

# *Economic Development in Nevada's Changing Economy*

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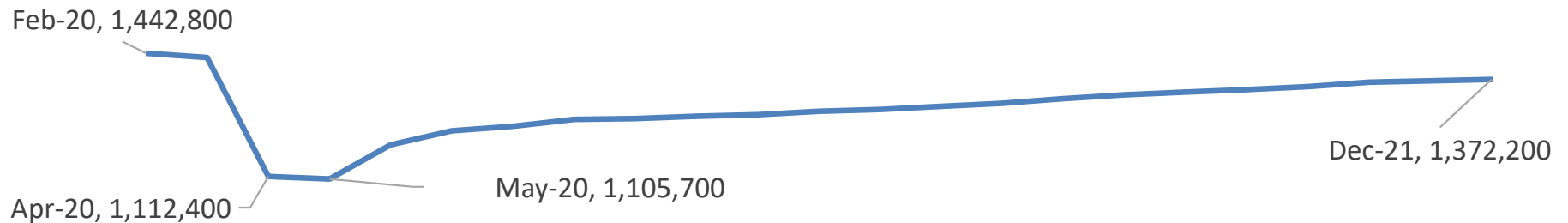
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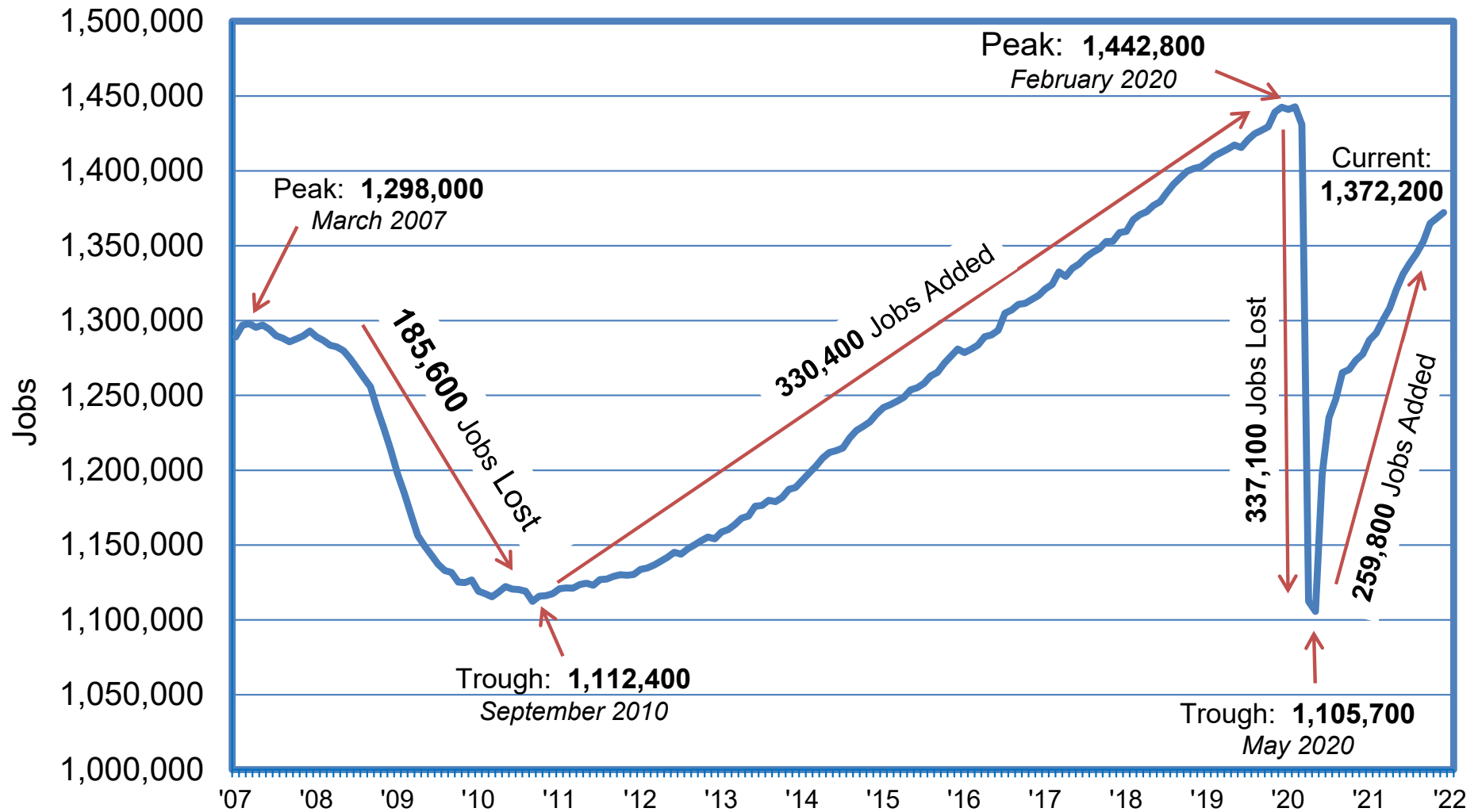
# Economic Overview

