FIELD HEARING: KANSAS CITY, KS: SILICON PRAIRIE: TECH, INNOVATION, AND A HIGH-SKILLED WORKFORCE IN THE HEARTLAND

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SILICON PRAIRIE: TECH, INNOVATION, AND A HIGH-SKILLED WORKFORCE IN THE HEARTLAND

TUESDAY, OCTOBER 8, 2019

HOUSE OF REPRESENTATIVES,
COMMITTEE ON SMALL BUSINESS,
Washington, DC.

The Committee met, pursuant to call, at 10:00 a.m., at Dr. Thomas R. Burke Technical Education Center, Kansas City Community College, 6565 State Ave., Kansas City, KS, Hon. Sharice Davids, presiding.

Present: Representatives Davids and Cleaver.

Chairwoman DAVIDS. Good morning. The Committee will come to order. Thank you all for joining us this morning and a special thanks to the witnesses for being here today. I would especially like to thank Congressman Emanuel Cleaver who represents Missouri's fifth congressional district and serves on the Financial Services and Homeland Security Committees. For those in attendance, I would like to share some background on the proceedings. This is a formal hearing of the House Committee on Small Business. Due to the format, there is not an opportunity for questions or public comments from the audience. I thank you for your attendance and interest in this issue.

Field hearings play an important role in the work our Committee does. Traveling to Washington D.C. and testifying before Congress presents numerous barriers in costs and time that can prevent some important voices from being heard. Field hearings serve to bring the work of the Committee closer to our districts and offer our communities the opportunity to share their views and issues on the matter. Since I was sworn in at the beginning of this year, one of my top priorities has been to support the growth of small businesses and entrepreneurship.

The nearly 30 million small firms in the U.S. represent 99.7 percent of all employers and generate two-thirds of all net new jobs, as we know how important it is to have a thriving Main Street and support small firms, especially in our district where the entrepreneurial spirit is baked into our DNA. On the Small Business Committee, I am working every day to reduce burdens for small firms, increase access to capital so that entrepreneurs can start and grow small businesses, and support policies that promote innovation.

In our last session we passed my bill out of the Committee, out of the Small Business Committee, that will reauthorize the Women's Business Centers for four years and increase the funding level

to $31.5 million for each of the next four years. Women's Business Centers are an important resource partner of the SBA and provide full range of counseling and training services for small businesses primarily owned by women.

The Kansas City WBC located in our district already serves over 600 clients annually through business trainings, workshops, counseling, and access to capital programs. With increased funding, the Kansas City Women's Business Center can expand their counseling and outreach across the large geographic region they serve. But that is not my only focus. I have also been working to improve other SBA programs such as the Small Business Innovation Research program, the SBIR, and the Small Business Technology Transfer program, STTR.

These programs provide awards to small businesses operating in high-tech and innovative fields for purposes of research and development with the goal of commercializing those new technologies. The work that WBCs are doing, and the SBIR and STTR program awards, are creating jobs and investments that will revitalize towns and cities across the country. For years, investors via private equity and venture capital assumed that the only place to start an innovative technology company was in a small number of coastal cities, but thanks to the affordability of places like our district, the availability of high speed internet, and the highly educated workforce that the Kansas City metro area has become known for, we are one of the best places in the country for tech startups. Our startup growth rate was the highest in the country in 2018, up 6.2 percent compared to last year. It is no wonder we are a leader in innovation.

According to the 2018 state of the Silicon Prairie Report, Kansas City received an A in cool jobs and STEM, led by a 29 percent in engineering, computer, and science jobs. We received an A in connectivity due to our advanced fiber networks as well. However, challenges remain. For over a year we have been experiencing a workforce shortage that has prevented many small businesses from expanding their operations. With a growing skills gap and increasing retirements from our aging population, small businesses are having a harder time than ever of attracting a high skilled workforce.

This problem emphasizes the importance of transforming the education process and requirements for future work in our country. On top of the national workforce shortage, our region's workforce has decreased since the great recession. So despite the friendly entrepreneurship climate and ecosystem we have cultivated and the attractive incentives that have brought tech to this area, it will be virtually impossible to reach our full potential when employers cannot find qualified workers.

Unfortunately, this workforce shortage disproportionately affects our small businesses who rely on employees with specialized skill sets to build and grow. When they are unable to fill those positions that require technical training or certification, their potential for growth is hindered. We need to do more at the local, State, and Federal level to close the skills gap and train the next generation of American workers.

The recent tech boom has opened the door to many blue-collar tech workers that don't need a four-year degree. There are thousands of mid-tech jobs in our region that are high-paying and provide quality benefits. Workers can enroll in apprenticeships, job training programs, and industry recognized credentials to prepare them for these roles. We also need to support on-the-job training and retraining programs that allow workers to keep their jobs and get skilled up while they learn.

Our schools, technical colleges and universities, must be part of the solution as well. From coding to technical training, partnerships between businesses, high schools, community colleges like the one we are in now, are changing the nature of education to align those skills with what is needed to build a 21st century ready workforce. While Kansas City is the best city in the world for start-up growth, we cannot reach our full potential without the skilled workforce to support the ideas and innovation that come from this district.

I am excited to have officials from the State and Federal levels to hear about programs and policies they are working on. SBA and our State Department, Departments of Commerce, and Labor are a natural fit to address some of the concerns as we move our region's economy forward, and I am extremely thankful to the small firms in different sectors of the economy that have joined us here today to talk about the challenges they are facing and the opportunities that lie ahead. I will just take a moment to explain how this is going to work.

First of all, I will introduce all of our witnesses and then each will be given some time to make an opening statement that summarizes their written testimony. We usually use a timer for this in D.C., but we will put that formality aside for today. It is usually a five-minute timer though.

[Laughter.]

And then, after the introductions, we will hear a statement from Congressman Cleaver. Our first witness is Mr. David Toland, the Secretary of Kansas' Department of Commerce. Since being appointed by Governor Kelly in January, Secretary Toland has overseen sweeping changes within the State's leading economic development agency. Under his leadership, the department is conducting a new economic strategic planning process for the State that will replace the 1986 Redwood-Krider Report. Prior to his appointment, he was a CEO of Thrive Allen County, a non-profit coalition that works to improve quality of life economic conditions in Allen County, Kansas.

He also worked as an appointee in Washington D.C. with Mayor Anthony Williams, holding key leadership positions in D.C.'s economic development and planning offices. Thank you for being here Secretary Toland. Our next witness is Ms. Delia Garcia, Secretary of Kansas' Department of Labor. She returned to Kansas after serving eight years in executive and senior leadership in the national organizations of Reflect Us, National Migrant Seasonal Head Start Association and the National Education Association in Washington D.C. In 2004, she was elected to the Kansas House of Representatives where she served six years and served on the Commerce and Labor Committee.

Ms. Garcia made history by becoming the first Latina and the youngest female ever to serve in the Kansas legislature when she was elected in 2004. She received her Master's degree in Political Science with an emphasis in Public Administration from Saint Mary's University in San Antonio, Texas and her Bachelor's of Arts from Wichita State University. Welcome, Secretary Garcia. Our third and final witness on the first panel is Mr. Thomas Salisbury, the Regional Administrator for Region 7 of the Small Business Administration. Before his appointment, he worked in Kansas City Missouri as a small business liaison for U.S. Senator Roy Blunt.

He spent most of his career working in the lending industry, most recently as Vice President and Manager of correspondent banking with UMB Bank. He received a Bachelor's of Science from the University of Missouri at Columbia in 1974 and attended the American Banking Association School of Banker Management.

Thank you for being here, Mr. Salisbury. In the interest of time, we are going to go ahead and start with Secretary Toland. You are now recognized.

STATEMENTS OF DAVID TOLAND, SECRETARY, KANSAS DEPARTMENT OF COMMERCE; DELIA GARCIA, SECRETARY, KANSAS DEPARTMENT OF LABOR; THOMAS SALISBURY, REGIONAL ADMINISTRATOR, REGION VII, SMALL BUSINESS ADMINISTRATION

STATEMENT OF DAVID TOLAND

Mr. TOLAND. Thank you and good morning Representative Davids, Representative Cleaver. It is a pleasure to be here today to testify about the state of innovation and technology in Kansas, both where we have been and where we have the potential to go as a State. To talk first about the State's early foray into the tech sector, it is important to talk about the 1986 Redwood-Krider report. In '86, the Kansas legislature and the State moved boldly on a bipartisan basis to establish new and innovative tools for economic growth. Their vision and action put Kansas on the map as a leader for advancing economic development efforts, including specifically in the areas of technology and innovation.

The Kansas Technology Enterprise Corporation, or K-Tech, was established in 1986 to stimulate the startup and advancement of technology companies in Kansas. K-Tech's investment portfolio leveraged public and private dollars to invest early stage capital, facilitate programs to train and develop entrepreneurs, and focus on innovations that prepare the next generation of jobs in the knowledge industry.

Drawing on those successes, the 2004 Kansas Economic Growth Act created the Kansas Bioscience Authority. At that time, the legislature and the Governor, again on a bipartisan basis, recognized another key opportunity. Pulling from the strength of our State's agricultural heritage, the KBA advanced solutions in agribusiness and helped Kansas establish and maintain the largest concentration of animal health companies in the world, which is now recognized as the heart of the Animal Health Corridor. By drawing from a world-class agricultural research institution in Kansas State and world-class medical programs at KU, researchers made break-

throughs in oncology, information technology, medical devices, and other important areas of human and animal health.

These investments played a huge role in securing a home for the national Bio and Agro Defense Facility, or NBADF, in Manhattan as well as securing the NCI Cancer Designation for KU Med Center. This work was truly ahead of its time and this bold vision left behind a legacy of innovation and collaboration across our State's economic development efforts. Kansas continues to benefit today from the foresight and the ambition of business and political leaders over the past 30 years, but I think we all know the economic environment has changed.

Nationally, tech growth, commerce, and innovation are moving at unprecedented rates and the job growth and economic impact associated with tech shows no signs of slowing down nationally. Now there are reasons to be optimistic about the future of tech and innovation in Kansas. Just yesterday the KC Tech Council released a comprehensive report on the current state of the region's tech industry. The median tech occupation wage in Kansas is higher than that of many other Midwest States, and tech has permeated the Kansas City Metro's employment base more than it has peer cities, with 9.2 percent of Kansas side of Kansas City workers employed in tech occupations compared to cities like Indianapolis which 7 percent, and Nashville at 6 percent.

In fact, Kansas City had the seventh highest net gain for tech talent labor among the largest tech markets in North America over the past five years. So that is great news. However, these positive developments are concentrated to only a few geographies in our State and so the bigger picture creates reason for concern. Once a leader in tech and innovation, Kansas has somewhat fallen behind in recent years as a whole. We have experienced a loss of both tech jobs and tech businesses in the State. In 2018, Kansas posted the second highest amount of tech job losses among all 50 States and posted a net loss of total tech businesses operating in the State compared to 2017.

Simply put, this is not acceptable. We have an obligation to the people of Kansas to understand what is driving this decline and to make the necessary corrections and adjustments to change the trajectory of tech and innovation in Kansas. Now, there are programs and incentives already in place that help address our State's challenges of attracting and retaining tech businesses and knowledge jobs. One example is the Angel Investor Tax Credit program, which encourages investment in small businesses. Eligibility for the program requires that a business demonstrate an innovative and proprietary technology which incentivizes tech startups in Kansas.

We have also implemented unique workforce development programs such as Workforce AID which is workforce aligned with industry demand. Workforce AID brings together stakeholders from Government, business, and higher ed to address very specific workforce needs with targeted job training, certification programs, and paths to employment at Kansas businesses. And last month we made an important addition to our executive team at commerce in hiring Trent Armbrust as our new Director of Strategy for Technology and Bioscience.

This is a new position and it is critical to ensuring that we rebuild relationships with private and public sector partners as Kansas seeks to help advance new technologies, support innovative research, create new jobs, and further advance its leadership across key tech and bioscience sectors. Our State universities are also engines of innovation and tech growth with institutions such as NBADF at K-State and the Bioscience and Technology Business Center, BTBC, at KU leading the way.

And earlier this year Governor Kelly announced that the Department of Commerce would undertake an initiative to research and analyze the Kansas economy and deliver and economic development blueprint for the State, one with innovative strategies for business recruitment and retention. Just yesterday we announced that work on the Kansas framework for growth has begun, kicking off the development of a comprehensive strategy to accelerate economic growth in our State. The Kansas framework for growth marks the first time since 1986 that the State of Kansas has taken a deep look at our economy and aligned our economic development tools with our State's strategic opportunities.

A very important component to this plan is a special focus on what it will take to grow the tech sector of our economy, including partnering with businesses and higher ed to address the development of a highly skilled workforce that can fill the knowledge jobs we have and those that we would like to recruit to our State. These are just a few of the steps Kansas has taken to begin regaining our position as a leader in tech and innovation but we do have a long road ahead. Technology is redefining our economy and our lives at a fundamental level and we must find ways to make Kansas more competitive, the future of our economy depends on it.

So I will close there and thank you for the opportunity to testify.

Chairwoman DAVIDS. Thank you, Secretary Toland. I promise not to bang on the mic again. Okay, would you mind turning your mic off? Okay, I think three mics on at one time is too many. This is all in the Congressional record.

[Laughter.]

I would ask that you please submit the KC Tech Council Report that you referenced in your testimony to the record because I think that it will be very informative.

Thank you. Secretary Garcia, you are now recognized.

STATEMENT OF DELIA GARCIA

Ms. GARCIA. Thank you, Congresswoman. Good morning, Congresswoman Davids and Congressman Cleaver. Thank you for this opportunity to testify. As you may know, I have grown up in a small business setting with my family owning a small business, the oldest in the State. So I very much value your work and legislation that you do in this Committee. Our Kansas Department of Labor actually has a lot to offer Kansas, whether you are an employer or an employee, a job seeker or a policy maker, an educational institution or an average Kansan, we provide assistance with unemployment insurance, wage claims, and workers compensation, and provide safety trainings across the State and permits for amusement rides operating in the State of Kansas.

One area that I really want to highlight today is our area a division of Labor Market Information Systems, also referred as LMIS. We collect data, aggregate and analyze this data, and serve as a resource for Kansas employment related data like job vacancies, wage and job growth or loss, unemployment insurance claims, and administers and analyzes the data of some of our Federal workforce development programs.

And recently, we shared a State of Labor Report around Labor Day and would like to also submit the final one to you if you would like. We just did highlights around Labor Day because we do an annual report every September 30th where we analyze all the aggregate data where we just have the state of laborers. And in that we highlighted for the first time publicly the different region areas because I wanted to make sure we did highlights focusing on rural and urban areas. The private sector grew by nearly 18,000 jobs over the past 12 months and real hourly earnings labor market continued to grow as well in the past year.

These numbers are good, but the news is the even though these numbers are good, we remain in a tight labor market like the rest of the country. So this is an opportune time to focus on areas where we could position Kansas as a leader in our country, and the data that I provided in my testimony shows the different data where we can highlight the areas of opportunity. One of them States that the 96 percent of the job openings projected will be from people exiting the labor force and transferring to a new occupation. But only 4 percent of the job openings will result from this industry growth.

Also what the table shows is employment projections show Kansas will have 17,900 annual openings and jobs that require post-secondary education less than a Bachelor's degree. This includes post-secondary non-degree award, some college, and Associate's degrees. Another area that the data will show is Master's degrees and Bachelor's degrees are projected to grow at the fastest rate of all educational groups.

And finally the median wage I would like to share of Kansas is $35,950. Most STEM jobs pay higher wages with typical wages above this value for 150 out of 158 STEM occupations with publishable wage data in Kansas. So out of the 150, 121 of these occupations pay above $50,000. Looking specifically at computer and mathematical occupations within STEM group, median wages range from $43,686 to $124,932. So partnering with some of our education partners and stakeholders is an area that we are going to want to go towards.

I also want to thank you all for the work that you did in passing RESEA, also known as the Reemployment Services and Eligibility Assessment, because when we do have people come into the workforce centers, some of the stuff we supply the data for is what I am just noting right now, the LMI data, that shows if I am a job seeker, where can I be looking? If I am a college student, where can I be looking? And I just wanted to end with a good example of some of the efforts to grow the tech sector here in Kansas. Just recently we met with one of our stakeholders and he shared his startup small business where it is a smart pavement with prefabricated, precast concrete sections of a road service that would enable cheaper and faster roads.

Another area that they are going to be working in is integrated roadways as smart pavement fiber, which is an optic sensing system that reports the position of vehicles in real time. So these are awesome examples of how we can grow this space and support. And I would be happy to answer any questions. Thank you.

Chairwoman DAVIDS. Thank you, Secretary Garcia. And we will look forward to you submitting the annual report to the Committee. Mr. Salisbury, you are now recognized.

STATEMENT OF THOMAS SALISBURY

Mr. SALISBURY. I want to make sure we do not get our microphones crossed here. Okay. Well, good morning. My name is Tom Salisbury and I am the Regional Administrator for Region 7 of the United States Small Business Administration or the SBA. I would certainly like to thank you, Representative Davids, and the U.S. House of Representatives Committee on Small Business for the opportunity to speak this morning on the SBA's role in assisting existing and aspiring businesses to achieve their American dream. And Congressman Cleaver, it is great to have you with us as well.

I would like to take just a moment to introduce the audience the District Director of the Kansas City office of the SBA, John Malcolm Richards, who sits behind me here. That office is responsible for the Western half of Missouri and an area of Eastern and Northeastern Kansas that does include the third Congressional district. This office works every day to inform, educate, assist, and counsel the business community, lenders, resource partners and investors, and entrepreneurs regarding the many services available through our relationship with the SBA.

Well, we all know that a small business owners' commitment, energy, and skill are clearly the heart of any new or existing business. Today's evolving business climate often prompts the owner to seek and benefit from outside help. This help can often be from Federal programs, many delivered through the SBA, as well as from State and local programs. The SBA was created in 1953 by then-President Dwight D. Eisenhower, a Kansan as you well know, to offer programs and assistance to an expanding small business community being created by returning veterans from two recent wars. Our mission is to encourage, council, and foster success among small businesses.

The SBA has a lengthy array of financial, technical assistance, and business development programs aimed at helping entrepreneurs start, grow, and expand their particular business. Additionally, the SBA plays a critical role in disaster recovery by assisting businesses, homeowners, and renters with direct financial assistance. I might highlight just some of the ways the SBA is engaged on the topics that are at hand today.

The SBA has a range of lending program designed for virtually anyone seeking financing to start, grow, or expand their business, from our Flagship 7(a) program, which produced loans totaling $288 million in Fiscal Year 2019, to our 504 program for larger projects, which made $45 million in loans in Fiscal Year 2019, all in the Kansas City District. Our Micro-loan Assistance program helps make smaller loans available to underserved communities

where capital is often tougher to access. These nonprofit micro lenders provide a much-needed service.

The SBA also operates the SBIC program. While the agency does not directly invest in small businesses through the SBIC program, we do provide funding to qualified investment management firms with expertise in certain sectors or industries including tech firms. There is a licensed SBIC located here in the third Congressional district and yet other SBICs from across the country invested $58 million in Kansas small businesses in 2018. Ensuring that these lending and financial products reach rural parts of the country is a top priority of the Administration.

Last year, the SBA and the USDA signed a memorandum of understanding to enhance collaboration between the agencies and increase access to capital. We are confident this partnership will help grow investment opportunities and boost economies in rural America. The SBA has a comprehensive array of programs for entrepreneurs and small businesses seeking help. This includes assistance to businesses you want to participate in Government contracting, or who are interested in exporting, or who need one-on-one counseling provided through SBA resource partners such as Women's Business Centers, as you have mentioned in your comments, Small Business Development Centers, and our score network of retired executives.

Some of these resource partners are actually represented here today. We also support veterans and returning service members through Veterans Outreach Centers and our Boots to Business programs. We simply could not do what we do as well as we do it without the help of these resource partners. They are critical to our mission. Specific to technology, I did want to highlight a research and development program that you have already mentioned that the SBA is heavily involved with across the country.

SBA monitors, supports, and establishes the policy guidance for the Small Business Innovation Research and the Small Business Technology Transfer programs—that is the SBIR and STTR programs that you mentioned. As part of SBA's outreach, SBA and the participating agencies travel around the country providing information to small business concerns on how to access these funds to support research, development, and commercialization of these innovative technologies. The SBIR Road Tour actually came through Kansas City a little earlier this year. The SBA is also aware of the workforce issue facing our country's small businesses.

I recall a visit our former Administrator Linda McMahon made to Kansas during her Ignite tour last year. She and I visited Fire Lake Construction, a woman-owned information technology based company based in Lenexa. Fire Lake is a growing small business that participates in the 8(a) program and performs work across the public and private sectors. During our roundtable conversation with that company, the workforce challenges that is facing the company and the region were discussed.

The SBA is a participant on the President's National Council for the American Worker. This is an effort to ensure American workers receive the training and skills needed to fill the job openings in our country. Part of it includes the Pledge to America's Workers, an initiative to commit to job opportunities and workforce training. To

date, the pledge has been signed by hundreds of companies in a bipartisan mix of 38 State Governors.

Of interest perhaps for this hearing, last week Google pledged to help train a quarter of a million workers for technology jobs as part of the Administration's pledge. Here in the metro area, I recently accompanied our Acting Administrator, Chris Pilkerton, on a visit to Geiger Concrete Company, which has multiple locations in the region and has committed through the pledge to adding 125 new jobs by 2022. With the United States enjoying a roaring economy and unemployment rates the lowest in over 50 years, optimism regarding business investment is soaring.

Prospective business owners are encouraged to take that big step and lenders are supportive. In addition to the efforts on workforce, the Administration has a number of initiatives designed to spur this growth. For example, the Tax Cuts and Jobs Act has proven to be a great initiative to encourage growth in the economy and to encourage investment.

Also, the newly negotiated USMC trade deal is very important to small business growth. It is the first trade agreement with a chapter dedicated to small business and includes important provisions for technology companies such as digital and IP trade protections. The SBA was at the table to represent small businesses while the USMC was being developed and I am very encouraged to see that Governor Kelly has urged support for that agreement.

Representative Davids, there has never been a better time to start a small business. I am honored to be a part of a great agency like the SBA and to work alongside dedicated public servants and job creators. As we like to say at the SBA, we power the American dream. I would like to thank you and the Committee for your support of our efforts and for hosting this important hearing today. Thank you very much.

Chairwoman DAVIDS. Thank you, Mr. Salisbury. So I will begin by recognizing the gentleman from Missouri, Congressman Cleaver for questions.

Mr. CLEAVER. Thank you, Madam Chair. And first of all, I would like to thank you for your visionary leadership in calling this meeting together and the reason is of course, you know, a field hearing is legally the same thing as holding a hearing in Washington D.C. in a Congressional hearing room. And I am hoping that this can not only continue but that it can grow, and the reason is every year Silicon Valley sends out invitations to individuals who are interested in small business and minorities who are interested in getting into this whole new field, and maybe 150 to 200 people are there and it is continuing to explode and explode and explode.

Last summer, I spent one day in Fort Worth, Texas with a FinTech company. The CEO was 12, I think the CEO was 9, they were all 7 and 8 year old billionaires working. They were all day in shorts and shoes without socks and so forth and you know, I just stood there and watched them, and this is exploding all over the country.

And what better spot I think for these companies to locate, right here in the Midwest, and if we can paint the picture to fit the reality that we have in the workforce, I think we are in a good spot.

We are within 500 miles of the geographical and population centers of the country. It is not like somebody can beat us out.

I mean this is the way it is, and the digital technologies are transforming the whole U.S. economy and the financial landscape. And we can do it. Bitcoins, cryptocurrency. I was telling my wife last night, I was lethargic from, I just got back into the country, so I am kind of not together so I would only do this for your Congresswoman.

[Laughter.]

But the reality is that in a few years, and I am not saying a decade, we are going to have so much business being transformed with money people do not see. I mean a homeless guy that stopped me and another member of Congress in Washington last weekend, weekend before last, and we were at Harris Teeter which is a grocery chain.

And I said to him and I was not joking, I said to the guy asking me for money, I said, you need one of those little credit card things, you know, so you can slide the credit card over and give you a dollar to because—and I opened up my wallet showed him I didn't have a single dollar in there. And my colleague had two dollars. He showed him. So I mean the world is changing and we ought to take full advantage of it and we got to have a workforce.

My final statement and then a question to the Secretary. The research division of USDA is moving to our community. I met with the employees of them and found out a couple of things. One, you know, the research division is not moving to our community, the framework of a research division—most of the people did not want to come. I won't get into the why, it is not pretty and something that is not flattering for our community, but they are not going to come. When we started pursuing the USDA research division, they had almost 700 employees.

Now my understanding is they may bring less than 100 into the community. These are high paying jobs. If you are inside the Federal Government, you are not going to ever get rich working for the Federal Government, but you know, you can have a good job and do a lot of fabulous work.

So I mean, I keep thinking, I hope we have the workforce for USDA to get a lot of those people who are coming into town. And I am wondering, Madam Secretary, do you think that our region understands the significance of what is taking place with this transformation of our economy and whether or not we are equipped to provide the workforce that will be demanded in the present and certainly in the future?

Ms. GARCIA. Thank you, Congressman. That is what our job is, is to make sure that we do share that information, which is why I wanted to note what we do with our labor market because a lot of people don't know that we even provide that information. And we work closely with the Department of Commerce on workforce issues.

We are one of the one-stop shops, but as you referenced earlier, we recently went to a workforce conference a couple weeks ago where they talked about the Industrial Revolutions in 1940 the car, in 1970 the computer, in 2000 the internet, in 2030 if we are not ready on both ends, because it will be the first time that we have

more robots doing things so if we have to then invest and really hone in on the STEM areas but also on the workforce places that will actually—I don't want to go to a doctor and have a robot talk to me. I want somebody who is going to have those power skills, also referred to as soft skills.

So really putting our resources and working with stakeholders is going to be our job to be making sure that if the information is out there because also it is important to note too that we have in our LMI, we have a lot of the Baby Boomers who are we going to be retiring in these next few years. And the good thing, the rich asset we have here in Kansas and the Midwest is that it is very cheap to live here. People are moving. The population growth has increased but also we still have that tight labor market workforce.

So how do we capitalize on that opportunity? So that it will be our job that we will be doing and continue to work with leaders like yourself and then also groups like last week we met with the Women Business Leaders. You know, how do we support those, and thank you again for that funding, the bipartisan legislation. Without that kind of support we won't be able to grow. So it would be working with our policymakers, education leaders, and leaders across the every spectrum.

Chairwoman DAVIDS. The gentleman yields back. So I would like to start with my first question with Secretary Toland. When you were appointed, how much of a priority did you see education and workforce development as in the Department of Commerce and how has that shifted with you taking the helm? And then could you follow that up with some of the results that you are seeing from—I know it has only been since January but with some of your testimony earlier, it sounds like there is probably a few results that you could share with us today.

Mr. TOLAND. Yes. Thank you, Congresswoman. So coming in in January what we found is that there has been a focus on better alignment between K-12 and higher ed with Department of Commerce and our partners. The fact is we can do better. You know, there have been relationships such as where there was once a shared position between the Department of Commerce and the Kansas Board of Regents so that we could make sure that as our State universities are cranking out talented, qualified graduates, that we are trying to keep those folks in the State and that they are not becoming yet another export of the State of Kansas.

We need to keep our talented young people in our region, in our businesses, particularly in the tech sector. And so we have made a focused effort to make sure that there is better alignment between the Department of Commerce and K-12 and higher ed. And so that goes all the way down through the Secretary's Office to our workforce centers across the State, and I think we are going to see some fruits of those labors. I think also the decision to re-establish a position that is focused on tech and the life sciences is an important step forward.

So Kansas really got out of the game about a decade ago as it relates to State Government engagement in the tech sector, and so Governor Kelly has made it a priority that we re-engage in a thoughtful way. And so the hiring of Trent Armbrust as our Director of Strategy for Bioscience and Tech is really important as we

figure out what we do next. So Trent is going to be engaging with companies across the region, and you know, that is a series of conversations that are long overdue. And we have had a really good response to that decision.

So I am excited to see where that goes. But you know, we are trying to make up some lost ground, frankly, as a State, and I am optimistic that we can do that and do it quickly because we have got such a strong sector in Kansas City, and that is both sides of the State line. You know, the USDA decision was made possible because of a bipartisan, bi-State cooperative effort to beat out 137 other communities that were vying for those jobs.

And so, if we can take the same kind of cooperative approach as we tackle how we continue to grow the tech sector in Kansas City, I think we can make a lot of progress.

Chairwoman DAVIDS. Thank you. Okay. I think the batteries are going out. I did talk for a very long time earlier. So I actually want to just ask—I will ask one more question and then we will return to Congressman Cleaver, and then we will exchange time here.

So I wanted to follow up with some of the testimony and then response to Congressman Cleaver's question, Secretary Garcia. Around some of the bigger changes that we are seeing in the labor market and with the recent report that you had come out, can you talk to us a little bit about, you mentioned Baby Boomers, but can you talk maybe about some of the biggest trends that you saw coming out of that?

And I guess where we need to see our growing job training programs that are going to help folks get into some of the higher wage positions that you started to get into earlier?

Ms. GARCIA. Thank you, Congresswoman. So one of the things we saw, and especially in the different regions, so we see a lot of rural residents working in the urban areas, but then they go back and live in the rural areas. And so one of the things that was very evident in some of the labor market research that we had in our data was that if we could just support, put more of the emphasis in trainings across the State. So one of the things that has been helpful in the data that we did see was, particularly in the tech—and well there is the TA, so it is the technical Ed partners and so working with community colleges also was just in general. Part of the data that we had seen in that, where the projections are going.

So right now we are in a 3.2 percent unemployment rate, which is a low we have had in Kansas in 20 years and at the national level as well. And so that is an exciting fact. I want us to really focus on what could happen. It is not if but when we have a recession, and so what we want to do is making sure our workforce is trained, and so training is an area that we know we would like to focus in. So that is some of the data that we saw in the Labor Market Report to be able to—so we have the workforce here, we just want to make sure that we are supporting the programs, whatever it is, whether it is on the community colleges, whether it is in the workforce centers, and so back to what I was saying earlier.

The RESEA funding was very helpful because that is funding that was not permanent, where the WIOA funding is not. So that is an area that we would like to focus in using our labor market

information and to how to guide us to how we can move forward with that.

Chairwoman DAVIDS. Thank you, Secretary Garcia. With that, I will yield to my colleague, the gentleman from Missouri.

Mr. CLEAVER. Thank you again. Two, three weeks ago, I was talking about my son. I said, we need to get a TWA museum in Kansas City. He said, what is a TWA? And I said, what? And I said, it is an airline. It used to be, and I said Kansas City was the hub. And he said, oh, okay, you know, and I said you probably do not remember Eastern Airlines which was a Kansas City hub, and Braniff Airlines, which was a Kansas City hub.

We had most of the cities around in the whole Midwest with three hubs right here in Kansas City. And so that, I am always thinking hub, and we have some advantages and this for Mr. Salisbury, but I would like for all of you to maybe contribute to this answer. And that is, I think we ought to try to become the Midwest technology hub. We got one Silicon Valley, but I am talking about here in our metropolitan area and we have an advantage that most of the members of Congress don't have, that most of their constituents don't have, and this is unique.

Missouri delegation, we are the only delegation that can meet without people bringing guns and swords and knives. And so we meet, we work together, we get along, and just think about this, no other city, no other area can do this but us. We have Kansas Congresswoman Davids, Emanuel Cleaver, Sam Graves, Vicki Hartzler, Jerry Moran all of us right here can concentrate on this area. Nobody else can compete with us. What can we do to make this a reality? What steps do we need to take? What can we do to help make this a reality?

Mr. SALISBURY. That was for me? Well, you know, Congressman, I would echo your comments on the hubs and so forth. I just happened to be in your home State this past weekend. And was in Love Field and drove up Braniff Way on the way to the terminal as you note. To your point about what we can do, I think we are well on the way to doing that. I would refer you to the Kauffman Foundation which sits on, you may have heard of it, Emanuel Cleaver Boulevard and the Kauffman Foundation, for example, a number of years ago came up with the concept called 1 Million Cups, which has now gone nationwide.

So there is that example of people gathering with concepts, gathering, talking about these concepts, bouncing it off other people with similar frames of reference and so forth, and that one concept that we talked about, 1 Million Cups, is now nationwide, but everybody knows that it was initiated and emanated from Kansas City. We have other areas of attractions as we have talked about, the low cost of living, the high wages, a great workforce, people that are interested in working.

We have now recognized and returned to recognizing that the manufacturing sector is just as important as the tech sector as far as employment is concerned. I think your reference to the USDA research folks coming out here is a great indication that other agencies have recognized the attractiveness of this particular sector, and I would suggest that if they only come here with 100 people, that we can easily backfill those other 600 jobs with people

that are right here studying at K-State and KU, and MU and Missouri Western and learning the skills and learning the technology issues that have to do with coming in and taking care of that.

So I would think that, I am going to lay some of this back at your feet, I would think with the legislation power that you individuals have and the fact that you do work together very well, I would suggest we have got a great synergy of the Representatives and Senators from the two States that can make sure that people understand what a great area this is for people to relocate to and bring their industries to.

Ms. GARCIA. I would also like to add, Governor Kelly has been doing a great job with putting us on the map. Again, you know, with her leadership in education policy moving forward and as well as making sure people are healthy and happy when they go to work.

So I think what with us and our Department of Labor really sharing the information on the labor market information so that we have small businesses who come. We are fabulous and beautiful to come live in and we want the world to know that.

And so when we can share the information in our labor market research so that people can use that to build businesses to move here because it is the best place to live.

Mr. TOLAND. I think there are four things that we can do. First, we need to have conversations and ask the right questions of the tech companies that are already here, and you can start with the big ones, Garmin, Cerner, Sprint. But also small companies, some of whom are in the room today, and find out what are the barriers that they see, what are the opportunities they see, and let us take what they say and act on it.

Second, I think if we focus in a specific area. So, for example, cybersecurity. That is a slice of the tech sector that holds a lot of opportunity and where there is a ton of need. And I think if the Kansas City region and our States can make a focused effort to solve the workforce shortage in one sector, or one sub-sector like cyber security, that gives us an opportunity to carve a niche for ourselves and grow from that.

Third, I think that quality of life is really important. So, you know, you think about young people, Millennials in particular, who are coming out of college. They can live wherever they want, and it is important that communities like Kansas City continue to invest in quality of life improvements, and having a vibrant core, and having great schools, and parks, and trails, and dog parks, and all those pieces that make one community more attractive than another.

And then finally, I would just stress again the importance of regionalism, and you know, the fact that we have Representatives of both States here today on both sides of the State line, Governor Kelly and Governor Parson have worked closely together to achieve a ceasefire in the border war on economic development incentives. And so I think that is a building block that gives us an opportunity to do more strategic things down the road that will grow our economy and grow the Kansas City region and both of our States.

Chairwoman DAVIDS. Thank you. The gentleman yields back. So I just want to say I appreciate you all taking the time. This was

a great question for us to end this panel on. I know you all have busy schedules and so it is very, very important, sends a strong signal that you were willing to take time out of those schedules to be here with us today. You are now excused from the Committee hearing, and we will take a moment while we get our next panel setup. Thank you.

All right, well, thank you for everyone who stayed and to our new panel of witnesses who are here today with us. The first thing I want to do is before I get to the introductions of the panelists who are here to offer testimony to the Small Business for this field hearing is to recognize Congressman Cleaver for opening statements for this panel, and then I will go into introductions.

Mr. CLEAVER. Sure. I have gotten excited because of the discussion we have had, and I want to thank Congresswoman Davids for—and this is good stuff. This is visionary stuff. And I think we have something we can sail. I live in Washington in the Memphis building. It is first, right off of Constitution. I live next to the Supreme Court. It is the only none Government building on Capitol Hill and I pay $2,000 a month rent.

And my apartment is about a fourth of the size of this room. And you know, I can have parties with three people, and it is crowded, so I understand. And if I had to pay $2,000 a month here, I would have a $300,000, $400,000 home with a yard and a dog. You cannot do that in Washington. And so when we are talking about a workforce capable of taking the 21st century jobs, we have got something to offer here in our metropolitan area than Washington can offer or Chicago or New York or Miami.

You know, it is unique and so I think that, you know, if we have the intellect and the commitment to do this based on what the Congresswoman has already done, which is brought us together for this initial conversation, I think we can do something that generations down the road would look back and say that, you know, they are happy that we met here in Kansas City, Kansas Community College in 2019 to kick things off. And let me just also say that the tragedy of this moment is if we don't take advantage of this moment.

We are already ahead, and we have the Congresswoman who I think has the know-how and also the support and everybody in Congress likes her. Nobody is mad at her. So she can get things done that other people cannot get done because people, you know, both sides are interested in working with her. So I want to thank you for being here and hopefully you can give us some profundities that will allow us to move ahead.

And I am pledging to work with your Congress member to try to do something that we can—you know, this is not just a meeting to have a meeting that. That something come out of this that would last for lifetimes. So thank you very much. I will yield back the balance of my time.

Chairwoman DAVIDS. The gentleman yields back. I want to, again, thank you to the witnesses on today's second panel. I will take a minute to introduce each of you before you testify and just so that no one is surprised, I do believe that Congressman Cleaver will be exiting prior to the conclusion of our panel today. So our first witness today is Ms. Neelima Parasker, President and CEO of

SnapIT Solutions in Overland Park, Kansas. She has a Bachelor's in Mechanical Engineering and a Master's in Computer Science with a Project Management professional certification from the Project Management Institute.

She has 15 plus years of experience in IT and held leadership positions with Fortune 500 companies. She founded SnapIT Solutions LLC, a technology services and solutions company in 2015 with the goal to make a positive impact on underserved and under-resourced communities that aspire to promote STEM and bridge digital inclusion. Thank you for being here.

Our second witness is Mr. Reuben Alonso III. As President of AltCap, which is headquartered in Kansas City, Missouri and has recently expanded services to the Kansas side, Mr. Alonso is responsible for the overall administration, management, and ongoing development of the organization and its targeted lending activity, as well as its small business and economic development programming. He has led the organization since 2007, overseeing its certification as a community development entity and then as a community development financial institution.

Prior to his role with AltCap, he was a Project Manager for the City of Kansas, City Missouri's Development Finance Division, a Program Manager and Consultant for the Los Angeles Minority Business Development Center, and Finance and Royalty Accounting Supervisor for EMI recorded music. He earned a BBA in Accounting from the University of Miami School of Business Administration and a Master of Public Policy with a concentration in Economic Development from the University of Southern California's Price School of Public Policy. Thank you for being here today.

Our third witness is Ms. Tammie Wahaus, the Chief Executive Officer of Elias Animal Health, a subsidiary of TVAX Biomedical Company. She joined as CFO in 2012. Ms. Wahaus has more than 25 years of experience in both public accounting and private business. She has served as Vice President of Finance for Epic Systems, Inc., as an audit partner with Ernst & Young LLP, and as a Controller and Principal Accounting Officer for GE Global Insurance Holding Corporation. She has a B.S. in Business Administration from Kansas State University. Thank you for being here.

Our fourth witness is Mr. Brad Sandt, as President and CEO of Menlo, K12itc, Civic ITC, an information technology company that helps K through 12 schools and local Governments cut their IT costs and update their infrastructure. Before starting his business, he was the Director of Technology at Park Hill School District. He has a Bachelor of Science degree from Park University in Management Information Systems, Business, and Computer Science. Thank you for being here today.

Our final witness is Mr. Daniel Silva, the President and CEO of the Kansas City Chamber of Commerce. Prior to joining the KCK Chamber, Mr. Silva was the Director of Diversity and Inclusion at the Greater Kansas City Kansas Chamber of Commerce. He received his Bachelor's of Arts in Sociology from the University of Missouri in Kansas City. Welcome, Mr. Silva. Thank you for being here. So I will start off by recognizing Ms. Parasker for—I forgot we were doing away with the formalities—for approximately five minutes for your testimony.

STATEMENTS OF NEELIMA PARASKER, PRESIDENT AND CEO, SNAPIT SOLUTIONS; RUBEN ALONSO III, PRESIDENT, ALTCAP; TAMMIE WAHAUS, CEO, ELIAS ANIMAL HEALTH; BRAD SANDT, PRESIDENT AND CEO, MENLO, K12ITC, CIVIC ITC; DANIEL SILVA, PRESIDENT AND CEO, KANSAS CITY KANSAS CHAMBER OF COMMERCE

STATEMENT OF NEELIMA PARASKER

Ms. PARASKER. Thank you. May I please the Committee. Thank you very much, Representatives Davids and Cleaver for inviting me here today. My name is Neelima Parasker. I am schooled as Masters of Computer Sciences and Engineering and have 15 plus years of high-tech Information Technology industry experience. In 2015, I founded SnapIT Solutions, an innovative technology solutions and services company with the capabilities in IT managed services, mobile and web application development, data analytics, Cloud, DevOps, and also providing IT trainings.

I am pleased to inform that as of 2019 September, SnapIT Solutions is also a certified training institute by Kansas Board of Regents and Missouri Eligible Training Provider Services. The current state of technology industry and high-tech workforce shortage. The tech occupations are projected to add about 500,000 new jobs in the current workforce and we need upscaling and retraining to meet the ever-changing technology innovations. Because of the landscape changes that are happening in our industry that are including AI and new technologies like ARVR, that tech shortage that we are seeing right now is going to only increase tremendously.

The next point I want to bring out is small companies, small businesses with their innovative new technologies disrupt the industry but fail to sustain the growth in scale due to high tech skills shortage. Large organizations attract considerable interest in the technology job market but struggled to re-skill their existing workforce in fast changing technology industries. Computer Sciences four degree requirements is a challenge to IT workforce because we are hardly getting to the 25 percent mark of what the industry needs as of today and not even considering the exponential growth in this field.

Innovative tech companies like Google, Apple, and Netflix have recently abandoned their requirements of four year degrees college requirements. My journey started well aware of the challenges that I will be facing in my tech company in terms of finding right talent while I am scaling the company. Through my job volunteering as a STEM engineering speaker, I stomped upon great hidden opportunity that may help solve this challenge for my small business here in Silicon Prairie.

SnapIT's innovative regenerative workforce model has been recognized as a model that solves the high-tech skilled workforce shortage for not only small business like ours but also major corporations who seek us for their increasing demand in IT skills, which is a good news. SnapIT Solutions is proven for dynamic, regenerative business model implemented since 2016 that provides underserved and under skilled job seekers with a platform to dem-

onstrate their skills and push their limits through our three step model, SnapIT Trains, SnapIT Solves, and SnapIT Pods.

The way we have incorporated this model helps students like Lisa who was a trained musician with a flair to enter into the tech industry, went through trade SnapIT's IT trainings that were designed to bring these non-tech background interest students, and after the three months of rigorous training that we conducted, she was hired as an intern and then converted into an apprentice for software within the company, giving her all through the internship and especially through the apprenticeship real world projects to work on while the timelines and aggressive, you know, dates are little eased into.

That is when the SnapIT Solves comes into play where we contract with small medium businesses to create the software solutions, giving them a very cost-effective product where as they give us the timeline constraint that we can work with our junior associates to build these products. At the Pods level of our business model, we bring in major corporations work in a scope of work format and get the work done and delivered risk-free for the major corporations while we are still working with our associates to build the skills that are needed and incubate them in these pods, while giving our subject here, Lisa, an ability to not only increase her skills in technology, but now she can code in three different software languages.

She was a musician a few years back, and she continues to be a musician, but this places her pretty high and you know her pay range. It is important for me to also point out the trainers and mentors that SnapIT tracks who are senior developers within our organization that are appreciated, and actually their promotions, their next level is determined by how many people they are mentoring and promoting within the company. That creates an enthusiastic, you know, cycle within seniors and the juniors that are coming into the company after our trainings are done. What is the proven record for this model?

It has been two years since we placed this model in existence and we have created within SnapIT t32 full-time positions. These are not placements. These are positions that we are getting the work for done within the company. It is a different model in terms of bringing these resources and taking the responsibility of delivering the work using the resources that we have skilled and trained. Out of the 32 full-time jobs that we have, about 70 percent of our team is from the talent that has been coming from untapped categories within our communities here in Silicon Prairie.

We do not restrict the hiring of the students for training with four-year degree. So that helps us quite a bit. SnapIT trainings as such have been given to 90 plus individuals specific to Missouri County, Missouri City—sorry, Missouri State, because we work very closely with Missouri workforce agencies. SnapIT is scaling its model across the Nation, delivering value in government, private and public sectors all from within SnapIT Silicon Prairie located here, locally.

We have the infrastructure to showcase our full entrepreneur ecosystem and ensure access to vibrant ecosystem that includes all the players. Intentional Government and corporate investment in

small medium businesses has tremendous positive impact across the board. What will SnapIT need to expand work in increasing talent in IT? Increasing the support of engagement for all players in the ecosystem, specifically Government agencies and corporations. We do have private corporations that come to us with major work that they need to get done.

I would love to see this be more of an initiative within Federal Government as well, State and local, that can take this model of, you know, getting their work done via resources that have not traditionally gone through a four-year degree or mandate them to have a four-year degree. More Governments and corporations utilizing the students that have been trained through not only training but also apprenticeship programs would be a right fit to get into the Government agencies.

So these are the some of the things that we get think of. There are SBIR, STTR activities from SBA. There has been SBA's match competition as well that brings in fresh air of recognition that IT talent is needed, and Federal Government is looking at this space as considering one of the initiatives and activities. So funds like that truly will help SnapIT or companies like SnapIT that are invested in growing IT talent.

In closing today, I speak to, you know, continue to focus. I thank Representative Davids and Representative Cleaver for bringing the attention of this particular topic in small businesses, and I continue to want that support for small businesses and help create more highly skilled tech for workforce here, locally, in Kansas. We invest in local businesses, but we cannot do it alone. Again, this has to be an ecosystem driven activity. We are already blessed with a lot of partners identifying this new model. We would love to expand it beyond these partners. Thank you.

Chairwoman DAVIDS. Thank you, Ms. Parasker. I appreciate your testimony, and speaking of ecosystem, Mr. Alonso, you are recognized.

STATEMENT OF RUBEN ALONSO III

Mr. ALONSO. Thank you. My name is Ruben Alonso III. I am the President of AltCap, an impact-driven CDFI and SBA Microloan intermediary serving the Kansas City metro. I am also, a Board member of Equity Squared, an investment affiliate created by AltCap focused on Opportunity Zone investments in Kansas and Missouri.

I want to thank Representative Davids and members of the Committee for the opportunity to speak today about supporting tech innovation and a high-skilled workforce in the Heartland. I will speak specifically to the importance of access to capital and how it can help drive business investment in technology and innovation in the Heartland. As jobs in the manufacturing and agriculture sectors continue to wane, investments in technology, innovation, R&D, and workforce development are key to ensuring our economy in the Heartland continues to grow.

While the Heartland offers a number of advantages that make it attractive for business investment, for example, it is centrally located, its low operating and living costs, our good old Midwest work ethic, we continue to fall short when it comes to attracting venture

or equity capital. Around 80 percent of venture capital investment is consistently concentrated on the coasts.

Addressing this disparity is critical to supporting the growth and development of industries and the broader economy in the Heartland. As a CDFI, AltCap is focused on supporting economic development through entrepreneurship and small business investment. By providing financing through CDFI Fund programs, including the New Markets Tax Credit program and Financial Assistance Award program, AltCap is supporting start-up and existing small businesses as well as our local economy. Yet the debt financing that AltCap provides, while offering significant flexibility to the borrower, is not always ideal for tech-based businesses because of the burden of monthly debt and interest payments, not to mention they typically have few assets to help secure a loan.

That said, many of these businesses are what drive innovation and are largely responsible for high-skilled workforce development. They cannot be ignored. With the creation of our recent Opportunity Zone investment affiliate, Equity Squared, we now have a tool to deliver the type of capital that can support deeper investments in tech and innovation in the Heartland, and specifically in communities that have lacked investment.

The Opportunity Zone incentive gives us the ability to one, attract investment capital both locally and nationally, and two, significantly increase our investment in innovation-driven, tech-based businesses, offering them the type of patient capital they need to develop and grow right here in the Heartland. Our hope is that by using the Opportunity Zone incentive we will be able to attract more investment capital and open up new opportunities for investment by investors throughout the country in tech and innovation in the Heartland.

Access to capital and investment tools such as New Markets Tax Credits and Opportunity Zones will continue to play an important role in supporting business investment in technology and innovation in the Heartland. Much like our agrarian roots, AltCap and Equity Squared are committed to leveraging these tools to grow Kansas and Missouri small businesses and grow our economy.

Representative Davids, thank you for the opportunity to testify today. I am happy to address any questions that you may have.

Chairwoman DAVIDS. Thank you, Mr. Alonso. Ms. Wahaus, you are now recognized.

STATEMENT OF TAMMIE WAHAUS

Ms. WAHAUS. Good morning. I am Tammie Wahaus, the Chief Executive Officer of Elias Animal Health and the Chief Financial Officer for TVAX Biomedical. I would like to thank the Committee on Small Business and in particular Representative Davids, for the opportunity to share my perspective on technology innovation and a highly skilled workforce in the Heartland. ELIAS and TVAX are great examples of the translational research being conducted in the Silicon Prairie. Together, we are advancing a vaccine enhanced adoptive cell therapy as a treatment for cancer in both humans and in companion animals.

Collectively, our data demonstrate the potential applicability of our innovative technology to any type of cancer in humans or in

dogs. In developing our technology, we have worked with many of the great research institutions in this region. Scientists, researchers, and clinicians, including MDs and veterinarians have all participated in laboratory research, preclinical studies, and clinical trials in humans and in companion animals. We are currently located in the Kansas Bioscience Venture Accelerator and have taken advantage of what was the Kansas Bioscience Authority programs.

First, I would like to focus more on Elias Animal Health and the job creation that we can accomplish here in this region. We are a medical biotechnology company that is commercializing now a novel targeted T-cell based immunotherapy known as Elias Cancer Immunotherapy or ECI for short. The company's proprietary and patented therapeutic approach offers the potential for improved clinical outcomes with low toxicity, changing the way cancer is fundamentally treated in the companion animal market. Elias was founded in 2014 as a spin-off of the human health company TVAX Biomedical and a recognition of the market potential for innovation in the companion animal oncology space.

In 2019, just five short years later, we are commercializing our technology for the veterinary sector with a platform that has the potential for all cancer types. Over the past five years, clinical studies in key canine cancers have been conducted evaluating ECI in multiple canine cancer types, including osteosarcoma, B-cell lymphoma, and hemangiosarcoma. To date, nearly 100 dogs diagnosed with cancer have been treated with ECI and the results have included both complete and partial responses with many of those patients achieving improved survival times compared to traditional treatments such as chemotherapy and radiation.

The results of our study in canine osteosarcoma have been reported at several scientific conferences around the United States. In that study, more than half of the dogs treated with ECI survived over three times longer than what has historically been achieved with the amputation alone, and one and a half times as long as historically achieved with amputation plus chemotherapy, all that with minimal adverse events. In the most current analysis, 50 percent of the dogs in the study were reported to be long-term survivors. They are disease free for periods ranging between four and six times as long as amputation alone and three times as long as chemotherapy.

In addition to improved median survival times we observed regression of metastatic disease and slow disease progression, highlighting the promise of this therapeutic approach developed right here in this region for treating cancer in dogs. An application for conditional licensure been submitted to the USDA Center for Veterinary Biologics. In our manufacturing facility currently located in Olathe, Kansas, we are manufacturing following the regulatory guidelines of the USDA.

We have in place a team who together have more than 20 years of experience in the animal health industry from here in the animal health corridor and with more than 30 years of experience in cGMP, vaccine manufacturing and cell culture. We currently employ seven full-time employees with two part-time employees.

Our scale up plans have already been designed for this facility that will enable rapid expansion. It can be replicated at a low cost

and at scale we estimate that we could create manufacturing jobs for more than 100 microbiologists and scientists along with quality assurance personnel. This would include both two and four-year degrees. Through veterinary specialty hospitals that we are training and certifying as ECI treatment centers coupled with the positive clinical outcomes, we intend to build market share of at least 37,000 patients per year generating revenue in excess of $100 million per year. Further growth can be achieved through expansion to markets outside the U.S. as well as in other species such as cats and horses.

To date, Elias has raised just over $5 million in equity capital primarily from regional investors. By putting that capital to work, we have employed a multidisciplinary team that includes expertise in cancer immunology, veterinary medicine, microbiology, clinical trial oversight, and regulatory compliance to bring this product to market.

The progress that we have made in just five years with only $5 million is rare in this industry. A funding round of up to $5 million is currently being pursued to support the continued expansion of our commercial launch. The Small Business Innovation Research program is a potential source of funding for early stage life sciences companies like ours that provides an opportunity for businesses like Elias to pursue grant funding that is additive to the capital raised from investors, and we currently have an application under consideration right now at the National Cancer Institute, so wish us well.

Raising adequate capital to support the rapid development and commercialization of this cancer treatment is critically important to the overall success of the business. Speed to market is key as a differentiator for innovative technologies. As mentioned, TVAX Biomedical was—I am also representing a clinical stage biotechnology company that is testing the same technology for applications in humans. They have treated over 200 patients with various types of cancer, including high-grade gliomas, which is a brain cancer.

Surrogate outcomes demonstrated that 90 percent of the patients developed an immune response and currently our plan is to conduct a 75 patient phase 2B clinical trial to assess the technology as a treatment for newly diagnosed pediatric and adult brain cancer. In summary, Elias Animal Health and TVAX Biomedical are focused on changing the way cancer is fundamentally treated. Our mission is to provide a safer, more effective treatment option for cancer patients, and to achieve that goal we need increasing access to a workforce skilled in biologics manufacturing, clinical trial oversight, cancer immunology, human and veterinary medicine, and regulatory compliance.

Bringing a life sciences product to market takes years of scientific and clinical development and costs millions of dollars. From early stage development through to regulatory approval and marketing takes five to seven years. Along with the great work being done by Elias Animal Health and TVAX Biomedical, there are many other important life sciences innovations being created in the Silicon Prairie.

In my experience, we have a robust angel investor community, but it is critical that venture funds, institutional investors, and the

granting agencies become more robust in their support of emerging technologies in the Heartland. We have great universities that are building critical education programs to train the workers that will support the life sciences industry and the expanded support from the broader investment community would provide the capital to bring our cancer treatment and other innovations to market.

Thank you for the opportunity to speak to the Committee.

Chairwoman DAVIDS. Thank you for your testimony, Ms. Wahaus. Mr. Sandt, you are now recognized.

STATEMENT OF BRAD SANDT

Mr. SANDT. Congresswoman Davids, I thank you and the Committee for the opportunity to testify today. It is an honor to be joined by my regional colleagues to speak about the great things happening in the Nation's Heartland also known as the Silicon Prairie. I offer this testimony on behalf of Menlo, a tech focused small business that delivers managed technology services to K-12 schools, municipalities, and other civic entities under the brand's K12itc and Civic ITC. Our mission is to reduce the pains associated with managing technology in resource constrained environments.

As a fast growing organization, Menlo has been previously named as the top small business in Kansas City by the Greater Kansas City Chamber of Commerce, and one of the top four most innovative companies in the Nation by the National School Boards Association. In a little under 10 years, Menlo has encountered a significant amount of success operating in the region.

There are several factors that have contributed to this success. The area's central location provides access to most of the country within a four-hour flight, and the area's low cost of living creates an intersection of affordable talent and a high quality of life. The assistance of regional economic development programs and community support organizations have enabled Menlo to reinvest in growth and seek guidance in critical times throughout the company history.

The company has recently leverage a Small Business Administration's 504 loan program to secure a new office location for the next phase of growth. All of these things have combined to create a distinct advantage of operating a tech-centric small business in the Silicon Prairie. While there are many positive factors, we continue to combat a fundamental and limiting issue.

Ultimately, we face a challenge of an adequately trained and available workforce to fill tech jobs. In an effort to address this, much work is being done with local foundations, community groups, school districts, higher ed, and businesses throughout our region. It is a challenge that will require cooperation and support at all levels to effectively solve. At Menlo, we are working to build the workforce by hiring student interns and commonly offer full-time employment after graduation.

The company also works to identify tech minded individuals who have a desire to enter the workforce but may lack experience. Menlo hires these individuals with an associated 30, 60, 90, and 180 day learning plan to actively train technical aspects of the associated role. While this provides long-term staffing impact, it is a challenge to implement in a resource constrained small business.

While there are many activities focused on addressing the workforce shortage, I believe a crucial workforce issue remains overlooked. The issue is the lack of mastery, the long-term potential to inhibit innovation, reduce quality of products and services, and ultimately impact competitiveness of the country on a global scale. In our observation, the stress on the workforce and the ongoing trend of changing jobs more frequently creates a lack of individuals who are masters in their field. Quite simply, we do not have enough experts.

All that said, the state of tech-centric small businesses in the Heartland is in full throttle and continues to increase in relevancy compared to on a national scale. Local, regional, and Federal programs continue to provide key elements of support to fuel this growth. As previously stated, adequately and trained available high-tech workforce continues to be an ongoing challenge with long-running consequences.

Philosophically, we should think big, focus on relentless innovation, and develop expertise in the workforce. With proper support, small businesses can be the catalyst for achieving these aspirations. Thank you for your support of small businesses and thank you for your time today.

Chairwoman DAVIDS. Thank you, Mr. Sandt. Mr. Silva, you are now recognized.

STATEMENT OF DANIEL SILVA

Mr. SILVA. I am honored to be here today representing the KCK Chamber of Commerce. We are very pleased to see the Committee on Small Business exploring opportunities to attract tech, innovation, and a highly skilled workforce in the Heartland and we look forward to participating in an ongoing conversation to ensure that the Wyandotte County and KCK community benefits.

I am here to provide testimony in support of smart regulation and legislation, programs, and access to opportunities that will position entrepreneurs, start-ups, and local small businesses for growth and sustainability. We are in favor of continued support of a high-quality education pipeline that creates a career ready workforce for the benefit of all Kansans. The KCK Chamber supports the collection of sales and use tax on e-commerce sales, in which sales tax are collected in such a way that does not place an unreasonable or onerous compliance burden on business, specifically small business that have less ability to administer compliance.

The KCK Chamber is proud to be at the forefront of the community's success by enhancing and leveraging talents and resources of its diverse members to sustain and catapult development opportunities throughout the metropolitan area. The Chamber is excited to serve as the convener and connector for over 500 local and regional businesses to collaborate on efforts that improve the economic vitality and quality of life for our diverse region. This in turn creates opportunities in KCK and Wyandotte County which build a quality community to live, work, and conduct business.

We want to note that 60 percent of our KCK Chamber's membership is comprised of businesses with 25 employees or less. So very much as small business chamber. As a non-partisan organization,

the Chamber actively represents and advocates on behalf of its membership at the local, State, and national level.

The KCK Chamber supports a transparent legislative process that follows the traditional Committee formant to ensure a fair hearing of all legislative issues facing the State of Kansas for the benefit of the citizens of the State. Thank you for your time.

Chairwoman DAVIDS. Thank you, Mr. Silva. Well, I appreciate the testimony that you have all provided here today, and we will start with our questions for the second panel. And I will do the first question. So the first thing I would like to do is Ms. Parasker, demand has increased for the jobs that we have been discussing today.

In your testimony touched on that, whether it is certifications requirements on educational attainment, two-year, four-year, and that sort of thing. What do you see as, when you look at the increased number of people that are kind of coming through your training program, what do you see as the, I guess, space for growth there?

And then also, could you talk maybe a little bit more in detail about how companies like you have already done it, start to be more innovative with removing some of the requirements that I think we are traditionally used to seeing?

Ms. PARASKER. Sure. I think by bringing innovation in the process rather than only concentrating on products, it helps the ever changing and growing information technology industry. I am not against four year degree. This is about going beyond just the skills or the resources of the students that are coming out of these four year degree colleges.

There is a point that we wanted to make more prominently is, for four years, that is a fixed learning curriculum through a college. Once the student comes out of that four-year degree college, they have the very good understanding on of the basics of programming language, but any other skills that they have been taught in the college is rapidly getting replaced with newer technologies and new ways of doing the same, you know, technology.

So what we have found is innovation in bringing that education, whether it be in trainings, whether it be in internships or apprenticeships, giving it more thought and a process based approach rather than treating the students more of, you know, in a very slow based learning that is traditionally being done through a four-year college.

Really make innovation happen within the technology industry. If we don't form a formulated process based approach, everybody will try to do their own thing and that is not going to be beneficial for the end result of how the industry will be morphed into.

So if we want to innovate more in the space, it is about how do we bring in more of the higher tech technology processes that can be implemented, just like how IT moved from being a waterfall methodology to Agile and scrum methodology. The same kind of methodologies can be used in creating education process for students with lack of financial support to go through a four-year degree college.

Chairwoman DAVIDS. Thank you, and I would like to follow that up with Mr. Sandt, you spoke in your verbal testimony about the

need to philosophically think in a different way about how we approach our training and workforce development and this concept of getting to mastery and having more people who are experts.

After hearing about a process based approach and what that might look like, can you talk a little bit about what you are seeing in the K through 12 space in terms of what do those new models of learning look like for the students that are really going to be taking positions, jobs and are going to be in really areas that I think that some of us can't even conceptualize at this point? If you could talk about that, and then maybe also some of the outcomes that you are seeing from these newer models.

Mr. SANDT. Thank you for that question. The great news is that our K-12 schools are very active on a day-to-day basis with this topic. And in particular when you look at high school environments, there is a heavy emphasis and focus on experiential learning to where the students are able to try different roles, different fields out while they are still in high school to determine if it is a path of study that they would like to achieve.

These students are either able to confirm that is something that they would like to do or change. But the great part about that is that program not only exposes students to businesses career opportunities, but also works to place teachers in programs that are exposing them to opportunities in the workforce.

Many students do not go the four-year path in today's world and there are many, many opportunities. But it continues to be a challenge though with the perspective of parents who may feel like the four-year degree is the only way to go, and so continuing to expose our communities to that information is critical. Also, schools, K-12 schools, are working to start this at a much earlier age. You see STEM programs moving all the way down into elementary schools now in terms of learning and developing those skill sets for the future.

In terms of outcomes, we are seeing substantial amount of growth in this, particularly where we have sponsored students at the high school level and have ultimately hired them for paid internships over the summer, and those who do not go on to four-year degrees moving to a full-time role at which point we have been able to also put them into internal development programs within the company.

So the landscape is absolutely changing. In terms of mastery, there still is a challenge because much of the workforce development is focused on getting people to the entry point that is needed for the roles. And so we need to continue as a whole community to foster lifelong learning, continue those programs and companies to develop individuals because expertise matters.

And then once we have experts, the more that they can share, the more value is gained.

Chairwoman DAVIDS. Mr. Alonso, well actually hold on. I was thinking of something while you were answering the question, which is I have had the opportunity to go to a number of schools and speak with a number of educators in the third district, and I was just at Bonner Springs High School and they were showing me some of the technologies and coursework that they have. I mean

they have an AutoCAD class. They have got 3D printers. They are working on robotics.

And I know that this is happening not just in Wyandotte County, but it is also happening in Johnson County with, I think, the Shawnee Mission School District has an Aeronautics or Aerospace program. And so I think that it is very encouraging to see that in the third district hopefully we are—I would love to toot the horn of the third district because I think that some of our high schools and school districts are already getting out in front of that now.

So now, Mr. Alonso, first I want to say I love CDFIs, but I would love to ask you about, you have the chance to see many different founders startup businesses, folks who are interested in expanding and growing their businesses, and I am curious if you have seen instances where founders or enterprises are unable to expand because they are unable to find the workforce that they need to do so?

And then as kind of a follow-up, what are the ways that you see an organization like AltCap or, you know, someone who is part of the lending piece of the entrepreneurial ecosystem as being able to foster or help figure out ways to address the workforce shortages?

Mr. ALONSO. Thank you for the question and thank you for being such a champion for CDFIs. You know, I was just at an event last week that was organized by the KC Startup Foundation called "Back to KC" where they brought founders back to Kansas City that had moved away from Kansas City with their business. And I think you know one of the issues that they had when they started their company in Kansas City and moved away was the lack of capital but also high skilled workforce where they felt they could grow their business.

