

## Identifying Higher-Paying Occupations in Your Area

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Wage differentials are a quick and easy way to spot relatively high paying occupations in a region. This sort of information is useful for students planning their careers, experienced professionals moving to a new location, workforce planners trying to identify potential worker shortages, or anyone curious about how the pay in their occupation stacks up against their neighbors.

Let's look at how occupational wage differentials are calculated, what the wage differential can tell us about an occupation, why wage differentials might be high or low, and a few ex-

Wage differential for nurses in Clatsop, Columbia, Tillamook counties	=	$\frac{\text{Average wage of nurses in area}}{\text{Average wage of all jobs in area}} = \frac{\$39.69}{\$14.90} = 2.7$
Wage differential for nurses in Multnomah, Washington counties	=	$\frac{\text{Average wage of nurses in area}}{\text{Average wage of all jobs in area}} = \frac{\$40.54}{\$19.40} = 2.1$

amples of wage differentials in specific occupations.

### How Wage Differentials are Calculated

The occupational wage differential is calculated by dividing an occupation's average wage in a geographic area by the average wage for all occupations in that area. A wage differential greater than one means the average pay in that occupation is higher than the average across all jobs in the region. A wage differential less than one means the average pay in that occupation is below the average across all jobs in the region. A wage differential of one means the occupation pays an average wage for that region.

The wage differentials for registered nurses in northwest Oregon and the Portland area are shown in the table. Nurses in Clatsop, Columbia, and Tillamook make less than nurses in Multnomah and Washington counties. However, relative to all occupations, nurses in Clatsop, Columbia, and Tillamook counties have a higher wage differential than those in Multnomah and Washington counties.

The 2.1 wage differential for registered nurses in Multnomah and Washington means nurses earn 110 percent more per hour than the average worker in those counties. Nurses in Clatsop, Columbia, and Tillamook counties make 170 percent more than the average worker. Even though a nurse in the Portland area may earn more per

hour on average than one in northwest Oregon, the nurse in northwest Oregon is earning more relative to local workers than the average nurse in the Portland area.

### Wage Differentials Reflect Standard of Living Potential

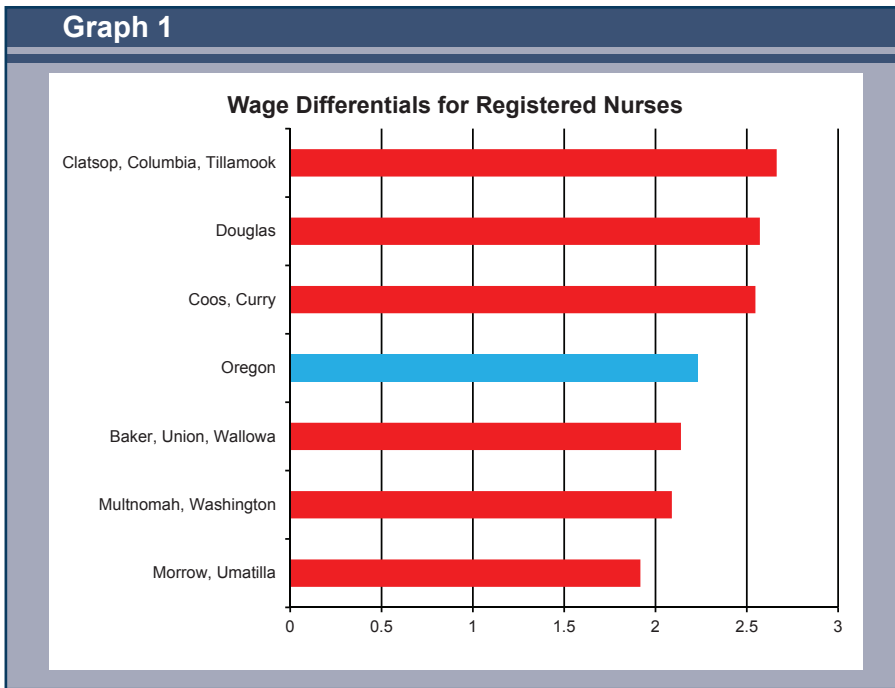
Wage differentials can tell us something about the potential standard of living for a worker in a certain occupation in a local area. A worker in an occupation with a high wage differential can probably afford a higher standard of living than a worker in an occupation with a low wage differential, other things being equal.

Occupational wages can be difficult to compare across regions, because the cost of living also varies across regions. Workers in a higher-cost area need to earn more than workers doing the same job in a lower-cost area in order to maintain the same standard of living. This is reflected in the overall average wage for an area, which tends to be higher in higher-cost areas and lower in lower-cost areas. Since wage differentials compare an occupation's pay relative to other jobs in the area, they somewhat account for differences in the cost of living. Where an occupation's wage differential is high, workers have a potential for a higher standard of living compared with other workers in the area.

However, cost of living in local areas is only one consideration when comparing wage differentials across the state.

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**Graph 1**



**Wage Differentials Have Variety of Causes**

Employers who are struggling to find enough workers in certain occupations may need to offer higher wages for those jobs. That may indicate a local shortage for that occupation. Offering higher wages can convince local workers in lower-paying occupations to switch jobs. It can also help attract workers from other locations to move to the area for higher wages.

Occupational wages can vary by industry. This usually happens if the duties and responsibilities for workers in the occupation change from industry to industry. Occupational wage differentiation can also occur across industries due to other factors such as unionization or if the industry is generally higher paying.

Another factor that can affect wage differentials is the concentration of other high- or low-paying occupations in the area. Workers in an occupation might earn similar wages compared with workers in that occupation in other areas, but their wage differential could be high if there are a relatively large number of lower-paying occupations in the area. A lot of lower-paying occupations will bring down the area's average wage and increase the wage differential. It goes the other way, too – a large number of other higher-paying occupations in the area will increase

the average wage and lower the differential for a given occupation.

**Wage Differential Examples from Oregon**

Figuring out the reasons behind an occupation's wage differential requires a thorough analysis that is beyond the scope of this article. The examples shown illustrate the wage differentials for three occupations without trying to explain the reasons behind the differentials. They are based on 2014

wage estimates and were calculated for 15 areas of Oregon consisting of individual counties or groups of counties. Regions where the occupation's average wage was very close to the overall average wage, and therefore do not have much of a differential, are left out of the graphs.