- December jobs: 1,372,200

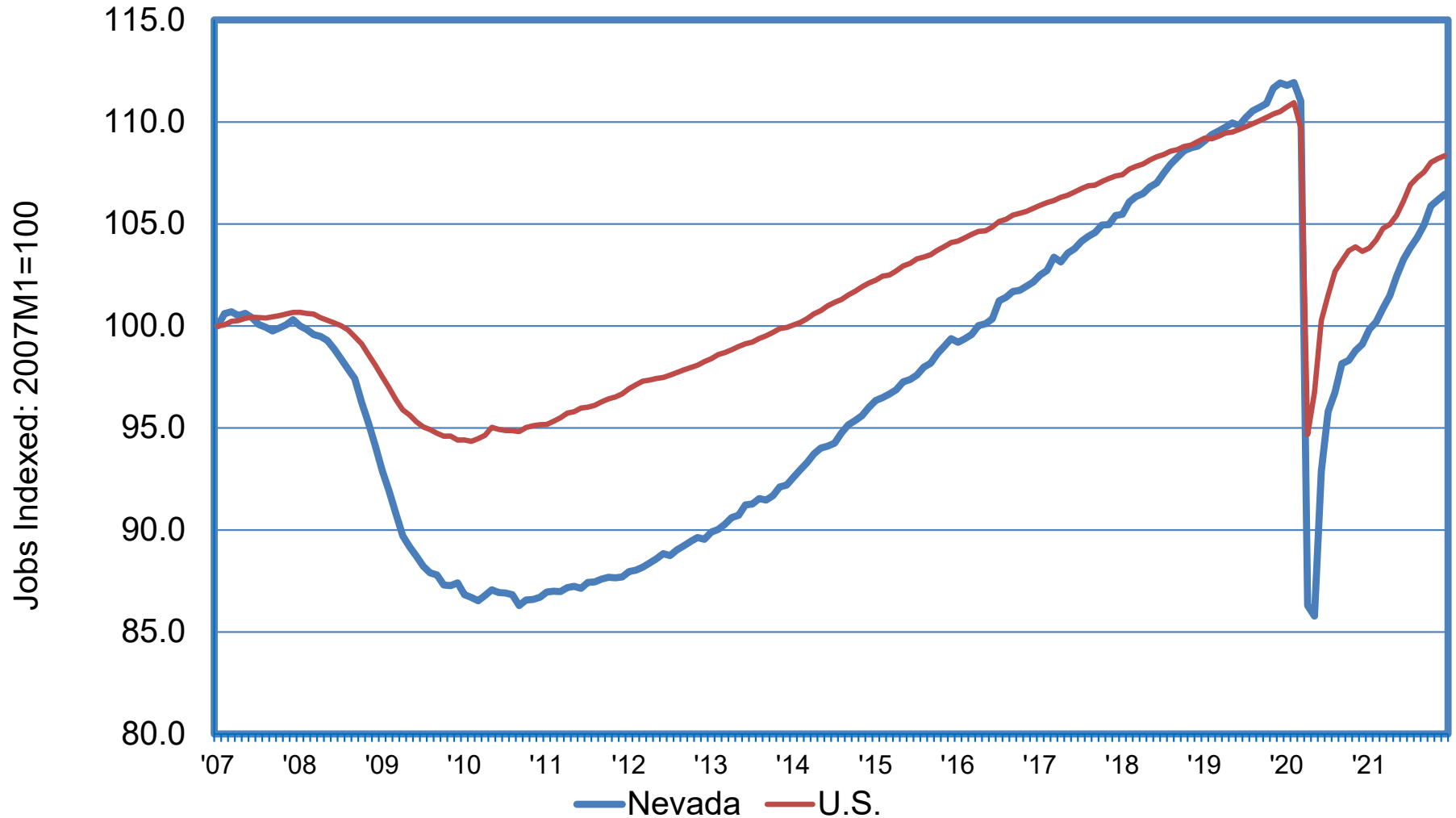


- In April 2020 we lost 330,400 jobs with an unemployment rate of 29.5 percent
- 279,600 of the 330,400 lost jobs were in Clark County (85 percent)
- Service based industries most exposed to the economic downturn
  - Service producing down 24.9 percent vs. goods producing down 8.0 percent
- As of December, we have recovered 78.6 percent or 259,800 of lost jobs
  - Still down 70,600, 63,900 of which are in Accommodations and Food Services
  - We lost 113,400 Casino Accommodations and have regained 45,900 (40.53%)
- December state unemployment: 6.4 percent
  - Las Vegas unemployment at 6.0 percent and Reno at 2.8 percent
- Labor Force Participation Rate now at 60.7 percent

