

# AOI BUSINESS VIEWPOINT

Q1 2010 / Workforce

## MANAGING HUMAN CAPITAL

Seven critical human resources issues that challenge many Oregon employers.

Page 8

### AOI 2010 QUARTERLY REPORT

Where were the jobs bills?  
Page 12

### A WORKING PERSPECTIVE

Three economist's thoughts on 2010  
Page 17

### Oregon Freeze Dry, Inc

As president, Dr. Herbert Aschkenasy, takes pride in knowing and interacting with company employees. "Experienced workers are very valuable," he says.  
Page 8



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### Alec Miller

Senior economist and chief of operations at REMI-Northwest, an economic consulting firm based in Medford.

**Quote:** “We’re really not going to get going again until next year.”

**Perspective:** To get a look at what’s going on —

and what will be going on — in southern Oregon, it helps to look even farther south, into California, according to Miller.

“What really drives the economy down here is what happens in California,” he says. “And because of the economy, people are delaying retirements down there and not moving to Medford anymore. But they will again, it’s just not happening right now.”

Some of the larger employers, including Harry and David, the popular fruit basket company that employs more than 1,000 full-time workers, have yet to begin hiring anew, but Miller says he’s heard “rumblings.”

“We’ve heard only just the very beginnings of it,” he says.

Also in Miller’s region of the state, purveyors of gift and lifestyle items, particularly those who deal on the Internet, have been slowed by the economy, but not entirely derailed by it, he says.

“Those types of products, which are considered luxury goods of all kinds are on hold right now,” Miller says. “But we’ve been lucky. We haven’t seen any huge collapses, which is a good thing.”

In the realm of capital investments, Miller says activity has been picking up. That, he says, is a good sign that more hiring may be in store for the later quarters of this year.

“We’ve seen people either pick up projects that were delayed or begin to make new investments,” he says. “It seems like businesses are really starting to make plans for the future, whereas a year ago, they were still kind of waiting for things to happen. To me that’s usually the first sign of good things to come.”



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## *Oregon Health & Science University, doesn’t turn out enough new doctors each year to offset the number of those who retire.*

Miller himself assumes a fairly middle-of-the-road perspective on what measures 66 and 67 will have on business in the state, particularly in southern Oregon.

“I think there’s been a lot of hyperbole about them, and on both sides of the issue it’s been more ideology than analysis,” he says. “It’s clear that we can’t have the state close down, but then again we don’t want to tax ourselves too much. It’s a tough balance.”

One area that Miller believes is poised to cause some serious heartache in Oregon’s future is the health care workforce.

“I think there’s a real crisis coming,” he says, noting that the state’s only medical school, Oregon Health & Science University, doesn’t turn out enough new doctors each year to offset the number of those who retire. “That’s go-

ing to be a big problem. When we eventually bankrupt the hospitals, we’ll be sorry.”

Though some roads have been paved and at least one dam in southern Oregon is scheduled to be removed as a result of federal stimulus dollars, Miller says the effects of that money on southern Oregon’s workforce has been little more than symbolic. But until the rest of the state — and California too — turns around, that’s about all it’s likely to be.

“Aside from backfilling the state’s education budget, it’s just not something you see when you’re driving down the road,” Miller says. “At this point, the stimulus money is largely symbolic around here.”