

Nevada Unemployment Demographics

September 2021



DETR

**Nevada Department of Employment,
Training and Rehabilitation**

Research & Analysis Bureau

October 25, 2021

Economy in Focus: Labor Market Demographics

This report provides a breakout of unemployment information by demographic characteristics in Nevada. Data cited comes from a variety of sources such as the Current population Survey, American Community Survey, and unemployment insurance tax system.

The Current Population Survey (CPS¹), is a monthly survey that is used to determine the national unemployment rate, assist in developing state unemployment rates, and provides additional demographic information. This survey is conducted on a monthly basis and covers roughly 60,000 households (around 900-1,100 in Nevada). While this has the best conceptual ties to the statewide unemployment rate, the limited sample size means that even though we receive monthly data, we typically have to average the results over 12 months, and even then there is significant volatility in the data. Results are only available at the state level.

Next, we have the American Community Survey (ACS²). This is another national survey, but is done with far more households on an annual basis. This provides a much larger sample size, and much more consistent data but is also limited due to the time frame and large processing delays, with the most current data available being from calendar year 2019. This does have a large enough sample to look not only at demographic data statewide but also at the county and local area levels. More granular data is only available as a five-year average outside of the state's largest counties, further diminishing the timeliness of the data, but it does allow us to look at long-term trends.

In addition to survey-based information, we have data collected through the state's unemployment insurance program (UI^{3 4 5}). Claimant benefit applications collect demographic data, which we can use to look at the whole picture of people filing for unemployment benefits each week. Because this data is a count of individuals, not a sample-based estimate, this allows us a very detailed look at who is receiving unemployment, with the limitation being that not everyone considered unemployed is eligible for or filing for unemployment benefits and not everyone filing for unemployment benefits is considered unemployed. For instance, a new entrant into the workforce is considered unemployed if actively seeking work, but is not yet eligible for unemployment benefits; conversely someone on unemployment may work and have limited earnings while still qualifying for unemployment benefits, such a person would be collecting UI but not be considered unemployed.

Finally, the U.S. Census Bureau's Longitudinal Employer-Household Dynamics (LEHD⁶) program combines data from a number of different programs to create a detailed profile of employment around the country, which is able to provide sub-state data by industry and demographic group that includes rates of employment, pay, and turnover as well as commuting patterns and other data. This provides our most robust data set on the demographics of who is employed in Nevada.

This analysis will focus on three periods - the demographics of state employment and unemployment prior to the recession, the impact of the COVID-19 pandemic on unemployment, and the current picture as we are in the process of rebounding from the pandemic.

Labor Market Demographics Before the Pandemic

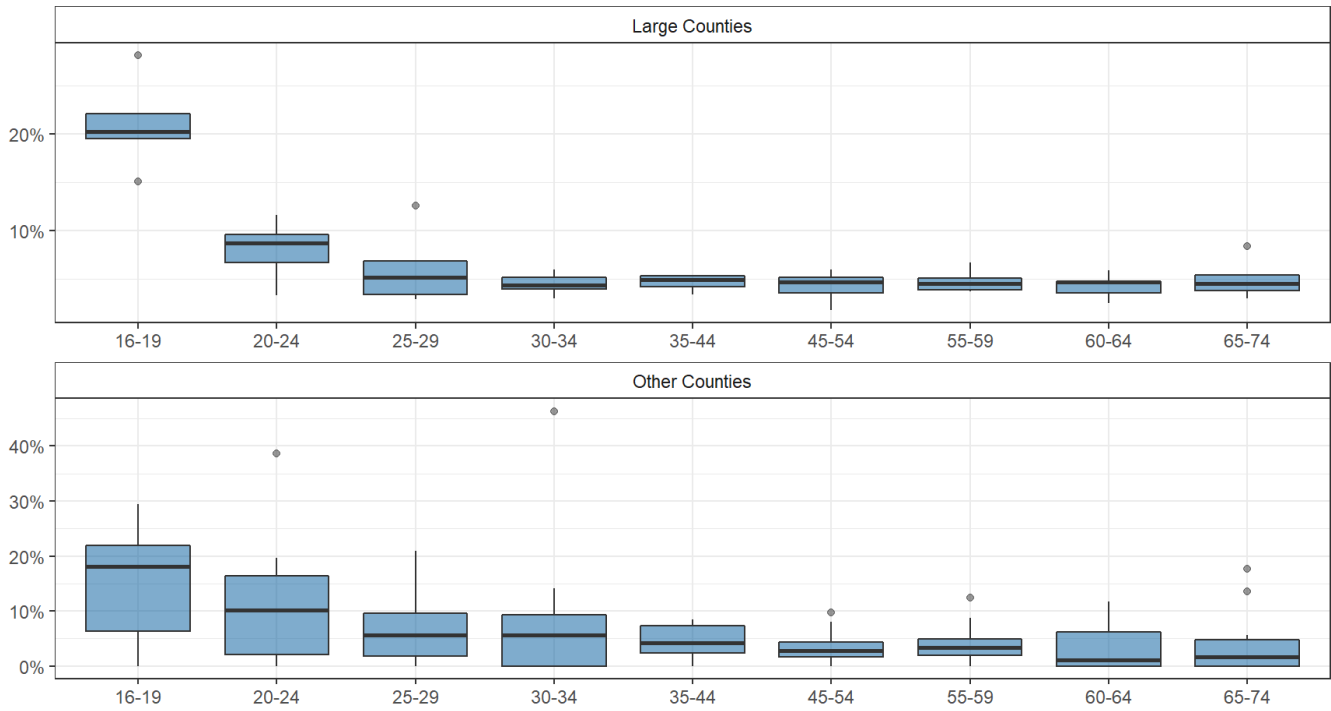
Each quarter, the Research & Analysis Bureau publishes a report on unemployment demographics in the state's counties, pursuant to NRS 232.920. This report focuses on groups with high unemployment as defined by one of three criteria:

1. The unemployment rate for a group is at least double the unemployment rate for the county as a whole, or
2. The unemployment rate for a group is at least four percentage points higher than the unemployment rate for the county as a whole, or
3. The unemployment rate for a group has been higher than the unemployment rate for the county as a whole for at least three consecutive years.

The data for this report comes from the five-year ACS data by county, and is published on nevadaworkforce.com⁷. Because of the small sample sizes in some of Nevada's counties, most groups show up in at least one county but looking at the broader picture across counties, there are some common groups that show up across multiple years in a large number of counties. In particular workers who are 24 or younger, are Black or American Indian, who are women with children both 0-5 and 6-17, who are living below the poverty level, who have a disability, or who have a high school degree or less are the workers most likely to experience higher rates of unemployment in the state.

