

2016 Kansas Employment Forecast

Nationally, real GDP expanded briskly with 3.9 percent growth in the second quarter of 2015, after growing 0.6 percent in the first quarter of 2015. Most of this growth was due to growing personal consumption expenditures, with investment experiencing the second largest growth. Net exports and government spending also contributed to the increase in real GDP, as both had moderately positive growth. Employment increased by 2.1 percent nationally in the last twelve months, while Kansas employment increased by 0.9 percent and employment in the Wichita metropolitan area grew by 1 percent.

Kansas Employment Forecast

In 2016, Kansas total nonfarm employment is expected to increase by 19,958 jobs, which implies the employment growth rate is anticipated to be 1.4 percent.

| Kansas Employment by Industry Summary* | | | | | |
|---|-----------|-----------|-----------|---------------------------|-----------------------------|
| | 2014 (a) | 2015 (e) | 2016 (f) | 2015-2016 Level Change | 2015-2016 Percent Change |
| Total Nonfarm | 1,392,550 | 1,404,869 | 1,424,827 | 19,958 | 1.4% |
| Production Sectors | 232,663 | 233,340 | 236,164 | 2,825 | 1.2% |
| Trade, Transportation & Utilities | 263,744 | 266,064 | 268,112 | 2,048 | 0.8% |
| Service Sectors | 639,381 | 648,983 | 663,532 | 14,549 | 2.2% |
| Government | 256,762 | 256,483 | 257,019 | 536 | 0.2% |
| *Annual values are derived from average quarterly observations and projections. | | | | | |

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

• The production sectors are forecast to expand 1.2 percent in Kansas, adding 2,825 jobs in 2016. The natural resources and construction sector is expected to have the strongest growth, at 2.4 percent.

- The trade, transportation and utilities sector is expected to grow 0.8 percent, adding over 2,000 new jobs. Wholesale trade is projected be the fastest growing subsector, adding 700 jobs for 1.1 percent growth.
- The service sectors are anticipated to have the strongest growth in 2016, adding 14,549 new jobs while growing 2.2 percent. The professional and business services sector is expected to lead service sector growth with 3.5 percent growth, adding almost 6,000 jobs. Education and health services are also anticipated to have strong growth, adding over 4,700 jobs.
- The government sector is projected to increase 0.2 percent, adding 536 new jobs in 2016. The federal and state government sectors are forecast to decline slightly in employment, while the local government sector is anticipated experience a small amount of growth statewide.

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