



WICHITA STATE
UNIVERSITY

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SCHOOL OF BUSINESS

Center for Economic Development
and Business Research

Wichita Employment: 2015 Year in Review

Nationally, 2015 was a year of continued economic growth. The United States real GDP grew by 2 percent in the third quarter of 2015, after growing 3.9 percent in the second quarter. Employment grew 1.8 percent through the first eleven months of 2015.

Wichita area employment grew somewhat slower than expected in 2015, in large part due to declines in government employment. Through the first eleven months of 2015, Wichita averaged an increase of 1,504 jobs over the previous year. In January 2015, the Center for Economic Development and Business Research (CEDBR) released its 2015 employment forecast for Wichita, predicting that 2,472 jobs would be added to the Wichita economy throughout 2015. While private employment growth exceeded expectations, Wichita’s overall employment growth in 2015 has not reached the forecasted levels of growth, due to the sharp decline in government employment throughout 2015. CEDBR’s 2016 employment forecasts for Wichita and Kansas are available online at www.cedbr.org.

Wichita MSA Employment by Industry Summary*				
	2014	2015 (to Nov)	2014-2015 Level Change	2014-2015 Forecasted Change
Total Nonfarm	292,553	294,057	1,504	2,472
Production Sectors	68,567	69,384	817	523
Trade, Transportation & Utilities	51,485	51,560	75	186
Service Sectors	132,243	134,092	2,216	2,158
Government	40,121	38,884	-1,237	-395

*Annual values are derived from average seasonally adjusted monthly observations.
 “2014-2015 Forecasted Change” based on CEDBR October 2015 forecast.

- **Production sectors:** The production sectors (natural resources, construction, and manufacturing) have gained over 800 jobs through the first 11 months of 2015, stronger than CEDBR originally forecasted. These gains have been primarily concentrated in natural resources and construction sectors, while manufacturing has remained relatively flat, with small positive job gains in this period.

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According to the 2016 housing forecast from Wichita State University's Center for Real Estate, home building permits and home sales are expected to remain at high levels throughout 2015 and 2016, which should lead to continued growth in the construction sector.

- **Trade, Transportation & Utilities:** These sectors have experienced small growth in 2015 to date, adding a total of 75 jobs. The retail trade sector has declined by approximately 300 jobs, while the wholesale trade and transportation sectors have added close to 200 jobs each.
- **Service Sectors:** The service sectors accounted for the bulk of the job growth in Wichita in 2015 to date, as has been the trend in the recent past. The leisure and hospitality sector and the education and health care sector both have posted strong job gains throughout 2015, each gaining approximately 900 jobs. Professional and business services has seen weaker job gains than in recent years but still added 170 jobs. Overall, the growth to date in 2015 has met forecasted expectations.
- **Government:** Employment in government contracted in the first eleven months of 2015 by 1,237 jobs, substantially exceeding CEDBR's expectation of 395 jobs lost. These job losses were mainly in the local government sector, which lost 980 jobs to date in 2015. The state and local government sectors each saw a decline of over 100 jobs as well.

Data & Methodology

The data used for this study were collected by the U.S. Bureau of Labor Statistics (BLS) Current Employment Statistics (CES) program, which surveys businesses and government agencies to construct estimates of employment in regions throughout the United States. CEDBR's Wichita employment forecast is estimated based on the CES data.