

FOR IMMEDIATE RELEASE: September 17, 2013

PRESS CONFERENCE PRESENTER:
Nick Beleiciks, State Employment Economist

CONTACT INFORMATION:
David Cooke, Economist (503) 947-1272

Oregon's Unemployment Rate Was 8.1 Percent in August, As Payrolls Expanded by 4,500 Jobs

Oregon's seasonally adjusted unemployment rate was 8.1 percent in August, essentially unchanged from 8.0 percent in July.

Industry Payroll Employment (Establishment Survey Data)

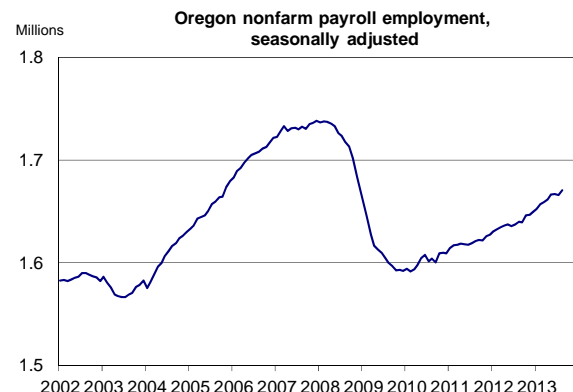
On a seasonally adjusted basis, preliminary estimates from the federal Bureau of Labor Statistics (BLS) indicate nonfarm payroll employment in Oregon rose by 4,500 in August, following a revised loss of 1,100 in July.

Over the past 12 months, seasonally adjusted employment in the private sector added 37,000 jobs, or 2.7 percent. Meanwhile, government cut 6,300 jobs, or 2.2 percent.

August Labor Market Highlights

- Oregon's seasonally adjusted unemployment rate was 8.1 percent in August.
- Oregon's seasonally adjusted labor force participation rate continued to fall in August, reaching 61.4 percent.
- Oregon's seasonally adjusted nonfarm payroll employment rose by 4,500, following weaker showings in June and July.

In that time, six of the major private-sector industry categories have each expanded by between 2.3 and 3.5 percent.



Oregon Employment Department is an equal opportunity employer/program.
Oregon Employment Department es un programa/empleador que respeta la igualdad de oportunidades.

This breadth of steadily expanding industries is evidence of broad-based economic expansion in Oregon. In addition, leisure and hospitality has grown even more rapidly, expanding by 10,300 jobs, or 6.0 percent. The only private-sector industry to decline over the year was financial activities, which shed 1,000 jobs, or 1.1 percent.

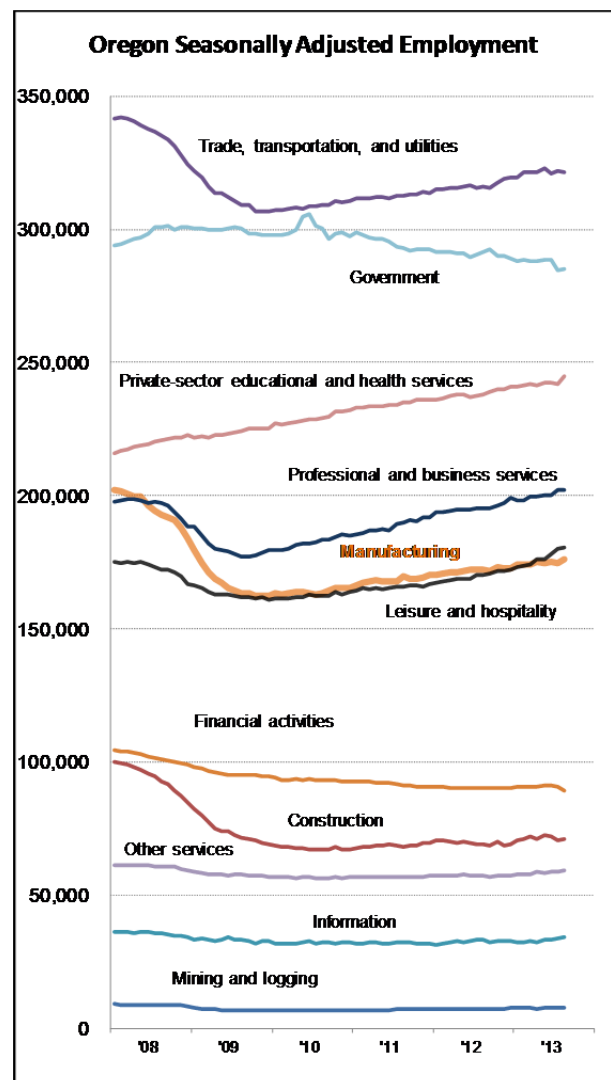
The BLS estimates that, in August, seasonally adjusted gains were seen in seven of the major industries. Educational and health services experienced the largest such gain as it added 2,500 jobs. Manufacturing added 1,200, while five other major industries each added between 400 and 700. The only major industries showing substantial declines were financial activities (-1,300) and trade, transportation, and utilities (-600).

