

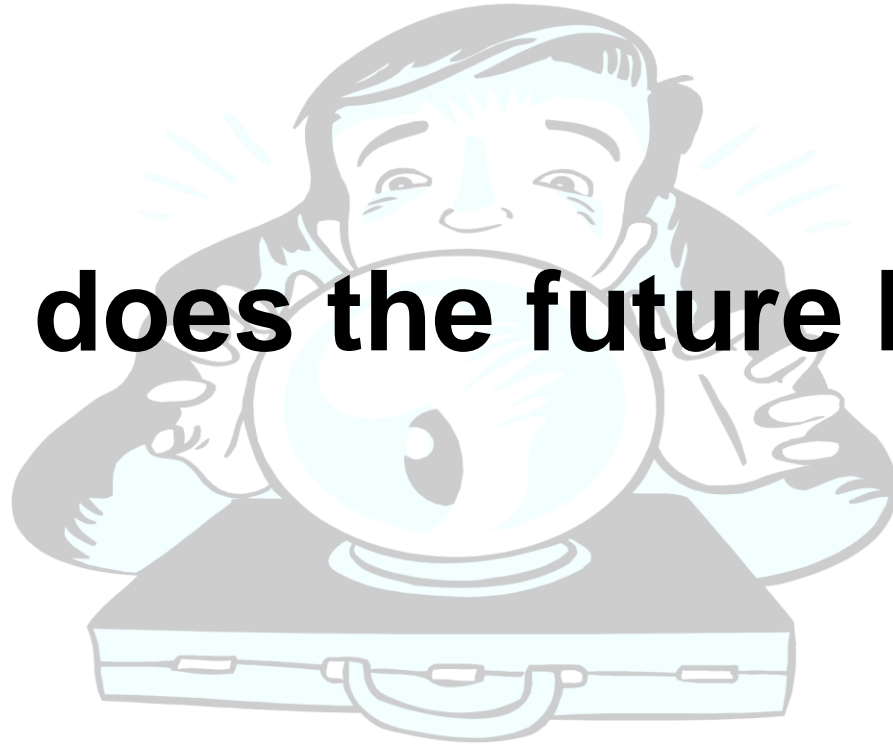


Employment in McMinnville and Oregon

McMinnville Chamber of Commerce Economic Forum

February 28, 2017

What does the future hold?



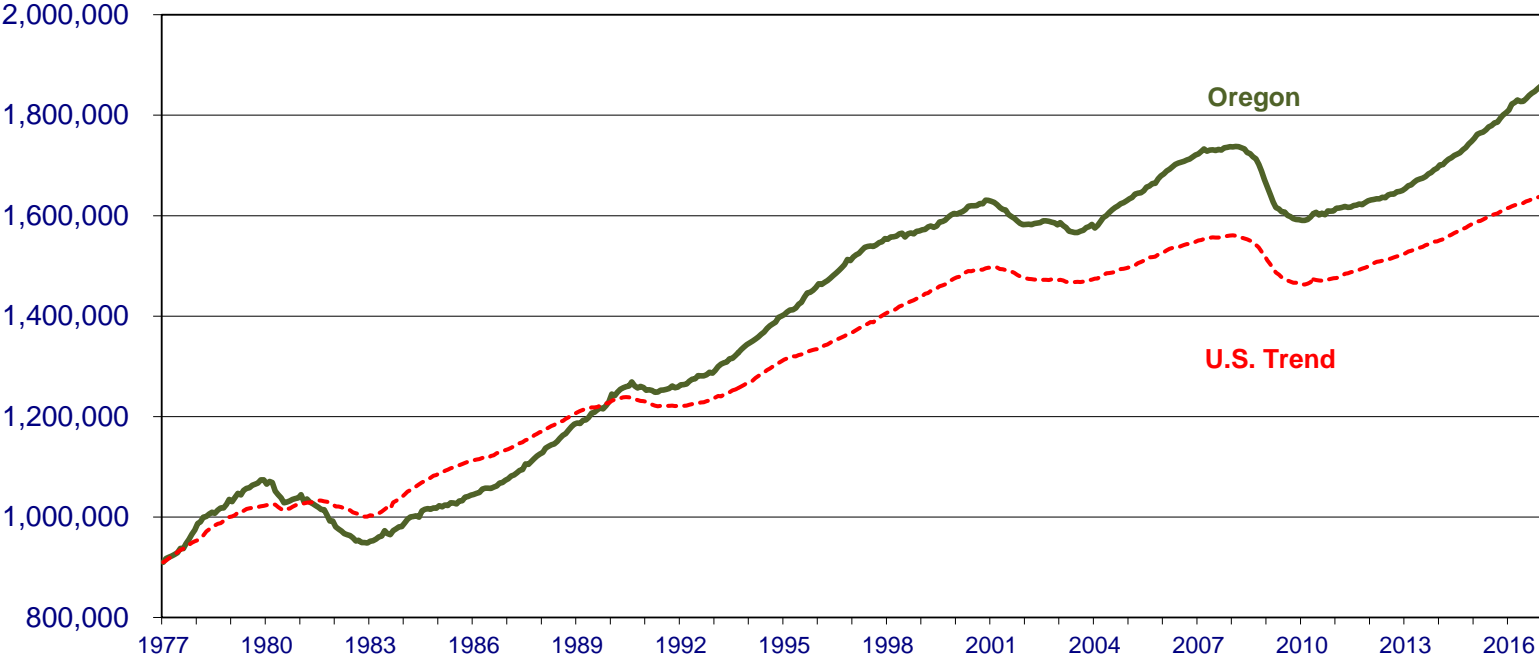
Employment growth in Oregon is projected to outpace the nation in 2017.

- The Office of Economic Analysis (OEA) anticipates Oregon's total nonfarm employment to grow 2.4 percent in 2017, slightly slower than the state's growth in 2016 of 3.0 percent.
- U.S. employment is forecast to expand 1.3 percent in 2017. Slower than its 2016 growth of 1.7 percent.



Taking the long-term view, Oregon has a pretty great track record of creating jobs.

Oregon and US Employment Trends*
1977 to Current: US Trend Indexed to January 1977

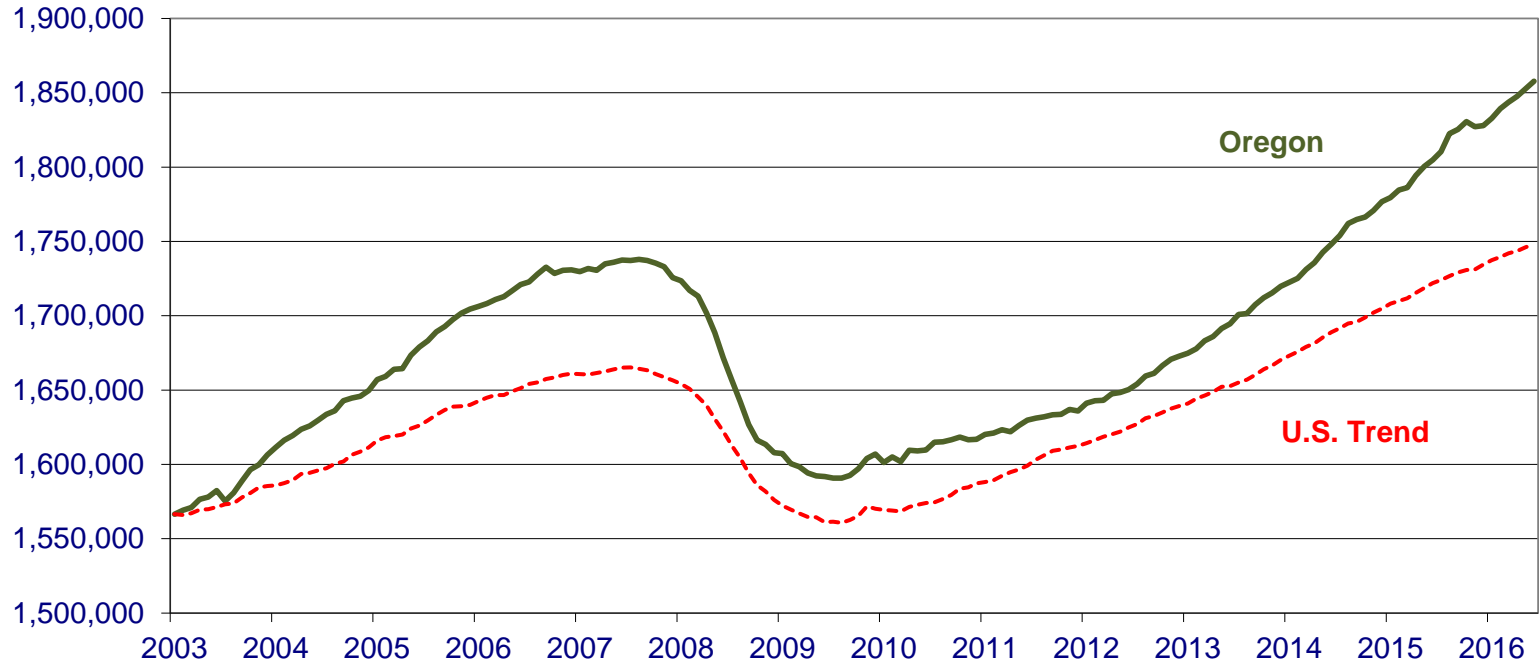


* Seasonally Adjusted



We've tended to grow faster than the U.S. in the good times, but lose more jobs (relative to our size) in the tough times.

