

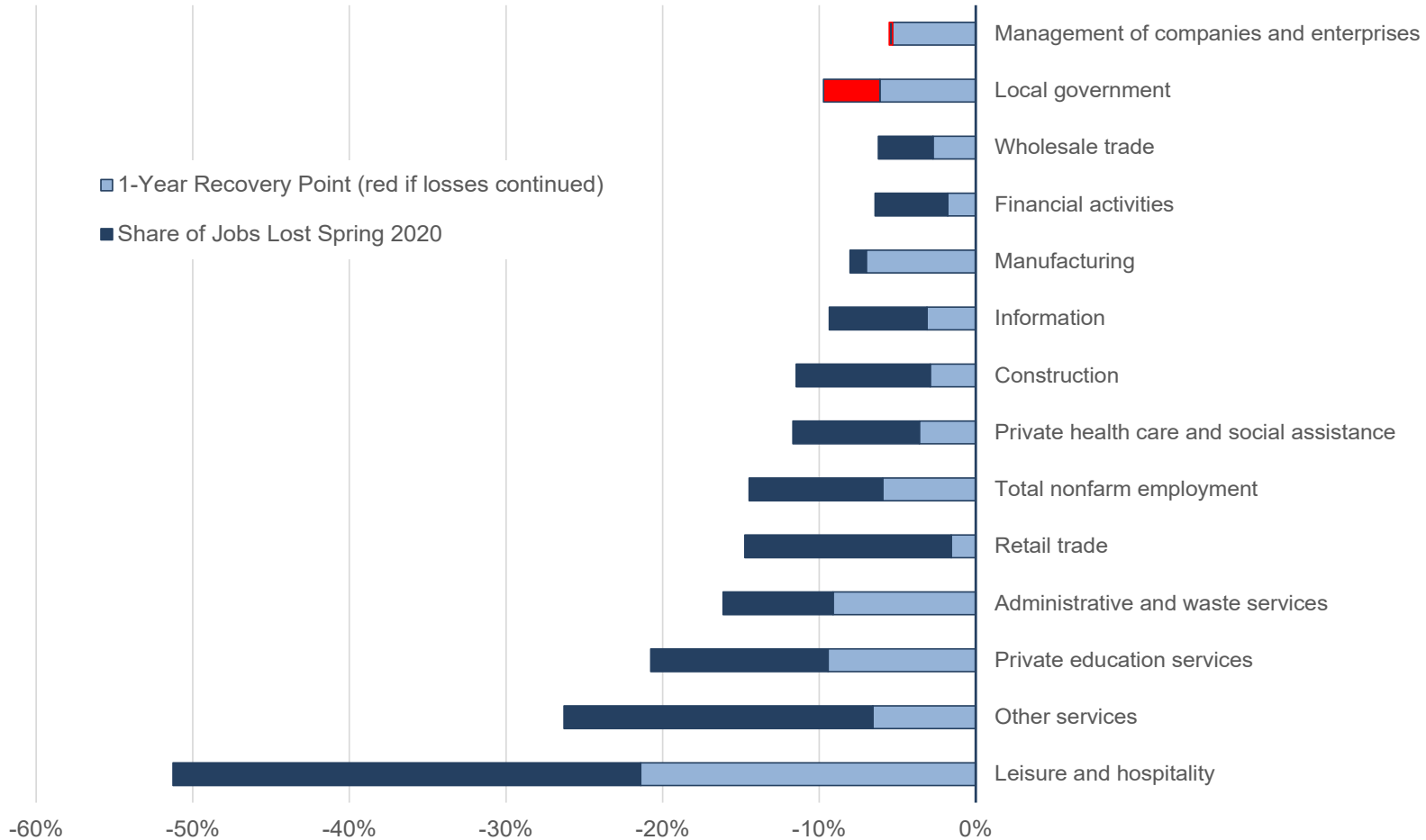
Re-Employment and Wage Trends in Oregon

Council for Community and Economic Research
June 13, 2023

Record job displacement and shutdowns set stage for the great re-shuffle.

