July 2026

Oregon Jobs and Labor Force – June 2026 Update

Author: Miranda Vargas

Agriculture in Focus: Drought Pressures and Employment Resilience

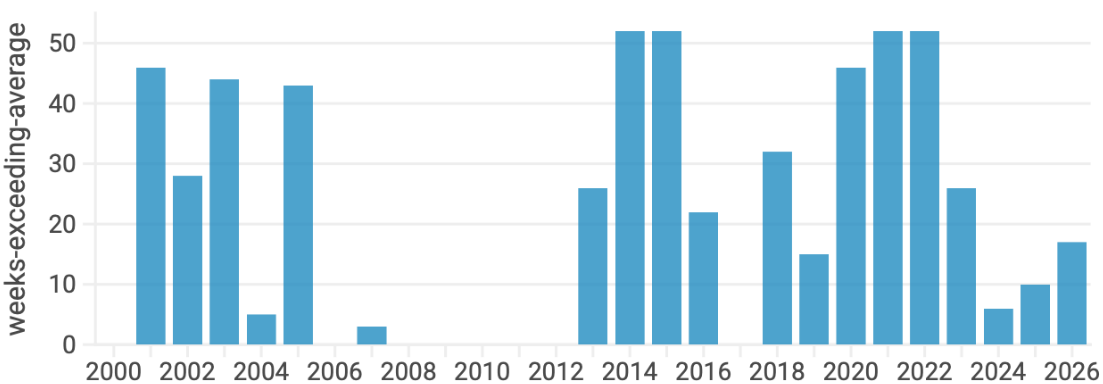
Oregon's labor market showed modest softening in June 2026, with seasonally adjusted total nonfarm payroll employment down 600 jobs and the unemployment rate holding at 5.2%, well above the national rate of 4.3%. Against this broader backdrop, this month's report puts a spotlight on agriculture, a sector where seasonal water conditions have added a layer of pressure not fully captured in the headline employment figures.

As the month of June comes to a close, Oregon's agriculture market has observed relative stability in sectors such as livestock and specialty crops like hazelnuts. Other sectors have experienced struggles due to low snowpack and drought conditions in 21 of Oregon's 36 counties. Drought and low snowpack have been observed across states with comparable agriculture industries, including Washington, Utah, California, Colorado, and Idaho. Notable Oregon reservoirs such as Prineville, Wickiup, and Crescent Lake sit at 45%, 38%, and 21% capacity respectively. This mirrors broader stress across the Colorado River basin, where Lake Mead and Lake Powell currently sit at 25% and 23% capacity.

So far in 2026, 17 of the year's 27 elapsed weeks — about 63% — have shown drought severity above the historical average for this time of year, putting Oregon on a trajectory closer to high-severity years like 2020 and 2005 than to the calmer stretch of the late 2000s and early 2010s.

Weeks of Above-Average Drought Severity by Year, 2000–2026

Number of weeks per year in which Oregon's Drought Severity and Coverage Index (DSCI) exceeded the historical average for that week of the year, out of 52 weeks for Oregon.



