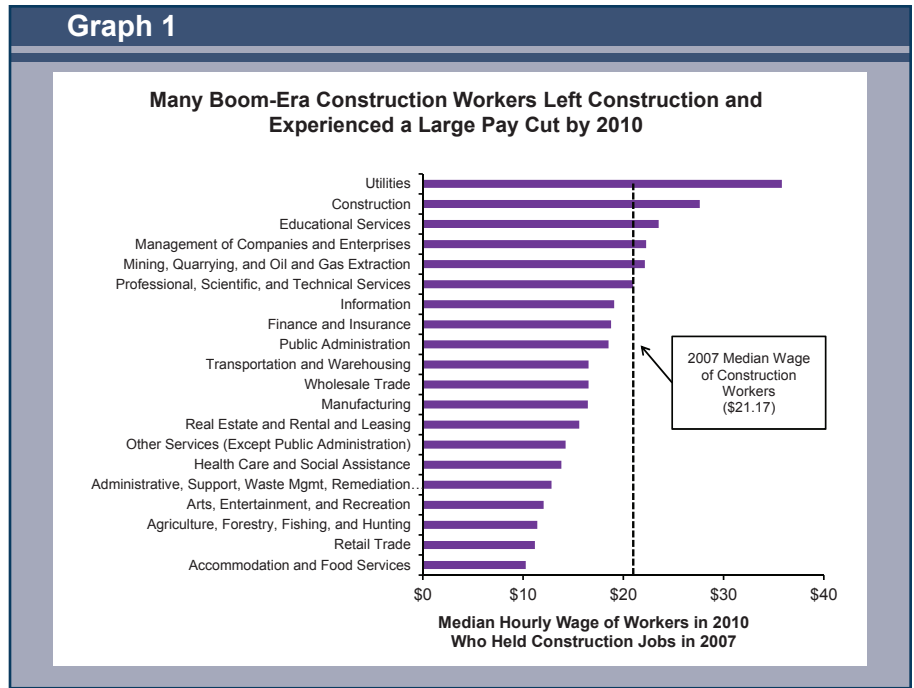


Where Did All of Oregon's Construction Workers Go?

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Back in the mid-2000s, I took a job as a construction laborer to help offset my expensive college tuition. As a young adult there were few opportunities to make more than minimum wage, particularly with only a high school diploma in my back pocket. Construction was a well-paying industry, there were countless jobs available, and entry level laborers needed no specialized training or licenses. One simply needed to work hard, show up on time, and be willing to get dirty. During the housing boom of the mid-2000s, the demand for new, single-family homes fueled an explosion of the construc-



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tion industry, which added more than 21,000 new jobs in Oregon between 2004 and 2007.

Then the bubble burst. Home prices plummeted and the demand for new construction dried up. The construction industry lost more than 38,000 jobs. Today, Oregon is in a period of expansion with employment levels higher than the pre-recession peak. However, the construction industry remains far from recovered – having only regained about one-third of the lost jobs.

When the bubble burst I lost my construction job, forcing me to find a new source of income – ultimately, in a different industry. I wasn't alone; it turns out that thousands of construction workers who wanted to maintain employment in Oregon were forced to start a new career due to the recession. Using unemployment insurance records, we can follow Oregon's construction workers from 2007 to see

where they landed during the depths of the recession, and later after the recovery.

From Peak to Valley

If 2007 was the peak of the housing bubble, then 2010 was definitely the valley. New housing permits dropped by 67 percent between 2007 and 2010. The precipitous drop in housing demand crippled the construction industry.

At the peak of the boom there were 159,500 workers who held a construction job in Oregon. Those workers accounted for 192,000 construction jobs, as some workers held multiple jobs in the industry. By 2010, only about 101,000 (63%) of those construction workers were still reporting wages in Oregon. What happened to the rest of them? Many former construction workers likely lost their jobs and were still seeking employment in Oregon

in 2010; however, some may have moved out of the state looking for work elsewhere, or they decided to retire.

Perhaps more fascinating is to look at those 2007 construction workers who were still employed in 2010. Only about 57 percent still held a job in the construction industry. The other 43 percent moved into new industries. For example, around 10 percent of those workers found a job in accommodation, food services, or retail trade. When construction opportunities dried up, workers were forced to look elsewhere for employment opportunities, with many settling for much less pay.

The median wage of construction workers in 2007 was \$21.17 an hour (in 2014 dollars). Of those workers who were still employed in Oregon but had to change industries, their pay was \$14.32 an hour in 2010. During those hard times, many former construction workers were forced to choose between a massive pay cut or unemployment. Many made the choice to change their career path, find work in a new industry, and work for much less money.

From Valley to Today

By the fall of 2014, Oregon had fully recovered all jobs lost during the recession. The recovery was primarily driven by growth in a variety of industries, such as health care, tourism, and the professional sector. Construction was slow to add jobs, as the large surplus of houses and low home prices tempered the demand for new home construction. However, by 2013 construction began to see sustained job growth that continued into 2014. Although construction's employment levels remain far below the pre-recession peak, the industry added more than 10,000 jobs in the past two years. The industry is on the mend behind a recovering housing market and tighter housing supply. It was assumed that many of the former construction workers who lost their construction job during the recession would come back to the industry when it began to recover. However, that doesn't seem to be the case. Many of those construction workers left and few have returned.

As pointed out earlier, there were 159,500 workers who had a construction job in 2007. Of those, only about 101,000 were still working in Oregon in 2010. By 2014, that number dropped to 90,500 who were still working in Oregon, a 43 percent reduction since 2007. About half of the jobs those workers accounted for remained in the construction industry, which is an even smaller proportion than during the depths of the recession in 2010. At this point, it doesn't seem like those experienced construction workers from the boom years are coming back to fill Oregon's recent construction vacancies.

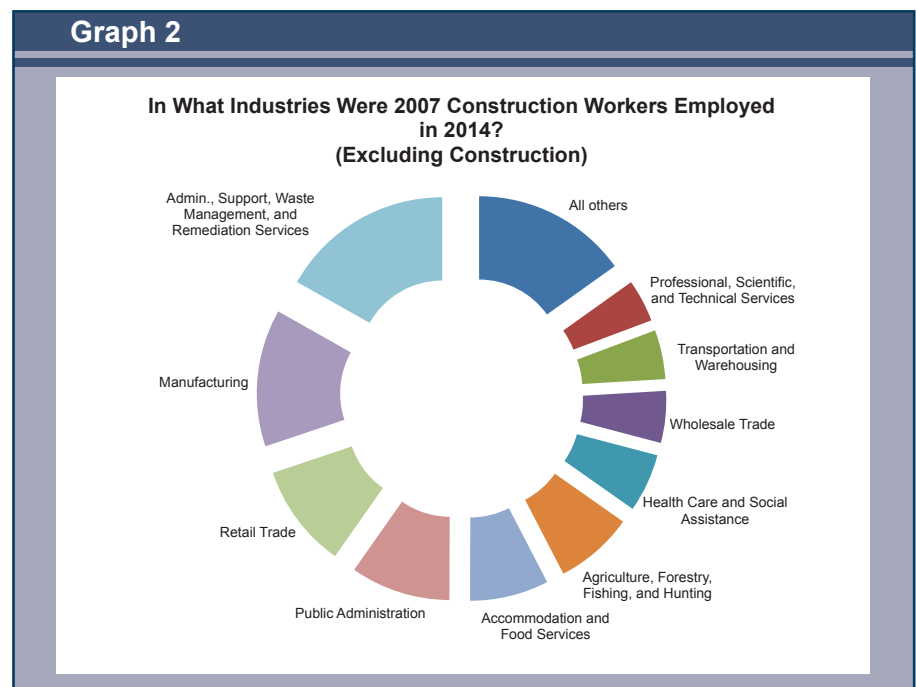
Although many of the former construction workers from 2007 still employed in Oregon no longer hold a job in construction, many are now employed in similar industries. About 43 percent of the non-construction jobs are in industries with significant hands-on physical work, such as waste management, transportation, warehousing, manufacturing, agriculture, and forestry. However, thousands of former construction workers completely changed their career paths, likely in pursuit of higher wages or a more stable employment situation. Ultimately, it seems the choice of these workers to move away from construction was a good financial decision. The median wage of these former construction work-

ers was \$21.30 a hour in 2014, an increase from their 2010 median wage of \$20.59, and even slightly higher than their median wage in 2007 during the boom (\$21.17).

