

## 2022 Kansas Employment Forecast

In 2021, overall state-level unemployment was estimated to have fallen dramatically from 6.2% to 4%. 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 Delta and Omicron variants continue to place strain on the population, workforce, and economy through surges in infection rates. Still, this strain is dampened by continually increasing access to and availability of vaccines and treatments, and the outlook appears increasingly optimistic.

Kansas				
Year	Labor Force	Employed	Unemployed	Unemployment Rate
2020(a)	1,497,003	1,408,995	88,008	6.2%
2021(e)	1,509,099	1,450,559	58,540	4.0%
2022(f)	1,508,373	1,461,089	47,284	3.2%
2023(f)	1,517,080	1,472,742	44,338	3.0%

(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 10,000 jobs. Solid growth is forecasted for 2022 and 2023, where the respective addition of 5,000 (1.6%) and 4,000 (0.8%) jobs are expected. The largest component of Kansas' labor market, the service sector, grew by 1.2% in 2021, adding 8,000 jobs, and is expected to continue growing through 2023, making a net addition of 18,000 jobs since 2020.

The most significant component of job growth in the service sector comes from leisure and hospitality occupations, which have rebounded dramatically in 2021 (6.4% 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 8% relative to 2020, and are forecasted to continue growth, even after adjusting for inflation. As a result, retail sales in 2022 and 2023 are both expected to exceed \$4 billion.

Kansas Inflation-Adjusted Taxable Retail Sales		
Year	Sales(\$Billions)*	Growth Rate
2019(a)	3.578	
2020(a)	3.529	-1.4%
2021(e)	3.898	8.0%
2022(f)	4.158	3.7%
2023(f)	4.261	0.9%

\*Annual values, in billions, are derived from monthly observations and projections.  
(a) actual (e) estimated (f) forecasted  
Source: CEDBR, KSDOR

In the production sector, growth was less impressive in 2021, where it lost 500 jobs. However, this trend is forecasted to reverse in 2022 and 2023, adding 3,000 jobs and another 2,700. Similarly, the government sector lost 850 jobs in 2021 but is expected to recover somewhat in 2022 with 0.6% growth. In 2023, government is estimated to grow by 0.1%, netting an increase of 850 jobs since 2020.

Kansas Employment by Industry*							
	2020 (a)	2021 (e)	2022 (f)	2023 (f)	2021	2022	2023
<b>Production</b>	<b>149,433</b>	<b>148,936</b>	<b>151,716</b>	<b>153,437</b>	<b>-0.3%</b>	<b>1.9%</b>	<b>1.1%</b>
Nat. Resources, Mining & Cons.	69,217	69,728	70,176	70,707	0.7%	0.6%	0.8%
Durables	58,625	57,484	59,484	60,314	-1.9%	3.5%	1.4%
Non-Durables	21,592	21,724	22,056	22,416	0.6%	1.5%	1.6%
<b>Trade</b>	<b>260,242</b>	<b>270,504</b>	<b>274,956</b>	<b>277,079</b>	<b>3.9%</b>	<b>1.6%</b>	<b>0.8%</b>
<b>Services</b>	<b>619,633</b>	<b>627,342</b>	<b>633,464</b>	<b>637,052</b>	<b>1.2%</b>	<b>1.0%</b>	<b>0.6%</b>
Information	16,942	16,495	16,069	15,399	-2.6%	-2.6%	-4.2%
Financial Activities	77,042	75,040	75,194	75,279	-2.6%	0.2%	0.1%
Professional & Business Services	168,967	172,539	173,456	174,740	2.1%	0.5%	0.7%
Education & Health Services	197,950	197,380	198,394	199,616	-0.3%	0.5%	0.6%
Leisure & Hospitality	110,242	117,329	121,823	123,498	6.4%	3.8%	1.4%
Other	48,492	48,559	48,527	48,520	0.1%	-0.1%	0.0%
<b>Government</b>	<b>250,967</b>	<b>250,122</b>	<b>251,536</b>	<b>251,736</b>	<b>-0.3%</b>	<b>0.6%</b>	<b>0.1%</b>
<b>Total</b>	<b>1,280,275</b>	<b>1,296,904</b>	<b>1,311,672</b>	<b>1,319,303</b>	<b>1.3%</b>	<b>1.1%</b>	<b>0.6%</b>

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

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

Source: CEDBR, BLS - CES