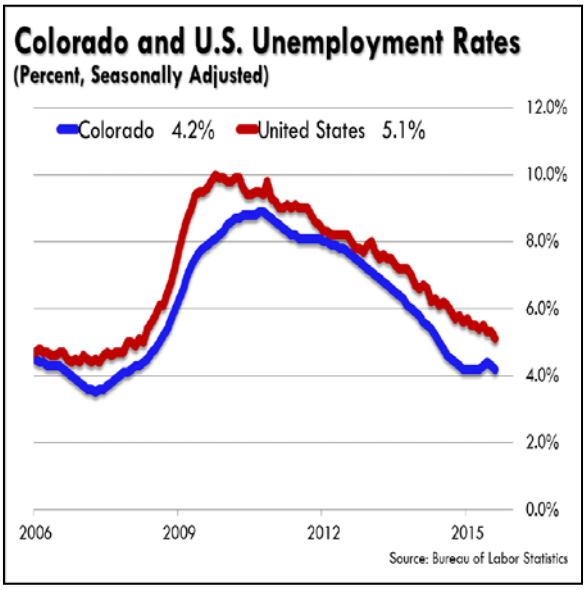
Colorado Economic Update

September 18, 2015

Summary

Nonfarm payroll employment in Colorado increased by 2,400 jobs and the unemployment rate fell to 4.2 percent in August according to data released by the Bureau of Labor Statistics (BLS).

Colorado Unemployment Rate



During August, the unemployment rate in Colorado declined by 0.1 percentage point to 4.2 percent. The number of people counted as unemployed fell by 3,678 in August to 118,247, while the labor force fell by 5,945 to 2,806,992. Among the 50 states and the District of Columbia, 12 posted lower unemployment rates for the month than Colorado. A year earlier, the unemployment rate in Colorado stood at 4.6 percent.

The 10 year peak for the unemployment rate in Colorado was 8.9 percent in October 2010. This also represents the series high for the unemployment rate in Colorado. The 10 year low for the unemployment rate in Colorado was 3.5 percent in April 2007. The series low for the unemployment rate in Colorado occurred in December 2000 when the unemployment rate reached 2.7 percent. BLS began publishing the state unemployment rate series in 1976.

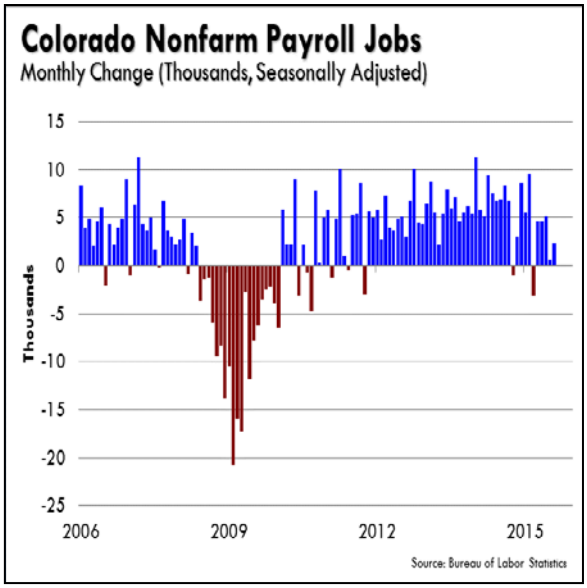
The national unemployment rate declined by 0.2 percentage point to 5.1 percent in August. August's unemployment rate was 1.0 percentage point lower than a year earlier. The ten year high for the national unemployment rate was 10.0 percent in October 2009. The ten year low was 4.4 percent in May 2007.

