



# Manufacturing and Logistics Sector

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## Department of Employment, Training & Rehabilitation

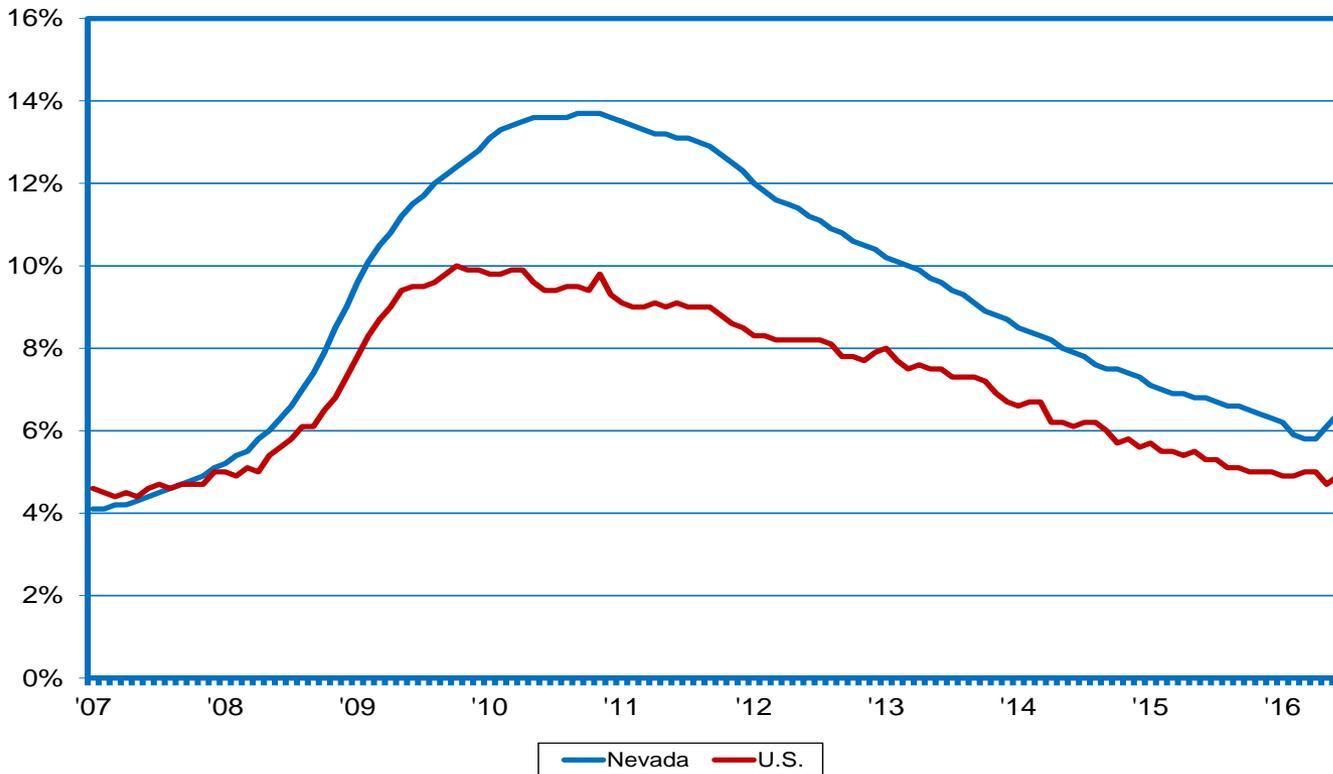
**Bill Anderson, Chief Economist**  
**Christopher Robison, Supervising Economist**  
**Dionny McDonnell, Economist**

**Prepared by the Research and Analysis Bureau**



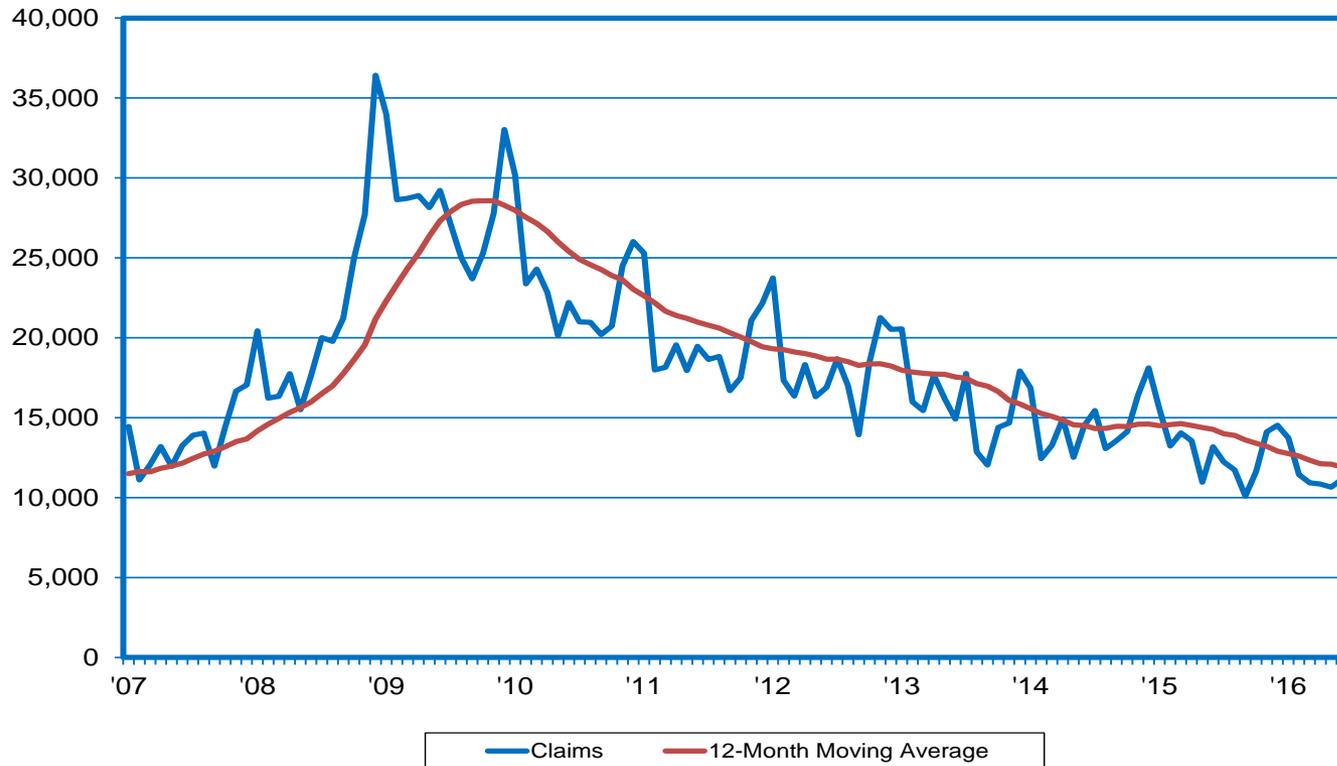
# Unemployment Rate at 6.4 % in June; Underlying Trends Still Remain Positive

NV vs. the U.S. unemployment rate (SA)



