

2021 Topeka Employment Forecast

The Topeka metropolitan area's¹ employment decreased by 400 workers in 2019, a 0.4 percent decline. This was the area's third consecutive year without an increase in employment. Despite the employment decline, the unemployment rate continued to fall in the area, to 3.3 percent. In the second quarter of 2020, employment declined by 7,900 workers, a 7.1 percent decrease. The unemployment rate spiked in April 2020 to 11.7 percent, followed by a drop to 6.9 percent in July, which remains near the area's 2010 recessionary unemployment peak.

The economy began adding jobs back in May 2020, and this recovery is projected to continue at a slowing rate through the second half of 2020. The average employment for 2020 is projected to be 4.4 percent lower than the area's 2019 level. In 2021 the recovery is expected to continue to slow, with the area forecast to expand by 0.1 percent. If the national economy underperforms relative to expectations, it is likely that employment will decline, with a projected lower range contraction of 0.6 percent. A faster national recovery in the upper range of expectations would boost the expected Topeka area growth to 0.9 percent.

- The goods producing sectors are projected to remain flat after contracting by fewer than 500 jobs in 2020. The job losses, both in 2020 and 2021, are expected to be concentrated in the construction sector, which is expected to contract by 2.3 percent in 2021. The manufacturing sector, after remaining relatively flat in 2020, is forecast to gain more than 100 jobs and grow 1.3 percent.
- The trade, transportation, and utilities sector is expected to decline by fewer than 50 jobs in 2021 after projected losses of approximately 500 workers in 2020. The wholesale trade sector is forecasted to decrease by 2 percent, while the retail trade sector is expected to grow 0.3 percent after a 5.2 percent contraction in 2020. The transportation and utilities sector, which had grown strongly in 2018 and 2019 and was largely unaffected by the novel coronavirus outbreak, is expected to contract 0.5 percent in 2021.
- The service sector is projected to grow 1.2 percent after a 5.2 percent in 2020. The growth in services is forecast to be led by the leisure and hospitality sector, which is projected to expand 3.6 percent. The other services sector, which includes repair shops and personal care shops, is expected to grow 2.6 percent. The information sector is the only service sector projected to lose jobs, with a forecasted job loss of fewer than 100 jobs.
- Employment in the government sector is forecast to contract by 1.7 percent, a decline of more than 400 jobs. The local, state, and federal levels of government are each expected to contract by more than 100 jobs.

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

Topeka Employment by Industry Summary*

	2019 (a)	2020 (e)	2021 (f)	2020-2021 Level Change	2020- 2021 Percent Change
Total Nonfarm	111,565	106,684	106,832	148	0.1%
Production Sectors	13,416	12,937	12,927	-10	-0.1%
Nat. Resources, Mining & Cons.	5,392	4,928	4,817	-111	-2.3%
Manufacturing	8,024	8,009	8,110	101	1.3%
Trade, Transportation & Utilities	16,807	16,314	16,277	-37	-0.2%
Wholesale Trade	2,675	2,642	2,589	-53	-2.0%
Retail Trade	10,332	9,796	9,830	34	0.3%
Transportation & Utilities	3,800	3,876	3,858	-19	-0.5%
Service Sectors	54,633	51,802	52,421	619	1.2%
Information	1,333	1,285	1,199	-86	-6.7%
Financial Activities	7,692	7,577	7,633	56	0.7%
Professional & Business Services	12,952	12,578	12,731	153	1.2%
Education & Health Services	19,135	18,578	18,695	117	0.6%
Leisure & Hospitality	8,797	7,463	7,730	267	3.6%
Other Services	4,725	4,321	4,433	112	2.6%
Government	26,710	25,631	25,207	-424	-1.7%

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

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

Source: CEDBR, BLS - CES