Oregon and US Employment Trends*
2003 to Current: US Trend Indexed to July 2003

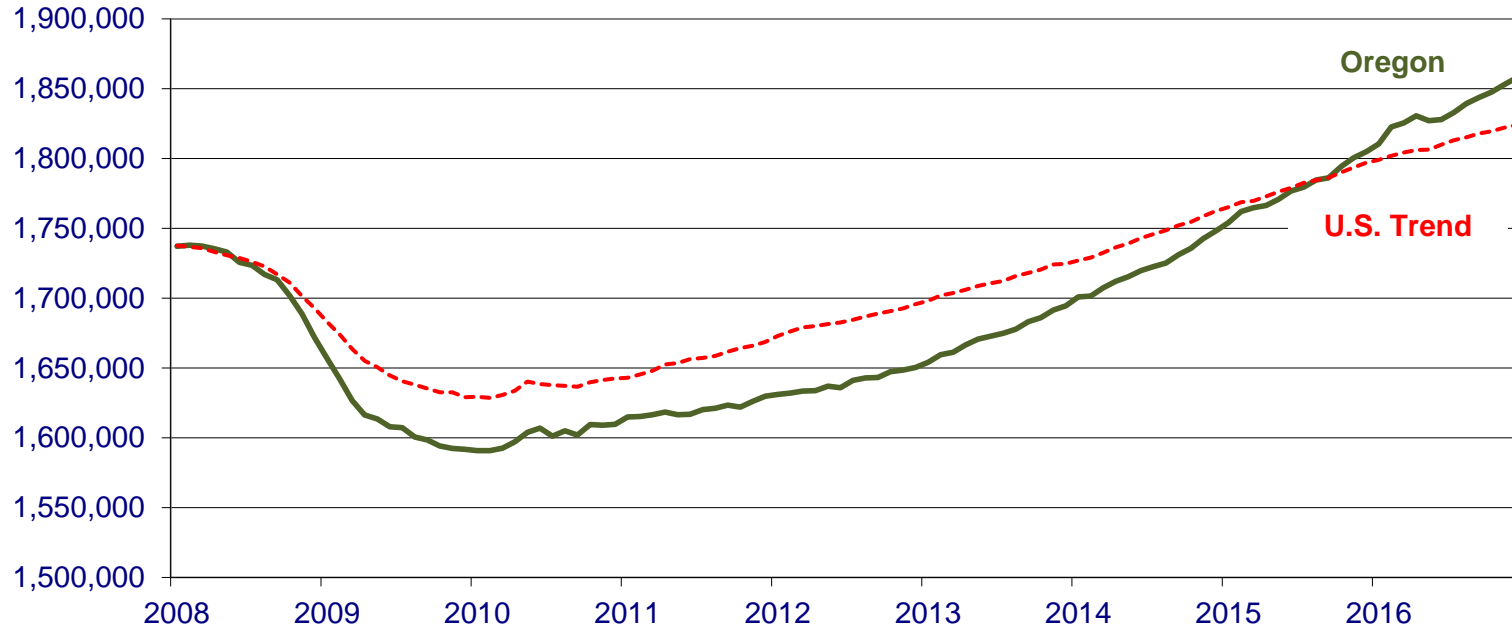


* Seasonally Adjusted



Oregon lost a larger share of jobs than the nation, but has since added back more jobs, proportionately, than the U.S.

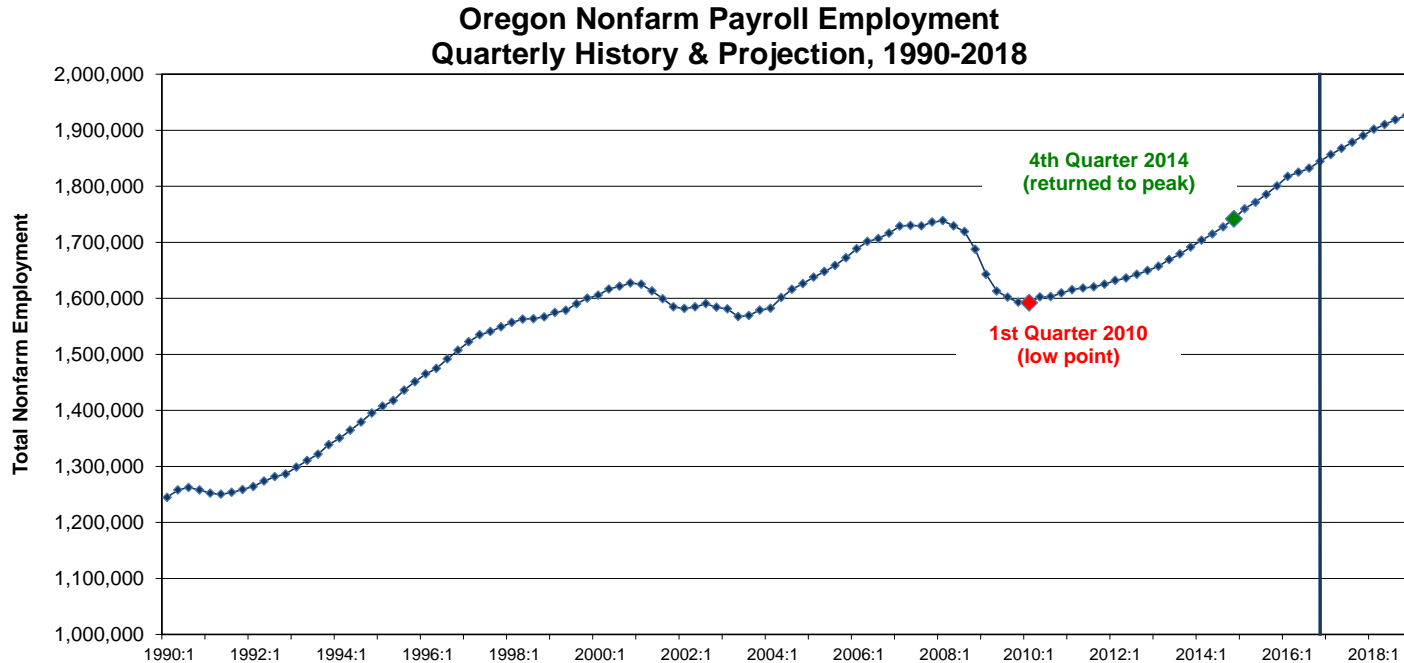
Oregon and US Employment Trends*
December 2007 to Current:
US Trend Indexed to December 2007



