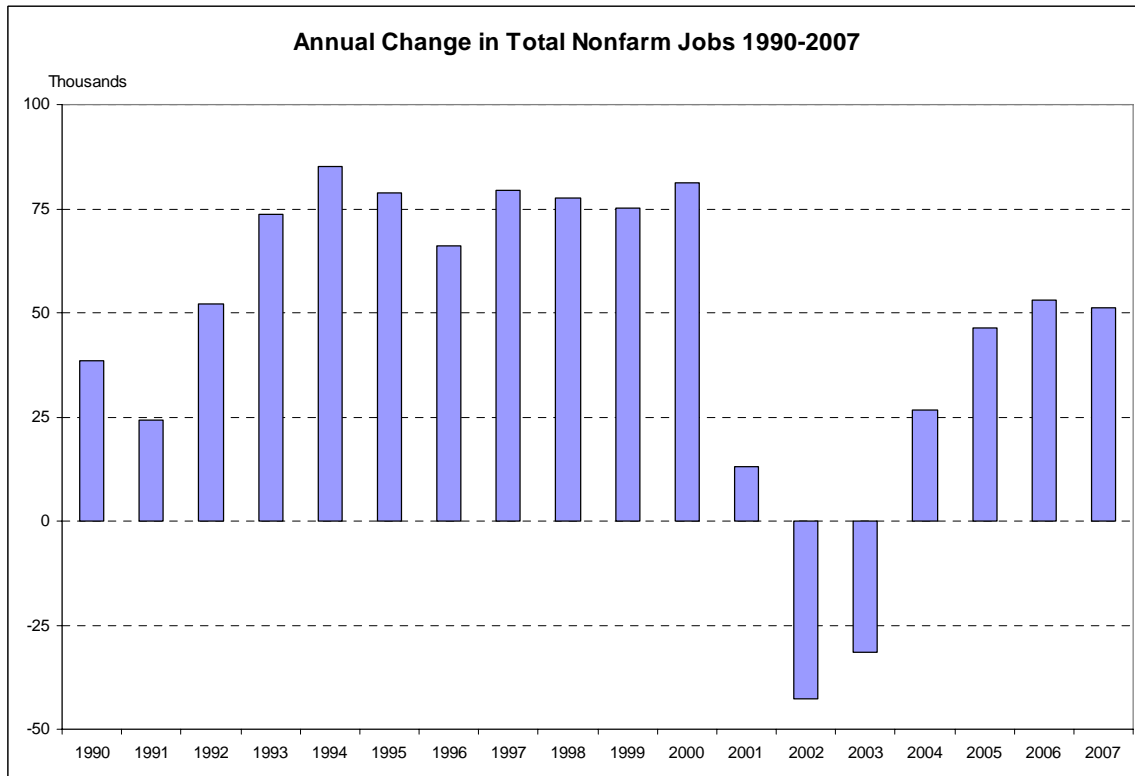


## Colorado Job Growth Slows Slightly in 2007

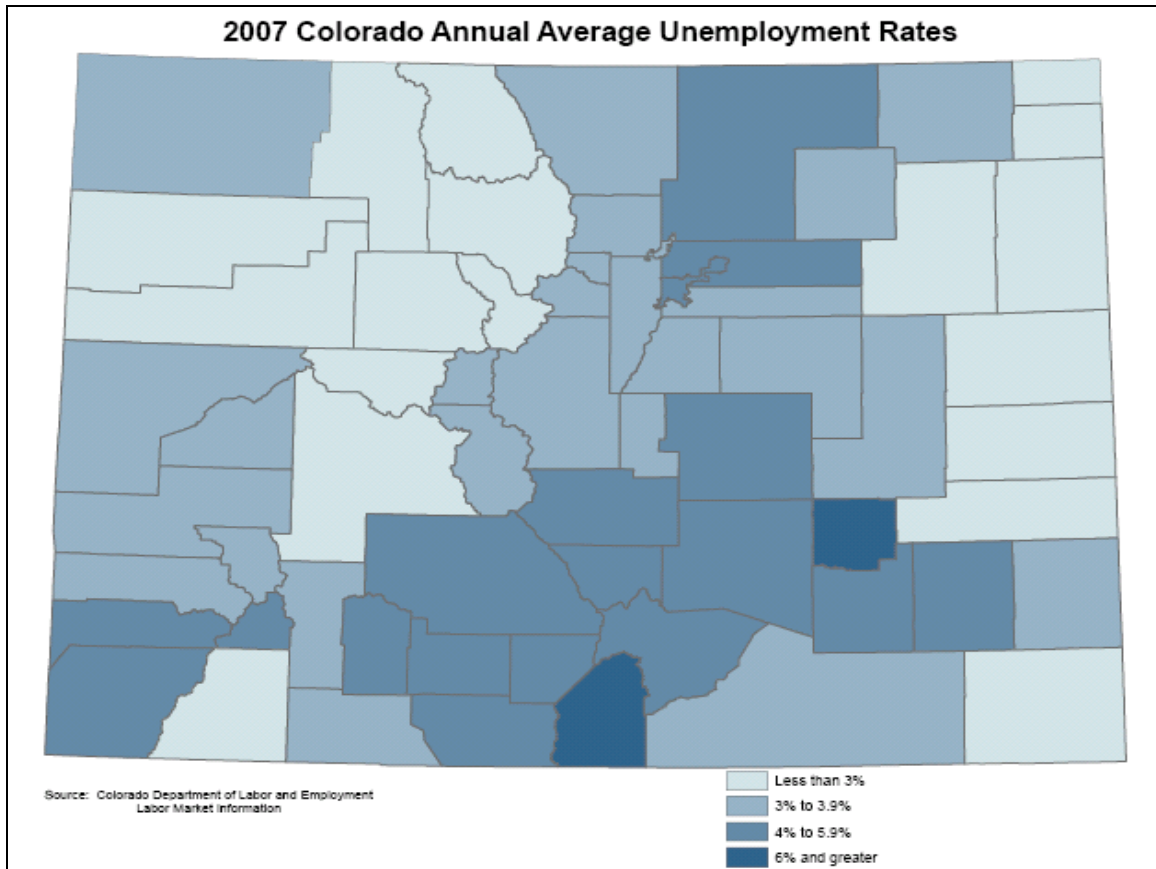
Recently revised employment and labor force data confirm that although the Colorado economy continued to expand in 2007, the rate of expansion declined slightly in 2007. Nonagricultural wage and salary employment realized gains that were lower than 2006. Annual average payroll employment of 2,300,200 in 2007 was up 51,100, or 2.2 percent, from the previous year. This represents the second strongest increase since 2001, but is below the 52,800 positions created in 2006. The average unemployment rate for 2007 