



January 2025

Colorado Jobs and Labor Force Update – December 2024 Update

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Government employment reached 500,000 for the first time in Colorado’s history in December after sustained growth throughout 2024. Private employment, meanwhile, has shrunk, and the state’s unemployment rate is now at its highest in three years.

After a dismal November employment report that saw Colorado’s nonfarm employment decline by 5,200 jobs, the state added just 300 total jobs in the month of December. Private employment fell by 800 jobs while government employment increased by 1,100. Since October, private employment in Colorado has fallen by 6,600 jobs while public employment has grown by 1,700.

Colorado’s leisure and hospitality sector was the hardest hit in December, losing 1,300 jobs from the month prior while construction industry employment fell by 700 jobs.

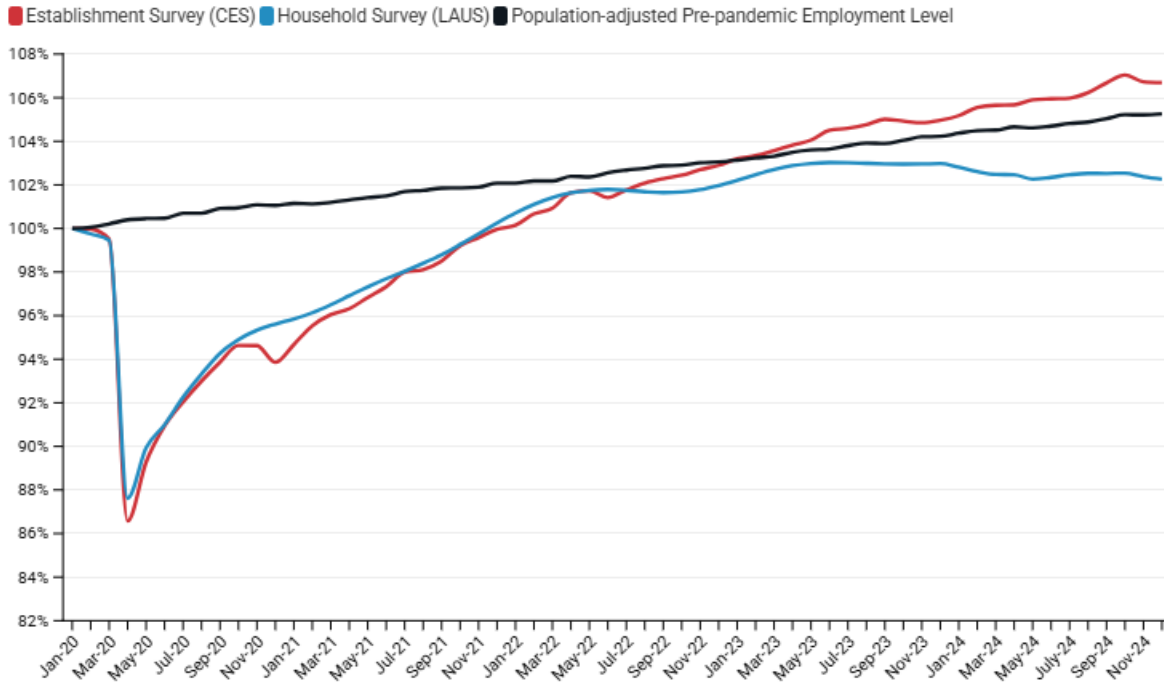
Colorado’s unemployment rate moved upward for the third consecutive month in December, reaching 4.4%. This is the highest unemployment rate in Colorado since November of 2021. The national unemployment rate declined in December to 4.1%; historically Colorado’s unemployment rate has been below the national rate. The last time Colorado had an unemployment rate at least 0.3 percentage points above the national rate was December of 2021.

Employment in Colorado’s manufacturing sector increased by 1,100 in December after declining by 500 the month prior. Trade, transportation, and utilities grew by 900 jobs.

Key Findings—Colorado December 2024 Employment Data

- **Colorado’s private sector declined by 800 jobs in December and has lost 6,600 jobs since October. Government employment grew by 1,700 jobs over this same time.**
- **Government employment reached 500,000 in December for the first time in state history.**
- **Colorado’s unemployment rate increased to 4.4% in December. This is the highest rate since November of 2021, and is .3 percentage points above the national rate of 4.1%.**
- Colorado’s manufacturing sector added 1,100 jobs while construction employment fell by 700 in December.

