

June 16th, 2022

May 2022 Employment Report

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Types of Employment Data Analyzed

Survey of Businesses

Current Employment Statistics

- Employment and wage estimates by industry
- Measures jobs not number of people employed
- Excludes most agriculture, self-employed, family, military and rail workers

Survey of Households

Local Area Unemployment Statistics

- Unemployment, employment and labor force levels by geographic region
- Measures people employed not number of jobs
- Excludes individuals not in the labor force

Types of Analysis Discussed

Month-Over-Month

- Numeric/Percentage Change
- Influence of seasonal trends are included
- Main Use: Compare changes with previous years in the same month – comparison of previous years point-in-time estimates

Year-Over-Year

- Numeric/Percentage Change
- Removes influence of seasonal trends
- Main Use: Compare changes with previous time periods – long-term trends (growing, declining, accelerating, or decelerating)

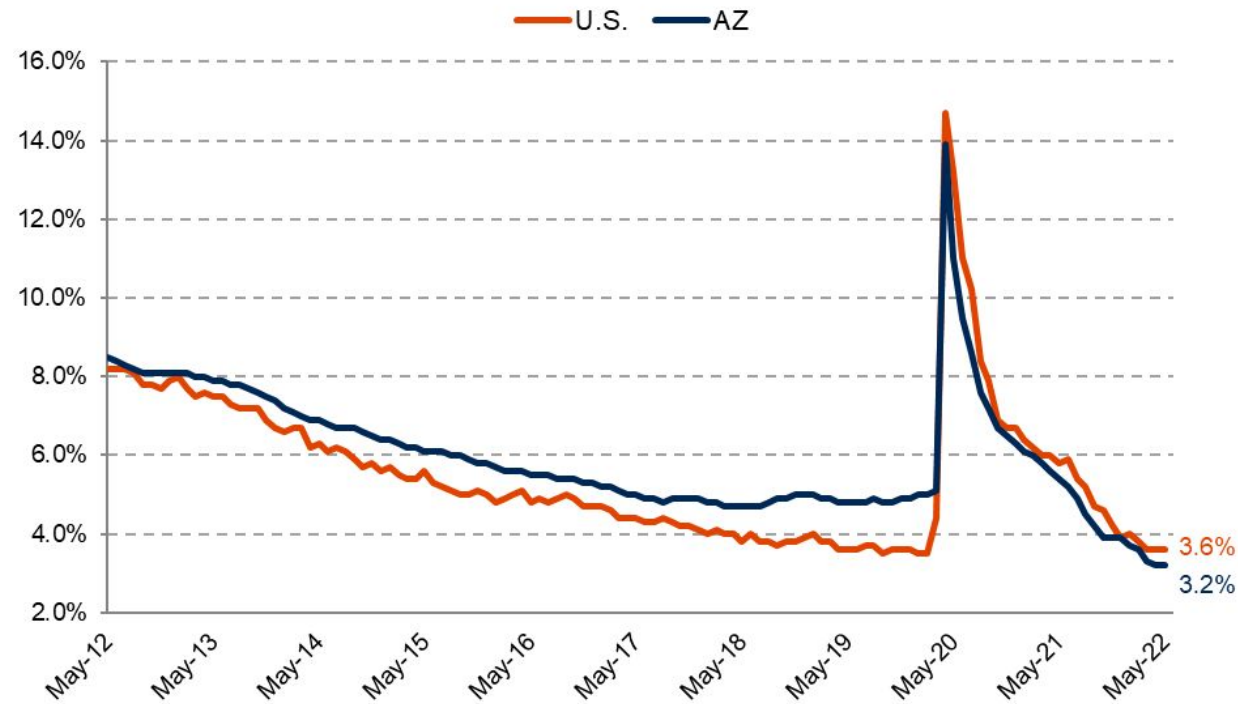
Month-Over-Month (MoM) Highlights

- The Arizona seasonally adjusted (SA) unemployment rate remained at 3.2% from April 2022 to May 2022
 - The unemployment rate is the lowest rate recorded under the current estimation methodology going back to 1976
- The U.S. SA unemployment rate remained at 3.6% from April 2022 to May 2022
- Arizona nonfarm employment decreased by 5,500 jobs
 - The largest gains were recorded in Leisure and Hospitality (4,900 jobs) and Information (1,300 jobs)
 - The largest losses were recorded in Government (-6,700 jobs) and Trade, Transportation, and Utilities (-3,800 jobs)
- The April 2022 nonfarm employment change was revised from a gain of 13,100 jobs to a gain of 10,400 jobs
 - The largest downward revisions were in Professional and Business Services and Trade, Transportation and Utilities

Year-Over-Year (YoY) Highlights

- Arizona nonfarm employment increased by 102,900 jobs (3.5%)
- Arizona private sector employment increased by 99,000 jobs (3.9%), while government employment increased by 3,900 jobs (1.0%)
- Ten out of eleven major sectors recorded job gains
 - The largest gains were recorded in Leisure and Hospitality (32,100 jobs) and Trade, Transportation and Utilities (26,400 jobs)
- All seven Arizona metro areas (MSAs) gained jobs
 - The largest percentage gains were recorded in Flagstaff MSA (6.5%) and Yuma MSA (5.3%)

Arizona & U.S. Unemployment Rates Seasonally Adjusted



Period	Labor Force	Employment	Unemployment	Unemp. Rate
May-2022	3,569,593	3,454,405	115,188	3.2
OTM Change	12,691	12,452	239	0.0
OTY Change	50,012	125,086	-75,074	-2.2

