



Nevada Labor Market Briefing: September 2018

Summary of Labor Market Economic Indicators

Department of Employment, Training, & Rehabilitation

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Recovery Scorecard

Nevada Recovery Scorecard - 2018:IIIQ



281,500 Jobs Added Since Recession

184,700 jobs were lost as the recession unfolded
Employment is at a record high in September, at over 1.39 million



4th Fastest-Growing Private Sector In the Nation



124,000 Small Business Jobs Added

634,000 Nevadans are employed by businesses with less than 100 employees



Record High Number of Employers

70,960 employers operate in Nevada, an increase of 15,000 since the recession



Average Weekly Wages at \$977 (* As of 2018:IQ)

A new record high and up 4.9% over the year



Jobless Rate Down by over Nine Percentage Points

At 4.5% in September, down by over nine full percentage points since the recession



Unemployment Insurance Claims Have Dropped 71%

Initial claims for unemployment insurance peaked at 28,600 per month,
have since dropped to 8,290



UI Trust Fund at Record Balance

Trust Fund balance at record high of nearly \$1.3 billion,
after reaching a low of -\$798.9 million during the recession

State Employment

- ❑ Non-Farm Job Levels Up 43,500 (SA¹) Relative to a Year Ago in September
 - ❑ 93 consecutive months of year-over-year gains
 - ❑ 3.2% gain compares to 1.7% in the nation

- ❑ Up 2,800 Over the Month
 - ❑ 6,900 (NSA²) jobs were expected to be added based upon historical trends, but 9,700 were actually added, resulting in the seasonally-adjusted gain
 - ❑ August's employment level was revised up by 1,900 (SA), bringing the two-month gain to 5,900 jobs

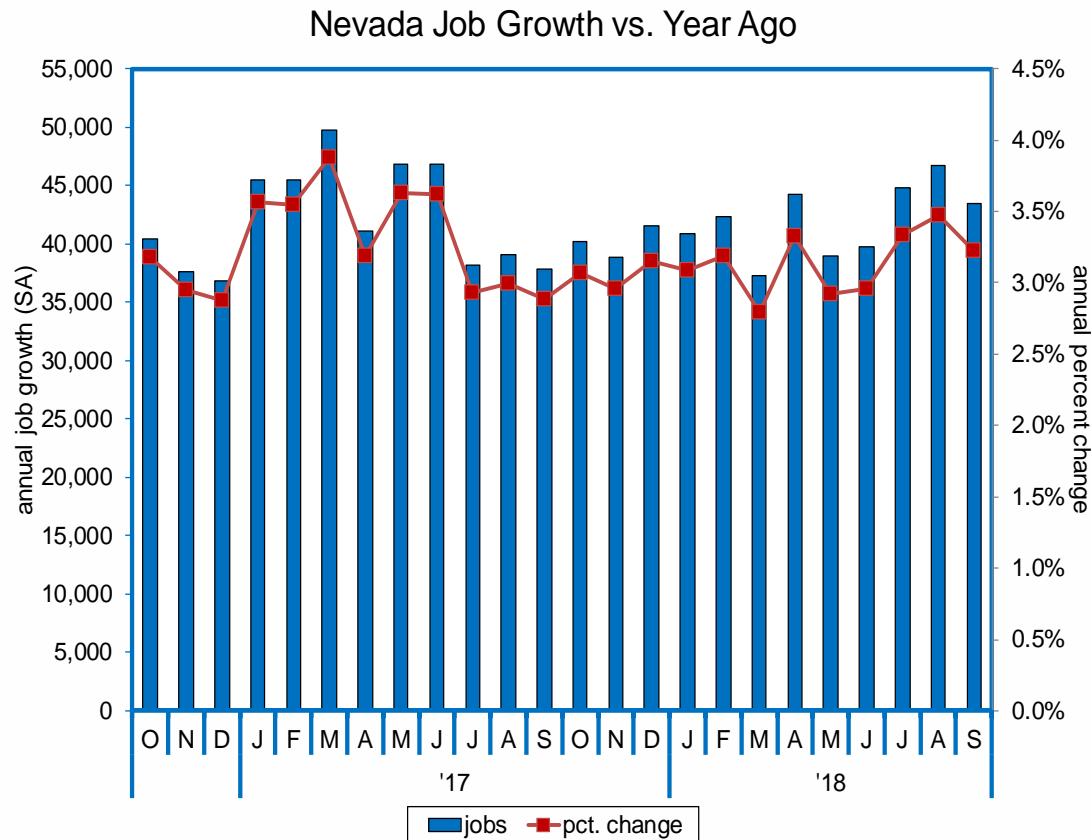
¹ seasonally adjusted

² not seasonally adjusted

Annual Job Growth Surpasses Three Percent

The State added 43,500 jobs (3.2%) over the year in September¹

Growth has trended higher in recent months, near the high end of the trend over the last year and still over 3.0%



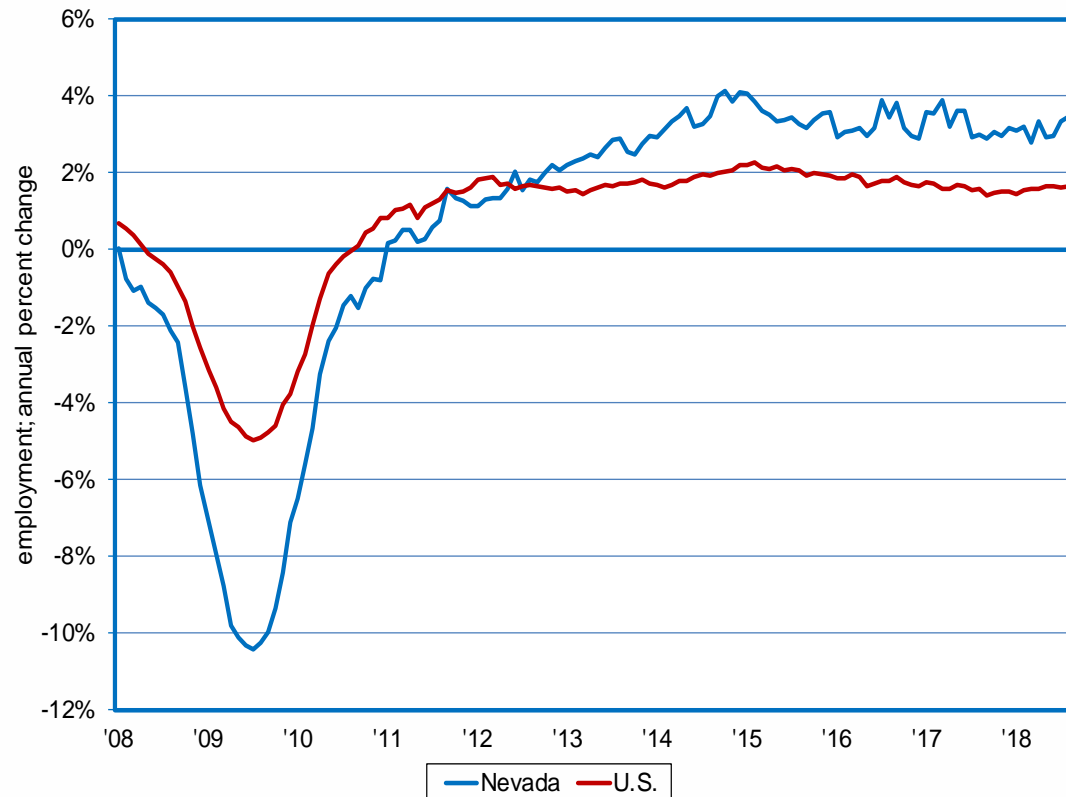
¹ seasonally adjusted

Nevada Growing Twice as Fast as Nation

Nevada's employment grew at an annual rate of 3.2% in September, compared to 1.7% in the nation as a whole¹

Nevada's job growth has outpaced the nation for 74 straight months

Job Growth: NV vs. U.S.



