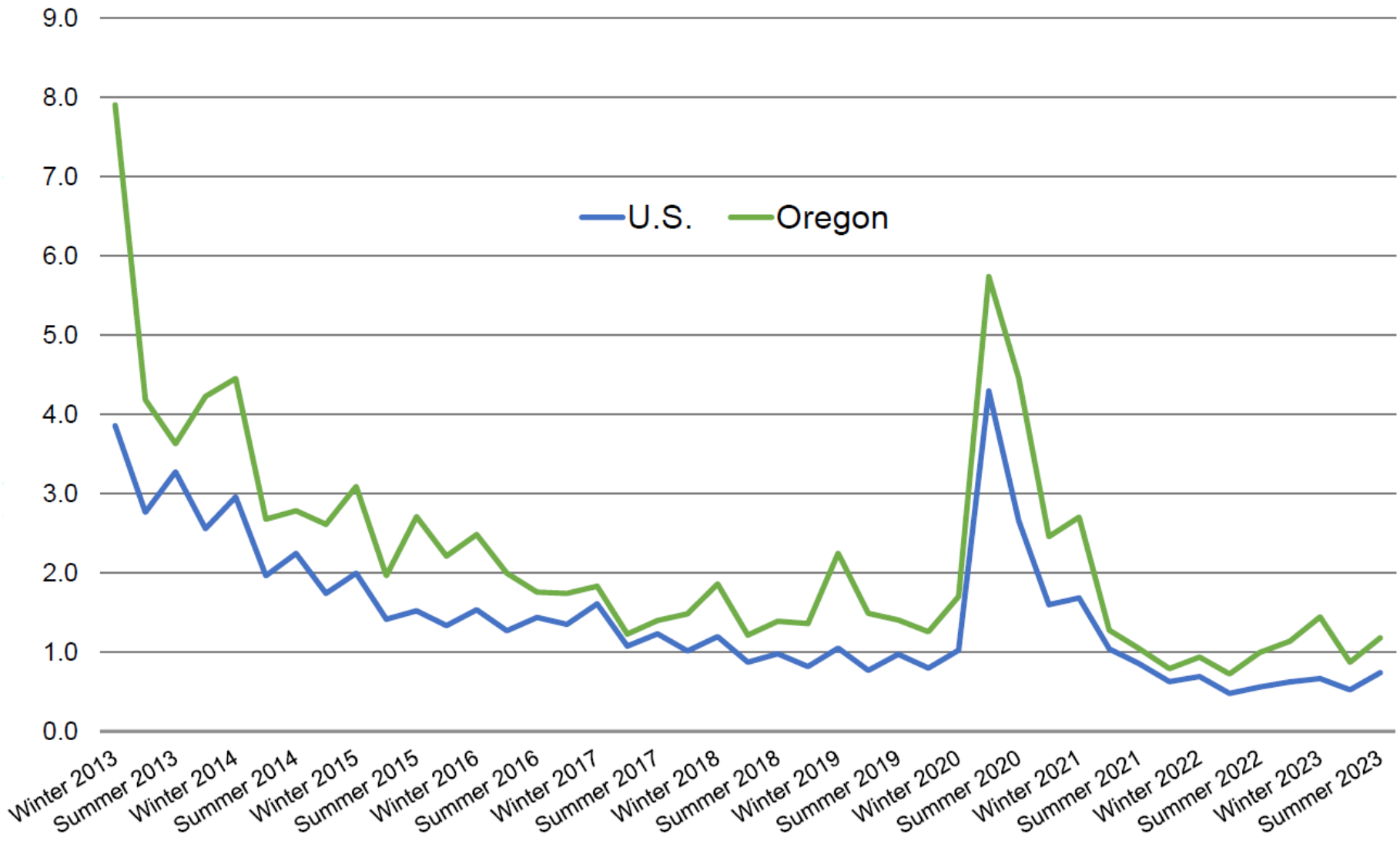
Oregon Job Vacancies

■ Difficult to Fill ■ Not Difficult



Source: Oregon Employment Department, Job Vacancy Survey

Recent data shows a low jobseeker to vacancy ratio



Number of unemployed people per private job opening

Source: Oregon Employment Department, Bureau of Labor Statistics

Businesses reported hiring in various industries.

Oregon Job Vacancies by Industry, Summer 2023

Industry	Vacancies
All Industries	70,485
Health care and social assistance	19,153
Leisure and hospitality	9,232
Retail trade	9,189
Management, administrative, and waste services	7,678
Construction	5,258
Professional, scientific, and technical services	4,653
Other services	4,620
Manufacturing	2,863
Financial activities	2,178
Natural resources and mining	2,082
Wholesale trade	1,646
Transportation, warehousing, and utilities	1,422
Private educational services	417
Information	94

