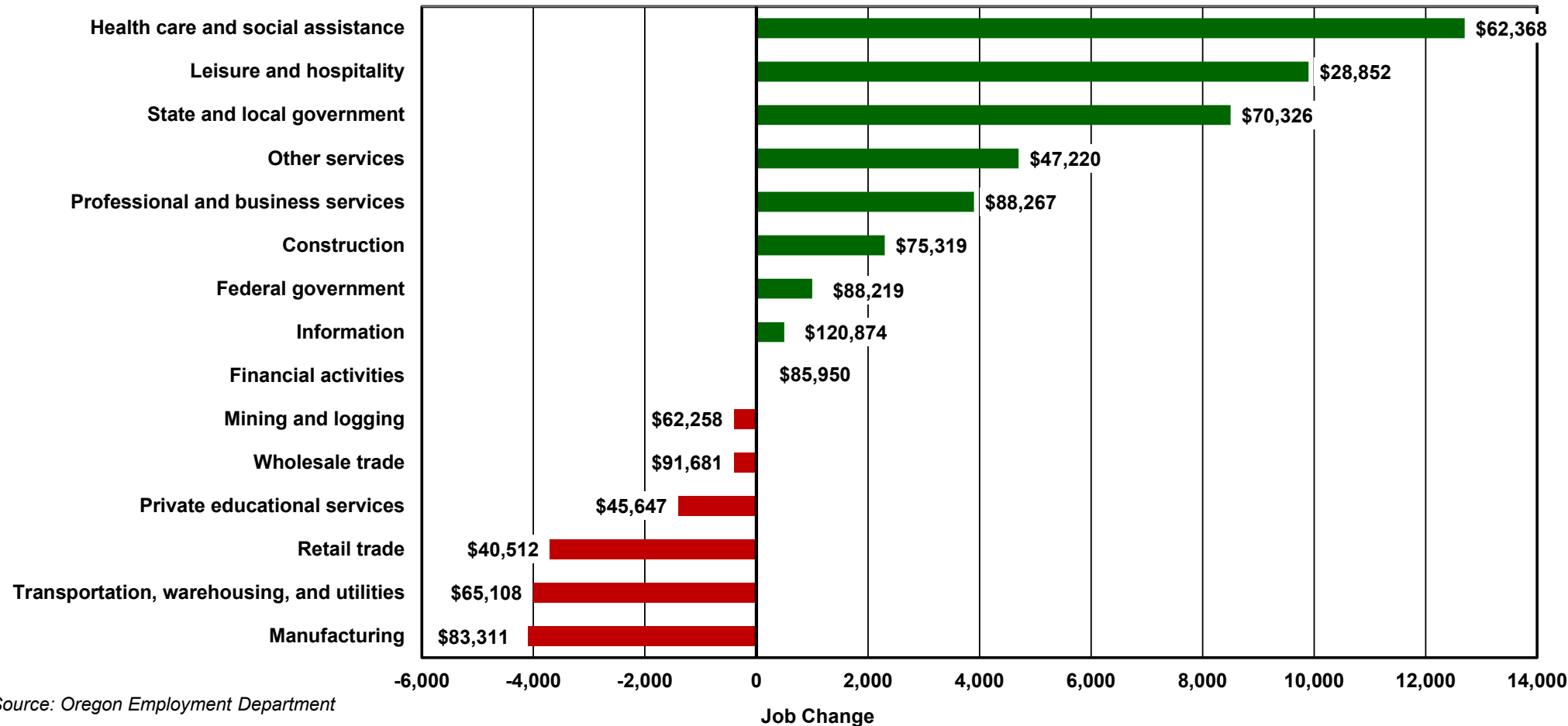


# Workforce Trends and Difficulty Finding Workers in Oregon

Oregon Business and Industry  
November 13, 2023

# EIGHT BROAD SECTORS OF OREGON'S ECONOMY HAVE ADDED JOBS OVER THE PAST YEAR.

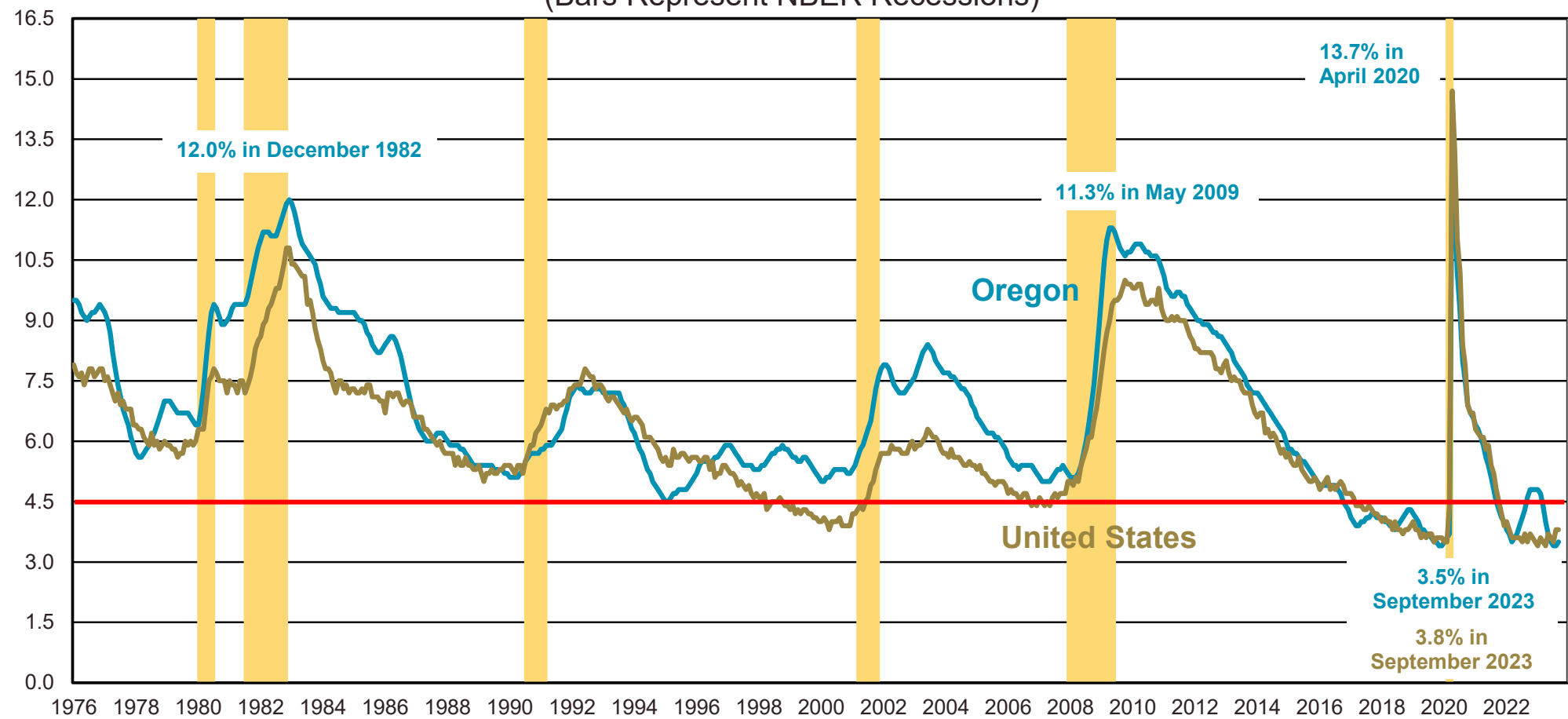