And I heard that from a number of founders. So I think that is definitely an issue that, you know, we are maybe not necessarily directly involved in around the workforce development, but certainly, you know, it is something that we can support by providing the capital to businesses so they could stay here if we can remove that hurdle or that challenge that they have.

And like Ms. Parasker said, it is a process, innovation is a process, but also business development is a process, financing businesses is a process, and kind of getting you know, a community or getting institutions to support businesses throughout their life cycle and being willing to take risk and invest in businesses. We do that on a daily basis.

Chairwoman DAVIDS. Thank you. So I want to get to Ms. Wahaus here. Well, first of all, as a dog lover, I appreciate the work that you are—I threatened to bring a picture of my dog that I had for a long time, Girl Dog, and enter her into the Congressional record, but I decided against it. But I do appreciate the work you are doing fighting canine cancer and recognizing the importance that companion animals play in our lives.

And as a company that is involved in some pretty cutting-edge research and technology in this area, can you talk a little bit about, you mentioned a little in your in your testimony, but do you have any maybe specific examples that would be helpful for us for what it looks like trying to find people with the biomedical or other skills that you need?

And then, I suppose if you could talk a little bit about, do you know of any apprenticeships or other type of programs that we might be made aware of that would be good for us to be supporting? Thank you.

Ms. WAHAUS. Sure. Thank you for the question. In terms of finding the workforce, there are a number of places that we look to. The KU Edwards Campus runs a biotechnology degree program and they actually have a requirement for each of the students in their final semester, they must participate in an internship.

So we have taken advantage of that program and obviously our goal is to bring someone in as an intern, turn them into a full-time hire. From other sources, there are a number of agencies in the region that specialize in biotechnology skilled workforce. It is a work force that does tend to move companies fairly often, so I do experience some of that same issue in terms of trying to train them in our ways of manufacturing and then retain them.

What we have done internally, because there is a limit to what the universities can teach and the technical schools, so what we do is we look for individuals that have great skills in what we refer to as aseptic processing technique, which means that you manufacture without introducing any contaminants. And so we look for that skill, number one, that can be taught at the university level, it can be taught in the two year programs, the four-year programs, as well as a technical schools.

We also then have developed an internal certification program when they come in. We have about a three-month program where we work them through the various aspects of the biological manufacturing process to develop the rest of the skills that are unique to our particular manufacturing. So I think the internal certification programs are critical in terms of training that staff and bringing their university knowledge or their technical knowledge into your specific manufacturing process.

Chairwoman DAVIDS. Okay, thank you. So, Mr. Silva, I would love to get your input after hearing from our Kansas Secretary of Labor and the Secretary of Commerce, can you talk a little bit about how the Kansas City Kansas Chamber of Commerce works either with those specific Departments or other folks at the State level? And then if you could maybe a little bit about the work that you might do with folks at the Federal level to expand workforce development or other opportunities in the Kansas City Kansas area.

Mr. SILVA. Thank you for the question. Definitely appreciate hearing from Secretary Toland and Secretary Garcia. I think the level of engagement that we have had with this Administration has been fantastic. We really appreciated the focus that these folks and yourself, Representative Davids, have put not just on the third district and Wyandotte County, but the urban core as well. You know, we are continuing the conversation.

It is of note that you know, Secretary of Commerce has expressed interest in visiting more of our urban small businesses and hearing more from those folks. We have been able to have a round table with you and then that has been very beneficial to us and hopefully to you so that we can further communicate, you know, what our businesses are going through in Wyandotte County.

So I think on the Federal level the engagement has been great. And again on the State level has been fantastic. Now, we have not come up with a set strategy on how to, you know, really address the urban core which I think for us is becoming even more important. As a chamber we are pretty spread out in Wyandotte County, but the Legends and Village West is doing well. 39th and Rainbow area obviously is doing well with the KU Med.

But we are now beginning to see hopefully a resurgence of the urban core and I think it is going to take commitment and leadership and some risk taking, and definitely some support of those businesses that would either like to locate their businesses there or start to business there. And all that is going to take private-public collaboration and employee engagement to ensure that we are showing up that urban core piece specifically around women-owned businesses and minority-owned businesses.

I think there is still a gap there on the entrepreneur piece, definitely on the tech, and innovation piece of opportunities for these folks to enter that space and be successful in that space. You know, I hear from folks that it is hard for them to grow their business because they are not securing the big contracts or the big grant dollars, and oftentimes are not invited to participate in those contract as subs. So it is going to take all of that.

We also have a very engaged Mayor and Commission at the local level. So I think everyone is kind of pointing at, you know, really lifting up this community, but we are going to have to take it in pieces in terms of the workforce piece. Our sister organization, Wyandotte Economic Development Council leads a Workforce Solutions Committee where they are bringing folks to the table like the community college, employers, because we hear it every day, right. They cannot hire enough folks, whether it is construction, you know, the trades, you name it.

We do have an under trained community here in Wyandotte County and it is going to take us, you know, working more closely with employers, the school districts, the community colleges to really get to the solution on this.

Chairwoman DAVIDS. Thank you, Mr. Silva. And I think that one of the things that we heard a little bit about earlier was from our regional SBA Administrator has to do with 8(a) contracting, and I think that is an area where our office can definitely try to get folks connected. And I look forward to having conversations with you about that specific program, and then additional conversations about just other types of Federal contracting that we that just explore and see ways that we can work together.

So I am only going to do I think one more question. It is actually a great segue-way when Mr. Silva was mentioning access to opportunities. Ms. Parasker, you have been a leader in promoting STEM, particularly in underserved and under-resourced communities and I wonder if you could speak a little bit to that goal and advancements in either innovative ways of thinking on that and you know in the entrepreneurial ecosystem that I know you are a very active in, and whether or not you are seeing sufficient advancement?

And if not, what do you suggest that either the people in this room or our office can be doing to help support that?

Ms. PARASKER. Absolutely. It has been a true pleasure. I have lived in Overland Park, Kansas for 19 years now. First 15 or so, maybe 14 years or so, was almost like a bubble. A corporate job, you know, family and everything. Like I mentioned in my testimonial, once I started volunteering into areas beyond our boundaries, I could realize and I could see the real-time impact of the students, of kids, who are actually truly not getting the knowledge in their schools, their communities, their institutes around.

It has changed quite a bit since four years to now, I agree, with a lot of ecosystem partners and awareness is going on. But I also call it STEM noise that has converted a lot of awareness to only noise. And what is happening is we need to make sums so that we can hit the frequency right for these kids. There is awareness and there is no opportunity which creates frustration.

So what we need to do is now cultivate more opportunities to take that awareness from the society that we have created quite a bit. Very good activities. I am not saying they should not be continuing, but also focus on opportunities that are actually creating, you know, real time interaction for those kids saying yes, I need, I have the awareness that there is health sciences. I have the awareness of education training. I have an awareness the technologies. It is really not vertical. It is a horizontal and on all verticals, but what do I do now? Where do I go to learn it?

School does not teach me because computer science is not a mandatory subject in schools. There are robotics and all those activities that are more of spark events, is what they are called, that is even more creating more activities and awareness. But when they reach their house, they do not have Wi-Fi. They do not have computers. They do not have access even if somebody donates a physical computer, not talking about laptops, a physical computer, they don't have place to put it in their house.

That is what I experienced. When I saw that, I said and I had girls who are 16 years old saying I was told that I have no opportunities and there is no, you know, next steps for us. And I want our community to think beyond just initiatives and get to work. We may fail at certain things where I think we have to start working and really putting actions in place.

There are so many kids who need us. And in fact, this country needs those kids. Let's not go, you know, only those kids. We are not helping only those kids, we are helping ourselves. If we do not help each other, we as a country will not keep our innovative edge in the world in United States.

Chairwoman DAVIDS. Thank you. Well, that is a powerful answer for us to finish panel on. I appreciate all of you and responding to the questions that we had, so thank you very much. So I will just close with this that while our region has always had a strong industrial and manufacturing base, we are definitely seeing a shift in our economy.

We heard firsthand today from our witnesses that because of our region's talented workforce, quality, schools, and infrastructure that we are emerging as a magnet for investment and a growing startup community, but we also know that businesses are still having trouble finding adequate talent to continue to grow those businesses.

This is where I think what we have seen today is where business and Government can come together to work on programs to educate, to train, and retrain, and create that workforce for the 21st century economy that we need, along with supporting affordable access to capital and entrepreneurial development programs and innovation. This is what is going to allow our small businesses to strengthen our communities.

Finally, I want to just thank all of you for sharing your stories, for providing testimony and giving us some really great ideas about how we can help your small businesses, emerging businesses, and the rest of our entrepreneurial ecosystem to grow and thrive.

At this point, I would just ask unanimous consent that members have 5 legislative days to submit statements and supporting materials for the record.

Without objection, so ordered.

And if there is no further business to come before the Committee, we are adjourned. Thank you.

[Whereupon, at 12:35 p.m., the Committee was adjourned.]

APPENDIX

Silicon Prairie: Tech, Innovation and a High-Skilled Workforce in the Heartland

Testimony by David Toland, Kansas Secretary of Commerce

Good morning, Representative Davids and members of the Small Business Committee. Thank you very much for the invitation to testify before you today. I'm pleased to have the opportunity to talk with you this morning about the state of innovation and technology in Kansas, both where we've been and where we have the potential to go as a state.

Let's talk first about the state's early foray into the tech sector. In the years following the publication of the 1986 Redwood-Krider Report, the Kansas Legislature and the state moved boldly on a bipartisan basis to establish new, innovative tools for economic growth. Their extraordinary vision and action put Kansas on the map as a leader for advancing economic development efforts—including specifically in the areas of technology and innovation. Our state had tools that no other state had, which were truly the envy of economic development experts in other states.

The Kansas Technology Enterprise Corporation (KTEC) was established in 1986 to stimulate the start-up and advancement of technology companies in Kansas. KTEC's investment portfolio leveraged public and private dollars to invest early stage capital, facilitate programs to train and develop entrepreneurs and focus on innovations that prepared the next generation of jobs in the knowledge industry.

Drawing on those successes, the 2004 Kansas Economic Growth Act created the Kansas Bioscience Authority. At that time, the Legislature and the Governor—again, on a bipartisan basis—recognized another key opportunity.

Pulling from the strength of our agricultural heritage, the Kansas Bioscience Authority advanced solutions in agribusiness and helped Kansas establish and maintain the largest concentration of animal health companies in the world, now recognized as the heart of the Animal Health Corridor. By drawing from a world-class agricultural research institution in Kansas State University and world-class medical programs at the University of Kansas, researchers made breakthroughs in oncology, information technology, medical devices and other important areas of human and animal health.

These investments played a huge role in securing a home for the National Bio and Agro-Defense Facility in Manhattan, as well as securing the NCI Cancer Designation for KU Medical Center.

This work was truly ahead of its time, and the bold vision left behind a legacy of innovation and collaboration across our state's economic development efforts. Kansas continues to benefit today from the foresight and ambition of business and political leaders of the past thirty years.

But, the economic environment has changed. Nationally, technology growth, commerce and innovation are moving at unprece-

dented rates, and the job growth and economic impact associated with tech show no signs of slowing down.

There are reasons to be optimistic about the future of tech and innovation in Kansas. Just yesterday, the KC Tech Council released a comprehensive report on the current state of the region's tech industry. The median tech occupation wage in Kansas is higher than that of many other Midwest states. And, tech has permeated the Kansas City metro's employment base more than it has in peer cities, with 9.2 percent of Kansas-side of KC workers employed in tech

occupations, compared to cities like Indianapolis at 7 percent and Nashville 6.1 percent. In fact, Kansas City had the seventh-highest net gain for tech talent labor among the largest tech markets in North America over the past five years.

However, these positive developments are concentrated to only a few geographies, and the bigger picture creates reason for concern. Once a leader in technology and innovation, Kansas has sadly fallen behind in recent years. We have experienced a loss of both tech jobs and tech businesses. In 2018, the state of Kansas posted the second-highest amount of tech job losses among all 50 states and posted a net loss of total tech businesses operating in the state compared to the year prior.

Simply put, this is unacceptable. We have an obligation to the people of Kansas to understand what's driving this decline and to make the necessary adjustments to change the trajectory of tech and innovation in our state.

There are programs and incentives already in place that help address Kansas' challenges of attracting and retaining tech businesses and knowledge jobs. One example is the Angel Investor Tax Credit Program, which encourages investment in small businesses. Eligibility for the program requires a business demonstrate an innovative and proprietary technology – incentivizing tech startups in the state.

We've also implemented unique workforce development programs such as Workforce AID – or Workforce Aligned with Industry Demand. Workforce AID brings together stakeholders from government, business and higher ed to address very specific workforce needs with targeted job training, certification programs and paths to employment at Kansas businesses.

Last month, we made an important addition to our executive team at Commerce in hiring Trent Armbrust as director of strategy for technology and bioscience. This is a new leadership role and is critical to ensuring we rebuild relationships with private- and public-sector partners as Kansas seeks to help advance new technologies, support innovative research, create new jobs and further advance its leadership across key tech and bioscience sectors.

Our state universities are also engines of innovation and tech growth with institutions such as the National Bio and Agro-defense Facility at Kansas State University and the Bioscience and Technology Business Center at the University of Kansas.

Earlier this year, Governor Kelly announced the Department of Commerce would undertake an initiative to research and analyze the Kansas economy and deliver an economic development blueprint for the state – one with innovative strategies for business recruitment and retention. Just yesterday, we announced that work on the Kansas Framework for Growth had begun, kicking off the development of a comprehensive strategy to accelerate economic growth in Kansas.

The Kansas Framework for Growth marks the first time since 1986 that our state has taken a deep look at our economy and aligned our economic development tools with our state's strategic opportunities. A very important component to this plan is a special focus on what it will take to grow the tech sector of our economy, including partnering with businesses and higher education to address the development of a highly skilled workforce to fill the knowledge jobs we would like to recruit to our state.

These are just a few of the steps the state of Kansas has taken to begin regaining our position as a leader in technology and innovation, but we have a long, challenging road ahead. Technology is redefining our economy and our lives at a fundamental level, and we must find ways to make Kansas competitive again. The future of our economy depends on it.

I understand that I have a five-minute time limit this morning, so, at this time, I would like to thank you again for the opportunity to be here with you today, and I am happy to answer any questions you may have.

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Delia Garcia, Secretary
Laura Kelly, Governor

Testimony by Secretary Delia García
Small Business Committee Field Hearing
October 08, 2019
Kansas City Community College
Kansas Department of Labor, Labor Market Info on Workforce Development

Congresswoman Sharice Davids and Committee Members,

As you may know, I grew up in a Kansas small business setting, my family's restaurant that was established in 1963. I want to thank you all for the work and legislation this committee does for small businesses in Kansas.

Our Kansas Department of Labor has a lot to offer Kansans, whether you are an employer, an employee, a job seeker, a policy maker, an educational institution or an average Kansan. We provide assistance with unemployment insurance, wage claims and workers compensation. We provide safety trainings across the state and permits for amusement rides operating in the state of Kansas. Our Labor Market Information Services division, or LMIS, collects data, aggregates and analyzes this data, and serves as a resource for Kansas employment related data like job vacancies, wage and job growth or loss, unemployment insurance claims, and administers and analyzes the data of some of our federal workforce development programs.

Recently, I shared the State of Labor Report to the public that can be found on our website www.dol.ks.gov, which shared a summary and regional highlights of our Annual Kansas Economic Report. A recent highlight I would like to share with you is that our unemployment rate is the lowest it's been since May 1999 at 3.2 percent. The private sector grew by nearly 18,000 jobs over the past 12 months and real hourly earnings continue to show strong growth compared to last year. Though these numbers are good, we remain in a tight labor market like the rest of the U.S. It is an opportune time to focus on areas where we could position Kansas as a leader in our country.

We have provided data below that highlights where Kansas is currently and possible opportunities that could better position our state workforce for the future.

I would like to invite you to follow us on Facebook, Twitter, Instagram, and YouTube as well, where our followers can learn up-to-date information. I am happy to answer any questions and provide any other data charts you may request.

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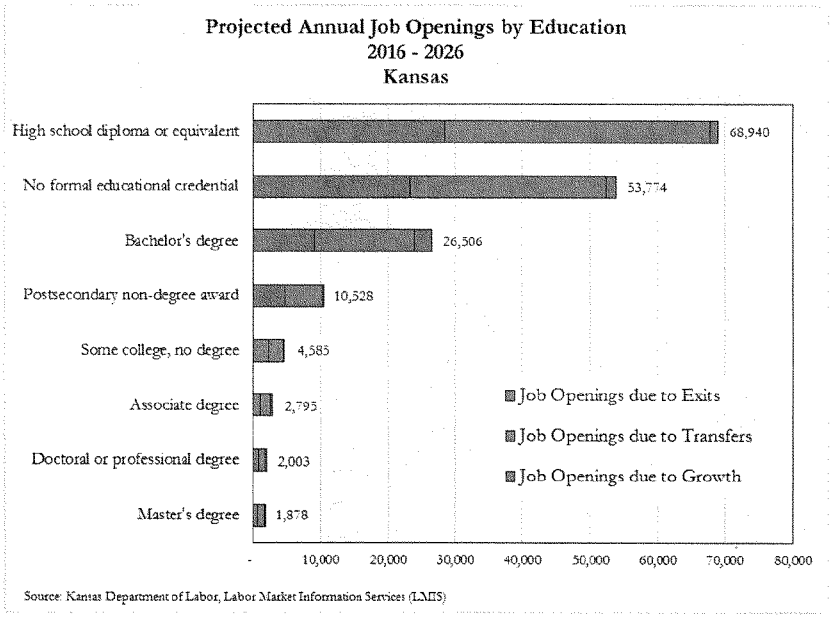

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Labor Market Overview of Computer and Mathematical Occupations
Kansas
2019 and Projected 2026

Standard Occupation Code	Occupation Title	Current Employment[1]	Job Openings 2019[2]	Projected Annual Openings[3]	2019 Median Annual Wage[1]
11-3021	Computer and Information Systems Managers	3,010	63	275	$117,156
11-9041	Architectural and Engineering Managers	1,520	20	122	$124,932
15-1111	Computer and Information Research Scientists	100		11	$93,953
15-1121	Computer Systems Analysts	4,810	23	387	$73,185
15-1122	Information Security Analysts	760	86	71	$85,812
15-1131	Computer Programmers	1,530	19	102	$73,349
15-1132	Software Developers, Applications	5,570	310	553	$83,303
15-1133	Software Developers, Systems Software	1,870	14	236	$89,259
15-1134	Web Developers	860	10	110	$58,056
15-1141	Database Administrators	730	79	81	$78,404
15-1142	Network and Computer Systems Administrators	5,820	110	345	$72,388
15-1143	Computer Network Architects	1,600	13	104	$89,885
15-1151	Computer User Support Specialists	7,420	148	719	$43,686
15-1152	Computer Network Support Specialists	910	7	65	$46,983
15-1199	Computer Occupations, All Other	1,340	203	138	$76,513
15-2011	Actuaries	330		***	$101,115
15-2021	Mathematicians			***	
15-2031	Operations Research Analysts	780	13	100	$83,749
15-2041	Statisticians	130	8	26	$83,667
15-2091	Mathematical Technicians				
15-2099	Mathematical Science Occupations, All Other			***	
17-2061	Computer Hardware Engineers	370		41	$81,218

*** Confidential

Source: Kansas Department of Labor, Labor Market Information Services

1. 2019 Kansas Wage Survey
2. Spring 2019 Kansas Job Vacancy Survey
3. Kansas Long-Term Occupational Projections, 2016-2026

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Delia Garcia, Secretary
Laura Kelly, Governor

Labor Market Overview for STEM Occupations
Kansas
2019 and Projected 2026

Standard Occupation Code	Occupation Title	Current Employment[1]	Job Openings 2019[2]	Projected Annual Openings[3]	2019 Median Annual Wage[1]
11-3021	Computer and Information Systems Managers	3,010	63	275	$117,156
11-9041	Architectural and Engineering Managers	1,520	20	122	$124,932
11-9111	Medical and Health Services Managers	3,890	209	338	$85,610
11-9121	Natural Sciences Managers	250	13	***	$115,214
15-1111	Computer and Information Research Scientists	100		11	$93,953
15-1121	Computer Systems Analysts	4,810	23	387	$73,185
15-1122	Information Security Analysts	760	86	71	$85,812
15-1131	Computer Programmers	1,530	19	102	$73,349
15-1132	Software Developers, Applications	5,570	310	553	$83,303
15-1133	Software Developers, Systems Software	1,870	14	236	$89,259
15-1134	Web Developers	860	10	110	$58,056
15-1141	Database Administrators	730	79	81	$78,404
15-1142	Network and Computer Systems Administrators	5,820	110	345	$72,388
15-1143	Computer Network Architects	1,600	13	104	$89,885
15-1151	Computer User Support Specialists	7,420	148	719	$43,686
15-1152	Computer Network Support Specialists	910	7	65	$46,983
15-1199	Computer Occupations, All Other	1,340	203	138	$76,513
15-2011	Actuaries	330		***	$101,115
15-2021	Mathematicians			***	
15-2031	Operations Research Analysts	780	13	100	$83,749
15-2041	Statisticians	130	8	26	$83,667
15-2091	Mathematical Technicians				
15-2099	Mathematical Science Occupations, All Other			***	
17-1011	Architects, Except Landscape and Naval	940	3	90	$71,103
17-1012	Landscape Architects	260	47	19	$59,188
17-1021	Cartographers and Photogrammetrists	120	7	16	$56,909
17-1022	Surveyors	450	3	48	$55,967
17-2011	Aerospace Engineers	2,220	87	135	$102,877
17-2021	Agricultural Engineers	30		***	***
17-2031	Biomedical Engineers	40		***	$74,819
17-2041	Chemical Engineers	200	5	10	$97,813

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17-2051	Civil Engineers	2,340	92	198	$76,024
17-2061	Computer Hardware Engineers	370		41	$81,218
17-2071	Electrical Engineers	1,960	93	188	$85,973
17-2072	Electronics Engineers, Except Computer	1,560	53	56	$89,668
17-2081	Environmental Engineers	370	31	32	$83,719
17-2111	Health and Safety Engineers, Except Mining Safety Engineers and Inspectors	170		13	$82,405
17-2112	Industrial Engineers	2,920	162	172	$77,306
17-2121	Marine Engineers and Naval Architects			***	
17-2131	Materials Engineers	***	5	10	$100,791
17-2141	Mechanical Engineers	2,710	170	207	$76,803
17-2151	Mining and Geological Engineers, Including Mining Safety Engineers		1	***	
17-2161	Nuclear Engineers	***	1	***	$109,436
17-2171	Petroleum Engineers	150		12	$110,210
17-2199	Engineers, All Other	600	5	49	$81,078
17-3011	Architectural and Civil Drafters	380	65	60	$49,213
17-3012	Electrical and Electronics Drafters	260	13	***	$43,323
17-3013	Mechanical Drafters	1,130	64	102	$48,876
17-3019	Drafters, All Other	60		9	$45,975
17-3021	Aerospace Engineering and Operations Technicians	460	2	34	$62,558
17-3022	Civil Engineering Technicians	1,060	73	130	$44,616
17-3023	Electrical and Electronics Engineering Technicians	840	5	86	$61,286
17-3024	Electro-Mechanical Technicians			***	
17-3025	Environmental Engineering Technicians	100	1	11	$49,410
17-3026	Industrial Engineering Technicians	580	2	47	$49,440
17-3027	Mechanical Engineering Technicians	370	2	36	$52,685
17-3029	Engineering Technicians, Except Drafters, All Other	580	1	***	$55,770
17-3031	Surveying and Mapping Technicians	430	1	72	$40,722
19-1011	Animal Scientists	30	11	***	$60,144
19-1012	Food Scientists and Technologists	280	8	38	$69,907
19-1013	Soil and Plant Scientists	370	4	66	$52,516
19-1021	Biochemists and Biophysicists		3	***	
19-1022	Microbiologists	110	6	5	$47,902
19-1023	Zoologists and Wildlife Biologists	180		13	$53,007
19-1029	Biological Scientists, All Other	250	2	20	$60,238
19-1031	Conservation Scientists	140		17	$69,819
19-1032	Foresters	30		***	$57,228
19-1041	Epidemiologists	30		***	$64,046

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19-1042	Medical Scientists, Except Epidemiologists	560	36	69	$70,230
19-1099	Life Scientists, All Other	10		***	$93,010
19-2011	Astronomers		1		
19-2012	Physicists	20	9	***	$187,125
19-2021	Atmospheric and Space Scientists	130	3	6	$87,124
19-2031	Chemists	660	15	49	$73,841
19-2032	Materials Scientists			***	
19-2041	Environmental Scientists and Specialists, Including Health	470	14	72	$65,411
19-2042	Geoscientists, Except Hydrologists and Geographers	250	4	29	$70,875
19-2043	Hydrologists	30	51	***	$62,654
19-2099	Physical Scientists, All Other	130	2	9	$102,429
19-3011	Economists	40	2	***	$65,967
19-3022	Survey Researchers	130		28	$47,858
19-3031	Clinical, Counseling, and School Psychologists	1,030	43	121	$58,903
19-3032	Industrial-Organizational Psychologists				
19-3039	Psychologists, All Other	120	4	7	$102,423
19-3041	Sociologists				
19-3051	Urban and Regional Planners	270	1	27	$63,832
19-3091	Anthropologists and Archeologists	10		***	$46,769
19-3092	Geographers			***	
19-3094	Political Scientists				
19-3099	Social Scientists and Related Workers, All Other	200	5	23	$78,055
19-4011	Agricultural and Food Science Technicians	400	2	41	$39,993
19-4021	Biological Technicians	300	43	84	$40,111
19-4031	Chemical Technicians	500	1	53	$38,609
19-4041	Geological and Petroleum Technicians	50	4	13	$46,934
19-4051	Nuclear Technicians			***	
19-4061	Social Science Research Assistants	30	20	***	$46,589
19-4091	Environmental Science and Protection Technicians, Including Health	390	2	53	$45,699
19-4092	Forensic Science Technicians	330	5	43	$51,100
19-4093	Forest and Conservation Technicians	80		8	$51,005
19-4099	Life, Physical, and Social Science Technicians, All Other	350	105	42	$49,831
25-1021	Computer Science Teachers, Postsecondary	150	17	13	$68,746
25-1022	Mathematical Science Teachers, Postsecondary	470	14	22	$64,619
25-1031	Architecture Teachers, Postsecondary	140	2	***	$91,699

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25-1032	Engineering Teachers, Postsecondary	310	14	7	$101,110
25-1041	Agricultural Sciences Teachers, Postsecondary	240	65	4	$93,592
25-1042	Biological Science Teachers, Postsecondary	370	34	18	$60,660
25-1043	Forestry and Conservation Science Teachers, Postsecondary			***	
25-1051	Atmospheric, Earth, Marine, and Space Sciences Teachers, Postsecondary	110	1	4	$78,321
25-1052	Chemistry Teachers, Postsecondary	150	5	4	$86,465
25-1053	Environmental Science Teachers, Postsecondary	20		***	$63,515
25-1054	Physics Teachers, Postsecondary	110	6	***	$97,192
25-1061	Anthropology and Archeology Teachers, Postsecondary	90		***	$59,902
25-1062	Area, Ethnic, and Cultural Studies Teachers, Postsecondary	110		***	$69,482
25-1063	Economics Teachers, Postsecondary	90	4	***	$112,120
25-1064	Geography Teachers, Postsecondary			***	
25-1065	Political Science Teachers, Postsecondary	110	2	***	$50,267
25-1066	Psychology Teachers, Postsecondary	270	12	14	$71,843
25-1067	Sociology Teachers, Postsecondary	250	2	4	$68,710
25-1069	Social Sciences Teachers, Postsecondary, All Other	100	3	***	$69,623
25-1071	Health Specialties Teachers, Postsecondary	380	117	55	$75,628
25-1072	Nursing Instructors and Teachers, Postsecondary	530	17	67	$59,285
29-1011	Chiropractors	480		13	$54,369
29-1021	Dentists, General	960	34	33	$155,949
29-1022	Oral and Maxillofacial Surgeons			***	
29-1023	Orthodontists			***	
29-1024	Prosthodontists				
29-1029	Dentists, All Other Specialists	10		***	$130,010
29-1031	Dietitians and Nutritionists	590	11	49	$56,679
29-1041	Optometrists	520		16	$106,787
29-1051	Pharmacists	2,990	30	140	$124,118
29-1061	Anesthesiologists	120		5	***
29-1062	Family and General Practitioners	440	19	29	$203,275
29-1063	Internists, General	***	20	***	$189,711
29-1064	Obstetricians and Gynecologists	***	3	3	$188,772
29-1065	Pediatricians, General	***	2	7	$143,375
29-1066	Psychiatrists	110	27	6	***
29-1067	Surgeons	170	12	8	***

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29-1069	Physicians and Surgeons, All Other	3,540	74	139	$186,792
29-1071	Physician Assistants	1,040	16	89	$103,121
29-1081	Podiatrists	50		4	$118,048
29-1122	Occupational Therapists	1,420	12	77	$79,535
29-1123	Physical Therapists	2,270	105	103	$86,526
29-1124	Radiation Therapists	***	1	8	$59,293
29-1125	Recreational Therapists	370	3	19	$34,962
29-1126	Respiratory Therapists	1,130	59	96	$54,401
29-1127	Speech-Language Pathologists	1,360	70	86	$67,527
29-1128	Exercise Physiologists	30		7	$46,521
29-1129	Therapists, All Other	20		***	$54,805
29-1131	Veterinarians	700	135	54	$87,974
29-1141	Registered Nurses	27,810	1654	1867	$59,682
29-1151	Nurse Anesthetists	300	4	17	$146,402
29-1161	Nurse Midwives	***	1	***	$105,202
29-1171	Nurse Practitioners	2,270	27	143	$97,306
29-1181	Audiologists	120		10	$66,594
29-1199	Health Diagnosing and Treating Practitioners, All Other	140		8	$61,591
29-2011	Medical and Clinical Laboratory Technologists			124	
29-2012	Medical and Clinical Laboratory Technicians			102	
29-2021	Dental Hygienists	2,280	50	142	$66,900
29-2031	Cardiovascular Technologists and Technicians	450	10	25	$52,284
29-2032	Diagnostic Medical Sonographers	590	16	42	$72,418
29-2033	Nuclear Medicine Technologists	140	2	9	$76,999
29-2034	Radiologic Technologists	1,950	135	124	$52,322
29-2035	Magnetic Resonance Imaging Technologists	250	4	13	$66,593
29-2041	Emergency Medical Technicians and Paramedics	2,640	68	191	$28,840
29-2051	Dietetic Technicians	90		11	$26,361
29-2052	Pharmacy Technicians	3,780	183	371	$32,332
29-2053	Psychiatric Technicians	900	134	69	$28,661
29-2054	Respiratory Therapy Technicians	80	1	***	$45,477
29-2055	Surgical Technologists	990	42	84	$40,080
29-2056	Veterinary Technologists and Technicians	970	200	70	$32,916
29-2057	Ophthalmic Medical Technicians	710		59	$32,768
29-2061	Licensed Practical and Licensed Vocational Nurses	7,510	585	519	$43,444

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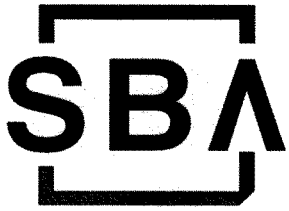
29-2071	Medical Records and Health Information Technicians	2,390	9	154	$37,065
29-2081	Opticians, Dispensing	740	43	66	$30,795
29-2091	Orthotists and Prosthetists	70		3	$70,572
29-2092	Hearing Aid Specialists	***		***	$67,005
29-2099	Health Technologists and Technicians, All Other	580	10	48	$48,202
29-9011	Occupational Health and Safety Specialists	880	11	48	$61,109
29-9012	Occupational Health and Safety Technicians	260	1	8	$45,207
29-9091	Athletic Trainers	300	7	21	$45,928
29-9092	Genetic Counselors				
29-9099	Healthcare Practitioners and Technical Workers, All Other	210	2	18	$38,712
41-4011	Sales Representatives, Wholesale and Manufacturing, Technical and Scientific Products	1,540	63	265	$78,139
41-9031	Sales Engineers	350	75	***	$85,216

*** Confidential

Source: Kansas Department of Labor, Labor Market Information Services

1. 2019 Kansas Wage Survey
2. Spring 2019 Kansas Job Vacancy Survey
3. Kansas Long-Term Occupational Projections, 2016-2026



U.S. Small Business
Administration

Statement of Thomas Salisbury

Regional Administrator, Region VII

U.S. Small Business Administration

before the

House Committee on Small Business

Hearing on "Silicon Prairie: Tech, Innovation, and a High-Skilled Workforce in the Heartland"

October 8, 2019

Kansas City, KS

Statement of Thomas Salisbury
Regional Administrator
U.S. Small Business Administration

Good Morning, my name is Tom Salisbury and I am the Regional Administrator for Region VII of the United States Small Business Administration, or SBA. I would like to thank Representative Davids and the U.S. House of Representatives Committee on Small Business for the opportunity to speak this morning on the SBA's role in assisting existing and aspiring businesses achieve their American dream.

I came to this role after 35 years in the private sector working in and with the small business community, including lending, and then the last eight years as the small business liaison for U.S. Senator Roy Blunt of Missouri. That experience has embedded in me a fundamental respect and appreciation for America's small businesses.

I'd like to recognize the work of the District Director and Deputy District Director of the Kansas City District Office of the SBA, Jon Malcolm Richards and Dennis Larkin, respectively. That office is responsible for the western half of Missouri and an area of Eastern and NE Kansas that includes the 3rd congressional district. The remainder of Kansas is covered by our office in Wichita. Region VII is composed of the entirety of the states of Missouri, Kansas, Nebraska and Iowa. Those offices are staffed by a total of 37 dedicated public servants, with experience ranging from 52 years (the only job that person has ever had), to celebrating their first anniversary and everything in between. These individuals work every day to inform, educate,

assist and counsel the business community, lenders, resource partners, investors and entrepreneurs regarding the many services available through a relationship with the SBA.

While a small business owner's commitment, energy, and skill are clearly the heart of any new or existing business, today's evolving business climate often prompts the owner to seek outside help. This help can often be from federal programs, many delivered through the SBA, as well as from state and local programs.

The SBA was created in 1953 by then President Dwight D. Eisenhower to offer programs and assistance to an expanding small business community being created by returning veterans from two recent wars. Our mission is to encourage, counsel, and foster success among small businesses. The SBA has a lengthy array of financial, technical assistance and business development programs aimed at helping entrepreneurs start, grow and expand their particular business. Additionally, the SBA plays a critical role in disaster recovery by assisting businesses, homeowners, and renters with direct financial assistance.

I would like to take an opportunity to briefly discuss ways the SBA has engaged on the topics at hand today: access to capital and the workforce issues facing small businesses.

As someone who has worked in the banking industry and now in my role at the SBA, I know that access to capital is key for small business growth and development. For many start-ups

and small businesses this means meeting with a local lender to discuss their loan eligibility and options. In both small and large communities, many of those lenders will have personal knowledge of the borrower. They often are neighbors and friends. However, lenders may have lending criteria that some small businesses may not be able to meet.

That is precisely where the SBA plays a critical role. Through the 7(a) loan program, SBA works with lenders to provide loans to small businesses that cannot access capital through conventional means. SBA guarantees a portion of the loan, which reduces the risk and enables the small business to access capital on competitive terms. The 7(a) loan program provides for partial guarantees of loans up to $5 million. On loans up to $150,000, the guarantee is 85% of the amount of the loan. For loans over $150,000, the guarantee is 75%. It helps both parties: the borrower acquires the funding and the lender gets the protection it needs to make the loan to its customer. These loans are made at very competitive rates. The fees assessed are also very low, but necessary. Everybody wins. In FY19 the Kansas City District Office approved 674 7(a) loans for over $288 million.

SBA also supports lending through non-profit, community-based intermediaries that provide smaller dollar loans and technical assistance services. These microlenders make loans of up to $50,000 and are integral in helping those borrowers establish future credit worthiness and bankability. These nonprofit microlenders are critical in the underserved communities.

Staying on the subject of access to capital, small businesses with larger projects that involve real estate purchase or improvement or the purchase of large equipment, or the refinancing of other debt used for that purpose, find the SBA 504 Certified Development Company Loan Program to be of great help. This program provides long term, fixed rate, subordinate mortgage financing at very favorable terms. This program generally involves the CDC at 40% of the project cost, a traditional lender at 50% and the business invests only 10%, leaving funds available for other purposes. In FY19 the Kansas City District Office approved 52 504 loans for nearly $45 million.

The SBA also operates the Small Business Investment Company (SBIC) program. An SBIC is a privately owned and managed investment fund that's licensed, regulated, and partially financed by the SBA. The SBICs use their expertise in certain sectors or industries (including technology firms) to invest in qualified small businesses. There is a licensed SBIC located here in the 3rd congressional district and it and other SBICs from across the country invested $58 million in Kansas small businesses inFY2018.

Ensuring these lending and financial products reach rural parts of the country is a top priority of the Administration. Last year the SBA and USDA signed a memorandum of understanding to enhance collaboration between the agencies and increase access to capital. We are confident this alignment will help grow investment opportunities and boost economies in rural America.

In addition to our financial and lending products, the SBA has a comprehensive array of programs for entrepreneurs and small businesses looking for help. This includes assistance to businesses who want to participate in government contracting, or who are looking to grow and sell in foreign markets, or who need one-on-one counseling provided through SBA resource partners such as Women Business Centers, Small Business Development Centers and our SCORE network of retired executives, some of whom are represented here today. We also support veterans and returning service members through Veterans Business Outreach Centers and our 'Boots to Business' training program.

Specific to technology, I did want to highlight a research and development program that the SBA is heavily involved with across the country. SBA monitors, supports, and establishes the policy guidance for the Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) Programs. The SBIR/STTR programs help foster small business innovation through early-stage research and development awards. As part of SBA's outreach efforts related to the SBIR/STTR programs, SBA and the 11 participating federal agencies travel around the country on the SBIR Road Tour providing information to small business concerns on how to access SBIR/STTR funds to support research, development, and commercialization of innovative technologies. In fact, the SBIR Road Tour came to the Kansas City area earlier this year.

I mention all these items to highlight the vast resources available to small businesses and entrepreneurs through the SBA, many at no cost. We are proud to stand by to assist job creators in Kansas, Missouri and across America with our products.

The SBA is also aware of the workforce issue facing our country's small businesses. I recall a visit our former Administrator Linda McMahon made to Kansas during her Ignite tour. Last year, she and I visited Firelake Construction, a woman owned information technology construction company based in Lenexa. Firelake is a growing small business that participates in the 8(a) program and performs work across the public and private sectors. During our roundtable conversation with the company, the workforce challenges facing the company and the region were discussed.

It's engagements like these that the agency has taken back to Washington, D.C. to address workforce challenges and opportunities. The SBA is a participant on the President's National Council for the American Worker. This is an effort to ensure American workers receive the training and skills needed to fill the job openings in the country. Part of it includes the 'Pledge to America's Worker', an initiative to commit to job opportunities and workforce training. To date, 'the pledge' has been signed by hundreds of companies and a bi-partisan mix of 38 state governors who have committed to workforce education programs in their state.

Here in the Kansas City area, I recently accompanied our Acting Administrator, Chris Pilkerton, to visit with Geiger Concrete Company, which has multiple locations in the region, and has committed, through the pledge, to adding 125 new jobs by 2022.

We are very engaged with local economic development agencies, who in turn have connected the SBA with enterprises like IWERX, a Kansas City workspace provider for startup and small companies, many of which are tech, that don't currently need large space, but do need an office from which to grow. IWERX recently told us of a company that started in their space but just relocated to a larger space due to growing from 4 employees to 14 in the last 6 months.

As I conclude, it's important to note what a strong environment it is for small businesses in Kansas and across the country.

With the United States enjoying a roaring economy and unemployment rates the lowest in over 50 years, optimism regarding business investment is soaring. Prospective business owners are encouraged to take that 'big step' and lenders are supportive. In addition to the efforts on workforce, the administration has a number of initiatives designed to spur this growth.

For example, the Tax Cuts and Jobs Act has proven to be a great initiative to encourage growth in the economy and to encourage investment.

Also, the newly negotiated USMCA trade deal is very important to small business growth. It is the first U.S. trade agreement with a chapter dedicated to small business and includes important provisions for technology companies such as digital and IP trade protections. The SBA was at the table to represent small businesses while the USMCA was being developed and I am encouraged to see Governor Kelly urge support for the agreement.

Representative Davids, it's never been a better time to start a small business. I'm honored to be a part of a great agency like the SBA and to work alongside dedicated public servants and job creators. As we like to say at the SBA, we help power the American dream. I would like to thank you and the Committee for your support of our efforts and for hosting this important hearing today.

I look forward to answering any questions you might have.

SnapIT Solutions

House Committee on Small Business Field Hearing
'Silicon Prairie: Tech, Innovation and a High-Skilled Workforce in the Heartland'
Testimony of Neelima Parasker, Founder & CEO, SnapIT Solutions, LLC
October 8, 2019

Thank you, Representative Sharice Davids, for inviting me here today. My name is Neelima Parasker, I am the Founder and Chief Executive Officer of SnapIT Solutions, LLC. SnapIT Solutions is an innovative technology solutions and services company with capabilities in IT (Information Technology) Managed Services, Mobile and Web Application development, Data Analytics, Cloud, DevOps and provided IT Trainings. SnapIT Solutions is a certified Post-Secondary Education Training Institute by the Board of Regents in Kansas and Certified ETPS (Eligible Training Provider System) Institution in Missouri with pending application process for Colorado, Oklahoma and Nebraska states. SnapIT Solutions is a WBE, WOSB, MBE, and DBE certified company with a vision to grow human potential, empowering individuals and strengthening communities. SnapIT Solutions is nationally considered as a futuristic and innovative small business with a powerful mission.

I hold a Bachelor of Science in Mechanical Engineering with a Masters in Computer Science; I am a certified Project Management Professional from Project Management Institute with 19 years of Information Technology experience, holding leadership positions in Fortune 500 companies, including IBM and Sprint. In the private sector, I led teams executing enterprise transformations and promoting innovation through leading edge technology.

Finding and developing a talented workforce is a longstanding personal goal. I was recently appointed by the Governor of Kansas to be on the Kansas Department of Commerce, Workforce Task Force to help promote and support workforce development throughout the state.

The current state of the tech industry and the high-tech workforce shortage.

The tech industry is expected to outpace the overall economic growth in the coming years. According to the Bureau of Labor Statistics Monthly Labor Review, tech job opportunities are predicted to grow at a faster rate than all other jobs in the professional sector or up to 22% over the next decade. Demand for these workers stems from greater emphasis on cloud computing, the collection and storage of big data, and information security. Tech occupations are projected to add about 546,200 new jobs; the current workforce will need upskilling/re-training to meet the ever changing technology innovations.

Despite the increasing number of computing jobs, interest in these majors and careers has steadily declined over the past decade. Fewer students are enrolling in computer science and graduating with computer science degrees. If current trends continue, the industry will only be able to fill half of its available jobs with candidates holding computer science bachelor's degrees from U.S. universities, NCWIT, By the Numbers 2009. These projections are reality. With the current four year degree requirement in Computer Science related jobs, it has been challenging to keep the supply up with the demand for talent which has resulted in the shortage of tech workers.

CHALLENGE: **IT industry growth outpacing the high-tech skilled workforce.**

Small companies with their innovative new technologies disrupt the industry but fail to sustain their growth due to the high-tech skills shortage. Larger organizations attract considerable interest in the technology job market but struggle to reskill their existing workforce in the fast-changing technology industry. According to Forbes, the state of IT Service Management in 2017, which included responses from 261 senior level executives globally, 50% of the respondents cited tech skills shortage and training requirements as the key challenge to IT transformation. The report found that while technology is disrupting the business landscape, the ability to effectively leverage the available solutions and deliver the necessary functions to end-users, until SnapIT Solutions, remained elusive, due to the high-tech talent shortage.

SOLUTION: **SnapIT Solutions is the innovative regenerative workforce model that solves the high-tech skilled workforce shortage.**

The tremendous demand for a skilled high-tech workforce requires business, industry, public service and nonprofit sectors to explore innovative ways to train talent to compete globally. A different labor pool needs to be cultivated and nurtured, as is evident by many companies, like Google, Apple and Netflix, answering that call and removing the four year degree barrier is **SnapIT Solutions, LLC**. With SnapIT Solutions' unique and sophisticated business model, SnapIT Solutions has grown more than 500% in the past year, growing to 32 full time employees, and is recognized as one of the fastest growing employers in the Kansas City region.

SnapIT Solutions creates innovative technology products utilizing a dynamic and regenerative business model that provides our underserved/underutilized job seekers with a platform to demonstrate their skills and push their limits. SnapIT Solutions was founded in 2015 to address the gap in providing complete technology solutions to businesses that have limited resources and financial capabilities, but a great need to be competitive in the market with value based solutions that are quick to market products.

The organization and structures within SnapIT Solutions have intentionally been designed to cultivate human potential of staff, while responding to the needs and accelerated pace of technological change in the markets and greater society. Specifically, SnapIT Solutions operates three primary divisions:

> ***SnapIT Trains:*** develops and provides custom designed courses to expand opportunities in tech to a talent pool from a diverse, and under-resourced populations.

Through the SnapIT Trains, graduates of the program have the opportunity to serve as interns and apprentices at SnapIT. Every new hire is paired with a senior technology expert in the area and mentored on the job for an expeditious and efficient learning curve. Employees are challenged to do the best they can to sharpen the skills and given the opportunity to be trained and grow on the job.

Through our training program, SnapIT witnesses stories like Lisa: a former member of a band, who went through SnapIT training, hosted by SnapIT team as an intern, hired as an Apprentice after successful completion of internship and within 1.5 years honed in as a Software Developer who can code in at least three different software languages that includes Ruby on Rails, JavaScript and Java for SnapIT. Or the testimony of Ramone: Student of SnapIT Trainings, then an intern and Apprentice that discovered his passion for teaching and mentoring. Now Ramone is a certified IT Trainer within SnapIT, providing tech training in JavaScript and Basics of Software Development. The diversity of backgrounds, life experiences and education is what makes the SnapIT Trains division a real world example of how being innovative with solutions to problems has the potential to affect an entire community.

SnapIT Solutions is proud to report that 98 individuals have been trained and certified as Junior Software Developers via our MO workforce partners Full Employment Council, with approximately 77 placements in businesses and industries in the Kansas City Metropolitan Area. The tremendous demand for a skilled workforce gives Kansas businesses, industry, public service and nonprofit sectors, the opportunity to showcase its bistate dedication to collectively deliver innovative ways to train IT talent to compete globally. We're seeing firsthand the value that nimble entrepreneurial development teams can do within large corporations, including a substantial reduction in development costs and more cutting edge innovation.

SnapIT Solves: assists in solving the business challenges of its small and medium business clients with custom-developed technology software products, these custom software products gives SnapIT Apprentices an opportunity to work on real world projects with lesser demands in delivery timelines and,

SnapIT Pods: provides software application development services that deploy our talented software developers in pods to enhance it client's existing systems with no requirement to manage or direct this diverse talent pool by the clients. This is a risk-free agreement for clients to get the work done with SnapIT Solutions via fixed price contracts. Trained resources as staff augment to meet the ever growing demand for IT talent. As the students make their journey through training into Solves and Pods, it is quite important to showcase the roles of mentors within SnapIT's senior development team that perform exceptional work spending time in creating the best course of action that helps the interns and apprentices within the company to be incubated into independent software developers, designers and testers within hi-tech industry. Many thanks to passionate mentors like Rama Midigudla, Sai Nageshwara Mutyala and Roger O'Dell for seeing the vision of this model and supporting the early adoption of this model via mentoring.

SnapIT Solutions has a fast phase, and agile startup culture with a supportive team environment. SnapIT Solutions works hand-in-hand with public and private sector partners to

strengthen its robust Community Ecosystem. SnapIT Solutions is experiencing significant growth in its operations and the company is scaling its model across the nation, delivering value in government, private and public sectors.

CHALLENGE: **Developing a talented workforce in non-tech hub areas.**

SOLUTION: **Harness Local Talent**.

SnapIT Solutions harnesses the vast reservoir of untapped potential and talent. We don't need to transplant our workforce from urban areas or different states, rather develop our local talent.

Kansas City is an entrepreneurial hub and consistently tops the ratings for entrepreneurial growth in these charts (and among many others): #1 City for Business Growth (Wendover-InsightPRM Business Growth Report), #2 Most Improved Metro Areas for Startup Growth (Kauffman Index of Startup Activity), #2 Best City for Women in Tech (SmartAsset), #6 Best City for Creatives (SmartAsset), Top 6 City that Offers Better Value for Growing Startups (Forbes), Top 25 Future Ready Economy (Dell).

Expediting experiential learning within the existing workforce and elevating the skills capability of employees presents lower risks and requires less cost and time investments than searching for and hiring the right candidate. Nothing beats the power of learning by doing. Exposing energetic young workforce to advanced technical and business challenges, and training them to solve real-world problems promises improved skill retention among the workforce. SnapIt Solutions conducts intensive educational workshops ranging from design thinking and technical problem simulations to soft-skills and management training to empower your workforce with the latest skills necessary. Both strategies will help broaden the technical expertise of our workforce and allow organizations to scale the adoption and implementation of promising new digital technologies.

Nurture agility among the workforce. Traditional businesses may need to reorganize their organizational structure, and especially IT, to introduce agility in the way individuals and teams help achieve business goals. Empower employees to self-manage and adopt standardized technologies to eliminate silos between disparate teams. This strategy streamlines collaboration and coordination among the diverse workforce, allowing IT professional to apply diverse skills toward standardized processes and technologies, as needed.

Develop a strong business sense. Especially when technology is at the core of the business offerings, IT should develop a strong understanding of how their roles and contributions impact the business and end-user experience of their business services. The BMC survey finds that the intended impact of digital transformation includes improving support for larger number of users, gaining capability to add new services and increasing support for larger number of end-users. This strategy requires IT to go beyond the ability to solve technical challenges and develop the necessary business skills. Understanding the ever-changing dynamics of the local and international business climate can further help IT to create solutions or business use cases that yield key competitive differentiation for the organization in the competitive market landscape.

With a strong business sense, IT can work together with executives to help the company continuously adapt and redirect itself to better achieve organizational goals. While IT is primarily responsible to address the technical problems facing the business organization, IT can frequently contribute to identify profitable new pathways for the technology-enabled business service. These contributions can reduce the expense on external contractors that may not entirely understand the inner workings of the organization, its services, culture and the resulting impact on its business and end-users.

Focus on problem solving and out-of-the box attitude. The talent gap is often not about the specific technology skills but the ability of the workforce to solve technical and business problems. For instance, technical engineering problems require creativity and strong ideation more than just implementing previously known knowledge concepts or information. High-order cognitive capability is valuable for both technical and non-technical roles. However, this requirement is not limited to adults under 40 freshly graduated from technical and engineering academic programs. Experienced employees or vulnerable learners who tend to participate less in educational workshops and professional training programs are just as capable of polishing their creativity, ideation and problem-solving skills. It is the responsibility of organizations to provide thorough and flexible access to advanced training programs to members across the workforce, realizing opportunities for lifelong learning and identifying progressive career pathways for everyone.

Hiring new team members with the technical background deemed necessary to fill certain open positions is only a part of the skills shortage fulfilment equation. CIOs must identify the business requirements associated with the talent gap from a broader perspective, analyzing the existing workforce and understand how the future technology landscape presents changing expectations on the IT skills and talent. Onboarding the right talent may not always be clear, inexpensive or risk-free, but a strategic approach to solving the IT skills shortage may lead to other effective solutions.

Delivering meaningful solutions for our nation's corporations and government entities comes in many forms, much beyond the form of financial investment in startups. SnapIT Solutions accelerates the effectiveness when we examine how corporations are mentoring, supporting, incubating ideas and potentially become first customers for small business startups. SnapIT Solutions systematically brings together corporations/investors and entrepreneurs.

While it's well-known that women make key contributions to the economy, gender disparities remain, particularly in the tech industry. Being outnumbered, underpaid, and overlooked in comparison to their male counterparts, women have notoriously faced bigger challenges than men, forcing many women to ultimately leave their tech positions. More than half of women in tech leave the industry by the mid-point of their career, which is more than double the rate of men, according to 2019 Center for Work-Life Policy study. While female tech workers earn more than their male counterparts in Kansas City, more needs to be done to ensure that women are receiving equal pay for equal work and benefiting from the strong female leaders and mentors in the community. SnapIT Solutions is leading the way to retain and equitably support the next generation of American entrepreneurs.

SnapIT Solutions is the infrastructure built to showcase our full entrepreneurial ecosystem and ensures access to a vibrant ecosystem that includes all players. Intentional corporate investment in small businesses has tremendous positive impact across the board.

The ratios of women versus men in technology courses is still vastly unbalanced, SnapIT Solutions solves the need for female mentors for girls needing support in these areas like computer science, robotics, and web development. SnapIT Solutions is in the trenches, giving our diverse community the fresh perspective and training tools to make their mark on the industry, and creating opportunities for mentorship and support to help share the next generation of women in technology and further empowering our diverse community with the tools they need to be successful and meet the demands of our corporate and governmental institutions.

In 2019, I myself, as SnapIT's female founder, was awarded '***Most Inspirational Women in Tech***' by Insight Success, a global business magazine. My team and I were also featured in Oprah's O Magazine, Fortune and Entrepreneur Magazines as ***'Leading Women in Business-Kansas City***' for our work in economic development via tech jobs. I received the Women Business Enterprise, ***Rising Star Award***, from the Women's Business Development Center, the Midwest national certifying entity for the Women's Business Enterprise National Council, in recognition as a visionary business owner who leads the change on creative, solution-oriented, and cutting-edge business processes.

What will SnapIT Solutions need to expand work on increasing talent in IT?

- SnapIT Solutions would like to help create at least 500 new talent resources by 2022.
- SnapIT Solutions is hopeful for support from the SBA to identify the jobs in Department of Defense space where SnapIT can place its recently graduated IT resources, that have at least 2 years of relevant experience in high-demand IT skills (e.g., USDA, DHS, HHS)
- SnapIT Solutions looks forward to developing software for Federal agencies, that gives SnapIT students the opportunity to get exposed to real-time projects.
- Increased support and engagement of all players in the ecosystem, specifically including: governmental agencies and corporations.
- Incentivize broader investment in early-stage firms. Streamline access, so more high-growth companies get the capital they need to grow.
- Women and women of color are starting businesses at a higher rate than the general market. Yet, we have greater challenges obtaining the funding we need to build and sustain our companies. Access to capital is particularly hard for women and minority-owned businesses, both debt and equity capital. In 2017, according to Pitchbook, only 2.2% of all venture capital funding went to female-founded teams. Black and Latino entrepreneurs received even less, just 1% of all startup financing, according to the Kauffman Foundation.

Conclusion

Entrepreneurs, and the jobs we create, are a vital and critical ingredient for a growing economy, creating shared economic prosperity, opportunity and empowerment. Research shows that since 1980, nearly all of the net new jobs created in the U.S. have been created by companies less than five years old. In fact, entrepreneurs and their businesses create an average of 3 million jobs each year. If we are to continue to benefit from the creativity, innovation, and tenacity of entrepreneurs, it is important that we collectively foster an environment where innovation can flourish, consumers are empowered, and more Americans can achieve meaningful employment through these new opportunities.

Today, we ask that you continue to support and invest in small businesses and help us create more jobs. We must invest in our communities by investing in local businesses. We cannot do it alone. Again, thank you for this opportunity, I am happy to answer any questions.

The strength of American Cities, and the nation as a whole,
depends on generating inclusive growth for people of all races, ethnicities, and incomes.

Written Testimony before the U.S. House of Representatives, Committee on Small Business

Field Hearing Entitled "Silicon Prairie: Tech, Innovation, and a High-Skilled Workforce in the Heartland"

Ruben Alonso III
President, AltCap
Board of Directors, Equity²

October 8, 2019

My name is Ruben Alonso III. I am the President of AltCap, an impact-driven CDFI and SBA Microloan intermediary serving the Kansas City metro. I am also, a Board member of Equity², an investment affiliate created by AltCap and initially focused on Opportunity Zone investments in Kansas and Missouri.

I want to thank Chairwoman Velázquez and Members of the Committee for the opportunity to speak to you today about supporting tech, innovation and a high-skilled workforce in the Heartland. I will speak specifically to the importance of access to capital and how it can help drive business investment in technology and innovation in the Heartland.

As jobs in the manufacturing and agriculture sectors continue to wane, investments in technology, innovation/R&D and workforce development are key to ensuring our economy in the Heartland continues to grow. While the Heartland offers a number of advantages that make it attractive for business investment (e.g. centrally located, low operating/living costs, "midwest work ethic") it continues to fall short when it comes to attracting venture or equity capital. Around 80% of venture capital investment is consistently concentrated on the coasts . Addressing this disparity is critical to supporting the growth and development of industries and the broader economy in the Heartland.

As a CDFI, AltCap is focused on supporting economic development through entrepreneurship and small business investment. By providing financing through CDFI Fund programs including the New Markets Tax Credit Program and Financial Assistance Award Program, AltCap is supporting start-up and existing small businesses as well as our local economy. Yet the debt financing that AltCap provides, while offering significant flexibility to the borrower, is not always ideal for tech-based businesses because of the burden of monthly debt and interest payments, not to mention they typically have few assets to help secure a loan. That said, many of these businesses are what drive innovation and are largely responsible for high-skilled workforce development.

With the creation of our recent Opportunity Zone investment affiliate, Equity², we now have a tool to deliver the type of capital that can support deeper investments in tech and innovation in the Heartland – and specifically in communities that have lacked investment. The Opportunity Zone incentive gives us the ability to 1) attract investment capital both locally and nationally, and 2) significantly increase our investment in innovation driven, tech-based businesses – offering them the type of patient capital they need to develop and grow, right here in the Heartland. Our hope is that by using the Opportunity Zone incentive we will be able to attract more investment capital and open up new opportunities for investment by investors throughout the country in tech and innovation in the Heartland.

Access to capital and investment tools such as New Markets Tax Credits and Opportunity Zone s will continue to play an important role in supporting business investment in technology and innovation in

the Heartland. Much like our agrarian roots, AltCap and Equity[2] are committed to leveraging these tools to grow Kansas and Missouri small businesses and grow our economy.

Chairwoman Velázquez and Members of the Committee, thank you for the opportunity to testify today. I am happy to address any questions that you may have.

WRITTEN TESTIMONY

DATE: October 8, 2019

WITNESS: Tammie Wahaus, Chief Executive Officer of ELIAS Animal Health, LLC; Chief Financial Officer of TVAX Biomedical, Inc.

SUBJECT: Committee on Small Business field hearing titled, "Silicon Prairie: Tech, Innovation, and a High-Skilled Workforce in the Heartland"

TESTIMONY: Good morning. My name is Tammie Wahaus. I am the Chief Executive Officer of ELIAS Animal Health, LLC and the Chief Financial Officer of TVAX Biomedical, Inc.

I would like to thank the Committee on Small Business and U.S. Representative Sharice Davids for this opportunity to share my perspective on Technology, Innovation, and a Highly-skilled Workforce in the Heartland.

ELIAS and TVAX are great examples of the translational research being conducted in the Silicon Prairie. Together, we are advancing a vaccine enhanced adoptive T cell therapy as a treatment for cancer in both human and companion animals. Collectively, our data demonstrate the potential applicability of our innovative technology to any type of cancer in humans and in dogs.

In developing our technology, we have worked with many of the great research institutions in the region. Scientists, researchers, and clinicians (including MD's and DVM's) have all participated in laboratory research, preclinical studies, and clinical trials in both humans and in companion animals.

ELIAS Animal Health Overview

First, I would like to focus on ELIAS Animal Health. ELIAS Animal Health is a medical biotechnology company that is commercializing a novel targeted T cell-based immunotherapy (ECI®, or ELIAS Cancer Immunotherapy) for the treatment of cancer in the veterinary sector. The company's proprietary and patented therapeutic approach offers the potential for improved clinical outcomes with low toxicity, changing the way cancer is fundamentally treated in the companion animal market.

ELIAS was founded in 2014 as a spin-off of TVAX Biomedical, discussed later, in recognition of the market potential for innovation in the companion animal oncology space. In 2019, just five years later, we are commercializing our novel, and patented, targeted T cell-based immunotherapy (marketed as ECI®) for the treatment of cancer in the veterinary sector that uses the pet's own immune system to kill cancer cells. This is a platform technology with potential for all cancer types - solid tumors and blood cancers.

Over the past five years, clinical studies in key canine cancers have been conducted evaluating ECI in multiple canine cancer types, including osteosarcoma, B cell lymphoma, and hemangiosarcoma. To date, nearly 100 dogs diagnosed with cancer have been treated with ECI and the results have included

complete and partial responses, with many achieving improved survival times compared to traditional treatments such as chemotherapy and radiation.

Results of our studies in canine osteosarcoma have been reported at several scientific conferences. In that study, more than half of the dogs treated with ECI survived 3.2 times as long as historically achieved with amputation alone and 1.6 times as long as historically achieved with amputation plus chemotherapy, with minimal adverse events. In the most current analysis, fifty percent of the dogs in the study were reported as disease-free for periods ranging between 4-6 times as long as amputation alone, and 2-3 times as long as amputation plus chemotherapy. In addition to improved median survival times, regression of metastatic disease and slowed disease progression were also observed, highlighting the promise of this therapeutic approach for treating cancer in dogs. An application for conditional licensure has been submitted to USDA-Center for Veterinary Biologics ('USDA-CVB').

ELIAS Animal Health Manufacturing Facilities and Workforce

Our manufacturing facility is currently located in the Olathe, Kansas. The Company manufactures following the regulatory requirements of the U.S. Department of Agriculture – Center for Veterinary Biologics. We have in place a team who, together, have more than 20 years of experience in the animal health industry, and more than 30 years of experience in cGMP vaccine manufacturing and cell culture processes.

Commercial scale-up plans have already been designed for a facility with the capability to rapidly expand production. Our manufacturing facility can be replicated at a low cost, thereby enabling an efficient distributed manufacturing model. At scale, we estimate that could create manufacturing jobs for more than 100 microbiologists and scientists, along with quality assurance personnel.

Commercializing a companion animal cancer treatment that offers greater effectiveness and a better safety profile than those currently available, creates a projected U.S. revenue opportunity in excess of $100 million and has the potential to significantly expand the currently projected revenue opportunity with expansion to markets outside the U.S., expansion to the equine and feline species, and expansion of the referrals by general practitioners to the veterinary specialty hospitals.

ELIAS is initially targeting canine cancers being treated by veterinary specialty hospitals specializing in cancer treatment, where, an estimated 372,000 of the 6 million dogs diagnosed annually are provided care. Independent, company-sponsored, market research confirmed that these veterinarians are seeking newer, better treatments for their clients and their pet dogs. This research was instrumental in the development and validation of the company's marketing and pricing strategies. Leveraging the results of our clinical studies conducted at both private and academic veterinary clinics, as well as the experience gained by those clinicians, Commercial sales of our first product were initiated in early 2019.

Through veterinary specialty hospitals trained and certified as ECI® treatment centers, coupled with positive clinical outcomes in more than one cancer type, ELIAS intends to build market share of at least 37,000 patients per year within five years, generating revenue in excess of $100 million per year. Further growth can be achieved through the expansion to markets outside the U.S. and other species

(feline and equine), and growth in the referrals by general practitioners to the veterinary specialty hospitals for pet owners seeking safe, more effective treatment options.

ELIAS Animal Health - Capital Requirements

To date, ELIAS has raised just over $5 million in equity capital, primarily from regional investors. By putting that capital to work we have employed a multi-disciplinary team that includes expertise in cancer immunology, veterinary medicine, microbiology, clinical trial oversight, and regulatory compliance, to bring this product to market. The progress that we have made in just 5 years and with only $5.5 million dollars is rare in this industry.

A funding round of up to $5 million is currently being pursued to support the expansion of our commercial launch for ECI® as a treatment for canine osteosarcoma, clinical studies in additional cancer types, and facilities, equipment, and staff to support commercial expansion.

