



Nevada Labor Market Briefing: August 2018

Summary of Labor Market Economic Indicators

Department of Employment, Training, & Rehabilitation

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Prepared by the Research and Analysis Bureau

State Unemployment Rate

- ❑ 4.5% Unemployment Rate (SA¹)
 - ❑ Down 0.1 percentage point; down from 4.9% a year ago
 - ❑ Off more than nine full percentage points from recessionary peak
 - ❑ In absolute terms, unemployment totaled 67,960; down 480 over the month and off from a recession high of 186,900
 - ❑ Fourth decline seen so far this year
 - ❑ Compares to a 3.9% rate for the U.S.— 0.6 percentage point higher
 - ❑ U.S. rate was more than four points higher at height of recession
 - ❑ From 1997 to 2018, the gap has averaged 0.8 point
 - ❑ Both Nevada and the nation have seen at least a 0.4 percentage point drop in their unemployment rates year over year

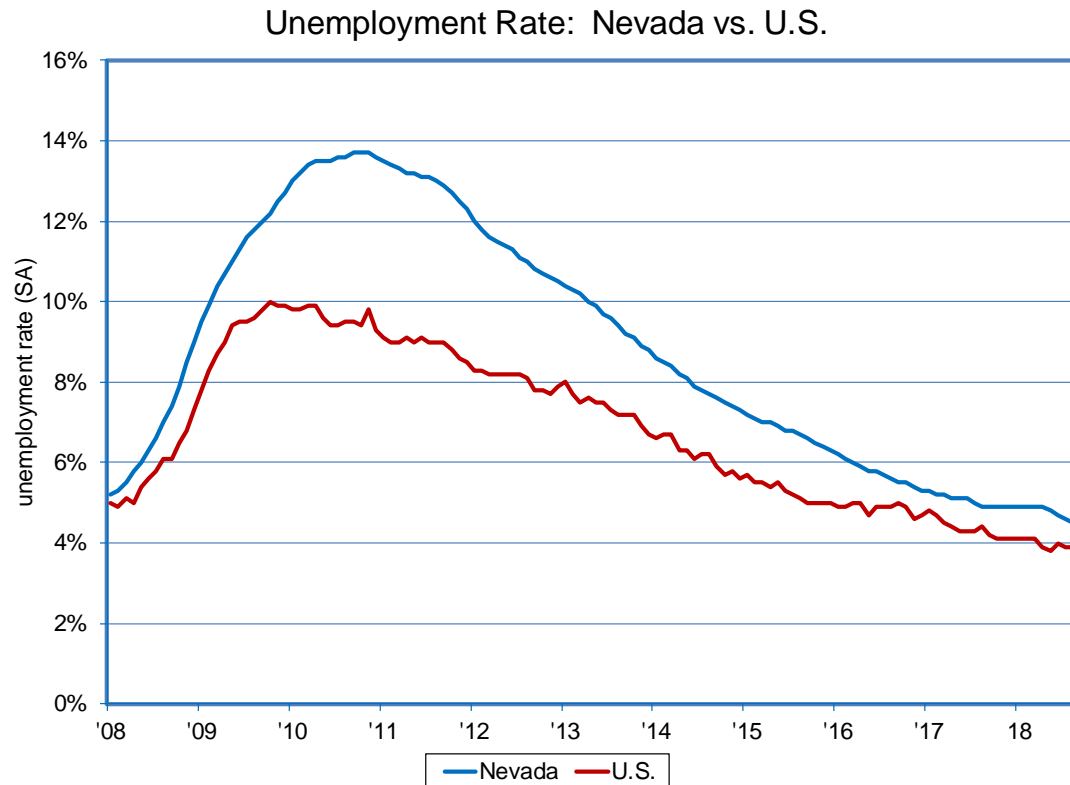
¹ seasonally adjusted

August 2018 Unemployment Rate: 4.5%

Down from 4.9%
a year ago¹

Peaked at 13.7%
during the
recession, more
than nine points
higher

Lowest rate since
July 2007



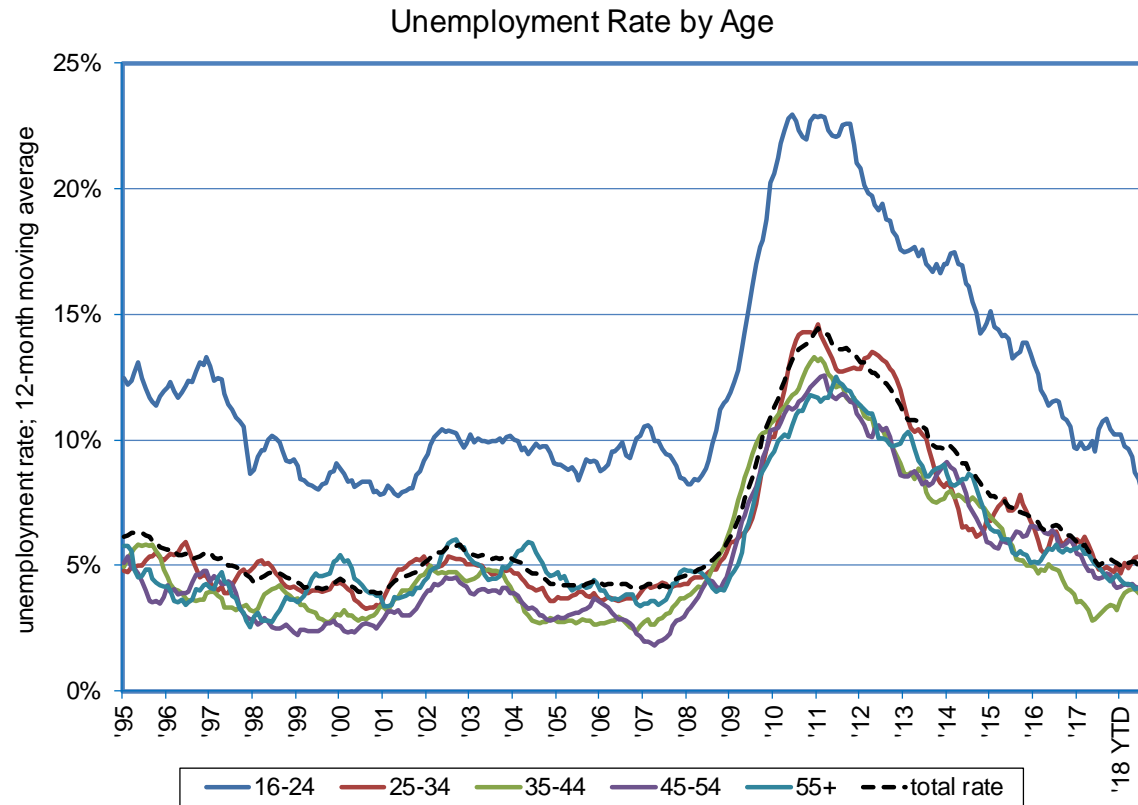
¹ seasonally adjusted

Unemployment Rate in All Age Groups Trending Down

The unemployment rate (UR) tends to be higher for the 16-24 year old

The 16-24 year old UR peaked at 23% in mid-2010, roughly 10 points higher than that for other age cohorts.

