



Nevada Economy In Brief

February 2020

A Monthly Review of Workforce and Economic Information

Economic Summary

This release, we provide updates to our primary employment, unemployment and unemployment insurance programs using information through the middle of February 2020, the most current estimates available in the Bureau of Labor Statistics data programs. Given the time frame in focus, this report is an estimate of the employment situation in our state prior to the current state of emergency caused by the COVID-19 virus. We are monitoring the situation and will be providing updates on our website www.nevadaworkforce.com as more information becomes available. Estimates of our weekly unemployment insurance claims data is now available on the website.

For those seeking information on how to file claims or what DETR support services are available to businesses, there is additional information at the end of this write-up.

Employment

February Employment Situation

First, we analyze job growth specifically in the month of February of this year. Seasonally-adjusted employment decreased by 1,000 from January to February. 6,500 jobs were actually added, however seasonal adjustment subtracts out the normal seasonal changes to better understand the

underlying shifts in employment. Typically, from January to February we would expect the State to add 7,500 jobs. The difference between the actual change and the expected change in jobs is reported as the seasonally adjusted employment level which shows a decrease in the underlying trend in employment from January to February. The private sector realized a decrease of 1,800 jobs in February while the public sector realized an increase of 800 jobs.

Unemployment

February Unemployment Situation

The unemployment rate in Nevada remained unchanged from January to February, holding steady at 3.6 percent. This February's unemployment rate remains at the lowest rate on record in State history. This month's rate is down just over ten percent from its all-time high of 13.7 percent in 2010, and down from 4.1 percent a year ago. Nationally, the unemployment rate decreased from 3.6 percent in January to 3.5 percent in February. The gap between Nevada's rate and the nation's is 0.1 percentage point. (Refer to Figure:2)

Unemployment Insurance

Economic Indicators

UNEMPLOYMENT RATES February 2020

Nevada*	3.6%
Las Vegas MSA	3.9%
Reno-Sparks MSA	3.2%
Carson City MSA	4.1%
United States*	3.6%

JOB GROWTH (YOY) February 2020

Nevada*	1.3%
Las Vegas MSA*	1.3%
Reno-Sparks MSA*	1.8%
Carson City MSA*	2.0%
United States*	1.6%

GAMING WIN (YOY) January 2020

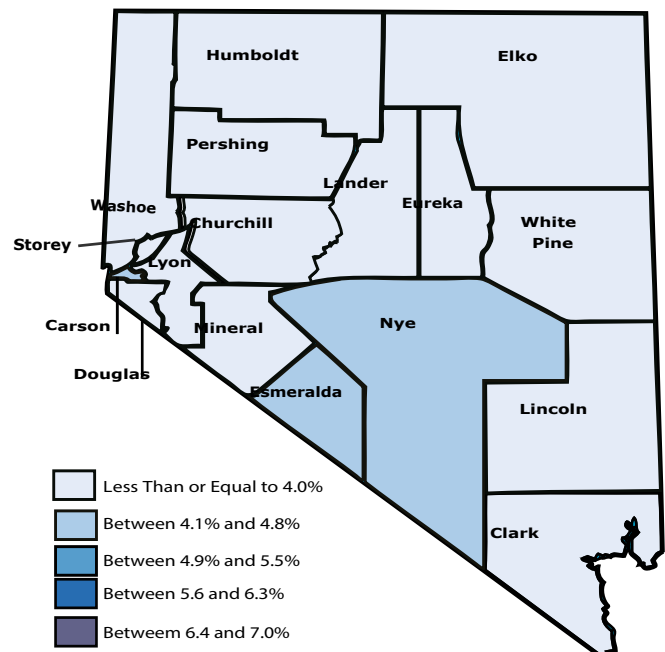
Nevada	5.5%
Clark County	5.1%
Washoe County	7.8%

TAXABLE SALES (YOY) December 2019

Nevada	10.8%
Clark County	11.3%
Washoe County	7.1%

*Seasonally Adjusted

Unemployment Rate by County



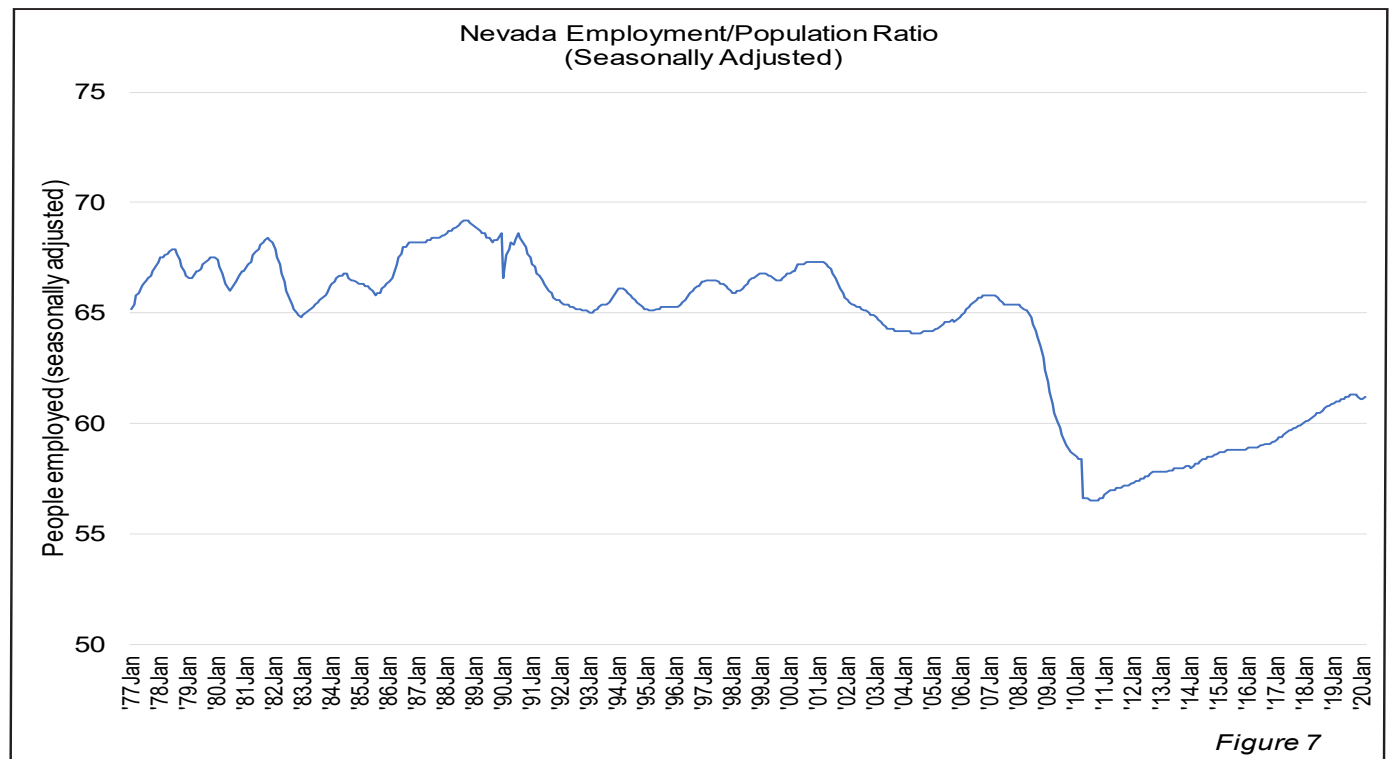
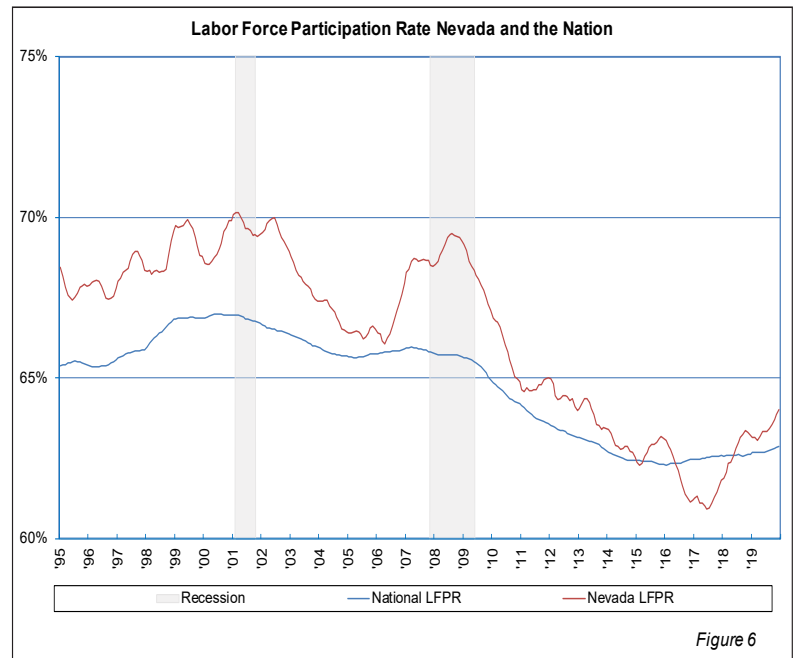
February Unemployment Insurance Situation

Initial claims for unemployment insurance (UI) in February saw moderate increases. Relative to last February, Nevada saw initial claims rise by a little more than 500 claims, or 5.7 percent. Over-the-month, the Silver State saw claims decline by nearly seven percent as we exit our months of seasonal highs. Perhaps more important, the 12-month moving average of the series continues to hold steady at 9,909 claims. This is the fourth consecutive month with aggregate claims trending below 10,000. The average duration that claimants receive benefits is holding relatively steady, at 13.2 weeks. The rate at which claimants exhaust their benefits ticked up slightly over the year, from 32.9 percent last February to 33.1 percent this February.

