



2025

Value of Jobs

# STATE OF THE ECONOMY

Report at a Glance

Portland made significant strides last year, with local and state governments working together with the business community to deliver results on livability issues through the Governor's Portland Central City Task Force. As conditions stabilized in 2024, attention began to shift from crisis management to the long-term economic outlook of our region—where major challenges remain.

The region lost jobs last year while the national labor market grew substantially—a rarity for Portland during an economic expansion—and the losses were concentrated in high-paying sectors like information, manufacturing, professional services, and financial services. Population loss has continued, as small natural increases (more births than deaths) were offset by out-migration. The housing crisis persisted, with production remaining sluggish, and outside investors viewed the region unfavorably.

Despite the region's stunning natural amenities, people have been "voting with their feet" against the Portland area. High housing costs are a primary factor, but the contrasting growth patterns between Oregon and Washington strongly suggest that taxes and public services are also playing an outsized role. Through the task force's work, civic leaders proved they could identify problems and deliver results. Now, a new set of challenges awaits their focus.

This Value of Jobs report is presented to you by:



View the full report with interactive charts at: [PortlandMetroChamber.com](https://PortlandMetroChamber.com)



*This annual update on the state of our economy is led by the Portland Metro Chamber and the Value of Jobs Coalition, with support from Bank of America.*

## -4,820

net population loss in Multnomah County in 2023.

## -9,600

jobs lost combined in the Information, Financial Services, Manufacturing, and Professional Service sectors in 2024.

## \$105,800

average income of individuals moving to Clark County, versus \$73,540 for those moving to Multnomah County in 2022.

## 80th

Portland ranked second to last in national real estate attractiveness rating.



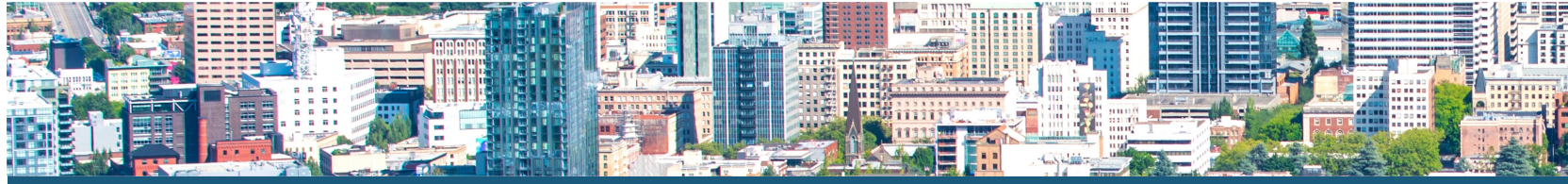
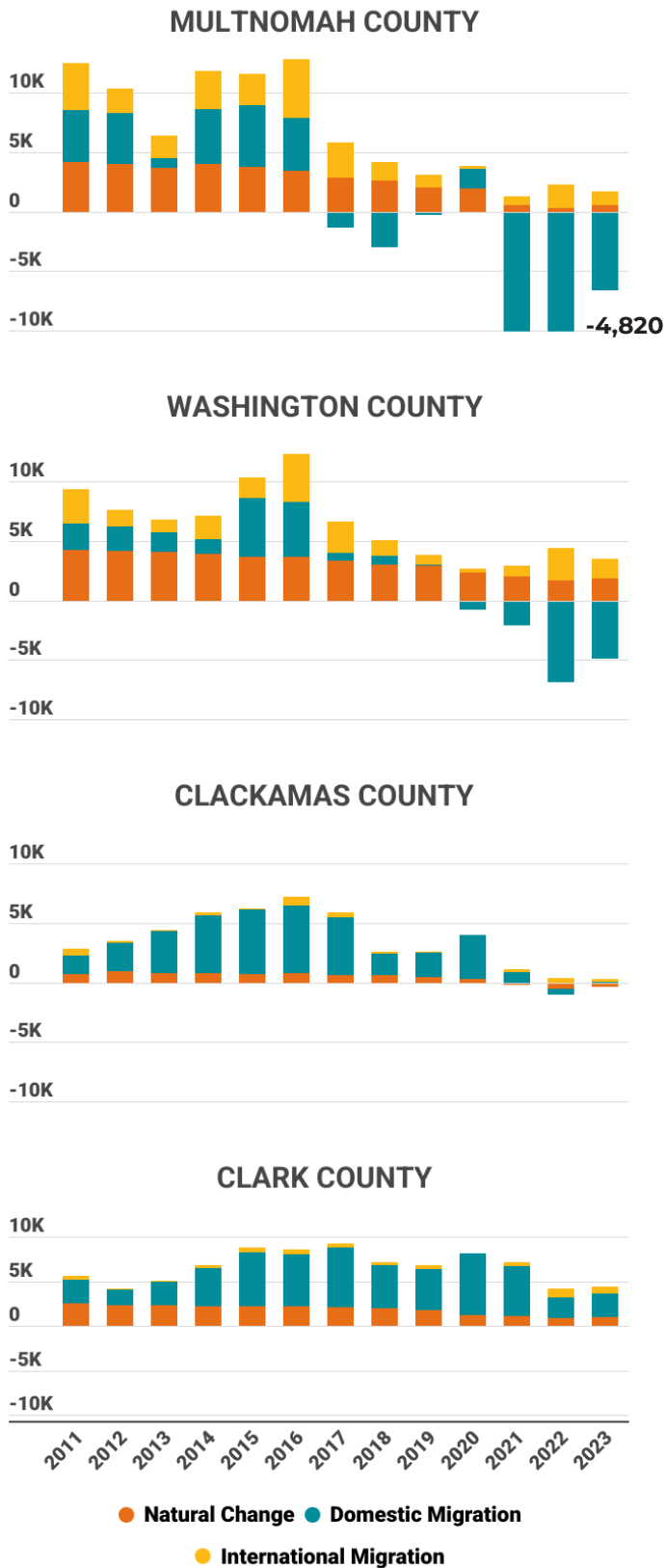