Conclusion

Soon after losing my construction job I graduated from college. I was forced to find work in a different industry, and it has been seven years since I last worked in construction. During the mid-2000s the industry guaranteed stable employment with good wages for little experience. Many Oregonians chased these construction jobs created by the bubble, but when the bubble burst, many like myself moved on.

Only 57 percent of the construction workers from the boom years were still working in Oregon as of 2014. We don't know how many of those who are no longer working in Oregon are either unemployed, retired, or working outside the state. But, we do know that only about half of those still working in Oregon remain employed in construction. The rest are employed in a variety of other industries. It seems that the recent uptick in hiring demand for construction labor is doing little to persuade those former construction workers to come back to their former industry. ■



LOCAL HIGHLIGHTS:



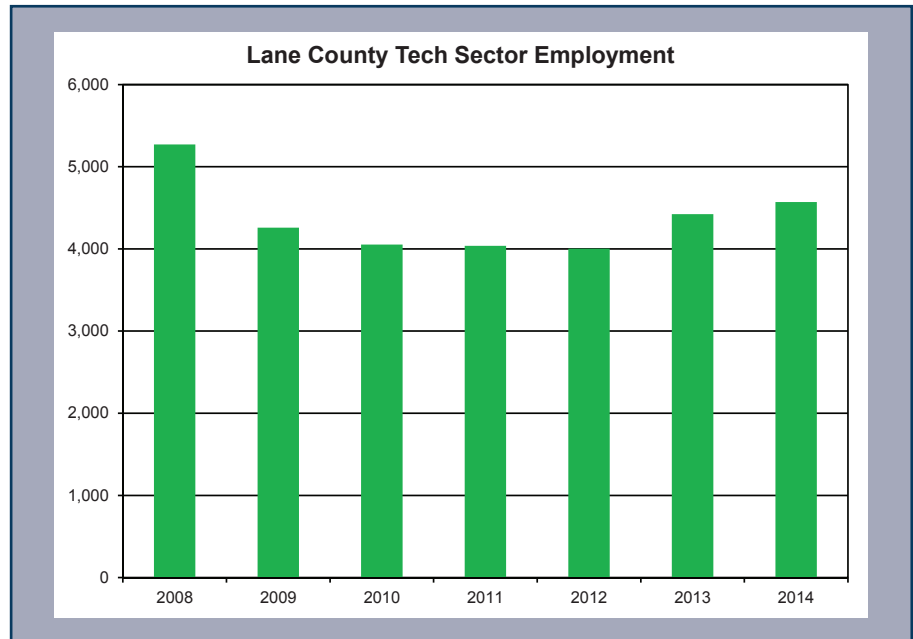
Lane County's Tech Sector Employment Grows after the Great Recession

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You have probably heard of Symantec, publisher of Norton security software, but Lane County's tech sector also includes roughly 400 other less known firms like Electrical Geodesics, Data-logic, Palo Alto Software, Lunar Logic, Concentric Sky, and a host of others. Together, those firms employed 4,571 workers and contributed almost \$300 million in covered payroll in 2014.

Trends show that, like most sectors, tech lost jobs during the Great Recession, dropping from an annual average of 5,658 jobs in 2007 to 4,002 in 2012, for a loss of 1,655, or 29 percent. Much of the loss was due to the closure of a Hynix semiconductor plant in late 2008. Since 2012, however, the sector has started to come back, gaining roughly 570 jobs by 2014 from a variety of manufacturing, software, and computer service firms.

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Tech Sector Industries (BLS/Oregon High-Tech definition)

Computer and peripheral equipment mfg.	Data processing, hosting, and related services
Communications equipment mfg.	Other information services
Semiconductor and electronic component mfg.	Architectural and engineering services
Electronic instrument mfg.	Computer systems design and related services
Aerospace product and parts mfg.	Scientific research and development services
Software publishers	

Lane County Employment in the Tech Sector - Most Common Occupations

Occupational Title	2012 Employment	2014 Average Annual Wages
Computer User Support Specialists	459	\$46,778
Software Developers, Applications	224	\$83,521
Customer Service Representatives	203	\$34,553
Wholesale and Manufacturing Sales Representatives, Technical and Scientific Products	171	\$83,759
Social Science Research Assistants	129	\$43,182
Electrical and Electronic Equipment Assemblers	119	\$56,099
Computer Occupations, All Other	106	\$63,074
Computer Programmers	85	\$60,989
Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	78	\$34,107
General and Operations Managers	75	\$86,494
Office Clerks, General	74	\$30,839
Multimedia Artists and Animators	70	\$65,888
Bookkeeping, Accounting, and Auditing Clerks	69	\$37,165
Civil Engineers	68	\$82,737
Network and Computer Systems Administrators	68	\$61,922
Computer and Information Systems Managers	63	\$99,862

CONTINUED FROM PAGE 3

The definition of the tech sector is a broad grouping of 11 manufacturing and service industries that is the same as the high-tech definition recently adopted by the Oregon Employment Department. The industries comprising this definition are listed in the table. It is also the same as the definition currently used nationally by the U.S. Bureau of Labor Statistics.

Occupations and Wages

At the industry level, tech sector wages are high. In 2014, the average annual wage was \$64,793, compared with \$39,372 for all industries in the county.

At the occupational level, the most common occupations in the industry show a combination of highly paid technical occupations and generally lower paid office personnel such as secretaries and bookkeepers. Annual wages range from a high of \$99,862 for computer and information systems managers to a low of \$30,839 for general office clerks.

Future Growth

The Oregon Employment Department forecasts the tech sector will grow by 19 percent in Lane County between 2012 and 2022, compared with 15 percent for all industries. This would equate to an additional 822 tech sector jobs. In addition, there are expected to be 774 openings created through replacement needs. This equals roughly 1,600 total openings, or an average of 160 openings per year. ■

Oregon's Labor Market Was Largely Unchanged in May

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Oregon's unemployment rate was essentially unchanged at 5.3 percent in May compared with 5.2 percent in April. This kept the state's rate close to the national level, as the U.S. unemployment rate was 5.5 percent in May and 5.4 percent in April.

An unemployment rate close to 5 percent is near the lowest Oregon's rate has been over the past 40 years. The rate did reach similar levels during four prior periods of economic expansion since the 1980s, but Oregon's rate never dropped substantially below 5 percent. The record low in the series, which dates back to 1976, occurred in January and February 1995, when the rate dropped to 4.7 percent.

Payroll employment growth paused in May, posting a seasonally adjusted decline of 1,400, the first monthly drop since September 2012. But this one-month decline likely isn't an indicator of continued job losses. Despite the one-month decline in jobs, payroll employment was still up substantially over the year, having added 50,500 jobs, or 2.9 percent, since May 2014.

Taking a breather from rapid growth in recent months, most industries hired close to their normal, seasonal numbers of jobs in May. Retail trade was the biggest exception as it added only 700 jobs in May, when an increase of 2,100 is its seasonal norm. Clothing stores employed a total of 15,500 in May, which was an over-the-year drop of 200. During the past four years, employment has not grown in clothing stores, likely at least partially due to increases in online shopping and increased competition from clothing sold in establishments classified within another retail segment: general merchandise stores.

The slight dip in the May jobs figures could be payback from strong gains in recent months. Oregon's mild and dry winter helped keep people employed in industries affected by winter weather. For example, construction employment didn't drop as much as normal during January and February. This allowed many in construction to get back to work sooner than usual. Following these unusual fluctuations, construction employment stood at its highest May total in seven years at 81,300 jobs, a gain of 1,100, or 1.4 percent, since May 2014.

Real wages are growing. With Oregon's unemployment rate dropping close to historic lows, wage gains reflected a tightening labor market. Average hourly earnings increased 2.2 percent over the year for Oregon's private-sector payroll employees. These wage gains were above the rate of consumer price inflation. ■

Visit www.QualityInfo.org

The Current Employment Statistics (CES) monthly survey provides the most up-to-date employment estimates available. The tool at www.QualityInfo.org puts CES data at your fingertips.

