



State of the Workforce 2026



Clackamas
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WORKFORCE DEVELOPMENT BOARD



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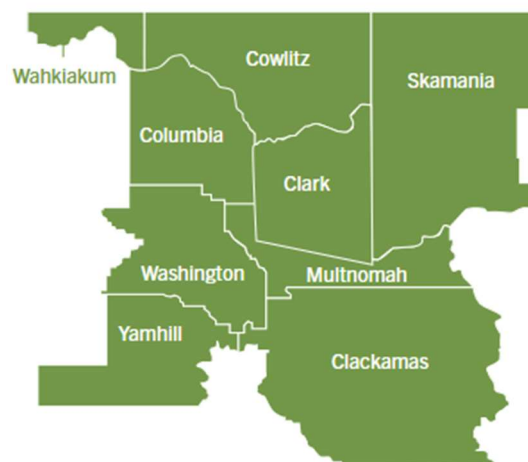
About the Columbia-Willamette Workforce Collaborative

The Columbia-Willamette Workforce Collaborative (CWWC) brings together Clackamas Workforce Partnership, Workforce Southwest Washington, and Worksystems, the three Workforce Development Boards serving the Greater Portland Region. The Collaborative advances a coordinated approach to serving industry, supporting economic development, and directing workforce training investments to better meet the needs of the region's labor market. Workers and employers operate across geographic boundaries, residents routinely travel throughout the region for the best opportunities, and employers seek qualified talent regardless of where workers live. By aligning strategies and investments across the region, the CWWC can strengthen the regional talent pipeline, expand opportunities for workers, and support long-term economic prosperity.

About the Geography

Throughout this report, data are presented for the nine counties shown on the map to the right. Collectively, these counties are referred to as the Greater Portland Region. The region includes the seven-county Portland-Vancouver-Hillsboro Metropolitan Statistical Area (MSA) plus two additional counties served by the CWWC: Cowlitz and Wahkiakum counties in Southwest Washington.

Although Columbia, Yamhill, and Skamania counties are not within the CWWC service area, they are included in this report because they are part of the Portland-Vancouver-Hillsboro MSA. When nine-county data are unavailable, seven-county MSA data are provided instead.



About this Report

The CWWC works to align resources and strategies to address the workforce needs of four key sectors: Advanced Manufacturing, Healthcare and Social Assistance, Clean Energy, and Construction. These sectors were selected based on their economic importance to the region, current and projected demand for workers, the availability of living wage jobs, and opportunities for career advancement across skill levels. By analyzing labor market intelligence, including the data presented in this report, and validating those findings with industry partners, the CWWC can identify key trends, anticipate workforce needs, and develop targeted solutions for each sector.

Tables and Figures

FIGURE 1: POPULATION GROWTH, GREATER PORTLAND REGION, 2004-2034	5
FIGURE 2: POPULATION GROWTH, 2004-2025	5
FIGURE 3: POPULATION GROWTH, 2004-2025	5
FIGURE 4: BIRTH RATE, 2024	6
FIGURE 5: CHANGE IN POPULATION, (0-14 YRS.), 2015-2024	6
FIGURE 6: CHANGE IN POPULATION, (0-14 YRS.), 2015-2024	6
FIGURE 7: MEDIAN AGE 2024	7
FIGURE 8: AGE DEPENDENCY RATIO, 2024	7
FIGURE 9: IN-MIGRATION BY EDUCATIONAL ATTAINMENT, PORTLAND MSA, 2020-2024	8
FIGURE 10: COMPONENTS OF POPULATION CHANGE, 2020-2025	8
FIGURE 11: SHARE OF THE REGIONAL POPULATION BY COUNTY, 2010-2023	9
FIGURE 12: CHANGE IN GRADUATES, 2019-2024	9
FIGURE 13: DEGREES AWARDED, GREATER PORTLAND REGION, 2025	10
TABLE 1: CHARACTERISTICS OF PRIVATE JOB VACANCIES, 2025	11
FIGURE 14: DIFFICULT TO FILL JOBS, BY EDUCATIONAL REQUIREMENT, 2025	11
FIGURE 15: DIFFICULT TO FILL JOBS, BY TRAINING REQUIRED, 2025	11
FIGURE 16: PERCENTAGE CHANGE IN THE SELF-SUFFICIENCY STANDARD, 2008-2024	12
FIGURE 17: CONSUMER PRICE INDEX, WESTERN REGION, JANUARY 2020-JUNE 2026	12
FIGURE 18: ALL TRANSACTIONS HOUSE PRICE INDEX, PORTLAND MSA, 2000-2025	12
TABLE 2: CHILDCARE AS A SHARE OF MEDIAN FAMILY INCOME	13
FIGURE 19: CENTER BASED TODDLER CARE AS A SHARE OF MEDIAN FAMILY INCOME	13
FIGURE 20: WAGES V SELF-SUFFICIENCY STANDARD, 2025	14
TABLE 3: COST OF LIVING INDEX AND MEDIAN HOUSEHOLD INCOME, PEER REGIONS	14
FIGURE 21: LABOR FORCE BREAKDOWN, GREATER PORTLAND REGION, JUNE 2026	15
FIGURE 22: LABOR FORCE BY EMPLOYMENT STATUS, HILLSBORO MSA, 2000-2025	15
FIGURE 23: LABOR FORCE PARTICIPATION RATE, JUNE 2026	16
FIGURE 24: UNEMPLOYMENT RATE, JUNE 2026	16
FIGURE 25: WORKFORCE BY AGE, 2025	16
FIGURE 26: EXAMPLES OF HOW AI MAY AFFECT DIFFERENT TYPES OF WORK	17
FIGURE 27: WHERE WORKERS IN AT-RISK OCCUPATIONS CAN GO NEXT	18
FIGURE 28: A PATHWAY APPROACH TO WORKFORCE TRANSITIONS	19
FIGURE 29: WORKFORCE GROWTH WILL REQUIRE A NEW PLAYBOOK	21

Introduction

The Greater Portland Region is entering a new demographic and economic era. Population growth has slowed, the population is aging, and the region is becoming less successful at attracting and retaining talent. Together, these trends raise important concerns about the region's long-term economic vitality and workforce supply.

Many workers are finding it increasingly difficult to afford to live in the region. Housing, childcare, and other essential expenses have risen sharply over the past two decades. Once considered one of the more affordable metropolitan areas on the West Coast, the Portland region has experienced significant increases in the cost of living, placing growing financial pressure on working families.

These demographic and affordability challenges are occurring alongside significant changes in the business environment. Employers face rising labor costs, economic uncertainty, and rapid technological change. As workforce growth slows, future prosperity will depend less on attracting new workers and more on developing, retaining, and activating the talent already living in the region.

The workforce system plays a critical role in helping people access living-wage, quality jobs while supporting employers' evolving workforce needs. This responsibility is becoming increasingly important as the labor market enters a period of slower growth and heightened uncertainty. Recent layoffs have affected workers across the economy, including several of the Columbia-Willamette Workforce Collaborative's target sectors, even while those same industries continue to offer some of the strongest opportunities for participants in the public workforce system.

Technological change is one of the most significant forces shaping the future of work. Artificial intelligence (AI) is transforming job tasks across industries and occupations. For some workers, AI may displace existing responsibilities or reduce demand for certain occupations. For others, it will create opportunities to perform higher-value work and improve productivity. In either case, workers will need support to navigate changing job requirements, develop new skills, and adapt to an evolving labor market. The workforce system can help by identifying occupations that are less vulnerable to automation, expanding access to reskilling opportunities, and supporting workers as they transition into emerging roles.

AI, however, is only one example of the complex forces reshaping the labor market. Demographic change, affordability challenges, technological disruption, and economic uncertainty are interconnected pressures that require coordinated responses from employers, educators, workforce professionals, and policymakers.

The challenge facing the workforce system is therefore broader than helping job seekers find employment. It also includes helping incumbent workers remain competitive, adapt to changing skill requirements, and advance into new opportunities throughout their careers. Expanding access to reskilling and upskilling opportunities will be essential to maintaining a resilient workforce, supporting business competitiveness, and sustaining the region's long-term economic prosperity.

