

# RESEARCH NOTES



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Discouraged Workers  
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## Discouraged Workers Peaked at 18,000 in 2012; Now at 6,000 (Current Population Survey, 12-month moving average)



- The Bureau of Labor Statistics' (BLS) estimate of the number of unemployed is designed to capture those individuals without a job, but actively looking for work. "Discouraged" workers are those that are not currently looking for work because they believe there are no jobs available or there are none for which they would qualify. Hence, they are not considered in the official labor force and unemployment estimates.
- Information from the Current Population Survey (CPS) suggests that pre-recession, discouraged workers reported in Nevada averaged about 2,000 per month.
- By mid-2012, the number of discouraged workers hit a peak, totaling nearly 18,000 Nevadans, as the recession took hold on the Silver State. Since that time the State has seen a decline in the number of discouraged workers as job prospects have improved. Over the past 12 months, discouraged workers have averaged just over 6,000. This represents a decline of two-thirds from the peak.
- The number of discouraged workers has declined 26.5 percent, down 2,200 persons, from the same period last year.
- While not part of the official unemployment rate estimate, the BLS captures discouraged workers in its Alternative Measures of Labor Underutilization. Specifically, adding in this group into the equation adds about 0.3 percentage point to the official rate. (In technical terms, as we move from the U-3 Alternative Measure to U-4.)