

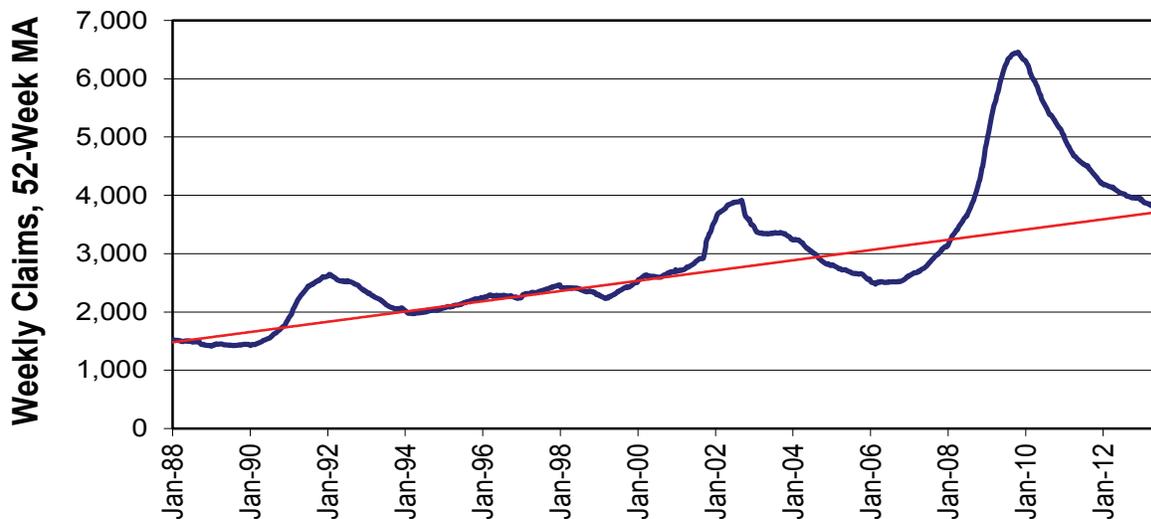


Initial Claims In Nevada

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Initial Claims, 1988-Present



- Following the 2007 recession, initial claims for unemployment insurance initially declined rapidly, but in 2012 and 2013, the pace of declines has gotten slower and slower. Because of this, initial claims appear close to leveling off, but at a level well above that which was in effect prior to the recession.
- One potential explanation for this is that as the economy grows, the overall level of unemployment activity continues to grow as well. Carrying forward a simple linear trend from the 1990's, the current level of initial claims is very close to the path of this trend line.
- Other measures of claim activity which compare claims to either the number of employers or the number of employed workers tell a similar story, with claim activity roughly 15% above 1995-2000 levels. This suggests that the decline in the level of initial claims may be nearly complete.
- This same analysis suggests that the overall level of unemployment activity was extraordinarily low from 2004-2007, and that the proper basis for defining what marks normal levels of activity may require looking beyond the last 10 years.