

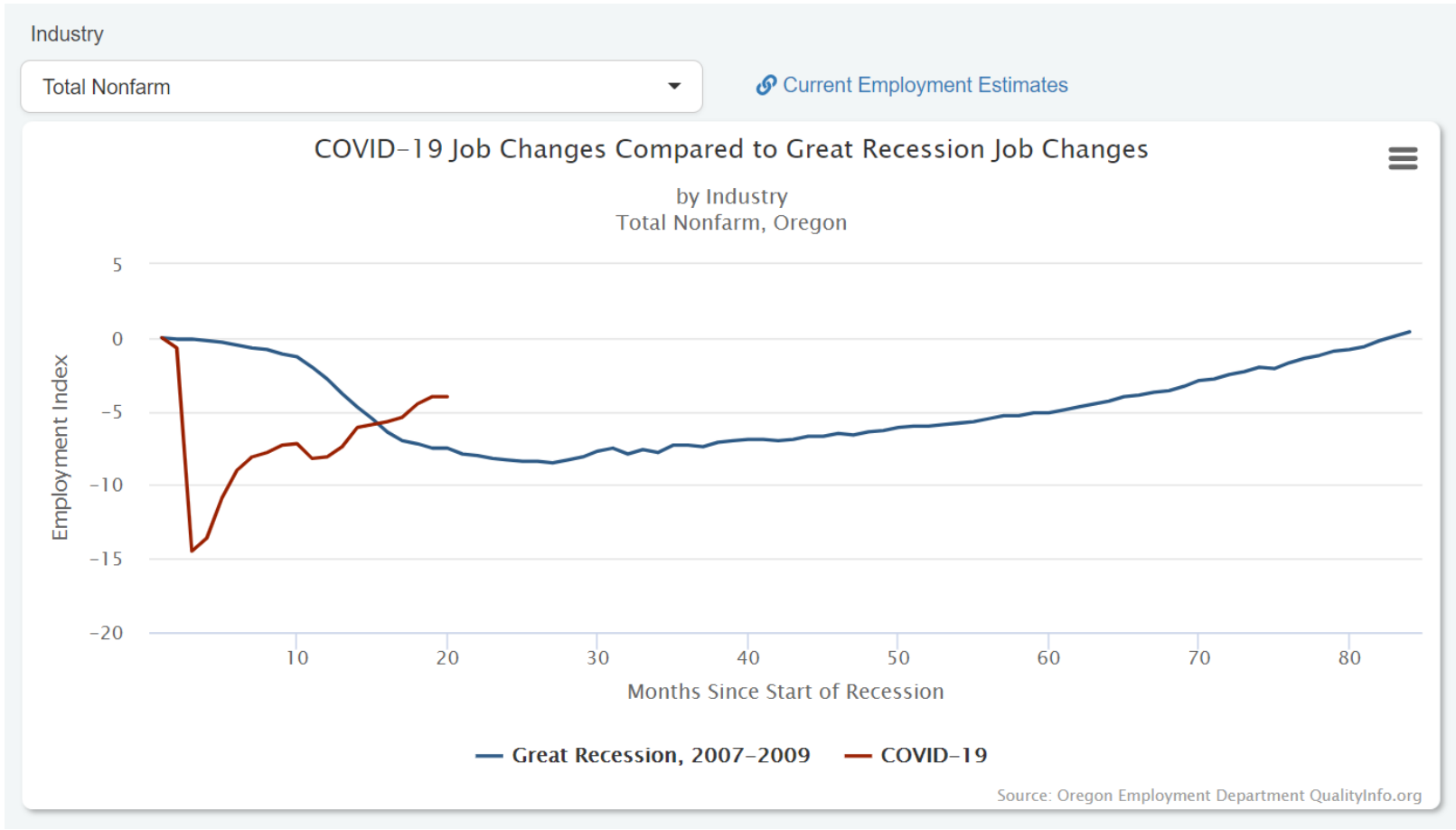
# Workforce and Economic Update April 2023



OED Advisory Council, April 26, 2023

# Summary

- Core Labor Market Information – Jobs, Unemployment, and Labor Force
- The Aging Population and In and Out-Migration Trends
- Inflation/Interest Rates, Recession/Expansion
- Long-Term Industry and Occupational Projections, New Phenomena, and other Economic Drivers



