



June 2025

Oregon Jobs and Labor Force – May 2025 Update

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Core Industry Tightening and a Steady Rise in Unemployment

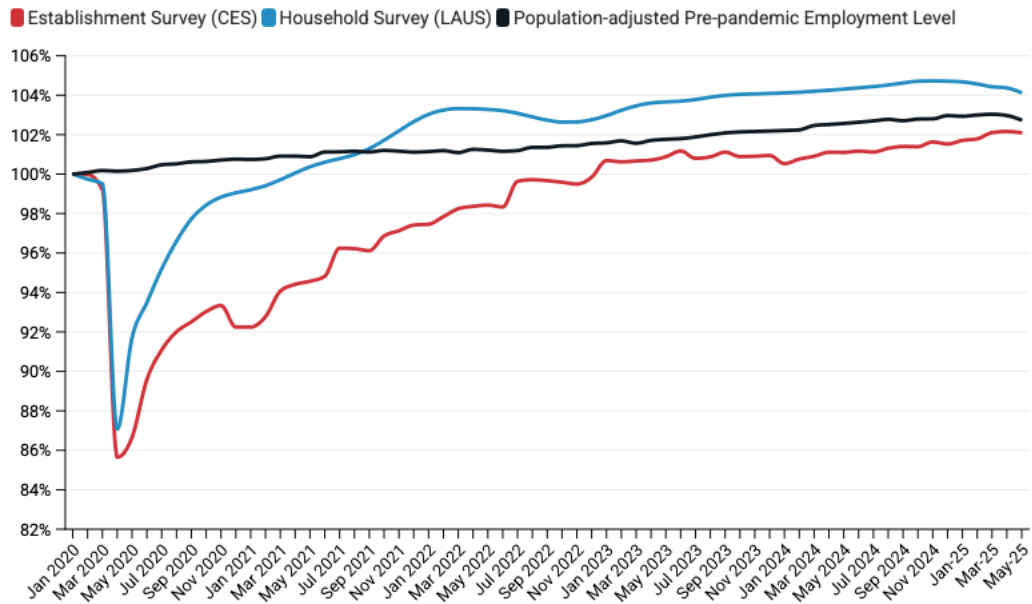
In May, Oregon’s seasonally adjusted nonfarm payroll employment eased by 1,400 jobs, reflecting modest cooling after recent gains. The unemployment rate continued its steady climb, rising each month since December—from 4.3% then to 4.8% in May—suggesting a gradual loosening of labor-market conditions.

Construction and manufacturing led the declines, shedding 1,700 and 1,200 jobs respectively, and highlighting persistent pressures in these foundational sectors. Meanwhile, service industries such as leisure & hospitality and education & health services maintained job growth, underscoring the uneven pace of Oregon’s recovery.

Key Highlights—Oregon May 2025 Employment Data

- **Core industries weakened:** Construction (-1,700) and Manufacturing (-1,200) saw the steepest declines, stoking concerns for Oregon’s foundational sectors.
- **Service-sector contrasts:** Leisure & hospitality (+1,300) and Education & health services (+1,200) were the only big gainers, fuelled by strength in accommodation/food services and health care.
- **Professional services backtrack:** After April gains, professional & business services gave back about 900 jobs, slipping back to March levels.
- **Small losses elsewhere:** Mining & logging; Trade, transportation & utilities; and Financial activities each dipped by roughly 100 jobs.
- **Mixed public-sector picture:** Government added 200 jobs net—Local government up 600, state up 100, while Federal payrolls fell by 500.

Employment Levels in Oregon since January 2020



- The **Current Employment Statistics (CES)** survey indicates that Oregon has yet to fully return to its **pre-pandemic employment-to-population ratio**.
- However, estimates from the **Local Area Unemployment Statistics (LAUS)** program 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 **1,400 jobs** in May.
- **Private Sector Losses:** Most of the losses occurred in the **private sector**, which shed about **1,600 jobs**—erasing last month's gains.
- **Construction & Manufacturing Hit Hard:** The **construction** sector saw the biggest decline, losing **1,700 jobs**, followed by **manufacturing** with a loss of **1,200 jobs**. These declines have raised concerns about the health of these key industries.

- **Leisure and Hospitality Growth:** The **leisure and hospitality** sector added **1,300 jobs**, largely driven by a gain of **1,400 jobs** in **accommodation and food services**.
- **Education and Health Services Up:** The **education and health services** sector gained about **1,200 jobs**, led by growth in **health care and social assistance**.
- **Professional Services Down:** The **professional and business services** sector lost about **900 jobs** in May, wiping out April's gains and returning employment to its March level.
- **Minor Losses in Other Sectors:** Other sectors with small losses (about **100 jobs** each) included **mining and logging; trade, transportation, and utilities; and financial activities**.
- **Government Sector Mixed:** The **government** sector added **200 jobs** in May, driven by a gain of **600 jobs** in local government. **State government** added **100 jobs**, while **federal government** employment fell by about **500 jobs**.
- **Few Sectors Gaining:** Only **three** of Oregon's **11** major industry sectors added jobs in April: **leisure and hospitality, education and health services, and government**. The remaining sectors either lost jobs or saw no change.

