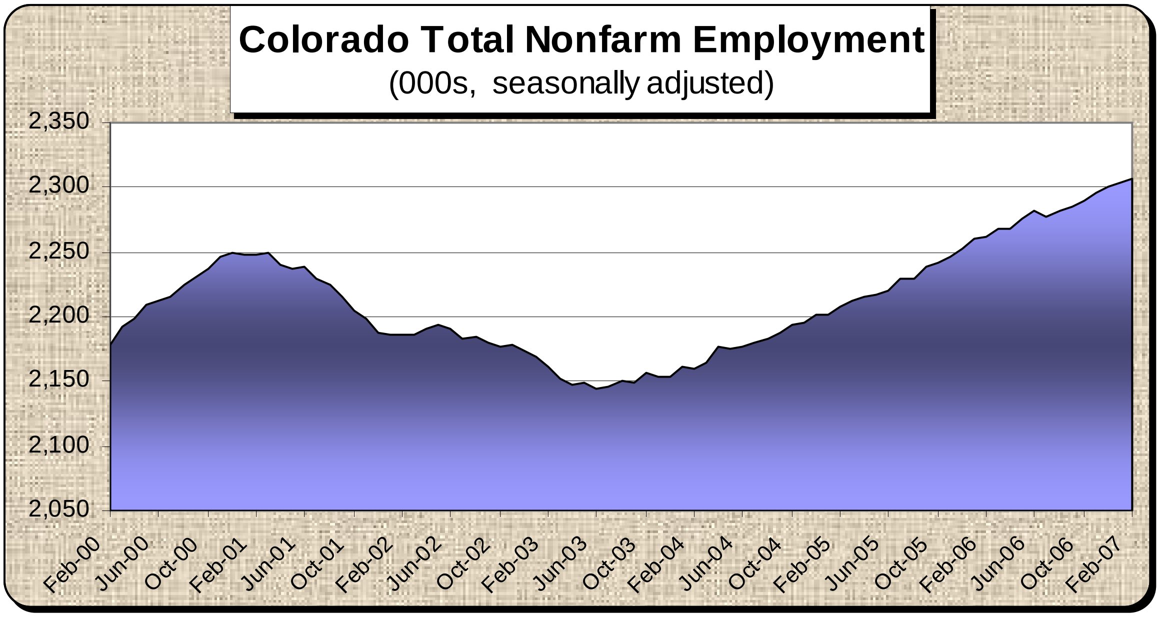
CES Written Comments for Colorado, February 2007

Colorado Preliminary Estimates By: Chris Akers

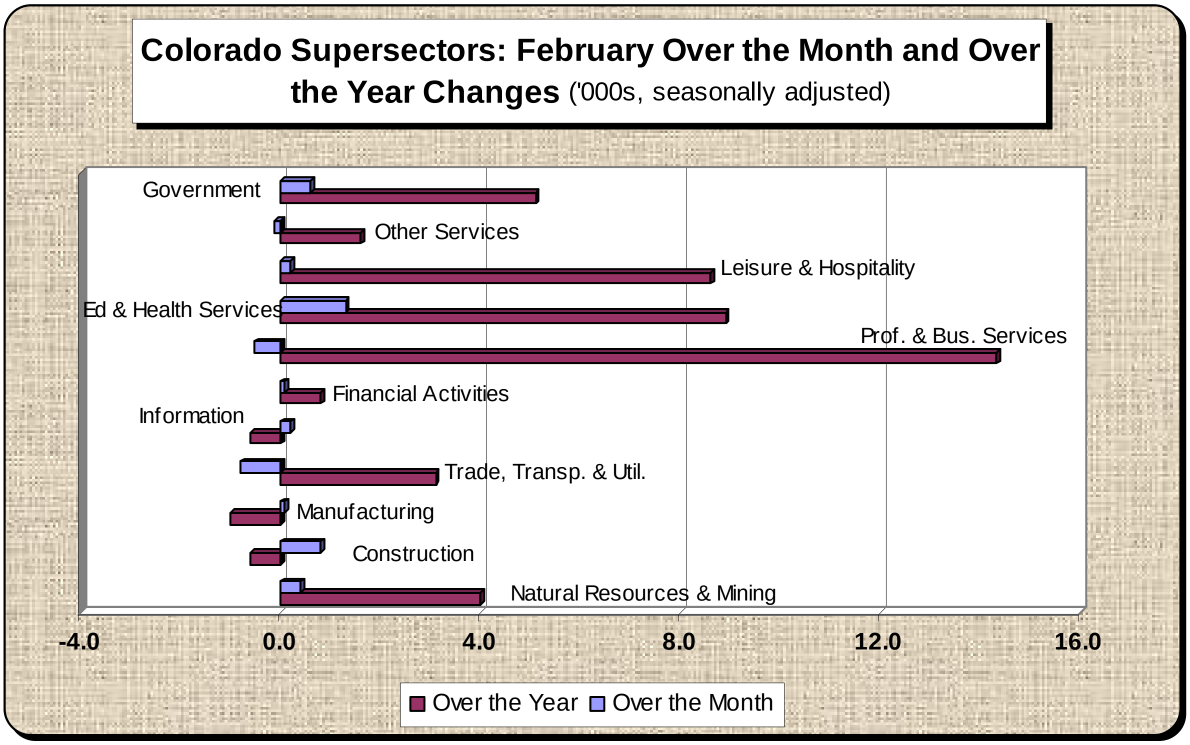
Total Nonfarm Wage and Salary Employment: + 2,300 (0.1%)

