



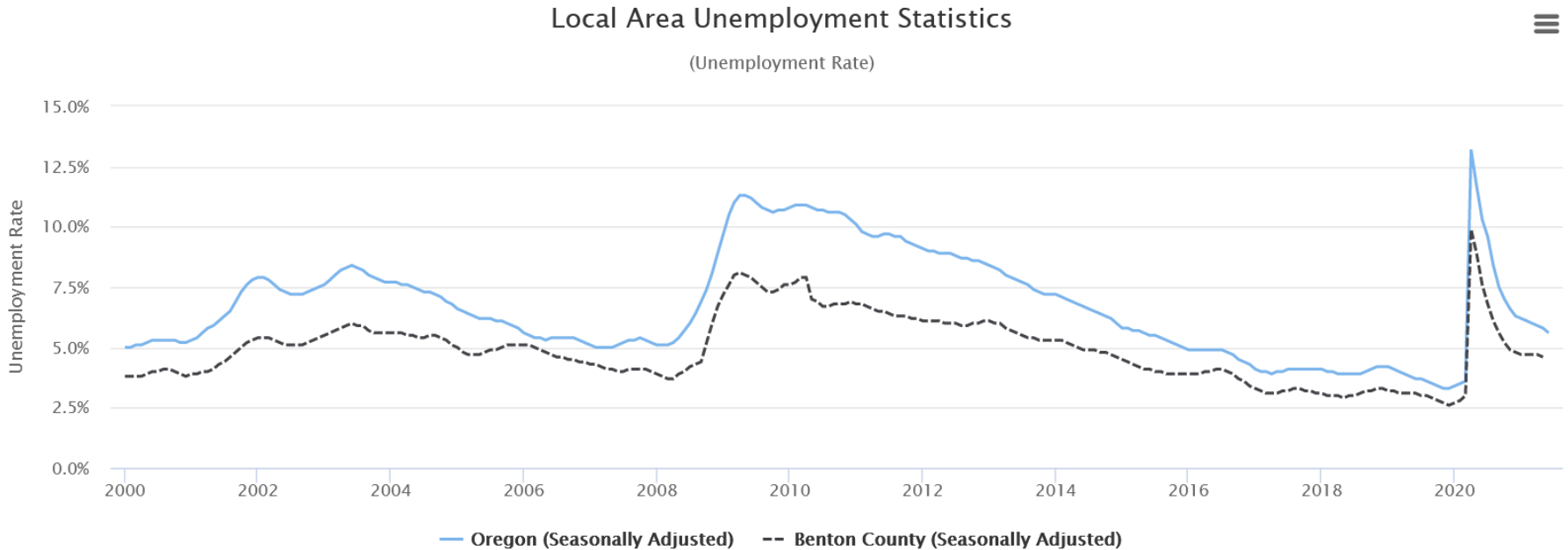
Benton County Economic Update

By Patrick O'Connor and Shawna Sykes
Oregon Employment Department Research Division
July 16, 2021



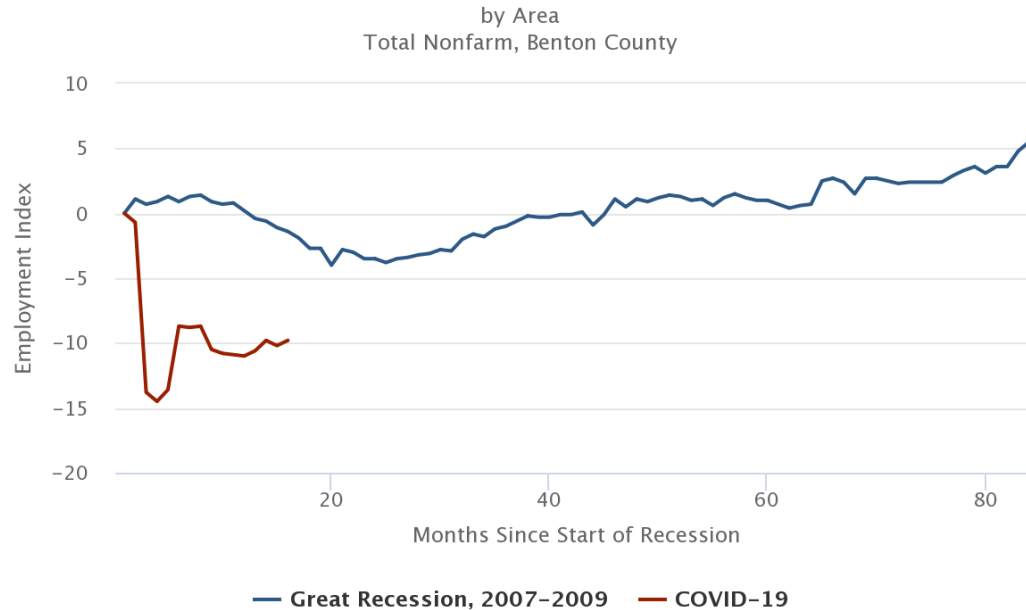
About the Benton County Economy

Unemployment in Benton County spiked to 9.9% in April 2020; still 77% higher than pre-COVID low



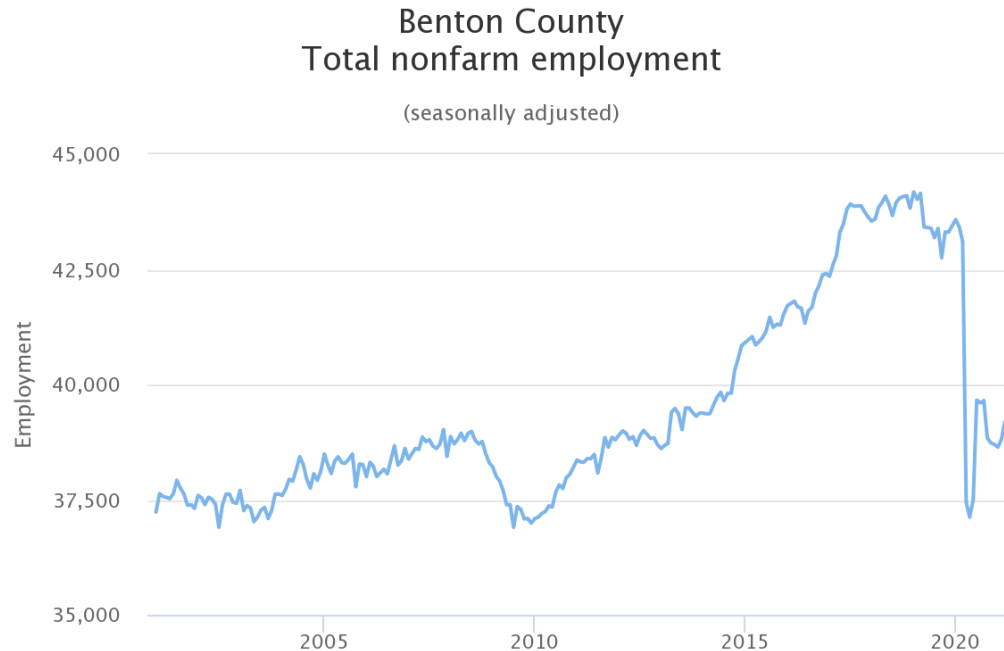
OSU employment gains offset losses in manufacturing and construction during the Great Recession. OSU employment has declined during the pandemic recession.

COVID-19 Job Changes Compared to Great Recession Job Changes



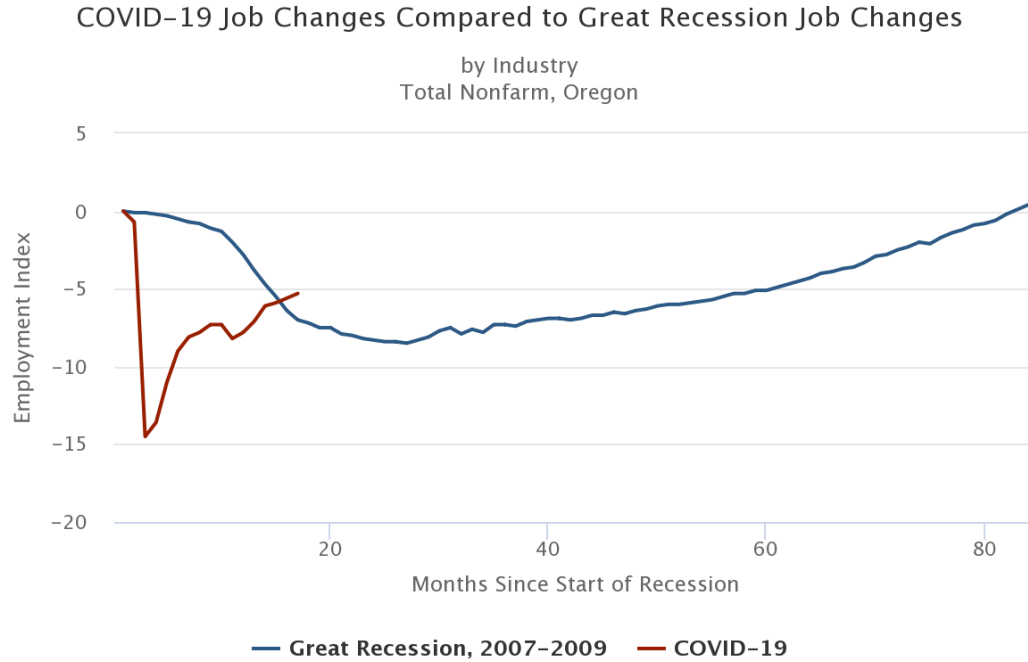
Source: Oregon Employment Department [QualityInfo.org](https://qualityinfo.org)

Employment fell by about 5,980 jobs (14%) from March to May, 2020. Since that employment low in May 2020 employment gained 2,050 jobs by May 2021. However, employment remains down 4,250 jobs or nearly 10% from its pre-recession level.



