



# Economic Forum: June 8, 2018

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## State Employment and Unemployment Outlook

Department of Employment, Training, & Rehabilitation

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*Prepared by the Research and Analysis Bureau*

# Nevada's Labor Market Running Strong

## Nevada Recovery Scorecard - April, 2018



### 263,400 Jobs Added Since Recession

184,700 jobs were lost as the recession unfolded  
Employment is at a record high in April, at over 1.37 million



### Fastest-Growing Private Sector In the Nation



### 117,000 Small Business Jobs Added

627,000 Nevadans are employed by businesses with less than 100 employees



### Record High Number of Employers

70,600 employers operate in Nevada, an increase of 14,500 since the recession



### Average Weekly Wages at \$914

Weekly wages have increased by 8.8% since 2014



### Jobless Rate Down Nearly 9 Percentage Points

At 4.9% in April, down from 13.7% during the recession



### Unemployment Insurance Claims Have Dropped 60%

Initial claims for unemployment insurance peaked at 28,600 per month,  
have since dropped to 11,000



### UI Trust Fund at Record Balance

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

# State Employment and Unemployment Summary

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## Non-Farm Job Levels Up 45,300 Relative to a Year Ago in April

- Overall employment: 1,376,000
- 3.4% gain compares to 1.6% in the nation
- 69 straight months in which Nevada > U.S.

## 4.9% Unemployment Rate

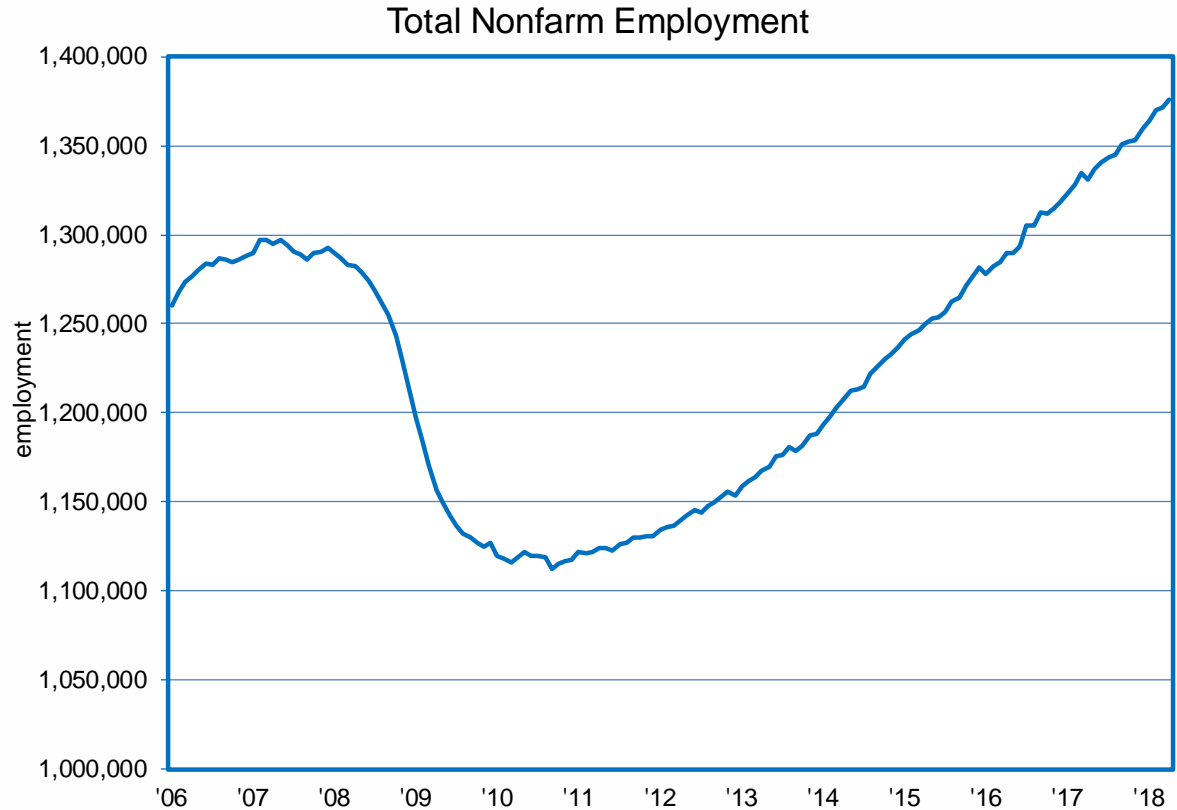
- Stable Since August 2017
- Off from a recession peak of 13.7%
- In absolute terms, unemployment totaled 73,100; off from a recession high of 186,500

# April 2018 Employment Level

Employment at record-high 1,376,000 in April<sup>1</sup>

78,700 jobs above previous peak

Consistent growth since 2012.



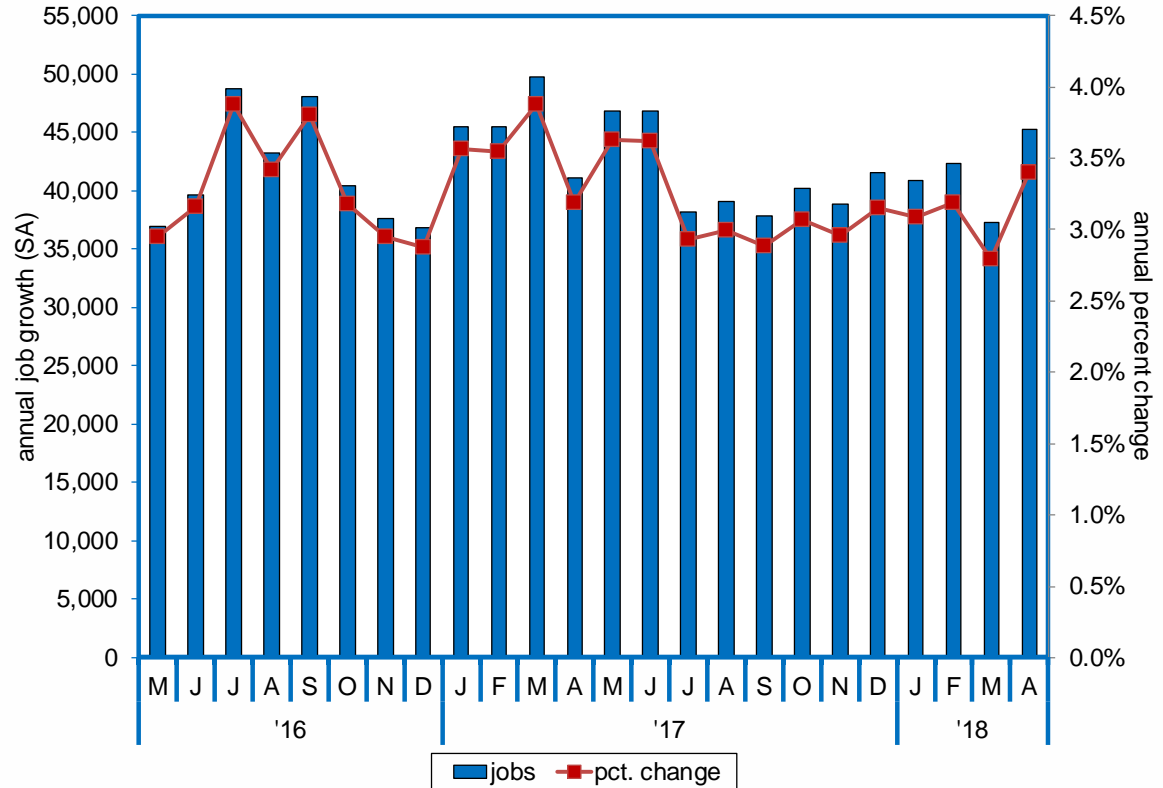
<sup>1</sup> seasonally adjusted

# Annual Job Growth Reaches Above 45,000

The State added 45,300 jobs over the year in April, a gain of 3.4%<sup>1</sup>

Annual employment growth has been regularly around 40,000 jobs over the past couple years.

