



Nevada Labor Market Briefing

Department of Employment, Training & Rehabilitation

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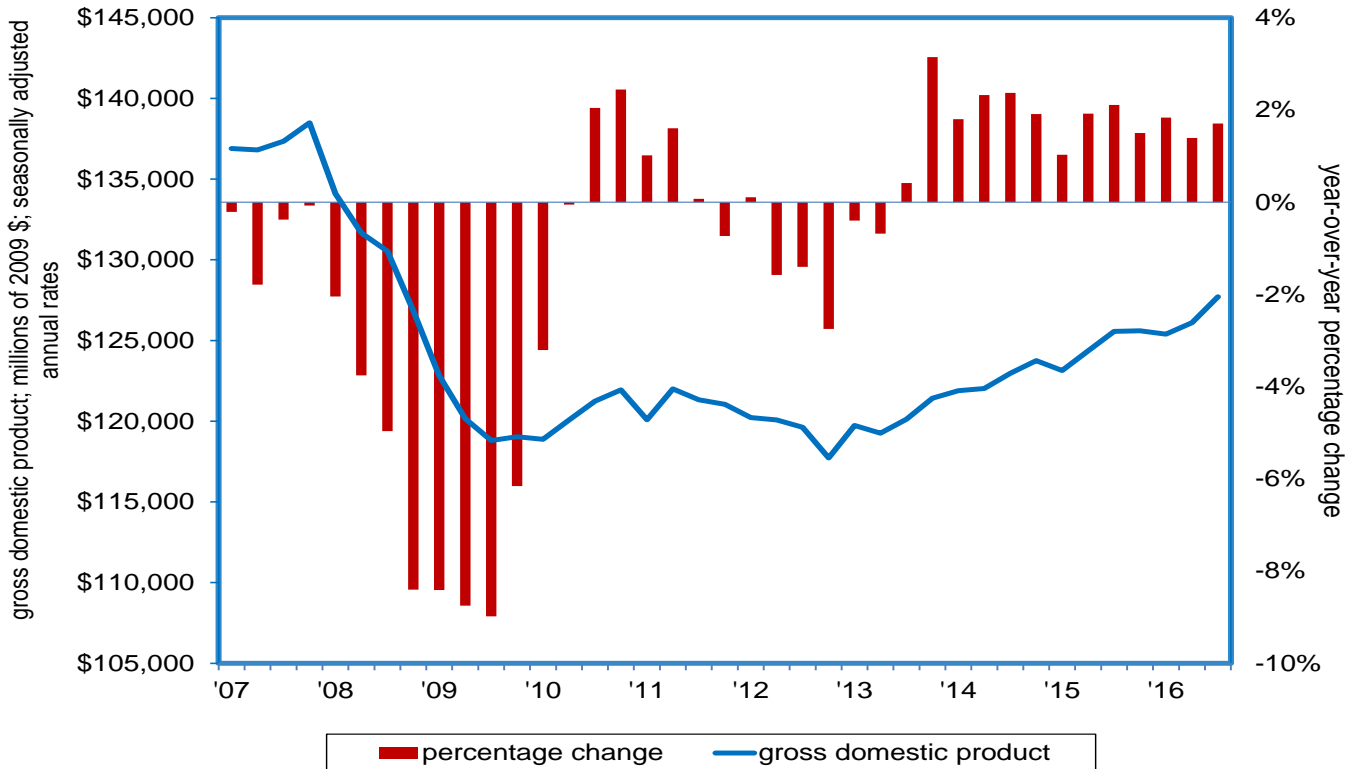
Dennis Perea, Deputy Director

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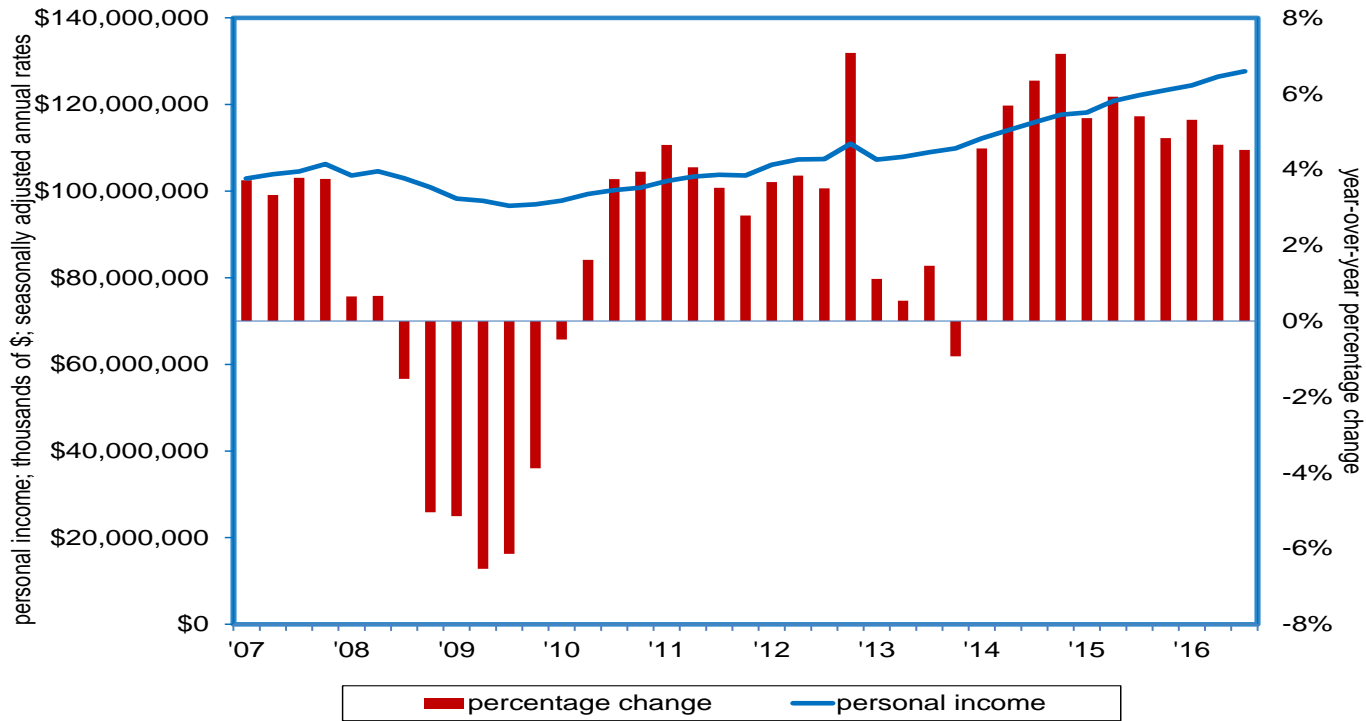
Prepared by the Research and Analysis Bureau for
Presentation to the Assembly Committee on
Commerce and Labor: February 13th, 2017



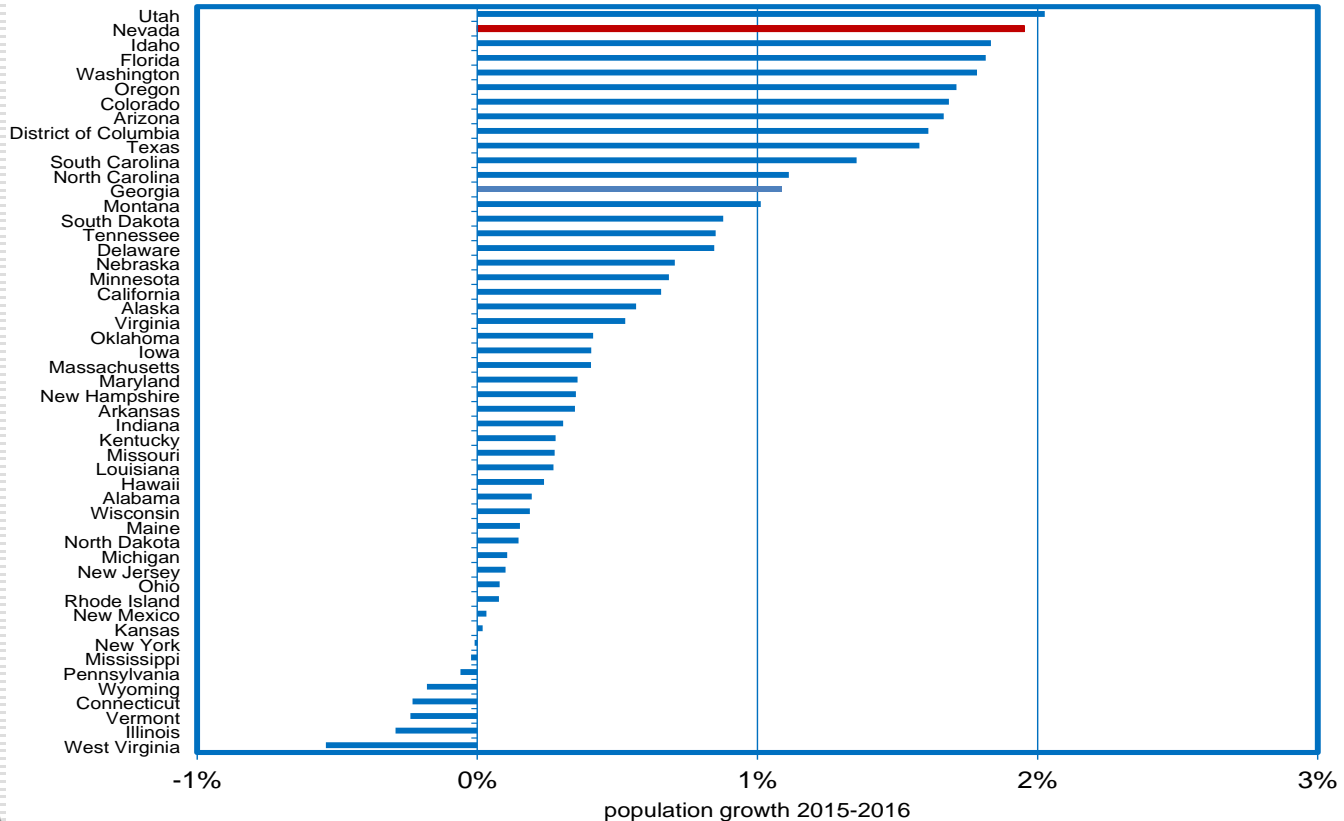
Nevada's Economy Grows in Each of Past 13 Quarters; GDP Growth Exceeds the Nation's in the Past Three Quarters



Personal Income on the Rise in 25 of the Past 26 Quarters; Growth Exceeds National Average in Past 11 Quarters



Nevada has Second-Fastest Population Growth in the U.S.



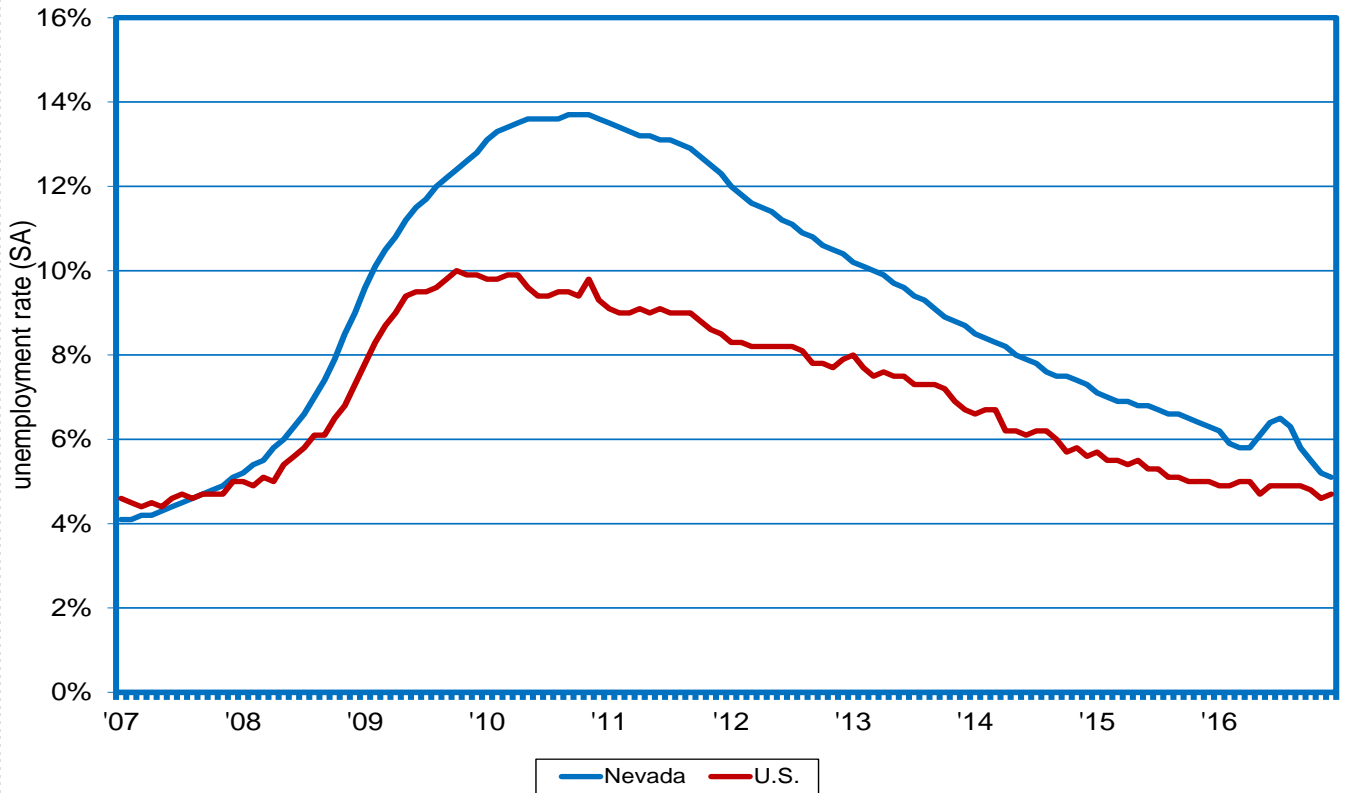


State Unemployment Rate

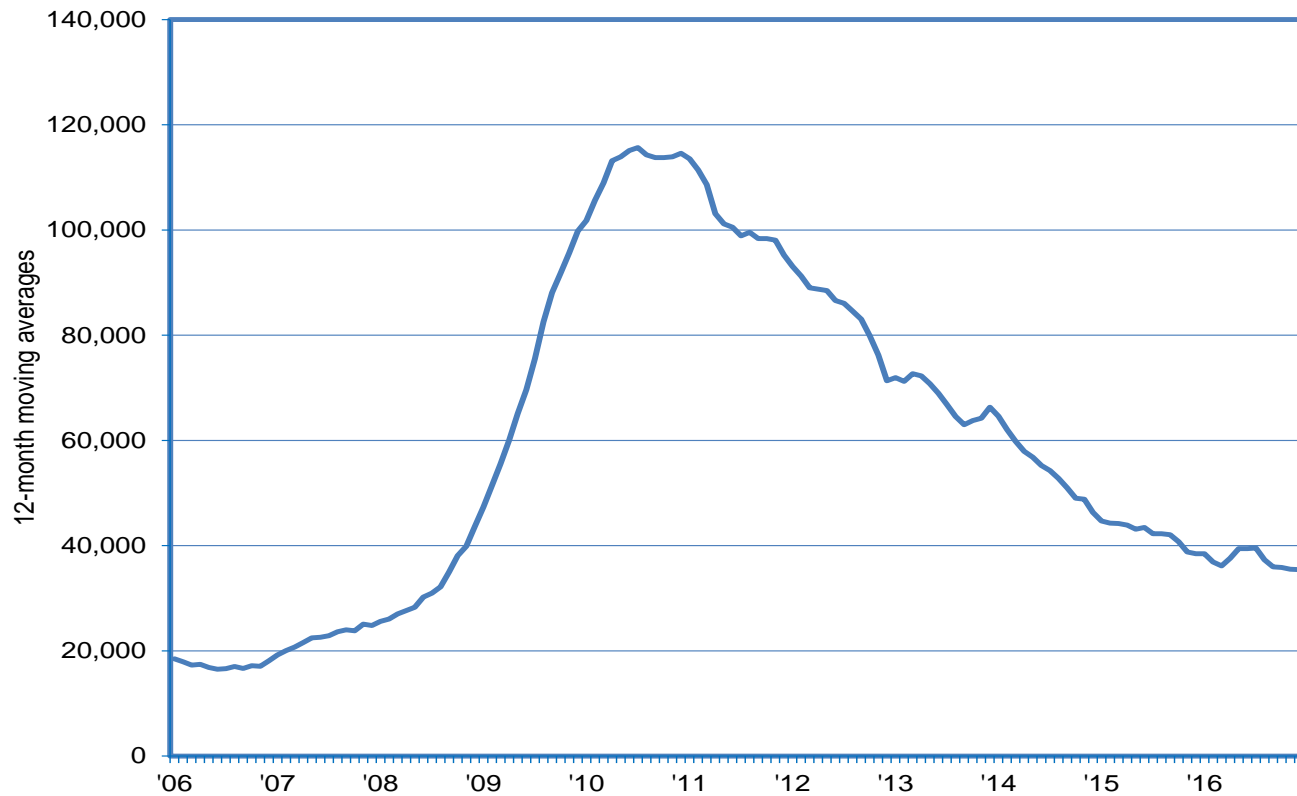
- ❑ **5.1% Unemployment Rate at Year-End**
 - ❑ down 0.1 point from November; down from 6.3% a year ago
 - ❑ Lowest since year-end 2007
 - ❑ off from a recession peak of 13.7%
 - ❑ in absolute terms, unemployment totaled 72,500; lowest since January 2008
 - ❑ compares to a 4.7% rate for the U.S.— 0.4 percentage point higher, the smallest gap since early-2008
 - ❑ was more than four points higher at height of recession
- ❑ **5.8% Average for all of 2016; Down Nearly a Full Point from 2015's 6.7%**



