

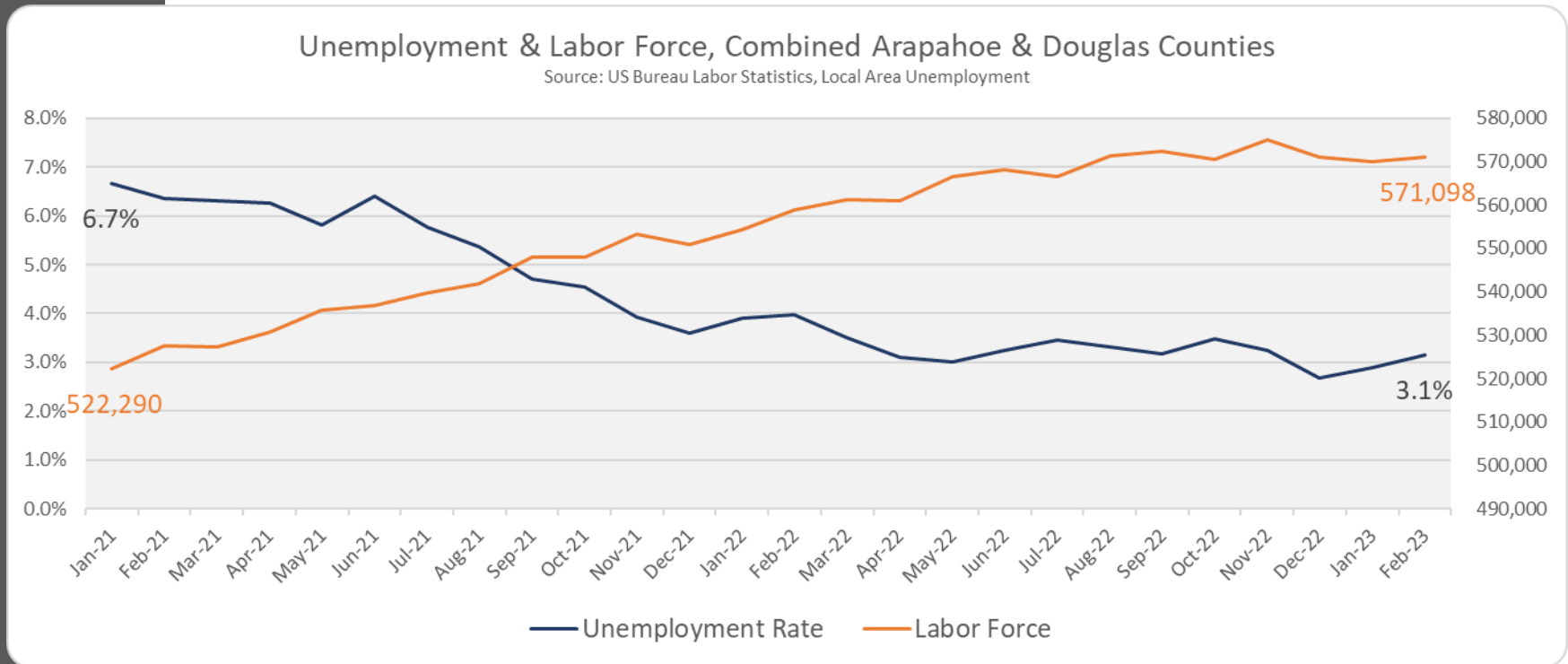
Arapahoe/Douglas Works!

Labor Supply & Demand Report Second Quarter 2023

Labor Market Update

Local Unemployment Trending Slightly Up

The unemployment rate in Arapahoe and Douglas counties continues to trend up slightly while the labor force has grown by 10,208 people since April 2022.

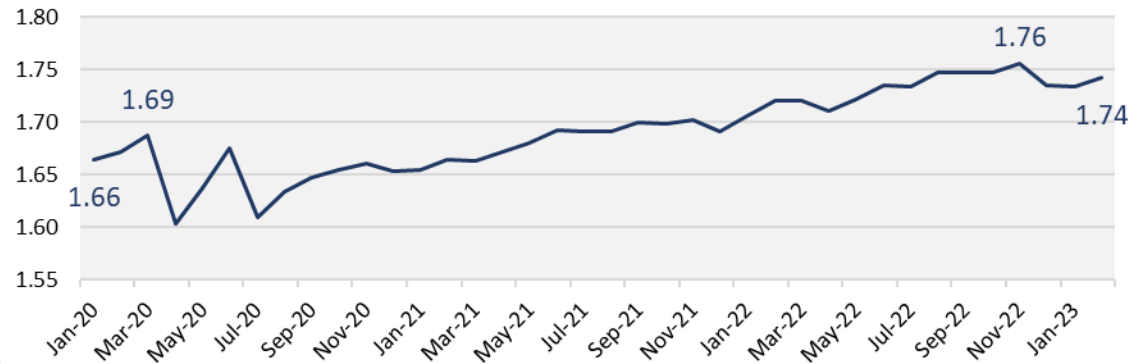


Employment Situation, Metro Denver

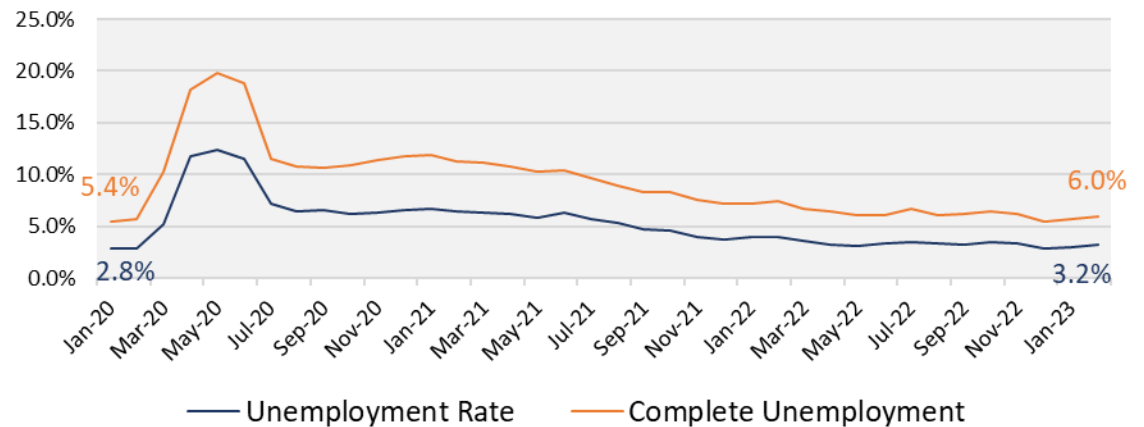
The orange 'complete unemployment' line in the graph below shows unemployed, discouraged, marginally attached, and persons working part time for economic reasons. It is based on national Alternate Measures of Labor Underutilization published monthly by the Bureau of Labor Statistics.

Labor Force (Millions), Greater Metro Denver
(Not Seasonally Adjusted)

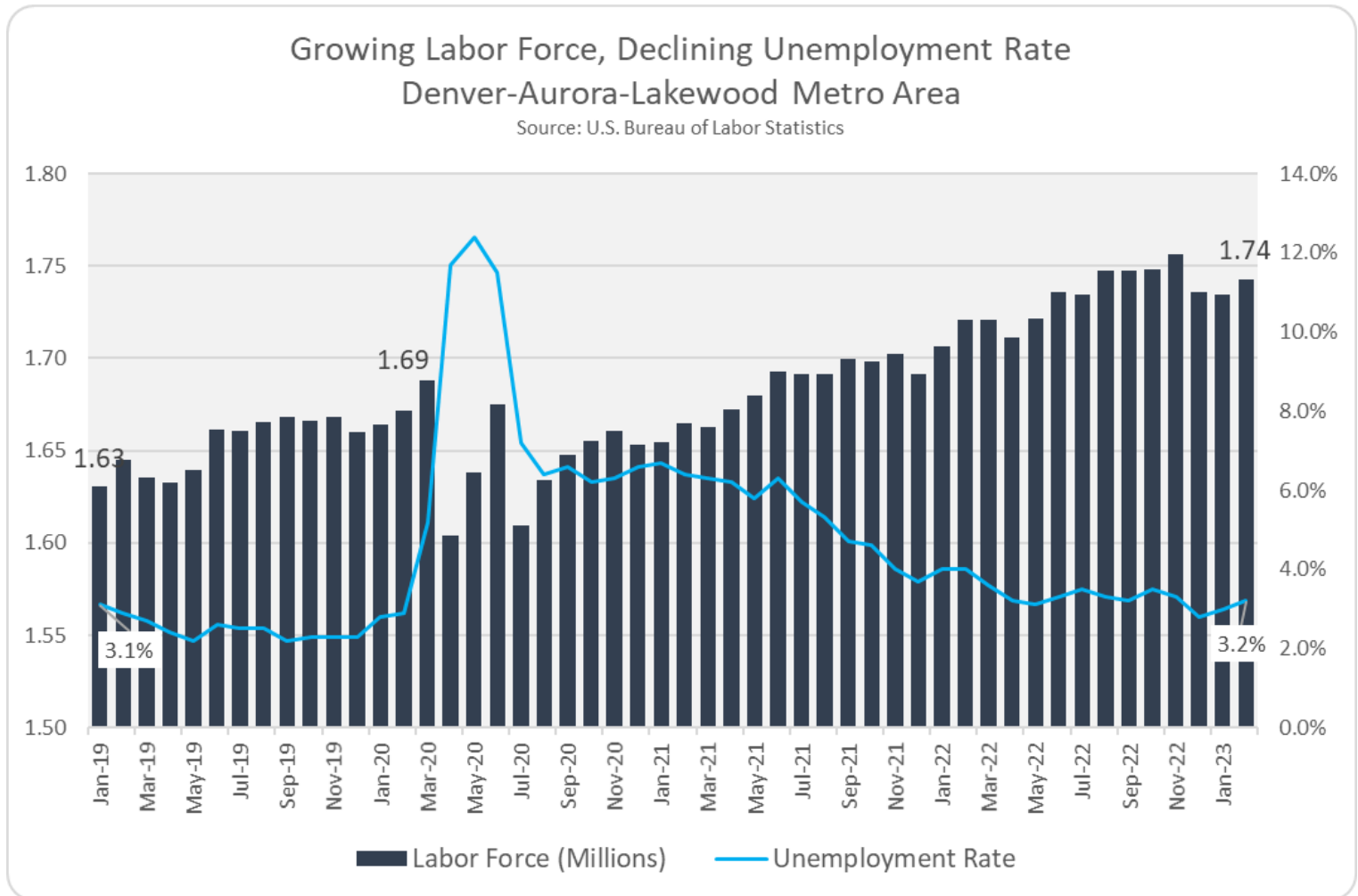
Source: U.S. Bureau of Labor Statistics



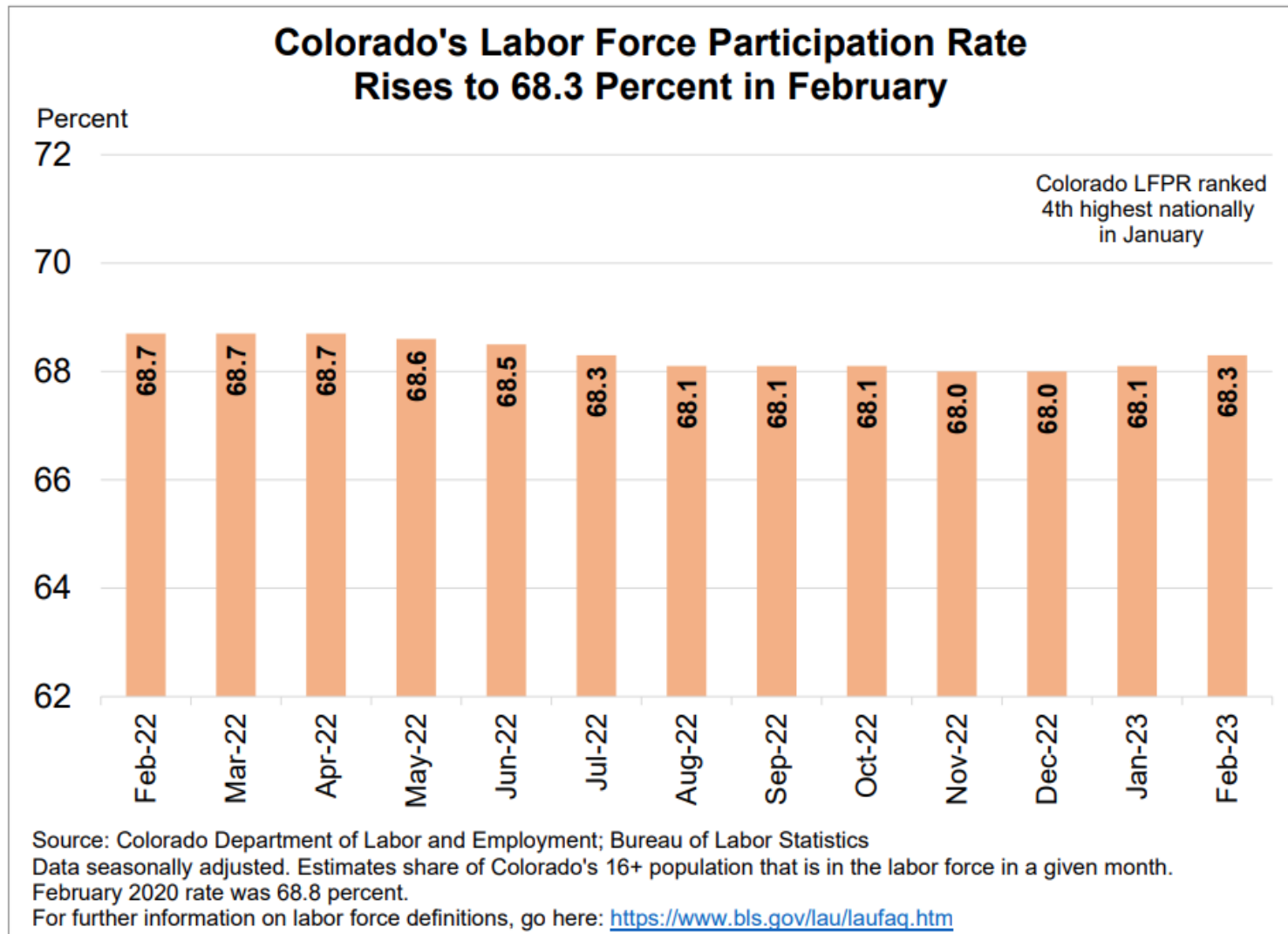
Employment Situation, Greater Metro Denver
(Not Seasonally Adjusted)



