

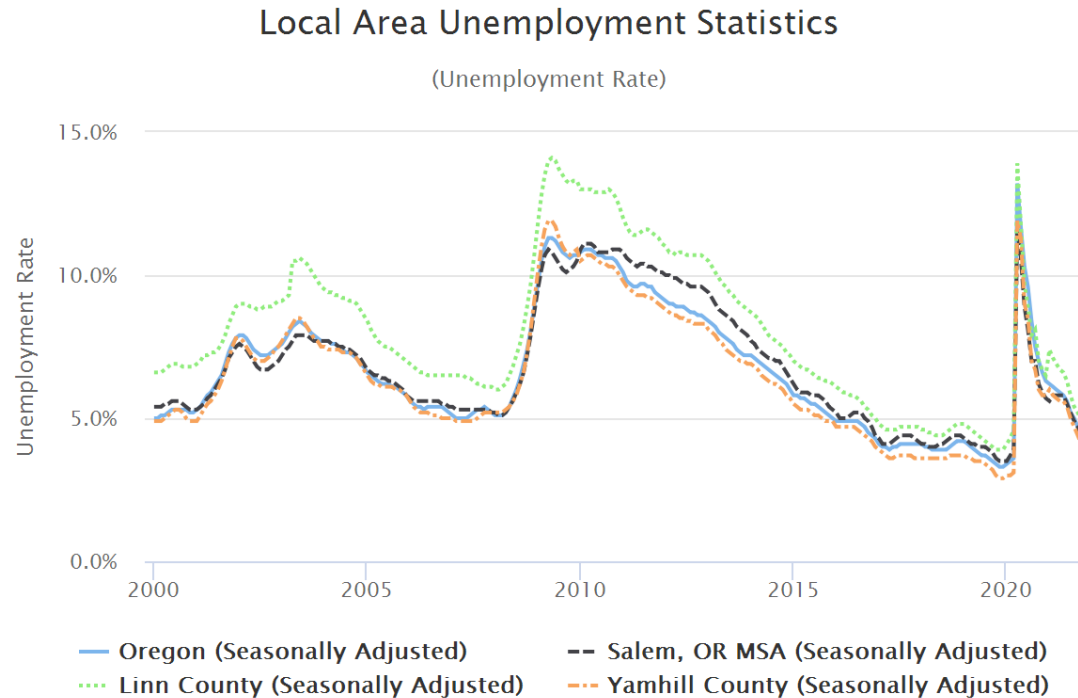


Help Wanted in Oregon and the Mid-Valley

Mid-Valley Jobs Council
January 5, 2022



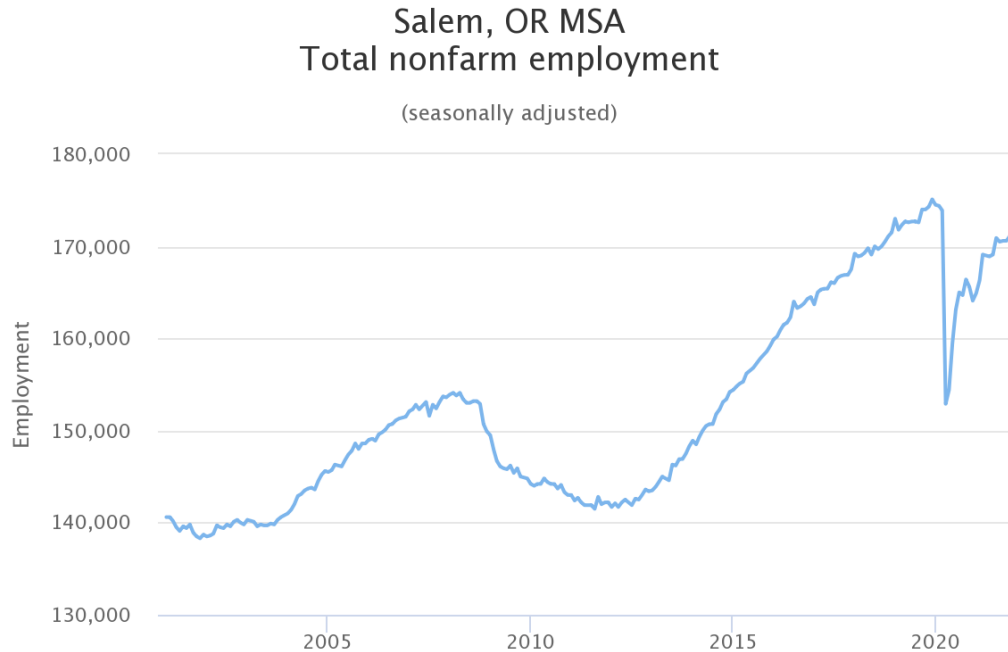
The Mid-Valley's unemployment rate is back below 5%.



