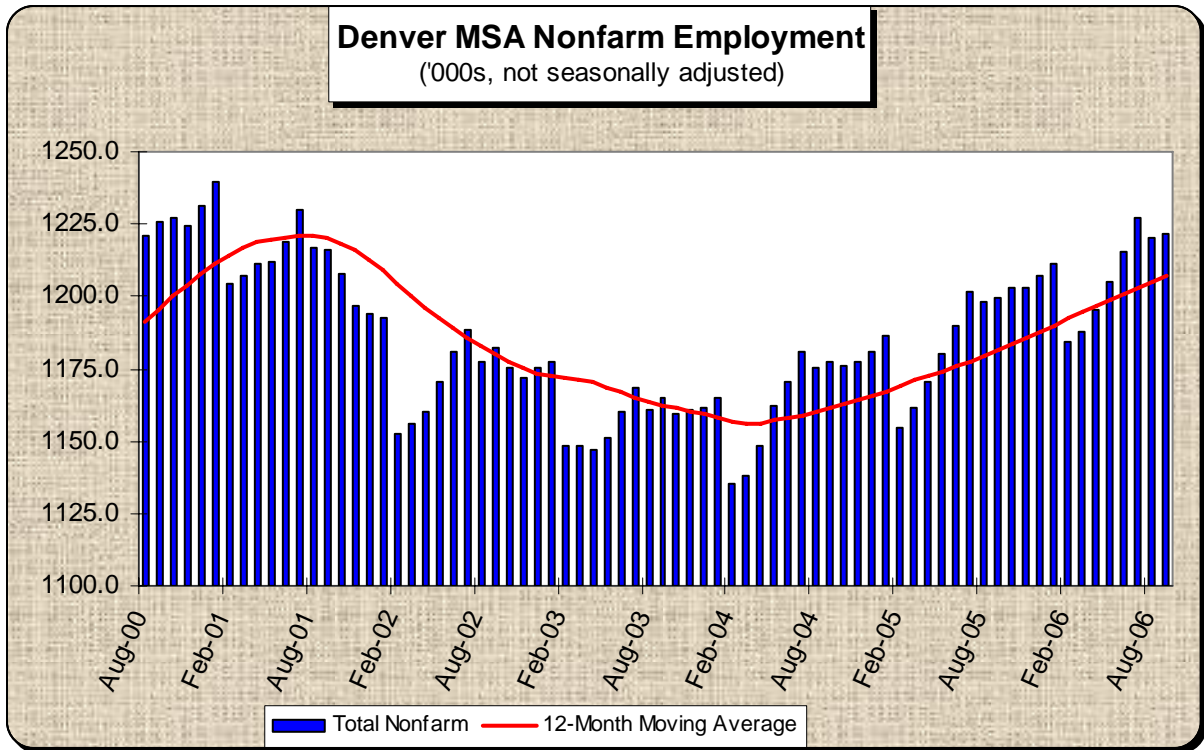


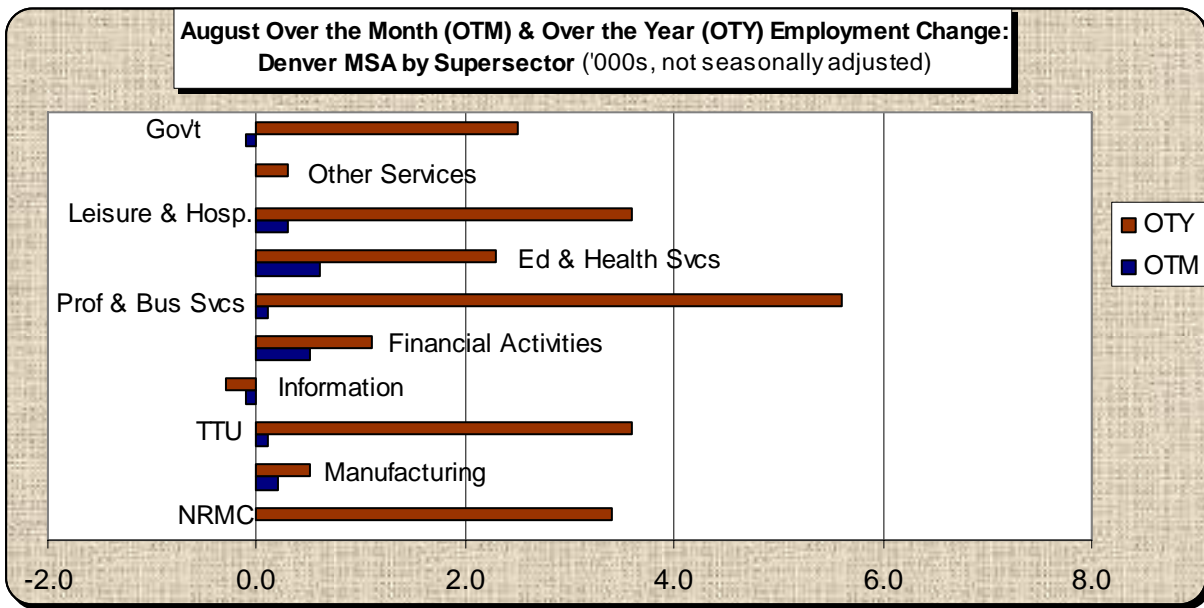
**Denver Preliminary Estimates: By Allyson Reedy**