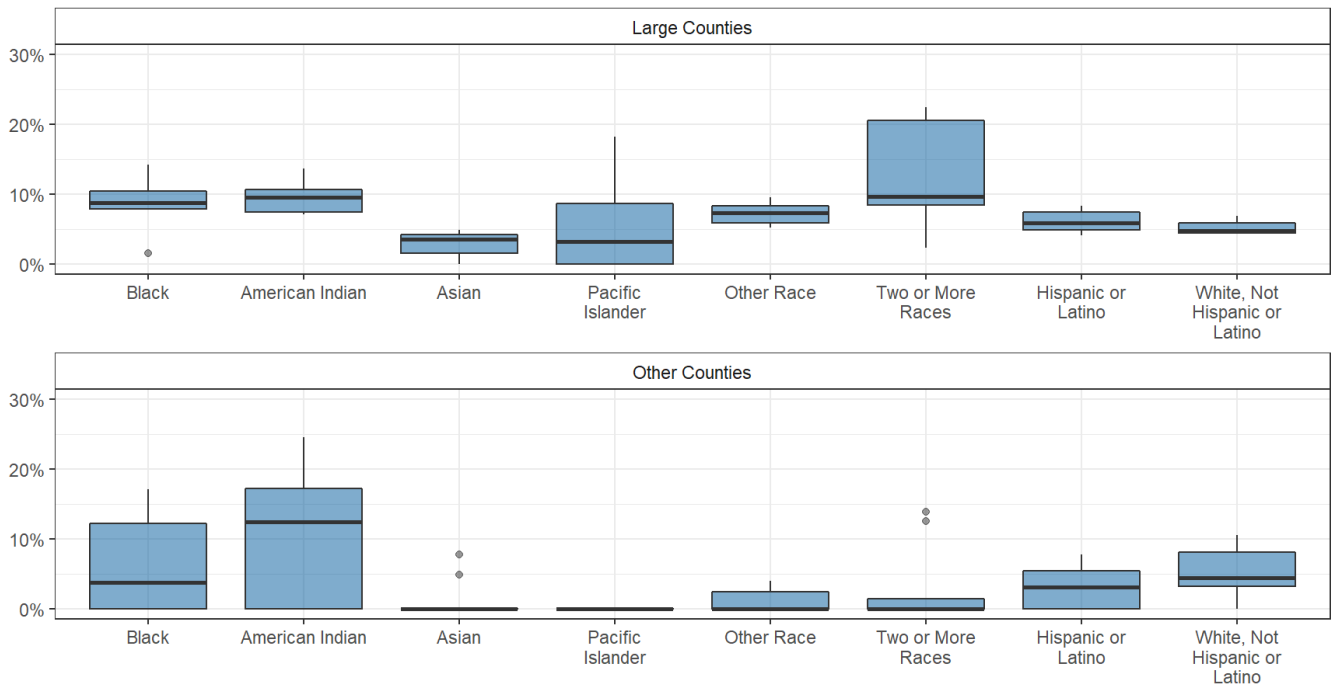
The following charts show the distribution of unemployment rates among the counties, with the blue box showing the range of the middle 50% of counties, the black line showing the average for that group, and the outside lines and points showing the full range of rates. It is important to note that this data is the average from 2015 to 2019, and that the average unemployment rate here is the simple average for the counties in a group. In general, the larger counties, with a population over 50,000 have more consistent rates, while the rates for small areas demonstrate more volatility.

Range of Unemployment Rates by County Size and Age
 Large Counties are Clark, Washoe, Carson City, Lyon and Elko Counties



Source: 2019 American Community Survey, five year averages

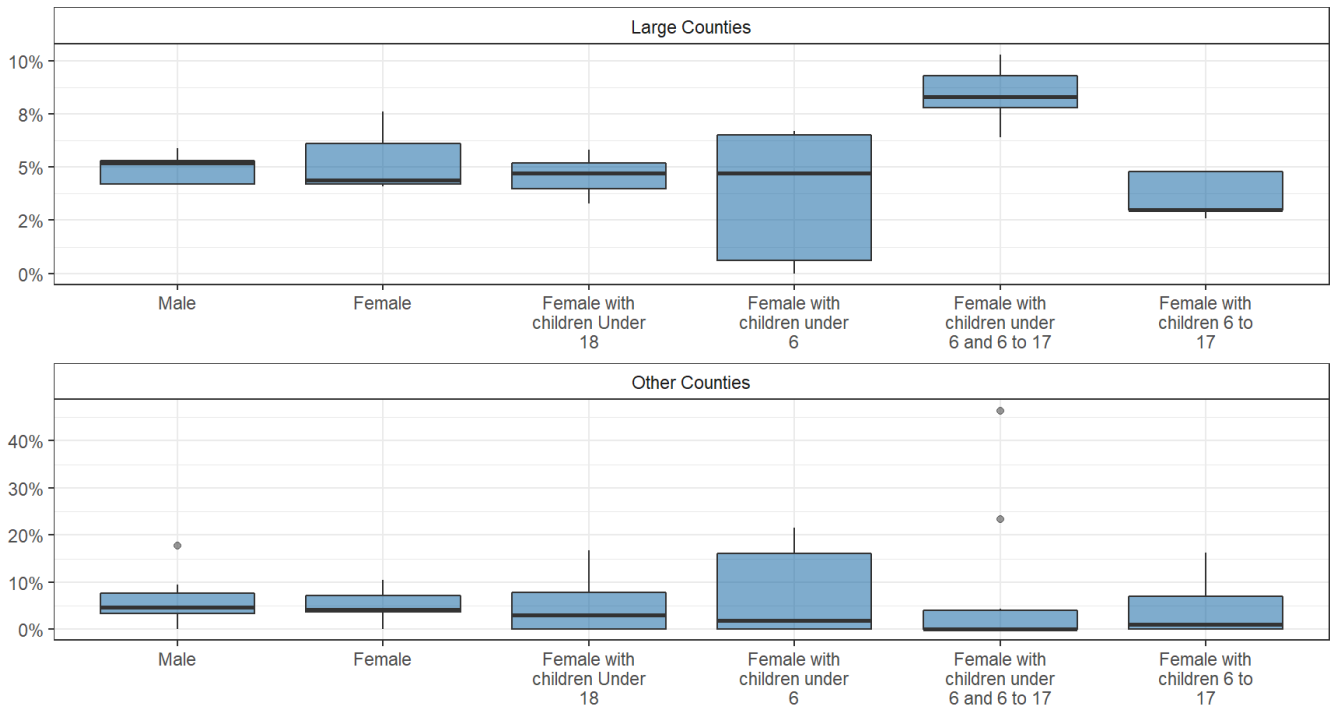
Range of Unemployment Rates by County Size and Race
 Large Counties are Clark, Washoe, Carson City, Lyon and Elko Counties