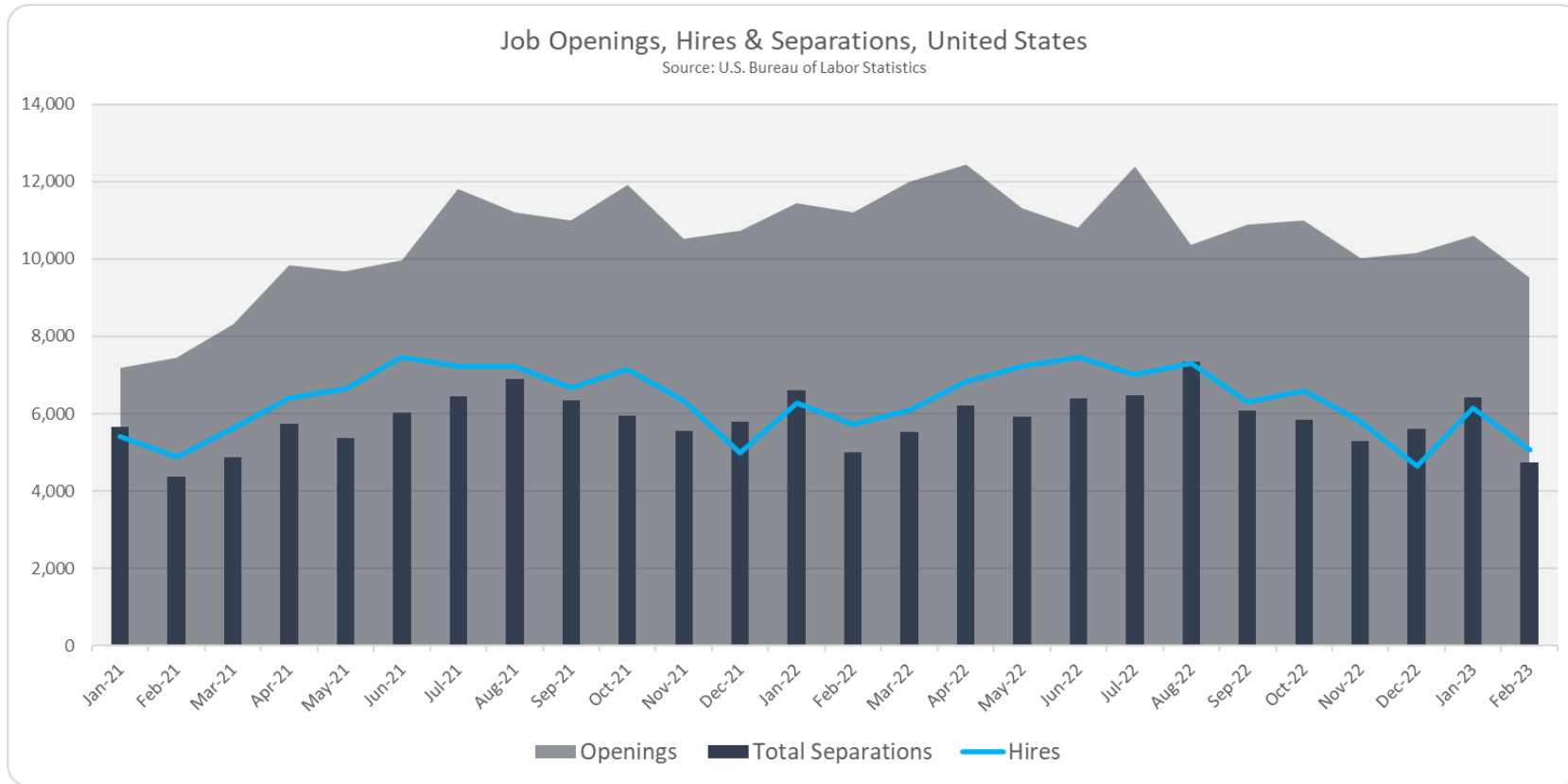
Growing Labor Force, Metro Denver



High Labor Force Participation Statewide

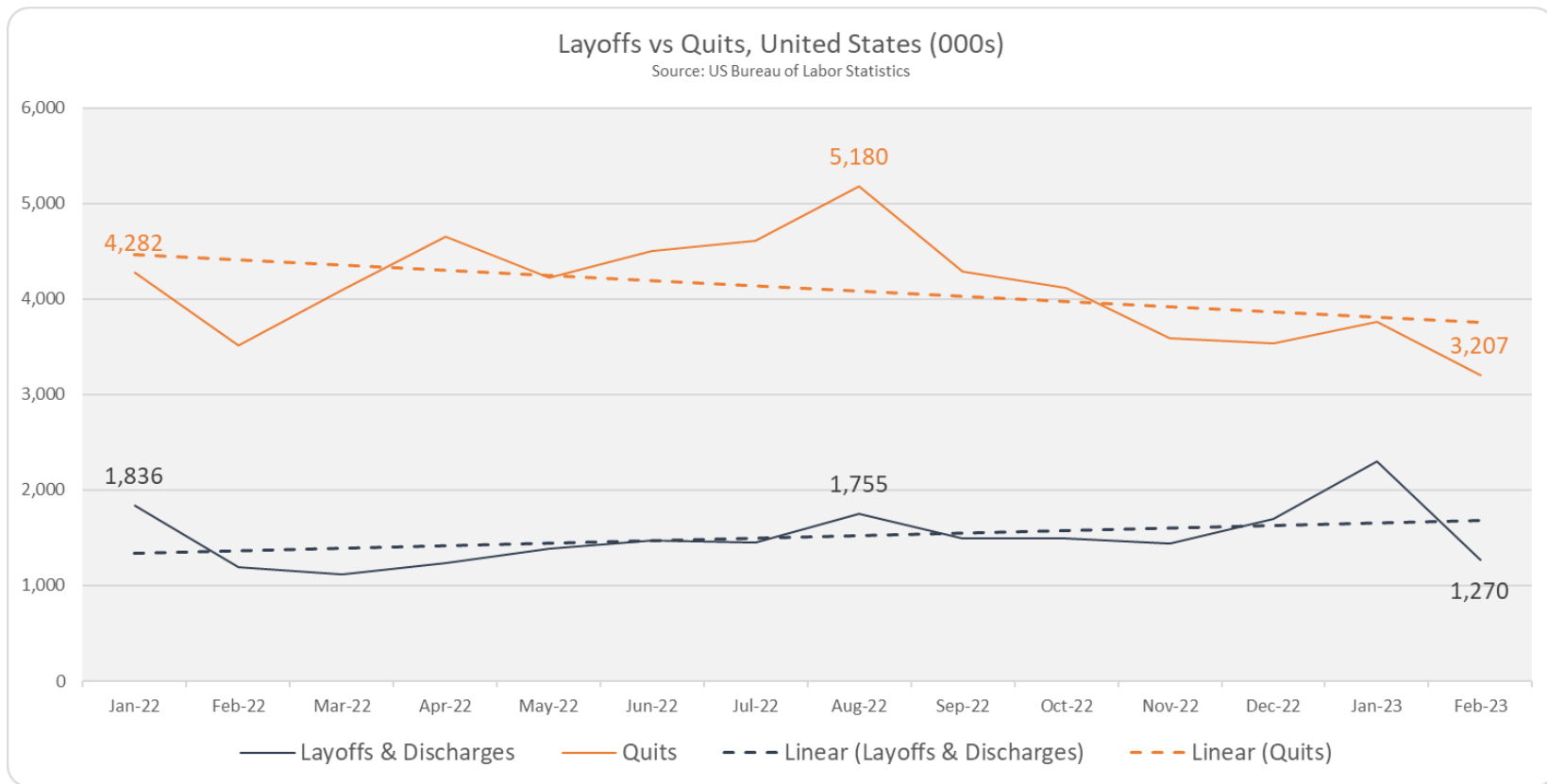


Jobs, Hires & Separations, United States



Net hires are determined by subtracting the number of separations from the number of hires. In February 2023, 323,000 more people were hired than left their jobs in the face of 9.5 million job openings.

Layoffs vs Quits, United States

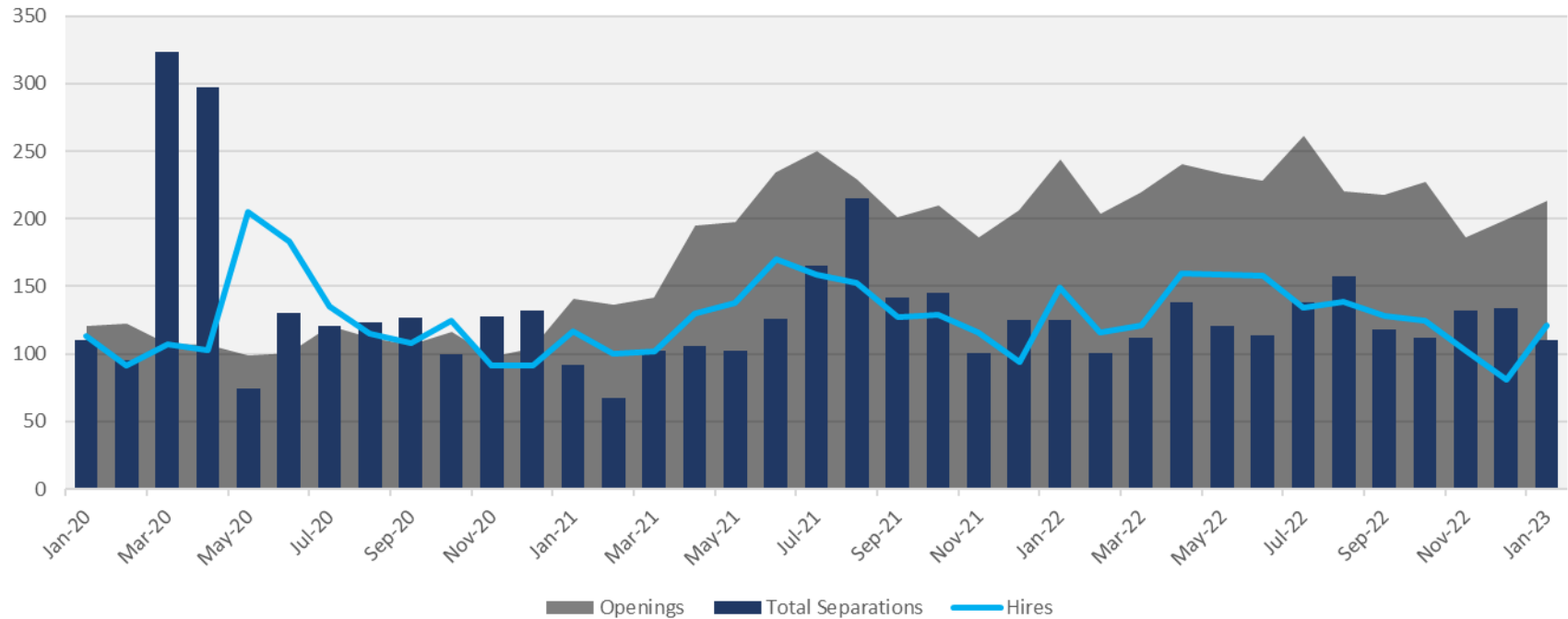


The Fed is raising interest rates, which cuts the money supply by making loans harder to get. The expected result of this is that demand for goods and services will go down, resulting in layoffs, which will then create a temporary labor surplus and serve to drive wages down. Due to structural scarcity in the labor force, this is only partially working. Demand for goods and services has gone down, but layoffs are only trending up slightly. However the number of quits has steadily decreased since the August 2022 high of 5.1 million.

Jobs, Hires & Separations, Colorado

Job Openings, Hires & Separations, Colorado, (in Thousands)

Source: U.S. Bureau of Labor Statistics, Job Openings & Labor Turnover Survey



Net hires are determined by subtracting the number of separations from the number of hires. In January 2023, 11,000 more people were hired in Colorado than left their jobs in the face of 213,000 job openings.

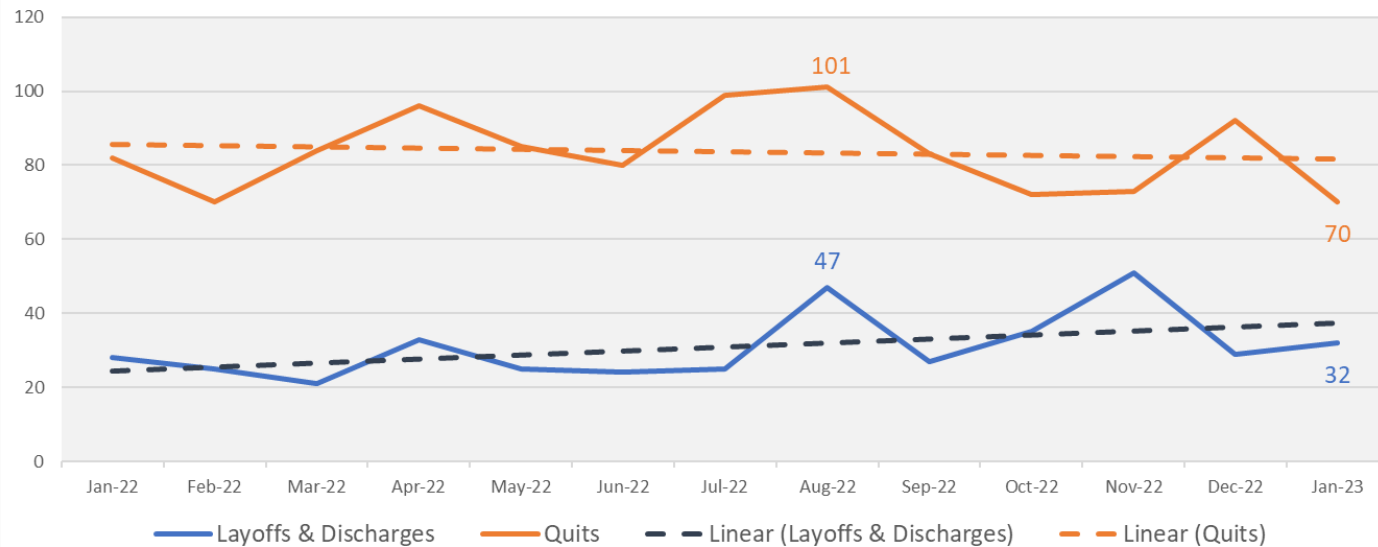
Quits vs Layoffs, Colorado

These graphs show a similar pattern to that of the United States. Note that layoffs are trending gradually upward, while quits are trending slightly down.

Scarcity is reflected by the bottom line graph, which shows only four applicants for every ten job openings.