# Nevada's Procyclical Economy

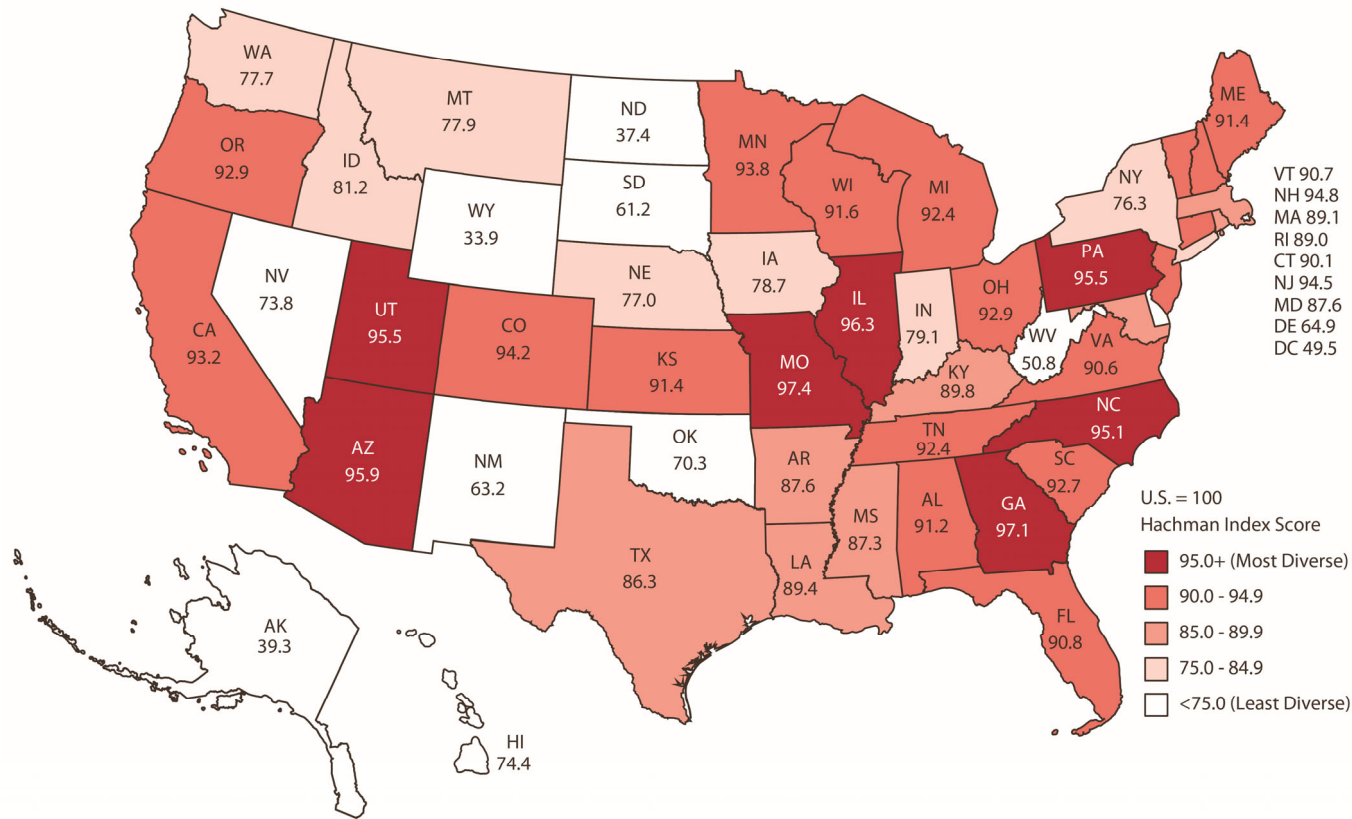


# Nevada's Procyclical Economy

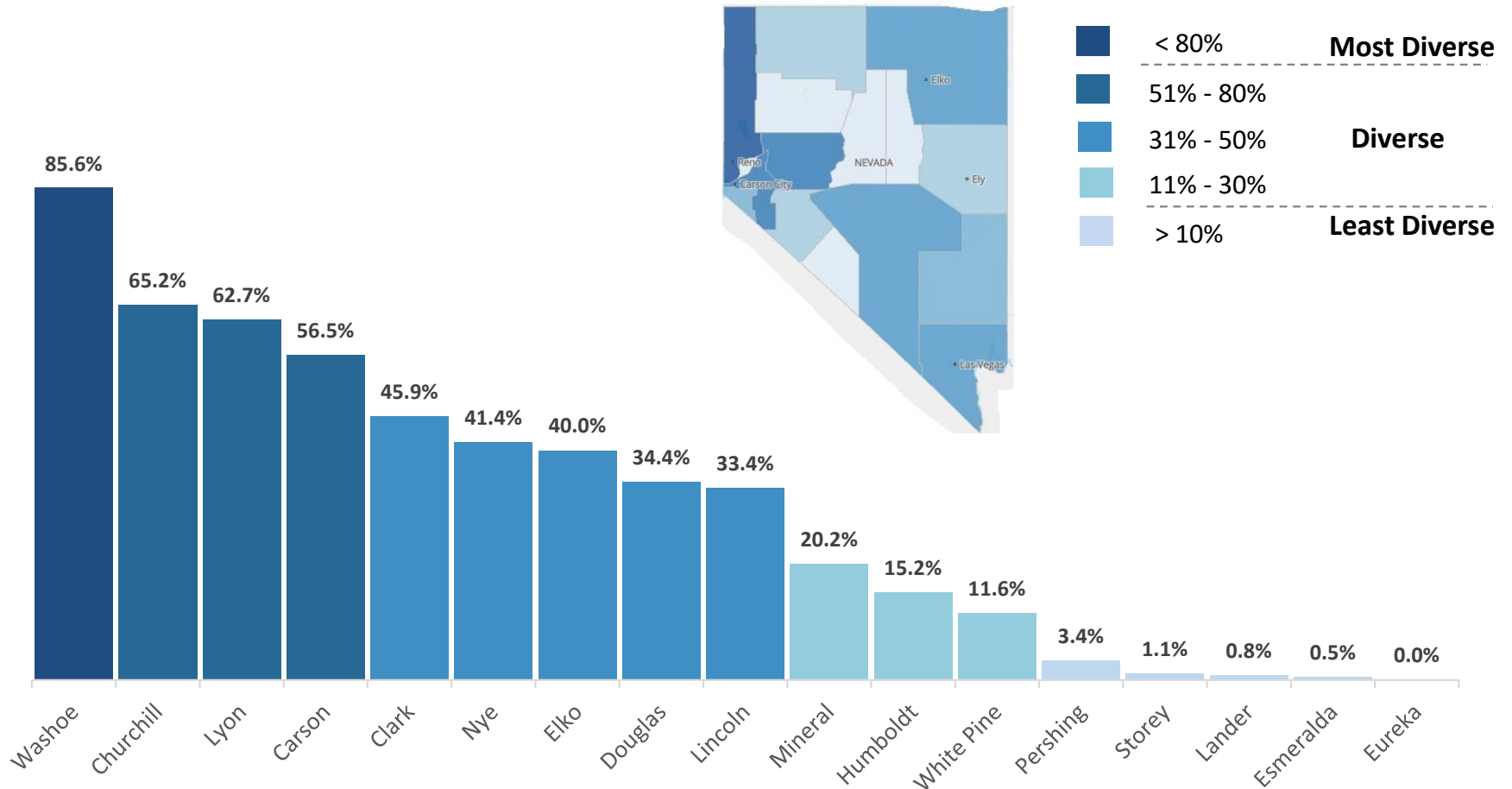


# Nevada's Procyclical Economy

Competitive Environment:	UT	AZ	CO	NV
Measure of Economic Diversity (Hachman Index)	95.5 Most Diverse	95.9 Most Diverse	94.2 Diverse	73.8 Least Diverse