Jobless Rate Falls to 5.1% in December; Gap vs. the U.S. Nearly Eliminated



Those Nevadans Who've Involuntarily Lost Their Job Peaked at 115,700 in 2010; Now at 35,400

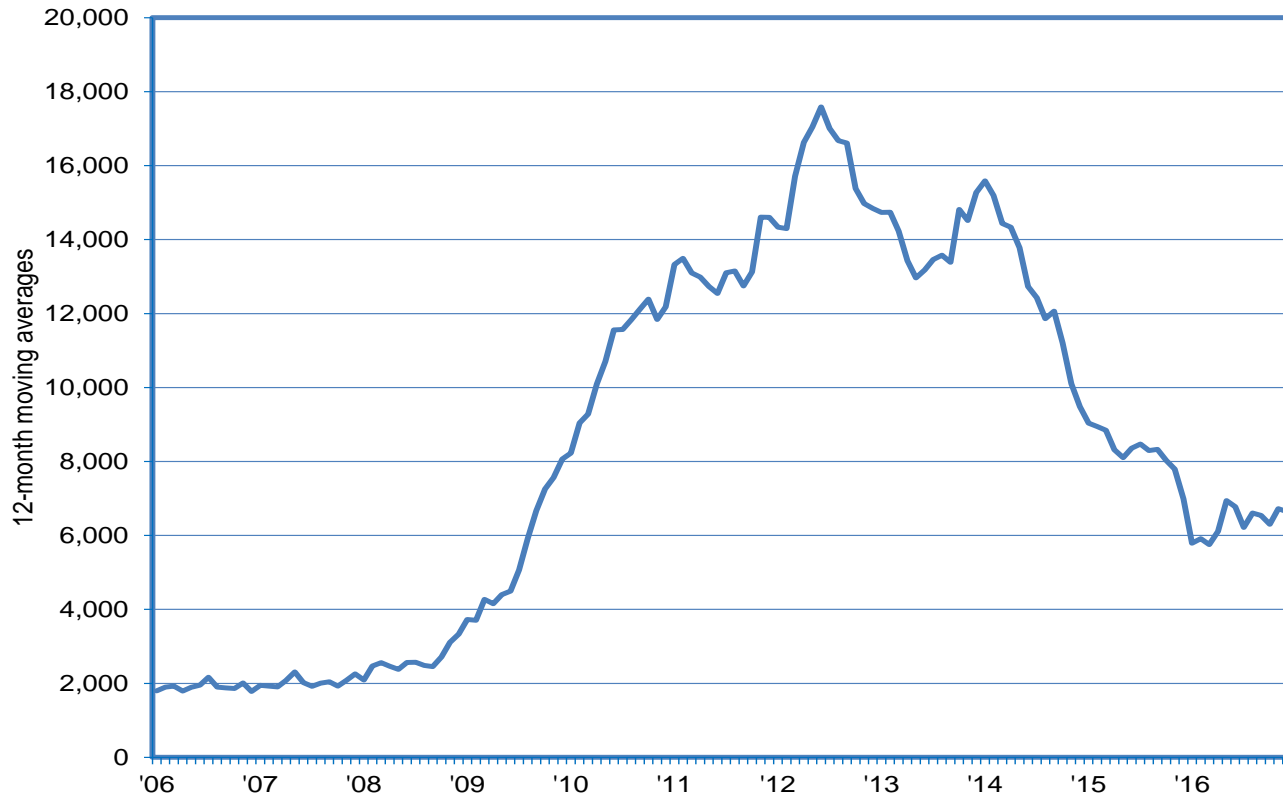


Including Discouraged Workers Adds 0.4 Point to the “Official” Unemployment Rate

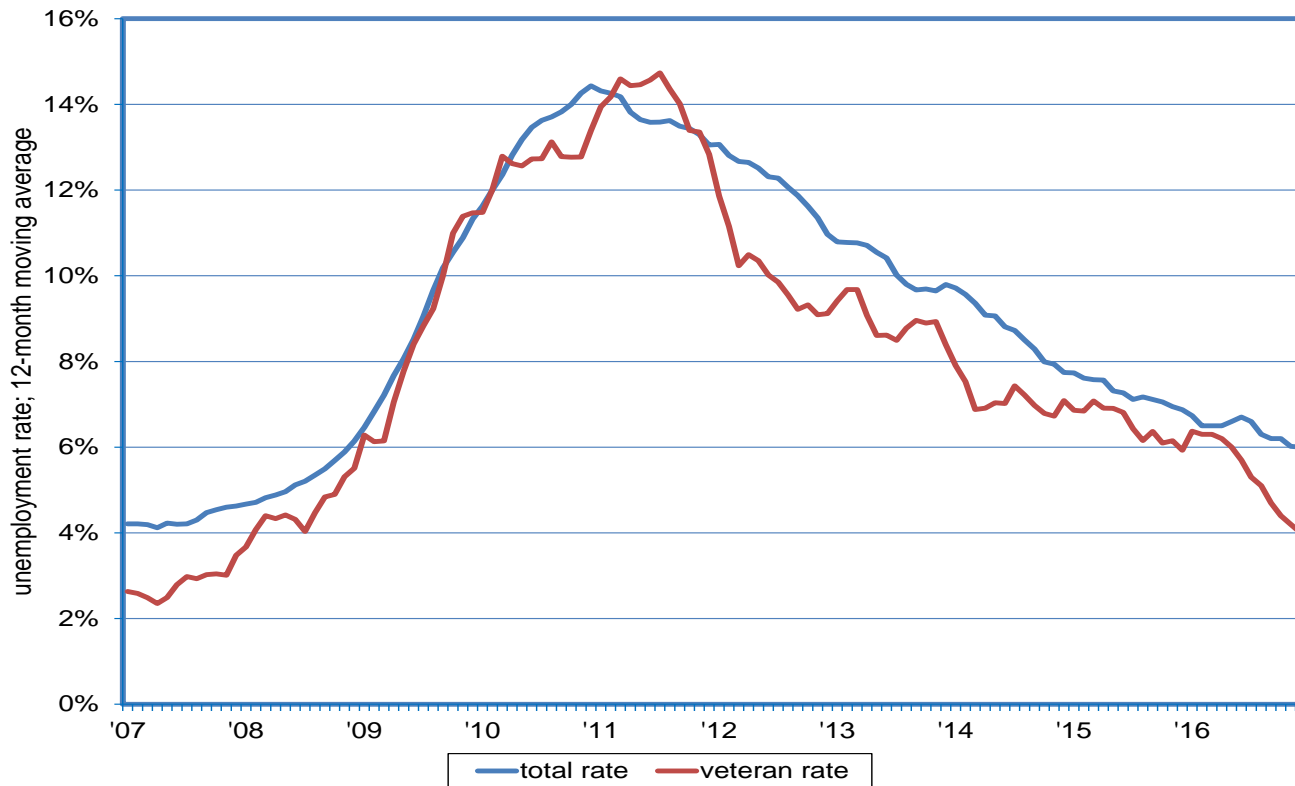
Alternative Measures of Labor Underutilization (2016 Annual Average)		
Measure	Underutilization Concept	Level
Official Rate	jobless persons available to take a job who have actively sought work in the past four weeks	5.8%
U-1	jobless 15 weeks or longer	2.4%
U-2	job losers and persons losing a temporary job	3.0%
U-3	similar to official rate	5.9%
U-4	U-3 plus discouraged workers	6.3%
U-5	U-4 plus others marginally attached to the labor force	7.1%
U-6	U-5 plus those employed part-time for economic reasons	12.2%
Official Rate: 2016 annual average		



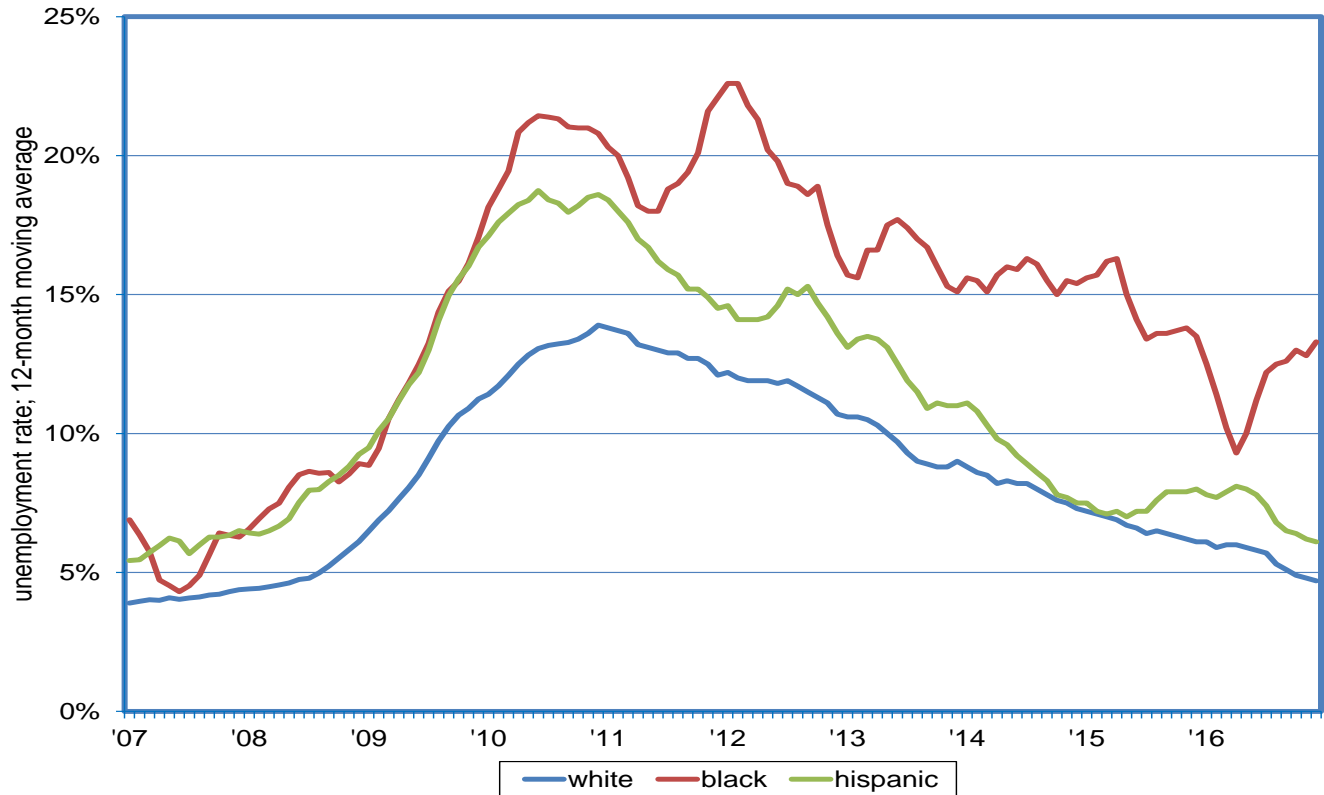
Discouraged Workers Peaked at 18,000 in 2012; Now at 6,600



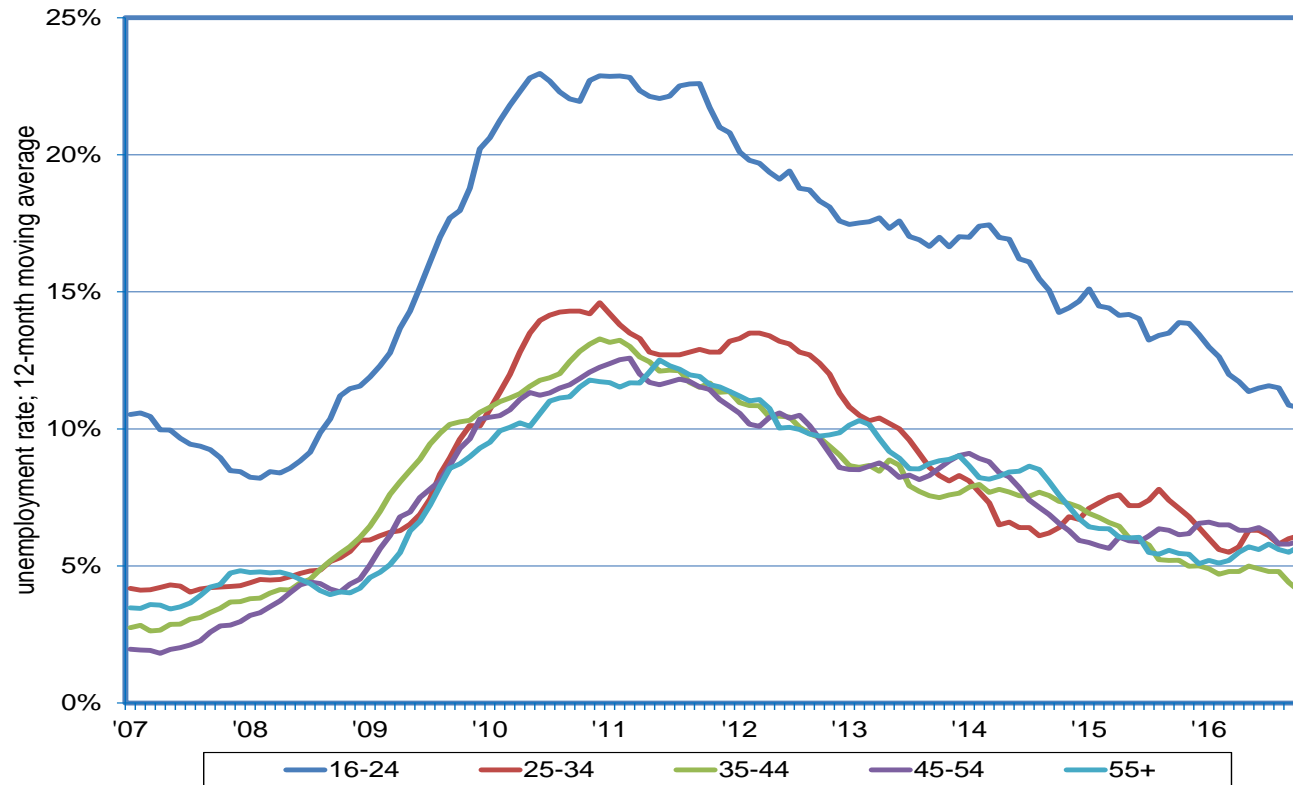
The Jobless Rate for Vets has been Lower than the Total Rate During the Recovery; 4% Over the Past 12 Months