Pandemic Recession Job Loss and Recovery

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



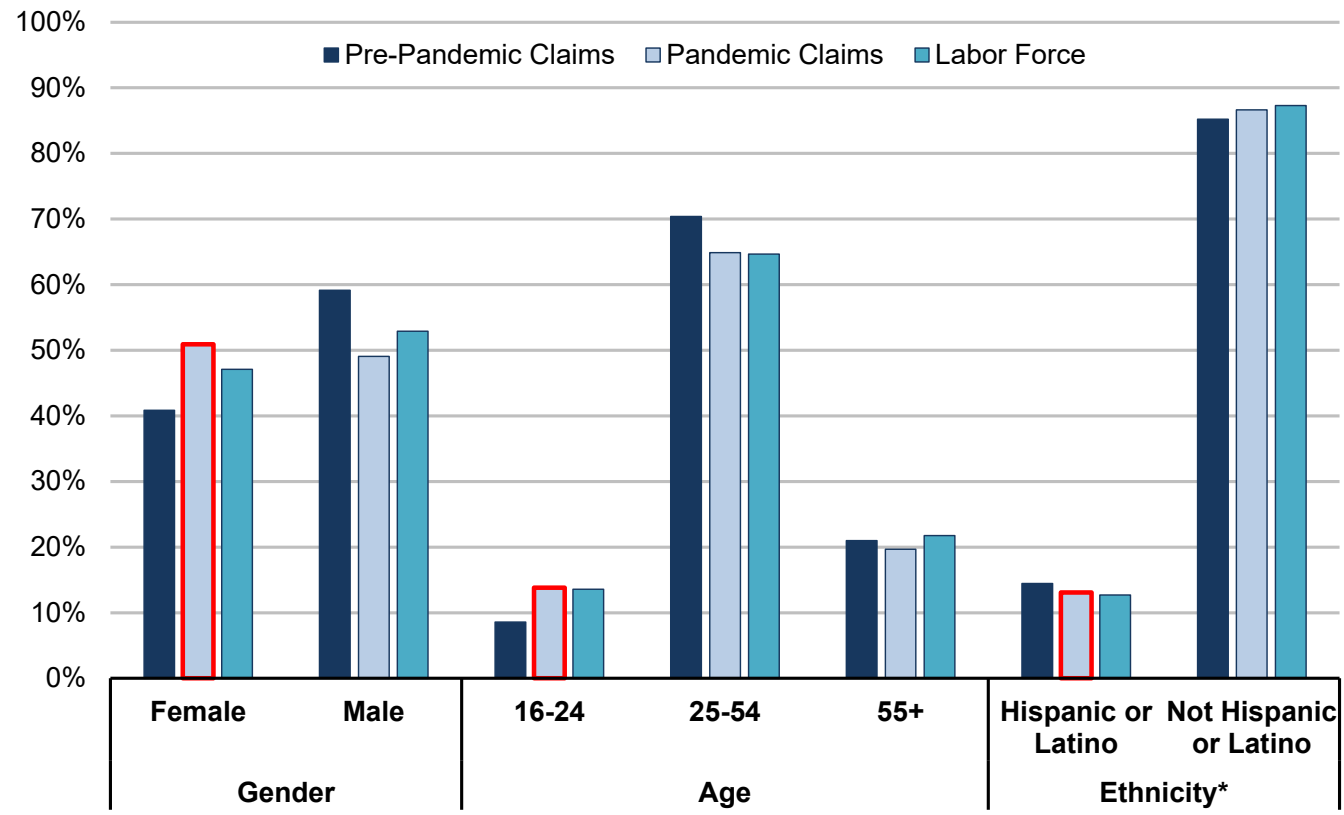
Source: Oregon Employment Department, Current Employment Statistics, excludes professional and technical services, and transportation, warehousing, and utilities

Oregon lost more than 280,000 jobs (-14%).

- Services sectors slower to rebound.
- Some sectors continued to lost jobs after the official recession ended.

Displaced workers were more likely to be women, or younger workers.