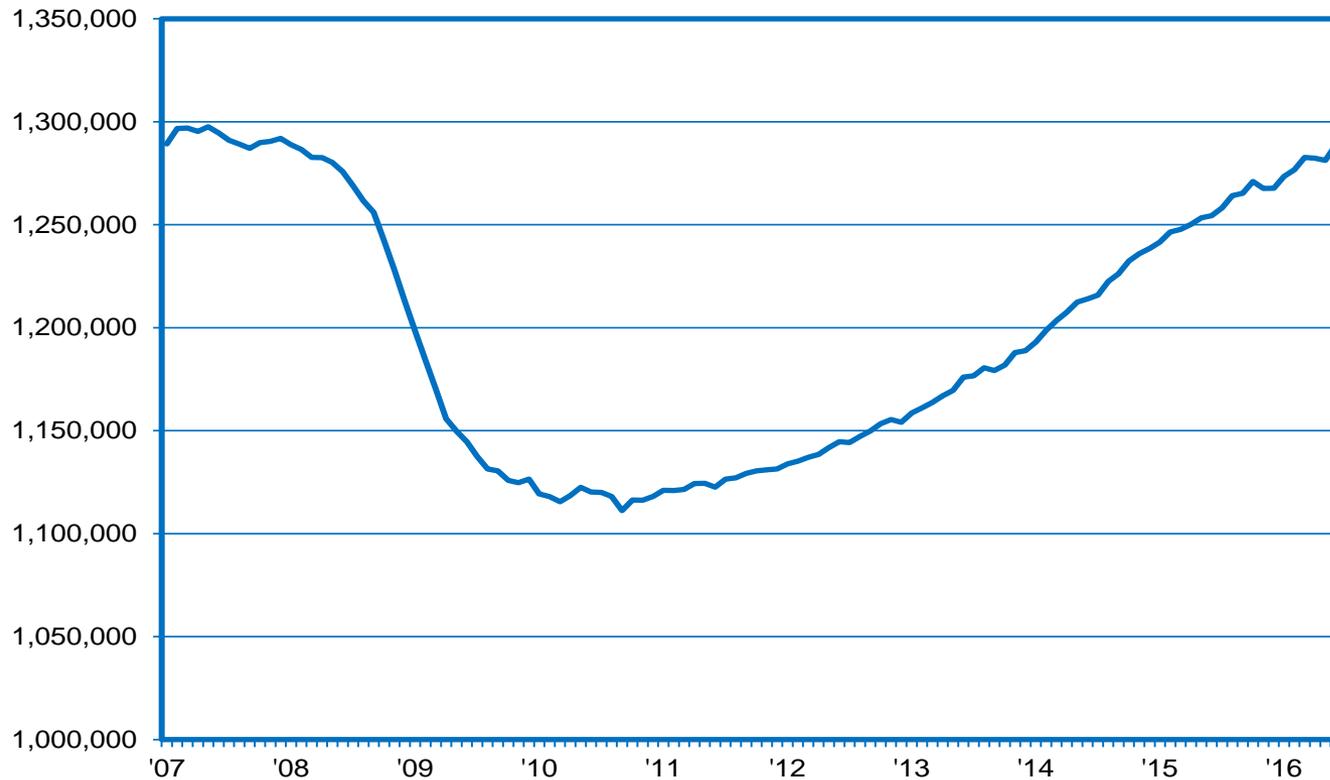
# Initial Claims Down 2,000 Y-T-D During First Half of Year; At Pre-Recession Levels

initial claims for unemployment insurance



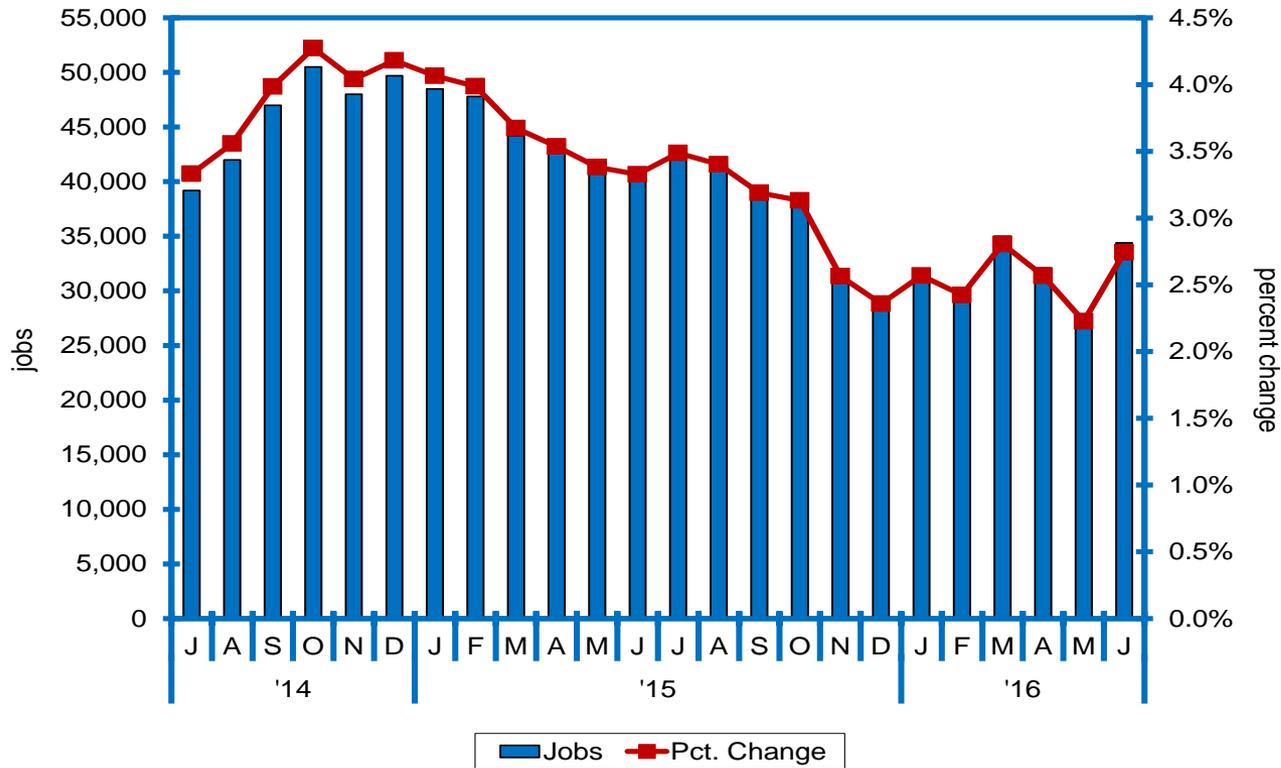
# Job Growth Rebounds Strongly in June; Employment Just Barely Below All-Time High

nonfarm jobs in Nevada (SA)



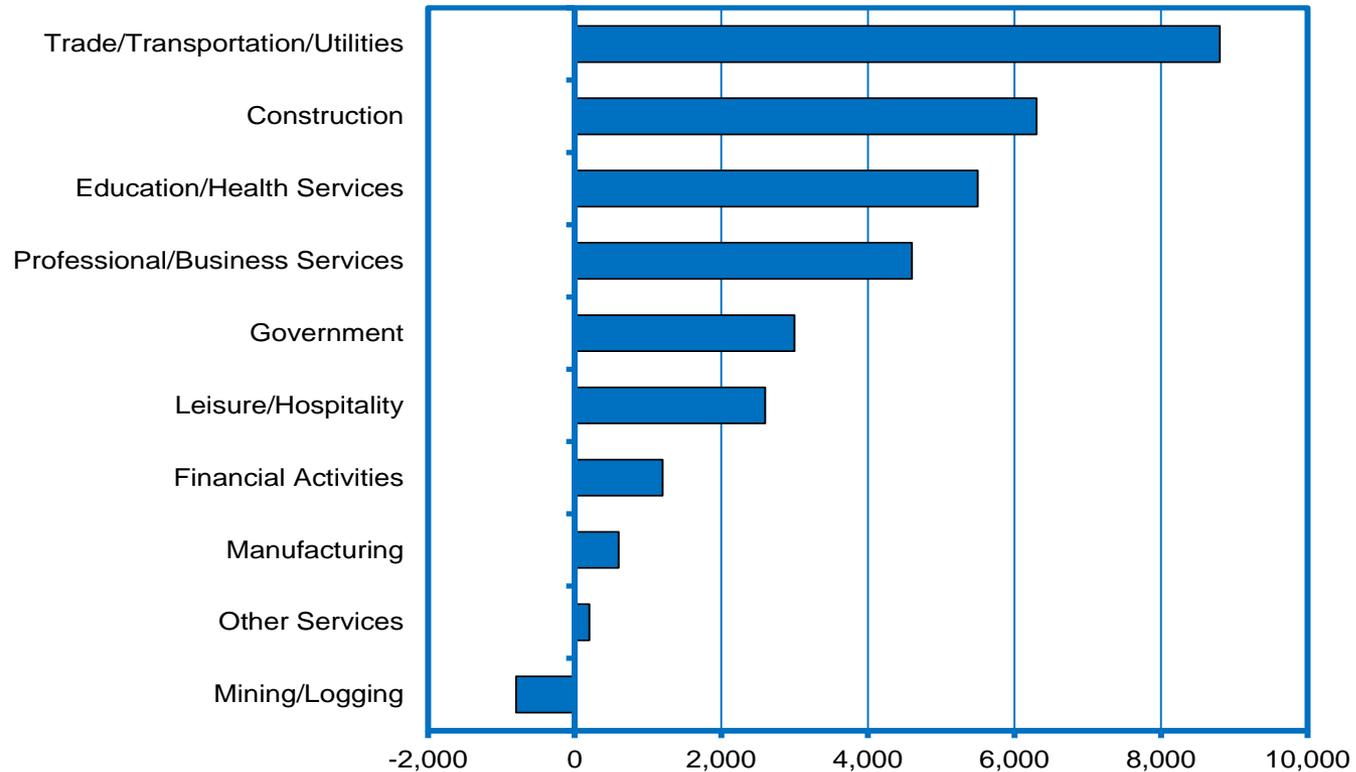
# Job Growth Picks up to Nearly 35K Over the Year; Second-Strongest Gain Since Last Oct.