Source: 2019 American Community Survey, five year averages
 Excludes rates over 30% for scale

Range of Unemployment Rates by County Size, Sex, and Presence of Children

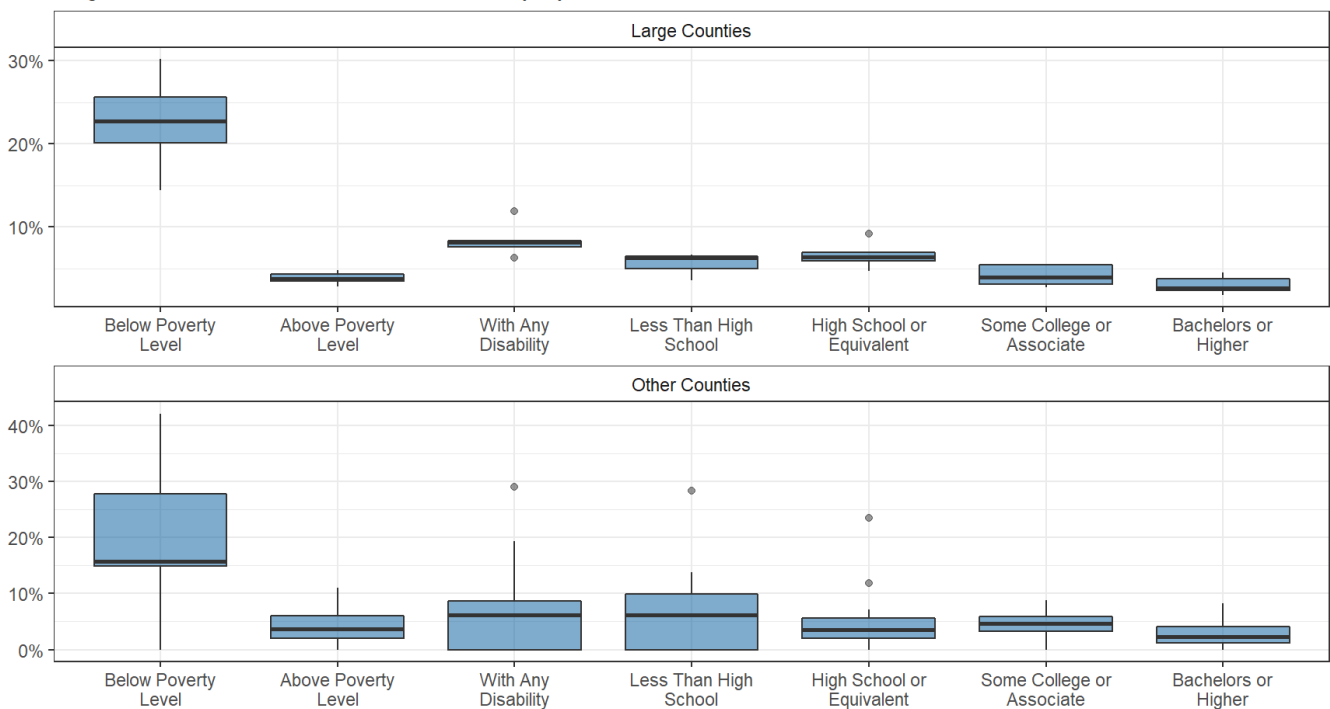
Large Counties are Clark, Washoe, Carson City, Lyon and Elko Counties



Source: 2019 American Community Survey, five year averages

Range of Unemployment Rates by County Size, Poverty, Disability, and Education

Large Counties are Clark, Washoe, Carson City, Lyon and Elko Counties

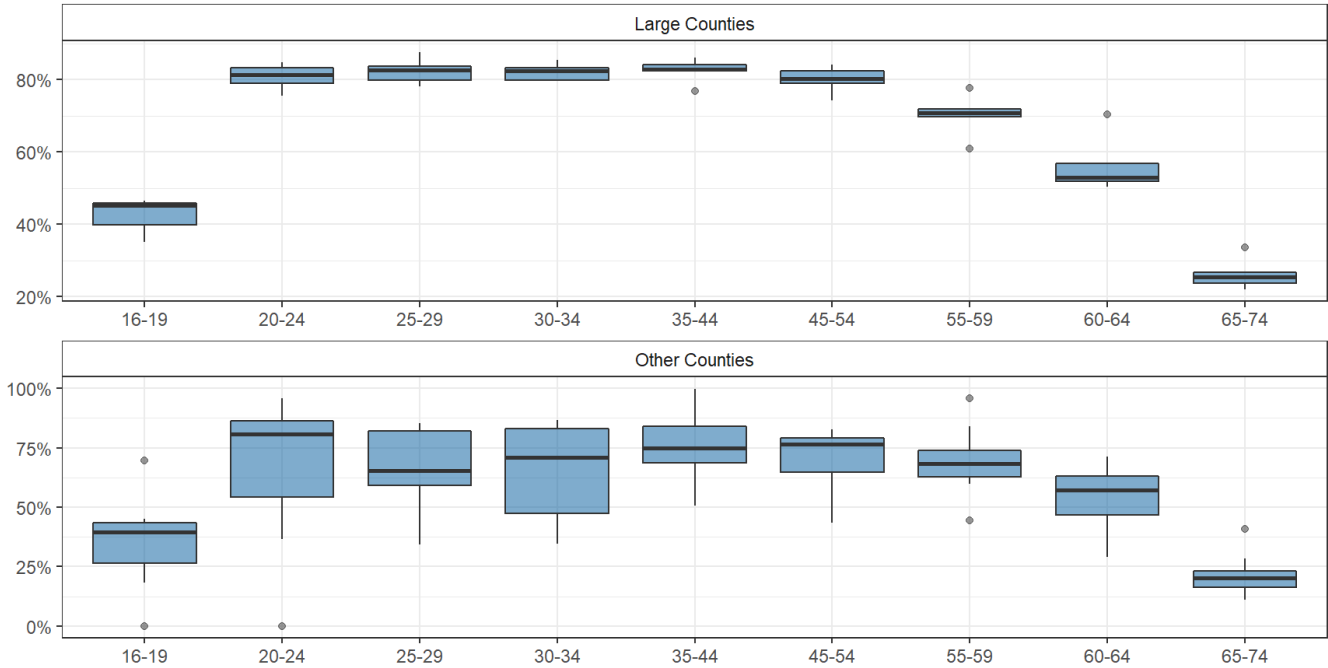


Source: 2019 American Community Survey, five year averages

Looking at the overall profile of the state from the same period, we can see that participation in the labor force follows the same, but inverse, trends as unemployment. Broadly speaking, groups that have higher-than-average levels of unemployment also tend to have lower-than-average levels of overall labor

