December 2025

Oregon Jobs and Labor Force – September 2025 Update

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Oregon Job Growth Picks Up Amid Data Revisions

BLS released the September Current Employment Statistics report after delays related to the federal government shutdown. Oregon's seasonally adjusted nonfarm payroll employment increased by roughly **3,300 jobs** in September. August's figures were revised downward by about **3,500 jobs**, indicating the state added closer to **3,500 jobs** between July and August rather than the originally reported **7,000**. So far this year, Oregon has added only about 2,200 jobs between January and September—far below the roughly 17,000 jobs added over the same period last year—highlighting a noticeably cooler labor market in 2025.

The state's seasonally adjusted unemployment rate edged up from **5.0%** in August to **5.2% in September**, remaining above the national average of 4.4%**.**

In September, job gains were concentrated in **Education and Health Services (+1,700)**, **Trade, Transportation, and Utilities (+800)**, and **Professional and Business Services (+700)**. **Construction** added another **700** jobs, and the **Government** sector grew by approximately **600** jobs.

Manufacturing continued to contract. August's initially reported gains were revised down by about **1,900 jobs**, confirming that the sector has been posting job losses since March 2025. Manufacturing shed an additional **200 jobs** in September. Nationally, the sector also weakened, losing **6,000 jobs** in September, with the majority of those losses concentrated in **durable goods**. [i]

