

## Central Oregon unemployment rate higher than expected

*by Bend\_Weekly\_News\_Sources*

All three counties in Central Oregon -- Crook, Deschutes, and Jefferson -- saw their unemployment rates increase from September to October, and each county's rate increased more than expected. Deschutes County had the lowest rate at 4.8 percent, while Jefferson County had the highest at 6.4 percent.

**Crook County:** The county's unemployment rate climbed to 6.1 percent in October, up 0.6 percentage point from September. The increase was more than what was expected for the month, and the rate is back up to its level seen in July. The rate is higher than the historical lows of last year, and similar to its level in 2005. The county's civilian labor force declined for the past two months, as workers dropped out of the labor force for reasons such as returning to school or might be discouraged that the type of work they are looking for is not available.

The county lost 130 jobs in October, after adding 30 jobs last month. The loss in October was about 40 jobs more than expected. Typically the county sees stronger job performance coming out of summer with more

gains in September and few declines in October. Overall the county's employment performed near expectations during the spring, and then was slightly better during the summer.

Typically October sees seasonal declines in manufacturing, government and a slow down in tourism, and this year was no exception. Leisure and hospitality lost 30 jobs in the first full month of autumn, typically the slowest time of year for tourism in the region. Manufacturing saw a decline of 20 jobs and has lost 60 jobs in the past three months. Government also saw declines in October. It lost 30 jobs in both federal and local government.

Only two industries added jobs in October. Both financial activities and educational and health services added 10 jobs. Educational and health services has seen a 30 job increase in the last two months.

The county's year-over-year employment growth continued to be positive in October. The county added 60 jobs over the year. Industries showing gains include financial activities ( 7.4%), leisure and hospitality ( 6.9%), construction ( 5.6%) and educational and health services ( 4.5%). However, declines occurred in federal government (â€‘3.0%), wholesale trade (â€‘2.2%) and wood product manufacturing (â€‘1.0%).

Deschutes County (Bend MSA): The county's unemployment rate jumped slightly to 4.8 percent in October, up from 4.4 in September. This was a larger than expected move for the rate during October, and it currently stands one full point higher than the historical lows of last October. The county had the 11th lowest local unemployment rate among Oregon's 36 counties.

October saw the second straight month of job declines, as jobs are normally shed going into the slower autumn months. The declines this October were smaller than expected as 570 jobs were lost. Normally the county loses about 840 in October as seasonal jobs continue to disappear along with the tourists and warm summer days.

The county's largest job declines occurred in the private sector as leisure and hospitality (730) continued to adjust staffing levels during the first month of autumn. Other industries to shed a large number of jobs included professional and business services (210), retail trade (80) and financial activities (80). Seasonal declines were also seen in natural resources, mining and construction (50), as the industry continues to cool.

Meanwhile the largest gains in September were seen in local education ( 550), where public K-12 and community college employment is counted. Also 40 jobs were added in private educational and health services, likely rounding out hiring at the beginning of the school year. Durable goods manufacturing added 20 after shedding 50 jobs in the previous two months.

The area continued to see over-the-year growth at 3.0 percent this October. Expansion continued, stimulated by educational and health services ( 5.5%), retail trade ( 4.9%), professional and business services ( 4.7%) and natural resources, mining and construction ( 3.4%). Manufacturing (-2.0%), financial activities (-1.8%) and state government (-0.9%) showed weakness.

Jefferson County: The county's 6.4 percent October unemployment rate was higher than its September rate of 5.7 percent. This was a larger increase than expected for the month, and the rate now stands two full points higher than last year. This is the highest October unemployment rate since 1993.

Jefferson County lost 100 jobs in October at a time of year when job declines are normal. Normally the county sheds about 110 jobs during the first month of autumn, so this year the county performed slightly above expectations.

Local government added 20 jobs in October, following a 30 job gain in September that likely rounded out hiring at the beginning of the new school year. Wholesale trade saw the only other monthly gain in October as it added 10 jobs bringing it back up to its employment level seen in June.

Elsewhere the largest seasonal declines were seen in leisure and hospitality (â€‘50) and Indian tribal (â€‘30). Leisure and hospitality has declined by 90 jobs since the middle of summer, while Indian tribal employment lost 100 jobs during the same period. Smaller seasonal declines were seen in federal government (â€‘10), manufacturing (â€‘10) and retail trade (â€‘10).

Even with recent gains in state government the drop earlier in the year in manufacturing continued to hold the countyâ€™s year-over-year employment in negative territory. Employment this October was down 1.2 percent from last October. Losses in manufacturing (â€‘22.8%) and federal government (â€‘6.3%) were the only contributors to the decline. Gains were seen in state government ( 85.7%), construction ( 7.7%), financial activities ( 5.6%) and professional and business services ( 4.5%).

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