



Nevada Labor Market Briefing: May 2018

Summary of Labor Market Economic Indicators

Department of Employment, Training, & Rehabilitation

Don Soderberg, Director

Dennis Perea, Deputy Director

David Schmidt, Chief Economist

Prepared by the Research and Analysis Bureau

State Unemployment Rate

- ❑ 4.8% Unemployment Rate (SA¹)
 - ❑ Down 0.1 percentage point; down from 5.1% a year ago
 - ❑ off from a recession peak of 13.7%
 - ❑ in absolute terms, unemployment totaled 71,800; down 1,370 over the month and off from a recession high of 186,900
 - ❑ first decline in ten months
 - ❑ Compares to a 3.8% rate for the U.S.— One percentage point higher
 - ❑ was more than four points higher at height of recession

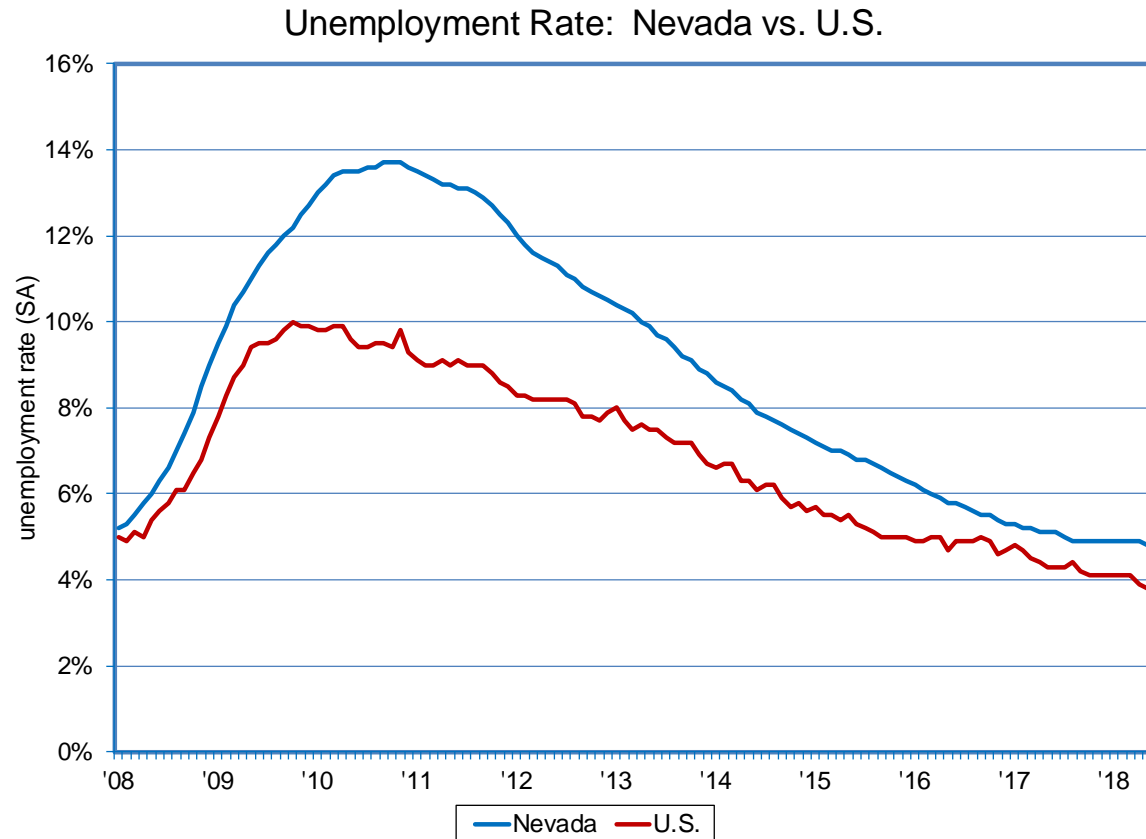
¹ seasonally adjusted

May 2018 Unemployment Rate: 4.8%

Down from 5.1%
a year ago¹

Peaked at 13.7%
during the
recession

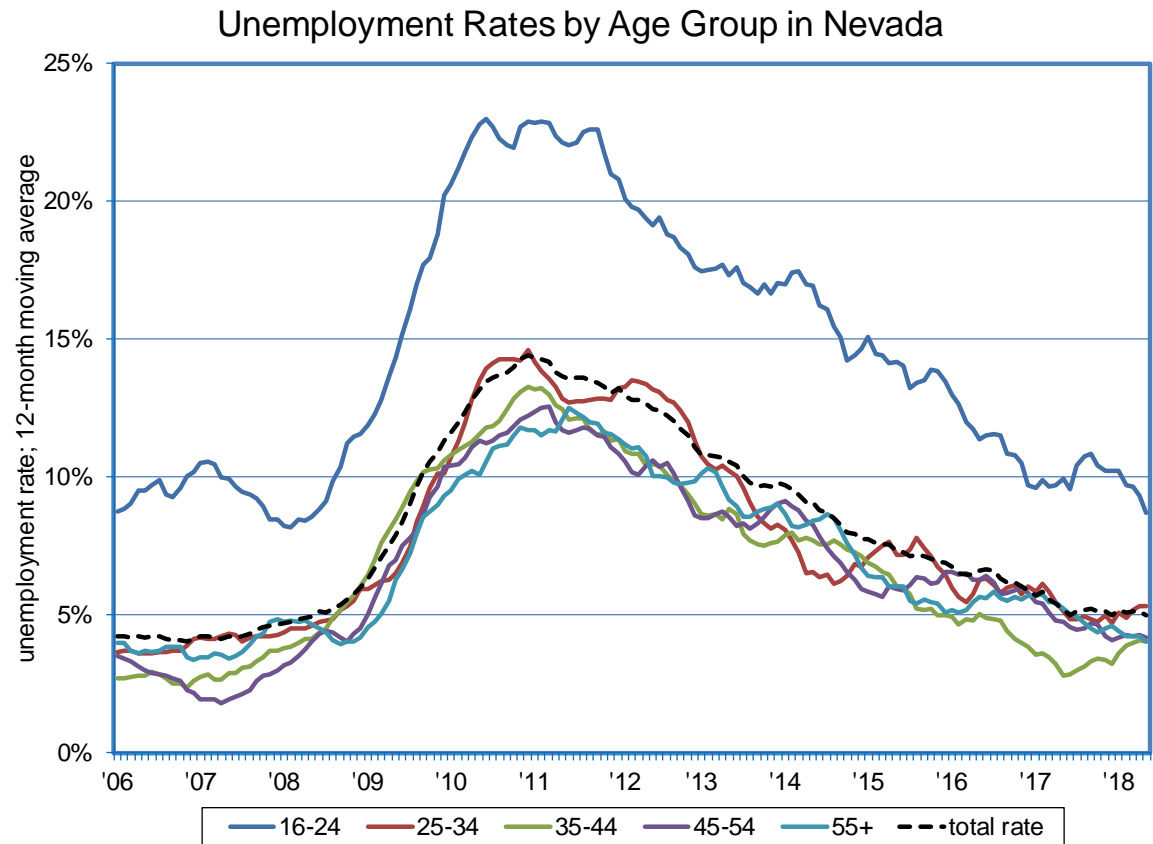
Gap between
Nevada and the
nation steady at
one percentage
point in May