August 2018: The 16-24 year old UR is 7.9%, 3.6 percentage points higher than the other age groups but down 10.7% from a year ago.

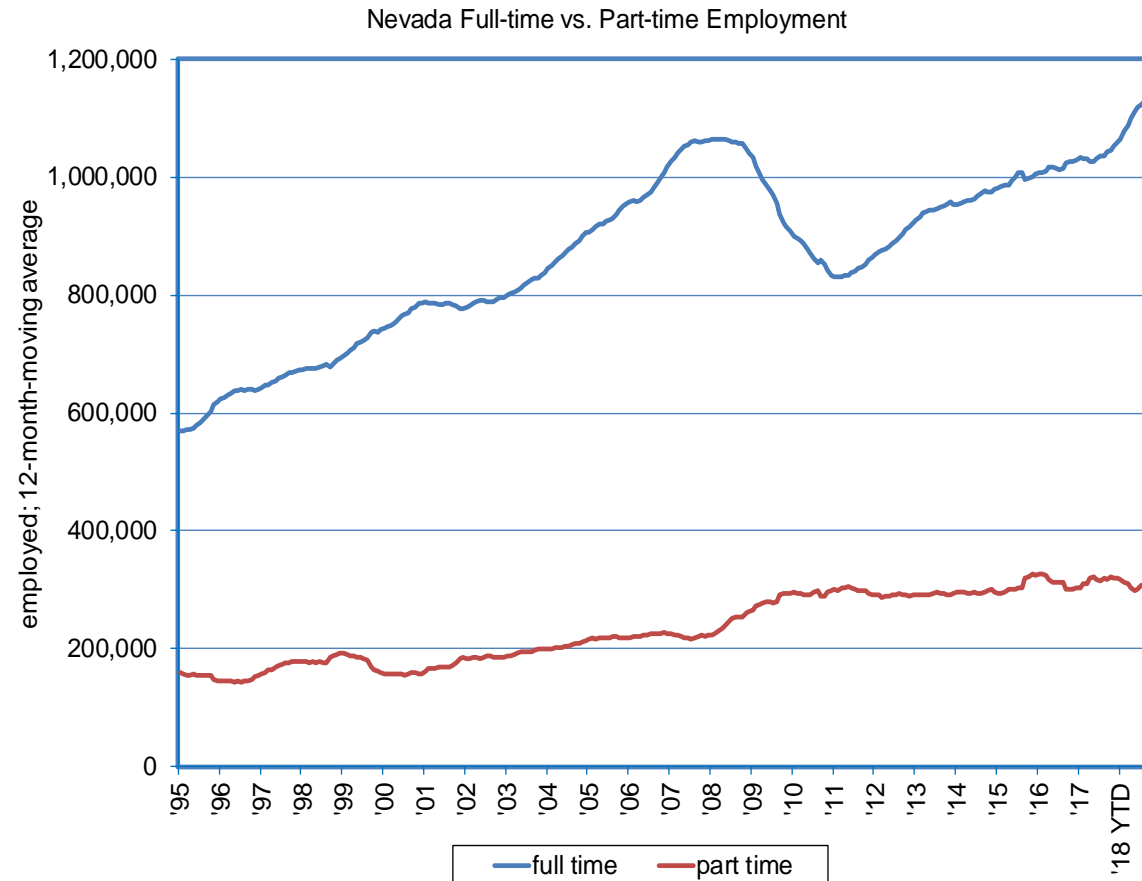


Full Time Employment in Nevada Reaches a New All Time High

Nevadans employed full-time topped out at 1,063,280 (81.9% of all employment) in April 2008

In January 2011, full-time employment fell by more than 232,130 from the peak.

As of August 2018, Nevadans employed full-time totaled 1,128,760 representing a new all time high.



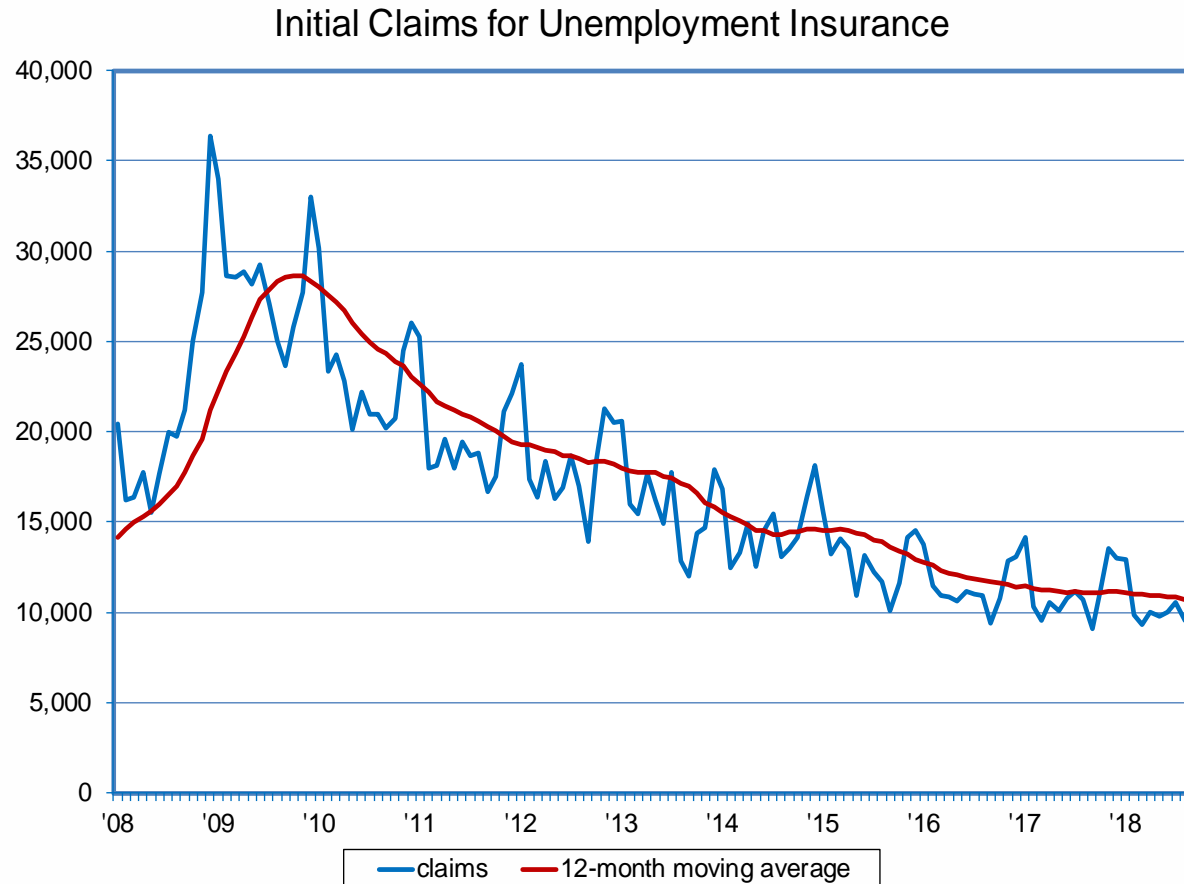
Initial Claims for Unemployment Continue Year-over-Year Declines

