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Colorado Jobs and Labor Force Update – September 2024 Update

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Employers in Colorado added 12,700 jobs in September. The private sector grew by 11,300 while government employment increased by 1,400. This is the largest private sector job growth since April 2022. The construction sector added 2,000 jobs, the largest growth for the sector since April 2022.

Previous months had seen job growth spread amongst the various sectors. September's growth, however, was largely fueled by a few in particular. The state's education and health services sector grew by 3,200 jobs and the leisure and hospitality sector by 2,500 jobs.

Unlike last month when the public sector decreased by 300 jobs, this month there was a slight increase in the number of government jobs.

Colorado's unemployment rate remained at 4.0% during September, the second straight month with this rate. The state's unemployment rate has not declined since August of 2022 when it fell from 2.7% to 2.6%.

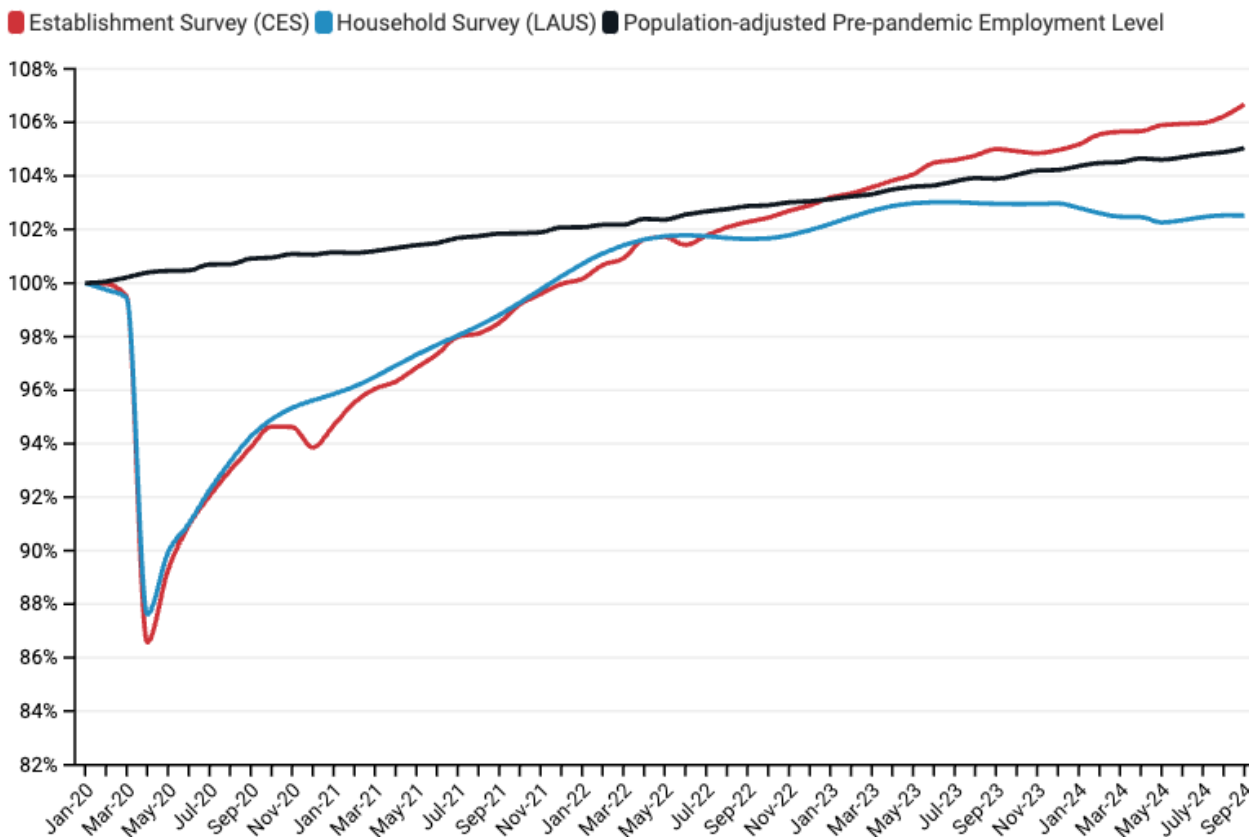
Colorado's unemployment rate is outperforming the nation at large. The national unemployment rate decreased by .1 percentage points to 4.1% between August and September. Meanwhile, Colorado's labor force participation rate held steady at 67.9% for the fifth straight month.

Colorado's manufacturing employment declined by 300 jobs in September marking the fourth straight month of job losses for the sector.

Key Findings—Colorado September 2024 Employment Data

- **Colorado's total employment increased by 12,700 in September.** Private-sector employment grew by 11,300 while government employment increased by 1,400.
- Colorado's private sector growth lags behind that of the U.S. Despite strong private sector growth, Colorado's total private sector employment has only increased 1.14% since September of 2023. The U.S saw 1.44% growth in the private sector over the same time, a 26% larger rate of increase.
- Colorado's unemployment rate remained at 4% in September. The state's unemployment rate has not declined since August of 2022 when it fell from 2.7% to 2.6%.
- **Colorado's construction sector has added 2,000 jobs over the last month. This is the largest one-month growth for the construction sector since April of 2022 when employment spiked following Covid.**

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 12,700 jobs in September. The private sector added 11,300.

