

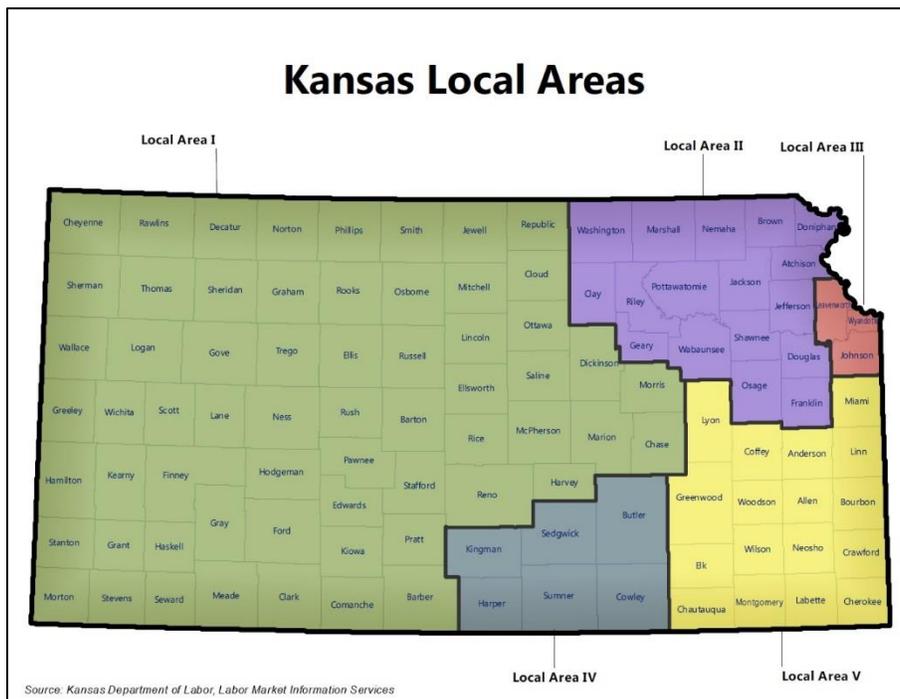
2019 Kansas Economic Report Summary

Every September, the Labor Market Information Systems (LMIS) division of the Kansas Department of Labor (KDOL) publishes the *Kansas Economic Report*. This report is funded by a grant provided by the U.S. Department of Labor's Employment and Training Administration (ETA). The publication of a statewide annual economic analysis report is required under the terms of this grant. According to ETA, the target audience of this report should be state policymakers, members of the state and local workforce development boards, and other people involved with workforce development.

The *Kansas Economic Report* contains data for the state of Kansas, each of the local workforce areas in Kansas, and for individual counties. There are five local workforce regions in Kansas:

- **Local Area I** which consists of 62 counties in north central and western Kansas.
- **Local Area II** which consists of 17 counties in northeast Kansas.
- **Local Area III** which consists of the three largest counties in the Kansas portion of the Kansas City Metropolitan Statistical Area.
- **Local Area IV** which consists of six counties in south central Kansas and containing most of the Wichita Metropolitan Statistical Area.
- **Local Area V** which consists of 17 counties in southeast Kansas.

A map of the local areas can be seen below:



The following data is included in the report:

- Population
- Labor force statistics, including the unemployment rate
- Jobs statistics
- Personal income and wage
- Unemployment Insurance statistics
- Job and Wage data by occupation
- Job vacancies
- Employment projections by industry and occupation
- A list of high demand occupations
- Statewide gross domestic product
- Statewide export sales

Table 1 below contains an overview of Kansas economic indicators for 2018:

Table 1 2018 Kansas Overview			
	2018 Value	Change From 2017	Percent Change From 2017
Population	2,911,505	816	0.0%
Labor Force	1,482,220	3,507	0.2%
Unemployment Rate	3.4%	-0.3	NA
Nonfarm Jobs	1,415,800	12,200	0.9%
Initial Claims	90,495	-22,691	-20.0%
Continued Claims	496,048	-86,912	-14.9%
Real Average Weekly Wage	\$896	\$11	1.2%
Per Capita Personal Income	\$50,155	\$1,555	3.2%
Real Gross Domestic Product	\$152,261,500,000	\$2,840,800,000	1.9%
Export Sales	\$11,586,747,077	\$342,577,668	3.0%