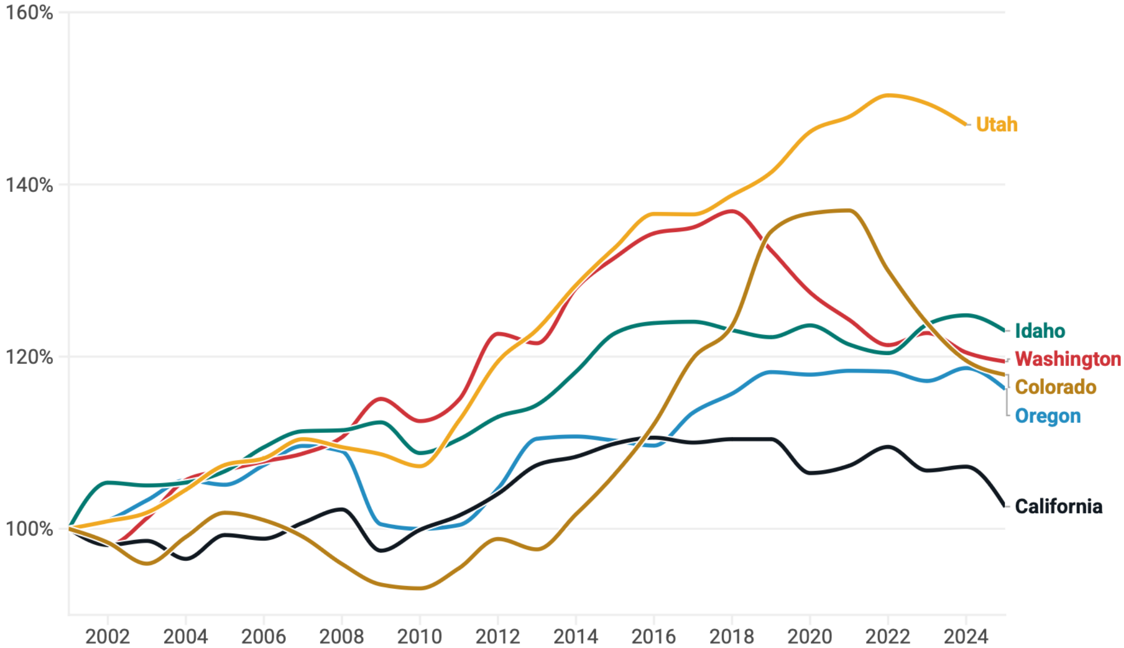
Source: U.S. Drought Monitor (USDM), NDMC/NOAA/USDA. • 2026 reflects a partial year (through July) and is not directly comparable to complete years.

This reservoir stress is reflected in agricultural employment trends as well: since 2020, Colorado's agriculture employment has declined 13.7% and California's 3.7%, compared to more modest declines in Oregon (1.4%) and Idaho (0.5%).

Agriculture Employment Trends by State, 2001–2025

(Index, 2001 = 100)

Index of agriculture employment relative to a 2001 baseline.