Seasonally adjusted



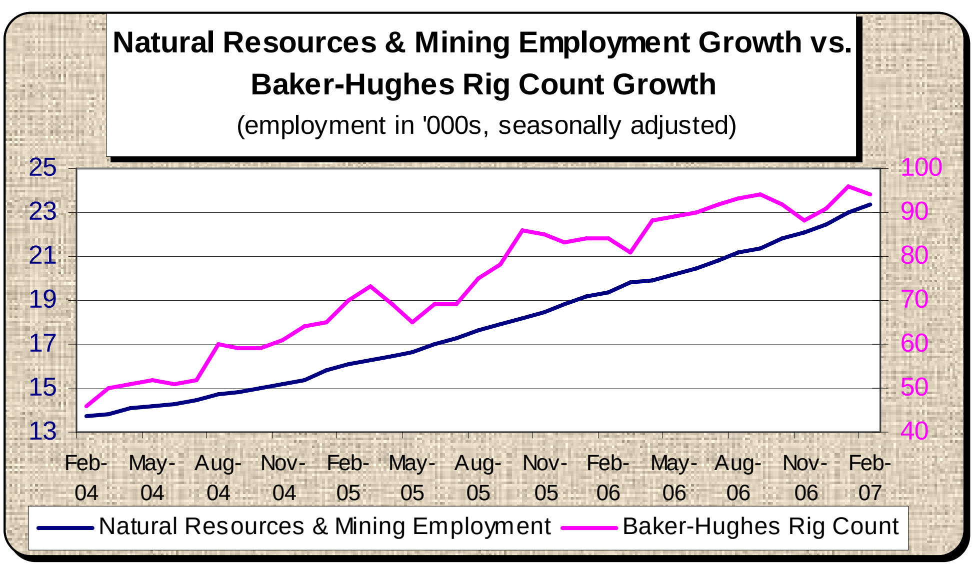
Colorado payrolls grew by a seasonally adjusted 2,300 in February, bringing the level of total nonfarm employment to 2,306,000. The gains were small and widespread, with eight major industries adding new workers and only three paring jobs. Education & health services, up 1,300, was the only supersector that added more than 1,000 positions. Construction rebounded from January's weather induced slump and its payrolls grew 800. Government employment increased 600; natural resources & mining continued its stellar growth with 400 new hires this month. Leisure & hospitality and information edged up 200 jobs apiece, while manufacturing and financial activities both inched up 100. Trade, transportation & utilities (TTU) pared 800 positions as retailers continued to trim seasonal staff. Employment in professional & business services declined by 500 and other services was little changed, down 100.

There are now 44,200 more wage and salary jobs in Colorado than last February, growth of 2.0%. However, this expansion is one-seventh slower than the average over the past year. Eight growing industries combined to add 46,400 jobs, while three contracting industries eliminated a total of 2,200 positions. Professional & business services accounted for about one-third of the State's over the year gain with 14,200 new hires. Three supersectors: education & health services, up 8,900, leisure & hospitality, up 8,400, and government with 5,100 new hires, collectively accounted for more than half of the State's new positions. Natural resources & mining remained the pacesetter for all industries, registering a 20.6% (4,000 jobs) expansion. TTU employment has increased 3,100 over the year, while other services and financial activities have grown 1,600 and 800, respectively. Manufacturing payrolls retreated 1,000 over the last twelve months, while information and construction each fell 600.



Natural Resources & Mining: + 400 (1.7%)

