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UNIVERSITY OF
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Research and Engagement



Mt. Hood in Summer Corum Ketchum

MCEDD INDUSTRY TRENDS

- I. Regional Context
- II. Sector Analysis
- III. Economic Distress Indicators
- IV. Industry Concentrations
- V. Innovation & Clusters
- VI. Conclusions



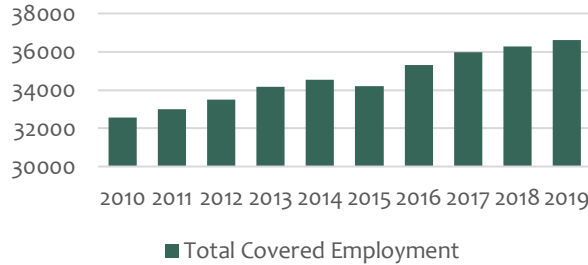
I. REGIONAL CONTEXT

REGIONAL FASTSTATS

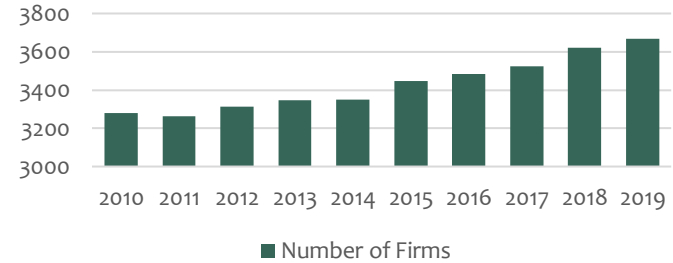
	MCEDD	U.S.
Population - 2019	86,198	328,329,953
Population Change 2010 - 2019	6.80%	6.30%
Adults with High School Only - 2019	18.4%	18.1%
Adults with Bachelor's Degrees Only - 2019	11.3%	13.3%
Per Capita Income - 2019	\$49,380	\$56,490
Unemployment Rate - Mar 2021	6.4	6.2
Jobs 2 Year Change - 2020 Q3	-5.40%	-6.40%
Goods-producing Jobs % of Total - 2020 Q3	28.70%	16.60%

THE REGION SAW STEADY GROWTH OVER THE PAST DECADE

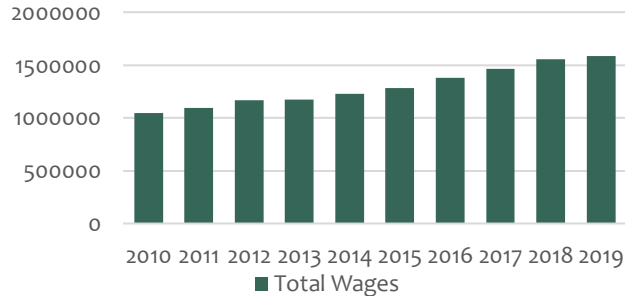
Total Covered Employment



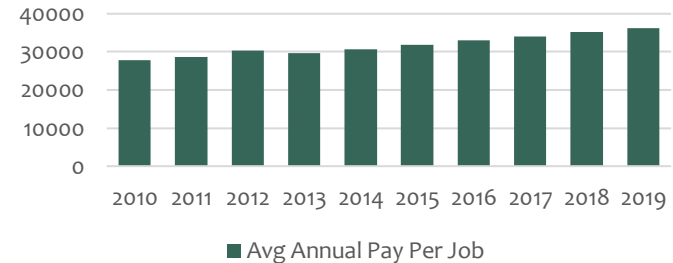
Number of Firms



Total Wages



Avg Annual Pay Per Job



THE ECONOMY GREW FASTER THAN POPULATION

- Wages grew faster than firms or jobs
- Avg weekly wage grew 12% - from \$759 to \$852 (in 2019 dollars)
- Total annual wages (in 2019 dollars) grew 27%
- Population grew 7.0 percent; housing grew 6.3%

