

2017:IIIQ Nevada Unemployment Rate Demographics Report*

Department of Employment, Training &
Rehabilitation Research and Analysis Bureau

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Executive Summary

*Background...*Assembly Bill 354 calls for a quarterly report by the Department of Employment, Training and Rehabilitation which disaggregates the rate of unemployment by demographic groups for each county within the State utilizing currently available information. This Report satisfies that requirement.

Furthermore, as required by Assembly Bill 354, this Report will be posted on the website of the Department, as well as that for the Research and Analysis Bureau within the Department. This Report is provided to the Governor's Workforce Development Board, as well as other applicable agencies providing workforce development services, as required.

Assembly Bill 354 requires all applicable agencies to coordinate efforts and resources in order to reduce the rate of unemployment for specific demographic groups when certain thresholds are met:

1. When the unemployment rate is at least double (200 percent) the rate of unemployment for the county as a whole.
2. When the unemployment rate is at least four percentage points higher than the rate of unemployment for the county as a whole.
3. When the unemployment rate has been higher than the rate of unemployment for the county as a whole for at least three consecutive years.

*Findings...*Available information highlights some general conclusions for the State as a whole:

- The unemployment rate for younger residents, those 16-24 years old, has historically been relatively high. Currently, it is averaging just over ten percent on an annualized basis, and compares to a total unemployment rate of 5.2 percent (again, on an annualized basis). The rate for all other age cohorts fall within a fairly narrow range around the overall average.
- The unemployment rate for Black residents has historically been relatively high. Currently, it is averaging 10.7 percent, and compares to a total unemployment rate of 5.2 percent. The rates for Whites (4.7 percent) and Hispanics (5.1 percent) are very close to the overall average. It should be noted that the rate for Hispanics was relatively high during the pre-recessionary period and in the early years of the current economic recovery.
- The unemployment rates for males (5.4 percent) and females (five percent) are essentially identical. During the recessionary period, the unemployment rate for males was relatively high, a result of the pronounced downturn in the construction industry.

For the State's three most populous counties (Clark, Washoe, and Carson City), available information suggests the following¹:

- As for the various age cohorts, unemployment rates for younger residents are relatively high in all three counties, consistent with Statewide trends. The unemployment rate for 16-19 year olds in Clark County is 30.7 percent (expressed as a five-year average). For those in the 20-24 year old group, the unemployment rate is 15.7 percent. The findings for Washoe County are similar. 16-19 year olds have an unemployment rate of 23.2 percent, while the rate for 20-24 year olds is 13.6 percent. The same is true in Carson City (19.5 percent for 16-19 year olds and 20.1 percent for 20-24 year olds). In all three counties, the unemployment rate for younger residents exceeds Threshold 1 and/or 2. No other age cohorts exceed the various Thresholds.
- With respect to race/ethnicity results in the three counties, the lone demographic group to exceed any of the Thresholds put forth in AB 354 is Blacks in Clark County. The unemployment rate for this group has averaged 16.7 percent over the past five years, which exceeds Threshold 1. More than 95 percent of all unemployed Black residents reside in Clark County.
- An examination of the unemployment rate by gender in the State's three largest counties does not highlight any issues with respect to the AB 354 Thresholds.

As for the States rural counties, the findings are similar, especially with respect to age cohorts:

- In every county, with the exception of Eureka and Pershing, the unemployment rate for the 16-19 and/or 20-24 year old cohorts exceeds Threshold 1 and/or 2, a pattern very consistent with overall State results. Scattered throughout Nevada's rural counties are isolated cases of older age cohorts which exceed Threshold 1 and/or 2. Outside of, perhaps, the 65+ cohorts, no specific pattern is evident.
- With respect to race/ethnicity, scattered throughout the Silver State's rural counties are cases in which Blacks and/or Hispanics exceed Thresholds 1 and/or 2. However, these counties tend to not have large numbers of persons of color, and overall trends are driven by the metro counties, especially Clark.
- With just two exceptions, males in Mineral and Storey Counties have relatively high rates, the unemployment rate disaggregated by gender do not satisfy any of the Thresholds. This finding is similar to that for the State as a whole.

¹ Please see page xx for a discussion regarding data limitations at the sub-State level.

Taken as a whole, this Report finds that, in Nevada as a whole, the unemployment rate for younger persons (16-24 years old), as well as for Blacks (especially in Clark County), appear to be relatively high.

Statewide Information

Data Sources

In conjunction with the U.S. Bureau of Labor Statistics (BLS), the Research and Analysis Bureau of Nevada's Department of Employment, Training, and Rehabilitation (DETR) produces, analyzes, and disseminates labor market information for the Silver State.

The Local Area Unemployment Statistics (LAUS) Program provides the "official" monthly unemployment rate estimates at the State level. LAUS model-based estimates are driven by results from the Current Population Survey (CPS), employment trends, and unemployment insurance claims.

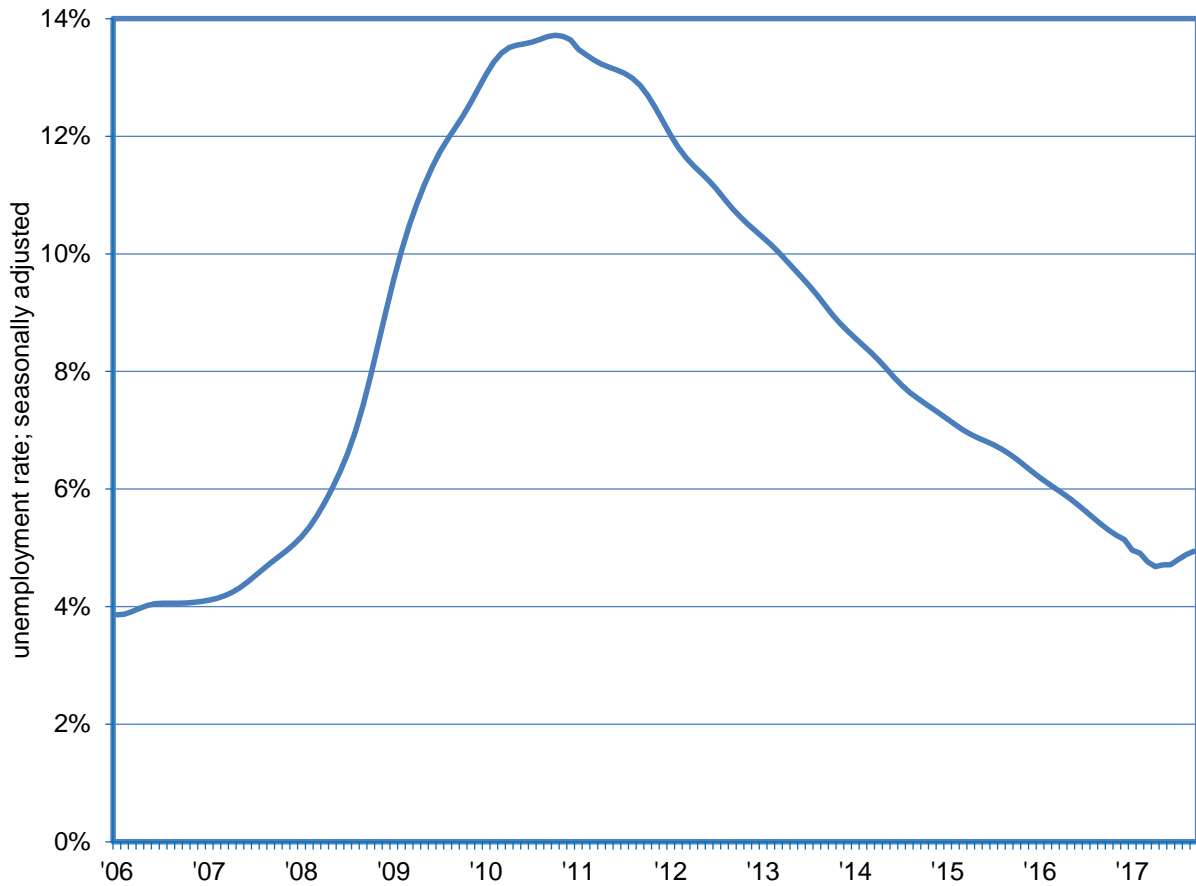
The CPS is a monthly survey of households, sponsored by the Census Bureau and BLS. Among other things, it allows for the generation of the demographic (age, race/ethnicity, gender) profile of the unemployment rate at the State-level presented in this section of the Report². In Nevada, approximately 1,100 households are included in this survey, a relatively small sample size in a State with approximately 1.15 million households. Hence, in order to discount the extreme month-to-month volatility inherent in small sample size estimates, standard practice is to present information on a 12-month moving average.³ Still, even after making this adjustment, some volatility remains, and is simply attributable to "noise" in the series.

² For purposes of this Report, a "total" unemployment rate, generated from CPS results, is utilized for comparison purposes in presenting the various demographic profiles. It is not to be confused with the LAUS rate.

³ Also, as noted in the County Information section of this Report, CPS estimates are not available for jurisdictions within the State, as the small sample size will not allow for such estimates.

Unemployment Rate

Nevada's unemployment rate, generated via the LAUS Program, held steady in September 2017, at 4.9 percent. This represents a decline of half percentage point from September of 2016, marking the 75th straight month of year-over-year declines of a half percentage point or more. The unemployment rate peaked at 13.7 percent at the height of the recession in late-2010.



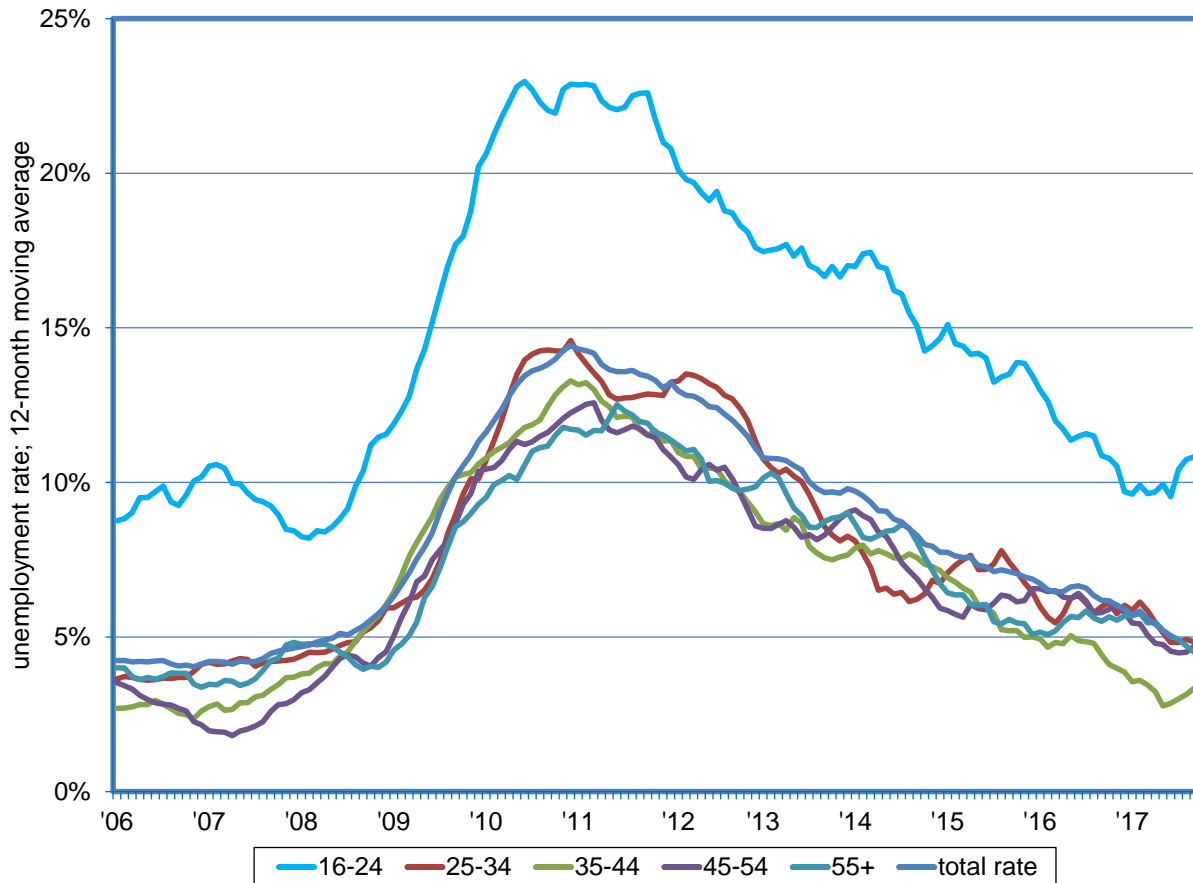
Unemployment Rate by Age

Based upon information from the CPS, the unemployment rate tends to be higher for the 16-24 year old group, which includes teens and young adults. Rates for all other age groups fall within a relatively narrow range.

Before the recession, the unemployment rate for Nevada's youngest age cohort averaged 9.5 percent (expressed as a 12-month moving average), about six percentage points higher compared to other groups.

Teens and young adults were the most affected by the downturn. The unemployment rate for this group peaked at 23 percent during the recession, roughly ten points higher than that for other age cohorts.

As the recovery unfolded, the unemployment rate for all groups started to decrease. In September 2017, teens and young adults had an unemployment rate of 10.8 percent, still over six percentage points higher than that for other age groups. This compares to a total unemployment rate of 5.2 percent, based upon the results from the household survey.



