



September 2025

Colorado Jobs and Labor Force Update – August 2025 Update

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During August, Colorado gained 3,000 total nonfarm jobs. The state's private sector gained 3,300 jobs, while government employment lost 300 jobs.

The state's unemployment rate decreased 0.3 percentage points to 4.2% in August. This unemployment rate is the lowest it has been since June 2024, when it was also 4.2%, and currently sits 0.1 percentage points below the national rate of 4.3%.ⁱ Colorado's unemployment rate has not been below the national rate since November 2023 when Colorado's rate was 3.6% and the national rate was 3.7%.

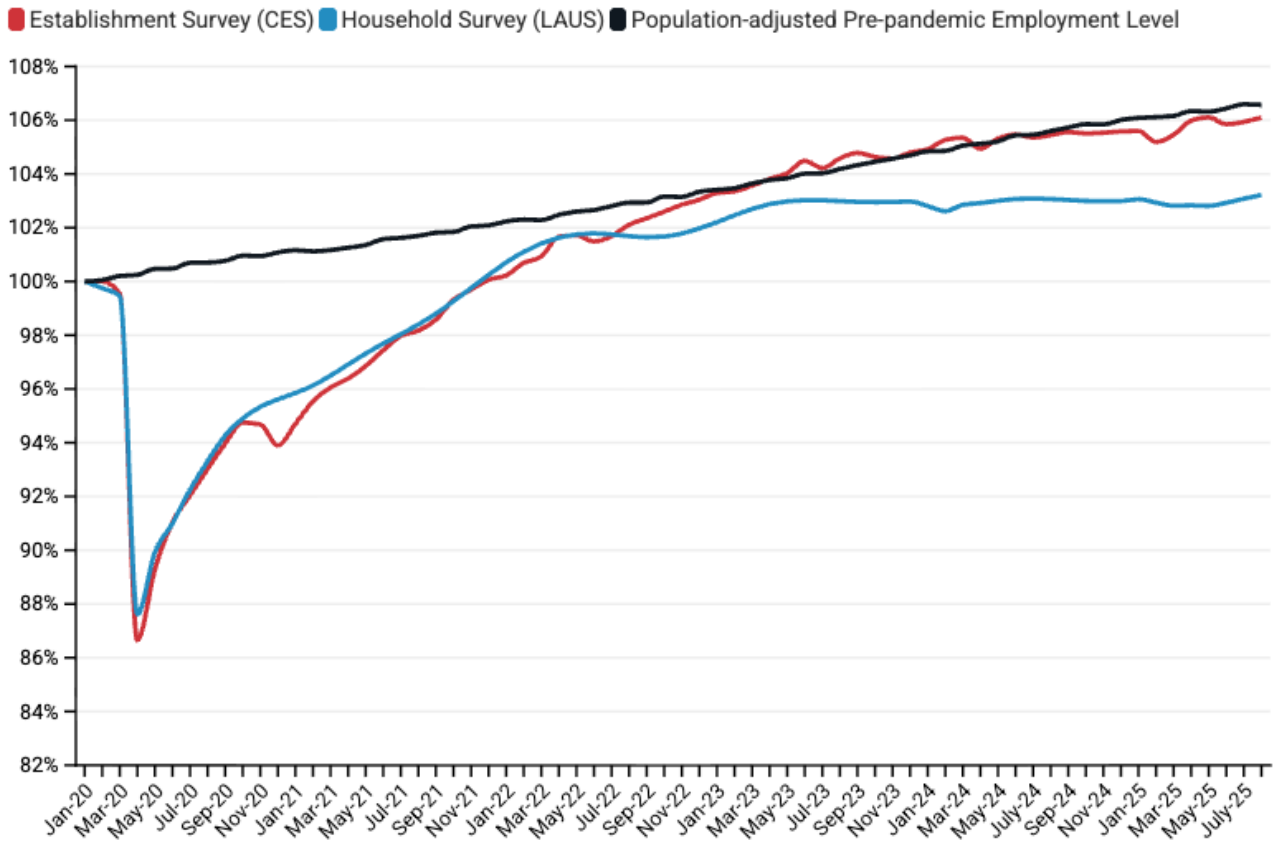
Total government employment decreased by 300 jobs in August; the state government sector added 800 jobs, but local government employment saw a decline of 800 jobs. Federal government employment also declined by 300 jobs; the federal government sector has now lost jobs for eight consecutive months.

