

Economy In Brief July 2017



A Monthly Review of Workforce & Economic Information by the Research & Analysis Bureau-

Economic Summary

Nevada's record high employment streak continues in July with a seasonally-adjusted gain of 5,300 jobs, bringing total employment to over 1.34 million. The private sector added 3,900 jobs, seasonally adjusted, while the public sector gained 1,400. The seasonally-adjusted gain is a result of the state dropping only 6,100 jobs when 11,400 were expected to be lost based upon historical trends. A large portion of the expected losses were centered on local government, e.g. schools releasing for the summer.

July marks the 79th month in a row of year-over-year employment gains, with an increase of 35,700 jobs since this time last year, a growth of 2.7 percent. Nationally, employment only increased 1.5 percent year-over-year in July. Job gains in the Silver State have outpaced the nation as a whole every month over the past five years.

The largest year-to-date gains were found in professional and business services (+9,800 jobs), construction (+7,800), and leisure and hospitality (+6,900). Construction employment has increased 10.5 percent year to date through July. Information (-200) is the only sector experiencing a decline in employment over the same period last year.

Nevada was the hardest-hit state in the nation during the Great Recession, losing 185,700 jobs or 14.3 percent of employment. By con-

trast, the nation as a whole lost just 6.3 percent. Seven years into the recovery, the State is at record high employment levels, surpassing the pre-recession peak by 3.5 percent. The nation's recovery has been even stronger, with current employment 5.9 percent higher than the pre-recession peak. However, it is worth noting that the recovery began earlier in the nation than in Nevada, as the Silver State didn't bottom out until late 2010.

Last month, we examined the effects of the recovery across supersectors and found that some sectors, such as professional and business services, had far surpassed previous employment levels, while others, such as construction and manufacturing, still lagged behind. This month we look at the relationship between supersector recovery in Nevada and in the United States as a whole.

Nevada lost a larger share of employment than the nation across every supersector examined. On a broad level, the sectors that have recovered and those that have not in the Silver State are nearly identical to those in the U.S., with the exception of financial activities, which has just barely surpassed previous levels in the nation but is still a couple thousand jobs behind in Nevada. Sectors which have seen stronger recovery in Nevada than in the nation include professional and business services, other services, and trade/transportation/utilities. The nation has seen stronger

Economic Indicators

UNEMPLOYMENT RATES July 2017

Nevada*	4.8%
Las Vegas MSA	5.4%
Reno-Sparks MSA	4.2%
Carson City MSA	4.8%
United States*	4.3%

JOB GROWTH (YOY) July 2017

Nevada*	2.7%
Las Vegas MSA*	2.5%
Reno-Sparks MSA*	2.2%
Carson City MSA*	0.0%
United States*	1.5%

GAMING WIN (YOY) June 2017

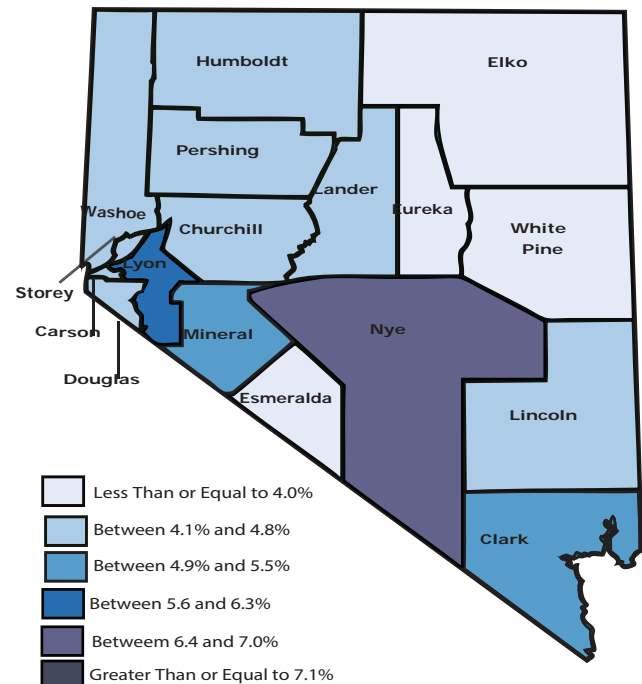
Nevada	0.9%
Clark County	0.4%
Washoe County	1.7%

TAXABLE SALES (YOY) May 2017

Nevada	9.2%
Clark County	16.5%
Washoe County	6.6%

*Seasonally Adjusted

Unemployment Rate by County



Economic Summary

recovery in leisure and hospitality and financial activities.

Information, manufacturing, and construction have yet to fully recover both in the Silver State and in the nation. Information and manufacturing are at or above 89 percent of previous levels in Nevada, but only at 87 percent of previous levels in the nation. Construction is near 90 percent of pre-recession employment in the nation, but only at 58.5 percent of boom employment in Nevada. As we mentioned previously, we do not expect to see construction reach the employment levels seen during the housing boom, as that was an unsustainable level relative to the overall size of the Silver State's economy. Government, mining, and education and health services have not been included in this analysis, since they do not respond predictably to the business cycle.

Business Employment Dynamics (BED) data enhances labor market perspective by delving beyond net employment changes into the sources of movement – job creation and destruction. Gross job gains at expanding or opening private sector establishments totaled 76,800 in 2016:IVQ. Gains have trended higher at a modest, but consistent, pace since the beginning of the recovery. In fact, the most recent gain is the strongest since early 2009. Over the same period, gross job losses at contracting or closing private sector establishments totaled 64,100.

The difference between the number of gross job gains and the number of gross job losses equated to a “net” employment gain of 12,700 jobs in the private sector. That translates into the fifth strongest gain since before the recession, and compares to net losses approaching 40,000 per quarter at the height of the downturn. This represents the 25th consecutive quarter of net job growth, based upon BED measures. Gross job losses have been hovering near pre-recession levels of late. Gross job gains, on the other hand, appear to be approaching pre-recessionary levels, which exceeded 80,000 per quarter at its highest

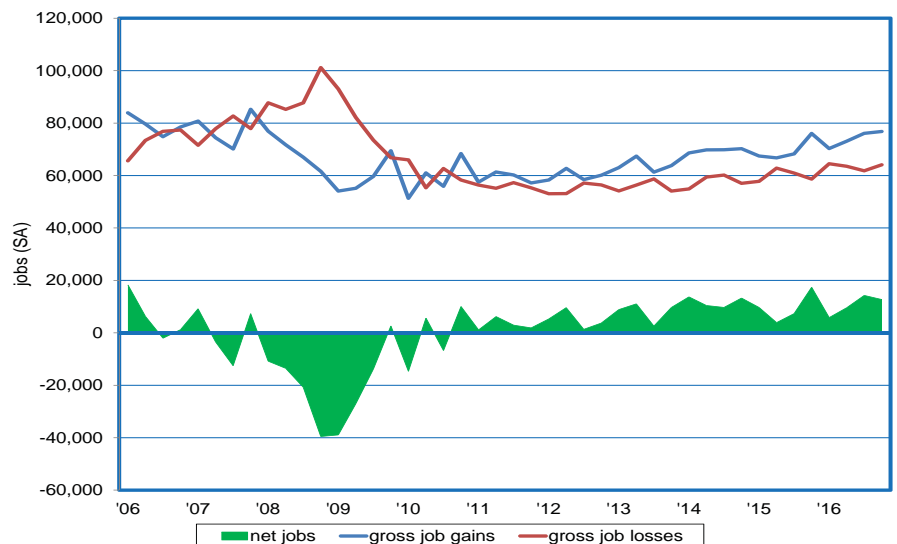
Information from BED also allows us to examine job gains and losses from opening and

Nevada's Recovery Has Closely Mirrored the Nation's; Growth in Business Services Stands Out

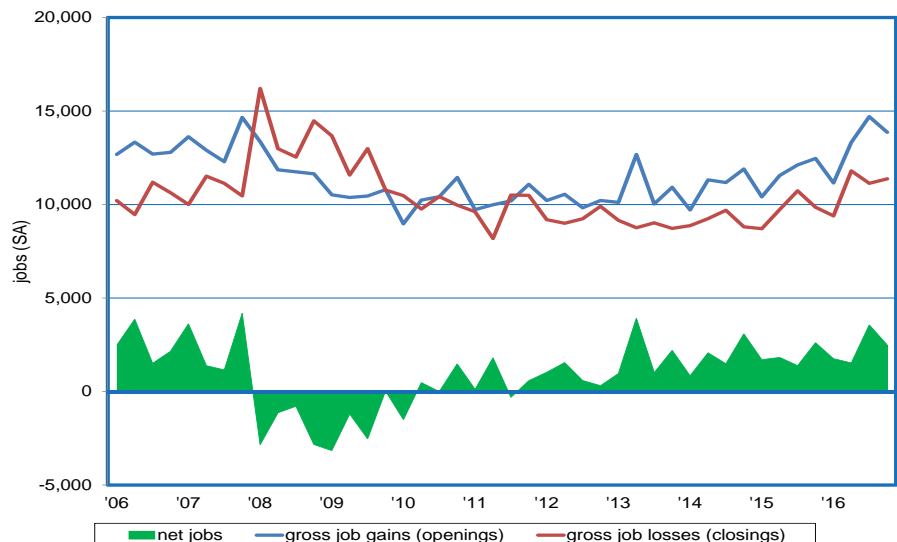
Sector	Pre-recession Peak		Recessionary Low		% Employment Lost		Current Employment (July 2017)		Employment as % of previous peak	
	Nevada	U.S.	Nevada	U.S.	Nevada	U.S.	Nevada	U.S.	Nevada	U.S.
Professional and business services	161.9	18,051	132.3	16,386	(18.3)	(9.2)	189.0	20,745	116.7	114.9
Other services	37.5	5,540	32.1	5,315	(14.4)	(4.1)	42.4	5,761	113.1	104.0
Trade, transportation, and utilities	235.3	26,725	209.6	24,473	(10.9)	(8.4)	244.5	27,388	103.9	102.5
Total Nonfarm Employment	1,297.2	138,430	1,111.5	129,733	(14.3)	(6.3)	1,342.7	146,615	103.5	105.9
Leisure and hospitality	342.9	13,550	304.0	12,927	(11.3)	(4.6)	349.8	15,998	102.0	118.1
Financial activities	65.8	8,394	52.4	7,676	(20.4)	(8.6)	63.4	8,448	96.4	100.6
Information	15.9	3,144	12.0	2,633	(24.5)	(16.3)	14.2	2,730	89.3	86.8
Manufacturing	50.9	14,345	37.6	11,453	(26.1)	(20.2)	45.3	12,425	89.0	86.6
Construction	146.4	7,726	50.1	5,427	(65.8)	(29.8)	85.7	6,899	58.5	89.3

Employment in thousands

Job Gains>Losses in 25 Straight Quarters; 2016:IVQ Net Gain = 12,700 Jobs...5th-Strongest Gain Since Pre-Recession



Opening Gains>Closing Losses Last 21 Quarters; 2016:IVQ Net Gain=2,500; Job Gains From Openings 3rd-Highest Since 2004



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closing establishments. Opening establishments accounted for 13,900 new (gross) jobs in 2016:IVQ. Gains have improved at a slow but steady pace since the recovery began. In fact, the number of new jobs accounted for by openings in the most recent quarter is the third-highest reading since 2004. Closing establishments lost 11,400 jobs during the quarter—very similar to pre-recession levels.