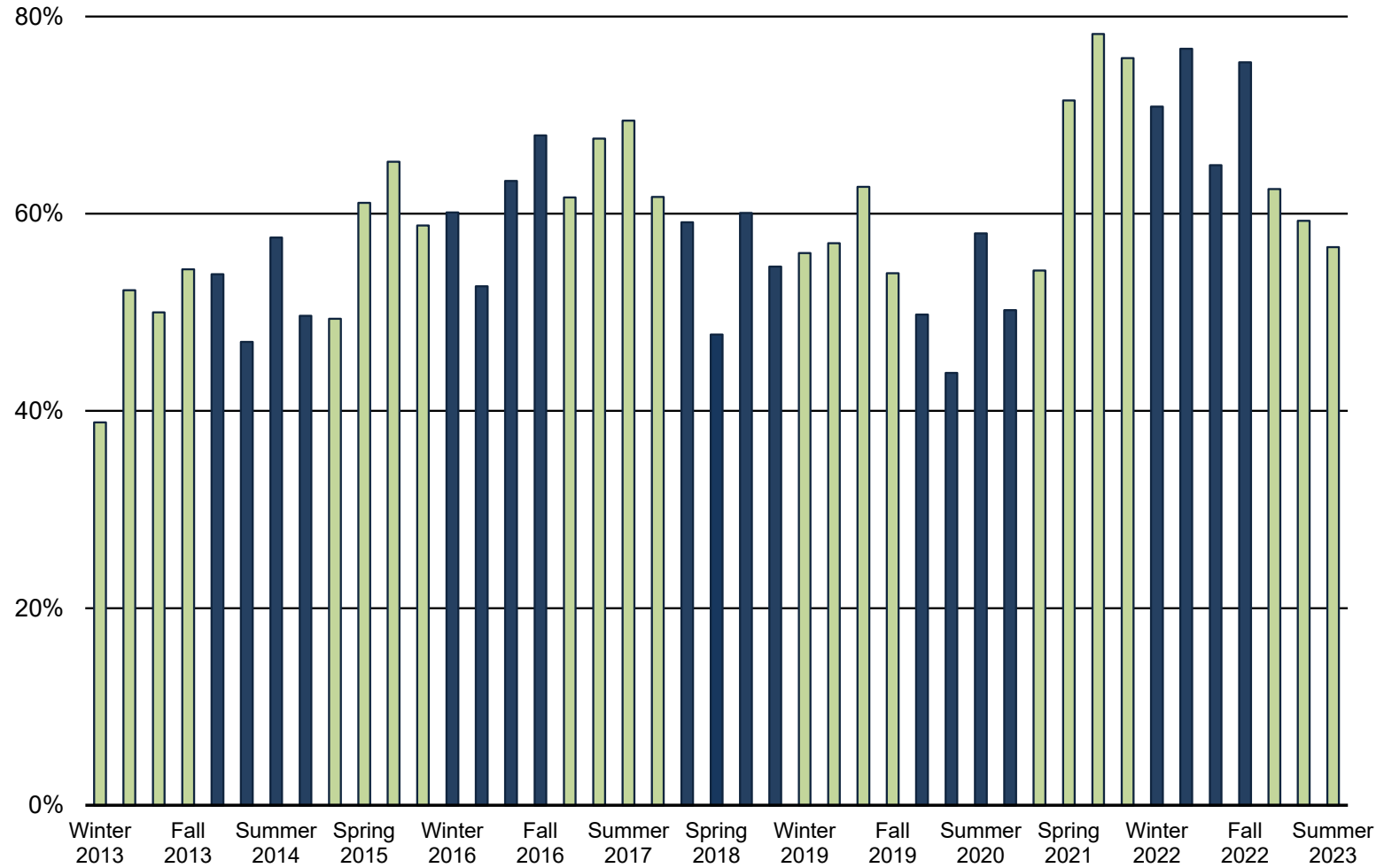
Source: Oregon Employment Department

Health care and social assistance had the most vacancies of any industry, with 19,200. Leisure and hospitality had 9,200 vacancies in summer. Retail trade had 9,200 vacancies.

Note: The Oregon Job Vacancy Survey includes only private-sector businesses with two or more employees.

57% of summer job vacancies were reported as difficult to fill.

Businesses Report Difficulty Filling 57% of Vacancies in Summer 2023



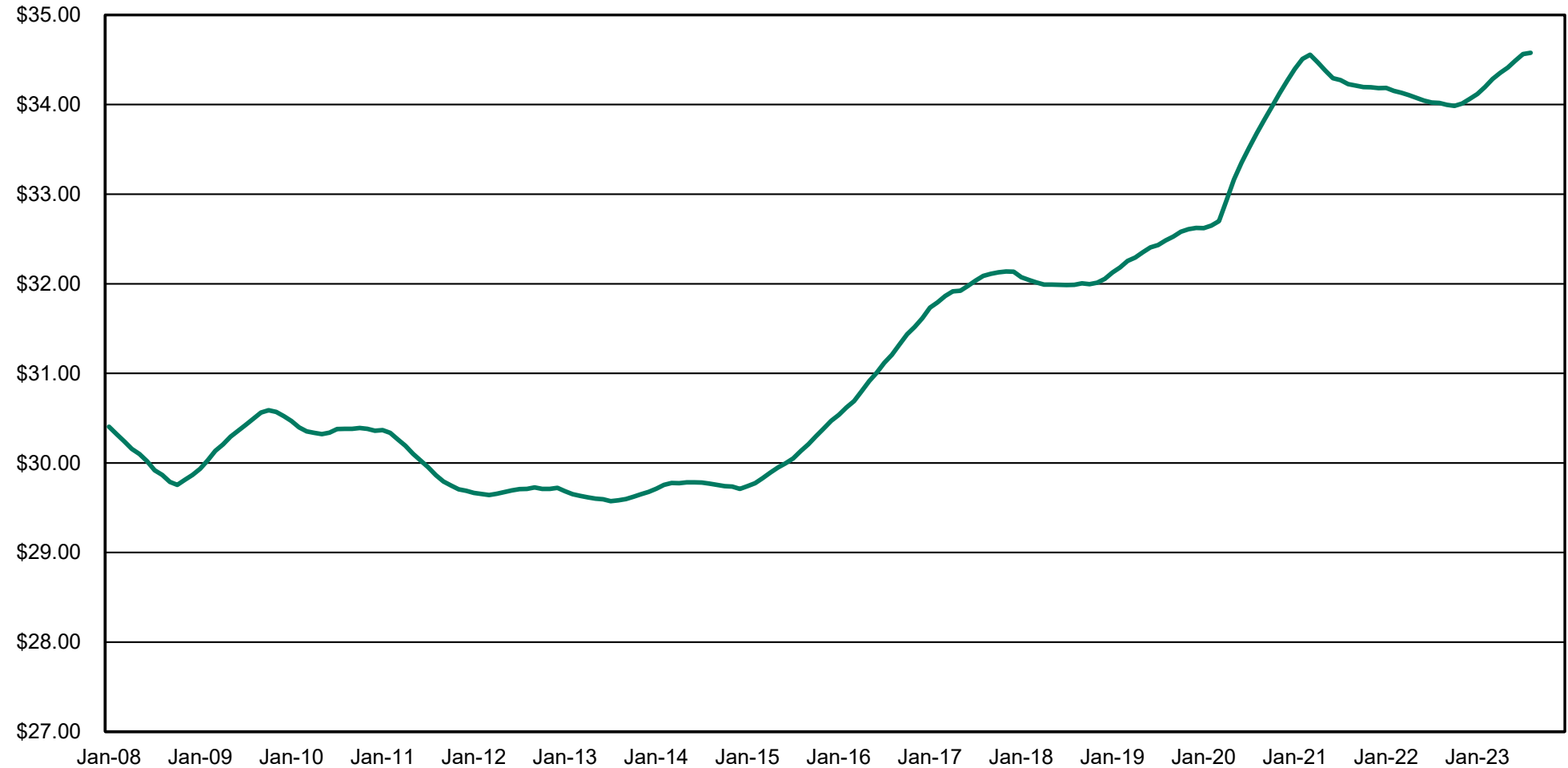
Source: Oregon Employment Department, Quarterly Job Vacancy

The occupations with the highest number of difficult-to-fill vacancies:

- Automotive service techs and mechanics
- Retail salespersons
- Dental assistants
- Construction laborers
- Truck drivers

Real average wages for private nonfarm jobs have risen in recent months.

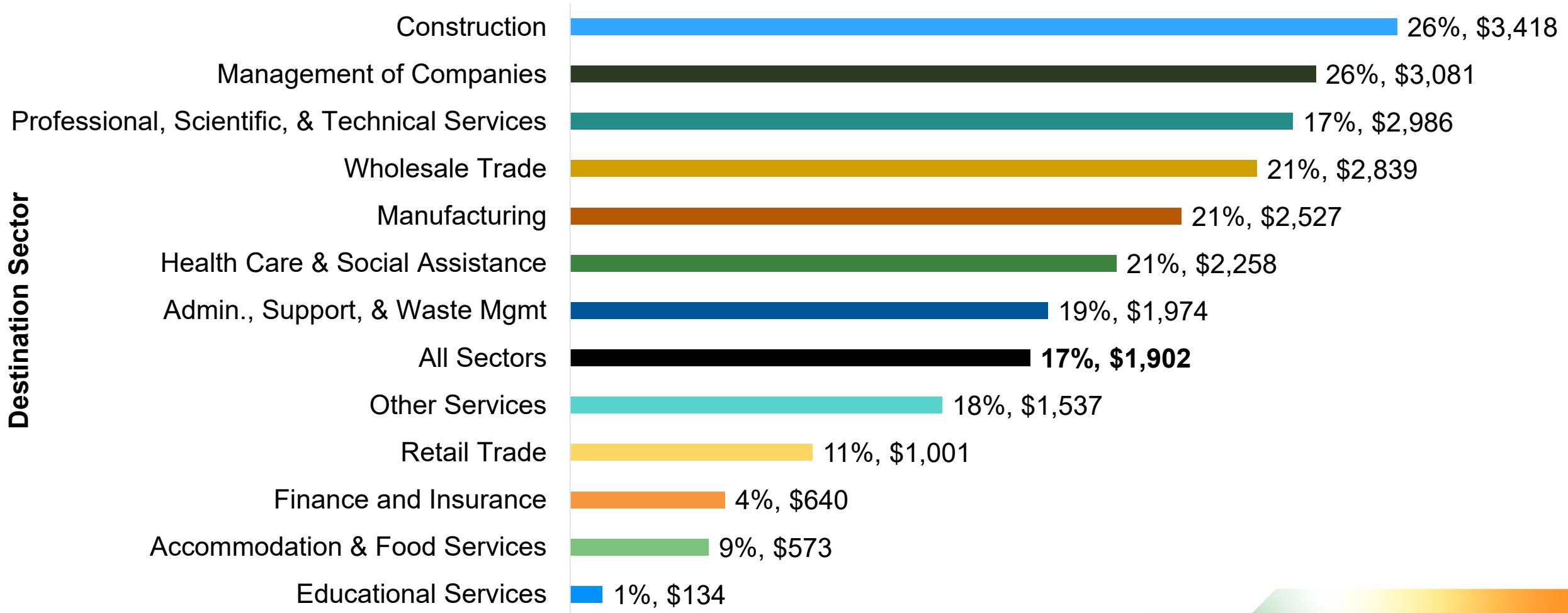
Average Hourly Earnings Oregon, 12-Month Moving Average, Adjusted for Inflation



