

Tri-county unemployment on the rise; Deschutes more than expected

by Bend_Weekly_News_Sources

All three counties in Central Oregon saw their unemployment rates increase from October to November, while only Deschutes County's rate increase was more than expected. Deschutes County had the lowest rate at 5.5 percent, while Jefferson County had the highest at 7.3 percent.

Deschutes County (Bend MSA): The county's unemployment rate jumped by 0.7 percentage points to 5.5 percent in November, up from 4.8 in October. This was a slightly larger than expected move for the rate during November, and the rate currently stands 1.2 percentage points higher than the historical lows of last November. The county had the 11th lowest local unemployment rate among Oregon's 36 counties.

November saw the third straight month of job declines, as jobs are normally shed going into the slower autumn months. The declines this November were larger than expected as 680 jobs were lost. Normally the county sheds about 520 in November as seasonal jobs continue to disappear.

The county's largest job declines occurred in the private sector as leisure and hospitality (470) continued to adjust staffing levels during the slower autumn season and natural resources, mining and construction dropped by 340 jobs. Both industries have lost jobs in each of the last three months, with leisure and hospitality shedding a total of 1,690 jobs and natural resources, mining and construction down 540 jobs from its peak in August. Other industries that lost jobs in November include professional and business services (150), financial activities (60), federal government (50) and manufacturing (40).

Meanwhile the largest gains in November were seen in local government (220), which saw continued hiring in local education (170) and retail trade (150). Retail trade typically sees much of its holiday hiring in November, so the new workers are trained and ready for the holiday rush after Thanksgiving. Educational and health service also saw a gain of 70 jobs over the month.

The area continued to see over-the-year growth at 2.4 percent this November. Expansion continued, stimulated by educational and health services (5.3%), professional and business services (4.5%), retail trade (4.1%) and leisure and hospitality (3.1%). Financial activities (-2.8%), manufacturing (-2.5%) and federal government (-1.2%) showed weakness.

Crook County: The county's unemployment rate inched up to 6.4 percent in November, up 0.3 percentage point from October. The increase was less than what was expected for the month. 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 three months, and the number of unemployed was at its highest level since March.

The county lost 110 jobs in November, after dropping 130 jobs in October. Overall the county has dropped 310 jobs since July. The loss in November was only slightly larger than expected. Typically the county sees seasonal declines through the autumn and winter months. Overall the county's employment performed near expectations during the spring then was slightly better during the summer and is now slowing this autumn.

The largest job losses in November occurred in manufacturing, leisure and hospitality and federal government. Each of these industries lost 20 jobs over the month, and each has shed jobs during the last four months. Both manufacturing and federal government shed 80 jobs over that period, while leisure and hospitality recorded 70 fewer jobs.

Only two industries added jobs in November. Both retail trade and transportation, warehousing and utilities added 10 jobs. Retail trade has 30 more jobs than when the year began.

The county has the same amount of jobs this November as a year ago. Industries showing gains include leisure and hospitality (7.1%), construction (5.7%), financial activities (3.7%) and educational and health services (3.0%). However, declines occurred in wood product manufacturing (â€‘5.7%), wholesale trade (â€‘4.4%) and federal government (â€‘3.2%).

Jefferson County: The countyâ€™s 7.3 percent November unemployment rate was higher than its October rate of 6.4 percent. The 0.9 tenths of a point gain was actually slightly smaller than expected for the month, and the rate now stands 2.3 percentage points higher than last year. This is the highest November unemployment rate since 1993.

Jefferson County lost 60 jobs in November at a time of year when job declines are typical. Normally the county sheds about 50 jobs during the month, so this year the county performed slightly below expectations.

Employment gains were sparse in November and only occurred in government. State government added 50 jobs, much of that likely associated with the recent opening of Deer Ridge Correctional Facility. This ramp-up in hiring is expected to continue as the medium security facility opens in the first part of 2008. Also local government added 20 jobs in November, adding to gains made in the past few months as the new school year kicked off.

On the other hand the private sector only saw employment declines in November, shedding 130 jobs. Some of these were seasonal losses, as seen in leisure and hospitality's decline of 40, but others reveal the continued slowdown in manufacturing which lost 40 jobs in November and has 390 fewer jobs than when the year began.

Even with recent gains in state government the drop earlier in the year in manufacturing continued to hold the county's year-over-year employment in negative territory. Employment this November was down 1.2 percent from last November. Losses in manufacturing (-25.3%) and federal government (-6.3%) were the only contributors to the decline. Gains were seen in state government (135.7%), financial activities (11.8%) and leisure and hospitality (4.1%).

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