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# **PRESS RELEASE**

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## **Nevada's 2015 Annual Unemployment Rate Revised Downward to 6.7 Percent**

CARSON CITY, NV —Nevada's annual unemployment rate for 2015 that was previously estimated at 6.8 percent was revised to 6.7 percent during the annual benchmarking process, which recalculates labor market information based on more complete data that becomes available. Gains in employment for the year that were originally reported at 37,500 were revised upward to 40,700 jobs said Bill Anderson, chief economist for Nevada's Department of Employment, Training and Rehabilitation.

"While original estimates were very close to the mark, we are pleased to see even more improvement in Nevada's economy than originally reported," Anderson. "The new estimates show the Silver State has gained more jobs than originally thought, adding back a total of 140,000 jobs since 2010."

The benchmark increased employment numbers previously reported by 4,800 total nonfarm jobs in 2015. Las Vegas' employment rose by an annual average of 33,100 jobs, an increase of 3.7 percent. Reno/Sparks gained 7,700 over the year, 2,200 more jobs than previously reported. Eight of the super sectors saw jobs added as a result of the benchmarking process. Professional and business services were revised up by 6,000 jobs, while the construction industry increased by 1,100 jobs. Leisure and hospitality was adjusted downward, decreasing by 11,200 jobs or 3.2 percent.

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**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.**



## **Nevada 2015 Annual Benchmarking**

Each year, Nevada's Current Employment Statistics (CES) and Local Area Unemployment Statistics (LAUS) Programs undergo a revision process called "benchmarking." This process involves updating estimates by incorporating more complete data that has become available since the time of the initial estimates. The benchmarking processes resulted in Nevada's 2015 annual average unemployment rate estimate decreasing from 6.8 percent, the original estimate, to 6.7 percent. In December 2015, the State unemployment rate came in at a seasonally adjusted 6.1 percent – this compares to 13.7 percent at the height of the recession, in the second half of 2010. Similarly, CES benchmark revisions show that Nevada gained 40,700 jobs over the year (up from the previous estimate of 37,500). All told, since the recession bottomed out in 2010, Nevada's economy has added 140,000 jobs to payrolls.

Chelsea Schmitt  
Economist  
Research and Analysis Bureau

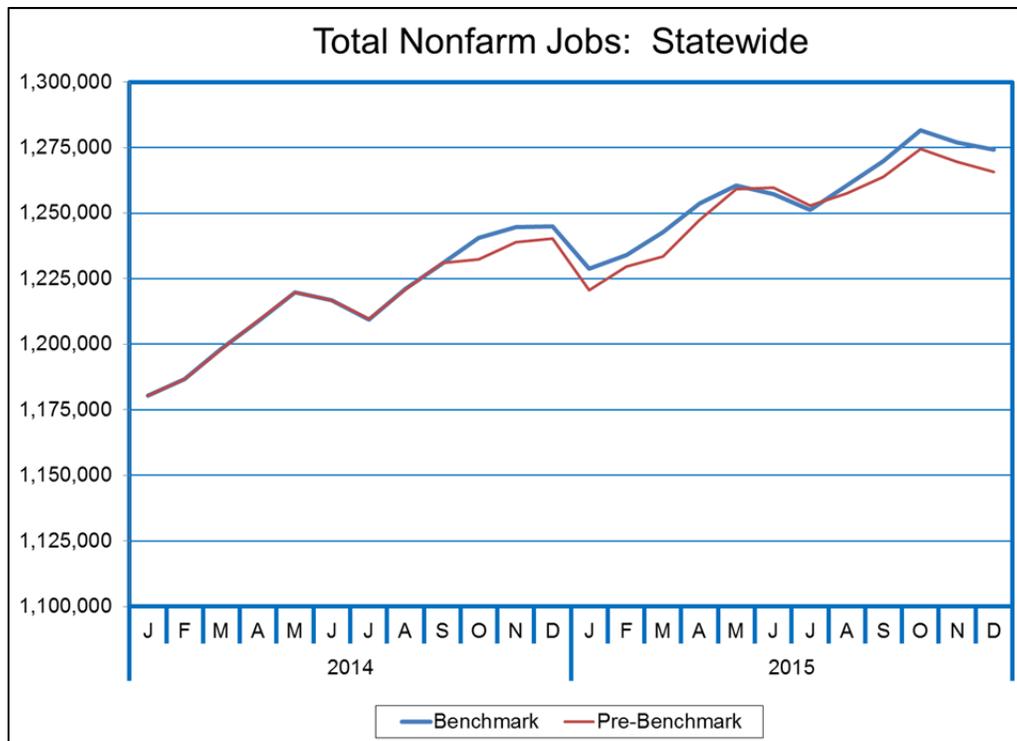
Jolie Daugherty  
Economist  
Research and Analysis Bureau

