

RESEARCH NOTES



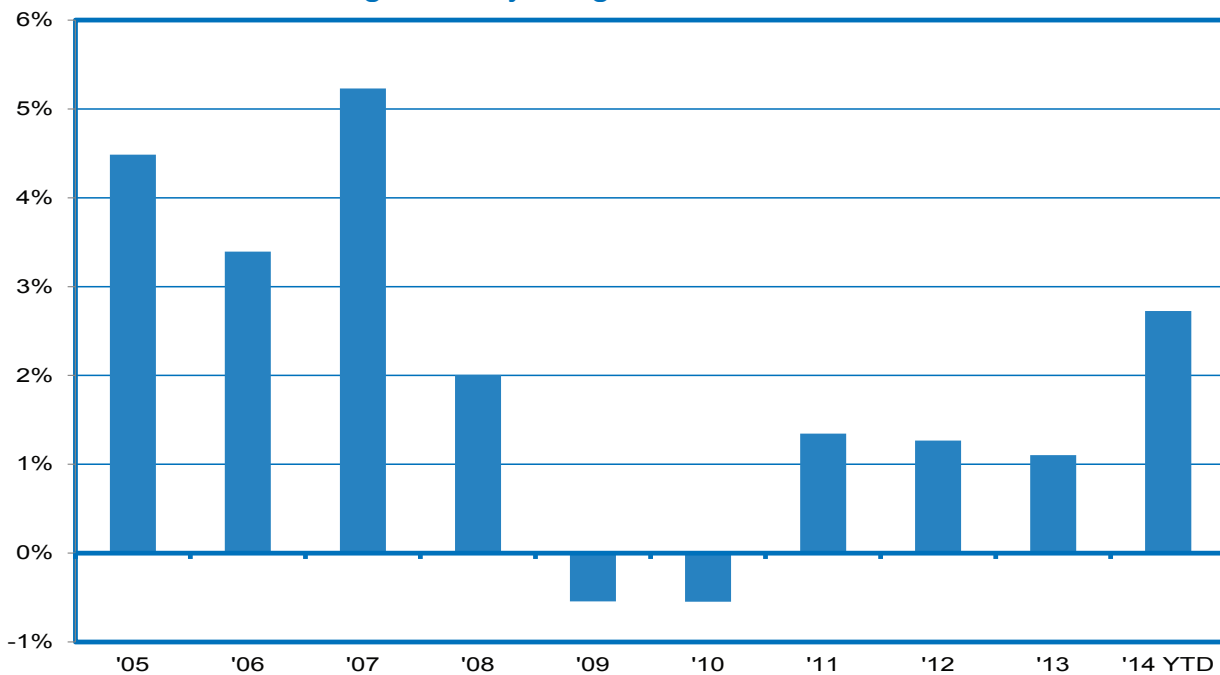
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Average Weekly Wage in Nevada
August 27, 2014
Marianne Segurson, Economist

Wages Expand at 3rd-Fastest Clip During Recovery in 2014:IQ NV Avg. Weekly Wage Growth: Year-Over-Year



- Wage trends during the first three months of the year in Nevada were a bit more encouraging than in prior quarters. All told, average weekly wages came in at \$867 during 2014:IQ. This represents the highest first quarter reading on record. Similarly, the 2.7% gain from last year's first quarter reading represents the 3rd-strongest gain during the post-recession period.
- Whereas prior gains struggled to keep pace with inflation, this year's first quarter gain outpaced the overall level of inflation. Specifically, inflation, as measured by the Consumer Price Index, came in at 1.4% relative to a year ago during the first three months of the year. Hence, wages grew in "real" terms.
- Nevada's economy has been on the mend since 2011. The unemployment rate has been cut nearly in half from its recessionary high. Year-over-year job gains have been recorded in each of the past 43 months. But wage gains have been sluggish, averaging just a bit above one percent annually over the 2011-2013 period. As a result, the improvement evident in this year's first quarter is welcome news, and we will be monitoring trends closely in the future to see if this marks the beginning of more encouraging underlying wage trends.