* Seasonally Adjusted



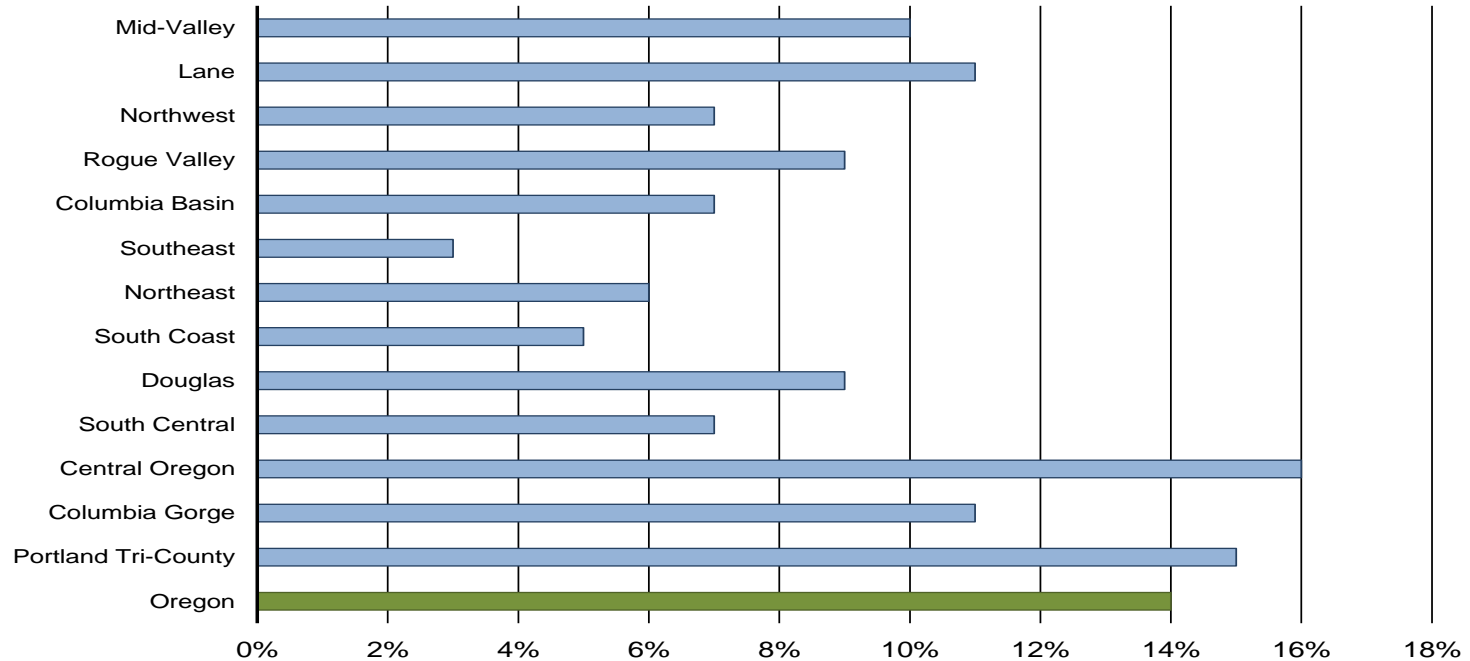
Oregon's economy is forecast to continue adding jobs, but our fastest growth is likely behind us.



Source: Office of Economic Analysis, Department of Administrative Services, December 2016

Central Oregon and Portland are expected to grow the fastest...

Total employment Job Growth 2014-2024



Health care continues to be one of the fastest growing industries in our area.

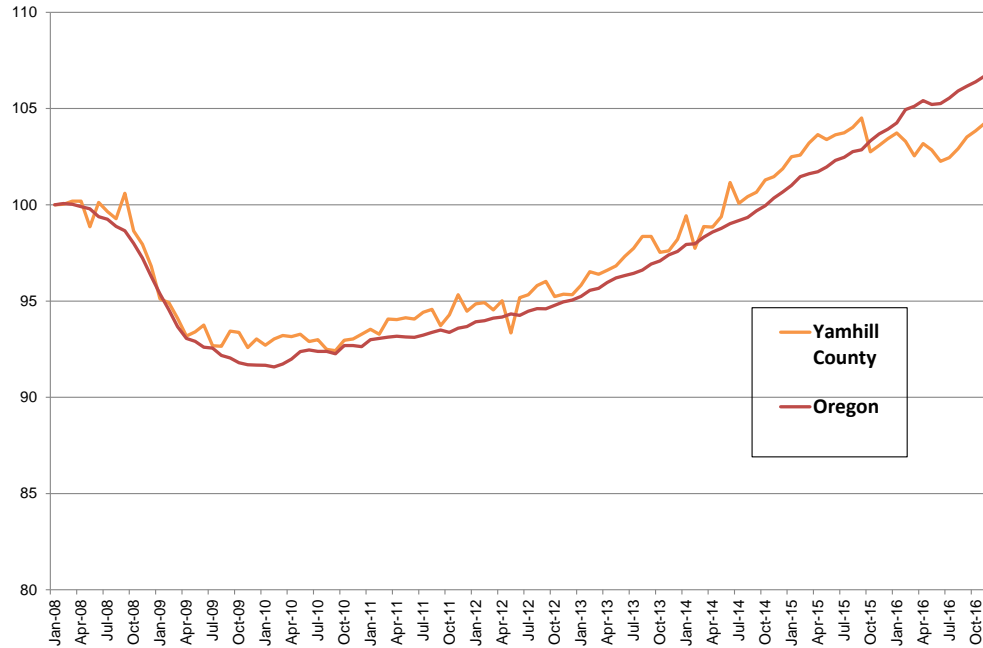
Industry Employment Forecast, 2014-2024 Mid-Valley

	2014	2024	Change	Change
Total employment	251,700	276,300	24,600	10%
Total payroll employment	238,700	261,700	23,000	10%
Total private	187,100	208,600	21,500	11%
Government	51,600	53,100	1,500	3%
Construction	11,300	13,400	2,100	19%
Private educational and health services	36,200	41,800	5,600	15%
Other services and private households	8,900	10,200	1,300	15%
Financial activities	2,290	2,540	250	11%
Natural resources and mining	17,800	19,700	1,900	11%
Leisure and hospitality	19,800	21,600	1,800	9%
Manufacturing	25,800	28,000	2,200	9%
Trade, transportation, and utilities	38,300	41,500	3,200	8%
Professional and business services	51,600	53,100	1,500	3%
Information	1,600	1,600	0	0%
Self-employment	13,000	14,600	1,600	12%



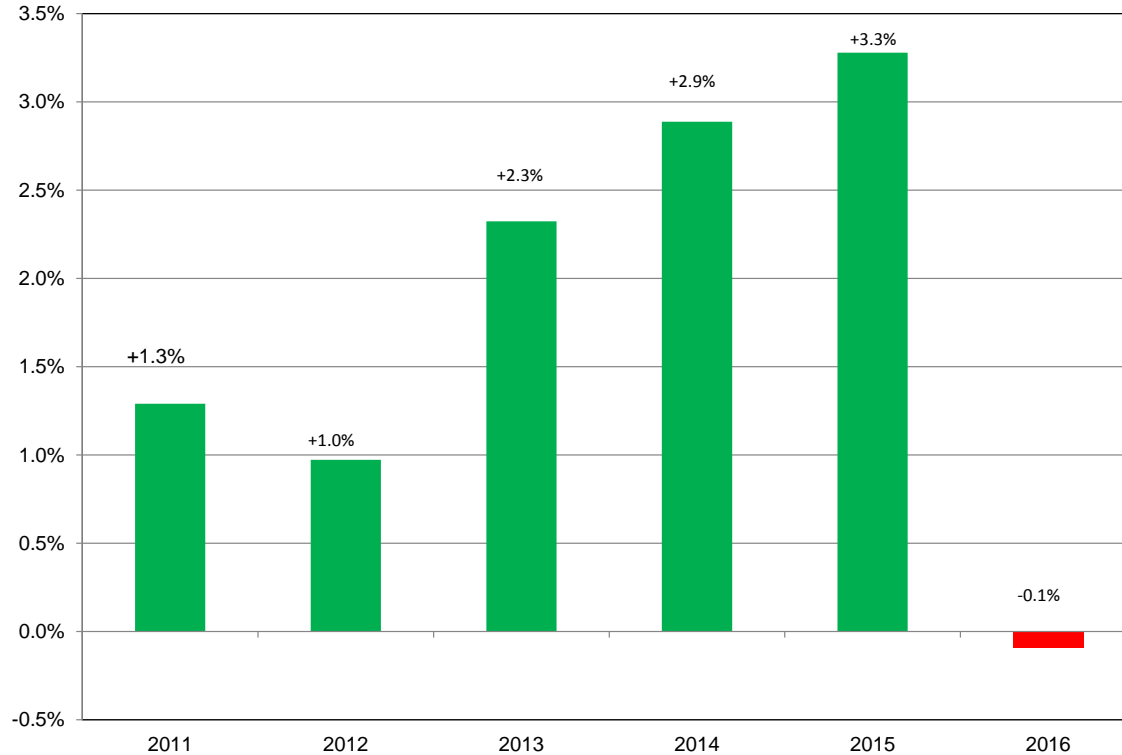
Yamhill County's employment was trending similar to Oregon until the 4th quarter of 2015.