February 2016

### **Nevada's Statewide CES Benchmark 2015**

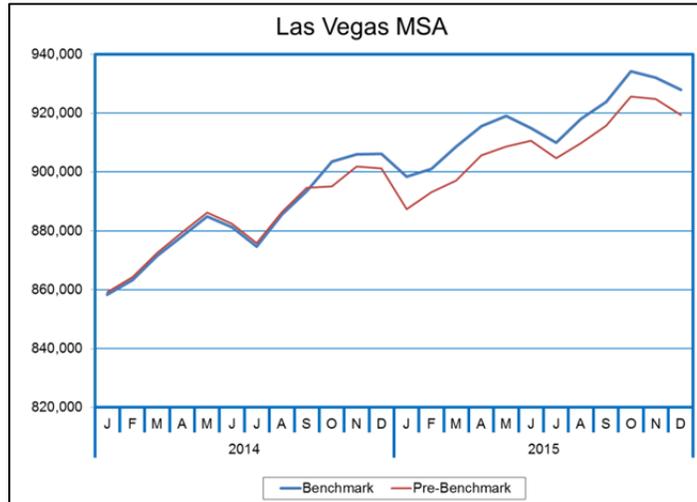
Nevada's non-farm employment numbers are estimated each month using a combination of historical data and current employment statistics. These estimates are revised at the beginning of each calendar year, or benchmarked, using more complete information. Once a year, the Bureau of Labor Statistics adjusts the non-farm employment estimates using data from mandatory unemployment insurance (UI) reports submitted each quarter by nearly all employers. Non-adjusted data is revised over a 21-month period; the 2015 benchmark realigned the estimates from April 2014 to December 2015. Next, the seasonal adjustment factors are modeled with this updated information resulting in five years' worth of revised seasonally adjusted data.

This year's benchmark revealed Nevada's economy gained more jobs than initially estimated during the year. The benchmark increased employment numbers previously reported by 4,800 total nonfarm jobs in 2015. Employment levels for 2014 were also revised up, adding 1,600 jobs to the pre-benchmarked numbers. Nevada's employment rose by an annual average of 40,700 jobs over-the year, an increase of 3.3 percent. The private sector leads the way with an annual average increase of 38,200 jobs, while the government sector gained 2,500. Service-providing industries gained an annual average of 34,000 jobs, while the goods-producing industries gained 6,700 jobs.