Statewide industry employment figures, estimates for all Metropolitan Statistical Areas (MSAs) in Oregon, and counties not included in the MSAs are available.

Produce reports showing the most recent monthly data, annual tables, historical reports, and geographic profiles of selected industries. Historical data from 1990 forward can be accessed online. Just click on the link to "Current Employment Estimates (CES)" under the "Economic Data" drop-down menu.



Private Households: Employing the Nation's Invisible Workforce

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Nearly 9,000 Oregon workers are employed in private households. The private household industry employs workers on or about the household premises in activities primarily concerned with the operation of the household. Private households may employ workers often referred to as domestic workers such as cooks, maids, butlers, gardeners, personal caretakers, and other maintenance workers. Domestic workers can perform a variety of household services from providing care for children and elderly dependents, to housekeeping, cooking, laundry, grounds keeping, shopping for food, and carrying out household errands.

Demand and Supply

The cycle of demand for domestic workers shows no sign of fading away. A major factor on the demand side is the fact that more women are taking on full-time jobs and a dually employed household with children places a heavy burden on parents to keep up the household. Household help is a lifesaver for many families. Caregivers who look after young children, aging parents, pets, or homes can reduce a lot of stress. Demand for in-home workers is also growing due to the growth of the aging population, 65 years and older. This segment of the population is expected to make up 19 percent of the total U.S. population by 2030.

On the supply side, the private household workforce has become largely filled by workers who immigrate to wealthier nations to find work. The American Community Survey estimates that 46 percent of the private household workforce in the U.S. is foreign-born.

In Oregon, the number of domestic workers more than tripled from 2,802 in 2001 to 8,834 in 2014.

According to the National Domestic Workers Alliance, both U.S. born and immigrant domestic workers work in an array of circumstances.

A few staff the homes of the wealthy but many more work in homes of busy, middle-class professionals who have sufficient income and wealth to hire help to do the chores that would otherwise consume their limited time. Still other domes-

tic workers assist people of modest means, stopping in once every other week to clean the house, help an elderly person with laundry and meals, pick up kids from school, or attend to the needs of a person with a disability.

According to the Bureau of Labor Statistics, national employment in private households is expected to grow from 737,800 workers in 2012 to 749,100 workers in 2022 – growth of 1.5 percent. In Oregon, the number of domestic workers more than tripled from 2,802 in 2001 to 8,834 in 2014. The number of private households that

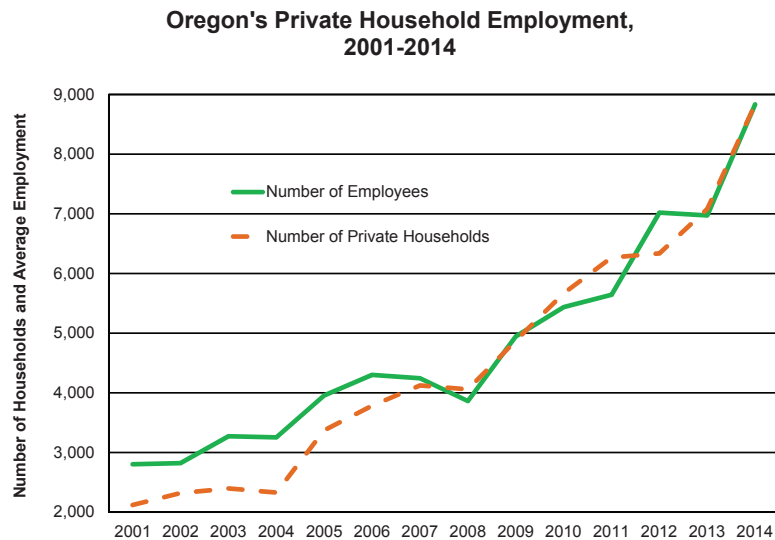
employed domestic workers grew by over 300 percent from 2,118 in 2001 to 8,835 in 2014. The average employee per household in Oregon has been declining slightly from a high of 1.4 in 2003 to its current level of 1.0.

Occupations and Wages

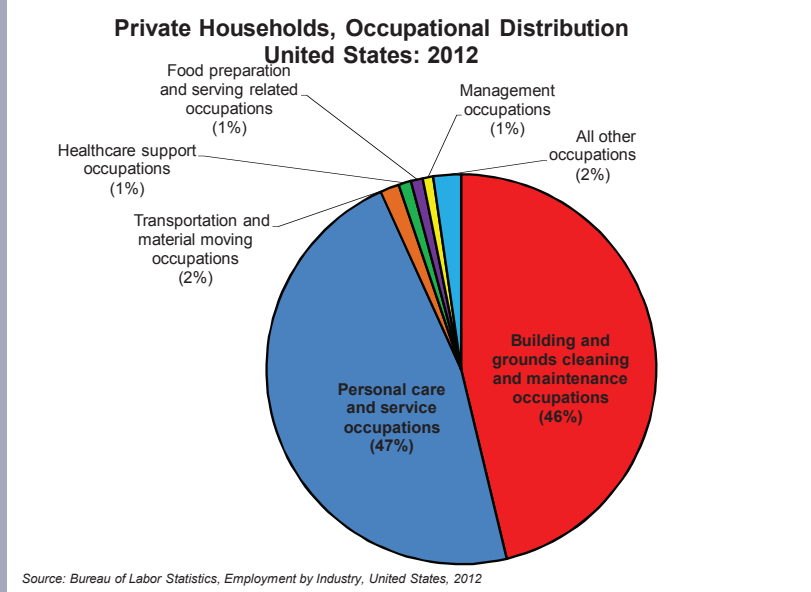
Domestic work is often very personal in nature. A nanny or childcare worker is entrusted with the care and well-being of the employers' family member and the caretaker for an elderly or disabled person often functions as a companion, providing conversation and emotional support, as well as help with dressing and bathing. Graph 2 shows that the majority of U.S. workers in private households during 2012 fell into two broad occupational categories: building and grounds cleaning and maintenance (46%) and personal care and service occupations (47%).

The majority (94%) of building and grounds cleaning workers were maids and housekeeping cleaners. The remaining occupations were made up of grounds maintenance workers (3.7%) and all other occupations (2.4%). Child-care workers and personal care aides

Graph 1



Graph 2



The report shows that in Oregon, 92.6 percent of in-home workers were female and 12.6 were immigrants in 2012. By ethnicity, many were white, non-Hispanic (81.9%), followed by Hispanic (9.6%), black (2.4%), Asian (2.1%), and other (3.9%). In terms of education level, half of in-home workers had a high school diploma or less (50.3%), many more had some college (38.4%), and a few had bachelor's degrees or more education (11.2%). The median age for in-home workers was reported at 38 years which was close to the median age of 40 for all other workers.

Litigation Pertaining to Domestic Worker Rights

The Fair Labor Standards Act (FLSA) was enacted in 1938 to provide minimum wage and overtime protections for workers, to prevent unfair competition among businesses based on subminimum wages, and to require employers whose employees work excessive hours to compensate them at one-and-one-half times the regular rate of pay for all hours worked over 40 hours. The FLSA did not initially protect workers employed directly by households so Congress extended FLSA coverage to domestic service workers in 1974. These expanded

made up the majority of jobs in the personal care and service occupations at 67 and 32 percent, respectively.