¹ seasonally adjusted

Year-to-Date Job Growth Across Nearly All Sectors

Construction added 7,800 jobs year-to-date through September, a gain of 9.5%¹

Manufacturing has grown by 14.9% after adding 6,900 jobs

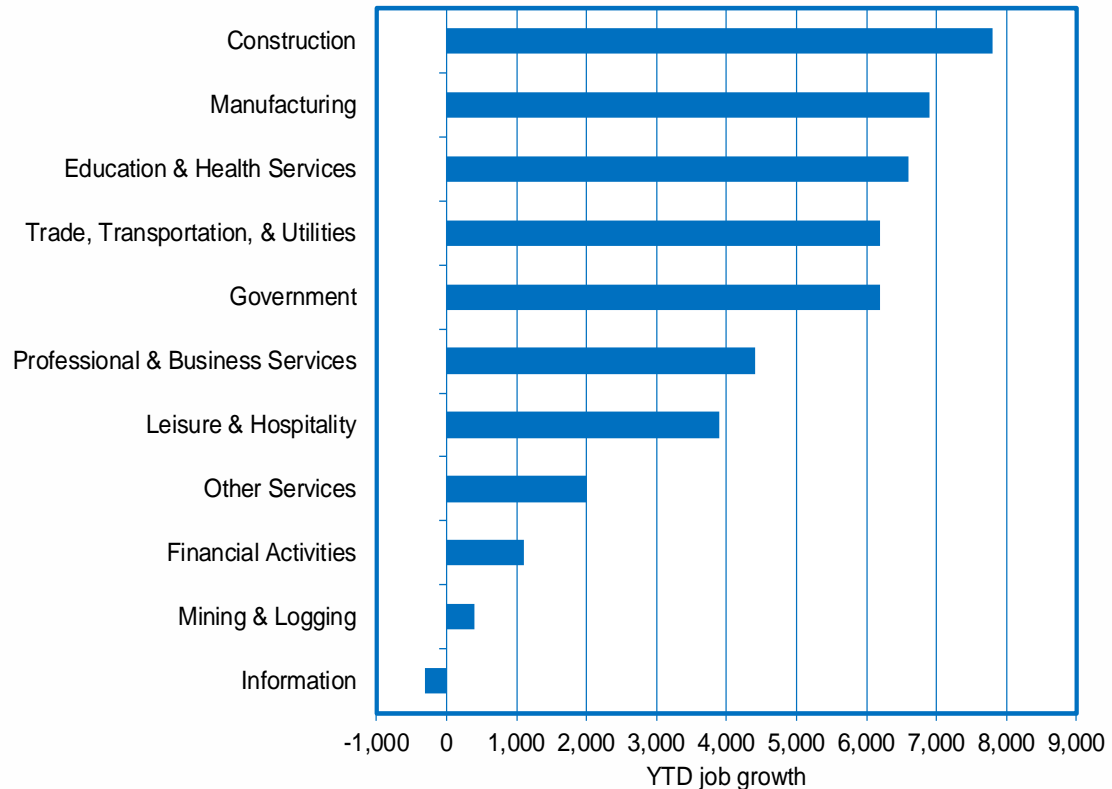
Education/health services grew by 5% and added 6,600 jobs

Gov+Trade/trans/utilities both up 6,200 jobs

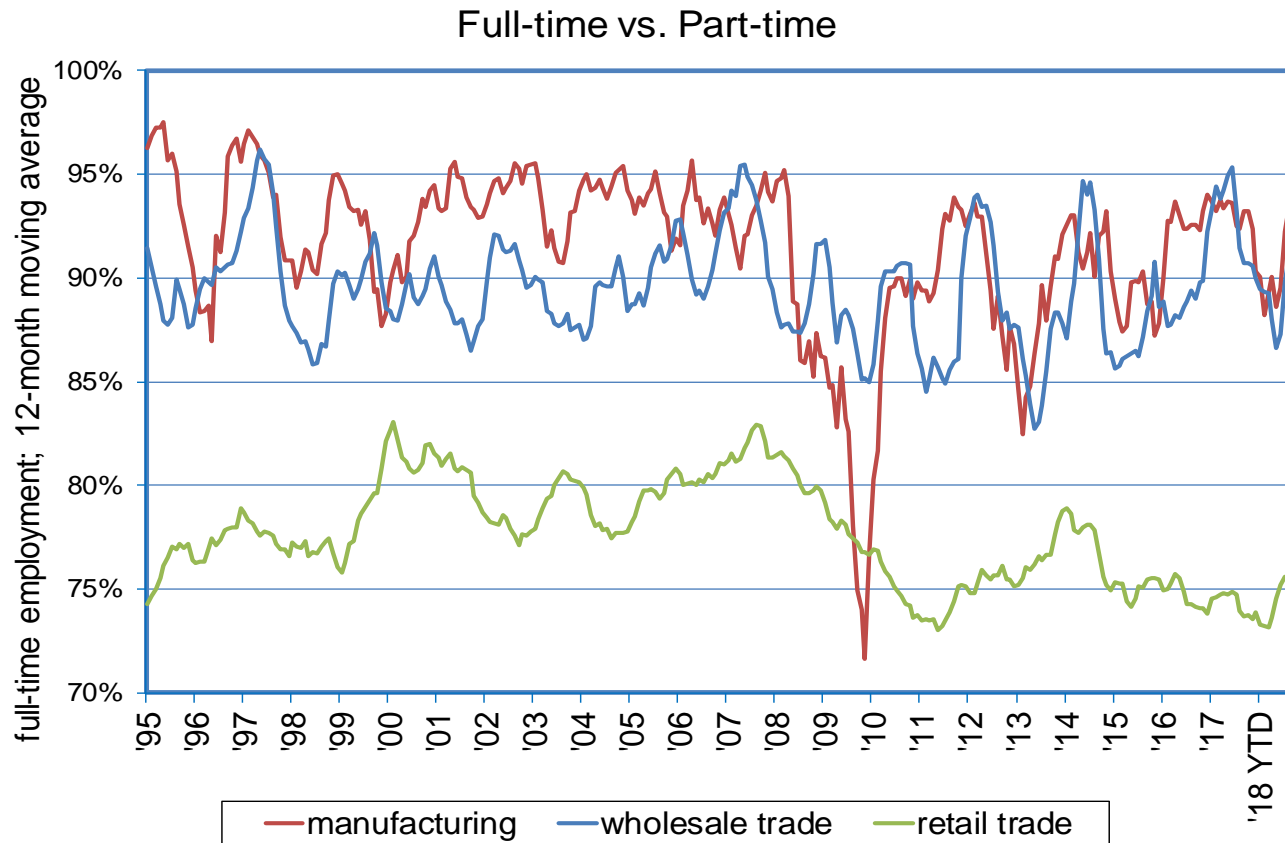
Information sector is down by 300 jobs

¹ not seasonally adjusted

Nevada Nonfarm Job Growth by Industry



Manufacturing, Wholesale Trade, and Retail Trade Employment Concentrated in Full-time Workers



Source: Current Population Survey (CPS). Full / Part time determined by total hours worked by an individual.