9,580 initial claims in August, down slightly from July

Decline of 11 percent from the previous year

Exhaustion rate edged down to 33.45 percent

Average High Cost Multiple stands at 1.18



State Average High Cost Multiple (AHCM) vs. Recession

The federally recommended minimum AHCM is one, which represents one year of benefits

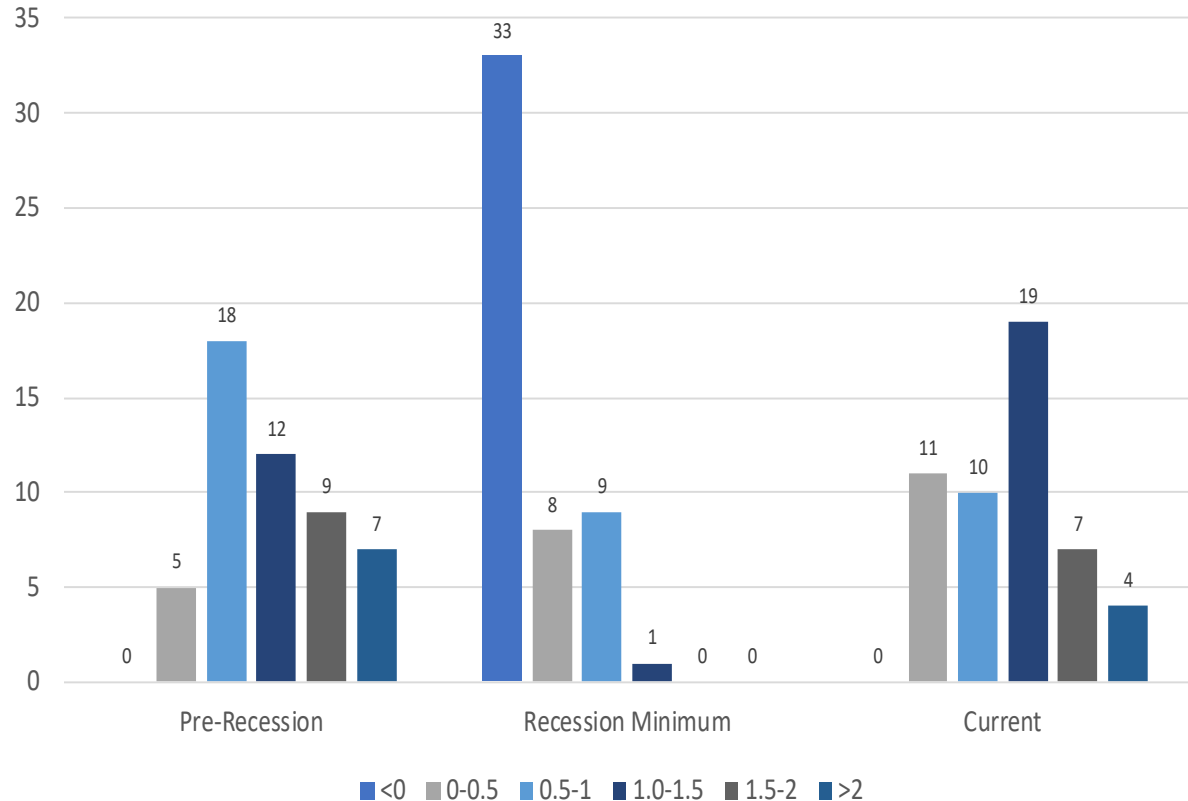
Nevada's ACHM prerecession: 1.06

Nevada's ACHM after recession: -0.98

Nevada's current ACHM: 1.18

Currently, thirty states have achieved AHCMs above one

State AHCM Changes Over the Course of the Recession

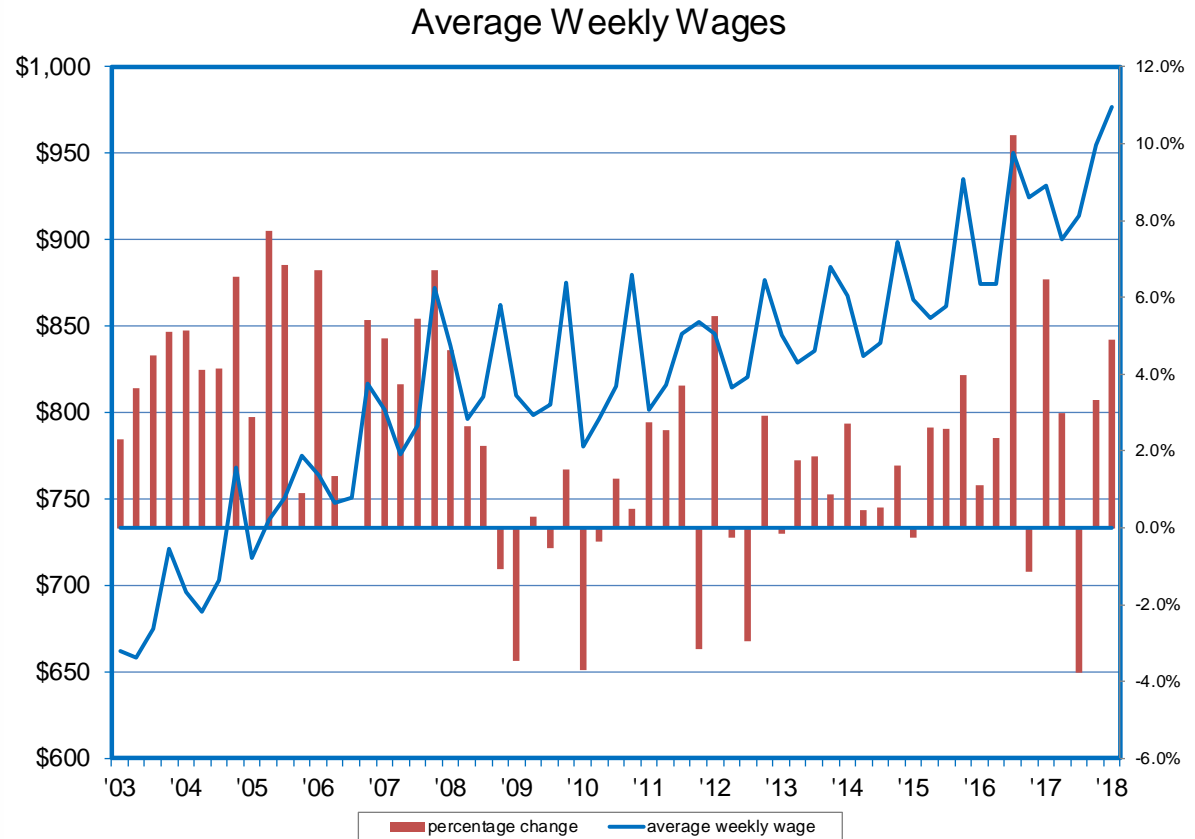


Silver State Records Highest Average Weekly Wage