Female and Youth Shares of Unemployment Rose During Pandemic



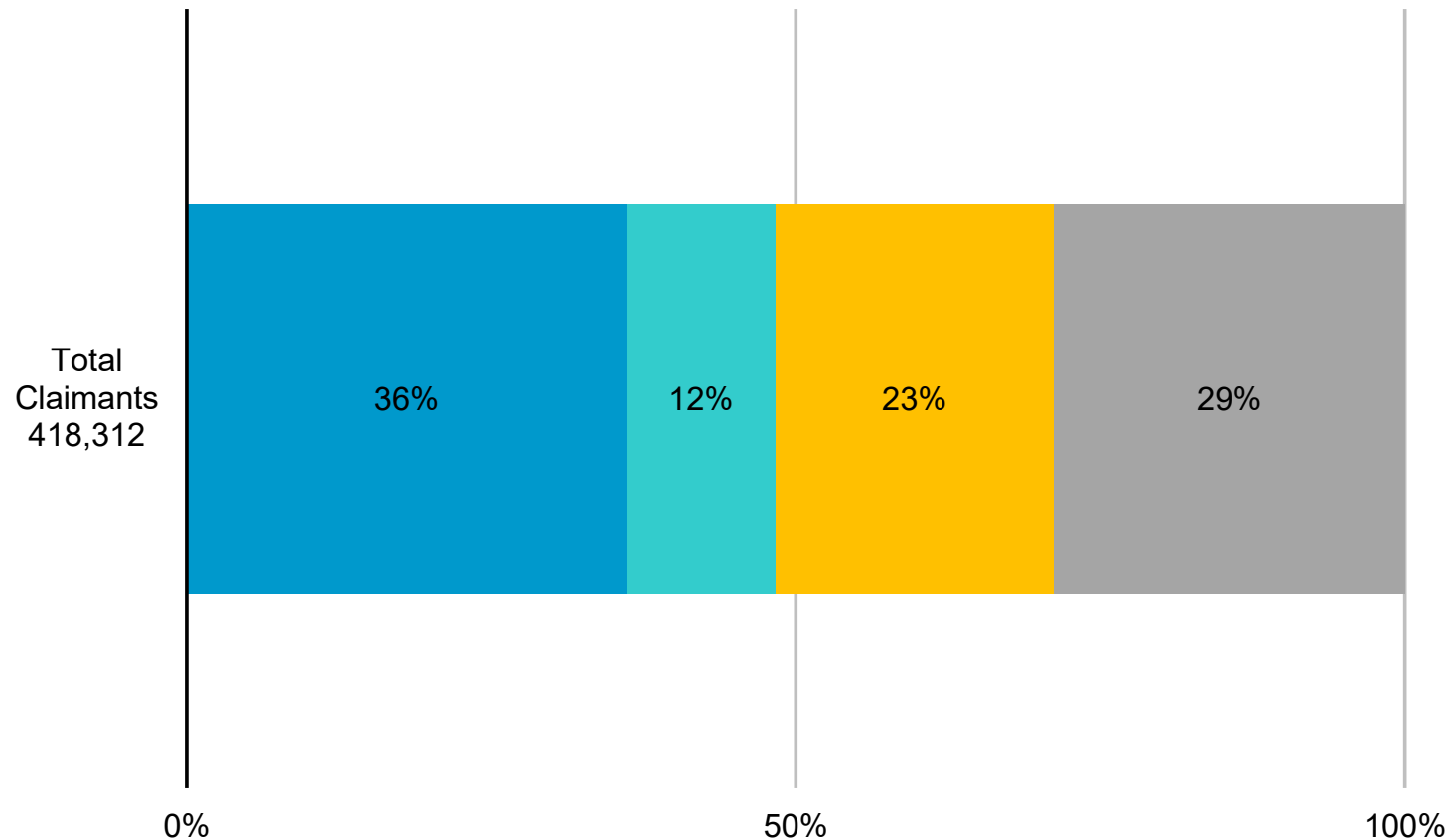
Women and younger workers made up larger shares of unemployment claims in the early months of pandemic business closures.

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

Where Did the Pandemic Unemployed Go?