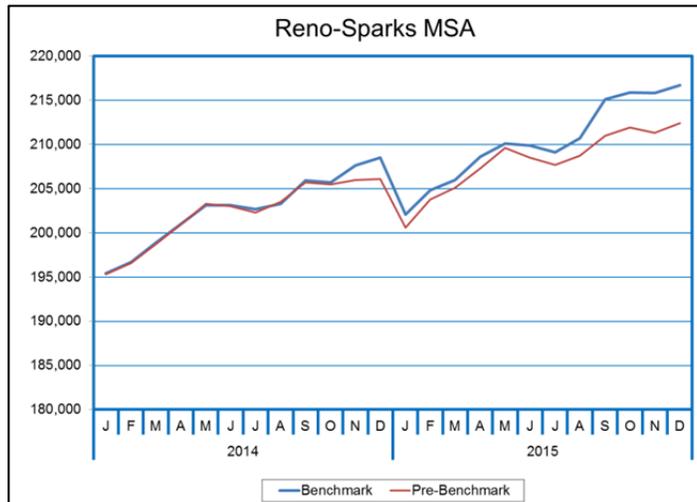


## Nevada's Metropolitan Statistical Areas (MSAs) Benchmark 2015

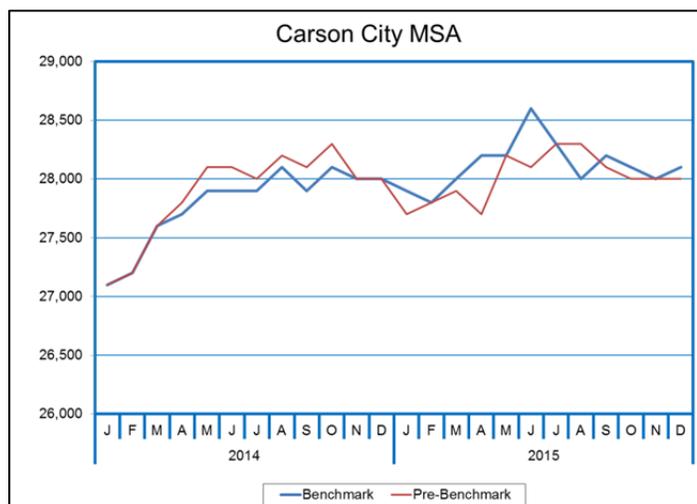
The Las Vegas-Paradise MSA benchmark revealed the area's economy gained more employment in 2015 than was initially estimated. Las Vegas-Paradise employment rose by an annual average of 33,100 jobs over-the-year, an increase of 3.7 percent. Employment in goods-producing industries increased by 5,900 during 2015 and service-providing industries added 27,200 to payrolls. Overall, 2015 benchmarked employment estimates in the Las Vegas area were revised upward by 8,400, relative to original estimates.



During the benchmark, the Reno-Sparks MSA gained 2,200 more jobs than was initially reported in the 2015. Over-the-year, employment increased by an annual average of 7,700 in 2015, or 3.8 percent. The majority of job gains can be attributed to the service-providing industries, which added 6,200 jobs over 2015. Goods-producing employment increased slightly less over-the-year, with an average annual gain of 1,500 jobs.



Carson City's benchmark revealed the area's economy gained an annual average of 300 jobs over-the-year, an increase of 1.1 percent. During 2015, goods-producing employment remained stagnant, and service-producing jobs increased slightly, adding 400 to payrolls. During the benchmark overall, Carson City gained 100 more jobs than was originally estimated for 2015.

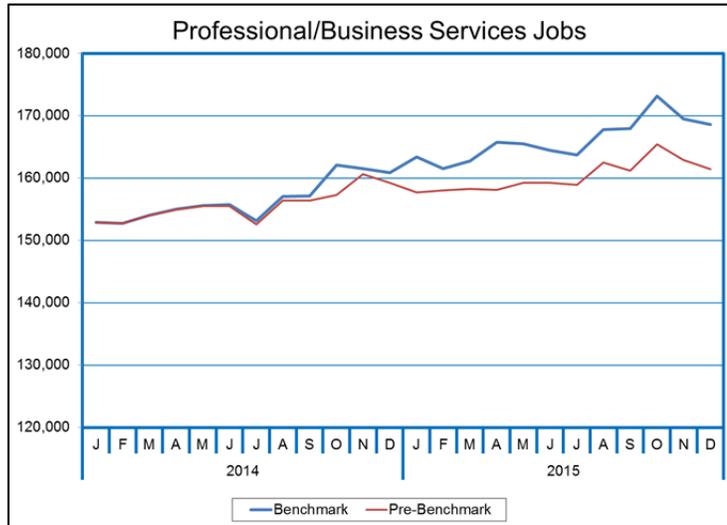


## Nevada's Key Industry Benchmark 2015

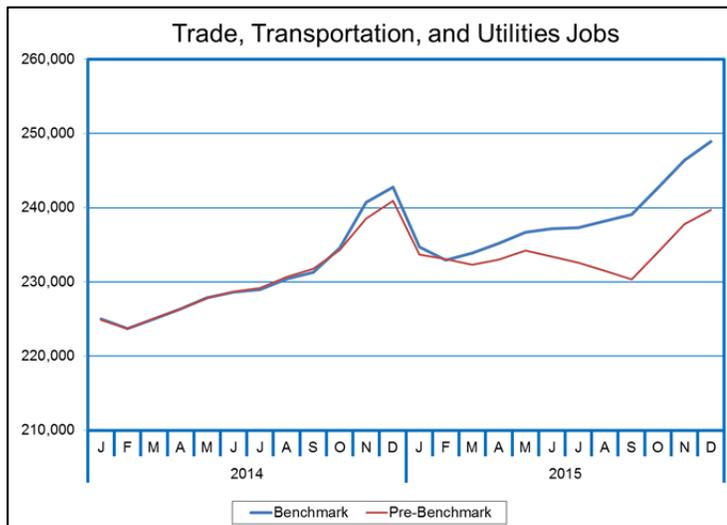
The Silver State varied in industry employment revisions during the 2015 benchmark, ranging from contractions of 11,200 jobs, to increases of 6,000 to payrolls. Of Nevada's 10 super sectors, those sectors at a two-digit NAICS level, eight had upward revisions, and two were revised downward. The downward revisions were found in education and health services (due to contractions in the education subsector) and leisure and hospitality.