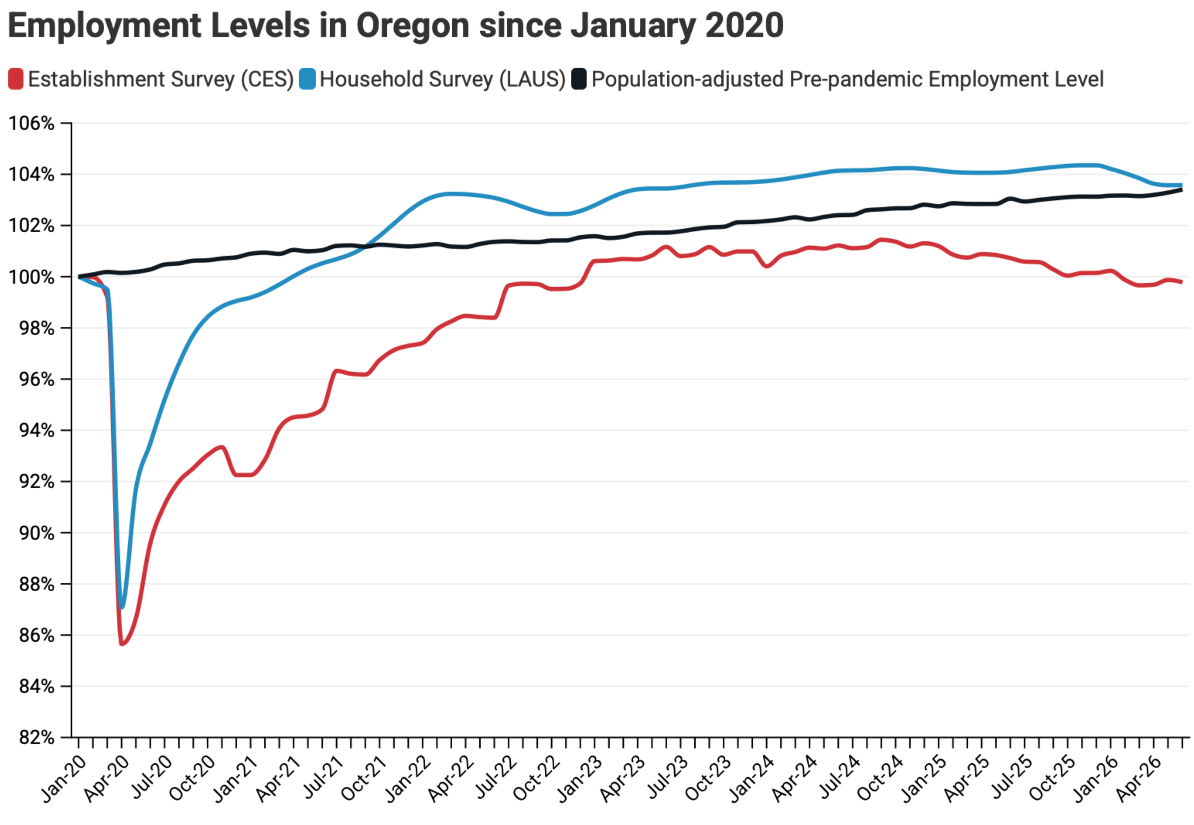


Source: U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages • 2025 Utah data is not Disclosable —data do not meet BLS or State agency disclosure standards.

Among the states experiencing drought and low snowpack, Oregon and Idaho have remained comparatively stable, which can be attributed to their strong livestock sectors and diverse crops even as water challenges and generally low supplies persist.

Key Highlights—Oregon June 2026 Employment Data

- Oregon's seasonally adjusted total nonfarm payroll employment decreased by 600 jobs in June 2026. Private-sector employment followed this decline, shedding 400 jobs.
- Educational and Health Services led sectoral gains, adding 2,500 jobs, while Administration and Support Waste Management and Remediation Services also posted a strong gain of 1,200 jobs.
- Manufacturing registered the largest over-the-month decline, shedding 1,700 jobs, followed by Non-durable Goods, which lost 1,600 jobs.
- On a seasonally adjusted basis, total nonfarm payroll employment in Oregon remains 4,200 jobs below its January 2020 level. Seven of eleven supersectors continue to trail their pre-pandemic employment levels.
- Oregon's unemployment rate held at 5.2% in June, remaining well above the national rate of 4.3%.



Source: BLS, OED • October data unavailable due to the 2025 lapse in appropriations.

- The **Current Employment Statistics (CES)** survey indicates that Oregon has yet to fully return to its **pre-pandemic employment-to-population ratio**.
- Estimates from the **Local Area Unemployment Statistics (LAUS)** program show that Oregon's total employment surpassed pre-pandemic levels as early as **September 2021** and has remained above that benchmark.

Industry-Level Dynamics

- **Overall Employment:** Oregon's seasonally adjusted total nonfarm payroll employment fell by 600 jobs in June 2026. May's gain was revised down by 1,100 jobs, bringing that month's total to 2,500 job gains. Private-sector employment accounted for 400 of June's overall decline.
- **Manufacturing** employment continued to decline, losing 1,700 jobs— the largest loss of any industry. May's loss was also revised, down by 1,000 jobs to a 2,100 job decline. The sector has now shed 7,000 jobs year to date.
- **Education and Health Services** posted the largest gains, adding 2,500 jobs in June, with 2,000 of those coming from Health Care and Social Assistance and the remainder from educational services.
- **Other Services** fell this month, losing about 300 jobs.

- **Professional and Business Services** also fell slightly, losing 300 jobs. Within the supersector, the Professional, Scientific, and Technical Services lost 1,300 jobs, while the Administrative and Support and Waste Management and Remediation Services gained 1,200 jobs.
- **Construction** showed no change compared to May.
- **Financial Activities** also showed no change.
- **Trade, Transportation, and Utilities** lost 500 jobs, driven by loses in the Wholesale Trade subsector, followed by Retail Trade.
- **Mining and Logging** was unchanged compared to May.
- **Leisure and Hospitality** lost a total of 800 jobs in June; Accommodation and Food Services was responsible for 1300 of those loses while Arts Entertainment and Recreation offset them by 500 gains.
- **Government** employment shed 200 jobs, with losses attributed entirely to Local government subsectors.