Source: Oregon Employment Department QualityInfo.org

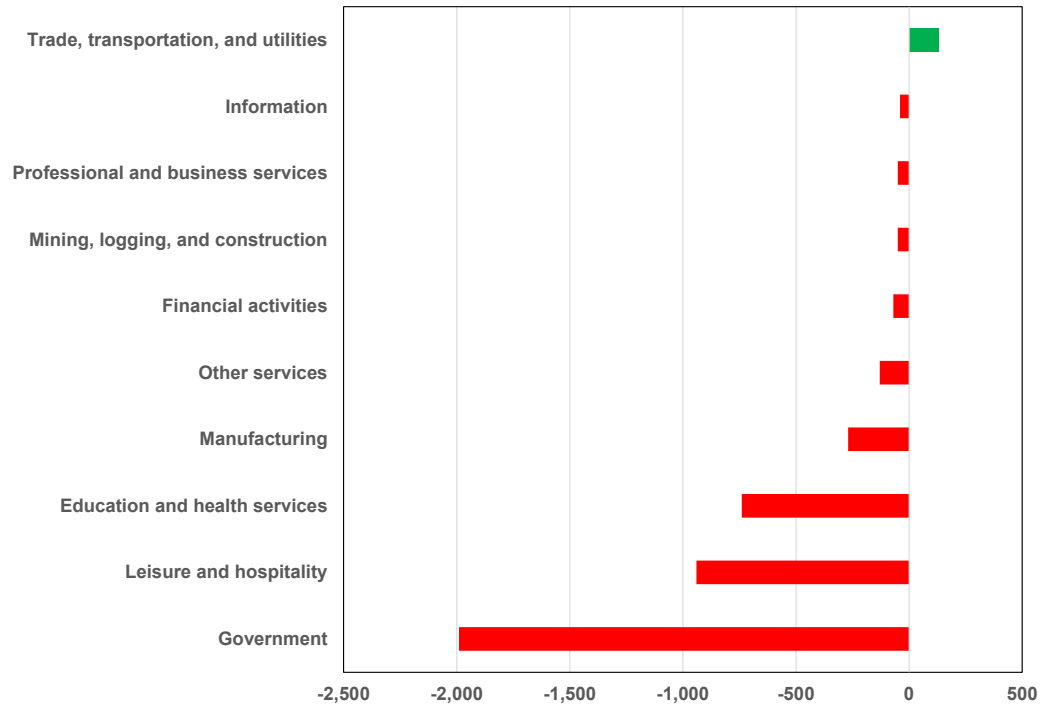
Statewide employment is down 5.3% or nearly 104,000 jobs from its pre-recession level.



Source: Oregon Employment Department QualityInfo.org

Nearly all industries have shed employment over the past two years. The private sector accounted for 52% of job loss.

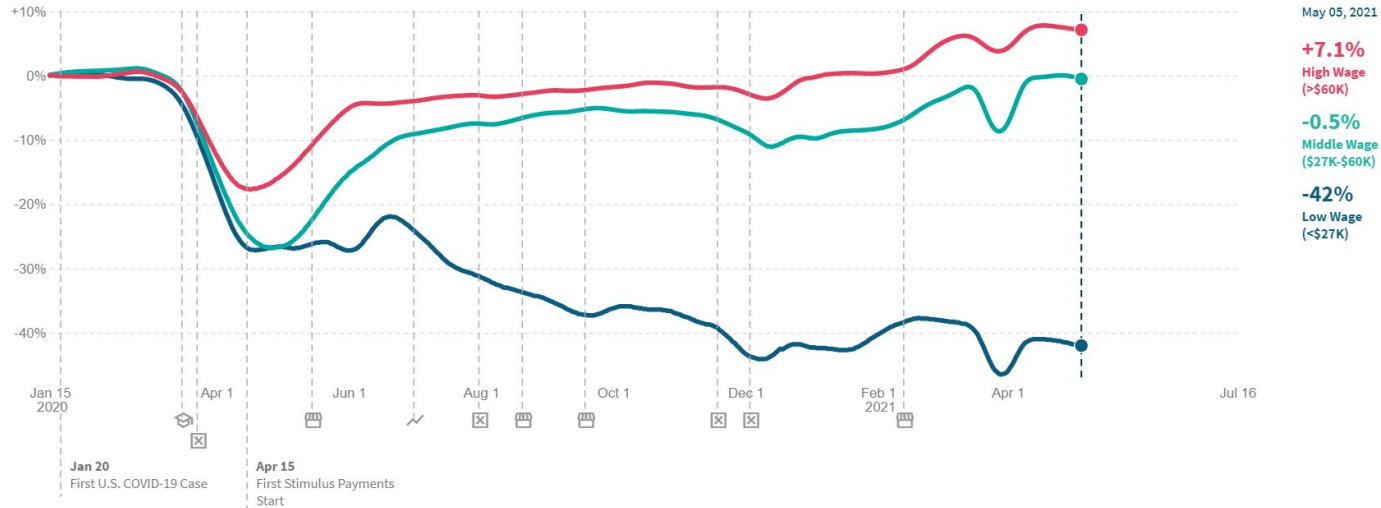
Benton County Employment Change by Industry: May 2019-May 2021



Low wage workers have taken the brunt of the job loss in Oregon and nationally.

Percent Change in Employment*

In Oregon, as of May 05 2021, employment rates among workers in the bottom wage quartile **decreased** by 42% compared to January 2020 (not seasonally adjusted).



data source: Earnings, Intuit, Kronos, Paychex

*Change in employment rates (not seasonally adjusted), indexed to January 4-31, 2020. This series is based on payroll data from Paychex and Intuit, worker-level data on employment and earnings from Earnings, and timesheet data from Kronos. The dotted line is a prediction of employment rates based on Kronos and Paychex data.

last updated: July 09, 2021 next update expected: July 16, 2021

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Oregon businesses reported 97,800 vacancies in spring 2021.

Oregon Job Vacancies, Spring 2021

Vacancies	97,822
Average Hourly Wage	\$18.44
Full-time Positions	74%
Permanent Positions	91%
Requiring Education Beyond High School	30%
Requiring Previous Experience	53%
Difficult to Fill	71%

Source: Oregon Employment Department

Vacancies increased from the level in the winter (+77%) and increased 130% from spring 2020. This is the highest number of job vacancies seen in Oregon since the beginning of this survey in 2013. The previous high was 66,600 vacancies in summer 2017.

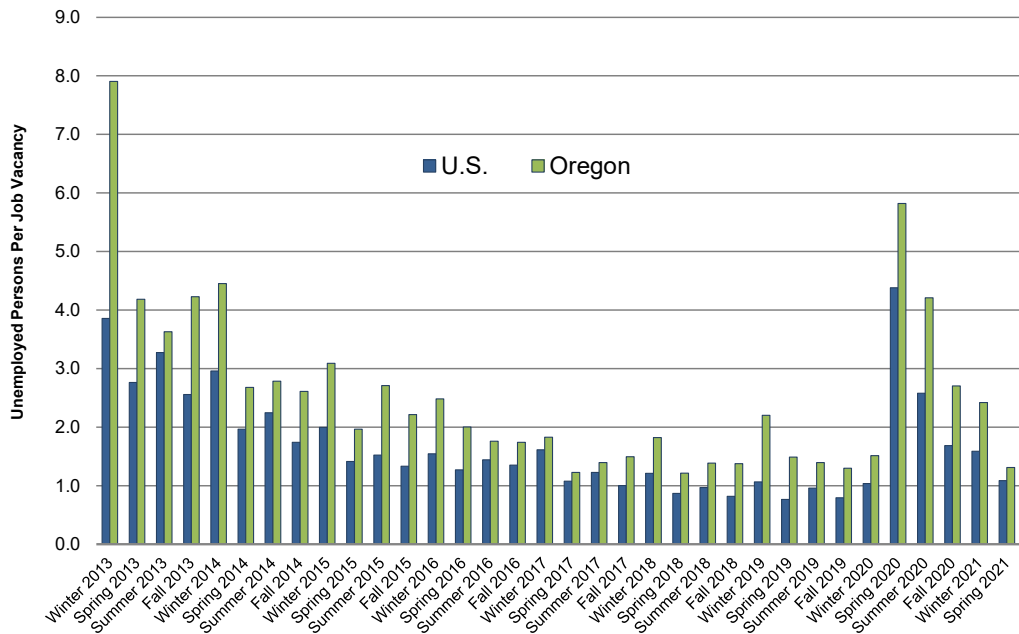
The average starting wage among this group of vacancies was around \$18.44 per hour, a 3% inflation adjusted increase from spring 2020.