U.S. & Arizona Labor Force YoY Percentage Change

Seasonally Adjusted

— U.S. — AZ



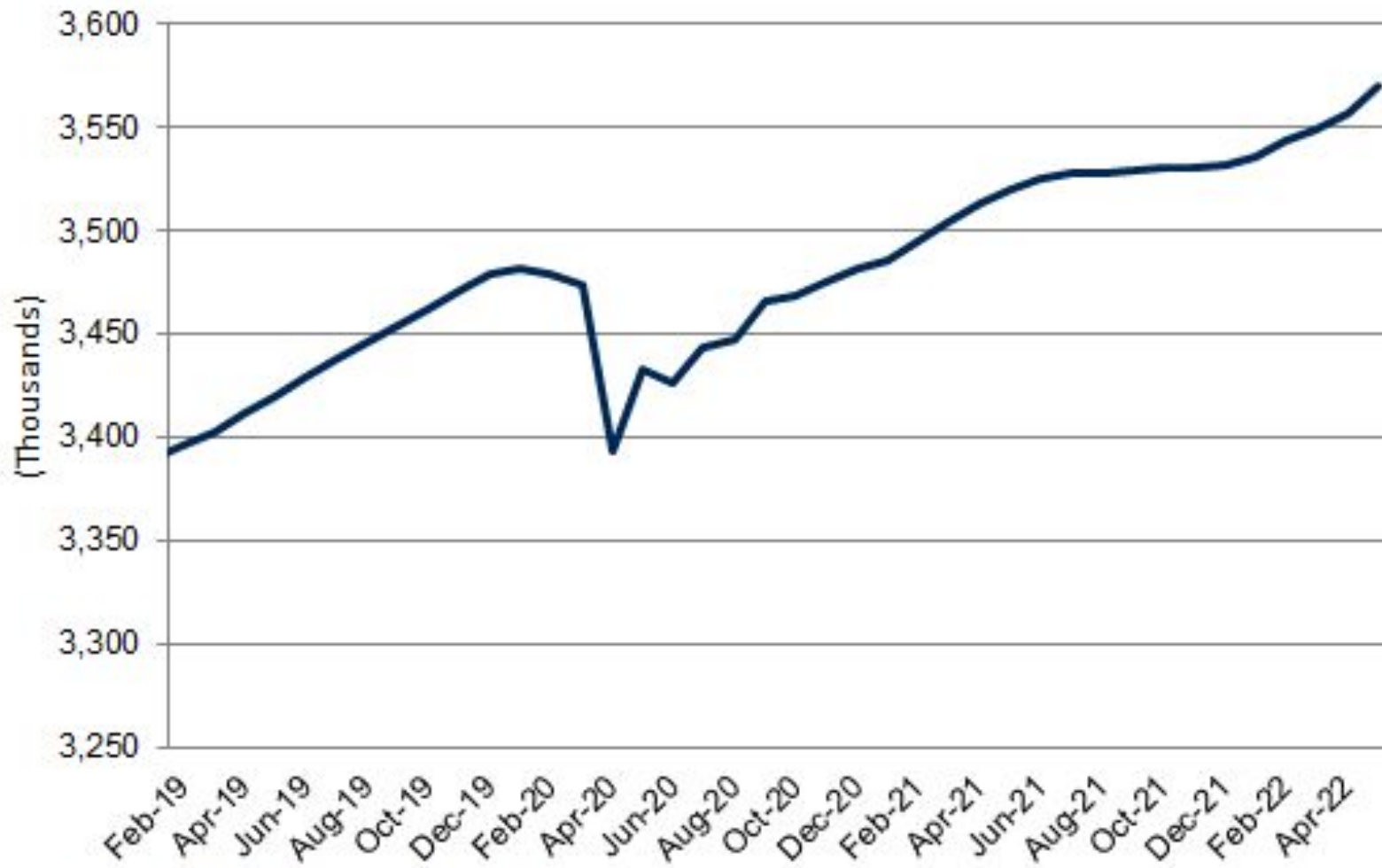
Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

