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Labor Market Information

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Fourth Quarter 2017: Median Wage Up 4 Percent Over the Past Year

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 280,000 self-employed workers. Past quarterly wage reports are available in the Oregonians @ Work box at www.qualityinfo.org/pubs.

The median wage for Oregon's workers was 4 percent higher in the fourth quarter of 2017 than it was in the fourth quarter of 2016. Oregon also had 80 percent fewer workers making less than \$10 per hour in the last quarter of 2017 as the hike in the state's minimum wage pushed employees into higher wage brackets. The total number of jobs during the fourth quarter of 2017 increased by 44,490 (+2.2%) compared with the fourth quarter of 2016. Job counts exclude federal government jobs.

Oregonians held 2,107,899 jobs during the fourth quarter of 2017. Of these, only 28,365 paid less than \$10 per hour. The large drop (-120,336) in the number of these low-paying jobs from the previous year was probably due in large part to the increase in the state's minimum wage to \$10 per hour or more, depending on location.

But how can any jobs pay less than \$10 per hour if that is the legal minimum? Some employees are exempt from minimum wage law. These include some workers with disabilities, though this is generally being phased out; family members of the employer; some people paid by piece rate, certain professionals, employees of the United States (federal workers), and several other categories of workers. Additionally, all data have some degree of error and it is probable that the job counts involving two million plus workers are not perfectly precise.

At the same time, the number of jobs paying \$10.00 to \$14.99 per hour during the fourth quarter of 2017 increased by 68,311 from the previous year. It is interesting to note that the increase in the number of jobs in this category was less than the decrease in the lowest-paying category of jobs. In other words, the data show that it wasn't the case that all workers who were paid less than the minimum wage simply got bumped into the next highest wage group and nothing else happened. In fact, the total number of workers in these two wage groups dropped by 52,025 from the fourth quarter of 2016 to the fourth quarter of 2017. Some workers ended up in even higher wage groups. As labor demand increased in Oregon, employers paid higher wages aside from the effect of the minimum wage increase.

The number of jobs in all wage groups, except the lowest, increased over the year to the fourth quarter of 2017. The fastest growth (+11.7%) was in the \$10.00 to \$14.99 per hour group, followed closely by the \$50.00 to \$59.99 per hour group with 11.5 percent growth. This adds more evidence to the narrative that low-wage and high-wage jobs have grown faster since the Great Recession, and middle-wage jobs have lagged.

The leisure and hospitality industry and retail trade still have large shares of their jobs paying close to minimum wage. Nearly 62 percent of leisure and hospitality jobs were in the \$10.00 to \$14.99 per hour category. The figure for retail trade was 56 percent. At the other end of the wage scale, information (18.0%) and wholesale trade (11.8%) had the largest share of their jobs paying \$60.00 per hour or more.

Overall, the wage records for the fourth quarter of 2017 provide additional evidence of a tight labor market. The increase in the state's minimum wage in July 2017 probably helped push up wages for jobs that were already paying less than \$10.00 per hour, but it wasn't the sole factor for moving workers into higher wages. Whatever the cause, more of Oregon's jobs were paying higher wages in late 2017.

Table 1: Oregon - Number of Jobs by Hourly Wage Level and Broad Industry - 4th Quarter 2017*

	Under \$10.00	\$10.00 - \$14.99	\$15.00 - \$19.99	\$20.00 - \$29.99	\$30.00 - \$39.99	\$40.00 - \$49.99	\$50.00 - \$59.99	\$60.00 or more	Total	Median Wage
Total - All Industries	28,365	653,480	399,890	432,434	220,694	134,903	81,451	156,682	2,107,899	\$19.55
Natural Resources and Mining	1,131	33,209	16,636	13,531	3,687	1,331	674	1,761	71,960	\$15.20
Construction	576	13,152	24,148	32,285	20,704	14,129	5,665	7,132	117,791	\$25.61
Manufacturing	1,063	38,888	43,567	53,233	23,841	14,078	9,584	22,023	206,277	\$22.74
Wholesale Trade	562	14,717	16,047	21,288	9,947	5,674	3,670	9,626	81,531	\$23.72
Retail Trade	5,215	141,464	49,358	33,318	9,729	4,124	2,414	7,068	252,690	\$13.78
Transportation, Warehousing, and Utilities	567	12,735	13,091	15,516	6,433	3,515	2,527	5,688	60,072	\$21.66
Information	225	4,777	3,806	7,778	6,226	4,221	2,946	6,583	36,562	\$32.52
Financial Activities	682	13,164	18,714	23,840	12,101	7,269	4,441	10,194	90,405	\$24.40
Professional and Business Services	3,892	82,489	46,137	48,350	28,716	18,779	13,295	31,036	272,694	\$20.41
Private Educational Services	572	8,210	6,955	8,687	4,562	2,299	1,386	1,832	34,503	\$21.22
Health Care & Social Assistance	2,868	70,140	53,800	54,553	25,623	19,417	15,033	29,116	270,550	\$21.00
Leisure and Hospitality	6,837	152,023	41,634	31,046	8,079	2,469	1,116	2,853	246,057	\$12.96
Other Services	1,639	33,760	18,047	16,122	6,648	3,045	1,688	3,318	84,267	\$16.29
State Government	14	2,355	16,664	14,328	12,164	7,678	3,174	2,213	58,590	\$27.00
Local Government	2,494	32,116	31,065	58,357	42,135	26,789	13,793	16,115	222,864	\$27.46
Non-classifiable	28	281	221	202	99	86	45	124	1,086	\$20.00

