

# *Presentation to the Economic Forum*

*October 11, 2018*

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*Nevada Governor's Office of*

**ECONOMIC DEVELOPMENT**

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*Nevada Governor's Office of*

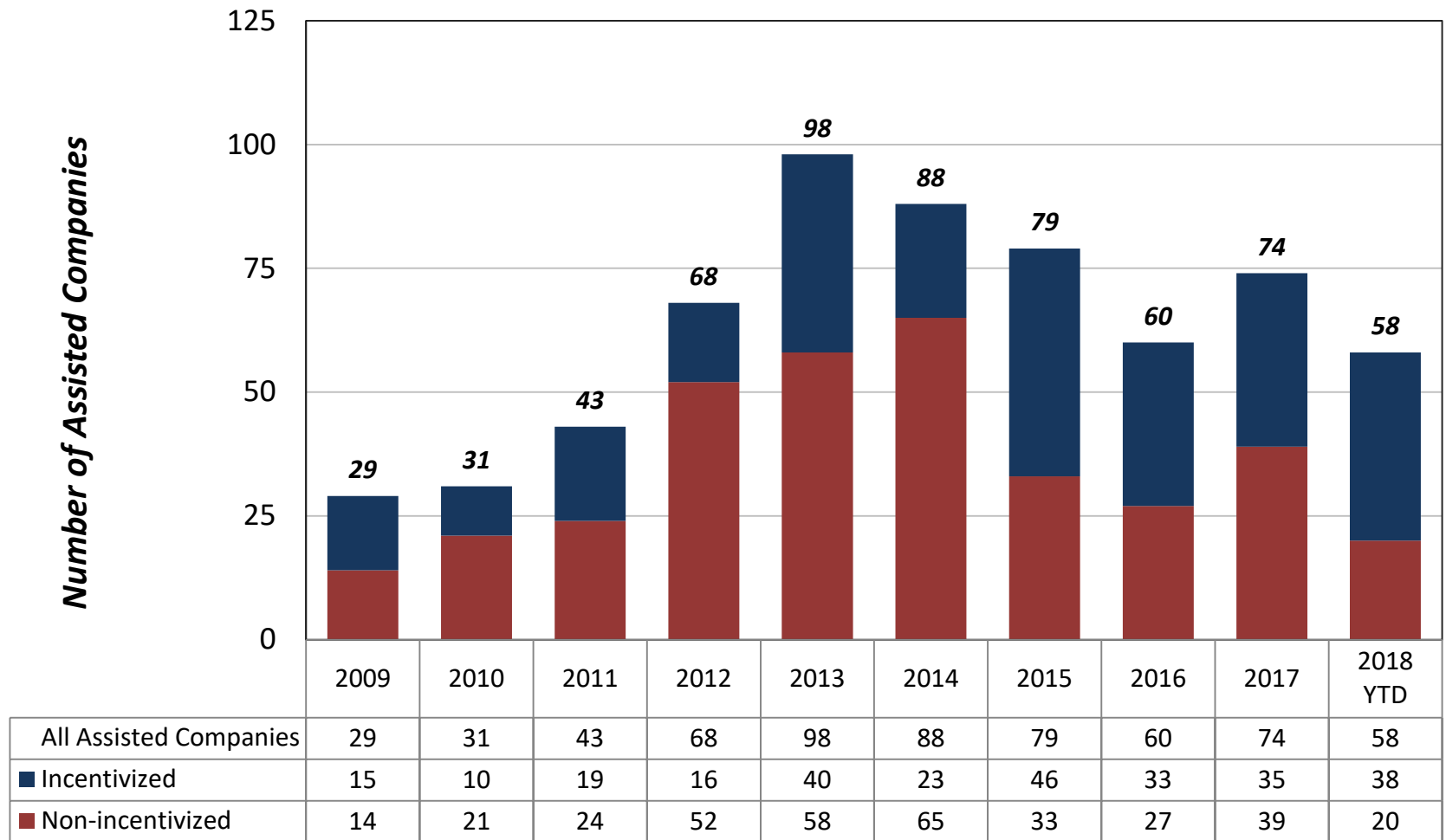
**ECONOMIC DEVELOPMENT**

Agenda Item VII

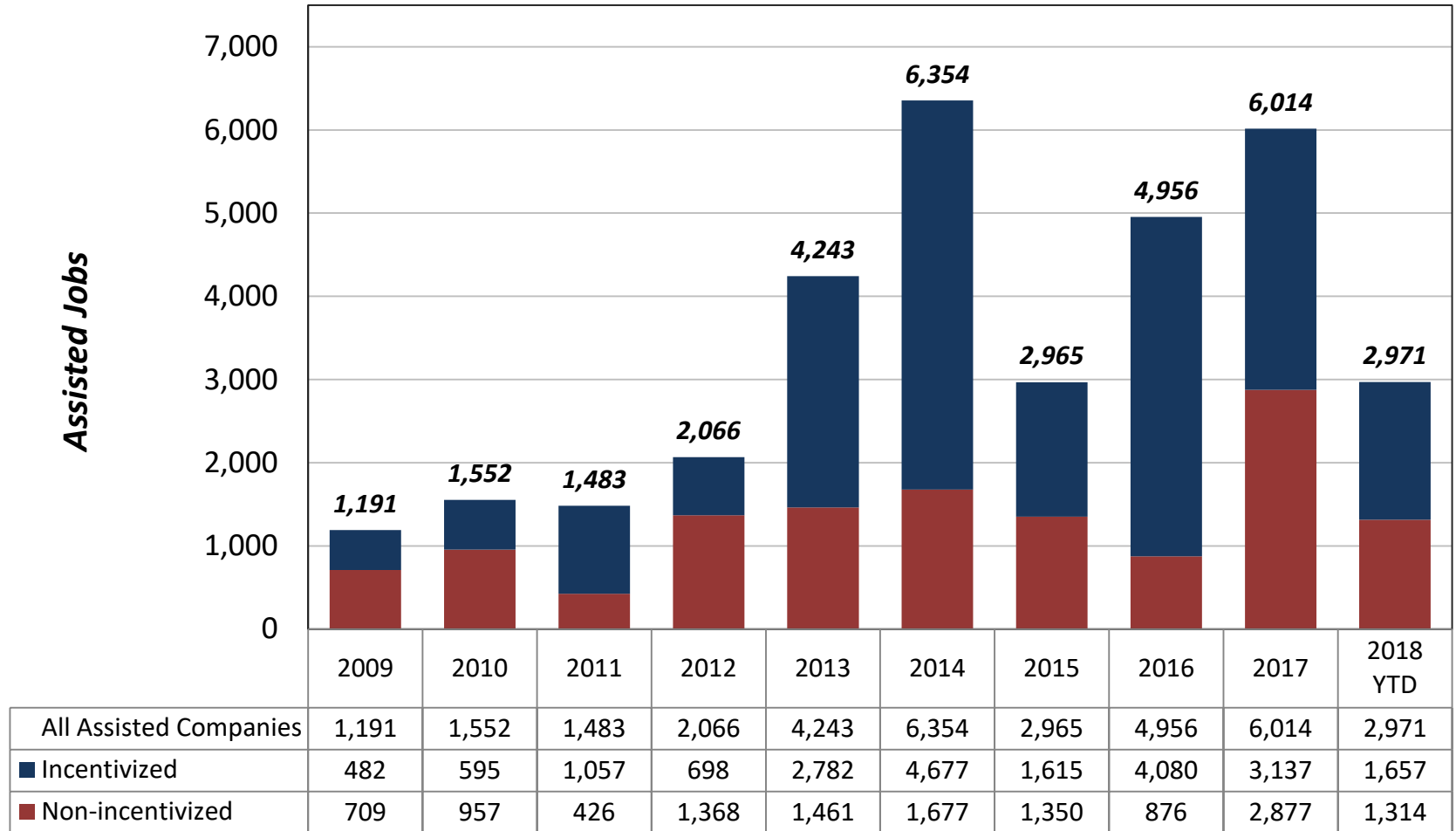
# ***Introduction***

- Economic Development Performance Metrics
- Private Sector Job Growth
- Structural Change and Diversification within Growth
- SRI Overview and Scorecard Report
- Employer Demand for a Qualified Workforce
- Developing an Aligned and Strategic Work-based Learning Ecosystem

