

## 2023 Kansas City Employment Forecast May Update

Kansas City's total employment is estimated to reach 484,613 in 2023 and 490,541 in 2024, marking a steady increase of 0.8% and 1.2%, respectively.

The services sector is expected to continue driving job growth, with employment in professional and business services, education and health services, and leisure and hospitality industries projected to grow by 2.5%, 0.3%, and 0.9%, respectively, by the end of 2023. In 2024, these sectors are expected to see further job growth of 2.3%, 0.7%, and 1.8%, respectively.

Meanwhile, the production sector is expected to increase by 1.5% in 2023 and 1.0% in 2024. The growth is expected to be highly concentrated within the Durable portion of the manufacturing sectors as the region prepares for the Panasonic expansion. The natural resources, mining, and construction industries are projected to remain stable at 24,670 in 2023.

Employment in trade is expected to remain stable, while government jobs are expected to increase by 1.2% in 2023 and 1.1% in 2024.

"The Kansas City labor market is showing signs of consistent growth, with the services sector leading the way," said CEDBR Director Jeremy Hill. "As the region moves forward, it is vital that it continues to support job growth in these sectors and ensure that the workforce is equipped with the skills and knowledge needed to thrive in a rapidly evolving economy."

Kansas City Employment by Industry*							
	2021 (a)	2022 (e)	2023 (f)	2024 (f)	2022	2023	2024
<b>Production</b>	<b>56,517</b>	<b>60,040</b>	<b>60,914</b>	<b>61,535</b>	<b>6.2%</b>	<b>1.5%</b>	<b>1.0%</b>
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%
<b>Trade</b>	<b>106,025</b>	<b>106,828</b>	<b>106,748</b>	<b>107,472</b>	<b>0.8%</b>	<b>-0.1%</b>	<b>0.7%</b>
<b>Services</b>	<b>252,992</b>	<b>256,294</b>	<b>258,860</b>	<b>262,801</b>	<b>1.3%</b>	<b>1.0%</b>	<b>1.5%</b>
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%
<b>Government</b>	<b>56,825</b>	<b>57,391</b>	<b>58,090</b>	<b>58,734</b>	<b>1.0%</b>	<b>1.2%</b>	<b>1.1%</b>
<b>Total</b>	<b>472,358</b>	<b>480,554</b>	<b>484,613</b>	<b>490,541</b>	<b>1.7%</b>	<b>0.8%</b>	<b>1.2%</b>

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

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

Source: CEDBR, BLS - CES

The Kansas City labor market experienced a 6.4% unemployment rate in 2020, which decreased to 4.4% in 2021. The estimated rate for 2022 is 2.8%, which is expected to remain the same in 2023 and fall to 2.4% in 2024.

The number of unemployed individuals in the region also decreased from 68,622 in 2020 to 48,320 in 2021 and is projected to fall further to 31,471 in 2023 and 27,216 in 2024.

On the other hand, employment in the Kansas City labor market has been steadily increasing. In 2020, there were 1,064,342 individuals employed in the region, which grew to 1,094,373 in 2021. The estimated number of employed individuals for 2022 is 1,117,977 and is expected to reach 1,124,446 in 2023.

The labor force in the Kansas City area has also been steadily increasing, from 1,132,964 in 2020 to 1,142,694 in 2021. The estimated number for 2022 is 1,148,745, which is expected to increase to 1,155,917 in 2023.

<b>Kansas City Labor Market</b>					
	<b>2020 (a)</b>	<b>2021 (a)</b>	<b>2022 (e)</b>	<b>2023 (f)</b>	<b>2024 (f)</b>
<b>Rate</b>	6.4%	4.4%	2.8%	2.8%	2.4%
<b>Unemployment</b>	68,622	48,320	30,768	31,471	27,216
<b>Employment</b>	1,064,342	1,094,373	1,117,977	1,124,446	1,139,269
<b>Labor Force</b>	1,132,964	1,142,694	1,148,745	1,155,917	1,166,485

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

Source: CEDBR, BLS - LAUS

Overall, the data suggest that the Kansas City labor market is expected to continue its positive trend with lower unemployment rates, more employment opportunities, and a growing labor force in the coming years.