Who are the employed?

Industry Mix

This month we discuss employment and who the employed are in Nevada. We use Current Employment Statistics (CES) survey data to discuss February's employment numbers. The CES program provides a monthly employment



estimate of the number of nonfarm, payroll jobs in the economy, not workers. Workers appearing on two payrolls are counted twice and employment is counted by location of the job, not residence of worker. CES counts the total number of persons on establishment payrolls employed full- or part-time who received pay (whether they worked or not) for any part of the pay period that includes the 12th day of the month. CES does not take agricultural employment, self-employed and unpaid family workers, into account. However, CES does include members of the clergy, working students, elected officials, and railroad employees that are not counted by Quarterly Census of Employment and Wages (QCEW) program.

It is important to note that CES industry codes are based on North American Industry Classification System (NAICS) codes but are not always a one-to-one match with the NAICS structure due to sample size limitations. This means that the CES industry codes may include more than one NAICS code. The Bureau of Labor Statistics (BLS) uses NAICS codes to classify business establishments for the sampling, collection, analysis and publication of economic data and are primarily used in the QCEW program.

First, we will discuss Nevada's industry employment mix in February. Nevada's seasonally adjusted employment total is at 1,428,600 jobs. Although February's employment total is not a record high, it is continuing a trend of employment growth and marks 110 consecutive months of year-over-year gains. Total employment rose by 1.3 percent over the year, in the low end of the range seen over the last year (1.3 percent – 3.1 percent), while the nation grew by 1.6 percent over the period. Out of the last 91 months, Nevada has outpaced the nation for 90 months.

Using a 12-month average through February of this year over the same time last year, the construction industry experienced the fastest growth rate and added the most jobs of any industry, up 7.2 percent after adding 6,500 jobs. The manufacturing industry is growing by 4.3 percent and has added 2,400 jobs when compared to the same period last year. It is important to note that while early last year manufacturing was growing fairly rapidly, in recent months the trend is virtually flat. The professional and business services industry has added 5,400 and is up 2.8 percent. Leisure and hospitality grew by 0.4 percent and

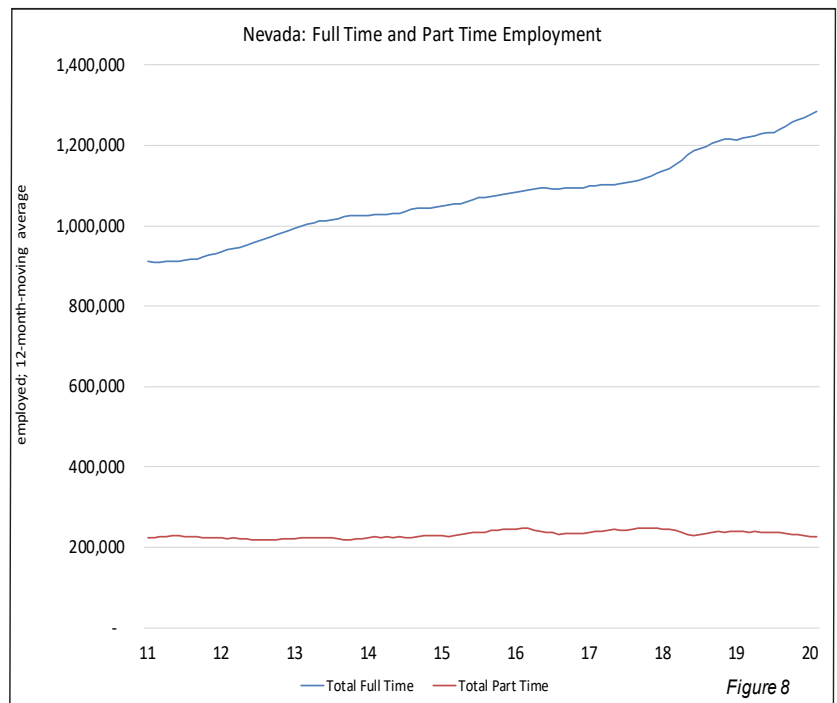


Figure 8

added 1,400 jobs. Using a 12-month average through February 2020 over the same period last year, mining & logging was the only industry to the State to realize a decline, decreasing by 100 jobs. (Refer to Figure:5)

Much of the current growth in Nevada's top growing industries have been driven by economic development and expansion in the economy. The construction industry has been strong throughout the State and has recovered many of the jobs lost during the Great Recession. Major projects in the Silver State such as the Raiders Stadium, Venetian Sphere, Resorts World, Las Vegas Convention Center expansion and the Tesla Gigafactory have driven strong growth in construction. Manufacturing saw strong growth due to the hiring of nearly 10,000 manufacturing workers at the Tesla Gigafactory but has started to level off as the factory reaches optimization.

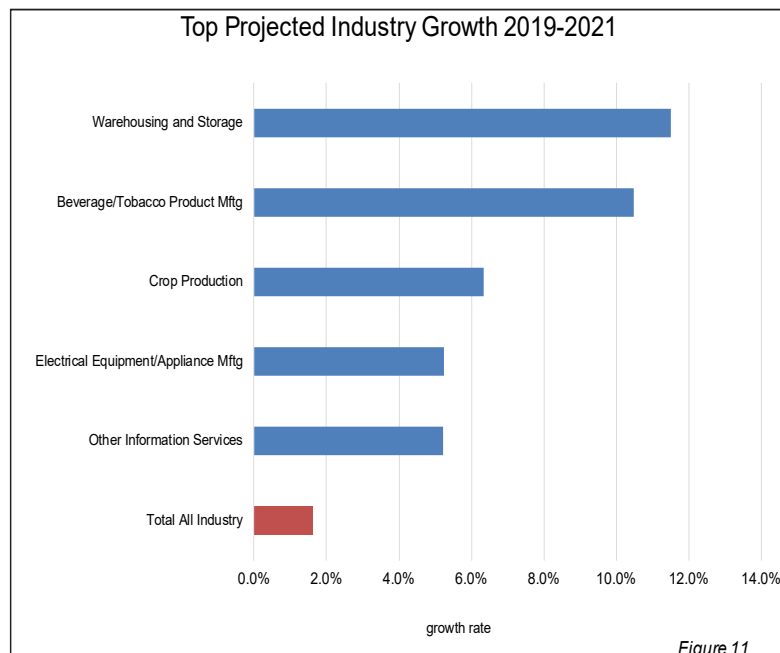
Although Nevada attempts to diversify its economy and not rely so heavily on the leisure and hospitality industry, it is still the largest industry in the State and continues to have the highest location quotient (LQ) out of all the states in the nation. In fact, Nevada's LQ was 2.26 as of the third quarter of 2019, the highest in the nation. To put that number into perspective, a location quotient of 2.0 would indicate that a state's employment share in that industry was twice the national average. Hawaii had the second largest LQ in the leisure and hospitality industry at 1.73.

Workforce Activity Measures

With employment growth in Nevada being strong over the past decade it is important to analyze the State's workforce activity to help determine the health of the labor market and tightness. One measure to look at that can help determine this is a state's labor force participation rate.

The labor force participation rate is one of the main indicators for labor utilization used today. A state's labor-force participation rate includes all employed and unemployed workers divided by the state's civilian population. The best source of this employment data is from the Current Population Survey (CPS). The CPS is a monthly survey of households conducted by the Bureau of Census for the BLS. It provides a comprehensive body of data on the labor force,

Union Membership Rank by State (000-thousands)				
Rank	State	Total employed	Total members of unions	Represented by unions % of employed
1	Hawaii	601	139	25.5
2	New York	8,404	1,872	22.7
3	Washington	3,270	649	20.2
4	Rhode Island	479	83	19
5	Alaska	299	55	18.7
6	New Jersey	3,935	587	17.4
7	California	16,399	2,405	16.5
8	Nevada	1,376	191	16.1
9	Connecticut	1,677	268	16
10	Oregon	1,738	242	15.7
				Figure 10



employment, unemployment, persons not in the labor force, hours of work, earnings, and other demographic and labor force characteristics. (Refer to Figures:6)

The U.S. labor participation rate stood at 63.4 percent as of February 2020, according to the BLS, which publishes updates monthly. The monthly figures have hovered around 63 percent since 2013, after a sharp decline in the wake of the Great Recession. In contrast, prior to the Great Recession, Nevada's LFPR hovered between 67-68 percent. In 2008, it broke through the 68 percent barrier for a brief period before trending down. Nevada's labor participation rate stood at 63.4 percent as of February 2020.

