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DETR'S RESEARCH AND ANALYSIS BUREAU  
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## PRESS RELEASE

**For Immediate Release**  
**February 27, 2018**

### **NEVADA ANNUAL BENCH MARK PRESS RELEASE** Annual Revisions Leave Nevada's Labor Market Indicators Little Changed-

CARSON CITY, NV – Nevada's annual labor force revised numbers show little has changed since the initial numbers were previously reported for 2017. Nevada added 42,100 jobs last year, with a growth rate of 3.2 percent. The average unemployment rate for 2017 was five percent, down from 5.7 percent in 2016.

Nevada's non-farm employment and labor force numbers are estimated each month using a combination of historical data and monthly surveys of businesses and individuals. At the beginning of each calendar year, these estimates are revised, or "benchmarked," using more complete information that has become available since the time of the initial estimates, said David Schmidt, chief economist for Nevada's Department of Employment, Training and Rehabilitation.

"This year's revisions are minimal, with total employment in the state 200 jobs higher than previously reported at the end of the year," Schmidt said, "Nevada's average unemployment rate for 2017 was revised upward from 4.9 percent to five percent. Despite the slight uptick, the average rate for the year was still down from 5.7 percent in 2016."

#### **HIGHLIGHTS:**

- Nevada's total nonfarm employment averaged 1,341,000 in 2017, non-seasonally adjusted, 200 jobs more than initially reported.
- Statewide employment increased by an annual average of 42,100 in 2017. Previously reported gain was 40,900 jobs.
- Carson City average annual employment estimates were revised upward by 1,000 jobs with and added average of 1,400 jobs in 2017.
- Reno average annual employment estimates were revised upward by 4,600 jobs with a gain of 10,900 jobs.
- Las Vegas employment estimates for 2017 were revised down slightly, by 1,300 jobs. The area saw an average annual growth of 27,300 jobs from the previous year.
- The construction sector added the most jobs in 2017, both in nominal terms (+7,600) and in percentage growth (up ten percent). This is a slight downward revision from the pre-benchmark growth estimates of 9,100 construction jobs.

- Manufacturing estimates were revised upward by 2400 jobs (for a total growth of 4,100), adjusting the growth rate from 3.9 percent to 9.4 percent, the second-highest growth rate for the year.
- Prior to the benchmark, the Bureau reported the trade/transportation/utilities sector added 10,000 jobs. After the revision, the gain stands at 6,900, the second-largest nominal gain of the eleven supersectors.

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#### ABOUT THE RESEARCH AND ANALYSIS BUREAU

The Research and Analysis Bureau is Nevada's premier source for labor market information. A part of DETR, the Bureau is responsible for creating, analyzing, and reporting Nevada's labor market information, in cooperation with the United States Bureau of Labor Statistics (BLS).

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DETR is comprised of the Employment Security Division, Equal Rights Commission, Rehabilitation Division, and the Research and Analysis Bureau. DETR oversees the Nevada JobConnect System to provide training and job placement services to job seekers and to assist employers in hiring practices. It also supports economic development efforts through improving Nevada's workforce.

# Nevada Perspectives

In-depth Analysis of Current Workforce Issues and Trends  
From Nevada's Premier Source of Workforce and Economic Information



## Nevada 2017 Annual Benchmarking

Each year, Nevada's Current Employment Statistics (CES) and Local Area Unemployment Statistics (LAUS) programs undergo a revision process called "benchmarking." This process involves updating employment and unemployment estimates by incorporating more complete information that has become available since the time of initial publication. For 2017, the benchmarking processes resulted in Nevada's annual average unemployment rate estimate increasing from 4.9 percent, the original estimate, to five percent. However, despite the upward revision, the average unemployment rate is still down from 5.7 percent in 2016. Similarly, CES benchmark revisions show that Nevada gained 42,100 jobs over the year (up from the previous estimate of 40,900).

