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Nevada's Unemployment Rate Dropped in February to 4.3 Percent

Nevada's unemployment rate fell in February to 4.3 percent, making a notable recovery from January's 4.5 percent. The Department of Employment, Training & Rehabilitation (DETR) shows that the rate remains below February's national average of 4.5 percent.

January's post-holiday downturn and winter vacation for educators contributed to the rate being higher than previous months, said Terry Johnson, DETR director.

"We are pleased to see the unemployment rate for Nevada decrease in February," Johnson said. "Teachers and other education-related staff returned to work after being counted as unemployed during the winter break. Additionally, the retail industry numbers are more stable after moving beyond the holiday season."

About 13,000 jobs were added to Nevada's economy in February, which included 6,800 in government, marking the return of education-related jobs. Additionally, 3,900 jobs were added in the private service industries, which includes jobs related to transportation, warehousing, finance, tourism and business services.

Retail employment was reduced by 400 jobs in February, as temporary holiday help was lost.

While the state's unemployment rate fell in February, it is still higher than this time last year, Johnson said. February 2006 saw an unemployment rate of 3.8 percent, while the national average at that time was 4.8 percent.

"The number of people unemployed in Nevada is still low, which is indicative of a strong economy," Johnson said. "The economy has certainly slowed from a year ago when we were experiencing robust employment growth."

The housing slump remains a contributing factor to Nevada's unemployment figures, Johnson said. The construction industry added 2,200 jobs to February's employment increase, but the industry employed 1,100 fewer workers than in February 2006.

Additionally, DETR has seen a 50 percent increase in the number of construction-related claims for unemployment benefits within the last year, Johnson said.

"The housing market continues to slow down, causing construction-related jobs to be in less demand," Johnson said. "According to reports from the housing industry, requests for permits are down 50 percent."

Johnson said there is good news in a less conspicuous sector of Nevada's economy — manufacturing. Employment in manufacturing increased by 5.3 percent in Nevada over the past 12 months, generating 2,600 new jobs. During the same period nationwide, nearly 100,000 manufacturing jobs have been lost, which accounts for a 0.7 percent decline in employment.

Johnson said both components of the manufacturing industry — durable goods (items expected to last more than three years, like slot machines) and non-durable goods (food items, etc.) — have contributed to the increased employment.

"Such an increase in a non-gaming industry indicates Nevada's capacity to build a diverse economy and offer a broad range of jobs to people with a broad range of skills," Johnson said. "Nevada definitely shows promise for the coming year in terms of job growth and continued low unemployment. The state is still out-performing most of the U.S., which indicates that our economy is a healthy one."

Johnson said DETR will release statistics in April that will examine employment figures of the first quarter that followed the ban on smoking and the increase in the minimum wage.

"We are interested in seeing what the potential impact will be from the ballot questions on Nevada's workforce," Johnson said.



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.