



Missouri Economy Indicators

Animal Processing Industry

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With plants located around Missouri, animal processors supply pork, beef, chicken and other meats to grocery stores, restaurants and consumers. In Missouri, animal processing employment is 1.7 times more concentrated than the U.S. average, with many larger plants producing poultry and pork products. Pandemic-driven meat and poultry consumption changes, along with a tight labor market, have challenged processors' operations in the past year.

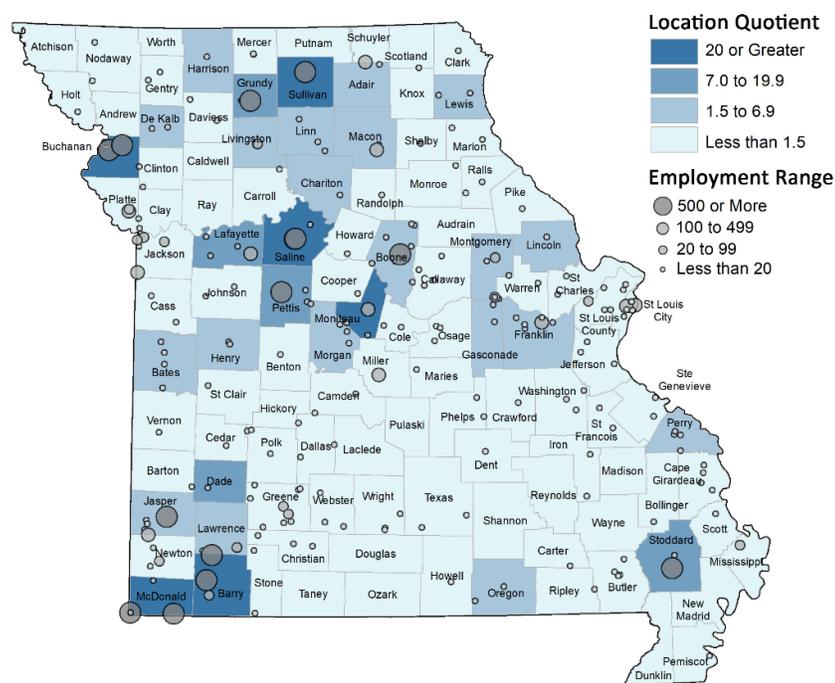
Animal Processing Job Concentration

Missouri's more than 140 animal processing firms - businesses with payroll employment - supported nearly 17,500 jobs in early 2021.¹

Large firms serve national and global markets and employ hundreds of workers. Missouri also has more than 100 self-employed processors that typically serve local markets.

Processing jobs concentrate in many Missouri counties; see map. Several counties in southwest, west central and northern Missouri have high employment location quotients (LQs), which measure an area's employment concentration. An LQ of 7.0 means an industry is seven times more concentrated in jobs than the national average. Missouri has an overall processing industry LQ of 1.7.

Missouri Animal Processing Businesses and Job Concentration, 2021



Source: MU Extension graphic using seasonally adjusted data from EMSI, Data Axle and the Missouri Association of Meat Processors.

Poultry continues to lead U.S. consumption trends

In terms of meat consumption, Americans consumed more chicken in 2021 than other meat products. Estimates suggest chicken consumption per capita averaged nearly 96 pounds, and 2022 projections show an expected increase in chicken consumption; see chart.² During 2021, beef ranked second in per capita consumption at 58 pounds, but over the past two decades beef consumption has declined while chicken has grown in popularity. Pork consumption, which averaged 50 pounds per capita in 2021, held fairly steady in the past two decades.

Pork has had lower per capita consumption in the U.S., but of U.S. animal product exports in 2021, pork is expected to represent the largest share at 26%.³ Although beef has lost some ground in U.S. consumption, beef exports to countries such as China, Japan and South Korea have grown.⁴

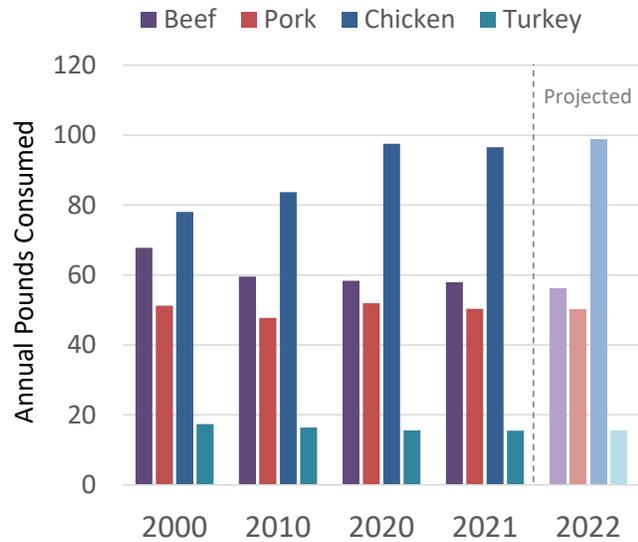
Production challenges

The pandemic did not dampen overall meat demand, but it did require processors to alter their products to serve the changing needs of restaurants, grocery stores and online buyers. Additionally, a tightening labor market has slowed production as companies struggle to keep workers.

In 2020, Missouri processors paid their workers \$46,600 — less than the average rate paid in six out of eight surrounding states. Relatively low average pay helps Missouri compete for new processors or encourages existing processors to expand, but it can also make it harder to attract and retain workers in a tight labor market. Smaller processors often need skilled meat handlers and butchers. These workers take time to train, in part because they must learn how to process a variety of animals including cattle, swine, lamb and deer. Larger operations can employ entry-level workers for many jobs but also require specialized mechanical or technical employees to handle or maintain automated or complex processing activities.⁵ To help with this issue, [two mobile training centers](#) will be available in 2022 as an MU Extension pilot program to train workers in meat processing. The program is funded by the Missouri Department of Agriculture.

U.S. Per Capita Meat & Poultry Consumption

Annual Per Capita Consumption by Retail Weight



Sources: MU Extension exhibit using data from the USDA and Livestock Marketing Information Center

Sources

¹ Payroll employment (2021 first quarter) and wage (2020 annual average) data from the U.S. Bureau of Labor Statistics, [Quarterly Census of Employment and Wages](#)

² Per capita consumption from the [Livestock Marketing Information Center](#), which compiled data from the USDA National Agricultural Statistics Service and Economic Research Service.

³ *Livestock, Dairy, and Poultry Outlook: November 2021*, LDP-M-329, USDA Economic Research Service, Nov. 16, 2021. Exports include beef, pork, broilers, turkeys, eggs and dairy.

⁴ Export growth from 2015-21 from USDA *Livestock, Dairy, and Poultry Outlook: November 2021*, LDP-M-329. A newly announced [processing facility](#) in Warren County, Missouri, will add substantial beef processing capacity to the state in years to come.

⁵ [Missouri Food, Agriculture and Forestry Workforce Needs Assessment](#), University of Missouri Extension, July 2020.

All Missouri Economy Indicators briefs in this series are available at tinyurl.com/ExceedEconomyIndicators

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