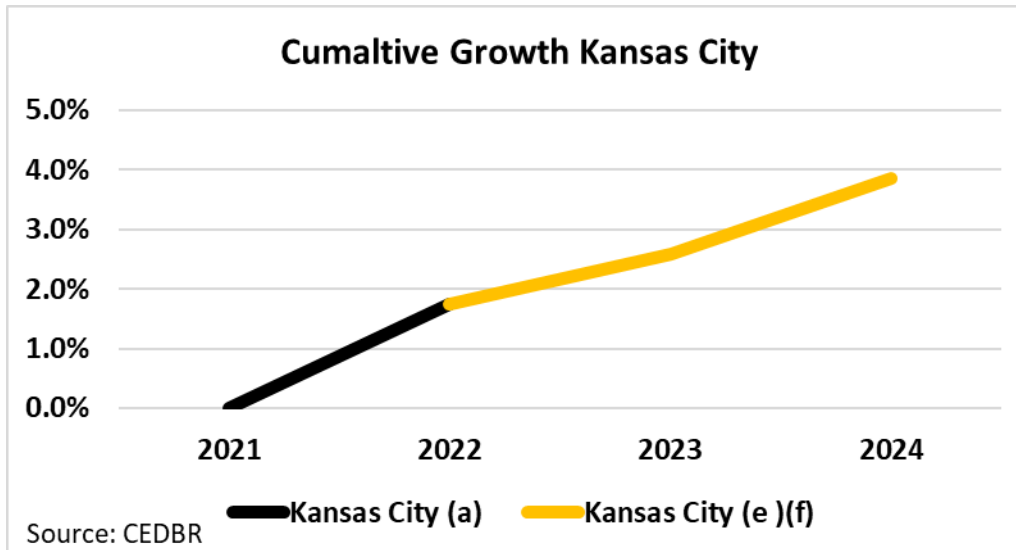


2023 Kansas City Employment Forecast

Total employment in the Kansas City, Kansas metropolitan area¹ increased by just shy of 5,900 workers in 2021, a growth of 1.3%. In the first half of 2022, the regional economy added 5,575 as employers to all labor in efforts to meet the elevated demand.

The U.S. and global economic conditions were mirrored within the Kansas City area, with firms and households both concerned about inflation and a potential recession. As of November 2022, the regional market added 15,000 since January of the same year. Most of that growth was within the professional and business services sector, with 6,200 jobs.

The economy is forecast to increase by 0.8% in 2023, adding over 4,059 workers, which is a moderating growth rate due to the labor market approaching full employment and the tightening monetary policy. Although global and national market conditions are slowing, the Kansas City area is expected to have one of the strongest growths within the state. Further, the regional market is expected to see even stronger growth in 2024 after the inflation woes subside.



Employment in the production sectors is forecast to increase by 1.5%, led by the growth in the durables goods manufacturing sector. The durable goods sector is expected to add over 830 jobs in 2023 at an annual growth rate of 3.9%. Although this industry segment is facing broader macroeconomic pressures, the region is expected to continue its growth in both automotive and related activities. The non-durables manufacturing, natural resources, and construction subsectors are expected to have more moderate growth.

Trade, transportation, and utilities employment is expected to have flat growth in 2023. The transportation and utilities sector is forecast to be the fastest-growing sector, whereas the retail portion

¹ The Kansas City, Kansas metropolitan area portion includes Johnson, Leavenworth, Linn, Miami, and Wyandotte Counties.

will slow. The slowing growth within the retail sectors is driven primarily by the persistent inflation eroding household purchasing power.

The service sectors are projected to add more than 2,566 jobs, growing 1.0%. The professional & business is projected to lead the growth in 2023. The slowest industry within this segment is the financial sector, which is anticipated to add 174 jobs over the next year.

Kansas City Employment by Industry*							
	2021 (a)	2022 (e)	2023 (f)	2024 (f)	2022	2023	2024
Production	56,517	60,040	60,914	61,535	6.2%	1.5%	1.0%
Nat. Resources, Mining & Cons.	22,558	24,701	24,670	24,838	9.5%	-0.1%	0.7%
Durables	19,833	21,348	22,178	22,533	7.6%	3.9%	1.6%
Non-Durables	14,125	13,991	14,067	14,163	-0.9%	0.5%	0.7%
Trade	106,025	106,828	106,748	107,472	0.8%	-0.1%	0.7%
Services	252,992	256,294	258,860	262,801	1.3%	1.0%	1.5%
Information	6,775	7,220	7,201	7,234	6.6%	-0.3%	0.4%
Financial Activities	36,967	34,944	34,618	34,790	-5.5%	-0.9%	0.5%
Professional & Business Service	84,033	85,352	87,528	89,514	1.6%	2.5%	2.3%
Education & Health Services	70,017	71,485	71,688	72,208	2.1%	0.3%	0.7%
Leisure & Hospitality	38,558	40,157	40,515	41,242	4.1%	0.9%	1.8%
Other	16,642	17,137	17,309	17,813	3.0%	1.0%	2.9%
Government	56,825	57,391	58,090	58,734	1.0%	1.2%	1.1%
Total	472,358	480,554	484,613	490,541	1.7%	0.8%	1.2%

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

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

Source: CEDBR, BLS - CES

The labor market conditions for households remain robust, as employers continued to add jobs in 2023 and are anticipated to expand by 1.0% in 2024. The growth will put further pressure on the market and will likely decrease unemployment over the next two years.

Kansas City Labor Market					
	2020 (a)	2021 (a)	2022 (e)	2023 (f)	2024 (f)
Rate	6.4%	4.4%	3.0%	3.0%	2.9%
Unemployment	68,622	48,320	33,523	33,836	33,047
Employment	1,064,342	1,094,373	1,117,000	1,125,055	1,135,718
Labor Force	1,132,964	1,142,694	1,150,523	1,158,892	1,168,765

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

Source: CEDBR, BLS - LAUS