



February 19, 2011

Skilled jobs will make comeback, expert says

By Ray Hagar
rhagar@rgj.com

A leading state executive told legislators Friday that if Nevadans are unemployed but have skills to attract employment, they won't be out of work for long.

"A year from now, if you've got skills, you won't be unemployed," said Michael Skaggs, the executive director of the Nevada Commission on Economic Growth.

"The nation is recovering. People who have skills are going to be employed quickly," Skaggs told the Senate Select Committee on Economic Development. "We are going to be facing a skills shortage quickly."

Skaggs testimony blends with other messages that lawmakers have heard -- those workers with a high school diploma or less could be permanently unemployed in Nevada's economy, even when it emerges from a deep recession.

Skaggs said young Nevadans would be able to find good careers in manufacturing and information technology.

"There is a perception that if you are in manufacturing, you are probably out in a metal building with a hammer beating on something," Skaggs said. "No, you are sitting behind a computer. The manufacturing environment is much different than it was when my father drove a Buick."

Skaggs told lawmakers that Nevada suffers because of a lack of information technology skills.

"There is an extreme shortage of IT skills in this state, and those are incredible careers," Skaggs said. "For a safe bet, that (IT career) is certainly an option I would take."

Yet a lack of a skilled work force is one reason why some businesses don't choose Nevada, despite its low tax and regulatory climate, said Chuck Alvey, president and CEO of the Economic Development Authority of Western Nevada.

"If it is a skill-based company with a certain technical skill, then the education base may be a problem," Alvey said. "We don't always have that. Even with a high unemployment rate, you don't always have those skill sets available."

Gov. Brian Sandoval has said he has personally called businesses in an effort to get them to relocate in Nevada. Yet there is an underlying reason why many bypass the state, Alvey said.

"The most frequent reason why we don't get companies here or lose companies here is our image," Alvey said. "I remember 20 years ago when I moved to Reno and the response was, Why? No one thinks of Nevada or Reno or Las Vegas as a business place. Once we get them here, they can see what we have and can turn them around."

The Nevada Development Agency, is in the middle of a campaign to improve Nevada's business appeal, said Somer Hollingsworth, the CEO and president of the agency.

"We've got to sell this," Hollingsworth said about the agency's Best Business Climate in the United States marketing campaign. "I don't know any other state that has a business climate like Nevada."

Clients know little about business opportunities in Nevada and instead associate the state with its tourism industry.

"They know nothing about the business climate because they have been overwhelmed by what we sell, 'What Happens in Vegas, Stays in Vegas,' the hospitality, the tourism," he said. "The need to sell the business climate is absolutely huge."

Hollingsworth sees potential for growth in the medical tourism market for both Reno and Las Vegas.

"Families are traveling with people with problems, and they are not just with cosmetic surgery but serious surgery," he said. "The families pack up and if there is some place in the world where they can find the best treatment, they go along."

"They go to a lot of these places, especially in California where a lot of these clinics are," Hollingsworth said. "But there are very few places to spend the night, and everything shuts down at 10 o'clock. That is not the case with Las Vegas, and it is not the case for Reno."