U.S. Labor Force Seasonally Adjusted



Source: Arizona Office of Economic Opportunity

Arizona Labor Force Seasonally Adjusted

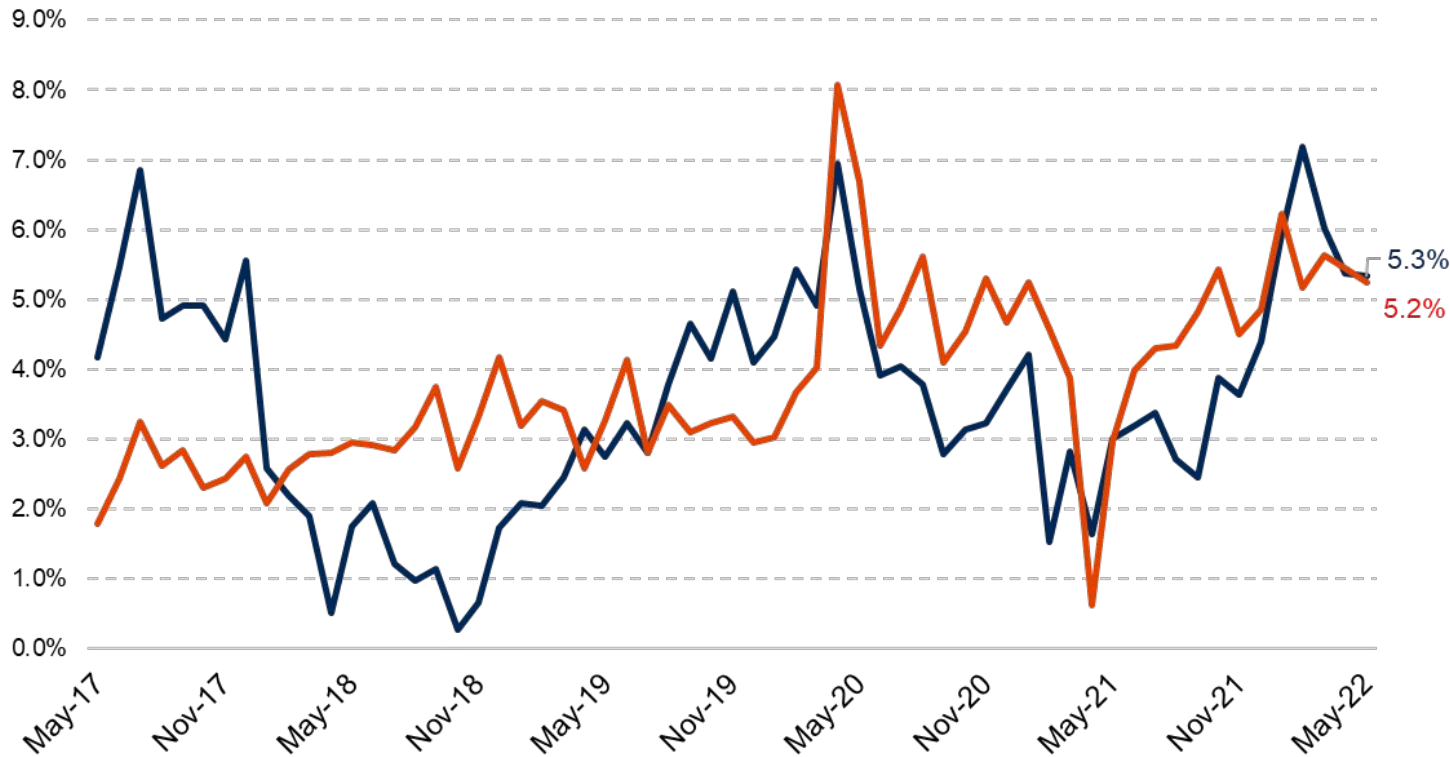


Source: Arizona Office of Economic Opportunity

Year-Over-Year Earnings Change

Private Sector Average Hourly Earnings

— Arizona — United States

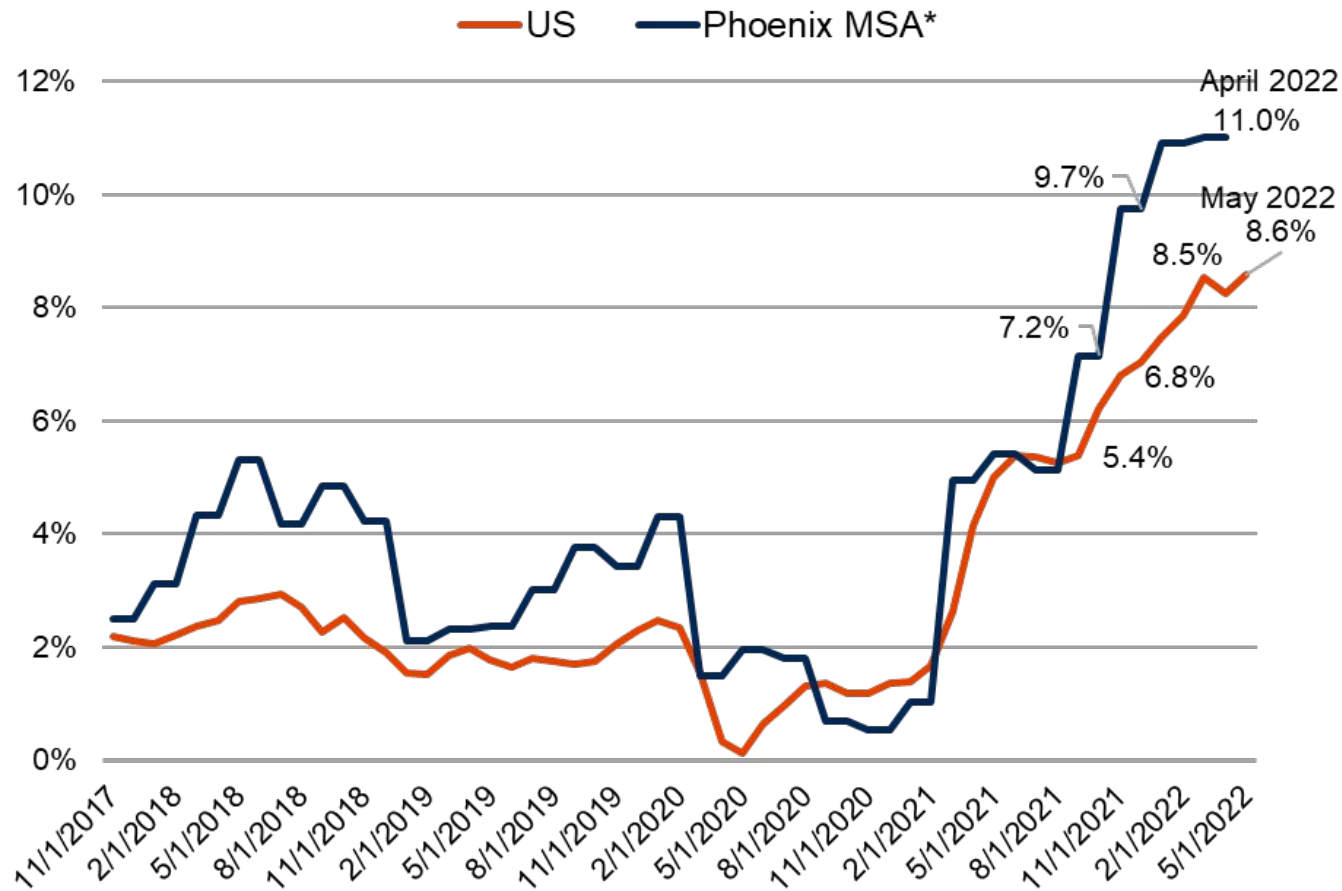


- Arizona average hourly earnings increased 5.3% YoY in May 2022
- U.S. average hourly earnings increased 5.2% YoY in May 2022

