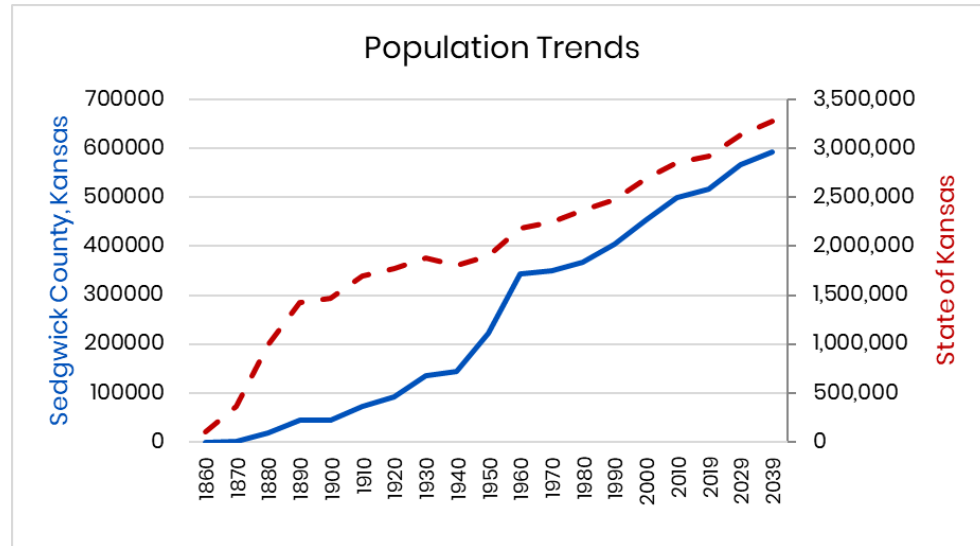


# The Wichita & Sedgwick County Economy

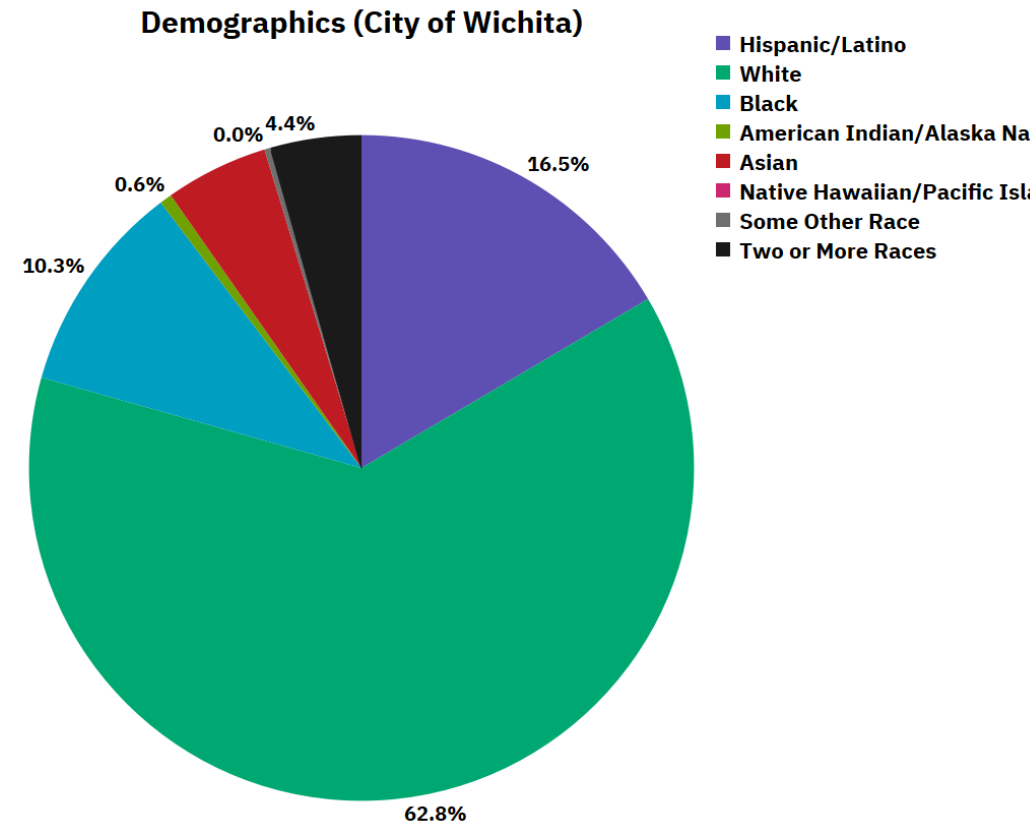
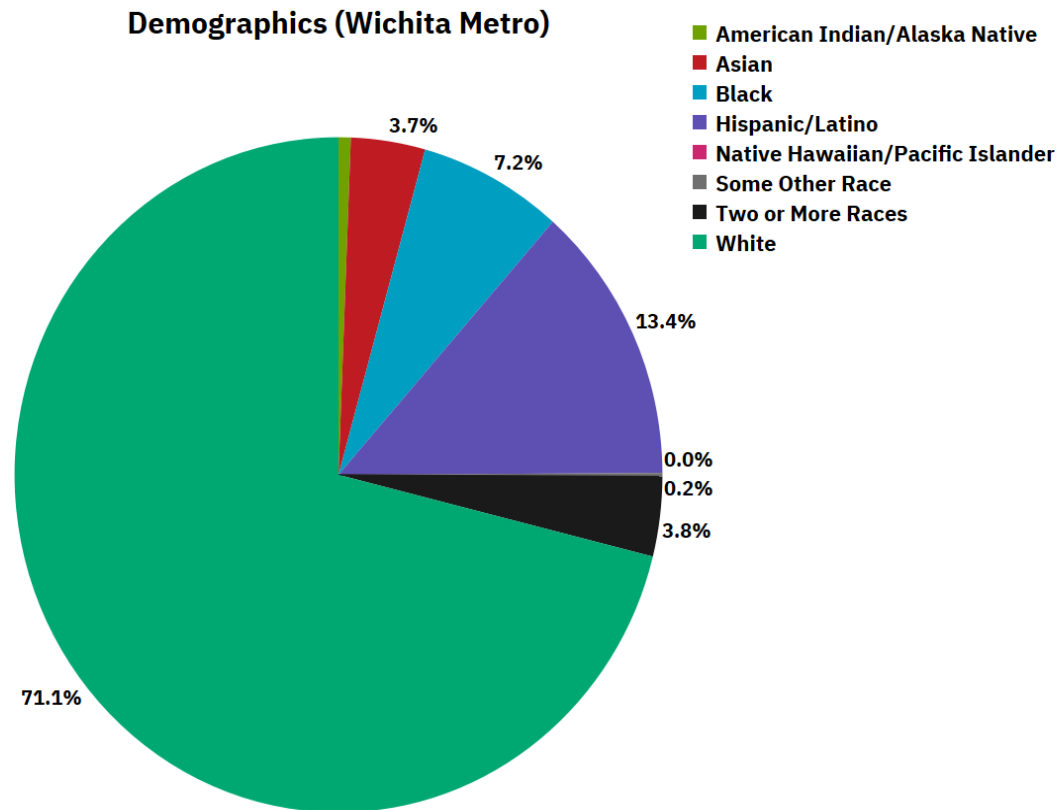
# Sedgwick County Population



Population by Race & Ethnicity	Number
White	400,828
Black	45,888
American Indian and Alaskan Native	5,077
Asian	22,209
Native Hawaiian and Other Pacific Islander	226
Some Other Race	16,451
Two or More Races	21,385
Hispanic or Latino	73,527
White alone, not Hispanic	349,985
Percent Diversity	31.65%

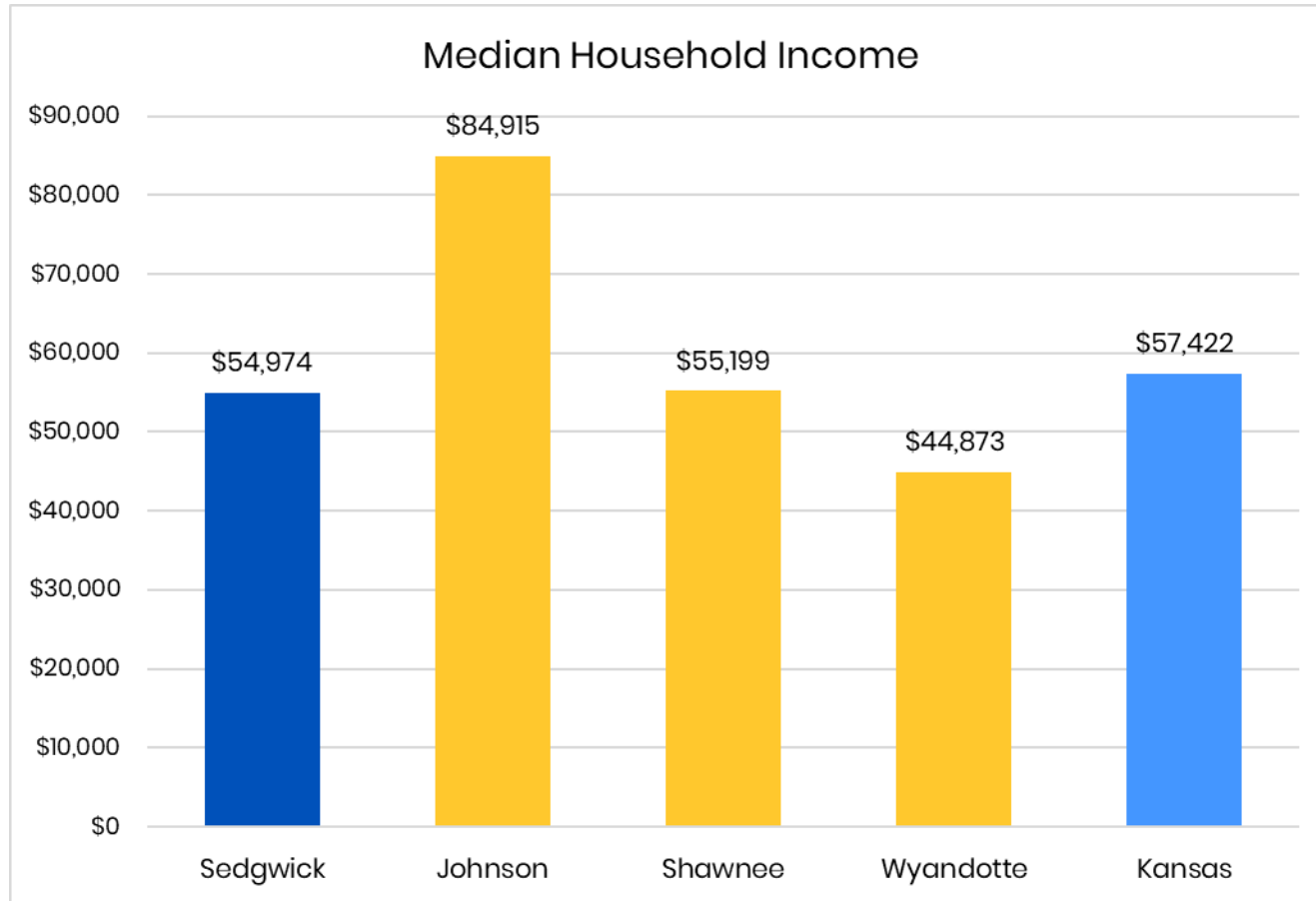
- Sedgwick County had steep growth in the 1950s and steady growth since the 1960. It has become increasingly diverse.

# Basic Demographics and Economic Stresses



Source: U.S. Census Bureau American Community Survey 2019  
1-Year Estimates

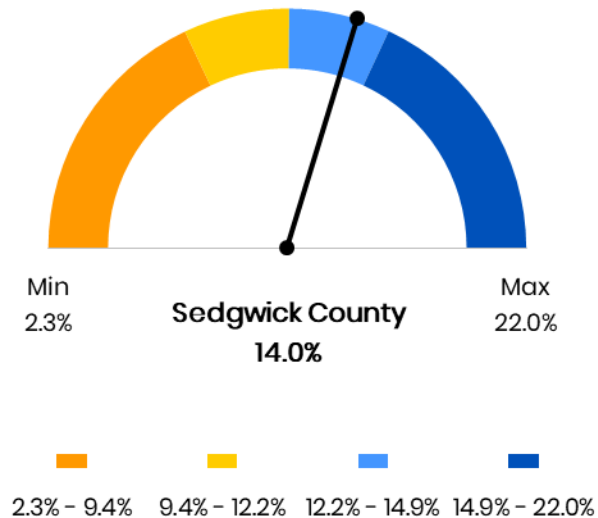
# Median Household Income



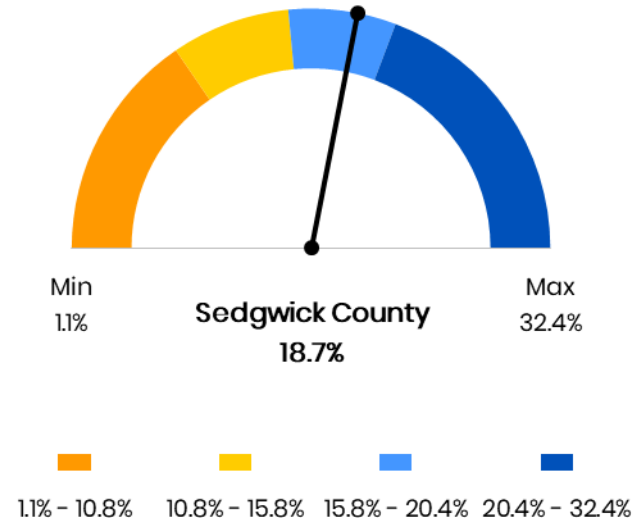
- Median Household income in Sedgwick County is \$54,974
- It is the lower than the state and Johnson County.