The Small Business Innovation Research program is another potential source of funding for early stage life science technologies like ours. The SBIR provides an opportunity for businesses like ELIAS Animal Health to pursue grant funding that is additive to the capital raised from investors. We currently have a grant application under consideration by reviewers for the National Cancer Institute for a translational clinical trial in companion animals, specifically dogs, that could provide critical information supporting the further development of this treatment by TVAX Biomedical for use in humans.

Raising adequate capital to support the rapid development and commercialization of this cancer treatment is critically important to the overall success of the business. Speed to market is a key differentiator for innovative technologies.

TVAX Biomedical Overview

As discussed above, TVAX Biomedical is a clinical stage biotechnology company testing TVAX Immunotherapy, a unique, proprietary, cancer type-agnostic immunotherapy platform combining vaccination and adoptive T cell therapy.

TVAX has tested TVAX Immunotherapy in >200 patients with various types of cancer, including high-grade glioma. Surrogate outcomes demonstrated that ~90% of patients developed neoantigen-specific immune responses, thereby demonstrating all cancers' potential susceptibility to neoantigen-specific effector T cells. The basis for use of neoantigen-specific effector T cells in TVAX Immunotherapy is similar to use of these cells in highly effective checkpoint inhibitor and tumor infiltrating lymphocyte therapies.

Our plan is to conduct a single armed, multi-institutional 75-patient phase 2b clinical trial to assess TVAX Immunotherapy as a treatment for newly diagnosed pediatric and adult high-grade glioma patients. TVAX Immunotherapy will be integrated with standard therapy such that immunity is generated prior to chemoradiotherapy-induced immune suppression and effector T cells are delivered after chemoradiotherapy reduces cancer tissue-associated immune suppression and patients have minimal residual disease.

TVAX Biomedical Manufacturing Facilities and Workforce

Similar to ELIAS Animal Health, manufacturing this personalized cancer treatment for humans in accordance with the regulatory requirements of the Food & Drug Administration requires a workforce skilled in cancer immunology, microbiology, clinical trial management, and regulatory affairs. It is anticipated that a 5,000 square-foot facility will be needed initially for manufacturing and that footprint will need to grow as the manufacturing volumes increase over time.

TVAX Biomedical - Capital Requirements

TVAX is currently pursuing funding of $12 million for the 75-patient phase 2b clinical trial. Investors both inside and outside of the Heartland are being approached to support this very important work.

High-grade glioma patient prognosis is dismal; current therapies are not delivered with curative intent and provide only a few months additional survival. There is a serious unmet medical need for safer and more effective treatments for adult and pediatric high-grade glioma patients. In clinical trials, TVAX Immunotherapy has been shown to be effective against high-grade gliomas.

Summary Statement – ELIAS Animal Health and TVAX Biomedical

ELIAS Animal Health and TVAX Biomedical are focused on changing the way cancer is fundamentally treatment. Our mission is to provide a safer, more effective treatment option for cancer patients. To achieve that goal, we will need increasing access to a workforce skilled in biologics manufacturing, clinical trial oversight, cancer immunology, human and veterinary medicine, and regulatory compliance.

Bringing a life sciences product to market takes years of scientific and clinical development, and costs millions of dollars. From early stage development through to regulatory approval and marketing is a significant financial undertaking because it takes 5-7+ years to bring a product to that stage.

Along with the great work being done by ELIAS Animal Health and TVAX Biomedical, there are many other important innovations being created in the Silicon Prairie. In my experience, we have a robust angel investor community, but it is critical that venture funds, institutional investors, and granting agencies become more robust in their support of emerging businesses in the Heartland.

We have great universities that are building critical educational programs to train workers that will support the life sciences industry. Expanded support from the broader investment community would provide the capital needed to bring our cancer treatment and other innovations to market.

Thank you for the opportunity to speak before the Committee.

menlo

K12 itc · Civic itc

VIA E-EMAIL

October 4, 2019

Ms. Nydia M. Velázquez
Committee on Small Business
U.S. House of Representatives
2361 Rayburn House Office Building
Washington, DC 20515

Dear Chairwoman Velázquez, Congressmen, and Congresswomen,

It is my distinct pleasure to provide testimony for the U.S. House of Representatives Committee on Small Business hearing *Silicon Prairie: Tech, Innovation, and a High-Skilled Workforce in the Heartland*. My name is Brad Sandt, President and CEO of Menlo, Inc. – a managed service provider focused exclusively on delivering services to K-12 schools, municipalities and other civic entities. Menlo, formerly K12 ITC, Inc., has been previously named one of the Top 4 Most Innovative Companies by the National School Boards Association (NSBA) and the Mr. K Award winner for the Top Small Business in Kansas City by the Kansas City Chamber of Commerce. Founded in 2010, Menlo now employs just under fifty passionate employees who take great pride in the impact they make every day.

At Menlo, our cornerstone remains unchanged since inception. Our mission is to provide innovative, technology-enabled services to solve key problems in finely targeted marketplaces. Specifically, we provide managed technology services to K-12 schools, municipalities and civic entities to support the growing dependency on technology. Our services are particularly needed in rural environments where budget and staffing challenges can be the most significant. Technology complexity is increasing and challenges with cybersecurity are exploding. Many of these organizations simply do not have the resources to keep up.

By augmenting multiple, smaller organizations into a larger system, we are able to reduce redundancy. Leveraging a remote, skilled workforce, we are able to reduce the day to day burdens of our customers with automation, enhanced technology deployments, and enhanced cybersecurity for our customers. The ultimate result is that our customers are able to focus on improving the education of students and services provided to constituents, rather than worrying about technology management hassles.

In order to affectively achieve our mission, it takes a highly synchronized and sophisticated effort. As with any small business, we have encountered a wide variety of successes, challenges, occasional failures, and a tremendous amount of support along the way. All small businesses eventually realize that the successes and challenges will vary day by day and differ over time as a company evolves.

Early in the life of a company, obtaining basic financing and line of credits can be a challenge. As time evolves, the increased complexities with hiring staff, complying with regulations and scaling a business place additional burdens on small businesses. Menlo has been no exception to any of these items, and there are several factors that have greatly contributed to our organizational success over time. They include:

- *Local Banking Support* – In the early stages of the organization, key relationships with local banks allowed us to scale. Menlo was founded on a home equity line of credit, and not external funding resources. Having the support of local banks was critically important, especially in high-tech where the cost of equipment is high.
- *Economic Development Programs* – Working with the State of Missouri's Department of Economic Development, Menlo was able to leverage a jobs initiative to reinvest additional funds into the company for growth. By reinvesting funds into the organization, Menlo was able to exceed job growth targets by more than 50% during the period. Since inception, Menlo has generated just under $14 million in direct wages for employees and the economy.
- *Commitment to Employees* – A strong commitment to employees is key to attracting and retaining talent. Since day one, employees have been eligible for company sponsored health insurance, 5% dollar for dollar 401k match, a minimum of three weeks of paid time off per year, paid maternity/paternity leave, company bonuses, and career development opportunities, among other things.
- *Community Support* – They say it takes a village to raise a child, and a small business is no different. No matter the small business, the reality is that it would simply not exist without strong support from the community. Menlo is no exception. Key organizations such as the Greater Kansas City Chamber of Commerce, the Northland Chamber of Commerce, the City of Kansas City, the Kansas City Economic Development Corporation, and others have all supported key milestones of growth.
- *Central Located* – Businesses established in the Silicon Prairie, nestled in the country's Heartland, have the ability to reach almost anywhere in the country within a four hour flight. Menlo's geographic growth, now serving over ten states, is a testament to our central location and our ability to easily reach our growing customer base.
- *Affordability* – Kansas City's lower cost of living, compared to other larger technology hubs, creates an intersection of affordable talent and a high quality of life.
- *Small Business Administration* – As the company has grown, the need for additional office space has become paramount. Most recently as of August of this year, the company closed on financing for a new facility using the SBA 504 loan program. The program has provided capital necessary to obtain a new company office location suited for the next phase of growth.

While many success factors have been realized, there continues to be an issue that persists as a challenge to all tech focused, small business in the Heartland – there is a significant lack of an adequately trained and available workforce to fill open tech jobs. This issue, incapable of being solved overnight, will require cooperation, support and resources at all levels to effectively solve. The good

news is that the issue is receiving a significant amount of attention in the region, with organizations such as the Kauffman Foundation and the Greater Kansas City Chamber of Commerce chairing workforce development committees. These committees and others, supported by local school districts, community organizations and key business leaders, are working to address the workforce shortage by providing many career paths to those looking for work.

Menlo remains actively involved in this effort, through advocacy and participation in community workforce programs. The organization proudly sponsors paid internship programs throughout the year for high school and college students, and multiple interns have been offered full-time employment after graduating. Menlo's latest focus includes the identification of tech-minded individuals who have a desire to enter the field but may lack experience. These individuals are hired with a specific learning plan, consisting of 30, 60, 90 and 180 day targets, designed to train technical aspects of the role. This approach of developing resources in-house does make an impact with staffing long-term. However, for resource-strapped small businesses, there is a significant funding challenge as a gap exists between the time of hire and when a new hire can effectively produce.

While there are many great activities focused on addressing the workforce shortage, a crucial workforce issue remains overlooked. The issue, which is the lack of mastery, has the long-term potential to inhibit innovation, reduce the quality of products/services, and ultimately impact the competitiveness of the country on a global scale. The September, 2019 jobs report indicated unemployment fell to a 50-year low and across the country, and there continues to be the lack of an adequately trained workforce.

The stress on the workforce, particularly in tech, and the ongoing trend of changing jobs more frequently creates a lack of individuals who are masters in their field. Quite simply, we do not have enough experts. This point cannot be understated, as expertise often leads to higher wages, enhanced innovation, higher expectations, deeper understanding and more advancement. When experts share knowledge, the gains are compounded.

The state of tech-centric small businesses in the Heartland is in full throttle, and continues to increase in relevancy compared on a national scale. Local, regional, and federal programs continue to provide key elements of support to fuel growth of these businesses. As previously stated, an adequately trained and available high-tech workforce continues to be an ongoing challenge with long-running consequences. Philosophically we should think big, focus on relentless innovation, and develop expertise in the workforce. With proper support, small businesses can be the catalysts for achieving these aspirations.

Thank you for the opportunity to testify, and for your support of small businesses.

Respectfully,

Mr. Bradley Sandt
President and CEO
Menlo | K12itc | Civic ITC

KCKChamber

Kansas City Kansas Chamber of Commerce Testimony
Committee on Small Business Field Hearing
Kansas City Kansas Community College Tech Center
Tuesday, October 8, 2019

I am honored to be here today representing the Kansas City Kansas Chamber Commerce. The KCK Chamber is pleased to see the Committee on Small Business exploring opportunities to attract Tech, Innovation, and a Highly Skilled Workforce in the Heartland. We look forward to participating in an ongoing dialogue to ensure that the Wyandotte County/KCK community benefits.

Today, I am here to provide testimony in support of smart regulation and legislation, programs, and access to opportunities that will positon entrepreneurs, start-ups, and local small businesses for growth and sustainability. We are in favor of continued support of a high-quality education pipeline that creates a career-ready workforce for the benefit of all Kansans. The KCK Chamber supports the collection of sales and use tax on e-commerce sales, in which sales tax are collected in such a way that does not place an unreasonable or onerous compliance burden on business, specifically small business that have less ability to administer compliance.

The KCK Chamber is proud to be at the forefront of the community's success by enhancing and leveraging talents and resources of its diverse members to sustain and catapult development opportunities throughout the metropolitan area. The Chamber is excited to serve as the convener and connector for over 500 local and regional businesses to collaborate on efforts that improve the economic vitality and quality of life for our diverse region. This in turn creates opportunities in KCK/WyCo, which build a quality community to live, work, and conduct business. Sixty percent of KCK Chamber's membership is comprised of businesses with 25 employees or less.

WyCo Wins

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KCKChamber

A non-partisan organization, the Chamber actively represents and advocates on behalf of its membership at the local, state, and national level. The KCK Chamber supports a transparent legislative process that follows the traditional committee formant to ensure a fair hearing of all legislative issues facing the State of Kansas for the benefit of the citizens of the state.

Thank you for your time.

Respectfully,

Daniel Silva
President & CEO
KCK Chamber of Commerce

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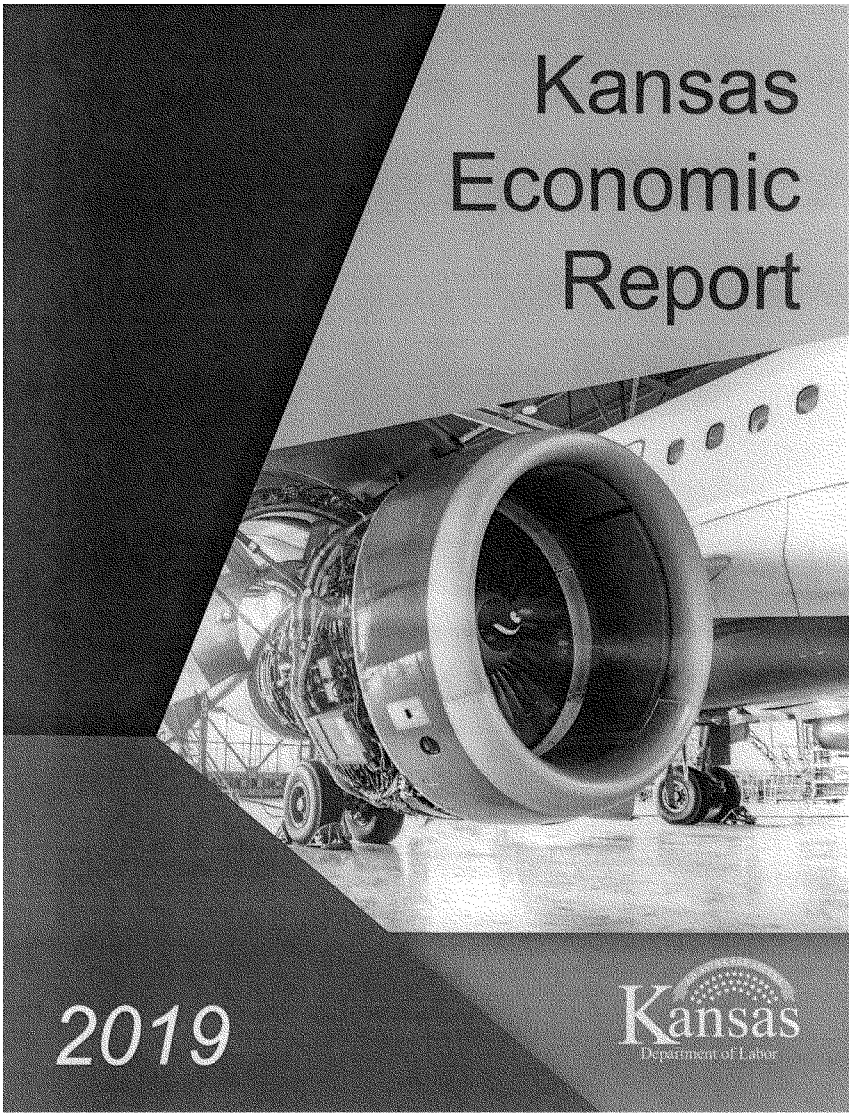
Kansas
Economic
Report
2019
Kansas
Department of Labor

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ACKNOWLEDGMENTS

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Kansas
Department of Labor

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SECTRETARY'S MESSAGE

I am pleased to present the 2019 Kansas Economic Report which provides a detailed overview of Kansas employment and economic related data. This report is produced by the Labor Market Information Services (LMIS) division of the Kansas Department of Labor. Below are some highlights from the report.

In 2018 Kansas population increased slightly, and we added over 10,100 private sector jobs, reaching a total of 1,157,500 private sector jobs. In addition, 1,432,387 Kansas residents were employed in 2018, an increase of 7,663 from 2017, or 0.5 percent, and a new state record.

From 2017 to 2018, the number of unemployed Kansans decreased from 2017 to 2018 by 4,156, or 7.7 percent, to 49,833 people. This is the lowest number of unemployed people since 1999, and the unemployment rate in 2018 was 3.4 percent. This is a decrease of 0.3 percentage points from 2017 and fourth lowest annual unemployment rate ever recorded in Kansas. The years with lower rates were 1978, 1979 and 1999.

In Local Area I, the average unemployment rate in 2018 was just 2.9 percent. This is the third lowest unemployment rate ever recorded for Local Area I. The real average weekly wage increased in 10 out of the 11 major industries, with only construction wages remaining unchanged over the year. The real average weekly wage increase was $9.

In Local Area II, the number of employed people increased by 786 from 2017 to 2018, with the labor force growing by 312 people. This was the first expansion in labor force since 2014. In addition, the real average weekly wage increased by $11.

In Local Area III, population, the labor force and the number of employed people all increased in 2018, with 5,275 private sector jobs being added. The real average weekly wage increased by $13 and real average weekly wages increased in 10 of the 11 major industries.

In Local Area IV, the labor force and number of people employed increased from 2017 to 2018. Job growth was recorded in eight of the 11 major industries, with manufacturing adding the most jobs of any industry. A majority of the manufacturing growth was in aerospace product and parts manufacturing. The real average weekly wage increased by $10.

In Local Area V, real average weekly wages increased by $13. In addition, the number of employed people and total jobs increased, the first job growth increase since 2014. Manufacturing added the most jobs of any industry.

I encourage you to review this report in its entirety to get a data driven assessment of Kansas' economic state and projections for future areas of opportunity for Kansas workers and businesses.

Thank you!

Delia García, Kansas Secretary of Labor

EXECUTIVE SUMMARY

In 2018, the Kansas economy got back on track with almost all statewide economic indicators showing improvement. This growth appears to be continuing in the first half of 2019. The main concerns for the Kansas economy are the continuing struggles in the agriculture industry, slower growth in the state's rural areas and slow population growth.

Unemployment remained low in Kansas as the number of unemployed people and the annual unemployment rate decreased for the eighth consecutive year. The unemployment rate in 2018 was 3.4 percent, one of the lowest unemployment rates ever recorded for Kansas. Unemployment rates in each of Kansas' local workforce areas also showed similar trends with the number of unemployed people decreasing in each area and the unemployment rate being four percent or lower in each area. The number of unemployment insurance claims also continued to decrease in 2018 both statewide and in each local area. There were fewer than 100,000 initial claims for the first time since 1978 and fewer than 500,000 continued claims for the first time since 1973.

The statewide labor force grew over the year by 0.2 percent, although almost all the growth occurred in Local Area III (Kansas City) and Local Area IV (south central Kansas), while the statewide labor force participation rate remained steady at 66.7 percent. Of concern for future labor market growth is the continuing slow population growth in Kansas. Since 2010, the population of Kansas has only grown at an average of 0.2 percent per year and Kansas only added 816 people last year. The population of prime age workers, 25-54 years, decreased by about 5,500 from 2017 to 2018, which is a problem for current labor force growth. There is also concern for future labor market growth as the under 25 population also decreased by almost 7,400 people.

Job growth returned in Kansas in 2018 after a slight dip in 2017, with 12,200 jobs being added over the year. This marked the most jobs added in a year since 2014. Nine of the 11 major industries added jobs in 2018. The highest gain was reported in manufacturing, which added 3,600 jobs, mostly in durable goods manufacturing. Education and health services and government were the other two industries to add at least 2,000 jobs. Job growth was also reported in four of the five local workforce areas during 2018, with only a slight decrease of 587 jobs recorded in Local Area I (western Kansas). Approximately 6,200 jobs were added in Local Area III, while about 3,700 jobs were added in Local Area IV.

Wages and personal income grew in Kansas during 2018. When adjusted for inflation, average real weekly wages grew in Kansas from $885 in 2017 to $896 in 2018. This 1.2 percent growth exceeded the 0.9 percent real wage growth rate of the nation. Nominal personal income, which also includes business and investment income in addition to wages, grew by 3.2 percent. The real Gross Domestic Product (GDP) increased by 1.9 percent in 2018, more than double the growth rate from 2017. Export sales also increased by three percent in 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

Agriculture continues to be the main industry struggling in Kansas. While overall personal income increased, farm income decreased by 36.7 percent in 2018. Agriculture GDP also declined by approximately $150 million, the only industry to record a GDP decrease. Since 2013, Agriculture GDP has decreased by $3.6 billion or 49.2 percent. Export sales of agricultural products also decreased from 2017 to 2018 by $183.3 million.

Data from the first half of 2019 suggests that the economy is continuing to grow. In the first

six months of 2019, Kansas has averaged 1,420,100 total nonfarm jobs, an increase of 12,000 jobs from the same time period in 2018. The unemployment rate continues to be low as well. The number of job vacancies in Kansas increased from spring 2018 to spring 2019 and there were actually more job vacancies than unemployed people.

Note: Due to revisions and benchmarking processes, some data may have been updated since last year's Economic Report was published. The data included in the 2019 Economic Report is current as of July 19, 2019. For more information on data found in this report, see *Sources* on *page 83*.

Job growth returned in Kansas in 2018 after a slight dip in 2017, with 12,200 jobs being added over the year. This marked the most jobs added in a year since 2014.

STATEWIDE SUMMARY

Population

Population is an important statistic to review for economic purposes for two reasons, both of which benefit businesses. A growing population leads to a larger market for businesses and may lead to more jobs as demand for goods and services increase. A growing population also potentially increases the size and quality of the labor force which provides more labor supply for businesses to fill jobs.

Table 2 shows a historical perspective of the Kansas, Plains Region and U.S. populations since 2007. The Plains Region is the region containing Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota and South Dakota as defined by the Bureau of Economic Analysis. This also corresponds to the U.S. Census Bureau's West North Central census division. The Kansas population was estimated at 2,911,505 in 2018. This represents a gain of 816 people. According to Census Bureau estimates, there were approximately 37,000 people born in Kansas during 2018, while there were about 25,000 deaths and net migration in and out of Kansas showed a population loss of approximately 11,000 people. Since 2010, the Kansas population has grown by 1.9 percent. Annual growth rates have fallen over this time period and have been at or below 0.1 percent over the past three years.

Table 2
Total Population
Kansas, Plains Region & U.S.
2007 - 2018

	2007	2008	2009	2010	2011	2012
Kansas	2,783,785	2,808,076	2,832,704	2,858,213	2,869,035	2,885,361
Plains Region	20,105,697	20,248,815	20,392,583	20,536,210	20,639,556	20,750,024
U.S.	301,231,207	304,093,966	306,771,529	309,326,085	311,580,009	313,874,218

	2013	2014	2015	2016	2017	2018
Kansas	2,893,510	2,900,896	2,909,502	2,911,263	2,910,689	2,911,505
Plains Region	20,870,622	20,984,207	21,084,672	21,176,827	21,277,130	21,376,861
U.S.	316,057,727	318,386,421	320,742,673	323,071,342	325,147,121	327,167,434

Source: U.S. Census Bureau, Population Estimates

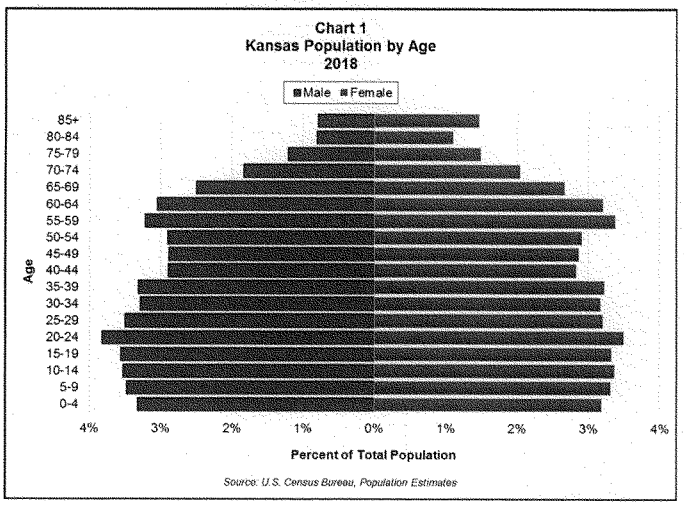
The U.S. population is also growing at historically low levels, recording 0.6 percent growth to 327.2 million in 2018. This is the lowest national growth rate recorded since 1937. The Plains Region population grew by 0.5 percent in 2018 to 21.4 million.

Chart 1 (pg. 2) displays the Kansas population by age group and gender in what is called a population pyramid. It is known as a pyramid since population by age group generally decreases with age creating a pyramid shape. However, the pyramid for Kansas shows that there are two major peaks in the population, one centering on the 20-24 year old age group representing the millennial generation and the 55-59 year old age group representing the younger members of the baby boomer generation. The 20-24 age group has the largest population in Kansas making up 7.3 percent of the total population. Millennials are the largest generation in Kansas, making up 26.0 percent of the population. The median age for Kansas was 36.9 years old in 2018.

For economic purposes, the two main age groups that are studied are the 16 and over population and the 25-54 population. The 16 and over population includes everyone who is eligible to be in the labor force, while 25-54 year olds are considered prime age workers. The 16 and over population for Kansas in 2018 was 2,284,316, an increase of 5,221, or 0.2 percent. The 25-54 year old population was 1,075,143 in 2018, a decrease of 5,472, or 0.5 percent. However, most of the decrease was in the 50-54 age group indicating that a lot of the decline may be due to people aging out of the 25-54 group. There were declines recorded in the 30-34 year old and 45-49 year old age groups as well.

Future labor force growth may be in jeopardy since the population under 25 also decreased by 7,362, or 0.7 percent. Most of the decline is in the population of children nine years old and under.

which decreased by 5,355 people. This decrease is due to a declining birth rate in Kansas and the possibility that people with children may be leaving the state. The 20-24 year old age group, which would include recent college graduates, recorded a one percent decline in population while the population between 10-19 years old only increased slightly.



Labor Force Statistics

Civilian Labor Force

The civilian labor force is a measure of the number of people 16 years old or older that are available for work. This includes individuals who are employed as well as those who are unemployed but actively seeking work. A growing labor force is favorable as it increases the number of workers available for employers and shows there is increasing confidence of finding a job in a given area.

As indicated in *Table 3*, there were 1,482,220 people in the labor force in 2018, a 0.2 percent increase. This is the first year the labor force has expanded since 2014. There were 1,432,387 Kansans working in 2018, a 0.5 percent increase and a new record for the number of Kansas residents working. The number of unemployed people in Kansas decreased by 4,156 people, or 7.7 percent, to 49,833, which is the lowest number of unemployed people since 1999.

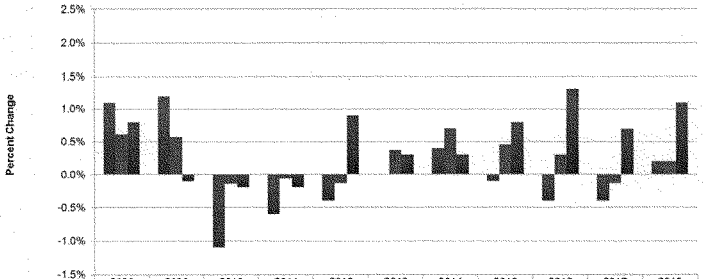
Table 3
Labor Force Statistics
Kansas
2017 & 2018

	2017	2018	Change	% Change
Civilian Labor Force	1,478,713	1,482,220	3,507	0.2%
Employed	1,424,724	1,432,387	7,663	0.5%
Unemployed	53,989	49,833	-4,156	-7.7%
Unemployment Rate	3.7	3.4	-0.3	

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Local Area Unemployment Statistics

Prime age workers are those workers who are between 25 and 54 years old. The labor force of this group was little changed, decreasing by approximately 1,000 in 2018 to 898,000 people. The number of employed prime age workers increased by 4,000 while the number of unemployed prime age workers decreased by 5,000. The U.S. civilian labor force increased for the seventh consecutive year, recording an expansion of 1.1 percent to 162.1 million. There were 155.8 million people in the U.S. working in 2018, a 1.6 percent increase. The number of unemployed people decreased by 668,000, or 9.6 percent, to 6.3 million in 2018. The Plains Region labor force totaled 11.2 million with a growth rate matching Kansas' at 0.2 percent. *Chart* 2 shows the percent change in the civilian labor force for Kansas, the Plains Region and the U.S.

Chart 2
Percent Change in Labor Force
Kansas, Plains Region and U.S.
2008 - 2018



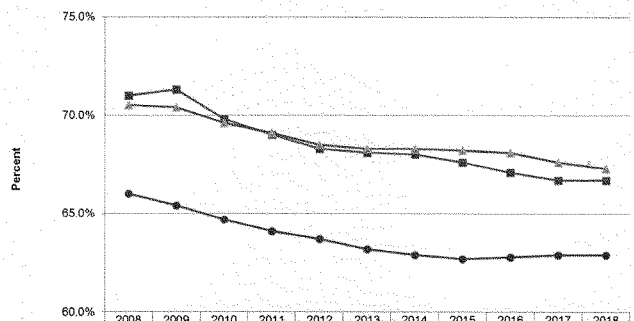
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Kansas	1.1%	1.2%	-1.1%	-0.6%	-0.4%	0.0%	0.4%	-0.1%	-0.4%	-0.4%	0.2%
Plains Region	0.6%	0.6%	-0.1%	-0.1%	-0.1%	0.4%	0.7%	0.5%	0.3%	-0.1%	0.2%
U.S.	0.8%	-0.1%	-0.2%	-0.2%	0.9%	0.3%	0.3%	0.8%	1.3%	0.7%	1.1%

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Local Area Unemployment Statistics and Current Population Survey

Labor Force Participation Rate

The labor force participation rate is the percentage of all individuals 16 years old or older, non-institutionalized and civilian, who participate in the labor force. Kansas' labor force participation rate remained among the highest in the nation in 2018. As shown in *Chart 3*, the 2018 labor force participation rate in Kansas was 66.7 percent, which is unchanged from 2017. This is the first time since 2009 that the labor force participation rate did not decline in Kansas but is still tied for the lowest rate recorded since 1983. Kansas' rate is above the national rate of 62.9 percent and in line with the Plains Region rate of 67.3 percent. Kansas had the 12th highest labor force participation rate among all states with six of the 12 highest state labor force participation rates belonging to Plains Region states.

Chart 3
Labor Force Participation Rate
Kansas, Plains Region and U.S.
2008 - 2018



	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Kansas	71.0%	71.3%	69.8%	69.0%	68.3%	68.1%	68.0%	67.6%	67.1%	66.7%	66.7%
Plains Region	70.5%	70.4%	69.6%	69.1%	68.5%	68.3%	68.3%	68.2%	68.1%	67.6%	67.3%
U.S.	66.0%	65.4%	64.7%	64.1%	63.7%	63.2%	62.9%	62.7%	62.8%	62.9%	62.9%

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Local Area Unemployment Statistics and Current Population Survey

The Kansas labor force participation rate for prime age workers was little changed from 2017 to 2018 with the rate increasing 0.1 percentage points to 84.6 percent. The 16 to 24 labor force participation rate increased from 62.9 percent to 65 percent from 2017 to 2018. The 55 and over rate decreased from 44.9 percent to 44.3 percent over the same time period.

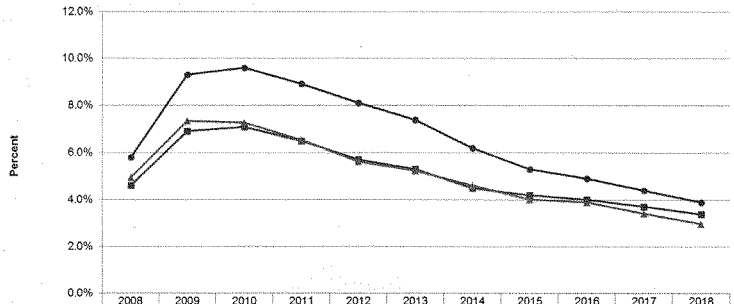
Unemployment Rate

The unemployment rate is a frequently cited economic statistic because it shows how many people want a job and cannot find one. The unemployment rate shows the percentage of the labor force that is unemployed and currently looking for a job. If the rate is high, there is a large number of people who want a job but are having difficulty finding one due to a lack of demand for employees.

In 2018, Kansas continued to have a low unemployment rate, recording an average annual unemployment rate of 3.4 percent. This represents a decrease of 0.3 percentage points and is the fourth lowest annual unemployment rate recorded since records began in 1976. The three years with lower unemployment rates are 1999 (3.3 percent), 1979 (3.2 percent) and 1978 (3.1 percent). The unemployment rate is 1.2 percentage points lower than the historical average annual unemployment rate for Kansas which is 4.6 percent.

Kansas' rate continues to be lower than the national unemployment rate, which fell to 3.9 percent in 2018, a decrease of 0.5 percentage points from 2017. This marks the first time since 1969 that the U.S. unemployment rate was below four percent. The Plains Region unemployment rate was 3.0 percent, with four states in the region having unemployment rates below three percent. *Chart 4* compares the unemployment rates for Kansas, the Plains Region and the U.S. from 2008 to 2018.

Chart 4
Annual Unemployment Rates
Kansas and U.S.
2008 - 2018



	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
U.S.	5.8%	9.3%	9.6%	8.9%	8.1%	7.4%	6.2%	5.3%	4.9%	4.4%	3.9%
Kansas	4.6%	6.9%	7.1%	6.5%	5.7%	5.3%	4.5%	4.2%	4.0%	3.7%	3.4%
Plains Region	5.0%	7.3%	7.3%	6.5%	5.6%	5.2%	4.6%	4.0%	3.9%	3.4%	3.0%

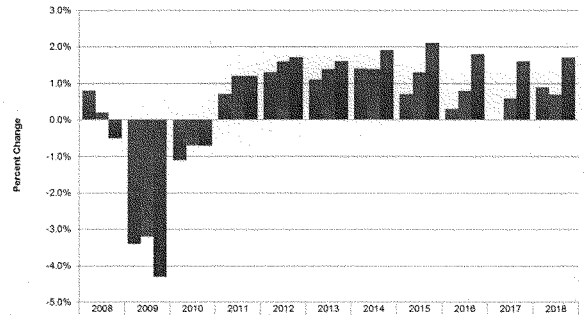
Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Local Area Unemployment Statistics and Current Population Survey

Nonfarm Jobs

The change in nonfarm jobs is one of the most current indicators of the economy's health. Job growth indicates increased demand for businesses' products and services. This puts money in the hands of those previously unemployed also further increasing the demand for consumer goods and services. Additional jobs also lead to increased output, signifying economic growth.

In 2018, Kansas recorded 1,415,800 total nonfarm jobs of which 1,157,500 were private sector jobs. This was an increase of 12,200 nonfarm jobs, or 0.9 percent, and 10,100 private sector jobs, or 0.9 percent. Nationally, nonfarm jobs increased by 2.5 million, or 1.7 percent, to 149.1 million. This was the eighth straight year of job growth for the U.S. In the Plains Region nonfarm jobs increased by 70,500, or 0.7 percent. *Chart 5* shows the the annual percent change in nonfarm jobs for Kansas, the Plains Region and the U.S. since 2008. *Table 4* displays nonfarm job totals in the U.S., Plains Region and Kansas.

Chart 5
Percent Change in Nonfarm Jobs
Kansas, Plains Region and U.S.
2008 - 2018



	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Kansas	0.8%	-3.4%	-1.1%	0.7%	1.3%	1.1%	1.4%	0.7%	0.3%	0.0%	0.9%
Plains Region	0.2%	-3.2%	-0.7%	1.2%	1.6%	1.4%	1.4%	1.3%	0.8%	0.6%	0.7%
U.S.	-0.5%	-4.3%	-0.7%	1.2%	1.7%	1.6%	1.9%	2.1%	1.8%	1.6%	1.7%

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Current Employment Statistics

Table 4
Nonfarm Jobs
Kansas, Plains Region and U.S.
2007 - 2019

	2007	2008	2009	2010	2011	2012
Kansas	1,381.1	1,392.1	1,344.7	1,329.8	1,339.6	1,357.5
Plains Region	10,199.6	10,224.8	9,892.7	9,826.9	9,940.0	10,096.7
U.S.	137,999.0	137,241.0	131,313.0	130,362.0	131,932.0	134,175.0

	2013	2014	2015	2016	2017	2018
Kansas	1,372.1	1,390.9	1,400.3	1,404.1	1,403.6	1,415.8
Plains Region	10,236.0	10,375.2	10,512.1	10,598.8	10,666.7	10,737.2
U.S.	136,381.0	138,958.0	141,843.0	144,352.0	146,624.0	149,074.0

2019					
January	February	March	April	May	June
Kansas	1,401.0	1,410.0	1,411.5	1,428.1	1,436.6	1,431.5
Plains Region	10,594.7	10,615.1	10,650.3	10,779.6	10,893.9	10,950.2
U.S.	148,295.0	149,148.0	149,864.0	150,938.0	151,600.0	152,307.0

Note: Data in thousands and not seasonally adjusted
Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Current Employment Statistics

Job growth was recorded in nine of the 11 major industries in Kansas during 2018 as seen in *Table 5*. Manufacturing added 3,600 jobs, the most of any industry. Growth was recorded in both durable and non-durable goods manufacturing with durable goods being responsible for adding 2,900 jobs. A majority of the growth in durable goods manufacturing, 1,600 jobs, was in aerospace product and parts manufacturing. Education and health services added the second most jobs, increasing by 2,500 jobs, or 1.3 percent. Almost all the growth was in health care and social assistance. Government added 2,100 jobs, or 0.8 percent. There was growth at the local, state and federal levels but a majority of the growth occurred at the local level, which includes city and county governments as well as unified school districts.

Professional and business services grew by 1,700 jobs, with additions recorded in all sectors with most of the growth occurring in administrative and support and waste management and remediation services. Trade, transportation and utilities increased by 1,400 jobs with large job gains in transportation, warehousing and utilities and smaller gains in wholesale trade exceeding the losses in retail trade jobs. Leisure and hospitality grew by 1,200 jobs with 900 of the jobs being added in food services and drinking places. Construction, other services and mining and logging also gained jobs from 2017 to 2018.

Two major industries lost jobs over the year. Financial activities lost 800 jobs, with the losses occurring in the finance and insurance sector. Information decreased by 600 jobs, with losses recorded throughout the industry. Nationally, all 11 industries added jobs over the year with the largest gains being in professional and business services, education and health services and construction.

Table 5
Kansas Nonfarm Jobs by Industry
2017 & 2018

	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%
Durable Goods Manufacturing	94,900	97,800	2,900	3.1%
Non-Durable Goods Manufacturing	66,600	67,300	700	1.1%
Trade, Transportation and Utilities	267,300	268,700	1,400	0.5%
Wholesale Trade	58,500	59,000	500	0.9%
Retail Trade	147,700	145,600	-2,100	-1.4%
Transportation, Warehousing and Utilities	61,100	64,100	3,000	4.9%
Information	19,300	18,700	-600	-3.1%
Financial Activities	77,900	77,100	-800	-1.0%
Finance and Insurance	62,500	61,300	-1,200	-1.9%
Real Estate and Rental and Leasing	15,400	15,800	400	2.6%
Professional and Business Services	178,300	180,000	1,700	1.0%
Professional, Scientific and Technical Services	73,800	74,100	300	0.4%
Management of Companies and Enterprises	25,300	25,600	300	1.2%
Administrative and Waste Services	79,300	80,300	1,000	1.3%
Education and Health Services	197,000	199,500	2,500	1.3%
Private Educational Services	18,900	19,200	300	1.6%
Health Care and Social Assistance	178,000	180,300	2,300	1.3%
Leisure and Hospitality	128,500	129,700	1,200	0.9%
Arts, Entertainment and Recreation	16,900	17,300	400	2.4%
Accommodation and Food Services	111,600	112,400	800	0.7%
Other Services	50,700	50,900	200	0.4%
Government	256,200	258,300	2,100	0.8%
Federal Government	25,100	25,200	100	0.4%
State Government	52,000	52,500	500	1.0%
State Government Educational Services	26,800	27,300	500	1.9%
State Government Excluding Education	25,200	25,200	0	0.0%
Local Government	179,100	180,600	1,500	0.8%
Local Government Educational Services	104,600	105,100	500	0.5%
Local Government Excluding Education	74,600	75,500	900	1.2%

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

Table 6 shows the list of the top 20 Kansas employers by employment size as of December 2018. Manufacturers and public school districts are the most represented industries on the list with four employers each. The health care and social assistance, government, retail trade and transportation and warehousing industries also have multiple employers listed.

Table 6
Largest Employers in Kansas*
(in alphabetical order)

Employer	Industry
Amazon	Transportation and Warehousing
Ascension Via Christi	Health Care and Social Assistance
Dillons Food Stores	Retail Trade
Federal Government	Government
Garmin International Inc	Professional, Scientific and Technical Services
Kansas City, KS Public Schools (USD 500)	Public Education
National Beef Packing Company	Manufacturing
Olathe Public Schools (USD 233)	Public Education
Shawnee Mission School District (USD 512)	Public Education
Spirit Aerosystems	Manufacturing
Sprint Corporation	Information
State of Kansas	Government
Stormont Vail Health	Health Care and Social Assistance
Target Corporation	Retail Trade
Textron Aviation	Manufacturing
Tyson Foods Inc	Manufacturing
University of Kansas Health System	Health Care and Social Assistance
UPS	Transportation and Warehousing
Walmart	Retail Trade
Wichita Public Schools (USD 259)	Public Education

** - as of December 2018*

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Quarterly Census of Employment and Wages

Wages

Wages and salaries accounted for 48.8 percent of total personal income in Kansas in 2018 and help determine the health of the economy. Since inflation can erode customer purchasing power, real wages, which are adjusted for inflation, provide a better estimate of economic health. *Table 7* lists the real average weekly wages for Kansas, the Plains Region and the U.S. in 2018 dollars while *Chart 6* displays the over-the-year percent change in real average weekly wages.

Table 7
Real Average Weekly Wages
Kansas, Plains Region and U.S.
2007 - 2018

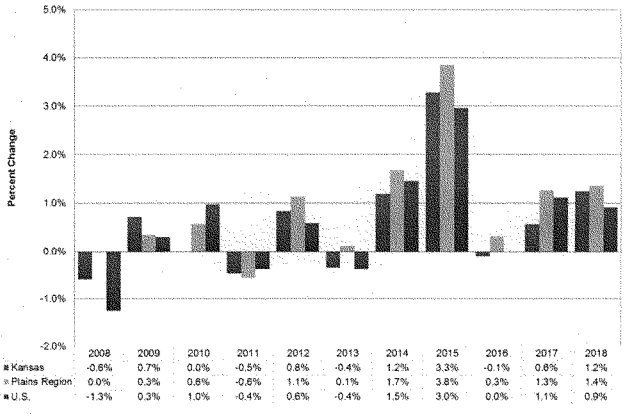
	2007	2008	2009	2010	2011	2012
Kansas	$842	$837	$843	$843	$839	$846
Plains Region	$881	$881	$884	$889	$884	$894
U.S.	$1,035	$1,022	$1,025	$1,035	$1,031	$1,037

	2013	2014	2015	2016	2017	2018
Kansas	$843	$853	$881	$880	$885	$896
Plains Region	$895	$910	$945	$948	$960	$973
U.S.	$1,033	$1,048	$1,079	$1,079	$1,091	$1,101

Note: Wages in 2018 dollars
Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Quarterly Census of Employment and Wages and Consumer Price Index

The real average weekly wage in Kansas increased over the year by $11, or 1.2 percent, to $896 in 2018. This exceeded the growth rate of the U.S., which recorded a real average weekly wage of $1,101, which is an increase of $10, or 0.9 percent. The Plains Region recorded a $13 increase over the year, or 1.4 percent. Since 2008, Kansas and the U.S. have experienced similar wage growth, with Kansas real wages increasing by 7.0 percent and U.S. real wages increasing by 7.7 percent. The Plains Region has exceeded these growth rates by recording a real average weekly wage increase of 10.4 percent since 2008.

Chart 6
Percent Change in Real Average Weekly Wages
2008 - 2018



	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Kansas	-0.6%	0.7%	0.0%	-0.5%	0.8%	-0.4%	1.2%	3.3%	-0.1%	0.6%	1.2%
Plains Region	0.0%	0.3%	0.6%	-0.6%	1.1%	0.1%	1.7%	3.8%	0.3%	1.3%	1.4%
U.S.	-1.3%	0.3%	1.0%	-0.4%	0.6%	-0.4%	1.5%	3.0%	0.0%	1.1%	0.9%

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Quarterly Census of Employment and Wages, and Consumer Price Index

Table 8 shows the real average weekly wage by industry for 2017 and 2018. All 11 major industries recorded an increase in real average weekly wages over the year. There were three industries; information, natural resources and mining, and professional and business services; which recorded the highest increase of $21 from 2017. The highest paying industry in 2018 was financial activities with an average weekly wage of $1,302 and the lowest paying industry was leisure and hospitality at $322.

Table 8
Real Average Weekly Wage by Industry
Kansas
2017 & 2018

	2017	2018	Change	% Change
Total, All Industries	$885	$896	$11	1.2%
Total Private Sector	$899	$911	$12	1.3%
Natural Resources & Mining	$884	$905	$21	2.4%
Agriculture, Forestry, Fishing and Hunting	$786	$795	$9	1.1%
Mining, Quarrying and Oil and Gas Extraction	$1,063	$1,107	$44	4.1%
Construction	$1,036	$1,052	$16	1.5%
Manufacturing	$1,127	$1,139	$12	1.1%
Durable Goods Manufacturing	$1,179	$1,186	$7	0.6%
Non-Durable Goods Manufacturing	$1,058	$1,069	$11	1.0%
Trade, Transportation and Utilities	$798	$812	$14	1.8%
Wholesale Trade	$1,313	$1,348	$35	2.7%
Retail Trade	$522	$524	$2	0.4%
Transportation, Warehousing and Utilities	$866	$878	$12	1.4%
Information	$1,198	$1,219	$21	1.8%
Financial Activities	$1,290	$1,302	$12	0.9%
Finance and Insurance	$1,419	$1,440	$21	1.5%
Real Estate and Rental and Leasing	$798	$803	$5	0.6%
Professional and Business Services	$1,158	$1,179	$21	1.8%
Professional, Scientific and Technical Services	$1,346	$1,348	$2	0.1%
Management of Companies and Enterprises	$1,972	$1,997	$26	1.3%
Administrative and Waste Services	$725	$757	$32	4.4%
Education and Health Services	$812	$819	$7	0.9%
Private Educational Services	$680	$684	$4	0.6%
Health Care and Social Assistance	$824	$830	$6	0.7%
Leisure and Hospitality	$319	$322	$3	0.9%
Arts, Entertainment and Recreation	$363	$377	$14	3.9%
Accommodation and Food Services	$312	$314	$2	0.6%
Other Services	$658	$663	$5	0.8%
Government	$817	$827	$10	1.2%
Federal Government	$1,311	$1,326	$15	1.1%
State Government	$1,059	$1,079	$20	1.9%
State Government Educational Services	$1,104	$1,090	-$14	-1.3%
State Government Excluding Education	$1,029	$1,071	$42	4.1%
Local Government	$691	$699	$8	1.2%
Local Government Educational Services	$656	$665	$9	1.4%
Local Government Excluding Education	$738	$745	$7	0.9%

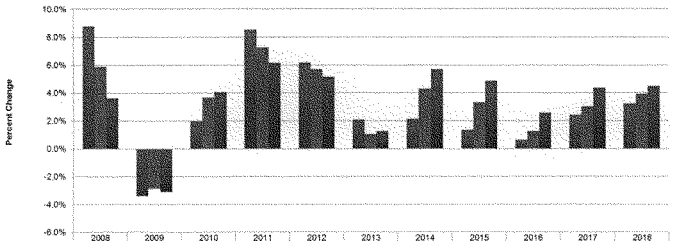
Note: Wages in 2018 dollars
Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Quarterly Census of Employment and Wages, and Consumer Price Index

Personal Income

Personal income is an important measure of economic health and well-being. Personal income includes earnings, property income and transfer payments.

In 2018, Kansas' total personal income increased by 3.2 percent to $146 billion. Nationally, personal income increased 4.5 percent to $17.6 trillion. Plains Region personal income grew by 3.9 percent to $1.1 trillion. *Chart 7* displays personal income growth in Kansas, the Plains Region and the U.S. since 2008. In Kansas, approximately 60 percent of the increase was due to a $2.7 billion increase, or 3 percent, in net work earnings. The other two major components of personal income, income from dividends, interest and rent and personal current transfer receipts also increased by 3.3 percent and 4 percent respectively since 2017. Personal current transfer receipts primarily consist of government payments to individuals and nonprofit institutions, i.e. government benefit payments and grants, along with business liability payments and donations to nonprofit institutions.

Chart 7
Percent Change in Nominal Personal Income
Kansas, Plains Region & U.S.
2008 - 2018

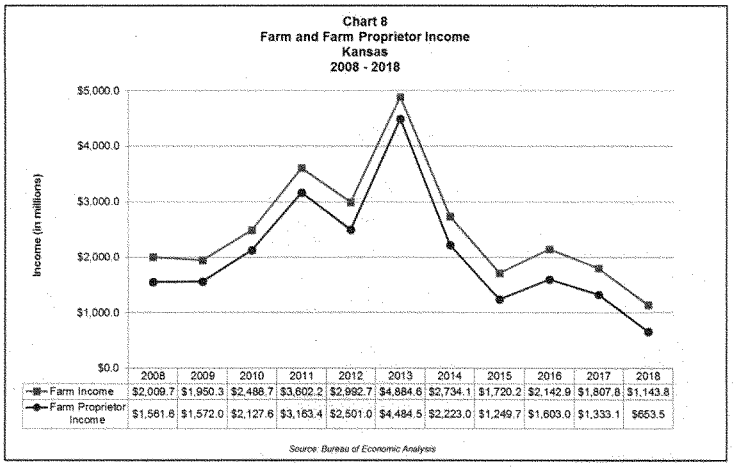


	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Kansas	8.8%	-3.4%	2.0%	8.5%	6.2%	2.1%	2.1%	1.3%	0.6%	2.4%	3.2%
Plains Region	5.9%	-2.9%	3.7%	7.3%	5.7%	1.1%	4.3%	3.3%	1.3%	3.0%	3.9%
U.S.	3.6%	-3.1%	4.1%	6.2%	5.1%	1.3%	5.7%	4.9%	2.8%	4.4%	4.5%

Source: Bureau of Economic Analysis

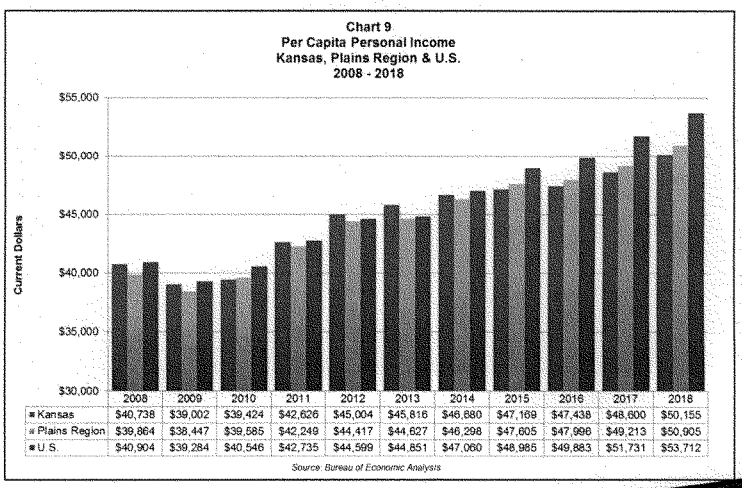
The only component of personal income that decreased was farm income. *Chart 8 (pg. 12)* displays Kansas farm income and farm proprietor income from 2008 to 2018. Farm proprietor income is the portion of farm income that is earned by farm owners excluding corporate owned farms. Farm income decreased 36.7 percent to $1.1 billion and farm proprietor income decreased 51 percent to $653.5 million from 2017 to 2018. Farm income was at its lowest since 2002.

Also measured is per capita personal income which shows the average share of personal income for each individual in an area. Per capita personal income is calculated by dividing total personal income by the population for an area. It measures the wealth of the population and provides a common measure for evaluating and comparing countries, states or areas.



	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Farm Income	$2,009.7	$1,950.3	$2,488.7	$3,602.2	$2,992.7	$4,884.6	$2,734.1	$1,720.2	$2,142.9	$1,807.8	$1,143.8
Farm Proprietor Income	$1,561.6	$1,572.0	$2,127.6	$3,163.4	$2,501.0	$4,484.5	$2,223.0	$1,249.7	$1,603.0	$1,333.1	$653.5

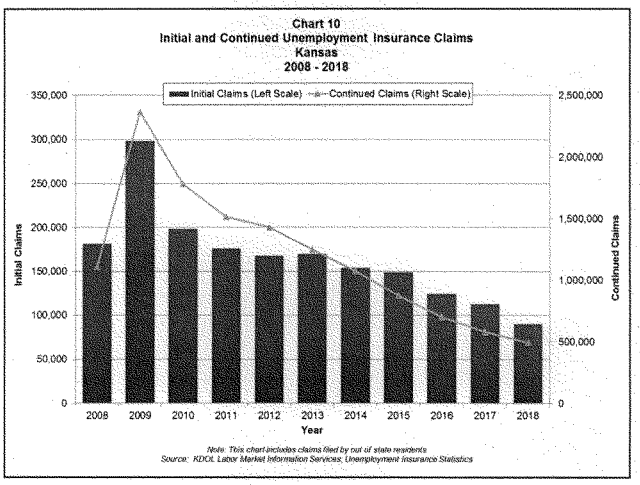
Chart 9 illustrates the per capita personal income in Kansas, the Plains Region and the U.S. In 2018, Kansas recorded a per capita personal income of $50,155, while the U.S. recorded a per capita personal income of $53,712. Plains Region per capita personal income was similar to Kansas' at $50,905. From 2017 to 2018, Kansas' per capita income increased 3.2 percent, and the nation's increased 3.8 percent. The Plains region recorded an increase of 3.4 percent. Since 2008, personal income has grown at a slower rate in Kansas, 23.1 percent, than in the U.S. or Plains Region which grew 31.3 percent and 27.7 percent respectively over the same time frame



	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Kansas	$40,738	$39,002	$39,424	$42,626	$45,004	$45,816	$46,880	$47,189	$47,438	$48,600	$50,155
Plains Region	$39,864	$38,447	$39,585	$42,249	$44,417	$44,627	$46,298	$47,605	$47,996	$49,213	$50,905
U.S.	$40,904	$39,284	$40,546	$42,735	$44,599	$44,851	$47,060	$48,985	$49,883	$51,731	$53,712

Unemployment Insurance Statistics

Analyzing trends in unemployment insurance claims is another way to assess unemployment and the labor market. An initial claim is the first claim filed by a claimant to request a determination of eligibility for unemployment benefits. A continued claim is a claim filed by a claimant for a weekly payment of unemployment benefits; this is typically done every week until the claimant finds a job, exhausts benefits or leaves the labor force. Initial claims are an indicator of emerging unemployment, and continued claims indicate the level of difficulty the unemployed are having finding a new job. Note that the number of claims is not a representation of total unemployment, as not all Kansans are covered under unemployment insurance laws or they may choose not to file for unemployment benefits.

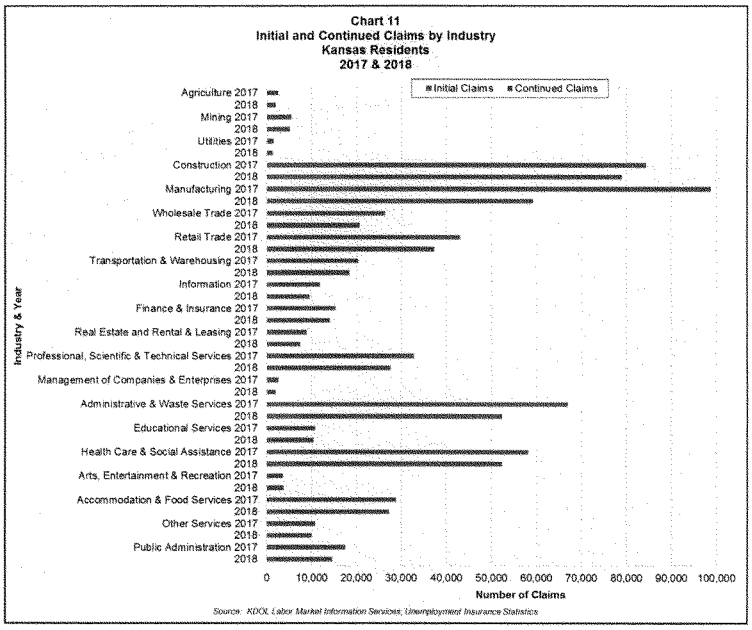


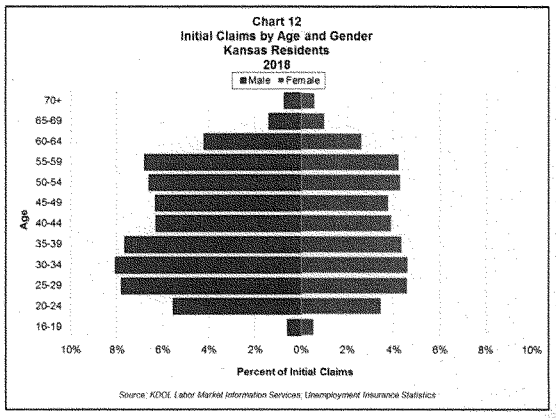
As shown in *Chart 10*, the number of initial claims filed in 2018 decreased by 20 percent to 90,495 claims. This was the fifth consecutive year that the number of initial claims decreased and third lowest number of initial claims recorded since records began in 1970. The number of continued claims declined by 14.9 percent to 496,048 claims. This was the ninth consecutive year continued claims decreased, with eight of the nine years having a 10 percent or more decrease. It was also the second lowest number of continued claims ever recorded, with only 1973 having fewer continued claims.

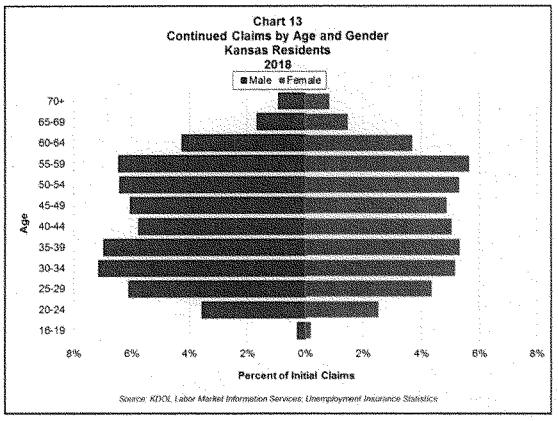
While the improving economy is mostly to credit for these decreases, recent law changes have also played a role. Starting in 2014, the maximum number of weeks of unemployment benefits a claimant can file for has been tied to the statewide seasonally adjusted unemployment rate. This has caused the maximum number of weeks to decline from 26 weeks prior to the law change to 20 weeks for most of 2014 and finally to 16 weeks for most of 2015 and all of 2016 to present. Since this change went into effect, continued claims have decreased by 60.4 percent.

Chart 11 (pg. 14) displays initial and continued claims by industry for claims filed by Kansas residents for 2017 and 2018. In 2018 construction industry workers filed the most initial and continued claims, with about 17,000 initial and 62,000 continued claims. Manufacturing workers filed the second most claims with approximately 12,000 initial and 47,000 continued claims. Health care

and social assistance and administrative and waste services had fewer initial claims than manufacturing but similar numbers of continued claims. The claims from workers in these four industries make up 59.5 percent of initial claims and 52.3 percent of continued claims.







Charts 12 (pg. 14) and 13 show the age and gender of Kansas residents filing initial and continued claims. Two of the main industries that have workers filing claims, construction and manufacturing, are still most likely male dominated since 62.1 percent of initial claims and 55.5 percent of continued claims are filed by men. The number of claims per age group is fairly even between the age groups in the 25-59 years old range, with each five year group accounting for 10 to 13 percent of initial and continued claims.

Chart 14 displays the monthly average of the number of individuals receiving Kansas unemployment benefits from 2008 to 2018. Since peaking at around 50,000 individuals a month in 2009, the number of people receiving benefits has decreased every year. In 2018, an average of 10,692 individuals received benefits each month.

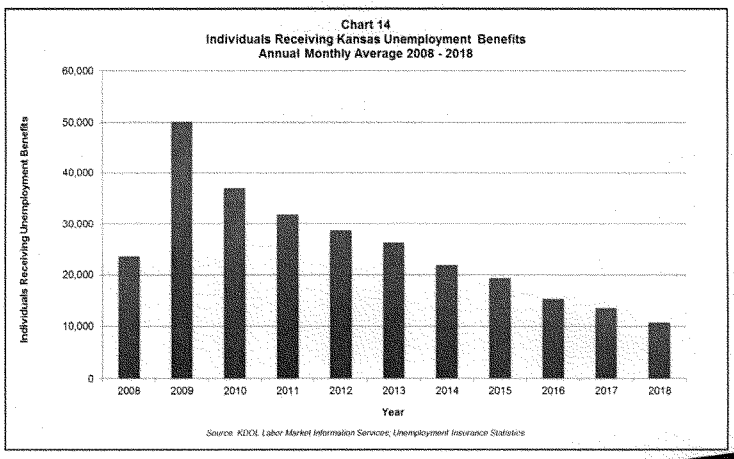
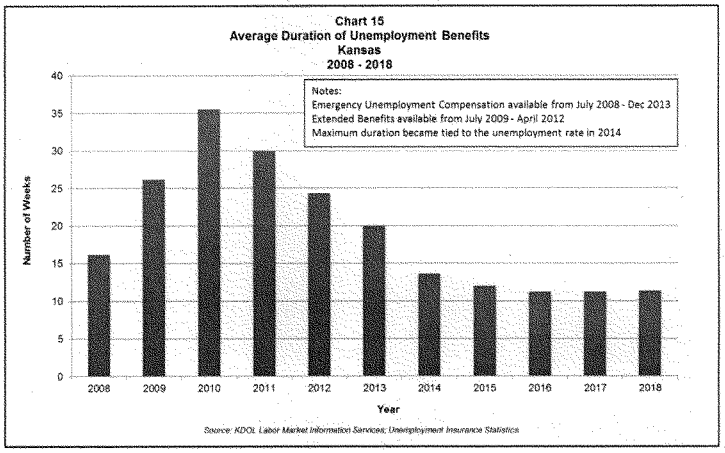


Chart 15 shows the average duration an individual remained on unemployment benefits from 2008 to 2018. Average duration peaked in 2010 at 35.5 weeks then decreased rapidly until 2015. Since 2015, the average duration has consistently been between 11 and 12 weeks. The longer duration in the earlier years of this chart was due to the fact that from 2008 to 2013, there were special programs in place that increased the number of weeks of unemployment available from 26 weeks to as many as 72 weeks at one point. The average duration in later years has been affected by the law change in 2014 mentioned earlier that tied the maximum weeks of benefits available to the unemployment rate.



Occupational Statistics

Every summer, the Kansas Department of Labor releases the results from the *Kansas Wage Survey* conducted by the Occupational Employment Statistics (OES) program. OES data is current as of May of the previous year and contains employment and wage data for hundreds of occupations in Kansas. Data is also available for Kansas' metropolitan areas, local workforce areas and counties. This is one of KDOL's most used data sets as employers use this data as a guide to set their wages and salaries while workers use this data to learn the average wages for their occupations and to explore the earnings potential of other occupations.

Table 9 displays the employment and median annual wage for each major occupational group in Kansas while *Tables 10 and 11 (pg. 18)* show the top 20 occupations by employment and median annual wage. There were 219,210 jobs classified as office and administrative occupations, the most of any occupational group. Six of the top 20 occupations by employment fell under this occupational group, including the third most common occupation, customer service representatives, and the fifth most common occupation, secretaries and administrative assistants, except legal, medical and executive.