Year	Firms	Employment	Total Wages	Average Annual Wage
2009	3,046	28,580	1,033 B	\$36,139
2019	3,446	33,168	1,314 B	\$39,629
Change 2009-2019				
Number	400	4,588	282 M	3,491
Percent	13%	16%	27%	10%

Note: Wages adjusted for inflation

MCEDD GREW SLOWER THAN OR AND WA

Geography	Firms	Employment	Total Wages	Average Annual Wage
Oregon	25%	26%	70%	35%
Washington	14%	21%	49%	23%
MCEDD	13%	16%	27%	10%

INDUSTRY MIX

- Key clusters
 - Crop farming
 - Health services
 - Hospitality
 - Food processing and manufacturing

Industry	Jobs	Percent of Jobs	Average Wage
Crop Farming	4,702	13%	\$27,019
Local Health Services	3,890	11%	\$55,967
Local Hospitality Establishments	3,210	9%	\$19,475
Local Real Estate, Construction, and Development	2,352	6%	\$52,197
Local Education and Training	2,290	6%	\$46,715
Hospitality and Tourism	1,904	5%	\$22,807
Government	1,749	5%	\$62,863
Local Community and Civic Organizations	1,527	4%	\$30,099
Food Processing and Manufacturing	1,399	4%	\$38,229
Business Services	1,359	4%	\$97,506
Local Food and Beverage Processing and Distribution	1,291	4%	\$27,256
Local Motor Vehicle Products and Services	1,199	3%	\$36,572

OCCUPATIONAL MIX

- Average wage for the region was \$2,832/mo
- Service occupations account for 52% of employment

Occupation	Jobs	Percent of Jobs	Wage
Food Preparation and Service	3,318	11%	\$2,145
Attendants and General Services	2,242	8%	\$1,991
Managers and First-line Supervisors	1,957	7%	\$4,866
Sales, Agents, Brokers and Customer Relations, Sup	1,906	6%	\$1,919
Health Care: Therapists, Technicians and Aides	1,885	6%	\$1,021
Primary, Secondary and Vocational Education, Remed	1,708	6%	\$4,102
Transportation, Logistics and Dispatch, Support	1,588	5%	\$2,276
Financial, Legal and Inspection Services, Support	1,440	5%	\$2,945
Administration and Office Support	1,426	5%	\$2,556
Mechanics and Repair Technicians	1,336	4%	\$4,385

48% OF RESIDENTS WITH JOBS LIVE AND WORK IN THE REGION

2018 Commuting Tallies Based on People Living in this Region

Number of residents with jobs (in or outside this region)	25,306	100%
Live and work in this region	12,091	48%
Live here but work outside this region	13,215	52%

2018 Commuting Tallies Based on People Working in this Region

Number of people who work in this region (living in or outside this region)	28,795	100%
Live and work in this region	15,580	54%
Work here but live outside this region	13,215	46%



II. SECTOR ANALYSIS



INDUSTRY MIX

	2009		2019	
Supersector	Jobs	Percent	Jobs	Percent
Total private coverage	28,580	100%	33,168	100%
Natural resources and mining	5,419	19%	5,667	17%
Construction	1,209	4%	1,264	4%
Manufacturing	2,502	9%	4,389	13%
Trade, transportation and utilities	4,676	16%	5,164	16%
Information	270	1%	371	1%
Financial activities	653	2%	653	2%
Professional and business services	2,423	8%	2,172	7%
Education and health services	3,956	14%	4,625	14%
Leisure and hospitality	3,832	13%	4,744	14%

NATURAL RESOURCES & MINING

Year	Firms	Employment	Total Wages	Average Annual Wage
2009	367	5,419	129 M	\$23,895
2019	393	5,667	165 M	\$29,125
Change 2009-2019				
Number	26	248	36 M	\$5,230
Percent	7%	5%	27%	22%

