August 2026

Oregon Jobs and Labor Force – July 2026 Update

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Oregon Labor Market Softens as Payrolls Decline in July

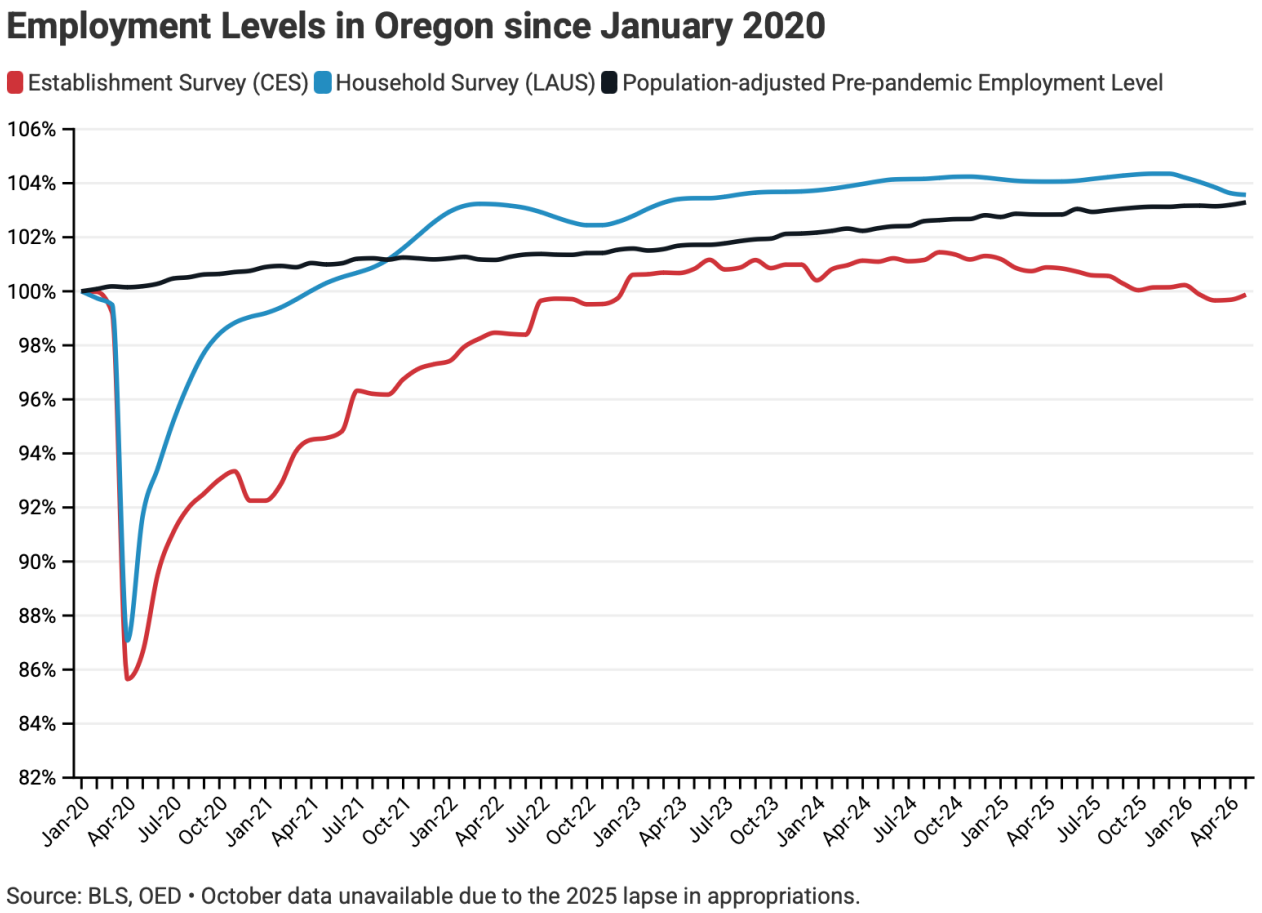
Oregon's labor market weakened in July, with **total nonfarm payroll employment falling by 4,100 jobs** after June's estimate was revised from a loss to a gain of 1,300 jobs. The decline was broad enough to offset gains in a handful of industries, with the largest losses concentrated in Professional and Business Services and Leisure and Hospitality. Government employment also fell, driven by Local Government.

