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Colorado Jobs and Labor Force Update – March 2025 Update

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During the month of March, Colorado gained 6,800 total non-farm jobs. The state’s private sector increased by 5,800 jobs, while the government sector increased by 1,000 jobs.ⁱ

This recent private sector growth reverses a broader trend from the past year. Between February 2024 and February 2025, public sector employment in the state grew by 3.15%—the second-highest rate in the nation—while private sector employment declined by 0.6%, also the second-largest drop among all states.

During this time, private sector employment declined by 14,700 jobs, while public employment increased by 15,200.ⁱⁱ

The state’s unemployment rate increased to 4.8% in March after it held steady at 4.7% in January and February. This marks the highest unemployment level in the state since September 2021 when it was at 4.9%. The national unemployment rate for March is 4.2%. Historically, Colorado’s unemployment level has remained below the national numbers. This uptick represents a notable shift in the state’s labor market trends.

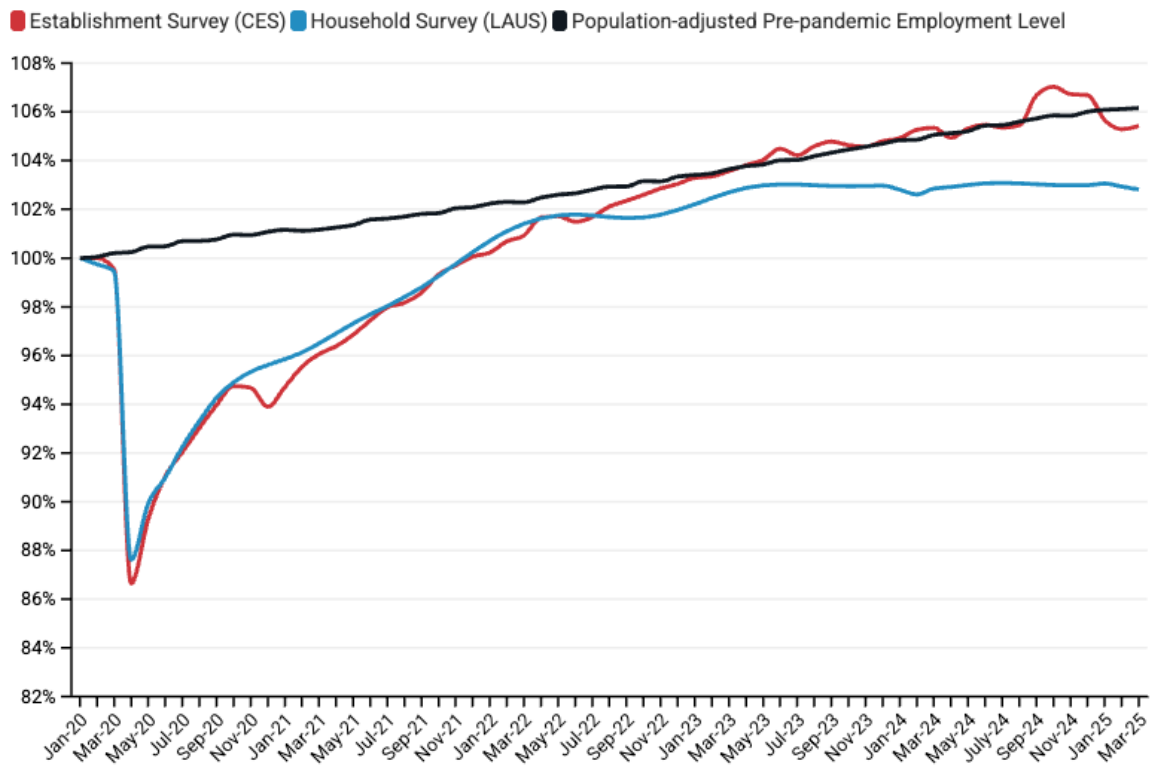
After February’s loss of 11,100 jobs in the trade, transportation, and utilities sector, it gained 7,700 jobs during March. Still, this industry remains 1,900 jobs below its employment level in March of 2024.