	2014		2015		2015 Benchmark Revision	2014-2015 YOY Difference: Post Benchmark 2015
	Pre- Benchmark	Post- Benchmark	Pre- Benchmark	Post- Benchmark		
* Employment figures in thousands						
* Not Seasonally Adjusted (NSA)						
* Totals may not foot due to rounding						
<b>Total Nonfarm</b>	1215.3	1216.9	1252.8	1257.6	4.8	40.7
<b>Total Private</b>	1063.0	1064.4	1098.7	1102.6	3.9	38.2
<b>Mining &amp; Logging</b>	14.4	14.4	13.5	14.3	0.8	(0.1)
<b>Construction</b>	62.8	63.3	68.5	69.6	1.1	6.3
<b>Manufacturing</b>	41.6	41.5	42.0	42.0	-	0.5
Durable Goods	25.8	25.7	25.9	26.0	0.1	0.3
Non-Durable Goods	15.8	15.8	16.1	16.0	(0.1)	0.2
<b>Trade, Transportation, &amp; Utilities</b>	230.2	230.5	233.8	238.6	4.8	8.1
Wholesale Trade	34.1	33.9	35.1	34.6	(0.5)	0.7
Retail Trade	139.2	138.5	139.7	143.4	3.7	4.9
Transportation, Warehousing, & Utilities	56.9	58.0	59.0	60.7	1.7	2.7
<b>Financial Activities</b>	57.2	57.1	57.1	59.5	2.4	2.4
Finance & Insurance	32.4	32.8	32.2	33.7	1.5	0.9
Real Estate & Rental & Leasing	24.8	24.3	24.9	25.8	0.9	1.5
<b>Professional &amp; Business Services</b>	155.7	156.5	160.2	166.2	6.0	9.7
Professional, Scientific, & Technical Services	50.3	50.4	51.7	52.0	0.3	1.6
Management of Companies & Enterprises	20.9	20.9	22.1	22.6	0.5	1.7
Admin & Support & Waste Mgmt & Rem Services	84.5	85.2	86.5	91.6	5.1	6.4
<b>Education &amp; Health Services</b>	116.2	116.3	122.0	121.9	(0.1)	5.6
Educational Services	13.0	12.6	14.2	13.3	(0.9)	0.7
Health Care & Social Assistance	103.2	103.6	107.8	108.7	0.9	5.1
<b>Leisure &amp; Hospitality</b>	336.7	335.6	351.9	340.7	(11.2)	5.1
Arts, Entertainment, & Recreation	28.0	27.9	29.0	28.9	(0.1)	1.0
Accommodation & Food Services	308.7	307.7	322.9	311.8	(11.1)	4.1
<b>Other Services</b>	34.8	35.6	36.0	36.1	0.1	0.5
<b>Government</b>	152.3	152.5	154.1	155.0	0.9	2.5
Federal Government	17.9	17.9	18.4	18.3	(0.1)	0.4
State Government	37.8	37.8	38.1	38.8	0.7	1.0
Local Government	96.6	96.8	97.6	97.9	0.3	1.1
<b>Las Vegas</b>	883.3	883.9	908.6	917.0	8.4	33.1
<b>Reno</b>	202.2	202.7	208.2	210.4	2.2	7.7
<b>Carson City</b>	27.9	27.8	28.0	28.1	0.1	0.3