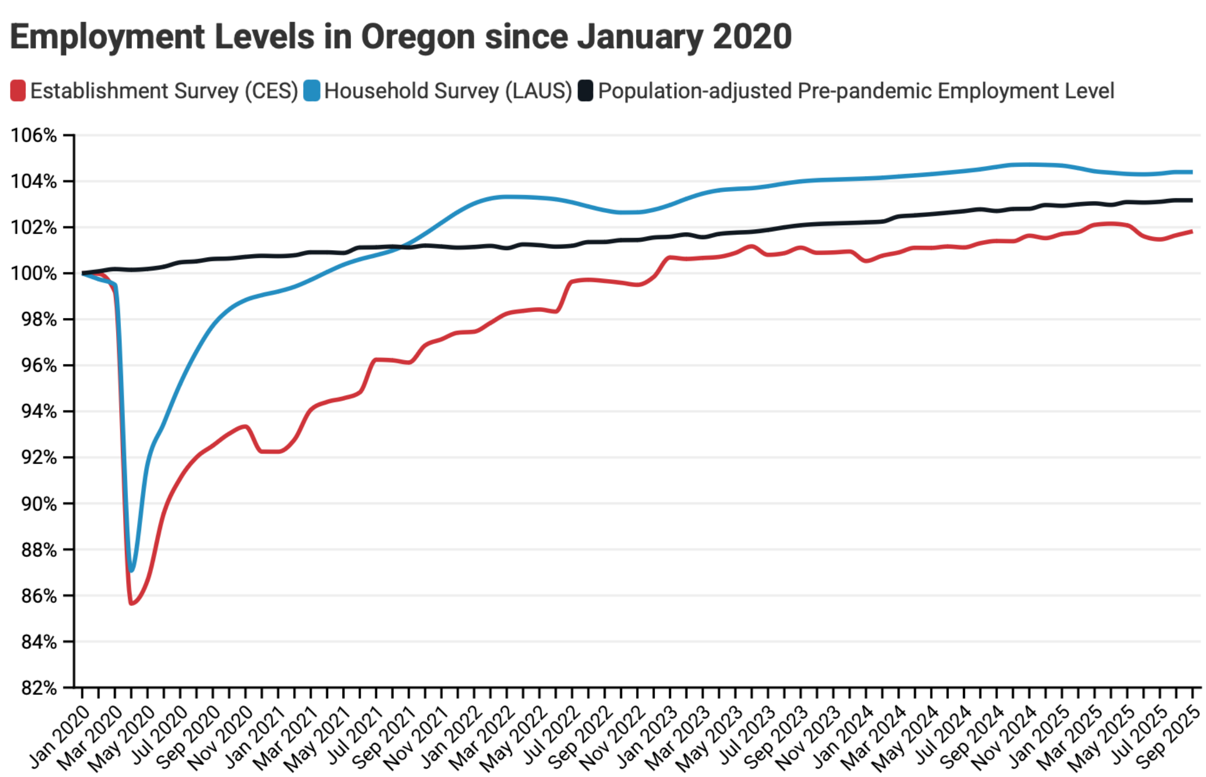
Monetary Policy Context

Despite inflation remaining above the Federal Reserve's 2% target and showing signs of persistence, the Fed moved to lower its benchmark interest rate by **25 basis points**, bringing the federal funds target range to **4.75%–5.00%**. The decision reflects growing concern about a cooling labor market nationally—even as inflation remains elevated. National CPI inflation stood at **3.0% year over year in September**, highlighting the challenge of supporting weakening employment conditions while still working to guide inflation back toward target.

The next reference-month inflation release — the **November CPI** — is scheduled for **December 18, 2025**. Regional inflation data for the West, including the Pacific division that covers Oregon, will follow shortly after and will offer a clearer read on price pressures across the region. These releases will help determine whether the Fed pauses, continues easing, or reconsiders its policy path depending on which risk — persistent inflation or labor-market softening — appears more pressing

Key Highlights—Oregon September 2025 Employment Data

- **Oregon added 3,300 jobs in September**, though August's initially strong gain was revised down sharply.
- **Job growth has slowed significantly** this year: only **2,200 jobs** added from January–September compared to **17,000**over the same period last year.
- **Unemployment rose to 5.2%**, remaining well above the national rate of **4.4%**.
- **Health care led job gains** again, adding **1,700 jobs** in Oregon and **57,000** nationally.
- **Manufacturing remained weak**, with Oregon losing another **200 jobs** and the U.S. posting **6,000** job losses.
- **Professional and Business Services grew in Oregon (+700)**, contrasting with **national declines**, where PBS recorded the largest losses of any major sector.
- **Financial Activities** posted the largest decline (−700 jobs), continuing the sector's long-run downward trend.



Source: BLS, State of Oregon Employment Department • Data through August 2025 from BLS; August estimates calculated using Oregon Employment Department data and CSI calculations. September employment-population ratio is assumed to be the same as the prior month 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**.

- Estimates from the **Local Area Unemployment Statistics (LAUS)** program show that Oregon's total employment surpassed pre-pandemic levels as early as **September 2021** and has remained above that benchmark.

Industry-Level Dynamics

- **Overall Employment:** Oregon's seasonally adjusted total nonfarm payrolls increased by **3,300 jobs** in September. August's employment gains were revised downward by **3,500**, reducing the previously reported growth between July and August. Nationally, total nonfarm payrolls rose by **119,000 jobs** in September, although overall U.S. employment has shown **little net change since April**.
- **Private Sector Gains:** Oregon's private sector accounted for about **5,700** of the new jobs.
- **Education and Health Services Led the Gains:** Education and Health Services added **1,700** jobs in Oregon, including **1,300** in Health Care and Social Assistance. The same pattern is evident at the national level, where Health Care and Social Assistance once again led job growth, adding **57,000 jobs** in September.
- **Financial Activities:** The sector posted the largest job losses this month, declining by approximately **700** jobs.
- **Government:** Government employment grew by **600 jobs**, all of which were concentrated in **local government**.
- **Mining and Logging:** Employment was unchanged and has remained stable for more than a year.
- **Other Services:** Employment increased by roughly **1,000** jobs.
- **Construction:** The sector added **700** jobs in September.
- **Trade, Transportation, and Utilities:** Employment increased by **800** jobs, with about half of the gains coming from Wholesale Trade.
- **Professional and Business Services:** The sector added **700** jobs in Oregon in September, offsetting the loss of 600 positions recorded in August. Nationally, however, Professional and Business Services posted the largest job losses of any major industry, highlighting a broader slowdown that Oregon temporarily bucked this month.