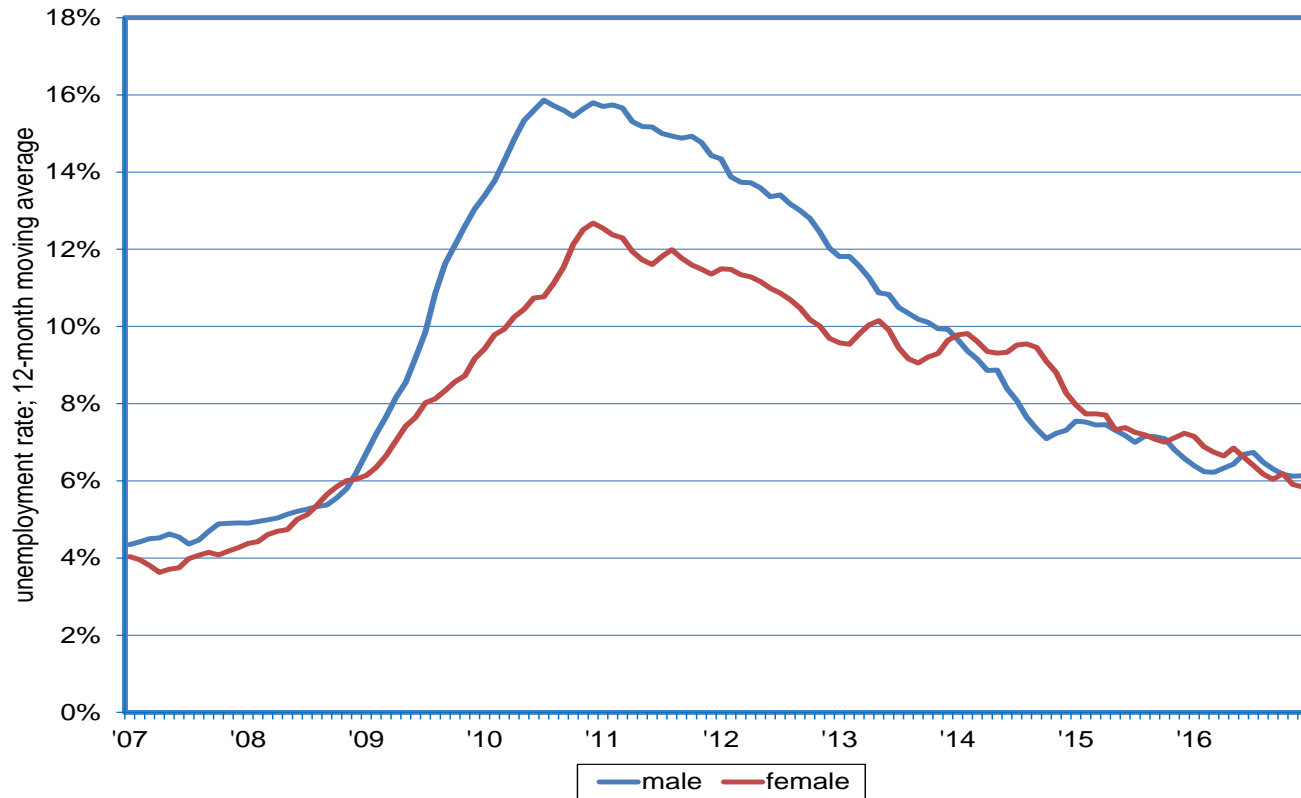
Unemployment Rate in Nevada Varies Across Race; Rate for Blacks and Hispanics Exceeds That for Whites



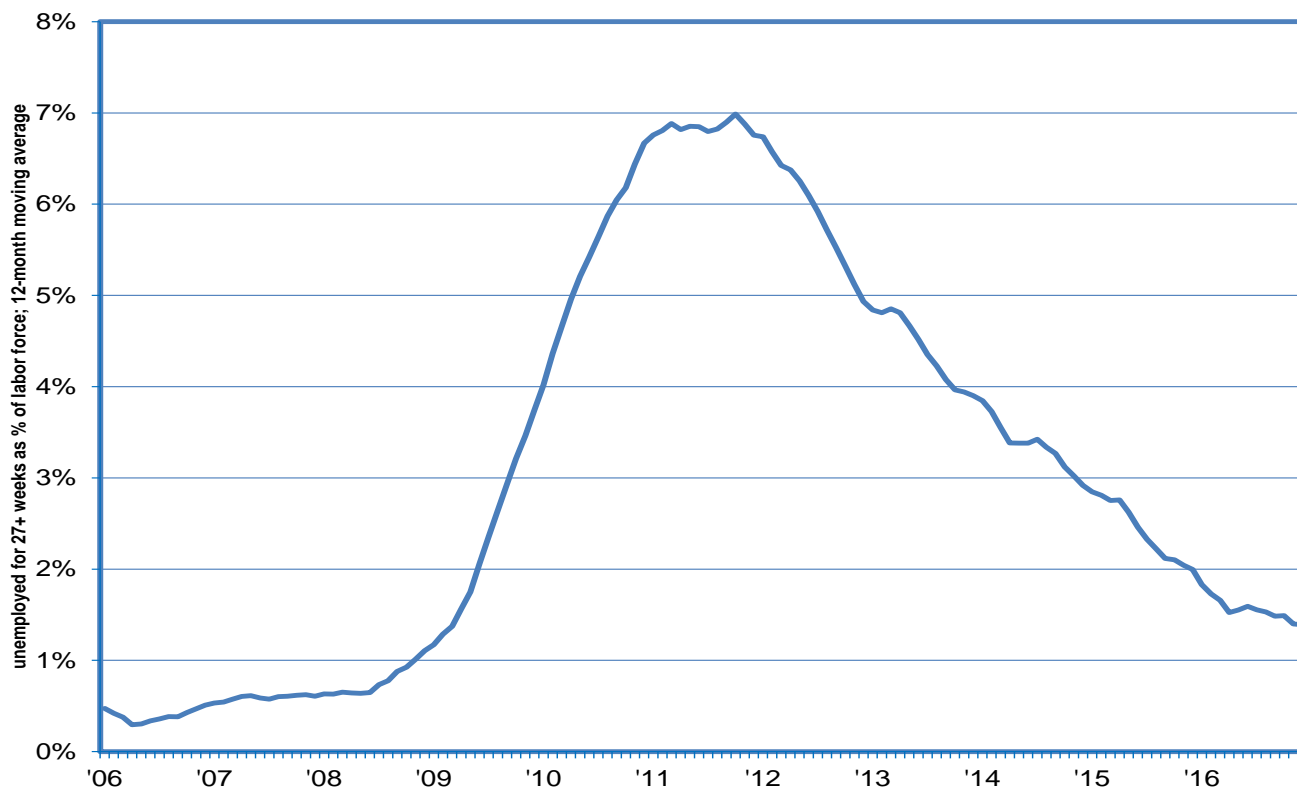
Unemployment Rate for Teens and Young Adults Tends to be Higher than Other Age Groups



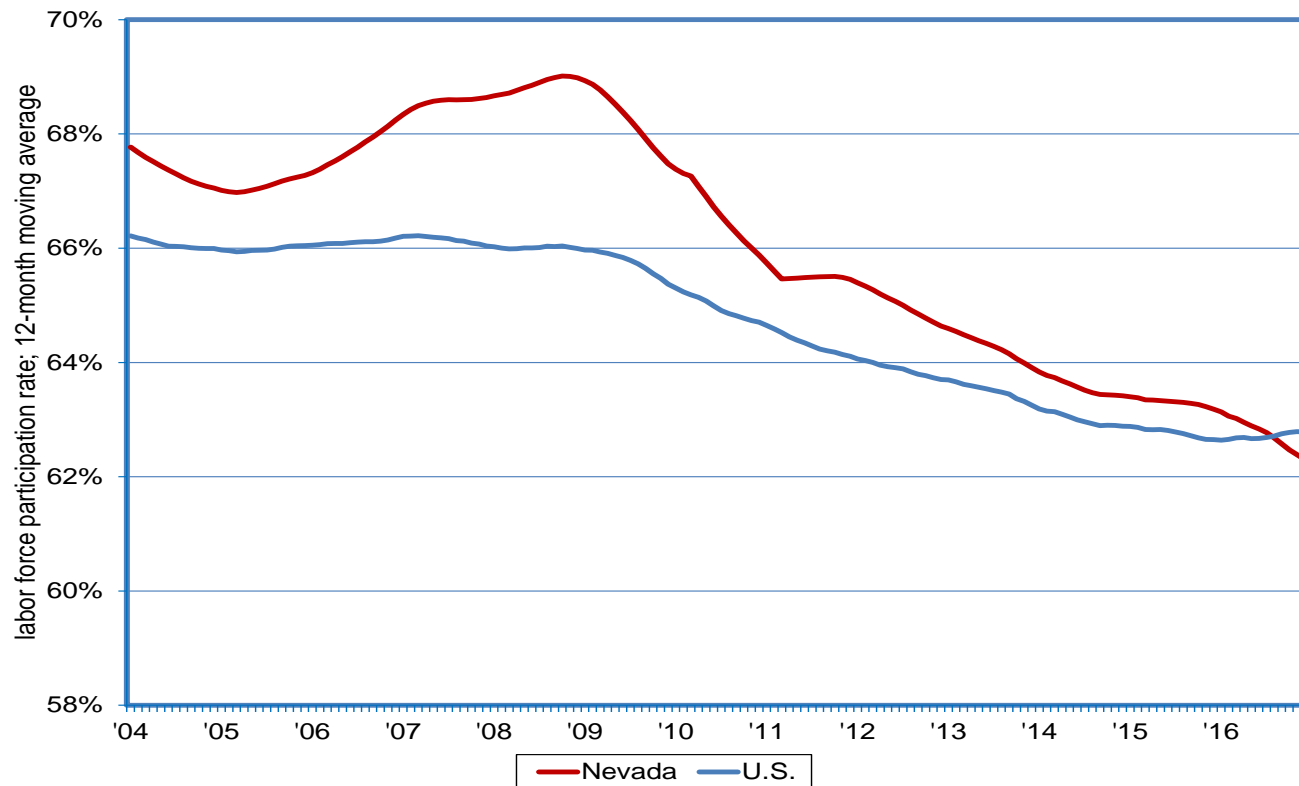
Gap Between Male/Female Unemployment Rates Expanded During the Recession; Eliminated as the Recovery has Unfolded



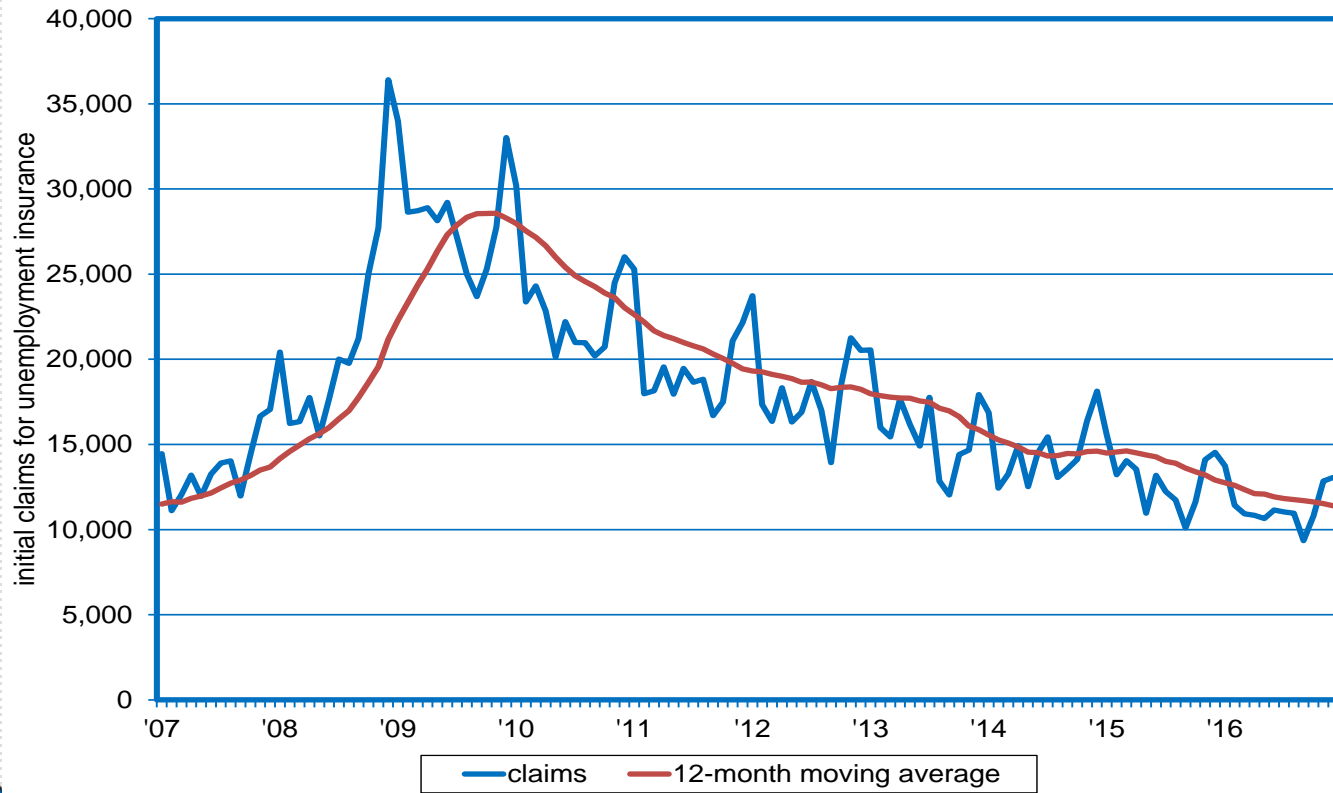
Nevada's Long-Term Unemployment Rate Peaked at 7%; Now at 1.4%; Those Unemployed 27+ Weeks = 19,700



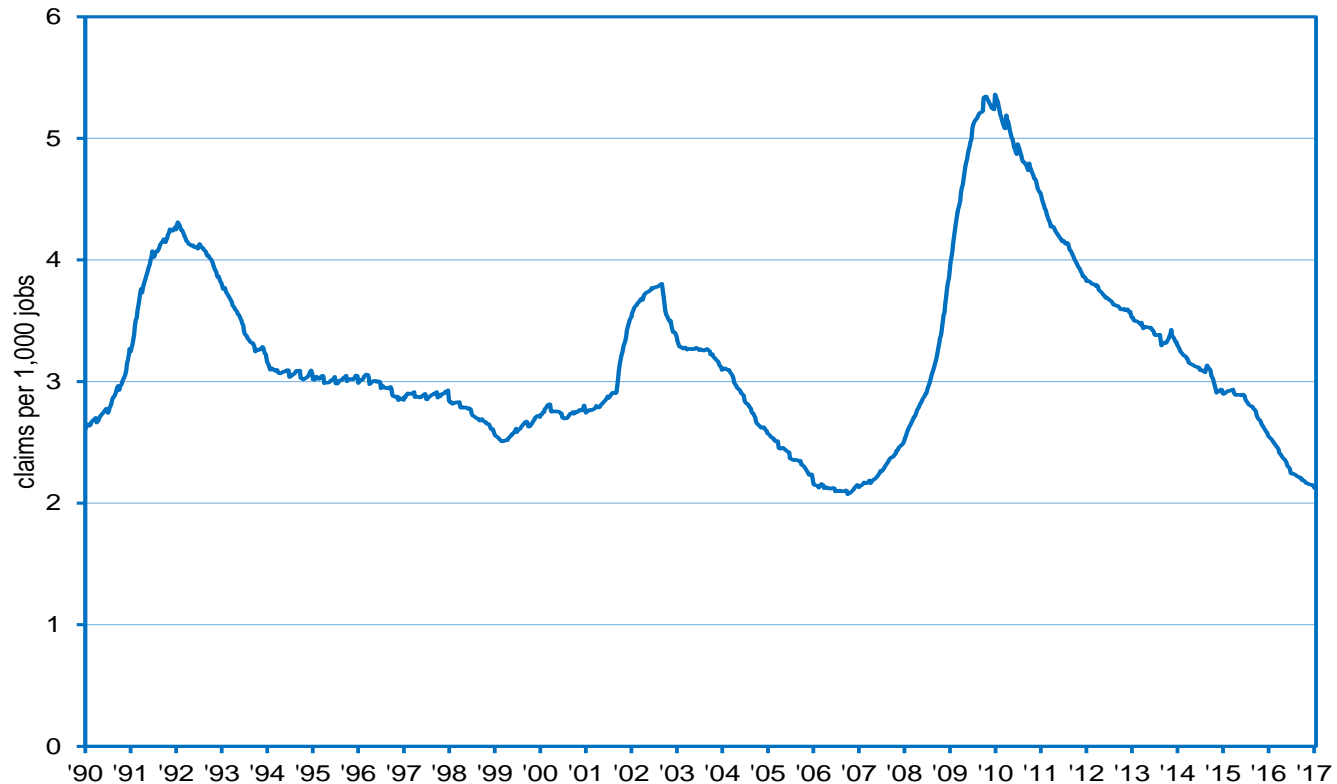
LFPR Declining Over Time Due to Structural & Cyclical Forces; Slightly Below That For the U.S.