The broader employment picture remains subdued. Oregon's total nonfarm employment is still **6,400 jobs below its January 2020 level**, and seven of the state's eleven supersectors remain below their pre-pandemic employment levels. Manufacturing and Mining and Logging continue to show the largest percentage shortfalls, while Education and Health Services remains a notable source of longer-term growth.

Household survey indicators were little changed in July. Oregon's **unemployment rate remained at 5.2%**, where it has held since the beginning of the year, while the labor force participation rate stayed at **62.4% after declining from 63.0% in December 2025**. Nationally, the recent decline in labor force participation has been somewhat more pronounced among women than men. Taken together, the latest data point to a labor market that remains soft: payroll growth has been uneven, unemployment is elevated relative to the national rate, and the state's employment recovery remains incomplete.

Key Highlights—Oregon July 2026 Employment Data

- Oregon's seasonally adjusted total nonfarm payroll employment decreased by 4,100 jobs in July 2026. June's estimate was revised substantially upward, from a previously reported loss of 600 jobs to a gain of 1,300 jobs.
- The private sector accounted for most of July's decline, shedding 3,400 jobs, while government employment decreased by 700 jobs.
- Professional and business services posted the largest over-the-month decline, losing 1,800 jobs. Local government followed with a loss of 700 jobs, while manufacturing employment decreased by 500 jobs.
- Job gains were concentrated in a few sectors, led by financial activities (+400), followed by trade, transportation, and utilities (+200) and mining and logging (+100).
- Despite the recovery since the pandemic, Oregon's seasonally adjusted total nonfarm payroll employment remains 6,400 jobs below its January 2020 level. Seven of the eleven supersectors also continue to have employment below their pre-pandemic levels.
- Oregon's Labor Force Participation Rate declined to 62.4% in June 2026, continuing a gradual downward trend since the start of the year, though it remains above the national rate of 61.8%.
- Oregon's unemployment rate held at 5.2% in June, remaining well above the national rate of 4.3%.



Source: BLS, OED • October data unavailable due to the 2025 lapse in appropriations.

- 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 payroll employment **declined by 4,100 jobs in July 2026**. June's estimate was revised substantially upward, from a previously reported loss of 600 jobs to a gain of **1,300 jobs**. Private-sector employment accounted for most of the over-the-month decline, while government employment also decreased.
- **Professional and Business Services** posted the largest over-the-month decline, shedding **1,800 jobs**. Losses were broad-based, led by Administrative and Support and Waste Management and Remediation Services (**-800 jobs**), followed by Professional, Scientific, and Technical Services (**-600**) and Management of Companies and Enterprises (**-400**).
- **Leisure and Hospitality** lost **900 jobs** in July. A decline of **1,100 jobs** in Accommodation and Food Services was partially offset by a **200-job gain** in Arts, Entertainment, and Recreation.
- **Other Services** employment decreased by **500 jobs** over the month.
- **Manufacturing** employment declined by **500 jobs** in July.

- **Education and Health Services** shed **400 jobs**, with Health Care and Social Assistance accounting for roughly **300 jobs** of the decline.
- **Construction** employment was unchanged in July.
- **Financial Activities** added **400 jobs**, with gains split evenly between Finance and Insurance and Real Estate and Rental and Leasing.
- **Trade, Transportation, and Utilities** added **200 jobs**, as a **500-job gain in Retail Trade** more than offset a **300-job decline in Wholesale Trade**.
- **Mining and Logging** added **100 jobs** over the month.
- **Information** employment was unchanged in July.
- **Government** employment declined by **700 jobs**, driven by a **700-job loss in Local Government**. Federal Government employment decreased by 100 jobs, while State Government added 100 jobs.