Demographic Change

For more than a century, the Greater Portland Region benefited from steady population growth. Even during period of economic stagnation, the population increased. (Figure 1)

During the first two decades of the twenty-first century, the region's growth rate outpaced the nation. That trend has changed. Population growth has slowed significantly, and the region is now entering a decade in which little or no growth is expected. (Figure 2)

While growth has slowed across many metropolitan areas, the Portland MSA lagged several of its peers. Among the six peer regions, only the San Jose and San Diego MSA's grew more slowly than the Greater Portland Region. At the other end of the spectrum, the Austin MSA expanded by 27% nearly four times Portland's growth rate. (Figure 3)

To understand why population growth has slowed, it is helpful to examine the two drivers of population change: natural increase and migration. Natural increase is the number of births minus the number of deaths within a population.

Natural Increase

Declining birth rates are reshaping the demographic profile of the Greater Portland Region and reducing the size of its future workforce.

Peer regions provide a benchmark for comparison. This report looks at six peer regions that are like the Greater Portland Region in population size, household income, demographic composition, economic composition, target industry clusters, and governance complexity.

Austin-Round Rock-Georgetown, TX MSA
 Denver-Aurora-Centennial, CO MSA
 Minneapolis-St Paul-Bloomington, MA-WI MSA
 Nashville-Davidson-Murfreesboro-Franklin, TN MSA
 San Diego-Chula Vista-Carlsbad, CA MSA
 San Jose- Sunnyvale-Santa Clara, CA MSA

FIGURE 1: POPULATION GROWTH, GREATER PORTLAND REGION, 2004-2034

Source: Lightcast

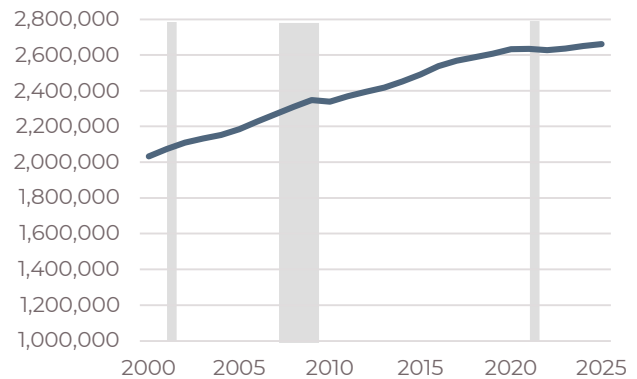


FIGURE 2: POPULATION GROWTH, 2004-2025

Source: Lightcast

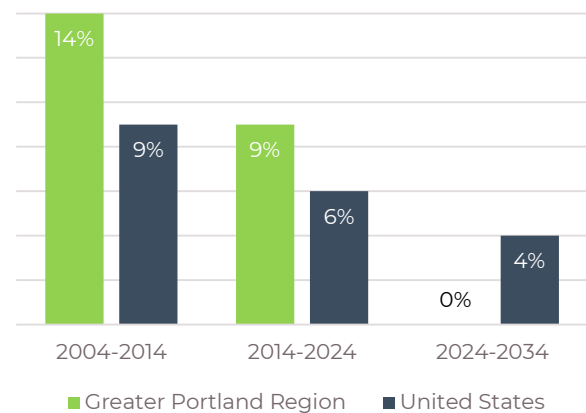
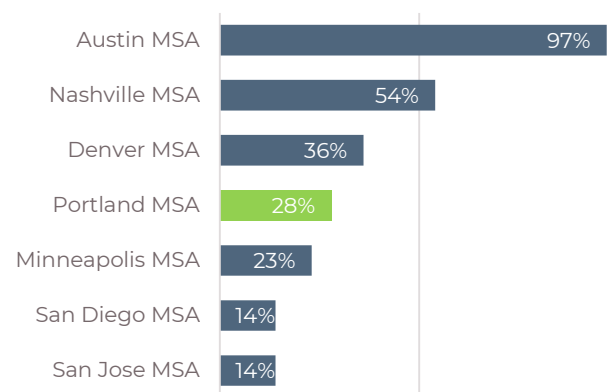


FIGURE 3: POPULATION GROWTH, 2004-2025

Source: Lightcast



Across most peer regions, birth rates declined between 2010 and 2024, reflecting a broader slowdown in population renewal. Compared to its peers, the Portland MSA experienced a moderate decline, with its birth rate falling 15%, from 53 to 45 births per 1,000 women of childbearing age. Portland's decline was larger than those observed in San Diego, Minneapolis, and Denver, where birth rates fell by less than 10%, but considerably smaller than the sharp declines in San Jose (-39%) and Austin (-29%). Nashville was the only peer region to record an increase, with its birth rate rising 11% over the period. By 2024, Portland's birth rate remained below those in San Diego, Minneapolis, Denver, and Nashville, but above rates in San Jose and Austin, placing the region near the middle of its peer group. (Figure 4)

Between 2020 and 2025, the population of the Greater Portland Region increased 23,330 (0.9%). Of the nine counties, Multnomah was the only county that lost total population (-26,475). Despite overall growth, the percentage of children (0-14) and youth (15-24) decreased. In 2025, there were 43,290 fewer children and 1,936 fewer youth. (Figure 5) The shrinking population is a major driver of planned school closures in Portland Public Schools.

Declining birth rates have important long-term implications for the labor force. Fewer births today mean fewer children and a smaller talent pool in the future. Between 2015 and 2025, the Greater Portland Region's population of children and youth adults (aged 0-24) declined by 6.3%. Three peer regions experienced similar declines. In contrast, the child and youth population increased in the remaining three peer regions, led by Austin, where it grew by 15%. (Figure 6)

The Greater Portland Region, like much of the nation, is experiencing a gradual aging of its population. Declining birth rates and longer life expectancy have increased the median age across all counties in the region, as well as in Oregon, Washington, and the

FIGURE 4: BIRTH RATE, 2024

Source: US Census, American Community Survey, Table S1301

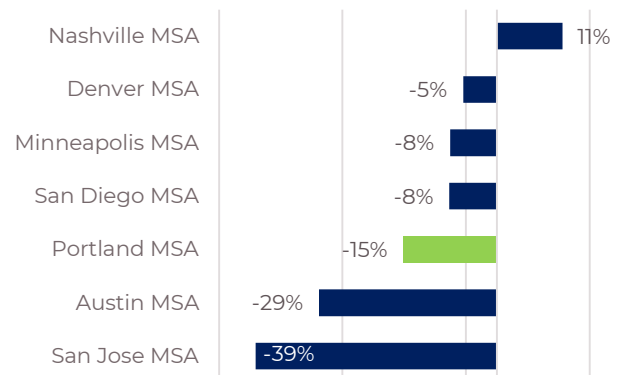


FIGURE 5: CHANGE IN POPULATION, BY AGE, 2015-2024

Source: Lightcast

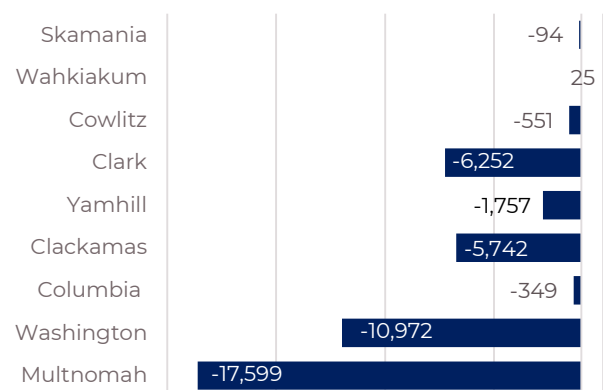
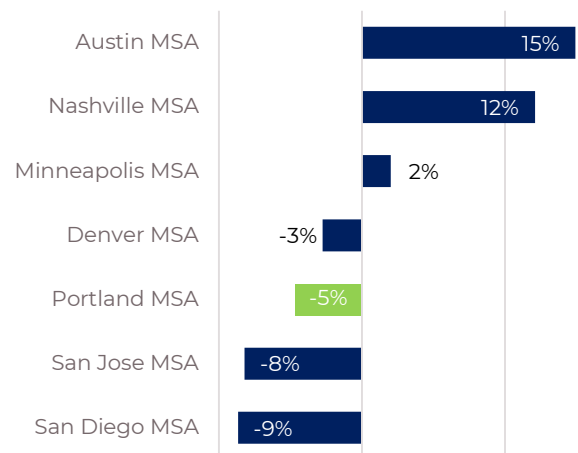