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



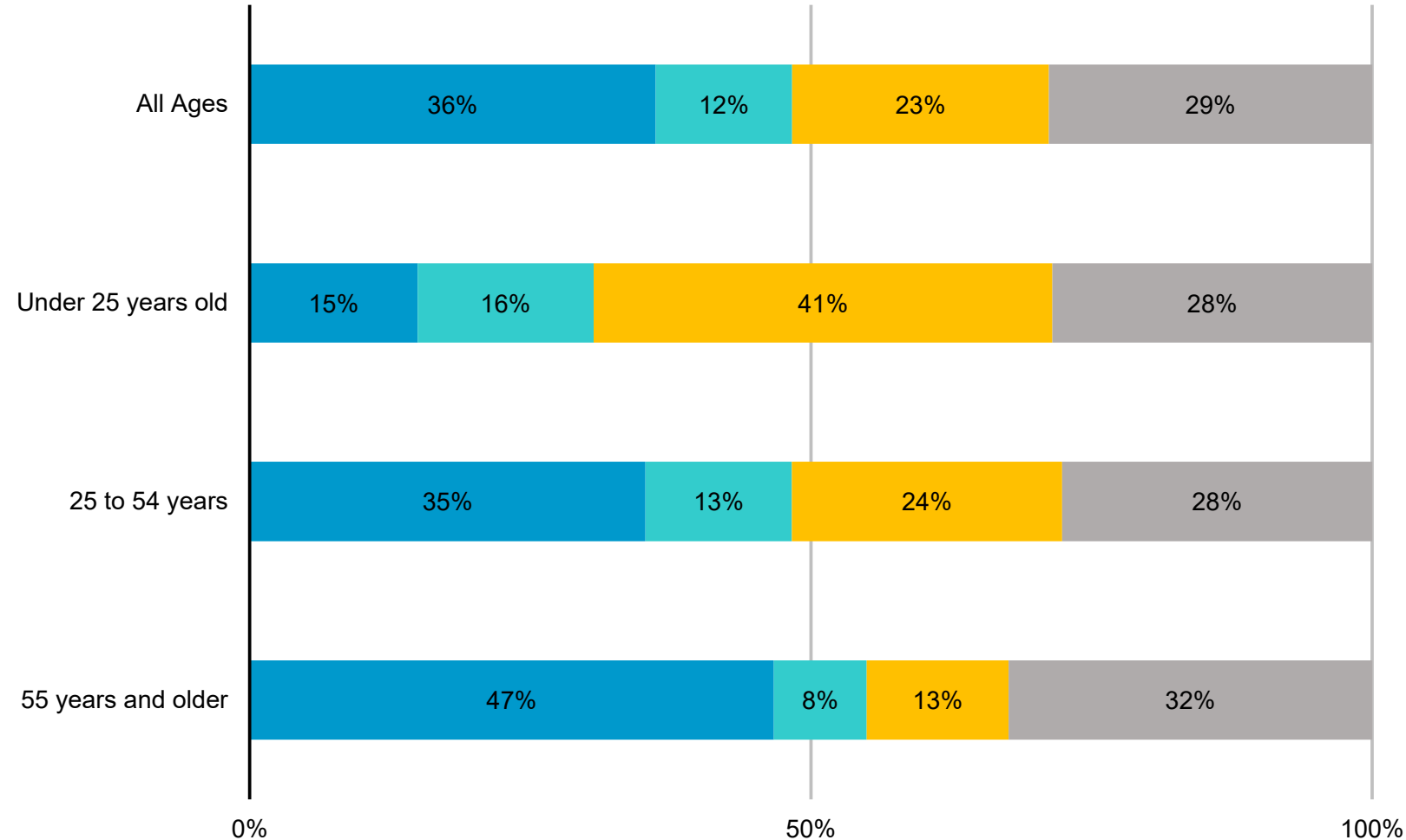
Most Common Outcome was to Return to Same Employer

- 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 Differed Notably by Claimant 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