**Total Nonfarm Wage and Salary Employment: +1,600 (0.1%)**

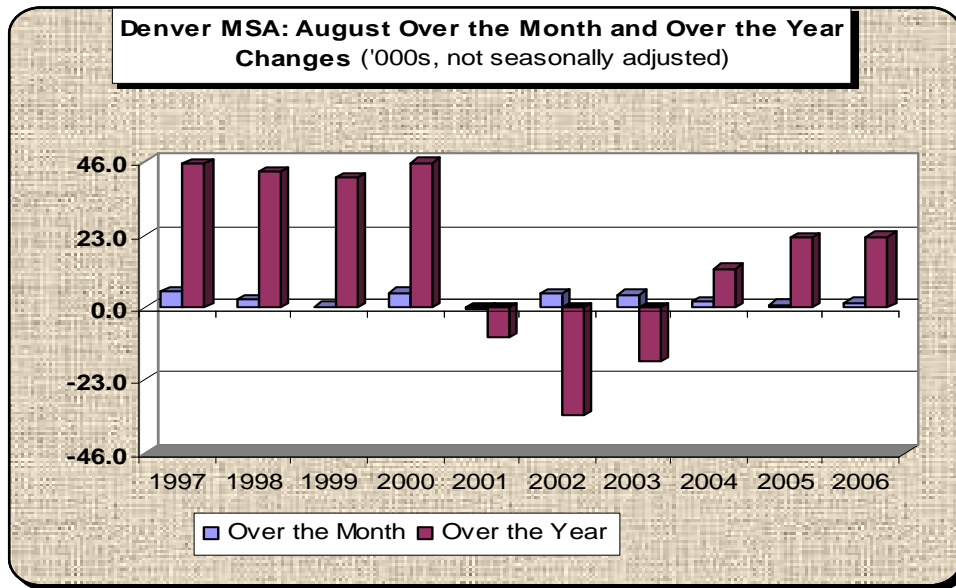


Total nonfarm employment edged up 1,600 in August for the Denver MSA. This increase is less than half of the 10-year average for the month, which typically gains 3,400 positions, but it is 78 percent larger than last August. Employment of 1,221,900 in the MSA marks the highest August level in the past five years, but is 3,900 (0.3 percent) below the August 2000 level. Of the ten supersectors, education & health services, financial activities, leisure & hospitality, manufacturing, professional & business services and trade, transportation & utilities (TTU) all added jobs in August. Information and government each shed 100 jobs over the month, and natural resources, mining & construction and other services were unchanged.

Since last August, 22,600 have been added to MSA payrolls. This employment level is 1.9 percent above August 2005, matching the growth rate for last August. This pace of growth is marginally faster than July, but it is 14 percent slower than the prior year average. Professional & business services accounted for 25 percent of the total nonfarm over the year growth in Denver, and led the nine supersectors that realized employment gains, with 5,600 new hires. Leisure & hospitality and TTU each created 3,600 positions over the year. Natural resources, mining & construction added 3,400 jobs, and has the fastest annual growth rate of any of the supersectors at 3.6 percent. Manufacturing, financial activities, other services and government’s annual employment all lagged total nonfarm’s pace of growth, but still added jobs. Information declined by 300 to remain the only industry that shed jobs over the year. This 0.6 percent contraction is the slowest for information since May 2001, when it began its decline initiated by the tech bust.