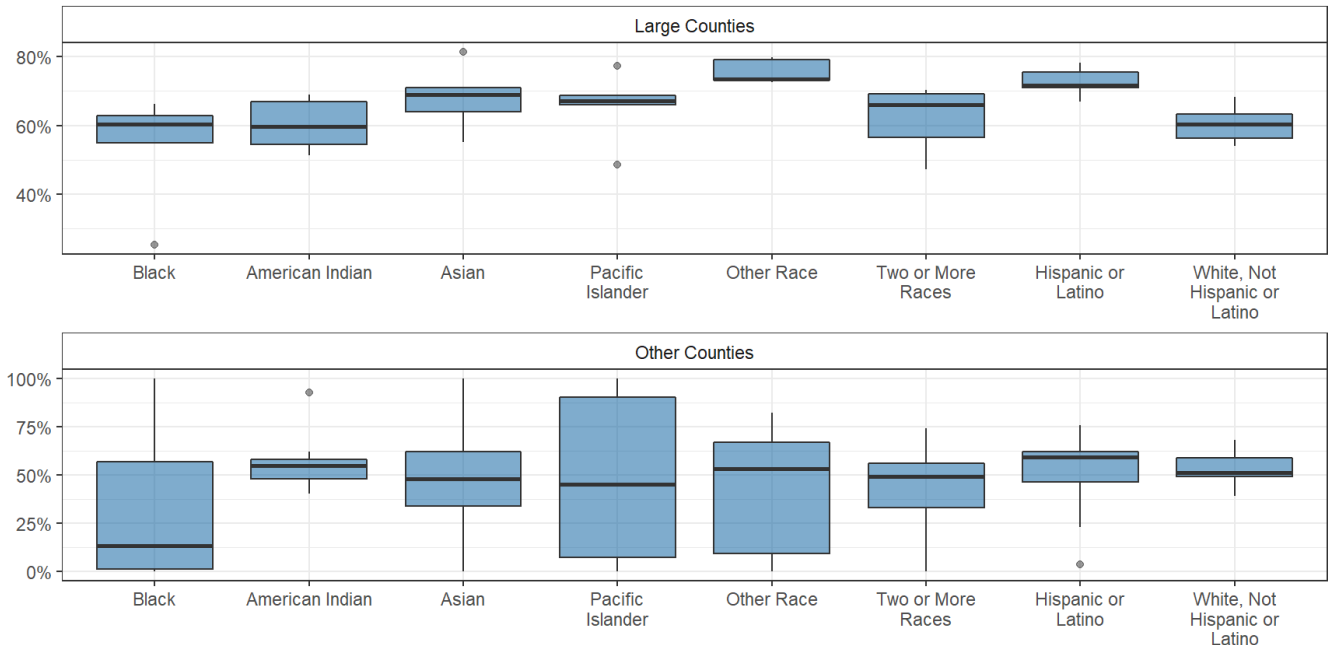
force participation, which includes both employed and unemployed workers, but not those who are not actively seeking work. As with the unemployment rate, there are significant differences in the smaller counties due to very small sample sizes.

Range of Participation Rates by County Size and Age
 Large Counties are Clark, Washoe, Carson City, Lyon and Elko Counties



Source: 2019 American Community Survey, five year averages

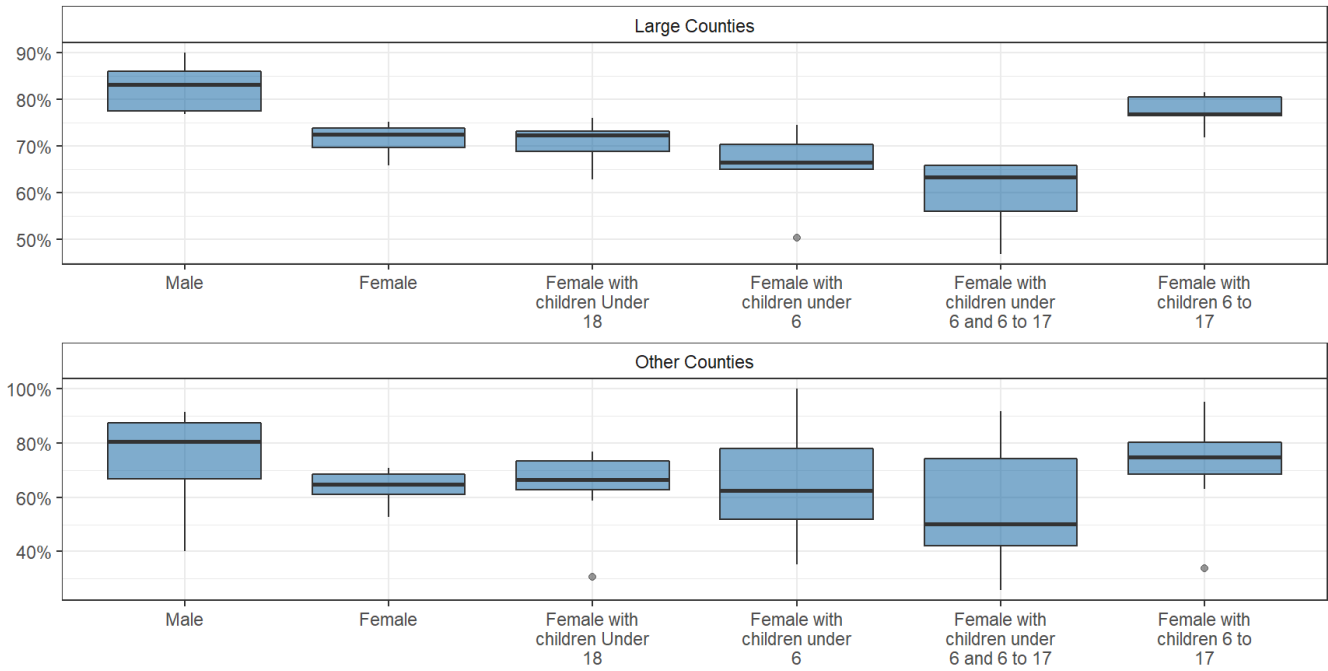
Range of Participation Rates by County Size and Race
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Range of Participation Rates by County Size, Sex, and Presence of Children