Characteristics of Oregon job vacancies were consistent with prior quarters. A typical job vacancy tends to be for a full-time, permanent position.



As unemployment has dropped and vacancies rose, the unemployed to job vacancy ratio is back to pre-recession levels.

U.S. and Oregon Unemployed to Job Vacancy Ratios
Recovering after Spring 2020 Peak
(Job Openings with Private Employers, 2013-2021)



The unemployed-to-vacancy ratio dropped dramatically in the spring.

The U.S. ratio was 1.1 in April 2021. It peaked very suddenly amid COVID closures, reaching 4.4 in April 2020 after several years around 1-to-1.

Oregon had 1.3 unemployed per job vacancy in April 2021 after reaching 5.8 in May 2020.

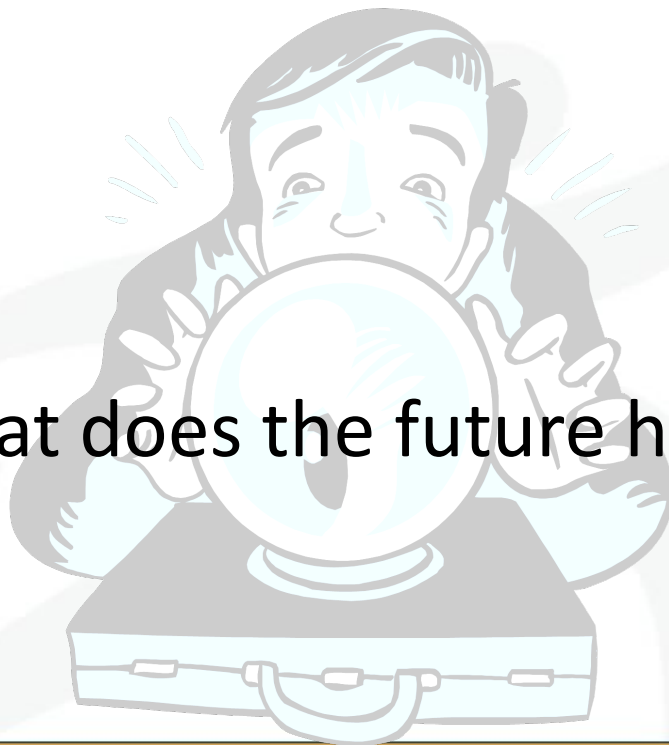


Challenges to hiring:

- Low unemployment rate
- Job vacancies record high level
- Lack of in person school
- Lack of childcare
- COVID related fears of re-entering labor force
- Enhanced unemployment benefits
- Job loss concentrated in just a few sectors

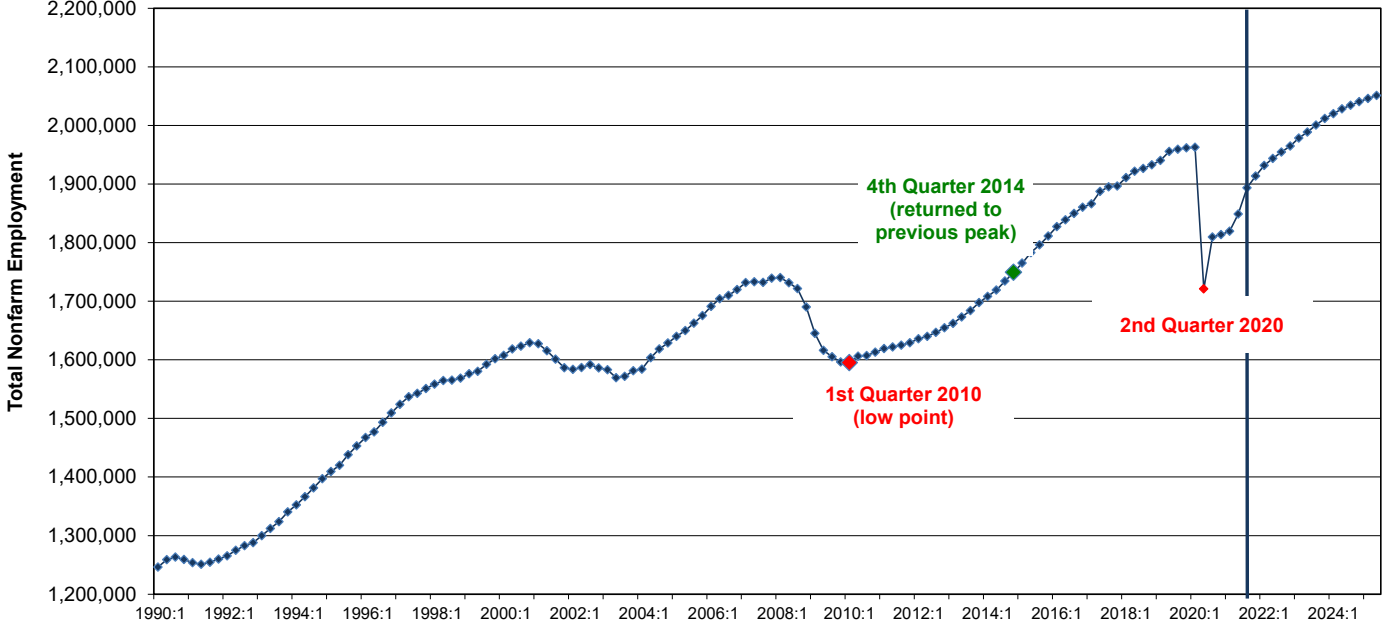


What does the future hold?



OEA says that while the labor market remains in a deep hole today, it is expected to return to full health during the upcoming 2021-23 biennium. Job growth is front-loaded such that the largest employment gains will occur this summer and fall.

Oregon Nonfarm Payroll Employment
Quarterly History & Projection, 1990-2025

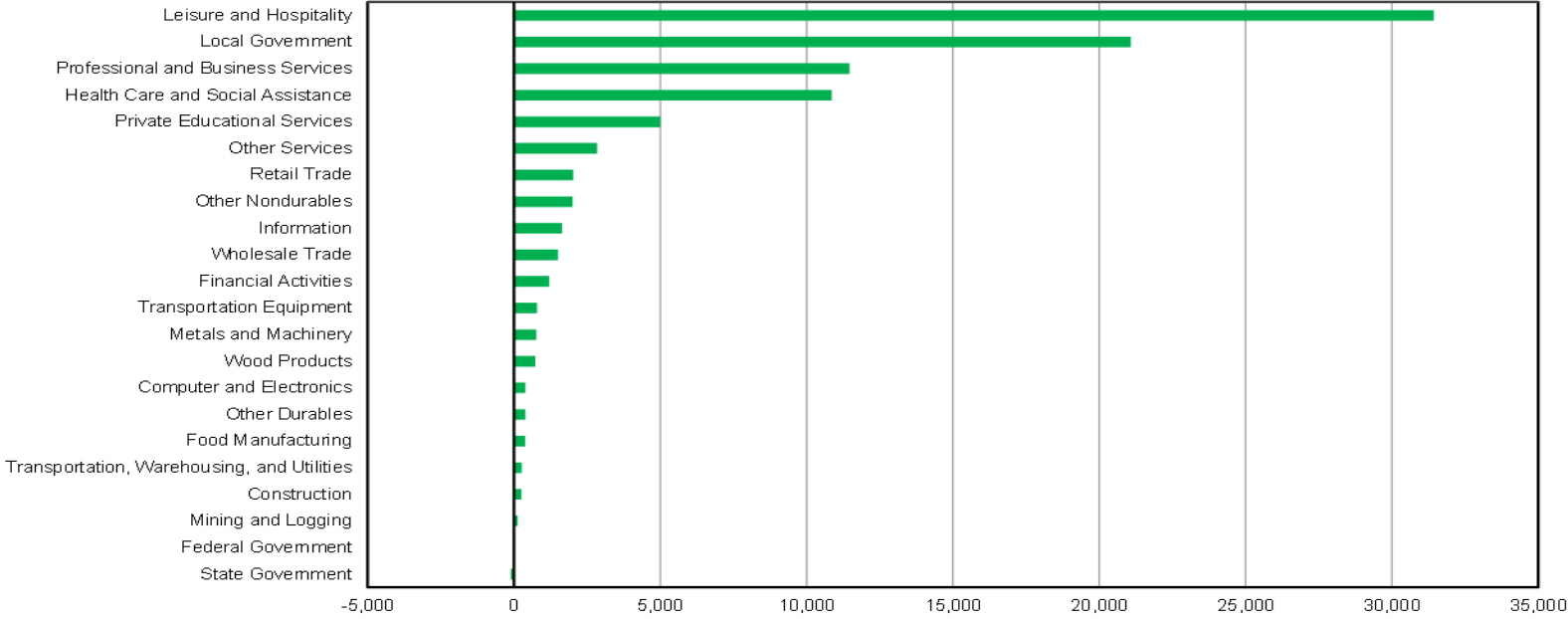


Source: Office of Economic Analysis, Department of Administrative Services, March 2021



OEA says that while the labor market remains in a deep hole today, it is expected to return to full health during the upcoming 2021-23 biennium. Job growth is front-loaded such that the largest employment gains will occur this summer and fall.

