



ISSUE BRIEF

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Job Recovery Continues to Elude Oregon

By Jeff Thompson

Oregon Center for Public Policy (OCPP) analysis of unemployment and jobs figures released today shows that Oregon's economy remains too weak to absorb unemployed workers or continued growth in the working-age population. The new figures from the Oregon Employment Department are a blow to hopes that Oregon's economy might finally be experiencing a job recovery. The gap between jobs and the working-age population has grown to 150,000 since 2001. The number of unemployed Oregonians remains above 160,000, and the elimination of extended Unemployment Insurance benefits programs is leaving thousands of workers empty-handed each month.

Job Growth Still Insufficient



Oregon's seasonally adjusted employment fell by 3,600 jobs in January. While four of the last seven months registered small positive job growth, employment remains 7,400 lower than levels from January 2003 and 50,000 lower than January 2001, before Oregon's economy first fell into recession (Figure 1).

Oregon has added an average of only 1,500 jobs per month since June, 2003. At this rate of growth, it would take nearly three years just to return employment to the January, 2001 level.

The Growing "Jobs Gap" in Oregon

Job losses and continued growth in the working-age population since 2001 have created a sizable gap between the number of jobs and the number of potential workers needing jobs. The "jobs gap" in Oregon that has emerged under the Bush Administration remains at 150,000 in January (Table 1). Employment in Oregon has declined 50,000 since January, 2001, and the working-age population is estimated to have risen by 100,000. To provide employment to those

Table 1. Gap Between Working-age Population and Jobs

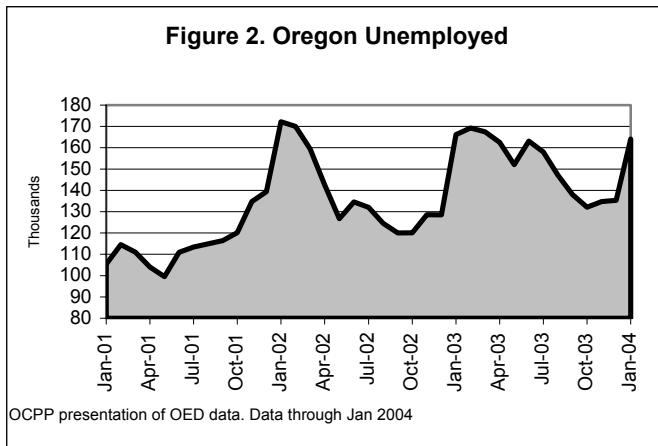
	Oregon Employment	Oregon Working-age population*	
Jan - 01	1,615,200	2,061,980	
Jan - 03	1,572,200	2,132,150	
Jan - 04	1,564,800	2,162,390	
change			Total Gap in Employment
Jan 03 to Jan 04	-7,400	30,240	37,640
Jan 01 to Jan 04	-50,400	100,410	150,810

Source: OCPP analysis of OED and economy.com data.
 *working-age population is from first quarter of each year.

workers that have lost jobs since 2001 in addition to the continued growth in the working-age population, Oregon’s economy needs to create 150,000 jobs.

Even though some economic indicators improved over the last year, the jobs gap worsened. Employment in Oregon declined by 7,400 jobs, but the working-age population is estimated to have expanded by more than 30,000.

The Number of Unemployed Workers Remains High: Insurance is Running Out



The number of unemployed workers in Oregon was 164,000 in January 2004, little changed from January 2003, when there were 166,000 unemployed (Figure 2).

While the number of unemployed remains high in Oregon, the Unemployment Insurance (UI) available to these workers is being eliminated by the failure of Congress to take action to continue extended benefits programs. The Washington, D.C.-based Center on Budget and Policy Priorities estimates that 4,400 unemployed workers in

Oregon exhausted their regular UI benefits in January and were left without any unemployment benefits whatsoever.¹ The number of workers in this situation will mount in the coming months.

Endnotes:

¹ Center on Budget and Policy Priorities, “760,000 Jobless Denied Aid – And Counting,” February 25, 2004.

Jeff Thompson is a policy analyst at the Oregon Center for Public Policy. His previous work has focused on the economy, taxes, and labor issues.

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