



July 2023

Colorado Jobs and Labor Force Update – June 2023 Update

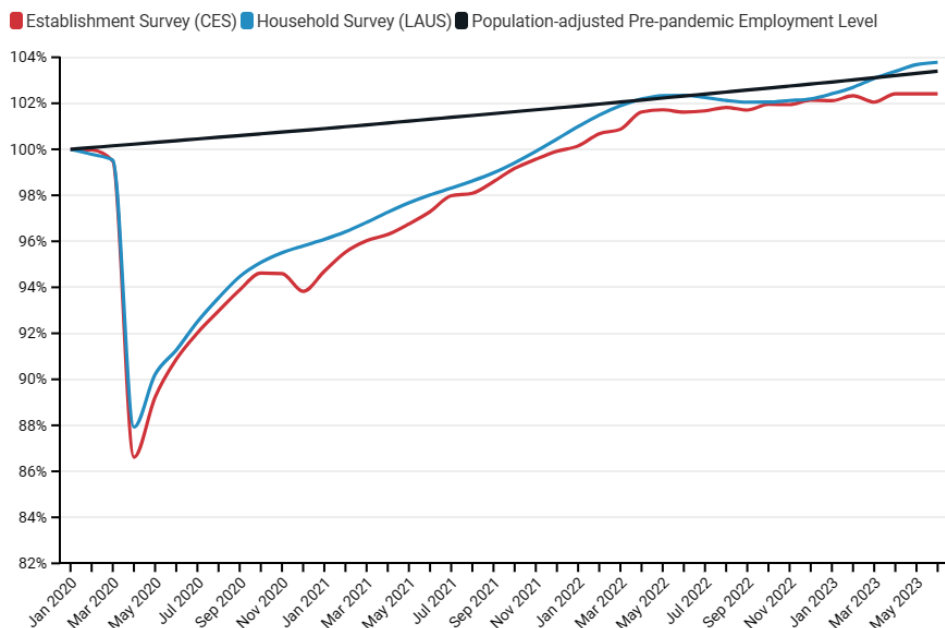
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Colorado's workforce has remained relatively stagnant over the past few months as the state's June unemployment rate was again 2.8%, the 4th consecutive month at this rate. Additionally, the state's labor force participation rate remained at 68.7% for the second straight month. Colorado gained 4,700 nonfarm jobs in June after posting 8,600 jobs added in May, and 13,800 in April. Among Colorado's industries, the sector of trade, transportation, and utilities saw the largest job decrease in the month of June, losing 1,000 jobs. Colorado's manufacturing sector saw solid job growth in June adding 1,400 jobs in addition to the 1,900 jobs added for this industry in May. Despite adding 400 jobs in June, mining and logging, which includes oil and gas extraction, continues to be the worst performing sector as compared to January 2020, having seen a 16.79% decrease in employment since that time.

Key Findings—Colorado June 2023 Employment Data

- **Colorado added 4,700 total nonfarm jobs in June after recording 8,600 jobs added in May, and 13,800 in April.**
- **The state's manufacturing sector added 1,400 jobs in June after adding 1,900 in May. This is the largest two-month job gain for this sector since May-June of 2020 immediately following the large decline in April 2020.**
- **Colorado's unemployment rate was 2.8% in June, this is the 4th consecutive month at this rate.**
- **The total employment level is up 2.41% (88,000 jobs) above the pre-pandemic level, ranking Colorado 20th in terms of June '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 (+994,000 jobs).
- **According to [this week's report](#) from CSI Coors Fellow for Economic Mobility Tamra Ryan, Colorado's labor force is the tightest on record, with 2.7 jobs for every unemployed person. The labor shortage and skills mismatch in Colorado is costing \$46 billion in additional state Gross Domestic Product (GDP) this year.**

Employment Levels in Colorado since January 2020



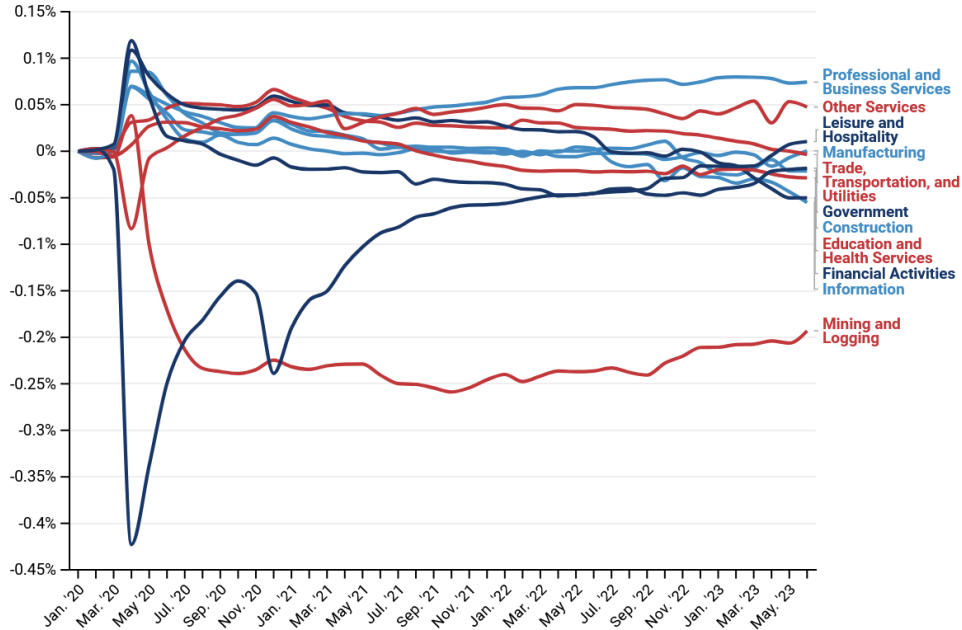
- According to the BLS survey of establishments (CES), Colorado has never recovered to a pre-pandemic employment-to-population ratio.
- According to the BLS survey of households (LAUS), which captures both traditional jobs and self-employment, **Colorado has recovered to its pre-pandemic employment-to-population ratio for the 3rd consecutive month.**

A Deeper Dive into Colorado Industries (BLS CES Survey)

- After highly variable growth throughout much of the first half of 2023, Colorado’s private sector grew only modestly in June.
 - The professional and business services sector added 1,300 jobs and the trade, transportation, and utilities sector lost 1,000.
 - Government employment grew by 1,400.
- The leisure and hospitality industry added 95,800 jobs between January ‘21 and June ‘23 and is now up 14,600 jobs (4.19%) above its January ‘20 level.
 - The arts, entertainment, and recreation industry shrank by .35% in June (250 jobs).
 - The accommodation and food services industry grew by .63% (1,900 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 7.4% since the start of 2020 (see the graph below).

- Since January 2020, employment in the mining and logging sector has decreased by 16.8%, reducing its share of state employment by 19.3%, 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) remained at 68.7% and its unemployment rate, yet again, remained at 2.8% in June. On the whole, June proved a remarkably unremarkable month for Colorado’s workforce.

Key Findings—Colorado June ‘23 Labor Force Data (FRED)

- The LFPR remained at 68.7%, which is .2 of a percentage point below January ‘20’s LFPR of 68.9%.
- The unemployment rate remained at 2.8% in June, which is the same as it was a year ago.
- The national female LFPR remained at 57.3%, which is .6 of a percentage point below its pre-pandemic level.

Labor Force Participation Rate in Colorado Since 2000