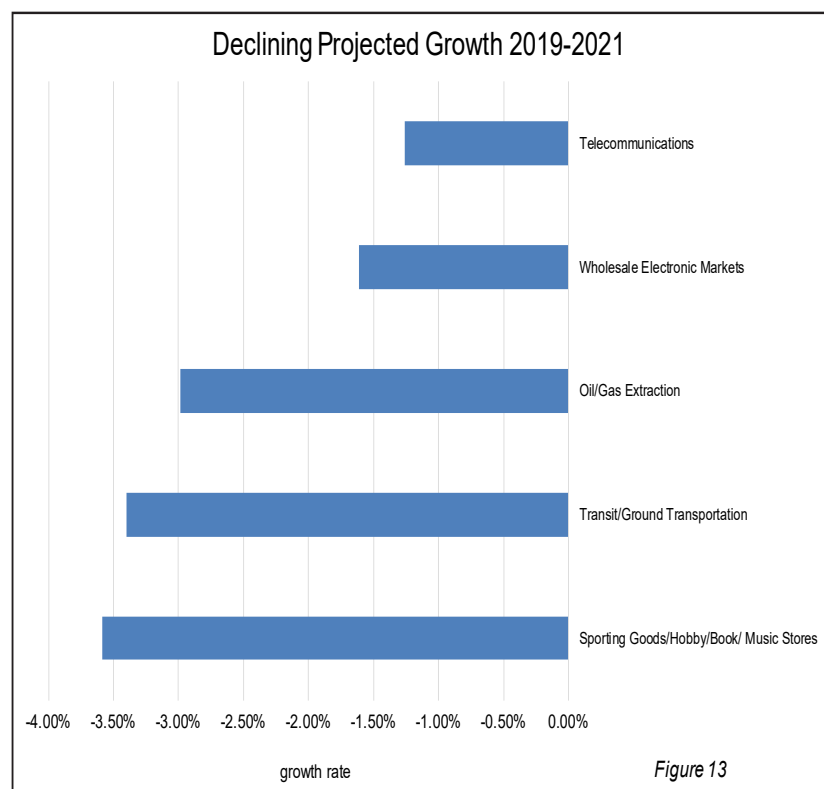
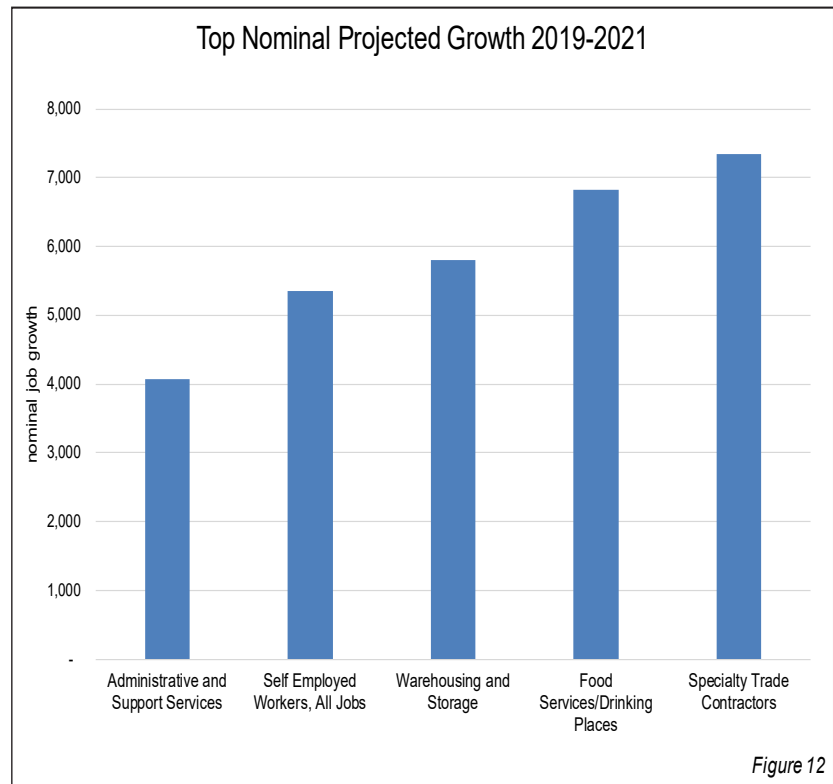
Next, when analyzing the efficiency of a labor market the employment-population ratio (E/P) is an important workforce measure to examine. The E/P is the proportion of the civilian non-institutional population 16 years and older that is employed. This labor market performance measure can be affected by the behavior of certain population age groups. For example, when people 55 years and older decide to retire, or when individuals 16-to 24 years are going to school full-time. (Refer to Figure:7)

The E/P peaked in August 1998 at 69.2 percent. Historic figures show that from 1977 through 2008, around 66.3 percent of Nevada's population was employed.

When the 2007 recession took hold of the Silver State, the LFPR hit bottom at 56.5 percent in July 2010.

Employment-population has been trending down since mid-2010 and stands at 61.1 percent in January 2020. Although employment and population levels in the Silver State have been increasing, the percentage of Nevadans who are employed is declining.

Another important measure that helps determine how tight the labor market is, is the number of full-time and part-time employment from the monthly CPS. Full-time workers include those individuals who



usually work 35 hours or more during the week. Part-time workers include those who typically work less than 35 hours during the week. Some individuals work part-time due to economic reasons, they are called involuntary part-time workers. Other people work part-time due to non-economic reasons, they are called voluntary part-time workers. Due to the volatility in the CPS sample (about 1,000 Nevada households), figures are measured on a 12 month-moving average.

Based upon results from the CPS, the total number of Nevadans employed full-time topped out at 1,284,909 in February 2020; measured on a 12-month moving average. Full-time employment for February 2020 represented 86 percent of the total. A new all-time high. Silver State residents employed part-time, represented 14 percent of the total. The number of Nevadans employed on a full-time basis continues to increase, part-time employment, remains relatively steady.

Finally, multiple jobholders data is important to analyze because it can help measure levels of wage growth and the amount of slack in the labor market. Estimates from the monthly CPS provides information about multiple jobholders in Nevada. Multiple jobholders are people who had two or more jobs during the survey reference week (The CPS "reference" week is the specific week of the month used to determine the employment status of survey respondents. However, it is important to consider that we may be missing some pieces of the puzzle. For instance, the BLS does not count those who are self-employed in their primary job but earn additional income in ways such as working for Uber or Lyft as a driver, as multiple jobholders. Also, respondents reporting to the survey may not always report having multiple jobs if the jobs were relatively infrequent, informal or freelance. (Refer to Figure:9)

Nevada's multiple-jobholding rate peaked at 5.3 percent in 1998. In 2019

the rate stood at 3.3 percent, a new historical record low. The rate in 2019 is 0.8 percentage points lower from the 2018 rate at 4.1 percent.

Nationwide the rate stood at 5.1 percent in 2019. With a multiple-jobholding rate of 3.3 percent in 2019, Nevada ranked second-lowest in the nation. In 2018 the Silver State had the eighth lowest multiple-jobholding rate at 4.1 percent.

The Silver State's multiple-jobholding rate has remained below national levels, except in 2011, every year over the past two decades.

A study done by the BLS indicates that multiple jobholders have become less common over the past two decades in the U.S. This trend is explained in part by a lower propensity of single jobholders to take on a second job. Multiple jobholders, in contrast, did not become more likely to give up their second job. It is possible that workers may have become increasingly reliant on alternative sources of income to meet expenses or to pay off debt.

Employment Profile

A unique characteristic about Nevada's employment is it has a relatively large percent of its workforce represented by unions. Industries in Nevada that have a strong presence of workers that are represented by unions are leisure and hospitality, construction, and government. In 2019, 28 states and the District of Columbia had union membership rates below that of the U.S average of 10.3 percent. According to the BLS, Nevada had the 8th highest union membership rate out of total employment, at 16.1 percent. Hawaii and New York had the highest percent of their workforce represented by unions and led the way with their union membership rates at 23.5 percent and 21 percent, respectively. On a nominal basis over half of the 14.6 million union members in the U.S. lived in just seven states (California, 2.5 million; New York, 1.7 million; Illinois, 0.8 million; Pennsylvania, 0.7

million; and New Jersey, Ohio, and Washington, 0.6 million each), though these states accounted for only about one-third of wage and salary employment nationally. Nevada's estimated employment that are represented by unions is roughly 222,000 workers. (Refer to Figure: 10)

Wages

The Nevada minimum wage matches the federal minimum of 7.25/hr. For those who do not receive qualified health benefits the minimum wage is 8.25/hr in Nevada. By 2024, the minimum wage in Nevada is legislatively required to increase to 12.00/hr. to find out more on Nevada's minimum wages laws visit http://labor.nv.gov/Wages/Minimum_Wage_Bulletins/

When looking at private sector wages, all industries have increased over the past 20 years. All sectors of government over this time have increased wages too. During the recession, most industry's wages realized a slight increase or remained flat, except for construction and state government which both realized declines. Financial activities realized the largest increase over this time period, increasing by 67 percent. Looking at the most recent QCEW data (third quarter of 2019), financial activities also realized the largest increase in wages (seven percent) over the same quarter last year. Average weekly wages in the financial activities industry is \$1290/week. Meanwhile, the total all industry wage average weekly wage is \$973.

According the most recent OES data, the top paid occupations in the finance industry (excluding management) in Nevada were lawyers (\$67.11/hr), personal financial advisors (\$54.36/hr), software developers, systems software (\$48.33/hr), database administrators (\$48.18/hr), and financial analyst (\$46.88/hr). All of the top occupations were paid more than double of the statewide average of \$22.20 per hour.

DETR Services

Are you an employer who needs to register for UI? Please visit our on-line portal <http://ui.nv.gov/ess.html>. Are you an employee who lost your job? You may be eligible to collect unemployment benefits while you're out of work. For more information or to file an unemployment insurance claim, please follow the link to reach Nevada's UI website. <http://ui.nv.gov/css.html>. Additional information on filing for unemployment insurance can be found on their FAQ page <http://ui.nv.gov/PDFS/FAQENG.pdf>.

Additional Information on Available Public Services

DETR serves all Nevada citizens by being the state's lead workforce development agency. DETR consists of divisions that offer workforce related services, job placement and training, services for people with disabilities, investigation of claims of discrimination, unemployment insurance benefits, and labor market data. <https://detr.nv.gov>

The Nevada Job Connect is an agency that provides services to employers and job seekers in Nevada. The services that are offered are recruiting, retention, training and retraining and job placement services. <https://nevadajobconnect.com/>

The agency offers job seekers training programs, job search resources, and career development information. There are 12 Job Connect career centers across the state of Nevada. Jobseekers and employers can use the Employ NV site to search for or post jobs, create a resume and locate education and training services. There are links for an eligible training providers list, financial assistance links, online learning resources, and a scholarship search. <https://www.employnv.gov/vosnet/Default.aspx>

There is a client assistance program within the vocational rehabilitation program. This program was designed to assist individuals that may need additional assistance in navigating through vocational rehabilitation program and help resolve problems that they may experience. In addition, the representatives of CAP are responsible for providing information on the rehabilitation programs, benefits and services offer in Nevada. <http://www.icdri.org/#maincontent>

Additional entities the rehabilitation division houses are the Nevada State Rehabilitation Council (NSRC), the Office of Disability Employment Policy and Business Development (ODEP) and the Bureau of Disability Adjudication (BDA) the Blind Business Enterprise (BEN) program.