The largest growing sector in August was the state's professional and business services, which grew by 3,000 jobs. Colorado's government sector saw the largest decrease in August, losing 300 jobs.

Key Findings—Colorado August 2025 Employment Data

- Colorado gained 3,000 jobs in the month of August. The state's private sector grew by 3,300 jobs while government employment decreased by 300.
- Over the last 12 months, Colorado's government employment has grown by 9,500 jobs while private employment increased by just 8,800 jobs.
- Colorado's unemployment rate decreased 0.3 percentage points to 4.2%. It is below the national rate of 4.3%.ⁱ Colorado's rate hasn't been lower than the national rate since November 2023.
- The construction industry lost 200 jobs in August. This industry has lost 800 jobs over the last year.
- Over the past year, federal government employment in Colorado declined by 2,700 jobs, while state and local government employment grew by 10,400 and 1,800 jobs, respectively.
- The trade, transportation, and utilities sector gained 400 jobs in August. The manufacturing sector remained steady last month.

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 3,000 jobs in August. Private employment increased by 3,300 while public employment decreased by 300. Since last August, government employment has grown by 9,500 jobs while private employment increased by just 8,800 jobs.

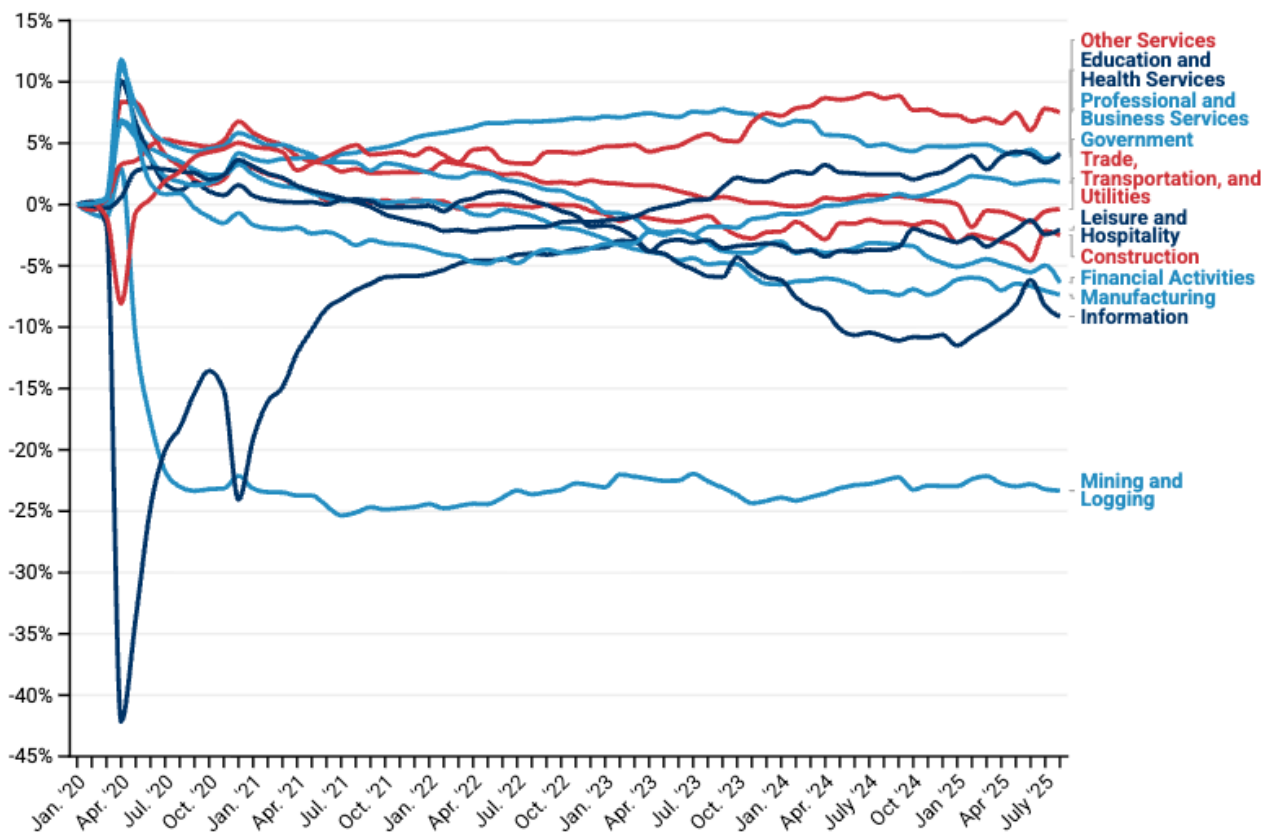
- The construction sector saw a decrease of 200 jobs in August.

