

2022 Kansas City Employment Forecast

In 2021, unemployment in Kansas City fell dramatically, from 6.56% down to 4.22%. 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 Omicron variant, continue to place strain on the population, workforce, and economy through surges in infection rates. Still, this strain is dampened by the now robust access to and availability of vaccines and treatments, and the outlook appears increasingly optimistic. Vaccination rates in Kansas have mostly plateaued for both full and partial vaccinations. Other international issues such as the Russian Federation's invasion of Ukraine and the associated concern over the trade of commodities such as petrochemical products, food, etc. are expected to impact the Kansas economy through increased demand for those same goods.

Kansas City				
Year	Labor Force	Employed	Unemployed	Unemployment Rate
2020(a)	1,138,713	1,068,631	70,082	6.56%
2021(e)	1,164,348	1,117,197	47,151	4.22%
2022(f)	1,167,612	1,130,147	37,465	3.32%
2023(f)	1,175,399	1,141,192	34,207	3.00%

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

Personal income grew 2.89% 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 2.11% 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 (\$thousands)	Personal Income Growth	Per-Capita Personal Income	Per-Capita Income Growth	
2021	\$ 129,815,707.48	2.89%	\$ 59,280.70	2.11%	
2022	\$ 134,254,138.30	3.42%	\$ 60,858.48	2.66%	
2023	\$ 138,692,569.11	3.31%	\$ 62,413.31	2.55%	
2024	\$ 143,130,999.93	3.20%	\$ 63,945.69	2.46%	

Source: CEDBR, BLS - LAUS

Employment growth is expected to be distributed unevenly across different sectors. Trade occupations in Kansas City saw solid growth, adding 2,850 jobs in 2021, with growth also forecasted in 2022 and 2023. The addition of 1,282 (1.2%) and 1,992 (1.9%) jobs are expected for these respective years. The largest component of Kansas City's labor market, the service sector, grew by 0.9% in 2021, adding 2,250 jobs, and is expected to continue growth throughout 2023, making a net addition of 6,978 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 (8.6% 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 8.1% relative to 2020, and are forecasted to

continue growing, even after adjusting for inflation. As a result, retail sales in 2022 are expected almost to reach, and in 2023 exceed, \$550 million.

Inflation-Adjusted Taxable Retail Sales Growth				
Kansas			Kansas City, KS MSA	
Year	Sales(\$Billions)*	Growth Rate	Sales(\$Billions)*	Growth Rate
2019(a)	1.527	-	0.511	-
2020(a)	1.525	-0.1%	0.494	-3.4%
2021(e)	1.694	11.1%	0.534	8.1%
2022(f)	1.788	5.5%	0.555	3.9%
2023(f)	1.794	0.3%	0.556	0.2%

* Annual values, in billions are derived from monthly observations and projections. ** Retail sales figures are given in 1982-relative dollars.
(a) actual (e) estimated (f) forecasted
Source: CEDBR, BLS - KSDOR

Growth was more modest in the production sector throughout 2021, which gained 583 jobs. However, growth rates are forecasted to increase in 2022, adding 1,387 jobs, with another 1,534 in 2023. Similarly, the government sector gained 208 jobs in 2021 and is expected to continue growing in 2022 by 0.7%. In 2023, government is estimated to rise slightly, by 0.1%, resulting in a net increase of 674 jobs since 2020.

Kansas City Employment by Industry*							
	2020 (a)	2021 (e)	2022 (f)	2023 (f)	2021	2022	2023
Production	55,933	56,517	57,903	59,437	1.0%	2.5%	2.6%
Nat. Resources, Mining & Cons.	22,058	22,558	23,775	24,902	2.3%	5.4%	4.7%
Durables	19,817	19,833	20,246	20,471	0.1%	2.1%	1.1%
Non-Durables	14,058	14,125	13,883	14,064	0.5%	-1.7%	1.3%
Trade Services	103,175	106,025	107,307	109,299	2.8%	1.2%	1.9%
Information	6,567	6,775	6,798	6,781	3.2%	0.3%	-0.3%
Financial Activities	37,950	36,967	37,149	37,314	-2.6%	0.5%	0.4%
Professional & Business Services	85,658	84,033	84,649	84,973	-1.9%	0.7%	0.4%
Education & Health Services	69,100	70,017	70,534	71,794	1.3%	0.7%	1.8%
Leisure & Hospitality	35,517	38,558	39,233	39,822	8.6%	1.7%	1.5%
Other	15,950	16,642	16,943	17,037	4.3%	1.8%	0.6%
Government	56,617	56,825	57,226	57,291	0.4%	0.7%	0.1%
Total	466,467	472,358	477,742	483,747	1.3%	1.1%	1.3%

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

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

Source: CEDBR, BLS - CES