Note: Wages adjusted for inflation

NAT RESOURCE HIGHLIGHTS: CROP PRODUCTION

Year	Firms	Employment	Total Wages	Average Annual Wage
2009	290	4,550	98 M	\$21,563
2019	313	4,572	123 M	\$26,965
Change 2009-2019				
Number	23	22	25 M	\$5,402
Percent	8%	00.5%	26%	25%

Note: Wages adjusted for inflation



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CONSTRUCTION

Year	Firms	Employment	Total Wages	Average Annual Wage
2009	367	1,209	64 M	\$53,012
2019	364	1,264	60 M	\$47,178
Change 2009-2019				
Number	-3	55	-4 M	(\$5,834)
Percent	-1%	5%	-7%	-11%

Note: Wages adjusted for inflation

MANUFACTURING

Year	Firms	Employment	Total Wages	Average Annual Wage
2009	150	2,502	102 M	\$40,848
2019	180	4,389	246 M	\$56,121
Change 2009-2019				
Number	30	1,887	144 M	\$15,273
Percent	20%	75%	141%	37%

Note: Wages adjusted for inflation

MANUFACTURING HIGHLIGHTS

Beverage manufacturing

Year	Firms	Employment	Total Wages	Average Annual Wage
2009	21	248	10 M	\$41,153
2019	49	803	27 M	\$33,669
Change 2009-2019				
Number	28	555	17 M	(\$7,484)
Percent	134%	223%	164%	(18%)



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Note: Wages adjusted for inflation

LEISURE & HOSPITALITY

Year	Firms	Employment	Total Wages	Average Annual Wage
2009	289	3,832	69 M	\$18,094
2019	324	4,744	90 M	\$18,911
Change 2009-2019				
Number	35	912	20 M	\$818
Percent	12%	24%	29%	5%

Note: Wages adjusted for inflation

LEISURE & HOSPITALITY HIGHLIGHTS

Food services and drinking places

Year	Firms	Employment	Total Wages	Average Annual Wage
2009	179	2,206	36 M	\$16,152
2019	198	2,606	54 M	\$20,637
Change 2009-2019				
Number	19	400	18 M	\$4,485
Percent	10%	18%	51%	28%

Note: Wages adjusted for inflation

LEISURE & HOSPITALITY HIGHLIGHTS

Accommodation

Year	Firms	Employment	Total Wages	Average Annual Wage
2009	78	1,155	24 M	\$21,380
2019	68	855	20 M	\$23,913
Change 2009-2019				
Number	(-10)	(-300)	(4 M)	\$2,533
Percent	(-12%)	(-26%)	(-17%)	11.85%

Note: Wages adjusted for inflation

EDUCATION AND HEALTH SERVICES

Year	Firms	Employment	Total Wages	Average Annual Wage
2009	250	3,956	134 M	\$40,353
2019	440	4,625	215 M	\$46,411
Change 2009-2019				
Number	190	669	81 M	\$6,058
Percent	76%	17%	60%	15%

Note: Wages adjusted for inflation

HEALTHCARE AND SOCIAL SERVICES

Year	Firms	Employment	Total Wages	Average Annual Wage
2009	220	3,680	153 M	\$41,549
2019	401	4,408	212 M	\$48,078
Change 2009-2019				
Number	181	728	59 M	\$6,529
Percent	82%	20%	39%	16%