- The trade, transportation, and utilities sector gained 2,100 jobs while the manufacturing sector lost 300.
- It was the largest single month growth for the trade sector since July 2022.

The leisure and hospitality industry added 2,500 jobs in the month of September.

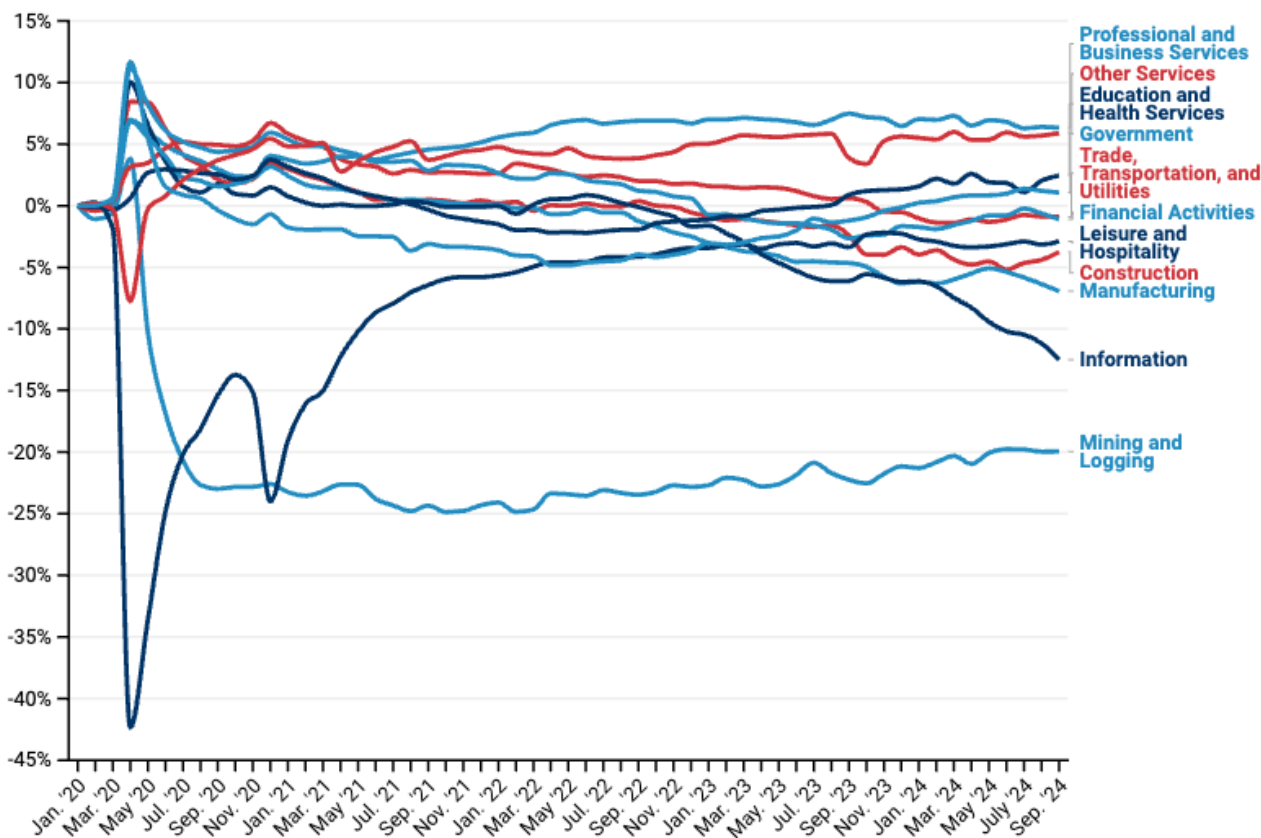
- Employment in Colorado’s education and health services sector increased by 3,200 jobs and has now added 7,600 jobs in over August and September of this year.

- The state’s construction sector added 2,000 jobs last month, the largest growth for the sector since April of 2022.

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

- As a share of Colorado’s total employment, the state’s construction sector has declined by nearly 4% since the start of 2020 (see the graph below).
- Since January 2020, employment in the mining and logging sector has fallen by 14.6%, reducing its share of state employment by 20%. 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 August for the fifth straight month. Nationally, LFPR remained the same for the third month in a row at 62.7%.

Key Findings—Colorado September '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 5 months.
- The unemployment rate remained at 4.0% in September for the second straight month.
- The national female LFPR declined by .2 percentage points to 57.6%, which is .4 of a percentage point below its pre-pandemic level.

Labor Force Participation Rate in Colorado Since 2000

