



Employment in Oregon: A Summary Through December 2021

Economic Development District Board

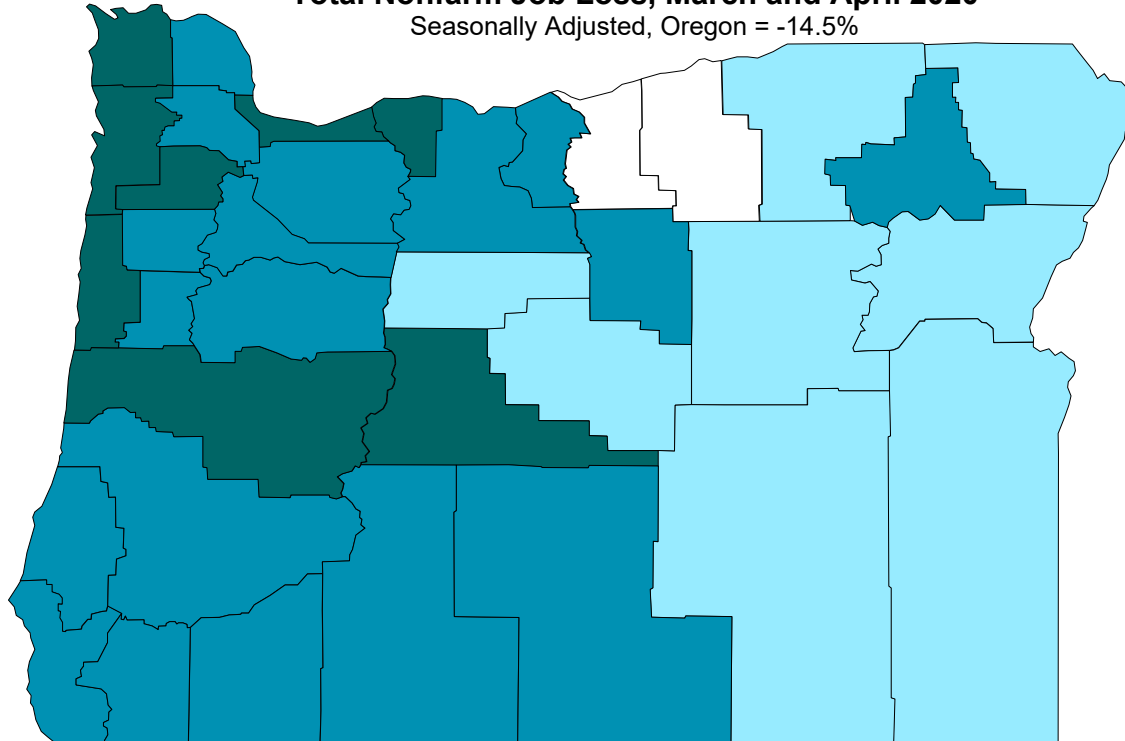
Updated: February 10, 2022



Oregon lost 285,000 nonfarm payroll jobs (-14.5%) from February to April 2020.

Total Nonfarm Job Loss, March and April 2020

Seasonally Adjusted, Oregon = -14.5%



Sources: Oregon Employment Department

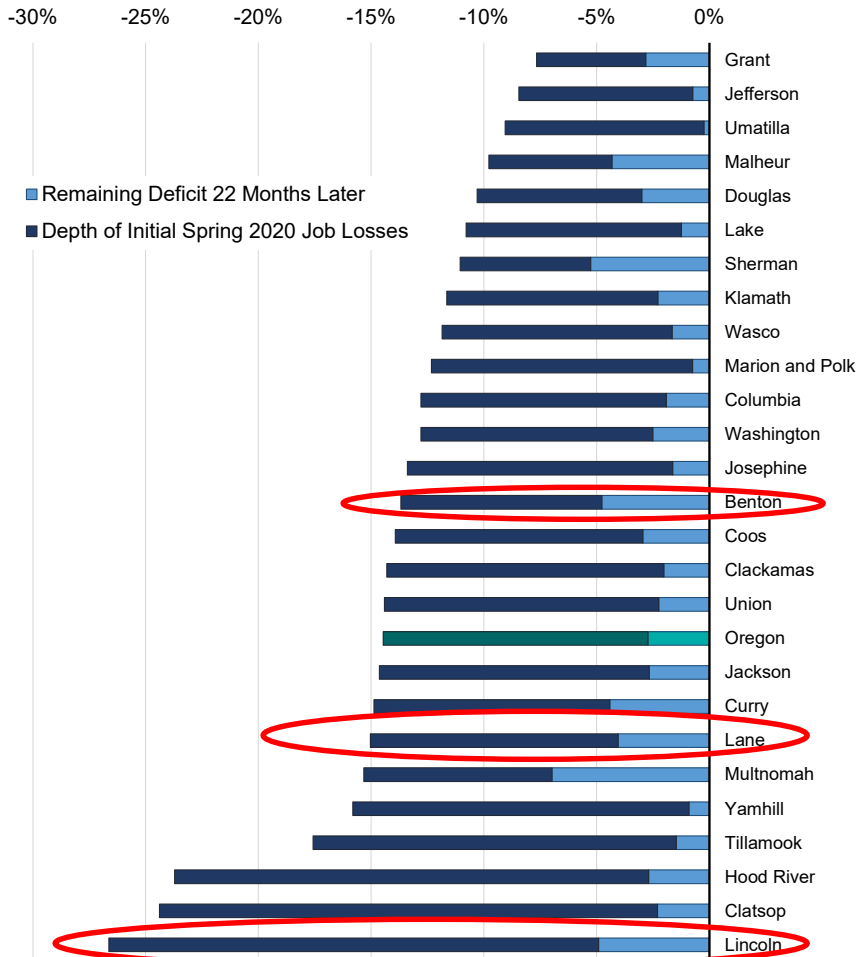


In the Great Recession, Oregon lost roughly **150,000 jobs on net over the course of a couple of years.**

In the COVID-19 recession the North Coast and Hood River counties took the largest initial job losses (more than 20%).

