Employment/Population Ratios for the 50 Largest Metropolitan Statistical Areas: 2008, 2009, and 2010

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INTRODUCTION

According to the National Bureau of Economic Research, the recession that began in December 2007 ended in June 2009.[1] However, during 2009 and 2010, many areas of the country were still struggling economically. Using data from the American Community Surveys (ACS), this report will show employment/population ratios for the 50 largest metropolitan areas between 2008 and 2010, with particular emphasis on those metropolitan areas hit hardest by the most recent recession.[2]

Unlike the unemployment rate, which reflects the number of unemployed people actively looking for work, the employment/population ratio provides a measure of employment for the entire pool of people who are of working age (for this report, those people 16 to 64 years old), including those who have stopped looking for work. Those who have stopped looking for work are not counted as being unemployed, and therefore, are not included in the official unemployment rate. Typically, an increase in the employment/population ratio is a reflection of economic growth as a larger proportion of the population is employed. The employment/population ratio decreases whenever the working-age population grows without a corresponding increase in employment, or whenever large numbers of people 16 to 64 years old stop working, either because they lost their jobs or retired. Examining the employment/population ratio, in addition to the unemployment rate, provides one with a more complete picture of the state of the labor market.

Employment/population ratio: A measure derived by dividing the civilian noninstitutionalized population 16 to 64 years who are employed by the total civilian noninstitutionalized population 16 to 64 years and multiplying by 100.

EMPLOYMENT/POPULATION RATIO TRENDS

Between 2008 and 2010, the United States experienced a 4.9 percentage point decline in the employment/population ratio, from 71.5 in 2008 to 66.6 in 2010.[3] Of the 50 largest metropolitan areas, all but one (New Orleans-Metairie-Kenner, LA) experienced a significant decrease in their employment/population ratio during this time period. Fifteen metropolitan areas saw larger employment/population ratio declines than the nation (please see the table for additional detail). Eight of these experienced severe housing

[1] See <www.nber.org/cycles/sept2010.html> for more information.

[2] For more information on metropolitan statistical areas, please see <www.whitehouse.gov/sites/default/files/omb/assets/bulletins/b10-02.pdf>.

[3] A 4.9 percentage point decline in the employment/population ratio is a relatively large change over 2 years. According to the Bureau of Labor Statistics (BLS), between 1948 and 2007, the average employment/population ratio change was 0.1 percentage points per year. The employment/population ratio change between 2008 and 2009 was the largest 1-year change the BLS has reported since 1948. Note, the BLS definition of the employment/population ratio differs slightly from the definition used in this report, where the BLS definition is for the 16 and over noninstitutionalized population. More information can be found at: <www.bls.gov/webapps/legacy/cpsatab1.htm>.

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market declines—Jacksonville, FL; Las Vegas-Paradise, NV; Miami-Fort Lauderdale-Pompano Beach, FL; Orlando-Kissimmee, FL; Phoenix-Mesa-Scottsdale, AZ; Riverside-San Bernardino-Ontario, CA; Sacramento—Arden-Arcade—Roseville, CA; and Seattle-Tacoma-Bellevue, WA.[4] At least six of the remaining are located in regions that have seen major industry declines.[5] For example, the Detroit-Warren-Livonia, MI, metropolitan area (home to three of the largest U.S. automakers) was hit hard by the automotive manufacturing declines.[6] Charlotte-Gastonia-Concord, NC-SC, was particularly impacted by the financial industry collapse. In 2008, of the 50 largest metropolitan areas, the Charlotte-Gastonia-Concord metropolitan area was one of three that reported the highest concentration of financial industry employment, according to the ACS.[7] This area is also home to some of the largest banking and financial services companies.[8]

The American Community Survey (ACS) is a nationwide survey designed to provide communities with reliable and timely demographic, social, economic, and housing data for the nation, states, congressional districts, counties, places, and other localities every year. It has an annual sample size of about 3 million addresses across the United States and Puerto Rico and includes both housing units and group quarters (e.g., nursing facilities and prisons). The ACS is conducted in every county throughout the nation, and every municipio in Puerto Rico, where it is called the Puerto Rico Community Survey. Beginning in 2006, ACS data for 2005 were released for geographic areas with populations of 65,000 and greater. For information on the ACS sample design and other topics, visit <www.census.gov/acs/www>.

