

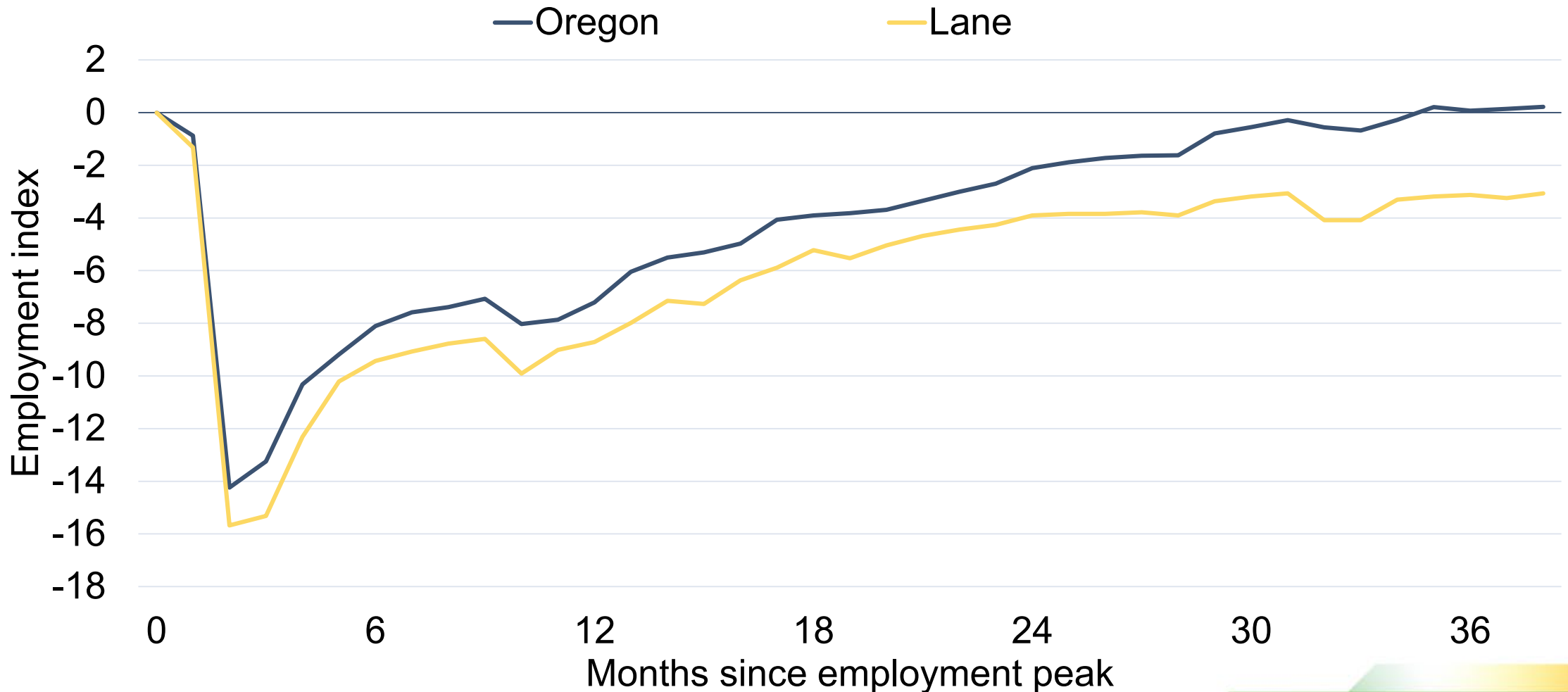
Cottage Grove Economic Update

Henry Fields, Lane and Douglas County
Workforce Analyst

June 2nd, 2023

The state has recovered the jobs lost in 2020; Lane, not quite

Job change since February 2020

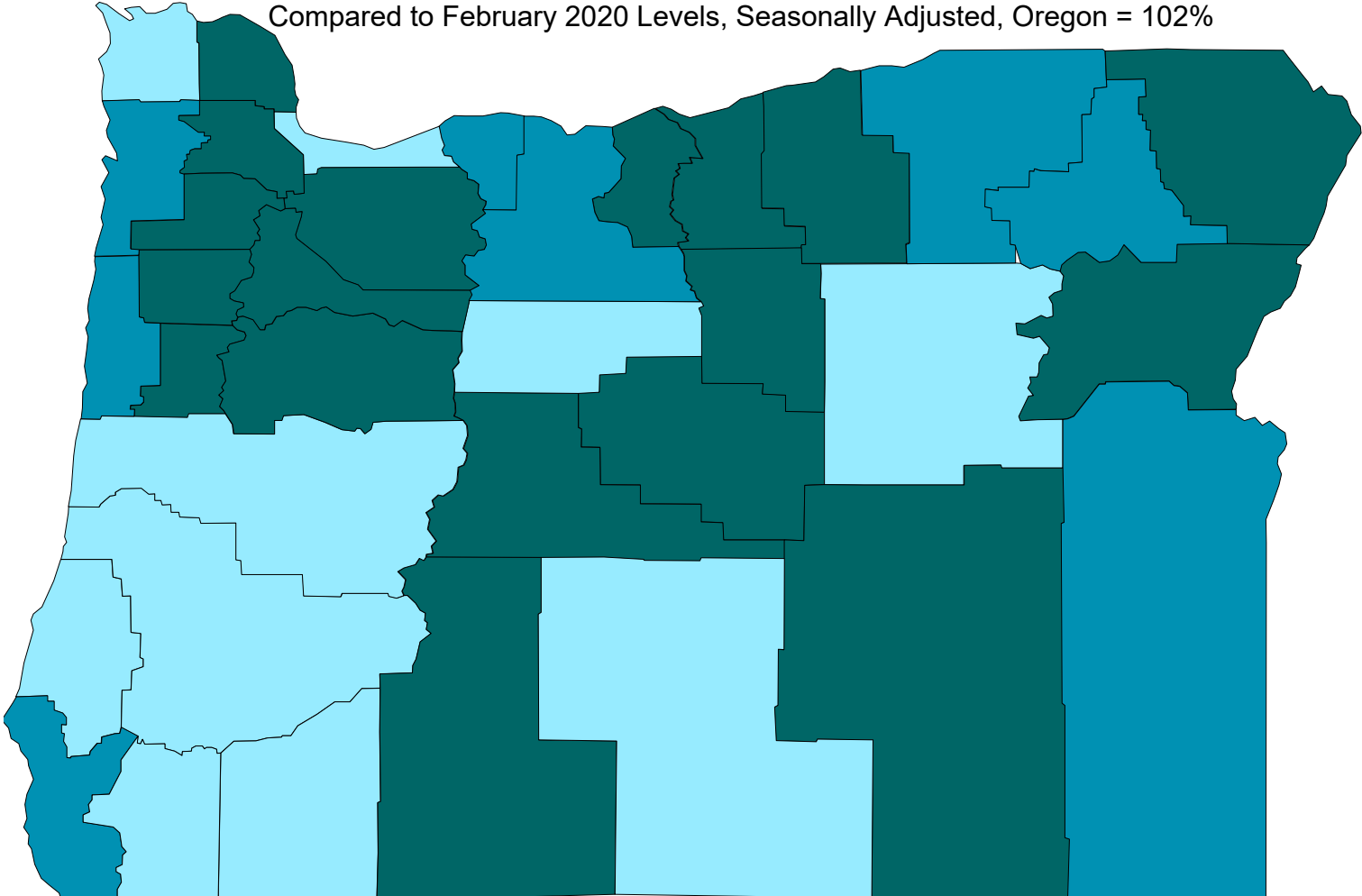


Source: Oregon Employment Department, Current Employment Statistics

Oregon has more jobs now than before the pandemic recession

Recovery of Total Nonfarm Employment as of April 2023

Compared to February 2020 Levels, Seasonally Adjusted, Oregon = 102%



Jobs recovery and expansion is widespread across the state:

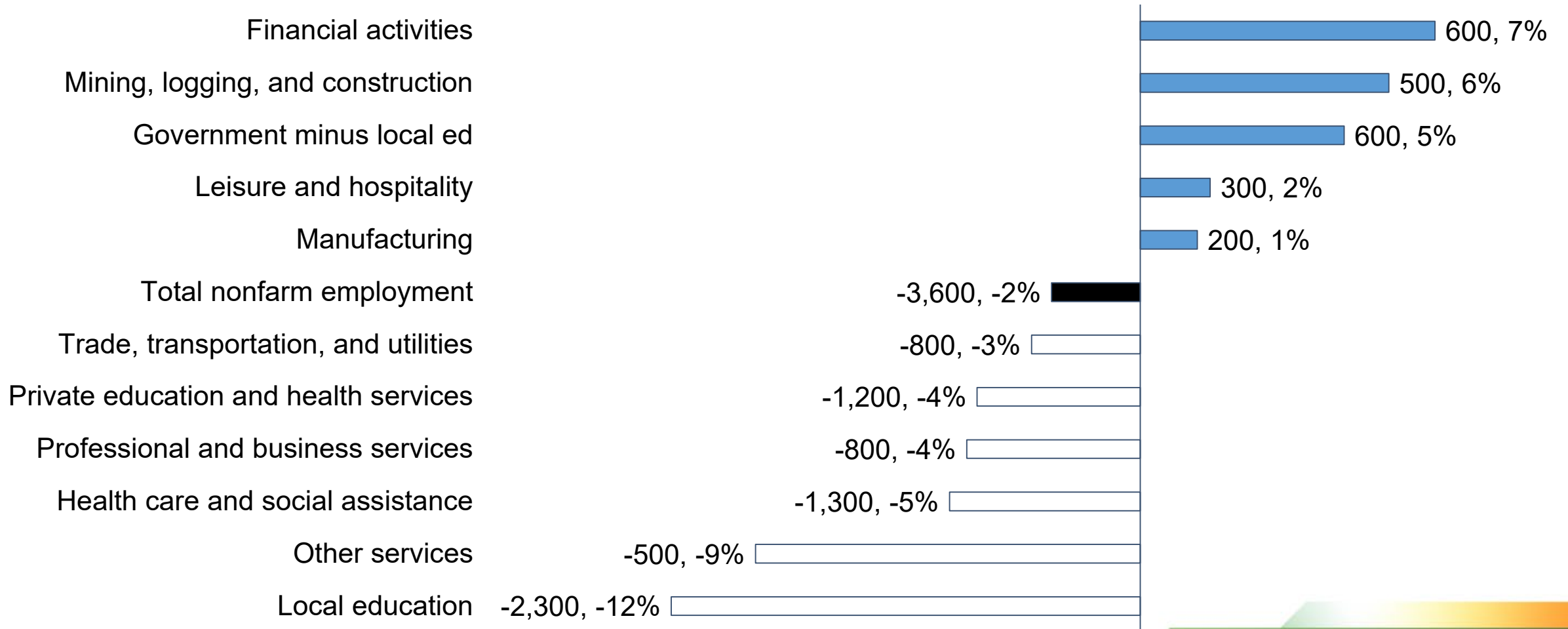
- Twenty-one counties have regained their total pandemic recession job losses.
- Recovery has been a bit slower in Southern Oregon.

Source: Oregon Employment Department



Employment recovery is uneven by industry

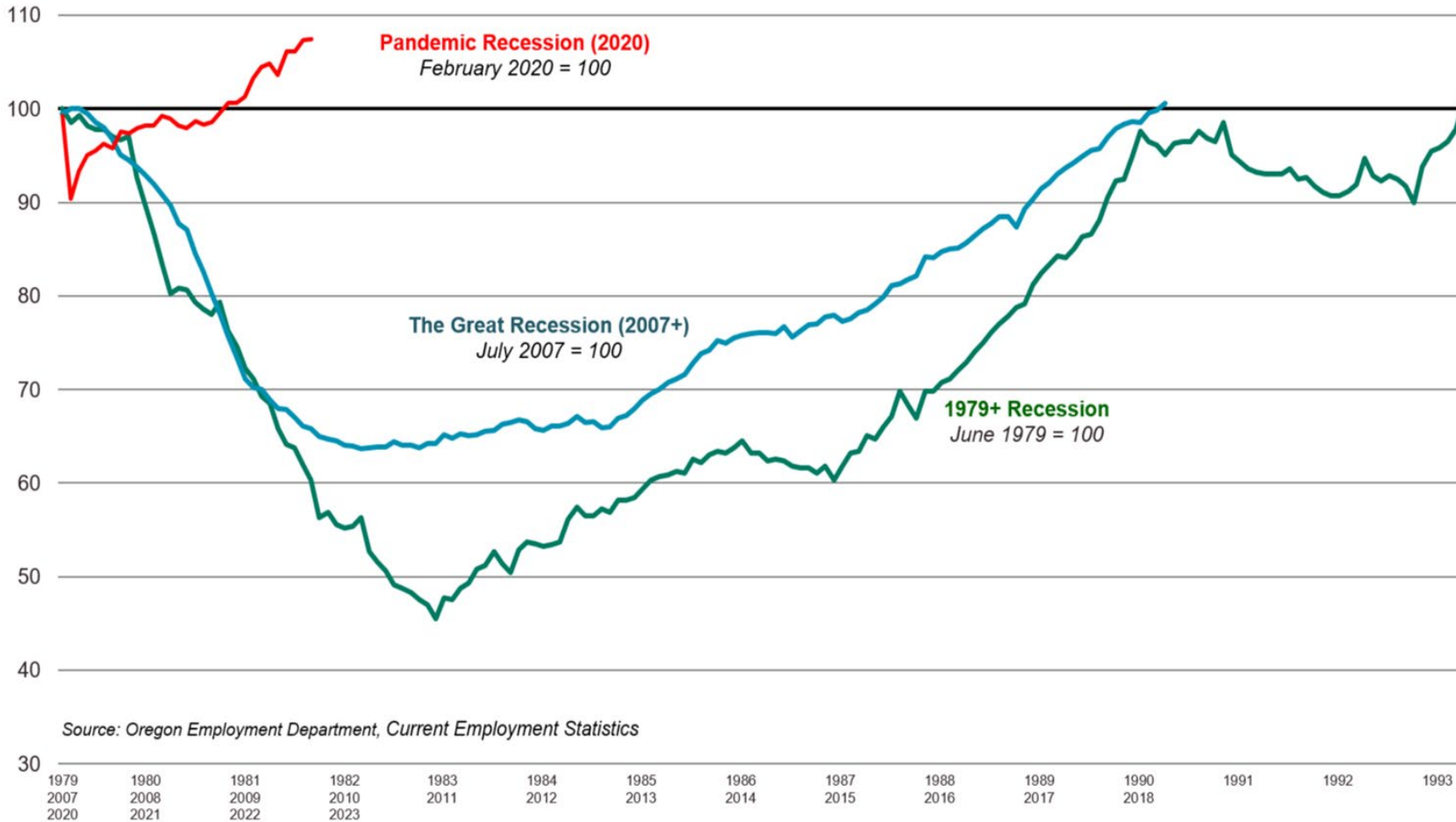
Job Change, February 2020-April 2023
Lane County, Not Seasonally Adjusted