Indexed Total Nonfarm Employment Seasonally Adjusted
January 2008 =100



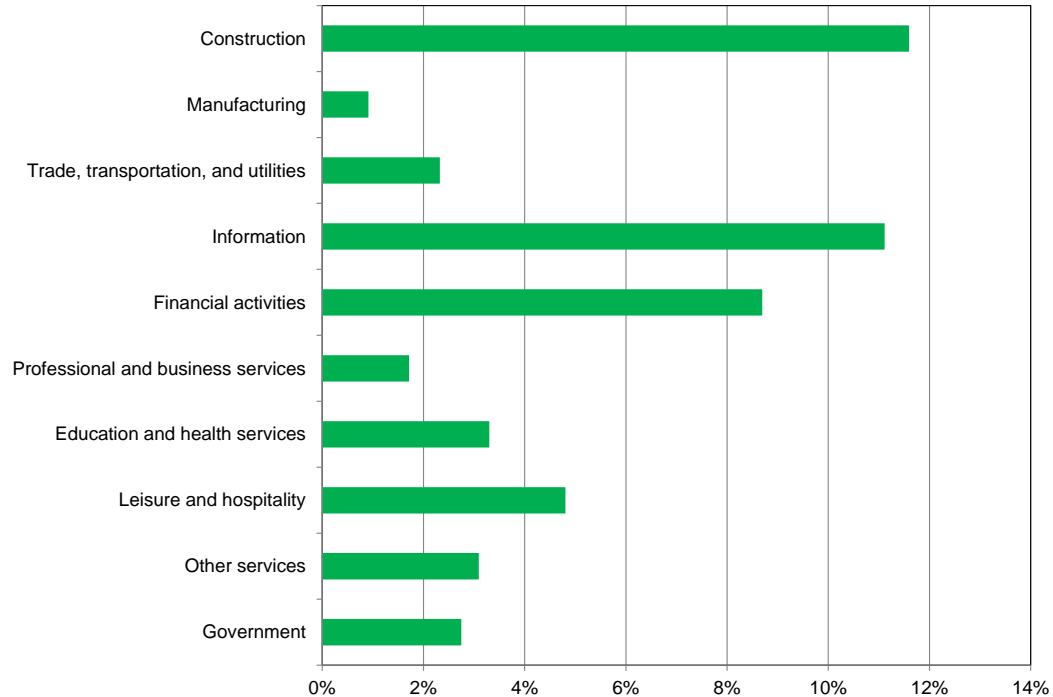
2015 was a good year of job growth.

Average Annual Job Gains in Yamhill County



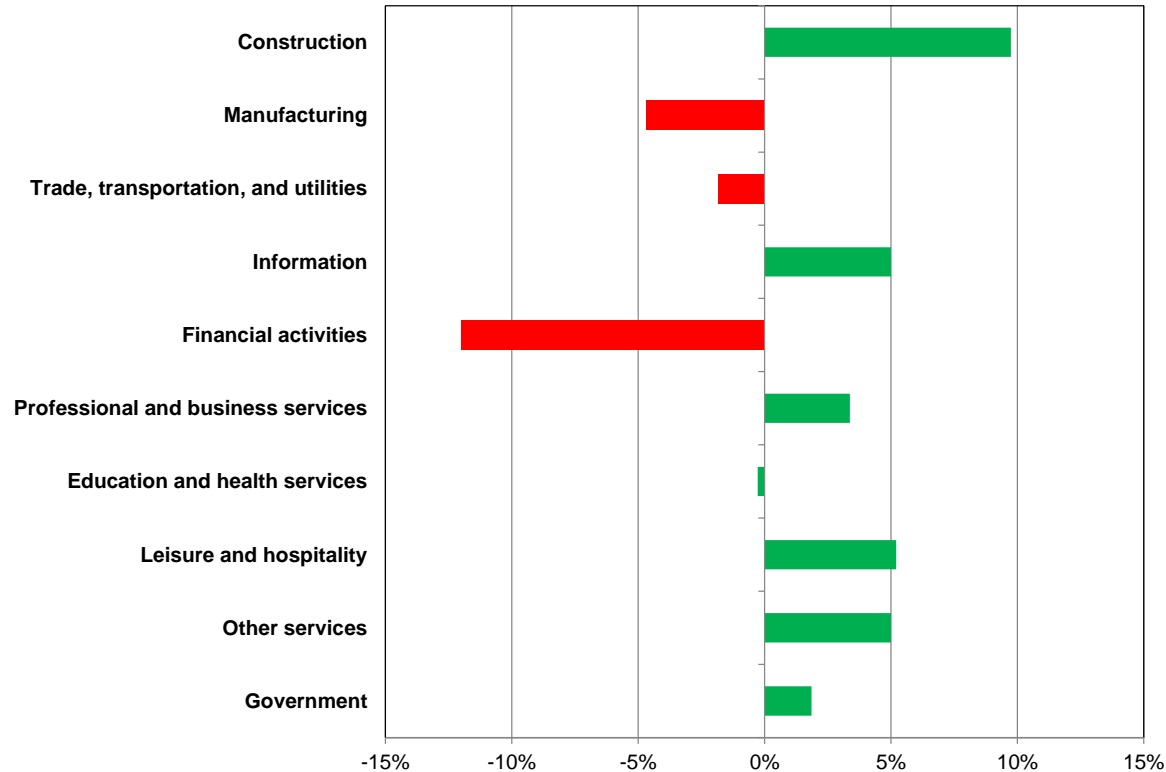
All industries added jobs in 2015.

2015 Job Growth in Yamhill County



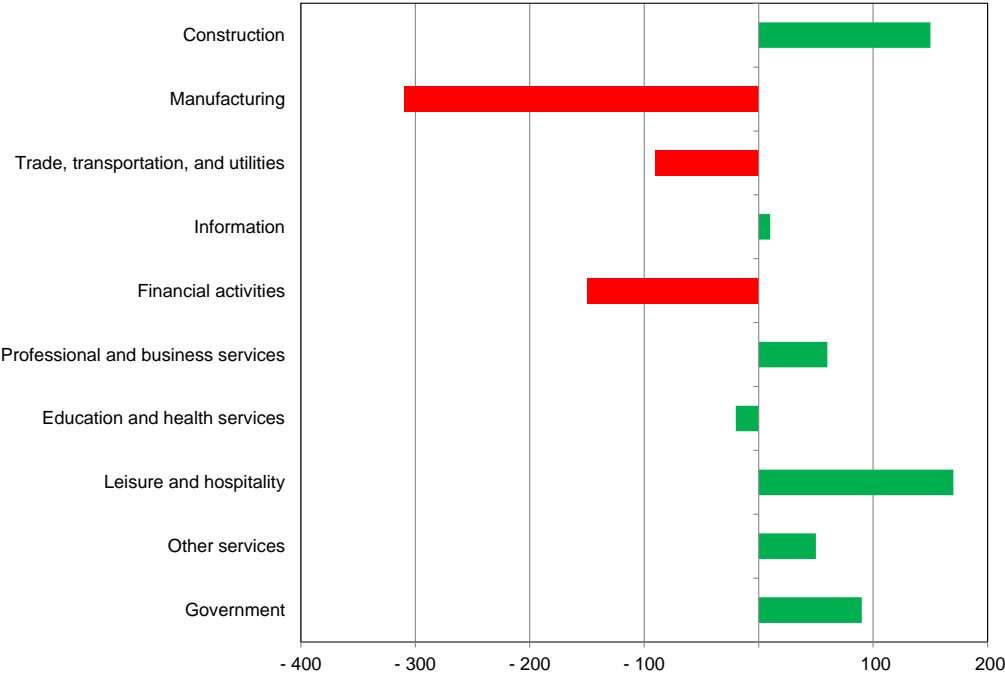
Losses in manufacturing and financial activities slowed growth in 2016.

