



Nevada Governor
BRIAN SANDOVAL

DETR Director

Larry J. Mosley

DETR's Research and Analysis Chief Economist

Bill Anderson



PRESS RELEASE

Media Contact:

Mae Worthey

(702) 486.7991

(702) 249.6324

For Immediate Release

May 20, 2011

UNEMPLOYMENT RATES

JOB GROWTH RATES

	<u>Apr '11¹</u>	<u>Apr '10</u>	<u>Mar '11</u>	<u>Apr '11¹</u>	<u>Apr '10</u>	<u>Mar '11</u>
Nevada ²	12.5%	14.9%	13.2%	(0.1)%	(3.4)%	0.6%
Las Vegas-Paradise MSA ³	12.1	15.1	13.3	(0.3)	(3.5)	0.5
Reno-Sparks MSA ³	11.7	14.4	13.1	(1.1)	(2.7)	0.2
Carson City MSA ³	11.7	14.3	13.2	0.3	(3.7)	0.7
United States ²	9.0	9.9	8.8	1.1	(1.3)	1.0

Nevada's Unemployment Rate Falls To 12.5 Percent

The unemployment rate fell for the fourth consecutive month, dropping from 13.2 percent in March to 12.5 percent in April. The number of jobless fell by 9,800, with roughly two-thirds of those workers entering employment. Nevada's employers added about 3,600 jobs between March and April, about 1,100 more than expected. However, job readings were down slightly, by just 0.1 percent, relative to a year ago.

"A tepid economic recovery continued to take hold in Nevada, in April," said William Anderson, chief economist for the Department of Employment, Training and Rehabilitation. "On the down side, the labor force continued to drop, adding to the roughly 44,000 who exited the workforce in the last 12 months. However, Nevada's recent improvement is at last beginning to align with national trends. As expected, Nevada lags the recovery, but the gap, at least measured by the unemployment rate is beginning to narrow."

The unemployment rate in each of the state's regional labor markets fell significantly, driven by falling unemployment and labor force contraction. The biggest drop occurred in Carson City, where the unemployment rate fell 1.5 percentage points to 11.7 percent from March to April. Over the month, changes followed suit in Las Vegas where the rate fell 1.2 percentage points to 12.1 percent, and in Reno-Sparks, the rate fell 1.4 points to 11.7 percent. In the Elko area, the unemployment rate dropped a full percentage point to 6.9 percent.

¹Preliminary estimates

²Unemployment rates are seasonally adjusted for the State of Nevada and the United States

³Metropolitan Statistical Area (Las Vegas-Paradise MSA = Clark County; Reno-Sparks MSA = Washoe & Storey counties; Carson City MSA = Carson City)

(Unemployment rates for the State's metropolitan areas are not adjusted for seasonality. For comparison purposes, the State's unadjusted unemployment rate was 11.9 percent in April, down from 13.2 percent in March.)

“While positive on the surface, the trend points to continued deterioration of the labor force as opposed to outright economic improvement,” Anderson said.

In December 2010, the difference between the unemployment rate in Nevada and the U.S. peaked at 5.5 percentage points. At the time, Nevada's unemployment rate equaled 14.9 percent, while the national jobless rate was 9.4 percent. In recent months, the decline in the national unemployment rate stalled, while Nevada's rate has fallen considerably. Since December, the national unemployment rate fell just four-tenths to 9.0 percent. Over the same time, Nevada's rate fell 2.4 percentage points. The difference now stands at 3.5 percentage points. Despite the improvement, Nevada's economy, like the national economy continues to struggle, especially with new job creation.

“In the wake of March's large payroll gain, which was revised up to 11,000, Nevada payrolls could not sustain the momentum; however, the economy was able to eke out 3,600 new jobs,” Anderson said. “Over the past ten years, payroll increases in April have averaged 7,100 new jobs, making this month's estimate about half the average. Out of Nevada's three major metro areas, the Las Vegas-Paradise MSA had the largest increase in payrolls at 1,100. The Reno-Sparks MSA added 300 jobs, and Carson City area employers added 100 new jobs.”

At the statewide level, gains in accommodation and food services (4,600), including casino-hotels, hotels/motels, restaurants and bars, more than offset losses in the construction industry (-2,100) and financial activities (-700). The wholesale industry, typically a stable industry, shed 1,200 jobs in April. Numerous categories were affected from grocery, computers, furniture, medical/dental and industrial machinery wholesalers. The loss of construction jobs in April erased gains made in February (1,400) and March (700). The retail sector gained 600 positions and will likely continue adding jobs throughout the summer.

“Consumers appear to be moving into a better financial position,” Anderson said. “Lower household debt loads and waning job uncertainty is allowing consumers to burn off some pent up demand. A key measure of economic activity in Nevada, taxable sales, has shown steady improvement this fiscal year. Through the first eight months of fiscal year 2011, taxable sales receipts are up 5.0 percent over 2010. Apparently, people are dining out more. Tax collections for restaurants and drinking places are up 4.8 percent. Nevadans may have tired of putting off car purchases and are trading in old vehicles for new. Motor vehicle sales are up nearly 10 percent. Other industries reporting increased sales include accommodations (14.5 percent), clothing stores (10 percent) and wholesale trade (3.4 percent). Construction purchases, on the other hand continue to drag down the broader economy. Construction related taxable receipts are down 22.8 percent and building materials are down 1.6 percent.”

The U.S. Census recently began releasing results from last year's decennial census. Initial estimates show that the size and face of Nevada changed markedly over the previous ten years. From 2000 to 2010, 702,294 new residents called the Silver State home. That equates to a 35 percent increase from nearly two million in 2000 to 2,700,551 in 2010. Clark County captured most of those residents where the population grew by 575,504, or 41.8 percent. Yet, this was not the biggest increase on a percentage basis -- Lyon County's population doubled over the decade adding 17,400 residents. The largest decrease on a percentage basis occurred in Esmeralda County, which declined by 19.4 percent with the loss of 188 residents. Four counties had population growth in excess of 25 percent: Lyon (50.7), Clark (41.8), Nye (35.3), and Lincoln (28.3).

The face of Nevada changed considerably over the last ten years as well. Asians were the fastest growing race in the state. The group saw an increase of 118 percent, a statistically significant change from ten years ago.

Asians make up 7.2 percent of Nevada's population, up from 4.5 percent in 2000. Whites comprise two-thirds of the state's population, down from 75.2 percent in 2000. The Hispanic/Latino population, which is not classified as a racial category, increased by 81.9 percent, and non-Hispanics/Latinos increased by 23.7 percent. The Hispanic/Latino group gained a weighty share of Nevada's population, growing from 19.7 to 26.5 percent of the State's demographic makeup over the decade.



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 provide training and job placement services to job seekers and to assist employers in hiring practices.