The payroll employment figures for July were revised downward by 2,000 jobs. What was originally estimated by BLS as a seasonally adjusted gain of 900 jobs was later revised to a loss of 1,100. This one-month job loss ended the string of nine consecutive months of job gains in Oregon. For the July data, five of the major industries were each revised downward by close to 500, while only one major industry was revised upward substantially; that industry was educational and health services, which was revised upward by 600 jobs.

Turning back to the August employment figures, **educational and health services**

Seasonal Expectations and Over-the-Month Employment Changes July to August 2013

INDUSTRY	Normal Seasonal Movement	Unadjusted Change	Seasonally Adjusted Change
Total nonfarm payroll employment	2,600	7,100	4,500
Total private	4,200	8,000	3,800
Mining and logging	0	0	0
Construction	2,000	2,500	500
Manufacturing	0	1,200	1,200
Trade, transportation, and utilities	600	0	-600
Information	0	600	600
Financial activities	300	-1,000	-1,300
Professional and business services	800	600	-200
Educational and health services	-100	2,400	2,500
Leisure and hospitality	800	1,500	700
Other services	-200	200	400
Government	-1,600	-900	700



added 2,400 jobs during a month that normally shows a nearly flat seasonal pattern. Hospitals added 1,200, largely the result of a major new hospital opening in the Hillsboro area. Other industries also boosted hiring: ambulatory health care services (+600 jobs), nursing and residential care facilities (+400), and social assistance (+400). The latest employment figures indicate that health care and social assistance has accelerated its pace of hiring. Over the past four calendar years, the industry added an average of 3,700 jobs per year. But during the latest 12 months it has added 5,600 jobs.

Manufacturing is likely to have reached its high point of the year, because July and August are normally the peak months as food processing and other industries are experiencing their busiest time of year. In August, manufacturing added 1,200 jobs, when no gain from July is expected due to seasonal factors. Durable goods manufacturing added 800, with a gain of 700 in its component industry of transportation equipment manufacturing. Durable goods manufacturing has seen steady and slow growth since early 2010. The industry employed 126,300 in August, but is still well below its pre-recession peak of 156,900 reached in August 2006. At 53,500 jobs in August, nondurable goods manufacturing was close to its August readings of the prior two years.

Meanwhile, economists at the BLS estimated that **construction** ramped up employment by 2,500 in August, at a time of year when a gain of 2,000 is expected due to seasonal factors. Specialty trade contractors, which added a net 1,700 workers, accounted for the bulk of the monthly gains. At a total of 78,100 jobs in August, this marked construction's highest August total since 2008, when 98,600 were employed.

The BLS estimates that **leisure and hospitality** continued to expand, reaching another record high. It added 1,500 jobs in August when a gain of only 800 was expected due to seasonal factors. At a total of 190,300 jobs, this major industry accounted for 13.6 percent, or nearly one in seven, of all private-sector jobs.