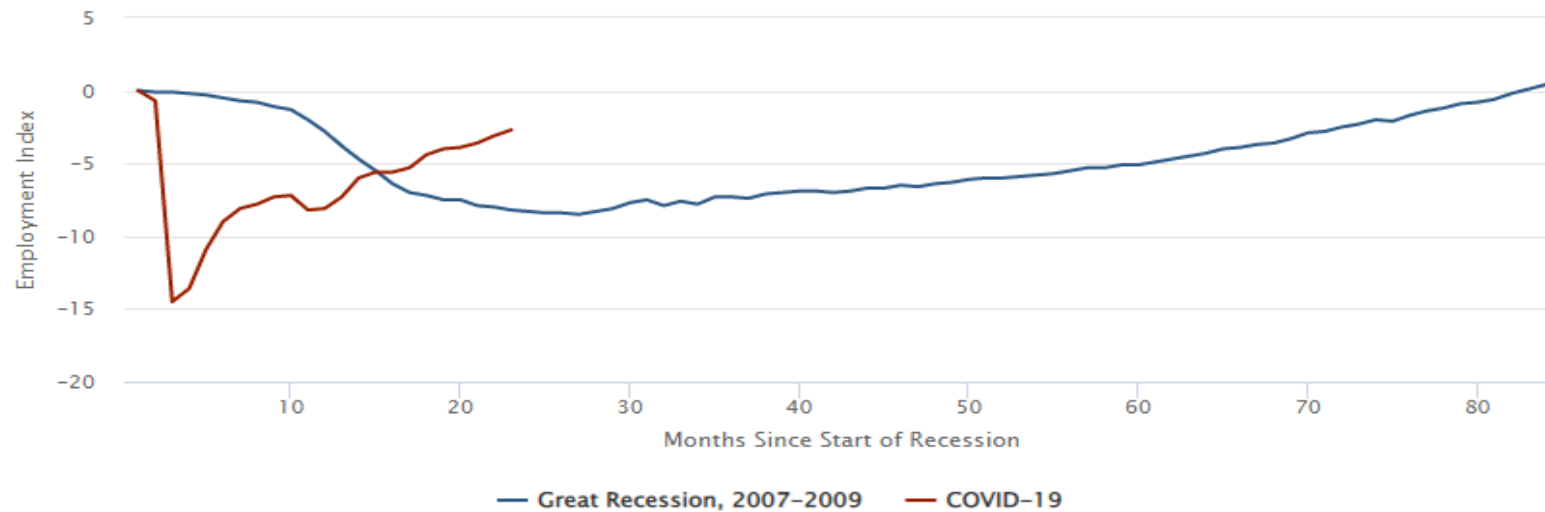
Industry

Total Nonfarm

Current Employment Estimates

### COVID-19 Job Changes Compared to Great Recession Job Changes

by Industry  
Total Nonfarm, Oregon



Source: Oregon Employment Department QualityInfo.org

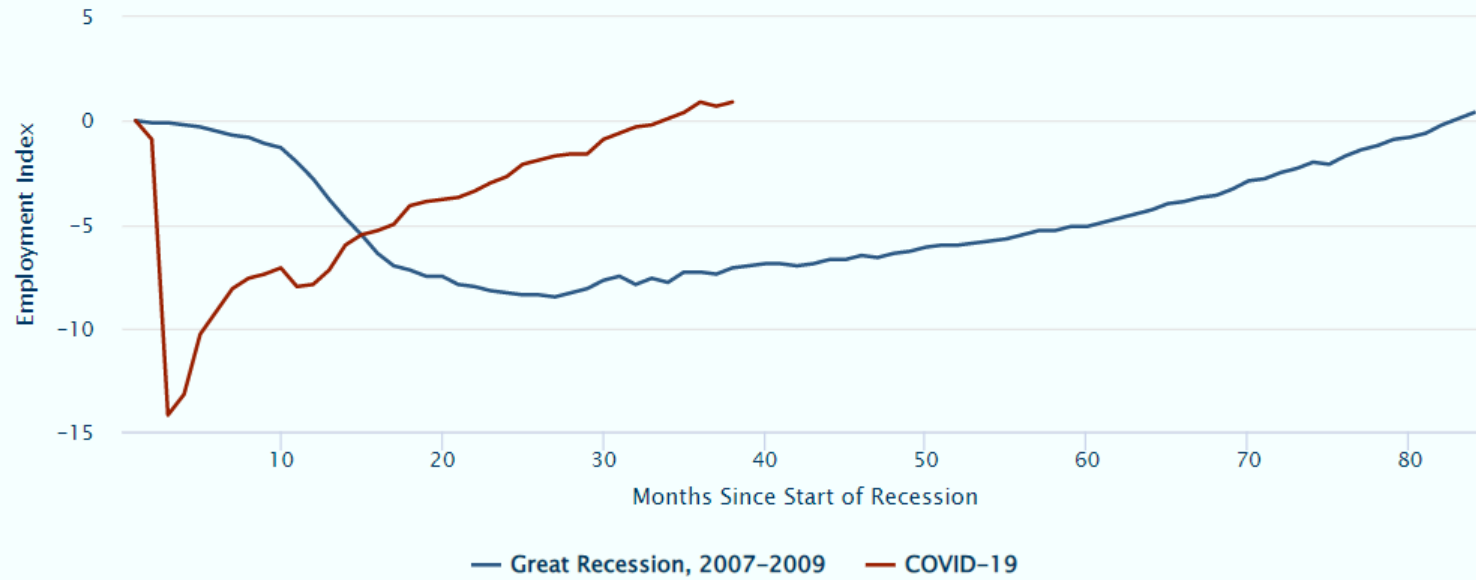
Industry

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### COVID-19 Job Changes Compared to Great Recession Job Changes

by Industry  
Total Nonfarm, Oregon



Source: Oregon Employment Department QualityInfo.org

# Oregon's unemployment rate fell to 4.4% in March

## OREGON ECONOMIC INDICATORS

Unemployment Rate - March 2023

**4.4%**

Seasonally Adjusted



0.3%

Total Unemployed - March 2023

**95,735**

Seasonally Adjusted



-7,481

Nonfarm Employment - March 2023

**1,989,400**

Seasonally Adjusted



2,400

Job Vacancies - 1st Quarter 2023

**74,902**



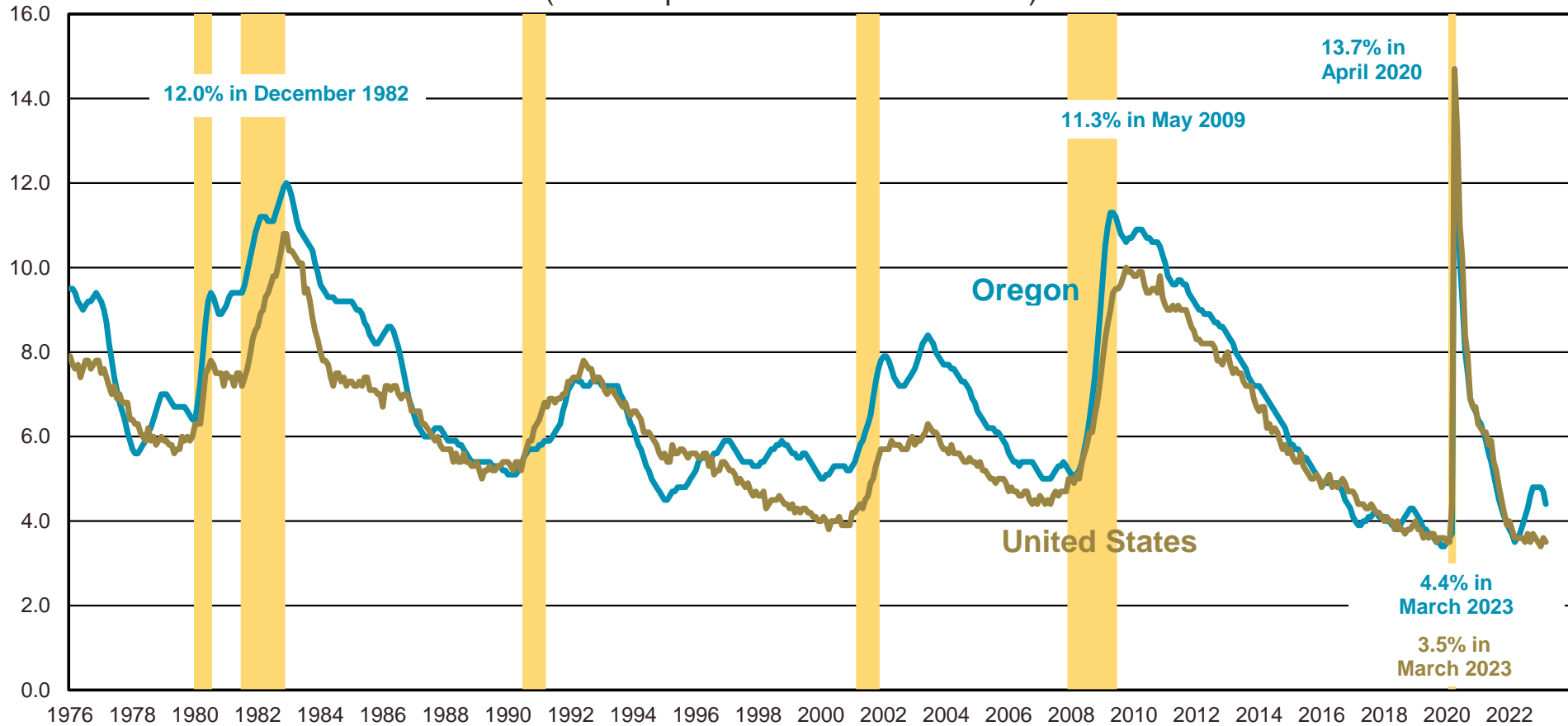
-13.0%

## Oregon's unemployment rate fell to 4.4% in March.

- That was the lowest Oregon's unemployment rate has been since last August.
- Still, Oregon's unemployment rate was higher than the U.S. in March (3.5%).
- The size of Oregon's labor force has stayed near the same level since last August, at about 2.18 million people.