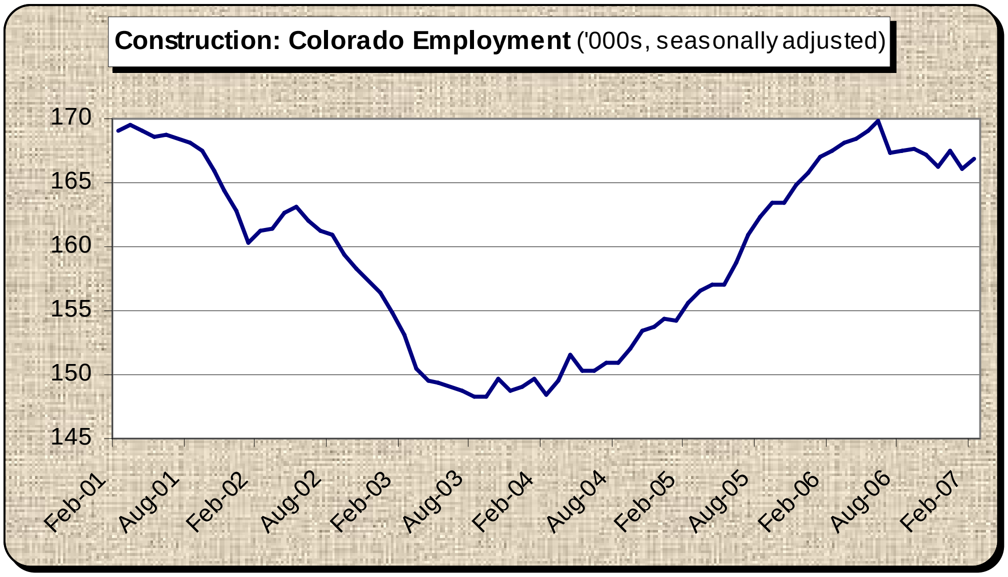
Natural resources & mining continued its vibrant growth with 400 workers joining its ranks in February. It has now been more than three years since this industry has seen an over the month employment decline. Most of these new hires have been found in support activities for mining, a component that includes the drilling of oil and gas wells. According to recently released 3rd quarter QCEW data, employment in this component has grown by 38% over the past four quarters published. This component's superb employment growth is responsible for most of the 4,000 new positions created in the past twelve months. This represents the industry's largest over the year magnitude increase in more than seventeen years, and the 20.6% expansion is the fastest since last May. With 23,400 people working in natural resources and mining, this industry now comprises just over 1 percent of the total nonfarm jobs in the State. The last time the same could be said for this industry was May 1991.



Construction: + 800 (0.5%)

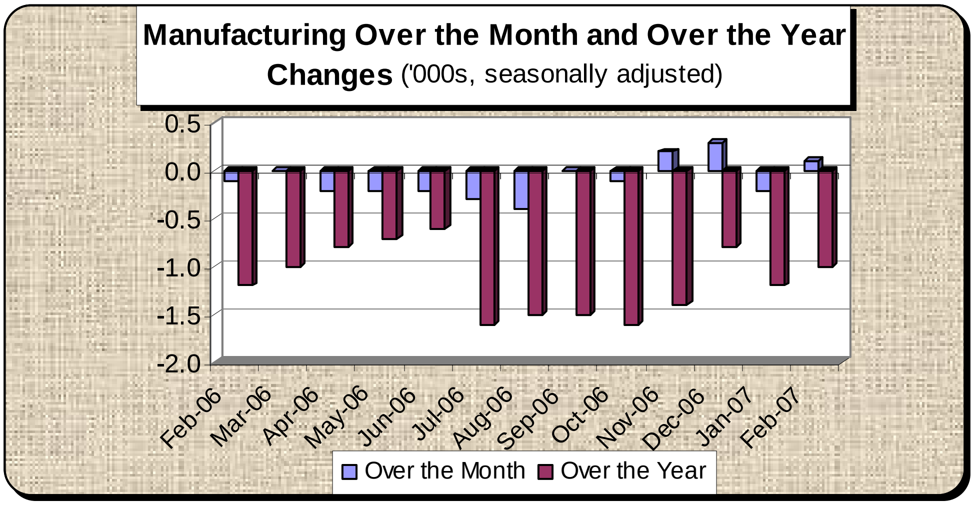
With the return of weather that was more conducive to outdoor construction activity, supersector payrolls rose 800 in February. The specialty trade contractors sector drove most of this increase with an unadjusted 1,100 new hires, its first employment increase since last June. Heavy and civil engineering experienced its largest February expansion in ten years by adding 600 workers, while employment in construction of buildings was little changed.

In the last twelve months, 600 people have been trimmed from industry payrolls. This 0.4% contraction stands in sharp contrast to the 4.2% average twelve-month growth over the prior year. With a few large infrastructure projects recently completed, heavy & civil engineering suffered the most virulent decline of the industry's components, paring an unadjusted 1,000 (5.0%) positions. Employment in specialty trade contractors was little changed, down 100, while construction of buildings now employs 900 (2.9%) more workers than last February.



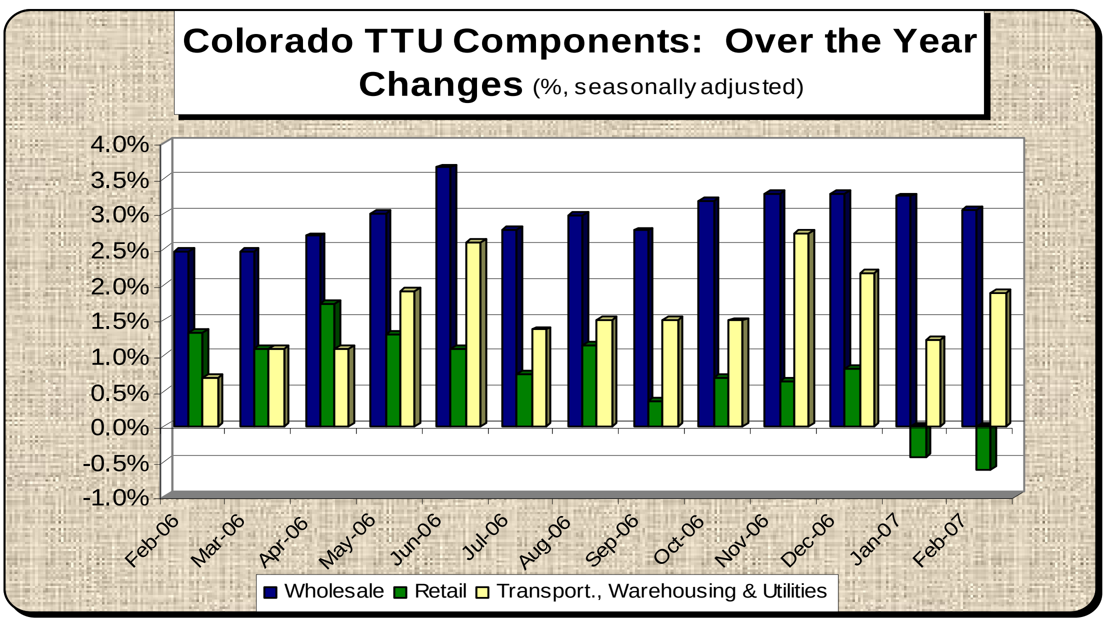
Manufacturing: + 100 (0.1%)