declined to 3.8 percent as total resident employment climbed 65,700 and joblessness fell 11,600.



**Labor Force and Unemployment.** Labor force estimates for Colorado and all substate areas have been revised back to 2003.

Colorado recorded a 3.8 percent unemployment rate in 2007. This is five-tenths of one percentage point lower than 2006 and matches the lowest rate recorded since 2.7 percent in 2000.

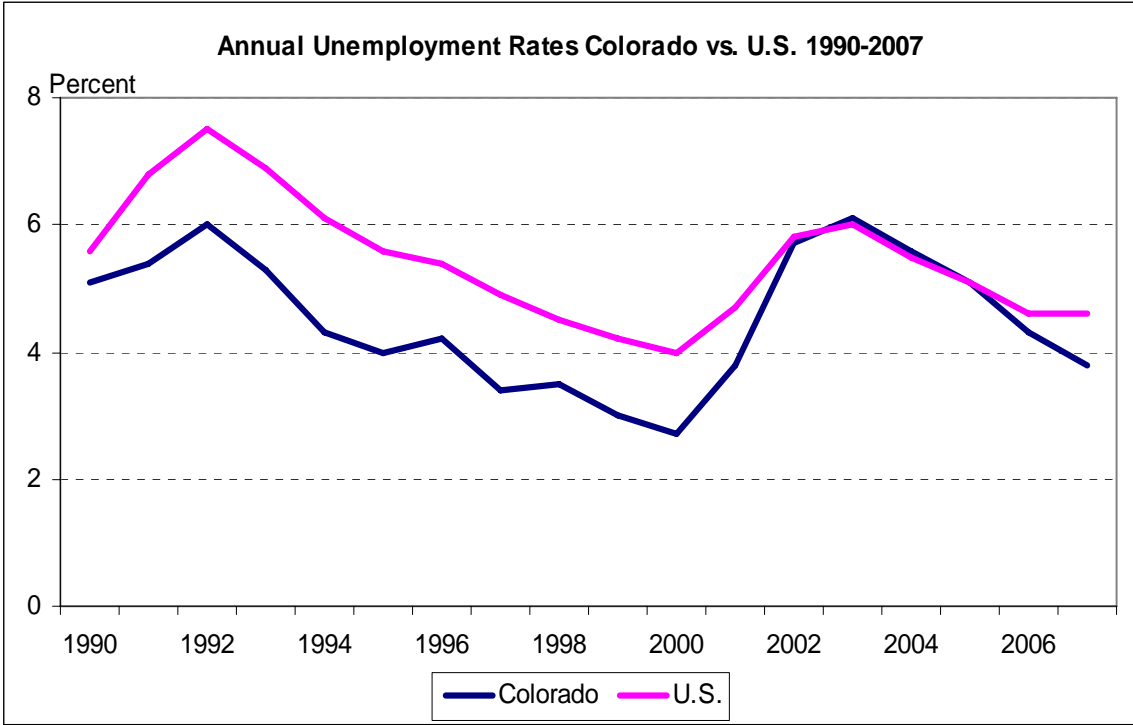
The nation's jobless rate remained unchanged at 4.6 percent in 2007. This is down one-half of one percentage point from the 2005 level and marks the lowest annual unemployment rate since 2000.