Since the Onset of the Pandemic:

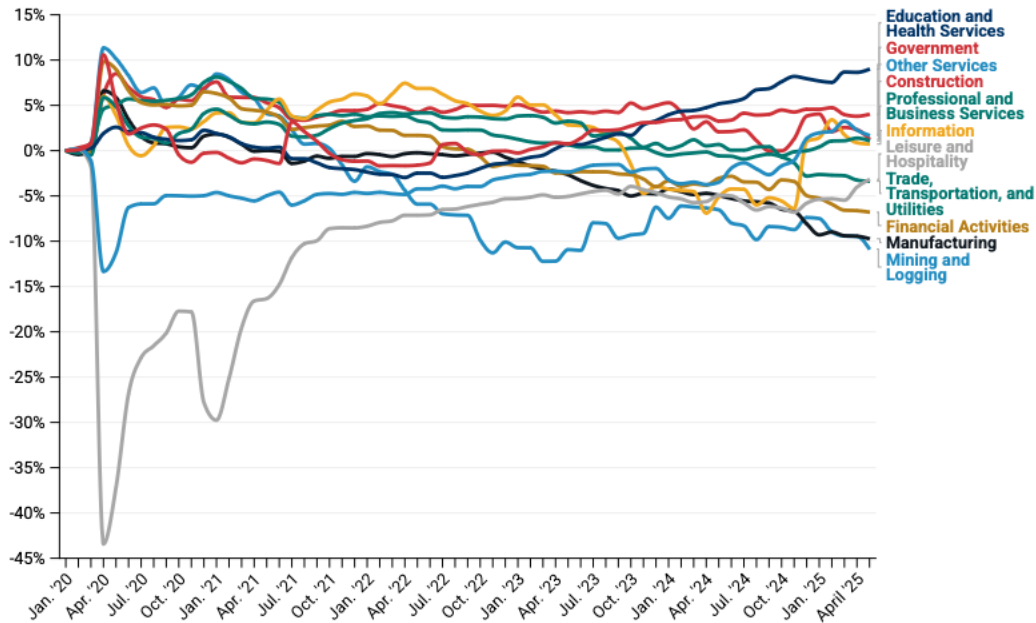
- **Total nonfarm employment** in Oregon is up **41,200 jobs** since January 2020.
- However, **five of eleven supersectors** remain below pre-pandemic levels: Mining and Logging, Manufacturing, Trade, Transportation and Utilities, Financial Activities, Leisure and Hospitality.

Notable shifts:

- Employment in Manufacturing and in Mining and Logging remains well below pre-pandemic levels—down 9% and 7.8%, respectively, compared to January 2020.

- In contrast, Education and Health services employment has grown by 11.3%, driven largely by gains in Health Care and Social Assistance.
- Government employment is also up, rising 6.2% since January 2020.

Changing Industry Shares of Total Oregon Employment since January 2020

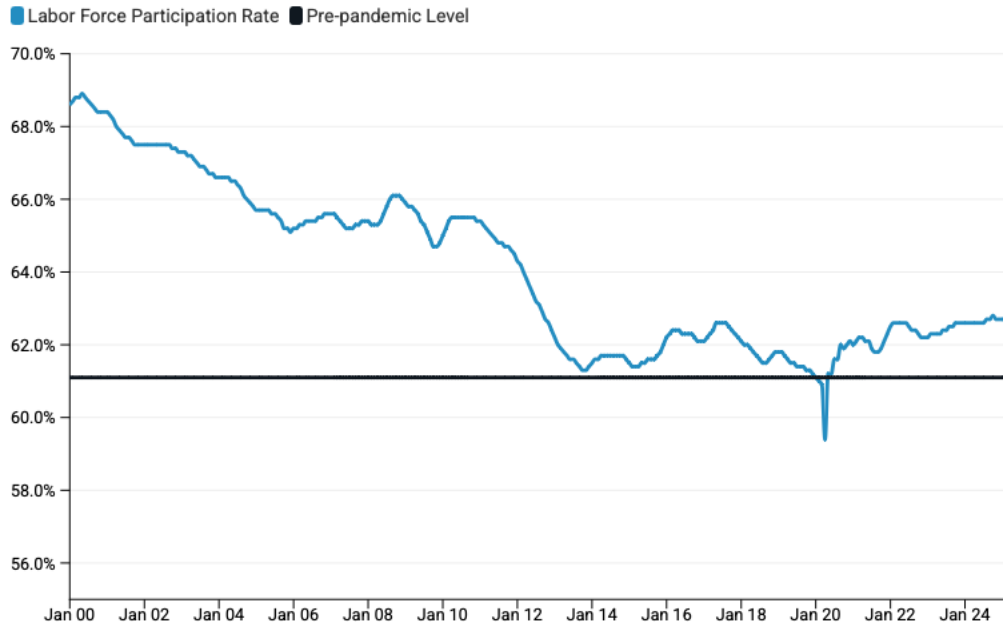


Source: Calculated by CSI using employment data from BLS, State of Oregon Employment Department CES • Employment data benchmarked to BLS; May estimates based on Oregon CES growth rates.

Oregon Labor Force Update

- Oregon's labor force participation rate (LFPR) held steady at 62.7% in May. That's 1.6 percentage points higher than in January 2020, suggesting stronger-than-expected engagement in the workforce since the pandemic.
- The unemployment rate climbed to 4.8%, extending a gradual uptick that could indicate easing labor-market tightness.

Labor Force Participation Rate in Oregon Since 2000



Source: BLS, State of Oregon Employment Department • Labor force participation data from BLS; May estimate updated using Oregon Employment Department data.

Technical Notes and Data Sources

All data are seasonally adjusted unless otherwise noted. Employment estimates derive from the **Oregon Current Employment Statistics (CES)** survey and are benchmarked to **Bureau of Labor Statistics (BLS)** data through **April 2025**. Labor force estimates come from the **Local Area Unemployment Statistics (LAUS)** program. **April 2025 CES and LAUS** estimates are extrapolated using **monthly growth rates** from the **Oregon Employment Department's May** release.