



FOR IMMEDIATE RELEASE

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Nov. 16, 2022, Oregon Employment Department Media Statement

Economic Update

This morning the Employment Department released the [jobs numbers and unemployment rate](#) for Oregon in October. (Video with Oregon Employment Department State Employment Economist Gail Krumenauer discussing the details is available on [YouTube](#).)

Job growth bounced back in Oregon during October. Employers added 5,200 jobs to nonfarm payrolls.

Three sectors of Oregon's economy had large job gains in October. Financial activities added 2,500 jobs, with most of that occurring in real estate and rental and leasing. Private health care and social assistance added 1,100 jobs in October. Oregon manufacturers also added 1,100 jobs over the month.

Oregon's unemployment rate rose to 4.1% in October and was slightly higher than the U.S. rate of 3.7%. Even with this slight uptick, Oregon's unemployment rate remains low by historical standards.

Paid Leave Oregon

Jan. 1 is an important date for Oregon employers and workers, as it marks a significant step toward Oregon workers having a vital safety net — Paid Leave Oregon. On that date, employers and employees will start



contributing to the Paid Leave Oregon trust fund, which will pay for employees to take paid time off for some of life's most important moments.

Paid Leave Oregon covers leave for the birth or adoption of a child, for serious illness or injury, for taking care of a seriously ill family member, and for survivors of domestic violence, sexual assault, stalking, or harassment.

This week, Paid Leave Oregon launched a new [statewide campaign](#) aimed at notifying Oregon employers about their role and responsibilities in the new program, which begins in just six weeks, on Jan. 1.

This statewide ad campaign includes social and digital advertising featuring Oregon employers, radio advertising, and a new video that explains the program. Paid Leave Oregon also has a [new online employer toolkit](#), a one-stop place for employers to find all the resources they need to prepare.

The new campaign targets employers, because all employers, regardless of size, will collect contributions from employees starting Jan. 1. This effort is in addition to the ongoing outreach Paid Leave Oregon has been doing since 2021 to employees, employers and partners.

Paid Leave Oregon benefits will be available to employees in September 2023, and another statewide campaign focusing on employees and small businesses will begin next year.

Employer Contributions for Unemployment Insurance in 2023

By Nov. 15 each year, in accordance with Oregon law, the Employment Department notifies Oregon employers of the unemployment insurance payroll tax schedule and contribution rate for the following calendar year.

Employer contributions, which are set according to a statutory formula for establishing the annual rate schedule, provide the funding for the Unemployment Insurance Trust Fund in Oregon. This trust fund is the source of the unemployment insurance benefits for Oregon workers. Workers do not contribute to this fund or to their unemployment benefits.

The Oregon Employment Department recently mailed each employer their annual Unemployment Insurance Notice of Tax Rate for 2023, and the notification this year is good news for employers. The department is again



lowering the tax rate for employers, from an average rate of 1.97% of taxable wages in the 2022 calendar year (tax rate schedule III) to an average rate of 1.73% of taxable wages (tax rate schedule II) in 2023.

Thanks to bipartisan efforts within Oregon's Legislature and the strong collaboration between Oregon's worker and business communities, Oregon's Unemployment Insurance Trust Fund is well prepared for economic challenges, such as another economic downturn. This means that if there is another recession, there will be less long-term unemployment insurance costs for Oregon businesses. It also means the Employment Department will be able to collect less in employer contributions to maintain Oregon's Unemployment Insurance Trust Fund in 2023 than it projects the fund will pay out in benefits.

The notice sent to employers about the 2023 tax schedule and contribution rate included a reminder about the Paid Leave Oregon contribution rates for employers and employees, which were set earlier this year and will start on Jan. 1.

Receiving timely, accurate wage reports and contributions from employers helps the Employment Department efficiently and effectively operate both the Unemployment Insurance and Paid Leave Oregon programs.

Filing these reports and tax contributions is now much easier with the Employment Department's modernized system, Frances Online. Employers will use Frances Online for both their Unemployment Insurance and Paid Leave Oregon contributions in 2023, and they also can read letters and make changes to their business accounts in the new system. Employers filed their quarterly payroll tax filing for the third quarter of 2022 in Frances Online for the first time, and the numbers indicated that employers and third-party administrators are adapting well to the modernized system. As of Nov. 4, more than 166,395 employers had filed their third-quarter filings in Frances Online.

As employers and others begin to use Frances Online more frequently, the Employment Department is making adjustments to the system in response to customers' feedback about their experiences.



“One of the skills we honed most during the pandemic was to listen to our customers, and better understand their experiences, so that we could make the right adjustments to really meet their needs,” said Employment Department Acting Director David Gerstenfeld. “We have already made many adjustments to Frances Online based on what we’ve heard from our customers, and we are planning more enhancements in the future.”

Employer Tax Relief

Oregon employers recently received significant unemployment insurance tax relief thanks to collaborative legislation passed in 2021, [House Bill 3389](#). The bill was intended to provide short- and long-term pandemic tax relief to Oregon employers while protecting the Unemployment Insurance Trust Fund. Through the bill’s short-term provisions, OED has provided unemployment insurance tax forgiveness to more than 19,000 employers and has issued more than \$43.3 million in payments to eligible employers. Looking longer term, from 2021 to 2029, the changes are estimated to save Oregon employers \$2.2 billion in unemployment insurance taxes.

“We want to thank Oregon businesses for all they do to promote economic stability in Oregon, even during challenging times,” said Gerstenfeld. “We know many employers in our state have faced significant challenges in the past several years. We’ve seen supply chain issues, and some employers have had difficulty recruiting and retaining workers. Despite this, we’ve seen Oregon’s employers continue to contribute to our economy and create record numbers of jobs.”

Contributions from employers have been vital in supporting Oregon’s ongoing economic recovery from the COVID-19 pandemic, and their efforts have helped people and communities across the state regain financial stability and prosper.

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