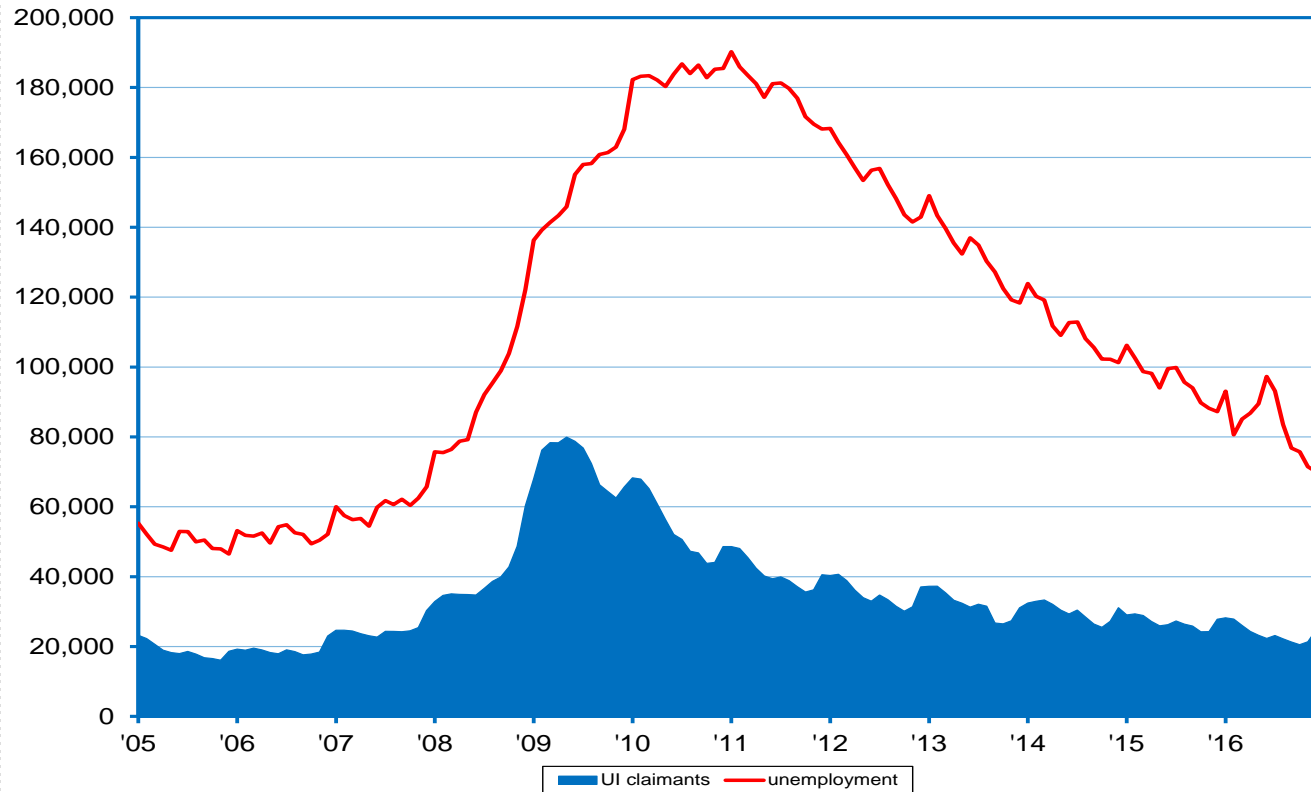
Initial Claims for Unemployment Insurance Averaged 11,400/Month in 2016; Lowest Since 2006



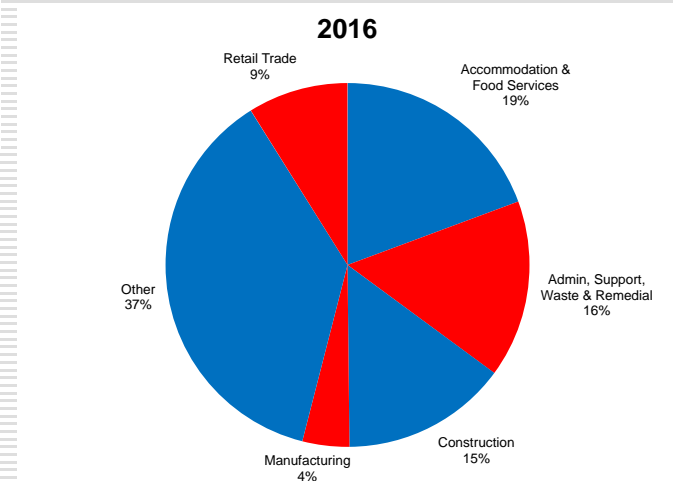
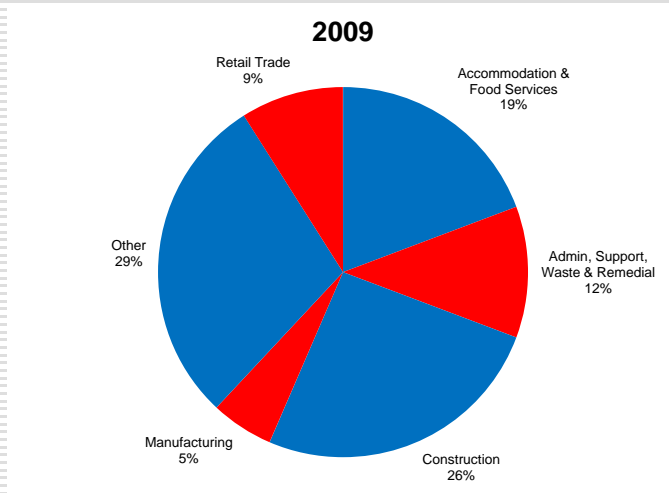
Initial Claims Activity Relative to the Employment Base Near All-Time Lows



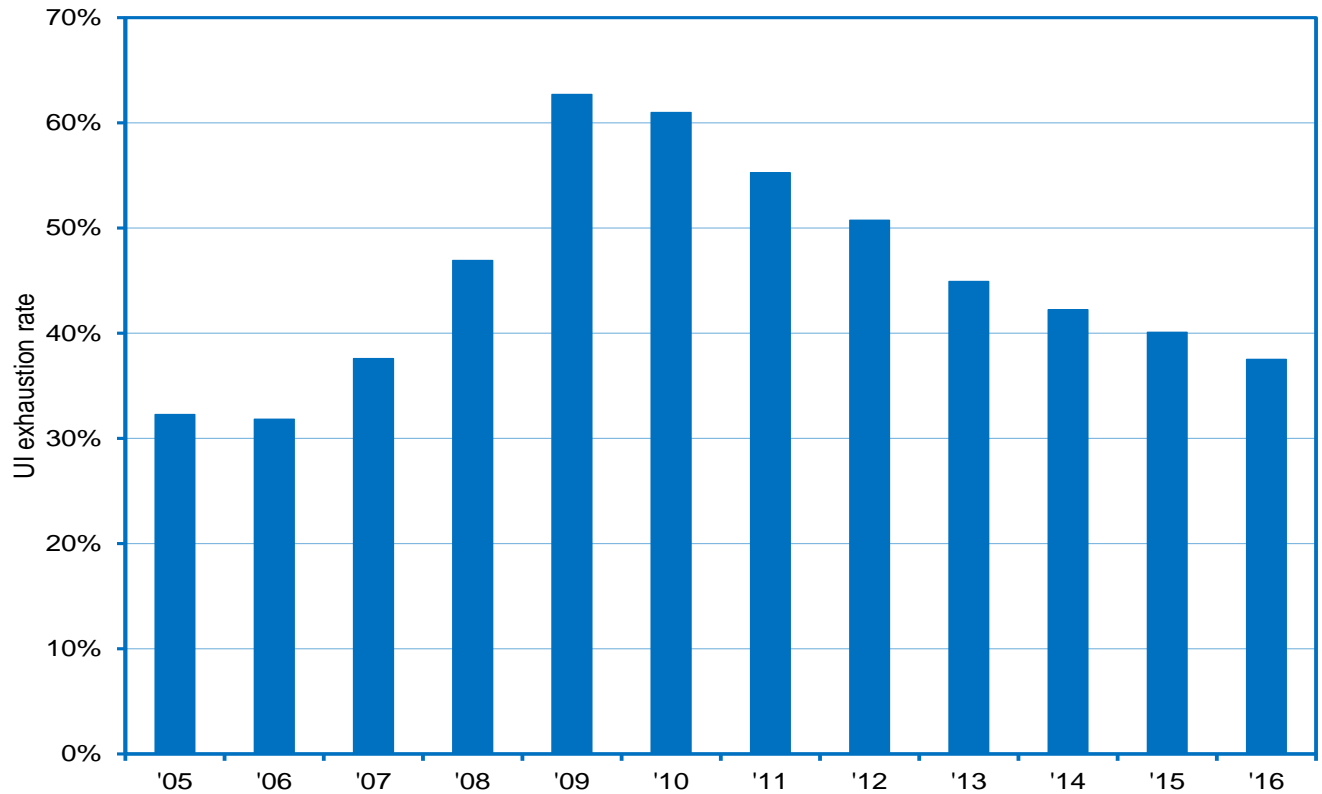
Unemployment Insurance Claimants=25K; Unemployed=70K; Gap Between Claimants and Unemployment at Post-Recession Low



Share of UI Claims Accounted for by Construction has been Cut Significantly Since the Recession



UI Exhaustion Rate 37.5% in 2016; Now at '07 Levels and Trending Down



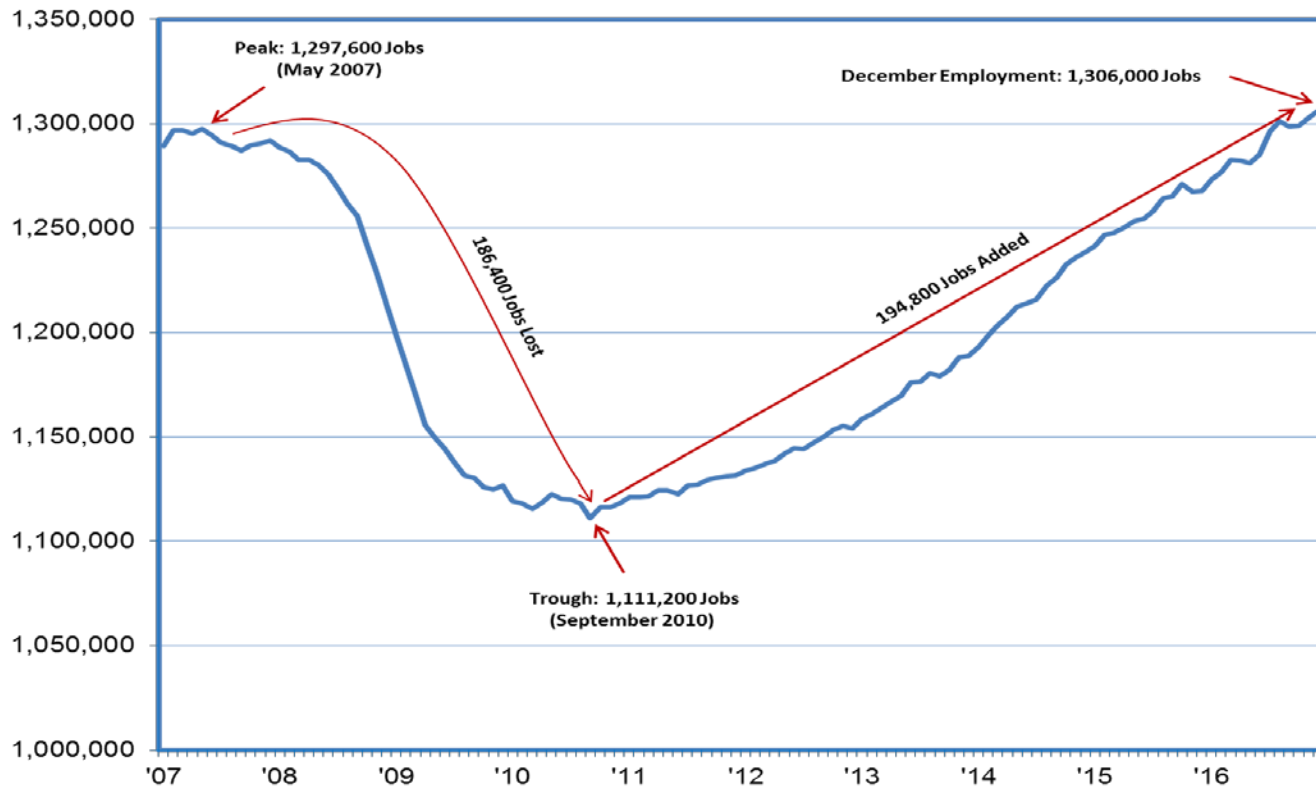


State Employment

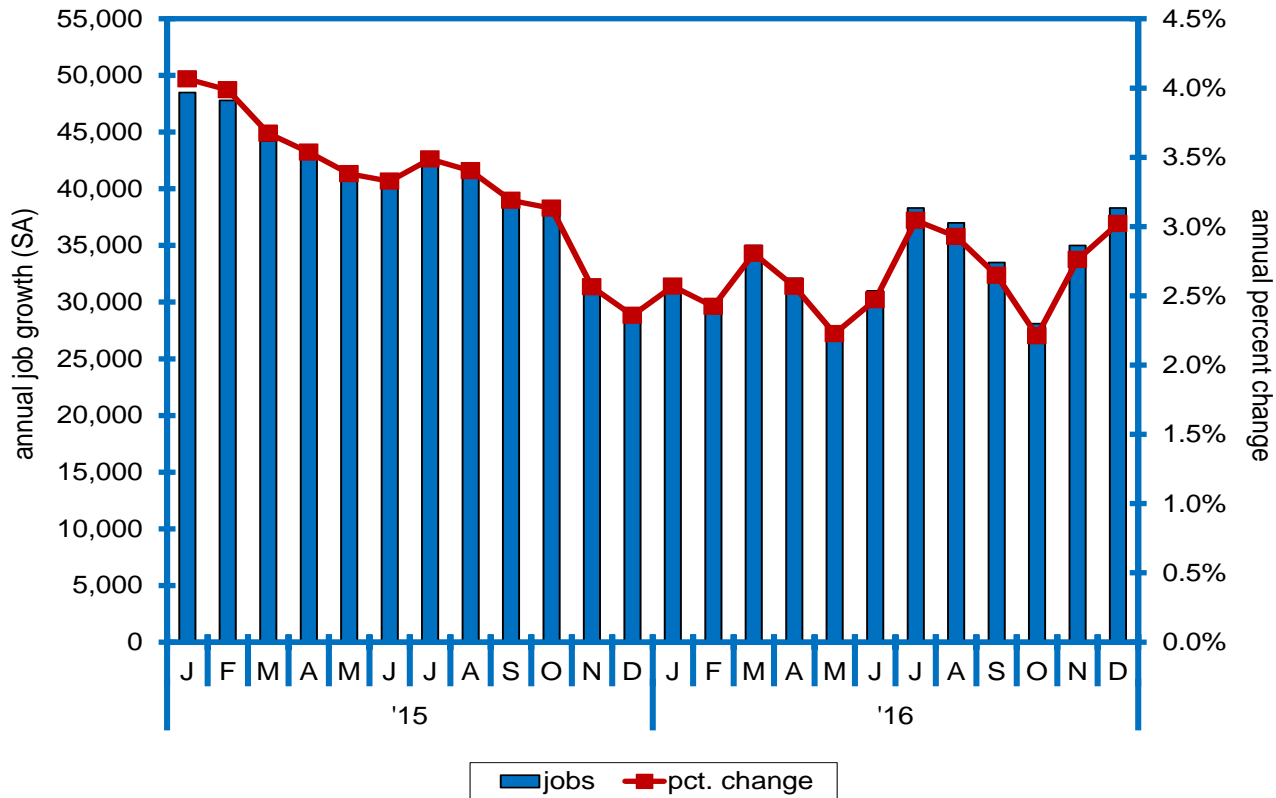
- ❑ Non-Farm Job Levels Up 38,300 Relative to a Year Ago in December
 - ❑ 72 consecutive months of year-over-year gains
 - ❑ three percent gain compares to 1.5% in the nation
 - ❑ 53 straight months in which Nevada > U.S.
- ❑ Up 3,400 Over the Month
 - ❑ monthly job gains recorded in nine months in 2016
- ❑ Job Levels Up 32,500, on Average, for all of 2016
 - ❑ likely to be adjusted up during annual year-end benchmarking/revision process