FIGURE 6: CHANGE IN POPULATION (0-14), BY AGE, 2015-2024

Source: Lightcast



United States. Nationally, the median age increased from 37.2 years in 2010 to 39.2 years in 2024. (Figure 7)

Within the region, the median age in 2024 ranged from 38.5 years in Washington County to 54.5 years in Wahkiakum County. Of the region's nine counties, only Multnomah (39.0 years) and Washington (38.5 years) had median ages below the national average. (Figure 7)

The economic implications of an aging population are reflected in the region's Age Dependency Ratio (ADR), which measures the number of dependents (individuals ages 0 to 14 and 65 and older) per 100 working-age adults (ages 15 to 64). A higher ADR indicates greater pressure on the working-age population to support public services, healthcare systems, and retirement programs.

Compared with its peer regions, Portland's population is aging relatively quickly. Portland has the third-highest Age Dependency Ratio at 58.1, meaning there are approximately 58 dependents for every 100 working-age adults. As the region's population continues to age, maintaining a sufficient labor force will become increasingly important to sustaining economic growth and supporting the needs of a growing dependent population. (Figure 8)

Together, these trends point to a fundamental shift in the region's demographic trajectory. Slowing population growth, declining birth rates, a shrinking youth population, and an aging workforce are reducing the pace at which new workers enter the labor market while increasing the demands placed on the working-age population. The Greater Portland Region can no longer rely on population growth alone to meet its workforce needs.

FIGURE 7: MEDIAN AGE 2024

Source: US Census, American Community Survey, Table B01002, 1-year estimate

Note: Due to small population sizes, one-year estimates are not available for Columbia, Skamania, or Wahkiakum Counties. *indicates 5-year estimates

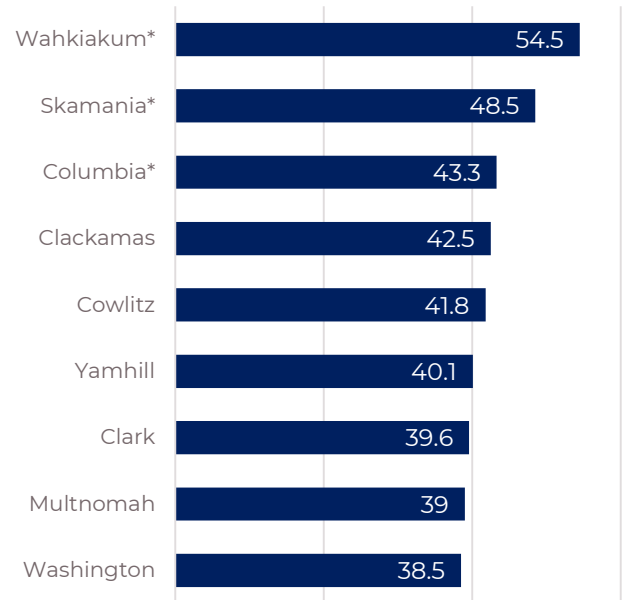
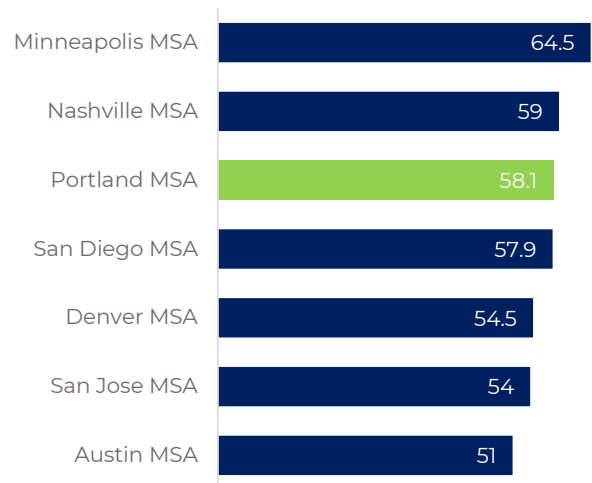


FIGURE 8: AGE DEPENDANCY RATIO, 2024

Source: US Census, American Community Survey, Table S0101, 1-year estimate



The regional talent engine consists of two interconnected systems: migration and immigration, which bring new workers into the labor force, and education and training, which develop the skills of current and future workers. While migration will continue to play an important role in addressing workforce needs, it is no longer sufficient to offset slower population growth and an aging workforce. Consequently, the Greater Portland Region's long-standing talent advantage is becoming less certain. Meeting future employer demand will require greater reliance on the region's education and workforce development systems to cultivate talent, strengthen career pathways, and ensure residents can access the training, credentials, and support services needed to succeed in a changing labor market.

Migration & Immigration

The second driver of population change is domestic and international migration. For decades, the Greater Portland region benefited from a steady influx of new residents, many of whom were younger and more highly educated than the existing population. (Figure 9) That pattern has shifted in recent years, with the number of college-educated adults leaving the region now exceeding the number arriving.

Since 2020, the Portland MSA has experienced significant net domestic out-migration. Between April 2020 and July 2024, the region lost approximately 90,000 residents through domestic migration, meaning substantially more U.S. residents moved out of the area than moved in. Importantly, this figure represents net migration, or the difference between in-movers and out-movers, rather than the total number of residents who left the region.

FIGURE 9: IN-MIGRATION BY EDUCATIONAL ATTAINMENT, PORTLAND MSA, 2020-2024

Source: US Census, American Community Survey, Table S0107

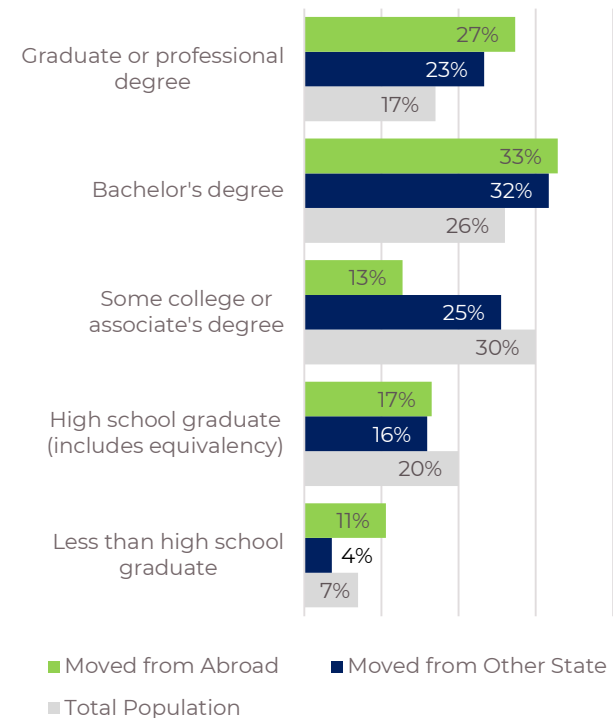
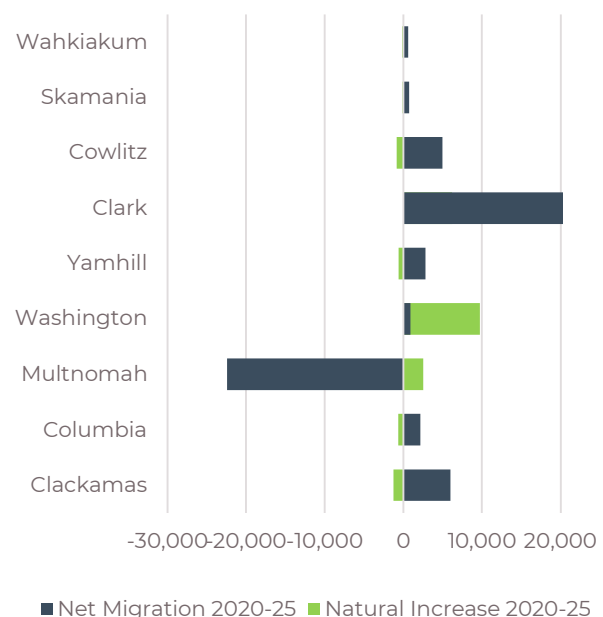


FIGURE 10: COMPONENTS OF POPULATION CHANGE, 2020-2025

Source: Oregon Population Research Center, Washington Office of Financial Management



Population growth in the Greater Portland Region is increasingly concentrated outside its historic center. Between 2010 and 2030, Multnomah County's share of the regional population is projected to decline from 32% to 27%, while Washington County's share rises from 23% to 24% and Clark County's increases from 18% to 21%, adding nearly 158,000 residents.