Source: Oregon Employment Department, Current Employment Statistics

Construction employment was not severely impacted in 2020

Oregon Construction Employment Indices
Select time periods, seasonally adjusted



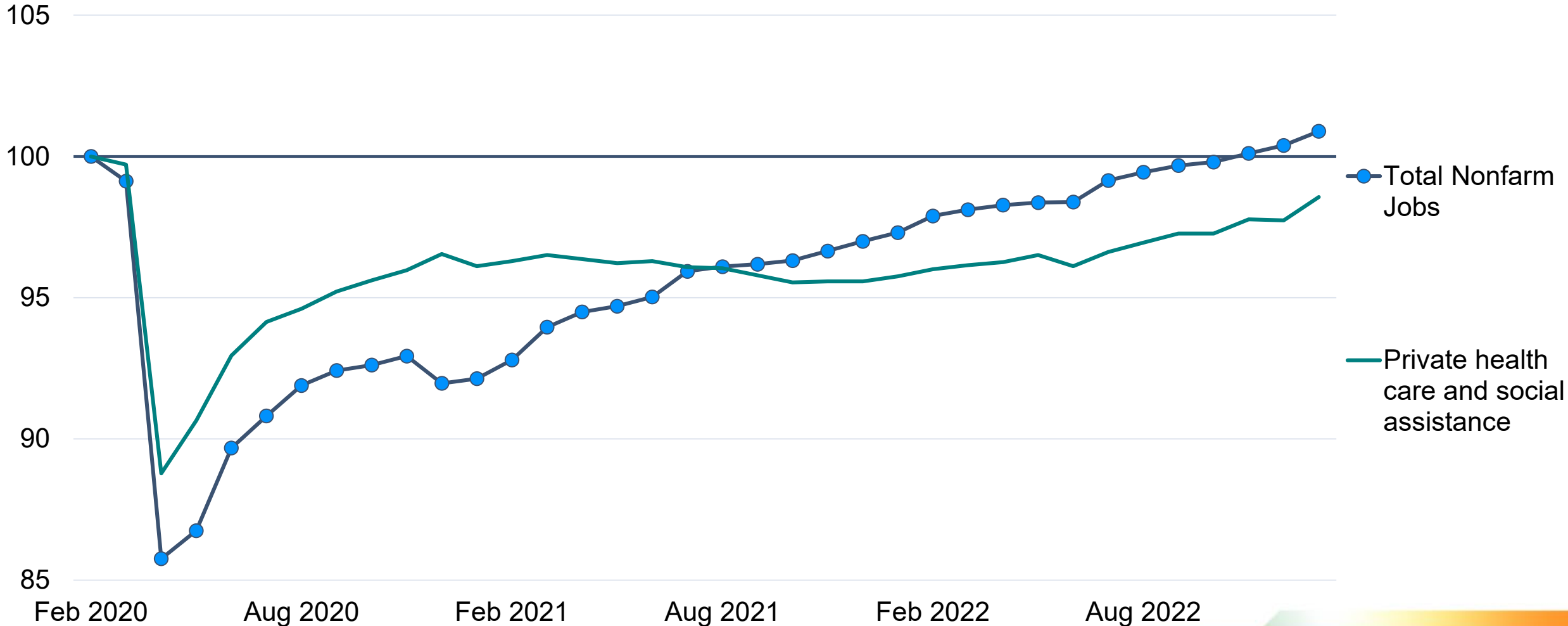
1979 Recession:
55% job loss
14 years until full recovery

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

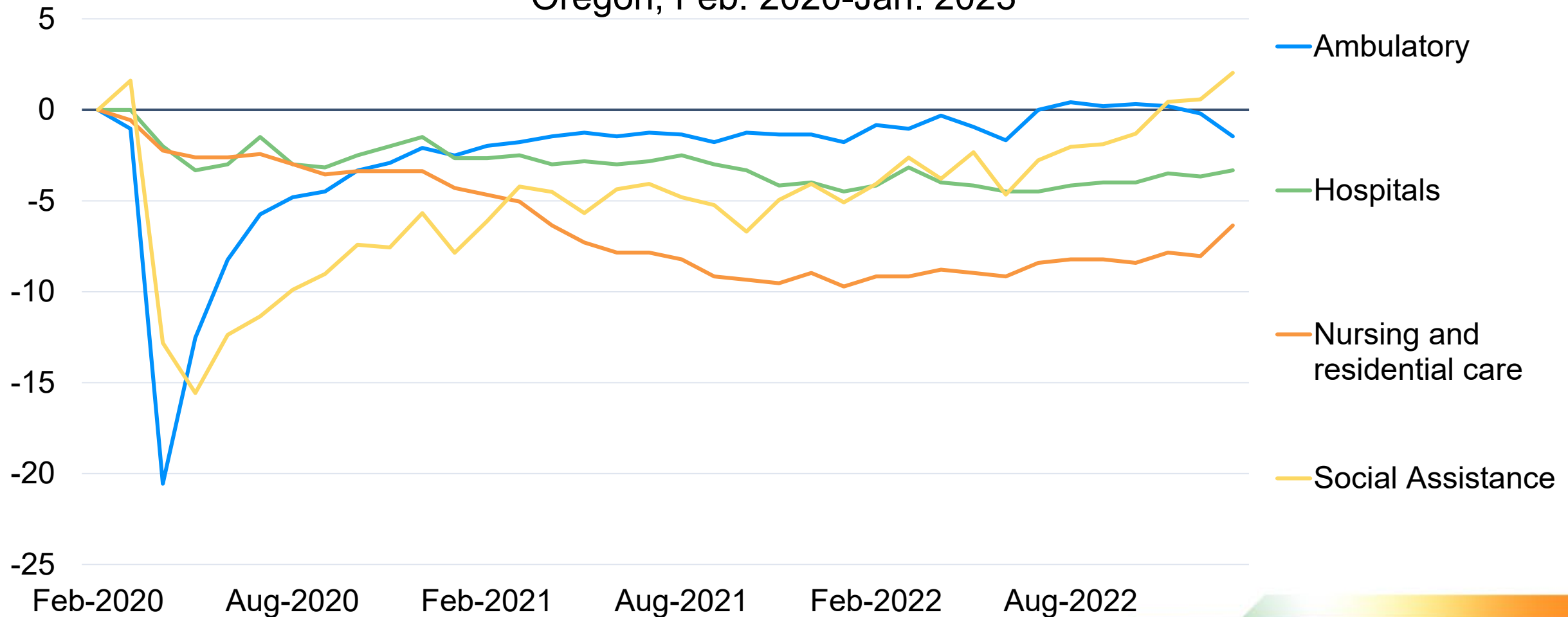
Oregon Indexed Employment, Seasonally Adjusted, February 2020 - January 2023