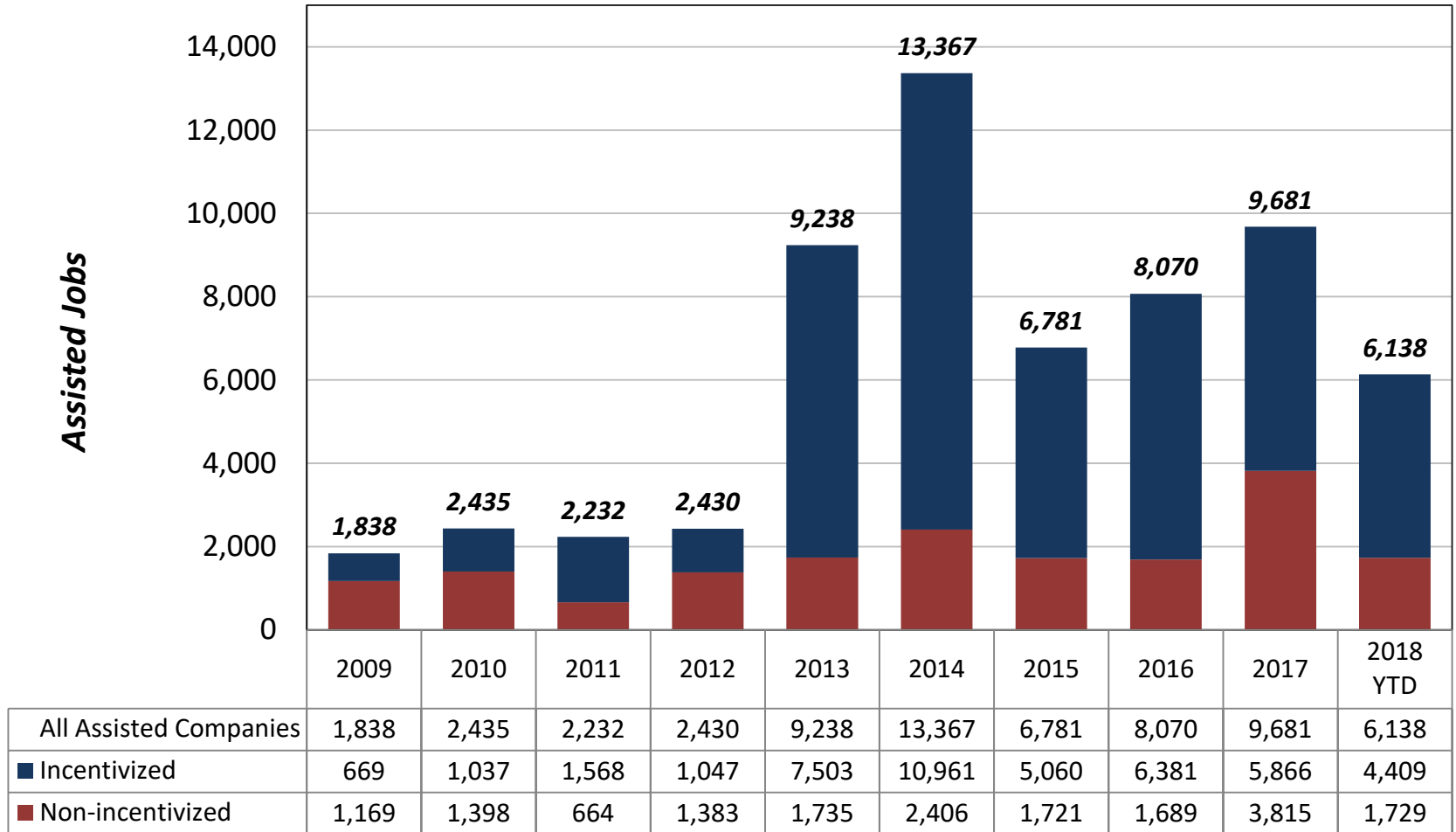
# Number of Assisted Companies



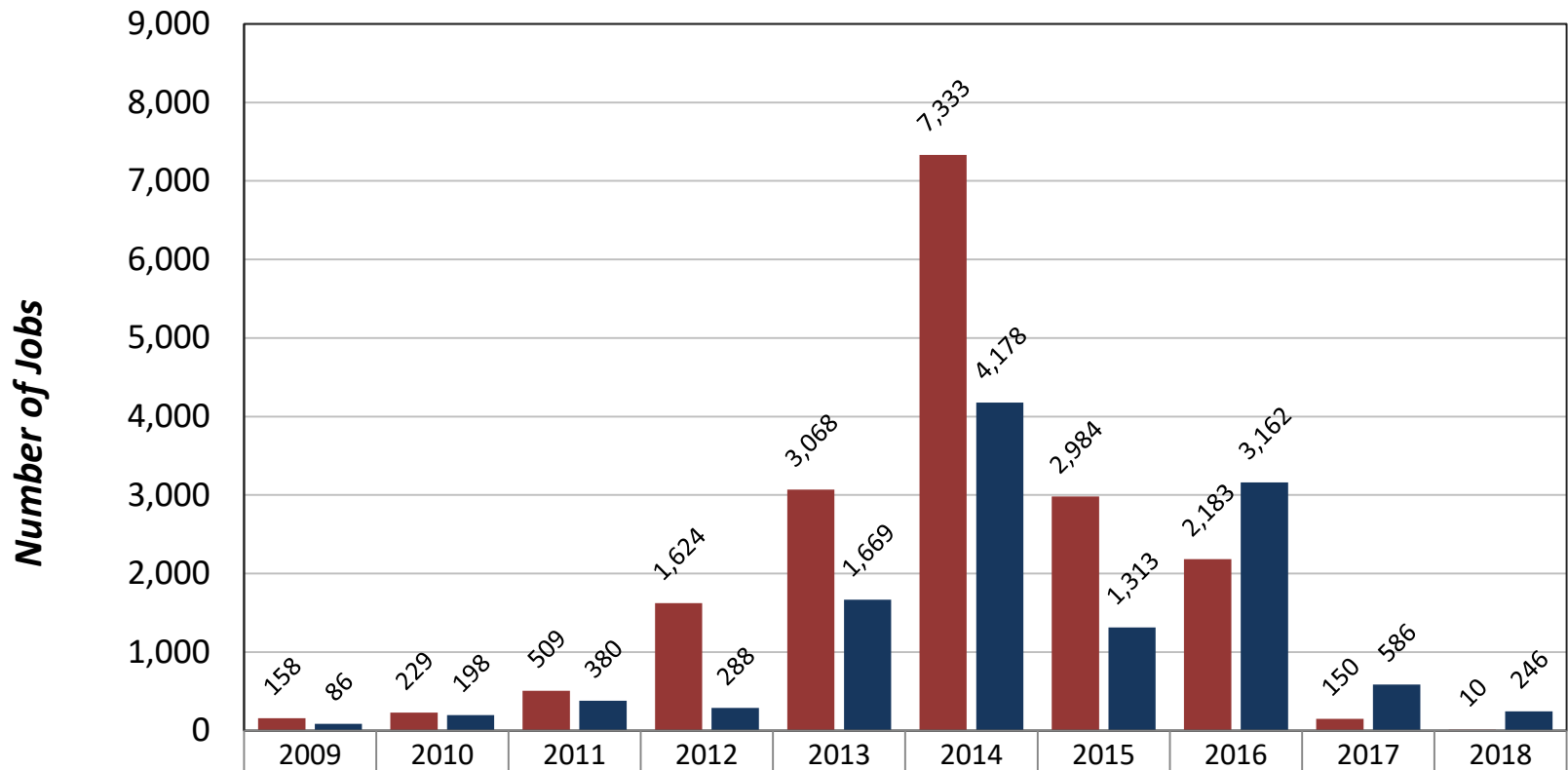
# Initial Jobs Announced by Assisted Companies



