

## Area unemployment rates drop, but not as much as expected

by Bend\_Weekly\_News\_Sources

All three counties in Central Oregon saw their unemployment rates drop from February to March. Both Deschutes (the Bend Metropolitan Statistical Area) and Jefferson counties' rates declined less than expected. Deschutes County had the lowest rate at 5.3 percent, while Jefferson County had the highest at 7.9 percent.

**Crook County:** The county's unemployment rate declined to 7.4 percent in March, down 0.8 percentage point from February. The decline was more than expected for the month, but the rate was above year ago levels. The county's civilian labor force has grown by 1.7 percent over-the-year with about 128 more people employed and 34 more unemployed.

The county added 120 jobs in March, its first month of positive job gain since last September. The monthly gain was above normal and should be the first in a string of months to add jobs through the summer. Typically spring months see job gains following seasonal declines that occur in the fall and winter. The largest gains were experienced in wood product manufacturing ( 20), wholesale trade ( 20) and leisure and hospitality ( 20). Each of these industries experienced its first monthly job gain of the year.

Elsewhere numerous industries added 10 jobs in March including: construction; retail trade; transportation, warehousing and utilities; professional and business services; educational and health services; and federal and local government. Information ( -10) was the only industries to lose jobs in March.

The county's year-over-year employment growth remained positive in March, but only slightly above its level of last year. The county added only 20 jobs over the year. Industries showing gains include professional and business services ( 12.8%), leisure and hospitality ( 12.0%), financial activities ( 7.7%) and retail trade ( 7.5%). However, declines occurred in wood product manufacturing ( -10.3%), state government ( -9.5%) and construction ( -2.8%).

**Deschutes County (Bend MSA):** The county's unemployment rate dropped in March to 5.3 percent, and is still the fourth lowest local unemployment rate among Oregon's 36 counties. The drop was slightly less than was expected for the month. The rate was still 0.2 percentage point lower than last March and the lowest for the month on record. The county's civilian labor force has grown by about 5.0 percent over the year.

The county added jobs in March at a slightly quicker-than-normal pace. The gain of 830 jobs was the second month in a row to add jobs. February and March have added 1,390 jobs, while 2,830 jobs were shed during the fall and winter. Most industries gained jobs in March at a slightly above normal pace including: leisure and hospitality ( 220), professional and business services ( 170), local government ( 130) and retail trade ( 120).

Natural resources, mining and construction's gain of 110 jobs in March was less than what is expected for the month.

The only industry to shed jobs in March was manufacturing (-10). Manufacturing has lost 90 jobs this year and is down 300 jobs since the middle of 2006.

The area continued to see strong over-the-year growth - 4.6 percent this March. Expansion continued, stimulated by educational and health services ( 7.5%), professional and business services ( 7.1%), natural resources, mining and construction ( 7.0%) and leisure and hospitality ( 5.2%). Manufacturing (-3.1%) was the only industry to show weakness.

Jefferson County: The county's 7.9 percent March unemployment rate was 0.4 percentage point below February's rate. This was a slightly smaller-than-normal decline for March. The county's rate is still above year-ago levels, and similar to what it was in March 2004 when the rate was 8.0 percent.

Jefferson County's employment remained at February levels in March. March typically adds about 70 jobs. The county is continuing to feel the effects of layoffs in manufacturing. Manufacturing shed 40 jobs in March and its wood product component lost 20 jobs. Manufacturing along with natural resources and mining (-10) were the only industries to lose jobs during the month.

Industry gains were not widespread either during the month. Gains were seen in local government ( 20), with smaller gains in educational and health services ( 10), professional and business services ( 10) and retail trade ( 10).

The drop in manufacturing continued to shift the county's year-over-year employment from positive to negative territory. Employment in March was down 2.2 percent from last March. Contributing to this decline were manufacturing (-14.0%), educational and health services (-9.5%) and federal government (-6.3%). Gains were seen in professional and business services ( 15.0%), construction ( 18.2%) and retail trade ( 10.7%).

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