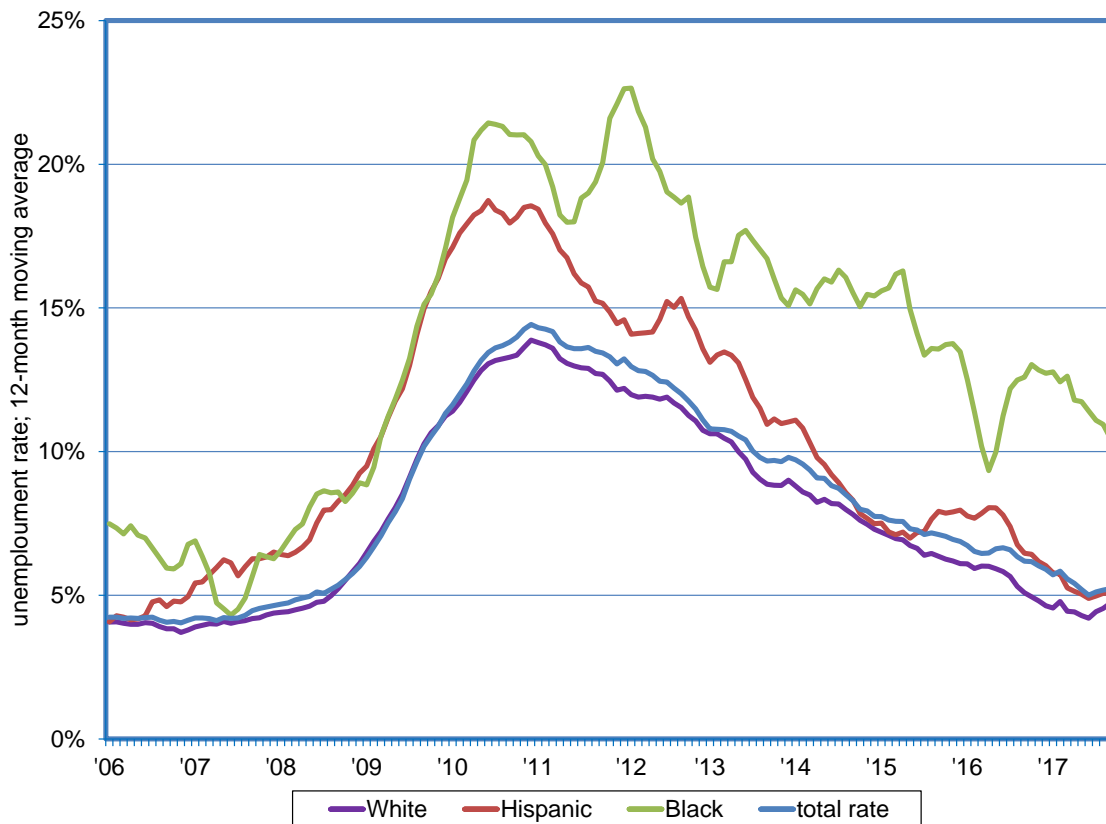
Unemployment Rate by Race/Ethnicity

The unemployment rate in Nevada varies across race/ethnicities. Prior to the recession, the unemployment rate for Blacks was higher, at 7.4 percent (12-month moving average), compared to that for Whites at four percent. The rate for people of Hispanic origin was 4.1 percent.

During the recession, the unemployment rate for Blacks peaked at 22.6 percent, while the rate for Whites reached its peak at 13.9 percent. The rate for Hispanics topped out at 18.7 percent.

As the recovery unfolded, unemployment rates decreased across all racial/ethnic groups. In September 2017, Blacks had an unemployment rate of 10.5 percent, while the rate for Whites is 4.7 percent. The rate for Hispanics stood at 5.1 percent. The total unemployment rate, based upon CPS information, has averaged 5.2 percent over the past year.

According to the Bureau of Labor Statistics, 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).



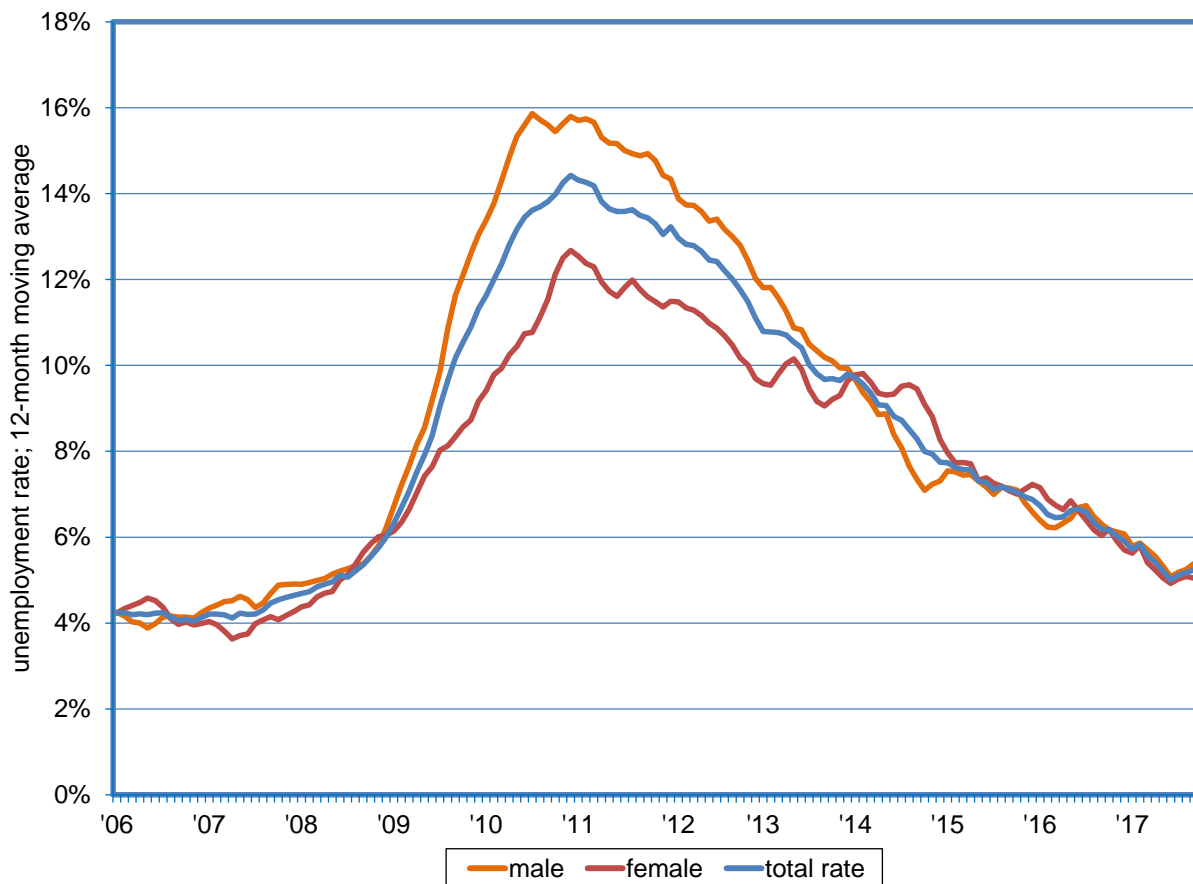
Unemployment Rate by Gender

Before the recession, both male and female unemployment rates hovered around four percent in Nevada, based upon Current Population Survey results. However, beginning in late-2007, both rates started to increase.

During the recession, the male unemployment rate peaked at 15.9 percent (measured as a 12-month average), while the female unemployment rate reached its peak at 12.7 percent. The differing results by gender are certainly a reflection of the pronounced impacts of the recession on the construction sector in the Silver State, a male-dominated industry. (Men account for nearly 80% of construction employment.)

Both rates started to decrease as the recovery unfolded. In September 2017, the male unemployment rate stood at 5.4 percent, and the female rate came in at five percent.

Based upon trends over the past few years, the gap between men and women has been eliminated. Again, we can look to the construction industry for an explanation. Job growth in this industry has been very solid of late, helping to push down the jobless rate for men at a relatively strong pace.



County Information

Data Sources

The LAUS Program also generates monthly unemployment rate estimates by county. However, unlike the situation for the State as a whole, the CPS cannot be utilized to generate timely and reliable county-level demographic profiles of the unemployment rate due to inadequate coverage.

For purposes of satisfying the specific requirements of Assembly Bill 354, this Report utilizes the U.S. Census Bureau's American Community Survey (ACS) to generate demographic profiles of the unemployed by county. The ACS is a nationwide survey that provides information every year on the demographic, social, economic, and housing characteristics of the nation's population.

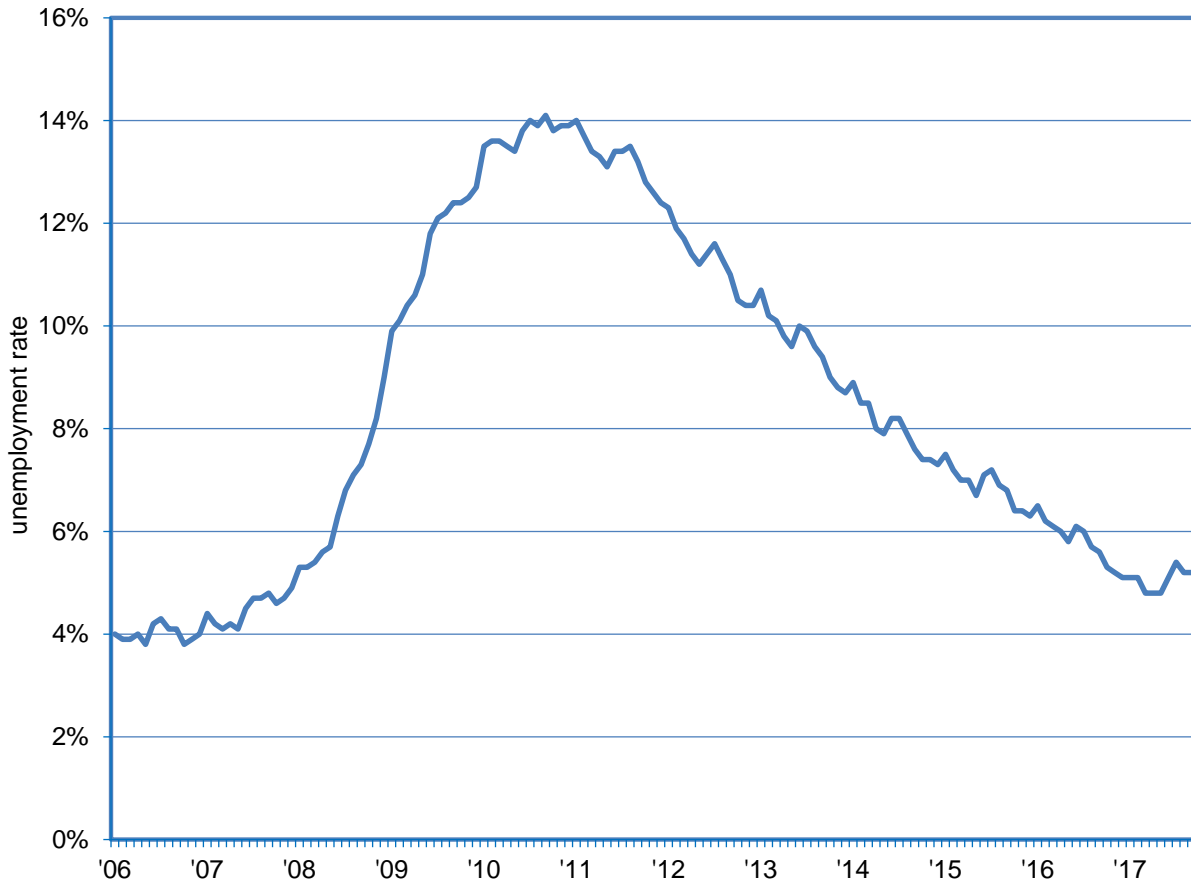
The Survey produces single-year and multiyear estimates. The one-year estimates provide information for geographic areas, including counties, with populations greater than 65,000. In Nevada, 15 of 17 counties do not meet that threshold.

ACS multiyear estimates produce results covering a five-year period. These estimates are relatively reliable, especially for Nevada's smaller counties.

Unfortunately, in the process of generating reliable and comparable information for all counties in Nevada, timeliness becomes an issue. The most recent information covers the 2011-2015 period. In Nevada as a whole, 18,300 households (out of a total of 1.15 million) were interviewed as part of the ACS in 2015.

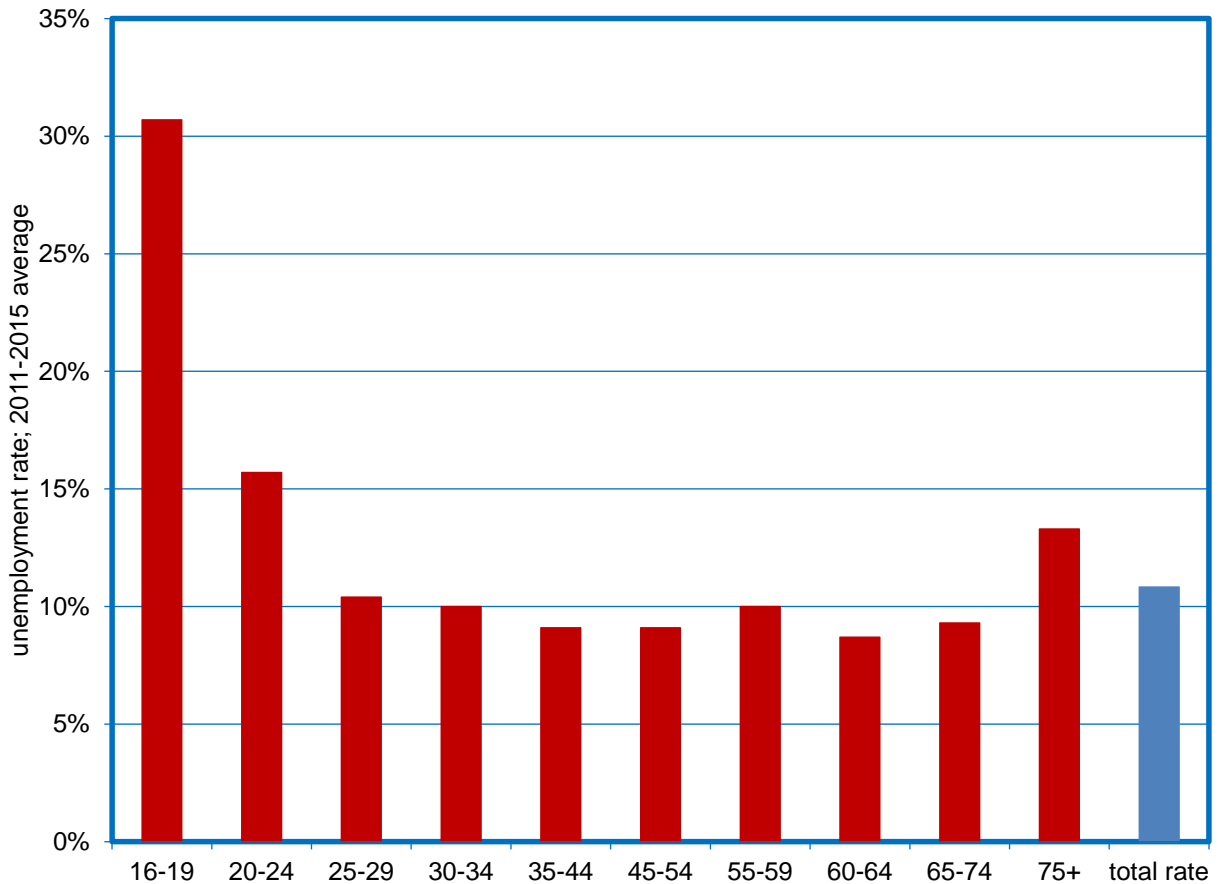
Clark County Unemployment Rate

Before the recession, the unemployment rate, estimated via the LAUS Program, in Clark County hovered around four percent. During the recession, Clark's unemployment rate peaked at 14.1 percent. As the recovery unfolded, the rate started to decrease. In September 2017, Clark's unemployment rate stood at 5.2 percent down from 5.6 percent a year ago.