# Oregon's unemployment rate was 4.4%

## Oregon's Unemployment Rate Was 4.4% in March 2023 (Bars Represent NBER Recessions)



Source: Oregon Employment Department and National Bureau of Economic Research

# Oregon employers added 2,400 jobs to nonfarm payrolls in March, following a revised loss of 2,700 jobs in February.

## Industry Trends

- Private health care and social assistance added 1,600 jobs in March.
- Professional and business services added 1,200 jobs.
- Within the sector, professional and technical services added 700 jobs, and administrative waste services added 500 jobs over the month.
- Retail trade lost 900 jobs over the month.

## All other sectors were closer to their typical seasonal movements in March.

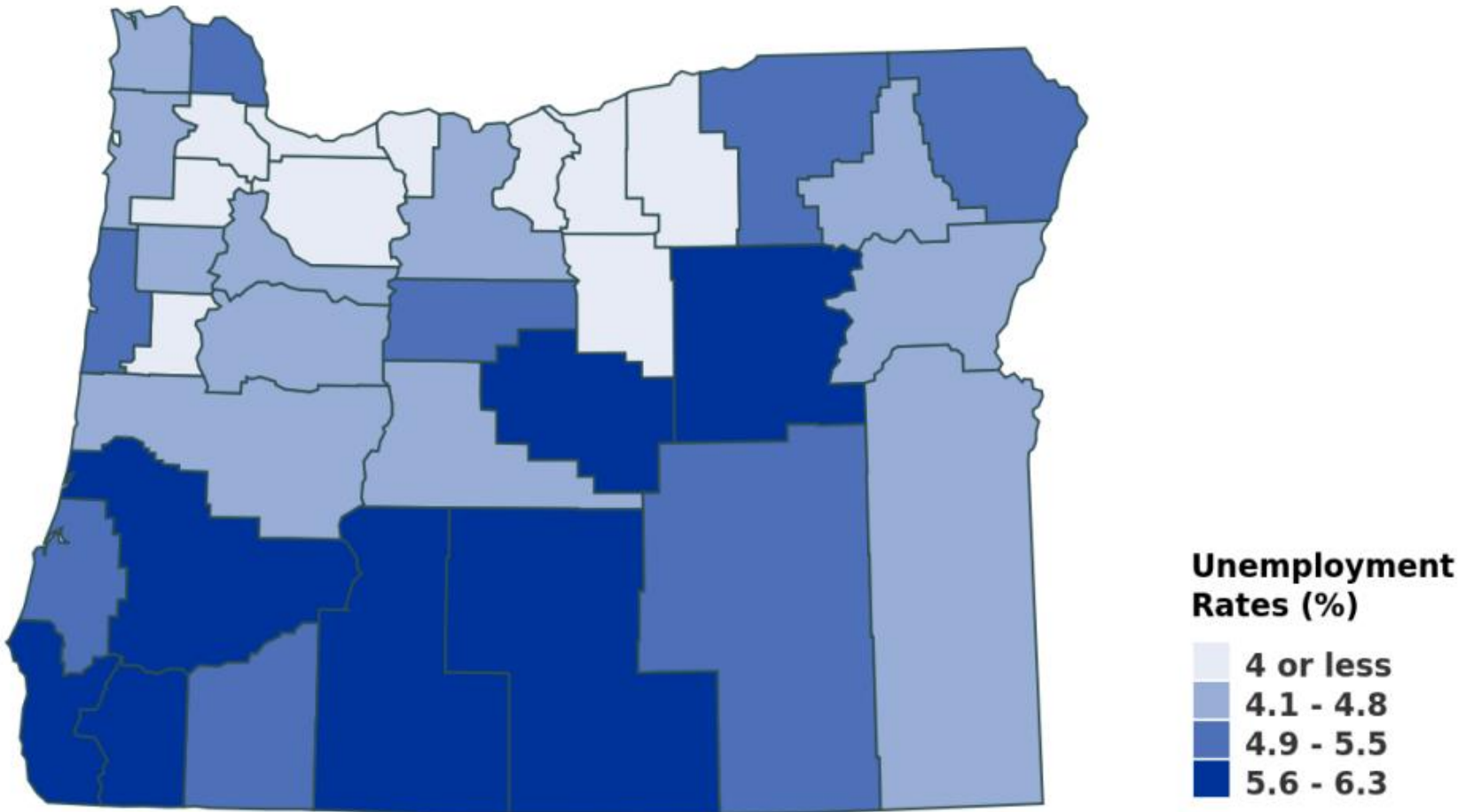
- Oregon employers added 54,200 jobs over the past year, which was a growth rate of 2.8%.
- Professional and business services added the most jobs (8,900) of any broad sector over the past year.
- Construction grew at the fastest rate (7.1%) of all broad sectors, adding 8,100 jobs.
- Retail trade employment declined by 1,600 jobs (or -0.8%) over the past year.