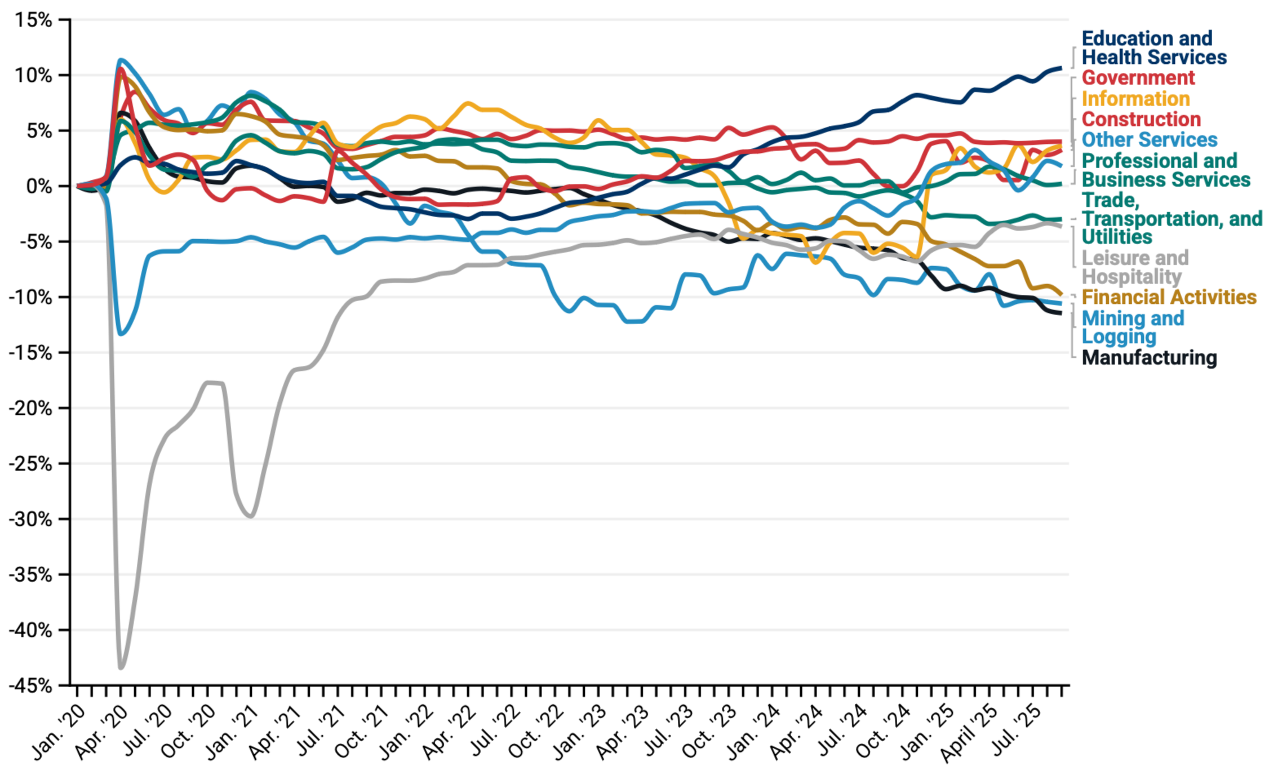
Since the Onset of the Pandemic:

- Total nonfarm employment in Oregon has increased by 35,900 jobs since January 2020.
- However, five of the eleven supersectors remain below their pre-pandemic levels: Mining and Logging; Manufacturing; Trade, Transportation, and Utilities; Financial Activities; and Leisure and Hospitality.

Notable shifts:

- **Manufacturing** employment remains well below pre-pandemic levels—down 9.7% compared to January 2020. **Mining and Logging** and **Financial Activities** are also lower, by 9% and 7.5%, respectively.
- In contrast, **Education and Health Services** employment has grown by 12.1%, driven largely by gains in **Health Care and Social Assistance**, which is up 14.3%.
- **Government** employment has also increased, rising 5.7% since January 2020.