¹ seasonally adjusted

Jobless Rate for Teens and Young Adults Now Below Pre-recession Level

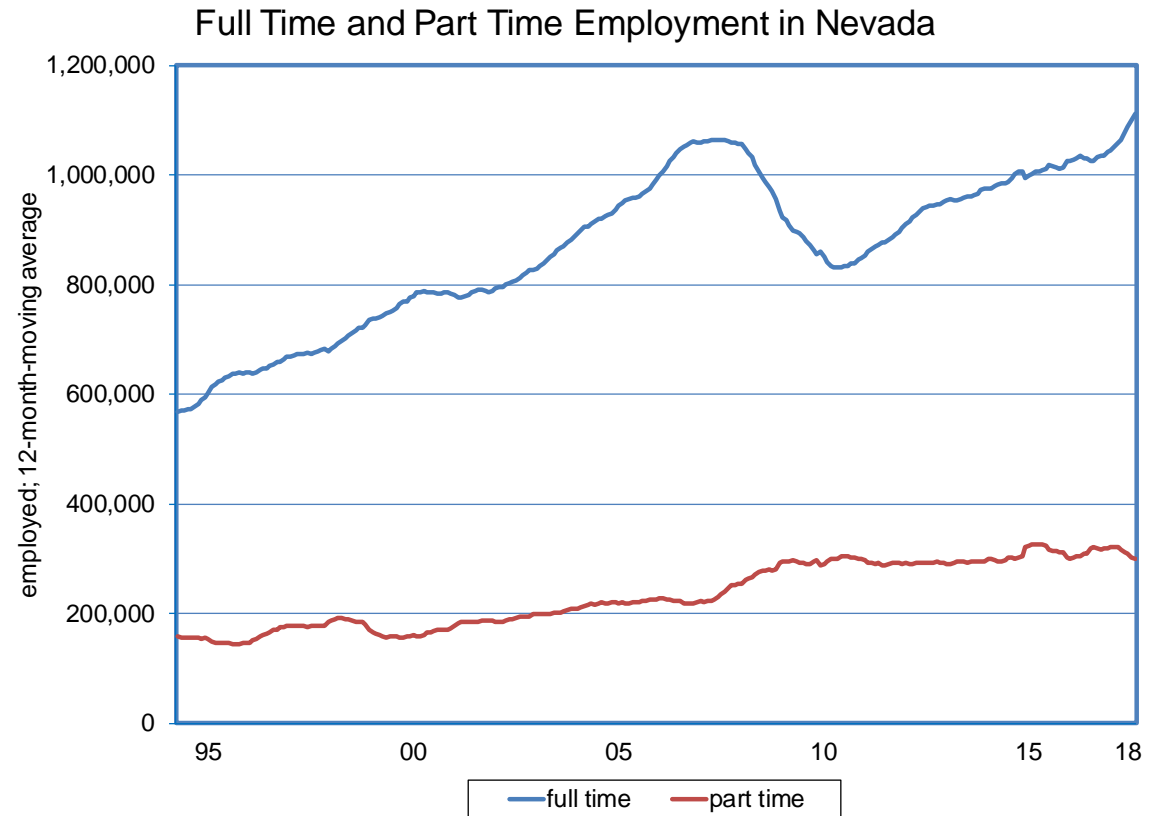
48.4% of unemployed teens and young adults (16-24 years old) have a High School diploma, 26.6% less than a High School diploma, 22.4% some college or associate degree, and 2.6% a Bachelor's degree or higher education



Full Time Employment in Nevada Reaches a New All Time High

1,112,190
Nevadans are employed full time (working 35 hours or more per week), a record high

