Labor Market Update

2020 Economic Forecast
Roseburg Area Chamber of Commerce
November 14, 2019
Labor Market Conditions
## Labor Market Conditions

<table>
<thead>
<tr>
<th>Oregon</th>
<th>Douglas County</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unemployment Rate = 4.1%</td>
<td>Unemployment Rate = 5.4%</td>
</tr>
<tr>
<td>Unemployed = 83,000</td>
<td>Unemployed = 2,300</td>
</tr>
<tr>
<td>Employed = 2,041,000</td>
<td>Employed = 44,400</td>
</tr>
<tr>
<td>Labor force participation = 62.3%</td>
<td>Labor force participation = 50.6%</td>
</tr>
<tr>
<td>Population growth = 54,200</td>
<td>Population growth = 555</td>
</tr>
<tr>
<td>Job growth rate = 1.2%</td>
<td>Job growth rate = 1.0%</td>
</tr>
<tr>
<td>Jobs added = 23,900</td>
<td>Jobs added = 370</td>
</tr>
</tbody>
</table>
Population Growth
Net migration into Oregon is a source of labor force supply. It also grows the economy by increasing the demand for products and services.

Components of Oregon’s Annual Population Change

Source: Portland State University, Population Research Center
Age Distribution, 2018
Douglas County and Oregon

Source: Portland State University, Population Research Center
Job Growth
Job growth was slower than the previous year.

Average monthly nonfarm employment gain:

- **2013**: +3,800 jobs
- **2014**: +4,500 jobs
- **2015**: +4,900 jobs
- **2016**: +3,400 jobs
- **2017**: +3,700 jobs
- **2018**: +3,000 jobs
- **2019 (Jan-Sept)**: +700 jobs

*Source: Oregon Employment Department, Current Employment Statistics*
Industries with low, medium, and high average wages have added jobs over the last year.

Oregon Job Growth and Average Pay by Industry
September 2018 - September 2019 Job Growth, 2018 Average Pay

Source: Oregon Employment Department
Douglas County Job Growth

Douglas County lost 6,100 jobs during the Great Recession.

Has gained back 4,720 (77%) of what was lost as of September 2019.
Douglas County Industry Employment Change over-the-year September 2019

Mining and Logging
Construction
Manufacturing
Wholesale Trade
Retail Trade
Transportation, Warehousing, and Utilities
Information
Financial Activities
Professional and Business Services
Education and Health Services
Leisure and Hospitality
Other Services
Government
Holiday Hiring?
Statewide, retail trade lost 3,900 jobs in the past 12 months. Yet we estimate there are 7,400 vacancies at any one time.
Why is retail trade losing jobs?

Conversations usually go in four directions:

1. Lack of demand for workers
2. Higher minimum wage
3. Retail apocalypse
4. Lack of supply of workers
Transportation, warehousing, and utilities employment increased by 300 in September.

Source: Oregon Employment Department, Current Employment Statistics
Preparing for the Next Recession
Number of unemployment insurance claims is very low, indicating very few layoffs occurring.
The UO Index fell in September. On the plus side: more hours worked in manufacturing, increased trucking activity, and less negative interest rate spread.
The Yield Curve. Less than zero signals a recession within a year or two. It was below zero for three days in late August.
10-Year Regional Jobs Outlook
Southwestern Oregon: 3.6% of all Oregon jobs

8.7% of Oregon’s geography
Regional Employment Projections 2017-2027
Oregon = 12%

Job Growth (%)
13% to 15%
10% to 12%
6% to 9%

7%
Southwestern Oregon
2017-2027 Projections

Growth openings
+4,740

Replacement openings
~85,630

Eighteen job openings due to replacements for each opening due to growth.
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