Nevada Job Growth vs. Year Ago



<sup>1</sup> seasonally adjusted

# Nevada's Growth Continues to Outpace Nation

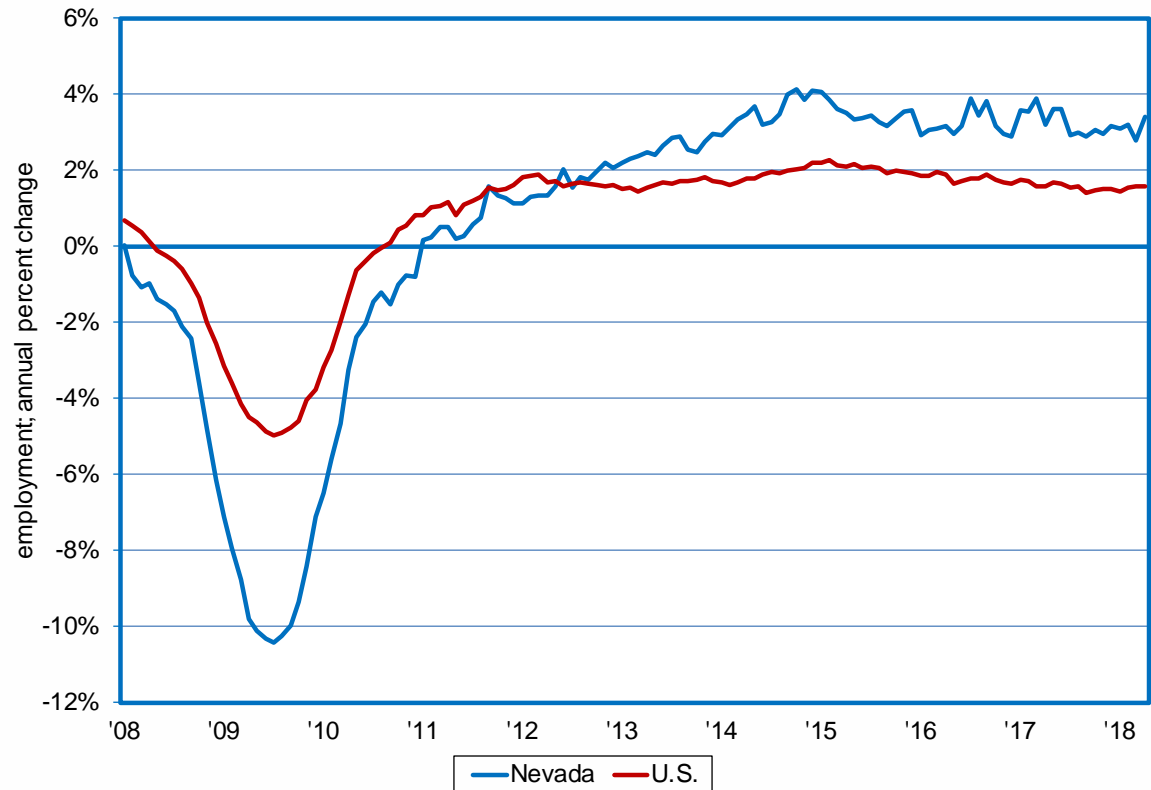
Nevada's employment grew at an annual rate of 3.4% in April, compared to 1.6% in the nation as a whole<sup>1</sup>

Nevada's job growth has outpaced the nation for 69 straight months

Trend around 3.0 to 3.5% growth.

<sup>1</sup> seasonally adjusted

Job Growth: NV vs. U.S.



# April 2018 Unemployment Rate: 4.9%

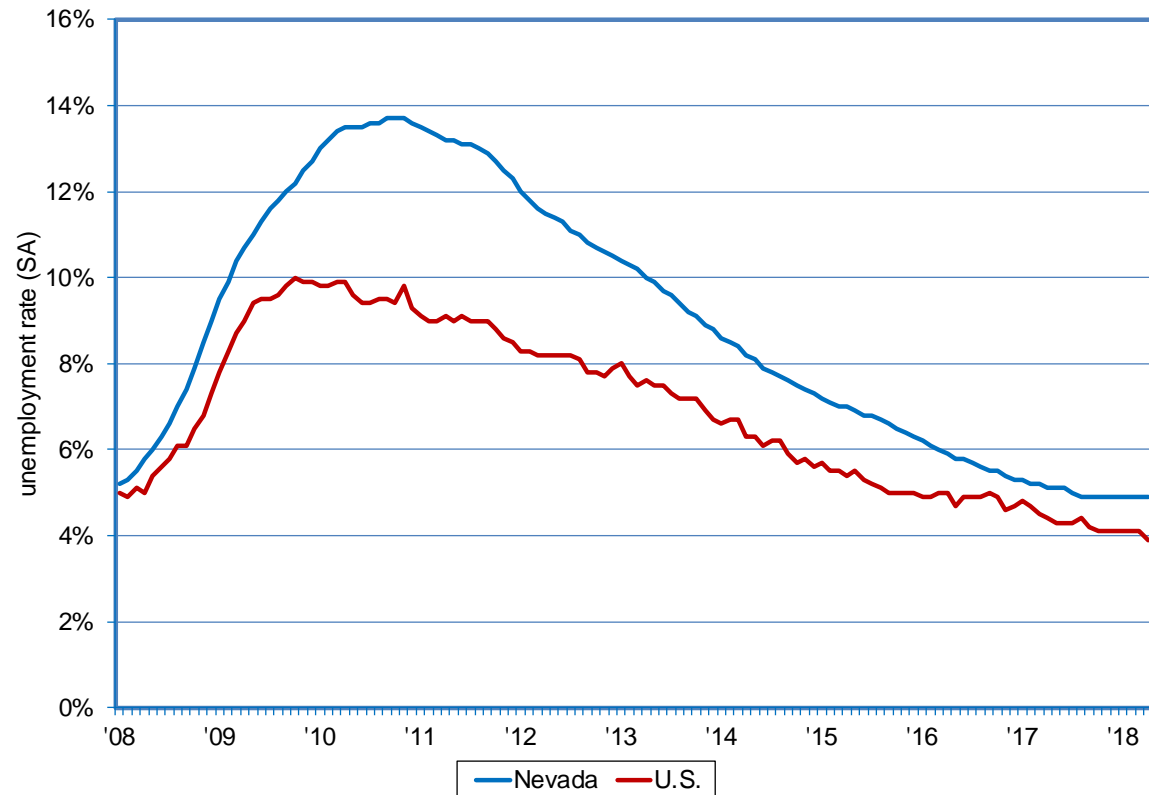
Down from 5.1% a year ago<sup>1</sup>

Peaked at 13.7% during the recession

Rate stable at 4.9% since August 2017.

National rate has fallen in April and May, after several months of stability.

Unemployment Rate: Nevada vs. U.S.



<sup>1</sup> seasonally adjusted



# Alternative Measures of Labor Underutilization

Most measures of unemployment are at or near 2003 levels.