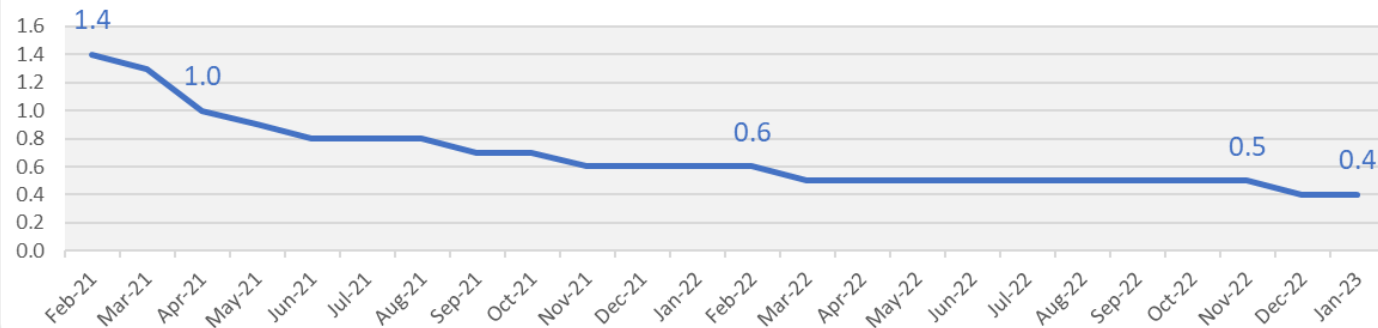
Layoffs & Discharges vs Quits, Colorado (000s)

Source: US Bureau of Labor Statistics, Job Openings & Labor Turnover Survey

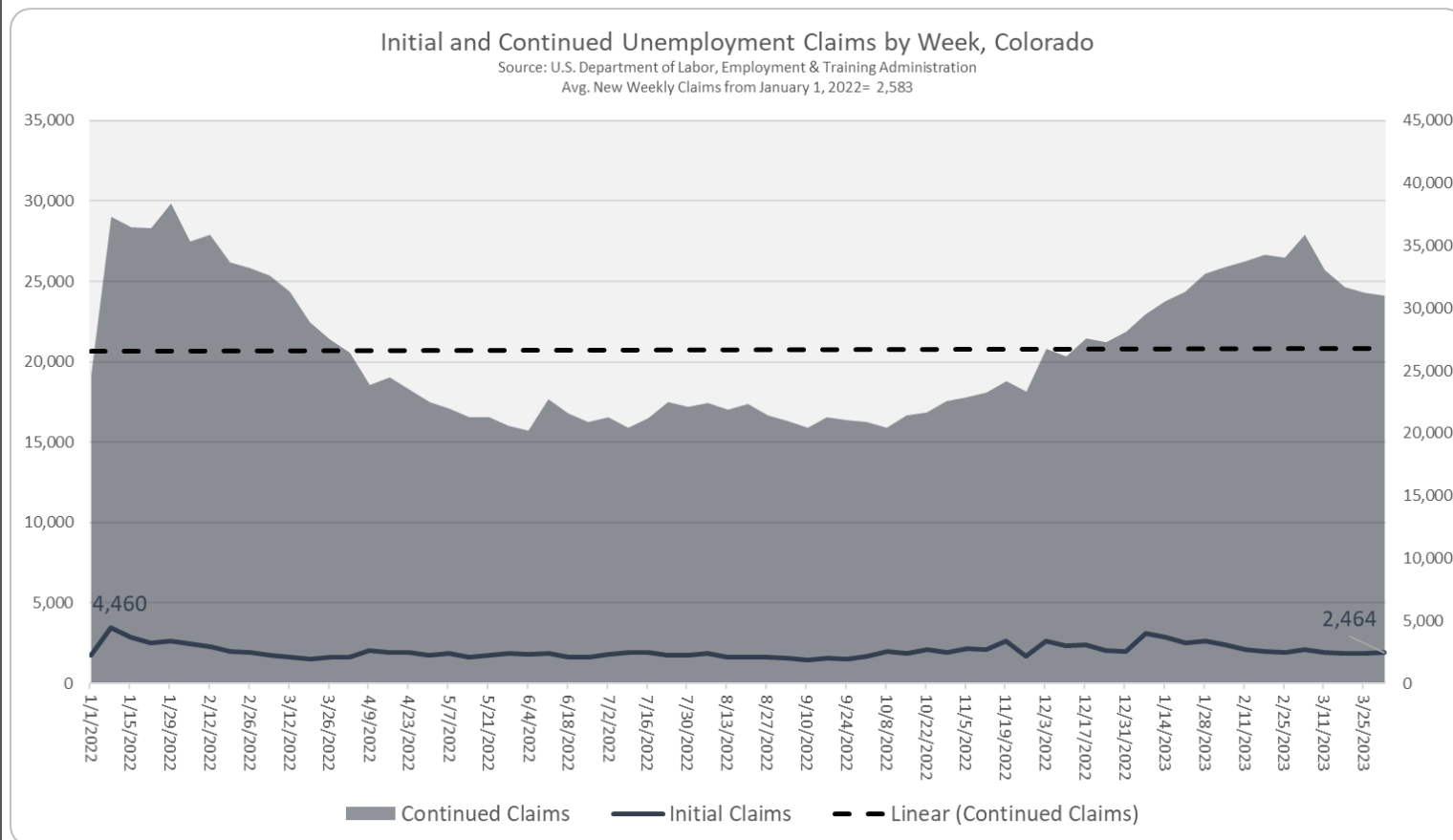


Unemployed to Openings Ratio, Colorado

Source: US Bureau Labor Statistics, Job Openings & Labor Turnover Survey



New Unemployment Claims

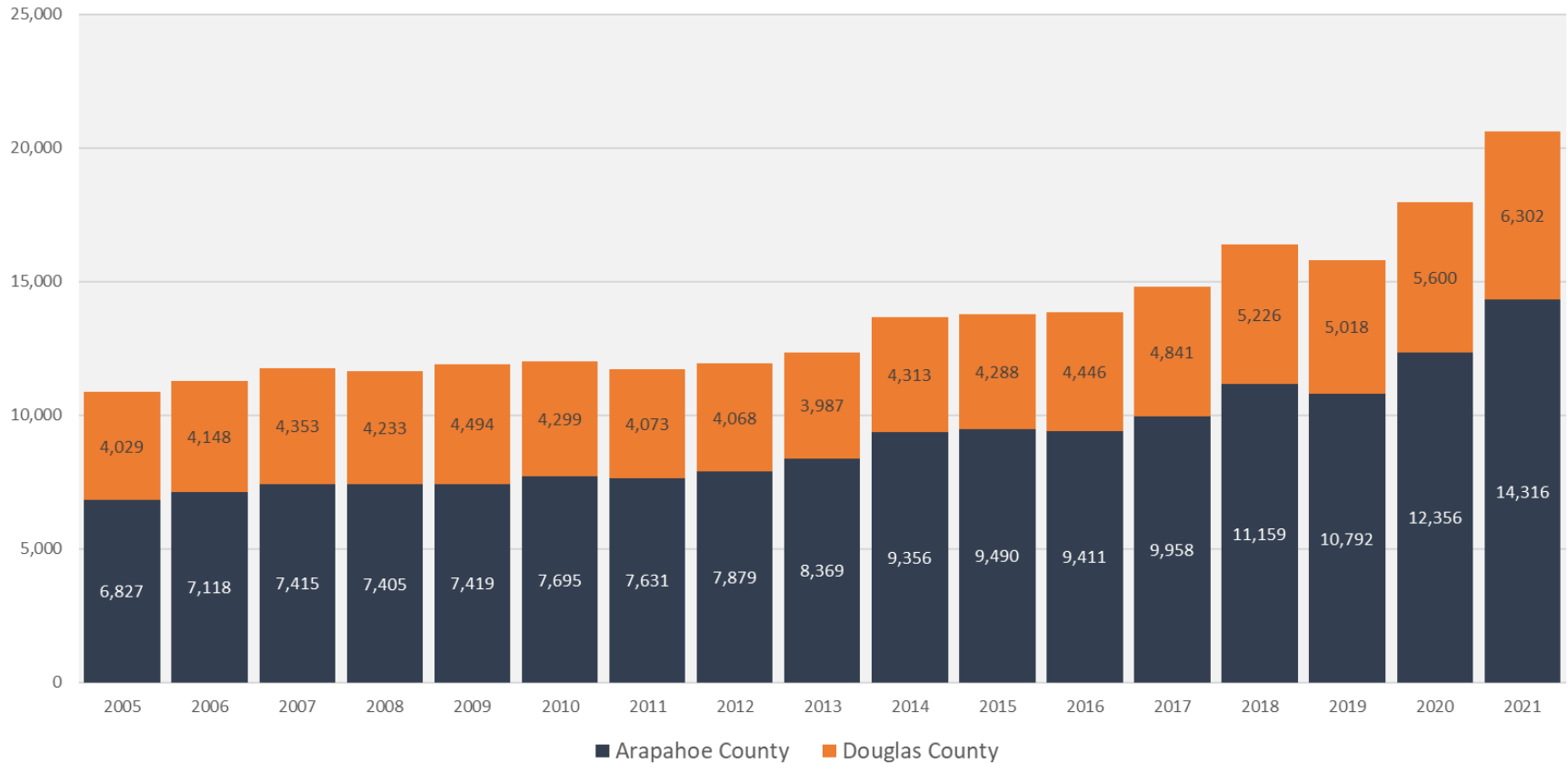


New unemployment claims in Colorado still are slightly higher than pre-pandemic levels. Continued claims are down 1,314 from the week of January 4, 2023 levels. Businesses are generally slowing hiring, but are still working hard to retain existing staff in the face of persistent scarcity.

New Business Applications Arapahoe & Douglas Counties

New Business Applications, Arapahoe and Douglas Counties, by Year

Source: US Census Economic Indicators



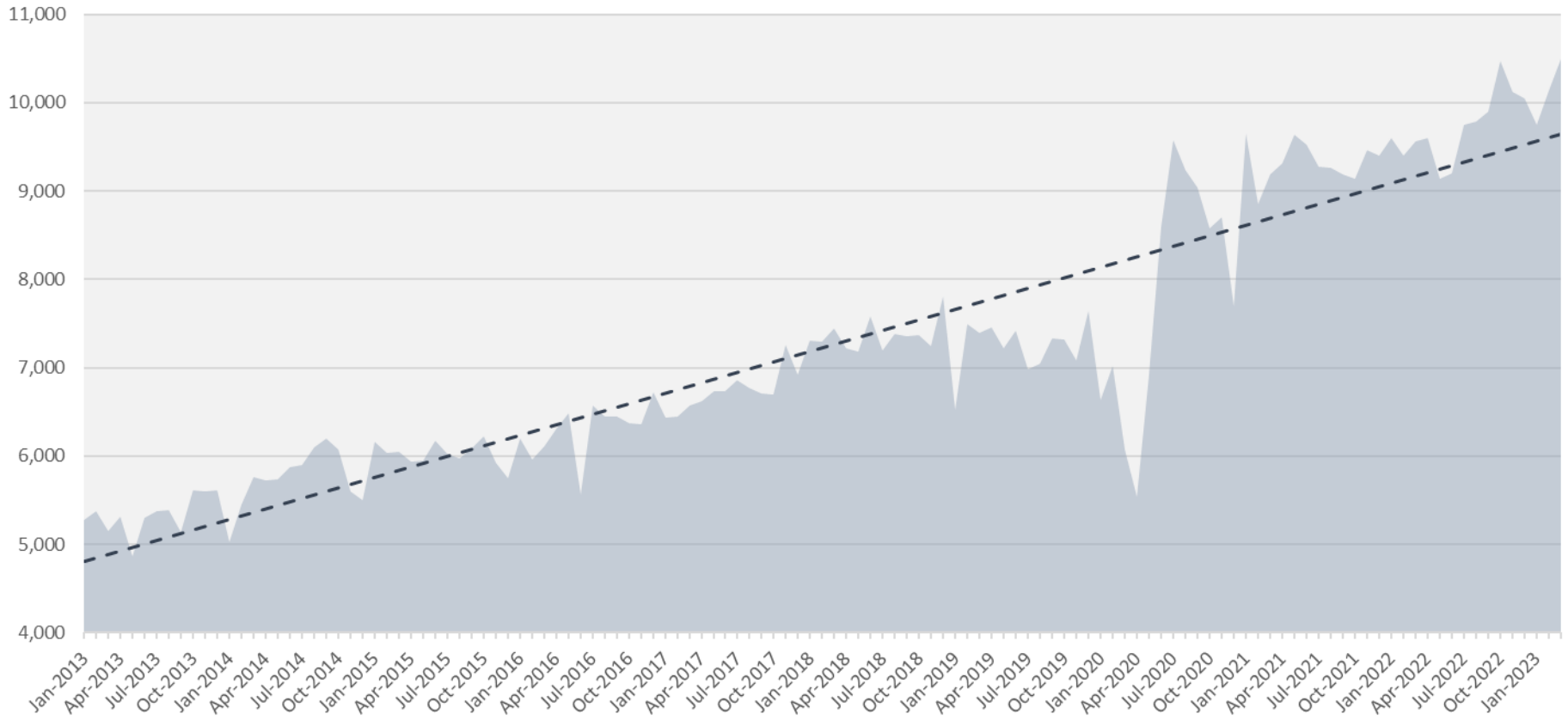
Note: 2022 business formation data is not yet available at the county level.