**Oregon Job Change and Average Pay by Industry**  
 September 2022 - September 2023 Job Change, 2022 Average Pay



Source: Oregon Employment Department

Oregon's unemployment rate was near a record low at 3.5% in September.

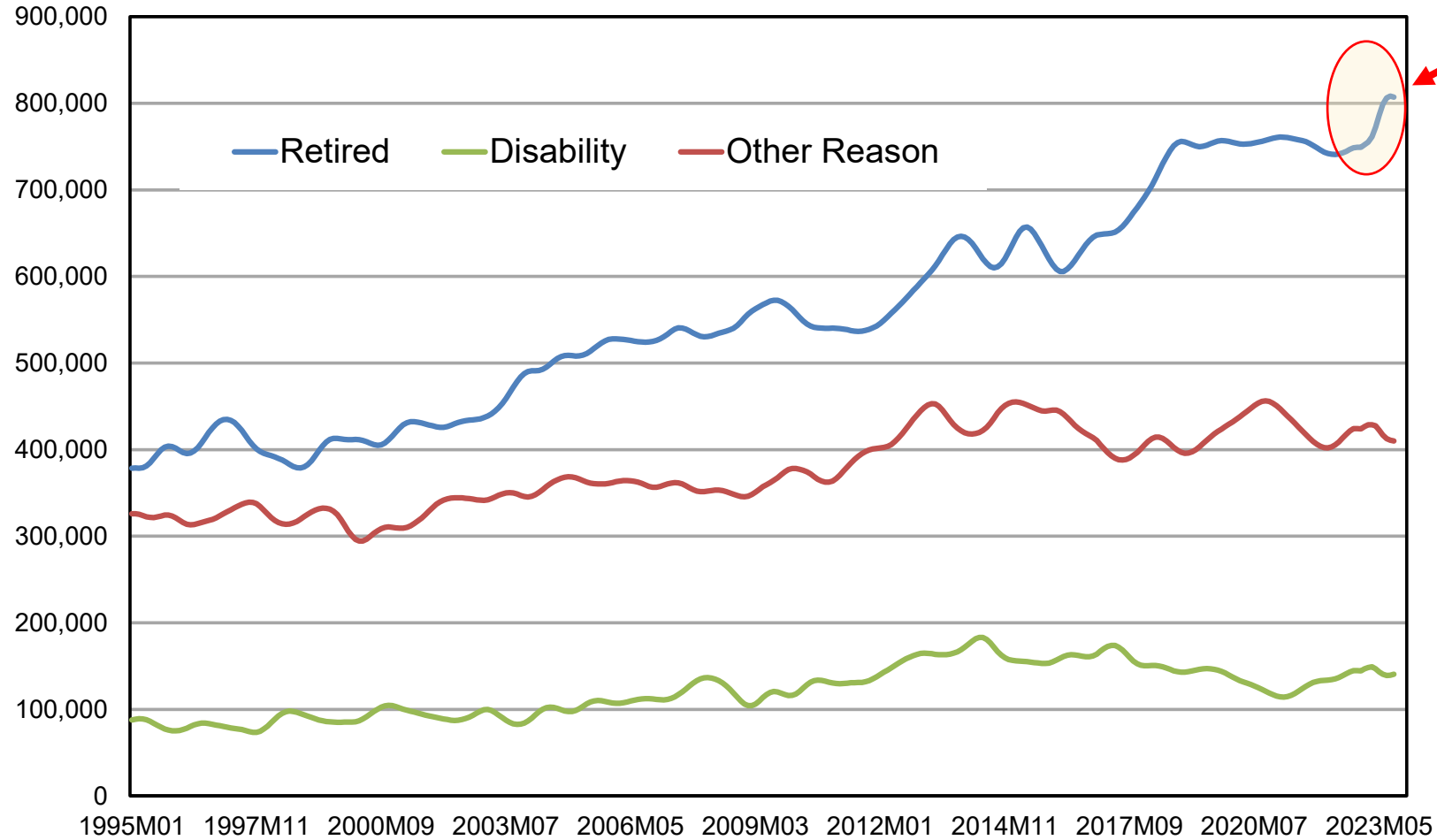
### Oregon's Unemployment Rate Was 3.5% in September 2023 (Bars Represent NBER Recessions)