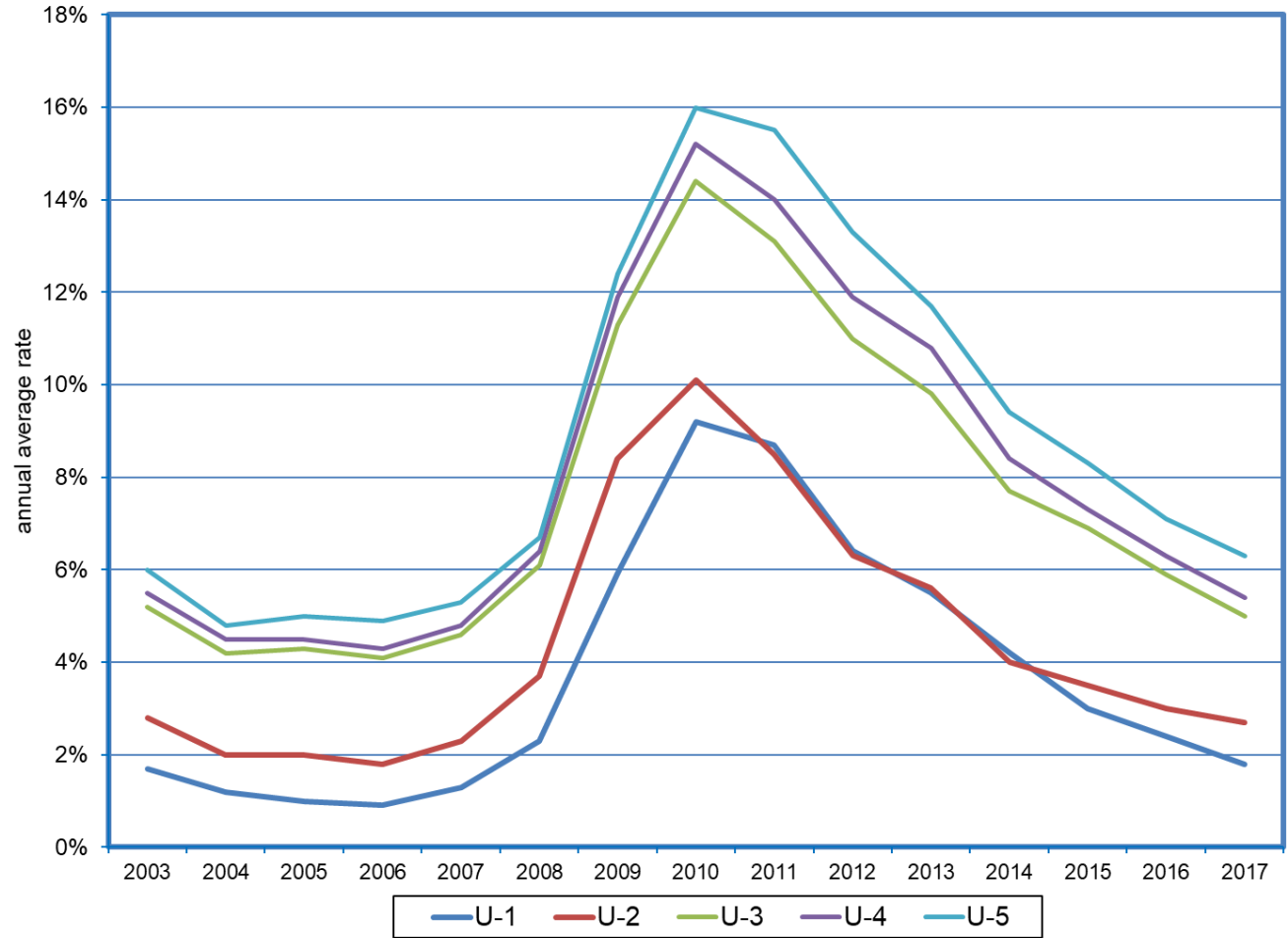
**U-1:** Unemployed 15 weeks or more

**U-2:** Job Losers

**U-3:** Similar to official rate

**U-4:** U-3 plus discouraged workers.

**U-5:** U-4 plus other marginally attached to labor force.

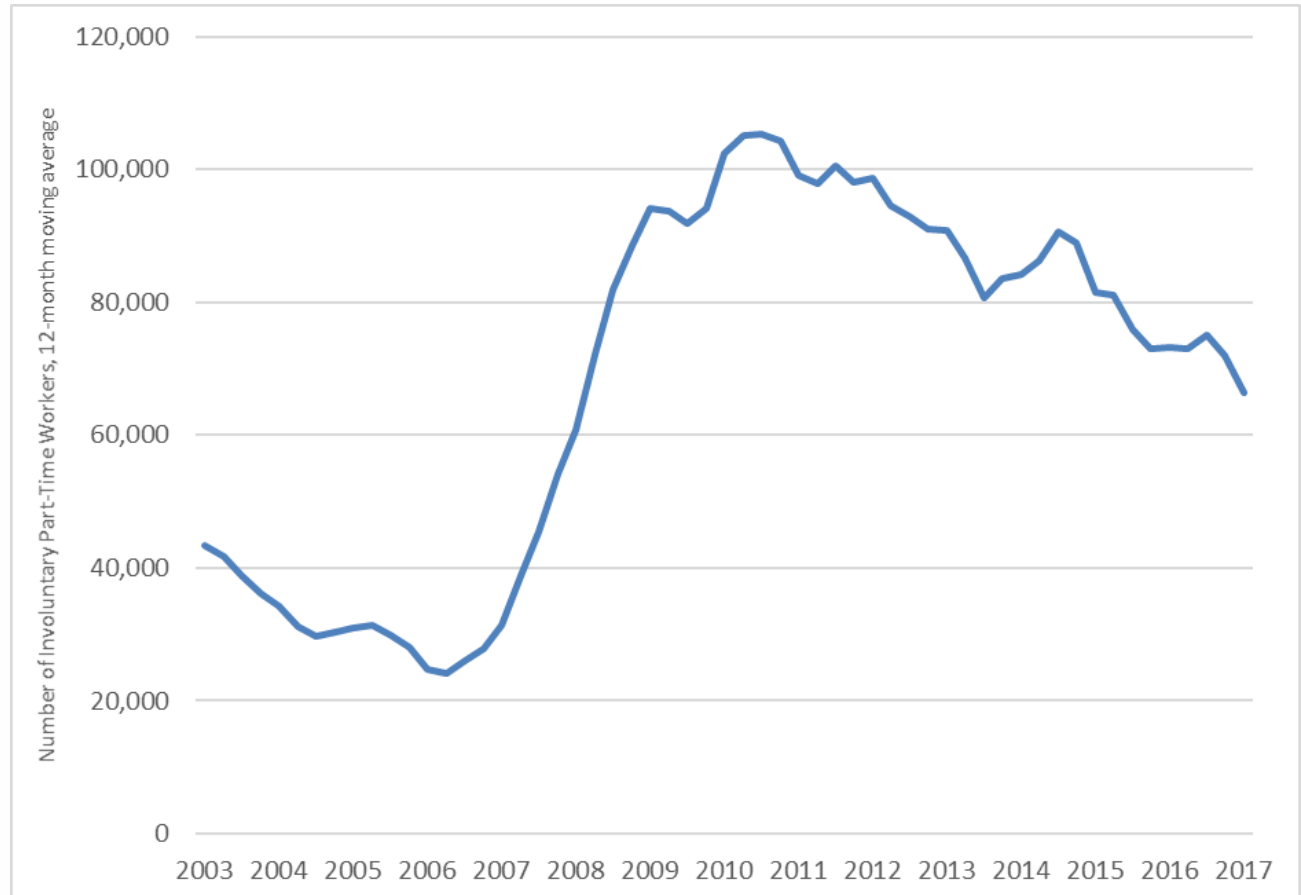




# Involuntary Part-Time Employment

Levels of involuntary part-time employment remain high, but have been falling since late 2010.

People who are employed part-time, but would prefer full-time employment if it were available.

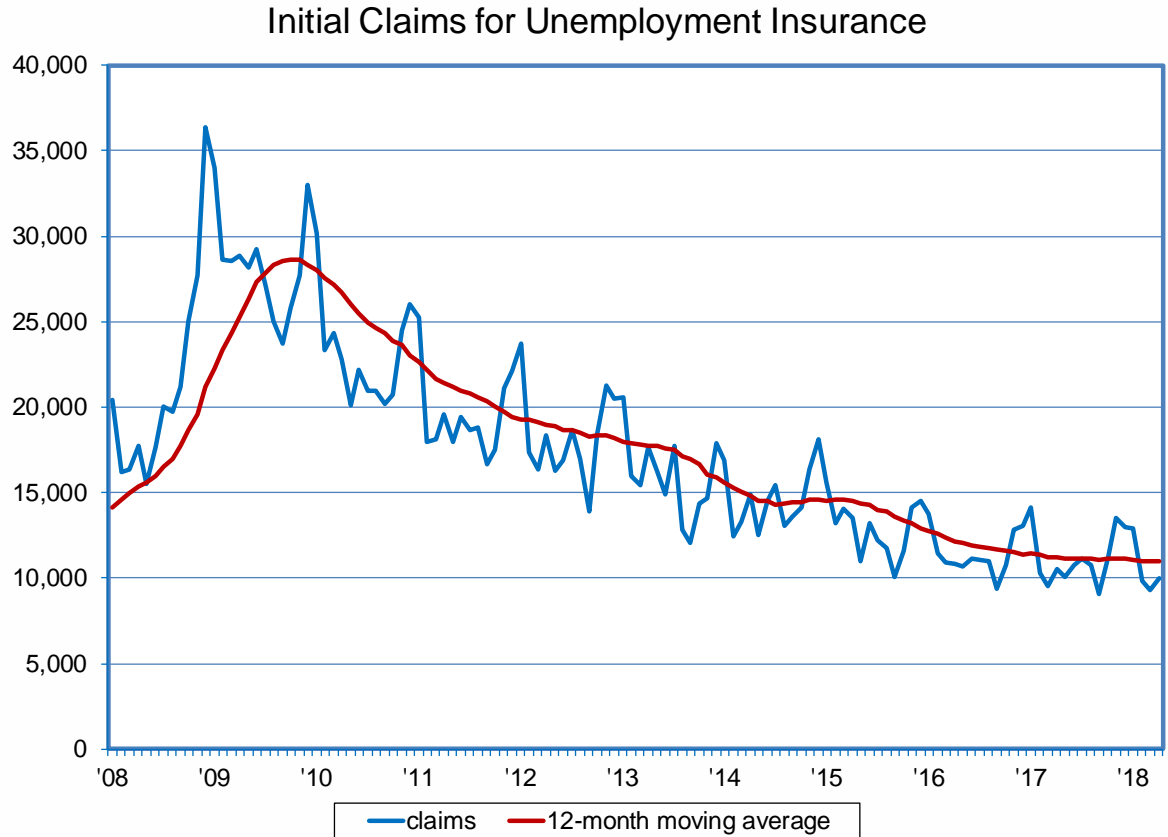


# Initial Claims for Unemployment Steady in April

9,980 initial claims in April, bringing the 12-month average to 10,970

Decline of 5.1% from the previous year

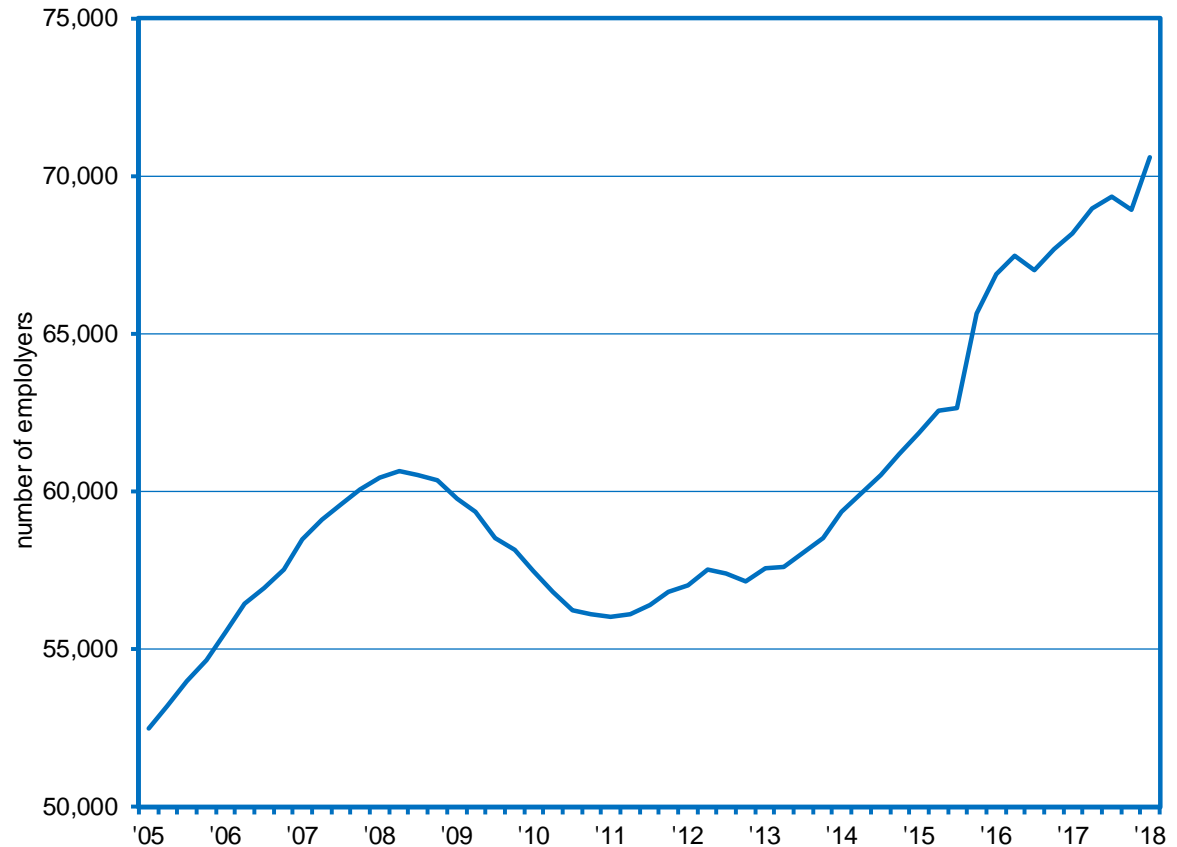
UI benefit exhaustion and duration are also approaching precession levels.