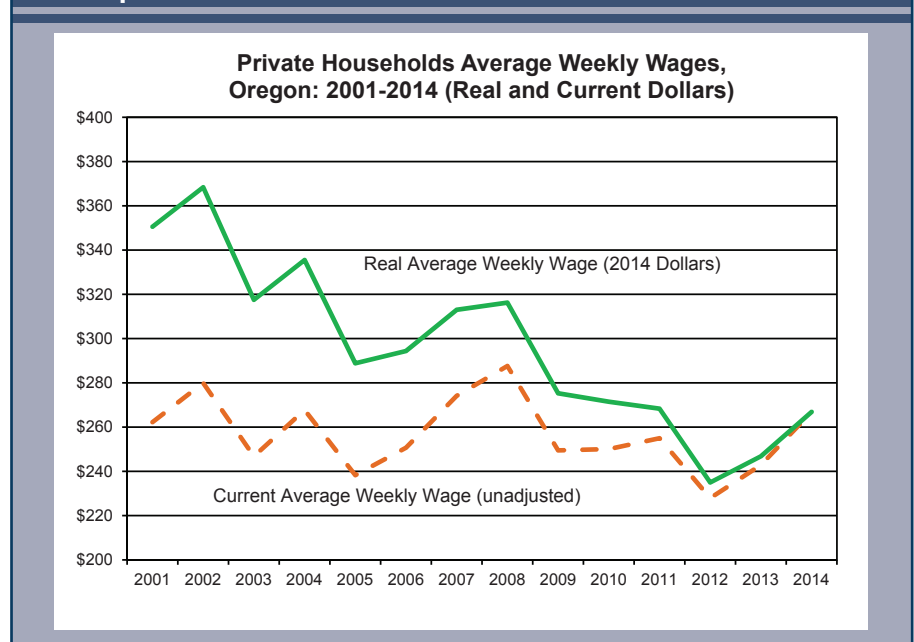
Domestic work has historically been a low pay job, with 70 percent of workers earning less than \$13 an hour according to a survey conducted in 2012 by the National Domestic Workers Alliance. The report, [Home Economics: The Invisible and Unregulated World of Domestic Work](#), presents the results of the first large-scale, national survey of domestic workers in the United States which surveyed 2,086 nannies, caregivers, and housecleaners in 14 metropolitan areas. The data showed that 23 percent of workers were paid below the state minimum wage and 67 percent of live-in workers were paid below the state minimum wage, with a median hourly wage of \$6.15.

In Oregon, average weekly wages in private households (Graph 3) have not changed much since 2001 – ranging from \$228 to \$288 in current dollars (not adjusted for inflation). When the current wage is adjusted for inflation, the real wage actually declined from \$351 in 2001 to \$267 in 2014 or by 23.9 percent. It is estimated that a larger share of in-home workers have to settle for part-time work, so these weekly wage estimates do not always reflect a 40-hour work week.

Demographics

According to the report from the Economic Policy Institute, [Low Wages and Scant Benefits Leave Many In-Home Workers Unable to Make Ends Meet](#), in-home workers are more than 90 percent female and disproportionately immigrants. The report estimates that one out of every nine foreign-born female workers with a high school degree or less works in an in-home occupation.

Graph 3



protections exempted certain domestic service workers from minimum wage, overtime provisions, and the overtime pay requirement for live-in domestic service workers. On January 1, 2015, the United States Department of Labor revised its regulations defining companionship services so that many direct care workers, such as certified nursing assistants, home health aides, personal care aides, and other caregivers are protected by the FLSA revision.

According to the National Domestic Workers Alliance, domestic workers are still excluded from the following worker protections afforded other workers:

- Domestic workers are barred from forming unions or bargaining collectively due to the National Labor Relations Act.
- Live-in domestic workers are excluded from the overtime provisions of the Fair Labor Standards Act.
- Domestic workers are excluded from Occupational Safety and Health Act Protections although they routinely work with toxic products.
- Federal anti-discrimination laws, including the Civil Rights Act, the Americans with Disabilities Act, and the Age Discrimination in Employment Act, generally cover employers with multiple employees, which is not the case for most private households.

Presently, four states (California, Hawaii, Massachusetts, and New York) have passed their own versions of the Domestic Workers' Bill of Rights pertaining to employers and household employees in those states. This legislation includes policies that address issues such as overtime, mandated rest and meal breaks, and vacation time. Oregon's Domestic Workers Protection legislation (HB 2672) failed in 2013 but there are new efforts to gain grassroots support for similar legislation in the future. ■

Oregon's Per Capita Personal Income Grows More Quickly than Other Western States in 2014

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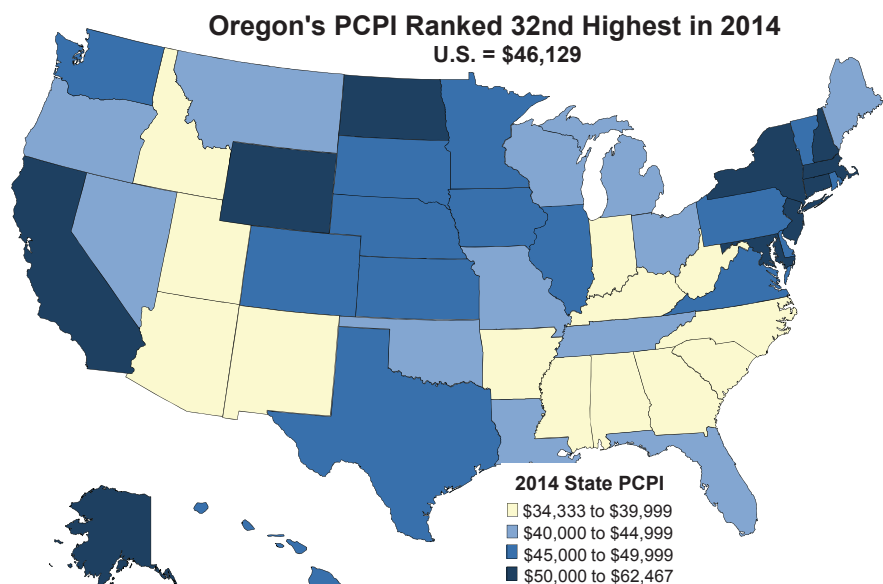
According to the U.S. Department of Commerce's Bureau of Economic Analysis, Oregon's per capita personal income (PCPI) was \$41,681 in 2014. Per capita personal income is the annual total personal income of the state's residents divided by the state's population. Personal income is composed of net earnings, property income, and personal current transfer receipts.

Oregon's PCPI was roughly 90 percent of the nation's PCPI (\$46,129), a personal income gap that has remained relatively steady over the last nine years. Some of the explanations for the gap include: lower industry wages, a faster-growing population, lower wages in high-paying occupational groups, and a larger share of part-time workers in Oregon, compared with the nation.

Connecticut had the highest PCPI among states at \$62,467 and Mississippi had the lowest at \$34,333. Oregon ranked 32nd among all states. ■

	2013	2014	Percent Change	2014 Ranking	2014 Percent of U.S.
U.S.	\$44,765	\$46,129	3.0%		
California	\$48,434	\$50,109	3.5%	10	108.6%
Washington	\$47,717	\$49,583	3.9%	12	107.5%
Oregon	\$39,848	\$41,681	4.6%	32	90.4%
Nevado	\$39,235	\$40,077	2.1%	37	86.9%
Idaho	\$36,146	\$37,533	3.8%	46	81.4%

Source: U.S. Bureau of Economic Analysis.



Source: U.S. Bureau of Economic Analysis

Healthcare in Your Home: Personal Care Aides

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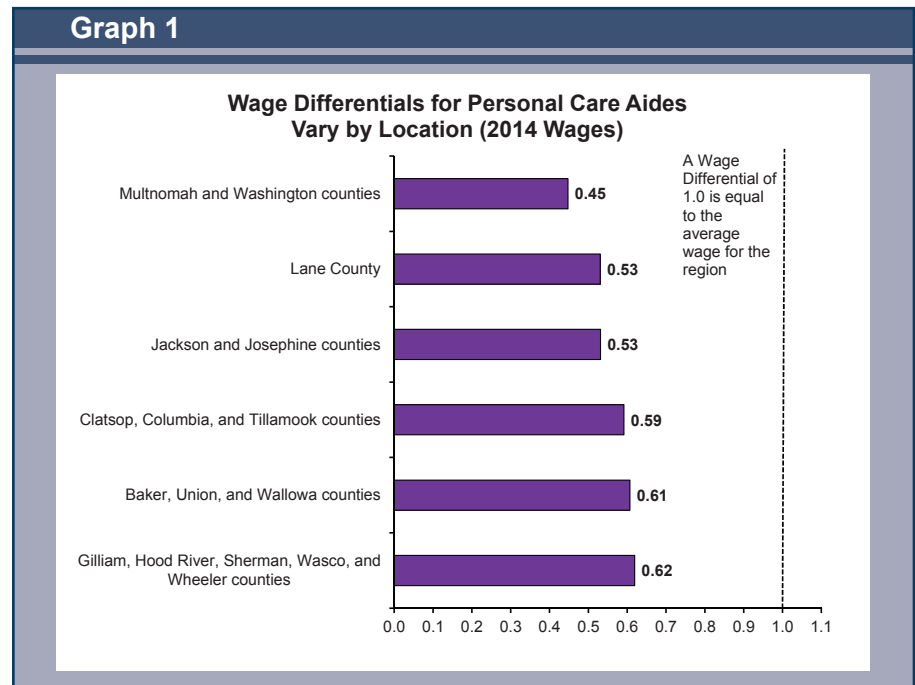
In Oregon, one industry weathered the recession with little to no job losses: healthcare and social assistance. The growth of this industry is due in part to sweeping demographic changes across the United States; namely, the aging of the baby boomer generation (born 1946-1964). Though Millennials (born 1981-2000) now make up the largest portion of Oregon's population, boomers still represent a quarter of the population and a significant part of the workforce. Boomers are expected to enter retirement over the next 10 years, and according to the CDC they are doing so with more chronic health conditions than their predecessors.

