



May 2023

Colorado Jobs and Labor Force Update – April 2023 Update

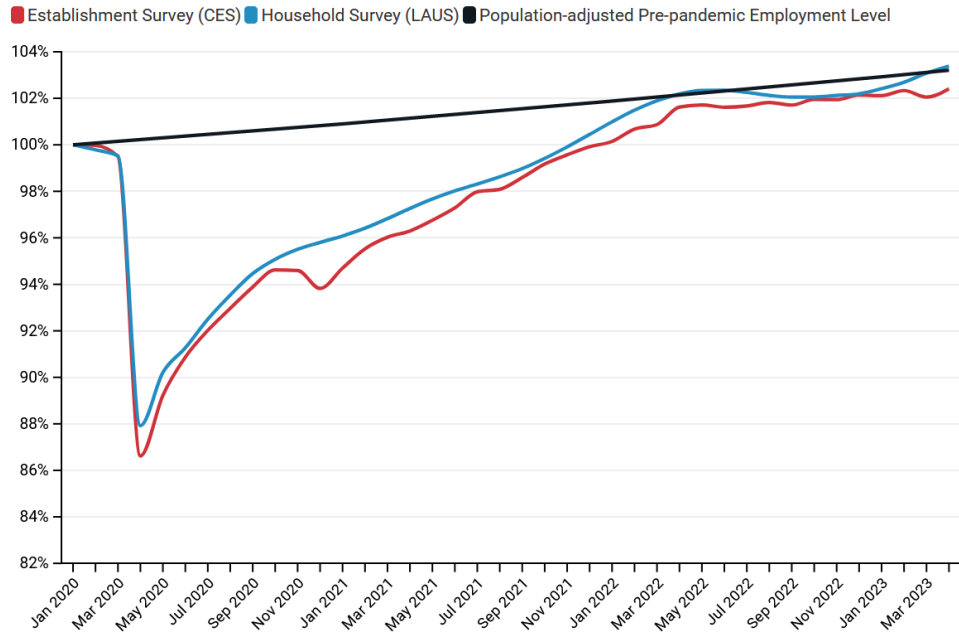
Authors: Cole Anderson, Erik Gamm

Colorado gained 7,200 nonfarm jobs in April, the largest single month growth since April 2022, while state government employment decreased for the first time in 4 months falling by 200 jobs. Despite the solid job growth, Colorado’s unemployment rate held steady at 2.8%. The leisure and hospitality sector grew by 4,400 jobs in April and has now increased its total employment by 1.81% since January 2020. Similarly, the professional and business services sector saw 3,900 jobs added in April, this sector's employment has grown by 11.16% since January 2020. Despite adding 500 jobs in April, mining and logging, which includes oil and gas extraction, continues to be the worst performing sector as compared to January 2020, having seen a 17.16% decrease in employment since that time.

Key Findings—Colorado April 2023 Employment Data (BLS CES Survey and LAUS)

- **In April, Colorado experienced its largest single-month job growth since April 2022 adding a total of 7,200 jobs.**
- **Colorado’s trade, transportation, and utilities sector declined in employment for the 4th straight month losing 1,400 jobs in April.**
- **The total employment level is up 2.41% (68,100 jobs) above the pre-pandemic level, ranking Colorado 20th in terms of April ‘23 job levels relative to January ’20.**
 - Thirty-five states have employment levels above what they were at the start of the pandemic. Texas has the highest differential (+920,800 jobs).
- **Colorado’s manufacturing sector lost 300 jobs in April, its second straight month of decline, the first time since Sep-Oct of 2022.**
- **For the first time since June 2022, the BLS survey of household employment shows that Colorado has recovered to its pre-pandemic employment level.**
- **According to CSI Mike A. Leprino Fellow Lang Sias’ [latest report](#), Colorado net migration slowed significantly over the last two years contributing to the state’s tight labor market.**

