

2022 Kansas Employment Forecast

In 2021, overall state-level unemployment was estimated to have fallen dramatically from 6.01% to 3.34%. Indicative of continuing labor market adaptation and recovery from the ongoing novel Coronavirus pandemic, these trends are expected to continue throughout 2022 and 2023, halving the number of Kansans left unemployed in 2020. There remains a degree of uncertainty as mutations of the virus, such as the Omicron variant, continue to place strain on the population, workforce, and economy through surges in infection rates. Still, this strain is dampened by the now robust access to and availability of vaccines and treatments, and the outlook appears increasingly optimistic. Vaccination rates in Kansas have mostly plateaued for both full and partial vaccinations. Other international issues such as the Russian Federation's invasion of Ukraine and the associated concern over the trade of commodities such as petrochemical products, food, etc. are expected to impact the Kansas economy through increased demand for those same goods.

Kansas				
Year	Labor Force	Employed	Unemployed	Unemployment Rate
2020(a)	1,493,705	1,408,965	84,741	6.01%
2021(e)	1,495,665	1,447,323	48,342	3.34%
2022(f)	1,502,700	1,458,343	44,358	3.04%
2023(f)	1,514,937	1,473,630	41,306	2.80%

(a) actual (e) estimated (f) forecasted
Source: CEDBR, BLS - LAUS

By sectors, employment growth is expected to be felt unevenly. Trade occupations saw strong growth in 2021, where they added 5,092 jobs. Solid growth is forecasted for 2022 and 2023, where the respective addition of 2,143 (0.8%%) and 2,491 (0.9%%) jobs are expected. The largest component of Kansas' labor market, the service sector, grew by 1.4% in 2021, adding 8,575 jobs, and is expected to continue growing through 2023, making a net addition of 17,913 jobs since 2020.

Inflation-Adjusted Taxable Retail Sales Growth		
Kansas		
Year	Sales(\$Billions)* **	Growth Rate
2019(a)	1.527	-
2020(a)	1.525	-0.1%
2021(e)	1.694	11.1%
2022(f)	1.788	5.5%
2023(f)	1.794	0.3%

* Annual values, in billions are derived from monthly observations and projections. ** Retail sales figures are given in 1982-relative dollars.
(a) actual (e) estimated (f) forecasted
Source: CEDBR, BLS - KSDOR

The most significant component of job growth in the service sector comes from leisure and hospitality occupations, which have rebounded dramatically in 2021 (8.6% growth from 2020) alongside increasing vaccine availability and an ever-adapting labor force and job market. Concurrent with this expansion, retail sales have similarly bounced back in 2021, growing 11.1% relative to 2020, and are forecasted to continue to grow, even after adjusting for inflation. As a result, monthly retail sales in 2022 and 2023 are both expected to exceed \$1.7 billion.

In the production sector, growth was moderate in 2021, where it gained 2,008 jobs. However, this growth is forecasted to hasten in 2022 and 2023, respectively, adding 4,084 jobs and then another 2,820 jobs. The government sector lost 383 jobs in 2021 but is expected to recover somewhat in 2022 with 0.5% growth. In 2023, government is estimated to remain around its 2022 level, netting an increase of 1,102 jobs since 2020.

Kansas Employment by Industry*							
	2020 (a)	2021 (e)	2022 (f)	2023 (f)	2021	2022	2023
Production	228,333	230,342	234,426	237,246	0.9%	1.8%	1.2%
Nat. Resources, Mining & Cons.	69,125	69,900	71,942	73,882	1.1%	2.9%	2.7%
Durables	92,158	91,600	93,301	93,729	-0.6%	1.9%	0.5%
Non-Durables	67,050	68,842	69,183	69,635	2.7%	0.5%	0.7%
Trade	260,067	265,158	267,301	269,792	2.0%	0.8%	0.9%
Services	619,150	627,725	633,518	637,063	1.4%	0.9%	0.6%
Information	16,983	16,900	16,847	16,772	-0.5%	-0.3%	-0.4%
Financial Activities	76,733	75,850	76,081	76,308	-1.2%	0.3%	0.3%
Professional & Business Services	168,683	169,800	172,491	173,245	0.7%	1.6%	0.4%
Education & Health Services	198,433	197,758	198,002	199,533	-0.3%	0.1%	0.8%
Leisure & Hospitality	110,592	120,108	121,734	122,625	8.6%	1.4%	0.7%
Other	47,725	47,308	48,362	48,580	-0.9%	2.2%	0.5%
Government	251,258	250,875	252,235	252,361	-0.2%	0.5%	0.0%
Total	1,358,808	1,374,100	1,387,480	1,396,462	1.1%	1.0%	0.6%

*Annual values are derived from average quarterly observations and projections.

(a) actual (e) estimated (f) forecasted

Source: CEDBR, BLS - CES