# Oregon Unemployment Rates by County - March

## Seasonally Adjusted Unemployment Rate

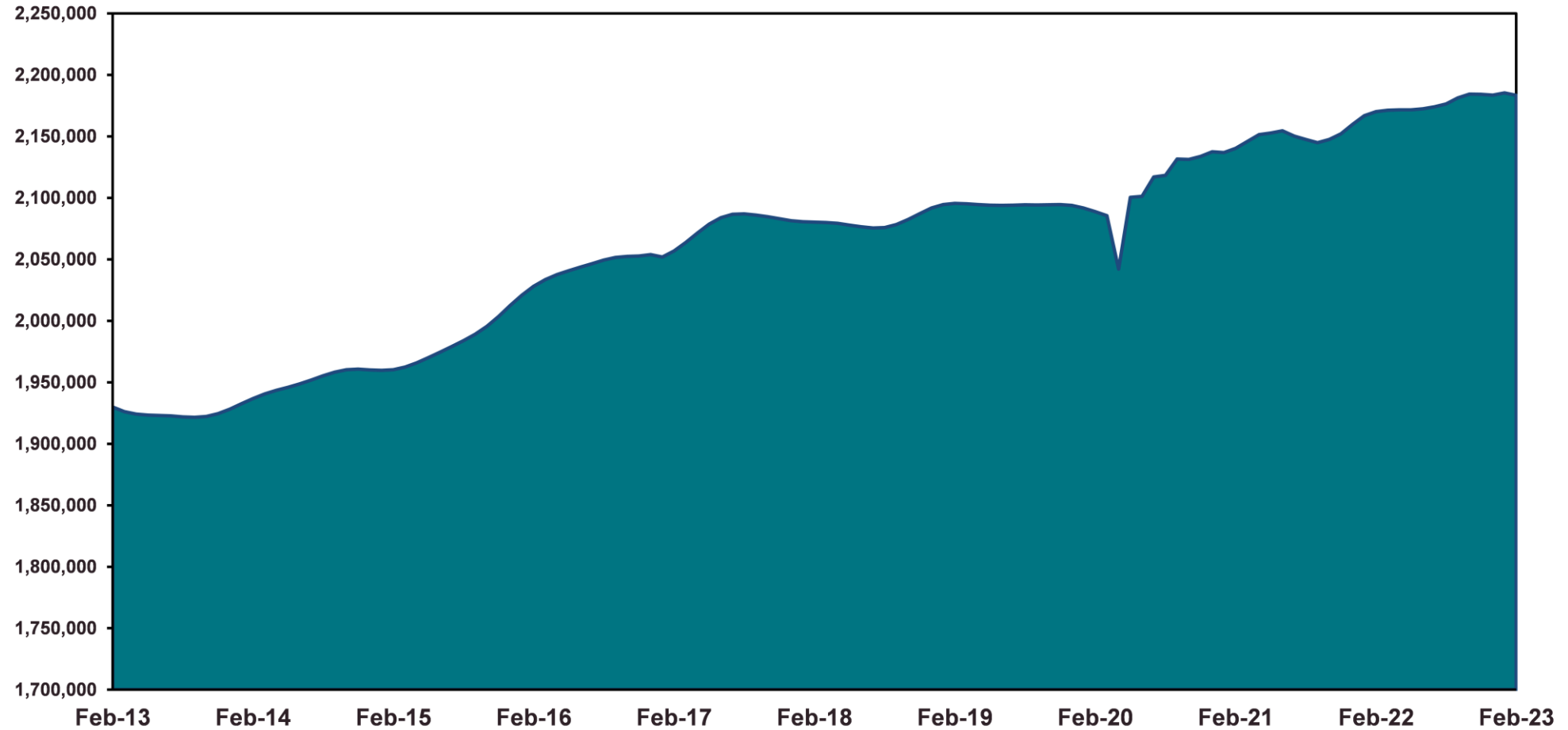
March 2023



Klamath County had Oregon's highest seasonally adjusted unemployment rate (6.3%) in March. Other counties with relatively high unemployment rates were Grant (6.1%), Josephine (6.0%), and Crook (5.9%). Wheeler County registered the lowest unemployment rate (3.2%) in March. Other counties with relatively low unemployment rates included Benton (3.5%), Hood River (3.5%), Washington (3.5%), and Sherman (3.6%).

Oregon's labor force decreased slightly in February.