job growth (SA; year-over-year)



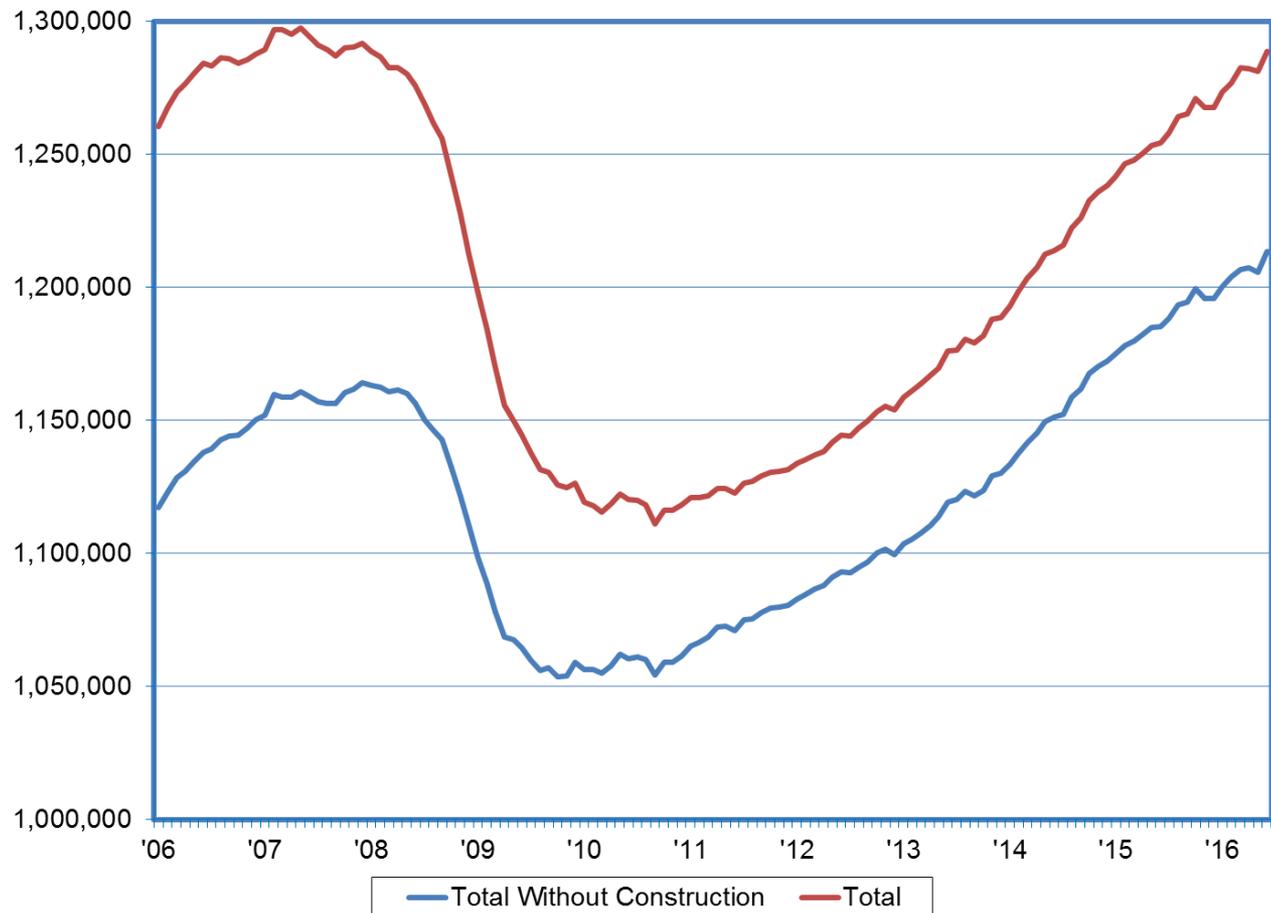
# Trade, Construction, Healthcare, and PBS Lead the Way in Job Gains

YTD job growth by sector (year-over-year)



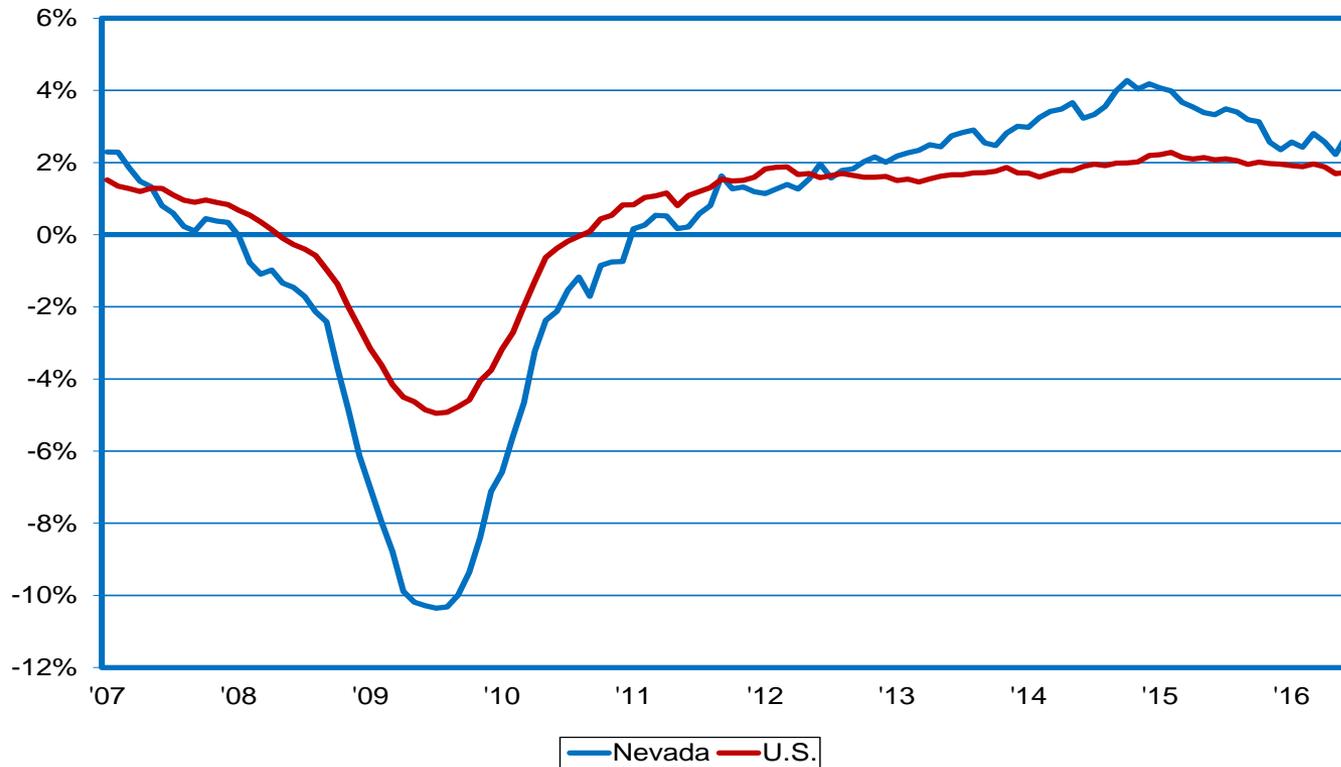
# Total Employment Levels Approach Peak; At Record High When Construction is Excluded