This shift has implications for transportation systems, housing demand, school enrollment, workforce availability, and public infrastructure, requiring regional investments and services to adapt to a population that is increasingly dispersed across the metropolitan area.

Education & Training

As migration contributes less to workforce growth, retaining existing residents becomes increasingly important. This includes retaining young adults, college graduates, and workers who may otherwise leave the region due to housing costs, childcare costs, or limited career opportunities.

In 2025, 23,400 people earned degrees from public and private not-for profit colleges and universities in the Greater Portland Region. This represents a 22% decrease from five years earlier. The majority earned degrees from public schools (72%). Only one public school, Clackamas Community College, did not experience a decrease in the number of graduates. (Figure 12)

The decrease cannot be explained by a decrease in population. Between 2020 and 2025, the population ages 15-24 years did decrease in the Greater Portland Region, but by less than 1%.

Of the freshman enrolled in these institutions in 2024, 92% (9,536) were in-state and 8% (790) were out of state. Bachelor's degrees accounted for the

FIGURE 11: SHARE OF THE REGIONAL POPULATION BY COUNTY, 2010-2030

Source: US Census, Oregon Population Research Center, Washington Office of Financial Management

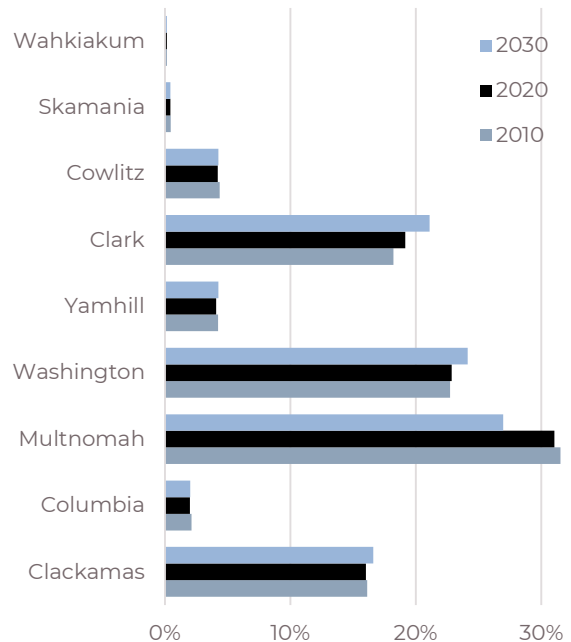
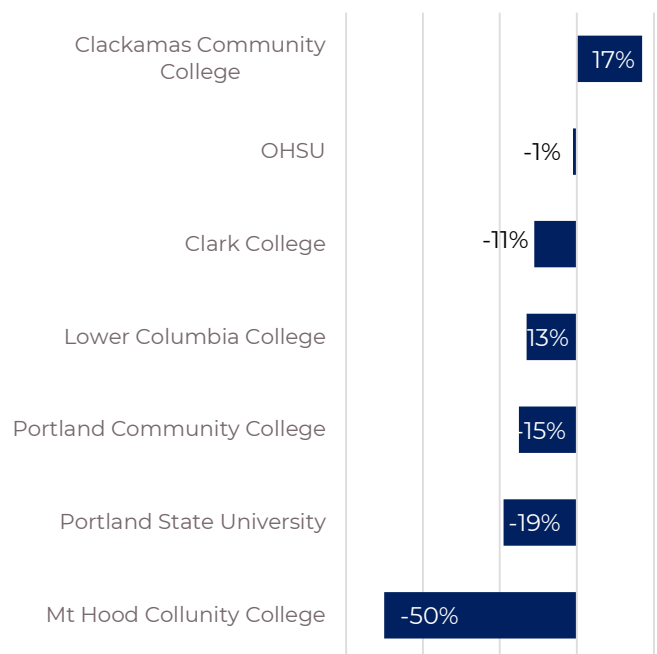


FIGURE 12: CHANGE IN GRADUATES, 2019-2024

Source: Lightcast



largest share of postsecondary awards (36%), followed by associate's degrees (28%) and graduate degrees (21%). (Figure 13)

Among bachelor's degree recipients, the most common fields of study were Health Professions and Related Clinical Sciences (1,402 degrees), Business, Management, Marketing, and Related Support Services (1,104), Social Sciences (691), and Psychology (420).

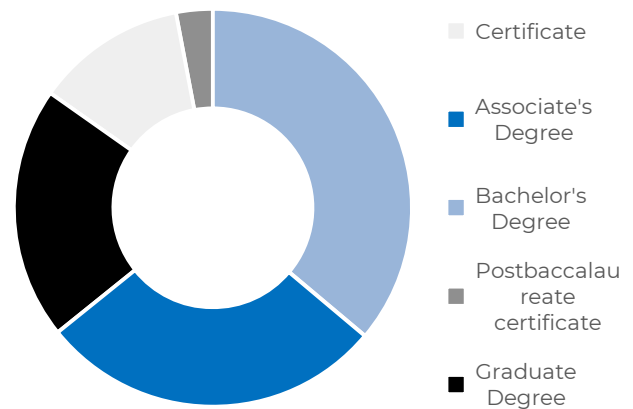
Liberal Arts and Sciences, General Studies, and Humanities accounted for 61% of all associate's degrees awarded (3,816 degrees), making it the largest associate degree field. Health Professions and Related Clinical Sciences ranked second with 691 associate's degrees. The same field was also the largest certificate category, with 539 certificates awarded.

An additional 1,598 students earned degrees or certificates from the region's ten private for-profit institutions. Among the 18 training programs offered, Health Professions and Related Clinical Services accounted for the majority of completions (956), followed by Personal and Culinary Services (601) and Agriculture, Agriculture Operations, and Related Services (41).

Eight of the 18 occupations associated with these programs offer median hourly wages above the regional median wage of \$26.89. Employment has grown over the past five years in all but two of the occupations: Hair Stylist/Stylist and Hair Design and Cosmetology, and Barber/Styling and Nail Instruction.

FIGURE 13: DEGREES AWARDED, GREATER PORTLAND REGION, 2025

Source: Lightcast



Note: While apprenticeships are a vital part of the regional training system, this report does not include apprenticeship completion data because the necessary data were not available from the Oregon Bureau of Labor and Industries.

The Oregon Employment Department conducts an annual survey on *Difficult to Fill* jobs. The survey of private employers is designed to identify employer vacancies and the characteristics of the vacancies that are most difficult to fill. In 2025, the survey found 49% of vacancies in Portland Metro and 46% of vacancies in Clackamas were difficult to fill.

In Portland Metro, 40% of difficult to fill jobs had an occupational median wage below \$25.50/hr. In Clackamas, 24% of difficult to fill jobs had an occupational median wage below \$25.50/hr.

Employer hiring challenges suggest these demographic and educational trends are already affecting the labor market. In 2025, nearly half of all vacancies in Portland Metro (49%) and Clackamas County (46%) were reported as difficult to fill.