Source: Oregon Employment Department and National Bureau of Economic Research

# THE SIZE OF OREGON'S LABOR FORCE IS DECLINING. RETIREMENTS HAVE INCREASED.

## Not in Oregon's Labor Force, by Reason 1994 - 2023



**Retired Oregonians  
not in labor force**

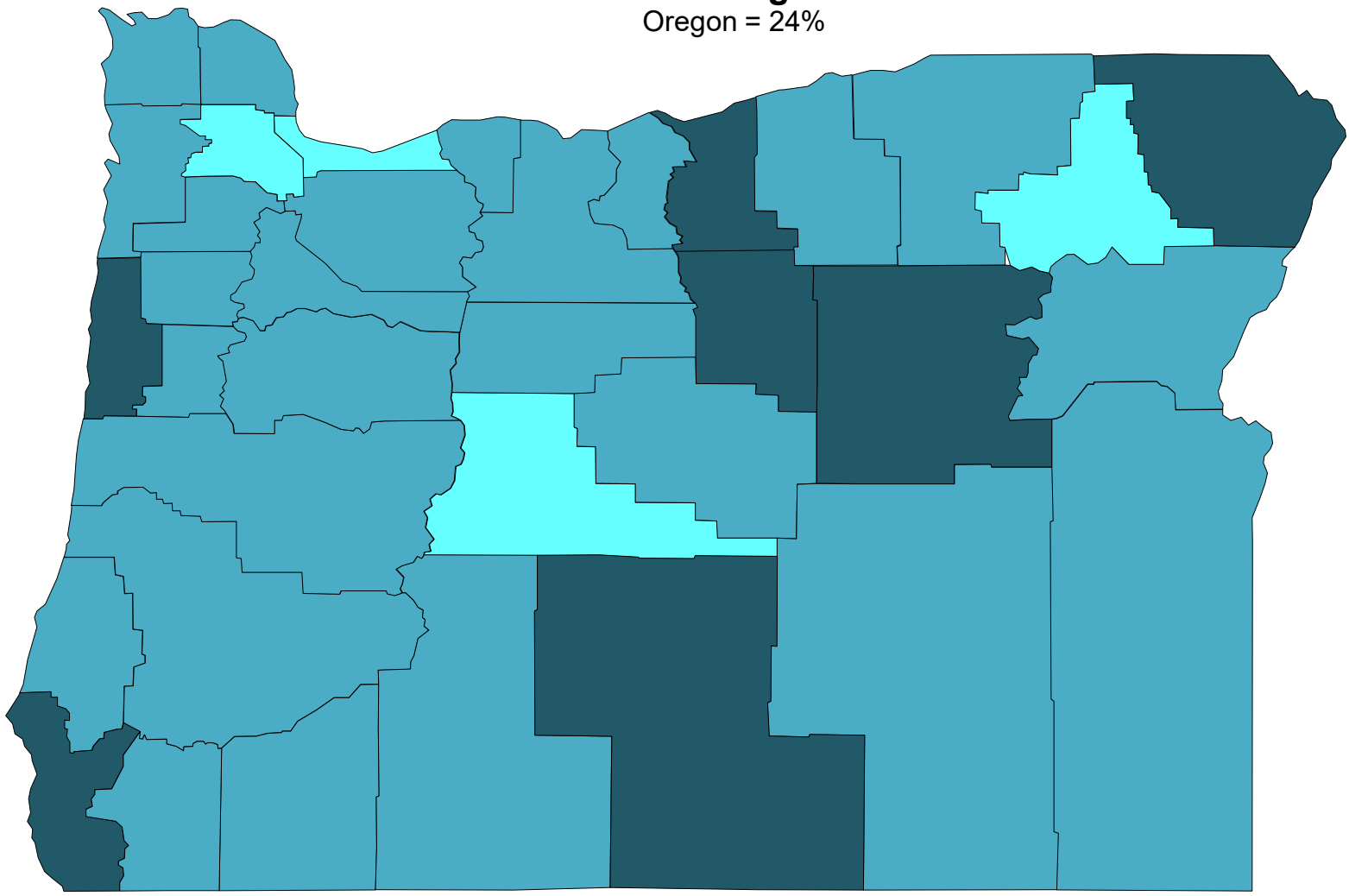
In the first nine months of 2023, the number of people out of Oregon's labor force due to retirement has increased by more than 50,000.

