

# Wichita Employment-Population Ratio

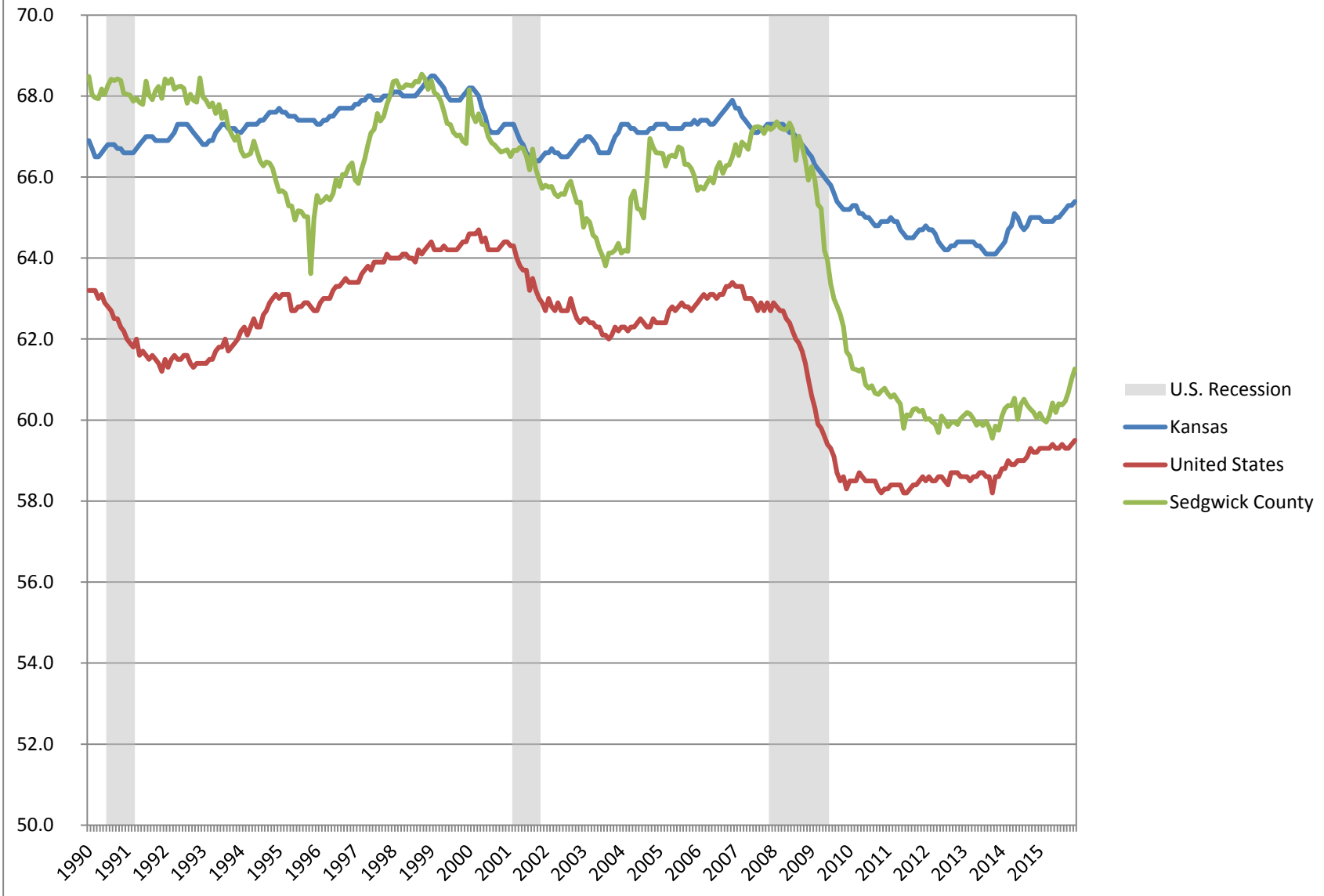
The employment-population ratio is a measure of labor market strength. It is calculated by dividing the total number of employed workers in a geographic region by the total civilian non-institutionalized population, ages 16 and over, in that region. This is often used alongside the unemployment rate in determining the strength of the labor market.

While the unemployment rate is more commonly used, it does not include discouraged workers (unemployed workers who have stopped looking for jobs) in its measure of unemployment. Consequently, the employment-population ratio has the advantage of comparing the employment level to the population in the region, thereby giving a richer picture of the labor market than if looking at the unemployment rate alone.

The graph below shows the seasonally adjusted employment-population ratio for Sedgwick County, the state of Kansas, and the United States from January 1990 to December 2015. Typically, the employment-population ratio will decrease in recessionary periods and increase during expansionary periods.

- Following the 2008 national recession, the employment-population ratio continued to decline at the U.S., Kansas, and Sedgwick County levels until the ratio reached its trough in 2014. Sedgwick County experienced a larger decline in its employment-population ratio than Kansas or the U.S. did, with a drop of 8.9 percentage points from 2008 to 2014.
- In 2015, the employment-population ratio increased in all three geographies, with Sedgwick County's ratio increasing most sharply. From year end 2014 to year end 2015, Sedgwick County's employment-population ratio increased by 1.1 percentage points.
- All three geographies, even with the 2015 increases, remain well below their pre-recession levels. Kansas is the closest to reaching its pre-recession peak, with a gap of 2.5 percentage points between its 2015 level and the pre-recession peak, while Sedgwick County has a gap of 6 percentages points.

# Employment-Population Ratio for Sedgwick County, Kansas & U.S.



## **Methodology**

The employment-population ratio is calculated by dividing the number of civilian employed workers by the civilian non-institutionalized population, ages 16 and over, in a region. For this study, the sources for the number of civilian employed workers are the Bureau of Labor Statistics (BLS) Local Area Unemployment Statistics (LAUS) for Kansas and Sedgwick County, and the BLS Current Population Survey (CPS) for the United States. The sources for the civilian non-institutionalized population data are the U.S. Census Bureau's annual population estimates and CEDBR's estimations.