THE ROAD TO RECOVERY

Although the recession was officially over by mid-2009, the nation's employment/population ratio continued to decline between 2009 and 2010, dropping from 68.2 to 66.6—a decline of 1.6 percentage points. However, this decline was smaller than the 3.3 percentage point decline experienced between 2008 and 2009. The majority of the 50 largest metropolitan areas (43) continued to experience declining employment/population ratios between 2009 and 2010. However, similar to the national experience, most (30) saw a significantly smaller employment/population ratio decrease between 2009 and 2010 compared with the declines experienced between 2008 and 2009. Eight of the fifty largest metropolitan areas suffered larger employment/population declines than the nation between 2009 and 2010—Charlotte-Gastonia-Concord, NC-SC; Jacksonville, FL; Las Vegas-Paradise, NV; Los Angeles-Long Beach-Santa Ana, CA; Nashville-Davidson–Murfreesboro–Franklin, TN; Providence-New Bedford-Fall River, RI-MA; Riverside-San Bernardino-Ontario, CA; and San Diego-Carlsbad-San Marcos, CA. These eight metropolitan areas may have lagged behind due to a slower recovery in their housing markets as well as local economic issues such as budget deficits.[9] The Bureau of Labor Statistics (BLS) reported comparable data for seven of these metropolitan areas. According to BLS, Las Vegas-Paradise, NV, and Riverside-San Bernardino-Ontario, CA, had the two highest 2010 unemployment rates of the 50 largest metropolitan areas. Charlotte-Gastonia-Concord, NC-SC; Jacksonville, FL;

[4] According to data from the Federal Housing Finance Agency's Housing Price Index (HPI), of the largest 50 metropolitan areas, the 8 listed above (Jacksonville, FL; Las Vegas-Paradise, NV; Miami-Fort Lauderdale-Pompano Beach, FL; Orlando-Kissimmee, FL; Phoenix-Mesa-Scottsdale, AZ; Riverside-San Bernardino-Ontario, CA; Sacramento—Arden-Arcade—Roseville, CA; and Seattle-Tacoma-Bellevue, WA) all ranked in the top 15 for the largest declines in HPI between the second quarter of 2008 through the second quarter of 2009. HPI is a broad measure of single-family home prices. More information can be found at: <www.fhfa.gov/webfiles/14801/FINAL2q09hpi.pdf>.

[5] According to BLS data, of the largest 50 metropolitan areas, 6 (Atlanta-Sandy Springs-Marietta, GA; Charlotte-Gastonia-Concord, NC-SC; Detroit-Warren-Livonia, MI; Indianapolis-Carmel, IN; Portland-Vancouver-Beaverton, OR-WA; and Salt Lake City, UT) ranked in the top 10 for the largest nonfarm payroll employment declines (by percentage change) between December 2008 and December 2009. More information can be found at <http://bls.gov/news.release/archives/metro_02022010.htm>.

[6] According to BLS, the Detroit-Warren-Livonia, MI, metropolitan area experienced a 20 percent decrease in manufacturing employment between 2008 and 2010. More information can be found at <www.bls.gov/sae/>.

[7] Besides Charlotte-Gastonia-Concord, NC-SC; Hartford-West Hartford-East Hartford, CT; and Jacksonville, FL, were the other two metropolitan areas with the largest concentration in financial industry employment.

[8] See <http://charlottechamber.com/business-profile/largest-employers/> for more information.