Clark County Unemployment Rate by Age

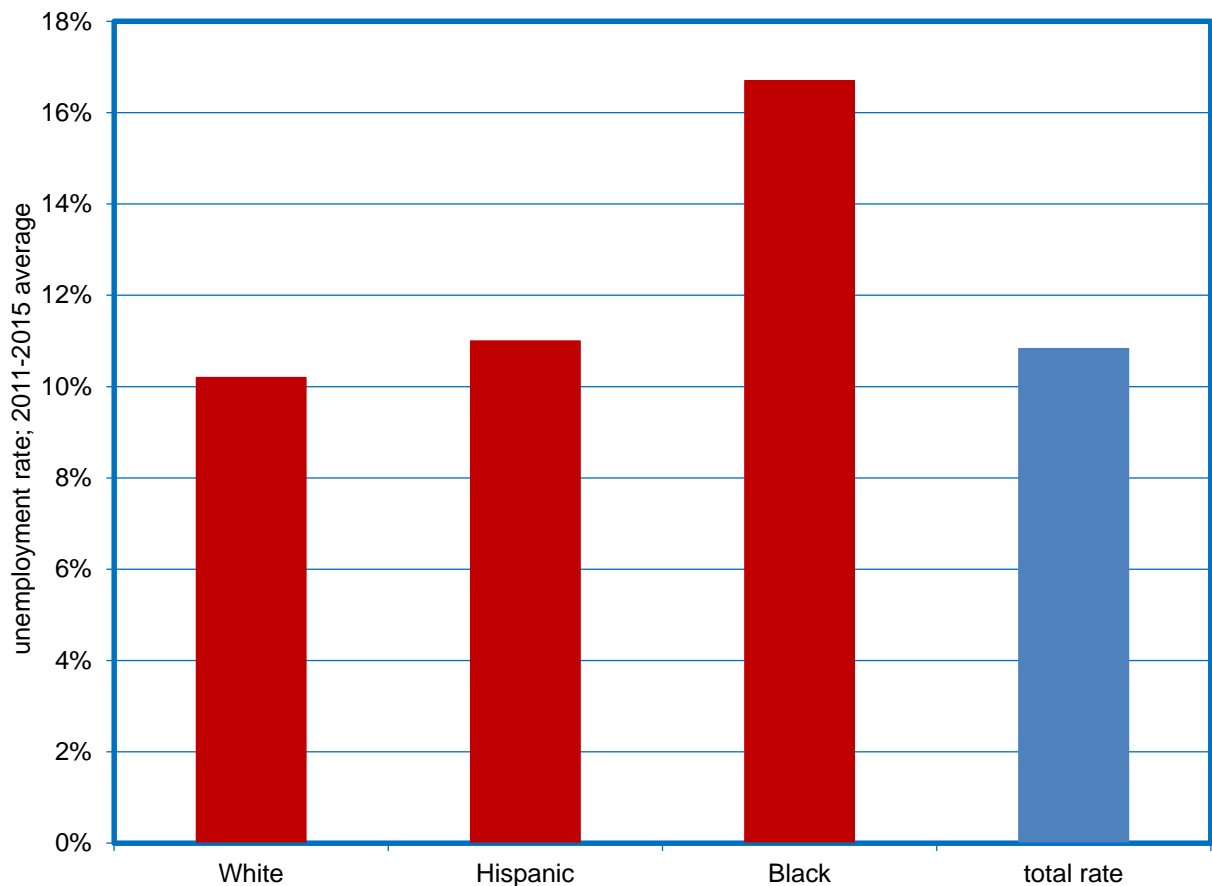
According to ACS five-year average estimates, in 2015, the total unemployment rate in Clark County stood at 10.8 percent (2011-2015 average). The unemployment rate for teenagers (16-19 years old), was 30.7 percent, about 20 percentage points higher than that for other age cohorts. The unemployment rate for young adults (20-24 years old) was 15.7 percent. Rates for other age groups hovered in a fairly narrow range around the overall average.



Clark County Unemployment Rate by Race/Ethnicity

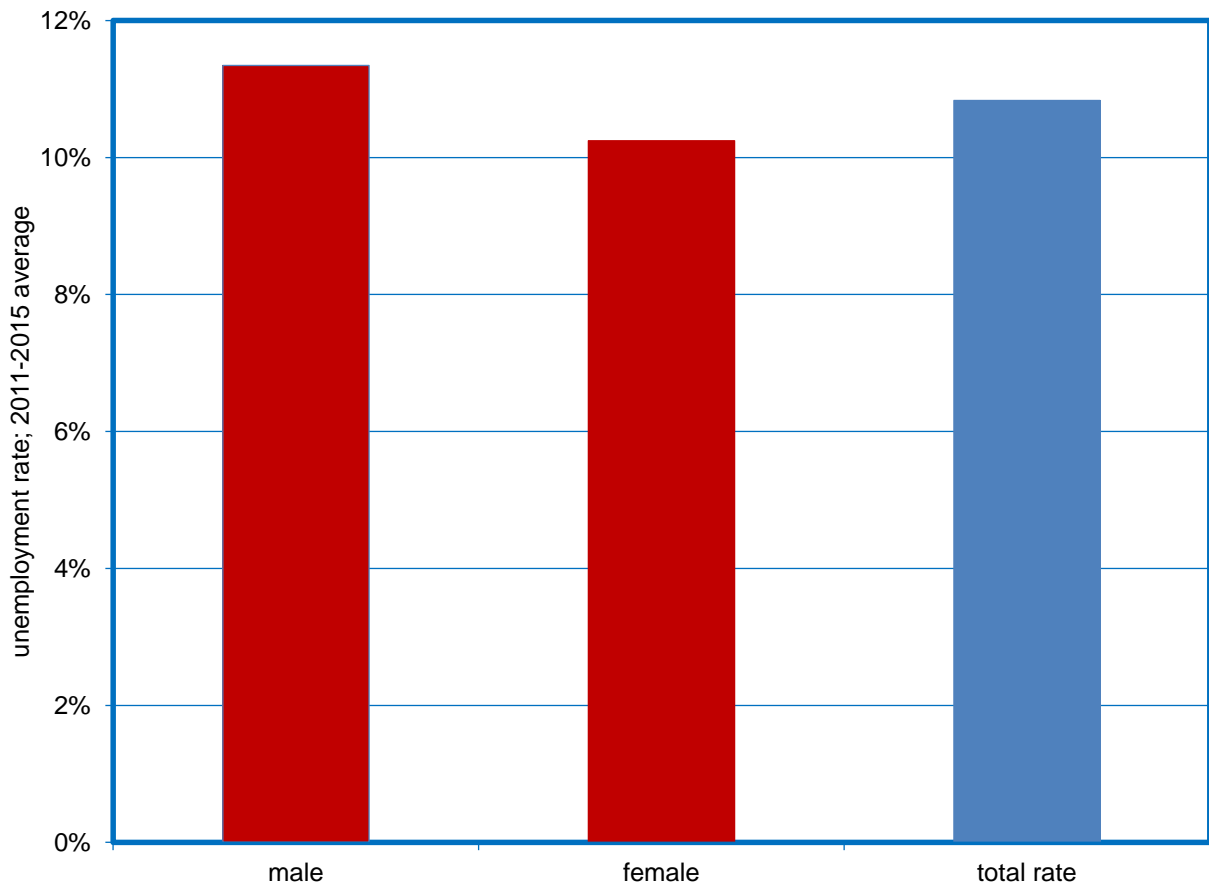
Over the 2011-2015 period, ACS estimates show that African Americans in Clark County had a relatively high unemployment rate compared to that for Whites and for Hispanics. The unemployment rate for African Americans averaged 16.7 percent over the period, well above the overall average for the period (10.8 percent). Whites had a jobless rate of 10.2 percent, while the rate for Hispanics was 11 percent.

As an aside, African American unemployment in Clark County is estimated to be 18,700. This represents nearly 96 percent of the State's total for this demographic group.



Clark County Unemployment Rate by Gender

In 2015, ACS five-year estimates show that the male unemployment rate in Clark County stood at 11.3 percent. The female unemployment rate was 10.2 percent, 1.1 percentage points below the male jobless rate. Both rates are very similar to the total unemployment rate for the County, 10.8 percent.



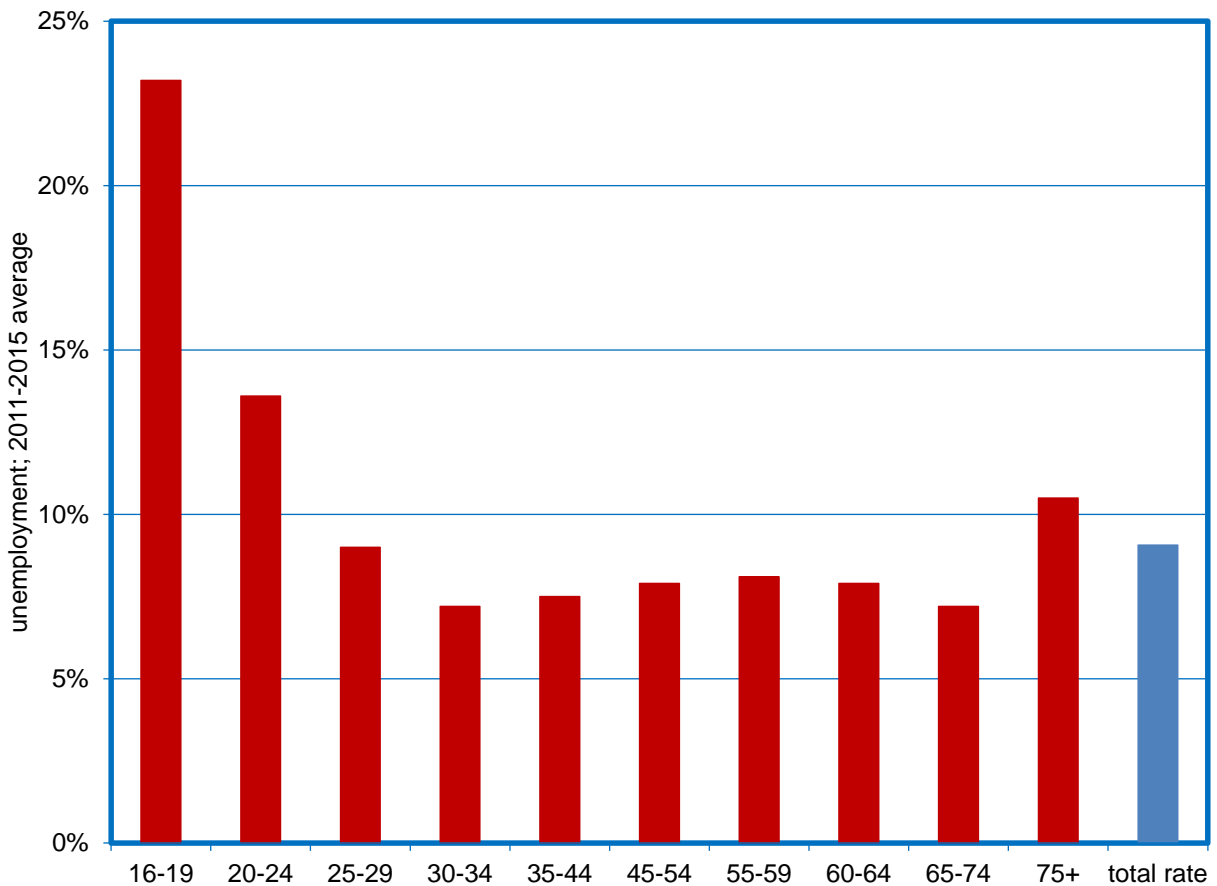
Washoe County Unemployment Rate

Before the recession, the LAUS-based unemployment rate in Washoe County hovered around four percent. During the recession, the jobless rate peaked at 13.9 percent. As the recovery unfolded, the rate started to decrease. In September 2017, Washoe's unemployment rate stood at four percent, down from 4.6 percent a year ago.



Washoe County Unemployment Rate by Age

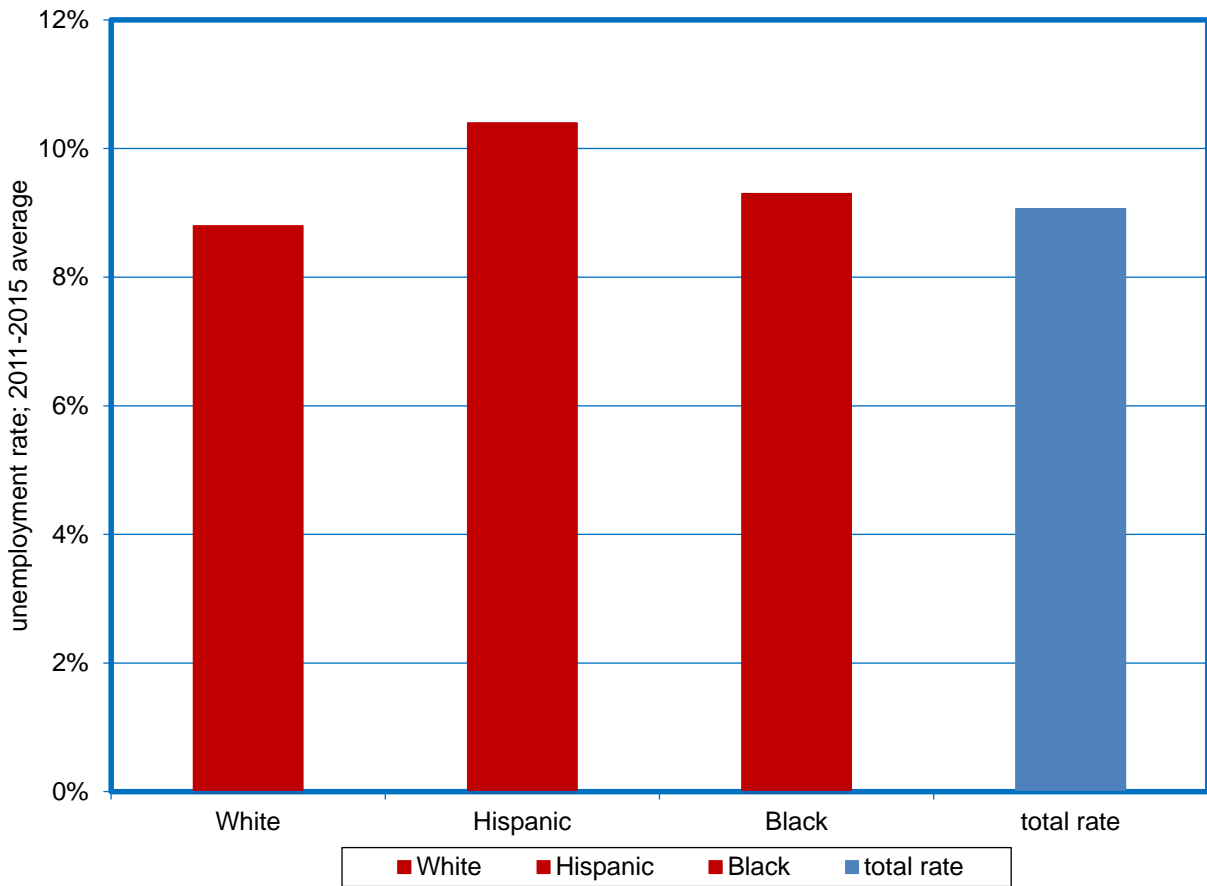
Based upon ACS five-year average estimates, 2015's, total unemployment rate in Washoe County stood at 9.1 percent (2011-2015 average). The unemployment rate for teenagers (16-19 years old), was 23.2 percent, about ten percentage points higher than that for other age cohorts. The unemployment rate for young adults (20-24 years old) was 13.6 percent, follow by the 75 years old and older group at 10.5 percent. Rates for other age groups hovered in a fairly narrow range around the overall average.