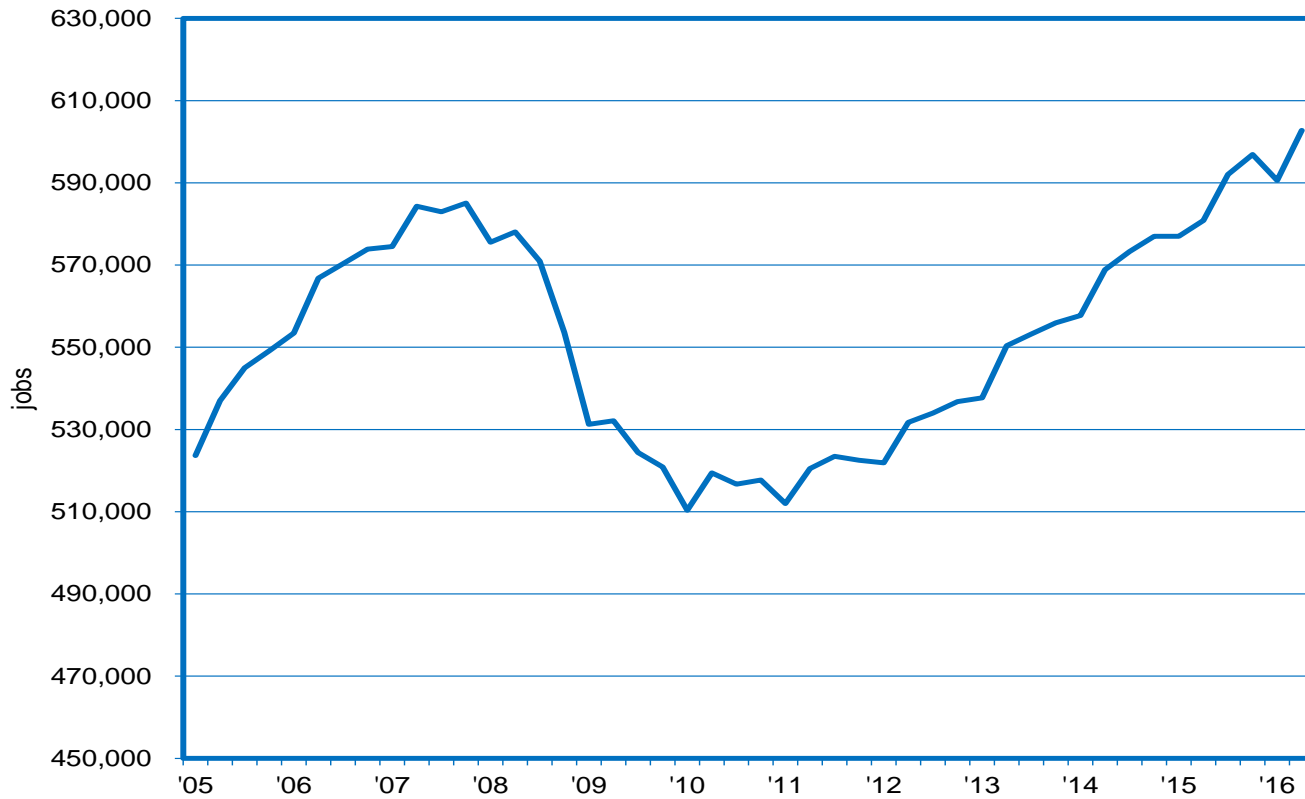
Job Levels Establish New Record in Reaching 1.31 Million at Year-End; 32,500 Jobs Added for all of 2016



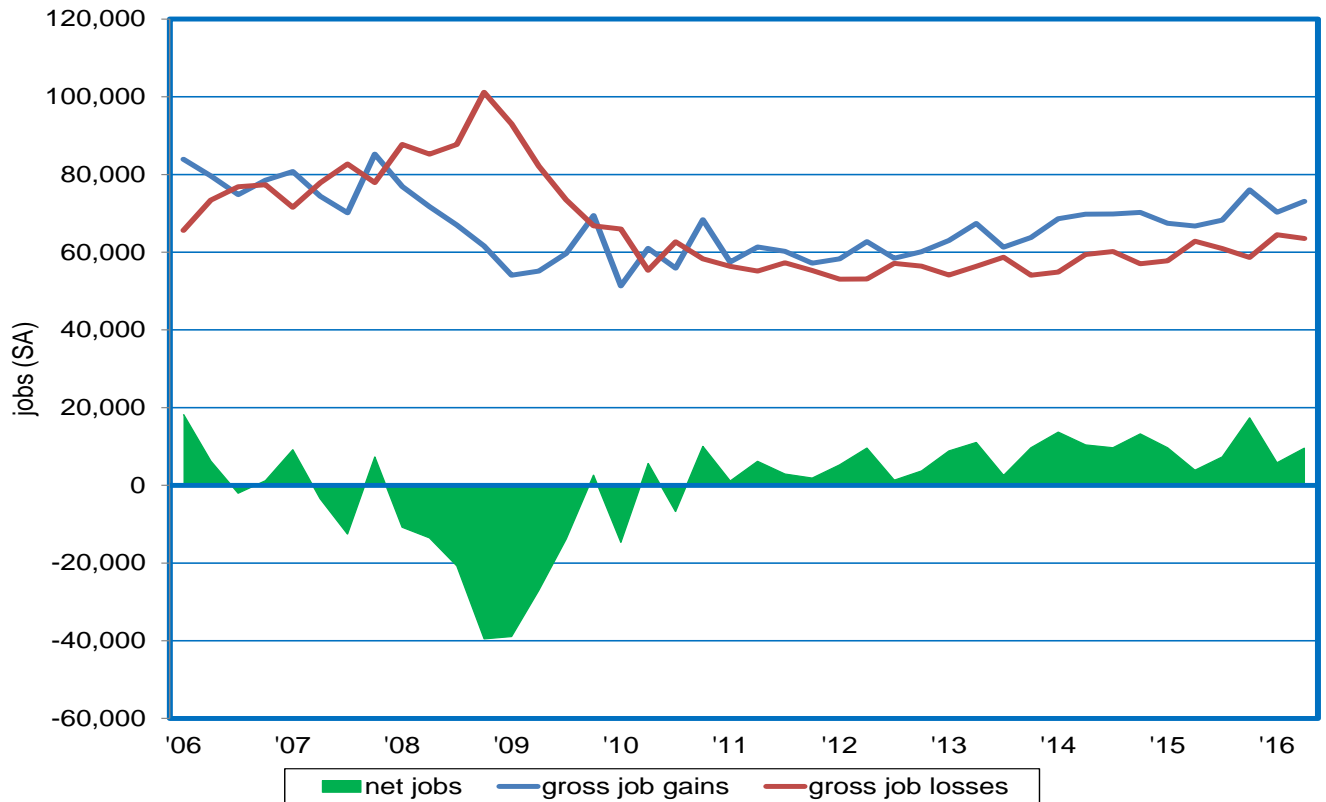
Job Growth Continues Hovering at an Annualized Rate of About 35K; December Jobs Up 38,300 Over the Year



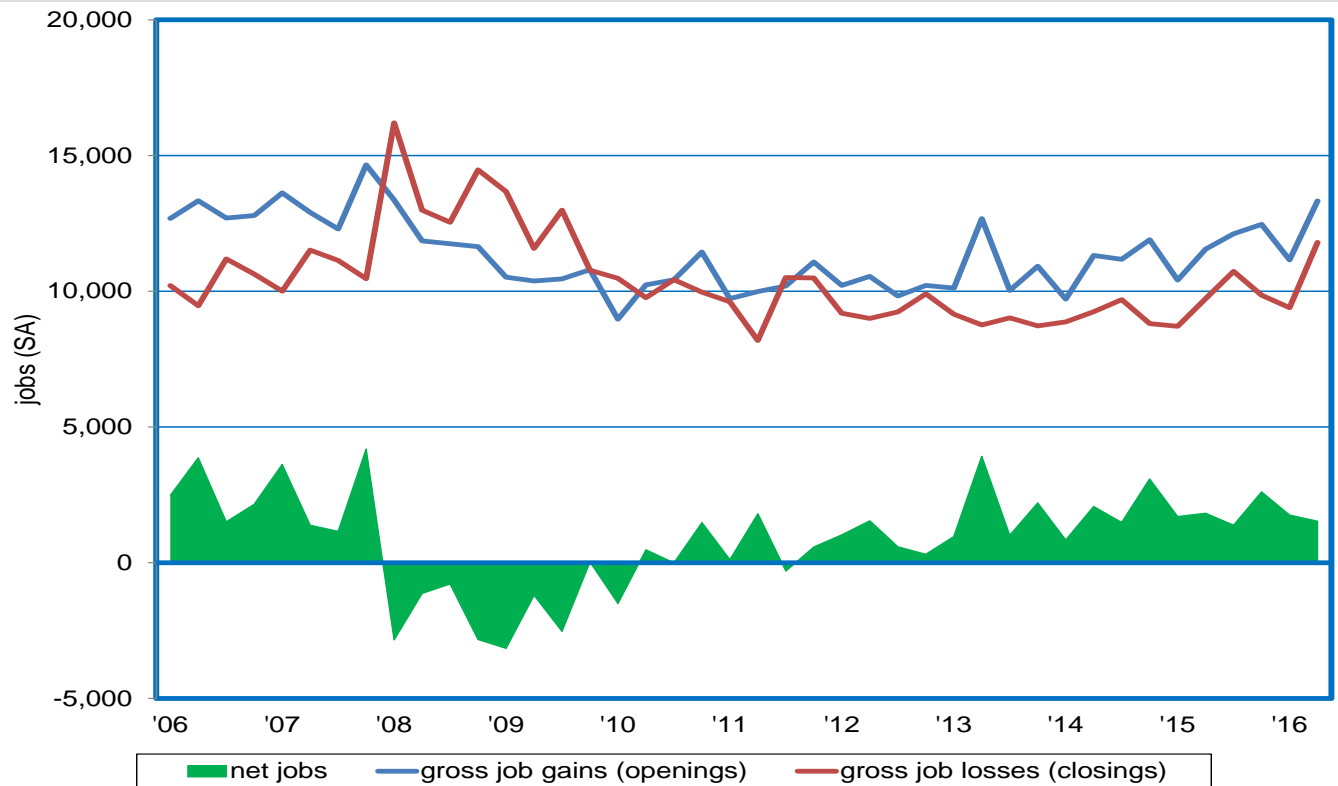
Small Biz Sets New Employment Record; Jobs Exceed 600K for First Time Ever



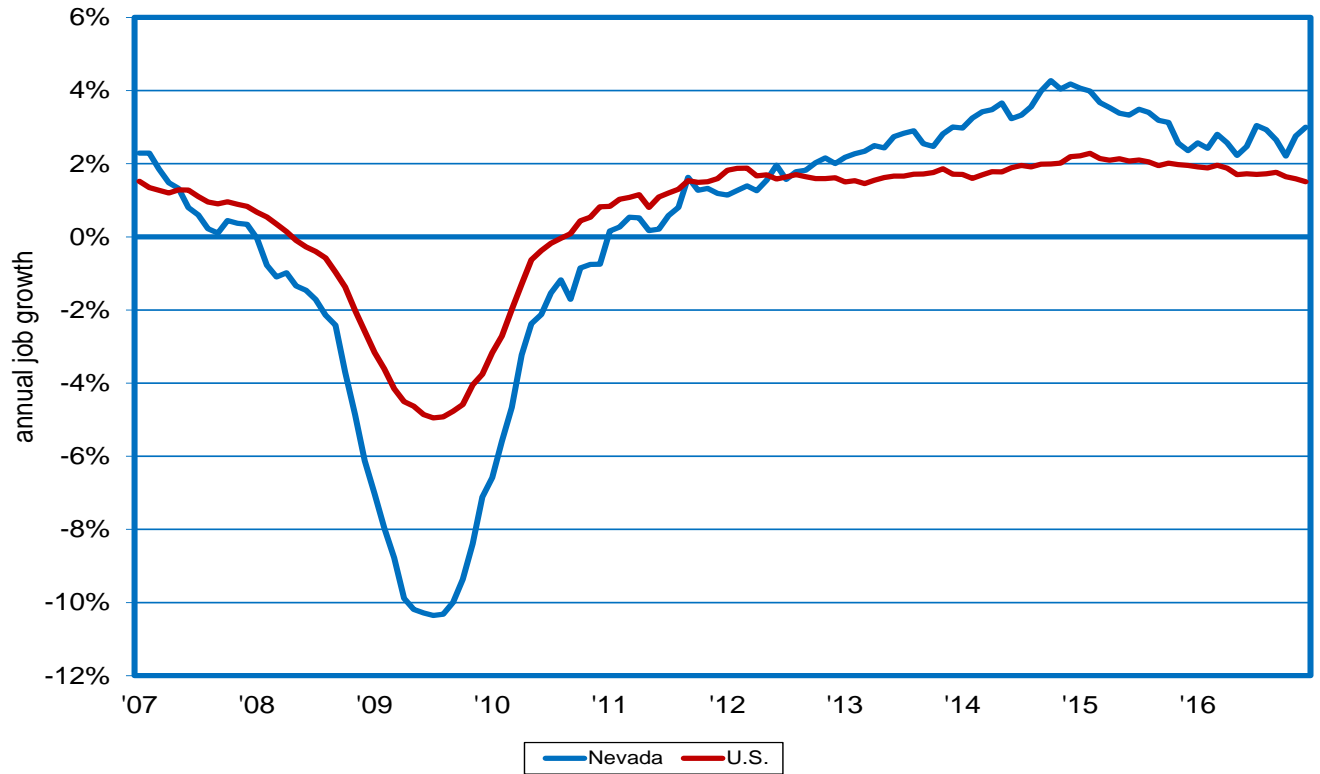
Job Gains > Losses in 23 Straight Quarters; 2016:IIQ Net Gain = 9,600 Jobs



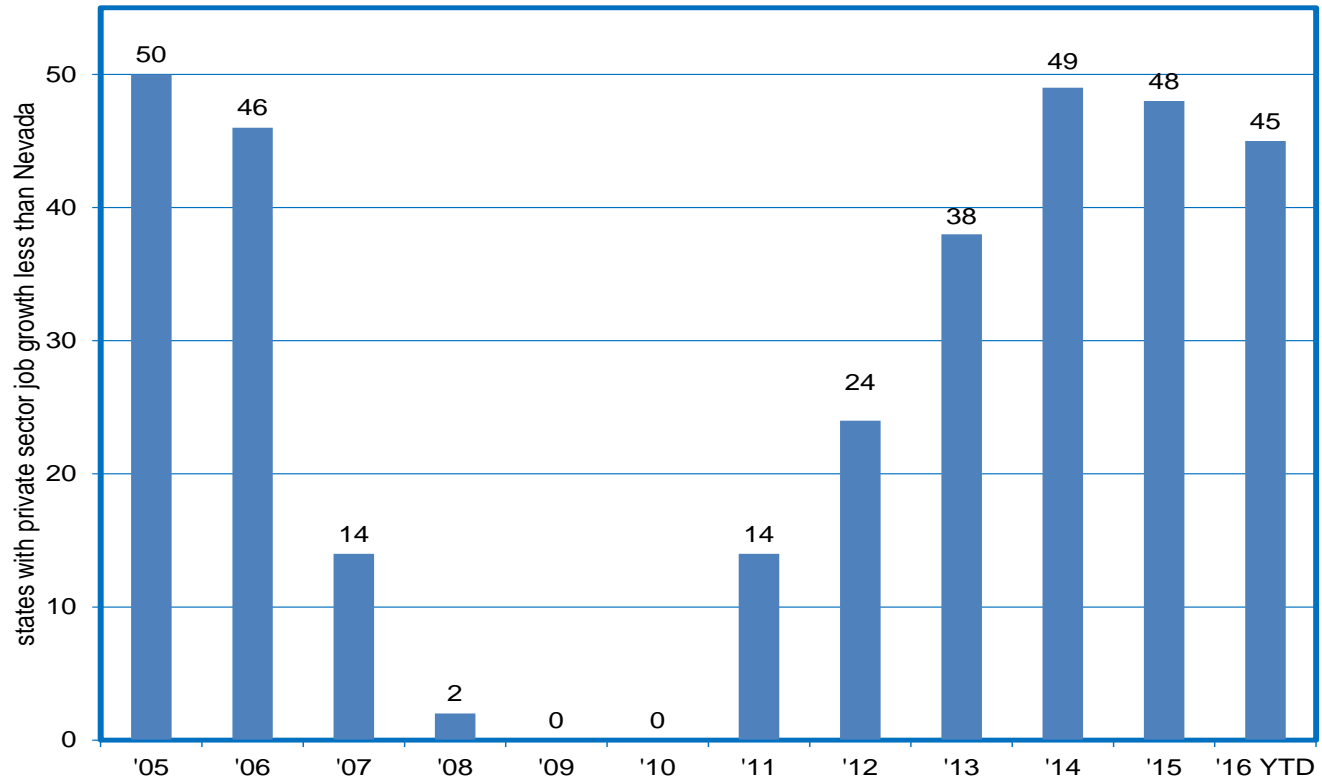
Opening Gains > Closing Losses Last 19 Quarters; 2016:IIQ Net Gain = 1,500 Jobs