299,210
Nevadans are employed part time



Nevadans Employed Part Time for Economic Reasons Trending Down

Involuntary part time workers averaged 54,350 over the past 12 months

Down 28.8%, or 22,000, from the previous period

A decline of 51,100 from the height of the recession

Involuntary Part Time Workers in Nevada

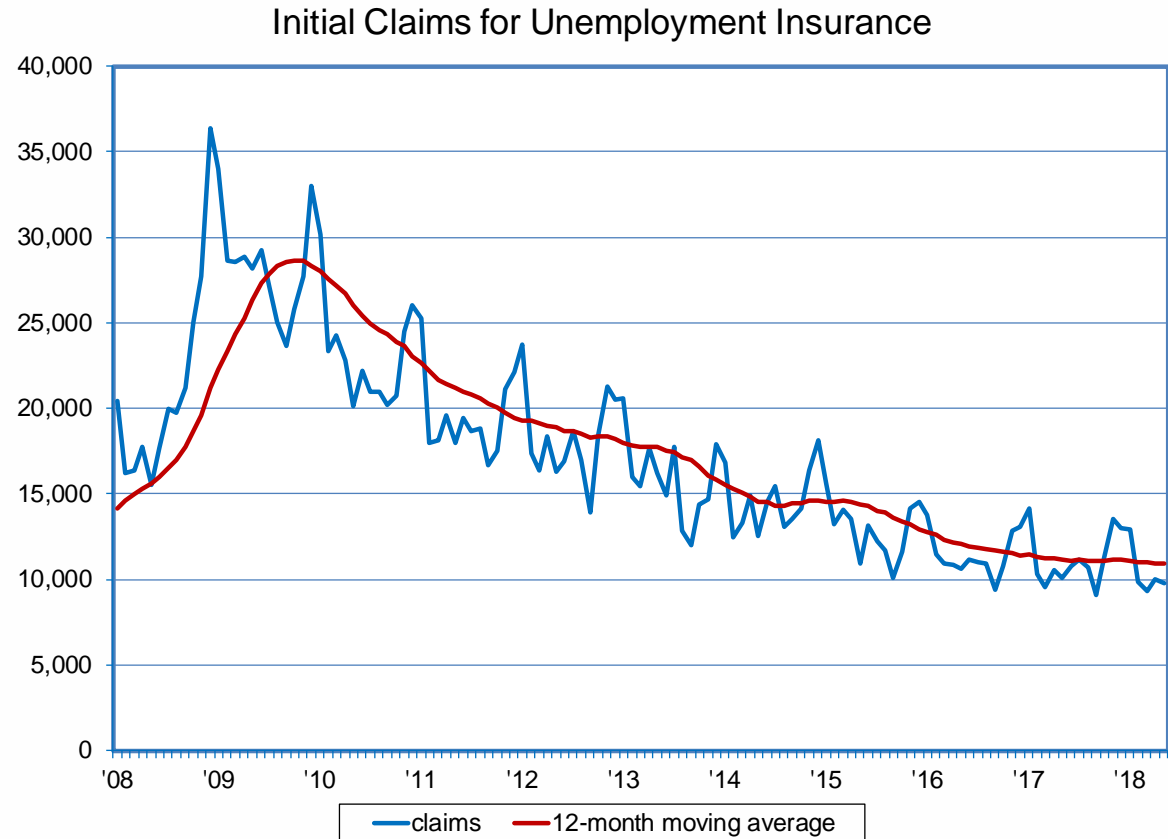


Initial Claims for Unemployment Continue Moderate Decline

9,800 initial claims in May, down two percent over the month

Decline of three percent from the previous year

Maximum weekly benefit amount for FY 2019 set at \$450



State Employment

- ❑ Non-Farm Job Levels Up 37,400 (SA¹) Relative to a Year Ago in May
 - ❑ 89 consecutive months of year-over-year gains
 - ❑ 2.8% gain compares to 1.6% in the nation

- ❑ Down 700 Over the Month
 - ❑ 7,300 (NSA²) jobs were expected to be gained based upon historical trends, but 6,600 jobs were actually added, resulting in the seasonally adjusted decline.
 - ❑ Over-the-month declines in construction and leisure/hospitality; both sectors up over the year
 - ❑ April's employment level was revised down by 1,100 (SA), bringing the two-month gain to 2,500 jobs.