Employment Levels in Colorado since January 2020



According to the BLS survey of establishments (CES), Colorado’s employment-to-population ratio has exceeded its pre-pandemic level since January 2023.

According to the BLS survey of households (LAUS), which captures both traditional jobs and self-employment, **Colorado has never recovered to its pre-pandemic employment-to-population ratio.**

A Deeper Dive into Colorado Industries (BLS CES Survey)

Employers added a net total of 300 jobs in December. Public employers added 1,100 jobs while private employment declined by 800.

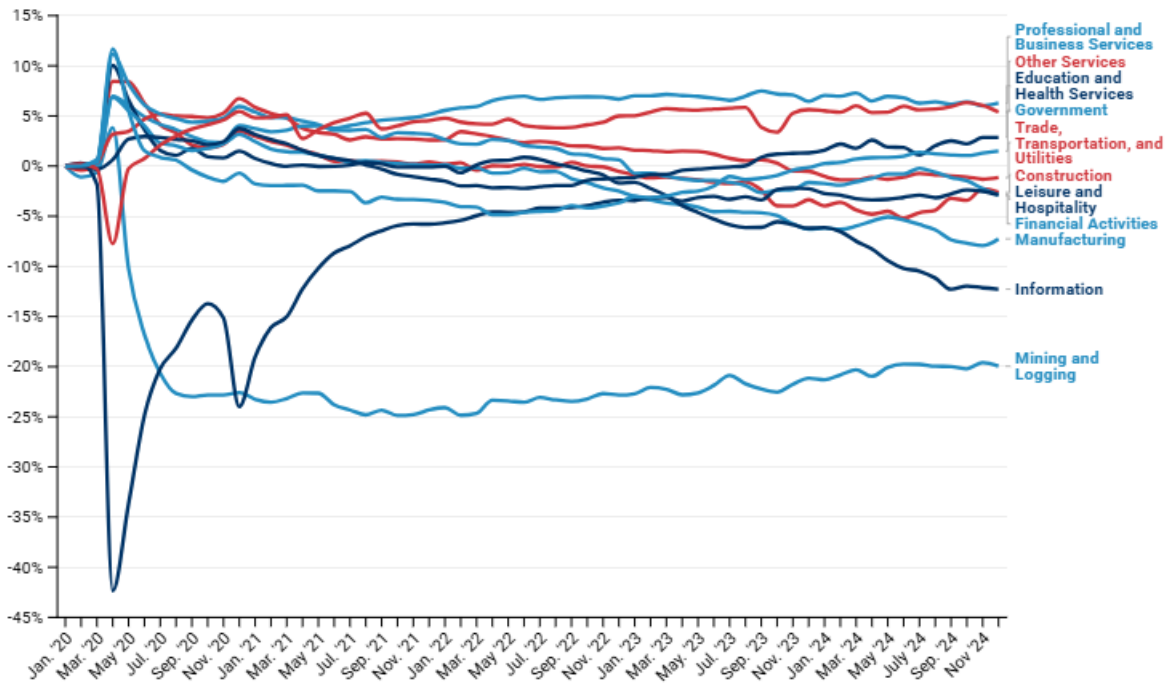
- The trade, transportation, and utilities sector gained 900 jobs while the manufacturing sector added 1,100.
- The leisure and hospitality industry lost 1,300 jobs in December.
- Employment in Colorado’s education and health services sector grew by 100 jobs in December.
- The state’s construction sector lost 700 jobs last month.

The pandemic caused a major shock to the composition of Colorado’s job market in early 2020 and may have induced some structural changes in the long run.

- The state’s construction sector has increased by 3.89% since the start of 2020.

- Since January 2020, employment in the mining and logging sector has fallen by 14.6%, totaling a reduction of 3,900 jobs. This is likely the result of a combination of global trends and state policy.

Changing Industry Shares of Total Colorado Employment since January 2020



Colorado Labor Force Update

Colorado’s LFPR (labor force participation rate) remained at 67.9% in December for the eighth straight month. Nationally, LFPR held at 62.5%.

Key Findings—Colorado December ‘24 Labor Force Data (IPUMS/FRED)

- The LFPR held steady at 67.9%, which is .9 percentage points below January ‘20’s LFPR of 68.8%. Colorado’s LFPR has now stayed at 67.9% for the past 8 months.
- The unemployment rate increased to 4.4% in December.
- The national LFPR among 25–54-year-olds surpassed its pre-pandemic level by .4 percentage points to 83.5%.

Labor Force Participation Rate in Colorado Since 2000