Changing Industry Shares of Total Oregon Employment since January 2020

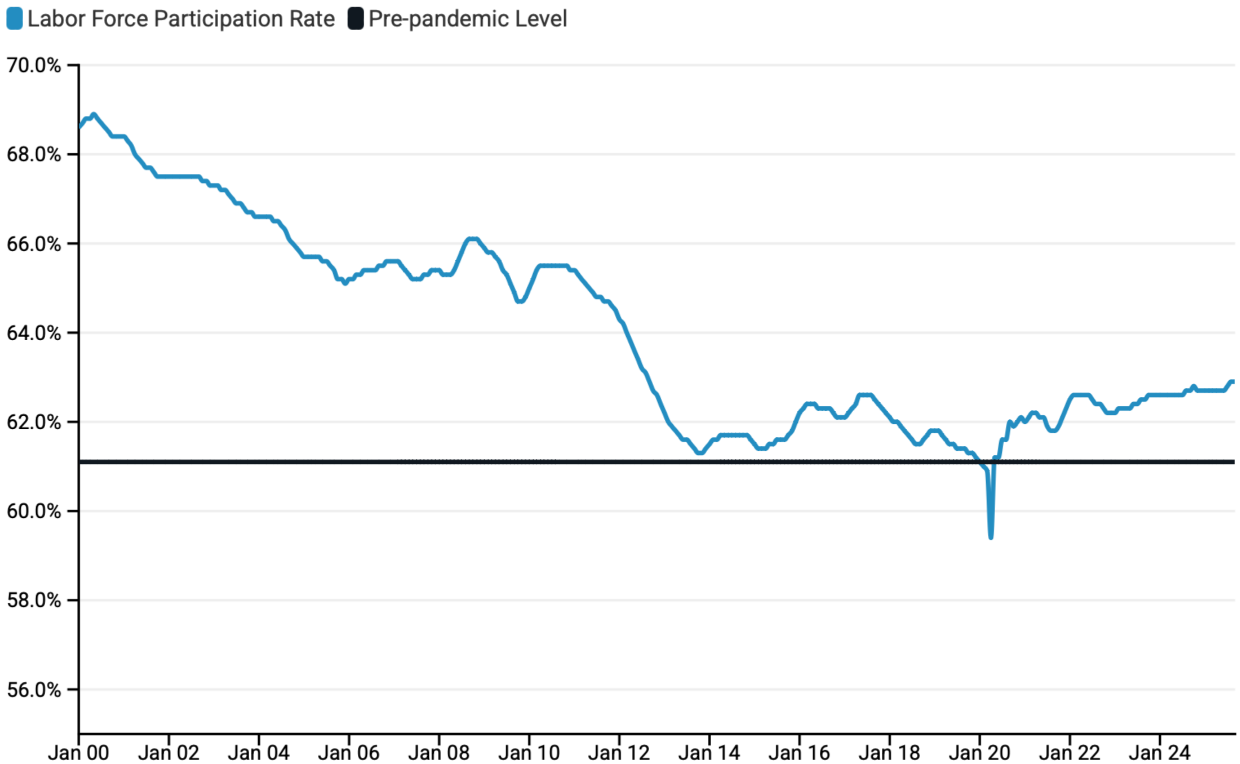


Source: Calculated by CSI using employment data from BLS, State of Oregon Employment Department CES • Employment data benchmarked to BLS; September estimates based on Oregon CES growth rates.

Oregon Labor Force Update

- **Labor Force Participation Rate (LFPR):** Oregon's **LFPR held steady at 62.9%** in September—up 1.8 percentage points since January 2020. The state continues to exceed the national LFPR, which measured 62.4% in September 2025.
- **Unemployment Rate:** Oregon's **unemployment rate rose from 5.0% in August to 5.2%** in September, remaining well above the national rate, which edged up from 4.3% to 4.4% over the same period.

Labor Force Participation Rate in Oregon Since 2000



Source: BLS, State of Oregon Employment Department • Labor force participation data from BLS; September 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 **August 2025**. Labor force estimates come from the **Local Area Unemployment Statistics (LAUS)** program. **August 2025 CES estimates** are extrapolated using **monthly growth rates** from the **Oregon Employment Department's September release**.

[i] https://www.bls.gov/opub/ted/2025/total-nonfarm-payroll-employment-edged-up-119000-in-september-2025.htm