Washoe County Unemployment Rate by Race/Ethnicity

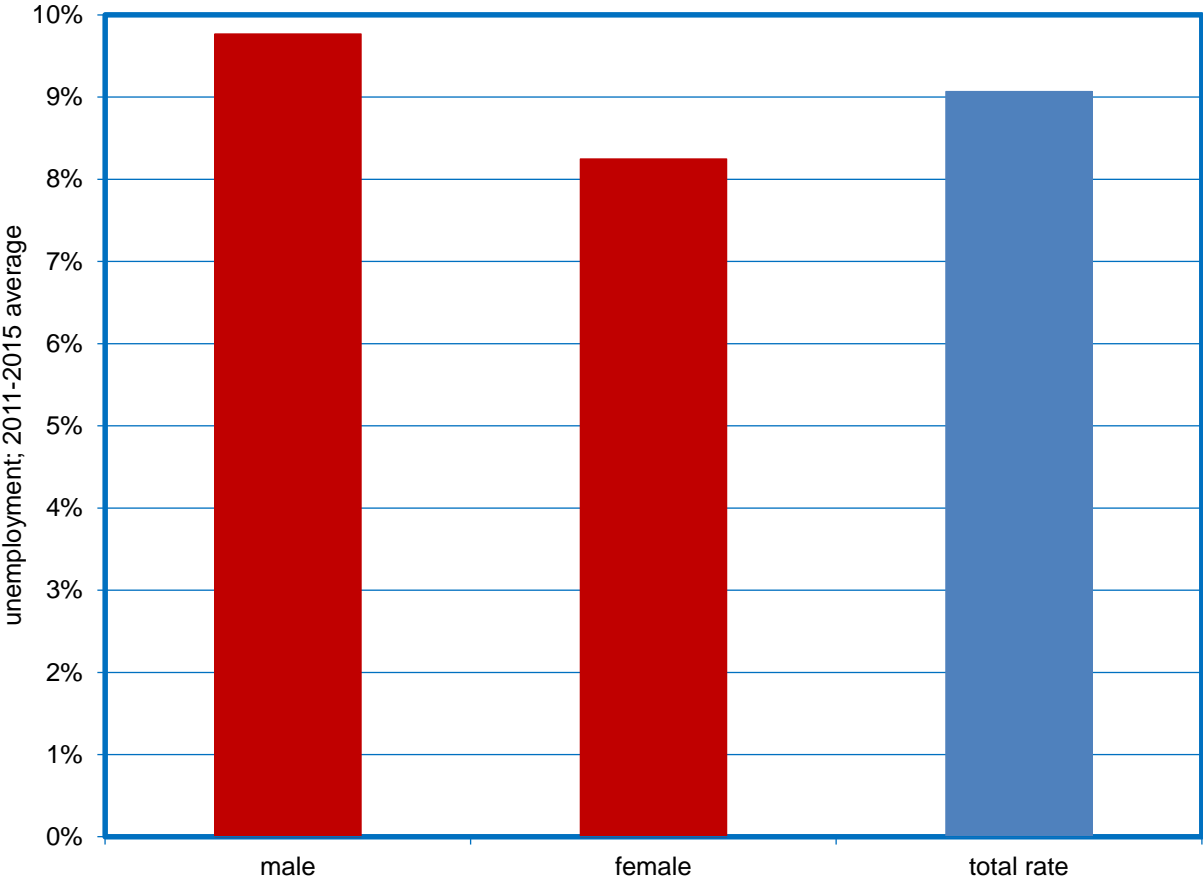
Over the 2011-2015 period, ACS estimates show that unemployment rate estimates disaggregated by race/ethnicity hovered in a fairly narrow range.

As an aside, African American unemployment in Washoe County is estimated to be 500. This represents three percent of the State's total for this demographic group.



Washoe County Unemployment Rate by Gender

In 2015 the male unemployment rate in Washoe County stood at 9.8 percent. The female unemployment rate was 8.2 percent, 1.6 percentage points below the male jobless rate.



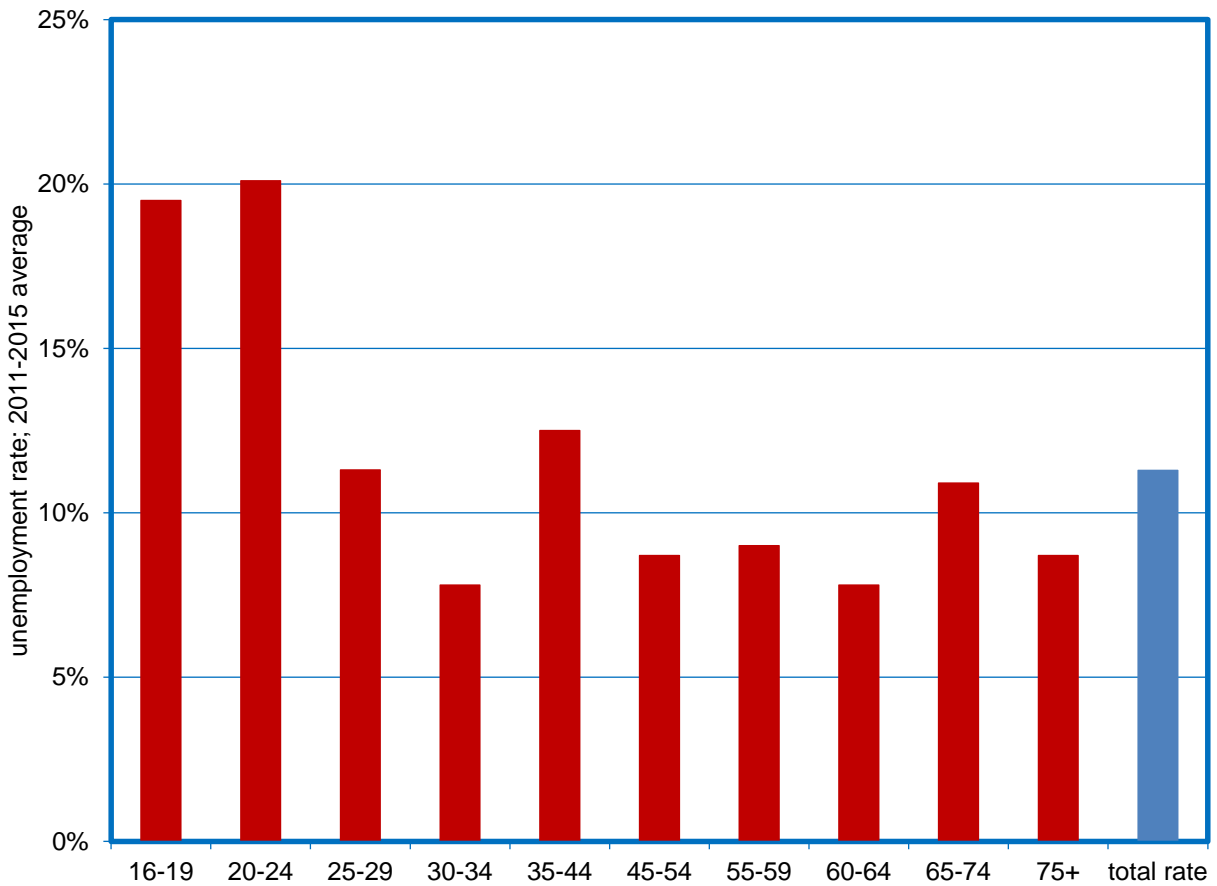
Carson City Unemployment Rate

Before the recession, the official unemployment rate in Carson City hovered around 4.5 percent. During the recession, Carson City's unemployment rate peaked at 14.9 percent, compared to 13.7 percent statewide. As the recovery unfolded, the rate started to decrease. In September 2017, Carson's unemployment rate stood at 4.8 percent down from 5.6 percent a year ago.



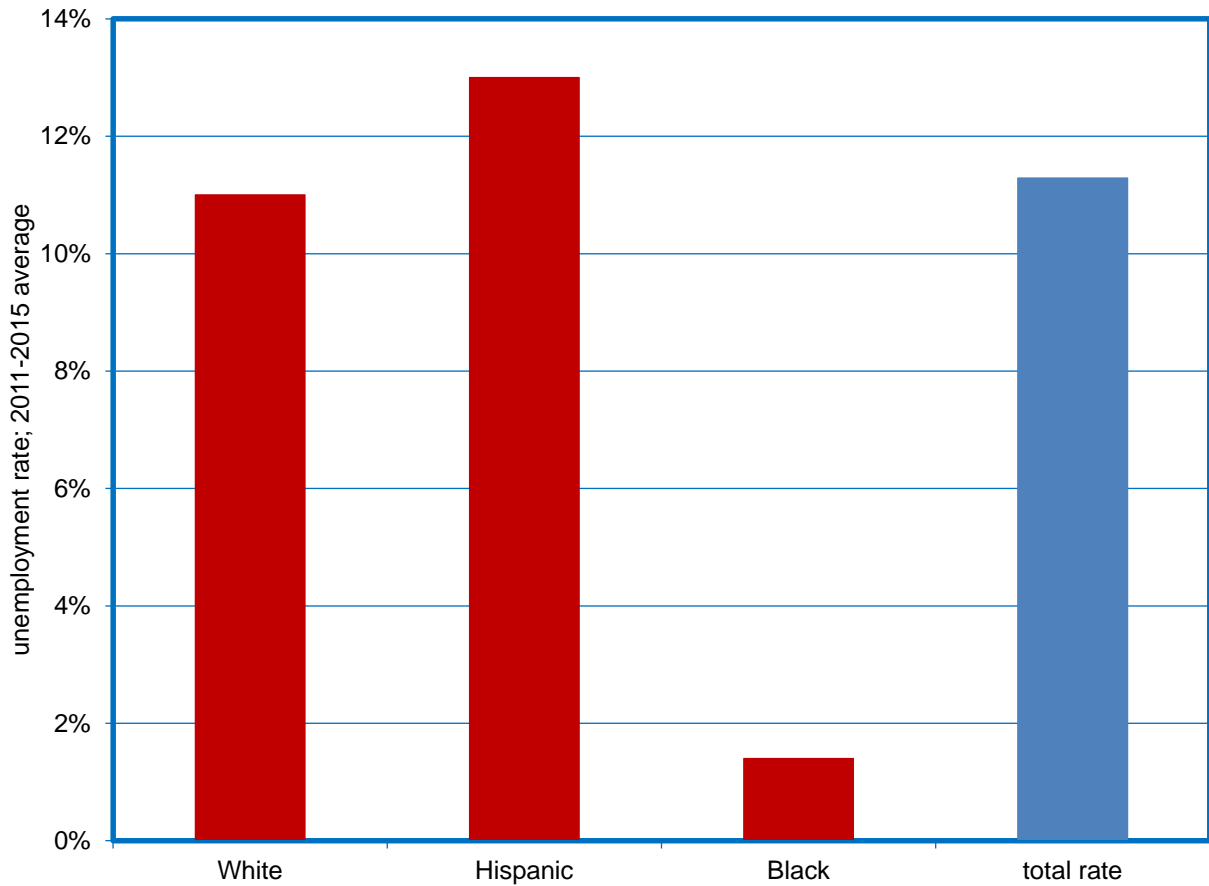
Carson City Unemployment Rate by Age

In 2015, the total unemployment rate in Carson City County stood at 11.3%. The unemployment rate for young adults (20-24 years old), was 20.1 percent, about 9 percentage points higher than that for other age cohorts. The unemployment rate for teenagers (16-19 years old) was 19.5 percent follow by 25-29 years old group at 11.3 percent. The age cohorts with the lowest rate were 30-34 and 60-64 years old at 7.8 percent.



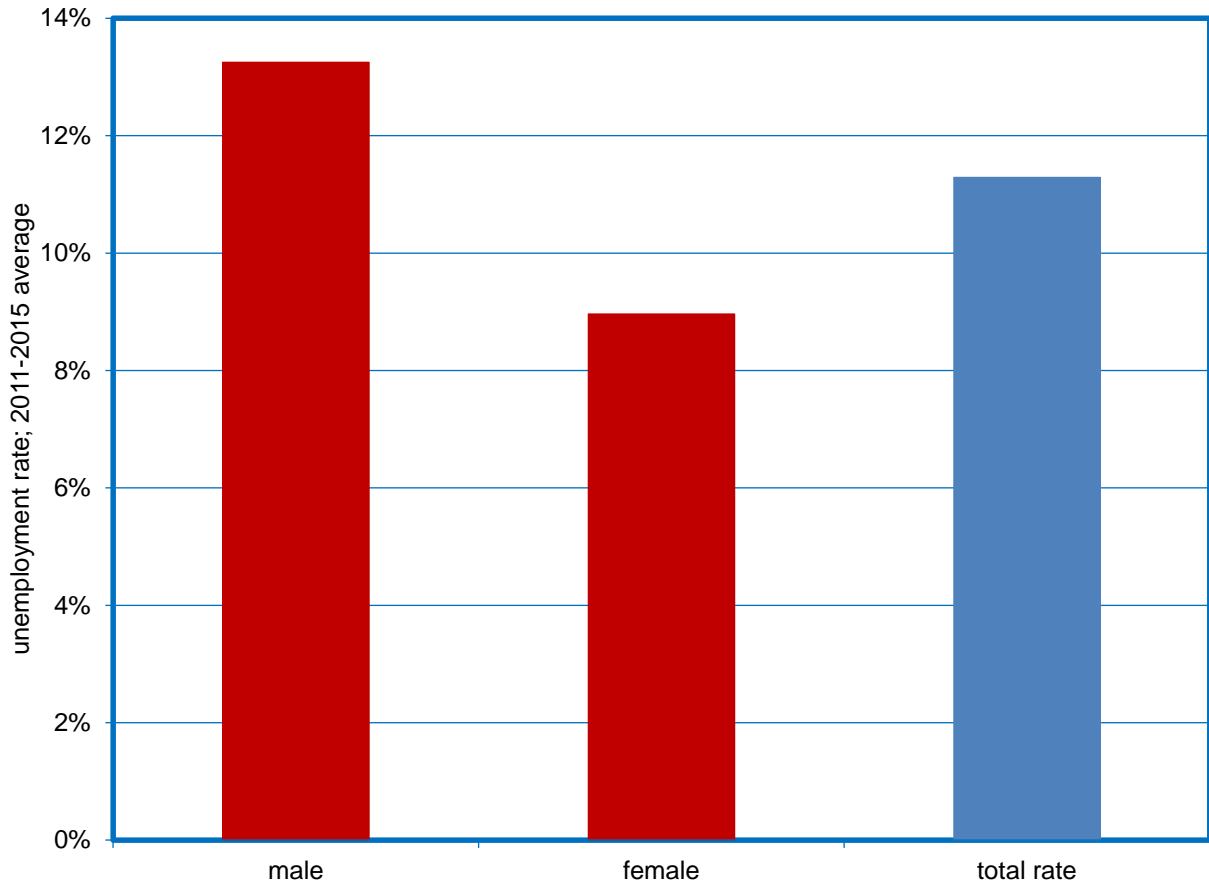
Carson City Unemployment Rate by Race/Ethnicity

In 2015 Hispanics in Carson City had a higher unemployment rate compared to that for Whites and for African Americans. The unemployment rate for Hispanics stood at 13 percent. It was higher than the total rate at 11.3 percent. Whites had a jobless rate of 11 percent, while the rate for African Americans was 1.4 percent.