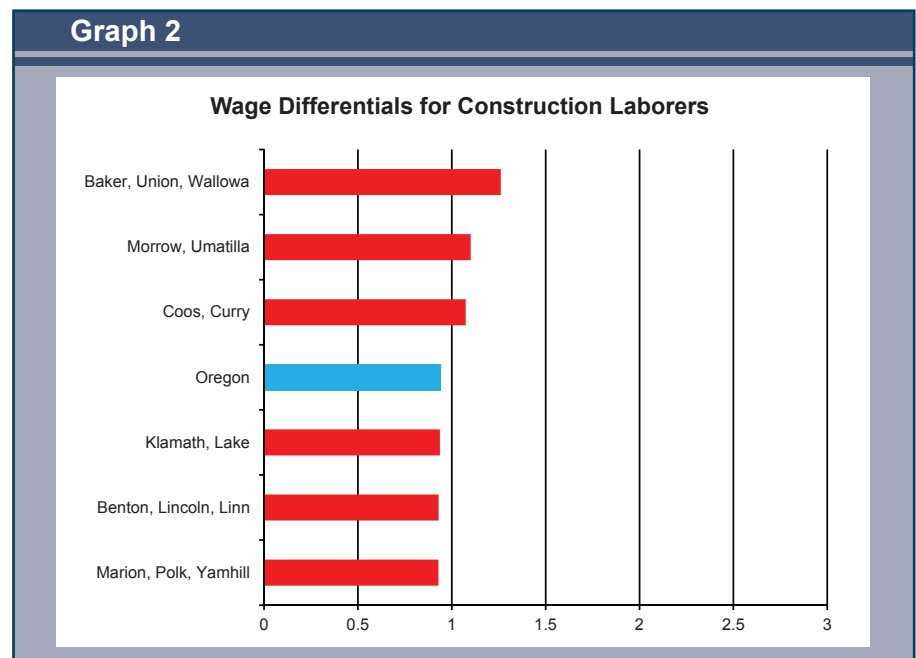
**Registered Nurses**

Almost 30,700 registered nurses were employed in Oregon in 2012. That number is expected to increase to 35,700 by 2022. The 2014 median wage for nurses was \$39.11 per hour.

The highest wage differential in Oregon for registered nurses, 2.7, was for Clatsop, Columbia, and Tillamook counties. The median wage for registered nurses in Clatsop, Columbia, and Tillamook counties was \$39.69, while the median wage across all occupations in these counties was \$14.90.

On the lower end of the spectrum, we see Multnomah and Washington counties with a wage differential of 2.1. Registered nurses in Multnomah and Washington counties made a median hourly wage of \$40.54 in 2014, more than registered nurses in Clatsop, Columbia, and Tillamook counties. Despite the higher absolute pay, the median wage across all occupations in Multnomah and Washington counties was \$19.40.

**Graph 2**



The higher wage differential in Clatsop, Columbia, and Tillamook counties means nurses are paid more in these counties than they are in Multnomah and Washington counties, relative to the average.

**Construction Laborers**

There were 8,100 construction laborers in Oregon in 2012, and that number is expected to reach about 10,400 by 2022. The median wage of construction laborers across the state was \$16.49 in 2014.

There was little difference in relative pay for construction laborers across the state. In fact, 14 of the 15 measured areas had wage differentials between 0.9 and 1.1.

The one outlying area was Baker, Union, and Wallowa counties, at 1.3. The median wage for construction workers in these counties was \$18.71, while the median wage across all occupations in these counties was \$14.84.

**Butchers and Meat Cutters**

Butchers and meat cutters made up about 1,630 jobs in Oregon in 2012. The median wage for butchers and meat cutters was \$16.32 in 2014.

Clatsop, Columbia, and Tillamook counties again topped the list of wage differentials by area with a differential of 1.3. Butchers and meat cutters in these counties made a median wage of \$18.66 in 2014, while the median wage across all occupations in these counties was \$14.90.

On the lower end there were two areas with a wage differential of 0.8. First, butchers and meat cutters in Crook, Deschutes and Jefferson counties made a median hourly wage of \$13.25, while the median across all occupations was \$15.76. In Grant, Harney, and Malheur counties, butchers and meat cutters were paid a median wage of \$12.77, compared with a median wage of \$15.04 across all occupations.

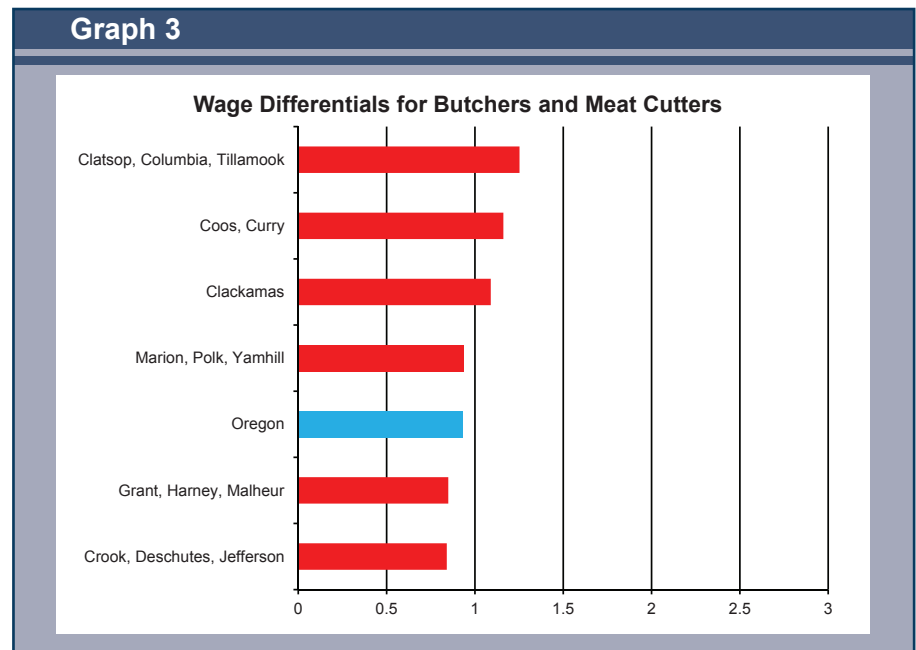
**More about Wage Differentials**

Wage differentials can help jobseekers identify areas where their occupation earns relatively more and provide insight on potential standard of living for a worker in the occupation. They may also help identify worker shortages for an occupation in the region,

unless there are other explanations for the wage differential. Wage differentials certainly don't tell us everything we need to know about an occupation, such as educational and training requirements, number of job opportunities in the region, or potential for job growth. But they provide a quick initial wage evaluation across occupations and regions. ■

Occupational wage differentials for 15 Oregon regions are available at: <http://bit.ly/1B8ioqT>.

The U.S. Bureau of Labor Statistics provides a national look in their article *Wage differentials: how jobseekers can use them to analyze occupational wage and cost of living data by U.S. area*.



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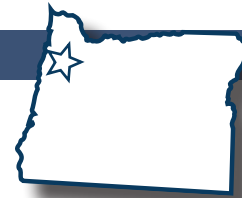
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Each week we provide information about employment at the national, state, and local levels.