[9] According to the most recent Federal Housing Finance Agency's Housing Price Index (HPI), Las Vegas and Jacksonville are still experiencing housing market declines. Of the 50 largest metropolitan areas, Las Vegas-Paradise, NV, and Jacksonville, FL, reported the second and fourth largest HPI decline between the first quarter of 2010 and the first quarter of 2011, respectively (<www.fhfa.gov/webfiles/21305/UPDATED_HPI_REPORT--2011Q1_June2011.pdf>). The housing market was still impacting Charlotte-Gastonia-Concord, NC-SC; Los Angeles-Long Beach-Santa Ana, CA; and Riverside-San Bernardino-Ontario, CA, in 2010 as well. According to the BLS, all three metropolitan areas ranked in the top 15 for the largest construction employment declines among the 50 largest metropolitan areas between 2009 and 2010. Providence-New Bedford-Fall River, RI-MA, is currently facing a budget crisis with a $70 million budget deficit in FY2011 <www.npr.org/2011/03/21/134738522/Providence-Mayor-Defends-Massive-Teacher-Layoffs-Budget-Cuts>.

Los Angeles-Long Beach-Santa Ana, CA; Providence-New Bedford-Fall River, RI-MA; and San Diego-Carlsbad-San Marcos, CA, also ranked among the top 15 of the 50 largest metropolitan areas for the highest 2010 unemployment rates.[10]

[10] See <http://bls.gov/lau/lamtrk10.htm> for more information.

ACCURACY OF THE ESTIMATES

Data presented in this report are based on people and households that responded to the ACS in 2008, 2009, and 2010. The resulting estimates are representative of the entire population. All comparisons presented in this report have taken sampling error into account and are significant at the 90 percent confidence level unless otherwise noted. Due to rounding, some details may not sum to totals. For information on sampling and estimation methods, confidentiality protection, and sampling and nonsampling errors, please see the "2010 ACS Accuracy of the Data" document located at <www.census.gov/acs/www/Downloads/data_documentation/Accuracy/ACS_Accuracy_of_Data_2010.pdf>.

Employment/Population Ratios for the 50 Largest Metropolitan Statistical Areas: 2008, 2009, and 2010[1]