Table 9
Employment and Median Annual Wage by Occupational Group
Kansas
May 2018

Occupational Group	Employment	Median Annual Wage
Total, All Occupations	**1,375,380**	**$35,950**
Office and Administrative Support Occupations	219,120	$32,930
Sales and Related Occupations	127,920	$26,259
Food Preparation and Serving Related Occupations	122,590	$19,559
Production Occupations	115,460	$36,804
Transportation and Material Moving Occupations	93,920	$34,386
Education, Training and Library Occupations	92,590	$42,105
Healthcare Practitioners and Technical Occupations	81,700	$56,893
Business and Financial Operations Occupations	69,610	$61,607
Management Occupations	62,660	$90,773
Installation, Maintenance and Repair Occupations	60,260	$43,693
Construction and Extraction Occupations	57,550	$40,345
Personal Care and Service Occupations	50,270	$21,855
Building and Grounds Cleaning & Maintenance Occupations	40,390	$25,131
Healthcare Support Occupations	40,090	$27,250
Computer and Mathematical Occupations	34,560	$68,747
Protective Service Occupations	28,870	$37,072
Architecture and Engineering Occupations	24,110	$73,419
Arts, Design, Entertainment, Sports and Media Occupations	16,980	$38,857
Community and Social Services Occupations	16,970	$39,611
Life, Physical and Social Science Occupations	8,520	$58,875
Legal Occupations	7,440	$57,146
Farming, Fishing and Forestry Occupations	3,820	$30,719

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Occupational Employment Statistics

Table 10
Top 20 Occupations by Employment
Kansas
May 2018

Occupation	Employment
Retail Salespersons	38,040
Combined Food Preparation and Serving Workers, Including Fast Food	34,360
Customer Service Representatives	33,780
Cashiers	33,550
Secretaries and Administrative Assistants, Except Legal, Medical and Executive	29,550
Registered Nurses	27,810
Stock Clerks and Order Fillers	22,410
Nursing Assistants	22,290
Personal Care Aides	21,450
Waiters and Waitresses	21,200
Laborers and Freight, Stock, and Material Movers, Hand	21,090
Heavy and Tractor-Trailer Truck Drivers	20,370
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	19,520
Teacher Assistants	19,390
General and Operations Managers	18,240
Office Clerks, General	17,170
Elementary School Teachers, Except Special Education	16,320
Bookkeeping, Accounting and Auditing Clerks	16,100
First-Line Supervisors of Office and Administrative Workers	14,750
Assemblers and Fabricators, All Other, Including Team Assemblers	14,460

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Occupational Employment Statistics

Three other occupational groups had employment of at least 100,000. There were 127,920 sales and related jobs, with retail salespersons being the most common occupation in Kansas and cashiers being the fourth most common. Food preparation and serving related occupations made up 122,590 jobs in Kansas with combined food preparation and serving workers, including fast food, being the second most common occupation in Kansas. There were 115,460 jobs in production occupations with assemblers and fabricators, all other, including team assemblers, being the most common production occupation.

The median annual wage in Kansas as of May 2018 was $35,950 according to the *2019 Kansas Wage Survey*. The highest paying occupational group was management occupations, which made a median annual wage of $90,773. Seven of the top 20 highest paid occupations were management occupations. Three other occupational groups had annual median wages of at least $60,000; architecture and engineering, computer and mathematical, and business and financial operations. Also of note is that 10 of the top 20 highest paying occupations were healthcare practitioner and technical occupations.

Table 11
Top 20 Occupations by Median Annual Wage
Kansas
May 2018

Occupation	Median Annual Wage
Family and General Practitioners	$203,275
Internists, General	$189,711
Obstetricians and Gynecologists	$188,772
Physicists	$187,125
Physicians and Surgeons, All Other	$186,792
Dentists, General	$155,949
Chief Executives	$149,881
Nurse Anesthetists	$146,402
Pediatricians, General	$143,375
Air Traffic Controllers	$133,039
Dentists, All Other Specialists	$130,010
Sales Managers	$127,003
Marketing Managers	$125,565
Architectural and Engineering Managers	$124,932
Pharmacists	$124,118
Podiatrists	$118,048
Computer and Information Systems Managers	$117,156
Natural Sciences Managers	$115,214
Financial Managers	$114,139
Economics Teachers, Postsecondary	$112,120

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Occupational Employment Statistics

Job Vacancies

The number of job vacancies and the ratio of the number of unemployed individuals to the number of vacant jobs can be used to measure the demand for labor in a given area, which helps provide insight to the health of the labor market. The Kansas Department of Labor conducts the annual *Kansas Job Vacancy Survey* in order to measure labor demand by area, industry and occupation. The most recent survey was conducted during the second quarter of 2019. The Bureau of Labor Statistics also releases monthly data on job openings in the U.S. and the Midwest region through their Job Openings and Labor Turnover Survey.

There were 56,022 job vacancies in Kansas during the second quarter of 2019, a 12.9 percent increase from second quarter of 2018. This represents the most vacancies recorded since the *Kansas Job Vacancy Survey* started in 2004. The statewide vacancy rate was 3.9 percent, indicating that for every 100 positions in Kansas, 3.9 were vacant and 96.1 were filled. This is lower than the 4.6 percent job vacancy rate for the U.S. and the 4.9 percent rate for the Midwest recorded for May 2019.

There were 0.8 unemployed people for every vacancy in Kansas, an improvement of 0.2 from one year ago and the lowest ratio recorded in the spring in the history of the *Kansas Job Vacancy Survey*. This is the 10th consecutive year that the number of unemployed people per vacancy has decreased in Kansas. In May 2019, there were 0.8 unemployed people per vacancy in the U.S while in the Midwest there were 0.7 unemployed people per vacancy.

For the second consecutive year, the number of job vacancies in Kansas exceed the number of unemployed people, indicating there is a labor shortage in Kansas. Additionally, there may be a skills or location mismatch between unemployed people and the available positions leading to continued difficulty finding and filling jobs. One benefit of the tightening labor market is it may eventually lead to an increase in wages as the supply of workers for available positions continues to decrease.

The number of job vacancies by industry in Kansas is displayed in *Table 12* while the top 10 occupations with the most vacancies are shown in *Chart 16 (pg. 20)*. Also shown is the average lowest hourly wage offered for vacancies in each of those industries and occupations. The top two industries with vacancies are leisure and hospitality, which includes recreation and food service establishments, and trade, transportation and utilities, which includes wholesale and retail trade as well as warehousing. That is a reflection of the high turnover for those two industries and a shortage of workers applying for those positions.

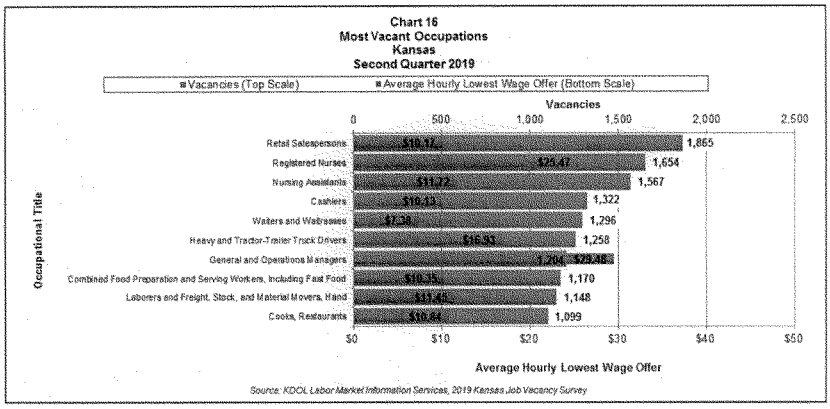
Table 12
Job Vacancies and Average Hourly Lowest Wage Offer by Industry Supersector
Kansas
Second Quarter 2019

Industry Supersector	Job Vacancies	Average Hourly Lowest Wage Offer
Total, All Industries	**56,022**	**$14.55**
Leisure and Hospitality	11,750	$9.35
Trade, Transportation and Utilities	11,289	$13.28
Education and Health Services	8,199	$15.59
Government	6,980	$17.09
Professional and Business Services	5,697	$16.15
Manufacturing	4,849	$15.59
Construction	2,707	$15.43
Other Services	1,823	$13.93
Financial Activities	1,681	$16.03
Natural Resources and Mining	751	$17.55
Information	298	$12.21

Note: Numbers may not add up due to rounding
Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, 2019 Kansas Job Vacancy Survey

Retail salespersons was the occupation with the most openings in Kansas with 1,865 job vacancies. Most of the occupations in the top 10 are low paying occupations with high turnover rates leading to a greater number of job vacancies. There are three occupations in the top 10 that pay more than $15 per hour due to a shortage of available workers for these positions. General and operations managers were the highest paying occupation in the top 10, with an average lowest wage offer of $29.48 per hour. Registered nurses had the second most vacancies of any occupation and the second highest wage offered of the occupations in the top 10 as there continues to be a shortage of nurses in Kansas. Heavy and tractor-trailer truck drivers is the other occupation in the top 10 with a relatively high lowest wage offered.

Chart 17 (pg. 20) shows the percentage of job vacancies by educational requirement as well as the average lowest hourly wage offered by educational requirement. As expected, the average starting pay increases with the amount of education required. Openings with no



educational requirements had the lowest average hourly wage offered at $11.41, while vacancies requiring a doctoral or professional degree had the highest at $38.40. The average lowest wage offer for all vacancies was $14.55 per hour. The majority of vacancies, 54.1 percent, required a high school diploma or GED or had no educational requirements at all. About 28 percent of openings required a post-secondary vocational certificate, an associate degree or a bachelor's degree. Only a small percentage of vacancies required a postgraduate degree.

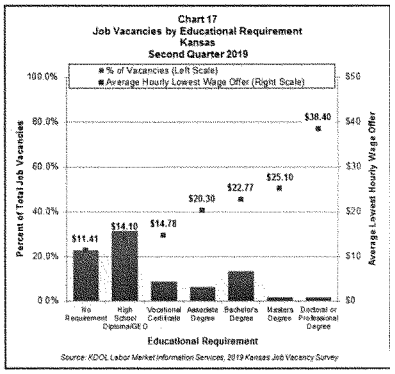


Table 13 displays the amount of benefits offered by type of job vacancy. Most job vacancies, 62 percent, offered at least one of the benefits asked about on the survey: health insurance, paid time off or a retirement plan. While only 13.5 percent of part-time and temporary full-time job vacancies offered benefits, 85.1 percent of vacancies for permanent full-time jobs offered benefits. Larger establishments are also more likely to offer benefits with 72.5 percent of vacancies at establishments with 50 or more employees offering benefits compared to 52.5 percent of vacancies at smaller establishments. Also, the higher the educational requirements of a position the more likely it is to offer benefits, with only 52.9 percent of vacancies with no educational requirements offering benefits compared to 71.1 percent of vacancies that required a high school diploma or 85.9 percent of vacancies that required post-secondary education.

Table 13
Benefits Offered by Job Vacancy Type
Kansas
Second Quarter 2019

Benefit Offered	All Vacancies	Job Types		Establishment Size (No. of Employees)		Educational Requirement		
		Permanent Full-Time	All Other Job Types	1 - 49	50+	No Requirement	HS Diploma or GED	Post-Secondary Education
At Least One Benefit Offered	62.0%	85.1%	13.5%	52.5%	72.5%	52.9%	71.1%	85.9%
Health Insurance	53.6%	75.9%	6.9%	42.6%	65.8%	44.8%	58.2%	77.9%
Paid Time Off	55.8%	77.7%	9.9%	46.4%	66.2%	46.3%	62.6%	79.4%
Retirement Plan	52.1%	72.2%	10.1%	39.9%	65.8%	44.9%	55.8%	76.6%
Unknown	19.3%	10.3%	38.0%	21.5%	16.7%	4.0%	8.7%	5.8%

Source: KDOL Labor Market Information Services, 2019 Kansas Job Vacancy Survey

Short-Term Projections

Short-term projections are approximations of near-future job levels. This is estimated using a combination of methods considering trends in past job levels and looking at the relationships between job levels and variables such as hours worked, consumer expectations, interest rates, money supply and price indices. Observed trends and relationships are held constant, but no assumptions are made about any other variable including the business cycle. Short-term projections reflect changes in cyclical, structural and frictional factors.

Projections inform researchers and other interested parties about the future direction of the labor market and its implications for the economy. Projections also play an important role in making career choices. While general interest in certain careers may impact occupational choices, information about future trends in employment or demand for labor helps identify practical options to ensure future job security.

Projections use the most comprehensive measure of jobs. This measure includes jobs covered by unemployment insurance as well as non-covered jobs. Data on self-employed workers are calculated by applying national staffing patterns to state employment data. LMIS conducts school and church surveys that provide information about jobs that are not covered by unemployment insurance. Data on railroad workers are sourced from the Railroad Retirement Board (RRB).

Table 14 shows short-term projections by industry for the first quarter 2020 from the first quarter 2018. The top 10 industries by numerical change are shown. Total jobs are expected to increase by 1.6 percent, to 1,502,254, over the two-year period. The annual average growth rate is 0.8 percent. The industry expected to add the most jobs is health care and social assistance, which is projected to grow by 5,231 jobs followed by manufacturing adding 3,432 jobs. Accommodation and food services, transportation and warehousing, and professional, scientific and technical services are the other three industries expected to add at least 2,000 jobs.

Table 14
Top 10 Industries by Numerical Job Change
Kansas
2018 - 2020

Industry	Job Numbers		Job Changes		
	Quarter 1 2018	Quarter 1 2020	Numerical	Percent	Annual Avg. Growth %
Total, All Industries	**1,479,226**	**1,502,254**	**23,028**	**1.6%**	**0.8%**
Health Care and Social Assistance	200,417	205,648	5,231	2.6%	1.3%
Manufacturing	162,591	166,023	3,432	2.1%	1.0%
Accommodation and Food Services	110,591	113,045	2,454	2.2%	1.1%
Transportation and Warehousing	56,299	58,374	2,075	3.7%	1.8%
Professional, Scientific, and Technical Services	74,428	76,433	2,005	2.7%	1.3%
Educational Services	144,857	146,841	1,984	1.4%	0.7%
Administrative and Support and Waste Management and Remediation Services	75,568	77,329	1,761	2.3%	1.2%
Construction	67,272	68,728	1,456	2.5%	1.3%
Government	97,599	98,430	831	0.9%	0.4%
Arts, Entertainment, and Recreation	16,186	16,705	519	3.2%	1.6%

Source: KDOL Labor Market Information Services and the U.S. DOL Employment & Training Administration, Employment Projections

Table 15 (pg. 22) shows the top 10 growing occupational groups by numerical change. Over the projection period, food preparation and serving related occupations are expected to add 2,568 jobs and have the most openings with 43,509 vacancies. Healthcare practitioners and technical occupations are the other occupational group expected to add at least 2,000 jobs. Architecture and engineering occupations and personal care and service occupations are expected to have the highest annual average growth rate at 1.5 percent. It is expected that there will be 346,892 openings over the projection period, or an average of 173,446 per year from new jobs and separation openings that occur when workers leave the labor force/retire or go into a new occupation. Approximately 93.4 percent or 323,864 openings will be separation openings.

Table 15
Top 10 Occupational Groups by Numerical Job Change
Kansas
2018 - 2020

Occupations	Job Numbers		Job Changes			Total Openings
	Quarter 1 2018	Quarter 1 2020	Numerical	Percent	Annual Avg. Growth %	
Total, All Occupations	**1,479,226**	**1,502,254**	**23,028**	**1.6%**	**0.8%**	**346,892**
Food Preparation and Serving Related Occupations	120,829	123,397	2,568	2.1%	1.1%	43,509
Healthcare Practitioners and Technical Occupations	87,603	89,768	2,165	2.5%	1.2%	11,449
Transportation and Material Moving Occupations	99,417	101,381	1,964	2.0%	1.0%	25,682
Personal Care and Service Occupations	57,674	59,391	1,717	3.0%	1.5%	18,736
Management Occupations	86,299	87,940	1,641	1.9%	0.9%	14,913
Production Occupations	116,099	117,657	1,558	1.3%	0.7%	27,800
Construction and Extraction Occupations	64,983	66,451	1,468	2.3%	1.1%	14,771
Education, Training, and Library Occupations	91,319	92,780	1,461	1.6%	0.8%	17,175
Business and Financial Operations Occupations	72,250	73,554	1,304	1.8%	0.9%	14,140
Healthcare Support Occupations	45,097	46,356	1,259	2.8%	1.4%	11,491

Source: KDOL Labor Market Information Services and the U.S. DOL Employment & Training Administration, Employment Projections

The Bureau of Labor Statistics assigns the level of education typically needed to enter each occupation. There are eight categories shown in *Table 16*. The greatest numerical change in jobs is projected for those that require a high school diploma or equivalent, adding 7,672 jobs. There are 5,909 additional jobs projected that require a bachelor's degree, and 5,017 additional jobs over the two-year projection period that have no formal educational requirements. The fastest growing group is occupations that require a master's degree, which are expected to grow at a rate of 2.8 percent.

Table 16
Projections by Education Requirement
Kansas
2018 - 2020

Education	Job Numbers		Job Changes			Total Openings
	Quarter 1 2018	Quarter 1 2020	Numerical	Percent	Annual Avg. Growth %	
Total	**1,479,226**	**1,502,254**	**23,028**	**1.6%**	**0.8%**	**346,892**
High school diploma or equivalent	606,760	614,432	7,672	1.3%	0.6%	141,494
Bachelor's degree	299,665	305,574	5,909	2.0%	1.0%	52,787
No formal educational credential	337,988	343,005	5,017	1.5%	0.7%	107,084
Postsecondary non-degree award	102,426	104,419	1,993	1.9%	1.0%	22,185
Doctoral or professional degree	34,801	35,533	732	2.1%	1.1%	4,246
Associate degree	30,930	31,605	675	2.2%	1.1%	5,732
Master's degree	21,193	21,783	590	2.8%	1.4%	3,910
Some college, no degree	45,463	45,903	440	1.0%	0.5%	9,454

Source: KDOL Labor Market Information Services and the U.S. DOL Employment & Training Administration, Employment Projections

Long-Term Projections

Every two years, each of the 50 states completes long-term projections in conjunction with the U.S. Department of Labor. The base year used in these projections is 2016 and the projection year is 2026. Statewide projections are released in even numbered years, while regional projections are published during odd numbered years.

Kansas total jobs in all industries are expected to grow by 63,723 to 1,545,629 jobs in 2026, an increase of 4.3 percent over the 10-year period. This averages out to 6,372 jobs per year, a 0.4 percent average annual growth. Goods-producing industries are projected to decline at an average annual rate of 0.2 percent from 2016 to 2026. Service providing industries are projected to grow at 0.6 percent annually over that period.

The primary objective of the long-term projections process is to approximate the level of jobs 10 years out from the base period. This level is projected using a variety of projection methods including those that consider historical trends and those that factor in outside variables. One important assumption is used in formulating long-term projections; it is assumed the Kansas labor market will be in full employment in the projected year. This means the labor market will be in equilibrium and labor supply will meet labor demand. In this way, the projections do not predict changes in the business cycle and instead project the trend in long-term growth.

Long-term projections play an important role for students and others making career choices. Information about future trends in job growth and demand for labor is vital to making these life decisions. Long-term projections use the most comprehensive measure of jobs. This includes jobs covered by unemployment insurance and those not covered by unemployment insurance. Data measuring jobs not covered by unemployment insurance is collected using a variety of sources. Data on self-employed workers is calculated by applying national staffing patterns to state employment data. LMIS conducts school and church surveys that provide information about jobs which are not covered by unemployment insurance. Data on railroad workers is sourced from the Railroad Retirement Board (RRB).

Table 17 shows long-term projections for the projected year 2026 from the base year 2016. The top 10 industries by numerical change are shown below. The number of jobs in all industries is projected to grow at the rate of 0.4 percent per year. This is in line with the growth rate experienced in the 10 years from 2006 to 2016 (+0.3 percent annually). The rate of job growth in Kansas has slowed since 2000. From 1990 to 2000, job growth averaged 2.1 percent annually. One reason for the strong growth rate in Kansas during the 1990's was the nation had a long period of economic expansion from March 1991 to March 2001. During this time period worker productivity rose in part due to the technological advancement brought on by widespread internet use, but this growth ended when the dot-com bubble burst.

Table 17
Top 10 Industries by Numerical Job Change
Kansas
2016 - 2026

Industry	Job Numbers		Job Changes		
	Base Year 2016	Projection Year 2026	Numerical	Percent	Annual Avg. Growth %
Total All Industries	**1,481,906**	**1,545,629**	**63,723**	**4.3%**	**0.4%**
Health Care and Social Assistance	199,268	220,021	20,753	10.4%	1.0%
Professional, Scientific, and Technical Services	72,898	86,688	13,790	18.9%	1.7%
Administrative and Support and Waste Management and Remediation Services	80,296	89,743	9,447	11.8%	1.1%
Transportation and Warehousing	51,364	59,471	8,107	15.8%	1.5%
Accommodation and Food Services	110,816	117,393	6,577	5.9%	0.6%
Educational Services	135,686	142,181	6,495	4.8%	0.5%
Management of Companies and Enterprises	24,782	29,965	5,183	20.9%	1.9%
Finance and Insurance	58,697	62,937	4,240	7.2%	0.7%
Construction	61,623	65,669	4,046	6.6%	0.6%
Agriculture, Forestry, Fishing and Hunting	12,239	13,933	1,694	13.8%	1.3%

Source: KDOL Labor Market Information Services and the U.S. DOL Employment & Training Administration, Employment Projections

The goods producing industries (construction, manufacturing, and natural resources and mining) are projected to decline by 498 jobs per year, an annual rate of decline of 0.2 percent. The remaining industries fall under the service providing sector which is projected to have a positive growth rate of 0.6 percent, adding 6,575 jobs annually.

The health care and social assistance industry is projected to gain the largest number of jobs over the 10 year period with an additional 20,753 jobs. This major industry consists of four underlying industries: ambulatory health care services, hospitals, nursing and residential care facilities and social assistance. The fastest rate of growth of these underlying industries is projected to be in social assistance, gaining 2.5 percent annually.

Of the major industries, management of companies and enterprises is projected to grow at the fastest rate, 1.9 percent annually. Employers in management of companies and enterprises administer, oversee and manage establishments involved in organizational planning for the company or are establishments that hold the securities of enterprises for the purpose of owning a controlling interest or influencing management decisions of that enterprise.

Table 18 shows the top 10 occupational groups projected to gain the largest number of jobs over the projection period. Personal care and service occupations is projected to gain 9,114 jobs during the 10 year period. This is an average annual growth rate of 1.5 percent. The personal care and service group of occupations is made up of eight sub groups, supervisors of personal care and service workers; animal care and service workers; entertainment attendants and related workers; funeral service workers; personal appearance workers; baggage porters, bellhops and concierges; tour and travel guides; and other personal care and service workers. The largest of these eight categories in Kansas is other personal care and service workers with 38,730 workers in 2016. Over 75 percent of this group is made up by two occupations, personal care aides and childcare workers.

Table 18
Top 10 Occupational Groups by Numerical Job Change
Kansas
2016 - 2026

Occupations	Job Numbers		Job Changes			Total Openings
	Base Year 2016	Projection Year 2026	Numerical	Percent	Annual Avg. Growth %	
Total, All Occupations	**1,481,906**	**1,545,629**	**63,723**	**4.3%**	**0.4%**	**1,710,142**
Personal Care and Service Occupations	58,331	67,445	9,114	15.6%	1.5%	100,484
Food Preparation and Serving Related Occupations	121,360	128,865	7,505	6.2%	0.6%	217,448
Business and Financial Operations Occupations	71,974	78,664	6,690	9.3%	0.9%	73,038
Healthcare Practitioners and Technical Occupations	86,731	93,279	6,548	7.5%	0.7%	53,702
Management Occupations	86,591	92,614	6,023	7.0%	0.7%	74,301
Transportation and Material Moving Occupations	97,442	103,285	5,843	6.0%	0.6%	124,403
Education, Training, and Library Occupations	86,168	91,570	5,402	6.3%	0.6%	81,410
Computer and Mathematical Occupations	38,154	42,821	4,667	12.2%	1.2%	30,982
Building and Grounds Cleaning and Maintenance Occupations	47,910	52,174	4,264	8.9%	0.9%	65,989
Construction and Extraction Occupations	69,101	73,169	4,068	5.9%	0.6%	76,115

Source: KDOL Labor Market Information Services and the U.S. DOL Employment & Training Administration, Employment Projections

The occupational group projected to grow at the fastest rate over the projection period is also personal care and service occupations. This occupational group is projected to grow by 1.5 percent on average annually. The Bureau of Labor Statistics assigns the level of education typically needed to enter each detailed occupation. Each occupation falls under one of eight education levels. As shown in *Table 19 (pg. 25)*, the largest increase in jobs is projected to be in those occupations classified as bachelor's degree gaining 25,431 jobs over the projection period. These occupations made up 20 percent of all occupations in 2016. This is the first round of projections showing Bachelor's degree as the top educational classification in numerical growth. In prior rounds, high school diploma has been projected to add the most jobs over the projection period.

The educational categories projected to grow the fastest are master's degree and bachelor's degree. These are projected to grow at a rate of 10.2 percent and 8.6 percent over the 10 year period.

Occupational classification by years of work experience typically needed to enter the occupation is also available. This can be more than five years, less than five years or none. A third classification is available that organizes occupations by typical on-the-job training needed to attain competency. This can be long-term on-the-job training (more than one year), moderate-term on-the-job training (one month to one year), short-term on-the-job training (less than one month), internship/residency or none. This information is available on the Kansas Department of Labor, Labor Market Information Services website.

Table 19
Projections by Education Requirement
Kansas
2016 - 2026

Education	Job Numbers		Job Changes			Total Openings
	Base Year 2016	Projection Year 2026	Numerical	Percent	Annual Avg. Growth %	
Total	**1,481,906**	**1,545,629**	**63,723**	**4.3%**	**0.4%**	**1,710,142**
Bachelor's degree	296,641	322,072	25,431	8.6%	0.8%	265,069
No formal educational credential	342,000	356,488	14,488	4.2%	0.4%	537,739
High school diploma or equivalent	610,810	622,980	12,170	2.0%	0.2%	689,425
Postsecondary non-degree award	102,881	106,246	3,365	3.3%	0.3%	105,262
Doctoral or professional degree	33,765	36,389	2,624	7.8%	0.8%	20,102
Associate degree	30,798	32,924	2,126	6.9%	0.7%	27,929
Master's degree	20,573	22,676	2,103	10.2%	1.0%	18,768
Some college, no degree	44,438	45,854	1,416	3.2%	0.3%	45,848

Source: KDOL Labor Market Information Services and the U.S. DOL Employment & Training Administration, Employment Projections

High Demand Occupations

High demand occupations are jobs in greatest demand by employers in Kansas. The list of these occupations is provided to assist students, educators, administrators and others in making informed decisions regarding career paths. High demand occupations have higher than average combined current and projected (short-term and long-term) demand in the state. It combines occupational projection data with education, training and wage information to give a complete picture of each occupation.

The list is compiled by measuring the number of actual and projected job openings in each occupation. These openings can be the result of growth or separations. Openings resulting from growth occur when an industry expands requiring more workers. Openings from separations occur when a worker leaves their current job either to exit the labor force or to transfer to a new occupation.

Each occupation receives a score based on the current number of openings, determined by the *Job Vacancy Survey*, the projected number of openings in two years as indicated in the Short-Term Projections program and the projected number of openings in 10 years, calculated by the Long-Term Projections program. Each of these scores are added together to get a total score. A cumulative score of 30 indicates the highest demand occupations, while a score of zero shows an average or below average demand relative to all occupations.

Table 20 displays the top high demand occupations. These 11 occupations received the maximum score of 30. These occupations currently have the most openings and are projected to have the most openings in 2020 and 2026. Overall, there are 197 high demand occupations in Kansas, meaning they had a demand score of 10 or greater.

Seven of the 11 occupations in *Table 20* require only a high school diploma or have no educational requirements and only require short-term or no on-the-job training. These occupations are attainable for workers with little to no education or training. Occupations requiring little training or education tend to have lower wages. Those seven occupations in this list have median wages between $18,450 and $30,620 per year. Because of the low wages and the fact that many of these occupations are part-time, employers are able to hire more workers. This partly explains the high demand score.

Table 20
High Demand Occupations
Kansas
2019

Occupation	Demand Score	Median Annual Wage	Education	On-the-Job Training
General and Operations Managers	30	$80,860	Bachelor's Degree	None
Registered Nurses	30	$59,680	Bachelor's Degree	None
Heavy and Tractor-Trailer Truck Drivers	30	$43,520	Postsecondary nondegree award	Short-term on-the-job training
Laborers and Freight, Stock, and Material Movers, Hand	30	$30,620	No formal educational credential	Short-term on-the-job training
First-Line Supervisors of Food Preparation and Serving Workers	30	$29,420	High School Diploma or Equivalent	None
Nursing Assistants	30	$25,670	Postsecondary nondegree award	None
Retail Salespersons	30	$22,870	No formal educational credential	Short-term on-the-job training
Food Preparation Workers	30	$20,340	No formal educational credential	Short-term on-the-job training
Cashiers	30	$20,060	No formal educational credential	Short-term on-the-job training
Combined Food Preparation and Serving Workers, Including Fast Food	30	$19,080	No formal educational credential	Short-term on-the-job training
Waiters and Waitresses	30	$18,450	No formal educational credential	Short-term on-the-job training

Source: KDOL Labor Market Information Services, High Demand Occupations

One other explanation is that there is a high level of turnover in these occupations. Many of the openings in these occupations are the result of people leaving the occupation to move to another occupation and not the result of industry growth. Furthermore, many of the occupations with the highest separation rate are those that require only a high school education or less and little or no training.

KDOL also compiles a list of the high demand high wage occupations that list high demand occupations that also pay above average wages. Occupations are given a wage score from zero to 10 depending on how high the wages are. High demand occupations with a wage score of one or higher are included on the high demand high wage list.

In Kansas, there are 73 high demand high wage occupations. *Table 21* lists the 15 high demand high wage occupations with a score of 25 or greater. Unlike the main high demand occupations list, 14 out of the top 15 occupations on the high demand high wage list either required a bachelor's degree or moderate-term on-the-job training. Also noteworthy is that two occupations that had a maximum demand score of 30 also had high wages: general and operations managers and registered nurses.

Table 21
High Demand High Wage Occupations
Kansas
2019

Occupation	Demand + Wage Score	Median Annual Wage	Education	On-the-Job Training
General and Operations Managers	37	$80,860	Bachelor's Degree	None
Registered Nurses	34	$59,680	Bachelor's Degree	None
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	31	$58,500	High School Diploma or Equivalent	Moderate-term on-the-job training
Accountants and Auditors	30	$61,130	Bachelor's Degree	None
Managers, All Other	29	$96,210	Bachelor's Degree	None
Financial Managers	28	$114,140	Bachelor's Degree	None
Software Developers, Applications	28	$83,300	Bachelor's Degree	None
Business Operations Specialists, All Other	28	$69,560	Bachelor's Degree	None
Sales Representatives, Services, All Other	28	$57,610	High School Diploma or Equivalent	Moderate-term on-the-job training
First-Line Supervisors of Office and Administrative Support Workers	28	$50,840	High School Diploma or Equivalent	None
Sales Managers	27	$127,000	Bachelor's Degree	None
Medical and Health Services Managers	26	$85,610	Bachelor's Degree	None
Market Research Analysts and Marketing Specialists	25	$58,080	Bachelor's Degree	None
Secondary School Teachers, Except Special and Career/Technical Education	25	$49,560	Bachelor's Degree	None
Elementary School Teachers, Except Special Education	25	$48,760	Bachelor's Degree	None

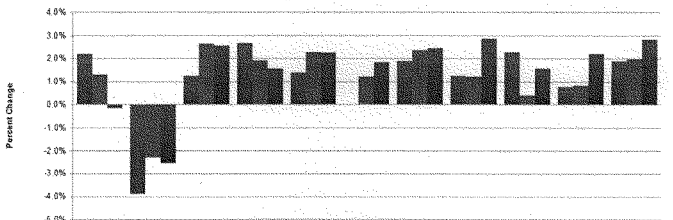
Source: KDOL Labor Market Information Services, High Demand Occupations

Gross Domestic Product

The Gross Domestic Product (GDP) measures the total economic output of an area. It is commonly used as one of the primary measures of economic performance and health of an area. There are two types of GDP discussed in this report: nominal GDP, which is measured in current dollars, and real GDP, which is adjusted for inflation. Real GDP allows better year-to-year comparisons by removing the influence inflation has on nominal GDP. In this report, real GDP is fixed to 2012 dollars.

According to estimates from the Bureau of Economic Analysis, real GDP in Kansas increased by 1.9 percent in 2018 to $152.3 billion. *Chart 18*, displays percent change in Kansas, the Plains Region and U.S. real GDP since 2008. The Plains Region had a similar growth rate to Kansas, with real GDP growing by two percent in 2018 to $1.1 trillion. From 2017 to 2018, the U.S. real GDP increased by 2.9 percent to $18.6 trillion.

Chart 18
Percent Change in Real GDP
Kansas, Plains Region and U.S.
2008 - 2018

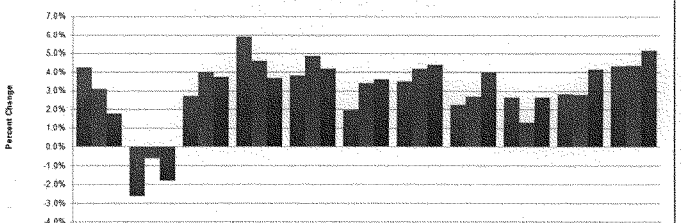


	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Kansas	2.2%	-3.9%	1.3%	2.7%	1.4%	0.0%	1.9%	1.2%	2.3%	0.8%	1.9%
Plains Region	1.3%	-2.3%	2.7%	1.9%	2.3%	1.2%	2.4%	1.2%	0.4%	0.8%	2.0%
U.S.	-0.1%	-2.5%	2.6%	1.6%	2.2%	1.8%	2.5%	2.9%	1.6%	2.2%	2.9%

Note: Real GDP is in chained 2012 dollars. GDP in Kansas excludes the compensation of federal civilian and military personnel stationed abroad and government consumption of fixed capital for military structures located abroad and for military equipment, except office equipment. GDP in the U.S. includes these items.

Source: Bureau of Economic Analysis

Chart 19
Percent Change in Nominal GDP
Kansas, Plains Region and U.S.
2008 - 2018



	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Kansas	4.3%	-2.6%	2.7%	5.9%	3.8%	2.0%	3.5%	2.3%	2.7%	2.8%	4.3%
Plains Region	3.1%	-0.6%	4.0%	4.6%	4.9%	3.4%	4.2%	2.7%	1.3%	2.8%	4.4%
U.S.	1.8%	1.8%	3.8%	3.7%	4.2%	3.6%	4.4%	4.0%	2.7%	4.2%	5.2%

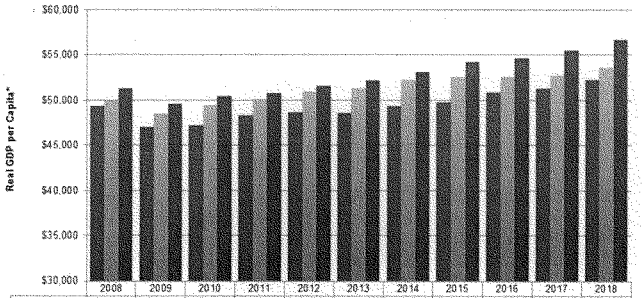
Note: GDP in Kansas excludes the compensation of federal civilian and military personnel stationed abroad and government consumption of fixed capital for military structures located abroad and for military equipment, except office equipment. GDP in the U.S. includes these items.

Source: Bureau of Economic Analysis

As displayed in *Chart* 19 *(pg. 28)*, Kansas' nominal GDP in 2018 was $167 billion, a 4.3 percent increase. The Plains Region nominal GDP grew at a similar rate in 2018, 4.4 percent. In 2018, the U.S. nominal GDP increased by 5.2 percent to $20.5 trillion.

To compare areas with different population levels, GDP per capita is calculated by dividing GDP by the population of an area. A historical look at the real GDP per capita in Kansas, the Plains Region and the U.S. is shown in *Chart 20*. Kansas recorded a real GDP per capita of $52,297 in 2018, a 1.9 percent increase from 2017. The Plains Region recorded a lower growth rate in this category, recording 1.5 percent growth in 2018. The U.S. real GDP per capita rose 2.2 percent to $56,749 from 2017 to 2018.

Chart 20
Real GDP per Capita
Kansas, Plains Region and U.S.
2008 - 2018



	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Kansas	$49,378	$47,049	$47,213	$48,296	$48,686	$48,559	$49,348	$49,813	$50,923	$51,335	$52,297
Plains Region	$49,964	$48,477	$49,416	$50,108	$50,980	$51,309	$52,248	$52,642	$52,631	$52,816	$53,613
U.S.	$51,315	$49,577	$50,428	$50,840	$51,603	$52,191	$53,080	$54,208	$54,660	$55,515	$56,749

Note: Real GDP in chained 2012 dollars
Source: Bureau of Economic Analysis

In Kansas, 10 of the 11 major industries increased their contribution to nominal GDP from 2017 to 2018. This is shown in *Table 22*. Manufacturing had the highest GDP growth, both numerical and percent growth, of any industry in 2018, increasing by $2 billion, or 8.1 percent. Notable growth was recorded in both durable and non-durable goods manufacturing. Trade, transportation and utilities GDP increased by $1.4 billion, or 4.7 percent. GDP growth occurred in all underlying sectors with about half the gains recorded in wholesale trade. Professional and business services had the second highest percent growth in GDP, gaining $919.6 million, or 5.3 percent with increases in all sectors.

The only industry that recorded a decline in GDP was natural resources and mining. The industry decreased by $120.3 million, or 2.5 percent, due to a decline in agriculture GDP. This is despite mining GDP, which is mostly made up of oil and gas extraction in Kansas, increasing by $30 million in 2018. Since 2013, natural resources and mining GDP has decreased 51.4 percent. This is due to agriculture GDP decreasing by 49.2 percent and mining GDP decreasing by 58.3 percent in that time frame. However, mining GDP has increased the last two years indicating it may be starting to recover.

Table 22
Nominal GDP by Industry
Kansas
2017 & 2018

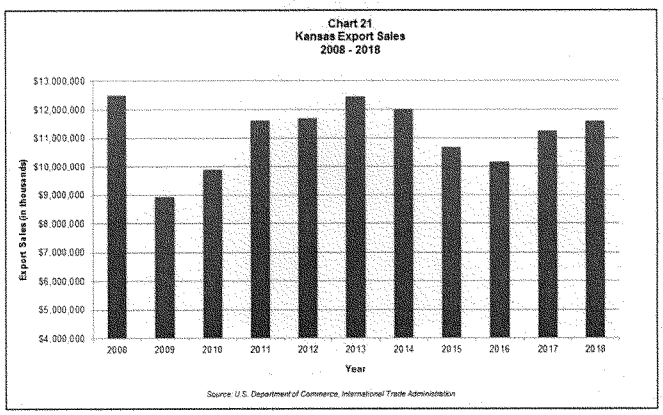
Industry	2017	2018	Percent Change
Manufacturing	$25,185.1	$27,225.8	8.1%
Professional and Business Services	$17,253.9	$18,173.5	5.3%
Trade, Transportation and Utilities	$30,048.3	$31,470.3	4.7%
Construction	$5,972.0	$6,252.1	4.7%
Education and Health Services	$13,111.2	$13,699.1	4.5%
Other Services	$3,601.1	$3,748.7	4.1%
Leisure and Hospitality	$4,874.3	$5,020.8	3.0%
Financial Activities	$28,551.1	$29,406.8	3.0%
Government	$20,944.6	$21,504.5	2.7%
Information	$5,725.6	$5,844.4	2.1%
Natural Resources and Mining	$4,816.3	$4,696.0	-2.5%

Note: Data is in millions
Source: Bureau of Economic Analysis

Kansas Exports

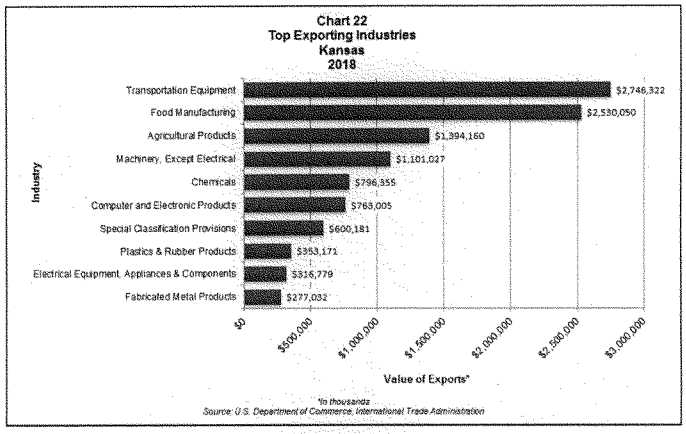
Kansas businesses compete in a global marketplace, where economic growth contributes to the rising demand for Kansas products. Exports data shows how competitive Kansas is in the global economy. When the global economy is in good shape, demand for products in which Kansas has a competitive advantage rises. The value of the U.S. dollar compared to other currencies also has an effect on exports. If the U.S. dollar increases in value, then demand for exports may go down while the opposite is true when the value of the U.S. dollar decreases. From 2017 to 2018, the value of the U.S. dollar declined compared to most other major world currencies, making U.S. goods cheaper and potentially increasing demand for exports.

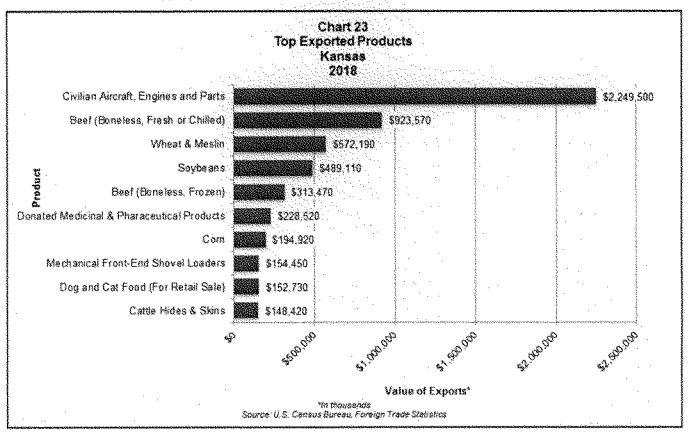
Kansas export sales totaled $11.6 billion in 2018, as seen in *Chart 21*. This represents a $342.6 million increase in export sales since 2017, or three percent. This is the second consecutive year export sales have increased. Large sales increases in food manufacturing, special classification provisions and machinery products counteracted decreases in transportation equipment and agricultural product export sales. Special classification provisions include repaired and refurbished items, shipping containers, charitable contributions and military equipment. This is the eighth consecutive year that Kansas export sales have exceeded $10 billion.



As seen in *Chart 22 (pg. 31)*, the transportation equipment manufacturing sector was the sector with the highest export sales in 2018, accounting for 23.7 percent of Kansas exports. This sector includes industries that produce aerospace parts and products, motor vehicle parts and assembly, and other transportation equipment manufacturing. Export sales for this sector totaled $2.7 billion, a decrease of $241.9 million, or 8.1 percent, from 2017. This was the largest over the year decrease in exports of any sector. Civilian aircraft, engines and parts accounted for $2.2 billion of the sales in transportation equipment manufacturing. This represents the highest total for any individual product produced in Kansas, as displayed in *Chart 23 (pg. 31)*. In fact, civilian aircraft, engines and parts make up 19.4 percent of Kansas export sales. Kansas companies exported $408.1 million worth of transportation equipment to Canada, the most of any country. Mexico and the United Kingdom were the second and third largest importers of Kansas transportation equipment.

The food manufacturing sector transforms livestock and agricultural products into products for intermediate or final consumption. This sector recorded the second most export sales in 2018, with $2.5 billion in sales. This is an increase from 2017 of $277.8 million, or 12.3 percent.





This represented the largest total sales increase of any sector. The growth in exports in this sector can be mostly attributed to a $114.6 million increase in boneless beef sales. In 2018, boneless fresh or chilled beef had the second highest export sales of any product and boneless frozen beef was fifth. There were $750.4 million in food manufacturing export sales to Japan, the most of any country. Mexico and Canada were the second and third largest importers of Kansas food products respectively.

Agricultural products was third in export sales in 2018 but recorded a $183.3 million, or 11.6 percent, decline in sales. There were $1.4 billion in export sales recorded in this sector. Agricultural export sales are down 46.7 percent from the record high recorded in 2013. The main contributor to the decline in 2018 was a $260.3 million decrease in wheat export sales. However, wheat remained the third most exported product from Kansas in 2018, with $572.2 million in sales. Corn export sales also decreased by 10.5 percent to $194.9 million. Despite trade pressures, soybean export sales increased

in 2018 by $85.6 million, or 21.2 percent, to $489.1 million, making it the fourth most exported product from Kansas. Over half of agricultural export sales, 57 percent, were to Mexico. Nigeria imported the second most Kansas agricultural products of any country followed by China.

Notable export sales increases also occurred for special classification provisions and machinery manufacturing. Special classification provisions recorded an increase of $200.7 million, or 50.2 percent, almost entirely due to a $178.2 million increase in the export of donated medicinal and pharmaceutical products. Guatemala was the largest recipient of special classification provisions, followed by China and Japan. Machinery export sales increased by $104.7 million, or 10.5 percent from 2017 to 2018. Canada was by far the largest importer of machinery, with 37.5 percent of machinery export sales going there. Australia and Mexico were the second and third largest importers of Kansas machinery respectively.

Table 23 shows the countries that imported the largest dollar amount of goods and services from Kansas. Mexico was the state's largest trading partner in 2018, importing approximately $2.1 billion in goods and services. This amounts to an 11.9 percent increase from 2017 to 2018. Approximately 60 percent of export sales to Mexico in 2018 were agricultural or food manufacturing products, with the transportation equipment manufacturing and chemical manufacturing sectors also recording notable export sales.

Table 23
Top Export Countries
Kansas
2018

Country	Total Exports
Mexico	$2,105,509
Canada	$1,947,573
Japan	$1,007,794
China	$656,770
United Kingdom	$528,225
Germany	$474,622
South Korea	$412,593
Singapore	$336,419
France	$297,994
Australia	$239,564

Note: Data is in thousands
Source: U.S. Department of Commerce, International Trade Administration

Canada imported the second largest amount of Kansas products in 2018 with approximately $1.9 billion in sales. Export sales to Canada decreased from 2017 by $564.1 million, or 22.5 percent. The decrease was mostly due to a decrease of sales in transportation equipment. The sectors with the most export sales to Canada were machinery manufacturing, transportation equipment manufacturing, and food manufacturing. These three industries accounted for 58.3 percent of Kansas export sales to Canada.

Japan was the third largest importer of Kansas products in 2018, with $1 billion in sales. This represents a $27.5 million increase in exports, or 2.8 percent. Food manufacturing products make up $750.4 million, or 74.5 percent, of the export sales. China and the United Kingdom were the other countries to import at least $500 million of Kansas products in 2018. Export sales to China totaled $656.8 million, a decline of $49 million from 2017. About half of the export sales to China were in one of three sectors: transportation equipment manufacturing, food manufacturing and special classification provisions. The United Kingdom imported $528.2 million in Kansas goods, an increase of $109.4 million, or 26.1 percent. Transportation equipment and computer and electronic products accounted for 73.2 percent of export sales to the United Kingdom.

Local Workforce Investment Areas

In order to more efficiently administer workforce development programs in the state of Kansas, the state is divided into five local workforce areas. The map below displays the five local areas. This report will detail the economic conditions of each of the local areas. *Table 1* shows the labor force statistics for each local area and *Table 2 (pg. 34)* displays the jobs statistics.

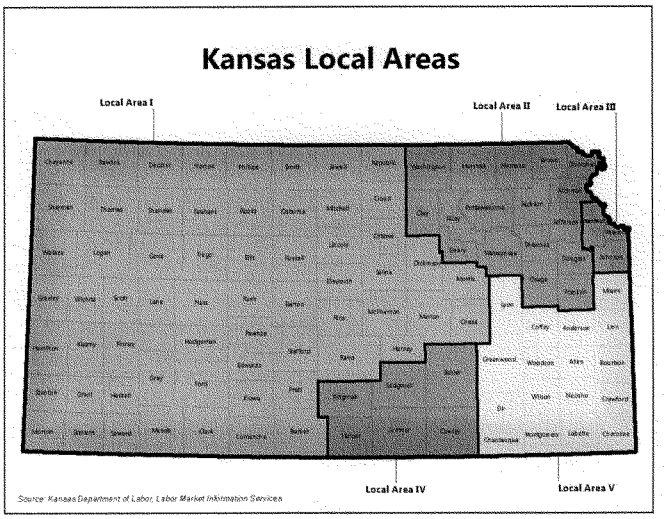


Table 1
Local Workforce Investment Area Labor Force Statistics
Kansas
2018

Local Workforce Investment Area	Civilian Labor Force			Employment			Unemployment			Unemployment Rate	
	Total CLF	Change from 2017	% Change from 2017	Total Emp.	Change from 2017	% Change from 2017	Total Unemp.	Change from 2017	% Change from 2017	Rate	Change from 2017
Local Area I Western Kansas	294,801	-3,906	-1.3%	286,341	-2,975	-1.0%	8,460	-931	-9.9%	2.9%	-0.2%
Local Area II Northeast Kansas	292,707	312	0.1%	283,038	786	0.3%	9,669	-474	-4.7%	3.3%	-0.2%
Local Area III Kansas City Area	451,081	5,563	1.2%	436,275	6,176	1.4%	14,806	-613	-4.0%	3.3%	-0.2%
Local Area IV South Central Kansas	312,219	1,928	0.6%	300,614	3,134	1.1%	11,605	-1,206	-9.4%	3.7%	-0.4%
Local Area V Southeast Kansas	131,420	-460	-0.3%	126,125	55	0.0%	5,295	-515	-8.9%	4.0%	-0.4%

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Local Area Unemployment Statistics

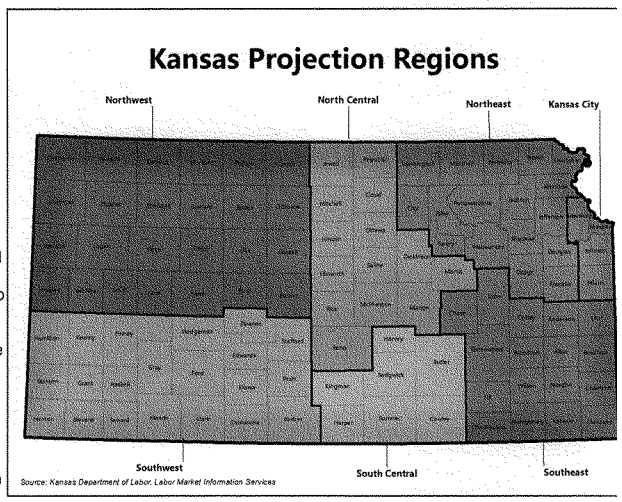
Table 2
Local Workforce Investment Area Jobs Statistics
Kansas
2018

Local Workforce Investment Area	Total Jobs			Private Sector Jobs			Fastest Growing Industry	
	Total Jobs	Change from 2017	% Change from 2017	Private Sector Jobs	Change from 2017	% Change from 2017	Industry	% Change from 2017
Local Area I Western Kansas	253,519	-587	-0.2%	196,424	-795	-0.4%	Construction	2.5%
Local Area II Northeast Kansas	246,745	559	0.2%	183,754	46	0.0%	Manufacturing	3.3%
Local Area III Kansas City Area	460,838	6,215	1.4%	406,440	5,275	1.3%	Natural Resources and Mining	4.7%
Local Area IV South Central Kansas	295,131	3,726	1.3%	253,510	3,336	1.3%	Manufacturing	5.2%
Local Area V Southeast Kansas	103,343	364	0.4%	77,005	333	0.4%	Manufacturing	4.4%

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Quarterly Census of Employment & Wages

Local Area Data Notes

While statewide job estimates come from nonfarm job totals as provided by the *Current Employment Statistics* (CES) program, job totals for the local areas and counties come from the *Quarterly Census of Employment and Wages* (QCEW) program. The biggest difference between the two is that QCEW is a count of all jobs subject to state and federal unemployment insurance where CES is based off of a monthly survey of employers. Jobs in QCEW also may be reclassified between industries or counties between years, which can result in large changes in the data. These changes may be economic in nature due to a business changing its focus or moving locations or non-economic in nature if it is discovered an establishment was classified in the incorrect industry or listed at the wrong physical location.



Employment projections data is provided in each local area section. Projections are calculated on a regional basis using seven projection regions set up in conjunction with the U.S. Department of Labor's Employment and Training Administration. A map of these regions has been provided above. To approximate the local areas the following projection regions were used:

- Local Area I = North Central, Northwest and Southwest regions combined
- Local Area II = Northeast
- Local Area III = Kansas City
- Local Area IV = South Central
- Local Area V = Southeast

These regions are also used to determine the local area high demand occupations.

Local Area I (Western Kansas) Summary

Population

Local Area I consists of 62 counties in western and north central Kansas. The largest cities in this region are Salina, Hutchinson, Dodge City, Garden City and Hays. *Chart 1* displays the population of Local Area I from 2008 to 2018. The Local Area I population was estimated at 568,037 in 2018. This represents a loss from 2017 of 4,417 people, or 0.8 percent. The population of Local Area I has decreased every year for the past eight years, resulting in 20,371 fewer residents, or a 3.5 percent decrease, in that time span.

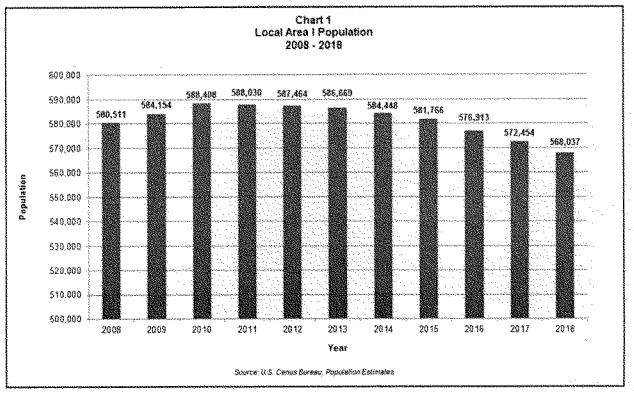
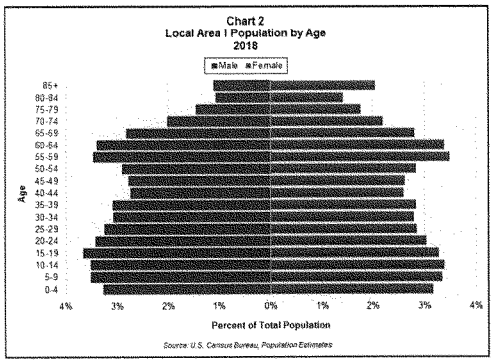


Chart 2 displays the Local Area I population by age group and gender. The population pyramid for Local Area I shows that there are two major peaks in the population, one centering on the 15-19 year old age group and one centering on the 55-59 and 60-64 year old age groups. The younger peak represents the youngest members of the millennial generation along with the older members of Generation Z since the U.S. Census Bureau defines Generation Z (the post-millennial generation) as starting in 2001. The older peak represents the younger members of the Baby Boomer generation. The 55-59 year old age group had the largest share of the Local Area I population, making up 6.9 percent of the population. However, the 10-14 and 15-19 year old age groups nearly made up the same percent of the population as the 55-59 year old age group.



For economic purposes, the two main age groups that are studied are the 16 and over population and the 25-54 population. The 16 and over population includes everyone who is eligible to be in the labor force, while 25-54 year olds are considered

prime age workers. The 16 and over population for Local Area I in 2018 was 445,756, a decrease of 2,712, or 0.6 percent. The 25-54 year old population was 194,458 in 2018, a decrease of 2,714, or 1.4 percent. However, most of the decrease was in the 50-54 age group indicating that a lot of the decline may be due to people aging out of the 25-54 group. There were declines recorded in the 30-34 year old and 45-49 year old age groups as well.

Future labor force growth may be in jeopardy since the population under 25 also decreased by 3,287, or 1.7 percent. Every age group in this age range recorded a decrease in population but a majority of the decline is in the population of children nine years old and under, which decreased by 1,689 people. The 20-24 year old age group, which would include recent college graduates, also recorded a 2.6 percent decline in population.

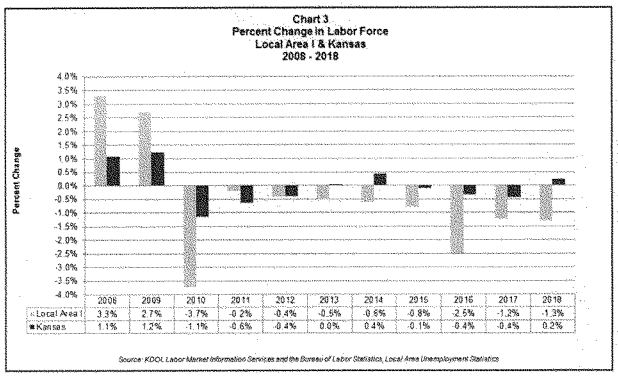
Labor Force Statistics

Table 1 shows there were 294,801 people in the Local Area I labor force in 2018, a 1.3 percent decrease. There were 286,341 Local Area I residents working in 2018, a one percent decrease. The number of unemployed people decreased by 931 people, or 9.9 percent, to 8,460. This is the ninth consecutive year that the labor force has decreased in Local Area I as displayed in *Chart 3*. In that time span, the Local Area I labor force has decreased by 35,705, or 10.8 percent.

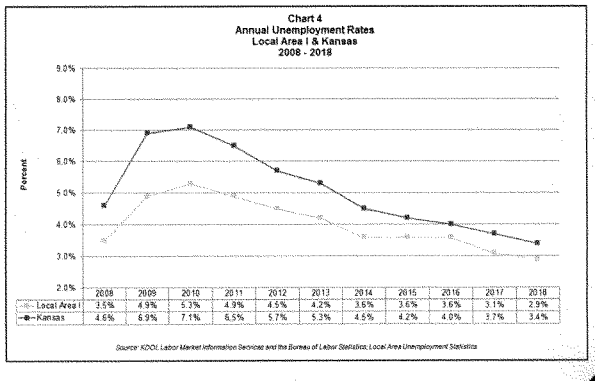
Table 1
Labor Force Statistics
Local Area I
2017 & 2018

	2017	2018	Change	% Change
Civilian Labor Force	298,707	294,801	-3,906	-1.3%
Employed	289,316	286,341	-2,975	-1.0%
Unemployed	9,391	8,460	-931	-9.9%
Unemployment Rate	3.1	2.9	-0.2	

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Local Area Unemployment Statistics



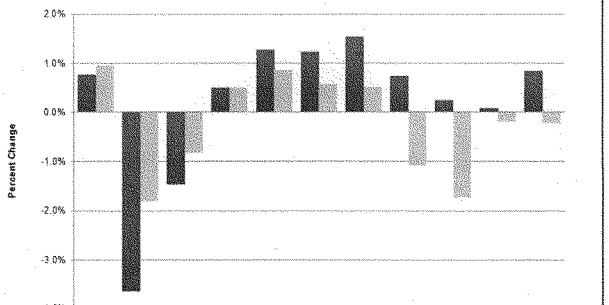
In 2018, Local Area I continued to have a low unemployment rate, recording an average annual unemployment rate of 2.9 percent. This represents a decrease of 0.2 percentage points and is the third lowest annual unemployment rate recorded since 1990, when county and local area unemployment rates became available. Lower rates were only recorded in 1999 (2.6%) and 1998 (2.8%). The unemployment rate is 0.8 percentage points lower than the historical average annual unemployment rate for Local Area I which is 3.7 percent.



Jobs

In 2018, Local Area I recorded 253,519 total jobs with 196,424 being private sector jobs. This was a decrease of 587 total jobs, or 0.2 percent, and 795 private sector jobs, or 0.4 percent. *Chart 5* shows that 2018 marked the fourth consecutive year of job losses for Local Area I. A decline of 8,400 total jobs, or 3.2 percent, was recorded in that time span.

Chart 5
Percent Change in Jobs
Local Area I & Kansas
2008 - 2018



	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Kansas	0.8%	-3.6%	-1.5%	0.5%	1.3%	1.2%	1.5%	0.7%	0.2%	0.1%	0.8%
Local Area I	1.0%	-1.8%	-0.8%	0.5%	0.9%	0.6%	0.5%	-1.1%	-1.7%	-0.2%	-0.2%

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Quarterly Census of Employment and Wages

Job growth was recorded in five of the 11 major industries in Local Area I during 2018 as seen in *Table 2 (pg. 39)*. Natural resources and mining added the most jobs of any industry with an increase of 264 jobs, or two percent. Most of this job growth was in the agriculture sector. Construction added 238 jobs with almost all the gains recorded in heavy and civil engineering construction. Government grew by 208 jobs with growth at the local level exceeding losses at the state and federal levels. Professional and business services and leisure and hospitality were the other major industries to gain jobs over the year.

Six major industries lost jobs from 2017 to 2018. Trade, transportation and utilities decreased the most, declining by 635 jobs, or 1.3 percent. Losses were recorded in wholesale trade and retail trade. Manufacturing jobs decreased by 476, with losses in non-durable goods manufacturing exceeding gains in durable goods manufacturing. Information lost 167 jobs. Other services, education and health services and financial activities all decreased by fewer than 100 jobs.

Table 3 shows the top 20 Local Area I employers by employment size as of December 2018. Manufacturing is the most represented industry on the list with seven employers. Public school districts and health care and social assistance are also well represented with five and four employers on the list respectively. The other four employers on the list are made up of two government entities and two retail trade chains.

Table 2
Local Area I Jobs
2017 & 2018

	2017	2018	Change	% Change
Total, All Industries	254,106	253,519	-587	-0.2%
Total Private Sector	197,219	196,424	-795	-0.4%
Natural Resources and Mining	13,098	13,362	264	2.0%
Agriculture, Forestry, Fishing and Hunting	9,223	9,435	212	2.3%
Mining, Quarrying and Oil and Gas Extraction	3,875	3,927	52	1.3%
Construction	9,703	9,941	238	2.5%
Manufacturing	39,115	38,639	-476	-1.2%
Durable Goods Manufacturing	16,349	16,714	365	2.2%
Non-Durable Goods Manufacturing	22,767	21,926	-841	-3.7%
Trade, Transportation and Utilities	48,324	47,689	-635	-1.3%
Wholesale Trade	11,632	11,369	-263	-2.3%
Retail Trade	28,155	27,681	-474	-1.7%
Transportation, Warehousing and Utilities	8,537	8,639	102	1.2%
Information	2,966	2,799	-167	-5.6%
Financial Activities	8,927	8,887	-40	-0.4%
Finance and Insurance	7,594	7,601	7	0.1%
Real Estate and Rental and Leasing	1,333	1,286	-47	-3.5%
Professional and Business Services	14,359	14,466	107	0.7%
Professional, Scientific and Technical Services	5,691	5,722	31	0.5%
Management of Companies and Enterprises	2,258	2,320	62	2.7%
Administrative and Waste Services	6,410	6,424	14	0.2%
Education and Health Services	33,752	33,722	-30	-0.1%
Private Educational Services	1,951	1,952	1	0.1%
Health Care and Social Assistance	31,801	31,770	-31	-0.1%
Leisure and Hospitality	21,751	21,760	9	0.0%
Arts, Entertainment and Recreation	2,319	2,396	77	3.3%
Accommodation and Food Services	19,432	19,364	-68	-0.3%
Other Services	5,226	5,158	-68	-1.3%
Government	56,887	57,095	208	0.4%
Federal Government	2,432	2,361	-71	-2.9%
State Government	6,390	6,203	-187	-2.9%
State Government Educational Services	1,300	1,352	52	4.0%
State Government Excluding Education	5,090	4,851	-239	-4.7%
Local Government	48,066	48,531	465	1.0%
Local Government Educational Services	25,092	25,237	145	0.6%
Local Government Excluding Education	22,974	23,294	320	1.4%

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

Table 3
Largest Employers in Local Area I*
(in alphabetical order)

Employer	Industry
Agco Corporation	Manufacturing
Cargill Meat Solutions	Manufacturing
Dillons Food Stores	Retail Trade
Dodge City Public Schools (USD 443)	Public Education
Federal Government	Government
Garden City Public Schools (USD 457)	Public Education
Great Plains Manufacturing Inc	Manufacturing
Hays Medical Center	Health Care and Social Assistance
Hutchinson Public Schools (USD 308)	Public Education
Hutchinson Regional Medical Center	Health Care and Social Assistance
Liberal Public Schools (USD 480)	Public Education
National Beef Packing Company	Manufacturing
Pfizer Inc.	Manufacturing
Salina Public Schools (USD 305)	Public Education
Salina Regional Health Center	Health Care and Social Assistance
Schwan's Co.	Manufacturing
St. Francis Community & Residential Services	Health Care and Social Assistance
State of Kansas	Government
Tyson Foods Inc	Manufacturing
Walmart	Retail Trade

** - as of December 2018*
Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Quarterly Census of Employment and Wages

Wages

The real average weekly wage in Local Area I increased over the year by $9, or 1.2 percent, to $730 in 2018. As shown in *Chart 6*, this is the seventh consecutive year that real average weekly wages have increased in Local Area I, with an 8.6 percent increase occurring during that period. However, Local Area I wages are consistently lower than the statewide average.