Source: Oregon Employment Department Qualityinfo.org

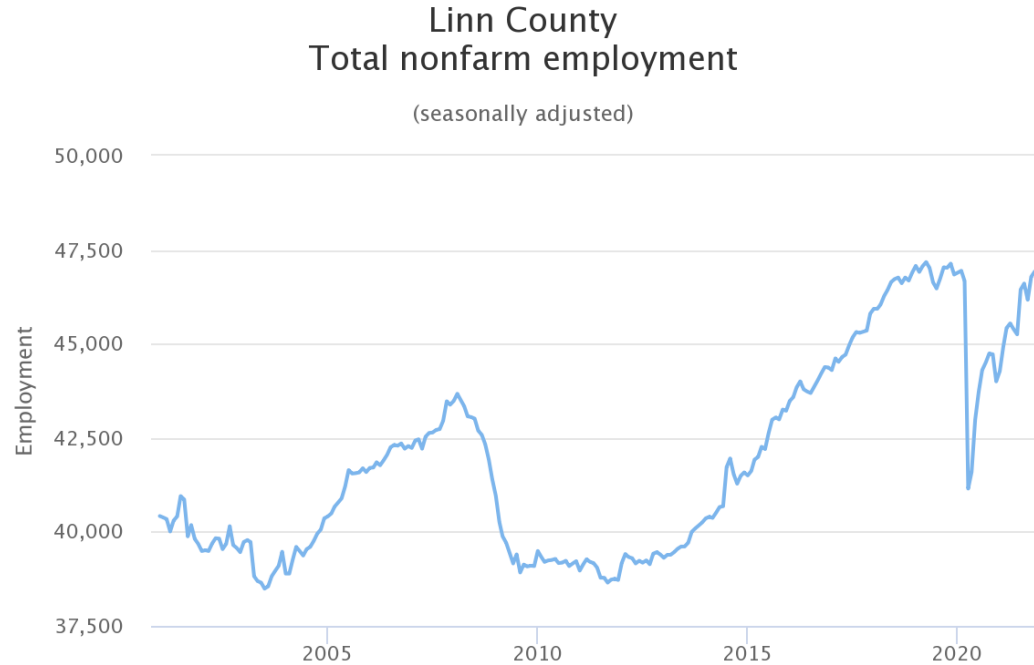


Salem's employment is 3,300 or 1.9% below its pre-pandemic level.



Source: Oregon Employment Department QualityInfo.org

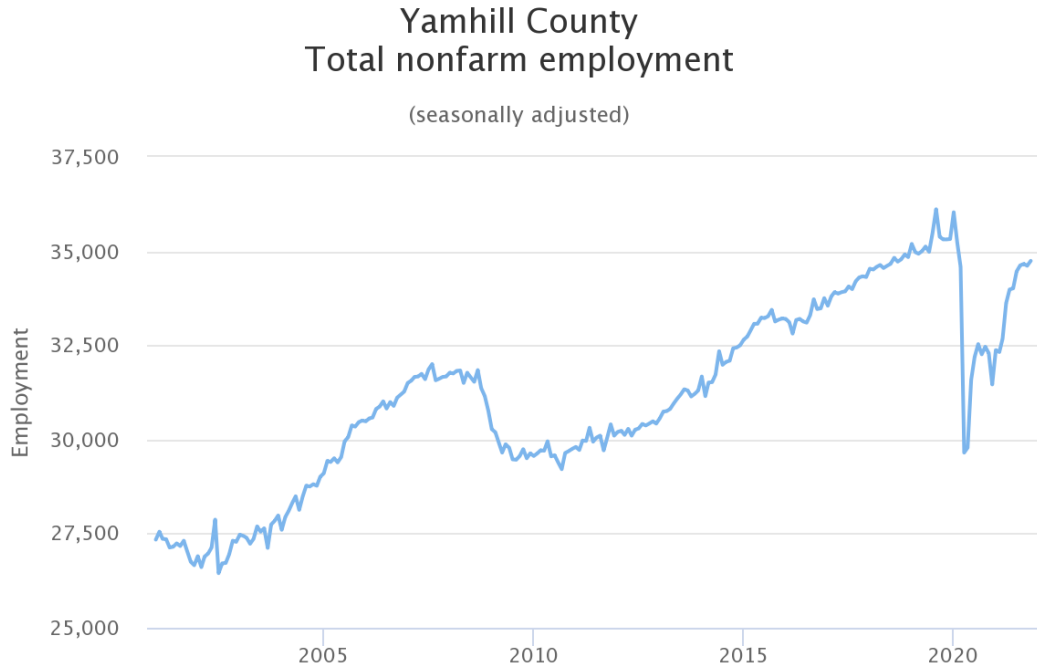
Linn County's employment is basically back to its pre-pandemic level.