The prevalence of difficult-to-fill jobs indicates that employers are facing talent shortages across a range of occupations. Without stronger talent development and retention strategies, these challenges may intensify as population growth slows and workforce retirements increase.

Historically, population growth and migration expanded the region's talent pool and helped employers meet workforce needs. That advantage is becoming less certain. Slower population growth sustained domestic out-migration, an aging workforce, and declining postsecondary completions point to a future in which talent development and retention play a larger role in economic competitiveness. The region's ability to meet future workforce demand will depend increasingly on how effectively it develops existing talent, connects residents to education and training opportunities, and helps workers progress into quality careers.

TABLE 1: CHARACTERISTICS OF PRIVATE JOB VACANCIES, 2025

Source: Oregon Employment Department, *Job Vacancy of Private Employers*

	Portland Metro	Clackamas
Vacancies	9,546	2,588
Average Hourly Wage	\$31.98	\$31.68
% Full-time Positions	88%	85%
% Permanent Positions	97%	98%
% Requiring Education Beyond High School	49%	46%
% Requiring Previous Experience	85%	81%
% Difficult to Fill	100%	100%

FIGURE 14: DIFFICULT TO FILL JOBS, BY EDUCATIONAL REQUIREMENT, 2025

Source: Oregon Employment Department, *Job Vacancy of Private Employers*

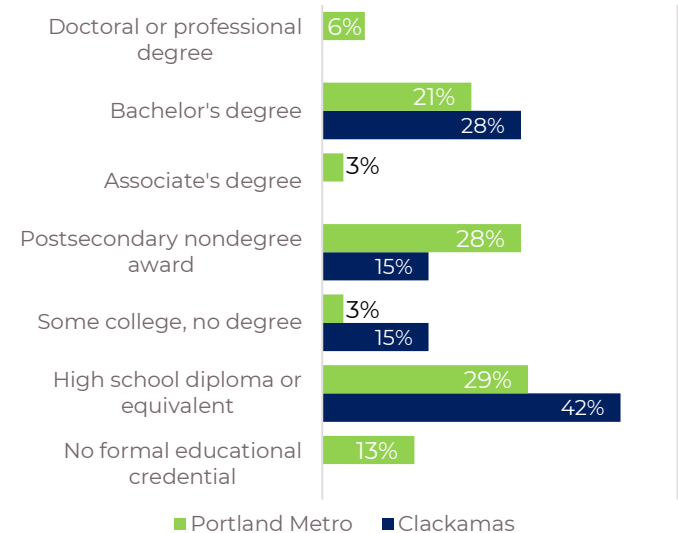
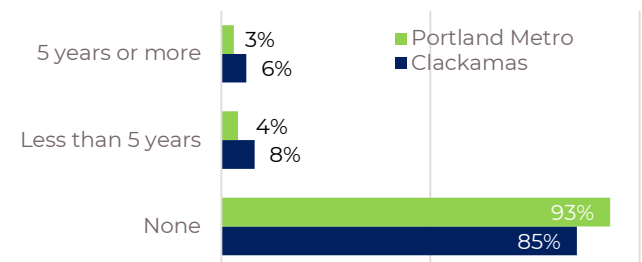


FIGURE 15: DIFFICULT TO FILL JOBS, BY TRAINING REQUIRED, 2025

Source: Oregon Employment Department, *Job Vacancy of Private Employers*



Affordability

Housing, childcare, transportation, and other living costs play a growing role in workforce availability. As costs rise, workers may choose to relocate to more affordable areas, decline job opportunities, reduce their labor force participation, or leave a region altogether. For employers, these pressures can make it more difficult to attract and retain talent, making affordability not only a quality-of-life issue but also a critical factor in the strength and sustainability of the regional workforce.

Families in the Greater Portland Region are experiencing financial strain due to rising costs of basic needs. Since the first calculation of the Self-Sufficiency Standard for Oregon in 2008, the Standard for a family of two adults, one preschooler, and one school-age child increased by an average of 122%, or 8% annually for 16 years. In the Greater Portland Region, this rate varies widely by county, spanning from 98% to 185%. (Figure 16)

The Portland region isn't alone. Between January 2020 and June 2026, the Consumer Price Index for the Western Region increased for every major category. Fuel and utilities had the largest increase (46%) followed by transportation (42%) and food at home (35%). The average increase for all items was 29%. (Figure 17)

Region specific issues in the Greater Portland Region are compounding the affordability crisis. Across the Western Region, housing costs increased 30%. In the Portland MSA during the same period, housing costs increased 38%. (Figure 18)

FIGURE 16: PERCENTAGE CHANGE IN THE SELF-SUFFICIENCY STANDARD, 2008-2024

Source: *Oregon 2024 Self-Sufficiency Standard, The Center for Women's Welfare, Washington State University*

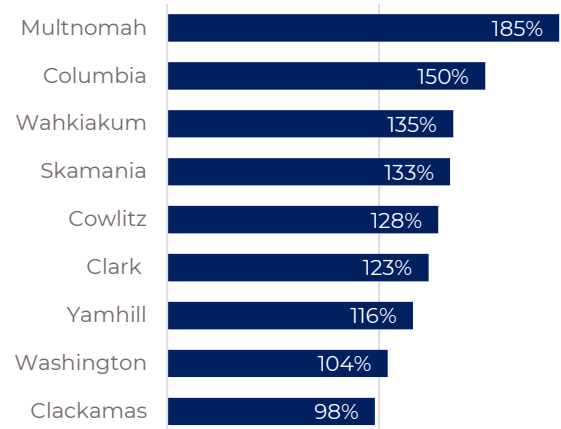


FIGURE 17: CONSUMER PRICE INDEX, WESTERN REGION, January 2020- June 2026

Source: *Bureau of Labor Statistics*

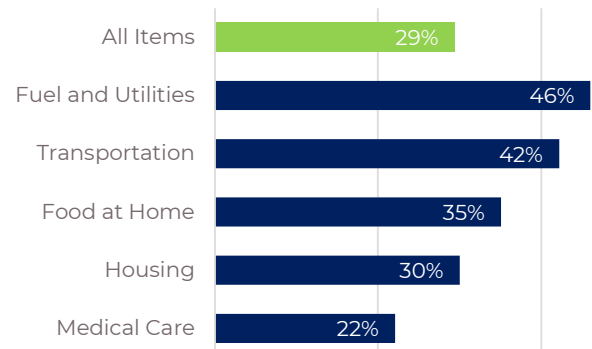
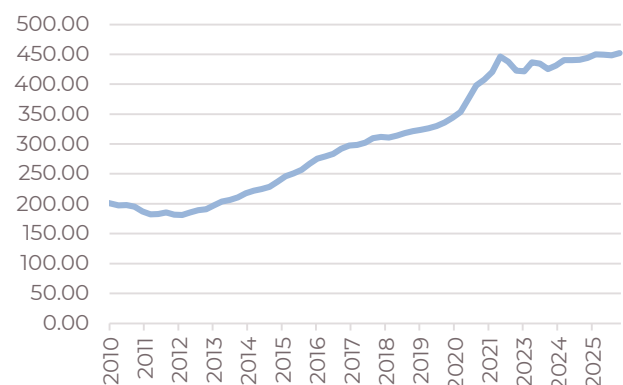


FIGURE 18: ALL TRANSACTIONS HOUSE PRICE INDEX, PORTLAND MSA, 2000-2025

Source: *US Federal Housing Agency*



Childcare represents a significant expense for families across the region, particularly for those with young children. Center-based care is consistently more expensive than home-based care, with infant care accounting for between 13.9% and 19.3% of median family income. Costs decline as children age, but even preschool and school-age care require a meaningful share of household earnings. Across nearly every category, families in Multnomah County face the highest childcare cost burden, while Clark County generally has the lowest. Overall, the data highlights the substantial financial commitment childcare requires and its potential influence on family finances and workforce participation. (Table 2)

Multnomah County's Preschool for All Program has significantly reduced costs for many families across the county. The publicly funded program frames childcare as a public good and shifts the burden of childcare from individual families to the public.