Hayley Smith-Kirkham  
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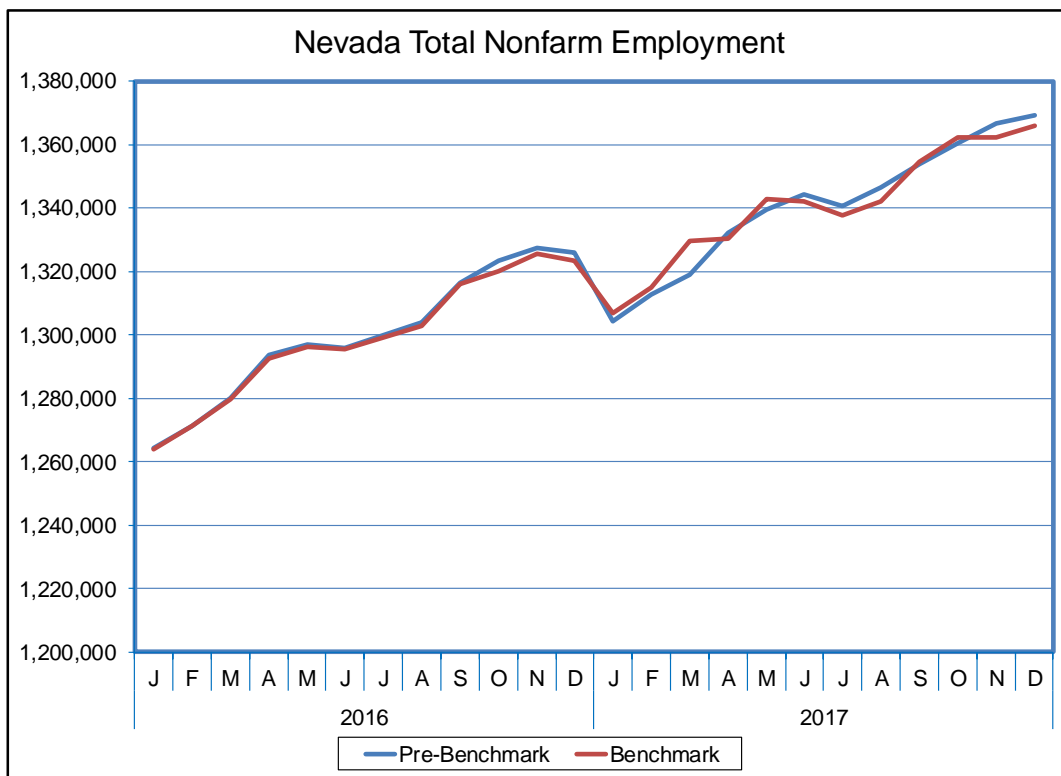
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*February 2018*  
Research and Analysis Bureau  
Department of Employment, Training and Rehabilitation

## Nevada's Statewide CES Benchmark 2017

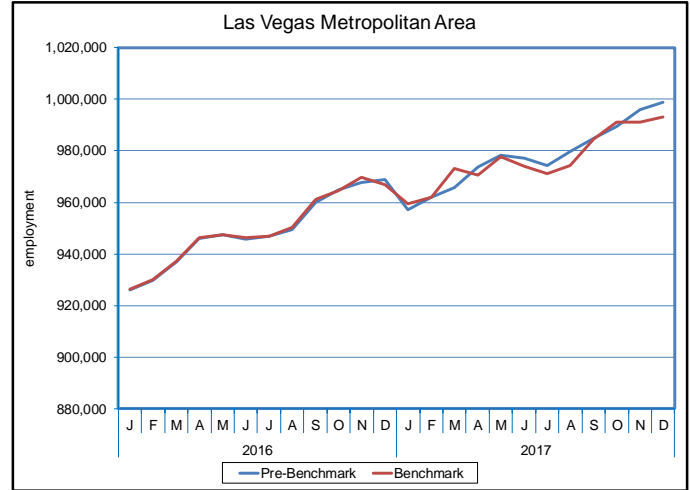
Nevada's non-farm employment numbers are estimated each month using a combination of historical data and a monthly survey of businesses conducted by the Bureau Labor of Statistics (BLS). These estimates are revised, or benchmarked, using more complete information at the beginning of each calendar year. During this process, the BLS adjusts the non-farm employment estimates using data from mandatory unemployment insurance (UI) reports submitted each quarter by nearly all employers in the State. Non-adjusted data are revised over a 21-month period; the 2017 benchmark realigned the estimates from April 2016 to December 2017. Next, the seasonal adjustment factors are modeled with this updated information, resulting in five years' worth of revised seasonally adjusted data.