**LOCAL HIGHLIGHTS:**

# North Coast Real Estate Powers Up



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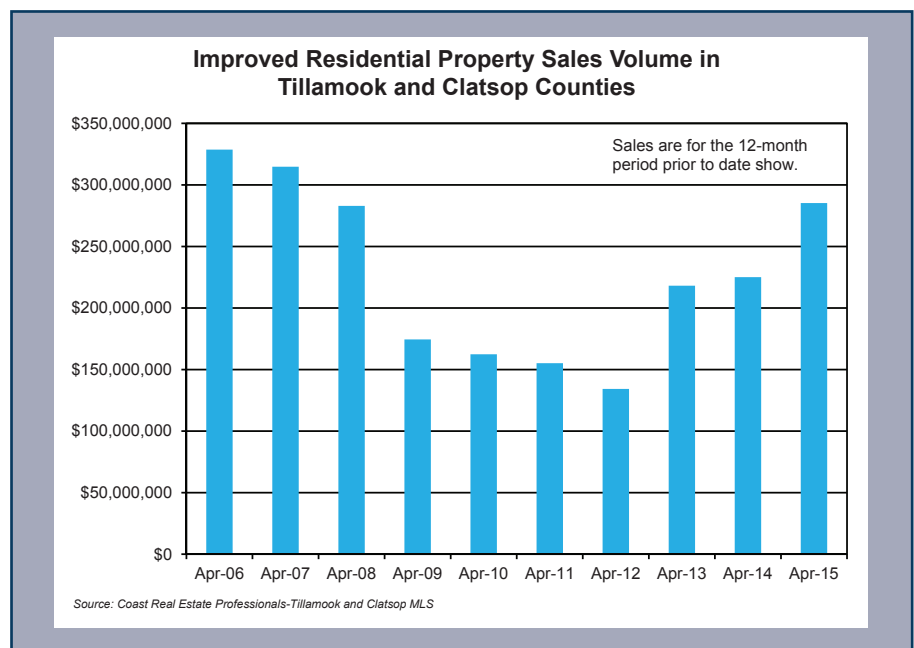
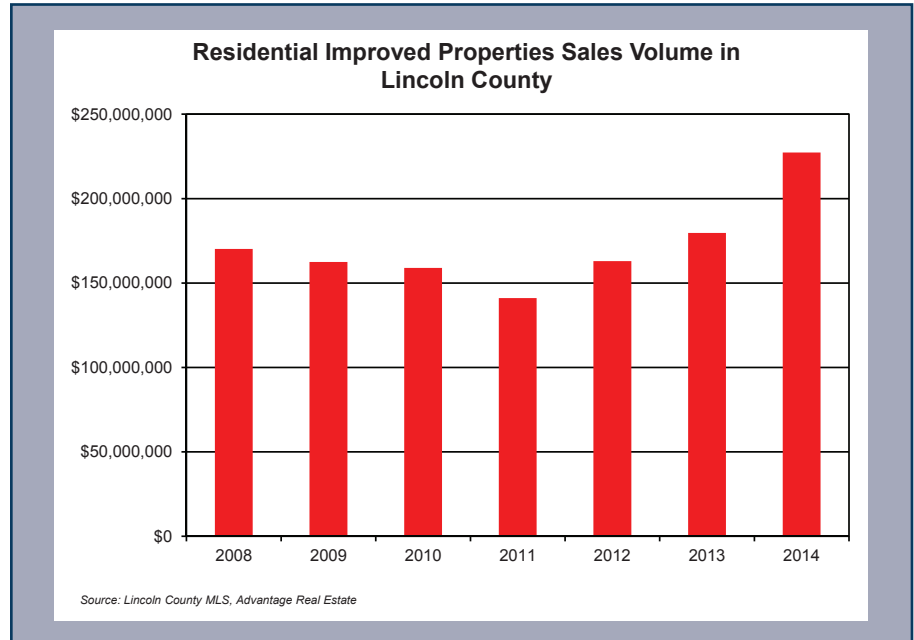
Real estate brokers and mortgage lenders in Clatsop, Tillamook, and Lincoln counties are getting busier as the residential real estate market continues to turn in better numbers. The industry was hit hard by the Great Recession, but has generally been growing since 2011 and 2012.

Advantage Real Estate in Newport released sales data from Lincoln County MLS, a real estate sales reporting organization, which shows 893 closed residential sales in 2014, an increase of 18 percent over 2013 and up 60 percent from 2008. The dollar volume topped \$227 million in 2014, an increase of 27 percent from the previous year.

The increase was partly due to an increase in prices. The Lincoln County Assessor's Office reported that the median sales price for residential property was \$200,000 in 2014, up from \$187,000 the year before.

Real estate sales in Clatsop and Tillamook counties are also on the rebound. Coast Real Estate Professionals in Manzanita compiled and released data from the Clatsop County and Tillamook County MLS services that show 989 homes sold in the 12 months ending April 1, 2015. This was up about 80 percent from the 547 homes sold in the 12 months ending April 1 2012. The dollar volume sold is also climbing back toward pre-recession levels. Sales in the past 12 months totaled more than \$285 million – more than double the recession-era level.

Has the growth in real estate sales led to growth in employment in that industry? That is a harder question to answer because most real estate brokers are not covered by unemployment insurance and are not included in the records that companies submit to the Oregon Employment Department. Real estate employment that is reported increased by about 45



jobs in Clatsop County over the past five years, stayed about the same in Tillamook and fell by about 35 jobs in Lincoln County. It is good to remember that employment is often a lagging indicator of economic conditions. It may well be that the industry is doing

better, but that memories of the housing bust weigh on employers' minds.

The county MLS data cover many, but not all, of the real estate sales in the county. Some homes are sold by owners and brokers have the option of reporting their sales to MLS. ■

# Oregon's Payroll Employment Grows Rapidly, Adding 7,600 Jobs in April

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Oregon's unemployment rate declined to 5.2 percent in April from 5.4 percent in March, reaching Oregon's lowest rate since July 2007 when the rate was also 5.2 percent. The rate is now back to where it was during 2006 through early 2008 when it held steady between 5.0 and 5.5 percent.

Oregon's payroll employment grew rapidly, adding 7,600 in April, following revised gains of 2,600 in February and 2,700 in March. April's gain was on track with the rapid growth seen during September 2014 through January 2015 when growth averaged 6,200 jobs per month.

The recent, rapid job growth is consistent with Oregon's performance prior to the recession. Jobs expanded by 3.2 percent between April 2014 and April 2015, a similar pace as seen during mid 2004 through 2006 when Oregon's annual gains averaged 3.0 percent.

In April, four major industries grew rapidly over the month and over the year, with each adding between 1,000 and 2,900 jobs in April, and each growing by close to 5 percent since April 2014.

Health care and social assistance added 11,200 jobs since April 2014 and was boosted by all four of its component industries. Its social assistance component grew at the fastest rate by adding 3,000 jobs.

Manufacturing rose by 9,800 jobs over the year as it was led by semiconductor and electronic component manufacturing, transportation equipment manufacturing, and food manufacturing, which each added close to 1,500.

Professional and business services jumped by 9,700 jobs in the past 12 months. It was led by computer systems design, management of companies, and administrative and waste services, which each added about 1,600.

Leisure and hospitality added 9,100 jobs over the year and was boosted by rising demand at restaurants, which led to food service and drinking places adding 6,900. ■

## Employers Report More Job Vacancies and Offer Higher Wages

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Oregon businesses reported 39,400 vacancies in winter 2015, an increase of 6,600 vacancies from the prior year. The growing number of vacancies reflects the strengthening labor market across Oregon in the past year.

The average hourly wage offered for job vacancies in winter 2015 was the highest in the two-year history of the quarterly Oregon Job Vacancy Survey. The overall average wage was \$17.53. That's up about \$1.50 from the average of \$16.05 in winter 2014.

Employers report fewer low-wage job vacancies and more high-wage vacancies. This combination is raising the average offered wage. A year ago, 61 percent of the job vacancies offered a starting wage below \$15 per hour.

That share is now down to just 34 percent. A year ago, 4,200 job vacancies offered at least \$25 per hour. Now more than 5,000 job vacancies offer at least \$25 per hour.

Health care and social assistance had the largest number of job vacancies by far, reporting almost one-quarter of the total openings. Occupations in demand included personal care aides, social and human service assistants, and registered nurses. Leisure and hospitality employers also reported many job vacancies, with recruitment for maids and housekeepers, waiters and waitresses, and cooks.