Source: KDOL Labor Market Information Services, Bureau of Economic Analysis, Bureau of Labor Statistics, International Trade Administration, and the U.S. Census Bureau

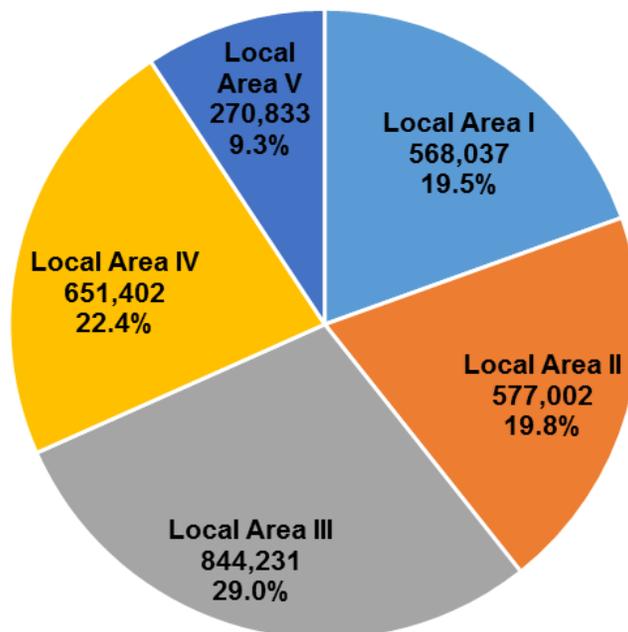
Statewide Data Summary

Population

Population estimates from the U.S. Census Bureau stated there were 2,911,505 residents in Kansas in 2018, a gain of 816 people. This is a result of approximately 37,000 births in Kansas and 25,000 deaths along with a loss of about 11,000 people as a result of net migration in and out of Kansas. *Chart 1* below displays the population in Kansas by Local Area in 2018.

