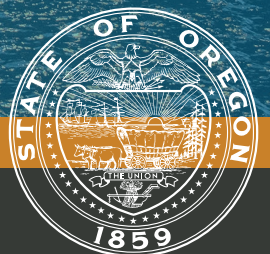


TARIFF IMPACT ANALYSIS

JUNE 2026



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INTRODUCTION

In the Spring of 2025, the Trump administration announced sweeping tariffs on foreign goods coming into the United States. These initial announcements were followed by retaliatory measures from a number of U.S. trade partners including boycotts, export restrictions and retaliatory tariffs. An international trade landscape which had become increasingly conditioned toward broadening globalization and less restrictive trade terms for the better part of a century was suddenly upended—resulting in significant turmoil in global financial markets and dramatically altering the global economic outlook for the foreseeable future.

On July 14, 2025, Oregon Governor Tina Kotek requested a report evaluating the impacts of this increased tariff environment on Oregon’s businesses, workforce, state agencies, and populace. The Oregon Business Development Department (OBDD), the Oregon Employment Department (OED) and the Department of Administrative Services (DAS) worked in conjunction to produce this analysis.

Specifically, the Governor’s directive instructed the named agencies to evaluate employment trends observed after tariff implementation, industries and regions most affected by trade changes, and key challenges reported by Oregon businesses related to the new trade environment. In addition, the Governor requested insight into how tariffs have impacted agricultural supply chains, created export challenges, impacted food cost trends, and affected emergency preparedness.

Several states have engaged in tariff impact analysis in the aftermath of the April 2, 2025 policy changes. Most of these analyses were produced early on during tariff implementation, and by necessity were constrained by a lack of economic data showing real-world impacts. By virtue of timing, these studies were prospective in nature.

The authors of this analysis agreed to an alternative, more retrospective approach. This allowed for analysis to incorporate reactions evident in economic data and survey results which reflected actual consequences and behavioral changes due to tariffs. Given the rapid, continual and often dramatic changes in tariff policy over the past several quarters, the fundamental conditions upon which the backward-looking analysis was based often proved to be starkly different from the what may have been assumed to be reasonable assumptions at some earlier starting point. In short, tariff conditions evolved quite consequentially over the course of 2025.

While less timely compared to a prospective approach, this evaluative strategy enabled a more targeted approach toward actual consequences, and less reliance on forecasts and hypotheticals. As a result, this report seeks to quantify real, measurable impacts observed in Oregon since higher tariff rates were announced and subsequently implemented in 2025.

To be sure, the consequences of a major reset of trade policy terms—both positive and negative—are not fully appreciated at this time, nor are they evident in the economic data. For this reason, even a comprehensive analysis will only serve as an early draft of a deeper understanding.



This report will set the stage by discussing historical effective tariff rates and past trade war consequences, evaluating tariff collections and apparent consequences for key industries and regions of the state. It also evaluates the impact on Oregon compared to other trade-dependent states and the U.S. as a whole.

A novel element of this analysis includes a comprehensive survey of employment establishments in the state conducted by the Oregon Employment Department. The focus on retrospective analysis provided the opportunity to survey Oregon businesses in the context of realized actions and impacts in 2025. The survey results provide a critical cross-check between the realized experience of businesses and employers in the state relative to reported economic data. In doing so, the results enable a richer perspective of the economic landscape.

Those survey results are analyzed and incorporated into the document as its own section, but they also served to inform other parts of this analysis. The survey findings helped to better establish the industries in Oregon most impacted by tariffs. The final components of this document examine impacts to Oregon revenues, expenditures, and other impacts to state agencies including potential supply chain disruptions and scarcity issues relevant to emergency preparedness.



TARIFF HISTORY AND ENVIRONMENT

Before examining the impact of tariffs, it's important to first understand their historical context in the United States and how recent changes have dramatically shifted the landscape. This section will begin by discussing historical effective tariff rates and their evolution in 2025, as well as the increase in tariff related revenue. The similarities to past trade wars are considered, along with the impact of ongoing United States-Mexico-Canada Agreement (USMCA) negotiations and how the tariff environment may once again shift with the next presidential administration. The section concludes with a literature review examining key reports on tariffs produced by other states and established international trade and tariff specialists.

Historical Effective Tariff Rate and Revenues

The United States has witnessed tumultuous tariff environments in its past but has seen relative stability since the end of the Second World War. From the advent of the North American Free Trade Agreement (NAFTA) in 1994 through admission of China to the World Trade Organization (WTO) in 2001 and up to the first Trump trade restrictions in 2018, the U.S. economy continued to witness new record-low tariff rates and similarly approach peak exposure to globalization.

Between 2000 and 2024, the average effective tariff rate had a high of 3.0% in 2021 and 2022, a low of 1.3% in 2008. Following the Liberation Day tariff announcement on April 2, 2025, the effective rate climbed above 20%—a level last witnessed during the Great Depression.

The effective tariff rate for 2026, as calculated by the Yale Budget Lab on April 2, 2026, was 11%: that was roughly five times the average of the last 25 years. While rates have surpassed that value in the past, as recently as 1970, businesses have become accustomed to low and falling trade barriers and global supply chains for most of the past half century.



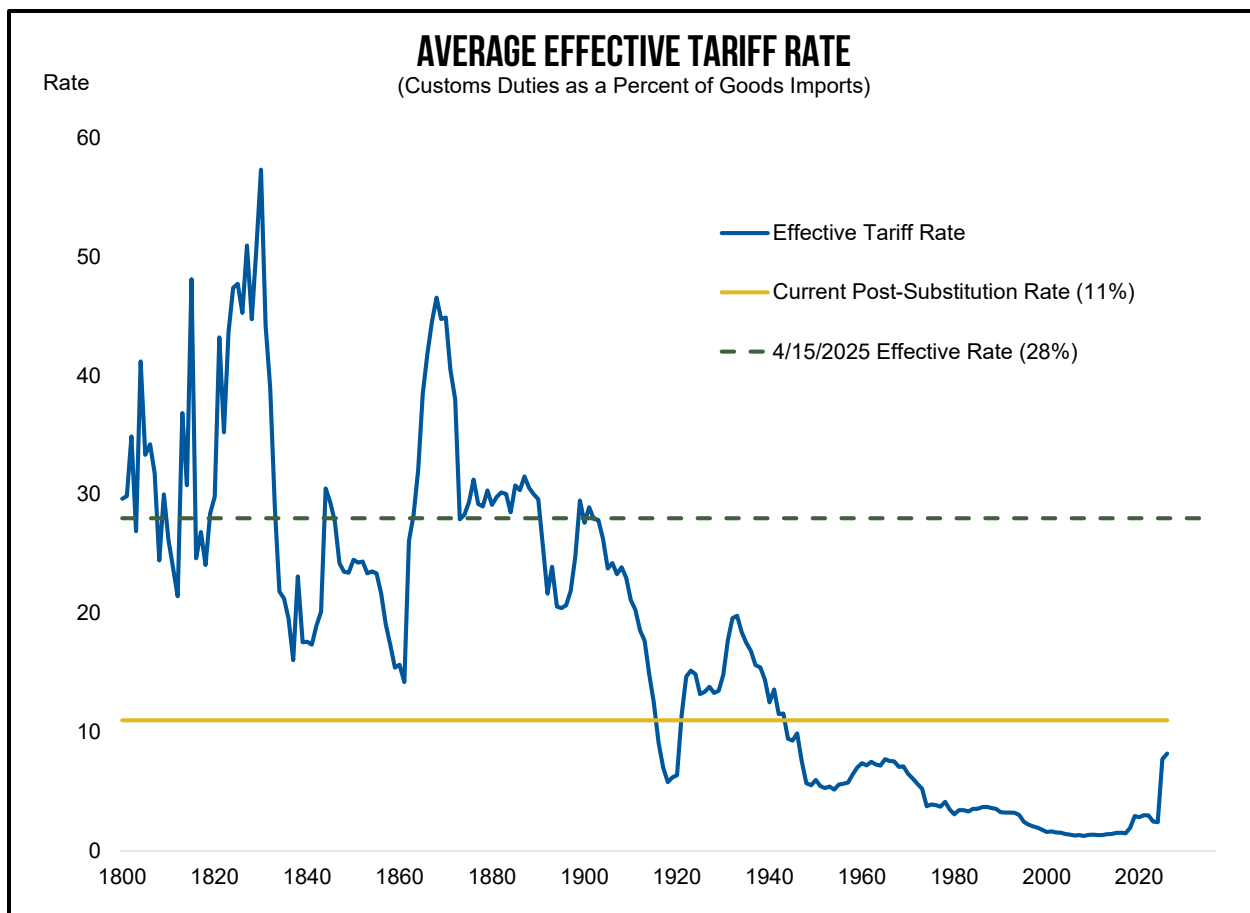
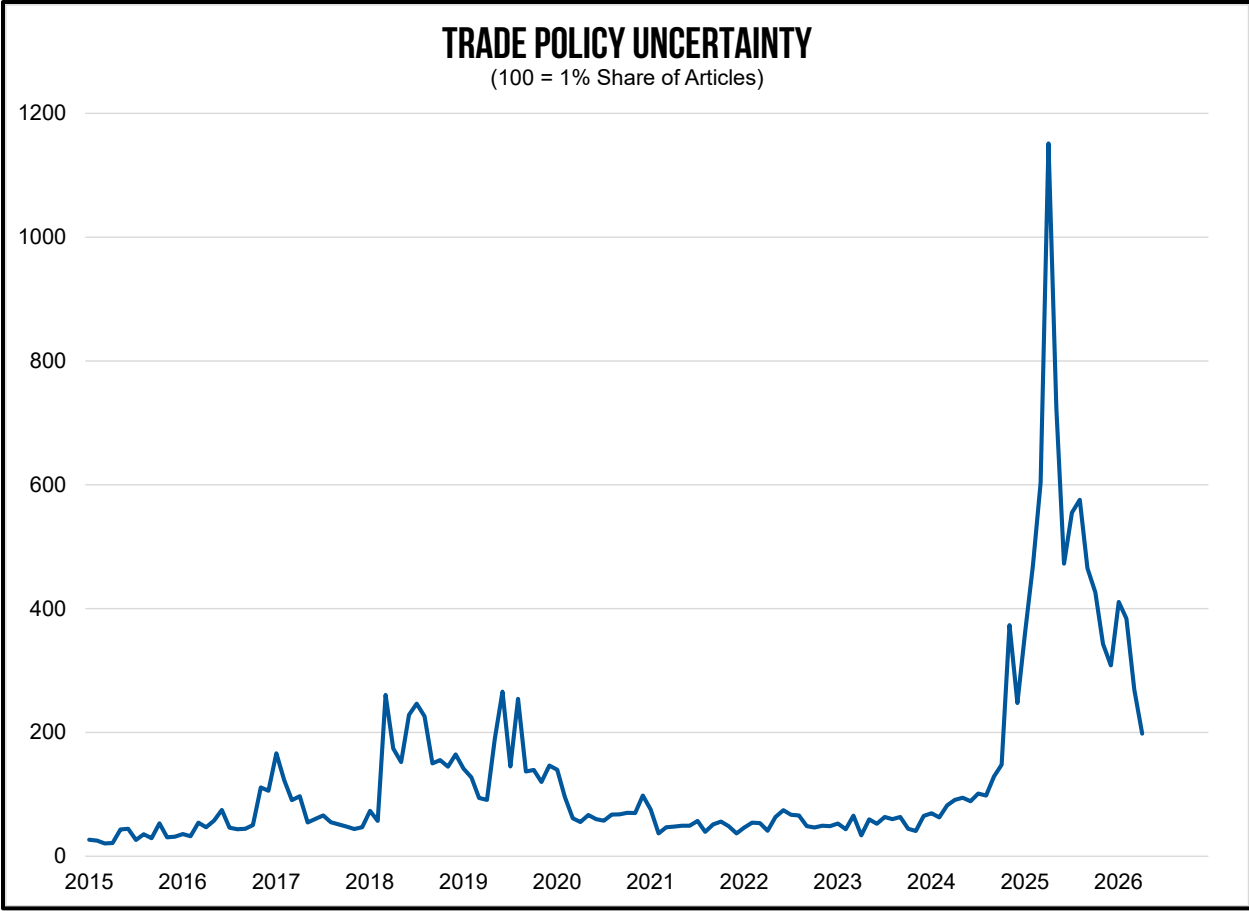


Figure 1. Average Effective Tariff Rate in the United States, Source: Yale Budget Lab

A major concern for businesses since the initial announcements of impending tariff changes is not the increased rates themselves but the uncertainty accompanying the announcements. Tariff rates changed from month to month as a part of trade negotiations. Increases were sometimes threatened but not enacted. Rates would be increased at the beginning of the week and then would decrease later that same week as negotiations concluded. These irregularities and unpredictable changes contributed to businesses being unable to make long-term decisions and investments. Trade policy uncertainty rankled both forward-looking financial markets and also business confidence.



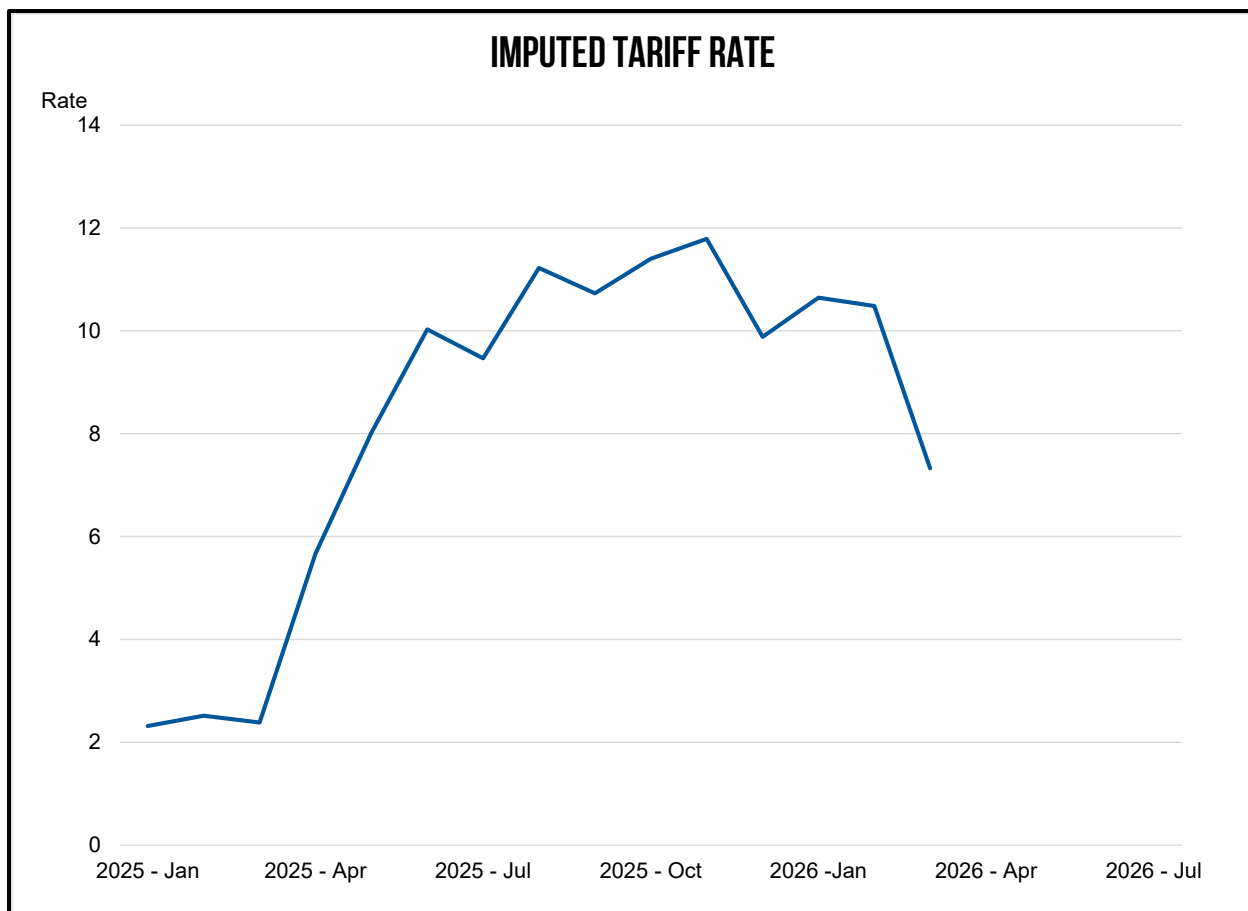


Figure 2. Trade Policy Uncertainty and Imputed Tariff Rate, Sources: Matteo Iaciello, U.S. Treasury, and Census Bureau

As shown in Figure 2, trade policy uncertainty began to rise sharply during the tail end of 2024 and spiked dramatically in early 2025; a period concurrent with the onset of the second Trump administration’s rollout of trade restrictions. Trade policy uncertainty peaked in April 2025 as Liberation Day tariffs were rolled out, followed shortly thereafter by challenges to the tariffs’ legality. Early court challenges focused particularly on the tariffs issued with authority granted by the International Emergency Economic Powers Act (IEEPA).

Trade uncertainty has since declined appreciably, albeit not completely. It has remained somewhat elevated (to about the same degree as in 2018-2019) amid further, ongoing court challenges and trade negotiations. Despite a Supreme Court ruling against the administration’s use of the International Emergency Economic Powers Act (IEEPA) to impose tariffs, most of the non-IEEPA tariffs remained in place. The President has seized upon other trade-related legislation (e.g. Section 122) to effectively backfill/re-engineer tariff levels back toward the pre-IEEPA SCOTUS ruling levels. The administration has temporarily used Section 122 of the Trade Act of 1974 to issue 10% tariffs, and it is expected to restructure the pre-ruling rate levels using a range of alternative provisions.

Even with the shifting structure and application of tariffs across countries and goods, the righthand side of Figure 2 shows that the actual rate has been little changed from June 2025 to

February 2026, fluctuating between 10% and 12%. While the trade negotiations were unpredictable and hectic, the overall imputed tariff rate stayed relatively steady until the IEEPA ruling. The March 2026 imputed rate dropped to 7.3%. The unexpected stability through February 2026 is reflected in tariff revenues that have been collected since May 2025, as illustrated above.

Since 2020, and before the current administration, the United States saw monthly customs duties remain in a relatively small range: between \$5.2 and \$9.2 billion. As tariff rates settled in June 2025, monthly receipts jumped to over \$31.4 billion in the highest month and \$26.6 billion in the lowest (through February 2026). The revenues reached a new recent low in March and April following the IEEPA ruling, at approximately \$22.1 billion in both months. Again, while revenue is elevated, it has stayed in a relatively tight range despite the changing environment.

These revenues remain in limbo as the federal government decides how to proceed, including whether tariff payments collected under IEEPA must be refunded. If payments are refunded, this could mean billions of dollars being returned to businesses. The consumers whom businesses often pass tariff costs onto, however, are unlikely to see the benefit of returned tariff dollars. Tariff revenue had been offsetting revenue lost due to the tax cuts passed in 2025 as part of House Resolution 1 (HR1), also known as the One Big Beautiful Bill Act (OBBBA). Reimbursing tariff revenue will exacerbate the effect of the HR1 tax cuts on the federal deficit.

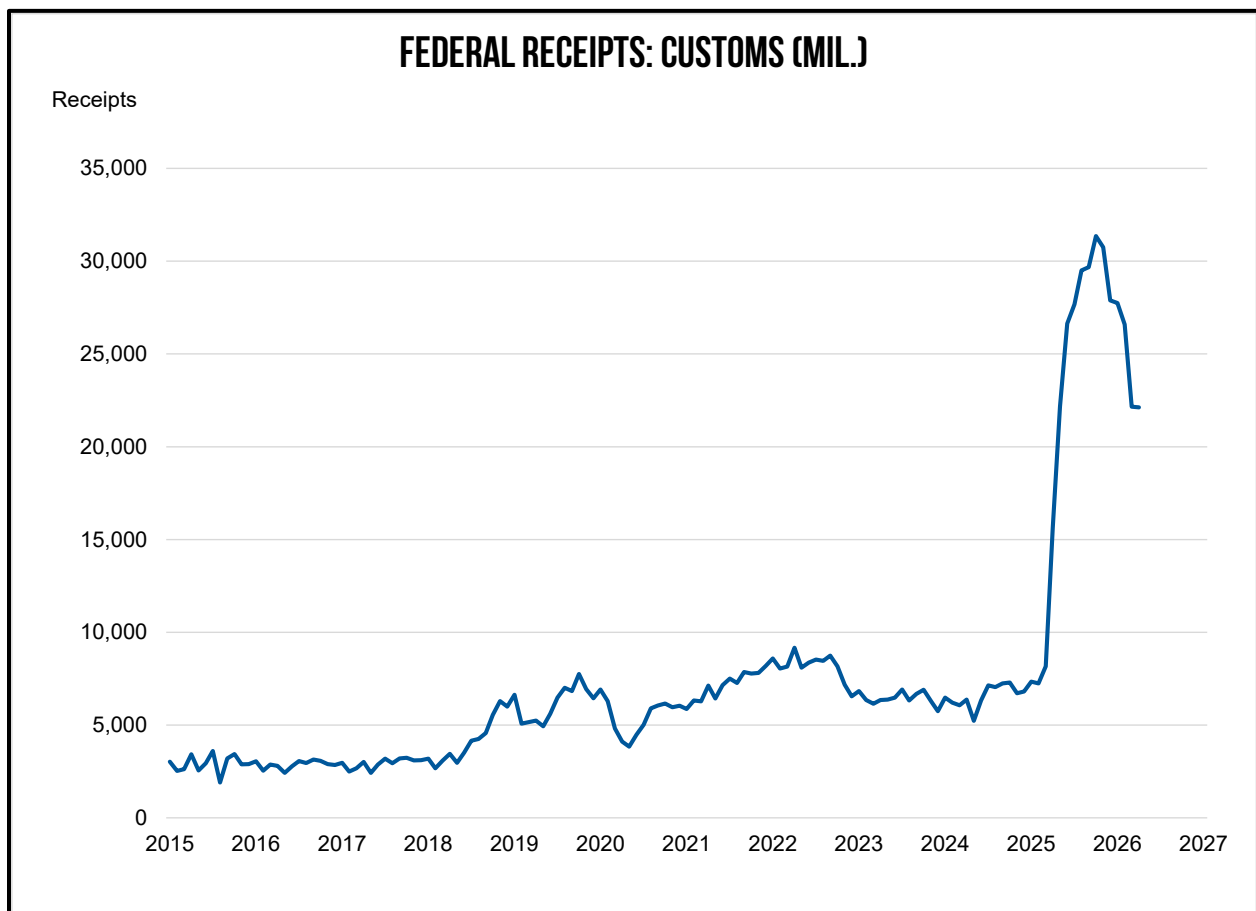


Figure 3. Federal Customs Receipts, Source: U.S. Treasury



In Oregon, the effective tariff rate differed slightly from the national average due to the unique mix of goods imported into the state. Estimates suggest that this effective rate ranged from a low of roughly 2% in March 2025, prior to the implementation of the new tariffs, to a high of 15% during the fall of 2025.

OREGON IMPORTS AND TARIFF PAYMENTS IN 2025			
	Total Imports (in millions)	Estimated Tariffs Paid (in millions)	Effective Rate of New Tariffs
March	\$2,414	\$51.6	2.1%
April	\$2,528	\$205.4	8.1%
May	\$2,228	\$159.0	7.1%
June	\$2,536	\$161.2	6.4%
July	\$2,438	\$182.4	7.5%
August	\$2,228	\$330.6	14.8%
September	\$2,447	\$372.7	15.2%
October	\$2,725	\$434.6	15.9%
November	\$2,977	\$473.6	15.9%
December	\$3,362	\$519.6	15.5%
MAR-DEC	\$25,881	\$2,890.6	11.2%

Table 1. Oregon Imports and Tariff Payments, Source: U.S Census Bureau, WiserTrade, and Business Oregon

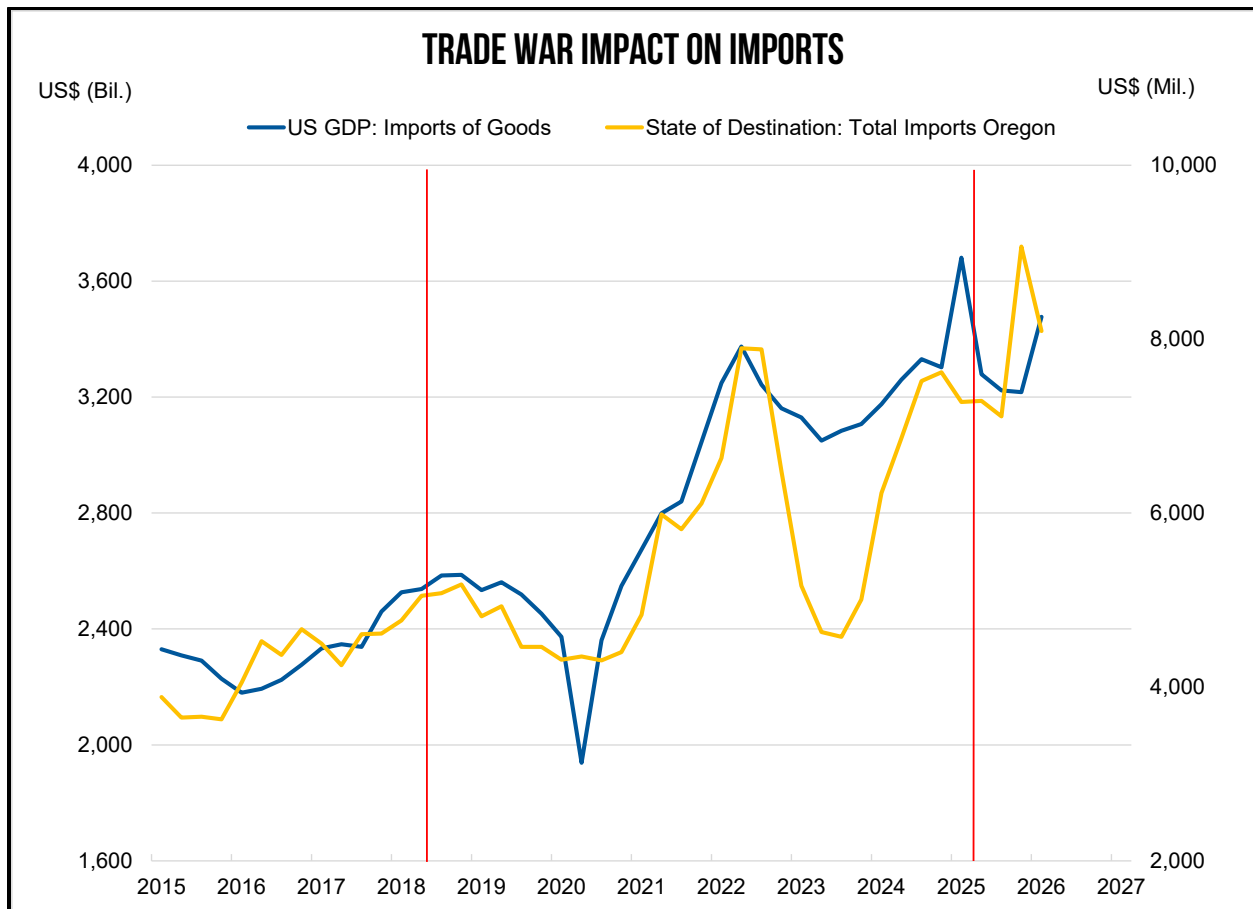
It is estimated that Oregon importers paid approximately \$2.89 billion in tariffs between March and December 2025 — an effective tax rate of about 11% on \$25.88 billion in total imports. About 57% of these tariff costs stemmed from country-specific import taxes enacted under the Trump administration, while the remaining 43% were tied to commodity-specific tariffs. Although these tariff payments appear significant, the total paid by Oregon importers over the last three quarters of 2025 amounted to only about 0.3% of the state’s gross domestic product during that period.



Past Trade Wars

As U.S. companies and citizens try to adjust to the new tariff regime and the ongoing trade war, they can look back in history to past trade conflicts to see what the potential consequences may be; the most recent of which took place in 2018 under the first Trump administration.

Over the course of the year, the United States imposed or increased tariffs on washing machines, water boilers, solar panels and other various industrial parts, including steel and aluminum. In the months leading up to the summer, as trade tensions intensified, the U.S. and China threatened to impose higher tariffs on each other over trade policies perceived as unfair. Over the summer, the two countries began imposing increasing tariffs, often with the U.S. leading and China retaliating. This escalation continued until the COVID-19 pandemic shocked global economic conditions. A resolution was never truly reached—and tariffs extended mostly untouched into the next presidential administration. A National Bureau of Economic Research (NBER) working paper estimated the impact of the tariffs to be a reduction of U.S. real income at \$1.4 billion per month by the end of 2018 (*Amiti, Redding, and Weinstein 2019*).



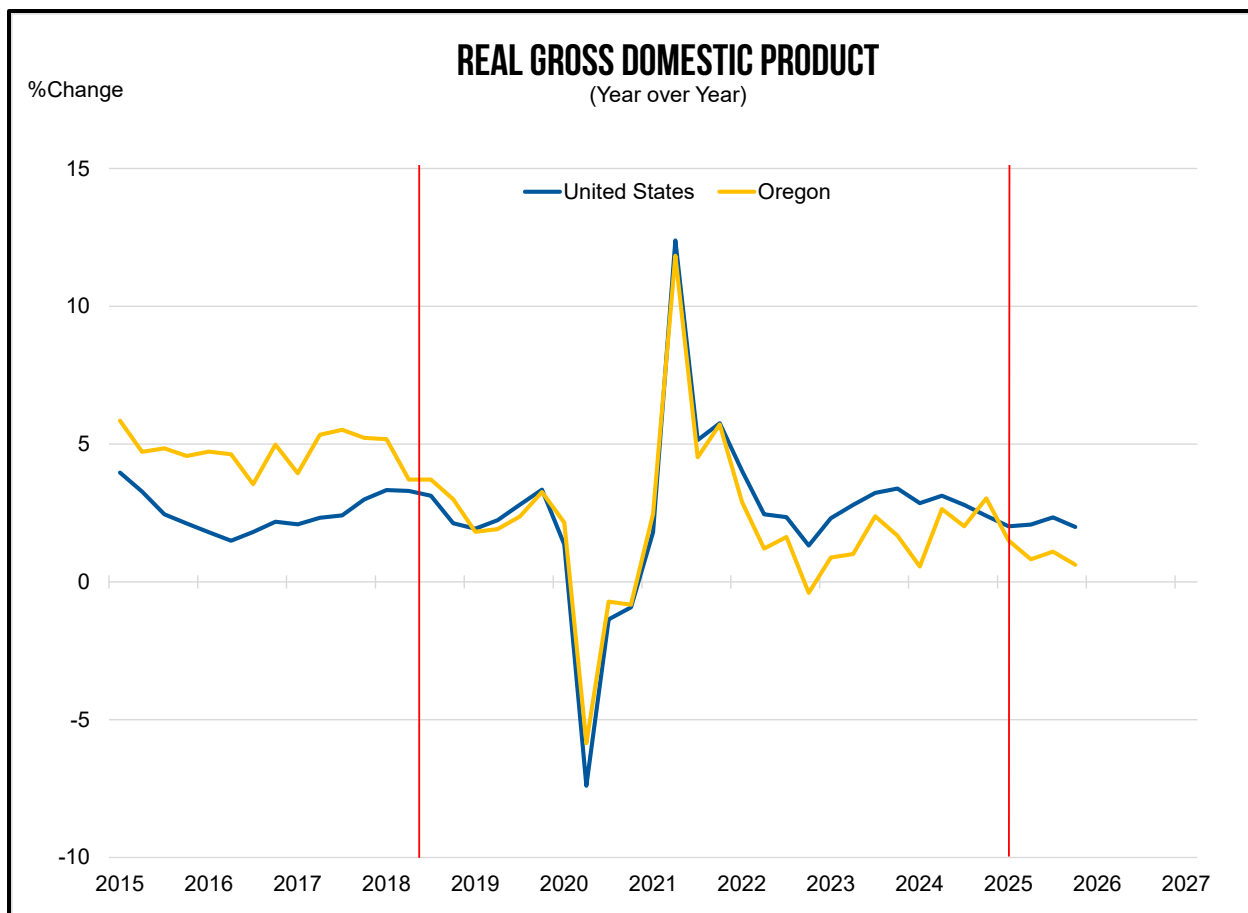


Figure 4. Impact of trade wars, Sources: Bureau of Economic Analysis and Census Bureau

Time has shown that while early estimates were high, the true impact of tariffs appeared muted in the economic data, as reflected in the above figures on imports and GDP. The red vertical lines are approximately at the beginning of the two trade wars – July 2018, and February 2025, since the administration began announcing tariffs almost immediately after taking office for a second term. While imports certainly trailed off in 2018, the sharp decline on the graph is due to the pandemic, not trade tensions. The drop in imports is also present in 2025, in part due to stockpiling ahead of the tariff announcements. Despite the tariff rate increase, imports remain above 2025 levels for the most part.

