



March 2024

Colorado Jobs and Labor Force Update – January 2024 Update

Author: Cole Anderson

Colorado added 8,000 total nonfarm jobs in the month of January, 5,600 of which were in the state’s private sector. In recent months, Colorado’s employment growth has been sustained by robust government job gains in excess of private sector job losses, however total government job growth was just 2,400 in January. Colorado’s private sector growth of 5,600 jobs was its largest single month gain since June of 2023.

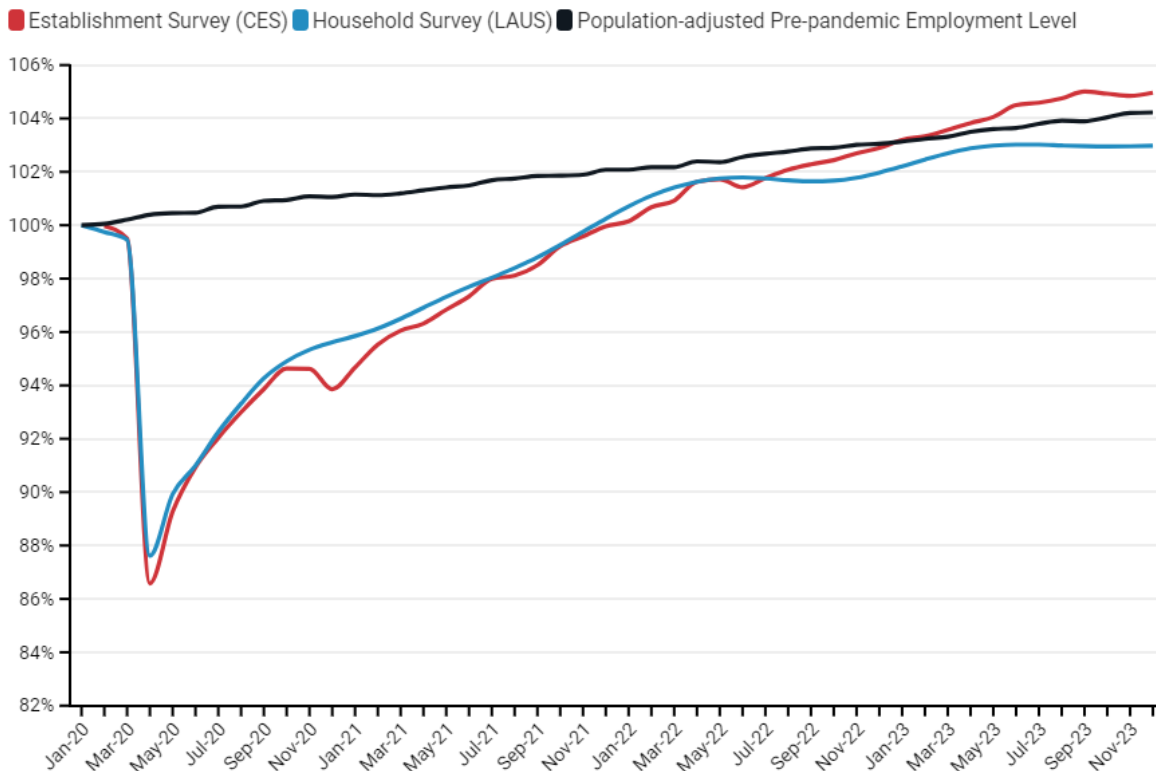
Between October and December of 2023, Colorado’s private sector lost 6,200 jobs, while government employment grew by 4,100 jobs.

The state’s manufacturing sector saw exceptional growth in January, adding 1,700 jobs after losing 2,700 jobs over the previous 3 months. This addition of 1,700 jobs was the largest single month growth for Colorado’s manufacturing sector since May of 2020 when workers returned from Covid. Trade, transportation, and utilities shrank by the most of any sector in January (1,800 jobs). The loss continues this sector’s decline since October of 2023 during which time it’s lost 7,800 jobs.

