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Colorado Jobs and Labor Force Update – April 2024 Update

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Colorado's total nonfarm employment grew by only 300 jobs in April, the lowest amount since November of 2023. After initially recording an increase of 5,300 jobs in March, revisions reduced this number to just 2,800 jobs. Despite the tepid increase in job growth in April, government employment continued to show strong growth, with 900 jobs added cumulatively among state, local, and federal government.

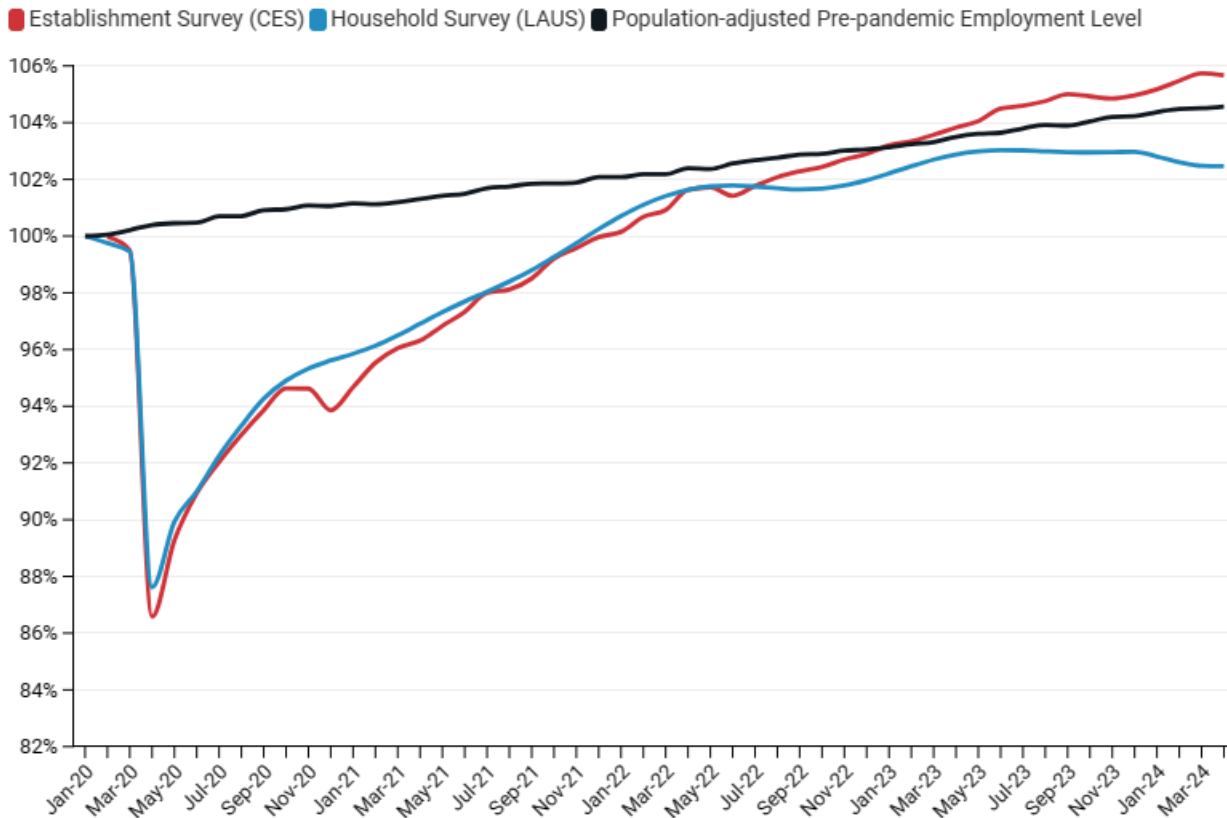
After increasing for three straight prior months, Colorado's unemployment rate held steady at 3.7%. This unemployment rate is the state's highest since January of 2022. Similarly, Colorado's labor force participation rate remained at 68% for the second straight month. This value is lower than any month of 2023.

Among Colorado's industries, professional and business services saw the largest decline in employment with the sector losing 3,100 jobs in April. This is the largest single month decline for this sector since April of 2020 when COVID shuttered the economy. Additionally, the state's construction sector declined by 1,700 jobs, its largest decrease since October of last year. Inversely the education and health services sector added 4,600 jobs last month, easily outperforming any other sector. This is the largest single month increase since June of 2020 when workers returned post COVID.

Key Findings—Colorado April 2024 Employment Data

- **Colorado's private-sector employment increased by 300 jobs in April.** After initially reporting a growth of 5,300 jobs in March, new figures showed a growth of only 2,800 jobs after revisions.
- **Colorado's professional and business services sector saw its largest decline in jobs since April of 2020, losing 3,100 jobs last month.**
- **The state's best performing sector in April was education and health services.** This sector's employment increased by 4,600 jobs last month, its largest single month growth since June of 2020.
- Colorado's unemployment rate held steady at 3.7%, although this is the highest rate since January of 2020.