This year's benchmark process resulted in a slightly higher level of employment in Nevada than initially reported. Total nonfarm employment averaged 1,341,000 for the year, or 200 more jobs than initially estimated. Employment levels for 2016 were revised downward by 1,000 jobs. Nevada's employment rose by an annual average of 42,100 jobs over the year, an increase of 3.2 percent. The private sector led the way with an annual average increase of 38,200 jobs, while the government sector gained 3,900. Service-providing industries added an annual average of 29,900 jobs, while goods-producing industries gained 12,200 jobs.

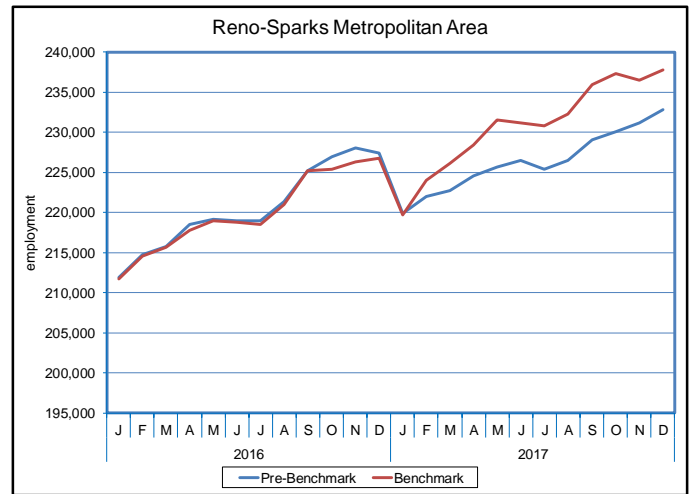


# Nevada's Metropolitan Statistical Areas (MSAs) Benchmark

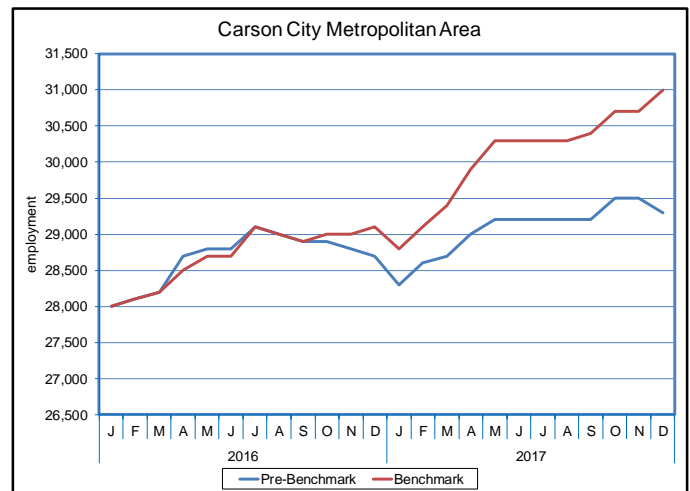
The Las Vegas region's benchmark revealed the area's economy added slightly fewer jobs than were initially estimated. The area saw an average of 976,800 jobs in 2017, which is 1,300 (or just 0.1 percent) fewer than previously reported. Despite this downward revision, Las Vegas still saw employment grow by 27,300 jobs, or 2.9 percent, over the course of the year. Goods-producing industries added 5,500, while service providers grew by 21,900 jobs.



The benchmarking process resulted in an increase in the estimated average employment level of the Reno-Sparks area in 2017. The region saw average employment of 231,000 for the year, or 4,600 more than initially estimated. Employment increased by an annual average of 10,900, or five percent, from 2016. Gains were almost evenly split between goods-producing and service providing industries, with 5,300 added to the former and 5,600 to the latter.



Carson City's benchmark process revealed the area's economy averaged 30,100 jobs in 2017, or 1,000 more than previously reported. The area gained an annual average of 1,400 jobs over the year, an increase of 4.9 percent. Goods-producing industries added 500 jobs, while service providers gained 1,000.