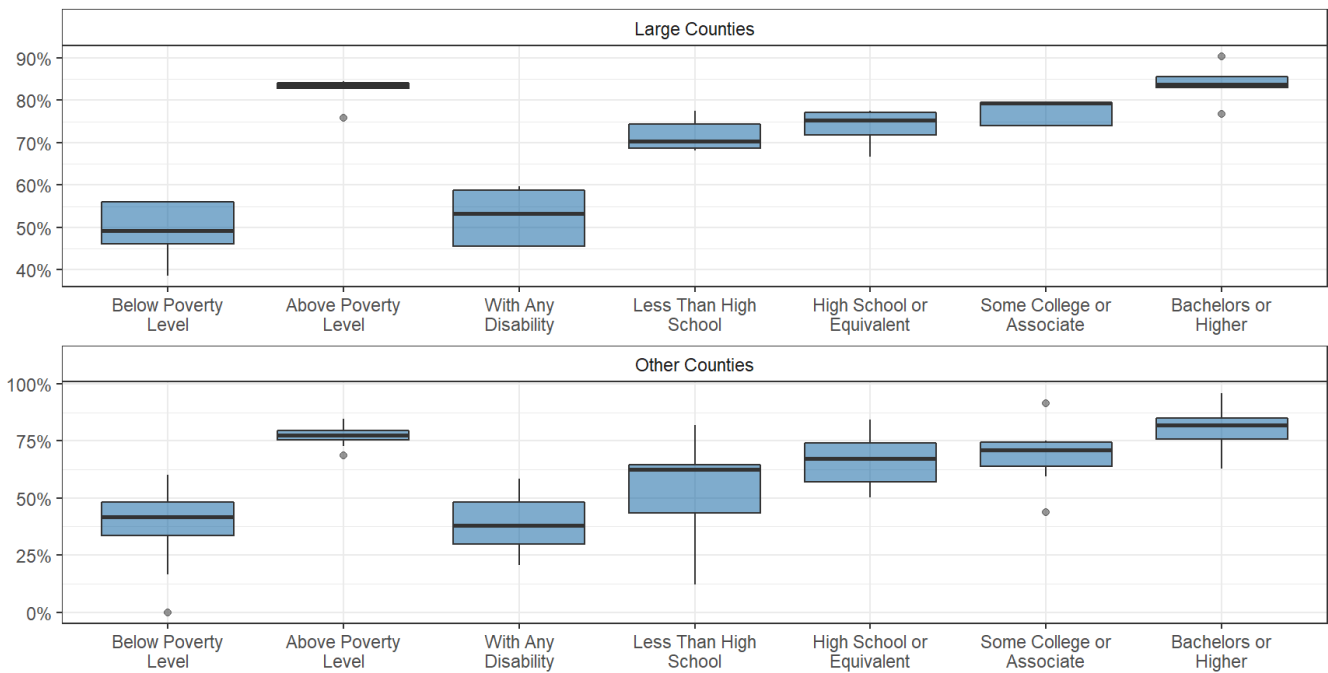
Large Counties are Clark, Washoe, Carson City, Lyon and Elko Counties



Source: 2019 American Community Survey, five year averages

Range of Participation Rates by County Size, Poverty, Disability, and Education

Large Counties are Clark, Washoe, Carson City, Lyon and Elko Counties

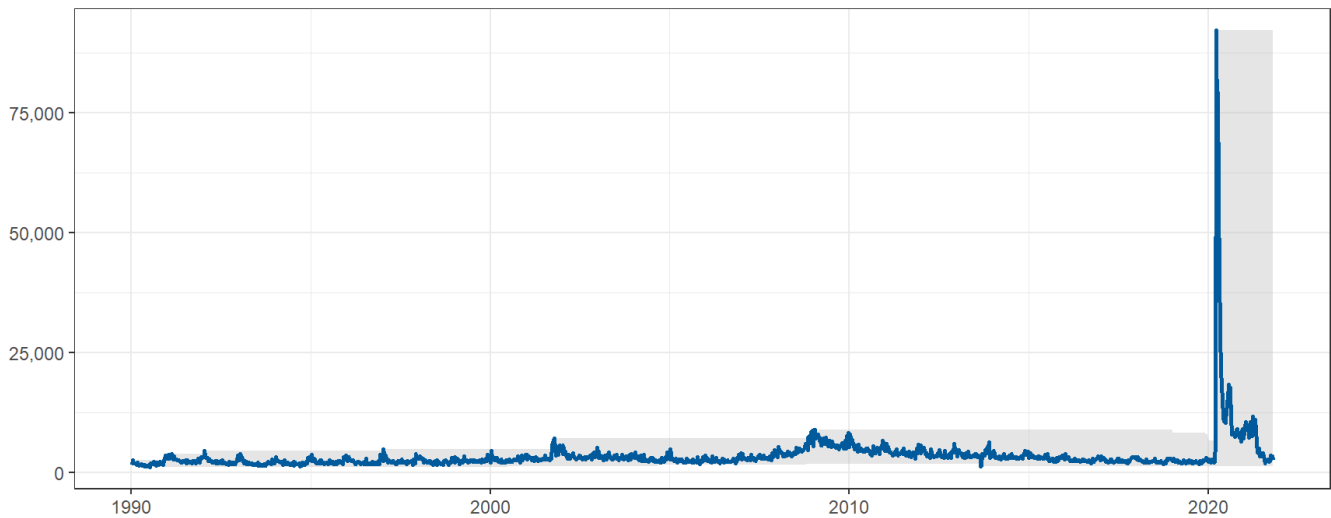


Source: 2019 American Community Survey, five year averages

COVID Disruptions

As concerns about COVID-19 rapidly emerged in March 2020, the greatest period of disruption in Nevada was from March 18 through May 9, while the most significant shutdown of nonessential businesses was in place. For the UI program, this impact was immediately felt as new claims for unemployment benefits rose from 2,300 initial claims in the week of March 7 to over 92,000 the week of March 21. Prior to COVID-19, the greatest number of new claims in a single week was 8,945 in January 2009.