New Business Applications, Colorado

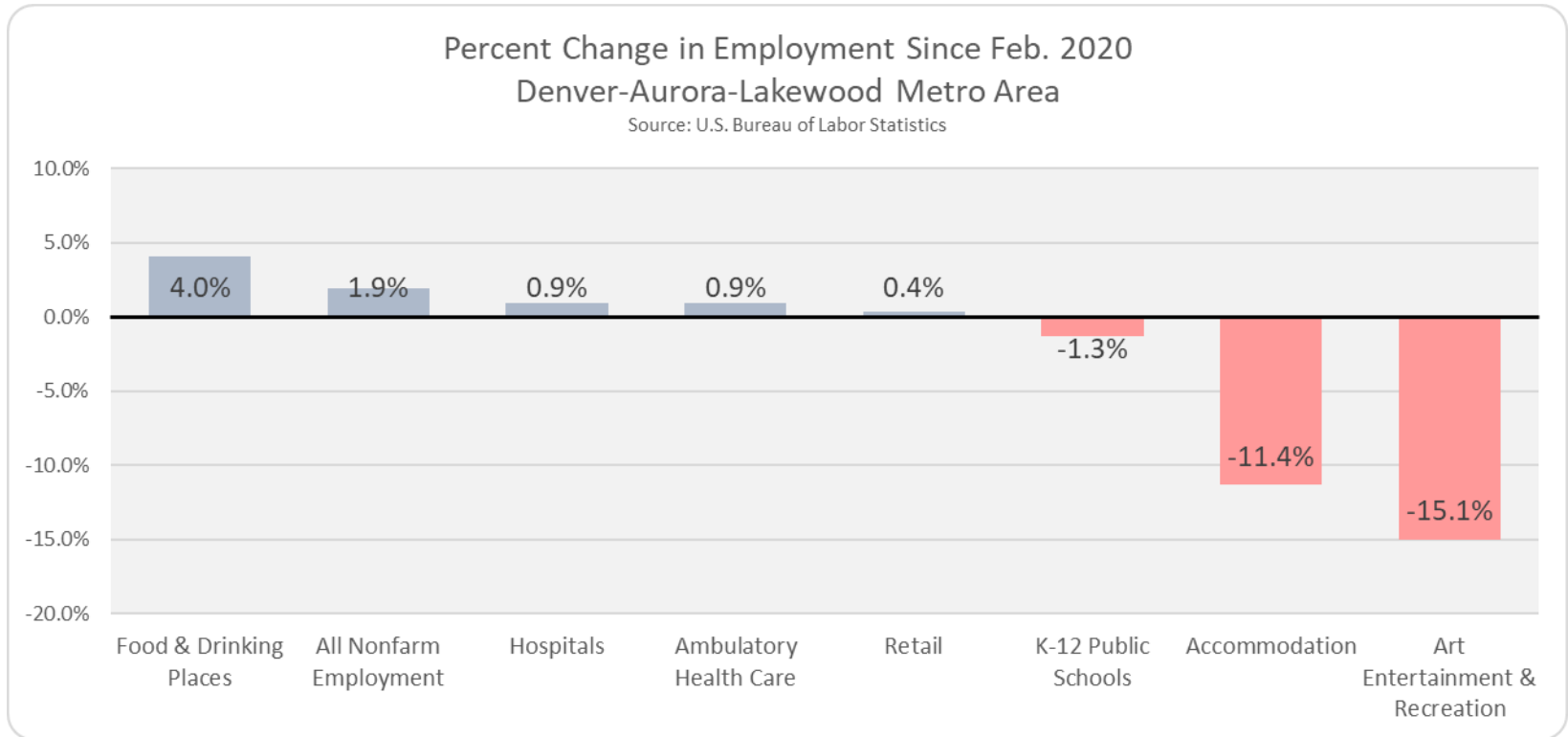
New Business Applications, Seasonally Adjusted, Colorado

Average 2013 - 2020 = 6,565 || Average 2021 - 2022 = 9,587

Source: US Census Economic Indicators



Percent Change in Employment by Sector

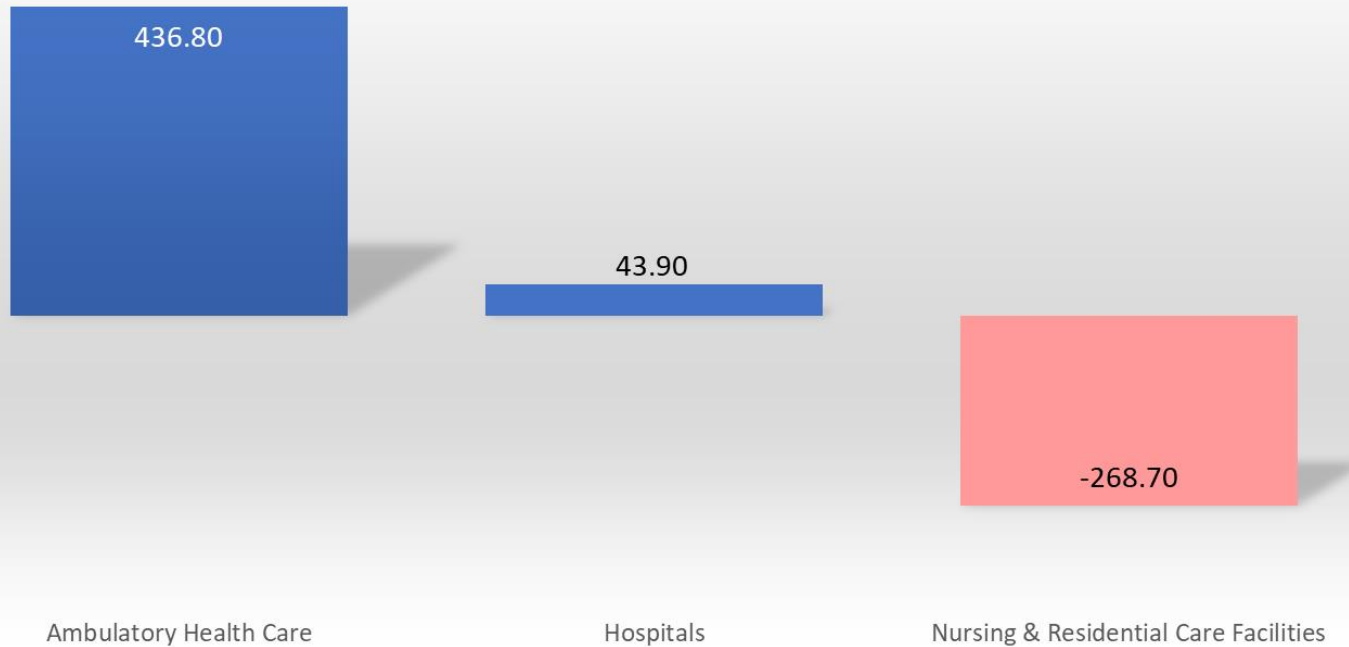


This bar graph shows job recovery from pre-pandemic levels for selected industries as of November 2022. Accommodation still lags over 15%, and employment in K-12 is still down 900 from pre-pandemic levels.

Spotlight on Healthcare (United States)

Employment in Healthcare, United States, February 2023 (in Thousands)

Source: U.S. Bureau of Labor Statistics, Current Employment Statistics



Employment in the healthcare sector is up 212,000 from February 2020, but nursing and residential care centers are still short-staffed. Generally, scarce healthcare professional and support staff have migrated to ambulatory care, which offers predictable hours in a lower stress setting.

Real Time Labor Force Trends

The Colorado Workforce Development System is now using Chmura Jobs EQ as well as Lightcast (formerly EMSI Burning Glass).

Jobs EQ is a robust, valid and reliable tool quite favorably comparable to Lightcast, and the data presented here around real labor force trends comes from Jobs EQ.

Fastest Growing Skills 2023

Fastest-Growing Digital Skills 2023

Rank	Skill name	Rank Change*
1	Scrum software development	+86
2	Data visualization	+75
3	Customer success tools	+67
4	E-commerce	+63
5	CRM software	+61
6	User experience design	+61
7	Agile software development	+60
8	Software framework development	+60
9	System software development	+55
10	Search engine optimization	+52

Fastest-Growing Human Skills 2023

Rank	Skill name	Rank Change*
1	Storytelling	+49
2	Change management	+45
3	Organizational development	+23
4	Influencing	+20
5	People management	+19
6	Culture	+18
7	Collaboration	+16
8	Decision-making	+16
9	Communication	+15
10	Planning	+12

*Number of ranks this skill moved up from 2021 to 2022, based on the skill's share of enterprise learner enrollments

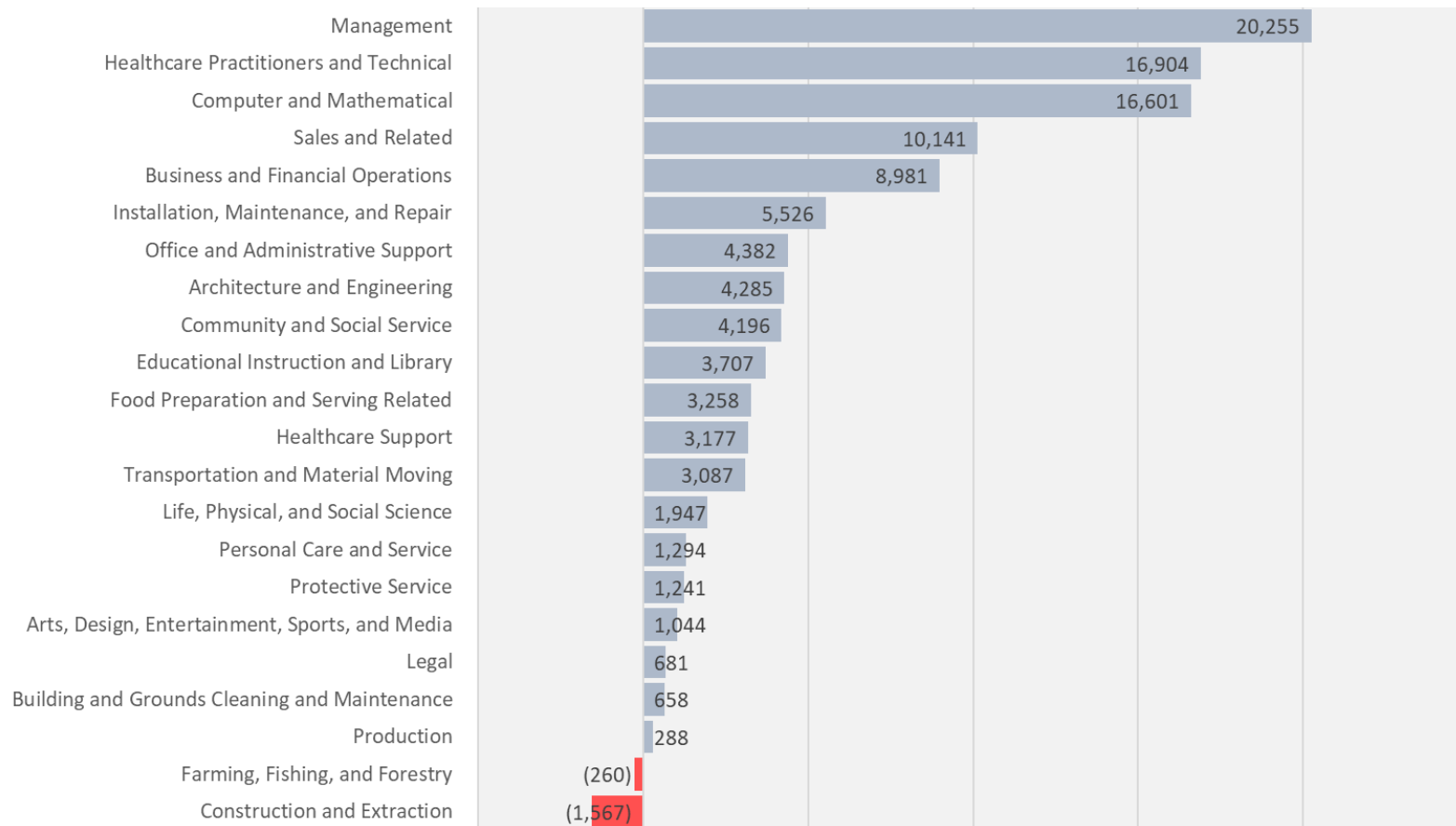
This is the latest data from a Coursera report titled, “The Job Skills of 2023.” It is interesting to see that data visualization, user experience design, customer success tools and storytelling have come to the forefront, with significant changes in rank from their 2021-2022 report.

Skill Gap, Metro Denver

Skill Gap by Occupation Family, Greater Metro Denver, 1st Quarter 2023

(Blue bars show the estimated labor shortfall, red shows surplus)

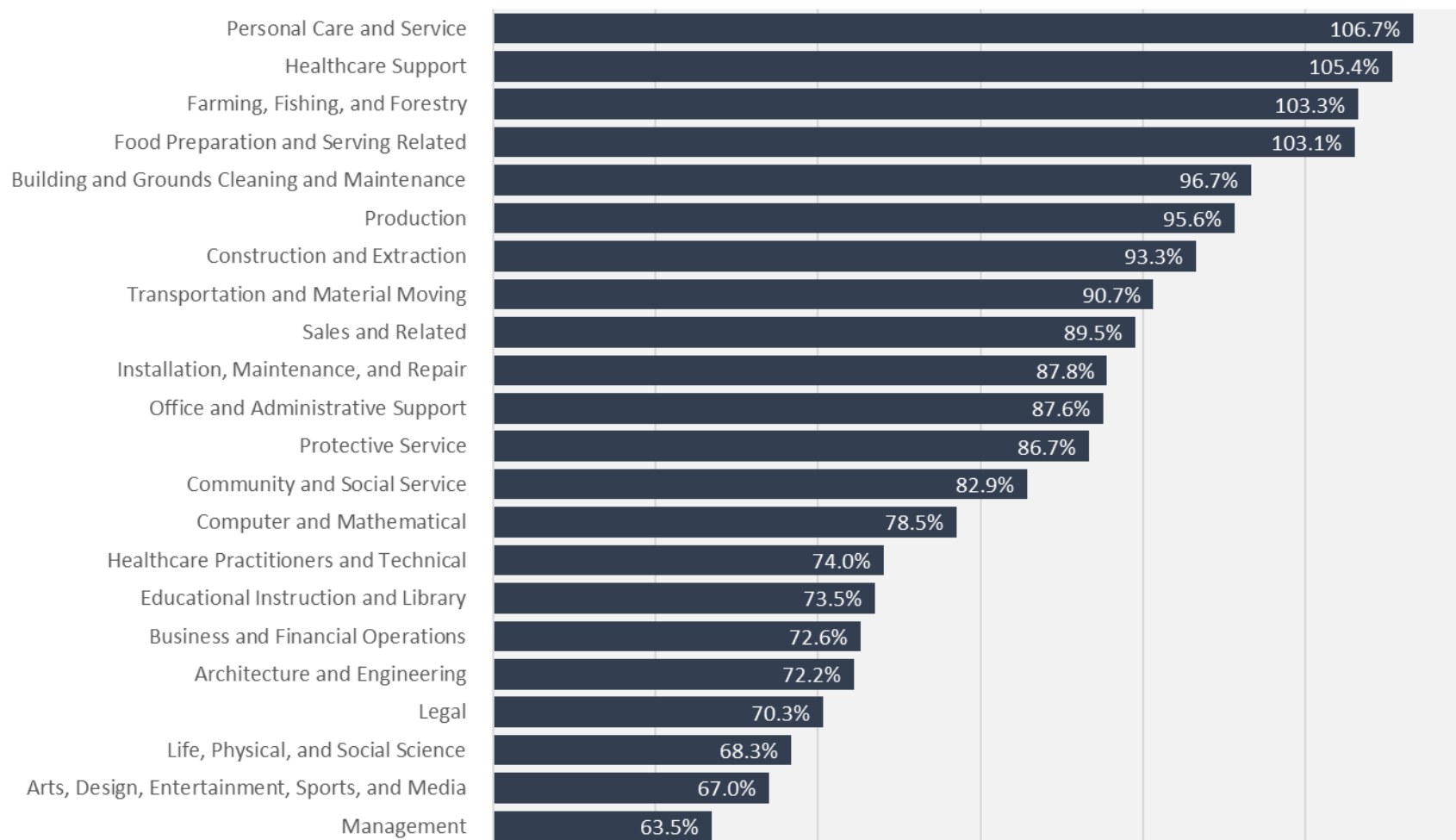
Source: Jobs EQ



This bar chart illustrates the persistent scarcity in labor force availability – a trend expected to last through the decade. The blue bars represent unfilled jobs, while the red bars show occupations where the number of unemployed in the occupation family exceeded the number of unique job postings. In some cases, such as construction occupations, this may be because most hiring in construction trades may be done by word of mouth rather than through online postings.

