

## Colorado Jobs and Labor Force Update: April 2022

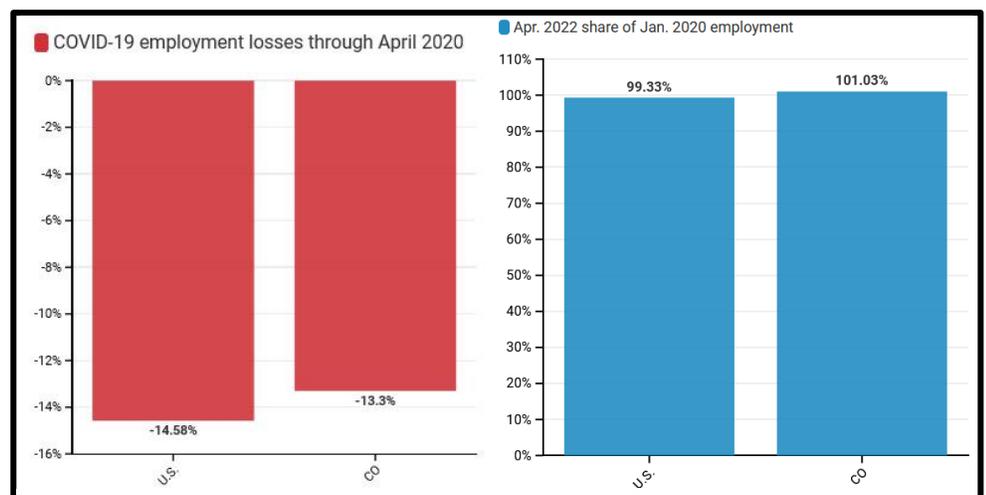
Colorado’s robust economy has added 405,400 jobs since April 2020, eclipsing the 374,500 jobs the state lost in March and April 2020. This represents a recovery rate of 108.3 percent which is 13.3 percentage points higher than the nationwide recovery rate of 95%. Colorado added 14,600 jobs in April and March’s employment level was revised downwards by 500. April nonfarm employment rose to 2,848,600, which is 4.7% higher than April 2021’s 2,719,600. Colorado’s unemployment rate now stands at 3.6%.

### Key Findings—Colorado March 2022 Employment Data (BLS CES Survey<sup>1</sup>)

- Colorado added 14,600 total nonfarm jobs in April (a monthly change of 0.5% for a total year-on-year change of 4.7%).**
  - In April, the state’s employment level continued to recover and is now 29,100 higher than it was before the pandemic.
  - To recover to the pre-pandemic unemployment rate of 2.7% by January 2023, Colorado needs to add 5,627 jobs each month, on average.
- The total employment level is up 1.3% (29,100 jobs) above its pre-pandemic level, ranking Colorado 12<sup>th</sup> in terms of April ‘22 job levels relative to Jan. ‘20.**
  - Washington D.C. ranked 50<sup>th</sup> and Hawaii 51<sup>st</sup> in terms of current job levels relative to Jan. ‘20 and are down 5% and 8.6%, respectively.
  - Fifteen states have employment levels above what they were at the start of the pandemic. Texas has the highest differential (+328,300 jobs).

### A Deeper Dive into Colorado Industries

- Some sectors in Colorado added jobs in April and others lost jobs.
  - The leisure and hospitality industry added 6,400 jobs. The durable goods manufacturing industry lost 700 jobs.
- Though the leisure and hospitality industry has led the recovery by adding 74,600 jobs between Jan. ‘21 and Apr. ‘22, it is still down 6,900 jobs relative to Jan. ‘20.
  - Arts, entertainment, and recreation is down .33% (200 jobs).
  - Accommodation and food services is down 2.33% (6,700 jobs).



## Colorado Labor Force Update

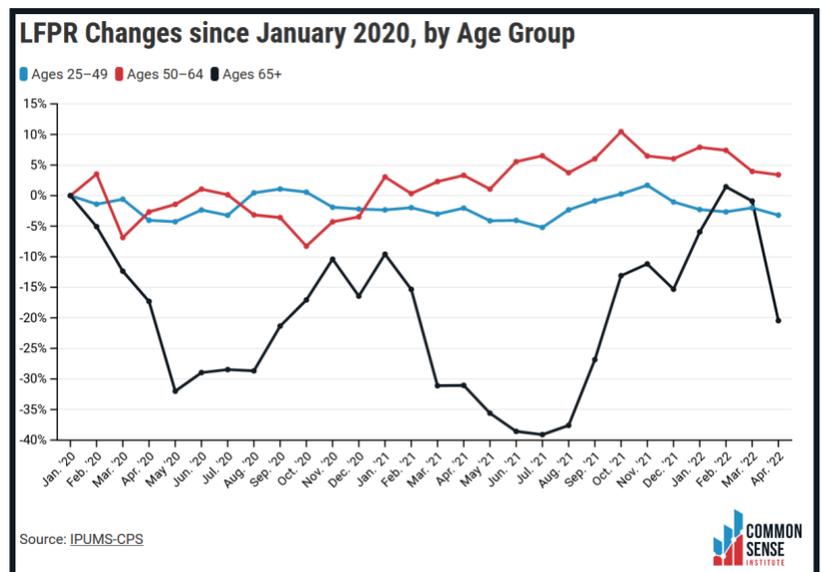
Colorado’s LFPR (labor force participation rate) decreased in April to 68.9%, which combined with the strong job growth led to a decline in the unemployment rate to 3.6%. The LFPR of retirement-age (65 years and older) workers is now slightly below the pre-pandemic level by 0.26%. After months where retirement age workers were re-entering the labor force, LFPR unexplainably plummeted in April. This could be a reporting or data issue; we will wait and see what next month's data shows.

### Key Findings—Colorado March '22 Labor Force Data (FRED<sup>ii</sup>, and IPUMS-CPS<sup>iii</sup>)

- **April’s LFPR increased slightly to 69.1%, .5 percentage points above Jan. ’20’s LFPR of 68.6%.**
- **April’s unemployment rate dropped by .1 percentage points to 3.6%, which is still 0.9 percentage points above Jan. ’20’s unemployment rate of 2.7%.**
- **In April, the LFPR of Colorado women decreased from 63.21% to 58.89%. It is now 5.25 percentage points below its pre-pandemic level.**
  - The national female LFPR fell by .1 percentage points to 56.7%, which is 1.1 percentage point below its pre-pandemic level.
  - There are now 122,535 fewer women in the workforce than there would be if Colorado’s April LFPR of women was the same as it was before the pandemic.

### Prime-age, Older, and Retirement-age People in the Labor Force

- Since Jan. ’20, the labor force participation rate of all 50–64-year-old workers, regardless of sex, has increased by 3.41%.
- There are 53,444 fewer retirement-age workers in the labor force today than there would be at the pre-pandemic participation rate. After several months of strong recovery, this group’s labor force participation rate plummeted in April by 5.66 percentage points and now stands at 23.02%.
- The LFPR of prime-age workers (25–49) remained below its Jan. ’20 level. A few possible explanations are that increased savings accumulated during the pandemic are allowing people to delay re-entering the labor force. Now that the stock market has shed approximately 20% of its value and inflation is at record levels, expectations are that we will see more workers in this age group to return to the labor force.



*Monthly trends may be volatile and should be interpreted cautiously.*

<sup>i</sup> <https://www.bls.gov/data/>

<sup>ii</sup> <https://fred.stlouisfed.org/>

<sup>iii</sup> <https://cps.ipums.org/cps/>