GDP had a minor decline during the beginning of both trade wars due to shifting terms of trade. If the 2025 trade war follows trends established in 2018, then U.S. imports and productivity should regain some momentum. It should be noted, however, that prior to the 2018 trade war Oregon was leading the national average in GDP growth. The state dropped below the national average in 2019 and spent most of the last decade continuing to lag.

USMCA Negotiations Underway

The United States-Mexico-Canada Agreement (USMCA) was negotiated during the first Trump administration to replace the North American Free Trade Agreement (NAFTA). This agreement went into effect on July 1, 2020, with the initial term running until 2036. There is joint review



scheduled for July 2026 where they have the option to extend the agreement. There is no certainty that it will be extended, in which case the USMCA will be reviewed annually and then expire in 2036.

The USMCA had largely maintained zero tariffs on all products that had zero tariffs under NAFTA. However, while IEEPA tariffs have been struck down by the Supreme Court, the other tariff authorities utilized by the administration, such as Section 232 tariffs on steel, continue to impact Mexico and Canada. The Section 122 tariffs currently being utilized to replace IEEPA tariffs have some exceptions for USMCA-compliant goods. The administration has also been exploring the use of Section 301 tariffs on both countries.

The USMCA, per the International Trade Administration, is intended to promote trade by creating a more balanced environment, improving rules of origins, strengthening food and agriculture trade, covering digital trade and creating new protections for U.S. intellectual property, and more. However, its regulations are under constant challenge as new tariffs are established and the participating nations are less incentivized to extend the agreement. Tracking ongoing negotiations to extend the agreement, both before and after the July 2026 deadline, will be pivotal to understanding and projecting trade on the North American continent.

Beyond the Current Presidential Administration

While tariffs have been a central policy priority of the current administration, there is no guarantee that they will remain in place in the long term. President Trump has campaigned on, and committed to, reducing the United States' trade deficit during both his terms, which has resulted in substantial tariff changes under both his administrations. While Presidents in the past have implemented tariffs and trade restrictions, such as President Reagan's automobile import quotas, President Bush's tariffs on steel and President Obama's and Biden's tariffs on solar panels, no president in modern history has used tariffs as forcefully as President Trump—particularly in his second term.

Tariffs have historically been targeted toward specific countries or products, often in an effort to counter foreign subsidies, product dumping or other anti-competitive measures. Precedent suggests that while the remainder of the current presidential term may continue to see tariffs used as a primary tool in trade negotiation, subsequent administrations may be unwilling to follow suit. As a result, any tariff impacts from the ongoing trade war may not be sustained into the next administration.



LITERATURE REVIEW

Recent state-level and regional analyses have consistently indicated that the 2025–2026 tariff environment has produced measurable economic disruptions across multiple sectors, with effects varying by state depending on industrial composition, trade exposure, and household consumption patterns. States with significant manufacturing, agriculture, or globally integrated supply chains reported the largest impacts.

The State of Colorado released a detailed statewide economic modeling report estimating substantial cost pass-through to consumers, increased prices for construction materials, motor vehicles, and agricultural inputs, and downward pressure on employment in export-oriented sectors. State budget analysts highlighted the risk of reduced revenue growth due to slower economic activity. The modeling showed that although some domestic producers could benefit from higher tariff-protected prices, the net economic effect for Colorado was expected to be negative.

The State of Washington published a comprehensive assessment focused on its trade-dependent economy — especially aerospace, agriculture, and maritime logistics. The report identified tariffs as a “turbulence factor” that increased business costs and slowed export competitiveness. Washington’s economic structure makes it one of the more tariff-sensitive states nationally. Forecasting models showed potential declines in output and employment within key export industries should the current tariff regime persist.

The State of New York issued both a preliminary and full report detailing broad household and sector-level impacts. The state estimated an effective tariff burden of roughly 20% on major consumer goods categories. Cost impacts per household were projected in the range of several thousand dollars annually. New York identified agriculture, healthcare supply chains, and infrastructure projects as particularly exposed, with downstream effects on state procurement budgets. The state also created an interagency mechanism to quantify and track impacts over time.

The State of Michigan released multi-agency analyses identifying cost pressures across food systems, automotive supply chains, public procurement, and infrastructure projects. Findings highlighted exposure in agriculture and advanced manufacturing, with increased costs for machinery, metals, and globally sourced intermediate goods.



The State of California, through statewide agency statements and San Francisco’s Controller’s Office, documented similar inflationary effects in household budgets, construction materials, and logistics-intensive sectors.

Minnesota has not issued a full state-authored economic impact report, but state-level statements and legislative proposals indicate growing concern. The State Auditor and Attorney General have cited financial strain on households, farmers, and manufacturers. Legislative proposals (HF3292 and HF13) call for formal modeling of tariff effects on the state budget and broader economy. External analyses identified Minnesota’s agriculture and manufacturing sectors—especially machinery, metals, and food processing—at elevated risk due to the higher import costs and retaliatory export barriers.

Broader regional and academic analyses have reinforced these state findings. Multi-state modeling studies showed that tariff burdens fall disproportionately on states with high exposure to global input supply chains. The Yale Budget Lab provides ongoing national and state-level tracking showing that tariffs function effectively as a broad-based consumption tax, raising overall prices and reducing real incomes. The Federal Reserve has documented meaningful consumer price increases and measurable pass-through across retail categories. The Kiel Institute has found that most tariff costs fall on domestic consumers and firms, while Brookings identifies negative but uneven impacts on GDP, employment, and competitiveness across traded-goods industries.

Additional analyses from the American Enterprise Institute (AEI) provide further sector-specific and macroeconomic context. Recent AEI reports argue that tariffs have not generated the expected investment boom despite policy goals: U.S. agriculture continues to face substantial losses even a year after “Liberation Day,” tariff revenue is insufficient to replace major federal tax streams, and escalating geopolitical trade tensions are increasingly shaping policymaker expectations and investment decisions. Collectively, these analyses underscore that tariffs elevate costs across agriculture, manufacturing, and consumer markets while failing to stimulate offsetting domestic growth.

Overall, the emerging consensus across state governments and independent research institutions is that the current tariff regime is acting as a drag on state economies, with the degree of impact closely tied to each state’s industrial mix and trade intensity. States with diversified service economies tend to face smaller direct impacts, while manufacturing- and agriculture-intensive states report more substantial risks to output, employment, and revenue growth. Most states emphasize the importance of monitoring ongoing price pressures, assessing budget impacts, and evaluating sector-specific vulnerabilities as tariff policies evolve.

Links to additional tariff resources can be found in Appendix C.



TRADE IN OREGON

Trade is a fundamental driver of Oregon's economy and the success of its businesses. By one common measure, Oregon ranks sixth in the nation for trade dependence, based on export value as a share of state GDP. The state also ranks sixth in exports per capita. Oregon's strong position in international trade is supported by several factors, including its strategic location on the Pacific Ocean, which provides access to global markets through multiple seaports and airports, as well as the state's high-value semiconductor industry, which plays a major role in boosting export totals.

Trade patterns among Oregon businesses can shift significantly from year to year. Cyclical economic conditions, industry production cycles, and trade policy all influence these movements. Much of this volatility reflects the semiconductor industry and the broader computer and electronic products sector.

Exports Out of Oregon



Oregon businesses sell products around the world, although nearly three quarters of all goods exported from the state go to four regions: North America, China and Hong Kong, Island Southeast Asia, and Japan and Korea. North America, which includes Canada and Mexico, is Oregon's largest regional export partner. Proximity and well-established transportation networks make shipping goods to these markets efficient and cost-effective. Over the past three years, nearly 30% of Oregon's export value has gone to North American partners.

China and Hong Kong are Oregon's second-largest export market, accounting for about 20% of total exports, with China alone contributing 19%. Approximately 73% of Oregon's exports to



China during the past three years came from the computer and electronic products sector. Without this sector, the share of exports to China and Hong Kong would fall to less than 9%.

Island Southeast Asia, which includes Malaysia, Taiwan, the Philippines, and Indonesia, is Oregon's third-largest export region. This region has accounted for about 16% of Oregon's exports over the past three years, and demand has recently strengthened, with the region representing closer to 20% of exports in 2025. Similar to China, exports to this region are heavily influenced by the computer and electronic products sector, which makes up roughly two-thirds of export values to these countries.

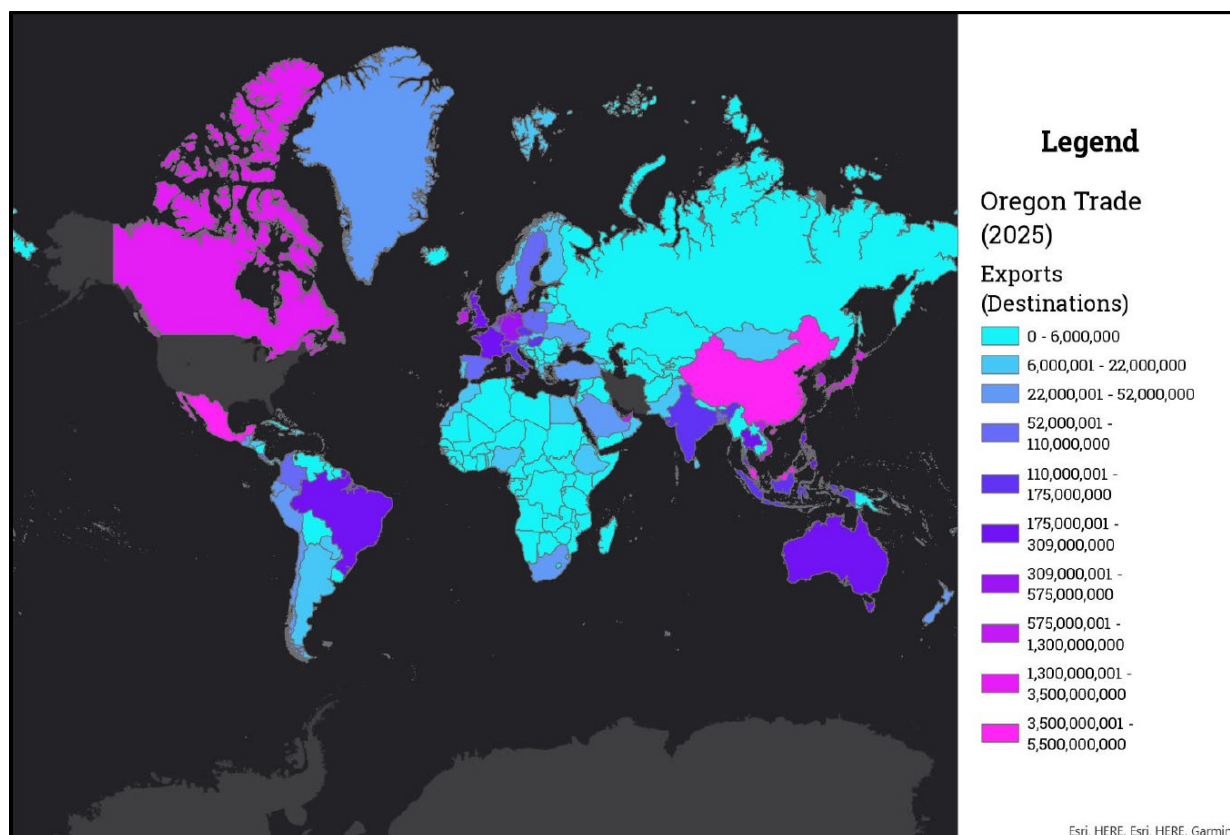


Figure 5. Oregon Heat Map of Exports in US dollars (2025), Source: U.S. Census Bureau and WisierTrade

Overall, electronic and computer products, including machinery, represent around half of Oregon's total exports. Oregon also exports a variety of other goods, including vehicles, pharmaceutical equipment, wood products, aircraft parts, and agricultural products such as cereals, fruits, and nuts.

Imports Into Oregon

Consumers and businesses in Oregon depend on a wide range of imported goods. Many of these are intermediate inputs used by businesses, including plastics, rubbers, and various metals such as iron and steel. The state also imports large quantities of machinery used in semiconductor manufacturing and agricultural production.



The largest category of imports is machinery. Oregon imported an average of \$7.7 billion in electrical machinery annually over the past three years, much of it tied to the semiconductor industry, which relies heavily on advanced processing equipment. Oregon imports about twice as much electrical machinery as the national average.

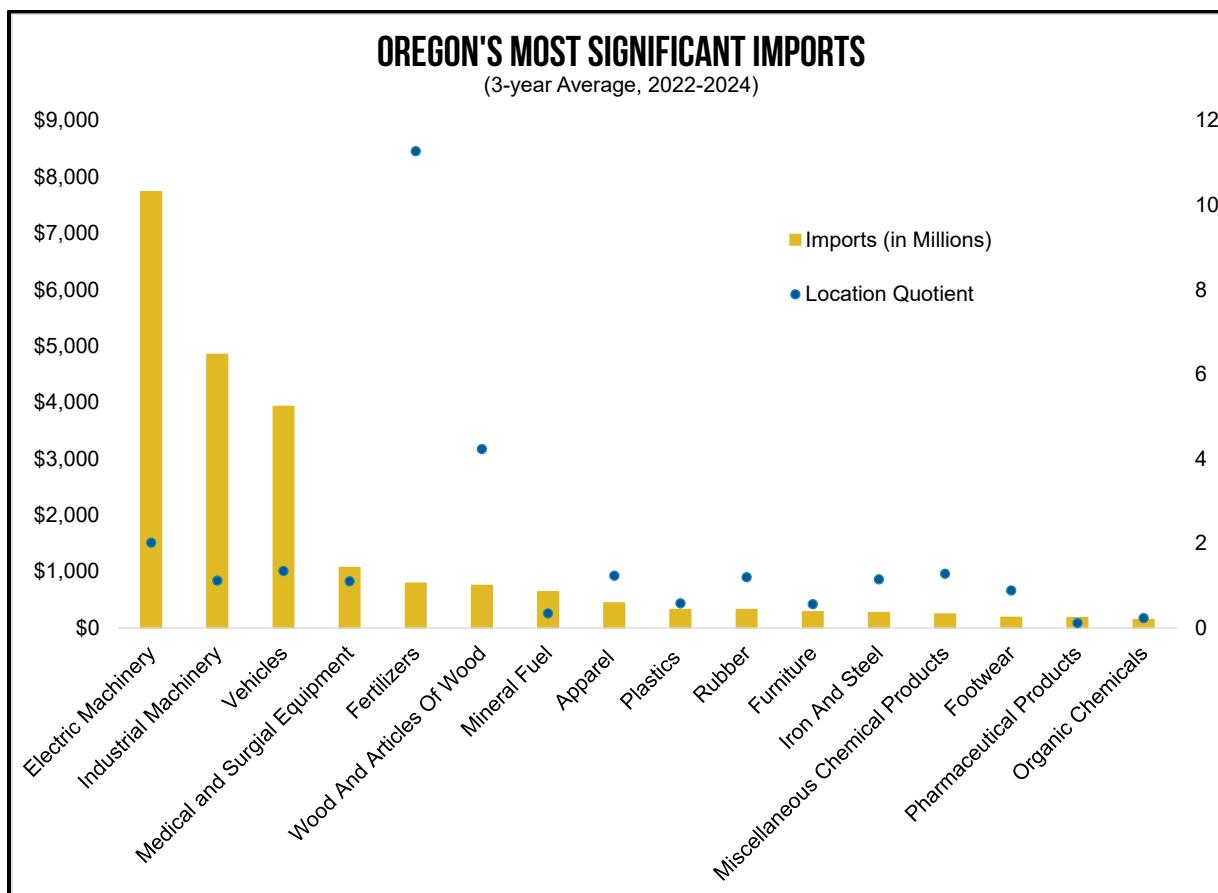


Figure 6. Oregon's Top Imports and Import Location Quotients, Source: U.S. Census Bureau and WiserTrade

Not all imports are intermediate goods. A significant portion consists of finished products destined for retailers across the state, including passenger vehicles, medical supplies, apparel, and footwear. Most import levels are near national norms, although vehicle imports stand out. Oregon imports roughly 30% more vehicles than the national average.

Fertilizers, primarily potash from Canada, are the fifth-largest import category. Oregon imports fertilizer at a rate roughly 11 times higher than the national average to meet the needs of the region's agricultural producers.

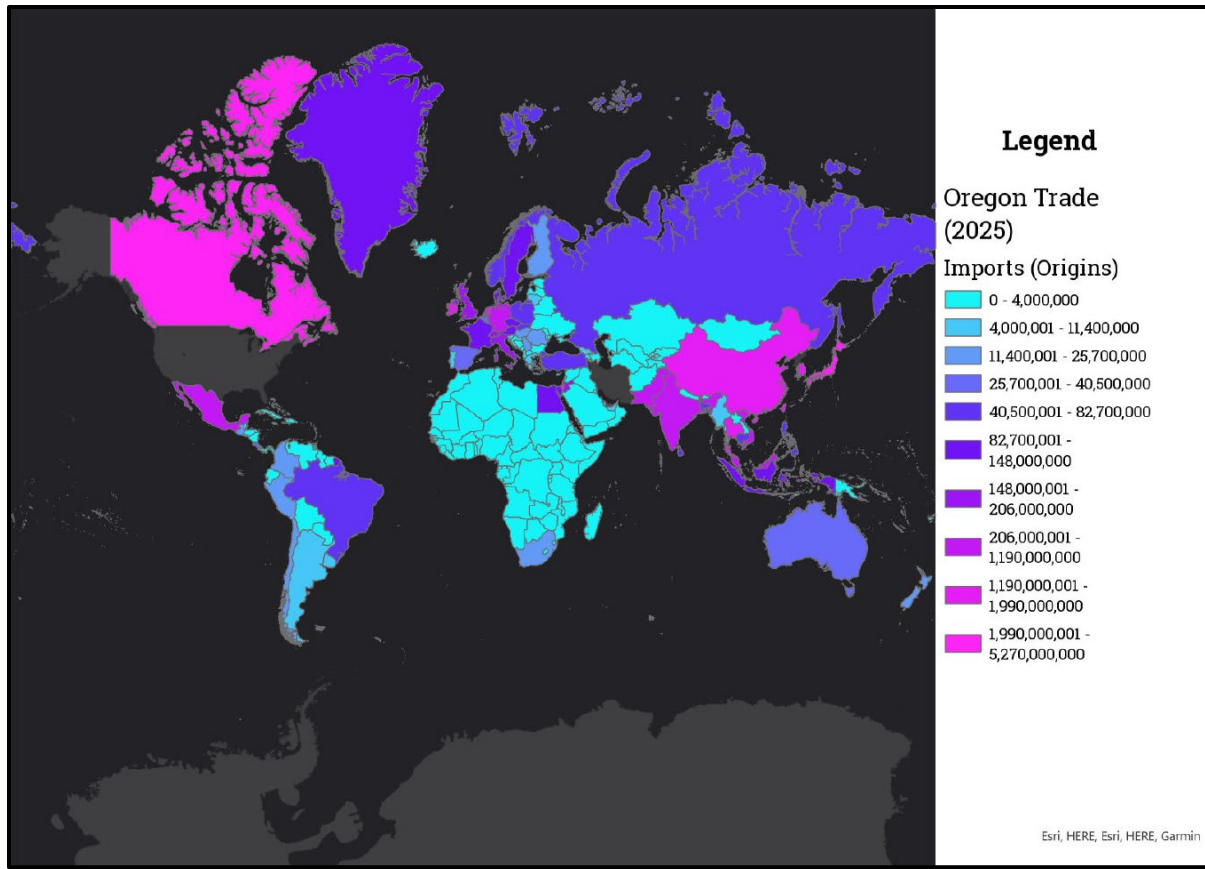


Figure 7. Oregon Heat Map of Imports in US Dollars (2025), Source: U.S. Census Bureau and WiserTrade

Oregon receives more imported goods by value from Japan than from any other country. Much of this consists of passenger vehicles, along with computer and electronic products. Other major import partners include Taiwan, Canada, Israel, China, Ireland, Korea, and the Netherlands.

2025 Trade Trends

Oregon's trade landscape in 2025 was markedly different from prior years. Exports fell sharply while imports rose, a combination not seen elsewhere in the United States. The value of Oregon's exports declined by \$5.8 billion, a drop of 17.3% compared with 2024. This contrasts with the national picture, where U.S. exports grew by 5.7%.

Even when smoothing the data using a three-year average, Oregon still posted a decline of about 12.4%, while U.S. exports increased by 6.2% over the same period. By any measure, 2025 was a difficult year for Oregon exporters. Because exports reflect domestic production, this large decline likely reduced Oregon's GDP growth by over a full percentage point relative to national trends.

TRADE ACTIVITY BY YEAR (IN BILLIONS OF DOLLARS)				
	Oregon		US	
	Exports	Imports	Exports	Imports
2015	\$20.1	\$14.8	\$1,503.3	\$2,248.8
2016	\$21.8	\$17.6	\$1,451.5	\$2,186.8
2017	\$21.9	\$18.3	\$1,547.2	\$2,339.6
2018	\$22.3	\$20.0	\$1,665.8	\$2,536.1
2019	\$25.9	\$18.6	\$1,645.9	\$2,491.7
2020	\$26.6	\$17.2	\$1,430.0	\$2,331.5
2021	\$30.0	\$22.5	\$1,757.7	\$2,828.5
2022	\$34.3	\$28.9	\$2,072.6	\$3,239.7
2023	\$27.7	\$19.4	\$2,020.5	\$3,076.8
2024	\$33.9	\$28.2	\$2,061.7	\$3,266.4
2025	\$28.0	\$30.7	\$2,178.5	\$3,415.7
3-Yr Average (22-24)	\$32.0	\$25.5	\$2,051.6	\$3,194.3
1-Year Change	-17.3%	9.0%	5.7%	4.6%
2025 Compared to 3-Year Average (22-24)	-12.4%	20.7%	6.2%	6.9%

Table 2. Oregon and U.S. Trade Activity, Source: U.S. Census Bureau and WiserTrade

Imports, by contrast, increased by 9% from 2024 levels, outpacing the national import growth rate of 4.6%. For the first time in recent memory, Oregon imported more goods than it exported by total value. Higher tariffs created incentives for firms to accelerate imports early in the year, leading many businesses to bring goods into the state before the new tariff rates took effect. Although some portion of the import increase was due to this frontloading, Oregon's import growth was far above the national average, indicating additional forces were involved.

A substantial share of the import growth was linked to the semiconductor sector. Imports of computer and industrial machinery increased by more than \$2 billion in 2025 compared with 2024. The state also saw significant increases in imports of vehicles, apparel and footwear, chemicals and fertilizers, and beverages.

Tariffs can explain part of the surge in imports during the first half of 2025, but they do not fully account for export declines. Despite reciprocal tariffs from the European Union, China, Canada, and India, U.S. exports increased in the second half of 2025, driven by precious metals, aircraft, and industrial machinery. However, Oregon did not experience this growth. Most of Oregon's export losses were tied to electric machinery, a sector closely connected to the semiconductor industry.



The headwinds facing Oregon's semiconductor industry are well documented, with the industry shedding 4,000 jobs (-12%) in 2025. Electrical machinery exports dropped by nearly \$3 billion (-22%). Other major declines included:

Vehicles: -\$1.5 billion

Industrial machinery: -\$881 million

Rubber products: -\$165 million

Chemical products: -\$149 million

Oil seeds and grains: -\$107 million

Among Oregon's top 25 exports, 16 either declined faster or grew more slowly than the U.S. average. Trade patterns by destination tell a similar story. Oregon's exports fell with 12 of the state's top 20 trading partners. The largest drops were to Israel and Ireland, both of which have strong ties to the semiconductor ecosystem. Exports to Canada fell by 33% and exports to Mexico declined by 26%. Among the top 20 export destinations, 15 either declined faster or grew more slowly than U.S. averages.

The year 2025 was marked by extremes in Oregon's trade activity. Exports fell sharply while imports rose early in the year and then leveled off. Tariff policy explains some of this volatility, but structural and cyclical factors within Oregon's semiconductor industry played a much larger role in shaping the state's trade outcomes.



EFFECT OF TARIFFS ON TRADE-SENSITIVE INDUSTRIES: OREGON BUSINESS SURVEY

Throughout March 2026, the Oregon Employment Department sent surveys asking about the effects of tariffs on Oregon businesses on behalf of Business Oregon and the Oregon Office of Economic Analysis. The survey (see Appendix B) asked businesses how tariffs that took effect in the second half of 2025 impacted different aspects of their company during any of the months from July 2025 through December 2025. Overall, nearly 3,900 surveys were mailed to randomly sampled firms in six targeted sectors selected by Business Oregon. They included farming, forestry, fishing, and hunting; mining, quarrying, and oil and gas extraction; manufacturing; wholesale trade; warehousing and storage; and management of companies. A total of 870 firms responded to the survey, for an overall response rate of 22%.

RESPONSE RATES BY FIRM INDUSTRY AND SIZE CLASS				
Industry	Total Sampled Firms	Total Responding Firms	Response Rate	Employer Response-Import from other countries as part of business operations?
Total	3,883	870	22%	44%
Natural Resources and Mining	1,230	283	23%	25%
Manufacturing	1,165	298	26%	54%
Wholesale Trade	1,056	227	21%	56%
Warehousing and Storage	96	17	18%	-c-
Management of Companies and Enterprises	336	45	13%	-c-
Size Class				
Less than 10 Employees	2,500	525	21%	40%
10 or More Employees	1,383	345	25%	49%
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Table 3. Oregon Tariff Survey Response Rates by Firm Industry and Size Class

Response rates varied by the industry and size class of sampled firms. The manufacturing industry had the highest response rate at 26%, while management of companies had the lowest at a 13% response rate. Warehousing and storage also had the fewest number of respondents, with only 17 responding firms. Because of the low response rates, management of companies and warehousing and storage firms were excluded from industry breakout details. Firms with fewer than 10 employees in the fourth quarter of 2024 had a 21% response rate, while larger firms with 10+ employees had a 25% response rate.

Of the 870 responding firms, 379 indicated that they import products from other countries as part of their business operations. A majority of those importing firms were in the manufacturing (161 firms) and the wholesale trade (128) sectors. Additionally, 131 firms indicated that they export products to other countries as part of their business operations.



According to the Quarterly Census of Employment and Wages (QCEW), Oregon experienced a -1% decline in both total covered employment and total private employment from fourth quarter of 2024 to fourth quarter of 2025. This job change varied amongst the industries surveyed about tariffs. Over the same time period, natural resources and mining (which combines agriculture, forestry, and the mining/quarrying/extraction sector) experienced a 6% loss of jobs.

Manufacturing and management of companies each lost 4% of their jobs over the year.

Wholesale trade lost 3% of all jobs, while the warehousing and storage sector experienced a slight gain of 1%. Overall, all employers in the sectors surveyed about tariffs went from 378,600 jobs in the fourth quarter of 2024 to 363,800 jobs in the fourth quarter of 2025, a loss of 4%.

The firms that responded to the tariffs survey experienced slightly greater job losses between the fourth quarters of 2024 and 2025. The 870 responding firms had an over-the-year job loss of 5%. This again varied by industry, with the natural resources and mining firms experiencing a job loss of 11%, while responding manufacturing and management of companies firms each lost 2% of all covered jobs. There was a distinct difference between larger and smaller firms as well. Responding firms with less than 10 employees had a gain of 10% (+209 jobs), while larger firms saw a 7% loss of jobs.

COVERED EMPLOYMENT FOR RESPONDING FIRMS AND PRIVATE INDUSTRY TOTALS			
<i>N=870 Firms</i>			
Industry	Responding Firms		
	4Q 2024 Average Employment	4Q 2025 Average Employment	% Employment Change
Total	15,484	14,750	-5%
11-21 Natural Resources and Mining	4,033	3,597	-11%
31-33 Manufacturing	6,918	6,756	-2%
42 Wholesale Trade	3,797	3,695	-3%
493 Warehousing and Storage	302	277	-8%
551 Management of Companies and Enterprises	435	426	-2%
Size Class			
Less than 10 Employees	2,197	2,406	10%
10 or More Employees	13,287	12,344	-7%

Table 4. Oregon Tariff Survey Covered Employment for Responding Firms

Did Companies Experience Changes in Inputs Related to Production?

The first major section of questions in the survey was about the effect of tariffs on the items firms purchase and use to make or sell their products. This included the availability of inputs bought inside and outside of the U.S., the cost of those inputs, the production or productivity at the firm, any changes in company equipment purchases, and an open-ended space for any other changes to be reported.

A majority of responding firms experienced no change in company equipment purchases (51%), production or productivity (59%) because of tariffs. An equal number of firms decreased and



increased their company equipment purchases (13% each) due to tariffs, while of those that did see changes in production or productivity at their company, 19% saw a decrease while only 8% experienced an increase.

Employers reported that there were no changes in the availability of business inputs bought domestically or internationally. Almost half (48%) saw no change in the availability of inputs bought internationally and 28% said it was not applicable to their business. Of those firms that did see a change in internationally purchased inputs, more experienced a decrease in availability (18%) as opposed to an increase (6%). The availability of inputs domestically decreased for 19% of responding firms, while 9% saw an increase in domestic availability, and 61% of firms saw no change.