Percent Posted Wage to Median, Greater Metro Denver, 1st Quarter 2023

Source: Jobs EQ



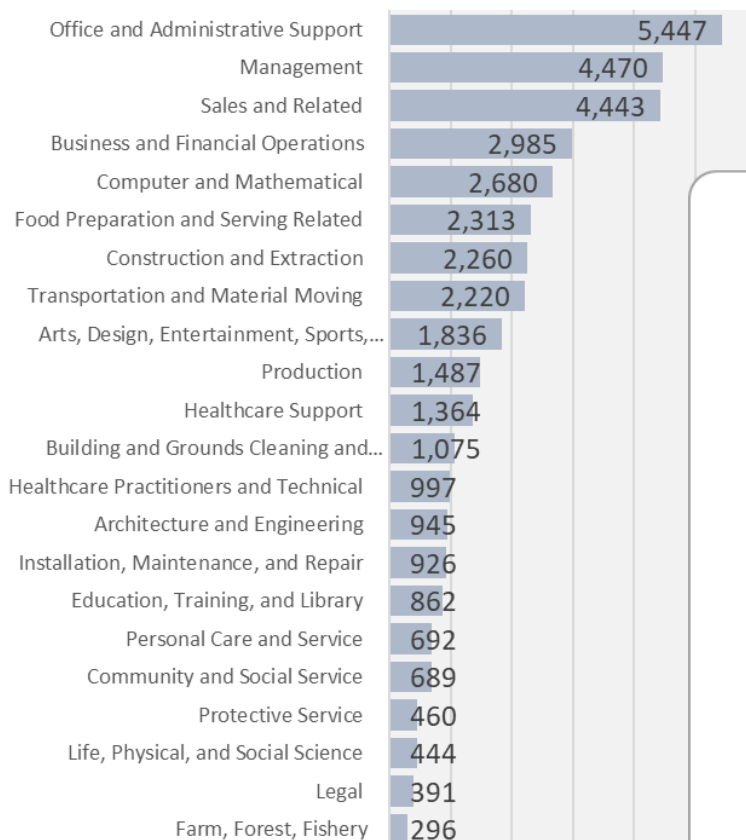
This chart shows the difference between the posted median salary and the reported median salary from Bureau of Labor Statistics Occupational Employment Statistics (OES) data, which uses May 2022 as the reference month. For example, the posted wage for healthcare support occupations in the first quarter of 2023 is 106.7% of the median wage, reflecting labor scarcity in these occupations. Difficulty in finding and keeping candidates has served to boost wage offers.

Helping Make the Match

Labor Supply, Connecting Colorado Registrants

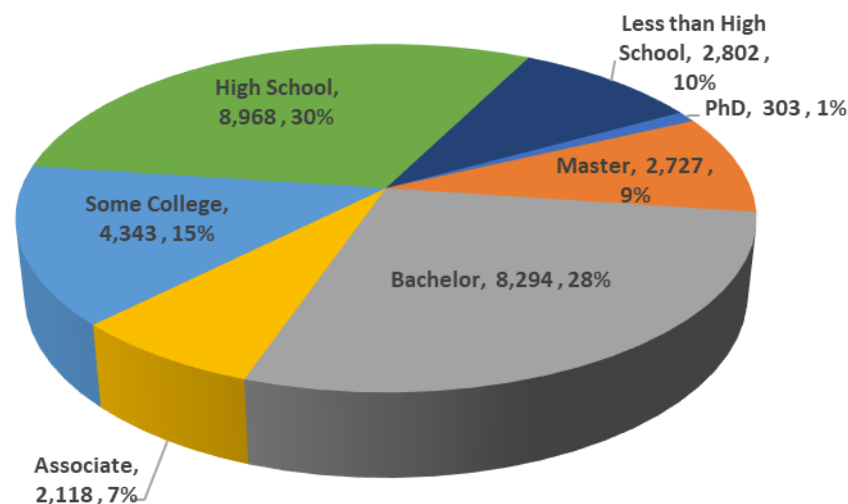
Metro Denver, April 2023

Sources: Connecting Colorado, Applicant Search

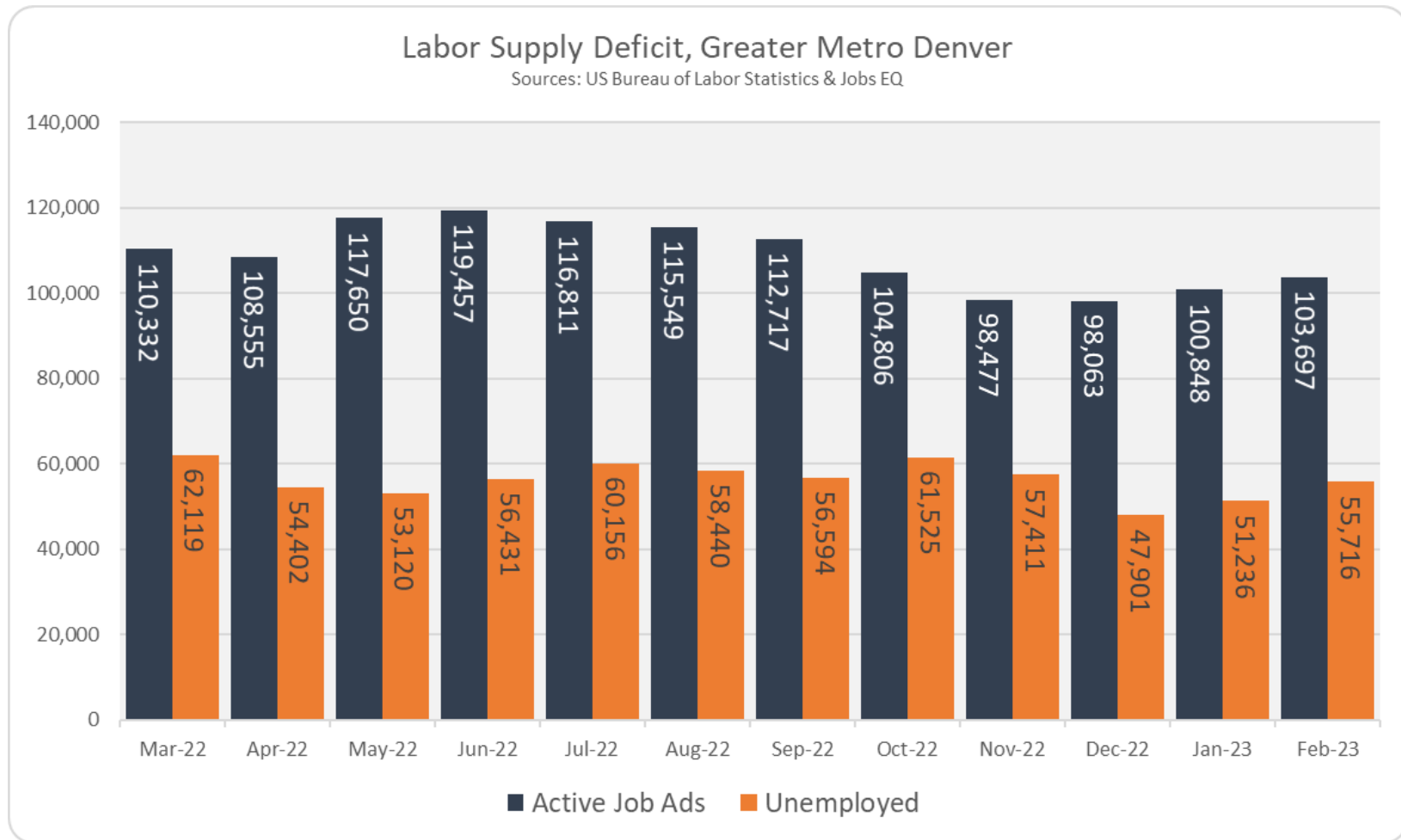


The graph and pie chart show workers immediately available through the workforce centers in greater metro Denver by occupational family and by educational attainment level.

Educational Attainment, Connecting Colorado Registrants, Metro Denver, April 2023



Labor Supply Deficit



This graph depicts the average monthly labor supply deficit for the period March 2022 through February 2023.

Job Postings Last Quarter

Top Jobs Posted, 1st Quarter 2023, Greater Metro Denver				
SOC	Occupation	Median Duration (Days)	Median Posted Wage	Active Job Ads
29-1141	Registered Nurses	24	\$68,806	7,006
11-3021	Computer and Information Systems Managers	35	\$114,200	4,989
41-2031	Retail Salespersons	45	\$33,951	4,908
41-1011	First-Line Supervisors of Retail Sales Workers	38	\$39,520	4,892
15-1252	Software Developers	34	\$110,012	4,396
53-7065	Stockers and Order Fillers	33	\$37,443	3,906
15-1299	Computer Occupations, All Other	34	\$108,405	3,502
41-3091	Sales Representatives of Services	33	\$65,000	3,158
35-3023	Fast Food and Counter Workers	60	\$32,974	3,130
15-1232	Computer User Support Specialists	33	\$49,999	3,031
35-1012	First-Line Supervisors of Food Preparation and Serving Workers	56	\$41,698	2,976
11-9111	Medical and Health Services Managers	30	\$76,872	2,965
11-9041	Architectural and Engineering Managers	34	\$107,685	2,932
49-9071	Maintenance and Repair Workers, General	34	\$47,087	2,798
15-1244	Network and Computer Systems Administrators	34	\$87,095	2,780
21-1093	Social and Human Service Assistants	27	\$42,885	2,556
13-2011	Accountants and Auditors	31	\$66,460	2,443
13-1111	Management Analysts	34	\$80,136	2,102
41-3031	Securities, Commodities, and Financial Services Sales Agents	29	\$52,865	2,097
43-6014	Secretaries and Administrative Assistants	27	\$43,094	1,917

Source: Jobs EQ

Note the high duration of postings for fast food counter people and supervisors of food prep and serving workers.

Top Hard Skills in Demand

Hard Skills			
Skill Name	Median Duration	Median Wage	Active Job Ads
Microsoft Excel	33	\$54,017	19,260
Microsoft Office	34	\$51,889	18,345
Microsoft Outlook	35	\$49,981	8,214
Ability to Lift 51-100 lbs.	31	\$41,995	7,829
Ability to Lift 41-50 lbs.	33	\$39,520	7,822
Microsoft Word	33	\$49,133	7,415
Microsoft PowerPoint	35	\$60,544	7,250
Agile	35	\$104,733	6,212
Python	36	\$99,488	6,143
Sales	35	\$41,751	5,230
Structured Query Language (SQL)	34	\$93,272	5,156
Customer Relationship Management (CRM)	36	\$77,906	4,903
Presentation	36	\$80,090	4,640
Java	41	\$106,122	4,635
Computer Programming/Coding	35	\$94,781	4,597
Cash Handling (Cashier)	48	\$35,360	4,512
Spanish	34	\$43,376	4,476
Ability to Lift 21-30 lbs.	35	\$38,115	4,463
Retail Sales	42	\$36,921	4,315
Mathematics	32	\$47,293	4,099

Source: Jobs EQ

Top Certificates and Credentials

Certifications			
Certificate Name	Median Duration	Median Wage	Active Job Ads
Driver's License	27	\$50,872	5,543
Certification in Cardiopulmonary Resuscitation (CPR)	32	\$47,155	5,120
Basic Life Support (BLS)	30	\$62,920	5,091
Registered Nurse (RN)	31	\$68,806	4,013
Secret Clearance	43	\$92,742	2,236
First Aid Certification	38	\$38,767	1,618
Advanced Cardiac Life Support Certification (ACLS)	29	\$66,560	1,351
Commercial Driver's License (CDL)	30	\$47,840	998
Certified Public Accountant (CPA)	43	\$89,789	977
Certified Nursing Assistant (CNA)	30	\$40,406	851
Licensed Practical Nurse (LPN)	35	\$51,854	788
The American Registry of Radiologic Technologists (ARRT) Certification	43	\$68,182	635
Project Management Professional (PMP)	32	\$98,213	602
Licensed Clinical Social Worker (LCSW)	44	\$63,856	591
Licensed Professional Counselor (LPC)	42	\$62,400	495
Pediatric Advanced Life Support (PALS)	34	\$68,640	487
Certified Information Systems Security Professional (CISSP)	36	\$107,468	466
Licensed Professional Engineer	34	\$101,350	413
ServSafe Food Protection Manager Certification	27	\$57,320	392
Class A Commercial Driver's License (CDL-A)	27	\$56,399	380

Source: Jobs EQ

Top Companies Posting

Top Employers Posting Jobs, 1st Quarter 2023, Greater Metro Denver

Employer Name	Active Job Ads	Median Posted Wage
State of Colorado	3,304	\$55,219
UCHealth	2,363	\$62,413
Centura Health	2,141	\$62,920
University of Colorado	2,088	\$62,400
LOCKHEED MARTIN	1,929	\$92,742
Metropolitan State University of Denver	1,425	\$33,010
Robert Half	1,181	\$60,357
City and County of Denver	1,113	\$50,710
Walgreens	1,033	\$37,440
Cynet Systems	931	\$121,400
Dish Network	879	\$92,750
Fusion Medical Staffing	780	n/a
HCA HealthCare	768	\$66,560
Spectrum	749	\$96,486
ClientSolv Technologies	707	\$83,200
Diverse Lynx	700	\$140,400
Jobot	613	\$104,035
LOWES	612	\$34,455
Allied universal	601	\$42,640
Starbucks	601	\$57,425

Source: Jobs EQ

This list reflects a number of industries, however note the high number of postings in healthcare.