Carson City Unemployment Rate by Gender

In 2015 the male unemployment rate in Carson City stood at 13.3 percent. The female unemployment rate was nine percent, 4.3 percentage points below the male jobless rate.



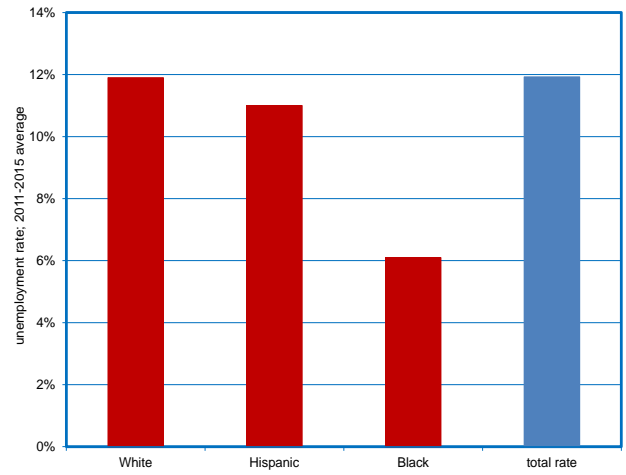
Rural County Information

Churchill County

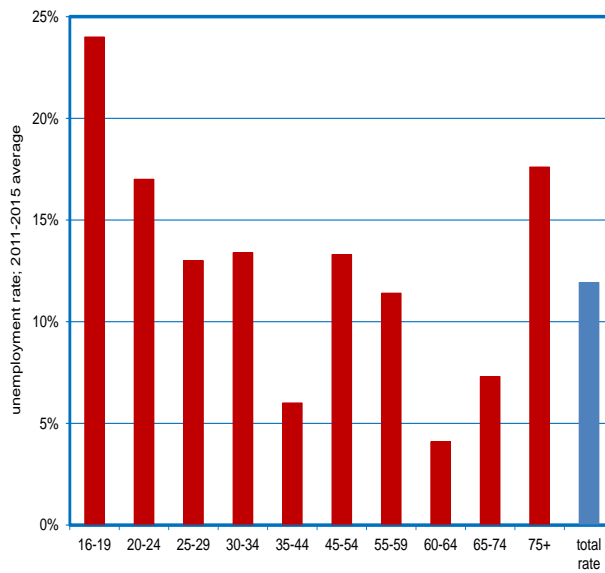
Unemployment Rate



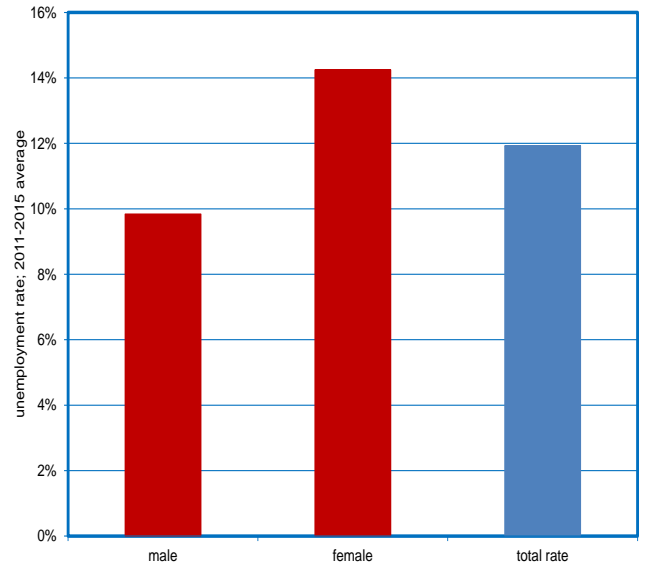
Unemployment Rate by Race/Ethnicity



Unemployment Rate by Age

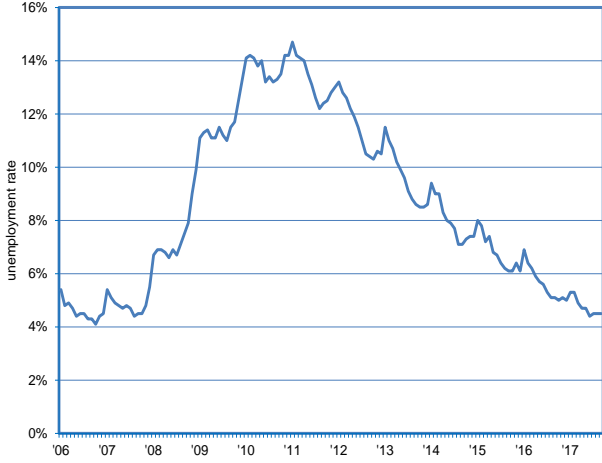


Unemployment Rate by Gender

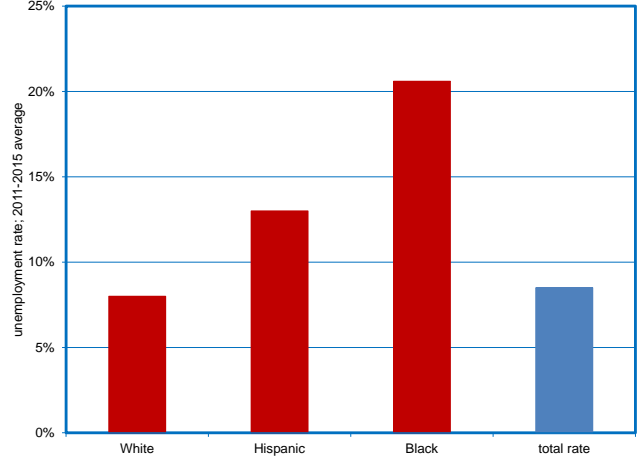


Douglas County

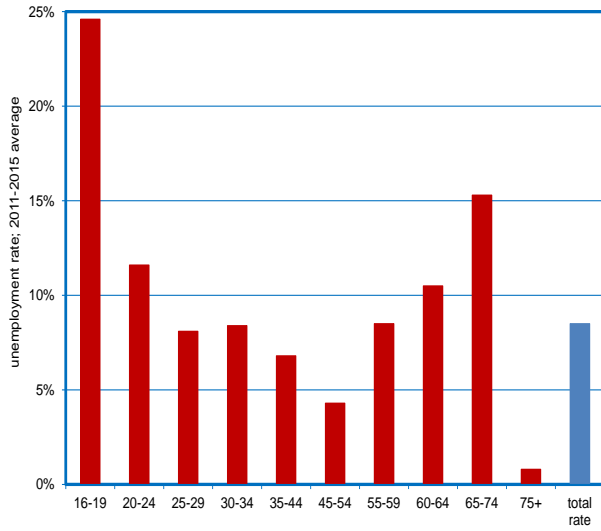
Unemployment Rate



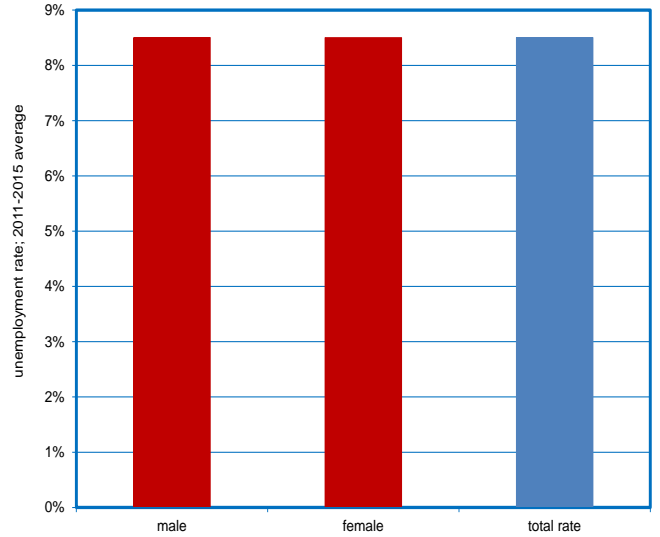
Unemployment Rate by Race/Ethnicity



Unemployment Rate by Age

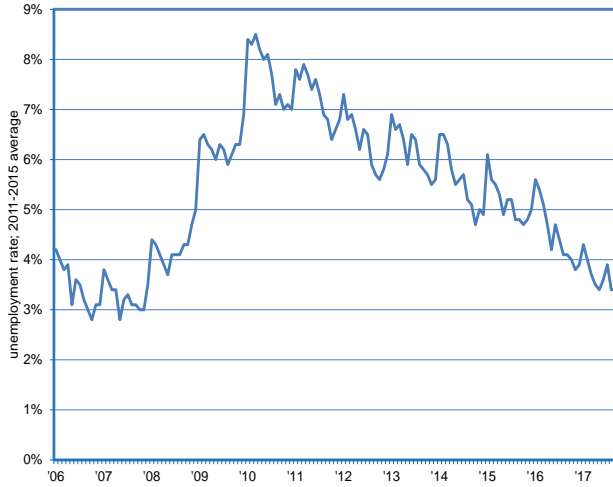


Unemployment Rate by Gender

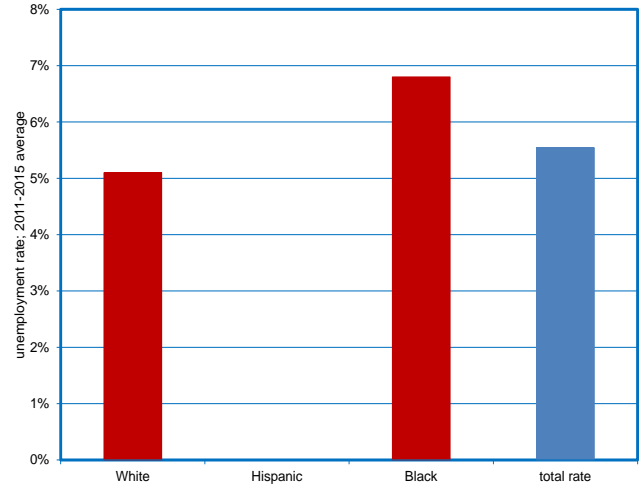


Elko County

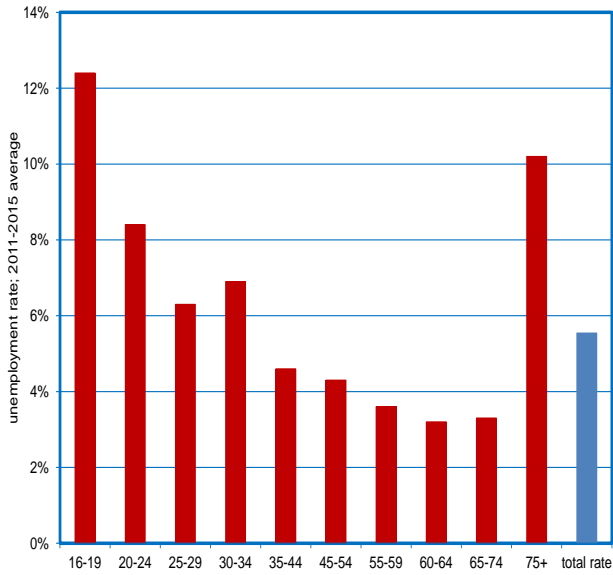
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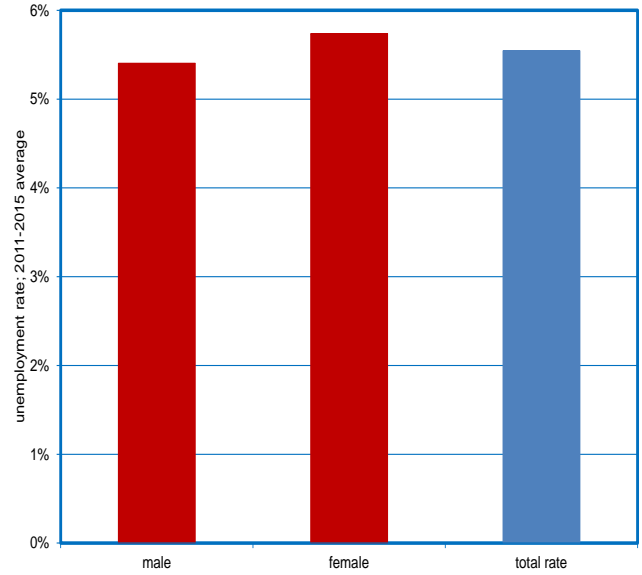
Unemployment Rate by Race/Ethnicity