2016 Job Growth in Yamhill County



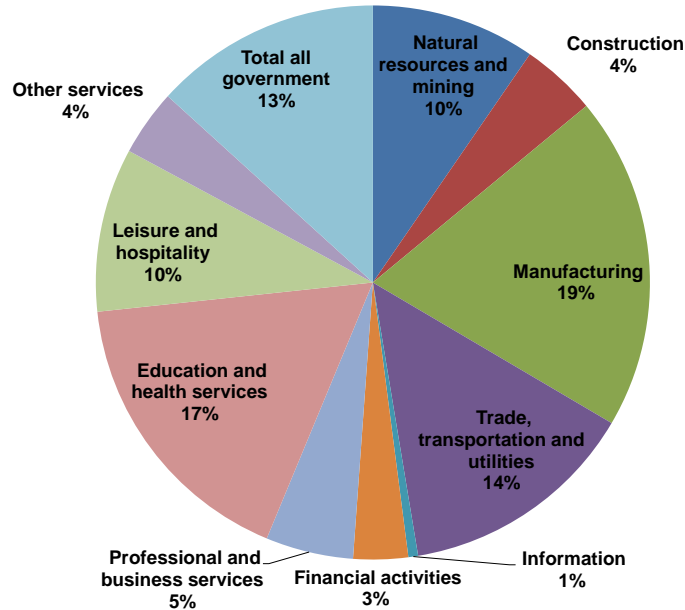
Looking at the numbers rather than percentages, Yamhill County's manufacturing shed 310 jobs in 2016.

2016 Job Growth in Yamhill County

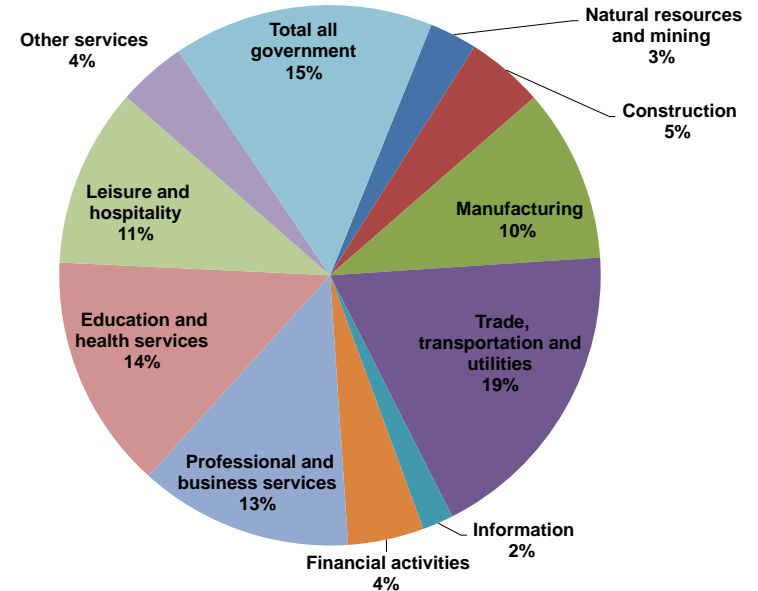


Nearly 20 percent of Yamhill County's employment is in Manufacturing. Statewide the industry comprises 10 percent.

Yamhill County Covered Employment: 2015

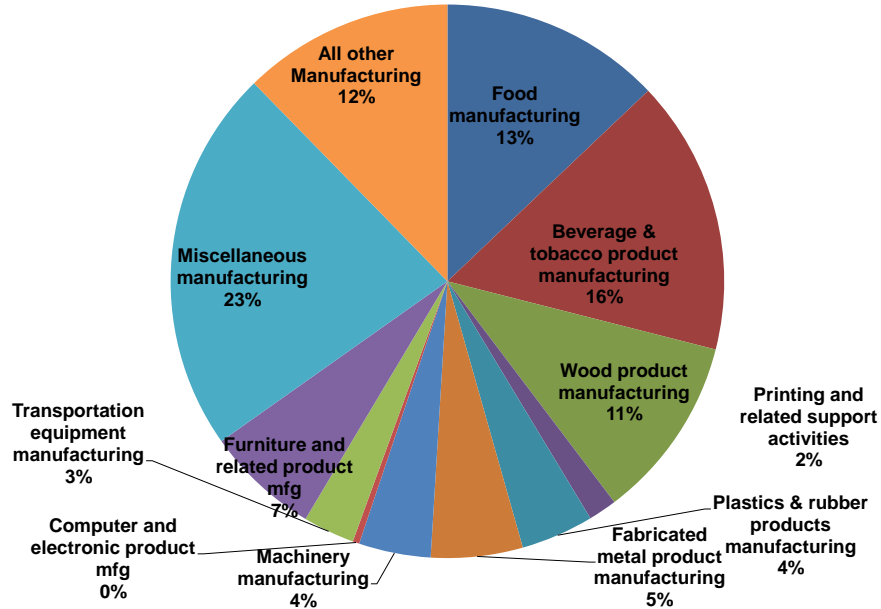


Oregon Covered Employment: 2015

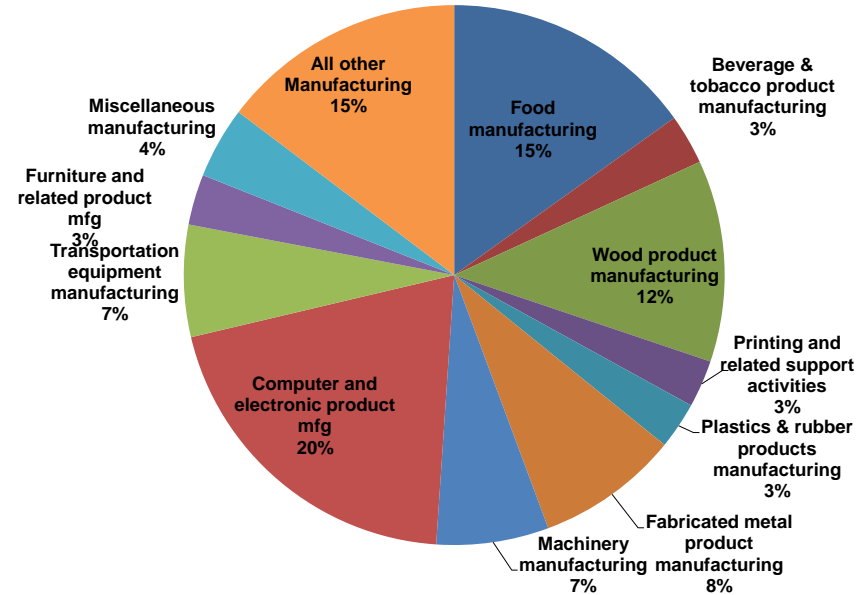


Similar to Oregon, Yamhill County's manufacturing sector is very diverse.

