



MARCH 2025

# Oregon Jobs and Labor Force – February 2025 Update

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## Oregon's Labor Market Signals Stability, but Sectoral Unevenness Persists

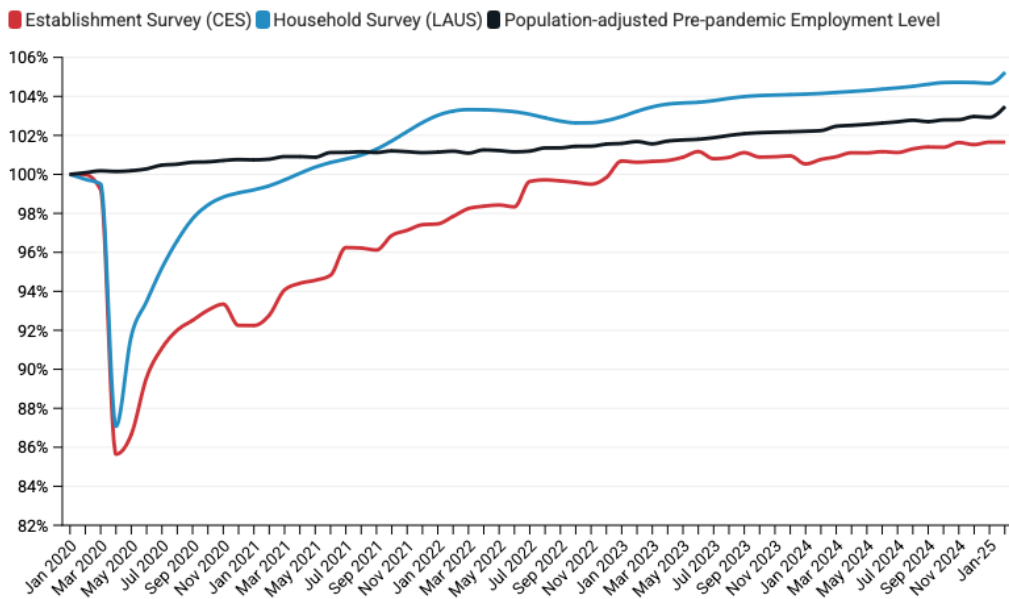
Oregon's job market entered 2025 on steady footing. While total nonfarm employment was essentially unchanged in February, labor force participation remained elevated at 62.7%—1.6 percentage points above its pre-pandemic level—indicating that Oregonians continue to actively seek and engage in work.

But the overall stability masks sharp divergences across sectors. **Construction employment dropped by 2,200 jobs in February—the largest single-month decline in since April 2020.** Manufacturing, which had been steadily losing ground, posted a modest gain of 600 jobs. Professional and business services and information continued to expand, while local government hiring added further stability. Meanwhile, the state's unemployment rate rose to 4.5%, the highest since mid-2021.

### Key Highlights—Oregon February 2025 Employment Data

- Oregon's **total nonfarm payroll employment** edged down by **100 jobs** in February, marking a marginal shift in the state's labor market.
- **Professional and business services** led all industry sectors in job creation, adding **1,697 positions**, followed by the **information sector** with a gain of **704 jobs**.
- The **manufacturing sector** rebounded with an increase of **600 jobs**, signalling a potential turnaround after a period of sustained job losses.
- Since **January 2020**, the state has added **32,400 jobs** overall, including **13,000 private-sector jobs** and **19,400 government positions**.
- **Six out of eleven major industry sectors** posted job gains in February.
- The **construction sector** experienced the steepest contraction, shedding **2,196 jobs** and erasing nearly half of the cumulative gains realized over the past quarter.
- Declines were also observed in **financial activities (-698)** and **education and health services (-500)**.
- Oregon's **seasonally adjusted unemployment rate** rose to **4.5%**, a 0.1 percentage point uptick from January and the highest rate since **August 2021**.
- The **labor force participation rate (LFPR)** held steady at **62.7%**, reflecting continued engagement in the labor market.

## Employment Levels in Oregon since January 2020



Source: BLS, State of Oregon Employment Department • Data through January 2024 from BLS; February estimate calculated using Oregon Employment Department data and CSI calculations. February employment-population ratio is assumed to be the same as January for population estimation.

- The **Current Employment Statistics (CES)** survey indicates that Oregon has yet to fully return to its **pre-pandemic employment-to-population ratio**.
- However, estimates from the **Local Area Unemployment Statistics (LAUS)** program that Oregon’s total employment surpassed pre-pandemic levels as early as **September 2021** and has remained above that benchmark.

