

Economic Development in Nevada's Changing Economy

September 2023



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Realizing Nevada's Electric, Innovative, and Connected Future

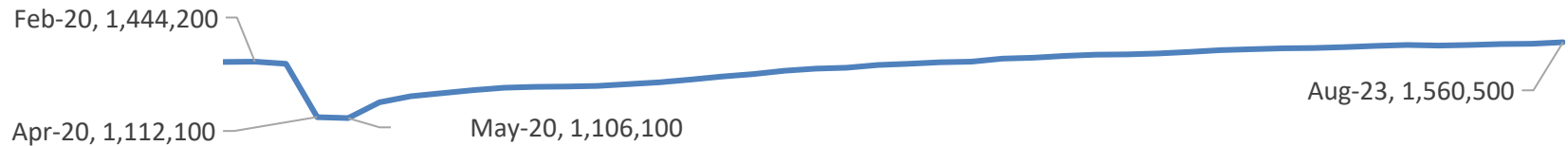
5-Year Comprehensive Economic Development Strategy

GOED Mission: Fostering an economy that is vibrant, innovative, and sustainable with high-paying jobs and great quality of life for all Nevadans.

- Economic and Community Assessment
 - Population and Talent
 - Diversification
 - Innovation
 - Infrastructure and Quality of Life
 - Nevada's Economic Geography: The "Three Nevadas"
- Target Industries
- Strategic Position: SWOT Analysis
- Strategy and Action Plan
- Performance and Evaluation
- Leadership Plan for Inclusive Growth

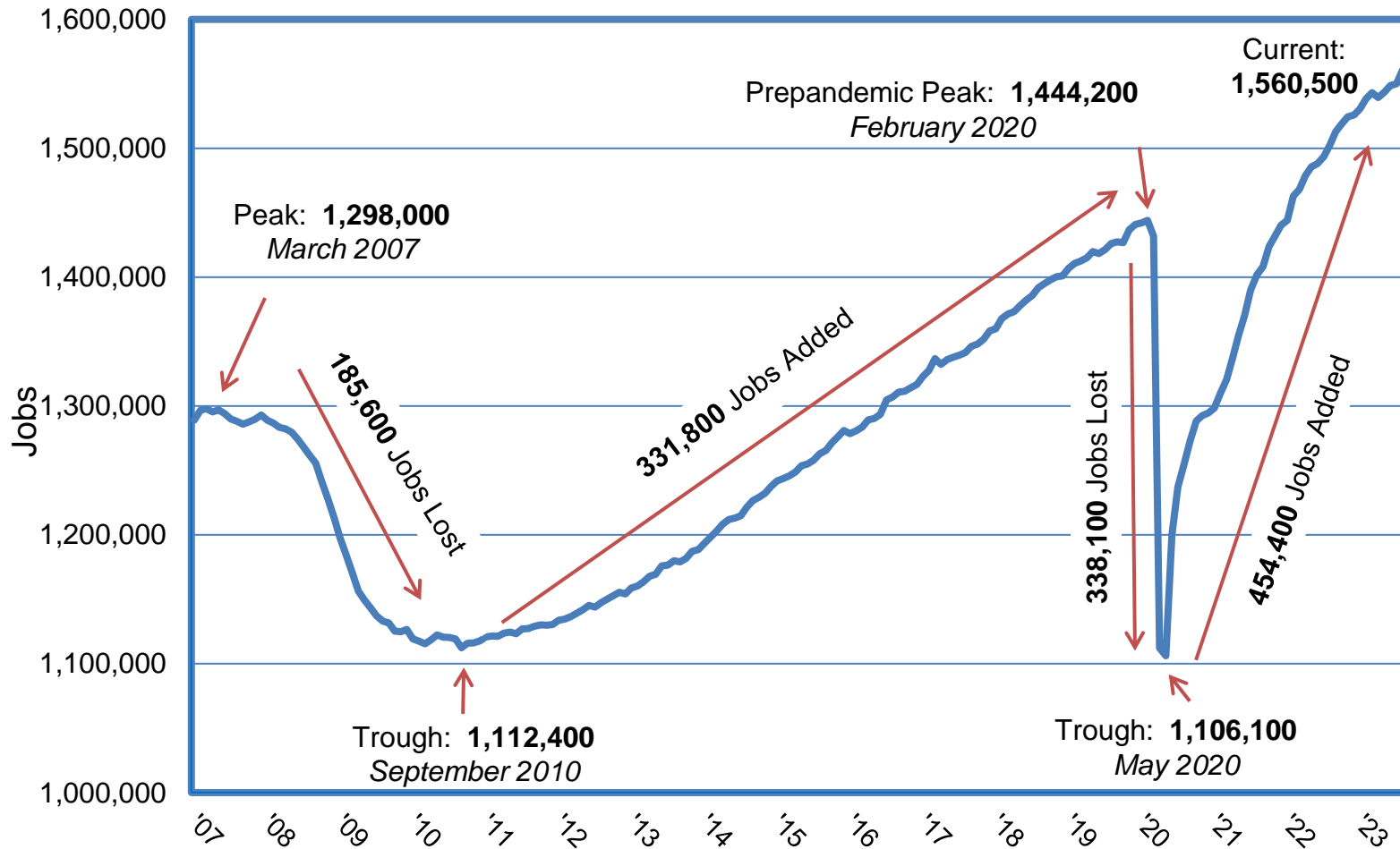
Economic Overview

- August 2023 jobs: 1,560,500

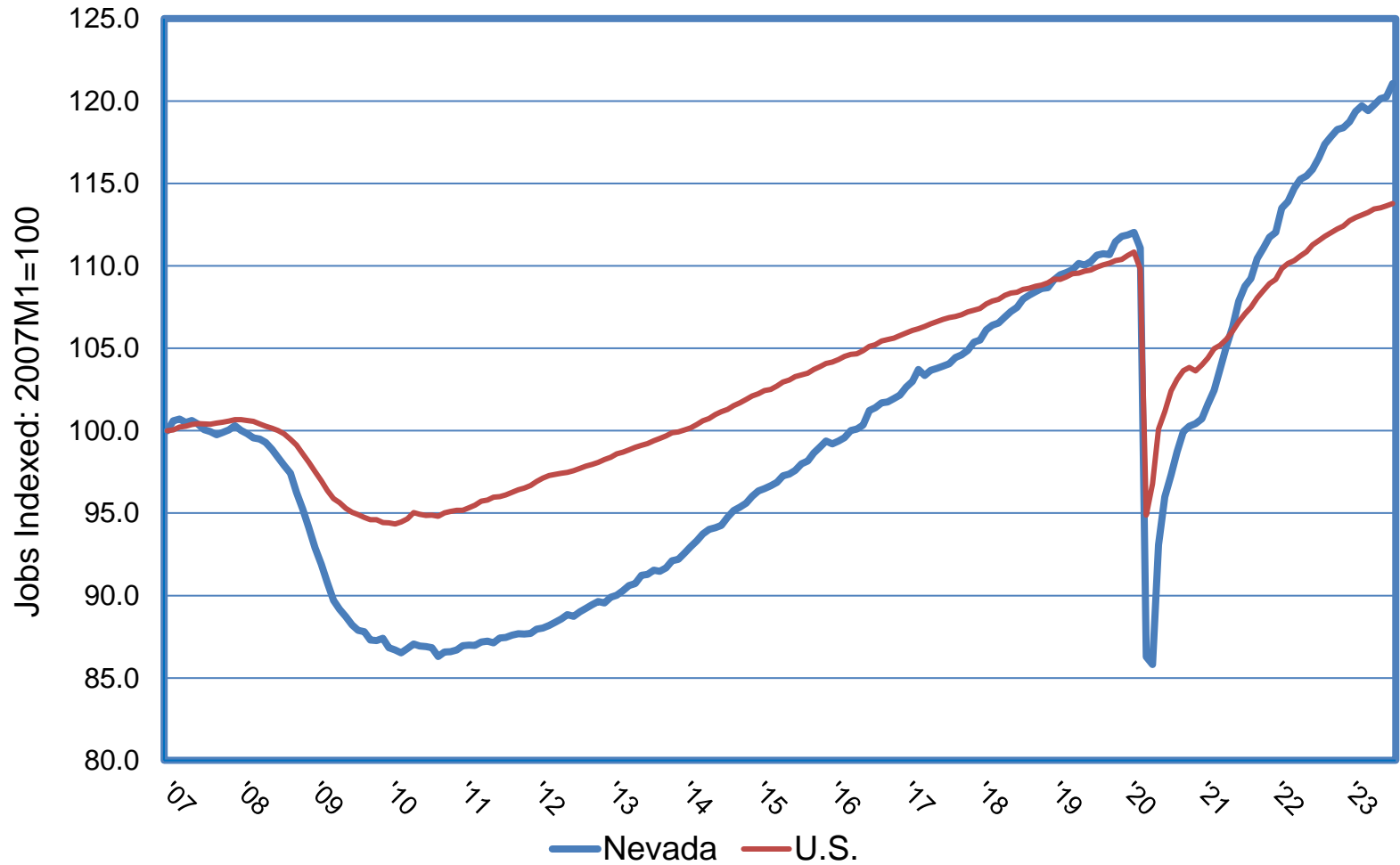


- By May 2020 we lost 338,100 jobs with an unemployment rate of 30.6 percent
 - 288,100 of the lost jobs were in Clark County (85 percent)
- Service-based industries most exposed to the economic downturn
 - Service providing down 25.6 percent vs. goods producing down 7.7 percent
- As of August, we are up 116,300 jobs from the pre-pandemic peak
 - We lost 205,900 Leisure and Hospitality jobs and have regained 209,600
 - Still down 1,500 in Accommodations and Food Services
- August statewide unemployment rate: 5.4 percent
 - Las Vegas unemployment at 6.1 percent and Reno at 4.4 percent
- Labor Force Participation Rate is now at 61.6 percent