# Percent of People in Poverty in Sedgwick County

Percent of People in Poverty



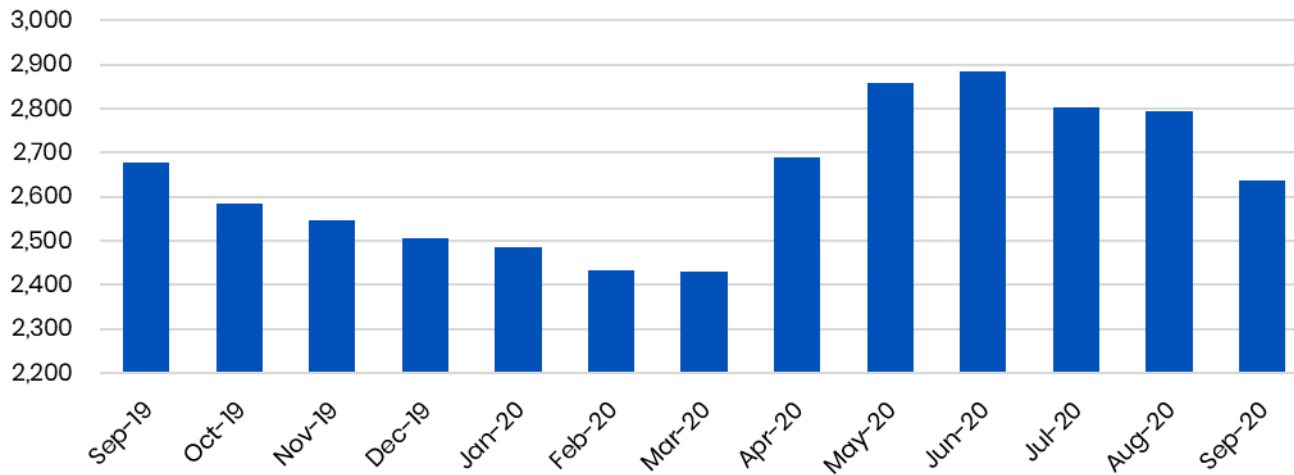
Percent of Children Under 18 in Poverty



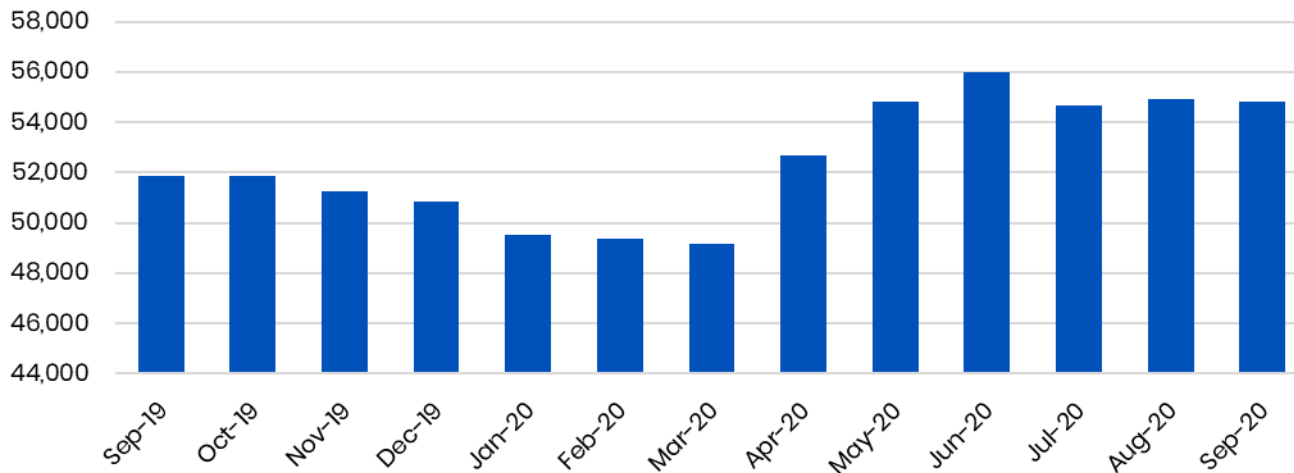
- The overall portion of Sedgwick County residents living in poverty is 14.0%
- 18.7% of children under 18 in Sedgwick County live in poverty
- Sedgwick County falls into the second quartile for Kansas counties for people in poverty

# Johnson County SNAP and TANF Participation

People Receiving TANF Benefits, Sept 2019 - 2020



People Receiving SNAP Benefits, Sept 2019 - 2020

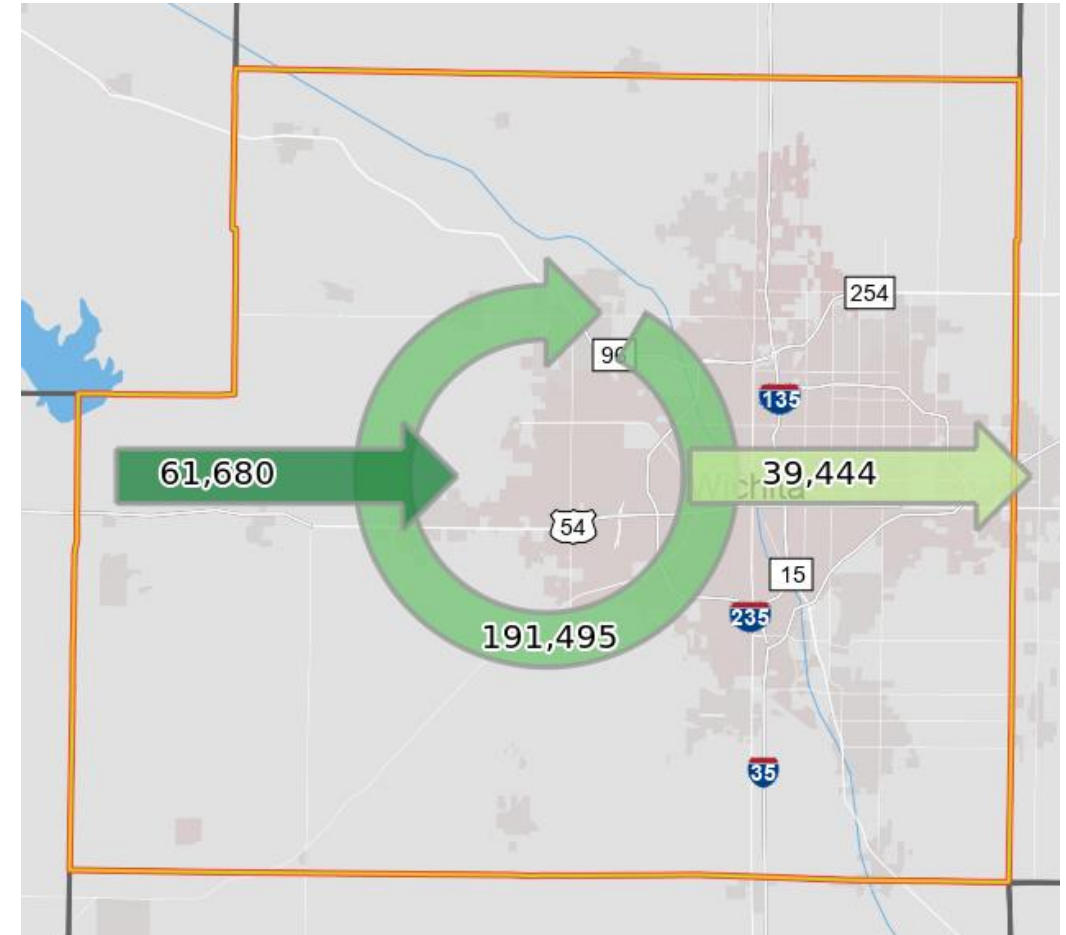
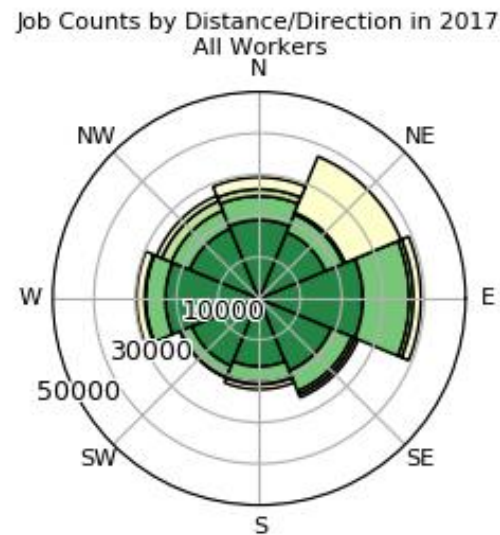


Participation in the Supplemental Nutrition Assistance Program (SNAP) and Temporary Assistance for Needy Families (TANF), increased steadily through June. Sept-Sept change:

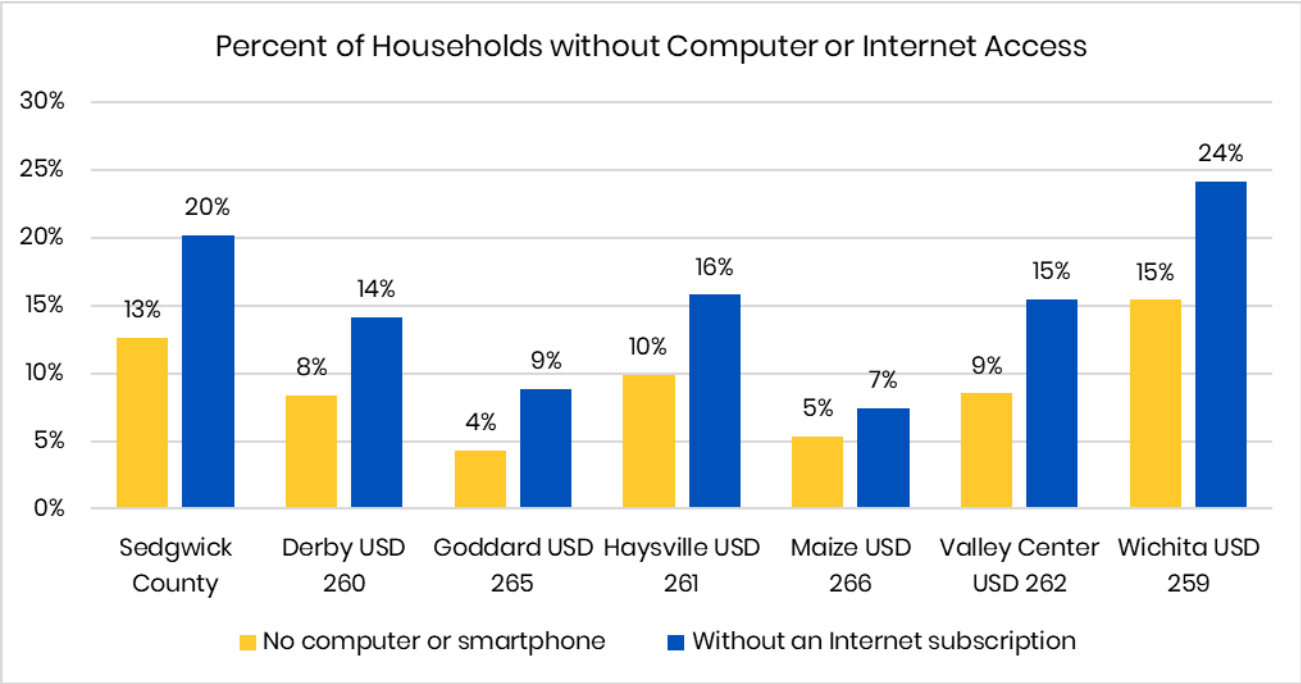
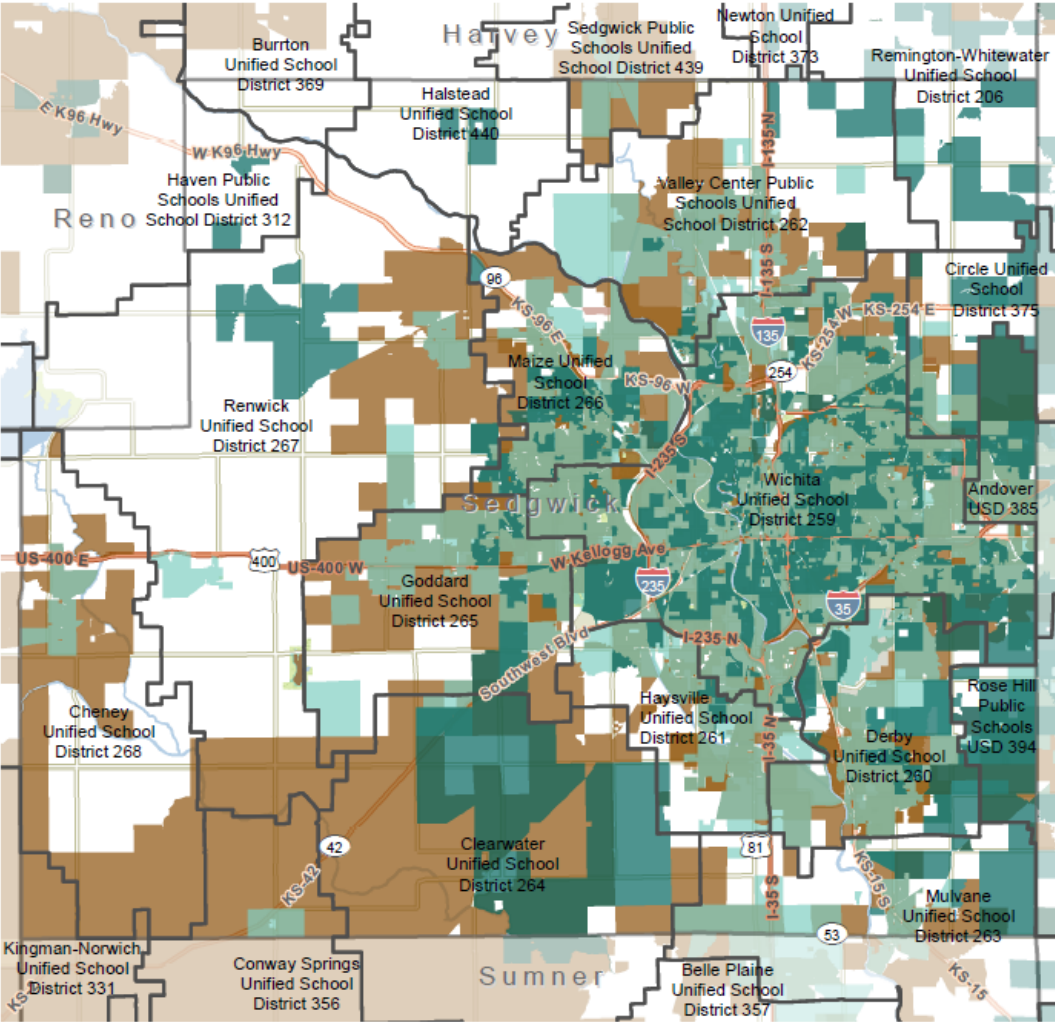
- 1.5% decrease in people receiving TANF benefits
- 5.6% increase in SNAP program participants

# Sedgwick County Residents Commute for Work

- 76% of Sedgwick County residents work in the county.
- 24% of residents commute to work.