# Build-out Jobs Announced by Assisted Companies

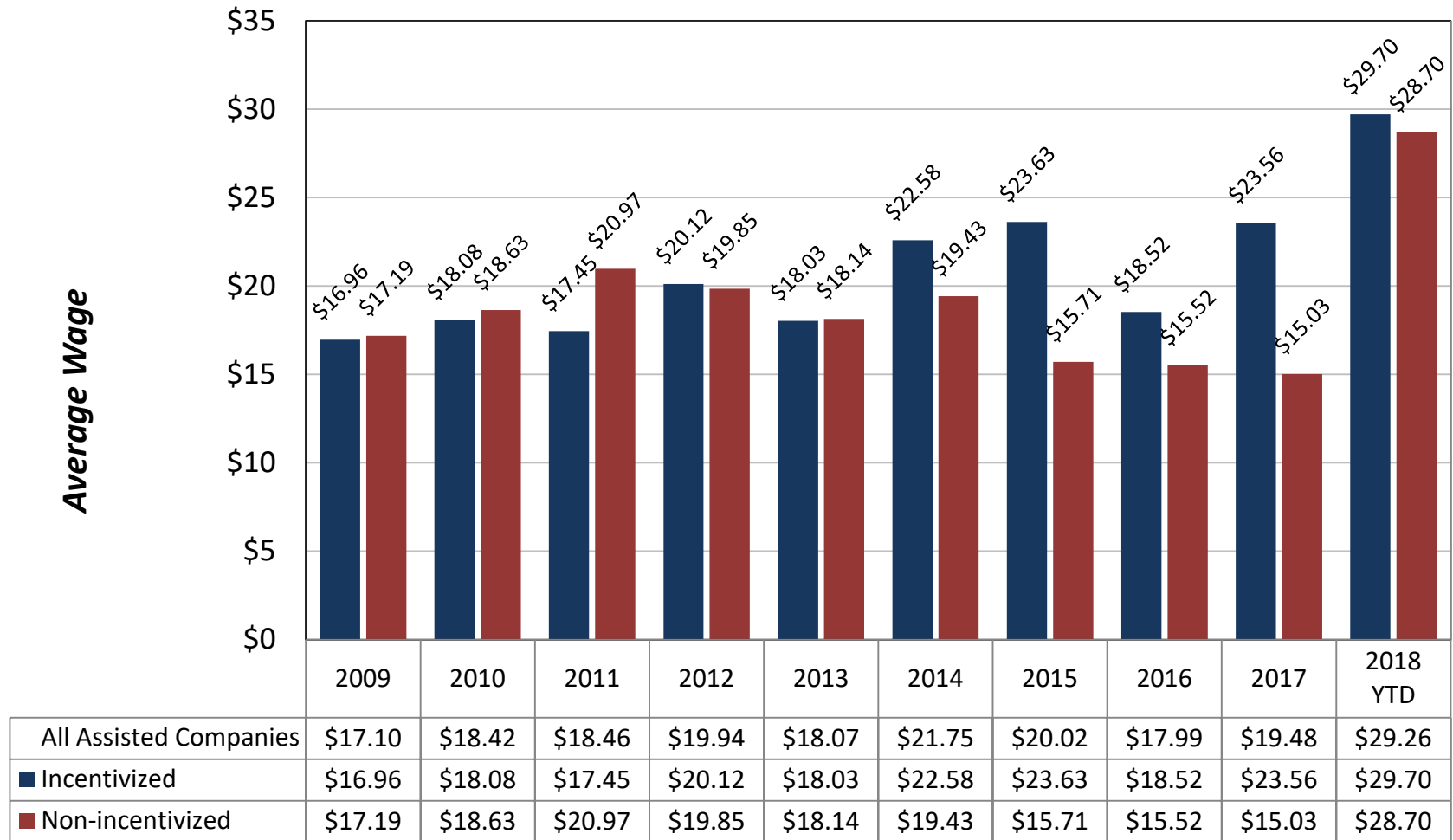


# Contract vs. Actual Jobs by Incentivized Companies New to Nevada

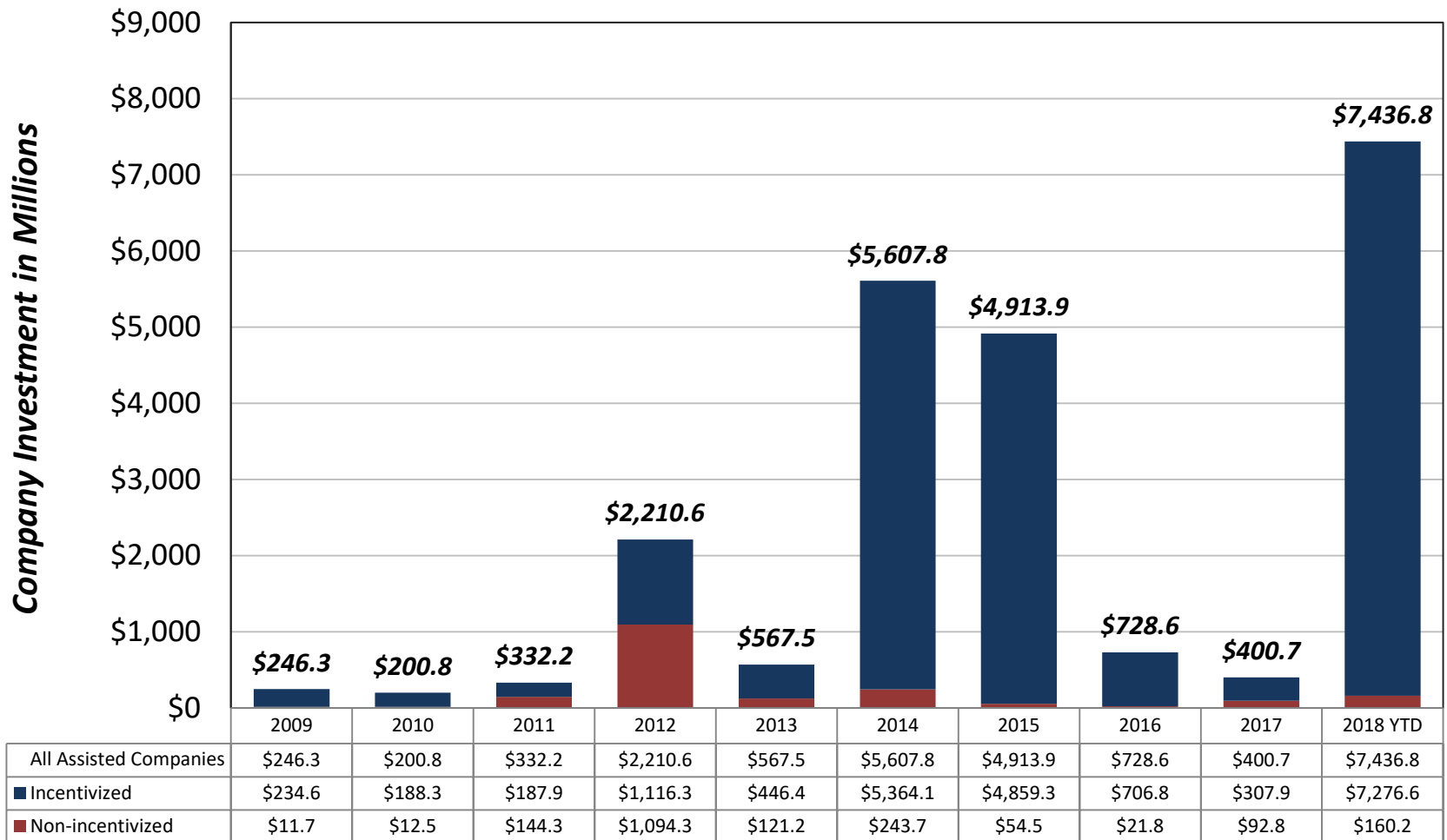


■ Current Actual Jobs	158	229	509	1,624	3,068	7,333	2,984	2,183	150	10	
■ Contract Jobs	86	198	380	288	1,669	4,178	1,313	3,162	586	246	Total
Difference	72	31	129	1,336	1,399	3,155	1,671	-979	-436	-236	6,142

