

2022 Kansas City Employment Forecast

In 2021, unemployment in Kansas City fell dramatically, from 6.6% down to 4.3%. Indicative of continuing labor market adaptation and recovery from the ongoing novel Coronavirus pandemic, these trends are expected to continue throughout 2022 and 2023, halving the number of Kansas-Citians left unemployed in 2020. There remains a degree of uncertainty as mutations of the virus such as the Delta and Omicron variants continue to place strain on the population, workforce, and economy through surges in infection rates. Still, this strain is dampened by continually increasing access to and availability of vaccines and treatments, and the outlook appears increasingly optimistic.

Kansas City				
Year	Labor Force	Employed	Unemployed	Unemployment Rate
2020(a)	1,138,713	1,068,631	70,082	6.6%
2021(e)	1,165,131	1,117,295	47,835	4.3%
2022(f)	1,166,771	1,134,375	32,396	2.9%
2023(f)	1,182,474	1,153,198	29,276	2.5%

(a) actual (e) estimated (f) forecasted
Source: CEDBR, BLS - LAUS

Personal income grew 2.9% in 2021, and growth is forecasted to continue throughout 2022, 2023, and 2024. This same trend is observed in personal income per-capita, which saw 2.1% growth in 2021 with higher rates forecasted for coming years. It is expected to exceed \$60,000 in 2022.

Kansas City, MO-KS (Metropolitan Statistical Area)				
Year	Personal Income (\$billions)	Personal Income Growth	Per-Capita Personal Income (\$)	Per-Capita Income Growth
2021	129.82	2.9%	\$59,281	2.1%
2022	134.25	3.4%	\$60,858	2.7%
2023	138.69	3.3%	\$62,413	2.6%
2024	143.13	3.2%	\$63,946	2.5%

Source: CEDBR, BLS - LAUS

Employment growth is expected to be distributed unevenly across different sectors. Trade occupations in Kansas City saw strong growth, adding 6,000 jobs in 2021, with solid growth forecasted for 2022 and 2023. The addition of 2,800 (2.6%) and 2,500 (2.3%) jobs are expected for these respective years. The largest component of Kansas City's labor market, the service sector, grew by 1.4% in 2021, adding 3,600 jobs, and is expected to continue growth throughout 2023, making a net addition of 10,400 jobs since 2020.

The most significant component of job growth in the service sector comes from leisure and hospitality occupations, which have rebounded dramatically in 2021 (9.6% growth from 2020) alongside increasing vaccine availability and an ever-adapting labor force and job market. Concurrent with this expansion, retail sales similarly bounced back in 2021, growing 12% relative to 2020, and are forecasted to continue growth, even after adjusting for inflation. As a result, retail sales in 2022 are expected to almost reach, and in 2023 to exceed, \$1.4 billion.

Inflation-Adjusted Taxable Retail Sales Growth				
Kansas			Kansas City, KS MSA	
Year	Sales(\$Billions)*	Growth Rate	Sales(Billions)*	Growth Rate
2019(a)	3.578		1.220	
2020(a)	3.529	-1.4%	1.179	-3.4%
2021(e)	3.898	8.0%	1.320	12.0%
2022(f)	4.158	3.7%	1.391	5.4%
2023(f)	4.261	0.9%	1.423	2.3%

*Annual values, in billions are derived from monthly observations and projections.
(a) actual (e) estimated (f) forecasted
Source: CEDBR, KSDOR

Growth was more modest in the production sector throughout 2021, which gained 550 jobs that year. However, growth rates are forecasted to increase in 2022, adding 2,000 jobs, with another 1,300 in 2023. Similarly, the government sector gained 750 jobs in 2021 and is expected to continue growth in 2022 by a factor of 1.2%. In 2023, government is estimated to grow by 1.1%, resulting in a net increase of 2,100 jobs since 2020.

Kansas City Employment by Industry*							
	2020 (a)	2021 (e)	2022 (f)	2023 (f)	2021	2022	2023
Production	55,817	56,369	58,357	59,624	1.0%	3.5%	2.2%
Nat. Resources, Mining & Cons.	22,050	22,345	23,293	24,014	1.3%	4.2%	3.1%
Durables	19,817	19,854	20,534	20,896	0.2%	3.4%	1.8%
Non-Durables	13,950	14,170	14,530	14,714	1.6%	2.5%	1.3%
Trade	102,558	108,091	110,879	113,412	5.4%	2.6%	2.3%
Services	251,750	255,371	259,303	262,160	1.4%	1.5%	1.1%
Information	6,550	6,093	5,835	5,560	-7.0%	-4.2%	-4.7%
Financial Activities	38,142	36,652	37,004	37,122	-3.9%	1.0%	0.3%
Professional & Business Services	86,758	87,399	88,338	89,003	0.7%	1.1%	0.8%
Education & Health Services	68,925	69,894	71,232	72,547	1.4%	1.9%	1.8%
Leisure & Hospitality	35,433	38,840	40,123	41,118	9.6%	3.3%	2.5%
Other	15,942	16,493	16,771	16,810	3.5%	1.7%	0.2%
Government	56,867	57,642	58,309	58,929	1.4%	1.2%	1.1%
Total	466,992	477,473	486,848	494,124	2.2%	2.0%	1.5%

*Annual values are derived from average quarterly observations and projections.

(a) actual (e) estimated (f) forecasted

Source: CEDBR, BLS - CES