Source: Oregon Employment Department, Local Area Unemployment Statistics

# ONE OUT OF EVERY FOUR JOBS IN OREGON IS HELD BY A WORKER 55 YEARS OR OLDER.

## Share of Workers Ages 55+ in 2022

Oregon = 24%



### Workers 55+ in Selected Sectors:

Health care and social assistance, 69,300 (24%)

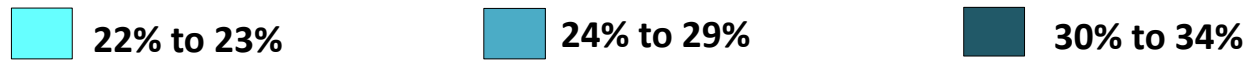
Manufacturing, 49,200 (26%)

Agriculture, forestry, and fishing, 17,000 (33%)

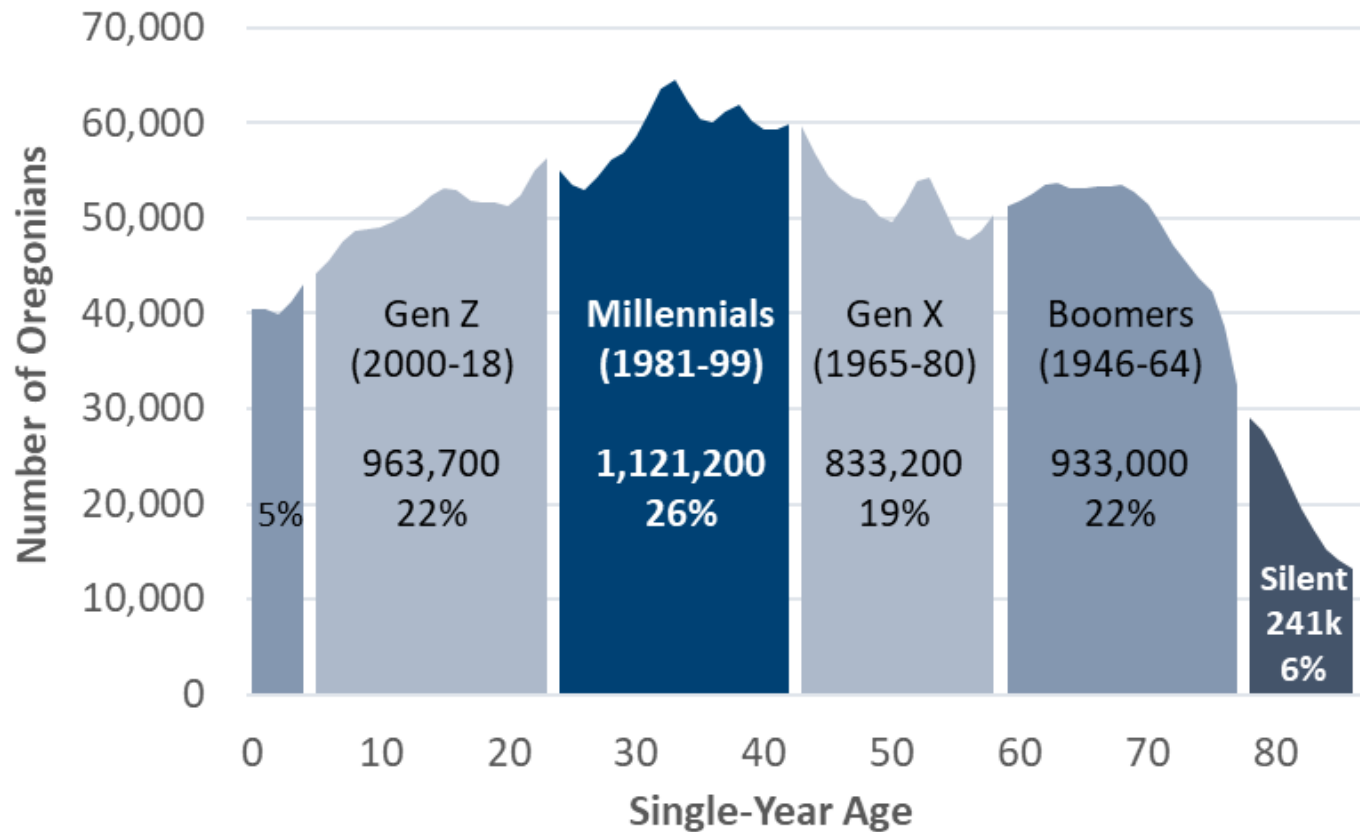
Real estate, rental, and leasing, 8,800 (29%)

Utilities, 2,200 (28%)

