



September 2023

Colorado Jobs and Labor Force Update – August 2023 Update

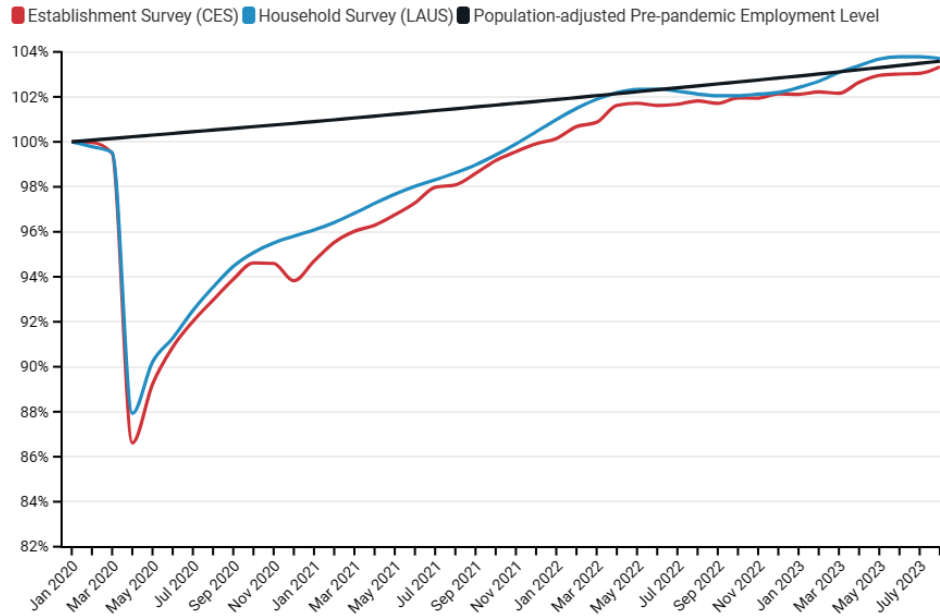
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Colorado's total private employment increased by 9,100 jobs in the month of August after gaining only 100 jobs in July. The state's unemployment rate grew by 0.2% to 3.1% in August after remaining below 3% for 15 consecutive months. In contrast to the strong job growth in the private sector, the state lost 3,500 government jobs which is its largest loss since August 2021 when the sector lost 5,500 jobs. After losing 1,100 jobs in June, and 1,300 in July, Colorado's leisure and hospitality sector gained 4,700 jobs in August, the strongest performing sector of the month. Despite gaining 100 jobs in August, mining and logging, which includes oil and gas extraction, continues to be the worst performing sector as compared to January 2020, having seen a 16.04% decrease in employment since that time.

Key Findings—Colorado August 2023 Employment Data

- **Colorado added 9,100 private sector jobs in August, the most since April of 2022.** The private sector lost 300 net jobs in June and July of this year.
- Colorado's government sector lost 3,500 jobs in August, the largest decrease since August 2021.
- **Colorado's unemployment rate increased by 0.2% to 3.1% after being below 3% for 15 months.**
- **Colorado continues to experience a tight labor market. According to the most recent data, Colorado has 2 jobs for every unemployed person in the state.**