NSRC helps ensure that vocational rehabilitation programs are consumer oriented, consumer driven, and that the programs' services and resources result in employment outcomes for Nevadans with disabilities. ODEP develops and influences policies and practices that increase the number and quality of employment opportunities for people with disabilities. The BDA which makes medical determinations of eligibility for Social Security Administration disability benefit payment programs. Finally, the BEN program, which provides blind individuals seeking self-sufficiency the opportunity to operate snack bars and vending operations in federal, state and municipal buildings statewide. https://detr.nv.gov/Page/Rehabilitation_Division

DETR is also home to the Research & Analysis Bureau (R&A) and the Nevada Equal Rights Commission (NERC). A description of the tasks these divisions handle is explained below.

R&A provides a wealth of informa-

tion related to Nevada's workforce and economic conditions including state and local labor force, employment, occupational, career, general economic, and demographic information. R&A serves as Nevada's primary provider of workforce information. The bureau also provides analytical services to support programs administered by the department and state and local workforce investment boards. The information and resources available from the bureau are offered free of charge. <http://nevadaworkforce.com/>

NERC oversees the state's Equal Employment Opportunity program, handling employment discrimination complaints relating to: race, national origin, color, creed/religion, sex, sexual orientation, age (40 and over), disability, genetic information, and gender identity or expression. https://detr.nv.gov/Page/Complaint_Process

Sub-State Economic Summary

Economy in Brief

February 2020

This month in the Sub-State Nevada Labor Market Overview we will examine numerous economic indicators for the month of February. Given the time frame in focus, this report is an estimate of the employment situation in our state prior to the current state of emergency caused by the COVID-19 virus. We are monitoring the situation and will be providing updates on our website: www.nevadaworkforce.com, as more information becomes available. Estimates of our weekly unemployment insurance claims data is now available on the website. To file a claim for unemployment insurance visit: <http://ui.nv.gov/css.html>. For more information on unemployment insurance visit: <http://ui.nv.gov/home.html>.

Employment

Statewide, seasonally adjusted employment decreased by 1,000 jobs in February, compared to January. This is the result of growing by an unadjusted 6,500 jobs when 7,500 jobs were expected. Seasonally adjusted estimates are determined by subtracting the expected seasonal movement from the unadjusted change in employment. This is done to account for commonly seen and expected changes in employment, so that underlying trends can be estimated. When compared to January, the Reno metro area saw a seasonal increase in employment of 200 jobs, Carson City decreased by 200 jobs, and Las Vegas decreased by 1,300 jobs.

Data for our employment figures comes from the Current Employment Survey (CES) of payroll records. It covers over 300,000 business, nationally. The program is a federal/state partnership where, after verifying and computing current monthly employment, hours, and earnings estimates by industry, the Research and Analysis Bureau transmits the data to the Bureau of Labor Statistics. There, it is combined with data from other states to determine national economic trends.

When compared to February 2019, the State grew at a rate of 1.3 percent or 18,300 seasonally adjusted jobs. In the metro ar-

Unemployment Rates and Changes					
AREA	Current	Last Year	OTY	Last Month	OTM
Statewide:					
Nevada Adjusted*	3.6%	4.1%	-0.5%	3.6%	0.0%
Nevada Non-Adjusted	3.8%	4.2%	-0.4%	3.8%	0.0%
Metropolitan Statistical areas:					
Las Vegas MSA	3.9%	4.2%	-0.3%	3.9%	0.0%
Reno-Sparks MSA	3.2%	3.7%	-0.5%	3.4%	-0.2%
Carson City MSA	4.1%	4.7%	-0.6%	4.1%	0.0%
Combined Statistical Area:					
Reno-Carson City-Fernley	3.5%	4.0%	-0.5%	3.6%	-0.1%
Counties:					
Carson City	4.1%	4.7%	-0.6%	4.1%	0.0%
Churchill	3.6%	4.0%	-0.4%	3.7%	-0.1%
Clark	3.9%	4.2%	-0.3%	3.9%	0.0%
Douglas	3.9%	4.6%	-0.7%	4.0%	-0.1%
Elko	3.3%	3.6%	-0.3%	3.3%	0.0%
Esmeralda	3.9%	4.1%	-0.2%	3.8%	0.1%
Eureka	2.4%	2.4%	0.0%	2.2%	0.2%
Humboldt	3.3%	3.2%	0.1%	3.2%	0.1%
Lander	3.7%	3.6%	0.1%	3.9%	-0.2%
Lincoln	3.8%	4.9%	-1.1%	3.7%	0.1%
Lyon	5.0%	5.7%	-0.7%	5.0%	0.0%
Mineral	4.0%	5.1%	-1.1%	4.1%	-0.1%
Nye	4.9%	5.4%	-0.5%	5.0%	-0.1%
Pershing	4.4%	5.1%	-0.7%	4.0%	0.4%
Storey	3.7%	4.6%	-0.9%	3.8%	-0.1%
Washoe	3.2%	3.7%	-0.5%	3.4%	-0.2%
White Pine	3.3%	3.5%	-0.2%	3.0%	0.3%
Cities:					
Las Vegas	3.9%	4.3%	-0.4%	4.0%	-0.1%
North Las Vegas	4.3%	4.5%	-0.2%	4.4%	-0.1%
Henderson	3.6%	3.9%	-0.3%	3.6%	0.0%
Sparks	3.1%	3.6%	-0.5%	3.2%	-0.1%
Reno	3.2%	3.6%	-0.4%	3.4%	-0.2%
State Specific Areas**:					
Boulder City	3.7%	4.4%	-0.7%	3.9%	-0.2%
Elko City	3.3%	3.7%	-0.4%	3.4%	-0.1%
Fernley	4.9%	6.1%	-1.2%	4.9%	0.0%
Mesquite	3.1%	3.6%	-0.5%	3.4%	-0.3%

*Do not compare Adjusted and Unadjusted Rates

**Not published by BLS

Figure: 5

¹ References to total MSA employment are adjusted for seasonality, whereas references to goods-producing and service-providing industries are not.

Sub-State Economic Summary

Economy in Brief

February 2020

Las Vegas, employment also increased compared to this time last year. Las Vegas increased by 13,500 jobs, or a growth rate of 1.3 percent. Reno has a growth rate of 1.8 percent, equating to 4,400 jobs added from the previous year. The Carson MSA had the fastest growth rate, at 1.9 percent, or 600 jobs added since February 2019 when accounting for seasonal patterns.

Nevada added 6,800 goods-producing industries jobs to payrolls, while service-providing industries added 11,300¹. References to goods-producing and service-providing estimates are not seasonally adjusted and should not be compared to the adjusted estimates above. In Carson City, 600 jobs were added relative to last year, the result of adding 400 service-providing jobs, while goods-producing jobs increased by 200. Reno saw a net increase of 4,600. The gain was split into a decrease of 200 goods-producing jobs, while service-providing jobs increased 4,800. Las Vegas saw 6,800 goods-producing jobs added, and 6,100 service-providing jobs added since 2019 for a total 12,900 jobs.

Unemployment

Figures for our unemployment estimates come from the Local Area Unemployment Statistics (LAUS) program. This program produces monthly and annual employment, unemployment, and labor force data for census regions, states, counties, metropolitan areas, and many large cities, by place of residence.

The State's seasonally adjusted unemployment rate was 3.6 percent in February, unchanged from January, and down from 4.1 percent in February 2019. Unemployment rates for the State's metropolitan areas, counties, and some cities reported in Figure 5 are not adjusted for seasonality. Hence, comparisons to the State's seasonally adjusted rate should be avoided. Legitimate comparisons, however, can be made to the State's unadjusted unemployment rate of 3.8

percent in February, unchanged from January, and down from 4.2 percent in February 2019.

A summary of our sub-state unemployment rate estimates is presented in Figure: 5. This table gives estimates for the February unemployment rates, last year's unemployment rates, last month's unemployment rates, and the over-the-month (OTM) & over-the-year (OTY) changes for numerous areas across the state. Some of these areas include a Combined statistical area which is an economically integrated region with high rates of individuals who commute for work. Additionally, state specific areas are not endorsed or published by the BLS but are published by the state.

In February 2020 the state's MSAs and combined statistical area unemployment rates all have shown decreases in unemployment when compared to February of last year, like the state unadjusted rate. When compared to January 2020, unemployment in the Las Vegas and Carson City MSAs remained constant, While the Reno area experienced a decrease.

Unemployment rates in the counties followed trends like the statewide rate. All counties saw decreases when compared to February 2019, except for Eureka which remained constant, Humboldt and Lander both increased by 0.1 percent. When compared to January this year, four counties remained constant, six saw increases in their unemployment rates, and seven saw decreases in their unemployment rates.

Unemployment rates in Nevada's cities are showing similar trends to MSA or county that they are in. All cities experienced decreases in unemployment when compared to February last year and January this year except for Henderson and Fernley which remained constant when compared to January.