Source: Oregon Employment Department, Bureau of Labor Statistics.
Inflation adjustment using CPI- U

When people switch jobs, they're getting higher wages

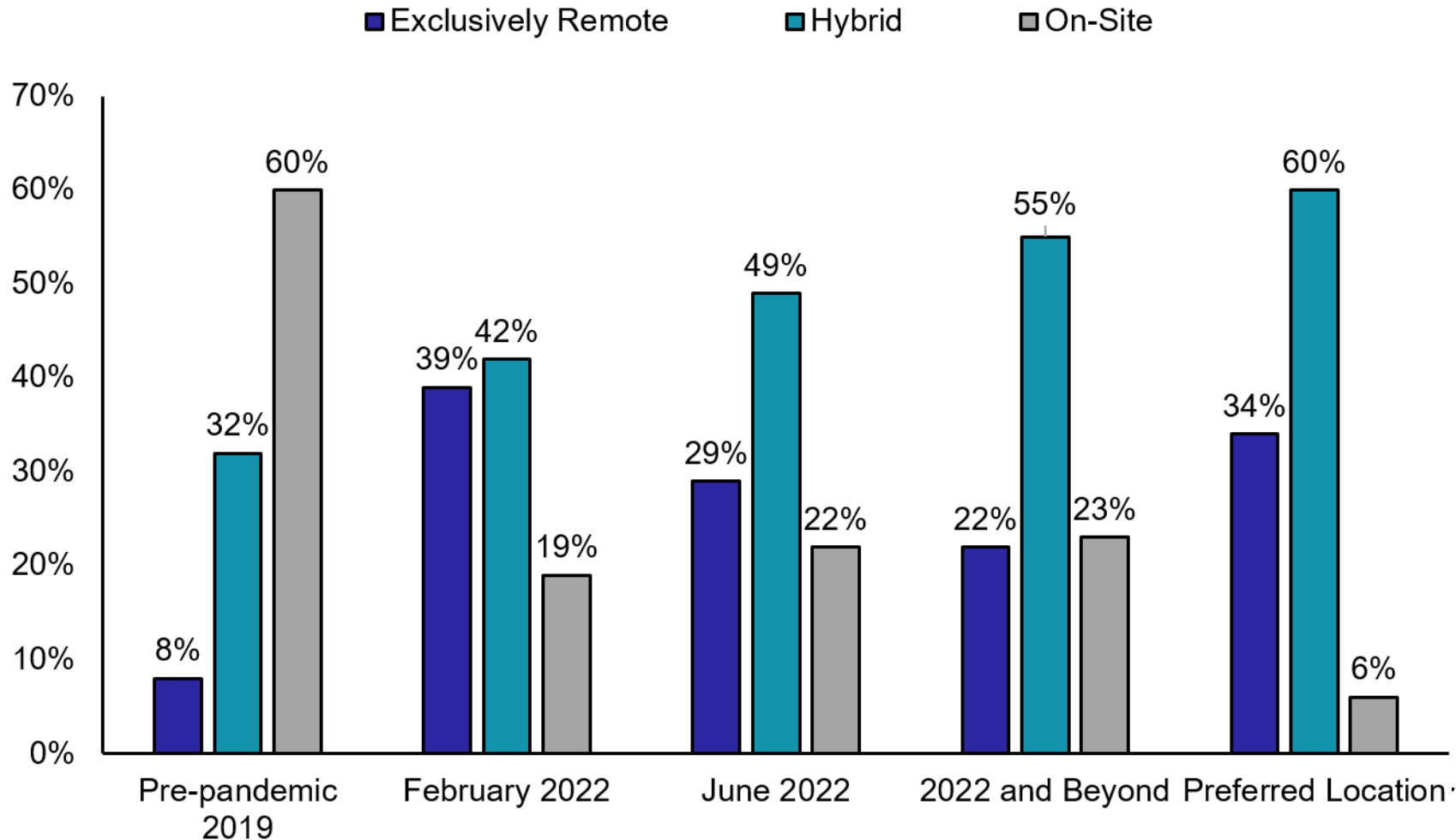
Change in quarterly wage after job-to-job change Lane County, 2022 Q2



Source: Oregon Employment Department, U.S. Census Bureau Job to Job Flows Explorer