Source: Oregon Employment Department QualityInfo.org



Yamhill County's employment is 480 or 1.4% below its pre-pandemic level.

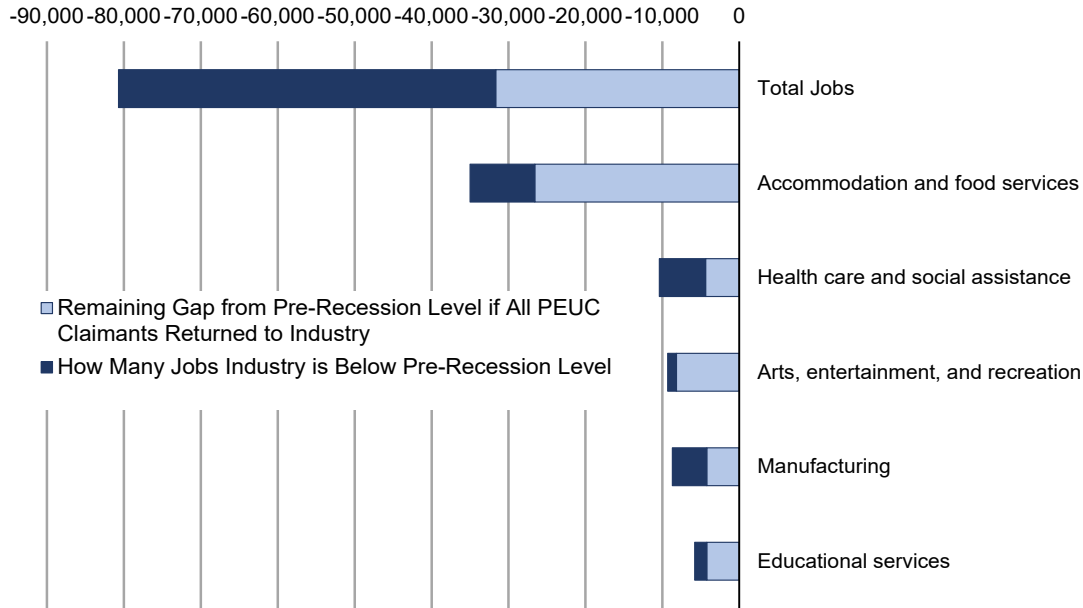


Source: Oregon Employment Department QualityInfo.org



Will the end of enhanced UI also end worker shortages?

Labor Shortages Bigger than Possible Workforce Gains from Expired Federal Pandemic Emergency Unemployment Compensation Benefits



Source: Oregon Employment Department

The workers who were on PEUC benefits worked for payroll employers before they lost their jobs.

If you assume all those who lost benefits go back to payroll employers in their previous industries, there would still be notable gaps in restaurants and hotels, manufacturing, education, and health care.