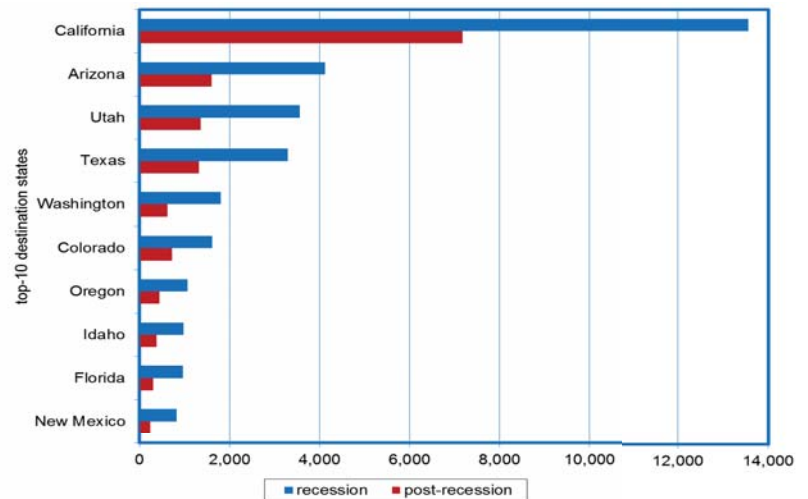
The difference between the number of gross job gains and the number of gross job losses solely attributable to opening and closing establishments yielded a net employment gain of 2,500 jobs in the private sector during 2016:IVQ. During the past five quarters, net job growth from openings/closings has been at least 2,500 three times. This translates into the 21st consecutive quarter of net job growth from openings and closings, and the 25th quarter of improvement since 2010.

In recent months, we examined the extent to which Nevada’s construction workers left/entered the State over the course of the most recent business cycle. We found that outflows of workers exceeded inflows during the recession. As the recovery has unfolded, net migration turned positive. Utilizing Job-to-Job Flows derived from the Census Bureau’s Longitudinal Employer-Household Dynamics (LED) program, we are able to look at which states Nevada’s construction workforce has moved to over the course of the business cycle.

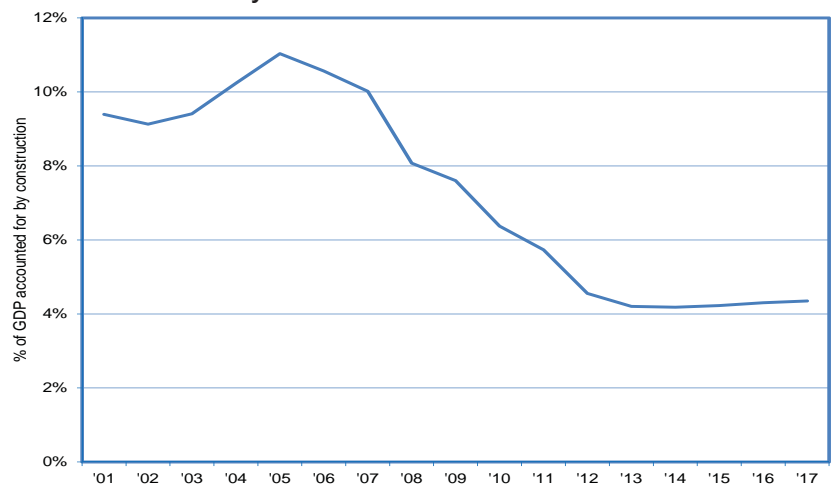
All told, as the recession’s impacts hit the construction sector over the 2006-2011 period, about 43,000 workers migrated to other states. (This is a “gross” figure. There may be some double-counting, as some workers may have moved multiple times, including back to Nevada.) Nearly 14,000 Silver State construction workers went to, and worked in, California during the recession. Other states to which a large number of Nevada’s construction workforce moved during the recession were Arizona (4,100), Utah (3,600) and Texas (3,300).

As the construction sector emerged from the recession, out-migration slowed considerably. Since 2012, just 18,000 construction workers

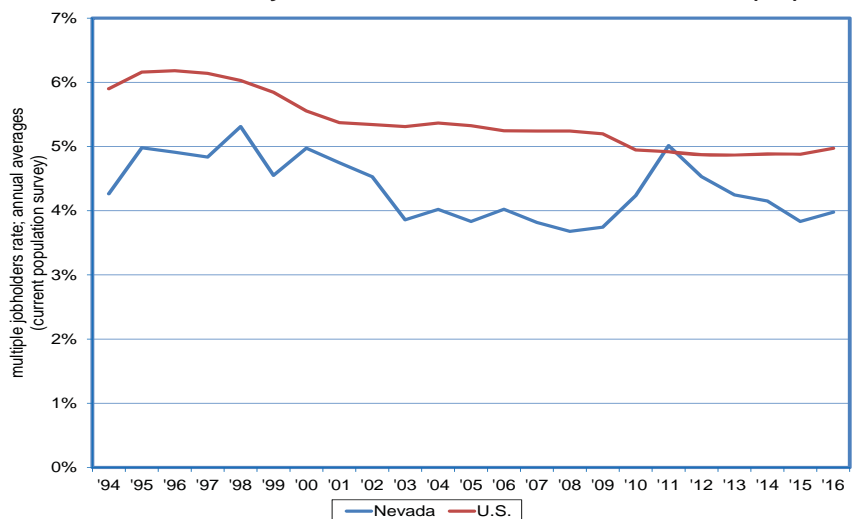
Nevada Construction Workers Tend to Move to Our Western Neighbors; Out-Migration has Slowed Considerably Post-Recession



Construction Accounts for a Smaller Share of Private Sector Economic Activity in Nevada Relative to Pre-Recession



NV’s Multiple-Jobholding Rate, at 4% of Total Employment in 2016, has Consistently Been Below that for the U.S. as a Whole (5%)



Economic Summary

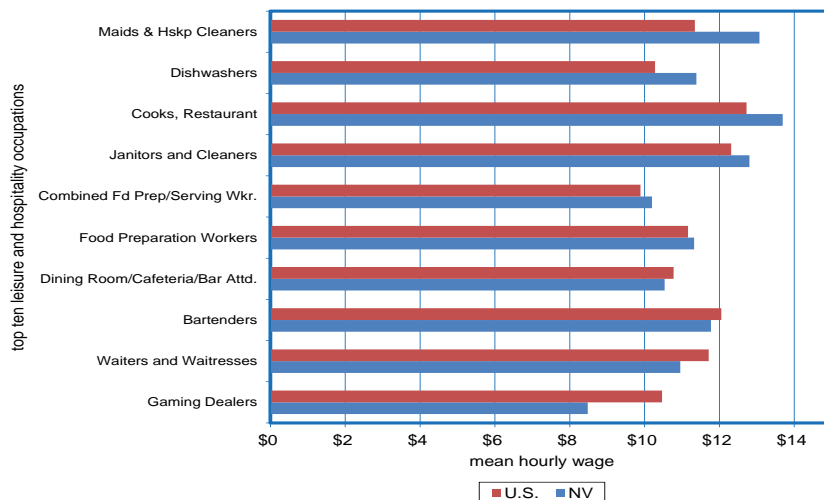
have moved elsewhere, less than half of the recessionary level. (In an open labor market, there will always be some worker movement.) For instance, gross out-migration to California fell to just 7,200 during the recovery period analyzed. The results as they pertain to North Dakota, arguably the fastest growing state during the first few years of the recovery period, are of special interest. About 300 Nevada construction workers left for North Dakota during the recession. However, even as conditions have improved since 2011, out-migration to the State more than doubled to 600 during the early recovery period, reflecting boom-like conditions in the upper Midwest. Out-migration has eased significantly since mid-2015, likely due to the slowing building boom in North Dakota.

Construction has long been a vital element in the Silver State's economy. Using Regional Economic Modeling Inc. (REMI) information, this month we examine the role of construction in the State's economy. In Nevada, total economic activity in the construction sector has decreased from \$8 billion in 2001 to \$5.4 billion in 2017 (in 2009 dollars). This is a decline of nearly 33 percent in 16 years. This compares to a 3.1 percent decline throughout the U.S. over the same time period, suggesting that the Silver State's construction sector was hit relatively hard by the most recent recession.

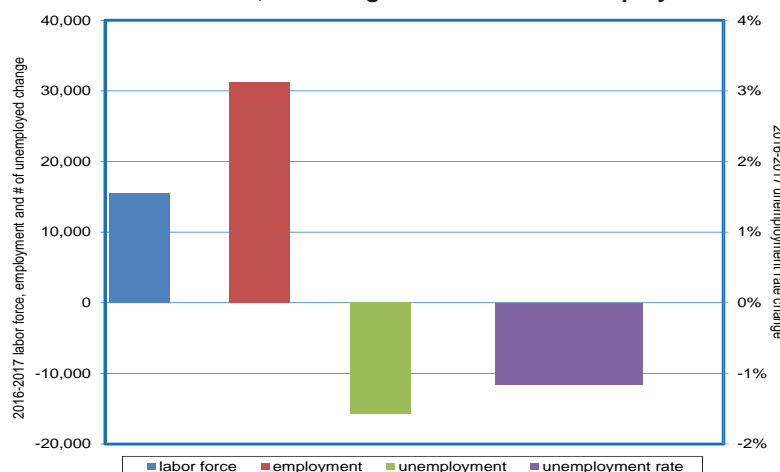
Looked at another way, construction's share of private sector gross domestic product (GDP) in Nevada dropped from 9.4 percent to 4.3 percent, a decline of 5.1 percentage points. Construction's GDP share peaked at 11 percent in 2005 and had its lowest point in 2014 at 4.2 percent. This is larger than the national decline of 1.8 percentage points over the same period. Specifically, construction accounts for 4.2 percent of U.S. GDP as of 2017. As a result, the share of economic activity accounted for by construction in Nevada has been very similar to national norms of late. Prior to the downturn, our share was nearly double that of the nation.