Nevada jobs with and without construction



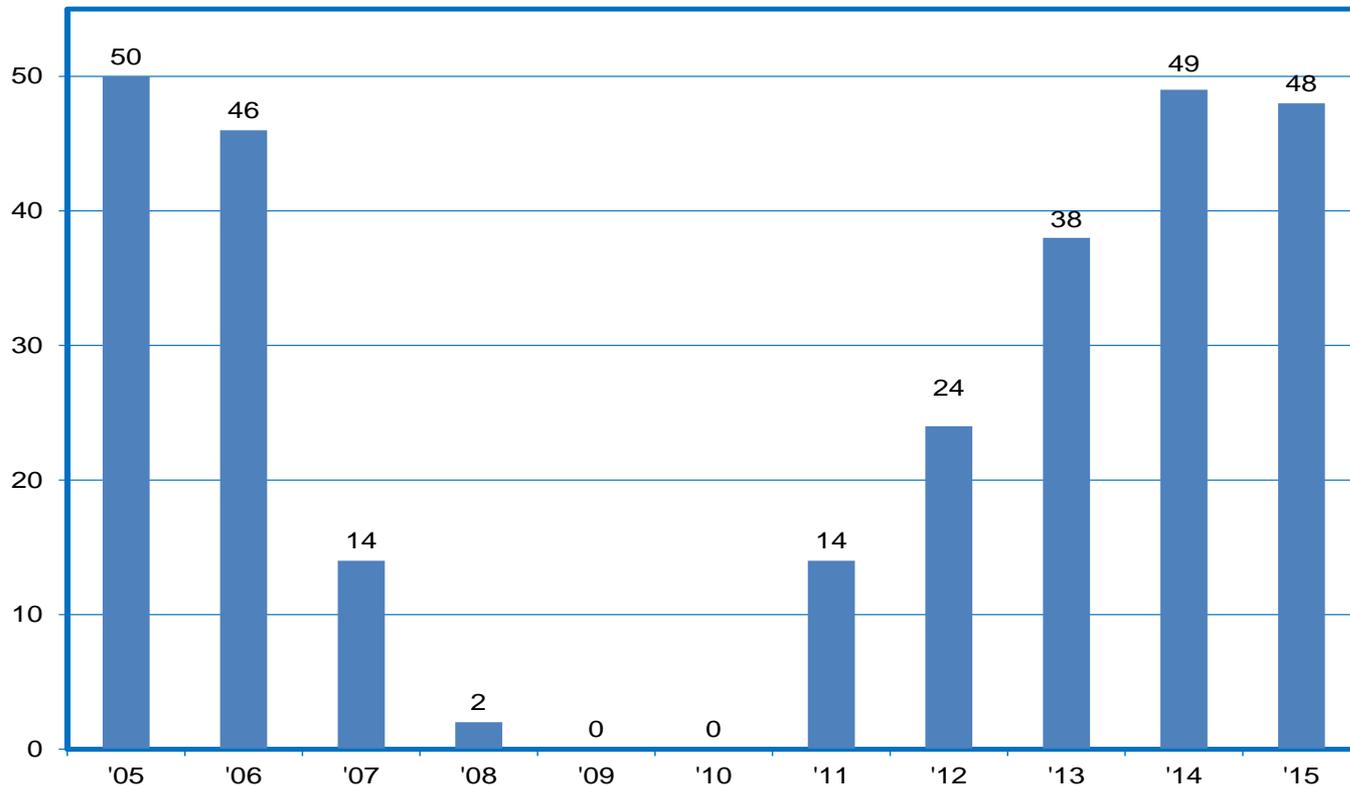
# Nevada Job Growth Exceeds Nation in 47 Straight Months; 2.7% vs. 1.7% in June

job growth (year-over-year)



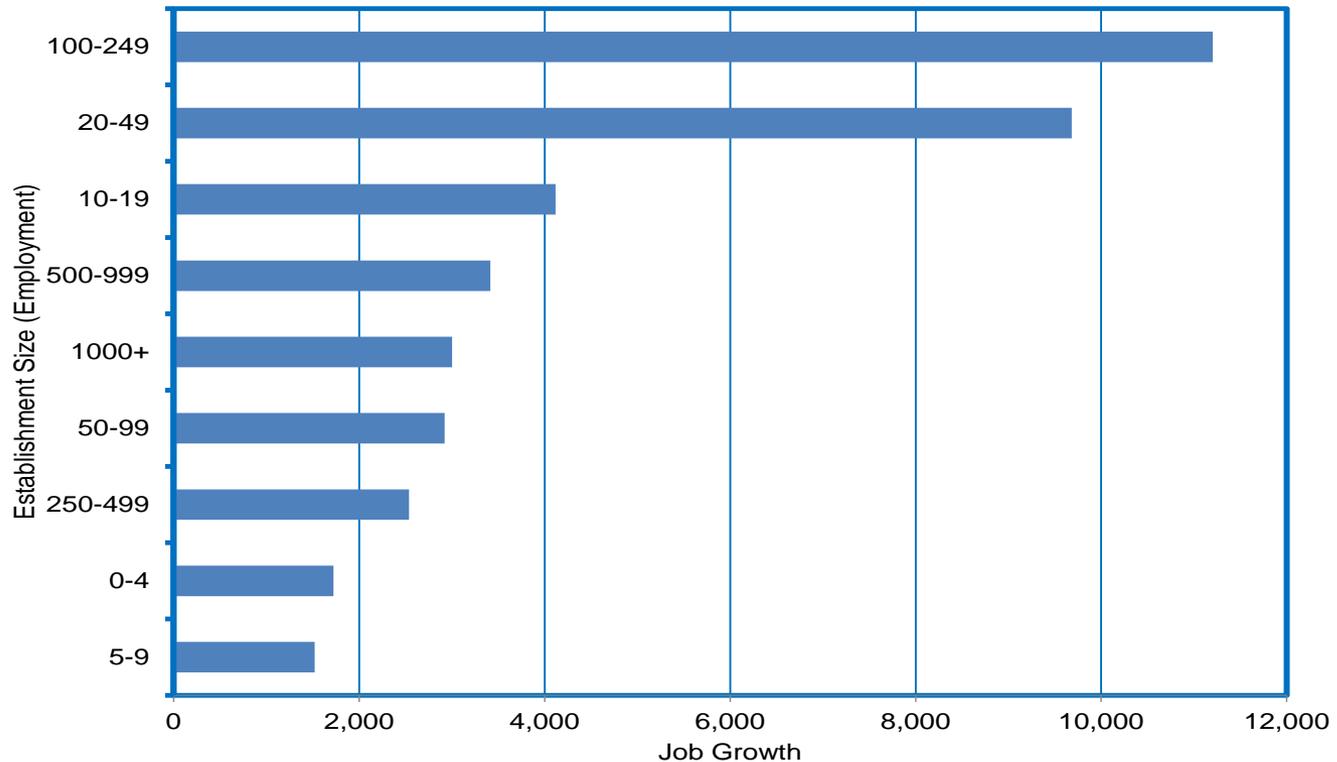
# Silver State Job Growth #3 in the Nation

2015 job growth rankings (# of states with slower private sector job growth than NV)



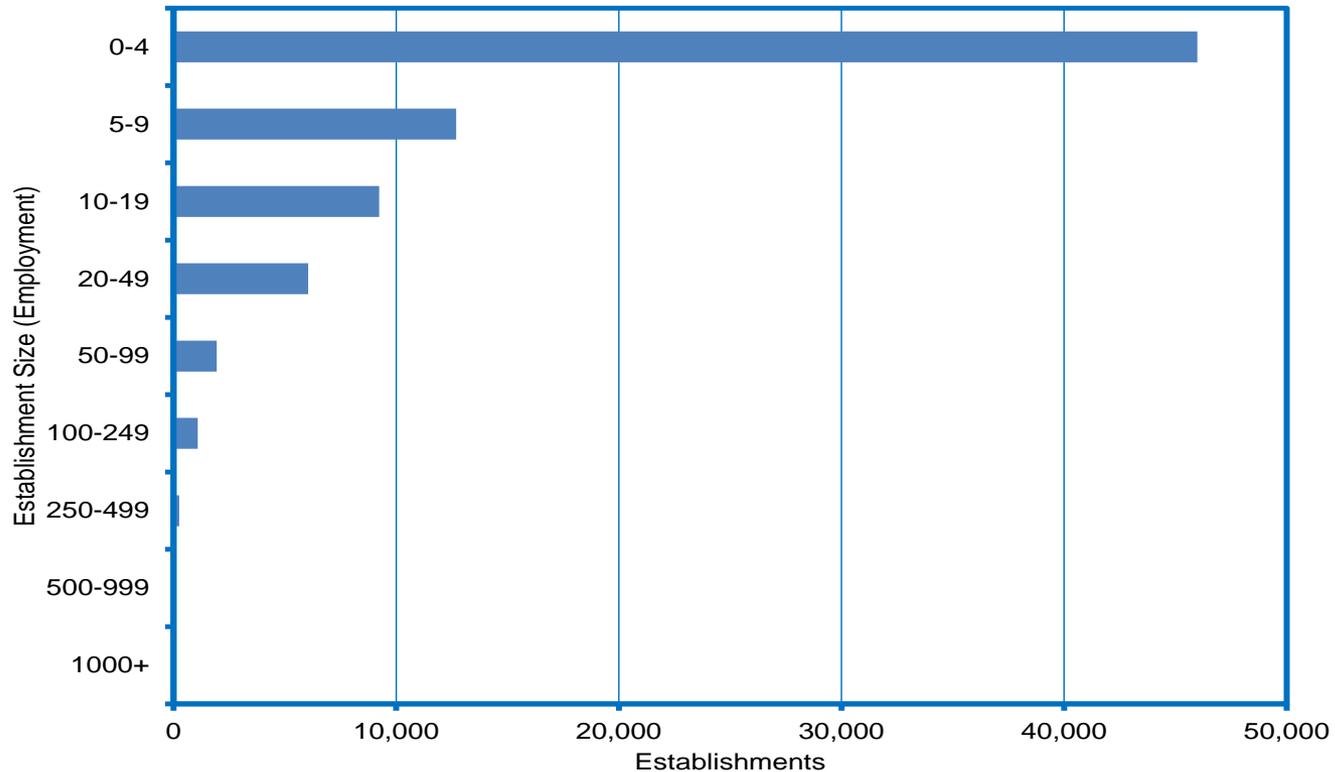
# Job Gains Across all Size Groups; Est. With < 100 Workers add 20,000 Jobs in 2015

