



# REGIONAL COMPETITIVE INDUSTRIES

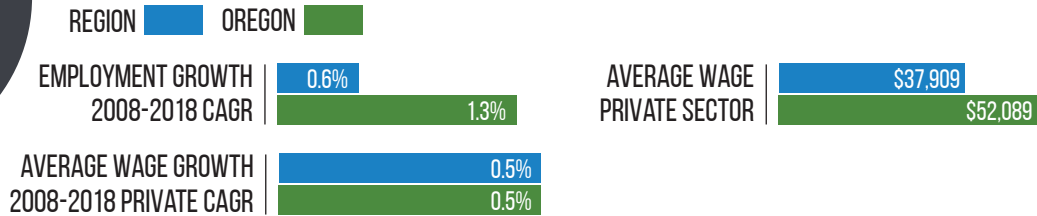
## Gilliam, Grant, Harney, Malheur, Morrow, Umatilla and Wheeler Counties

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### PRIVATE SECTOR: EMPLOYMENT GROWTH, AVERAGE WAGE & AVERAGE WAGE GROWTH

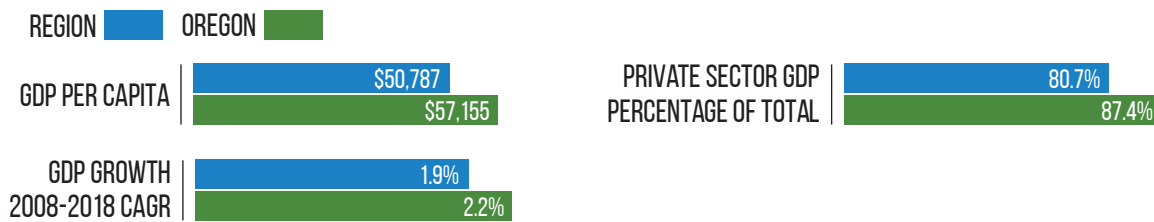
Manufacturing is more important to the region's economy than perhaps anywhere else in the state.

Private sector employment growth in the region was an annualized 0.6 percent between 2008 and 2018, half as strong as the statewide average. The average wage in 2018, \$37,909, was 27 percent lower than the state. Average wage growth was essentially the same as the statewide average at 0.5 percent.



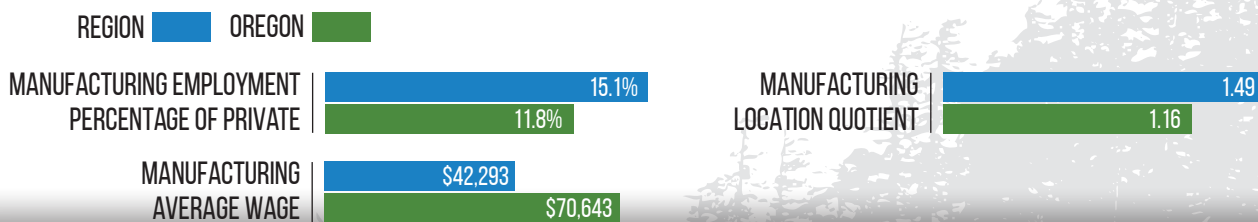
### GDP: GROSS DOMESTIC PRODUCT

Private sector GDP in the region was the third lowest amongst regions at 80.7 percent of total GDP, and lower than the statewide average of 87.4 percent. GDP per capita in the region, though, is relatively high compared to other rural regions at \$50,787. GDP growth has also been close to the statewide average at 1.9 percent.



### MANUFACTURING

Manufacturing is very important to the region's economy and its competitive advantages, with 15.1 percent of total private sector employment and a location quotient of 1.49, both the highest amongst Oregon's regions. Per its high location quotient, manufacturing in the region is 49 percent larger than average in the U.S. Manufacturing's average wage was \$42,293 in 2018, much lower than the industry average of \$70,643, but higher than the region's private sector average wage.



Source: Business Oregon with data from U.S. Bureau of Economic Analysis, Bureau of Labor Statistics, U.S. Census Bureau, and Oregon Employment Department

Figure 1

## MOST COMPETITIVE TRADED SECTOR INDUSTRIES

2018 Private Sector Employment

Location Quotient = Employment Concentration in Region Relative to U.S. Average  
 LQ of 1.0 = Same Size as U.S., LQ of 2.0 = Twice as Large as U.S., etc.