Employment Levels in Colorado since January 2020



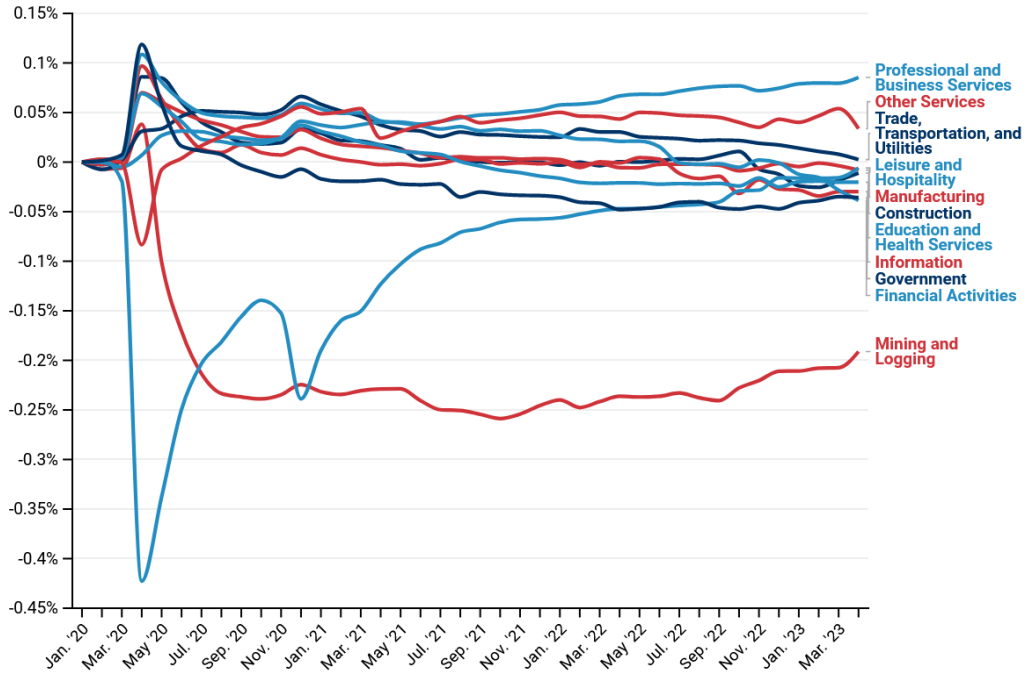
- According to the BLS survey of establishments (CES), Colorado has never recovered to a pre-pandemic employment-to-population ratio.
- According to the BLS survey of households (LAUS), which captures both traditional jobs and self-employment, **Colorado recovered to its pre-pandemic employment-to-population ratio for the first time since June 2022.**

A Deeper Dive into Colorado Industries (BLS CES Survey)

- After declining in January, growing slightly in February, and falling again in March, Colorado’s private sector grew in April by the most it has in one month since October 2022.
 - The professional and business services sector added 3,900 jobs and the construction industry added 1,800.
 - Government employment grew by 700.
- The leisure and hospitality industry added 87,500 jobs between January ‘21 and April ‘23 and is now up 6,300 jobs (1.81%) above its January ‘20 level.
 - The arts, entertainment, and recreation industry grew by .91% in April (500 jobs).
 - The accommodation and food services industry grew by 1.32% (3,900 jobs).
- 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 8.5% since the start of 2020 (see the graph below).

- Since January 2020, employment in the mining and logging sector has decreased by 17.2%, reducing its share of state employment by 19.1%, though 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) increased to 68.6% and its unemployment rate remained at 2.8% in April. April was the first month since the start of the pandemic during which Colorado’s LFPR registered as high as it was in January 2020.

Key Findings—Colorado April ‘23 Labor Force Data (FRED and IPUMS)

* At the time of reporting, IPUMS labor force participation rate (LFPR) data for state sub-populations is not available.

- The LFPR increased by .1 of a percentage point to 68.6%, which is equal to January ‘20’s LFPR.
- The unemployment rate remained at 2.8% in April, which is .3 of a percentage point below what it was a year ago.
- The national female LFPR rose by .2 of a percentage point to 57.3%, which is .6 of a percentage point below its pre-pandemic level.

Labor Force Participation Rate in Colorado Since 2000