Nevada's Procyclical Economy

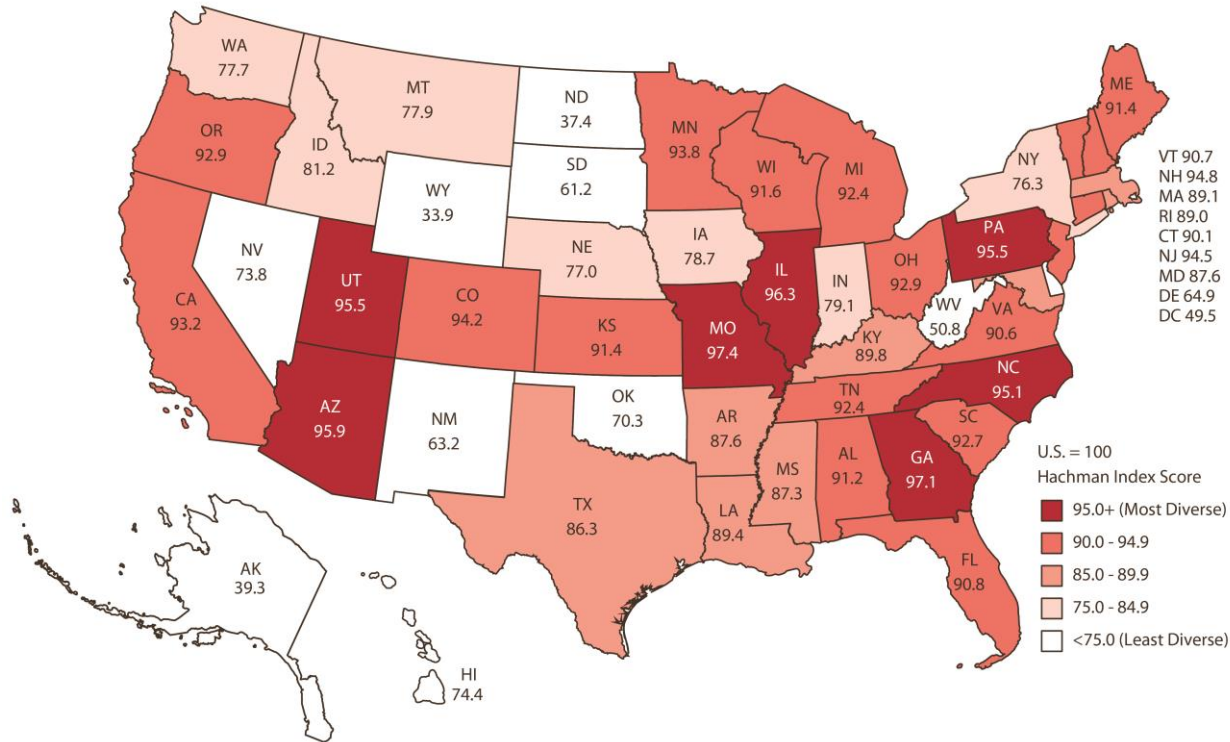


Nevada's Procyclical Economy

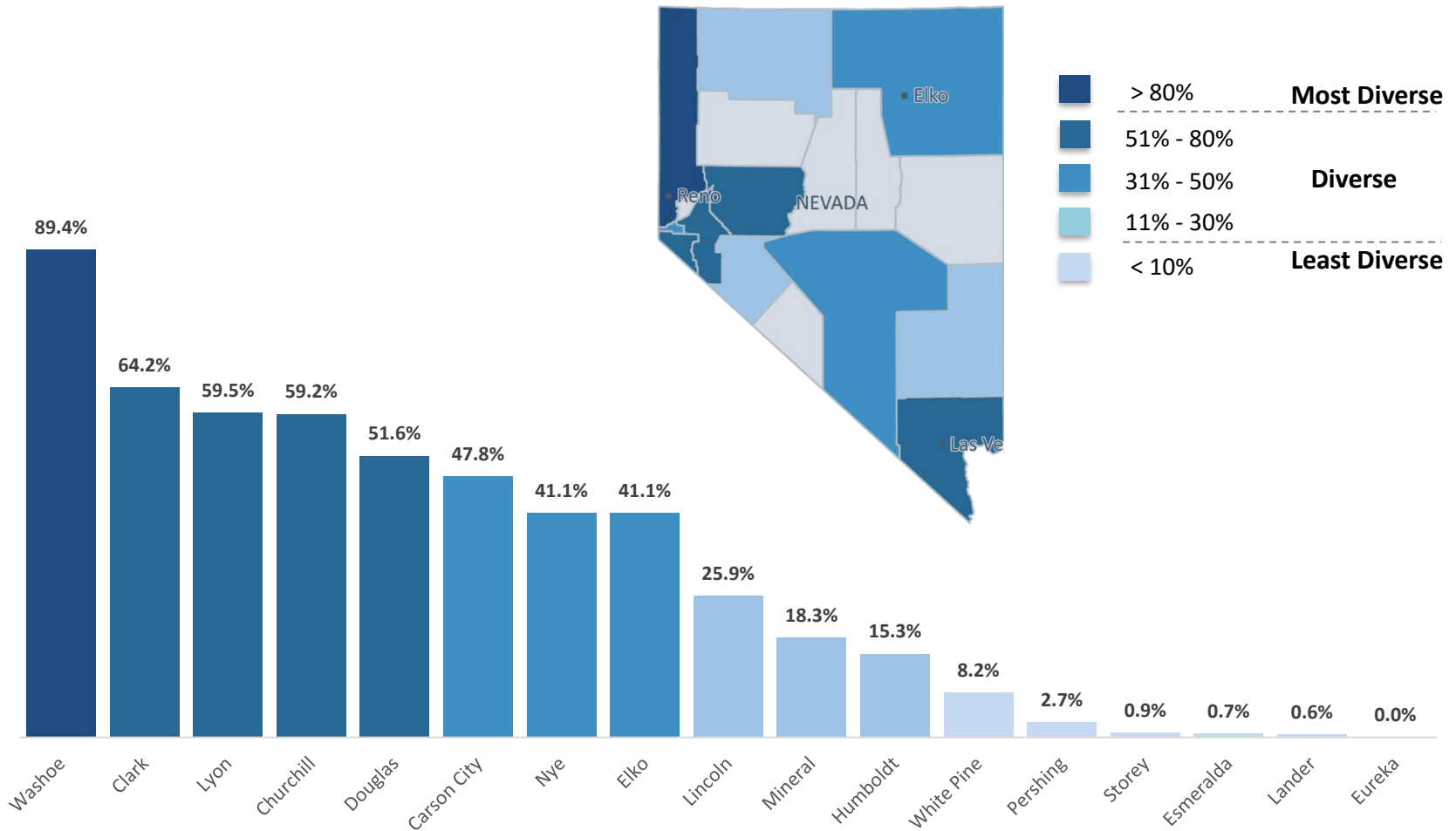


Nevada's Procyclical Economy

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



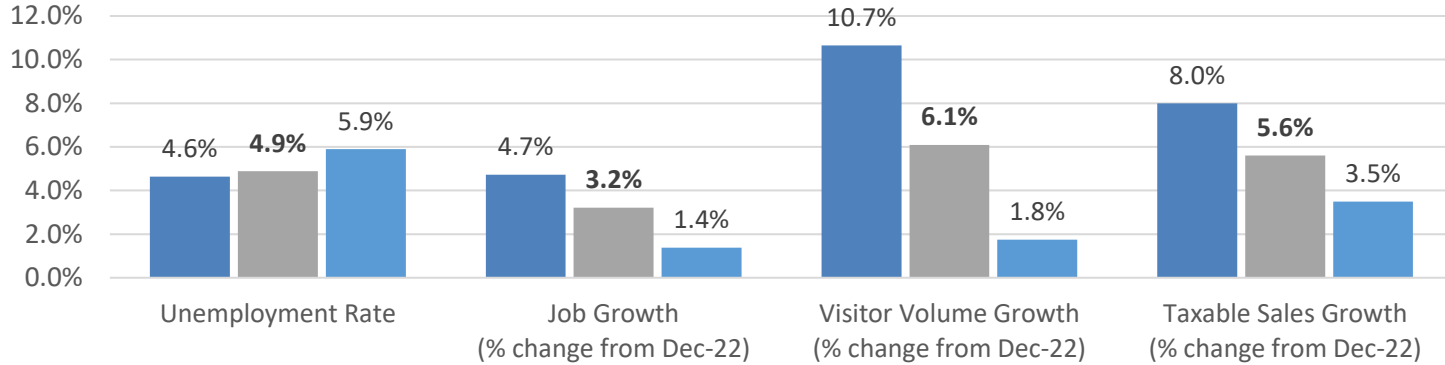
Source: Lightcast™

Consensus Scenario Projections

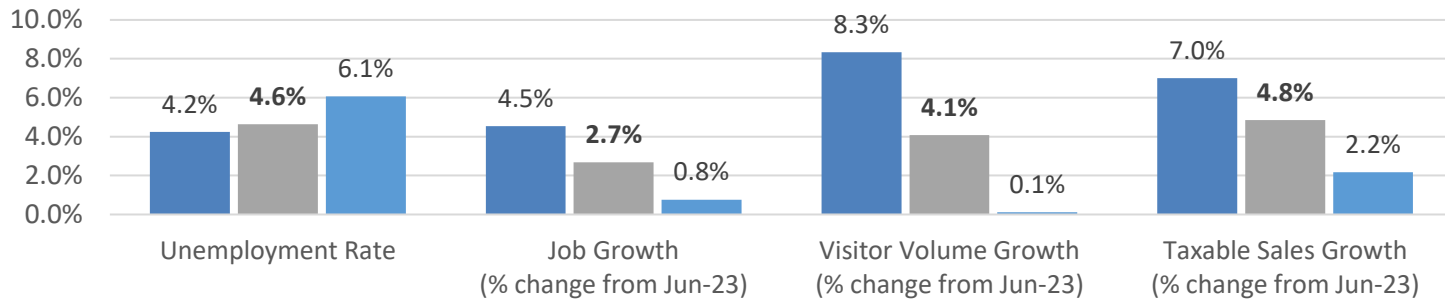