### Oregon Civilian Labor Force, Seasonally Adjusted 2013 to Present

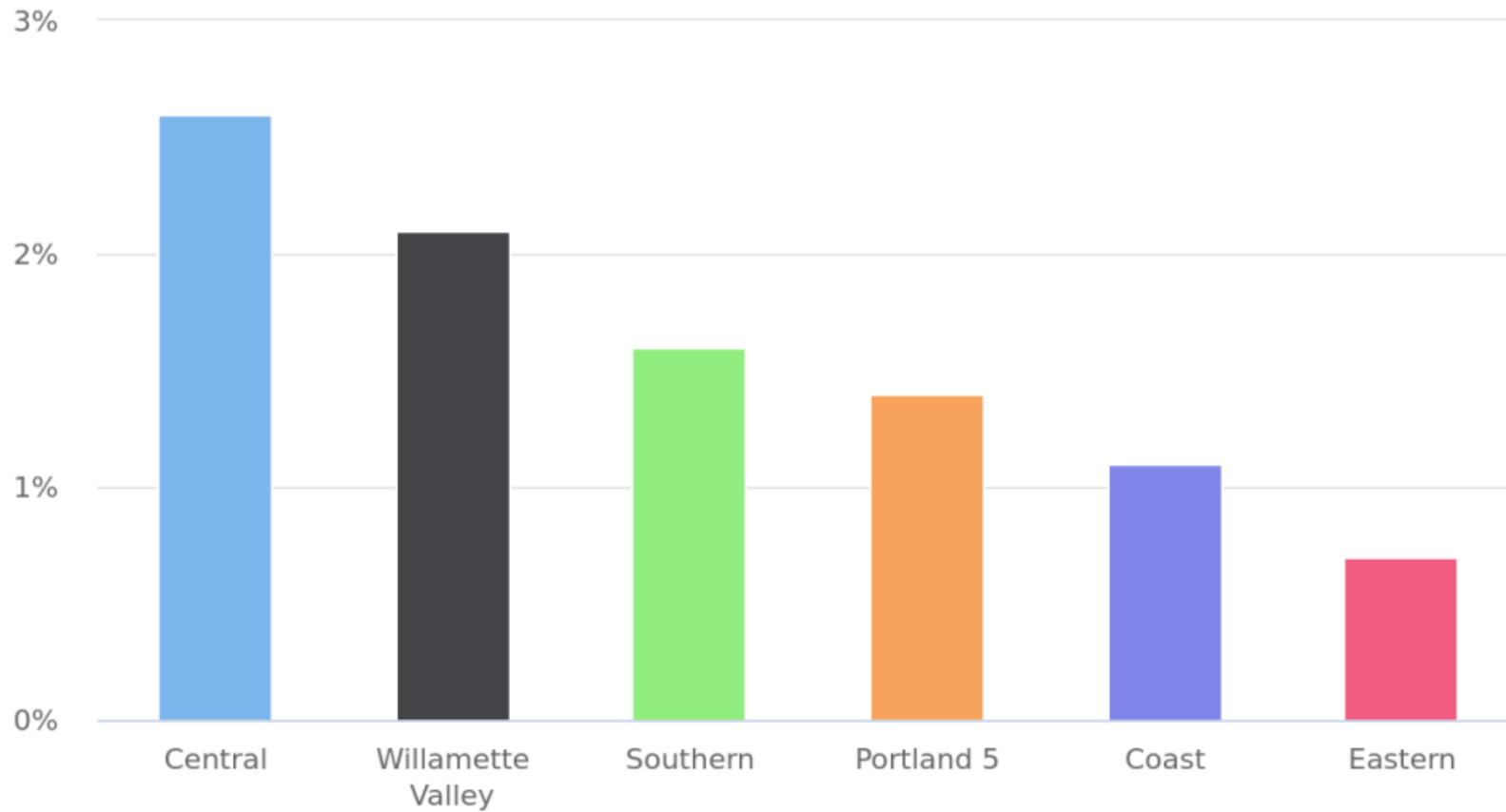


Source: Oregon Employment Department, Local Area Unemployment Statistics

# Nonfarm Employment – March 2022 to March 2023

## Over-the-Year Employment Change by Region

March 2022 to March 2023, Seasonally Adjusted Nonfarm Employment

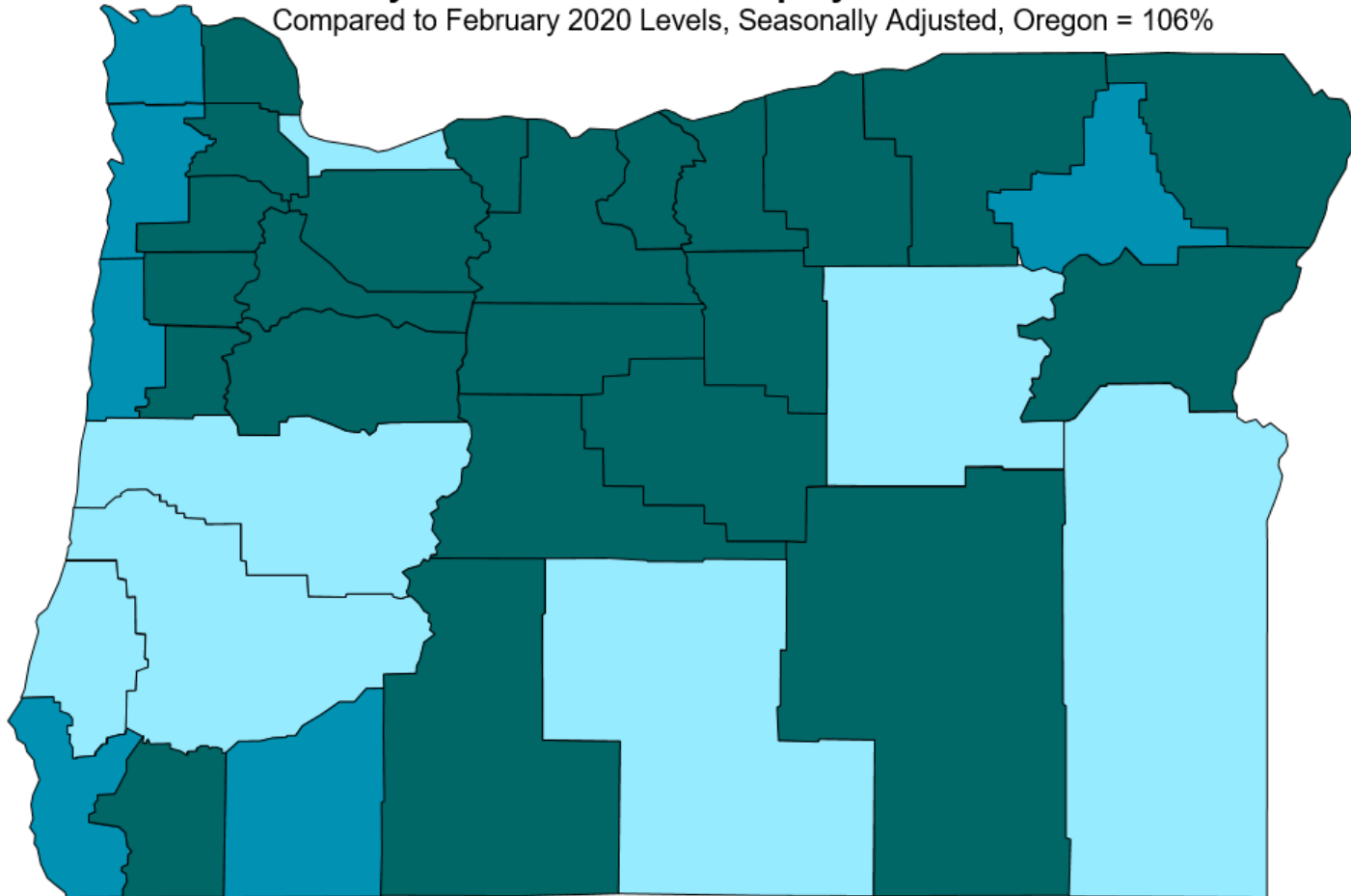


Oregon Employment Department, Current Employment Statistics

Oregon has more jobs now than before the pandemic recession.

### Recovery of Total Nonfarm Employment as of March 2023

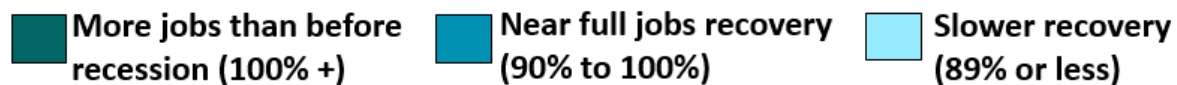
Compared to February 2020 Levels, Seasonally Adjusted, Oregon = 106%



There are 23 counties that have regained their total pandemic recession job losses:

- Baker
- Benton
- Clackamas
- Columbia
- Crook
- Deschutes
- Gilliam
- Harney
- Hood River
- Jefferson
- Josephine
- Klamath
- Linn
- Marion
- Morrow
- Polk
- Sherman
- Umatilla
- Wallowa
- Wasco
- Washington
- Wheeler
- Yamhill