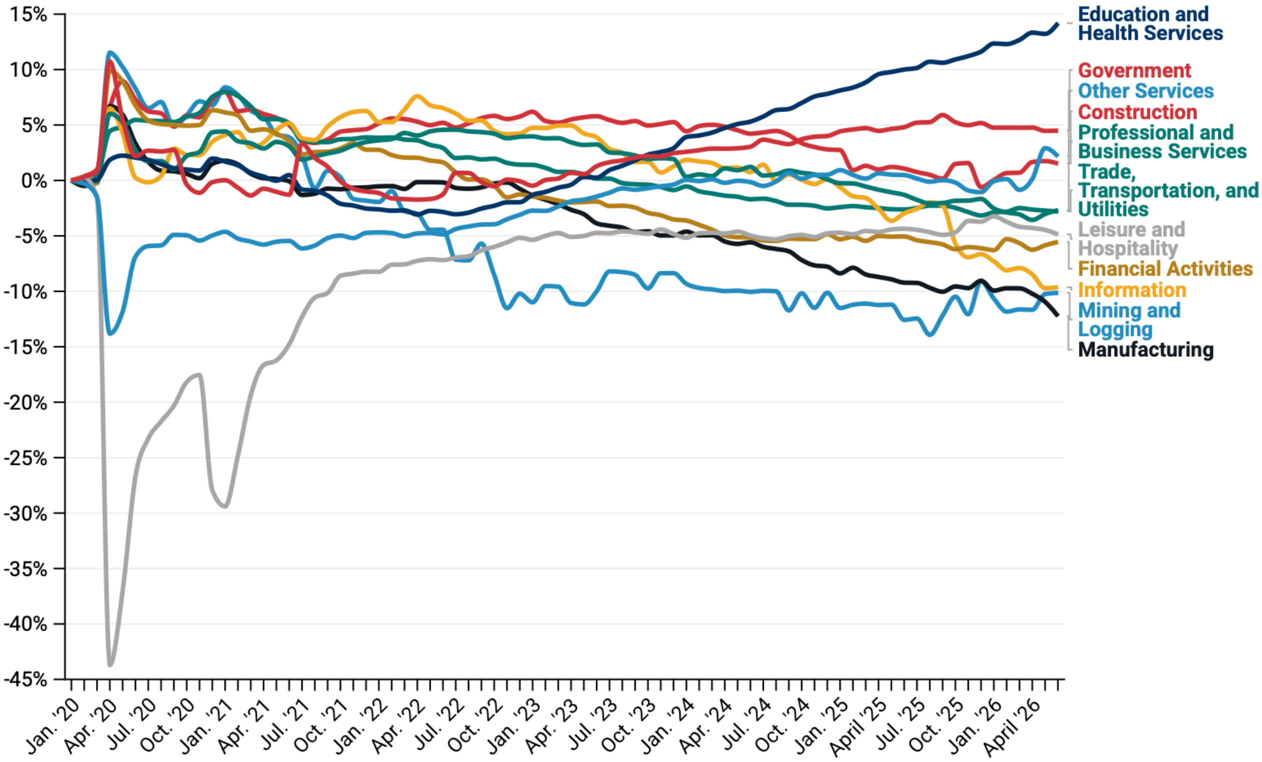
Since the Onset of the Pandemic:

- Total seasonally adjusted nonfarm employment in Oregon has decreased by 4,200 jobs since January 2020, with private sector employment accounting for roughly 17,000 of the job losses.
- Seven of eleven supersectors remain below their pre-pandemic levels on a seasonally adjusted basis: Mining and Logging; Manufacturing; Trade, Transportation, and Utilities; Information; Financial Activities; Professional and Business Services; and Leisure and Hospitality.

Notable shifts:

- Among the supersectors still below pre-pandemic levels, Mining and Logging and Manufacturing have seen the steepest declines, down 10.4% and 12.5% respectively since January 2020, followed by Information and Financial Activities, down 9.9% and 5.8% respectively.
- By contrast, Education and Health Services has grown 13.9% since January 2020, driven largely by Health Care and Social Assistance, which is up 16.3%. Government employment has similarly increased, rising 4.2% over the same period.