Wikimedia Commons

Columbia Gorge east of Hood River *Wikimedia Commons*



III. ECONOMIC DISTRESS INDICATORS

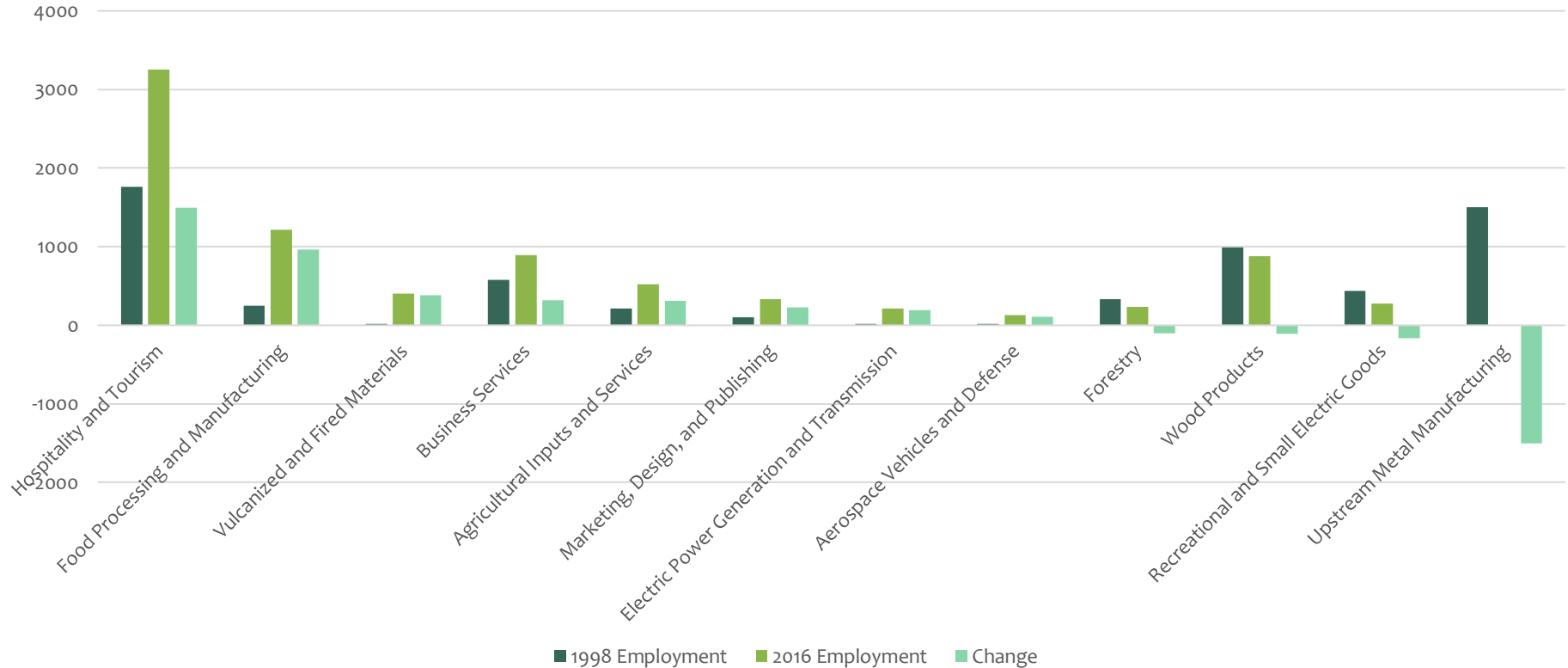
STATSAMERICA 2011, 2021

TOPLINE ECONOMIC DISTRESS INDICATORS

	MCEED Region	U.S.	Threshold Calculations
2011			
24-month Average Unemployment Rate (BLS) period ending May 2011	9.50	9.52	-0.02
2019 Per Capita Money Income (5-year ACS)	\$30,781	\$34,103	90.26%
2011 Per Capita Personal Income (BEA)	\$37,261	\$42,739	87.18%
2021			
24-month Average Unemployment Rate (BLS) period ending March 2021	5.94	6.14	-0.2
2019 Per Capita Money Income (5-year ACS)	\$30,781	\$34,103	90.26%
2019 Per Capita Personal Income (BEA)	\$49,381	\$56,490	87.42%

Change in Traded Sector Employment 1998 - 2016

Source: U.S. Cluster Mapping Project (<http://clustermapping.us/>)
Institute for Strategy and Competitiveness, Harvard Business School





