



June 2025

Colorado Jobs and Labor Force Update – May 2025 Update

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During May, Colorado gained 3,400 total nonfarm jobs. The state's private sector grew by 3,700 jobs, while government employment fell by 300 jobs.

The state's unemployment rate remained at 4.8% in May; this marks the third consecutive month with this rate. This unemployment rate is also the highest it has been since September 2021, when it was 4.9%, and 0.6 percentage points above the national rate of 4.2%.ⁱ Historically, Colorado's unemployment level has usually sat below the national average.

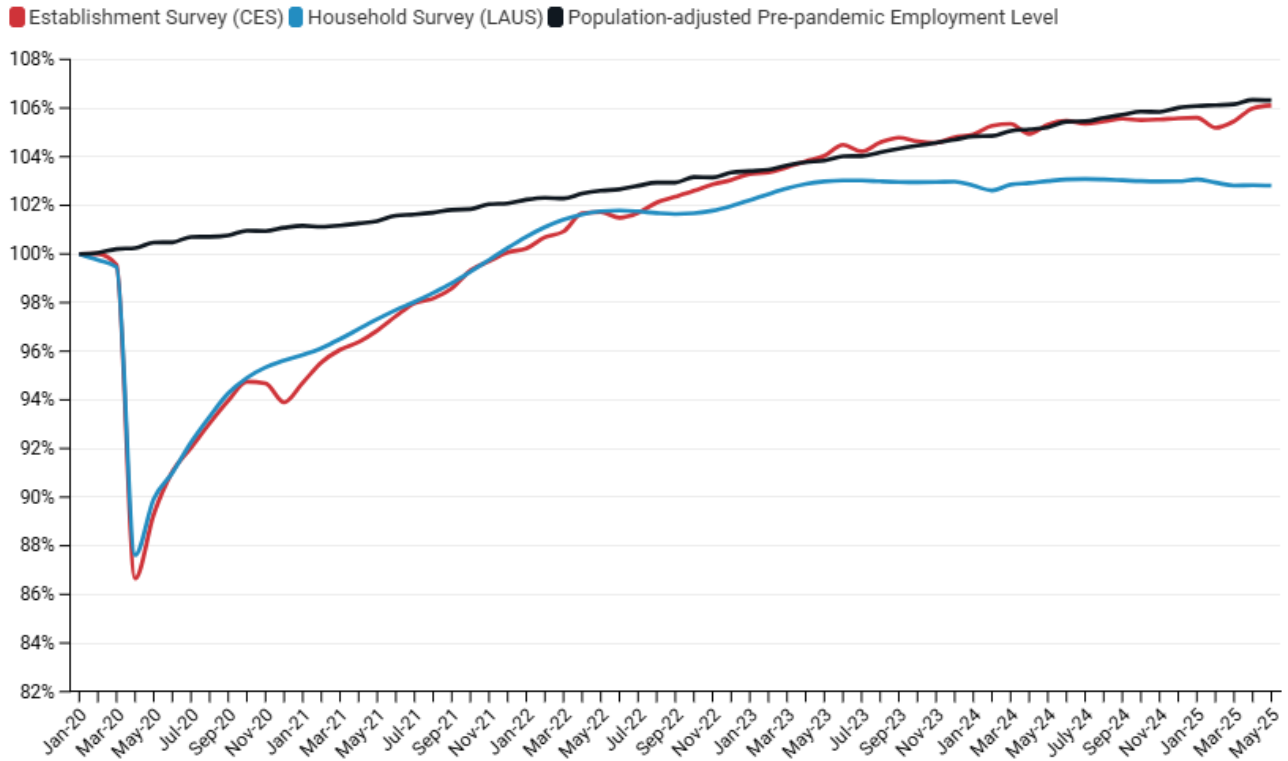
Although the government sector as a whole declined by 300 jobs in May, this net loss reflects a gain of 1,200 jobs in Colorado's state and local government, which was outweighed by a decrease of 1,500 federal government jobs.

Employment in the state's construction industry decreased by 300 in May and has declined by a total of 2,300 over the last 12 months. Colorado's education and health services sector saw the largest increase in May, adding 2,400 jobs. The state's trade, transportation, and utilities industry experienced the largest decline among all sectors, declining by 1,200 jobs.

