

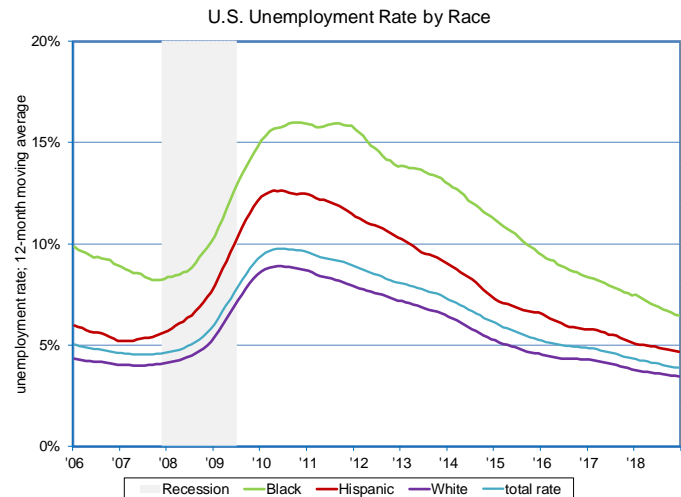
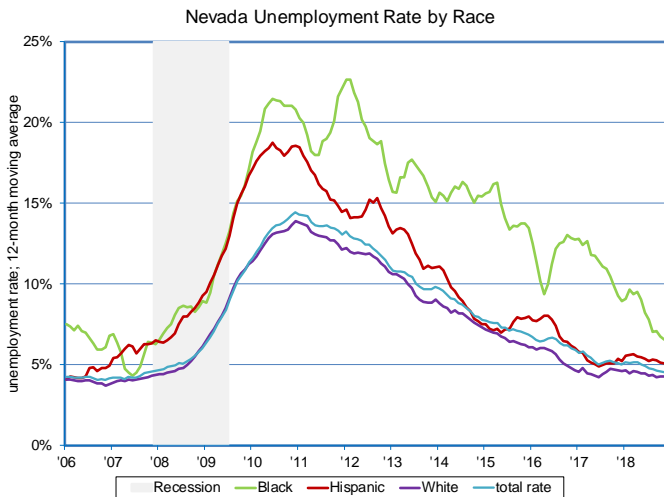
Research Notes



Unemployment Rate by Race and Unemployment Reasons
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Nevada's Unemployment Rate by Race Follows National Trends



- The monthly Current Population Survey (CPS), sponsored by the Census Bureau and the Bureau of Labor Statistics, allows for the analysis of the unemployment rate by race. CPS estimates available back to 2005, indicate that Nevada's unemployment rates by race follow similar national trends. The Bureau of Labor Statistics indicates that, labor market differences across racial groups are associated with many factors, not all of which are measurable. These factors include variations across the groups in educational attainment, the occupations and industries in which they work, and the geographic areas in which the groups are concentrated (including urban or rural settings).
- CPS provides information about unemployment reasons by race in the Silver State. Unemployment reasons include: new entrants to the labor force (people who had never worked before they began their job search), reentrants to the labor force (individuals that previously worked but were out of the labor force before they began their job search), job leavers (people who quit or voluntarily ended their jobs and began searching for a new job), job losers and people who completed temporary jobs.
- From 2006 to late 2007 the unemployment rate for Blacks was 6.3% (expressed as a 12-month moving average). During this time, reentrants represented 30.8% of Black unemployment, those who lost their job made up 29.2%, and 12.9% were new-entrants. During the same period, the rate for people of Hispanic origin was 6.3%. Those losing their jobs represented 39.4% of Hispanic unemployment, reentrants made up 24.4%, and 14.4% finished temporary jobs. White unemployment rate averaged 4.3%. Those who lost their jobs represented 41.6% of White unemployment, reentrants made up 30.5%, and 11.8% left their jobs.
- As the Silver State was affected by the 2007 recession (started December 2007 and ended June 2009), unemployment rates for Blacks, Hispanics and Whites began to increase. A recession implies a general slowdown in economic activity, job availability declines because to remain in business, many establishments are forced to lay off people to decrease the number of employees in their payrolls.

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- Due in part to the effects of the recession, the share of those who lost their jobs began to increase for each group in Nevada. The overall unemployment rate peaked at 14.4% in late 2010. The unemployment rate for Blacks topped out at 22.6% in early 2012. During this time those losing their jobs represented 49.2% of Black unemployment, up from 29.2% in 2007. The rate for Hispanics reached its highest level at 18.7% in mid-2010. Those losing their jobs made up 68.9% of Hispanic unemployment, up from 39.4% in 2007. The unemployment rate for Whites peaked at 13.9% in late 2010. Those losing their jobs represented 60.9% of White unemployment, up from 41.6% in 2007.
- As the recovery unfolded, unemployment rates began to decline. As of December 2018, the overall unemployment rate in the Silver State is 4.5%¹ down from a 14.4% peak. Blacks have an unemployment rate of 6.6%, down from a 22.6% peak. Job losers make up 33.3% of Black unemployment, down from the peak of 49.2%. The rate for Hispanics stands at 5.1% down from the peak 18.7%. Job losers represent 29.5%, down from a peak of 68.9%. The rate for Whites is 4.3%, down from a peak of 13.9%. Job losers make up 32.5% of Whites unemployment down from the peak of 60.9%.

Black Unemployment Reasons

Time Period	Unemployment Rate	Job Loser	Temporary Job Ended	Job leaver	Re-entrant	New-entrant
Year Ending November 2007	6.3%	29.2%	12.3%	14.8%	30.8%	12.9%
Year Ending January 2012	22.6%	49.2%	5.9%	8.3%	25.6%	11.1%
Year Ending December 2018	6.6%	33.3%	14.9%	17.0%	20.1%	14.8%

Hispanic Unemployment Reasons

Time Period	Unemployment Rate	Job Loser	Temporary Job Ended	Job leaver	Re-entrant	New-entrant
Year Ending November 2007	6.3%	39.4%	14.4%	7.8%	24.4%	13.9%
Year Ending June 2010	18.7%	68.9%	8.8%	3.9%	12.0%	6.3%
Year Ending December 2018	5.1%	29.5%	12.3%	11.4%	32.0%	14.9%

White Unemployment Reasons

Period	Unemployment Rate	Job Loser	Temporary Job Ended	Job leaver	Re-entrant	New-entrant
Year Ending November 2007	4.3%	41.6%	10.5%	11.8%	30.5%	5.6%
Year Ending December 2010	13.9%	60.9%	11.3%	5.2%	16.3%	6.3%
Year Ending December 2018	4.3%	32.5%	13.4%	14.4%	31.0%	8.7%

¹ It should be noted that utilizing information solely from the CPS results in a slightly different total unemployment rate than what is officially reported. The State's official rate incorporates information regarding job trends and unemployment insurance claims activity into the calculation, in addition to CPS results.