Unemployment Insurance Benefits

What is Unemployment insurance? Un-

employment Insurance is provided by the state to individuals who lose a job and meet the eligibility requirements. It is a cash payment to individuals who are seeking work and is provided by the state and federal government. To file for unemployment benefits please follow this link:

<http://ui.nv.gov/css.html>

The thirteen-week moving average of initial claims for unemployment insurance (UI) benefits decreased by 2.9 percent in February, a nominal decrease of 80 claims relative to last February. Clark County, the state's largest metropolitan area, held relatively steady over the year, increasing by 10 claims, or 0.5 percent. Washoe County's initial claims activity saw a marked decline over the year, with 60 fewer claims this month, compared to last February; a decrease of 13.4 percent. Carson City, the state's smallest metropolitan area, fell by 10 claims year-over-year, a decline of 16.5 percent. The rest of the counties in the State saw no absolute nominal change in excess of 6 claims. (Figure: 6)

Who are the employed?

Industry Mix

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It is important to note that CES industry codes are based on North American Industry Classification System (NAICS) codes but are not always a one-to-one match with the NAICS structure due to sample size limitations. This means that the CES industry codes may include more than one NAICS code. The Bureau of Labor Statistics (BLS) uses NAICS codes to classify business establishments for the sampling, collection, analysis and publication of economic data and are primarily used in the QCEW program.

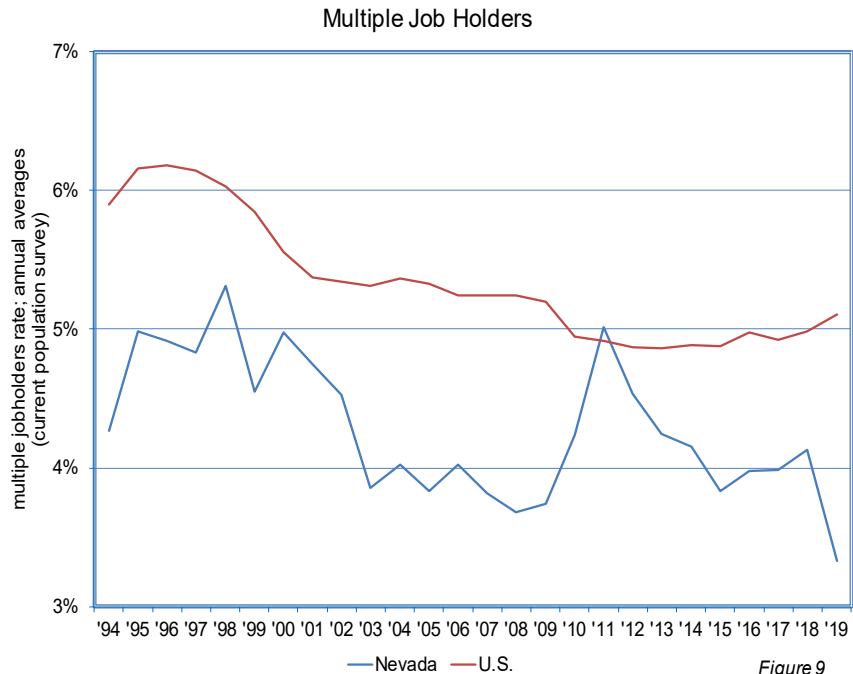
First, we will discuss Nevada's industry employment mix. Nevada's seasonally adjusted employment total is at 1,428,600 jobs in February. Although this month's employment total is not a record high, it is continuing a trend of employment growth and marks 110 consecutive months of year-over-year gains. Total employment rose by 1.3 percent over the year, in the low end of the range seen over the last year (1.3 percent – 3.1 percent), while the nation grew by 1.6 percent over the period. Out of the last 91 months, Nevada has outpaced the nation for 90 months.

On a sub-state level, the MSAs have been growing along with the state. In February Carson grew at a rate of 1.9 percent to a February employment level of 31,200 jobs. The Las Vegas MSA grew at a rate of 1.3 percent equating to a total of 1,041,000 jobs. Reno added jobs at a rate of 1.8 percent for a February employment level of 251,000 jobs.

Workforce Activity Measures

With employment growth in Nevada being strong over the past decade it is important to analyze the State's workforce activity to help determine this is a state's labor force participation rate.

The labor force participation rate is one



of the main indicators for labor utilization used today. A state's labor force participation rate includes all employed and unemployed workers divided by the state's civilian population. The best source of this employment data is from the Current Population Survey (CPS). The CPS is a monthly survey of households conducted by the Bureau of Census for the BLS. It provides a comprehensive body of data on the labor force, employment, unemployment, persons not in the labor force, hours of work, earnings, and other demographic and labor force characteristics.

The U.S. labor participation rate stood at 63.4 percent as of February 2020, according to the BLS, which publishes updates monthly. The monthly figures have hovered around 63 percent since 2013, after a sharp decline in the wake of the Great Recession. In contrast, prior to the Great Recession, Nevada's LFPR hovered between 67-68 percent. In 2008, it broke through the 68 percent barrier for a brief period

before trending down. Nevada's labor participation rate stood at 63.4 percent as of February 2020¹.

Next, when analyzing the efficiency of a labor market the employment-population ratio (E/P) is an important workforce measure to examine. The E/P is the proportion of the civilian non-institutional population 16 years and older that is employed. This labor market performance measure can be affected by the behavior of certain population age groups. For example, when people 55 years and older decide to retire, or when individuals 16-to 24 years are going to school full-time.

The E/P peaked in August 1998 at 69.2 percent. Historic figures show that from 1977 through 2008, around 66.3 percent of Nevada's population was employed.

When the 2007 recession took hold of the Silver State, the LFPR hit bottom at 56.5 percent in July 2010.

Employment-population has been

¹State specific areas are not endorsed or published by the BLS

Sub-State Economic Summary

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trending down since mid-2010 and stands at 61.1 percent in January 2020. Although employment and population levels in the Silver State have been increasing, the percentage of Nevadans who are employed is declining.

Another important measure that helps determine how tight the labor market is, is the number of full-time and part-time employment from the monthly CPS. Full-time workers include those individuals who usually work 35 hours or more during the week. Part-time workers include those who typically work less than 35 hours during the week. Some individuals work part-time due to economic reasons, they are called involuntary part-time workers. Other people work part-time due to non-economic reasons, they are called voluntary part-time workers. Due to the volatility in the CPS sample (about 1,000 Nevada households), figures are measured on a 12 month-moving average.

Based upon results from the CPS, the total number of Nevadans employed full-time topped out at 1,284,909 in February 2020; measured on a 12-month moving average. Full-time employment for February 2020 represented 86 percent of the total. A new all-time high. Silver State residents employed part-time, represented 14 percent of the total. The number of Nevadans employed on a full-time basis continues to increase, part-time employment, remains relatively steady.

Finally, multiple jobholder's data is important to analyze because it can help measure levels of wage growth and the amount of slack in the labor market. Estimates from the monthly CPS provides information about multiple jobholders in Nevada. Multiple jobholders are people who had two or more jobs during the survey reference week (The CPS "reference" week is the specific week of the month used to determine the employment status

of survey respondents. However, it is important to consider that we may be missing some pieces of the puzzle. For instance, the BLS does not count those who are self-employed in their primary job but earn additional income in ways such as working for Uber or Lyft as a driver, as multiple jobholders. Also, respondents reporting to the survey may not always report having multiple jobs if the jobs were relatively infrequent, informal or freelance.

Nevada's multiple-jobholding rate peaked at 5.3 percent in 1998. In 2019 the rate stood at 3.3 percent, a new historical record low. The rate in 2019 is 0.8 percentage points lower from the 2018 rate at 4.1 percent.

Nationwide the rate stood at 5.1 percent in 2019. With a multiple-jobholding rate of 3.3 percent in 2019, Nevada ranked second-lowest in the nation. In 2018 the Silver State had the eighth lowest multiple-jobholding rate at 4.1 percent. The Silver State's multiple-jobholding rate has remained below national levels, except in 2011, every year over the past two decades.

Employment Profile

A unique characteristic about Nevada's employment is it has a relatively large percent of its workforce represented by unions. Industries in Nevada that have a strong presence of workers that are represented by unions are leisure and hospitality, construction, and government. In 2019, 28 states and the District of Columbia had union membership rates below that of the U.S average of 10.3 percent. According to the BLS, Nevada had the 8th highest union membership rate out of total employment, at 16.1 percent. Hawaii and New York had the highest percent of their workforce represented by unions and led the way with their union membership rates at 23.5 percent and 21 percent, respectively. On a nominal basis over half of the 14.6 million union members in the U.S. lived in just seven states (California, 2.5 million; New York, 1.7 million;

Illinois, 0.8 million; Pennsylvania, 0.7 million; and New Jersey, Ohio, and Washington, 0.6 million each), though these states accounted for only about one-third of wage and salary employment nationally. Nevada's estimated employment that are represented by unions is roughly 222,000 workers. (Figure: 10)

Wages

The Nevada minimum wage matches the federal minimum of 7.25/hr to whom qualified health benefits have been offered and 8.25/hr. for those who do not offer benefits. By 2024, the minimum wage in Nevada is legislatively required to increase to 12.00/hr. to find out more on Nevada's minimum wages laws visit http://labor.nv.gov/Wages/Minimum_Wage_Bulletins/

When looking at private sector wages, all industries have increased over the past 20 years. All sectors of government over this time have increased wages too. During the recession, most industry's wages realized a slight increase or remained flat, except for construction and state government which both realized declines. Financial activities realized the largest increase over this time period, increasing by 67 percent. Looking at the most recent QCEW data (third quarter of 2019), financial activities also realized the largest increase in wages (seven percent) over the same quarter last year. Average weekly wages in the financial activities industry is \$1290/week. Meanwhile, the total all industry wage average weekly wage is \$973.

According the most recent OES data, the top paid occupations in the finance industry (excluding management) in Nevada were lawyers (\$67.11/hr), personal financial advisors (\$54.36/hr), software developers, systems software (\$48.33/hr), database administrators (\$48.18/hr), and financial analyst (\$46.88/hr). All of the top occupations were paid more than double of the statewide average of \$22.20 per hour.