Initial Claims for Unemployment Insurance by Week

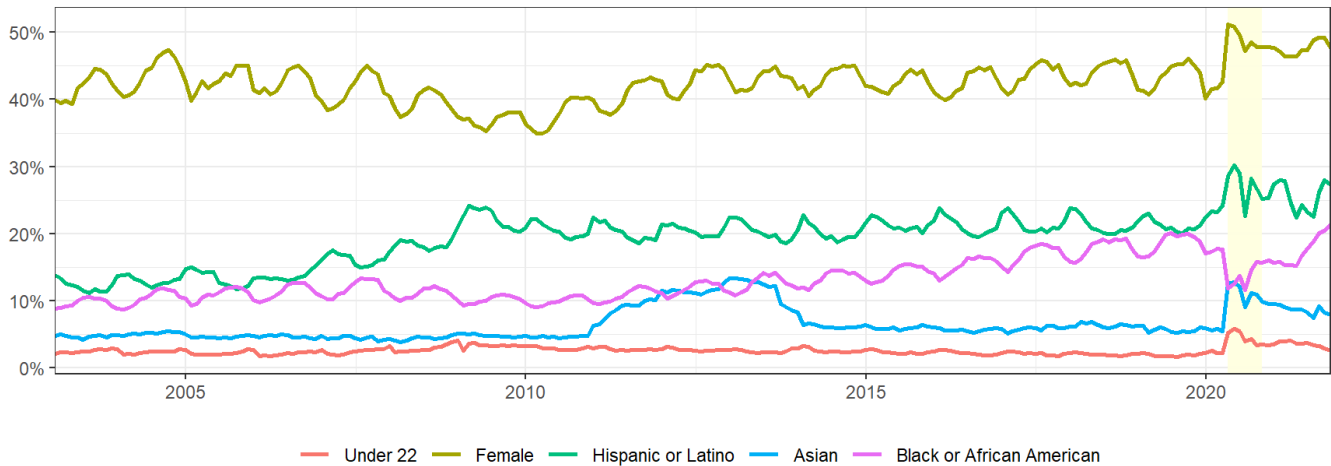


Source: U.S. Department of Labor, ETA 539 report

Looking at the impact on particular groups, we can also see some of the groups that were impacted by this shift in the workforce. It is important to note, for these groups sex, ethnicity, race, and age are all distinct categories, with each worker reported once. For clarity, only selected groups are displayed here, but comprehensive data is available at nevadaworkforce.com.⁸

Share of Claims from Selected Personal Characteristics

Highlighted area shows first 6 months following shutdown order

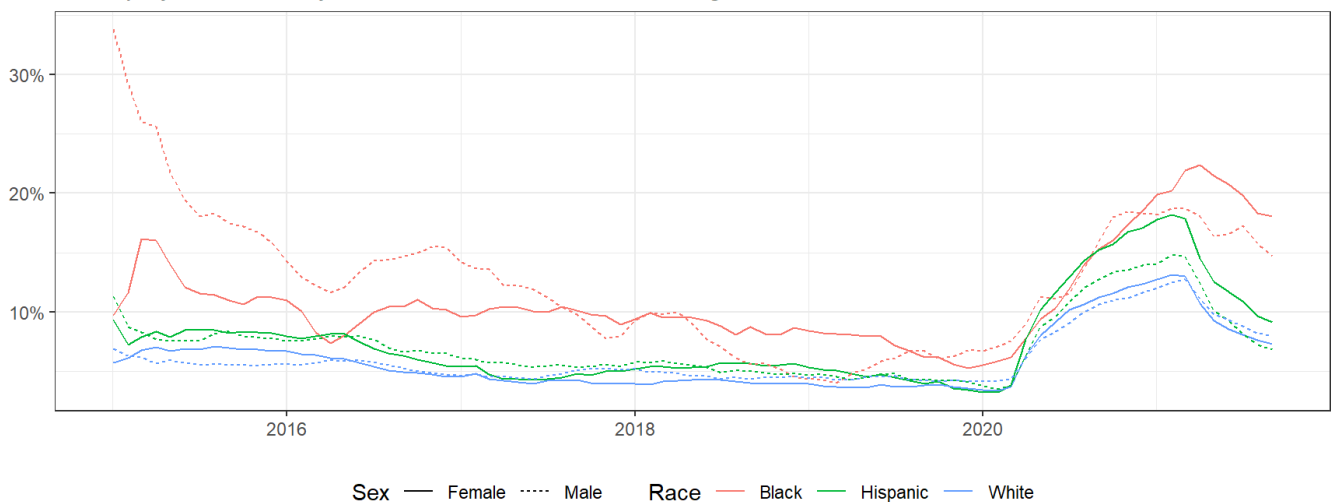


Source: U.S. Department of Labor, ETA 203 report

Current Demographics

At present, our unemployment data still reflects the significant disruption seen in the Las Vegas area in the leisure & hospitality industry in particular. Those demographic groups that have above-average concentrations in this industry also show disproportionate impacts in their current unemployment rates. One way we can examine recent trends is to look at the 12-month average unemployment rates by group using the Current Population Survey. Even though this is a 12-month average, that period now reflects April 2020 to March 2021, and so fully incorporates the impacts of the pandemic.