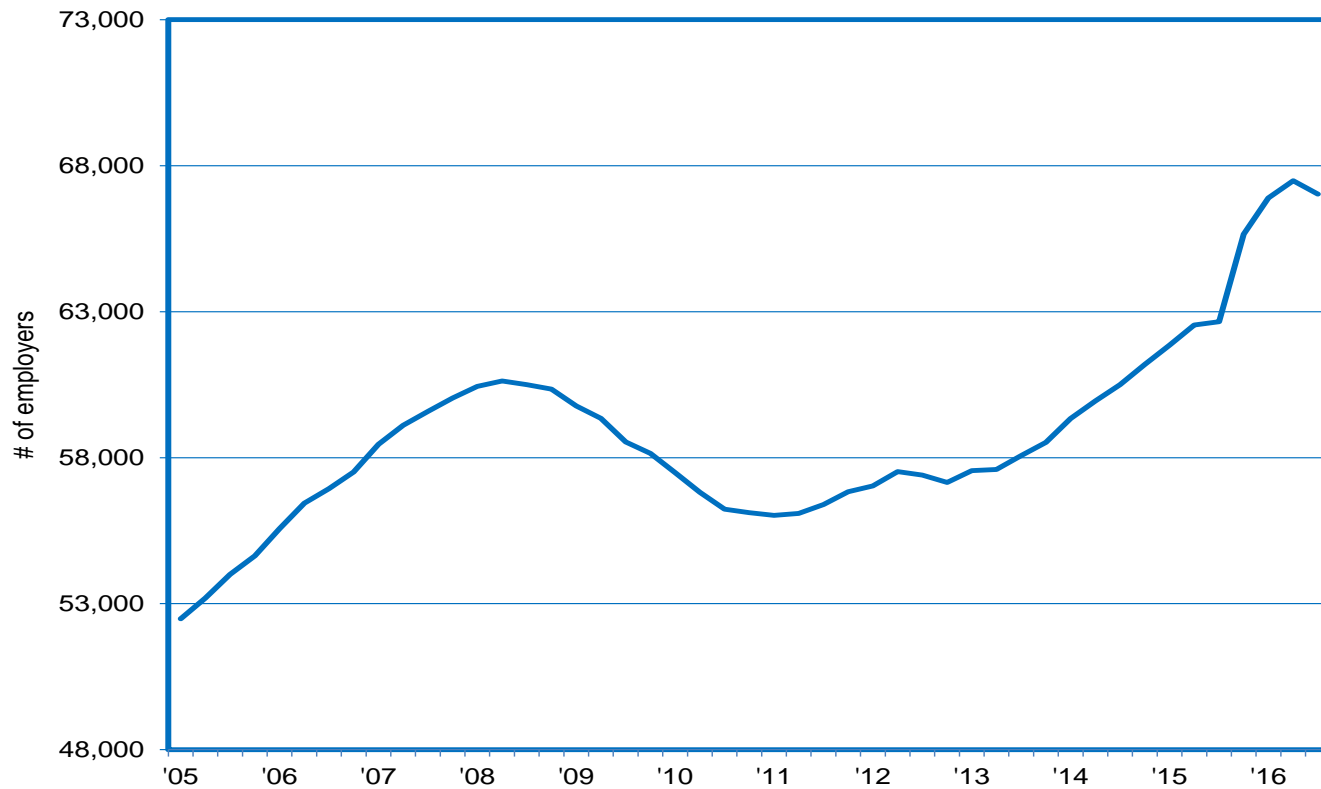
Nevada Job Growth Exceeds Nation in 53 Straight Months; 3% vs. 1.5% in December



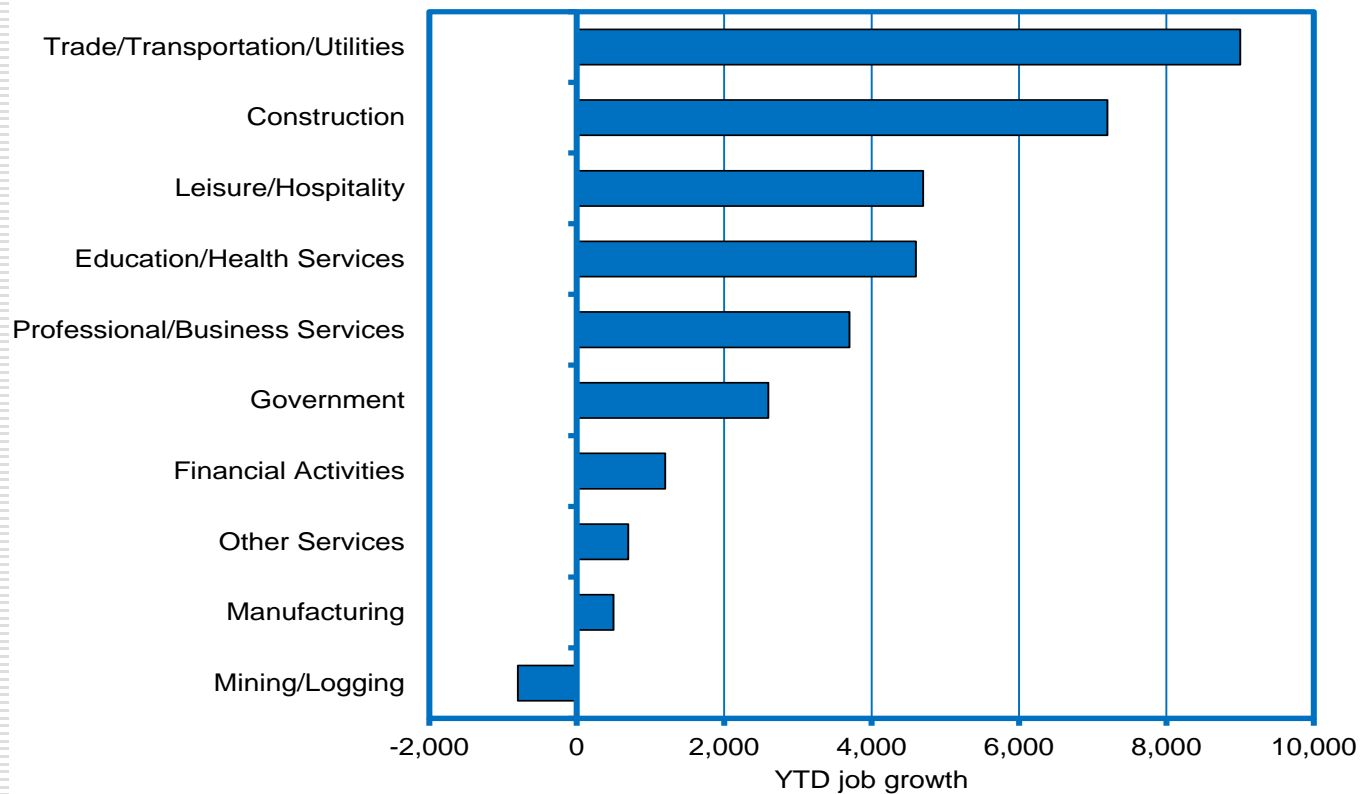
Nevada has Sixth-Highest Private Sector Job Growth in the U.S. During the First Half of 2016



of Employers at 67K; 21 Consecutive Quarters of Year-Over-Year Growth



Broad-Based Growth; Trade/Transportation, Construction, Leisure/Hospitality, Healthcare and Business Services Lead the Way in 2016



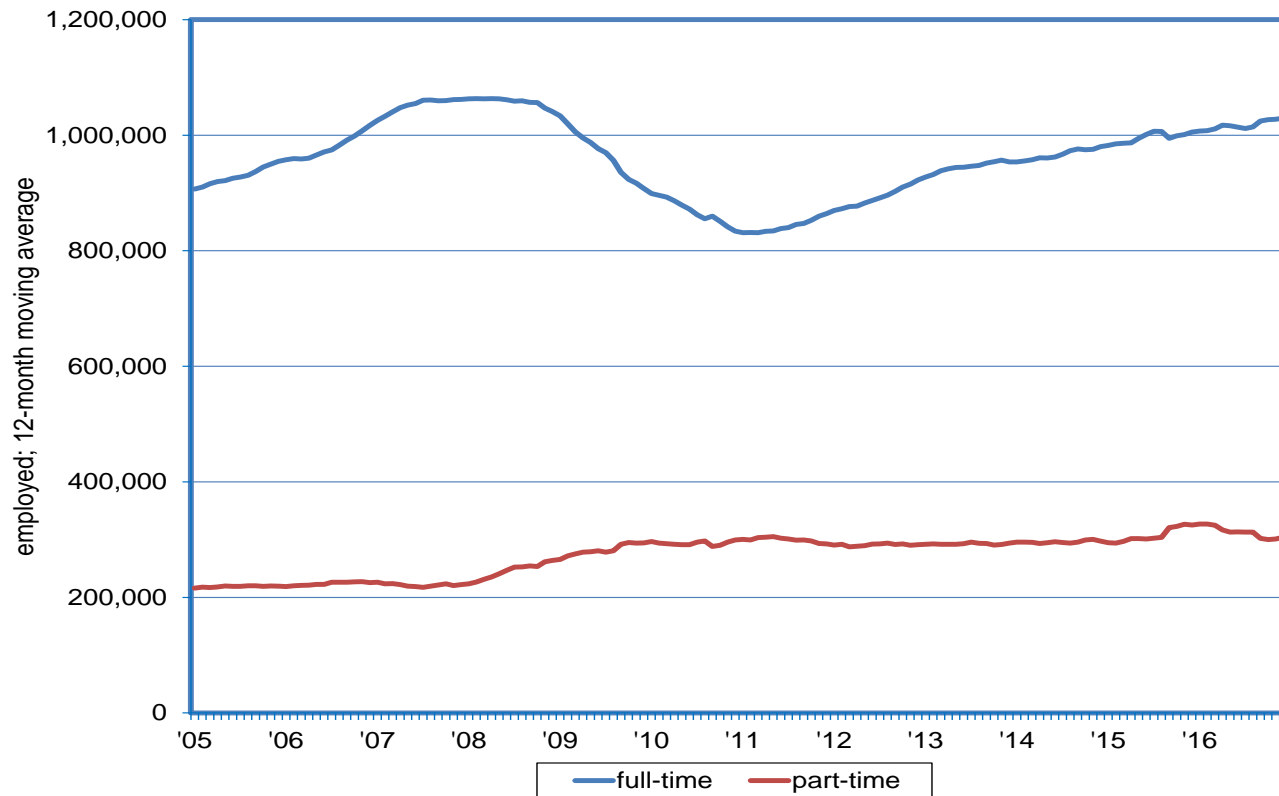
Job Growth Broad-Based Across All Industry Groups During the Recovery

employment by industry; thousands

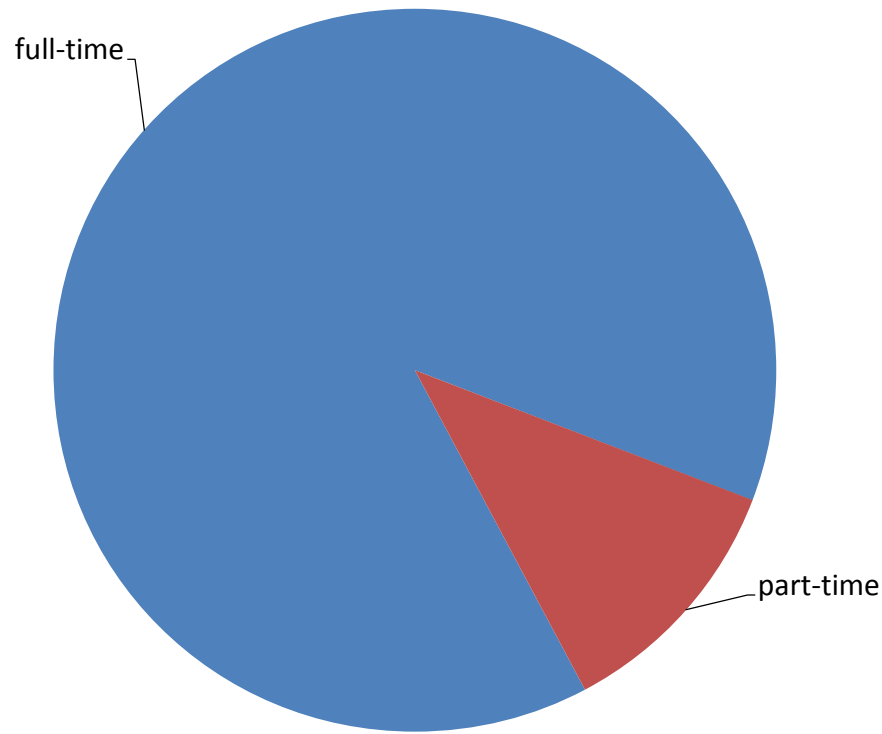
	2010	2016	Difference
Trade, Transportation, & Utilities	210.1	247.6	37.5
Leisure & Hospitality	309.0	345.4	36.4
Professional & Business Services	135.7	169.9	34.1
Education & Health Services	101.5	126.5	24.9
Construction	59.3	76.9	17.6
Financial Activities	52.9	60.6	7.8
Manufacturing	37.9	42.5	4.6
Other Services	32.9	36.9	4.0
Government	153.8	157.5	3.8
Mining & Logging	12.2	13.5	1.3
Total Nonfarm	1117.8	1290.1	172.4



Nevada's Full-Time Employment Trending Up; Part-Time Holding Steady



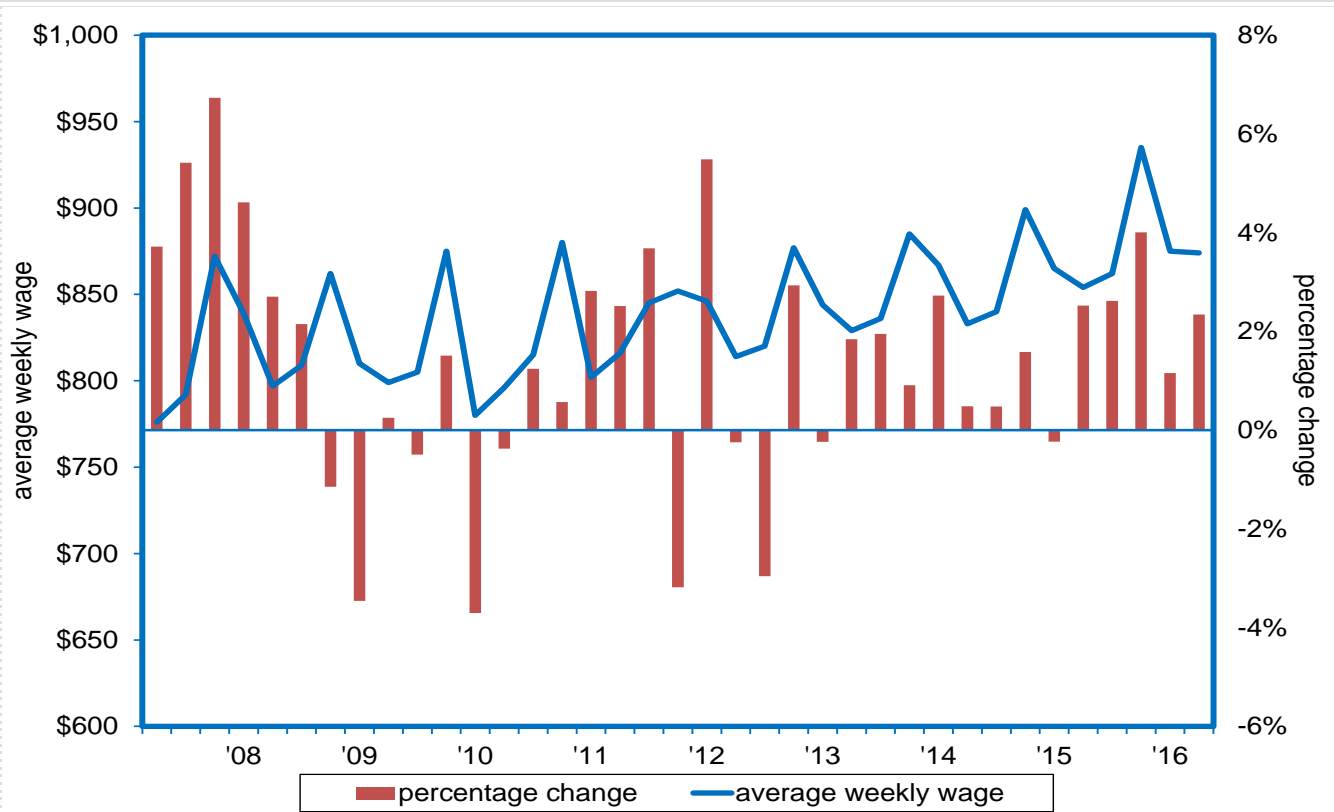
110,600 Full-Time Nevada Online Job Ads in 2016 vs. 14,200 Part-Time Ads