- The trade, transportation, and utilities sector gained 400 jobs last month.
- Colorado's professional and business services sector gained 1,700 jobs in August.
- Employment in Colorado's leisure and hospitality sector gained 700 jobs.
- Employment in the state's mining and logging sector has remained unchanged at 21,800 for three 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 manufacturing sector has seen its share of total employment fall by 7.4% since the start of 2020.
- Since January 2020, the mining and logging sector has seen its share of state employment fall by over 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

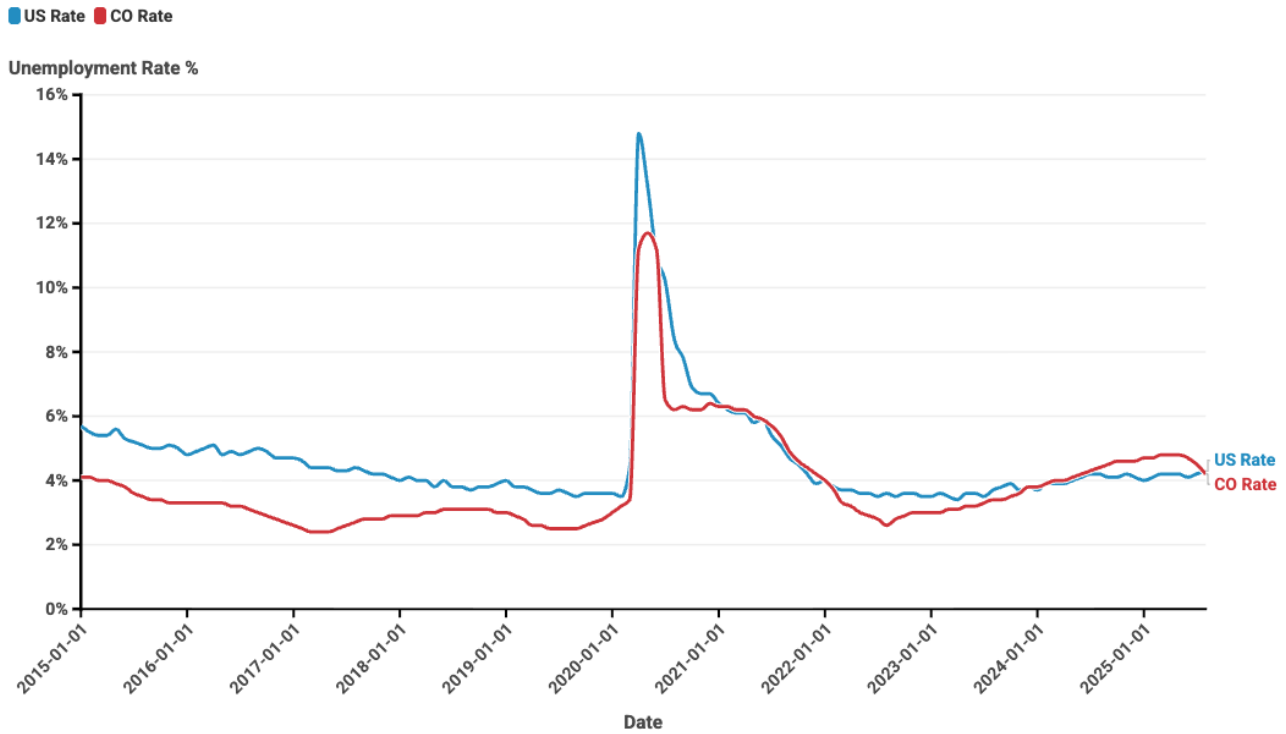


Colorado Unemployment Rate

Colorado's unemployment rate in August was 4.2%, 0.1 percentage points below the national unemployment rate at 4.3%.

