



2018 Kansas Employment Forecast

January 2018

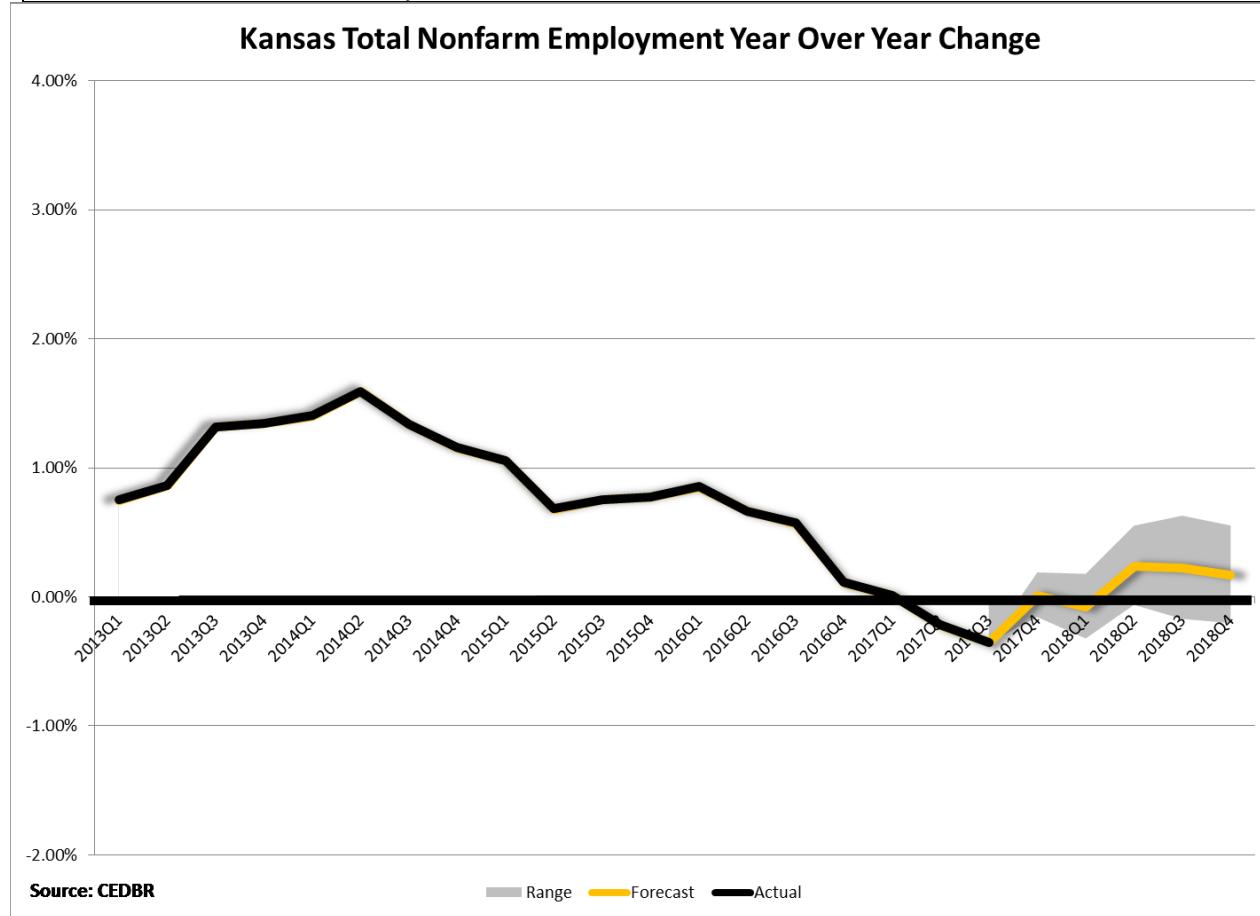
From October 2016 to October 2017, Kansas employment has declined by 0.4 percent, a decrease of approximately 5,200 jobs. In 2018, Kansas total nonfarm employment is projected to increase by 0.1 percent, adding approximately 2,000 jobs, with a range of expected growth between negative 0.2 percent and positive 0.5 percent. Growth is expected to be lower than Kansas' average employment growth rate over the last five years, which has been 1 percent.

- Employment in the production sectors are projected to increase by 0.1 percent in Kansas, adding over 250 jobs in 2018. While the construction sector is expected to expand by almost 500 jobs, the durable and non-durable manufacturing sectors are both projected to modestly decline by approximately 0.1 percent. Manufacturing employment has declined each year in Kansas since 2015 and remains over 25,000 jobs below the sector's peak in 2008.
- Trade, transportation and utilities sector employment is expected to grow 0.2 percent, adding approximately 500 new jobs. The wholesale trade sector and the transportation and utilities sector are projected to grow 1 percent and 1.6 percent, respectively. The retail trade sector, however, is projected to decline by 0.7 percent in 2018. This is a reflection of weak growth in retail sales in Kansas recently; from August 2016 to August 2017, inflation-adjusted taxable retail sales for the state declined by 1.7 percent.
- The service sectors are projected to have the strongest growth in Kansas in 2018, with 0.4 percent growth, adding approximately 2,600 jobs. The two fastest growing service sectors are forecast to be the professional business services sector and the education and health services sector, which are collectively expected to add about 3,300 jobs. The drivers for this growth are expected to be an aging population and broader national growth in the service industries. The information and other services sectors are collectively projected to lose 2,000 jobs.
- The government sector is expected to contract by approximately 1,400 jobs in 2018, declining 0.6 percent. Local, state and federal government employment are all projected to decline in Kansas, with the fastest decline at the federal level.
- The Topeka, Kansas City, and Wichita metropolitan areas are all expected to grow at rates faster than the state average in 2018, with a combined average growth rate of 0.9 percent. Excluding these three MSAs, the remainder of the state is forecast to experience an employment decline of approximately 1.1 percent, in part due to declines in some core sectors, such as mining and agriculture.

Nationally, real GDP growth increased to 3.3 percent in the third quarter of 2017 after growing 3.1 percent in the second quarter of 2017. Private investment and personal consumption were the primary drivers of this growth. National employment increased by 1.4 percent nationally in the last twelve months.

	Kansas Employment by Industry Summary*				2017-2018 Level Change	2017-2018 Percent Change
	2016 (a)	2017 (e)	2018 (f)			
	Total Nonfarm	1,409,931	1,408,009	1,410,022		
Production Sectors	228,439	226,796	227,065	269	2013	0.1%
Trade, Transportation & Utilities	266,929	267,462	267,999	538	2013	0.2%
Service Sectors	658,636	658,737	661,377	2,640	2013	0.4%
Government	255,927	255,016	253,581	-1,434	2013	-0.6%

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



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.