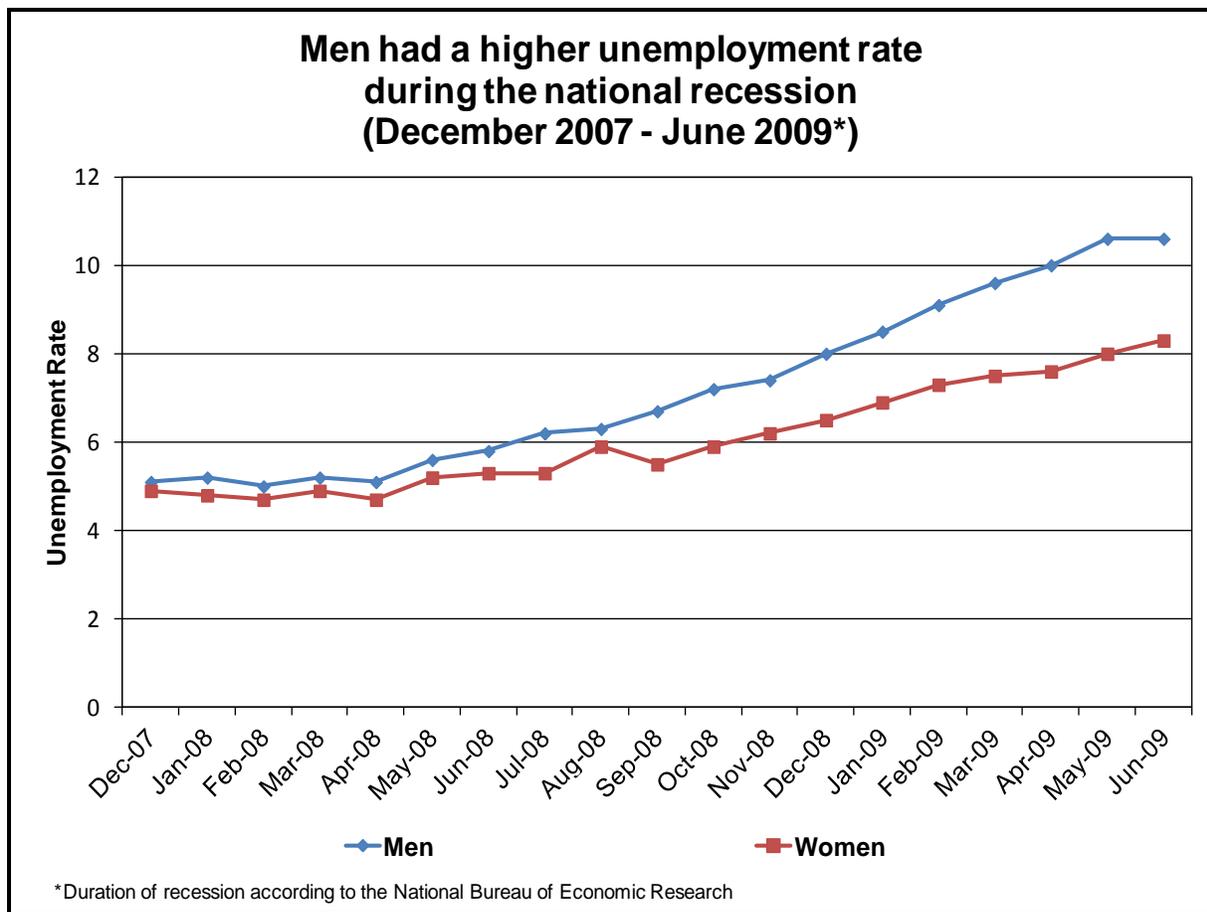


Did Oregon Have a Mancession?

During the Great Recession, economists noticed a striking pattern: a growing gap between the unemployment rates for men and women. For example, at the end of the national recession in June 2009, the seasonally adjusted unemployment rate for men was 10.6 percent while the rate for women was 8.3 percent. Various studies concluded that while the female workforce was certainly affected by the recession, many of the job losses were affecting men.



Theory of the Mancession

One theory proposed that industries hardest-hit during the recession employed mostly men. These industries fed markets with boom and bust cycles. The prime examples were construction and manufacturing. The housing market crash of 2008 drastically

reduced demand for building supplies and labor. And the worldwide recession reduced demand for manufactured products. In response, affected companies reduced their workforce or closed.

On the other hand, less cyclical industries did not contract as much. Indeed, some, such as health care and education expanded throughout the recession. Because women predominantly worked in these less-cyclical fields, a gender-specific gap in unemployment emerged. Media sources dubbed this dynamic “The Mancession.”

