

COVID-19 Missouri Economy Indicators

Unemployment Indicators

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Unemployment in Missouri has continued to decline after spiking in April and May. Missouri's seasonally adjusted unemployment rate for October declined to a pandemic-era low at 4.6%. Although this is still higher than the state's unemployment rate prior to the pandemic, it represents a significant improvement over the previous six months. However, other labor market indicators — namely, the size of the state's labor force and the number of people employed — point toward continued concern, especially since the start of fall.

Metro Employment

Employment in all of Missouri's metropolitan areas has declined since the start of the pandemic, but the impact varies by metro.

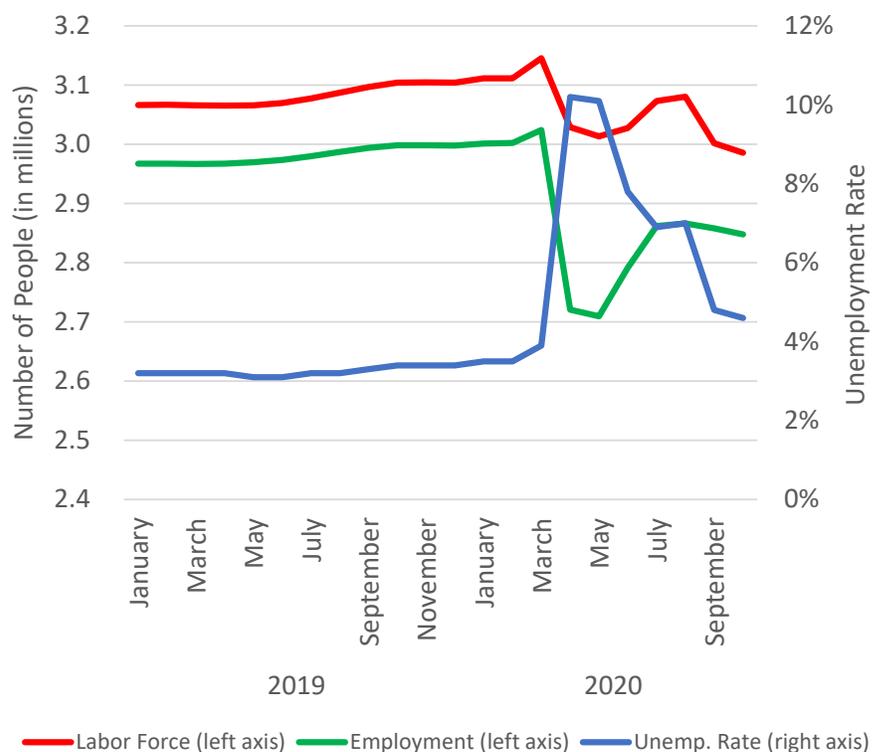
Employment in the Columbia MSA declined the least between September 2019 and September 2020 — a 3.3% reduction.

Meanwhile, the Cape Girardeau MSA saw the biggest decline in employment, which decreased by 10.1% from September 2019 to September 2020.

Of Missouri's three largest metropolitan areas, Springfield has seen the smallest decline in year-over-year employment at 3.7%, and St. Louis has the largest decline at 6.3%. Kansas City has seen a 5.1% decline over the same period.

Missouri Employment and Unemployment

As of October 2020



Source: Missouri Local Area Unemployment Statistics available at merc.mo.gov

Missouri Employment Changes in the Past Year

Prior to the onset of the COVID-19 pandemic, Missouri's labor market was growing, and most employers were reporting challenges in finding adequate numbers of skilled workers. Although Missouri's unemployment rate had increased slightly since reaching a historic low of 3% in October 2018, it remained at or below 3.5% for all

of 2019 and the first two months of 2020 (see chart). During the same period, both Missouri’s labor force and employment grew, and both reached new highs immediately prior to the pandemic.

The pandemic’s onset not only rapidly increased unemployment across the state, but it also immediately led to decreases in the number of labor force participants and the number of people employed. After the initial shock of the recession, both measures increased through the summer months, and Missouri’s unemployment rate started to decline. As unemployment continued to decline through the fall, both labor force participation and the number of people employed plateaued. Now, they look to be in decline.

Missouri’s labor force decreased by 118,473 people (3.8%) from October 2019 to October 2020. During the same period, the number of employed Missourians declined by 150,545 people (5%). Driving these changes were job losses in Missouri’s metropolitan counties. Both metro and nonmetro counties saw their labor force and employment numbers grow at similar rates immediately prior to the recession, but more recent year-over-year comparisons reveal more significant declines in metro counties (see table). Of the 18 counties with employment reductions greater than 5% from October 2019 to October 2020, only two — Monroe and Wayne — are not part of a larger metropolitan area. Meanwhile, the other 16 counties with employment decreases greater than 5% all fit in the St. Louis, Kansas City and Cape Girardeau MSAs.

The striking differences in employment declines observed in metropolitan and nonmetropolitan counties, as well as the differences among different metropolitan areas, point toward the pandemic’s continued uneven geographic impacts across Missouri’s workforce. However, because the Kansas City and St. Louis MSAs account for approximately 80% of Missouri’s employment, their struggles will significantly impact Missouri’s overall workforce recovery.

Metro & Nonmetro Missouri Year-over-Year Percent Change in Labor Force, Employment and Unemployment

March 2019-March 2020	Metro Percent Change	Nonmetro Percent Change
Labor Force	2.2%	2.5%
Employment	2.0%	2.0%
Unemployment	8.0%	12.6%

October 2019-October 2020	Metro Percent Change	Nonmetro Percent Change
Labor Force	-4.7%	-1.2%
Employment	-6.0%	-1.5%
Unemployment	41.0%	8.4%

Source: Missouri Local Area Unemployment Statistics by county (not seasonally adjusted)

Additional Resources

- **Missouri Economic Research and Information Center** provides the data used in this brief at meric.mo.gov
- **Missouri Small Business Development Center COVID-19 Resource Page** has a small business guide to the CARES Act, video guides and other resources at sbdc.missouri.edu/sbdc-covid-19-resources

This brief is the 19th in a series meant to explore economic indicators associated with the COVID-19 pandemic. Future updates will be available at tinyurl.com/ExceedEconomyIndicators

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