Weekly wages averaged \$977 during 2018:IQ

Increase of \$46, or 4.9 percent, year-over-year

Wages in 2018:IQ mark a new record high exceeding the previous, \$955, set in 2017:IVQ



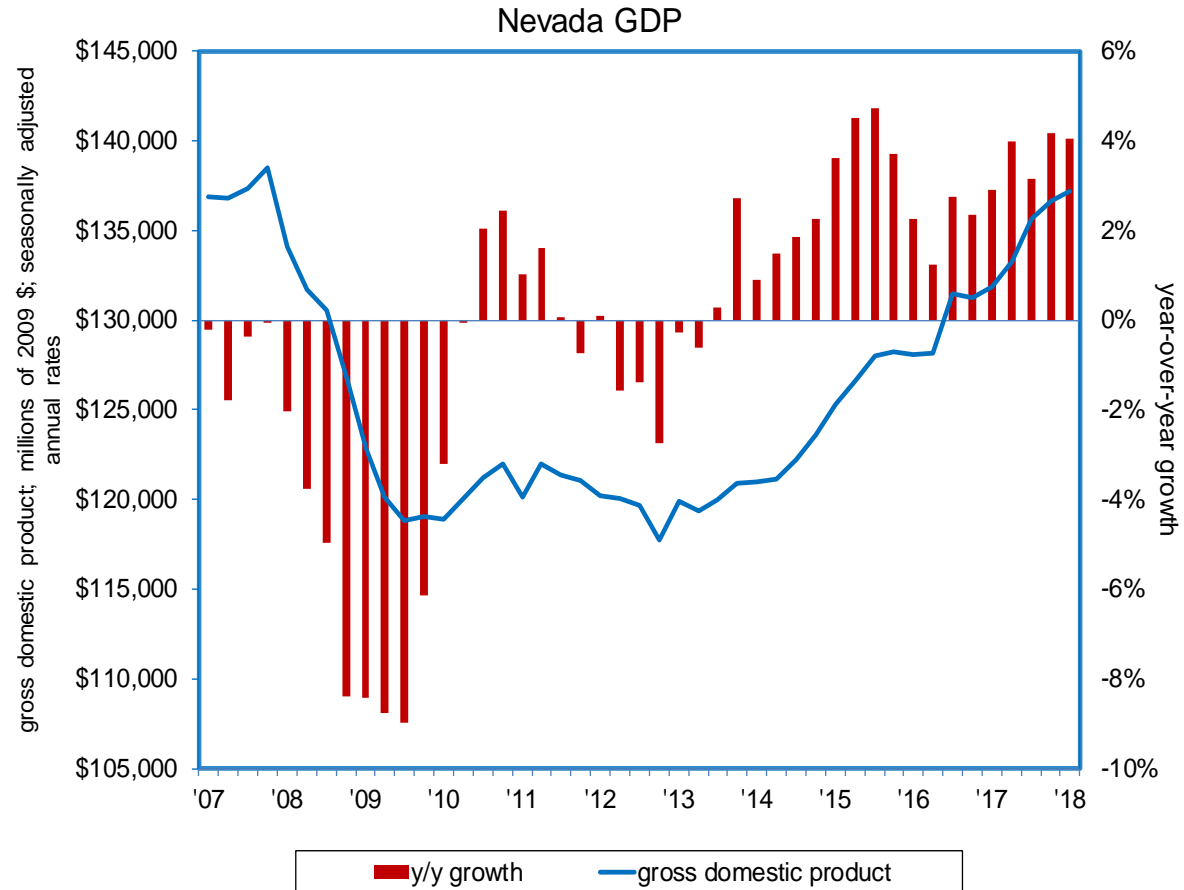
Nevada's Economy Has Grown in Each of the Past 19 Quarters; GDP Growth Exceeds the Nation's in Seven Consecutive Quarters

Nevada's economy has now grown in 19 consecutive quarters

The Silver State's economic growth has exceeded the national average in seven consecutive quarters.

2018:Q1-Nevada's economy grew at a 4% clip, compared to 2.6% in the nation as a whole.

Y/Y GDP growth in Nevada is the 6th-strongest in the nation.