Unemployment Rate by Race and Sex, 12-month Average

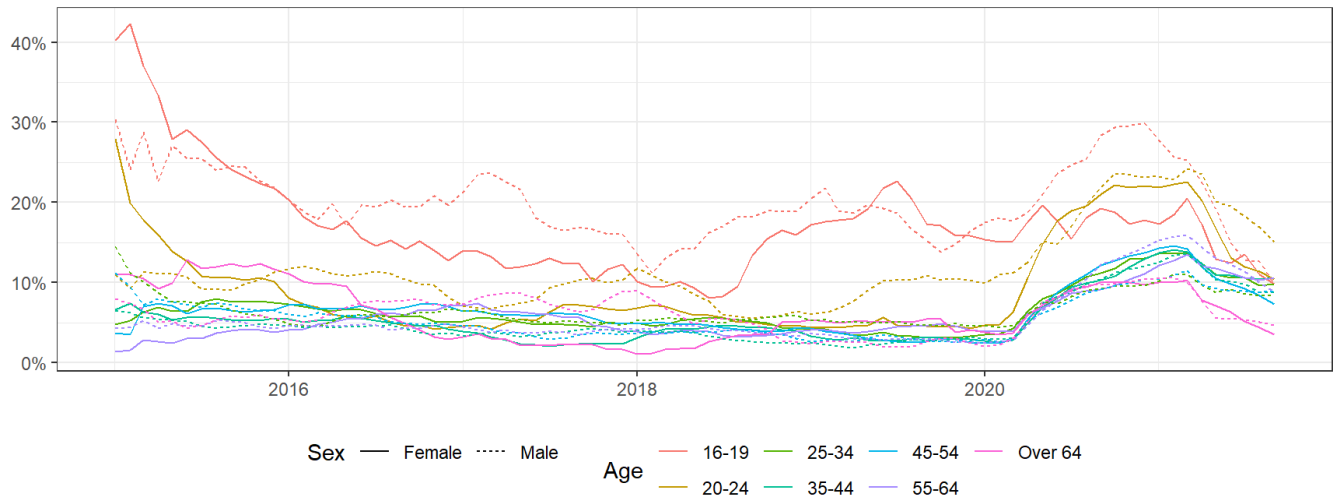


Source: U.S. Census Bureau, Current Population Survey

While every group in the state has seen significant increases in unemployment rates from pre-pandemic levels, no group has seen as dramatic an increase as black women. In January 2020, black women had an unemployment rate of 5 percent on a 12-month average basis, comparable to most other groups in the

state. By March 2021, this rate rose to be the highest in the state. More broadly, prior to the pandemic women consistently had lower rates of unemployment than men; this trend had reversed across all race groups.

Unemployment Rate by Age and Sex, 12-month Average



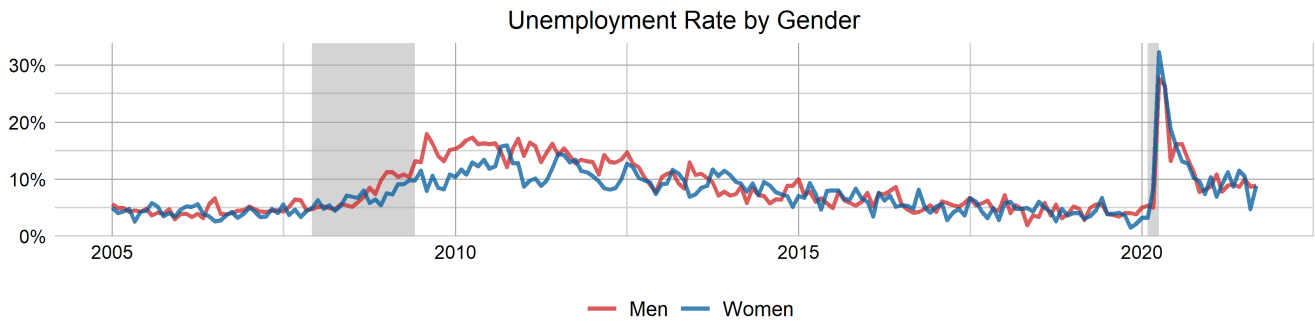
Source: U.S. Census Bureau, Current Population Survey

Looking at comparisons of age and sex adds a little more detail: while the differences are narrower, for the youngest workers men still experience higher unemployment than women, suggesting that the impact seen by race and sex is largest among the prime-age workforce, when workers are most likely to have younger children.

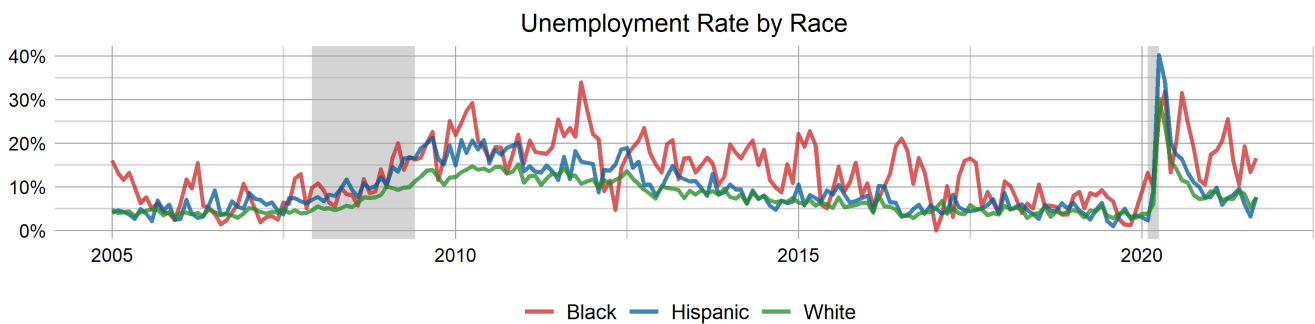
As the state continues to recover from the pandemic, the same groups that historically have high unemployment are likely to continue to need focused services in the COVID recovery. In addition, those groups that have seen some of the largest increases in unemployment due to the COVID pandemic: Black women, Hispanic women, and Black men have significant overlap with the groups that traditionally have high unemployment, and are therefore all the more likely to benefit from reemployment services. With prime-age women seeing significant differential impacts, it also appears likely that the reduction in available supports for families with children such as child care and in-person schooling are affecting labor market participation and that these women may have the most to gain from a return to more normal economic activity.

