

Colorado Jobs and Labor Force Update: April 2022

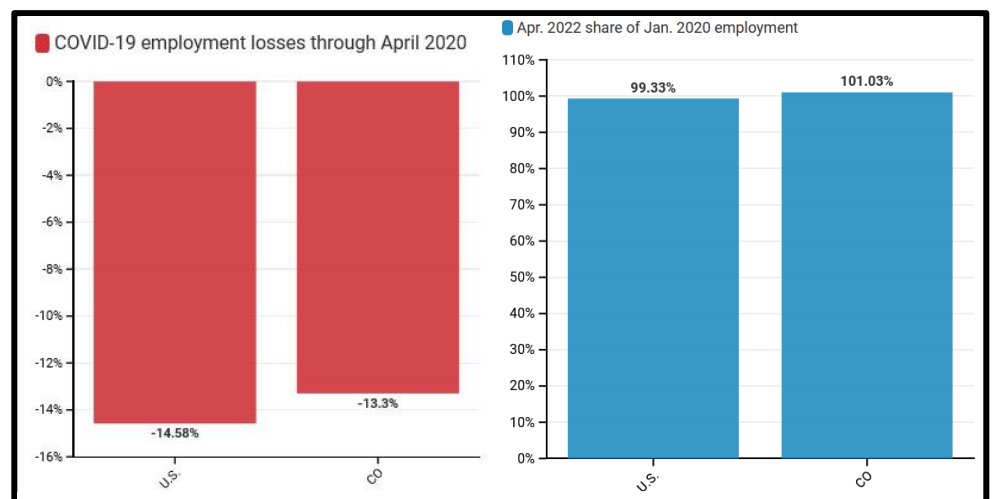
Colorado’s robust economy has added 405,400 jobs since April 2020, eclipsing the 374,500 jobs the state lost in March and April 2020. This represents a recovery rate of 108.3 percent which is 13.3 percentage points higher than the nationwide recovery rate of 95%. Colorado added 14,600 jobs in April and March’s employment level was revised downwards by 500. April nonfarm employment rose to 2,848,600, which is 4.7% higher than April 2021’s 2,719,600. Colorado’s unemployment rate now stands at 3.6%.

Key Findings—Colorado March 2022 Employment Data (BLS CES Survey¹)

- Colorado added 14,600 total nonfarm jobs in April (a monthly change of 0.5% for a total year-on-year change of 4.7%).**
 - In April, the state’s employment level continued to recover and is now 29,100 higher than it was before the pandemic.
 - To recover to the pre-pandemic unemployment rate of 2.7% by January 2023, Colorado needs to add 5,627 jobs each month, on average.
- The total employment level is up 1.3% (29,100 jobs) above its pre-pandemic level, ranking Colorado 12th in terms of April ‘22 job levels relative to Jan. ‘20.**
 - Washington D.C. ranked 50th and Hawaii 51st in terms of current job levels relative to Jan. ‘20 and are down 5% and 8.6%, respectively.
 - Fifteen states have employment levels above what they were at the start of the pandemic. Texas has the highest differential (+328,300 jobs).

A Deeper Dive into Colorado Industries

- Some sectors in Colorado added jobs in April and others lost jobs.
 - The leisure and hospitality industry added 6,400 jobs. The durable goods manufacturing industry lost 700 jobs.
- Though the leisure and hospitality industry has led the recovery by adding 74,600 jobs between Jan. ‘21 and Apr. ‘22, it is still down 6,900 jobs relative to Jan. ‘20.
 - Arts, entertainment, and recreation is down .33% (200 jobs).
 - Accommodation and food services is down 2.33% (6,700 jobs).



Colorado Labor Force Update

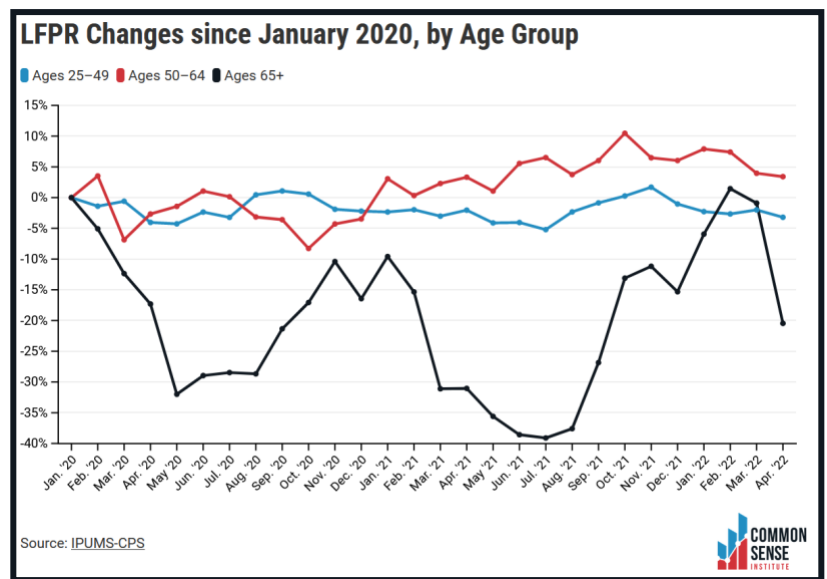
Colorado’s LFPR (labor force participation rate) decreased in April to 68.9%, which combined with the strong job growth led to a decline in the unemployment rate to 3.6%. The LFPR of retirement-age (65 years and older) workers is now slightly below the pre-pandemic level by 0.26%. After months where retirement age workers were re-entering the labor force, LFPR unexplainably plummeted in April. This could be a reporting or data issue; we will wait and see what next month's data shows.

Key Findings—Colorado March '22 Labor Force Data (FREDⁱⁱ, and IPUMS-CPSⁱⁱⁱ)

- **April’s LFPR increased slightly to 69.1%, .5 percentage points above Jan. '20’s LFPR of 68.6%.**
- **April’s unemployment rate dropped by .1 percentage points to 3.6%, which is still 0.9 percentage points above Jan. '20’s unemployment rate of 2.7%.**
- **In April, the LFPR of Colorado women decreased from 63.21% to 58.89%. It is now 5.25 percentage points below its pre-pandemic level.**
 - The national female LFPR fell by .1 percentage points to 56.7%, which is 1.1 percentage point below its pre-pandemic level.
 - There are now 122,535 fewer women in the workforce than there would be if Colorado’s April LFPR of women was the same as it was before the pandemic.

Prime-age, Older, and Retirement-age People in the Labor Force

- Since Jan. '20, the labor force participation rate of all 50–64-year-old workers, regardless of sex, has increased by 3.41%.
- There are 53,444 fewer retirement-age workers in the labor force today than there would be at the pre-pandemic participation rate. After several months of strong recovery, this group’s labor force participation rate plummeted in April by 5.66 percentage points and now stands at 23.02%.
- The LFPR of prime-age workers (25–49) remained below its Jan. '20 level. A few possible explanations are that increased savings accumulated during the pandemic are allowing people to delay re-entering the labor force. Now that the stock market has shed approximately 20% of its value and inflation is at record levels, expectations are that we will see more workers in this age group to return to the labor force.



Monthly trends may be volatile and should be interpreted cautiously.

ⁱ <https://www.bls.gov/data/>

ⁱⁱ <https://fred.stlouisfed.org/>

ⁱⁱⁱ <https://cps.ipums.org/cps/>