Compared with peer regions, the Portland MSA has the highest childcare cost burden relative to family income. In the most populous county within each metro area, center-based toddler care costs equal 18% of median family income in the Portland MSA, exceeding Denver (17.8%), Minneapolis (14.3%), San Diego (12.5%), San Jose (11.1%), Austin (9.3%), and Nashville (8.3%). While childcare affordability is a challenge across all regions, families in the Portland MSA devote a substantially larger share of their income to center-based childcare than families in most peer metros. This suggests that childcare costs may pose a greater barrier to workforce participation and family economic stability in the Portland MSA than in many comparable metropolitan areas. (Figure 19)

TABLE 2: CHILDCARE AS A SHARE OF MEDIAN FAMILY INCOME

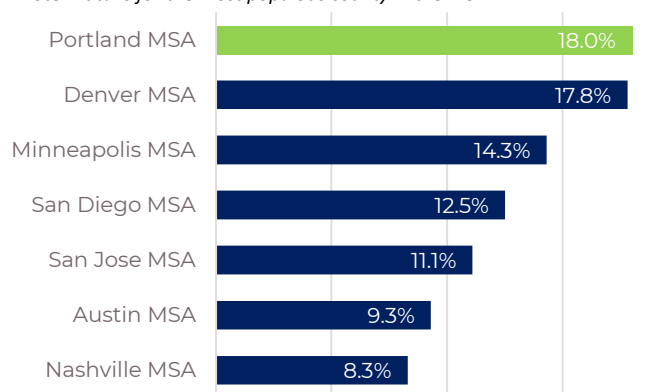
Source: US Department of Labor

		Clark	Clackamas	Multnomah	Washington
Infant	Center	13.9%	16.3%	19.3%	16.8%
	Home	12.3%	10.4%	11.9%	10.6%
Toddler	Center	12.5%	15.0%	18.0%	15.6%
	Home	10.3%	9.4%	10.5%	9.5%
Preschool	Center	12.5%	11.8%	14.1%	12.2%
	Home	10.3%	8.9%	9.9%	8.9%
School-Age	Center	9.6%	4.3%	5.3%	4.6%
	Home	9.5%	7.6%	8.2%	7.5%

FIGURE 19: CENTER BASED TODDLER CARE AS A SHARE OF MEDIAN FAMILY INCOME

Source: US Department of Labor

Note: Data is for the most populous county in the MSA



Just four of the of the region's ten largest occupations in the Greater Portland Region pay Self-Sufficiency wages for a family of two adults, one preschooler, and one school-aged child in Multnomah County. The Self-Sufficiency Standard assumes all adults in a household work, so both adults would need to earn the identified wage (in this case \$31.86/hr.). In total, less than half of jobs in the region pay a median wage of \$31.86 or higher. Thirty percent of jobs did not pay a median wage that would enable a single adult to make ends meet.

Compared with peer regions, the Portland MSA ranked third highest on the Cost-of-Living Index, behind only the San Jose and San Diego MSAs. Despite its relatively high cost of living, Portland had the second-lowest median household income among its peer regions. Only the Nashville MSA reported a lower median household income, and Nashville's cost of living was substantially lower than Portland's. (Table x)

This disparity suggests that households in the Portland region face greater affordability challenges, as local incomes do not keep pace with the region's relatively high cost of living.

The data suggests that affordability has become a defining challenge for the Greater Portland Region's workforce. Compared with many peer regions, households face higher living costs without the income levels needed to offset those expenses. As a result, affordability pressures may influence where people choose to live and work, whether parents can participate fully in the labor force, and the region's ability to attract and retain the talent employers need. In this way, affordability is increasingly intertwined with the region's economic vitality and long-term workforce competitiveness.

FIGURE 20: WAGES V SELF-SUFFICIENCY STANDARD, 2025

Source: Oregon 2024 Self-Sufficiency Standard

Note: Median hourly wages of the ten occupations employing the greatest number of workers in the Greater Portland Region, compared to the Self-Sufficiency Standard (\$31.86) Two adults, preschooler, and school-aged: Multnomah County, Orin 2025 dollars

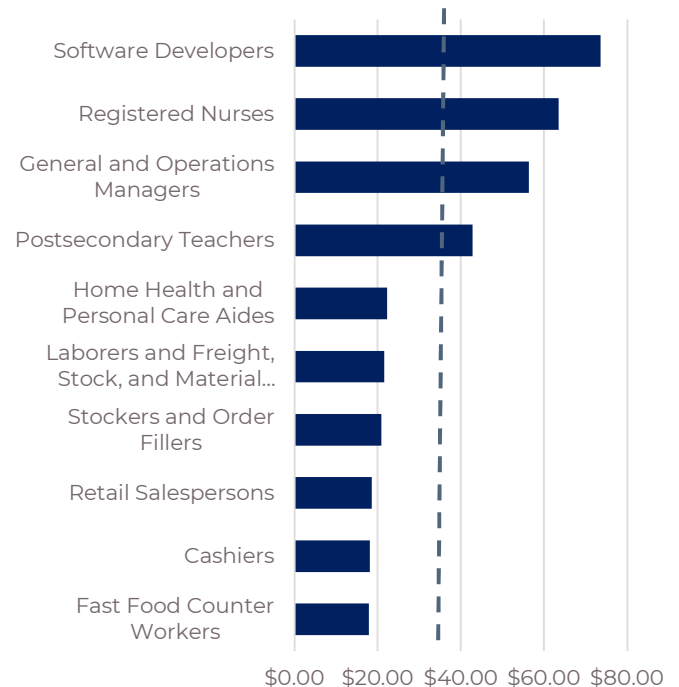


TABLE 3: COST OF LIVING INDEX AND MEDIAN HOUSEHOLD INCOME, PEER REGIONS

Source: Lightcast

Note: The Cost of Living Index (COLI) comes annually from C2ER and provides a baseline for understanding how regional costs of living compare to the nation and to each other. The index is comprised of six major categories: grocery items, housing, utilities, transportation, health care, and miscellaneous goods and services.

	COL Index	Median Household Income (2024)
San Jose MSA	145.8	\$162,111
San Diego MSA	142.7	\$106,268
Portland MSA	120.1	\$97,436
Denver MSA	115.0	\$105,762
Minneapolis MSA	103.7	\$99,833
Austin MSA	97.1	\$100,431
Nashville MSA	96.1	\$85,447

Mounting Workforce Pressures

Several indicators suggest the labor supply is becoming more constrained. Labor force participation lags peer regions, unemployment remains higher than many competing markets, and 24% of workers are approaching retirement age. As population aging accelerates and migration slows, employers may face increasing difficulty finding and retaining the talent needed to support growth.

In 2025, the Greater Portland region's 2.6 million residents included approximately 1.4 million people in the civilian labor force, of whom 1.35 million were employed. (Figure 21)

The labor force participation rate (LFPR), which measures the share of the civilian non-institutionalized population that is either working or actively seeking work, was 65.1%. This exceeded the LFPRs of the United States (61.8%), Oregon (62.9%), and Washington (62.1%).

A high labor force participation rate indicates that a larger share of residents are engaged in the labor market, expanding the available workforce and helping employers fill positions. Higher participation can also boost household incomes, increase consumer spending, and broaden the tax base that supports public services and infrastructure.

While labor force participation remained relatively strong, other indicators suggest a softening labor market. Over the past year, the Portland MSA's unemployment rate has gradually increased, reaching 5.0% in June 2026, the most recent month for which data are available. During the same period, Oregon's unemployment rate rose relative to peer states, moving from the middle of the distribution to among the highest.