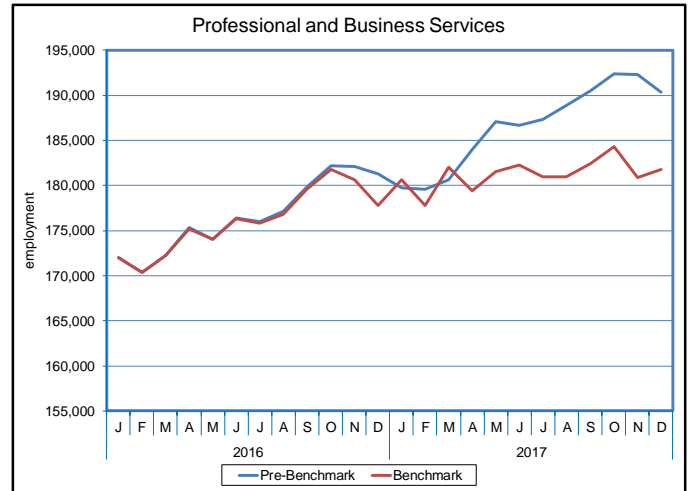
## Nevada's Key Industry Benchmark

Overall, the benchmark revision resulted in little change to total nonfarm employment estimates in Nevada. However, the total change (+200) masks some variation amongst individual sectors, ranging from +5,200 jobs (trade, transportation, and utilities) to -5,300 jobs (professional and business services). Of the State's eleven supersectors, six saw upward revisions while five were revised downward.

