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# Oregon Jobs and Labor Force – October 2024 Update

Authors: Mark McMullen, Serra Kirsch

Employment in Oregon continued to expand in October led by gains in private and local government education as well as health services. Professional and business services and manufacturing saw the largest job losses on the month.

Despite recently healthy job gains, Oregon continues to rank in the bottom half of states for employment since the expansion began. This ranking will no doubt rise early next year when benchmark revisions for early 2024 are incorporated into the estimates. Preliminary benchmark revisions suggest that Oregon gained as many as 10,000 more jobs during the first half of 2024 than are built into the current job counts. Professional and business services account for around two-thirds of the undercount, with retail trade and private educational services accounting for most of the rest.

The industries that served as the primary sources of growth in October were the same as the main drivers over the past year, namely health services and government. Government job gains were the result of a surge in estimated employment at local education providers, with little change at the state or federal levels. Estimates of payrolls in education often see large swings around the start of the school year as seasonal adjustment factors are revised. Health and social service providers continue to lead the way as they have over the past year, but the nature of growth was different in October. Over the past year, low-wage jobs in nursing and residential care facilities, as well as among social assistance providers have done the heavy lifting. In October, job gains were led by ambulatory healthcare services such as doctor and dentists' offices.

Over the past year, the weakest employment growth has been seen among manufacturers of durable goods, retail trade, and construction firms. Job losses have been broad based across subindustries among retailers and construction firms. Manufacturing job losses have been largest for transportation equipment firms and their suppliers. Wood product firms have also shed a significant number of jobs. This pattern continued into October, with some losses in the semiconductor industry starting to emerge as expected as well.

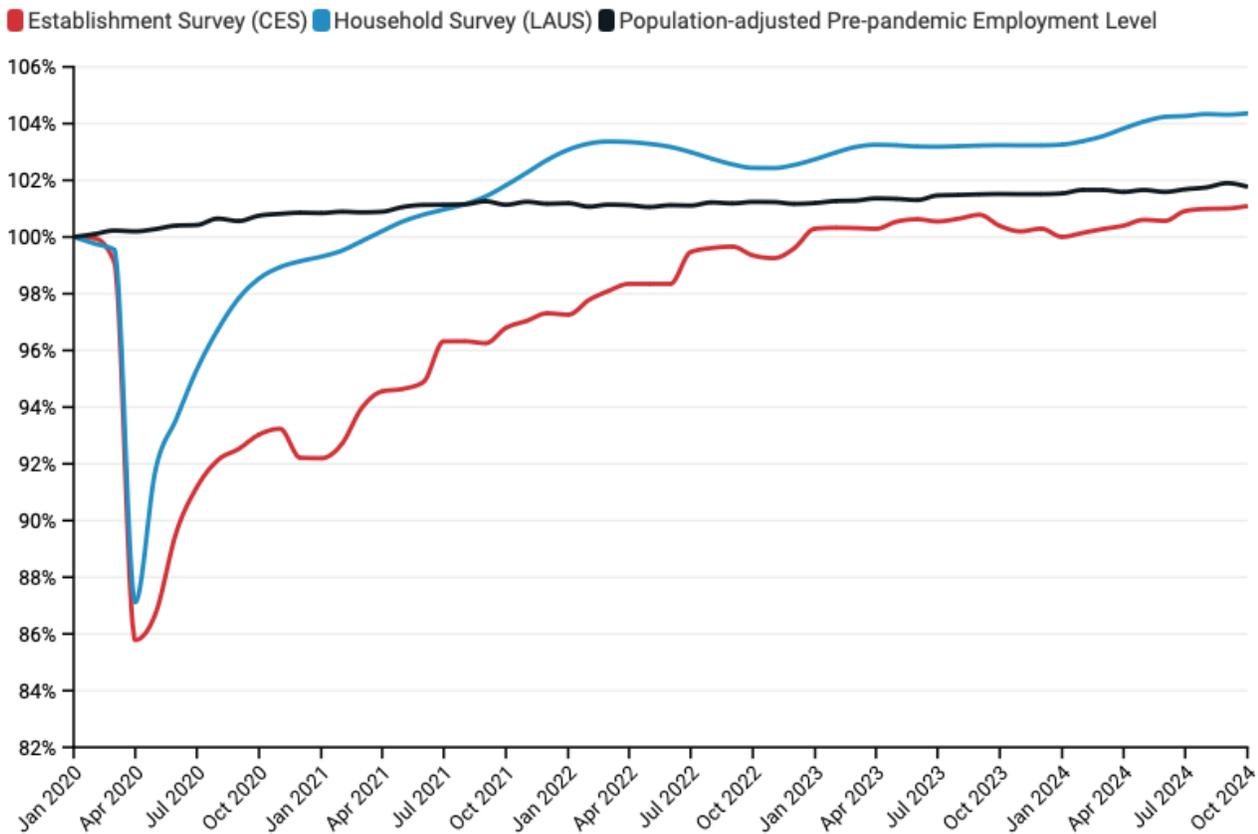
Continued losses in Oregon's manufacturing industry are of particular concern given the long-term structural challenges that many firms face, as well as recent mass layoff announcements. Oregon has traditionally had a large comparative advantage in manufacturing relative to other states. This has not been true since the current expansion began. Oregon's manufacturing payrolls are 5.5 percent lower than in January 2020, while payrolls are up 0.7 percent nationwide.