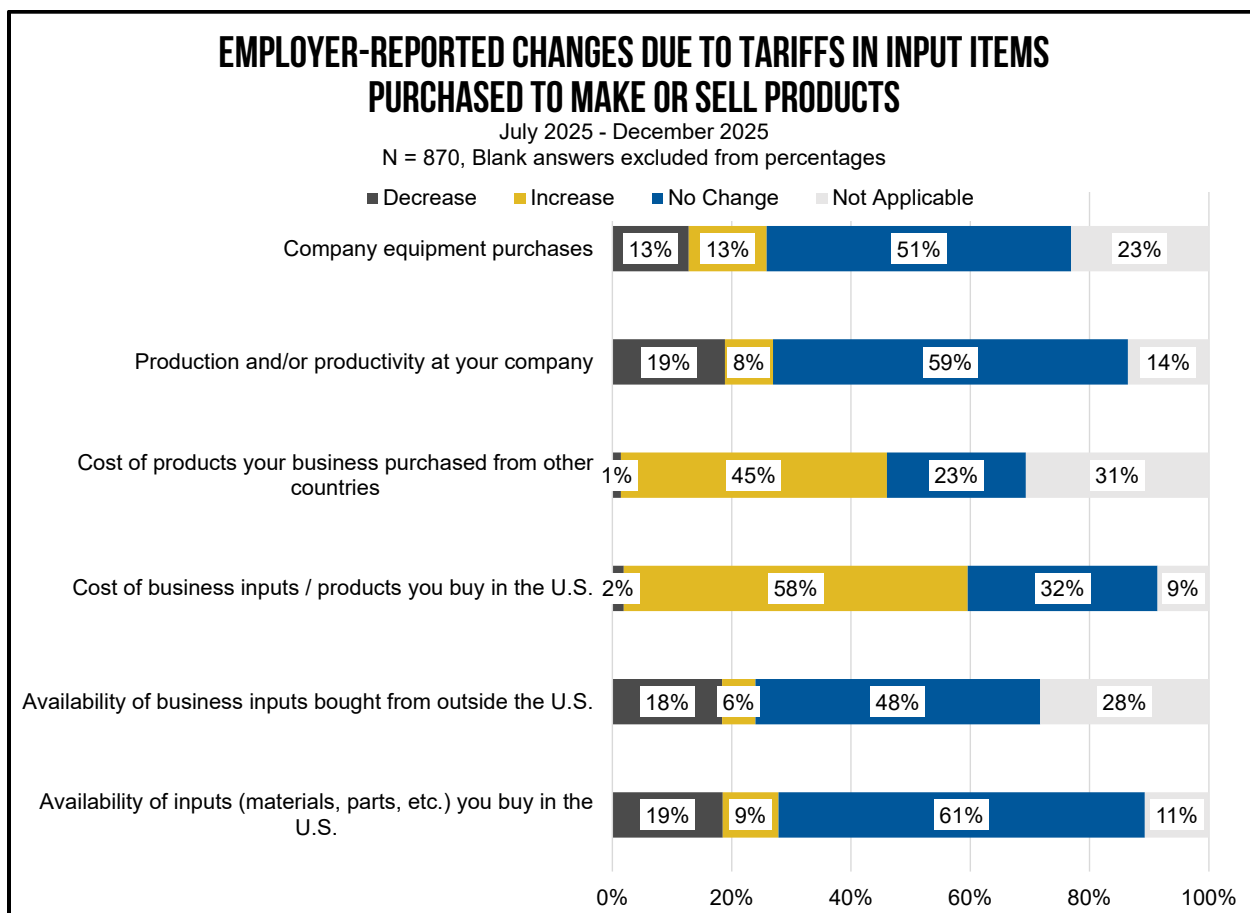


Figure 8. Employer-reported changes in purchases and sales due to tariffs

While the majority of firms reported no change in the availability of inputs, many firms did indicate price increases due to tariffs for those products and business inputs purchased both domestically and internationally. Over half (54%) of firms saw no change or did not purchase inputs from other countries. Yet 45% of firms saw an increase in prices of internationally purchased products, and 1% saw a decrease in prices due to tariffs. Responding firms were more likely to experience cost increases in domestically bought inputs and products, with 58% of firms saying their domestic costs increased due to tariffs, while only 2% saw a decrease in costs.

Some firms also reported other changes in items purchased to make or sell their products, including multiple mentions of increase delays for shipped items and increased time spent evaluating tariff impacts. A wholesale trade agent firm stated that they experienced increased legal and consulting costs and spent a lot of management time evaluating the uncertainty of tariffs, while a merchant wholesale firm reported hundreds of executive hours devoted to planning for tariffs. A firm from the natural resources and mining sector mentioned that tariffs were in part responsible for long delays in shipments from overseas and a firm in the general warehousing and storage sector had to cancel a machinery order from Europe due to the tariff changes.

Other companies noted beneficial impacts for them, such as a chemical manufacturing firm that mentioned they were able to source from other non-U.S. countries that had lower tariffs. One brewery noted that they were able to buy another business unit that had folded due to the economic uncertainty caused by tariffs.

Did Companies Change Staffing Due to Tariffs?

The next major section of the survey questions focused on staffing changes that firms made in response to tariffs. It covered questions about hiring, layoffs, workweek hours, and wages paid to employees.

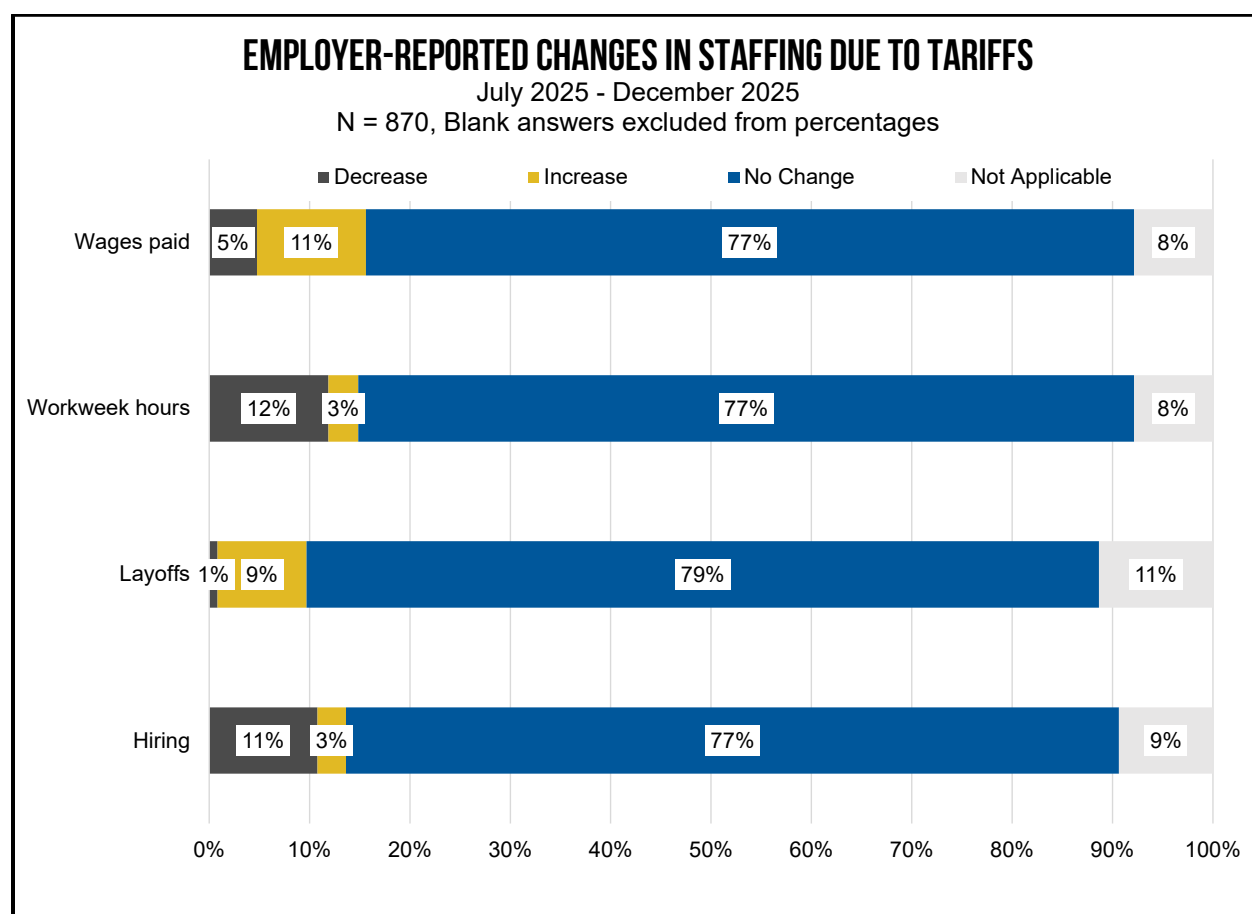


Figure 9. Employer-reported changes in staffing due to tariffs



Although the firms responding to this survey saw a decline in covered employment (as shown above), a significant majority of them (between 84% and 90% in every staffing category) reported they did not experience staffing changes because of tariffs or tariff-related staffing changes were not applicable to their business.

Sixteen percent of firms did change the wages paid to employees, with the majority of that change being an increase in wages. Workweek hours were most likely to have been decreased due to tariffs, if they were affected at all, while 11% of firms reported a decrease in hiring due to tariffs. About one out of 10 firms (9%) reported an increase in layoffs because of tariffs.

A few firms offered other examples of staffing changes made because of tariffs. Two manufacturing firms used more temporary workers, as opposed to permanent staff. Three manufacturing firms mentioned not being able to give staff their typical cost-of-living adjustments or raises. A firm in the wholesale trade industry reported that they lost one employee that they were not able to replace because of tariffs, while another in the same industry said they had not hired when they wanted to due to increased spending on tariffs.

A business in the natural resources and mining sector stated that they had not currently made any staffing cuts, but had decided that if any personnel left, they would not be replaced. One firm in the natural resources and mining sector said they didn't feel right cutting their crew's wages, but they had to decrease employee benefits because they could no longer afford them. A different firm in natural resources and mining noted that they kept all employees.

Did Tariffs Affect Prices or Demand for Products Sold by Companies?

The next section of the tariff survey asked companies about the effect tariffs had on the prices or demand for the products sold, both domestically and internationally. Over 50% of all firms reported they did not sell products outside of the U.S. and therefore questions about international sales volume, demand, and prices-charged were not applicable to them. Of the other half of firms that did have international sales, most saw no change in sales volume and demand, and did not change international prices for their products because of tariffs.

"Tariffs are highly disruptive to our business. Most of our sales are outside the USA and those international customers are worried about reciprocal tariffs so they are looking into local options."

Oregon Manufacturer

While domestic sales, demand, and prices charged domestically were more relevant to the responding firms, still a majority saw no change in domestic sales (51%) and domestic demand (53%) for their products. In addition, 43% of firms reported they did not change prices of their products sold in the U.S. due to tariffs. However, 26% of firms reported a decrease in domestic sales due to tariffs, while 12% saw an increase. Tariffs also contributed to 24% of firms seeing a decrease in demand for their products by customers in the U.S., while another 10% saw an increase in demand.



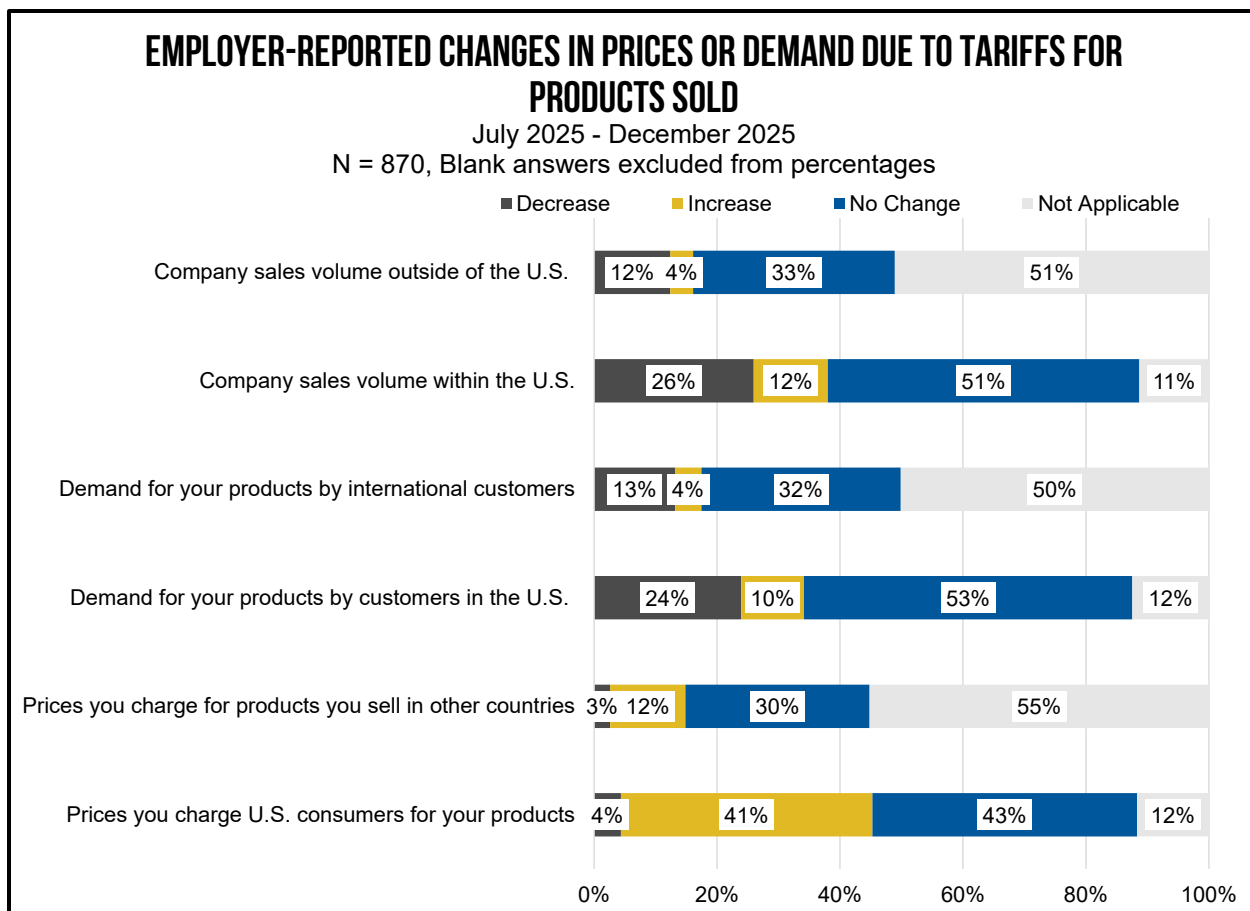


Figure 10. Employer-reported changes in products sold due to tariffs

The most significant impact of tariffs in this category was in the prices charged by firms for their products sold within the U.S. Two out of five (41%) firms reported increasing the prices they charged U.S. consumers for their products due to tariffs.

When asked about other price or demand effects of tariffs, a couple of employers mentioned it being difficult to discern the specific impact of tariffs from other economic factors. A manufacturer mentioned that prices and demand for their products are affected strongly by interest rates, but they weren't sure how strong the specific effect of tariffs were. Another manufacturer said that demand and orders were down 50% but they could not say if that was because of tariffs or because the entire industry was stale at present. A firm in the natural resources industry said that it was "a terrible time for business."

How Did Companies Generally Feel About Their Industry?

At the end of the survey, respondents were asked to share general sentiments about their industry and tariffs. Forty-three percent (377 firms) of the 870 responding firms reported that tariffs impacted their companies about the same as they expected. Another 30% of firms (261 firms) reported they were impacted more than expected and 10% said they were impacted by tariffs less than they expected.



EMPLOYER-REPORTED HOW TARIFFS AFFECTED INDUSTRY RELATIVE TO EXPECTATIONS

July 2025 - December 2025, N=870, Blanks Answers Excluded

	About the Same	Less Impact	More Impact	Not Applicable
Total Respondents	377	87	261	107
Industry				
Natural Resources and Mining	142	28	57	45
Manufacturing	122	37	104	24
Wholesale Trade	92	17	83	22
Warehousing and Storage	-c-	-c-	-c-	-c-
Management of Companies and Enterprises	-c-	-c-	-c-	-c-
Size Class				
Less than 10 Employees	237	45	155	65
10 or More Employees	140	42	106	42
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Table 5. How tariffs affected industry relative to expectations

Respondents were then asked what their general assessment of tariff impacts on their industries were and given an open space to respond. About half (430 firms) provided some response to this question. These responses could generally be categorized as a positive, negative, or neutral assessment of the impact of tariffs, with a few remaining responses following into the “other” category.

Overall, most employers (55%) who felt that tariffs impacted their company about the same as they expected left the open-ended response blank. However, if an “about the same” firm did respond, their assessment of the impact of tariffs on their industry leaned more negative (21%) and neutral (17%), as opposed to positive (5%). Those firms that felt tariffs affected their companies less than anticipated were slightly more likely to say something neutral (29%) or positive (14%), as opposed to negative (11%) about the general impacts of tariffs on their industry. The firms that felt tariffs impacted their business more than anticipated were the most likely to say something negative (62%) about the general impact of tariffs on their industry.

Overall, the survey indicates that tariffs did have measurable effects on Oregon businesses, though these impacts were generally subdued relative to broader economic conditions. The most common consequence was increased costs for the goods firms purchase and the products they sell. Labor market effects were minimal, with only a small proportion of respondents reporting tariff-related job losses.



ESTIMATING THE EMPLOYMENT IMPACT OF TARIFFS ON OREGON'S MANUFACTURING SECTOR

The business survey shows that tariffs had only a modest impact on Oregon's labor market in 2025. To better understand what that means in practical terms, a deeper analysis was conducted on the manufacturing sector, the industry identified as most exposed to tariff and trade pressures.

This analysis examined all manufacturing establishments that reported covered employment and payroll in both 2024 and 2025 in the Oregon Employment Department's Quarterly Census of Employment and Wages (QCEW). These 'stable manufacturing employers' exclude new businesses and closures. Establishments were grouped into three categories based on their changes in average annual employment from 2024 to 2025: Growth Establishments (1,531 businesses), Decline Establishments (1,965), and No Change Establishments (2,135).

Large semiconductor companies were excluded from this analysis. The semiconductor industry has faced significant structural challenges over the past several years that occurred well before the new tariff environment. The magnitude of job losses are so large that including these companies would have distorted the results and incorrectly suggested larger tariff-related impacts.

Net change in average annual employment and total payroll were calculated for each of the stable manufacturing employers in these three groups. Growth establishments gained roughly 8,000 jobs, while decline establishments lost about 10,700. The net effect was a decline of just over 1% among these stable manufacturers. This rate of job loss was smaller than in the broader manufacturing sector, where average annual employment fell by 3.9% in 2025. The difference is likely to be due to the exclusion of firm closures and semiconductor layoffs.

Clearly not all labor market changes can be attributed to tariffs. Survey responses show that most manufacturers experienced little direct impact. About 80% of respondents indicated that tariffs had little effect on their staffing levels in 2025. Yet around 10% reported that tariffs contributed to an increase in layoffs. This does not mean tariffs accounted for 10% of all layoffs. Instead, it means that 10% of responding manufacturers experienced an increase in layoffs that they associated with tariff pressures. Positive staffing effects were much smaller.

Around 4% of manufacturers reported that tariffs contributed to an increase in hiring. This pattern is not surprising because any potential long-term benefits from tariffs, such as reshoring or a shift from foreign to domestic suppliers, would not be expected to appear in such a short period of time.

These survey results speak to whether any portion of a firm's staffing changes can be linked to tariffs. They are not a measure of the magnitude of those changes. Although it is not a perfect comparison, this analysis applies 10% of job losses among the stable decline establishments and 4% of job gains among the stable growth establishments to tariffs.



This approach results in an estimated net loss of about 750 manufacturing jobs in 2025 that can be attributed to tariff impacts. In payroll terms, these lost jobs represent approximately \$57.35 million in manufacturing payroll and nearly \$3 million in associated state income taxes.

POTENTIAL IMPACT OF TARIFFS ON OREGON'S STABLE MANUFACTURING BUSINESSES IN 2025

	Total	Share of Total Manufacturing Sector
Direct Jobs	-750	-0.4%
Direct Payroll	-\$57,345,000	-0.3%
Gross Domestic Product (Direct and Induced)	-\$205,396,000	-0.3%

Table 6. Potential impact of tariffs on Oregon manufacturing. Source: IMPLAN group and Business Oregon

Using the IMPLAN model, the broader economic effects of this decline in manufacturing payroll were estimated. The reduction in payroll corresponds to an annual direct decrease of \$106.7 million in GDP. When indirect effects are included, such as reduced business-to-business purchases, the total GDP impact rises to roughly \$205.4 million in 2025.

Although these figures may appear large, manufacturing payroll declines associated with tariffs accounted for less than one tenth of 1% of statewide GDP, at negative 0.06%. Without the tariffs, Oregon's nominal GDP growth rate would have been slightly higher at 3.88%, compared with the actual rate of 3.82%. The estimated 750 tariff-related manufacturing job losses represent about 6.5% of total private sector job losses in 2025 and only around 10% of total manufacturing job losses.

These estimates of the payroll impacts on Oregon's manufacturing sector in 2025 do not capture other labor market effects, such as reduced hours, postponed hiring, or planned wage increases that were not implemented. For that reason, these results are likely conservative. Even so, they provide a useful indication of the overall scale of tariff impacts on Oregon's manufacturing sector.



MACRO TRENDS: OREGON'S TRADED VS NON-TRADED SECTORS

For economic analysis, traded and nontraded sectors can be classified in different ways depending on the purpose of the study. In this report, the traded sector is defined to include agriculture; forestry, fishing and hunting; mining, and manufacturing. These industries are commonly grouped in the “goods producing” sector. Because tariffs function as a tax on imported goods and services, and current tariff policy is primarily directed toward manufactured goods and raw materials rather than service activities, it is most appropriate to treat these goods-producing industries as traded. All other industries in the “service-providing” sector and the industries in the goods-producing industry not listed above (such as construction) will be classified as non-traded for the purpose of this analysis.

For both the traded and non-traded sectors, Oregon generally follows the same trajectory as the United States. The traded sector has been declining in terms of its share of economic output, and the non-traded sector has been steadily increasing. What this dynamic suggests is that the economic structure of the state and the country are continuing to become more service-oriented as the pace of growth in this area continues to exceed that of goods-producing industries. Despite this, Oregon remains in the top ten most trade-sensitive states, in part due to the state's outsized reliance on specialized manufacturing and its globally integrated supply chains. For a deeper dive into Oregon compared to other trade-sensitive states, see page 53.

The following sections highlight the similarities and differences between Oregon and the U.S. for the traded and non-traded sectors for earnings, employment, and real GDP growth. The trends seen in the manufacturing industry show the greatest contrast, where Oregon has been consistently underperforming the national trend, and therefore underperforming in the traded sector in both employment and real GDP growth. However, as outlined elsewhere in this report, Oregon's manufacturing malaise began long before the implementation of tariffs. It has since been amplified by the 2025 tariff regime through higher input costs and disrupted trade flows. These impacts mirror patterns seen in other manufacturing and agriculture intensive states, as highlighted in this report's Literature Review.



Traded Sector

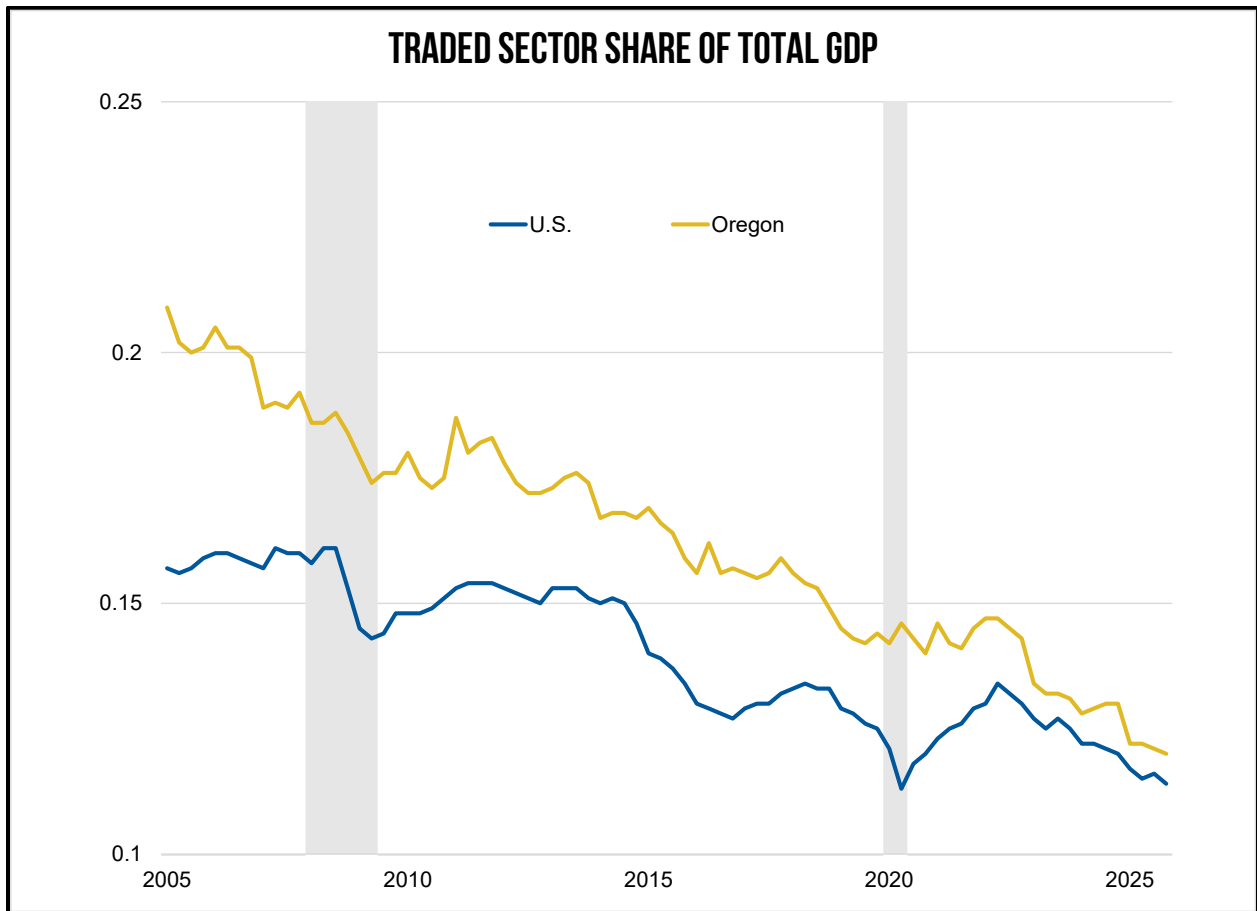


Figure 11. Oregon and U.S. Traded Sector GDP as a Share of Total GDP, Source: Haver Analytics and Office of Economic Analysis

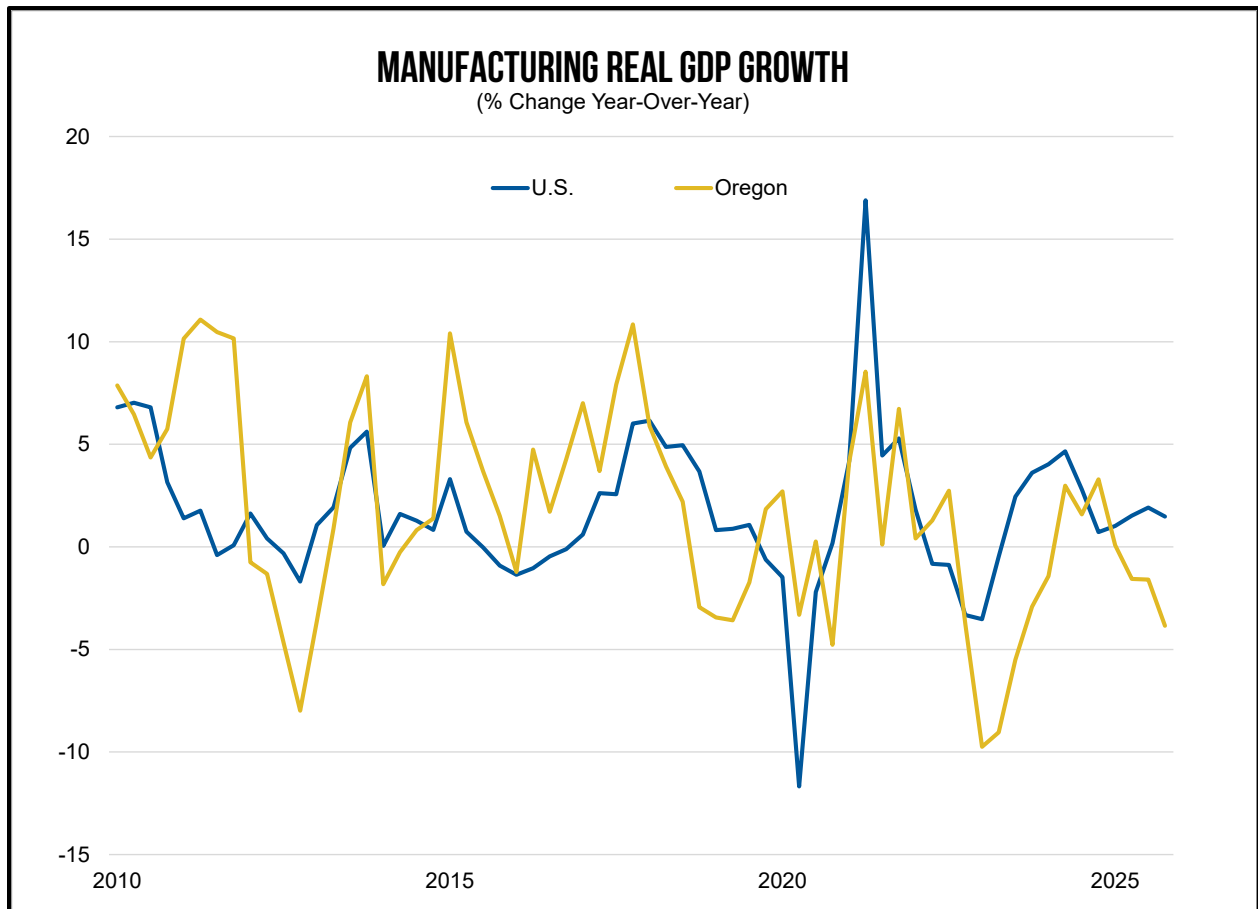
As seen in Figure 11, Oregon's traded sector has contributed more to the state's GDP relative to what has occurred nationally. In both cases, the output from the traded sector has been steadily decreasing over time, and the gap between Oregon and the U.S. has narrowed. As of the most recent 2025 Q4 data, Oregon and the U.S. traded sectors have a share between 11% and 12%. This is the lowest share of total GDP seen in Oregon and the lowest share outside of the COVID-19 pandemic at the national level.