Manufacturing payrolls were essentially unchanged in March, inching up 100. The entire gain occurred in durable goods, despite an unadjusted 300 position decline in its computer & electronic product manufacturing component. One thousand fewer people work in manufacturing than twelve months ago, a 0.7% contraction. For the second straight month, durable goods had a smaller percentage decrease than non-durables, signaling a relative recovery in durable goods. This large component has pared 600 (0.6%) jobs since last February. Excluding the computer & electronic product manufacturing component, which suffered an unadjusted 2,700 (9.3%) drop over the year, durable goods manufacturing has expanded by 1.6% over the past year. Non-durable goods employment has fallen 400, or 0.8%, in the past twelve months. This component's year over year contraction is marginally slower than in January, but it is twice as fast as the prior year average.



Trade, Transportation, & Utilities (TTU): - 800 (0.2%)

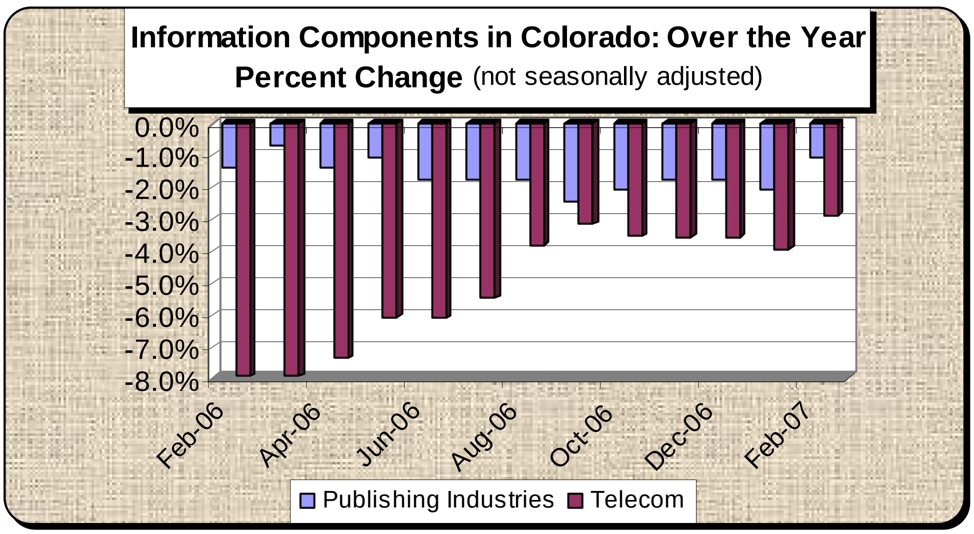
Coming on the heels of a 3,300 position decline in January, TTU pared another 800 jobs this month. Retail trade was again the driving force behind this drop as its payrolls fell 1,500 in February. Roughly half of the unadjusted losses occurred in general merchandise stores and food & beverage stores, which fell by 1,700 and 500 employees, respectively. Job gains in durable goods merchant wholesalers were responsible for the 400 worker increase in wholesale trade; employment in transportation, warehousing & utilities (TWU) rose 300.



In the past twelve months, 3,100 people have been added to payrolls in this industry. This 0.7% expansion mirrors January's year over year growth rate, but it is less than half of the prior twelve month average and it matches the industry's slowest pace in nearly three years. Much of this slowdown is attributable to weakness in retail trade, which has shed 1,400 (0.6%) jobs since last February. On an unadjusted basis both food & beverage and general merchandise stores pared 200 positions over the year. Conversely, wholesale trade experienced its fastest twelve month expansion in six years, at 3.4%, with 3,200 new hires. The 1.8% (1,300 positions) over the year increase in TWU is in line with the prior year trend thanks to small gains in utilities, truck and air transportation, and couriers & messengers.