Area	2008 employment/ population ratio		2009 employment/ population ratio		2010 employment/ population ratio		2008–2009 employment/ population ratio change		2009–2010 employment/ population ratio change		2008–2010 employment/ population ratio change	
	Estimate	Margin of error (±)[2]	Estimate	Margin of error (±)[2]	Estimate	Margin of error (±)[2]	Percentage point change	Margin of error (±)[2]	Percentage point change	Margin of error (±)[2]	Percentage point change	Margin of error (±)[2]
United States	**71.5**	**0.1**	**68.2**	**0.1**	**66.6**	**0.1**	**–3.3**	**0.1**	**–1.6**	**0.1**	**–4.9**	**0.1**
Atlanta-Sandy Springs-Marietta, GA	72.7	0.5	68.4	0.4	66.4	0.4	–4.4	0.7	–2.0	0.6	*–6.3	0.7
Austin-Round Rock, TX	74.9	0.8	72.8	0.9	70.7	0.8	–2.1	1.2	–2.1	1.2	–4.1	1.1
Baltimore-Towson, MD	74.6	0.6	72.1	0.6	70.9	0.6	–2.5	0.8	–1.2	0.9	–3.7	0.8
Birmingham-Hoover, AL	69.8	0.9	66.8	0.9	64.0	1.1	–3.0	1.3	–2.8	1.4	–5.8	1.4
Boston-Cambridge-Quincy, MA-NH	75.6	0.4	73.1	0.4	71.9	0.5	–2.5	0.6	–1.2	0.6	–3.7	0.6
Buffalo-Niagara Falls, NY	71.8	0.9	69.5	0.8	67.8	1.0	–2.3	1.2	–1.7	1.3	–4.0	1.3
Charlotte-Gastonia-Concord, NC-SC	74.6	0.7	70.4	0.8	67.2	0.7	–4.2	1.0	–3.2	1.1	*–7.4	1.0
Chicago-Naperville-Joliet, IL-IN-WI	72.2	0.3	68.7	0.3	67.4	0.3	–3.5	0.4	–1.3	0.4	–4.8	0.4
Cincinnati-Middletown, OH-KY-IN	73.8	0.7	69.7	0.7	68.9	0.6	–4.1	1.0	–0.8	0.9	–4.9	0.9
Cleveland-Elyria-Mentor, OH	71.7	0.6	68.0	0.6	68.4	0.7	–3.7	0.8	0.4	0.9	–3.3	0.9
Columbus, OH	74.7	0.7	71.1	0.7	70.1	0.7	–3.6	0.9	–1.0	1.0	–4.6	1.0
Dallas-Fort Worth-Arlington, TX	74.0	0.3	71.2	0.4	70.2	0.4	–2.8	0.5	–0.9	0.5	–3.7	0.5
Denver-Aurora-Broomfield, CO	77.7	0.5	73.4	0.6	71.8	0.5	–4.3	0.7	–1.6	0.8	*–5.8	0.7
Detroit-Warren-Livonia, MI	66.8	0.4	61.3	0.5	61.0	0.4	–5.5	0.7	–0.3	0.7	*–5.8	0.6
Hartford-West Hartford-East Hartford, CT	75.2	0.9	73.0	0.8	71.7	0.8	–2.3	1.2	–1.3	1.1	–3.5	1.2
Houston-Sugar Land-Baytown, TX	72.3	0.4	69.7	0.4	67.8	0.5	–2.6	0.6	–1.9	0.7	–4.5	0.7
Indianapolis-Carmel, IN	75.0	0.8	71.1	0.7	69.0	0.7	–3.9	1.1	–2.1	1.0	*–6.0	1.1
Jacksonville, FL	71.9	0.9	68.6	1.0	65.6	0.9	–3.3	1.3	–3.0	1.3	*–6.3	1.3
Kansas City, MO-KS	76.7	0.5	73.0	0.6	72.5	0.6	–3.7	0.8	–0.6	0.8	–4.3	0.8
Las Vegas-Paradise, NV	73.0	0.6	68.9	0.9	65.5	0.8	–4.1	1.0	–3.4	1.2	*–7.5	1.0
Los Angeles-Long Beach-Santa Ana, CA	69.6	0.3	67.0	0.2	64.7	0.3	–2.6	0.4	–2.3	0.4	–4.9	0.4
Louisville/Jefferson County, KY-IN	72.4	0.8	69.4	0.9	68.0	0.7	–3.0	1.2	–1.4	1.1	–4.4	1.1
Memphis, TN-MS-AR	70.1	0.8	65.7	0.9	64.4	0.9	–4.4	1.2	–1.3	1.3	–5.6	1.2
Miami-Fort Lauderdale-Pompano Beach, FL	71.3	0.4	67.8	0.5	65.6	0.5	–3.5	0.7	–2.2	0.7	*–5.7	0.7
Milwaukee-Waukesha-West Allis, WI	75.8	0.8	72.2	0.8	70.6	0.7	–3.6	1.1	–1.5	1.1	–5.1	1.0
Minneapolis-St. Paul-Bloomington, MN-WI	79.2	0.4	75.7	0.4	74.8	0.4	–3.5	0.6	–0.9	0.6	–4.4	0.6