The declining share of contributions to total GDP does not necessarily mean that trade policy aimed at these goods-producing industries would have a minimal impact on the state and national economy. The slope of these trends will depend on whether tariffs prove to be net positive. It is too soon to tell if the legacy of tariffs is reshoring of production and a manufacturing rebound or an accelerated decline due to increased trade barriers and higher production costs. The lack of a pickup in manufacturing employment is a troubling early indicator suggesting the impact may be net negative—but it is a preliminary signal at best and far from conclusive.



Manufacturing

Manufacturing constitutes the largest share of the traded sector and outpaces any other goods producing industry in terms of its contributions to both state and national GDP. Oregon has tended to follow the same trajectory as the U.S., but the state has experienced negative employment growth well below the national trend since 2023. Since 2025, U.S. manufacturing has seen some signs of stabilizing employment and an acceleration in real GDP growth, while Oregon has seen ongoing declines in employment and a relative decline in GDP. As real manufacturing value-added output continues to grow in the U.S. through 2026, it is important to assess whether this growth persists and if Oregon turns around to follow a similar trajectory.



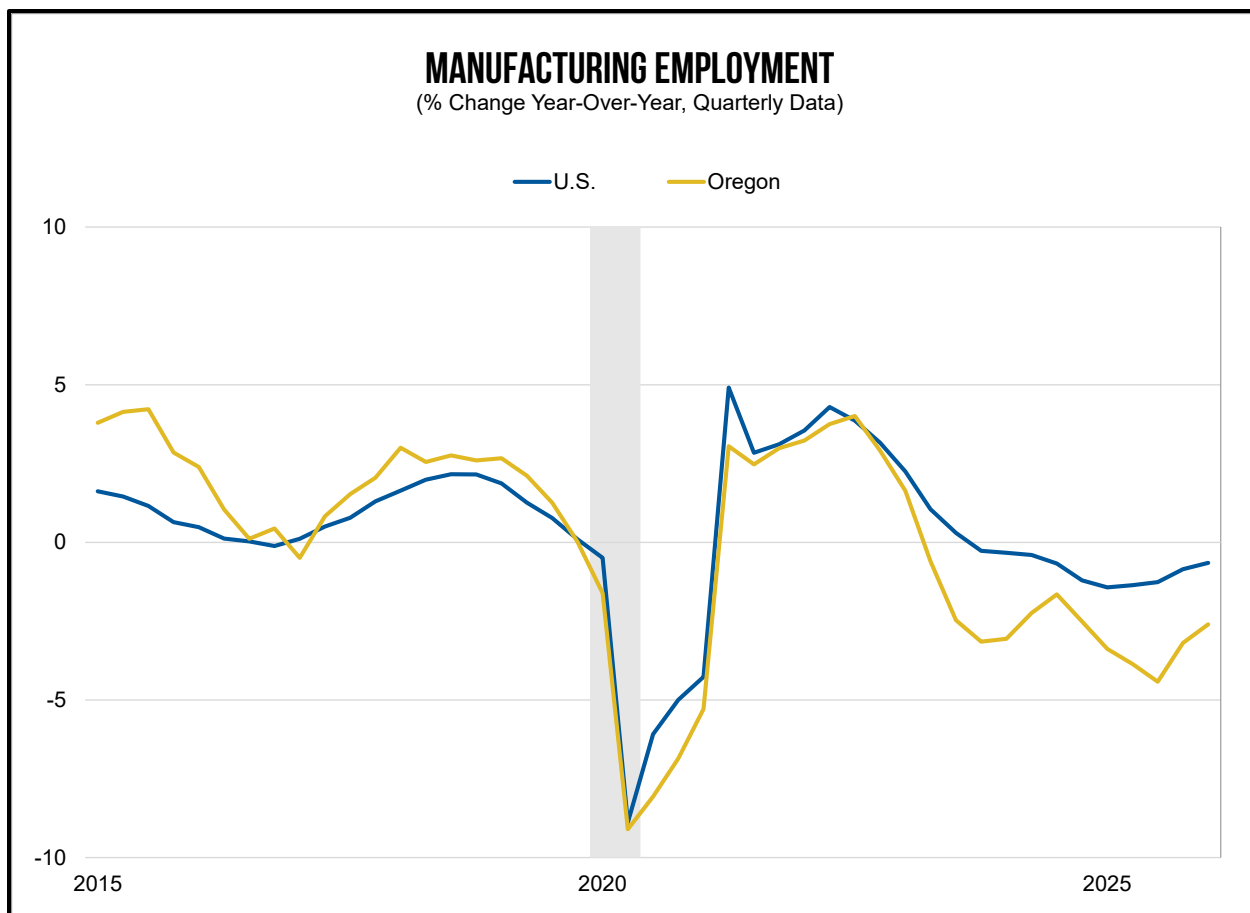
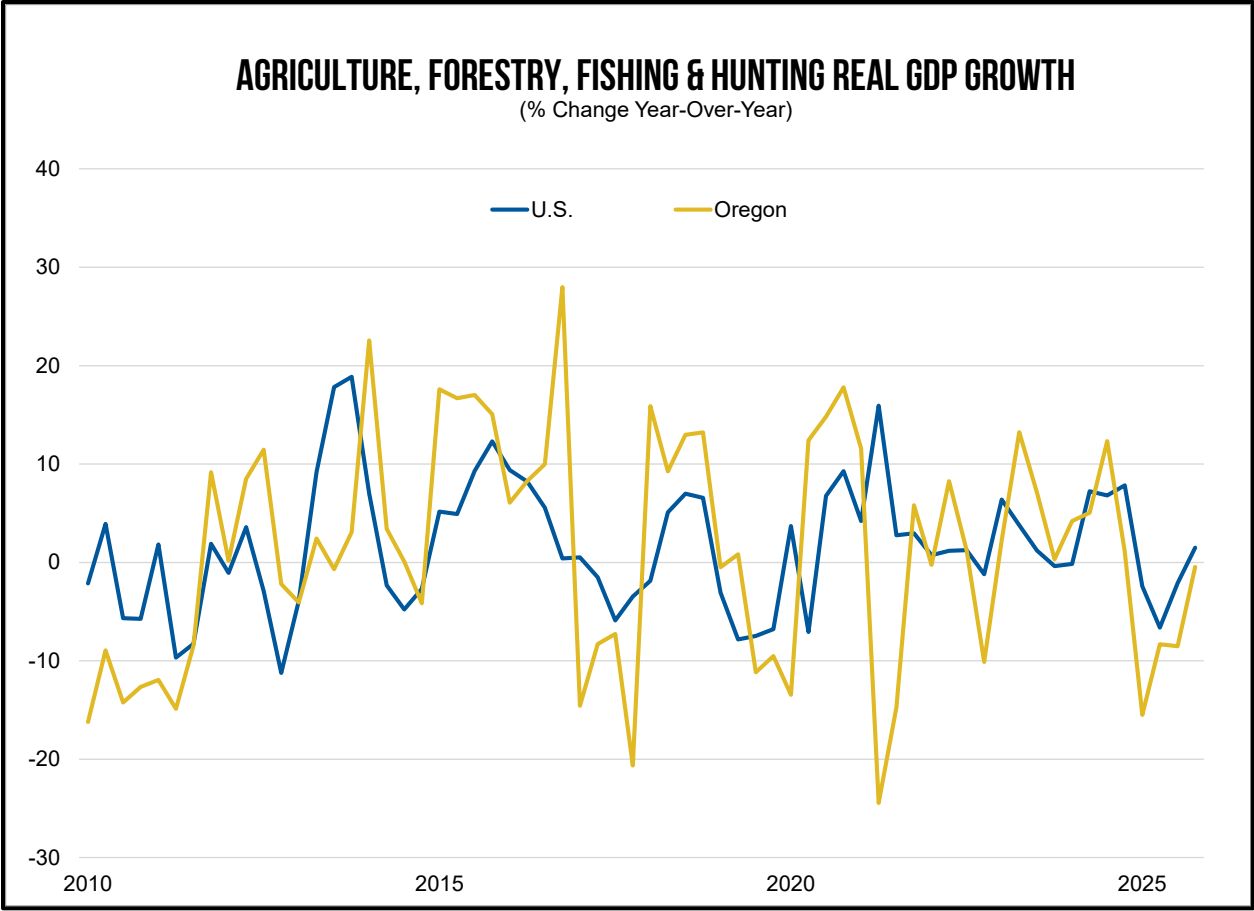


Figure 12. Oregon and U.S. Manufacturing Real GDP Growth and Employment, Source: Bureau of Economic Analysis, Haver Analytics, and Office of Economic Analysis

Agriculture, Forestry, Fishing and Hunting

As shown in Figure 13 below, real GDP and earnings growth for agriculture, forestry, fishing and hunting varies across quarters for both Oregon and the U.S. The output produced by this industry fluctuates due to changing seasons, weather, and harvesting cycles. From 2010 to 2025, there is little variation between the state and what is seen at the national level in terms of output or earnings. Looking at the most recent data, Oregon and the U.S. have started to rebound in early 2025, albeit still in negative growth territory. Additionally, since 2025, Oregon has seen a sharp decline in earnings growth while the U.S. has fallen slightly. The drop for Oregon is similar to what was reported in 2022 and is not unusual given the growth profile over the last 10 years. There are not any discernible impacts from tariffs showing up in the GDP and earnings data thus far in these sectors.



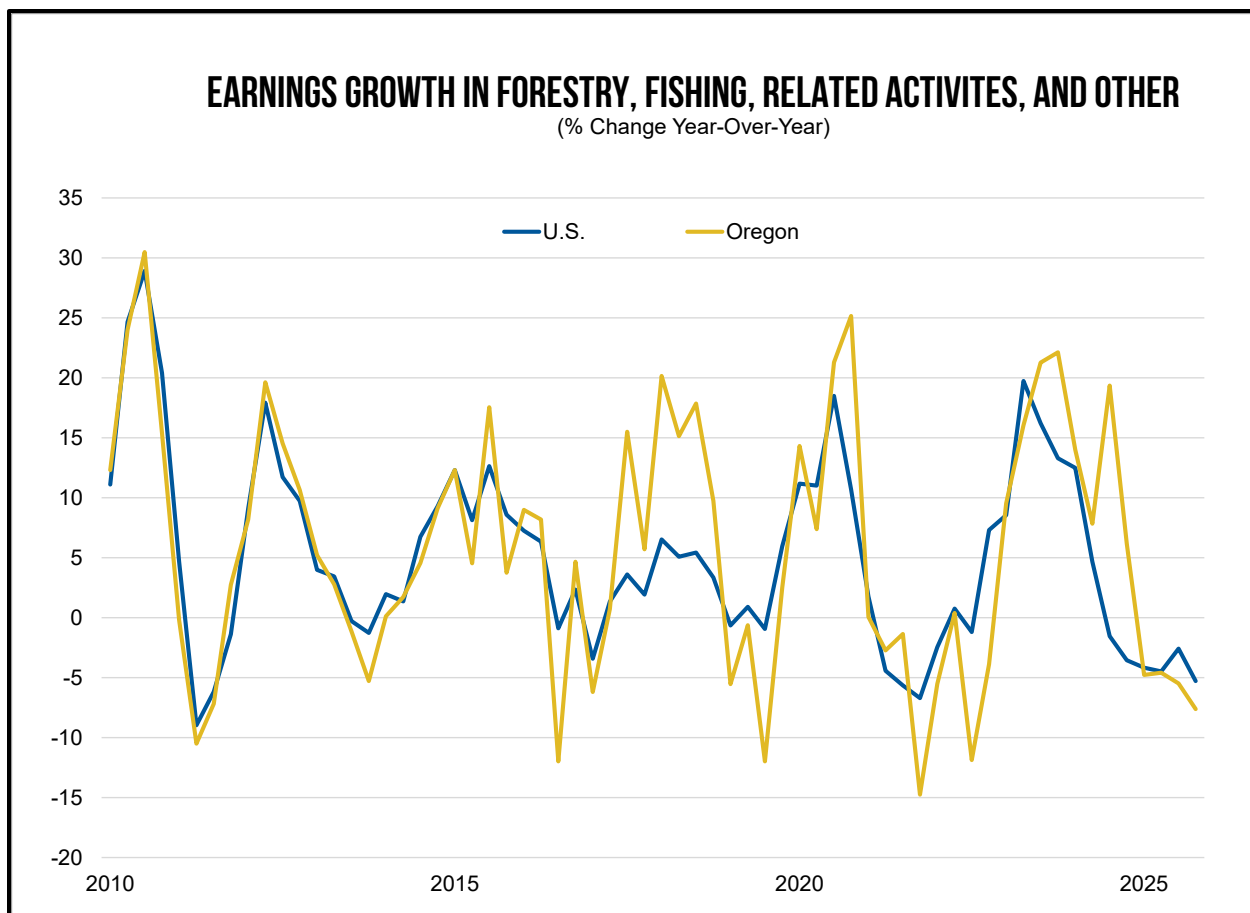


Figure 13. Oregon and U.S. Agriculture, Forestry, Fishing and Hunting Real GDP and Earnings Growth, Source: Bureau of Economic Analysis, Haver Analytics, and Office of Economic Analysis

Non-Traded Sector

In this analysis, the non-traded sector is classified as all the industries in the service-providing sector, along with construction. The service-providing industries sector consists of the following: education and health services; leisure and hospitality; financial activities; professional and business services, information, other services; government; and trade, transportation and utilities.

While construction is formally included in the goods-producing sector, it is grouped with the service industries because its output cannot be transported and must be consumed where it is produced. Therefore, it is classified as non-traded even though some inputs in the industry are exposed to traded-sector dynamics. This is also the case for other service-providing industries.

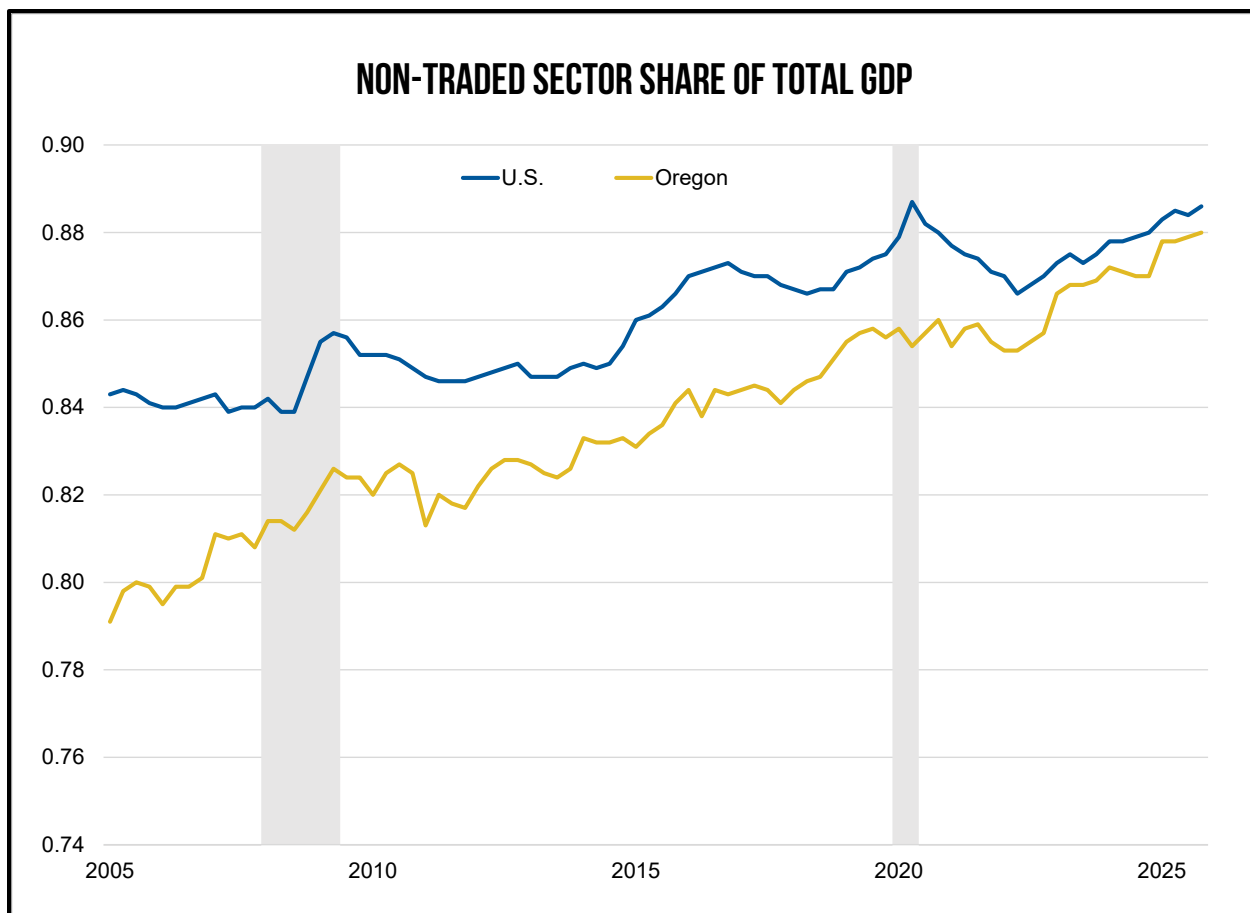


Figure 14 Oregon and U.S. Non-Traded Sector GDP as a Share of Total GDP, Source: Haver Analytics and Office of Economic Analysis

As shown in Figure 14, the non-traded sector accounts for most of Oregon's GDP, which is similar to the national pattern. In both cases, the output from this sector has been steadily increasing since 2022, with the gap between Oregon and the U.S. continuing to decrease post-pandemic. As of the most recent 2025 Q4 data, both Oregon and the U.S. non-traded sectors have shares between 88% and 89%. This is the highest share of total GDP seen in Oregon and the current share for the U.S. is near the peak reached during the COVID-19 pandemic.

Both the U.S. and Oregon have continued to shift away from the traded sector, with a continuing larger share of GDP being generated by non-traded industries. Although non-traded output has grown faster in recent years, Oregon remains more exposed to trade than the typical state.

Traded vs. Non-Traded

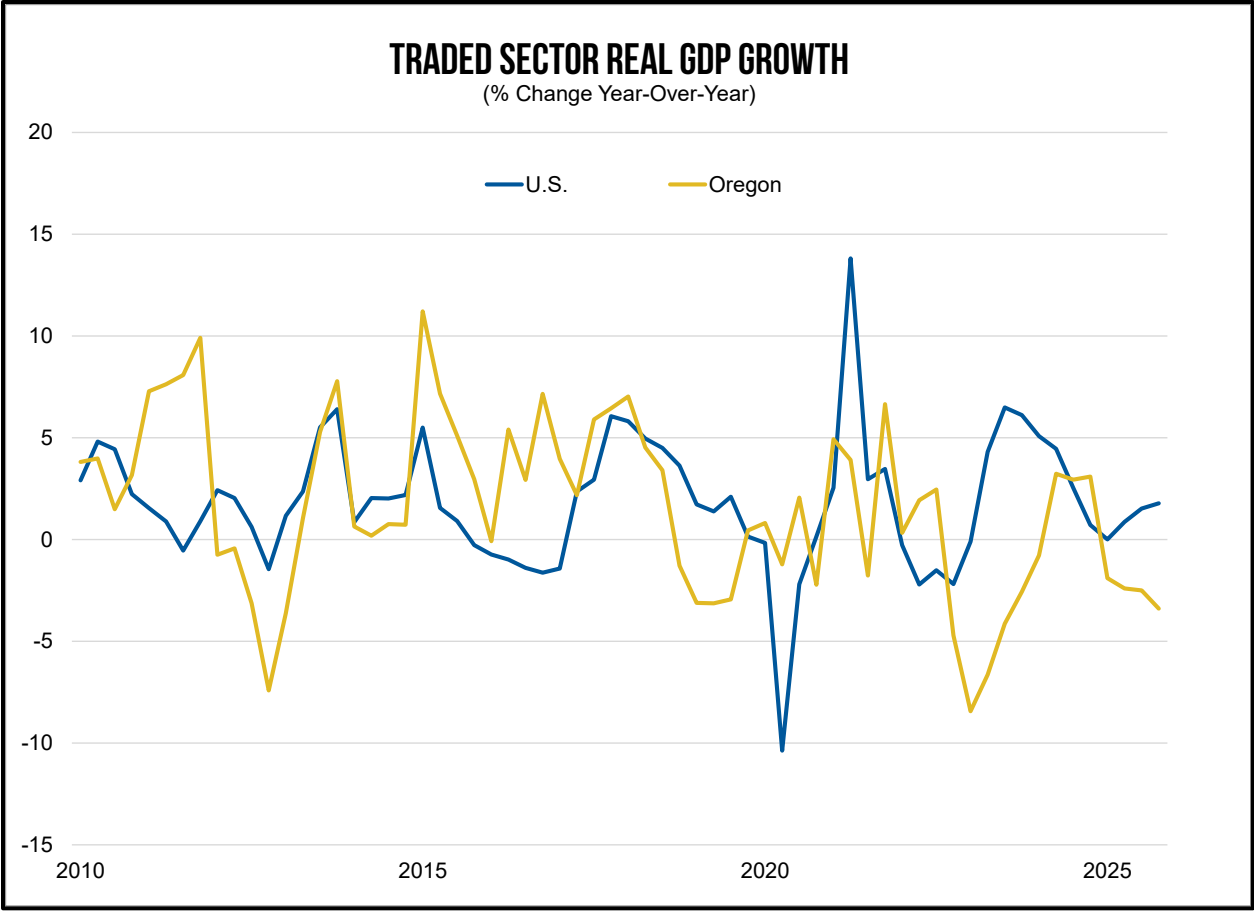
Real GDP growth in the non-traded sector shows similar trends in the U.S. and Oregon following the pandemic. In contrast, in the years leading up to the 2018 trade war, the state was outpacing the national trend, as shown in Figure 15 below. From 2015 to 2018, Oregon GDP growth in the non-traded sector led the U.S. by an average of nearly four percentage points. Similarly, Oregon GDP growth in the traded sector outperformed the U.S. by an average of 2.2 percentage points over that same period.

Both the traded and non-traded sectors experienced a noticeable shift at the onset of the 2018 trade war. Although tariffs were intended to directly impact goods-producing industries, many service-providing industries were also affected due to their reliance on traded goods as inputs and the resulting decline in overall demand.

One stark difference between the prior trade war and the current tariff environment is the divergence from the national trend in the traded sector. At the start of 2018, traded-sector real GDP growth in the U.S. had caught up to Oregon. From there, and up until the pandemic, both began a downward trajectory. Although a significant gap remained between the two, they generally followed the same pattern during the first trade war.

However, the current trade war shows a different outcome. The traded sector has seen a decline in output in Oregon and an increase at the national level. The divergence from the national trend for the traded sector—while not observed in the non-traded sector—illustrates that the new trade policy is affecting the traded sector differently than before. This could be caused by the change in how tariffs have been applied. In 2018, tariffs were more industry and commodity specific and targeted specific countries. The general sweeping tariffs currently being applied may be having a larger impact on the Oregon traded sector than the U.S. because they apply to more goods relevant to the Oregon economy.





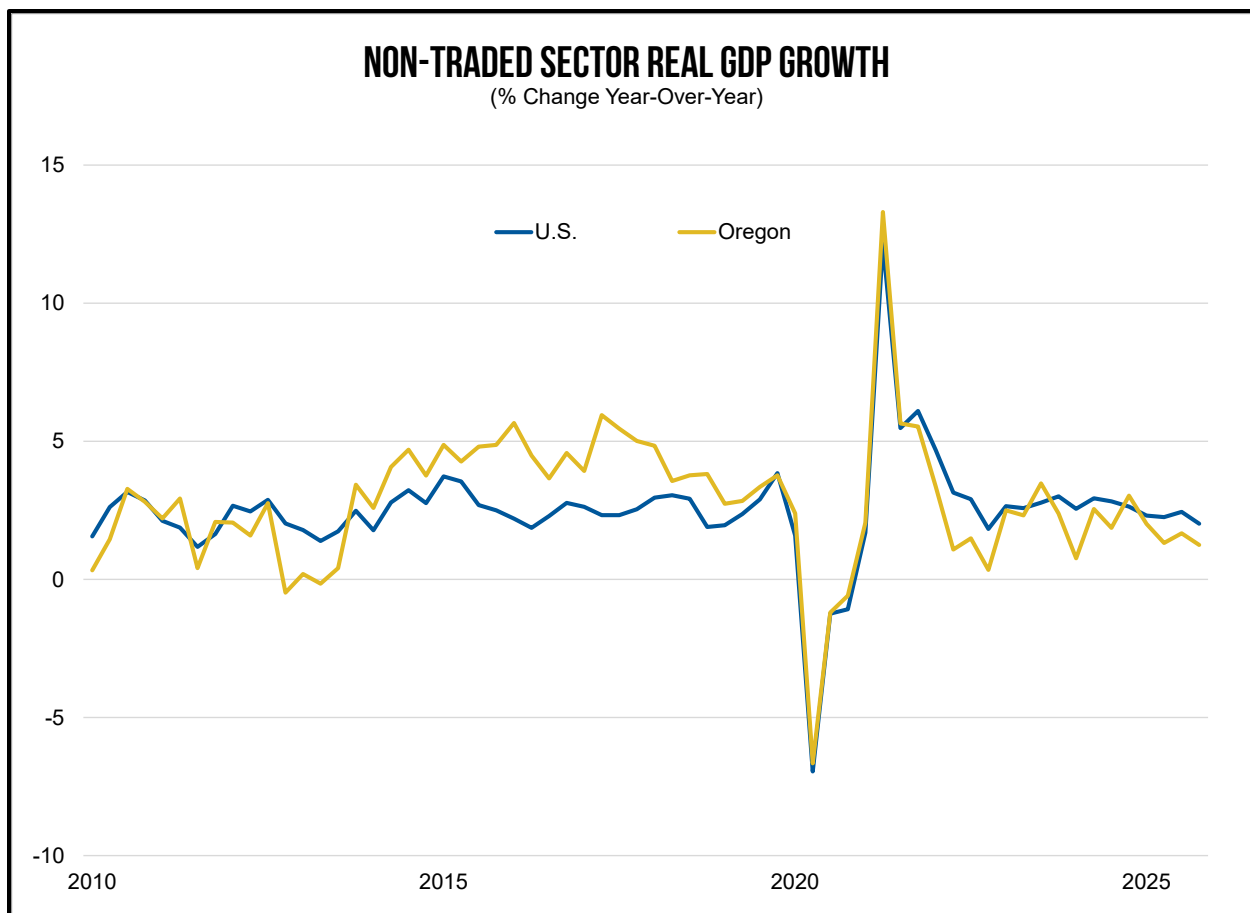
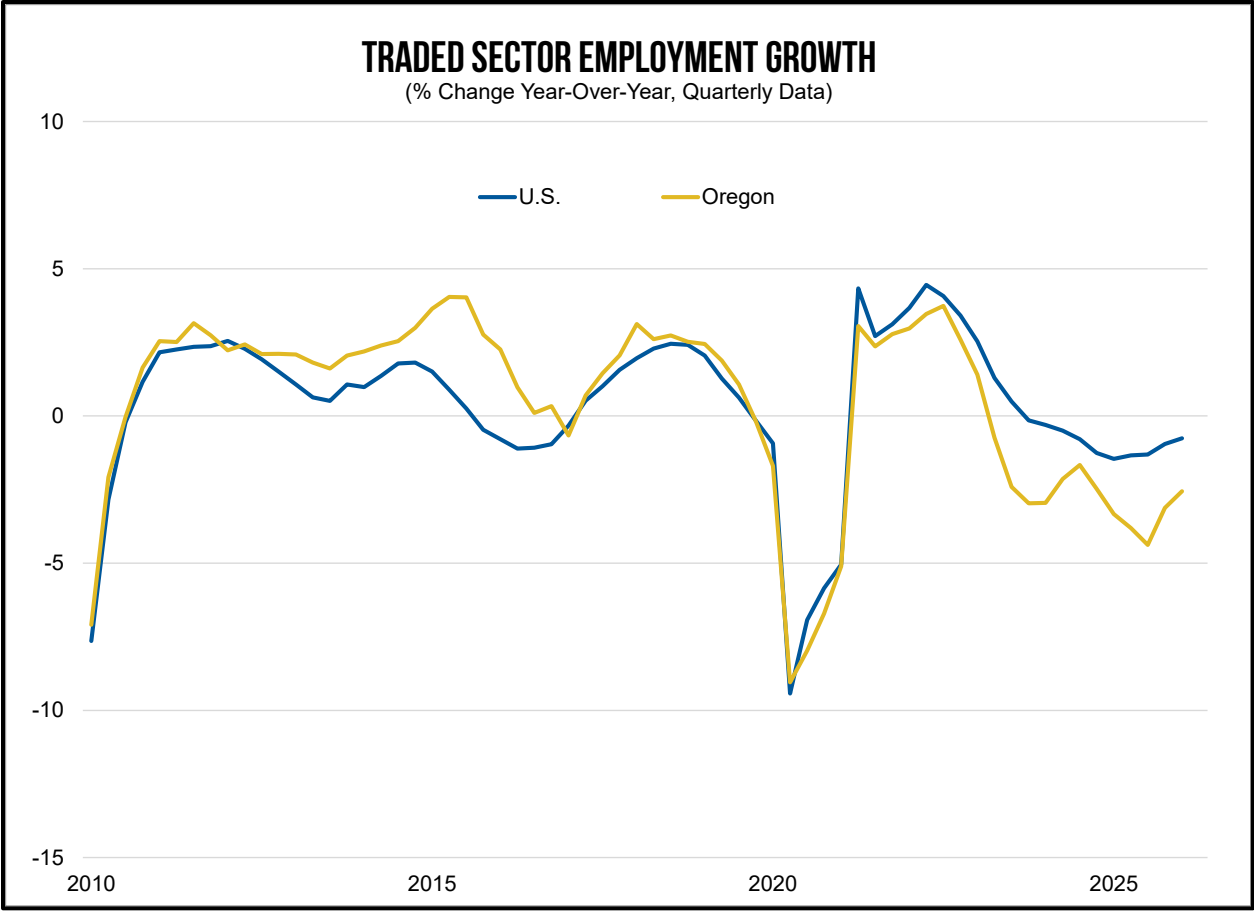


Figure 15. Oregon and U.S. Non-Traded and Traded Sector Real GDP Growth, Source: Haver Analytics and Office of Economic Analysis

The same general pattern can be seen in the employment growth trends for the traded and non-traded sector; Oregon was outpacing the U.S. in the years prior to 2018. The traded sector in Figure 16 below includes only manufacturing and mining and logging, as agricultural employment data is unavailable for this series. Following the post-pandemic recovery, both sectors in Oregon have been on a downward trajectory in employment growth. For the non-traded sector, Oregon reached negative territory in 2025 Q3 and has continued to remain there, while the U.S. has inched closer to zero. Traded sector employment growth for Oregon and the U.S. also remains negative, yet the last few quarters show an upturn. It is too early to tell whether this marks a new and sustained phase of recovery or simply reflects short-term fluctuations.