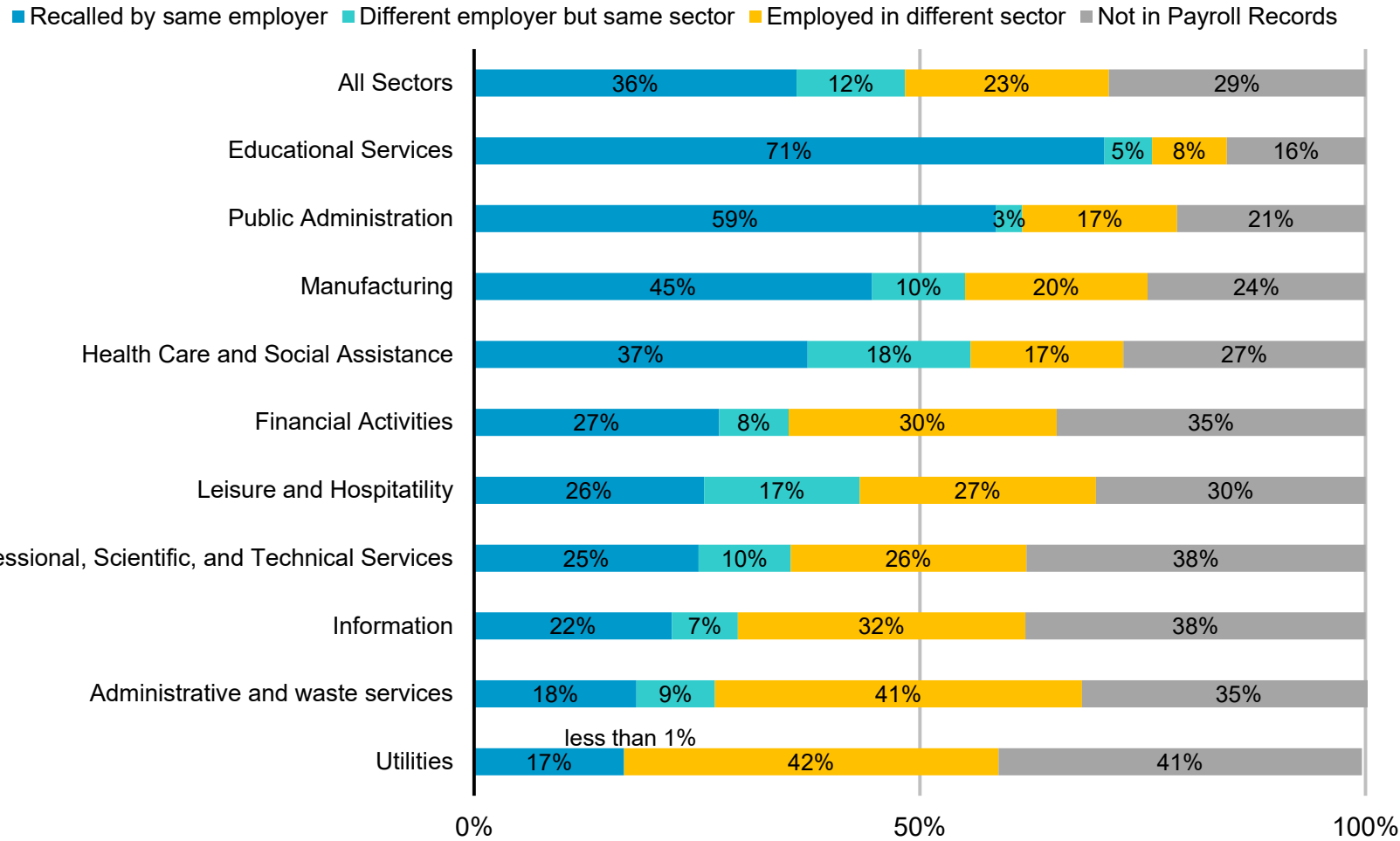


Source: Oregon Employment Department, Unemployment Insurance Records

- 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.

Recall and retention also varied widely by sector.