Remote work, when possible, is very popular

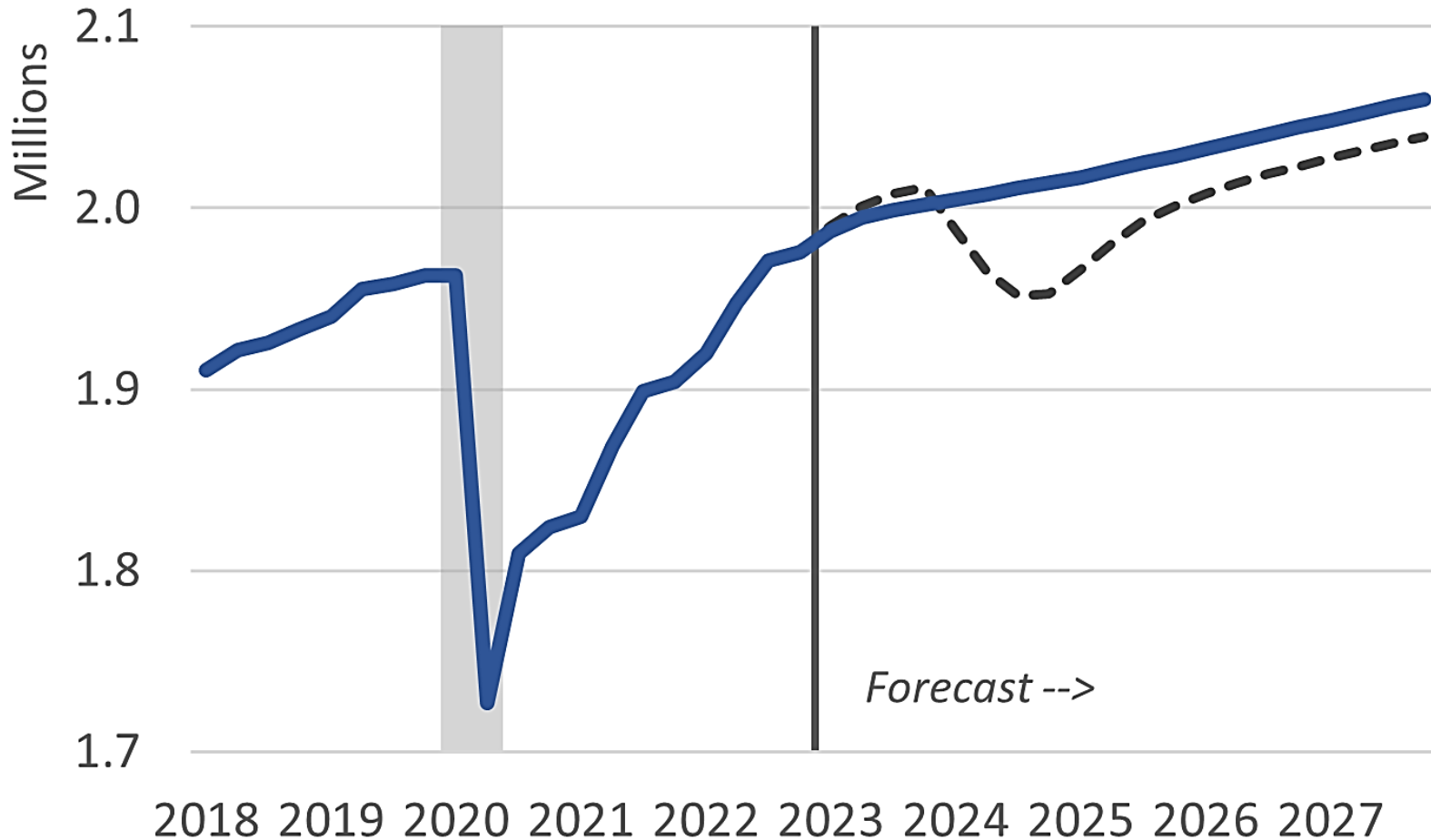
Where do Remote-Capable Employees Expect to Work Long-Term and Where Would They Prefer to Work?



Quality Info article:
[Working from Home since COVID — the New Work Experiment](#)

Source: OED and Gallup Survey Returning to the Office: The Current, Preferred, and Future State of Remote Work

Baseline Soft Landing and Boom/Bust Alternative Scenario



Source: Oregon Office of Economic Analysis

Cross currents make prediction complicated, but consensus is guarded optimism

Strong labor market
(Difficulty finding workers)

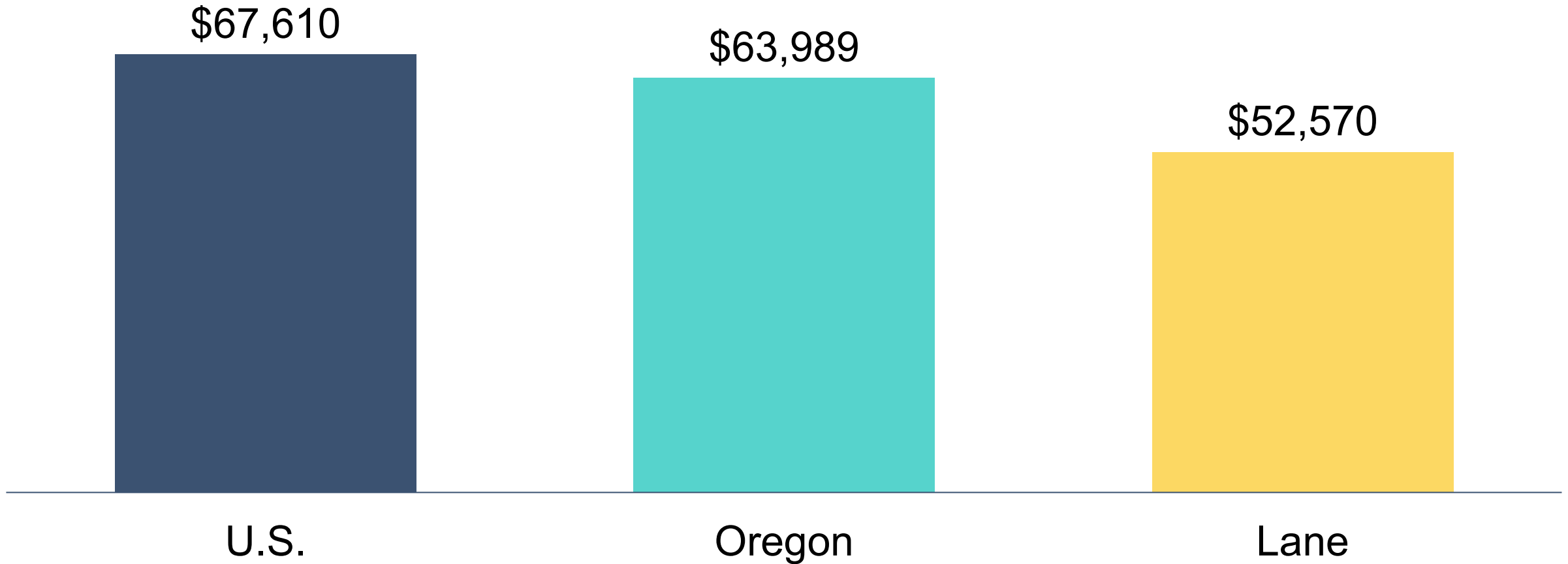
Cooling inflation
(Inflation remains elevated)

