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### **Nevada's Unemployment Rate Jumped to 8 Percent in November**

Nevada's unemployment rate jumped 0.4 percent to 8 percent (seasonally adjusted) in November, marking this the first time since February 1984 the rate has hit the 8 percent-threshold. In February 1984, there were 40,000 unemployed. In today's economy, the 8 percent jobless rate translates into 111,700 unemployed Nevadans, said Bill Anderson, chief economist for the state Department of Employment, Training & Rehabilitation (DETR). Nevada remained well above the national rate, which was at 6.7 percent in November.

The rise in unemployment was widespread, Anderson said. Carson City's unemployment rate jumped 0.7 of a percentage point, to 8.1 percent; and the jobless rate increased by 0.4 of a percentage point in both the Las Vegas-Paradise and Reno-Sparks metro areas, to 7.9 percent and 7.8 percent, respectively, Anderson said. (Unemployment rates for the state's metropolitan areas are not adjusted for seasonality. For comparison purposes, the state's unadjusted unemployment rate was 7.9 percent in November.)

"On December 1st, the Business Cycle Dating Committee of the National Bureau of Economic Research announced what many in Nevada have known for months: the economy is in recession," Anderson said. "Nevada's unemployment rate is indicative of the nation's failing economy and there's very little optimism that things will turn around soon."

Nationwide, employment fell by more than 500,000 for the first time since December 1974. Overall, employment has contracted by 1.9 million jobs so far this year.

In November, the Nevada economy shed 2,700 jobs from the previous month and 15,300 from a year earlier, Anderson said.

"The construction industry continues to struggle having lost 15,900 jobs over the year, and, despite the planned opening of the Encore in Las Vegas and the new jobs it represents, the Casino Hotel and Gaming industry has shed 5,100 jobs from a year ago," Anderson said.

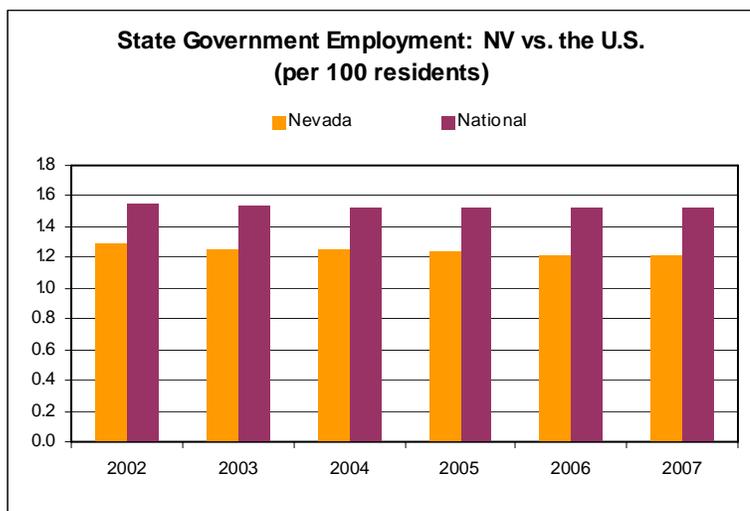
Additionally, the retail industry doesn't show much optimism this holiday season, Anderson said.

"November marks the official start of the holiday shopping season, an important time for retailers, jobseekers and the overall economy," Anderson said. "The season tends to mark the point when retailers get their financial books in the black. Also, the seasonal hiring surge offers much needed part-time and temporary employment opportunities for workers. However, retail hiring has been less than stellar so far this year. Retail employment grew by 2,700 from October to November, about 1,000 less jobs than the average job gains of the boom years from 2002 to 2007. The 2,700 new jobs mark the lowest October-November increase since 2001 when the sector added 2,600 jobs."

One area of employment showing some growth is the Government sector, Anderson said. Employment has grown by 5,500 jobs over the year, with most of the jobs coming from local government, particularly the public school systems. State government added 300 jobs over the year. Despite annual growth in State government employment, a long-term analysis suggests government employment growth has lagged behind that of the economy as a whole. Over the 2002-2007 period, state government employment grew at an average annual rate of 3.1 percent. Over the same period, total employment grew at a 4.2 percent rate. In Nevada, State government is a less prominent source of jobs than it is nationally (1.22 State government workers per 100 residents in Nevada in 2007, compared to 1.53 state government workers per 100 residents in the nation as a whole). Furthermore, this measure of state government's prominence as an employer in Nevada has been on the decline over the past several years. In 2002, there were 1.29 state government employees in Nevada for every 100 residents.

The rise in joblessness in Nevada has resulted in increased demands upon the State's unemployment insurance system, said Cynthia Jones, Employment Security Division Administrator and DETR Deputy Director.

"Growth in 'initial' benefit payments has been increasing since 2006 in Nevada, and at a pace that has been significantly higher than in the nation as a whole," she said. In the third quarter of this year, first payments were up 51 percent in Nevada. For the nation as a whole, first payment activity was up 30 percent. DETR sent out about 44,500 payments per week on average in November. Claims, payments and the benefit exhaustion rate all reached new historical highs."



(Initial payments refer to the first payment a person receives while receiving unemployment benefits.)

Jones added that Nevada’s unemployment insurance fund remains solvent, despite the increase in the number of payments. “Many states have run out of money or will run out of money as the number of people finding themselves unemployed continues to mount,” Jones said. “Nevada is fortunate that we do not expect to experience such a hardship. We collect taxes from employers in a way that allows us to remain solvent during difficult times.”

Due to the increasingly large number of people filing for benefits, the call centers continue to be overwhelmed with callers, often making it difficult to get through, Jones said. “Our call centers receive about 4,500 calls per day from claimants. We understand how frustrating it is to get a busy signal or to wait on hold to file for benefits,” Jones said. “We are expanding Unemployment Insurance system capacity as fast a possible, by hiring more staff, expanding technical capacity and authorizing staff to working overtime. We encourage people to use the website [www.expressclaim.org](http://www.expressclaim.org) as much as possible and ask for patience during this very busy time.”

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*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.*