Top Four Targeted Industries for Diversification	Same	Same	Same	Same



# Industry Diversity Index – Nevada Counties



Source: Economic Modeling, LLC (Emsi)

# *Structural Differences within Nevada's Economy*

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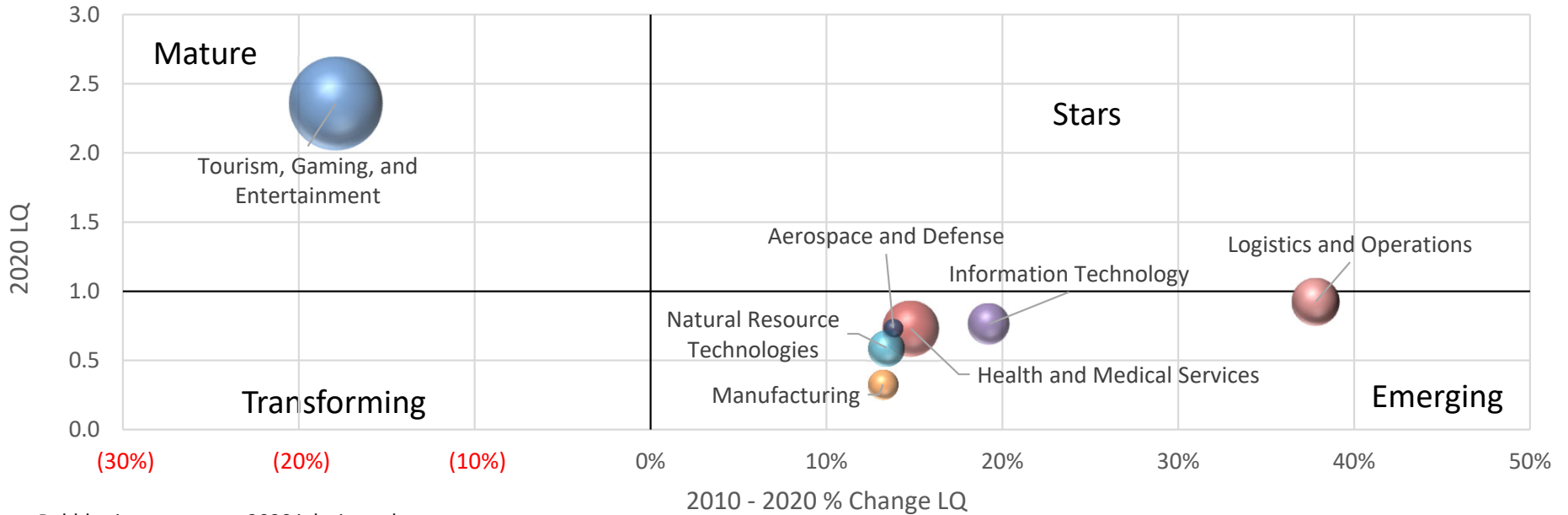