Changing Industry Shares of Total Oregon Employment since January 2020



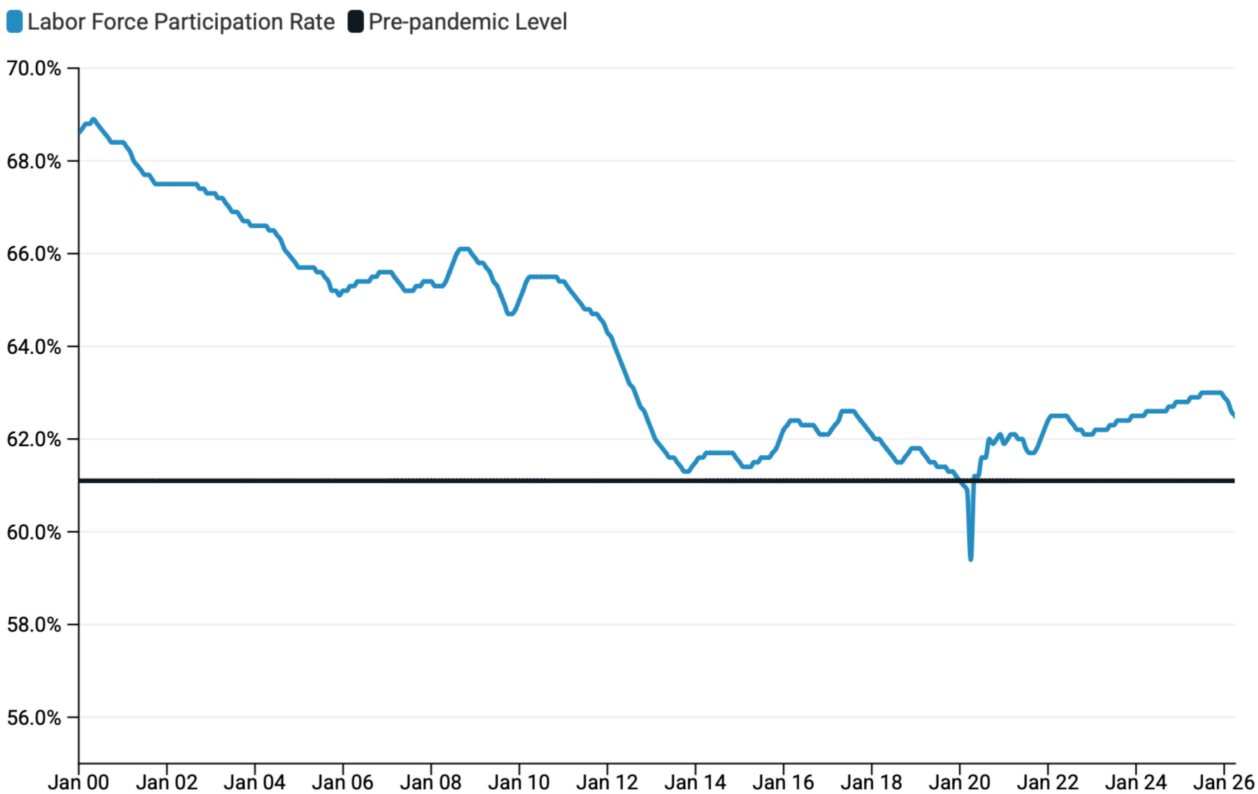
Source: Calculated by CSI using employment data from BLS and OED • Employment levels for May and June are estimated by applying Oregon Employment Department (OED) growth rates to the April 2026 BLS benchmark.

Oregon Labor Force Update

Labor Force Participation Rate (LFPR): Oregon's LFPR has declined gradually since the start of the year, falling from 63.2% in December 2025 to 62.4% in May 2026 — the most recent month available — and remains above the national rate of 61.8%. June data has not yet been released; BLS is scheduled to publish state-level figures for June on July 21, 2026.

Unemployment Rate: Oregon's unemployment rate has held steady at 5.2% since the beginning of the year (as of June data), remaining well above the national rate of 4.2%.

Labor Force Participation Rate in Oregon Since 2000



Source: BLS, OED • October data unavailable due to the 2025 lapse in appropriations.

Technical Notes and Data Sources

All data are seasonally adjusted unless otherwise noted. Employment estimates derived from the **Oregon Current Employment Statistics (CES)** survey and are benchmarked to **Bureau of Labor Statistics (BLS)** data through **April 2026**. Labor force estimates come from the Local Area Unemployment Statistics (LAUS) program, with data through June 2026. May and June 2026 CES estimates are extrapolated using monthly growth rates from the Oregon Employment Department's June release.