**Chart 1
2018 Kansas Population by Local Area**

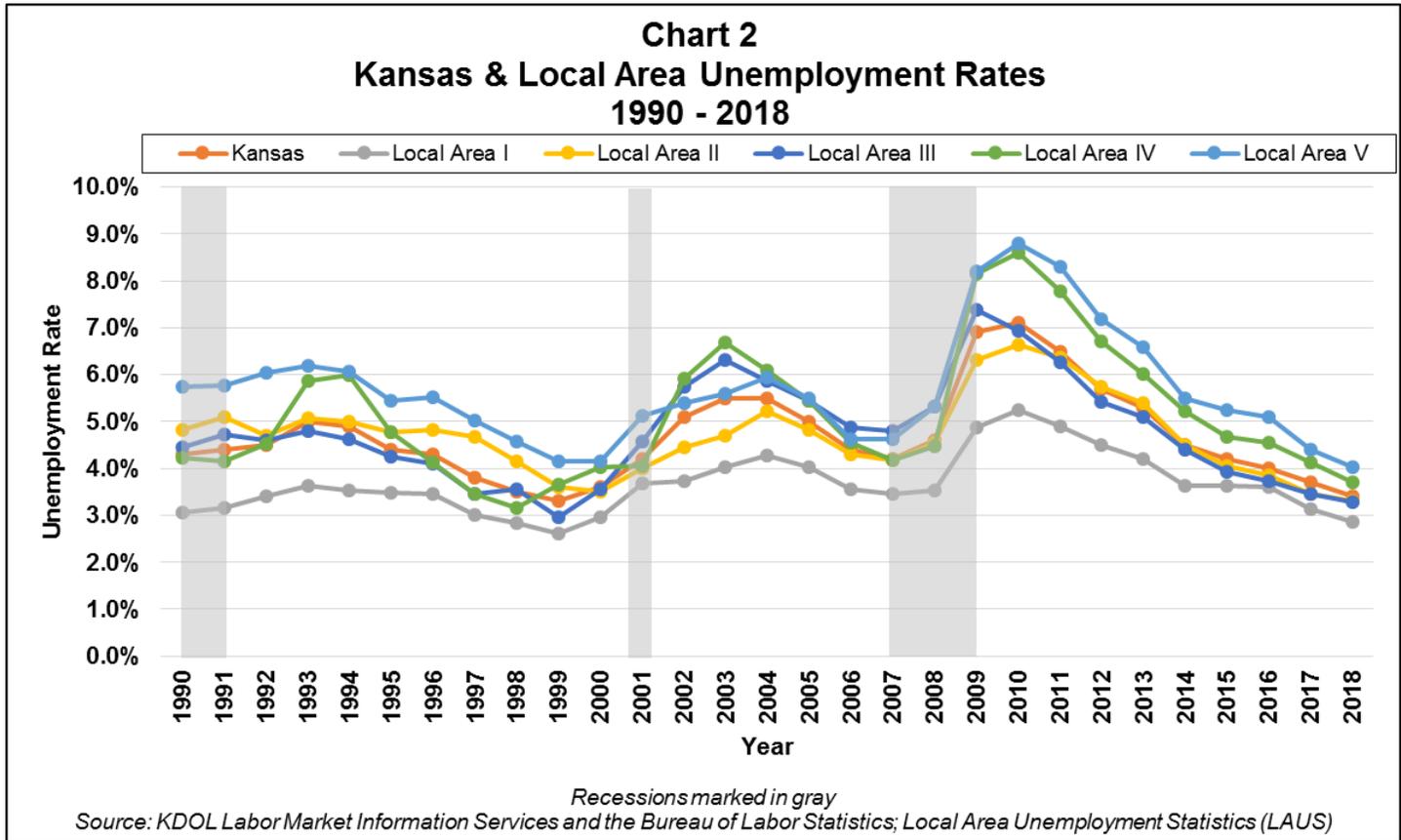
Kansas Population: 2,911,505



Source: U.S. Census Bureau, Population Estimates

Labor Force Statistics

In 2018, there were 1,482,220 people in the Kansas labor force, an increase of 0.2 percent. The labor force consisted of 1,432,387 employed Kansans, an increase of 0.5 percent from 2017 and a new all-time record, and 49,833 unemployed Kansans. The number of unemployed Kansans is a decrease of 7.7 percent from 2017 and the second lowest number of unemployed since 1980. The 2018 Kansas average annual unemployment rate was 3.4 percent. This is an improvement of 0.3 percentage points from 2017 and the fourth lowest annual unemployment rate ever recorded for Kansas. *Chart 2* below displays the statewide and local area unemployment rates from 1990 to 2018.



Jobs

There were 1,415,800 total nonfarm jobs in Kansas during 2018, including 1,157,500 private sector jobs. This represented an over-the-year increase of 12,200 nonfarm jobs and 10,100 private sector jobs. Nine of the major industries gained jobs over the year, with manufacturing adding 3,600 jobs, the most of any industry. The gains in manufacturing were spurred by growth in the aerospace product and parts manufacturing sector, which added 1,600 jobs. *Table 2* on the next page displays the number of jobs per industry in Kansas during 2017 and 2018 as well as the over the year change.

Table 2 Kansas Nonfarm Jobs by Industry 2017 & 2018				
Industry	2017	2018	Change	% Change
Total Nonfarm	1,403,600	1,415,800	12,200	0.9%
Total Private Sector	1,147,400	1,157,500	10,100	0.9%
Mining and Logging	6,700	6,800	100	1.5%
Construction	60,300	61,100	800	1.3%
Manufacturing	161,500	165,100	3,600	2.2%
Trade, Transportation and Utilities	267,300	268,700	1,400	0.5%
Information	19,300	18,700	-600	-3.1%
Financial Activities	77,900	77,100	-800	-1.0%
Professional and Business Services	178,300	180,000	1,700	1.0%
Education and Health Services	197,000	199,500	2,500	1.3%
Leisure and Hospitality	128,500	129,700	1,200	0.9%
Other Services	50,700	50,900	200	0.4%
Government	256,200	258,300	2,100	0.8%