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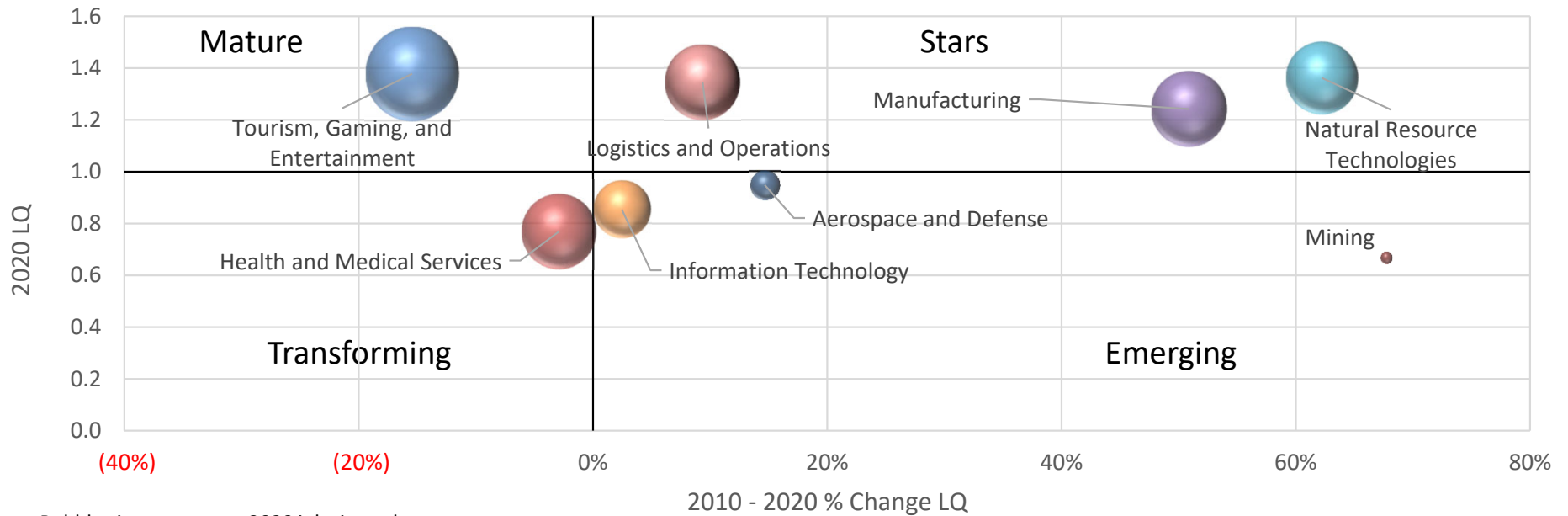
# Southern Nevada's Industry Base



Sector	2010 Jobs	2020 Jobs	2020 LQ	Percent Change LQ	Earnings Per Worker
Mining	293	466	0.13	82%	\$89,200
Logistics and Operations	38,922	67,236	0.93	38%	\$72,903
Information Technology	33,014	50,881	0.76	19%	\$67,568
Health and Medical Services	62,619	92,170	0.73	15%	\$73,801
Aerospace and Defense	8,444	11,202	0.73	14%	\$115,330
Natural Resource Technologies	28,663	38,796	0.59	13%	\$89,049
Manufacturing	20,480	25,548	0.32	13%	\$73,478
Tourism, Gaming, and Entertainment	316,204	259,577	2.36	(18%)	\$42,628

