



# NEWS RELEASE

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## **New Report Updates “Worst in Nation” Status: Oregon Now Among Fastest Growing States**

(Silverton, Oregon) A new report released today by the Oregon Center for Public Policy shows that Oregon’s economy is growing faster than in most other states.

The report, *Growing Again: An Update on Oregon’s Recovering Economy*, shows that between December 2001 and December 2002, Oregon’s unemployment rate declined 0.8 percent, more than in all but four states. Employment in Oregon increased by 2.3 percent, more than in all but 12 states. The report is based on the most recent data from the U.S. Bureau of Labor Statistics.

“Oregon’s economy has yet to rebound to pre-recession levels, but it is growing faster than most other states,” commented Jeff Thompson, economist with the Oregon Center for Public Policy and the report’s author.

“Claims that Oregon’s economy is ‘worst’ in the nation typically rely only on the state’s current unemployment ranking,” Thompson noted. “This comparison is misleading, because Oregon’s unemployment rate is relatively high in good and bad economic times.”

The report documents that Oregon’s economy, measured by per-capita Gross State Product, grew faster than in all but two states in 2000, while the unemployment rate was seventh highest. Oregon’s unemployment rate dropped below the national average in just two years during the 1990’s economic boom and in only four of the last thirty years.

“Because so many people continue to move to Oregon, and the state has considerable employment in seasonal industries in many rural communities that are geographically isolated, the state will continue to have relatively high rates of unemployment even after the recovery hits full-stride,” Thompson noted.

“Some people are trying to use Oregon’s economic troubles as political cover to push big tax breaks for businesses and politically-connected high-income families,” Thompson said. “Oregonians need to recognize that the economy is recovering, and resist the ‘crisis’ mentality demands for more tax cuts,” he continued.

“Taking away even more money for education and public safety through tax cuts for businesses and the affluent is the last thing that Oregon’s economy needs right now,” Thompson added.

“Unemployment remains a serious issue in Oregon and most other states, but the appropriate economic policy to address it needs to come from efforts to strengthen the safety net and provide real opportunities for the unemployed,” said Thompson. “Being just one percent of the national economy and lacking the ability to deficit spend, Oregon is simply incapable of making a dent in the economic forces driving the current slow recovery. State tax cuts would make things even worse by slowing spending, worsening job losses, and reducing federal matching funds for health care and other key sectors of Oregon’s economy.”

The report mentions economic stimulus proposals that would provide economic aid to the states and extend Unemployment Insurance benefits.

“Federal plans that would put money into unemployed workers hands and help states avoid further budget cuts are what is needed right now,” commented Thompson.

The Oregon Center for Public Policy is a Silverton, Oregon-based non-profit research institute that uses research and analysis to advance policies and practices that improve the economic and social prospects of low- and moderate income Oregonians, the majority of Oregonians.

NOTE TO EDITORS AND REPORTERS: The full text of the report is available at the OCPP website, <http://www.ocpp.org>.