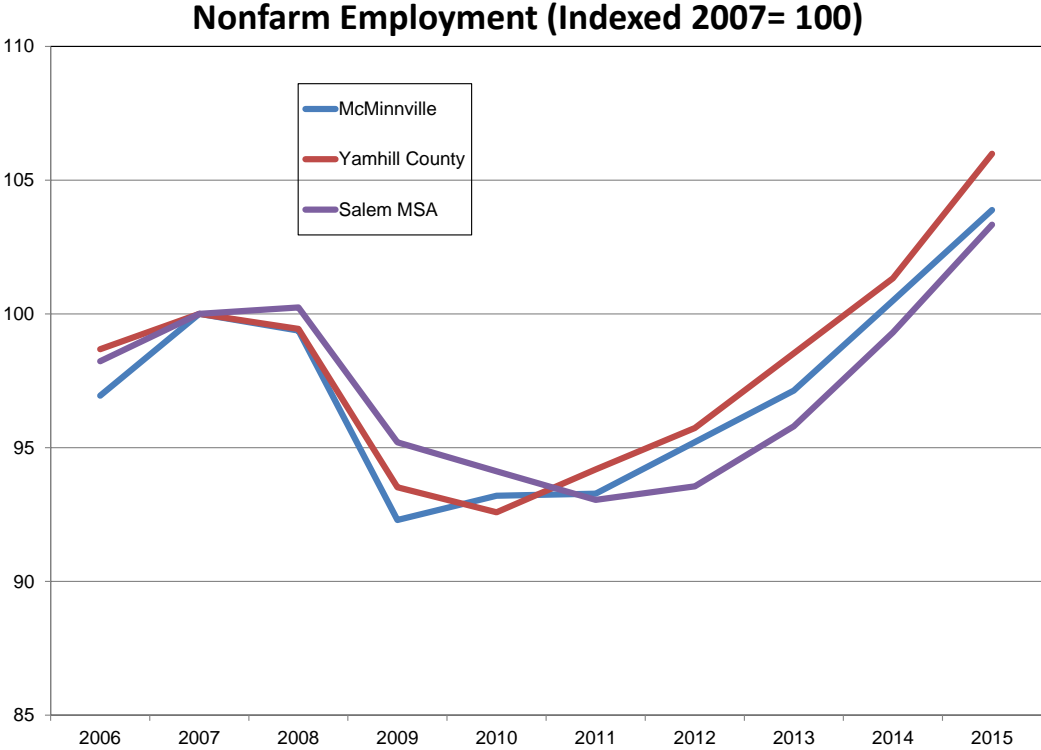
Yamhill County Manufacturing: 2015



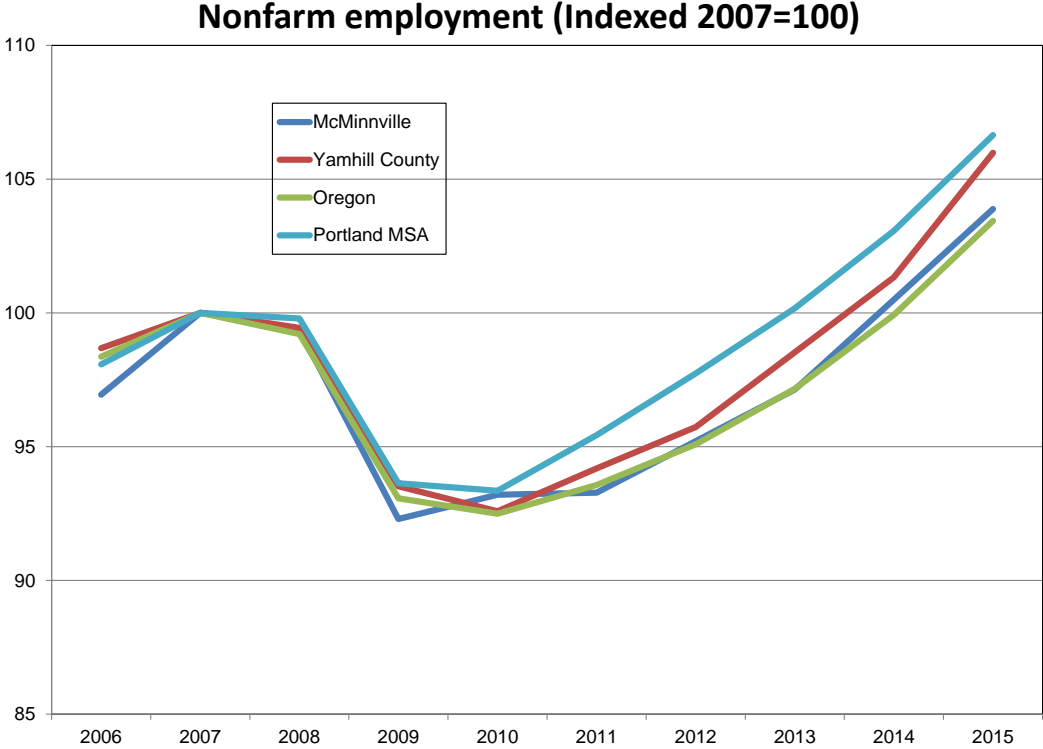
Oregon Manufacturing: 2015



Employment in McMinnville, and the entire Mid-Valley, is above its pre-recession peak employment.

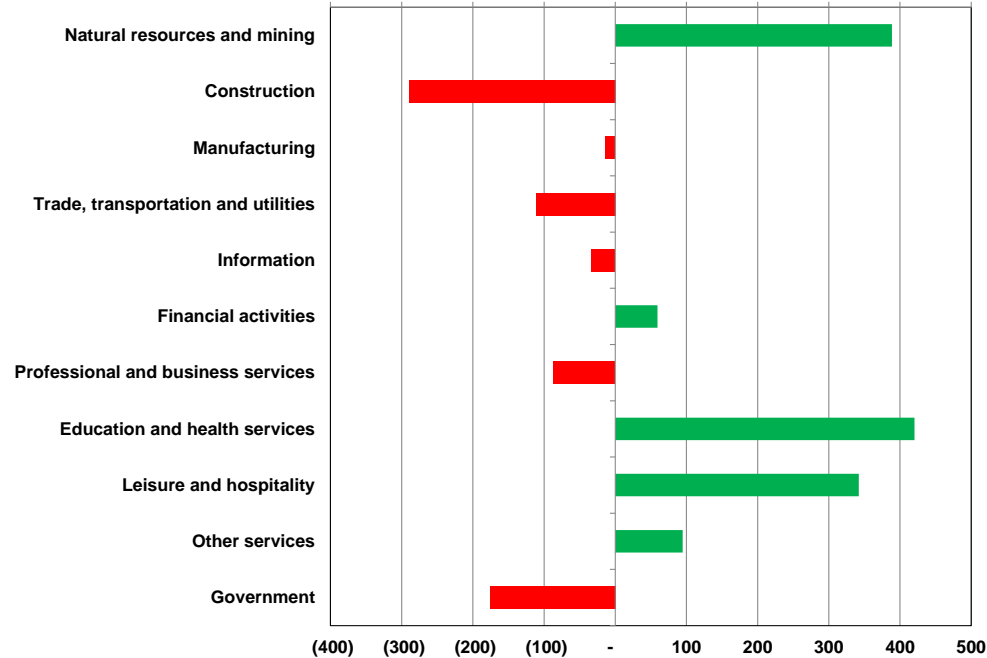


Portland has experienced the strongest job growth in the state during the recovery, but Yamhill County is not far behind.



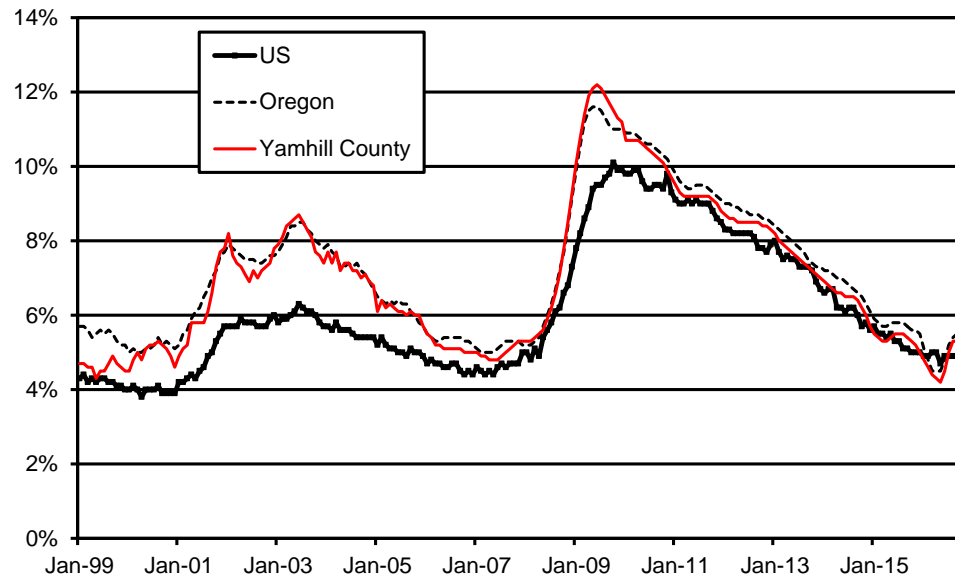
McMinnville's recovery has varied significantly by industry.