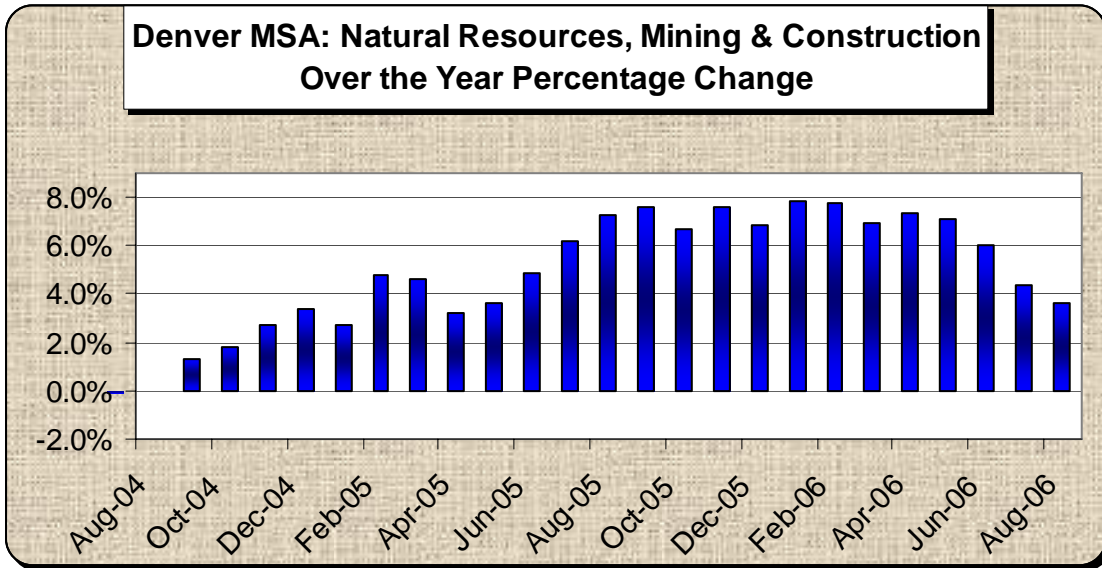
Despite the solid growth in most industries over the past year, employment's twelve-month moving average remains 1.1 percent below the peak level reached five years ago. From mid-2001 through the 1<sup>st</sup> quarter 2004, payrolls in the Denver MSA suffered a 5.3 percent contraction. Subsequent to the trough, employment has expanded by 4.4 percent, but the continued weakness in information has forestalled a full recovery.



## Natural Resources, Mining & Construction: Unchanged

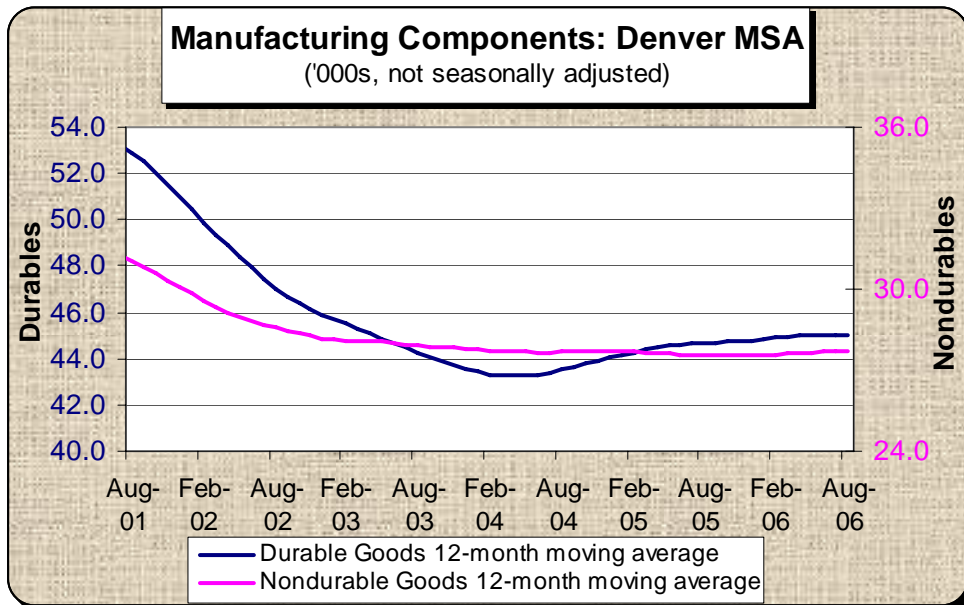
For the first time since January, natural resources, mining & construction did not gain any jobs. This falls below the 10-year August average increase of 200 positions, and is the slowest August since 2004. Specialty trade contractors, which makes up 65 percent of industry employment, caused much of the slowdown by shedding 400 jobs. In the last twelve months, industry employment has grown by 3,400. Annual growth of 3.6 percent, while maintaining the industry as the fastest expanding supersector in the Denver MSA, is the slowest over the year increase since May 2005. Construction of buildings added 500 jobs (3.1 percent) in the past year, and specialty trade contractors contributed

another 1,200 (1.9 percent). 'Other' components of the industry that are not directly estimated, such as heavy & civil engineering, provided 1,700 new positions (10.4 percent annual growth) over the year.