# Sedgwick County Residents Lack Broadband Access



Between 9 – 24% of households within Sedgwick County School Districts have no Internet Subscription.

# Wichita Metro Internet Access Overview

## Internet Access

- 86.4% of all households have an internet subscription
- 68.8% of all households have a high-speed connection
- 12.5% of all households have internet access through cellular data plans only
- 13.6% of all households have no internet subscription
- 36% of households earning less than \$20,000 have no internet subscription

## Computing Devices

- 76.1% of all households have a desktop or laptop computer
- 12% of all households have a smartphone with no other device
- 6.7% of all households have no computing device

# City of Wichita Internet Access Overview

## **Internet Access**

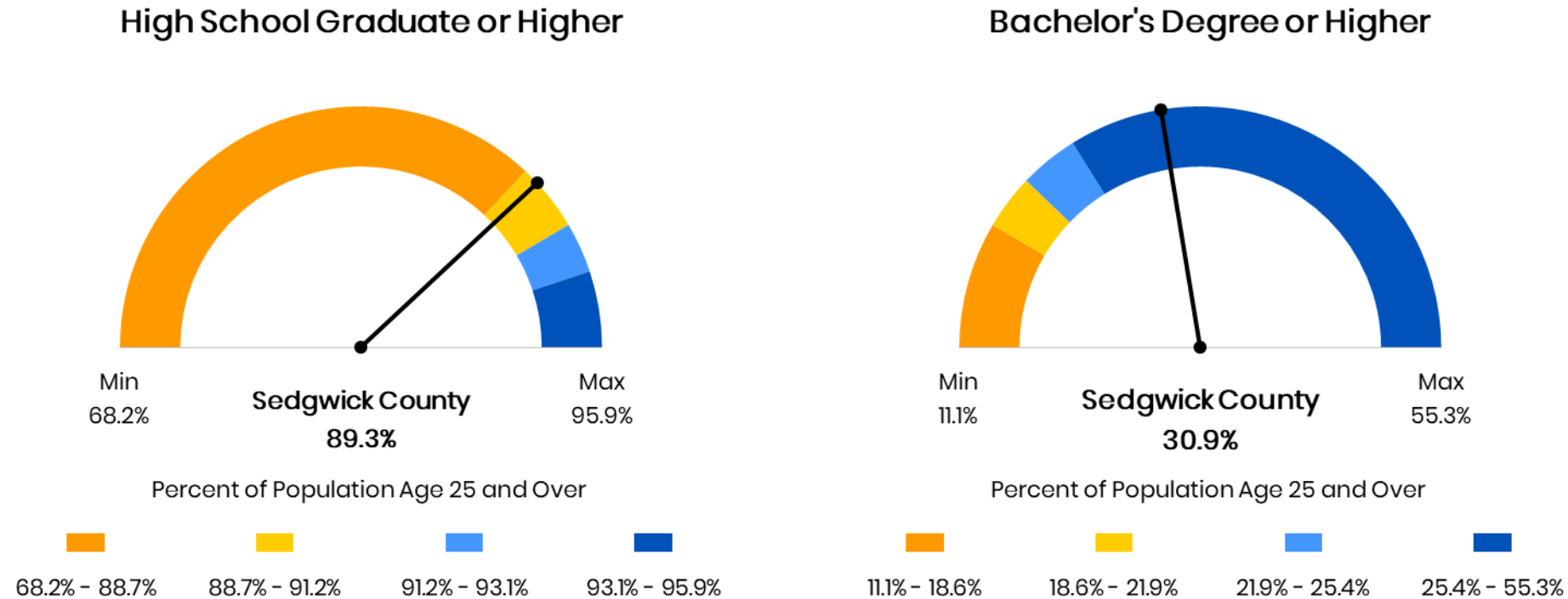
- 85.9% of all households have an internet subscription
- 70.2% of all households have a high-speed connection
- 13.1% of all households have internet access through cellular data plans only
- 14.1% of all households have no internet subscription
- 35.3% of households earning less than \$20,000 have no internet subscription

## **Computing Devices**

- 73.8% of all households have a desktop or laptop computer
- 14.1% of all households have a smartphone with no other device
- 13.1% of all households have no computing device

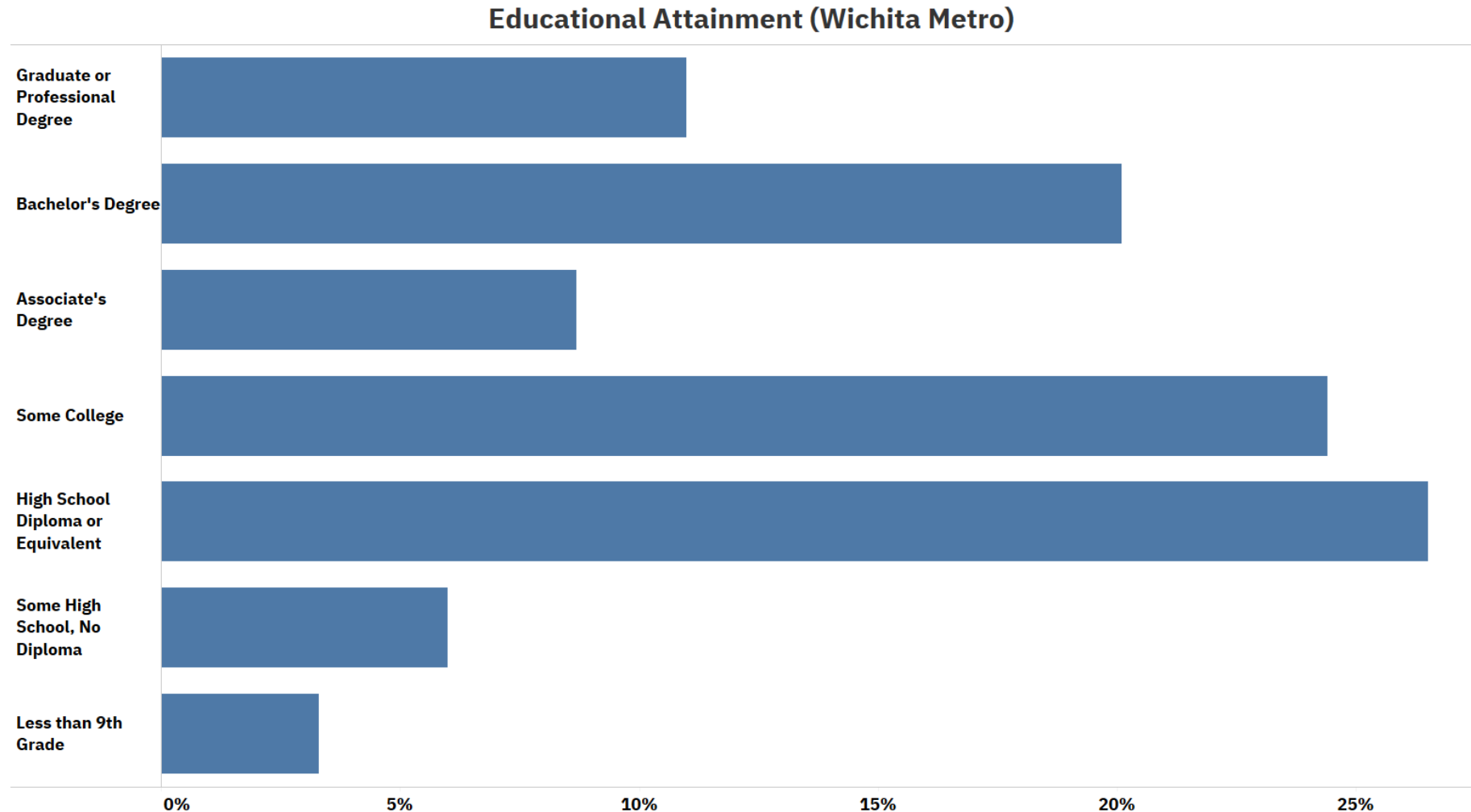
# Educational Attainment

# Sedgwick County Educational Attainment Compared to All Kansas Counties



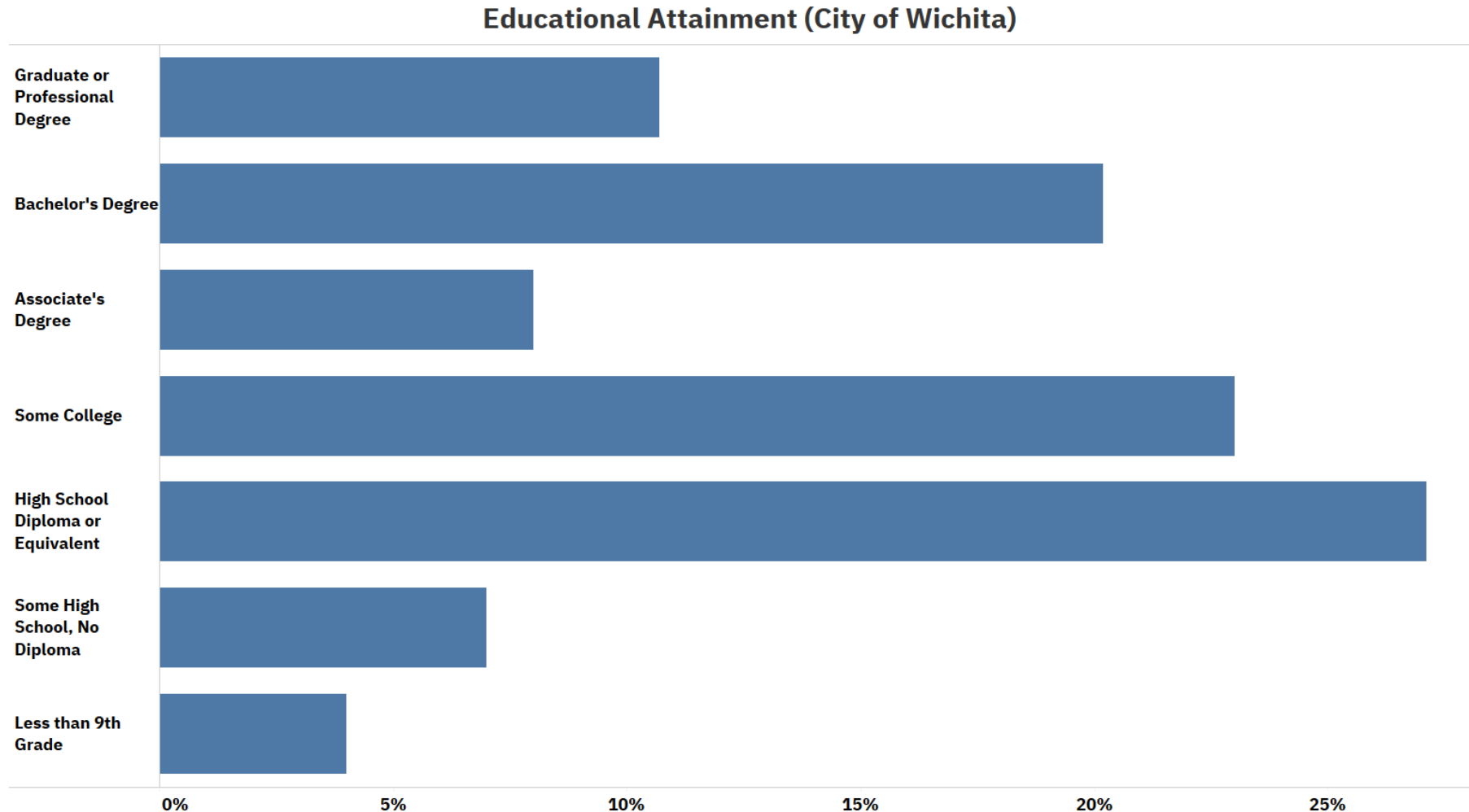
- Sedgwick County is in the top quartile of counties with 30.9% of people age 25 and over with a Bachelor's degree or higher