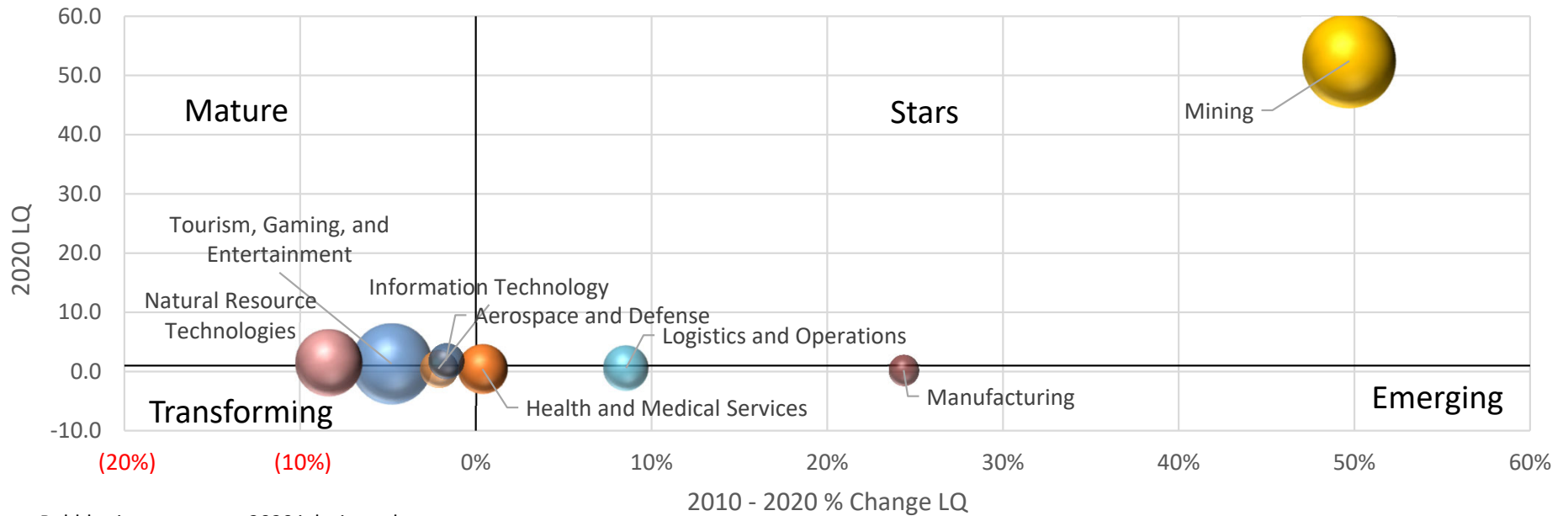


# Northern Nevada's Industry Base



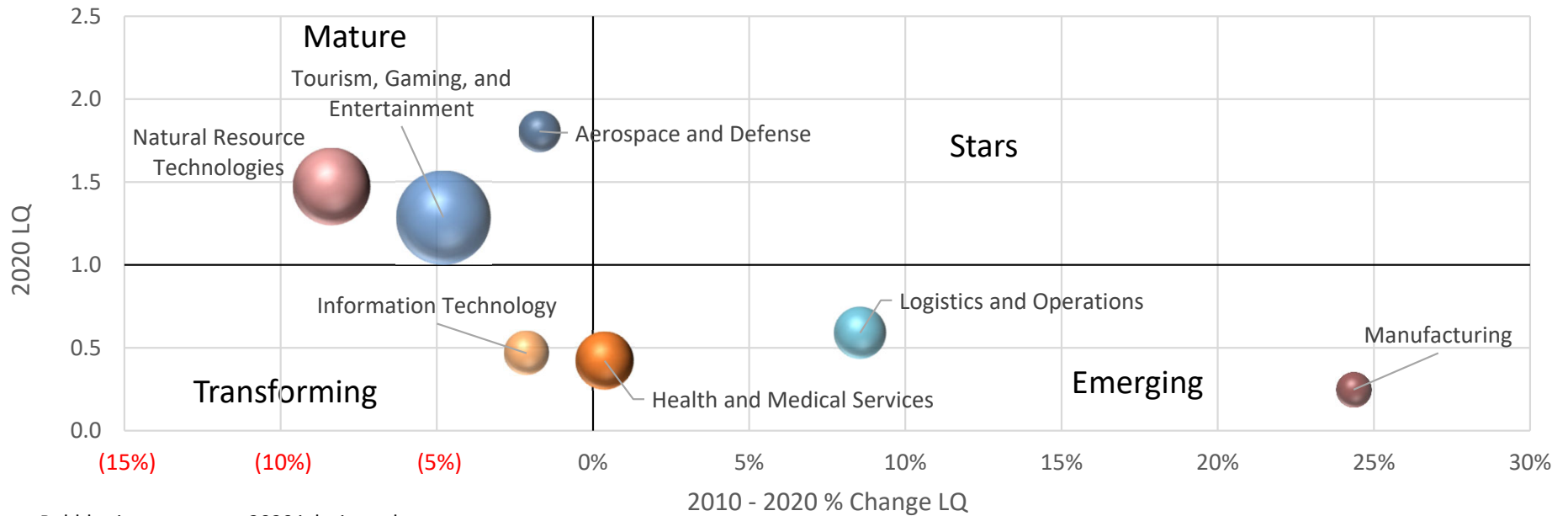
Sector	2010 Jobs	2020 Jobs	2020 LQ	Percent Change LQ	Earnings Per Worker
Mining	502	763	0.67	68%	\$119,746
Natural Resource Technologies	14,151	28,443	1.36	62%	\$95,353
Manufacturing	18,007	31,078	1.24	51%	\$95,027
Aerospace and Defense	3,323	4,611	0.95	15%	\$105,890
Logistics and Operations	21,849	31,086	1.35	9%	\$69,361
Information Technology	13,176	18,114	0.85	2%	\$69,195
Health and Medical Services	23,835	30,800	0.77	(3%)	\$77,526
Tourism, Gaming, and Entertainment	54,979	48,257	1.38	(15%)	\$35,548

