2019 Topeka Employment Forecast

October 2018

The Topeka metropolitan area's[1] total nonfarm employment declined by approximately 800 workers in 2017, a 0.7 percent contraction. The contraction followed five years of employment growth from 2012 to 2016 when the Topeka area added 3,600 new jobs, growing an average of 0.7 percent. The Topeka area has lagged behind the rate of employment growth statewide each year since 2011, with the exception of 2016, when Topeka grew 1.1 percent compared to Kansas' state average of 0.3 percent.

Employment in the area is forecast to be relatively flat in 2018, with approximately 100 jobs lost. In 2019, employment in the Topeka area is projected to grow by 0.3 percent, rebounding some from a sluggish 2017 by adding almost 300 new jobs overall to the local economy.

- The production sectors are projected to be the fastest-growing portion of the Topeka economy in 2019, with a projected growth rate of 1.2 percent and more than 150 jobs added. The bulk of this growth is forecast to be in the natural resources and construction sector, which is expected to grow 2.5 percent in 2019, adding more than 100 jobs. This would be the most jobs added in the sector since 2014. The manufacturing sector is projected to have more muted growth, expanding 0.2 percent in 2019. Manufacturing in the Topeka area has added jobs each since 2013 and reached a ten year high in 2017 after adding 200 jobs.
- Trade, transportation, and utilities sector employment is expected to decline by fewer than 100 jobs in 2019, a 0.4 percent decrease. The sector has lost jobs in all but one of the last ten years in the Topeka area. The declines have occurred in both wholesale and retail trade employment, as well as transportation and utilities employment.
Taxable retail sales declined 2.6 percent on an inflation-adjusted basis in 2017, the first decline in retail sales since 2013. Retail sales are expected to recover and grow 0.4 percent after adjusting for inflation in 2019.
- Employment in the service sector is projected to increase by 0.3 percent in 2019, creating almost 200 new jobs for the local economy. Service sector employment experienced a mild contraction of 0.1 percent in 2017 after growing 2.4 percent in 2016. The fastest growing
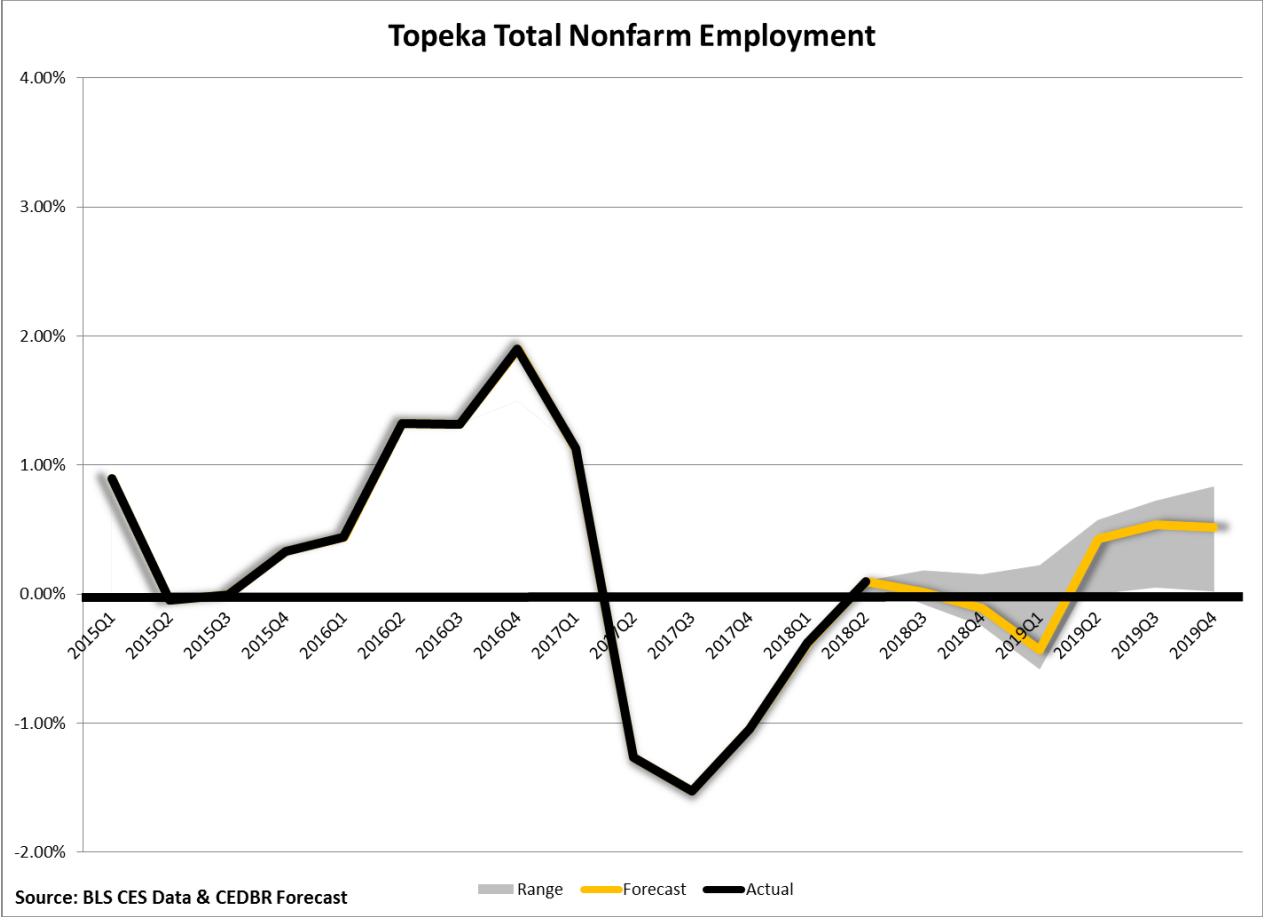
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[1] The Topeka metropolitan area consists of Jackson, Jefferson, Osage, Shawnee, and Wabaunsee counties in Kansas.

