

RESEARCH NOTES



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Industry Supersector Recovery, Nevada and U.S.
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Nevada's Recovery Has Closely Mirrored the Nation's

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

- Nevada was the hardest-hit state in the nation during the Great Recession, losing 185,700 jobs or 14.3% of employment. By contrast, the nation as a whole lost just 6.3% of employment. Seven years into the recovery, the State is at record high employment levels with 1.34 million jobs in July, surpassing the pre-recession peak by 3.5%. The nation's recovery has been even stronger, with current employment 5.9% 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.
- Previously, 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 *Research Note* looks 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 are nearly identical between the Silver State and the nation, 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 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% of previous levels in Nevada, but only at 87% of previous levels in the nation. Construction is near 90% of pre-recession employment in the nation, but only at 58.5% 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 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.