# Balance of State Industry Base



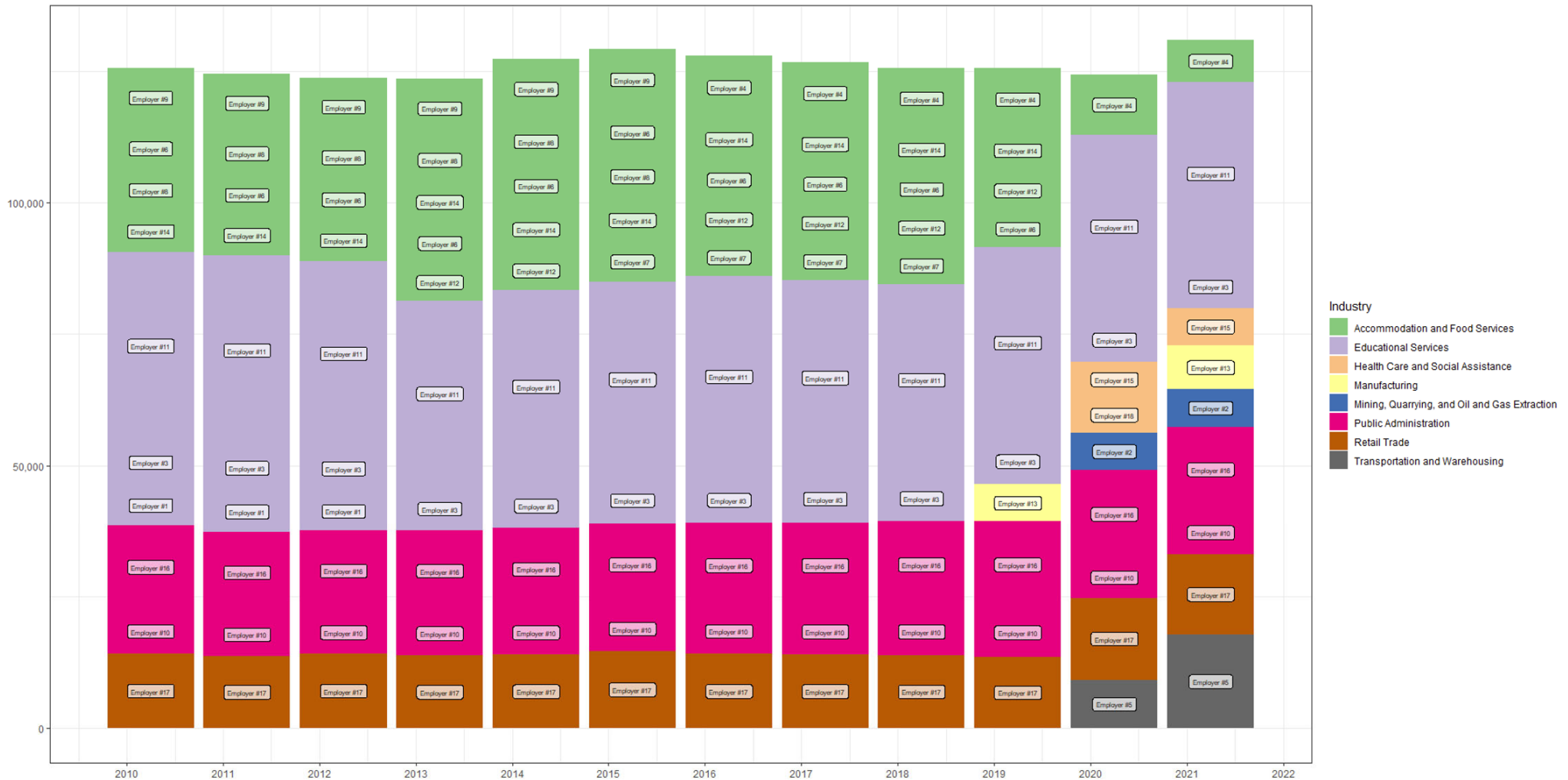
Sector	2010 Jobs	2020 Jobs	2020 LQ	Percent Change LQ	Earnings Per Worker
Mining	11,453	13,710	52.45	50%	\$124,127
Manufacturing	1,132	1,422	0.25	24%	\$76,324
Logistics and Operations	2,502	3,119	0.59	9%	\$84,256
Health and Medical Services	3,288	3,878	0.42	0%	\$61,585
Aerospace and Defense	1,916	2,011	1.81	(2%)	\$121,196
Information Technology	1,962	2,274	0.47	(2%)	\$68,454
Tourism, Gaming, and Entertainment	11,829	10,319	1.29	(5%)	\$28,844
Natural Resource Technologies	7,032	7,047	1.47	(8%)	\$79,064