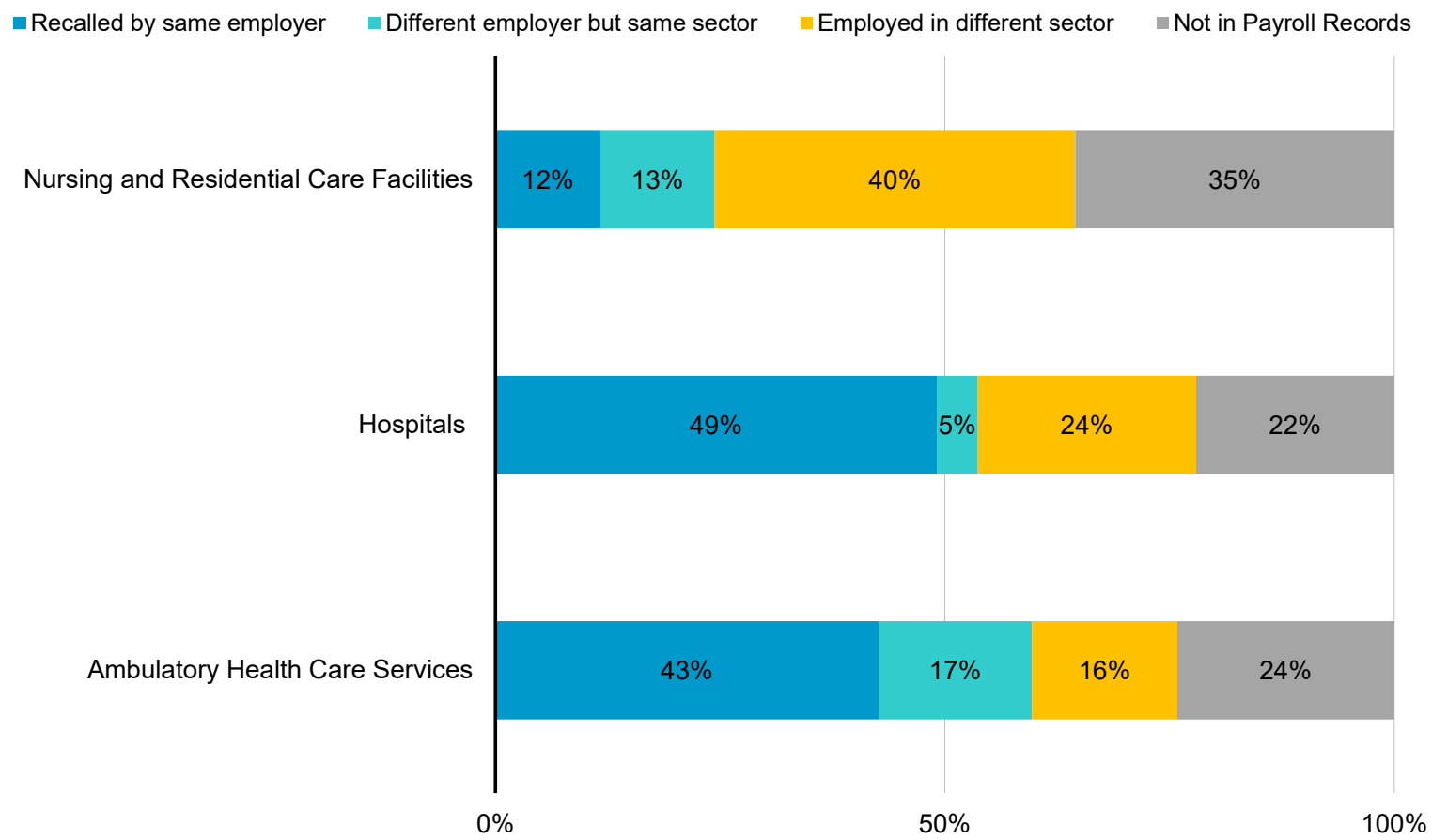
Re-employment Patterns of Pandemic Recession Claimants in Oregon by Winter 2022, Selected Sectors



- 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.

More Nursing and Residential Care Workers Moved On