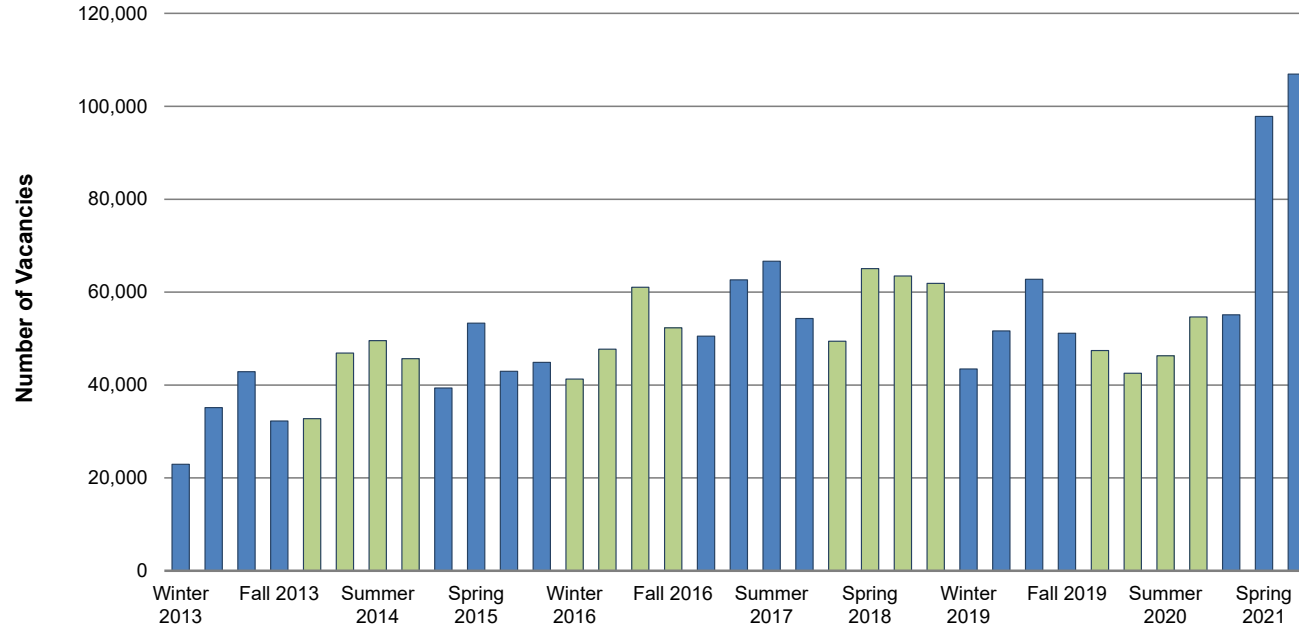
By contrast, the recovery gaps would appear to be filled – if workers returned to their main industries of pre-COVID employment – in construction, wholesale and retail trade, and administrative and waste services.

*That's ***IF*** all the workers who lost benefits went back to prior industry, and right away.*



Employers aren't trying to get back to February 2020. They're way beyond it.

Oregon's Quarterly Job Vacancies, 2013-2021



This only represents private job vacancies, and we've seen hiring demand for public schools and higher education.

So 107,000 is at least as many job openings as businesses have been trying to fill in recent months.

Source: Oregon Employment Department, Quarterly Job Vacancy Survey



Will the end of enhanced UI also end worker shortages?

Federal Pandemic Unemployment Claims that Ended as Share of Job Vacancies in Oregon

| Region | All Pandemic | | | All Pandemic | |
|--------------------------------|---------------|---------------|---------------------------|------------------|-----------------------|
| | PEUC Claims | Claims Ended | 2021 Summer Job Vacancies | PEUC % Vacancies | Claims % of Vacancies |
| Eastern Oregon | 1,214 | 1,865 | 5,361 | 23% | 35% |
| East Cascades / Central Oregon | 3,470 | 6,033 | 12,070 | 29% | 50% |
| Southwestern Oregon | 1,908 | 4,021 | 5,658 | 34% | 71% |
| Rogue Valley | 3,263 | 6,453 | 9,519 | 34% | 68% |
| Northwest Oregon | 2,244 | 3,808 | 6,353 | 35% | 60% |
| Clackamas | 4,380 | 7,061 | 11,825 | 37% | 60% |
| Lane | 4,228 | 7,571 | 11,203 | 38% | 68% |
| Mid-Valley | 6,273 | 10,343 | 13,902 | 45% | 74% |
| Portland Metro | 19,474 | 30,776 | 28,799 | 68% | 107% |
| Oregon Statewide | 46,454 | 77,931 | 106,951 | 43% | 73% |

Source: Oregon Employment Department, unemployment claims and quarterly job vacancy survey excludes 3,000 multi-area or unknown claims, and excludes 700 multi-area or unknown job vacancies

In each workforce region of the state, even if all the Oregonians whose PEUC benefits ended were able to match to a job vacancy in their area, it would still leave notable shortfalls compared with regional hiring demand.

There are still the 32,000 people whose PUA benefits ended too. As the program drew to a close, four out of five of these workers were self-employed.

If you did add the PUA claimants whose benefits ended into the workforce available to payroll employers, it would still fall short of hiring demand everywhere except for Multnomah and Washington counties.