Pandemic Recession Job Loss and Recovery in Oregon

Seasonally Adjusted, February 2020 to December 2021

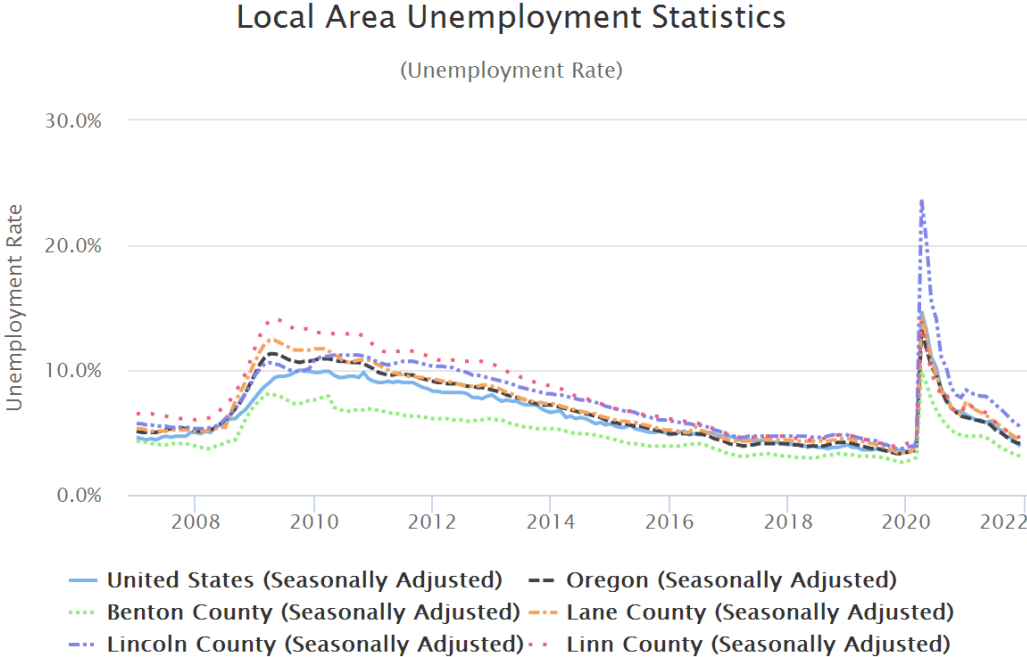


The jobs recovery is underway, but not complete. By December 2021, Oregon had regained 81% of jobs lost in spring 2020.

Oregon's rural counties are generally further along in their jobs recovery than metropolitan areas.

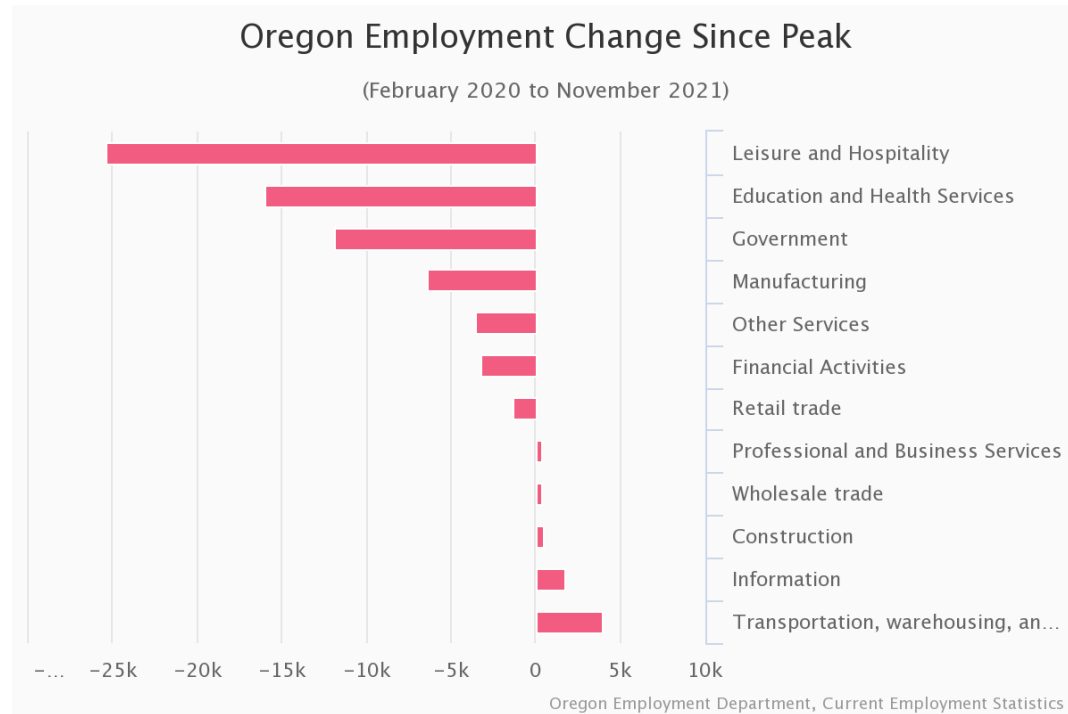
Source: Oregon Employment Department, Current Employment Statistics; excl. Morrow, Willowa, Crook, Harney, Baker, WU

Lincoln County had an unemployment rate of nearly 24% in the spring of 2020.