2014-2015 job growth by establishment size



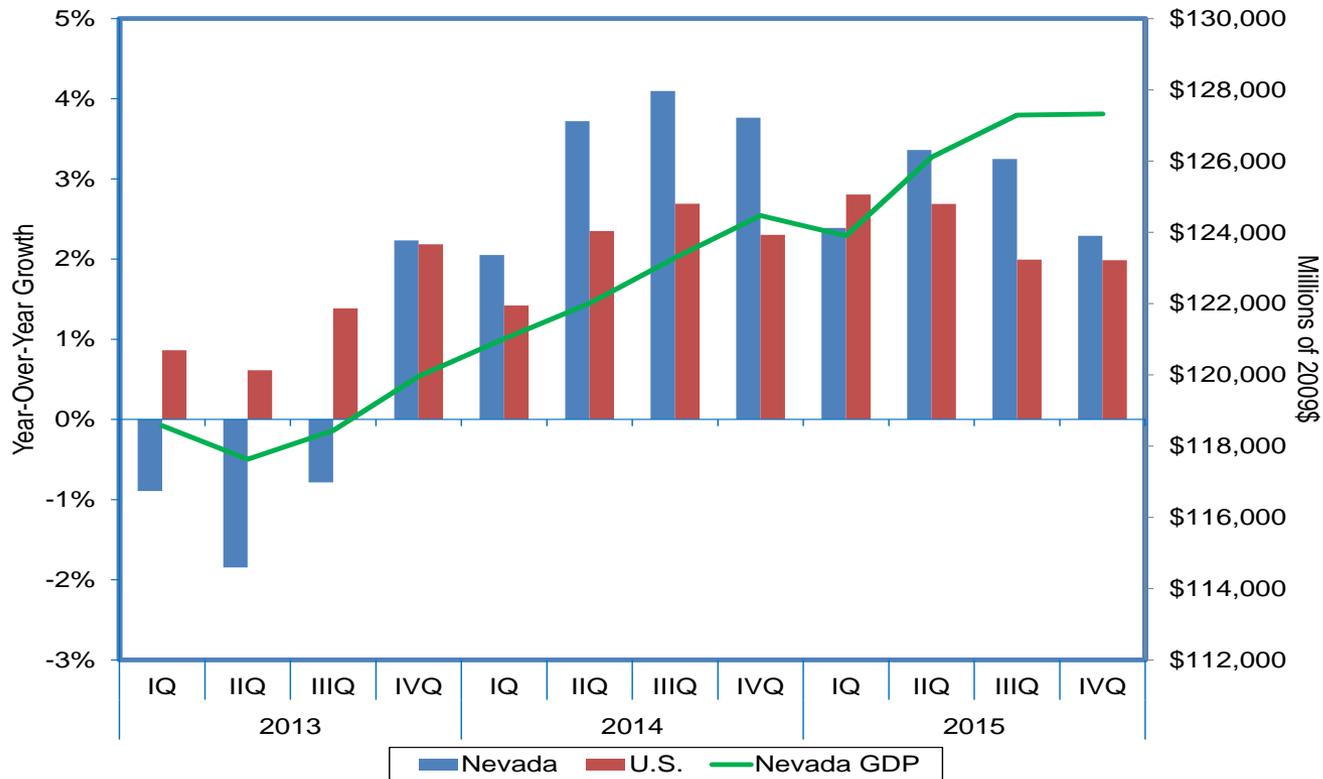
# Small Business Accounts for 98% of Nevada's 77K Private Sector Worksites