IV. INDUSTRY CONCENTRATIONS

The Sternwheeler Columbia Gorge (28 March 1987) Wikimedia Commons

CONCENTRATION OF JOBS (LQ)

Industry	US %	MCEDD %	LQ
Natural resources and mining	2%	17%	11.14
Construction	6%	4%	0.65
Manufacturing	10%	13%	1.31
Trade, transportation and utilities	22%	16%	0.71
Information	2%	1%	0.50
Financial activities	7%	2%	0.30
Professional and business services	17%	7%	0.39
Education and health services	18%	14%	0.76
Leisure and hospitality	13%	14%	1.10
Other services	4%	4%	1.13

LQ KEY INDUSTRIES

Industry	US %	MCEDD %	LQ
Crop production	0.43%	13.78%	31.89
Forestry & logging	0.04%	0.11%	2.72
Construction of buildings	1.31%	1.20%	0.91
Beverage manufacturing	0.22%	2.42%	11.07
Accommodation	1.63%	2.58%	1.58
Food services and drinking places	9.47%	7.86%	0.83



V. INNOVATION AND CLUSTERS

CLUSTERMAPPING

STATSAMERICA

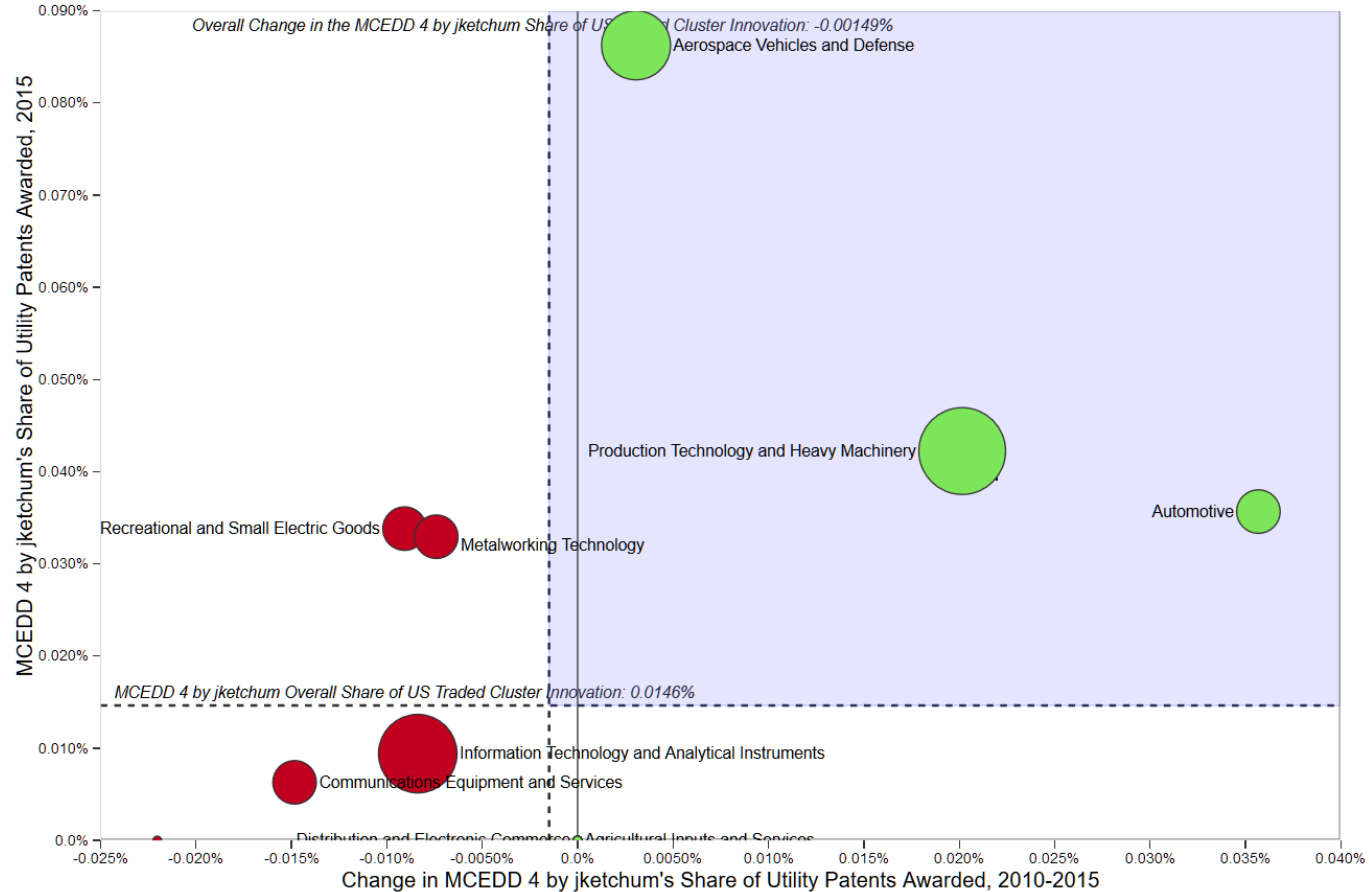
MCEDD 4 by jketchum

Innovation by Traded Cluster, 2010 to 2015

Click on a bubble or click and drag a box around an area to zoom.

Innovation
2010-2015

- Share increased
- Share decreased



MOST INNOVATIVE FIRMS – CLUSTERMAPPING

Firm	Industry	# Recent Patents
DIGIMARC CORPORATION	Tech	76
ROY-G-BIV CORPORATION	Software, Adv. Manufacturing	22
IN-SITU; INC. and THE INSITU GROUP, INC.	Aerospace	34
AEROVEL CORPORATION	Aerospace	16
STRATOSPHERIC AIRSHIPS, LLC	Aerospace	5
VARIAN SEMICONDUCTOR EQUIPMENT ASSOCIATES, INC.	Energy and manufacturing	5

INNOVATION INDICATORS - STATSAMERICA



INNOVATION INDICATORS - STATSAMERICA

Index	Relative Strength	Tracks
Human capital and knowledge creation	Average	Education and skills
Business dynamics	Above Average	Healthy business openings and closures