State Unemployment Rate

- ❑ 4.5% Unemployment Rate (SA¹)
 - ❑ Steady over the month; down from 4.9% a year ago
 - ❑ Off more than nine full percentage points from recessionary peak
 - ❑ In absolute terms, unemployment totaled 67,429; down 571 over the month and off from a recession high of 186,900
 - ❑ Compares to a 3.7% rate for the U.S.— 0.8 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

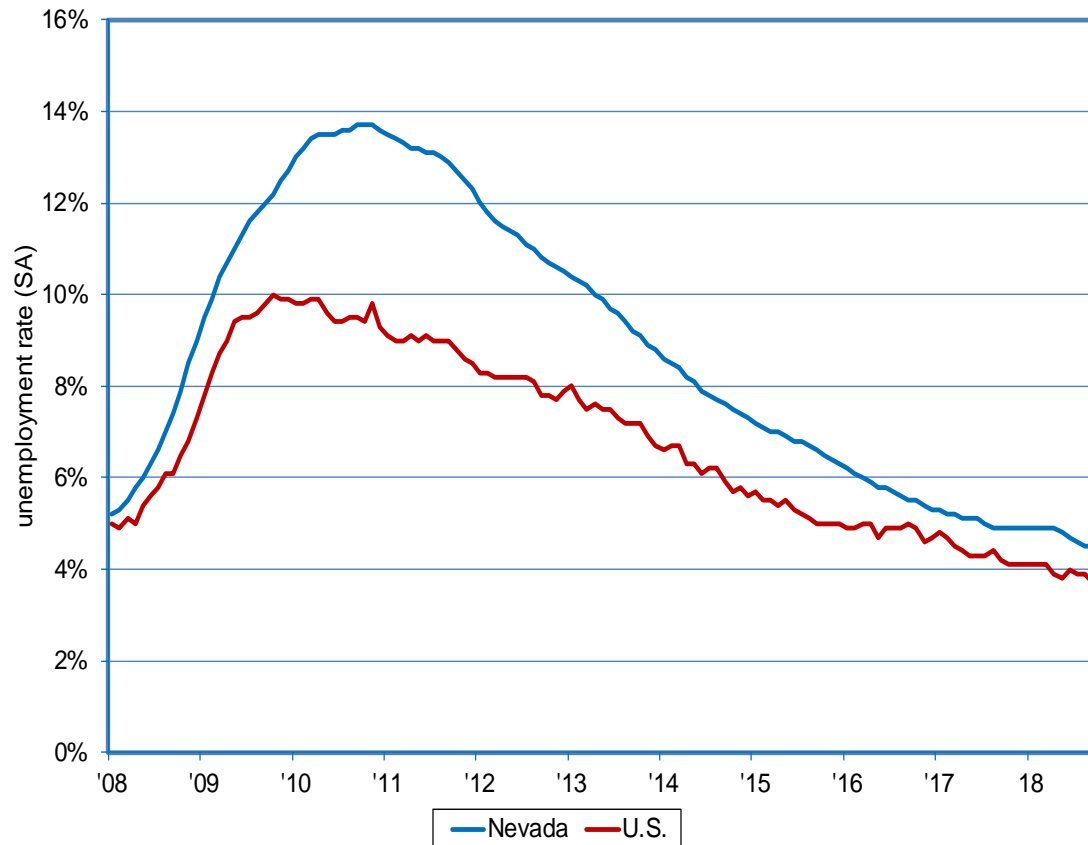
September 2018 Unemployment Rate: 4.5%

Down from 4.9%
a year ago¹

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

Lowest rate since
July 2007

Unemployment Rate: Nevada vs. U.S.



¹ seasonally adjusted

Nevada's Long-Term Unemployment Rate Returns to Historical Low Level

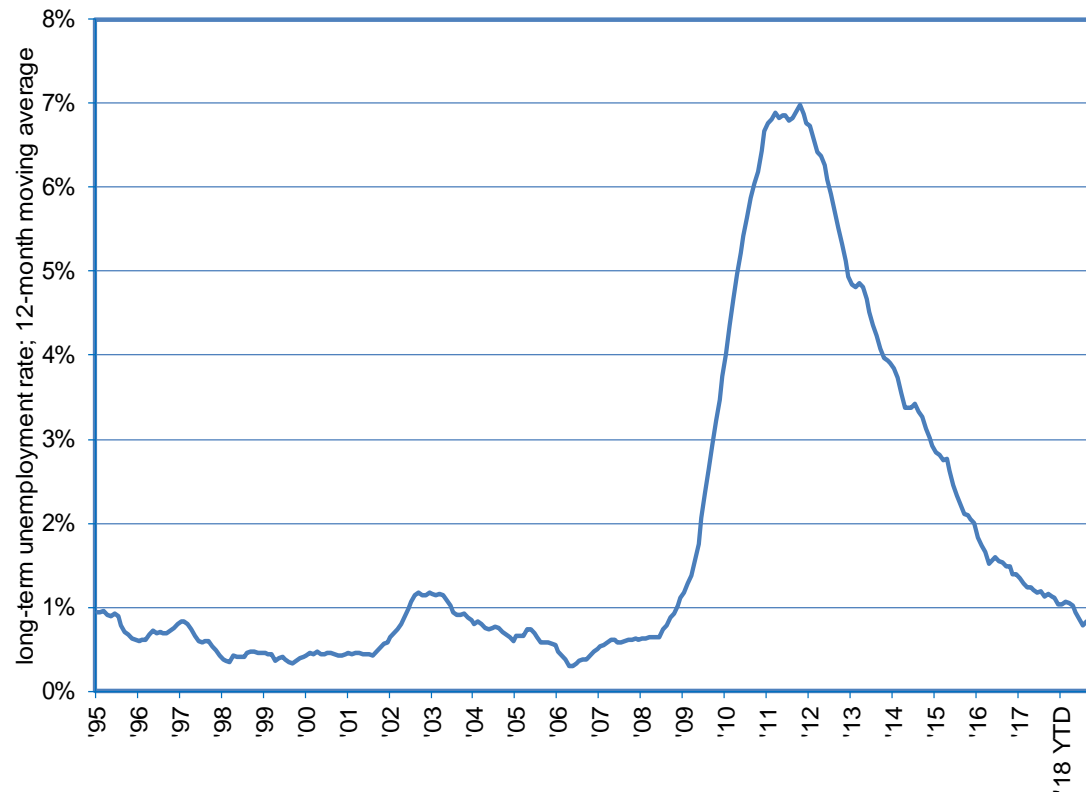
Long-term Unemployment Rate History:

Peak, 2011: 7% or 92,900

Sep. 2018: 0.8% or 12,270

5th month the rate is below 1%.

Nevada Long-term Unemployment Rate



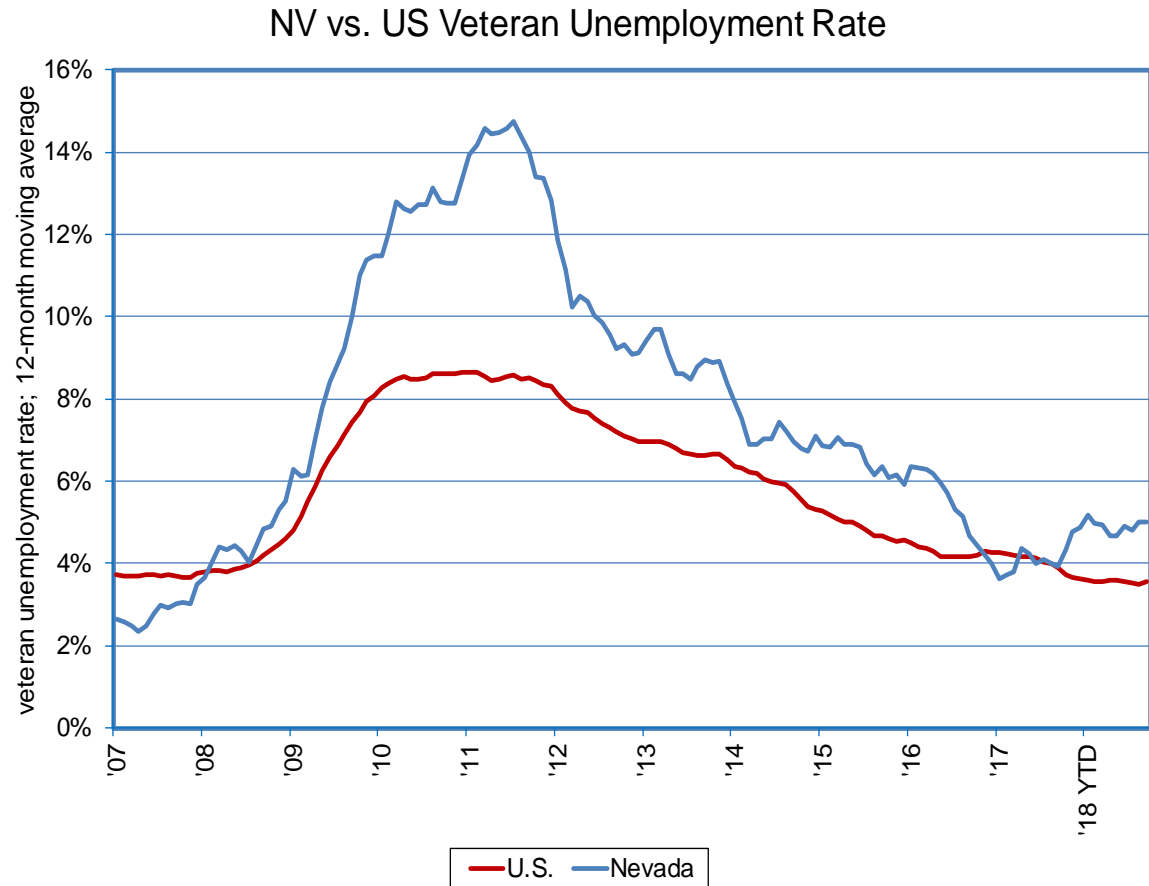
Nevada's Veteran Unemployment Rate is Slightly Higher than in the Nation