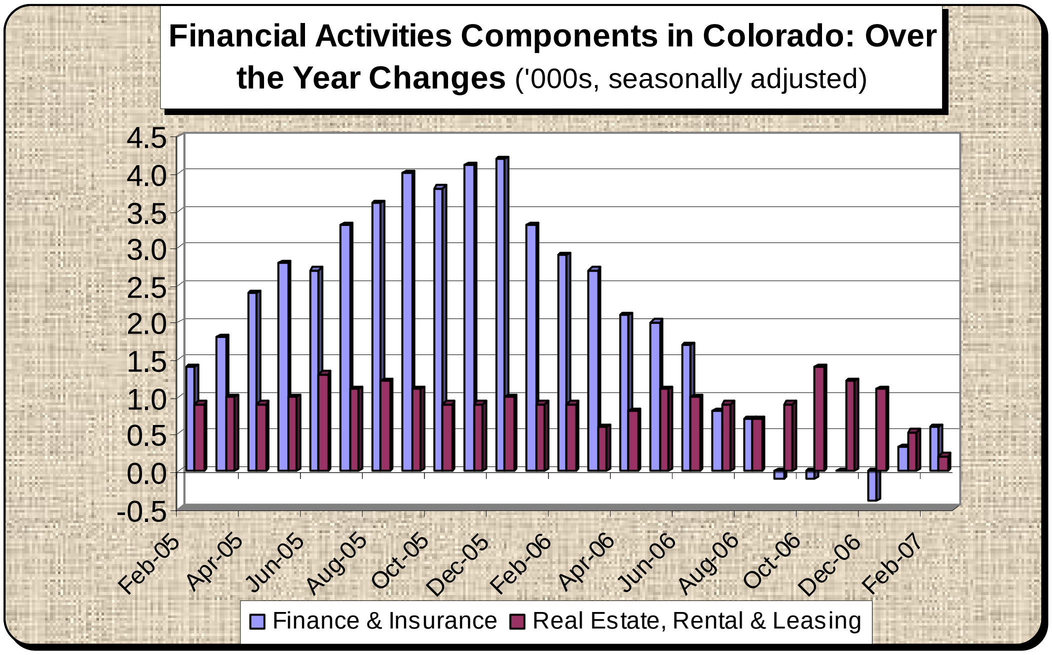
Information: + 200 (0.1%)

Information experienced its first over the month job gain in more than one year by adding 200 in February. Publishing industries and telecommunications enjoyed unadjusted payroll gains of 200 and 100, respectively. Since this time last year, information employment has trended down 600. This 0.8% contraction is the smallest since the industry began contracting in July 2001 and it is less than half of the average over the prior year. Publishing industries experienced a decline (1.0%) that was marginally faster than the industry; however, none of the unadjusted 300 positions this component pared over the year came from software publishers. Although telecom experienced a considerably larger drop than publishing, the 800 (2.9%) jobs telecom lost since last February mark its smallest over the year retreat since August 2001.



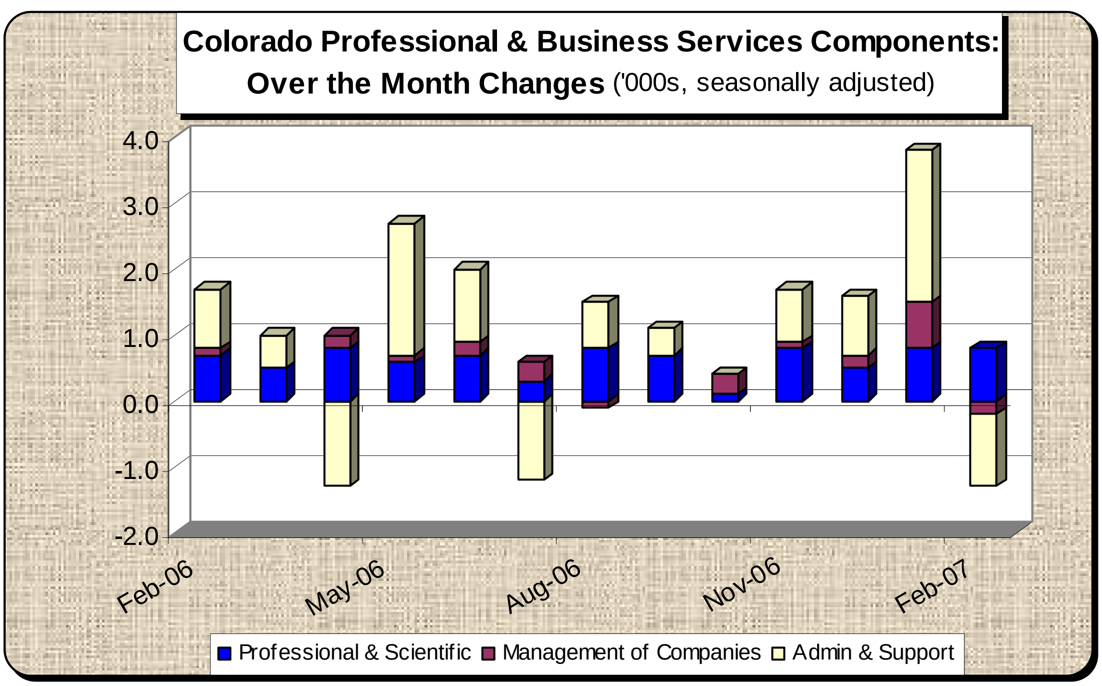
Financial Activities: + 100 (0.1%)