Information from the monthly Current Population Survey (CPS), sponsored by the Census Bureau and the Bureau of Labor Statistics (BLS), allows for the analysis of multiple job-

Nevada Leisure/Hospitality Wages Differ from Nation Across Occupations; Maids Earn More; Waiters/Waitresses Earn Less



Growth in Employment So Far This Year More than Offsets Growth in the Labor Force, Resulting in a Decline in Unemployment



Including Discouraged Workers Adds 0.5 Point to the "Official" Unemployment Rate

Alternative Measures of Labor Underutilization (Annual Average - 2016:IIIQ through 2017:IIQ)		
Measure	Underutilization Concept	Level
Official Rate	jobless persons available to take a job who have actively sought work in the past four weeks	5.1%
U-1	jobless 15 weeks or longer	1.9%
U-2	job losers and persons losing a temporary job	2.6%
U-3	similar to official rate	5.0%
U-4	U-3 plus discouraged workers	5.5%
U-5	U-4 plus others marginally attached to the labor force	6.3%
U-6	U-5 plus those employed part-time for economic reasons	11.5%
Official Rate: annual average of 2016:IIIQ through 2017:IIQ		

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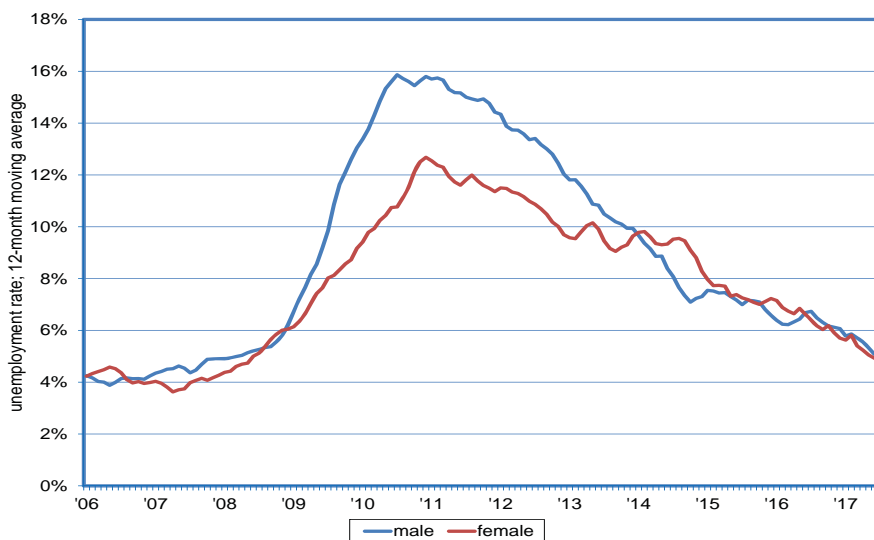
holders in Nevada. Nevada's multiple-jobholding rate (the share of employment accounted for by persons with more than one job) peaked at 5.3 percent in 1998 and hit bottom in 2008 at 3.7 percent. With a multiple-jobholding rate of four percent in 2016, Nevada ranked seventh-lowest in the nation. The Silver State's multiple-jobholding rate has remained below national levels every year over the past two decades, except for 2011. A study done by the BLS states that multiple jobholding has become less common over the past two decades in the U.S. This trend is explained in part by a lower propensity of single jobholders to take on a second job. By contrast, multiple jobholders did not become more likely to give up their second job. It is possible that workers may have become increasingly reliant on alternative sources of income to meet expenses or to pay off debt.

The Occupational Employment Statistics (OES) survey is a semi-annual mail survey measuring occupational employment and wage rates for workers in nonfarm establishments in Nevada and all states. The leisure/hospitality supersector employs the State's largest number of workers. It is generally considered to be a low-wage industry. In fact, wages in the sector average \$15.70 per hour and are nearly five dollars below the State-wide average of \$20.58.

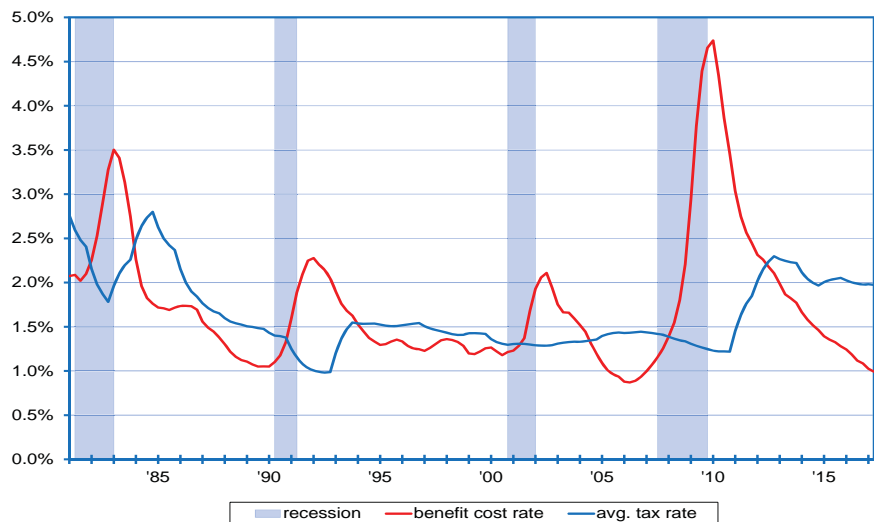
Relative to the nation as a whole, Nevada's leisure/hospitality wages differ considerably across occupations. The sector's largest occupation is waiters/waitresses. Wages in the Silver State, at \$10.96 per hour, are a bit below the national average for that occupation, at \$11.72. For gaming dealers, hourly wages in Nevada are \$8.48, two dollars below the national average. This may be attributable to greater tip-related earnings for Nevada dealers. Maids/housekeepers are of special note, with hourly earnings of \$13.07. This is 15 percent higher than their national counterparts.

Nevada's unemployment rate ticked up 0.1 percentage point in July to 4.8 percent, after hovering at 4.7 percent for three months. July's rate marks a decline of 0.8 percentage point from the same time last year. Nationally, the jobless rate stood at 4.3 percent in July,

Gap Between Male/Female Unemployment Rate Eliminated as the Recovery has Unfolded; Construction Played a Key Role



Nevada's UI Tax Rate Steady While Benefit Cost Rate Continues to Decline; Allowing for Trust Fund Growth



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0.5 percentage point lower than Nevada's rate.

Despite this slight uptick, we are not yet viewing this month's reading as a turning point in the health of the Silver State's labor market, as we continue to see strong underlying job gains and unemployment declines on a year-over-year and year-to-date basis.

The State's official unemployment rate comes from the Local Area Unemployment Statistics (LAUS) program, which also allows us to assess growth/decline in Nevada's labor force, employment, unemployment and the jobless rate. Estimates show Nevada's labor force has averaged 1,439,500 million in 2017 (through July) up from 1,424,000 a year ago. This translates into an increase of 15,500 more Nevadans in the labor force, either working or actively seeking employment. Over the same period, employment¹ increased 31,200. As a result, the number of unemployed fell by 15,700 compared to the first seven months of 2016. These movements have put downward pressure on the jobless rate. Through the first seven months of 2016, the unemployment rate averaged six percent. With solid employment growth, it has declined to 4.9 percent so far this year, a reduction of 1.1 percentage points.

Six alternative measures of labor underutilization have long been available on a monthly basis from the CPS for the United States as a whole. The official concept of unemployment (as measured in the CPS by U-3, in the U-1 to U-6 range of alternatives) includes all jobless persons who are available to take a job and have actively sought work in the past four

weeks. This concept has been thoroughly reviewed and validated since the inception of the CPS in 1940. The other measures are provided to data users and analysts who want more narrowly (U-1 and U-2) or broadly (U-4 through U-6) defined measures. The use of four-quarter averages for states increases the reliability of the CPS estimates, which are based on relatively small sample sizes at the sub-national level, and eliminates seasonality. Due to the inclusion of lagged quarters, the State's alternative measures may not fully reflect the current status of the labor market.

The U-3 measure, which averaged five percent in Nevada over the year ending 2017:IIQ, is the total of unemployed workers as a percentage of the civilian labor force. This is most similar to the official rate, which measured 5.1 percent² in this period. The U-4 measure adds discouraged workers to U-3, bringing the underutilization level to 5.5 percent. Discouraged workers are those people who would like to work, but have stopped looking for work because they believe there are no jobs to be filled.

The U-5 measure adds marginally attached workers, or those who have not searched for work for reasons other than belief that there are no jobs to fill (school attendance, transportation problems, poor health, family responsibilities, etc.), bringing the rate to 6.3 percent. Finally, U-6 adds part-time workers (working less than 35 hours per week) who would rather be working full-time, but cannot due to economic reasons including having their hours cut or being unable to find full-time work. This leads to a U-6 underutilization rate of 11.5 percent.

There has been significant improvement in all of the alternative measures in Nevada over the recovery period. For instance, at the height of the recession, counting discouraged workers among the unemployed added 1.1 points to the official unemployment rate. The U-6 measure has been cut in half from its recessionary peak of 23.7 percent over the year ending 2011:IQ. Despite this improvement, Nevada's measure is still the third-highest in the U.S.

Information from the monthly CPS also allows for the analysis of the unemployment rate by gender. Before the recession, both male and female unemployment rates hovered around four percent in Nevada. However, beginning in late 2007, both rates started to increase. During the recession, the male unemployment rate peaked at 15.9 percent (expressed as a 12-month moving average), while the female unemployment rate reached its peak at 12.7 percent. The differing results by gender are certainly a reflection of the pronounced impacts of the recession on the construction sector in the Silver State, a male-dominated industry. (Men account for nearly 80 percent of construction employment.)

