



2018 Wichita Employment Forecast

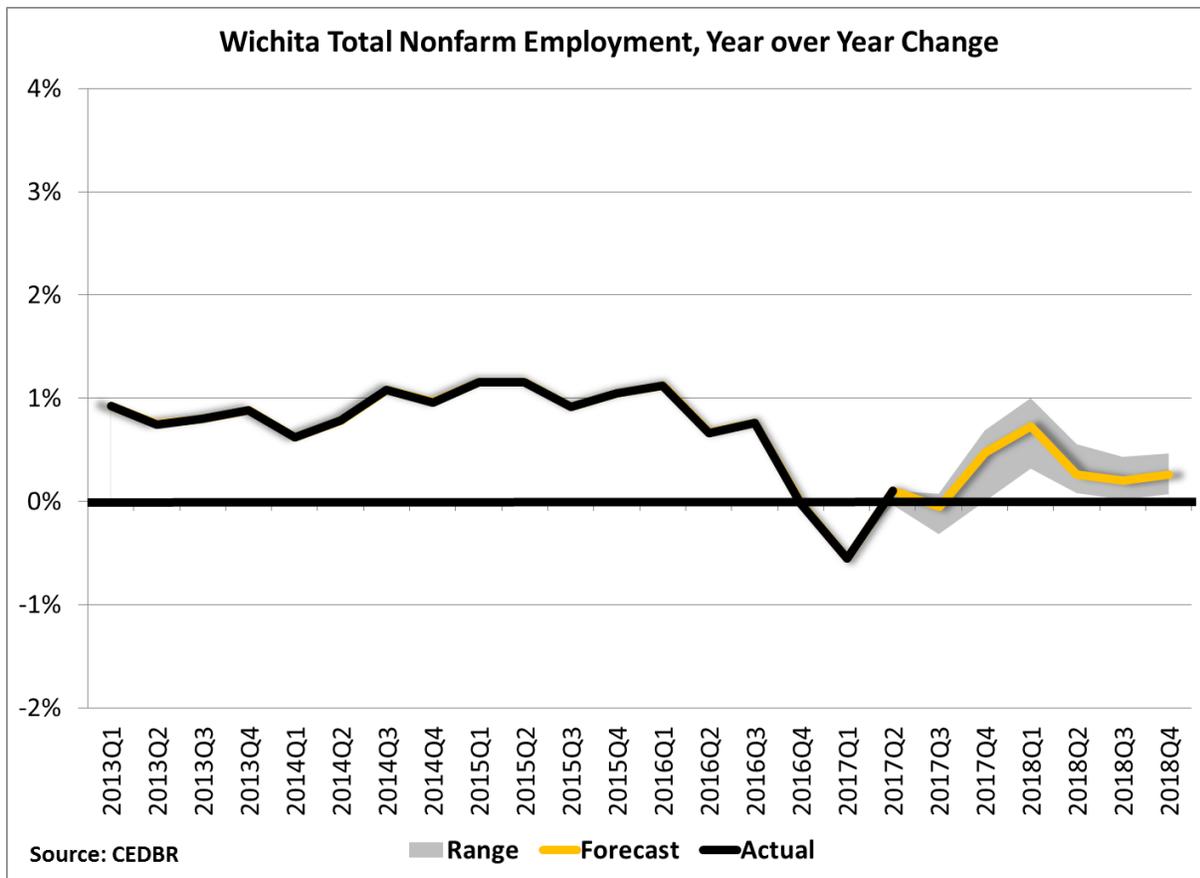
October 2017

In the last twelve months, employment in the Wichita metropolitan area has grown by 0.5 percent. In 2018, Wichita total nonfarm employment is forecast to increase by 1,065 jobs, growing 0.4 percent, with an expected growth range between 0.1 percent and 0.6 percent. This is expected to be modestly lower than Wichita's average employment growth rate over the last five years, which has been 0.8 percent.

- The production sectors are expected to remain relatively flat overall in 2018. The natural resources and construction sector is projected to add approximately 300 jobs, while the durable goods manufacturing sector is projected to decline by approximately the same amount. Although manufacturing employment has declined in recent years, the value of exports from the Wichita metro area have increased, a reflection of the changing use of labor in the manufacturing sector. Global protectionism in the coming year is a concern for downside risk in the manufacturing sector as well.
- The trade, transportation and utilities sector is forecasted to contract by 0.7 percent, with the largest losses in the retail trade sector. The transportation and utilities sector is projected to grow by approximately 200 jobs, while the retail trade sector is projected to contract by approximately 500 jobs. This decline likely reflects rebalancing due to slower economic growth and slower retail sales in the Wichita area, as inflation-adjusted taxable retail sales declined 0.3 percent from May 2016 to May 2017.
- The service sectors are forecasted to be the fastest growing portion of the Wichita area economy, with 1.3 percent growth. The education and health care sector is projected to lead growth with a 2 percent increase, while both the professional and business services sector and the leisure and hospitality sectors are projected to have employment increases greater than 1 percent.
- Government employment is expected to decline in 2017, contracting 0.7 percent. The decline is projected to be concentrated in the local government sector, which comprises the bulk of government employment in the Wichita area.

Wichita MSA Employment by Industry Summary*					2017-2018 Level Change	2017-2018 Percent Change
	2016 (a)	2017 (e)	2018 (f)			
Total Nonfarm	297,349	297,320	298,384	1,065	0.4%	
Production Sectors	68,189	67,511	67,448	-63	-0.1%	
Trade, Transportation & Utilities	52,308	50,976	50,628	-348	-0.7%	
Service Sectors	136,266	139,034	140,785	1,752	1.3%	
Government	40,585	39,799	39,524	-276	-0.7%	

*Annual values are derived from average quarterly observations and projections.
(a) actual (e) estimated (f) forecasted
Source: Wichita State University - CEDBR



Nationally, real GDP growth accelerated to 3 percent in the second quarter of 2017 after growing 1.2 percent in the first quarter of 2017. Private investment and personal consumption were the primary drivers of this growth. National employment increased by 1.5 percent nationally in the last twelve months.

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.