¹ seasonally adjusted

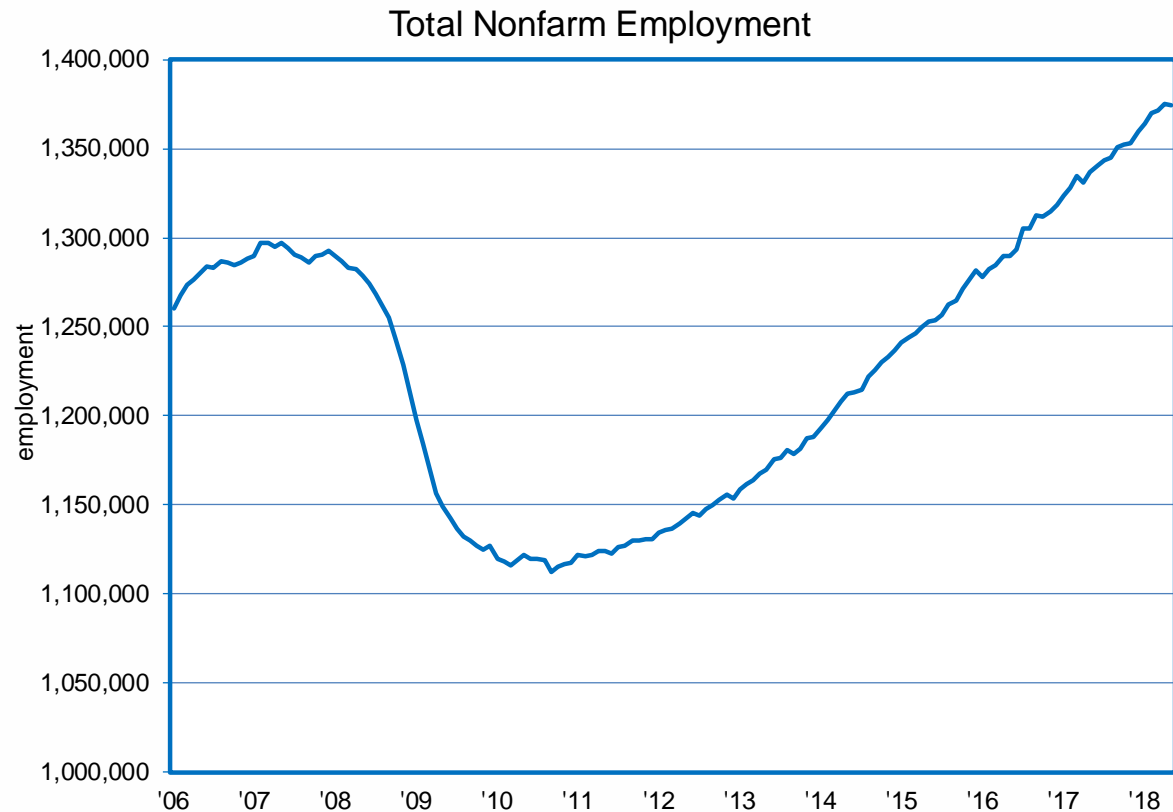
² not seasonally adjusted

May Employment Shows Slight Decline

Total Employment
of 1,374,200 in
May¹

Down 700 jobs
over the month,
2-month gain still
positive at 2,500

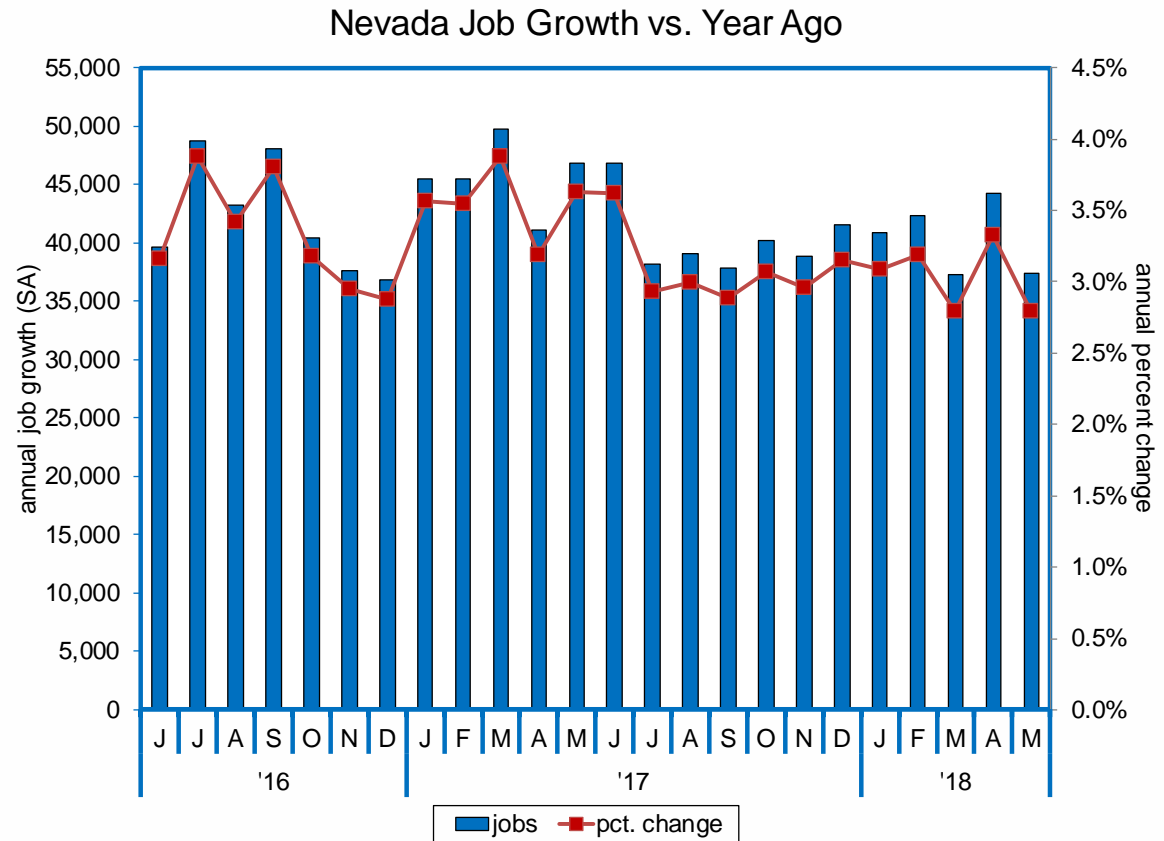
76,900 jobs
above previous
peak



¹ seasonally adjusted

Annual Job Growth Dips Below Three Percent

The State added 37,400 jobs over the year in May, a gain of 2.8%¹



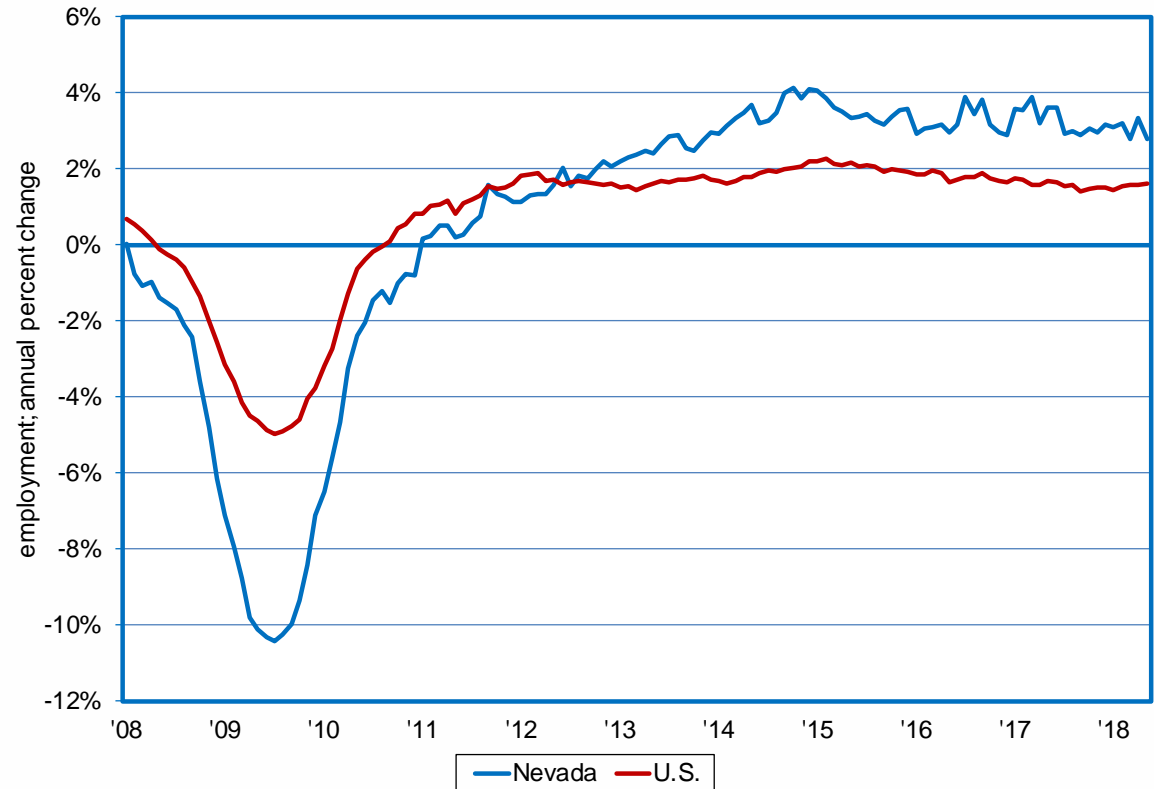
¹ seasonally adjusted

Nevada's Growth Continues to Outpace Nation

Nevada's employment grew at an annual rate of 2.8% in May, compared to 1.6% in the nation as a whole¹

Nevada's job growth has outpaced the nation for 70 straight months

Job Growth: NV vs. U.S.