number of establishments by employment size



# The Silver State's GDP Growth Exceeded the Nation's in Eight of the Past Nine Quarters

gross domestic product



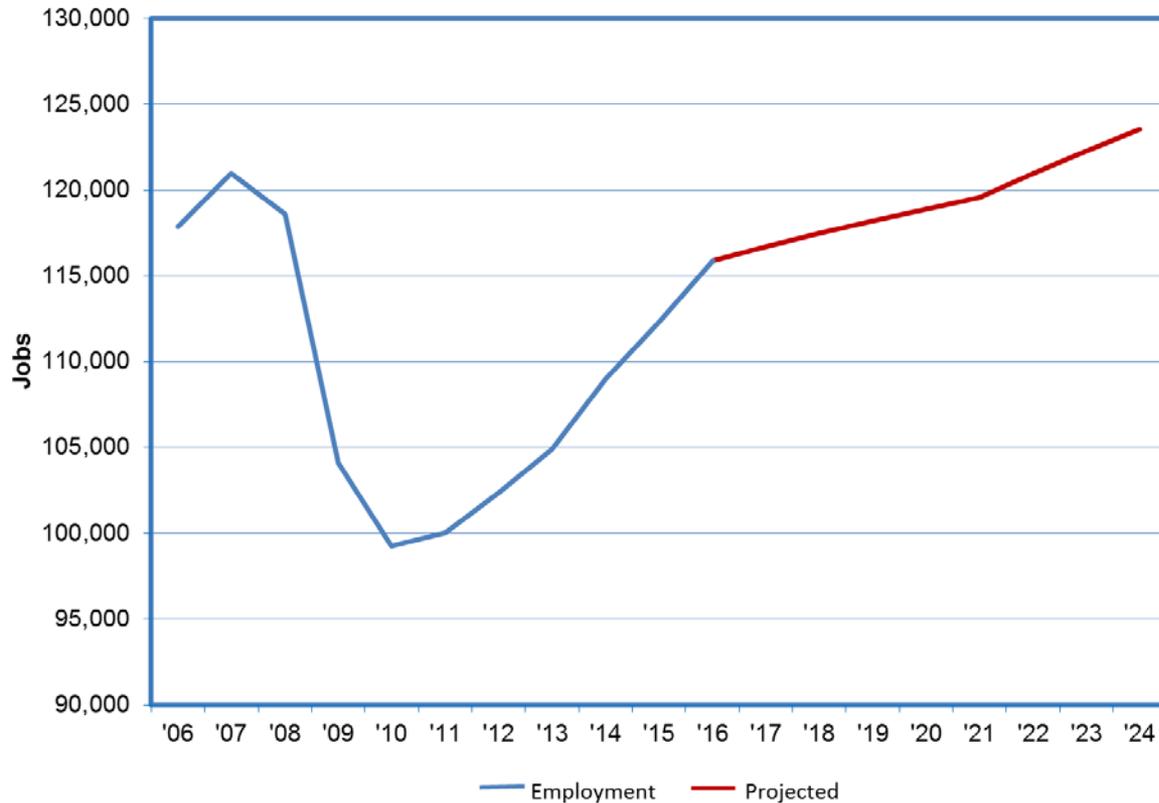
# Manufacturing and Logistics Sector

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# Employment Projection

116,000 jobs in 2016; 124,000 jobs projected by 2024

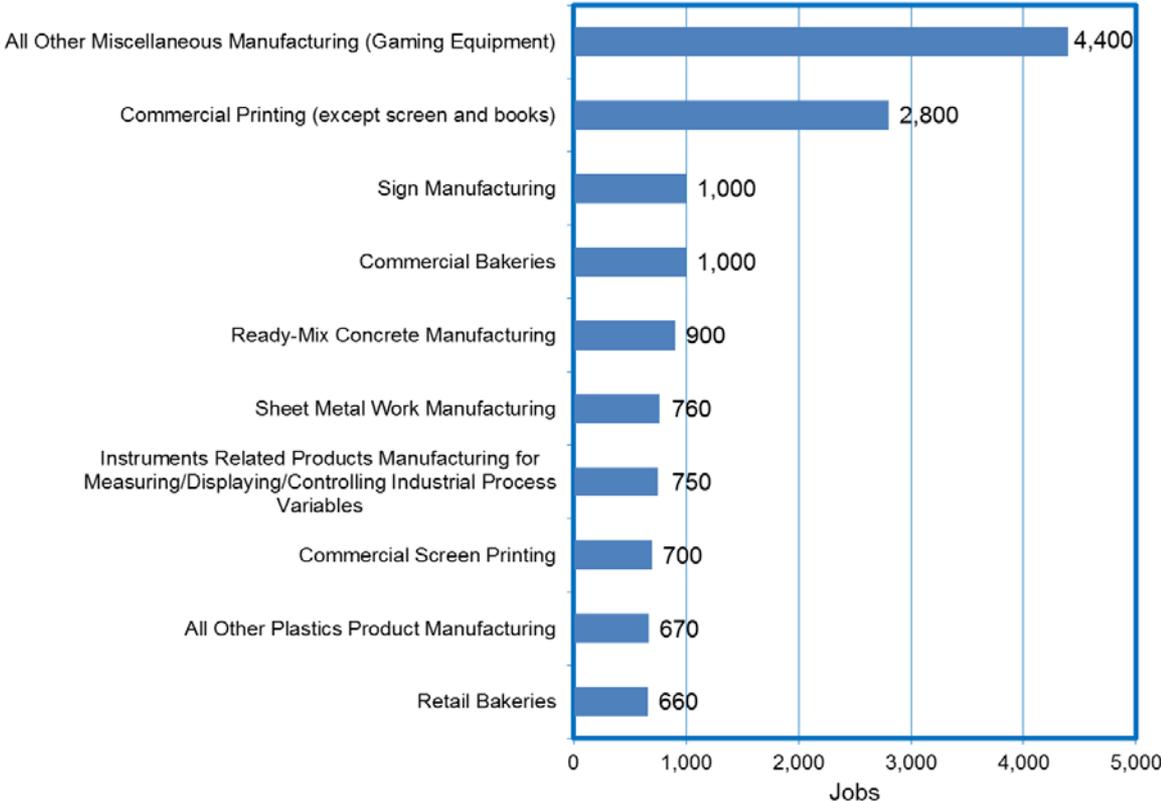


Source: Economic Modeling Specialists Intl. (EMSI)



# Largest Manufacturing Industries

2016 employment

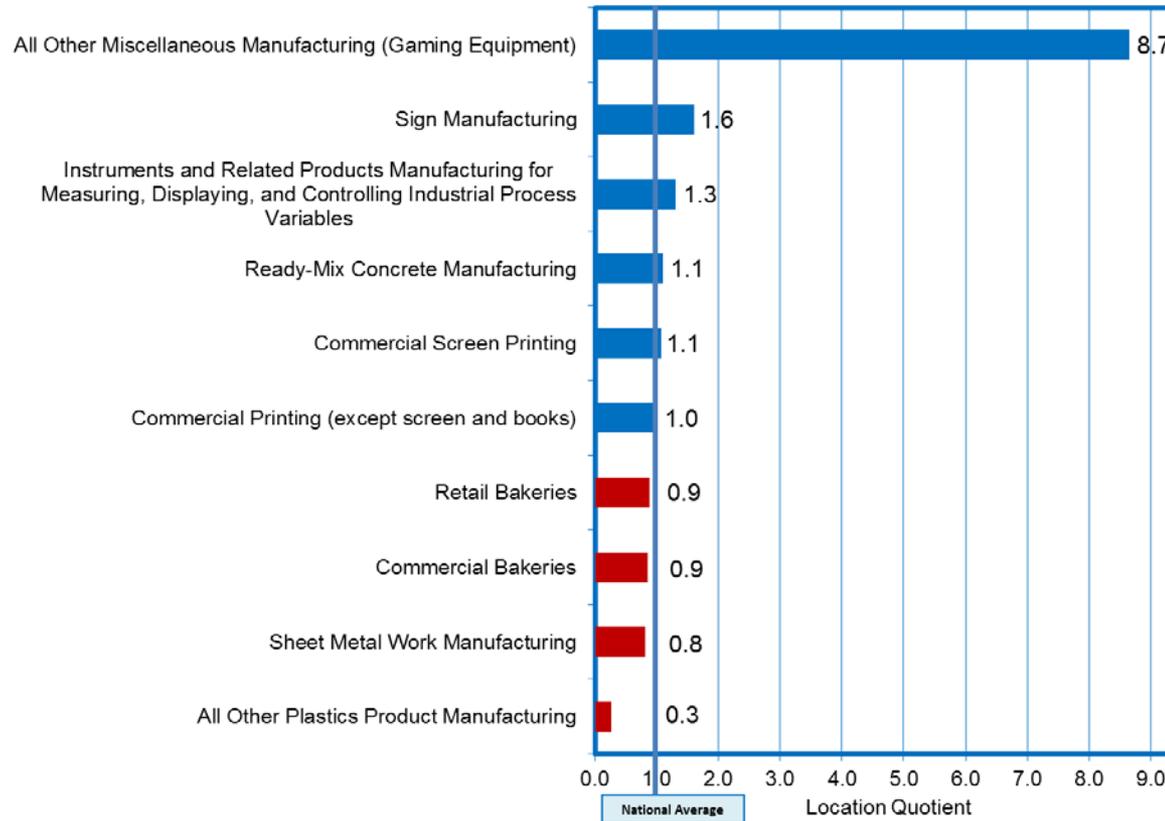


Source: *Economic Modeling Specialists Intl. (EMSI)*



# Regional Competitive Advantage

## manufacturing industries

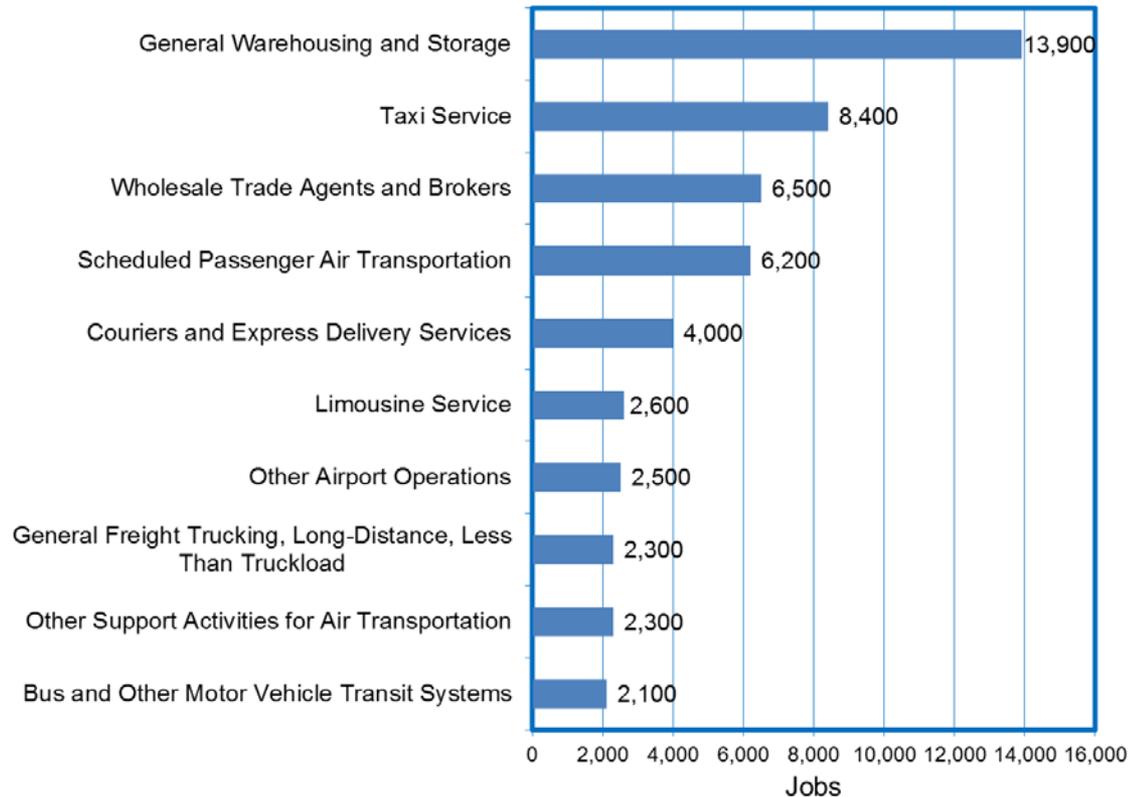


Source: Economic Modeling Specialists Intl. (EMSI)