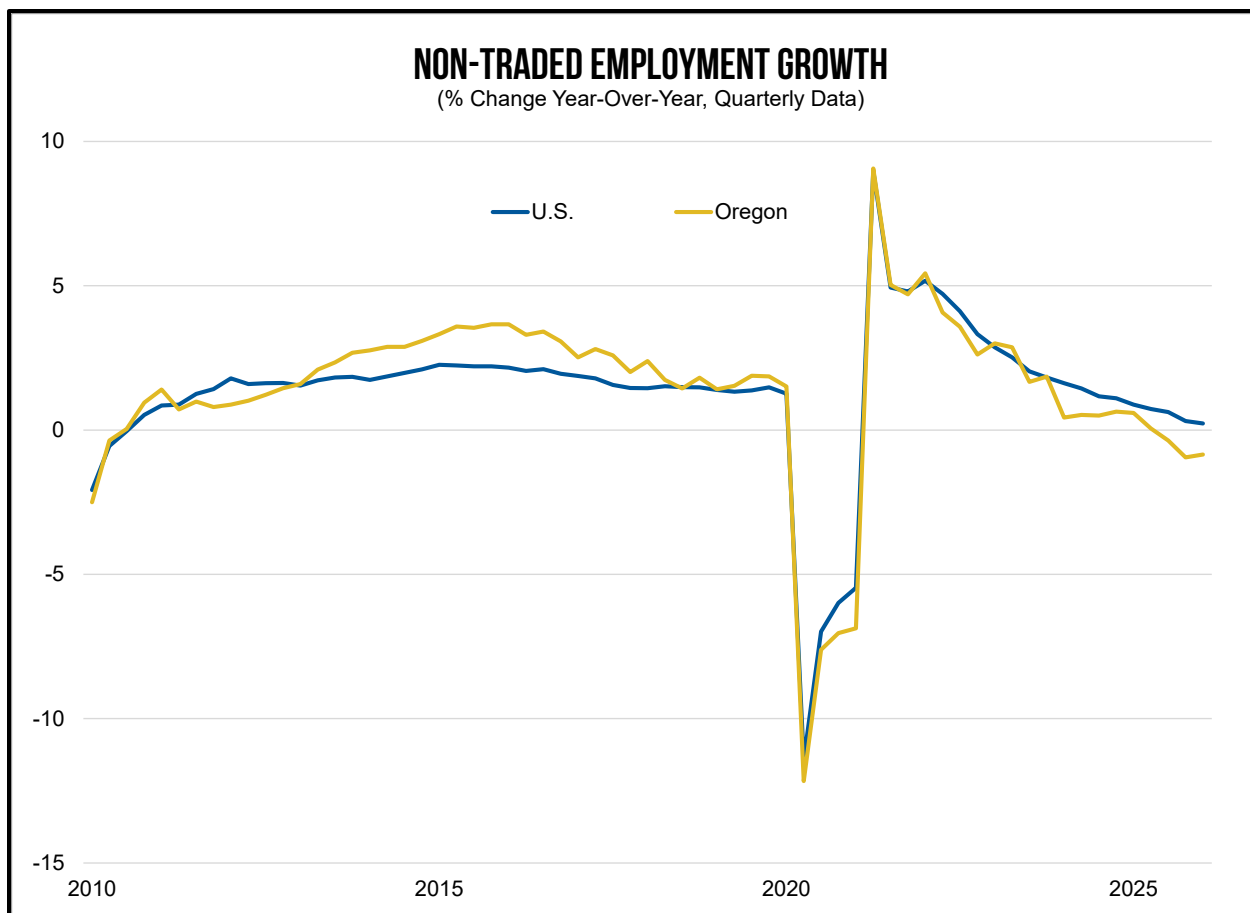


Figure 16. Oregon and U.S. Non-Traded and Traded Sector Real GDP Growth, Source: Haver Analytics and Office of Economic Analysis

OREGON INDUSTRY SENSITIVITY TO TARIFFS

This section explores Oregon industries that are likely to have been impacted by tariff increases and uncertainty through the lens of employment trend analysis. The graphics in this section illustrate changing employment trends in specific industries over three periods of time:

1. 2015-2024: The decade before tariff impacts began in 2025. (Decade Trend)
2. 2015-2019: The five years before the pandemic (Pre-Pandemic Trend)
3. 2022-2024: The three years post pandemic, but pre-tariffs (Post-Pandemic Trend)

All three of these trends are examined because they relay something different, and each has its own set of issues. The decade trend establishes the 10-year trajectory but is heavily distorted by the pandemic. The pre-pandemic and post-pandemic trends remove this distortion; however, the post-pandemic trend is limited to only three years, which is a relatively short period to confidently determine the slope. The pre-pandemic trend fitting period includes the 2018 tariff escalation, but as the accompanying figures demonstrate, there does not appear to be meaningful deviations in employment trends in response to the tariff escalation in that earlier episode.

The post-pandemic trend provides a reasonable alternative scenario, or counterfactual, for what 2025 would have looked like in the absence of the Liberation Day tariffs. This allows for comparison of expected and actual outcomes. However, any deviation from that trend should not be attributed to tariffs alone, as many other economic factors could explain the difference. This analysis does not account for any alternative factors that could be responsible for the change in employment, such as post-pandemic structural changes, labor disruptions related to AI, etc.

Manufacturing

The first industry examined is manufacturing. This is a high-level look, as manufacturing is further analyzed in the Employment Impact of Tariffs on Oregon's Manufacturing Sector section of the report because it was one of the sectors identified by the tariff survey as being most exposed to trade policy. The first figure below shows the evolution in the overall manufacturing industry, while subsequent figures delve into more granular detail, starting with a breakout between durable and nondurable goods.



All three graphs show similar trends, with manufacturing employment trending up pre-COVID, partially recovering the pandemic-era job losses, but ultimately trending down post-pandemic. However, durable goods appear to be contributing more heavily to the downward effect in the post-pandemic era, both in terms of slope and job count. Notably, the slope of decline appears to steepen relative to the post-pandemic trend as tariff pressures increased. The trend in non-durable goods manufacturing appears to be undisturbed by tariffs.

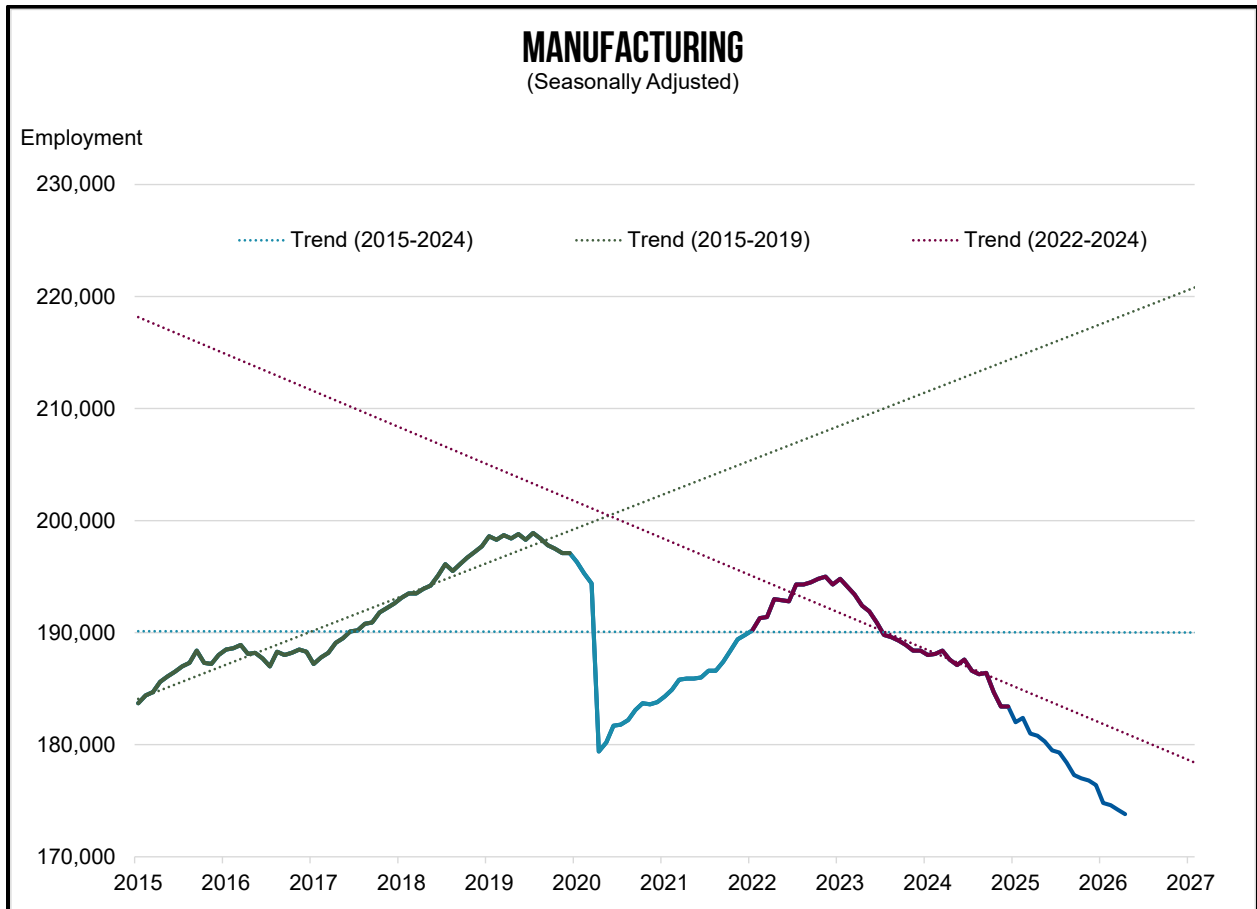
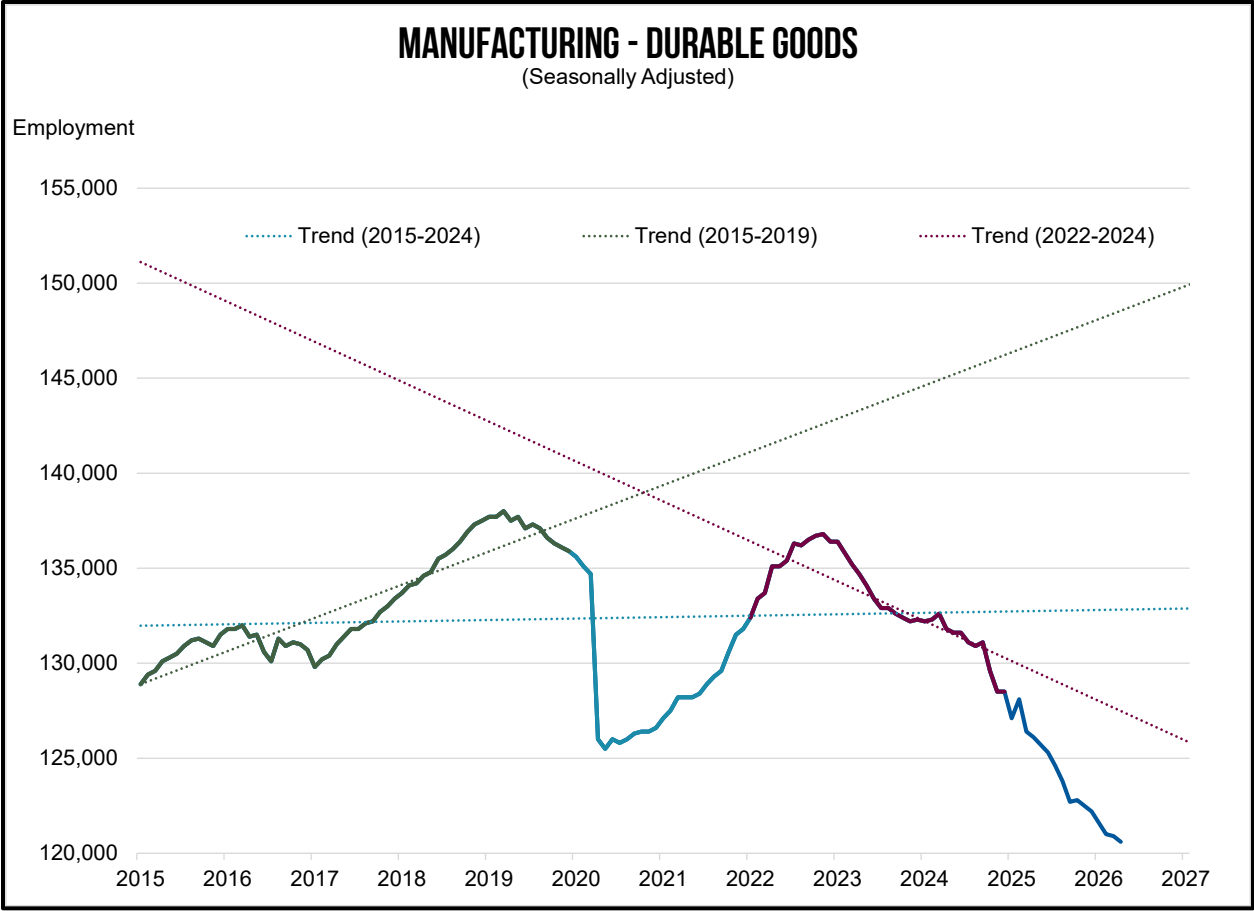


Figure 17. Manufacturing Employment Trend Analysis, Source: Oregon Employment Department



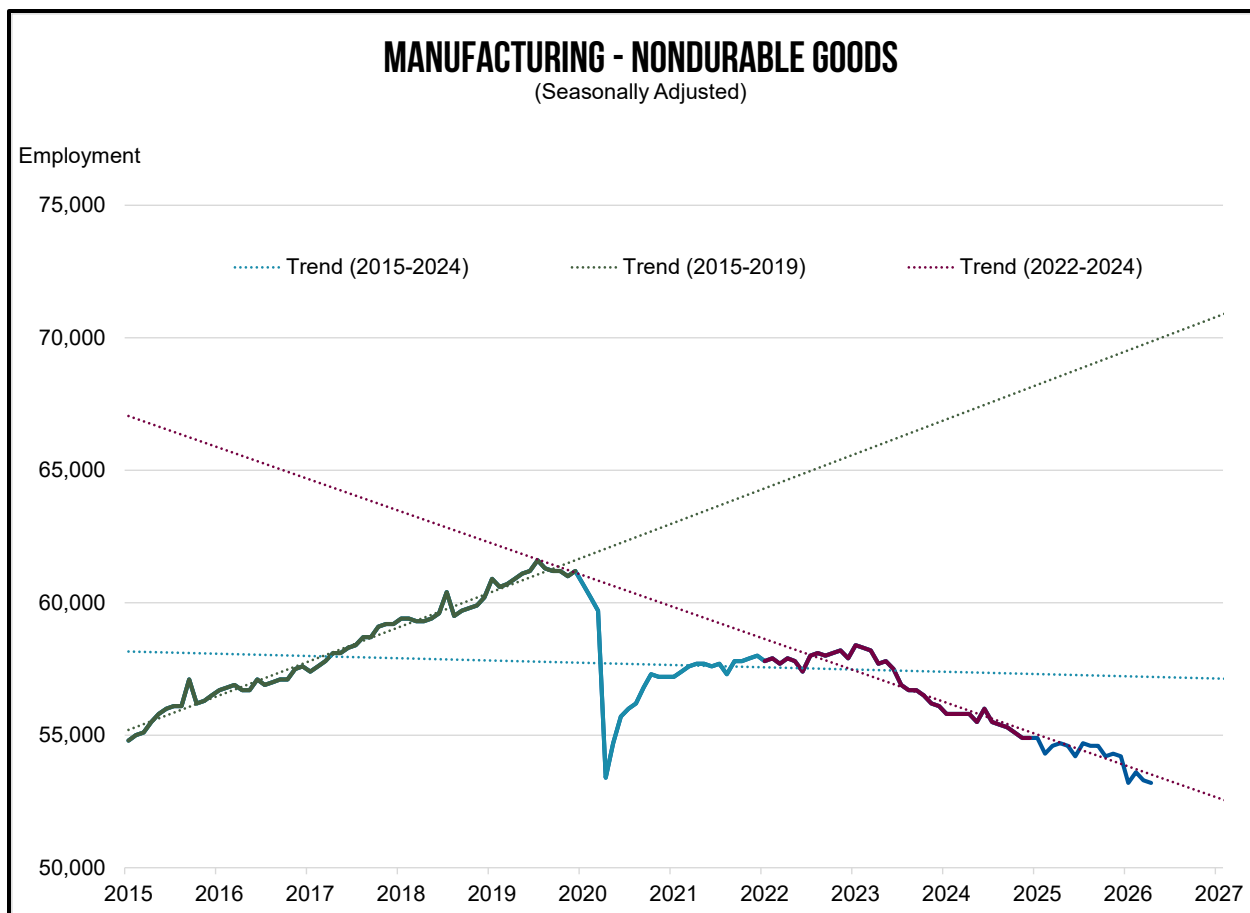
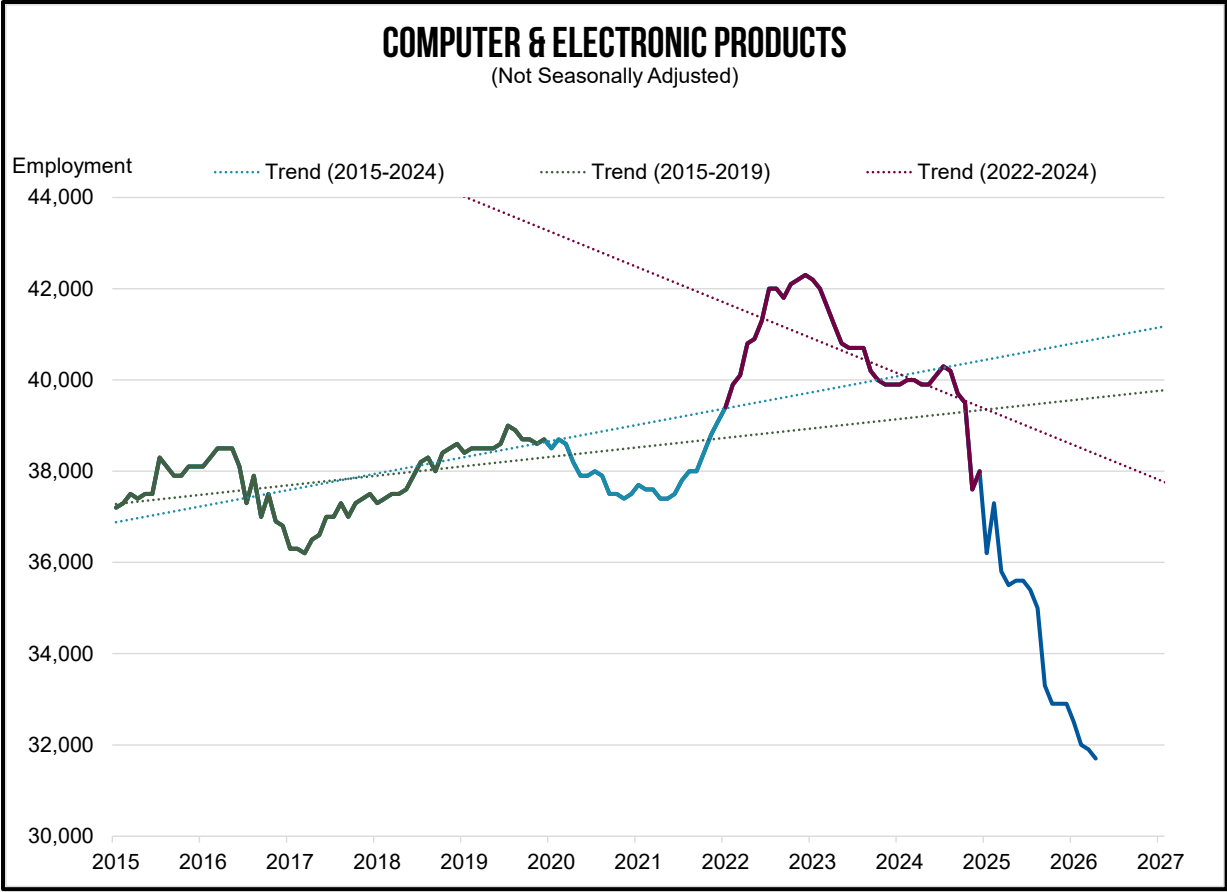


Figure 18. Durable and Nondurable Goods Manufacturing Employment Trend Analysis, Source: Oregon Employment Department

It appears that durable goods manufacturers are more likely to have been negatively impacted by the implementation of the new tariff regime. This indicates that durable goods are more sensitive to trade policy, perhaps due to the fact that they generally contain a larger share of inputs and goods impacted by tariffs and have more complex and longer-reaching supply chains compared to nondurable goods.



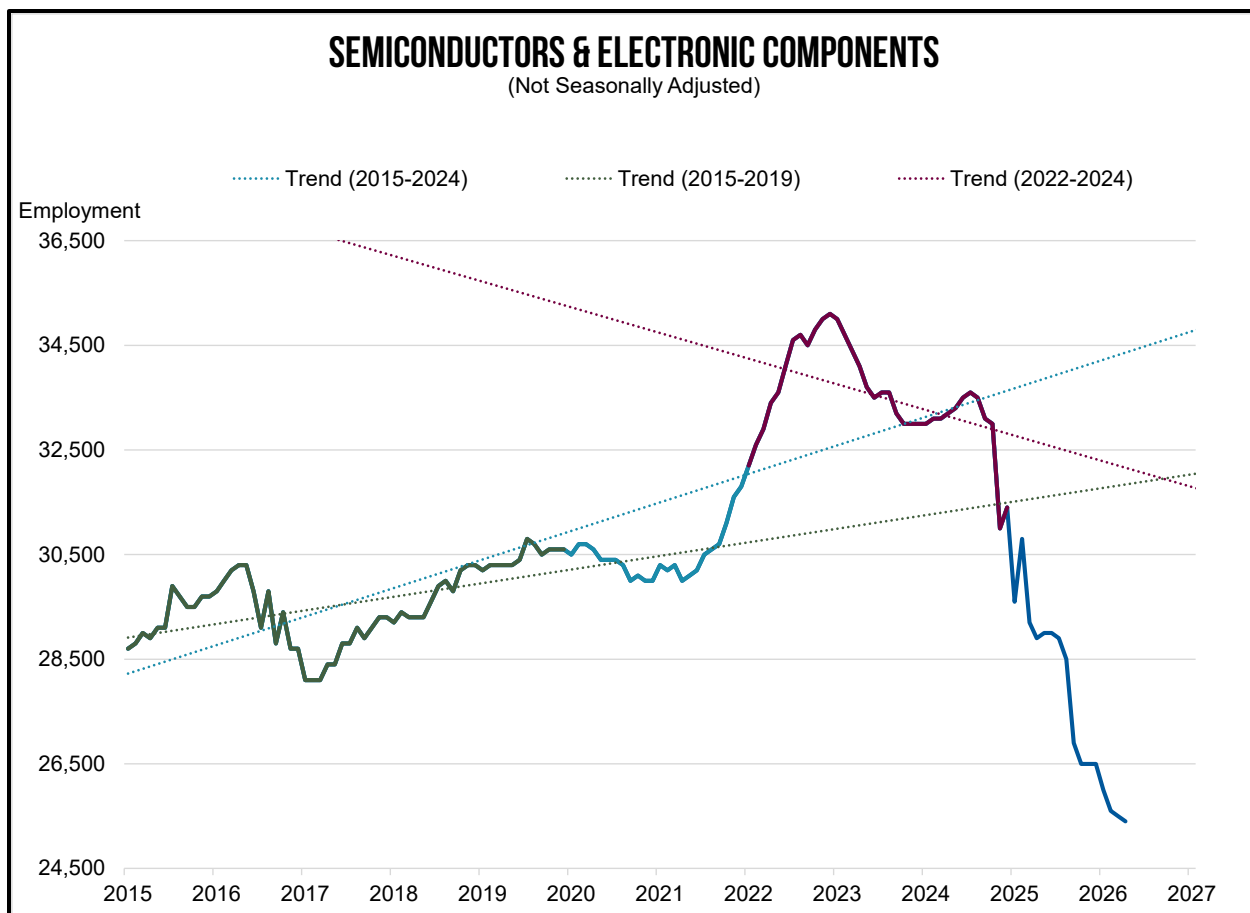


Figure 19. Oregon Computer and Electronic Product Manufacturing and Semiconductor and Electronic Component Manufacturing Employment, Source: Oregon Employment Department

A more granular analysis into the durable goods components along with Oregon-specific microeconomic factors provide further clarity around this decline. Many of the jobs lost were from the computer electronic product manufacturing sector, specifically the semiconductor and electronic component manufacturing subsector. While it is possible that some of the recent losses are tariff related, Oregon has seen its largest semiconductor manufacturer enact layoffs due to structural changes that were unrelated to tariffs. While durable goods manufacturing in Oregon may have been negatively impacted by tariffs, there is a compelling case to suggest that industry restructuring—not tariffs—was the primary catalyst of job losses in recent years. Nonetheless, it is worth noting that durables manufacturing employment excluding the semiconductor and electronics subsector also deteriorated post-Liberation Day (April 2, 2025), albeit to lesser degree after accounting for the aforementioned restructuring.

Mining, Logging, and Construction

The Mining, Logging, and Construction sector is driven primarily by construction, which accounts for over 100,000 of the jobs in the broader sector. The industry was on a growth trend post-pandemic, but with a significantly shallower slope than the pre-pandemic trend as shown in Figure 20. Jobs appear to peak in 2023, followed by a decline that is carried into 2025. A relatively stable trend since Liberation Day may indicate that while tariffs contributed to industry headwinds in Oregon, they were manageable. Other factors, such as the level of interest rates and vacancy rates, were likely at least as impactful on sluggish employment trends related to new housing and commercial construction.

Mining and logging jobs have been in decline for over a decade and continued into 2025. The industry held close to that decade long trend through most of 2025, but fell rapidly to end the year and continued dropping into 2026. The mining, logging, and construction sector as a whole could see fluctuations through 2026 if tariffs on construction inputs, such as Canadian lumber, continue to vary.

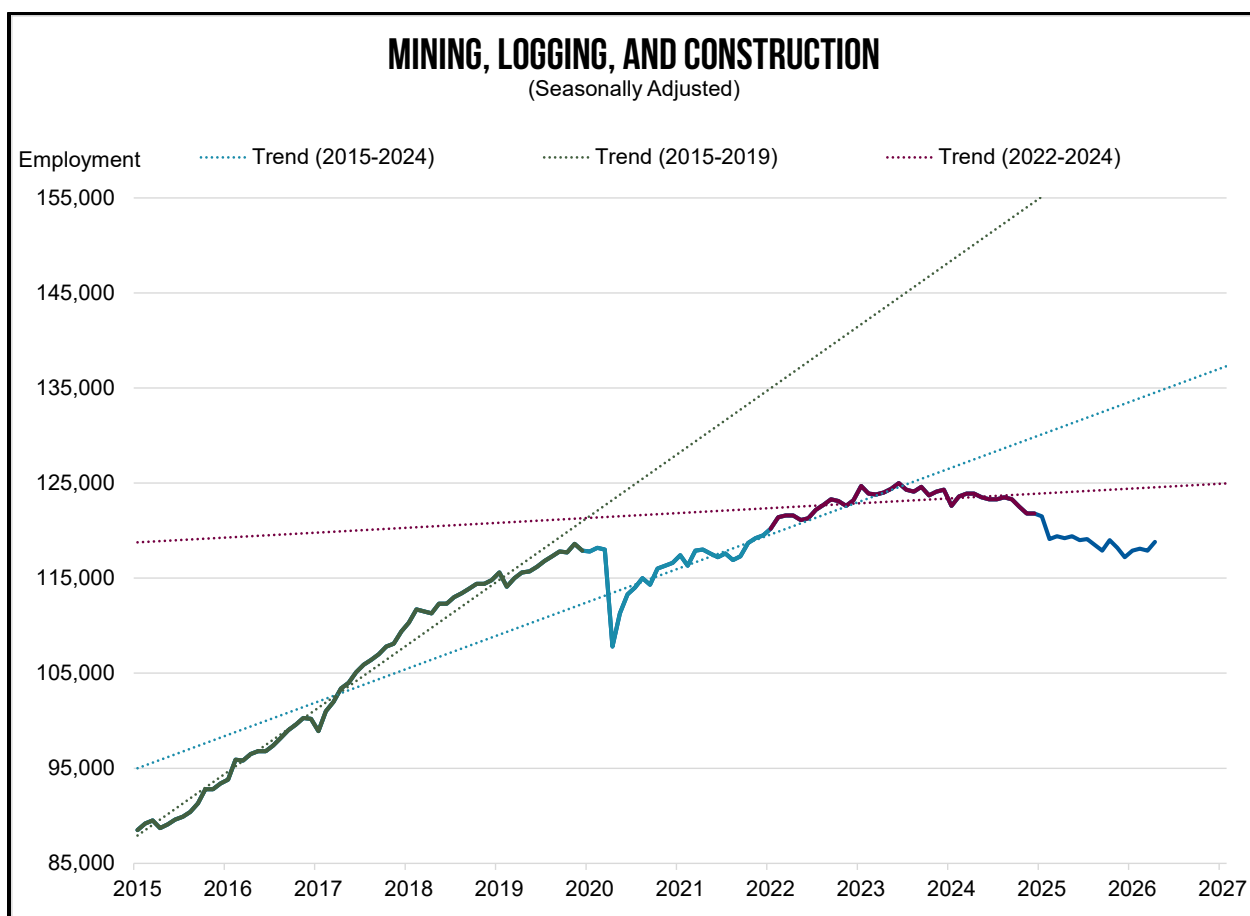


Figure 20. Oregon Mining and Logging Employment, Source: Oregon Employment Department

Leisure and Hospitality

Of all the industries discussed thus far, leisure and hospitality experienced the largest pandemic era negative impact. This industry is largely made up of restaurants and hotels, which were significantly disrupted during the pandemic. These pandemic era job losses were never fully recovered, but post-pandemic growth is close to the pre-pandemic trend.

This industry may not be directly threatened by tariffs, but a decline in international travelers to the U.S. over broader trade tensions could result in loss of revenue. In addition, increased inflation has lowered the discretionary monies available for use on entertainment, food, and travel. The latest data show underperformance in the sector compared to the post-pandemic trend, but it has not recently deviated from the flattening that occurred in 2024. Discretionary spending is currently being impacted by more than just tariffs, such as from elevated fuel prices. This will make future positive or negative impacts difficult to attribute to tariffs as they become more entrenched into the economy.

