March 18, 2014

Revised Data Show a Much Stronger Nevada Economy

Stephen P. A. Brown, Ryan T. Kennelly, and Peter Counts

As employment data became available throughout 2013, Nevada seemed to be seeing slower job growth than it had in 2012. Revised data issued in late February tell a very different story. Nevada saw accelerating employment growth in 2013 (Chart 1). At 3.4 percent, the growth rate of Nevada employment was exactly double the 1.7 percent growth rate of national employment in 2013. Moreover, the growth was widespread across the major sectors of the Nevada economy, suggesting the growth is sustainable.

Chart 1: Nevada Employment

Such a revision is not a surprise. Employment data are collected and reported by the Current Employment Statistics, a program of the U.S. Bureau of Labor Statistics. The program surveys business establishments to determine the number of employed workers in a region. One drawback of the survey is that it misses new businesses until the survey list is updated at the beginning of each year. When the

annual update is made, the data can be revised substantially, particularly when the economy is in
recovery from a recession.

The February revision marks the fourth, third, second, and first major revision for the 2010, 2011, 2012,
and 2013 data, respectively. For 2010, the revised data show a growth of negative 0.64 percent, a slight
improvement over the negative 0.75 percent growth last reported. The revision also points to a
somewhat better 2011, bumping overall job growth up to 1.07 percent from 1.00 percent. Revisions to
the 2012 data show somewhat weaker growth than last reported, now at 1.98 percent from 2.59
percent. The most significant revision occurred for 2013, with employment growth revised up to 3.42
percent from 1.85 percent. Moreover, the revised data show accelerating employment growth in
Nevada from 2010 through 2013.

All regions of the state contributed to the upward revisions to the employment data in 2013 (Chart 2).
For Las Vegas, total job growth was revised upward to 2.98 percent from 1.98 percent. Reno
experienced much higher growth than initially reported, now at 4.07 percent from 1.30 percent. Carson
City was the only major region in Nevada to experience job losses during 2013, but its growth was
revised upward from negative 1.79 percent to negative 0.72 percent.

**Chart 2: Nevada Employment by Region, 2013**

Nevada saw a steady improvement from falling employment in 2010 to strong growth in 2013, but only
Las Vegas mirrored the overall state pattern (Chart 3). Reno/Sparks saw further weakening in 2011.
Carson City saw declining employment in all four years, with its biggest losses in 2011.
Chart 3: Nevada Employment by Region, 2010-2013

Chart 4: Nevada Employment by Industry, 2013
Of Nevada’s major industry groups, only government was revised downward in 2013 (Chart 4). The growth figures for three of Nevada’s most important industries—Construction, Professional and Business Services, and Leisure and Hospitality—were revised upward considerably. The Manufacturing and Financial Activities sectors also performed much better at generating jobs in 2013 than was originally reported. The Trade, Transportation, and Utilities sector, along with Education and Health Services, was revised upward as well but not by nearly as much as the other industries.


Chart 5: Nevada Industry Employment, 2010-2013
Overall, the revised data show the Nevada economy improving from 2010 through 2013, with gains in 2011, 2012, and 2013. Most of Nevada’s sectors showed increasing employment in 2011. Construction and Government are the two exceptions. All of Nevada’s major industrial sectors show increased employment in 2012 and 2013. With the exception of Financial Activities and Government, all of these sectors show stronger employment growth in 2013 than 2012. Together, these observations reveal that the Nevada economy is well into its recovery, and the recovery is broad based across Nevada’s industries.

Stephen P. A. Brown, PhD  
Professor and Director  
Center for Business and Economic Research  
University of Nevada, Las Vegas

Ryan T. Kennelly  
Economic Analyst  
Center for Business and Economic Research  
University of Nevada, Las Vegas

Peter Counts  
Graduate Assistant  
Center for Business and Economic Research  
University of Nevada, Las Vegas