Business Profile Index	Exceptional	Business resources and infrastructure

EXCEPTIONAL INDEX

Business profile index

- The Business Profile Index measures local business conditions and resources available to entrepreneurs and businesses.
- Key indicators:
 - High-Tech, Early-in-Life-Cycle Establishment Ratio (**exceptional**)
 - Growing startups, tech companies and high-tech manufacturing (incl. defense)
 - Connectivity core index (**above average**)
 - Measures connectivity to farms, growth and access to broadband (via survey)

INNOVATION INDICATORS - STATSAMERICA

Index	Relative Strength	Tracks
Employment and Productivity	Strong	Livability and economic growth
Economic Well-Being	Average	Migration and topline economic indicators



VI. CONCLUSIONS



CONCLUSIONS: INDUSTRY TRENDS

- Healthy growth over the decade
 - Region grew **4,588 jobs** over the decade
 - Manufacturing **+38% employment**
 - Leisure and Hospitality **+23% employment**
 - Education and health services **+17% employment**
 - Professional and business services **(-6%) employment**
- Region grew slower than OR and WA as whole
- Wages adjusted for inflation grew slower than OR and WA as whole

CONCLUSIONS: SECTOR ANALYSIS

- Largest industries by employment (2021)
 - Crop production (13%, 4,702 jobs)
 - Local health services (11%, 3,890 jobs)
 - Local hospitality establishments (9%, 3,210 jobs)
 - Local real estate, construction and development (6%, 2,352 jobs)
- Three industries account for 88% of job growth
 - Manufacturing (48%)
 - Leisure and hospitality (23%)
 - Education and health services (17%)
- Per capita income – **90% of national average**