Jan. 2007: NV
veteran UR 2.6%
vs. US 3.7%

2011 peak: NV
veteran UR 14.7%
vs. US 8.7%

2016: NV veteran
UR 4.2% vs. US
4.3%

Sep. 2018: NV
veteran UR 5% vs.
US 3.5%



Nevada's Unemployment Rate By Race Groups Trending Down

Rate Peaks

2012, Black: 22.6%

2010, White: 13.9%

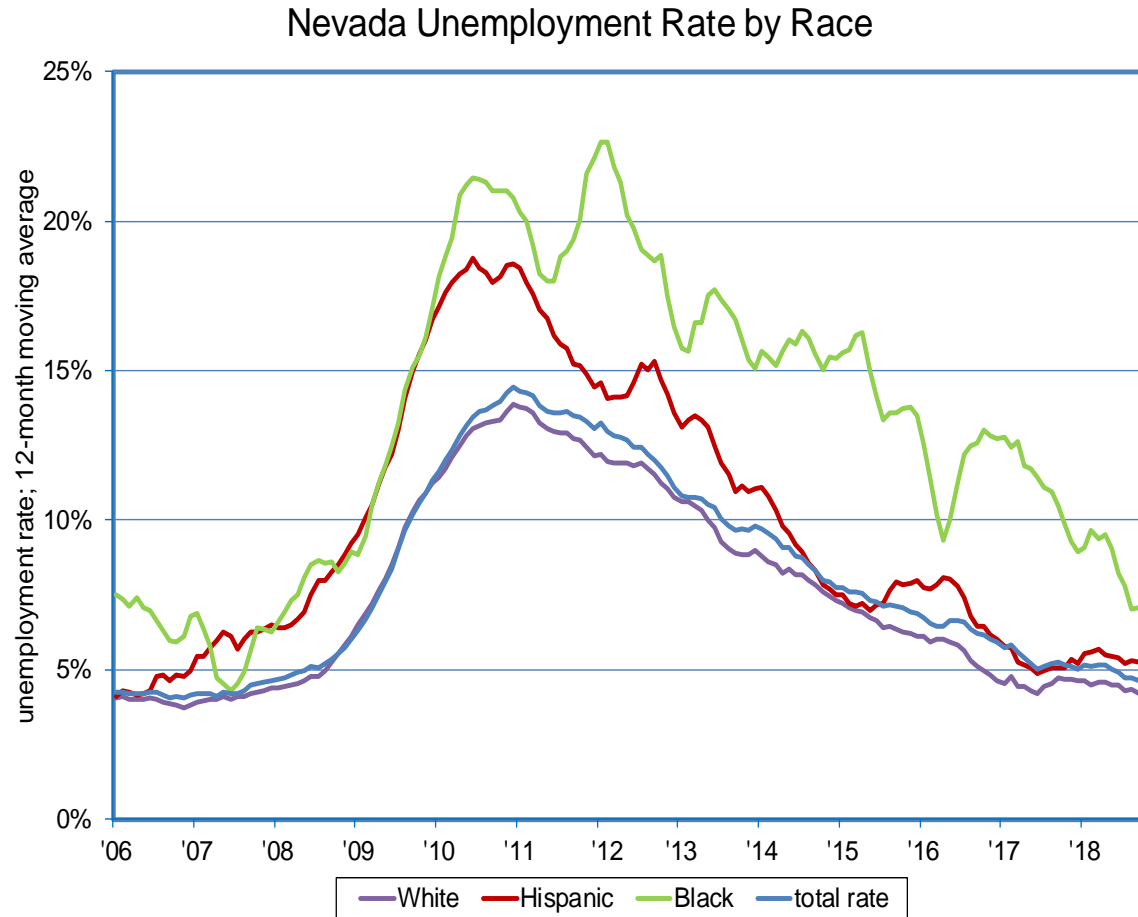
2010, Hispanic:
18.7%

Rates as of September 2018:

Black : 7.1%

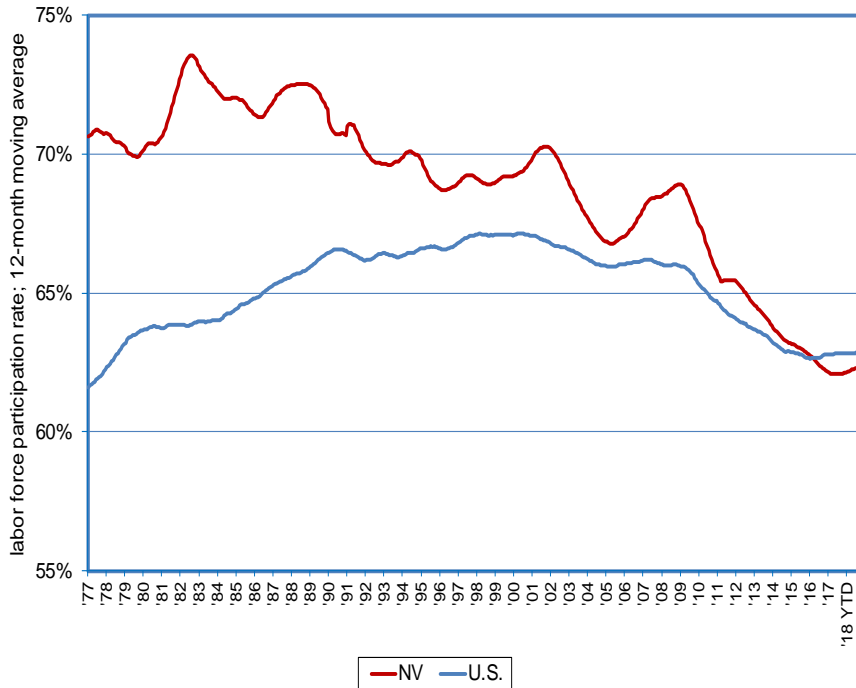
White: 4.2%

Hispanic: 5.4%



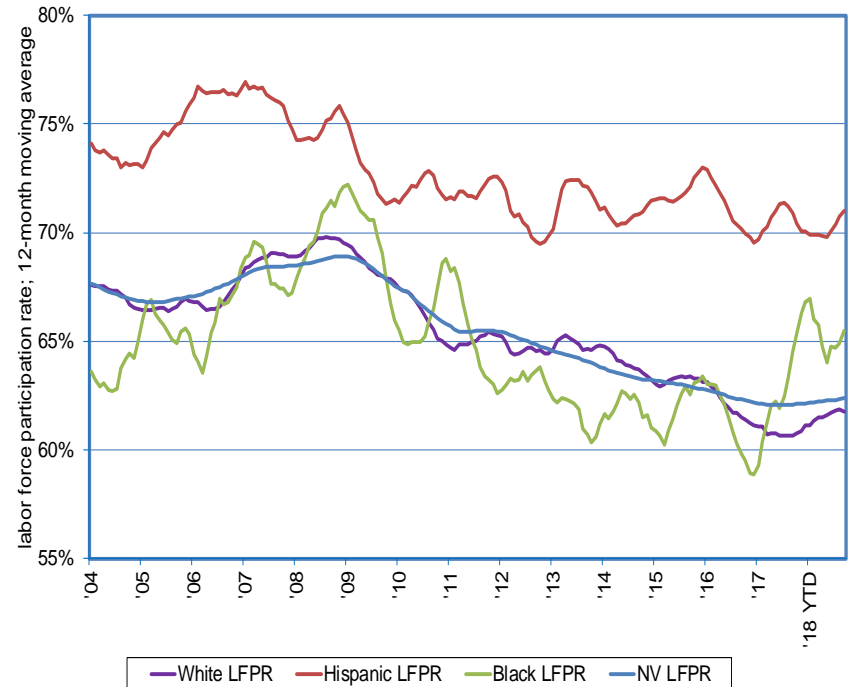
Labor Force Participation Rate Varies Across Race Groups

NV vs. US LFPR



As of September 2018, Nevada's LFPR is 62.4%, up from 62.1% a year ago. Compares to 62.8% nationwide.

Nevada LFPR by Race



As of September 2018, LFPR for Whites stands at 61.8%, Blacks is 65.5%, and Hispanics 71%.

Strong Growth in Labor Force Continues Through 2018 Third Quarter

Nevada Labor Force

(2018: IIIQ YTD average growth)

	labor force	employment	unemployment	unemployment rate
2017: IIIQ YTD	1,458,740	1,383,670	75,070	5.1%
2018: IIIQ YTD	1,499,490	1,429,120	70,370	4.7%
Change	40,750	45,450	-4,700	-0.5%

Nevada's labor force has increased 2.8 percent over the year through the third quarter of 2018. That compares to one percent increase nationwide.

The labor force has grown while unemployment has fallen. This means that employment growth was caused by both unemployed people finding jobs as well as new entries into the labor force.

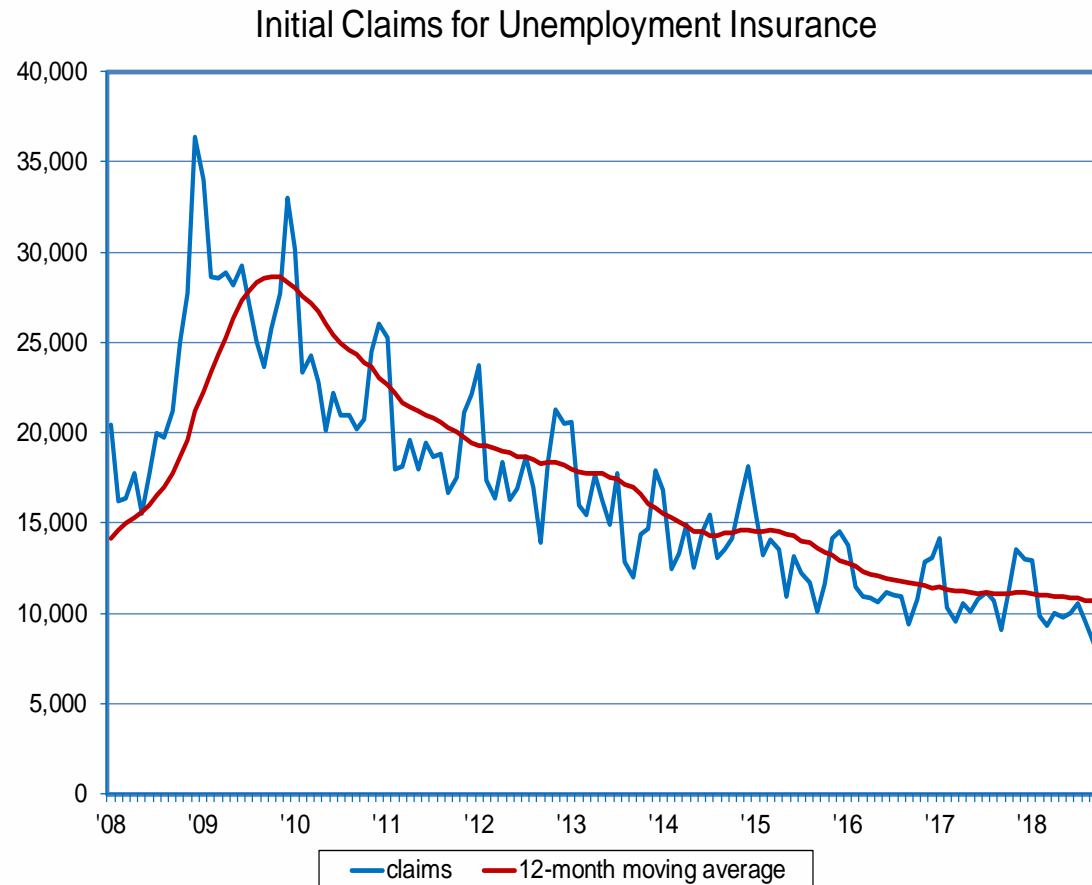
Initial Claims for Unemployment Continue Year-over-Year Declines

8,290 initial claims in September.

Down 8.6% or 780 claims over the year.

Lowest September reading for initial claims since 1995, with a significantly larger labor force.

Exhaustion rate edged down to 33.4%.

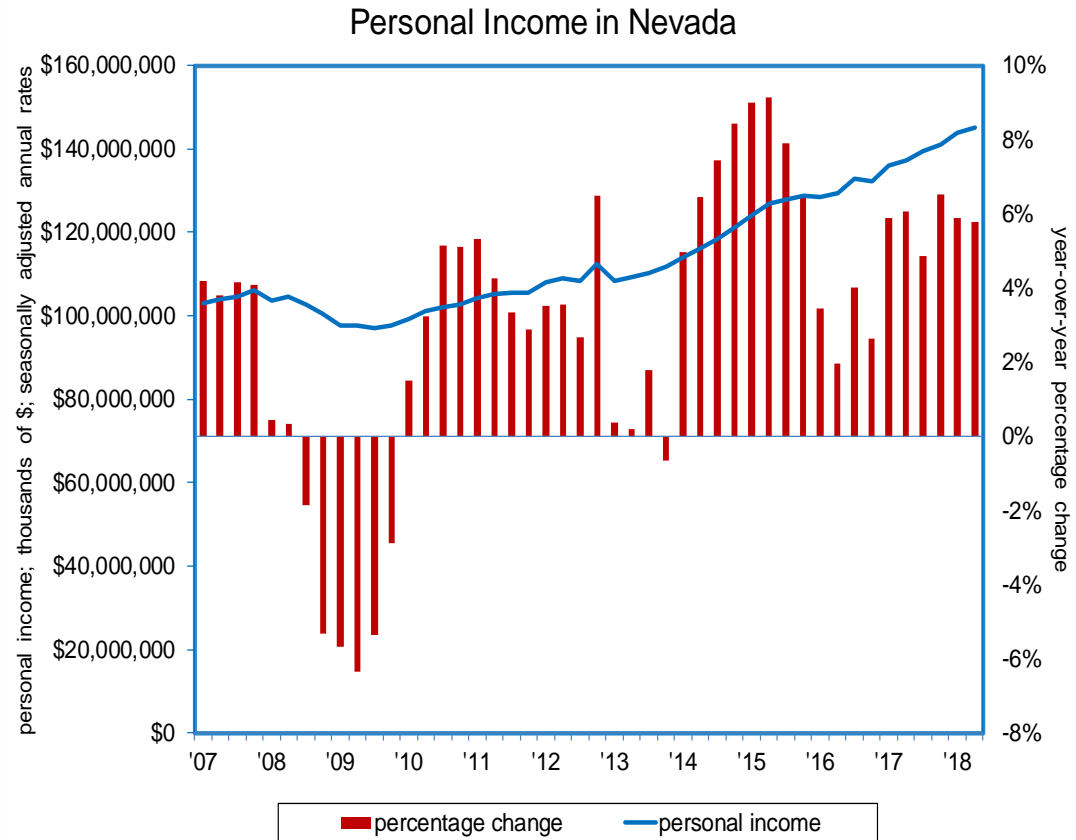


Personal Income on the Rise in 32 of the Past 33 Quarters; Growth Trending Higher than the U.S., 3rd Strongest Gain in the Nation in 2018:IIQ

Personal income in Nevada reached \$145 billion, up 5.8% from a year ago.

