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Nevada's Unemployment Rate Continues to Climb, Hitting 4.9 Percent for July

Nevada's unemployment rate rose for the fourth consecutive month, hitting 4.9 percent in July, and the highest rate posted since January 2004. For the third consecutive month, Nevada's rate remained higher than the national rate, which is 4.6 percent for July.

Bill Anderson, Chief Economist for the Department of Employment, Training & Rehabilitation (DETR) said the rate of job growth continued its five-year low of only 1.7 percent.

"July labor market reports typically are marked by a sharp decline in government employment following the end of the school year," Anderson said. "This July was no exception. Local government employment fell by 6,900 over the month, and government employment as a whole fell by 7,700. One measure of the health of the economy is the private sector's ability to absorb students and school personnel who choose to enter the summer labor market. By that measure, the July results were disappointing but reflective of the overall economic picture."

The employment services (temporary help) industry was the largest contributor to the July loss of 4,000 private sector jobs. That industry shed 2,300 jobs over the month, Anderson said.

"When the economy is expanding rapidly and labor markets are tight, employers often have to hire temporary workers to meet demand," Anderson said. "That clearly is no longer the case, as employment in the industry is back to its early-2005 level."

Meanwhile, the state's housing woes continue. In southern Nevada approximately 24,000 single-family homes are on the market, and the inventory is growing. Sales of new and existing homes are down about 40 percent from year-ago levels. Permits for new homes in both the Reno and Las Vegas areas are down approximately 50 percent so far this year. Fewer than 1,000 housing units were permitted in July in Clark County, the first time that has occurred since January 1993. The housing slump is likely to continue for some time.

While the job market is not performing at its peak, there is still some positive news to report, said DETR Director Larry Mosley.

“Despite the loss of 3,800 construction jobs due to the housing slowdown, and 3,500 jobs in the gaming industry due to mergers and property closures, Nevada’s private businesses added a net 14,900 jobs in the past year,” Mosley said. “Since the low point of post-9/11 employment, the private sector has added nearly 260,000 jobs. The near-term ride may be bumpy, but Nevada’s economy has shown resilience in the past and will in the future.”



DETR is comprised of the Employment Security Division, Equal Rights Commission, Rehabilitation Division, the Information Development and Processing Division and the Research and Analysis Bureau.

DETR works in partnership with the Nevada JobConnect System to connect businesses and workers.