



NEVADA GOVERNOR
BRIAN SANDOVAL
DETR DIRECTOR
FRANK R. WOODBECK



Media Contact:
 Mae Worthey
 (702) 486.7991
 (702) 249.6324

DETR's RESEARCH AND ANALYSIS DIVISION
CHIEF ECONOMIST BILL ANDERSON

PRESS RELEASE

	<u>UNEMPLOYMENT RATES</u>			<u>JOB GROWTH RATES</u>		
	<u>Nov '11</u> ¹	<u>Nov '10</u>	<u>Oct '11</u>	<u>Nov '11</u> ¹	<u>Nov '10</u>	<u>Oct '11</u>
Nevada ²	13.0%	14.9%	13.4%	1.1%	(1.6)%	1.1%
Las Vegas-Paradise MSA ²	12.5	14.9	13.1	1.4	(2.0)	1.4
Reno-Sparks MSA ³	11.6	13.6	12.1	(0.8)	(1.8)	(0.9)
Carson City MSA ³	11.7	13.5	12.0	(1.7)	(0.3)	(2.1)
United States ²	8.6	9.8	9.0	1.2	0.5	1.2

For Immediate Release
 December 19, 2011

Nevada's Unemployment Rate Falls to 13 Percent in November

Nevada's unemployment rate fell in November for the first time since May, to a seasonally-adjusted 13 percent. The rate is down nearly two percentage points from the same time last year, pushing the estimate of jobless Nevadans down to 171,800 from 198,200.

“This month’s unemployment number, while still unacceptably high, shows that we are starting to see steady increases in hiring,” Governor Brian Sandoval said. “In addition to a trend of adding jobs on a consistent basis, we are beginning to see increased signs of growth. While the recovery remains fragile, it appears economic growth will come at a modest and steady pace.”

Nevada’s non-seasonally adjusted unemployment rate dropped a half percent to 12.2 percent in November. Similar changes occurred in the State’s regional economies. In Las Vegas, the unemployment rate fell to 12.5 percent in November from 13.1 percent in October. The jobless rate dropped in the Reno-Sparks area, falling from 12.1 percent in October to 11.6 percent in November. In Carson City, the unemployment rate fell to 11.7 percent from 12.0 percent in October. The unemployment rate in the Elko area fell one-tenth of a percentage point to 6.6 percent. Elko’s unemployment rate is two percentage points below the national average and more than five percentage points lower than the Statewide rate.

¹ Preliminary estimates

² Unemployment rates are seasonally adjusted for the State of Nevada and the United States. The seasonal adjustment process takes into account normal and predictable fluctuations in labor market activity due to such reoccurring factors as changes in the weather, the beginning and end of the academic year, the timing of holidays, etc., in estimating the unemployment rate. As a result, month-to-month changes in the rate offer a more precise measure of the labor market’s underlying health and do not simply reflect normal seasonal patterns.

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

⁴ Unemployment rates for the State’s metropolitan areas reported here are not adjusted for seasonality. Hence, comparisons to the State’s seasonally adjusted rate should be avoided. Legitimate comparisons, however, can be made to the State’s unadjusted rate -- 12.2 percent in November, down from 12.7 percent in October.

"Nevada's economy continued on a path of stabilization in November, while showing modest improvement overall," said Bill Anderson, chief economist for the Nevada Department of Employment, Training and Rehabilitation (DETR). "Employment grew for the fifth consecutive month, adding 1,300 jobs in November based on a seasonally adjusted basis. In all, employers have added 7,800 jobs since June."

Nevada's non-seasonally adjusted payroll employment fell by 600 in November, but is up on an over-the-year basis by 12,600. Carson City had no change in employment from October to November and is down 500 (-1.7 percent) year-over-year. Las Vegas lost 400 jobs, but is up 11,400 year-over-year. Reno posted a gain of 200 (0.2 percent) jobs, but is down 1,500 (-0.8 percent) year-over-year. The Reno-Sparks area has added 3,700 (2 percent) jobs since reaching an employment trough in January.