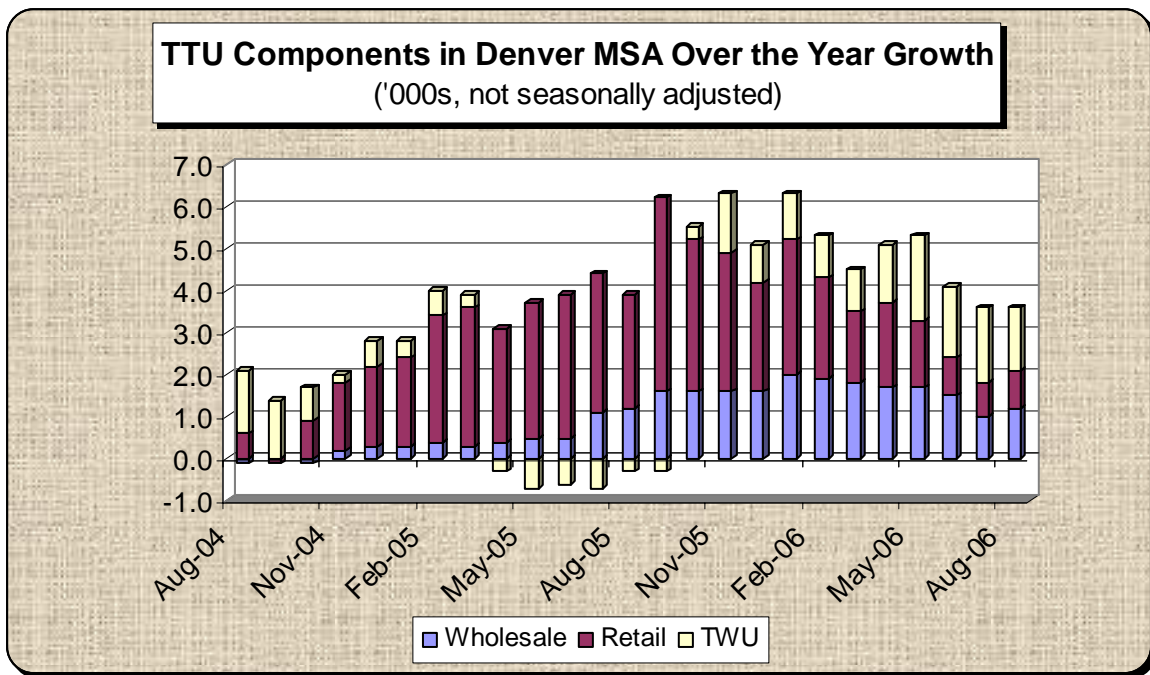
**Manufacturing: +200 (0.3%)**

With 200 new hires, manufacturing ran counter to the 10-year trend of losing 100 jobs in August. In only three of the last ten years has manufacturing employment increased for the month of August. This increase brings manufacturing's employment, an industry that has been steadily declining for years, to its highest level since October 2002. Durable goods makes up 62 percent of the industry's employment and is responsible for all of the positions added to manufacturing in August. The sector's expansion of 200 workers was the largest increase since December 2005. Since this time last year, 500 have been added to industry payrolls, growth of 0.7 percent. Durable goods contributed 200 (0.4 percent) of these jobs, and nondurable goods added the remaining 300 (1.1 percent).



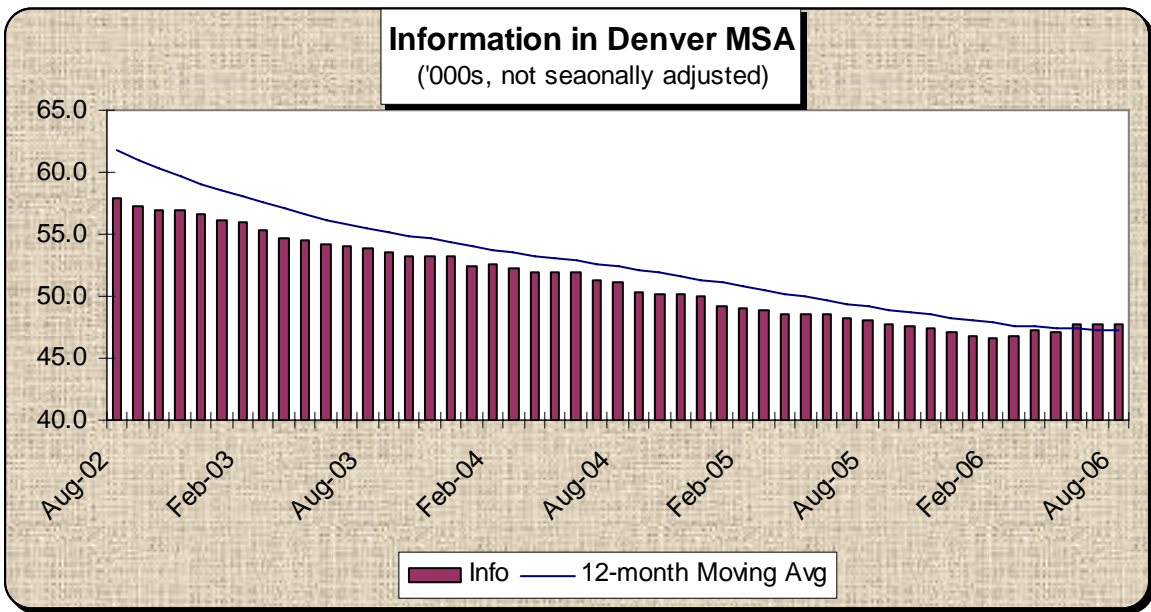
## Trade, Transportation, & Utilities (TTU): +100 (0.0%)

