



October 2026

Oregon Jobs and Labor Force – September 2026 Update

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Nearly Seven Years Later, Private-Sector Employment Still Trails Pre-Pandemic Levels

Oregon's labor market showed signs of improvement in September, with seasonally adjusted total nonfarm payroll employment increasing by 5,800 jobs, following an upwardly revised gain of 2,600 jobs in August. The increase marks an encouraging reversal of recent weakness, particularly as hiring nationally remains subdued. Construction, Health Care and Social Assistance, and Leisure and Hospitality together added approximately 5,000 jobs, accounting for most of September's net increase, while Retail Trade lost 1,500 jobs.

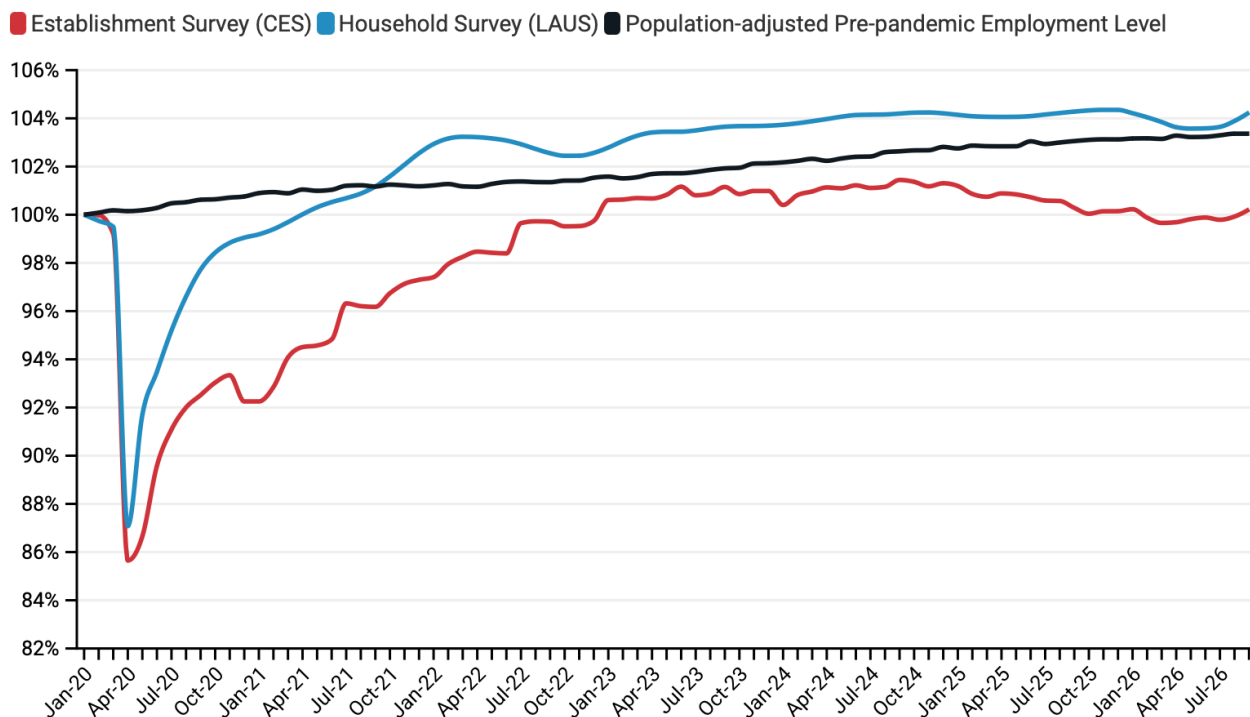
September also marked a return above an important employment benchmark. Oregon's total nonfarm payroll employment is now approximately 4,300 jobs, or 0.2 percent, above its January 2020 level. However, private-sector employment remains roughly 8,600 jobs below its pre-pandemic benchmark, and seven of the state's eleven supersectors have yet to fully recover. Since January 2020, Education and Health Services and Government have added approximately 58,300 jobs combined, while total nonfarm employment has increased by just 4,300 jobs, indicating that losses in other industries have offset most of those gains.