Employment in financial activities inched up 100 this month, with a 200 position increase in finance & insurance countering the loss of 100 jobs in real estate, rental & leasing. On an unadjusted basis, credit intermediation gained 400 workers, insurance carriers & related edged up 100, and real estate remained unchanged. Over the past twelve months, financial activities has added 800 employees, for growth of 0.5%. Finance & insurance advanced in tandem with the industry, with 600 new hires. Buoyed by a healthy stock market, the securities & other financial investments component added an unadjusted 700 jobs and insurance carriers & related payrolls grew by 300. Much of this increase was offset by the loss of 800 positions in credit intermediation, a component whose losses have been exacerbated by weakness in the subprime lending markets. Real estate, rental & leasing gained 200 workers since last February, growth of 0.4%; the real estate component gained an unadjusted 300 workers.



Professional & Business Services: - 500 (0.2%)

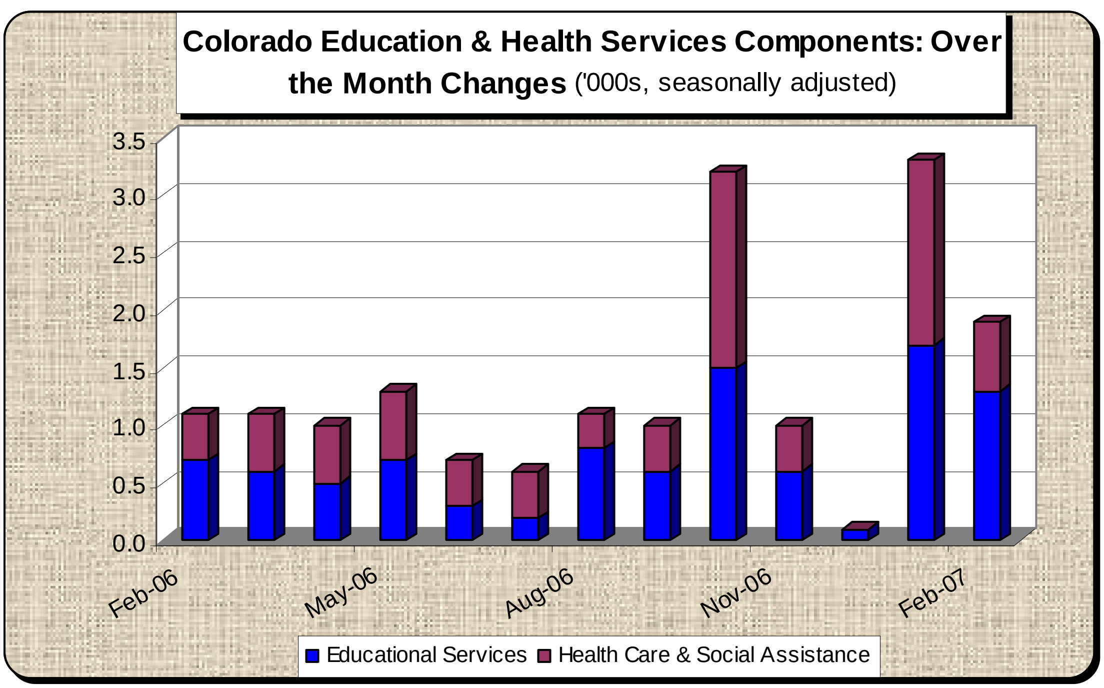
Professional & business services pared 500 positions in February, marking the first time in the past eight months that this industry suffered an over the month employment decline. Most of the jobs lost came from the catchall administrative, support, waste management & remediation sector, which fell by 1,100. Much of this drop could be a residual of the earlier winter storms as this sector only experienced part of its normal seasonal drop in January due to increased demand for snow removal operations. With much of the snow melted by the reference week, services to buildings & dwellings had a 100 position unadjusted decline. Employment services saw its largest February employment loss since 2001, falling 700. Management of companies trimmed 200 workers, while professional, scientific & technical services partially offset these declines with the addition of 800 jobs.



There are now 14,300 (4.4%) more people working in this industry than twelve months ago. Management of companies enjoyed the fastest expansion, at 6.8%, by gaining 1,800 positions over the year. The 4.6% (7,400 jobs) expansion in professional, scientific & technical services is in line with the prior year trend and it matches the largest twelve month gain in the past twenty months. On an unadjusted basis, architecture, engineering & related services had the most new hires of the component industries with 2,800 new hires, while computer systems & design and management, scientific & technical services each gained about 1,000 positions. The catchall administrative sector has seen payroll growth of 5,100 since last February. This 3.6% year over year expansion is the slowest since last April and it is one percentage point below the prior year trend. Services to buildings & dwellings had an unadjusted 2,300 position increase, and employment services along with business support services each added 500 jobs over the year.