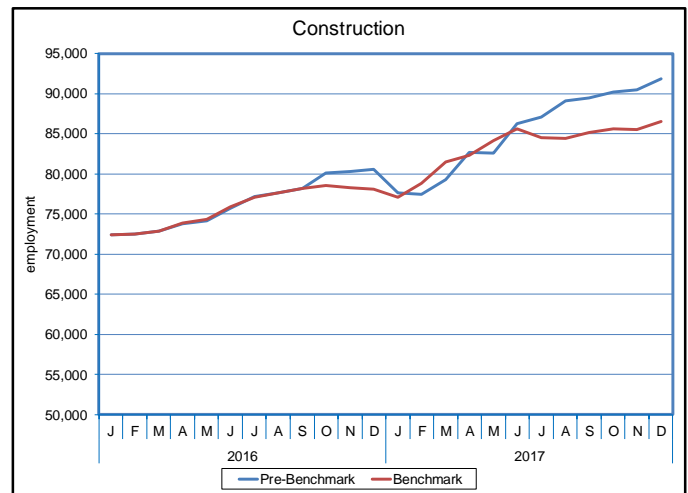
INDUSTRY	2016		2017		2017 Benchmark Revision	2016 - 2017 Y-O-Y Change (Post-)
	Pre-Benchmark	Post-Benchmark	Pre-Benchmark	Post-Benchmark		
<b>Total Nonfarm</b>	<b>1299.9</b>	<b>1298.9</b>	<b>1340.8</b>	<b>1341</b>	<b>0.2</b>	<b>42.1</b>
<b>Total Private</b>	<b>1142.4</b>	<b>1141.4</b>	<b>1179</b>	<b>1179.6</b>	<b>0.6</b>	<b>38.2</b>
<b>Mining and Logging</b>	<b>13.7</b>	<b>13.7</b>	<b>14.1</b>	<b>14.2</b>	<b>0.1</b>	<b>0.5</b>
<b>Construction</b>	<b>76.3</b>	<b>75.8</b>	<b>85.4</b>	<b>83.4</b>	<b>-2.0</b>	<b>7.6</b>
<b>Manufacturing</b>	<b>43.6</b>	<b>43.7</b>	<b>45.3</b>	<b>47.8</b>	<b>2.5</b>	<b>4.1</b>
Durable Goods	26.9	26.9	28.3	30.2	1.9	3.3
Non-Durable Goods	16.7	16.8	17.0	17.6	0.6	0.8
<b>Trade, Transportation, and Utilities</b>	<b>241.8</b>	<b>242.3</b>	<b>244.0</b>	<b>249.2</b>	<b>5.2</b>	<b>6.9</b>
Wholesale Trade	34.5	34.6	34.4	36.1	1.7	1.5
Retail Trade	143.6	144.1	145.4	145.7	0.3	1.6
Transportation, Warehousing, and Utilities	63.7	63.7	64.2	67.3	3.1	3.6
<b>Information</b>	<b>14.4</b>	<b>14.3</b>	<b>14.3</b>	<b>14.7</b>	<b>0.4</b>	<b>0.4</b>
<b>Financial Activities</b>	<b>62.7</b>	<b>62.8</b>	<b>63.4</b>	<b>65.1</b>	<b>1.7</b>	<b>2.3</b>
Finance and Insurance	35.4	35.3	35.8	36.2	0.4	0.9
Real Estate and Rental and Leasing	27.3	27.6	27.6	28.9	1.3	1.3
<b>Professional and Business Services</b>	<b>176.6</b>	<b>176.0</b>	<b>186.6</b>	<b>181.3</b>	<b>-5.3</b>	<b>5.3</b>
Professional, Scientific, and Technical Services	54.4	54.3	57.6	56.2	-1.4	1.9
Admin & Support & Waste Mgmt & Rem Services	98.2	97.7	104.3	99.8	-4.5	2.1
<b>Education and Health Services</b>	<b>127.5</b>	<b>127.4</b>	<b>133.3</b>	<b>133.4</b>	<b>0.1</b>	<b>6.0</b>
Educational Services	12.7	12.7	13.3	13.5	0.2	0.8
Health Care and Social Assistance	114.8	114.7	120	120	0.0	5.3
<b>Leisure and Hospitality</b>	<b>345.7</b>	<b>345.3</b>	<b>351.0</b>	<b>349.5</b>	<b>-1.5</b>	<b>4.2</b>
Arts, Entertainment, and Recreation	30.2	30.1	31.4	31.1	-0.3	1.0
Accommodation and Food Services	315.6	315.2	319.7	318.4	-1.3	3.2
<b>Other Services</b>	<b>40.1</b>	<b>40.0</b>	<b>41.6</b>	<b>41.1</b>	<b>-0.5</b>	<b>1.1</b>
<b>Government</b>	<b>157.5</b>	<b>157.5</b>	<b>161.8</b>	<b>161.4</b>	<b>-0.4</b>	<b>3.9</b>
Federal Government	18.7	18.7	19.0	19.0	0.0	0.3
State Government	39.3	39.5	39.0	41.5	2.5	2.0
Local Government	99.6	99.4	103.8	100.9	-2.9	1.5
<b>Carson City</b>	<b>28.7</b>	<b>28.7</b>	<b>29.1</b>	<b>30.1</b>	<b>1.0</b>	<b>1.4</b>
<b>Las Vegas</b>	<b>949.2</b>	<b>949.5</b>	<b>978.1</b>	<b>976.8</b>	<b>-1.3</b>	<b>27.3</b>
<b>Reno</b>	<b>220.6</b>	<b>220.1</b>	<b>226.4</b>	<b>231.0</b>	<b>4.6</b>	<b>10.9</b>

The following page contains charts illustrating the benchmark revision for selected key industries.

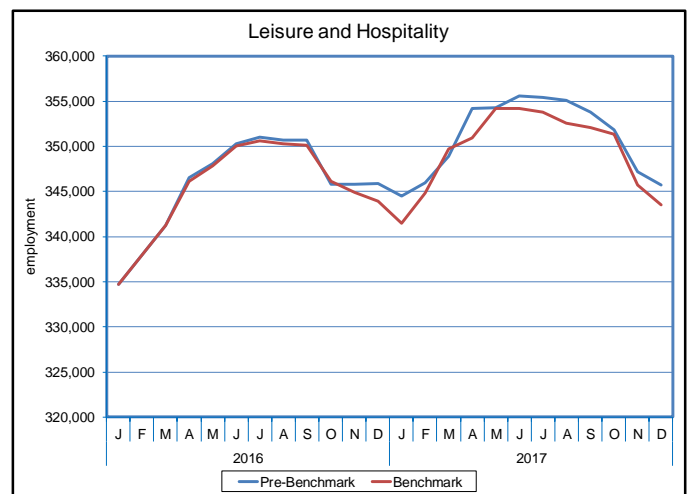
During the 2017 benchmark process, employment in the professional/business services industry was revised downward by 5,300 jobs, or 2.9 percent.