Rise in start-up activity
Decelerating population growth
Federal investment

Alternative Boom/Bust Scenario
Moderate sized recession
starting in 2024 or 2025

Average wages are lower in Lane County

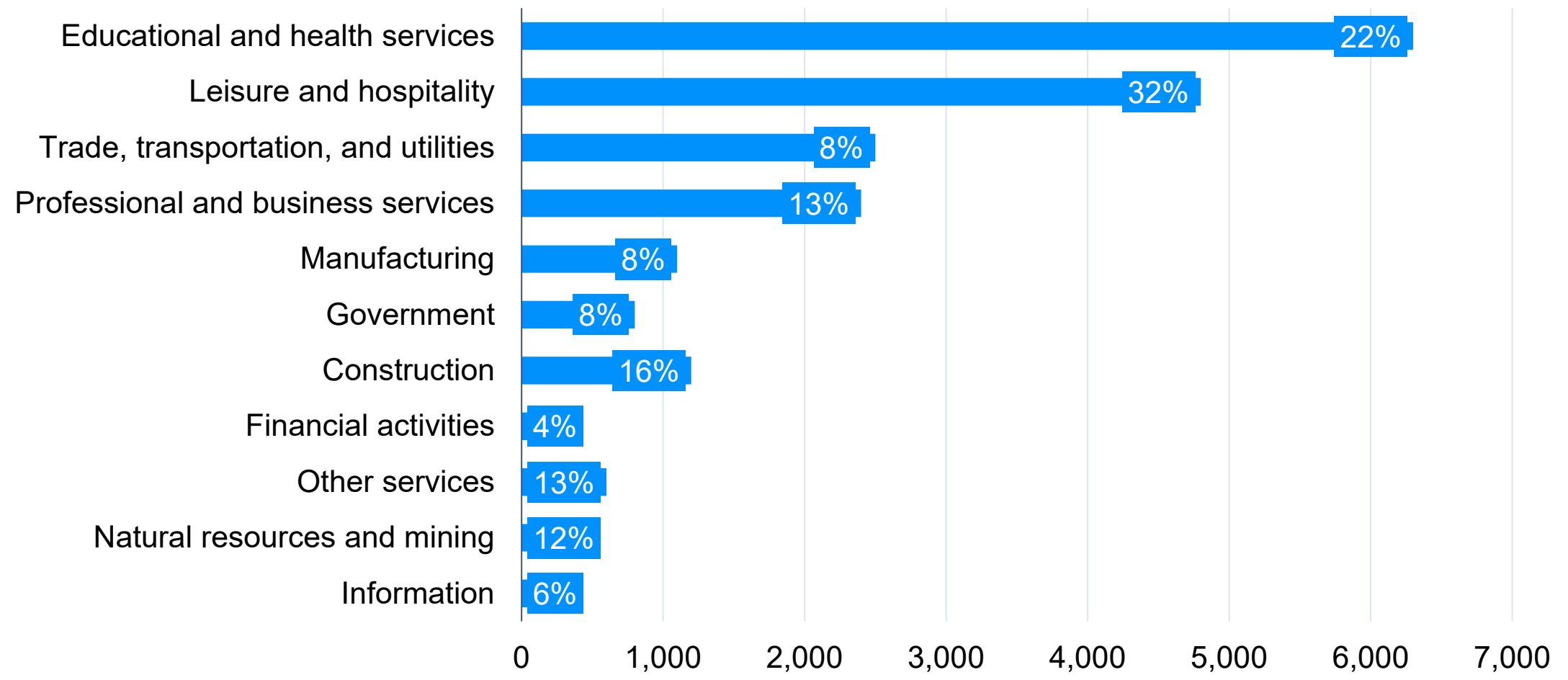
Annual average wage per worker



Source: U.S. Bureau of Labor Statistics and Oregon Employment Department, Quarterly Census of Employment and Wages

All major industries are projected to add jobs over 10 years

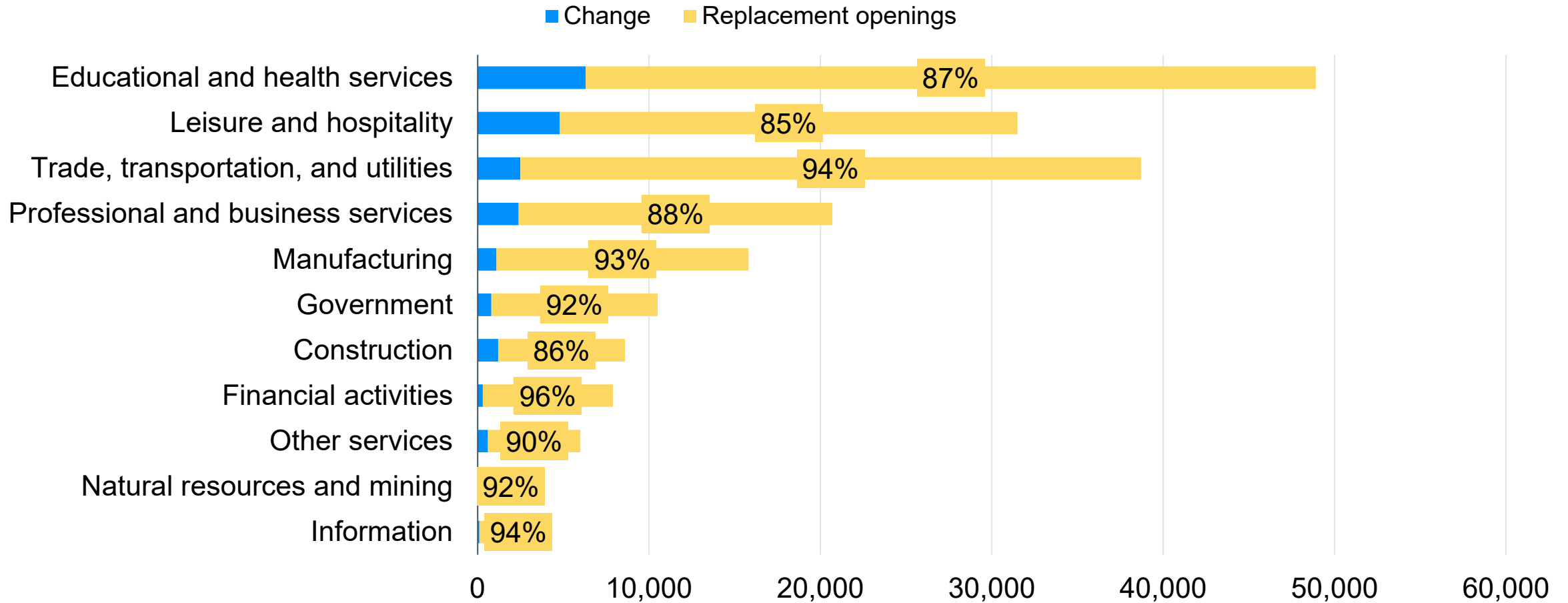
Lane County Projected Job Change, 2021-2031



