Employment Conditions in the Denver Area

Denver Workforce Development Roundtable

Kelly D. Edmiston
February 8, 2012
The Jobs Deficit

Chart computes the employment level that would be required to keep the unemployment rate at the December, 2007 level, given structural trends in the labor force participation rate. The structural trend in labor force participation rates is discussed in Van Zandweghe (2012).
Unemployment Rate

Source: U.S. Bureau of Labor Statistics

Percent Unemployed

Source: U.S. Bureau of Labor Statistics
Unemployment and Labor Force Participation Rates

Source: U.S. Bureau of Labor Statistics
Expanded Unemployment Rate (U.S.)

Source: U.S. Bureau of Labor Statistics
LMI Job Availability Index

Source: FRB KC Low- and Moderate-Income Survey
Unemployment Rate by Race and Ethnicity (2010)

Unemployment Rate

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Black</th>
<th>Hispanic</th>
<th>White</th>
</tr>
</thead>
<tbody>
<tr>
<td>Denver</td>
<td></td>
<td>13.4</td>
<td>11.5</td>
<td>8.5</td>
</tr>
<tr>
<td>U.S.</td>
<td></td>
<td>15.0</td>
<td>11.5</td>
<td>8.1</td>
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</tbody>
</table>

Source: U.S. Bureau of Labor Statistics
Unemployment Rate by Educational Attainment

Source: U.S. Bureau of Labor Statistics
Median Weekly Earnings by Educational Attainment (U.S.)

Source: U.S. Bureau of Labor Statistics

2007
- Less than a high school diploma: 451
- High school graduates, no college: 638
- Some college or associate's degree: 739
- Bachelor's degree and higher: 1,150

2011
- Less than a high school diploma: 451
- High school graduates, no college: 638
- Some college or associate's degree: 739
- Bachelor's degree and higher: 1,150

Average (2001-2011)
- Less than a high school diploma: 451
- High school graduates, no college: 638
- Some college or associate's degree: 739
- Bachelor's degree and higher: 1,150

Source: U.S. Bureau of Labor Statistics
Share of Unemployment that is Long-Term (U.S.)

Source: U.S. Bureau of Labor Statistics

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Typical Recession Path

Change, real GDP, Annual Rate

- 1979: 3.1
- 1980: -0.3
- 1981: 2.5
- 1982: -1.9
- 1983: 4.5
- 1984: 7.2
- 1985: 4.1
- 1986: 3.5
- 1987: 3.2

K. Edmiston, FRB KC
# Consensus Forecasts

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
<th>2012F</th>
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<tbody>
<tr>
<td>Real GDP Growth</td>
<td>3.0</td>
<td>1.7</td>
<td>2.2</td>
</tr>
<tr>
<td>Unemployment Rate</td>
<td>9.6</td>
<td>8.9</td>
<td>8.6</td>
</tr>
<tr>
<td>Consumer Prices</td>
<td>1.6</td>
<td>3.2*</td>
<td>1.9</td>
</tr>
</tbody>
</table>

Source: Blue Chip Economic Indicators (Jan 2012); Consensus Forecasts (Jan 2012); U.S. Bureau of Labor Statistics

Note: * indicates an estimate

Source: Blue Chip Economic Indicators (Jan 2012)
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