# Wages Paid by Assisted Companies



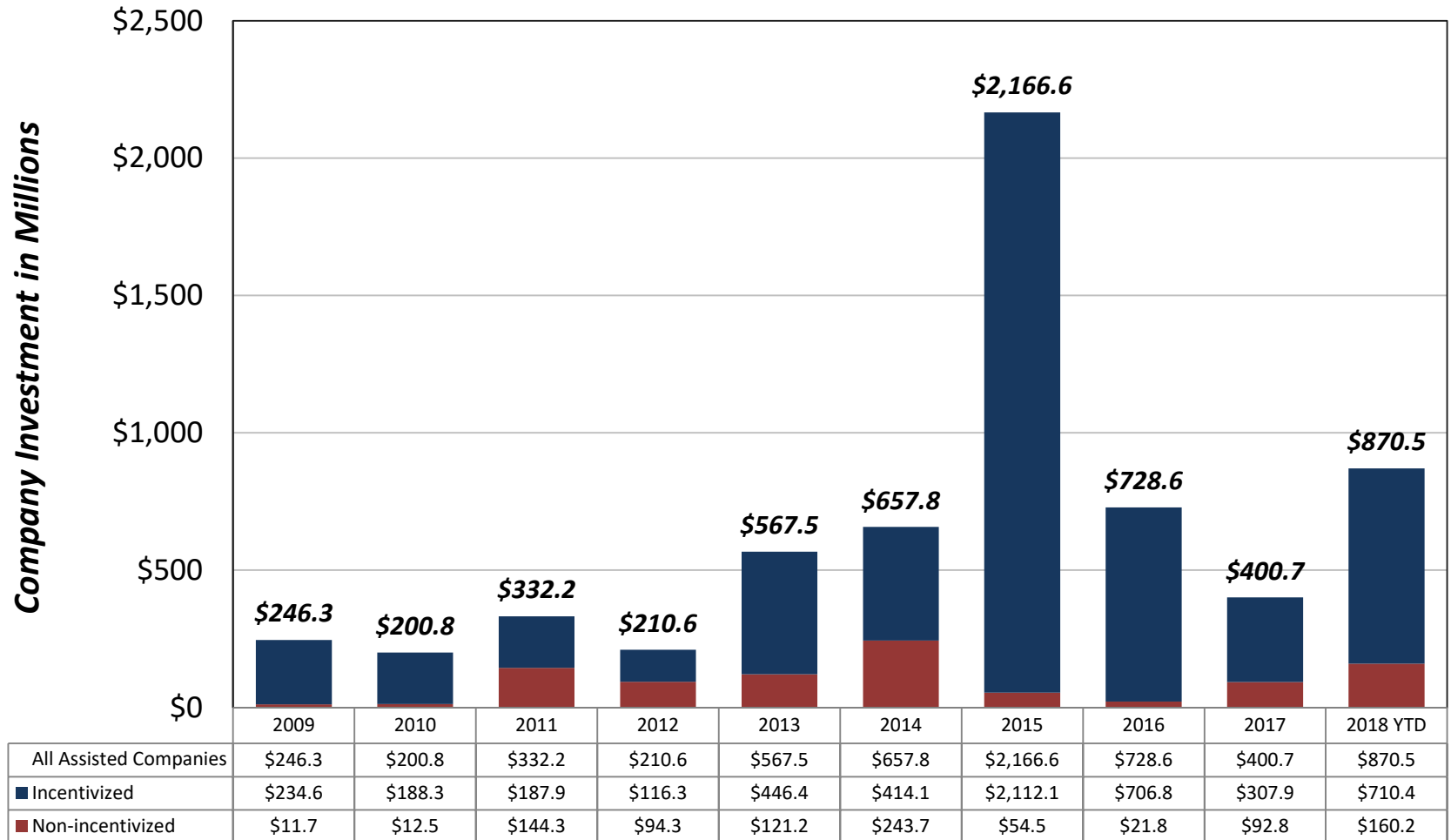
# Assisted Company Investment







# Assisted Company Investment less than \$1B



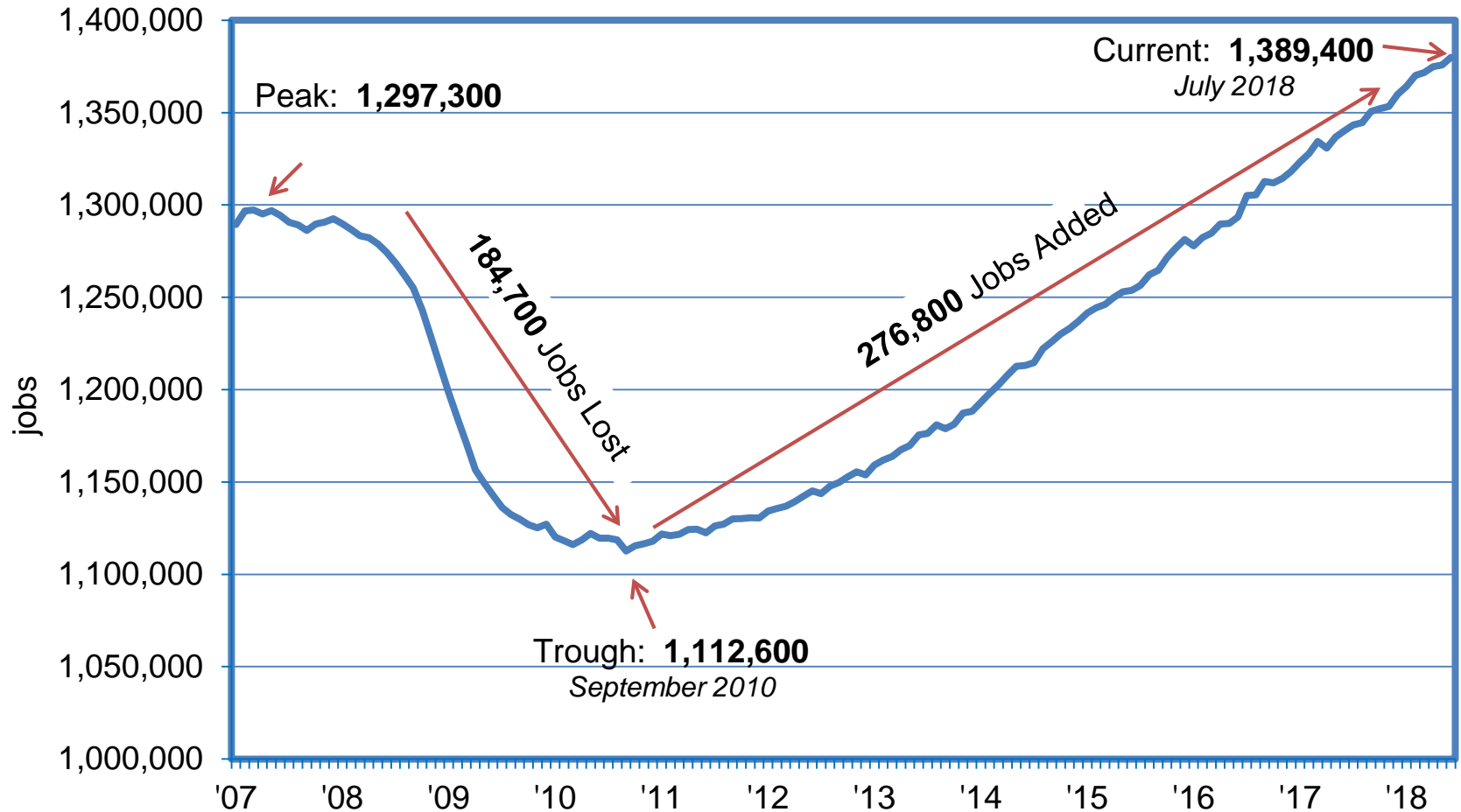
# Active Companies in the Pipeline

Status	Companies	Jobs	Average Wage	Capital Investment
Expansion	9	755	\$31.86	\$23,008,600
Relocation	24	7,225	\$31.23	\$11,112,840,593
Startup	2	100	\$28.84	\$20,000,000
<b>Grand Total</b>	<b>35</b>	<b>8,080</b>	<b>\$31.35</b>	<b>\$11,155,849,193</b>