**Expected Job Changes by Industry Sector Over The Year
(2Q 2021 - 2Q 2022)**



Source: Oregon Employment Department analysis using Oregon Office Economic Analysis Forecast, May 2021

Key assumptions in OEA forecast

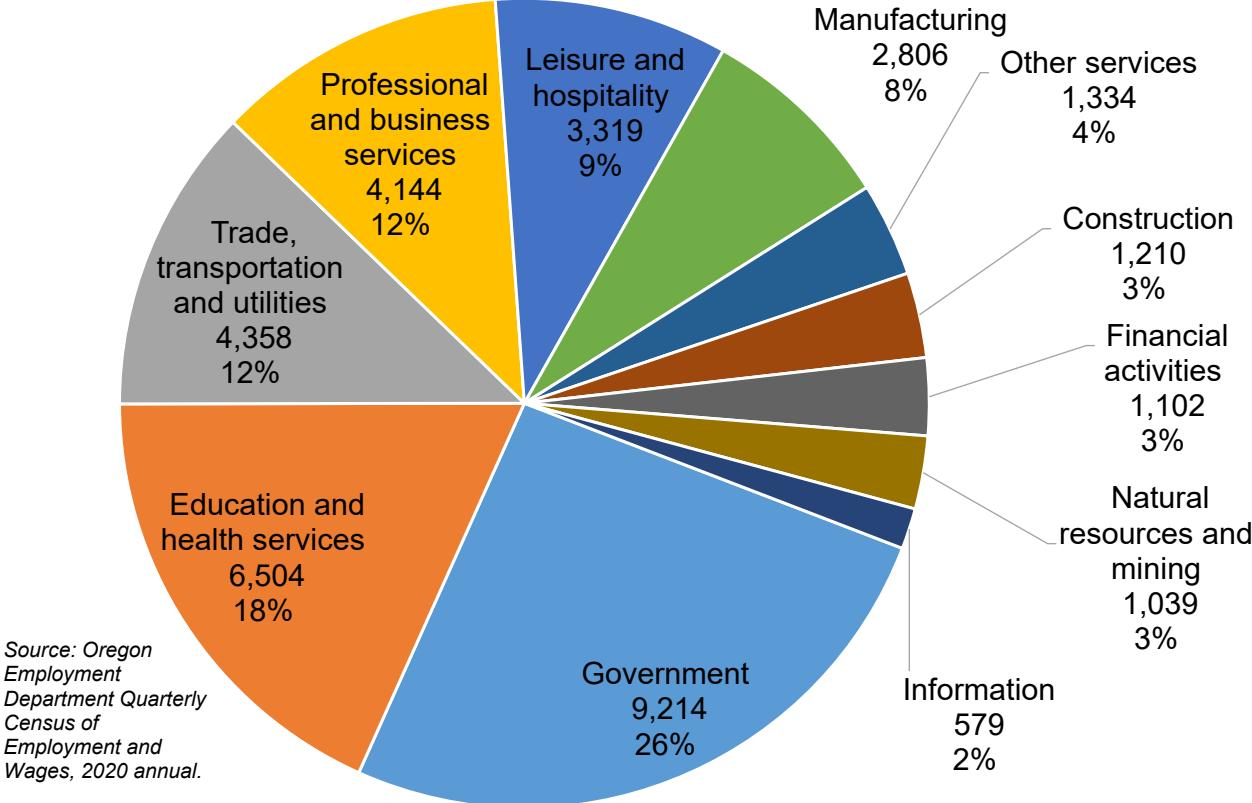
- Pandemic continues to wane
- Economy continues to reopen
- Households feel increasingly confident in their ability to safely resume activities.



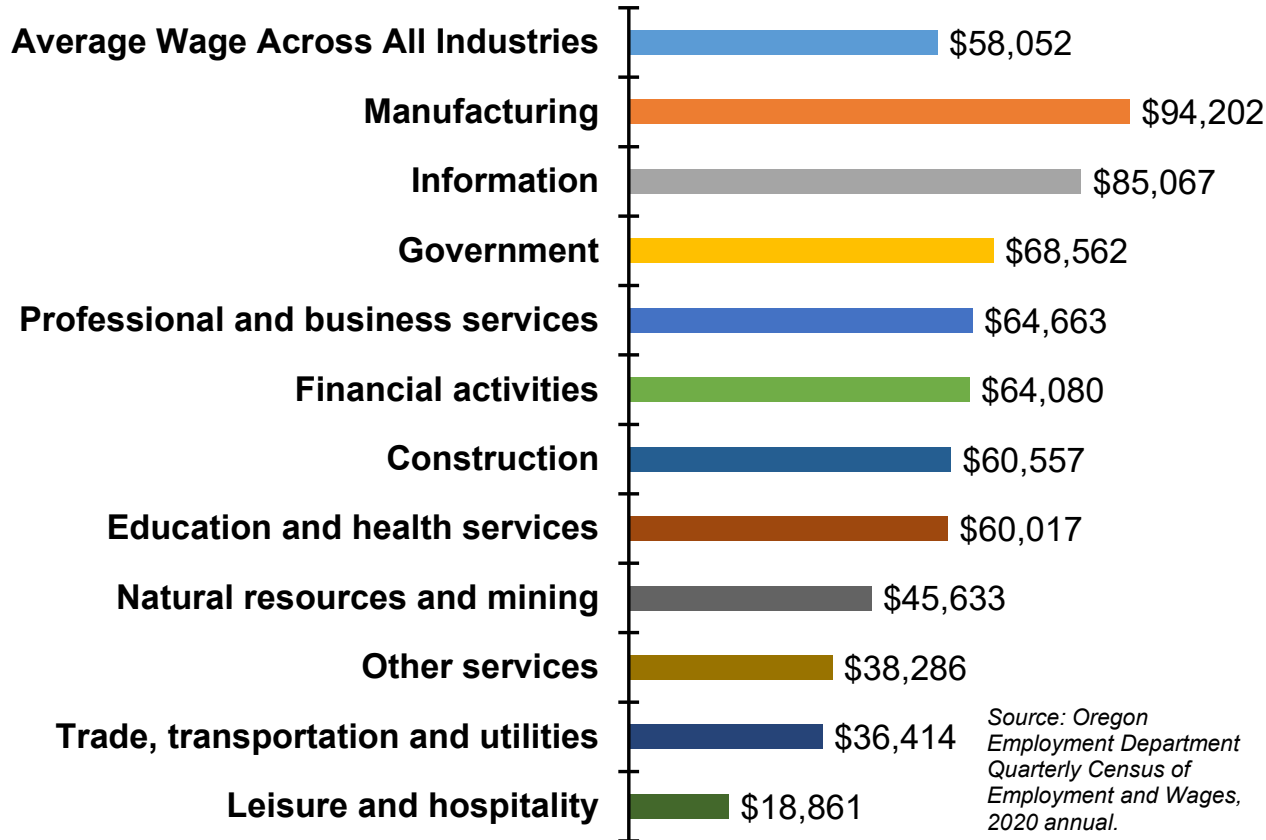
Private education and health services, trade, transportation and utilities, and professional and business services were the largest private sector industries.

2020's annual average employment was 35,633, down 2,576 jobs from 2019 (6.7%).

Benton County Employment by Industry



Average Wage by Industry



Source: Oregon
Employment Department
Quarterly Census of
Employment and Wages,
2020 annual.

