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# In Business LAS VEGAS

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## Las Vegas economy 'starting to level off,' index shows

By [Brian Wargo \(contact\)](#), In Business reporter

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Southern Nevada's economy lags behind the rest of the nation, but it appears to be stabilizing even though there is no inkling of when a recovery will occur.

That's based on the Southern Nevada Index of Leading Economic Indicators released Dec. 8 by UNLV's Center for Business and Economic Research. It shows the November index rose 0.27 percent after falling in October. The index has been up and down in recent months, but that is an improvement over the steep declines in 2008 and early 2009, said Bob Potts, the center's assistant director.

"It is starting to level off," Potts said. "We have gone over a waterfall and are bouncing along the bottom of the stream waiting for another turning point where we start moving back up to the surface."

The national index started moving up last summer, but the Las Vegas economy has failed to do so, because it relies on the discretionary income of tourists who have yet to open their wallets to the amount of spending the city needs to recover, Potts said.

"We are starting to see somewhat better times, but the problem is we may be at a sustained time at the bottom trying to pull ourselves back up," Potts said.

The November index, which measures data from September, is giving no indication when that recovery will occur, Potts said. It is a forecast of the Southern Nevada economy through March 1.

The index, which is weighted by month, saw only three of 10 categories increase. Gaming revenue was up 9.3 percent, taxable sales increased 4.7 percent from August to September and convention attendance rose 70 percent in that time.

Las Vegas saw declines in residential and commercial permits, visitor volume and passengers coming through McCarran International Airport.

The Clark County Tourism Index showed the smallest annual decline since June 2008, Potts said. It has improved because of an increase in the number of visitors and stabilizing occupancy rates, Potts said. Gaming revenues, however, are a drag on the index, he added.

The Clark County Business Activity Index rose 1.84 percent compared with August, but fell 8.6 percent compared with September 2008. Taxable sales caused the index to decline the most, Potts said. Gaming revenue and employment also contribute to the business activity index.

The Clark County Construction Index dropped to 72.36 from 116.52 in September 2008, Potts said. It hasn't been that low since February 1993.

The index is a composite of construction employment, residential units permits and commercial units permits, he said. Each of those categories have declined significantly and show limited prospects for growth in the near future, Potts said.

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