### Snapshot of Oregon Job Vacancies, Winter 2015

<b>Vacancies</b>	<b>39,359</b>
Average Hourly Wage	\$17.53
Full-time Positions	68%
Permanent Positions	89%
Requiring Education Beyond High School	24%
Requiring Previous Experience	70%
Difficult to Fill	49%

### Oregon Job Vacancies by Geography

<b>Oregon Statewide</b>	<b>39,359</b>
Multnomah-Washington	16,474
Lane	4,298
Clackamas	3,946
Northwest Oregon	3,577
Central Oregon	3,009
Mid-Willamette Valley	2,633
Southern Oregon	1,796
South Coast	1,590
Eastern Oregon	1,219

multi-region or unknown area excluded



The Oregon Job Vacancy Survey has improved geographic detail, as of this quarter. From this point forward, we'll be publishing vacancy data for nine areas around the state, aligning with Oregon's re-designed Workforce Innovation and Opportunity Act local areas. This is the first quarter we've gathered data for these new sub-state geographies; we look forward to gathering and sharing more details about the job vacancies in different areas of the state over the coming year.

In winter 2015, the number of vacancies in each of the nine geographic areas was roughly consistent with the spread of overall employment across the state. The biggest differences were in Northwest Oregon, which had 9 percent of the vacancies compared

with 5 percent of the state's employment, and in the Mid-Willamette Valley, which had 7 percent of the vacancies compared with 13 percent of the overall employment in Oregon.

**About the Survey**

The Oregon Employment Department's Job Vacancy Survey started in May 2008 and became quarterly in 2013. This survey serves as a current indicator of hiring demand and focuses specifically on characteristics of vacancies for anyone seeking a job in Oregon. In addition to developing the estimate of total vacancies in the state, the survey also provides insights on the industries hiring, wages offered, and education required. In recent years, the survey has also asked busi-

nesses whether their vacancies are difficult to fill.

The Employment Department publishes a quarterly summary of vacancy survey results, as well as annual, more detailed reports on wages, education requirements, and the reasons why businesses have difficulty filling openings.

Survey results are based on responses from private-sector businesses with at least two employees. Estimates for spring 2015 will be released in July.

For more details on recent Oregon job vacancies, visit the "Publications" tab on QualityInfo.org and scroll down to the "Job Vacancy Survey" section. ■

## Unemployment Rate Rankings in Metropolitan Areas

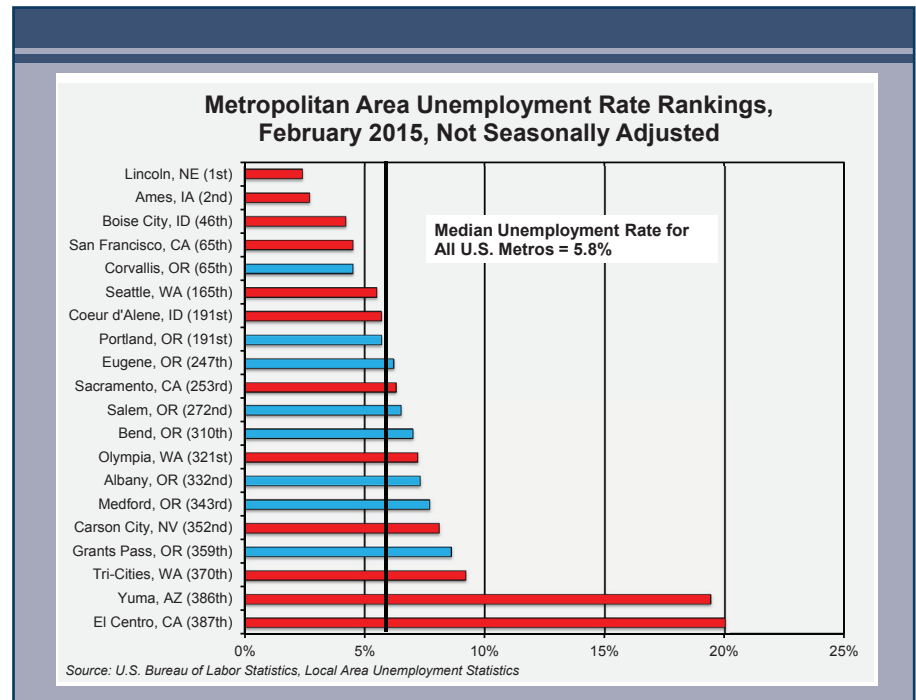
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Unemployment rates in 366 of the 387 metro areas were lower in February 2015 than February 2014. The nationwide rate came in at 5.8 percent (not seasonally adjusted), down from February 2014's 7.0 percent.

Lincoln, NE had the lowest unemployment rate (2.4%) of any metro area in the nation, while El Centro, CA had the highest (20.0%).

Both Corvallis (4.5%) and Portland (5.7%) had unemployment rates lower than the median national rate. Eugene (6.2%), Salem (6.5%), Bend (7.0%), and Medford (7.7%) had unemployment rates higher than the nationwide median, but all of these rates were down compared with February 2014.

For the first time in this publication, Albany and Grants Pass are being included among the state's metro ar-



reas (MSAs). Albany's unemployment rate (7.3%) came in at 332nd among

the nation's MSAs, while Grants Pass came in at 359th (8.6%). ■

# Other Services: An Obscure and Diverse Industry

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Oregon has more than 1.6 million jobs across many different industries. The usual stars of economic news are health care, manufacturing, and occasionally, leisure and hospitality. Everyone seems to care about these big and important Oregon industry sectors. In the long list of industry categories, a private industry called “other services” comes last. What is it?

## Great Diversity of Services in Other Services

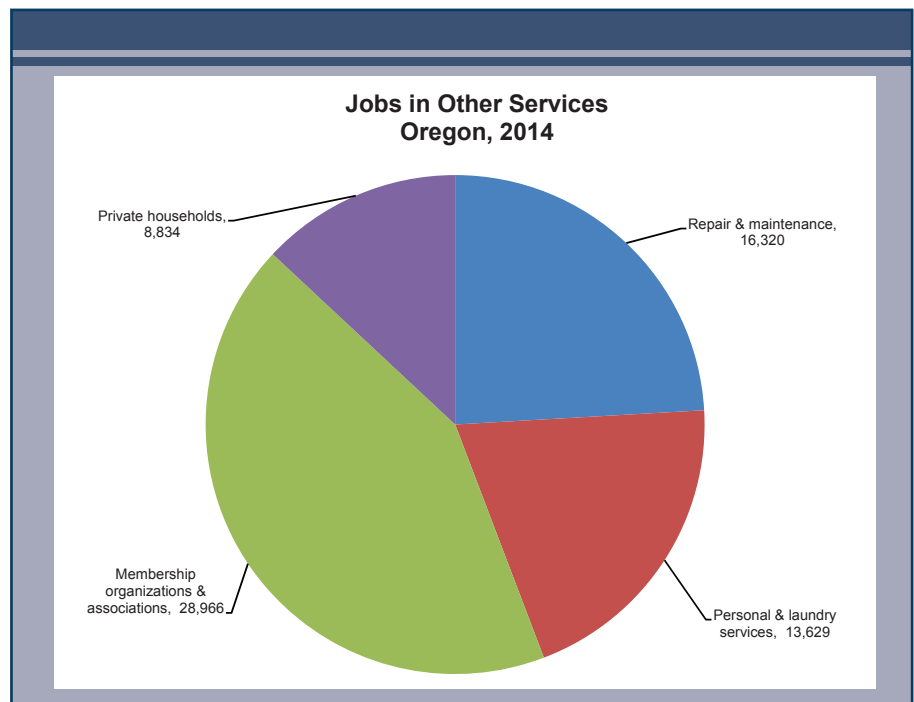
Other services may be one of the most diverse industry categories, as it includes, in essence, all private services not listed elsewhere. The industry consists of the following four major groups:

### Repair and maintenance

This group includes any repair services provided for individuals and organizations, for instance, for cars, electronics, machinery, furniture, and the like. A small business with one employee doing watch and clock repair (yes, there are still a few of those around) will be a part of other services. However, a sole proprietor – a one-person business with no employees – doing clock repair will not be counted. This is because the jobs data is based on the records from employer businesses; it excludes self-employment or sole proprietor businesses.