As an encouraging sign for the future, Oregon's manufacturers are working their existing employees harder, even if they are not hiring new ones. Hours worked in Oregon's manufacturing industry have finally caught up with the national average after lagging badly since the pandemic began.

## Key Findings—Oregon October 2024 Employment Data

- In October, Oregon added 1,700 jobs, with education and health services leading job growth by adding 2,700 jobs. Government employment also saw a significant boost, adding 1,700 jobs.
- Preliminary employment figures for September were revised upward by 100 jobs, indicating a slightly larger increase than initially reported.
- Oregon's total employment is now about 1% higher than in early 2020, ranking the state 39th in employment growth among all states since 2020 in October.
- Five out of eleven major sectors added jobs in October.
- The professional and business services sector experienced the largest decline, losing 2,400 jobs, the steepest drop among major sectors. Manufacturing also saw a reduction, with 1,200 jobs lost.
- The state's unemployment rate held steady at 4% in October, slightly above the 3.9% rate from a year ago.
- Oregon's labor force participation rate (LFPR) remained unchanged at 63% in October.

## Employment Levels in Oregon since January 2020

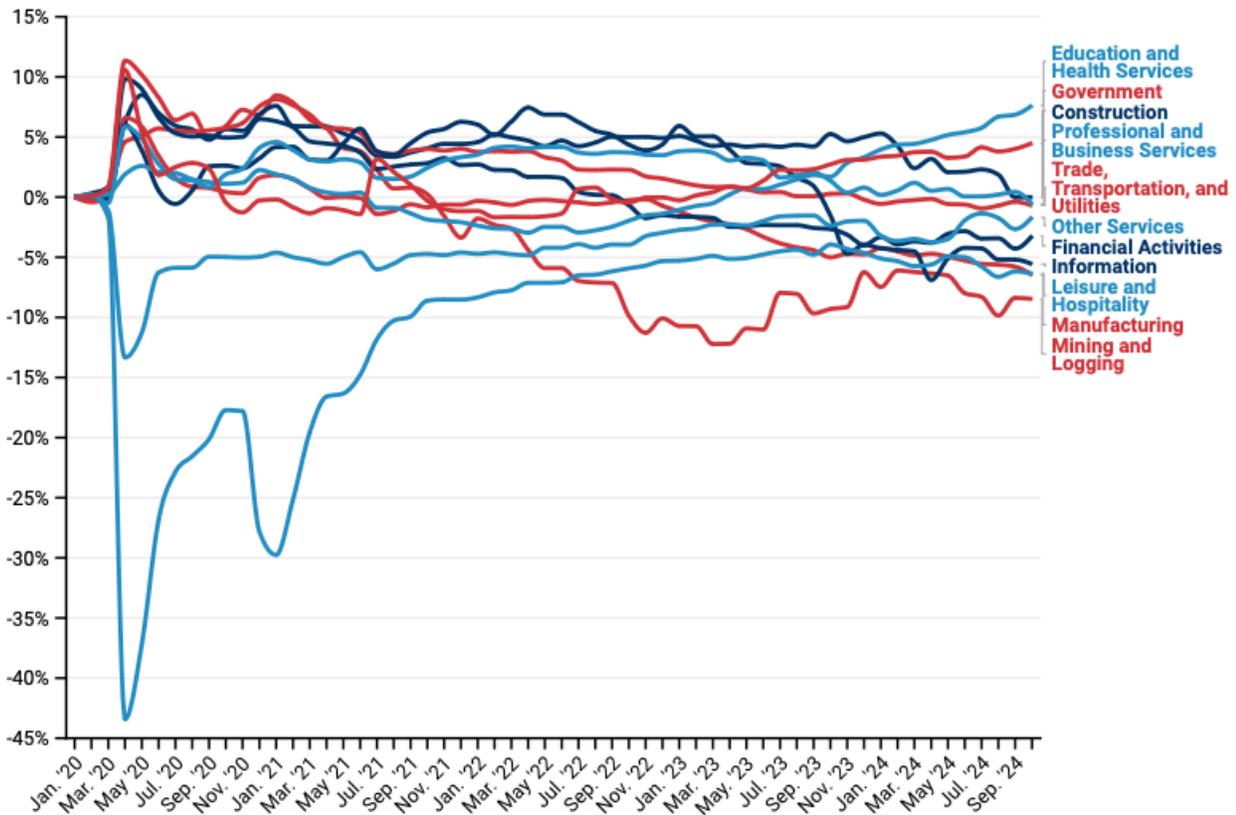


- According to the BLS survey of establishments (CES), Oregon recovered to its pre-pandemic employment-to-population ratio in August 2021 and has remained above that level since.
- According to the BLS measure of local employment (LAUS), which captures both traditional jobs and self-employment, Oregon's employment recovered to its pre-pandemic level in March 2021 and has remained above since.

## A Deeper Dive into Oregon Industries (BLS CES Survey)

- In October, total nonfarm payroll employment in Oregon increased by 1,700 jobs, with the education and health services sector contributing the most significant gain of 2,700 jobs.
- Among major industry sectors, government employment rose by 1,700 jobs, making it the second-largest contributor to the monthly employment gain, followed by the financial activities sector, which added 1,200 jobs.
- Conversely, the professional and business services sector recorded the largest decline, with a decrease of 2,400 jobs, while the manufacturing sector also reported a loss of 1,200 jobs.