Weakness in the retail trade and transportation, warehousing & utilities (TWU) sectors caused trade, transportation & utilities (TTU) to post a smaller than normal gain for August. In the past 10 years, TTU has added an average of 800 new positions in the month. Wholesale trade posted its biggest expansion, of 300 new hires, since July 2005. TWU, which typically picks up 300 positions in August, lost 200 jobs. Retail trade remained unchanged, falling short of its 10-year August average of adding 600 new employees. TTU's over the year growth of 1.5 percent (3,600 jobs) matches its slowest since August 2005. Since last year, TWU has brought 1,500 positions (3.0 percent) to the industry. Retail trade has only gained 900 workers (0.7 percent) over the year, the second weakest year over year employment gain in this sector since September 2004. Wholesale trade's payrolls have increased by 1,200 (1.9 percent) over last August.



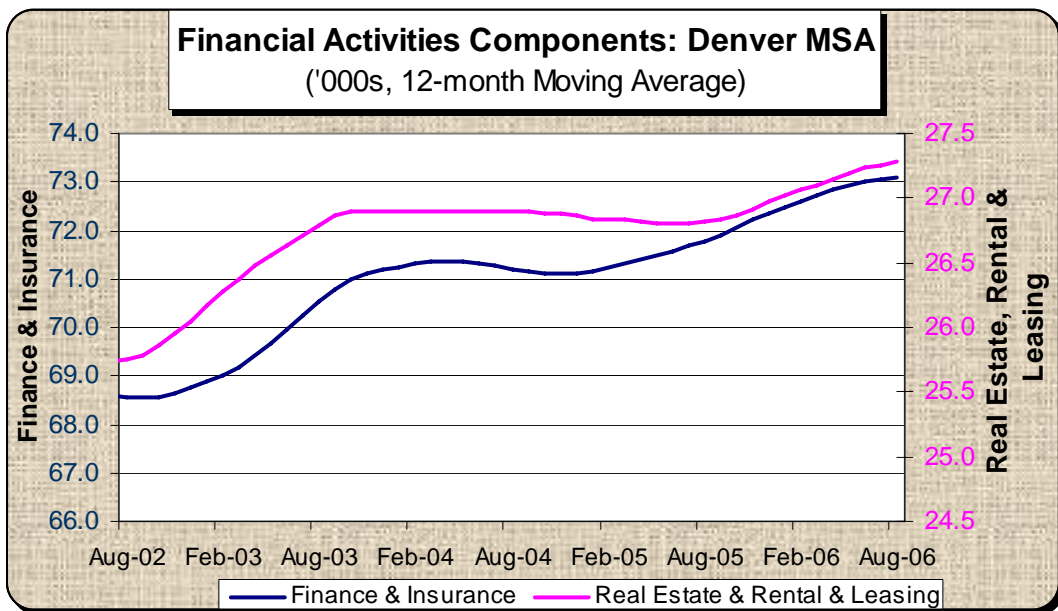
## Information: -100 (-0.2%)

After gaining 700 positions over the past two months, information payrolls dropped by 100 in August. For the second straight month, telecommunications shed 200 jobs. The number of people working in information has declined by 300 over the year, the smallest decline the industry has seen since May 2001. This 0.6 percent annual contraction is the industry's slowest decline in over five years, but employment remains 35 percent below its December 2000 peak. This leveling off of employment, compared to the steady drop information has experienced since 2001, is a possible indication that the industry is reaching a trough after the fallout of the tech boom and recession of 2001. Over the year, publishing industries has gained 200 jobs (1.6 percent), only the second time the subsector has experienced an employment gain in a 12-month period since August 2003. Telecom's over the year decrease of 1,000 jobs (4.5 percent) is one of the smallest declines for the subsector since 2001.