Figure 1: Annual population change in Portland metro by county



## Multnomah County population declines, offset by growth in Clark County

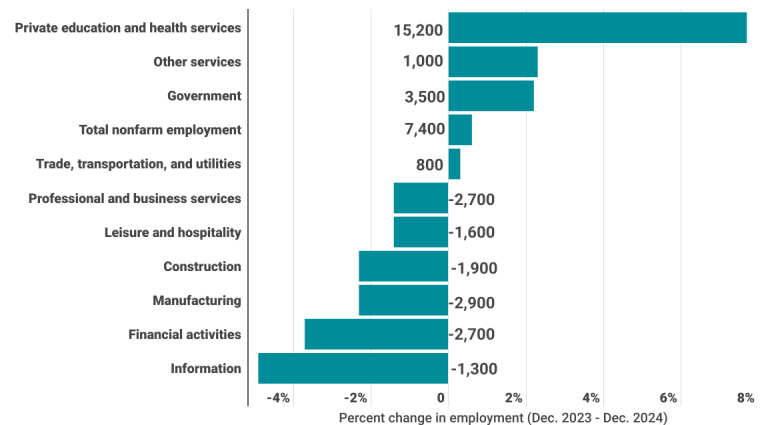
Outmigration remains concerning, though it has slowed in Multnomah and Washington counties. Among the four metro-area counties, Washington County is the only one with a noteworthy natural population increase. Clackamas County has experienced almost no growth in recent years, while Clark County continues to lead the region in population growth. Multnomah County relies heavily on international migration, indicating that its near-term population growth depends on attracting people from abroad. See Figure 1.

## Metro is adding jobs but losing traded sector employment

Over the past year, local sector employment grew while traded sector employment declined—a critical shift with economic implications. Traded sector jobs, which sell goods and services outside the region, bring in new money, while local sector jobs, typically lower-paying, recirculate money within the local economy.

The information sector and financial activities sector saw the steepest declines in 2024, dropping 4.9% and 3.7% respectively between December 2023 and December 2024. This contrasts with the modest 0.1% decline in the financial services sector from the previous year. Private education and health services led job growth, adding 15,200 positions—a 7.7% increase that surpassed the 4.9% growth seen from 2022 to 2023. Most of these gains came from health services. Government employment, which had grown by 5.1% in the 2022–2023 period, slowed to a modest 2.2% increase in 2024. See Figure 5.