### Personal and laundry services

Personal services includes a variety of businesses, from beauty spas to funeral homes. Hair, nail, and skin care services is the largest and fastest growing part of the group. Between 2001 and 2014, employment in this beauty related industry increased by 34 percent, while all other industries grew by only 8 percent. Oregonians must have really liked their hair, nail, and skin treatments over the years, and they don't seem to be prepared to give up these affordable luxuries any time soon.



### Membership organizations and associations

Almost all religious, political, neighborhood, and other types of organizations are counted in this group.

However, your homeowners' association may not be included if it has no paid employees, but only volunteers. As soon as an organization hires a person, even if only on a part-time basis, their job will likely become counted in the overall employment tallies.

Religious organizations provide the largest number of jobs in this group. Other important employers are professional and business organizations, such as chambers of commerce and trade associations. Of the latter, law firms are the sole exceptions. They are coded in the professional and business services industry. However, the jobs in a statewide association of lawyers are part of the other services industry.

### Private household services

Some private households hire employees for a variety of services, such as landscaping, house cleaning, and butler services. Oregon's private households provide about 8,800 jobs for workers to assist with various home

chores. This is not the same as hiring independent contractors or businesses to occasionally provide the services. If you indeed want to hire your own butler, make sure to consult with Oregon Employment Department's Tax Division. They help potential employers understand the difference between employees and independent contractors. There can be significant tax consequences if a household uses services from someone who is considered by government agencies to be an employee.

## Many Businesses, but Only a Fraction of Jobs

There are about 68,000 jobs classified in the other services industry – only a fraction of all Oregon jobs. However, the number of businesses is high – more than 19,000 units. This is three times as many as are in manufacturing. In fact, one out of seven Oregon employer businesses is part of other services.

## Steady Growth over the Years

The Great Recession of 2007-2009 impacted this industry group, but not as severely as other industries. Less than 5 percent of jobs were lost be-

tween the pre-recessionary peak and the trough of the recession. By contrast, construction lost more than 40 percent of its jobs and is far from being close to regaining them today. Employment in other services had exceeded the pre-recessionary peak by 2012, well before most other industries.

### The High Wage Stars of Other Services

The 2014 average annual wages, or payroll per job in other services was \$29,125 – only 63 percent of payroll per job for all industries in Oregon. However, the industry has a great variation in wages, from about \$13,000 in private household services to almost \$73,000 in commercial machinery repair and maintenance. Other high wage categories are grant making and giving services (\$60,034), electronic equipment repair and maintenance (\$58,183), and business associations (\$53,495).

Because the employment statistics count full-time and part-time jobs equally, the low annual wages in private household services can be largely explained by a high share of part-time jobs. The low wages in this industry are not due to private households breaking the law and paying their employees less than Oregon's minimum wage.

### Other Services Are Here to Stay

Other services is an industry where Oregon's entrepreneurs get to create many different small businesses – providing repairs, haircuts, religious support and much more for their neighbors and community at large. While manufacturing and health care jobs are important, of course, the industry of other services also plays an important role in the state's economic well-being. Businesses providing these other services are located both in urban and rural areas, and in an age of "buying local," this industry is as local as can be. Offered by entrepreneurs and workers rooted in local communities, other services reflect and serve a diversity of consumer needs. These consumer needs can't be fully met by the Internet and big businesses alone. Therefore, there will hopefully always be room for lots of little businesses offering these "other services" right in our own neighborhoods. ■

## In-Migration Increases for Fourth Straight Year

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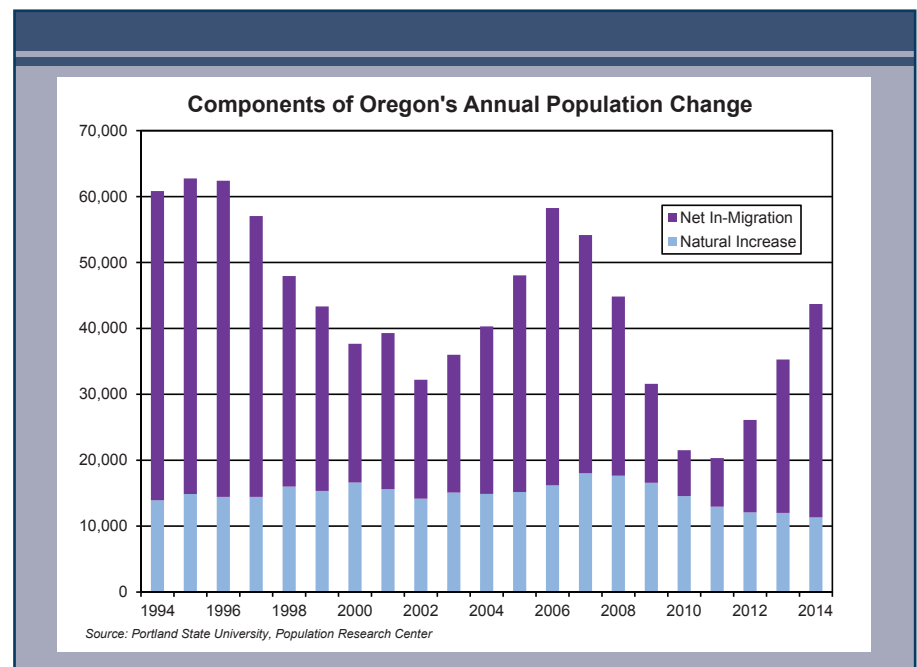
In 2014, Oregon's population increased by almost 44,000. This marked growth of 1.1 percent over the year, and growth of 3.4 percent since the 2010 Census. Portland State University's Population Research Center recently released more detailed information on why this population growth has occurred.

Two main factors comprise population change. First, population can increase or decrease through net migration. That is, over the year, people either move into or out of the area in question. The second factor is natural increase or decrease. An area naturally increases in population if more births than deaths occur in a given year.

### Oregon Continues to Attract Migrants

Over the past 20 years, Oregon has had an average net in-migration of 27,000 people per year. In 2014, there were 32,000 net in-migrants in Oregon. This was the fourth straight year the net number of in-migrants increased, following a 20-year low of 7,000 in 2010. It's also the highest level since 2007.

In general, we see net in-migrants increase as the economy expands and jobs grow. Notice that prior to the Great Recession, net in-migration was booming in Oregon. As the recession hit, people became less mobile. This, combined with Oregon experiencing a deeper recession than the nation as a whole, brought net in-migration to its lowest levels since the 1980s.