* 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 - 4th Quarter 2017*

	Under \$10.00	\$10.00 - \$14.99	\$15.00 - \$19.99	\$20.00 - \$29.99	\$30.00 - \$39.99	\$40.00 - \$49.99	\$50.00 - \$59.99	\$60.00 or more	Total
Total - All Industries	1.3%	31.0%	19.0%	20.5%	10.5%	6.4%	3.9%	7.4%	100.0%
Natural Resources and Mining	1.6%	46.1%	23.1%	18.8%	5.1%	1.8%	0.9%	2.4%	100.0%
Construction	0.5%	11.2%	20.5%	27.4%	17.6%	12.0%	4.8%	6.1%	100.0%
Manufacturing	0.5%	18.9%	21.1%	25.8%	11.6%	6.8%	4.6%	10.7%	100.0%
Wholesale Trade	0.7%	18.1%	19.7%	26.1%	12.2%	7.0%	4.5%	11.8%	100.0%
Retail Trade	2.1%	56.0%	19.5%	13.2%	3.9%	1.6%	1.0%	2.8%	100.0%
Transportation, Warehousing, and Utilities	0.9%	21.2%	21.8%	25.8%	10.7%	5.9%	4.2%	9.5%	100.0%
Information	0.6%	13.1%	10.4%	21.3%	17.0%	11.5%	8.1%	18.0%	100.0%
Financial Activities	0.8%	14.6%	20.7%	26.4%	13.4%	8.0%	4.9%	11.3%	100.0%
Professional and Business Services	1.4%	30.2%	16.9%	17.7%	10.5%	6.9%	4.9%	11.4%	100.0%
Private Educational Services	1.7%	23.8%	20.2%	25.2%	13.2%	6.7%	4.0%	5.3%	100.0%
Health Care & Social Assistance	1.1%	25.9%	19.9%	20.2%	9.5%	7.2%	5.6%	10.8%	100.0%
Leisure and Hospitality	2.8%	61.8%	16.9%	12.6%	3.3%	1.0%	0.5%	1.2%	100.0%
Other Services	1.9%	40.1%	21.4%	19.1%	7.9%	3.6%	2.0%	3.9%	100.0%
State Government	0.0%	4.0%	28.4%	24.5%	20.8%	13.1%	5.4%	3.8%	100.0%
Local Government	1.1%	14.4%	13.9%	26.2%	18.9%	12.0%	6.2%	7.2%	100.0%
Non-classifiable	2.6%	25.9%	20.3%	18.6%	9.1%	7.9%	4.1%	11.4%	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 - 4th Quarter 2017*

	Under \$10.00	\$10.00 - \$14.99	\$15.00 - \$19.99	\$20.00 - \$29.99	\$30.00 - \$39.99	\$40.00 - \$49.99	\$50.00 - \$59.99	\$60.00 or more	Total
Total - All Industries	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Natural Resources and Mining	4.0%	5.1%	4.2%	3.1%	1.7%	1.0%	0.8%	1.1%	3.4%
Construction	2.0%	2.0%	6.0%	7.5%	9.4%	10.5%	7.0%	4.6%	5.6%
Manufacturing	3.7%	6.0%	10.9%	12.3%	10.8%	10.4%	11.8%	14.1%	9.8%
Wholesale Trade	2.0%	2.3%	4.0%	4.9%	4.5%	4.2%	4.5%	6.1%	3.9%
Retail Trade	18.4%	21.6%	12.3%	7.7%	4.4%	3.1%	3.0%	4.5%	12.0%
Transportation, Warehousing, and Utilities	2.0%	1.9%	3.3%	3.6%	2.9%	2.6%	3.1%	3.6%	2.8%
Information	0.8%	0.7%	1.0%	1.8%	2.8%	3.1%	3.6%	4.2%	1.7%
Financial Activities	2.4%	2.0%	4.7%	5.5%	5.5%	5.4%	5.5%	6.5%	4.3%
Professional and Business Services	13.7%	12.6%	11.5%	11.2%	13.0%	13.9%	16.3%	19.8%	12.9%
Private Educational Services	2.0%	1.3%	1.7%	2.0%	2.1%	1.7%	1.7%	1.2%	1.6%
Health Care & Social Assistance	10.1%	10.7%	13.5%	12.6%	11.6%	14.4%	18.5%	18.6%	12.8%
Leisure and Hospitality	24.1%	23.3%	10.4%	7.2%	3.7%	1.8%	1.4%	1.8%	11.7%
Other Services	5.8%	5.2%	4.5%	3.7%	3.0%	2.3%	2.1%	2.1%	4.0%
State Government	0.0%	0.4%	4.2%	3.3%	5.5%	5.7%	3.9%	1.4%	2.8%
Local Government	8.8%	4.9%	7.8%	13.5%	19.1%	19.9%	16.9%	10.3%	10.6%
Non-classifiable	0.1%	0.0%	0.1%	0.0%	0.0%	0.1%	0.1%	0.1%	0.1%