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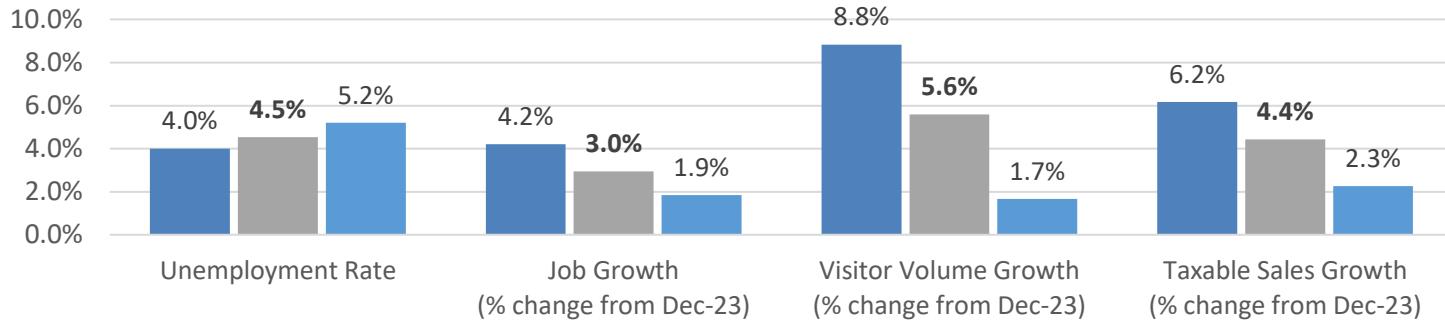
December 2023



June 2024



December 2024



Structural Differences within Nevada's Economy



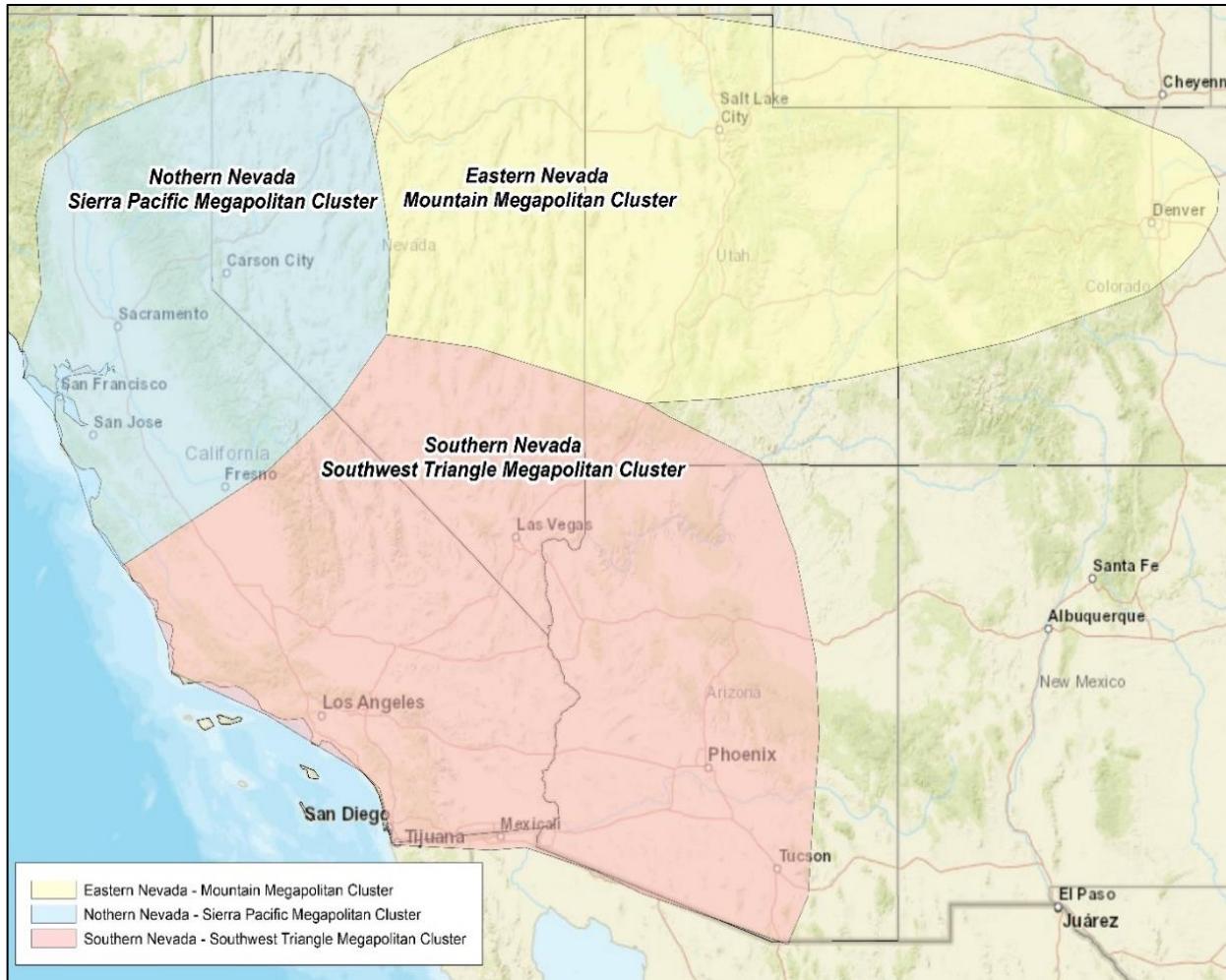
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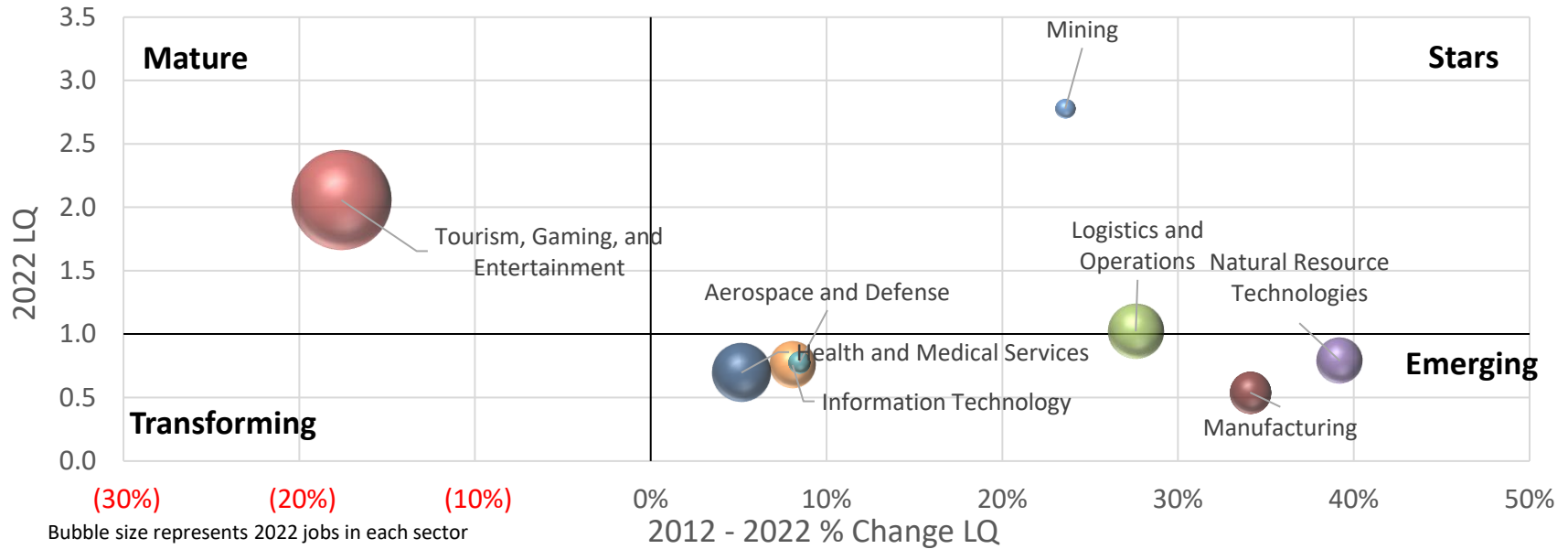
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Nevada's Three Megapolitan Clusters