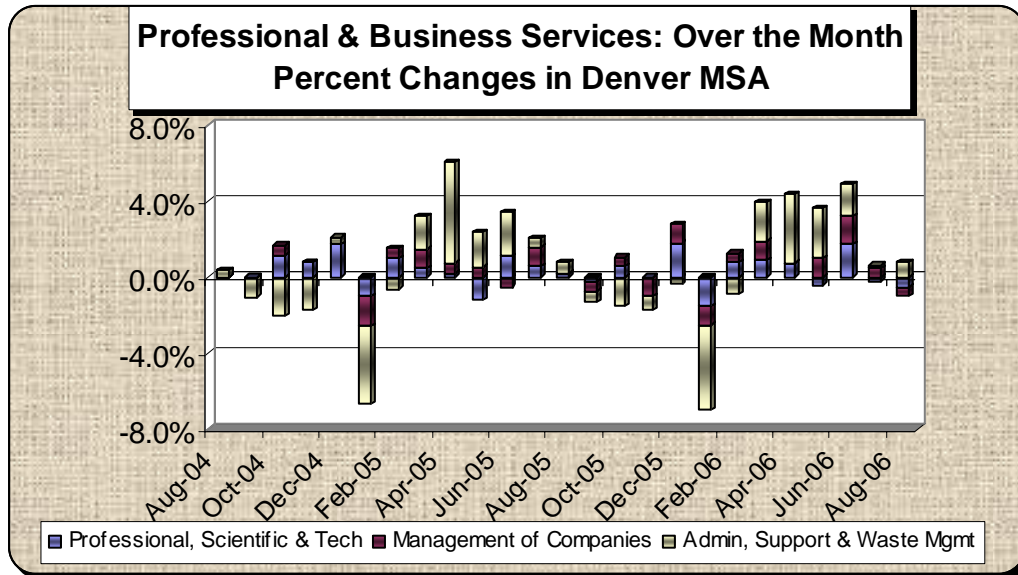
### Financial Activities: +500 (0.5%)

Financial activities recovered the 400 jobs it lost in July, plus another 100 for a gain of 500 positions in August. This is the biggest August over the month jump since 2002, and is considerably larger than the 10-year monthly average of an additional 200 jobs. The industry increase was due to 300 positions added by the finance & insurance sector and 200 by real estate, rental & leasing. Since August 2005, financial activities has added 1,100 jobs (1.1 percent), with most of these coming from finance & insurance. This sector, which makes up 73 percent of industry employment, has contributed 800 positions (for 1.1 percent annual growth) since last August. Real estate, rental & leasing has experienced a modest increase of 300 workers (1.1 percent) over the past year. However its real estate component grew by 700 jobs (3.7 percent), and it has been outpacing the sector for the past fourteen months.



## Professional & Business Services: +100 (0.0%)

This is the slowest August for professional & business services since the industry lost 600 jobs with the onset of the recession in 2001. The monthly gain of 100 new positions is well below the August average of picking up 1,200 workers. Professional, scientific & technical services lost 500 jobs and management of companies shed 100 workers in August, the most for both sectors since January of this year. The catchall administrative, support, waste management & remediation was responsible for the industry's positive job growth with the addition of 700 positions, still below its 10-year monthly average of adding 1,000 to payrolls.

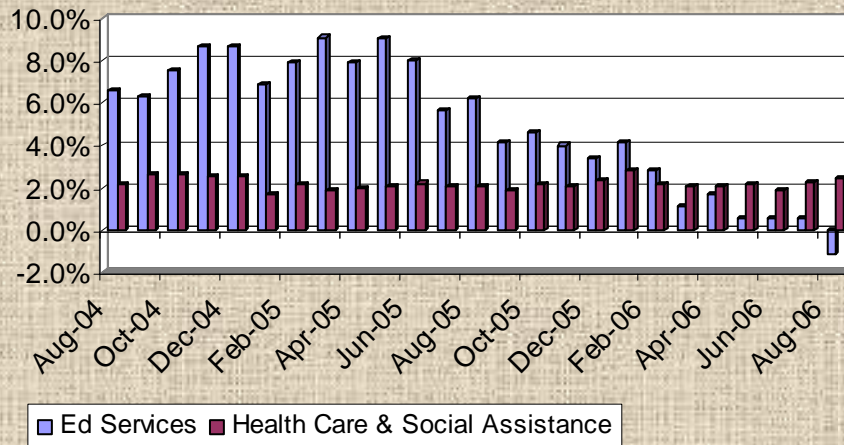


Since this time last year, professional & business services payrolls have added 5,600, growth of 2.9 percent. This makes it the second fastest growing industry, after natural resources, mining & construction. Professional, scientific & technical services fueled much of this advance and outpaced the industry, with growth of 3.5 percent and 3,200 new hires in the past year. Management of companies added another 600 positions (3.0 percent) over the year. Coming off of a slow July, the catchall administrative sector's 2.1 percent (1,800 positions) year over year increase was the second slowest since April 2005. Employment services contributed a majority of these jobs (1,700) and continued its trend of strong over the year growth, at 6.7 percent.