Key Findings—Colorado May 2025 Employment Data

- **Colorado gained 3,400 total nonfarm jobs in the month of May. The state's private sector grew by 3,700 jobs while government employment fell by 300.**
- **Over the last 12 months, Colorado's government employment has grown by 12,000 while private employment increased by just 10,200 jobs.**
- Government employment declined by 300 jobs in May of this year. This is the first decline in government employment since October 2024.
- **Colorado's unemployment rate remained at 4.8% for the third consecutive month, above the national rate of 4.2%.**
- Colorado's private sector added 24,300 jobs over the last three months after declining by 15,400 between October 2020 and February 2025.
- Despite strong private sector growth, Colorado's construction industry lost 300 jobs in May. The manufacturing sector added 500 jobs.

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 gained a net total of 3,400 jobs in May. Private employment rose by 3,700 while public employment fell by 300. Since last May, government employment has grown by 12,000 jobs while private employment increased by just 10,200 jobs. State government employment saw the most growth over the past year; its 8,900 new jobs outpaced both local and federal government employment growth during that time.

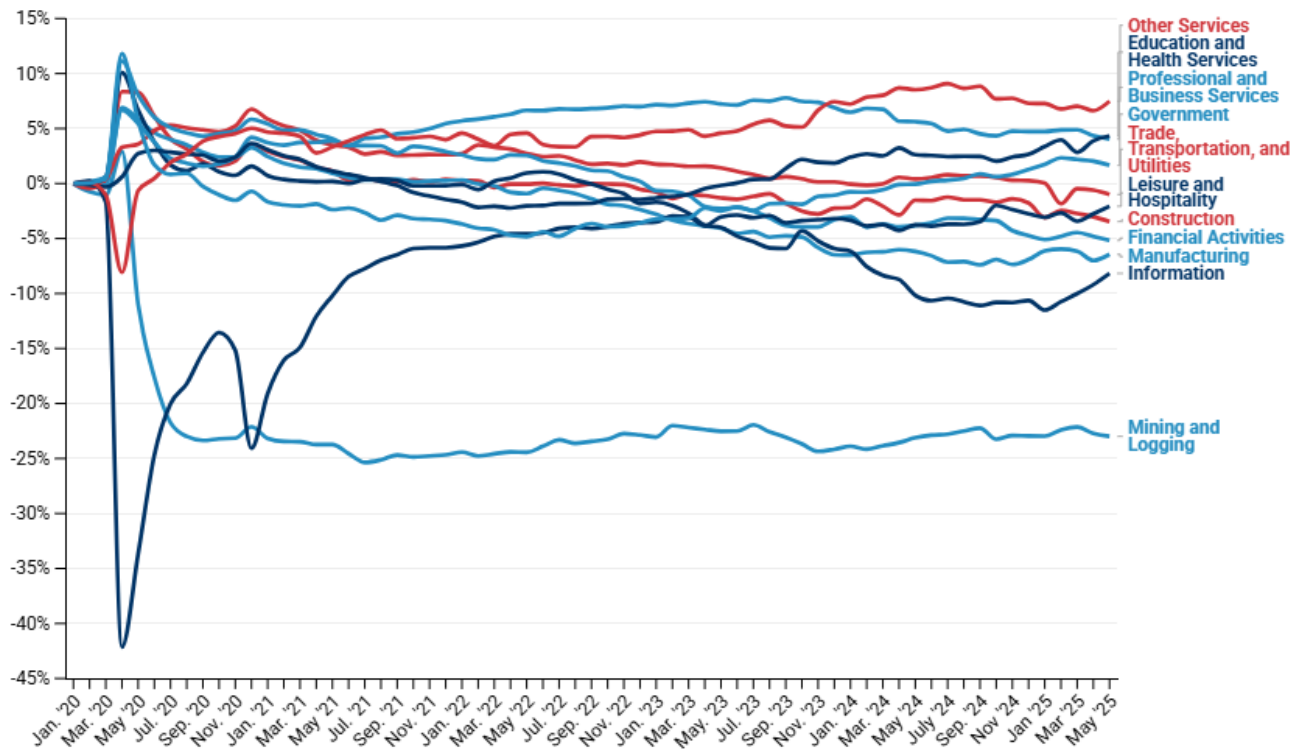
- The trade, transportation, and utilities sector lost 1,200 jobs last month.
- Colorado's professional and business services sector lost 900 jobs in May. Over the last 12 months this sector has lost 3,800 jobs.
- Employment in Colorado's education and health services sector grew by 2,400 in May and is Colorado's fastest growing industry over the last 12 months.