Nevada's average personal income growth has exceeded that for the U.S. over 16 of the past 18 quarters.

Since the beginning of 2014, income gains in Nevada averaged 5.9% annually vs. 4.4% in the U.S.

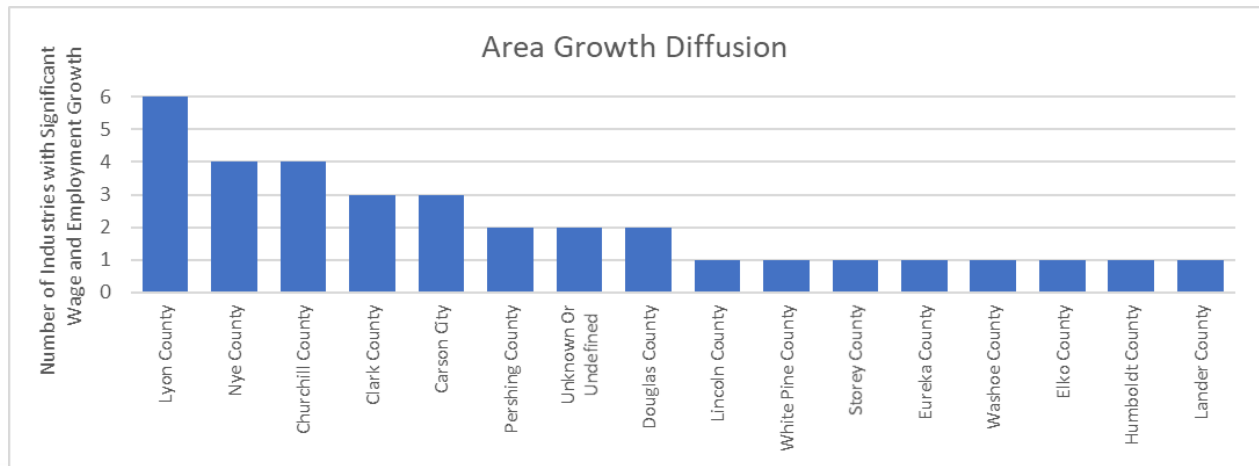
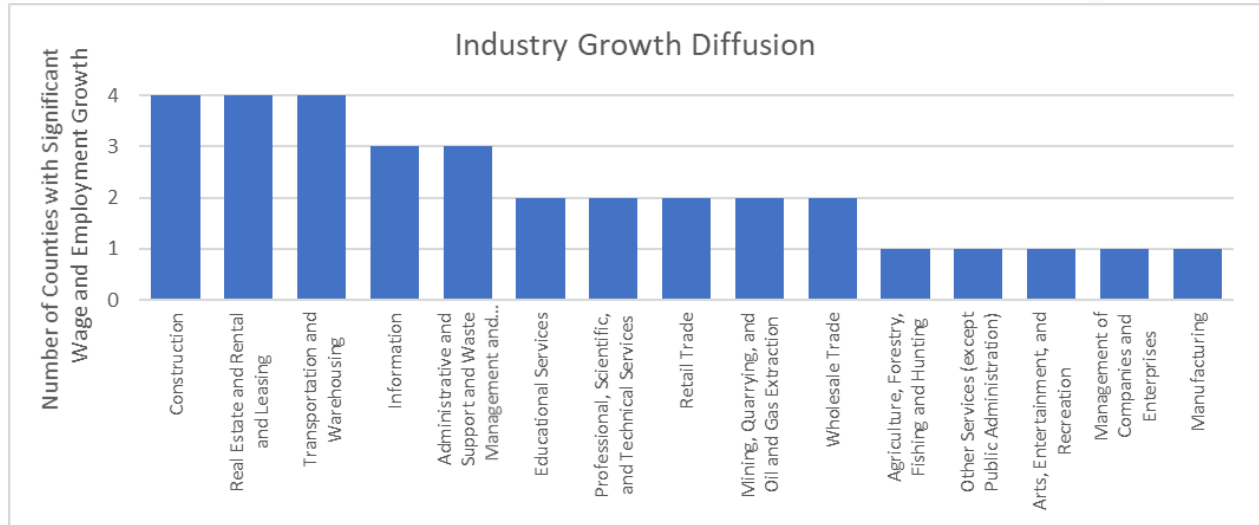


Diffusion of High Employment & Wage Growth Industries

Construction, Real Estate Rental & Leasing, and Transportation & Warehousing show the broadest dispersion of employment and wage growth in the state.

Lyon, followed by Nye and Churchill counties have the largest number of industries with rapid wage and employment growth.

**Storey County would be higher, except that growth is so rapid in Construction, Manufacturing, Transportation & Warehousing and Other Services that it hits a volatility filter.



Diffusion of High Employment & Wage Growth Industries

Area	Industry	Employment Change	Wage Change
Washoe County	Construction	9.5%	5.6%
Lyon County	Construction	11.2%	7.4%
Douglas County	Construction	10.6%	5.2%
Clark County	Construction	7.4%	3.6%

Area	Industry	Employment Change	Wage Change
Unknown Or Undefined	Real Estate and Rental and Leasing	3.9%	6.6%
Lyon County	Real Estate and Rental and Leasing	4.9%	14.0%
Humboldt County	Real Estate and Rental and Leasing	6.3%	9.4%
Churchill County	Real Estate and Rental and Leasing	2.3%	9.8%

Area	Industry	Employment Change	Wage Change
Nye County	Transportation and Warehousing	12.9%	4.6%
Lyon County	Transportation and Warehousing	9.4%	4.1%
Lander County	Transportation and Warehousing	-1.6%	12.1%
Churchill County	Transportation and Warehousing	10.1%	3.3%

Area	Industry	Employment Change	Wage Change
Lyon County	Administrative and Support and Waste Manag	7.4%	6.3%
Lyon County	Management of Companies and Enterprises	10.8%	3.7%
Lyon County	Real Estate and Rental and Leasing	4.9%	14.0%
Lyon County	Transportation and Warehousing	9.4%	4.1%
Lyon County	Retail Trade	7.3%	4.7%
Lyon County	Construction	11.2%	7.4%