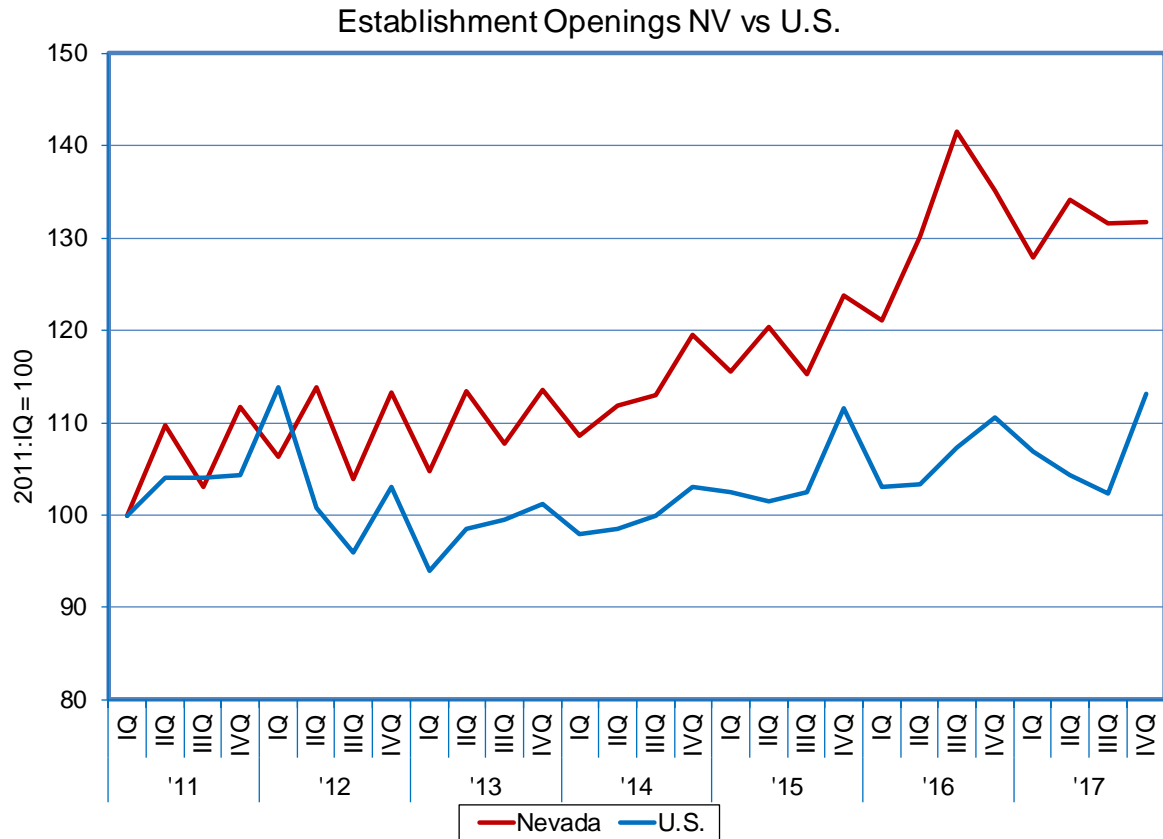


Nevada Private Sector Business Establishment Openings Trending Up; Outpacing U.S. as a Whole

U.S. - 448,000 new businesses during the 2017:QIV up 13% from the beginning of the recovery.

Nevada 2017:QIV - 4,200 new business establishments.

NV Openings have exceeded 4,000 in each of the past seven quarters.



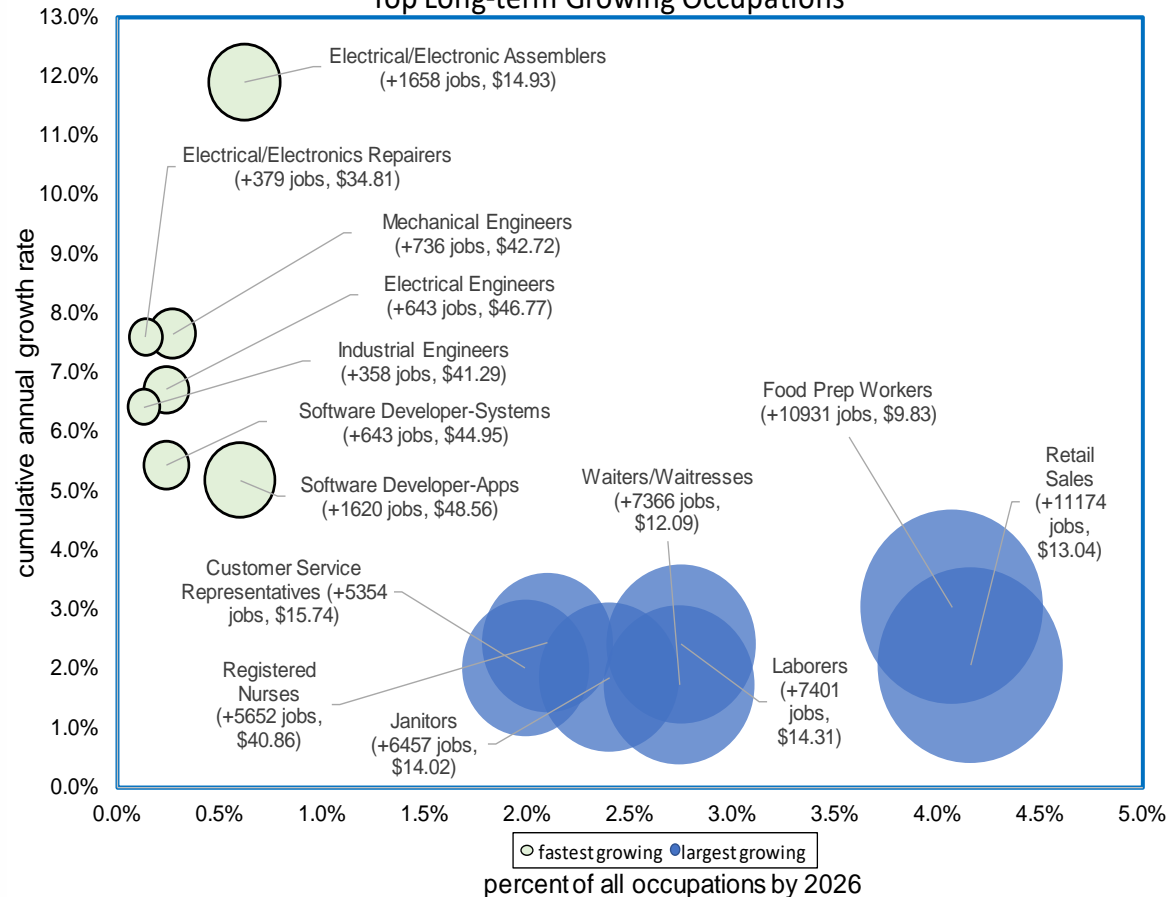
Fast Growth in Quality Occupations Projected Over the Long-term

The job with the largest projected nominal growth over the ten-year period is retail sales workers (+11,174)

5 of 7 fastest growing jobs fall in the top 10% of highest paid jobs in the State (avg. wages greater than \$39.12/hr).

Roughly 4,000 new jobs expected in Nevada's fastest growing occupations will earn an average wage greater than \$41/hr.

Top Long-term Growing Occupations



State Employment

- ❑ Non-Farm Job Levels Up 44,800 (SA¹) Relative to a Year Ago in August
 - ❑ 92 consecutive months of year-over-year gains
 - ❑ 3.3% gain compares to 1.6% in the nation

- ❑ Up 1,200 Over the Month
 - ❑ 2,200 (NSA²) jobs were expected to be added based upon historical trends, but 3,400 were actually added, resulting in the seasonally-adjusted gain
 - ❑ Matches month-over-month increase in August 2017
 - ❑ July's employment level was revised down by 1,200 (SA), bringing the two-month gain to 9,500 jobs