With this increased need for care, it is no surprise that much of the growth in healthcare has been concentrated in ambulatory health services and nursing and residential care facilities, and within related occupations like personal care aides. Personal care aides (who may also be called care-givers) assist the elderly and those with disabilities to live in their own homes or in a care facility.

Lending a Helping Hand

Personal care aides perform a variety of duties for the patrons in their care, including housekeeping, preparing meals, and personal hygiene tasks. They also provide companionship, and can schedule transport for clients. The duties of personal care aides are very similar to those of home health aides, but personal care aides cannot provide any medical services to clients.

Personal care aides numbered 7,101 in Oregon in 2012 (out of around 1.2 million employed nationally), with the vast majority of jobs located in the nursing and residential care facilities industry (79%). Most of these workers actually work out of their clients'



homes, though others may be stationed in group homes or larger care facilities.

Personal care aides numbered 7,101 in Oregon in 2012 with the vast majority of jobs located in the nursing and residential care facilities industry.

An Accessible Career

There are very few education requirements for a person looking to become a personal care aide. While most have a high school education, training mainly takes place on the

job. Most employers will require personal care aides to earn CPR and first aid certifications, but other than that nothing is required beyond a genuine desire to care for those in need. This aspect of the job makes a personal care aide position a potential entry point for those interested in healthcare.

Pay and Regional Premiums

With few education and experience requirements, it is no surprise that personal care aide positions tend to offer lower wages than most of their healthcare counterparts. In Oregon, the median hourly wage for a personal care aide was \$10.81 in 2014, signifi-

cantly lower than the median for all workers (\$17.52). Annually a personal care aide can expect to pull in around \$23,222, but the industry tends to have a large number of part-time workers. These wages change slightly around the state, from a low of \$9.94 per hour in Coos and Curry counties to a high of \$11.38 per hour in the Columbia Gorge.

These regional differences, however, are magnified if we look at the wage differentials of personal care aides. Wage differentials allow us to see which areas pay personal care aides a "premium" (or the opposite) by comparing their wages to the average wage for all workers in that labor market.

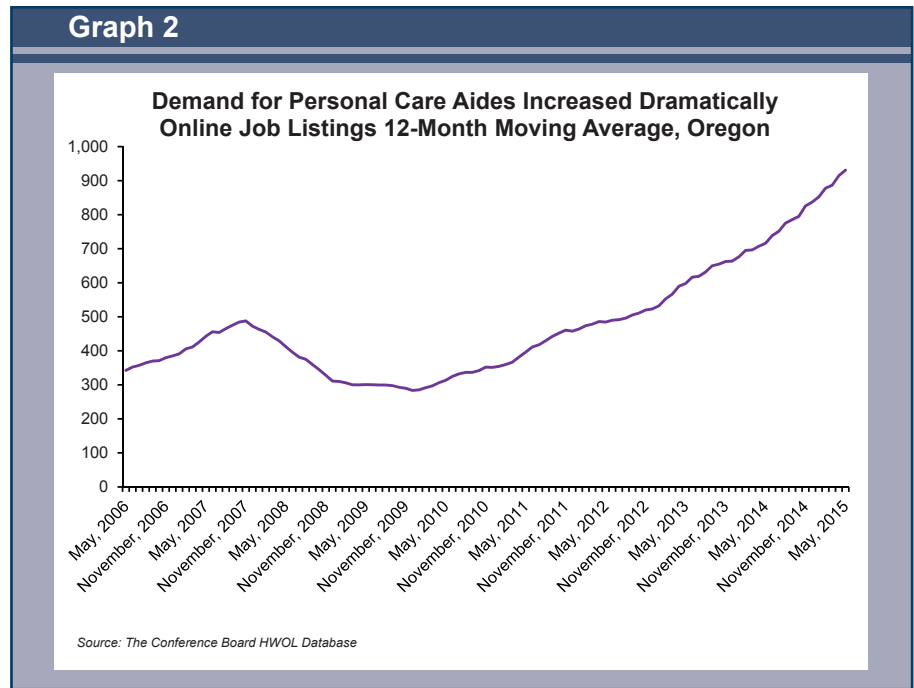
For example, a wage differential of 1.0 means that a job's average wage is equal to the average wage for all occupations combined in the labor market, while a differential of 2.5 means that that job pays 150 percent more than the average wage for all occupations. Personal care aides, a low-skill occupation with few barriers (education or otherwise) for applicants, naturally sees very low wage differentials (Graph 1). All local labor markets in Oregon pay their personal care aides less than the average for all occupa-

tions. Multnomah and Washington counties pay personal care aides 55 percent less than the average worker in those counties, while the Columbia Gorge pays them 38 percent less than the average Gorge worker.

The Benefits of Aging

The future of personal care aides, like the healthcare industry in general, is expected to be extraordinarily bright. Across the United States employment is projected to grow 49 percent from 2012 to 2022, much faster than the average for all occupations (11%). In Oregon, personal care aide employment is projected to grow 29.5 percent over the same time period. This growth includes new job opportunities as well as replacement openings due to workers leaving the occupation. These projections are already coming to fruition in the current labor market, as the demand for personal care aides is high across Oregon. Online job listings have grown 14 percent over the year as of May 2015 (Graph 2), and have grown 226 percent since May 2005.

With few barriers to entry and high demand for workers, expect to see



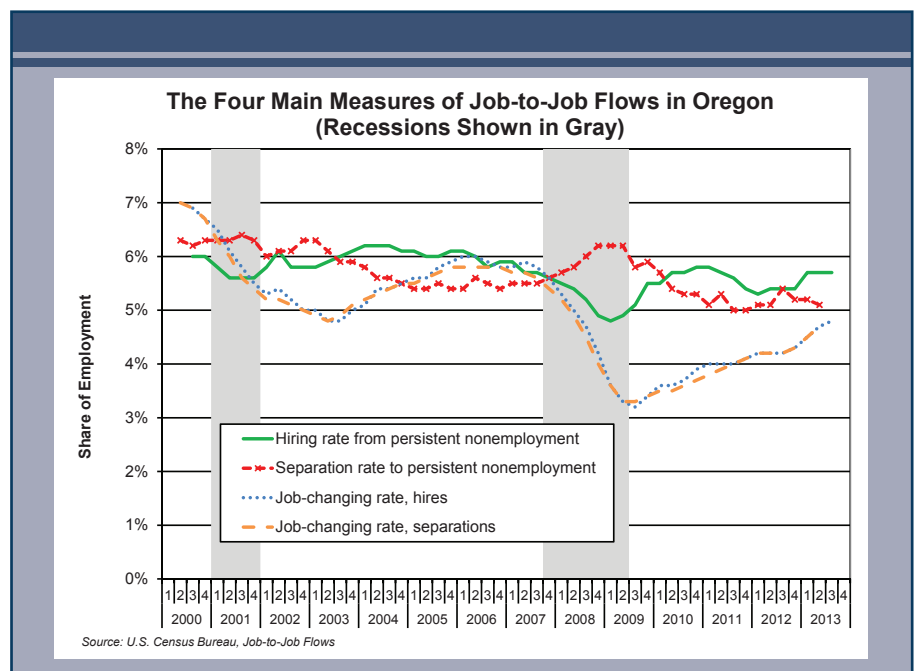
more personal care aides in the field over the next 10 years. The rising cost of healthcare makes home-care an increasingly attractive option for many retirees, and that is where personal care aides are needed the most. Though pay is low compared with

other healthcare occupations, a job as a personal care aide allows individuals to get a foot in the door with local employers, and to determine if a career in healthcare is where their passion lies. ■

Job-to-Job Flows: New Statistics of Workforce Dynamics for Oregon

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There has been a marked decline in the rate of job change in the U.S. since 2000, according to job-to-job flow statistics on worker reallocation from the U.S. Census Bureau. The decrease in job changing during the Great Recession was especially steep and job change rates, although rising again, remained low through summer 2013. This is troubling because job changes are associated with wage growth as workers generally flow to higher-paying jobs. Increasing job change rates should eventually lead to wage growth, according to economists studying these trends.