Both rates started to decrease as the recovery unfolded. Currently, the male unemployment rate stands at 5.2 percent, and the female rate comes in at five percent. Based upon trends over the past few years, the gap between men and women has been eliminated. Again, we can look to the construction industry for an explanation. Job growth in this industry has been very solid of late, helping to push down the jobless rate for men at a relatively

¹The LAUS employment estimates do not correspond to the "headline" employment estimates discussed previously, which are produced as part of the Current Employment Statistics (CES) Program, due to differences in definition, coverage, and methodologies. CES employment estimates are the result of an establishment survey, while LAUS incorporates information regarding job trends, unemployment insurance claims activity, and a monthly household survey.

²Note that, in the table and in the comparisons below, the unemployment rate (U-3) that is shown is derived directly from the CPS, because this is the only source of data for the various components of the other five measures. As a result, the U-3 measure can differ from the official State unemployment rate produced by LAUS. The official rate is developed from statistical models that greatly improve the reliability of the labor force and unemployment estimates.

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strong pace.

Initial claims for unemployment insurance (UI) totaled 11,130 in July, a slight increase compared to last year when claims were 11,040. While small, this is the first increase in claims on a year-over-year basis since January. The overall level for claims, best measured by the twelve month average, remained flat at 11,130. Other measures of UI activity also saw little change in July, with the exhaustion rate falling slightly to 36.7 percent and the average duration rising to 13.8 weeks. Initial claims activity is expected to remain steady over the next several months before rising seasonally late in the year.

Looking back at Nevada's unemployment insurance (UI) tax rate and benefit cost history shows the importance of forward funding a state's UI Trust Fund. Unemployment insurance benefits are funded by taxes paid by employers on behalf of their employees, up to the taxable wage base. For 2017, Nevada's UI tax rate was set at 1.95 percent on wages up to the \$29,500 taxable wage base. A state's benefit cost rate (BCR) is the amount of benefits paid as a percentage of the total taxable wages in the state.

When UI tax rates are greater than a state's BCR, the Trust Fund is growing. With forward funding, a state uses a period of good economic times to charge tax rates greater than its BCR in an effort to prepare itself for the next recession. This allows a state to keep tax rates low during a downturn so as not to put any additional burden on employers.

During a recessionary period, a state's BCR can rapidly rise. Nevada has

seen this in the last four recessions, especially in the most recent downturn where the State's BCR peaked at 4.7 percent. These BCR increases resulted in significant outflows from Nevada's UI Trust Fund and, during the last recession, lead to the depletion of the Fund.

Over the last several years, Nevada has practiced forward funding, keeping the average UI tax rate above the BCR during a period of economic growth. The difference between the rates is now near an all-time high, which has allowed the Trust Fund to recover from its record low balance and grow to a record high balance. Nevada's Trust Fund still required an additional \$220 million at the end of the second quarter in order to reach the minimum federal adequacy level.

With "real-time" labor market information obtained as part of DETR's Silver State Solutions Initiative, we can provide an alternative assessment of the health of the State's economy via an analysis of current online job posting activity³. So far this year, 2017 totals have been lagging behind 2016 totals, likely as a result of Craigslist, a major source of online job ads, expanding posting fees to all markets. That trend is finally reversed this month, as year-to-date totals through July of this year have surpassed the same period last year. So far in 2017, 133,900 ads have been posted for jobs in Nevada, compared to 133,500 over the same period last year. This is an increase of 400 ads, or 0.3 percent.

- Hayley Smith-Kirkham, Economist

³ Online job posting volume does not necessarily correlate with the level of job openings or hiring. Internal company hiring and union hiring are often not captured by online ads. High ad volume often occurs for occupations/industries that are having difficulty finding qualified candidates, high turnover positions/recurring openings, or when companies are building large candidate pools. Online job postings should only be used with caution when developing/analyzing time series trends due to the constant changes in the rate of online advertising usage and in the methods used for collecting the data.

Sub-State Economic Summary

Nevada's largest population centers experienced mixed job growth in July. Job growth was concentrated in Las Vegas, the Silver State's largest metropolitan statistical area (MSA). Las Vegas employment saw a seasonally-adjusted increase of 2,000 jobs, the result of decreasing by 3,700 jobs when 5,700 were expected to be lost. Reno was expected to lose 1,400 jobs over the month, but declined by 1,500, producing a decrease of 100 jobs after seasonal adjustment. Carson City was expected to gain 100 jobs, but realized no change this month, resulting in a seasonally-adjusted decline of 100 jobs.

Year-over-year employment increased or remained neutral across the State's population centers. Statewide, employment grew by 2.7 percent relative to July 2016, translating into 35,700 new jobs. Las Vegas and Reno realized year-over-year job growth at 2.5 percent and 2.2 percent, respectively. Those growth rates translate to 23,400 new jobs in Las Vegas and 4,900 new jobs in Reno. The goods-producing industries increased payrolls by 9,600 jobs in Las Vegas and by 1,700 jobs in Reno¹. The service-providing industries gained 17,000 jobs in Las Vegas and 4,300 jobs in Reno. A flat growth rate in Carson City resulted in employment numbers remaining unchanged from last July. Service-providers gained 100 jobs in the region before adjustments were made for seasonality.

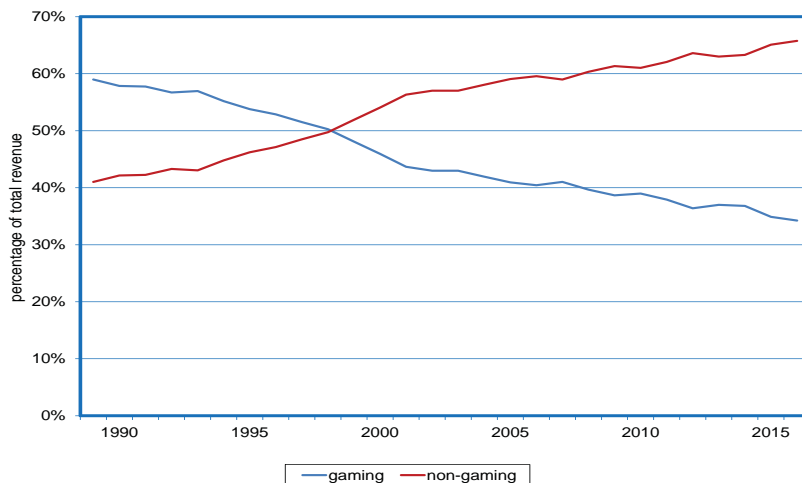
The Las Vegas Strip has seen a shift throughout the years with gaming-related revenue dropping, as a percentage of total revenue. In comparison, revenues from non-gaming sources have soared.

Specifically, gaming revenue represents just one-third of total revenue, as of 2016. That compares to nearly 60 percent as recently as 25 years ago. All told, gaming revenue totaled \$5.9 billion last year. This compares to total revenue of \$17.1 billion.

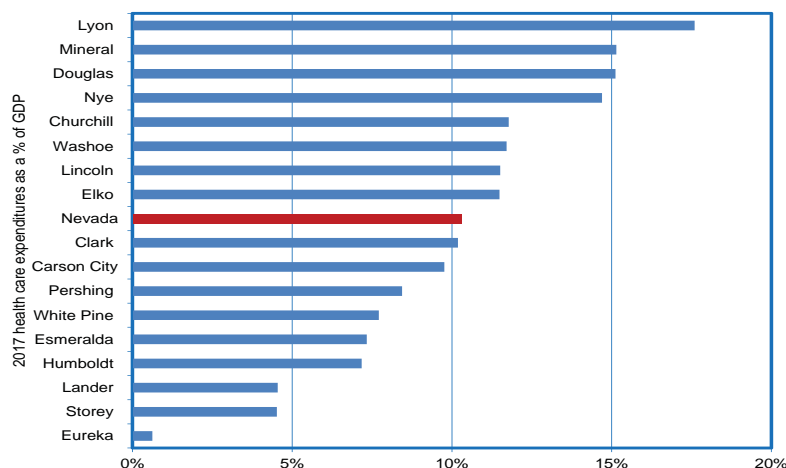
As the industry has diversified, and retail establishments, restaurants, and high-end entertainment have expanded, non-gaming revenue, at \$11.3 billion, now represents about two-thirds of total revenue on the Las Vegas Strip.

¹ References to total MSA employment are adjusted for seasonality, whereas references to goods-producing and service-providing industries are not.

Las Vegas Strip Gaming-Related Revenue Continues Declining as a Percentage of Total Revenue



Lyon and Mineral County Have Highest Share of GDP Spent on Health Care; Statewide Average = 10.3%; Washoe at 11.7%; Clark at 10.2%



So Far This Year Employment Up in 13 of 17 Counties; Unemployment Down Across the Board

Year-to-Date (through July) Change vs. 2016

County	labor force	employment	unemployment	unemployment rate
Clark	13,946	24,846	-10,900	-1.1%
Washoe	3,028	5,639	-2,611	-1.2%
Eureka	65	83	-18	-1.9%
Lincoln	20	38	-18	-0.9%
Mineral	6	38	-32	-1.6%
Storey	4	44	-40	-2.1%
Elko	2	306	-304	-1.1%
Pershing	-1	46	-47	-1.8%
Esmeralda	-11	-2	-9	-1.6%
White Pine	-13	28	-41	-0.9%
Lander	-42	22	-64	-1.9%
Carson City	-107	244	-351	-1.4%
Douglas	-141	134	-275	-1.2%
Humboldt	-148	-4	-144	-1.6%
Nye	-163	86	-249	-1.5%
Churchill	-315	-154	-161	-1.4%
Lyon	-643	-178	-465	-1.9%

Sub-State Economic Summary

This month, we examine the growth/decline in each county's labor force, employment, unemployment and the jobless rate. Estimates show all counties in the Silver State have realized decreases in unemployment through the first seven months of 2017 relative to a year ago.

Over the same period, 13 counties saw increases in employment. Labor force (those actively involved in the labor market, either employed or actively looking for work) growth is concentrated in the State's two largest population centers. Clark County's labor force is up 13,900, while Washoe's has increased 3,000 compared to the first seven months of last year.

The unemployment rate in every county in the Silver State has declined relative to 2017. In fact, every county has declined by at least one full percentage point. The largest declines in the jobless rate are found in Storey and Lyon, with 2.1 and 1.9 percentage points respectively. Clark's rate is down 1.1 percentage points, while Washoe's is off by 1.2 percentage points relative to the first seven months of 2016.

