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# COLORADO'S DIVERGENT TRENDS AMONG PUBLIC AND PRIVATE EMPLOYMENT

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## ABOUT THE AUTHOR



### **Cole Anderson, Research Analyst**

Cole Anderson is a research analyst with Common Sense Institute. He joined CSI in June of 2022. Before joining CSI, Cole attended the University of Denver where he double majored in Economics and Public Policy, fostering his passion for pressing policy issues. His work at CSI has covered a variety of topics including crime, healthcare, foster care, and workforce issues among other topics.

## ABOUT COMMON SENSE INSTITUTE

**Common Sense Institute** is a non-partisan research organization dedicated to the protection and promotion of Colorado's economy. CSI is at the forefront of important discussions concerning the future of free enterprise and aims to have an impact on the issues that matter most to Coloradans. CSI's mission is to examine the fiscal impacts of policies, initiatives, and proposed laws so that Coloradans are educated and informed about issues impacting their lives. CSI employs rigorous research techniques and dynamic modeling to evaluate the potential impact of these measures on the economy and individual opportunity.

## TEAMS & FELLOWS STATEMENT

CSI is committed to independent, in-depth research that examines the impacts of policies, initiatives, and proposed laws so that Coloradans are educated and informed on issues impacting their lives. CSI's commitment to institutional independence is rooted in the individual independence of our researchers, economists, and fellows. At the core of CSI's mission is a belief in the power of the free enterprise system. Our work explores ideas that protect and promote jobs and the economy, and the CSI team and fellows take part in this pursuit with academic freedom. Our team's work is informed by data-driven research and evidence. The views and opinions of fellows do not reflect the institutional views of CSI. CSI operates independently of any political party and does not take advocacy positions.

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# INTRODUCTION

Colorado added just 500 total nonfarm jobs between February 2024 and February 2025, the sixth lowest level among all U.S. states. A more disturbing trend emerges when examining public and private employment over time, however. These rankings diverged significantly. Public sector jobs grew 3.15%, the second highest rate in the country, but private sector employment fell 0.6%, the second largest decrease among the states.

In their budget discussions, policymakers should recognize the extraordinary growth in government employment and acknowledge the state needs to a better job of creating private sector jobs — not just public sector ones.

## Key Findings

- Between February 2024 and February 2025, Colorado lost 14,700 private sector jobs, or 0.6% decrease in private employment, the second largest decrease in the country.
  - › Over the same period, employment in the state's public sector jumped by 15,200 jobs, or 3.15%, the second highest growth rate in the nation.
- On net, Colorado added just 500 jobs over the most recent 12 months.

# TOTAL NONFARM EMPLOYMENT

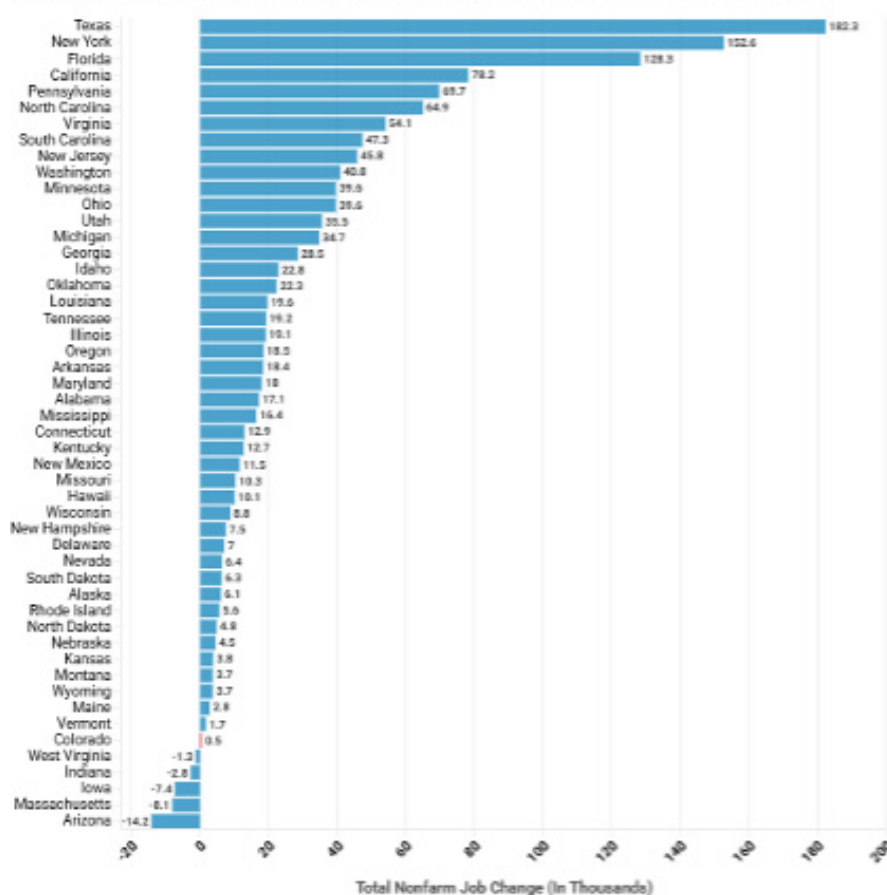
As the following figures show, Colorado gained 500 nonfarm payroll jobs between February 2024 and February 2025, marking the sixth-lowest overall job growth among U.S. states during that time period.

