



January 2026

Colorado Jobs and Labor Force Update – December 2025

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In December, Colorado added 1,200 total nonfarm jobs. The state's private sector gained 300 jobs, while government employment grew by 900 jobs.

Colorado's unemployment rate fell again in December by 0.1 percentage points, reaching 3.8%. This is the state's lowest rate since January 2024, when it also stood at 3.8%. Nationally, unemployment fell by 0.2 percentage points in December to 4.4%. Colorado's LFPR (labor force participation rate) also fell by 0.1 percentage points in December to 66.9%. The national LFPR fell by 0.1 percentage points to 62.4% in December.

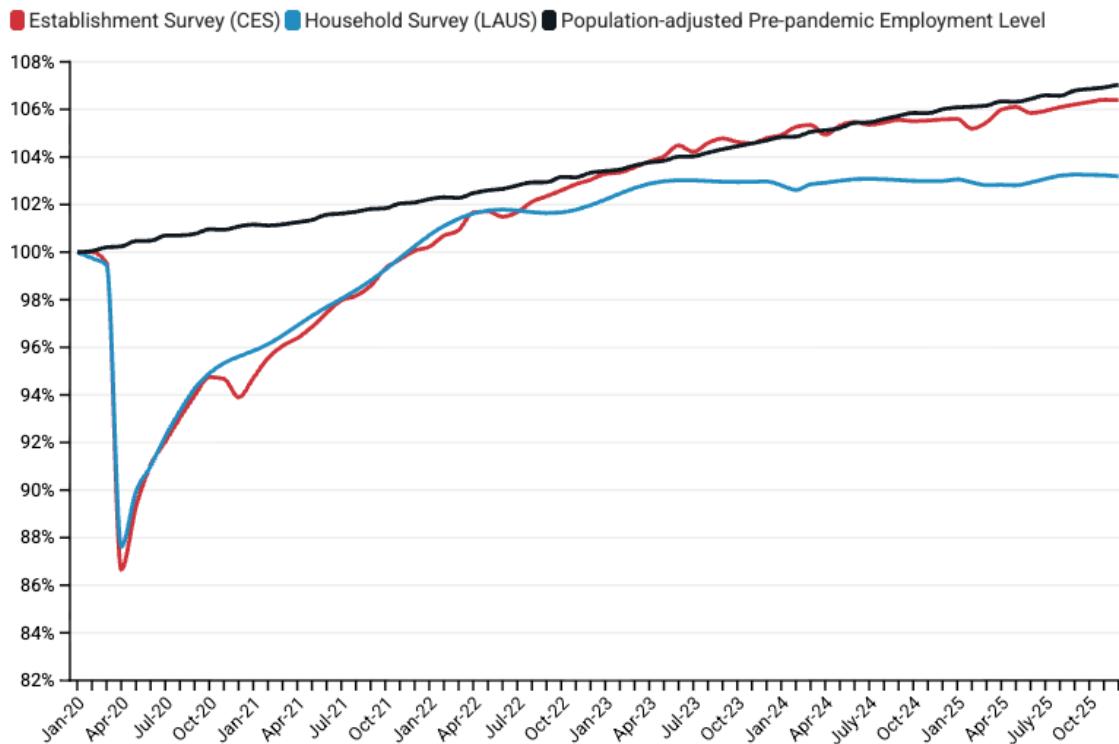
The 900 public-sector jobs added in Colorado in December showed growth in the federal, state and local government sectors. The state government saw the largest increase of 700 jobs, while federal and local government employment increased by 100 jobs each. The state's leisure and hospitality sector led the private sector in jobs lost in December, with employment in the sector falling by 2,300. The trade, transportation, and utilities sector also saw an employment decline of 1,800 jobs in December.

The fastest growing sector in December was the education and health services sector, which added 2,800 jobs, followed by the manufacturing sector, which grew by 1,400 jobs. This was the first employment increase in this sector after three months of job losses. This is the second highest job growth for the sector since May 2020 when people returned to work after the pandemic, when the sector gained 2,900 jobs. Over the past 12 months, Colorado has added 18,900 private-sector jobs, compared to 4,100 public-sector jobs.

Key Findings—Colorado December 2025 Employment Data

- **Colorado gained 1,200 jobs in December. The state's private sector grew by 300 jobs while government employment increased by 900 jobs.**
- **Over the last 12 months, Colorado's government employment has grown by 4,100 jobs while private employment has increased by 18,900 jobs.**
- **Colorado's manufacturing sector gained 1,400 jobs in December. This is the largest single-month of job growth in the sector since May 2020 when people returned to work after the pandemic.**
- **Colorado's labor force participation rate was 66.9%, a decrease of 0.1 percentage points from November. This marks the sixth consecutive month of decline.**
- **Over the past year, federal government employment in Colorado declined by 5,800 jobs while state and local government employment grew by 7,500 and 2,400, respectively.**

Employment Levels in Colorado since January 2020



According to the BLS survey of establishments (CES), Colorado's employment-to-population ratio has not exceeded its pre-pandemic level since June 2024.