McMinnville Employment Change: 2007-2015



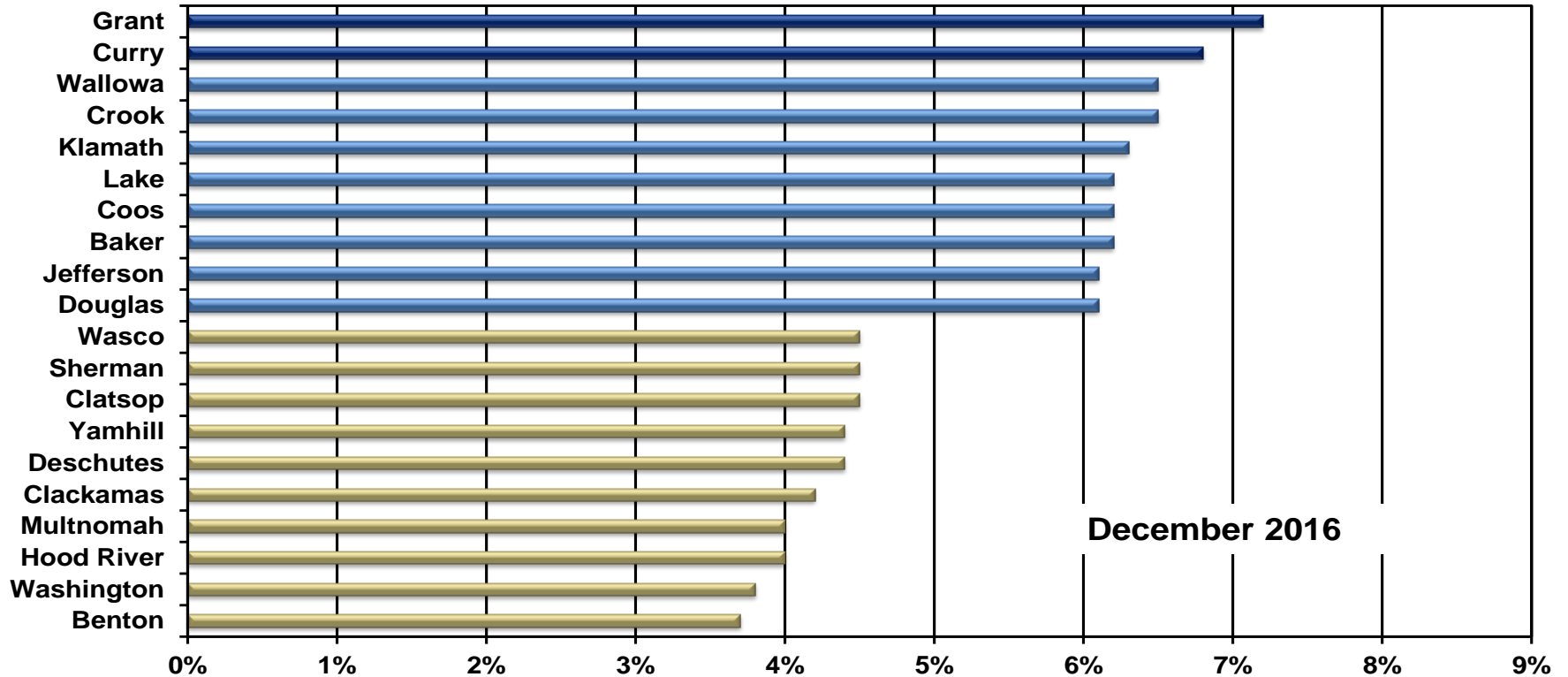
Yamhill County's unemployment rate is lower than it has been in years.

Seasonally Adjusted Unemployment Rates



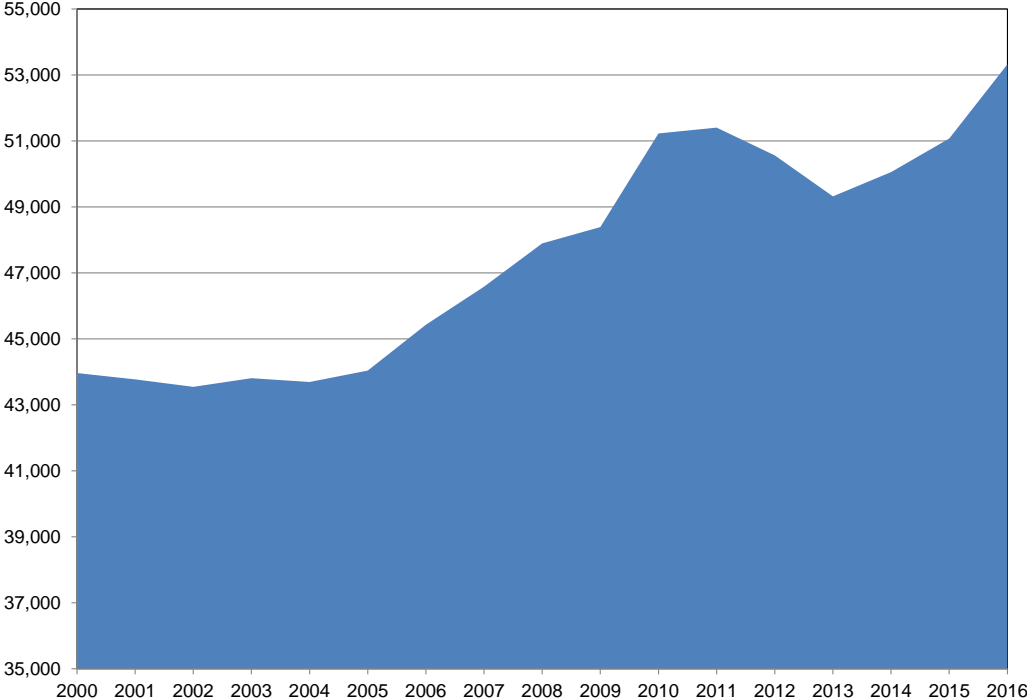
Yamhill County has one of the lower unemployment rates in Oregon.

Oregon Unemployment: Ten Highest / Lowest County Rates

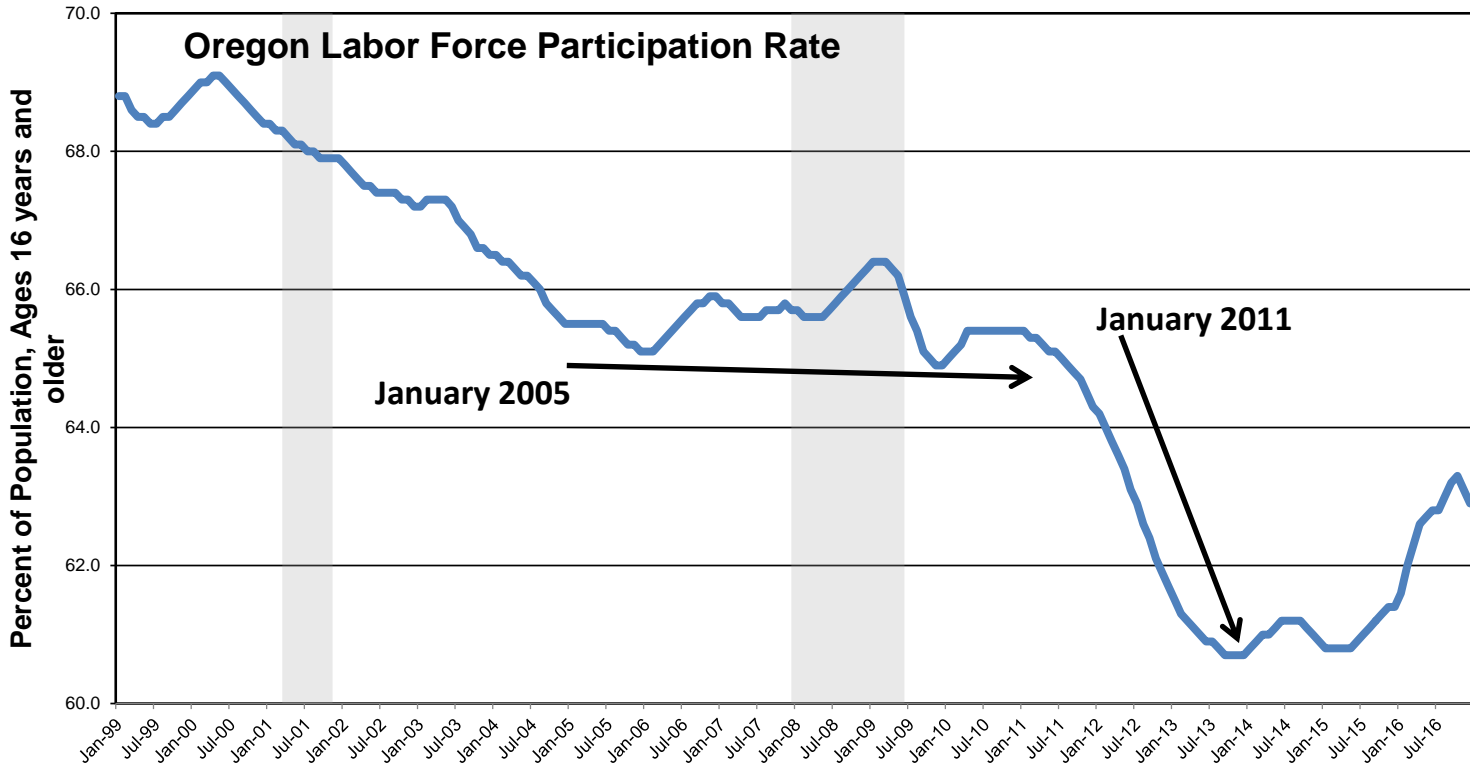


After a steep decline during the recession, the labor force is growing again.