The addition of 500 jobs balances out to a 0.02% growth in employment, which is again the sixth-lowest growth rate among U.S. states. In contrast, neighbors Idaho and Utah enjoyed a 2.67% and 2.05% employment growth rate, respectively.

**FIGURE 1**

## Change in Total Nonfarm Employment Level (Feb '24 - Feb '25)

Colorado added just 500 total nonfarm jobs over the last year, 6th lowest in the nation over that time

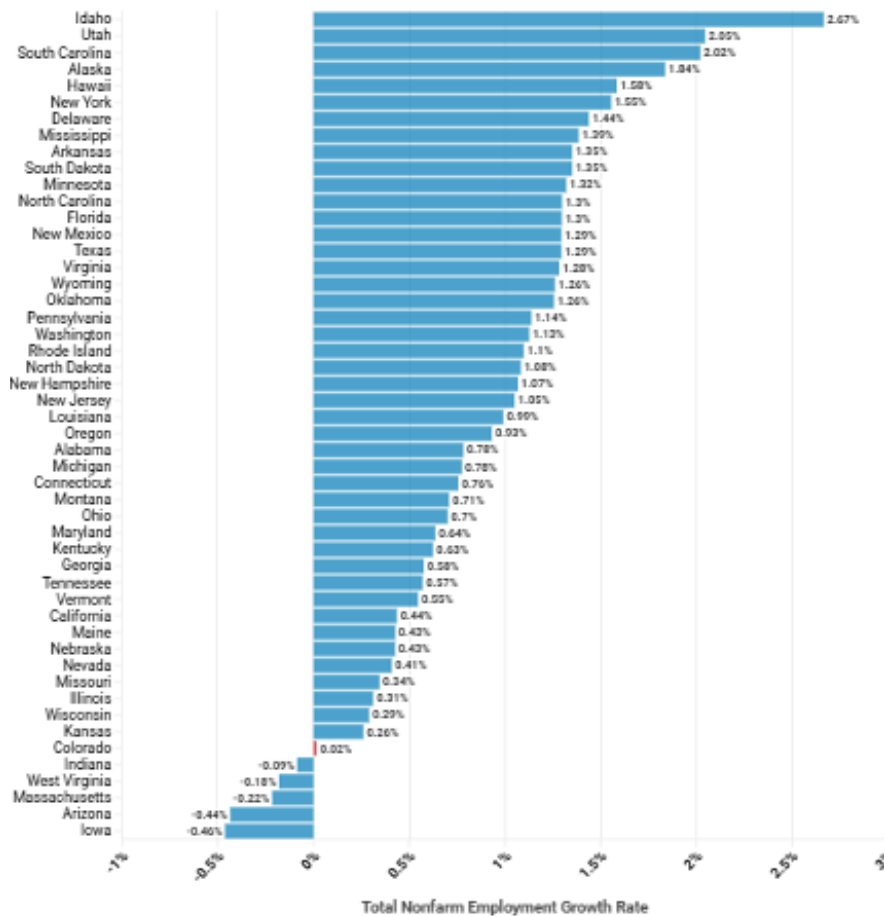


Source: BLS

FIGURE 2

### Total Nonfarm Employment Growth Rate (Feb '24 - Feb '25)

Colorado's nonfarm employment total grew by just 0.02% over the last year, 6th lowest in the country



# PRIVATE EMPLOYMENT

Colorado's frozen job growth over the last year is largely due to a downturn in private employment. Companies are simply not adding personnel.