Industry Employment in August

Over-the-Month Change

- Total seasonally adjusted jobs = -1,000
- Las Vegas seasonally adjusted jobs = -1,300
- Reno seasonally adjusted jobs = 200
- Carson City seasonally adjusted jobs = -200

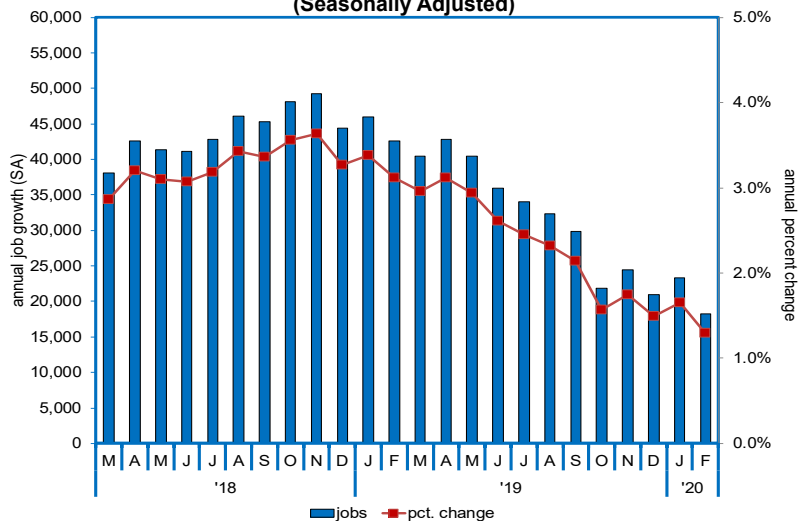
Nevada Nonfarm Jobs
Seasonally Adjusted Change

	Unadjusted Change	Expected Seasonal Movement	Seasonally Adjusted Change
Total Nonfarm Jobs	6,500	7,500	-1,000
Private Sector	300	2,100	-1,800
Public Sector	6,200	5,400	800
Las Vegas	2,900	4,200	-1,300
Reno	2,500	2,300	200
Carson City	200	400	-200

Annual Change

- 1,428,600 non-farm jobs in February
- 18,300 jobs added over-the-year
- February marks 110 straight months of growth in Nevada.

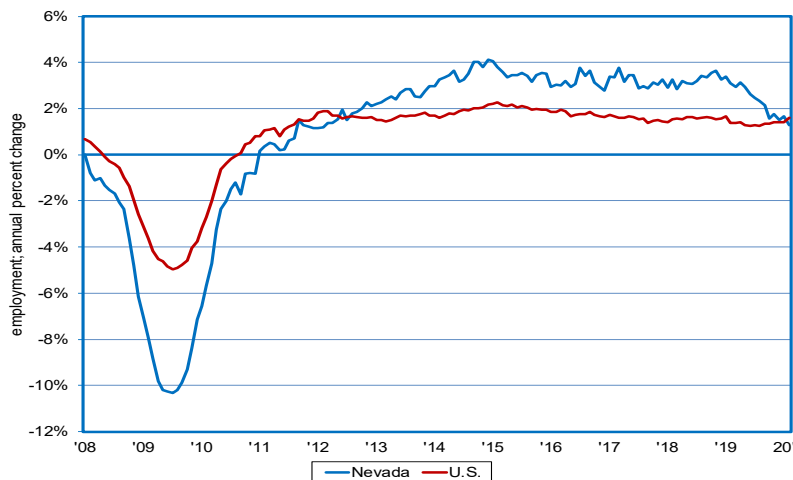
Nevada Job Growth
(Seasonally Adjusted)



Annual Growth

- Nevada = 1.3 percent
- U.S. = 1.6 percent
- Growth in Nevada had exceeded that in the U.S. for 89 straight months (September 2012 to January 2020)

Job Growth: Nevada vs. U.S.
(Year-Over-Year Percent Change; Seasonally Adjusted)

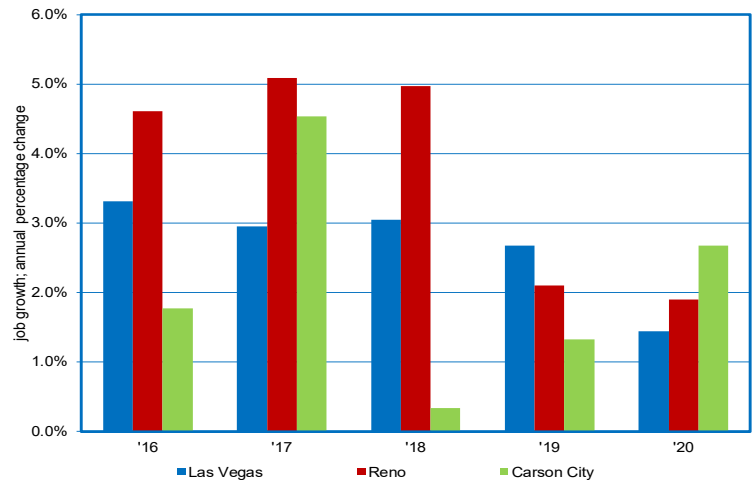


Industry Employment in June

Year-to-Date Growth

- Las Vegas MSA = 1.4 percent year-to-date
- Reno-Sparks MSA = 1.9 percent year-to-date
- Carson City = 2.7 percent year-to-date

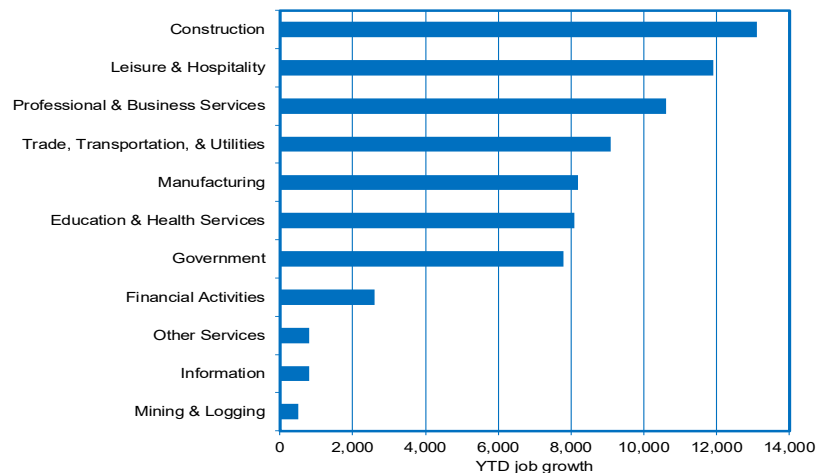
**Job Growth by Region
(Percent Change)**



Year-to-Date Change

- Construction added 13,100 jobs, more than any other sector.
- Eleven sectors added jobs through February
- Total job growth = 73,500 jobs

**Job Growth by Industry
(Year-to-Date)**

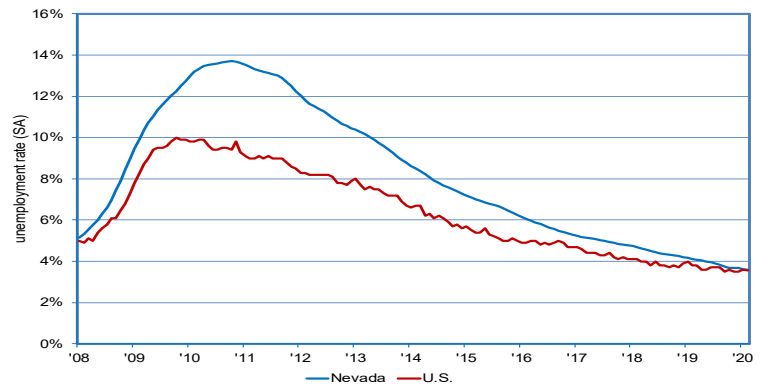


Unemployment

February

- Nevada = 3.6 percent; unchanged from January; down from 4.1 percent a year ago.
- U.S. = 3.5 percent; down 0.1 percentage point from January; down from four percent a year ago.
- 0.1 point gap between Nevada and the Nation compares to 4.4 points at the height of the recession.

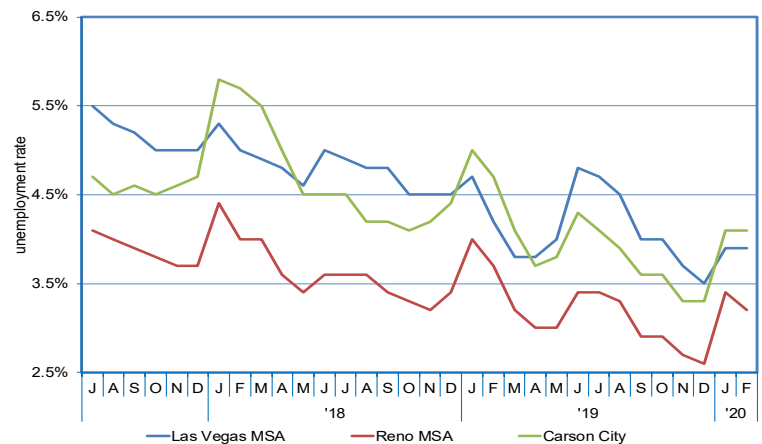
Unemployment Rate: Nevada vs. U.S.
(Seasonally Adjusted)



February (Not Seasonally Adjusted)

- Nevada = 3.8 percent; down 0.4 percentage point from February 2019.
- Las Vegas-Paradise MSA = 3.9 percent; down 0.3 percentage point from February 2019.
- Reno-Sparks MSA = 3.2 percent; down 0.5 percentage point from February 2019.
- Carson City = 4.1 percent; down 0.6 percentage points from February 2019.