Historically, Colorado's unemployment rate has been below the national average. The last time Colorado's rate was below the national average was in November 2023.

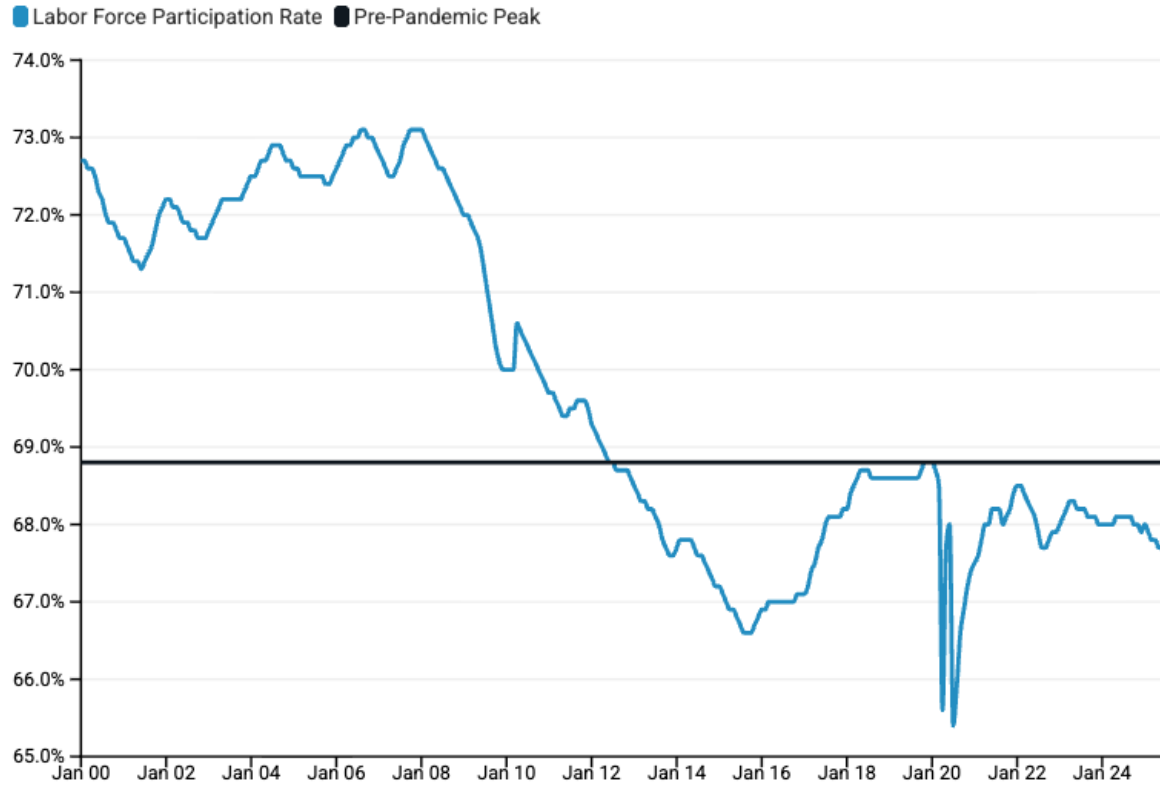
Colorado vs US Unemployment Rate



Colorado Labor Force Update

Colorado's LFPR (labor force participation rate) decreased 0.2 percentage points to 67.4% in August. The national LFPR for the month of August was 62.3%.ⁱⁱ

Labor Force Participation Rate in Colorado Since 2000



ⁱ <https://fred.stlouisfed.org/series/UNRATE#>

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