Source: Oregon Employment Department

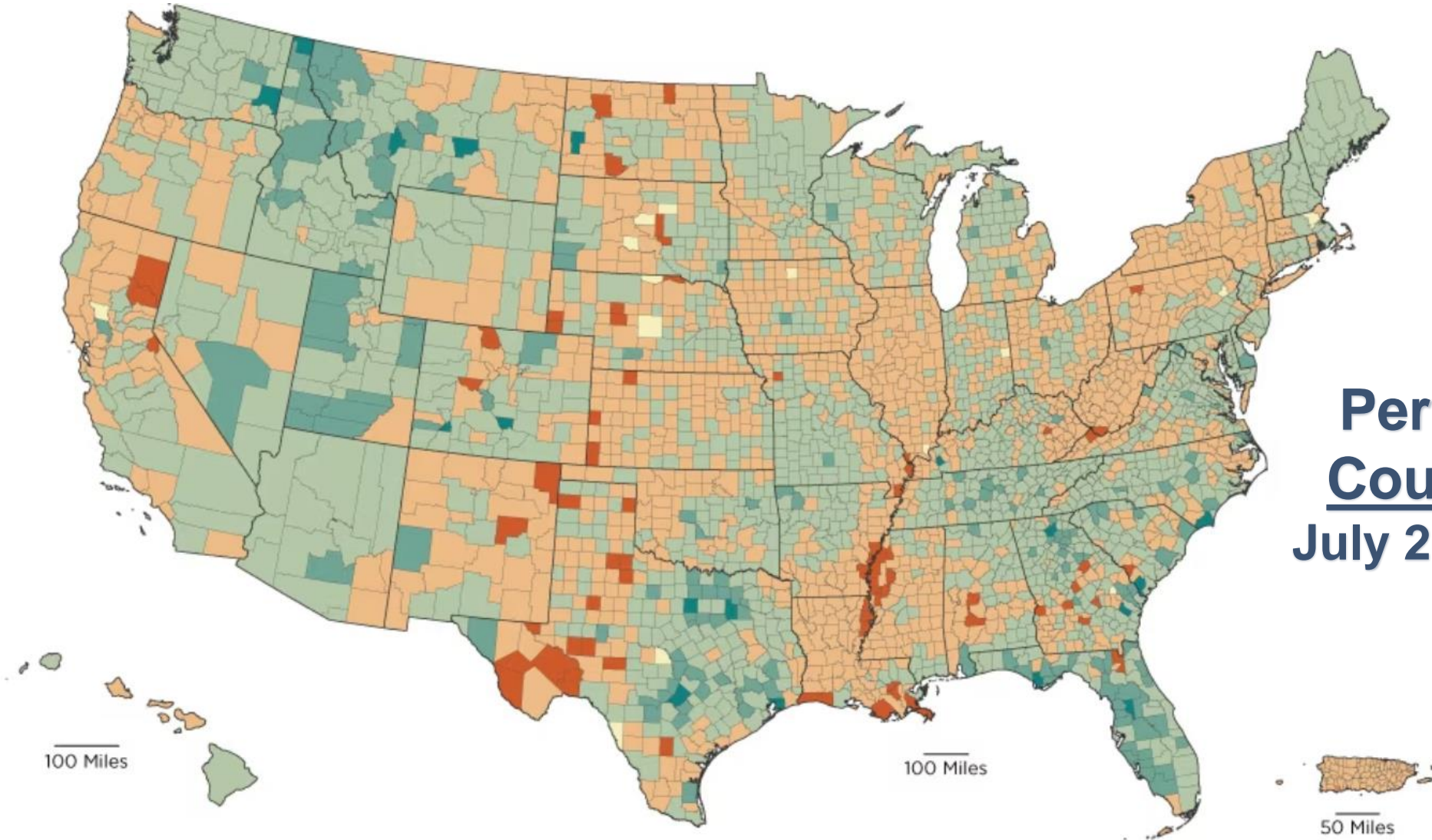


# Population growth is a significant driver to job creation

## Percent change



## Percent Change in County Population: July 2021 – to – July 2022



# Inflation was 5% over the year, and only .1% over the month in March

## 12-month percentage change, Consumer Price Index, selected categories, not seasonally adjusted

- All items
- Food at home
- Energy
- Electricity
- All items less food and energy
- Apparel
- Medical care commodities
- Shelter
- Education and communication
- Food
- Food away from home
- Gasoline (all types)
- Natural gas (piped)
- Commodities less food and energy com...
- New vehicles
- Services less energy services
- Medical care services

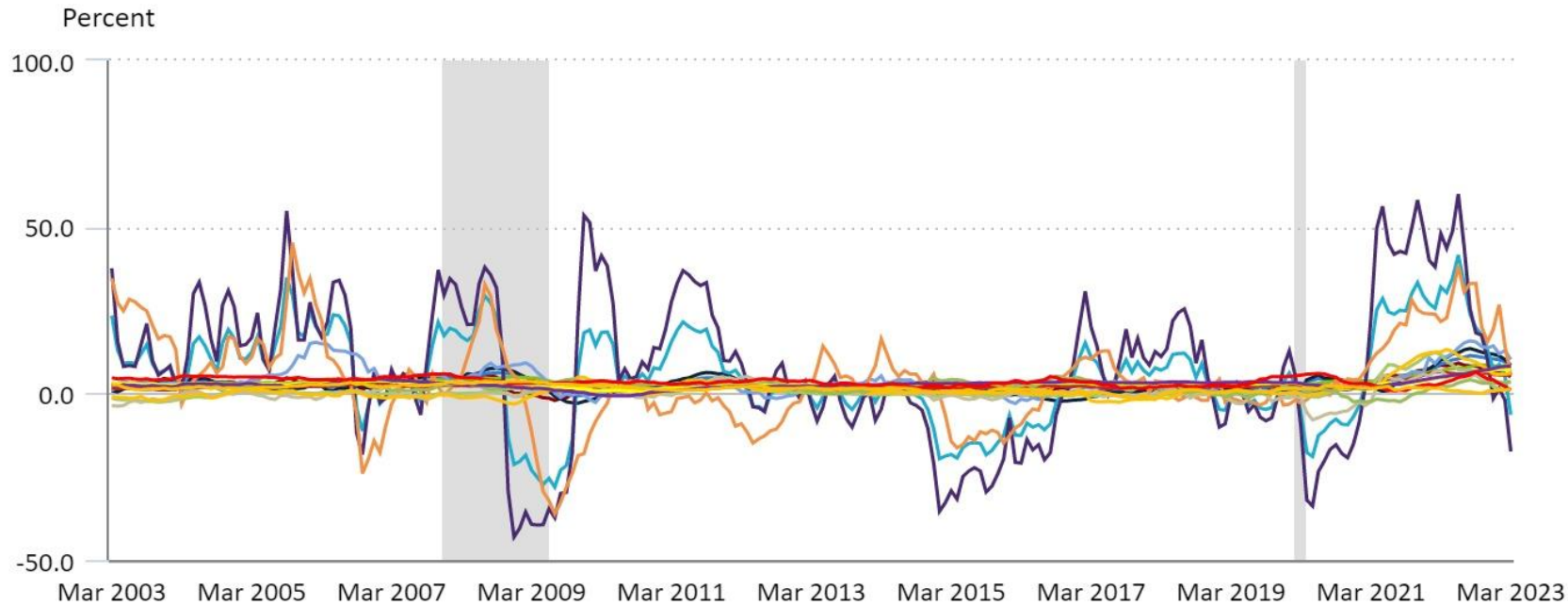


Source: U.S. Bureau of Labor Statistics.



# All components - CPI

12-month percentage change, Consumer Price Index, selected categories, not seasonally adjusted