Avg. Hourly Earnings: Arizona: \$29.84; U.S.: \$32.12

Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics

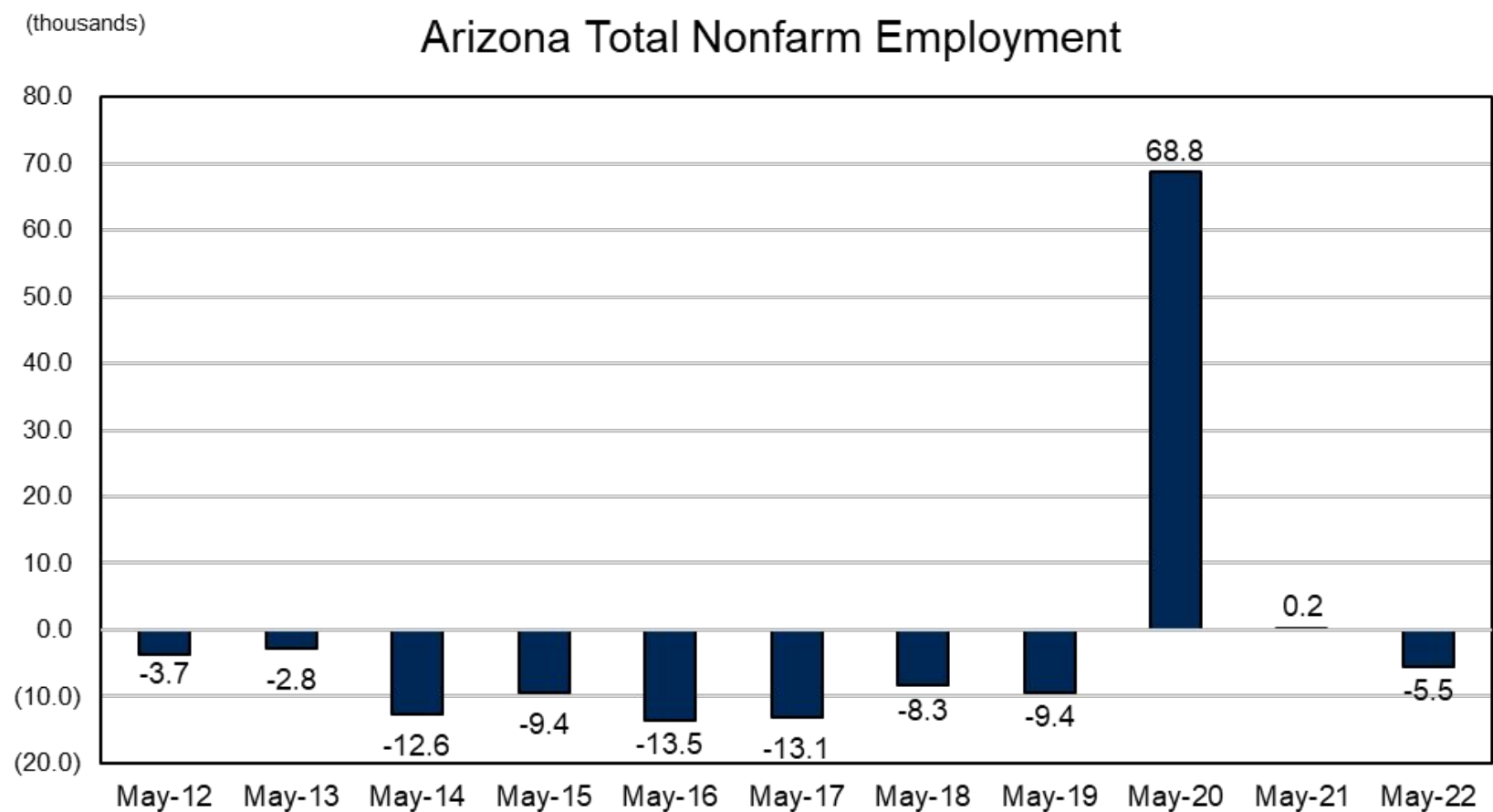
Consumer Price Index Year-Over-Year % Change



*Phoenix MSA estimates are released every other month
Source: US BLS CPI Program

- US CPI increased 8.6% from May 2021 to May 2022
 - Energy prices rose 34.6% YoY
 - Food prices rose 10.1% YoY, the largest increase since April 1981
- Phoenix MSA CPI increased 11.0% from April 2021 to April 2022
 - Energy prices rose 32.6% YoY, largely from an increase in gasoline prices
 - Transportation prices rose 17.4% YoY
 - Housing prices rose 14.1% YoY