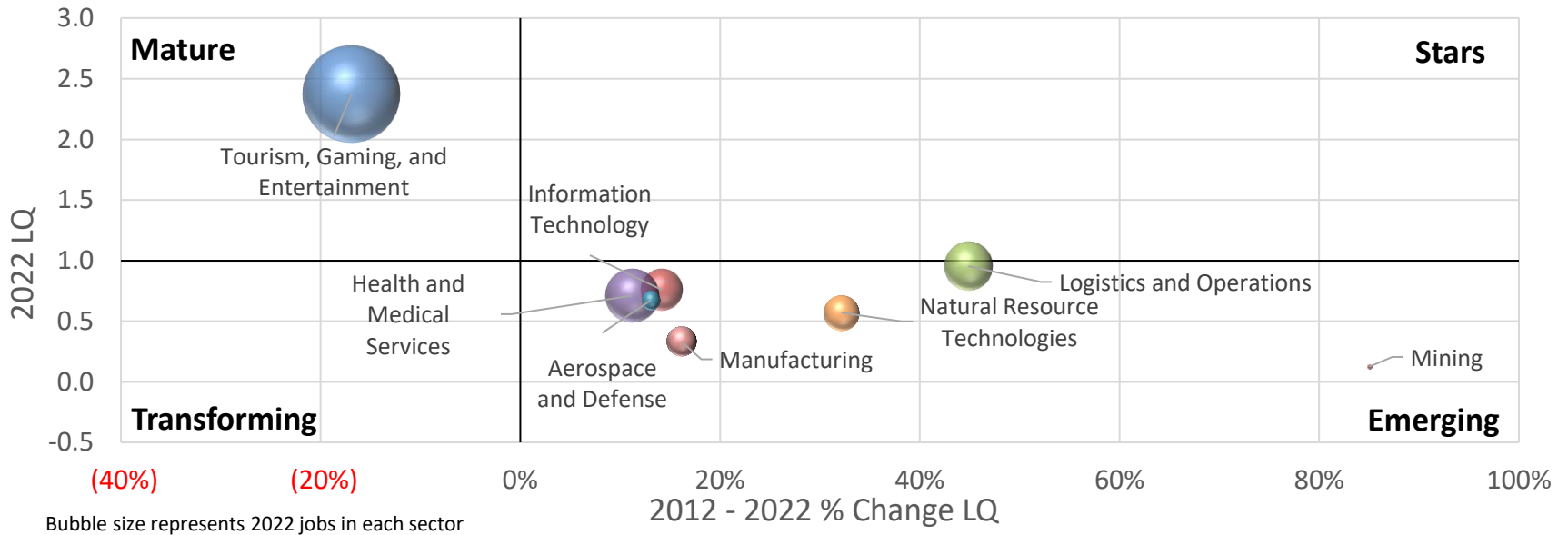
Source: Nevada's Megapolitan Clusters. Robert E. Lang and Jaewon Lim, Brookings Mountain West-- UNLV, 2020.

Nevada's Industry Base



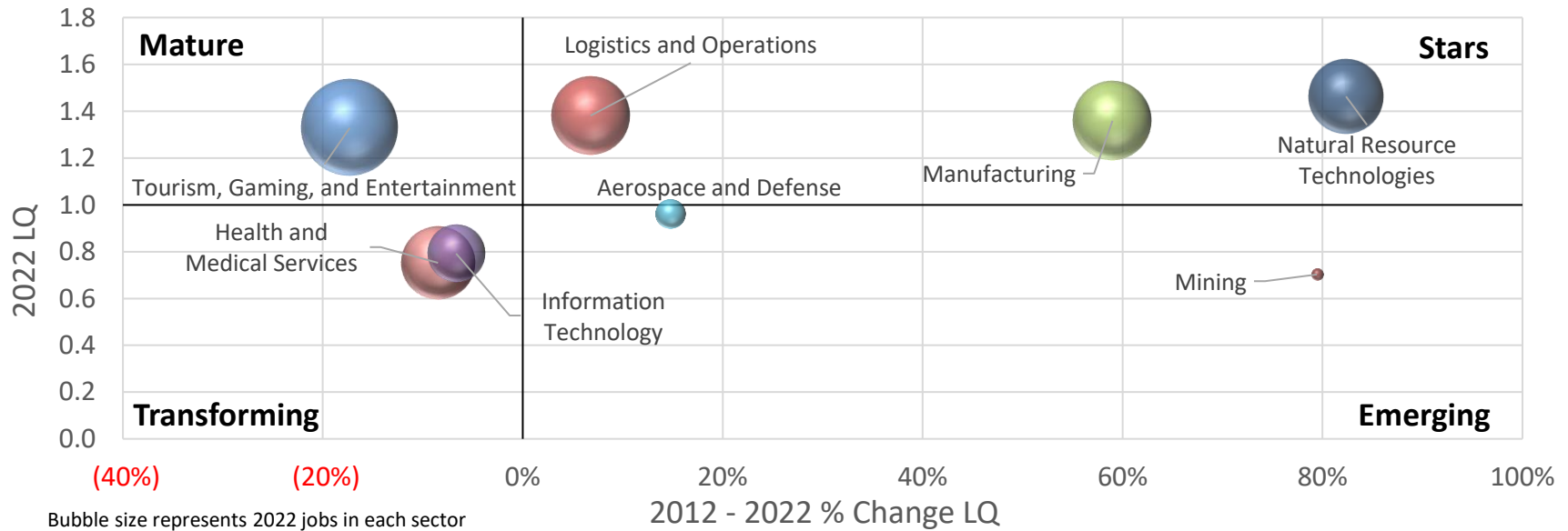
Sector	2012 Jobs	2022 Jobs	2022 LQ	Percent Change LQ	Earnings Per Worker
Natural Resource Technologies	44,983	83,225	0.79	39%	\$96,452
Manufacturing	40,871	67,011	0.54	34%	\$89,993
Logistics and Operations	66,752	123,167	1.02	28%	\$78,379
Mining	15,595	15,012	2.78	24%	\$129,860
Aerospace and Defense	13,363	18,975	0.78	8%	\$115,297
Information Technology	54,016	85,601	0.76	8%	\$82,458
Health and Medical Services	93,920	136,604	0.70	5%	\$81,495
Tourism, Gaming, and Entertainment	396,822	400,333	2.06	(18%)	\$51,159