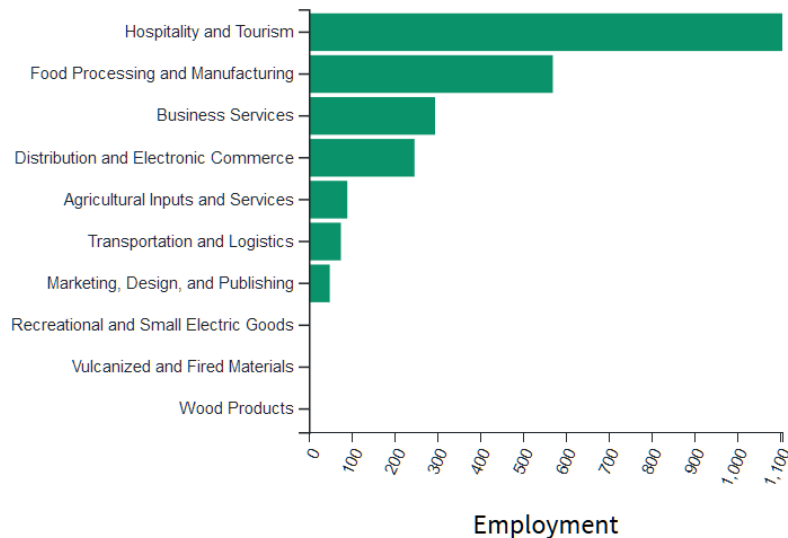
CONCLUSIONS: INDUSTRY CONCENTRATIONS

- Location quotients measure the concentration of jobs relative to the U.S.
 - Natural resources and mining – 11.14
 - Crop production – 31.89
 - Forestry & logging – 2.72
 - Manufacturing – 1.31
 - Beverage manufacturing – 11.07
 - Other services – 1.13
 - Financial activities - 0.30
 - Professional and business services – 0.39

CONCLUSIONS: CLUSTER ANALYSIS

- Key clusters (2016)
 - Hospitality & tourism
 - Food processing & manufacturing
 - Business services
 - Distribution and e-commerce
 - Ag inputs and services
 - Transportation and logistics
 - Marketing, design and publishing

Top Clusters by Employment



RECREATIONAL COUNTIES



Hood River and Skamania Counties

- Attracts new residents and higher incomes
- Provides many benefits including:
 - Tourism economy
 - Business and talent recruitment
 - Faster rural wage growth



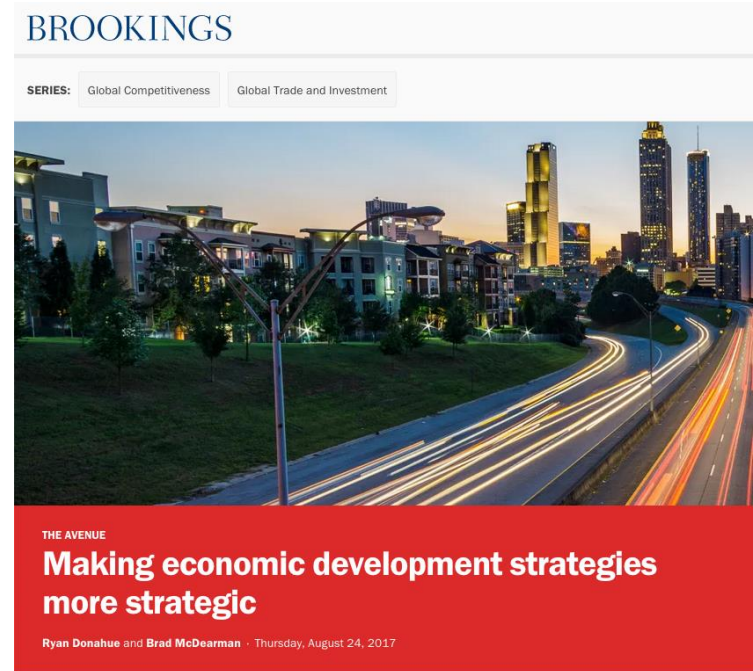
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CONCLUSIONS: INNOVATION METRICS

- Increased shares in:
 - Aerospace vehicles and defense
 - Production technology & heavy machinery
 - Automotive
- Decreased shares in:
 - Recreational goods
 - Metalworking technology
- Innovation strengths in:
 - Business dynamics
 - High-tech, early in lifecycle businesses
 - Internet connectivity

SO, WHAT?

