

# Wichita Employment-Population Ratio

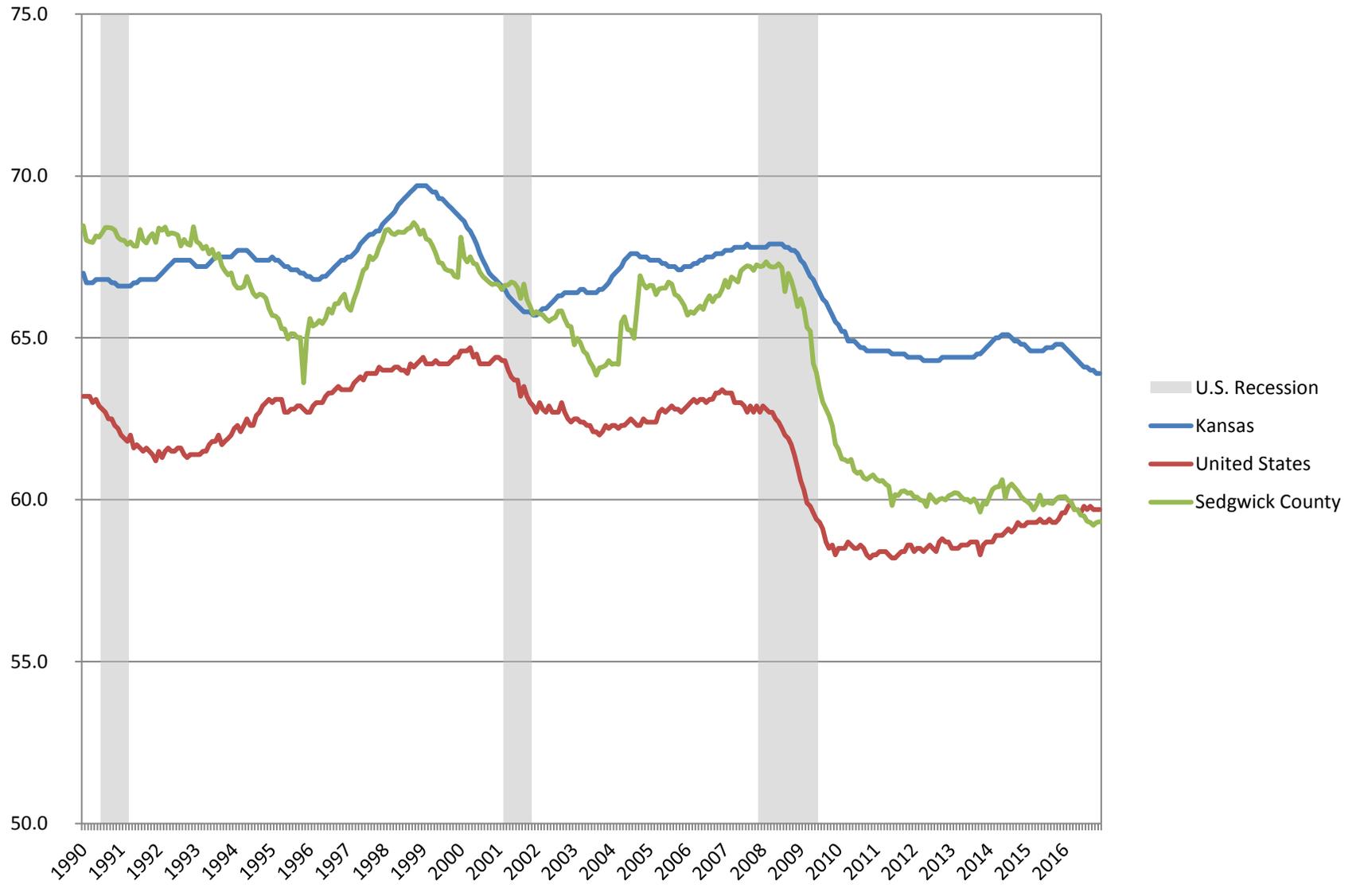
The employment-population ratio is a measure of labor market strength. It is calculated by dividing the total number of employed workers in a geographic region by the total civilian non-institutionalized population, ages 16 and over, in that region. This is often used alongside the unemployment rate 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 2016. Typically, the employment-population ratio will decrease in recessionary periods and increase during expansionary periods.

- In 2016, the employment-population ratio decreased in both Kansas and Sedgwick County. Kansas' ratio declined by 0.9 percent, while Sedgwick County's declined by 0.8 percent. Over this same time the national employment-population ratio increased by 0.1 percent.
- Following the 2008 national recession, the employment-population ratio for all three geographies sharply declined through 2010. Since then, the Kansas and Sedgwick County ratios have modestly declined by approximately one percentage point, while the national ratio has increased by 1.5 percentage points.
- All three geographies remain well below their pre-recession levels. Kansas' ratio is 3.4 percentage points below its 2007 peak, and Sedgwick County's ratio is 8 percentage points lower. In 2016, both Kansas' and Sedgwick County's reached their lowest values since 1990.

## 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.