- The trade, transportation, and utilities sector continue to be the largest employer in Oregon, accounting for 18% of total nonfarm employment. The education and health services sector remains the second-largest industry, comprising 17% of overall employment.
- Over the past 12 months, employment in the education and health services sector increased by 21,100 jobs, while the construction sector experienced the largest decrease, losing 5,100 jobs.
- Revised estimates indicate that local government employment trends have improved, with local government adding 1,500 jobs in October. Additionally, preliminary estimates for September were revised upward by 400 jobs, negating previously indicated job losses from August to September.
- Since October 2023, private-sector employment in Oregon has grown by 6,300 jobs, while government employment increased by 7,500 jobs, including a gain of 5,300 jobs in local government.
- Five of the eleven major industry sectors in Oregon remain below their January 2020 employment levels.
  - Employment in the mining and logging sector is currently 7.5% below its January 2020 level.
  - The education and health services sector has expanded by 8.8% compared to its employment level in January 2020.

## Changing Industry Shares of Total Oregon Employment since January 2020



### Oregon Labor Force Update

Oregon’s Labor Force Participation Rate (LFPR) held steady at 63%, and the unemployment rate remained unchanged at 4% in October.

#### Key Findings—Oregon October ‘24 Labor Force Data (FRED)

- Oregon's labor force participation rate (LFPR) stands at 63%, an increase of 1.9 percentage points since January 2020. Despite a significant drop in 2020, the LFPR has steadily recovered and is now at its highest level since 2012.
- The unemployment rate remained unchanged at 4.0% in October, nearly the same as the 3.9% rate recorded a year earlier.

## Labor Force Participation Rate in Oregon Since 2000

■ Labor Force Participation Rate ■ Pre-pandemic Level



### Data Sources

The data in this report are compiled from monthly and annual data released by the U.S. Bureau of Labor Statistics (BLS), including data from the Current Employment Statistics (CES) survey and Local Area Unemployment Statistics (LAUS). Some data are sourced directly from BLS, and others are retrieved from FRED.