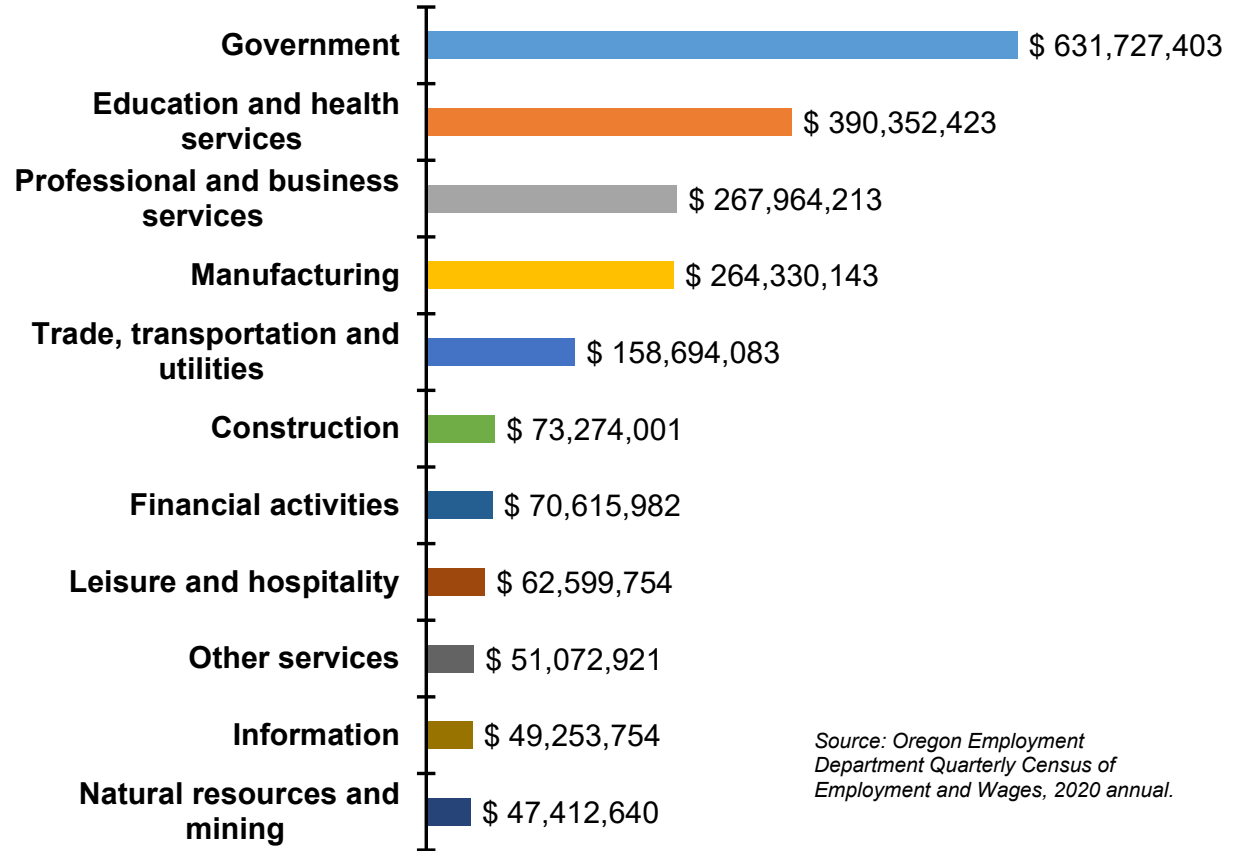
Manufacturing,
Information,
Government Have
Highest Average
Wages.

Year-over-year
average wage
increased by 8.7%
from 2019 to 2020.
Largely due to job loss
of low wage workers.

Total Payroll of \$2,068,568,155 in 2020, up by over \$29 million (1.4%) from 2019.

Government, Private education and health services and professional and business services had largest payrolls in 2020.

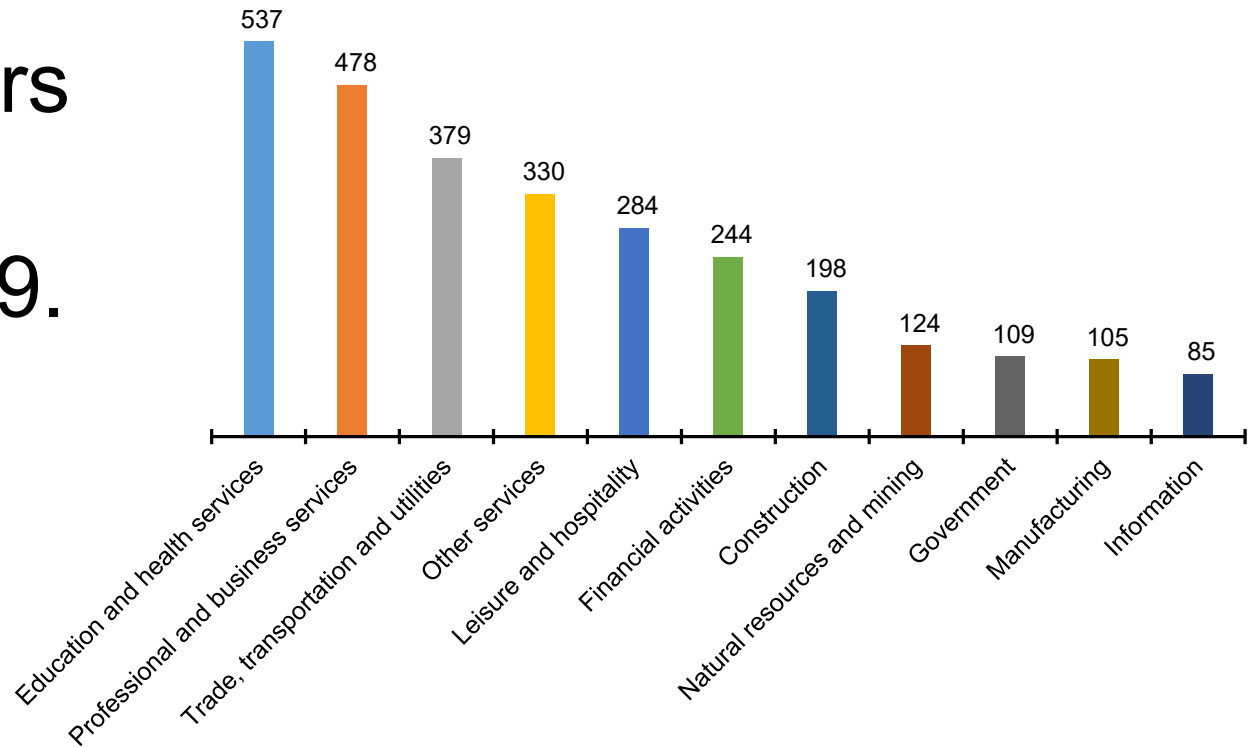
Benton County Payroll by Industry



Source: Oregon Employment Department Quarterly Census of Employment and Wages, 2020 annual.

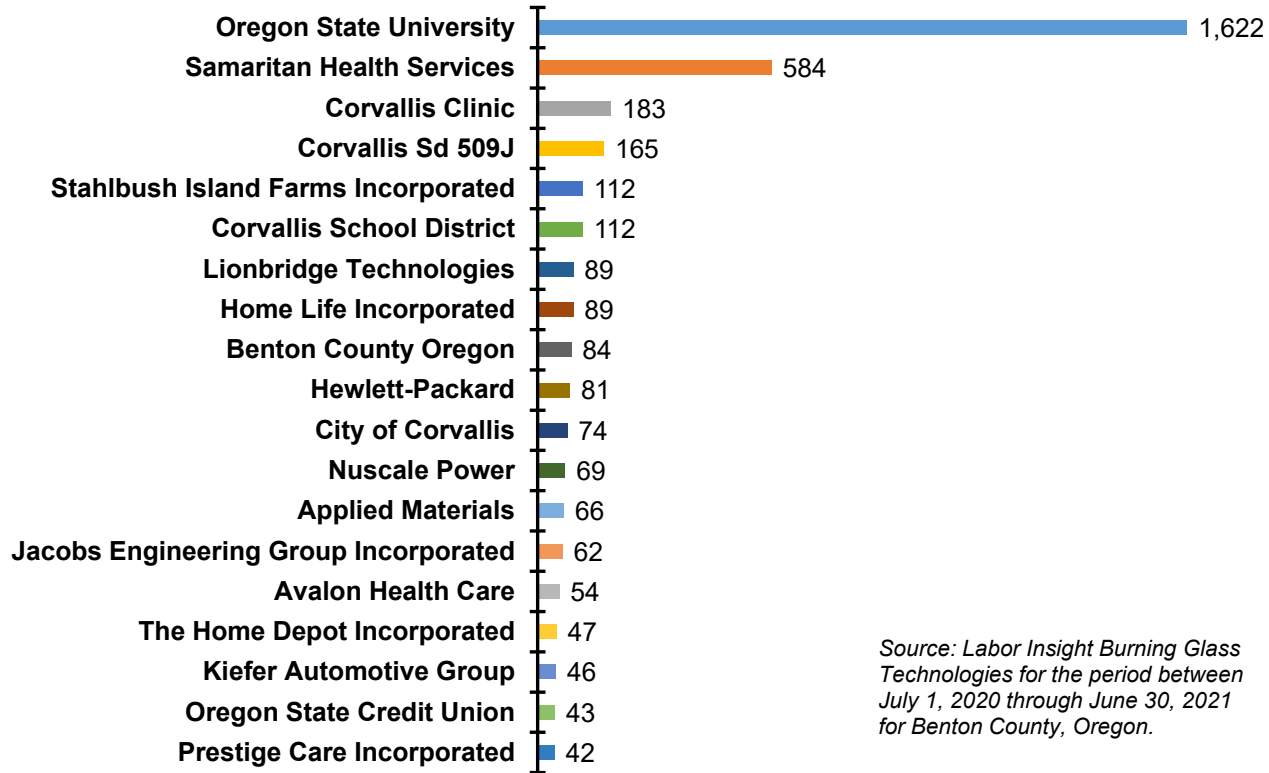
There were
2,910 employers
in 2020, up by
2.2% from 2019.