Source: Oregon Employment Department, Current Employment Statistics

Health care employment post-2020 diverged by subsector

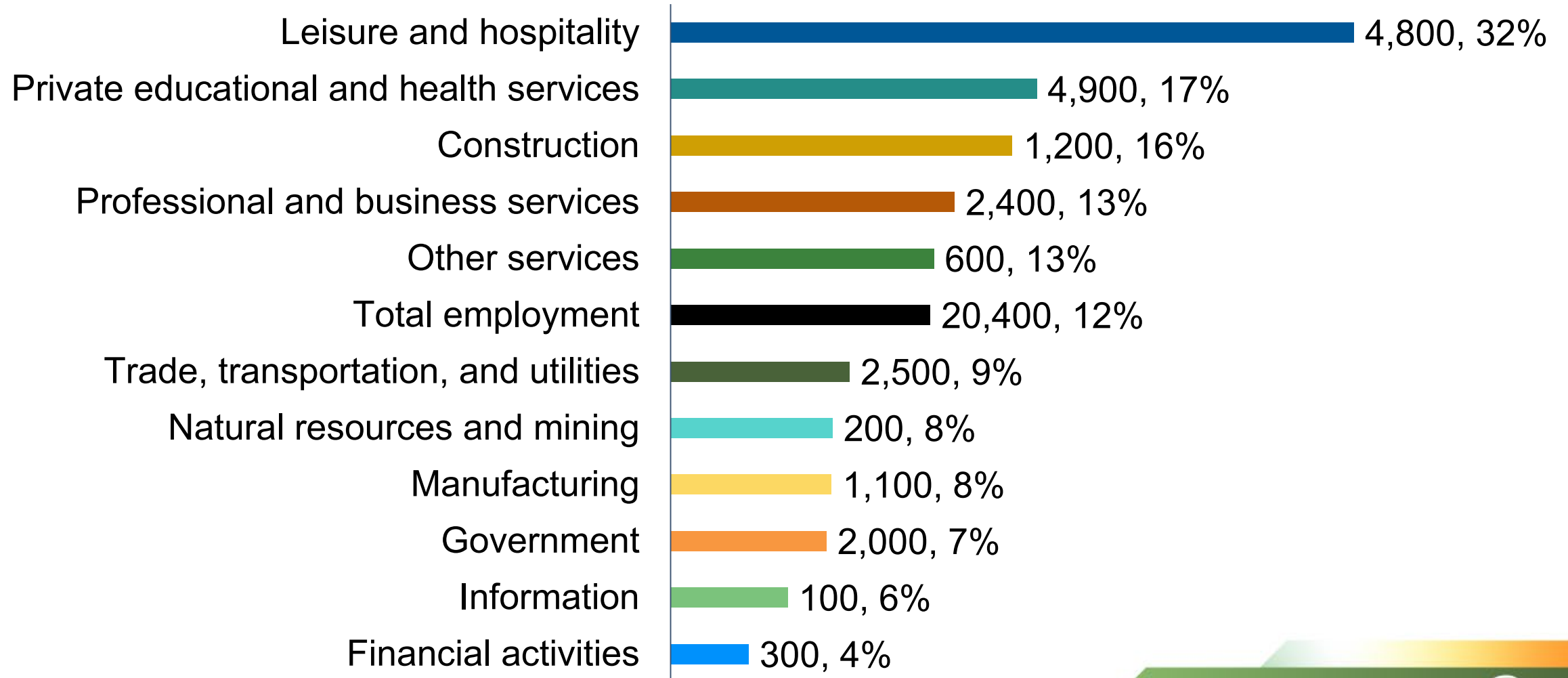
Employment change in health care subsectors Oregon, Feb. 2020-Jan. 2023



Source: Oregon Employment Department, Current Employment Statistics

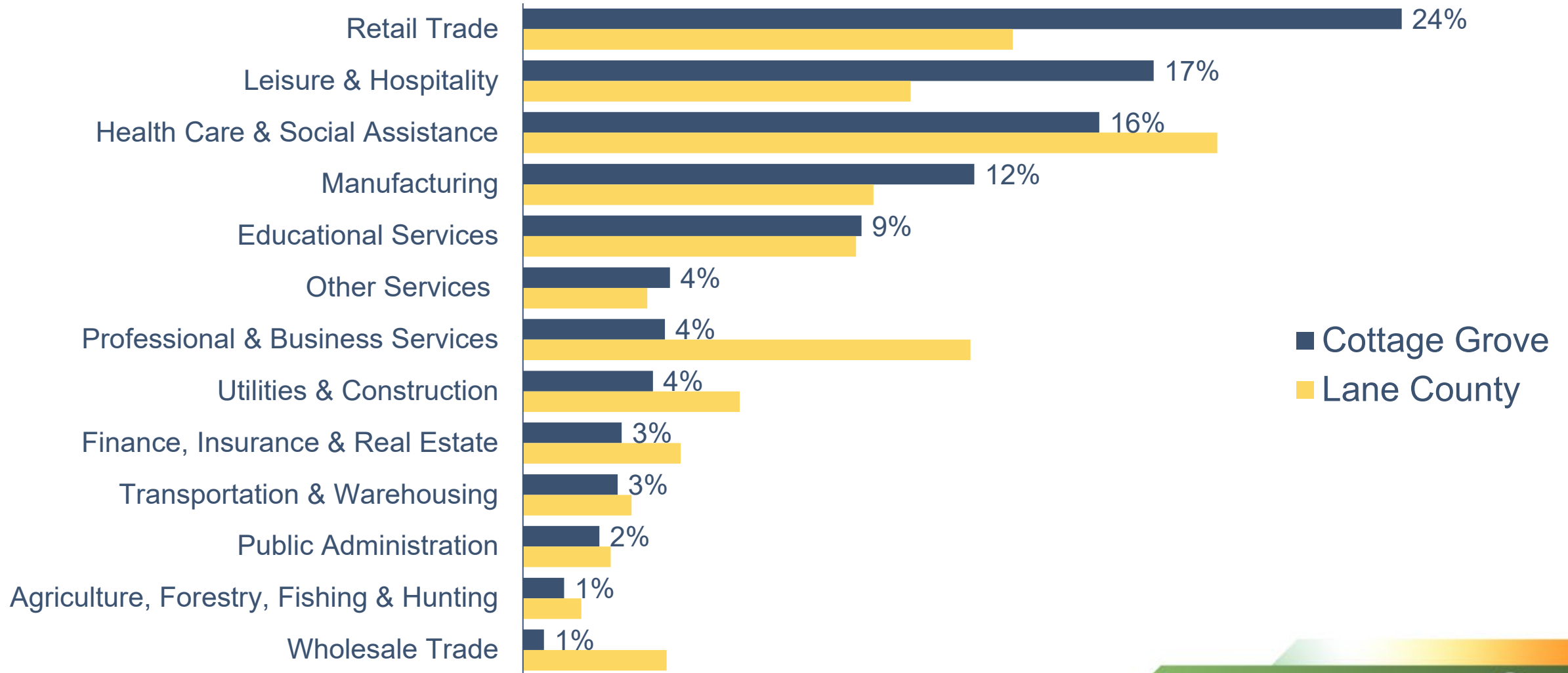
All major industries are projected to add jobs over 10 years

