

# 2022 Kansas City Employment Forecast

Total employment in the Kansas City, MO-KS, metropolitan area<sup>1</sup> contracted by more than 47,000 workers in 2020, a decline of 4.3 percent. More than 109,000 jobs were lost in the second quarter of 2020 due to the onset of the novel coronavirus pandemic, but then employment recovered by 78,000 jobs over the next four quarters. As a result, the unemployment rate spiked to 13.2 percent in April 2020, followed by a rapid decline, reaching 4.4 percent in July 2021.

The economy is forecast to continue to recover in 2022 in Kansas City with projected growth of 1.5 percent, the fastest of any Kansas metropolitan area. By the end of 2022, the area is forecast to recover more than 90 percent of the jobs lost in 2020. However, substantial downside risks remain present that could derail or slow the recovery. These include brittle supply chains, difficulty attracting workers back to the labor force, and potential spikes in the novel coronavirus.

- Employment in the production sectors is forecast to increase by 0.9 percent, led by the construction sector, which is projected to grow 1.9 percent. Manufacturing is expected to grow by 0.3 percent, adding more than 200 jobs. The production sectors are projected to exceed their pre-pandemic peak in 2022 after increasing by more than 1,200 jobs.
- Trade, transportation, and utilities employment is expected to expand by 1.2 percent. The transportation and utilities sector is forecast to be the fastest-growing sector, adding more than 1,100 jobs while growing 1.8 percent as Kansas City's logistics hub continues to expand. The retail trade and wholesale trade sectors are projected to increase 0.9 percent and 1 percent, respectively. Both are expected to remain below their pre-pandemic peaks in 2022, while the transportation and utilities sector is forecast to exceed its previous level.
- The service sectors are projected to add more than 11,500 jobs, growing 2 percent. The leisure and hospitality sector is forecast to be the fastest-growing of the service sectors, expanding 3.9 percent in 2022 after declining by 18.8 percent in 2020. In addition, the professional and business services sector and the education and health care sector are each projected to grow by 1.9 percent, each gaining more than 3,000 jobs.
- Employment in the governmental sector is forecast to increase by almost 1,200 workers for 0.8 percent growth. However, the added jobs are expected to largely be in the local government sector.

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<sup>1</sup> The Kansas City, MO-KS, metropolitan area includes Bates, Caldwell, Cass, Clay, Clinton, Jackson, Lafayette, Platte and Ray counties in Missouri and Johnson, Leavenworth, Linn, Miami, and Wyandotte counties in Kansas.

Kansas City Employment by Industry Summary*					
	2020 (a)	2021 (e)	2022 (f)	2021-2022 Level Change	2021-2022 Percent Change
<b>Total Nonfarm</b>	<b>1,050,592</b>	<b>1,077,354</b>	<b>1,093,888</b>	<b>16,534</b>	<b>1.5%</b>
<b>Production Sectors</b>	<b>131,281</b>	<b>132,793</b>	<b>134,054</b>	<b>1,261</b>	<b>0.9%</b>
Nat. Resources, Mining & Cons.	52,593	53,521	54,518	998	1.9%
Manufacturing	78,688	79,272	79,535	263	0.3%
<b>Trade, Transportation &amp; Utilities</b>	<b>210,248</b>	<b>217,395</b>	<b>219,958</b>	<b>2,563</b>	<b>1.2%</b>
Wholesale Trade	49,552	49,601	50,090	489	1.0%
Retail Trade	104,262	107,246	108,207	960	0.9%
Transportation & Utilities	56,435	60,547	61,661	1,114	1.8%
<b>Service Sectors</b>	<b>563,004</b>	<b>582,109</b>	<b>593,621</b>	<b>11,512</b>	<b>2.0%</b>
Information	15,016	14,194	14,606	413	2.9%
Financial Activities	79,373	77,375	77,687	312	0.4%
Professional & Business Services	182,604	194,045	197,698	3,653	1.9%
Education & Health Services	154,739	157,272	160,326	3,054	1.9%
Leisure & Hospitality	90,830	98,040	101,823	3,783	3.9%
Other Services	40,441	41,183	41,480	297	0.7%
<b>Government</b>	<b>146,059</b>	<b>145,057</b>	<b>146,256</b>	<b>1,198</b>	<b>0.8%</b>

\*Annual values are derived from average quarterly observations and projections.  
(a) actual (e) estimated (f) forecasted  
Source: CEDBR, BLS - CES