# Wichita Metro Educational Attainment



Source: U.S. Census Bureau American Community Survey 2019  
1-Year Estimates

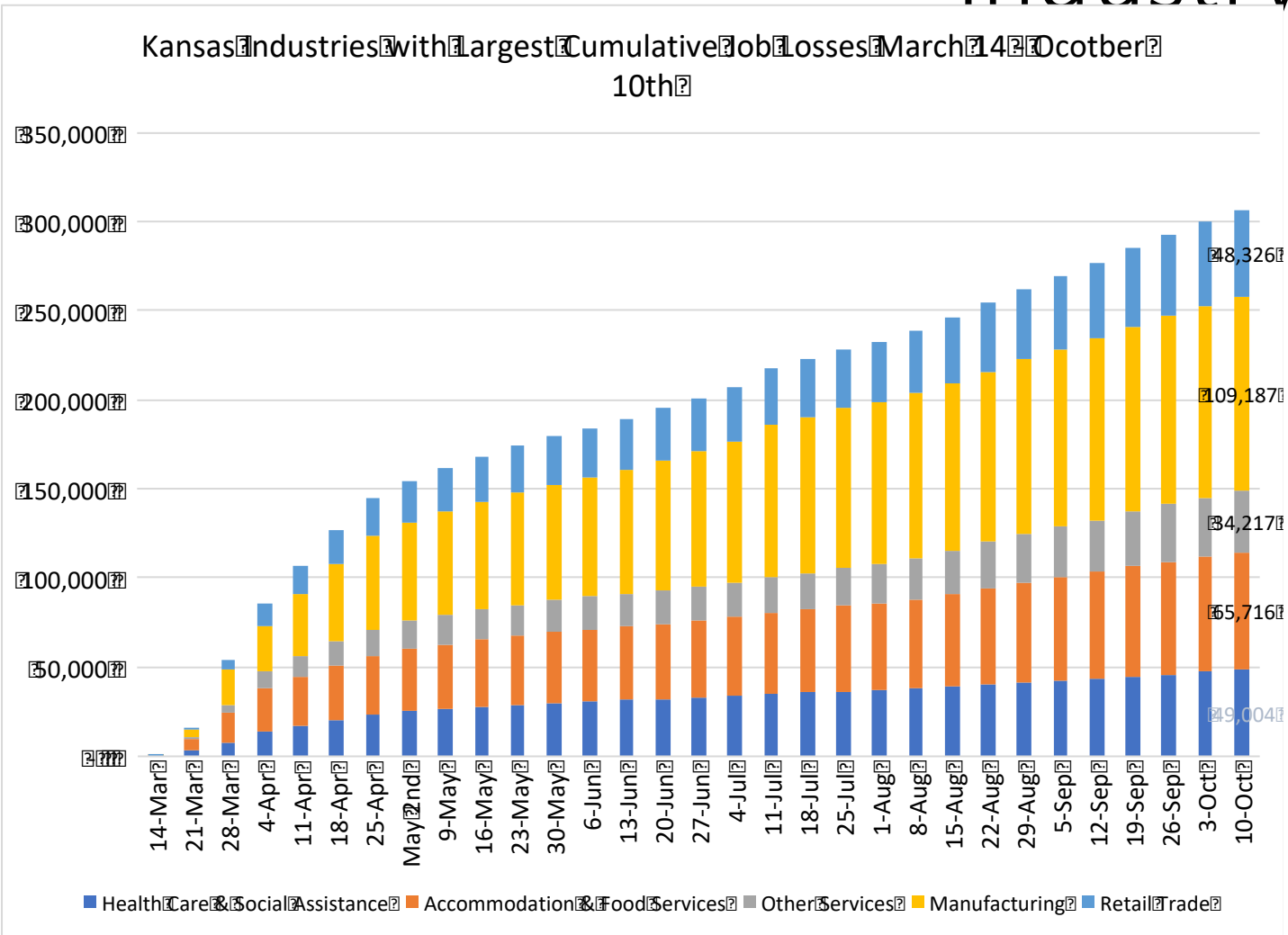
# City of Wichita Educational Attainment



Source: U.S. Census Bureau American Community Survey 2019  
1-Year Estimates

# Unemployment

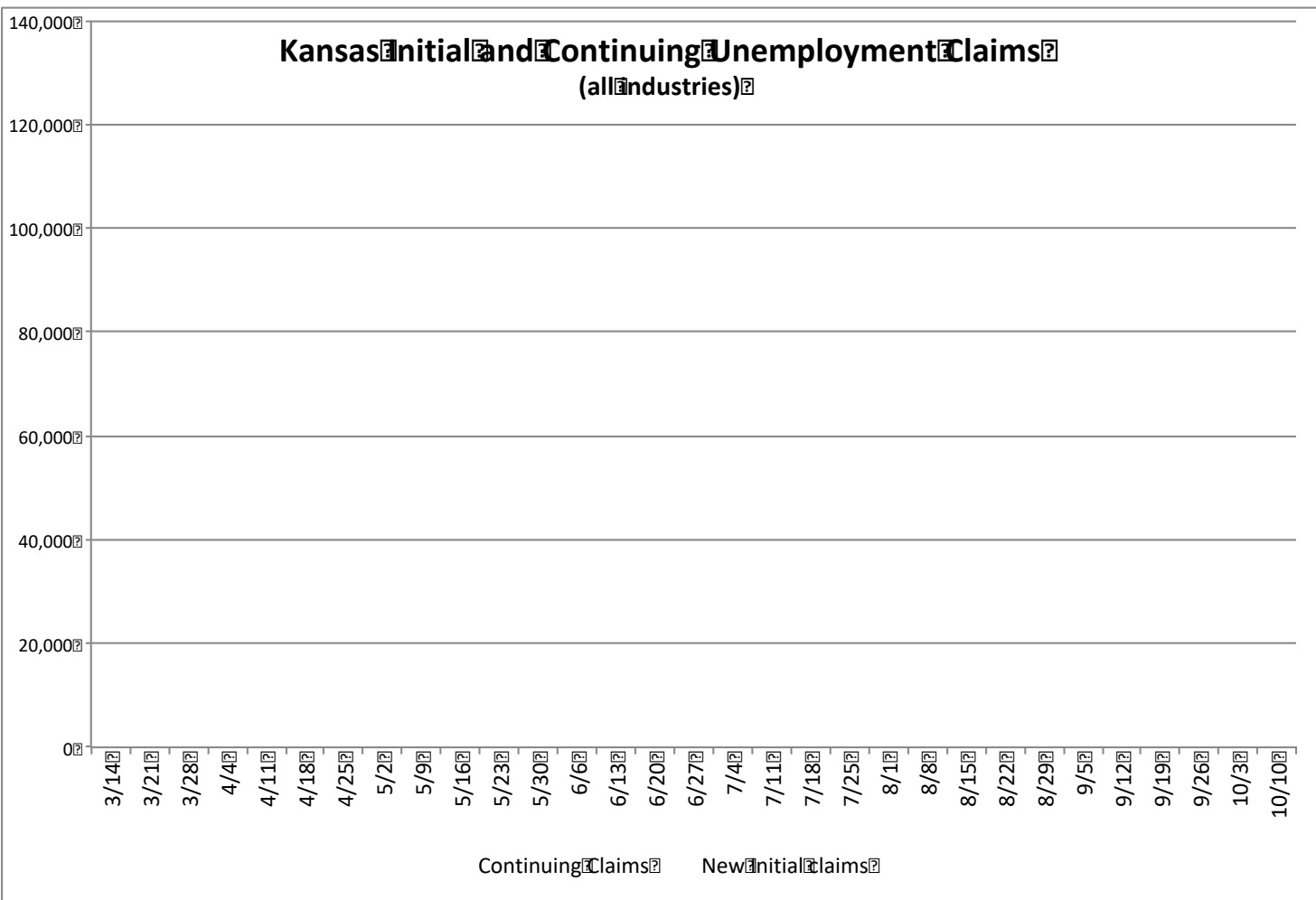
# Cumulative Initial Unemployment Claims by Industry



- Industries hardest hit include:
  - Manufacturing: 109,187
  - Accommodation & Food Services: 65,716
  - Health care & Social assistance: 49,004
  - Retail Trade: 48,326
  - Other Services: 34,217
- These five industries account for 63% of people who have lost their jobs.

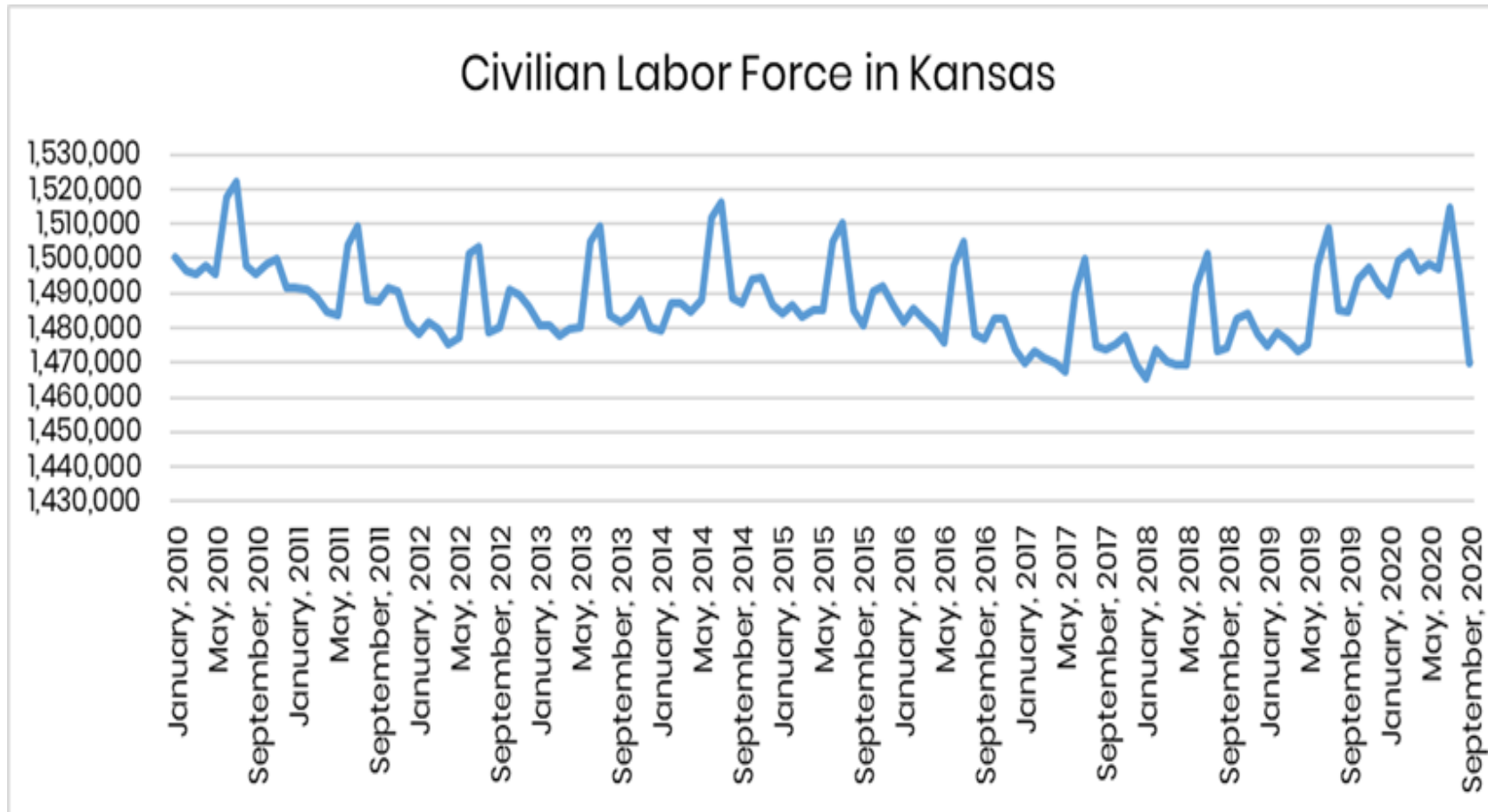
Source: Calculations using KS and MO Department of Labor Data

# Unemployment in Kansas Remains High



- Kansas continuing + initial unemployment claims remain high.
- There are 44,864 continuing claims and 141,179 new initial claims as of the week ending October 10.
- State Unemployment ~6%.

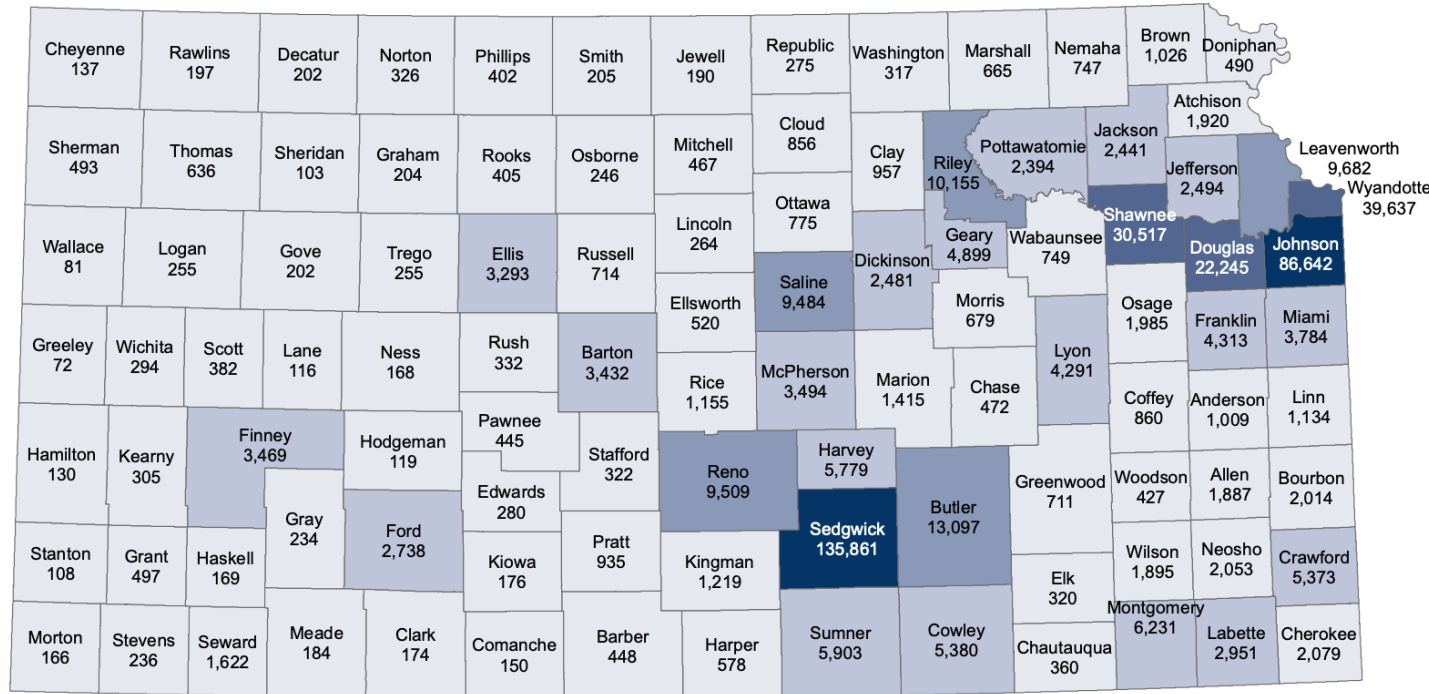
# Labor Force Participation Has Dropped in Kansas



- 1 in 3 Kansans have filed initial unemployment claims this year.
- The Civilian Labor Force has in Kansas has dropped by 2.1% since March.

# Cumulative Unemployment Claims by County

Initial Jobless Claims in Kansas, by County  
March 21 - October 10, 2020

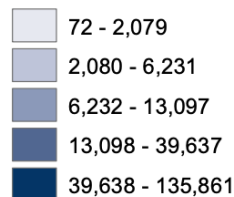


- Top 5 Counties by Cumulative Initial Claims:

- Sedgwick 135,861
- Johnson 86,642
- Wyandotte 39,637
- Shawnee 30,517
- Douglas 22,245
- Data calculated March 21 – October 10.