Source: U.S. Census Bureau, Quarterly Workforce Indicators



## Oregon Population and Generations



Data: 2023 Estimates | Source: Oregon Office of Economic Analysis

### Millennials

- Largest generation alive
- Now middle-age and a key economic force

### Boomers

- Entering into traditional retirement years

### Gen Z

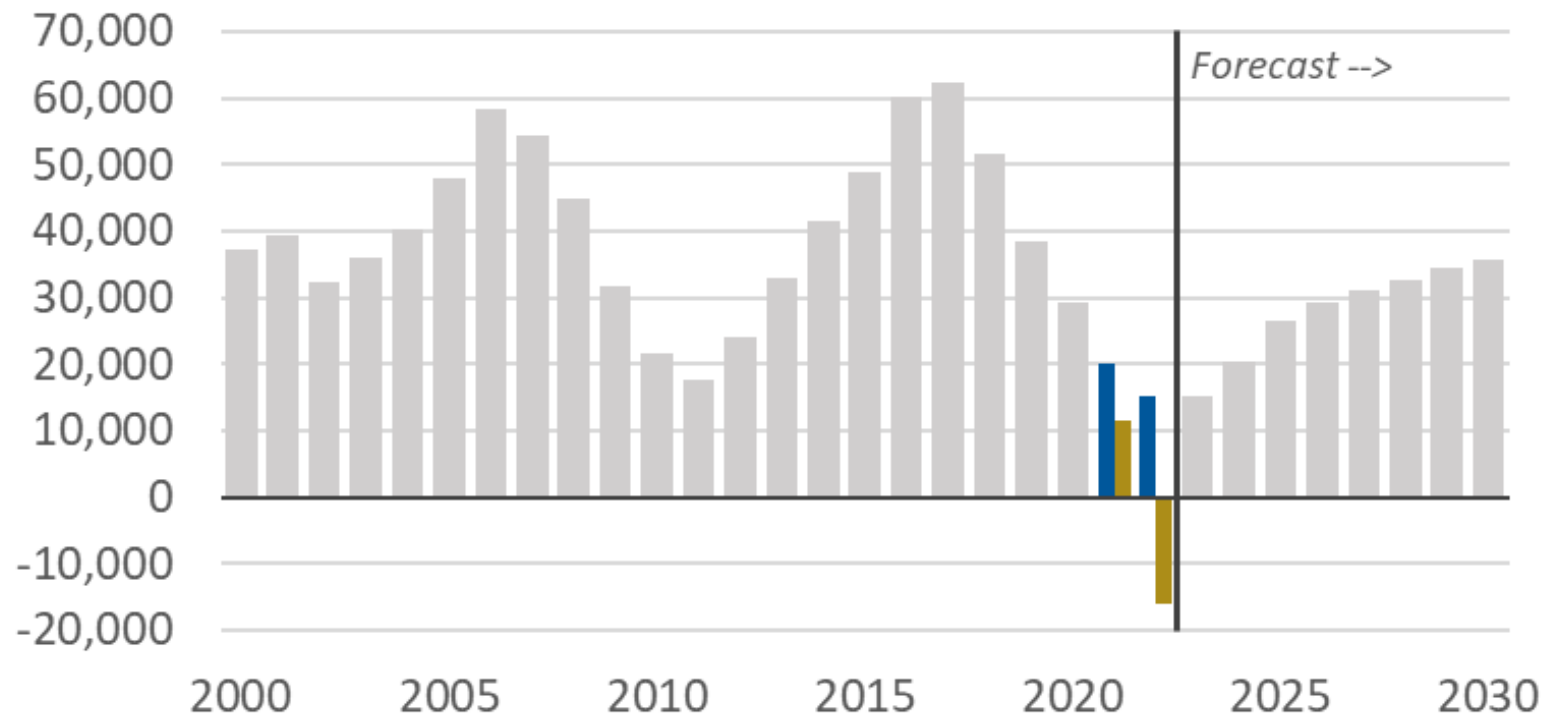
- Somewhat smaller, barely offsets retiring Boomers
- Oregon needs Gen Z to move here like Boomers and Millennials before them
- Economic driver in the 2040s

# Population growth slowly returns

## Oregon Population Growth

Annual change in total state population

OEA History and Forecast, **Portland State Estimates**, **Census Estimates**



Latest: 2022 | Source: Census, Portland State Population Research Center, Oregon Office of Economic Analysis

2023 population estimates released in Nov (PSU) and Dec (Census)

Migration is the primary reason Oregon grows faster than the U.S.

