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Nevada's Unemployment Rate Rises to 5.2 Percent in October

Nevada's unemployment rate continued to creep up in October hitting 5.2 percent, while the national unemployment rate was 4.7 percent. Nevada's job growth fell to just 0.9 percent over the year, extending a string of five-year lows, said William Anderson, chief economist for the Department of Employment, Training & Rehabilitation (DETR).

"The housing slump continues to negatively impact Nevada's unemployment," said Anderson. "With winter approaching it is unlikely that housing market conditions-and, therefore, construction-related employment-will improve any time soon. However, the gaming industry should get a boost from the opening of the Palazzo in Las Vegas in December."

The Palazzo, the sister property of the Venetian Resort, is expected to employ about 4,000 workers, he said. The Palazzo will provide the biggest increase in gaming employment since Wynn Las Vegas opened in April 2005. The retail sector should get a boost in November, not only from the start of holiday season hiring, but also from the opening of a Cabela's sporting goods store in Reno and the Town Square mixed-use project south of the Las Vegas Strip.

Analysis of employment changes over the past six months provides a clearer picture of current job market conditions than any of the recent monthly reports, which were marked by the usual summer labor market volatility, Anderson said.

From April to October, Nevada added only 300 net jobs, he said. In the previous five years, job growth averaged more than 33,000 over the same six-month period, Anderson said. The biggest job gains this year were in the education and health care, leisure and hospitality, and retail trade industries. Each of those industries added between 1,400 and 1,800 jobs since April. However, those gains were offset by job losses in other industries. Construction and employment services (temporary help) lost 2,800 and 3,900 jobs, respectively, and the financial sector shed 600 jobs.

“On the national front, the credit market crisis remains the dominant story as financial firms continue to write off billions of dollars in bad mortgage loans,” Anderson said. “The concern remains that a tightening of credit, both to consumers and businesses, will help push the economy into recession. The Federal Reserve has already lowered interest rates twice in an attempt to stabilize the credit market and stimulate the economy.”



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 connect businesses and workers.