

DIRECTOR
Larry J. Mosley



GOVERNOR
Jim Gibbons

OFFICE OF THE DIRECTOR

For Immediate Release
April 18, 2008

Contact: Mae Flennoy
Public Information Officer
Phone: 702.486.7991
Cell: 702.249.6324

Nevada's Unemployment Rate Jumps to 5.8 percent in March

In March, Nevada's unemployment rate was 5.8 percent. The state experienced its highest rate of unemployment and lowest rate of job growth in nearly six years. The national unemployment rate was 5.1 percent. Employment in the state, while rising modestly over the month, is 0.3 percent *below* the level of March 2007, the largest year-over-year percentage decline since July 2002, said Bill Anderson, chief economist for the Nevada Department of Employment, Training & Rehabilitation (DETR).

"The only good news came from the state's mining regions," Anderson said. "Elko, Esmeralda, Humboldt, Lander and White Pine counties posted unemployment rates below 5.0 percent in March."

The onset of spring typically leads to solid job creation in two of Nevada's key industries, construction and gaming, Anderson said. From 2002 through 2007, the construction industry added, on average, more than 2,500 jobs from February to March. This year the industry *lost* 300 jobs over the month, as new home construction remained at a virtual standstill. During the previous six years employment in the casino hotels and gaming sector increased by an average of more than 1,000 jobs in March—typically a strong convention month in Las Vegas. In March 2008 gaming employment grew by only 100. The Nevada economy as a whole created 2,000 new jobs in March this year, well below the average of nearly 12,000 jobs added during the month over the past six years, Anderson said.

"The national economic picture was equally discouraging," Anderson said. "The U.S. unemployment rate rose by three-tenths of a percentage point over the month to 5.1 percent, the highest rate reported since September 2005. The U.S. economy lost 80,000 jobs in March and 232,000 in the first quarter of 2008, the biggest three-month job loss in five years. The specter of looming job losses combined with record gasoline prices, rising food costs, declining home values and large numbers of mortgage foreclosures have driven consumer confidence to new lows."

It should be noted that revised labor force data for 2006 and 2007 has been released. The size of Nevada's labor force was revised downward by more than 10,000 each year, reflecting slower population growth, Anderson said. However, changes to unemployment rates for the state and its major labor markets were minimal. Nevada's average annual unemployment rates—4.2 percent in 2006 and 4.8 percent in 2007—were unchanged, although the first half of 2007 was worse than originally reported and the second half was better. The Las Vegas MSA saw its average annual rate revised from 4.1 percent to 4.2 percent in 2006, but the 2007 average was unchanged at 4.8 percent. The Reno MSA's rates remained unchanged at 4.0 percent in 2006 and 4.6 percent in 2007. The Carson City MSA and the Elko micropolitan area (Elko and Eureka counties) saw their 2007 average annual unemployment rates lowered by two-tenths of a percentage point to 5.2 percent and 3.5 percent, respectively.



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.