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2014 Kansas Employment Forecast

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Nationally, real GDP growth was 2.6 percent in the fourth quarter of 2013, which is moderately strong growth, though a slowdown from the previous quarter. Strong growth in personal consumption expenditures and net exports were the key contributors to this growth. Government purchases continued to decline in the fourth quarter, and may continue to do so throughout 2014. Employment increased by 1.7 percent nationally in 2013. In both Kansas and the Wichita metropolitan area, employment grew by 1.2 percent in 2013.

Kansas Employment Forecast

In 2014, employment in Kansas is forecast to grow at 1.6 percent, which is a slight improvement over 2013. Overall, there is a projected increase of more than 21,000 jobs in Kansas over the course of the year. With this growth, Kansas is forecast to exceed its pre-recession peak in total nonfarm employment.

Kansas Employment by Industry Summary*					
	2012 (a)	2013 (a)	2014 (f)	2013-2014 Level Change	2013-2014 Percent Change
Total Nonfarm	1,357,183	1,372,854	1,394,514	21,660	1.6%
Production Sectors	227,856	229,885	233,221	3,336	1.5%
Trade, Transportation & Utilities	257,256	260,374	263,668	3,294	1.3%
Service Sectors	613,544	625,350	639,601	14,251	2.3%
Government	258,526	257,245	258,024	779	0.3%

*Annual values are derived from average quarterly observations and projections.
(a) actual (f) forecasted

- Production sector growth is forecast to be focused largely in natural resources, mining and construction employment, which is projected to increase 5 percent. Manufacturing employment is anticipated to be flat in 2014, with growth in non-durable goods employment offset by job losses in durable goods.
- The trade, transportation and utilities sector is expected to grow by 1.3 percent in 2014, adding 3,294 jobs. Most of these jobs are projected to be added in wholesale trade and retail trade, with 2.3 percent and 1.1 percent growth, respectively. The transportation and utilities sector will have more muted growth at 0.5 percent, leading to the addition of 303 jobs.
- The service sectors are forecast to be the primary growth sectors in 2014. The professional and business services subsector is projected to have the strongest growth at 4.2 percent, leading to an addition of 6,746 jobs. The education and health services subsector is forecast to add 3,806 jobs, for 2 percent growth. The information, financial activities, and other services subsectors are also expected to have reasonably strong growth, with 2.5 percent, 2.1 percent, and 1.8 percent growth, respectively. Leisure and hospitality employment is projected to lag behind the other service sectors, with only 0.4 percent growth.
- The government sector is expected to add more than 700 jobs, growing 0.3 percent. The federal government sector is forecast to decline by more than 800 jobs, while the local government and state government sectors are forecast to grow by more than 1,500 jobs combined.
- Total aggregate wages in Kansas are forecast to grow by 2.4 percent in 2014, an increase of 0.8 percentage points over 2013's growth rate. Total manufacturing wages are forecast to grow by 1.7 percent, which is also an improvement over 2013.