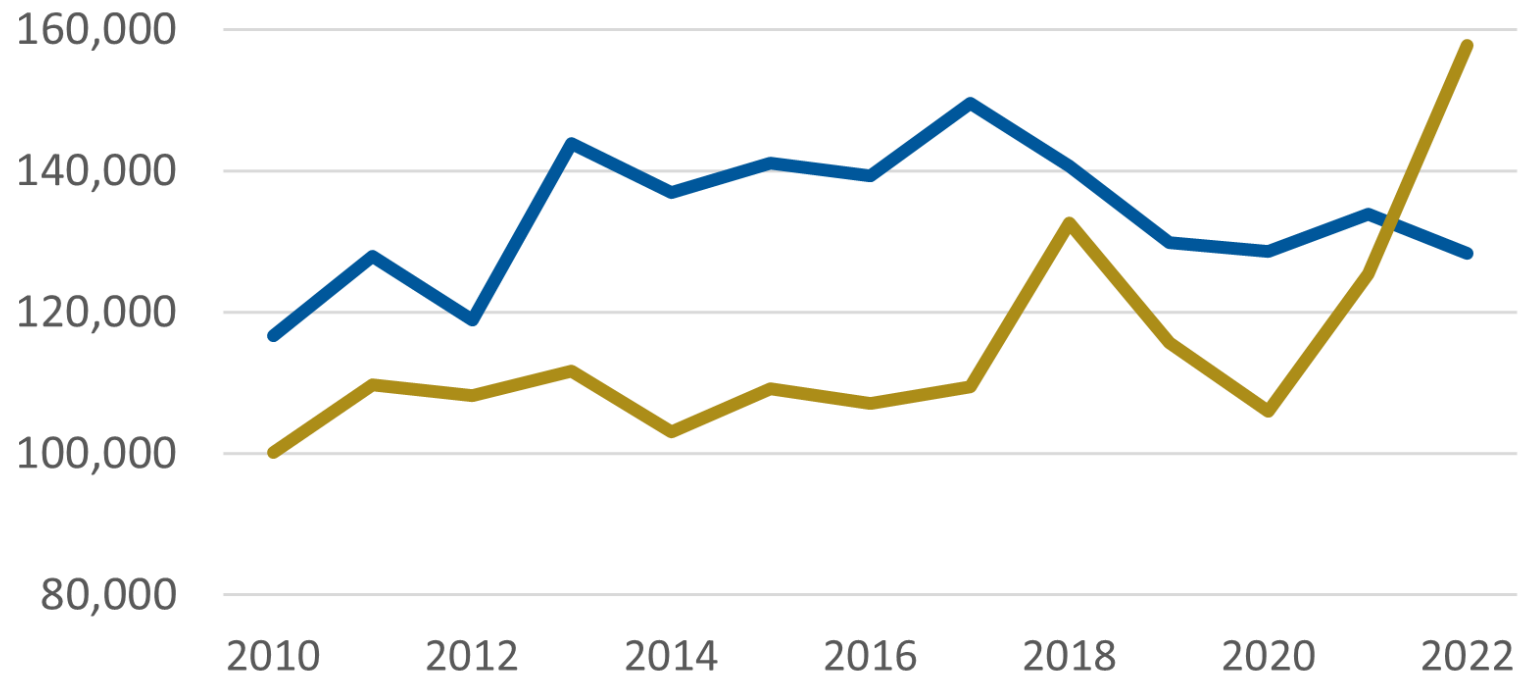
### Updated Population Data

- Deaths continue to outnumber births
- Surrendered driver licenses at Oregon DMVs continues to match levels seen last decade
- New data from the Cleveland Fed based on credit reports, shows the Portland metro population may be stabilizing, even as the urban core continues to lose residents

# Who Left?

## Oregon Domestic Migration

Number of people moving **Into Oregon** and **Out of Oregon**



Data: ACS 1 year estimates | Source: Census, IPUMS-USA, Oregon Office of Economic Analysis

Population declines driven not by fewer people moving to Oregon, but due to more people packing up and leaving Oregon

Net out-migration was evident across the board, broadly speaking

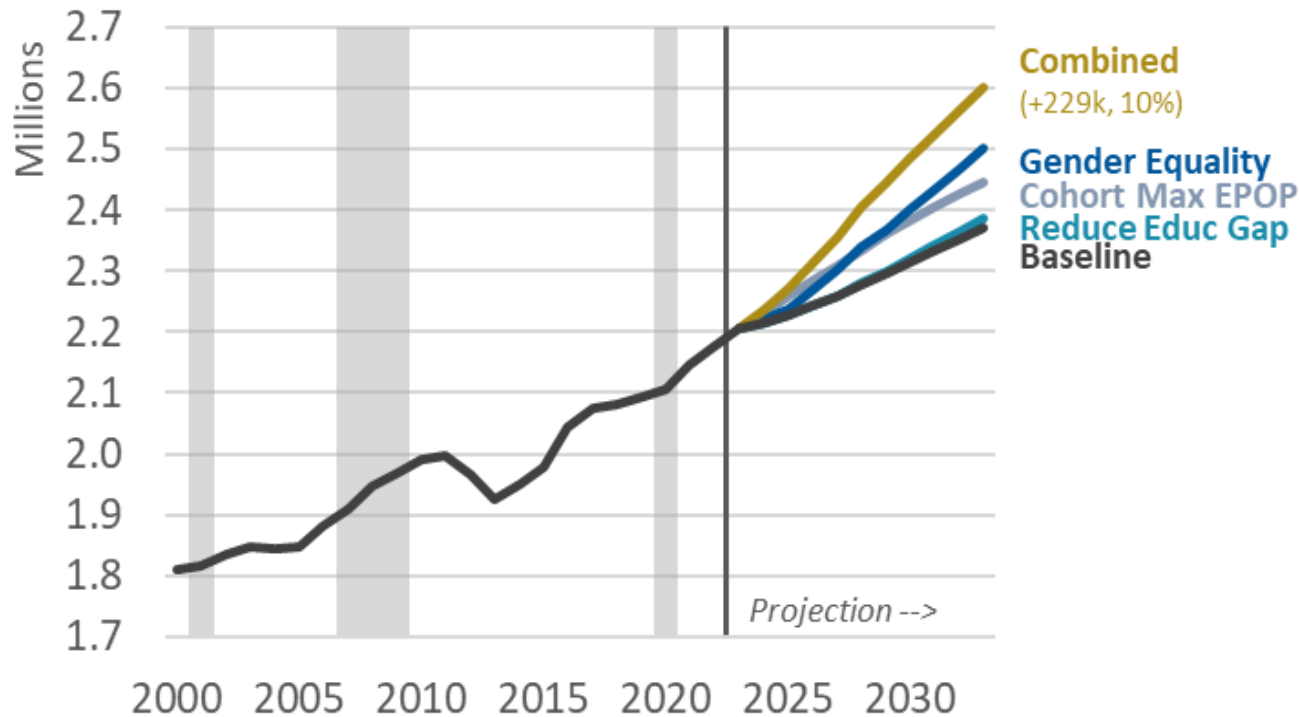
- Half children, half adults
- Half college graduates, half non-college graduates
- Nearly 50/50 for white, non-Hispanic, and BIPOC Oregonians
- Out-migration across all major income brackets