¹ seasonally adjusted

² not seasonally adjusted

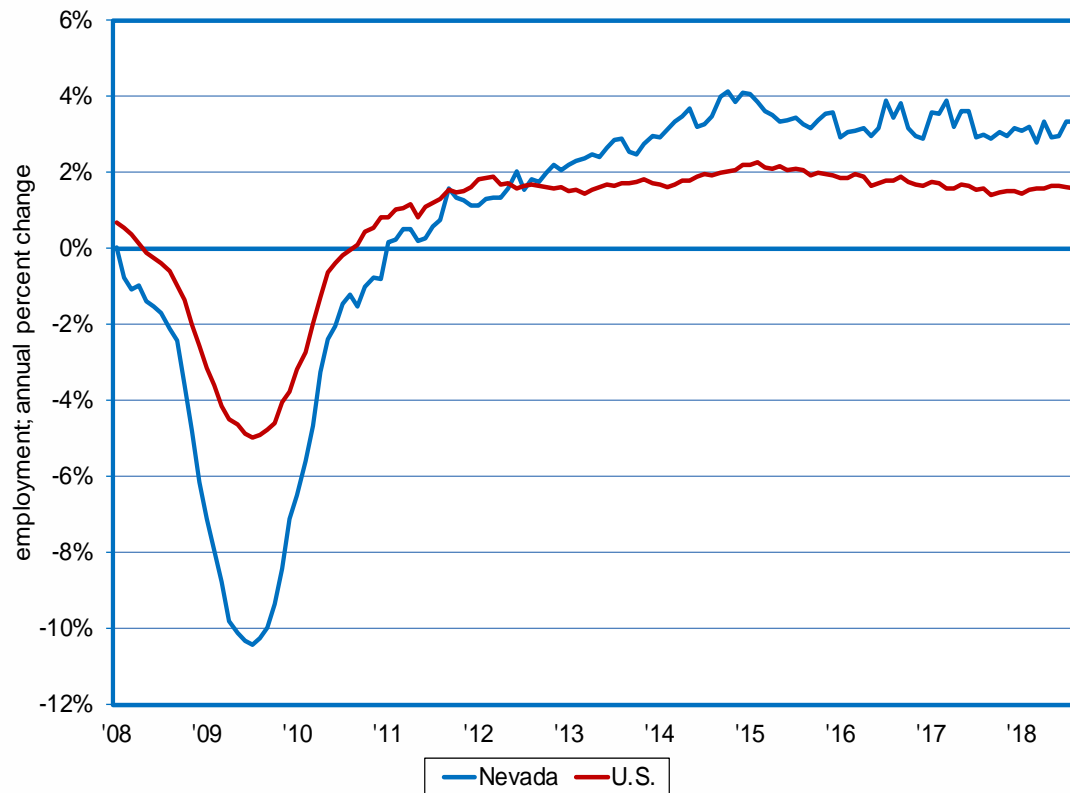
August Employment Beats Seasonal Expectations

Total Employment of 1,389,400 in August¹

Large gains in manufacturing, professional & business services, education/health services, & Gov.

92,100 jobs above previous peak

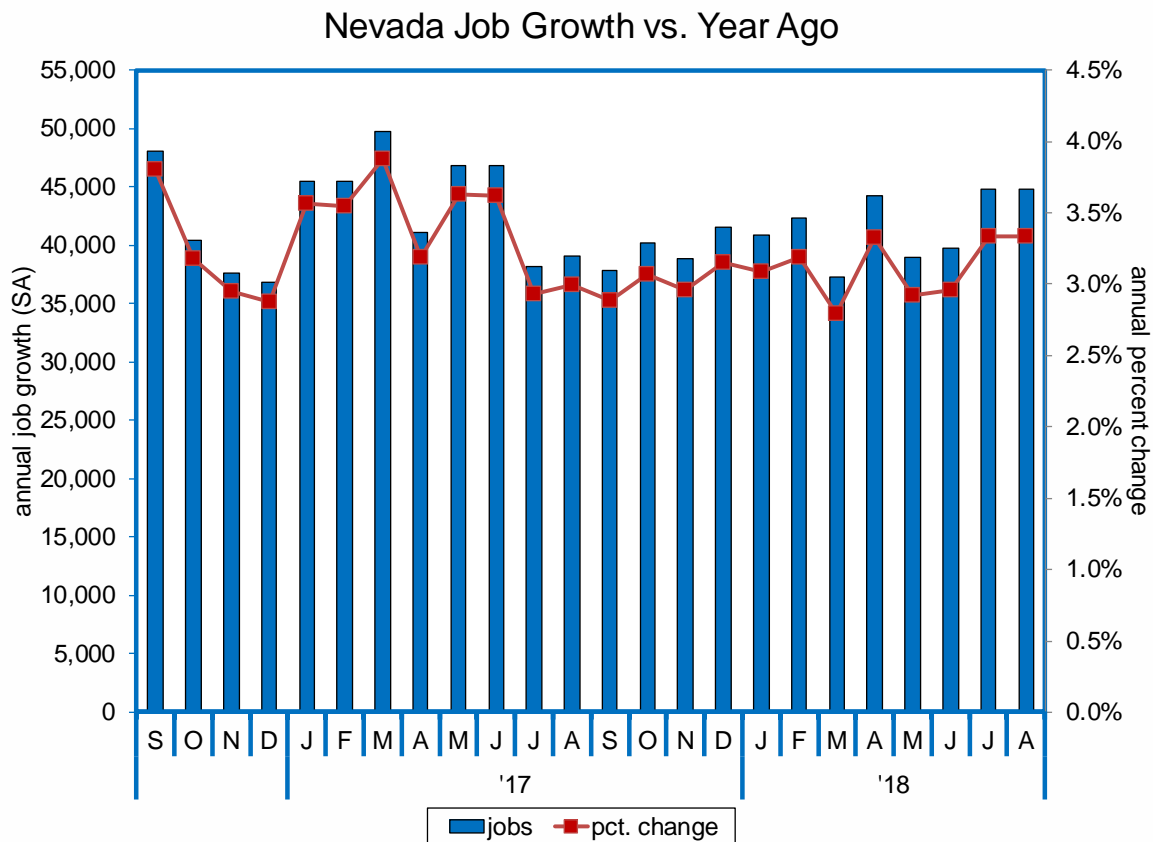
Job Growth: NV vs. U.S.