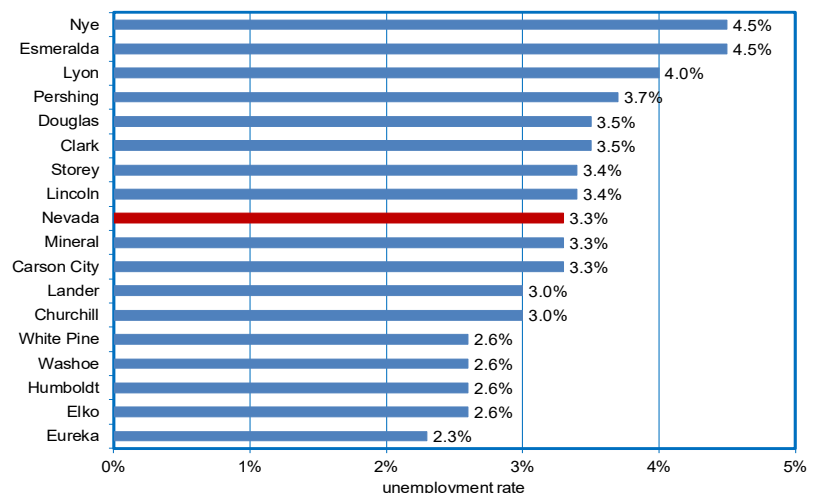
Unemployment Rate by Metro Area



February (Not Seasonally Adjusted)

- Unemployment rates ranged from 4.5 percent (Nye) to 2.3 percent (Eureka).
- Clark = 3.5 percent; Washoe = 2.6 percent; Carson City = 3.3 percent.

Unemployment Rate by County

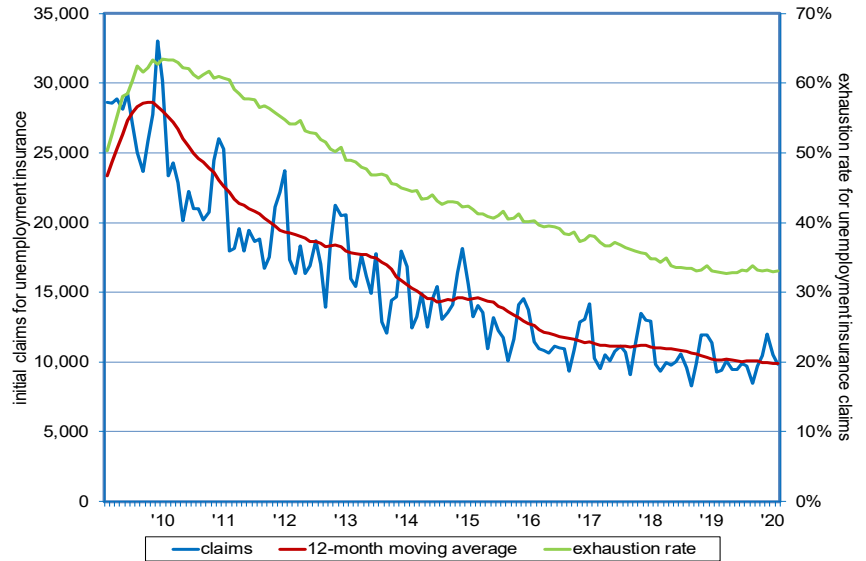


Unemployment

February

- Initial claims = 9,800
- Exhaustion rate (the percentage of unemployment insurance claimants who exhausted UI benefits prior to finding a job) = 33.10 percent.

Nevada Unemployment Insurance: Initial Claims and Exhaustion Rate

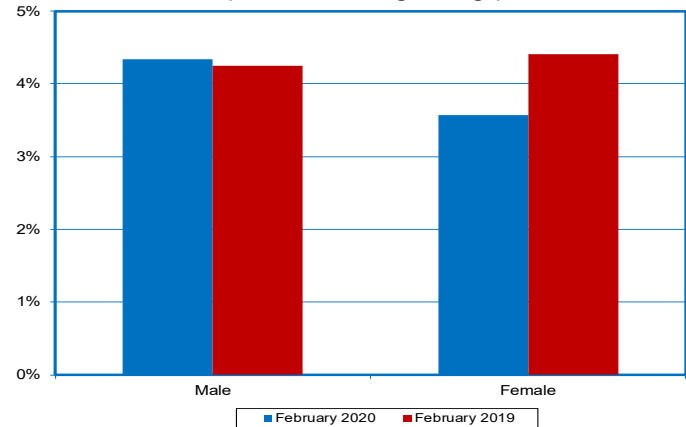


Demographics of the Unemployed

February

- Male unemployment rate = 4.3 percent; unchanged from January; up 0.1 percentage point from a year ago.
- Female unemployment rate = 3.6 percent; unchanged from January; down 0.8 percentage point from a year ago.

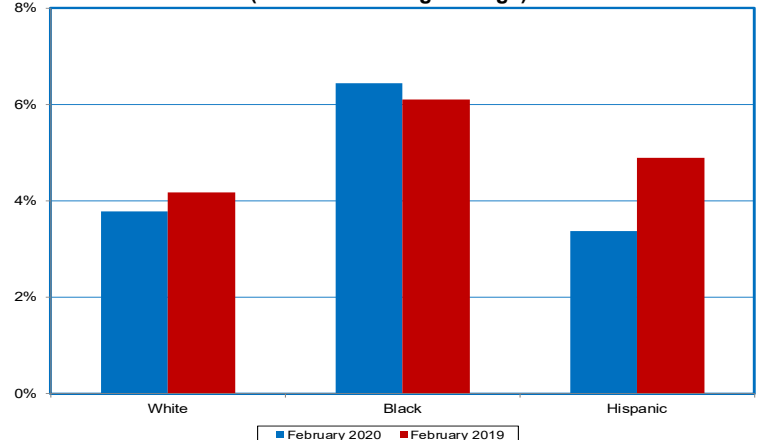
Unemployment Rate by Gender
(12-Month Moving Average)



February

- White unemployment rate = 3.8 percent; unchanged from January; down 0.4 percentage point from a year ago.
- Black unemployment rate = 6.4 percent; up 0.4 percentage point from January; up 0.3 percentage points from a year ago.
- Hispanic unemployment rate = 3.4 percent; down 0.2 percentage point from January; down 1.5 percentage points from a year ago.

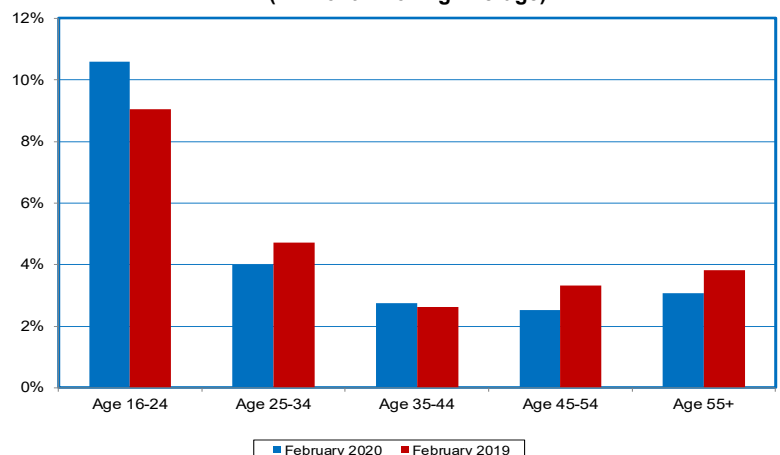
Unemployment Rate by Ethnicity
(12-Month Moving Average)



February

- Age 16-24 unemployment rate = 10.6 percent; up 0.4 percentage point from January up 1.5 percentage points from a year ago.
- Age 25-34 unemployment rate = four percent; down 0.1 percentage point from January; down 0.7 percentage point from a year ago.
- Age 35-44 unemployment rate = 2.7 percent; down 0.1 percentage point from January; up 0.1 percentage points from a year ago.
- Age 45-54 unemployment rate = 2.5 percent; down 0.2 percentage point from January; down 0.8 percentage point from a year ago.
- Age 55+ unemployment rate = 3.1 percent; up 0.1 percentage point from January; down 0.7 percentage point from a year ago.

Unemployment Rate by Age Group
(12-Month Moving Average)

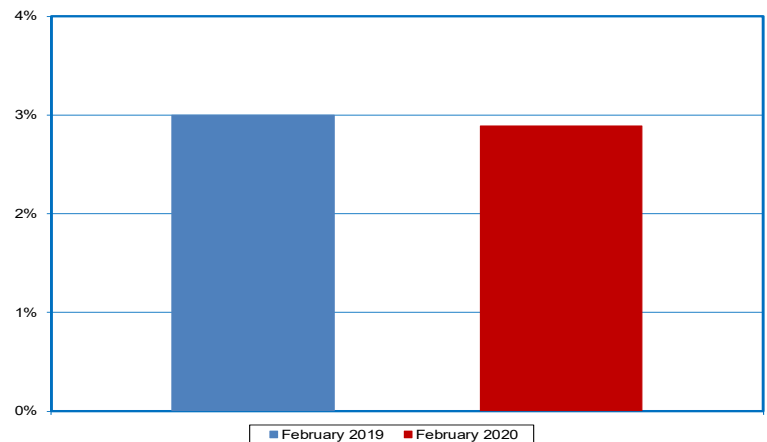


Demographics of the Unemployed

February

- Veteran unemployment rate = 2.9 percent; up 0.4 percentage point from January; down 0.1 percentage points from a year ago.