Prepared by the Joint Economic Committee

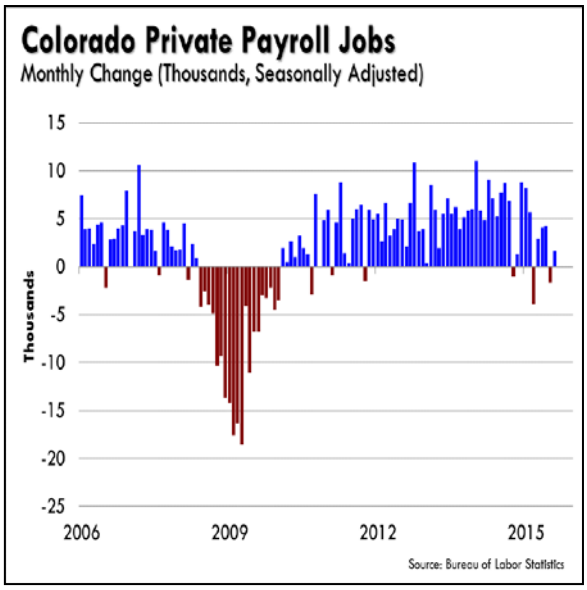
Senator Dan Coats, Chairman Rep. Kevin Brady, Vice Chairman

Colorado Payroll Employment

Colorado nonfarm payrolls increased by 2,400 jobs, or 0.10 percent, on a seasonally adjusted basis during August. In the prior month, nonfarm payrolls increased by 600. Over the past 12 months nonfarm payrolls in Colorado increased by 47,000, or 1.90 percent. Colorado nonfarm payroll employment has increased in 10 of the past 12 months.



Nationally nonfarm payrolls increased by 173,000 jobs in August, or 0.12 percent. Over the 12 month period ending in August 2015 nonfarm payrolls grew by 2,919,000 jobs, or 2.09 percent. Colorado ranks 19th among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

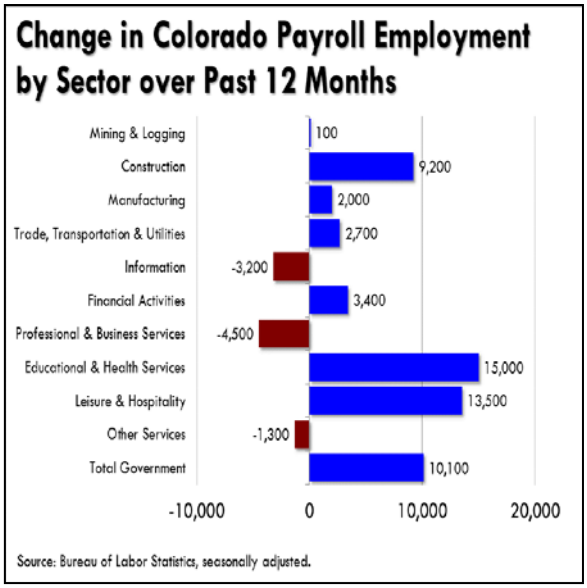


During August, Colorado private sector payrolls increased by 1,600, or 0.08 percent. Private sector payrolls declined by 1,700 jobs in the prior month. Over the past 12 months, private sector payrolls in Colorado increased by 36,900, or 1.78 percent. Colorado private sector payroll employment has increased in 9 of the past 12 months.

Nationally private-sector payroll jobs increased by 140,000 jobs in August, or 0.12 percent. Over the past 12 months, the nation's economy has added 2,789,000 jobs in the private sector, an increase of 2.37 percent. Colorado ranks 27th among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

During August, total government payroll employment in Colorado increased by 800, or 0.19 percent. Federal government payroll employment declined by 400, or 0.74 percent. State government payroll employment increased by 1,400, or 1.26 percent, while local government payroll employment declined by 200, or 0.08 percent.

Over the past year, total government payroll employment increased by 10,100, or 2.48 percent. State government payroll employment increased by 3,400, or 3.11 percent. Local government payroll employment increased by 5,700, or 2.32 percent.

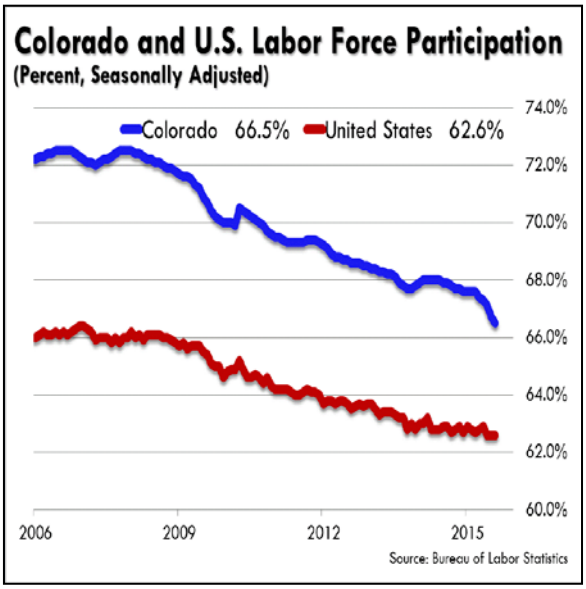


The best performing sector on a seasonally adjusted basis during August was Educational & Health Services (+3,600). The poorest performing sector during the month was Leisure & Hospitality (-2,900).