## Industry-Level Dynamics

The modest net decline in payroll employment conceals significant sectoral shifts:

- The **construction sector** experienced the largest absolute decline, with a **loss of 2,196 jobs**, offsetting a substantial portion of recent gains.
- **Financial activities** continued a downward trend, contracting by **698 jobs**, while **education and health services** also declined by **500 positions**.
- Conversely, **professional and business services** posted strong growth, adding **1,697 jobs**, indicating robust demand for professional, technical, and administrative services.
- The **information sector** gained **704 jobs**.
- **Manufacturing** showed positive momentum with a gain of **600 jobs**, a reversal after a period of sustained job losses.
- The **government sector** recorded a net gain of **500 jobs**, driven entirely by **local government hiring (+600)**. **Federal employment** declined by **100**, and **state-level employment** remained flat.

- Other modest gains were observed in **leisure and hospitality (+100)**.

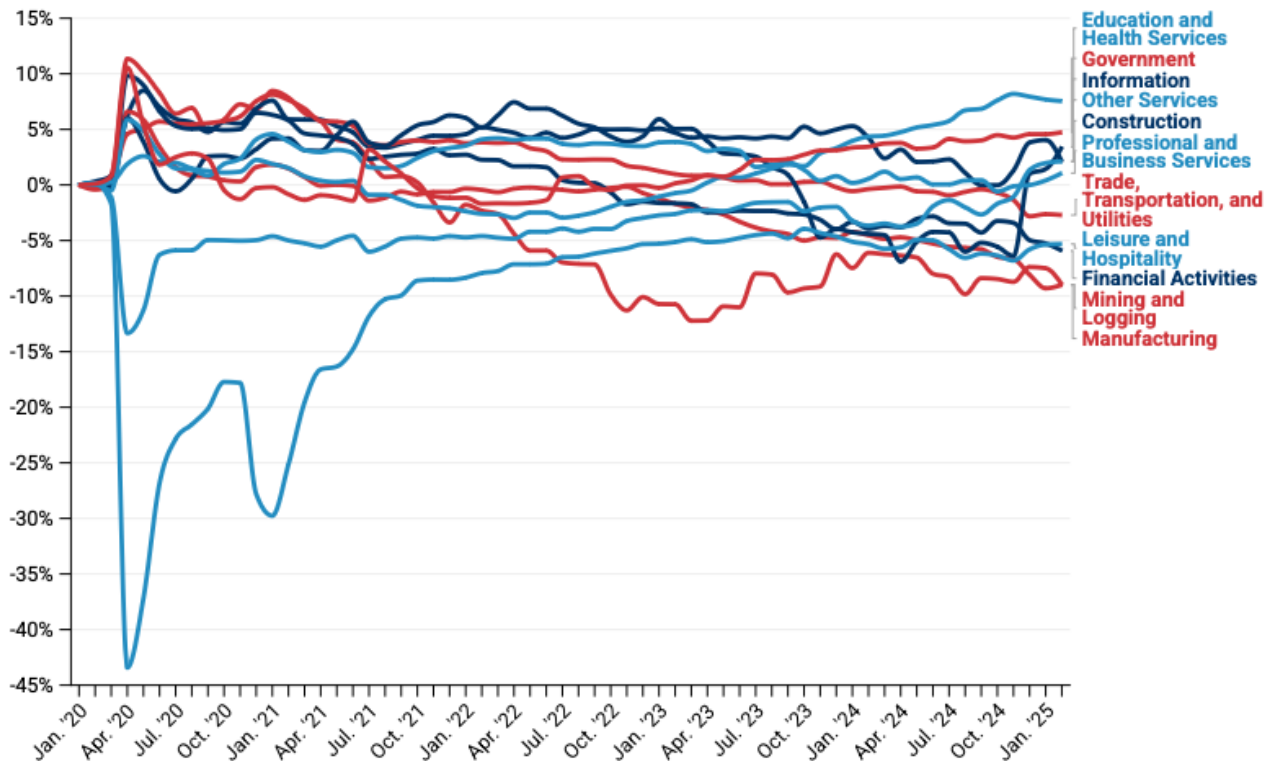
Since the onset of the pandemic:

- Total nonfarm employment in Oregon has increased by **32,400 jobs**.
- However, **five of eleven super-sectors** remain below their **February 2020** employment levels: mining and logging, manufacturing, information, leisure and hospitality, financial activities.