Recently released state-level job-to-job flow figures reveal the same trend in Oregon. The record-low levels of job change are rebounding from recession, but job change rates were still very low through summer 2013. The rate of separation to nonemployment increased during the recession, but didn't surpass the levels of the early 2000s. Perhaps more damaging to job seekers at the time was the big drop in hiring of the nonemployed, which confirms just how difficult it was to find a job during the recession.

This article looks at trends in Oregon's four main job-to-job flow indicators from summer 2000 through summer 2013, which are shown in the graph.

Measuring Job-to-Job Flows

Job-Changing Rate, Hires – These are job-to-job hires that result from job-to-job moves with short-to-no nonemployment between jobs. The rate is calculated by dividing the number of job-to-job hires by the total number of jobs.

Job-Changing Rate, Separations – These are job-to-job separations that result from job-to-job moves with short-to-no nonemployment between jobs. The separation may be voluntary or involuntary, such as from a layoff, but there's no way to determine this from the data. Research from the Census Bureau finds these types of separations are predominately voluntary because they are associated with higher earnings and increased job tenure at the destination job.

Job-to-job hires and job-to-job separations move together at the national level because worker flows from one employer to another largely cancel out. Oregon's hires and separations rate were both 4.7 percent of employment in spring 2013. But there can be a net inflow or outflow of workers at the state level as workers change jobs across state lines. Oregon benefited from a net inflow or equal balance of job changers for most periods between 2000 through 2013. A net inflow means more people were taking jobs in Oregon than were leaving their Oregon jobs.

The two periods of net outflow of workers were summer 2003 through winter 2004 and summer 2009. These were especially tough times for job seekers in Oregon. The net outflow means that more people were leaving their job in Oregon to take an out-of-state job than people were leaving out-of-state jobs to take a job in Oregon.

Measuring Flows In and Out of Nonemployment

Hiring Rate from Persistent Nonemployment – These are job hires where the worker moves from persistent nonemployment to employment. Persistent here means the worker was likely without a job for at least three months prior to starting the job.

The term nonemployment means something different than unemployment. Nonemployment simply means the person did not have a job that is counted in the job-to-job flows data series. Unemployment means the person did not have a job and was actively looking for one. Job-to-job flows data cannot tell us if a person was unemployed. A person's nonemployment can be caused by unemployment, but they can also be out of the labor force because they are young, full-time students, raising a family, have health issues that prevent work, are retired, or any number of other reasons.

About 5.7 percent of workers came to their main job after a period of nonemployment in spring 2013, which is about equal to the average rate since 2000. Hires from nonemployment are procyclical, so the rate rises during economic expansions and falls during economic slowdowns. The hiring rate dropped substantially during the worst of the Great Recession to just 4.8 percent in winter 2009.

Separation Rate to Persistent Nonemployment – These are job separations where the worker moves from employment to persistent nonemployment. Persistent here means the worker was likely without a job for at least three months after leaving the job.

About 5.1 percent of workers separated from their main job into nonemployment in spring 2013. That's slightly below the rate seen during the previous expansion. Separations to persistent nonemployment are thought to be countercyclical, so the rate falls during economic expansions and rises during economic slowdowns.

Job Flows and Wage Increases

Economists at the Federal Reserve Bank of Chicago recently reviewed the strong relationship between job changes and wage growth ([Chicago Fed Letter No. 337](#)). They found that "As the quit rate nears its pre-recession pace, it may be predictive of increased wage growth..." Unfortunately, the job-to-job flows data is over a year old when it is released because the underlying data sources take time to collect and process. Average wage data for early 2015 is already available and shows that wages are rising in Oregon. We'll have to wait to see if that means job change in Oregon has also returned to its pre-recession pace this year.

About the Data

Job-to-Job Flows data is a new series from the U.S. Census Bureau's [Local Employer-Household Dynamics](#) program using data collected in partnership with the states. Data and additional documentation are available through the [Job-to-Job Flows webpage](#).

The series is based on quarterly employment records of jobs covered by state unemployment insurance programs. Job flows are only calculated for the main job held by a worker. Some types of jobs are not included because they are not covered by state unemployment insurances. Major examples include self-employed workers, federal employees, and many agricultural, real estate, and student workers. Someone moving into or out of these jobs would appear as moving into or out of nonemployment.

Job flow data is also available by business industry, firm size, and firm age; and by employee sex and age. Look for these topics to be covered in future articles. ■

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Need sales leads? Hunting for a job? Trying to find customers, suppliers, or competitors? Or maybe you just need to find a business. We have a database at www.QualityInfo.org that can help – click on “Find Employers” under the “Jobs & Careers” section. With more than 500,000 listings in Oregon, Washington, Idaho, and nearby counties in California and Nevada, the “Find Employers” database provides a wealth of information for many uses.

The database can be searched by employer name, industry title, or industry code. Statewide or county searches can also be made. Results can be sorted in a number of ways, including by city or employer size.

Each listing includes address, phone number, contact name, website address (if applicable), business and industry descriptions, and other information. For those needing help finding a business, maps and driving directions are just a click away.



Online Ads See Significant Growth over the Year

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Online advertisements increased by more than 25 percent between May 2014 and May 2015, according to The Conference Board’s Help Wanted OnLine Index. This was faster than ad growth across the nation, which came in at about 17 percent. Oregon’s ad increase follows a steady decline in the unemployment rate and steady increase in jobs over the year.

Online advertisements, tracked by Wanted Analytics and The Conference Board, are an indicator of demand for workers.

Oregon’s Growth Consistently Faster than Nation’s

Oregon’s over-the-year ad growth has generally been faster than the nation’s. Ads have grown in almost all areas of the state.

Much of the state’s growth was driven by ad increases in Multnomah County, which saw ads grow by about 30 percent between May 2014 and May 2015. About 31,000 of Oregon’s 86,000 May ads were for jobs in Multnomah County.

Across the state, 27 of Oregon’s 36 counties experienced faster ad growth than the nation. Only one county, Sherman County, saw ads decrease over the year. Klamath and Morrow counties were the only counties with ad growth in the single digits. Occupational growth was led by

Graph 1

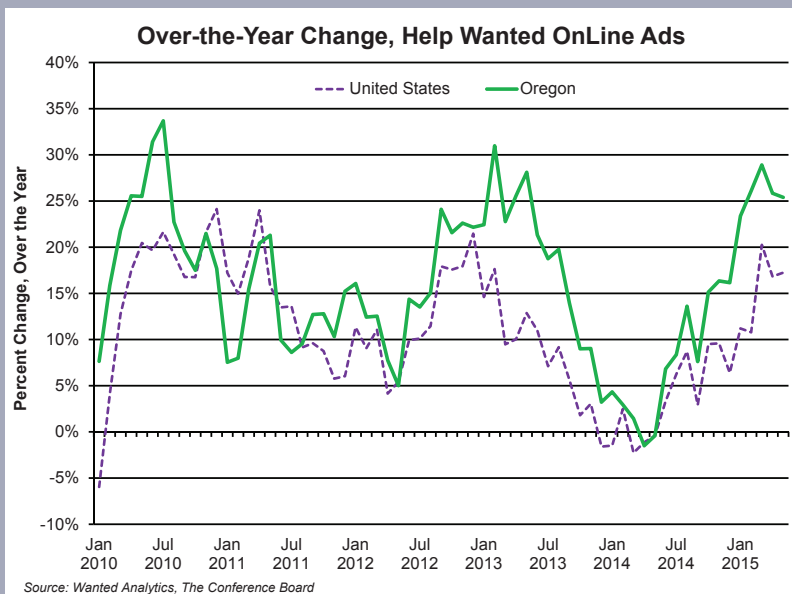


Table 1

Oregon Occupations with the Most OnLine Ads

Occupation	May-14	May-15
Registered Nurses	3,283	3,677
Heavy and Tractor-Trailer Truck Drivers	2,042	2,690
Retail Salespersons	1,764	1,826
Customer Service Representatives	1,408	1,563
Software Developers, Applications	1,368	1,461
Social and Human Service Assistants	935	1,302
Supervisors of Retail Sales Workers	1,219	1,297
Maintenance and Repair Workers, General	882	1,199
Supervisors of Office and Administrative Support Worker	984	1,163
Computer User Support Specialists	787	1,052

Source: Wanted Analytics, The Conference Board

registered nurses and truck drivers, two jobs commonly at the top of help wanted lists across the state (Table 1).

