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# Colorado Jobs and Labor Force Update – February 2024 Update

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In February, Colorado’s total nonfarm employment rose by 8,500 jobs, the largest single month growth since June of 2023 when nonfarm employment rose by 12,500. February’s strong growth brings Colorado’s total nonfarm job creation to 14,400 in the first two months of 2024. The state’s government sector continued its pattern of strong growth, adding 2,000 jobs in February. This marked 5 straight months of government job gains.

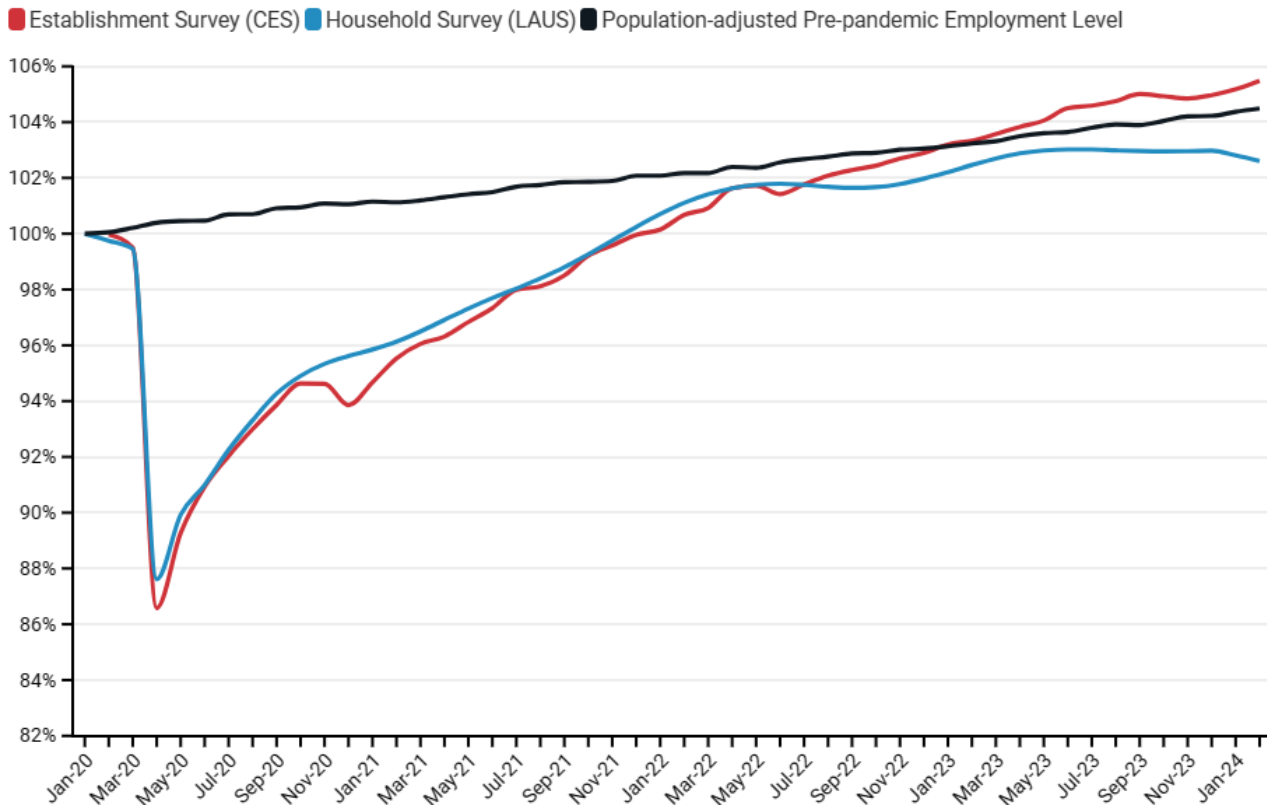
Despite strong private sector gains, Colorado’s unemployment rate ticked up for the second consecutive month from 3.4% to 3.5%. This is Colorado’s highest unemployment rate since February of 2022. The state’s labor force participation rate remained steady at 68.1% for the second consecutive month. This value is lower than any month of 2023.

Colorado’s construction sector added 1,200 jobs in February after losing 800 the month prior. Education and health services was the saw the largest job growth of any sector in February, adding 3,400 jobs. The state’s trade, transportation, and utilities sector experienced the largest job loss of any sector in February and fell by 300 jobs. This sector’s employment level has declined in 6 of the last 8 months, losing a cumulative 8,300 jobs.

### Key Findings—Colorado February 2024 Employment Data

- **Colorado's private-sector employment increased for the 3<sup>rd</sup>-straight month in February, adding 6,500 jobs after increasing by 3,100 jobs in January.** Cumulative private sector job growth now totals 11,000 over the past 3 months.
- **Colorado’s unemployment rate ticked up by 0.1% to 3.5%. It has not declined between any two months since August 2022 and is now at its highest rate since February of 2022.**
- **The state’s worst performing sector in February was trade, transportation, & utilities, which lost 300 jobs.** This sector’s employment level has declined in 6 of the last 8 months, losing a cumulative 8,300 jobs.