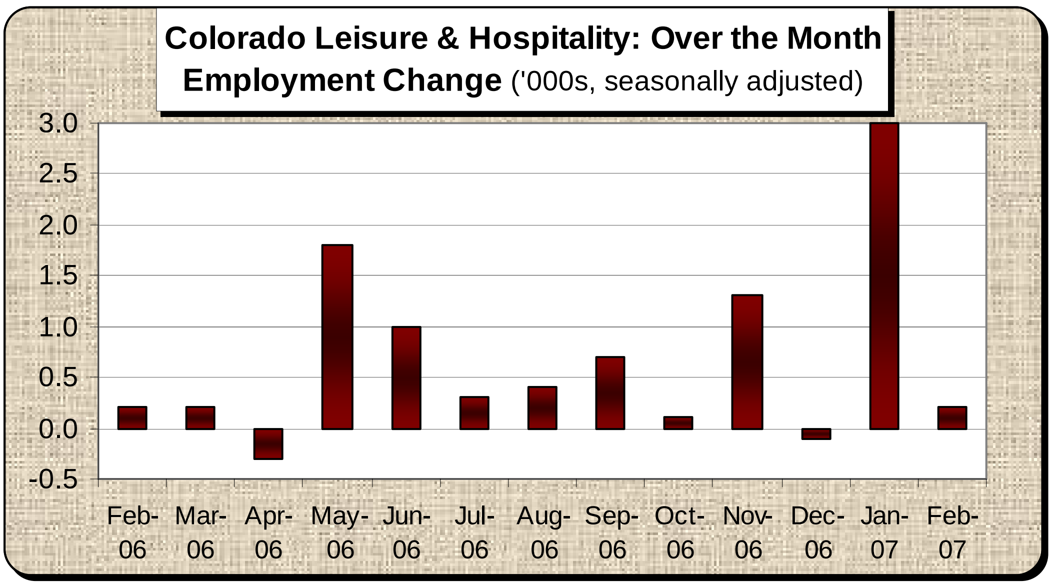
Education & Health Services: + 1,300 (0.6%)

With the addition of 1,300 workers in February, it has now been more than two years since education & health services saw an over the month employment loss. Educational services accounted for just over half of this gain, and health care & social assistance contributed the remaining 600 positions. On an unadjusted basis, both ambulatory care and social assistance added 400 jobs and nursing & residential care facilities gained 300. Since last February, 8,900 workers have joined education & health services payrolls. This 3.9% growth is the strongest since September 2002 and it is 39% greater than the prior year average. Educational services contributed 1,500 positions to this expansion, setting the pace for the industry with 5.3% growth. The 3.7% advance in health care & social assistance was marginally slower than the supersector, but its 7,400 new hires matches the largest year over year gain since June 2002. Ambulatory care payrolls grew by an unadjusted 3,000 positions, hospitals added 2,100 jobs, and social assistance realized 1,700 new jobs.



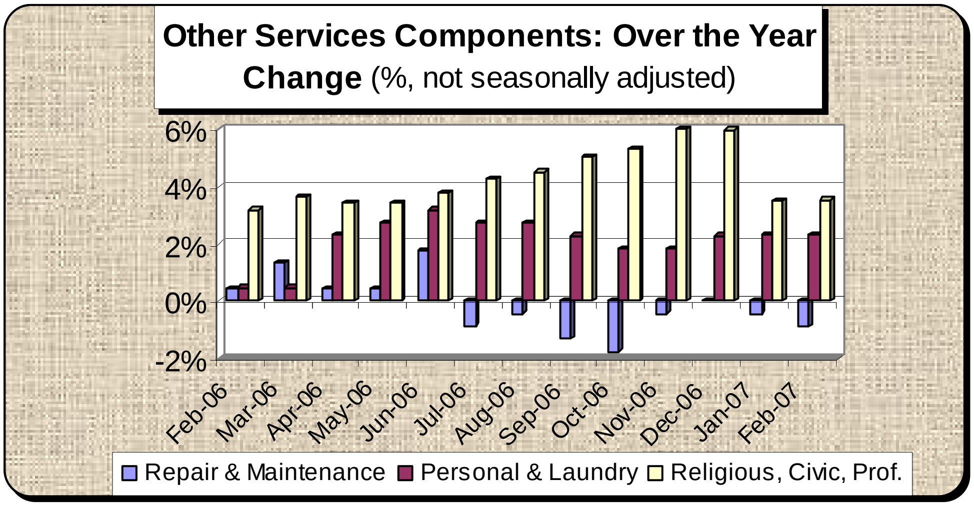
Leisure & Hospitality: + 200 (0.1%)

Leisure & hospitality built on its largest monthly increase in over six years by adding another 200 employees in February. The entire gain came from accommodation & food services as arts, entertainment & recreation employment remained unchanged. Both accommodation and food services and drinking places payrolls rose by an unadjusted 100 jobs, despite respective growth of 300 and 600 in full service and limited service restaurants. Over the year, leisure & hospitality has added 8,600 (3.3%) workers, making this industry the third largest contributor to the growth in total nonfarm employment. A disproportionate amount of this advance came from hiring in arts, entertainment & recreation. This sector comprises 17% of industry jobs, but it accounted for 29% of the supersector's expansion by adding 2,500 positions since last February. This 5.7% growth is nearly 2.4 times greater than the average over the prior year and it matches last month as the fastest twelve-month increase in more than six years. In the last twelve months, accommodation & food services has gained 6,100 workers, growth of 2.8%. On an unadjusted basis, the employment increase in accommodation lagged the sector at 1.2% (500 jobs). Food service & drinking places has countered some of this relative weakness by adding 6,400 positions (3.7%), with the gains about evenly divided between full service and limited service restaurants.