Lane County projected job change, 2021-2031



Cottage Grove has a diverse economy that differs from Lane

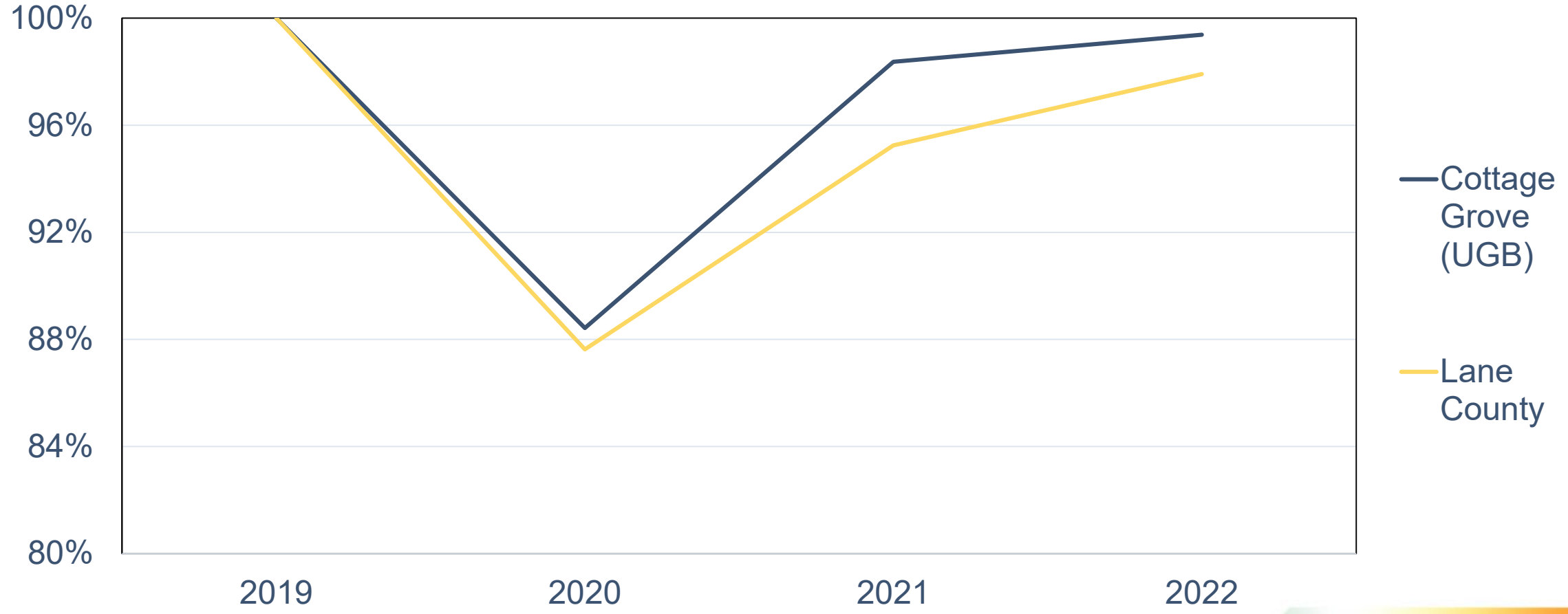
Percentage of Employment by Industry



Source: Oregon Employment Department, Geocoded QCEW

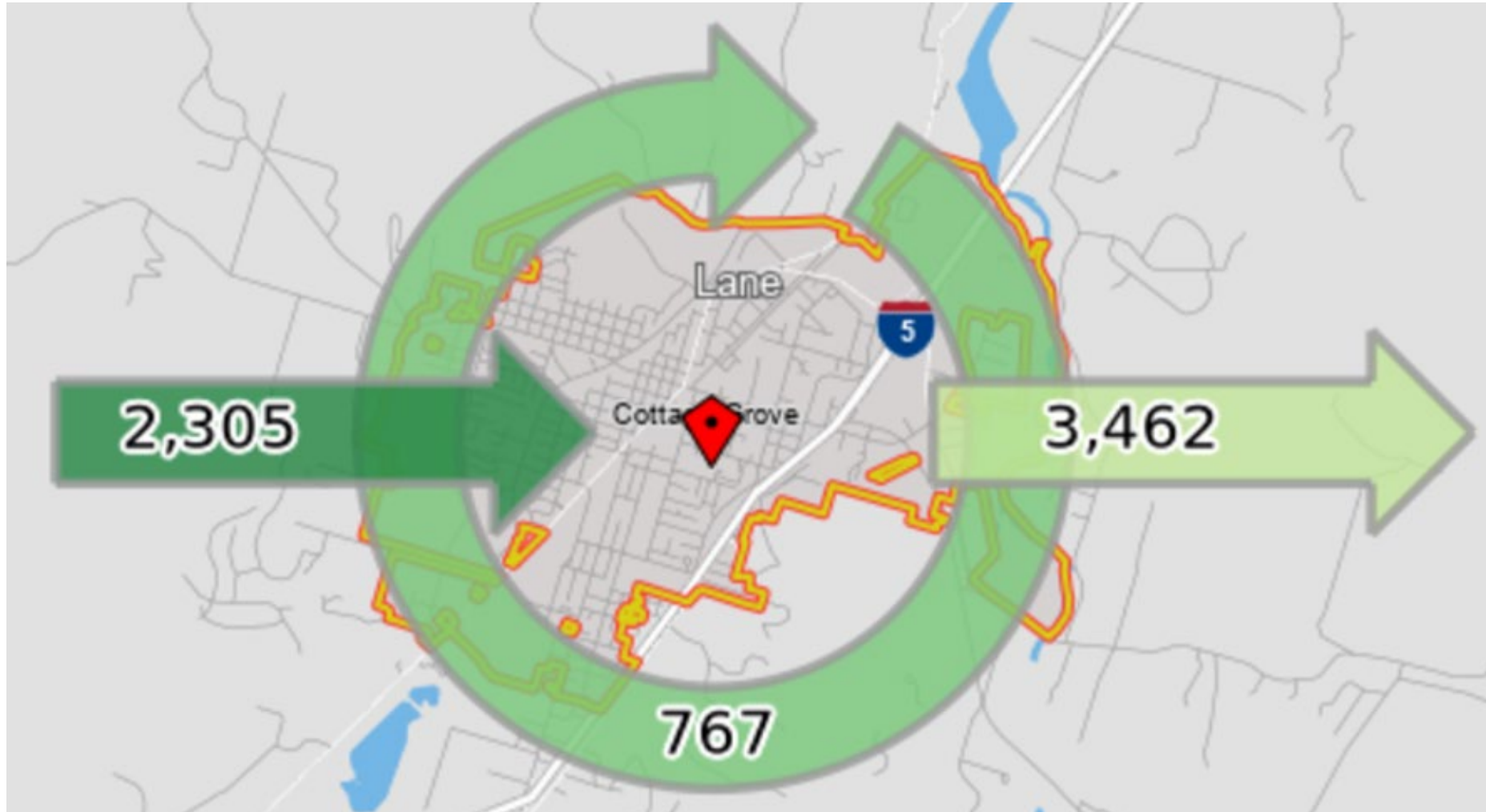
Cottage Grove's recovery has been slightly faster than Lane's

