

State adds 2.4K jobs, unemployment rate climbs

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Colorado added thousands of jobs to the economy in September, though statewide unemployment continues to inch up since breaching the 4% threshold in August.

In its monthly report released Friday, the Colorado Department of Labor and Employment found that despite job growth the state's unemployment rate increased one-tenth of a percentage point to 4.1% in September, up from 4% in August.

August was the first month since June 2025 that the state's unemployment rate breached the 4% threshold. Throughout most of 2026, Colorado's unemployment rate remained flat at 3.9% each month from January through July.

The U.S. unemployment rate was 4.2% in September, with 7.1 million people unemployed, data from the Bureau of Labor Statistics show. The national unemployment rate has been higher than Colorado's for more than a year, but Colorado continues to edge closer.

Colorado has 131,900 unemployed residents, up by 3,800 from August, according to the state report. At the same time, Colorado added 2,400 jobs from August to September. Private-sector payroll jobs increased by 3,000, while government jobs decreased by 600.

Friday's report also noted that new data came in showing August estimates had fewer job losses than initially projected. Estimates were revised from 1,400 job losses to 300.

The state's labor force decreased by 3,100 in September, with 65.2% of Coloradans participating in the labor force last month, one-tenth of a percentage point down from August. The labor force participation rate is the percentage of people aged 16 or older who are employed or actively seeking work.

September's is the lowest participation rate on record, going back to 1976.

Since September 2025, Colorado has added 11,200 jobs. The private sector increased by 17,000 and government decreased by 5,800 jobs during this period.

The biggest job gains in the private sector over the last year have been in education and health services; leisure and hospitality; construction; and professional and business services. Jobs declined in financial activities, information; trade, transportation and utilities; other services; and manufacturing, the report said.

Colorado's job rate growth in the last year is 0.4%, just above the national rate of 0.3%.