Financial activities shed the most jobs of the major industries as it cut 1,000 jobs when a gain of 300 is the norm for August. The BLS has estimated steep job losses in recent months, after an uptrend appeared to be evident for the first half of the year. Financial activities employed 90,100 in August, which was 1,200 below its August 2012 figure and well below the 107,000 reached in mid-2007. Unlike most other major private-sector industries in Oregon's economy, financial activities has shown essentially no net recovery over the past six years. With mortgage rates rising since May and the concomitant diminished volume of residential mortgage refinancing, national reports have indicated layoffs at major mortgage originators.

The BLS estimates of monthly job gains and losses are based on a survey of businesses. These preliminary estimates are subject to later revision.

Hours and Earnings (Establishment Survey Data)

The average workweek for Oregon manufacturing production workers rose from 40.3 hours in July to 41.1 in August. The manufacturing workweek has been on a generally increasing trend for four years. In August 2012, this workweek averaged 40.1 hours.

In August, the average wage was \$22.36 per hour for Oregon's private-sector payroll

employees, up slightly from \$22.34 in July. Wages have increased 44 cents, or 2.0 percent, from August 2012 when the average was \$21.92.

Unemployment (Household Survey Data)

The national unemployment rate was 7.3 percent in August and 7.4 percent in July. Oregon's rate was 8.1 percent in August, essentially unchanged from 8.0 percent in July.

In August, 150,259 Oregonians were unemployed. This was 20,067 fewer individuals than in August 2012 when 170,326 Oregonians were unemployed.

One defining trend of the recent economic recovery has been a rapidly declining labor force participation rate. In August, this measure of the number of unemployed plus employed as a share of the civilian

noninstitutional population reached a record low.

Oregon's seasonally adjusted labor force participation rate dropped to 61.4 percent in August. This was the lowest of any month in the data series which starts in January 1976.

Issues relating to the declines in this metric are discussed in a recent Employment Department report, *Oregon's Falling Labor Force Participation: A Story of Baby Boomers, Youth, and the Great Recession*, found here: <http://www.qualityinfo.org/pubs/lfpr.pdf>

Next Press Releases

The Oregon Employment Department plans to release the August county and metropolitan area unemployment rates on Monday, September 23rd and the statewide unemployment rate and employment survey data for September on Tuesday, October 15th.

The Oregon Employment Department published a new data series with the release of April nonfarm payroll employment estimates. This official Oregon series is revised quarterly by using employment counts from employer tax records. All department publications, such as news releases, monthly *Oregon Labor Trends* and local labor trends, will use the new data series unless noted otherwise. The department will continue to make the original nonfarm payroll employment data series available. These data are produced by the federal Bureau of Labor Statistics (BLS) and are revised annually.

Analysts at the Oregon Employment Department will use employer tax records as soon as they become available each quarter to adjust the official Oregon series. This revision resets the monthly estimates to the correct level and should reduce the drift that can occur with estimates that are revised annually. On August 13th, the first quarter 2013 tax records data was used to update the official Oregon series. At this time, data were revised back to April 2012 to incorporate the new first-quarter data as well as annual industry code changes. Both the official Oregon series and the official BLS series are available on the department's website, QualityInfo.org.

For many years, monthly employment estimates for Oregon and its metropolitan areas were developed by Oregon Employment Department economists. In March 2011, responsibility for the monthly employment estimates for Oregon and its metropolitan areas shifted to the U.S. Bureau of Labor Statistics (BLS). The estimates developed by BLS are more heavily dependent on the sample of businesses and less reliant on knowledge of local economic events. They are also likely to demonstrate increased month-to-month variability.

Comments or questions should be directed to Graham Slater, Administrator of the Oregon Employment Department's Workforce and Economic Research Division, at (503) 947-1212.

For the complete version of the news release, including tables and graphs, visit: www.QualityInfo.org/pressrelease.

If you need this release in the Spanish language, please contact Loretta Gallegos at 503-947-1794.

For help finding jobs and training resources, visit one of the state's WorkSource Oregon Centers or go to: www.WorkSourceOregon.org.