Type of Jobs Posted

Job Types, 1st Quarter 2023, Greater Metro Denver Total Number Active Postings = 169,540				
Type	Median Duration	Median Wage	Active Job Ads	Percent
Full-Time	32	\$49,760	93,989	55.4%
Part-Time	43	\$37,218	20,381	12.0%
Remote	32	\$81,448	12,232	7.2%
Permanent	30	\$44,886	11,486	6.8%
Temporary (unspecified)	39	\$43,111	7,850	4.6%
Temporary (short-term)	20	\$57,996	1,237	0.7%
Temp-to-Hire	25	\$43,680	1,068	0.6%
Temporary (long-term)	30	\$70,346	754	0.4%
Remote Not Indicated	33	\$45,675	157,308	92.8%

Source: Jobs EQ

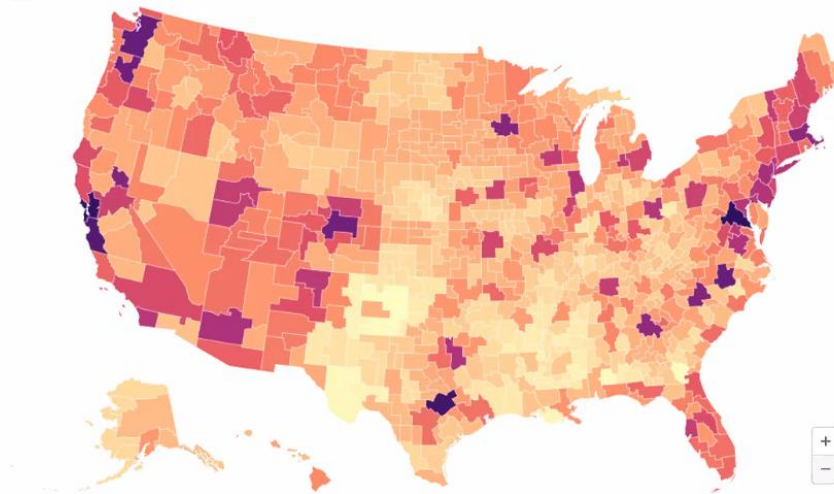
Note percentages do not add up due to overlap between type of posting. It is interesting to see the substantial number of part-time positions posted, as well as the various types of temporary positions.

Working from Home

Work from home - ACS

Share remote workers, by commuter zone, 2021

2.41 33.64



Map: EIG - Source: 2021 ACS 1-year estimates - Created with Datawrapper

Top commuting zones by telework share

Washington D.C.	34%
San Francisco	33%
Austin	32%
San Jose	30%
Seattle	29%
Raleigh	29%
Portland	28%
Denver	28%
Fort Collins	21%
Colorado Springs	18%
Grand Junction	16%
Pueblo	10%



COLORADO
Department of Local Affairs

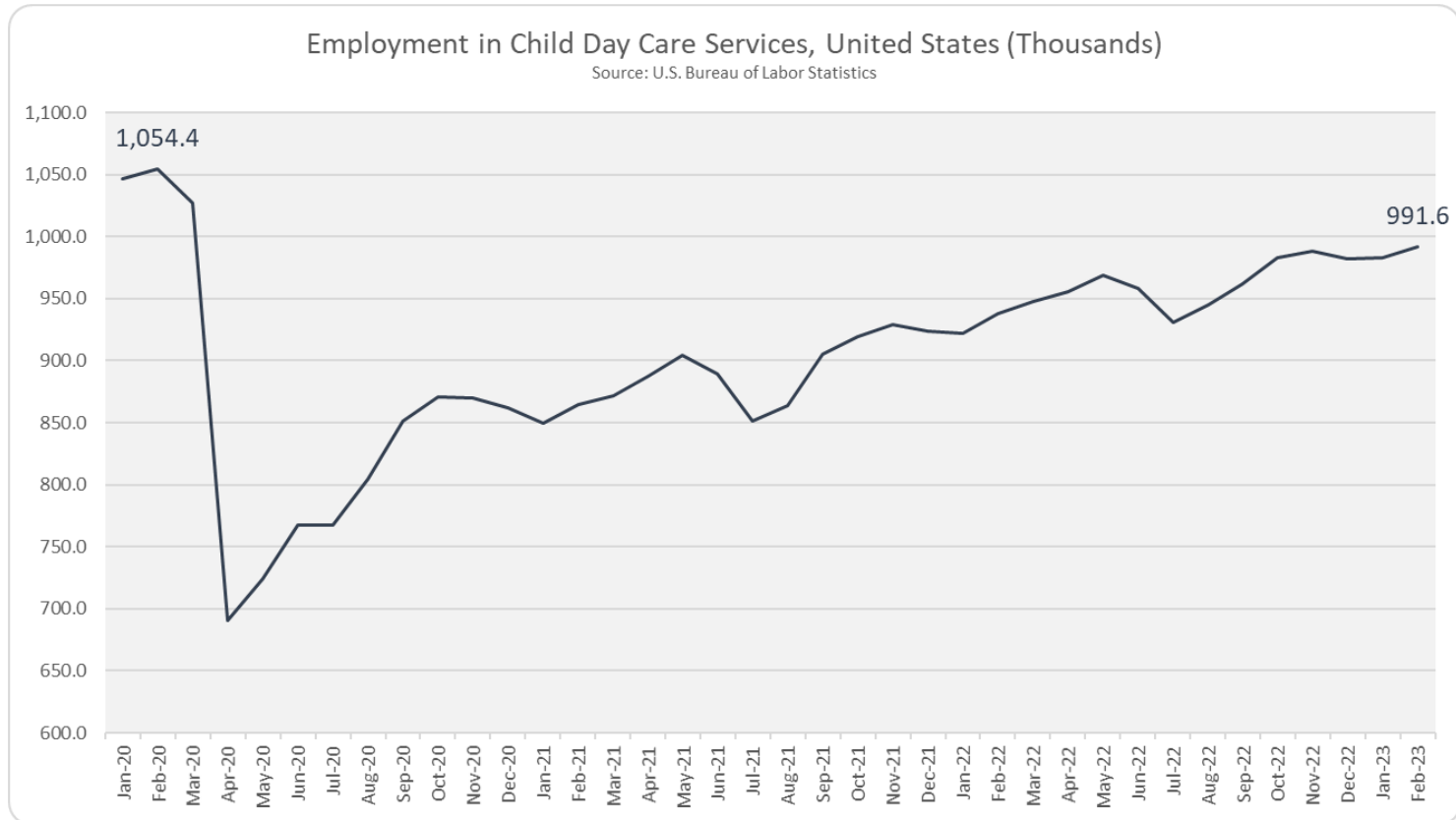
Economic Innovation Group, 2021 ACS 1-year estimates,
<https://eig.org/the-uneven-geography-of-remote-work/>

This data actually comes from the 2021 US Census American Community Survey, courtesy of our friends in the Colorado Demography Office. The American Community Survey is an annual survey sent out to a sample of Americans nationwide. One of its questions is, “How did you get to work most of the time” during the reference week?

When we see that 28% of people working in Denver are working from home, what it actually means is that for 28% of the workforce, they worked at home ‘most of the time.’ We have no way of telling whether members of this group were telecommuting full-time or were on a hybrid schedule.

Spotlight on the Child Day Care Sector

National Spotlight in Child Day Care Services



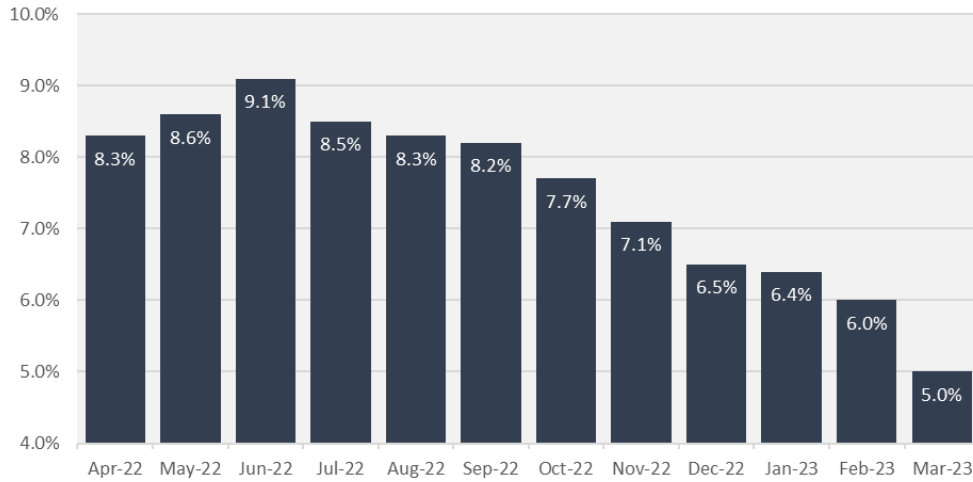
Employment in child day care services is still down by 62,800 people, which means it is only operating at 94% of its pre-pandemic capacity. Note this does not include licensed child day care homes, so the actual availability of childcare for workers in any geographic area is historically difficult to assess using traditional labor market data.

Trends in Inflation

Selected Inflation Rates

Inflation Rate, Percent Change from Same Month, Prior Year,
United States

Source: US Bureau of Labor Statistics



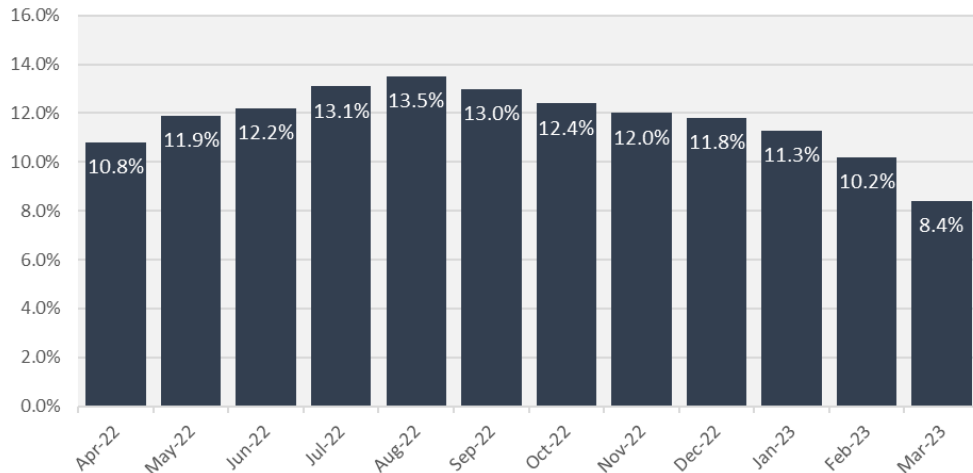
The good news is that overall inflation is down.

However, we see that inflation for groceries remains persistently high.

Due to supply chain issues, inflation has skyrocketed for food in school cafeterias, which is up over 296% from its costs last year.

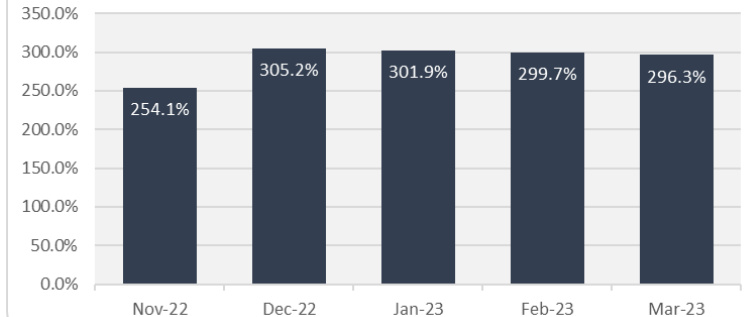
Inflation Rate, Groceries (Food at Home), Percent Change from
Same Month, Prior Year, United States

Source: US Bureau of Labor Statistics



Inflation, Food in K-12 Schools, Percent Change
from Prior Year, United States

Source: US Bureau of Labor Statistics

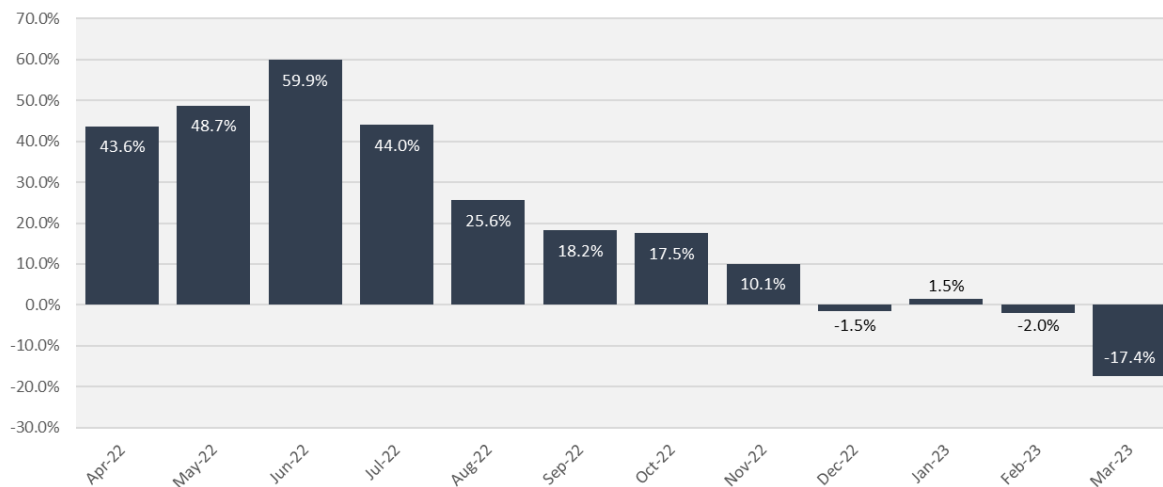


Selected Inflation Rates

A positive note is that inflation is down for both gasoline and energy from the same month last year.