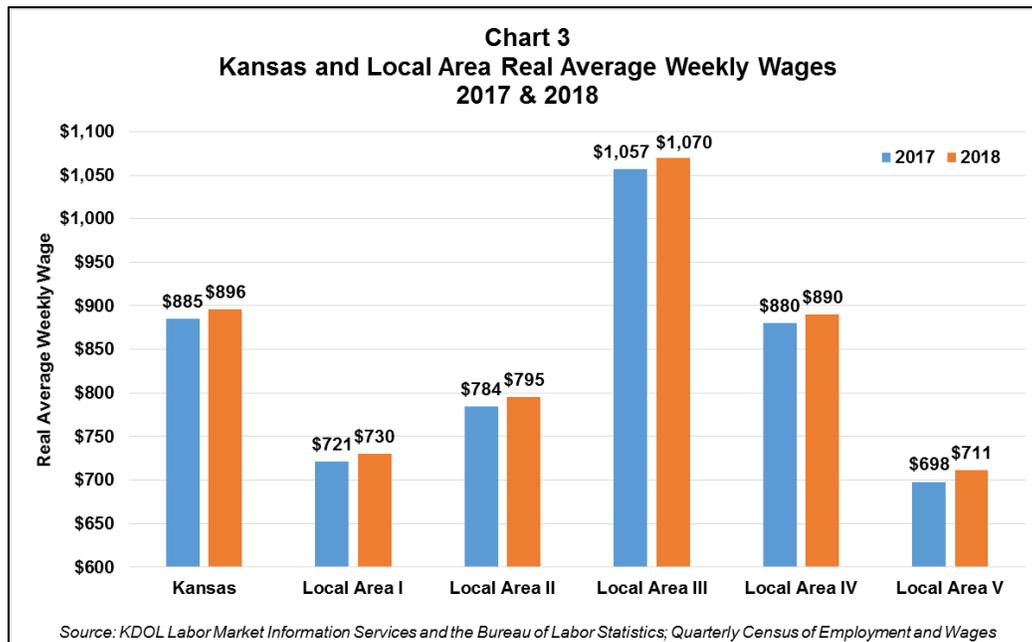
Note: Numbers may not add up due to rounding
Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Current Employment Statistics

Personal Income and Wages

In 2018, Kansas personal income was \$146 billion, a 3.2 percent increase from 2017. All components of personal income increased except for farm income, which decreased by 36.7 percent over the year and was at its lowest point since 2002. Per capita personal income, the average personal income per person, was \$50,155 in 2018.

Wages and salaries consisted of 48.8 percent of personal income in 2018. The average weekly wage in Kansas was \$896, an increase of 1.2 percent when adjusted for inflation. Real inflation adjusted wage growth was recorded in every major industry statewide. Financial activities recorded the highest average weekly wage of any industry at \$1,302. *Chart 3* below displays the real average weekly wages in 2017 and 2018 for Kansas and the local areas.

According to the 2019 *Kansas Wage Survey*, the median annual wage in Kansas was \$35,950. There were 219,120 jobs classified as office and administrative support, the most of any occupational group in Kansas. Seventeen of the top 20 highest paying occupations in the 2019 *Kansas Wage Survey* were either in the management or healthcare practitioners and technical occupational group. The highest paying occupation in Kansas was family and general practitioners with a median annual wage of \$203,275.