Unemployment Rate by Veterans' Status
(12-Month Moving Average)

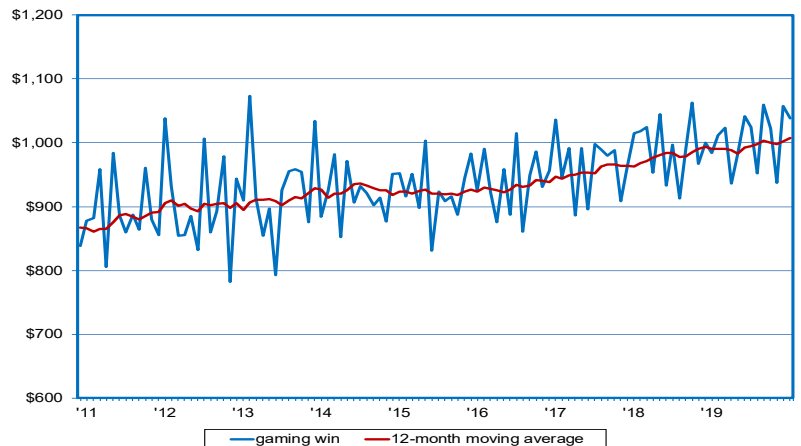


Economic Indicators

January

- Gross gaming win = \$1.038 billion
- Up 5.5 percent year-over-year; up 5.5 percent year-to-date over 2018.

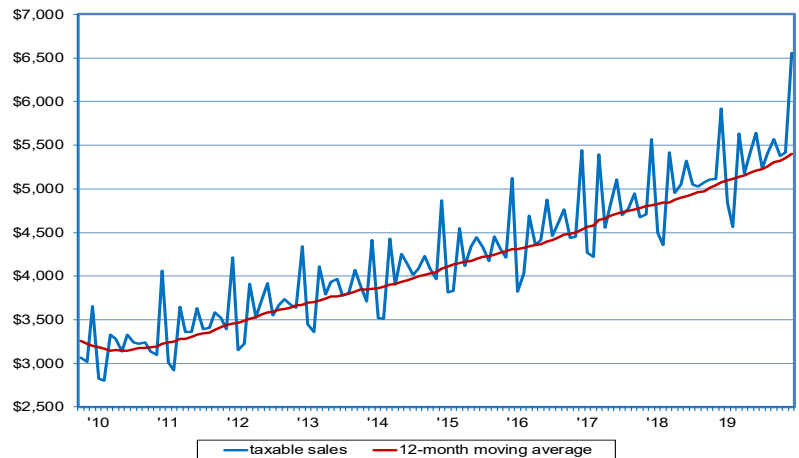
Nevada Gross Gaming Win
(Millions of Dollars)



December

- Taxable sales = \$6.55 billion
- Up 10.8 percent year-over-year

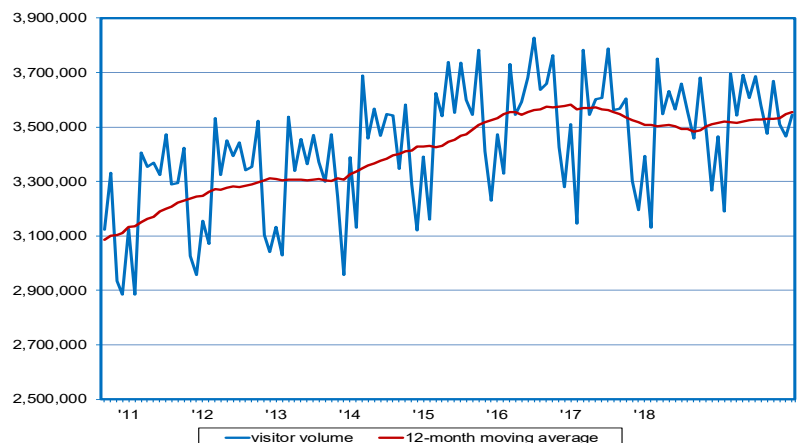
Statewide Taxable Sales
(Millions of Dollars)



January

- 3,545,100 visitors
- 80,200 visitor increase from prior year (2.3 percent); up 2.3 percent year-to-date over 2018.

Las Vegas Visitor Volume

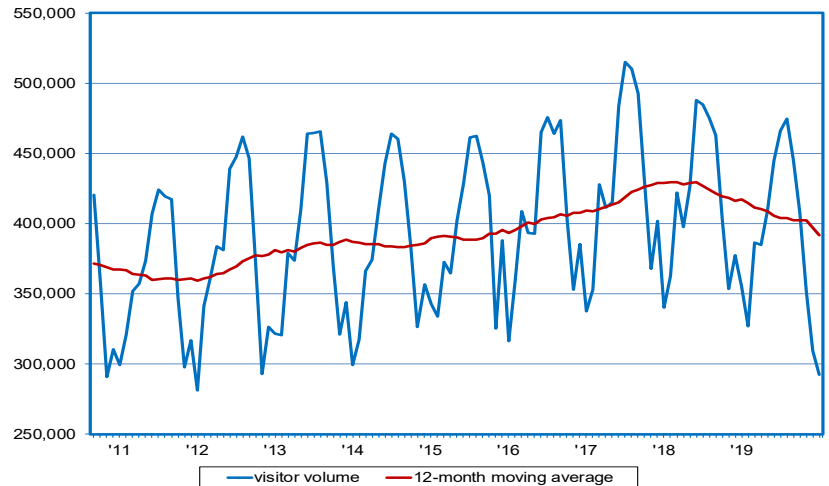


Economic Indicators

January

- 292,000 visitors
- 62,800 visitor decrease from prior year (17.7 percent); down 17.7 percent year-to-date over 2018.

Reno Visitor Volume

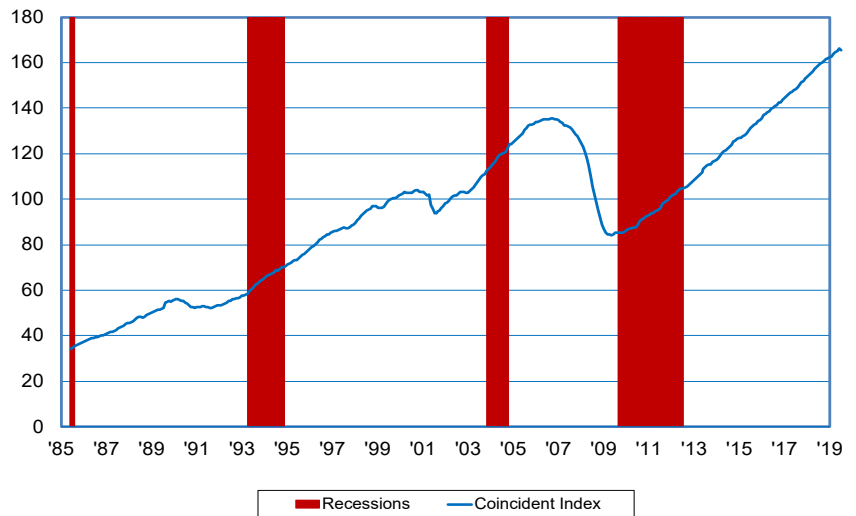


CBER-DETR Nevada Coincident and Leading Employment Indexes

January

- The Nevada Coincident Employment Index measures the ups and downs of the Nevada economy using an index of employment variables. The peak of the last employment cycle in Nevada occurred in March 2007. The coincident index then regressed steadily through October 2009, where it bottomed out.
- The January release tells a consistent, positive story for the coincident index and tells a mixed story for the leading index on a year-over-year basis. For the coincident index, the unemployment rate (inverted), household employment, nonfarm employment, and the insured unemployment rate (inverted) all moved in a positive direction.
- for the coincident index, the insured unemployment rate (inverted), household employment, and nonfarm employment moved in a positive direction. The unemployment rate (inverted), however, moved in a negative direction.

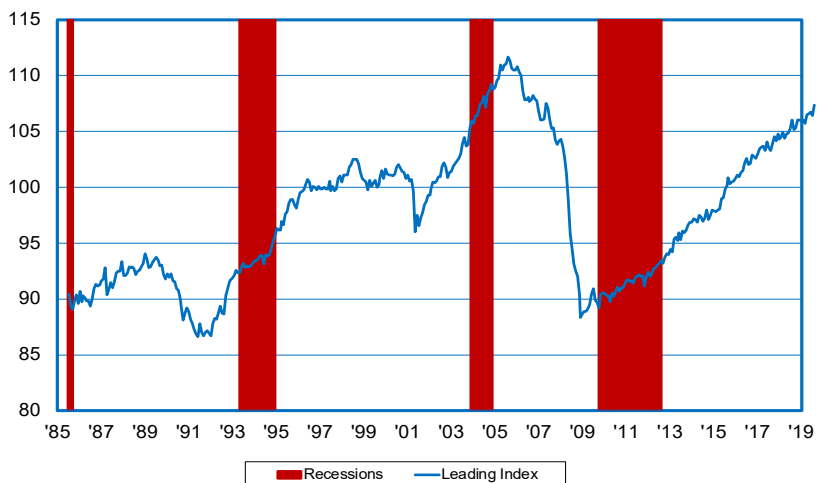
CBER-DETR Nevada Coincident Employment Index



January

- The Nevada Leading Employment Index measures the ups and downs of the Nevada economy, providing a signal about the future direction of the coincident index. For the current employment recession, the leading index provided a clear signal by peaking in January 2006, fourteen months before the coincident index reached its peak, and reached a bottom in May 2009, five months before the coincident index reached its bottom.
- For the leading index, the real 10-year Treasury interest rate (inverted), construction employment, the short-duration unemployment rate (inverted), and initial claims for unemployment insurance (inverted) all moved in a positive direction. Housing permits and commercial permits, however, moved in a negative direction.
- For the leading index, construction employment, initial claims for unemployment insurance (inverted), and the short-duration unemployment rate (inverted) all moved in a positive direction. Housing permits, the real 10-year Treasury interest rate (inverted), and commercial permits, however, moved in a negative direction.

CBER-DETR Nevada Leading Employment Index



Economy in Brief

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