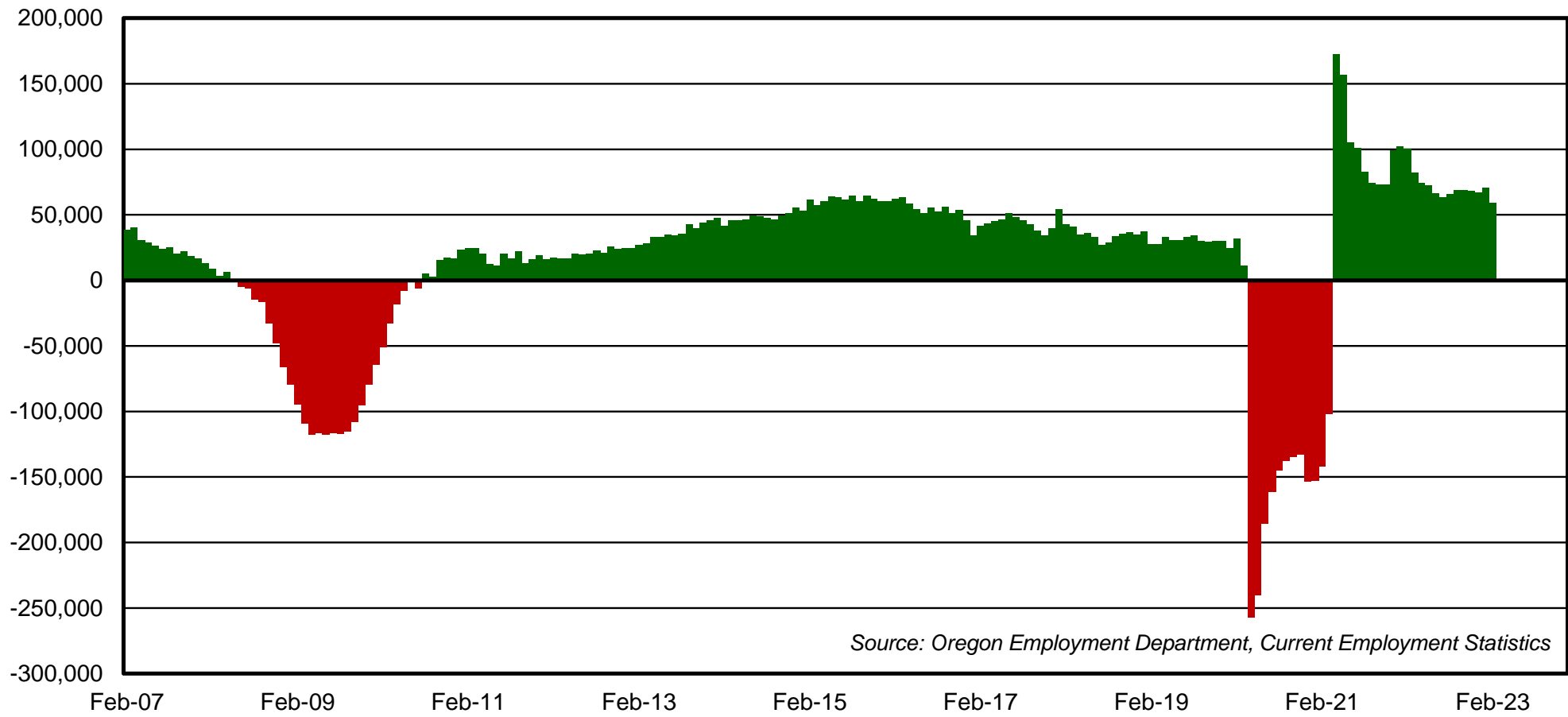
## Key Drivers:

- Gasoline
- Energy
- Natural Gas



Employment grew 3.0% from February 2022 to February 2023.

### Oregon's Year-Over-Year Job Growth/Decline Seasonally Adjusted

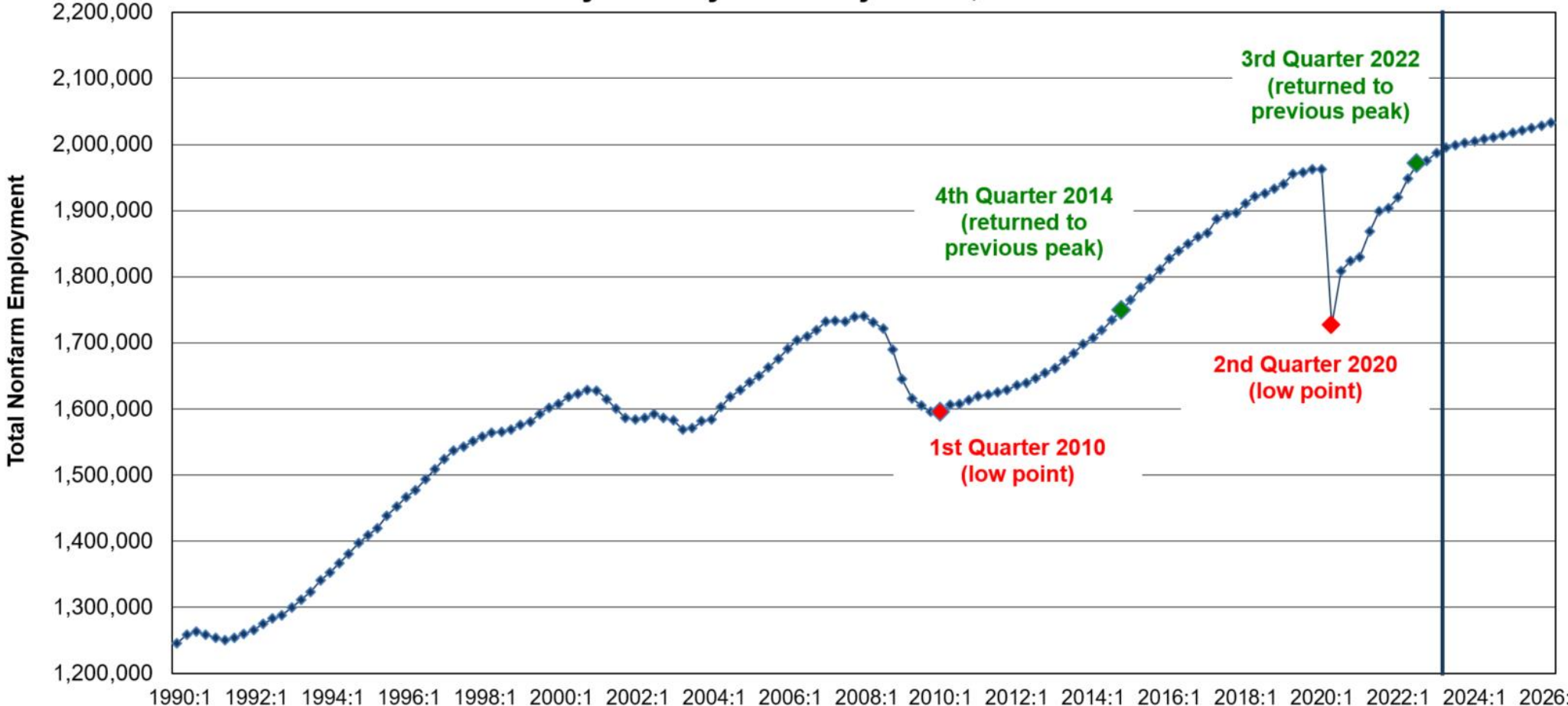


Source: Oregon Employment Department, Current Employment Statistics



The Office of Economic Analysis forecasts Oregon will gain 17,600 jobs over the next year.