Key Findings—Colorado January 2024 Employment Data

- **After losing 6,200 jobs between October and December of 2023, Colorado's private added 5,600 jobs in January.** This is the largest single month growth in the state’s private sector since June of 2023.
- **Colorado’s manufacturing sector saw strong growth in January, adding 1,700 jobs after having lost 2,700 jobs over the previous 3 months.**
- Between 2017 and 2022, the median weekly wage for a woman working in Colorado rose by 36.3%, from \$838 to \$1,142 per week. **This growth is the 3rd fastest in the nation over this time only behind Rhode Island’s 36.6% and Oregon’s 39.5%.**
- **Colorado’s labor force participation rate (LFPR) fell by 0.2 percentage points to 68.1% which is the largest single month drop in LFPR since July-August of 2022.**

Employment Levels in Colorado since January 2020



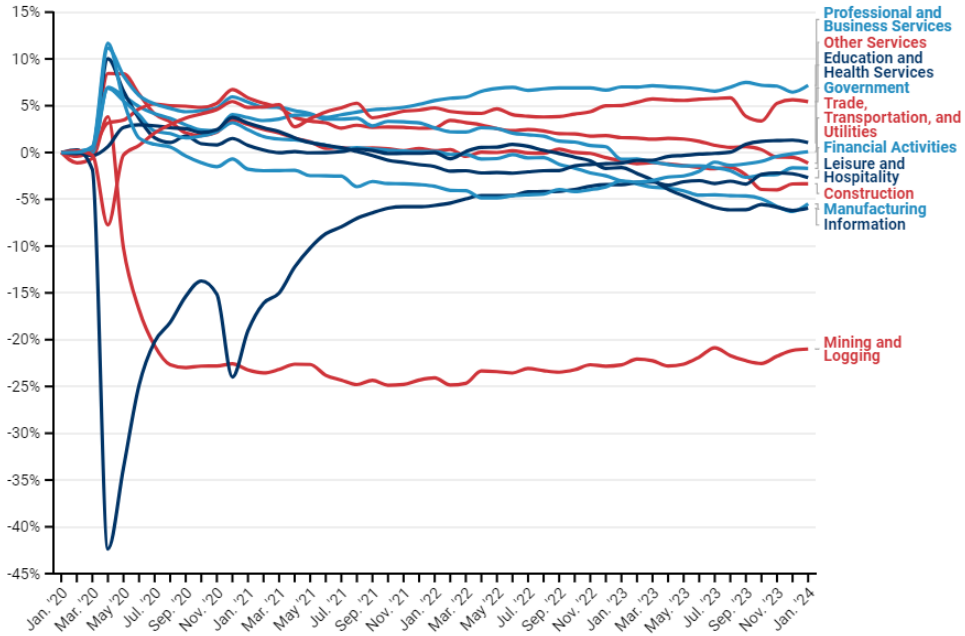
- **According to the BLS survey of establishments (CES), Colorado has recovered to its pre-pandemic employment-to-population ratio for the last year.**
- **According to the BLS survey of households (LAUS), which captures both traditional jobs and self-employment, Colorado has never recovered to its pre-pandemic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

A Deeper Dive into Colorado Industries (BLS CES Survey)

- After disparate growth throughout the summer and consistent decline throughout late fall, Colorado’s private sector bounced back and added 5,600 jobs in January.
 - The professional and business services sector added 4,800 jobs, its largest single month growth since April 2022.
 - Local government employment increased by 700, while the state and federal governments added 1,400 and 300 jobs, respectively.
- Colorado’s construction sector added 500 jobs in January after adding 1,400 jobs last month.
 - Employment in Colorado’s manufacturing sector grew by 1,700 jobs after this sector lost 2,700 jobs in the previous 3 months.
 - The state’s mining and logging sector gained 100 jobs.

- 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 professional and business services sector has grown by over 7.2% since the start of 2020 (see the graph below).
 - Since January 2020, employment in the mining and logging sector has decreased by 16.9%, reducing its share of state employment by 21%. 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 Women in the Workforce Update

Women in Colorado’s workforce continue to make advancements in both wages and their share of the state’s workforce.

- Between 2017 and 2022, the median weekly wage for a woman working in Colorado rose by 36.3%, from \$838 to \$1,142 per week. **This growth is the 3rd fastest in the nation over this time only behind Rhode Island’s 36.6% and Oregon’s 39.5%.**
- Women’s share of the total workforce in Colorado increased by 1.45 percentage points between 2017 and 2022. This is the 13th largest growth in the nation during that period.

Colorado Labor Force Update

Colorado’s LFPR (labor force participation rate) fell by 0.2 percentage points from 68.3% in December to 68.1% in January.

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

- The LFPR declined 0.2 percentage points to 68.1%, which remains .8 of a percentage point below January ’20’s LFPR of 68.9%.
- The unemployment rate increased to 3.4% in January, up 0.1 percentage points from the previous month and up from 3% unemployment in January of 2023.

Labor Force Participation Rate in Colorado Since 2000