Southern Nevada's Industry Base



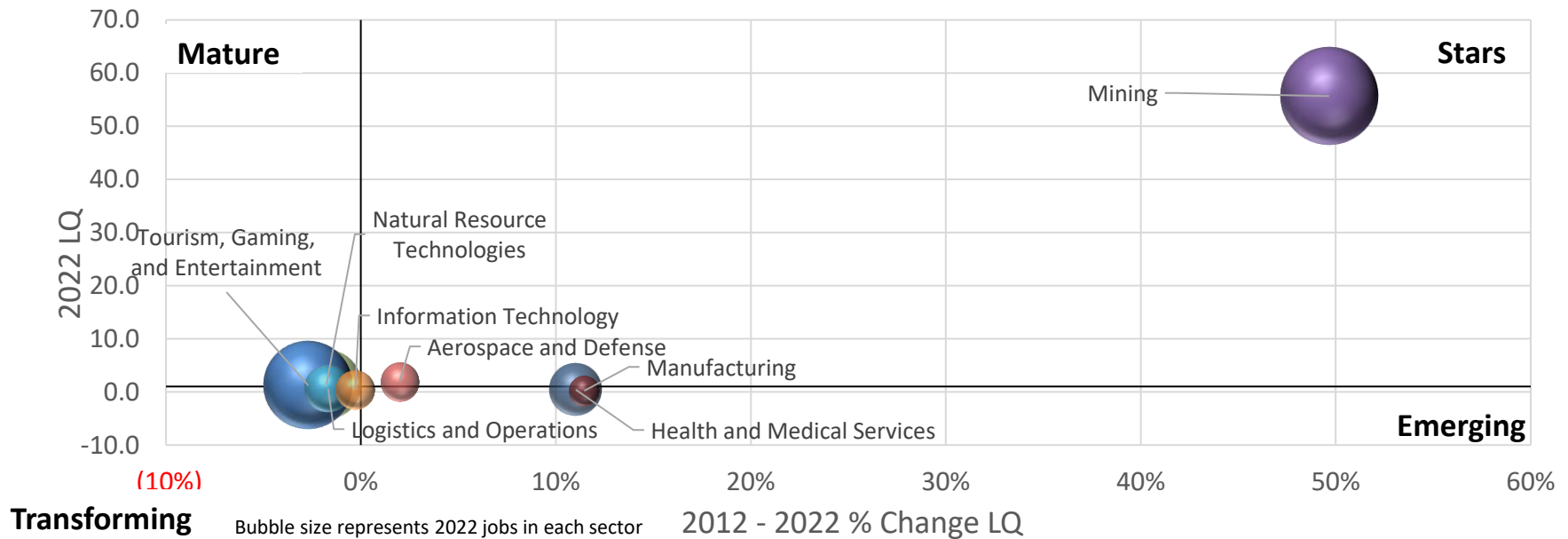
Sector	2012 Jobs	2022 Jobs	2022 LQ	Percent Change LQ	Earnings Per Worker
Mining	349	499	0.13	85%	\$91,477
Logistics and Operations	39,995	83,139	0.95	45%	\$76,626
Natural Resource Technologies	24,986	43,549	0.57	32%	\$92,550
Manufacturing	21,425	30,177	0.33	16%	\$78,025
Information Technology	37,521	62,322	0.76	14%	\$77,818
Aerospace and Defense	8,093	11,887	0.67	13%	\$115,218
Health and Medical Services	66,281	101,176	0.71	11%	\$80,160
Tourism, Gaming, and Entertainment	331,404	334,544	2.37	(17%)	\$52,975

Northern Nevada's Industry Base



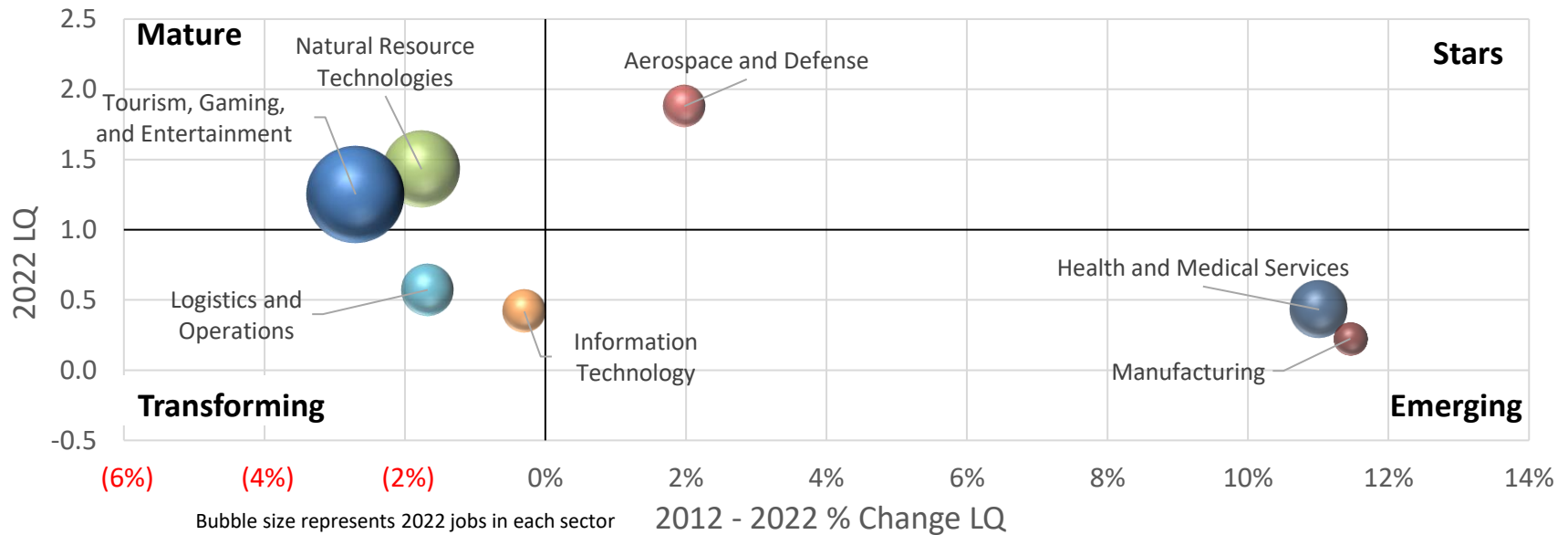
Sector	2012 Jobs	2022 Jobs	2022 LQ	Percent Change LQ	Earnings Per Worker
Natural Resource Technologies	13,382	32,428	1.46	82%	\$102,576
Mining	571	798	0.70	79%	\$125,504
Manufacturing	18,301	35,567	1.36	59%	\$100,088
Aerospace and Defense	3,286	4,936	0.96	15%	\$109,760
Logistics and Operations	22,647	34,965	1.38	7%	\$76,907
Information Technology	13,774	18,847	0.79	(7%)	\$90,802
Health and Medical Services	24,511	31,029	0.75	(8%)	\$86,140
Tourism, Gaming, and Entertainment	53,734	54,394	1.33	(17%)	\$42,836