# Total Number of Employers in Nevada: 2018:IQ

Number of employers in the Unemployment Insurance system reached all-time high of 70,600 in first quarter

Number of employers has surpassed pre-recessionary peak by 9,900; first time over 70,000



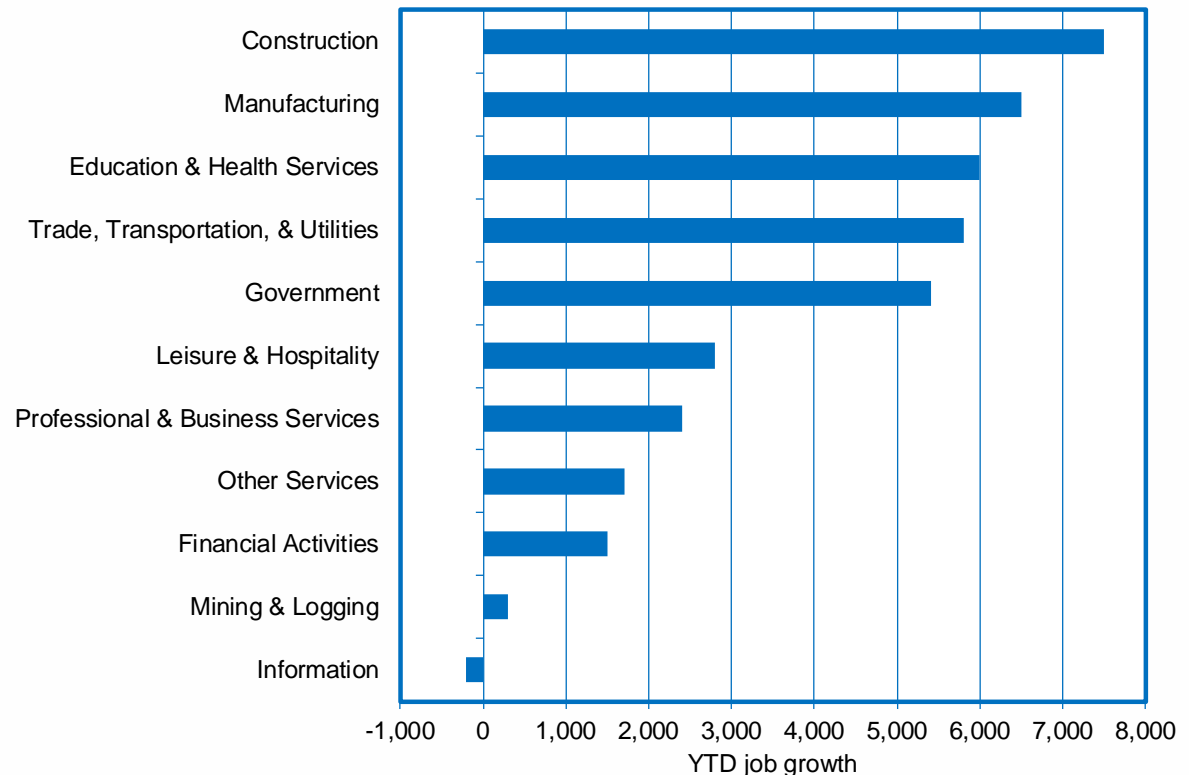
# Year-to-Date Job Growth Across Nearly All Sectors

Construction added 7,500 jobs through April, from the previous year, a growth of 9.4%<sup>1</sup>

Manufacturing is growing fastest at 14.3% or 6,500 jobs

Ed/Health Services added 6,000 jobs or 4.6%

Nevada Nonfarm Job Growth by Industry

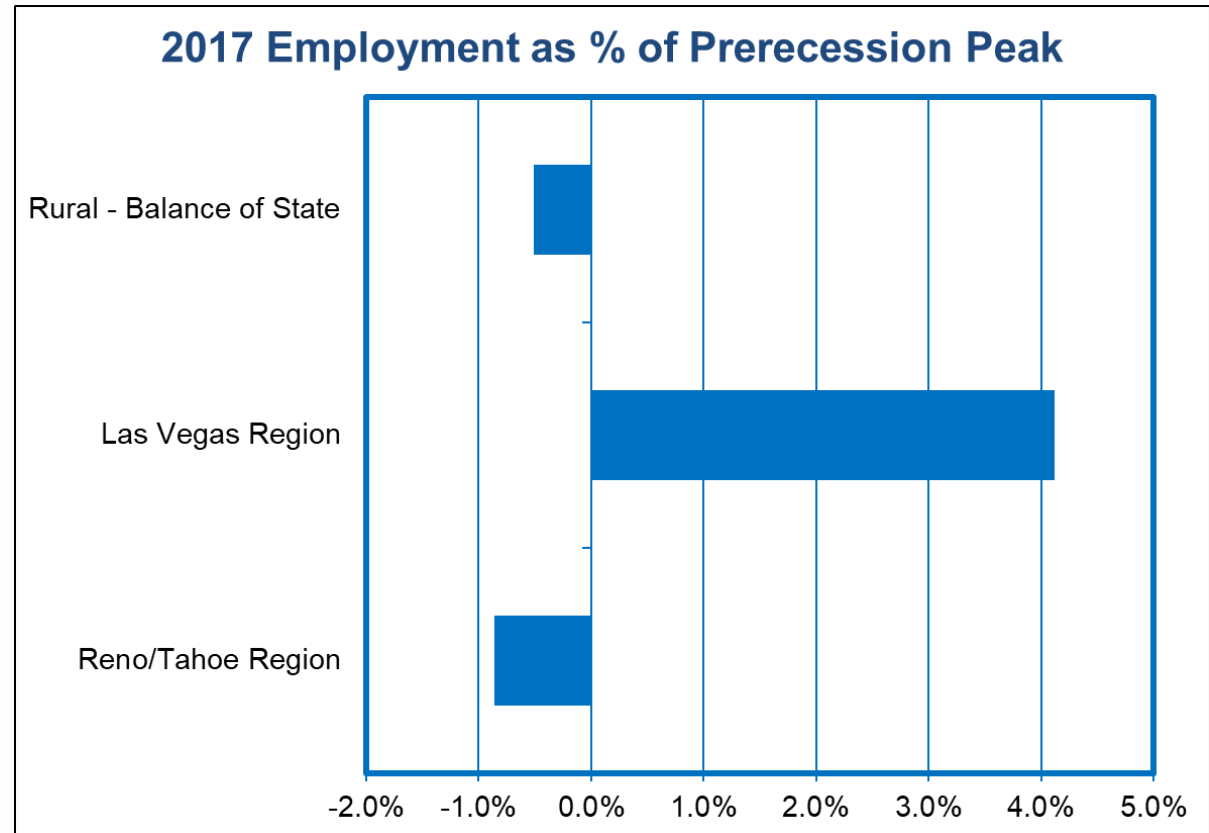


<sup>1</sup> not seasonally adjusted

# Employment Changes Since Recession by Area

Las Vegas is the only area to have passed its prerecession employment peak.