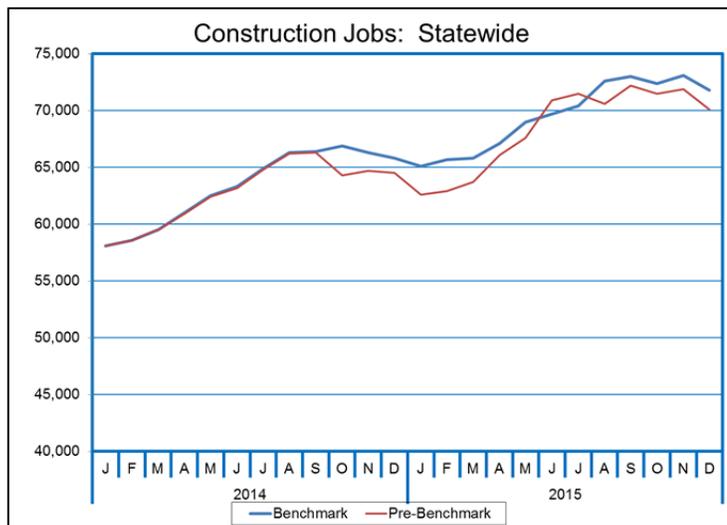
During the 2015 benchmark, professional and business services (PBS) industry employment was revised upward by 6,000 jobs, or 3.7 percent. Concurrent with the sector as a whole, the subsectors within the PBS industry also had upward revisions this year. The administrative, support, waste management, and remediation subsector had the largest increase, adding 5,100 jobs, or a 5.9 percent increase from the pre-benchmarked job estimates. Management of companies and enterprises employment was revised up by 2.3 percent, adding an average of 500 jobs, compared to original estimates. Finally, the professional, scientific, and technical services subsector was revised upwards by 300 jobs, or 0.6 percent.



The trade, transportation and utilities industry added 4,800 jobs in the 2015 benchmark. The revisions in this industry's subsectors varied. The largest increase was experienced in the retail trade subsector, gaining on average 3,700 jobs, a 2.6 percent increase during the benchmark. The only subsector to realize a downward revision was wholesale trade, with a contraction of 500 jobs.

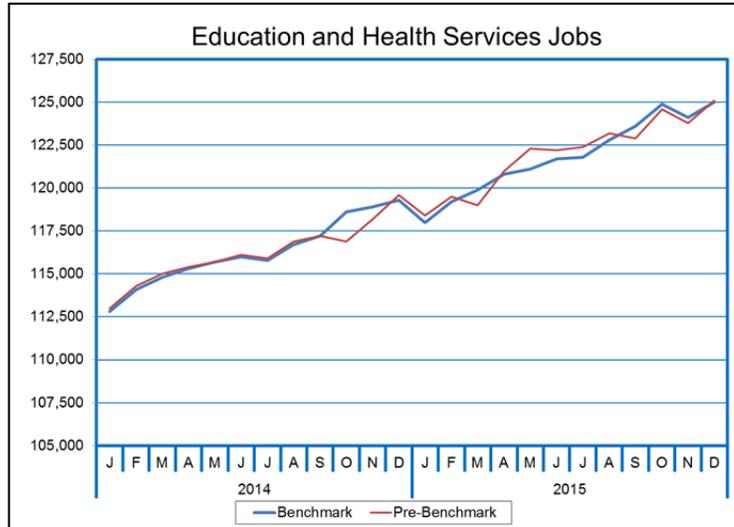


The construction industry benchmark produced a relatively moderate revision upward, with an increase of 1,100 jobs to payrolls, or a 1.6 percent increase.

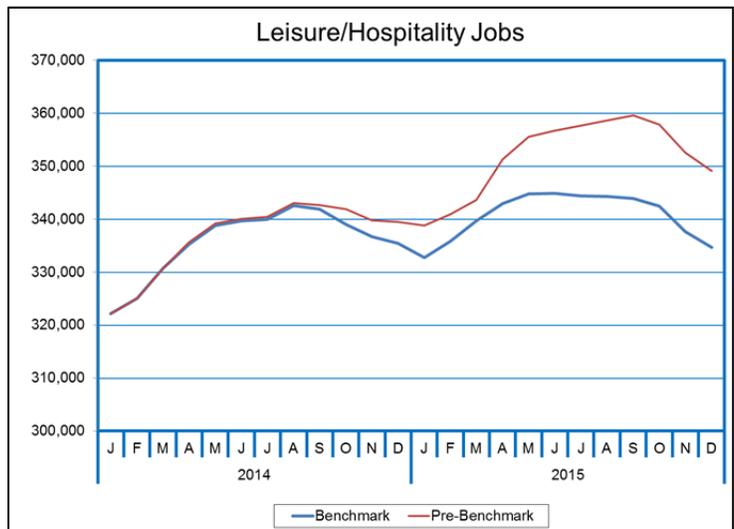


Employment in the education and health services industry was

revised slightly downward, with an average decrease of 100 jobs during the benchmark. The education services subsector realized a decrease of 900 jobs; meanwhile, payrolls in the health care and social assistance subsector were revised up by a slightly smaller number, resulting in the overall downward revision of the education and health industry.