Balance of State Industry Base



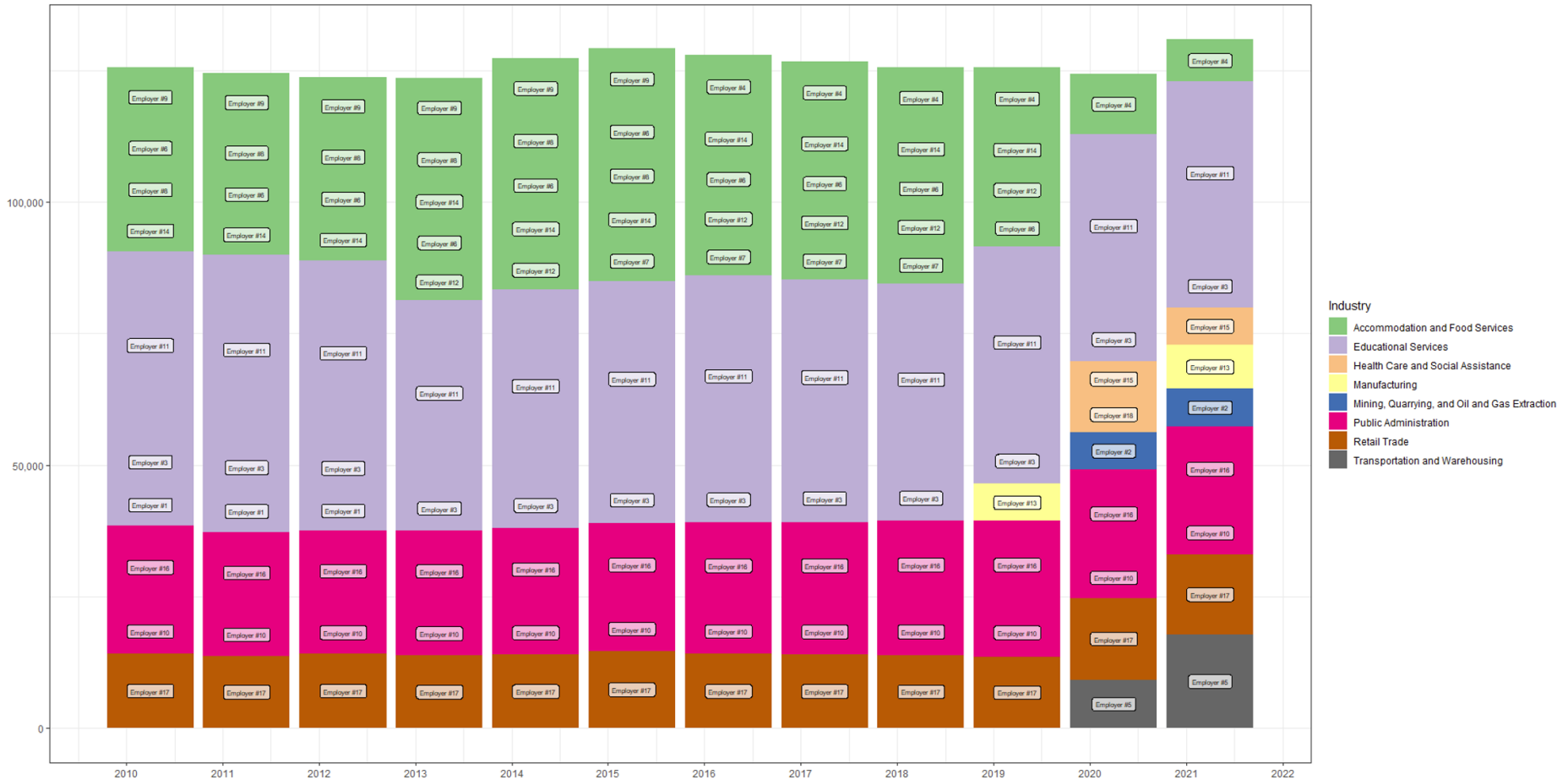
Sector	2012 Jobs	2022 Jobs	2022 LQ	Percent Change LQ	Earnings Per Worker
Mining	14,451	13,692	55.65	50%	\$131,377
Manufacturing	1,144	1,267	0.22	11%	\$91,646
Health and Medical Services	3,102	3,871	0.43	11%	\$68,753
Aerospace and Defense	1,925	2,088	1.88	2%	\$127,566
Information Technology	1,815	2,157	0.42	(0%)	\$82,949
Logistics and Operations	2,712	3,134	0.57	(2%)	\$93,442
Natural Resource Technologies	6,477	6,873	1.43	(2%)	\$90,622
Tourism, Gaming, and Entertainment	11,461	11,097	1.25	(3%)	\$36,346

Balance of State – a Diversifying Economy?



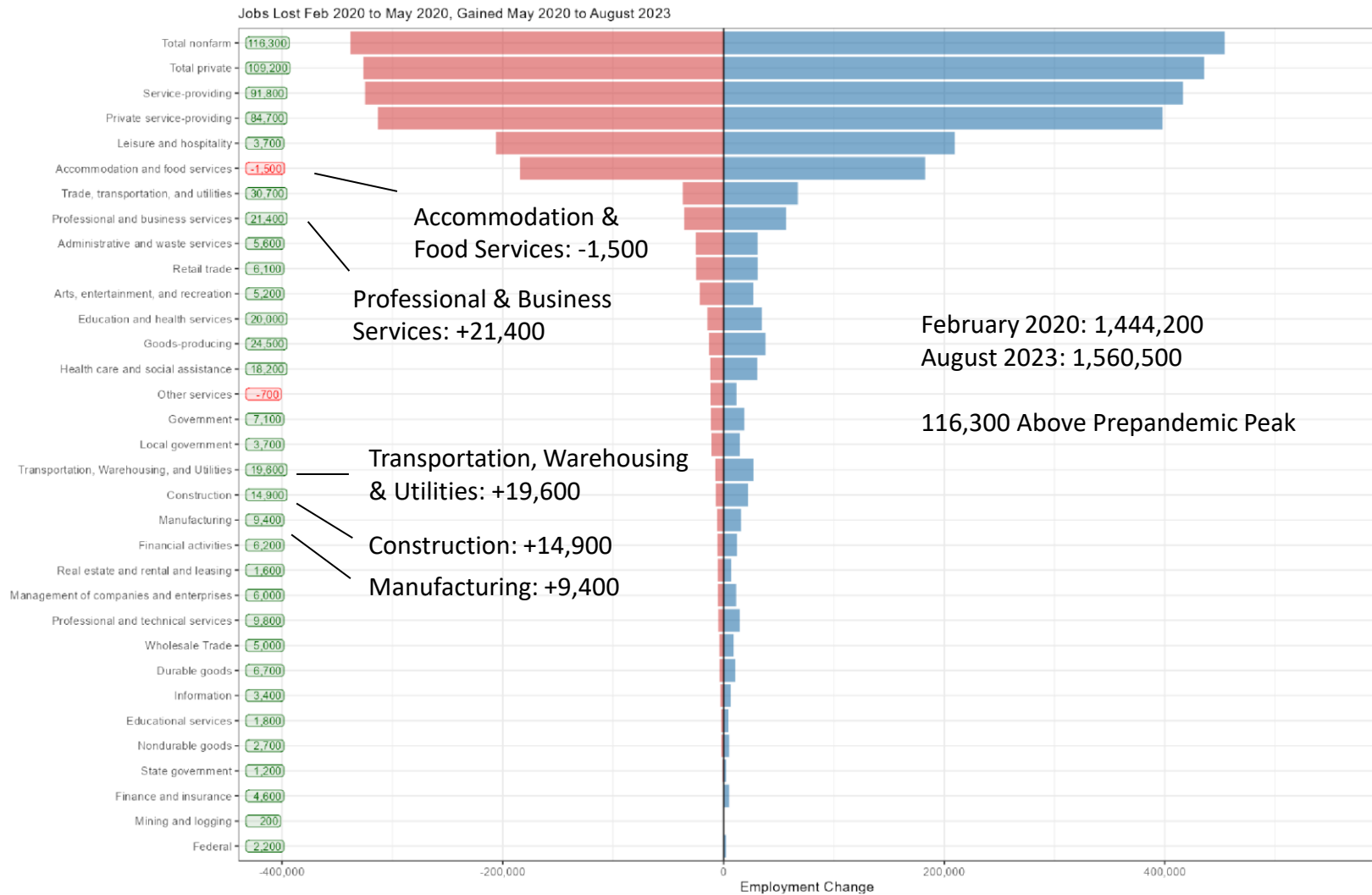
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Ten Largest Employers in Nevada by Industry



Source: DETR Research and Analysis Division

Jobs Lost and Gained: Nevada



Source: DETR Research and Analysis Division

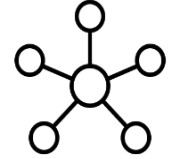
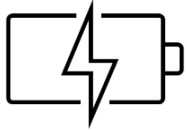
Realizing Nevada’s Electric, Innovative, and Connected Future

5-Year Comprehensive Economic Development Strategy

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Realizing Nevada's Electric, Innovative, and Connected Future: Strategic Action Steps



Electric Nevada

- Assess and strengthen EV production vertical supply chain
- Enable solar energy-related innovations
- Support completion of utility connectivity
- Support the build out of EV infrastructure

Innovative Nevada

- Create a unified vision for innovation
- Increase capital access to startups and later-stage businesses
- Strengthen university technology transfer system
- Scale industry partnerships to expand STEM workforce
- Lead globally on water scarcity policy and innovation

Connected Nevada

- Support development of multimodal inland port
- Develop tech-ready industrial parks
- Identify private-sector investment opportunities for freight rail
- Support planned airport-related infrastructure developments
- Support expansion of broadband and 5G infrastructure

Using Data and Information to Align Economic and Workforce Development: Workforce Analysis