Industry	Employment	Location Quotient	Average Wage
<b>Agriculture, Food, &amp; Beverages</b>			
Fruit and vegetable preserving and specialty	3,351	56.93	\$43,524
Other crop farming	788	36.55	\$36,852
Vegetable and melon farming	931	29.35	\$41,236
Support activities for crop production	2,400	20.69	\$30,906
Cattle ranching and farming	951	17.49	\$39,756
Oilseed and grain farming	297	15.77	\$38,283
Fruit and tree nut farming	630	9.98	\$23,688
Other animal production	68	9.98	\$40,007
Other food manufacturing	574	7.46	\$39,714
Dairy product manufacturing	209	4.15	\$50,401
Misc. nondurable goods merchant wholesalers	368	3.27	\$59,931
Alcoholic beverage merchant wholesalers	115	1.67	\$48,971
<b>Wholesale Trade &amp; Warehousing</b>			
Warehousing and storage	1,086	2.78	\$41,477
Machinery and supply merchant wholesalers	350	1.46	\$47,675
Petroleum merchant wholesalers	48	1.37	\$62,111
Motor vehicle and parts merchant wholesalers	153	1.27	\$47,958
<b>Forestry &amp; Wood Products</b>			
Support activities for forestry	88	14.28	\$42,150
Logging	169	10.10	\$43,854
Sawmills	285	9.01	\$47,969
Other wood product manufacturing	196	2.47	\$43,907
<b>Travel Trailers &amp; Campers</b>			
Motor vehicle body and trailer manufacturing	669	11.82	\$39,303
<b>Data Centers</b>			
Data processing, hosting and related services	256	2.24	\$203,867
<b>Mining</b>			
Nonmetallic mineral mining and quarrying	167	5.02	\$50,876

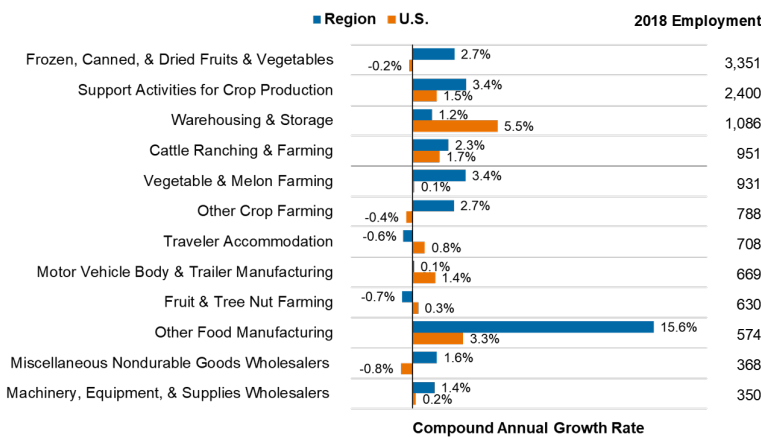
Source: Business Oregon, with data from U.S. Bureau of Labor Statistics, U.S. Census Bureau, and Oregon Employment Department

Agriculture, food, and beverages is the largest and most important competitive traded sector industry group in the region (Figure 1). Other competitive traded sector industry groups include wholesale trade and warehousing, forestry and wood products, travel trailers and campers, data centers, and mining. Location quotients, a measure of industry concentration, help reveal competitive industries in the region. The most competitive industry is frozen, canned, and dried fruits and vegetables, with a location quotient of 56.93. Other crop farming (sugar beets), vegetable and melon farming, and support activities for crop production are other highly competitive industries. Data centers have the highest average wage amongst competitive industries in the region.

Agriculture, food, and beverage – the region’s largest, most competitive industry group – has added jobs and become more competitive over the past ten years.

Figure 2

## EMPLOYMENT CHANGE OF LARGEST TRADED SECTOR INDUSTRIES, 2008-2018



Source: Business Oregon, with data from U.S. Bureau of Labor Statistics, U.S. Census Bureau, and Oregon Employment Department

Generally, the region has done a good job of growing its largest traded sector industries and increasing competitiveness over the past ten years. One way to measure gains and losses in competitiveness is to compare regional industry trends to national industry trends (Figure 2). From this perspective, the region’s largest traded sector industry, frozen, canned, and dried fruits and vegetables, added jobs at a rate of 2.7 percent per year, while the industry lost jobs nationally, leading to a big increase in competitiveness. Other large traded sector industries in agriculture, food, and beverage fared similarly, adding jobs and boosting competitiveness. Warehousing and storage, despite adding jobs between 2008 and 2018, grew slower than the industry nationally and lost competitiveness.