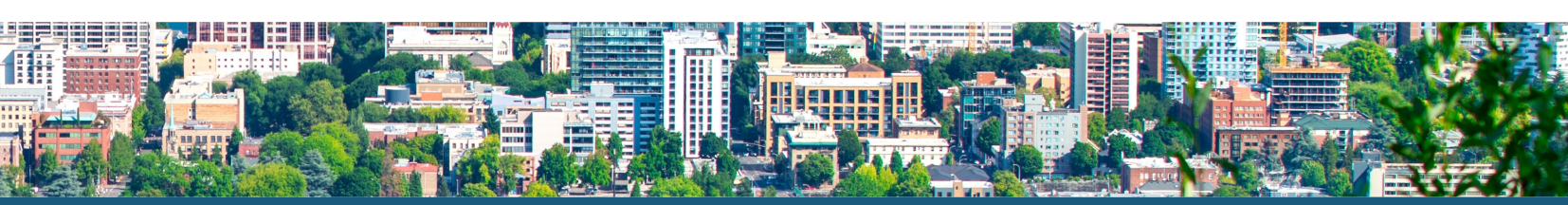
Figure 5: Portland metro employment change by industry



Source: Oregon Employment Department QualityInfo.org, "Total nonfarm employment (not seasonally adjusted) - Official Oregon Series," Current Employment Estimates (CES) Monthly Data Sheet.

Source: U.S. Census Bureau, "Metropolitan and Micropolitan Statistical Areas Totals," Population Estimates Program.





## Multnomah County is losing high-wage earners, while Clackamas and Clark counties gain

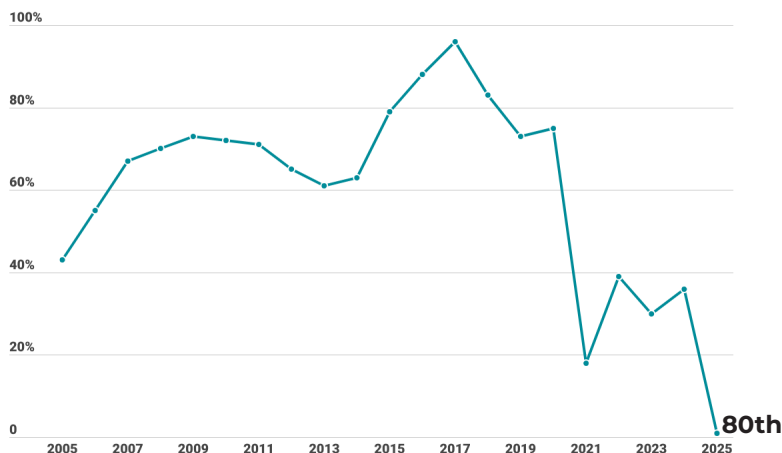
The flow of people in and out of communities reveals shifts in income dynamics and buying power. In Multnomah County, higher-income individuals are either staying or leaving, while lower-income individuals are moving in. Washington County shows a similar pattern, though less pronounced.

In contrast, Clackamas and Clark counties are attracting higher-income residents. These individuals are either staying or moving into these areas, bringing their buying power with them. While Multnomah and Washington counties face a net loss of higher-income residents, Clackamas and Clark counties are gaining both people and purchasing power. This trend became more pronounced in Multnomah County starting in 2018 and accelerated further during the pandemic. See Figure 6.

