



August 2023

Colorado Jobs and Labor Force Update – July 2023 Update

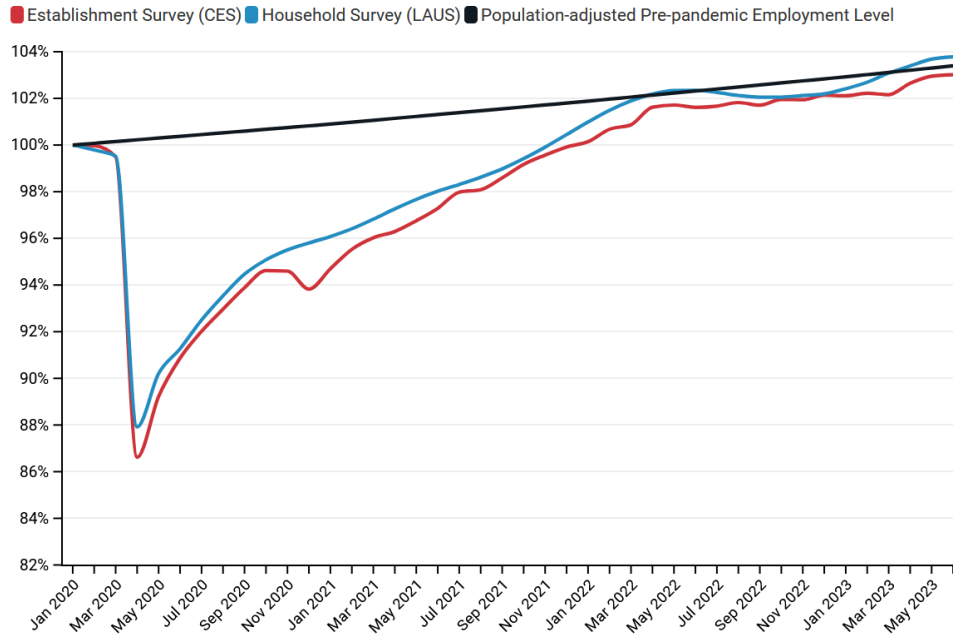
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Colorado's total private employment decreased by 1,900 jobs in the month of July after losing 400 jobs in June, the first consecutive months of private sector job losses since June – July of 2022. Despite this seasonally adjusted private sector loss, Colorado's state and local governments added 2,700 jobs in July for a net statewide gain of 800 nonfarm jobs. One of the sectors hit hardest by the pandemic, accommodation and food services, lost 3,700 jobs. While the government sector led the way in job growth in July, the professional and business services sector added 2,600 jobs, its largest increase since April of 2022. After losing an additional 100 jobs in July, mining and logging, which includes oil and gas extraction, continues to be the worst performing sector as compared to January 2020, having seen a 16.79% decrease in employment since that time.

Key Findings—Colorado July 2023 Employment Data

- **Colorado added 800 total nonfarm jobs in July after recording 1,800 jobs added in June, and 8,600 in May.**
- **Colorado's private sector lost 1,900 jobs in July after losing 400 in June.** Consecutive job loss in this sector has not occurred since June - July of 2022.
- **The state's leisure and hospitality sector lost 3,500 jobs in July, the largest single month loss since Dec. 2020.**
- **Colorado's unemployment rate ticked up 0.1% to 2.9% after holding steady at 2.8% for 4 consecutive months.**
- **According to [this week's report](#) from CSI Coors Fellow for Economic Mobility Tamra Ryan, Colorado's labor force is the tightest on record, with 2.7 jobs for every unemployed person. The labor shortage and skills mismatch in Colorado is costing \$46 billion in additional state Gross Domestic Product (GDP) this year.**

Employment Levels in Colorado since January 2020



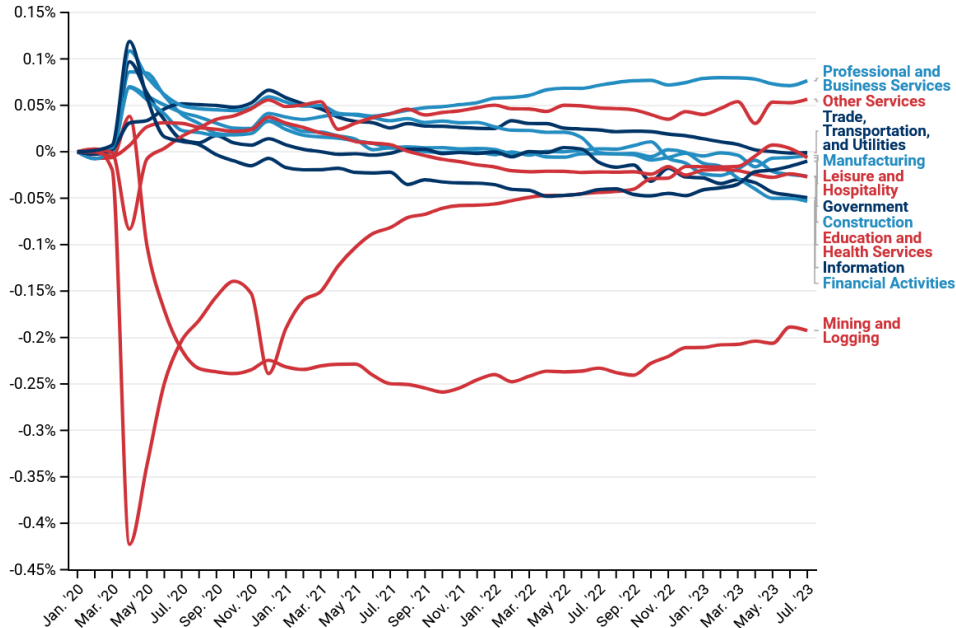
- According to the BLS survey of establishments (CES), Colorado has never recovered to a pre-pandemic employment-to-population ratio.
- According to the BLS survey of households (LAUS), which captures both traditional jobs and self-employment, **Colorado has recovered to its pre-pandemic employment-to-population ratio for the 4th consecutive month.**