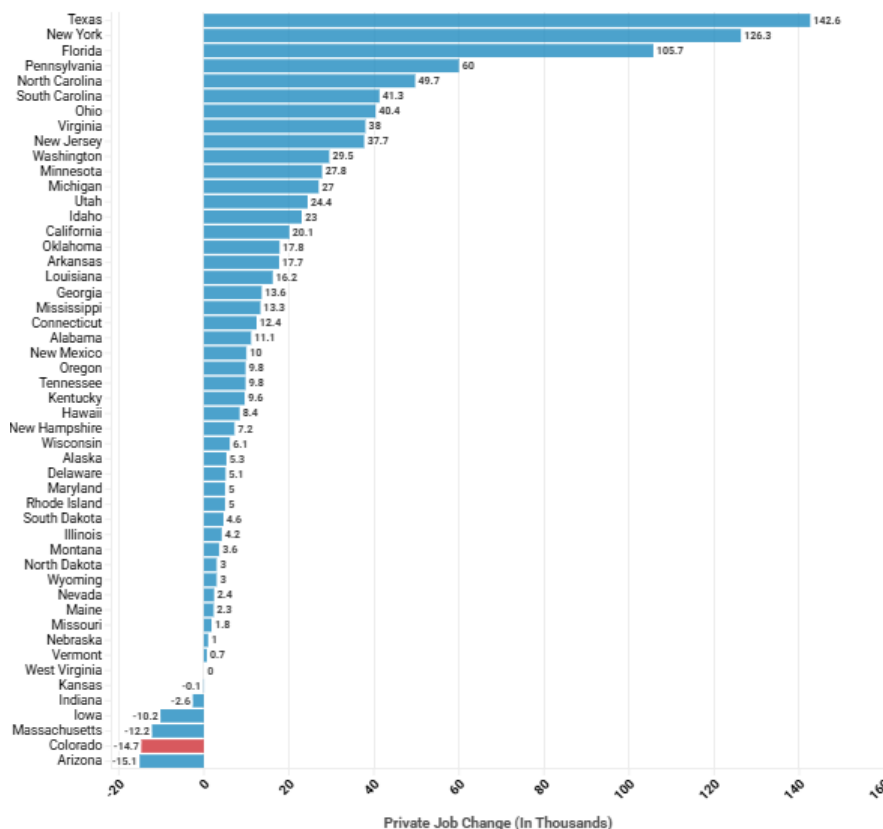
Between February 2024 and February 2025, Colorado lost 14,700 private sector jobs. That number amounts to the nation's second-largest loss in private employment behind Arizona, which lost 15,100 private sector jobs. Nationwide, only seven states did not gain private sector jobs between February 2024 and February 2025: West Virginia, Kansas, Indiana, Massachusetts, Colorado, and Arizona.

Colorado's private employment growth rate in the last year was -0.59%, the second-lowest rate among U.S. states.

**FIGURE 3**

### Change in Private Employment Level (Feb '24 - Feb '25)

Colorado's private sector recorded a dismal last 12 months losing 14,700 total jobs, second only to Arizona