¹ seasonally adjusted

Year-to-Date Job Growth Across Nearly All Sectors

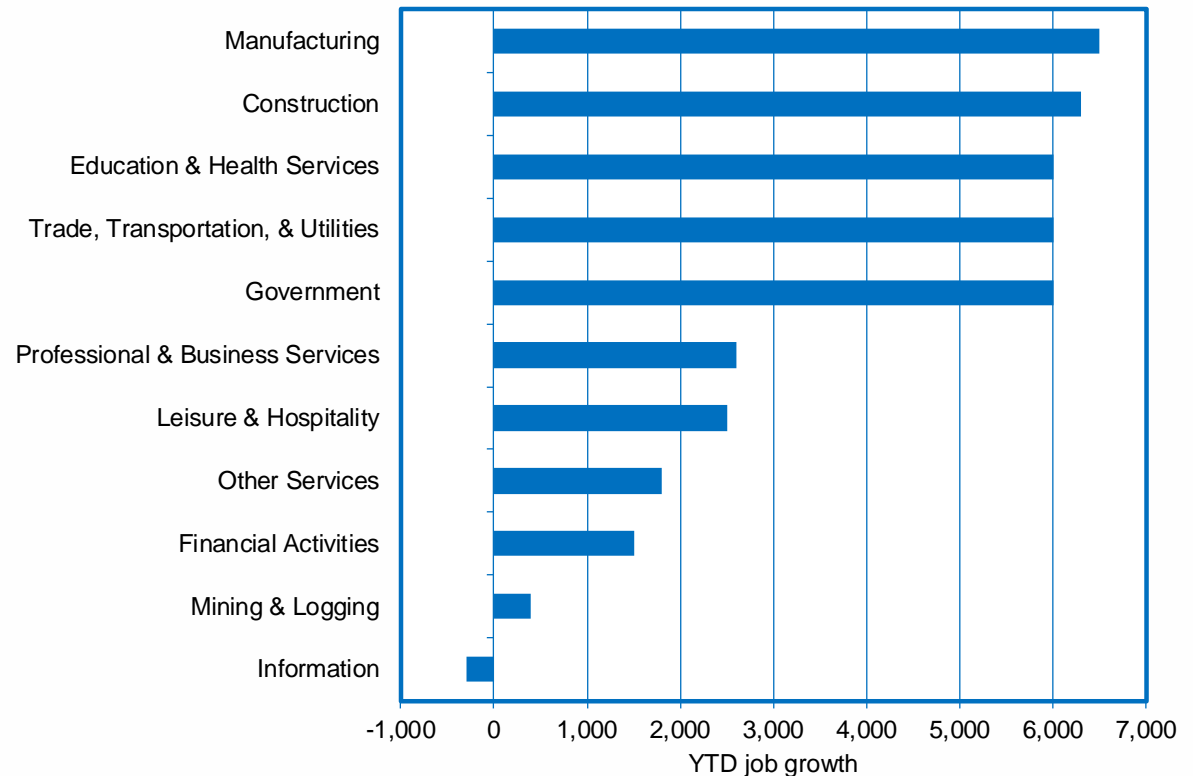
Manufacturing added 6,500 jobs through May, a gain of 14.3%¹