Job Demand

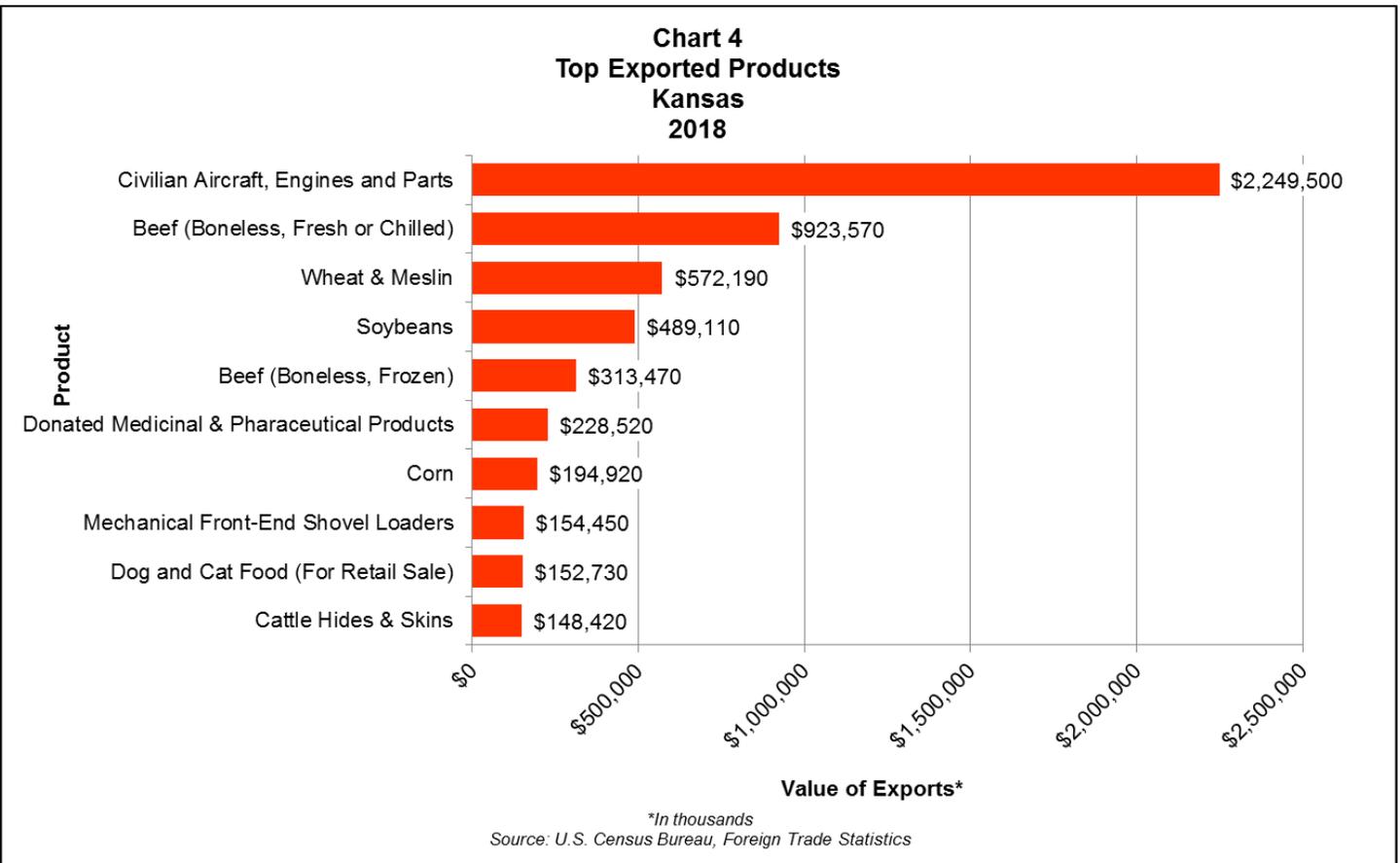
The Kansas Department of Labor conducts the annual *Kansas Job Vacancy Survey* to determine current levels of hiring demand by industry and occupation. Two year short-term employment projections and 10 year long-term employment projections are performed to calculate future demand for jobs. There were 56,022 job vacancies in spring 2019 according to the most recent *Kansas Job Vacancy Survey*. This means there were actually more job vacancies than unemployed people in Kansas.

According to employment projections, Kansas is expected to continue to gain jobs. A 0.8 percent annual growth rate is expected in the short-term, while the most recent long-term projection is for 0.4 percent growth per year. Health care and social assistance is the industry expected to add the most jobs in both sets of projections. Data from the *Kansas Job Vacancy Survey*, short-term projections, and long-term projections are used to determine the list of high demand occupations in Kansas. This list is updated annually and is available on the KDOL LMIS website.