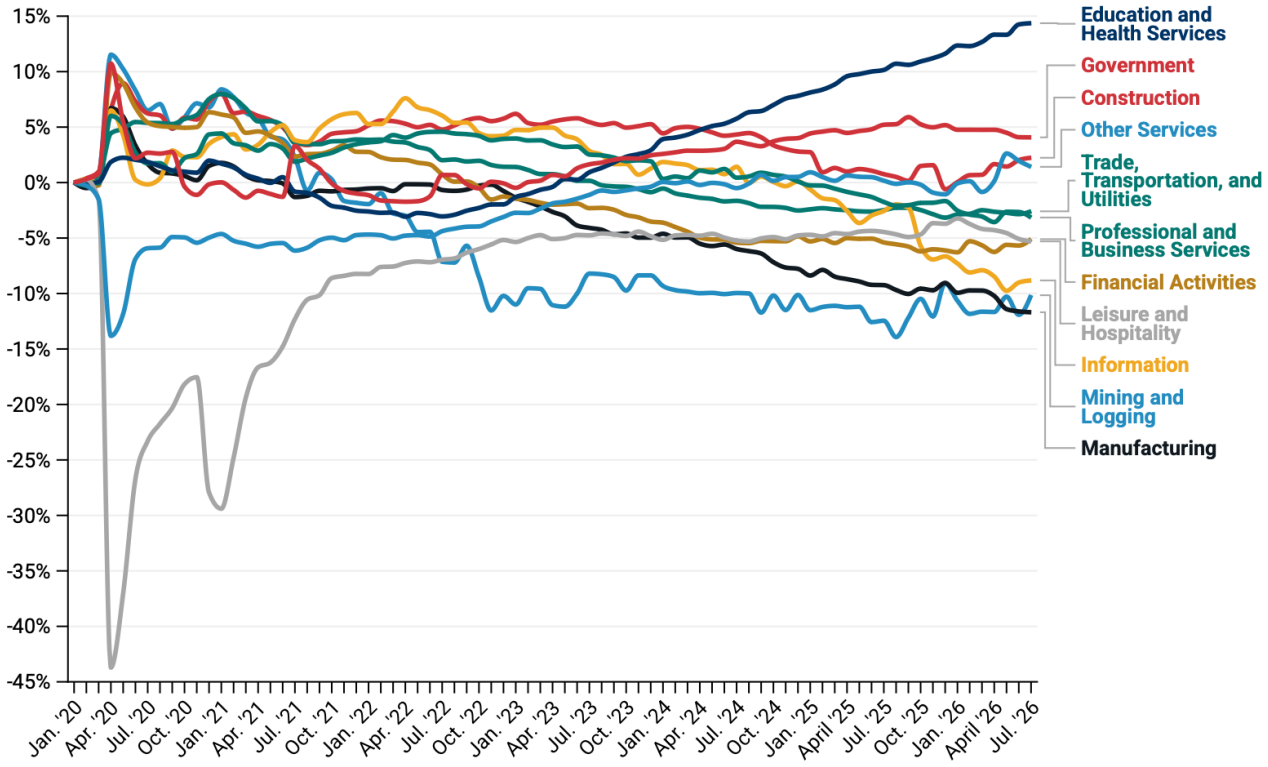
Since the Onset of the Pandemic:

- Total seasonally adjusted nonfarm employment in Oregon has decreased by 6,400 jobs since January 2020- 0.3% below- with private sector employment is lagging by 17,600 jobs.
- Seven of eleven supersectors remain below their pre-pandemic levels on a seasonally adjusted basis: Mining and Logging; Manufacturing; Trade, Transportation, and Utilities; Information; Financial Activities; Professional and Business Services; and Leisure and Hospitality.

Notable shifts:

- Among the supersectors still below pre-pandemic levels, Mining and Logging and Manufacturing have seen the steepest declines, down 10.4% and 12% respectively since January 2020, followed by Information and Financial Activities, down 9.1% and 5.4% respectively.
- By contrast, Education and Health Services has grown 14% since January 2020, driven largely by Health Care and Social Assistance, which is up 16.2%. Government employment has similarly increased, rising 3.7% over the same period.