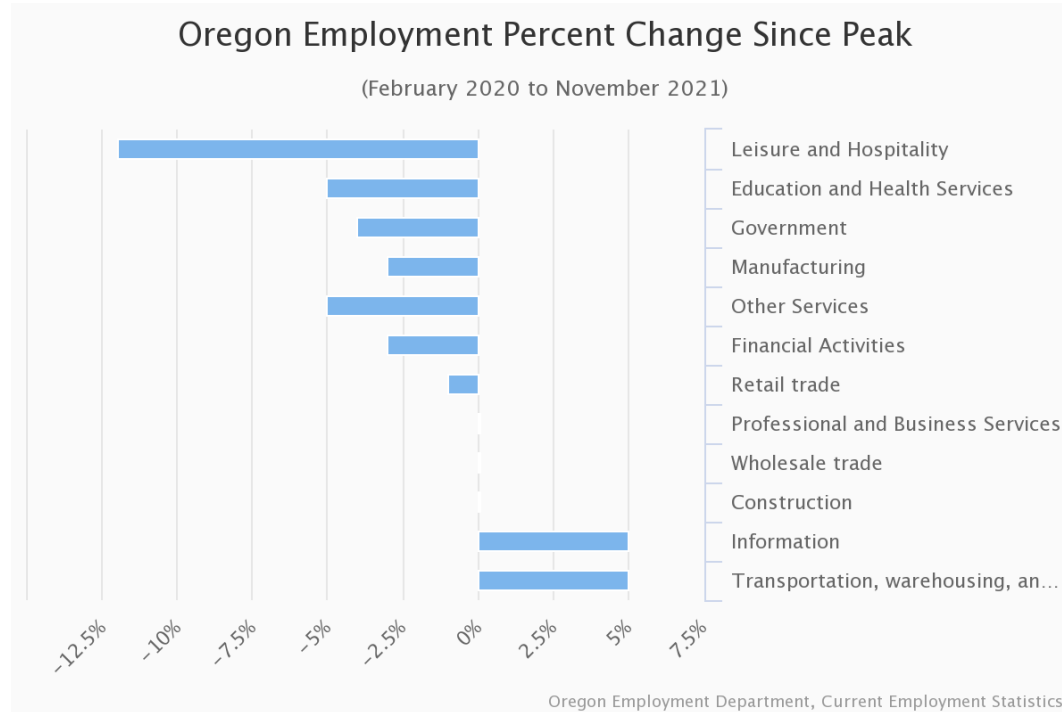


Source: Oregon Employment Department Qualityinfo.org

Leisure and hospitality; private education and health services; and local government show the largest employment declines statewide.

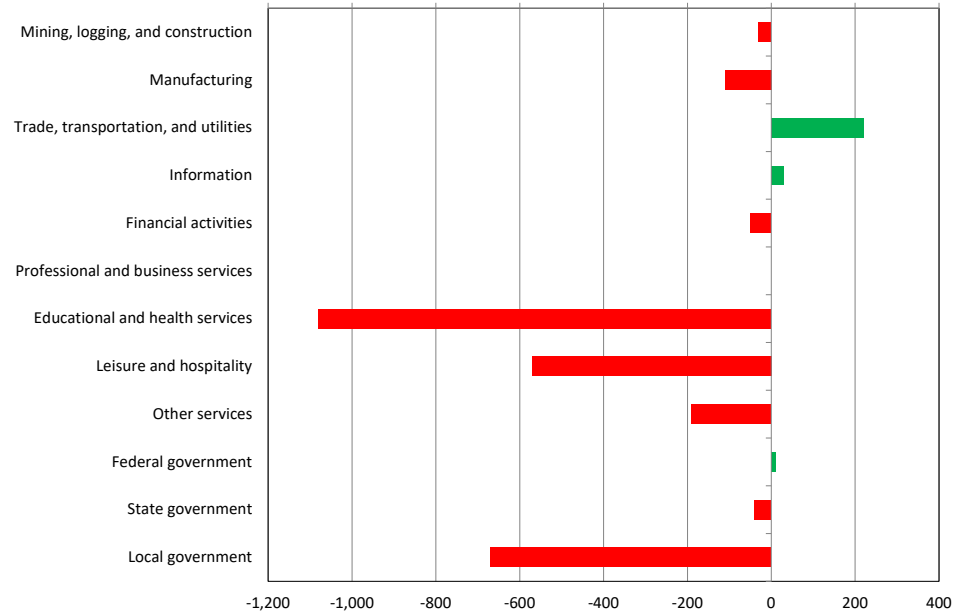


Leisure and hospitality employment is down 12% statewide from its pre-pandemic level, similar to Benton County. The sector is down 24% in Multnomah County.