# Logistics and Operations Industries

2016 employment

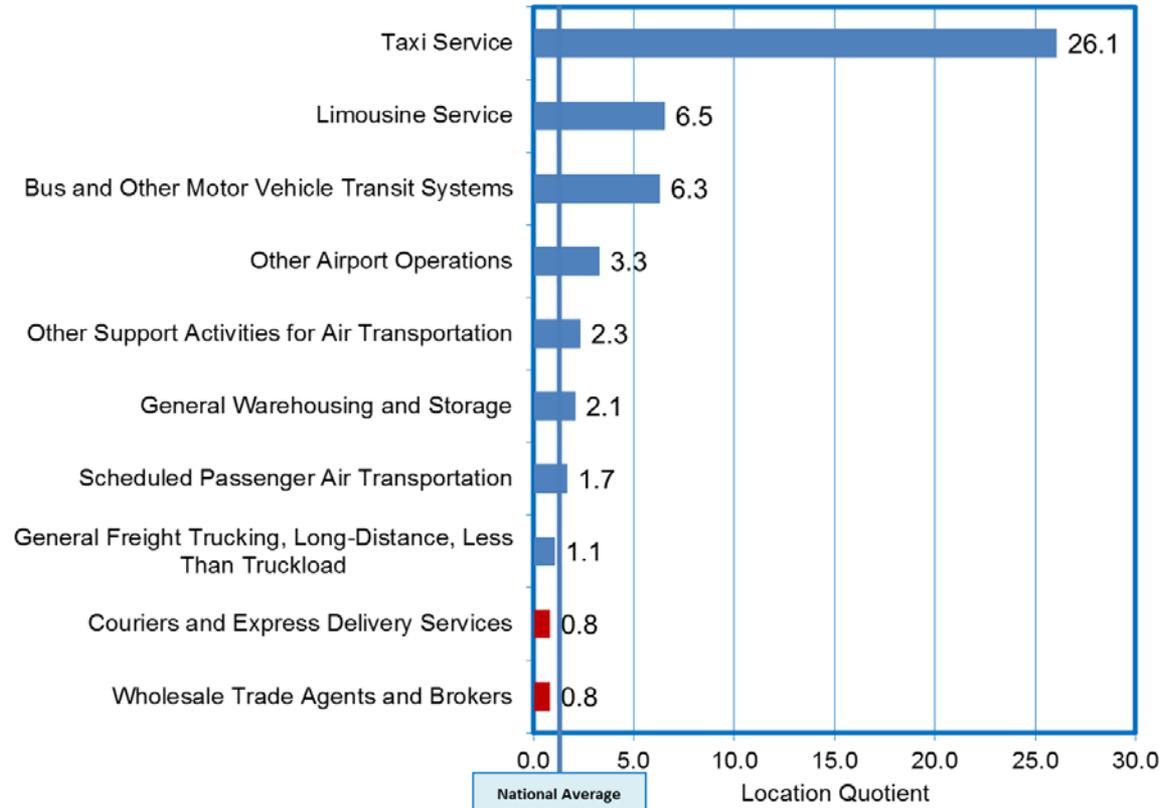


Source: Economic Modeling Specialists Intl. (EMSI)



# Regional Competitive Advantage

logistics and operations industries



Source: Economic Modeling Specialists Intl. (EMSI)



# Industries vs. Occupations

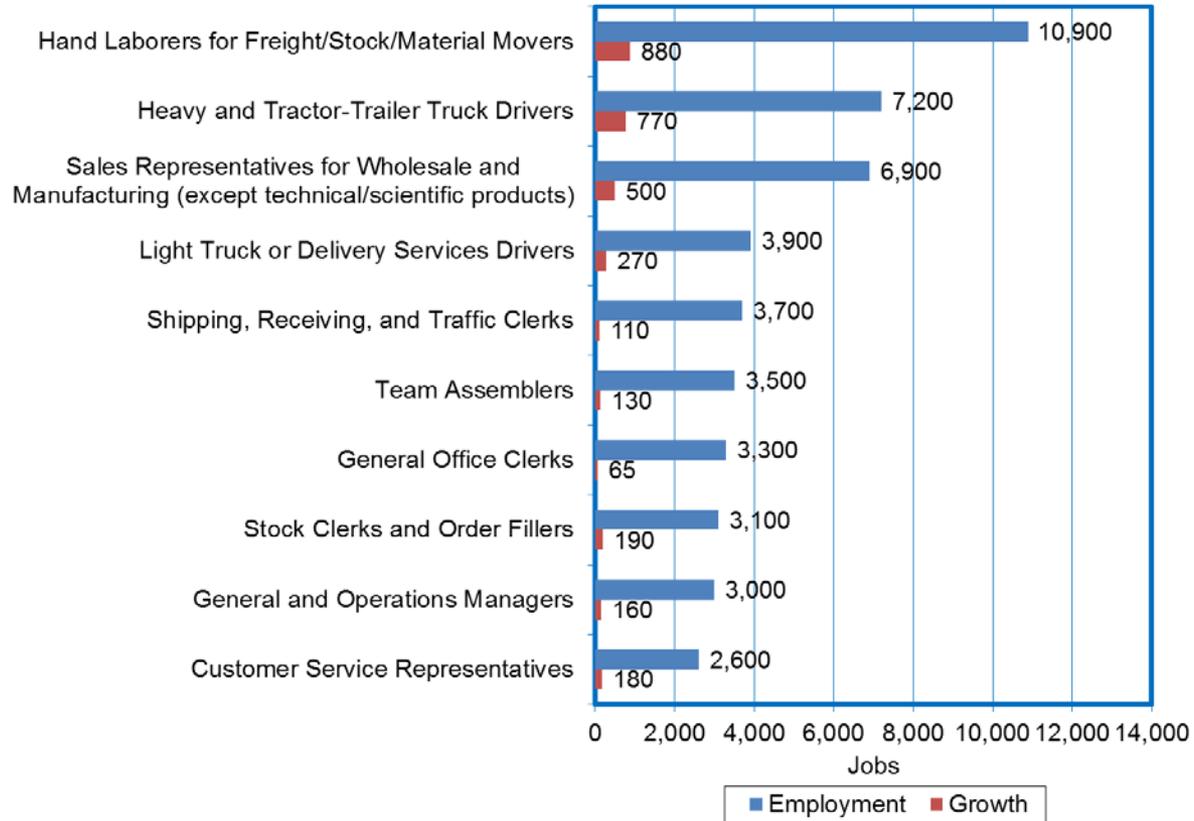
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*Although the sector councils are designed to address employment needs in specific industries, this work can only be accomplished by examining and training individuals at the occupational level.*



# Manufacturing and Logistics Occupations

2016 employment and projected growth by 2024

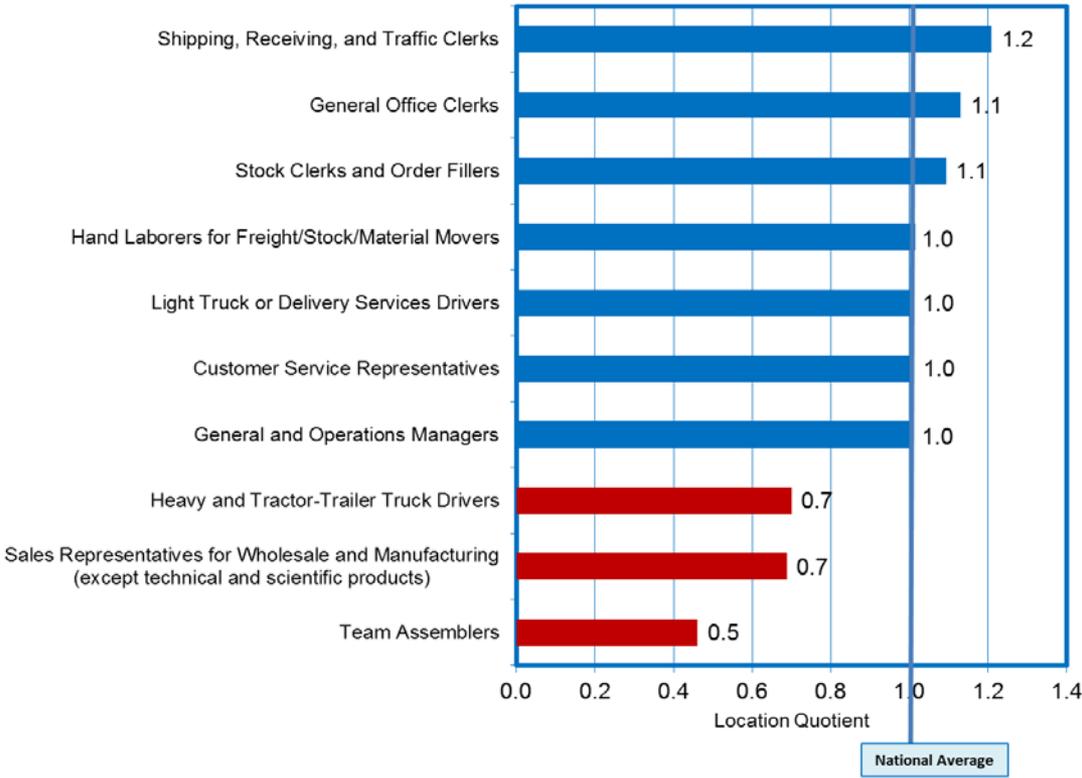


Source: Economic Modeling Specialists Intl. (EMSI)