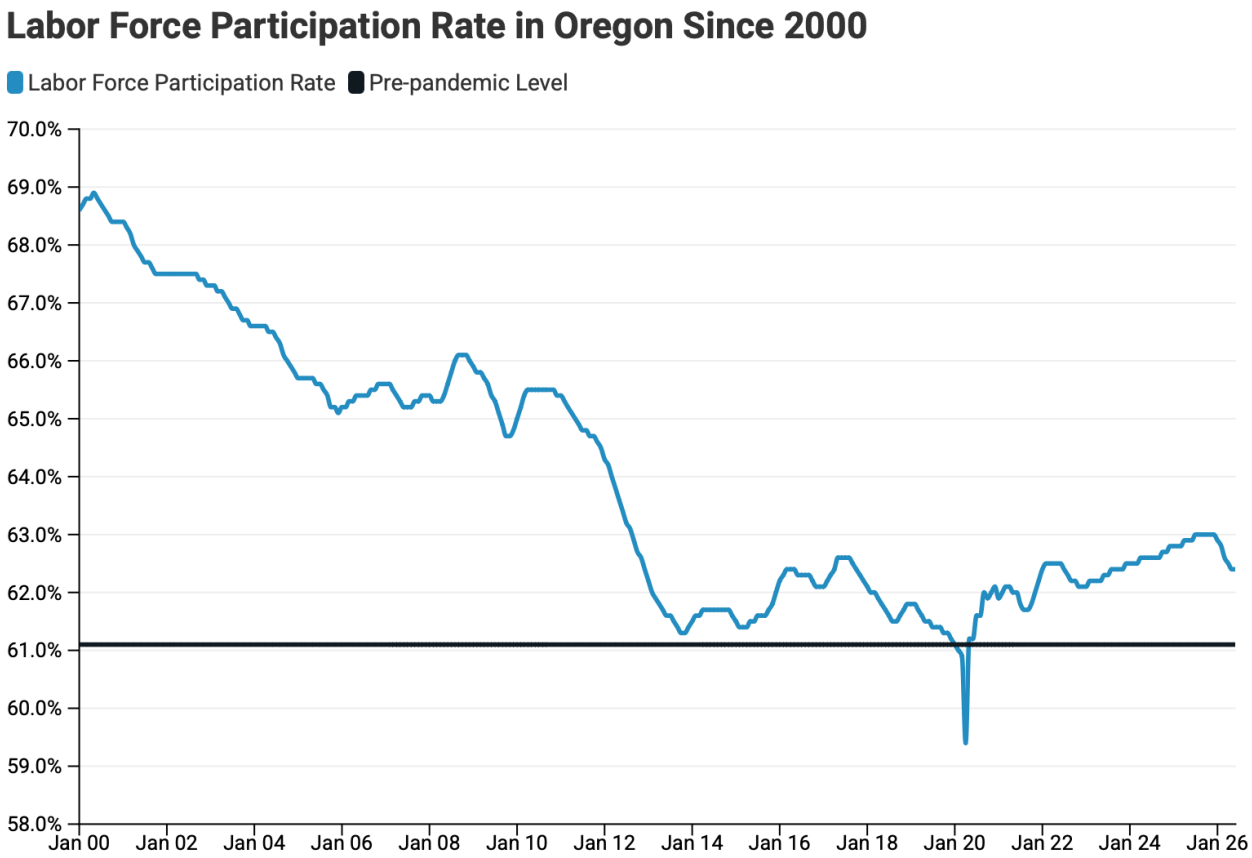
Changing Industry Shares of Total Oregon Employment since January 2020



Source: Calculated by CSI using employment data from BLS and OED • Employment levels for June and July are estimated by applying Oregon Employment Department (OED) growth rates to the May 2026 BLS benchmark.

Oregon Labor Force Update

- **Labor Force Participation Rate (LFPR):** Oregon's LFPR has gradually declined since the start of the year, falling from **63.0% in December 2025 to 62.4% in May 2026**, where it remained through July. The rate continues to exceed the national LFPR of **62.1%**. Nationally, the recent decline in labor force participation has been somewhat more pronounced among women than men.
- **Unemployment Rate:** Oregon's unemployment rate has remained unchanged at **5.2% since the beginning of 2026**, including in July, and continues to stand well above the national rate of **4.1%**.



Source: BLS, OED • October data unavailable due to the 2025 lapse in appropriations.

Technical Notes and Data Sources

All data are seasonally adjusted unless otherwise noted. Employment estimates derived from the **Oregon Current Employment Statistics (CES)** survey and are benchmarked to **Bureau of Labor Statistics (BLS)** data through **May 2026**. Labor force estimates come from the Local Area Unemployment Statistics (LAUS) program, with data through June 2026. June and July 2026 CES estimates are extrapolated using monthly growth rates from the Oregon Employment Department's July release.