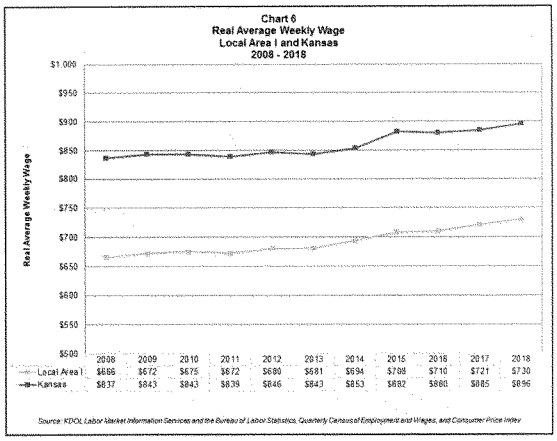


Table 4 shows the real average weekly wage by industry for 2017 and 2018. Ten of the 11 major industries recorded an increase in real average weekly wages over the year, with construction wages remaining unchanged. Manufacturing was the highest paying industry in 2018, recording a real average weekly wage of $956. Financial activities was the other industry to record an average weekly wage of at least $900, and four other industries recorded weekly wages of at least $800. Natural resources and mining recorded the largest increase in real average weekly wage, with a $25 increase, or 2.9 percent. Wages grew in both the agriculture and the mining, quarrying, and oil and gas extraction sectors.

Table 4
Real Average Weekly Wage by Industry
Local Area I
2017 & 2018

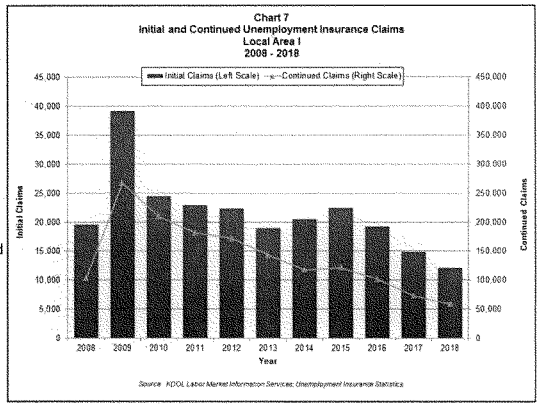
	2017	2018	Change	% Change
Total, All Industries	$721	$730	$9	1.2%
Total Private Sector	$746	$756	$10	1.3%
Natural Resources & Mining	$870	$895	$25	2.9%
Agriculture, Forestry, Fishing and Hunting	$799	$814	$15	1.9%
Mining, Quarrying and Oil and Gas Extraction	$1,039	$1,090	$51	4.9%
Construction	$898	$898	$0	0.0%
Manufacturing	$942	$956	$14	1.5%
Durable Goods Manufacturing	$923	$932	$9	1.0%
Non-Durable Goods Manufacturing	$954	$973	$19	2.0%
Trade, Transportation and Utilities	$703	$713	$10	1.4%
Wholesale Trade	$962	$979	$17	1.8%
Retail Trade	$470	$471	$1	0.2%
Transportation, Warehousing and Utilities	$1,123	$1,138	$15	1.3%
Information	$881	$895	$14	1.6%
Financial Activities	$932	$937	$5	0.5%
Finance and Insurance	$986	$990	$4	0.4%
Real Estate and Rental and Leasing	$628	$622	-$6	-1.0%
Professional and Business Services	$833	$847	$14	1.7%
Professional, Scientific and Technical Services	$873	$887	$14	1.6%
Management of Companies and Enterprises	$1,336	$1,374	$38	2.8%
Administrative and Waste Services	$621	$622	$1	0.2%
Education and Health Services	$725	$737	$12	1.7%
Private Educational Services	$552	$555	$3	0.5%
Health Care and Social Assistance	$736	$748	$12	1.6%
Leisure and Hospitality	$266	$267	$1	0.4%
Arts, Entertainment and Recreation	$320	$315	-$5	-1.6%
Accommodation and Food Services	$260	$261	$1	0.4%
Other Services	$574	$576	$2	0.3%
Government	$633	$640	$7	1.1%
Federal Government	$1,023	$1,056	$33	3.2%
State Government	$798	$808	$10	1.3%
State Government Educational Services	$955	$938	-$17	-1.8%
State Government Excluding Education	$757	$772	$15	2.0%
Local Government	$591	$599	$8	1.4%
Local Government Educational Services	$578	$585	$7	1.2%
Local Government Excluding Education	$605	$614	$9	1.5%

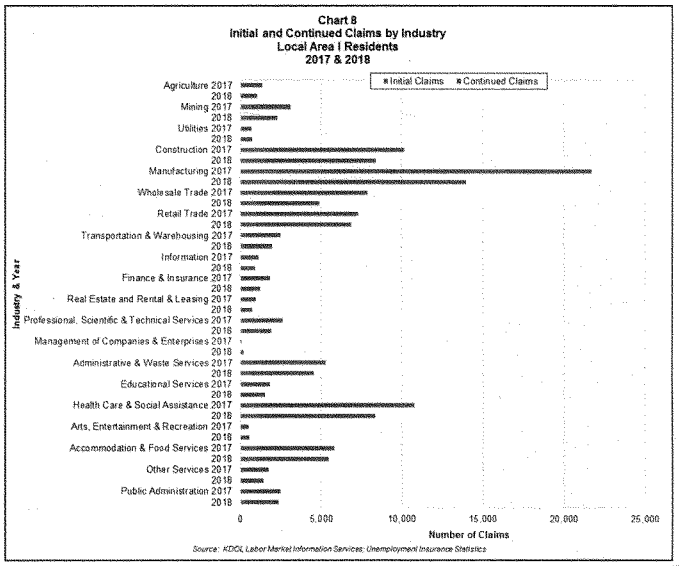
Note: Wages in 2018 dollars
Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Quarterly Census of Employment and Wages, and Consumer Price Index

Unemployment Insurance Statistics

As shown in *Chart 7*, the number of initial claims filed by Local Area I residents in 2018 decreased by 18.9 percent to 12,011 claims. This was the third consecutive year that the number of initial claims decreased. The number of continued claims declined by 20 percent to 58,263 claims. This was also the third consecutive year continued claims decreased.

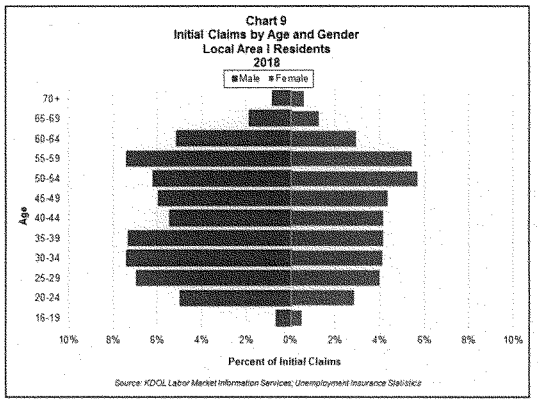
Chart 8 displays initial and continued claims by industry for claims filed by Local Area I residents for 2017 and 2018. In 2018, manufacturing industry workers filed the most initial and continued claims, with about 3,700 initial and 10,300 continued claims. Construction workers filed





the second most initial claims and health care and social assistance workers filed the second most continued claims. Wholesale trade was the only other industry with over 1,000 initial claims filed while retail trade was the only other industry with over 5,000 continued claims filed. Claims from those five industries made up 67.2 percent of initial claims and 59.9 percent of continued claims.

Charts 9 and 10 show the age and gender of Local Area I residents filing initial and continued claims, with 60 percent of initial claims and 55.2 percent of continued claims being filed by men. This most likely reflects that two of the main industries that have workers filing claims, construction and manufacturing, are still generally male dominated. Almost half of the initial and continued claims came from two age ranges, 30-39 years old and 50-59 years old.



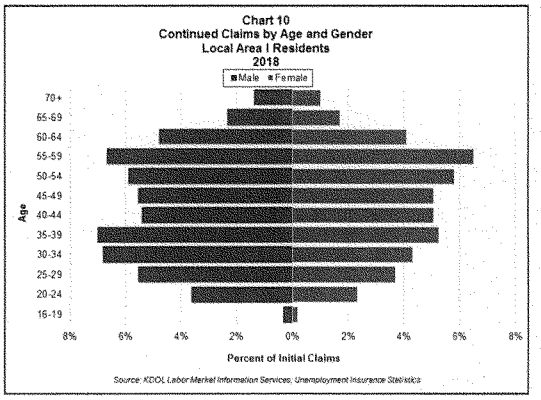
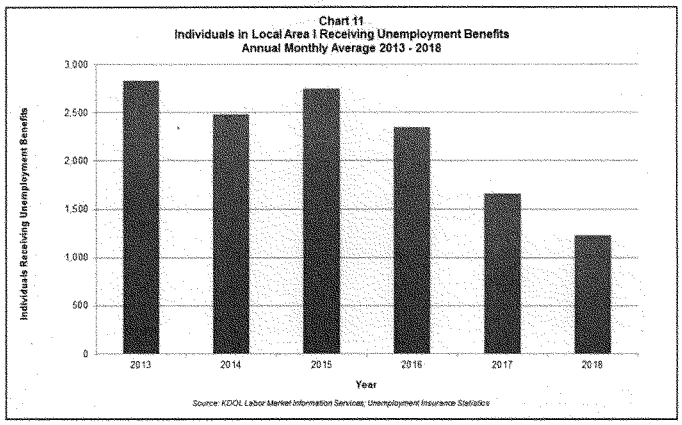
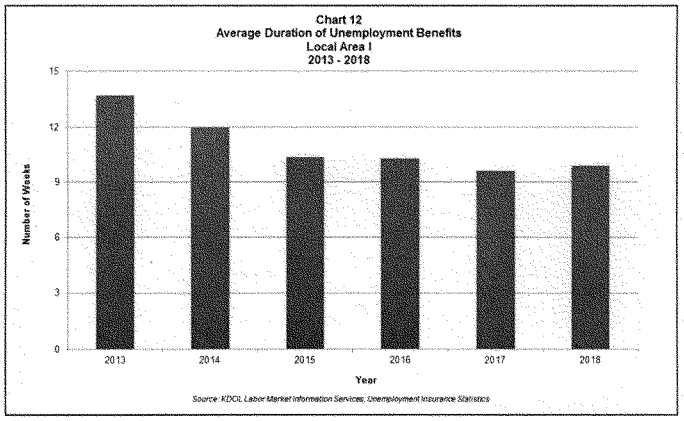


Chart 11 displays the monthly average of the number of Local Area I residents receiving Kansas unemployment benefits from 2013 to 2018. The number of people receiving unemployment benefits has decreased the last three years. An average of 1,231 people a month in Local Area I received unemployment benefits during 2018. *Chart 12* shows the average duration Local Area I residents remained on unemployment benefits from 2013 to 2018. Average duration has stayed consistently around 10 weeks for the past four years.





Occupational Statistics

Table 5 displays the employment and median annual wage for each major occupational group in Local Area I according to the *2019 Kansas Wage Survey* while *Tables 6 (pg. 45) and 7 (pg. 45)* show the top 20 occupations by employment and median annual wage. In May 2018, 37,720 jobs were classified as being office and administrative support occupations, the most of any occupational group in Local Area I. Five of the top 20 occupations by employment fell under this occupational group, including the second most common occupation, secretaries and administrative assistants, except legal, medical and executive.

Four other occupational groups accounted for at least 20,000 jobs in Local Area I. There were 28,630 jobs that were classified as production occupations, with the most common production occupation in Local Area I being meat, poultry and fish cutters and trimmers. Sales and related occupations had an employment of 21,260. This group includes 7,280 cashiers, the most common occupation in Local Area I. The other two occupational groups with at least 20,000 jobs were food preparation and serving related occupations and education, training and library occupations.

Table 5
Employment and Median Annual Wage by Occupational Group
Local Area I
May 2018

Occupational Group	Employment	Median Annual Wage
Total, All Occupations	**253,900**	**$32,741**
Office and Administrative Support Occupations	37,720	$30,207
Production Occupations	28,630	$34,909
Sales and Related Occupations	21,260	$25,286
Food Preparation and Serving Related Occupations	20,880	$19,354
Education, Training and Library Occupations	20,390	$37,891
Transportation and Material Moving Occupations	18,270	$34,465
Healthcare Practitioners and Technical Occupations	15,340	$52,084
Installation, Maintenance and Repair Occupations	13,900	$40,352
Construction and Extraction Occupations	12,390	$36,669
Management Occupations	10,000	$78,407
Healthcare Support Occupations	9,790	$26,181
Personal Care and Service Occupations	9,380	$20,650
Building and Grounds Cleaning & Maintenance Occupations	8,670	$24,123
Business and Financial Operations Occupations	7,820	$55,329
Protective Service Occupations	5,290	$35,158
Community and Social Services Occupations	3,060	$37,305
Arts, Design, Entertainment, Sports and Media Occupations	2,510	$30,415
Computer and Mathematical Occupations	2,180	$55,719
Architecture and Engineering Occupations	2,070	$60,936
Farming, Fishing and Forestry Occupations	2,050	$31,785
Life, Physical and Social Science Occupations	1,190	$53,454
Legal Occupations	1,100	$45,211

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Occupational Employment Statistics

The median annual wage in Local Area I as of May 2018 was $32,741. The highest paying occupational group was management, which earned a median annual wage of $78,407. Nine of the top 20 highest paid occupations were management occupations. Three other occupational groups had annual median wages of at least $55,000: architecture and engineering, computer and mathematical, and business and financial operations. Also of note is that seven of the top 20 highest paying occupations were healthcare practitioner and technical occupations.

Table 6
Top 20 Occupations by Employment
Local Area I
May 2018

Occupation	Employment
Cashiers	7,280
Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	6,820
Nursing Assistants	6,760
Combined Food Preparation and Serving Workers, Including Fast Food	6,250
Registered Nurses	6,020
Retail Salespersons	5,130
Heavy and Tractor-Trailer Truck Drivers	4,800
Personal Care Aides	4,550
Teacher Assistants	4,400
Meat, Poultry, and Fish Cutters and Trimmers	4,200
Bookkeeping, Accounting, and Auditing Clerks	4,020
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	3,930
Laborers and Freight, Stock, and Material Movers, Hand	3,730
Office Clerks, General	3,660
Elementary School Teachers, Except Special Education	3,650
General and Operations Managers	3,480
Customer Service Representatives	3,320
Secondary School Teachers, Except Special and Career/Technical Education	3,230
Stock Clerks and Order Fillers	3,210
Waiters and Waitresses	2,900

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Occupational Employment Statistics

Table 7
Top 20 Occupations by Median Annual Wage
Local Area I
May 2018

Occupation	Median Annual Wage
Family and General Practitioners	$204,582
Dentists, General	$173,143
Medical Scientists, Except Epidemiologists	$147,451
Pharmacists	$138,907
Petroleum Engineers	$121,777
Sales Managers	$120,422
Marketing Managers	$110,342
Chief Executives	$109,548
Architectural and Engineering Managers	$108,817
Physician Assistants	$108,281
Training and Development Managers	$105,374
Foreign Language and Literature Teachers, Postsecondary	$103,412
Nurse Practitioners	$101,580
Financial Managers	$98,153
Natural Sciences Managers	$96,741
Optometrists	$96,576
Computer Network Architects	$91,682
Physical Therapists	$91,675
Public Relations and Fundraising Managers	$91,220
Industrial Production Managers	$90,648

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Occupational Employment Statistics

Retail salespersons was the occupation with the most openings in Local Area I with 490 job vacancies. Most of the occupations in the top 10 are low paying occupations with high turnover rates leading to a greater number of job vacancies. There are three occupations in the top 10 that pay more than $15 per hour. Registered nurses were the highest paying occupation in the top 10, with an average lowest wage offer of $23.92 per hours. General and operations managers and licensed practical nurses had the second and third highest wages offered of the occupations in the top 10.

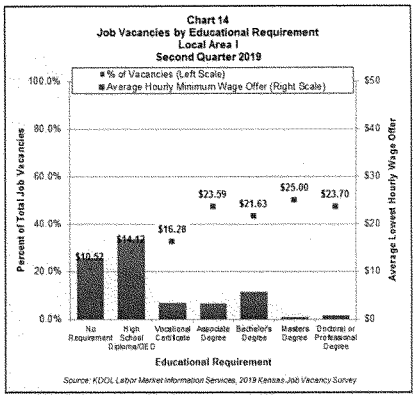


Chart 14 shows the percentage of job vacancies by educational requirement as well as the average lowest hourly wage offered by educational requirement. In Local Area I, the average starting pay increases with the amount of education required up to a point, with the lowest wage offer for vacant positions requiring an associate degree, bachelor's degree or postgraduate degree all above $20 per hour. The average lowest hourly wage offered by educational requirement ranged from $10.52 for vacancies with no educational requirements to $25.00 for vacancies requiring a master's degree. The average lowest wage offered for all vacancies was $14.36 per hour. The majority of vacancies, 59.3 percent, required a high school diploma or GED or had no educational requirements at all. About 25 percent of openings required a post-secondary vocational certificate, an associate degree or a bachelor's degree while only a small percentage of vacancies required a postgraduate degree.

Table 9 displays the amount of benefits offered by type of job vacancy. Most job vacancies, 62.8 percent, offered at least one of the benefits asked about on the survey: health insurance, paid time off or a retirement plan with 85.6 percent of vacancies for permanent full-time jobs offering benefits while only 20.8 percent of part-time and temporary full-time job vacancies offered benefits. Larger establishments are also more likely to offer benefits with 69.8 percent of vacancies at establishments with 50 or more employees offering benefits compared to 57.7 percent of vacancies at smaller establishments. Also the higher the educational requirements of a position the more likely it is to offer benefits, with only 53.6 percent of vacancies with no educational requirements offering benefits compared to 73.2 percent of vacancies that required a high school diploma or 88.3 percent of vacancies that required post-secondary education.

Table 9
Benefits Offered by Job Vacancy Type
Local Area I
Second Quarter 2019

Benefit Offered	All Vacancies	Job Types		Establishment Size		Educational Requirement		
		Permanent Full-Time	All Other Job Types	1 - 49	50+	No Requirement	HS Diploma or GED	Post-Secondary Education
At Least One Benefit Offered	62.8%	85.6%	20.8%	57.7%	69.8%	53.6%	73.2%	88.3%
Health Insurance	53.6%	79.5%	5.8%	50.3%	58.2%	40.9%	60.4%	82.2%
Paid Time Off	55.9%	77.7%	15.5%	52.9%	59.9%	46.6%	64.7%	79.9%
Retirement Plan	50.6%	71.1%	12.6%	44.2%	59.3%	41.2%	54.0%	78.8%
Unknown	16.8%	6.8%	35.3%	13.0%	22.1%	2.5%	3.9%	6.8%

Source: KDOL Labor Market Information Services, 2019 Kansas Job Vacancy Survey

Job Vacancies

According to the *2019 Kansas Job Vacancy Survey*, there were 11,016 job vacancies in Local Area I during the second quarter of 2019, a 42.9 percent increase from the second quarter of 2018. This represents the second most vacancies recorded in the spring since the *Kansas Job Vacancy Survey* started in 2004. The Local Area I job vacancy rate was 4.2 percent, indicating that for every 100 positions in Local Area I, 4.2 were vacant and 95.8 were filled.

There were 0.7 unemployed people for every vacancy in Local Area I, an improvement of 0.4 from one year ago. Since the number of vacancies is significantly higher than the number of unemployed people, this indicates there is a labor shortage in Local Area I. Additionally, there may be a skills or location mismatch between unemployed people and the available positions leading to continued difficulty finding and filling jobs. One benefit of the tightening labor market is it may eventually lead to an increase in wages as the supply of workers for available positions continues to decrease.

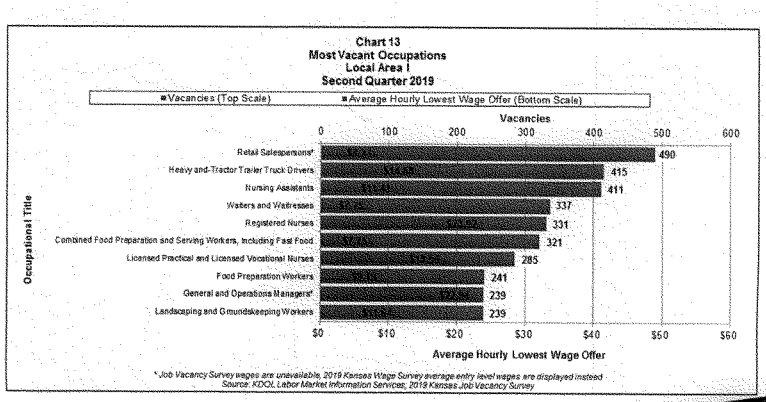
Table 8
Job Vacancies and Average Hourly Lowest Wage Offer by Industry Supersector
Local Area I
Second Quarter 2019

Industry Supersector	Job Vacancies	Average Hourly Lowest Wage Offer
Total, All Industries	**11,016**	**$14.36**
Trade, Transportation and Utilities	2,128	$12.07
Leisure and Hospitality	1,965	$7.47
Government	1,861	$15.89
Education and Health Services	1,711	$16.65
Manufacturing	1,249	$17.01
Professional and Business Services	930	$12.74
Natural Resources and Mining	555	$18.63
Construction	311	$15.86
Financial Activities	134	$10.00
Other Services	120	$14.50
Information	53	$11.00

Note: Numbers may not add up due to rounding
Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, 2019 Kansas Job Vacancy Survey

The number of job vacancies by industry in Local Area I is displayed in *Table 8* while the top 10 occupations with the most vacancies are shown in *Chart 13*. Also shown is the average lowest hourly wage offered for vacancies in each of those industries and occupations. Four industries recorded at least 1,500 vacancies. Trade, transportation and utilities and leisure and hospitality are the top two industries due to most jobs in those industries having high turnover. Government had the third highest number of openings due to the continuing shortage of education workers and correctional officers. Education and health services had the fourth most vacancies due to the shortage of nurses and nursing assistants in the area.

Chart 13
Most Vacant Occupations
Local Area I
Second Quarter 2019



*Job Vacancy Survey wages are unavailable, 2019 Kansas Wage Survey average entry level wages are displayed instead
Source: KDOL Labor Market Information Services; 2019 Kansas Job Vacancy Survey

Short-Term Projections

This section will detail short-term projections by industry and occupation for the first quarter 2020 from the first quarter 2018. To approximate Local Area I, the data used in this section, as well as the long-term projections and high demand occupations sections, will be the combined projections for the North Central, Northwest and Southwest projection regions. This combined area is slightly different from Local Area I since these regions do not include Chase or Harvey counties.

Table 10 displays the top 10 industries by numerical change. Total jobs are expected to increase by 1,752 jobs, or 0.7 percent, to 263,831, over the two-year period. The annual average growth rate is projected to be 0.3 percent. The industry expected to add the most jobs is manufacturing, which is projected to grow by 485 jobs followed by health care and social assistance adding 301 jobs. Educational services, accommodation and food services, and administrative and support and waste management and remediation services are all expected to add at least 200 jobs over the projection period.

Table 10
Top 10 Industries by Numerical Job Change
North Central, Northwest and Southwest Projection Regions Combined
2018 - 2020

Industry	Job Numbers		Job Changes		
	Quarter 1 2018	Quarter 1 2020	Numerical	Percent	Annual Avg. Growth %
Total, All Industries	**262,079**	**263,831**	**1,752**	**0.7%**	**0.3%**
Manufacturing	34,623	35,108	485	1.4%	0.7%
Health Care and Social Assistance	35,999	36,300	301	0.8%	0.4%
Educational Services	29,708	29,933	225	0.8%	0.4%
Accommodation and Food Services	18,004	18,207	203	1.1%	0.6%
Administrative and Support and Waste Management and Remediation Services	6,623	6,824	201	3.0%	1.5%
Agriculture, Forestry, Fishing and Hunting	8,762	8,909	147	1.7%	0.8%
Construction	8,697	8,802	105	1.2%	0.6%
Government	21,983	22,086	103	0.5%	0.2%
Professional, Scientific, and Technical Services	5,914	6,016	102	1.7%	0.9%
Mining	3,693	3,736	43	1.2%	0.6%

Note: These three regions combined differ from Local Area I since they exclude Chase and Harvey Counties.
Source: KDOL Labor Market Information Services and the U.S. DOL Employment & Training Administration, Employment Projection

Table 11 shows the top 10 growing occupational groups by numerical change. Over the projection period, management is expected to add the most jobs, gaining 218 jobs, or 1.2 percent. Education, training and library is also expected to increase by more than 200 jobs, growing by 1.1 percent. Architecture and engineering occupations are projected to have the fastest growth rate, increasing 3.1 percent over the two-year period. It is expected that there will be 59,880 openings over the projection period, or an average of 29,940 per year from new jobs and separation openings. Approximately 97.1 percent or 58,128 openings will be separation openings.

Table 11
Top 10 Occupational Groups by Numerical Job Change
North Central, Northwest and Southwest Projection Regions Combined
2018 - 2020

Occupations	Job Numbers		Job Changes			Total Openings
	Quarter 1 2018	Quarter 1 2020	Numerical	Percent	Annual Avg. Growth %	
Total, All Occupations	**262,079**	**263,831**	**1,752**	**0.7%**	**0.3%**	**59,886**
Food Preparation and Serving Related Occupations	21,088	21,317	229	1.1%	0.5%	7,187
Management Occupations	17,660	17,878	218	1.2%	0.6%	2,898
Education, Training, and Library Occupations	19,108	19,313	205	1.1%	0.5%	3,449
Building and Grounds Cleaning and Maintenance Occupations	10,388	10,585	197	1.9%	0.9%	2,811
Construction and Extraction Occupations	11,887	12,053	166	1.4%	0.7%	2,660
Production Occupations	25,126	25,278	152	0.6%	0.3%	5,979
Personal Care and Service Occupations	9,446	9,591	145	1.5%	0.8%	2,958
Healthcare Practitioners and Technical Occupations	14,584	14,723	139	1.0%	0.5%	1,697
Healthcare Support Occupations	9,060	9,192	132	1.5%	0.7%	2,185
Installation, Maintenance, and Repair Occupations	13,278	13,399	121	0.9%	0.5%	2,586

Note: These three regions combined differ from Local Area I since they exclude Chase and Harvey Counties.
Source: KDOL Labor Market Information Services and the U.S. DOL Employment & Training Administration, Employment Projections

The Bureau of Labor Statistics assigns the level of education typically needed to enter each occupation. There are eight categories shown in *Table 12*. The greatest numerical change in jobs is projected for those that require a bachelor's degree, adding 510 jobs. Jobs requiring a high school diploma or equivalent or having no formal educational requirements are both expected to add around 460 jobs. Jobs requiring a master's degree are projected to have the fastest growth rate, increasing by 1.7 percent over the projection period.

Table 12
Projections by Education Requirement
North Central, Northwest and Southwest Projection Regions Combined
2018 - 2020

Education	Job Numbers		Job Changes			Total Openings
	Quarter 1 2018	Quarter 1 2020	Numerical	Percent	Annual Avg. Growth %	
Total	262,079	263,831	1,752	0.7%	0.3%	59,880
Bachelor's degree	42,613	43,123	510	1.2%	0.6%	7,190
High school diploma or equivalent	108,448	108,907	459	0.4%	0.2%	23,877
No formal educational credential	68,974	69,432	458	0.7%	0.3%	20,869
Postsecondary non-degree award	20,968	21,121	153	0.7%	0.4%	4,251
Associate degree	4,227	4,285	58	1.4%	0.7%	754
Master's degree	3,404	3,461	57	1.7%	0.8%	592
Doctoral or professional degree	4,395	4,441	46	1.0%	0.5%	479
Some college, no degree	9,050	9,061	11	0.1%	0.1%	1,868

Note: These three regions combined differ from Local Area I since they exclude Chase and Harvey counties.

Source: KDOL Labor Market Information Services and the U.S. DOL Employment & Training Administration, Employment Projections

Long-Term Projections

Local Area I total jobs in all industries are expected to grow by 3,514 to 266,596 jobs from 2016 to 2026, an increase of 1.3 percent over the 10-year period. This averages out to 351 jobs per year, a 0.1 percent average annual growth. Goods-producing industries are projected to add 719 jobs and increase at an average annual rate of 0.1 percent from 2016 to 2026 while service providing industries are projected to add 3,058 jobs, an annual average growth rate of 0.2 percent over that period. The number of self-employed workers is expected to decrease over the projection period.

Table 13 shows the top 10 industries by numerical change over the 10 year projection period. The health care and social assistance industry is projected to gain the largest number of jobs over the 10-year period with an additional 2,525 jobs. Agriculture is expected to have the largest percent growth, expanding 1.5 percent annually, and add the second most total jobs. Accommodation and food service, administrative and support and waste management and remediation services, and professional, scientific and technical services are all expected to add at least 500 jobs over the 10-year period.

Table 13
Top 10 Industries by Numerical Job Change
North Central, Northwest and Southwest Projection Regions Combined
2016 - 2026

Industry	Job Numbers		Job Changes		
	Base Year 2016	Projection Year 2026	Numerical	Percent	Annual Avg. Growth %
Total All Industries	**263,082**	**266,596**	**3,514**	**1.3%**	**0.1%**
Health Care and Social Assistance	35,701	38,226	2,525	7.1%	0.7%
Agriculture, Forestry, Fishing and Hunting	9,024	10,367	1,343	14.9%	1.5%
Accommodation and Food Services	18,586	19,460	874	4.7%	0.5%
Administrative and Support and Waste Management and Remediation Services	6,881	7,654	773	11.2%	1.1%
Professional, Scientific, and Technical Services	6,032	6,671	639	10.6%	1.1%
Mining	3,712	4,125	413	11.1%	1.1%
Construction	10,111	10,512	401	4.0%	0.4%
Management of Companies and Enterprises	2,320	2,663	343	14.8%	1.5%
Transportation and Warehousing	6,718	6,884	166	2.5%	0.2%
Educational Services	27,416	27,573	157	0.6%	0.1%

Note: These three regions combined differ from Local Area I since they exclude Chase and Harvey counties.
Source: KDOL Labor Market Information Services and the U.S. DOL Employment & Training Administration, Employment Projections

Table 14 shows the top 10 occupational groups projected to gain the largest number of jobs over the projection period. Food preparation and serving related occupations and personal care and service occupations are the two occupational groups projected to add the most jobs, with both expected to grow by about 940 jobs. Personal care and service occupations are expected to have the highest percent growth at one percent annually. Other occupational groups expected to add at least 500 jobs are health care practitioners and technical, construction and extraction, farming, fishing and forestry, and building and grounds cleaning and maintenance.

Table 14
Top 10 Occupational Groups by Numerical Job Change
North Central, Northwest and Southwest Projection Regions Combined
2016 - 2026

Occupations	Job Numbers		Job Changes			Total Openings
	Base Year 2016	Projection Year 2026	Numerical	Percent	Annual Avg. Growth %	
Total, All Occupations	**263,082**	**266,596**	**3,514**	**1.3%**	**0.1%**	**297,406**
Food Preparation and Serving Related Occupations	21,355	22,298	943	4.4%	0.4%	36,848
Personal Care and Service Occupations	9,388	10,327	939	10.0%	1.0%	15,507
Healthcare Practitioners and Technical Occupations	14,668	15,449	781	5.3%	0.5%	8,844
Construction and Extraction Occupations	13,153	13,804	651	4.9%	0.5%	14,750
Farming, Fishing, and Forestry Occupations	6,966	7,565	599	8.6%	0.9%	11,377
Building and Grounds Cleaning and Maintenance Occupations	10,481	11,075	594	5.7%	0.6%	14,026
Business and Financial Operations Occupations	7,841	8,317	476	6.1%	0.6%	7,584
Healthcare Support Occupations	9,124	9,594	470	5.2%	0.5%	11,006
Education, Training, and Library Occupations	17,735	18,132	397	2.2%	0.2%	15,646
Installation, Maintenance, and Repair Occupations	13,637	14,028	391	2.9%	0.3%	13,218

Note: These three regions combined differ from Local Area I since they exclude Chase and Harvey counties.
Source: KDOL Labor Market Information Services and the U.S. DOL Employment & Training Administration, Employment Projections

Table 15 displays projected employment by education requirement. The largest increase in jobs is projected to be in those occupations requiring a bachelor's degree, with an expected gain of 1,700 jobs over the projection period. Occupations with no formal educational requirements are expected to add 1,457 jobs, with the other educational categories adding less than 500 jobs or losing jobs. The educational category projected to grow the fastest are occupations requiring a master's degree. These are expected to grow at a rate of 6.2 percent over the 10-year period.

Table 15
Projections by Education Requirement
North Central, Northwest and Southwest Projection Regions Combined
2016 - 2026

Education	Job Numbers		Job Changes			Total Openings
	Base Year 2016	Projection Year 2026	Numerical	Percent	Annual Avg. Growth %	
Total	263,082	266,596	3,514	1.3%	0.1%	297,406
Bachelor's degree	41,400	43,100	1,700	4.1%	0.4%	34,710
No formal educational credential	70,624	72,081	1,457	2.1%	0.2%	106,642
Postsecondary non-degree award	21,501	21,894	393	1.8%	0.2%	21,512
Master's degree	3,274	3,478	204	6.2%	0.6%	2,857
Associate degree	4,114	4,301	187	4.5%	0.5%	3,614
Doctoral or professional degree	4,265	4,437	172	4.0%	0.4%	2,349
Some college, no degree	8,773	8,694	-79	-0.9%	-0.1%	8,877
High school diploma or equivalent	109,131	108,611	-520	-0.5%	0.0%	116,845

Note: These three regions combined differ from Local Area I since they exclude Chase and Harvey counties.
Source: KDOL Labor Market Information Services and the U.S. DOL Employment & Training Administration, Employment Projections

High Demand Occupations

Table 16 displays the 11 occupations in highest demand in Local Area I. Six of the occupations received the maximum demand score of 30 while the other five occupations in *Table 16* had a demand score of 29. These occupations currently have the most openings in Local Area I and are projected to have the most openings in 2020 and 2026. Overall, there are 149 high demand occupations in Local Area I, meaning they had a demand score of 10 or greater.

Seven of the 11 occupations in *Table 16* require only a high school diploma or have no educational requirements and only require short-term or no on-the-job training. These occupations are attainable for workers with little to no education or training. Occupations requiring little training or education tend to have lower wages. Those seven occupations in this list have median wages between $18,260 and $29,480 per year. Because of the low wages and the fact that many of these occupations are part-time, employers are able to hire more workers. This partly explains the high demand score.

Table 16
High Demand Occupations
Local Area I
2019

Occupation	Demand Score	Median Annual Wage	Education	On-the-Job Training
Registered Nurses	30	$55,870	Bachelor's Degree	None
Heavy and Tractor-Trailer Truck Drivers	30	$40,740	Postsecondary nondegree award	Short-term on-the-job training
Nursing Assistants	30	$25,770	Postsecondary nondegree award	None
Retail Salespersons	30	$24,100	No formal educational credential	Short-term on-the-job training
Combined Food Preparation and Serving Workers, Including Fast Food	30	$18,860	No formal educational credential	Short-term on-the-job training
Waiters and Waitresses	30	$18,260	No formal educational credential	Short-term on-the-job training
General and Operations Managers	29	$76,800	Bachelor's Degree	None
Customer Service Representatives	29	$29,480	High School Diploma or equivalent	Short-term on-the-job training
First-Line Supervisors of Food Preparation and Serving Workers	29	$27,660	High School Diploma or equivalent	None
Farmworkers and Laborers, Crop, Nursery, and Greenhouse	29	$26,440	No formal educational credential	Short-term on-the-job training
Food Preparation Workers	29	$19,570	No formal educational credential	Short-term on-the-job training

Source: KDOL Labor Market Information Services, High Demand Occupations

One other explanation is that there is a high level of turnover in these occupations. Many of the openings in these occupations are the result of people leaving the occupation to move to another occupation and not the result of industry growth. Furthermore, many of the occupations with the highest separation rate are those that require only a high school education or less and little or no training.

Table 17
High Demand High Wage Occupations
Local Area I
2019

Occupation	Demand + Wage Score	Median Annual Wage	Education	On-the-Job Training
General and Operations Managers	36	$76,800	Bachelor's Degree	None
Registered Nurses	34	$55,870	Bachelor's Degree	None
First-Line Supervisors of Construction Trades and Extraction Workers	26	$55,690	High School Diploma or equivalent	None
Farmers, Ranchers, and Other Agricultural Managers	25	$67,950	High School Diploma or equivalent	None
Elementary School Teachers, Except Special Education	25	$46,360	Bachelor's Degree	None
First-Line Supervisors of Production and Operating Workers	24	$56,610	High School Diploma or equivalent	None
Secondary School Teachers, Except Special and Career/Technical Education	24	$46,600	Bachelor's Degree	None
First-Line Supervisors of Office and Administrative Support Workers	24	$44,090	High School Diploma or equivalent	None
Education Administrators, Elementary and Secondary School	23	$78,780	Master's Degree	None
Chief Executives	22	$109,550	Bachelor's Degree	None
Medical and Health Services Managers	22	$77,070	Bachelor's Degree	None
Accountants and Auditors	22	$58,890	Bachelor's Degree	None
Financial Managers	21	$98,150	Bachelor's Degree	None
Administrative Services Managers	21	$81,470	Bachelor's Degree	None
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	21	$55,180	High School Diploma or equivalent	Moderate-term on-the-job training

Source: KDOL Labor Market Information Services, High Demand Occupations

In Local Area I, 44 of the high demand occupations also pay high wages. These occupations had a combined demand and wage score of 11 or greater. *Table 17 (pg. 52)* lists the 15 high demand high wage occupations with a combined demand and wage score of 21 or greater. Unlike the high demand occupations listed in *Table 16*, 11 out of the top 15 occupations on the high demand high wage list either required a postsecondary degree or moderate-term on-the-job training. Also noteworthy is that two occupations that are in *Table 16* also appeared on the high demand high wage list: general and operations mangers and registered nurses.

Local Area II (Northeast Kansas) Summary

Population

Local Area II consists of 17 counties in northeast Kansas. The largest cities in this region are Topeka, Lawrence, Manhattan and Junction City. *Chart 1* displays the population of Local Area II from 2008 to 2018. The Local Area II population was estimated at 577,002 in 2018. This represents a loss from 2017 of 880 people, or 0.2 percent. The population of Local Area II has decreased each of the past three years, resulting in 4,902 fewer residents, or 0.8 percent, in that time span.

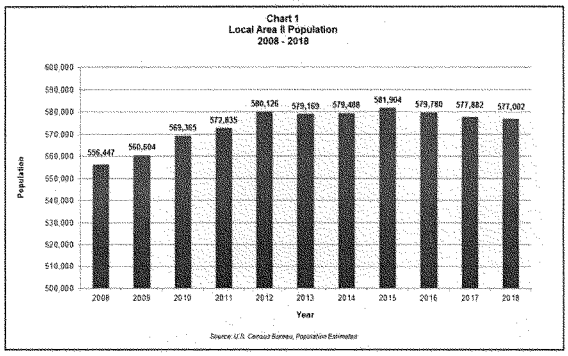
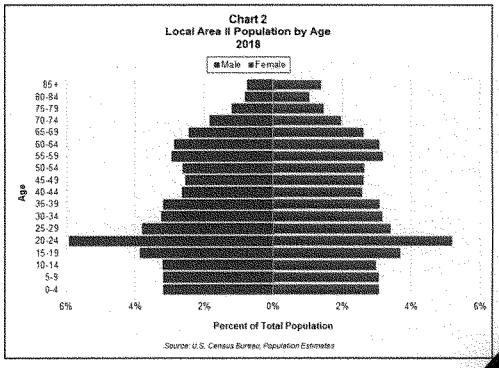


Chart 2 displays the Local Area II population by age group and gender. The population pyramid for Local Area II shows that there is a major peak in the population centered on the 20-24 year old age group, which probably reflects the fact that the two largest universities in the state are in this local area. There is a smaller peak centered on the 55-59 and 60-64 year old age groups, representing the younger members of the baby boomer generation. The 20-24 year old age group is by far the largest age group in Local Area II, representing 11.1 percent of total local area population.



For economic purposes, the two main age groups that are studied are the 16 and over population and the 25-54 population. The 16 and over population includes everyone who is eligible to be in the labor force, while 25-54 year olds are considered prime age workers. The 16 and over population for Local Area II in 2018 was 462,732, an increase of 401, or 0.1 percent. The 25-54 year old population was 204,096 in 2018, a decrease of 1,812, or 0.9 percent. However, the largest decrease was in the 50-54 age group indicating that some of the decline may be due to people aging out of the 25-54 group. There were declines recorded in the 25-29, 30-34, and 45-49 year old populations as well.

Future labor force growth may be in jeopardy since the population under 25 also decreased by 2,030, or 0.9 percent. Every age group in this age range recorded a decrease in population but a majority of the decline is in the population of children nine years old and under, which decreased by 1,162 people. The 20-24 year old age group, which would include recent college graduates, also recorded a 0.9 percent decline in population.

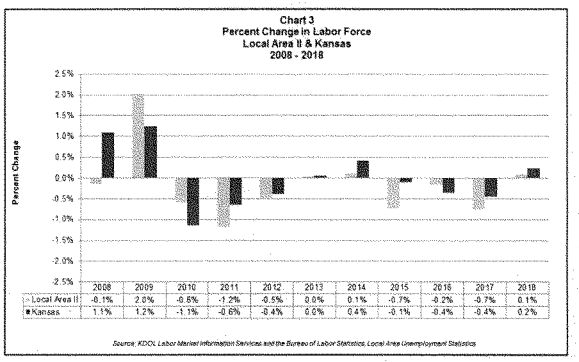
Labor Force Statistics

Table 1 shows there were 292,707 people in the Local Area II labor force in 2018, a small increase of 0.1 percent. There were 283,038 Local Area II residents working in 2018, a 0.3 percent increase. The number of unemployed people decreased by 474 people, or 4.7 percent, to 9,669. This is the first time since 2014 that the labor force in Local Area II increased as displayed in *Chart 3*. However, since 2009 the Local Area II labor force has decreased by 10,849, or 3.6 percent.

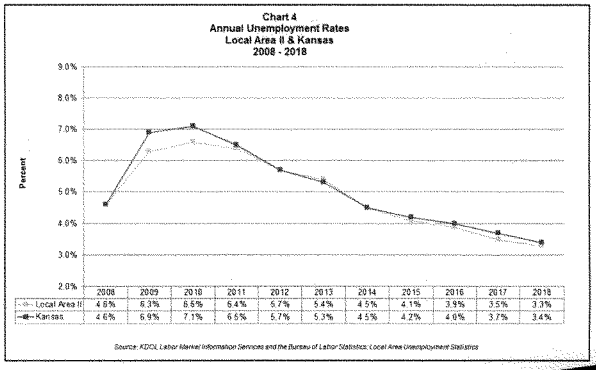
Table 1
Labor Force Statistics
Local Area II
2017 & 2018

	2017	2018	Change	% Change
Civilian Labor Force	292,395	292,707	312	0.1%
Employed	282,252	283,038	786	0.3%
Unemployed	10,143	9,669	-474	-4.7%
Unemployment Rate	3.5	3.3	-0.2	

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Local Area Unemployment Statistics

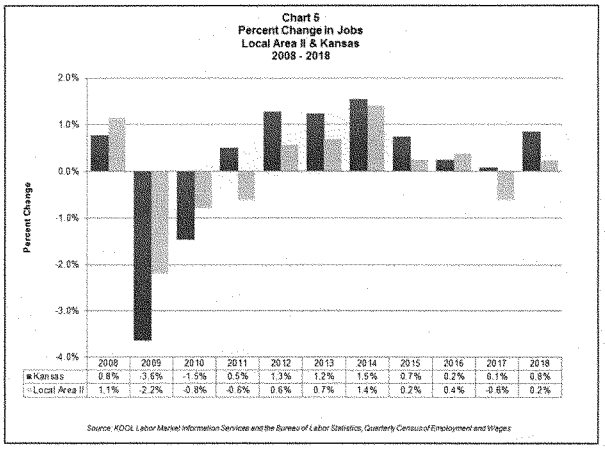


Like most of the state, Local Area II continued to have a low unemployment rate in 2018. The 2018 average annual unemployment rate was 3.3 percent. This represents a decrease of 0.2 percentage points and is the lowest unemployment rate ever recorded for Local Area II (records begin in 1990). The unemployment rate is 1.4 percentage points lower than the historical average annual unemployment rate for Local Area II which is 4.7 percent.



Jobs

In 2018, Local Area II recorded 246,745 total jobs with 183,754 of these being private sector jobs. Local Area II added 559 jobs from 2017, with over 90 percent of the job growth occurring in the public sector. *Chart 5* shows that Local Area II has seen an increase in jobs in six of the past seven years. An increase of 7,020 total jobs, or 2.9 percent, was recorded over this seven year period.



	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Kansas	0.8%	-3.6%	-1.5%	0.5%	1.3%	1.2%	1.5%	0.7%	0.2%	0.1%	0.8%
Local Area II	1.1%	-2.2%	-0.8%	-0.6%	0.6%	0.7%	1.4%	0.2%	0.4%	-0.6%	0.2%

Job growth was recorded in seven of the 11 major industries in Local Area II during 2018 as seen in *Table 2 (pg. 58)*. Manufacturing added the most jobs, gaining 695 jobs with a nearly equal number of jobs being added in both durable and non-durable goods manufacturing. Government increased by the second most jobs, gaining 513 jobs. Most gains were at the local level with increases also recorded at the state and federal levels. Professional and business services grew by 358 jobs, with gains recorded in professional, scientific and technical services and administrative and waste services. Smaller gains were also recorded in the other services, education and health services, construction and natural resources and mining industries.

Four major industries lost jobs from 2017 to 2018. Trade, transportation and utilities decreased the most, declining by 1,111 jobs, or 2.7 percent. Losses were recorded in all sectors of this industry. Leisure and hospitality lost 188 jobs, all in accommodation and food services. Information and financial activities each decreased by fewer than 100 jobs.

Table 2
Local Area II Jobs
2017 & 2018

	2017	2018	Change	% Change
Total, All Industries	246,186	246,745	559	0.2%
Total Private Sector	183,708	183,754	46	0.0%
Natural Resources and Mining	2,191	2,195	4	0.2%
Agriculture, Forestry, Fishing and Hunting	1,542	1,521	-21	-1.4%
Mining, Quarrying and Oil and Gas Extraction	649	674	25	3.9%
Construction	10,634	10,737	103	1.0%
Manufacturing	20,796	21,491	695	3.3%
Durable Goods Manufacturing	9,924	10,283	359	3.6%
Non-Durable Goods Manufacturing	10,871	11,210	339	3.1%
Trade, Transportation and Utilities	41,392	40,281	-1,111	-2.7%
Wholesale Trade	6,591	6,446	-145	-2.2%
Retail Trade	26,763	26,416	-347	-1.3%
Transportation, Warehousing and Utilities	8,038	7,419	-619	-7.7%
Information	3,010	2,927	-83	-2.8%
Financial Activities	12,917	12,838	-79	-0.6%
Finance and Insurance	10,153	10,110	-43	-0.4%
Real Estate and Rental and Leasing	2,764	2,728	-36	-1.3%
Professional and Business Services	25,017	25,375	358	1.4%
Professional, Scientific and Technical Services	11,526	11,771	245	2.1%
Management of Companies and Enterprises	2,296	2,258	-38	-1.7%
Administrative and Waste Services	11,195	11,346	151	1.3%
Education and Health Services	34,840	34,994	154	0.4%
Private Educational Services	3,029	3,026	-3	-0.1%
Health Care and Social Assistance	31,811	31,968	157	0.5%
Leisure and Hospitality	24,623	24,435	-188	-0.8%
Arts, Entertainment and Recreation	1,879	1,893	14	0.7%
Accommodation and Food Services	22,744	22,542	-202	-0.9%
Other Services	8,289	8,483	194	2.3%
Government	62,478	62,991	513	0.8%
Federal Government	7,860	7,876	16	0.2%
State Government	19,034	19,164	130	0.7%
State Government Educational Services	10,033	10,082	49	0.5%
State Government Excluding Education	9,001	9,082	81	0.9%
Local Government	35,584	35,952	368	1.0%
Local Government Educational Services	19,266	19,424	158	0.8%
Local Government Excluding Education	16,318	16,528	210	1.3%

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

Table 3
Largest Employers in Local Area II*
(in alphabetical order)

Employer	Industry
AHS Kansas Health System, Inc	Health Care and Social Assistance
Auburn-Washburn School District (USD 437)	Public Education
Blue Cross & Blue Shield of Kansas	Finance and Insurance
Dillons Food Stores	Retail Trade
Federal Government	Government
Geary County Schools (USD 475)	Public Education
Goodyear Tire & Rubber Company	Manufacturing
Lawrence Public Schools (USD 497)	Public Education
Life Patterns Inc.	Health Care and Social Assistance
LMH Health	Health Care and Social Assistance
Manhattan-Ogden School District (USD 383)	Public Education
Maximus Services	Professional, Scientific, and Technical Services
Resers Fine Foods	Manufacturing
Shawnee County Government	Government
State of Kansas	Government
Stormont Vail Health	Health Care and Social Assistance
Topeka Public Schools (USD 501)	Public Education
Walmart	Retail Trade
Washburn University	Public Education
Westar Energy	Utilities

** - as of December 2018*
Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Quarterly Census of Employment and Wages

Table 3 shows the top 20 Local Area II employers by employment size as of December 2018. Public education is the most represented industry with six employers listed. That is in addition to the state of Kansas employment total which includes two other large public education employers, the University of Kansas and Kansas State University. There are four health care and social assistance employers on the list and three government entities. The manufacturing and retail trade industries are each represented by two employers.

Wages

The real average weekly wage in Local Area II increased over the year by $11, or 1.4 percent, to $795 in 2018. As shown in *Chart 6*, this is the fifth consecutive year that real average weekly wages have increased in Local Area II, with a 6.5 percent increase occurring during that period. Local Area II wages though have consistently lagged behind the statewide average.

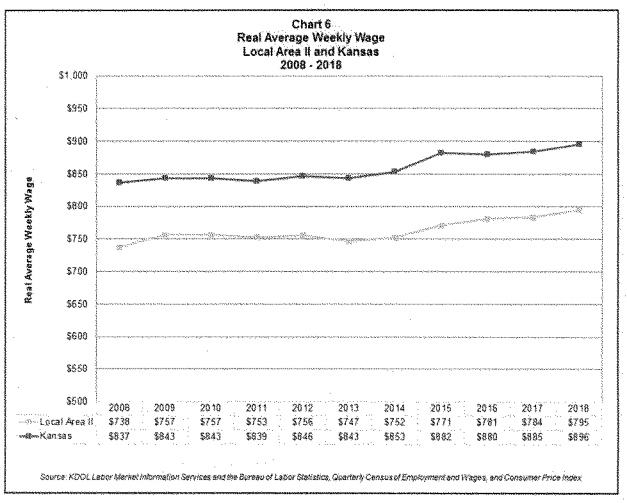


Table 4 (pg. 60) shows the real average weekly wage by industry for 2017 and 2018. Ten of the 11 major industries recorded an increase in real average weekly wages over the year, although the increase was less than $10 in four of the industries. Financial activities recorded the highest real average weekly wage increase, going up $46, or 4.2 percent, to $1,138 in 2018. Financial activities was also the highest paying industry, with only manufacturing also having an average weekly wage greater than $1,000. Education and health services was the only industry in 2018 to record a decline in real average weekly wage with a decrease of $6, or 0.8 percent to $752. Leisure and hospitality was the lowest paying industry in 2018 at $290 a week.

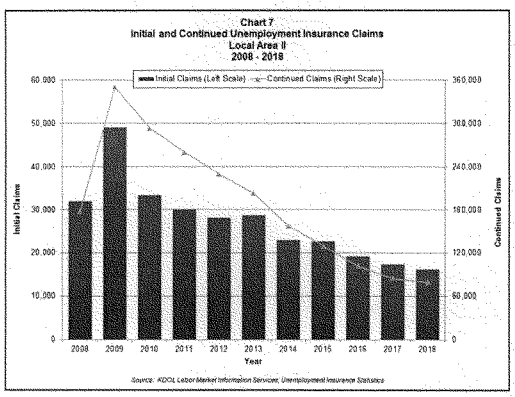
Table 4
Real Average Weekly Wage by Industry
Local Area II
2017 & 2018

	2017	2018	Change	% Change
Total, All Industries	$784	$795	$11	1.4%
Total Private Sector	$767	$772	$15	2.0%
Natural Resources & Mining	$717	$738	$21	2.9%
Agriculture, Forestry, Fishing and Hunting	$601	$633	$32	5.3%
Mining, Quarrying and Oil and Gas Extraction	$990	$978	-$12	-1.2%
Construction	$951	$958	$7	0.7%
Manufacturing	$1,012	$1,026	$14	1.4%
Durable Goods Manufacturing	$964	$984	$20	2.1%
Non-Durable Goods Manufacturing	$1,055	$1,065	$10	0.9%
Trade, Transportation and Utilities	$664	$679	$15	2.3%
Wholesale Trade	$1,169	$1,194	$25	2.1%
Retail Trade	$461	$471	$10	2.2%
Transportation, Warehousing and Utilities	$922	$971	$49	5.3%
Information	$910	$943	$33	3.6%
Financial Activities	$1,092	$1,138	$46	4.2%
Finance and Insurance	$1,209	$1,265	$56	4.6%
Real Estate and Rental and Leasing	$662	$671	$9	1.4%
Professional and Business Services	$918	$938	$20	2.2%
Professional, Scientific and Technical Services	$1,009	$998	-$11	-1.1%
Management of Companies and Enterprises	$2,385	$2,628	$243	10.2%
Administrative and Waste Services	$525	$540	$15	2.9%
Education and Health Services	$758	$752	-$6	-0.8%
Private Educational Services	$583	$597	$14	2.4%
Health Care and Social Assistance	$775	$767	-$8	-1.0%
Leisure and Hospitality	$286	$290	$4	1.4%
Arts, Entertainment and Recreation	$310	$301	-$9	-2.9%
Accommodation and Food Services	$284	$289	$5	1.8%
Other Services	$691	$696	$5	0.7%
Government	$859	$863	$4	0.5%
Federal Government	$1,218	$1,217	-$1	-0.1%
State Government	$1,026	$1,042	$16	1.6%
State Government Educational Services	$1,171	$1,159	-$12	-1.0%
State Government Excluding Education	$864	$912	$48	5.6%
Local Government	$690	$690	$0	0.0%
Local Government Educational Services	$630	$622	-$8	-1.3%
Local Government Excluding Education	$760	$770	$10	1.3%

Note: Wages in 2018 dollars
Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Quarterly Census of Employment and Wages, and Consumer Price Index

Unemployment Insurance Statistics

As shown in *Chart 7*, the number of initial claims filed by Local Area II residents in 2018 decreased by 6.1 percent to 16,229 claims. This was the fifth consecutive year that the number of initial claims decreased. The number of continued claims declined by 6.5 percent to 79,051 claims. This was the ninth consecutive year continued claims decreased.



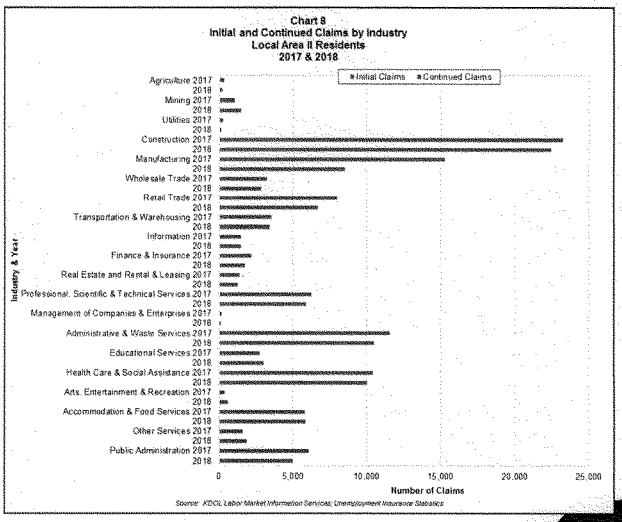
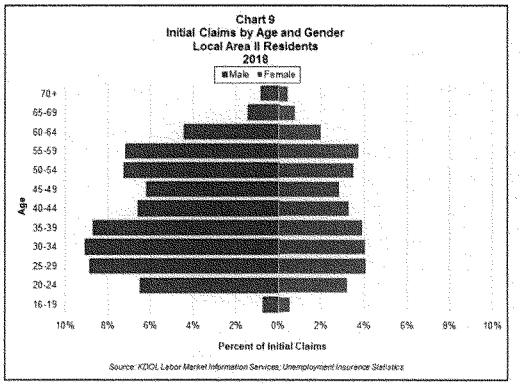


Chart 8 (pg. 61) displays initial and continued claims by industry for claims filed by Local Area II residents for 2017 and 2018. In 2018, construction industry workers filed the most initial and continued claims, with about 5,400 initial and 17,100 continued claims. Manufacturing workers filed the second most initial claims, approximately 2,000, but workers in the administrative and waste services and health care and social assistance industries filed more continued claims. Claims in those four industries accounted for 62.2 percent of initial claims and 53.9 percent of continued claims.

Charts 9 and 10 show the age and gender of Local Area II residents filing initial and continued claims with 67.6 percent of initial claims and 59.4 percent of continued claims being filed by men. This most likely reflects that two of the main industries that have workers filing claims, construction and manufacturing, are still generally male dominated. The number of claims per age group was greatest for the age groups in the 25-59 year old range, with each five year group accounting for nine to 13.1 percent of initial and continued claims.



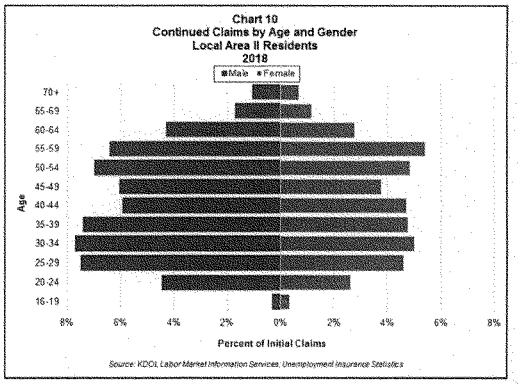
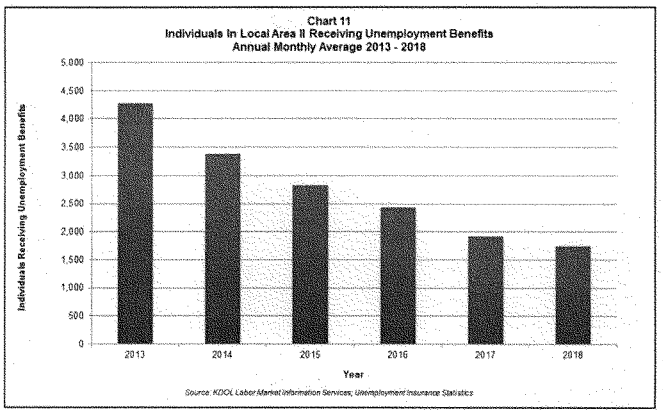
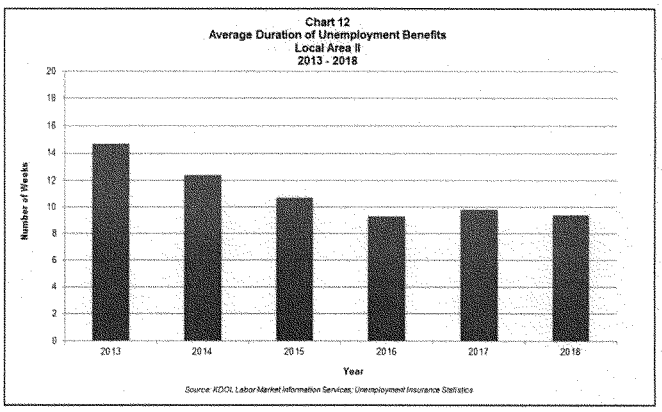


Chart 11 displays the monthly average of the number of Local Area II residents receiving Kansas unemployment benefits from 2013 to 2018. The number of people receiving unemployment benefits has decreased the last five years. An average of 1,743 people a month in Local Area II received unemployment benefits during 2018. *Chart 12* shows the average duration Local Area II residents remained on unemployment benefits from 2013 to 2018. Average duration has stayed consistently between nine and 10 weeks the past three years.





Occupational Statistics

Table 5 displays the employment and median annual wage for each major occupational group in Local Area II according to the *2019 Kansas Wage Survey* while *Tables 6 and 7 (pg. 65)* show the top 20 occupations by employment and median annual wage. In May 2018, 39,770 jobs were classified as being office and administrative support occupations, the most of any occupational group in Local Area II. Six of the top 20 occupations by employment in Local Area II fell under this occupational group, including the fourth most common occupation, secretaries and administrative assistants, except legal, medical and executive, and the sixth most common occupation, customer service representatives.

Three other occupational groups accounted for at least 20,000 jobs in Local Area II. There were 25,200 jobs classified as food preparation and serving related occupations, with combined food preparation and serving workers, including fast food being the second most common occupation in Local Area II. There were 22,200 sales and related jobs with retail salespersons and cashiers being the most common and third most common occupations in Local Area II respectively. There were also 21,120 education, training and library jobs with teacher assistants being the most common occupation in this group.

Table 5
Employment and Median Annual Wage by Occupational Group
Local Area II
May 2018

Occupational Group	Employment	Median Annual Wage
Total, All Occupations	**250,710**	**$34,566**
Office and Administrative Support Occupations	39,770	$32,235
Food Preparation and Serving Related Occupations	25,200	$19,411
Sales and Related Occupations	22,200	$24,354
Education, Training and Library Occupations	21,120	$44,170
Production Occupations	15,810	$36,273
Transportation and Material Moving Occupations	15,640	$32,033
Healthcare Practitioners and Technical Occupations	15,290	$57,028
Business and Financial Operations Occupations	12,000	$55,264
Management Occupations	11,760	$81,127
Installation, Maintenance and Repair Occupations	10,280	$42,184
Construction and Extraction Occupations	10,000	$39,746
Personal Care and Service Occupations	9,360	$21,474
Building and Grounds Cleaning & Maintenance Occupations	8,570	$24,195
Healthcare Support Occupations	7,850	$27,382
Protective Service Occupations	6,060	$38,668
Computer and Mathematical Occupations	5,260	$63,551
Community and Social Services Occupations	4,190	$39,318
Arts, Design, Entertainment, Sports and Media Occupations	3,420	$40,269
Architecture and Engineering Occupations	2,760	$61,192
Life, Physical and Social Science Occupations	1,870	$64,316
Legal Occupations	1,630	$60,326
Farming, Fishing and Forestry Occupations	700	$30,893

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Occupational Employment Statistics

Table 6
Top 20 Occupations by Employment
Local Area II
May 2018

Occupation	Employment
Retail Salespersons	7,430
Combined Food Preparation and Serving Workers, Including Fast Food	7,090
Cashiers	6,760
Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	6,510
Registered Nurses	5,040
Customer Service Representatives	4,930
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	4,720
Nursing Assistants	4,270
Teacher Assistants	4,050
Waiters and Waitresses	4,030
General and Operations Managers	3,740
Laborers and Freight, Stock, and Material Movers, Hand	3,730
Personal Care Aides	3,500
Office Clerks, General	3,330
Stock Clerks and Order Fillers	3,210
Heavy and Tractor-Trailer Truck Drivers	3,090
Elementary School Teachers, Except Special Education	2,910
Bookkeeping, Accounting, and Auditing Clerks	2,850
Maintenance and Repair Workers, General	2,850
First-Line Supervisors of Office and Administrative Support Workers	2,620

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Occupational Employment Statistics

The median annual wage in Local Area II as of May 2018 was $34,566. The highest paying occupational group was management, which earned a median annual wage of $81,127. Seven of the top 20 highest paid occupations were management occupations. Three other occupational groups had annual median wages of at least $60,000: computer and mathematical, architecture and engineering and legal. It was also notable that seven of the top 20 highest paid occupations were in the healthcare practitioners and technical occupational group.