service subsector is forecast to be the education and health services subsector, which is expected to grow 1 percent and add almost 200 new jobs to the area. The education and health services subsector added more than 800 jobs from 2012 to 2016, but in 2017 employment in the subsector remained flat.

- Government sector employment is forecast to remain flat in 2019 in the Topeka area, with small growth in federal and local government offset by job losses in the state government. Government employment has declined each year since 2015 in the Topeka area, declining by more than 800 jobs in that time.

Nationally, real GDP grew 2.8 percent from the second quarter of 2017 to the second quarter of 2018, which was primarily driven by increases in personal consumption expenditures and private investment. National employment increased by 1.6 percent from August 2017 to August 2018.

Kansas City Employment by Industry Summary*					
	2017 (a)	2018 (e)	2019 (f)	2018-2019 Level Change	2018-2019 Percent Change
Total Nonfarm	**111,548**	**111,442**	**111,734**	**292**	**0.3%**
Production Sectors	**13,007**	**13,468**	**13,626**	**157**	**1.2%**
Trade, Transportation & Utilities	**17,251**	**17,197**	**17,123**	**-74**	**-0.4%**
Service Sectors	**54,641**	**54,474**	**54,691**	**218**	**0.4%**
Government	**26,649**	**26,303**	**26,294**	**-9**	**0.0%**
*Annual values are derived from average quarterly observations and projections. (a) actual (e) estimated (f) forecasted Source: Bureau of Labor Statistics data & Wichita State University CEDBR forecast					

Topeka Total Nonfarm Employment

Source: BLS CES Data & CEDBR Forecast

Range   Forecast   Actual

The Center for Economic Development and Business Research can provide detailed industry, wage, retail, and other customized forecasts upon request. Contact Jeremy Hill at 316-213-3673 for costs and availability.