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

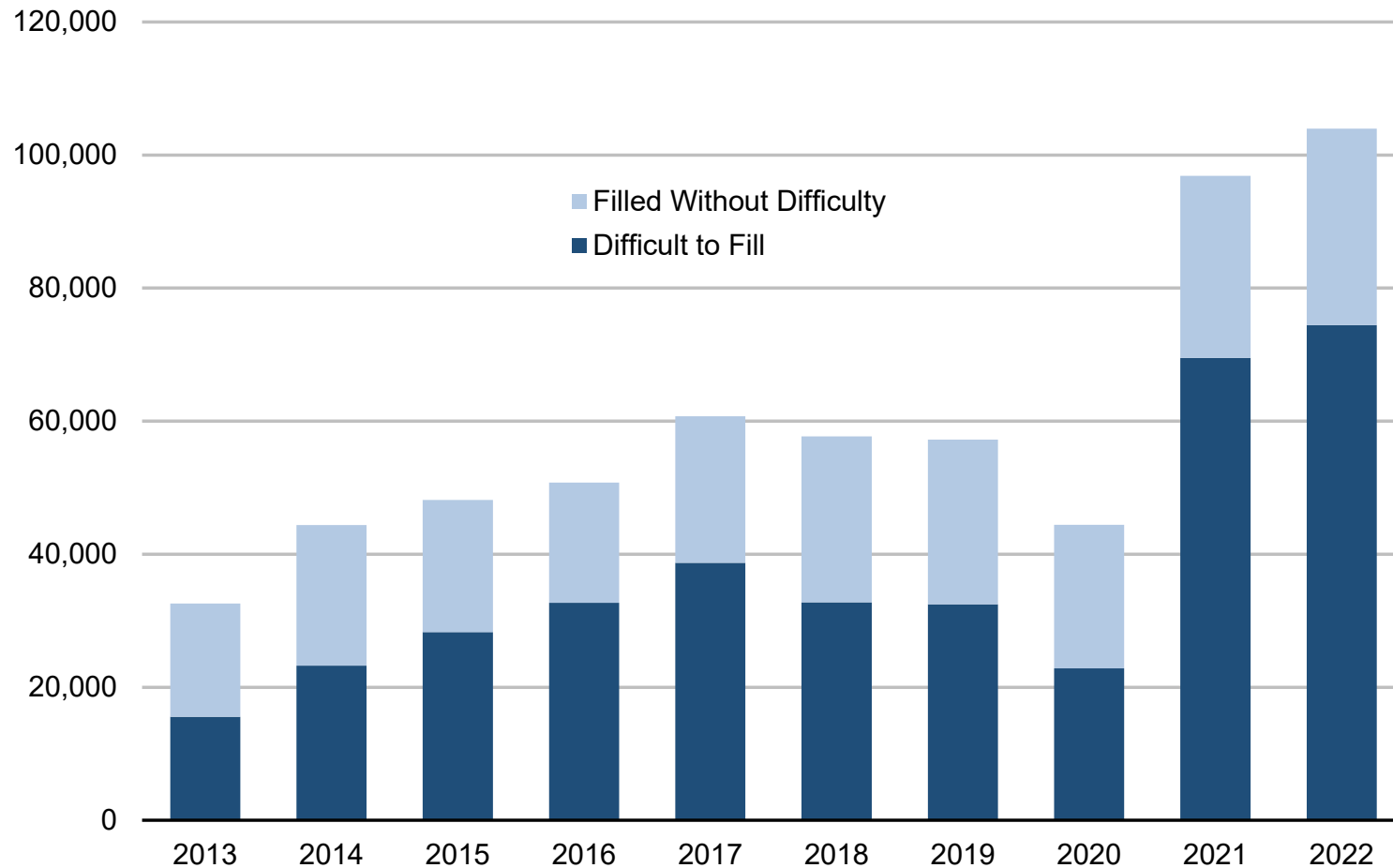
Pandemic recession unemployment claimants also had larger wage gains than for all Oregon workers during the 18-month period.

