

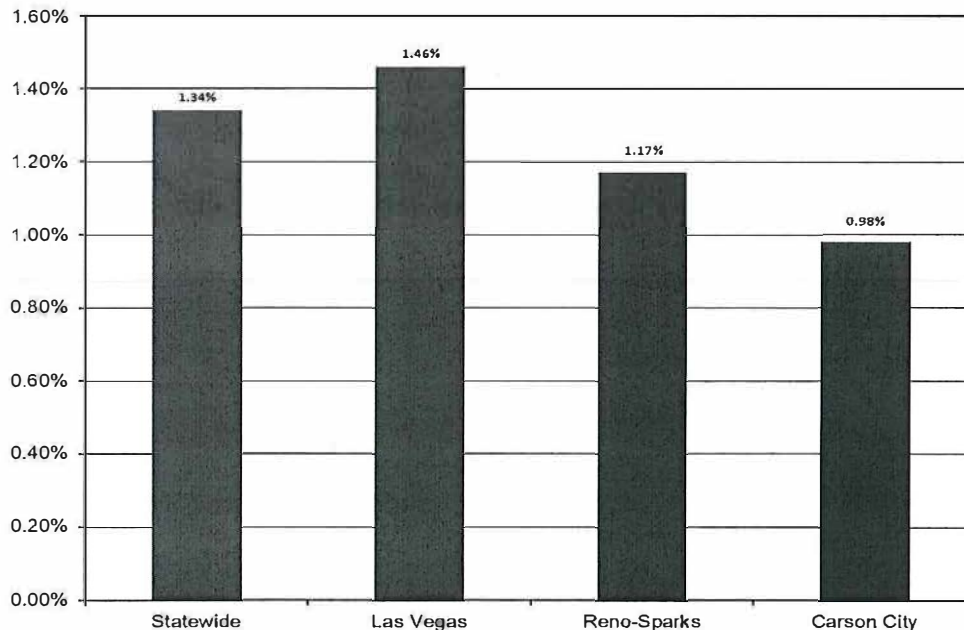
Appendix H

2012-2022 Industry Projections Review¹

The Research and Analysis Bureau produces ten-year industry employment projections for the State and sub-State areas on a biennial basis as a deliverable for its Workforce Information Grant, funded by the Employment and Training Administration. Industry projections charts and tables presented exclude self-employed and unpaid family workers. Projections are based on econometric modeling. Long-term projections are estimates of future employment trends, providing insight into growing and declining industries.

This year, economists estimate that Nevada's total industrial employment is expected to increase by 160,500 jobs from 2012 to 2022, amounting to a 1.3 percent annualized growth rate. Most of the estimated rise in employment is coming from the Las Vegas-Paradise metro area, equating to 128,000 more jobs or 1.5 percent annualized growth rate. Over the decade, the Reno-Sparks MSA employment is predicted to improve by 23,000 jobs, a 1.2 percent annualized growth rate. Employment in the Carson City MSA is projected to grow at a 1.0 percent annualized rate, totaling 2,800 more jobs in the next ten years. Chart 1 illustrates the predicted annualized employment growth in all industries Statewide and the three metro areas.

Chart 1: 2012-2022 Annualized Employment Growth in Nevada and Three Metro Areas.



¹ The 2012-2022 projections were developed based on the assumption that certain fundamental conditions will prevail through 2022 the institutional framework of the U.S. economy; existing technological and scientific trends; current values placed on work, education, income, and leisure, and the absence of catastrophic events. Events such as major business closures or openings and natural disasters can all have a major impact on employment levels. The projections were prepared for employment and training planners, vocational educators, and others who need information on future employment by occupation. Employers considering expansion or relocation may find the report helpful in understanding the occupational composition and trends in the county or geographic region. However, it is important to keep in mind that projections are just one planning tool and that the estimates are based on information available at the time that the forecast was made.

Industry Overview

Most supersector NAICS industries are projected to have about a one percent annualized growth rate. Table 1 illustrates the forecasted total employment change from 2012 to 2022 on super sector NAICS level. Chart 2 shows a supersector NAICS summary of annualized employment growth from 2012 to 2022 in Nevada.

Goods-Producing Industries

Looking ahead, good-producing industries are projected to grow in Nevada. Good-producing industries are anticipated to generate 42,500 jobs from 2012 to 2022. The construction industry was hard hit in Nevada, but employment in this industry is recovering fairly well with increased activity being spurred by real estate construction and other construction developments around the State. The industry is projected to grow by 35,000 jobs over the next ten years, an annual growth rate of 5.3 percent. Employment in manufacturing is projected to increase by 7,700 jobs over the ten-year forecast horizon, a 1.8 percent growth rate on an annual basis. Most of the growth within the manufacturing industry is assumed to come from other manufacturing sector activities. The natural resources and mining industry is forecasted to remain relatively flat over the forecast period, contracting by 0.1 percent on an annual basis, or 200 jobs.

Service-Providing Industries

Service-providing industries are expected to create 118,000 jobs in the ten-year forecast horizon. A lot of the growth in the service-providing industries is a reflection of increasing population and consumption over a decade. The leisure and hospitality industry is projected to have 37,600 more jobs by 2022, the largest employment gain in jobs among all industries. Most of the gain is anticipated to be generated in the accommodation and food services sector. Another large payroll increase, with an additional 24,200 jobs, is anticipated in the trade, transportation and utilities industry, driven by large employment gains in the retail trade sector. The health care sector is expected to continue to grow during the ten-year time span, contributing an increase of 23,600 jobs in the education and health services industry, resulting in a 1.1 percent annualized growth rate. Professional and business services industry is likely to grow at 1.4 percent annually, gaining 20,700 jobs from 2012 to 2022. Still at somewhat slow pace, the information and financial activities industries are estimated to grow at modest rate, gaining 600 and 5,100 jobs, respectively. Government payrolls in Nevada are projected to increase by 2,800 over the projected period.

Table 1: Nevada Long-term Industrial Employment Projections by Supersector NAICS, 2012-2022.

	2012	2022	2012-2022
Industry Title	Employment	Employment	Change
Goods-Producing Industries			
Natural Resources and Mining	17,400	17,200	-200
Construction	51,600	86,600	35,000
Manufacturing	39,200	46,900	7,700
Service-Providing Industries			
Trade, Transportation, and Utilities	220,500	244,700	24,200
Information	12,500	13,100	600
Financial Activities	51,900	57,000	5,100
Professional and Business Services	141,600	162,300	20,700
Education and Health Services	176,200	199,800	23,600
Leisure and Hospitality	316,900	354,500	37,600
Other Services (except government)	33,100	36,500	3,400
Government	69,400	72,200	2,800
Statewide	1,130,300	1,290,800	160,500

Chart 2: 2012-2022 Projected Annualized Growth Rates for Nevada’s Industries by Supersector NAICS.