Additional CPS Demographic Charts

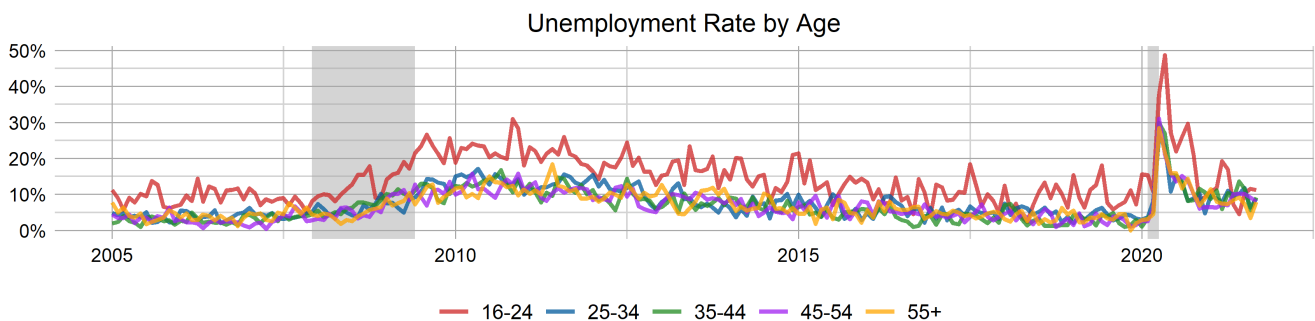
Demographics Data



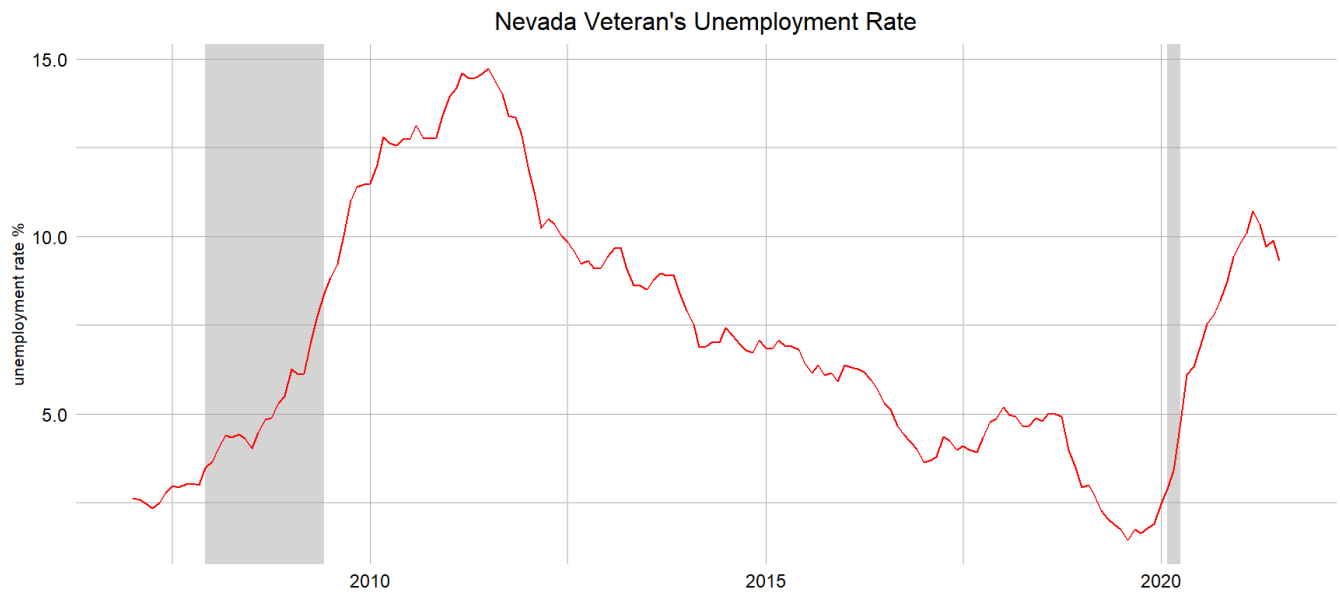
In September 2021 the unemployment rate for women was 8.8 percent compared to the rate for men which was 8.8 percent.



In September 2021 the unemployment rates for hispanics, blacks, and whites were 7.7 percent, 16.6 percent, and 7.5 percent respectively.



The unemployment rates by different age groups in September 2021 were 11.2 percent for 16-24 year-olds, 8.8 percent for 25-34 year-olds, 9.2 percent for 35-44 year-olds, 8 percent for 44-54 year-olds, and 7.9 percent for 55 and up. A more comprehensive report on unemployment demographics by county can be found on nevadaworkforce.com⁹.

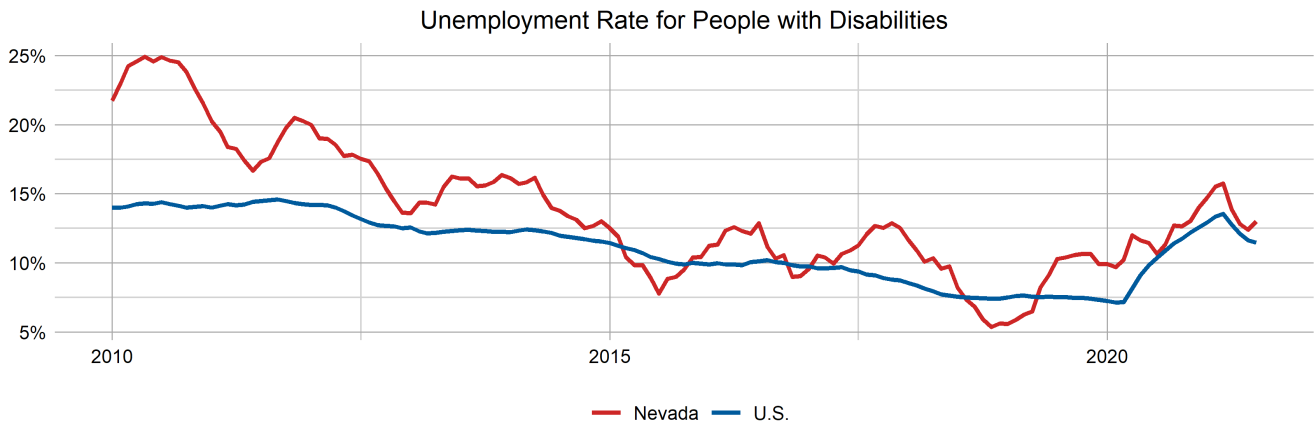


As of July 2021, veterans in Nevada have an unemployment rate of 9.3% (expressed as a 12-month moving average). This is down from 9.8% in June.

People with Disabilities

In July 2021 the unemployment rate for Nevada's with a disability was 13 percent compared to 11.5 percent for the US as a whole.

The CPS classifies persons as having a disability if they have a physical, mental, or emotional conditions that cause serious difficulty with their daily activities.



Acknowledgements

Prepared by the Research and Analysis Bureau with contributions from: Christopher Robison, David Schmidt

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Footnotes:

1. CPS Program: <https://www.census.gov/programs-surveys/cps.html>
2. ACS Program Data: <https://www.census.gov/programs-surveys/acs>
3. US Department of Labor UI reports: <https://oui.doleta.gov/unemploy/DataDownloads.asp>
4. US Department of Labor UI Program: <https://oui.doleta.gov/unemploy/>
5. Nevada UI Program: <https://ui.nv.gov/>
6. LEHD Program Data: <https://lehd.ces.census.gov/>
7. Demographics Report: http://nevadaworkforce.com/Portals/197/Other%20Publications/Demographics%20Report/Current_Release.pdf
8. Monthly UI Demographic Data: <http://nevadaworkforce.com/Portals/197/UI%20Monthly%20Claims%20Press%20Release/Dashboards/eta203.html>
9. Demographics Report: http://nevadaworkforce.com/Portals/197/Other%20Publications/Demographics%20Report/Current_Release.pdf