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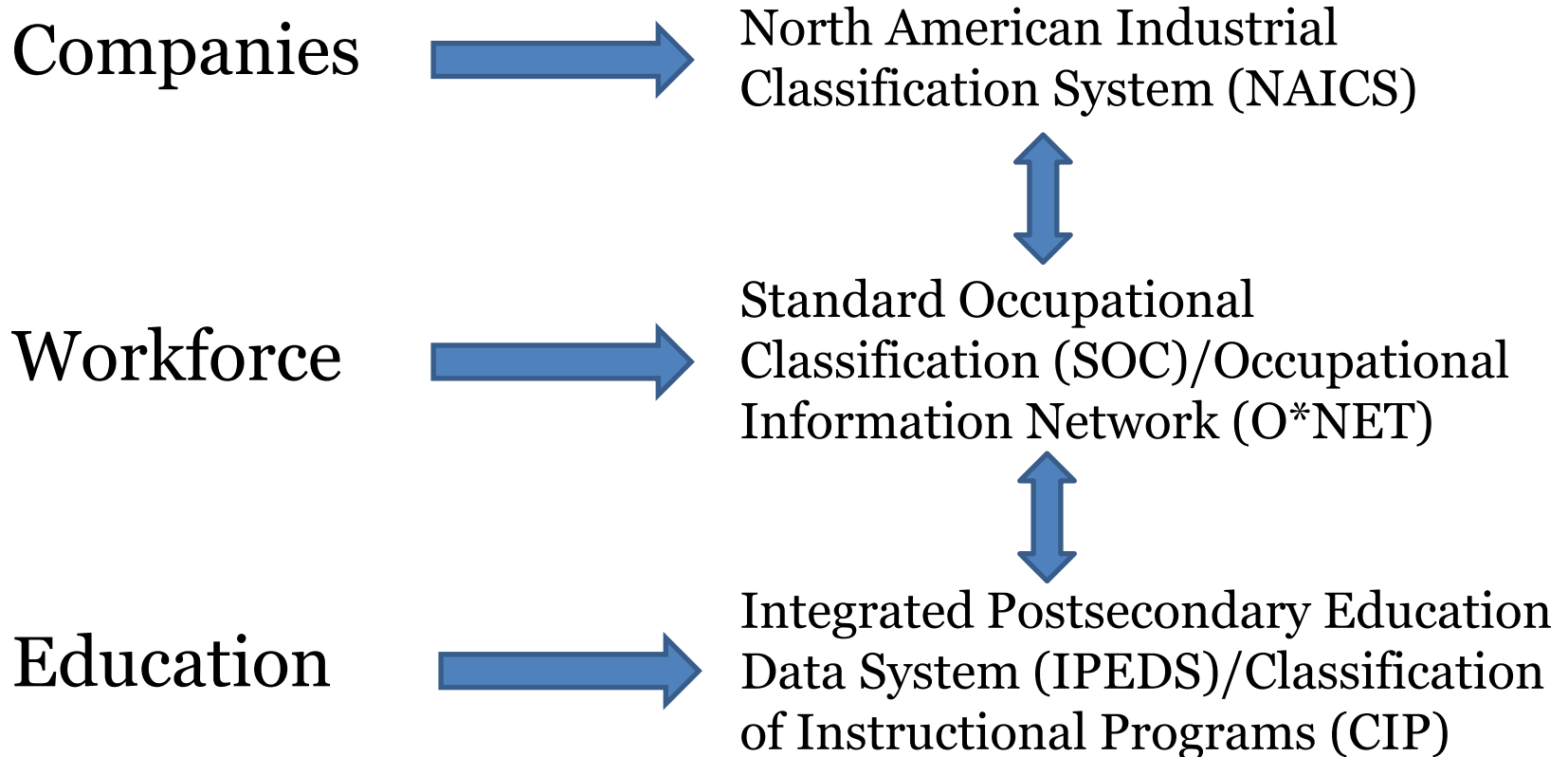
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Strategic Location Drivers

- 1 Workforce Skills
- T2 State and local tax scheme
- T2 Workforce Development
- 4 Transportation infrastructure
- 5 Ease of permitting and regulatory procedures
- T6 Land/building prices and supply
- T6 Utilities (cost, reliability)
- T8 Incentives
- T8 Higher education resources
- T8 Quality of Life

Source: Site Selection Magazine Survey of corporate real estate executives, November 2022

The Economic and Workforce Information Pipeline



In-Demand Occupation Analysis

Identifying high demand occupations

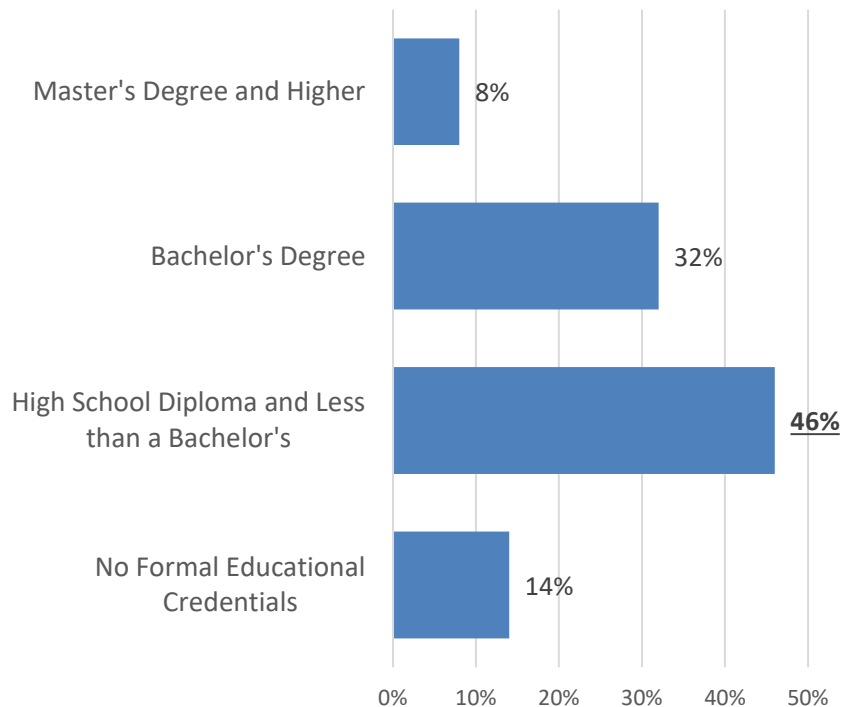
- Target Sector approach
- Real-time job postings
- DETR Occupational Employment Projections
- Brookings STEM Score
- Job openings
- Wages
- Automation
- Covid risk

In-Demand Occupation Rankings

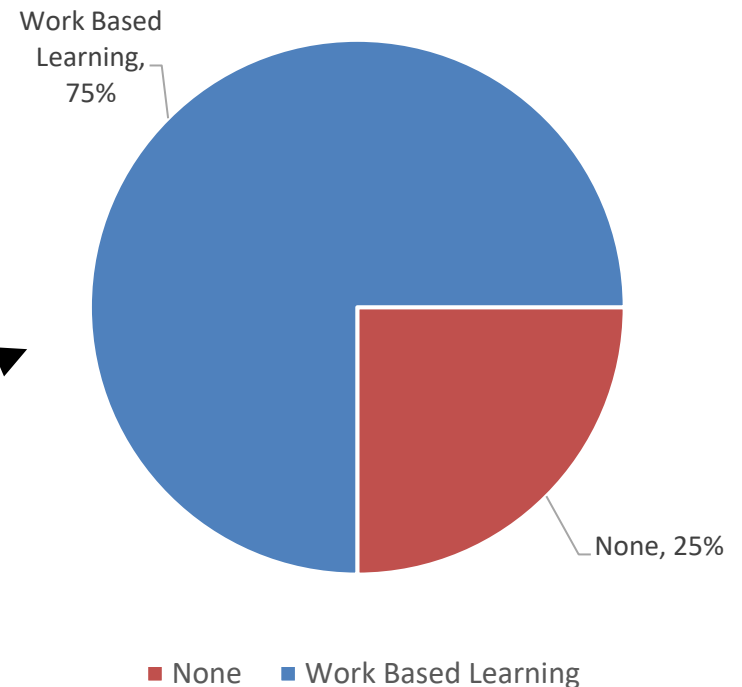
Description	State Rank	Southern Nevada Rank	Northern Nevada Rank	Northeastern Nevada Rank	Central Nevada Rank
Healthcare Diagnosing or Treating Practitioners	1	1	1	1	1
Other Production Occupations	2	2	2	4	5
Construction Trades Workers	3	3	3	2	2
Other Installation, Maintenance, and Repair Occupations	4	4	4	3	3
Engineers	5	5	5	5	4
Metal Workers and Plastic Workers	6	6	7	10	10
Health Technologists and Technicians	7	7	6	7	7
Other Management Occupations	8	8	9	6	6
Business Operations Specialists	9	9	8	8	8
Computer Occupations	10	10	10	13	9
Material Moving Workers	11	11	11	9	13
Counselors, Social Workers, and Other Community and Social Service Specialists	12	12	12	16	11
Drafters, Engineering Technicians, and Mapping Technicians	13	13	13	11	14
Preschool, Elementary, Middle, Secondary, and Special Education Teachers	14	15	14	20	19
Information and Record Clerks	15	14	15	15	12
Life Scientists	16	16	17	17	17
Vehicle and Mobile Equipment Mechanics, Installers, and Repairers	17	17	16	14	16
Financial Specialists	18	18	19	23	25
Extraction Workers	19	25	21	12	15
Art and Design Workers	20	19	18	19	20
Social Scientists and Related Workers	21	20	20	28	27
Textile, Apparel, and Furnishings Workers	22	22	29	29	34
Electrical and Electronic Equipment Mechanics, Installers, and Repairers	23	23	23	21	22
Life, Physical, and Social Science Technicians	24	21	24	18	18
Operations Specialties Managers	25	24	22	22	21
Physical Scientists	26	26	26	24	23
Material Recording, Scheduling, Dispatching, and Distributing Workers	27	27	25	25	26
Other Office and Administrative Support Workers	28	29	27	33	35
Plant and System Operators	29	30	32	26	29
Other Healthcare Support Occupations	30	28	28	27	24

