



2019 Kansas Employment Forecast

January 2019

Kansas total nonfarm employment increased by approximately 20,000 workers from November 2017 to November 2018, a 1.4 percent increase, with growth across most sectors. This was a substantial upturn in employment after near-zero employment growth in the state in 2016 and 2017, with only a cumulative 0.2 percent increase over those two years. Kansas's unemployment rate has continued to decline in 2018 to 3.2 percent in November 2018, the lowest level in the state since May 1999. Nationally, unemployment also declined in 2018 to a low of 3.7 percent in November 2018.

In Kansas, employment growth is projected to continue into 2019 at 1.1 percent, which is expected to add more than 15,000 net new jobs statewide. Growth is forecast to be the strongest in the production sectors, while the government sector is projected to have the slowest employment growth in the Kansas economy.

- The production sector employment growth is forecast to remain robust in 2019 after being the fastest growing sector of the Kansas economy in 2018. The sector is projected to add approximately 3,500 new jobs in 2019, for 1.5 percent growth. The growth is expected to be broad-based in the sector, with construction employment growing 1.9 percent and manufacturing employment increasing by 1.4 percent. If growth continues as expected, 2018 and 2019 would be the first two-year period in which both construction and manufacturing employment increased consecutively since 2013 and 2014.
- Employment in the trade, transportation and utilities sector is projected to grow 1.2 percent in 2019, adding more than 3,200 jobs. Growth has been led in recent years by the transportation and warehousing sector, which grew by more than 2,000 jobs in 2016 and 2017 and added 4,800 jobs from November 2017 to November 2018, as Kansas has grown in importance as a Midwestern transportation hub. The retail and wholesale trade sectors have experienced employment declines in recent years, in part due to a 2.4 percent decline in inflation-adjusted taxable retail sales in Kansas in 2017. Both sectors are projected to have modest job gains in 2019.
- Service sector employment is projected to increase 1.1 percent, which would add more than 7,000 new jobs to the Kansas economy. Growth across the service sector is forecast to be broad-based, with the financial activities, professional and business services, education and health services, and leisure and hospitality sectors each projected to add between 1,500 and

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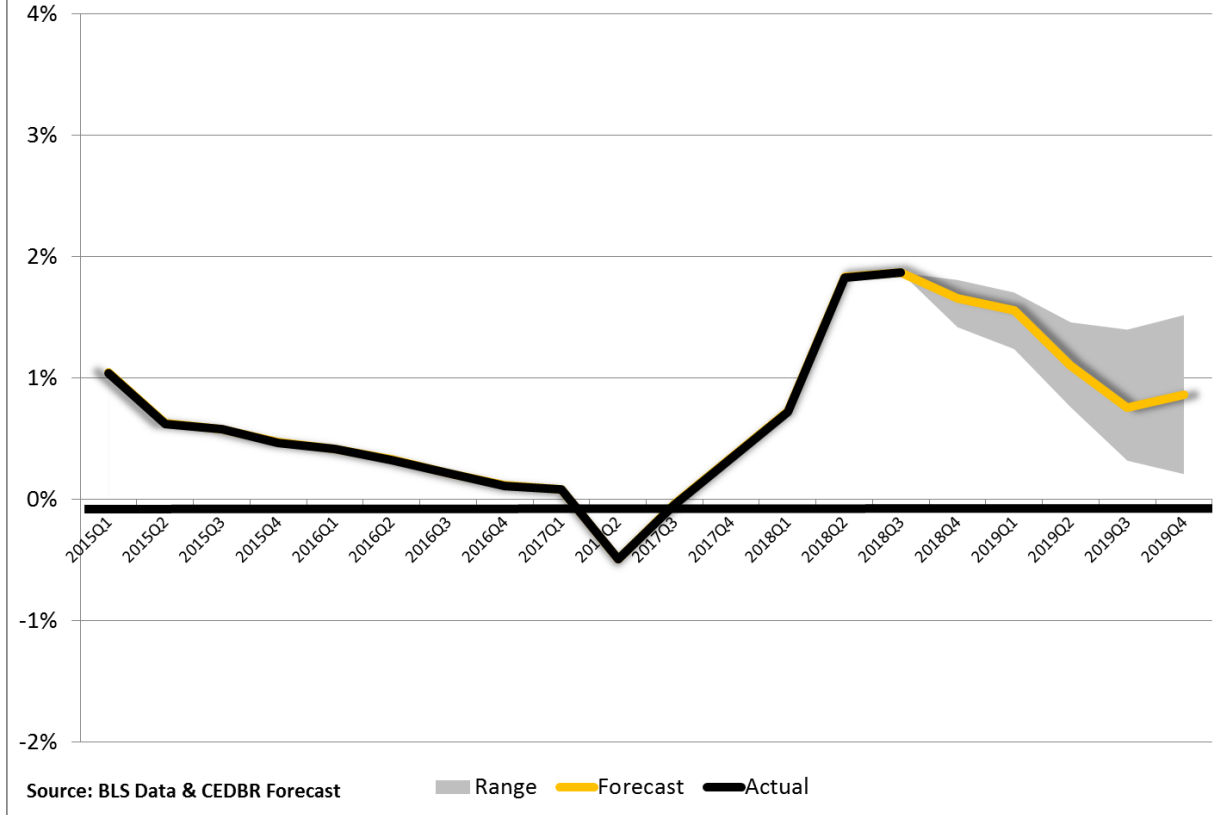
2,700 new jobs. The information sector is the only service sector forecast to decline in employment, with a 4.2 percent contraction, which would be the twelfth consecutive year of employment decline in the sector in Kansas.

- Employment in Kansas' governmental sector is forecast to grow 0.5 percent in 2019. Growth is expected to primarily occur in the local government sector, which comprises approximately 70 percent of total government employment in the state. Federal and state government employment are projected to grow modestly as well.

Nationally, real GDP grew 3 percent from the third quarter of 2017 to the third quarter of 2018, which was primarily driven by increases in personal consumption expenditures and private investment. National employment increased by 1.7 percent from October 2017 to October 2018.

Kansas Employment by Industry Summary*					
	2017 (a)	2018 (e)	2019 (f)	2018-2019 Level Change	2018-2019 Percent Change
Total Nonfarm	1,403,646	1,424,966	1,440,147	15,182	1.1%
Production Sectors	228,650	232,689	236,188	3,499	1.5%
Trade, Transportation & Utilities	267,643	271,863	275,091	3,228	1.2%
Service Sectors	651,075	660,789	667,941	7,151	1.1%
Government	256,279	259,625	260,927	1,303	0.5%
*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					

Kansas Total Nonfarm Employment Growth



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.