Employment Index, Q2 2019 = 100%



Source: Oregon Employment Department, Geocoded QCEW

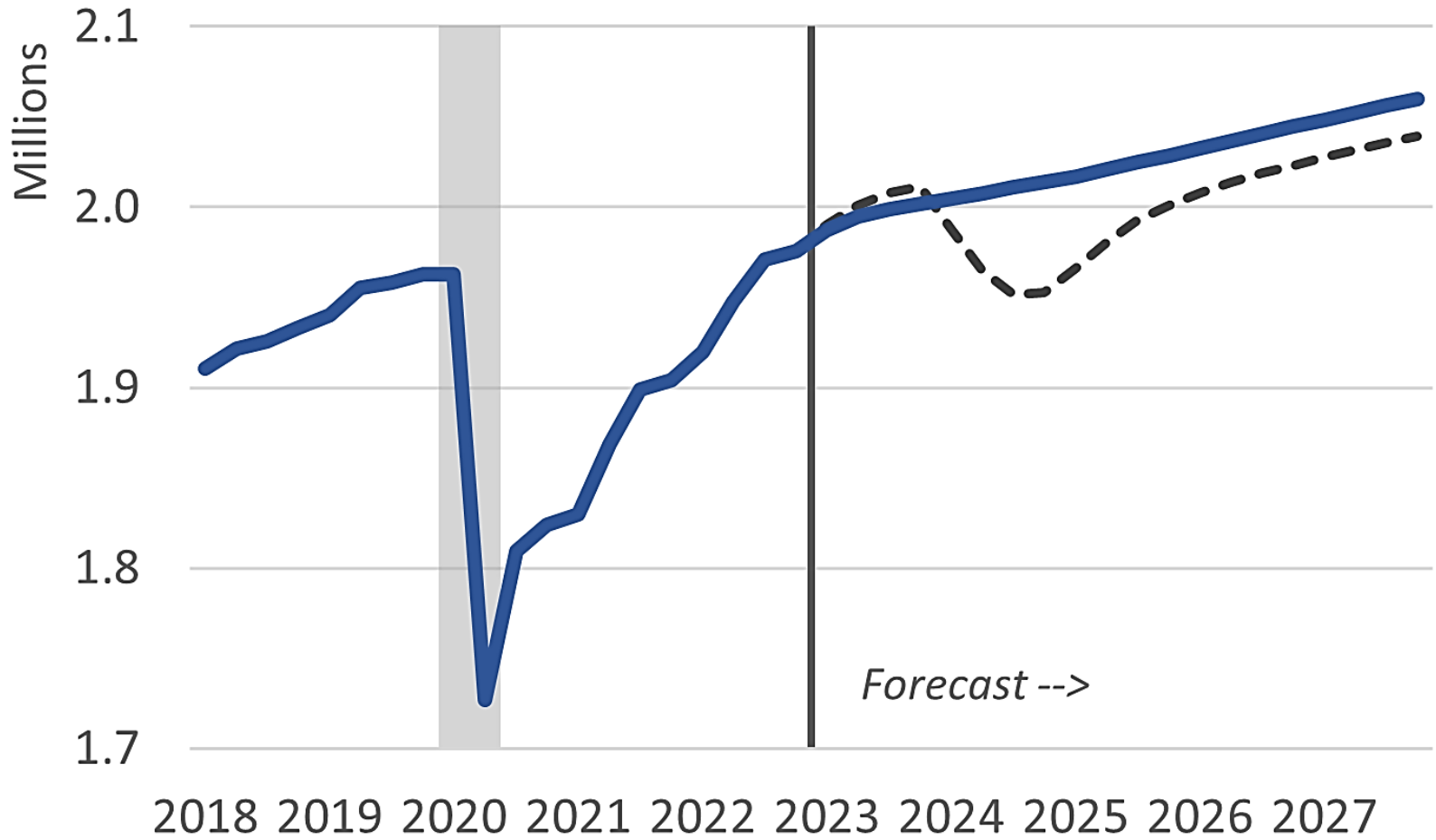
Cottage Grove residents generally commute out



4,229 workers living in city limits
82% commute out

3,072 working in city limits
75% commute in from outside

Baseline Soft Landing and Boom/Bust Alternative Scenario



Source: Oregon Office of Economic Analysis

Bad News

Inflation remains too high, economy suffered a goods recession last year and banking turmoil this year, full force of interest rate increases yet to impact economy