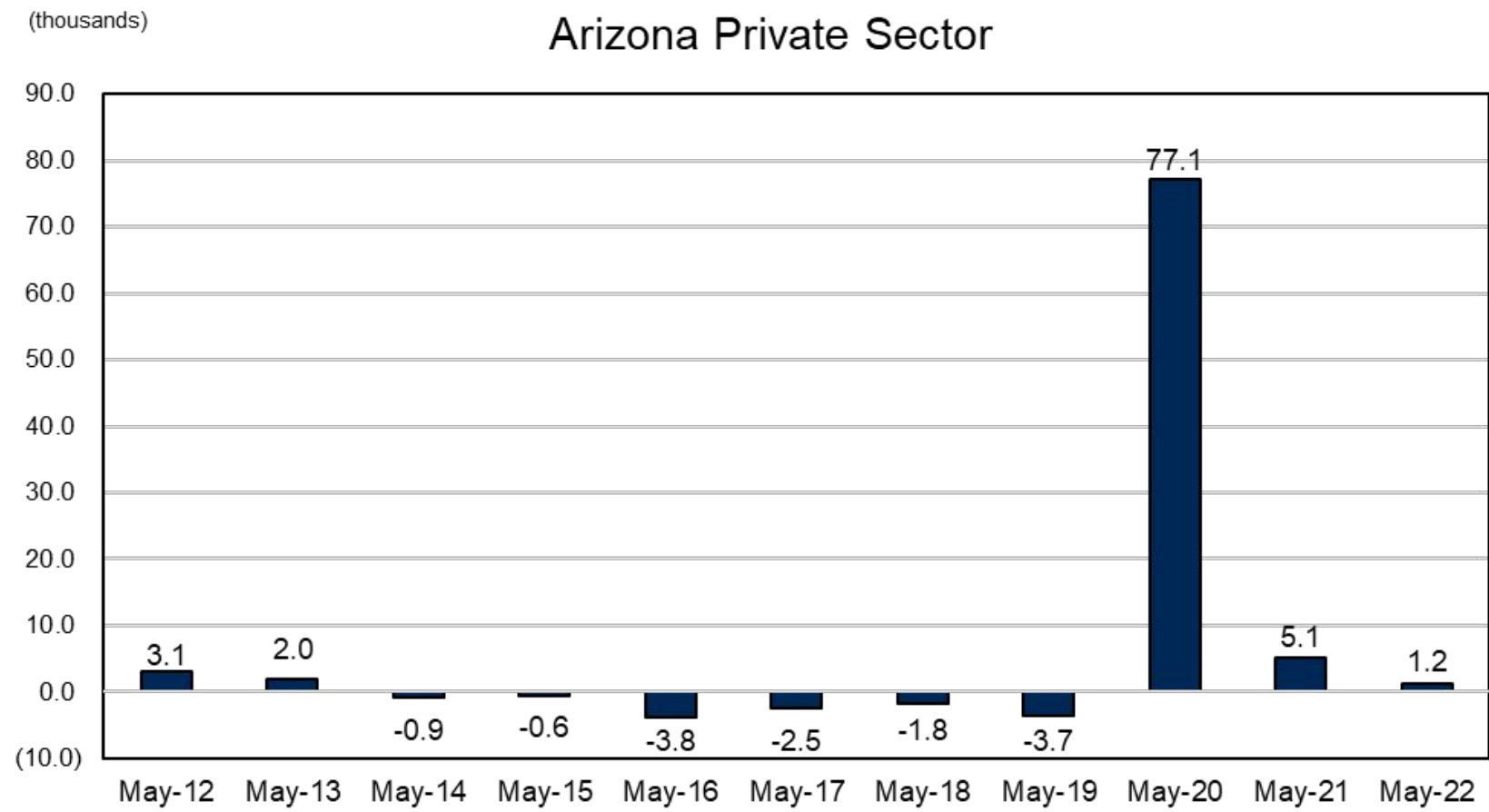
Month-Over-Month Employment Change



Historic 10-Year Average ('12-'21): -400 Jobs or 0.0%
Pre- Pandemic Average ('10-'19): -6,700 Jobs or -0.2%

Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

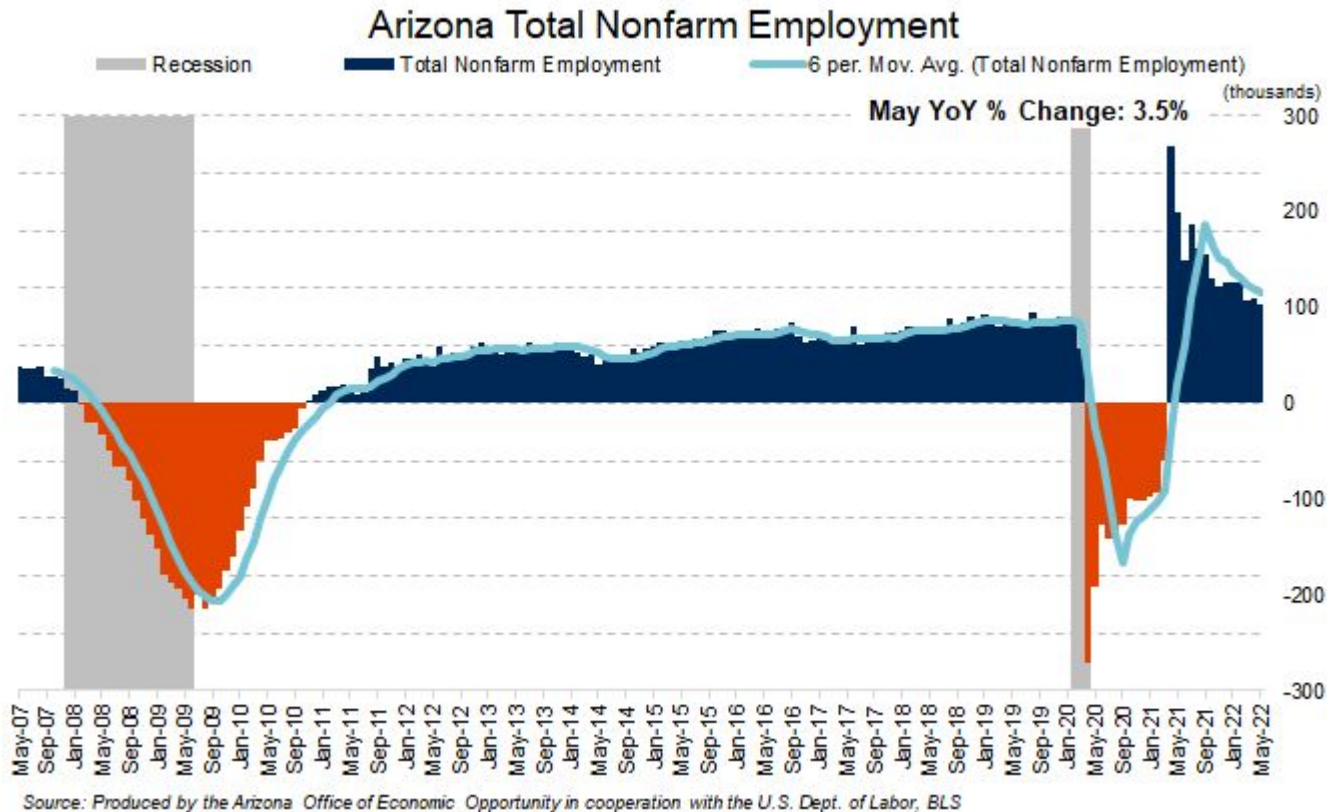
Month-Over-Month Employment Change



Historic 10-Year Average ('12-'21): 7,400 Jobs or 0.3%
Pre- Pandemic Average ('10-'19): -1,000 Jobs or 0.0%