Construction added 6,300 jobs or 7.8%

Ed/health services, trade/trans./utilities, and government each added 6,000 jobs

Information sector is down by 300

Nevada Nonfarm Job Growth by Industry



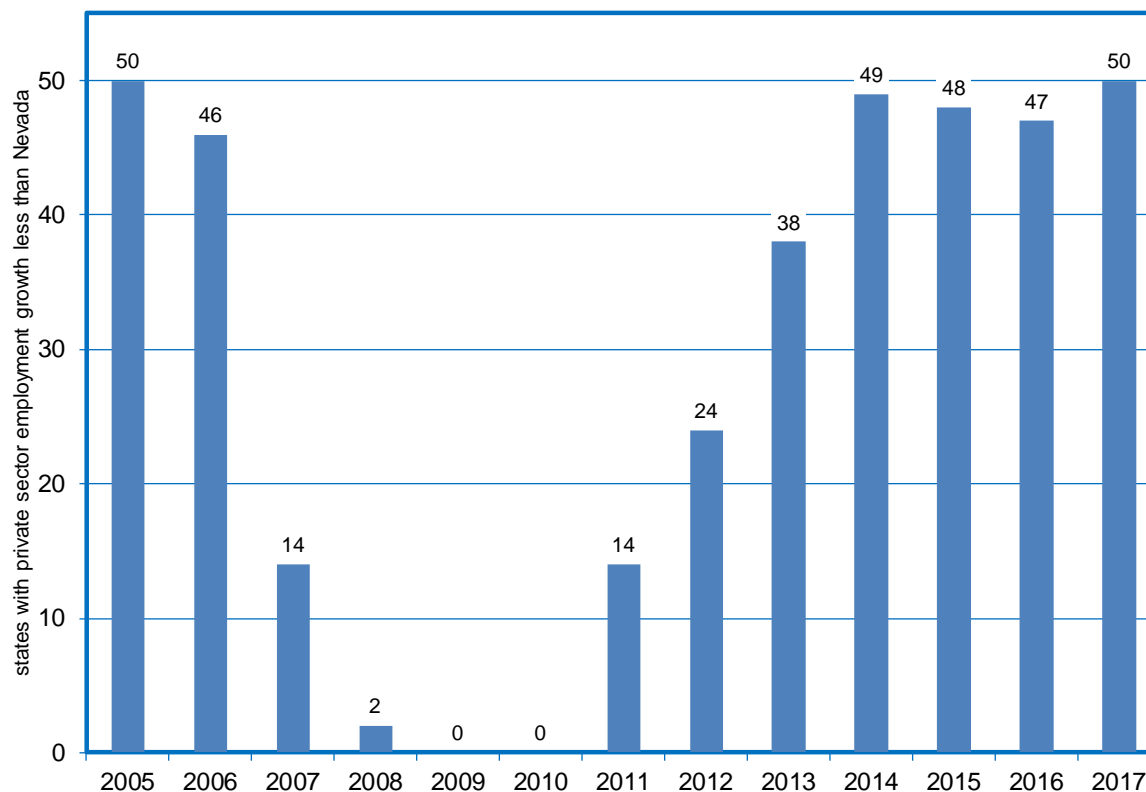
¹ not seasonally adjusted

Nevada Maintains Highest Private Sector Job Growth in the U.S. Through 2017

Nevada led the nation in private-sector job growth in 2017

Employment up 38,600 from 2016, a growth rate of 3.4 percent

U.S. Private Sector Growth Rankings

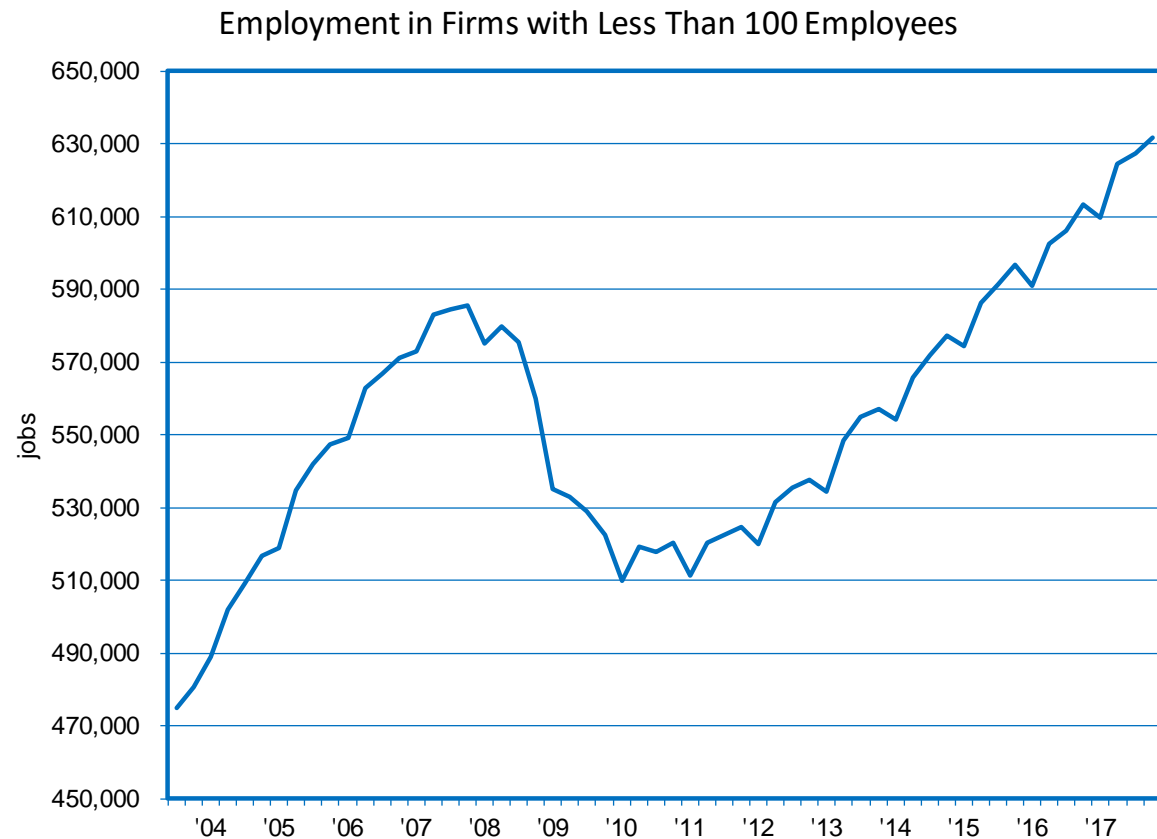


Nevada's Small Businesses Continue Adding Jobs

As of 2017:IVQ,
employment in
Nevada's small
businesses
totaled 632,000

28 consecutive
quarters of
annualized
growth

Nearly 46,000
more jobs than
previous peak in
2007

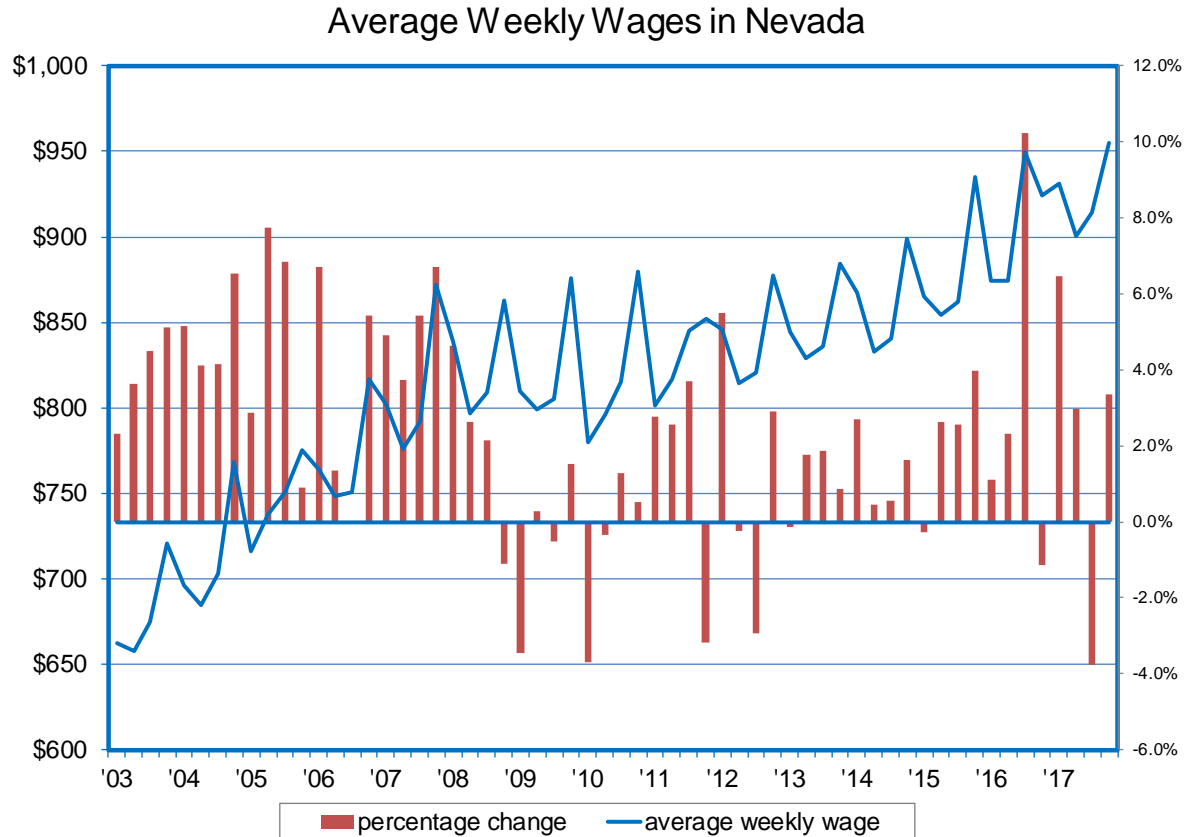


Average Weekly Wages Reach New High

As of 2017:IVQ, average weekly wages reached a record-high of \$955

An increase of \$31 or 3.3% over the year

Wages have increased 6.2% since 2014, while consumer prices grew by just 4.3% over the same period