Health care remains a very prominent topic of discussion in the nation as a whole. Americans spend more on health care now than in years past. This month, using Regional Economic Modeling Inc. (REMI) information, we examine the role of health care spending in the Nevada economy.

For 2017, health care consumption in the Silver State was at \$14.4 billion (in 2009 dollars). This accounted for a 10.3 percent share of gross domestic product (GDP). This compares to the national share of 11.9 percent.

At the county level, the share ranged from 17.6 percent (Lyon County) to 0.6 percent (Eureka County). As for Nevada's popula-

tion centers, Carson City, at 9.8 percent, falls below the Statewide average. Clark County's share is nearly identical that of the State at 10.2 percent. Washoe County is a bit above the Statewide average at 11.7 percent.

At the county level, initial claims for unemployment insurance (UI) continue to reflect the declines seen Statewide. Through July, initial claims are down in all but one of Nevada's counties compared to the same period last year. Twelve of these counties have seen claims fall by ten percent or more compared to last year at this time, with the largest decline of 52 percent coming from Lander County. The largest nominal declines have come in Nevada's largest counties, with Clark falling by 3,690 claims and Washoe falling by 900 claims compared to last year's total. Only Storey County has seen an increase of initial claims from last year, albeit very minor.

Metro area unemployment rates increased on a month-over-month basis but decreased year-over-year². In Las Vegas the unemployment rate is at 5.4 percent, up 0.3 percentage point from June, and down 0.6 percentage point from July of last year. Reno's unemployment rate is up 0.2 percentage point over-the-month, to 4.2 percent, and is down 0.7 percentage point over-the-year. Carson City's rate increased by 0.2 percentage point, relative to last month, but declined by 0.9 percentage point from last July, resulting in a 4.8 percent unemployment rate this month.

For 11 consecutive months, unemployment rates have declined on a over-the-year basis in all 17 of the State's counties. This month, all counties remain below seven percent unemployment. Rate declines ranged from 1.8 percentage points (Eureka) to 0.4 percentage point (White Pine).

Eureka (3.3 percent) marked the State's lowest unemployment rate and Nye (6.5 percent) experienced the State's highest. Esmeralda, White Pine, and Elko (all at 3.9 percent), also maintain relatively low unemployment rates this month.

Over-the-year online job posting activity is up in 13 of 17 counties in July³. Elko has seen the largest nominal change over last year, with 920 more ads, totaling 4,100 ads year-to-date. Douglas (+780) and Nye (+510) also saw significant growth in online ads from a year ago. Washoe declined more than any other county, with 2,300 less ads than in July last year. Clark postings have reached 91,000 ads through July this year, but are down by 1,300 ads over-the-year. Reduced ad volume in the Silver State's largest population centers is likely the consequence of posting fees that major online job posting companies are imposing on employers utilizing their services.

- Jason Gortari, Economist

² The State's seasonally adjusted unemployment rate is 4.8 percent in July, up from 4.7 percent in June and down from 5.6 percent in July 2016. Unemployment rates for the State's metropolitan areas and counties reported here are not adjusted for seasonality. Hence, comparisons to the State's seasonally adjusted rate should be avoided. Legitimate comparisons, however, can be made to the State's unadjusted rate - 5.1 percent in July, up from 4.9 percent in June and down from 5.8 percent in July 2016.

³ Online job postings are obtained through DETR's Silver State Solutions initiative. Online job posting volume does not necessarily correlate with the level of job openings or hiring. Internal company hiring and union hiring are often not captured by online ads. High ad volume often occurs for occupations/industries that are having difficulty finding qualified candidates, high turnover positions/recurring openings, or when companies are building large candidate pools. Online job postings should only be used with caution when developing/analyzing time series trends due to the constant changes in the rate of online advertising usage and in the methods used for collecting the data.

Trends at a Glance

Industrial Employment

July

- Total seasonally adjusted jobs = 5,300
- Las Vegas seasonally adjusted jobs = 2,000
- Reno seasonally adjusted jobs = -100
- Carson City seasonally adjusted jobs = -100

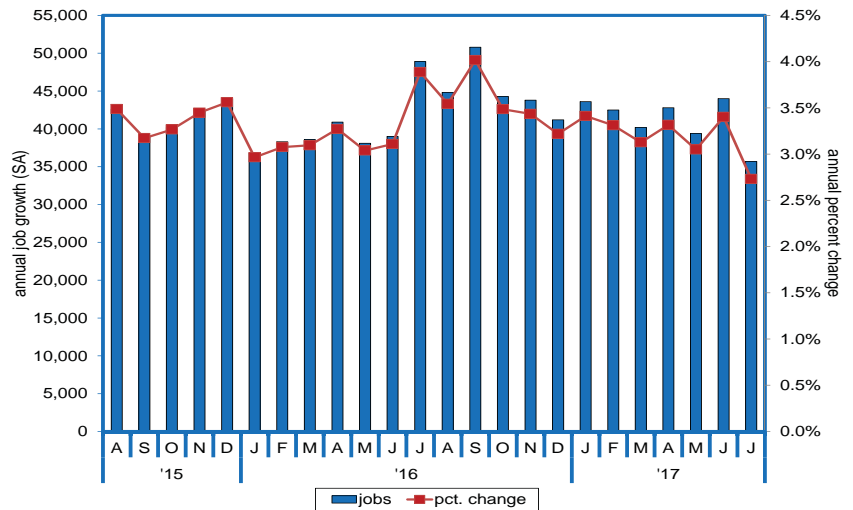
**Nevada Nonfarm Jobs
Seasonally Adjusted Change**

	Unadjusted Change	Expected Seasonal Movement	Seasonally Adjusted Change
Total Nonfarm Jobs	-6,100	-11,400	5,300
Private Sector	-1,400	-5,300	3,900
Public Sector	-4,700	-6,100	1,400
Las Vegas	-3,700	-5,700	2,000
Reno	-1,500	-1,400	-100
Carson City	0	100	-100

July

- 1,342,700 non-farm jobs
- 35,700 jobs added over-the-year
- June marks 79 straight months of growth in Nevada.

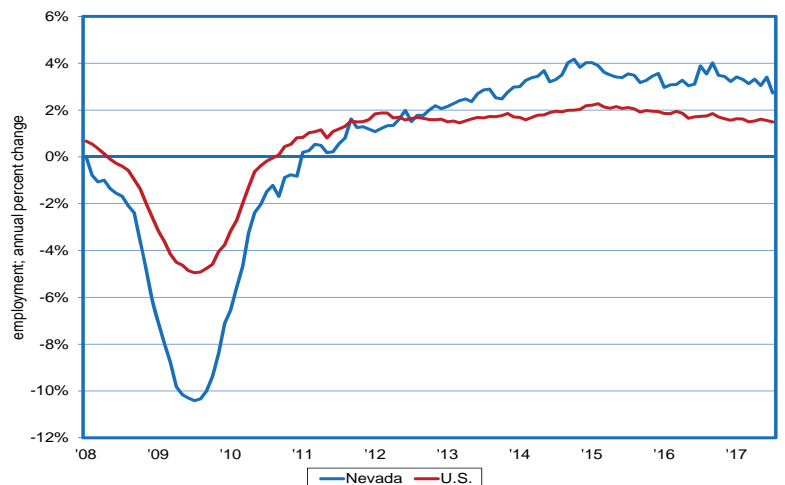
**Nevada Job Growth
(Seasonally Adjusted)**



July

- Nevada = 2.7 percent
- U.S. = 1.5 percent
- Growth in Nevada has exceeded that in the U.S. for 60 straight months.

**Job Growth: Nevada vs. U.S.
(Year-Over-Year Percent Change; Seasonally Adjusted)**



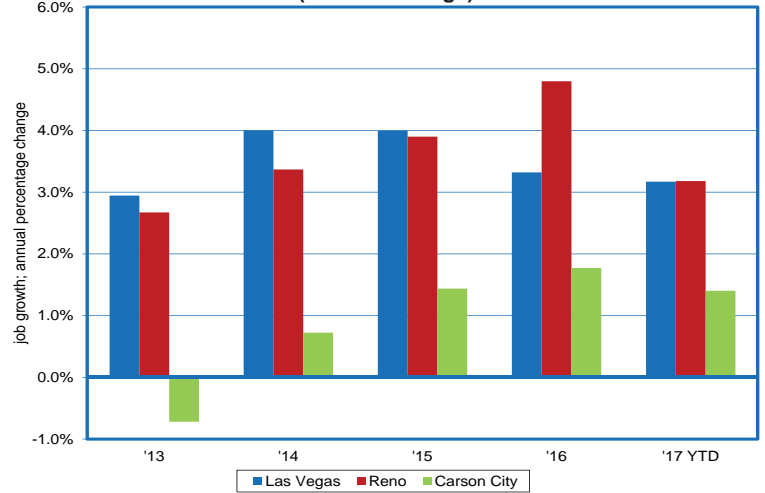
Trends at a Glance

Industrial Employment

July

- Las Vegas MSA = 3.2 percent year-to-date
- Reno-Sparks MSA = 3.2 percent year-to-date
- Carson City = 1.4 percent year-to-date

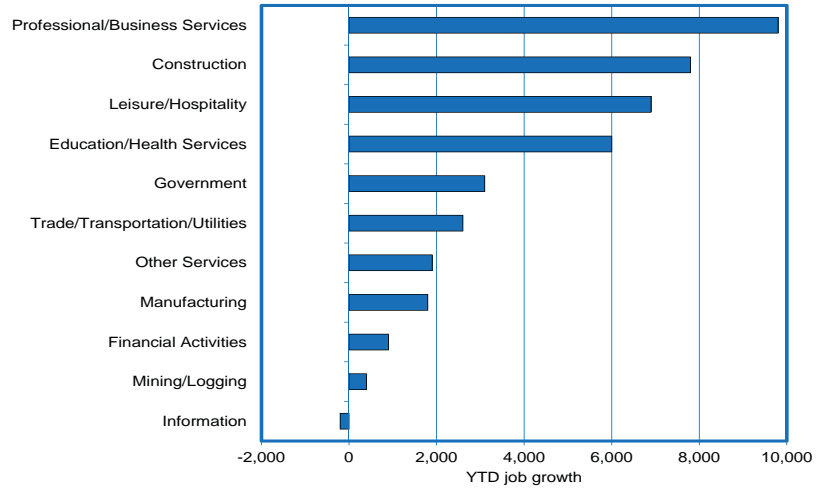
**Job Growth by Region
(Percent Change)**