Source: Institute for Policy & Social Research, The University of Kansas;  
data from Kansas Department of Labor, Labor Market Information Services.

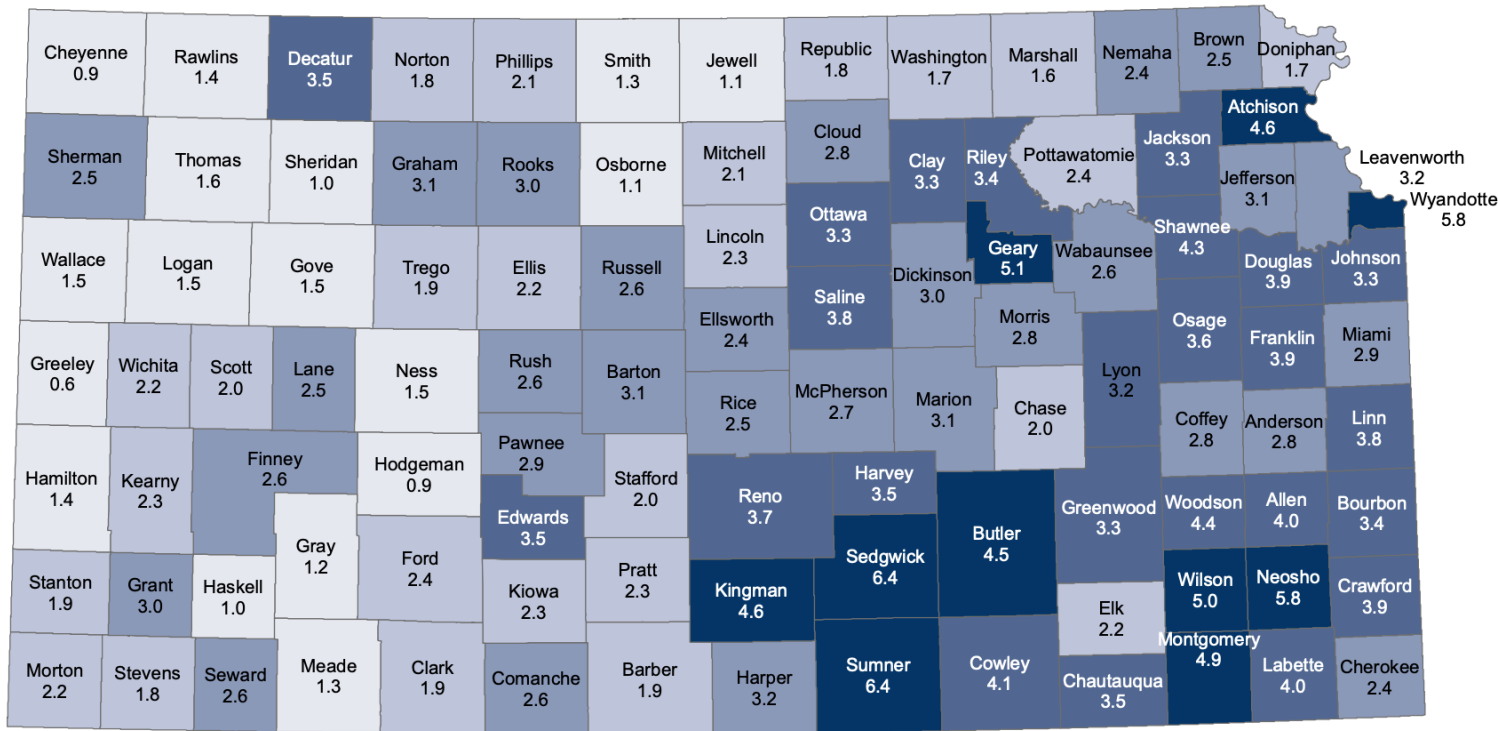
Initial Claims, March 21 - Oct 10



Source: IPSR calculations using Kansas Department of Labor Data

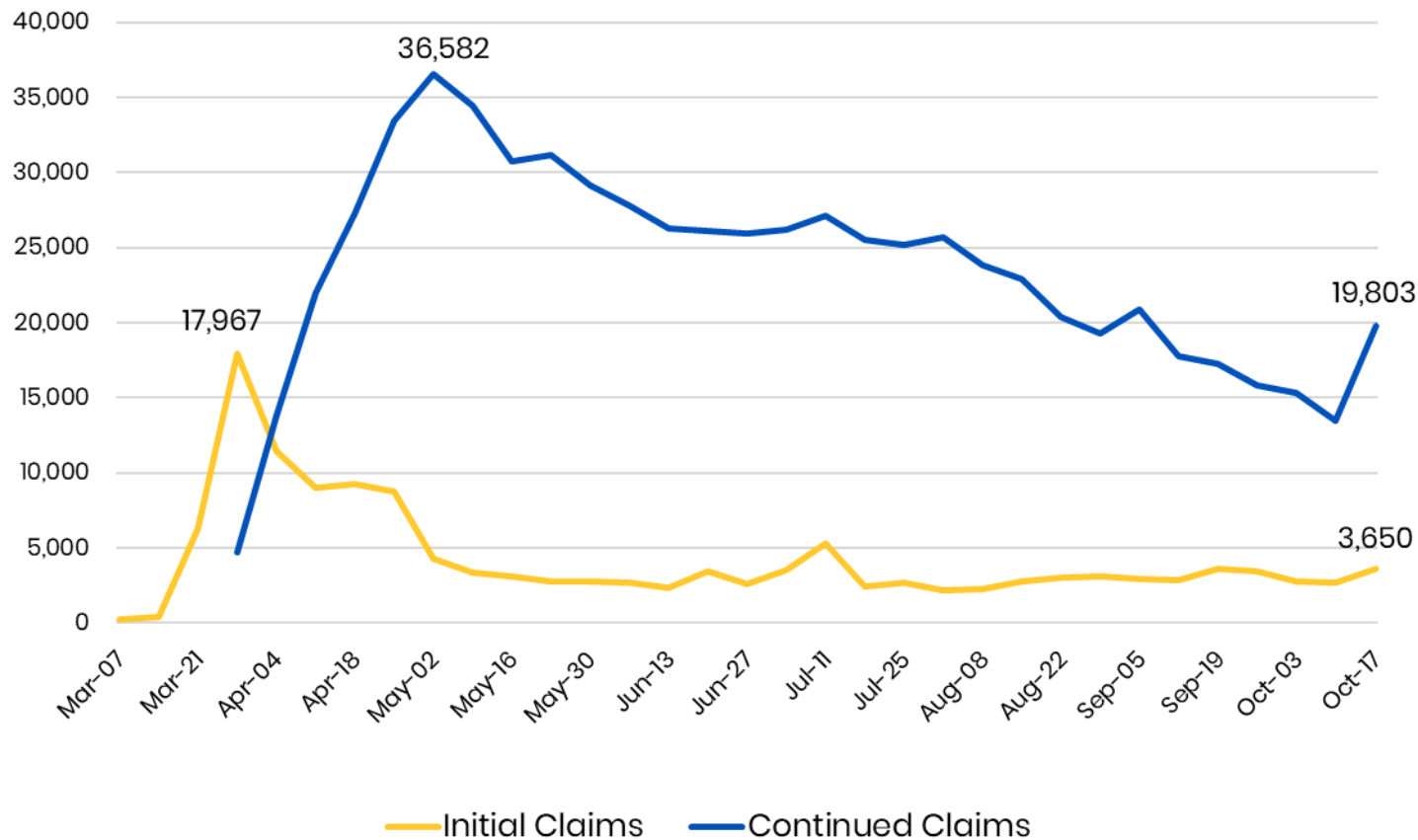
# September Kansas Unemployment Rate 5.9%

Projected Unemployment Rate in Kansas, by County  
October 10, 2020



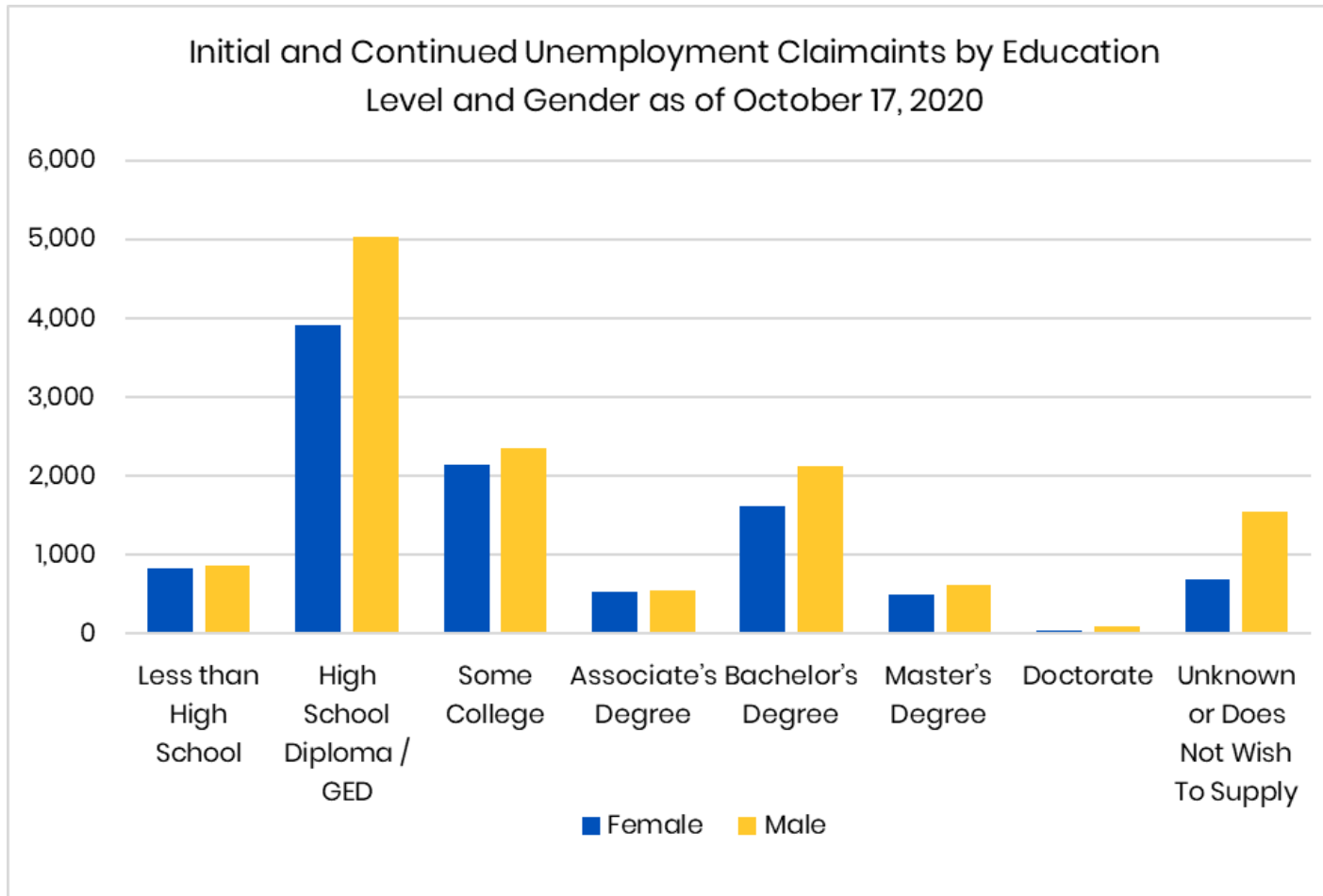
# Sedgwick County Unemployment Claims

Initial & Continued Unemployment Claims in Sedgwick County



- Sedgwick County Initial Unemployment claims are up 30% since Oct 1st.
  - 2,776 initial claims on October 3<sup>rd</sup>
  - 3,650 initial claims on October 17<sup>th</sup>
  - 6,032 of continued claims are from federal programs.

# Sedgwick County Unemployment Claims

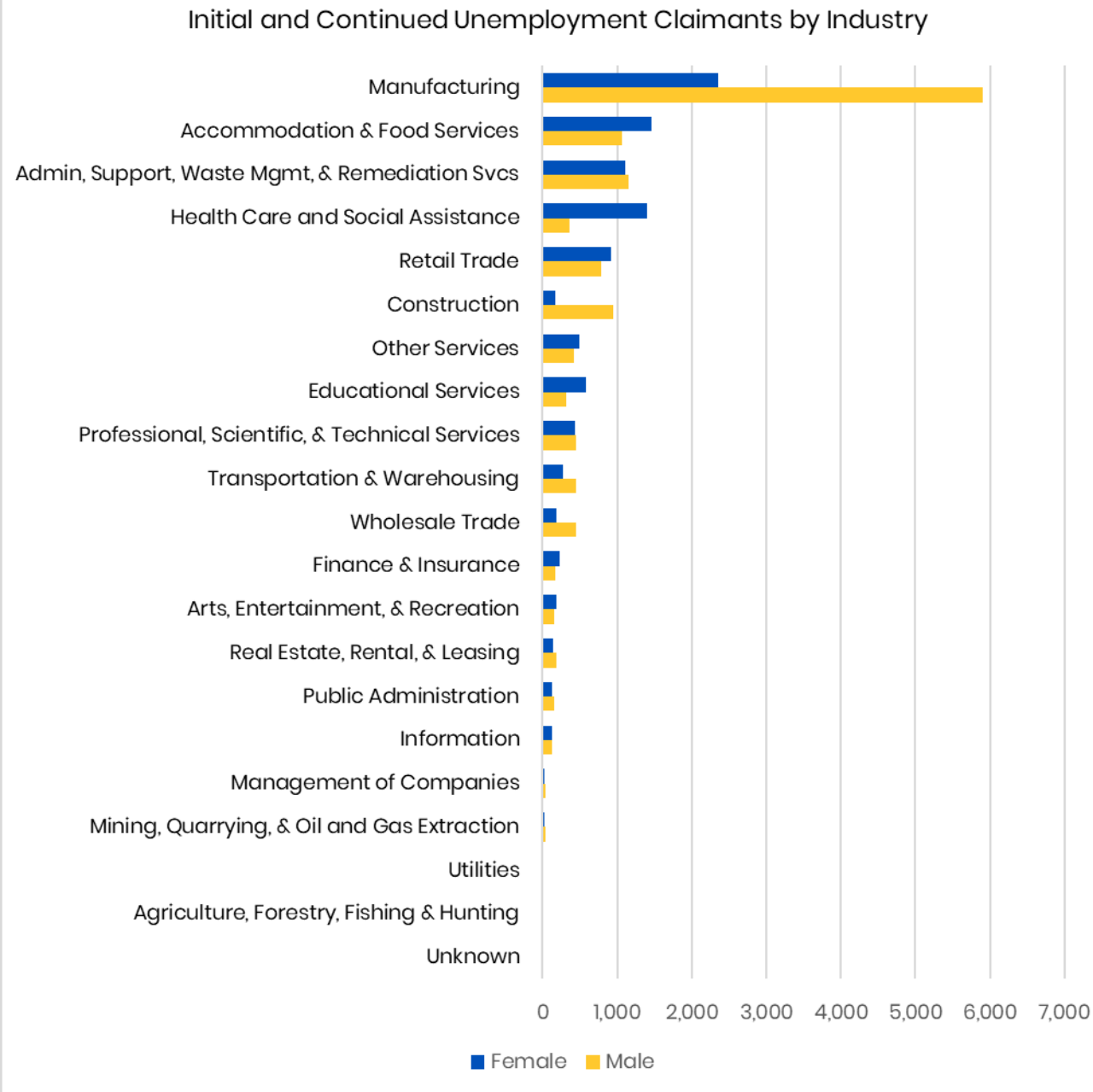


- Male High School Graduates are most likely to be unemployed.
  - This is ~~not~~ your typical “mancession”

# Sedgwick County Unemployment Claims

- Male Unemployment:
  - Manufacturing (1 in 4 of all claimants)
- Female Unemployment:
  - Manufacturing
  - Accommodation & Food Service
  - Health Care

(note: the 3 female industries together don't equal males in manufacturing)



Source: Author's calculations.