Oregon’s seasonally adjusted nonfarm payroll employment reflected this scenario. During the national recession (December 2007 to June 2009), Oregon lost 28,400 jobs in construction and 36,000 in manufacturing. Together these accounted for 49 percent of Oregon’s total nonfarm employment decline during the recession. What about private health care and education? These industries collectively grew by 8,400 jobs, or nearly 4 percent.

The picture is really somewhat more complicated, since each month thousands of Oregonians find work and thousands of others lose it. The net result, however, supports the theory and these job losses directly impact unemployment rates.

The unemployment rate measures not just those out of work, but those out of work *and* looking for a job. Most individuals look for work, at least initially, in industries demanding the skills they already possess. It stands to reason, then, that many job-seeking men, who came from industries hard-hit by the recession – specifically construction and manufacturing – were also looking for jobs in those same industries. Thus, many unemployed men could not find work, because their skills were not in demand by the economy at large. As a result the male unemployment rate increased faster than the female unemployment rate.

Looking for Work through Oregon’s Workforce System

Oregon’s workforce system helps people find work and stay employed. The Performance Reporting Information System (PRISM) collects a variety of data on customers of this system. One data type is gender. Another is the industry in which a customer finds work immediately after receiving services from the workforce system. With these data it is possible to rank which industries workforce service customers found work in during the national recession. The data suggest that men were seeking work in those industries most impacted by the recession.

During the national recession (December 2007 through June 2009), the top three industries in which men found work after receiving services were: manufacturing; administrative and waste services; and construction. As mentioned earlier, manufacturing and construction accounted for nearly half of all job losses in Oregon during the recession. As a result, men looking for work in these industries faced very difficult challenges and if they were successful in finding work, they faced a serious

probability of later being laid off again. In comparison, the more resilient health care and social assistance industry ranked ninth in terms of industry in which men found jobs.

What were the results for women? Their top three industries were health care and social assistance; retail trade; and accommodation and food services. While the latter two industries contracted during the recession, health care and social assistance grew throughout. Manufacturing ranked fifth in terms of industries in which women found jobs; construction came in 12th.

This begs the question: “Why were men seeking jobs in struggling industries?” As mentioned earlier, job-seekers typically seek work in fields that employ skills they already have, i.e. the job-seeker is “qualified for the job.”

Formal education is one important facet of job qualification. PRISM data show how differences in education influence the degree to which individuals seek and find work in different industries.

The Effect of Education

The accompanying table shows the educational attainment for all customers who found work during the recession, immediately after receiving services from Oregon’s workforce system. These results are then compared with male customers who found work in manufacturing or construction and female customers who found work in health care and social assistance or retail trade. Most of the men and women in these respective industries completed high school (or equivalent). Significant differences emerged, however, when it came to higher education.

The data suggests a relationship between college education and industry employment. Among women who found work in health care and social assistance, 30 percent had some college training – well above the 23 percent rate for all Oregon workforce customers. The percent of college educated women getting work in retail trade was 9 percentage points lower, at 21 percent.

The incidence of college attendance for men in this study was much lower. Only 17 percent of men securing a job in manufacturing had any college background. In construction it was just 14 percent.

One key point here is the challenge that individuals (male or female) face when being laid off from an industry that requires relatively lower levels of education, if they then wish to change careers into a industry that requires relatively higher levels of education.

Educational Attainment of Oregon Workforce System Customers Finding Work December 2007 - June 2009					
Educational Attainment	All Customers	Men working in:		Women working in:	
		Manufacturing	Construction	Health Care and Social Assistance	Retail Trade
Less than High School	10.87%	11.73%	12.66%	8.31%	11.37%
High School or Equivalent	38.77%	40.59%	44.88%	39.28%	41.10%
Any College Training*	23.20%	17.45%	14.28%	30.06%	21.34%
No Data	27.17%	30.22%	28.19%	22.35%	26.19%

*Includes short-term postsecondary training
Source: PRISM

Summary

These collective findings clarify how the recession affected Oregonians by gender. In particular, industries that typically employed men were hard-hit during the recession. However, many men still sought work in these depressed industries, due to their qualifications and educational attainment.

It should be noted that there is hope. Oregon's workforce system, a partnership between many state and local entities, providing information, training, and job-finding assistance, exists to help individuals not only find jobs in the industries in which they've previously worked, but also to learn about, train for, and seek opportunities in different careers.