### Metro Areas Gain Most from Net In-migration

From 2010 to 2014, Oregon's net in-migration gain was 79,400, which made up about 60 percent of the population gain. The gain in metro areas of the state was 69,200, which accounted for 87 percent of total gains in the state. Since 83 percent of Oregonians live in a metro area, this gain suggests the share of Oregonians living in metro areas is increasing slightly.



While metro areas in Oregon grew 3.8 percent between 2010 and 2014, rural areas grew only 1.6 percent. In some cases, counties saw a decline in population. Declines can occur due to losses in both natural growth and net migration, or one of the two factors outweighing the other.

Five counties in Oregon lost population between 2010 and 2014: Coos (-0.2%), Crook (-0.9%), Grant (-0.3%), Harney (-2.1%), and Wheeler (-0.1%). Each of these counties experienced a natural decrease in population. Harney County was the only county of those experiencing a decrease in population that had more people move out than in. Malheur County also had more people move out than in, but the natural increase in Malheur County offset the number of out-migrants.

Fourteen counties in Oregon had a natural decline in population between 2010 and 2014. Including the five counties that lost population overall, Baker, Curry, Douglas, Josephine, Lake, Lincoln, Tillamook, Wallowa, and Wasco counties had more deaths than births between 2010 and 2014. These 14 counties that experienced a natural decrease in population were home to 17.3 percent of Oregon's 65-and-over population in 2014. But, these counties only made up 11.2 percent of Oregon's entire population. In addition, 24.6 percent of the population in these 14 counties was 65 or over. This is compared with the 16 percent share for the state as a whole. The disproportionate share of people 65 and over in the 14 counties was a major factor in their natural population decrease.

**Growth Expected in Future**

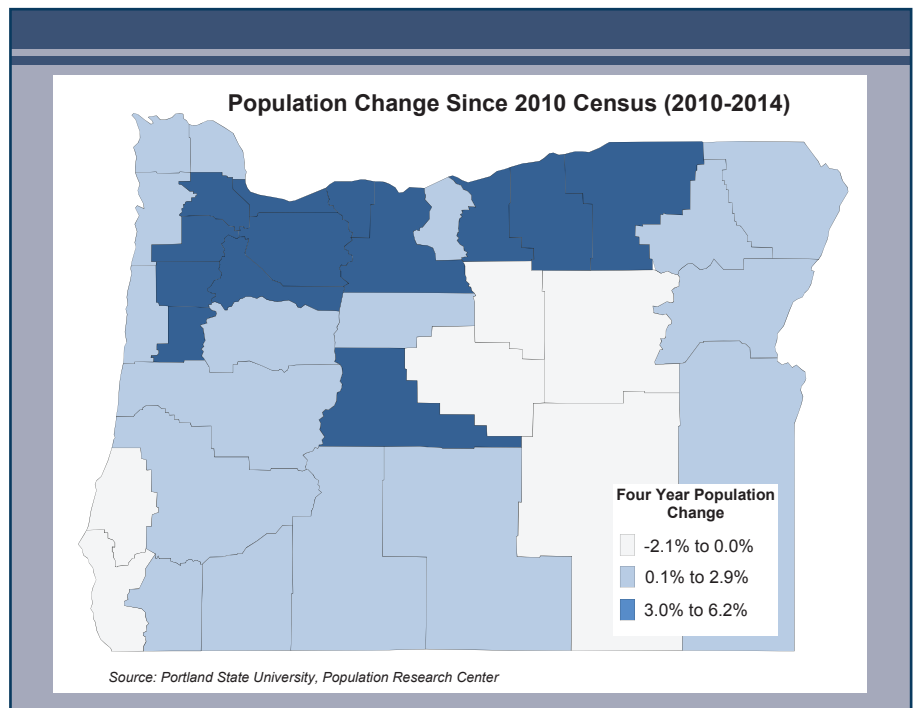
Oregon's Office of Economic Analysis forecasts population for the state. While Oregon's population is now slightly less than four million, the OEA expects its population to hit 4.5 million by 2025 and 5.2 million by 2035.

Through 2035, average annual births per 1,000 people are expected to decrease slightly (from 12 to 11), and deaths are projected to increase slightly (from 9 to 10). Thus, at least through 2035, the OEA expects there

**Population Growth by Natural Increase and Net In-Migration, 2010-2014**

	2014 Population	2010 Population	Change from 2010	Natural Increase	Total from Net Migration	Percent from Net Migration
Portland	1,105,520	1,059,269	46,251	24,556	21,695	51%
Salem	101,465	97,749	3,716	1,459	2,257	34%
Bend	7,990	7,895	95	-42	137	81%
Eugene	66,910	66,380	530	321	209	85%
Medford	1,785	1,765	20	3	17	93%
Corvallis	62,900	63,043	-143	-967	824	75%
Albany	208,375	203,206	5,169	378	4,791	59%
Grants Pass	37,495	37,039	456	175	281	100%

*Source: Portland State University, Population Research Center*



to be a natural increase in population, but at a slower rate than was normal in the past. Annual net in-migration gains are expected to hold roughly steady during this time period (at 9 per 1,000 people), and possibly drop as we approach 2035. This means net in-migration gains will account for most of Oregon's growth in the future.

**Conclusion**

As Oregon's population continues to increase, we see that the majority of this increase comes from positive gains in net migration. These gains are focused mostly in metro areas and in the northern half of the state. While gains from natural increase and net in-migration are the norm for most

counties across the state, a handful of counties have experienced a decline in one or both of these components.

**About the Data**

The Population Research Center at Portland State University prepares annual population estimates for Oregon, its counties, and incorporated cities and towns as of July 1 each year. These estimates serve as the official population numbers between each decennial census, and are used to disburse state revenues to Oregon counties and cities.

Detailed population tables for 2014 and prior years are available at <http://www.pdx.edu/prc/population-reports-estimates>. ■

# Hours Worked Varies by Industry and Firm Size

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Employees in manufacturing and wholesale trade typically work more hours than employees in other industries. Workers at mid-size and large businesses usually log more hours than workers at small businesses.

Median quarterly hours worked, across all broad industries and size classes, varied between a low of 400 hours in the third quarter of 2001 and highs of 419 hours reached in the third quarters of 2005 and 2011. In the third quarter of 2014, the overall median was 407 hours.

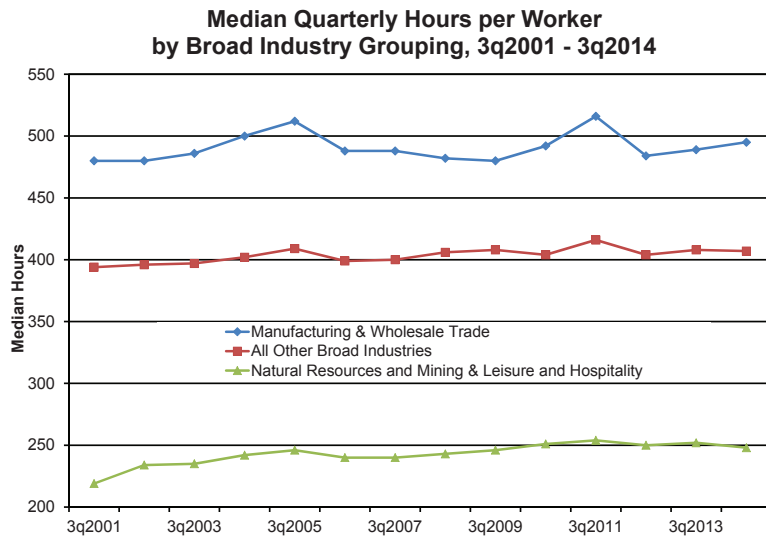
## Industry Undercurrents

Two broad industries – manufacturing and wholesale trade – consistently reported the highest number of hours worked per quarter in each of the third quarters of 2001 through 2014. In 2014 workers in manufacturing and wholesale trade had a median of 495 hours worked for the third quarter – about 38 hours per week.