# Unemployment and Job Postings

Education Level	Sept. 2020 Job Openings in Wichita MSA	Unemployment Claimants in Sedgwick County
No Minimum Education Requirement	9	-
High School Diploma or Equivalent	2,587	8,935
Vocational School Certificate	108	-
Some College/Technical or Vocational School	47	4,503
Associates Degree	136	1,088
Bachelor's Degree	967	3,737
Master's Degree	88	1,116
Doctorate Degree	12	141
Specialized Degree (e.g. MD, DDS)	12	0
<b>Total*</b>	<b>3,966</b>	<b>23,453*</b>

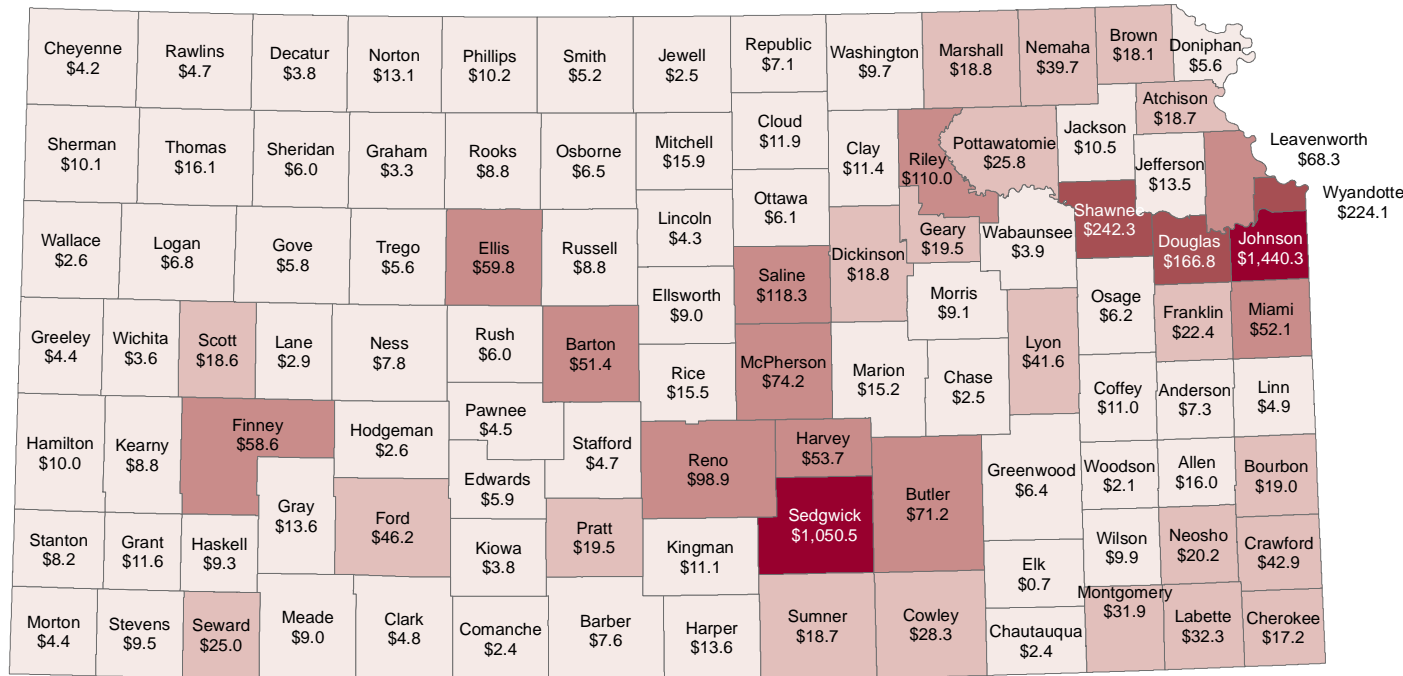
There are six times as many unemployed workers as jobs in the Wichita Metro area.

- This disparity increases with higher education levels.
- There are 10 x more unemployed workers than jobs requiring technical or vocational skills.

# Employment

# Payroll Protection Program Loans by County

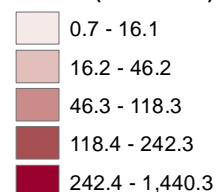
Estimated Amount of PPP Loans in Kansas, by County,  
as of June 30, 2020



- Johnson: \$1.4 billion
- Sedgwick: \$1 billion
- Shawnee: \$242 million
- Wyandotte: \$224 million
- Douglas: \$167 million

Source: Institute for Policy & Social Research, The University of Kansas;  
data from U.S. Small Business Administration.

## Dollars (in millions)

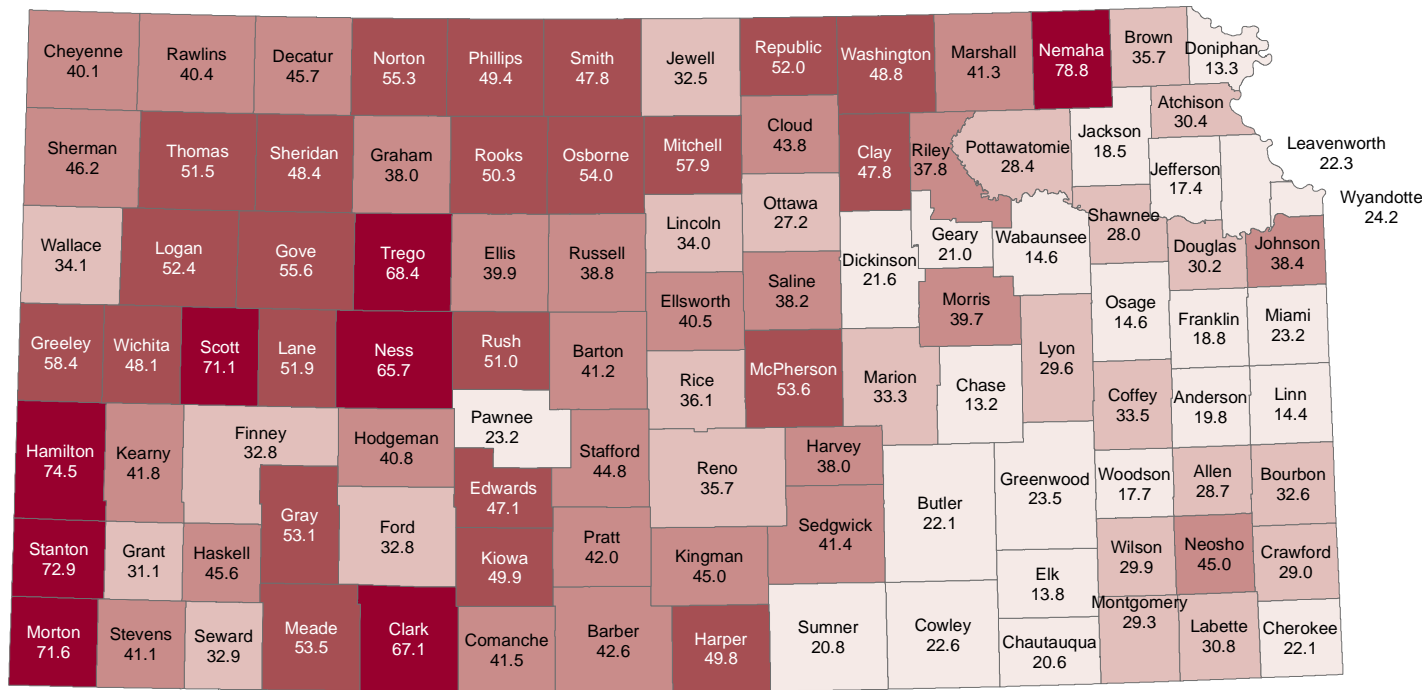


## Kansas Total:

\$4,996.1 million  
51,872 loans

# Jobs Retained with PPP Loans

Jobs Retained with PPP Loans as a Percentage of Civilian Labor Force in Kansas, by County,  
as of June 30, 2020

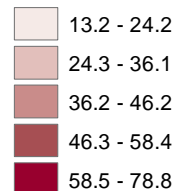


- Kansas: 34.8% of workforce
- Douglas 30%
- Johnson 38%
- Shawnee 28%
- Morton 71.6%
- Scott 71.1%

Source: Institute for Policy & Social Research, The University of Kansas;  
data from U.S. Small Business Administration and Bureau of Labor Statistics.

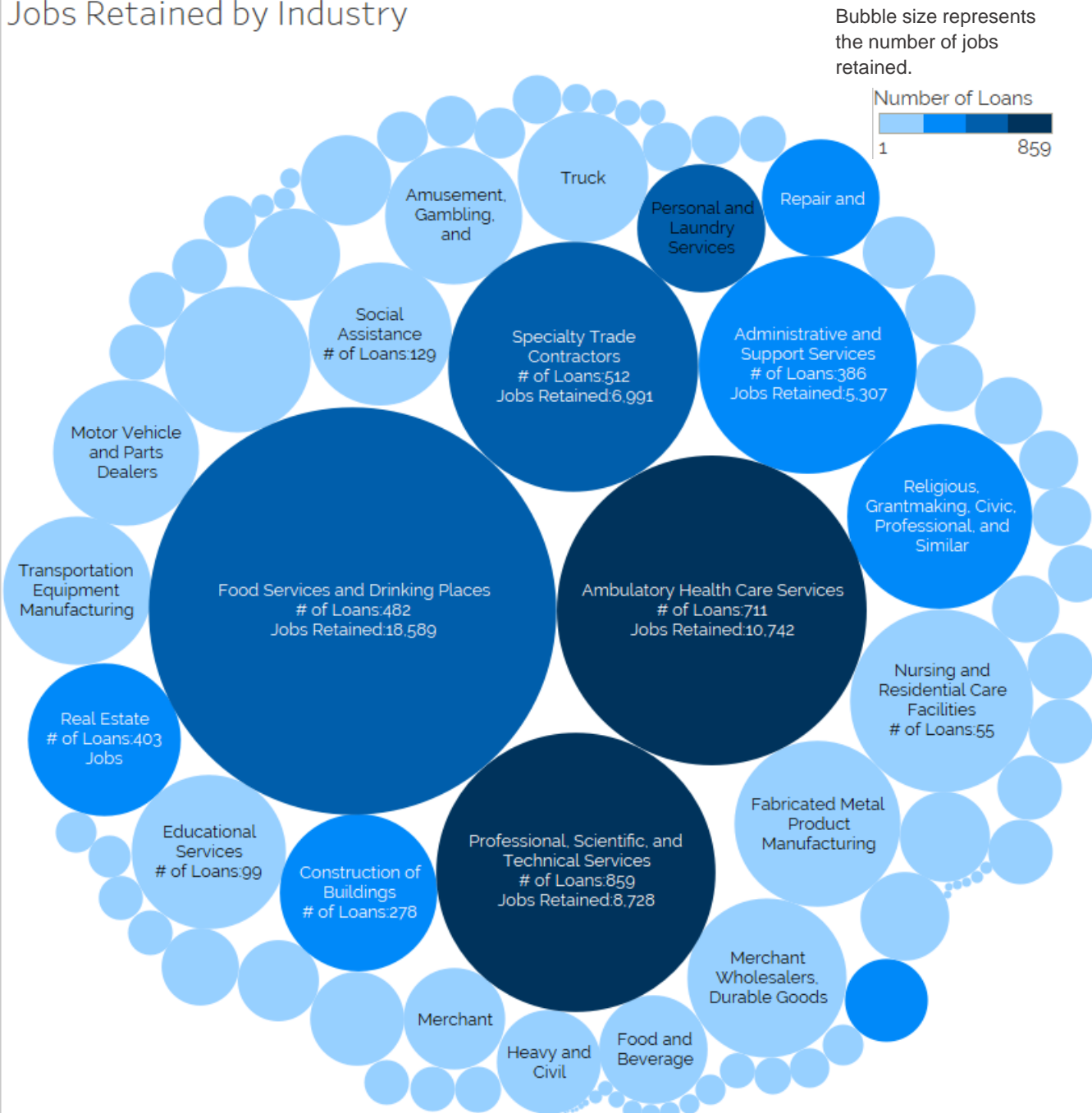
Civilian labor force estimates from June 2020.