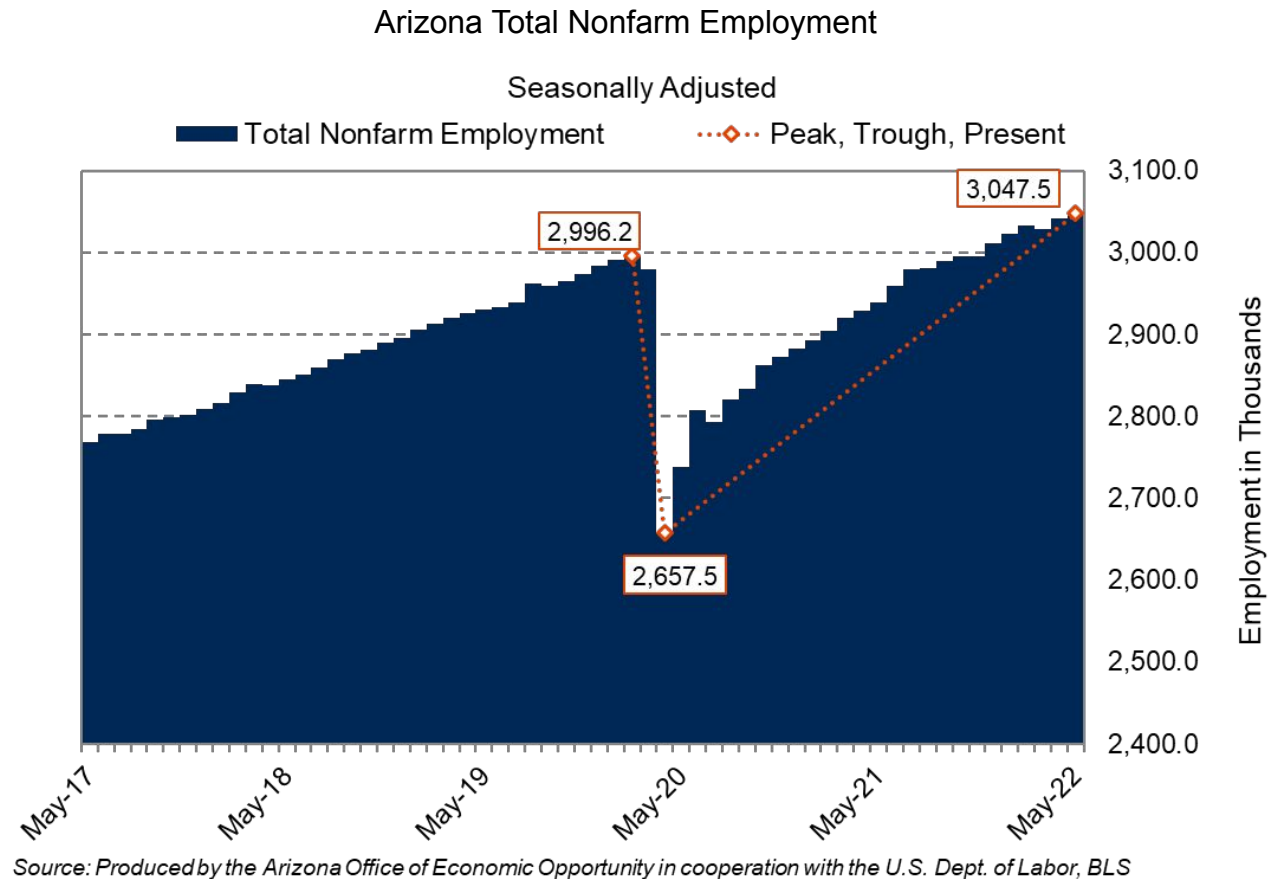
Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

Year-Over-Year Employment Change



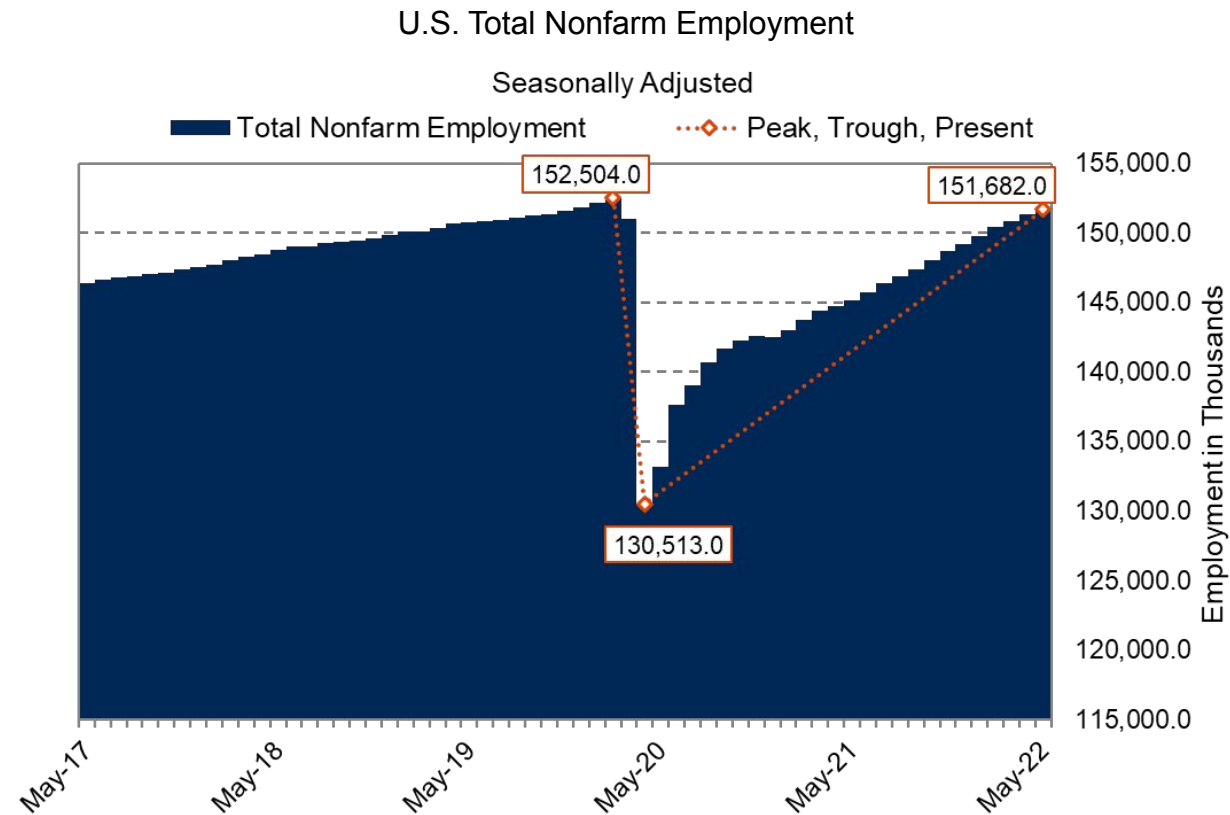
- Arizona nonfarm employment increased 3.5% YoY (102,900 jobs)

