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# Colorado Jobs and Labor Force Update – August 2024 Update

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Employers in Colorado added 7,400 jobs in August. The private sector grew by 7,700 while government employment decreased by 300. This follows a downward revision of July's job numbers. Initially, Colorado was reported to have added 4,800 jobs in July, however revisions lowered this number to just 800 jobs.

While previous months had seen job growth spread amongst the various sectors, August's growth was largely fueled by the state's education and health services sector which grew by 3,000 jobs in August, and by the professional and business services sector which added 2,900 jobs. The decline in government employment was the first decrease in 13 months for the public sector.

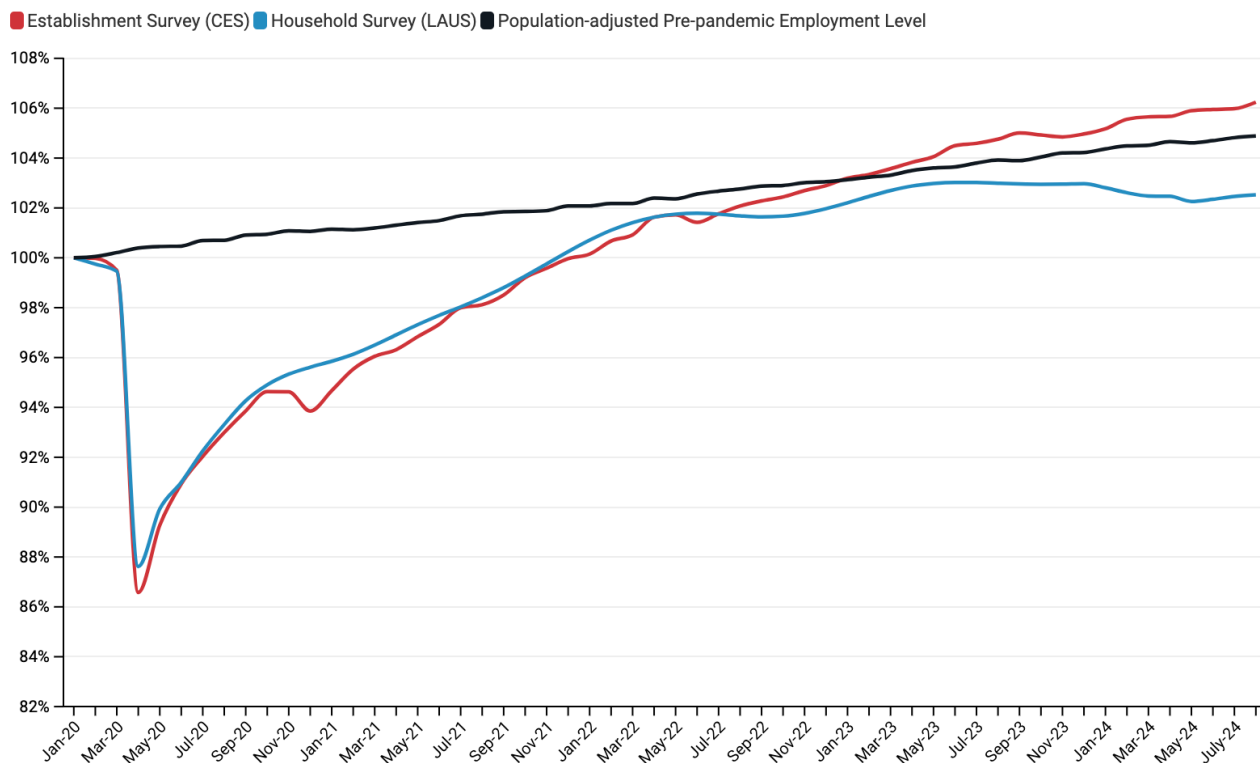
Colorado's unemployment rate yet again ticked higher to 4.0%. The increase is the sixth in the last nine months and brings the state's unemployment rate to its highest level since January of 2022. The national unemployment rate decreased by .1 percentage points to 4.2% between July and August. Meanwhile, Colorado's labor force participation rate held steady at 67.9% for the fourth straight month.

Colorado's manufacturing employment declined by 100 jobs in August marking the third straight month of job losses for the sector.

