



U-1 through U-6 In Nevada

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Alternative Measures of Labor Underutilization (Through September 2013)

Measure	Underutilization Concept	Rate
Official Rate	jobless persons available to take a job who have actively sought work in the past four weeks	9.4%
U-1	jobless 15 weeks or longer	5.6%
U-2	job losers and persons losing a temporary job	5.4%
U-3	similar to official rate	9.7%
U-4	U-3 plus discouraged workers	10.5%
U-5	U-4 plus others marginally attached to the labor force	11.6%
U-6	U-5 plus those employed part-time for economic reasons	18.1%

- U-3, currently 9.7%, is the total of unemployed workers as a percentage of the civilian labor force. This is most similar to the Official Rate, which measures 9.4% (September 2013, seasonally adjusted).¹ For the latest data, these differ by 0.4percentage point.
- U-4 adds discouraged workers to U-3, bringing the underutilization level to 10.5%. Discouraged workers are those people who would like to work, but have stopped looking for work because they believe there are no jobs to be filled. This adds less than one percentage point to the U-3 rate.
- Marginally attached workers, the addition to U-5, have not searched for work for reasons other than belief that there are no jobs to fill, totaling 11.6%.
- Finally, U-6 adds part-time workers (working less than 35 hours per week) who would rather be working full-time, but cannot due to economic reasons including having their hours cut or being unable to find full-time work. This leads to an underutilization rate of 18.1%.

¹ Note that, in the table and in the comparisons below, the unemployment rate (U-3) that is shown is derived directly from the Current Population Survey, because this is the only source of data for the various components of the other five measures. As a result, the U-3 measure differs from the official state unemployment rate. The official rate is developed from statistical models that greatly improve the reliability of the top-side labor force and unemployment estimates.