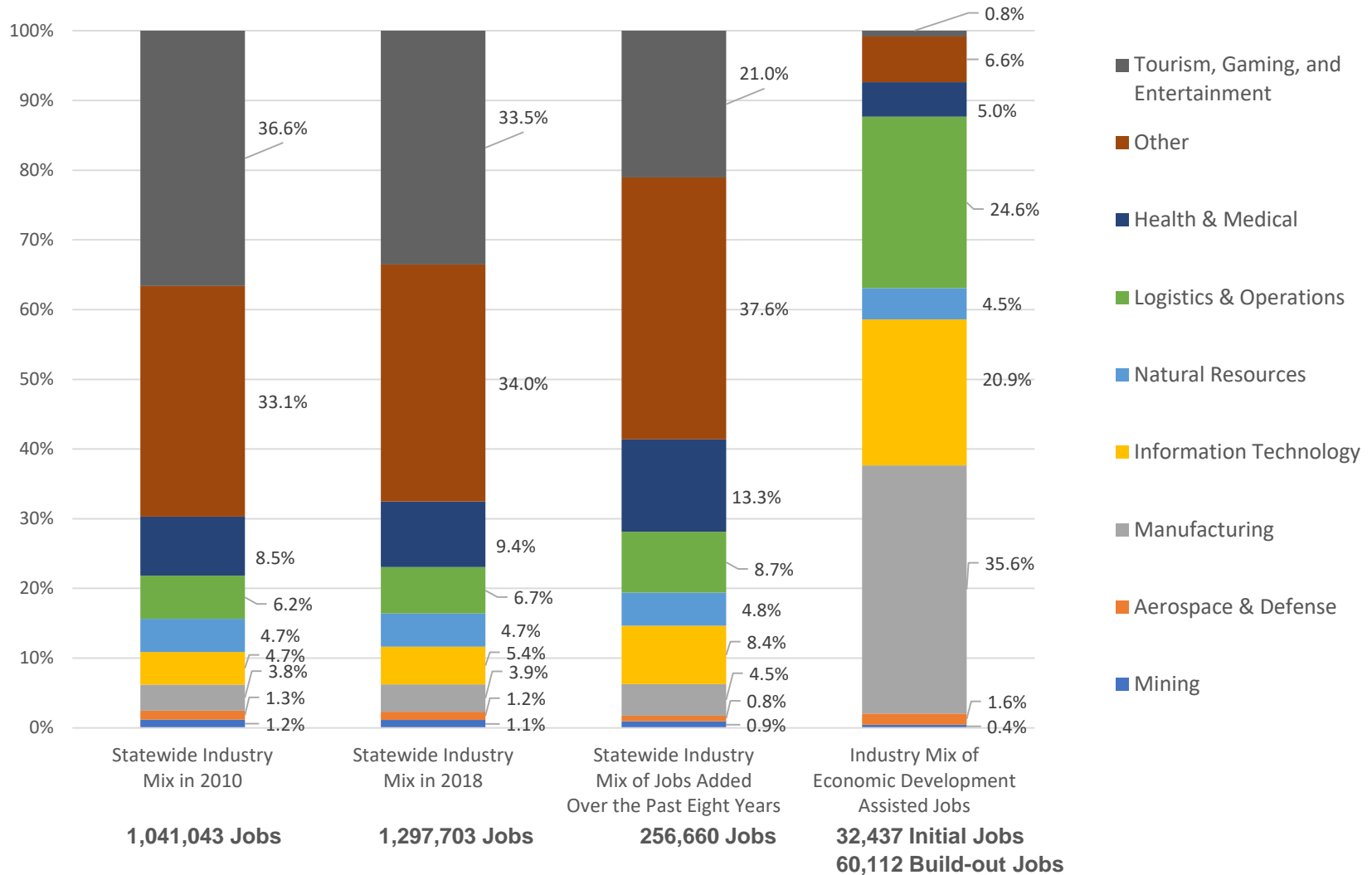
14 Companies queued up for the November Board Meeting

# *Diversification and Structural Changes in Nevada's Economy*

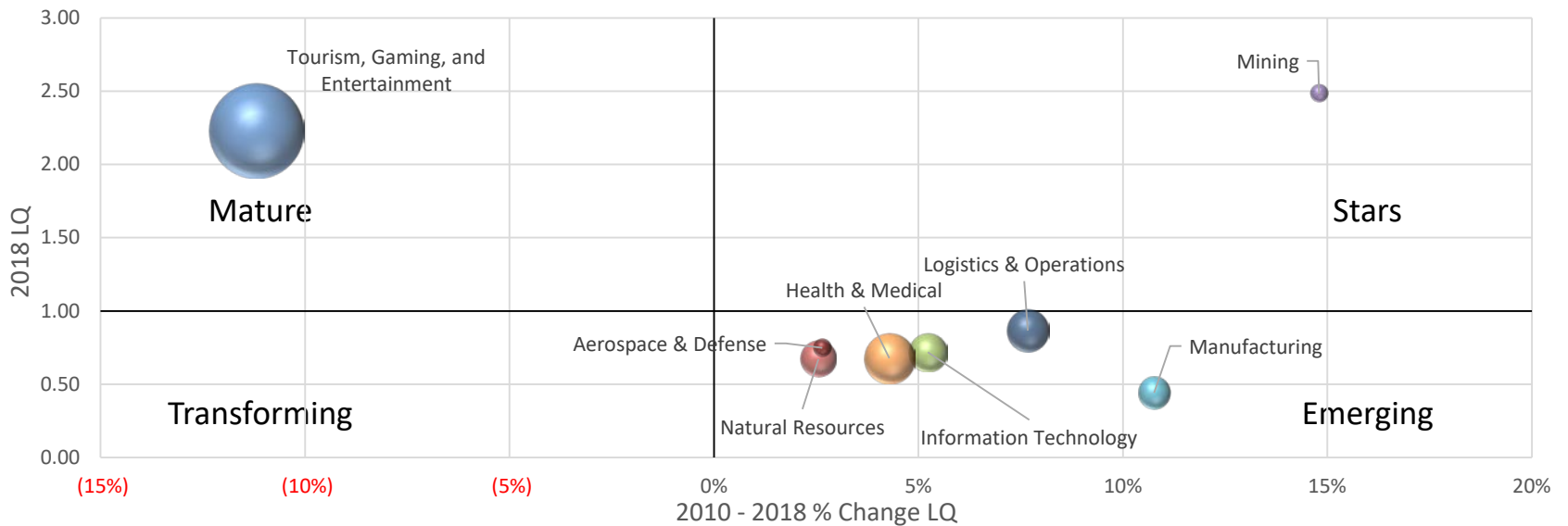
# More Than Eight Years of Consistent Growth Pushes Nevada's Employment to Record Highs