### Key Findings—Colorado August 2024 Employment Data

- **Colorado's total employment increased by 7,400 in August.** Private-sector employment grew by 7,700 while government employment decreased by 300, the first decline in 13 months.
- The BLS' estimate of employment growth in July was revised downwards from 4,800 to 800.
- **Colorado's unemployment rate hit 4.0% for the first time since January of 2022.** This marks the sixth increase in the last nine months.
- **Colorado's construction sector has added 2,400 jobs over the last two months with 1,300 added in August alone.** This is the largest two-month growth for the construction sector since May of 2020 when employment spiked following Covid.
- The education and health services sector added 3,000 jobs in August, the largest of any sector.

## 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)

Employers added 7,400 jobs in August. The private sector added 7,700.

- The trade, transportation, and utilities sector gained 700 jobs, and the manufacturing sector lost 100.
- The public sector lost 300 jobs, despite state government employment rising by 800.

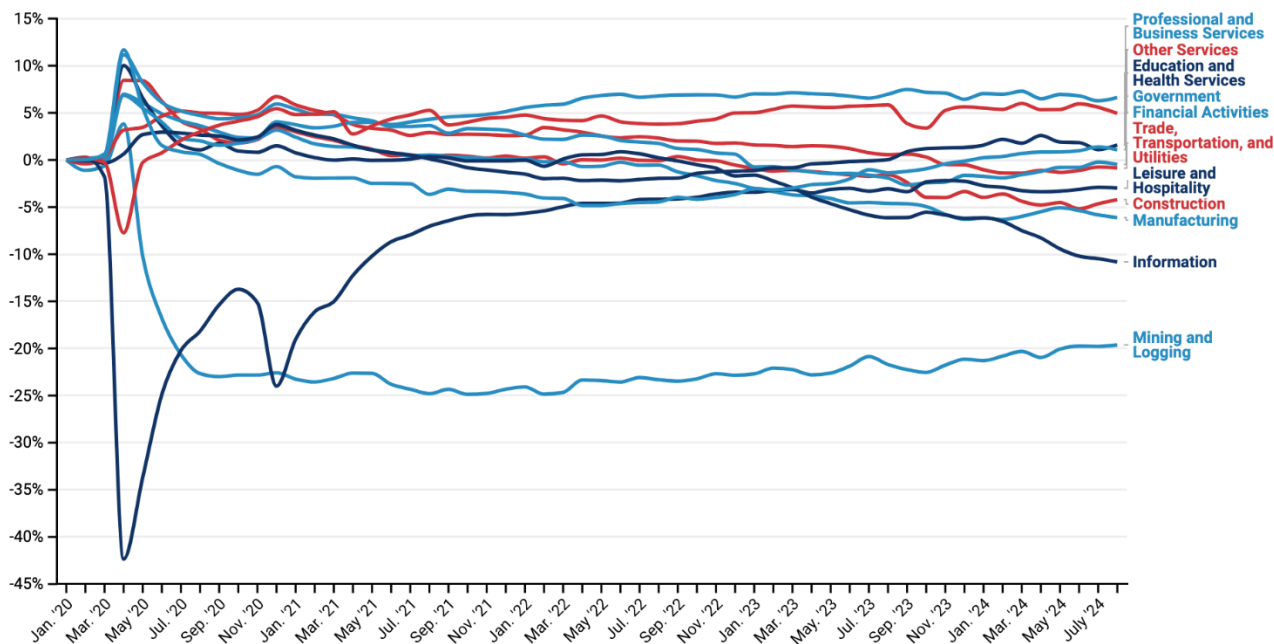
The leisure and hospitality industry added 600 jobs in the month of August.

- Employment in Colorado's education and health services sector, which declined in the previous four months, increased by 3,000 jobs in August.
- The state's construction sector added 1,300 jobs in August.

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 6.6% since the start of 2020 (see the graph below).
- Since January 2020, employment in the mining and logging sector has fallen by 14.6%, reducing its share of state employment by 20%. 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) remained at 67.9% in August for the fourth straight month. Nationally, LFPR remained the same for the second month in a row at 62.7%.

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

- The LFPR held steady at 67.9%, which is .9 percentage points below January ‘20’s LFPR of 68.8%.
- The unemployment rate rose to 4.0% in August, 0.1 percentage points higher than in July.
- The national female LFPR rose by .3 percentage points to 57.8%, which is .2 of a percentage point below its pre-pandemic level.

### Labor Force Participation Rate in Colorado Since 2000