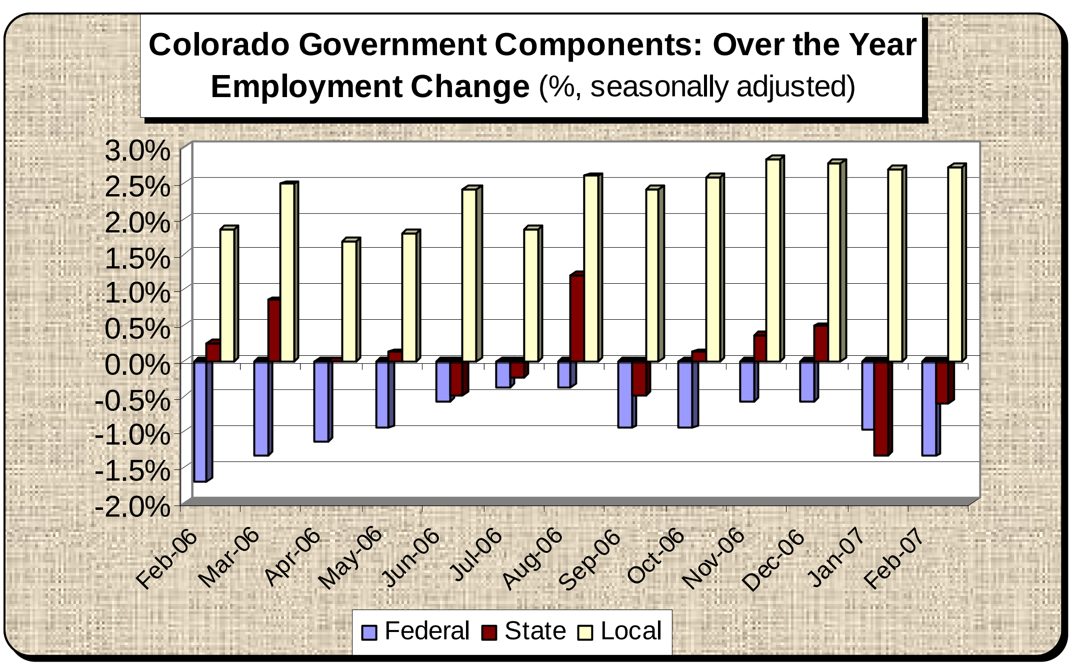
Other Services: - 100 (0.1%)

Employment in other services was little changed in February, inching down 100. Both repair & maintenance and personal & laundry services edged up an unadjusted 100 positions, but the catchall religious, grant making, civic, professional & similar organizations sector offset their increases by paring 400 workers. Since this time last year, the number of people working in this industry has risen by 1,600. This 1.8% expansion is the weakest over the year increase in thirteen months, and it is only two-thirds of the average over the past twelve months. The catchall organizations sector bears responsibility for much of this slowdown as its 1,600 (3.5%) unadjusted new hires matched the smallest gain in ten months and it is 300 below the prior year trend. Personal & laundry services has added 500 to its payrolls over the year, while employment in repair & maintenance has fallen 200.



Government: + 600 (0.2%)

With the addition of 600 positions in February, government recovered most of the positions it shed last month. Local and State government realized payroll increases of 500 and 300, respectively, while Federal employment continued to decline, falling 200. The number of people working in education rose sharply, increasing by an unadjusted 7,800 at the State level and 3,300 at the local. Five thousand one hundred more people are working in public service than there were one year ago, growth of 1.4%. However, local government was the only sector to add jobs over this period, posting a 6,300 (2.7%) increase. This growth was offset by the loss of 500 (0.6%) positions in State government and 700 (1.4%) jobs in Federal government. While this is only the second consecutive month with year over year declines in state government, it has now been two years since the Feds have seen an over the year employment gain. Local education payrolls are only an unadjusted 800 (0.6%) higher than one year ago, meaning that the vast majority of the expansion in local government has occurred outside of education. Conversely, weakness in State education, down an unadjusted 1,400 (2.5%) since last February, has had a strong negative effect on State government employment.



Produced By:
State of Colorado: Bill Ritter, Governor
Colorado Department of Labor & Employment: Don Mares, Executive Director
Labor Market Information: Alexandra E. Hall, Director
Current Employment Statistics (CES): Joseph F. Winter, Program Manager

Contact Information:
Visit the CES Home Page: http://www.coworkforce.com/lmi/CES/ceshome.asp
Phone: Labor Market Information (303) 318-8850
Email: lmi@state.co.us