Notably:

- **Manufacturing employment** is **7.49% below** its pre-pandemic baseline.
- In contrast, **education and health services** employment has grown by **9.31%**, and **government employment** has expanded by **6.46%**, demonstrating resilience and long-term sectoral growth.

### Changing Industry Shares of Total Oregon Employment since January 2020



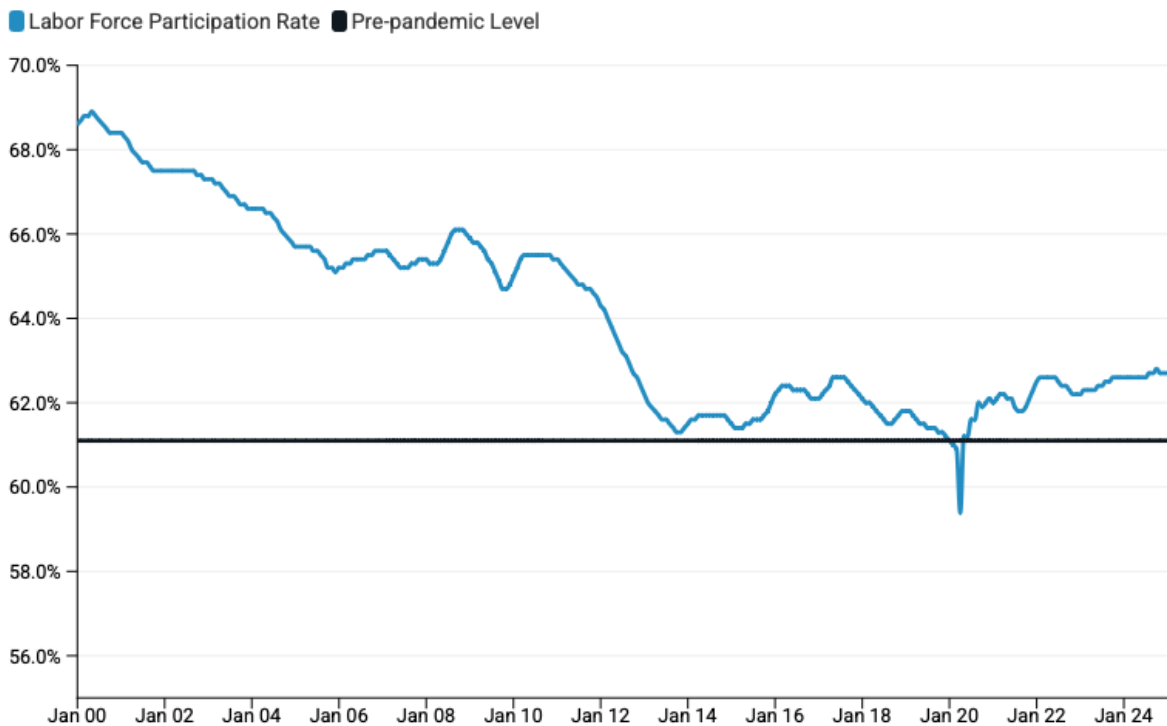
Source: Calculated by CSI using employment data from BLS, State of Oregon Employment Department CES • Employment data benchmarked to BLS; February estimates based on Oregon CES growth rates.

### Oregon Labor Force Update

- Oregon’s **LFPR** was unchanged at **62.7%** in February, maintaining its **1.6 percentage point increase** compared to **January 2020**—a sign of stronger-than-expected labor force engagement post-pandemic.

- The **unemployment rate** rose to **4.5%**, marking a gradual upward drift and possibly indicating a loosening of labor market tightness.

### Labor Force Participation Rate in Oregon Since 2000



Source: BLS, State of Oregon Employment Department • Labor force participation data from BLS; February estimate updated using Oregon Employment Department data.

### Technical Notes and Data Sources

All data are seasonally adjusted unless otherwise noted. Employment estimates derive from the **Oregon Current Employment Statistics (CES)** survey and are benchmarked to **Bureau of Labor Statistics (BLS)** data through **January 2025**. Labor force estimates come from the **Local Area Unemployment Statistics (LAUS)** program. **February 2025 CES and LAUS estimates** are extrapolated using **monthly growth rates** from the **Oregon Employment Department’s February release**.