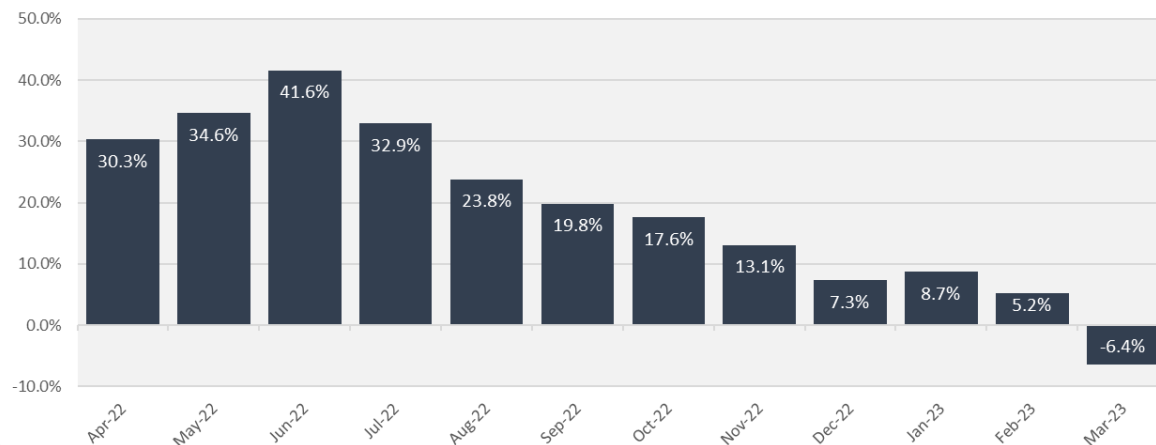
Inflation, Gasoline, Percent Change From Same Month, Prior Year, United States

Source: US Bureau of Labor Statistics

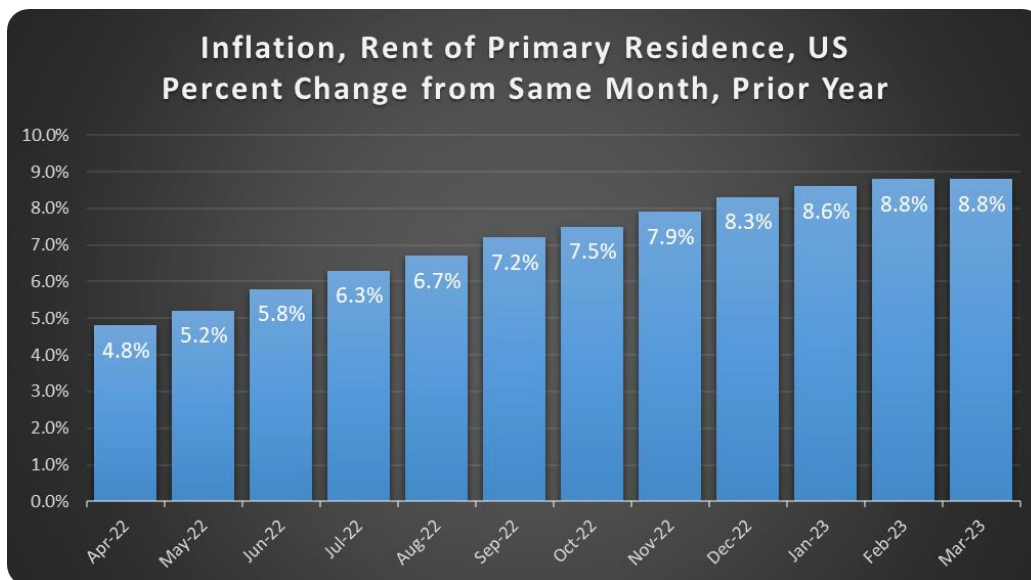


Inflation Rate, Energy, Percent Change from Same Month, Prior Year, United States

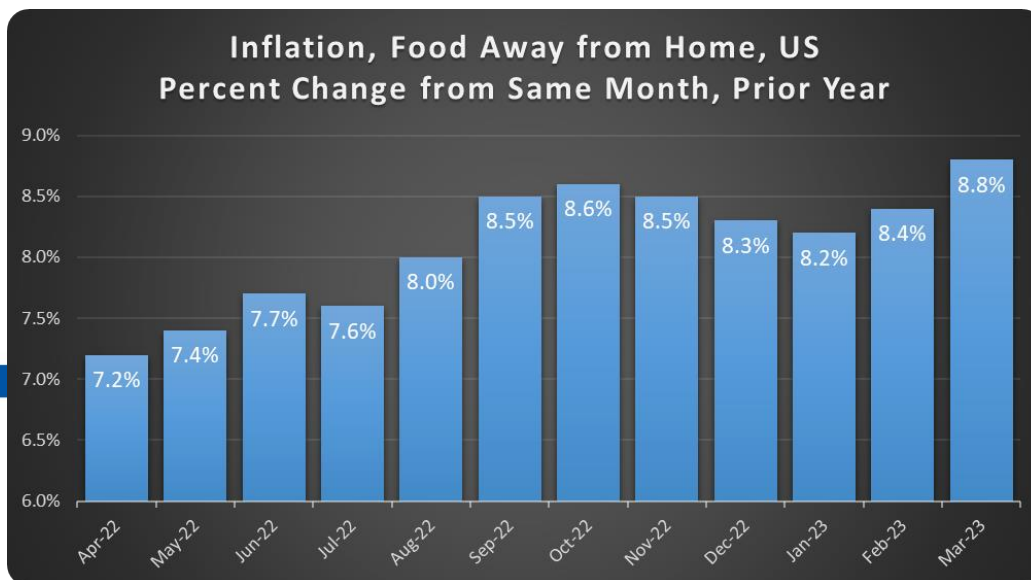
Source: US Bureau Labor Statistics, Consumer Price Index



Spotlight: Cost of renting your primary residence and eating out



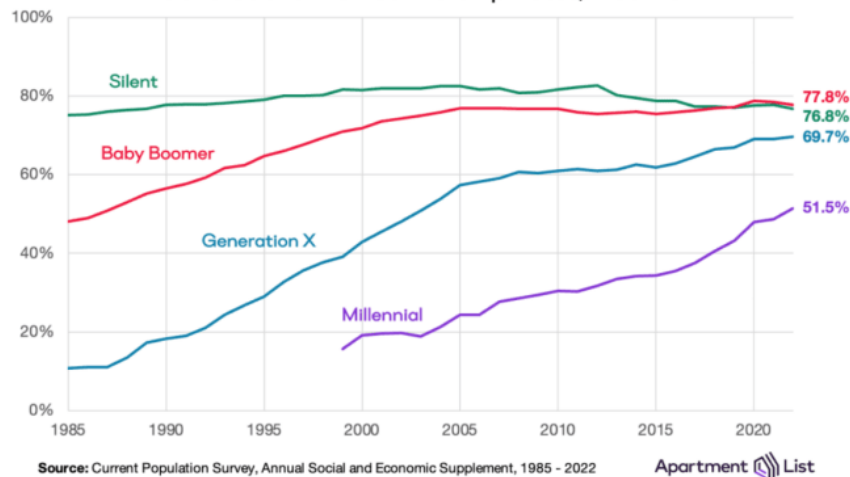
Rental costs have gone up and remained stubbornly high.



Eating out has also become increasingly expensive.

Spotlight: Cost of renting your primary residence and eating out

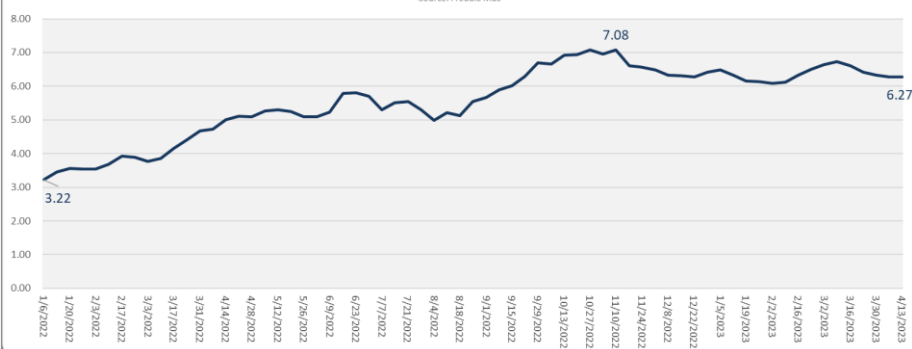
Generational Homeownership Rates, 1985-2022



In order to fight inflation, the Federal Reserve has been raising interest rates to contract the money supply by making it harder for people to borrow money.

This is expected to lower demand for goods and services, which in turn will likely cause layoffs, creating a temporary surplus in labor supply, which is then expected to drive wages down.

30 Year Fixed Rate Mortgage Rates, United States
Source: Freddie Mac



Unfortunately, as the graph at the top shows, the Millennial generation has been adversely affected, first by high home values, and now by mortgage interest rates above 6% which are pricing many out of the market. The result is that the home ownership rate among Millennials is substantially lower than for prior generations of Americans.

Note the graph at the top is sourced from Mishtalk.com

<https://mishtalk.com/economics/a-huge-millennial-home-ownership-gap-in-pictures>

Strategies in a Scarce Labor Market

What to do in a Scarce Labor Market

There are a number of strategies you can employ if you are having a hard time filling positions.

The Arapahoe/Douglas Works! Business Services Team can help you strategize and get started.

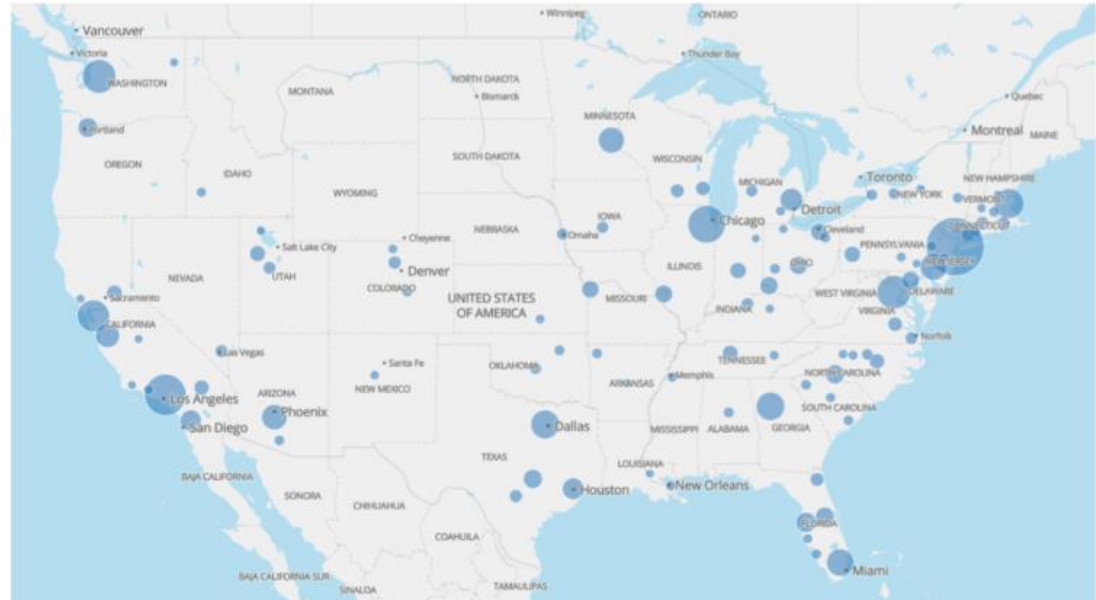


Remote Working or Telework



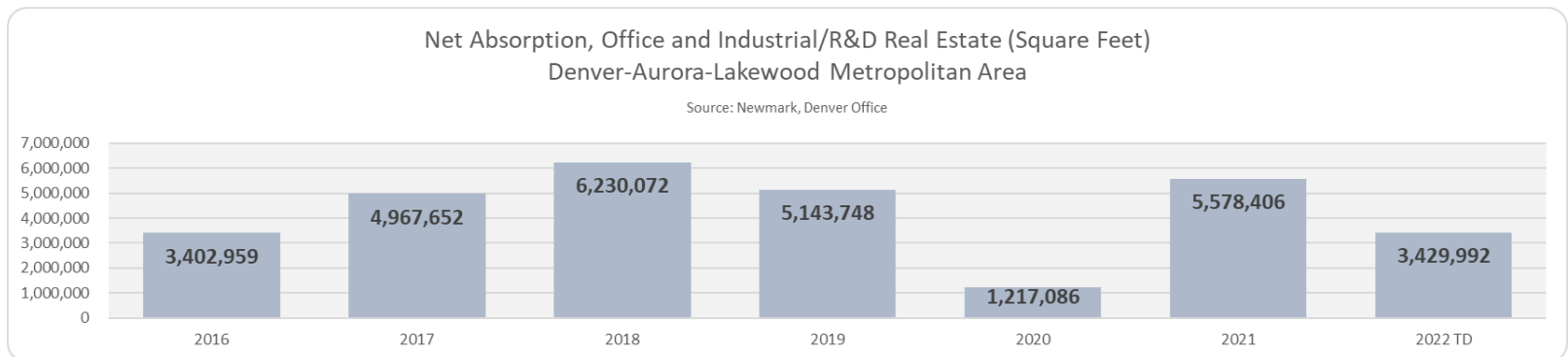
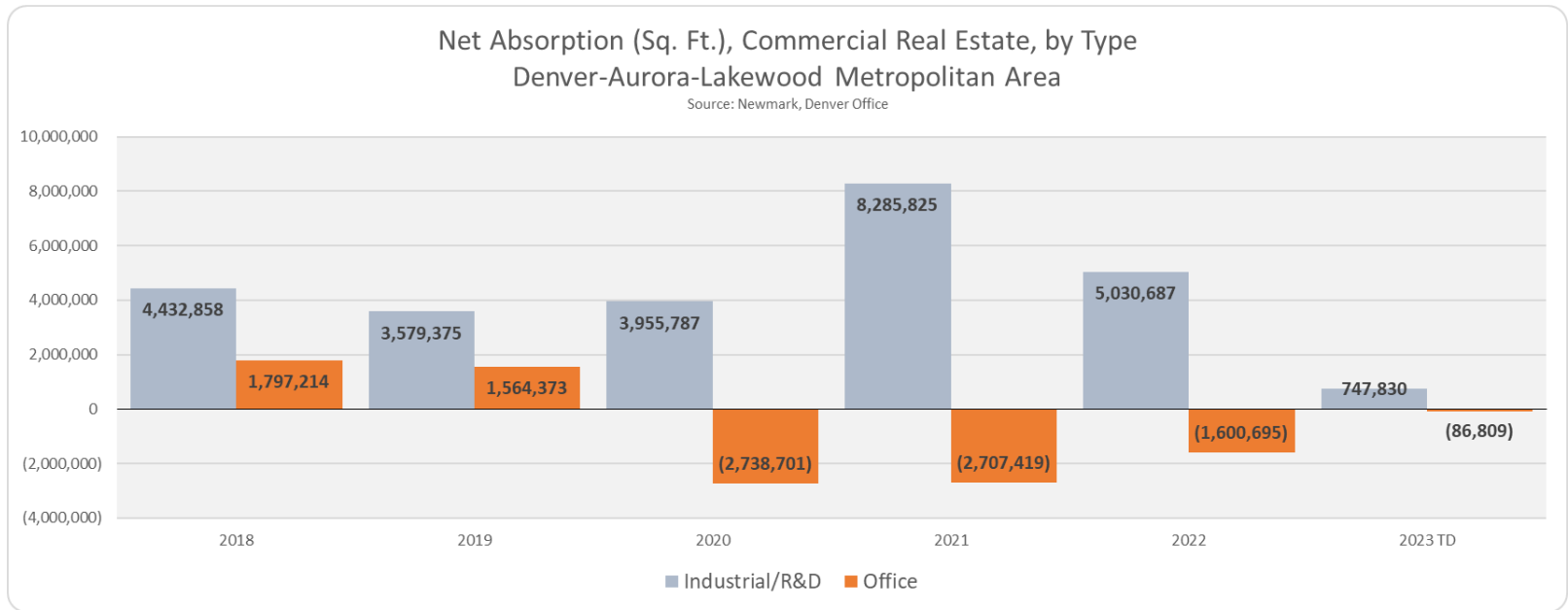
If an occupation can work remotely, and you cannot find anyone locally, why not increase the area of outreach and recruitment?