Gross Domestic Product and Export Sales

According to estimates from the Bureau of Economic Analysis, real gross domestic product (GDP) in Kansas increased by 1.9 percent from 2017 to 2018 to \$152.3 billion. GDP measures the total economic output of a given area. GDP increased in 10 out of the 11 major industries, with declines in agriculture GDP causing the natural resources and mining GDP to decrease.

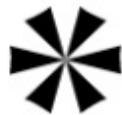
Kansas export sales totaled \$11.6 billion in 2018, a \$342.6 million increase from 2017. With \$2.2 billion in sales, civilian aircraft, engines and parts are the most exported product from Kansas, accounting for 19.4 percent of total export sales. As seen in *Chart 4* below, fresh boneless beef, wheat, soybeans, and frozen boneless beef were the other products in the top five of 2018 export sales. Mexico was the state's largest trading partner, importing over \$2.1 billion in Kansas products. Export sales to Canada and Japan also exceeded \$1 billion.





2019 Kansas Economic Report Summary

Kansas Local Areas



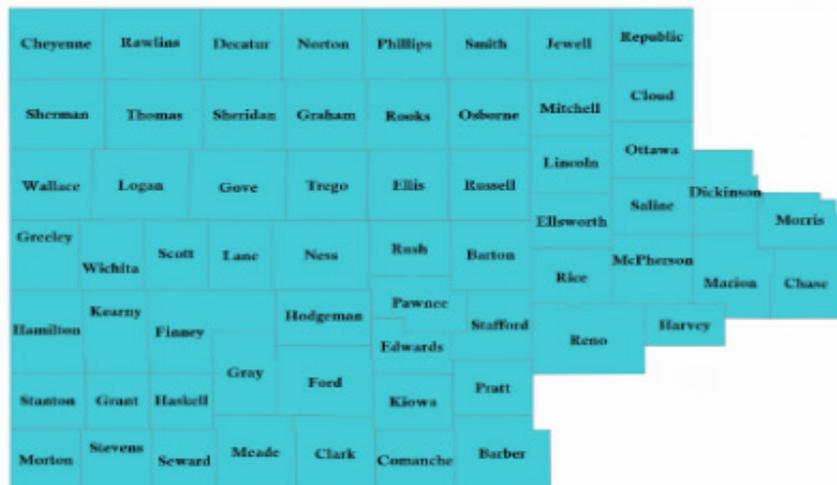
Local Areas Explained

Kansas is divided into five local workforce areas. This report will highlight some of the economic conditions of each of the local areas.



01.

Local Area Highlights



Local Area One:

Barber, Barton, Chase, Cheyenne, Clark, Cloud, Comanche, Decatur, Dickinson, Edwards, Ellis, Ellsworth, Finney, Ford, Gove, Graham, Grant, Gray, Greeley, Hamilton, Harvey, Haskell, Hodgeman, Jewell, Kearny, Kiowa, Lane, Lincoln, Logan, Marion, McPherson, Meade, Mitchell, Morris, Morton, Ness, Norton, Osborne, Ottawa, Pawnee, Phillips, Pratt, Rawlins, Reno, Republic, Rice, Rooks, Rush, Russell, Saline, Scott, Seward, Sheridan, Sherman, Smith, Stafford, Stanton, Stevens, Thomas, Trego, Wallace, & Wichita

- Population decreased from 2017 to 2018 by 4,417 people, or 0.8 percent, to 568,037
- The average unemployment rate in 2018 for Local Area I was 2.9 percent. This was 0.2 percentage points lower than 2017 and the third lowest unemployment rate ever recorded for Local Area I (only 1998 and 1999 had lower unemployment rates).
- The real average weekly wage increased from 2017 to 2018 by \$9 or 1.2 percent to \$730.
- The real average weekly wage increased in 10 out of 11 major industries with construction wages remaining unchanged over the year. Natural resources and mining recorded the largest increase in real average weekly wage (+\$25).
- There were 11,016 job vacancies during Spring 2019, the second most vacancies ever recorded in the spring in Local Area I.
- The median annual wage, as of May 2018, was \$32,741.

02.