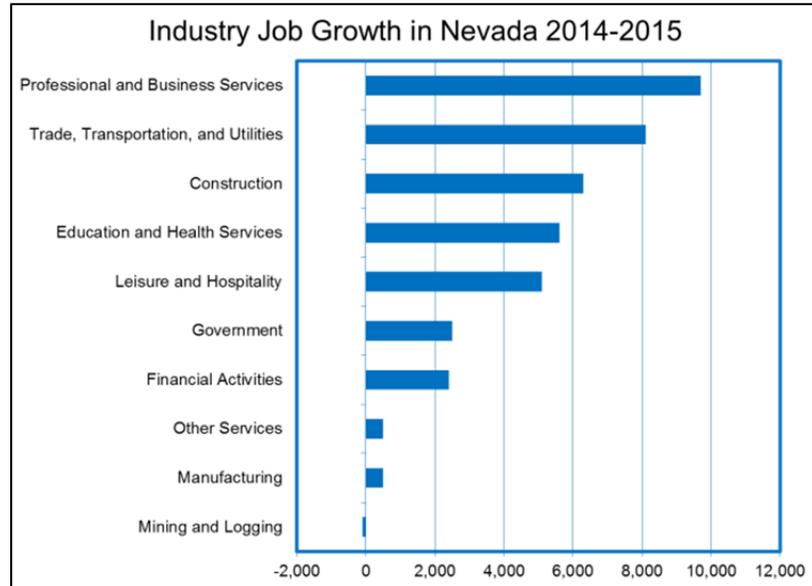
Leisure and hospitality also was adjusted downward during the benchmark, with an average decrease of 11,200 jobs, or 3.2 percent. Both of the major subsectors in this industry were revised down. The majority of job contractions were attributed to the accommodation and food services subsector, which decreased by 11,100 jobs. The arts, entertainment, and recreation subsector saw a slight decrease of only 100 jobs this year, relative to initial estimates



Nevada's smaller industries varied in employment revisions during the benchmark this year. In summary, the financial activities sector was revised upward by 2,400 jobs. Other services was relatively flat, increasing by only 100 jobs. Employment estimates for the manufacturing industry were relatively close to actual job numbers reported; as a result, job numbers were not revised in this industry. Lastly, mining and logging job numbers were revised upward by 800.

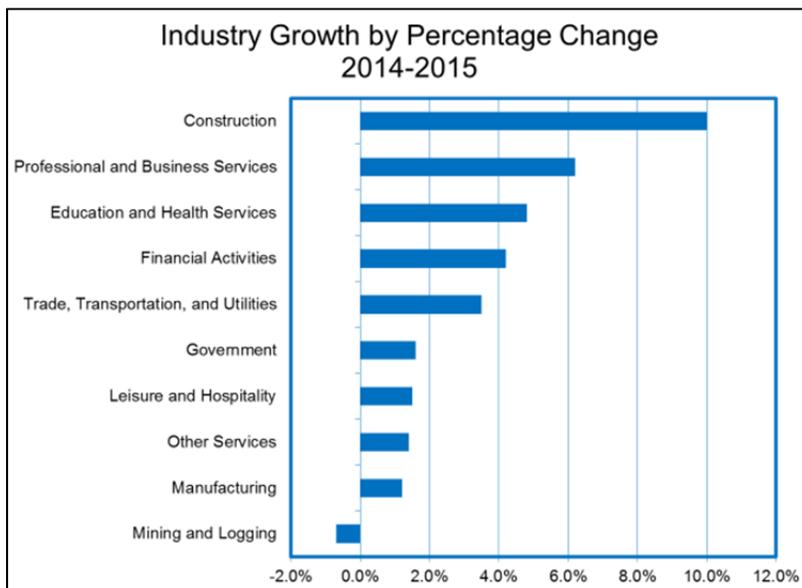
## Industry Employment: Job Growth 2014-2015

The professional and business services industry is ranked first in terms of job growth numbers, adding 9,700 jobs in 2015, following the benchmarking process. Percentage growth in this industry was also strong, at 6.2 percent, ranking second out of ten industries. Subsector growth in this industry was fairly widespread. Administration/support and waste management/remediation



services, grew at 7.5 percent, adding 6,400 jobs over-the-year. Management of companies/enterprises grew at 8.1 percent, resulting in an increase of 1,700 jobs to payrolls. Lastly, professional, scientific, and technical services added 1,600 jobs, a 3.2 percent increase for 2015, relative to 2014.