## Investment attractiveness and perception bias hits all-time low

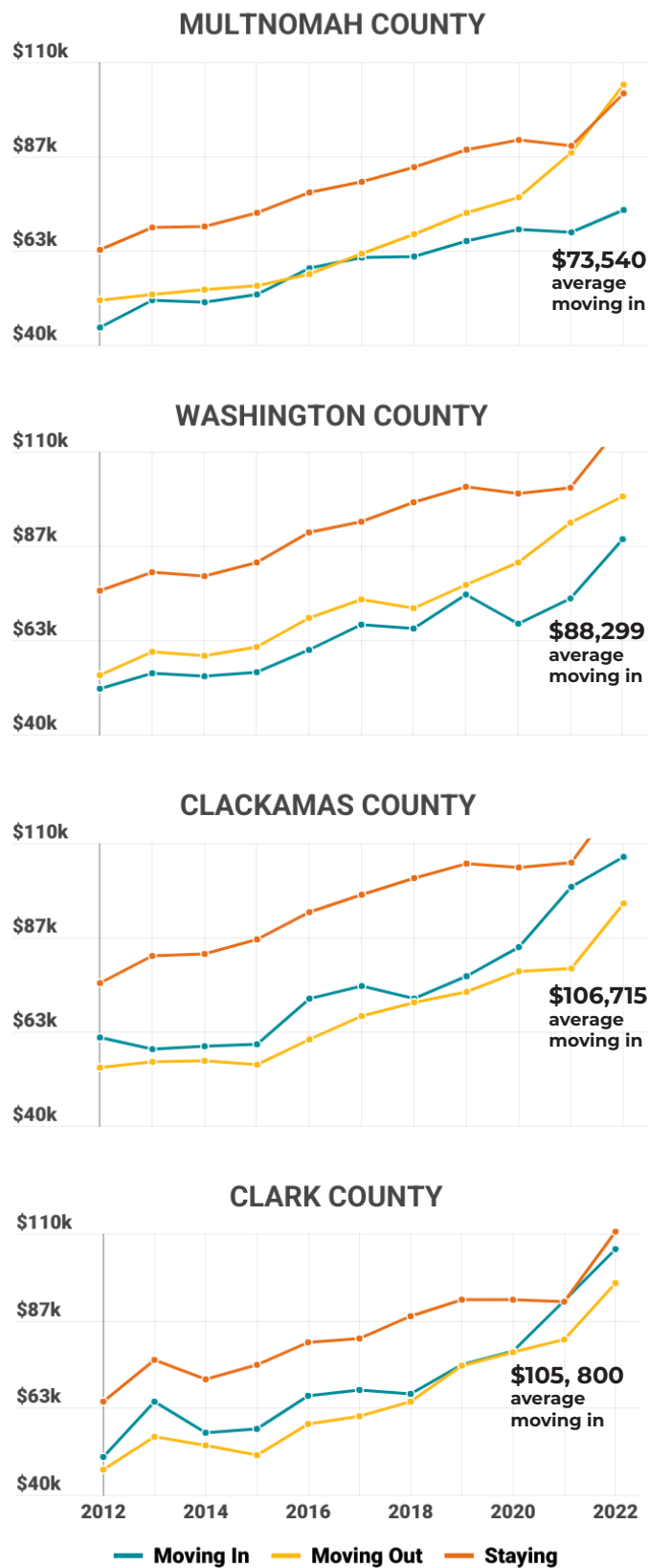
Portland's appeal in the national real estate market hit a two-decade low, ranking 80 out of 81 in the Urban Land Institute's latest survey. This survey asks real estate sector leaders to measure the attractiveness of a city for outside investment. Despite some improvement in 2024, this is the city's worst performance since the rankings began, with only Hartford, Connecticut, scoring lower. However, a silver lining emerges: local respondents rank Portland higher, suggesting a more optimistic outlook among the region's industry leaders. See Figure 8.

Figure 8: Attractiveness of Portland's real estate market (percentile)



Source: Urban Land Institute (ranking in Emerging Trends in Real Estate), Oregon Office of Economic Analysis. Note: No data for 2006, 2008, 2010. Imputed values used.

Figure 6: Average income of people moving in of out of metro counties



Source: U.S. Internal Revenue Service, "Migration Data," Statistics of Income Division.



## Why this **MATTERS**

The U.S. has entered an era of slow population growth that places Portland into stiffer competition for households and talent than in the past. A high cost of living is a population repellent and, until the region can implement policies and programs that bring costs down, the Portland region should expect to underperform its economic performance of more dynamic decades (e.g., 1990s, 2010s) when Portland was a magnet for talent.

Furthermore, seven in ten voters feel their taxes are too high, according to DHM Research. People are voting with their feet and choosing to live in communities with lower costs and more abundant job opportunities. None of Portland's regional peers are fully meeting their economic goals (see online report for a full peer analysis). Four regions, including Portland, have yet to regain their pre-pandemic job levels. All are experiencing flat or declining domestic migration.

The takeaway: Portland and its peer cities are grappling with both the short-term disruptions of the pandemic and the longer-term challenges of an aging, low-fertility society. The Portland region's leaders must consider their attitude on growth because the path to a thriving economy must be driven by an intentional growth strategy to attract talent and jobs for a more stable revenue base.

Civic leaders have proven they can identify problems and deliver results. They have tackled an ambitious list of challenges over the last year and made measurable progress. Now, a new set of challenges awaits their focus. Our region's leaders must turn their attention to make our economy competitive or face the daunting realities that other region has faced before - an urban doom loop.

Value of Jobs Coalition:



*With gratitude to ECONorthwest, our State of the Economy partner since 2010.*