## Percent



**Kansas: 34.8%**

## Jobs Retained by Industry



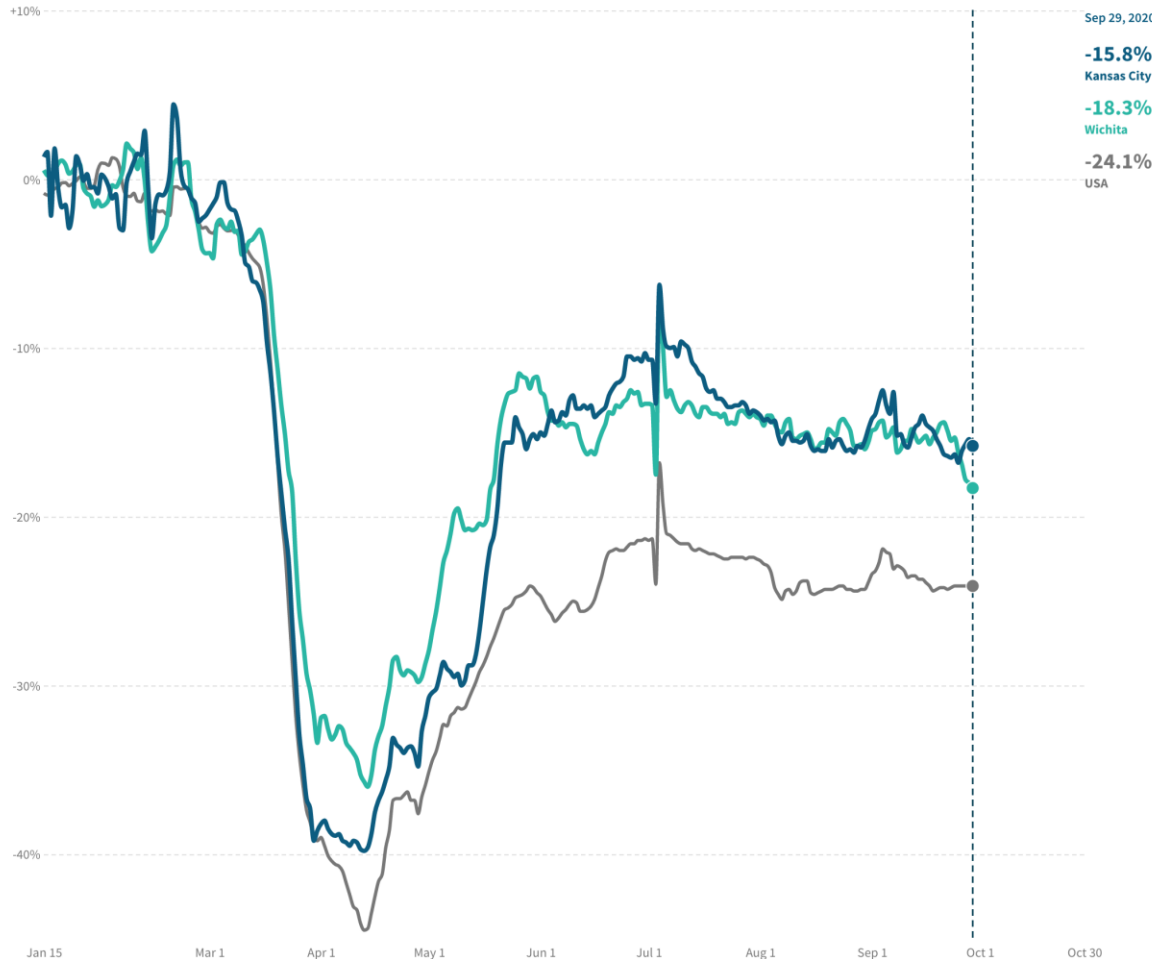
## PPP Program in Sedgwick County

- Sedgwick County businesses received 7,556 PPP loans for a total amount ~\$1.05 Billion. These loans preserved 111,406 jobs
  - Health Care & Social Assistance 903 loans & 17,292 jobs
  - Accommodation & Food Services 566 loans & 20,970 jobs

# Kansas City & Wichita Businesses Have Rebounded a Bit Better Than the State Average

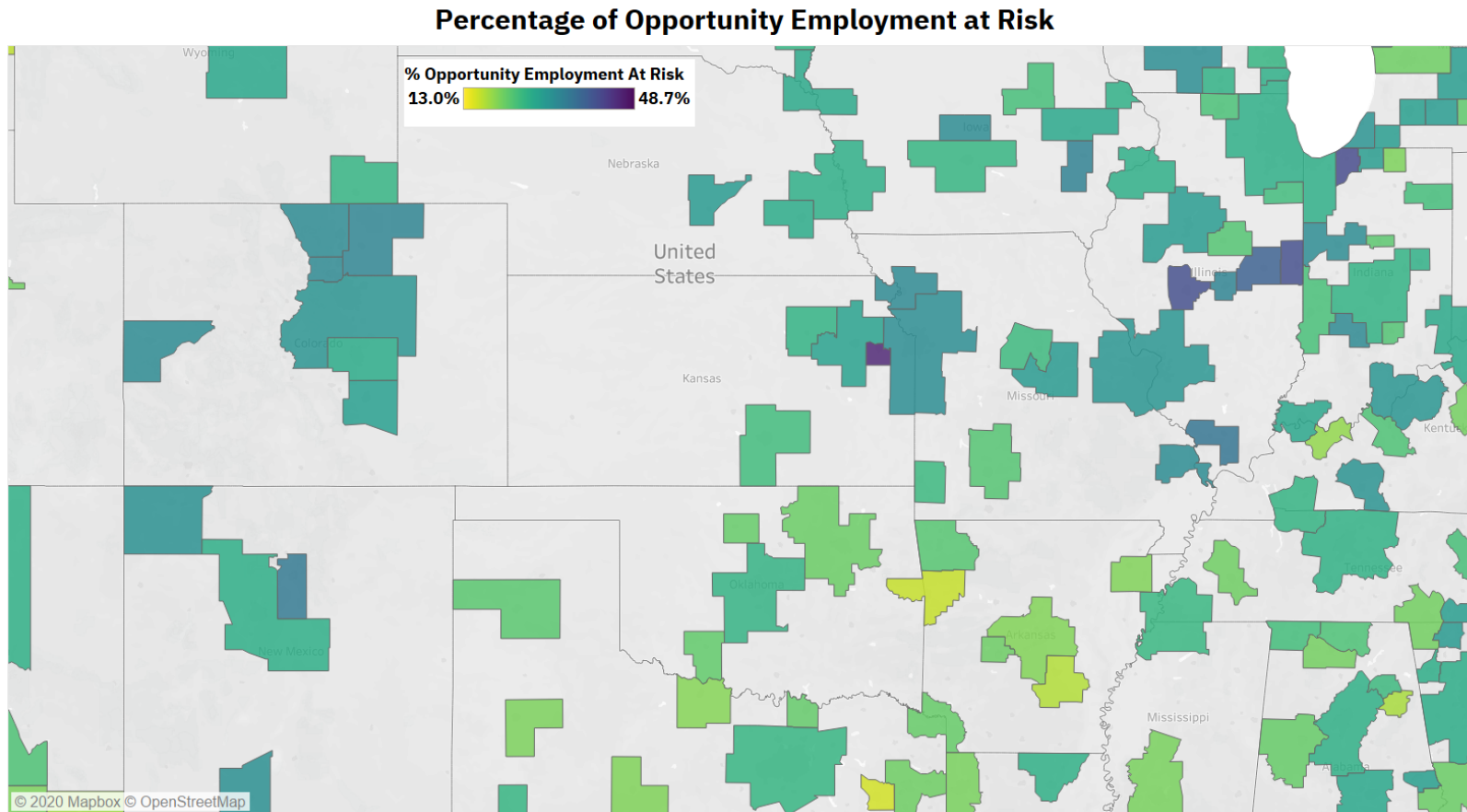
In **Kansas City**, as of September 29, 2020, the number of small businesses open decreased by **15.8%** compared to January 2020.

DOWNLOAD CHART



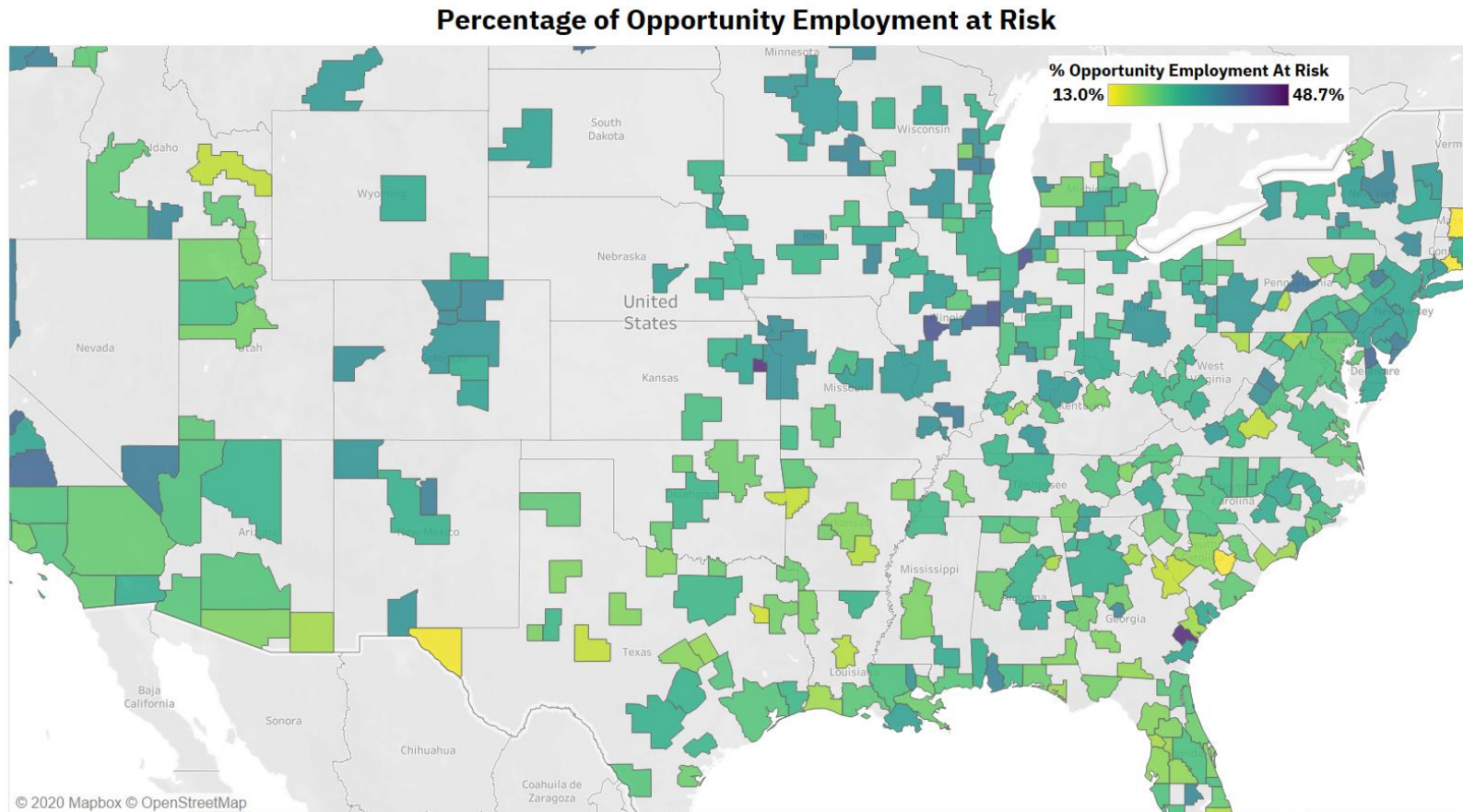
- The number of small businesses open in Kansas has fallen by 19.2% since January.
  - Kansas City has a drop of -15.8% of small businesses that are open.
  - -18.3% in Wichita

# Wichita Total Employment



Source:  
Atlanta Fed Center for  
Workforce and Economic  
Opportunity Analysis of  
McKinsey Global Institute  
Automation Risk Index and  
COVID Exposure Index  
using BLS Occupational  
Employment Statistics Data  
in the [Opportunity  
Occupations Monitor](#)

# Wichita Opportunity Employment



Source:

Atlanta Fed Center for Workforce  
and Economic Opportunity Analysis  
of McKinsey Global Institute  
Automation Risk Index and COVID  
Exposure Index using BLS  
Occupational Employment  
Statistics Data in the [Opportunity  
Occupations Monitor](#)

Note: Opportunity  
occupations/employment are jobs  
that pay above regional median  
wage but do not require a  
bachelors degree, see more at the  
[Atlanta Fed CWEO Opportunity  
Occupations Monitor](#)

# Wichita Metro

## Top Ten Jobs at Risk

	Total Employment	Opportunity Employment
Retail Salespersons	8,320	0
Cashiers	7,080	0
Secretaries And Administrative Assistants, Except Legal, Medical, And Executive	5,960	5,227
Waiters And Waitresses	5,700	0
Office Clerks, General	3,470	0
Bookkeeping, Accounting, And Auditing Clerks	3,310	2,366
Maintenance And Repair Workers, General	3,170	0
Laborers And Freight, Stock, And Material Movers, Hand	2,780	0
Cooks, Restaurant	2,630	0
Construction Laborers	2,450	0

## Top Ten Opportunity Jobs at Risk

	Opportunity Employment	Total Employment
Secretaries And Administrative Assistants, Except Legal, Medical, And Executive	5,227	5,960
Bookkeeping, Accounting, And Auditing Clerks	2,366	3,310
First-Line Supervisors Of Retail Sales Workers	1,918	2,410
Carpenters	1,410	1,410
Production, Planning, And Expediting Clerks	1,383	1,780
Operating Engineers And Other Construction Equipment Operators	1,320	1,320
Dining Room And Cafeteria Attendants And Bartender Helpers	1,040	1,040
Amusement And Recreation Attendants	740	740
Loan Interviewers And Clerks	443	470
Parts Salespersons	428	450

Source:  
 Atlanta Fed Center for  
 Workforce and  
 Economic  
 Opportunity Analysis  
 of McKinsey Global  
 Institute Automation  
 Risk Index and COVID  
 Exposure Index using  
 BLS Occupational  
 Employment Statistics  
 Data in the  
[Opportunity  
 Occupations Monitor](#)

# Wichita Metro's industry mix affects the total number of potential jobs affected

## **CBO Estimates**

- 56.1% of Wichita's industry employment demand expected to be impacted compared with 53% statewide

## **Work from home estimates (pre-pandemic)**

- 28.6% of Wichita's workers predicted to be able to work from home compared with 28.3% statewide

Source: [\*The Digital Divide and the Pandemic: Working from Home and Broadband and Internet Access\*](#)

Sources: [Congressional Budget Office 2006, A Potential Influenza Pandemic: Possible Macroeconomic and Policy Issues](#); U.S. Bureau of Labor Statistics' Quarterly Census of Employment and Wages, 2019 Q1–Q3 data; and U.S. Bureau of Labor Statistics' American Time Use Survey: 2018 Results.