Employment in retail trade rose by 3,300 in November, with much of the increase occurring in general merchandise and clothing accessories stores (+3,900). Employment in leisure and hospitality reversed course to decline by 4,300 (-1.3 percent). Within the industry, accommodation and food services lost 3,700 jobs and arts, entertainment, and recreation lost 600 jobs. Employment in professional and business services shed 200 jobs; however, temporary help services balanced out the losses by adding 500 jobs.

People employed in education and health services declined by 400 this month after reaching an all time high in October. Within the industry, health care and social assistance lost 600 jobs, while educational services gained 200. Over the past 12 months, education and health services added an average of 400 jobs per month.

Manufacturing employment changed little over-the-month and remains near the bottom of a trough. Employment levels in manufacturing have not been this low since the mid 1990s. In November, computer and electronic product manufacturing lost 200 jobs and miscellaneous manufacturing lost 100 jobs.

Construction employment added 1,000 jobs in November. Employment in the industry is essentially the same as last year. Government employment changed little, with federal government dropping 200 jobs, local government adding 300 jobs, and state government flat.

Key economic indicators from the State's tourism and retail industries have been running positive for some time. For instance, gaming win grew by 8.1 percent in September and is up 2.5 percent year-to-date, taxable sales have grown 15 straight months and are up 10.4 percent on an annual basis and lastly, Las Vegas visitor volume will likely reach precession levels this year. Overall, job growth is finally trending in positive territory, especially in related industries, though it has yet to translate into broad based labor market improvement. Two industries in particular are leading based on employment growth: leisure and hospitality and professional and business services. Employment is up 4.2 percent in each industry on a year-over-year basis, adding a combined 18,800 jobs to the State's employment base.

A broader scan of workforce indicators suggests deeper structural weakness than the unemployment rate suggests. While the publicized unemployment rate (includes unemployed workers actively seeking employment) has fallen significantly in the last year, a broader measure of unemployment has not followed suit. When you account for the discouraged (includes the unemployed who would like a job, but are not seeking employment) and the underemployed due to economic reasons, the unemployment rate is running at 23.3 percent based on a four quarter moving average.

That is down just 0.4 percentage point since peaking at 27.7 in the first quarter of 2011. In the last year, while unemployment fell, many workers fell into the discouraged worker category. The declining labor force continues to push the labor force participation rate down. Leading up to the recession, the participation rate was holding steady at roughly 67.5 percent. In the last year, the rate has fallen to a new low of just 65.2 percent, meaning fewer potential workers are able to or want to find employment. Additionally, African-Americans and Hispanics have been hit harder during the recession than Caucasians. In Nevada, unemployment over the past year for Blacks is 21.6 percent and 14.9 percent for the Hispanic population.

On a more positive note, a couple of indicators have shown recent improvement: mass layoffs and average weekly hours worked. Mass layoffs have fallen to a more traditional pattern this year. The number of layoff events of 50 or more through the first three quarters of 2011 totaled just 24, down from 49 in 2010 and 166 in 2009 over the same time frame. That translates into job separations of just 6,696 in 2011, compared to 9,523 in 2010 and 28,378 in 2009. Average weekly hours worked has improved this year, as well rising from 34.1 hours per week to 34.7. While still down considerably since peaking at 37.6 in July 2007, the recent increase shows that employers are able to offer more work due to increased demand for goods and services. Combined, the two indicators suggest business conditions are improving in Nevada.

-##-

For Up To Date Labor Market information at www.nevadaworkforce.com.

Follow us on Twitter: <http://twitter.com/NVlabormarket>

Please Note: The Research and Analysis Bureau publishes a Power Point presentation summarizing national, State, and local economic and labor market trends in graphs and charts in conjunction with this monthly press release. The presentation, entitled Nevada Labor Market Briefing can be found at <http://www.nevadaworkforce.com>, along with our regular press release materials.



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.