COVID-19 Pandemic Impact



- Since April 2020, 115% (390,000 jobs) of the Arizona Nonfarm pandemic job losses have been recovered

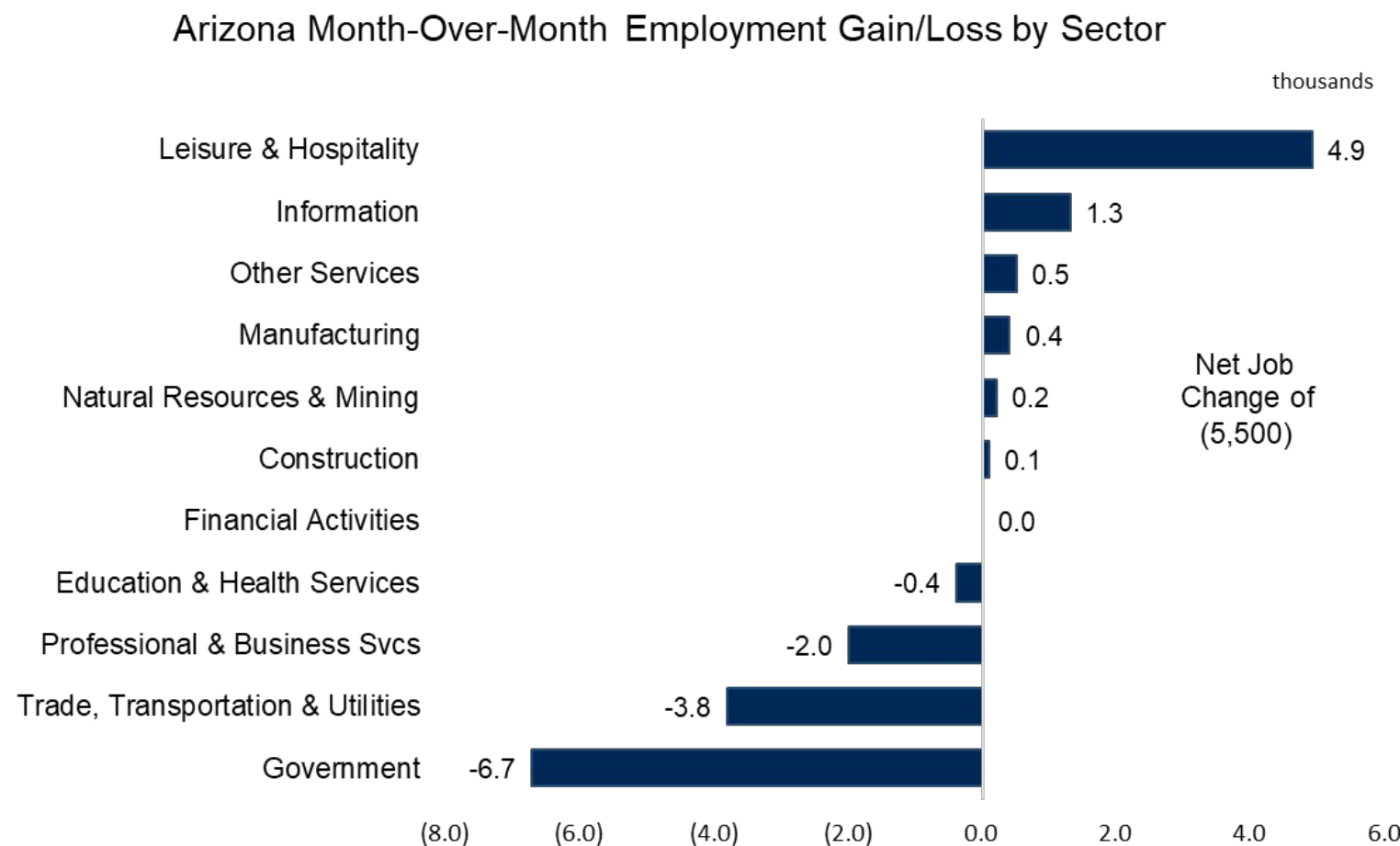
COVID-19 Pandemic Impact



Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

- Since April 2020, 96% (21,169,000 jobs) of the U.S. Nonfarm pandemic job losses have been recovered