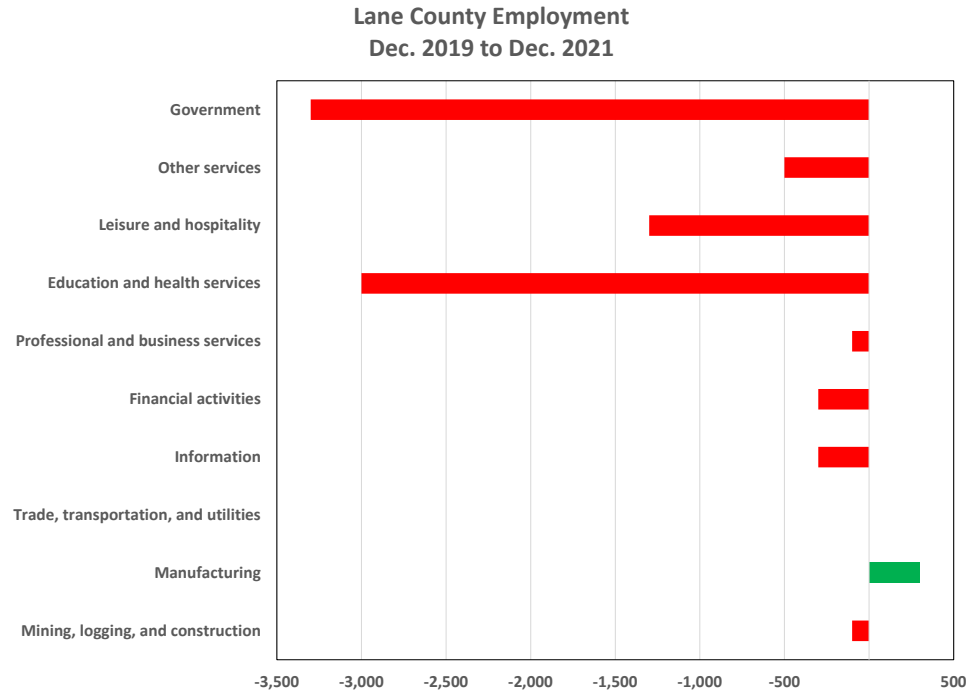


During the pandemic employment has declined in most industries. Local government education; leisure and hospitality; and private education and health services have lost the most jobs.

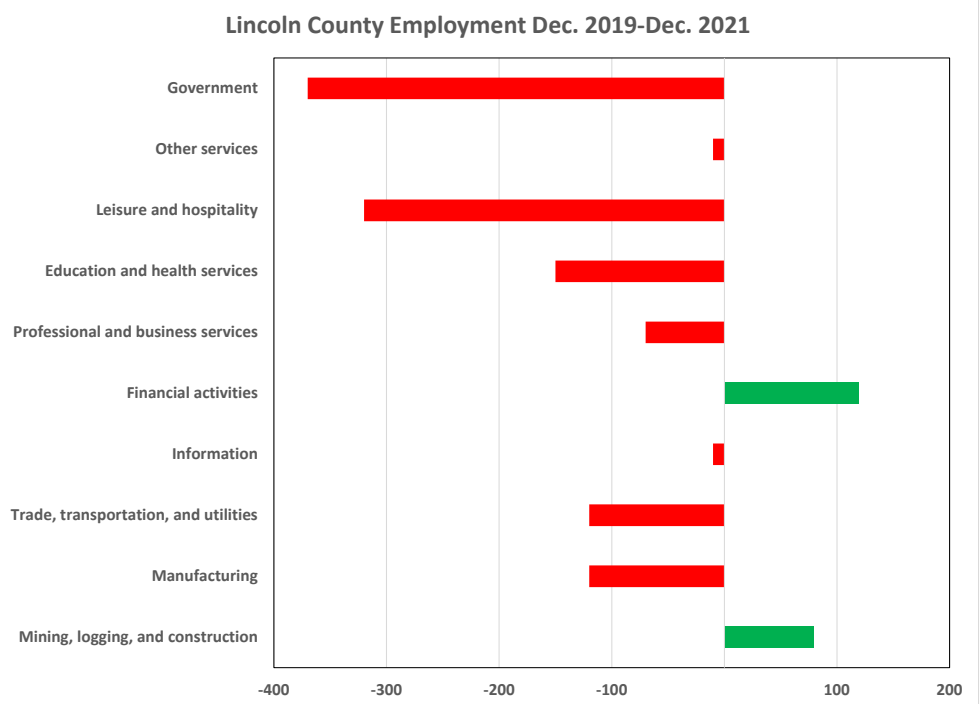
**Benton County Employment Change:
November 2019- November 2021**



