

PRESS RELEASE

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COLORADO LABOR FORCE DEVELOPMENTS FOR MAY 2009

Labor Force ^[i]

Colorado's seasonally adjusted unemployment rate rose two-tenths of one percentage point in May. When combined with last month's slight decrease, the two-month change is the smallest since last summer, according to Donald J. Mares, Executive Director of the Colorado Department of Labor and Employment. The seasonally adjusted unemployment rate rose to 7.6 percent. The current jobless rate is up 2.9 percentage points from a year ago when it stood at 4.7 percent. "For the past three months the changes in Colorado's unemployment rate have been incrementally smaller than those seen nationally," said Mares. "Additionally, the decline in wage and salary employment appears to be moderating both nationally and in Colorado," Mares noted.

After adjusting for normal seasonal movements, the estimated number of employed Colorado residents dropped 21,000 over the month to 2,513,900. This is a decrease of 83,700 from last May's total of 2,597,600. The estimated count of unemployed persons trended up 3,300 during the month and has risen 77,000 from a year ago.

May is generally a month of rising unemployment in most Colorado labor areas due to a lull in tourist activity and the entry of seasonal jobseekers. This year was no exception as 35 of Colorado's sixty-four counties recorded higher unemployment rates on an unadjusted basis, 5 were unchanged, and 24 had lower rates. Cheyenne County saw the lowest rate in the State at 3.2 percent while Dolores County topped all areas at 14.9 percent.

Wage and Salary Employment ^[ii]

The monthly survey of Colorado businesses showed wage and salary employment increased for the first time since August 2008, growing by 2,100. However, the gain was less than normal for the month and was the smallest in May since 2001. Eight major industries exhibited moderate employment increases and only three posted declines. Professional and business services gained 4,200 jobs due to seasonal hiring in its administrative and support services component; employment services added 2,600 jobs, marking its first significant increase of 2009. Hiring at the local level allowed government to advance by 2,600 positions. Education and health services combined with trade, transportation and utilities to add 3,300 with the gains about evenly split. Construction, up 1,300, posted its smallest May increase in nearly two decades. Financial activities gained 700, while information and other services each inched up 200.

The end of the winter recreation season led to the 7,600 job decline in leisure and hospitality. Manufacturing employment fell by 1,900, with the losses concentrated in durable goods, while mining and logging payrolls dropped for the sixth consecutive month, falling 900.

Nonagricultural wage and salary employment has fallen 97,600 or 4.1 percent from a year ago. Year-over-year job losses have grown steadily since October 2008, but seem to be abating in the second quarter. Only two sectors have posted gains over the past twelve months—education and health services added 8,300 while government is up 6,700.

Professional and business services has experienced the largest job losses of all industries; it now has 28,700 fewer employees than at this time last year, but construction has experienced the fastest rate of decline at 15.6 percent or 25,800 jobs. Trade, transportation and utilities employment is off 16,400, with about half of the loss occurring in retail trade. Weakness in durable goods has been the culprit behind the 14,700 decline in manufacturing. Leisure and hospitality payrolls are down 12,100 and continued weakness in credit markets has resulted in an 8,300 drop in financial activities. Information, other services, and mining and logging have each shed between 1,600 and 2,900 positions since last May.

National ^[iii]

The Bureau of Labor Statistics reported that the nation's unemployment rate matched the largest single month increase in the past 29 years, jumping one-half percentage point

^[i] Labor force estimates are calculated from the household survey results, using the Bureau of Labor Statistics Local Area Unemployment Statistics methods. The unadjusted statewide and county level estimates are available at the following link:
<http://www.coworkforce.com/lmi/ali/lfp.asp>

^[ii] Wage and salary employment estimates are calculated from the establishment survey results, using the Bureau of Labor Statistics Current Employment Statistics methods. The statewide adjusted and unadjusted, and the unadjusted MSA estimates are available at the following link:
<http://www.coworkforce.com/lmi/CES/ceshome.asp>

^[iii] The Bureau of Labor Statistics homepage is available at the following link:
<http://www.bls.gov/>