A Deeper Dive into Colorado Industries (BLS CES Survey)

- After highly variable growth throughout much of the first half of 2023, Colorado’s private sector decreased in July.
 - The professional and business services sector added 2,600 jobs and the trade, transportation, and utilities sector added 300.
 - Government employment grew by 2,700.
- The leisure and hospitality industry added 89,500 jobs between January ‘21 and July ‘23 and has seen its employment grow 2.38% since Jan. 2020.
 - The arts, entertainment, and recreation industry grew by .35% in July (200 jobs).
 - The accommodation and food services industry shrunk by 1.22% (3,700 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 7.7% since the start of 2020 (see the graph below).

- Since January 2020, employment in the mining and logging sector has decreased by 16.8%, reducing its share of state employment by 19.2%, though 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

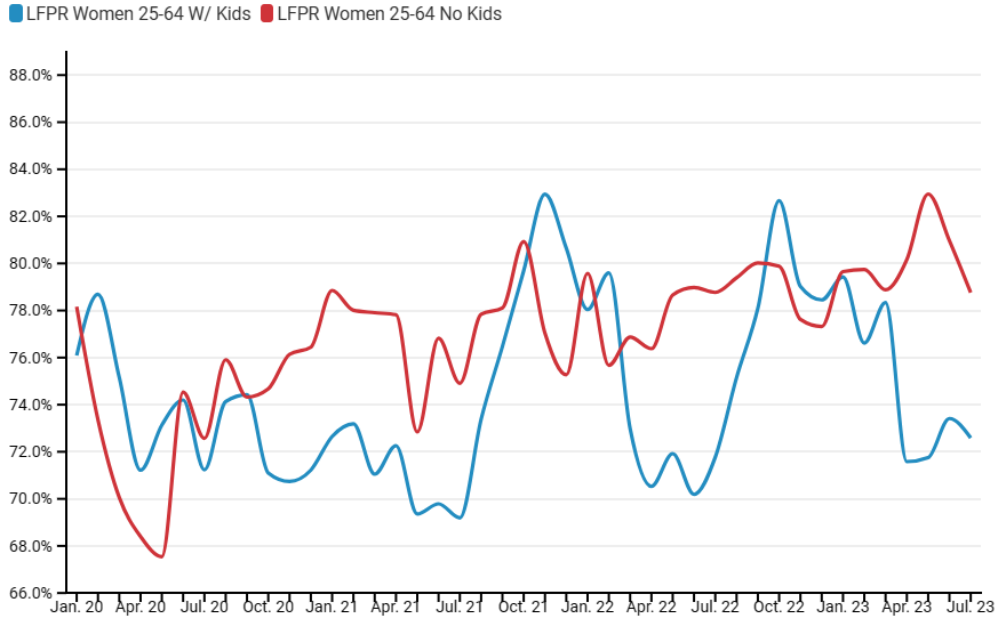
Colorado’s LFPR (labor force participation rate) remained at 68.7% in July.

Key Findings—Colorado June ‘23 Labor Force Data (FRED)

The image below compares the labor force participation rates of Colorado women aged 25–64 with and without kids. The LFPR of women with children normally declines in summer months when kids are out of school and in need of childcare. Likewise, this rate tends to increase in the winter as mothers seek out seasonal work during the holidays.

- Women with kids have seen their LFPR decline 3.51% between Jan. 2020 and July 2023.
- Over this same time-period, women without kids have seen their LFPR increase 0.6%
- Childcare needs can be a barrier to employment as shown in 2023 Coors Fellow for Economic Mobility Tamra Ryan’s latest report [here](#).

Labor Force Participation in Colorado Women Since 2020



Source: IPUMS Current Population Survey

- The LFPR remained at 68.7%, which is .2 of a percentage point below January '20's LFPR of 68.9%.
- The unemployment rate increased to 2.9% in July, which is 0.2% higher than it was in July of 2022.
- The national female LFPR increased to 57.4%, which is .5 of a percentage point below its pre-pandemic level.

Labor Force Participation Rate in Colorado Since 2000

