

# 2021 Wichita Employment Forecast

Employment in the Wichita metropolitan area<sup>1</sup> grew 1.8 percent to 305,100 workers in 2019, while the unemployment rate reached a twenty-year low of 3.4 percent. With the outbreak of the novel coronavirus in April 2020, unemployment spiked to 17.7 percent, and employment declined by more than 27,000 workers in the second quarter. The economy began to recover in the third quarter with the addition of 10,400 jobs. The unemployment rate declined to 9.8 percent in the third quarter, a level approximately as high as Wichita's peak unemployment in the 2009 recession, before declining to 6.8 percent in October 2020.

The recovery is expected to continue on a more modest scale with continued job growth in the fourth quarter of 2020 and into 2021. Average employment growth is forecast to be 0.7 percent in 2021, which would add more than 2,000 jobs back to the Wichita economy. This will likely remain a volatile time for the Wichita economy throughout 2021 due to the continuing coronavirus outbreak, the rollout of the coronavirus vaccine, and high economic uncertainty both in the national macroeconomy and the aerospace industry. If the national recovery and vaccine have effects on the high end of expectations, Wichita's growth is expected to grow up to 1.4 percent. If the national recovery is more modest or downside risks are realized, Wichita's employment is projected to remain close to flat in 2021. A full recovery from the coronavirus recession across all local industries is expected to take years.

- Production sector employment is projected to contract by 1.7 percent due to job losses in the manufacturing sector. The durable goods manufacturing sector is expected to decline by more than 1,400 jobs due to continued weakness in demand in the aerospace sector. Since air travel was so highly impacted by the novel coronavirus outbreak, Wichita's durable goods manufacturing is expected to lag the national manufacturing recovery. The non-durable sector is forecast to grow 0.8 percent, and the construction sector is projected to lead the good-producing sector growth at 1.5 percent.
- The trade, transportation, and utilities sector is expected to grow 1.7 percent in employment in 2021, recovering more than three-quarters of the employment lost in 2020. The largest gains are expected in the retail trade sector, which is projected to add more than 700 jobs. The transportation and utilities sector is forecast to grow 2.4 percent and reach a new peak in 2021, while the wholesale trade sector is expected to continue to contract modestly.
- Employment in the service sector is expected to have the fastest growth in the Wichita economy, expanding 1.8 percent. The leisure and hospitality sector and the education and health services sector are expected to have the fastest growth at 4.6 and 2.9 percent, respectively. The financial activities, professional and business services, and other services sectors are projected to remain relatively flat in 2021 after experiencing relatively few job losses in 2020. The information sector is the only service sector forecast to contract significantly, losing more than 100 jobs.
- The government sector is projected to remain relatively flat in 2021, gaining fewer than 100 jobs. The local government sector is expected to experience very modest job losses, while federal government employment is projected to have small growth.

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<sup>1</sup> The Wichita metropolitan consists of Sedgwick, Butler, Harvey, Kingman, and Sumner counties.

<b>Wichita Employment by Industry Summary*</b>					
	2019 (a)	2020 (e)	2021 (f)	2020-2021 Level Change	2020-2021 Percent Change
<b>Total Nonfarm</b>	<b>305,027</b>	<b>293,304</b>	<b>295,492</b>	<b>2,188</b>	<b>0.7%</b>
<b>Production Sectors</b>	<b>71,671</b>	<b>67,052</b>	<b>65,912</b>	<b>-1,140</b>	<b>-1.7%</b>
Nat. Resources, Mining & Cons.	16,672	15,956	16,198	242	1.5%
Manufacturing	54,999	51,097	49,715	-1,382	-2.7%
Durable Goods	46,816	42,896	41,452	-1,444	-3.4%
Non-Durable Goods	8,183	8,200	8,262	62	0.8%
<b>Trade, Transportation &amp; Utilities</b>	<b>50,354</b>	<b>49,289</b>	<b>50,110</b>	<b>821</b>	<b>1.7%</b>
Wholesale Trade	8,758	8,403	8,259	-144	-1.7%
Retail Trade	31,562	30,683	31,406	723	2.4%
Transportation & Utilities	10,034	10,203	10,445	242	2.4%
<b>Service Sectors</b>	<b>141,237</b>	<b>136,229</b>	<b>138,711</b>	<b>2,482</b>	<b>1.8%</b>
Information	3,908	3,578	3,444	-134	-3.8%
Financial Activities	11,664	11,595	11,609	14	0.1%
Professional & Business Services	35,266	35,371	35,294	-77	-0.2%
Education & Health Services	46,549	46,221	47,545	1,324	2.9%
Leisure & Hospitality	33,089	28,951	30,280	1,329	4.6%
Other Services	10,761	10,514	10,539	25	0.2%
<b>Government</b>	<b>41,765</b>	<b>40,734</b>	<b>40,759</b>	<b>25</b>	<b>0.1%</b>

\*Annual values are derived from average quarterly observations and projections.  
(a) actual (e) estimated (f) forecasted  
Source: CEDBR, BLS - CES

