The Gorge Economy, 2017

Dallas & Scott
What we’ll cover

- Unemployment
- Employment
- Wages & income
- Real estate
- Sordid and assorted other tidbits
Basic Theme

- Things are about as good as they get in the Gorge labor market
Unemployment trending down

Nominal
SA
Comparable rates, Sep. 2017

<table>
<thead>
<tr>
<th>Location</th>
<th>Rate Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S.</td>
<td>3.0%</td>
</tr>
<tr>
<td>Oregon</td>
<td>3.2%</td>
</tr>
<tr>
<td>Washington</td>
<td>3.4%</td>
</tr>
<tr>
<td>Gorge</td>
<td>3.6%</td>
</tr>
</tbody>
</table>
Which Is Not the Normal State of Affairs

Source: BLS, Washington and Oregon Employment Departments
Definition of unemployed

To be counted as unemployed (in the regularly used definition), an individual must be age 16 or older, not on active duty in the military, not in an institution, and:

– Not employed
– Available for work
– Making specific efforts to find employment within the last four weeks.

Note: whether or not an individual has applied for, is receiving, or has ever received unemployment insurance benefits is not a factor in the statistical definition of the unemployed.
Inputs to unemployment rate calculation

• Labor Force data from the Current Population Survey
  – Around 1,000 households sampled in Oregon

• Information from Unemployment Insurance system
  – A count of individuals claiming a week of benefit payments.

• Nonfarm Payroll Employment numbers from Current Employment Statistics Survey
  – 7,600 businesses sampled in Oregon
The Importance of Unemployment Insurance

• Oregon paid $504 million in UI benefits in 2016.
  – $545 million in 2015, $562 million in 2014, $1.1 billion in 2013, $1.5 billion 2012, $2.0 billion 2011, $2.8 billion 2010, and $2.7 billion 2009.

• If this was an industry payroll, it would rank 37th among the 88 industries in Oregon.*

• Oregon’s largest industries by payroll in 2016 were:
  1. Professional, scientific, and technical services - $6.8 billion
  2. Ambulatory health care - $5.5 billion
  3. Management of companies - $5.2 billion
  4. Computer and electronic products - $5.0 billion
  5. Private hospitals - $3.9 billion

• Total payroll for Oregon State Government (not including the university system) was $2.7 billion.

* Quarterly Census of Employment and Wages; 2016 annual totals; three-digit North American Industry Classification Series industry levels.
Year over year growth rates

<table>
<thead>
<tr>
<th>Country</th>
<th>Growth Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S.</td>
<td>1.2%</td>
</tr>
<tr>
<td>Oregon</td>
<td>2.1%</td>
</tr>
<tr>
<td>Washington</td>
<td>2.3%</td>
</tr>
<tr>
<td>Gorge</td>
<td>1.8%</td>
</tr>
</tbody>
</table>
## Change in Gorge Employment 2007-16*

*After adjusting for a major industry reclassification in Klickitat County*

<table>
<thead>
<tr>
<th>Category</th>
<th>Change (in Jobs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction &amp; Natural Resources</td>
<td>-300</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>600</td>
</tr>
<tr>
<td>Trade, transportation, and utilities</td>
<td>-200</td>
</tr>
<tr>
<td>Professional and business services</td>
<td>100</td>
</tr>
<tr>
<td>Educational and health services</td>
<td>400</td>
</tr>
<tr>
<td>Leisure and hospitality</td>
<td>600</td>
</tr>
<tr>
<td>Other services</td>
<td>0</td>
</tr>
<tr>
<td>Federal government</td>
<td>0</td>
</tr>
<tr>
<td>State government</td>
<td>0</td>
</tr>
<tr>
<td>Local government</td>
<td>0</td>
</tr>
</tbody>
</table>
Gorge Average Annual Wage

Adjusted for inflation

$39,131
Median Household Income:
2006-10 vs. 2011-15

Hood River | Sherman | Wasco | Klickitat | Skamania | Oregon | Washington | US

$0
$10,000
$20,000
$30,000
$40,000
$50,000
$60,000
$70,000
Household Income, 2011-15

- Gorge
- Oregon
- Washington
- U.S.

Income Ranges:
- <$15,000
- $15,000 to $24,999
- $25,000 to $34,999
- $35,000 to $49,999
- $50,000 to $74,999
- $75,000 to $99,999
- $100,000 to $124,999
- $125,000 to $149,999
- $150,000 to $199,999
- $200,000 or more