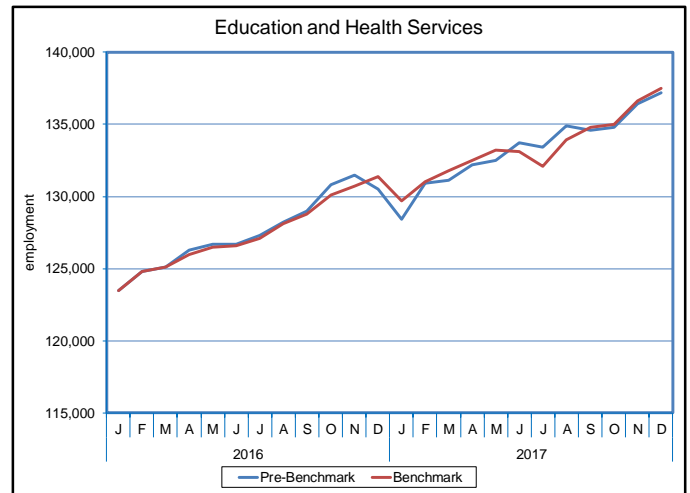
The construction sector was revised down by two thousand jobs, or 2.4 percent.



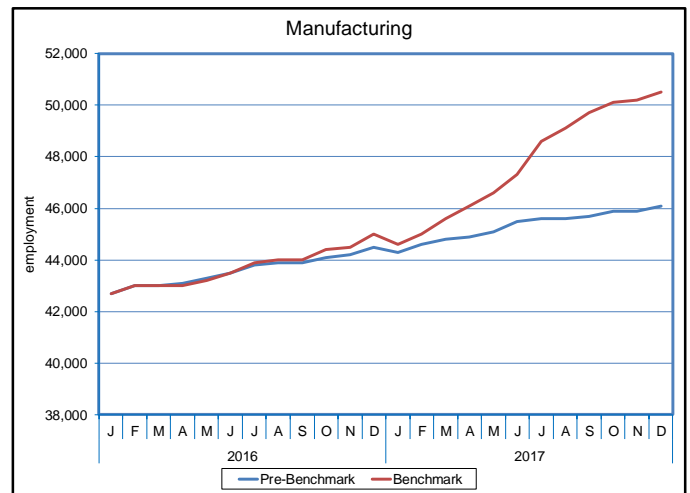
Leisure/hospitality was revised down slightly, by 1,500 jobs or 0.4 percent of total sector employment.



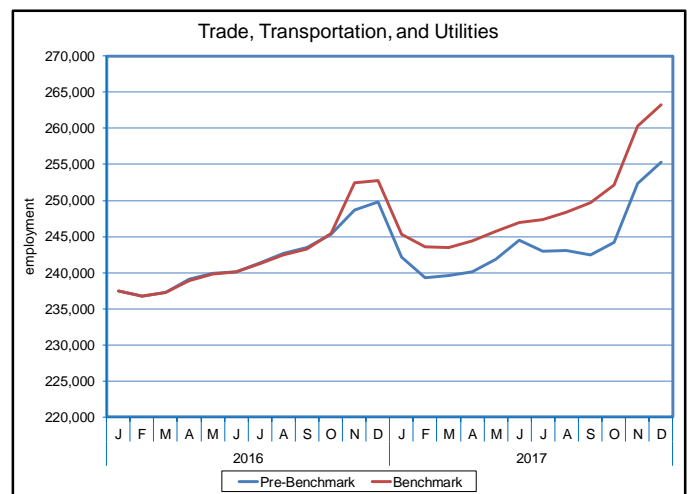
Estimates for the education/health services industry held relatively steady during the benchmark, with an overall increase of just one hundred jobs, or 0.1 percent.



The manufacturing sector saw the largest percent increase over the benchmark process, being revised upward by 2,500 jobs, or 5.2 percent.