# Balance of State – a Diversifying Economy?

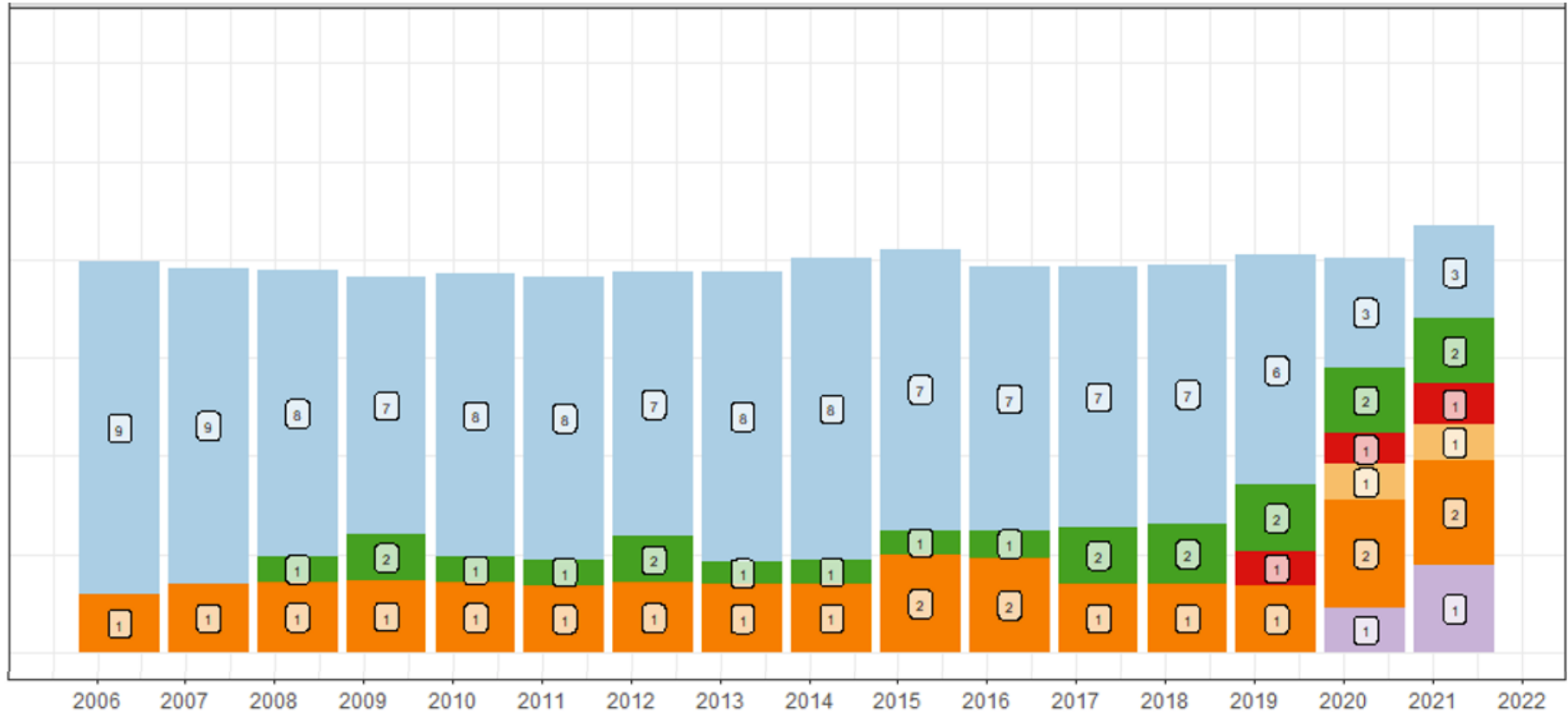


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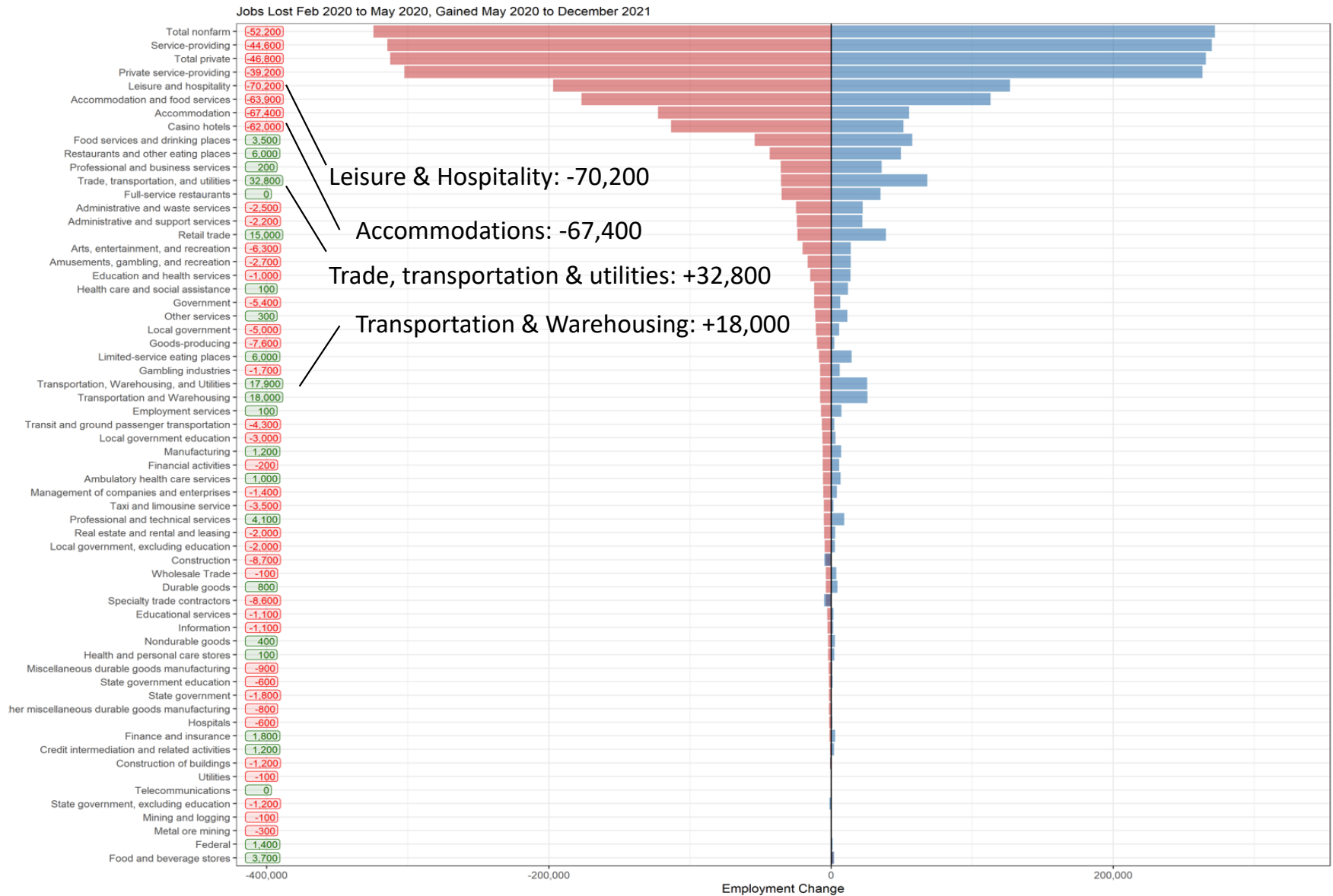
# Ten Largest Employers in Nevada by Industry



# Ten Largest Employers in Nevada by Industry: Private Sector Only



# Jobs Lost and Gained: Nevada



# *The Story*

- GOED Vision: A Diverse, Innovative, Sustainable and Resilient Economy.
- Nevada's procyclical economy leaves us particularly exposed to economic downturns.
- All regions of the state are diversifying, but at different rates.
- Northern Nevada fared much better than Southern Nevada because of a more diversified economy.
- The pandemic has accelerated diversification across the state and created unprecedented opportunity to stabilize Nevada's procyclical economy.
- We need to be clear on what our constraints are so together we can manage and take advantage of the opportunity in front of us.
  - Water
  - Land
  - Workforce

# ***Governors Office of Economic Development***

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