FIGURE 21: LABOR FORCE BREAKDOWN, GREATER PORTLAND REGION, JUNE 2026

Source: Lightcast

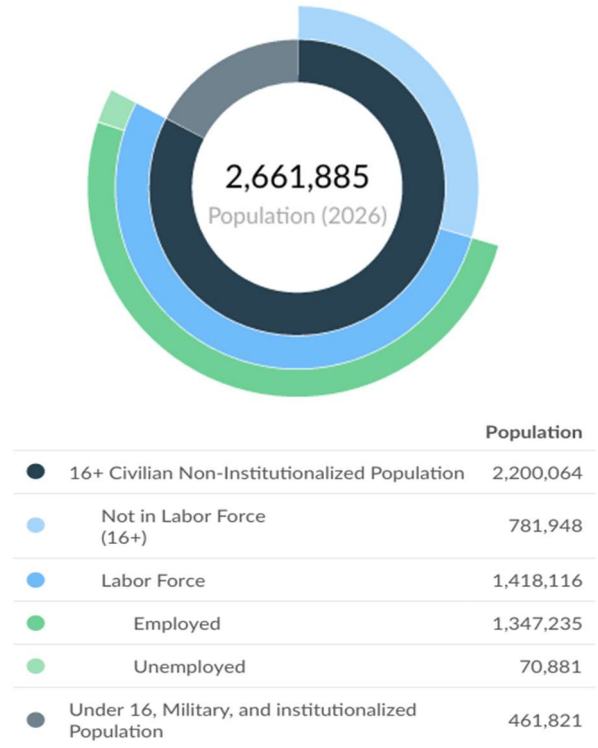
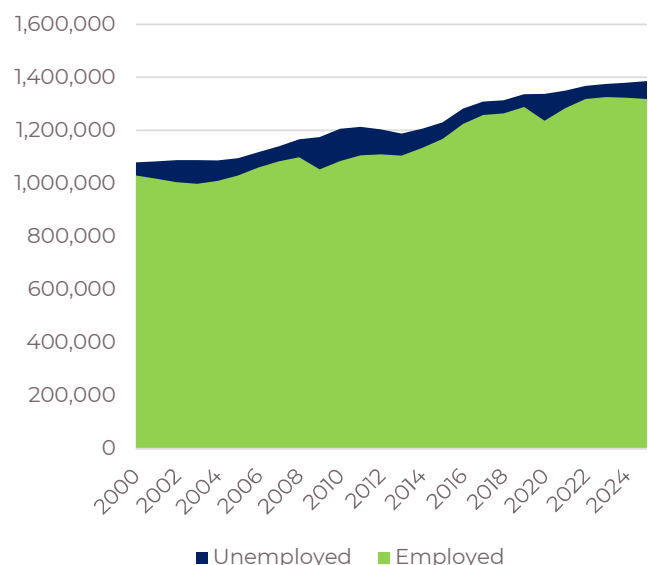


FIGURE 22: LABOR FORCE BY EMPLOYMENT STATUS, PORTLAND MSA, 2000-2025

Source: Oregon Employment Center



Despite outperforming both Oregon and Washington, Portland's LFPR trailed that of four peer regions as of June 2026.

The Portland MSA has a lower labor force participation rate than its peer regions, along with a higher unemployment rate. In June 2026, 5% of Portland-area labor force participants were unemployed. This was more than half a point higher than the MSA with the next highest rates, Minneapolis and San Diego. The Nashville MSA reported the lowest unemployment rate, just 3.2%.

Together, the lower LFPR and higher unemployment rate indicate that there are more people either choosing not to participate in the labor force or unable to secure employment despite actively seeking work. As a result, a larger share of the region's potential workforce remains underutilized compared to its peer regions.

Nearly a quarter of the labor force is age 55 or older, underscoring the continued aging of the region's workforce. As this large cohort approaches retirement, employers may face increasing challenges related to worker replacement, knowledge transfer, and succession planning. Retirements are expected to create openings across a wide range of occupations, particularly in industries that already struggle to attract and retain talent. While these workforce exits may provide opportunities for younger workers and new labor market entrants, they also underscore the importance of developing a strong talent pipeline. Expanding labor force participation, attracting and retaining workers, and investing in education and training will be critical to ensuring that employers can meet their future workforce needs.

FIGURE 23: LABOR FORCE PARTICIPATION RATE, June 2026

Source: Lightcast

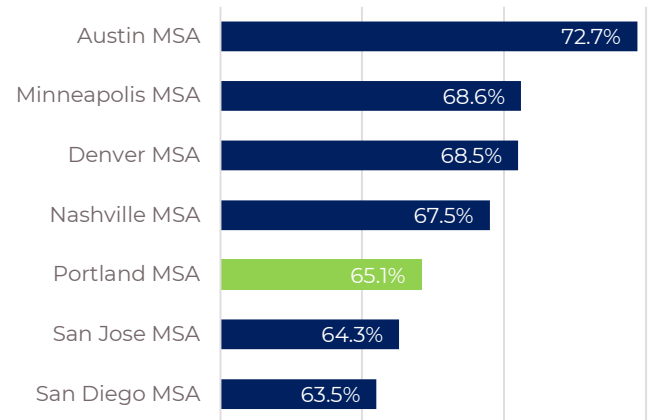


FIGURE 24: UNEMPLOYMENT RATE, June 2026

Source: Lightcast

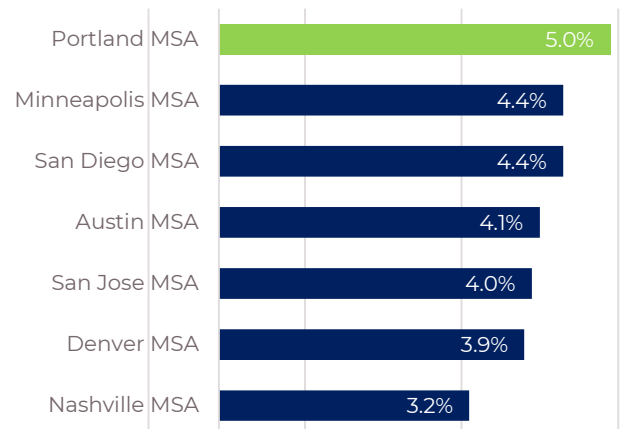
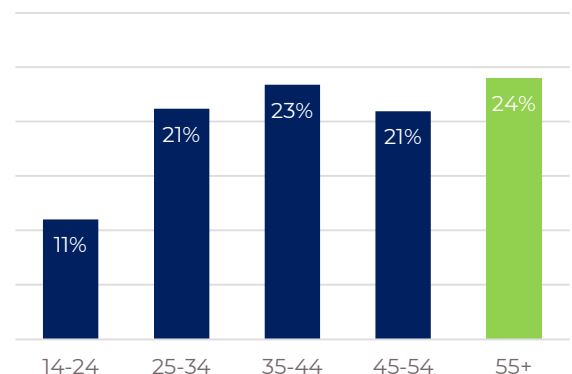


FIGURE 25: WORKFORCE BY AGE, 2025

Source: Lightcast



Rapid Technological Change

Emerging technologies, including AI, are beginning to reshape how work is performed across the economy. The effects vary by occupation, and in most cases, AI is expected to transform jobs rather than eliminate them entirely. While automation may slow employment growth in some occupations by taking over certain tasks, many roles will evolve to require new skills and competencies. As a result, the challenge is less about replacing workers and more about helping them adapt to changing job requirements and emerging opportunities. Workforce adaptability and continuous skill development are becoming increasingly important as AI adoption accelerates.

AI's impact is unlikely to be uniform across the region's target sectors. Instead, occupations generally fall into three categories: jobs that may lose tasks to AI, jobs that will be augmented by AI but remain essential, and jobs that may gain employment share as AI accelerates demand in areas such as clean energy and advanced technologies. AI is particularly effective at performing routine administrative, clerical, analytical, and documentation-related tasks. Scheduling, invoice processing, report preparation, records management, coding, transcription, project document, and contract administration are increasingly being automated or supported by AI tools. As organizations become more efficient, employment growth may slow in some office-based support occupations because fewer workers will be needed to complete the same volume of work.

Many occupations central to the region's target sectors, however, are expected to remain highly dependent on human skills and may become more productive through AI-assisted work. In healthcare and social assistance, direct-care occupations such as registered nurses, nursing assistants, therapists, home health aides, EMTs,

FIGURE 26: EXAMPLES OF HOW AI MAY AFFECT DIFFERENT TYPES OF WORK



and peer support workers rely on interpersonal interaction, judgment, and hands-on care that AI cannot easily replicate. Similarly, skilled trade workers in construction, manufacturing, and clean energy occupations perform installation, maintenance, troubleshooting, and other field-based tasks that remain difficult to automate. In these roles, AI is more likely to enhance decision-making, planning, training, and productivity than replace workers outright.