# Nevada's Diversifying Economy

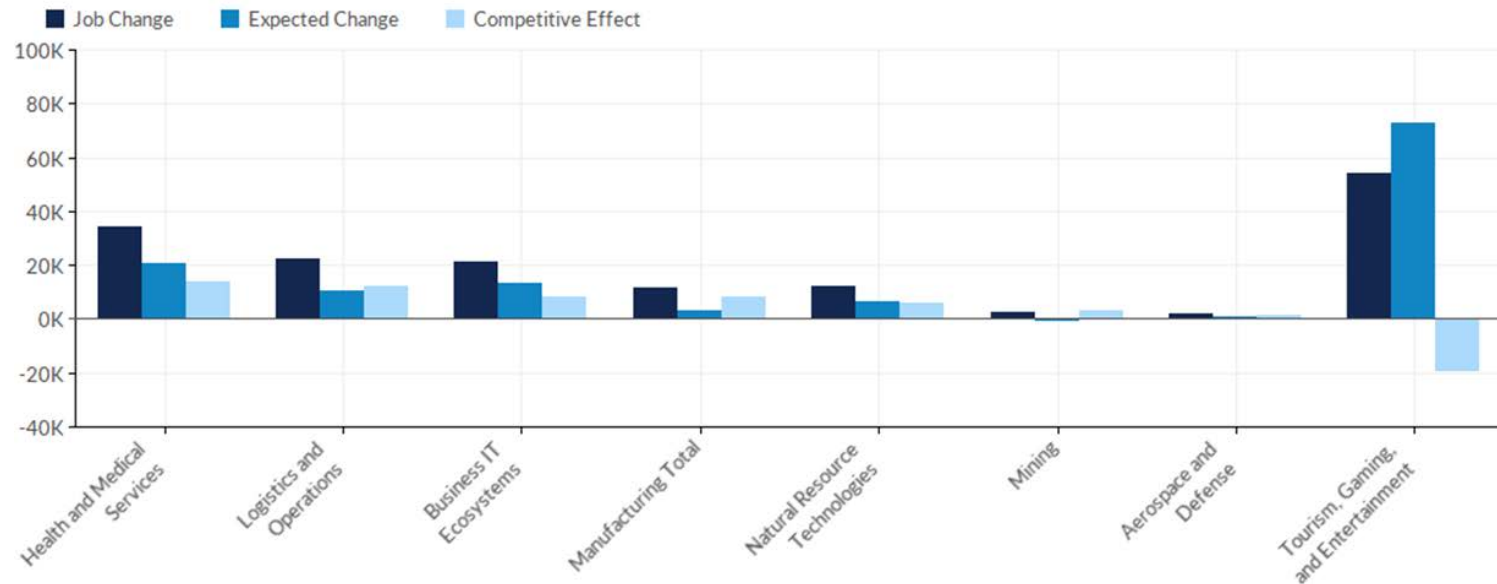


# Nevada's Diversifying Economy



Sector	2018 Jobs	2010 LQ	2018 LQ	Percent Change LQ
Mining	14,696	2.16	2.48	15%
Manufacturing	50,813	0.40	0.44	11%
Logistics & Operations	86,823	0.81	0.87	8%
Information Technology	70,218	0.68	0.72	5%
Health & Medical	122,143	0.65	0.68	4%
Aerospace & Defense	15,314	0.73	0.75	3%
Natural Resources	61,580	0.65	0.67	3%
Tourism, Gaming, and Entertainment	435,054	2.51	2.23	(11%)

# Nevada's Diversifying Economy



Sector	Job Change 2010 - 2018	Expected Growth Explained by National Growth and National Industry Growth	Nevada's Competitive Effect Over the Last Eight Years	Earnings Per Worker
Health and Medical	34,078	20,468	13,610	\$67,949
Logistics and Operations	22,381	10,278	12,103	\$70,847
Information Technology	21,466	13,084	8,382	\$56,324
Manufacturing	11,600	3,297	8,302	\$70,416
Natural Resource Technologies	12,207	6,269	5,938	\$76,807
Mining	2,377	(456)	2,833	\$112,669
Aerospace and Defense	2,142	653	1,489	\$101,212
Tourism, Gaming, and Entertainment	53,969	72,803	(18,833)	\$38,317

# ***A New Economic Development Agenda for Nevada: Overview and Scorecard: SRI International***

## ***Opening Statement:***

*"Nevada's economic output and level of unemployment have recovered completely from the great recession. In addition, the structure of Nevada's economy is becoming more diverse..."*

### ***Comparative Analysis: 2011 to 2017***

- 7<sup>th</sup> in overall GDP growth
- 3<sup>rd</sup> in population growth
- 1<sup>st</sup> in reduction of the unemployment rate
- 34<sup>th</sup> in labor force participation rate