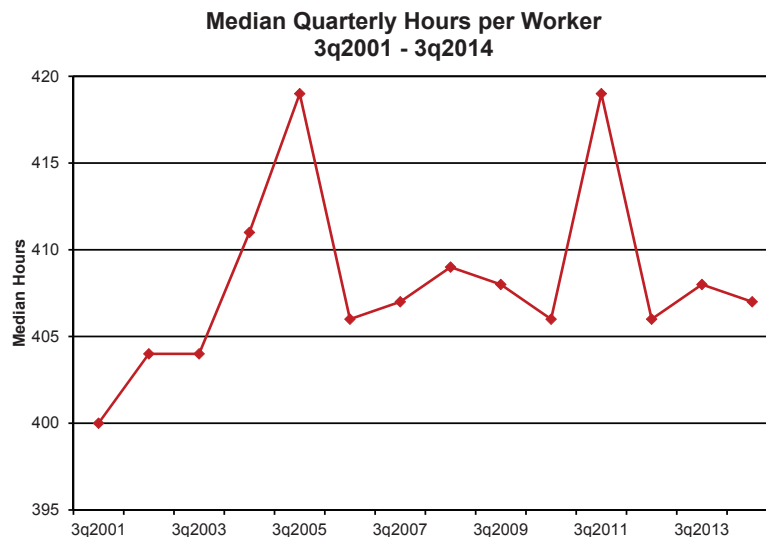
Natural resources and mining and leisure and hospitality always showed the smallest numbers of median quarterly hours. Workers in these industries had a median of only 248 hours for the third quarter of 2014 – about 19 hours per week.

Other industries had work hours in between these values, and some had different patterns of hours worked. Hours worked in construction changed with the housing boom, bust, and recovery. Median quarterly hours in construction rose steadily from the third quarters of 2001 (413 hours) to 2007 (441 hours), dropped slightly in the third quarter of 2008, and plummeted thereafter to a low of 411 hours in the third quarter of 2010. By the third quarter of 2014, the median reached a new high of 451 hours.

Graph 1



Graph 2



The other services industry, which includes repair businesses and religious and social organizations, had median hours that remained fairly steady over the time period, with a high of 335 hours in the third quarter of 2009 and a low of 305 hours in the third quarter of 2010.

## Possible Explanations for Peaks and Valleys in Hours

Why, for so many firms, did median hours worked rise so sharply in the third quarters of 2005 and 2011 and

plummet in the third quarters of following years? Part of the answer may be due to the number of paydays in the quarter. In 2005 and 2011, there were 14 Fridays in the third quarter. In the other years there were only 13 Fridays. Employers often report total quarterly hours on the basis of their pay periods, rather than for the period during which they were actually accrued.

It is less likely that the peaks are due to a rapid change in the number of jobs in Oregon. During these time

periods the number of jobs in Oregon actually continued to increase.

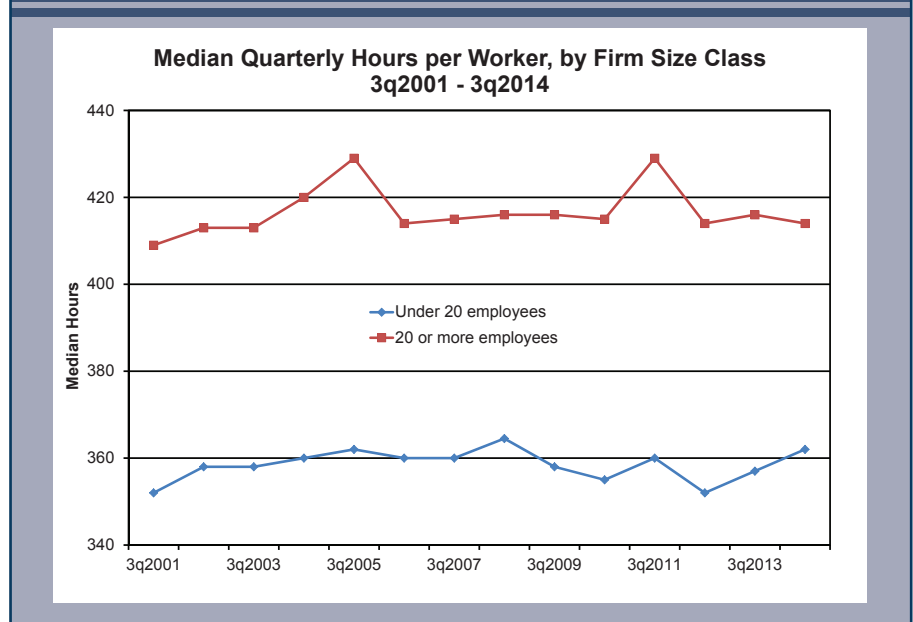
Without further research, there are no definitive explanations, but there are other possible reasons: 1) Workers changed the amount of part-time work they did (e.g., “moonlighting”). 2) Turnover changed as more workers switched jobs mid-quarter. 3) Firms fired or hired more employees mid-quarter. These occurrences may result in the inflation of the hours reported in some quarters and the decrease in hours in others.

### Larger Employers Have Higher Median Hours

Workers at firms with 20 or more employees typically worked more hours per quarter – a median of 362 hours in the third quarter of 2014 – than workers at smaller firms. These larger firms also had peaks in median hours per worker in the third quarters of 2005 and 2011. This is not surprising since one-third of all jobs in Oregon are with firms with 500 or more employees and 80 percent of jobs are with firms with 20 or more employees. The median number of hours worked at larger firms did not show a downward trend during the recession, as it did for smaller firms.

Workers in firms with 100 to 249 employees typically worked more hours than other workers at smaller or larger firms. About 16 percent of the jobs in this size class are with firms in the educational and health services industry. Another 13 percent are in manufacturing.

Graph 3



Compared with the larger firms, firms with fewer than 20 employees had: 1) a pattern of median quarterly hours over time that was unlike that for all firms combined, and 2) a median of 362 hours worked in the third quarter of 2014.

#### Data Notes

The source data for the quarterly wage file reports are derived from unemployment insurance (UI) wage reports that are submitted every quarter by all firms with employees covered by UI in Oregon. The wage records that are generated from these reports contain the social security number and quarterly total wages and hours worked for every employee in a UI-covered firm. They also include the firm’s identifica-

tion number, its industry and ownership code (i.e., private or local, state, or federal government) and the county in which the firm’s headquarters are located. These quarterly records cover 1.8 million individuals employed in the state but don’t include roughly 200,000 self-employed workers. Past quarterly wage reports are available at [www.QualityInfo.org/pubs](http://www.QualityInfo.org/pubs).