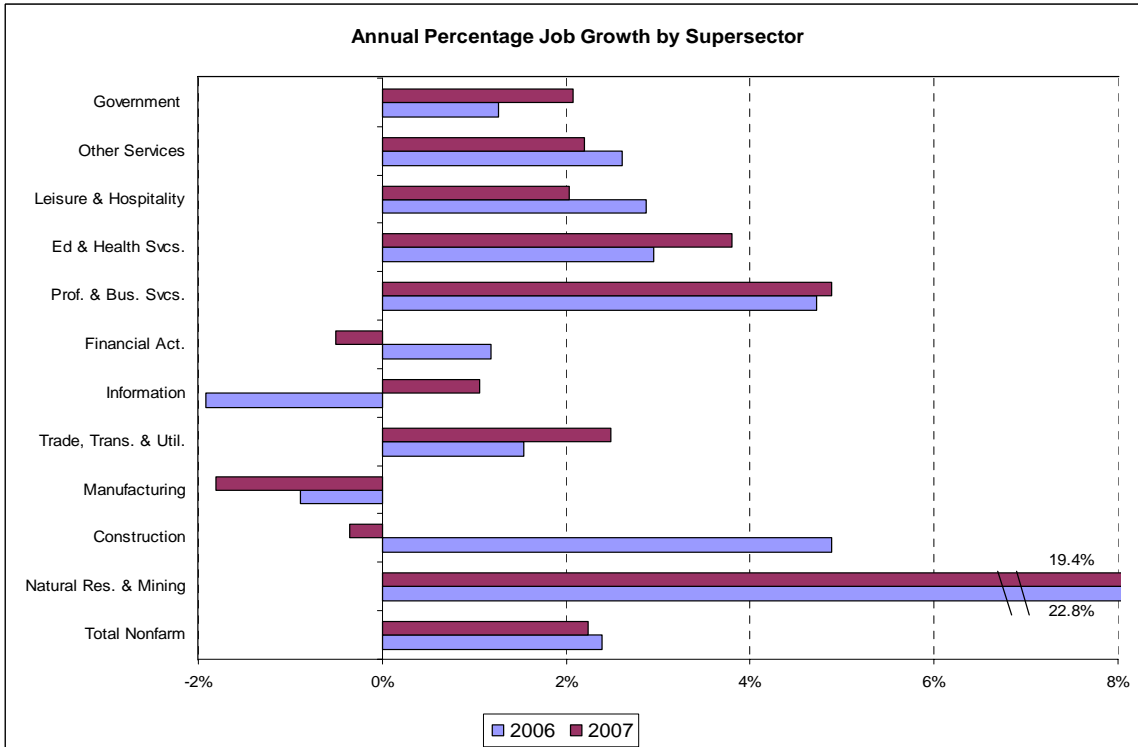
Overall, total resident employment in the State increased by 65,700 to 2,602,000 and the number of people unsuccessfully seeking work declined 11,600 to 103,500.

The lowest unemployment rate of 2.1 percent was registered in Rio Blanco County where new oil shale extraction technology is under development and substantial natural gas drilling is continuing. The sparsely populated eastern plains counties of Yuma and Sedgwick had unemployment rates of 2.2 and 2.3 percent, respectively. Fifteen other counties had rates below 3.0 percent. Twenty-six counties posted jobless rates between 3.0 and 3.9 percent, thirteen counties recorded rates between 4.0 and 4.9 percent, five counties fell between 5.0 and 5.9 percent, and two counties had rates above six percent. Crowley recorded a rate of 6.8 percent while Costilla County recorded the State's highest jobless rate at 7.2 percent.

Of the State's large labor market areas, the Grand Junction MSA enjoyed the lowest unemployment rate at 3.2 percent followed closely by Boulder at 3.3 percent and Fort Collins at 3.4 percent. The Denver-Aurora MSA rate of 3.9 percent was only slightly higher than that of the State. Greeley and Colorado Springs had rates of 4.2 and 4.4 percent, respectively, while Pueblo posted a 4.9 percent jobless rate.