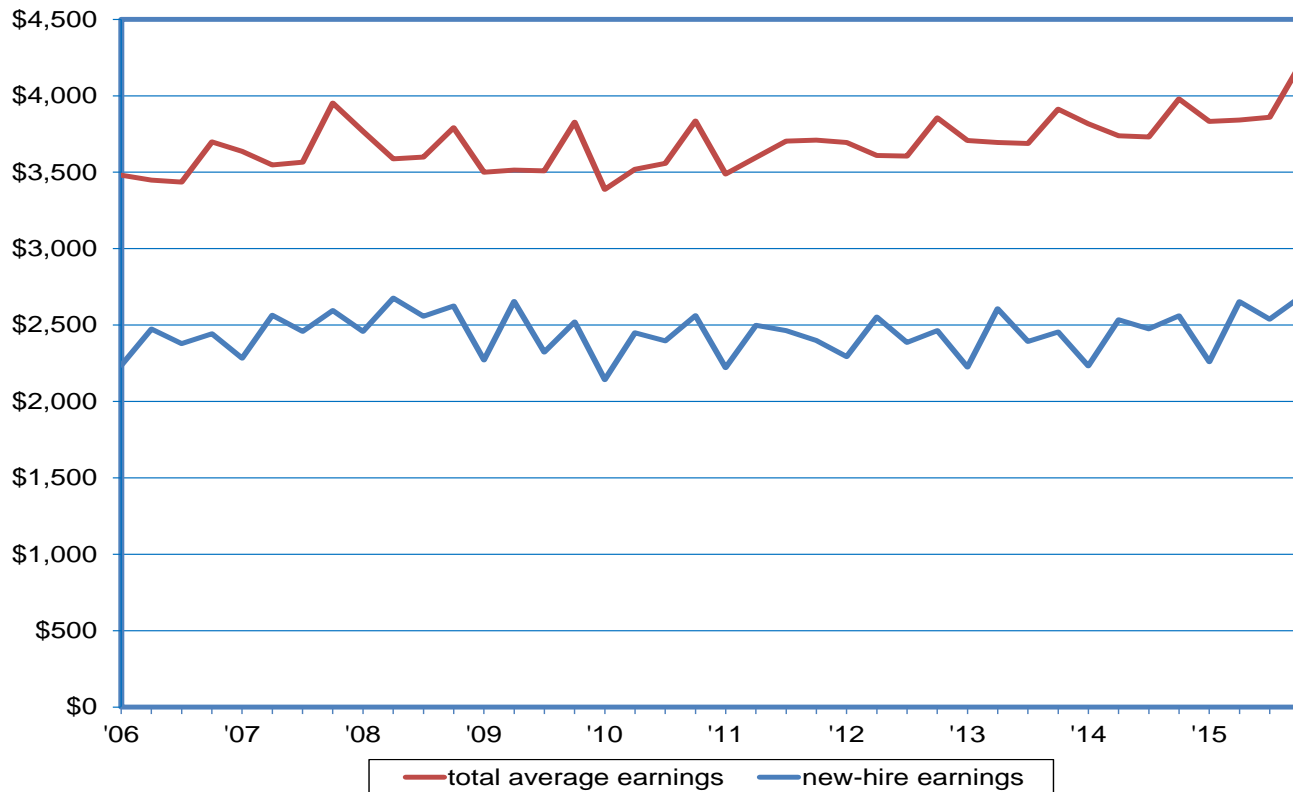
Silver State Solutions Information



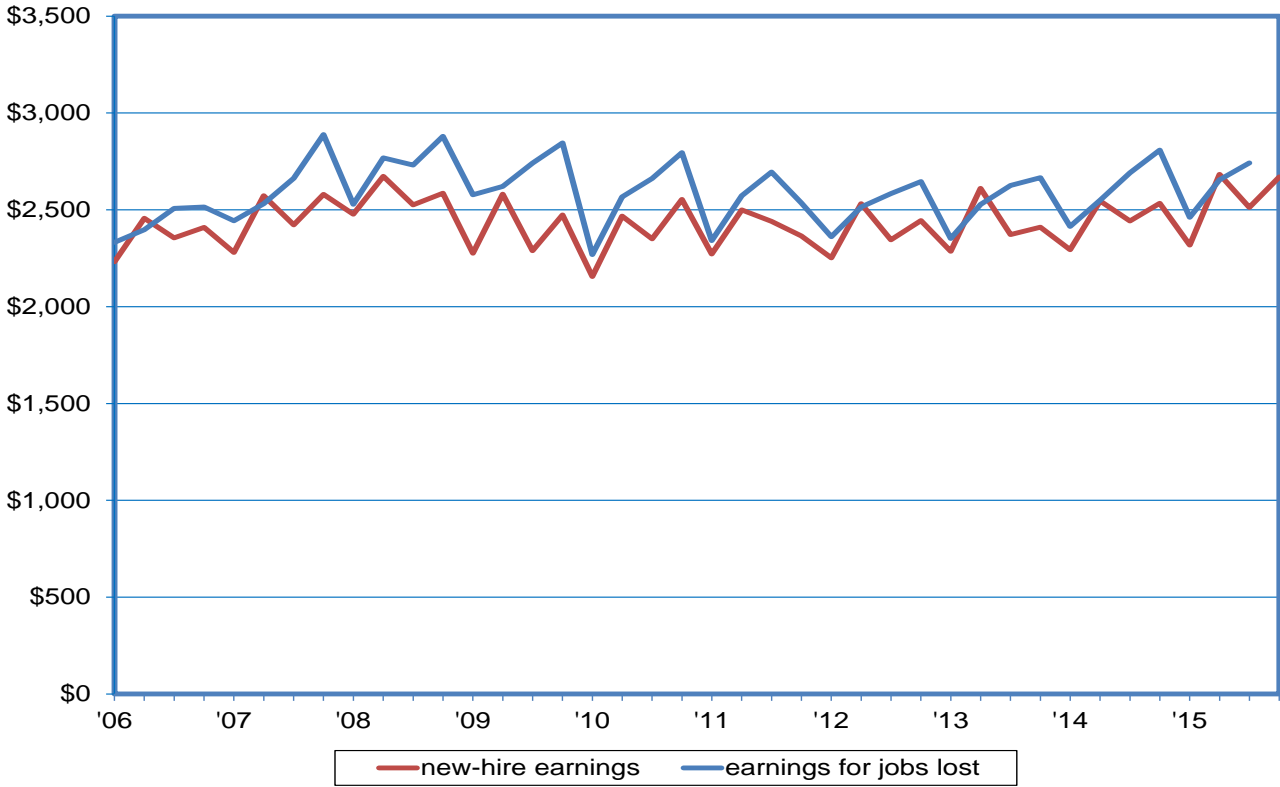
Average Weekly Wages at \$874 in 2016:IIQ; Highest Reading for the Quarter on Record



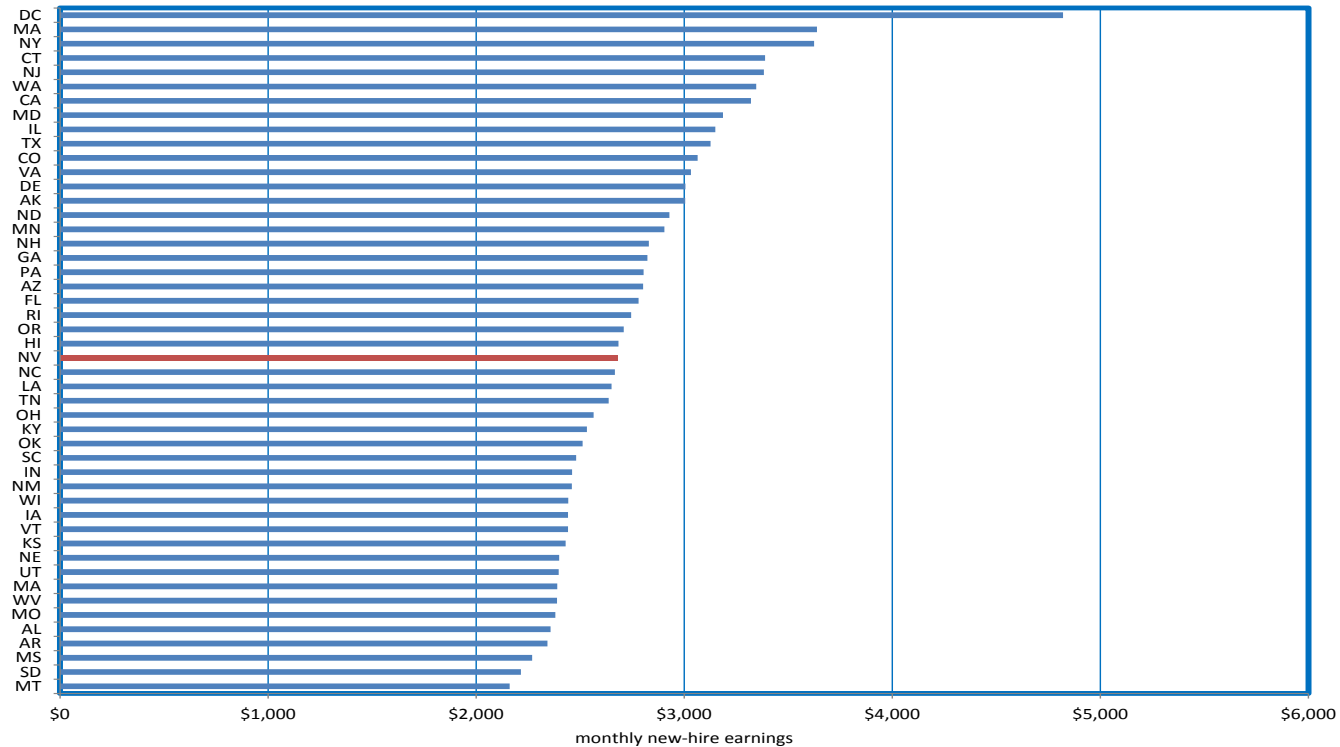
New-Hire Earnings Approximately 2/3rds of Overall Average...a Consistent Relationship



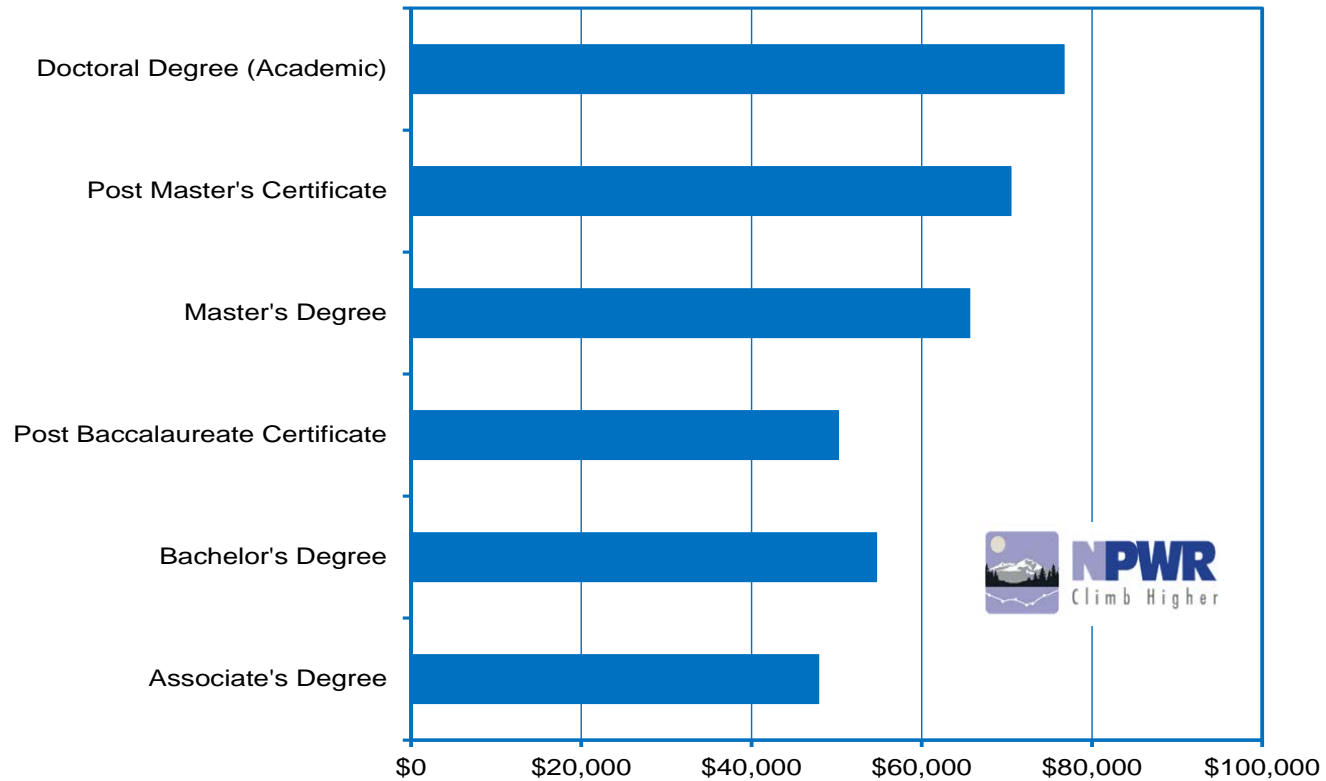
Earnings for Jobs Lost are Just Slightly Higher than Those for New Hires