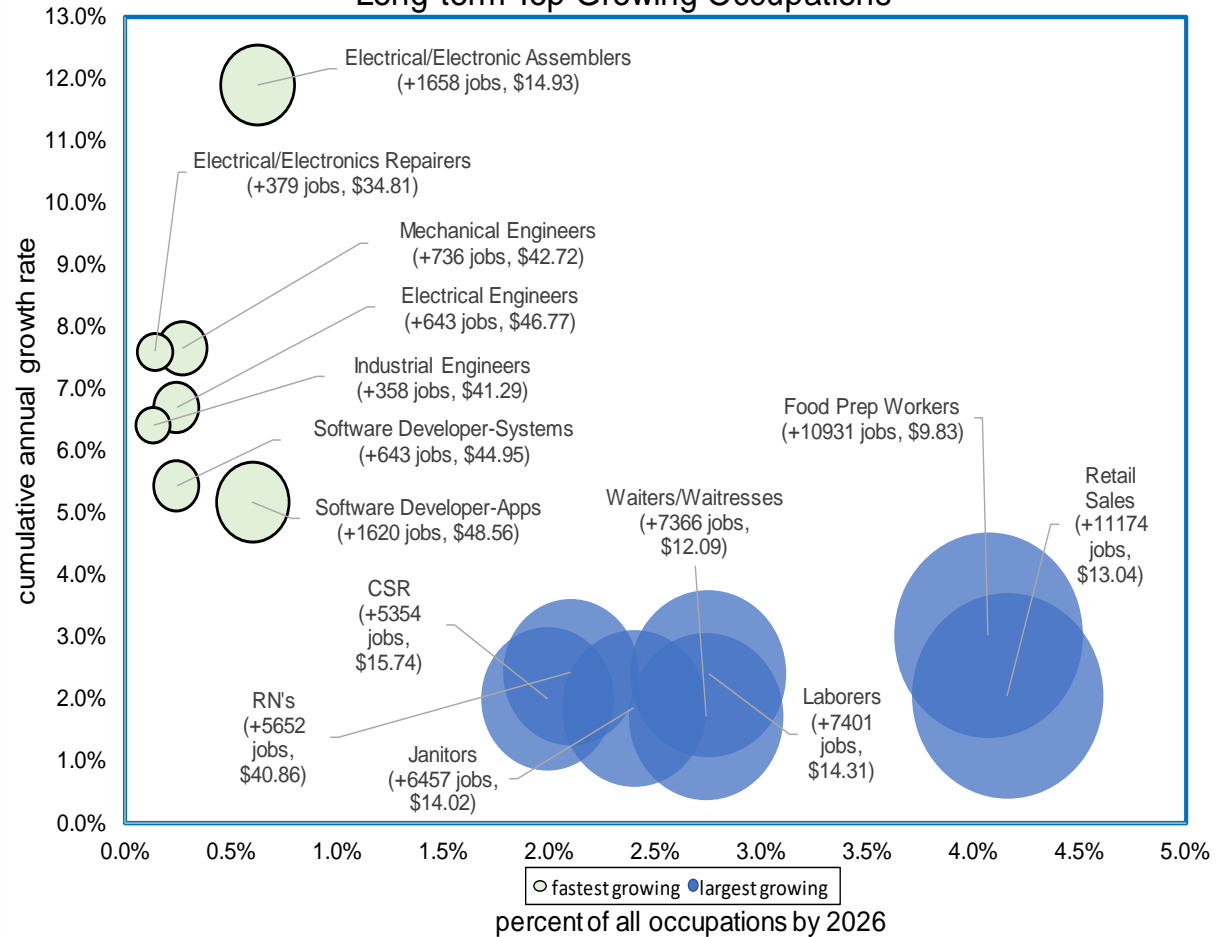
Occupation Growth: Fastest & Largest Occupations

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).

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

Roughly 4,000, or 67 percent of new jobs expected in Nevada's fastest growing occupations will earn an average wage greater than \$41/hr.

Long-term Top Growing Occupations



Industry Growth: Fastest & Largest Industries

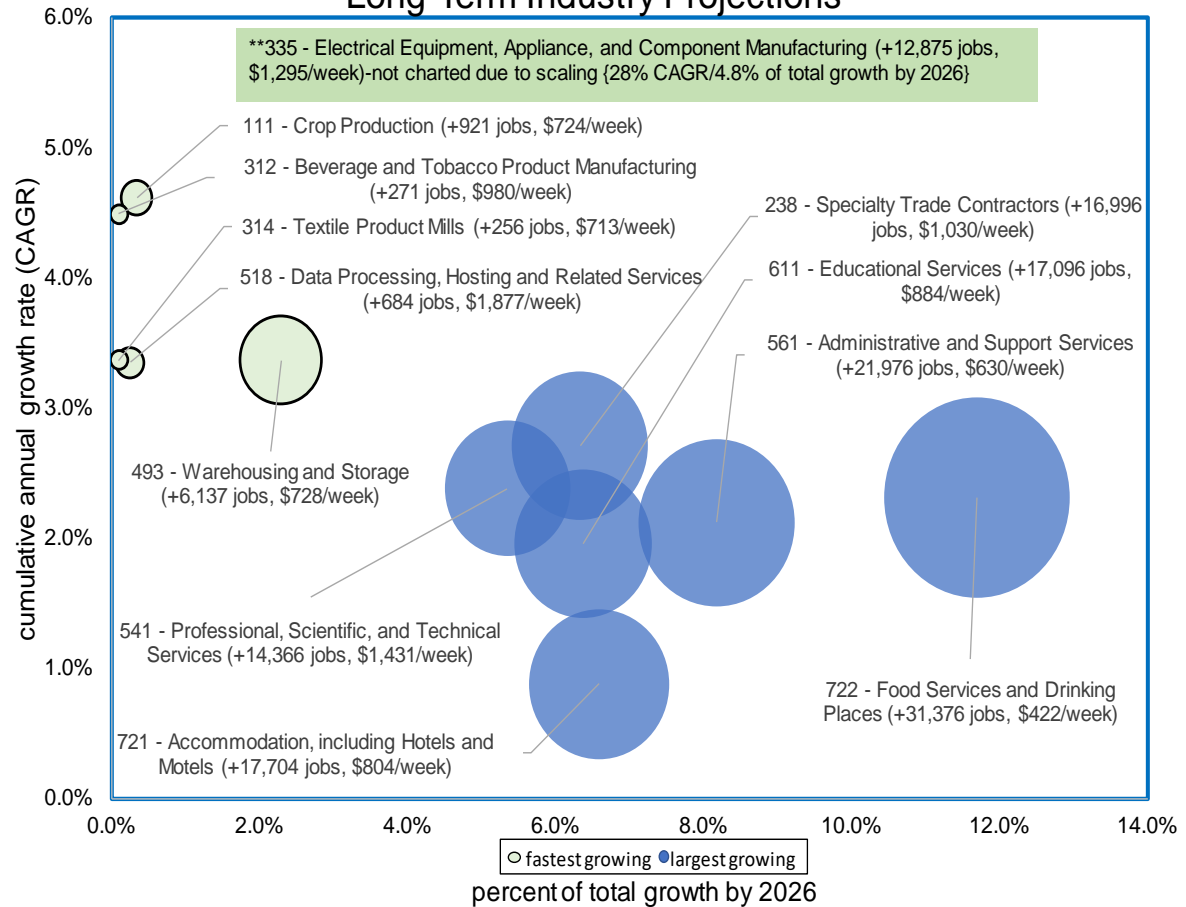
Statewide 2016-2026:
projected to increase by
19.9% or 268,000 jobs

Largest projected nominal
job growth: food services/
drinking places (+31,376
jobs, \$422/week)