Atchison,
Brown, Clay,
Doniphan,
Douglas,
Franklin,
Geary,
Jackson,
Jefferson,
Marshall,
Nemaha,
Osage,
Pottawatomie,
Riley,
Shawnee,
Wabaunsee, &
Washington



Local Area Two:

- There were 292,707 people in the labor force in 2018. The labor force grew by 312 people, or 0.1 percent, from 2017 to 2018. This was the first expansion of the labor force since 2014.
- The 2018 unemployment rate was 3.3 percent. This was 0.2 percentage points lower than 2017 and the lowest unemployment rate ever recorded for Local Area II.
- The median annual wage for Local Area II, in May 2018, was \$34,566.
- Local Area II recorded 246,745 total jobs in 2018 with 183,754 of the jobs being in the private sector. This was an increase of 559 jobs, or 0.2 percent, from 2017 to 2018.
- There was one unemployed person per vacancy during Spring 2019.
- 14 of the top 20 highest paying occupations in Local Area II were either management or healthcare practitioner and technical occupations. The highest paid occupation in Local Area II was psychiatrists, with a median annual wage of \$203,304.

03.

Local Area Three:

*Johnson, Leavenworth,
& Wyandotte*



- The 2018 unemployment rate was 3.3 percent. This was a 0.2 percentage point improvement from 2017 and the second lowest unemployment rate ever recorded for Local Area III (only 1999 was lower).
- Initial unemployment insurance claims decreased by 21.8 percent and continued claims decreased by 14.3 percent from 2017 to 2018. This was the ninth consecutive year continued claims has decreased.
- Registered nurses was the occupation with the most vacancies during Spring 2019, followed by retail salespersons, cashiers, restaurant cooks, and nursing assistants.
- There were 18,992 job vacancies during Spring 2019. This is a 14.2 percent increase from last year and the most vacancies ever recorded in the spring.
- There were 0.7 unemployed people per job vacancy during Spring 2019.
- The population increased by 6,602 people, or 0.8 percent, from 2017 to 2018 to 844,231.

04.

Local Area Four:

Butler, Cowley, Harper, Kingman, Sedgwick, & Sumner



- The labor force increased by 1,928 people, or 0.6 percent, from 2017 to 2018 to 312,219.
- The 2018 unemployment rate was 3.7 percent. This represented a 0.4 percentage point decrease and is tied for the third lowest unemployment rate ever recorded for Local Area IV (only 1997 and 1998 were lower).
- Job growth was recorded in eight of the 11 major industries during 2018. Manufacturing added the most jobs of any industry (+2,678). A majority of the manufacturing growth was in aerospace product and parts manufacturing, which grew by 1,649 jobs.
- Manufacturing was the highest paying industry during 2018 with an average weekly wage of \$1,334.
- Waiters and waitresses had the most vacancies of any occupation in Spring 2019, followed by food preparation workers, construction laborers, laborers and freight, stock and material movers hand, and retail salespersons.
- In May 2018, the median annual wage was \$35,360.

05.

Local Area Five:



Allen, Anderson, Bourbon, Chautauqua, Cherokee, Coffey, Crawford, Elk, Greenwood, Labette, Linn, Lyon, Miami, Montgomery, Neosho, Wilson, & Woodson

- The 2018 unemployment rate was 4.0 percent. This was an improvement of 0.4 percentage points from 2017 and the lowest unemployment rate ever recorded for Local Area V.
- There were 103,343 total jobs in 2018, including 77,005 private sector jobs. This is an increase of 364 total jobs, or 0.4 percent, and 333 private sector jobs, or 0.4 percent, from 2017 to 2018. This is the first job growth recorded in Local Area V since 2014.
- Job growth was recorded in six of the 11 major industries in Local Area V from 2017 to 2018. Manufacturing added the most jobs of any industry (+839).
- From 2017 to 2018, initial claims decreased by 7.2 percent and continued claims decreased by 14.9 percent in Local Area V. This is the third consecutive year initial claims have decreased and the ninth consecutive year continued claims have decreased.
- Registered nurses had the most vacancies of any occupation in Spring 2019, followed by waiters and waitresses, combined food preparation and serving workers, including fast food, general and operations managers, and heavy and tractor-trailer truck drivers.
- There were 1.1 unemployed people for every vacancy during Spring 2019.