Unemployment Rate by Age

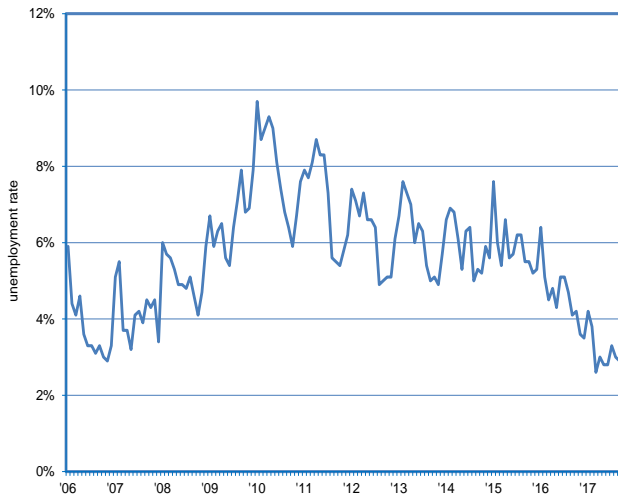


Unemployment Rate by Gender

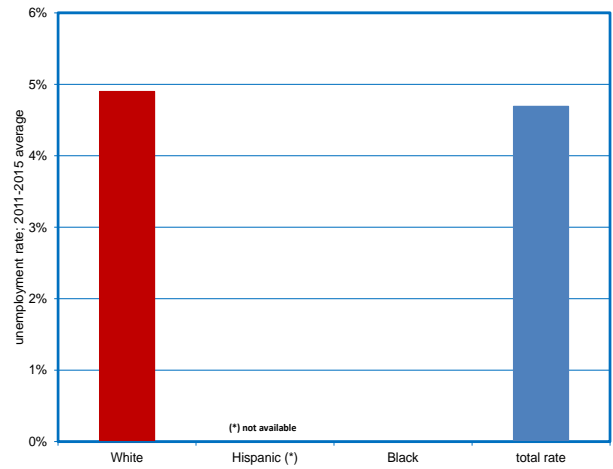


Eureka County

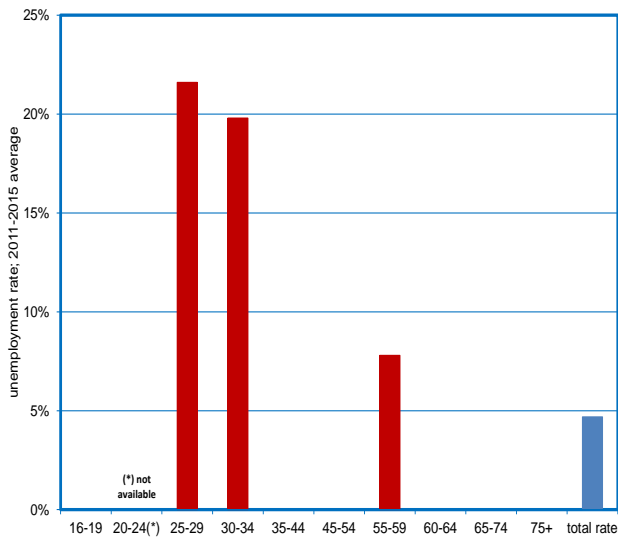
Unemployment Rate



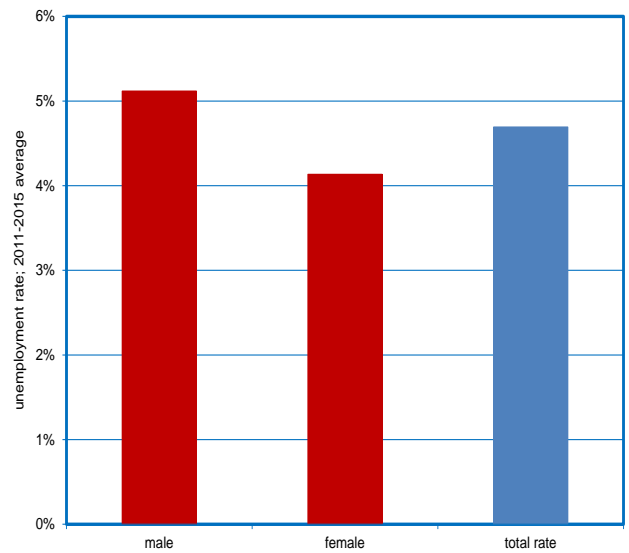
Unemployment Rate by Race/Ethnicity



Unemployment Rate by Age

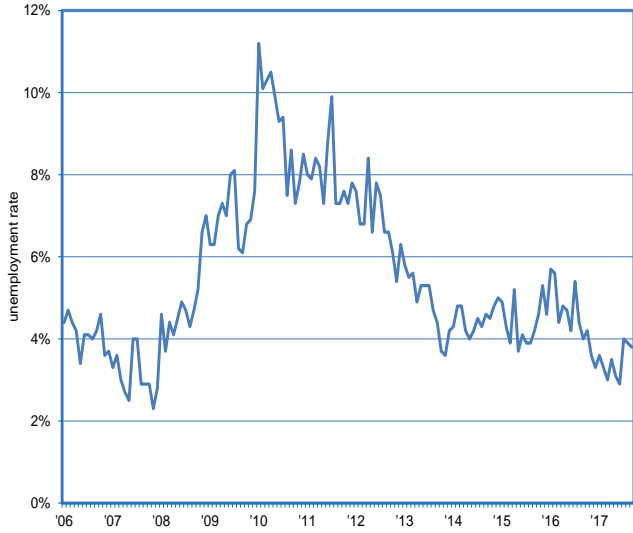


Unemployment Rate by Gender

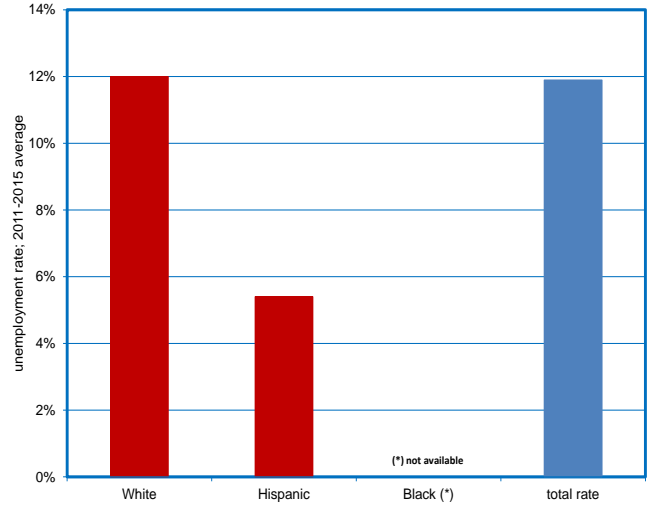


Esmeralda County

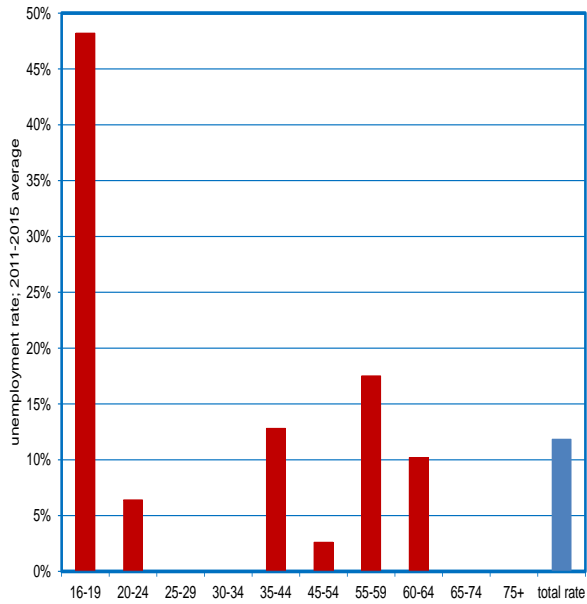
Unemployment Rate



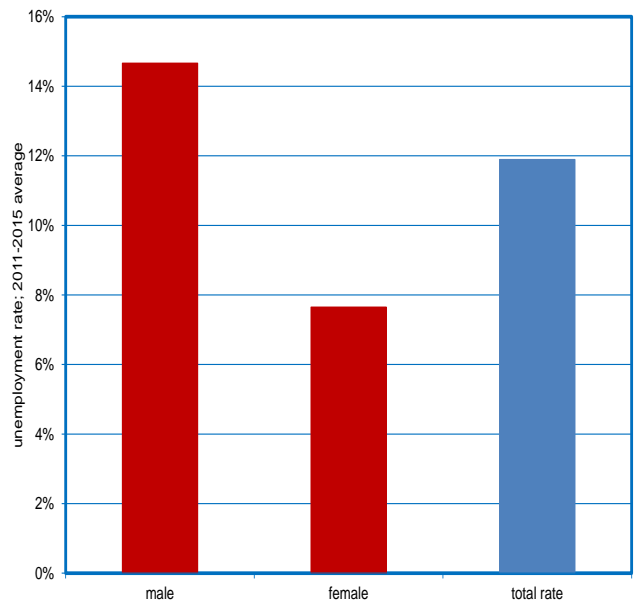
Unemployment Rate by Race/Ethnicity



Unemployment Rate by Age

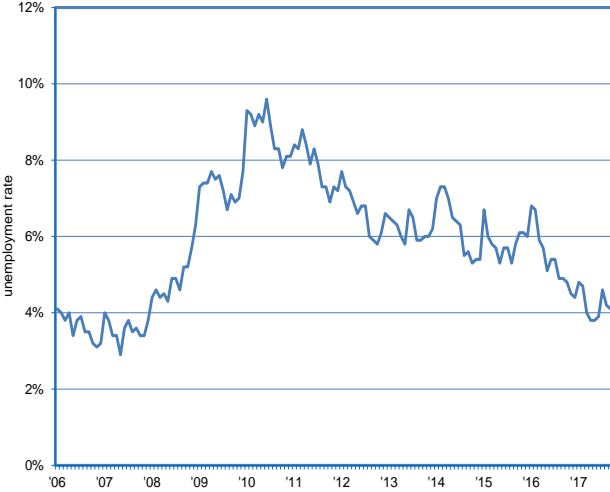


Unemployment Rate by Gender

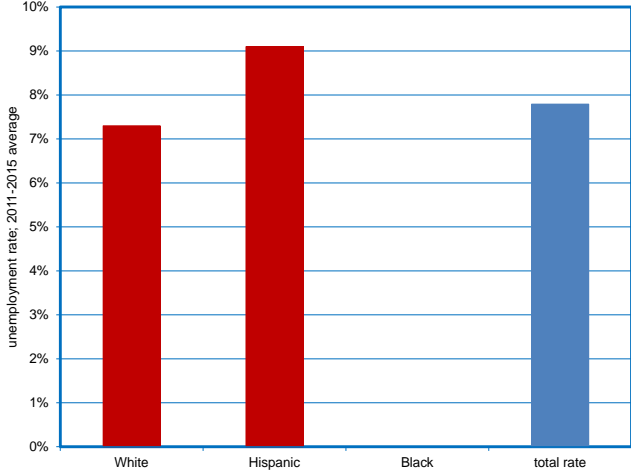


Humboldt County

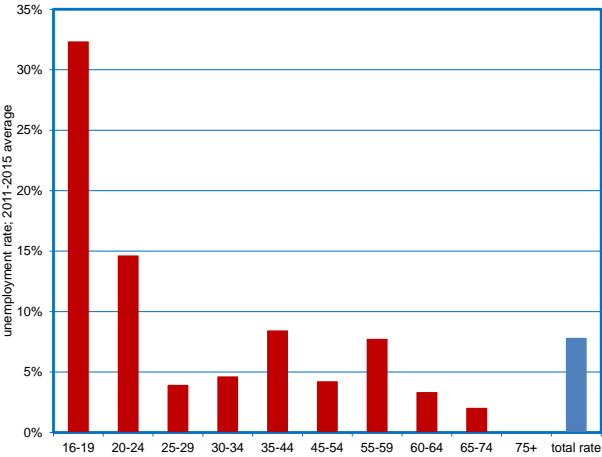
Unemployment Rate



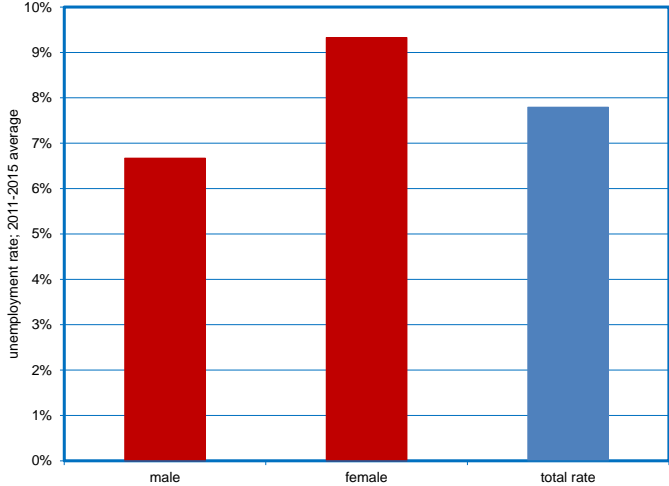
Unemployment Rate by Race/Ethnicity



Unemployment Rate by Age

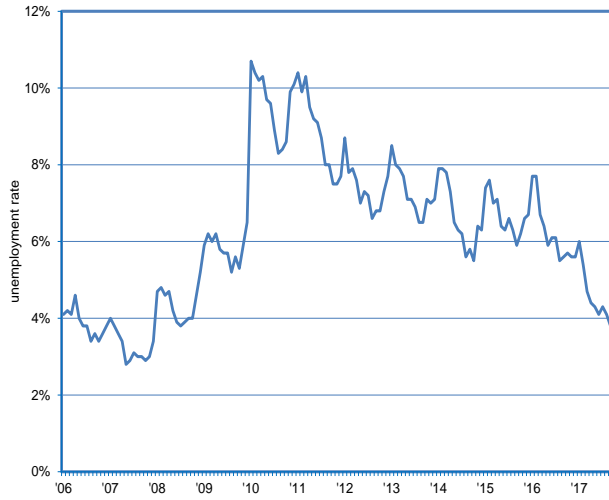


Unemployment Rate by Gender

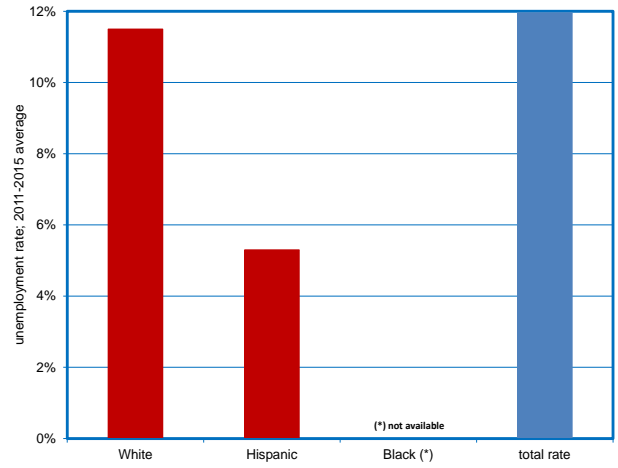


Lander County

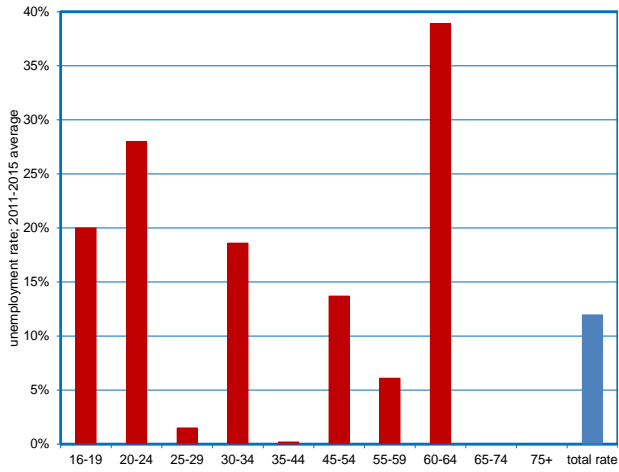