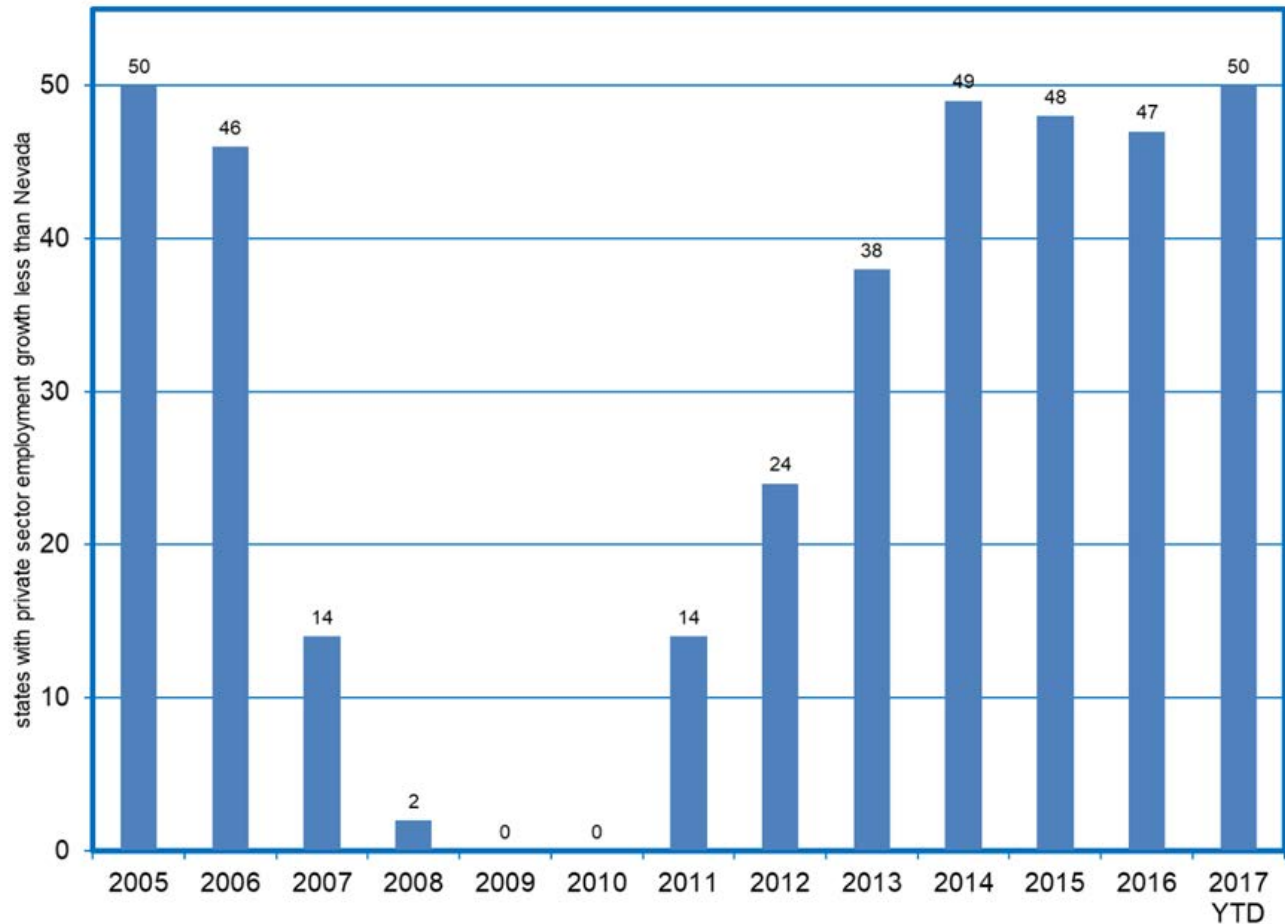
The Reno and Carson City MSAs are growing at a faster pace than Las Vegas, and are both within 1% of prerecession levels.



# Private Sector Job Growth Ranking

YTD through the third quarter of 2017, Nevada had the highest rate of private sector job growth in the country.

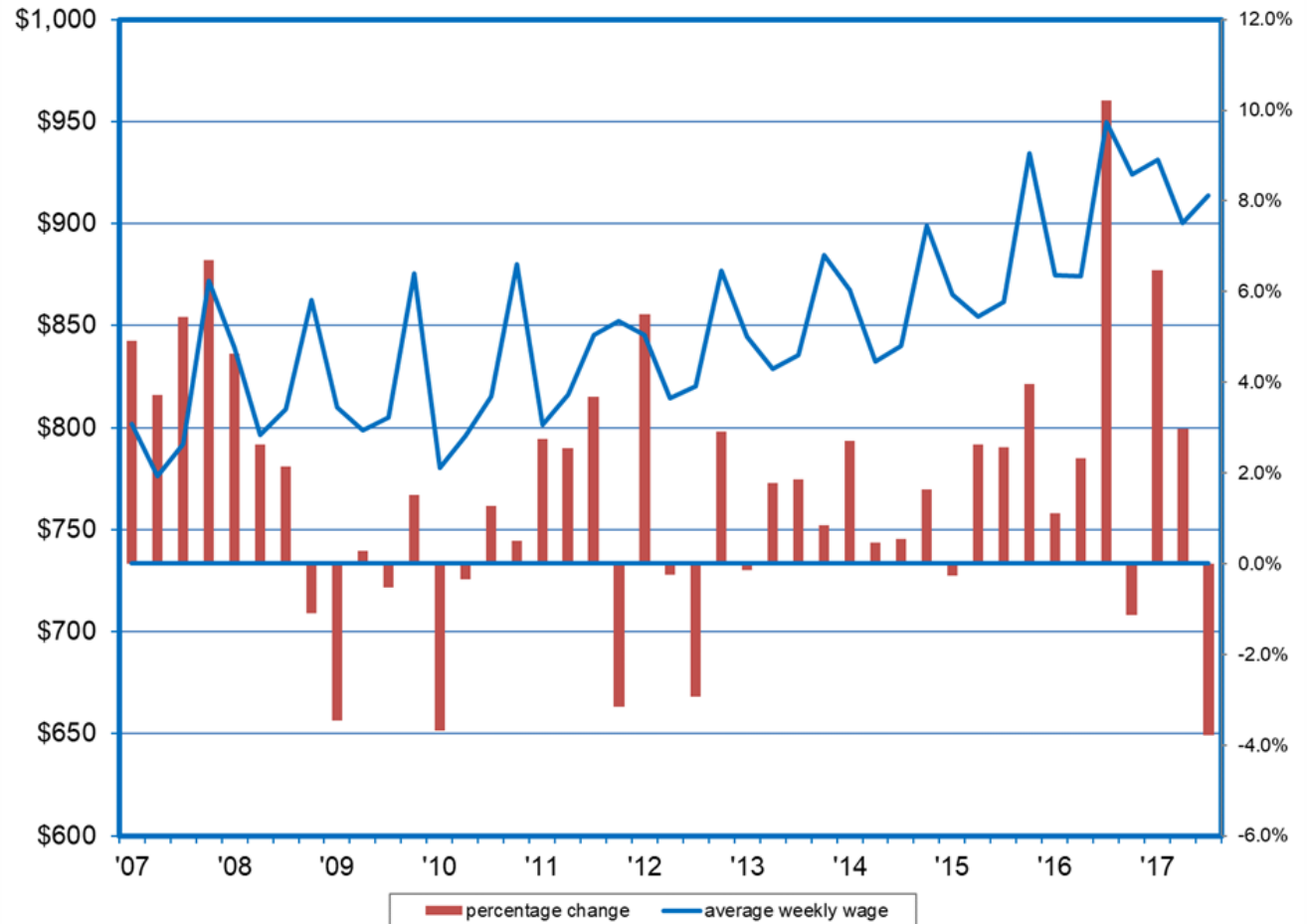
From 2014-2017, Nevada has been among the four highest-growth states by this measure.



# Average Weekly Wages: 2017:IIIQ

Average weekly wages were \$914 in the third quarter of 2017.

This is a decline from the third quarter of 2016, but that is due to an unusual break in the seasonal pattern in the third and fourth quarters of 2016.





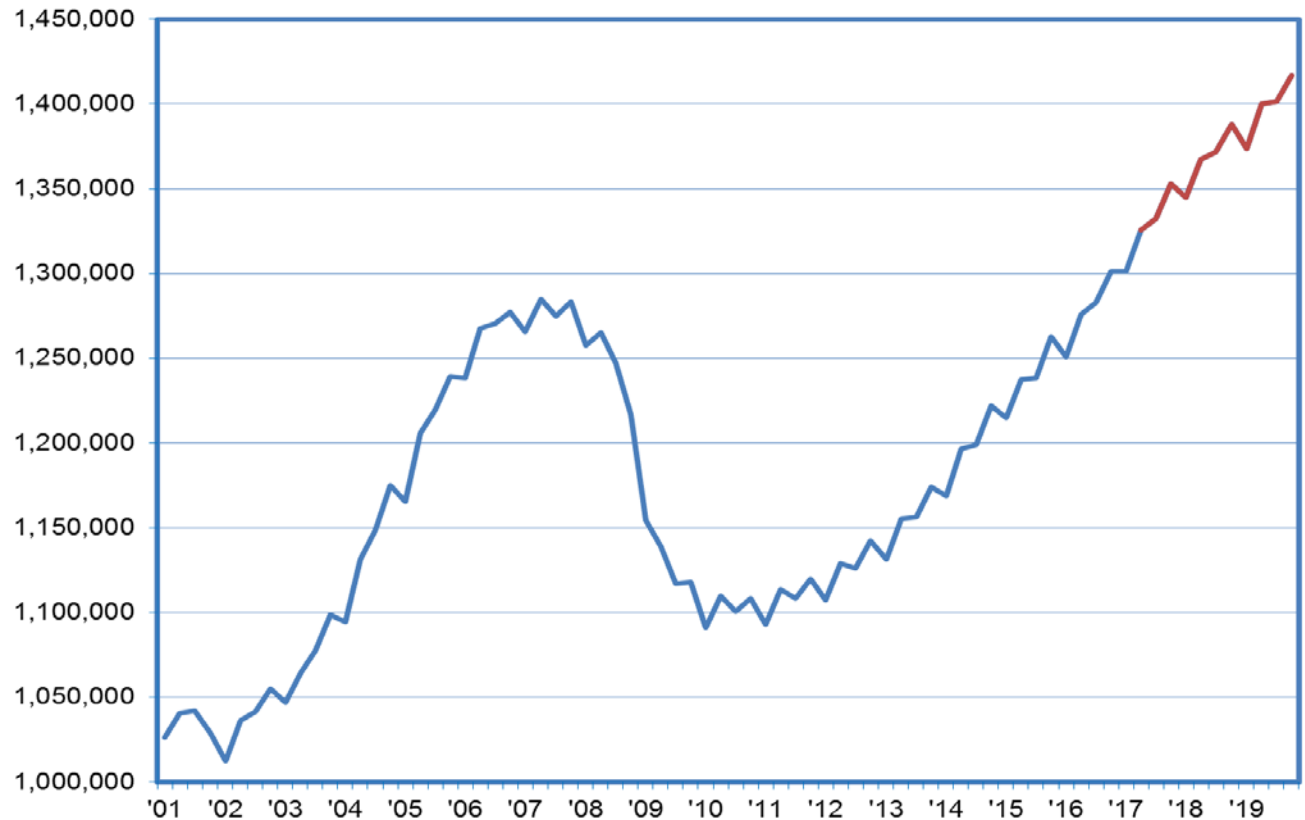
# *Projections—Some General Comments*

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- Growth across all sectors.
- Manufacturing growth driven by Tesla.
- Construction driven by commercial projects like the Las Vegas convention center, Raiders Stadium, Genting development, data centers, warehousing, large manufacturing facilities, and residential housing.
- Information sector driven by growth in Data Centers like- SWITCH, Apple, etc.
- Projections are unchanged since December Forum, new projections will be coming out over the next 1-2 months.