# A New Economic Development Agenda for Nevada: Overview and Scorecard: SRI International

## Peer State Ranking

	% Change in GDP 2011-2017	% Change in Population 2011-2017	Decline in Unemployment rate 2011-2017	Workforce participation rate 2017
<i>Arizona</i>	3	4	4	5
<i>Colorado</i>	1	3	2	2
<b><i>Nevada</i></b>	<b>4</b>	<b>2</b>	<b>1</b>	<b>4</b>
<i>New Mexico</i>	6	6	6	6
<i>Oregon</i>	5	5	3	3
<i>Utah</i>	2	1	5	1

## Peer Metro Ranking

<i>Boise City, ID</i>	4	1	6	6
<b><i>Carson City, NV</i></b>	<b>10</b>	<b>11</b>	<b>3</b>	<b>10</b>
<i>Colorado Springs, CO</i>	9	5	7	9
<i>Denver Aurora Lakewood, CO</i>	1	2	8	1
<b><i>Las Vegas Paradise, NV</i></b>	<b>7</b>	<b>3</b>	<b>2</b>	<b>7</b>
<i>Phoenix Mesa Scottsdale, AZ</i>	5	4	9	8
<i>Portland Vancouver Hillsboro, OR WA</i>	8	7	5	3
<b><i>Reno Sparks, NV</i></b>	<b>3</b>	<b>8</b>	<b>1</b>	<b>4</b>
<i>Sacramento Roseville Arden Arcade, CA</i>	6	9	4	11
<i>Salt Lake City, UT</i>	2	6	10	2
<i>Santa Fe, NM</i>	11	10	11	5

# ***A New Economic Development Agenda for Nevada: Overview and Scorecard: SRI International***

## ***Nevada's Diversifying Economy***

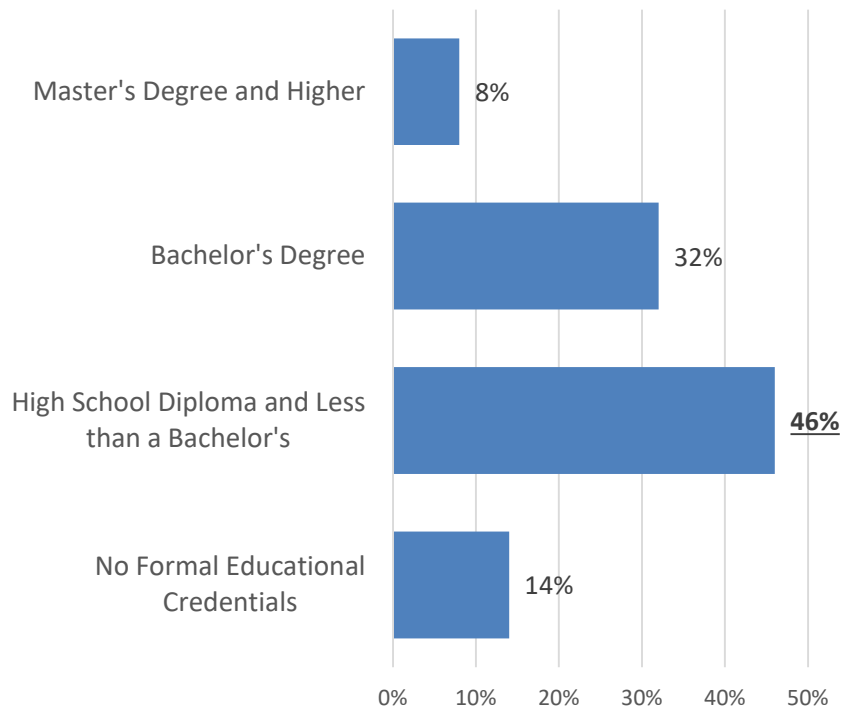
- “...one of the driving reasons why Nevada felt the impact of the Great Recession so severely was the region’s historical dependence on highly cyclical employment sectors, such as Tourism, Gaming, and Entertainment.”
- “...the Tourism, Gaming, and Entertainment remained the sector that employed the most overall number of people”
- “However, in terms of overall percent increase in number of jobs, Nevada’s economy has certainly been successful in diversifying towards higher wage, less cyclical sectors such as Health and Medical Services, Natural Resource Technologies, Manufacturing and Logistics, and Aerospace and Defense.”
- “Despite this successful diversification, wage growth in Nevada has progressed at only a modest rate...”