# Is This a K-shaped Recovery?

**The Washington Post**

**Economy**

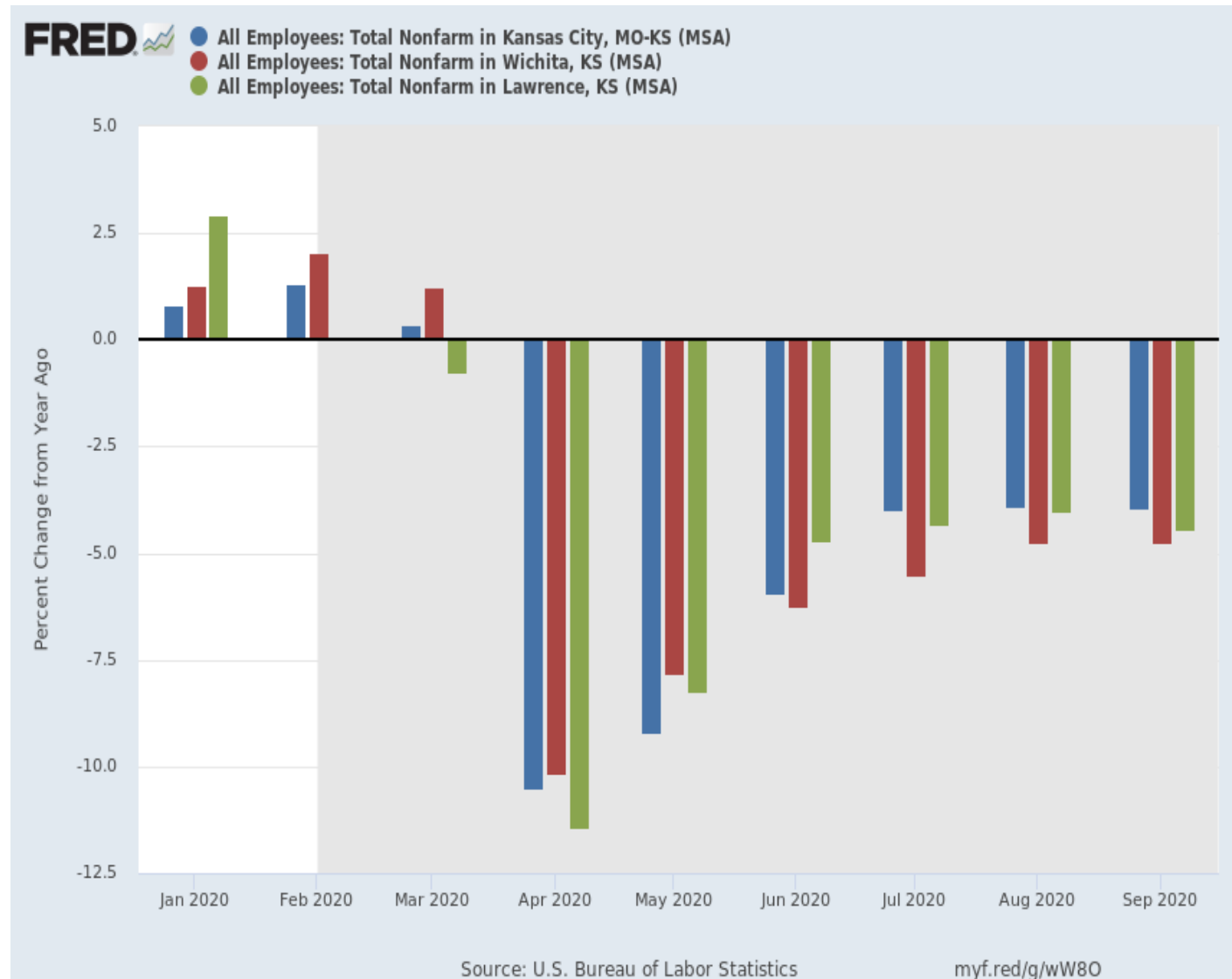
## **The recession is over for the rich, but the working class is far from recovered**

The stock market and home values are back at record levels, while jobs remain scarce for those earning less than \$20 an hour

August 13, 2020

Source: <https://www.washingtonpost.com/business/2020/08/13/recession-is-over-rich-working-class-is-far-recovered>

# Change in Employment by Major City in Kansas

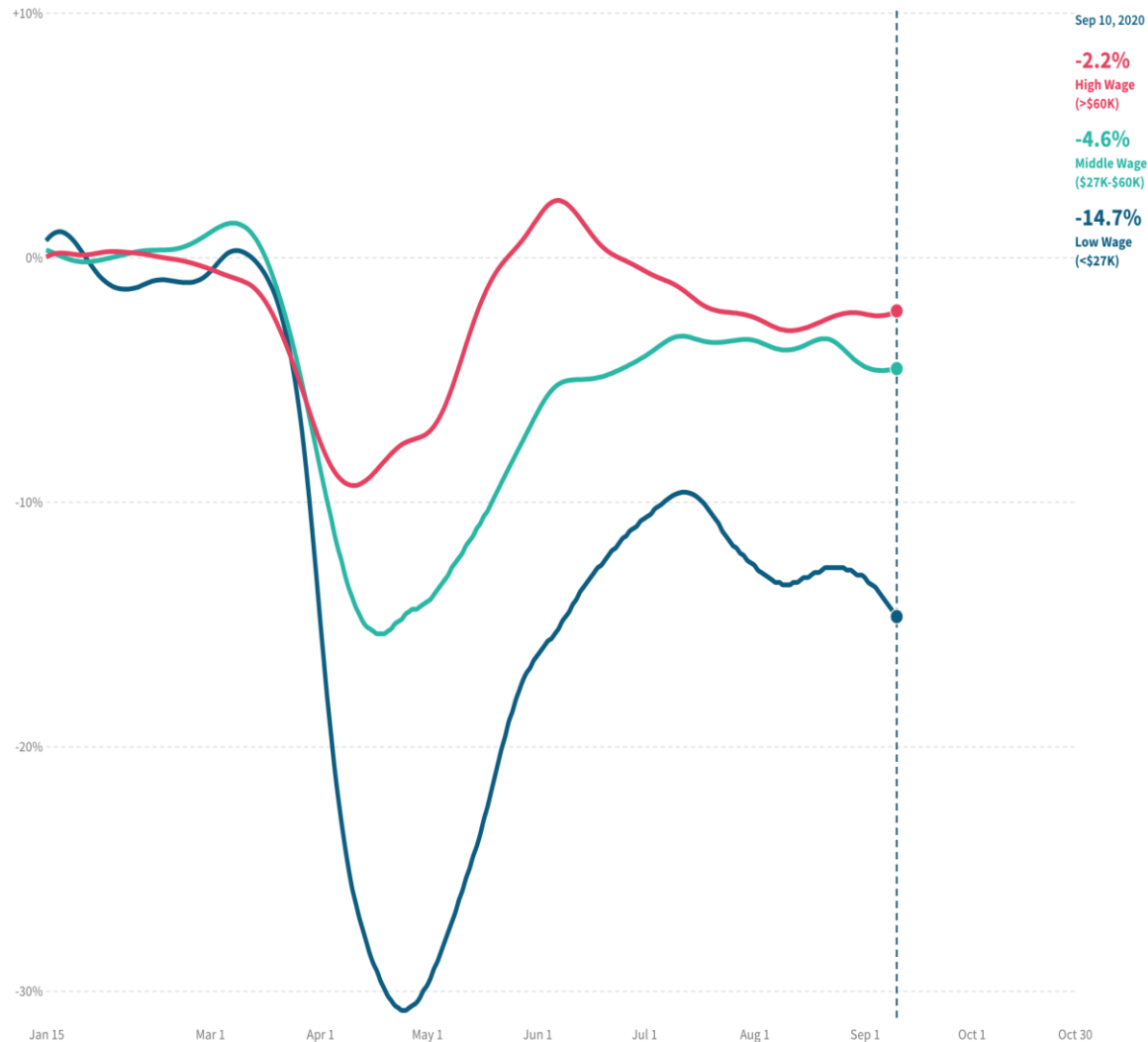


- Compared to a year ago:
  - Kansas City MSA down 4%.
  - Wichita down 4.7%.
  - Lawrence down 4.4%.
- Employment has not recovered.

# Is This a K-shaped Recovery in Kansas?

In **Kansas**, as of September 10 2020, employment rates among workers in the bottom wage quartile decreased by **14.7%** compared to January 2020 (not seasonally adjusted).

DOWNLOAD CHART

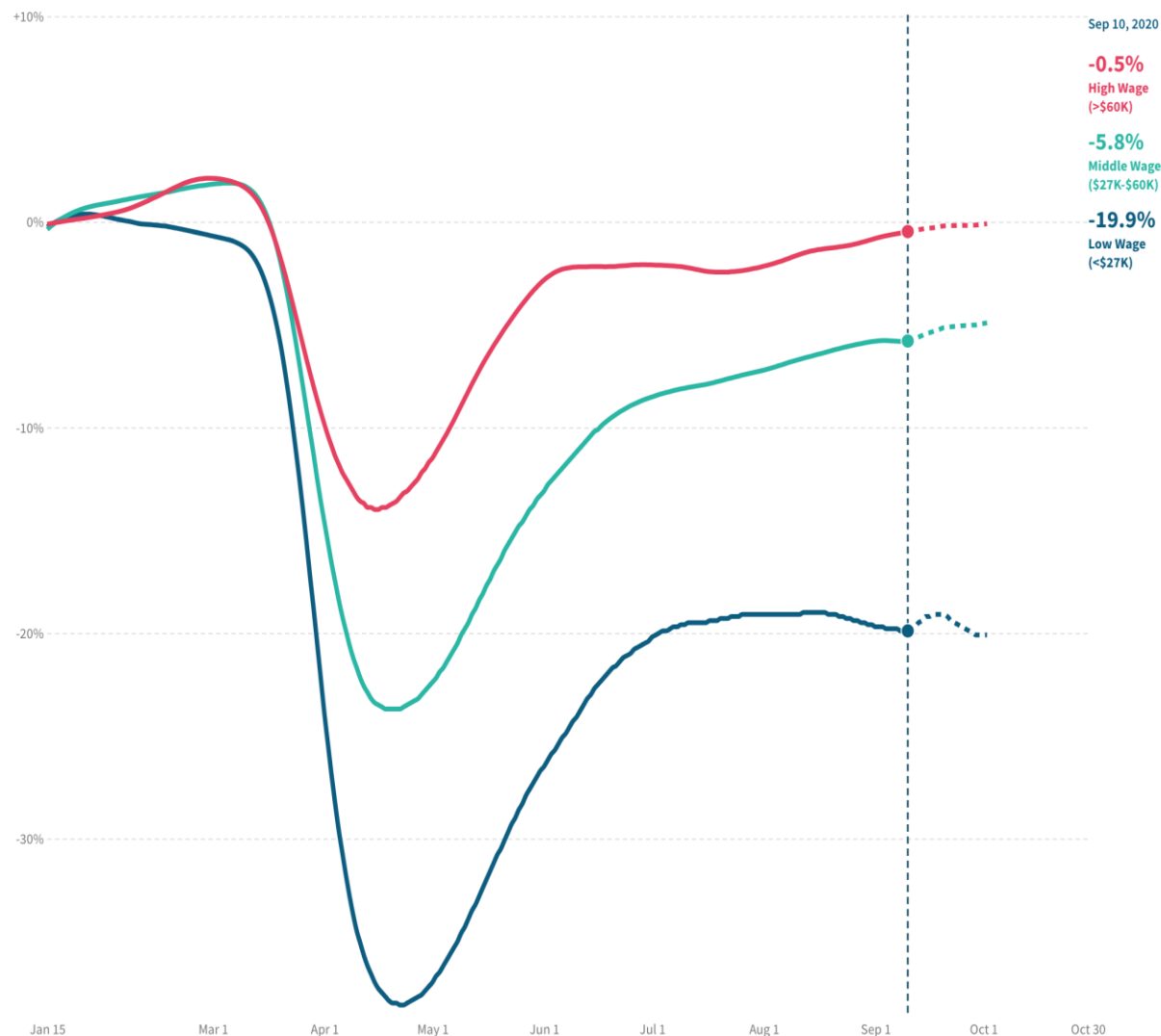


- Jobs for those earning > \$60,000 per year are down only 2.2% and middle wage jobs down 4.6%.
- Jobs for low wage workers, earning <\$27,000 per year are down 14.7%.
  - The rich and middle income have recovered.
  - The low income have not.

# Is This a K-shaped Recovery in the US?

In the United States, as of September 10 2020, employment rates among workers in the bottom wage quartile decreased by **19.9%** compared to January 2020 (not seasonally adjusted).

DOWNLOAD CHART



- Jobs for those earning > \$60,000 per year are down only .5%.
- Jobs for low wage workers, earning < \$27,000 per year are down 19.9%.
  - The rich have recovered.
  - The rest have not.

# Boeing's Persistent Problems and Sedgwick County

- Boeing had no new orders in April, 2020 and its backlog of order has fallen below 5,000 first the first time since 2013
  - It has 304 cancellations and only 49 new orders for the year.  
<https://www.wsj.com/articles/boeing-orders-slip-below-5-000-on-max-cancellations-11589295600>
- In an interview with NBC on May 12, Boeing's CEO predicted that a large US airline is likely to go out of business because of the pandemic and said that: "Apocalyptic does accurately describe the moment."  
<https://www.cnn.com/2020/05/12/business/boeing-orders-deliveries-coronavirus/index.html>
- Demand for air travel is ~30% of the previous year.
- Demand for Commercial Aircraft will be low for 2-3 years after we come out of the recession.
  - 3.5 – 5 years before demand returns

Thank You!

**Thank  
You** *Mahalo*  
*Kiitos*  
*Tack*  
*Grazie*  
*Obrigado*  
*Takk*  
*Danke*  
**Gracias** *Toda*  
**Thanks**  
**Merci**