Source: Oregon Employment Department, 2021-2031 Industry Employment Projections

The vast majority of job openings are due to replacement

Lane County Projected Job Change, 2021-2031

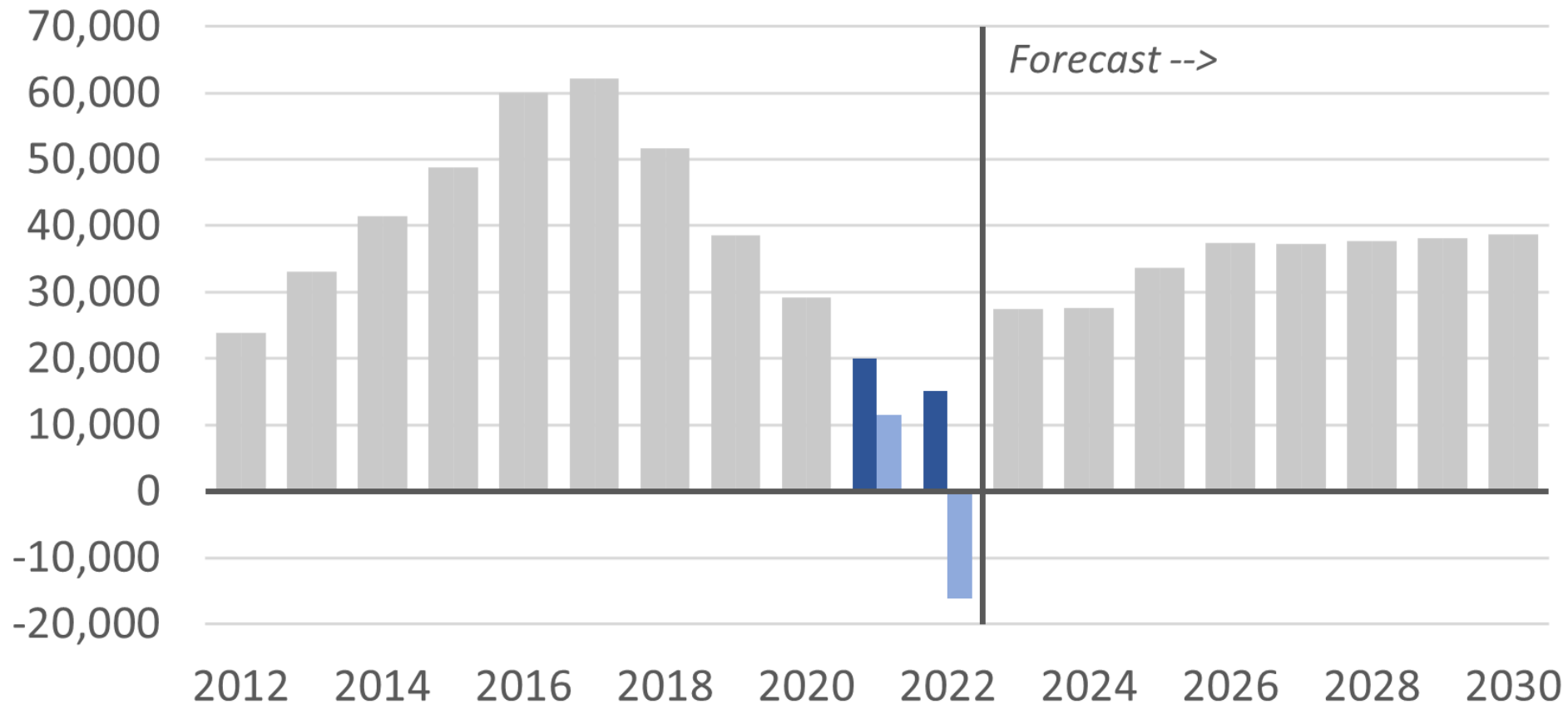


Source: Oregon Employment Department, 2021-2031 Industry Employment Projections

Population (may be) growing slowly, or declining

Annual change in total state population

OEA History and Forecast, **Portland State Estimates**, **Census Bureau Estimates**

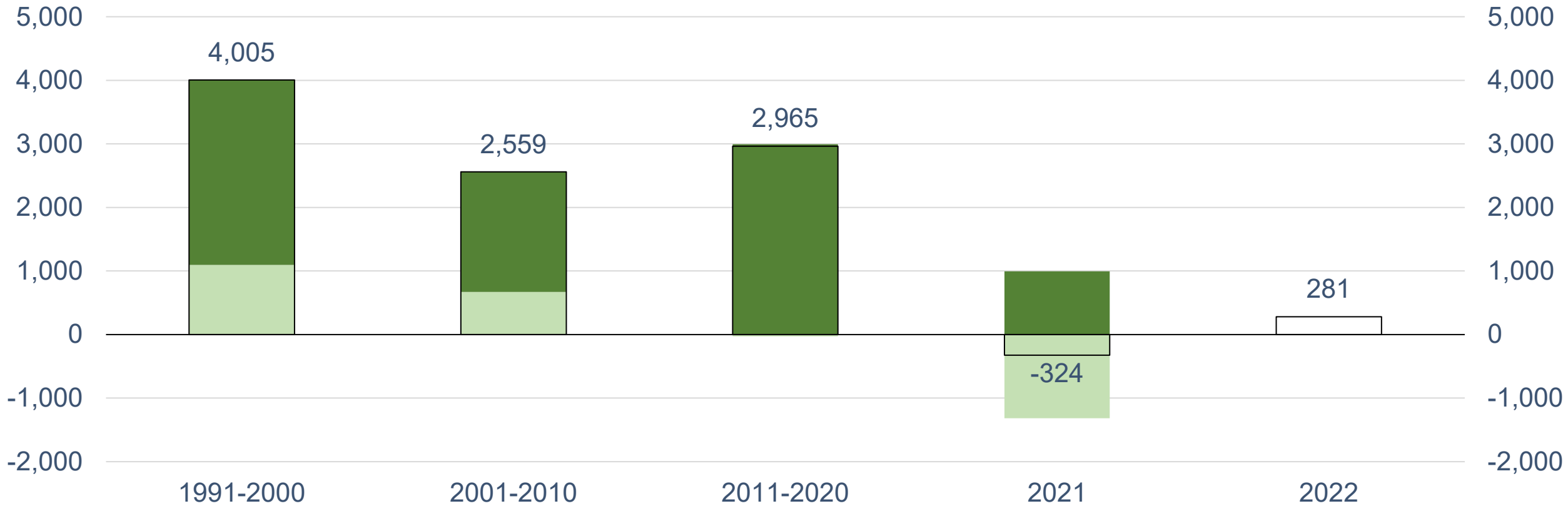


Source: Census, Portland State Population Research Center, Oregon Office of Economic Analysis