Table 7
Top 20 Occupations by Median Annual Wage
Local Area II
May 2018

Occupation	Median Annual Wage
Psychiatrists	$203,304
Pediatricians, General	$162,446
Dentists, General	$154,295
Obstetricians and Gynecologists	$145,583
Economics Teachers, Postsecondary	$140,140
Chief Executives	$127,327
Petroleum Engineers	$126,221
Pharmacists	$120,843
Natural Sciences Managers	$120,289
Compensation and Benefits Managers	$119,084
Architectural and Engineering Managers	$117,842
Optometrists	$113,244
Public Relations and Fundraising Managers	$112,475
Marketing Managers	$111,628
Sales Managers	$111,313
Judges, Magistrate Judges, and Magistrates	$110,552
Engineering Teachers, Postsecondary	$109,283
Physician Assistants	$109,004
Business Teachers, Postsecondary	$108,313
Psychology Teachers, Postsecondary	$106,802

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Occupational Employment Statistics

Job Vacancies

According to the *2019 Kansas Job Vacancy Survey*, there were 8,829 job vacancies in Local Area II during the second quarter of 2019, a 10.4 percent decrease from second quarter of 2018. Local Area II was the only local area to record a decrease in job vacancies. The Local Area II job vacancy rate was 3.4 percent, indicating that for every 100 positions in Local Area II, 3.4 were vacant and 96.6 were filled.

Table 8
Job Vacancies and Average Hourly Lowest Wage Offer by Industry Supersector
Local Area II
Second Quarter 2019

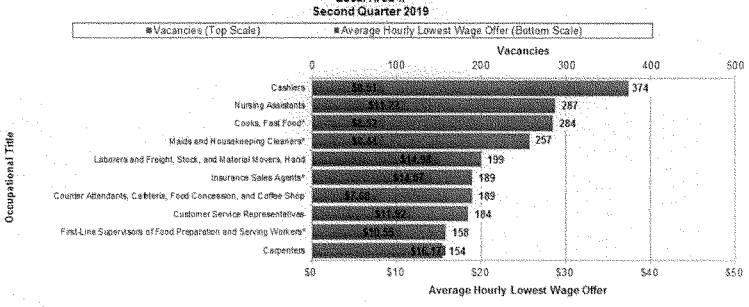
Industry Supersector	Job Vacancies	Average Hourly Lowest Wage Offer
Total, All Industries	**8,829**	**$15.40**
Leisure and Hospitality	2,161	$9.74
Government	1,769	$18.43
Education and Health Services	1,389	$19.08
Trade, Transportation, and Utilities	972	$14.44
Manufacturing	631	$14.02
Other Services	608	$13.20
Construction	554	$16.46
Financial Activities	414	$13.16
Professional and Business Services	293	$14.52
Natural Resources and Mining	33	$14.41
Information	5	N/A

Note: Numbers may not add up due to rounding
Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, 2019 Kansas Job Vacancy Survey

There was approximately one unemployed person for every vacancy in Local Area II, unchanged from one year ago. Since the number of vacancies and the number of unemployed people are about the same, there should be jobs for every worker and workers for every job in Local Area II. However, there may be a skills or location mismatch between unemployed people and the available positions leading to continued difficulty finding and filling jobs. One benefit of the tightening labor market is it may eventually lead to an increase in wages as the supply of workers for available positions continues to decrease.

The number of job vacancies by industry in Local Area II is displayed in *Table 8* while the top 10 occupations with the most vacancies are shown in *Chart 13*. Also shown is the average lowest hourly wage offered for vacancies in each of those industries and occupations. Three industries recorded at least 1,000 vacancies. Leisure and hospitality had the most openings with 2,161 vacancies, mostly due to the presence of high turnover jobs in this industry. Government recorded 1,769 vacancies with accountants and auditors having the most vacancies in this industry. Education and health services had the third most job openings, with 1,389 vacancies. About a quarter of the vacancies in this industry were for nursing assistants and registered nurses.

Chart 13
Most Vacant Occupations
Local Area II
Second Quarter 2019



** Job Vacancy Survey wages are unavailable, 2019 Kansas Wage Survey average entry level wages are displayed instead*
Source: KDOL Labor Market Information Services, 2019 Kansas Job Vacancy Survey

Cashiers was the occupation with the most openings in Local Area II with 374 job vacancies, followed by nursing assistants and cooks, fast food. Most of the occupations in the top 10 are low paying occupations with high turnover rates leading to a greater number of job vacancies. The highest paid occupation in the top 10 was carpenters, with an average lowest wage offer of $16.17 per hour.

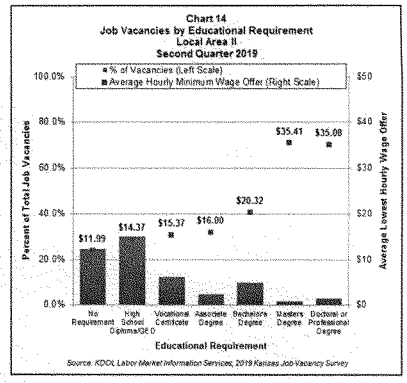


Chart 14 shows the percentage of job vacancies by educational requirement as well as the average lowest hourly wage offered by educational requirement. In Local Area II, the average starting pay generally increases with the amount of education required, but in this local area there is not much difference between the average pay for vacancies requiring a master's degree versus those requiring a doctoral or professional degree. The average lowest hourly wage offered by educational requirement ranged from $11.99 for vacancies with no educational requirements to $35.41 for vacancies requiring a master's degree. The average lowest wage offered for all vacancies was $15.40 per hour. The majority of vacancies, 54.9 percent, required a high school diploma or GED or had no educational requirements at all. Openings requiring a post-secondary vocational certificate, an associates degree or a bachelor's degree accounted for 27.1 percent of vacancies, while only a small percentage of vacancies required a postgraduate degree.

Table 9 displays the amount of benefits offered by type of job vacancy. Most job vacancies, 58.5 percent, offered at least one of the benefits asked about on the survey: health insurance, paid time off or a retirement plan. Vacancies for permanent full-time jobs offered benefits 83.7 percent of the time while only 14 percent of part-time and temporary full-time job vacancies offered benefits. Larger establishments are also more likely to offer benefits with 80.2 percent of vacancies at establishments with 50 or more employees offering benefits compared to 42.9 percent of vacancies at smaller establishments. Also the higher the educational requirements of a position the more likely it is to offer benefits, with only 48.3 percent of vacancies with no educational requirements offering benefits compared to 59.2 percent of vacancies that required a high school diploma or 90.5 percent of vacancies that required post-secondary education.

Table 9
Benefits Offered by Job Vacancy Type
Local Area II
Second Quarter 2019

Benefit Offered	All Vacancies	Job Types		Establishment Size		Educational Requirement		
		Permanent Full-Time	All Other Job Types	1 - 49	50+	No Requirement	HS Diploma or GED	Post-Secondary Education
At Least One Benefit Offered	58.5%	83.7%	14.0%	42.9%	80.2%	48.3%	59.2%	90.5%
Health Insurance	50.3%	74.5%	7.4%	35.1%	71.4%	37.7%	52.6%	79.0%
Paid Time Off	49.5%	71.0%	11.6%	32.0%	73.9%	39.9%	47.2%	80.0%
Retirement Plan	49.5%	70.6%	12.2%	31.2%	74.9%	41.6%	49.4%	76.6%
Unknown	22.1%	12.5%	39.0%	32.3%	7.9%	8.1%	16.5%	3.6%

Source: KDOL Labor Market Information Services, 2019 Kansas Job Vacancy Survey

Short-Term Projections

This section will detail short-term projections by industry and occupation for the first quarter 2020 from the first quarter 2018. Data for the Northeast Projection Region, which contains the same 17 counties as Local Area II, will be used in this section, as well as in the long-term projections and high demand occupations sections.

Table 10 displays the top 10 industries by numerical change. Total jobs are expected to increase by 3,031 jobs, or 1.1 percent, to 272,313, over the two-year period. The annual average growth rate is projected to be 0.6 percent. The industry expected to add the most jobs is health care and social assistance, which is projected to grow by 750 jobs. Three additional industries are expected to add at least 500 jobs: accommodation and food services, educational services and manufacturing. Arts, entertainment and recreation is projected to have the highest percent growth at 3.1 percent over the projection period.

Table 10
Top 10 Industries by Numerical Job Change
Northeast Projection Region
2018 - 2020

Industry	Job Numbers		Job Changes		
	Quarter 1 2018	Quarter 1 2020	Numerical	Percent	Annual Avg. Growth %
Total, All Industries	**269,282**	**272,313**	**3,031**	**1.1%**	**0.6%**
Health Care and Social Assistance	38,140	38,890	750	2.0%	1.0%
Accommodation and Food Services	22,926	23,540	612	2.7%	1.3%
Educational Services	34,637	35,185	549	1.6%	0.8%
Manufacturing	21,651	22,197	546	2.5%	1.3%
Construction	10,335	10,567	232	2.2%	1.1%
Transportation and Warehousing	7,904	8,132	228	2.9%	1.4%
Professional, Scientific, and Technical Services	12,351	12,538	187	1.5%	0.8%
Government	25,798	25,957	159	0.6%	0.3%
Arts, Entertainment, and Recreation	2,204	2,272	68	3.1%	1.5%
Administrative and Support and Waste Management and Remediation Services	11,421	11,473	52	0.5%	0.2%

Source: KDOL Labor Market Information Services and the U.S. DOL Employment & Training Administration, Employment Projections

Table 11 shows the top 10 growing occupational groups by numerical change. Over the projection period, food preparation and serving related occupations are expected to add the most jobs, increasing by 577 jobs. This occupational group is also projected to have the highest percent growth over the two-year period at 2.3 percent. Two other occupational groups are projected to grow by at least 300 jobs: the education, training and library occupational group and the health care practitioners and technical occupational group. It is expected that there will be 62,074 openings over the projection period, or an average of 31,038 per year from new jobs and separation openings. Approximately 95.1 percent or 59,043 openings will be separation openings.

Table 11
Top 10 Occupational Groups by Numerical Job Change
Northeast Projection Region
2018 - 2020

Occupations	Job Numbers		Job Changes			Total Openings
	Quarter 1 2018	Quarter 1 2020	Numerical	Percent	Annual Avg. Growth %	
Total, All Occupations	**269,282**	**272,313**	**3,031**	**1.1%**	**0.6%**	**62,074**
Food Preparation and Serving Related Occupations	24,807	25,384	577	2.3%	1.2%	9,069
Education, Training, and Library Occupations	20,249	20,615	366	1.8%	0.9%	3,775
Healthcare Practitioners and Technical Occupations	16,213	16,547	334	2.1%	1.0%	2,064
Production Occupations	16,771	17,002	231	1.4%	0.7%	3,977
Management Occupations	15,385	15,611	226	1.5%	0.7%	2,583
Construction and Extraction Occupations	11,850	12,065	215	1.8%	0.9%	2,608
Healthcare Support Occupations	9,426	9,639	213	2.3%	1.1%	2,355
Personal Care and Service Occupations	10,372	10,569	197	1.9%	0.9%	3,337
Business and Financial Operations Occupations	12,824	13,007	183	1.4%	0.7%	2,459
Building and Grounds Cleaning and Maintenance Occupations	9,888	10,067	179	1.8%	0.9%	2,650

Source: KDOL Labor Market Information Services and the U.S. DOL Employment & Training Administration, Employment Projections

The Bureau of Labor Statistics assigns the level of education typically needed to enter each occupation. There are eight categories shown in *Table 12*. The greatest numerical change in jobs is projected for those that require a bachelor's degree, adding 870 jobs, with jobs having no formal education requirements expected to add about the same number of jobs. Jobs requiring a master's degree are projected to have the fastest growth rate, increasing by 2.2 percent over the projection period.

Table 12
Projections by Education Requirement
Northeast Projection Region
2018 - 2020

Education	Job Numbers		Job Changes			Total Openings
	Quarter 1 2017	Quarter 1 2019	Numerical	Percent	Annual Avg. Growth %	
Total	269,282	272,313	3,031	1.1%	0.6%	62,074
Bachelor's degree	54,759	55,629	870	1.6%	0.8%	9,414
No formal educational credential	63,143	64,009	866	1.4%	0.7%	20,238
High school diploma or equivalent	106,019	106,667	648	0.6%	0.3%	23,940
Postsecondary non-degree award	17,860	18,087	227	1.3%	0.6%	3,719
Doctoral or professional degree	9,178	9,358	180	2.0%	1.0%	1,246
Master's degree	4,523	4,622	99	2.2%	1.1%	825
Associate degree	5,576	5,659	83	1.5%	0.7%	1,003
Some college, no degree	8,224	8,282	58	0.7%	0.4%	1,689

Source: KDOL Labor Market Information Services and the U.S. DOL Employment & Training Administration, Employment Projections

Long-Term Projections

Local Area II total jobs in all industries are expected to grow by 14,790 to 284,819 jobs from 2016 to 2026, an increase of 5.5 percent over the 10-year period. This averages out to 1,479 jobs per year, a 0.5 percent average annual growth. Goods-producing industries are projected to add 950 jobs and increase at an average annual rate of 0.3 percent from 2016 to 2026 while service providing industries are projected to add 13,204 jobs to grow at 0.6 percent annually over that period. The number of self-employed workers is also expected to increase over the projection period.

Table 13 shows the top 10 industries by numerical change over the 10 year projection period. The health care and social assistance industry is projected to gain the largest number of jobs over the 10 year period with an additional 3,468 jobs. Professional, scientific and technical services is expected to have the largest percent growth, expanding 2.1 percent annually, and add the second most total jobs. Four other industries are projected to add more than 1,000 jobs over the projection period: accommodation and food services, educational services, transportation and warehousing, and administrative and support and waste management and remediation services.

Table 13
Top 10 Industries by Numerical Job Change
Northeast Projection Region
2016 - 2026

Industry	Job Numbers		Job Changes		
	Base Year 2016	Projection Year 2026	Numerical	Percent	Annual Avg. Growth %
Total All Industries	270,029	284,819	14,790	5.5%	0.5%
Health Care and Social Assistance	38,055	41,523	3,468	9.1%	0.9%
Professional, Scientific, and Technical Services	11,727	14,501	2,774	23.7%	2.1%
Accommodation and Food Services	22,652	24,611	1,959	8.6%	0.8%
Educational Services	32,856	34,429	1,573	4.8%	0.5%
Transportation and Warehousing	8,864	10,410	1,546	17.4%	1.6%
Administrative and Support and Waste Management and Remediation Services	12,714	14,210	1,496	11.8%	1.1%
Construction	11,372	12,154	782	6.9%	0.7%
Finance and Insurance	10,273	10,961	688	6.7%	0.7%
Agriculture, Forestry, Fishing and Hunting	1,521	1,756	235	15.5%	1.4%
Other Services (except Government)	11,615	11,836	221	1.9%	0.2%

Source: KDOL Labor Market Information Services and the U.S. DOL Employment & Training Administration, Employment Projectio

Table 14 shows the top 10 occupational groups projected to gain the largest number of jobs over the projection period. Food preparation and serving related occupations is the group expected to add the most jobs, gaining 2,074 jobs during the 10-year period. The transportation and material moving and personal care and service occupational groups are expected to add the second and third most jobs respectively. The computer and mathematical and the architecture and engineering occupational groups are projected to have the highest percent growth, both increasing by 15.8 percent, or 1.5 percent annually, over the projection period.

Table 14
Top 10 Occupational Groups by Numerical Job Change
Northeast Projection Region
2016 - 2026

Occupations	Job Numbers		Job Changes			Total Openings
	Base Year 2016	Projection Year 2026	Numerical	Percent	Annual Avg. Growth %	
Total, All Occupations	270,029	284,819	14,790	5.5%	0.5%	316,966
Food Preparation and Serving Related Occupations	24,586	26,660	2,074	8.4%	0.8%	45,486
Transportation and Material Moving Occupations	17,192	18,619	1,427	8.3%	0.8%	22,940
Personal Care and Service Occupations	10,063	11,416	1,353	13.4%	1.3%	17,247
Education, Training, and Library Occupations	19,360	20,599	1,239	6.4%	0.6%	17,925
Business and Financial Operations Occupations	12,772	13,995	1,223	9.6%	0.9%	13,035
Healthcare Practitioners and Technical Occupations	16,167	17,384	1,217	7.5%	0.7%	10,066
Management Occupations	15,419	16,472	1,053	6.8%	0.7%	13,182
Computer and Mathematical Occupations	6,473	7,497	1,024	15.8%	1.5%	5,555
Building and Grounds Cleaning and Maintenance Occupations	9,893	10,878	985	10.0%	1.0%	13,826
Healthcare Support Occupations	9,380	10,246	866	9.2%	0.9%	11,699

Source: KDOL Labor Market Information Services and the U.S. DOL Employment & Training Administration, Employment Projections

Table 15 displays projected employment by education requirements. The largest increase in jobs is projected to be in those occupations requiring a bachelor's degree, with an expected gain of 4,913 jobs over the projection period. Occupations with no formal educational requirements or requiring a high school diploma or equivalent are both expected to add at least 3,000 jobs. Occupations requiring a master's degree are projected to grow at the fastest rate over the 10-year period, increasing by 9.2 percent or 0.9 percent annually.

Table 15
Projections by Education Requirement
Northeast Projection Region
2016 - 2026

Education	Job Numbers		Job Changes			Total Openings
	Base Year 2016	Projection Year 2026	Numerical	Percent	Annual Avg. Growth %	
Total	**270,029**	**284,819**	**14,790**	**5.5%**	**0.5%**	**316,966**
Bachelor's degree	53,926	58,839	4,913	9.1%	0.9%	48,534
No formal educational credential	63,878	67,862	3,984	6.2%	0.6%	103,895
High school diploma or equivalent	106,984	110,288	3,304	3.1%	0.3%	122,106
Postsecondary non-degree award	18,254	18,987	733	4.0%	0.4%	18,801
Doctoral or professional degree	8,974	9,660	686	7.6%	0.8%	5,978
Associate degree	5,536	6,017	481	8.7%	0.9%	5,201
Master's degree	4,452	4,860	408	9.2%	0.9%	4,103
Some college, no degree	8,025	8,306	281	3.5%	0.4%	8,348

Source: KDOL Labor Market Information Services and the U.S. DOL Employment & Training Administration, Employment Projections

High Demand Occupations

Table 16 displays the 13 occupations in highest demand in Local Area II. Seven of the occupations received the maximum demand score of 30 while the other six occupations in *Table 16* had a demand score of 29. These occupations currently have the most openings in Local Area II and are projected to have the most openings in 2020 and 2026. Overall, there are 164 high demand occupations in Local Area II, meaning they had a demand score of 10 or greater.

Table 16
High Demand Occupations
Local Area II
2019

Occupation	Demand Score	Median Annual Wage	Education	On-the-Job Training
Laborers and Freight, Stock, and Material Movers, Hand	30	$30,230	No formal educational credential	Short-term on-the-job training
Customer Service Representatives	30	$30,180	High School Diploma or equivalent	Short-term on-the-job training
First-Line Supervisors of Food Preparation and Serving Workers	30	$27,920	High School Diploma or equivalent	None
Nursing Assistants	30	$25,700	Postsecondary nondegree award	None
Cashiers	30	$19,820	No formal educational credential	Short-term on-the-job training
Counter Attendants, Cafeteria, Food Concession, and Coffee Shop	30	$18,640	No formal educational credential	Short-term on-the-job training
Waiters and Waitresses	30	$18,600	No formal educational credential	Short-term on-the-job training
General and Operations Managers	29	$71,560	Bachelor's Degree	None
Registered Nurses	29	$61,220	Bachelor's Degree	None
First-Line Supervisors of Retail Sales Workers	29	$36,460	High School Diploma or equivalent	None
Maintenance and Repair Workers, General	29	$36,310	High School Diploma or equivalent	Moderate-term on-the-job training
Retail Salespersons	29	$22,370	No formal educational credential	Short-term on-the-job training
Maids and Housekeeping Cleaners	29	$20,390	No formal educational credential	Short-term on-the-job training

Source: KDOL Labor Market Information Services, High Demand Occupations

Nine of the 13 occupations in *Table 16* require only a high school diploma or have no educational requirements and only require short-term or no on-the-job training. These occupations are attainable for workers with little to no education or training. Occupations requiring little training or education tend to have lower wages. Those nine occupations in this list have median wages between $18,600 and $36,460 per year. Because of the low wages and the fact that many of these occupations are part-time, employers are able to hire more workers. This partly explains the high demand score.

Table 17
High Demand High Wage Occupations
Local Area II
2019

Occupation	Demand + Wage Score	Median Annual Wage	Education	On-the-Job Training
General and Operations Managers	35	$71,560	Bachelor's Degree	None
Registered Nurses	33	$61,220	Bachelor's Degree	None
Accountants and Auditors	31	$54,910	Bachelor's Degree	None
Managers, All Other	30	$89,720	Bachelor's Degree	None
Software Developers, Applications	27	$75,480	Bachelor's Degree	None
First-Line Supervisors of Office and Administrative Support Workers	27	$46,490	High School Diploma or equivalent	None
Postsecondary Teachers, All Other	26	$77,720	Doctoral or Professional degree	None
First-Line Supervisors of Construction Trades and Extraction Workers	26	$60,890	High School Diploma or equivalent	None
Secondary School Teachers, Except Special and Career/Technical Education	25	$48,400	Bachelor's Degree	None
First-Line Supervisors of Mechanics, Installers, and Repairers	24	$59,450	High School Diploma or equivalent	None
Business Operations Specialists, All Other	24	$57,700	Bachelor's Degree	None
Medical and Health Services Managers	23	$89,230	Bachelor's Degree	None
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	23	$55,430	High School Diploma or equivalent	Moderate-term on-the-job training
Market Research Analysts and Marketing Specialists	23	$48,230	Bachelor's Degree	None
Elementary School Teachers, Except Special Education	23	$46,880	Bachelor's Degree	None

Source: KDOL Labor Market Information Services, High Demand Occupations

One other explanation is that there is a high level of turnover in these occupations. Many of the openings in these occupations are the result of people leaving the occupation to move to another occupation and not the result of industry growth. Furthermore, many of the occupations with the highest separation rate are those that require only a high school education or less and little or no training.

In Local Area II, 51 of the high demand occupations also pay high wages. These occupations had a combined demand and wage score of 11 or greater. *Table 17 (pg. 72)* lists the 15 high demand high wage occupations with a combined demand and wage score of 23 or greater. Unlike the high demand occupations listed in *Table 16*, 12 out of the top 15 occupations on the high demand high wage list either required a postsecondary degree or moderate-term on-the-job training. Also noteworthy is that two occupations that are in *Table 16* also appeared on the high demand high wage list: general and operations managers and registered nurses.

Local Area III (Kansas City Area) Summary

Population

Local Area III contains the three largest counties on the Kansas side of the Kansas City Metropolitan Statistical Area, Johnson, Leavenworth and Wyandotte counties. The largest cities in this region are Overland Park, Kansas City, Olathe, Shawnee and Lenexa. *Chart 1* displays the population of Local Area III from 2008 to 2018. The Local Area III population was estimated at 844,231 in 2018. This represents an increase of 6,602 or 0.8 percent. The population of Local Area III has grown by 82,404 since 2008 or 10.8 percent.

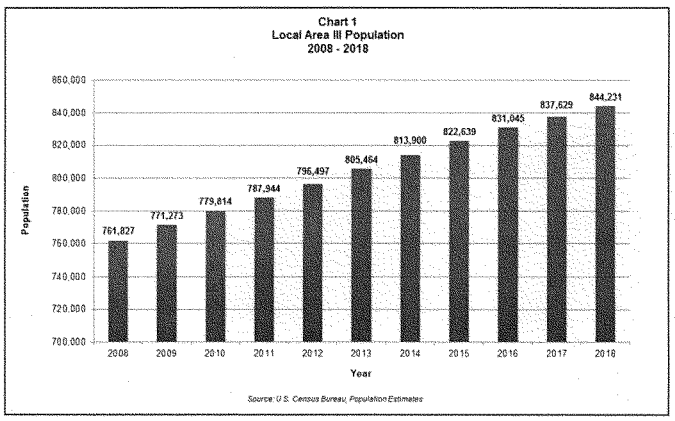
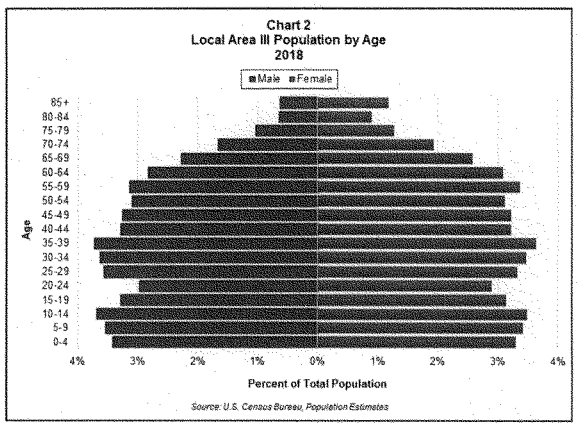


Chart 2 (pg. 75) displays the Local Area III population by age group and gender. There are two major peaks in population, one centering on 25-39 year olds, mostly representing the older members of the millennial generation, and one centered on 5-14 year olds age group, most likely representing the children of the other population peak. The largest age group in this local area is 35-39 year olds, representing 7.3 percent of the population, with 10-14 year olds and 30-34 year olds also representing at least seven percent of the population.

For economic purposes, the two main age groups that are studied are the 16 and over population and the 25-54 population. The 16 and over population includes everyone who is eligible to be in the labor force, while 25-54 year olds are considered prime age workers. The 16 and over population for Local Area III in 2018 was 656,688, an increase of 6,751, or one percent. The 25-54 year old population was 341,639 in 2018, an increase of 1,081, or 0.3 percent. Most age groups of the prime age workers increased with the exception of 50-54 year olds, which is most likely due to them aging out of this group, and 30-34 year olds.

Future labor force growth may be in jeopardy since the population under 25 barely increased, only growing by 296 or 0.1 percent. Limiting the growth of this group was the decrease in the population under the age of 10. Of the under 25 age groups that did increase, the largest increase was in the 15-19 year old age group which grew by 458 or 0.9 percent.



Labor Force Statistics

Table 1
Labor Force Statistics
Local Area III
2017 & 2018

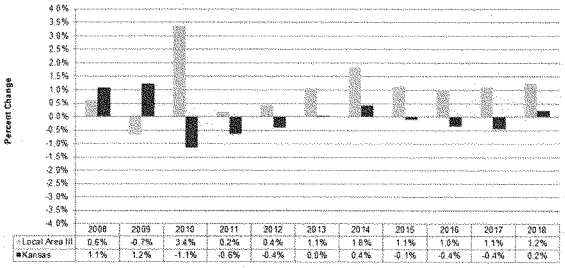
	2017	2018	Change	% Change
Civilian Labor Force	445,518	451,081	5,563	1.2%
Employed	430,099	436,275	6,176	1.4%
Unemployed	15,419	14,806	-613	-4.0%
Unemployment Rate	3.5	3.3	-0.2	

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Local Area Unemployment Statistics

Table 1 shows there were 451,081 people in the Local Area III labor force in 2018, a 1.2 percent increase. There were 436,275 Local Area III residents working in 2018, a 1.4 percent increase. The number of unemployed people decreased by 613 people, or four percent, to 14,806. This is the ninth consecutive year that the labor force has increased in Local Area III as displayed in *Chart 3*. In that time span, the Local Area III labor force has increased by 48,133, or 11.9 percent.

In 2018, Local Area III continued to have a low unemployment rate, recording an average annual unemployment rate of 3.3 percent. This represents a decrease of 0.2 percentage points and is the second lowest annual unemployment rate recorded since 1990, when county and local area unemployment rates became available. A lower unemployment rate was only recorded in 1999, when the rate was 3.0 percent. The unemployment rate is 1.5 percentage points lower than the historical average annual unemployment rate for Local Area III which is 4.8 percent.

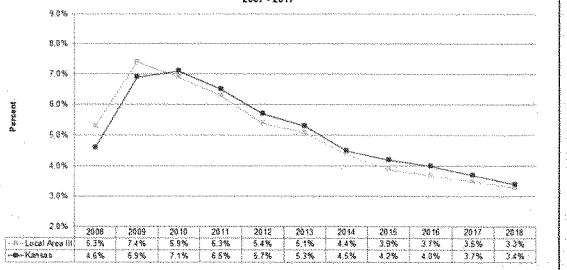
Chart 3
Percent Change in Labor Force
Local Area III & Kansas
2008 - 2018



	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Local Area III	0.6%	-0.7%	3.4%	0.2%	0.4%	1.1%	1.8%	1.1%	1.0%	1.1%	1.2%
Kansas	1.1%	1.2%	-1.1%	-0.6%	-0.4%	0.9%	0.4%	-0.1%	-0.4%	-0.4%	0.2%

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Local Area Unemployment Statistics

Chart 4
Annual Unemployment Rates
Local Area III & Kansas
2007 - 2017



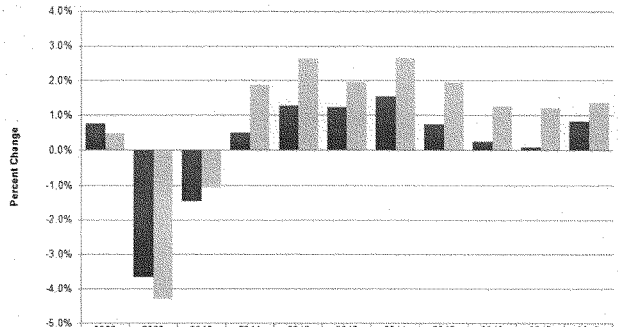
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Local Area III	5.3%	7.4%	6.9%	6.3%	5.4%	5.1%	4.4%	3.9%	3.7%	3.5%	3.3%
Kansas	4.6%	6.9%	7.1%	6.5%	5.7%	5.3%	4.5%	4.2%	4.0%	3.7%	3.4%

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Local Area Unemployment Statistics

Jobs

In 2018, Local Area III recorded 460,838 total jobs with 406,440 jobs being in the private sector. This was an increase of 6,215 total jobs, or 1.4 percent, and 5,275 private sector jobs, or 1.3 percent. *Chart 5* shows that 2018 marked the eighth consecutive year of job gains for Local Area III. In that time span, 63,549 total jobs, or 16 percent, were added.

Chart 5
Percent Change in Jobs
Local Area III & Kansas
2008 - 2018



	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Kansas	0.8%	-3.6%	-1.5%	0.5%	1.3%	1.2%	1.5%	0.7%	0.2%	0.1%	0.8%
Local Area III	0.5%	-4.3%	-1.1%	1.9%	2.6%	2.0%	2.7%	2.0%	1.3%	1.2%	1.4%

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Quarterly Census of Employment and Wages

Job growth was recorded in seven of the 11 major industries in Local Area III during 2018 as seen in *Table 2 (pg. 78)*. Trade, transportation and utilities added the most jobs, increasing by 3,213 jobs, with most of the growth occurring in transportation, warehousing and utilities. Two other industries added at least 1,000 jobs, education and health services and leisure and hospitality. Education and health services gained 1,271 jobs almost entirely in health care and social assistance. Leisure and hospitality added 1,019 jobs, with the majority of the growth occurring in accommodation and food services. Government, construction, professional and business services, and natural resources and mining also gained jobs over the year.

Four major industries lost jobs from 2017 to 2018, but all four industries lost fewer than 400 jobs. Financial activities and other services tied for the largest decrease, losing 352 jobs each. The losses in financial activities were recorded in the finance and insurance sector. Other services is an industry that includes things like repair shops, personal services establishments like hair salons, non-profit organizations and employees in private households. Manufacturing decreased by 336 jobs, with the losses occurring in durable goods manufacturing. Information also lost jobs over the year.

Table 2
Local Area III Jobs
2017 & 2018

	2017	2018	Change	% Change
Total, All Industries	454,623	460,838	6,215	1.4%
Total Private Sector	401,165	406,440	5,275	1.3%
Natural Resources and Mining	516	540	24	4.7%
Agriculture, Forestry, Fishing and Hunting	209	209	0	0.0%
Mining, Quarrying and Oil and Gas Extraction	307	331	24	7.8%
Construction	19,284	19,886	602	3.1%
Manufacturing	30,576	30,240	-336	-1.1%
Durable Goods Manufacturing	16,605	16,187	-418	-2.5%
Non-Durable Goods Manufacturing	13,970	14,056	86	0.6%
Trade, Transportation and Utilities	99,716	102,929	3,213	3.2%
Wholesale Trade	25,587	26,004	417	1.6%
Retail Trade	48,199	47,954	-245	-0.5%
Transportation, Warehousing and Utilities	25,930	28,971	3,041	11.7%
Information	7,236	7,103	-133	-1.8%
Financial Activities	35,333	34,981	-352	-1.0%
Finance and Insurance	28,734	28,205	-529	-1.8%
Real Estate and Rental and Leasing	6,599	6,776	177	2.7%
Professional and Business Services	92,712	93,027	315	0.3%
Professional, Scientific and Technical Services	40,970	41,368	398	1.0%
Management of Companies and Enterprises	16,369	16,698	329	2.0%
Administrative and Waste Services	35,373	34,961	-412	-1.2%
Education and Health Services	64,026	65,297	1,271	2.0%
Private Educational Services	4,777	4,779	2	0.0%
Health Care and Social Assistance	59,249	60,518	1,269	2.1%
Leisure and Hospitality	40,580	41,599	1,019	2.5%
Arts, Entertainment and Recreation	6,260	6,495	235	3.8%
Accommodation and Food Services	34,320	35,104	784	2.3%
Other Services	11,187	10,835	-352	-3.1%
Government	53,458	54,399	941	1.8%
Federal Government	7,941	7,967	26	0.3%
State Government	6,240	6,451	211	3.4%
State Government Educational Services	414	426	12	2.9%
State Government Excluding Education	5,826	6,025	199	3.4%
Local Government	39,277	39,981	704	1.8%
Local Government Educational Services	24,820	25,172	352	1.4%
Local Government Excluding Education	14,457	14,809	352	2.4%

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

Table 3
Largest Employers in Local Area III*
(in alphabetical order)

Employer	Industry
Amazon	Transportation and Warehousing
Black & Veatch Corporation	Professional, Scientific, and Technical Services
Blue Valley School District (USD 229)	Public Education
Cerner Corporation	Professional, Scientific, and Technical Services
Federal Government	Government
Garmin International Inc	Professional, Scientific, and Technical Services
General Motors	Manufacturing
Hy-Vee Food Stores Inc	Retail Trade
Johnson County Community College	Public Education
Johnson County Government	Government
Kansas City, KS Public Schools (USD 500)	Public Education
Olathe Public Schools (USD 233)	Public Education
Shawnee Mission Medical Center	Health Care and Social Assistance
Shawnee Mission School District (USD 512)	Public Education
Sprint Corporation	Information
State of Kansas	Government
Unified Government of Wyandotte Co./Kansas City, KS	Government
University of Kansas Hospital	Health Care and Social Assistance
UPS	Transportation and Warehousing
Walmart	Retail Trade

** - as of December 2018*
Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Quarterly Census of Employment and Wages

Table 3 shows the top 20 Local Area III employers by employment size as of December 2018. Public sector employers made up the largest share of the Top 20 employers, with five of the top 20 employers being in public education and four being government entities. Three of the employers were in the professional, scientific and technical services industry while health care and social assistance, retail trade, and transportation and warehousing all had two employers listed.

Wages

The real average weekly wage in Local Area III increased over the year by $13, or 1.2 percent, to $1,070 in 2018. This is closer in line with the national average weekly wage than the statewide average. As shown in *Chart 6,* this is the second year in a row that the real average weekly wage has increased in Local Area III. After a large jump in real average weekly wage between 2014 and 2015, wages in Local Area III have been relatively flat, only increasing by $8, or 0.8 percent in the past three years.

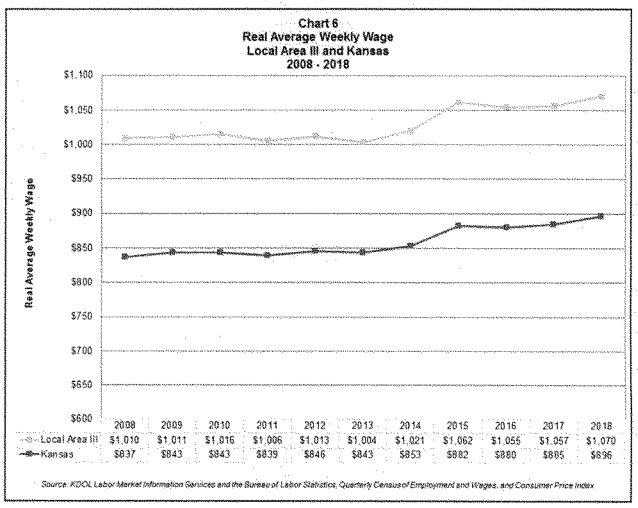


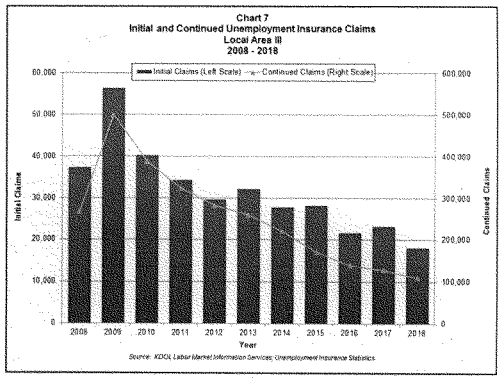
Table 4 (pg. 80) shows the real average weekly wage by industry for 2017 and 2018. Ten of the 11 major industries recorded an increase in real average weekly wages over the year. Information was the highest paying industry in Local Area III, with a real average weekly wage of $1,613, closely followed by financial activities at $1,565. The lowest paying industry was leisure and hospitality at $389 a week. Information also recorded the largest gain in real average weekly wage, increasing by $26, with $20 or more increases also being recorded in construction, financial activities and professional and business services. The only industry to record a decline in real average weekly wage was natural resources and mining. It declined by $59 but this is a very small industry in Local Area III which employs only around 500 people.

Table 4
Real Average Weekly Wage by Industry
Local Area III
2017 & 2018

	2017	2018	Change	% Change
Total, All Industries	$1,057	$1,070	$13	1.2%
Total Private Sector	$1,060	$1,072	$12	1.1%
Natural Resources & Mining	$1,116	$1,057	-$59	-5.3%
Agriculture, Forestry, Fishing and Hunting	$650	$508	-$142	-21.8%
Mining, Quarrying and Oil and Gas Extraction	$1,434	$1,403	-$31	-2.2%
Construction	$1,210	$1,235	$25	2.1%
Manufacturing	$1,224	$1,235	$11	0.9%
Durable Goods Manufacturing	$1,229	$1,253	$24	2.0%
Non-Durable Goods Manufacturing	$1,218	$1,215	-$3	-0.2%
Trade, Transportation and Utilities	$901	$915	$14	1.6%
Wholesale Trade	$1,499	$1,545	$46	3.1%
Retail Trade	$588	$587	-$1	-0.2%
Transportation, Warehousing and Utilities	$893	$892	-$1	-0.1%
Information	$1,587	$1,613	$26	1.6%
Financial Activities	$1,544	$1,565	$21	1.4%
Finance and Insurance	$1,680	$1,709	$29	1.7%
Real Estate and Rental and Leasing	$952	$964	$12	1.3%
Professional and Business Services	$1,344	$1,365	$21	1.6%
Professional, Scientific and Technical Services	$1,563	$1,554	-$9	-0.6%
Management of Companies and Enterprises	$2,022	$2,004	-$18	-0.9%
Administrative and Waste Services	$779	$837	$58	7.4%
Education and Health Services	$939	$949	$10	1.1%
Private Educational Services	$775	$805	$30	3.9%
Health Care and Social Assistance	$952	$960	$8	0.8%
Leisure and Hospitality	$381	$389	$8	2.1%
Arts, Entertainment and Recreation	$418	$456	$38	9.1%
Accommodation and Food Services	$375	$377	$2	0.5%
Other Services	$682	$699	$17	2.5%
Government	$1,040	$1,053	$13	1.3%
Federal Government	$1,542	$1,567	$25	1.6%
State Government	$1,689	$1,712	$23	1.4%
State Government Educational Services	$1,003	$986	-$17	-1.7%
State Government Excluding Education	$1,737	$1,763	$26	1.5%
Local Government	$835	$844	$9	1.1%
Local Government Educational Services	$768	$780	$12	1.6%
Local Government Excluding Education	$947	$953	$6	0.6%

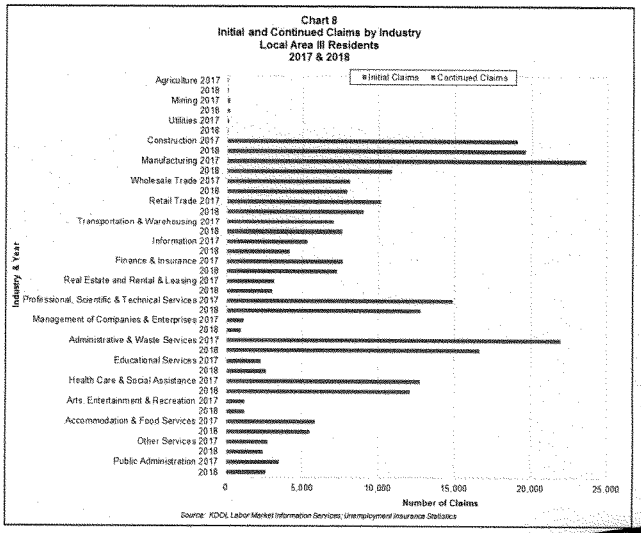
Note: Wages in 2018 dollars
Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Quarterly Census of Employment and Wages, and Consumer Price Index

Unemployment Insurance Statistics

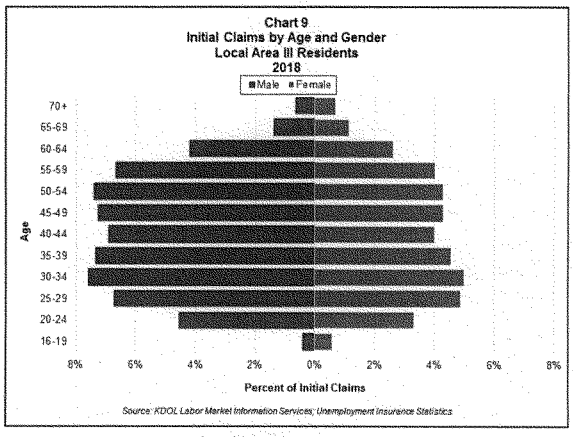


As shown in *Chart 7*, the number of initial claims filed by Local Area III residents in 2018 decreased by 21.8 percent to 18,101 claims. The number of continued claims declined by 14.3 percent to 109,369 claims, marking the ninth consecutive year that continued claims has decreased. Initial claims are down 67.9 percent and continued claims are down 78.1 percent from their peak in 2009.

Chart 8 displays initial and continued claims by industry for claims filed by Local Area III residents for 2017 and 2018. It is very apparent that the main reason for the decrease in claims is a 65.8 percent decrease in initial claims and a 50.6 percent decrease in continued claims in the manufacturing industry. In 2018, construction employers were responsible for the most initial and continued claims followed by administrative and waste services. Employers in health care and social assistance and professional, scientific and technical services also had over 1,000 initial and 10,000 continued claims filed against them. Claims from these five industries represent 61.2 percent of initial claims and 56.1 percent of continued claims.



Charts 9 and 10 show the age and gender of Local Area III residents filing initial and continued claims, with 60.8 percent of initial claims and 55.2 percent of continued claims being filed by men. This most likely reflects that two of the main industries that have workers filing claims, construction and manufacturing, are still generally male dominated. The number of claims per age group is fairly even between the age groups in the 25-59 year old range, with each five year group accounting for 9.4 to 12.5 percent of initial and continued claims.



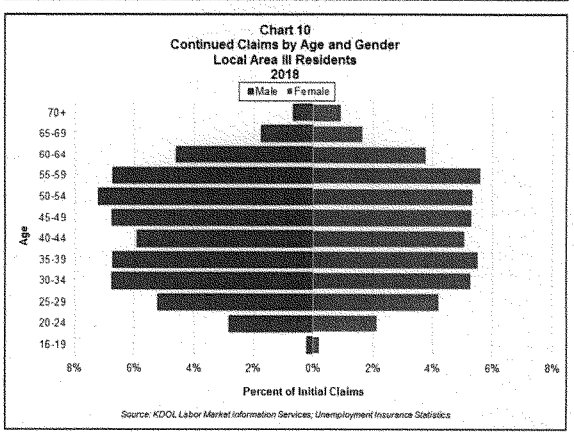
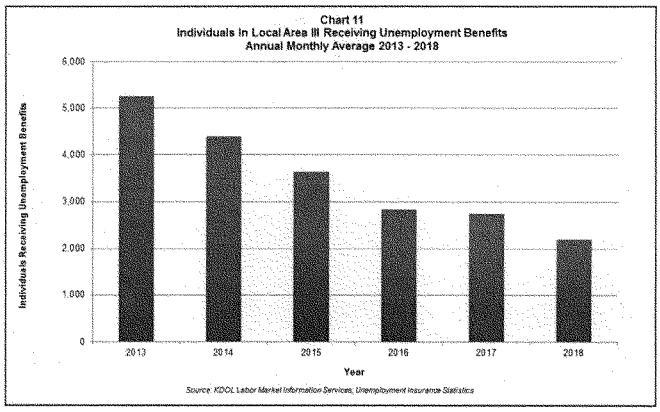
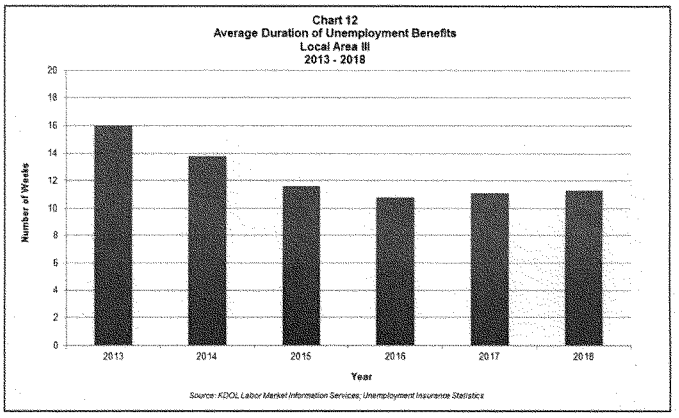


Chart 11 displays the monthly average of the number of Local Area III residents receiving Kansas unemployment benefits from 2013 to 2018. The number of people receiving unemployment benefits has decreased the last five years. An average of 2,195 people a month in Local Area III received unemployment benefits in 2018, a 58.2 percent decrease from 2013. *Chart 12* shows the average duration Local Area III residents remained on unemployment benefits from 2013 to 2018. Average duration has stayed consistently between 10 to 12 weeks for the past four years.





Occupational Statistics

Table 5 displays the employment and median annual wage for each major occupational group in Local Area III according to the *2019 Kansas Wage Survey* while *Tables 6 and 7* show the top 20 occupations by employment and median annual wage. In May 2018, 82,600 jobs were classified as being office and administrative support occupations, the most of any occupational group in Local Area III. Five of the top 20 occupations by employment fell under this occupational group, including the most common occupation in Local Area III, customer service representatives, and the third most common occupation, stock clerks and order fillers.

Table 5
Employment and Median Annual Wage by Occupational Group
Local Area III
May 2018

Occupational Group	Employment	Median Annual Wage
Total, All Occupations	**464,530**	**$40,098**
Office and Administrative Support Occupations	82,600	$35,500
Sales and Related Occupations	48,920	$30,692
Food Preparation and Serving Related Occupations	38,810	$20,012
Business and Financial Operations Occupations	33,570	$67,570
Transportation and Material Moving Occupations	32,910	$35,907
Healthcare Practitioners and Technical Occupations	27,670	$63,018
Production Occupations	24,880	$37,323
Management Occupations	24,780	$107,408
Education, Training and Library Occupations	22,650	$44,311
Computer and Mathematical Occupations	20,590	$73,837
Installation, Maintenance and Repair Occupations	16,220	$45,803
Construction and Extraction Occupations	15,580	$49,411
Personal Care and Service Occupations	15,220	$22,994
Building and Grounds Cleaning & Maintenance Occupations	12,240	$27,780
Healthcare Support Occupations	10,860	$29,883
Architecture and Engineering Occupations	10,590	$76,617
Protective Service Occupations	8,760	$40,508
Arts, Design, Entertainment, Sports and Media Occupations	6,430	$44,263
Community and Social Services Occupations	4,450	$43,922
Life, Physical and Social Science Occupations	3,610	$64,914
Legal Occupations	2,720	$74,123
Farming, Fishing and Forestry Occupations	450	$29,996

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Occupational Employment Statistics

Four other occupational groups accounted for at least 30,000 jobs in Local Area III. There were 48,920 sales and related jobs in May 2018, with two of the top five most common occupations, retail salespersons and cashiers, falling under this group. Food preparation and serving occupations accounted for 38,810 jobs, including the fifth most common occupation, combined food preparation and serving workers, including fast food. There were 33,570 business and financial operations jobs, with accountants and auditors being the most common occupation in this group. The fifth biggest occupational group was transportation and material moving, with laborers and freight, stock, and material movers, hand being the most common occupation within this group.

The median annual wage in Local Area III as of May 2018 was $40,098. The highest paying occupational group was management, which earned a median annual wage of $107,408. Nine of the top 20 highest paid occupations were management occupations. Three other occupational groups had annual median wages of at least $70,000: architecture and engineering, legal and computer and mathematical. Also of note is that six of the top 20 highest paying occupations were healthcare practitioner and technical occupations.

Table 6
Top 20 Occupations by Employment
Local Area III
May 2018

Occupation	Employment
Customer Service Representatives	17,970
Retail Salespersons	13,100
Stock Clerks and Order Fillers	10,270
Cashiers	10,110
Combined Food Preparation and Serving Workers, Including Fast Food	10,090
Registered Nurses	9,410
Laborers and Freight, Stock, and Material Movers, Hand	9,300
Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	8,440
Heavy and Tractor-Trailer Truck Drivers	7,770
Waiters and Waitresses	7,220
General and Operations Managers	6,310
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	6,290
First-Line Supervisors of Office and Administrative Support Workers	5,580
Assemblers and Fabricators, All Other, Including Team Assemblers	5,420
Office Clerks, General	5,370
Sales Representatives, Services, All Other	5,080
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	5,060
Nursing Assistants	5,020
Accountants and Auditors	5,010
Personal Care Aides	4,900

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Occupational Employment Statistics

Table 7
Top 20 Occupations by Median Annual Wage
Local Area III
May 2018

Occupation	Median Annual Wage
Family and General Practitioners	$206,576
Dentists, General	$153,008
Sales Managers	$135,301
Marketing Managers	$133,059
Financial Managers	$131,441
Architectural and Engineering Managers	$131,387
Nurse Anesthetists	$130,619
Optometrists	$128,694
Lawyers	$127,345
Computer and Information Systems Managers	$126,057
Podiatrists	$124,778
Natural Sciences Managers	$122,575
Pharmacists	$122,425
Managers, All Other	$116,219
Purchasing Managers	$114,147
Judges, Magistrate Judges, and Magistrates	$111,533
Materials Engineers	$110,714
Chemical Engineers	$109,254
Actuaries	$108,711
Advertising and Promotions Managers	$108,446

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Occupational Employment Statistics

Job Vacancies

According to the *2019 Kansas Job Vacancy Survey*, there were 18,992 job vacancies in Local Area III during the second quarter of 2019, a 14.2 percent increase from the second quarter of 2018. This represents the most vacancies recorded in the spring since the *Kansas Job Vacancy Survey* started in 2004. The Local Area III job vacancy rate was 3.9 percent, indicating that for every 100 positions in Local Area III, 3.9 were vacant and 96.1 were filled.

Table 8
Job Vacancies and Average Hourly Lowest Wage Offer by Industry Supersector
Local Area III
Second Quarter 2019

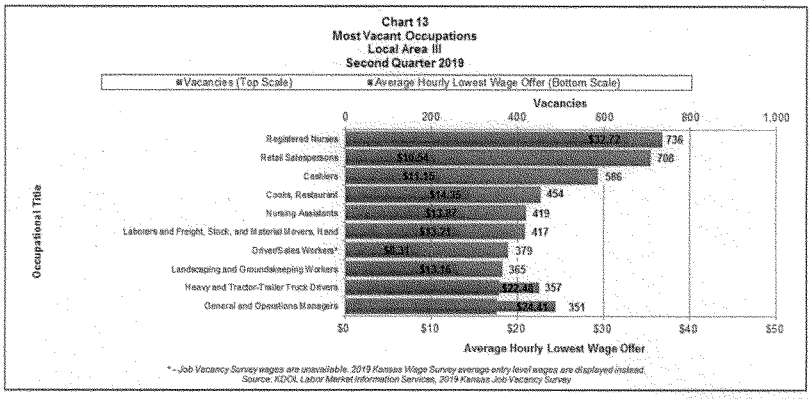
Industry Supersector	Job Vacancies	Average Hourly Lowest Wage Offer
Total, All Industries	**18,992**	**$15.55**
Trade, Transportation and Utilities	4,952	$13.91
Leisure and Hospitality	3,631	$11.71
Education and Health Services	2,995	$13.81
Professional and Business Services	2,695	$19.55
Government	1,454	$17.43
Financial Activities	980	$21.79
Manufacturing	942	$15.29
Construction	775	$16.87
Other Services	388	$14.26
Information	163	NA
Natural Resources and Mining	15	NA

Note: Numbers may not add up due to rounding
Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, 2019 Kansas Job Vacancy Survey

There were 0.7 unemployed people for every vacancy in Local Area III, an improvement of 0.2 from one year ago. Since the number of vacancies is higher than the number of unemployed people, this indicates there is a labor shortage in Local Area III. Additionally, there may be a skills or location mismatch between unemployed people and the available positions leading to continued difficulty finding and filling jobs. One benefit of the tightening labor market is it may eventually lead to an increase in wages as the supply of workers for available positions continues to decrease.

The number of job vacancies by industry in Local Area III is displayed in *Table 8* while the top 10 occupations with the most vacancies are shown in *Chart 13*. Also shown is the average lowest hourly wage offered for vacancies in each of those industries and occupations. Four industries recorded at least 2,000 vacancies. Trade, transportation and utilities recorded the most job vacancies with 4,952 openings while leisure and hospitality had the second most with 3,631 vacancies. These two industries had a high number of vacancies due to a combination of new jobs and a high turnover rate in some of the occupations found in these industries. Education and health services had the third most openings with 2,995 vacancies with about 40 percent of the openings being in one of three occupations: registered nurses, nursing assistants or personal care aides. Professional and business services recorded the fourth most job openings with 2,695 vacancies.

Chart 13
Most Vacant Occupations
Local Area III
Second Quarter 2019



** - Job Vacancy Survey wages are unavailable. 2019 Kansas Wage Survey average entry level wages are displayed instead.*
Source: KDOL Labor Market Information Services, 2019 Kansas Job Vacancy Survey

Registered nurses was the occupation with the most openings in Local Area III with 736 job vacancies. Most of the occupations in the top 10 are in low paying and/or high stress occupations with high turnover rates leading to a greater number of job vacancies. There are three occupations in the top 10 that pay more than $15 per hour. Registered nurses were also the highest paying occupation in the top 10, with an average lowest wage offer of $32.72 per hour. General and operations manager positions had an average lowest wage offer of $24.41 per hour and heavy and tractor-trailer truck drivers recorded an average lowest wage offer of $22.48 per hour.

Chart 14 shows the percentage of job vacancies by educational requirement as well as the average lowest hourly wage offered by educational requirement. In Local Area III, the average starting pay generally increases with the amount of education required. The average lowest hourly wage offered by educational requirement ranged from $12.80 for vacancies with no educational requirements to $45.35 for vacancies requiring a doctoral or professional degree. The average lowest wage offered for all vacancies was $15.55 per hour. Approximately half the vacancies, 49.5 percent, required a high school diploma or GED or had no educational requirements at all. Openings requiring a post-secondary vocational certificate, an associate degree or a bachelor's degree accounted for 33 percent of vacancies, while only a small percentage of vacancies required a postgraduate degree.

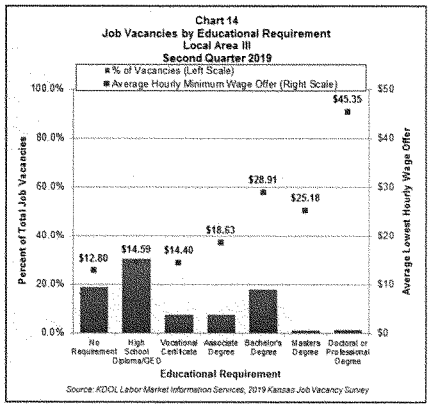


Table 9 displays the amount of benefits offered by type of job vacancy. Most job vacancies, 64.6 percent, offered at least one of the benefits asked about on the survey: health insurance, paid time off or a retirement plan, with 89.1 percent of vacancies for permanent full-time jobs offering benefits. Only 11.8 percent of part-time and temporary full-time job vacancies offered benefits. Larger establishments are also more likely to offer benefits with 68.7 percent of vacancies at establishments with 50 or more employees offering benefits compared to 60.1 percent of vacancies at smaller establishments. Also the higher the educational requirements of a position the more likely it is to offer benefits, with only 51.5 percent of vacancies with no educational requirements offering benefits compared to 72.2 percent of vacancies that required a high school diploma or 88.3 percent of vacancies that required post-secondary education.

Table 9
Benefits Offered by Job Vacancy Type
Local Area III
Second Quarter 2019

Benefit Offered	All Vacancies	Job Types		Establishment Size		Educational Requirement		
		Permanent Full-Time	All Other Job Types	1 - 49	50+	No Requirement	HS Diploma or GED	Post-Secondary Education
At Least One Benefit Offered	64.6%	89.1%	11.8%	60.1%	68.7%	51.5%	72.2%	88.3%
Health Insurance	56.2%	78.4%	8.2%	48.0%	63.7%	47.0%	57.3%	79.8%
Paid Time Off	59.3%	83.2%	7.9%	55.2%	63.1%	45.8%	62.6%	84.8%
Retirement Plan	56.1%	77.7%	9.7%	49.7%	62.0%	48.4%	58.6%	80.3%
Unknown	17.0%	9.3%	33.8%	16.0%	18.0%	2.8%	4.0%	5.1%

Source: KDOL Labor Market Information Services, 2019 Kansas Job Vacancy Survey

Short-Term Projections

This section will detail short-term projections by industry and occupation for the first quarter 2020 from the first quarter 2018. To approximate Local Area III, the data used in this section, as well as the long-term projections and high demand occupations sections, will be for the Kansas City Projection Region. This area is slightly different from Local Area III since it includes Miami County.

Table 10 displays the top 10 industries by numerical change. Total jobs are expected to increase by 11,072 jobs, or 2.2 percent, to 521,590, over the two-year period. The annual average growth rate is expected to be 1.1 percent. The industry expected to add the most jobs is health care and social assistance, with a projected increase of 3,045 jobs, or 4.5 percent. The industry expected to have the highest growth rate and projected to add the second most jobs is transportation and warehousing. It is projected to increase by 1,466 jobs or 5.1 percent from 2018 to 2020. The other industry expected to add at least 1,000 jobs is professional, scientific and technical services.

Table 10
Top 10 Industries by Numerical Job Change
Kansas City Projection Region
2018 - 2020

Industry	Job Numbers		Job Changes		
	Quarter 1 2018	Quarter 1 2020	Numerical	Percent	Annual Avg. Growth %
Total, All Industries	**510,518**	**521,590**	**11,072**	**2.2%**	**1.1%**
Health Care and Social Assistance	67,292	70,337	3,045	4.5%	2.2%
Transportation and Warehousing	28,979	30,445	1,466	5.1%	2.5%
Professional, Scientific, and Technical Services	42,262	43,509	1,247	3.0%	1.5%
Administrative and Support and Waste Management and Remediation Services	35,228	36,190	962	2.7%	1.4%
Accommodation and Food Services	35,073	35,975	902	2.6%	1.3%
Wholesale Trade	26,740	27,423	683	2.6%	1.3%
Construction	19,808	20,430	622	3.1%	1.6%
Educational Services	34,645	35,194	549	1.6%	0.8%
Management of Companies and Enterprises	16,834	17,196	362	2.2%	1.1%
Government	24,386	24,707	321	1.3%	0.7%

Note: The Kansas City Projection Region differs from Local Area III since it also includes Miami County.
Source: KDOL Labor Market Information Services and the U.S. DOL Employment & Training Administration, Employment Projectio

Table 11 shows the top 10 growing occupational groups by numerical change. Two occupational groups are projected to grow by at least 1,000 jobs. Transportation and material moving occupations are expected to add 1,298 jobs and healthcare practitioners and technical occupations are projected to add 1,275 jobs. Healthcare support occupations are projected to grow at the highest rate, adding 634 jobs, or 4.7 percent, over the projection period. It is expected that there will be 121,374 openings over the projection period, or an average of 60,687 per year from new jobs and separation openings. Approximately 90.9 percent or 110,302 openings will be separation openings.

Table 11
Top 10 Occupational Groups by Numerical Job Change
Kansas City Projection Region
2018 - 2020

Occupations	Job Numbers		Job Changes			Total Openings
	Quarter 1 2018	Quarter 1 2020	Numerical	Percent	Annual Avg. Growth %	
Total, All Occupations	**510,518**	**521,590**	**11,072**	**2.2%**	**1.1%**	**121,374**
Transportation and Material Moving Occupations	39,118	40,416	1,298	3.3%	1.6%	10,728
Healthcare Practitioners and Technical Occupations	31,725	33,000	1,275	4.0%	2.0%	4,581
Food Preparation and Serving Related Occupations	37,767	38,714	947	2.5%	1.2%	13,905
Office and Administrative Support Occupations	88,282	89,149	867	1.0%	0.5%	20,792
Personal Care and Service Occupations	19,966	20,740	774	3.9%	1.9%	6,573
Management Occupations	31,310	32,057	747	2.4%	1.2%	5,589
Healthcare Support Occupations	13,543	14,177	634	4.7%	2.3%	3,726
Business and Financial Operations Occupations	32,935	33,532	597	1.8%	0.9%	6,439
Construction and Extraction Occupations	19,916	20,486	570	2.9%	1.4%	4,589
Computer and Mathematical Occupations	22,578	23,117	539	2.4%	1.2%	3,507

Note: The Kansas City Projection Region differs from Local Area III since it also includes Miami County.
Source: KDOL Labor Market Information Services and the U.S. DOL Employment & Training Administration, Employment Projections

The Bureau of Labor Statistics assigns the level of education typically needed to enter each occupation. There are eight categories shown in *Table 12*. The greatest numerical change in jobs is projected for those that require a high school diploma or equivalent, which are expected to add 3,740 jobs. Occupations requiring a bachelor's degree are projected to increase by 2,809 jobs and those with no formal educational requirements are expected to add 2,318 jobs. Occupations requiring a master's degree are expected to grow at the fastest rate, 4.0 percent, over the projection period.