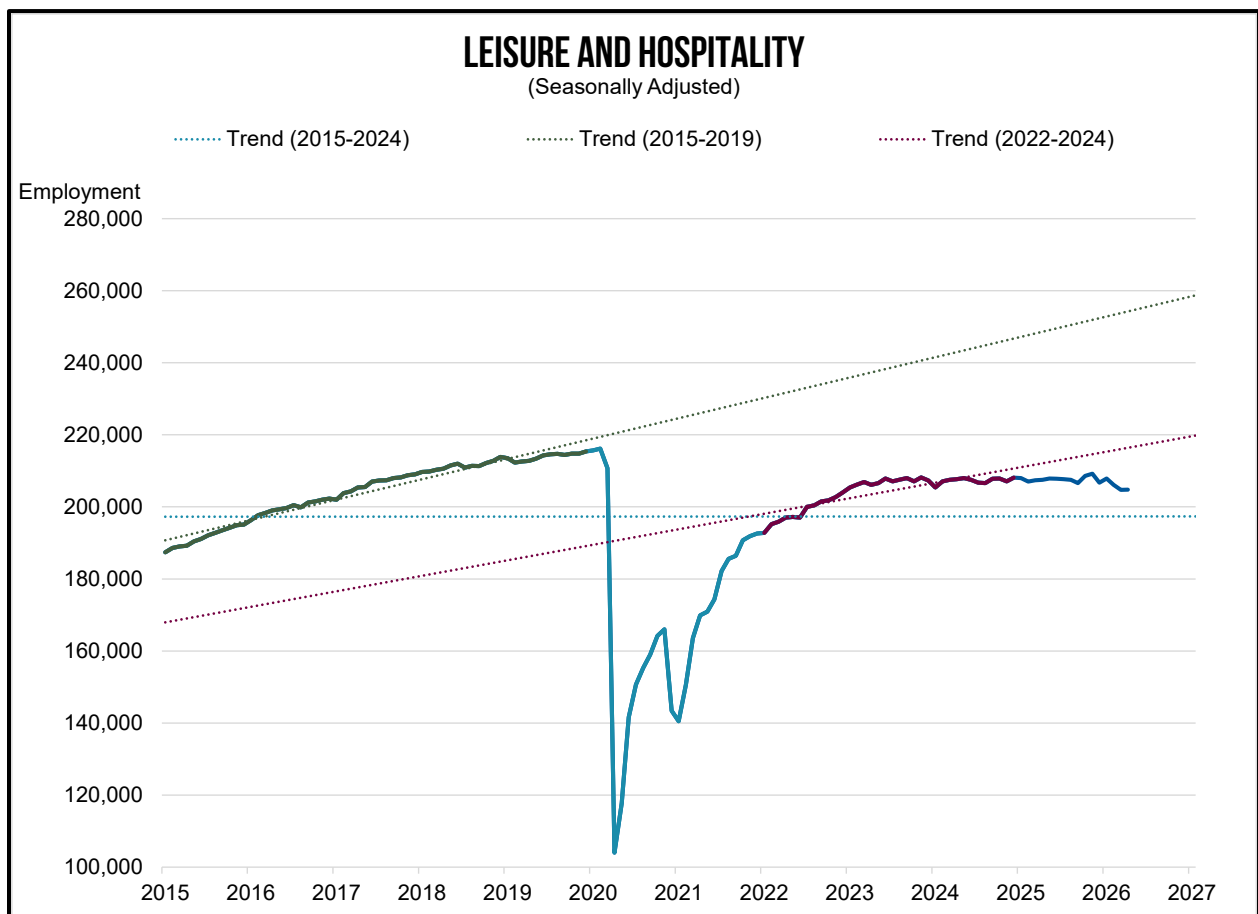


Figure 21. Oregon Leisure and Hospitality Employment, Source: Oregon Employment Department



OREGON COMPARED TO OTHER TRADE-SENSITIVE STATES

Disaggregating the impacts of tariffs and the new trade regime from other economic factors remains difficult, even in a retrospective analysis. However, comparing Oregon to other trade-sensitive states can develop a better understanding of the extent to which trade was impacting Oregon’s gross output and labor market in 2025. Since the Liberation Day tariffs, Oregon has performed worse than other trade-sensitive states and the nation as a whole in terms of GDP growth, employment and unemployment, but tracked more closely when looking at personal income growth.

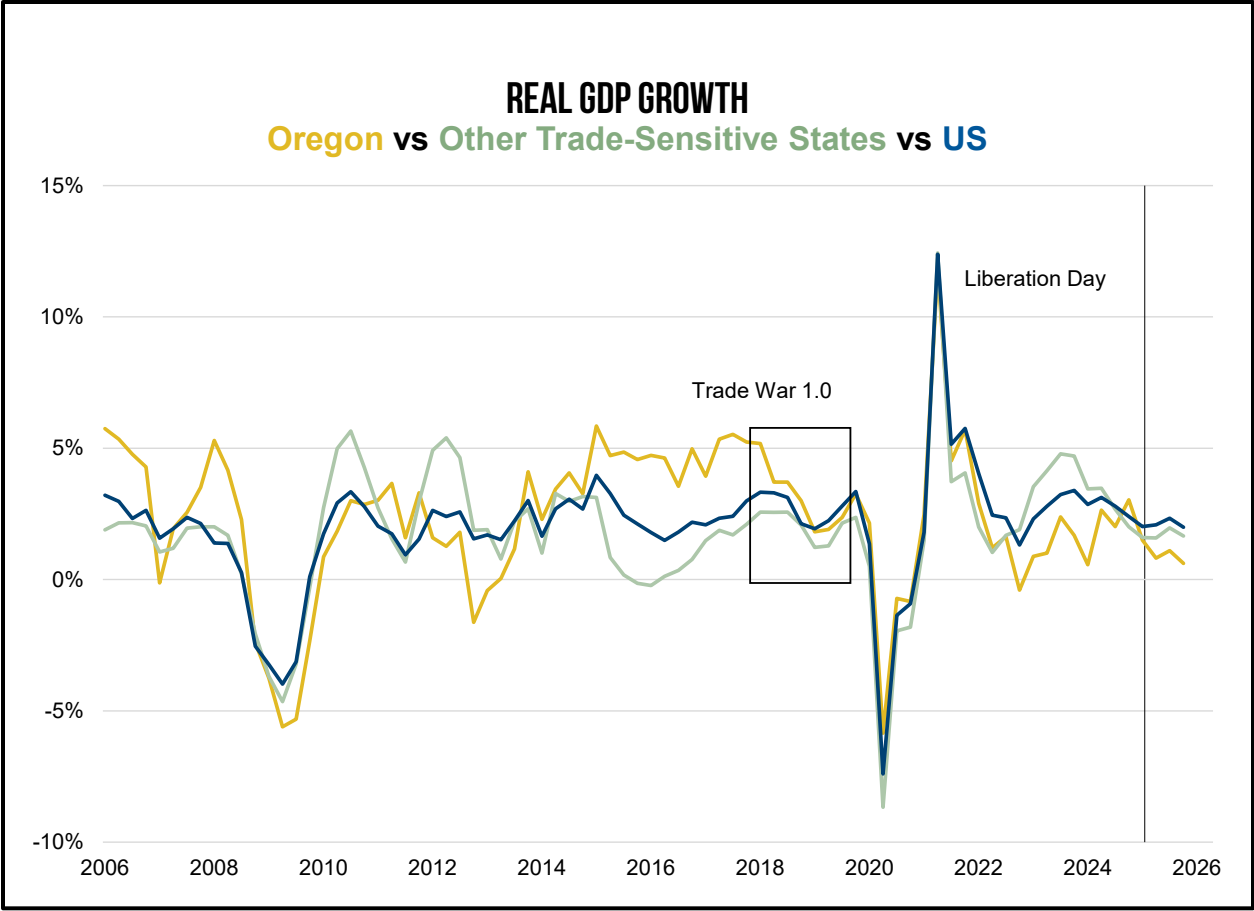
MOST TRADE SENSITIVE STATES

State/ District	Exports as a Share of GDP
Louisiana	26.3%
Texas	16.4%
Kentucky	16.2%
Indiana	11.6%
South Carolina	10.6%
Oregon	10.3%
Michigan	8.9%
Mississippi	8.8%
North Dakota	8.6%
Alabama	8.3%
ALL 50 STATES	7.0%

Table 7. Top 10 Trade-Sensitive States, Source: Bureau of Economic Analysis and U.S. Census Bureau

The trade-sensitive states used in this analysis were selected based on their exports as a share of GDP, using 2024 annual totals to identify states most dependent on international trade. These states form a comparison group intended to capture regions with heightened exposure to trade-related policy changes. Throughout the analysis, the “trade-sensitive states” measure reflects the average of these selected states excluding Oregon (nine states total), allowing for a comparison between Oregon and its high-exposure peers.





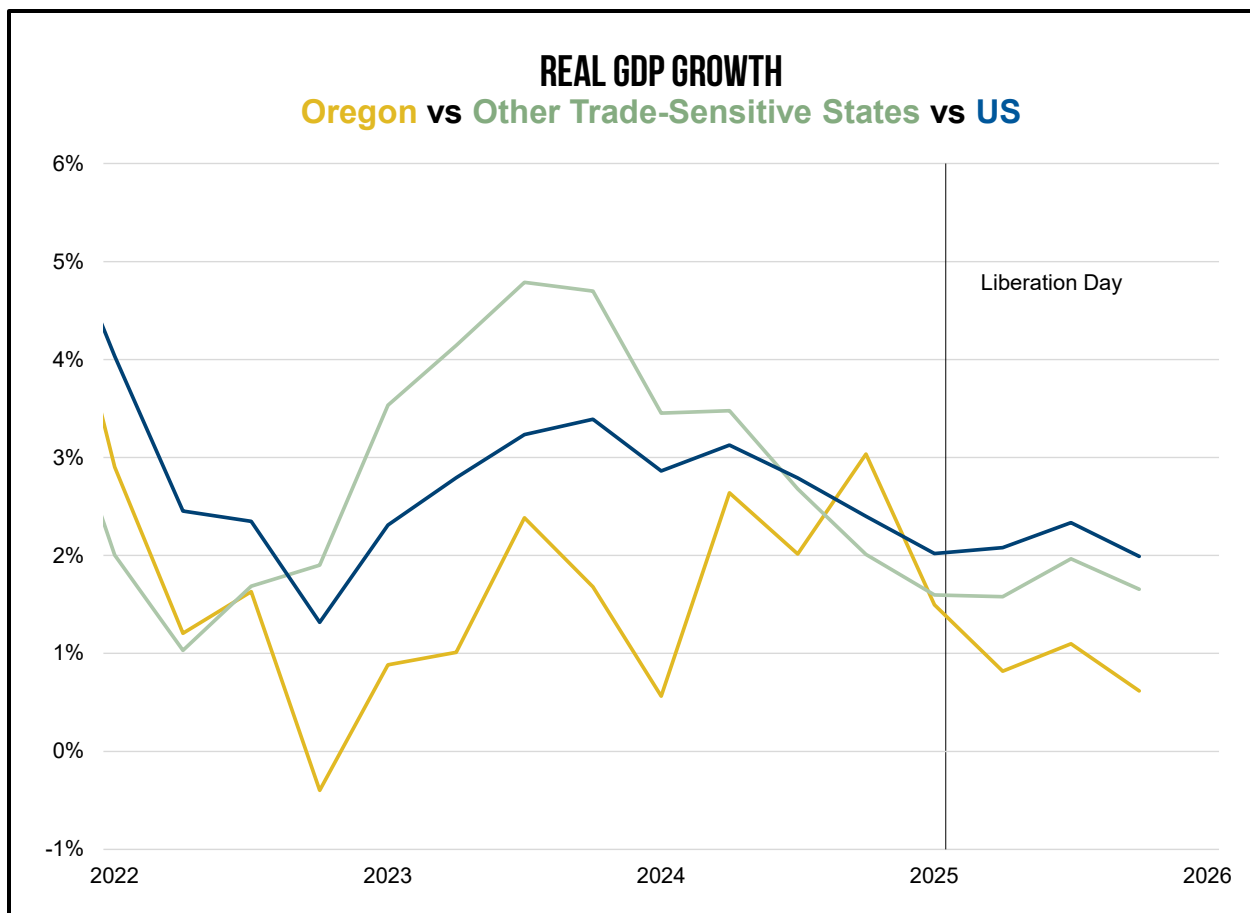
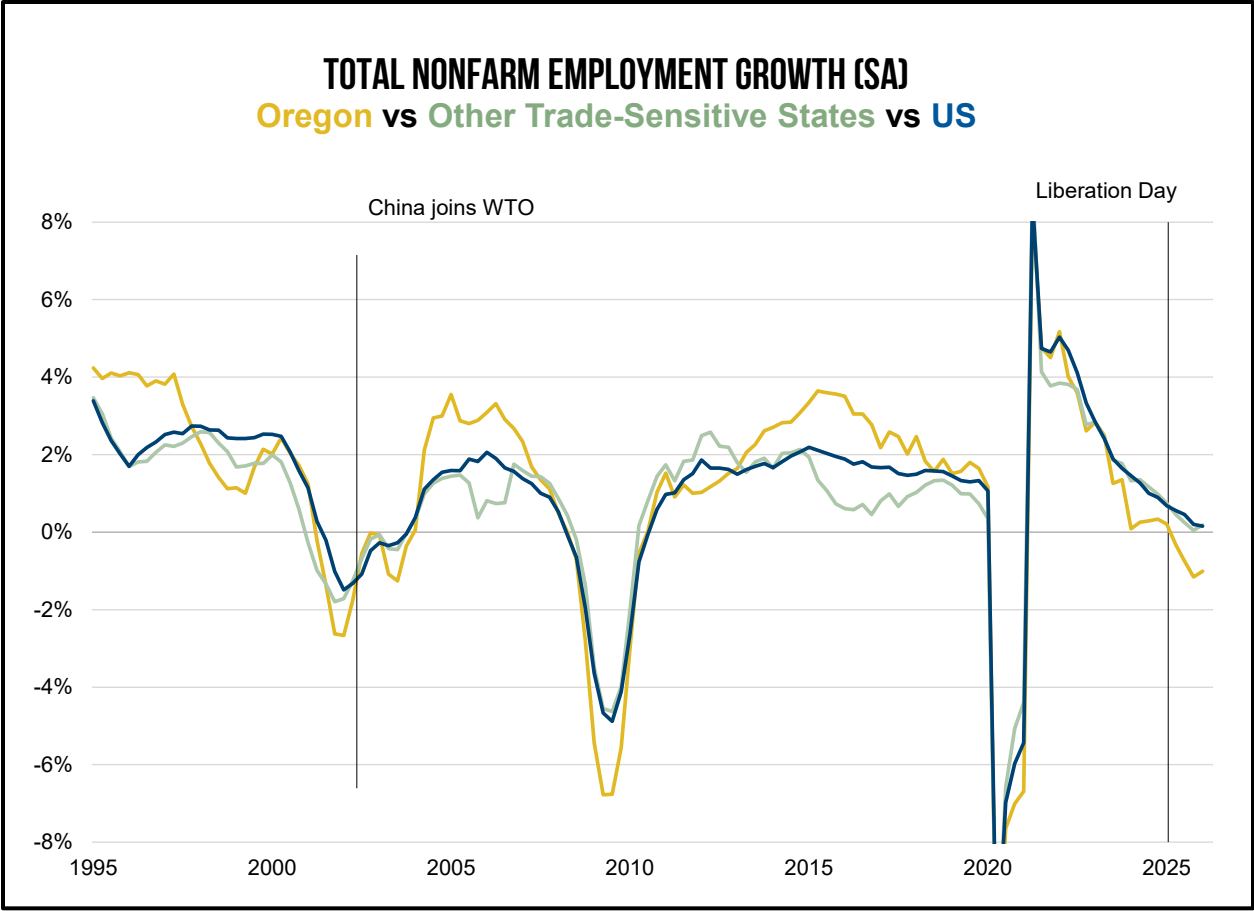


Figure 22. Real GDP Growth in Oregon, Other Trade-Sensitive States, and the U.S., Source: Bureau of Economic Analysis

Oregon's GDP growth generally follows the same cyclical pattern as the trade-sensitive states, but with greater volatility — higher peaks in expansions and deeper troughs in downturns. Oregon's relative strength entering the 2018 trade war diminishes as Oregon's GDP slows more sharply and converges toward the trend of the trade-sensitive states before the pandemic. A similar pattern appears around the Liberation Day tariffs, when Oregon's GDP growth falls more steeply. This suggests Oregon's economy responds more strongly to shifts in national or global conditions, amplifying both expansions and contractions.



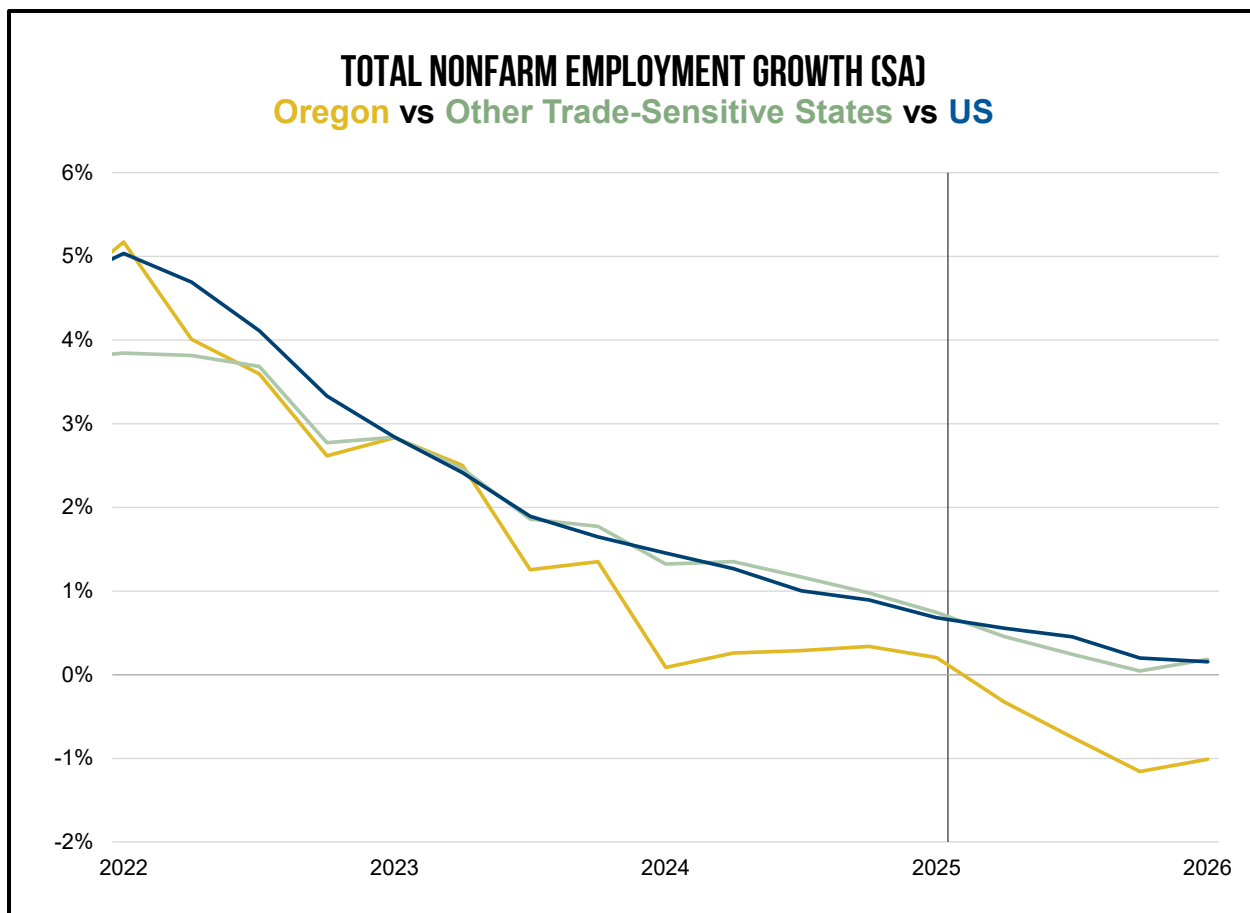
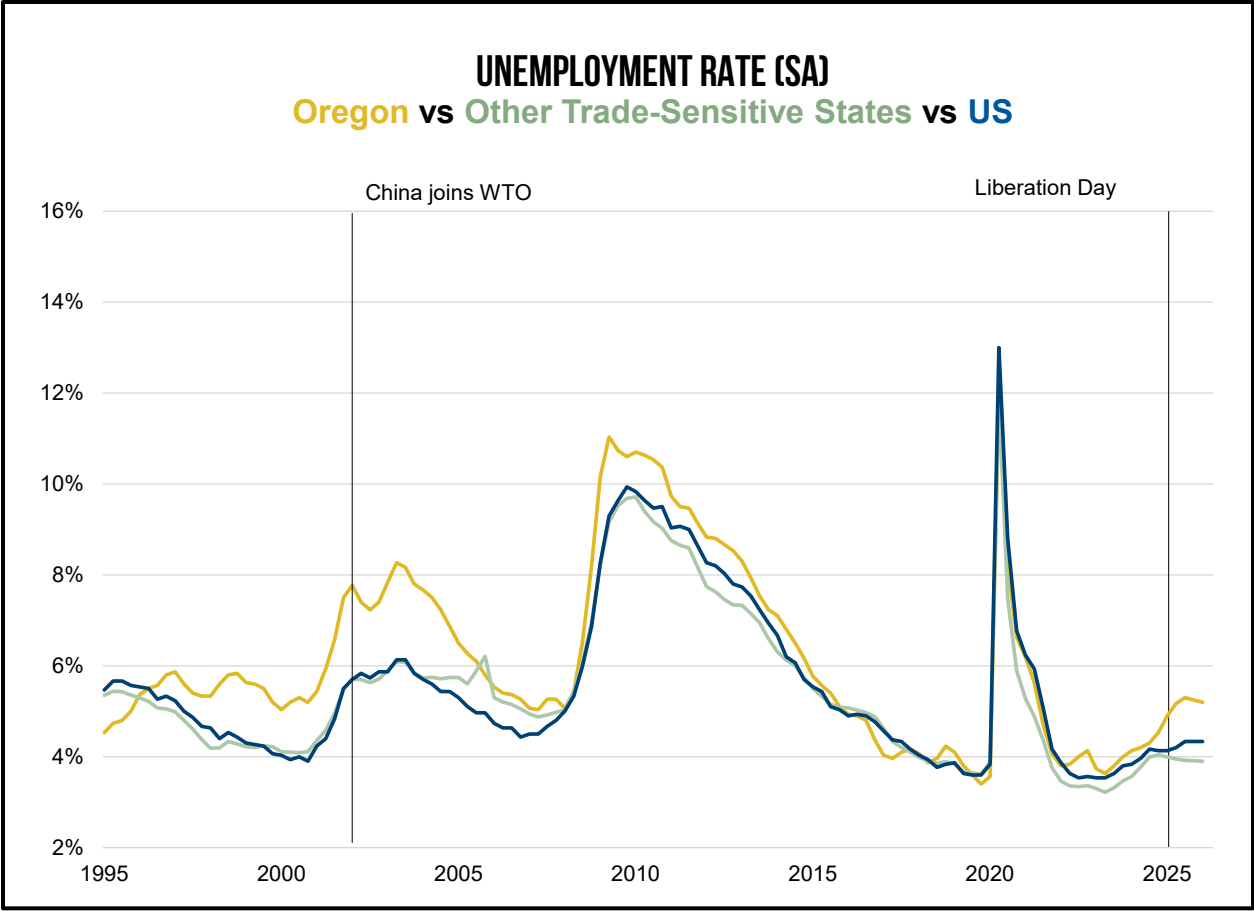


Figure 23. Total Nonfarm Employment Growth in Oregon, Other Trade-Sensitive States, and the U.S., Source: Bureau of Labor Statistics

Employment growth in Oregon and the trade-sensitive states moves closely together through most of the series, with only modest differences. The 2018 trade war does not produce a visible divergence, as both regions slow mildly and in parallel. However, during the Liberation Day tariffs, Oregon shows a more pronounced downturn in employment growth compared with the trade-sensitive states and the U.S. as a whole. This possibly indicates that Oregon's labor market, while typically aligned with regional peers, may adjust more rapidly during periods of economic stress and uncertainty.



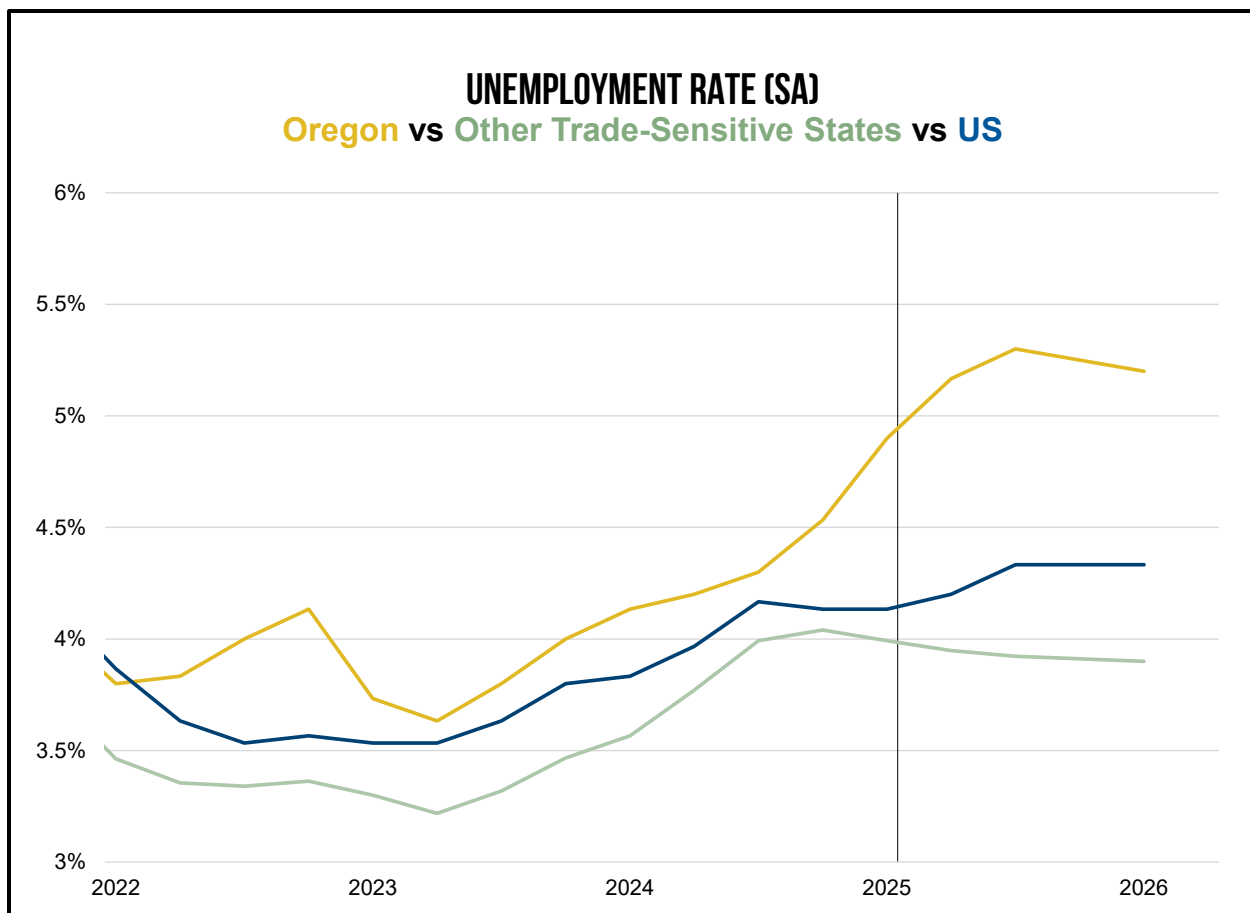


Figure 24. Unemployment Rate in Oregon, Other Trade-Sensitive States, and the U.S., Source: Bureau of Labor Statistics

Unemployment rates for Oregon and the trade-sensitive states have moved closely in line with each other for long periods of recent history, reflecting shared national labor-market dynamics. During the 2018 trade war, all regions maintained low and stable unemployment. A clearer difference emerges around the Liberation Day tariffs, when Oregon’s unemployment rate increases sharply while the trade-sensitive states unemployment rates remain mostly flat on average.



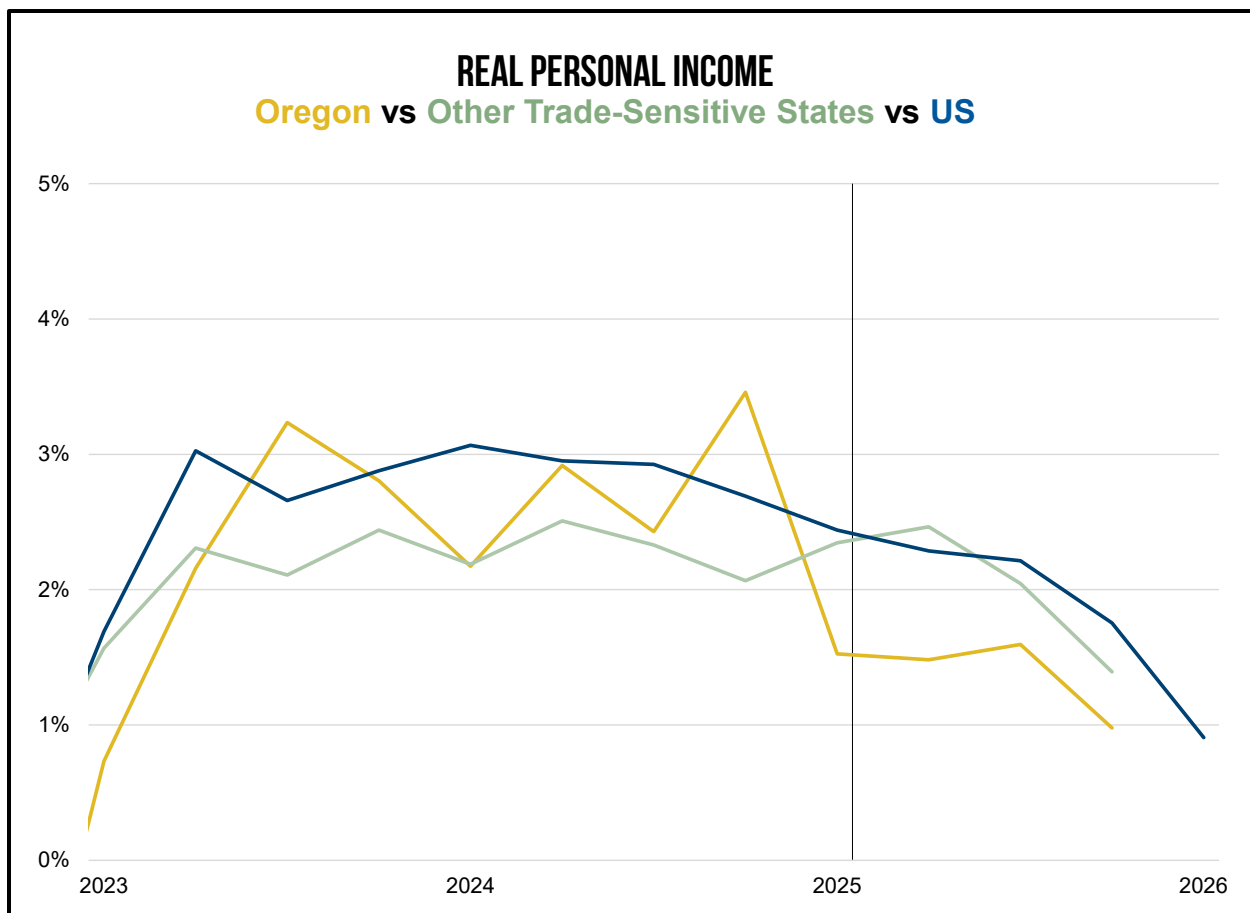


Figure 25. Real Personal Income Growth in Oregon, Other Trade-Sensitive States, and the U.S., Source: Bureau of Economic Analysis

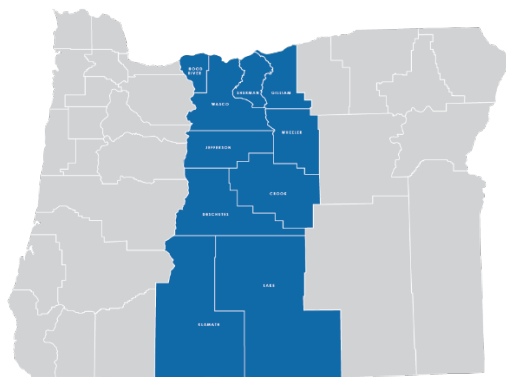
Personal income growth in Oregon and the trade-sensitive states remains tightly synchronized, with very little separation across the full series. The 2018 trade war did not produce distinct differences between the regions. After the Liberation Day tariffs, Oregon's income growth dips slightly more, but the overall paths remain closely aligned.