Yamhill County's Annual Average Labor Force: 2000-2016

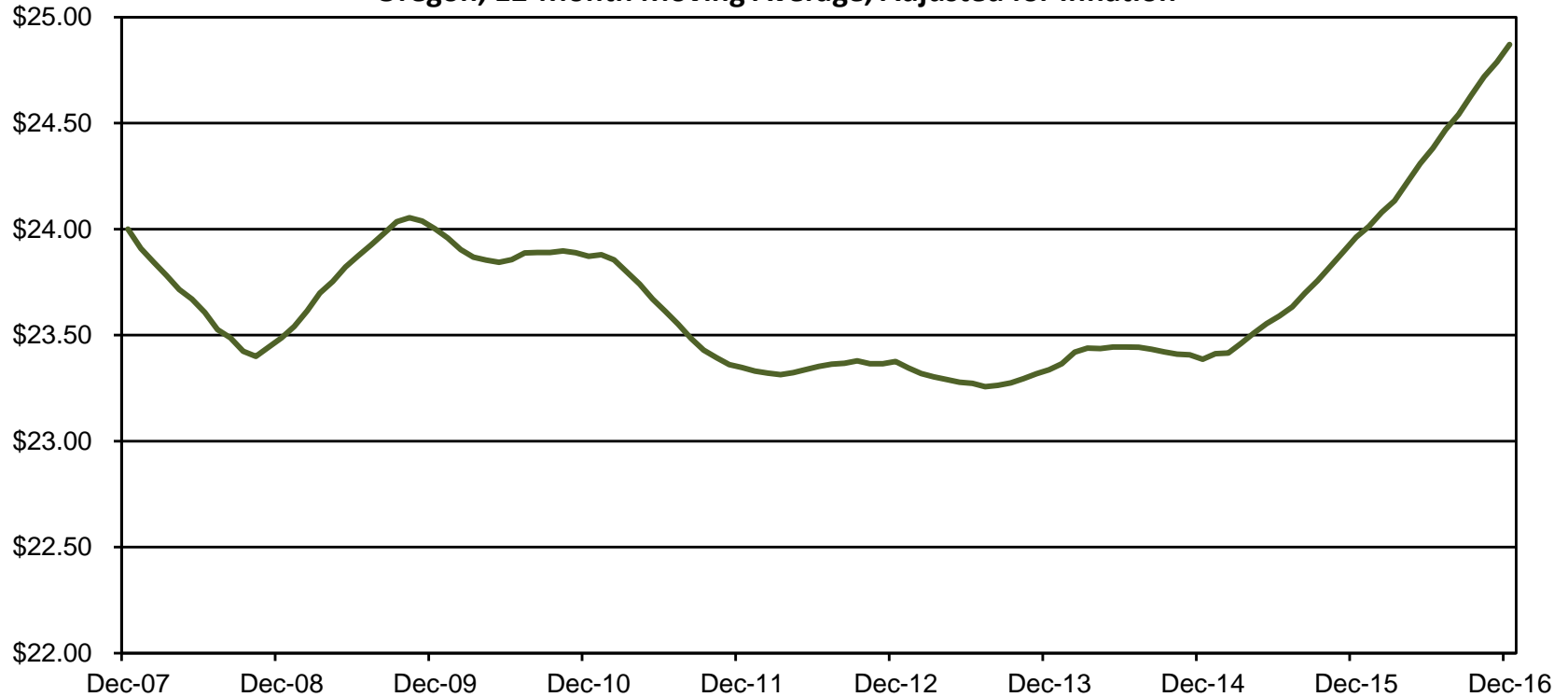


Labor force participation is on the rise again as strong job growth attracts more people to Oregon's labor force.



Real wages of private nonfarm payroll jobs have been rising since early 2015.

Average Hourly Wages on the Rise
Oregon, 12-Month Moving Average, Adjusted for Inflation



Source: Oregon Employment Department and Bureau of Labor Statistics



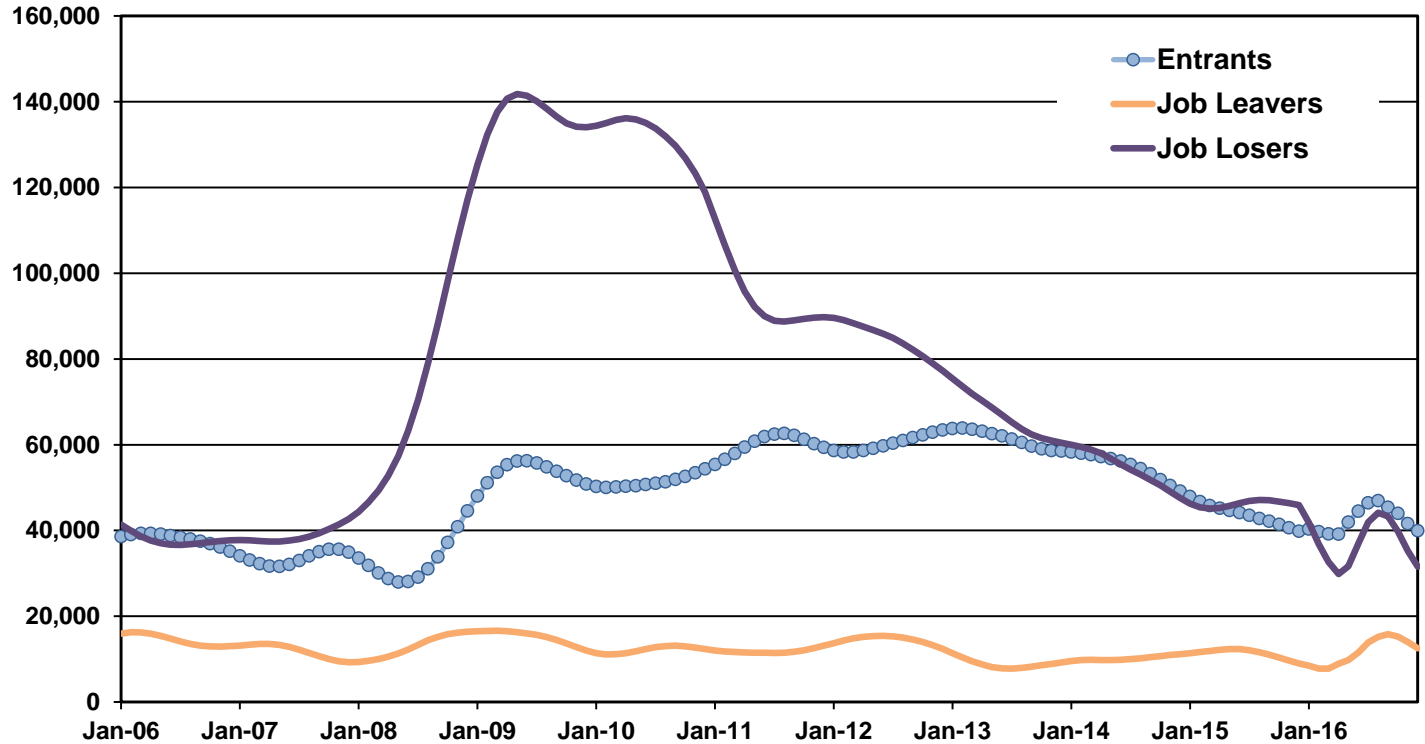
Why are Oregonians Unemployed?

Oregon Unemployment by Reason [Trend]

New to the workforce - 48%

Lost job - 38%

Left job - 15%



Source: Oregon Employment Department, CPS



Main Points

- Oregon's employment is growing faster than the U.S. in recent years. That trend is forecast to continue during the current economic expansion.
- We are at or near "full employment". Yamhill County's unemployment rate is near historic lows. Average wages are up in Oregon during 2015 and 2016. The labor market is tight for employers.
- Yamhill County's total employment in December 2016 was nearly 1,200 jobs or 3.7 percent above its pre-recession peak in 2007. Oregon's employment is up 5.1 percent from its pre-recession peak employment.
- Nearly one-in-five (19%) of Yamhill County's jobs are in manufacturing. Only one county (Morrow County) in Oregon has a higher share of jobs in manufacturing.

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