## Education & Health Services: +600 (0.5%)

In line with seasonal expectations, education & health services employment recovered 600 of the jobs it lost earlier in the summer. Education & health services added more employment to the Denver economy in August than any other industry. Health care & social assistance, which makes up 86 percent of industry workers, added all of the new hires. Industry employment has increased by 2,300 (1.9 percent) in the last twelve months. Health care & social assistance donated 2,500 of these positions, and its 2.4 percent year over year growth outpaced the industry. Educational services shed 200 jobs for a 1.2 percent annual contraction, the sector's first over the year contraction since May 1992.

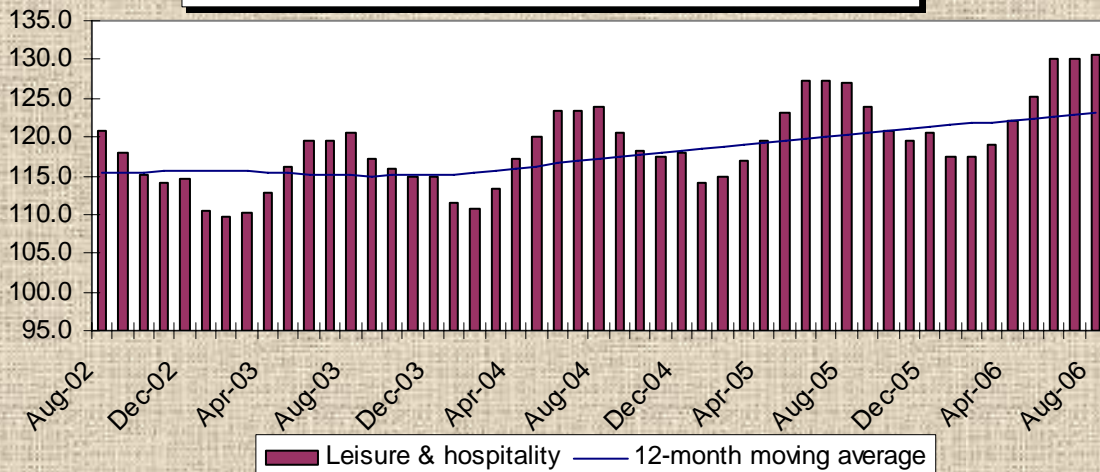
**Education & Health Services Components Over the Year**  
**Growth in the Denver MSA (% , not seasonally adjusted)**



**Leisure & Hospitality: +300 (0.2%)**

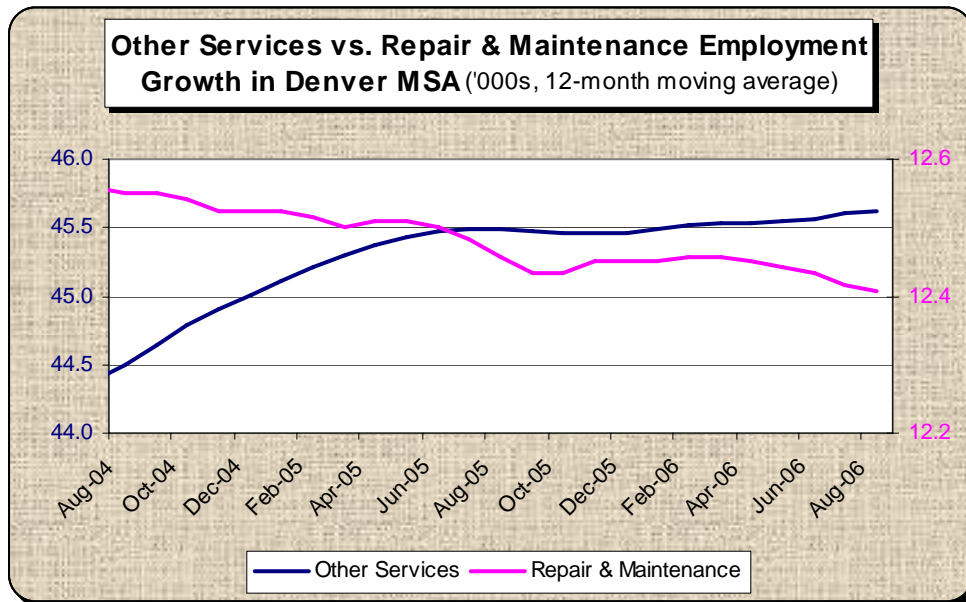
Leisure & hospitality continued its upward trend in August, gaining 300 new positions. This is a typical monthly change, and is the biggest over the month August gain since 2004. In line with normal seasonal patterns, accommodation & food services offset the 600 jobs shed by arts, entertainment & recreation by adding 900 new workers. The industry has gained 3,600 workers over the year, the fastest year to year growth rate (2.8 percent) since January. Arts, entertainment & recreation depressed the industry's growth by losing 300 jobs (1.3 percent) since last August. Accommodation & food services has picked up the slack, contributing 3,900 new positions since last year, a 3.7 percent growth rate. This is the fastest year to year growth this sector has experienced since September 2000.

