

# Sandoval's economic plan calls for 50,000 jobs in 3 years

By Sean Whaley, Nevada News Bureau

RENO – Gov. Brian Sandoval used UNR on Tuesday as a backdrop to unveil his economic development plan, and he challenged the business community and all partners to work to create 50,000 new jobs by the end of 2014.

The 63-page report, “Moving Nevada Forward: A Plan for Excellence in Economic Development 2012 – 2014” calls for creating a cohesive system to move forward with economic development, expand “global engagement” and increase opportunity through education and workforce development, among other objectives.

“This (report) is a blueprint for building a vibrant, sustainable economy for all Nevadans,” Sandoval said. “It puts us in a better position to succeed in the hyper-competitive push to champion a strong economy that creates good jobs.

“State government will play a role by advocating for business, providing the infrastructure that helps business thrive, and helping to educate our future workforce,” he said. “The plan spells out our efforts.”

A key component of achieving job growth is a \$10 million Catalyst Fund created in cooperation with the Legislature to help existing Nevada businesses expand and to encourage other businesses to relocate to the state.

“So I’m issuing a challenge today, to all of our partners in building this economy,” Sandoval said. “We must create 50,000 jobs by the end of 2014, the 150th anniversary of Nevada

becoming a state.”

The plan was developed by Steve Hill, executive director of the governor’s Office of Economic Development, after consultation with business leaders and policy-makers from around the state. The report piggybacked on a report prepared by the Brookings Institution and SRI International that was delivered to the state Board of Economic Development in November outlining how Nevada could move forward with economic diversification and job growth.

The Brookings report identified seven economic sectors, some already in existence such as gaming and tourism, and some emerging, such as clean energy, where Nevada should focus its efforts.

That report received some criticism for lacking specifics of how to achieve job growth in Nevada, which has the highest unemployment rate in the country.

Hill was directed to prepare a plan that would be a working document that the public can easily understand.

The report says that Nevada’s assets for economic development include more than 40 million visitors annually, the largest gold producer in the country, and its national defense opportunities at Nellis Air Force Base and the other military installations around the state.

The state has serious liabilities as well, however, including a disjointed economic strategy, an under-performing education system and a workforce that is not trained for new job opportunities.

Hill said an economic development plan is critical given the current state of the economy.

“We don’t have to worry going forward whether Nevada will be connected to the globe, it will be,” he said. “And we need to

learn how to capitalize on that better. So, globalizing, both in terms of exporting, in terms of foreign investment in Nevada, bring good jobs, it brings additional financing and investment in the state and is an area that we need to focus on.”

The plan also focuses on the need for education reform, Hill said.

“We all know that we need a higher level of education achievement in order to drive this economy forward,” he said.

The plan also has benchmarks to assess whether Nevada is achieving its ambitious job-creation goals, Hill said.

Following the release of the plan, Sandoval and Hill toured a Reno business, the Pacific Cheese Company, where president Steve Gaddis said he expects continued expansion of the company with more jobs added in the coming months. The company has a plant in California as well.

The company had 33 employees early last year and has 99 employees now. Gaddis said he expects to expand to 120 to 130 workers by February 2013. Almost all of the workers have been hired locally, Gaddis said.

Gaddis said the first plus for Nevada as a place to do business is the fact that it is not California.

“For us it’s the combination of regional supply logistics, a good labor force, the tax factor attracts us a lot because most of what we will save in Nevada will clearly go back in this business to create jobs and growth,” he said.

The plan generated some immediate criticism from the Nevada Policy Research Institute, a conservative think tank.

Geoffrey Lawrence, deputy policy director at NPRI, said the intent of the plan is to substitute the government for private businesses and politically connected bureaucrats for

entrepreneurs. He questioned whether it is constitutional.

“It is a roadmap for crony capitalism and would lead to less productivity and less growth,” he said. “It is clearly unconstitutional. In short, this plan would take Nevada 180 degrees in the wrong direction.”

Lawrence said the state constitution declares that the state shall not donate or loan money, or its credit, subscribe to or be, interested in the stock of any company, association, or corporation, except corporations formed for educational or charitable purposes.

Giving subsidies to private businesses, as this plan calls for, is unconstitutional, he said.