Lane's population growth slowed significantly post-2020

Lane County Annual Population Change

■ Natural Increase ■ Net Migration □ Total

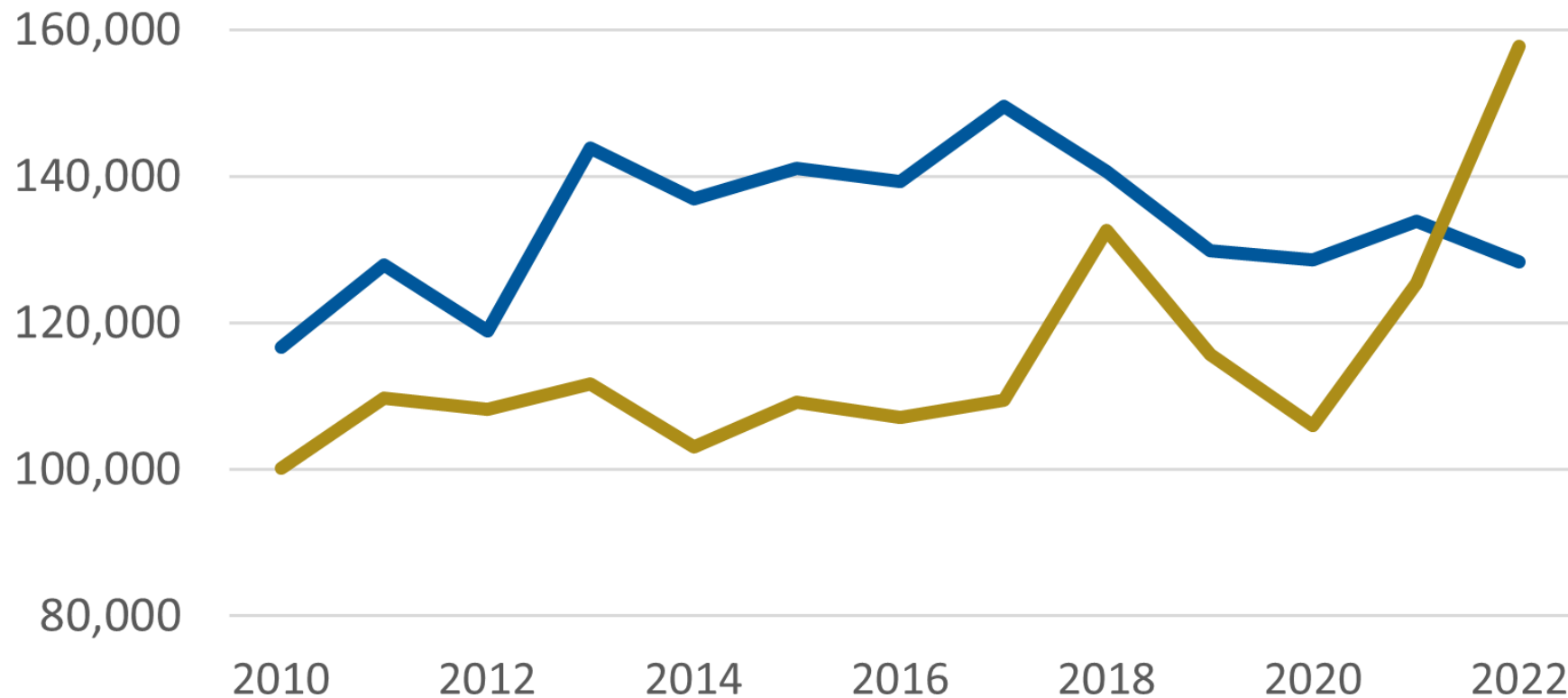


Source: Portland State University Population Research Center, U.S. Census Bureau

Oregon had net out-migration in 2022, first in 40 years

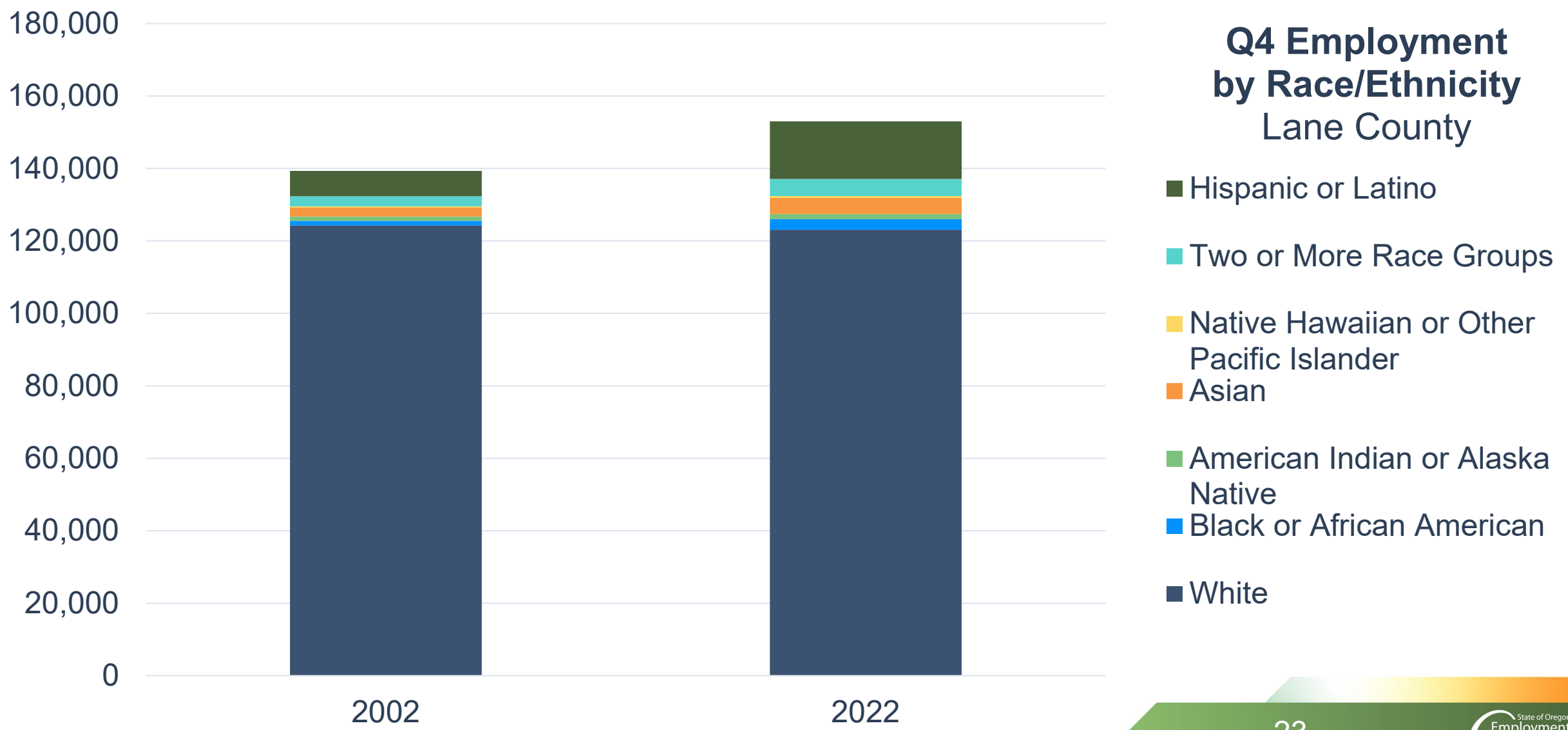
Oregon Domestic Migration

Number of people moving *Into Oregon* and *Out of Oregon*



Source: Census, IPUMS-USA, Oregon Office of Economic Analysis

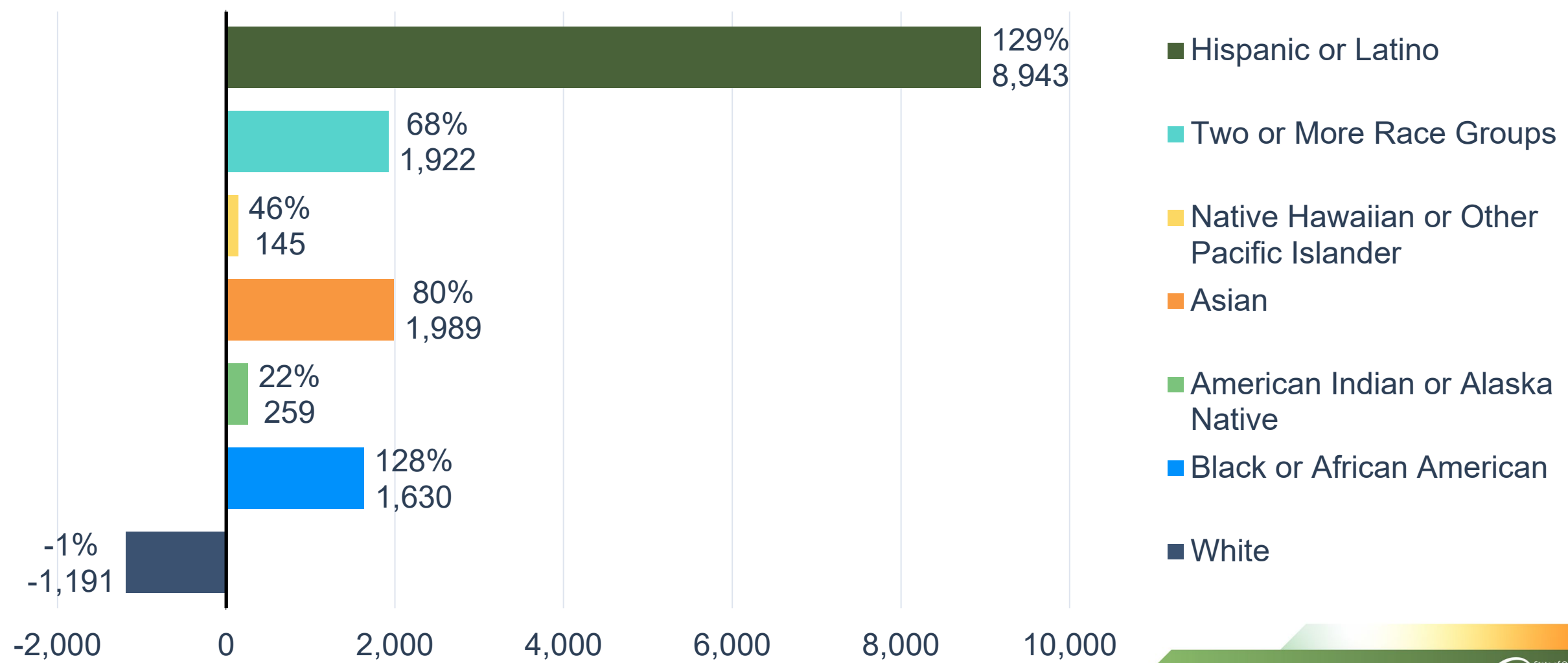
Lane County's workforce is less racially diverse than the nation's