The trade/transportation/utilities sector was adjusted upward by 5,200 jobs, or 2.1 percent. This is the largest nominal revision of any sector.



The remaining supersectors saw mostly positive revisions, with the exception of other services (-500) and government (-400). Mining/logging was revised upward by 100 jobs, information by 400, and financial activities by 1,700.



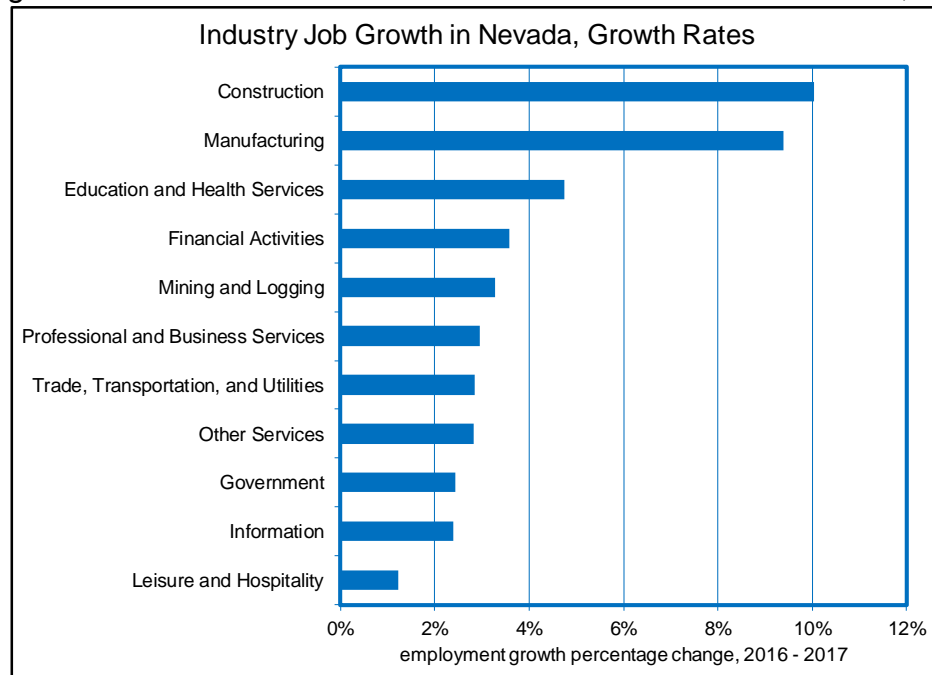
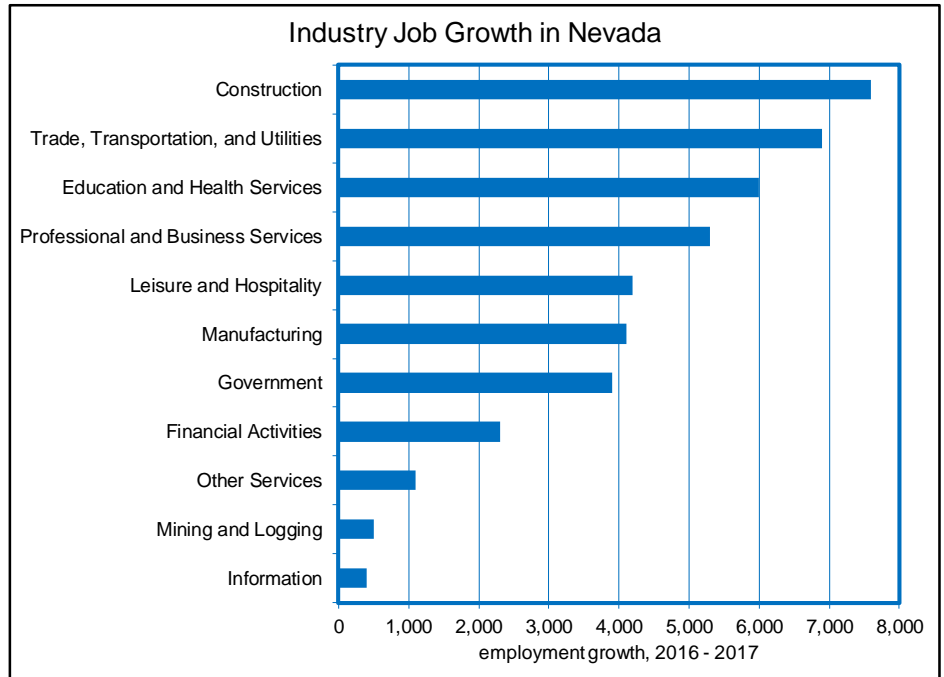
## Industry Employment: Job Growth 2016 - 2017