Positive in-migration among 18-24 year olds



# Oregon's Latent Labor Force

## Oregon's Latent Labor Force

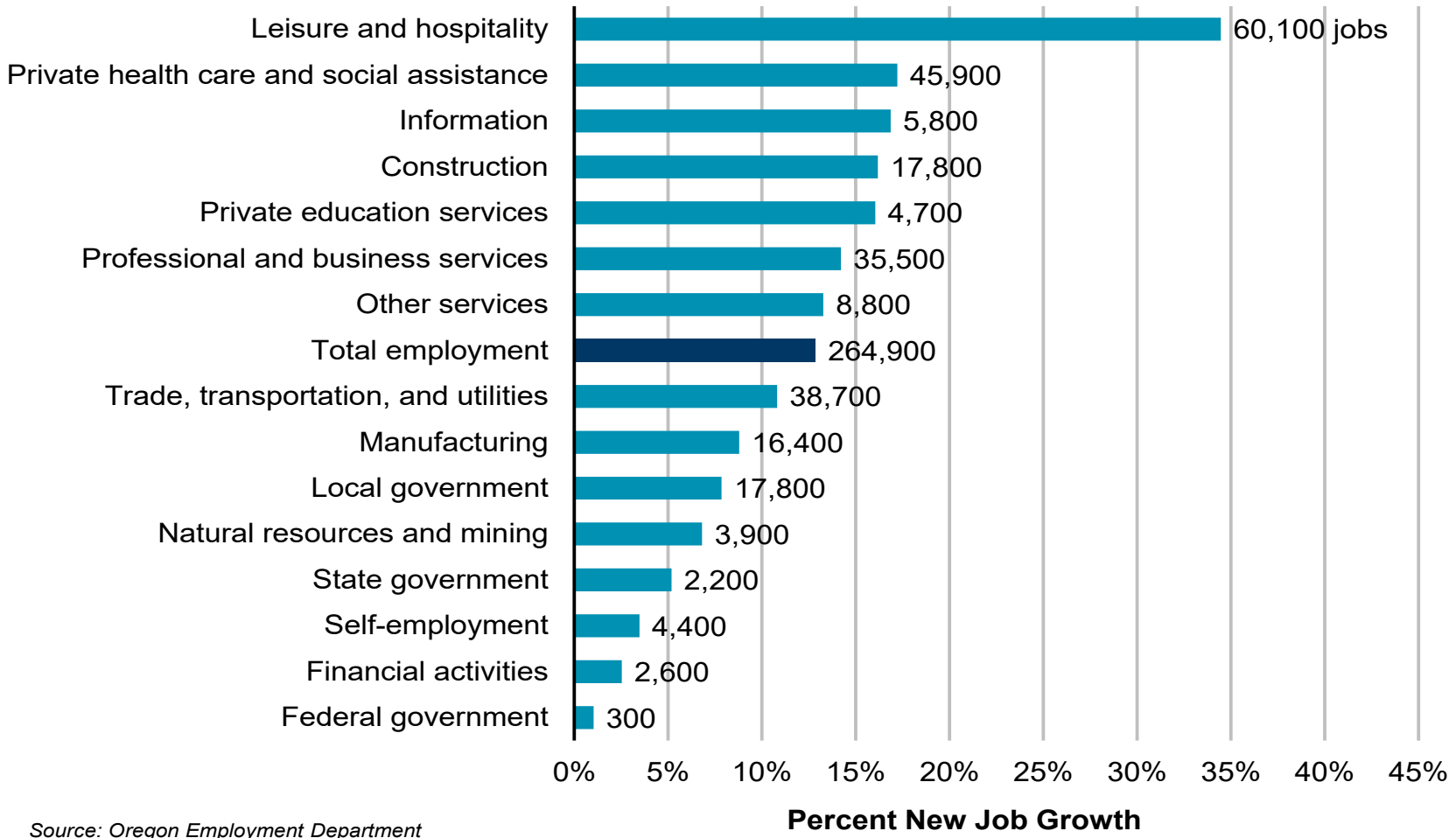


Source: Census, IPUMS-USA, Oregon Office of Economic Analysis

Scenario Addressing Disparity	Labor Force Increase Above Baseline in 2033	
Gender Equality	129,000	5.4%
Maximum Historical Employment Rate for Each Cohort	75,000	3.1%
Eliminate Educational Attainment Gap among Younger Cohorts	16,000	0.7%
<b>Combined</b>	<b>229,000</b>	<b>9.7%</b>

We expect Oregon to add 265,000 jobs between 2021 and 2031.

### Leisure and Hospitality Leads Long-Term Employment Growth Oregon Industry Projections, 2021-2031



Leisure and hospitality gains largely pandemic recession recovery in 2021 and 2022.

Private health care and social assistance leads current hiring demand and long-term growth in Oregon.