Across all indicators, Oregon generally moves in step with the trade-sensitive states, but with greater sensitivity to economic shocks. Oregon's stronger performance in some earlier periods gives way to larger downturns during the 2018 trade war and especially during the Liberation Day tariffs. This pattern points to an economy that reacts more strongly, both positively and negatively, to shifts in broader economic conditions.

REGIONAL TRENDS IN OREGON

This section of the report provides a regional breakdown that analyzes areas across the state to differentiate any possible economic impacts from tariffs. The severity of these impacts varies depending on a region's location, industry composition, and overall trade exposure. Each geographic section includes a general overview of what counties comprise that area, the region's traded sector footprint, and any potential changes in labor market trends following tariff implementation. Overall, no region in the state appeared specifically harmed by tariffs and all have generally continued to follow pre-tariff trends in terms of employment and unemployment insurance claims in the traded sector.

East Cascades



The East Cascades includes Crook, Deschutes, Gilliam, Hood River, Jefferson, Klamath, Lake, Sherman, Wasco and Wheeler counties. There were more than 161,000 jobs in the East Cascades in 2025, or 8.1% of Oregon's total employment. The East Cascades counties cover the Columbia Gorge and Oregon's high desert country of Central Oregon, while also reaching down to touch the California border with Klamath and Lake counties.

The East Cascades traditionally was well known for its natural resource-based industries including agriculture and forestry. The forest sector, [as defined by the Oregon Forest Resources Institute on QualityInfo.org](https://www.qualityinfo.org), comprised 7,150 jobs in the 10-county area, or 11% of Oregon's total forest sector employment. Agriculture also plays an important role in the East Cascades economy, from the cherry orchards in Hood River County down to the fields of potatoes grown in Klamath County. The East Cascades agriculture sector had annual average employment of 8,200 in 2025, comprising 13.5% of Oregon's total agriculture employment.

The East Cascades manufacturing sector only comprises 7% of Oregon's total manufacturing employment. However, there are counties in the East Cascades where manufacturing is a large share of total employment. Manufacturing employment accounts for 17.2% of Jefferson County's total employment in 2025 and accounted for 14.8% of Hood River County's total employment in 2025.

Agriculture and forestry play an important part of the East Cascades economy, particularly for the more rural counties. The East Cascades total employment was fairly flat in 2025. Agriculture employment has been steady in 2025 and early 2026. Agricultural producers have faced higher prices for inputs such as fertilizers due to tariffs, but little impact on employment has been seen.

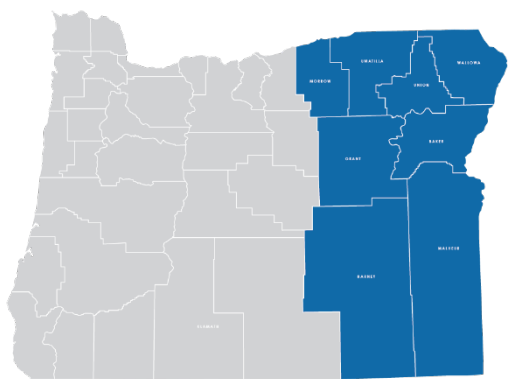
Wood product manufacturing employment has been hard-hit in Crook County in 2025, but tariffs are not the cause of this decline. Crook County's wood product manufacturing employment has declined 110 jobs, or -33.3%, in 2025. That is the result of business closures, which is not



related to tariffs. In fact, wood products manufacturing employers in Oregon anecdotally thought that tariffs would benefit the industry, with increased tariffs on Canadian wood products making American wood products more competitive. With the exception of Crook County, manufacturing employment in the East Cascades has been stable in 2025 and early 2026.

Consistent with the rest of the state, unemployment rates have crept up across the East Cascades in 2025 and early 2026, but unemployment is still low by historic levels.

Eastern Oregon



The Eastern Oregon region includes Baker, Grant, Harney, Malheur, Morrow, Umatilla, Union, and Wallowa counties. The region is geographically large and rural, with a relatively small, dispersed population base. In 2025, Eastern Oregon's average covered employment was approximately 77,000, which accounts for four percent of the state's workforce.

Eastern Oregon's defining feature is its size. The eight counties combined cover 38,044 square miles, or 40% of the state's total geographic area. The

region shares borders with Nevada, Idaho, and Washington states. A unique characteristic of Eastern Oregon's economy is its historical ties to Boise along the border in Malheur County. Because the Boise metro area is closer than Oregon's metro hubs, most of Malheur operates on Mountain Time to better facilitate business needs.

Counties in the region have a varied mix of industries, resources, demographics, and seasonality. The Columbia Basin counties of the region (Morrow and Umatilla) are known for large-scale agriculture, food processing, and industrial development tied to major freight and energy infrastructure. The remaining six counties in Eastern Oregon, making up the bulk of the region's geography, are known for natural resources and outdoor recreation.

The agriculture and forestry sectors are essential to Eastern Oregon's economy. The share of employment in the agriculture, forestry, hunting and fishing sector is about 11 times higher in Eastern Oregon compared with the nation overall. Roughly nine percent (7,000) of all jobs are in this sector. The crop production and support industries within this sector are the most concentrated and contain seven percent (5,500) of all jobs in Eastern Oregon.

The manufacturing sector also has a strong presence in Eastern Oregon. Although it has a smaller location quotient than agriculture, this sector also accounts for nine percent (7,000) of the region's total jobs. At the industry level, specialty food manufacturing represents four percent (3,000) of the region's jobs and has the highest employment concentration in the region relative to the nation (roughly 33 times greater than the nation). In Morrow County alone, specialty food manufacturing accounts for 16% of all jobs.

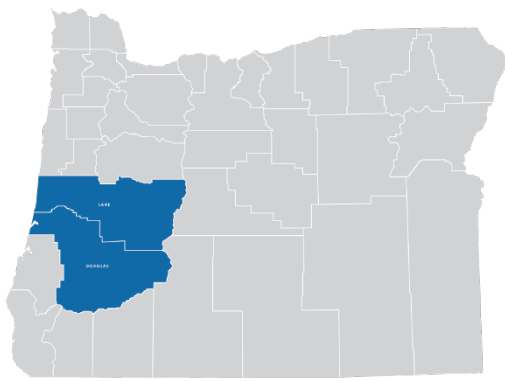
From 2024 to 2025, industries in several sectors experienced job losses, however some losses are continuations of long-term trends. The industries that experienced the greatest nominal



losses were crop production (-180 jobs), leisure and hospitality (-130 jobs), and specialty food manufacturing (-110 jobs). As a percentage of total employment in these industries, the losses were relatively small except for specialty food manufacturing with a seven percent decline. It is worth noting that these industry sectors have experienced employment losses for several years and the recent losses cannot be directly attributed to tariffs.

Overall, total employment was relatively flat over the year. On the unemployment front, nearly all the counties in Eastern Oregon experienced upticks in unemployment over 2025, with no particular industry in the traded sector contributing largely to it. The trends are in line with the state and nation overall. A handful of counties in Eastern Oregon are faring better than the state with respect to unemployment over the year.

Lane and Douglas



The Lane and Douglas County region had 200,160 jobs in March 2026 and accounted for 10.2% of Oregon's total employment.

Timber production and secondary wood products were traditionally the backbone of the manufacturing economy in these counties. It has now diversified to include more food product manufacturing, machinery manufacturing, transportation equipment, fabricated metal products, chemical manufacturing, and beverage manufacturing. Douglas County wood products manufacturing accounts for about 60% of

total manufacturing employment. Other Douglas manufacturing jobs can be found in furniture, machinery, transportation, and fabricated metal product manufacturing.

Lane County has a relatively high concentration of employment in agriculture, forestry, fishing, and hunting, management of companies and enterprises, and health care and social assistance. Manufacturing has an industry concentration of near the national average in Lane County. The county is also home to the University of Oregon which is a major economic driver for the area.

Manufacturing still has a strong presence in the region, providing 17,850 jobs: 8.9% of total employment (March 2026) and equal to the U.S. share of jobs in manufacturing. Although its share of total employment has been declining for decades, it remains a major industry in the Lane and Douglas County economies. In 2001, manufacturing accounted for about 14% of Lane County employment and 16% in Douglas County. By 2026, both counties' share of jobs in manufacturing had declined. The share dropped to 8.4% in Lane County and about 11% in Douglas County.

The forest sector, [as defined by the Oregon Forest Resources Institute on QualityInfo.org](https://qualityinfo.org/oregon-forest-resources-institute), was composed of 10,665 jobs in the Lane and Douglas Counties. This represents 17.1% of Oregon's overall timber sector employment and about five percent of total employment in the two-county area.



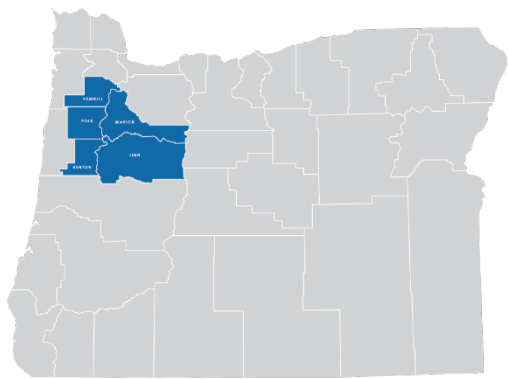
There haven't been many changes in traded sector employment since tariffs were announced. In particular, manufacturing employment does not look to be diverging from other industries in the country but rather following similar statewide economic trends.

In Lane County, from March 2025 to March 2026, there was a relatively large increase in health care and social assistance (1,700). There were losses in professional and business services (-600), leisure and hospitality (-500), manufacturing (-500), wholesale trade (-200), information (-200), and retail trade (-200). There was an over-the-year loss of 400 jobs in government in March stemming from losses in both local education (-600) and federal government (-100), which was countered by a gain in non-education local government (300).

Similarly, in Douglas County, total nonfarm employment was essentially flat. There were private-sector over-the-year gains in private education and health services (50), leisure and hospitality (50) and construction (50). There were losses estimated in manufacturing (-220), financial activities (-70), information (-40), and professional and business services (-40). Government employment rose 120 jobs over the year in March due to gains in local education (80), Indian tribal (20) and federal government (20). Although the largest losses over the year occurred in manufacturing, this is a continuation of a longer-term trend and cannot be directly attributed to tariffs.

Initial Unemployment Insurance claims are up over the year, with claims rising by 20% in Lane County and 27% in Douglas County during first 18 weeks of 2026 compared to the same period last year. No single sector appeared to be solely responsible for the rise. There were slightly higher initial unemployment insurance claims in educational services and manufacturing than in the prior few years. Other than educational services and manufacturing, the rise in unemployment insurance claims appears to be caused simply by generally weaker labor market conditions than the prior year.

Mid-Valley



The Mid-Valley includes Benton, Linn, Marion, Polk and Yamhill counties. There were nearly 318,000 jobs in the Mid-Valley in 2025, or 16% of Oregon's total employment. The Mid-Valley counties cover the east side of Oregon's Coastal Range, reach across the Willamette Valley, and include the west side of the Cascade Range. The Mid-Valley is well known for its natural resource-based industries including agriculture, and forestry. The area also has a strong manufacturing sector with wood products, food manufacturing and beverage manufacturing, as they have a strong symbiotic relationship with agriculture

and forestry. The timber sector, [as defined by the Oregon Forest Resources Institute on QualityInfo.org](https://www.oregonforestresources.org/qualityinfo), comprised 12,500 jobs in the five-county area, or 20% of Oregon's total timber sector employment.

Annual average employment in agriculture exceeded 19,000 in 2025, representing roughly 31% of Oregon's agriculture employment.



The Mid-Valley accounted for more than 16% of Oregon's manufacturing jobs in 2025, over 29,000. It is a diverse sector. Wood product manufacturing is found in all five counties. The area accounts for 20% of Oregon's wood product manufacturing employment. Food manufacturing plays an important role in Linn, Marion, and Yamhill counties. The Mid-Valley accounts for 19% of Oregon's total food manufacturing employment.

Primary metal manufacturing is an important part of Linn county's manufacturing sector. It is an interesting cluster that started during World War II when the U.S. Bureau of Mines was located in Albany. The Bureau of Mines, now the Department of Energy, is still located in Albany.

However, the metal manufacturing production work that the Bureau of Mines operated in Albany during the 1940s and 1950s was privatized in the 1950s during the Eisenhower administration. The industry employment was more than 2,400 jobs in 2025, accounting for one-third (33%) of Oregon's primary metal manufacturing employment.

Overall, the Mid-Valley manufacturing sector added jobs in 2025, bucking the statewide trend. Manufacturing employment has grown over the past year in the Salem Metropolitan Statistical Area (MSA) and in Yamhill County. The Salem MSA's total employment is up nearly 2,000 or one percent over the past year. Yamhill County's total employment has increased 180 jobs, or +0.5% over the past year.

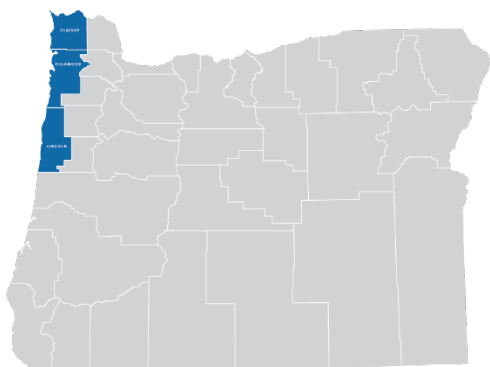
Linn County's manufacturing sector has shed manufacturing employment over the past year. Primary metal manufacturing has shed 100 jobs, or four percent, over the past year. The raw materials used in Linn County's primary metal manufacturing frequently are imported from outside the U.S. and the prices for those materials increased due to tariffs. It is difficult to attribute the employment downturn directly to the increased cost of raw materials. Overall, Linn County's economy has shed roughly 1,000 jobs (-2.0%) over the past year. The biggest employment losses have occurred outside of the traded sector in wholesale and retail trade, warehousing, leisure and hospitality, and construction.

Benton County's total employment has shed about 500 jobs (-1.0%) over the past year. The largest employment declines have been outside of the traded sector in government, trade, transportation, and utilities, leisure and hospitality, and professional and business services. Benton County's manufacturing sector has shed 60 jobs (-2.3%) over the past year. These losses were concentrated in firms with strong relationships to Oregon's semiconductor industry. That decline started prior to the tariffs but continued after tariffs began.

Similar to Oregon, unemployment rates have crept up in the Mid-Valley in 2025 and early 2026, but unemployment is still low relative to historic levels. The same is true with UI claims in the Mid-Valley.



North Coast



The North Coast region of Oregon includes Clatsop, Lincoln, and Tillamook counties. There were roughly 47,750 nonfarm jobs in 2025 across the region, representing 2.5% of the state's jobs. The region has a long history of employment in the maritime and timber sectors, which are primarily composed of employment in commercial fishing, fish processing, and wood and paper product manufacturing. However, today, the industry with the largest location quotient on the North Coast is leisure and hospitality. The Oregon Coast is a major tourist destination for both Oregonians and travelers from abroad.

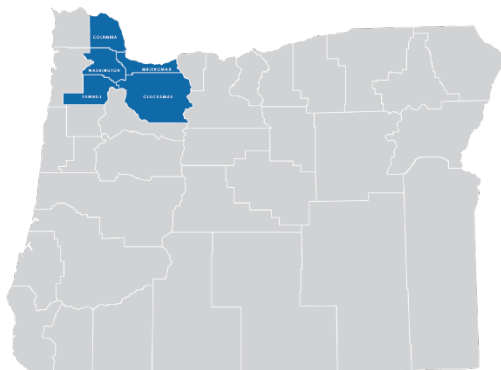
Of the traded sectors, agriculture, forestry, fishing and manufacturing are all important sectors. Maritime employment, [as defined by OED in this article on QualityInfo.org](#), made up 2,127 jobs on Oregon's North Coast in 2024. The North Coast represented 15% of all maritime jobs in Oregon, and 3.6% of employment on the North Coast. The timber sector, [as defined by the Oregon Forest Resources Institute on QualityInfo.org](#), was composed of 3,790 jobs on the North Coast. This represents 6.1% of overall timber sector employment and 6.4% of total employment. Together, the maritime and timber sectors make up about 10% of employment on the North Coast, with a low of 7.4% in Columbia County and a high of 11.3% in Clatsop County.

Manufacturing employment on the North Coast Oregon is largely captured in the maritime and timber sector employment counts, but there is manufacturing happening outside of fish, wood, and paper product processing. In total, manufacturing makes up around 10% of total employment in the region. There is significant overlap between maritime, timber, and overall manufacturing.

Tillamook County has a significant level of employment in food manufacturing thanks not only to its namesake creamery and jerky manufacturer, but also the other food manufacturers who have found a home in the region.

There haven't been many changes in employment since tariffs were announced. For instance, in Clatsop County, overall employment was flat over the year. Unemployment insurance claims are up slightly over the year, with claims occurring primarily in accommodation and food services, construction, and health care.

Portland Metro



The Portland Metropolitan Statistical Area (MSA) is comprised of Clackamas, Columbia, Multnomah, Washington, and Yamhill counties in Oregon and Clark and Skamania counties in Washington. The Oregon portion of the MSA accounts for just over half (52%) of Oregon's total employment.

The region is known for its large semiconductor manufacturing presence (employment is 10 times more concentrated here than nationally) and its athletic and outdoor apparel cluster including design, manufacturing, and administration (headquarters).

The MSA is also home to the headquarters of other major companies outside of athletic and outdoor apparel. This includes industrial goods manufacturers, trucking, childcare, and major grocery chains.

Manufacturing has a strong presence in the region, providing over 116,000 jobs; 9.4% of total employment (2025). In comparison, manufacturing accounts for eight percent of total employment nationally and 7.5% for the average large MSA. Although its share of total employment has been declining for decades, it remains a major industry in the metro area.

The Portland metropolitan area's manufacturing Gross Domestic Product (GDP) totaled \$27.4 billion (2024); 13.6% of its total private-sector GDP. In comparison, manufacturing accounted for 11.7% of total private-sector GDP nationally (2024) and 11.7% for the average large metro (2023 which is the last year for which the BEA aggregated data at the MSA level).

Employment in Portland's manufacturing sector declined during the pandemic but staged an early and relatively steady recovery, regaining all lost jobs by early 2023. The tides turned shortly thereafter, and by early summer year-over-year growth turned negative. The decline was broad based; by the end of the summer all published components were in the red over the year. By early 2025 manufacturing employment was 10,000 below its post-pandemic peak (January 2023), pulled down by losses across nearly all published sectors, but most notably semiconductors and electronic products. This component accounted for half of manufacturing's decline as semiconductor manufacturers in the region announced a series of layoffs.

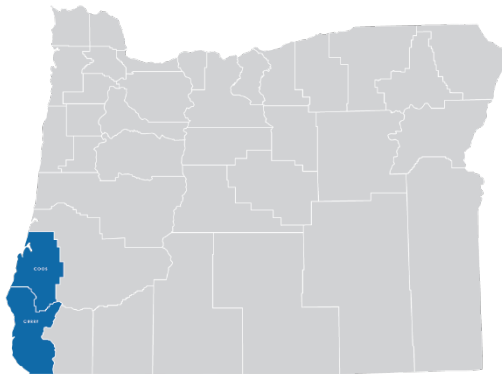
Manufacturing employment continued to shed jobs over the past year (1Q 2025-1Q 2026), down 4.5%, or 5,300 jobs. As with the decline of 2023-2025, semiconductor manufacturing is playing an outsized role. It accounts for one quarter of employment, but three quarters of recent losses. Nondurable goods excluding food manufacturing (-600; -3.4%), fabricated metals (-400; -3.4%), and electronic instruments (-200; -5.0%) have reported losses elsewhere in manufacturing. Food manufacturing and transportation equipment is flat.

Industries outside the traded sector registering steep losses over the year include temp help (-10.6%); federal government (-8.1%); information (-7.7%); computer systems and design (-7.5%); and nonresidential building construction (-7.5%). Private education and health services is the only industry up at 1.9% over the year.



Of the traded sector industries, none had large losses after tariff implementation that weren't simply a continuation of post-pandemic trends. With the outsize impact of semiconductor manufacturing in the Portland MSA, and the large layoffs announced, the impact of tariffs cannot be deciphered through employment data alone. To see the estimated impact of tariffs on manufacturing employment in the state, go to page 45.

South Coast



The South Coast region consists of Coos and Curry counties. There were roughly 23,400 nonfarm payroll employment jobs as of March 2026 across the region, representing 1.5% of the state's employment. The region has a long history of employment in the maritime and forest sectors, which are primarily composed of employment in commercial fishing, fish processing, and wood and paper product manufacturing. However, today, the industry with the largest location quotient on the South Coast is leisure and hospitality, with Curry County having a location quotient of 1.78 and Coos

County at 1.29 compared to Oregon as a base.

The South Coast is a major tourist destination for regional and international travelers. A large major golf facility in the area, now with five courses, is a major destination and source of employment for the region between caddies, groundskeepers, and hospitality staff. Southwestern Oregon Community College works closely with local businesses and the workforce system to meet training needs for the area.

All three traded sectors, agriculture and forestry, fishing and manufacturing are important to the South Coast. Maritime employment, [as defined by OED in this article on QualityInfo.org](#), made up about 900 jobs on Oregon's South Coast in 2024. Maritime jobs represent about three percent of all employment on the South Coast. The forest sector, [as defined by the Oregon Forest Resources Institute in this article on QualityInfo.org](#), was composed of 2,616 jobs on the South Coast. This represents 4.2% of Oregon's overall forest sector employment and nine percent of total South Coast employment. Together, the maritime and timber sectors make up about 12% of employment on the South Coast.

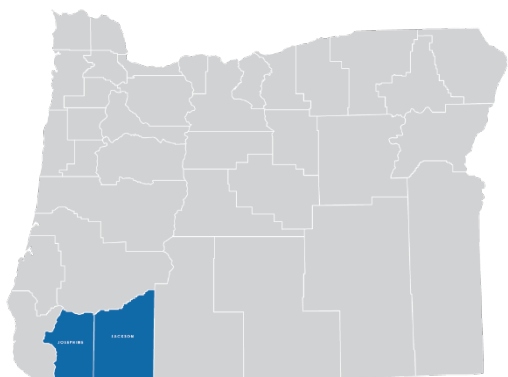
Manufacturing is partially captured in the maritime and timber sector employment counts, but there is manufacturing happening outside of fish and wood product sectors. In total, manufacturing makes up around seven percent of total employment in Coos County and 11% in Curry County. Wood products manufacturing accounts for about one-half of Coos County manufacturing jobs and six out of seven manufacturing jobs in Curry County.

There haven't been many changes in employment since tariffs were announced. In Coos County from March 2025 to March 2026, payroll employment rose by 80 jobs, a gain of 0.3%. Over the past year, Curry County payroll fell by 100 jobs, a loss of 1.5%. This is not to say tariffs have not had an impact, but that tariffs were not cited as a primary reason for local layoffs.



Unemployment insurance claims are up slightly over the year, with claims up by 8% in Coos County and 14% in Curry County during first 18 weeks of 2026 compared to the same period last year. There were no clear patterns in the growth in claims as these increases seem to reflect generally weaker labor market conditions over the past year.

Rogue Valley



The Rogue Valley is comprised of Jackson and Josephine Counties. The region had 116,430 jobs in March 2026 and accounted for 5.9% of Oregon's total employment.

The region is known historically for fruit trees (pears) and more recently a wine grape growing region. Timber production and secondary wood products were traditionally the backbone of the manufacturing economy. It has now diversified to include more food processing, transportation equipment, fabricated metal products, chemical manufacturing, and beverage manufacturing.

Jackson County has a relatively high concentration of employment in private education and health services (1.29 Location Quotient compared to Oregon base), trade, transportation and utilities (1.19) and leisure and hospitality (1.14). Tourism is a pillar of the local economy as it is a gateway to the coast, Crater Lake National Park, and Oregon Caves National Monument as well as being home to the widely renown Oregon Shakespeare Festival and Britt Music Festival. The Rogue River has world class fishing and rafting and lures many visitors too.

The MSA is also home to the headquarters of other major companies outside traditional wood products firms.

Manufacturing has a strong presence in the region, providing 9,400 jobs; 8.1% of total employment (March 2026) and equal to the U.S. share of jobs in manufacturing. Although its share of total employment has been declining for decades, it remains a major industry in the Rogue Valley. In 2001, manufacturing accounted for 10% of Jackson County employment and 13% in Josephine County.

The forest sector, [as defined by the Oregon Forest Resources Institute in this article on QualityInfo.org](#), was composed of 7,124 jobs in the Rogue Valley. This represents 11.4% of Oregon's overall forest sector employment and about six percent of total Rogue Valley employment.

There haven't been many changes in employment since tariffs were announced. Payroll employment in the Medford MSA (Jackson County) rose by 230 jobs, for a gain of 0.3%. Private education and health services posted the largest gain, adding 730 jobs. Job growth was also estimated in retail trade (+290); leisure and hospitality (+160); manufacturing (+110); and transportation, warehousing, and utilities (+70). Losses were estimated in construction (-240); professional and business services (-150); wholesale trade (-70); and information (-60). Government employment declined by 600 jobs over the year.



Over the past year payroll employment in the Grants Pass MSA (Josephine County) decreased by 80 jobs, a loss of -0.3%. Employment fell over the year in most private-sector industries, excluding private education and health services, and leisure and hospitality, which gained 190 and 60 jobs, respectively.

Unemployment Insurance claims are up slightly over the year, with claims rising by 13% in Jackson County and 14% in Josephine County during first 18 weeks of 2026 compared to the same period last year. No single sector appeared to be solely responsible for the rise. There were slightly higher initial unemployment insurance claims in educational services and manufacturing than in the prior few years.

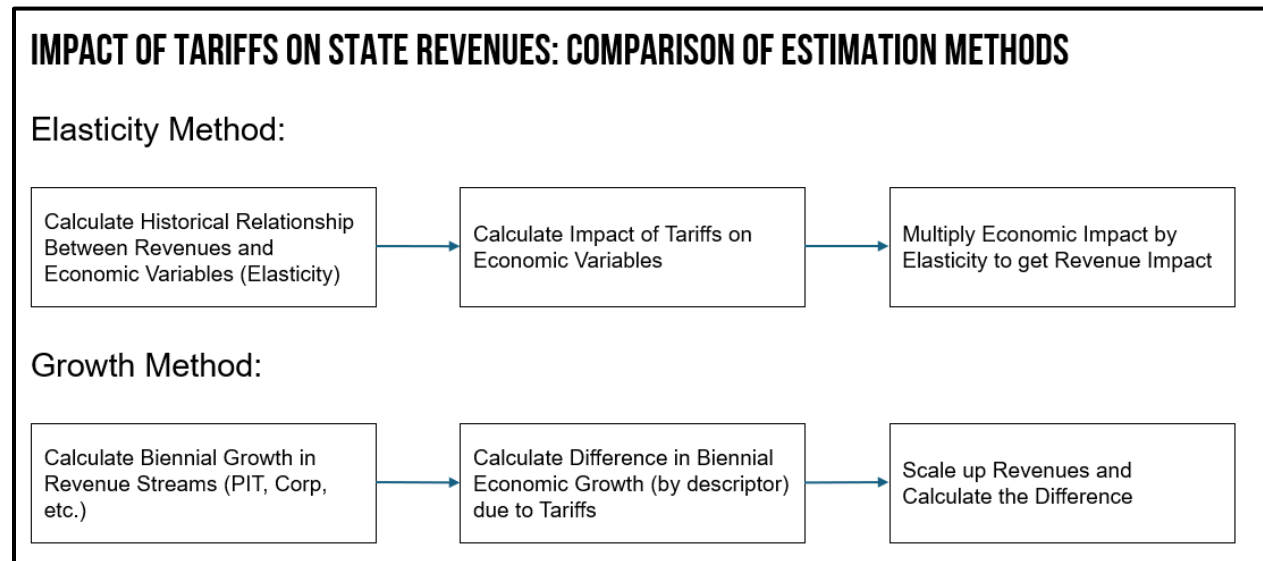


STATE REVENUES AND EXPENDITURES

The heightened tariff regime is expected to affect the Oregon economy through reduced consumer demand and spending, corporate profitability, and subsequently lower labor income. This will have measurable impacts on Oregon's revenue streams. This section examines the effect of the long-run tariff outcome on the state's General Fund (particularly Personal and Corporate Income Taxes), Lottery Earnings, and the Corporate Activity Tax for the 2025-27 biennium.

Revenues

The general methodology, outlined in Graphic 1, for estimating the impact of increased tariffs on revenues is to (1) estimate the tax revenue elasticity for each revenue instrument with respect to the most correlated economic descriptor, and (2) multiply that descriptor's change due to tariffs by the elasticity to get the revenue impact in percentage terms. For example, Personal Income Taxes vary 1.05 times with national personal income. Given a tariff impact to Personal Income of -0.8 percent, the impact on Personal Income Taxes in percentage terms would be -0.9 percent. In addition, the current revenue forecast represents the state of the world impacted by tariffs. The tariff effects must be backed out of the current revenues to produce what would have occurred had tariffs not been increased.