Source: U.S. Census Bureau Quarterly Workforce Indicators

But the workforce is diversifying rapidly in recent years

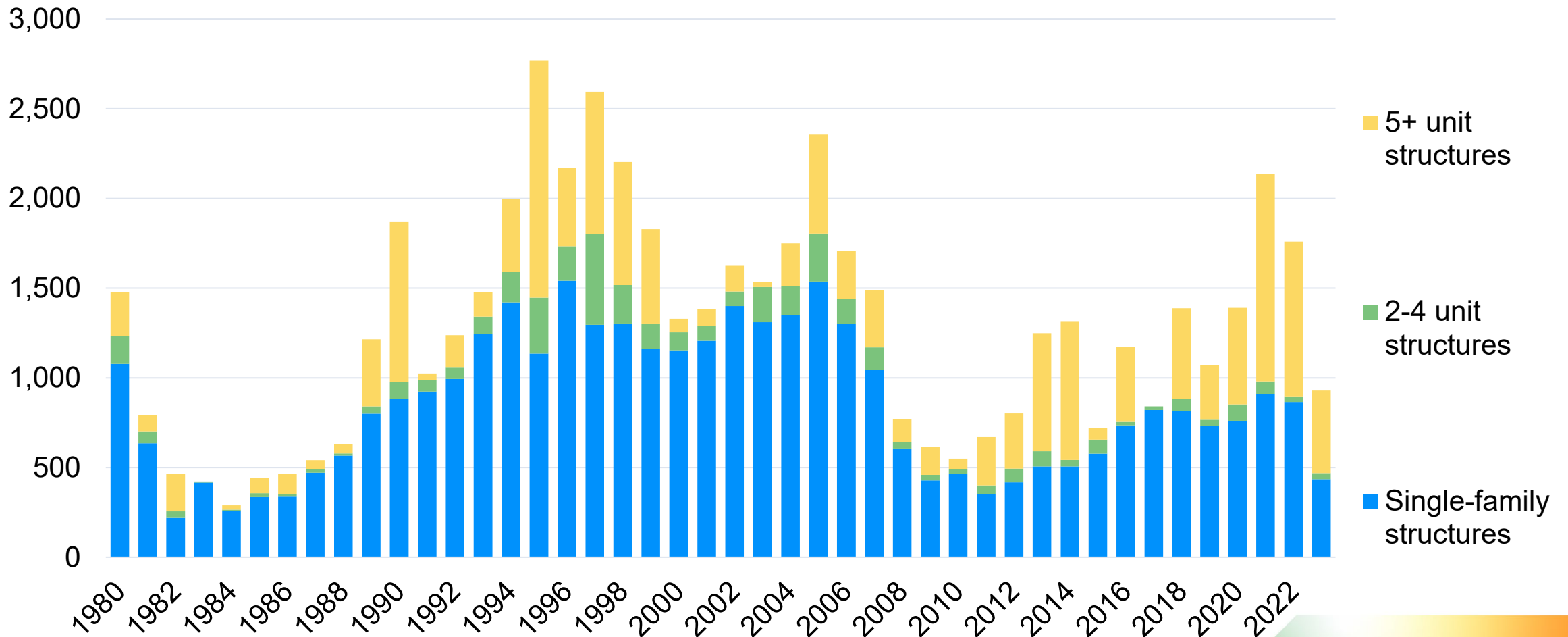
Net Change in Workers 2002-2022



Source: U.S. Census Bureau Quarterly Workforce Indicators

Housing production lags previous decades

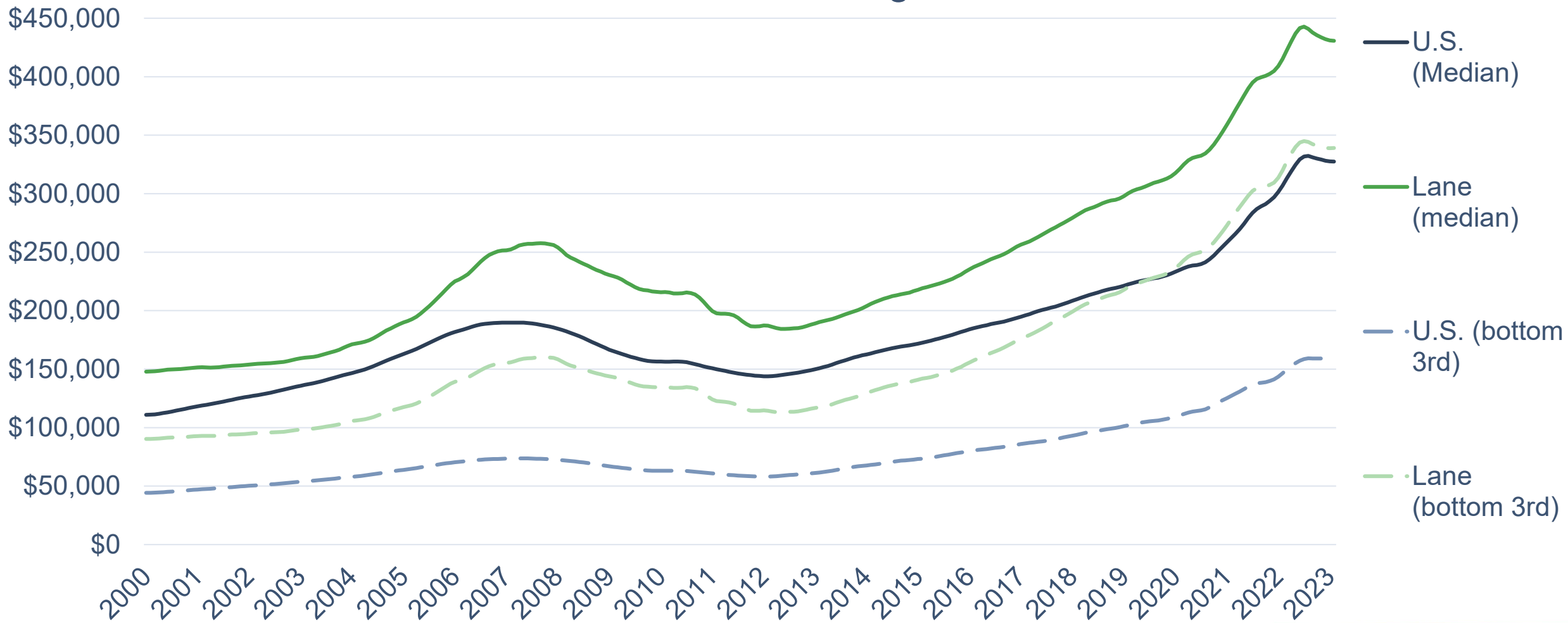
Housing units permitted by size of structure Lane County, 1980 - Jul. 2023



Source: U.S. Census Bureau Building Permits Survey

Housing costs have risen, particularly on the affordable end

Median Housing Value



Source: Zillow Research

Henry Fields

Workforce Analyst, Lane and Douglas counties

Henry.L.Fields@employ.oregon.gov

(541) 359-9178

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