The best performing sectors during the last twelve months were Educational & Health Services (+15,000) and Leisure & Hospitality (+13,500). The poorest performing sectors for the year were Professional & Business Services (-4,500) and Information (-3,200).

Other Colorado Labor Force Statistics

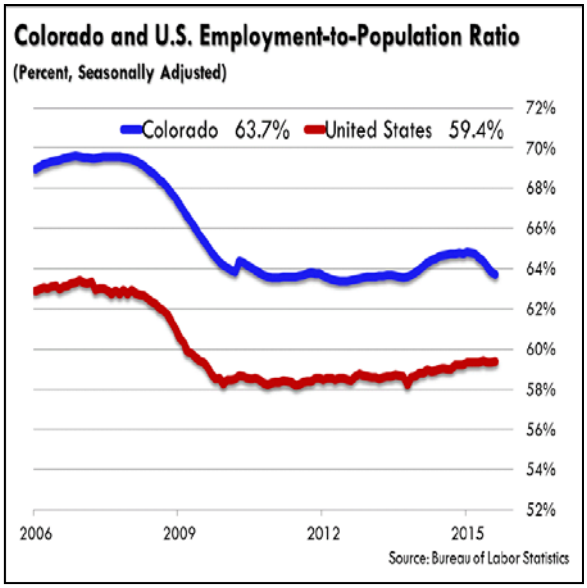
The labor force participation rate in Colorado declined to 66.5 percent in August from 66.7 percent the prior month. Among the 50 states and the District of Columbia, 14 have a higher labor force participation rate than Colorado. The labor force participation rate in Colorado is unchanged from a year earlier. The labor force participation rate is the percentage of the civilian noninstitutionalized population age 16 and older who are employed or actively looking for work.



The 10 year high for the labor force participation rate in Colorado was 72.5 percent in January 2008. The series high for the labor force participation rate in Colorado occurred in August 1998 when the labor force participation rate hit 74.5 percent. The 10 year low for the labor force participation rate was 66.5 percent in August 2015. The series low for the labor force participation rate occurred in June 1976 when the labor force participation rate hit 66.4 percent.

The national labor force participation rate was unchanged at 62.6 percent in August. That rate was 0.3 percentage point lower than a year earlier. At 62.6 percent, the labor force participation rate is at its lowest level since October 1977.

The employment-to-population ratio, or the percentage of the Colorado civilian noninstitutionalized population 16 years and older counted as employed, declined to 63.7 percent in August from 63.8 percent the prior month. Among the 50 states and the District of Columbia, 11 have higher employment-to-population ratios than Colorado. The employment-to-population ratio in Colorado is 1.0 percentage point lower than a year earlier.



The 10 year high for the employment-to-population ratio in Colorado was 69.6 percent in October 2007. The series high for the employment-to-population ratio in Colorado occurred in February 1999 when the employment-to-population ratio hit 71.7 percent. The 10 year low for the employment-to-population ratio was 63.4 percent in August 2012. The series low for the employment-to-population ratio occurred in October 1976 when the employment-to-population ratio hit 62.6 percent.

The national employment-to-population ratio rose by 0.1 percentage point to 59.4 percent in August. That rate was 0.4 percentage point higher than a year earlier. The employment-to-population ratio stood at 59.4 percent when the recession ended in June 2009. The all-time high for the employment-to-population ratio was 64.7 percent in April 2000. The 10 year high for the employment-to-population ratio was 63.4 percent in December 2006. The recent low occurred in October 2013 when the employment-to-population ratio dipped to 58.2 percent. The last time the employment-to-population posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for September is scheduled for release on Tuesday, October 20. The national employment situation report for September will be released on Friday, October 2.