Graphic 1. Revenue Estimation Methods

Obtaining the economic impact resulting from the heightened tariff regime is an interesting analytical exercise. Parsing the impact in actual economic data is formidably challenging for three reasons: (1) numerous simultaneous shocks occurred, including the passage of House Resolution 1 and Federal Reserve rate cuts; (2) the application of tariffs fluctuated in the months following Liberation Day, with markets and economic participants reacting variably over time; and (3) economic data are subject to significant revision over time.



An alternative means of isolating the impact is necessary. OEA's forecast provider, Standard and Poor's, produces a current policy forecast for the national economy. By comparing forecasts from before and after the institution of tariffs, it is possible to isolate the estimated impact of a given tariff regime. The choice of both the baseline (prior) forecast, and the impact (post) forecast are critical in producing a pure tariff impact absent other systemic shocks (e.g., HR 1), as well as ongoing economic change.

For the baseline, the February 2025 forecast was chosen for two reasons: (1) it precedes the economic impact of the administration's announcements regarding tariffs, while (2) minimizing the distance between forecast observations to limit change from other economic trends and shocks. For the tariff impact forecast, June 2025 was chosen: this forecast lags Liberation Day sufficiently to ensure that economic variables reflect the heightened tariff regime while preceding the passage of HR 1. Estimating the impact of tariffs simply amounts to calculating the percentage deviation between the two forecast observations for the array of national economic descriptors (gross domestic product, personal income, personal consumption expenditures, and corporate profits) for the 2025-27 biennium.

2025-27 STATE REVENUE IMPACT: HEIGHTENED TARIFF REGIME							
		Current Revenues	Absent Tariffs	Tariff Impact	Economic Descriptor	Elasticity	Revenue Impact%
General Fund							
Personal Income Tax		\$29,967	\$30,227	-\$260	U.S. Personal Income	1.05	-0.8%
Corporate Income Tax		\$3,442	\$3,524	-\$82	U.S. Corporate Profits	1.21	-2.0%
All Other Revenues		\$2,153	\$2,193	-\$40	U.S. Personal Consumption	1.00	-1.9%
Total General Fund		\$35,562	\$35,943	-\$381			
Lottery Earnings		\$1,819	\$1,847	-\$28	U.S. Personal Consumption	0.83	-1.9%
Corporate Activity Tax		\$3,054	\$3,087	-\$33	U.S. Gross Domestic Product	0.99	-1.1%
Presented State Revenues		\$40,435	\$40,877	-\$442			

Table 8. State Revenue Impact of Tariff Regime

Table 8 presents the results of the revenue impact analysis. The state's appropriated General Fund is budgeted primarily to support education, public safety, and human service programs. Personal and Corporate Income Taxes are expected to comprise 94% of the General Fund in the 2025-27 biennium. As noted above, the coincident indicator for Personal Income Taxes is Personal Income, which produces an elasticity of 1.05. Given the impact of tariffs on personal income, the loss to Personal Income Taxes for the current biennium is -\$260 million.

For Corporate Income Taxes, the best descriptor is national corporate profits. The elasticity is 1.21, which produces a revenue loss of-\$82 million. The remainder of the General Fund, which is comprised of consumption-based taxes like insurance, liquor, and tobacco, is modeled on national consumption. The revenue loss is \$40 million. The total loss to the General Fund from the institution of the heightened tariff regime is-\$381 million, which amounts to a 1.1% reduction.

Lottery Earnings are authorized in the state's Constitution and support various programs, including economic development, natural resources, and education. Lottery game earnings can be viewed as a form of consumption tax. As such, the best correlate is national consumption. The elasticity of Lottery earnings relative to consumption is 0.83. This results in an estimated



loss for the 2025-27 biennium equal to-\$28 million, or a 1.5% reduction from the baseline scenario.

The Corporate Activity Tax (CAT) was enacted by the 2019 Legislature to support education spending. Proceeds are deposited in an Other Funds account distinct from the state General Fund to preclude involvement with the kicker mechanism. As a gross receipts tax, the best coincident indicator for tax receipts is gross domestic product. The elasticity of CAT receipts with respect to GDP is 0.99. The revenue loss associated with the heightened tariff regime is -\$33 million, a similar 1.1% loss to the General Fund reduction.

In summary, the institution of increased tariffs is estimated to have decreased state revenues significantly for the 2025-27 biennium. The total impact across General Fund, Lottery, and the Corporate Activity Tax is-\$442 million (1.1% in relative terms). This analysis does not consider the longer-term impact that tariffs may have on business formation, employment, and income.

Alternative Growth Method

Another means to measure the impact of the heightened tariff regime on state revenues is to calculate the change in revenue growth with and without the institution of tariffs (see Graphic 1 on page 72). As with the elasticity method, each revenue instrument is associated with an appropriate economic descriptor (e.g., Personal Income Tax and Personal Income, Corporate Income Tax and Corporate Profits, etc.). Each economic descriptor is examined in terms of projected 2025-27 growth rates both prior to the institution of tariffs and afterwards.

The growth differential is used to estimate a revenue total had tariffs remained unchanged. The difference constitutes the impact of increased tariffs. Interestingly, the results are quite similar to the elasticity method. The notable differences are Personal Income Tax, which exceeded the elasticity method modestly, and Corporate Income Tax, which fell below the elasticity result by half.

Expenditures and Agency Reporting

Assessing full expenditure impacts for the State is difficult as there are a myriad of factors affecting rising costs. The impacts of general inflation specifically can be difficult to parse from the impact of tariff specific inflation. The Office of Economic Analysis reached out to five state agencies that may have experienced impacts from tariffs and asked for qualitative and quantitative input on impacts to their agencies, and in a few cases, the industries they are closely linked to. The agencies included below are the Oregon Health Authority (OHA), Oregon Department of Transportation (ODOT), Department of Agriculture (ODA), Oregon Emergency Management Department (OEM), and Oregon State Fire Marshall (OSFM). Generally, the agencies noted that while there are cost pressures, the source of pressure cannot be directly tied to impacts from tariffs.



Oregon Health Authority

The Oregon Health Authority reports varying impacts across its divisions, with some seeing price pressures related to equipment and some reporting no impact. No divisions or programs reported staffing changes, strategic changes, or adjustments to sourcing of critical supplies due to tariffs.

The Medicaid division reported that tariffs are potentially putting price pressures on pharmacy and durable medical equipment costs, which could eventually result in higher provider costs. Health insurance companies must submit their proposed premium changes for the coming year to state regulators in the spring and summer. Several individual insurance market carriers raised 2026 premiums by more than they otherwise would, due to the expectation that tariffs will drive up their prescription drug costs.

The Oregon State Hospital Warehouse reported cost increases to equipment such as masks, gloves, construction supplies, large machinery, and more. They also anticipate increases to the cost of specific pharmaceutical drugs. However, since they purchase most of their equipment through Statewide Price Agreements or through other governmental purchasing organizations, they are unable to determine how much of the cost increases are due to tariffs.

The Public Health Division's Nutrition and Screening program reported that breast pump prices have seen increases due to tariffs. They also report increased food costs, but do not attribute that increase entirely to tariffs. The Oregon Women, Infants, and Children program (WIC) issues vouchers with a set spending limit for fruits and vegetables. While the agency doesn't see increased costs, food inflation impacts participants' purchasing power. No other expenditure impacts are reported as this program also uses statewide price agreements.

The Public Health Division's State Public Health Laboratory reported that several vendors have added surcharges to invoices related to tariffs for a variety of their physical goods, such as laboratory supplies and equipment. This program is also temporarily provided with protection on certain goods due to state price agreements, but continued tariffs may result in future price increases. The program has calculated a rough estimate of \$65,000 in increased costs attributable directly to tariffs. They have also seen some supply challenges with instruments that are manufactured overseas and have no obvious domestic alternatives.

The Public Health Division's Oregon Immunization Program and the Office of Information Services both reported no tariff related impacts to program operations or costs.

Oregon Department of Transportation

The Oregon Department of Transportation also reports varying impacts across its divisions, with many stating that they have seen increased costs and procurement challenges. Not all teams were impacted, and some cannot attribute increasing costs directly to tariffs due to conflating factors.

Oregon Driver and Motor Vehicle (DMV) Services reported that while several vendors increased prices, most of the increases appeared to be tied to broader global issues, some of which may have been secondary effects from tariffs. License plate pricing rose 2.5% due



to the consumer price index (CPI), and vendors noted that tariffs may necessitate future adjustments, but have not yet affected pricing. The agency was notified by its vendor for IT hardware that prices would be increasing due to tariffs, DMV advanced the purchase of hardware, and was able to achieve savings by ordering earlier than planned therefore avoiding tariff-driven price increases.

The Public Transit Division reported that, while no tariff-related cost issues have surfaced to date, the team is monitoring the situation closely and engaging in discussions with the American Association of State Highway and Transportation Officials (AASHTO). From those conversations, primary concerns included rising vehicle costs from tariffs on imported components, vendor price volatility as quotes become less stable, procurement challenges such as fewer bids due to vendor uncertainty, delays from increased lead times and slower delivery, and planning and forecasting complications.

The Commerce and Compliance Division reported tariffs have not impeded their operations, but they have seen increases in costs of supplies attributable to tariffs such as shutters for scale houses and HVAC units. HVAC unit replacement costs have increased by approximately 30%. They did not report any known supply chain disruptions, strategic planning changes, or anticipated impacts on critical supplies.

The Support Services Division reported little tariff impact beyond increasing prices of computer hardware, but their specific vendors attributed cost hikes to increased demand from the AI industry development. While they have seen other increases in prices and some supply chain impact, they have no clear evidence of those impacts being tariff induced.

The Delivery and Operations Division reported that in their Statewide Transportation Improvement Projects section, they have been able to continue largely unimpeded by tariffs. They have not seen any change in bidding trends from contractors. Contractors working for ODOT often have far reaching Buy America requirements that necessitate domestically sourced inputs. The division's maintenance section has experience-related impacts, with increases to vehicle costs and equipment. They have also seen increased costs for their Uncrewed Aircraft Systems (UAS) operations due to increased industry instability. Vendor quotes and delivery delays are again an issue with some quotes increasing by 33%. The increased cost effects of UAS negatively impact the agency's ability to communicate aerial photos and video for community engagement, and use of contractors requires higher rates. Some of this impact is not directly related to tariffs, but to accompanying legislation that has banned the use of some foreign made UAS. Equipment made in the U.S. can cost more and have limited capabilities.

Department of Agriculture

The Oregon Department of Agriculture (ODA) reports operations have not been meaningfully impeded by elevated tariffs. The agency has seen increases in costs for all purchased services and supplies over the past year but has not been able to attribute these costs directly to tariffs. In general, ODA does not purchase supplies in volume from outside the U.S. and therefore does not need to adjust their sourcing of materials.



Aside from challenges to the agency, the department has communicated import and export challenges for agricultural goods and industry adaptations in Oregon in the last year due to tariffs. Tariffs have had an impact on small food and beverage producers through their input goods, which include coffee beans, types of sugars and oils, glass bottles and aluminum cans, and more. Many of these goods cannot be reasonably sourced in the United States. Machinery for food processing, largely coming from European countries, has risen in cost. Farmers also need to pay more for equipment like tractors, combines, and fencing.

The largest impact to the industry has come from retaliatory tariffs against U.S. agricultural exports. British Columbia banned sales of U.S. liquor, which has a large impact on the Oregon wine industry. Seafood exports to the UK and EU, two of Oregon's biggest markets for groundfish fisheries, have seen trade wins achieved in 2023 and 2024 erased. Lower margin exports to Asia are facing difficulties due to a strong dollar and incremental retaliatory tariffs making exports like seed, hay, frozen fruits, and frozen vegetables uncompetitive in these markets.

The agency also reported agricultural supply chain disruptions. Specific examples include potash from Canada, which comes almost exclusively through the Port of Portland, and phosphate fertilizer, which is seeing its supply constrained globally. The phosphate fertilizer constraint was not caused by tariffs and has been an ongoing issue. However, it has been emphasized and exacerbated by the recent shifts in trade policy. Fertilizer costs have generally been much higher, along with their inputs, and this has only been further complicated by disruption to supply coming through the Strait of Hormuz. While the tariff specific impacts are difficult to assess, ODA anticipates this to be a challenge to Oregon farmers as it is an additional increase in their input costs.

Emergency Management Department

The Oregon Emergency Management Department (OEM) reports operations have been complicated by elevated tariffs, with some primary concerns being equipment delivery delays and price increases. Examples include snow cats and concrete crushers arriving months after the expected date and animal shelter kits and Canon copiers seeing price increases of 14% and 10%, respectively. OEM has also seen indirect cost increases beyond these impacts on equipment used directly by the agency, such as through elevated shipping costs due to increased shipping rates and surcharges.

In addition to price pressures, procurement challenges have also presented themselves through shorter quote window and vendor contract uncertainty. Some quotes that were valid for 30 days shrank to only 10 days, complicating purchasing and planning. A 20% increase in their State Preparedness and Incident Response Equipment (SPIRE) has resulted in the agency needing either to reduce the amount of equipment ordered or purchase lower quality items. Lead times on equipment have increased, sometimes to as high as 19 months. Maintaining emergency preparedness now requires faster decisions, increased budgets, and more risk management. All these effectively increase the cost and complexity of preparedness for the state.

Oregon State Fire Marshall



The Oregon State Fire Marshall (OSFM) reported that agency operations have not been impeded by tariffs in a meaningful way. The agency experienced minimal increases in costs due to tariffs, but they were not significant enough to require updates to procurement practices. They have seen minimal costs associated with additional staff time related to procurement, budget, and accounting to coordinate processes around increased tariffs, but no actual staffing or headcount changes. OSFM also reported that no strategic changes or adjustments to sourcing materials for critical supplies were needed, and those critical supplies did not see significant increases in price or scarcity.



CONCLUSION

The findings of this report make clear that Oregon entered the 2025 tariff environment with significant exposure and unique vulnerabilities. As one of the nation's most trade-dependent states Oregon experienced both the direct and indirect consequences of a sudden, volatile shift in U.S. trade policy. While tariffs were not the sole force shaping the state's economy during this period, they contributed meaningfully to higher costs, greater uncertainty, and a measurable slowdown in economic activity.

At the macro level, Oregon's economic performance diverged from national and peer-state trends in ways consistent with heightened sensitivity to global shocks. Export activity contracted sharply, driven largely by declines in electric and industrial machinery tied to the semiconductor sector. Imports surged, reflecting both front-loading behavior and a structural reliance on foreign machinery and intermediate goods. This combination—falling exports and rising imports—has no modern precedent in Oregon and significantly dampened growth. The state's traded sector, already challenged by a decade of cyclical and structural headwinds, saw further weakening relative to the nation.

The business survey results reinforce this broader picture. Most firms reported that tariffs increased their operating costs, disrupted supply chains, and contributed to higher prices for both inputs and final goods. Yet the majority did not cite tariffs as the primary driver of staffing changes or major operational shifts. Instead, firms described tariffs as an added source of pressure layered onto a broader set of challenges—including high interest rates, slowing consumer demand, and industry-specific downturns. This helps explain why the labor market effects of tariffs, while present, were modest.

The detailed analysis of stable manufacturing employers suggests roughly 750 job losses statewide can be reasonably attributed to tariffs—significant but only a fraction of total manufacturing declines, most of which stemmed from pre-existing semiconductor restructuring and other macroeconomic factors.

The state government experience was largely aligned with that of the private sector. Supply chains were disrupted and impaired by tariffs, but they remained functional. This complicated procurement and drove up input prices. However, in contrast to what occurred during the pandemic, scarcity was largely avoided. The same downgraded economic environment which was described in the business survey results was also evident in state revenue trends spanning households, corporations and even in discretionary spending on items like lottery games. Importantly, while revenues decelerated—consistent with slower economic growth—they did not support the notion that the economy had slipped into recession. A recession would have had far greater implications for state finances.

“The overall instability of the economy and continuous changing of tariffs along with political unrest all contributed to our lower sales volume last year. Our customers seem to be taking a wait and see approach before committing to large scale projects.”

Oregon Manufacturer



Across all regions, rising unemployment insurance claims and a soft labor market were visible, though rarely tied directly to tariffs. However, the elevated cost environment, higher import prices, and delayed shipments described in survey responses were broadly felt, even where employment impacts were limited.

Reduced income growth, lower corporate profitability, and weaker consumer spending are estimated to reduce state revenues across the 2025–27 biennium. This impact touches all major revenue instruments and reflects the extent to which tariffs function not only as a trade policy but also as a broad-based consumption tax that ultimately falls on households and firms.

Taken together, the evidence suggests that the 2025 tariff environment acted as a measurable drag on Oregon’s economy. The impacts were real but generally incremental—amplifying existing weaknesses rather than creating them outright. The semiconductor downturn, high interest rates, geopolitical instability, and broader inflationary pressures interacted with tariffs to shape the state’s economic trajectory. In this sense, tariffs played a consequential but complementary role in a period defined by multiple overlapping economic forces.

Looking ahead, Oregon’s exposure to global markets remains both a strength and a vulnerability. The outcomes of ongoing USMCA negotiations, future federal trade policy, and the trajectory of the semiconductor industry will be critical in determining whether the state’s traded sector stabilizes or continues to diverge from national trends.

While this report offers the clearest retrospective assessment possible with the data available, it also represents an early chapter in understanding the full implications of a major shift in national trade strategy. As economic conditions evolve, Oregon will need to remain responsive to ongoing risks and opportunities embedded in the global trading system.



APPENDIX A

Press Release – July 14, 2025

Governor Kotek Directs Agencies on Tariffs, Continues to Monitor Impacts

Oregon joins other states across the nation taking action to understand and mitigate the harm of President Trump's tariffs

Salem, OR — Today, Governor Tina Kotek joined a growing list of other states including Arizona, Colorado, Illinois, New York, and Washington raising concerns and taking action to mitigate potential economic consequences of President Trump's tariff chaos. This includes disruption of essential supply networks across vital sectors of the Oregon economy, such as medical supply chains, food processing, construction, and all facets of Oregon's manufacturing base.

The Governor issued a directive to state agencies including the Oregon Business Development Department (OBDD), the Oregon Employment Department (OED), the Oregon Department of Agriculture (ODA), and the Department of Emergency Management (OEM) to provide an analysis within 90 days that provides a comprehensive picture of how tariffs are and will continue to impact the state. In Oregon, this action follows a [Business Leader Roundtable](#) the Governor convened in the spring to hear directly from Oregon-based businesses impacted by the tariffs. She also [launched a survey with Business Oregon](#) to get additional information about impacts to businesses. Governor Kotek stated:

"I don't like surprises, especially when it comes to Oregonians' pocketbooks for things like groceries, school supplies, or even medications. We need a full picture of where we anticipate the pain points are for Oregon's economy.

"People should be able to get what they need from the store at prices they can afford. And businesses need predictable conditions to succeed. When I heard from businesses earlier this year, there was anxiety, uncertainty, and an information vacuum from the federal government. While the Trump administration has failed to fill in the gaps, there are actions we can do right here in Oregon to be better prepared.

"That's why I am exercising my authority to direct relevant state agencies to analyze everything from supply chain impact in the agricultural sector to employment trends across industries."

The Governor's directive is as follows:

The Oregon Business Development Department, in collaboration with the Oregon Employment Department, shall consider and report on the following:

- Employment trends observed since tariff implementation.
- Industries and economic development regions that are most notably affected by trade-related changes.
- Key challenges reported by Oregon businesses related to the new trade environment and tariff policy.



The Oregon Department of Agriculture shall consider and report on the following:

- Agricultural supply chain disruptions and industry adaptations observed since U.S. tariff implementation.
- Food cost trends and impacts on Oregon consumers.
- Export challenges facing Oregon agricultural sectors.

The Oregon Department of Emergency Management shall consider and report on the following:

- Overview of emergency response supply challenges resulting from the new trade environment and tariff policy, including categories of emergency supplies affected by procurement or cost challenges and any notable stockpile or equipment concerns.
- Summary of emergency procurement adjustments resulting from the new trade environment and tariff policy, including changes to sourcing strategies for critical supplies and approaches to maintaining preparedness, within budget constraints.

Following receipt of the above information, observations, and consideration, the Oregon Department of Administrative Services shall prepare and publicly produce a report describing the impact of the Trump administration 's U.S. Tariff Policy on the State of Oregon based on the information reported.

Where appropriate, the aforementioned agencies shall coordinate with private sector partners, including but not limited to the businesses community, industry associations, labor unions, academic institutions, and other relevant organizations, to gather qualitative and quantitative data regarding the impact of the Trump administration 's U.S. Tariff Policy on the State of Oregon.

**The 90-day timeline was ultimately extended to accommodate a retrospective analysis, including the conduct of a survey of employers within the state.*



APPENDIX B

Business Survey

Please reference July 2025 - December 2025 when completing this survey

Please indicate how tariffs that took effect last year impacted different aspects of your business during any of the months from July 2025 through December 2025. Please complete all sections of the survey.

Does your company...	Yes	No	Don't Know
Import products from other countries as a part of business operations?	☐	☐	☐
Export products to other countries as a part of business operations?	☐	☐	☐

Has your company experienced changes in items you buy to make or sell your products?	Decrease	Increase	No Change	Not Applicable	How much? (%)
Availability of inputs (materials, parts, etc.) you buy in the U.S.	☐	☐	☐	☐	
Availability of business inputs bought from outside the U.S.	☐	☐	☐	☐	
Cost of business inputs / products you buy in the U.S.	☐	☐	☐	☐	
Cost of products your business purchased from other countries	☐	☐	☐	☐	
Production and/or productivity at your company	☐	☐	☐	☐	
Company equipment purchases	☐	☐	☐	☐	
Other (please specify): _____	☐	☐	☐	☐	

Have you made staffing changes due to tariffs?	Decrease	Increase	No Change	Not Applicable	How much? (%)
Hiring	☐	☐	☐	☐	
Layoffs	☐	☐	☐	☐	
Workweek hours	☐	☐	☐	☐	
Wages paid	☐	☐	☐	☐	
Other (please specify): _____	☐	☐	☐	☐	

Have tariffs affected prices or demand for the products your company sells?	Decrease	Increase	No Change	Not Applicable	How much? (%)
Prices you charge U.S. consumers for your products	☐	☐	☐	☐	
Prices you charge for products you sell in other countries	☐	☐	☐	☐	
Demand for your products by customers in the U.S.	☐	☐	☐	☐	
Demand for your products by international customers	☐	☐	☐	☐	
Company sales volume within the U.S.	☐	☐	☐	☐	
Company sales volume outside of the U.S.	☐	☐	☐	☐	
Other (please specify): _____	☐	☐	☐	☐	

Please share general sentiments about your industry...	Yes	No	Not Applicable
Are tariffs affecting the broader industry your business is in?	☐	☐	☐
If so, what is your general assessment of the impacts?			☐

Please add any other insights you would like to share:



Methodology

The Oregon Employment Department (OED) conducted the 2026 Business Oregon Tariffs Survey in February and March. OED surveyed private firms with at least two employees covered by the state's Unemployment Insurance program in the second quarter of 2025. The survey universe consisted six broad sectors of Oregon's economy:

- Farming, forestry, fishing, and hunting;
- Mining, quarrying, and oil and gas extraction;
- Manufacturing;
- Wholesale trade;
- Warehousing and storage;
- and Management of companies and enterprises.

These sectors were chosen by Business Oregon because they are among the agency's priority sectors and were expected to experience impacts from tariffs implemented in the second half of 2025. The universe of firms for these sectors totaled more than 20,400 in the second quarter of 2025. Of these, nearly 3,900 (or 19%) were surveyed, and of those employers, 870 (or 22%) responded to the survey.

Business Oregon Tariffs Survey Response Rates for Selected Sectors

Industry					
Code	Industry Sector	Universe	Sample	Responses	Response %
11	Agriculture, forestry, fishing, and hunting	4,712	1,165	262	22.5%
21	Mining, quarrying, and oil and gas extraction	120	65	21	32.3%
31-33	Manufacturing	6,322	1,165	298	25.6%
42	Wholesale trade	7,914	1,056	227	21.5%
493	Warehousing and storage	444	96	17	17.7%
55	Management of companies and enterprises	917	336	45	13.4%
-	All Firms in Selected Industries	20,429	3,883	870	22.4%
-	All Private Firms	173,696			

Employers were selected by random sample from the identified industry sectors. Each firm in the sample received a Business Oregon Tariffs Survey form by mail as shown on page 83. Employers could respond by mail, by fax, or by completing the online version of the survey. The Employment Department provided a phone number and email address for the agency's survey staff for employers to call with questions about completing the form. Employers who did not respond to the first survey received a second mailing of the same form.

As a final step in the data collection process, Employment Department staff members conducted non-response follow-up calls to employers to increase survey response rates. Non-responses came from employers who elected not to participate, had no valid address to receive the form, were no longer in business, or responded after the data collection period ended.

Overall, the survey received 870 responses, which represented 4.3% of all private-sector employers in Oregon. Response rates varied from a low of 13% in management of companies and enterprises to a high of 32% from mining, quarrying, and oil and gas extraction firms. The largest number of responses came from manufacturers (298), companies in agriculture, forestry, fishing, and hunting (262), and the wholesale trade sector (227).



Survey Regions

The Business Oregon Tariffs Survey responses were organized into six broad regions:

- **Central Oregon:** Crook, Deschutes, Hood River, Jefferson, Sherman, Wasco
- **Oregon Coast:** Clatsop, Columbia, Coos, Curry, Douglas, Lincoln, Tillamook
- **Eastern Oregon:** Baker, Gilliam, Grant, Harney, Malheur, Morrow, Umatilla, Union, Wallowa, Wheeler
- **Portland:** Clackamas, Multnomah, Washington
- **Southern Oregon:** Jackson, Josephine, Klamath, Lake
- **Willamette Valley:** Benton, Lane, Linn, Marion, Polk, Yamhill

Response rates ranged from a low of 19% in Southern Oregon to a high of 26% each in Eastern Oregon and along the Oregon Coast. The largest number of employer responses came from the Portland Tri-County area (306) and the Willamette Valley (249).

Business Oregon Tariffs Survey Response Rates for Selected Sectors

Area	Universe	Sample	Responses	Response %
Central Oregon	1,712	345	86	24.9%
Oregon Coast	1,188	264	68	25.8%
Eastern Oregon	1,040	262	68	26.0%
Portland Tri-County	7,999	1,539	306	19.9%
Southern Oregon	1,536	344	66	19.2%
Willamette Valley	4,418	994	249	25.1%
Multi-area or Other State	2,536	135	27	20.0%
All Area Firms in Selected Industries	20,429	3,883	870	22.4%



APPENDIX C

State Reports and Releases

Colorado

- <https://csuredi.org/wp-content/uploads/2025/09/Tariff-Report-FINAL.pdf>
- <https://www.colorado.gov/governor/news/governor-polis-releases-report-detailing-devastating-impacts-trumps-tariff-tax-colorado>

Washington

- https://ofm.wa.gov/wp-content/uploads/Tariff_Impact_Analysis_Report.pdf

New York

- <https://www.governor.ny.gov/sites/default/files/2025-11/Tariff-Report.pdf>
- <https://www.governor.ny.gov/news/governor-hochul-announces-findings-preliminary-new-york-state-tariff-report>
- https://www.governor.ny.gov/sites/default/files/2025-07/Tariff_Response_Memo_2025.pdf

Florida – FSU/Florida TaxWatch Report

- <https://www.floridataxwatch.org/Press-Room/ArtMID/34457/ArticleID/2082/From-Port-to-Pocketbook-How-Trade-Policy-Hits-Florida>

Arizona – Policy Analysis

- <https://www.honestarizona.org/about-tariff-tax>

California – Press Release

- <https://www.gov.ca.gov/2025/07/30/trump-tariff-policy-continues-to-cause-chaos-in-american-economy/>

Michigan – Press Release

- <https://www.michigan.gov/whitmer/news/press-releases/2025/11/05/findings-of-michigan-department-report-national-tariffs-higher-grocery-prices>



Additional Analyses

Yale Budget Lab (Yale University)

- Tracking the Economic Effects of Tariffs (Apr 1, 2026)
 - <https://budgetlab.yale.edu/research/tracking-economic-effects-tariffs>
- The Fiscal and Economic Effects of the Revised April 9 Tariffs (Apr 10, 2025)
 - <https://budgetlab.yale.edu/research/fiscal-and-economic-effects-revised-april-9-tariffs>
- State of U.S. Tariffs (Nov 17, 2025)
 - <https://budgetlab.yale.edu/research/state-us-tariffs-november-17-2025>

Federal Reserve Board of Governors

- Trade-offs of Higher U.S. Tariffs: GDP, Revenues, and the Trade Deficit (Jul 7, 2025)
 - <https://www.federalreserve.gov/econres/notes/feds-notes/trade-offs-of-higher-u-s-tariffs-gdp-revenues-and-the-trade-deficit-20250707.html>
- Detecting Tariff Effects on Consumer Prices in Real Time – Part II (Apr 8, 2026)
 - <https://www.federalreserve.gov/econres/notes/feds-notes/detecting-tariff-effects-on-consumer-prices-in-real-time-part-II-20260408.html>
- The Slow Climb: How Tariffs Gradually Raised Retail Prices in 2025 (Mar 5, 2026)
 - <https://www.federalreserve.gov/econres/notes/feds-notes/the-slow-climb-how-tariffs-gradually-raised-retail-prices-in-2025-20260305.html>

Kiel Institute for the World Economy

- Kiel Trade and Tariffs Monitor
 - <https://www.kielinstitut.de/topics/kiel-trade-and-tariffs-monitor/>
- America's Own Goal: Who Pays the Tariffs? (Jan 2026)
 - <https://www.kielinstitut.de/publications/americas-own-goal-who-pays-the-tariffs-19398/>

Brookings

- Tracking Trade Amid Uncertain and Changing Tariff Policies (Apr 2, 2026)
 - <https://www.brookings.edu/articles/tracking-trade-amid-uncertain-and-changing-tariff-policies/>
- Tariffs in 2025: Short-run Impacts on the U.S. Economy (Mar 25, 2026)
 - <https://www.brookings.edu/articles/tariffs-in-2025-short-run-impacts-on-the-us-economy/>

Federal Reserve Bank of Dallas

- <https://www.dallasfed.org/research/swe/2025/swe2518>



Peterson Institute for International Economics (PIIE)

- <https://www.piie.com/research/trade-investment/tariffs>

NBER / FRB San Francisco / London School of Economics

- <https://jpvasquez-econ.github.io/files/Tariffs.pdf>
- https://texascenter.tamtu.edu/pdf/PRESENT/Tariff_Impact_Analysis_on_State_Employment-USA.pdf

American Enterprise Institute (AEI)

- <https://www.aei.org/foreign-and-defense-policy/trillions-in-foreign-investment-no-boom-yet/>
- <https://www.aei.org/research-products/report/evaluating-the-impact-of-tariffs-on-us-agriculture-a-year-after-liberation-day/>
- <https://www.aei.org/economics/tariffs-cannot-fully-replace-the-income-tax/>
- <https://www.aei.org/articles/china-has-overtaken-america-at-least-in-the-eyes-of-american-policymakers/>

The Data Project

- <https://www.tariff-tax.org/states>