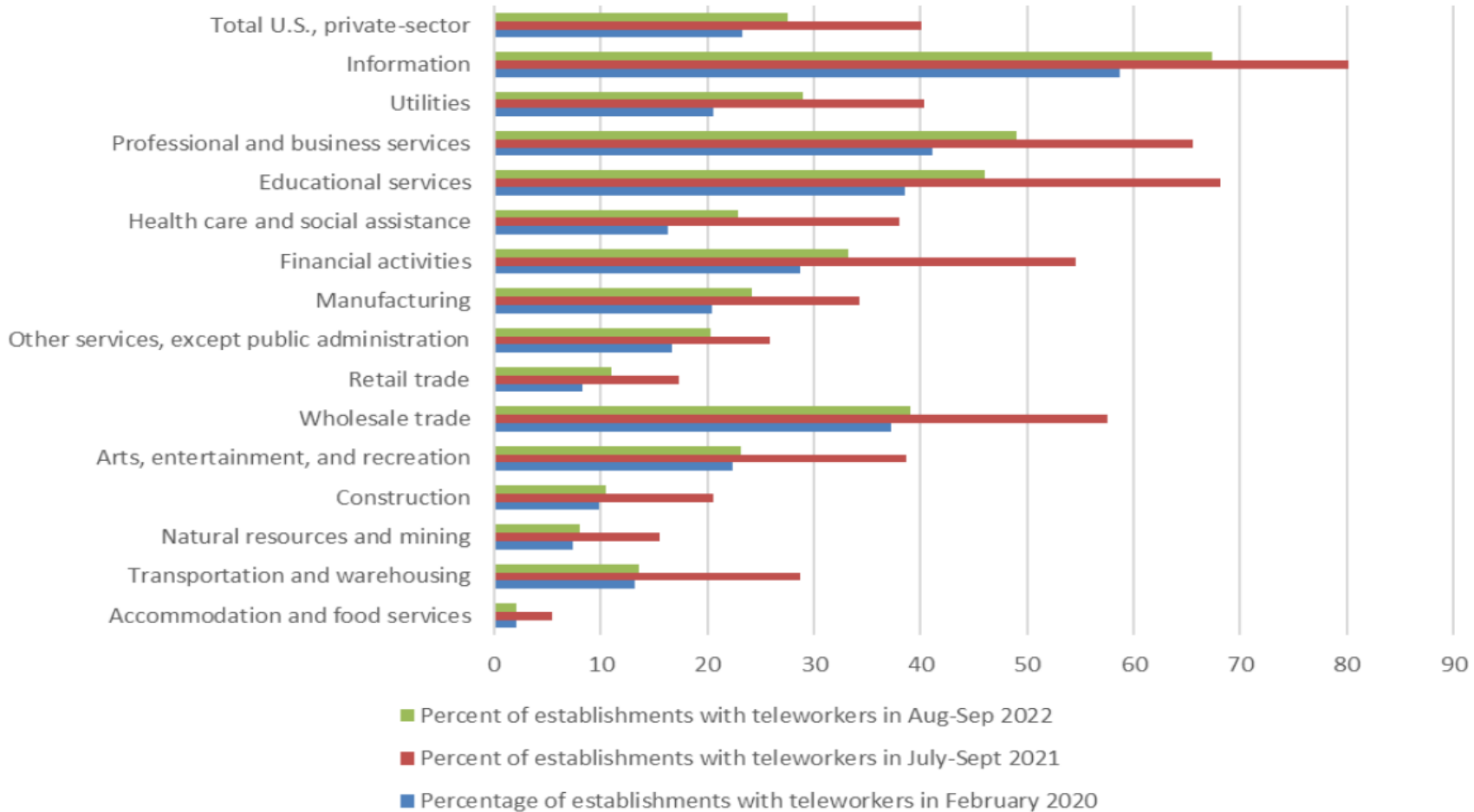
### Oregon Nonfarm Payroll Employment Quarterly History and Projection, 1990-2026



Source: Office of Economic Analysis, Department of Administrative Services, March 2023

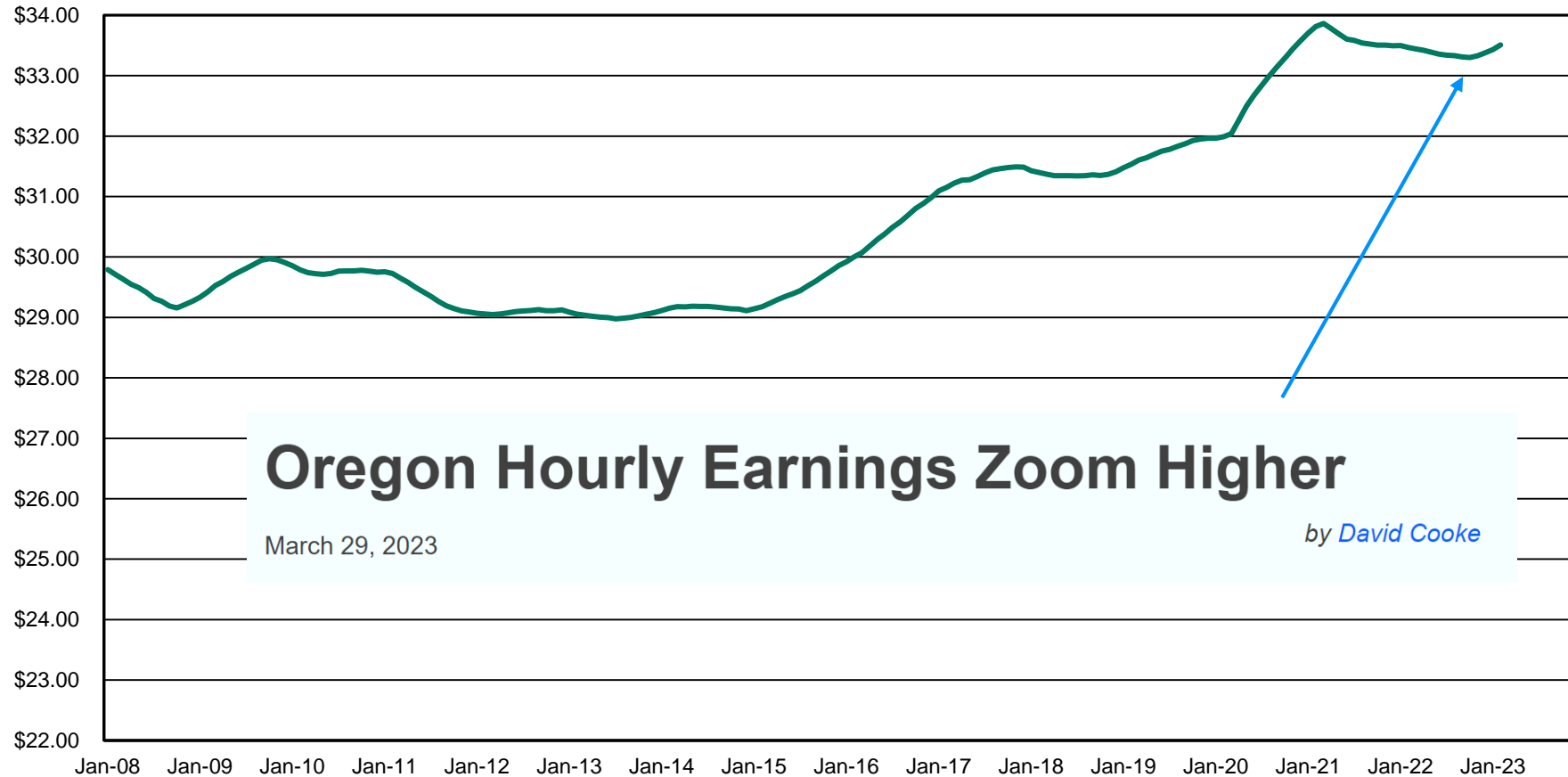
# Teleworking Trends – Are we headed back to the office?

Private establishments with teleworkers in Aug-Sep 2022, Jul-Sep 2021, and February 2020, by industry (percent)



# Real wages for private nonfarm jobs rose slightly in recent months, March '23

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



**Oregon Hourly Earnings Zoom Higher**  
March 29, 2023 *by David Cooke*

Source: Oregon Employment Department and Bureau of Labor Statistics

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