Job counts in the trade, transportation, and utilities sector increased by an annual average of 8,100 jobs, for a 3.5 percent job growth rate over-the-year, ranking second in terms of job growth numbers and fifth in terms of percentage growth. The retail trade, transportation/warehousing/utilities, and wholesale trade subsectors all realized job growth over-the-year, adding 4,900, 2,700 and 700 to payrolls, respectively.



In terms of percentage growth, construction is the fastest growing industry in Nevada, with an over-the-year employment increase of ten percent in 2015. This industry ranks third out of ten industries for job growth in numerical terms, with 6,300 jobs added over-the-year.

At 4.8 percent job growth, the education and health

services sector ranked third in terms of percentage gains, resulting in an increase of 5,600 jobs in 2015. The health care and social assistance subsector saw the majority of the job growth, adding 5,100 to payrolls, or 4.9 percent year-over-year.

Leisure and hospitality, the Silver State's largest industry, added 5,100 jobs on average in 2015. This translates to an annual average growth rate of 1.5 percent over-the-year. The majority of job growth in this sector is attributed to the accommodation and food services subsector, which added 4,100 jobs over-the-year.

Government added 2,500 jobs, growing at 1.6 percent for the year. Job growth was mainly attributed to two of this industry's subsectors: local government added 1,100 jobs, state government added 1,000 jobs, and federal government added a minimal amount to payrolls, with a job increase of 400 in 2015.

Financial activities added 2,400 jobs, and had the fourth highest growth rate for the year, at 4.2 percent. Within this sector, 1,500 jobs were added in the finance and insurance subsector, and 900 were found in the real estate and rental and leasing subsector.

Growth in the other services sector was slight, adding 500 jobs over-the-year. Other services ranked eighth in terms of year-over-year percentage growth and tied with the manufacturing sector for eighth place in terms of job growth numbers during 2015.

Manufacturing grew at 1.2 percent, adding 500 jobs. Subsector growth in this industry was relatively even among non-durable goods and durable goods, adding 300 and 200 jobs, respectively, in 2015.

The only industry that did not experience growth in the workforce over-the-year was mining and logging. Employment in this industry essentially remained stagnant in 2015. Mining and logging employment contracted by 100 jobs over-the-year; despite an upward revision of 800 jobs during the benchmark.

## Nevada's Statewide LAUS Benchmark 2015

Every year Nevada's Local Area Unemployment Statistics (LAUS) program undergoes a revision process called annual processing/benchmarking. Benchmarking involves updating the historical monthly unemployment figures by incorporating newer, more complete data that has become available. Sources, such as the Current Employment Statistics (CES) and Quarterly Census of Employment and Wages (QCEW) programs, provide revised employment estimates for the State. Additionally, updated population data is provided by the U.S. Census Bureau and the unemployment insurance claims counts are revised to include the most recent information from the State's UI system.

The 2015 annual benchmark revisions resulted in the Nevada Statewide LAUS unemployment rate decreasing to a 6.7 percent annual average. This is down from a 6.8 percent annual average pre-benchmarking. Revisions for 2014's LAUS Statewide unemployment rate resulted in a 7.9 percent jobless rate, up from 7.8 percent pre-benchmarking. This year's benchmarking covered the 2011-2015 time period (with the largest revisions affecting only the most recent two years).

Contributions to the revision in the unemployment rate included an increase in both total labor force and employment. Additionally, there was a reduction in the number of unemployed. The average labor force in Nevada in 2015 was 1,425,700 (revised up by 3,300 over pre-benchmark figures). The unemployment level decreased to 96,200 after benchmarking (down by 500). Resident employment (which is not directly comparable to CES employment) in the State was 1,329,600 (up 5,800 from pre-benchmark figures). As a result, the unemployment rate was revised downward.