¹ seasonally adjusted

Annual Job Growth Surpasses Three Percent

The State added 44,800 jobs (3.3%) over the year in August¹

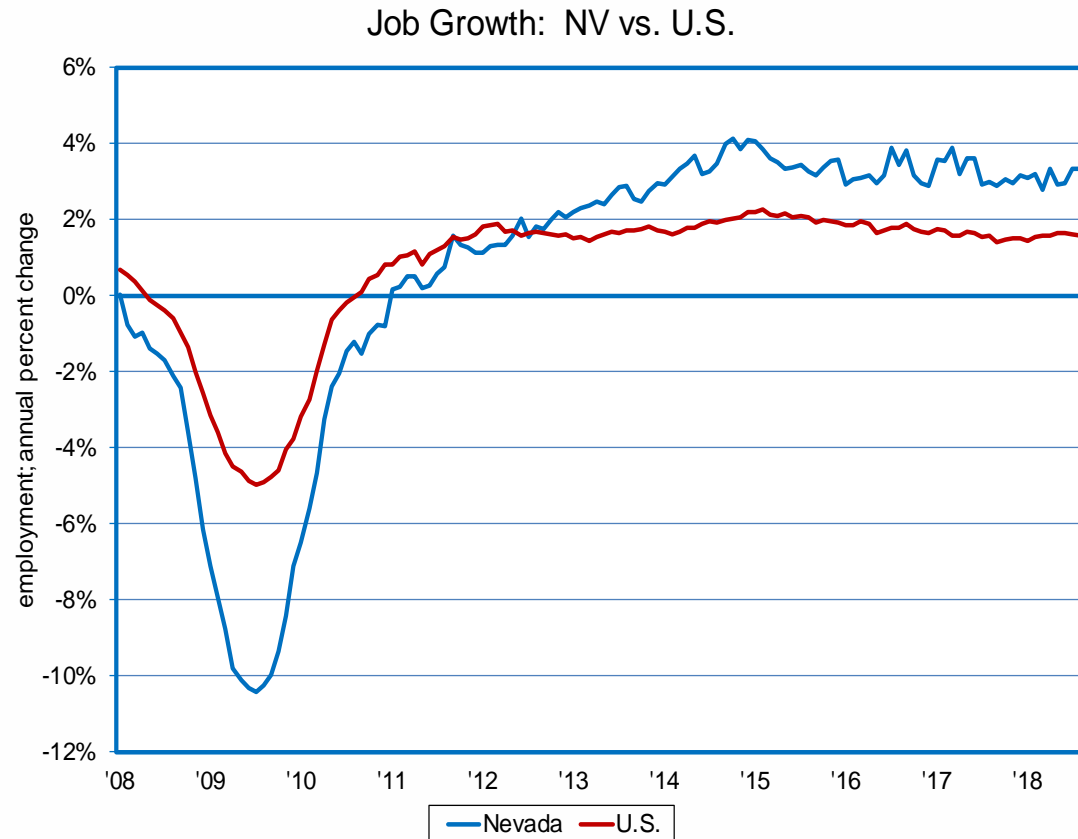


¹ seasonally adjusted

Nevada Growing Twice as Fast as Nation

Nevada's employment grew at an annual rate of 3.3% in August, compared to 1.6% in the nation as a whole¹

Nevada's job growth has outpaced the nation for 73 straight months



¹ seasonally adjusted

Year-to-Date Job Growth Across Nearly All Sectors

Construction added 7,300 jobs year-to-date through August, a gain of 8.9%¹

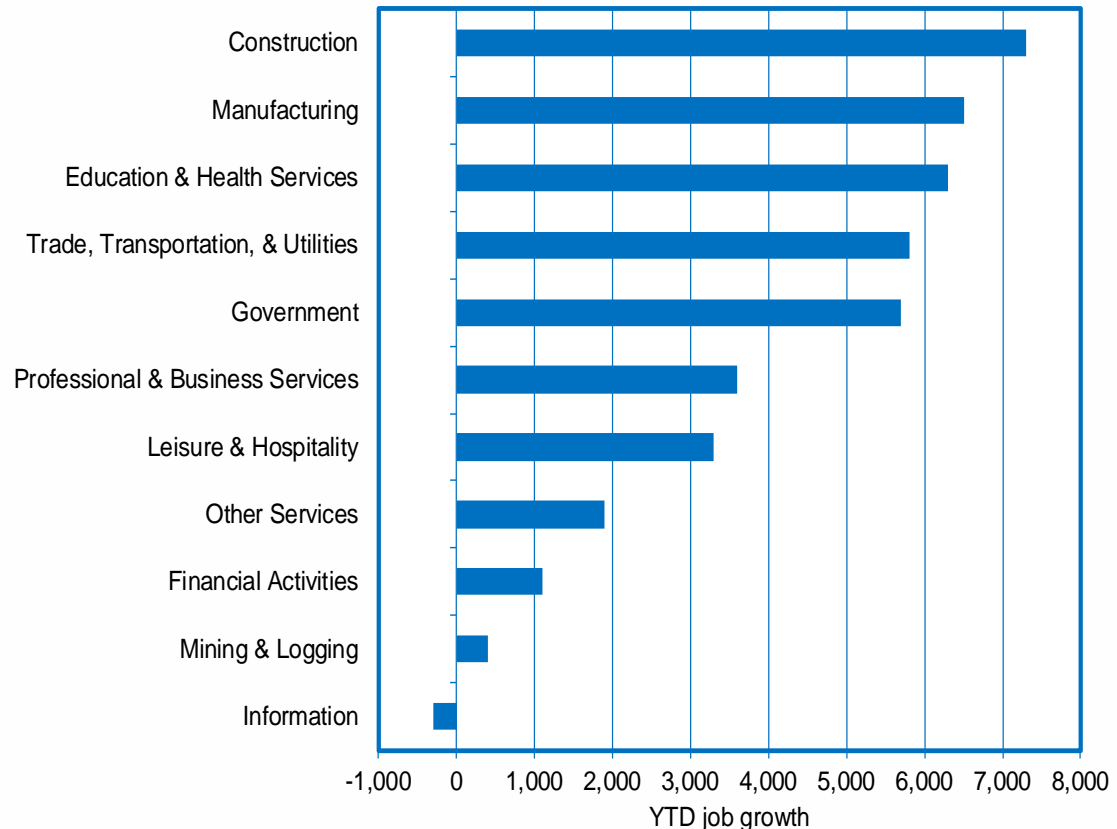
Manufacturing has grown by 13.9% after adding 6,500 jobs

Education/health services grew by 4.8% and added 6,300 jobs

Trade/trans/utilities is up 5,800 jobs

Information sector is down by 300 jobs

Nevada Nonfarm Job Growth by Industry



¹ not seasonally adjusted

Nevada Ranks 4th in Highest Private Sector Job Growth in 2018; Employment up 40,800 vs. 2017