The state’s construction industry grew by 200 jobs last month. Manufacturing employment declined by 100 jobs in March and the state’s leisure and hospitality sector decreased by 1,800 jobs.

Key Findings—Colorado March 2025 Employment Data

- **Colorado gained 6,800 total nonfarm jobs in the month of March. The state’s private sector grew by 5,800 jobs while government employment increased by 1,000.**
- **Colorado’s unemployment rate rose from 4.7% in February to 4.8% in March. This is above the national rate of 4.2% and the highest unemployment rate in Colorado since September of 2021.**
- **Colorado’s trade, transportation, and utilities sector gained 7,700 jobs in March, the highest growth among all sectors.**

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 December 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 gained a net total of 6,800 jobs in March. Private employment rose by 5,800 while public employment increased by 1,000. Public employment grew by 13,800 jobs since last March while private employment fell by 11,500 over the same period. State government employment saw the most growth over the past year with 8,700 new jobs outpacing both local and federal government employment growth during that time.

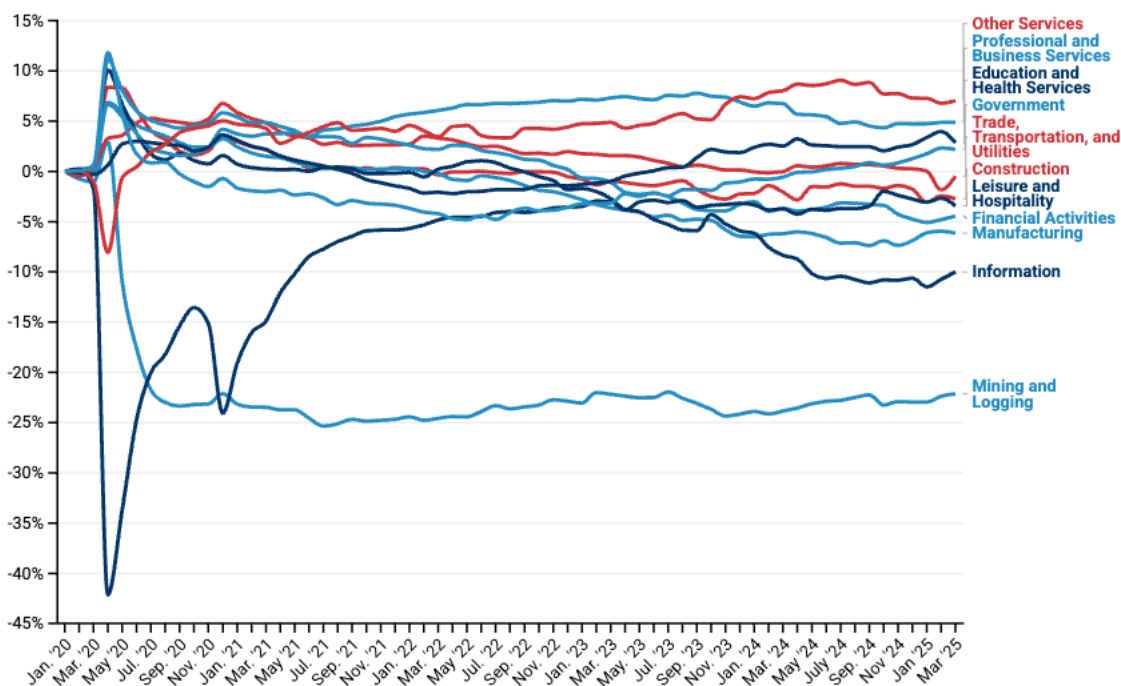
- The trade, transportation, and utilities sector gained 7,700 jobs last month.
- Colorado's professional and business services sector increased by 1,000 jobs.
- Employment in Colorado's education and health services sector lost 2,400 jobs in March. However, since January 2020, this sector has gained 29,800 jobs.