July

- Professional/Business Services added 9,800 jobs, more than any other sector.
- Ten sectors added jobs through April with only Information declining
- Total job growth = 41,200 jobs

**Job Growth by Industry
(Year-to-Date)**



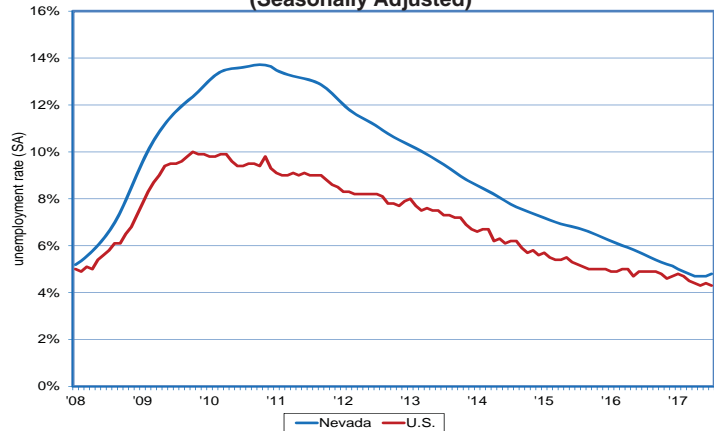
Trends at a Glance

Unemployment

July (Seasonally Adjusted)

- Nevada = 4.8 percent; up 0.1 percentage point from June; down from 5.6 percent a year ago.
- U.S. = 4.3 percent; down 0.1 percentage point from June; down from 4.9 percent a year ago.
- 0.5 point gap between Nevada and the Nation compares to 4.4 points at the height of the recession.

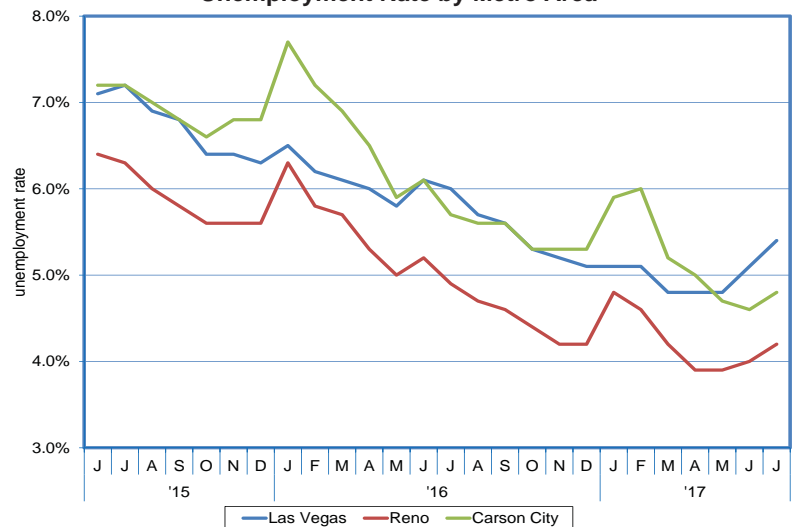
Unemployment Rate: Nevada vs. U.S.
(Seasonally Adjusted)



July (Not Seasonally Adjusted)

- Nevada = 5.1 percent; down 0.7 percentage point from July 2016.
- Las Vegas-Paradise MSA = 5.4 percent; down 0.6 percentage point from July 2016.
- Reno-Sparks MSA = 4.2 percent; down 0.7 percentage point from July 2016.
- Carson City = 4.8 percent; down 0.9 percentage point from June 2016.

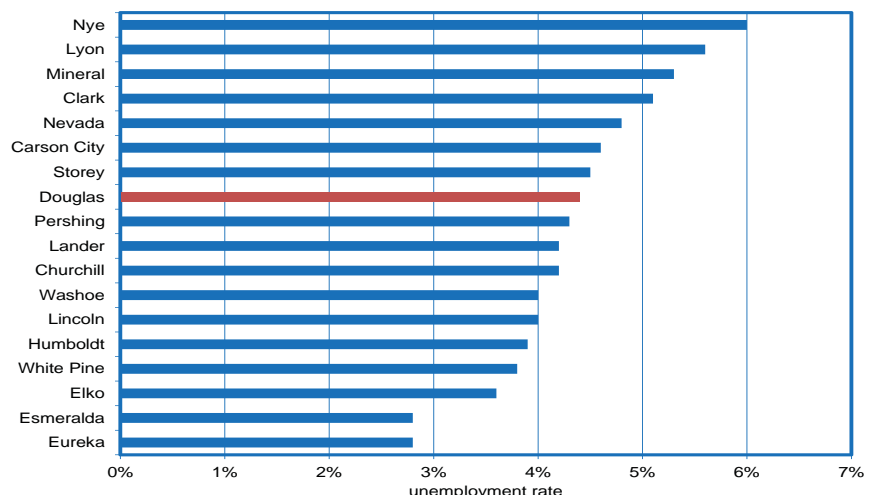
Unemployment Rate by Metro Area



July (Not Seasonally Adjusted)

- Unemployment rates ranged from 6.5 percent (Nye) to 3.3 percent (Eureka).
- Clark = 5.4 percent; Washoe = 4.2 percent; Carson City = 4.8 percent.

Unemployment Rate by County



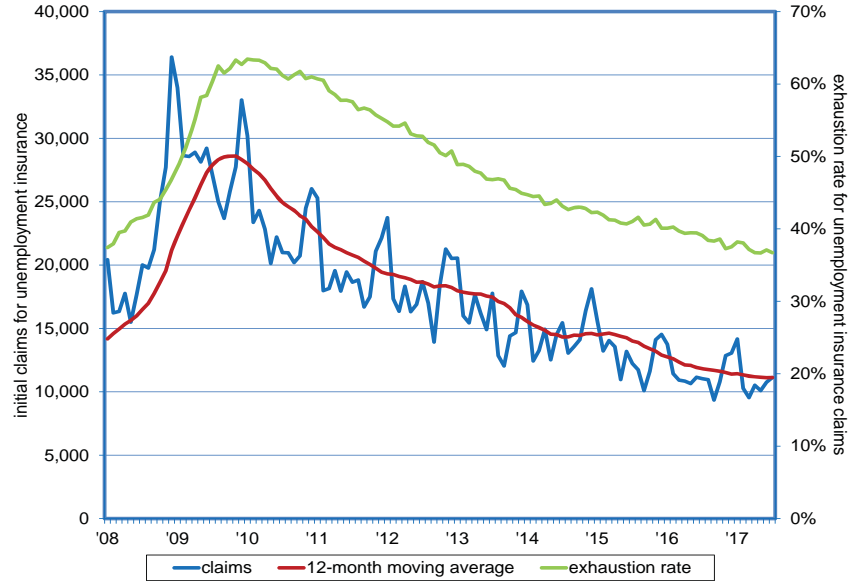
Trends at a Glance

Unemployment

July

- Initial claims = 11,100
- Exhaustion rate (the percentage of unemployment insurance claimants who exhausted UI benefits prior to finding a job) = 36.7 percent.

Nevada Unemployment Insurance: Initial Claims and Exhaustion Rate



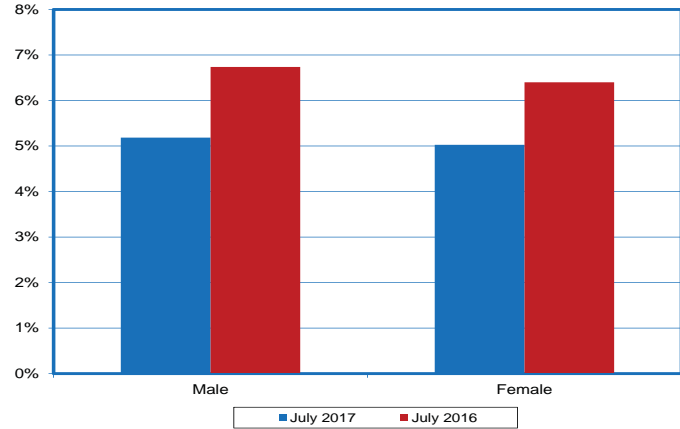
Trends at a Glance

Demographics of the Unemployed

July

- Male unemployment rate = 5.2 percent; up 0.1 percentage point from June; down 1.5 percentage points from a year ago.
- Female unemployment rate = five percent; up 0.1 percentage point from June; down 1.4 percentage points from a year ago.

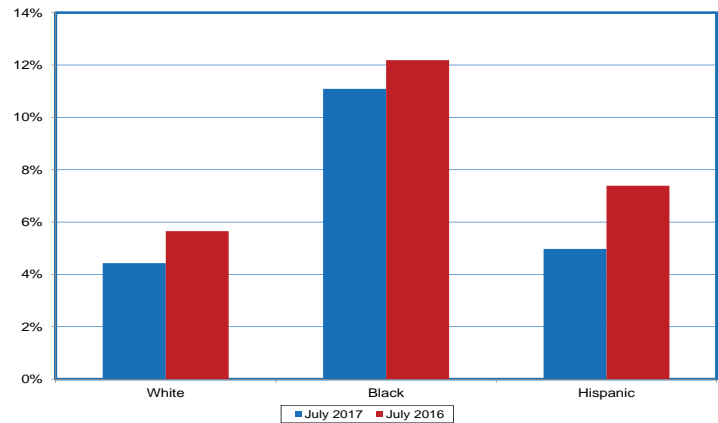
Unemployment Rate by Gender
(12-Month Moving Average)



July

- White unemployment rate = 4.4 percent; up 0.2 percentage point from June; down 1.3 percentage points from a year ago.
- Black unemployment rate = 11.1 percent; down 0.3 percentage point from June; down 1.1 percentage point from a year ago.
- Hispanic unemployment rate = five percent; up 0.1 percentage point from June; down 2.4 percentage points from a year ago.