Household survey indicators also improved modestly in September. Oregon's unemployment rate edged down from 5.1 percent in August to 5.0 percent, while labor force participation increased to 62.6 percent and the employment-to-population ratio rose to 59.5 percent. The simultaneous increase in employment and labor force participation is an encouraging sign, suggesting that the decline in unemployment was not driven by workers leaving the labor force. Nevertheless, Oregon's unemployment rate remains above the national rate of 4.2 percent. Taken together, September's data point to improving labor market conditions, although the state's longer-term employment gains remain concentrated in a handful of industries.

Key Highlights—Oregon September 2026 Employment Data

- Oregon's seasonally adjusted total nonfarm payroll employment **increased by 5,800 jobs** in September. August's estimate was revised upward from a loss of 800 jobs to a gain of 2,600 jobs.
- Job gains were led by **Construction (+2,000), Health Care and Social Assistance (+1,700), and Leisure and Hospitality (+1,300)**, while Retail Trade posted the largest decline (-1,500).
- Oregon's total nonfarm employment is now approximately **4,300 jobs above its January 2020 level**, although private-sector employment remains 8,600 jobs below that benchmark.
- Seven of Oregon's eleven supersectors remain below their pre-pandemic employment levels, reflecting an uneven recovery across industries.
- Oregon's unemployment rate declined to **5.0%**, remaining above the national rate of 4.2%, while labor force participation increased to **62.6%**, exceeding the national rate of 61.8%.

Employment Levels in Oregon since January 2020



Source: BLS, OED • October data unavailable due to the 2025 lapse in appropriations.
September 2026 employment-to-population ratio is estimated using September employment and the civilian noninstitutional population derived from August data, assuming no change in population.



- 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 increased by 5,800 jobs in September 2026, following an upwardly revised gain of 2,600 jobs in August. Private-sector employment accounted for most of the increase, while government employment also rose.
- **Construction** posted the largest over-the-month gain, adding 2,000 jobs in September.
- **Education and Health Services** added approximately 1,600 jobs, with Health Care and Social Assistance accounting for roughly 1,700 jobs of the increase, partially offset by a decline of 100 jobs in Educational Services.
- **Leisure and Hospitality** added 1,300 jobs in September. An increase of approximately 2,000 jobs in Accommodation and Food Services more than offset a decline of 700 jobs in Arts, Entertainment, and Recreation.

- **Financial Activities** added 900 jobs, with gains of approximately 600 jobs in Finance and Insurance and 300 jobs in Real Estate and Rental and Leasing.
- **Manufacturing** employment increased by 600 jobs in September, with gains of approximately 200 jobs in Durable Goods and 400 jobs in Nondurable Goods.
- **Government** employment increased by 500 jobs, driven by a gain of approximately 600 jobs in Local Government. State Government employment declined by 100 jobs, while Federal Government employment was essentially unchanged.
- **Other Services** employment increased by 300 jobs over the month.
- **Mining and Logging** added 100 jobs in September.
- **Professional and Business Services** declined by 200 jobs. Administrative and Support and Waste Management and Remediation Services lost approximately 900 jobs, partially offset by a 700-job gain in Professional, Scientific, and Technical Services. Employment in Management of Companies and Enterprises was essentially unchanged.
- **Information** employment declined by approximately 400 jobs in September.
- **Trade, Transportation, and Utilities** shed approximately 900 jobs. A decline of 1,500 jobs in Retail Trade more than offset gains of 500 jobs in Wholesale Trade and 100 jobs in Transportation, Warehousing, and Utilities.