* 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 - 4th Quarter 2017*

	Under \$10.00	\$10.00 - \$14.99	\$15.00 - \$19.99	\$20.00 - \$29.99	\$30.00 - \$39.99	\$40.00 - \$49.99	\$50.00 - \$59.99	\$60.00 or more	Total	Median Wage
Total - All Size Classes	28,365	653,480	399,890	432,434	220,694	134,903	81,451	156,682	2,107,899	\$19.55
Under 5 employees	2,610	36,300	24,172	23,089	10,297	6,005	3,997	10,520	116,990	\$18.66
5 - 9 employees	2,541	44,975	27,779	27,186	11,338	5,888	3,068	7,187	129,962	\$17.74
10 - 19 employees	3,039	63,434	37,403	36,545	15,354	7,951	4,121	8,867	176,714	\$17.53
20 - 49 employees	4,047	95,591	56,270	58,020	25,008	12,918	6,826	14,641	273,321	\$17.97
50 - 99 employees	2,464	66,028	40,355	43,619	21,182	11,434	6,043	12,440	203,565	\$18.92
100 - 249 employees	3,600	90,436	54,385	60,161	29,979	15,901	8,475	17,649	280,586	\$19.08
250 - 499 employees	2,445	69,445	36,409	40,730	21,356	13,128	7,283	13,323	204,119	\$18.96
500 or more employees	7,619	187,271	123,117	143,084	86,180	61,678	41,638	72,055	722,642	\$22.33

* 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 - 4th Quarter 2017*

	Under \$10.00	\$10.00 - \$14.99	\$15.00 - \$19.99	\$20.00 - \$29.99	\$30.00 - \$39.99	\$40.00 - \$49.99	\$50.00 - \$59.99	\$60.00 or more	Total
Total - All Size Classes	1.3%	31.0%	19.0%	20.5%	10.5%	6.4%	3.9%	7.4%	100.0%
Under 5 employees	2.2%	31.0%	20.7%	19.7%	8.8%	5.1%	3.4%	9.0%	100.0%
5 - 9 employees	2.0%	34.6%	21.4%	20.9%	8.7%	4.5%	2.4%	5.5%	100.0%
10 - 19 employees	1.7%	35.9%	21.2%	20.7%	8.7%	4.5%	2.3%	5.0%	100.0%
20 - 49 employees	1.5%	35.0%	20.6%	21.2%	9.1%	4.7%	2.5%	5.4%	100.0%
50 - 99 employees	1.2%	32.4%	19.8%	21.4%	10.4%	5.6%	3.0%	6.1%	100.0%
100 - 249 employees	1.3%	32.2%	19.4%	21.4%	10.7%	5.7%	3.0%	6.3%	100.0%
250 - 499 employees	1.2%	34.0%	17.8%	20.0%	10.5%	6.4%	3.6%	6.5%	100.0%
500 or more employees	1.1%	25.9%	17.0%	19.8%	11.9%	8.5%	5.8%	10.0%	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 - 4th Quarter 2017*

