



2019 Kansas Employment Forecast

May 2019

Employment grew in almost all sectors across the Kansas economy in 2018, leading to total nonfarm employment growth of 0.9 percent. This was a sizable improvement in employment compared to the near-zero employment growth statewide in 2016 and 2017. In 2018, the Kansas economy added more new jobs than in the previous three years combined. Kansas' unemployment rate continued its eight year decline in 2018, reaching 3.4 percent, its lowest level since 1999. Initial unemployment insurance claims in Kansas reached their lowest level in more than 30 years in 2018, another sign of a tight labor market and growing economy. Nationally, the unemployment rate also continued its decline in 2018 to 3.9 percent.

In Kansas, the economy is expected to add more than 12,000 new jobs in 2019 as employment grows by 0.9 percent. The production and service sectors are forecast to lead growth, while growth in the trade transportation and utilities sector and government sector are projected to be more modest.

- The production sectors grew strongly after three years of employment declines in Kansas, adding 4,400 new jobs in 2018. Growth is projected to continue into 2019 with 1.2 percent growth and approximately 2,900 new jobs added. Both the construction sector and the manufacturing sector are expected to continue robust growth in 2019. Manufacturing is projected to add more than 2,200 new jobs, while the construction sector is forecast to add more than 600. Both sectors had struggled in recent years, with job declines in each in 2015 and 2016.
- Employment in the trade, transportation and utilities sector is forecast to expand by 0.5 percent in 2019, adding more than 1,300 jobs. Much of recent growth in the sector has been concentrated in the transportation and warehousing sector, which grew by more than 3,000 jobs in 2018. Retail trade employment declined each of the past two years in Kansas, while employment in wholesale trade has remained relatively flat. In 2019, employment is expected to grow robustly in the transportation sector, grow modestly in the wholesale trade sector, and decline in retail trade sector in Kansas.
- Service sector employment is projected to increase 1.1 percent, which would almost 7,000 new jobs to the Kansas economy. Employment in every service sector in Kansas is projected to grow in 2019, except the information sector, which is expected to experience its twelfth consecutive

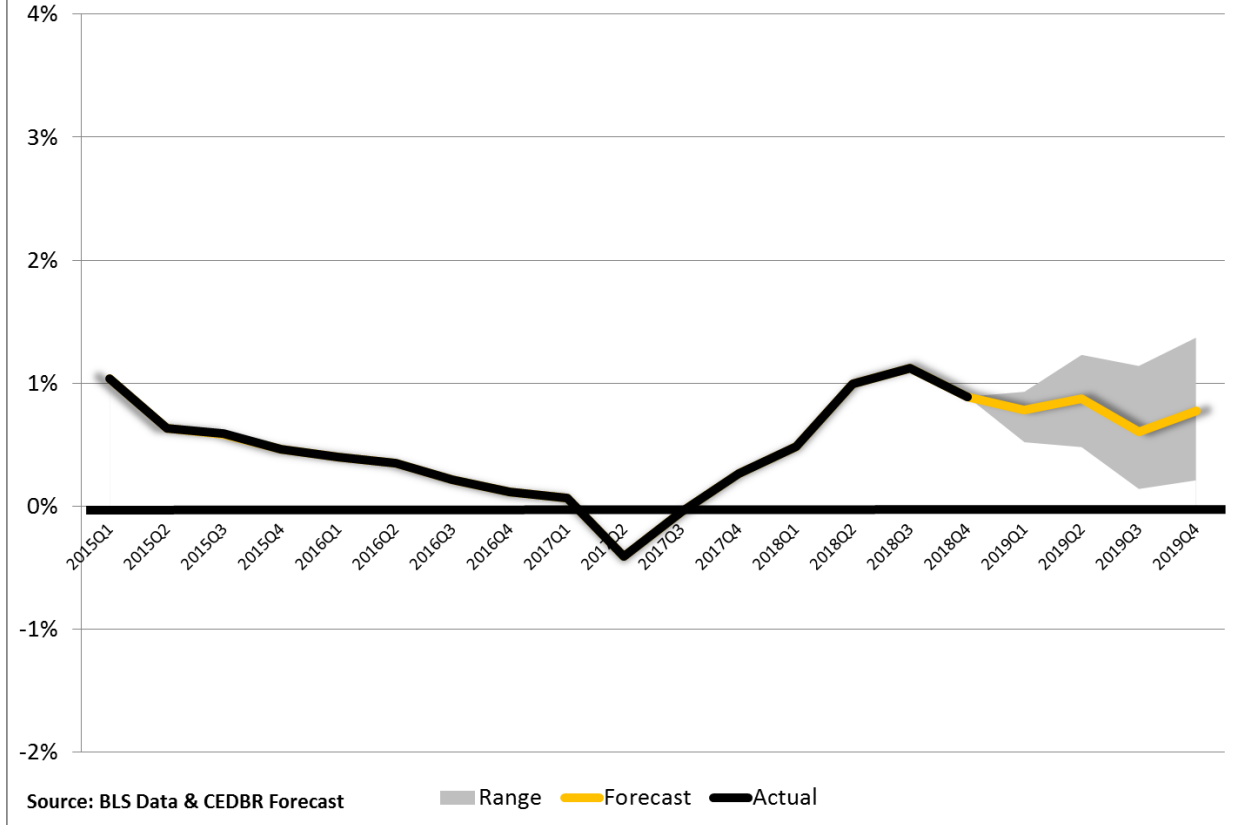
year of employment declines. The three fastest growing service sectors are projected to be professional and business services, education and health care services, and leisure and hospitality, each of which are forecast to add between 1,700 and 3,000 new jobs.

- Government sector employment is projected to increase 0.3 percent in 2019, following an increase of 0.8 percent in 2018. The fastest growth is expected to be in the local government sector, which comprises approximately 70 percent of statewide government employment. Both state and federal government employment are forecast to increase by fewer than 100 jobs.

Nationally, real GDP grew 2.9 percent in 2018, with the fastest growth in private investment, which grew 5.9 percent, and personal goods consumption, which grew 3.7 percent. National employment increased by 1.7 percent in 2018, following 1.6 percent growth in 2017.

Kansas Employment by Industry Summary*				2018-2019 Level Change	2018-2019 Percent Change
	2017 (a)	2018 (e)	2019 (f)		
Total Nonfarm	1,403,584	1,415,833	1,427,879	12,046	0.9%
Production Sectors	228,490	232,914	235,816	2,902	1.2%
Trade, Transportation & Utilities	267,248	268,715	270,053	1,338	0.5%
Service Sectors	651,699	655,832	662,793	6,961	1.1%
Government	256,146	258,373	259,217	844	0.3%
*Annual values are derived from average quarterly observations and projections. (a) actual (e) estimated (f) forecasted Source: Bureau of Labor Statistics data & Wichita State University CEDBR forecast					

Kansas Total Nonfarm Employment Growth



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