Source: Oregon Employment Department

# SNAPSHOT OF JOB OPENINGS IN OREGON FROM JANUARY – SEPTEMBER 2023

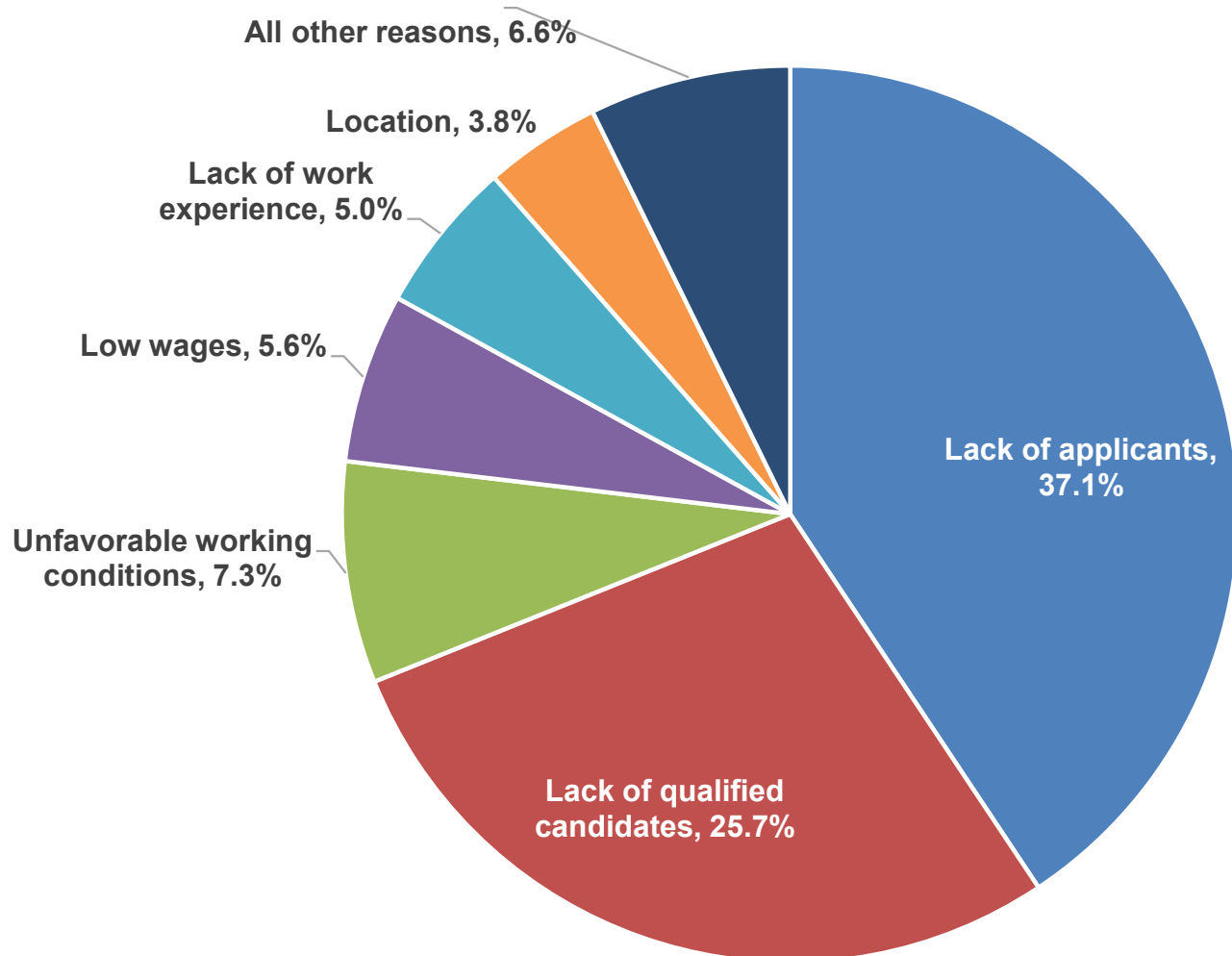
## Characteristics of Private-Sector Job Vacancies in Oregon, January-September 2023

Sector	Vacancies	Average Wage	% Full time	% Permanent	% Education Beyond HS	% Require experience	% Difficult to fill
<b>All Sectors</b>	<b>71,519</b>	<b>\$25.17</b>	<b>82%</b>	<b>95%</b>	<b>40%</b>	<b>61%</b>	<b>60%</b>
Private health care and social assistance	17,789	\$28.01	85%	100%	61%	63%	62%
Leisure and hospitality	8,643	\$17.13	54%	87%	6%	42%	59%
Management and administrative and waste services	7,593	\$23.80	90%	95%	29%	48%	49%
Retail trade	7,232	\$20.96	76%	93%	15%	48%	48%
Manufacturing	6,329	\$23.22	88%	98%	22%	65%	74%
Professional and technical services	5,694	\$36.34	91%	97%	87%	84%	47%
Construction	5,467	\$29.05	96%	96%	42%	78%	74%
Other services	4,049	\$26.51	80%	96%	60%	65%	73%
Wholesale trade	2,307	\$21.37	91%	94%	34%	68%	51%
Financial activities	1,997	\$24.65	90%	90%	39%	66%	45%
Natural resources and mining	1,808	\$20.35	90%	70%	20%	56%	78%
Transportation, warehousing, and utilities	1,192	\$23.95	89%	99%	34%	70%	80%
Private education services	847	\$31.21	81%	98%	80%	81%	34%
Information	573	\$28.46	66%	67%	64%	59%	45%

Source: Oregon Employment Department, Quarterly Job Vacancy Survey

# MOST COMMON DIFFICULTY FILLING JOB OPENINGS IS LACK OF APPLICANTS

## Employer-Provided Reasons for Difficulty Filling Job Openings January - September 2023



The top three most commonly cited reasons by employers for difficulty filling job vacancies in Oregon were the same in 2019 as they were in 2023.

# ILLUSTRATIVE EXAMPLES OF DIFFICULTY FILLING JOB OPENINGS

Sector / Location	Position	Employer-Provided Response
<b>Lack of Applicants...</b>		
Health Care / Salem	Personal care aides	"Nationwide caregiver shortage....worse after COVID"
Social Assistance / Portland	Light truck drivers	"Not enough applicants"
Health Care / Bend	Health care support workers	"Staffing shortage. Cost of living."
<b>Lack of Qualified Candidates...</b>		
Manufacturing / Mid-Valley	Bookkeeping, accounting, and auditing clerks	"Finding qualified applicants"
Health Care / Portland	Personal care aides	"insufficient number of qualified applicants"
Health Care / Clackamas County	Social and human services assistants	"Per our grant, we need a 'youth under 25 with "lived experience"."
<b>Unfavorable Working Conditions...</b>		
Manufacturing / Clackamas	Vehicle and Equipment Cleaners	"This is a graveyard position and involves wearing a chemical suit and cleaning equipment"
Manufacturing / Eastern Oregon	Freight, Stock, and Material Laborers	"Freezing work environment, need standup forklift experience"
Manufacturing / Columbia Gorge	Supervisors of Production Workers	"Not finding qualified applicants willing to work night shift."



## 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

Over the past year, average starting wages rose to \$24 per hour, a gain of 4% after adjusting for inflation.

### 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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