# Regional Competitive Advantage

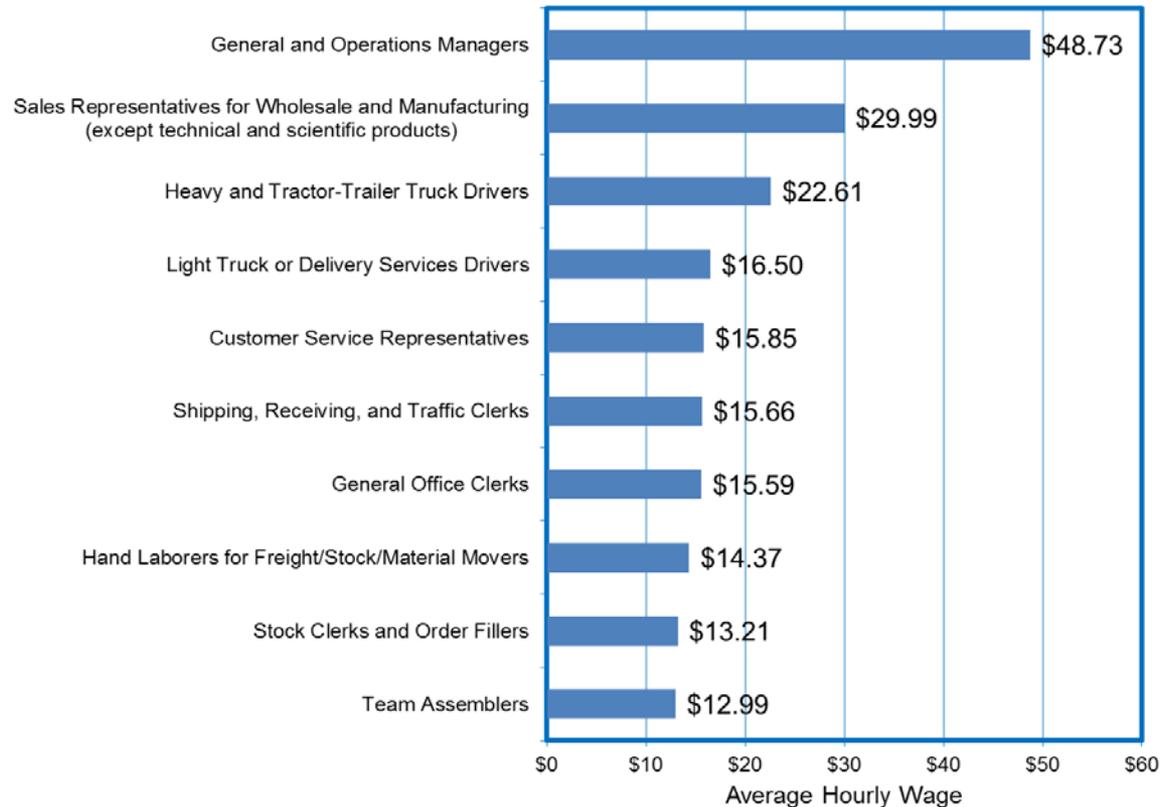
manufacturing and logistics occupations



Source: Economic Modeling Specialists Intl. (EMSI)



# 2016 Average Hourly Wages



Source: Economic Modeling Specialists Intl. (EMSI)



# O-NET Occupational Skills and Attributes Reports

O*NET Occupation Profile - Hand Laborers for Freight/Stock/Material Movers		
<b>Tools</b> Dollies Forklifts Hammers Hand truck or accessories Hoists	<b>Skills</b> Not available  <b>Knowledge</b> Not available	<b>Work Context (Environment)</b> Face-to-face discussions Work with work group or team Spend time using hands to handle, control, or feel objects Wear common protective or safety equipment Time pressure
<b>Technologies</b> Computer aided design CAD software Data base user interface and query software Enterprise resource planning ERP software Industrial control software Inventory management software	<b>Abilities</b> Static Strength Multilimb coordination Trunk strength Control precision Manual dexterity	<b>Work Activities</b> Performing general physical activities Handling and moving objects Identifying objects, actions, and events Controlling machines and processes Operating vehicles, mechanized devices or equipment

Source: Occupational Information Network (O-NET)



# Manufacturing and Logistics Occupations

## skills specified in online job ads

Baseline Skills	Specialized Skills	Data Software Skills
Problem Solving	Customer Contact	Computer Aided Drafting/Design (CAD)
Planning	Forklift Operation	C++ programming language
Microsoft Office	Mathematics	Structured Query Language (SQL)
Organizational Skills	Supervisory Skills	Enterprise Resource Planning (ERP)
Computer Skills	Inspection	Microsoft Outlook
Customer Service	Budgeting	SAP (Systems, Applications, and Products)
Microsoft Excel	Repair	Microsoft Powerpoint
Writing	Scheduling	Microsoft Word
Physical Demand	Sales	Microsoft Office
Communication Skills	Customer Service	Microsoft Excel

Source: Labor Insight/Burning Glass Technologies



# Aligning Economic and Workforce Development

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*A consensus ranking of high demand occupations that align with economic development priorities specific to manufacturing and logistics*





# Clarifications and Limitations

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- ❑ Location Quotients (LQs) are used to identify potential sources of competitive advantage, or areas of regional specialization. LQs measure the relative concentration of a given industry or occupation in a state relative to the nation.
- ❑ LQs are calculated by dividing the proportion of the state's economic activity in an industry or in an occupation, by the proportion of the nation's economic activity in that same industry or occupation.
- ❑ LQs of 1.2 or higher indicate some degree of specialization. LQs of 0.8 to 1.2 indicate normal distribution of industry within the region. LQs of less than 0.8 may indicate that the region may be deficient.
- ❖ Limitations of on-line job postings:
  - ❑ Jobs requiring low skills/low wages tend to use alternative methods of attracting job seekers and are under represented in online ads.
  - ❑ Internal company hiring and union hiring are often not captured by online ads.
  - ❑ Online job posting volume does not necessarily correlate with the level of job openings or hiring.
  - ❑ The percentage of job postings that specify a certification is small limiting how representative the data is.
  - ❑ Algorithmic ad parsing can lead to miscoding occupations and skills due to similarities between abbreviations and other letter combinations, etc.





# Clarifications and Limitations

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- ❑ In online job postings Burning Glass reports licenses and certifications together.
- ❑ The mean salary data in job postings reflects the salary listed by employers in job postings, adjusted to be equivalent to a full-time, annual wage. If a salary range is specified, the median of the range used.
- ❑ High ad volume often occurs for occupations/industries that are having difficulty finding qualified candidates, high turnover positions/recurring openings, or when companies are building large candidate pools.
- ❑ Online job postings should only be used with caution when developing/analyzing time series trends due to the constant changes in the rate of online advertising usage and in the methods used for collecting the data.



# For Additional Information, Please Contact

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Department of Employment, Training and Rehabilitation  
Research and Analysis Bureau

Bill Anderson  
Chief Economist  
[wdanderson@nvdetr.org](mailto:wdanderson@nvdetr.org)

Christopher Robison  
Supervising Economist  
[c-robison@nvdetr.org](mailto:c-robison@nvdetr.org)

(775) 684-0450

<http://www.nevadaworkforce.com>  
follow us on Twitter @nvlabormarket