Unemployment Rate



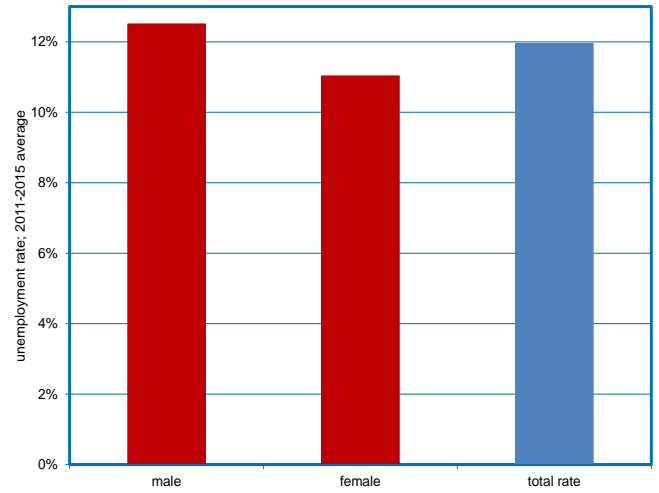
Unemployment Rate by Race/Ethnicity



Unemployment Rate by Age

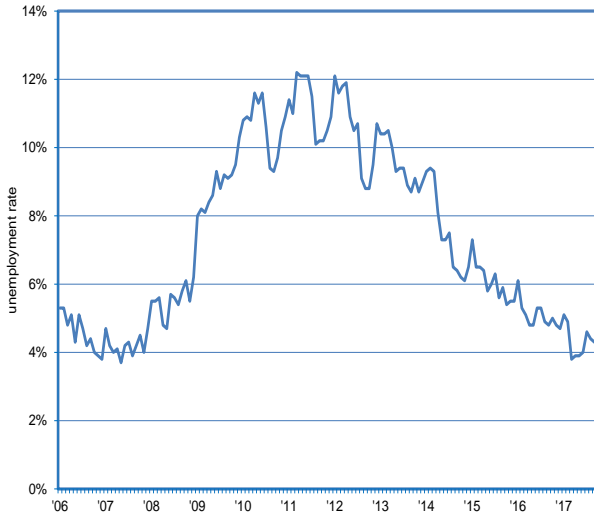


Unemployment Rate by Gender

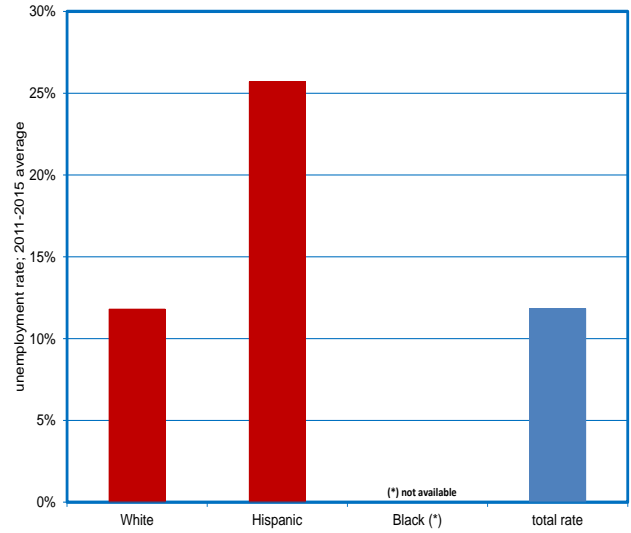


Lincoln County

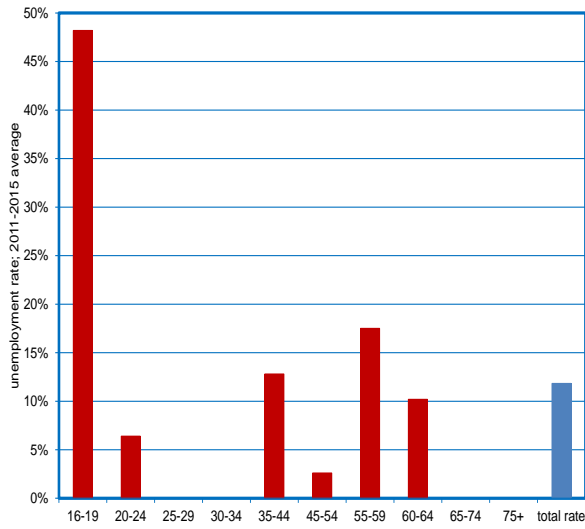
Unemployment Rate



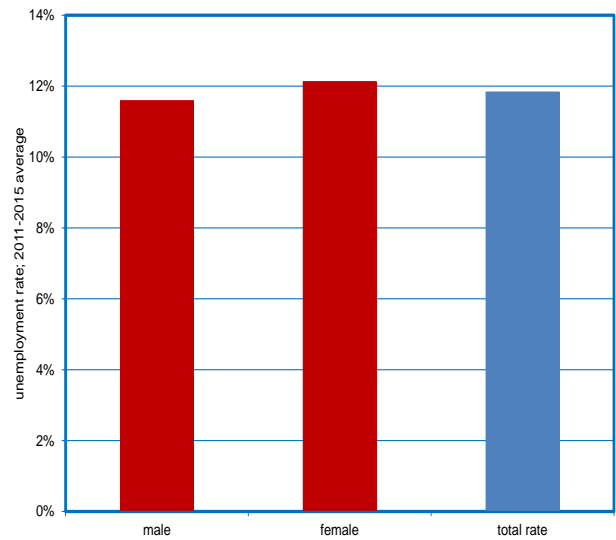
Unemployment Rate by Race/Ethnicity



Unemployment Rate by Age

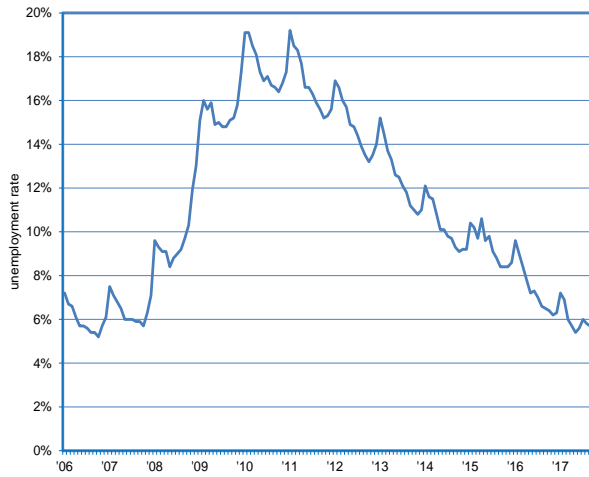


Unemployment Rate by Gender

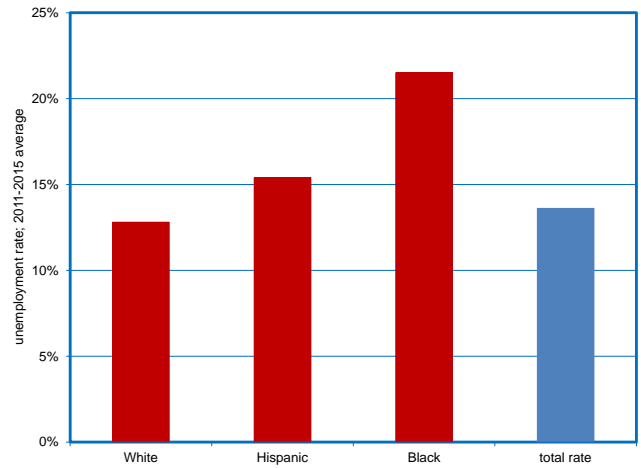


Lyon County

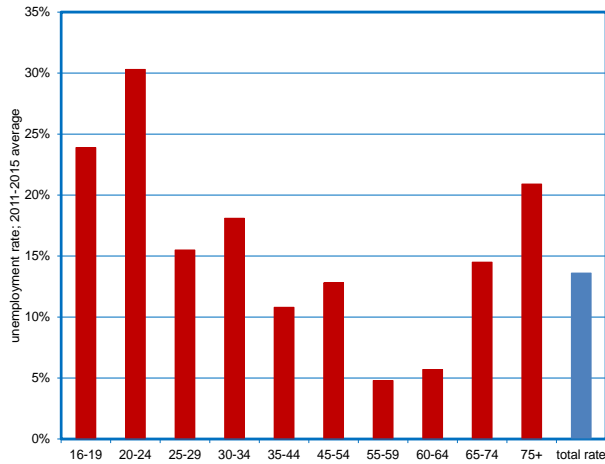
Unemployment Rate



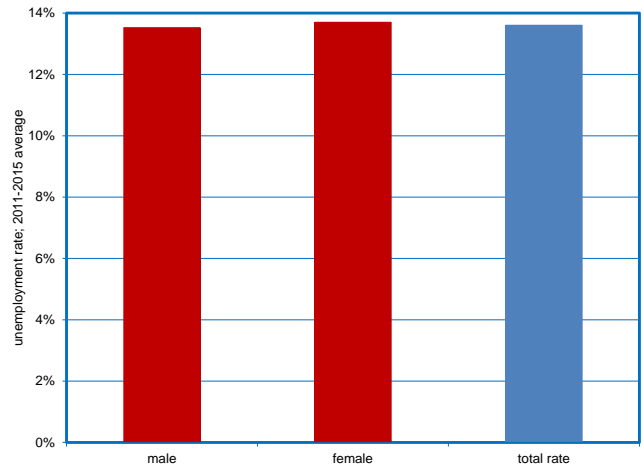
Unemployment Rate by Race/Ethnicity



Unemployment Rate by Age

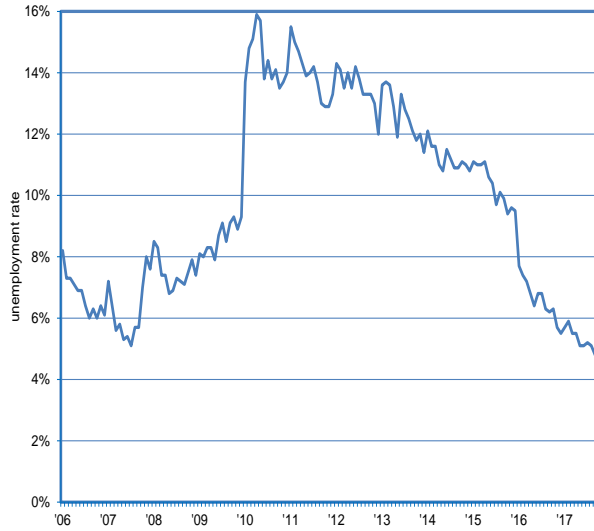


Unemployment Rate by Gender

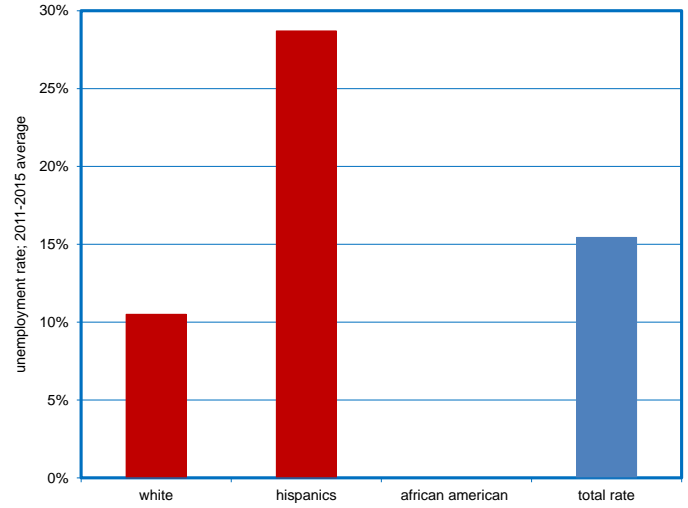


Mineral County

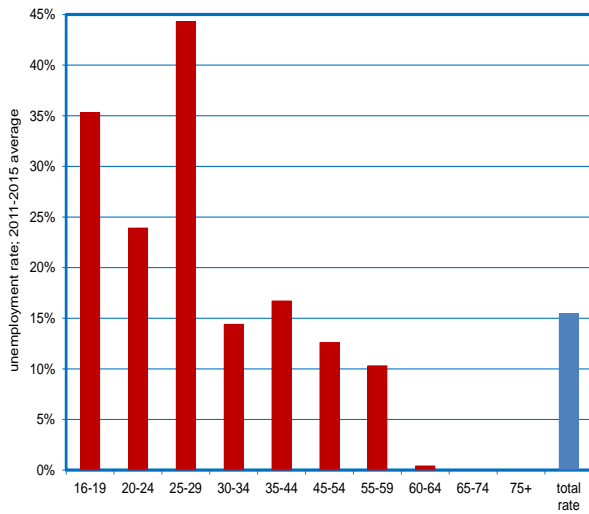
Unemployment Rate



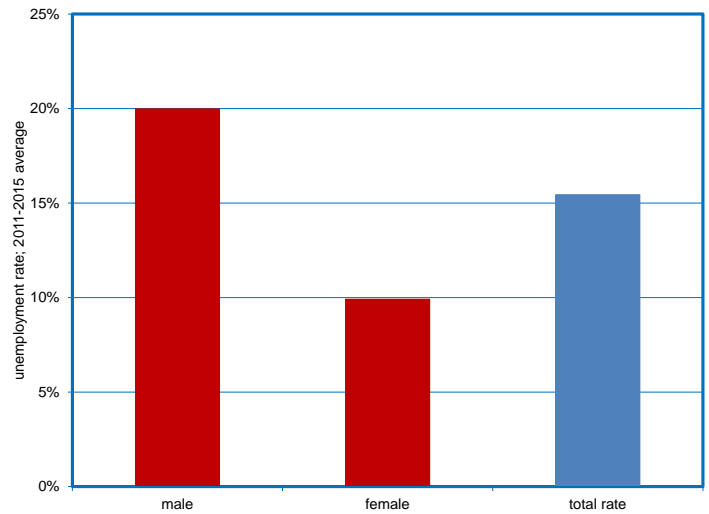
Unemployment Rate by Race/Ethnicity



Unemployment Rate by Age

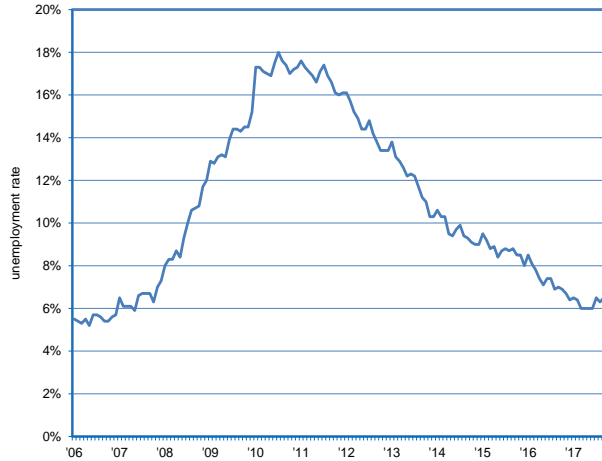


Unemployment Rate by Gender