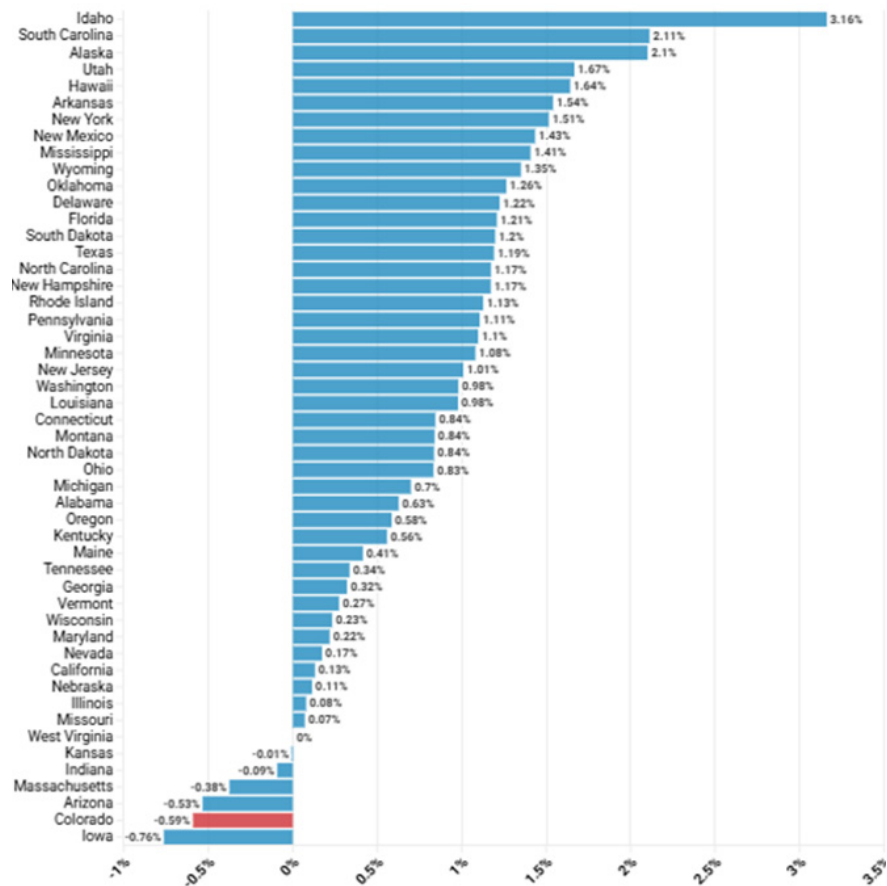


Source: BLS

FIGURE 4

### Private Employment Growth Rate (Feb '24 - Feb '25)

The loss of 14,700 private sector jobs was equivalent to a 0.6% decrease in Colorado's private sector job total, the second largest decline behind Iowa





# PUBLIC EMPLOYMENT

As the following figures show, as Colorado's private employment has fallen, public employment has grown at one of the nation's fastest rates.

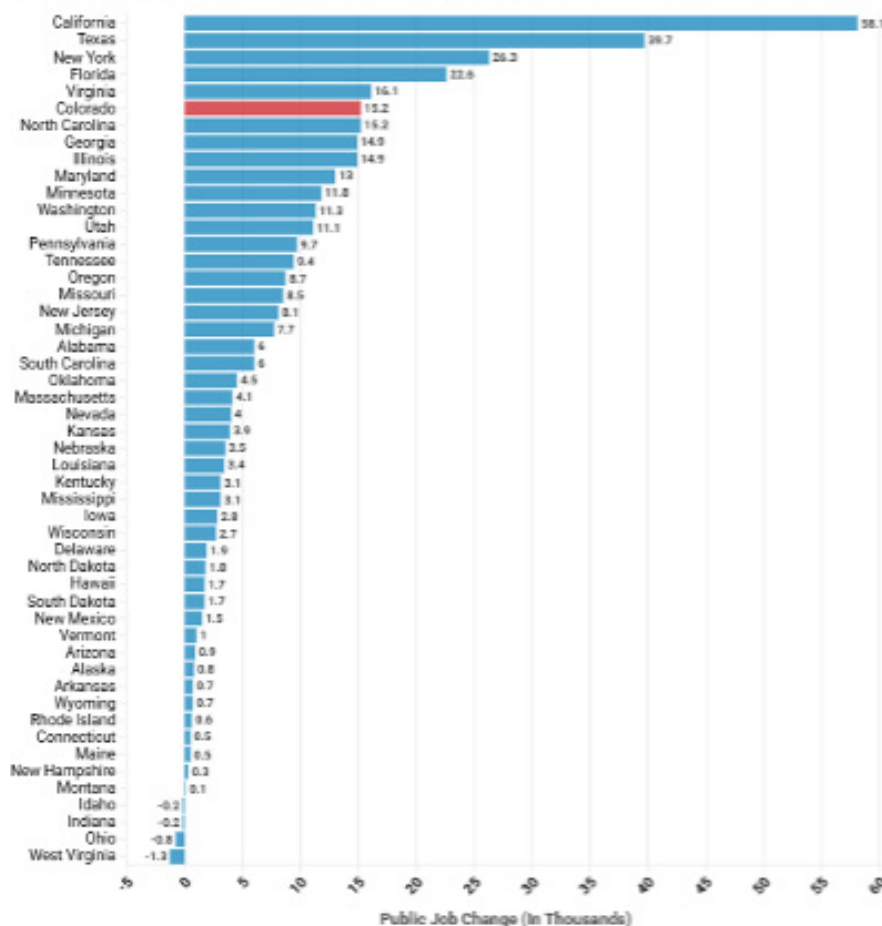
Between February 2024 and February 2025, Colorado gained 15,200 public employment jobs, the sixth-highest growth rate among the U.S. states.