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.

Ongoing Tight Labor Market With Record Job Openings

Oregon Job Vacancies Reached Record Levels in 2022

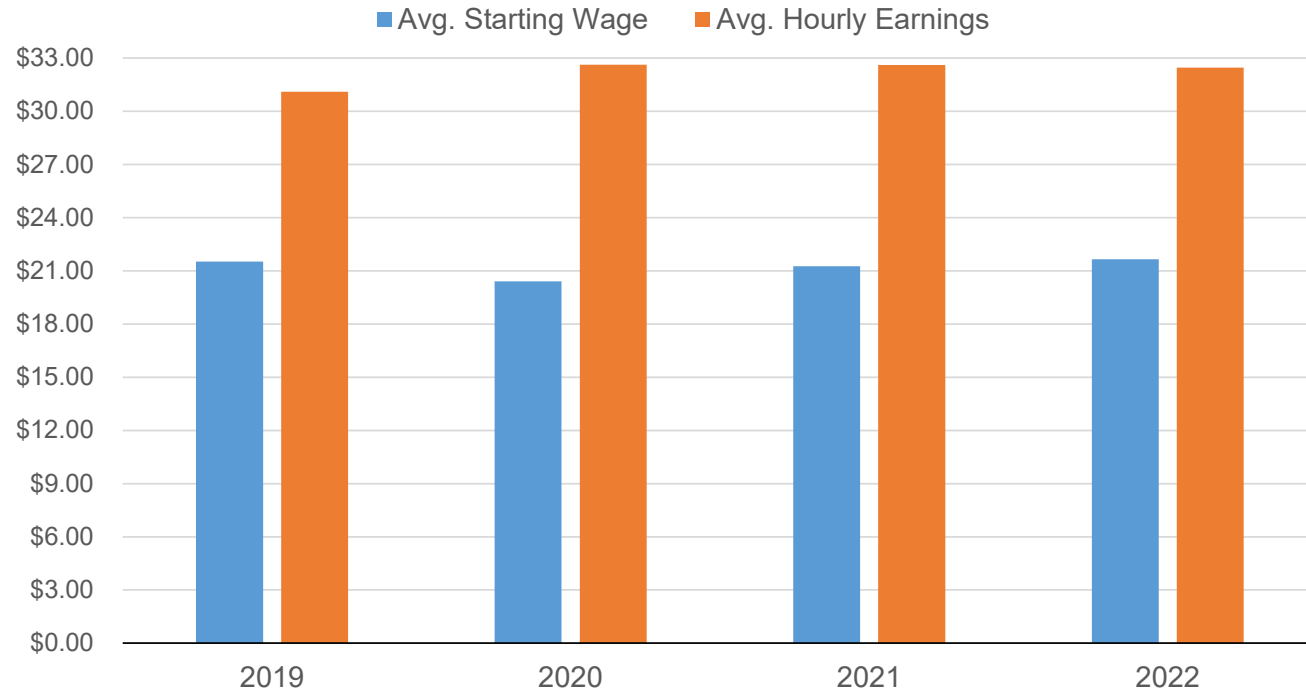


Source: Oregon Employment Department, Oregon Job Vacancy Survey

- Before 2020, the largest number of job openings in Oregon was 67,000 in summer 2017.
- For two years, private-sector vacancies were near or above 100,000 at any given time.
- Oregon's unemployment rate returned to historic lows in 2022.
- Record difficulty filling jobs; employers identify 7 out of 10 vacancies as hard to fill.

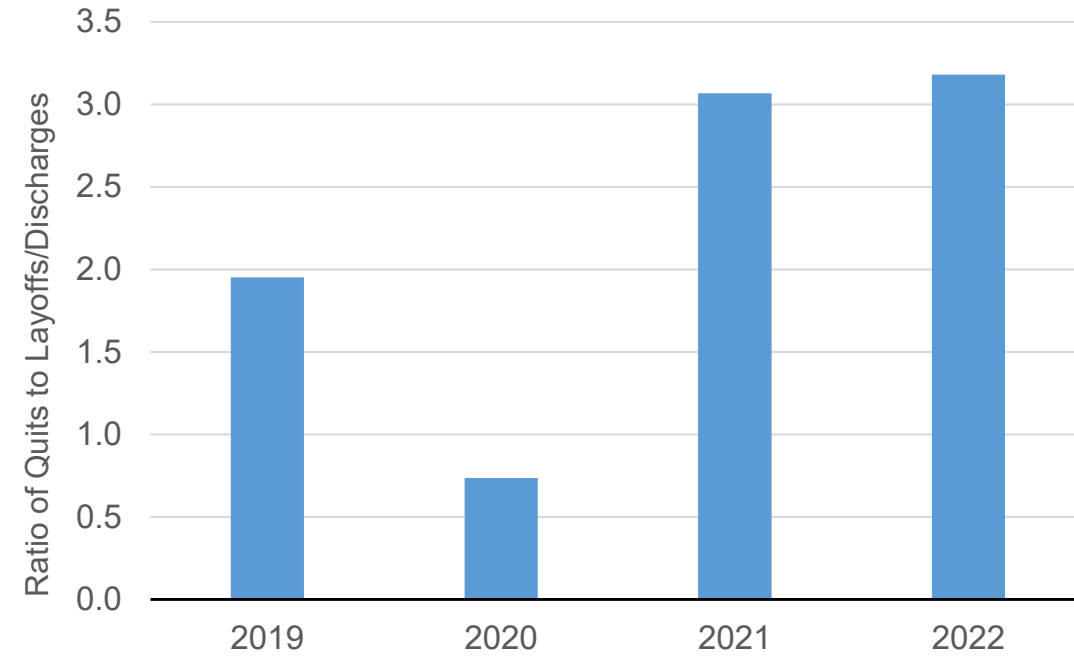
Higher Wages and Worker Leverage

Change in Real Hourly Earnings and Starting Wages Offered at Private Companies in Oregon, 2019 - 2022



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

Labor Leverage Ratio in Oregon 2019 - 2021



Source: U.S. Bureau of Labor Statistics



HIRING AND RETENTION IN A TIGHT LABOR MARKET

What can employers do in a tight labor market when hiring is really competitive, and it's hard to find enough workers?

In times of low unemployment and plentiful jobs, it's important to layer as many of these as possible for both new and existing workers.

Raise Wages

With low available supply of labor, job seekers have their choice of job offers. Job switchers have greater wage gains too.

Benefits, Perks, Bonuses

Some might be monetary, others might be things like schedule flexibility or hybrid remote/in-person work.

Reduce Previous Experience Requirements

Allows more people to be eligible for your job openings

Recruitment Intensity

Layer help wanted signs with online job postings; list with WorkSource; work with recruiters regionally/nationally

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