## 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)

Colorado’s private sector added 6,500 jobs in February—its largest single month of growth since last June.

- The education and health services sector gained 3,400 jobs and the trade, transportation, and utilities sector lost 300.
- Local government employment increased by 1,700, and total government employment rose by 2,000.

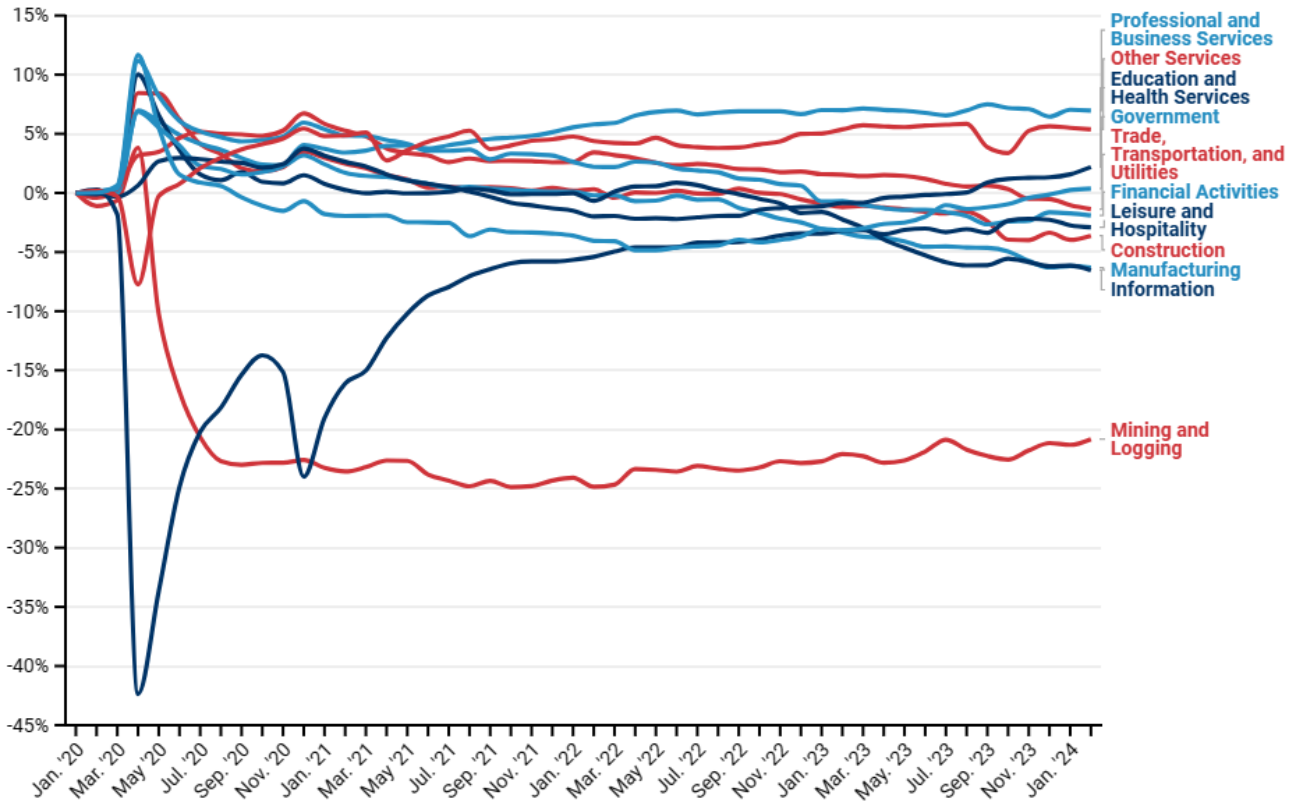
The leisure and hospitality industry added 89,700 jobs between January ‘21 and February ‘24 and has grown by 2.41% since Jan. 2020.

- Employment in Colorado’s manufacturing sector rose by 200 in February but remains 1,800 below its pre-pandemic level.
- The state’s construction sector gained 1,200 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% since the start of 2020 (see the graph below).
- Since January 2020, employment in the mining and logging sector has decreased by 16.5%, reducing its share of state employment by 20.8%. 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) held steady at 68.1% in February after falling steadily since last August.

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

- The LFPR remained at 68.1%, which is .8 of a percentage point below January ‘20’s LFPR of 68.9%.
- The unemployment rate increased to 3.5% in February, up from 3% in April 2023.

- The national female LFPR increased by .1 of a percentage point to 57.6%, which is .4 of a percentage point below its pre-pandemic level.

### Labor Force Participation Rate in Colorado Since 2000