Employment Levels in Colorado since January 2020

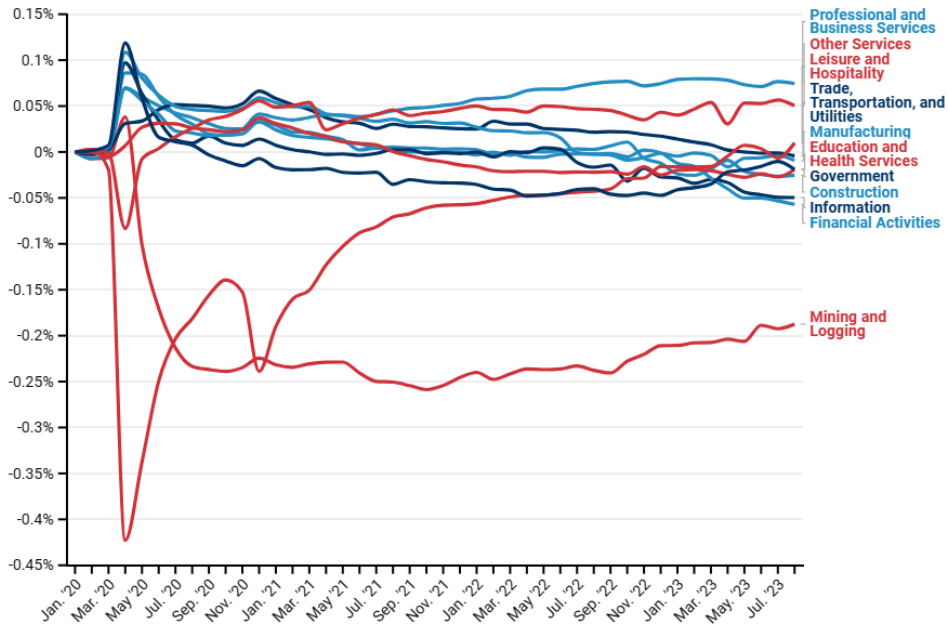


- According to the BLS survey of establishments (CES), Colorado has never recovered to a pre-pandemic employment-to-population ratio.
- According to the BLS survey of households (LAUS), which captures both traditional jobs and self-employment, **Colorado has recovered to its pre-pandemic employment-to-population ratio for the 5th consecutive month.**

A Deeper Dive into Colorado Industries (BLS CES Survey)

- After slow growth throughout the summer, Colorado’s private sector increased by 9,100 jobs in August.
 - The professional and business services sector added 1,600 jobs while the trade, transportation, and utilities sector lost 500.
 - Local government employment decreased by 4,100.
- The leisure and hospitality industry added 96,400 jobs between January ‘21 and August ‘23 and has seen its employment grow 4.36% since Jan. 2020.
 - Colorado’s manufacturing industry lost 200 jobs in August.
 - The state’s construction sector added 500 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 7.4% since the start of 2020 (see the graph below).
 - Since January 2020, employment in the mining and logging sector has decreased by 16%, reducing its share of state employment by 18.8%, 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

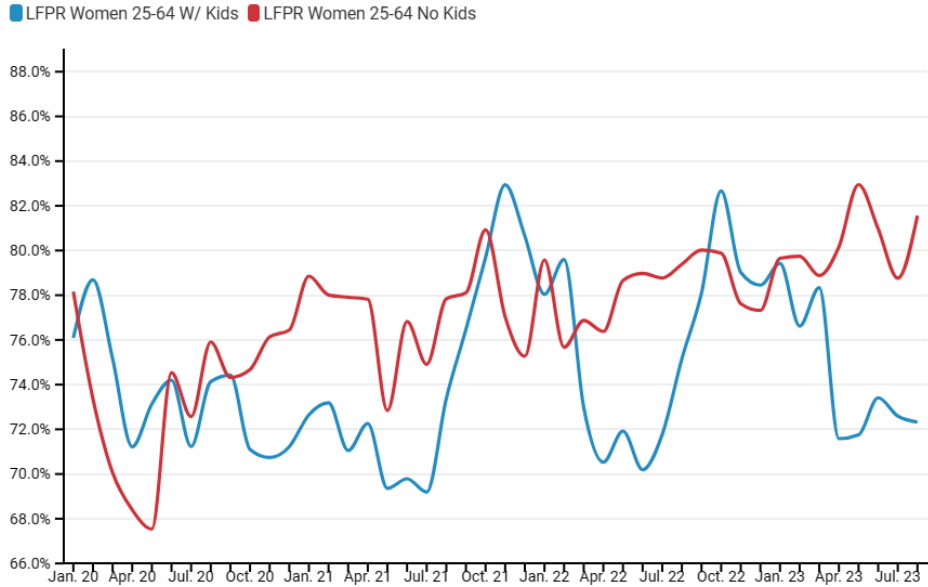
Colorado’s LFPR (labor force participation rate) remained at 68.7% in August.

Key Findings—Colorado August ‘23 Labor Force Data (IPUMS/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 3.9% between Jan. 2020 and August 2023.
- Over this same time-period, women without kids have seen their LFPR increase 5.1%
- 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 LFP remained at 68.7% for the 4th consecutive month, which is .2 of a percentage point below January '20's LFP of 68.9%.
- The unemployment rate increased to 3.1% in August, which is 0.5% higher than it was in August of 2022.
- The national female LFP increased to 57.7%, which is .2 of a percentage point below its pre-pandemic level.

Labor Force Participation Rate in Colorado Since 2000

