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DETR'S RESEARCH AND ANALYSIS BUREAU
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PRESS RELEASE

	<u>UNEMPLOYMENT RATES</u>			<u>JOB GROWTH RATES</u>		
	<u>Mar '12¹</u>	<u>Mar '11</u>	<u>Feb '12</u>	<u>Mar '12¹</u>	<u>Mar '11</u>	<u>Feb '12</u>
Nevada ²	12.0%	13.6%	12.3%	0.4%	0.5%	0.0%
Las Vegas-Paradise MSA ³	12.1	13.7	12.2	0.3	0.5	0.0
Reno-Sparks MSA ³	12.0	13.5	12.2	(0.7)	(0.6)	(1.3)
Carson City MSA ³	12.4	13.5	12.6	(3.5)	(1.4)	(4.5)
United States ²	8.2	8.8	8.3	1.5	1.2	1.5

For Immediate Release
 April 20, 2012

Nevada's Unemployment Rate Down to 12 Percent In March

Nevada's jobless rate fell for the seventh consecutive month, falling from 12.3 percent in February to 12 percent in March. The rate is still 3.8 percentage points higher than the national average, but the differential is the lowest it has been in almost two years.

Unadjusted rates at the state and sub-state level declined in March. Nevada's unadjusted unemployment rate fell to 11.9 percent from 12.2 percent in February. In the Las Vegas metro area, the unemployment rate dropped one-tenth to 12.1 percent. The jobless rate in the Reno area dropped two-tenths from 12.2 percent to 12 percent in March. In Carson City, the unemployment rate declined to 12.4 percent in March from 12.6 in February.

"Unfortunately, most of the decline was attributed to erosion in the labor force, as opposed to outright improvement," said Bill Anderson, chief economist for the Nevada Department of Employment, Training and Rehabilitation (DETR). "The drop is partly due to discouraged workers who have simply given up looking for work. Nevertheless, the news is not all bad. The labor market is showing some positive signs of recovery."

More encouraging news came from the payroll survey of employers. After a weak February report, March results were much more positive, Anderson said. Typically in March, Nevada would expect to experience a job gain of around 3,700 relative to February. However, there was actually a gain of 8,700 jobs, with the end result being a "seasonally adjusted" gain of 5,000, Anderson said.

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 – 11.9 percent in March, down from 12.2 percent in January.

(Nationwide, about 120K jobs were added in March.) So far this year, about 8,300 jobs have been added compared to the first quarter of 2011.

Employment levels rose in all Nevada metropolitan areas in March. Carson City added 200, Reno added 300 and Las Vegas added 3,600 jobs. Only Las Vegas has gained jobs on an over-the-year basis, with an additional 2,100 more jobs in March 2012. There are 1,400 fewer jobs in Reno/Sparks and 1,000 fewer jobs in Carson City compared to March of last year.

“While employment growth (number of people employed) in the near term is expected to be slow to moderate, job growth (number of jobs created) is expected to pick up significantly in the longer term,” Anderson said. “For those considering a career path or retraining for a new career it’s important to consider the opportunities available at a range of training levels.”

Jobs with higher level training requirements are expected to grow the fastest on a percentage basis. With a 10-year growth rate of 18.1 percent, jobs requiring an associate degree are expected to grow by 700 per year. Examples of these positions include registered nurses, computer support specialists, dental hygienists and paralegals. The largest number of available job openings will continue to be found in occupations requiring on-the-job training. Despite the relatively low growth rate (5.3 percent), these occupations are expected to add about 4,800 jobs per year. These include cashiers, retail sales workers, food servers, office clerks, laborers, etc.

Nonfarm payroll employment rose by 5,000 in March driven largely by the private-sector, which grew by 4,700 jobs. Mining employment rose by 300 in March and set a new series peak dating back to 1990. Construction (-900) continued to trend down in March. Within trade/transportation/utilities, retail trade (-100) reached a new post boom low after four consecutive months of job losses. Losses in retail were offset by gains in wholesale trade (+200) and transportation, warehousing, and utilities (+300).

Rural mining areas of the state continue to benefit from the effects of elevated gold prices. Gold prices appear to have peaked in recent months after rising essentially non-stop for nearly three years. At a range of \$1,650-\$1,750 per ounce over the past four months, prices are a level that should continue to drive development in the region. As a result of recent mining activity, unemployment rates in Nevada’s rural areas remain relatively low. In March, the unemployment rate in Elko, Eureka, Lander, Humboldt and White Pine counties ranged from a high of 7.1 percent in White Pine to 5.7 percent in Lander.

In March, the financial activities sector rose by 200 jobs. Within the industry, finance and insurance; and real estate and rental/leasing each added 100 jobs. Employment in professional and business services was up by 3,000 in March, with most of the gains occurring in administrative, waste management, and remediation services (+2,900). Health care and social assistance broke a four month downward trend with the addition of 400 jobs in March. The education services sector was unchanged over the month after increasing by 300 in February. Within leisure and hospitality, employment in accommodation and food services rose by 1,300 in March and has risen by 15,200 jobs, or 5.4 percent over the past two years. Although arts, entertainment and recreation lost 100 jobs in March, the sector has grown by 2,100 jobs, or 8.3 percent, over the last two years.

The average workweek for all employees on private nonfarm payrolls edged lower by 0.1 hour to 34.2 in March on a 12 month moving average. Average hourly earning for all employees on private nonfarm payrolls rose by five cents, or 0.3 percent, to \$19.50. Over the past year, average hourly earnings have increase by 2.0 percent. As Nevada’s labor markets have stabilized and slowly improved, personal income growth has turned positive. Specifically, after declining relative to a year ago in six consecutive quarters at the height of the recession, total personal income in Nevada has increased in each of the past seven quarters, through the end of 2011.

“As we’ve noted previously, it became quite apparent during the most recent recession that Nevada’s economic fortunes are very much tied to the U.S. economy,” Anderson said. “For the state’s modestly improving labor market to continue to strengthen, underlying fundamentals in the U.S. economy must be favorable. Recent evidence does point to improvements in the national labor market, despite month-to-month volatility. For instance, after plummeting during the recession, the number of individuals reporting that they have remained employed in the current and previous months has been trending noticeably higher nationwide.”

While job growth has been trending ever-so-slightly positive over the past several months, an examination of the underlying labor market “churn” sheds considerable light on labor market dynamics. During the recession, gross job gains at expanding or opening private sector establishments tumbled noticeably in Nevada, while gross job losses at closing or contracting establishments spiked. As the state’s labor market improved, albeit haltingly, gross gains have stabilized, while gross losses are easing down. In last year’s second quarter (the most recent data available), gross job gains and losses were nearly identical, at around 62,000.

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



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.