Employment Levels in Colorado since January 2020



According to the BLS survey of establishments (CES), Colorado’s employment-to-population ratio has exceeded its pre-pandemic level since January 2023.

According to 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)

Colorado’s private sector added just 300 jobs in April—the lowest growth since November of last year when cumulative employment declined by 2,200 jobs.

- The education and health services sector gained 4,600 jobs and the trade, transportation, and utilities sector lost 400.
- Local government employment increased by 500, and total government employment rose by 900.

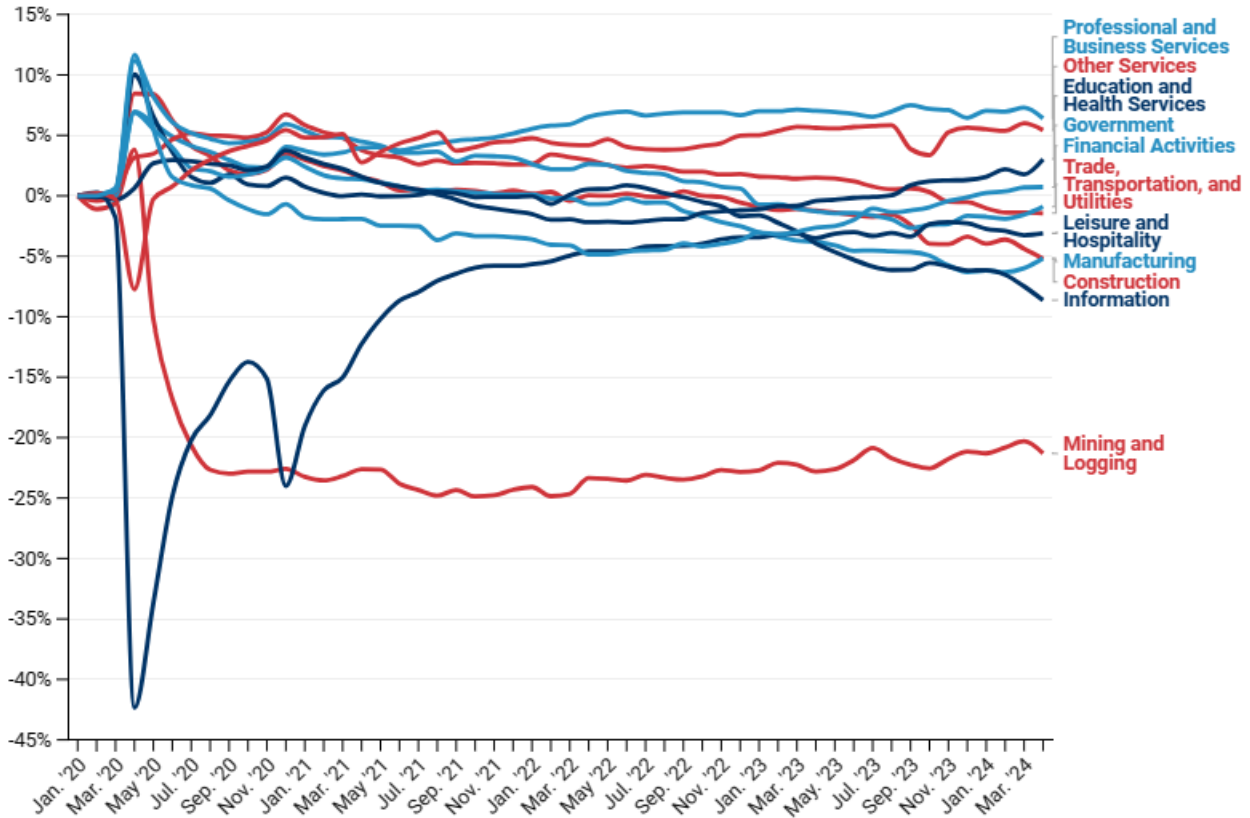
The leisure and hospitality industry added 89,600 jobs between January ‘21 and April ‘24 and has grown by 2.38% since Jan. 2020.

- Employment in Colorado’s manufacturing sector rose by 900 in April and is now 300 jobs above its pre-pandemic level.
- The state’s construction sector lost 1,700 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 6.4% since the start of 2020 (see the graph below).
- Since January 2020, employment in the mining and logging sector has decreased by 16.9%, reducing its share of state employment by 21%. 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) held steady at 68.0% in April after declining four times since August of 2023.

Key Findings—Colorado April ‘24 Labor Force Data (IPUMS/FRED)

- The LFPR remained at 68%, which is .9 of a percentage point below January ’20’s LFPR of 68.9%.
- The unemployment rate remained steady at 3.7% in April for the second straight month.

- The national female LFPR increased by .1 of a percentage point to 57.7%, which is .3 of a percentage point below its pre-pandemic level.

Labor Force Participation Rate in Colorado Since 2000