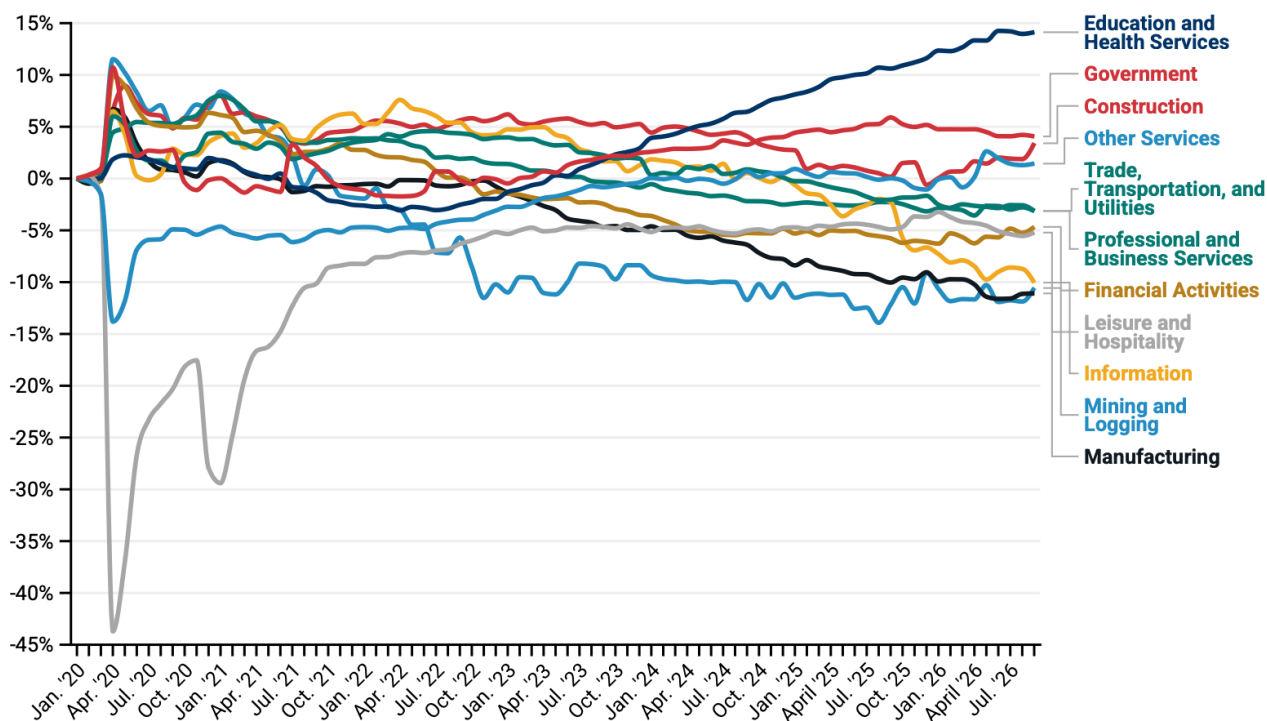
Since the Onset of the Pandemic:

- Total seasonally adjusted nonfarm employment in Oregon has increased by approximately **4,300 jobs since January 2020**, placing employment 0.2% above its pre-pandemic level. However, private-sector employment continues to lag by approximately 8,600 jobs, or 0.5%.
- Seven of eleven supersectors remain below their pre-pandemic employment 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, Manufacturing and Mining and Logging have experienced the steepest declines, down **10.9% and 10.4%**, respectively, since January 2020. Information follows with a decline of 9.8%, while Leisure and Hospitality and Financial Activities remain 5.0% and 4.5% below their pre-pandemic levels, respectively.
- By contrast, Education and Health Services has grown **14.4% since January 2020**, driven largely by Health Care and Social Assistance, which is up 16.8%. Government employment has similarly increased, rising 4.3% over the same period, while Construction employment has grown 3.6%.

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 increased to 62.6% in September 2026, up from 62.5% in August and 62.4% in July. Despite the recent improvement, participation remains below the 63.0% recorded in December 2025. The state's participation rate continues to exceed the national LFPR of 61.8%.
- **Unemployment Rate:** Oregon's unemployment rate declined to 5.0% in September, down from 5.1% in August and 5.2% in July. Although unemployment has edged lower in recent months, the rate continues to stand above the national average of 4.2%. The number of unemployed Oregonians declined by approximately 3,300 between August and September, while the number of employed residents increased by about 7,100.

Labor Force Participation Rate in Oregon Since 2000

■ Labor Force Participation Rate ■ Pre-pandemic Level



Source: BLS, OED • October data unavailable due to the 2025 lapse in appropriations. September LFPR is estimated using the September civilian labor force and the civilian noninstitutional population derived from August data, assuming no change in population.



Technical Notes and Data Sources

All data are seasonally adjusted unless otherwise noted. Historical payroll employment estimates are based on the Bureau of Labor Statistics' Current Employment Statistics (CES) series through July 2026. August and September 2026 estimates are extrapolated using revised monthly employment changes reported by the Oregon Employment Department in its September release. Labor force participation, employment, and unemployment estimates are derived from the Local Area Unemployment Statistics (LAUS) program, with data through September 2026.