Some occupations may even grow in importance as AI helps accelerate the development and deployment of clean energy technologies and other emerging industries. Demand is likely to increase for workers who can build, install, operate, and maintain the systems that support these advancements. Taken together, these trends highlight the need for strong talent pipelines, reskilling opportunities, and incumbent worker training programs that help workers adapt to technological change while ensuring employers can meet ongoing labor demand.

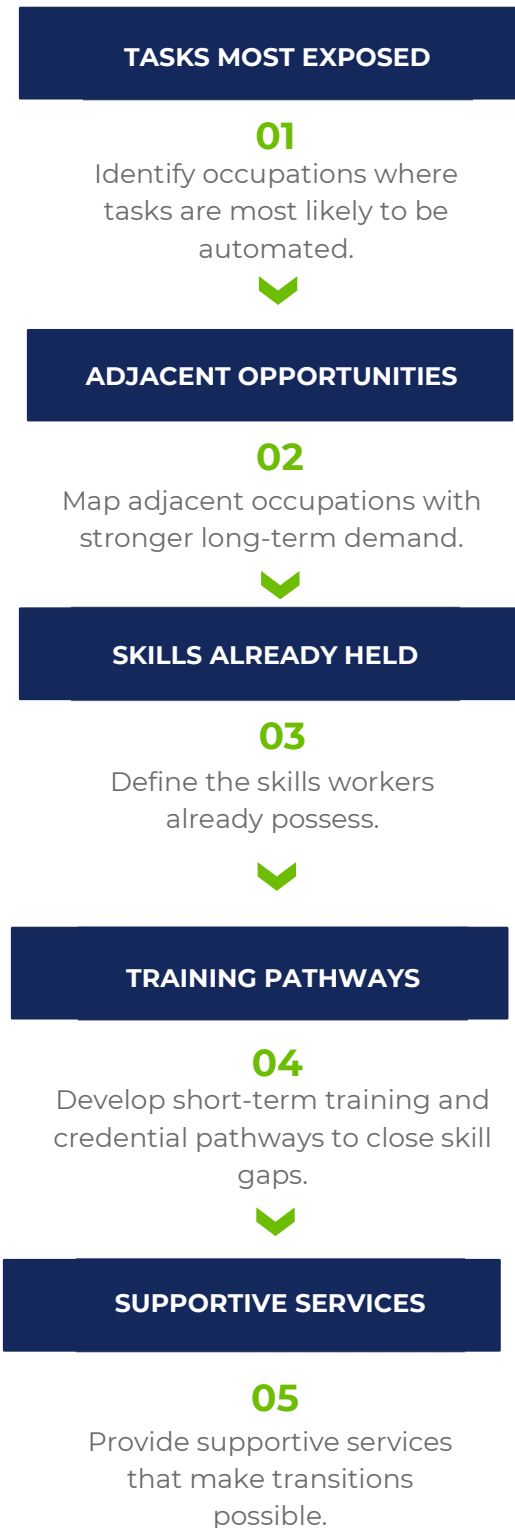
FIGURE 27: WHERE WORKERS IN AT-RISK OCCUPATIONS CAN GO NEXT

Transferable skills point toward adjacent roles. Examples are illustrative, not predictions for any individual worker

AT-RISK OCCUPATION	TRANSFERABLE SKILLS	POTENTIAL PATHWAY
Administrative Assistant	Communication, scheduling, organization	HR specialist, project coordinator, office manager
Bookkeeper	Financial records, compliance, analysis	Financial analyst, accounting technician, payroll manager
Customer Service Representative	Problem solving, relationship management	Sales, account management, workforce services, healthcare navigation
Data Entry Clerk	Data quality, information management	Business operations, data technician, compliance support

Workers in at-risk occupations already have valuable skills and experience. The challenge is making those skills visible and connecting them to jobs with stronger long-term demand. A pathway approach identifies what workers already know, pinpoints the gaps between their current role and the next opportunity, and provides focused training and supportive services to help them make that transition. The aim is not to replace an entire career, but to create a realistic next step.

FIGURE 28: A PATHWAY APPROACH TO WORKFORCE TRANSITIONS
Five steps that move workers from at-risk occupations into roles with stronger long-term demand.



1. The region can no longer rely on population growth to meet workforce needs.

For much of its history, the Greater Portland Region benefited from steady population growth that helped expand the labor force and support economic growth. That dynamic is changing. Slower population growth, declining birth rates, a shrinking youth population, and an aging workforce are reducing the pace at which new workers enter the labor market. At the same time, the region is experiencing net domestic out-migration and increasing competition for talent from faster-growing metropolitan areas.

In this environment, future workforce growth cannot be assumed. Employers, educators, and workforce partners will need to place greater emphasis on increasing labor force participation, retaining existing workers, and developing talent already living in the region. Long-term economic prosperity will depend less on the size of the population and more on how effectively the region engages and develops its available workforce.

2. Retaining and activating talent is becoming as important as attracting talent.

For decades, migration helped strengthen the region's talent pool by bringing in new residents, many of whom were highly educated and in their prime working years. Recent patterns suggest that this advantage is weakening. Domestic out-migration, slower population growth, and declines in post-secondary completions indicate that fewer workers may be available to replace retirees and meet future employer demand.

As a result, workforce strategies must increasingly focus on retaining existing residents and helping more people participate fully in the labor market.

This includes supporting youth transitions into careers, helping unemployed and underemployed workers connect to quality jobs, reducing barriers to participation, and creating opportunities for incumbent workers to advance. A strong workforce pipeline will depend not only on attracting talent from elsewhere but also on ensuring residents can build successful careers within the region.

3. Housing and affordability are increasingly workforce challenges.

Affordability has become a critical factor influencing workforce availability and economic competitiveness. Housing, childcare, transportation, and other basic expenses have risen faster than many household incomes, placing growing financial pressure on workers and families. Compared with many peer regions, Portland households face high living costs that are not matched by incomes sufficient to offset them.

These pressures can affect where people choose to live and work, whether parents can participate fully in the labor force, and the region's ability to attract and retain talent. Addressing affordability is therefore more than a quality-of-life concern; it is increasingly a workforce development strategy. Expanding access to affordable housing, childcare, and other support may be necessary to sustain labor force participation and ensure employers have access to the workers they need.

4. AI is accelerating the need for reskilling and lifelong learning.

Artificial intelligence is changing how work is performed across a growing number of occupations.

While many jobs are unlikely to disappear entirely, job tasks and skill requirements are expected to evolve.

Workers in administrative, analytical, and other information-based occupations may experience the greatest disruption, while occupations requiring interpersonal interaction, complex judgment, and hands-on work are more likely to be augmented by technology than replaced by it.

This shift increases the importance of continuous learning throughout a worker's career. Workforce, education, and training systems will need to help workers adapt to changing technologies, acquire new skills, and transition into emerging opportunities. Reskilling and upskilling will become increasingly important not only for individual career success but also for maintaining business competitiveness and regional economic resilience.

5. Stronger alignment among employers, education, workforce partners, and policymakers will be necessary.

The challenges outlined in this report are interconnected. Demographic change, affordability

pressures, workforce shortages, technological disruption, and economic uncertainty cannot be addressed by any single organization or sector acting alone. Coordinated action will be required to ensure that workforce investments, education and training programs, economic development strategies, and public policies are working toward shared goals.

Greater alignment can help strengthen talent pipelines, improve access to career pathways, respond more effectively to employer demand, and support workers through periods of transition. As workforce growth slows and labor market conditions become more complex, collaboration among employers, educational institutions, workforce organizations, and policymakers will become increasingly important to sustain regional prosperity and competitiveness.

FIGURE 29: WORKFORCE GROWTH WILL REQUIRE A NEW PLAYBOOK





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