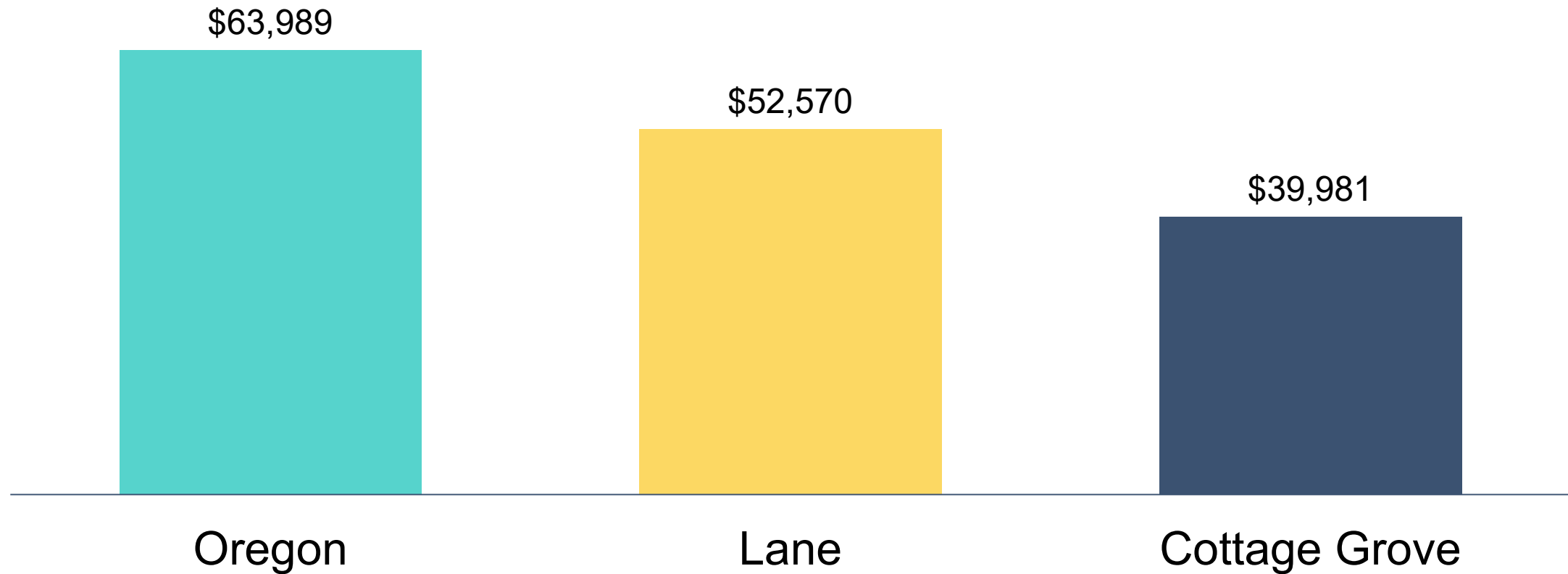
Good News

Inflation is slowing some, Fed is looking to pause rate hikes, housing and manufacturing are stabilizing, consumers on solid footing

Alternative Boom/Bust Scenario

Moderate sized recession starting in 2024

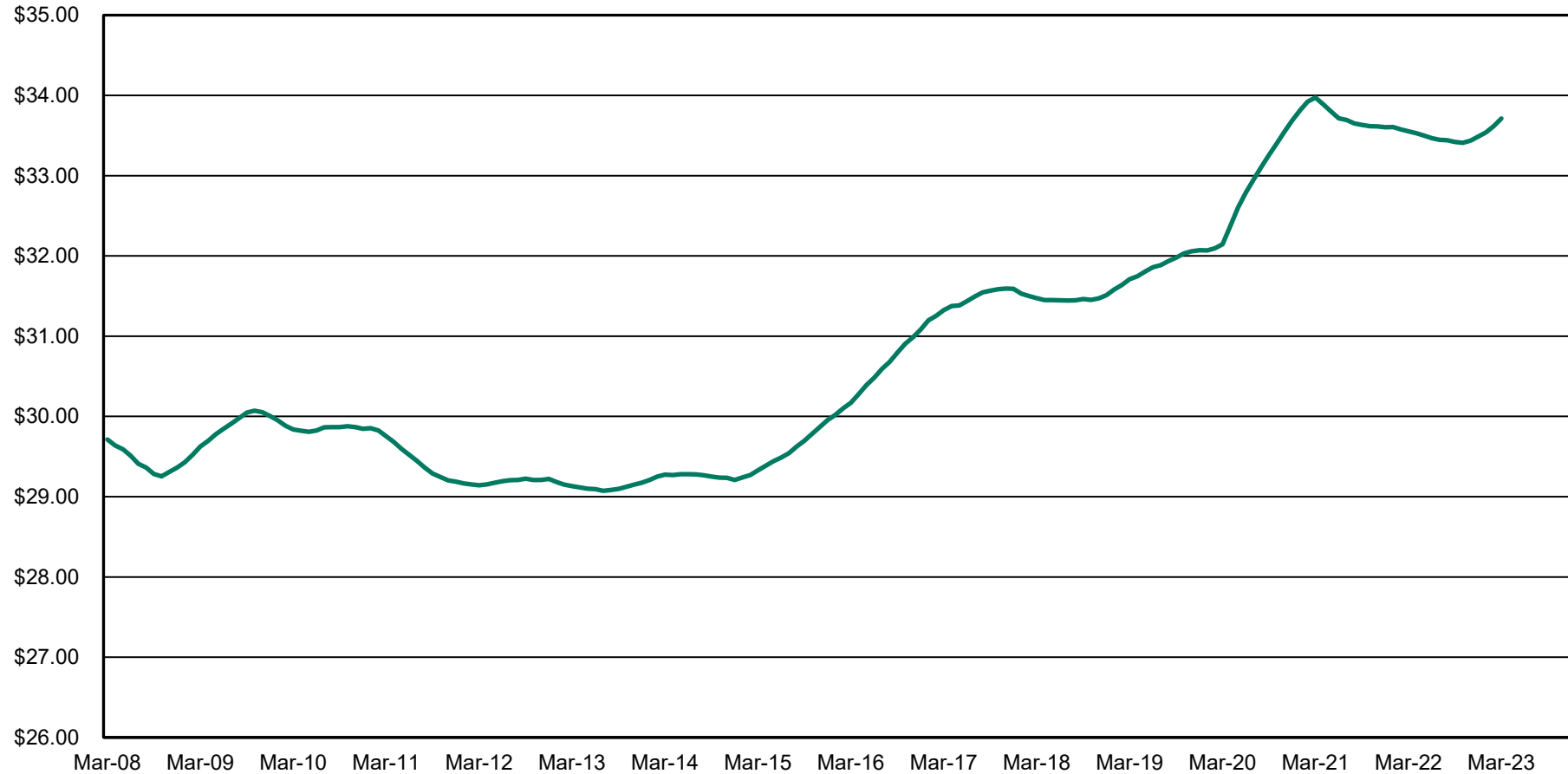
Annual average wage per worker



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

Real average wages for private jobs rose again in recent months.