Based on 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)

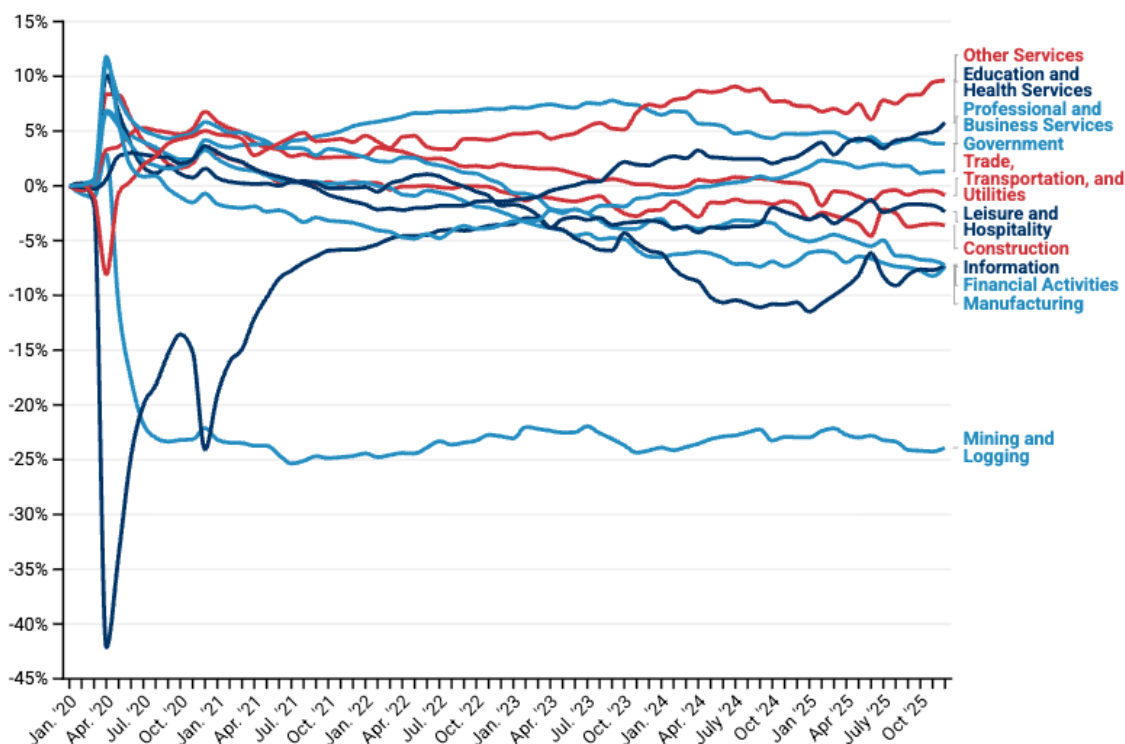
Employers added a net total of 1,200 jobs in December. Private employment increased by 300 while public employment increased by 900.

- The construction sector did not see any changes in December.
- The state's manufacturing sector gained 1,400 jobs in December. This marks the first employment increase in the sector after three consecutive months of job losses.
- The trade, transportation, and utilities sector lost 1,800 jobs in December.
- Colorado's professional and business services sector gained 300 jobs.
- Employment in Colorado's leisure and hospitality sector fell by 2,300 in December.
- Employment in the state's mining and logging sector remained steady. This marks its fourth consecutive month at 21,600 jobs.