Nashville-Davidson–Murfreesboro–Franklin, TN	73.4	0.6	70.4	0.8	67.6	0.8	–3.0	1.0	–2.9	1.1	–5.8	1.0
New Orleans-Metairie-Kenner, LA	66.9	1.1	67.0	0.9	65.6	1.0	0.2	1.4	–1.4	1.3	–1.3	1.5
New York-Northern New Jersey-Long Island, NY-NJ-PA	70.9	0.2	68.3	0.2	66.6	0.2	–2.6	0.3	–1.7	0.3	–4.3	0.3
Oklahoma City, OK	73.4	0.8	71.0	0.8	68.8	0.9	–2.4	1.2	–2.1	1.3	–4.5	1.3
Orlando-Kissimmee, FL	73.0	0.9	68.3	0.8	66.3	0.7	–4.7	1.3	–2.0	1.1	*–6.7	1.2
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	71.7	0.4	69.5	0.5	67.8	0.4	–2.1	0.6	–1.7	0.6	–3.8	0.5
Phoenix-Mesa-Scottsdale, AZ	72.4	0.5	67.6	0.6	65.6	0.6	–4.8	0.8	–1.9	0.8	*–6.8	0.7
Pittsburgh, PA	72.3	0.6	69.9	0.6	68.9	0.7	–2.4	0.8	–1.0	0.9	–3.4	0.9
Portland-Vancouver-Beaverton, OR-WA	73.4	0.6	69.2	0.7	66.9	0.6	–4.2	0.9	–2.2	1.0	*–6.5	0.9
Providence-New Bedford-Fall River, RI-MA	72.8	0.8	70.8	0.8	67.5	0.7	–2.1	1.1	–3.3	1.1	–5.3	1.1
Raleigh-Cary, NC	75.0	0.8	72.0	0.9	70.3	1.0	–2.9	1.2	–1.8	1.4	–4.7	1.3
Richmond, VA	74.3	0.9	70.8	0.7	69.0	0.8	–3.5	1.2	–1.8	1.1	–5.4	1.2
Riverside-San Bernardino-Ontario, CA	65.9	0.7	61.9	0.5	59.4	0.5	–4.0	0.8	–2.5	0.7	*–6.5	0.9
Sacramento–Arden-Arcade–Roseville, CA	69.8	0.8	65.5	0.7	63.1	0.9	–4.3	1.1	–2.5	1.1	*–6.8	1.2
St. Louis, MO-IL	73.7	0.6	70.5	0.5	69.5	0.6	–3.3	0.8	–0.9	0.8	–4.2	0.8
Salt Lake City, UT	77.5	0.8	73.7	0.7	71.2	1.0	–3.9	1.1	–2.5	1.2	*–6.4	1.2
San Antonio, TX	69.7	0.7	67.9	0.7	67.5	0.7	–1.8	1.0	–0.4	1.0	–2.2	1.0
San Diego-Carlsbad-San Marcos, CA	70.0	0.7	67.1	0.7	64.3	0.7	–2.9	1.0	–2.8	1.0	–5.7	1.0
San Francisco-Oakland-Fremont, CA	72.5	0.4	69.9	0.5	68.4	0.5	–2.6	0.7	–1.5	0.7	–4.1	0.6
San Jose-Sunnyvale-Santa Clara, CA	72.4	0.7	68.8	0.8	66.9	0.6	–3.6	1.1	–1.9	1.0	–5.5	0.9
Seattle-Tacoma-Bellevue, WA	74.9	0.4	71.4	0.6	69.3	0.5	–3.5	0.7	–2.1	0.8	*–5.7	0.7
Tampa-St. Petersburg-Clearwater, FL	70.2	0.6	66.4	0.8	64.7	0.7	–3.8	1.0	–1.7	1.1	–5.5	0.9
Virginia Beach-Norfolk-Newport News, VA-NC	74.1	0.8	71.0	0.9	69.3	0.8	–3.1	1.2	–1.8	1.2	–4.9	1.1
Washington-Arlington-Alexandria, DC-VA-MD-WV	77.1	0.3	74.8	0.4	74.3	0.4	–2.4	0.5	–0.5	0.6	–2.8	0.5

* Statistically larger decline than the 2008–2010 U.S. decline at the 90 percent confidence level.

[1] Metropolitan statistical area populations based on the 2010 Census. Metropolitan statistical areas defined by the Office of Management and Budget as of December 2009.

[2] Data are based on a sample and are subject to sampling variability. A margin of error is a measure of an estimate's variability. The larger the margin of error is in relation to the size of the estimate, the less reliable the estimate. When added to and subtracted from the estimate, the margin of error forms the 90 percent confidence interval.

Sources: U.S. Census Bureau, 2008, 2009, and 2010 American Community Surveys.