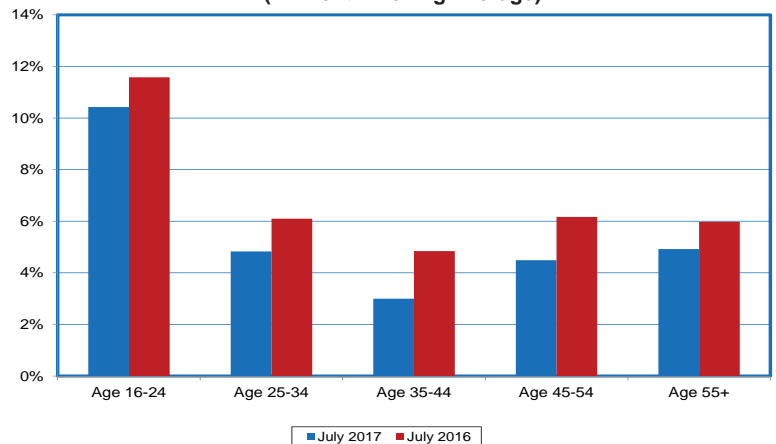
Unemployment Rate by Ethnicity
(12-Month Moving Average)



July

- Age 16-24 unemployment rate = 10.4 percent; up 0.9 percentage point from June; down 1.2 percentage points from a year ago.
- Age 25-34 unemployment rate = 4.8 percent; unchanged from June; down 1.3 percentage points from a year ago.
- Age 35-44 unemployment rate = three percent; up 0.1 percentage point from June; down 1.8 percentage points from a year ago.
- Age 45-54 unemployment rate = 4.5 percent; unchanged from June; down 1.7 percentage points from a year ago.
- Age 55+ unemployment rate = 4.9 percent; down 0.1 percentage points from June; down 1.1 percentage point from a year ago.

Unemployment Rate by Age Group
(12-Month Moving Average)



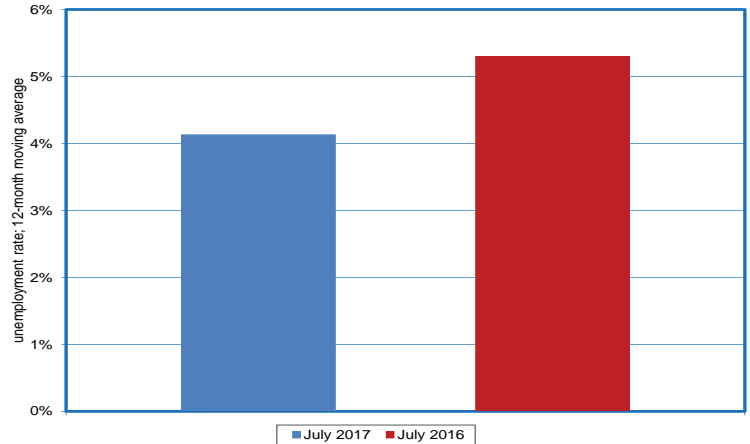
Trends at a Glance

Demographics of the Unemployed

July

- Veteran unemployment rate = 4.1 percent; up 0.1 percentage point from June; down 1.2 percentage points from a year ago.

**Unemployment Rate by Veterans' Status
(12-Month Moving Average)**



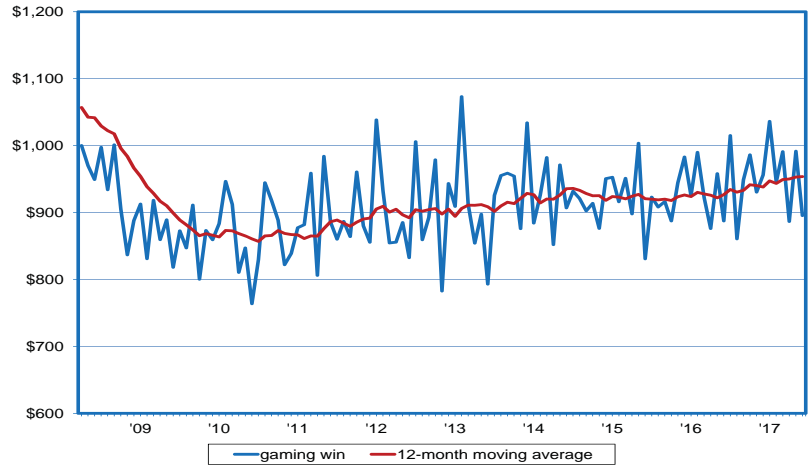
Trends at a Glance

Economic Indicators

June

- Gross gaming win = \$895.4 million
- Up 0.9 percent year-over-year; up 3.4 percent year-to-date over 2016.

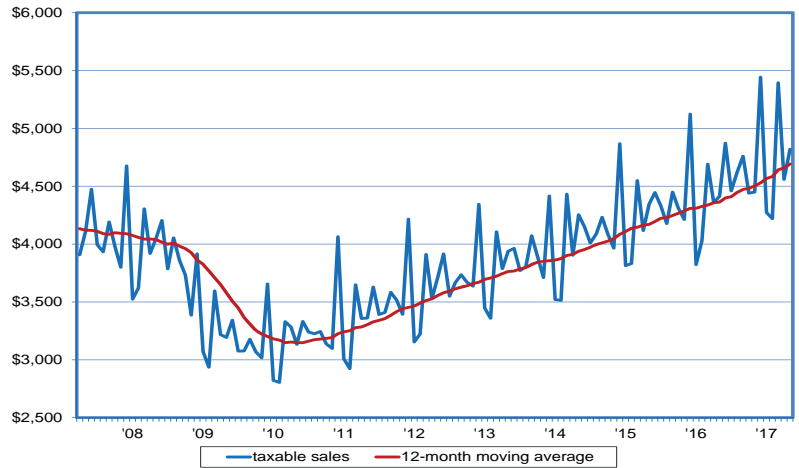
Nevada Gross Gaming Win
(Millions of Dollars)



May

- Taxable sales = \$4.82 billion
- Up 9.2 percent year-over-year

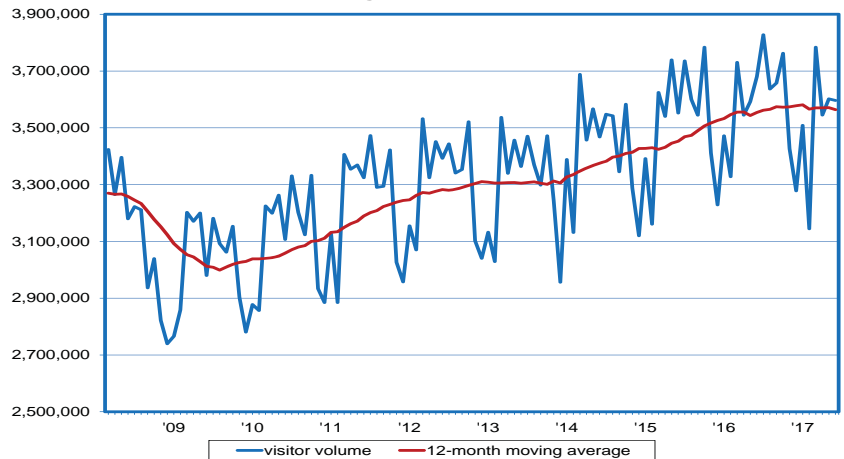
Statewide Taxable Sales
(Millions of Dollars)



June

- 3,597,000 visitors
- 83,700 visitor decrease from prior year (-2.3 percent); down 0.8 percent year-to-date over 2016.

Las Vegas Visitor Volume



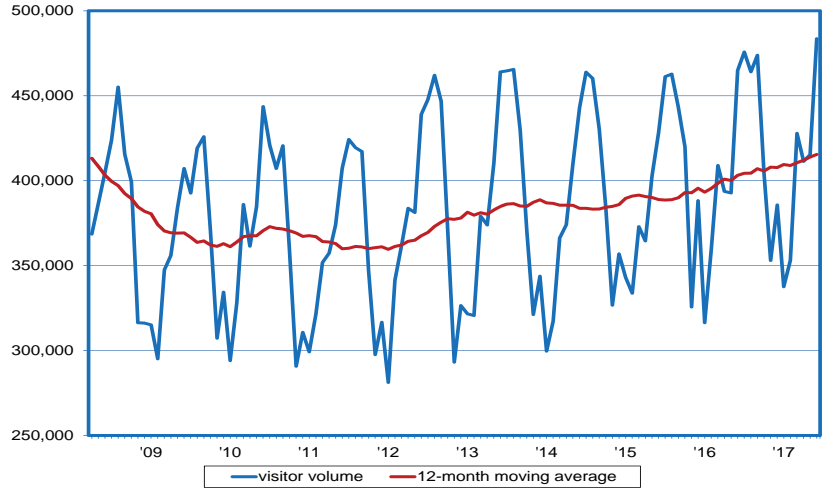
Trends at a Glance

Economic Indicators

June

- 483,600 visitors
- 18,600 visitor increase from prior year (four percent); up four percent year-to-date over 2016.

Reno Visitor Volume



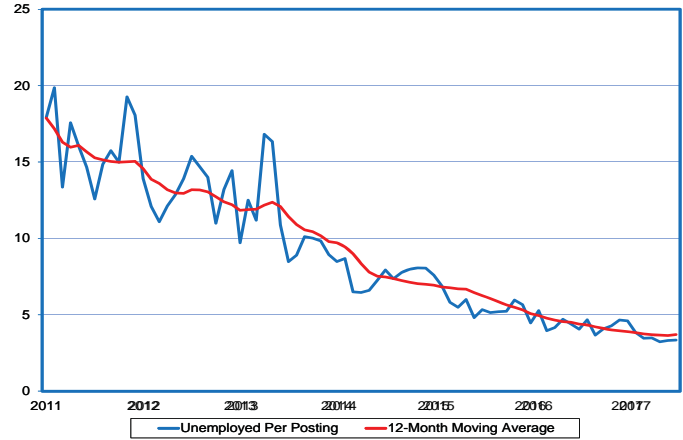
Trends at a Glance

Real-Time Labor Market Information

July

- For every job posting there are 3.4 unemployed persons, down from 4.1 in June 2016.

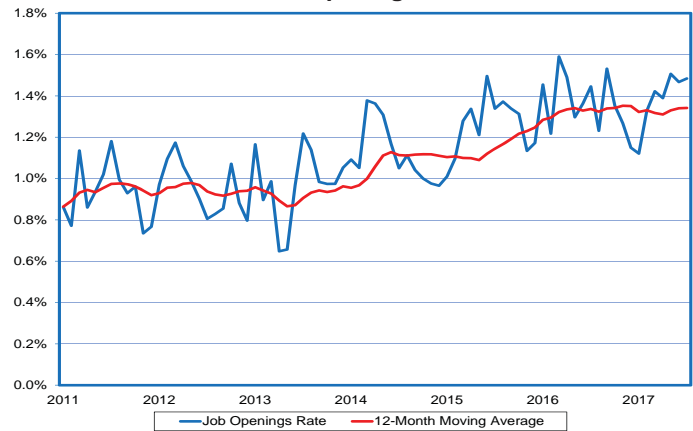
Unemployed per Online Job Posting



July

- Jobs became available at a rate of 1.48 percent, indicating employment prospects are trending up.
- The job openings rate is the ratio of the number of online job postings to the sum of job postings and employment.