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

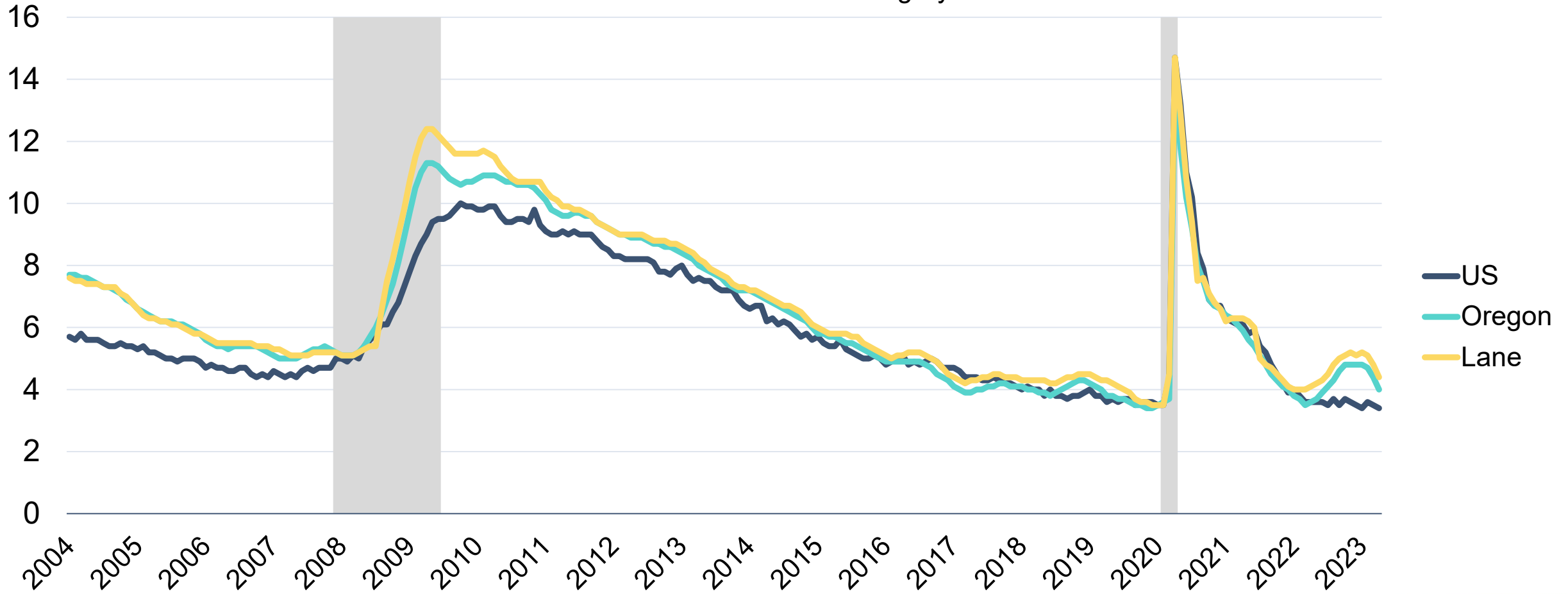


Source: Oregon Employment Department and Bureau of Labor Statistics

Unemployment is near historic lows

Unemployment Rate, Seasonally Adjusted

Recessions shaded in grey



Source: Oregon Employment Department, Local Area Unemployment Statistics

Oregon Job Vacancies, Winter 2023

Vacancies	74,902
Average Hourly Wage	\$24.41
Full-time Positions	80%
Permanent Positions	93%
Requiring Education Beyond High School	41%
Requiring Previous Experience	55%
Difficult to Fill	63%

Source: Oregon Employment Department

Vacancies decreased 13% from the fall and decreased 25% from winter 2022. Employers reported difficulty filling 63% of winter 2023 vacancies.

The average starting wage among this group of vacancies was \$24.41 per hour, an inflation-adjusted increase of 14.6% from winter 2022, but only 0.2% above fall 2022.

A typical job vacancy tends to be for a full-time, permanent position. Two out of five openings required education beyond high school.

Businesses reported hiring across all broad industries.

Oregon Job Vacancies by Industry, Winter 2023

Industry	Vacancies
All Industries	74,902
Health care and social assistance	16,451
Manufacturing	9,014
Leisure and hospitality	8,818
Retail trade	7,844
Management, administrative, and waste services	7,038
Construction	5,433
Professional, scientific, and technical services	5,110
Other services	4,984
Wholesale trade	2,861
Financial activities	2,369
Information	1,405
Natural resources and mining	1,381
Transportation, warehousing, and utilities	1,162
Private educational services	1,032

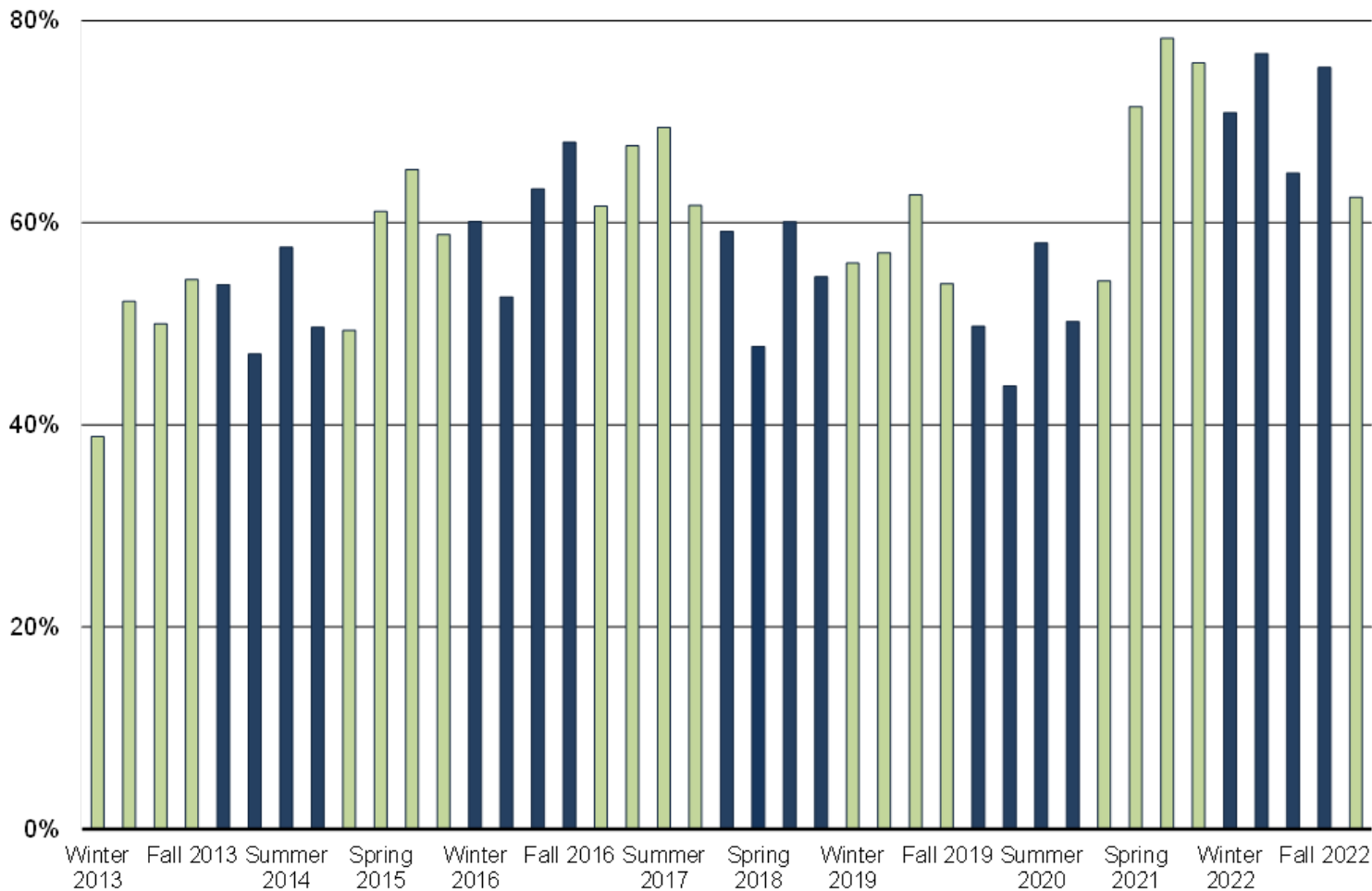
Health care and social assistance had the most vacancies of any industry, with 16,500. Manufacturing vacancies accounted for 9,000. Leisure and hospitality had 8,800 vacancies.

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

Source: Oregon Employment Department

Most winter job vacancies (63%) were reported as difficult to fill.

Businesses Report Difficulty Filling 63% of Vacancies in Winter 2023



Source: Oregon Employment Department, Quarterly Job Vacancy

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

- Registered nurses (2,200)
- Truck drivers (2,000)
- Restaurant cooks (1,800)
- Nursing assistants (1,600)

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