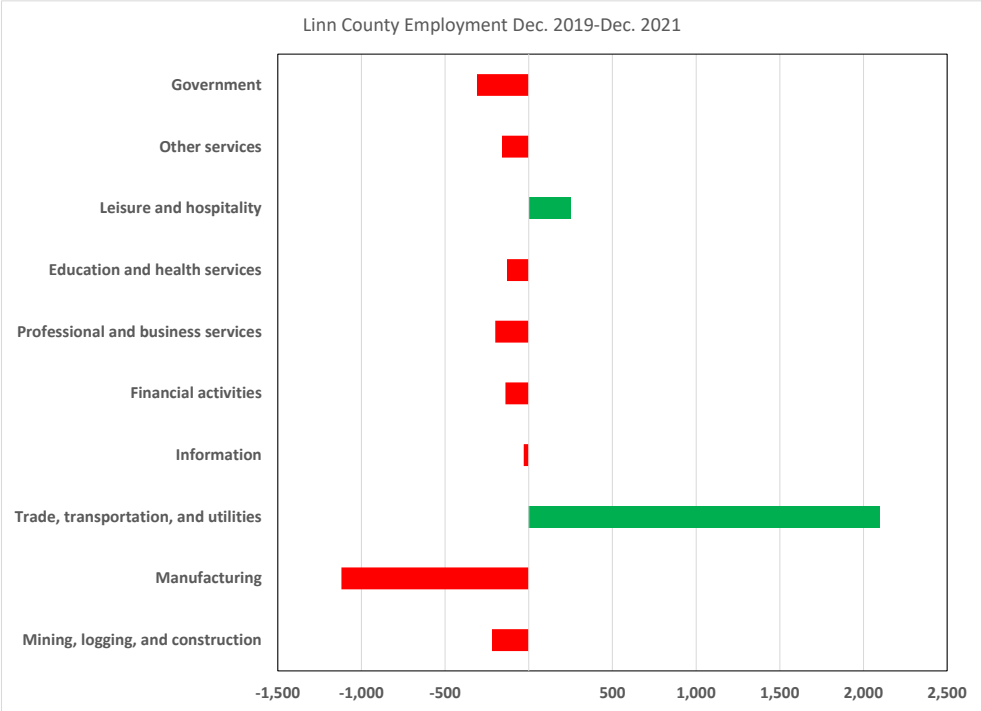
Local education (K-12 and U of O), health care, and leisure and hospitality employment are down from their pre-pandemic level.
Total employment is down 5.2%.



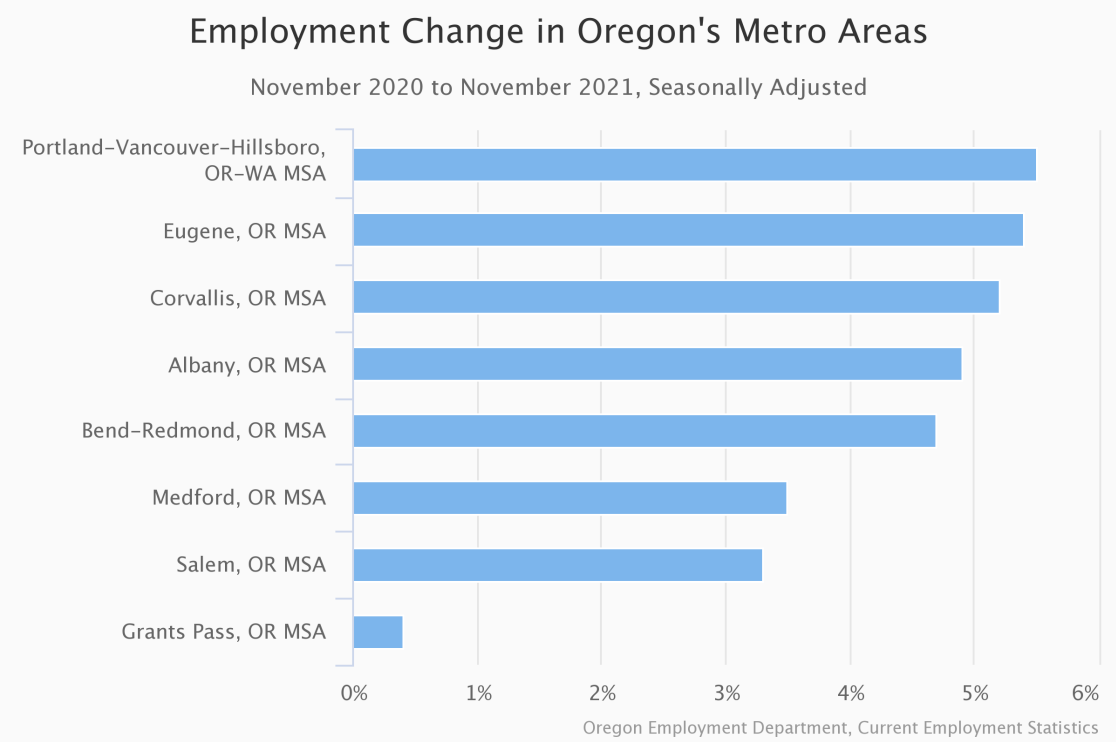
Tribal employment is still down nearly 24% in Lincoln County. Total employment is down 5.3%.



Linn County's total employment is back to its pre-pandemic level, but that is not the case for all industries. Large gains in transportation and warehousing have offset large manufacturing losses.



Oregon's metro areas that experienced the steepest job loss during the pandemic have grown fastest over the past year.



Help Wanted!



Employers aren't trying to get back to February 2020. They're way beyond it.



Source: Oregon Employment Department, Quarterly Job Vacancy Survey

This only represents private job vacancies, and we've seen hiring demand continue to grow nationally through summer.

So 107,000 is at least as many job openings as businesses have been trying to fill in recent months.



Hiring demand is widespread across Oregon's economy.