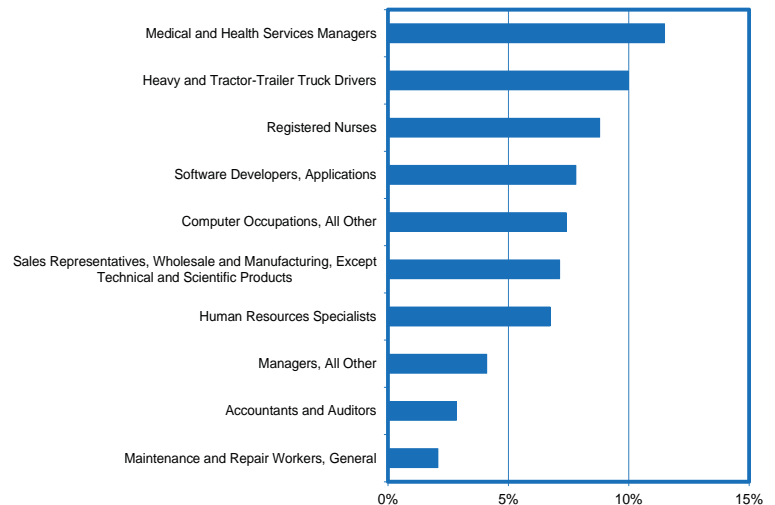
Job Openings Rate



July

- For occupations earning above-average wages, medical and health services managers have the highest job openings rate.

**Occupations with Above Average Wages
Job Openings Rates for Online Postings**



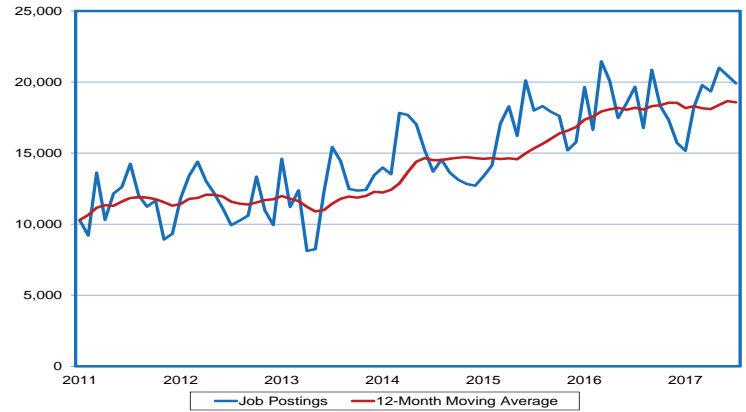
Trends at a Glance

Real-Time Labor Market Information: Spotlight on Nevada

July

- Nevada online job postings total 19,900; up from 19,700 a year ago.

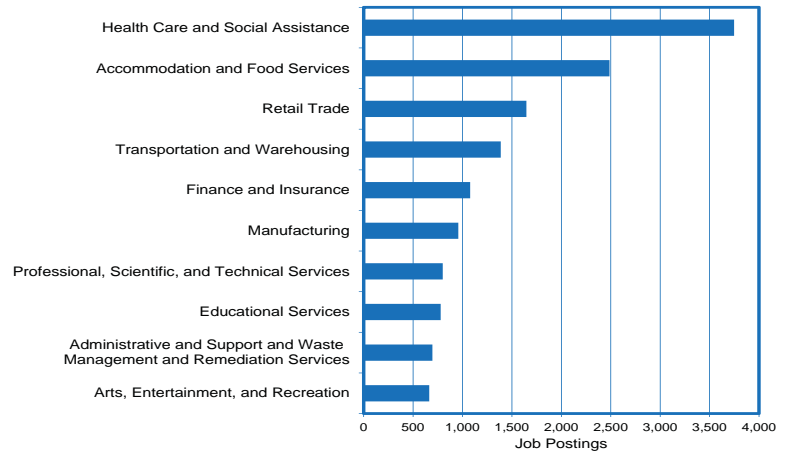
Nevada Job Postings



July

- The industries with the most postings are health care/social assistance followed by accomodation/food services.

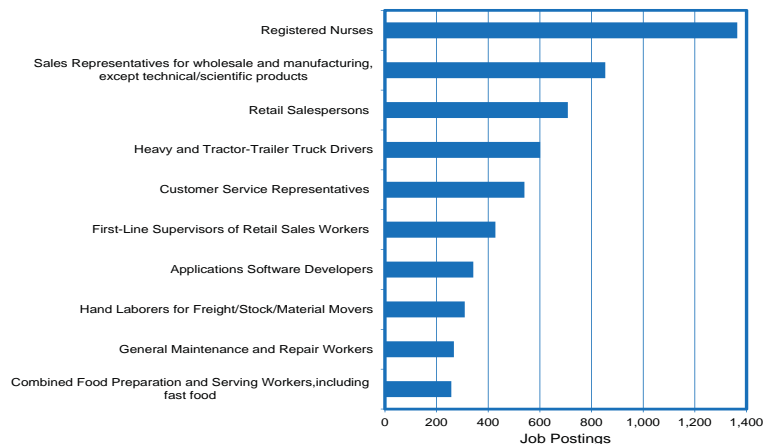
Top Industries



July

- The top occupations in demand are registered nurses, followed by sales representatives

Top Occupations



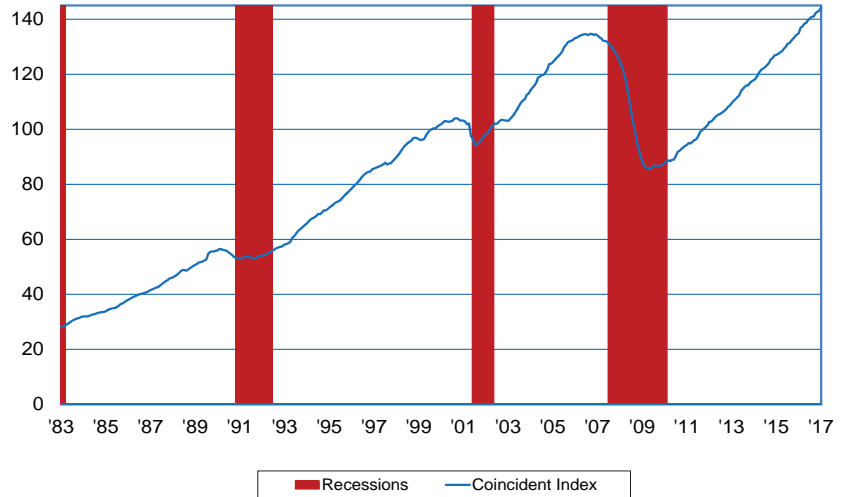
Trends at a Glance

CBER-DETR Nevada Coincident and Leading Employment Indexes

June

- The Nevada Coincident Employment Index measures the ups and downs of the Nevada economy using an index of employment variables. The peak of the last employment cycle in Nevada occurred in March 2007. The coincident index then regressed steadily through October 2009, where it bottomed out.
- The June release tells a consistent, positive story for both the coincident and leading indexes on a year-over-year basis. For the coincident index, the unemployment rate (inverted), household employment, nonfarm employment, and the insured unemployment rate (inverted) all moved in a positive direction.
- For the coincident index, the insured unemployment rate (inverted), the unemployment rate (inverted), non-farm employment, and household employment moved in a positive direction.

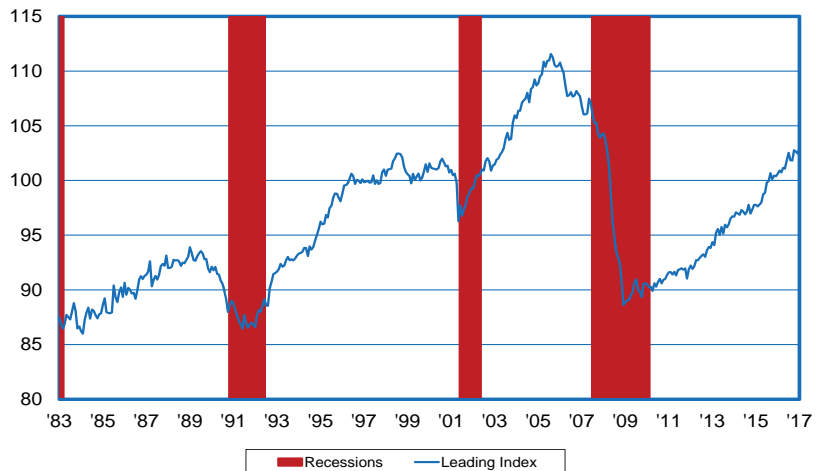
CBER-DETR Nevada Coincident Employment Index



June

- The Nevada Leading Employment Index measures the ups and downs of the Nevada economy, providing a signal about the future direction of the coincident index. For the current employment recession, the leading index provided a clear signal by peaking in January 2006, fourteen months before the coincident index reached its peak, and reached a bottom in May 2009, five months before the coincident index reached its bottom.
- For the leading index, initial claims for unemployment insurance (inverted), the short-duration unemployment rate (inverted), construction employment, the real 10-year Treasury interest rate (inverted), housing permits, and commercial permits all moved in a positive direction.
- For the leading index, initial claims for unemployment insurance (inverted), construction employment, and housing permits moved in a positive direction, while commercial permits, the short-duration unemployment rate (inverted), and the real 10-year Treasury interest rate (inverted) moved in a negative direction.

CBER-DETR Nevada Leading Employment Index



Economy In Brief

Research & Analysis Bureau

The Nevada Economy in Brief provides a wealth of Nevada workforce and economic information and is published monthly by the Nevada Department of Employment, Training and Rehabilitation / Research and Analysis Bureau. Material contained in this publication is produced in cooperation with the U.S. Department of Labor (the Bureau of Labor Statistics and the Employment and Training Administration) and may be reproduced without permission. Please credit the Nevada Department of Employment, Training and Rehabilitation. For additional workforce or other economic information, a free subscription to the Nevada Economy in Brief, or to change your e-mail address, please contact the Research and Analysis Bureau.

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