

2021 Topeka Employment Forecast

The Topeka metropolitan area's¹ employment contracted by 3.9 percent in 2020, a decline of more than 4,300 workers. The most significant loss was in the second quarter, due to the novel coronavirus outbreak when employment declined by 8,000 workers. Employment grew in the third quarter of 2020 and the first quarter of 2021, regaining more than 4,000 of those jobs lost in the second quarter, but remaining almost 4,000 jobs below the area's pre-pandemic employment peak. The unemployment rate rose sharply in the second quarter, increasing more than nine percentage points to a peak of 12.4 percent in April 2020. By March 2021, the unemployment rate declined to 3.5 percent.

Topeka's recovery is forecast to continue in 2021, with employment in the fourth quarter of 2021 projected to be 1.8 percent higher than employment in the fourth quarter of 2020. The area is projected to recover more than 5,200 of the 8,000 jobs lost in the second quarter of 2020 by the end of the fourth quarter of 2021. Downside risks and uncertainty remain accentuated during the recovery period, such as supply chain disruptions and further lockdowns and social distancing brought on by mutations of the novel coronavirus.

- Production sector employment is expected to increase 2.5 percent from the fourth quarter of 2020 to the fourth quarter of 2021. The manufacturing sector is forecast to add more than 200 jobs, expanding 2.6 percent, while the construction sector is projected to add more than 100 jobs, growing 2.3 percent.
- Employment in the trade, transportation, and utilities sector is forecast to grow 1.1 percent from the fourth quarter of 2020 to the fourth quarter of 2021. The retail trade sector is projected to grow the fastest, at 1.9 percent, and by fewer than 100 jobs below its pre-pandemic peak by the fourth quarter of 2021. The transportation and utilities sector is expected to grow by 0.6 percent throughout 2021.
- Service sector employment is projected to grow 1.5 percent from the fourth quarter of 2020 to the fourth quarter of 2021, adding approximately 800 jobs to the local economy. The leisure and hospitality sector is forecast to have the fastest growth among Topeka's area's service sectors in 2021, expanding more than 9.3 percent by the fourth quarter, following a contraction of 28.5 percent in the second quarter of 2020. The health care sector is projected to increase by 1.2 percent, recovering almost all of the jobs it lost in the pandemic recession.
- Topeka's government sector is expected to expand 2.3 percent from the fourth quarter of 2020 to the fourth quarter of 2021. The local government sector is projected to be the fastest-growing government sector, adding more than 400 new jobs and growing 3 percent.

¹ The Topeka metropolitan area consists of Jackson, Jefferson, Osage, Shawnee, and Wabaunsee counties in Kansas.

Topeka Employment by Industry Summary*					
	2019 (a)	2020 (e)	2021 (f)	2020-2021 Level Change	2020-2021 Percent Change
Total Nonfarm	111,496	107,141	108,366	1,225	1.1%
Production Sectors	13,482	13,302	13,790	488	3.7%
Trade, Transportation & Utilities	16,692	16,723	17,350	627	3.8%
Service Sectors	54,379	51,138	51,886	748	1.5%
Government	26,944	25,978	25,340	-638	-2.5%

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

Topeka Employment by Industry Summary*					
	2020Q4 (a)	2021Q1 (e)	2021Q2 (f)	2021Q3 (f)	2021Q4 (f)
Total Nonfarm	106,752	107,596	108,511	108,725	108,631
Production Sectors	13,474	13,713	13,812	13,830	13,806
Trade, Transportation & Utilities	17,028	17,394	17,412	17,373	17,221
Service Sectors	51,124	51,543	51,982	52,107	51,911
Government	25,125	24,945	25,306	25,415	25,693

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