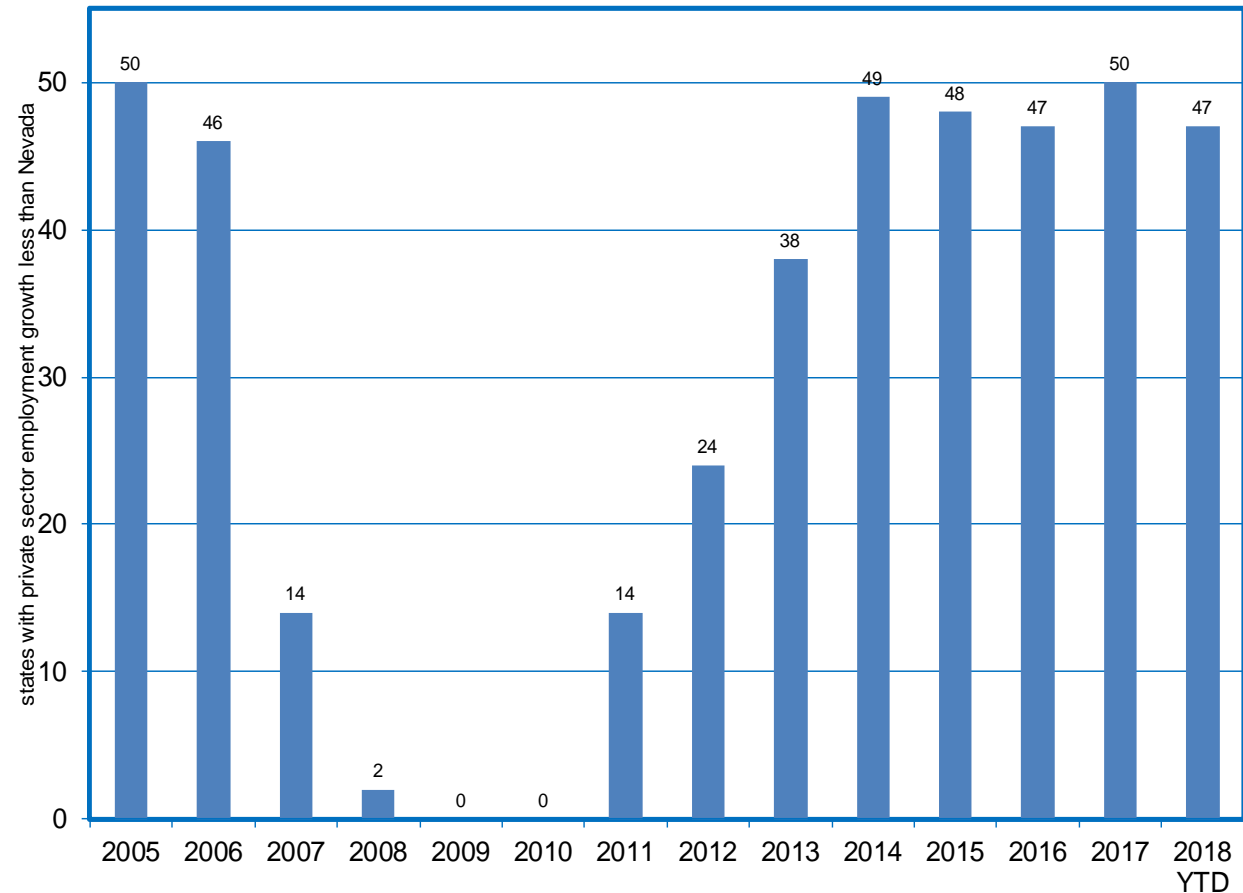
During the recession, Nevada was the most affected state in terms of private sector employment growth.

Nevada's employment growth was the lowest in the nation in 2009 (-10.1%) and 2010 (-2.8%).

In 2017, Nevada was the fastest growing private sector in the United States

2018:Q1: Right ahead of the Silver State, in terms of growth, are Idaho, Oregon, and Utah.

State Private Sector Job Growth Rankings

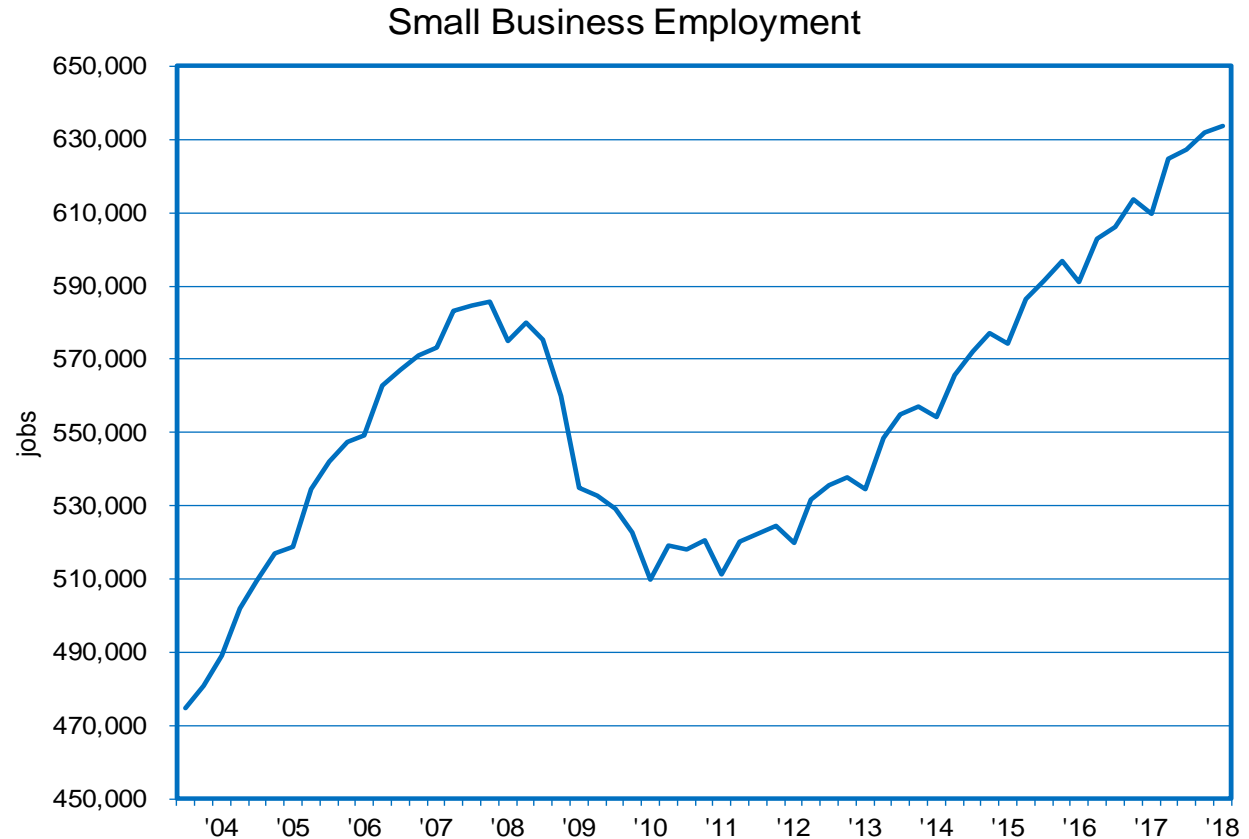


Small Business Employment Sets New Record High

The 2018:IQ over-the-year gain was 24,200, or 3.97%.

This marks 29 consecutive quarters of annualized growth.

2018:IQ had the highest growth on a year over year basis since 2007:IQ.



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