Benton County Employers by Industry



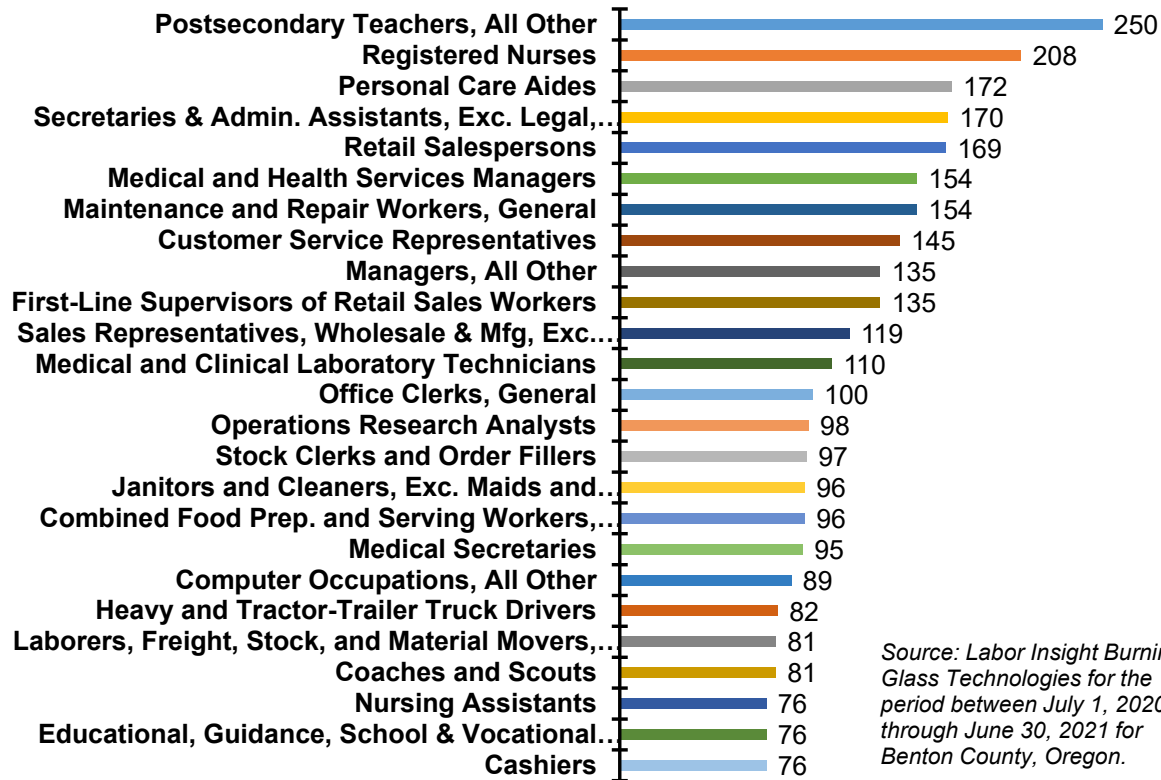
Source: Oregon Employment Department Quarterly Census of Employment and Wages, 2020 annual.

Which Benton County Employers Have Had the Most Online Job Listings in the Past Year?



Source: Labor Insight Burning Glass Technologies for the period between July 1, 2020 through June 30, 2021 for Benton County, Oregon.

Which Jobs Have Had the Most Job Listings in Benton County in the Past Year?



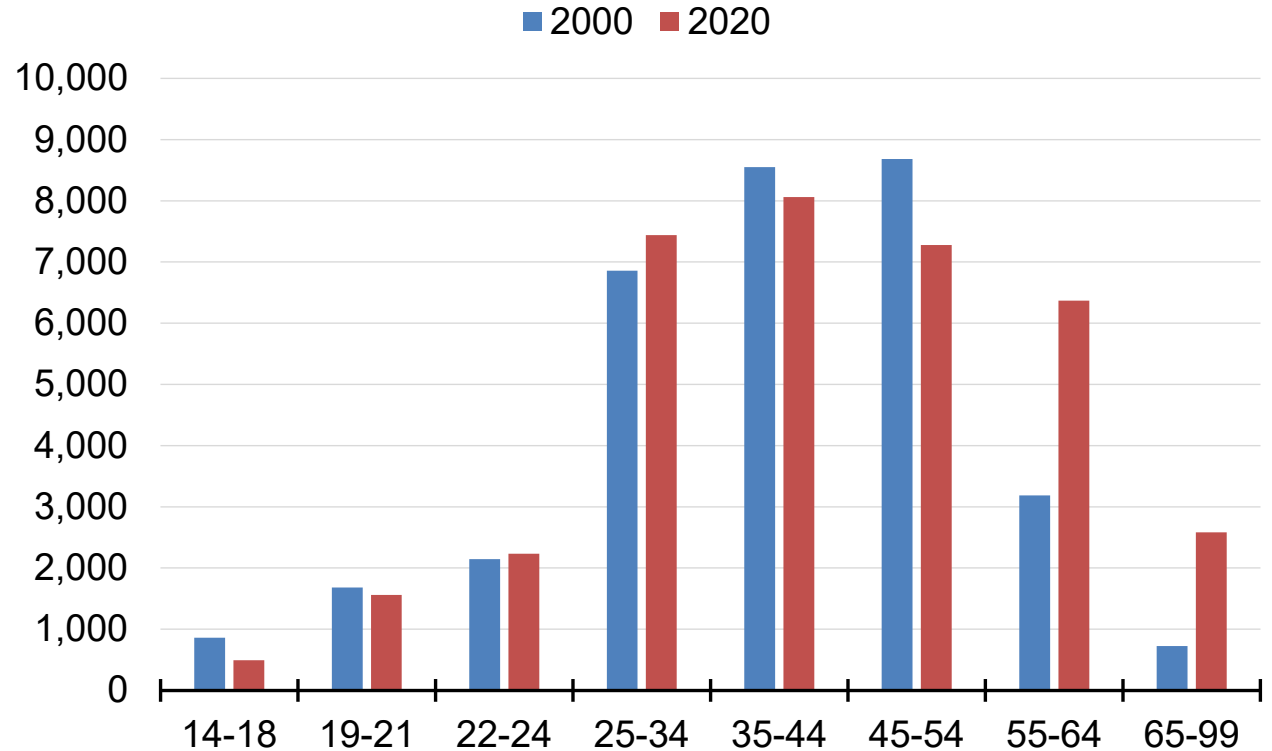
Source: Labor Insight Burning Glass Technologies for the period between July 1, 2020 through June 30, 2021 for Benton County, Oregon.



About the Labor Force

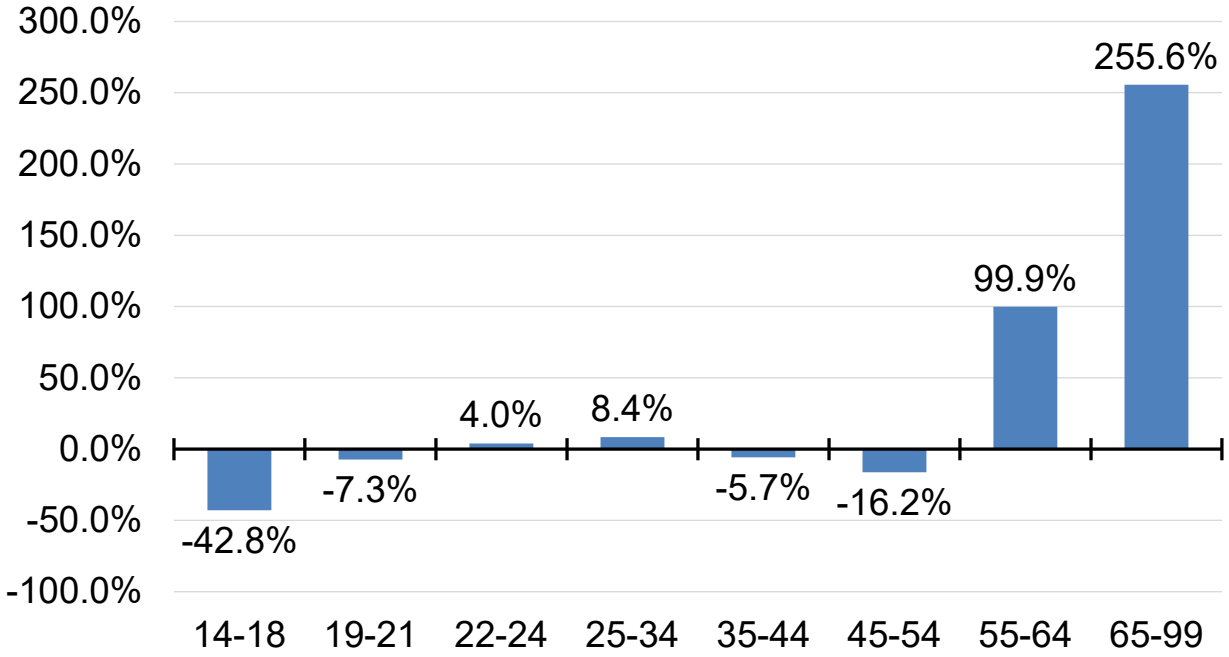
Like Other Areas of the State, Benton County's Workforce is Aging

Benton County Workforce by Age



Source: U.S. Census Bureau Quarterly Workforce Indicators, Annual Average Employment by Age Group from 2000 to 2020.