Implementing a Telework Strategy



Some companies recruit certain occupations from anywhere in the United States, and even in other countries.

Rethinking Real Estate Strategy



Organizations throughout the world are rethinking what work looks like. There are many benefits for your bottom line determining which of your positions could be remote or hybrid.

Remote Work Trends & Capacity

Arapahoe/Douglas Works! estimates the labor force along Colorado's Urban Front Range has around a 24% capacity for remote work. This estimate was derived from U.S. Bureau of Labor Statistics data compiled during the pandemic, and applied to greater metro Denver.

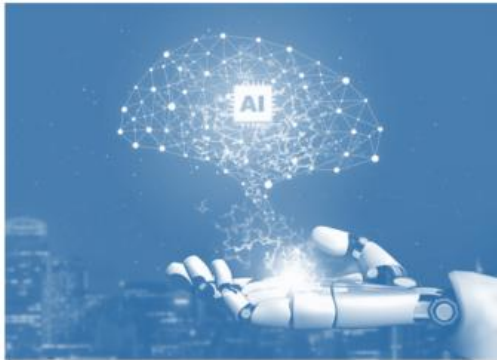
We see now that this capacity has gone up to 28% in greater metro Denver, and exceed 30% in some cities.

For the last quarter, according to Lightcast, around 7.5% of posted unique jobs are remote or hybrid. This may be misleading because many postings do not specify.

Teleworking Capacity, Colorado Central Planning Region				
SOC	Occupation Family	2022 Jobs	Percent Teleworking Successfully in January 2021	Potential Telework Capacity
13	Business and financial operations	157,577	53.8%	84,776
15	Computer and mathematical	92,897	67.6%	62,798
43	Office and administrative support	193,560	24.8%	48,003
25	Education, training, and library	82,229	44.5%	36,592
11	Management	93,591	36.6%	34,254
41	Sales and related	174,136	17.0%	29,603
17	Architecture and engineering	43,134	45.7%	19,712
27	Arts, design, entertainment, sports, and media	37,233	42.0%	15,638
21	Community and social services	27,751	44.9%	12,460
23	Legal	21,103	57.7%	12,176
29	Healthcare practitioners and technical	88,362	13.1%	11,575
19	Life, physical, and social science	18,644	45.6%	8,502
39	Personal care and service	54,908	7.7%	4,228
53	Transportation and material moving	139,389	2.1%	2,927
35	Food preparation and serving related	121,055	2.3%	2,784
33	Protective service	30,966	8.8%	2,725
31	Healthcare support	61,314	4.0%	2,453
47	Construction and extraction	87,482	2.8%	2,450
49	Installation, maintenance, and repair	61,078	3.5%	2,138
51	Production	53,462	3.4%	1,818
37	Building and grounds cleaning and maintenance	51,975	2.8%	1,455
45	Farming, fishing, and forestry	5,449	1.4%	76
	Totals	1,697,295	23.5%	399,144

Source: EMSI Burning Glass

Automation



If customer expectations and behavior have changed, can automation help you meet those expectations?



If you sell tires, for example, can the customer to choose tires, purchase them, and schedule a service appointment on your website?

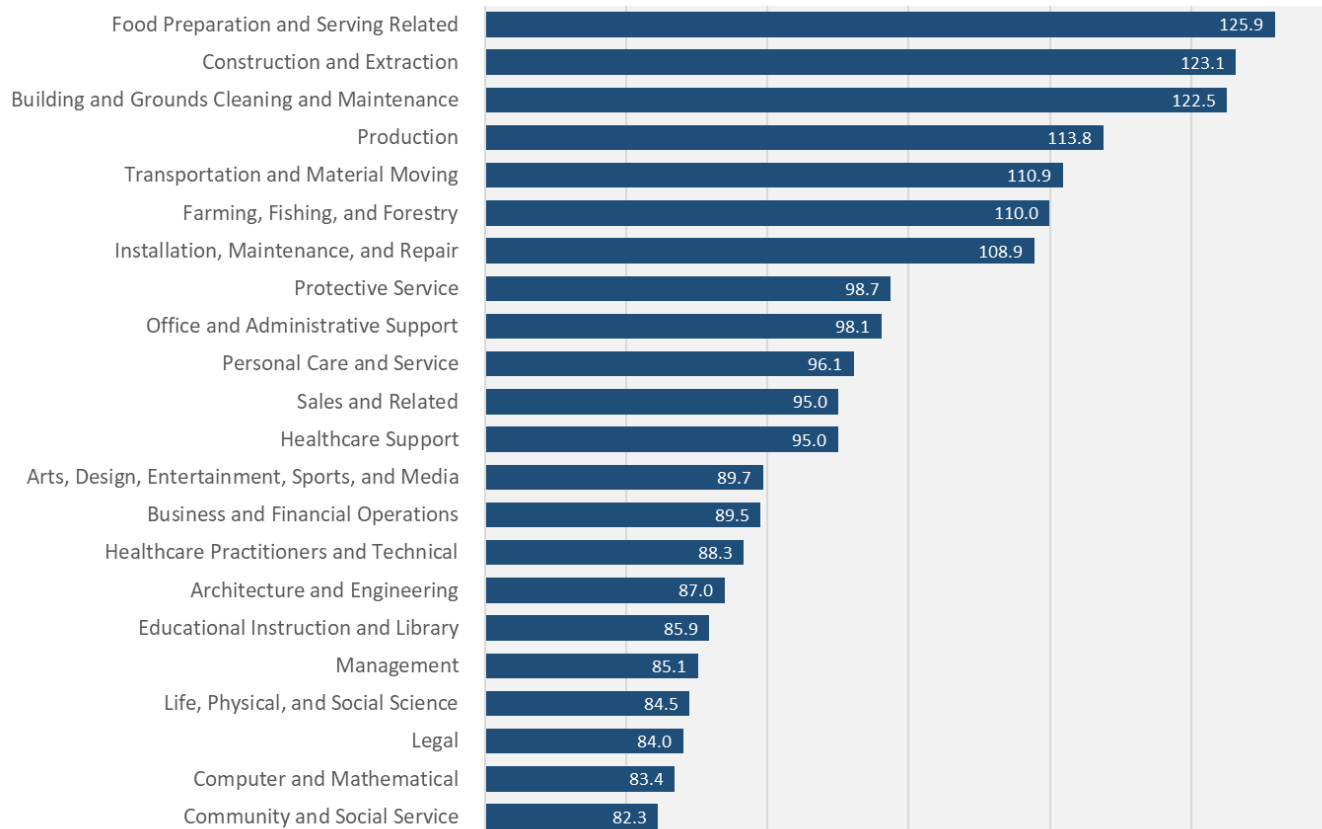


Automation Opportunities

Automation seldom replaces workers 1:1, but in the face of the labor shortage, an increasing number of companies are investing capital to automate various processes to leverage the productivity of the labor they have.

Automation Index by Occupation Family

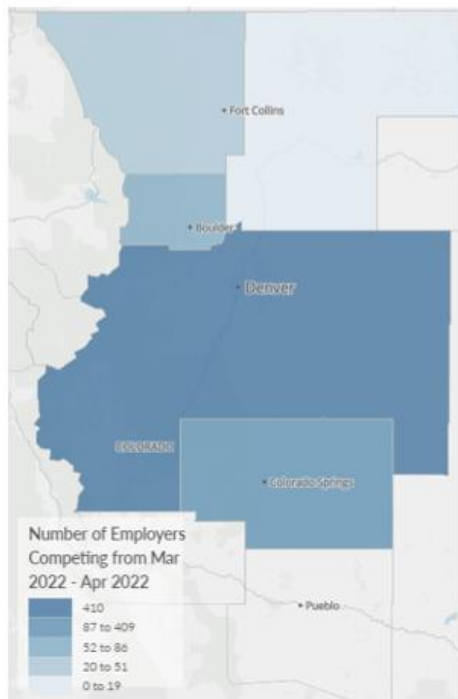
Source: EMSI Burning Glass



Sector Partnership

Sector Partnership

If your business is struggling to find people, you can bet other companies that do what you do are struggling also. Why not form a sector partnership?

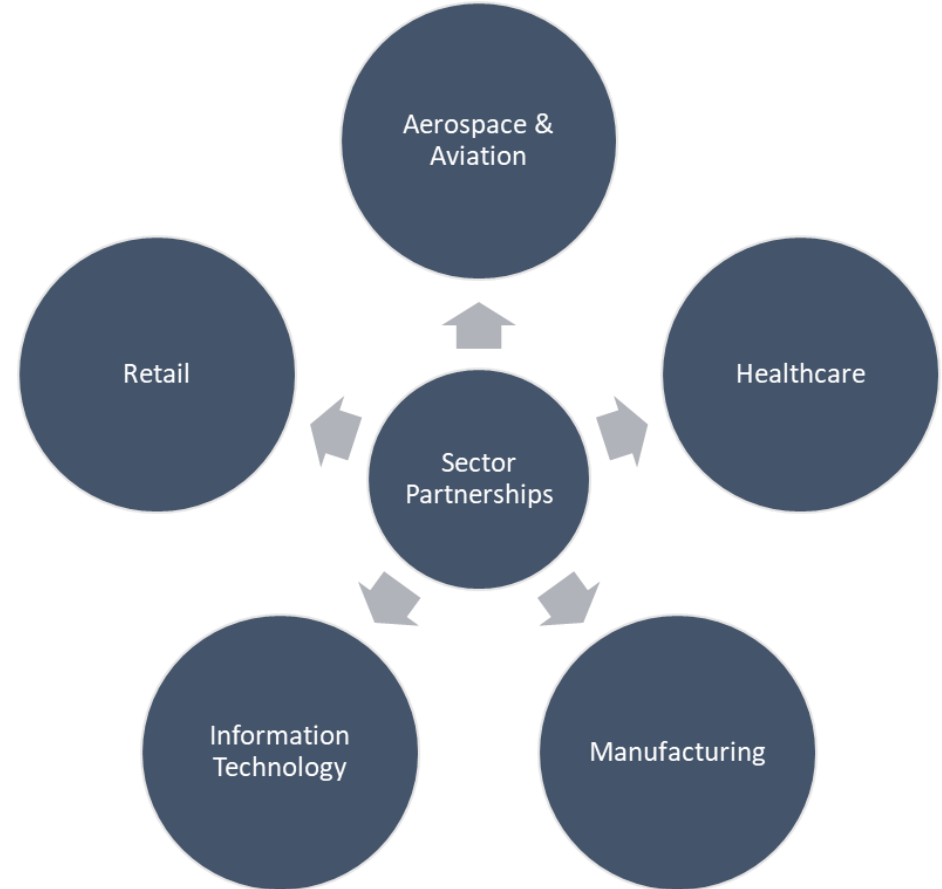


With help from public partners like workforce centers and community colleges, you can work together to make sure the training pipeline is putting out graduates with the skills you need.



Sector Partnerships

If you are interested in finding out more about one of these, check with our Arapahoe/Douglas Works! Business Services Representative.

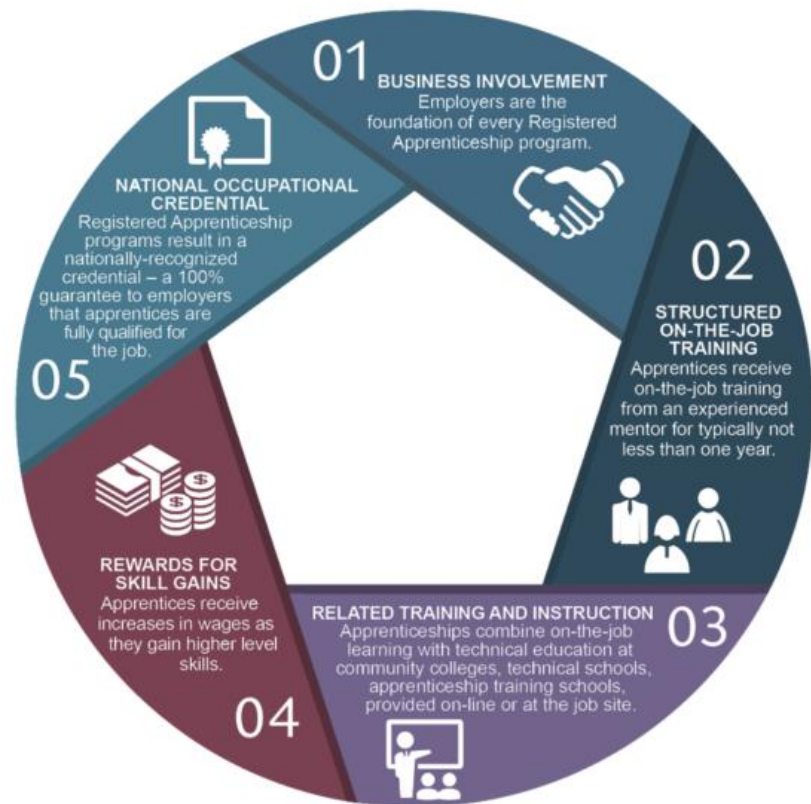


Apprenticeship

A registered apprenticeship is another option for businesses in a scarce labor market.

Industry associations or other intermediaries can recruit and train apprentices with the skills you need, and then place them with businesses like yours.

This can work very well for businesses that have high retirement risk among people with key skills. These skilled workers can train your apprentices so their institutional knowledge stays with you.



Arapahoe/Douglas Works! Responds to Businesses and Job Seekers

What Workforce Centers Do

- Helps people find jobs.
- Helps businesses find qualified people.
- Provides skill training assistance to job seekers when needed.
 - Traditional occupational training in postsecondary institutions.
 - Work-based learning opportunities, such as internships and on-the-job training.
- Helps people with career exploration, and in mapping out career pathways.
- Works with economic developers to identify and profile key industry sectors.
- Works with economic developers and site selectors to provide relevant data on labor availability.
- Provides relevant data and information to local businesses.
- Consults with local businesses to determine strategies to stay competitive in a scarce labor market.
- Works with partners and stakeholders to identify and fill gaps in workforce development.

Please send any feedback on this product to:

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