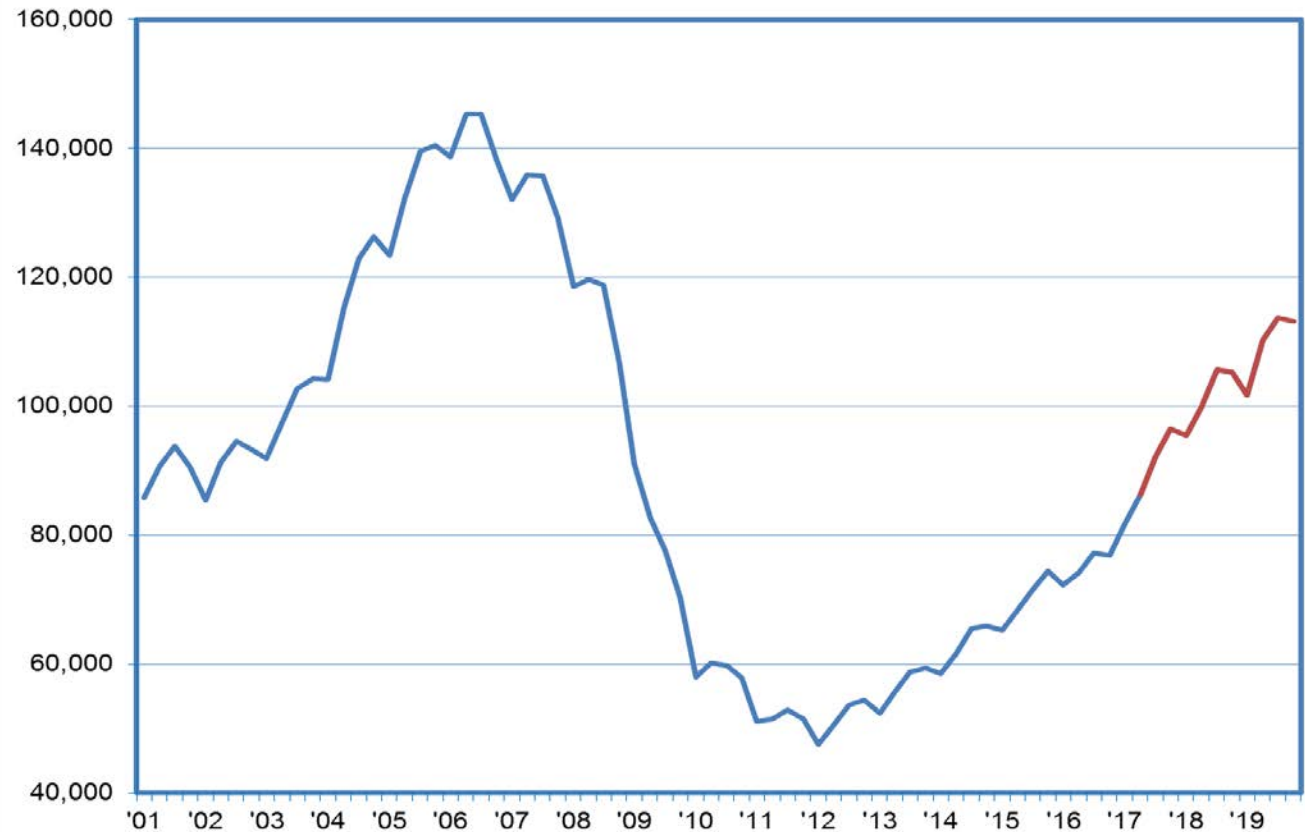
# Total Employment: History & Forecast

Job levels expected to exceed prerecession peak by 127,000 at the end of 2019.



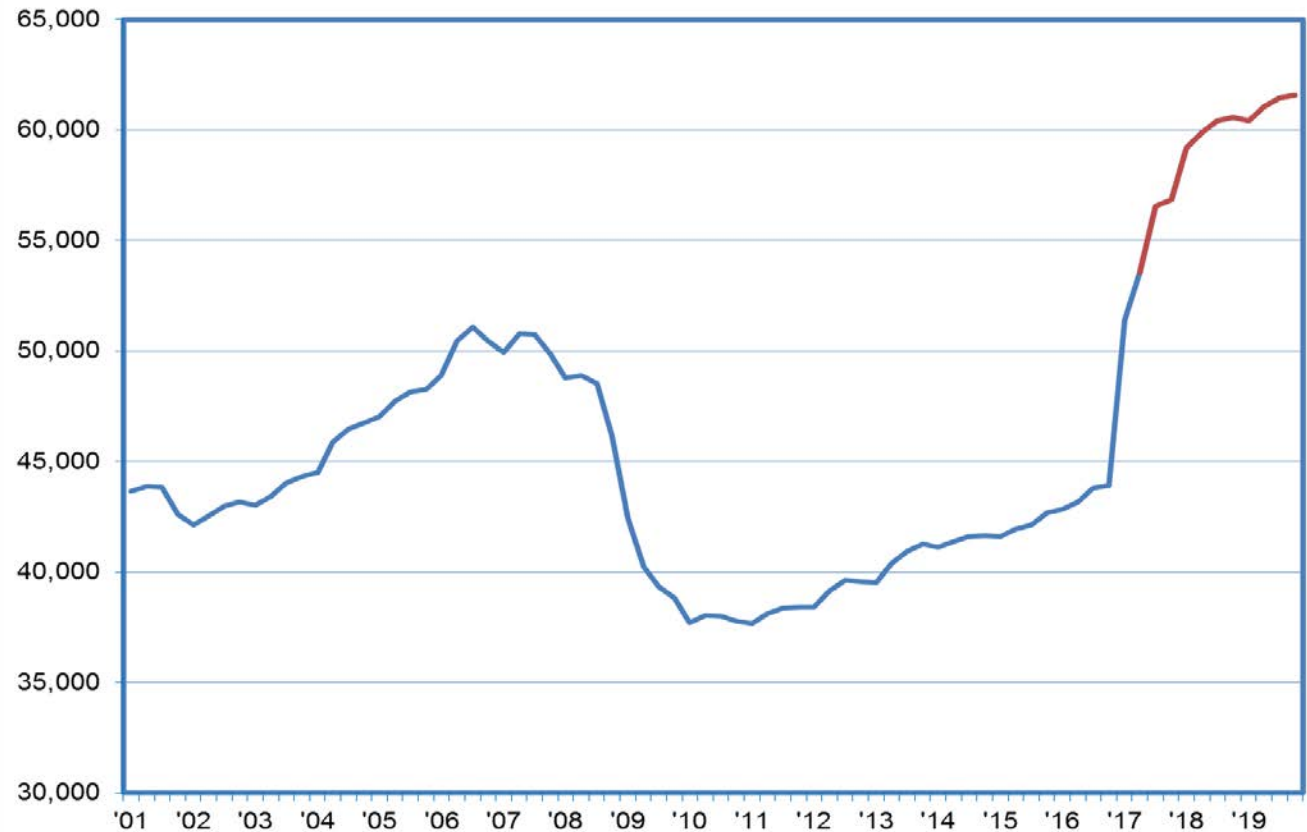
# Construction Employment: History & Forecast

Construction employment will have added 54,000 jobs by the end of 2019, more than half of the jobs lost in the recession.