# *Strategic Location Drivers*

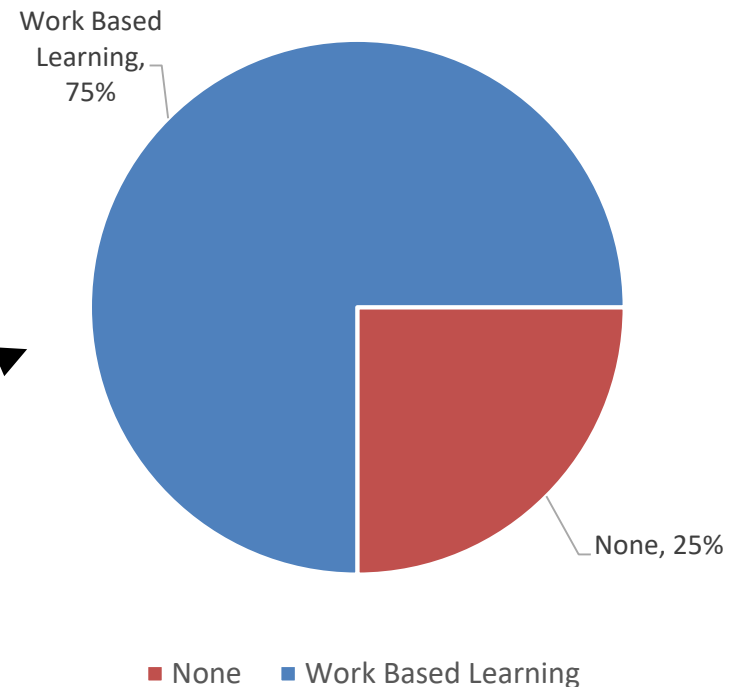
- Availability of a Qualified Workforce
- Competitive Cost Environment
  - Labor, Utilities, Real Estate, Transportation, Taxes
- Favorable Logistics/Accessibility
  - Air, Highway, Rail, Port
- Favorable Business Environment
  - Taxes, Incentives, Permitting
- Quality of place
  - Ability to recruit/relocate key workforce

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

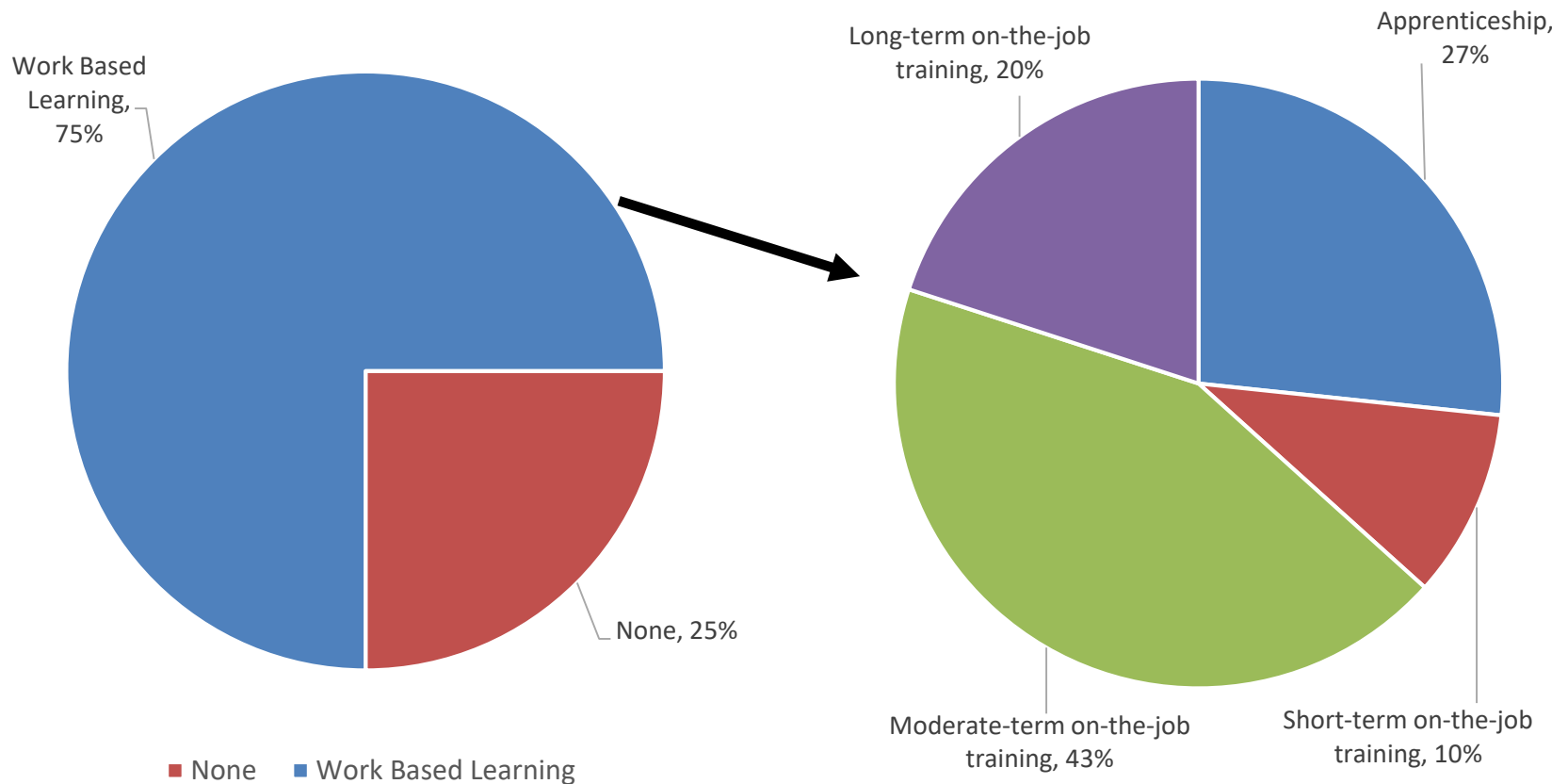
Typical Entry Level Education for Top 100 In-Demand Jobs



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



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



# ***Conclusion***

- Economic Development Performance Metrics
- One of the Fastest Growing Private Sectors in the Nation
- Structural Change and Diversification within Growth
- SRI Overview and Scorecard Report
- Employer Demand for a Qualified Workforce
- Developing an Aligned and Strategic Work-based Learning Ecosystem



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