

**RCG NEVADA JOBS FLASH REPORT
February 3, 2014****Nevada**

Nevada's economy added 1,500 establishment-based jobs in December reaching a total of 1,185,700. This is the 5th consecutive month of job gains for the state. This increase led to a drop in the **unemployment rate** of 0.1 percentage points to 8.9%. During the past 12 months, the **employment-to-population ratio** rose to 45.1% or by 0.5 percentage points. The 12-month rolling average was 45.1%. The peak month for the ratio during the last 12 months was November, 2013 and the lowest point was in December, 2012 when it was 44.6%.

Nevada added 18,000 private-sector establishment-based jobs over the past 12 months. Excluding Construction sector job losses, the private-sector added 18,900 establishment-based jobs during the period.

The **Top 3 sectors** in Nevada with the most job gains during the year were Trade, Transportation & Utilities (10,200 jobs), Education & Health Services (4,300 jobs), and Government (3,500 jobs). The Financial Activities (-700), and Construction (-900) sectors were the only sectors that experienced job losses during the 12-month period.

The **Top 3 sectors** in Nevada with the most recent consecutive months of job gains were Trade, Transportation & Utilities (5 months), Government (5 months) and Professional & Business Services (3 months). The Construction and Other Services sectors are the only sectors with job losses in both December and November.

Las Vegas MSA

The Las Vegas MSA economy lost a total of 2,700 establishment-based jobs in December resulting in a total of 855,400 jobs. This is an increase of 16,700 jobs compared to December 2012. The average monthly gain from January through December was 2,067 jobs. December was the 3rd highest month of job losses in 2013. The highest month of job gains was April with 13,300 jobs followed by August with 10,000 jobs. The highest month of job losses was July at 10,300, followed by January with 4,300 jobs. The Las Vegas MSA private sector added 11,300 establishment-based jobs from December 2012 to December 2013. Excluding the losses in the Construction sector, the private sector added 14,600 establishment-based jobs during the December-December period..

The December 2013 unemployment rate rose from the previous month by 0.3 percentage points to 8.0% from 8.6% in November 2013. Additionally, it has fallen from 10.0% in December 2012 by 1.1%. Compared to December 2012, the employment-to-population ratio increased by 0.6 percentage points, to 44.9% from 44.3%. The 12 month rolling monthly average was 44.6%. The peak month for the ratio during the last 12 months was this November when it was 44.9%, and the lowest point was in January when it was 44.1%.

Most of Southern Nevada's major employment sectors saw a rise in jobs. The Top 3 sectors in jobs gains during the past 12 months were Trade, Transportation & Utilities (6,900 jobs),

Government (5,400 jobs) and Professional & Business Services (4,600). Conversely, the Natural Resources & Mining (-100), Information (-500) and Construction (-3,300) sectors saw declines in employment.

The Top 3 sectors in Las Vegas with the most recent consecutive months of job gains were Trade, Transportation & Utilities (5 months), Education & Health Services (5 months) and Government (4 months). The Leisure & Hospitality sector had the most recent consecutive months of job losses (4 months). The Construction sector was next with two consecutive months of job losses.

Reno-Sparks MSA

Reno-Sparks area's economy added 300 jobs in December culminating in total of 196,900 jobs. This is the 5th consecutive month of job gains. Compared to December, 2012 this increase led to a drop in the unemployment rate of 1.2 percentage points from 9.6% to 8.4%. Also compared to December, 2012, the employment-to-population ratio rose to 46.5% or by 0.7 percentage points. The 12 month rolling average was 46.1%. The peak month for the ratio during the last 12 months was November, 2013 at 46.6% and the lowest point was August, 2013 when it was 45.7%.

The Reno-Sparks MSA private sector added 3,400 establishment-based jobs from December 2012 to December 2013. The Construction sector in this area did see job growth however. When excluding those job gains, the private sector only added 3,100 establishment-based jobs.

For Reno-Sparks, 5 sectors posted job gains over the year. The Top 3 sectors for job growth were Trade, Transportation & Utilities (2,200 jobs), Leisure & Hospitality (1,000 jobs) and Education & Health Services (400 jobs). The Other Services (-100), Manufacturing (-200),

Professional & Business Services (-300) and Government (-800) sectors saw the biggest job losses.

In Reno-Sparks two sectors had job growth for the past five consecutive months. They were the Professional & Business Services and Government sectors. No other industry sector had more than one consecutive month of job growth in the area. The Leisure & Hospitality and Trade, Transportation & Utilities sectors both lost jobs in December, but no industry in the area has seen consecutive monthly job losses in the most recent months.

Conclusion

The December jobs data clearly point to a steady economic recovery in Nevada, as a whole, and in its two biggest metro areas – Las Vegas and Reno. While the state's job market is on a moderate recovery glide path, headwinds still remain, because of stubbornly high unemployment. It will be at least 3 years before Nevada and its metros see a 5%-6% unemployment rate, which represents full employment.

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