Hiring demand was widespread across Oregon's economy.

Oregon Job Vacancies by Industry, Summer 2021

| Industry | Vacancies |
|--|------------------|
| All Industries | 106,951 |
| Health care and social assistance | 20,916 |
| Leisure and hospitality | 16,740 |
| Retail trade | 12,006 |
| Manufacturing | 11,966 |
| Construction | 8,526 |
| Professional, scientific, and technical services | 7,218 |
| Other services | 5,882 |
| Management, administrative, and waste services | 5,455 |
| Financial activities | 5,169 |
| Wholesale trade | 4,784 |
| Transportation, warehousing, and utilities | 3,194 |
| Natural resources and mining | 3,152 |
| Private educational services | 1,425 |
| Information | 198 |

Source: Oregon Employment Department

Employers were hiring for jobs in 270 different occupations in summer. Those with the most vacancies included:

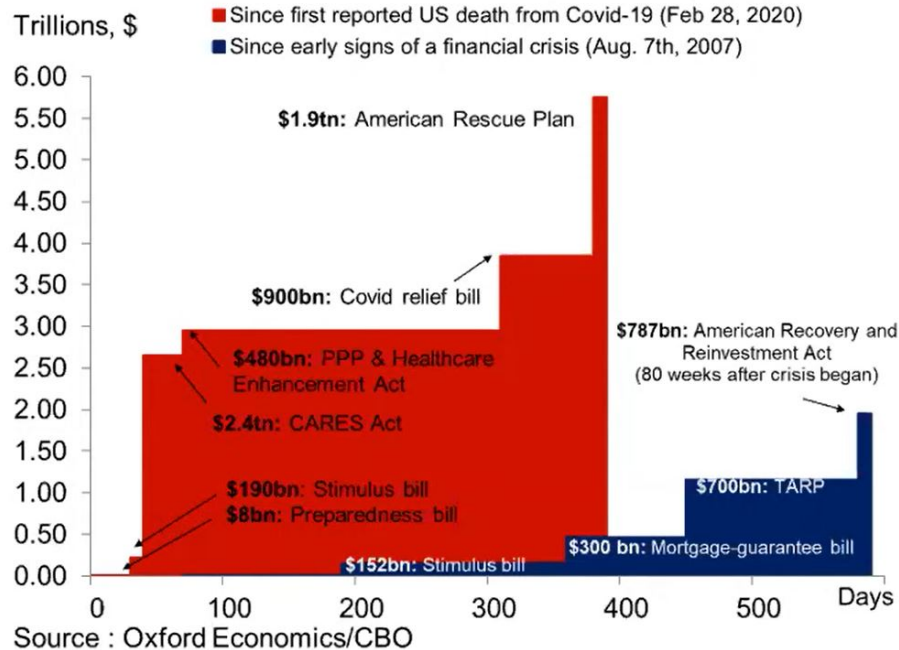
- Retail salespersons (5,500)
- Restaurant cooks (4,800)
- Personal care aides (4,100)
- Heavy truck drivers (2,800)
- Maids and housekeeping cleaners (2,600)

Note: While we've all seen evidence of local school districts hiring as in-person classes resume, those openings and other government hiring aren't captured in this survey of private-sector businesses.



What's fueling record levels of job vacancies?

US: Funds authorized by Congress



- The economy got much more stimulus – and much faster than during the Great Recession.
- Higher household incomes, from stimulus and built-up savings, fuel more demand for goods and services (and jobs to make/provide them)
- Record quits
- Retirements

Not all workers have the same urgency as employers right now.

Indeed Hiring Lab research shows active job search rates among the jobless have been stagnant since June.