- Employment in the state's mining and logging sector has remained unchanged at 21,900 for four consecutive months.

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 4% since the start of 2020.
- Since January 2020, employment in the mining and logging sector has fallen by 23%. This is likely the result of a combination of global trends and state policy.

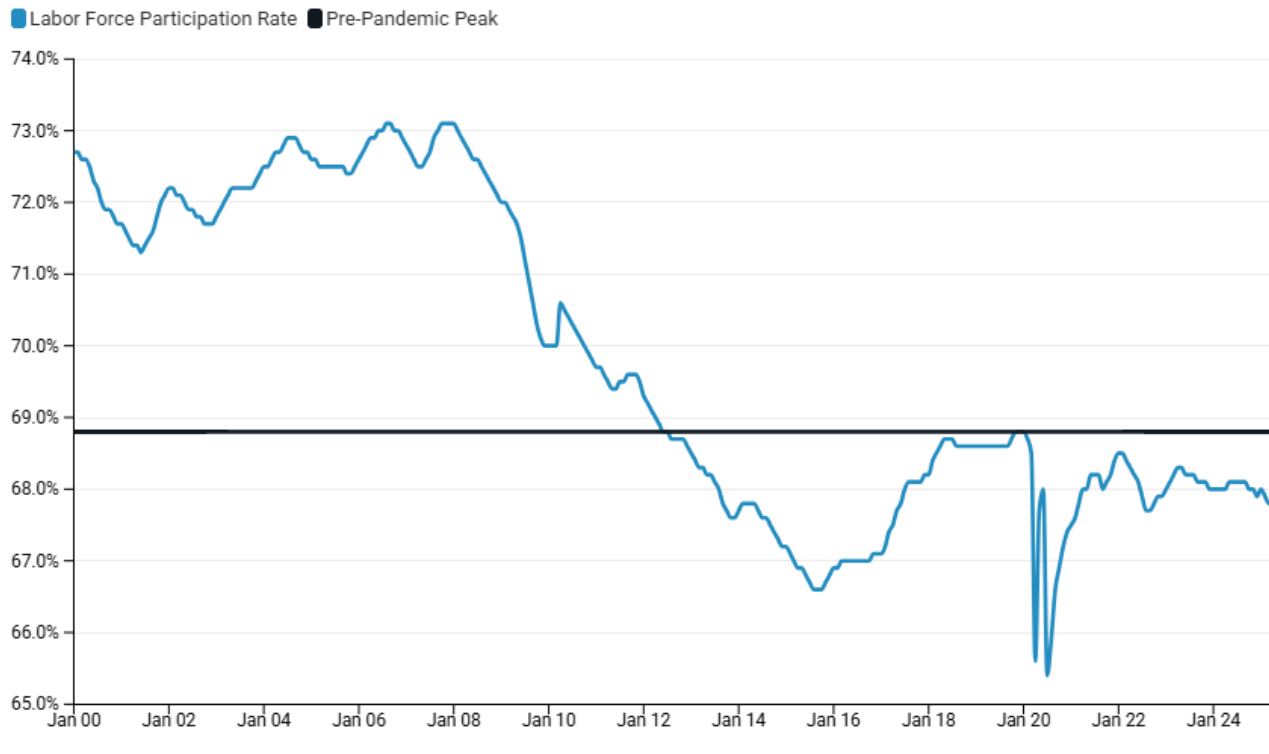
Changing Industry Shares of Total Colorado Employment since January 2020



Colorado Labor Force Update

Colorado's LFPR (labor force participation rate) declined by 0.1 of a percentage point to 67.7% in May. The national LFPR for the month of May was 62.4%.

Labor Force Participation Rate in Colorado Since 2000



ⁱ <https://www.bls.gov/cps/>