Oregon Job Vacancies by Industry, Summer 2021

<u>Industry</u>	<u>Vacancies</u>
All Industries	106,951
Health care and social assistance	20,916
Leisure and hospitality	16,740
Retail trade	12,006
Manufacturing	11,966
Construction	8,526
Professional, scientific, and technical services	7,218
Other services	5,882
Management, administrative, and waste services	5,455
Financial activities	5,169
Wholesale trade	4,784
Transportation, warehousing, and utilities	3,194
Natural resources and mining	3,152
Private educational services	1,425
Information	198

Source: Oregon Employment Department

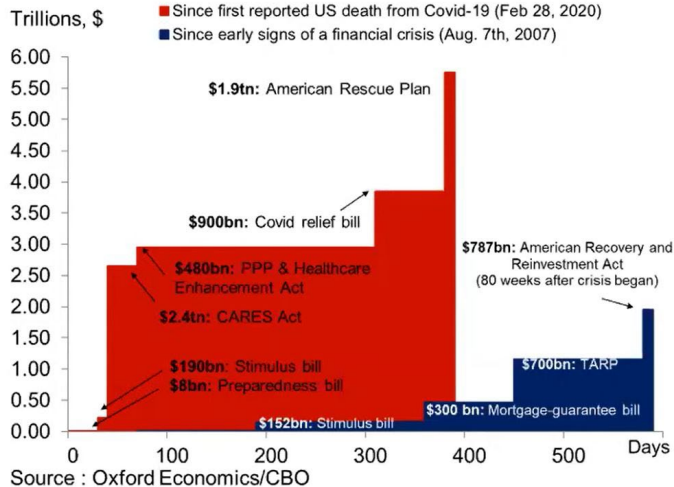
Retail trade, manufacturing, professional and technical services, and financial activities reported record levels of job vacancies in summer.

Note: While we've all seen evidence of local school districts hiring as in-person classes resume, those openings and other government hiring aren't captured in this survey of private-sector businesses.



What's fueling record levels of job vacancies?

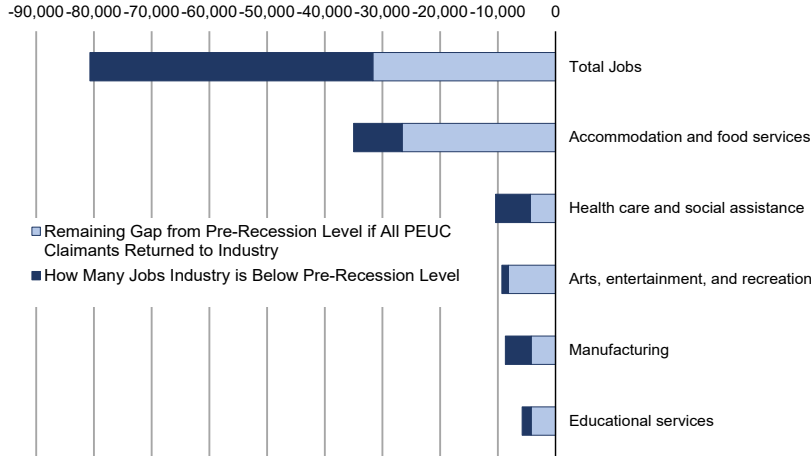
US: Funds authorized by Congress



- The economy got much more stimulus – and much faster than during the Great Recession.
- Higher household incomes fuel more demand for goods and services (and jobs to make/provide them)
- Record quits
- Retirements

The end of enhanced UI did not end worker shortages.

Labor Shortages Bigger than Possible Workforce Gains from Expired Federal Pandemic Emergency Unemployment Compensation Benefits



Source: Oregon Employment Department

The workers who were on PEUC benefits worked for payroll employers before they lost their jobs.

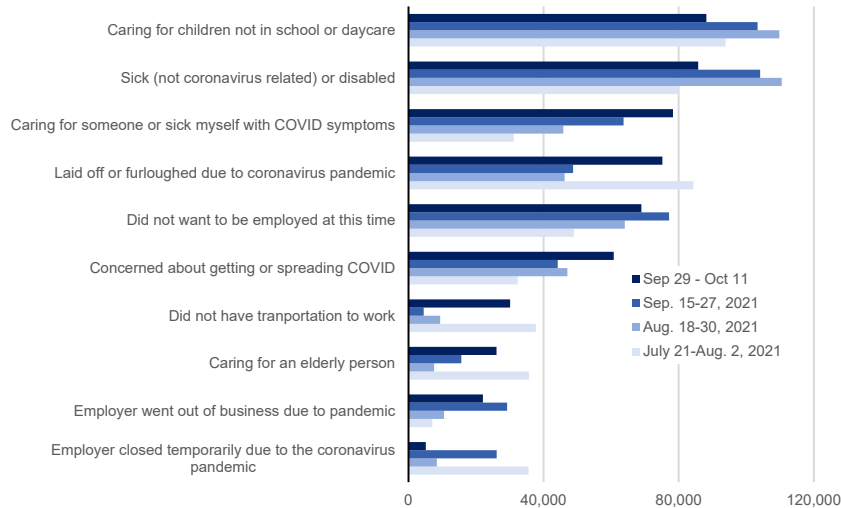
If you assume all those who lost benefits went back to payroll employers in their previous industries, there would still be notable gaps in restaurants and hotels, manufacturing, education, and health care.

By contrast, the recovery gaps would appear to be filled – if workers returned to their main industries of pre-COVID employment – in construction, wholesale and retail trade, and administrative and waste services.

*That's ***IF*** all the workers who lost benefits went back to prior industry, and right away.*

Some workers still have barriers to getting back to work.

**Oregon Adults Not Working and Not Retired at Time of Survey
by Reason for Not Working (Where Reported)**



Source: Oregon Employment Department and U.S. Census Bureau, Household Pulse Survey, Oregon estimates from survey weeks 34, 36, and 38.