During the same period, Colorado's public employment grew by 3.19%, the second-highest rate in the country.

**FIGURE 5**

## Change in Public Employment Level (Feb '24 - Feb '25)

Colorado added 15,200 government jobs over the past year, the 6th highest amount among all states

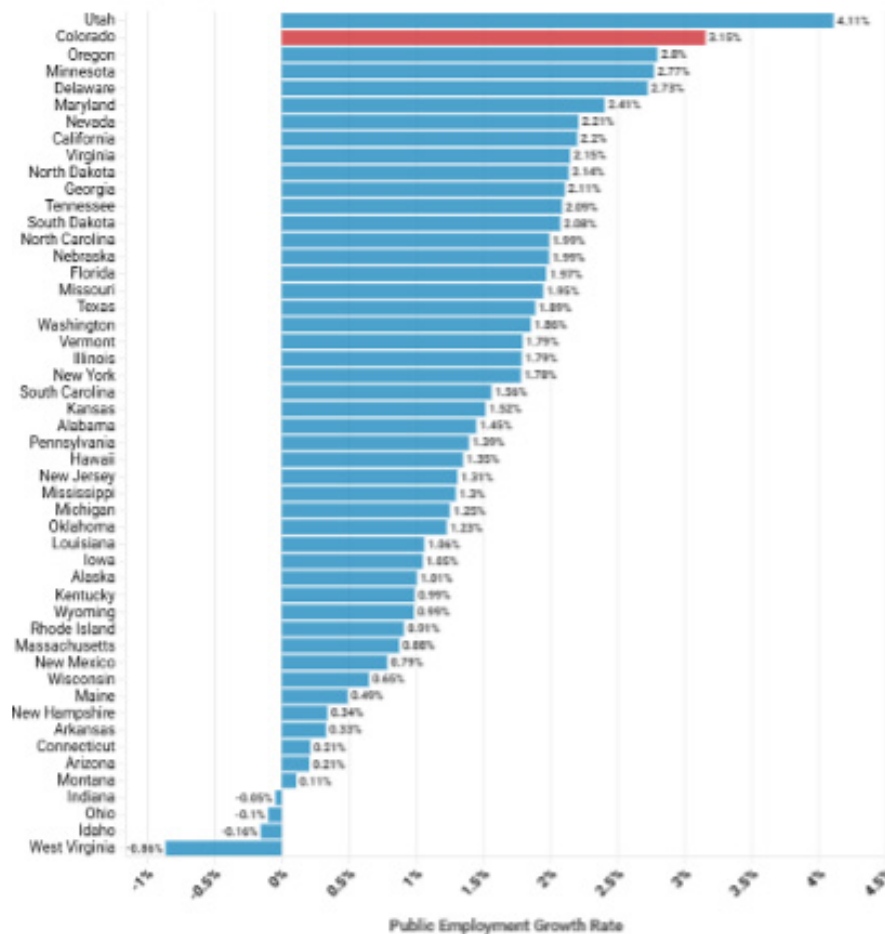


Source: BLS

FIGURE 6

### Public Employment Growth Rate (Feb '24 - Feb '25)

Despite ranking nearly last in private sector job growth over the past year, Colorado's public sector grew at the second fastest rate of any state over the same time



Source: BLS

## BOTTOM LINE

Colorado's job growth has remained largely stagnant over the past year, with only 500 jobs added between February 2024 and February 2025. This stagnation does not stem from stability in the public and private sectors; rather, both have experienced significant fluctuations. Private sector employment declined by 14,700 jobs while the public sector expanded substantially, adding 15,200 jobs.

This surge in public hiring has effectively masked a dismal year for private sector job growth, leaving Colorado in the troubling position of relying on government employment to sustain its job market.