

RCG NEVADA JOBS FLASH REPORT April 10, 2014



Nevada

Nevada's economy added **7,900** establishment-based jobs in February reaching a total of **1,192,300**. With the exception of a small loss of jobs in January, there has been a positive trend of job growth over the past seven months for the state. This increase led to a drop in the unemployment rate of 0.2 percentage points to **8.5%**. During the past 12 months, the employment-to-population ratio rose to **45.8%** or by 0.5 percentage points. The 12-month rolling average was 45.2%. The peak month for the ratio during the last 12 months was this February and the lowest point was in October, 2013 when it was 45.0%.

Nevada added **43,000** private-sector establishment-based jobs over the past 12 months. Excluding the Construction sector job gains, **36,000** establishment-based jobs were added during the period.

The **Top 3 sectors** in Nevada with the most job gains during the year were Leisure & Hospitality (**12,800 jobs**), Trade, Transportation & Utilities (**9,500 jobs**), and Professional & Business Services (**8,900 jobs**). The Natural Resources & Mining (-500 jobs) and Other Services (-1,000 jobs) sectors were the

only sectors that experienced job losses during the 12-month period.

The **Top 3 sectors** in the state with the most recent consecutive months of job gains were Professional & Business Services (**5 months**), Manufacturing (**3 months**), and Construction (**2 months**). The Natural Resources & Mining, Trade, Transportation & Utilities, and Other Services sectors are the only sectors with job losses in both January and February.

Las Vegas MSA

The Las Vegas MSA economy added a total of **4,800** establishment-based jobs in February resulting in a total of **859,900** jobs. This is an increase of 27,900 jobs compared to February 2013. The highest month of job gains in the past 12 months was April with 13,300 jobs followed by August with 10,000 jobs. The highest month of job losses was July at 10,300, followed by December with 2,700 jobs.

The Las Vegas MSA private sector added **26,600** establishment-based jobs from February 2013 to February 2014. Excluding the job gains in the Construction sector, the private sector added 25,400 establishment-based jobs during the same time period.

The February 2014 unemployment rate fell from the previous month by 0.3 percentage points to **8.6%** from 8.9% in January 2014. Additionally, it has fallen from 10.5% in February 2013 by 1.9%. Compared to February 2013, the employment-to-population ratio increased by 0.7 percentage points, to **45.3%** from 44.7%. The 12 month rolling monthly average was 44.7%. The peak month for the ratio during the last 12 months was this past February, and the lowest point was in August when it was 44.4%.

Most of Southern Nevada's major employment sectors saw a rise in jobs. The Top 3 sectors in jobs gains during the

past 12 months were Trade, Transportation & Utilities (**8,300 jobs**), Leisure & Hospitality (**7,000 jobs**) and Professional & Business Services (**5,900**). All other job sectors posted job gains besides the Natural Resources & Mining sector, which was flat over the year.

The top sectors in Las Vegas with the most recent consecutive months of job gains were Manufacturing and Information (3 months each). Construction, Natural Resources & Mining, Financial Activities, Professional & Business Services, and Leisure & Hospitality all had two months of consecutive job gains. Only Trade, Transportation & Utilities had two months of consecutive job losses.

Reno-Sparks MSA

Reno-Sparks area's economy added **2,800** jobs in February culminating in total of **200,100** jobs. This is the 7th consecutive month of job gains. Compared to February, 2013 this increase led to a drop in the unemployment rate of 2.0 percentage points from 10.8% to **8.8%**. Also compared to February, 2013, the employment-to-population ratio rose to **47.8%** or by 1.9 percentage points. The 12 month rolling average was 46.3%. The peak month for the ratio during the last 12 months was February, 2014, the most recent month and the lowest point was August, 2013 when it was 45.7%.

The Reno-Sparks MSA private sector added **10,000** establishment-based jobs from February 2013 to February 2014. When excluding the construction sector job gains, the private sector only added **7,400** establishment-based jobs.

For Reno-Sparks, **8 sectors** posted job gains over the year. The Top 3 sectors for job growth were Professional & Business Services (2,700 jobs), Construction (2,600 jobs), and Trade, Transportation & Utilities (1,900 jobs). The Other Services (-100) sector was the only sector that saw job losses.

In Reno-Sparks the Professional & Business Services sector had job growth for the past seven consecutive months. The Construction and Education & Health Services sectors both had two months of consecutive job gains. No industry sector had job losses in February.

Conclusion

The February data continue point to a steady but moderate job market recovery in Nevada, as a whole, and in its two metro areas – Las Vegas and Reno. We look forward to the improving job numbers translating into higher real wages and average hours worked per week, both of which have lagged but start should begin to follow in 2014. Our job forecasts still point a two-year timeframe before Nevada and its metros see 5%-6% unemployment indicating full employment.

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