Occupations are not always represented equally online. Some job ads, like those for construction workers, are not as likely to be posted online. Others, like computer occupations, show up more frequently on job boards.

Despite some differences, Oregon's Help Wanted OnLine Index highlights some of the same trends as the Oregon Employment Department's Job Vacancy Survey. The Job Vacancy Survey is sent to employers in Oregon, so it picks up job openings whether or not they've been posted online. The vacancy survey data is listed in Table 2, and represents openings for 2014.

Occupations on both lists include retail salespersons, registered nurses, truck drivers, and customer service representatives. Notice that construction laborers are included on the vacancy survey top ten list, but not on the top online ads list.

Table 2

Oregon Occupations with the Most Job Vacancies, 2014

Occupation	Vacancies
Retail Salespersons	1,807
Personal Care Aides	1,483
Registered Nurses	1,339
Combined Food Preparation and Serving Workers	1,222
Nursing Assistants	1,221
Cashiers	1,194
Heavy and Tractor-Trailer Truck Drivers	1,176
Customer Service Representatives	1,147
Farmworkers and Laborers, Crop, Nursery, and Greenhouse	1,087
Maids and Housekeeping Cleaners	1,038
Janitors and Cleaners	891
Laborers and Freight, Stock, and Material Movers	815
Construction Laborers	610

Employers Recruiting for Plenty of Other Occupations

Job seekers not fitting the mold of these top recruited positions should not feel discouraged by the limited lists. Employers are advertising for

plenty of other occupations, too. Help wanted ads can be found for hundreds of occupations in each area of the state. ■

Oregon Employment Forecast: Full Throttle

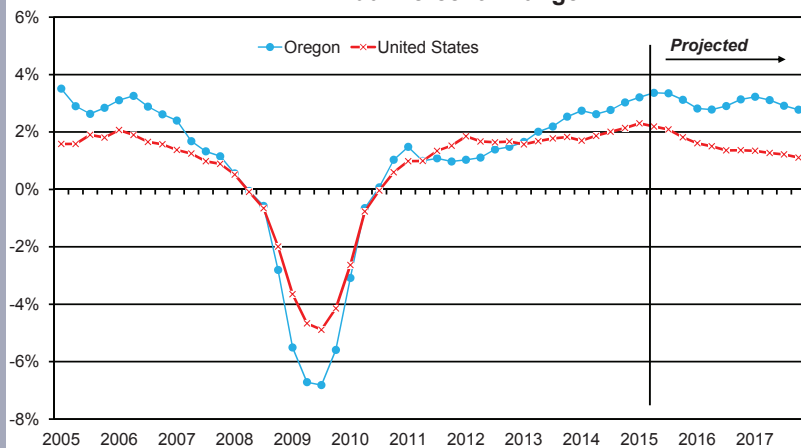
Amy Vander Vliet, Regional Economist, Amy.S.VanderVliet@oregon.gov (971) 804-2099

Oregon's economy is at full-throttle. Jobs and income are growing rapidly – near pre-recession rates – and our labor force is once again expanding. Economic growth is expected to continue along this trajectory for the next few years according to the latest *Oregon Economic and Revenue Forecast* from the Oregon Office of Economic Analysis (OEA).

Employers are adding jobs to the tune of about 3 percent annually, close to what we saw during the mid-2000s. Those who long for growth rates closer to the mid-90s, when the state was barreling along at above 4 percent, might want to adjust expectations. OEA considers 3 percent about as strong as can be expected these days given demographics: the labor force is expanding more slowly due to moderating population growth and Baby Boomer retirements.

Graph 1

Total Nonfarm Payroll: Oregon and United States Annual Percent Change



At 3 percent, Oregon has regained its traditional job growth advantage relative to the nation. Our growth is about 1 percentage point faster than in the typical

state. The most recent rankings place Oregon 5th in the nation in April, behind Utah, Washington, Florida, and Nevada. OEA believes much of this advantage is

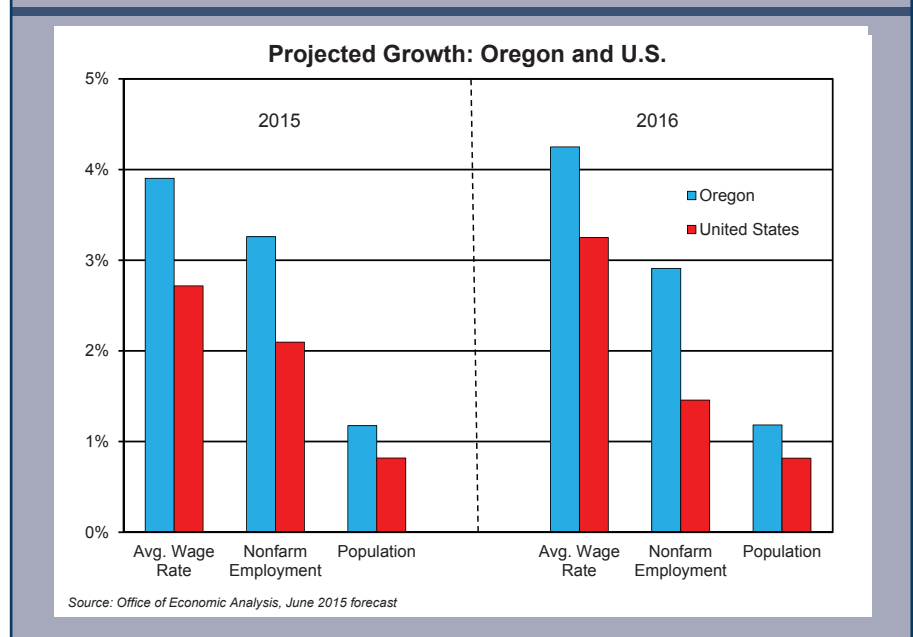
attributable to our industry structure and strong in-migration trends.

Despite the number of jobs being at an all-time high, OEA points out that the broad labor market is not fully healed from the Great Recession or back to full employment (when all persons willing and able to work can find a job). The state's labor force is about half of the way back to pre-recession levels, and should reach full employment by 2017.

Finally, a major piece of a healthy economic recovery – wage growth – is falling into place. According to OEA, wages for the average Oregon worker are increasing faster than in the typical state. As conditions continue to improve and the labor market tightens, they will rise further.

Overall, Oregon's economy will grow by 2.9 percent in 2015, or 56,000 new jobs. OEA expects much of the same in 2016 (+2.9%; 52,000 jobs). Each year should see Oregon's job growth outperform the nation, a trend we've seen in past expansions. Meanwhile the unemployment rate, which tends to be one of the last indicators to improve as the economy recovers, will decline from 7.0 percent (2014) to 5.9 percent in 2015 and 5.6 percent in 2016.

Graph 2



Looking further out, IHS Economics, a contributor to the OEA's forecast, has an optimistic outlook for Oregon. They expect the state's Real Gross State Product to grow faster than any other state in the country. They call for job growth to outpace all but nine states, with the manufacturing sector expanding faster than all but one. OEA has a more tempered outlook, but expects

Oregon to maintain a growth advantage relative to other states. They point to three critical contributors to our edge: our labor supply, industrial structure, and start-up climate.