Equal Opportunity program — auxiliary aids and services available upon request to individuals with disabilities

Oregon Current Labor Force and Industry Employment

	August 2013	July 2013	August 2012	Change From July 2013	Change From August 2012
Labor Force Status					
Civilian labor force	1,941,253	1,944,916	1,969,784	-3,663	-28,531
Unemployed	150,259	157,330	170,326	-7,071	-20,067
Unemployment rate	7.7	8.1	8.6	-0.4	-0.9
Unemployment rate, seasonally adjusted	8.1	8.0	8.8	0.1	-0.7
Employed	1,790,994	1,787,586	1,799,458	3,408	-8,464
Nonfarm Payroll Employment					
Total nonfarm payroll employment	1,666,400	1,659,300	1,638,300	7,100	28,100
Total private	1,403,500	1,395,500	1,370,900	8,000	32,600
Mining and logging	7,900	7,900	7,700	0	200
Logging	6,300	6,300	6,000	0	300
Construction	78,100	75,600	75,100	2,500	3,000
Construction of buildings	18,900	18,700	17,900	200	1,000
Residential building construction	10,700	10,600	10,000	100	700
Nonresidential building construction	8,200	8,100	7,900	100	300
Heavy and civil engineering construction	9,700	9,100	9,400	600	300
Specialty trade contractors	49,500	47,800	47,800	1,700	1,700
Building foundation and exterior contractors	9,300	8,900	8,800	400	500
Building equipment contractors	23,200	22,400	21,900	800	1,300
Building finishing contractors	10,300	9,900	10,900	400	-600
Other specialty trade contractors	6,700	6,600	6,200	100	500
Manufacturing	179,800	178,600	177,400	1,200	2,400
Durable goods	126,300	125,500	123,600	800	2,700
Wood product manufacturing	21,000	21,200	20,400	-200	600
Sawmills and wood preservation	6,400	6,400	6,200	0	200
Plywood and engineered wood product mfg.	7,800	7,900	7,400	-100	400
Other wood product manufacturing	6,800	6,900	6,800	-100	0
Primary metal manufacturing	8,600	8,600	8,300	0	300
Fabricated metal product manufacturing	16,000	15,700	15,800	300	200
Machinery manufacturing	11,600	11,600	11,100	0	500
Computer and electronic product manufacturing	37,600	37,500	37,500	100	100
Semiconductor and electronic component mfg.	28,600	28,500	28,400	100	200
Electronic instrument manufacturing	5,300	5,300	5,300	0	0
Transportation equipment manufacturing	11,400	10,700	11,300	700	100
Nondurable goods	53,500	53,100	53,800	400	-300
Food manufacturing	27,800	27,400	28,100	400	-300
Fruit and vegetable preserving and specialty	11,300	10,600	11,900	700	-600
Paper manufacturing	4,700	4,800	4,800	-100	-100
Trade, transportation, and utilities	321,900	321,900	318,000	0	3,900
Wholesale trade	77,200	78,100	76,200	-900	1,000
Merchant wholesalers, durable goods	31,800	32,300	31,900	-500	-100
Merchant wholesalers, nondurable goods	32,000	31,900	31,000	100	1,000
Electronic markets and agents and brokers	13,400	13,900	13,300	-500	100
Retail trade	191,000	190,300	188,400	700	2,600
Motor vehicle and parts dealers	22,700	22,600	22,300	100	400
Building material and garden supply stores	14,400	14,700	14,000	-300	400
Food and beverage stores	40,200	39,800	39,600	400	600
Clothing and clothing accessories stores	16,500	16,300	16,300	200	200
Sporting goods, hobby, book and music stores	9,600	9,600	9,800	0	-200
General merchandise stores	39,600	39,500	38,900	100	700
Miscellaneous store retailers	10,300	10,200	10,000	100	300
Nonstore retailers	6,400	6,000	6,100	400	300

