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### **Nevada's Unemployment Rate Rises to 7.6 Percent in October**

Nevada's unemployment rate rose again for the sixth consecutive month, hitting 7.6 percent in October, which is the highest it's been since May 1985. The state's rate has exceeded the national average every month since mid-2007. The national rate was 6.5 percent in October.

“Key components of the State's economy—housing, commercial development and consumer spending—have been hit especially hard,” said Bill Anderson, chief economist for the Department of Employment, Training & Rehabilitation (DETR). “As a result, the State's jobless rate has leapt above the national average. Specifically, October's 7.6 percent (seasonally adjusted) jobless rate stands 1.1 percentage points higher than the national average. Nevada's unemployment rate is up significantly from a revised 7.2 percent in September and stands 2.5 percentage points higher than a year ago.”

Unemployment in the Las Vegas-Paradise MSA increased 0.2 of a percentage points from the previous month, in rising to 7.5 percent (not seasonally adjusted). A year ago, the rate was just 5 percent. In the Reno-Sparks MSA, the unemployment rate in October rose to 7.2 percent, up from 6.8 percent in September and 4.4 percent a year ago. (For comparison purposes, the State's unadjusted unemployment rate was 7.4 percent.)

“As we look at the continuing rise in unemployment, the major concern on everyone's mind is holiday retail sales and holiday hiring,” Anderson said. “Looking at the current evidence, it seems clear that seasonal hiring will be significantly lower than what we have seen in years past.”

Nevada is projected to see about a 2.6 percent increase in retail employment during the period of October to December this year, which equates to 3,670 new jobs, Anderson said. Seasonal hiring last year netted an increase of 3.3 percent or 4,600 new jobs.

“Nevada's seasonal hiring wasn't this low following September 11<sup>th</sup>,” Anderson said. “In 2001, Nevada saw a 2.9 percent increase in hiring from the third to fourth quarter. The job market will be tough for those hoping to find a temporary job this holiday season.”

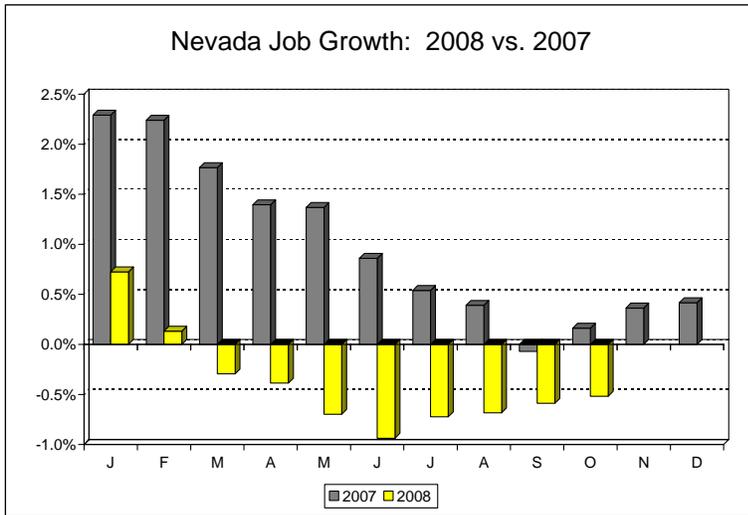
Projections for holiday spending are less than positive, which means retailers will be more cautious in padding their staffs. With the highest unemployment rate we've seen this decade, competition for those 3,600 jobs will be extremely fierce."

"Construction remains the hardest hit industry, as we continue to suffer at the mercy of the housing slump. October construction job readings are down by 15,000 relative to a year ago. There were only 329 new building permits issued for Clark County new home construction in October, a year-over-year decrease of 80.6 percent. Resales of existing homes continue to outpace year-ago levels by a significant margin, but the lack of new home construction is detrimental to the hopes of a rapid recovery in the construction and real estate industries." Anderson said. "While the growth in most industries has tapered off, there are still some industries adding employment. Examples include healthcare (i.e. hospitals, ambulatory healthcare) and educational services (i.e. trade schools)."

"The state's largest industry, leisure and hospitality added 1,200 jobs over the year. However, casino hotel and gaming job levels are actually down by 2,300 relative to a year ago, a reflection of the impacts of the global economic slowdown on Nevada businesses."

"October marks the eighth consecutive month that job levels have declined year-over-year. Nevada's economy has lost 6,700 jobs within the past year, however the state

gained 240,000 jobs, between 2002 and 2007. This would be one bright spot worth noting," Anderson said.



Additionally, the unemployment rate is expected to get as high as 8.8 percent in the fourth quarter of 2009, with relief in sight around 2010 with the anticipated opening of new properties, Anderson said.

With the continued rise in the number of people out of work,

DETR has experienced a drastic increase in the number of claims for unemployment benefits, said Cynthia Jones, Employment Security Division Administrator and DETR Deputy Director.

DETR mails out about 40,000 unemployment checks per week and receives about 48,000 claims through the phones and internet per week, Jones said. This is about an 80 percent increase over this time last year.

"Given this enormous volume, our wait times for filing are longer than usual," Jones said. "We are doing everything possible to make filing for unemployment benefits as efficient

and convenient as possible. Our employees are working overtime with new staff continuing to be added to help with the volume of claims. We just ask claimants for their continued patience through these difficult times.”

Jones offered some tips to help citizens obtain faster service, like calling during the middle of the week, avoiding using a cell phone and using the internet to file at [www.expressclaim.org](http://www.expressclaim.org). “Filing over the internet will result in the fastest service. I encourage everyone who can file over the internet to do so. Such will free up staff to assist citizens who cannot access a computer nor need additional help,” said Jones.



*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.*