

# RESEARCH NOTES



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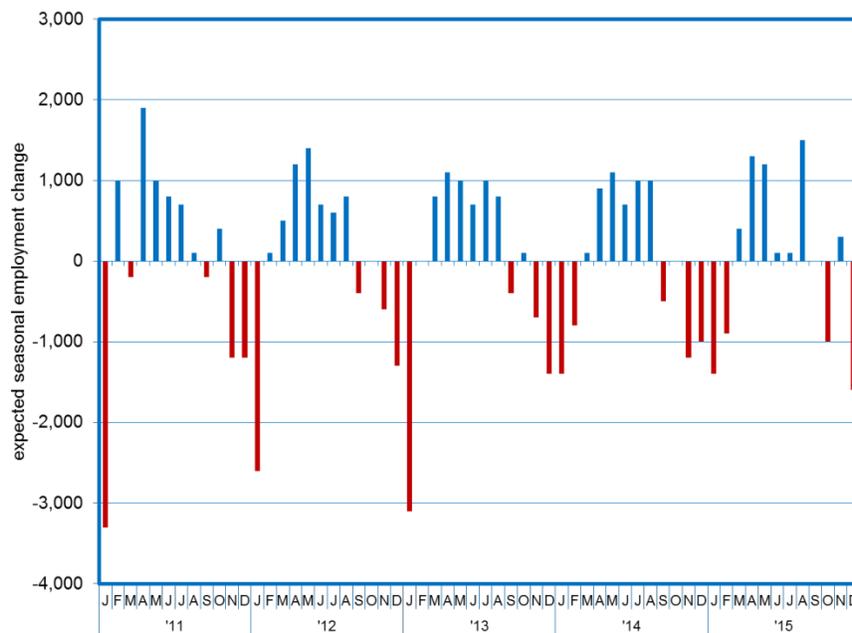
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Expected Seasonal Movement in Construction Employment  
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Note: 2016:75  
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## Construction Jobs Expand During Spring/Summer and Contract During Fall/Winter Due to Seasonal Fluctuations



- Our monthly analyses of labor market conditions in Nevada often refer to “seasonally adjusted” jobs. By adjusting for seasonality, we factor out the normal/regular ups and downs that occur in employment data, which are not indicative of the overall health of the labor market, in order to better reveal underlying trends. This Research Note provides insight into the concept via an analysis of the impact of seasonal trends in Nevada’s construction industry since the labor market recovery began in 2011.
- For our purposes, the expected seasonal change is defined as the anticipated/estimated increase or decrease in employment which occurs due to recurring seasonal trends. Our findings show that construction employment is typically expected to increase during the spring and summer months and decline during cold-weather months.
- Specifically, construction employment is expected to increase in every month from March through August, a pattern that is evident over the course of the labor market recovery period. For instance, in August 2015, normal seasonal trends were estimated to add 1,500 construction jobs over July as activity ramped up towards the end of the summer. Likewise, January employment typically falls in the Silver State, vs. December, due to seasonality, sometimes by as much as 3,000, as construction activity slows in winter months.
- In essence, the seasonal adjustment process assesses the extent to which actual job trends exceed, or fail to exceed, these seasonal expectations. Since 2011, seasonally adjusted construction employment has increased by approximately 25,000, suggesting that underlying trends in construction employment have been stronger than expected.