The quarterly wage file reports typically contain no statistics based solely on the hours reported in the wage records. They do show, however, the median hourly wage for each broad industry and firm size class. These figures are calculated from the quarterly wages and hours for each worker in a broad industry or firm size class. ■

## Business News Around the State

Would you like to know more about Oregon businesses? Are you interested in which businesses are expanding and which are having layoffs? Maybe you want to know about business openings and closures in Oregon. You can receive this information in the Oregon Employment Department’s weekly *Business News Around the State* publication. *Business News Around the State* tracks Oregon’s regional business activities. Current and past editions can also be found at [www.QualityInfo.org](http://www.QualityInfo.org) by clicking “Search Biz News” under the “Jobs & Careers” drop-down menu. You can search for events by any combination of industry, type of event (expansions, closures, etc.), county, date, or firm name. To be added to the email list, contact Kathi Riddell at [Kathi.R.Riddell@oregon.gov](mailto:Kathi.R.Riddell@oregon.gov) or (503) 947-1266.



## Oregon Current Labor Force and Industry Employment

	April 2015	March 2015	April 2014	Change From March 2015	Change From April 2014
<b>Labor Force Status</b>					
Civilian labor force	1,920,287	1,932,861	1,919,526	-12,574	761
Unemployed	100,188	112,606	132,308	-12,418	-32,120
Unemployment rate	5.2	5.8	6.9	-0.6	-1.7
Unemployment rate, seasonally adjusted	5.2	5.4	7.0	-0.2	-1.8
Employed	1,820,099	1,820,255	1,787,218	-156	32,881
<b>Other Labor Force Indicators</b>					
Labor force participation rate, seasonally adjusted	60.8	61.2	61.0	-0.4	-0.2
Labor underutilization rate – U-6, seasonally adjusted	11.7	11.7	14.4	0.0	-2.7
<b>Nonfarm Payroll Employment</b>					
Total nonfarm payroll employment	1,765,200	1,748,900	1,709,300	16,300	55,900
Total private	1,460,400	1,444,400	1,410,500	16,000	49,900
Mining and logging	7,300	7,300	7,500	0	-200
Construction	78,500	77,900	78,300	600	200
Manufacturing	184,900	183,000	176,200	1,900	8,700
Durable goods	131,100	129,800	124,800	1,300	6,300
Nondurable goods	53,800	53,200	51,400	600	2,400
Trade, transportation, and utilities	329,000	325,400	319,100	3,600	9,900
Wholesale trade	73,100	72,400	72,000	700	1,100
Retail trade	197,100	194,400	191,100	2,700	6,000
Transportation, warehousing, and utilities	58,800	58,600	56,000	200	2,800
Information	32,100	31,900	32,200	200	-100
Financial activities	93,100	94,000	91,300	-900	1,800
Professional and business services	226,600	223,400	216,700	3,200	9,900
Professional and technical services	91,400	89,500	84,600	1,900	6,800
Management of companies and enterprises	41,500	41,500	39,900	0	1,600
Administrative and waste services	93,700	92,400	92,200	1,300	1,500
Educational and health services	261,900	260,300	250,200	1,600	11,700
Educational services	38,400	38,300	37,500	100	900
Health care and social assistance	223,500	222,000	212,700	1,500	10,800
Leisure and hospitality	188,300	183,000	180,300	5,300	8,000
Other services	58,700	58,200	58,700	500	0
Government	304,800	304,500	298,800	300	6,000
Federal government	27,400	26,700	27,000	700	400
State government	87,500	88,000	84,800	-500	2,700
State education	34,800	35,200	34,400	-400	400
Local government	189,900	189,800	187,000	100	2,900
Local education	101,100	101,700	99,900	-600	1,200
Labor-management disputes	0	0	0	0	0

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.

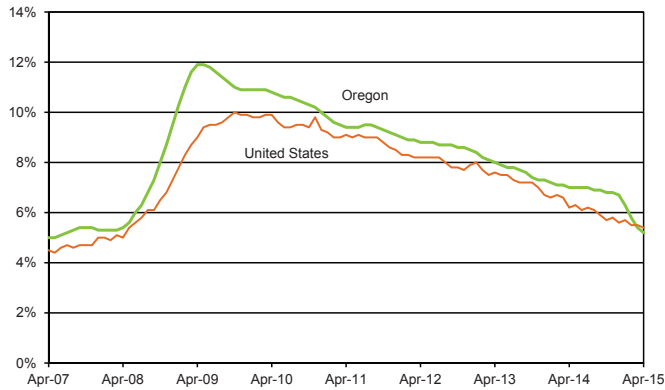
Labor Force Status: Civilian labor force includes employed and unemployed individuals 16 years and older by place of residence. Employed includes nonfarm payroll employment, self-employed, unpaid family workers, domestics, agriculture and labor disputants. Unemployment rate is calculated by dividing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

U-6 is the total unemployed plus all persons marginally attached to the labor force plus total employed part-time for economic reasons, as a percent of the civilian labor force plus all persons marginally attached to the 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. These survey-based estimates are revised quarterly, based on more complete information from employer tax records.

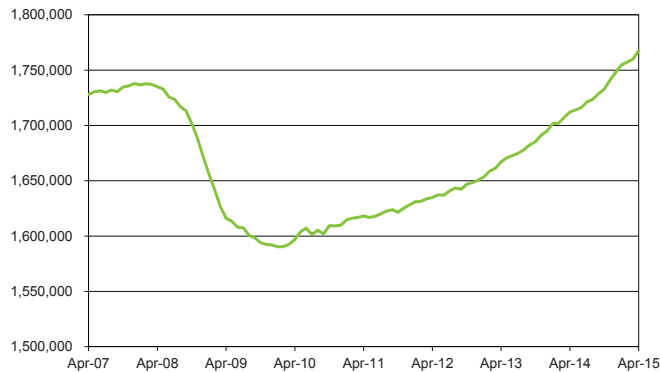
## Unemployment Rates

**Oregon's Unemployment Rate Lower than U.S. Unemployment Rates, Seasonally Adjusted**



## Total Nonfarm Payroll Employment

**Oregon Sees Rapid Job Growth in April Oregon Nonfarm Payroll Employment, Seasonally Adjusted**



## Indicators

### Unemployment Rate (Seasonally adjusted)

	Oregon	U.S.
April 2015	5.2	5.4
Mar. 2015	5.4	5.5
April 2014	7.0	6.2

### Seasonally Adjusted Employment (Total Nonfarm Payroll Jobs)

	Oregon	U.S.
April 2015	1,767,600	141,367,000
Mar. 2015	1,760,000	141,144,000
April 2014	1,712,100	138,385,000
Change From		
April 2014	55,500	2,982,000
% Change	3.2%	2.2%

### Consumer Price Index (CPI) (All urban consumers, 1982-84=100)

Port.-Salem, OR-WA	Index	Yearly Change
July-Dec. 2014	242.679	2.3%
Annual Average 2014	241.215	2.4%
<b>United States</b>		
April 2015	236.599	-0.2%
Annual Average 2014	236.736	1.6%



# OREGON LABOR TRENDS

*Oregon Labor Trends* is published by the Workforce & Economic Research Division of the Oregon Employment Department. *Oregon Labor Trends* can be found under "Publications" on OED's labor market information Web site, [www.QualityInfo.org](http://www.QualityInfo.org).

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