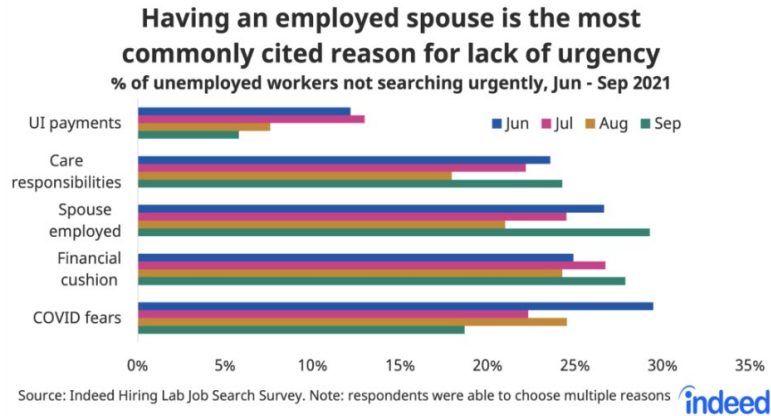
There are many workers who still fear getting or spreading COVID, and they're staying on the sidelines. While the Delta wave calmed down after September, we are now in the Omicron wave.

There's also likely some disruptions with class closures, both the typical ones around the holidays, and some additional closures due to staffing shortages.

And some of these factors could be interrelated. Difficulty finding workers for in-person services (cashiers, bus drivers, child care workers – who work in close proximity to others – and/or small children under 5 who can't be vaccinated yet).



Not all workers have the same urgency as employers right now.



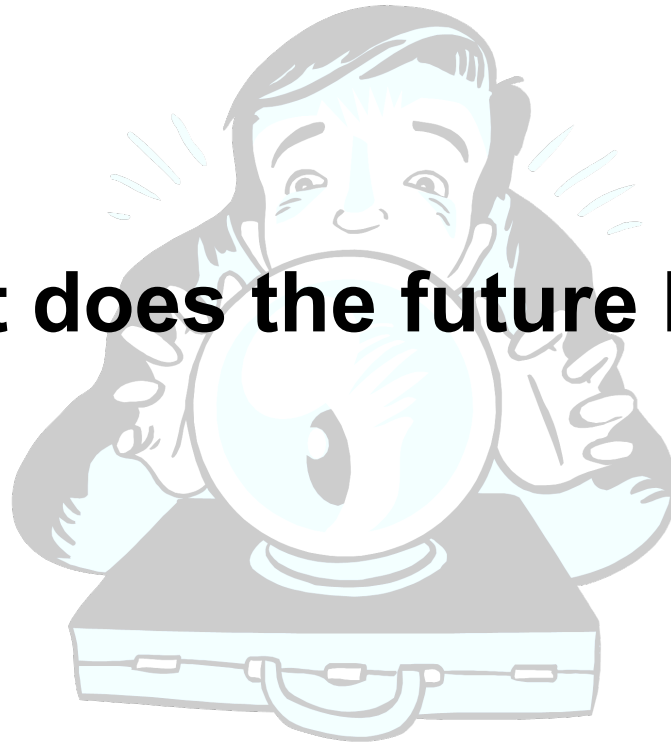
Indeed Hiring Lab research shows active job search rates among the jobless have been stagnant since June.

Of those who are actively seeking, there's a notable share (about 2 out of 5) who are looking start their next job 1 to 3 months, or even further into the future, rather than immediately.

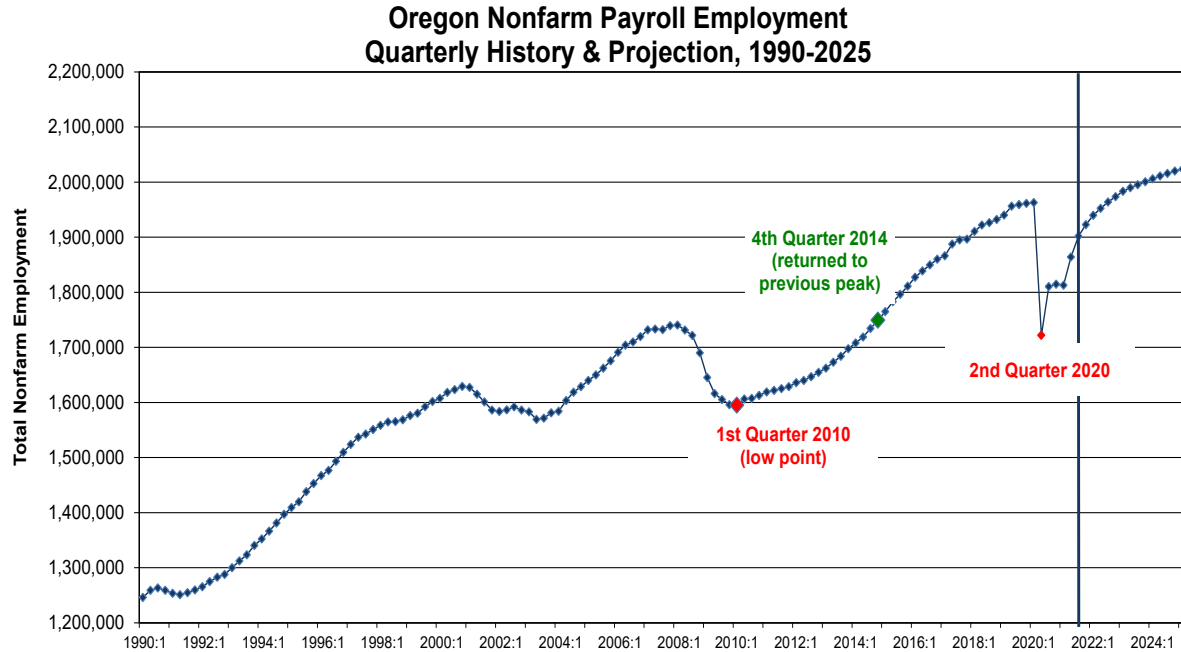
Financial cushion:

- Total personal incomes in Oregon still higher now than before recession.
- Multiple direct stimulus to households (even for those who kept their jobs the whole time), more unemployment benefits, other enhanced safety net programs too
- Financial cushion + any barrier returning to work allows opportunity to sideline for a while

What does the future hold?



The Office of Economic Analysis expects a return to pre-pandemic job levels by late 2022.

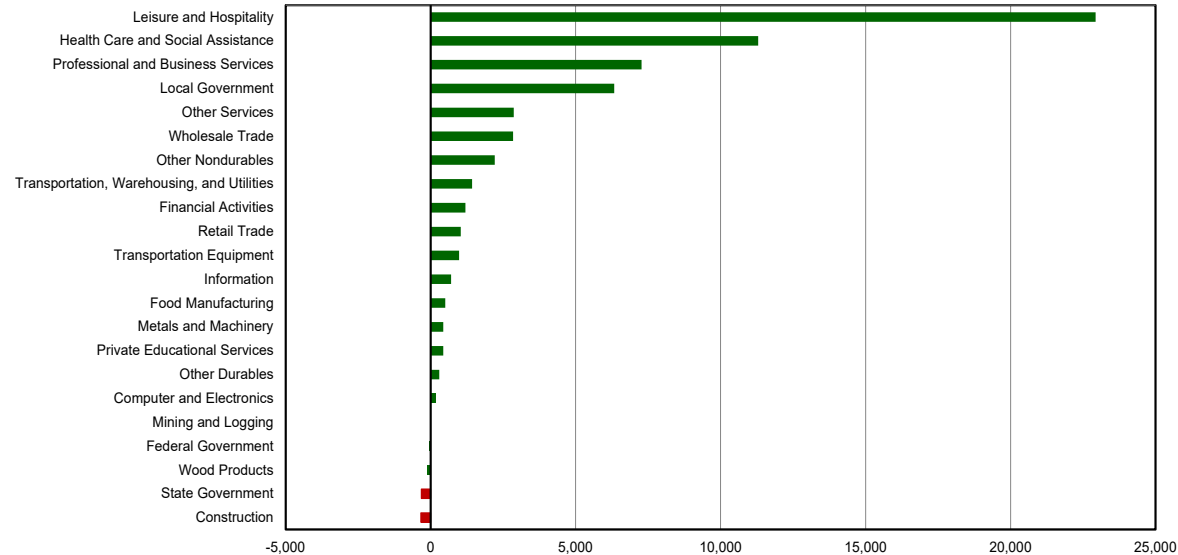


Source: Office of Economic Analysis, Department of Administrative Services, September 2021



OEA expects Oregon to add about 62,100 jobs in the next 12 months.

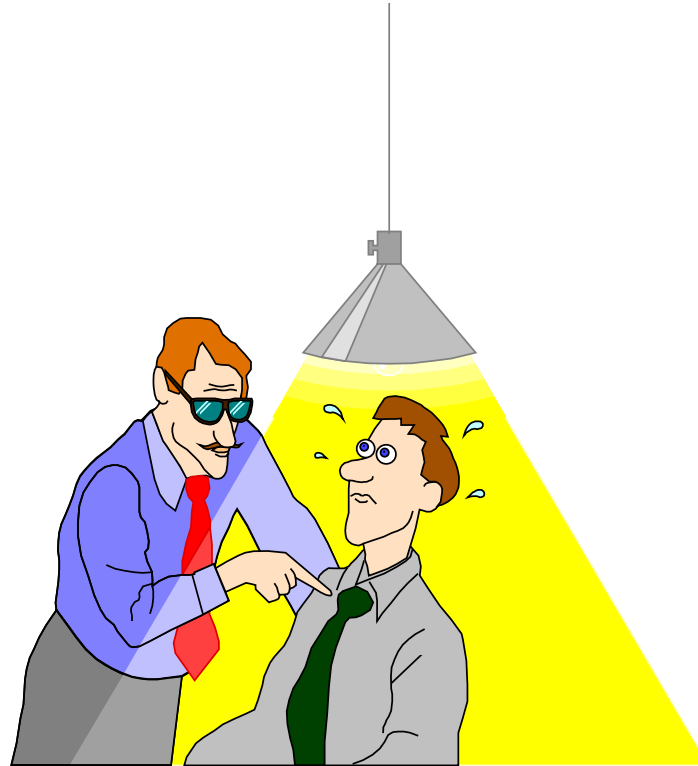
**Expected Job Changes by Industry Sector Over The Year
(3Q 2021 - 3Q 2022)**



Source: Oregon Employment Department analysis using Oregon Office Economic Analysis Forecast, September 2021



Questions?





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