Table 12
Projections by Education Requirement
Kansas City Projection Region
2018 - 2020

Education	Job Numbers		Job Changes			Total Openings
	Quarter 1 2018	Quarter 1 2020	Numerical	Percent	Annual Avg. Growth %	
Total	**510,518**	**521,590**	**11,072**	**2.2%**	**1.1%**	**121,374**
High school diploma or equivalent	203,118	206,858	3,740	1.8%	0.9%	49,058
Bachelor's degree	119,975	122,784	2,809	2.3%	1.2%	21,483
No formal educational credential	108,673	110,991	2,318	2.1%	1.1%	35,086
Postsecondary non-degree award	33,103	34,103	1,000	3.0%	1.5%	7,657
Doctoral or professional degree	12,584	12,952	368	2.9%	1.5%	1,506
Associate degree	11,237	11,574	337	3.0%	1.5%	2,178
Master's degree	6,974	7,251	277	4.0%	2.0%	1,340
Some college, no degree	14,854	15,077	223	1.5%	0.8%	3,066

Note: The Kansas City Projection Region differs from Local Area III since it also includes Miami County.
Source: KDOL Labor Market Information Services and the U.S. DOL Employment & Training Administration, Employment Projections

Long-Term Projections

Local Area III total jobs in all industries are expected to grow by 45,629 to 550,269 jobs from 2016 to 2026, an increase of nine percent over the 10-year period. This averages out to 4,563 jobs per year, a 0.9 percent average annual growth. Goods-producing industries are projected to add 317 jobs and increase at an average annual rate of 0.1 percent from 2016 to 2026 while service providing industries are projected to add 42,590 jobs to grow at one percent annually over that period. The number of self-employed workers is expected to increase over the projection period.

Table 13 shows the top 10 industries by numerical change over the 10-year projection period. Professional, scientific and technical services is expected to add the most jobs and grow at the fastest rate over the projection period, increasing by 8,836 jobs, or 21.4 percent. Jobs in health care and social assistance are projected to increase by a similar amount, 8,754 jobs, over the 10-year period. Three other industries are projected to add between 4,000 and 4,500 jobs: administrative and support and waste management and remediation services, transportation and warehousing, and finance and insurance.

Table 13
Top 10 Industries by Numerical Job Change
Kansas City Projection Region
2016 - 2026

Industry	Job Numbers		Job Changes		
	Base Year 2016	Projection Year 2026	Numerical	Percent	Annual Avg. Growth %
Total All Industries	**504,640**	**550,269**	**45,629**	**9.0%**	**0.9%**
Professional, Scientific, and Technical Services	41,305	50,141	8,836	21.4%	2.0%
Health Care and Social Assistance	65,557	74,311	8,754	13.4%	1.3%
Administrative and Support and Waste Management and Remediation Services	37,268	41,741	4,473	12.0%	1.1%
Transportation and Warehousing	23,190	27,562	4,372	18.9%	1.7%
Finance and Insurance	29,560	33,682	4,122	13.9%	1.3%
Educational Services	33,387	36,970	3,583	10.7%	1.0%
Management of Companies and Enterprises	16,133	19,507	3,374	20.9%	1.9%
Accommodation and Food Services	34,627	37,681	3,054	8.8%	0.8%
Construction	20,407	22,191	1,784	8.7%	0.8%
Government	24,675	25,629	954	3.9%	0.4%

Note: The Kansas City Projection Region differs from Local Area III since it also includes Miami County.
Source: KDOL Labor Market Information Services and the U.S. DOL Employment & Training Administration, Employment Projections

Table 14 shows the top 10 occupational groups projected to gain the largest number of jobs over the projection period. Business and financial operations occupations are expected to gain the most jobs over 10 years, adding 4,551 jobs. Personal care and service occupations are projected to grow at the fastest rate, 18.5 percent or 3,727 jobs, with the fastest growing occupation, personal care aides, falling under this group. There are six additional occupational groups expected to add at least 3,000 jobs.

Table 14
Top 10 Occupational Groups by Numerical Job Change
Kansas City Projection Region
2016 - 2026

Occupations	Job Numbers		Job Changes			Total Openings
	Base Year 2016	Projection Year 2026	Numerical	Percent	Annual Avg. Growth %	
Total, All Occupations	**504,640**	**550,269**	**45,629**	**9.0%**	**0.9%**	**609,309**
Business and Financial Operations Occupations	32,584	37,135	4,551	14.0%	1.3%	35,194
Management Occupations	30,899	34,872	3,973	12.9%	1.2%	29,133
Food Preparation and Serving Related Occupations	37,458	41,223	3,765	10.1%	1.0%	70,465
Personal Care and Service Occupations	20,129	23,856	3,727	18.5%	1.7%	35,174
Office and Administrative Support Occupations	85,947	89,656	3,709	4.3%	0.4%	102,417
Transportation and Material Moving Occupations	35,762	39,261	3,499	9.8%	0.9%	48,012
Computer and Mathematical Occupations	22,192	25,624	3,432	15.5%	1.4%	18,959
Healthcare Practitioners and Technical Occupations	30,972	34,170	3,198	10.3%	1.0%	19,827
Sales and Related Occupations	54,928	57,494	2,566	4.7%	0.5%	76,466
Education, Training, and Library Occupations	21,800	24,299	2,499	11.5%	1.1%	22,227

Note: The Kansas City Projection Region differs from Local Area III since it also includes Miami County.
Source: KDOL Labor Market Information Services and the U.S. DOL Employment & Training Administration, Employment Projections

Table 15 displays projected employment by education requirements. The largest increase in jobs is projected to be in those occupations requiring a bachelor's degree, with an expected gain of 16,210 jobs over the projection period. Occupations requiring a high school diploma or equivalent are expected to add 13,976 jobs. Occupations requiring a master's degree are expected to increase at the fastest rate, growing by 14.6 percent.

Table 15
Projections by Education Requirement
Kansas City Projection Region
2016 - 2026

Education	Job Numbers		Job Changes			Total Openings
	Base Year 2016	Projection Year 2026	Numerical	Percent	Annual Avg. Growth %	
Total	504,640	550,269	45,629	9.0%	0.9%	609,309
Bachelor's degree	118,583	134,793	16,210	13.7%	1.4%	113,857
High school diploma or equivalent	202,171	216,147	13,976	6.9%	0.7%	245,704
No formal educational credential	107,232	115,390	8,158	7.6%	0.8%	174,600
Postsecondary non-degree award	31,946	34,405	2,459	7.7%	0.8%	35,282
Doctoral or professional degree	12,312	13,807	1,495	12.1%	1.2%	7,336
Associate degree	11,048	12,281	1,233	11.2%	1.1%	10,664
Some college, no degree	14,601	15,714	1,113	7.6%	0.8%	15,459
Master's degree	6,747	7,732	985	14.6%	1.5%	6,407

Source: KDOL Labor Market Information Services and the U.S. DOL Employment & Training Administration, Employment Projections

High Demand Occupations

Table 16 displays the 15 occupations in highest demand in Local Area III. Nine of the occupations received the maximum demand score of 30 while the other six occupations in *Table 16* had a demand score of 29. These occupations currently have the most openings in Local Area III and are projected to have the most openings in 2020 and 2026. Overall, there are 182 high demand occupations in Local Area III, meaning they had a demand score of 10 or greater.

Table 16
High Demand Occupations
Local Area III
2019

Occupation	Demand Score	Median Annual Wage	Education	On-the-Job Training
General and Operations Managers	30	$100,020	Bachelor's Degree	None
Registered Nurses	30	$65,920	Bachelor's Degree	None
Heavy and Tractor-Trailer Truck Drivers	30	$47,240	Postsecondary nondegree award	Short-term on-the-job training
Laborers and Freight, Stock, and Material Movers, Hand	30	$30,990	No formal educational credential	Short-term on-the-job training
Nursing Assistants	30	$28,030	Postsecondary nondegree award	None
Stock Clerks and Order Fillers	30	$26,450	High School Diploma or equivalent	Short-term on-the-job training
Retail Salespersons	30	$23,280	No formal educational credential	Short-term on-the-job training
Cashiers	30	$21,210	No formal educational credential	Short-term on-the-job training
Combined Food Preparation and Serving Workers, Including Fast Food	30	$19,680	No formal educational credential	Short-term on-the-job training
Sales Representatives, Services, All Other	29	$63,750	High School Diploma or equivalent	Moderate-term on-the-job training
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	29	$60,530	High School Diploma or equivalent	Moderate-term on-the-job training
Assemblers and Fabricators, All Other, Including Team Assemblers	29	$36,350	High School Diploma or equivalent	Moderate-term on-the-job training
Landscaping and Groundskeeping Workers	29	$31,090	No formal educational credential	Short-term on-the-job training
Personal Care Aides	29	$23,180	High School Diploma or equivalent	Short-term on-the-job training
Food Preparation Workers	29	$20,070	No formal educational credential	Short-term on-the-job training

Source: KDOL Labor Market Information Services, High Demand Occupations

Eight of the 15 occupations in *Table 16* require only a high school diploma or have no educational requirements and only require short-term or no on-the-job training. These occupations are attainable for workers with little to no education or training. Occupations requiring little training or education tend to have lower wages. Those eight occupations in this list have median wages between $19,680 and $31,090 per year. Because of the low wages and the fact that many of these occupations are part-time, employers are able to hire more workers. This partly explains the high demand score.

Table 17
High Demand High Wage Occupations
Local Area III
2019

Occupation	Demand + Wage Score	Median Annual Wage	Education	On-the-Job Training
General and Operations Managers	38	$100,020	Bachelor's Degree	None
Registered Nurses	34	$65,920	Bachelor's Degree	None
Managers, All Other	33	$116,220	Bachelor's Degree	None
Sales Representatives, Services, All Other	33	$63,750	High School Diploma or equivalent	Moderate-term on-the-job training
Software Developers, Applications	32	$83,400	Bachelor's Degree	None
Business Operations Specialists, All Other	32	$77,750	Bachelor's Degree	None
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	32	$60,530	High School Diploma or equivalent	Moderate-term on-the-job training
Sales Managers	31	$135,300	Bachelor's Degree	None
Heavy and Tractor-Trailer Truck Drivers	31	$47,240	Postsecondary nondegree award	Short-term on-the-job training
Market Research Analysts and Marketing Specialists	30	$62,750	Bachelor's Degree	None
First-Line Supervisors of Office and Administrative Support Workers	29	$57,300	High School Diploma or equivalent	None
Financial Managers	28	$131,440	Bachelor's Degree	None
Marketing Managers	27	$133,060	Bachelor's Degree	None
Computer and Information Systems Managers	27	$126,050	Bachelor's Degree	None
Management Analysts	26	$79,490	Bachelor's Degree	None

Source: KDOL Labor Market Information Services, High Demand Occupations

One other explanation is that there is a high level of turnover in these occupations. Many of the openings in these occupations are the result of people leaving the occupation to move to another occupation and not the result of industry growth. Furthermore, many of the occupations with the highest separation rate are those that require only a high school education or less and little or no training.

In Local Area III, 71 of the high demand occupations also pay high wages. These occupations had a combined demand and wage score of 11 or greater. *Table 17 (pg. 91)* lists the 15 high demand high wage occupations with a combined demand and wage score of 26 or greater. Unlike the high demand occupations listed in *Table 16*, 14 out of the top 15 occupations on the high demand high wage list either required postsecondary education or moderate-term on-the-job training. Also noteworthy is that three occupations that had the maximum demand score of 30 were also on the high demand high wage list: general and operations managers, registered nurses, and heavy and tractor-trailer truck drivers.

Local Area IV (South Central Kansas) Summary

Population

Local Area IV contains six counties in south central Kansas and contains most of the Wichita Metropolitan Statistical Area. Wichita, the largest city in Kansas, is the primary urban area in this local area. There are six other cities in Local Area IV with at least 10,000 residents. Four are located within the Wichita metro area: Derby, Andover, El Dorado and Haysville, and two are in Cowley County: Winfield and Arkansas City.

Chart 1 displays the population of Local Area IV from 2008 to 2018. The Local Area IV population was estimated at 651,402 in 2018. This represents a loss of 73 people. The population of Local Area IV has decreased slightly over the past two years after a period of expansion in prior years.

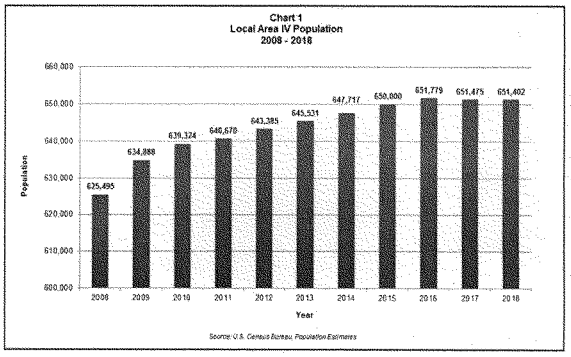
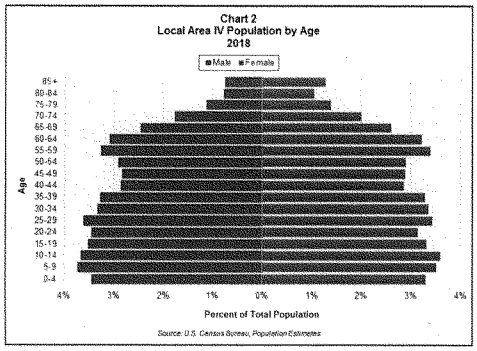


Chart 2 displays the Local Area IV population by age group and gender. The population pyramid for Local Area IV is the most pyramid like of the local areas with a few exceptions. There is a major peak in population centered on the 55-59 and 60-64 year old age groups, representing the younger members of the baby boomer generation. There is also a smaller peak around the 25-29 year old age group. While the 0-4 year old age group is smaller than would be expected, the 5-9 and 10-14 year old age groups have the largest populations of any age group in Local Area IV, with each making up 7.2 percent of the local area population.



For economic purposes, the two main age groups that are studied are the 16 and over population and the 25-54 population. The 16 and over population includes everyone who is eligible to be in the labor force, while 25-54 year olds are considered prime age workers. The 16 and over population for Local Area IV in 2018 was 504,071, an increase of 981, or 0.2 percent. The 25-54 year old population was 243,831

in 2018, a decrease of 1,145, or 0.5 percent. The decrease occurred in two age ranges. Most of the decrease was in the 45-54 year old population, which went down by 1,856 people. Most of this decrease was most likely people aging out of this age group. The other age range population that recorded a decrease was 25-34 year olds, which declined by 528 people.

Future labor force growth may be in jeopardy since the population under 25 decreased by a greater amount, 1,904 people, or 0.8 percent. A majority of the decline is in the population of children nine years old and under, which decreased by 1,574 people. The 20-24 year old age group, which would include recent college graduates, also recorded a 1.7 percent decline in population.

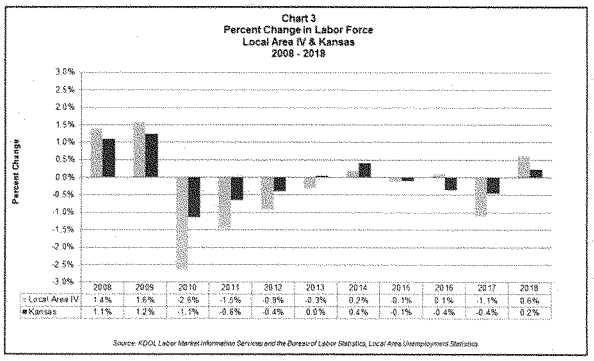
Labor Force Statistics

Table 1 shows there were 312,219 people in the Local Area IV labor force in 2018, a 0.6 percent increase. This was the largest increase in the size of the labor force since 2009. There were 300,614 Local Area IV residents working in 2018, a 1.1 percent increase. The number of unemployed people decreased by 1,206 people, or 9.4 percent, to 11,605. The Local Area IV labor force has decreased by 18,253 since 2009, or 5.5 percent, as seen in *Chart 3*.

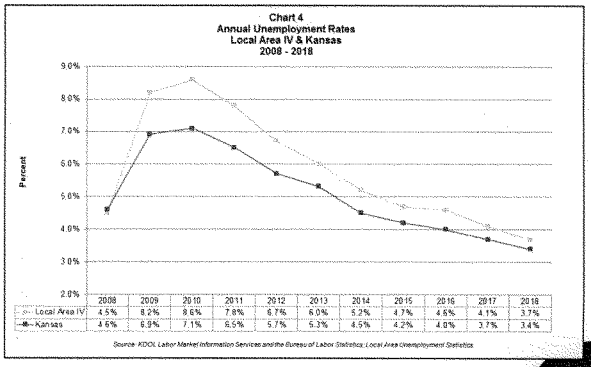
Table 1
Labor Force Statistics
Local Area IV
2017 & 2018

	2017	2018	Change	% Change
Civilian Labor Force	310,291	312,219	1,928	0.6%
Employed	297,480	300,614	3,134	1.1%
Unemployed	12,811	11,605	-1,206	-9.4%
Unemployment Rate	4.1	3.7	-0.4	

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Local Area Unemployment Statistics



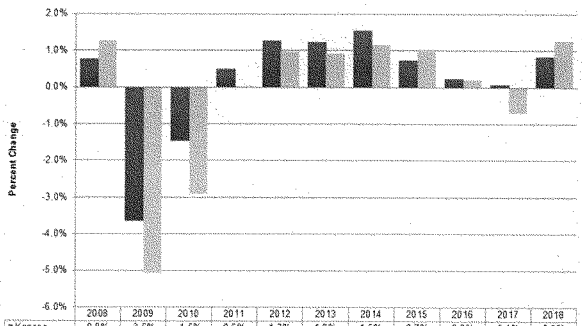
In 2018, the Local Area IV annual average unemployment rate decreased for the eighth consecutive year, as displayed in *Chart 4*. The unemployment rate in 2018 was 3.7 percent. This represents a decrease of 0.4 percentage points and is tied for the third lowest annual unemployment rate recorded since 1990, when county and local area unemployment rates became available. Lower rates were only recorded in 1998 (3.2 percent) and 1997 (3.5 percent). The unemployment rate is 1.4 percentage points lower than the historical average annual unemployment rate for Local Area IV which is 5.1 percent.



Jobs

In 2018, Local Area IV recorded 295,131 total jobs, with 253,510 of these being private sector jobs. This was an increase of 3,726 total jobs, or 1.3 percent, and 3,336 private sector jobs, or 1.3 percent. *Chart 5* shows that jobs have increased in Local Area IV seven out of the last eight years, with 13,934 jobs being added in that time span.

Chart 5
Percent Change in Jobs
Local Area IV & Kansas
2008 - 2018



	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Kansas	0.8%	-3.6%	-1.5%	0.5%	1.3%	1.2%	1.5%	0.7%	0.2%	0.1%	0.8%
Local Area IV	1.3%	-5.1%	-2.9%	0.0%	1.0%	0.9%	1.2%	1.0%	0.2%	-0.7%	1.3%

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Quarterly Census of Employment and Wages

Job growth was recorded in eight of the 11 major industries in Local Area IV during 2018 as seen in *Table 2 (pg. 97)*. Manufacturing added the most jobs over the year, gaining 2,678 jobs, or 5.2 percent. Growth was recorded in both durable goods and non-durable goods manufacturing with durable goods increasing by 1,905 jobs and non-durable goods increasing by 772 jobs. Educational and health services added 903 jobs, mostly in health care and social assistance. Professional and business services grew by 524 jobs with a majority of the growth occurring in administrative and waste services. Government, construction, leisure and hospitality, other services and natural resources and mining all increased by fewer than 400 jobs.

Three major industries lost jobs from 2017 to 2018. Trade, transportation and utilities decreased the most, declining by 704 jobs, or 1.4 percent. Losses were recorded in wholesale trade and retail trade. Financial activities declined by 512 jobs, with losses in finance and insurance exceeding gains in real estate and rental and leasing. Information decreased by 174 jobs.

Table 2
Local Area IV Jobs
2017 & 2018

	2017	2018	Change	% Change
Total, All Industries	291,405	295,131	3,726	1.3%
Total Private Sector	250,174	253,510	3,336	1.3%
Natural Resources and Mining	1,467	1,469	2	0.1%
Agriculture, Forestry, Fishing and Hunting	623	648	25	4.0%
Mining, Quarrying and Oil and Gas Extraction	844	821	-23	-2.7%
Construction	15,061	15,418	357	2.4%
Manufacturing	51,917	54,595	2,678	5.2%
Durable Goods Manufacturing	41,412	43,317	1,905	4.6%
Non-Durable Goods Manufacturing	10,507	11,279	772	7.3%
Trade, Transportation and Utilities	51,057	50,353	-704	-1.4%
Wholesale Trade	9,278	8,937	-341	-3.7%
Retail Trade	32,823	32,403	-420	-1.3%
Transportation, Warehousing and Utilities	8,956	9,013	57	0.6%
Information	4,410	4,236	-174	-3.9%
Financial Activities	11,680	11,168	-512	-4.4%
Finance and Insurance	8,145	7,363	-782	-9.6%
Real Estate and Rental and Leasing	3,535	3,805	270	7.6%
Professional and Business Services	32,871	33,395	524	1.6%
Professional, Scientific and Technical Services	11,337	11,268	-69	-0.6%
Management of Companies and Enterprises	3,158	3,282	124	3.9%
Administrative and Waste Services	18,376	18,845	469	2.6%
Education and Health Services	41,945	42,848	903	2.2%
Private Educational Services	4,356	4,535	179	4.1%
Health Care and Social Assistance	37,589	38,313	724	1.9%
Leisure and Hospitality	32,745	32,895	150	0.5%
Arts, Entertainment and Recreation	5,922	5,922	0	0.0%
Accommodation and Food Services	26,823	26,973	150	0.6%
Other Services	7,022	7,134	112	1.6%
Government	41,231	41,622	391	0.9%
Federal Government	4,786	4,867	81	1.7%
State Government	5,011	5,137	126	2.5%
State Government Educational Services	2,737	2,851	114	4.2%
State Government Excluding Education	2,274	2,286	12	0.5%
Local Government	31,435	31,618	183	0.6%
Local Government Educational Services	20,052	20,285	233	1.2%
Local Government Excluding Education	11,383	11,333	-50	-0.4%

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

Table 3
Largest Employers in Local Area IV*
(in alphabetical order)

Employer	Industry
Ascension Via Christi	Health Care and Social Assistance
Bombardier Learjet	Manufacturing
City of Wichita	Government
Derby Public Schools (USD 260)	Public Education
Dillons Food Stores	Retail Trade
Federal Government	Government
Genesis Health Clubs	Arts, Entertainment, and Recreation
Greater Wichita YMCA	Arts, Entertainment, and Recreation
Haysville Schools (USD 261)	Public Education
Johnson Controls	Manufacturing
Maize School District (USD 266)	Public Education
Sedgwick County Area Education Cooperative	Public Education
Sedgwick County Government	Government
Smithfield Foods	Manufacturing
Spirit Aerosystems	Manufacturing
State of Kansas	Government
Textron Aviation	Manufacturing
Walmart	Retail Trade
Wesley Medical Center	Health Care and Social Assistance
Wichita Public Schools (USD 259)	Public Education

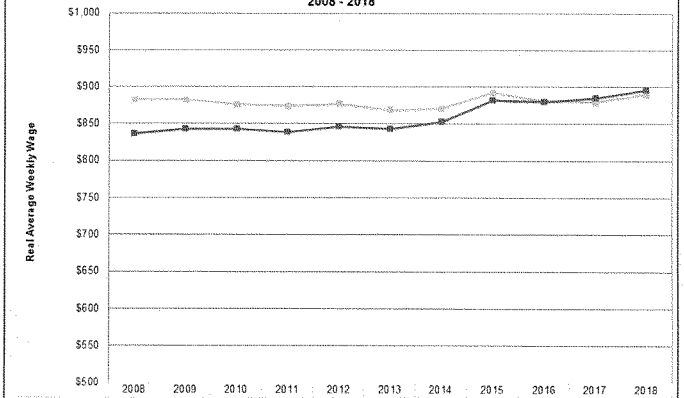
** - as of December 2018*
Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Quarterly Census of Employment and Wages

Table 3 shows the top 20 Local Area IV employers by employment size as of December 2018. Manufacturing and public education were the most represented industries on the list with five employers each. There were four government entities on the list as well. There were two employers each from the following industries: arts, entertainment and recreation; health care and social assistance; and retail trade.

Wages

The real average weekly wage in Local Area IV increased over the year by $10, or 1.1 percent, to $890 in 2018. As shown in *Chart 6,* this is the first time in three years that real wages have increased. Real wages have remained relatively flat over the past three years, decreasing by $2 in that time span. Also, Local Area IV real average weekly wages have dipped below the statewide average the past two years after being above the statewide average in previous years.

Chart 6
Real Average Weekly Wage
Local Area IV and Kansas
2008 - 2018



	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Local Area IV	$883	$883	$876	$874	$877	$869	$871	$892	$881	$880	$890
Kansas	$837	$843	$843	$839	$846	$843	$853	$882	$880	$885	$896

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Quarterly Census of Employment and Wages, and Consumer Price Index

Table 4 (pg. 99) shows the real average weekly wage by industry for 2017 and 2018. Six of the 11 major industries recorded an increase in real average weekly wages over the year, with only three industries recording an increase greater than five dollars. Manufacturing was the highest paying industry in 2018, recording a real average weekly wage of $1,334. However, this is little changed from one year ago since it represents an increase of one dollar. The largest increase in real average weekly wage was recorded in professional and business services. The real average weekly wage increased by $32 to $1,070 thanks to a large increase in the management of companies and enterprises sector. The construction real average weekly wage increased by $22 and the government real average weekly wage increased by $13. Smaller increases were also recorded in other services and trade, transportation and utilities.

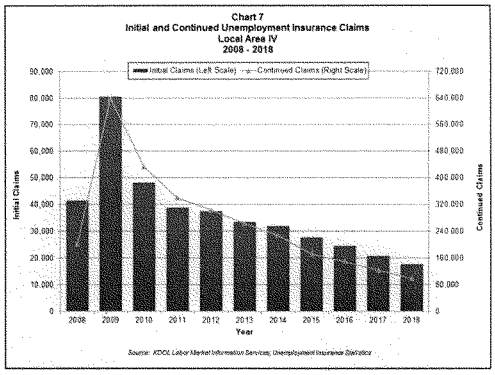
Five industries recorded a real average weekly wage decrease from 2017 to 2018. The natural resources and mining real average weekly wage decreased by $62 over the year, but this is a relatively small industry in Local Area IV, only employing about 1,500 people. Financial activities and information decreased by $15 and $13 respectively. Decreases of five dollars or less were recorded in education and health services and leisure and hospitality.

Table 4
Real Average Weekly Wage by Industry
Local Area IV
2017 & 2018

	2017	2018	Change	% Change
Total, All Industries	$880	$890	$10	1.1%
Total Private Sector	$890	$898	$8	0.9%
Natural Resources & Mining	$1,225	$1,163	-$62	-5.1%
Agriculture, Forestry, Fishing and Hunting	$1,136	$1,083	-$53	-4.7%
Mining, Quarrying and Oil and Gas Extraction	$1,291	$1,226	-$65	-5.0%
Construction	$947	$969	$22	2.3%
Manufacturing	$1,333	$1,334	$1	0.1%
Durable Goods Manufacturing	$1,368	$1,376	$8	0.6%
Non-Durable Goods Manufacturing	$1,195	$1,171	-$24	-2.0%
Trade, Transportation and Utilities	$712	$714	$2	0.3%
Wholesale Trade	$1,200	$1,211	$11	0.9%
Retail Trade	$526	$529	$3	0.6%
Transportation, Warehousing and Utilities	$890	$886	-$4	-0.4%
Information	$1,004	$991	-$13	-1.3%
Financial Activities	$1,053	$1,038	-$15	-1.4%
Finance and Insurance	$1,193	$1,202	$9	0.8%
Real Estate and Rental and Leasing	$728	$720	-$8	-1.1%
Professional and Business Services	$1,038	$1,070	$32	3.1%
Professional, Scientific and Technical Services	$1,167	$1,191	$24	2.1%
Management of Companies and Enterprises	$2,018	$2,214	$196	9.7%
Administrative and Waste Services	$789	$798	$9	1.1%
Education and Health Services	$842	$837	-$5	-0.6%
Private Educational Services	$694	$677	-$17	-2.4%
Health Care and Social Assistance	$859	$856	-$3	-0.3%
Leisure and Hospitality	$315	$314	-$1	-0.3%
Arts, Entertainment and Recreation	$343	$345	$2	0.6%
Accommodation and Food Services	$309	$308	-$1	-0.3%
Other Services	$639	$644	$5	0.8%
Government	$823	$836	$13	1.6%
Federal Government	$1,322	$1,336	$14	1.1%
State Government	$915	$921	$6	0.7%
State Government Educational Services	$1,048	$1,028	-$20	-1.9%
State Government Excluding Education	$756	$788	$32	4.2%
Local Government	$731	$746	$15	2.1%
Local Government Educational Services	$702	$722	$20	2.8%
Local Government Excluding Education	$782	$788	$6	0.8%

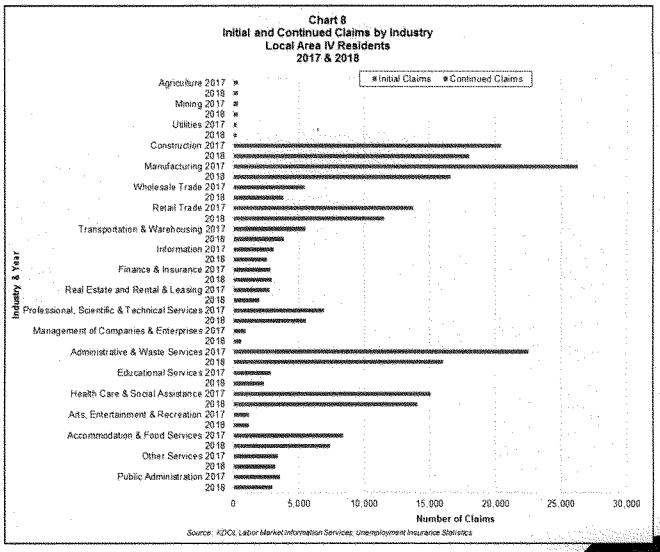
Note: Wages in 2018 dollars
Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Quarterly Census of Employment and Wages, and Consumer Price Index

Unemployment Insurance Statistics

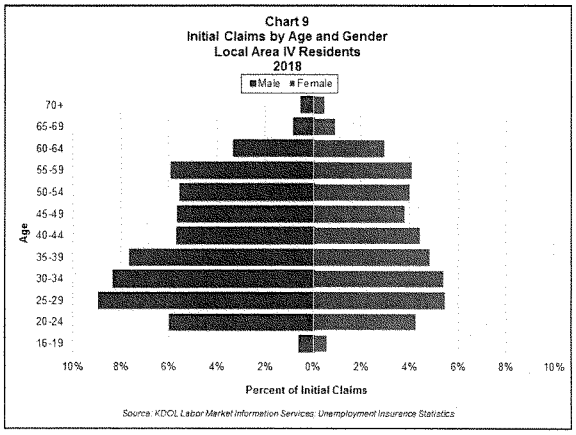


As shown in *Chart 7*, the number of initial claims filed by Local Area IV residents in 2018 decreased by 14.8 percent to 17,696 claims. The number of continued claims declined by 20.5 percent to 97,857 claims. This was also the ninth consecutive year that initial and continued claims decreased in Local Area IV. Initial claims are down 78 percent and continued claims are down 84.7 percent from their peak in 2009.

Chart 8 displays initial and continued claims by industry for claims filed by Local Area IV residents for 2017 and 2018. In 2018, construction industry workers filed the most initial and continued claims, with about 3,700 initial claims and 14,300 continued claims. Manufacturing and administrative and waste services both recorded over 2,000 initial claims and over 13,000 continued claims. The other industry to have 10,000 continued claims filed against it was health care and social assistance. Claims in these four industries made up 60.2 percent of initial claims and 55.2 percent of continued claims.



Charts 9 and 10 show the age and gender of Local Area IV residents filing initial and continued claims. There was not much of a gender gap in claims in Local Area IV with 58.9 percent of initial claims and 52.7 percent of continued claims in 2018 being filed by men. Residents between 25-39 years old filed 40.5 percent of initial claims, but the distribution by age of continued claims were fairly even between the age groups in the 25-59 year old range, with each five year group accounting for 10.5 to 13.2 percent of initial and continued claims.



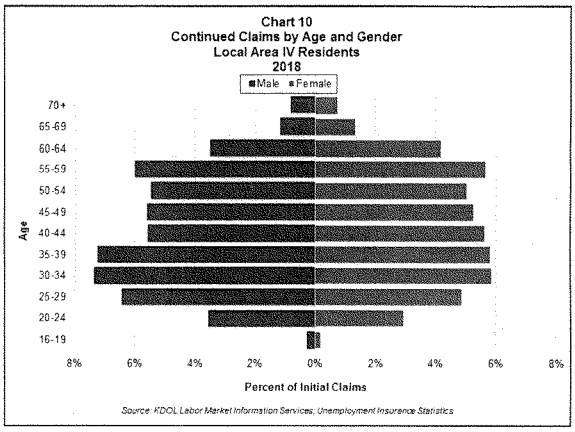
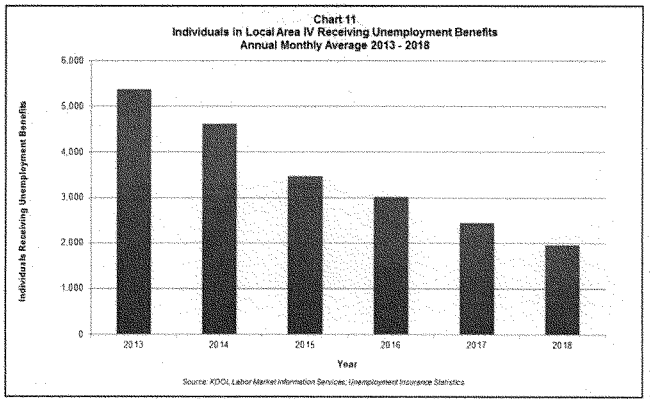
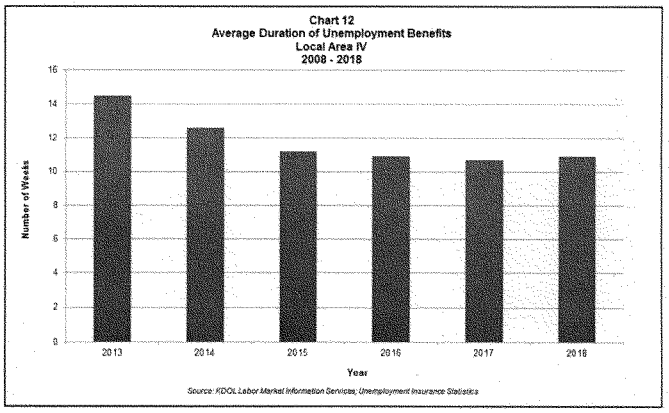


Chart 11 displays the monthly average of the number of Local Area IV residents receiving Kansas unemployment benefits from 2013 to 2018. The number of people receiving unemployment benefits has decreased the last five years. An average of 1,951 people a month in Local Area IV received unemployment benefits in 2018. *Chart 12* shows the average duration Local Area IV residents remained on unemployment benefits from 2013 to 2018. Average duration has stayed consistently around 11 weeks for the past four years.





Occupational Statistics

Table 5 displays the employment and median annual wage for each major occupational group in Local Area IV according to the *2019 Kansas Wage Survey* while *Tables 6 and 7 (pg. 104)* show the top 20 occupations by employment and median annual wage. In May 2018, 45,300 jobs were classified as being office and administrative support occupations, the most of any occupational group in Local Area IV. Six of the top 20 occupations by employment fell under this occupational group, with customer service representatives and secretaries and administrative assistants, except for legal, medical and executive being the two most common occupations in this group.

Three other occupational groups accounted for at least 25,000 jobs in Local Area IV. There were 32,210 jobs classified as production occupations, with the most common production occupation in Local Area IV being inspectors, testers, sorters, samplers and weighers. There are 30,290 jobs in the food preparation and serving related occupational group, with the most common occupation in this group being combined food preparation and serving workers, including fast food, the second most common occupation in Local Area IV. There are 27,600 sales and related jobs, with retail salespersons being the most common occupation in Local Area IV and cashiers being the third most common.

Table 5
Employment and Median Annual Wage by Occupational Group
Local Area IV
May 2018

Occupational Group	Employment	Median Annual Wage
Total, All Occupations	**299,840**	**$35,360**
Office and Administrative Support Occupations	45,300	$32,088
Production Occupations	32,210	$41,354
Food Preparation and Serving Related Occupations	30,290	$19,601
Sales and Related Occupations	27,600	$25,301
Education, Training and Library Occupations	19,080	$42,827
Healthcare Practitioners and Technical Occupations	17,740	$53,976
Transportation and Material Moving Occupations	16,250	$31,396
Installation, Maintenance and Repair Occupations	14,320	$46,123
Construction and Extraction Occupations	14,010	$38,267
Business and Financial Operations Occupations	13,380	$61,179
Personal Care and Service Occupations	12,020	$21,963
Management Occupations	11,890	$86,594
Healthcare Support Occupations	8,480	$26,345
Building and Grounds Cleaning & Maintenance Occupations	7,880	$23,976
Architecture and Engineering Occupations	7,440	$79,174
Protective Service Occupations	6,340	$36,280
Computer and Mathematical Occupations	5,500	$64,374
Community and Social Services Occupations	3,620	$40,558
Arts, Design, Entertainment, Sports and Media Occupations	3,560	$36,552
Legal Occupations	1,560	$55,068
Life, Physical and Social Science Occupations	1,080	$67,330
Farming, Fishing and Forestry Occupations	270	$29,641

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Occupational Employment Statistics

Table 6
Top 20 Occupations by Employment
Local Area IV
May 2018

Occupation	Employment
Retail Salespersons	9,400
Combined Food Preparation and Serving Workers, Including Fast Food	8,940
Cashiers	6,910
Waiters and Waitresses	6,000
Customer Service Representatives	5,850
Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	5,750
Registered Nurses	5,600
Personal Care Aides	5,580
Nursing Assistants	4,580
Teacher Assistants	4,430
Stock Clerks and Order Fillers	4,400
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	4,360
Elementary School Teachers, Except Special Education	3,860
Office Clerks, General	3,510
General and Operations Managers	3,440
Bookkeeping, Accounting, and Auditing Clerks	3,290
First-Line Supervisors of Office and Administrative Support Workers	3,280
Maintenance and Repair Workers, General	3,150
Laborers and Freight, Stock, and Material Movers, Hand	3,140
Heavy and Tractor-Trailer Truck Drivers	2,880

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Occupational Employment Statistics

The median annual wage in Local Area IV as of May 2018 was $35,360. The highest paying occupational group was management, which earned a median annual wage of $86,594. Eight of the top 20 highest paid occupations were management occupations. Three other occupational groups had annual median wages of at least $60,000: architecture and engineering, computer and mathematical, and business and financial operations. Also of note is that eight of the top 20 highest paying occupations were healthcare practitioner and technical occupations.

Table 7
Top 20 Occupations by Median Annual Wage
Local Area IV
May 2018

Occupation	Median Annual Wage
Obstetricians and Gynecologists	$188,941
Dentists, General	$183,100
Family and General Practitioners	$180,972
Nurse Anesthetists	$146,702
Chief Executives	$139,403
Pharmacists	$123,359
Architectural and Engineering Managers	$123,069
Petroleum Engineers	$119,241
Pediatricians, General	$114,654
Sales Managers	$114,142
Marketing Managers	$113,610
Computer and Information Systems Managers	$111,668
Judges, Magistrate Judges, and Magistrates	$110,521
Veterinarians	$107,563
Financial Managers	$106,518
Actuaries	$106,367
Aerospace Engineers	$104,347
Natural Sciences Managers	$99,603
Optometrists	$97,289
Compensation and Benefits Managers	$95,226

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Occupational Employment Statistics

Job Vacancies

According to the *2019 Kansas Job Vacancy Survey*, there were 12,488 job vacancies in Local Area IV during the second quarter of 2019, an 11 percent increase from the second quarter of 2018. This represents the most vacancies recorded in Local Area IV since the *Kansas Job Vacancy Survey* started in 2004. The Local Area IV job vacancy rate was four percent, indicating that for every 100 positions in Local Area IV, four were vacant and 96 were filled.

Table 8
Job Vacancies and Average Hourly Lowest Wage Offer by Industry Supersector
Local Area IV
Second Quarter 2019

Industry Supersector	Job Vacancies	Average Hourly Lowest Wage Offer
Total, All Industries	**12,488**	**$12.77**
Leisure and Hospitality	3,073	$9.83
Trade, Transportation, and Utilities	2,462	$12.75
Professional and Business Services	1,598	$12.07
Education and Health Services	1,379	$14.32
Manufacturing	1,273	$12.54
Government	1,199	$17.39
Construction	752	$13.06
Other Services	545	NA
Financial Activities	110	$11.65
Information	77	$14.06
Natural Resources and Mining	0	NA

Note: Numbers may not add up due to rounding
Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, 2019 Kansas Job Vacancy Survey

There were 0.9 unemployed people for every vacancy in Local Area IV, an improvement of 0.1 from one year ago. Since the number of vacancies is higher than the number of unemployed people, this indicates there is potentially a labor shortage in Local Area IV. Additionally, there may be a skills or location mismatch between unemployed people and the available positions leading to continued difficulty finding and filling jobs. One benefit of the tightening labor market is it may eventually lead to an increase in wages as the supply of workers for available positions continues to decrease.

The number of job vacancies by industry in Local Area IV is displayed in *Table 8* while the top 10 occupations with the most vacancies are shown in *Chart 13*. Also shown is the average lowest hourly wage offered for vacancies in each of those industries and occupations. Trade, transportation and utilities and leisure and hospitality were the top two industries due to most jobs in those industries having high turnover. Four other industries recorded at least 1,000 job vacancies: professional and business services, education and health services, manufacturing and government.

Waiters and waitresses was the occupation with the most openings in Local Area IV with 488 job vacancies. Most of the occupations in the top 10 are low paying occupations with high turnover rates leading to a greater number of job vacancies. There are two occupations in the top 10 that pay more than $15 per hour. General and operations managers were the highest paying occupation in the top 10, with an average lowest wage offer of $22.85 per hour. The other high paying occupation was accountants and auditors, with 258 job vacancies offering an average of $20.36 per hour.

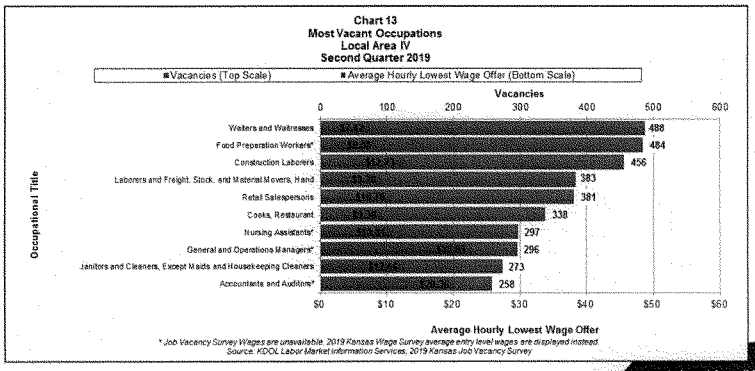


Chart 14 shows the percentage of job vacancies by educational requirement as well as the average lowest hourly wage offered by educational requirement. The average lowest hourly wage offered by educational requirement ranged from $10.69 for vacancies with no educational requirements to $48.72 for vacancies requiring a doctoral or professional degree. The average lowest wage offered for all vacancies was $12.77 per hour. The majority of vacancies, 52.8 percent, required a high school diploma or GED or had no educational requirements at all. About 26 percent of openings required a post-secondary vocational certificate, an associate degree or a bachelor's degree while only a small percentage of vacancies required a postgraduate degree.

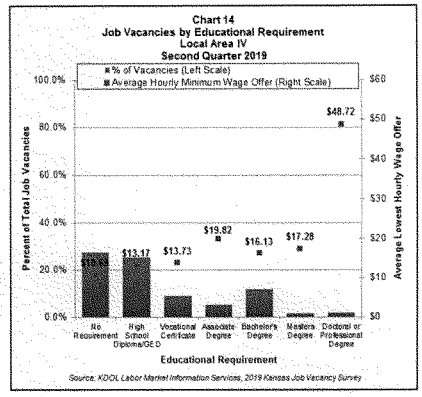


Table 9 displays the amount of benefits offered by type of job vacancy. Most job vacancies, 59.2 percent, offered at least one of the benefits asked about on the survey: health insurance, paid time off or a retirement plan, with 82.4 percent of vacancies for permanent full-time jobs offering benefits. Only 10.5 percent of part-time and temporary full-time job vacancies offered benefits. Larger establishments are also more likely to offer benefits with 73.8 percent of vacancies at establishments with 50 or more employees offering benefits compared to 46 percent of vacancies at smaller establishments. Also the higher the educational requirements of a position the more likely it is to offer benefits, with only 57.8 percent of vacancies with no educational requirements offering benefits compared to 75.9 percent of vacancies that required a high school diploma or 76.9 percent of vacancies that required post-secondary education.

Table 9
Benefits Offered by Job Vacancy Type
Local Area IV
Second Quarter 2019

Benefit Offered	All Vacancies	Job Types		Establishment Size		Educational Requirement		
		Permanent Full-Time	All Other Job Types	1 - 49	50+	No Requirement	HS Diploma or GED	Post-Secondary Education
At Least One Benefit Offered	59.2%	82.4%	10.5%	46.0%	73.8%	57.8%	75.9%	76.9%
Health Insurance	52.8%	74.9%	6.6%	38.5%	68.7%	52.0%	62.1%	72.5%
Paid Time Off	54.7%	77.2%	7.5%	42.3%	68.3%	51.5%	70.9%	71.7%
Retirement Plan	50.4%	70.6%	8.0%	34.2%	68.3%	48.2%	59.4%	70.2%
Unknown	22.0%	10.9%	45.3%	25.1%	18.6%	4.9%	7.0%	9.0%

Source: KDOL Labor Market Information Services, 2019 Kansas Job Vacancy Survey

Short-Term Projections

This section will detail short-term projections by industry and occupation for the first quarter 2020 from the first quarter 2018. To approximate Local Area IV, the data used in this section, as well as the long-term projections and high demand occupations sections, will be for the South Central Kansas Projection Region. This area is slightly different from Local Area IV since it includes Harvey County.

Table 10 displays the top 10 industries by numerical change. Total jobs are expected to increase by 6,598 jobs, or two percent, to 340,007, over the two-year period. The annual average growth rate is expected to be one percent. The industry expected to add the most jobs is manufacturing, which is projected to grow by 1,864 jobs followed by health care and social assistance adding 1,148 jobs. Accommodation and food services and educational services are both expected to add at least 500 jobs over the projection period as well. Arts, entertainment and recreation is projected to have the highest percent growth from 2018 to 2020, with jobs increasing by five percent.

Table 10
Top 10 Industries by Numerical Job Change
South Central Projection Region
2018 - 2020

Industry	Job Numbers		Job Changes		
	Quarter 1 2018	Quarter 1 2020	Numerical	Percent	Annual Avg. Growth %
Total, All Industries	333,409	340,007	6,598	2.0%	1.0%
Manufacturing	56,781	58,645	1,864	3.3%	1.6%
Health Care and Social Assistance	43,707	44,855	1,148	2.6%	1.3%
Accommodation and Food Services	27,497	28,183	686	2.5%	1.2%
Educational Services	32,145	32,654	509	1.6%	0.8%
Construction	15,607	16,098	491	3.1%	1.6%
Administrative and Support and Waste Management and Remediation Services	18,800	19,253	453	2.4%	1.2%
Professional, Scientific, and Technical Services	12,364	12,813	449	3.6%	1.8%
Transportation and Warehousing	9,398	9,748	350	3.7%	1.8%
Arts, Entertainment, and Recreation	5,759	6,047	288	5.0%	2.5%
Government	16,990	17,186	196	1.2%	0.6%

Note: The South Central Projection Region differs from Local Area IV since it includes Harvey County.
Source: KDOL Labor Market Information Services and the U.S. DOL Employment & Training Administration, Employment Projections

Table 11 shows the top 10 growing occupational groups by numerical change. Over the projection period, food preparation and serving related occupations are expected to add the most jobs, gaining 775 jobs, or 2.7 percent. Production occupations are projected to add 733 jobs while personal care and service occupations are expected to grow by 523 jobs. Architecture and engineering is the occupational group expected to grow the fastest, with jobs increasing by 4.6 percent. It is expected that there will be 79,887 openings over the projection period, or an average of 39,943 per year from new jobs and separation openings. Approximately 91.7 percent or 73,289 openings will be separation openings.

Table 11
Top 10 Occupational Groups by Numerical Job Change
South Central Projection Region
2018 - 2020

Occupations	Job Numbers		Job Changes			Total Openings
	Quarter 1 2018	Quarter 1 2020	Numerical	Percent	Annual Avg. Growth %	
Total, All Occupations	333,409	340,007	6,598	2.0%	1.0%	79,887
Food Preparation and Serving Related Occupations	29,067	29,842	775	2.7%	1.3%	10,611
Production Occupations	34,398	35,131	733	2.1%	1.1%	8,354
Personal Care and Service Occupations	13,423	13,946	523	3.9%	1.9%	4,458
Construction and Extraction Occupations	16,648	17,144	496	3.0%	1.5%	3,924
Healthcare Practitioners and Technical Occupations	19,461	19,907	446	2.3%	1.1%	2,516
Installation, Maintenance, and Repair Occupations	15,547	15,969	422	2.7%	1.3%	3,298
Business and Financial Operations Occupations	14,742	15,155	413	2.8%	1.4%	3,067
Management Occupations	16,647	17,055	408	2.5%	1.2%	2,989
Education, Training, and Library Occupations	20,577	20,936	359	1.7%	0.9%	3,986
Office and Administrative Support Occupations	52,086	52,444	358	0.7%	0.3%	11,988

Note: The South Central Projection Region differs from Local Area IV since it includes Harvey County.
Source: KDOL Labor Market Information Services and the U.S. DOL Employment & Training Administration, Employment Projections

The Bureau of Labor Statistics assigns the level of education typically needed to enter each occupation. There are eight categories shown in *Table 12*. The greatest numerical change in jobs is projected for those that require a high school diploma or equivalent and is expected to add 2,456 jobs. Occupations requiring a bachelor's degree are expected to increase by 1,616 jobs, and occupations with no formal educational requirements are projected to increase by 1,274 jobs. Jobs in occupations requiring a master's degree are expected to record the fastest percent growth, at 2.9 percent over the projection period.

Table 12
Projections by Education Requirement
South Central Projection Region
2018 - 2020

Education	Job Numbers		Job Changes			Total Openings
	Quarter 1 2018	Quarter 1 2020	Numerical	Percent	Annual Avg. Growth %	
Total	**333,409**	**340,007**	**6,598**	**2.0%**	**1.0%**	**79,887**
High school diploma or equivalent	144,118	146,574	2,456	1.7%	0.9%	34,328
Bachelor's degree	64,223	65,839	1,616	2.5%	1.3%	11,745
No formal educational credential	73,116	74,390	1,274	1.7%	0.9%	23,469
Postsecondary non-degree award	23,059	23,664	605	2.6%	1.3%	5,101
Associate degree	8,052	8,279	227	2.8%	1.4%	1,517
Doctoral or professional degree	6,326	6,473	147	2.3%	1.2%	744
Some college, no degree	10,023	10,164	141	1.4%	0.7%	2,161
Master's degree	4,492	4,624	132	2.9%	1.5%	822

Note: The South Central Projection Region differs from Local Area IV since it includes Harvey County.
Source: KDOL Labor Market Information Services and the U.S. DOL Employment & Training Administration, Employment Projections

Long-Term Projections

Local Area IV total jobs in all industries are expected to grow by 12,977 to 341,697 jobs from 2016 to 2026, an increase of 3.9 percent over the 10-year period. This averages out to 1,298 jobs per year, a 0.4 percent average annual growth. Goods-producing industries are projected to lose 1,047 jobs and decrease at an average annual rate of 0.2 percent from 2016 to 2026 while service providing industries are projected to add 13,345 jobs to grow at 0.5 percent annually over that period. The number of self-employed workers is expected to increase over the projection period.

Table 13 shows the top 10 industries by numerical change over the 10-year projection period. The health care and social assistance industry is projected to gain the largest number of jobs over the 10-year period with an additional 4,578 jobs. Administrative and support and waste management and remediation services is expected to gain 2,370 jobs. Five other industries are projected to add at least 1,000 jobs, including transportation and warehousing which is expected to experience the fastest percent growth at 1.2 percent annually.

Table 13
Top 10 Industries by Numerical Job Change
South Central Projection Region
2016 - 2026

Industry	Job Numbers		Job Changes		
	Base Year 2016	Projection Year 2026	Numerical	Percent	Annual Avg. Growth %
Total All Industries	**328,720**	**341,697**	**12,977**	**3.9%**	**0.4%**
Health Care and Social Assistance	43,811	48,389	4,578	10.4%	1.0%
Administrative and Support and Waste Management and Remediation Services	19,749	22,119	2,370	12.0%	1.1%
Accommodation and Food Services	27,789	29,462	1,673	6.0%	0.6%
Educational Services	29,230	30,632	1,402	4.8%	0.5%
Transportation and Warehousing	9,559	10,740	1,181	12.4%	1.2%
Construction	16,441	17,542	1,101	6.7%	0.7%
Professional, Scientific, and Technical Services	12,107	13,130	1,023	8.4%	0.8%
Retail Trade	35,171	35,826	655	1.9%	0.2%
Arts, Entertainment, and Recreation	5,836	6,303	467	8.0%	0.8%
Government	17,518	17,916	398	2.3%	0.2%

Note: The South Central Projection Region differs from Local Area IV since it includes Harvey County.
Source: KDOL Labor Market Information Services and the U.S. DOL Employment & Training Administration, Employment Projections

Table 14 shows the top 10 occupational groups projected to gain the largest number of jobs over the projection period. Personal care and service occupations are projected to add the most jobs and grow at the fastest rate, increasing by 2,758 jobs, or 20.2 percent over the 10-year period. Food preparation and service related occupations are expected to add 1,922 jobs. Five other occupational groups are projected to add at least 1,000 jobs: healthcare practitioners and technical, education, training and library, transportation and material moving, construction and extraction, and management.

Table 14
Top 10 Occupational Groups by Numerical Job Change
South Central Projection Region
2016 - 2026

Occupations	Job Numbers		Job Changes			Total Openings
	Base Year 2016	Projection Year 2026	Numerical	Percent	Annual Avg. Growth %	
Total, All Occupations	**328,720**	**341,697**	**12,977**	**3.9%**	**0.4%**	**379,640**
Personal Care and Service Occupations	13,643	16,401	2,758	20.2%	1.9%	24,322
Food Preparation and Serving Related Occupations	29,218	31,140	1,922	6.6%	0.6%	52,367
Healthcare Practitioners and Technical Occupations	19,214	20,490	1,276	6.6%	0.6%	11,727
Education, Training, and Library Occupations	18,876	20,067	1,191	6.3%	0.6%	18,255
Transportation and Material Moving Occupations	18,841	19,992	1,151	6.1%	0.6%	23,810
Construction and Extraction Occupations	17,061	18,146	1,085	6.4%	0.6%	18,963
Management Occupations	16,463	17,467	1,004	6.1%	0.6%	14,000
Business and Financial Operations Occupations	14,375	15,316	941	6.5%	0.6%	14,133
Building and Grounds Cleaning and Maintenance Occupations	9,662	10,600	938	9.7%	0.9%	13,487
Healthcare Support Occupations	9,264	9,897	633	6.8%	0.7%	11,268

Note: The South Central Projection Region differs from Local Area IV since it includes Harvey County.
Source: KDOL Labor Market Information Services and the U.S. DOL Employment & Training Administration, Employment Projections

Table 15 displays projected employment by education requirements. The largest increase in jobs is projected to be in those occupations requiring a bachelor's degree, with an expected gain of 4,080 jobs over the projection period. Occupations with no formal educational requirements are expected to add 3,608 jobs. Occupations requiring a high school diploma or equivalent is projected to grow by 2,910 jobs. All the other educational groups are expected to add fewer than 1,000 jobs. The educational category projected to grow the fastest are occupations requiring a master's degree. These are expected to grow by 10.2 percent over the 10-year period.

Table 15
Projections by Education Requirement
South Central Projection Region
2016 - 2026

Education	Job Numbers		Job Changes			Total Openings
	Base Year 2016	Projection Year 2026	Numerical	Percent	Annual Avg. Growth %	
Total	**328,720**	**341,697**	**12,977**	**3.9%**	**0.4%**	**379,640**
Bachelor's degree	62,510	66,590	4,080	6.5%	0.7%	54,220
No formal educational credential	74,250	77,858	3,608	4.9%	0.5%	118,060
High school diploma or equivalent	141,259	144,169	2,910	2.1%	0.2%	160,048
Postsecondary non-degree award	23,000	23,925	925	4.0%	0.4%	23,493
Master's degree	4,260	4,695	435	10.2%	1.0%	3,842
Associate degree	7,838	8,266	428	5.5%	0.5%	6,794
Doctoral or professional degree	6,016	6,356	340	5.7%	0.6%	3,236
Some college, no degree	9,587	9,838	251	2.6%	0.3%	9,947

Note: The South Central Projection Region differs from Local Area IV since it includes Harvey County.
Source: KDOL Labor Market Information Services and the U.S. DOL Employment & Training Administration, Employment Projections

High Demand Occupations

Table 16 displays the 15 occupations in highest demand in Local Area IV. Nine of the occupations received the maximum demand score of 30 while the other six occupations in *Table 16* had a demand score of 29. These occupations currently have the most openings in Local Area IV and are projected to have the most openings in 2020 and 2026. Overall, there are 154 high demand occupations in Local Area IV, meaning they had a demand score of ten or greater.

Table 16
High Demand Occupations
Local Area IV
2019

Occupation	Demand Score	Median Annual Wage	Education	On-the-Job Training
General and Operations Managers	30	$81,050	Bachelor's Degree	None
Construction Laborers	30	$31,340	No formal educational credential	Short-term on-the-job training
Laborers and Freight, Stock, and Material Movers, Hand	30	$30,060	No formal educational credential	Short-term on-the-job training
Cooks, Restaurant	30	$24,400	No formal educational credential	Moderate-term on-the-job training
Nursing Assistants	30	$24,240	Postsecondary nondegree award	None
Retail Salespersons	30	$23,060	No formal educational credential	Short-term on-the-job training
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	30	$22,790	No formal educational credential	Short-term on-the-job training
Food Preparation Workers	30	$21,470	No formal educational credential	Short-term on-the-job training
Waiters and Waitresses	30	$18,510	No formal educational credential	Short-term on-the-job training
Accountants and Auditors	29	$62,390	Bachelor's Degree	None
Registered Nurses	29	$55,580	Bachelor's Degree	None
Heavy and Tractor-Trailer Truck Drivers	29	$40,540	Postsecondary nondegree award	Short-term on-the-job training
First-Line Supervisors of Retail Sales Workers	29	$39,010	High School Diploma or equivalent	None
Teacher Assistants	29	$25,060	Some College, no degree	None
Combined Food Preparation and Serving Workers, Including Fast Food	29	$19,100	No formal educational credential	Short-term on-the-job training

Source: KDOL Labor Market Information Services, High Demand Occupations

Eight of the 15 occupations in *Table 16* require only a high school diploma or have no educational requirements and require only short-term or no on-the-job training. These occupations are attainable for workers with little to no education or training. Occupations requiring little training or education tend to have lower wages. Those nine occupations in this list have median wages between $18,510 and $39,010 per year. Because of the low wages and the fact that many of these occupations are part-time, employers are able to hire more workers. This partly explains the high demand score.

Table 17
High Demand High Wage Occupations
Local Area IV
2019

Occupation	Demand + Wage Score	Median Annual Wage	Education	On-the-Job Training
General and Operations Managers	37	$81,050	Bachelor's Degree	None
Accountants and Auditors	33	$62,390	Bachelor's Degree	None
Registered Nurses	32	$55,580	Bachelor's Degree	None
Financial Managers	30	$106,520	Bachelor's Degree	None
Aerospace Engineers	30	$104,350	Bachelor's Degree	None
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	30	$61,230	High School Diploma or equivalent	Moderate-term on-the-job training
Business Operations Specialists, All Other	28	$72,700	Bachelor's Degree	None
Aircraft Structure, Surfaces, Rigging, and Systems Assemblers	28	$54,730	High School Diploma or equivalent	Moderate-term on-the-job training
Inspectors, Testers, Sorters, Samplers, and Weighers	28	$49,710	High School Diploma or equivalent	Moderate-term on-the-job training
Medical and Health Services Managers	27	$96,700	Bachelor's Degree	None
Secondary School Teachers, Except Special and Career/Technical Education	26	$50,380	Bachelor's Degree	None
Elementary School Teachers, Except Special Education	26	$48,930	Bachelor's Degree	None
Sales Managers	25	$114,140	Bachelor's Degree	None
First-Line Supervisors of Office and Administrative Support Workers	25	$50,620	High School Diploma or equivalent	None

Source: KDOL Labor Market Information Services, High Demand Occupations

One other explanation is that there is a high level of turnover in these occupations. Many of the openings in these occupations are the result of people leaving the occupation to move to another occupation and not the result of industry growth. Furthermore, many of the occupations with the highest separation rate are those that require only a high school education or less and little or no training.

In Local Area IV, 56 of the high demand occupations also pay high wages. These occupations had a combined demand and wage score of 11 or greater. *Table 17 (pg. 111)* lists the 14 high demand high wage occupations with a combined demand and wage score of 25 or greater. Unlike the high demand occupations listed in *Table 16*, 13 out of the top 14 occupations on the high demand high wage list either required a bachelor's degree or moderate-term on-the-job training. Also noteworthy is that three occupations listed in *Table 16* also were on the high demand high wage list: general and operations managers, accountants and auditors and registered nurses.

Local Area V (Southeast Kansas) Summary

Population

Local Area V consists of 17 counties in southeast Kansas. The two largest cities in this region are Emporia and Pittsburg. *Chart 1* displays the population of Local Area V from 2008 to 2018. The Local Area V population was estimated at 270,833 in 2018. This represents a loss of 416 people, or 0.2 percent. The population of Local Area V has decreased every year represented in *Chart 1*, with the Local Area V population declining by 12,963, or 4.6 percent, since 2008.

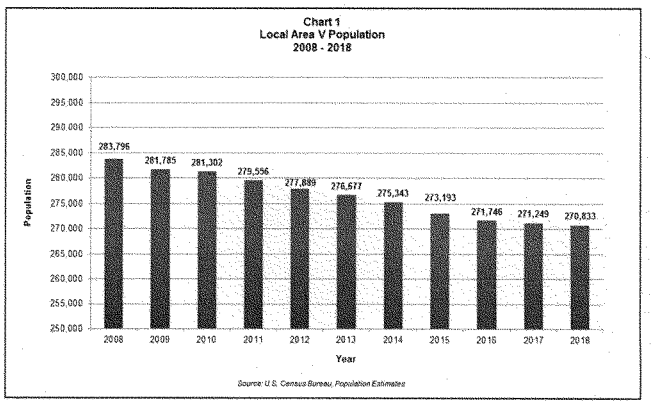
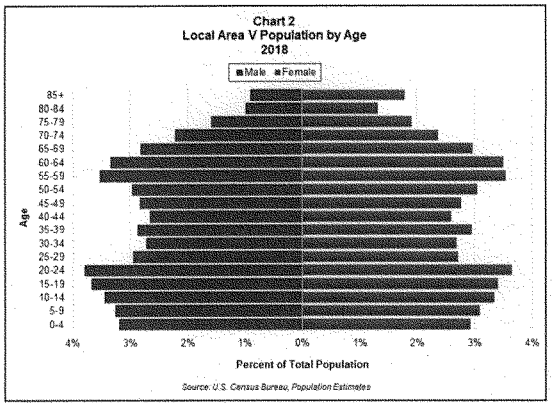


Chart 2 (pg. 114) displays the Local Area V population by age group and gender. The population pyramid for Local Area V shows that there are two major peaks in the population, one centering on the 20-24 year old age group and one centering on the 55-59 year old age group with a trough in the middle. The younger peak represents younger members of the millennial generation while the older peak represents the younger members of the baby boomer generation. The 20-24 year old age group makes up the largest share of the Local Area V population at 7.4 percent, with the 15-19 and 55-59 year old age groups also representing at least seven percent of the local area population.