The construction sector saw the largest number of jobs added through 2017, growing by 7,600 over the previous year (according to the newly-released benchmarked estimates). This corresponds to a ten percent average annual growth rate, the largest percentage change of any sector in the State.

Trade, transportation, and utilities, the State's second-largest employer, saw the second-largest job gain, adding 6,900 to payrolls in 2017. Though the nominal change is large, it marks a growth rate of 2.8 percent, below the statewide average of 3.2 percent.

The transportation/warehousing/utilities sector saw the largest number of jobs added, growing by 3,600. Retail trade added 1,600, while wholesale trade added 1,500 jobs.

Education and health services added 6,000 jobs over the course of the year, a growth of 4.7 percent. This puts the sector in third place both in terms of nominal growth and percentage change. Most of the growth occurred in the health care/social assistance sub-sector, which saw 5,300 new jobs.



The professional and business services sector added 5,300 jobs, a gain of three percent.

Leisure and hospitality, the Silver State's largest industry, added 4,200 jobs over the course of 2017. Though the sector ranks fifth in terms of nominal job growth, since it is such a large industry this corresponds to an average annual growth rate of just 1.2 percent, the lowest of the eleven sectors.

Manufacturing follows with a gain of 4,100 jobs, or 9.4 percent. The sector saw the second-largest

percent change for the year. Durable goods grew by 3,300 jobs, while non-durable goods manufacturing expanded by 800.

The government sector added 3,900 jobs for the year, a growth of 2.5 percent. State government added 2,000 jobs, while local governments added 1,500. Federal employment expanded by just 300 jobs.

Financial activities added 2,300 jobs, a gain of 3.6 percent. This relatively large growth rate makes the sector the fourth-fastest growing in 2017. The real estate rental and leasing sub-sector saw the largest share of growth, adding 1,300 jobs.

Other services added 1,100 jobs or 2.8 percent. This sector is comprised of services such as equipment/machinery repair, promoting/administering religious activities, grant making, advocacy, pet care services, and dating services, among other things not specifically defined elsewhere in the NAICS classification system.

Mining and logging added 500 jobs through the year, a growth of 3.3 percent. The relatively small size of this industry, combined with the change, resulted in the sector having the fifth-highest growth rate of the eleven supersectors.

Finally, information added the fewest jobs, at just 400. This corresponds to a growth rate of 2.4 percent, the second lowest.

## Nevada's Statewide LAUS Benchmark 2017

Every year, Nevada's Local Area Unemployment Statistics (LAUS) program undergoes a revision process called annual processing/benchmarking. Benchmarking involves updating the historical monthly unemployment figures by incorporating newer, more complete data that have become available. Sources, such as the CES and Quarterly Census of Employment and Wages (QCEW) programs, provide revised employment estimates for the State. Additionally, updated population data are provided by the U.S. Census Bureau and the unemployment insurance (UI) claims counts are revised to include the most recent information from the State's UI system.

The 2017 annual benchmark revisions resulted in a Nevada statewide LAUS annual average unemployment rate of five percent. This is little changed from the 4.9 percent annual average rate pre-benchmarking. Revisions for 2016's LAUS statewide unemployment rate resulted in a 5.7 percent jobless rate, unchanged from pre-benchmarked estimates. This year's benchmarking covered the 2013-2017 time period (with the largest revisions affecting only the most recent two years).

The 2017 unemployment rate increased by 0.1 percentage point from pre-benchmarked estimates. On average both employment and unemployment increased, however, unemployment was revised up at a stronger rate causing the slight increase in the unemployment rate. During this period the labor force expanded by 13,500. Despite the upward revision, the average unemployment rate is down from 5.7 percent in 2016.