- The state's mining and logging sector added 100 jobs in March. Meanwhile, the construction industry added 200 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 professional and business services sector has grown by 10.57% since the start of 2020.
- Since January 2020, employment in the mining and logging sector has fallen by 17.91%. This is likely the result of a combination of global trends and state policy.

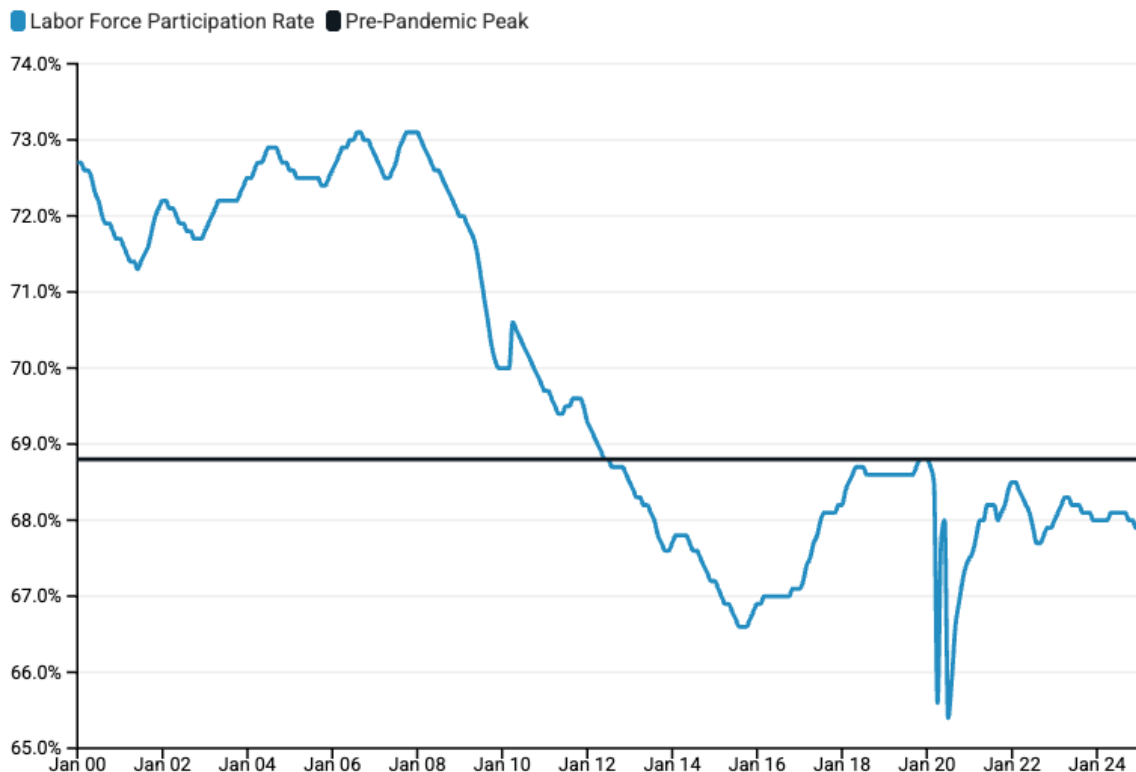
Changing Industry Shares of Total Colorado Employment since January 2020



Colorado Labor Force Update

Colorado's LFPR (labor force participation rate) declined by 0.1% to 67.8% in March. This is the lowest LFPR has been since October 2022 when it also hit 67.8%

Labor Force Participation Rate in Colorado Since 2000



ⁱ Private job numbers are slightly impacted by workers who have been directly involved in large strikes throughout the entire pay period. As a result, readers should interpret the numbers with caution as the data may potentially (marginally) underrepresent actual employment levels.

ⁱⁱ [Colorado's Divergent Trends Among Public and Private Employment](#)