	Under \$10.00	\$10.00 - \$14.99	\$15.00 - \$19.99	\$20.00 - \$29.99	\$30.00 - \$39.99	\$40.00 - \$49.99	\$50.00 - \$59.99	\$60.00 or more	Total
Total - All Size Classes	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Under 5 employees	9.2%	5.6%	6.0%	5.3%	4.7%	4.5%	4.9%	6.7%	5.6%
5 - 9 employees	9.0%	6.9%	6.9%	6.3%	5.1%	4.4%	3.8%	4.6%	6.2%
10 - 19 employees	10.7%	9.7%	9.4%	8.5%	7.0%	5.9%	5.1%	5.7%	8.4%
20 - 49 employees	14.3%	14.6%	14.1%	13.4%	11.3%	9.6%	8.4%	9.3%	13.0%
50 - 99 employees	8.7%	10.1%	10.1%	10.1%	9.6%	8.5%	7.4%	7.9%	9.7%
100 - 249 employees	12.7%	13.8%	13.6%	13.9%	13.6%	11.8%	10.4%	11.3%	13.3%
250 - 499 employees	8.6%	10.6%	9.1%	9.4%	9.7%	9.7%	8.9%	8.5%	9.7%
500 or more employees	26.9%	28.7%	30.8%	33.1%	39.0%	45.7%	51.1%	46.0%	34.3%

* 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 - 4th Quarter 2017

	Count	12-Month Percent Change	Percent of Total SSNs	Total Wages	12-Month Percent Change	Percent of Total Wages	Mean Wages Per Quarter	12-Month Percent Change
Total SSNs	1,916,914	1.5%	100.0%	\$ 24,346,047,064	5.9%	100.0%	\$ 12,701	4.4%
One Job	1,700,005	1.3%	88.7%	\$ 22,183,067,279	5.8%	91.1%	\$ 13,049	4.5%
Two Jobs	187,654	2.2%	9.8%	\$ 1,897,367,472	6.8%	7.8%	\$ 10,111	4.5%
Three Jobs	23,530	4.5%	1.2%	\$ 210,325,165	7.7%	0.9%	\$ 8,939	3.1%
Four or More Jobs	5,725	11.0%	0.3%	\$ 55,287,148	12.7%	0.2%	\$ 9,657	1.5%
Total Records	2,172,104	1.7%						
Records per SSN	1.13							
Two or More Jobs	216,909	2.6%	11.3%					
Workers in Oregon's workforce in 4th Quarter 2017 who:								
- did not work in Oregon in 3rd quarter 2017	136,216	-1.3%						
- had not worked in Oregon since 1990	44,592	0.2%						
- returned to Oregon's workforce*	91,624	-2.0%						
Percent in workforce one year ago	83.6%							
Percent in same primary industry	84.0%							
Percent in new primary industry (3-digit NAICS)	16.0%							

*Did not work in Oregon in 3rd Quarter 2017, 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 - 4th Quarter 2017

2017 4th Quarter Wages

All Workers

	Quintile					
	All ¹	1	2	3	4	5
Quintiles		\$3,750	\$7,267	\$11,096	\$17,716	NA
Mean	\$12,701	\$1,770	\$5,564	\$9,072	\$14,003	\$33,093
Median	\$9,011	\$1,727	\$5,600	\$9,011	\$13,803	\$24,650

¹1,916,914 SSNs

Employed 200+ Hours

	Quintile					
	All ²	1	2	3	4	5
Quintiles		\$5,958	\$8,880	\$12,653	\$19,306	NA
Mean	\$14,621	\$4,272	\$7,392	\$10,635	\$15,586	\$35,221
Median	\$10,565	\$4,375	\$7,388	\$10,565	\$15,383	\$26,356

²1,580,754 SSNs

Employed 350+ Hours

	Quintile					
	All ³	1	2	3	4	5
Quintiles		\$7,302	\$10,122	\$13,977	\$20,737	NA
Mean	\$15,289	\$5,757	\$8,672	\$11,918	\$16,953	\$37,666
Median	\$11,394	\$5,911	\$8,660	\$11,869	\$16,787	\$28,064

³1,319,594 SSNs

Percent Change from Prior Year

All Workers

	Quintile					
	All ¹	1	2	3	4	5
Quintiles		6.4%	5.5%	4.5%	3.7%	NA
Mean	4.4%	6.3%	6.3%	4.8%	4.2%	4.0%
Median	4.7%	6.1%	6.7%	4.7%	4.2%	3.7%

Employed 200+ Hours

	Quintile					
	All ²	1	2	3	4	5
Quintiles		7.0%	5.1%	4.5%	3.7%	NA
Mean	4.4%	7.2%	5.7%	4.6%	4.0%	4.0%
Median	4.6%	7.4%	5.7%	4.6%	3.9%	3.7%

Employed 350+ Hours

	Quintile					
	All ³	1	2	3	4	5
Quintiles		6.3%	5.3%	5.3%	5.6%	NA
Mean	0.2%	7.5%	5.6%	5.3%	5.3%	6.6%
Median	1.2%	7.8%	5.7%	5.4%	5.4%	6.6%

Source: Unemployment Insurance Wage Records