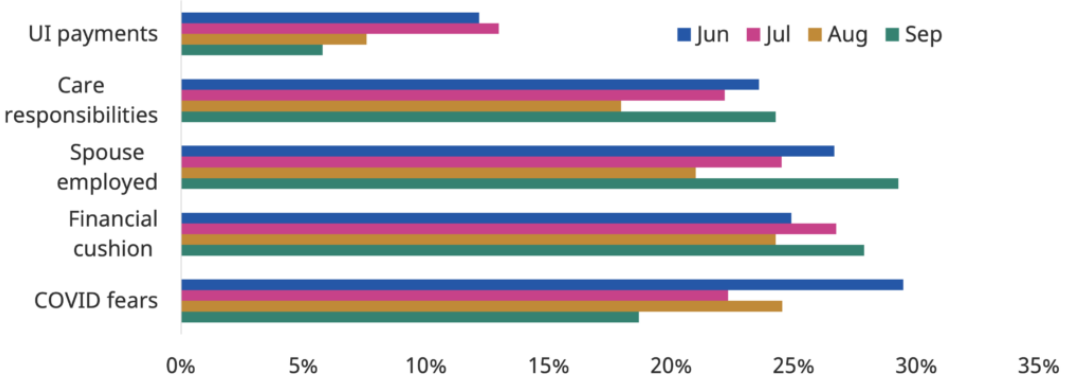
Of those who are actively seeking, there's a notable share (about 2 out of 5) who are looking start their next job 1 to 3 months, or even further, into the future rather than immediately.


Financial cushion:

- Total personal incomes in Oregon still higher now than before recession.
- Multiple direct stimulus to households (even for those who kept their jobs the whole time), more unemployment benefits, other enhanced safety net programs too
- Financial cushion + any barrier returning to work allows opportunity to sideline for a while

Having an employed spouse is the most commonly cited reason for lack of urgency

% of unemployed workers not searching urgently, Jun - Sep 2021

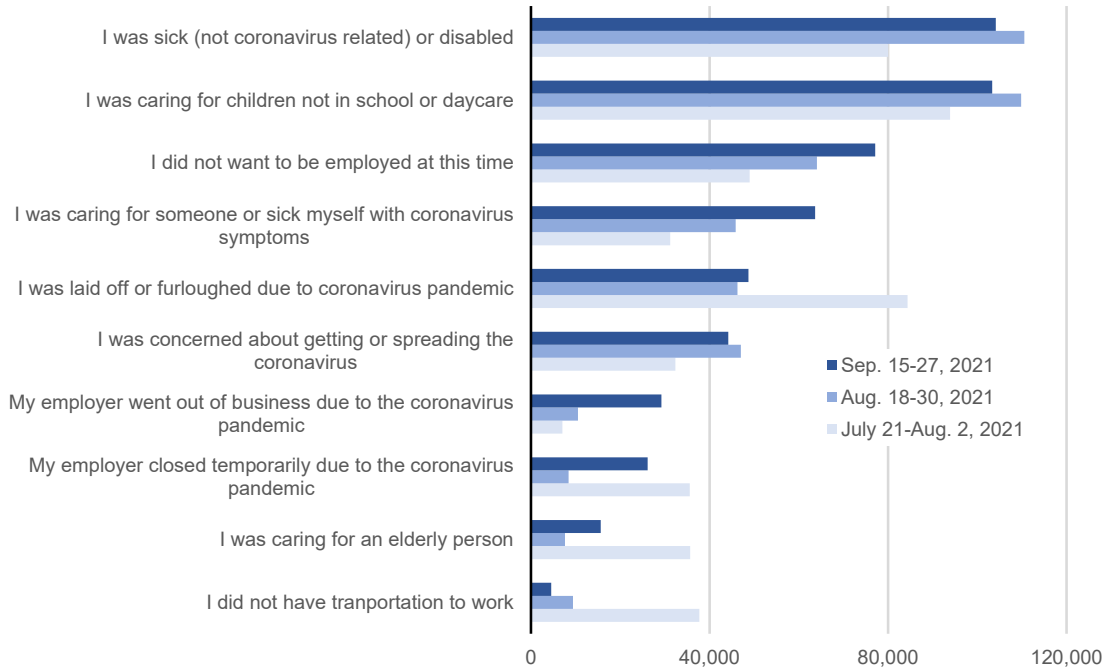


Source: Indeed Hiring Lab Job Search Survey. Note: respondents were able to choose multiple reasons 



Some workers still have barriers to getting back to work.

Oregon Adults Not Working and Not Retired at Time of Survey
by Reason for Not Working (Where Reported)



Source: Oregon Employment Department and U.S. Census Bureau, Household Pulse Survey, Oregon estimates from survey weeks 34, 36, and 38.

Not least among these has been the Delta wave of COVID-19 cases, which hit a recent peak in early September.

There are also many workers who still fear getting or spreading COVID, and they're staying on the sidelines.

There's also likely some disruptions with class closures and quarantines still occurring regularly in K-12 schools.

And some of these factors could be interrelated. Difficulty finding bus drivers, child care workers – who work in close proximity to children who are not yet eligible to get vaccinated.





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