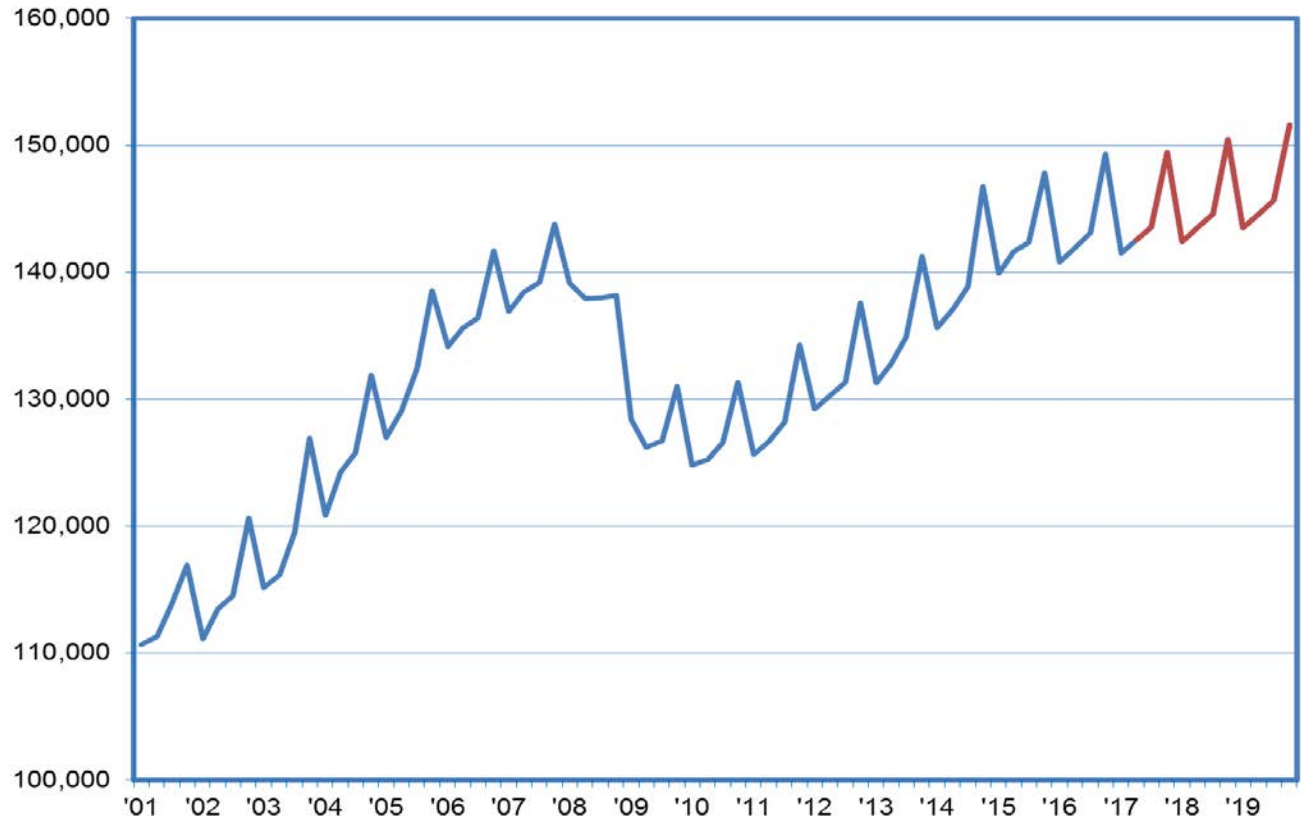
# Manufacturing Employment: History & Forecast

Further growth expected in manufacturing jobs, with 14,300 new jobs through the end of 2019.



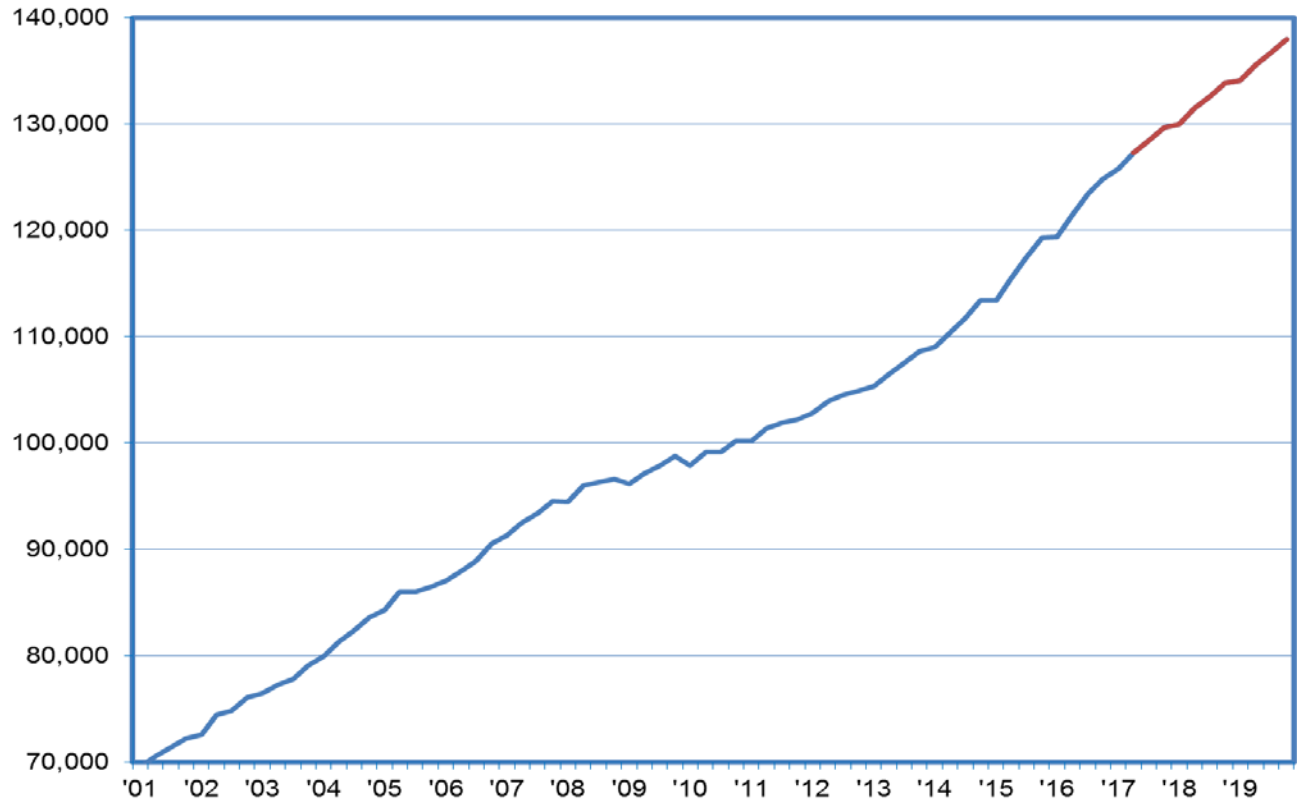
# Retail Trade Employment: History & Forecast

Stable growth in retail employment expected, with about 2,000 jobs added per year.



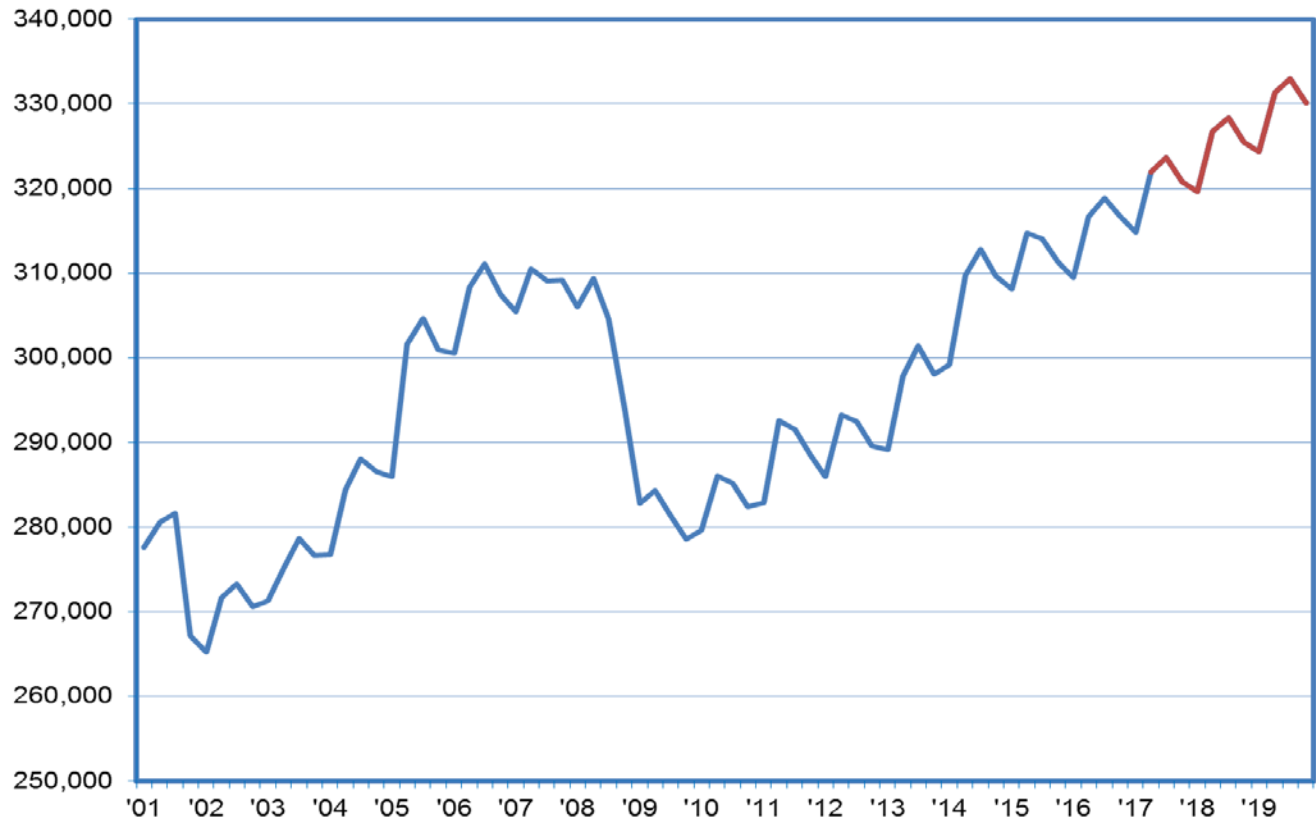
# Healthcare & Social Assistance Employment: History & Forecast

A growing and aging population will continue to drive increases of 4,000 jobs per year.