Work-based Learning for Nevada's In-Demand Occupations

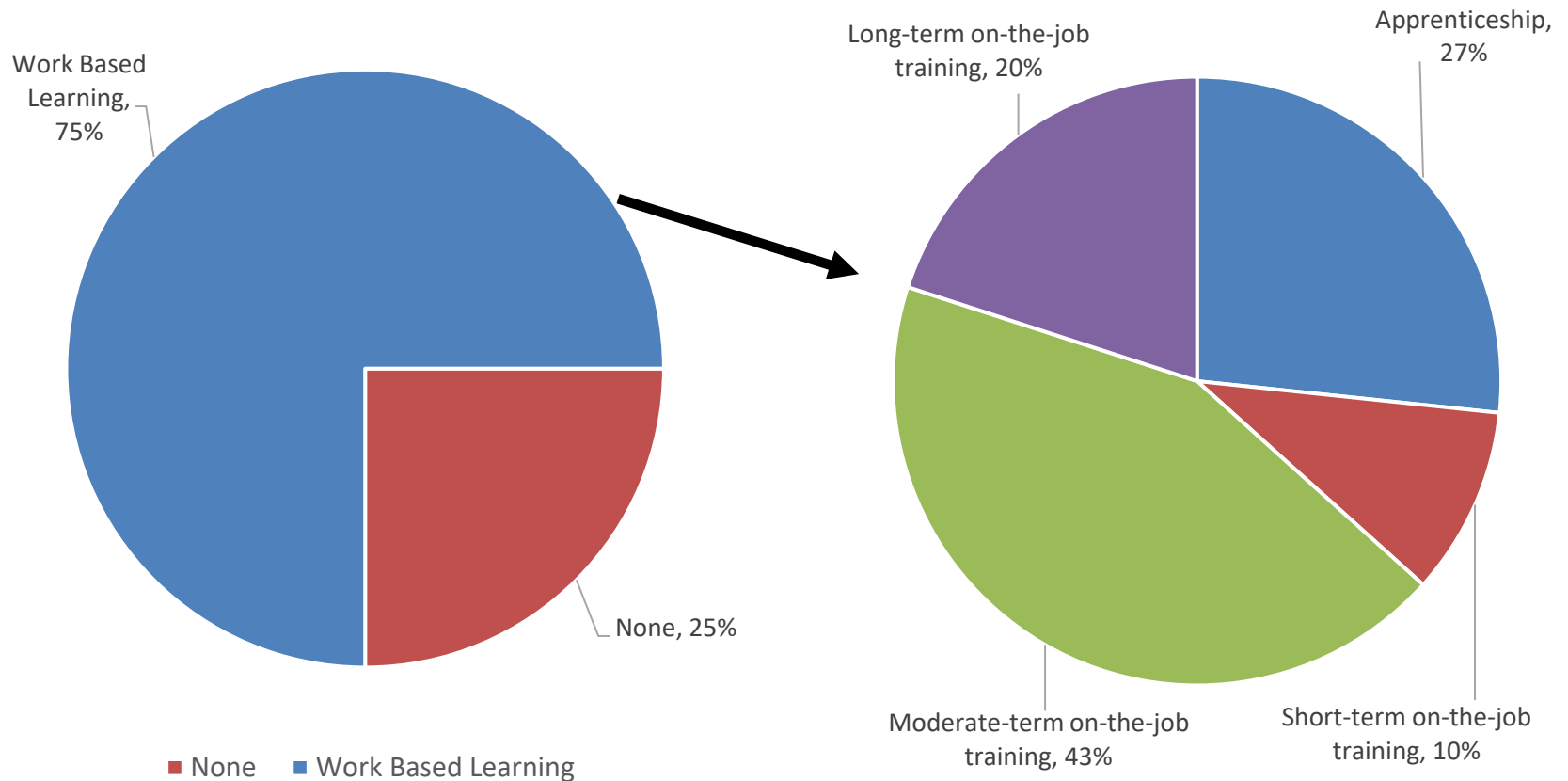
Typical Entry Level Education for Top 100 In-Demand Jobs



Typical On-The-Job Training for In-Demand, Middle Skill Jobs

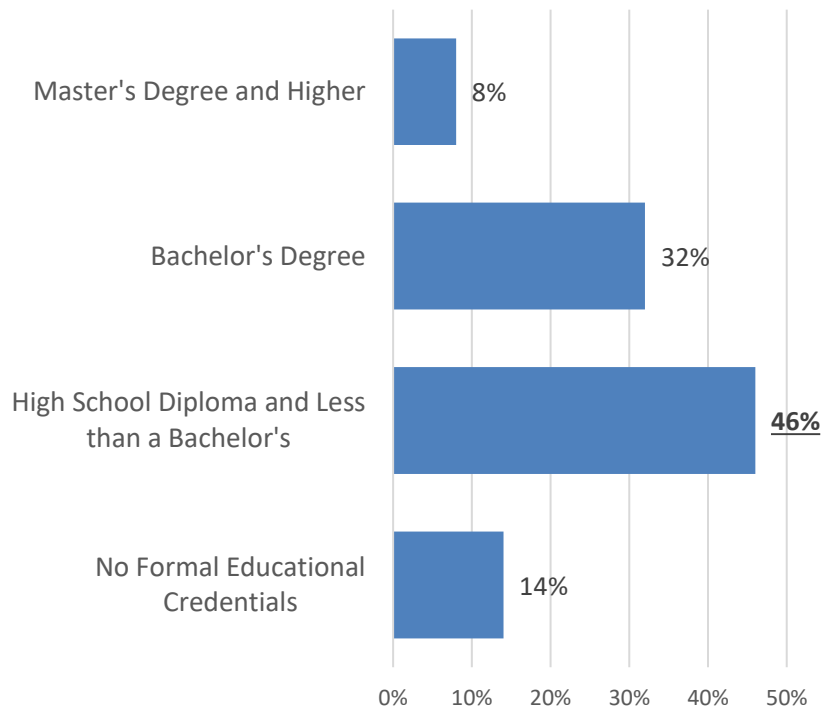


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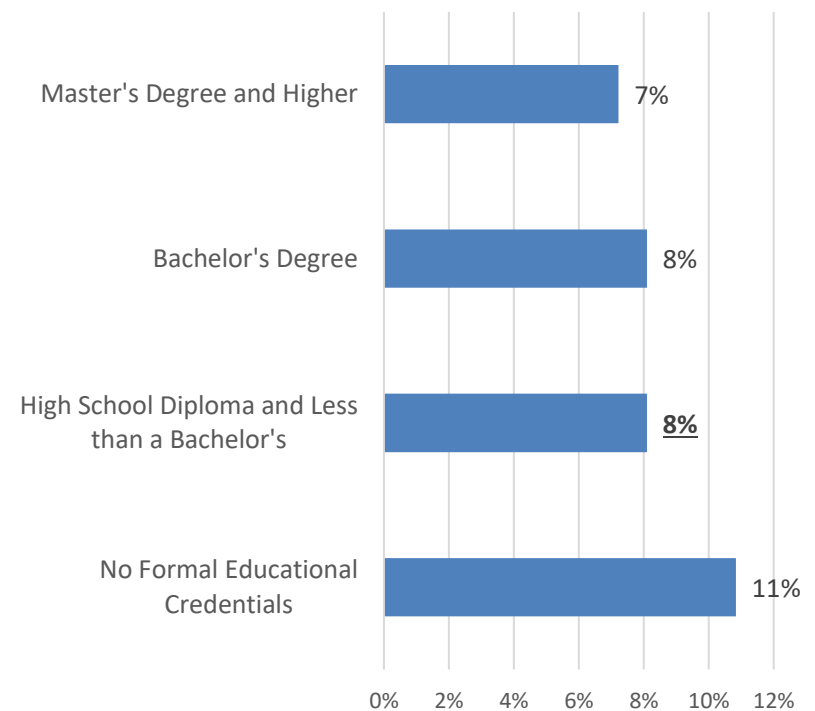


Education Projections: Is Growth Meeting Demand?

Typical Entry Level Education for Top 100 In-Demand Jobs



Percent Change of Education Cohort Populations 2019-2026



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Bob Potts

Deputy Director

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