- Double-down on your strengths
- Focus on select weakness
- Focus your economic development strategies on realistic outcomes
- Make your strategies more strategic and inclusive



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RESOURCES

- Brookings strategy article – <https://www.brookings.edu/blog/the-avenue/2017/08/24/making-economic-development-strategies-more-strategic/>
- StatsAmerica – <http://www.statsamerica.org>
- Clustermapping U.S. – <https://clustermapping.us/>
- WA QCEW Data – <https://esd.wa.gov/labormarketinfo/covered-employment>
- Oregon QCED Data - <https://www.qualityinfo.org/ed-ewind/?at=1&t1=0~4101000000~00~5~0~0~00000~2021~00>

MAY 2011 ECONOMIC DISTRESS INDICATORS

	24 Month Unemp	Threshold Calculation	BEA PCPI	Threshold Calculation	Census PCMI (2000)	Threshold Calculation	ACS 5-Year PCMI	Threshold Calculation
Hood River County, OR	8.19	-1.33	\$37,634	88.1	\$17,877	82.8	\$34,926	102.4
Sherman County, OR	10.68	1.16	\$54,125	126.6	\$17,448	80.8	\$31,615	92.7
Wasco County, OR	9.18	-0.34	\$36,250	84.8	\$17,195	79.7	\$27,445	80.5
Klickitat County, WA	10.54	1.02	\$38,071	89.1	\$16,502	76.4	\$29,521	86.6
Skamania County, WA	11.71	2.19	\$34,648	81.1	\$18,002	83.4	\$32,221	94.5

Economic Distress Criteria—Geographic Components

Sources: U.S. Bureaus of Census, Labor Statistics, and Economic Analysis; Calculations generated by StatsAmerica.

From <<https://www.statsamerica.org/distress/distress.aspx>>

MAY 2021 ECONOMIC DISTRESS INDICATORS

	24 Month Unemp	Threshold Calculation	BEA PCPI	Threshold Calculation	Census PCMI (2000)	Threshold Calculation	ACS 5-Year PCMI	Threshold Calculation
Hood River County, OR	4.89	-1.25	\$56,325	99.7	\$17,877	82.8	\$34,926	102.4
Sherman County, OR	4.96	-1.18	\$56,940	100.8	\$17,448	80.8	\$31,615	92.7
Wasco County, OR	5.79	-0.35	\$43,596	77.2	\$17,195	79.7	\$27,445	80.5
Klickitat County, WA	6.91	0.77	\$49,458	87.6	\$16,502	76.4	\$29,521	86.6
Skamania County, WA	7.44	1.3	\$47,461	84	\$18,002	83.4	\$32,221	94.5

Economic Distress Criteria—Geographic Components

Sources: U.S. Bureau of Census, Labor Statistics, and Economic Analysis; Calculations generated by StatsAmerica.

From <<https://www.statsamerica.org/distress/distress.aspx>>

INNOVATION INDICATORS - STATSAMERICA

Index	Score	Relative Strength	Tracks
Human capital and knowledge creation	99.9	Average	Education and skills
Business dynamics	118.3	Above Average	Business openings and closures
Business Profile Index	121.3	Exceptional	Business resources and infrastructure

INNOVATION INDICATORS - STATSAMERICA

Index	Score	Relative Strength	Tracks
Employment and Productivity	132.3	Strong	Livability and economic growth
Economic Well-Being	119.5	Average	Migration and topline economic indicators