	August 2013	July 2013	August 2012	Change From July 2013	Change From August 2012
Transportation, warehousing, and utilities	53,700	53,500	53,400	200	300
Utilities	4,500	4,500	4,600	0	-100
Transportation and warehousing	49,200	49,000	48,800	200	400
Truck transportation	18,300	18,300	17,900	0	400
Couriers and messengers	6,100	6,000	6,100	100	0
Warehousing and storage	6,600	6,600	6,700	0	-100
Information	34,100	33,500	33,000	600	1,100
Publishing industries, except internet	13,800	13,600	13,800	200	0
Newspaper, book, and directory publishers	4,300	4,200	4,500	100	-200
Software publishers	9,500	9,400	9,300	100	200
Telecommunications	6,900	6,900	6,800	0	100
Financial activities	90,100	91,100	91,300	-1,000	-1,200
Finance and insurance	55,300	56,200	55,900	-900	-600
Credit intermediation and related activities	27,300	27,600	27,400	-300	-100
Insurance carriers and related activities	23,100	23,300	23,300	-200	-200
Real estate and rental and leasing	34,800	34,900	35,400	-100	-600
Real estate	29,300	29,200	30,100	100	-800
Professional and business services	205,800	205,200	199,600	600	6,200
Professional and technical services	79,700	79,700	76,900	0	2,800
Legal services	12,800	12,700	11,900	100	900
Architectural and engineering services	13,400	13,100	13,000	300	400
Computer systems design and related services	13,200	13,200	12,200	0	1,000
Management of companies and enterprises	32,300	32,300	30,900	0	1,400
Administrative and waste services	93,800	93,200	91,800	600	2,000
Administrative and support services	88,200	88,100	86,300	100	1,900
Employment services	37,800	37,800	35,900	0	1,900
Business support services	14,900	15,100	14,600	-200	300
Services to buildings and dwellings	20,700	20,300	20,300	400	400
Educational and health services	237,600	235,200	231,400	2,400	6,200
Educational services	28,200	28,400	27,600	-200	600
Health care and social assistance	209,400	206,800	203,800	2,600	5,600
Ambulatory health care services	77,000	76,400	74,400	600	2,600
Hospitals	54,300	53,100	53,200	1,200	1,100
Nursing and residential care facilities	45,500	45,100	44,400	400	1,100
Social assistance	32,600	32,200	31,800	400	800
Leisure and hospitality	190,300	188,800	179,800	1,500	10,500
Arts, entertainment, and recreation	24,400	24,200	23,600	200	800
Amusement, gambling, and recreation	17,800	17,600	17,500	200	300
Accommodation and food services	165,900	164,600	156,200	1,300	9,700
Accommodation	26,400	26,300	24,700	100	1,700
Food services and drinking places	139,500	138,300	131,500	1,200	8,000
Full-service restaurants	67,600	67,000	63,800	600	3,800
Limited-service eating places	58,400	58,600	55,300	-200	3,100
Other services	57,900	57,700	57,600	200	300
Repair and maintenance	15,800	16,000	15,800	-200	0
Personal and laundry services	13,500	13,500	13,400	0	100
Membership associations and organizations	28,600	28,200	28,400	400	200
Religious organizations	15,000	14,700	15,800	300	-800
Government	262,900	263,800	267,400	-900	-4,500
Federal government	29,000	29,100	29,500	-100	-500
State government	76,200	75,900	75,900	300	300
State education	27,000	26,700	26,900	300	100
Local government	157,700	158,800	162,000	-1,100	-4,300
Indian tribal	8,800	8,800	9,100	0	-300
Local education	70,600	71,600	73,800	-1,000	-3,200
Labor-management disputes	800	800	0	0	800

The most recent month is preliminary, the prior month is revised. Prepared in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

Labor Force Status: Civilian labor force includes employed and unemployed individuals 16 years and older by place of residence. Employed includes nonfarm payroll employment, self-employed, unpaid family workers, domestics, agriculture and labor disputants. Unemployment rate is calculated by dividing unemployed by civilian labor force.

Nonfarm Payroll Employment: Data are by place of work and cover full- and part-time employees who worked or received pay for the pay period that includes the 12th of the month. The data exclude the self-employed, volunteers, unpaid family workers, and domestics.

Cautionary Note to Users: Starting in December 2009, revised estimation procedures mandated by the U.S. Bureau of Labor Statistics may result in unusually large or volatile month-to-month employment changes. These survey-based estimates are revised annually, based on more complete information from quarterly employer tax records.