For economic purposes, the two main age groups that are studied are the 16 and over population and the 25-54 population. The 16 and over population includes everyone who is eligible to be in the labor force, while 25-54 year olds are considered prime age workers. The 16 and over population for Local Area V in 2018 was 215,069, a decrease of 200 from 2017, or 0.1 percent. The 25-54 year old population was 91,119 in 2018, a decrease of 882, or one percent from the previous year. Most age groups in the prime age worker range recorded a decline in population with the 50-54 age group decreasing the most indicating that some of the decline may be due to people aging out of the 25-54 group.



Future labor force growth may be in jeopardy since the population under 25 also decreased by 437, or 0.5 percent. All but one age group in this age range recorded a decrease in population but a majority of the decline is in the population of children 14 years old and under, which decreased by 378 people. The 15-19 year old age group was the only younger age group to record an increase in population from 2017 to 2018. The 20-24 year old age group, which would include recent college graduates, also recorded a 0.7 percent decline in population.

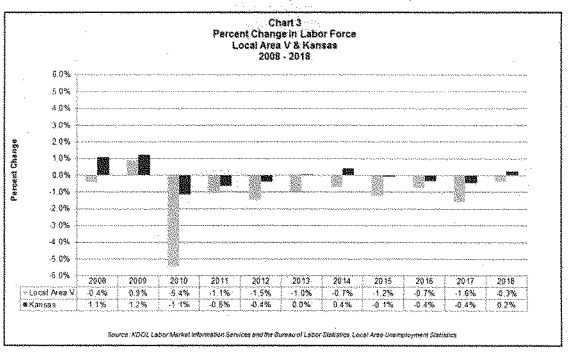
Labor Force Statistics

Table 1 shows there were 131,420 people in the Local Area V labor force in 2018, a 0.3 percent decrease. There were 126,125 Local Area V residents working in 2018, a small increase of 55 individuals. The number of unemployed people decreased by 515 people, or 8.9 percent, to 5,295. This is the ninth consecutive year that the labor force has decreased in Local Area V as displayed in *Chart 3*. In that time span, the Local Area V labor force has decreased by 19,316, or 12.8 percent.

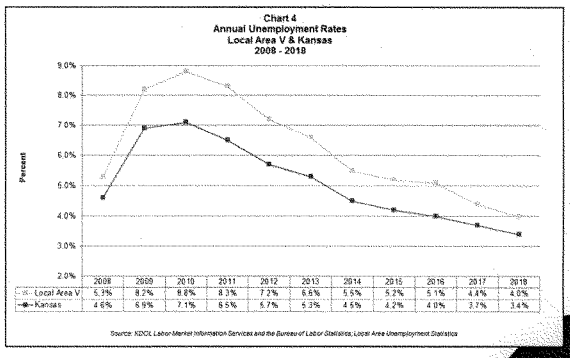
Table 1
Labor Force Statistics
Local Area V
2017 & 2018

	2017	2018	Change	% Change
Civilian Labor Force	131,880	131,420	-460	-0.3%
Employed	126,070	126,125	55	0.0%
Unemployed	5,810	5,295	-515	-8.9%
Unemployment Rate	4.4	4.0	-0.4	

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Local Area Unemployment Statistics



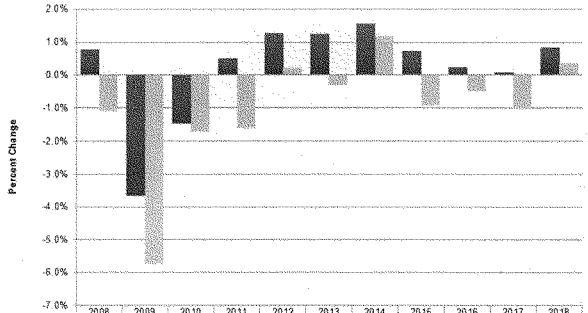
In 2018, the Local Area V unemployment rate decreased for the eighth consecutive year to four percent, as seen in *Chart 4*. This represents a decrease of 0.4 percentage points and is the lowest annual unemployment rate recorded since 1990, when county and local area unemployment rates became available. This is the first time the Local Area V unemployment rate has been at four percent or lower. The unemployment rate is 1.7 percentage points lower than the historical average annual unemployment rate for Local Area V which is 5.7 percent.



Jobs

In 2018, Local Area V recorded 103,343 total jobs with 77,005 of these being private sector jobs. This was an increase from 2017 of 364 total jobs, or 0.4 percent, and 333 private sector jobs, or 0.4 percent. *Chart 5* shows that 2018 marked the first year of job growth in Local Area V since 2014. A decline of 2,193 jobs, or 2.1 percent, has occurred since 2014.

Chart 5
Percent Change in Jobs
Local Area I & Kansas
2008 - 2018



	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Kansas	0.8%	-3.6%	-1.5%	0.5%	1.3%	1.2%	1.5%	0.7%	0.2%	0.1%	0.8%
Local Area V	-1.1%	-5.7%	-1.7%	-1.6%	0.2%	-0.3%	1.2%	-0.9%	-0.5%	-1.0%	0.4%

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Quarterly Census of Employment and Wages

Job growth was recorded in six of the 11 major industries in Local Area V during 2018 as seen in *Table 2 (pg. 117)*. Manufacturing added the most jobs, gaining 839 jobs, or 4.4 percent. Growth was recorded in both durable and nondurable goods manufacturing. Professional and business services added 116 jobs, with most of the growth recorded in administrative and waste services. Four other industries increased by fewer than 100 jobs each: natural resources and mining, government, financial activities and other services.

Five major industries lost jobs from 2017 to 2018. Trade, transportation and utilities decreased the most, declining by 244 jobs, or 1.3 percent. Losses were recorded in wholesale trade and retail trade. Education and health services decreased by 226 jobs, or 1.6 percent, with all the losses recorded in health care and social assistance. Construction lost 120 jobs, or 3.2 percent. The leisure and hospitality industry and information industry each lost fewer than 100 jobs.

Table 2
Local Area V Jobs
2017 & 2018

	2017	2018	Change	% Change
Total, All Industries	102,979	103,343	364	0.4%
Total Private Sector	76,672	77,005	333	0.4%
Natural Resources and Mining	1,620	1,666	46	2.8%
Agriculture, Forestry, Fishing and Hunting	672	694	22	3.3%
Mining, Quarrying and Oil and Gas Extraction	948	972	24	2.5%
Construction	3,763	3,643	-120	-3.2%
Manufacturing	18,968	19,807	839	4.4%
Durable Goods Manufacturing	10,472	11,110	638	6.1%
Non-Durable Goods Manufacturing	8,497	8,699	202	2.4%
Trade, Transportation and Utilities	18,630	18,386	-244	-1.3%
Wholesale Trade	3,229	3,169	-60	-1.9%
Retail Trade	11,090	10,905	-185	-1.7%
Transportation, Warehousing and Utilities	4,311	4,312	1	0.0%
Information	1,065	1,018	-47	-4.4%
Financial Activities	3,232	3,262	30	0.9%
Finance and Insurance	2,506	2,507	1	0.0%
Real Estate and Rental and Leasing	726	755	29	4.0%
Professional and Business Services	5,655	5,771	116	2.1%
Professional, Scientific and Technical Services	1,613	1,592	-21	-1.3%
Management of Companies and Enterprises	419	454	35	8.4%
Administrative and Waste Services	3,623	3,725	102	2.8%
Education and Health Services	13,773	13,547	-226	-1.6%
Private Educational Services	116	121	5	4.3%
Health Care and Social Assistance	13,657	13,426	-231	-1.7%
Leisure and Hospitality	8,435	8,373	-62	-0.7%
Arts, Entertainment and Recreation	462	468	6	1.3%
Accommodation and Food Services	7,973	7,905	-68	-0.9%
Other Services	1,532	1,533	1	0.1%
Government	26,307	26,338	31	0.1%
Federal Government	891	896	5	0.6%
State Government	3,940	3,844	-96	-2.4%
State Government Educational Services	1,841	1,805	-36	-2.0%
State Government Excluding Education	2,099	2,039	-60	-2.9%
Local Government	21,475	21,599	124	0.6%
Local Government Educational Services	11,827	11,939	112	0.9%
Local Government Excluding Education	9,648	9,660	12	0.1%

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

Table 3
Largest Employers in Local Area V*
(in alphabetical order)

Employer	Industry
Ascension Via Christi	Health Care and Social Assistance
Caseys General Stores	Retail Trade
Cobalt Boats	Manufacturing
Emporia Public Schools (USD 253)	Public Education
Federal Government	Government
Gates Corporation	Manufacturing
Hostess Brands LLC	Manufacturing
Labette Health	Health Care and Social Assistance
Medicalodges Inc	Health Care and Social Assistance
Newman Regional Health	Health Care and Social Assistance
Paola School District (USD 368)	Public Education
Pittsburg Community Schools (USD 250)	Public Education
SEK Interlocal #637	Public Education
Simmons Pet Food	Manufacturing
Spears Caney Inc	Manufacturing
State of Kansas	Government
Sugar Creek Packing Company	Manufacturing
Tyson Foods	Manufacturing
Walmart	Retail Trade
Wolf Creek Nuclear Operating Corporation	Utilities

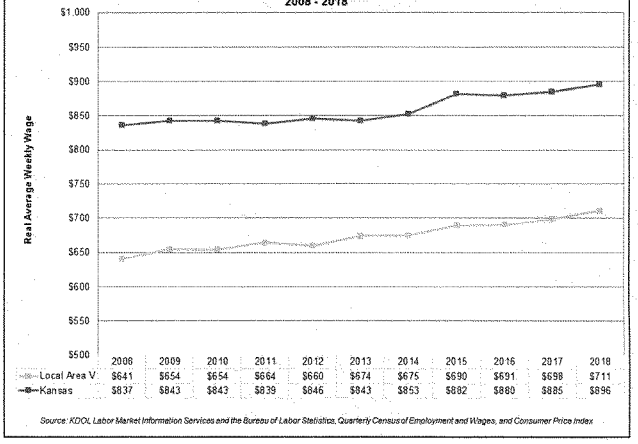
** - as of December 2018*
Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Quarterly Census of Employment and Wages

Table 3 shows the top 20 Local Area V employers by employment size as of December 2018. Manufacturing is the most represented industry on the list with seven employers. Public school districts and health care and social assistance are also well represented with four employers each on the list. The other five employers on the list are made up of two government entities, two retail trade chains and a utilities provider.

Wages

The real average weekly wage in Local Area V increased over the year by $13, or 1.9 percent, to $711 in 2018. As shown in *Chart 6*, this is the sixth consecutive year that real average weekly wages have increased in Local Area V, with a 7.8 percent increase occurring during that period. The only concern is that Local Area V wages have consistently stayed at about 78 to 80 percent of the value of the overall state real average weekly wage.

Chart 6
Real Average Weekly Wage
Local Area V and Kansas
2008 - 2018



	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Local Area V	$641	$654	$654	$664	$660	$674	$675	$690	$691	$698	$711
Kansas	$837	$843	$843	$839	$846	$843	$853	$882	$880	$885	$896

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Quarterly Census of Employment and Wages, and Consumer Price Index

Table 4 (pg. 119) shows the real average weekly wage by industry for 2017 and 2018. Nine of the 11 major industries recorded an increase in real average weekly wages over the year. Manufacturing was the highest paying industry in 2018, recording a real average weekly wage of $922. Two other industries recorded an average weekly wage of at least $900 in 2018, the natural resources and mining industry and the construction industry. Natural resources and mining recorded the largest increase in real average weekly wage, with a $97 increase, or 11.9 percent. Most of the wage growth occurred in the mining, quarrying and oil and gas extraction sector. Information was the only industry to record a real average weekly wage decrease over the year, declining by $8, or 1.0 percent. Construction real average weekly wages were unchanged over the year.

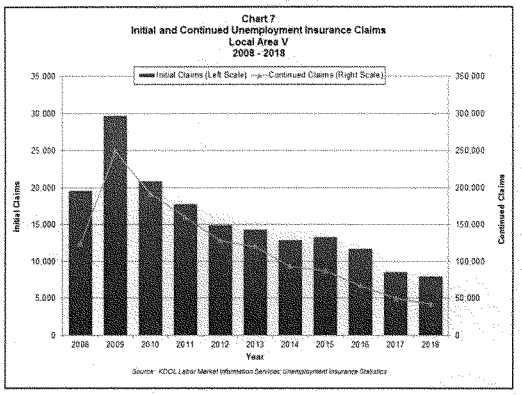
Table 4
Real Average Weekly Wage by Industry
Local Area V
2017 & 2018

	2017	2018	Change	% Change
Total, All Industries	$698	$711	$13	1.9%
Total Private Sector	$717	$733	$16	2.2%
Natural Resources & Mining	$818	$915	$97	11.9%
Agriculture, Forestry, Fishing and Hunting	$685	$693	$8	1.2%
Mining, Quarrying and Oil and Gas Extraction	$913	$1,074	$161	17.6%
Construction	$910	$910	$0	0.0%
Manufacturing	$914	$922	$8	0.9%
Durable Goods Manufacturing	$929	$918	-$11	-1.2%
Non-Durable Goods Manufacturing	$896	$928	$32	3.6%
Trade, Transportation and Utilities	$754	$788	$34	4.5%
Wholesale Trade	$857	$885	$28	3.3%
Retail Trade	$467	$474	$7	1.5%
Transportation, Warehousing and Utilities	$1,419	$1,511	$92	6.5%
Information	$796	$788	-$8	-1.0%
Financial Activities	$786	$800	$14	1.8%
Finance and Insurance	$855	$870	$15	1.8%
Real Estate and Rental and Leasing	$547	$567	$20	3.7%
Professional and Business Services	$757	$758	$1	0.1%
Professional, Scientific and Technical Services	$896	$841	-$55	-6.1%
Management of Companies and Enterprises	$1,014	$1,022	$8	0.8%
Administrative and Waste Services	$667	$691	$24	3.6%
Education and Health Services	$598	$603	$5	0.8%
Private Educational Services	$455	$369	-$86	-18.9%
Health Care and Social Assistance	$599	$605	$6	1.0%
Leisure and Hospitality	$246	$249	$3	1.2%
Arts, Entertainment and Recreation	$249	$249	$0	0.0%
Accommodation and Food Services	$246	$249	$3	1.2%
Other Services	$539	$542	$3	0.6%
Government	$643	$647	$4	0.6%
Federal Government	$941	$957	$16	1.7%
State Government	$832	$844	$12	1.4%
State Government Educational Services	$943	$935	-$8	-0.8%
State Government Excluding Education	$735	$763	$28	3.8%
Local Government	$596	$600	$4	0.7%
Local Government Educational Services	$554	$559	$5	0.9%
Local Government Excluding Education	$646	$649	$3	0.5%

Note: Wages in 2018 dollars
Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Quarterly Census of Employment and Wages, and Consumer Price Index

Unemployment Insurance Statistics

As shown in *Chart 7*, the number of initial claims filed by Local Area V residents in 2018 decreased by 7.2 percent to 7,923 claims. This was the third consecutive year that the number of initial claims decreased. The number of continued claims declined by 14.9 percent to 42,254 claims. This was the ninth consecutive year continued claims decreased.



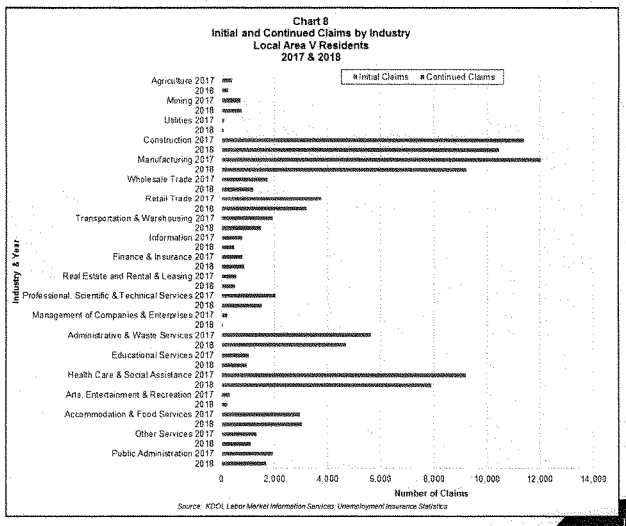
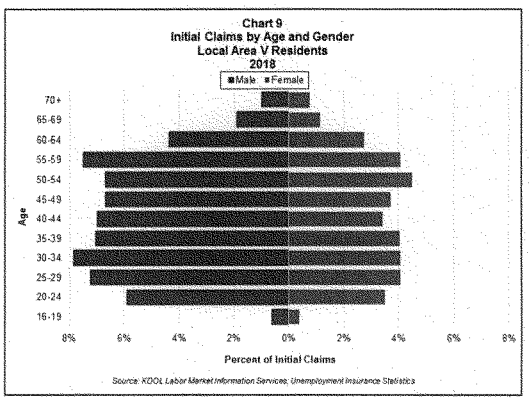


Chart 8 (pg. 120) displays initial and continued claims by industry for claims filed by Local Area V residents for 2017 and 2018. In 2018, construction industry workers filed the most initial and continued claims, with about 2,200 initial and 8,200 continued claims. Manufacturing workers filed the second most initial claims and continued claims with approximately 1,800 initial and 7,500 continued claims. Health care and social assistance and administrative and waste services were the other industries with over 600 initial claims and 4,000 continued claims filed. Claims from those four industries made up 69.8 percent of initial claims and 64.2 percent of continued claims.

Charts 9 and 10 show the age and gender of Local Area V residents filing initial and continued claims, with 63.7 percent of initial claims and 56.5 percent of continued claims being filed by men. This most likely reflects that two of the main industries that have workers filing claims, construction and manufacturing, are still generally male dominated. The number of claims per age group is fairly even between the age groups in the 25-59 year old range, with each five year group accounting for 10.1 to 12.5 percent of initial and continued claims.



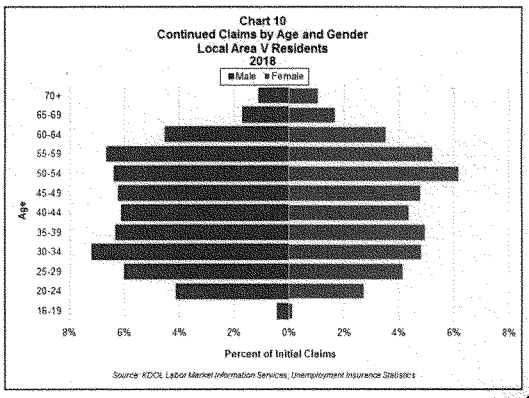
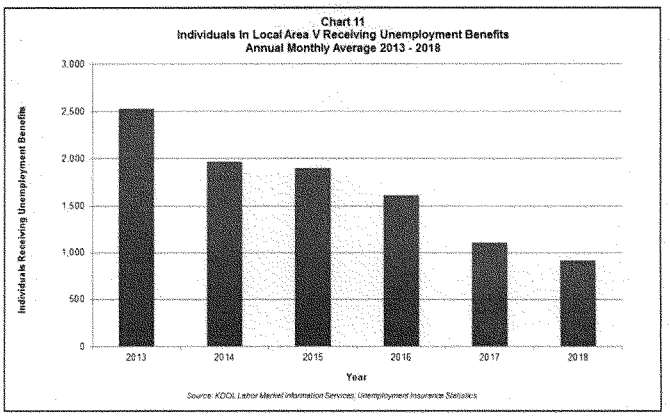
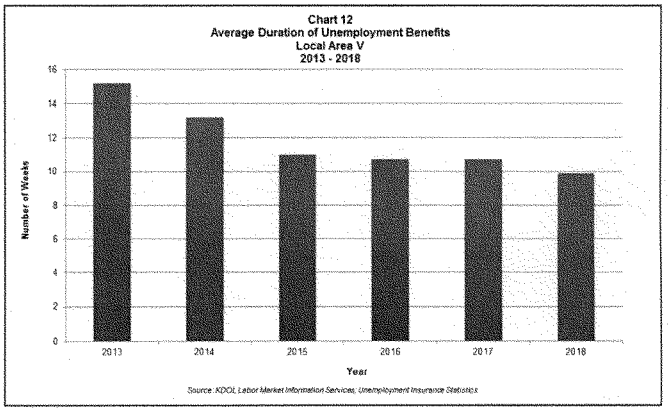


Chart 11 displays the monthly average of the number of Local Area V residents receiving Kansas unemployment benefits from 2013 to 2018. The number of people receiving unemployment benefits has decreased the last five years. An average of 919 people a month in Local Area V received unemployment benefits in 2018. *Chart 12* shows the average duration Local Area V residents remained on unemployment benefits from 2013 to 2018. Average duration stayed consistently around 11 weeks from 2015 to 2017 before decreasing to 9.9 weeks in 2018.





Occupational Statistics

Table 5 displays the employment and median annual wage for each major occupational group in Local Area V according to the *2019 Kansas Wage Survey* while *Tables 6 and 7 (pg. 124)* show the top 20 occupations by employment and median annual wage. There were two occupational groups with 13,510 jobs in May 2018, the production occupational group and the office and administrative support occupational group. These were the most jobs in any occupational group. Five of the top 20 most common occupations were in the office and administrative occupational group while the most common production occupation was assemblers and fabricators, all other, including team assemblers.

Table 5
Employment and Median Annual Wage by Occupational Group
Local Area V
May 2018

Occupational Group	Employment	Median Annual Wage
Total, All Occupations	**100,150**	**$31,759**
Production Occupations	13,510	$34,085
Office and Administrative Support Occupations	13,510	$29,822
Education, Training and Library Occupations	9,340	$39,551
Sales and Related Occupations	7,890	$21,157
Food Preparation and Serving Related Occupations	7,380	$18,694
Transportation and Material Moving Occupations	7,210	$30,305
Healthcare Practitioners and Technical Occupations	5,620	$51,406
Construction and Extraction Occupations	5,020	$38,298
Installation, Maintenance and Repair Occupations	4,680	$41,140
Personal Care and Service Occupations	4,290	$20,986
Management Occupations	3,950	$73,604
Healthcare Support Occupations	3,090	$24,331
Building and Grounds Cleaning & Maintenance Occupations	2,990	$25,024
Business and Financial Operations Occupations	2,790	$50,275
Protective Service Occupations	2,410	$33,185
Community and Social Services Occupations	1,640	$35,517
Architecture and Engineering Occupations	1,240	$66,365
Arts, Design, Entertainment, Sports and Media Occupations	1,040	$27,077
Computer and Mathematical Occupations	980	$52,315
Life, Physical and Social Science Occupations	760	$60,876
Legal Occupations	420	$46,144
Farming, Fishing and Forestry Occupations	360	$25,180

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Occupational Employment Statistics

Four other occupational groups accounted for at least 7,000 jobs in Local Area V. There were 9,340 jobs classified as education, training and library occupations, with three of the top 20 most common occupations falling under this group. Sales and related occupations accounted for 7,890 jobs, including the most common occupation in Local Area V, retail salespersons, and the third most common occupation, cashiers. There were 7,380 food preparation and serving related jobs, with combined food preparation and serving workers, including fast food being the most common occupation in that group. There were 7,210 transportation and material moving jobs, with heavy and tractor-trailer truck drivers being the most common transportation and material moving occupation.

Table 6
Top 20 Occupations by Employment
Local Area V
May 2018

Occupation	Employment
Retail Salespersons	2,990
Personal Care Aides	2,920
Cashiers	2,470
Teacher Assistants	2,110
Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	2,020
Combined Food Preparation and Serving Workers, Including Fast Food	1,980
Heavy and Tractor-Trailer Truck Drivers	1,720
Registered Nurses	1,710
Customer Service Representatives	1,660
Nursing Assistants	1,650
Elementary School Teachers, Except Special Education	1,600
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	1,420
Assemblers and Fabricators, All Other, Including Team Assemblers	1,330
Stock Clerks and Order Fillers	1,320
Office Clerks, General	1,280
General and Operations Managers	1,250
Secondary School Teachers, Except Special and Career/Technical Education	1,250
Maintenance and Repair Workers, General	1,210
Laborers and Freight, Stock, and Material Movers, Hand	1,150
Bookkeeping, Accounting, and Auditing Clerks	1,130

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Occupational Employment Statistics

The median annual wage in Local Area V as of May 2018 was $31,759. The highest paying occupational group was management, which earned a median annual wage of $73,604. Eight of the top 20 highest paid occupations were management occupations. Two other occupational groups had annual median wages of at least $60,000. Architecture and engineering occupations had a median annual wage of $66,365 and life, physical and social science occupations had a median annual wage of $60,876. Notably, eight of the top 20 highest paying occupations were from the healthcare practitioners and technical occupational group.

Table 7
Top 20 Occupations by Median Annual Wage
Local Area V
May 2018

Occupation	Median Annual Wage
Nurse Anesthetists	$161,868
Dentists, General	$145,341
Pharmacists	$129,859
Marketing Managers	$124,277
Architectural and Engineering Managers	$119,496
Chief Executives	$119,308
Optometrists	$113,492
Sales Managers	$110,582
Judges, Magistrate Judges, and Magistrates	$110,475
Physician Assistants	$108,771
Business Teachers, Postsecondary	$107,473
Financial Managers	$100,307
Psychiatrists	$99,358
Nurse Practitioners	$98,133
Funeral Service Managers	$95,128
Computer and Information Systems Managers	$95,076
Commercial Pilots	$94,417
Transportation, Storage, and Distribution Managers	$90,841
Physical Therapists	$89,173
Health and Safety Engineers, Except Mining Safety Engineers and Inspectors	$86,686

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Occupational Employment Statistics

Job Vacancies

According to the *2019 Kansas Job Vacancy Survey*, there were 4,697 job vacancies in Local Area V during the second quarter of 2019, a 12 percent increase from second quarter of 2018. This represents the third most vacancies recorded in the spring since the *Kansas Job Vacancy Survey* started in 2004. The Local Area V job vacancy rate was 4.5 percent, indicating that for every 100 positions in Local Area V, 4.5 were vacant and 95.5 were filled.

Table 8
Job Vacancies and Average Hourly Lowest Wage Offer by Industry Supersector
Local Area V
Second Quarter 2019

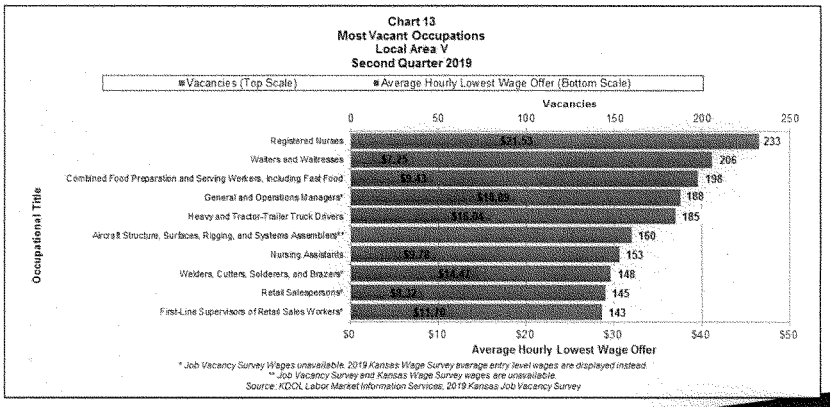
Industry Supersector	Job Vacancies	Average Hourly Lowest Wage Offer
Total, All Industries	**4,697**	**$14.19**
Leisure and Hospitality	920	$7.46
Trade, Transportation, and Utilities	754	$12.88
Manufacturing	754	$16.37
Education and Health Services	725	$12.74
Government	697	$14.33
Construction	315	$17.19
Professional and Business Services	180	$19.93
Other Services	161	$15.00
Natural Resources and Mining	148	$12.00
Financial Activities	42	$8.50
Information	0	NA

Note: Numbers may not add up due to rounding
Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, 2019 Kansas Job Vacancy Survey

There were 1.1 unemployed people for every vacancy in Local Area V, an improvement of 0.1 from one year ago. Since the number of vacancies is almost the same as the number of unemployed people, there is basically enough jobs for people looking to work and there are enough workers to fill every job. However, there may be a skills or location mismatch between unemployed people and the available positions leading to continued difficulty finding and filling jobs. One benefit of the tightening labor market is it may eventually lead to an increase in wages as the supply of workers for available positions continues to decrease.

The number of job vacancies by industry in Local Area V is displayed in *Table 8* while the top 10 occupations with the most vacancies are shown in *Chart 13*. Also shown is the average lowest hourly wage offered for vacancies in each of those industries and occupations. Five industries recorded at least 500 vacancies. Leisure and hospitality and trade, transportation and utilities are the two of the top industries due to most jobs in those industries having high turnover. Manufacturing tied for the second most job vacancies with 308 of the 754 manufacturing vacancies being for two occupations, aircraft structure, surfaces, rigging and systems assemblers and welders, cutters, solderers and brazers. Education and health services recorded 725 vacancies, with almost half the openings being for registered nurses or nursing assistants. Government also had 697 job vacancies.

Chart 13
Most Vacant Occupations
Local Area V
Second Quarter 2019



** Job Vacancy Survey Wages unavailable. 2019 Kansas Wage Survey average entry level wages are displayed instead.*
*** Job Vacancy Survey and Kansas Wage Survey wages are unavailable.*
Source: KDOL Labor Market Information Services; 2019 Kansas Job Vacancy Survey

Registered nurses was the occupation with the most openings in Local Area V with 233 job vacancies. About half of the occupations in the top 10 are low paying occupations with high turnover rates leading to a greater number of job vacancies. There are four occupations in the top 10 that pay more than $14 per hour: registered nurses, general and operations managers, heavy and tractor-trailer truck drivers, and welders, cutters, solderers, and brazers. Local Area V wages were unavailable for aircraft structure, surfaces, rigging and systems assemblers.

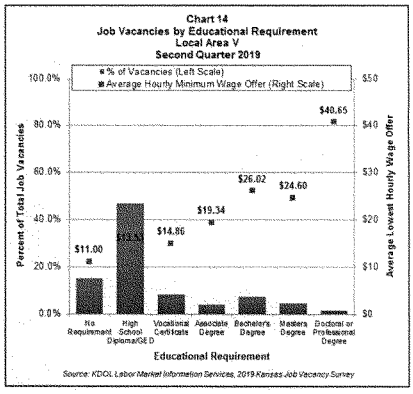


Chart 14 shows the percentage of job vacancies by educational requirement as well as the average lowest hourly wage offered by educational requirement. In Local Area V, the average starting pay generally increases with the amount of education. The average lowest hourly wage offered by educational requirement ranged from $11.00 for vacancies with no educational requirements to $40.65 for vacancies requiring a doctoral or professional degree. The average lowest wage offered for all vacancies was $14.19 per hour. The majority of vacancies, 61.8 percent, required a high school diploma or GED or had no educational requirements at all. About 20 percent of openings required a post-secondary vocational certificate, an associate degree or a bachelor's degree while only a small percentage of vacancies required a postgraduate degree.

Table 9 displays the amount of benefits offered by type of job vacancy. Most job vacancies, 63.1 percent, offered at least one of the benefits asked about on the survey: health insurance, paid time off or a retirement plan, with 78.8 percent of vacancies for permanent full-time jobs offering benefits. Only 5.7 percent of part-time and temporary full-time job vacancies offered benefits. Larger establishments are also more likely to offer benefits with 78.5 percent of vacancies at establishments with 50 or more employees offering benefits compared to 48.3 percent of vacancies at smaller establishments. Also the higher the educational requirements of a position the more likely it is to offer benefits, with only 48.7 percent of vacancies with no educational requirements offering benefits compared to 72.4 percent of vacancies that required a high school diploma or 83.3 percent of vacancies that required post-secondary education.

Table 9
Benefits Offered by Job Vacancy Type
Local Area V
Second Quarter 2019

Benefit Offered	All Vacancies	Job Types		Establishment Size		Educational Requirement		
		Permanent Full-Time	All Other Job Types	1 - 49	50+	No Requirement	HS Diploma or GED	Post-Secondary Education
At Least One Benefit Offered	63.1%	78.8%	5.7%	48.3%	78.5%	48.7%	72.4%	83.3%
Health Insurance	51.1%	64.1%	3.3%	28.8%	74.2%	35.7%	58.2%	70.5%
Paid Time Off	55.7%	69.6%	4.5%	37.7%	74.4%	42.0%	65.9%	70.9%
Retirement Plan	49.3%	61.5%	4.6%	24.8%	74.7%	35.5%	54.3%	70.9%
Unknown	21.6%	16.4%	40.8%	33.3%	9.5%	0.0%	19.9%	3.6%

Source: KDOL Labor Market Information Services, 2019 Kansas Job Vacancy Survey

Short-Term Projections

This section will detail short-term projections by industry and occupation for the first quarter 2020 from the first quarter 2018. To approximate Local Area V, the data used in this section, as well as the long-term projections and high demand occupations sections, will be the projections for the Southeast Projection Region. This region is slightly different from Local Area V since it includes Chase County but excludes Miami County.

Table 10 displays the top 10 industries by numerical change. Total jobs are expected to increase by 602 jobs, or 0.6 percent, to 104,724, over the two-year period. The annual average growth rate is expected to be 0.3 percent. The industry expected to add the most jobs is manufacturing, which is projected to grow by 362 jobs followed by educational services adding 153 jobs. Other industries projected to add at least 50 jobs are: administrative and support and waste management and remediation services, government, and accommodation and food services. Administrative and support and waste management and remediation services is expected to record the highest percent growth at 2.7 percent over the projection period.

Table 10
Top 10 Industries by Numerical Job Change
Southeast Projection Region
2018 - 2020

Industry	Job Numbers		Job Changes		
	Quarter 1 2018	Quarter 1 2020	Numerical	Percent	Annual Avg. Growth %
Total, All Industries	**104,122**	**104,724**	**602**	**0.6%**	**0.3%**
Manufacturing	19,222	19,584	362	1.9%	0.9%
Educational Services	13,722	13,875	153	1.1%	0.6%
Administrative and Support and Waste Management and Remediation Services	3,496	3,589	93	2.7%	1.3%
Government	8,440	8,492	52	0.6%	0.3%
Accommodation and Food Services	7,089	7,140	51	0.7%	0.4%
Wholesale Trade	3,269	3,315	46	1.4%	0.7%
Finance and Insurance	2,663	2,681	18	0.7%	0.3%
Management of Companies and Enterprises	513	524	11	2.1%	1.1%
Professional, Scientific, and Technical Services	1,547	1,557	10	0.6%	0.3%
Construction	2,827	2,830	3	0.1%	0.1%

Note: The Southeast Projection Region differs from Local Area V since it includes Chase County and excludes Miami County
Source: KDOL Labor Market Information Services and the U.S. DOL Employment & Training Administration, Employment Projections

Table 11 shows the top 10 growing occupational groups by numerical change. Over the projection period, production occupations are expected to add the most jobs, increasing by 186 jobs, or 1.4 percent. Two other occupational groups are projected to add at least 90 jobs. Education, training and library occupations are expected to add 126 jobs and personal care and service occupations are expected to be the fastest growing occupational group growing by 96 jobs, or 2.5 percent. It is expected that there will be 23,508 openings over the projection period, or an average of 11,753 per year from new jobs and separation openings. Approximately 97.4 percent or 22,906 openings will be separation openings.

Table 11
Top 10 Occupational Groups by Numerical Job Change
Southeast Projection Region
2018 - 2020

Occupations	Job Numbers		Job Changes			Total Openings
	Quarter 1 2018	Quarter 1 2020	Numerical	Percent	Annual Avg. Growth %	
Total, All Occupations	**104,122**	**104,724**	**602**	**0.6%**	**0.3%**	**23,508**
Production Occupations	13,604	13,790	186	1.4%	0.7%	3,253
Education, Training, and Library Occupations	8,972	9,098	126	1.4%	0.7%	1,674
Personal Care and Service Occupations	3,832	3,928	96	2.5%	1.2%	1,218
Transportation and Material Moving Occupations	7,387	7,444	57	0.8%	0.4%	1,777
Installation, Maintenance, and Repair Occupations	4,685	4,739	54	1.2%	0.6%	925
Building and Grounds Cleaning and Maintenance Occupations	3,480	3,531	51	1.5%	0.7%	924
Management Occupations	5,364	5,413	49	0.9%	0.5%	881
Business and Financial Operations Occupations	2,939	2,976	37	1.3%	0.6%	561
Architecture and Engineering Occupations	1,484	1,506	22	1.5%	0.7%	237
Food Preparation and Serving Related Occupations	7,821	7,843	22	0.3%	0.1%	2,609

Note: The Southeast Projection Region differs from Local Area V since it includes Chase County and excludes Miami County
Source: KDOL Labor Market Information Services and the U.S. DOL Employment & Training Administration, Employment Projections

The Bureau of Labor Statistics assigns the level of education typically needed to enter each occupation. There are eight categories shown in *Table 12*. The greatest numerical change in jobs is projected for those that require a high school diploma or equivalent, adding 300 jobs. Jobs requiring a bachelor's degree are expected to grow by 144 jobs while those with no formal educational requirements are expected to increase by 110 jobs. The other educational categories are expected to lose jobs or add fewer than 30 jobs. Jobs requiring a doctoral or professional degree are projected to have the fastest growth rate, increasing by 1.3 percent over the projection period.

Table 12
Projections by Education Requirement
Southeast Projection Region
2018 - 2020

Education	Job Numbers		Job Changes			Total Openings
	Quarter 1 2018	Quarter 1 2020	Numerical	Percent	Annual Avg. Growth %	
Total	**104,122**	**104,724**	**602**	**0.6%**	**0.3%**	**23,508**
High school diploma or equivalent	45,810	46,110	300	0.7%	0.3%	10,332
Bachelor's degree	17,519	17,663	144	0.8%	0.4%	2,909
No formal educational credential	23,431	23,541	110	0.5%	0.2%	7,118
Doctoral or professional degree	2,286	2,315	29	1.3%	0.6%	295
Some college, no degree	3,514	3,537	23	0.7%	0.3%	734
Master's degree	1,876	1,897	21	1.1%	0.6%	319
Associate degree	2,108	2,115	7	0.3%	0.2%	364
Postsecondary non-degree award	7,578	7,546	-32	-0.4%	-0.2%	1,437

Note: The Southeast Projection Region differs from Local Area V since it includes Chase County and excludes Miami County

Source: KDOL Labor Market Information Services and the U.S. DOL Employment & Training Administration, Employment Projections

Long-Term Projections

Local Area V total jobs in all industries are expected to decrease by 2,828 to 102,255 jobs from 2016 to 2026, a decrease of 2.7 percent over the 10-year period. This averages out to a job loss of 283 jobs per year. Goods-producing industries are projected to lose 1,264 jobs and decrease at an average annual rate of 0.6 percent from 2016 to 2026 while service providing industries are expected to suffer a job decrease of 1,453, or a 0.2 percent average annual decrease, over that period. The number of self-employed workers is also expected to decrease over the projection period.

Table 13 shows the industries expected to gain jobs over the 10-year projection period. The health care and social assistance industry is projected to gain the largest number of jobs over the 10-year period with an additional 937 jobs. Two other industries are expected to add at least 100 jobs: professional, scientific and technical services and transportation and warehousing. Management of companies and enterprises is expected to grow at the fastest rate, with jobs increasing by 20.9 percent, or 1.9 percent annually, over the projection period.

Table 13
Growing Industries by Numerical Job Change
Southeast Projection Region
2016 - 2026

Industry	Job Numbers		Job Changes		
	Base Year 2016	Projection Year 2026	Numerical	Percent	Annual Avg. Growth %
Total All Industries	**105,083**	**102,255**	**-2,828**	**-2.7%**	**-0.3%**
Health Care and Social Assistance	16,146	17,083	937	5.8%	0.6%
Professional, Scientific, and Technical Services	1,726	1,893	167	9.7%	0.9%
Transportation and Warehousing	3,018	3,167	149	4.9%	0.5%
Management of Companies and Enterprises	470	568	98	20.9%	1.9%
Construction	3,296	3,372	76	2.3%	0.2%
Mining	1,083	1,153	70	6.5%	0.6%
Real Estate and Rental and Leasing	636	665	29	4.6%	0.4%

Note: The Southeast Projection Region differs from Local Area V since it includes Chase County and excludes Miami County.
Source: KDOL Labor Market Information Services and the U.S. DOL Employment & Training Administration, Employment Projections

Table 14 shows the occupational groups projected to gain jobs over the projection period. Personal care and service occupations are the only occupational group projected to experience significant growth, adding 782 jobs. This represents an increase of 18.8 percent, or 1.7 percent annually. Almost all the growth in this occupational group will be for personal care aides, who are workers who provide non-medical assistance to disabled or elderly persons. However, there will still be opportunities for people to find jobs since there are projected to be 111,419 job openings during the projection period, or an average of 11,141 per year, due to people leaving their current jobs.

Table 14
Growing Occupational Groups by Numerical Job Change
Southeast Projection Region
2016 - 2026

Occupations	Job Numbers		Job Changes			Total Openings
	Base Year 2016	Projection Year 2026	Numerical	Percent	Annual Avg. Growth %	
Total, All Occupations	**105,083**	**102,255**	**-2,828**	**-2.7%**	**-0.3%**	**111,419**
Personal Care and Service Occupations	4,154	4,936	782	18.8%	1.7%	7,292
Healthcare Support Occupations	3,650	3,703	53	1.5%	0.1%	4,191
Community and Social Service Occupations	1,677	1,726	49	2.9%	0.3%	1,878
Installation, Maintenance, and Repair Occupations	4,783	4,820	37	0.8%	0.1%	4,475
Business and Financial Operations Occupations	2,929	2,965	36	1.2%	0.1%	2,643
Life, Physical, and Social Science Occupations	669	686	17	2.5%	0.3%	646
Legal Occupations	294	297	3	1.0%	0.1%	178

Note: The Southeast Projection Region differs from Local Area V since it includes Chase County and excludes Miami County.
Source: KDOL Labor Market Information Services and the U.S. DOL Employment & Training Administration, Employment Projections

Table 15 displays projected employment by education requirements. Only occupations requiring an associate degree or a master's degree are expected to experience growth, and both are projected to add fewer than 10 jobs. All the other educational groups are expected to suffer a decrease in jobs, with occupations requiring a high school diploma or equivalent projected to lose the most jobs, 1,741 jobs, or 3.8 percent.

Table 15
Projections by Education Requirement
Southeast Projection Region
2016 - 2026

Education	Job Numbers		Job Changes			Total Openings
	Base Year 2016	Projection Year 2026	Numerical	Percent	Annual Avg. Growth %	
Total	**105,083**	**102,255**	**-2,828**	**-2.7%**	**-0.3%**	**111,419**
Associate degree	2,107	2,116	9	0.4%	0.0%	1,839
Master's degree	1,851	1,859	8	0.4%	0.0%	1,479
Doctoral or professional degree	2,226	2,221	-5	-0.2%	0.0%	1,280
Postsecondary non-degree award	8,032	7,953	-79	-1.0%	-0.1%	7,702
Some college, no degree	3,414	3,228	-186	-5.4%	-0.5%	3,160
Bachelor's degree	17,294	16,965	-329	-1.9%	-0.2%	13,079
No formal educational credential	24,039	23,534	-505	-2.1%	-0.2%	35,124
High school diploma or equivalent	46,120	44,379	-1,741	-3.8%	-0.4%	47,756

Note: The Southeast Projection Region differs from Local Area V since it includes Chase County and excludes Miami County
Source: KDOL Labor Market Information Services and the U.S. DOL Employment & Training Administration, Employment Projections

High Demand Occupations

Table 16 displays the 13 occupations in highest demand in Local Area V. Five of the occupations received the maximum demand score of 30 while the other eight occupations in *Table 16* had a demand score between 27 and 29. These occupations currently have the most openings in Local Area V and are projected to have the most openings in 2020 and 2026. Overall, there are 134 high demand occupations in Local Area V, meaning they had a demand score of ten or greater.

Table 16
High Demand Occupations
Local Area V
2019

Occupation	Demand Score	Median Annual Wage	Education	On-the-Job Training
General and Operations Managers	30	$66,060	Bachelor's Degree	None
Heavy and Tractor-Trailer Truck Drivers	30	$36,930	Postsecondary nondegree award	Short-term on-the-job training
Nursing Assistants	30	$23,900	Postsecondary nondegree award	None
Combined Food Preparation and Serving Workers, Including Fast Food	30	$18,280	No formal educational credential	Short-term on-the-job training
Waiters and Waitresses	30	$17,810	No formal educational credential	Short-term on-the-job training
First-Line Supervisors of Retail Sales Workers	29	$32,570	High School Diploma or equivalent	None
Retail Salespersons	29	$19,360	No formal educational credential	Short-term on-the-job training
Registered Nurses	28	$53,920	Bachelor's Degree	None
Assemblers and Fabricators, All Other, Including Team Assemblers	28	$30,290	High School Diploma or equivalent	Moderate-term on-the-job training
Cashiers	28	$18,840	No formal educational credential	Short-term on-the-job training
Welders, Cutters, Solderers, and Brazers	27	$38,420	High School Diploma or equivalent	Moderate-term on-the-job training
Maintenance and Repair Workers, General	27	$33,950	High School Diploma or equivalent	Moderate-term on-the-job training
Stock Clerks and Order Fillers	27	$21,200	High School Diploma or equivalent	Short-term on-the-job training

Source: KDOL Labor Market Information Services, High Demand Occupations

Six of the 13 occupations in *Table 16* require only a high school diploma or have no educational requirements and only require short-term or no on-the-job training. These occupations are attainable for workers with little to no education or training. Occupations requiring little training or education tend to have lower wages. Those six occupations in this list have median wages between $17,810 and $32,570 per year. Because of the low wages and the fact that many of these occupations are part-time, employers are able to hire more workers. This partly explains the high demand score.

Table 17
High Demand High Wage Occupations
Local Area V
2019

Occupation	Demand + Wage Score	Median Annual Wage	Education	On-the-Job Training
General and Operations Managers	35	$66,060	Bachelor's degree	None
Registered Nurses	31	$53,920	Bachelor's degree	None
First-Line Supervisors of Production and Operating Workers	25	$59,560	High school diploma or equivalent	None
Accountants and Auditors	24	$52,290	Bachelor's degree	None
Postsecondary Teachers, All Other	23	$79,710	Doctoral or professional degree	None
First-line Supervisors of Construction Trades and Extraction Workers	22	$53,500	High school diploma or equivalent	None
Medical and Health Services Managers	21	$76,020	Bachelor's degree	None
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	21	$50,830	High school diploma or equivalent	Moderate-term on-the-job training
Secondary School Teachers, Except Special and Career/Technical Education	21	$46,370	Bachelor's degree	None
Elementary School Teachers, Except Special Education	21	$45,790	Bachelor's degree	None
Chief Executives	20	$119,310	Bachelor's degree	None
First-Line Supervisors of Office and Administrative Support Workers	19	$45,170	High school diploma or equivalent	None
Industrial Engineers	18	$71,430	Bachelor's degree	None
First-Line Supervisors of Mechanics, Installers, and Repairers	18	$59,720	High school diploma or equivalent	None

Source: KDOL Labor Market Information Services, High Demand Occupations

One other explanation is that there is a high level of turnover in these occupations. Many of the openings in these occupations are the result of people leaving the occupation to move to another occupation and not the result of industry growth. Furthermore, many of the occupations with the highest separation rate are those that require only a high school education or less and little or no training.

In Local Area V, 31 of the high demand occupations also pay high wages. These occupations had a combined demand and wage score of 11 or greater. *Table 17 (pg. 131)* lists the 14 high demand high wage occupations with a combined demand and wage score of 18 or greater. Unlike the high demand occupations listed in *Table 16*, 10 out of the top 14 occupations on the high demand high wage list either required a postsecondary degree or moderate-term on-the-job training. Also noteworthy is that two occupations listed in *Table 16* were also on the high demand high wage list: general and operations managers and registered nurses.

KANSAS COUNTIES

Kansas has 105 counties, each important to the economic welfare of the state. Economic trends and insight can be more easily observed by studying county level statistics.

Population

Population estimates showed that 27 counties experienced population growth from 2017 to 2018. As seen in *Table 1*, the fastest growing county was Pottawatomie County, with a population increase of 1.3 percent. Three other counties recorded increases of at least one percent: Woodson, Johnson and Morris. Johnson County was the only county in the top 10 of total population and population growth rate. Geary County recorded the largest total and percent decrease, with a population decrease of 1,039 residents, or 3.1 percent.

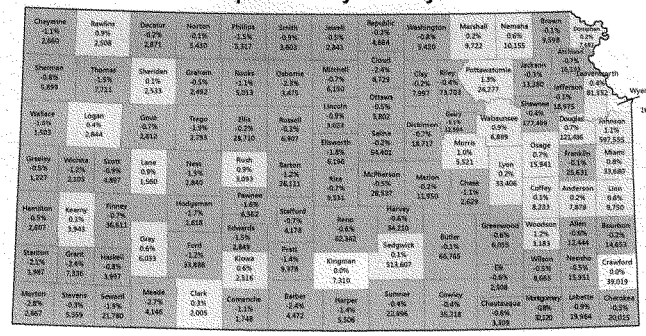
Table 1
Top 10 Counties by Population & Population Growth 2018

Top 10 Counties by Population	Population	Top 10 Counties by Population Growth	% Growth
Johnson	597,555	Pottawatomie	1.3%
Sedgwick	513,607	Woodson	1.2%
Shawnee	177,499	Johnson	1.1%
Wyandotte	165,324	Morris	1.0%
Douglas	121,436	Rawlins	0.9%
Leavenworth	81,352	Rush	0.9%
Riley	73,703	Lane	0.9%
Butler	66,785	Wabaunsee	0.9%
Reno	62,342	Miami	0.8%
Saline	54,401	Osage	0.7%

Source: U.S. Census Bureau, Population Estimates

In Kansas, a majority of the state's population is concentrated in just a handful of counties. *Table 1*, displays the top 10 counties by population in 2018. Johnson County was the most populous county in Kansas with 597,555 residents, or 20.5 percent of the total Kansas population. Sedgwick County, which contains Wichita, the state's largest city, is the other county with at least 500,000 people. It had a 2018 population of 513,607 or 17.6 percent of the Kansas population. Shawnee, Wyandotte and Douglas counties round out the top five and each have at least 100,000 residents. The top five counties by population contained 54.1 percent of the Kansas population. See *Map 1* to view the population and the change in population from 2017 to 2018 by county.

Map 1
Population by County



Statewide
Population (Percent Change): 0.0%
Population (Number of Population): 2,911,505

Source: Kansas Department of Labor, Labor Market Information Services
in conjunction with the U.S. Department of Labor, Bureau of Labor Statistics

Labor Force

The labor force increased in 38 counties from 2017 to 2018. There were 16 counties that had labor force growth of one percent or greater. As seen in *Table 2*, Wichita County recorded the largest percent increase, with the labor force expanding by 8.3 percent while Johnson County experienced the largest total increase by adding 4,480 people to the labor force in 2018. Barton County recorded the largest total and percent decrease in the labor force, losing 687 workers, or 4.9 percent.

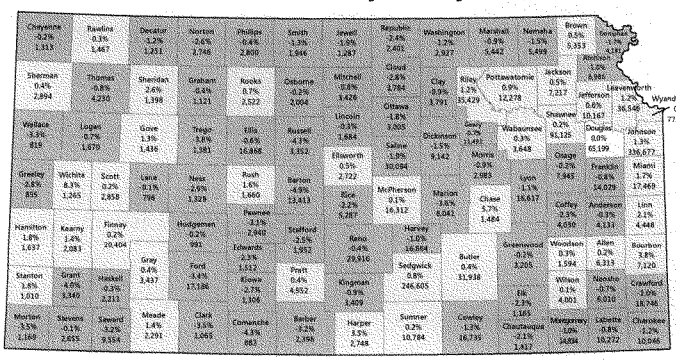
Table 2
Top 10 Counties by Labor Force & Labor Force Growth
2018

Top 10 Counties by Labor Force	Labor Force	Top 10 Counties by Labor Force Growth	% Growth
Johnson	336,677	Wichita	8.3%
Sedgwick	246,605	Chase	5.7%
Shawnee	91,125	Bourbon	3.8%
Wyandotte	77,858	Harper	3.5%
Douglas	65,199	Sheridan	2.6%
Leavenworth	36,546	Linn	2.1%
Riley	35,429	Stanton	1.8%
Butler	31,938	Hamilton	1.8%
Saline	30,094	Miami	1.7%
Reno	29,916	Rush	1.6%

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Local Area Unemployment Statistics

Johnson County had the largest labor force in 2018 with 336,677 people. Sedgwick County was the only other county with a labor force greater than 100,000 with 246,605 people. Just like with population, 55.2 percent of the state's labor force lives in one of five counties: Johnson, Sedgwick, Shawnee, Wyandotte and Douglas. Lane County had the smallest labor force at 796 people, one of five counties with a labor force of fewer than 1,000 people. See *Map 2* to view the labor force and the change in the labor force from 2017 to 2018 by county.

Map 2
Labor Force by County



Statewide
Labor Force (Percentage Change): 0.2%
Labor Force (Number in Labor Force): 1,482,220

Source: Kansas Department of Labor, Labor Market Information Services
in conjunction with the U.S. Department of Labor, Bureau of Labor Statistics

Unemployment Rate

In 94 counties, the unemployment rate decreased from 2017 to 2018. Elk County recorded the best improvement in the unemployment rate, decreasing by 1.0 percentage points as seen in *Table 3*. Twenty-two other counties improved by at least 0.5 percentage points. Eight counties experienced unemployment rates that were unchanged over the year while the rates for Greeley, Logan and Wallace counties increased.

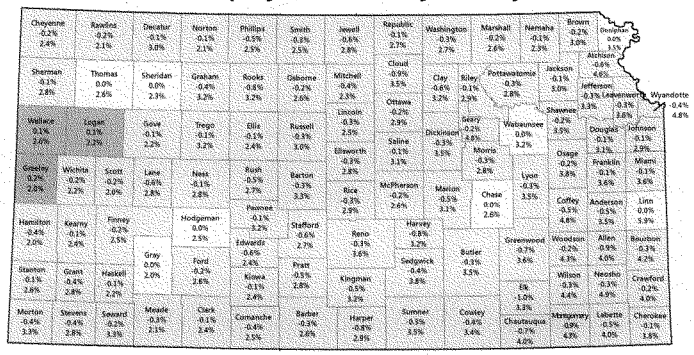
Fifty-four counties recorded an unemployment rate below three percent in 2018 and 91 counties had a rate below four percent. Four counties tied for the lowest unemployment rate in 2018 at two percent: Gray, Greeley, Hamilton and Scott. Linn County experienced the highest unemployment rate in 2018 at 5.9 percent, the only county to have a rate above five percent. See *Map 3* to view the unemployment rates and the change in the unemployment rate from 2017 to 2018 by county.

Table 3
Top 10 Counties by Lowest Unemployment Rate & Change in Unemployment Rate
2018

Top 10 Lowest County Unemployment Rates	Unemployment Rate	Top 10 Counties by Change in Unemployment Rate	Change in Unemployment Rate
Gray	2.0%	Elk	-1.0
Greeley	2.0%	Allen	-0.9
Hamilton	2.0%	Cloud	-0.9
Scott	2.0%	Montgomery	-0.9
Meade	2.1%	Harper	-0.8
Norton	2.1%	Harvey	-0.8
Rawlins	2.1%	Chautauqua	-0.7
Gove	2.2%	Greenwood	-0.7
Haskell	2.2%	Atchison	-0.6
Logan	2.2%	Clay	-0.6
Wichita	2.2%	Edwards	-0.6
		Jewell	-0.6
		Lane	-0.6
		Rooks	-0.6
		Stafford	-0.6

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Local Area Unemployment Statistics

Map 3
Unemployment Rate by County



Statewide
Unemployment Rate (Percent Change): -0.3%
Unemployment Rate (Rate): 3.4%

Source: Kansas Department of Labor, Labor Market Information Services
In conjunction with the U.S. Department of Labor, Bureau of Labor Statistics

Jobs

The number of jobs increased in 56 counties during 2018. Johnson County added the most total jobs with 6,868 more jobs. *Table 4* shows that Wichita County recorded the highest percent growth in jobs, adding 147 jobs, or 19.2 percent. Meade County experienced the largest percent decrease in jobs at 19.6 percent while Wyandotte County lost the most total jobs, recording 573 fewer jobs in 2018.

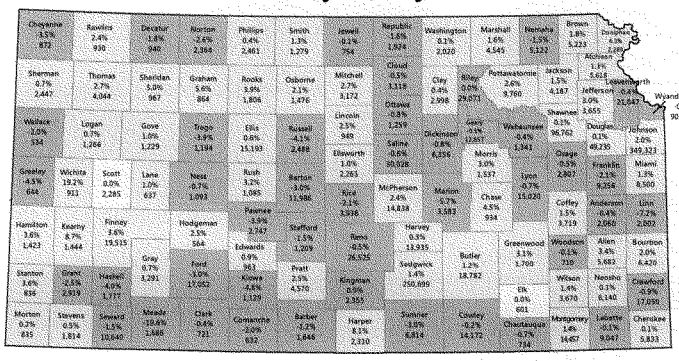
There were 349,323 jobs in Johnson County in 2018 the most of any county, followed by Sedgwick County with 250,699 jobs and Shawnee County with 96,762 jobs. Wallace County recorded the fewest number of jobs with 534, one of 21 counties with fewer than 1,000 jobs. See *Map* 4 to view jobs and the change in jobs from 2017 to 2018 by county.

Table 4
Top 10 Counties by Number of Jobs & Job Growth
2018

Top 10 Counties by Number of Jobs	Jobs	Top 10 Counties by Job Growth	% Growth
Johnson	349,323	Wichita	19.2%
Sedgwick	250,699	Kearny	8.7%
Shawnee	96,762	Harper	8.1%
Wyandotte	90,469	Graham	5.6%
Douglas	49,235	Sheridan	5.0%
Saline	30,028	Chase	4.5%
Riley	29,071	Doniphan	4.3%
Reno	26,525	Rooks	3.9%
Leavenworth	21,047	Hamilton	3.6%
Finney	19,515	Stanton	3.6%

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Quarterly Census of Employment and Wages

Map 4
Jobs by County



Average Weekly Wage

Average weekly wage increased in 93 counties in 2018. With the Midwest experiencing inflation of 1.9 percent in 2018, 79 counties experienced growth in inflation adjusted average weekly wages. This gave Kansans in those counties more money to spend on additional goods and services. *Table 5* displays that Wichita County experienced the highest percent growth in wages, with average weekly wages increasing from $713 in 2017 to $825 in 2018, a 15.7 percent increase. Coffey County had the largest total increase in average weekly wages, with an increase of $138, and was one of four counties along with Meade, Osborne and Wichita to also record at least 10 percent growth in wages.

Table 5
Top 10 Counties by Average Weekly Wage & Average Weekly Wage Growth
2018

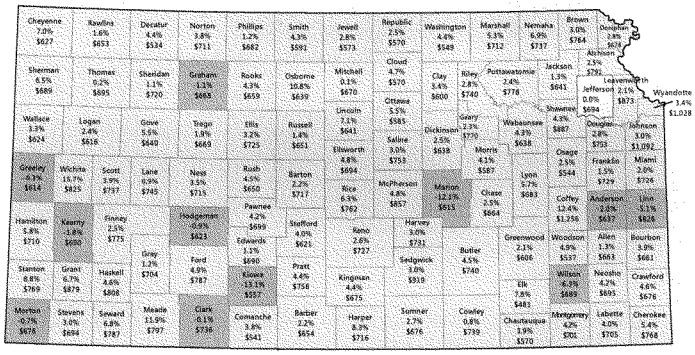
Top 10 Counties by Average Weekly Wage	Average Weekly Wage	Top 10 Counties by Average Weekly Wage Growth	% Growth
Coffey	$1,256	Wichita	15.7%
Johnson	$1,092	Coffey	12.4%
Wyandotte	$1,028	Meade	11.9%
Sedgwick	$919	Osborne	10.8%
Shawnee	$887	Stanton	8.8%
Grant	$879	Harper	8.3%
Leavenworth	$873	Elk	7.8%
McPherson	$857	Lincoln	7.1%
Linn	$826	Cheyenne	7.0%
Wichita	$825	Nemaha	6.9%

Source: KDOL Labor Market Information Services and the Bureau of Labor Statistics, Quarterly Census of Employment and Wages (QCEW)

Marion County recorded the largest decrease in average weekly wage, going from $699 in 2017 to $615 in 2018 with Kiowa County having the biggest percent growth decline at 13.1 percent. Linn and Wilson counties also recorded decreases of at least five percent in average weekly wage with seven other counties experiencing wage decreases. The average weekly wage was unchanged over the year in Jefferson County.

Coffey County recorded the highest 2018 average weekly wage in Kansas at $1,256. Johnson and Wyandotte counties were the only other counties with an average weekly wage over $1,000. Elk County experienced the lowest average weekly wage at $481, one of six counties with an average weekly wage less than $550. *See Map 5* to view average weekly wage and the change in average weekly wage from 2017 to 2018 by county.

Map 5
Average Weekly Wage by County



Individuals Receiving Unemployment Benefits

The monthly average of individuals receiving unemployment benefits decreased in 89 counties from 2017 to 2018. *Table 6* shows that Jewell County recorded the largest percent decline in individuals receiving unemployment benefits, 72.2 percent. Sedgwick County had the biggest decrease in the number of people on unemployment benefits each month with a decrease of 403 people. Sixteen counties recorded an increase in the monthly average of people receiving unemployment benefits, however none of the increases were greater than three people a month.

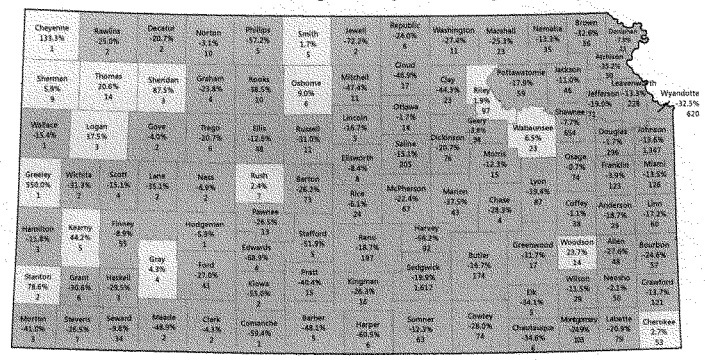
Table 6
Top 10 Counties With Most Individuals Receiving Unemployment Benefits & Largest Percent Improvement 2018

Top 10 Counties With Most Individuals Receiving Unemployment Benefits	Individuals Receiving Unemployment Benefits (Monthly Average)	Top 10 Counties by Improvement in Individuals Receiving Unemployment Benefits	% Improvement
Sedgwick	1,617	Jewell	72.2%
Johnson	1,347	Edwards	68.9%
Shawnee	654	Harper	60.5%
Wyandotte	620	Comanche	59.4%
Douglas	296	Phillips	57.2%
Leavenworth	228	Harvey	56.2%
Saline	205	Kiowa	55.0%
Reno	197	Stafford	51.9%
Butler	174	Meade	48.9%
Miami	126	Barber	48.1%

Source: KDOL Labor Market Information Services, Unemployment Insurance Statistics

Sedgwick County had the most individuals receiving unemployment benefits, with a monthly average of 1,617 people. Johnson County was the other county with more than 1,000 people per month on unemployment. Forty-three counties had a monthly average of fewer than 10 individuals. See *Map* 6 to view the monthly average of individuals receiving unemployment benefits and the change in individuals from 2017 to 2018 by county.

Map 6
Individuals Receiving UI Payments by County



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