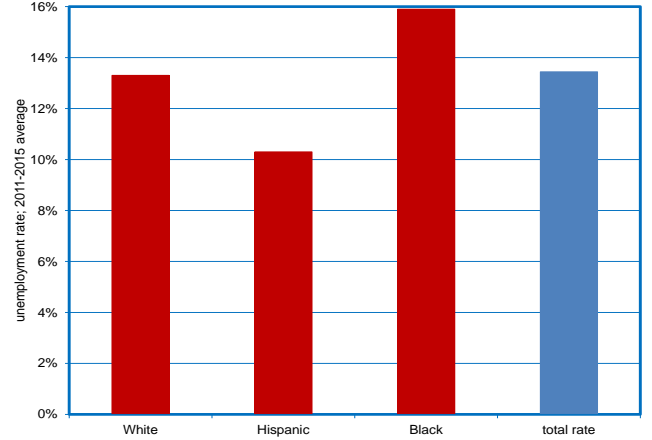


Nye County

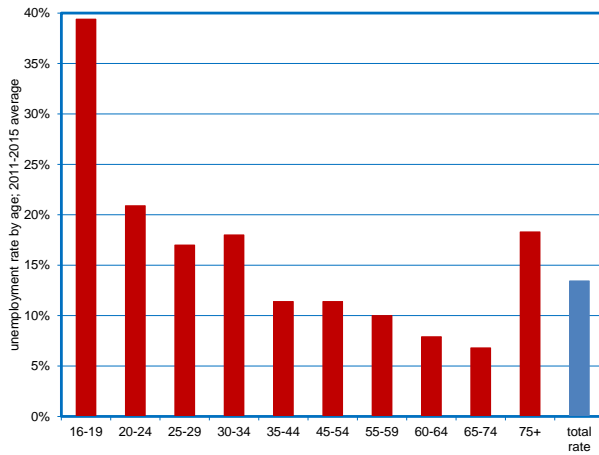
Unemployment Rate



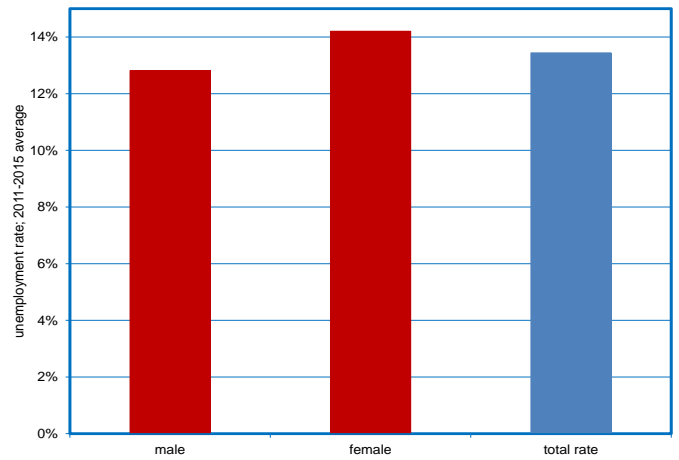
Unemployment Rate by Race/Ethnicity



Unemployment Rate by Age

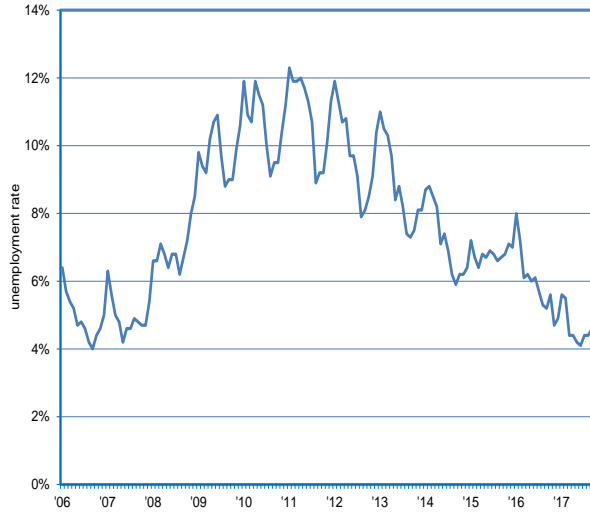


Unemployment Rate by Gender

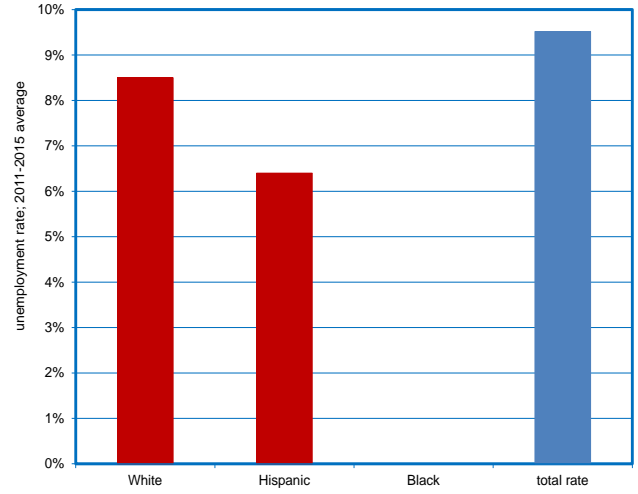


Pershing County

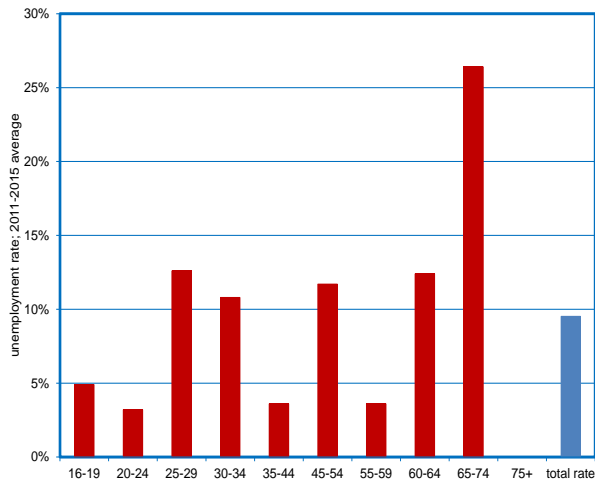
Unemployment Rate



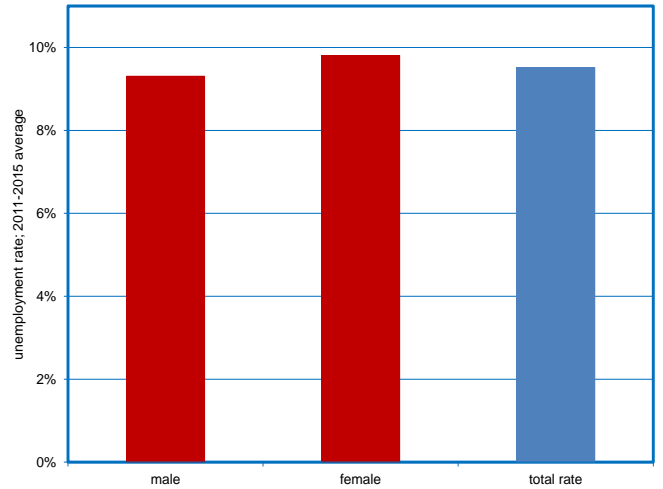
Unemployment Rate by Race/Ethnicity



Unemployment Rate by Age

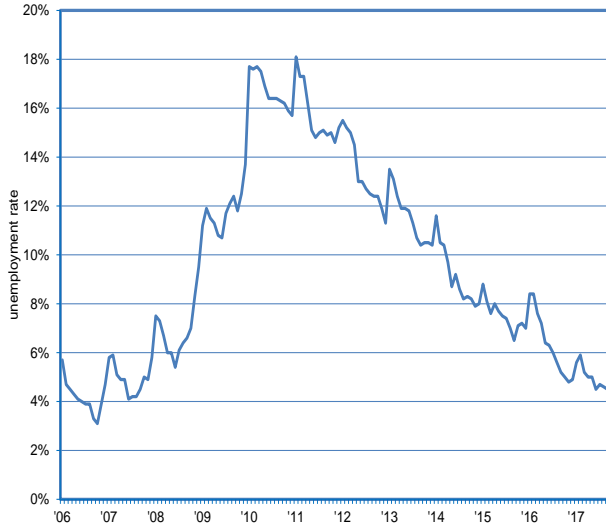


Unemployment Rate by Gender

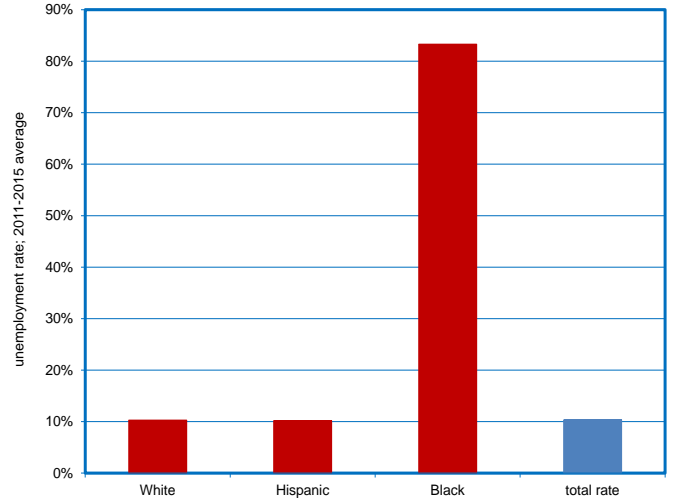


Storey County

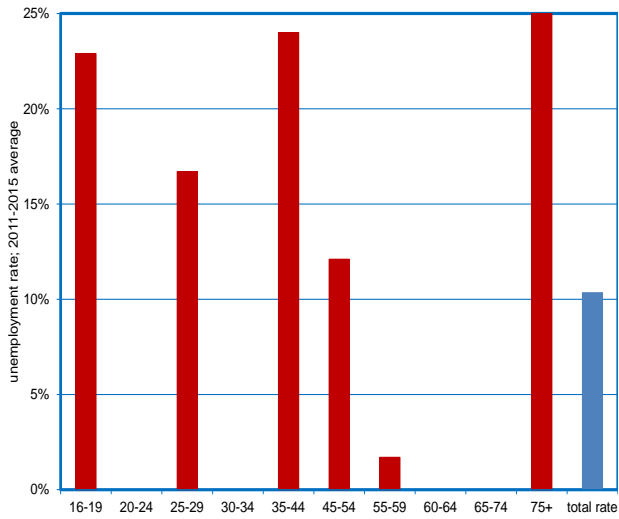
Unemployment Rate



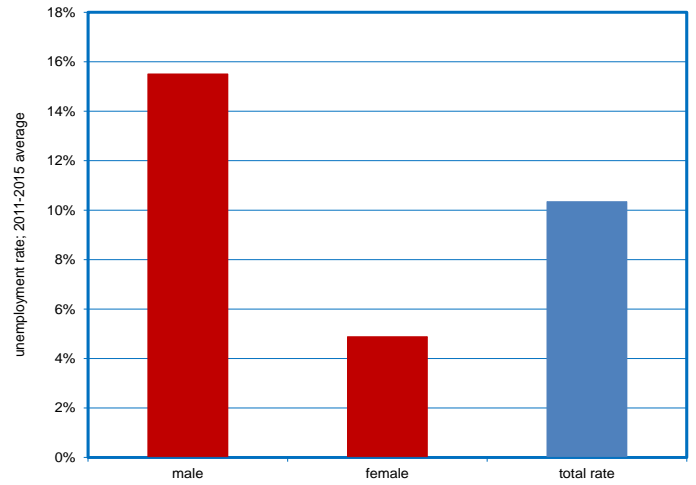
Unemployment Rate by Race/Ethnicity



Unemployment Rate by Age

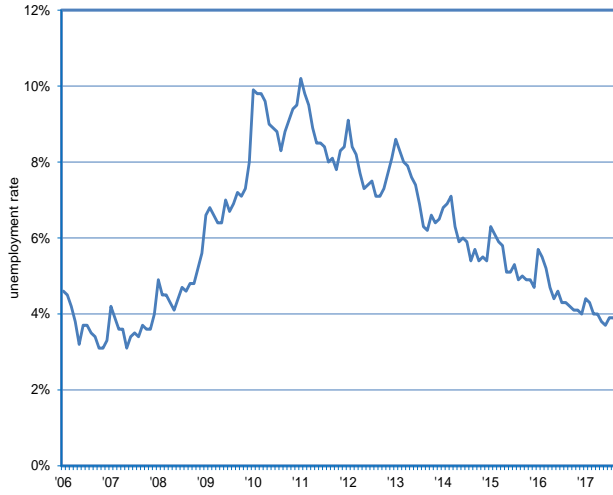


Unemployment Rate by Gender

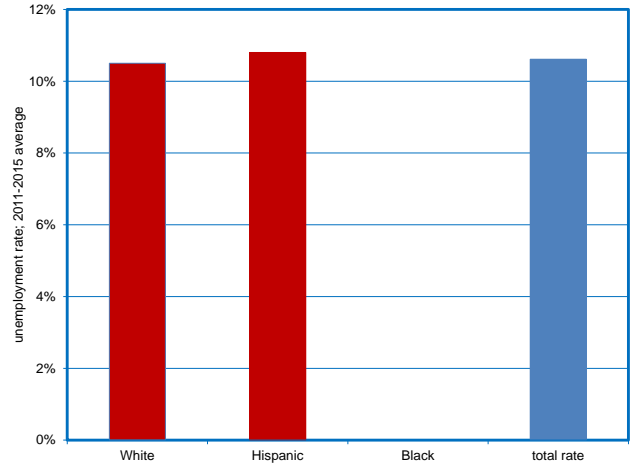


White Pine County

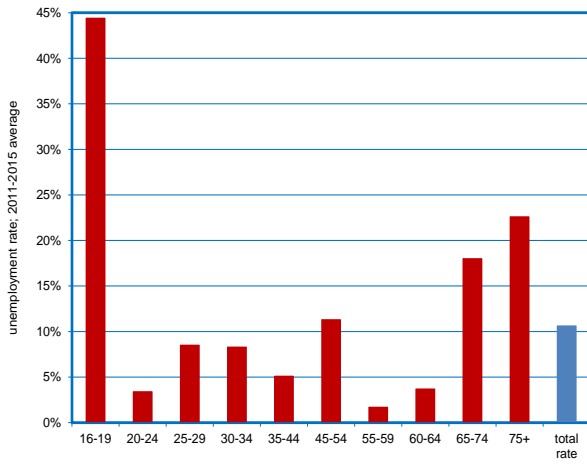
Unemployment Rate



Unemployment Rate by Race/Ethnicity



Unemployment Rate by Age



Unemployment Rate by Gender