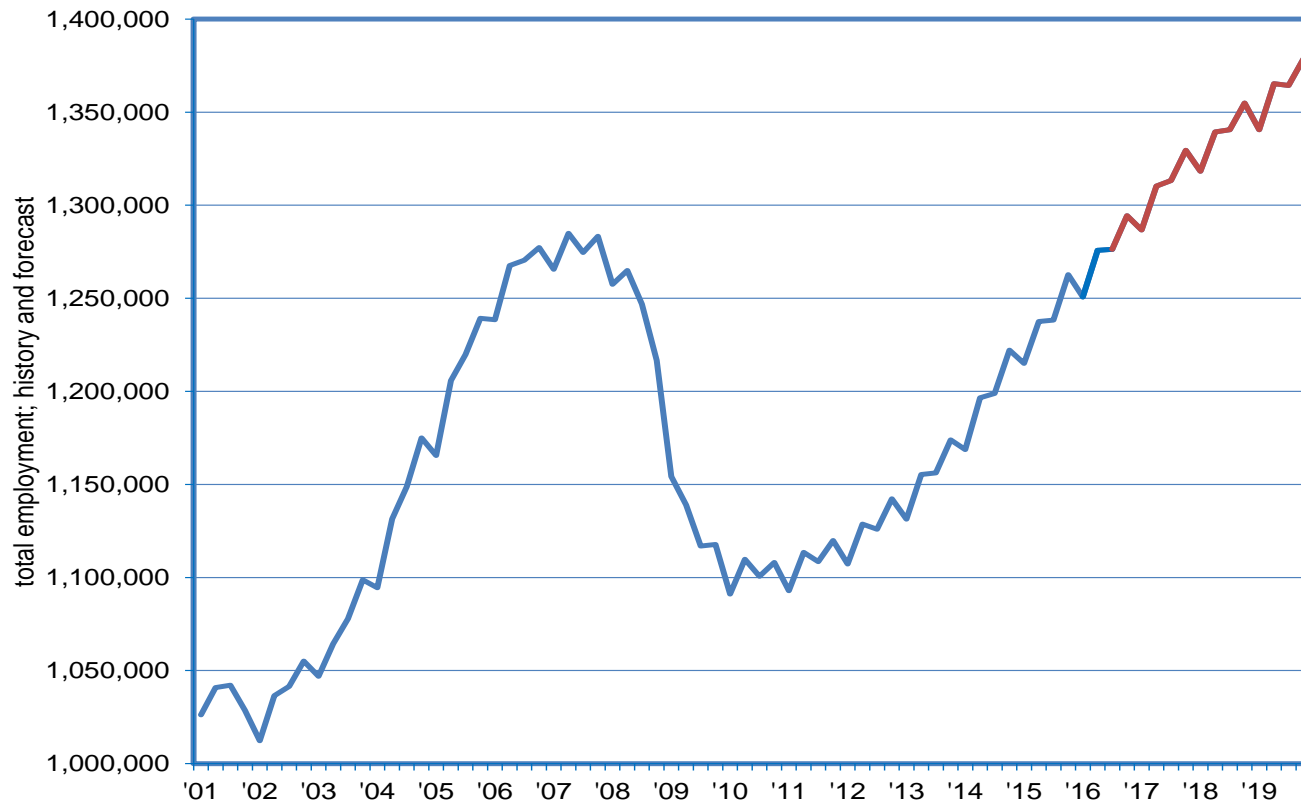
At \$2,700/Month, New-Hire Earnings in Nevada are in the Middle of State Rankings



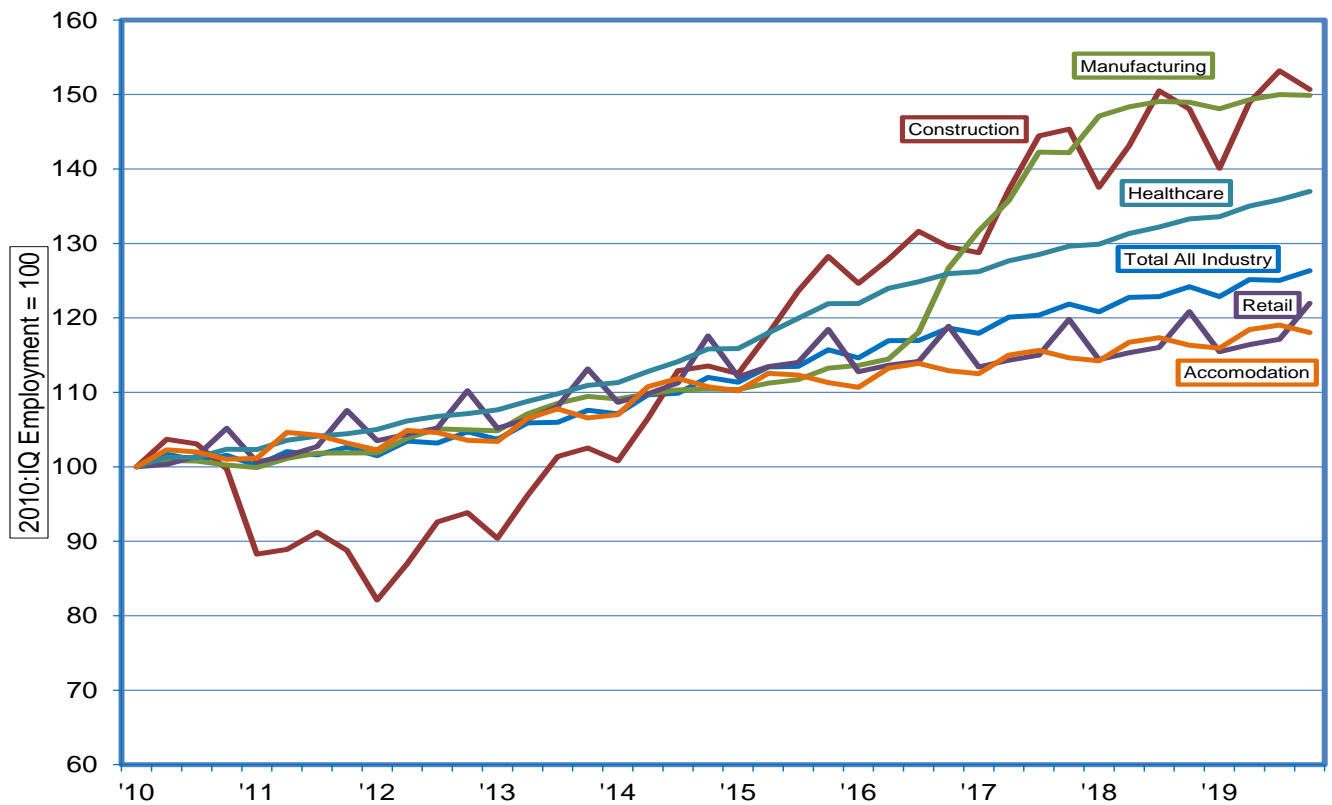
Wages for NSHE Grads/Completers Working in Nevada Rise with Educational Attainment



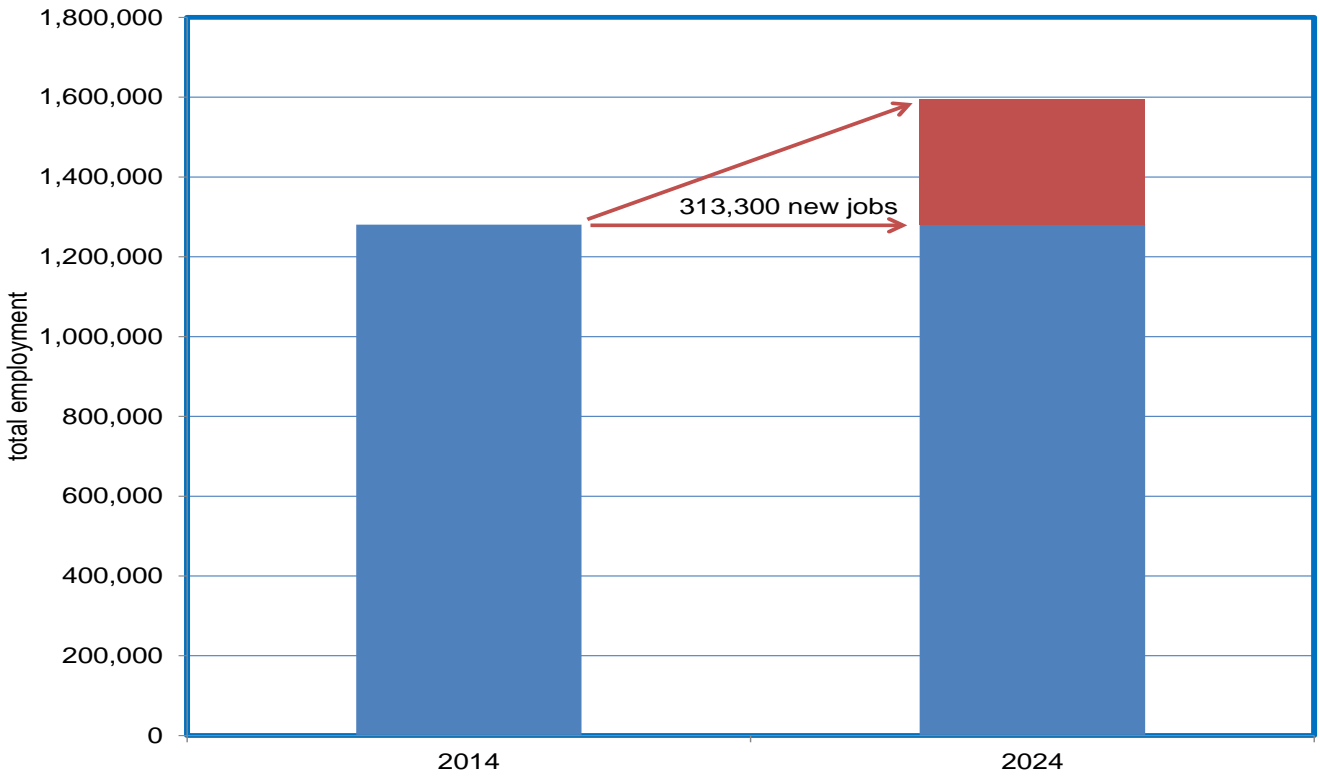
Job Levels Exceed Pre-Recession Peak by 95K at Year-End 2019



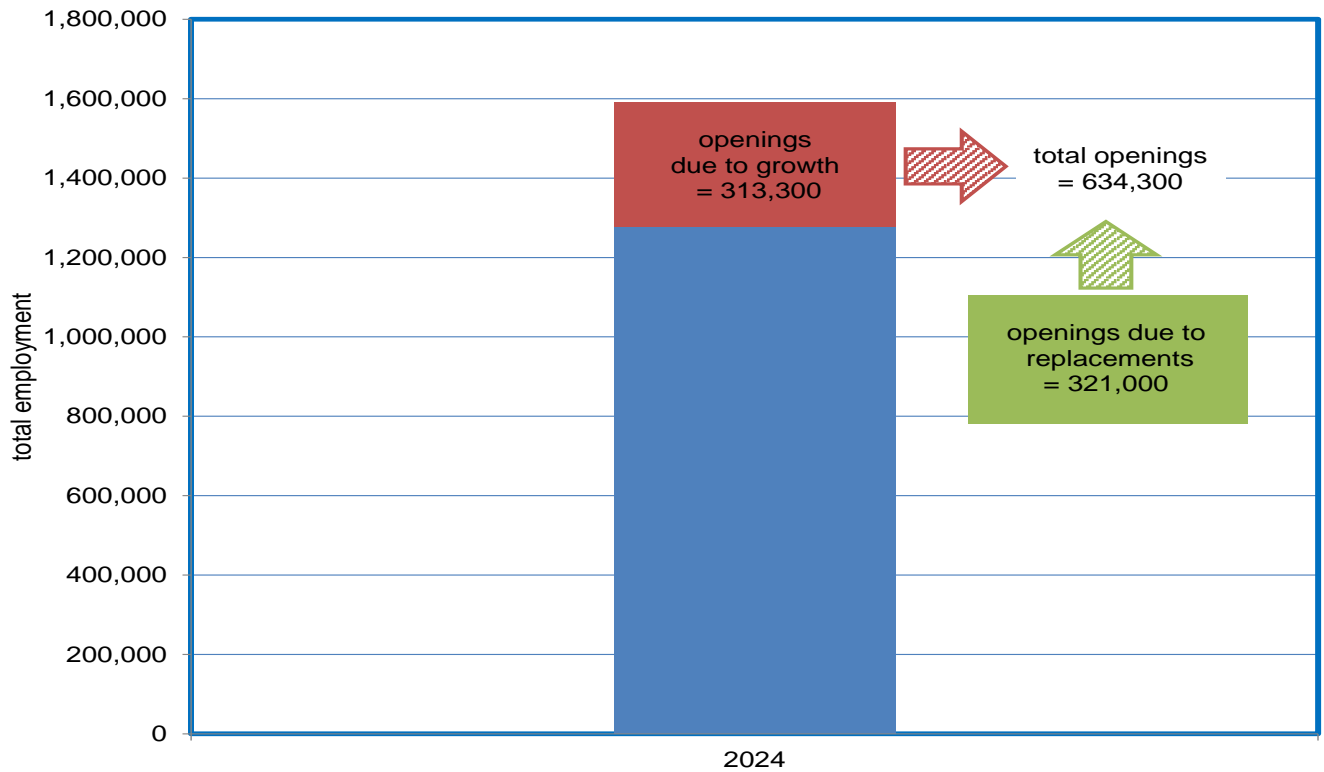
Growth to be Led by Manufacturing, Construction, and Healthcare; Retail and Accommodation/Food Services Lag



Nevada Employment Projected to Reach Nearly 1.6 Million by 2024; Gain of 313,300 New Jobs



Nevada to Gain 313,300 New Jobs, Plus an Additional 321,000 Job Openings Due to Replacements; 634,300 Total Openings by 2024



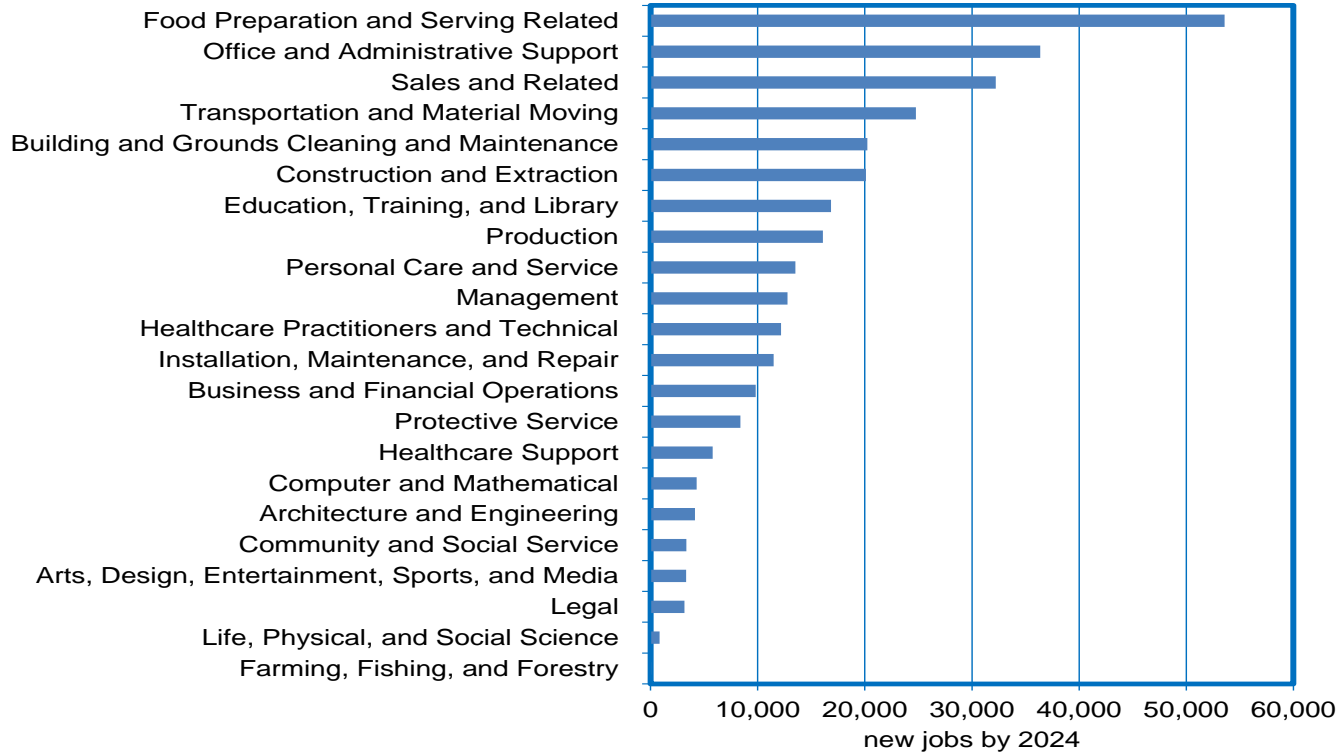
Nevada to Gain 313,300 New Jobs by 2024, Plus an Additional 321,000 Job Openings Due to Replacements

	Employment		Growth	Replacements	Total Openings
	2014	2024			
Nevada	1,278,443	1,591,781	313,338	320,970	634,308
Las Vegas	927,838	1,169,340	241,502	236,040	477,542
Reno/Sparks	212,990	275,128	62,138	51,770	113,908
Carson City	29,046	35,151	6,105	6,700	12,805
Balance of State	59,041	69,276	10,235	14,330	24,565
West Central Counties	42,205	52,867	10,662	10,480	21,142

Sub-State totals may not sum to Statewide total due to statistical methodologies.



Food Prep, Office Support, and Sales Occupations Lead the Way in Total New Jobs



Production, Architecture/Engineering, and Construction Occupations Expected to Grow the Fastest