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

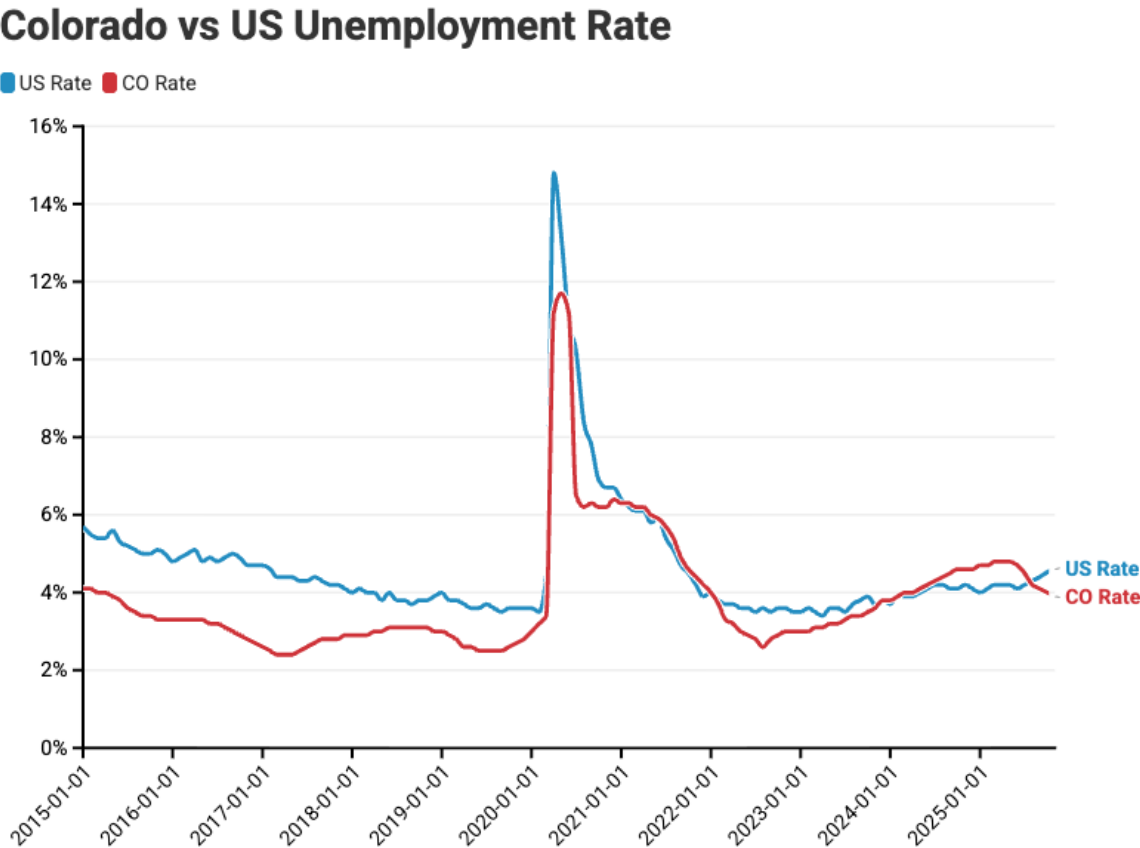
- The state's manufacturing sector has seen its share of total employment fall by 8% since the start of 2020.
- Since January 2020, the mining and logging sector has seen its share of state employment fall by over 24%. This is likely the result of a combination of global trends and state policy.

Changing Industry Shares of Total Colorado Employment since January 2020



Colorado Unemployment Rate

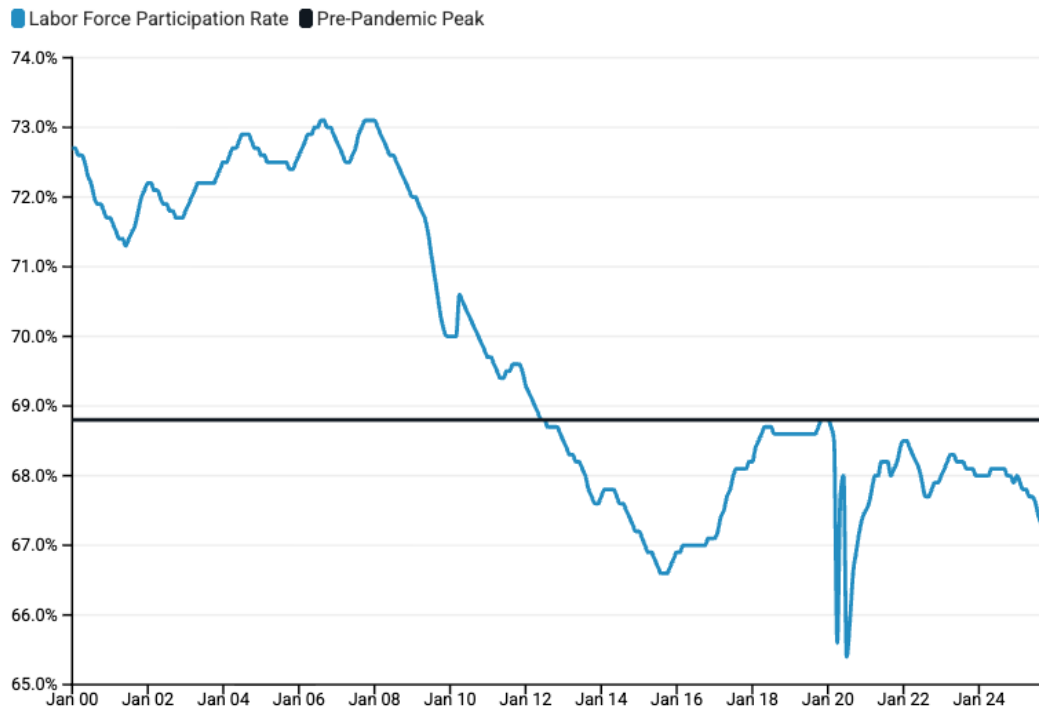
Colorado’s unemployment rate in December was 3.8%, 0.6 percentage points below the national unemployment rate of 4.4%.



Colorado Labor Force Update

- Colorado's LFPR (labor force participation rate) was 66.9% in December, a decrease of 0.1 percentage points from November. This marks the sixth consecutive month of decline. The national LFPR for the month of December was 62.4%.ⁱ

Labor Force Participation Rate in Colorado Since 2000



ⁱ <https://fred.stlouisfed.org/series/CIVPART>