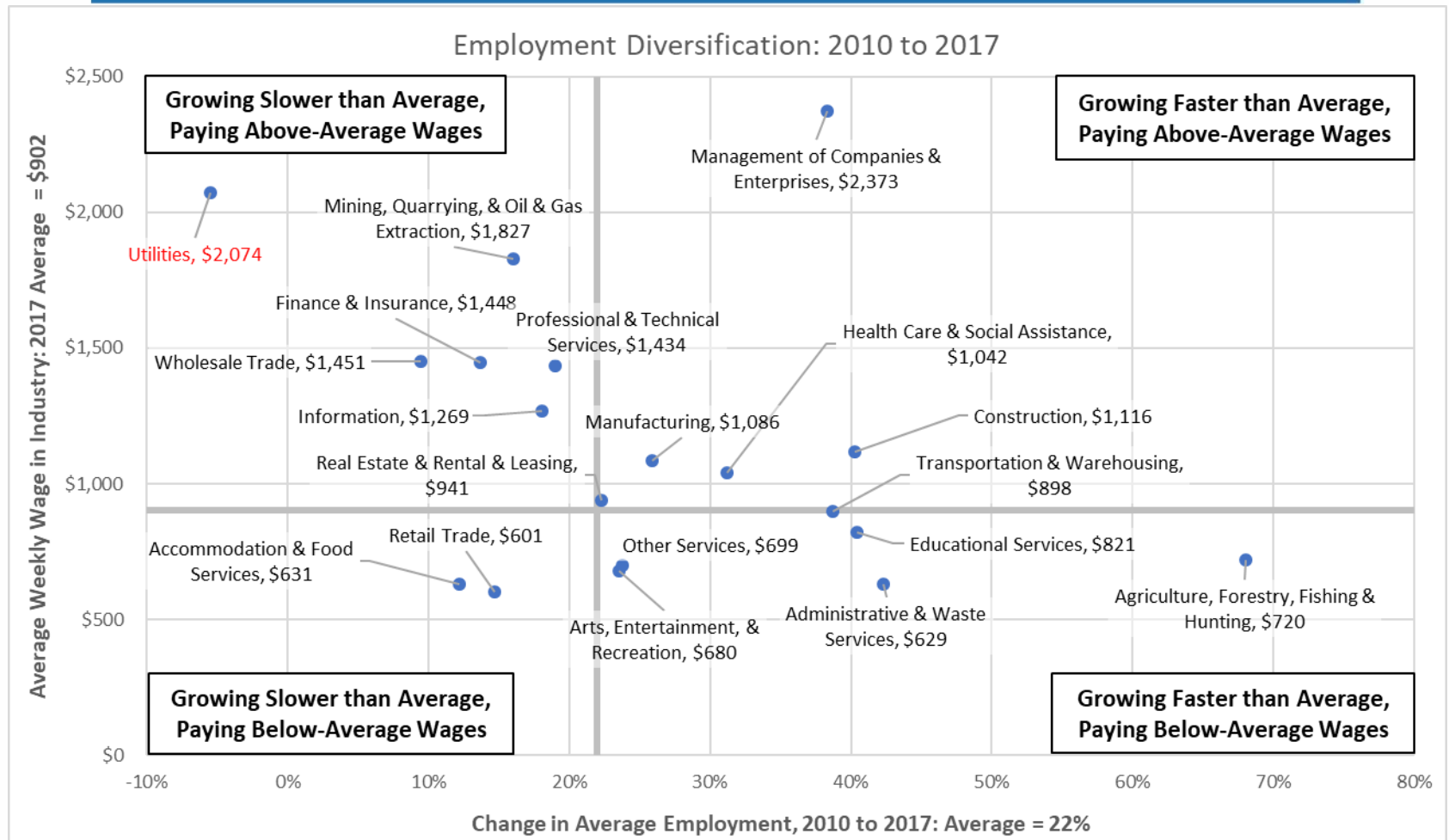
Fastest annual growth rate
consist of electrical
equipment/component
manufacturing (28.17%, 13k
jobs, \$1,295/week) -Tesla

45,000 jobs are projected to
be created in industries
which pay average weekly
wages greater than
\$1,000/week

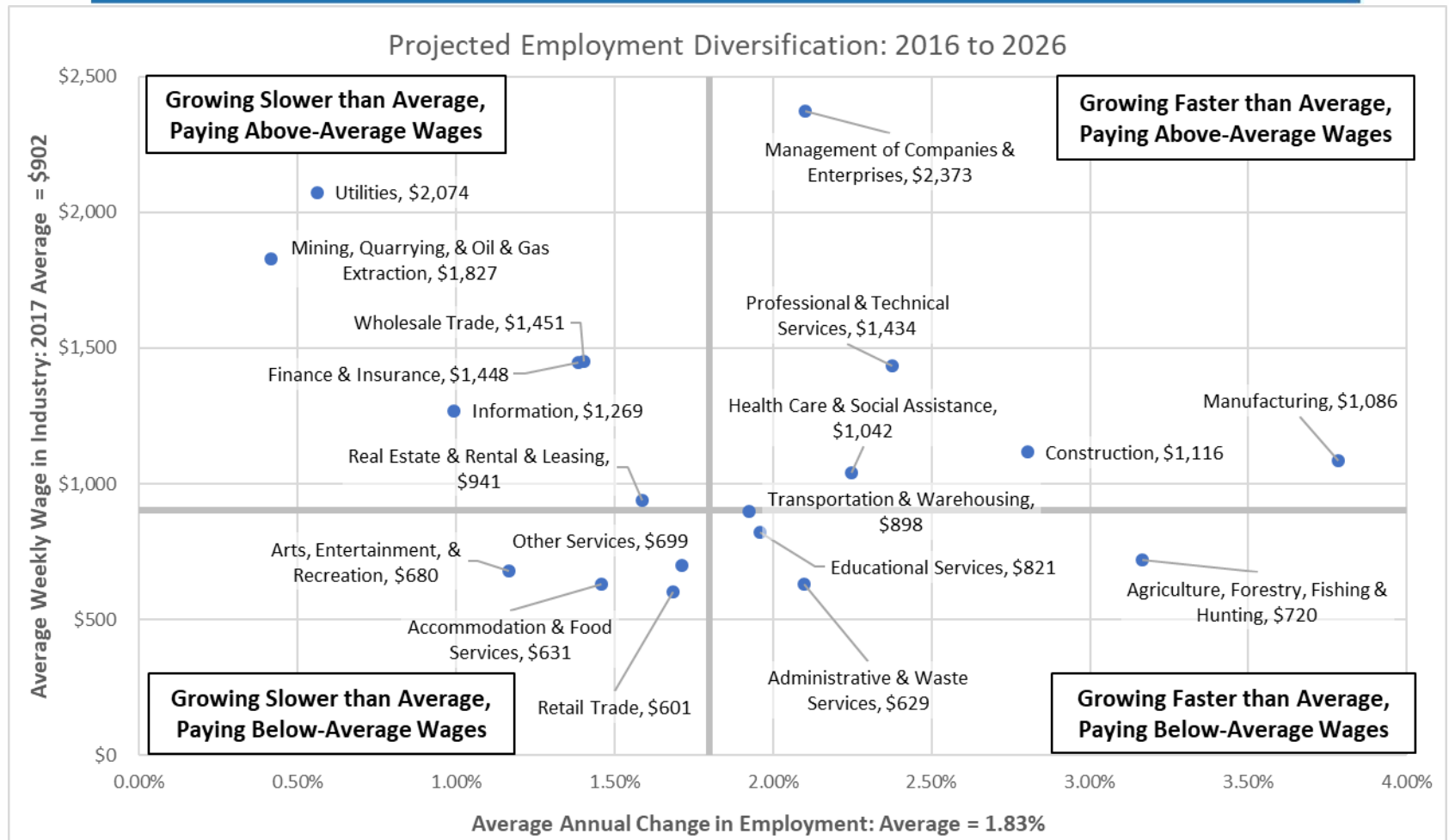
Long-Term Industry Projections



Diversification: Job Growth 2010-2017



Diversification: Projected Job Growth 2016-2026



Diversification: High-Paying, Fast-Growing Industries Adding More Jobs than Large, Established Industries

- ❑ From 2010 to 2017, the high-paying, fast growing industries in the state added 73,854 jobs in Nevada.
- ❑ By comparison, the large but slower-growing industries that pay below-average wages added 53,222 jobs.
 - ❑ Over 20,000 more jobs added since 2010 in jobs that pay an above-average wage and are growing faster than average than in large, established, low-paying industries.
- ❑ Current projections for growth from 2016 to 2026 employment show this trend continuing: 90,073 more jobs in the high-paying, fast-growing industries and 84,958 in the large, low-paying industries.

For Additional Information, Please Contact:

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