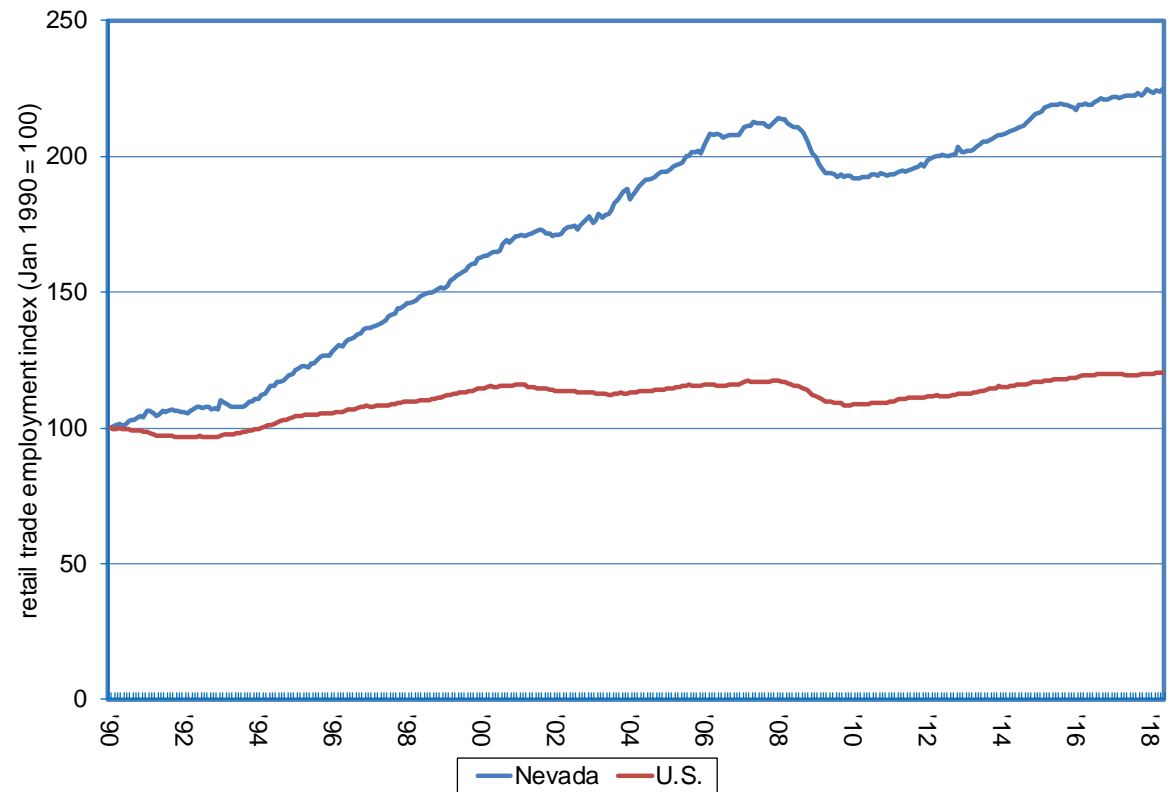
Nevada's Retail Employment More than Doubles since 1990, as National Employment Sees Modest Growth

Nevada's retail trade employment more than doubled from 1990 to 2018

Strongest gain in the nation

Clothing and accessories stores saw the largest gain, followed by general merchandise stores

Retail Trade Growth: Nevada vs. U.S.



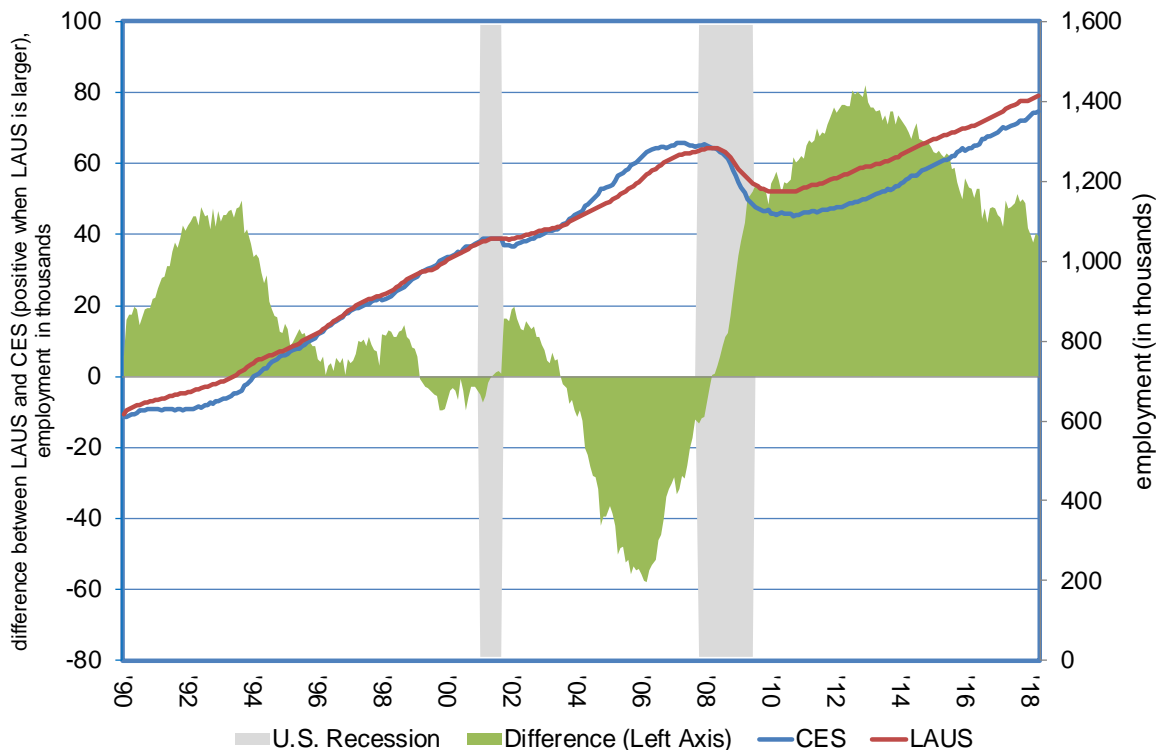
Relationship between Various Employment Estimates Varies Over Time

CES and LAUS programs both estimate monthly employment

Due to varied definitions and scope, LAUS employment estimates are usually larger

During “boom” years ahead of recessions, trend flips and CES estimates surpass LAUS