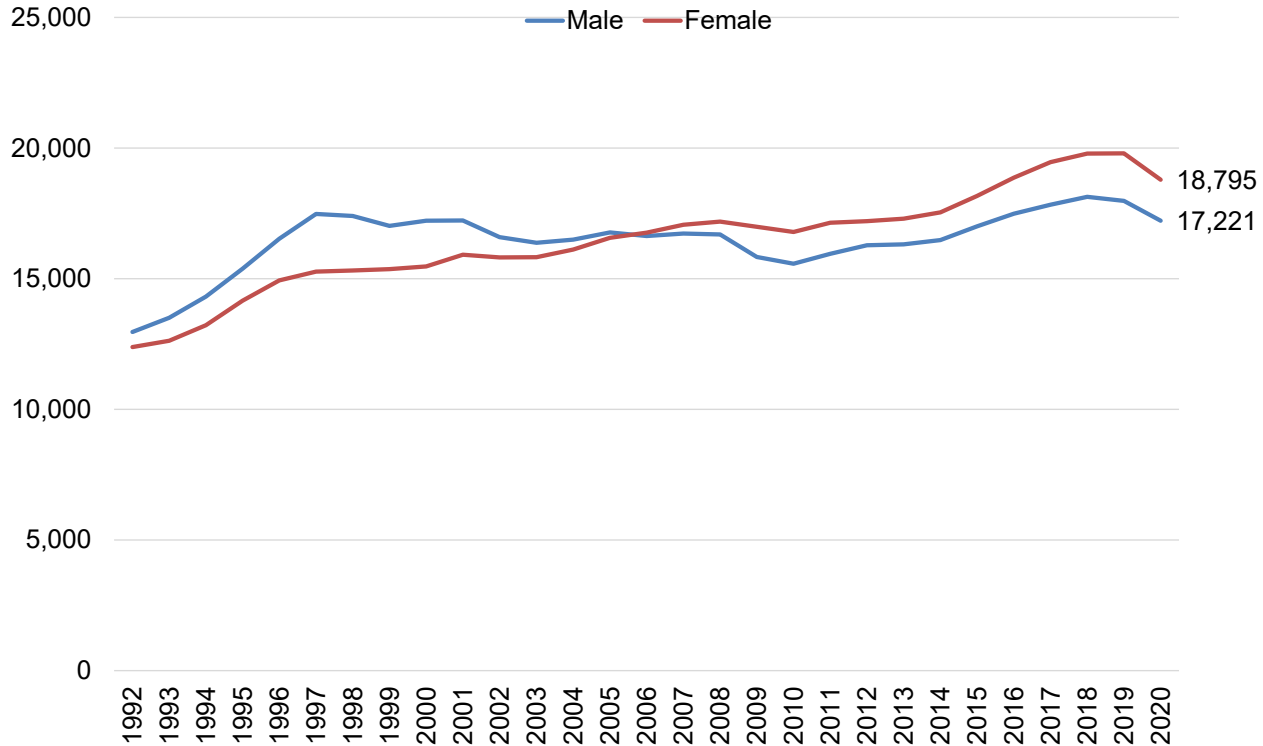
Percent Change in the Workforce by Age Group in Benton County 2000 to 2020



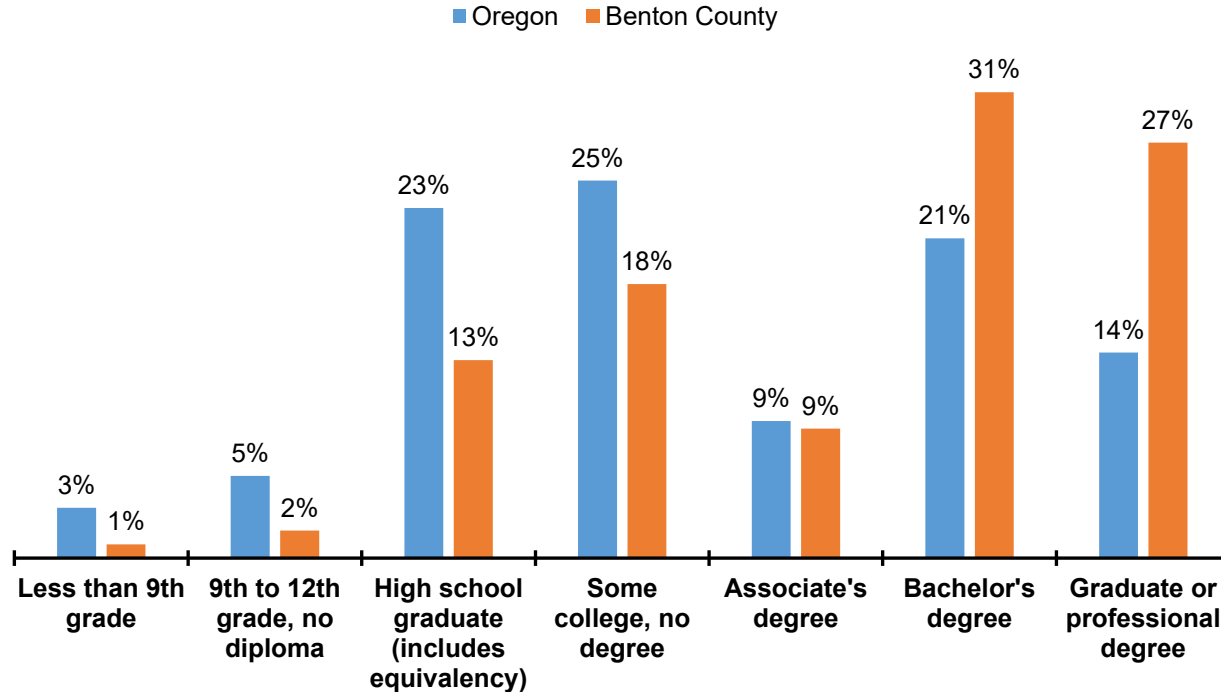
Source: U.S. Census Bureau Quarterly Workforce Indicators, Change in Annual Average Employment by Age Group from 2000 to 2020.



The Number of Women in the Benton County Workforce Surpassed the Number of Men Around 2006; Women Now Make Up 52% of Workers

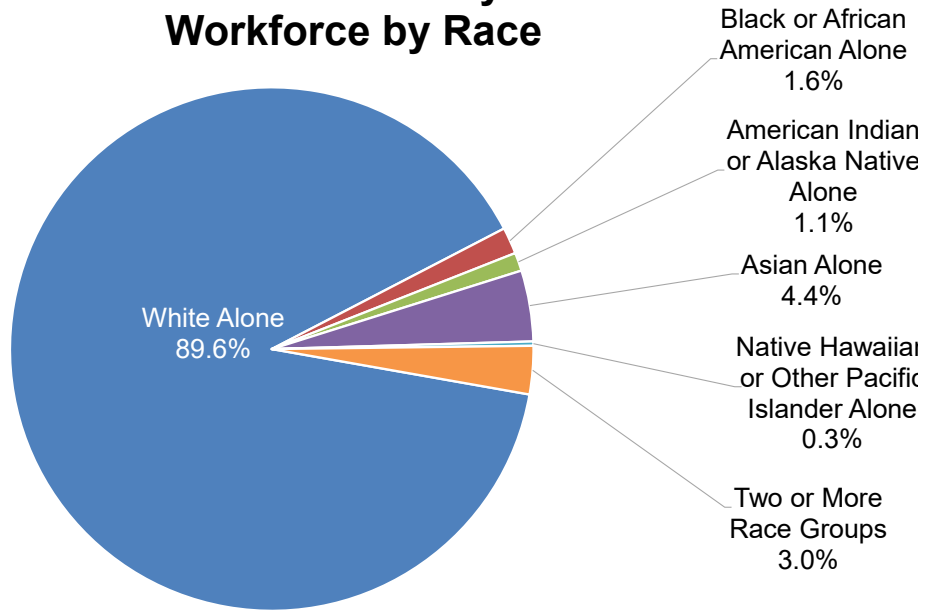


Benton County's Population Has Much Larger Share of Residents With a Bachelor's Degree or Higher Education (58%) Than Oregon Statewide (35%)



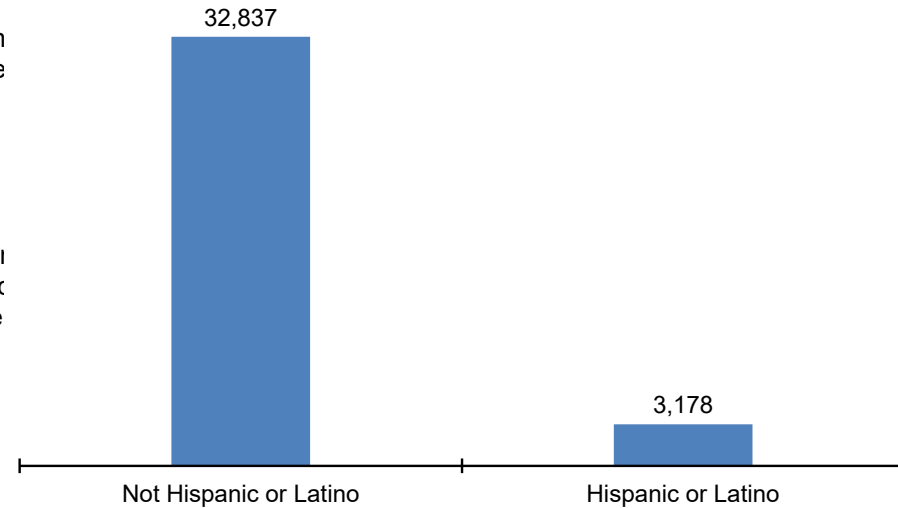
Source: U.S. Census Bureau American Community Survey 2019.