The OEA's complete report is available at www.oea.das.state.or.us.

Oregon Current Labor Force and Industry Employment

	May 2015	April 2015	May 2014	Change From April 2015	Change From May 2014
Labor Force Status					
Civilian labor force	1,922,951	1,920,218	1,926,409	2,733	-3,458
Unemployed	101,888	100,522	127,259	1,366	-25,371
Unemployment rate	5.3	5.2	6.6	0.1	-1.3
Unemployment rate, seasonally adjusted	5.3	5.2	7.0	0.1	-1.7
Employed	1,821,063	1,819,696	1,799,151	1,367	21,912
Other Labor Force Indicators					
Labor force participation rate, seasonally adjusted	60.5	60.8	61.1	-0.3	-0.6
Labor underutilization rate – U-6, seasonally adjusted	11.7	11.6	14.2	0.1	-2.5
Nonfarm Payroll Employment					
Total nonfarm payroll employment	1,775,600	1,763,600	1,723,400	12,000	52,200
Total private	1,468,200	1,459,000	1,421,600	9,200	46,600
Mining and logging	7,400	7,300	7,700	100	-300
Logging	5,900	5,800	6,100	100	-200
Construction	80,400	78,500	80,300	1,900	100
Construction of buildings	20,800	20,300	19,900	500	900
Heavy and civil engineering construction	8,900	8,700	8,800	200	100
Specialty trade contractors	50,700	49,500	51,600	1,200	-900
Manufacturing	186,200	185,000	177,700	1,200	8,500
Durable goods	132,100	131,400	125,400	700	6,700

Wood product manufacturing	22,300	22,100	21,800	200	500
Primary metal manufacturing	8,600	8,600	8,300	0	300
Fabricated metal product manufacturing	15,600	15,400	15,300	200	300
Machinery manufacturing	12,400	12,600	12,200	-200	200
Computer and electronic product manufacturing	37,700	37,800	36,100	-100	1,600
Semiconductor and electronic component mfg.	29,600	29,600	27,600	0	2,000
Transportation equipment manufacturing	12,700	12,600	11,300	100	1,400
Nondurable goods	54,100	53,600	52,300	500	1,800
Food manufacturing	27,200	26,900	26,100	300	1,100
Trade, transportation, and utilities	329,700	328,100	322,100	1,600	7,600
Wholesale trade	73,500	73,100	72,000	400	1,500
Merchant wholesalers, durable goods	32,800	32,800	32,700	0	100
Merchant wholesalers, nondurable goods	27,400	27,000	25,700	400	1,700
Electronic markets and agents and brokers	13,300	13,300	13,600	0	-300
Retail trade	197,900	197,200	193,700	700	4,200
Motor vehicle and parts dealers	24,000	24,100	23,600	-100	400
Building material and garden supply stores	16,000	15,500	15,700	500	300
Food and beverage stores	41,700	41,900	40,400	-200	1,300
Clothing and clothing accessories stores	15,500	15,300	15,700	200	-200
Sporting goods, hobby, book and music stores	10,100	10,100	9,900	0	200
General merchandise stores	41,000	40,800	40,300	200	700
Miscellaneous store retailers	10,600	10,400	10,300	200	300
Nonstore retailers	6,400	6,300	6,100	100	300
Transportation, warehousing, and utilities	58,300	57,800	56,400	500	1,900
Utilities	4,400	4,400	4,600	0	-200
Transportation and warehousing	53,900	53,400	51,800	500	2,100
Information	32,500	32,200	31,600	300	900
Publishing industries, except internet	14,200	14,100	14,000	100	200
Telecommunications	6,200	6,200	6,200	0	0
Financial activities	93,300	93,000	92,100	300	1,200
Finance and insurance	55,700	54,800	55,800	900	-100
Real estate and rental and leasing	37,600	38,200	36,300	-600	1,300
Professional and business services	227,500	226,600	217,600	900	9,900
Professional and technical services	89,500	91,200	83,000	-1,700	6,500
Management of companies and enterprises	41,700	41,400	40,100	300	1,600
Administrative and waste services	96,300	94,000	94,500	2,300	1,800
Administrative and support services	91,700	89,100	89,500	2,600	2,200
Employment services	39,100	37,400	37,300	1,700	1,800
Educational and health services	259,900	261,400	248,400	-1,500	11,500
Educational services	36,300	38,600	35,300	-2,300	1,000
Health care and social assistance	223,600	222,800	213,100	800	10,500
Ambulatory health care services	82,000	81,900	78,200	100	3,800
Hospitals	55,700	55,100	53,300	600	2,400
Nursing and residential care facilities	47,700	47,900	46,400	-200	1,300
Social assistance	38,200	37,900	35,200	300	3,000
Leisure and hospitality	192,400	188,300	184,600	4,100	7,800
Arts, entertainment, and recreation	23,500	23,500	23,400	0	100
Accommodation and food services	168,900	164,800	161,200	4,100	7,700
Accommodation	23,700	22,600	23,100	1,100	600
Food services and drinking places	145,200	142,200	138,100	3,000	7,100
Other services	58,900	58,600	59,500	300	-600
Government	307,400	304,600	301,800	2,800	5,600
Federal government	27,900	27,400	27,300	500	600
State government	88,000	87,500	85,200	500	2,800
State education	35,000	34,800	34,400	200	600
Local government	191,500	189,700	189,300	1,800	2,200
Local education	101,700	101,100	101,200	600	500
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.

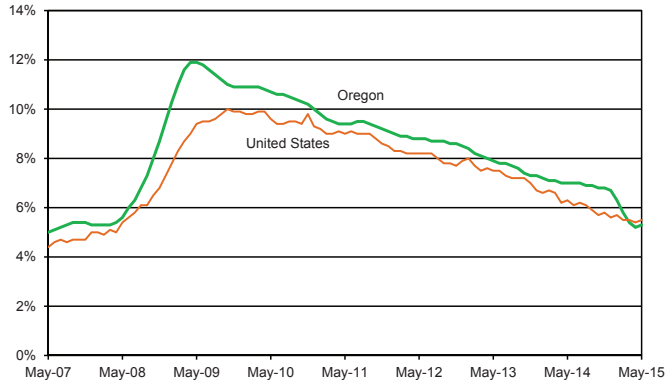
Labor Force Status: Civilian labor force includes employed and unemployed individuals 16 years and older by place of residence. Employed includes nonfarm payroll employment, self-employed, unpaid family workers, domestics, agriculture and labor disputants. Unemployment rate is calculated by dividing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

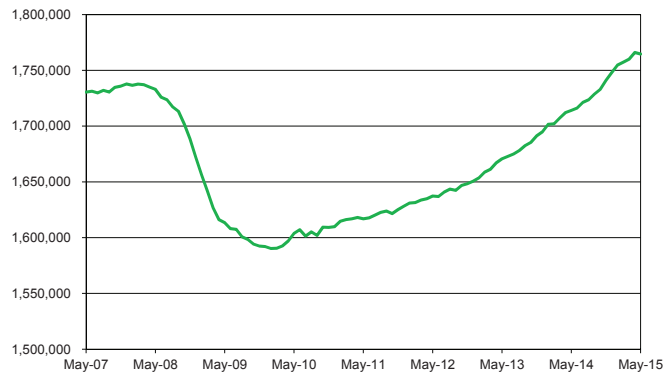
Unemployment Rates

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



Total Nonfarm Payroll Employment

Oregon's Job Count Declined Slightly in May Oregon Nonfarm Payroll Employment, Seasonally Adjusted



Indicators

Unemployment Rate (Seasonally adjusted)

	Oregon	U.S.
May 2015	5.3	5.5
April 2015	5.2	5.4
May 2014	7.0	6.3

Seasonally Adjusted Employment (Total Nonfarm Payroll Jobs)

	Oregon	U.S.
May 2015	1,764,600	141,367,000
April 2014	1,766,000	141,144,000
May 2014	1,714,100	138,385,000
Change From		
May 2014	50,500	2,982,000
% Change	2.9%	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%
United States		
May 2015	237.805	0.0%
Annual Average 2014	236.736	1.6%



OREGON LABOR TRENDS

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