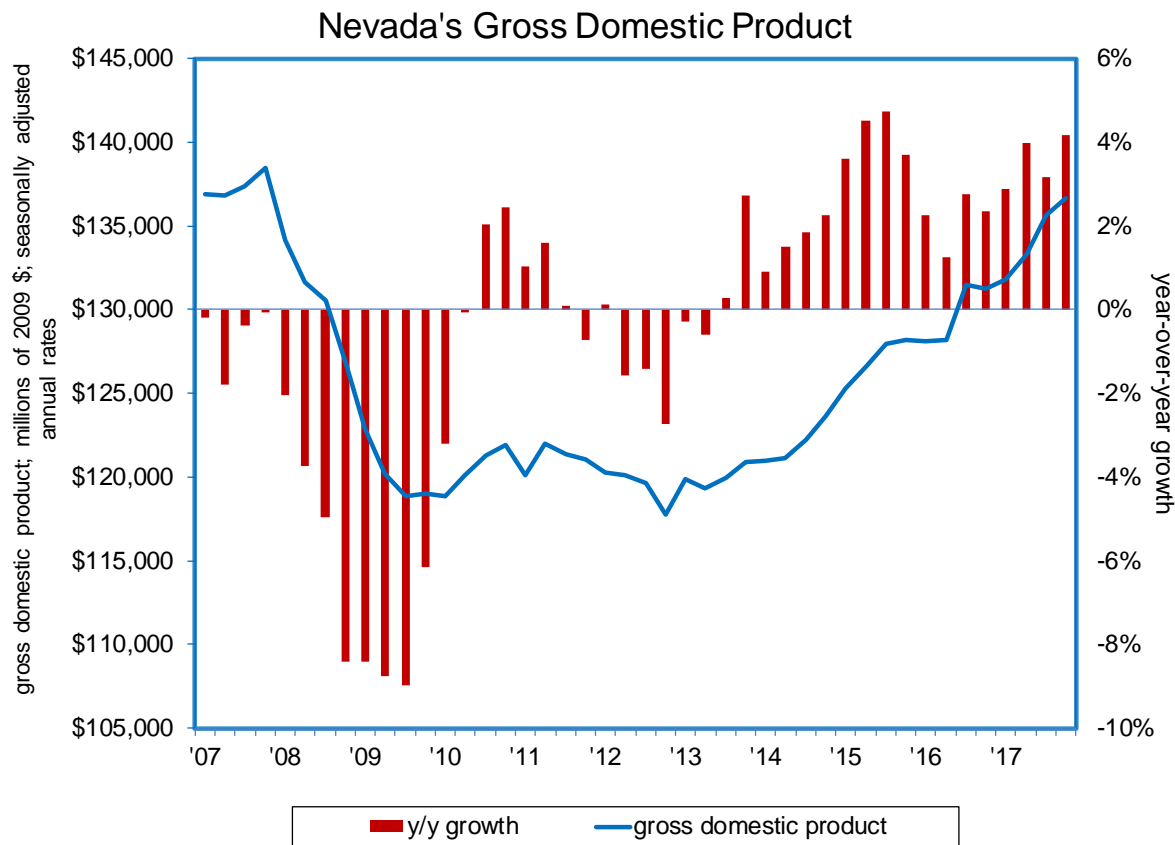
Seasonally-Adjusted Employment Estimates from LAUS and CES Programs



Nevada's Economy Has Grown in Each of the Past 18 Quarters

Nevada's gross domestic product (GDP) totaled over \$131 billion (in 2009 \$s) in 2017:IVQ

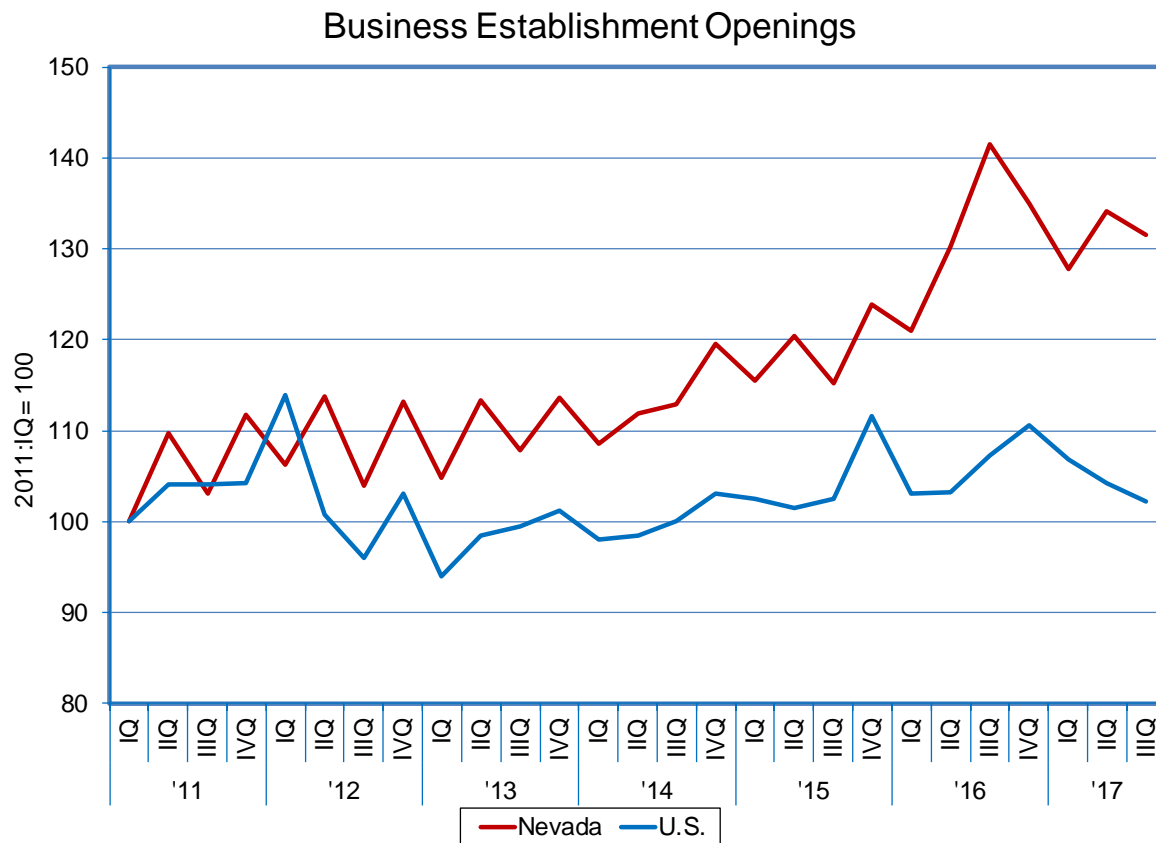
Nevada's GDP growth, at 4.2% in 2017:IVQ, has exceeded the nation's for six consecutive quarters



Nevada Private Sector Business Establishment Openings Trending Up; Outpacing U.S. as a Whole

Nevada added 4,200 new business establishments during 2017:IIIQ

Openings have exceeded 4,000 in each of the past six quarters



For Additional Information, Please Contact:

Nevada Department of Employment, Training and Rehabilitation
Research and Analysis Bureau

David Schmidt
Chief Economist
deschmidt@nvdetr.org

Christopher Robison
Supervising Economist
c-robison@nvdetr.org

(775) 684-0450
<http://www.nevadaworkforce.com>