**Denver MSA: Leisure & Hospitality Employment**  
 ('000s, not seasonally adjusted)



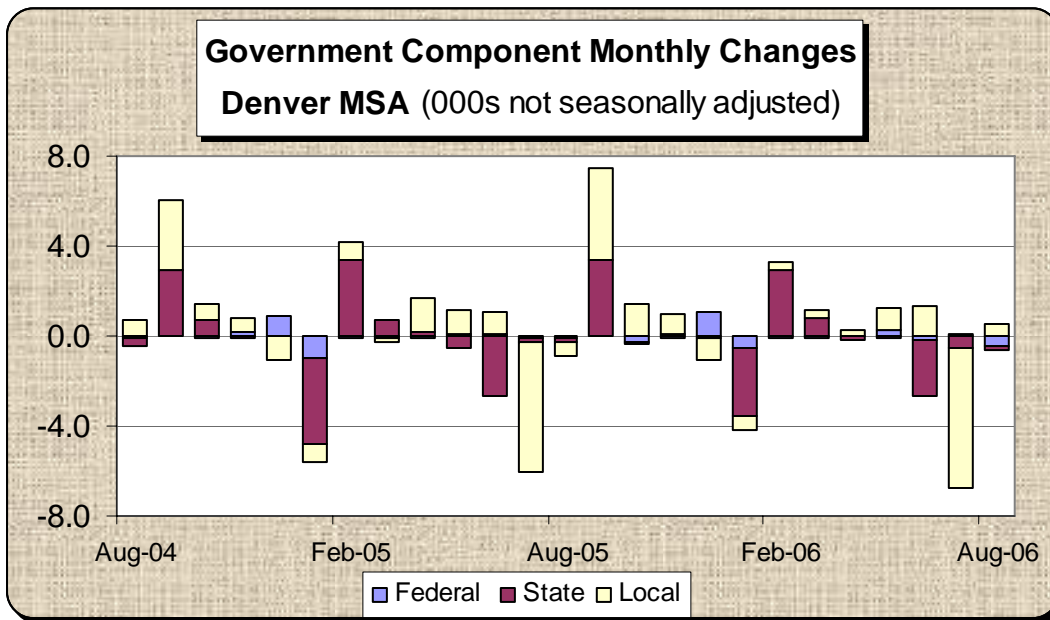
## Other Services: Unchanged

Other services experienced a normal August by not gaining or losing any jobs over the month. Still, it's weaker than the past two Augusts when the industry added employment. Overall, industry employment is up 300 (0.7 percent) over the year, and thanks to gains earlier in the summer, August 2006 over the year growth is faster than in 2005. Repair & maintenance, the only publishable sector for the Denver MSA, experienced a drop in payrolls by 100 (0.8 percent) since last August.



## Government: -100 (-0.1%)

After losing 6,700 jobs in July, government slowed down its summer decline with a loss of 100 workers in August. For the past ten Augusts, government has averaged a monthly gain of 200 positions. Federal and State government each shed jobs over the month – 400 and 200 respectively – while local added 500 new workers. Most of the additional positions came from local education, which constitutes 31 percent of all government jobs, as teachers returned for the new school year. Over the year, government has added 2,500 workers for a 1.6 percent year over year advance. The State and local levels have contributed to the growth by adding 400 (1.4 percent) and 2,300 (2.3 percent) employees over the year, but Federal government has lost 200 (0.7 percent) over the same time period.



Produced By:  
 State of Colorado: Bill Owens, Governor  
 Colorado Department of Labor & Employment: Rick Grice, 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](mailto:lmi@state.co.us)

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