



2020 Topeka Employment Forecast

October 2019

The Topeka metropolitan area's¹ total nonfarm employment grew by 0.3 percent in 2018, adding 300 jobs after the local economy contracted by 800 jobs in 2017. This was a return to the area's 2011 to 2016 growth pattern, as the area averaged slightly more than 300 jobs annually in that period. The goods producing sectors were the fastest growing in 2018, with the manufacturing sector leading the way with approximately 300 jobs. Unemployment continued its decline in the area for its eighth consecutive year, declining to 3.5 percent, its second-lowest recorded value for the area since 1990.

Growth is expected to continue in 2019, adding more than 1,000 jobs, primarily concentrated in the education and health services sector. For 2020, employment is forecast to grow 0.3 percent for the area, with a projected range between 0.6 percent growth and a 0.3 percent decline. The lower-bound range reflects the risk for the local economy due to potential national recessionary concerns.

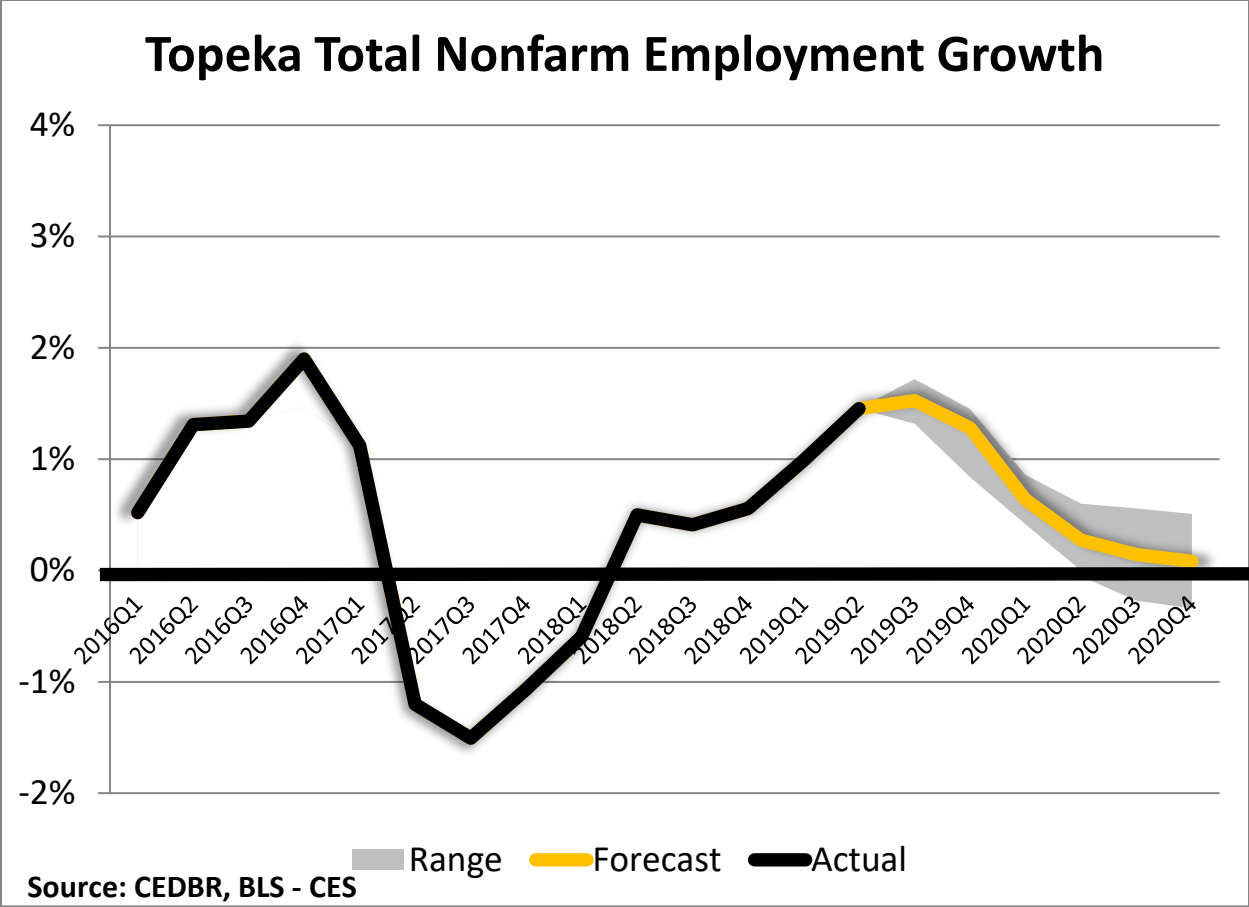
- The production sectors are projected to grow more modestly in 2020, with both the natural resources and construction sector and the manufacturing sector expanding by fewer than 100 workers. Topeka's manufacturing sector was one of the fastest growing sectors for the area in 2017 and 2018, averaging 3.5 percent growth each year. However, that growth is projected to slow as uncertainty increases in the current business climate.
- Trade, transportation, and utilities sector employment is projected to decline 0.4 percent in 2020, a loss of fewer than 100 jobs. The sector experienced job losses each year from 2015 to 2018 in retail trade as inflation-adjusted taxable retail sales declined, losing 500 jobs in the four-year period. That trend is expected to continue into 2019 and 2020, with job losses slowing as retail sales decline at a slower rate.
- The service sector is projected to create almost all of the net new job growth in the Topeka area in 2020, adding more than 300 new jobs. The jobs are expected to be concentrated in the professional and business services sector and the education and health care sector, each of which are projected to add more than 100 jobs. The education and health care sector is also projected to grow sharply in 2019, as it has already added 400 new jobs to the sector, year over year, as of June 2019.

¹ The Topeka metropolitan area consists of Jackson, Jefferson, Osage, Shawnee, and Wabaunsee counties in Kansas.

- Employment in the governmental sector is forecast to remain relatively flat in 2020, declining by fewer than 100 jobs. The local government sector is expected to add fewer than 100 jobs, while the state and federal government sectors are projected to decline by fewer than 100 jobs.

Nationally, real GDP grew 2 percent in the second quarter of 2019. This was led by a 4.7 percent growth in consumption and 4.5 percent growth in government expenditures. Private investment declined by 6.1 percent on an annual basis, while exports also declined 5.8 percent.

Topeka Employment by Industry Summary*				2019-2020 Level Change	2019-2020 Percent Change
	2018 (a)	2019 (e)	2020 (f)		
Total Nonfarm	112,272	113,745	114,068	323	0.3%
Production Sectors	13,419	13,680	13,757	77	0.6%
Nat. Resources, Mining & Cons.	5,603	5,583	5,653	69	1.2%
Manufacturing	7,816	8,096	8,104	8	0.1%
Trade, Transportation & Utilities	17,225	17,352	17,285	-68	-0.4%
Service Sectors	55,020	55,931	56,294	363	0.6%
Government	26,608	26,782	26,733	-49	-0.2%
*Annual values are derived from average quarterly observations and projections. (a) actual (e) estimated (f) forecasted Source: CEDBR, BLS - CES					



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.