Benton County Workforce by Race



Source: U.S. Census Bureau Quarterly Workforce Indicators 2020 annual average.

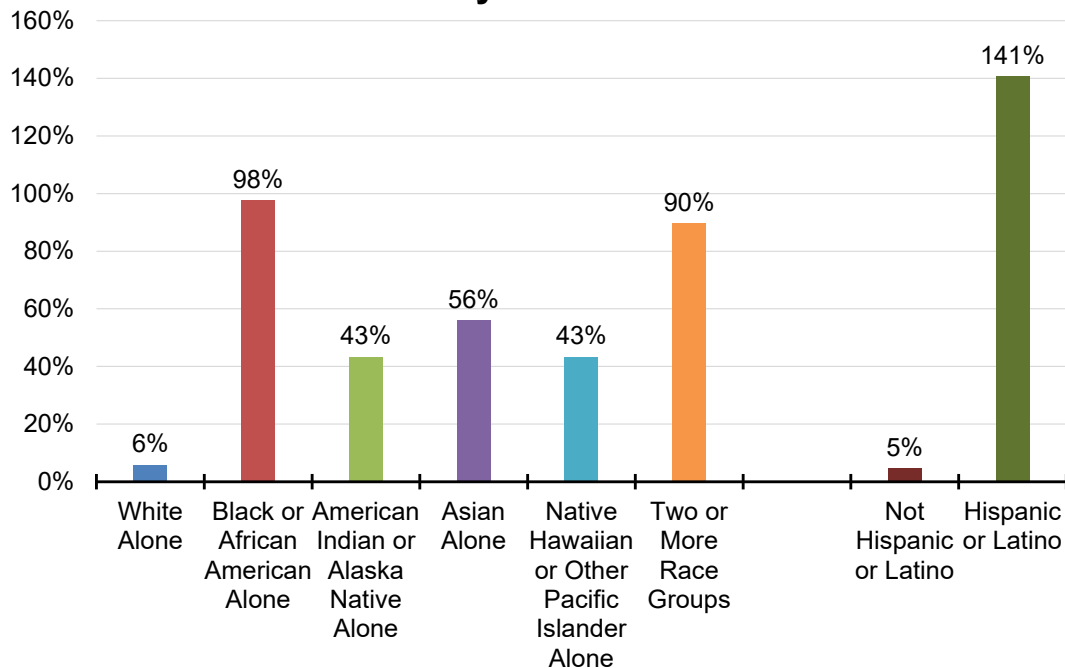
Benton County Workforce by Ethnicity



Source: U.S. Census Bureau Quarterly Workforce Indicators, 2020 annual.

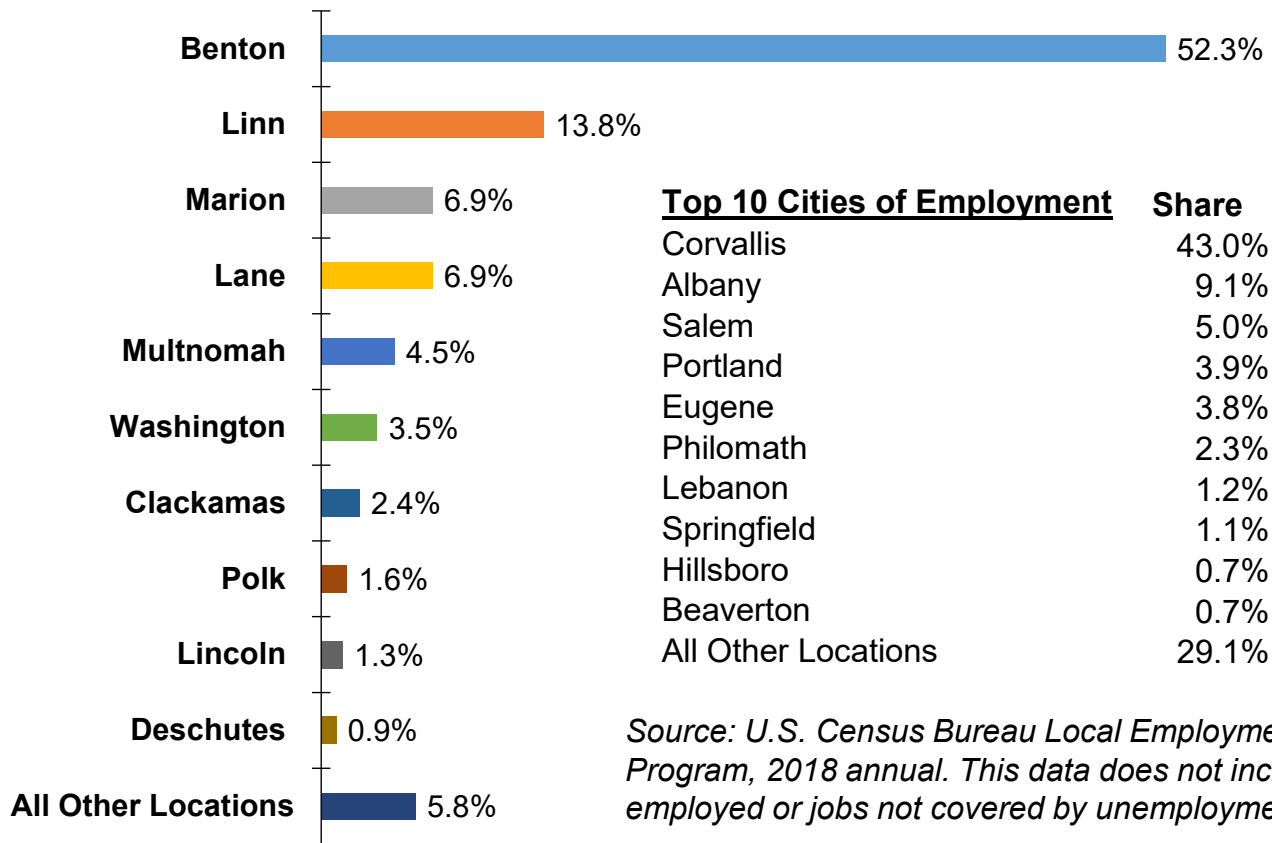
Benton County's Workforce Diversity is Increasing

Percentage Change in Workforce by Race and Ethnicity From 2000 to 2020



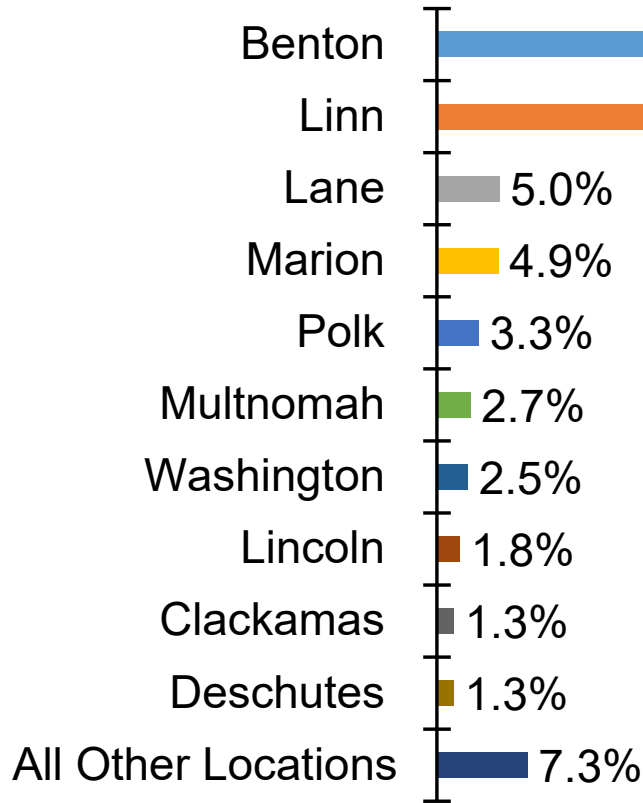
Source: U.S. Census Bureau's Quarterly Workforce Indicators, percentage change in employment by race and ethnicity from 2000 to 2020.

Where Do Benton County Residents Work?



Source: U.S. Census Bureau Local Employment Dynamics Program, 2018 annual. This data does not include the self-employed or jobs not covered by unemployment insurance.

Where Do Benton County Workers Live?



Top 10 Cities of Residence

	Share
Corvallis	31.2%
Albany	13.6%
Philomath	3.4%
Salem	2.4%
Lebanon	2.3%
Portland	2.1%
Eugene	1.7%
Monmouth	0.7%
Springfield	0.7%
Independence	0.7%
All Other Locations	41.2%

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