**Nonfarm Employment.** The rate of growth in Colorado’s nonfarm wage and salary employment decreased from 2.4 percent in 2006 to 2.2 percent in 2007. Four of the State’s eleven major industry sectors grew at a faster pace than total nonfarm employment, and five of them advanced at a pace that matched or exceeded their 2006 rate of change.



Natural resources and mining added 4,100 jobs for annual average growth of 19.4 percent. This comes on the heels of a 20.8 percent (3,600 net new workers) expansion in 2006. Employment in this industry was little changed from 1995 to 2003, but the recent period of high oil and gas prices has resulted in an increased level of drilling throughout the State. Industry payrolls are now 91 percent higher than they were in 2003, although they still remain more than 50 percent below the 1981 peak of 43,400.

Construction lost 600 jobs in 2007 with average annual payrolls in this supersector declining from 167,800 to 167,200. The housing slowdown caused construction of buildings and heavy and civil engineering to remain virtually flat, gaining only 200 positions each for the year, while specialty trade contractors fell by 1,100 workers or just less than one percent.

Professional and business services accounted for 32 percent of the total nonfarm positions created in 2007, gaining 16,200 positions for growth of 4.9 percent. The strongest growth in this industry, at 9.1 percent, was found in business support services--this subsector increased 1,800 from 2006 to 2007. Administrative, support, waste management and remediation mimicked the industry's pace of growth and added 7,600 jobs on the year. Professional, scientific and technical services experienced slightly higher growth than in 2006, creating 7,200 positions for an increase of 4.4 percent.

Leisure and hospitality added 5,400 new hires (2.0 percent) to realize its fourth largest advance since 2000. With the addition of 4,800 positions, accommodation and food services continued to expand, albeit at the slowest pace since 2004. Employment in full service restaurants and limited service eating places rose by 2,500 and 2,200, respectively, while accommodation added 500 jobs in 2007. Conversely, arts, entertainment and recreation registered its smallest expansion in four years with only 500 more employees than 2006.

Education and health services grew at a 3.8 percent pace in 2007 with its payrolls rising 8,800. Educational services remained the pacesetter for this industry, at 4.2 percent, but the gain amounted to only 1,200 new hires in this small sector. Health care and social assistance gained 7,700 positions on an annual basis for growth of 3.8 percent. Ambulatory care created the most jobs of the industry components with 3,400, but social assistance enjoyed the strongest expansion, 5.3 percent, on the strength of 1,800 new positions. Hospitals payrolls increased 1,900 and nursing and residential care facilities inched up 700.

The 2.2 percent rate of growth in other services was about equal to its five-year high of 2.3 percent in 2006. The repair and maintenance category remained unchanged from the prior year and personal and laundry services added 700 new hires. Religious, grantmaking, civic, professional and other similar organizations displayed slightly weaker growth than 2006, creating 1,400 new jobs for a 3.1 percent increase.

Payroll growth of 2.5 percent in trade, transportation and utilities was greater than 2006, with 10,400 positions added in 2007. Wholesale trade payrolls added 2,900 while retail trade's 5,600 job gain was more than double that of 2006, as employment in food and beverage stores and general merchandise stores advanced by 800 and 3,100, respectively. The transportation, warehousing and utilities division was up 2,000 or 2.7 percent, with three-fourths of these positions coming from air and truck transportation.

Government, up 7,600 or 2.1 percent, registered its largest employment increase since 2002. Nearly all of this growth came in local government, which experienced payroll growth of 5,300 or 2.3 percent. State employment expanded by 2,200, while the federal workforce failed to add any new positions.

Employment in financial activities fell by 800 in 2007, marking its first decline since 2000. Finance and insurance lost 1,300 workers, with credit intermediation paring 1,700. One bright spot for this industry was found in securities and financial investments. Employment in this component rose 1,100 or 7.5 percent. Real estate, rental and leasing managed to eke out a gain of less than one percent in spite of the decline in housing, with nearly all of the 400 positions created in this sector coming from the real estate component.

Manufacturing, which last saw payroll growth in 2000, shrank by another 2,700 positions, or 1.8 percent, in 2007. Relative strength was found in nondurable goods as this sector's 400 job decline was the second smallest since it began contracting in 1999. The loss of 2,400 workers in computer and electronic product manufacturing and 200 in transportation equipment caused annual average durable goods payrolls to trend down 2,300 in 2007.

Information increased for the first time since 2001, gaining 800 positions, or 1.1 percent, in 2007. Telecommunications also reversed its decline, adding 1,600 positions. Software publishers and publishing industries, however, did not fare as well, shedding 100 and 800 workers, respectively.