# Accommodation & Food Service Employment: History & Forecast

15,000 jobs total  
to be added  
through 2019.

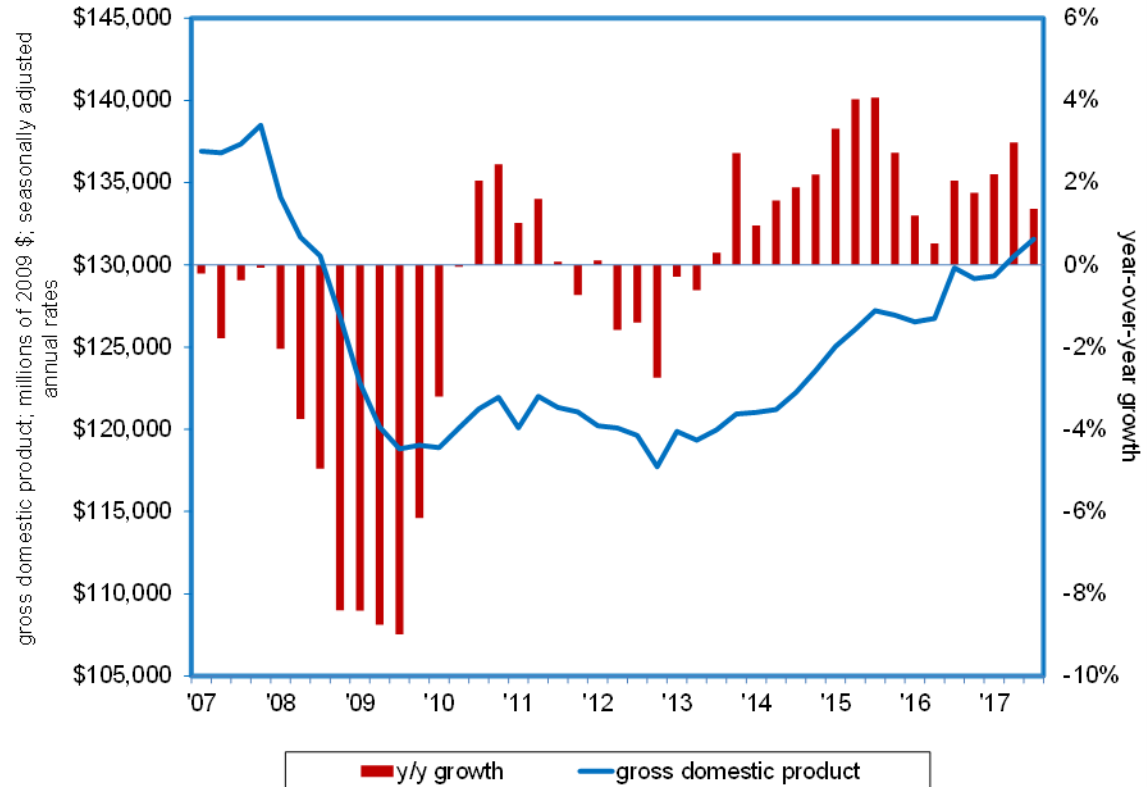




# Measures of Nevada's Economy: GDP

Nevada's economy, measured by state GDP, has expanded in each of the past 17 quarters.

Nevada's GDP growth rate has been higher than the nation in 6 of the past 10 quarters.

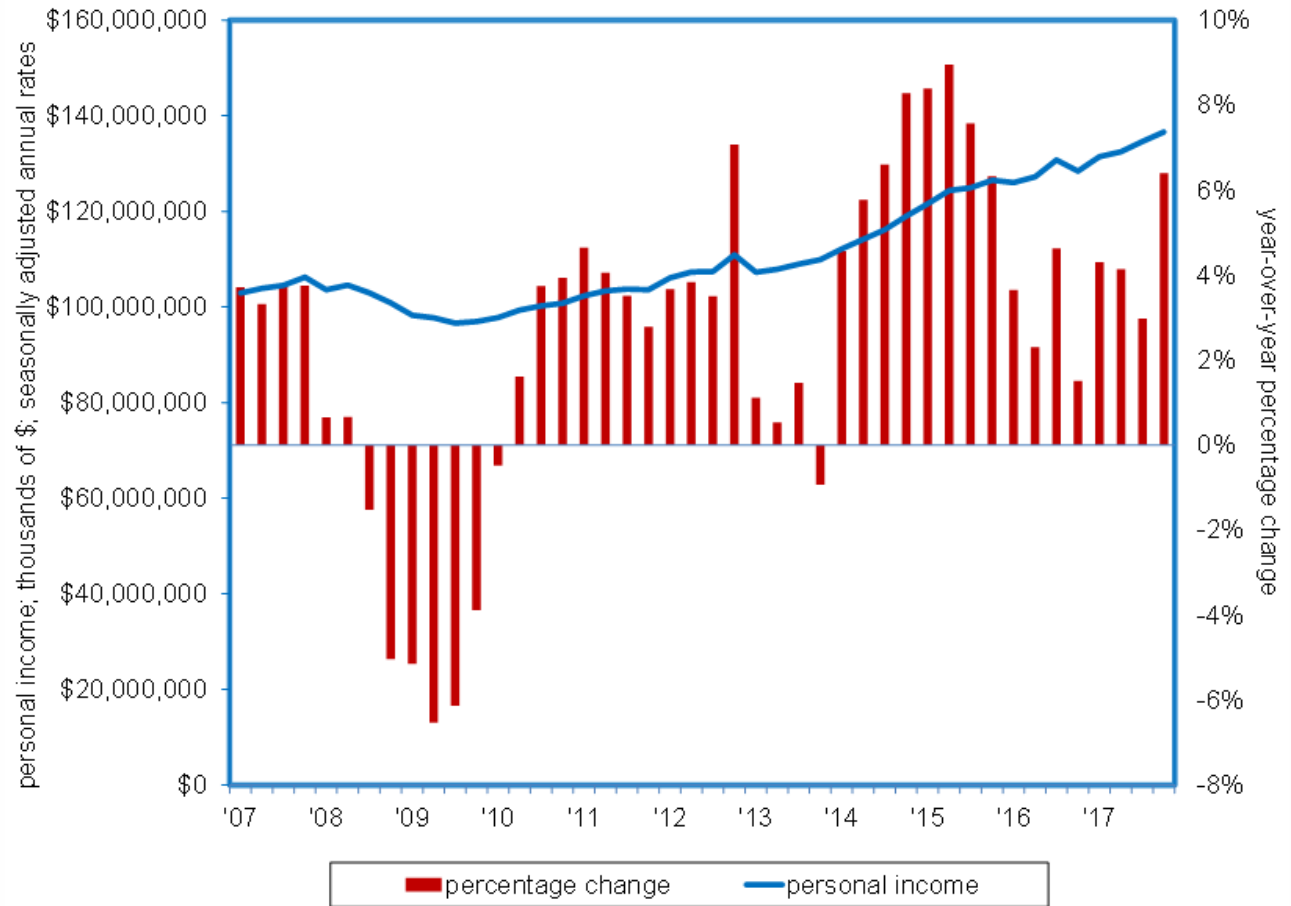


# Measures of Nevada's Economy: Personal Income

Personal Income in Nevada has risen in 30 of the past 31 quarters.

In the fourth quarter of 2017, Nevada's growth rate of 6.4% was the strongest in the nation.

Personal income is the income received by all persons from all sources: net earnings, property income, and personal current transfer receipts.



# Measures of Nevada's Economy: Personal Income

Per Capita Personal Income, calculated using 2016 data, shows that there is significant variation in personal income between Nevada's counties.

Douglas County, with the highest per capita personal income of over \$65,000 is more than double that in Pershing and Lincoln counties.

County	2016 Personal Income	2016 Population	Per Capita Personal Income, 2016
Douglas, NV	\$ 3,145,049.00	48,020	\$ 65,494.56
White Pine, NV	\$ 400,216.00	6,982	\$ 57,321.11
Lander, NV	\$ 303,714.00	5,702	\$ 53,264.47
Washoe, NV	\$ 22,549,907.00	453,616	\$ 49,711.45
Elko, NV	\$ 2,392,716.00	52,168	\$ 45,865.59
Humboldt, NV	\$ 739,086.00	16,842	\$ 43,883.51
Storey, NV	\$ 174,474.00	4,051	\$ 43,069.37
Carson City, NV	\$ 2,351,420.00	54,742	\$ 42,954.59
Clark, NV	\$ 91,150,359.00	2,155,664	\$ 42,284.12
Esmeralda, NV	\$ 33,296.00	790	\$ 42,146.84
Mineral, NV	\$ 180,158.00	4,449	\$ 40,494.04
Churchill, NV	\$ 913,968.00	24,198	\$ 37,770.39
Nye, NV	\$ 1,549,949.00	43,423	\$ 35,694.19
Eureka, NV	\$ 65,482.00	1,917	\$ 34,158.58
Lyon, NV	\$ 1,787,910.00	53,179	\$ 33,620.60
Pershing, NV	\$ 201,808.00	6,560	\$ 30,763.41
Lincoln, NV	\$ 150,121.00	5,055	\$ 29,697.53

# For Additional Information, Please Contact:

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