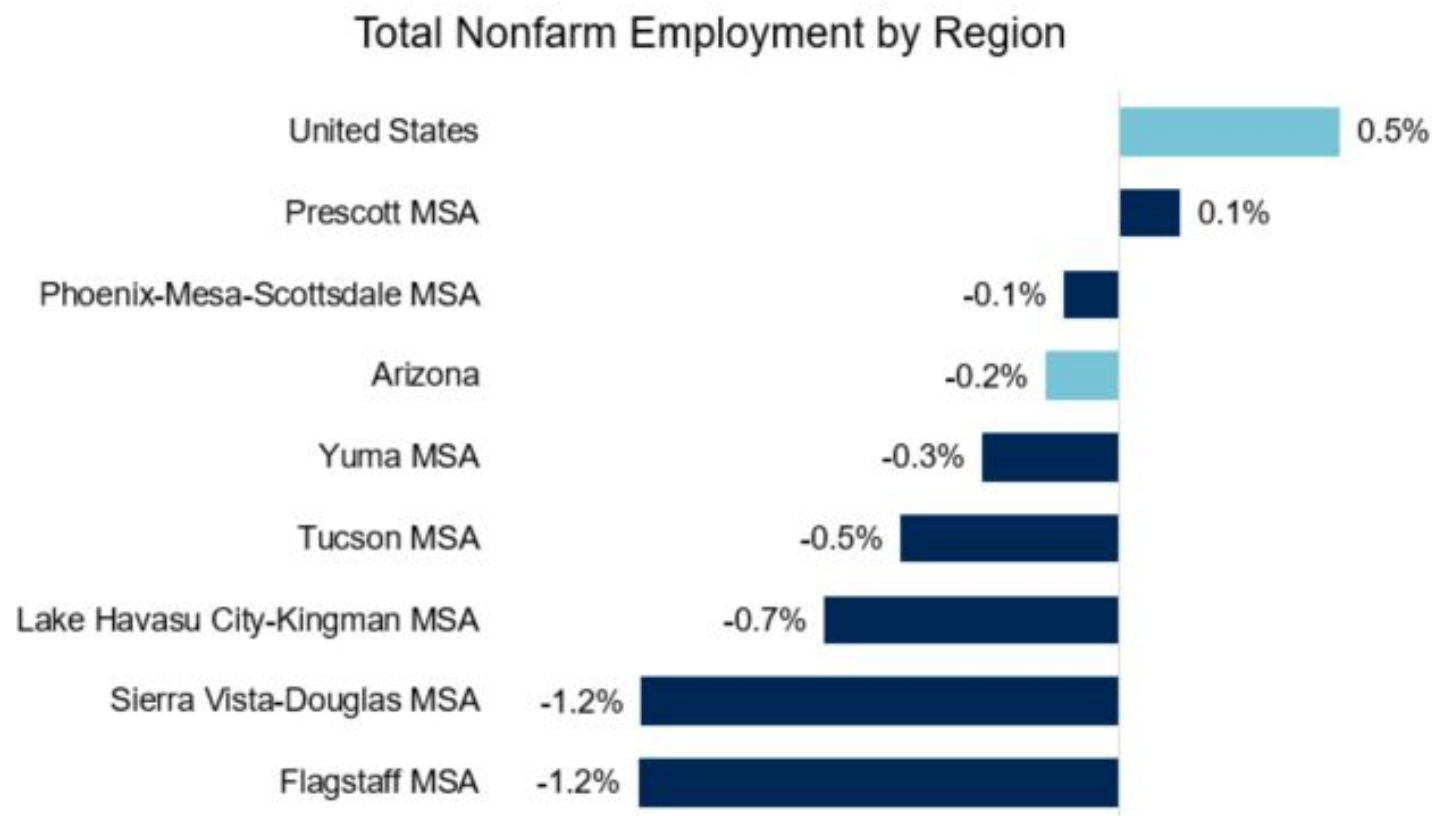
Month-Over-Month Employment Change



Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics

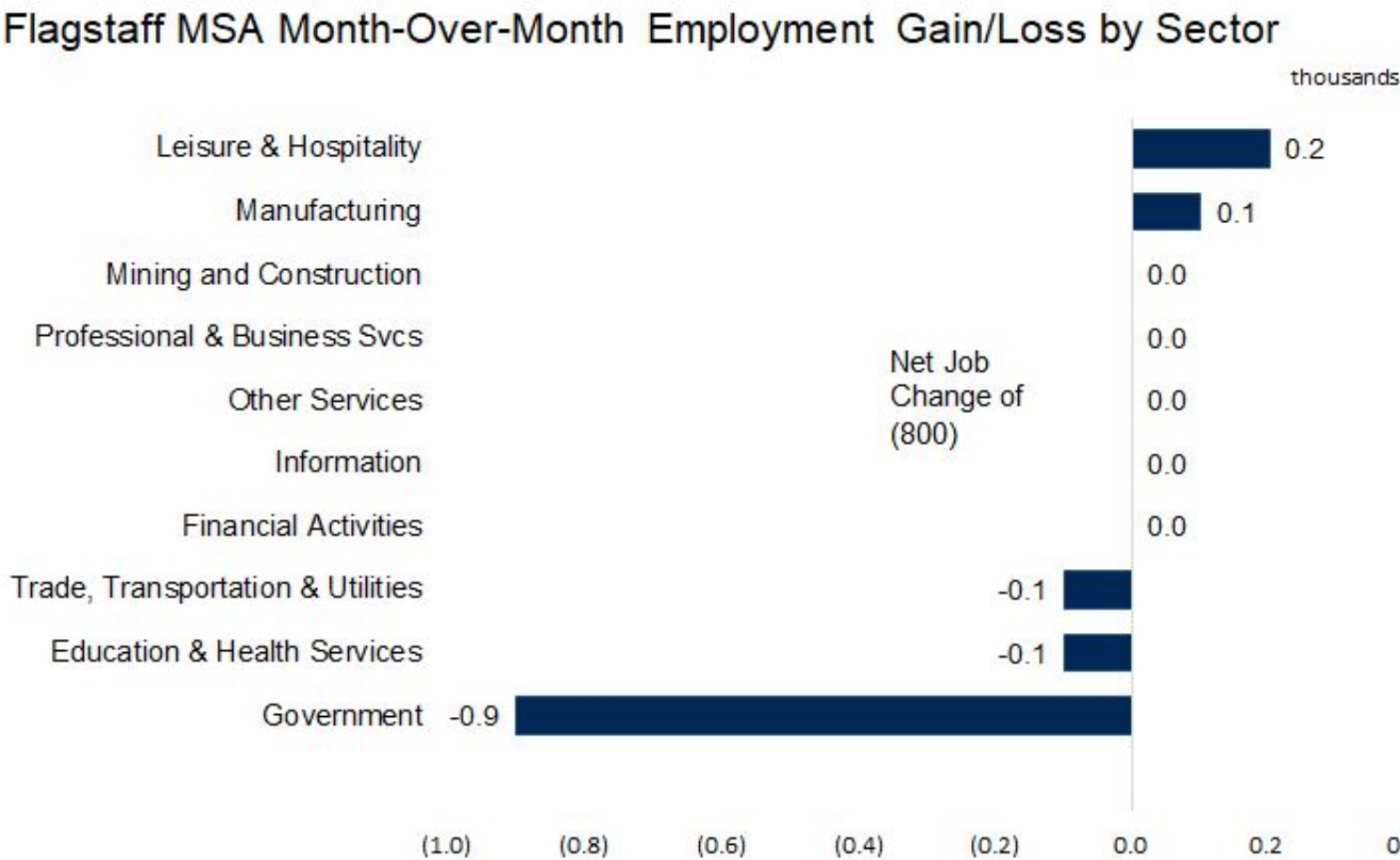
Note: Education and Health Services includes private sector education and health services only

Month-Over-Month Employment Change



Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

Month-Over-Month Employment Change



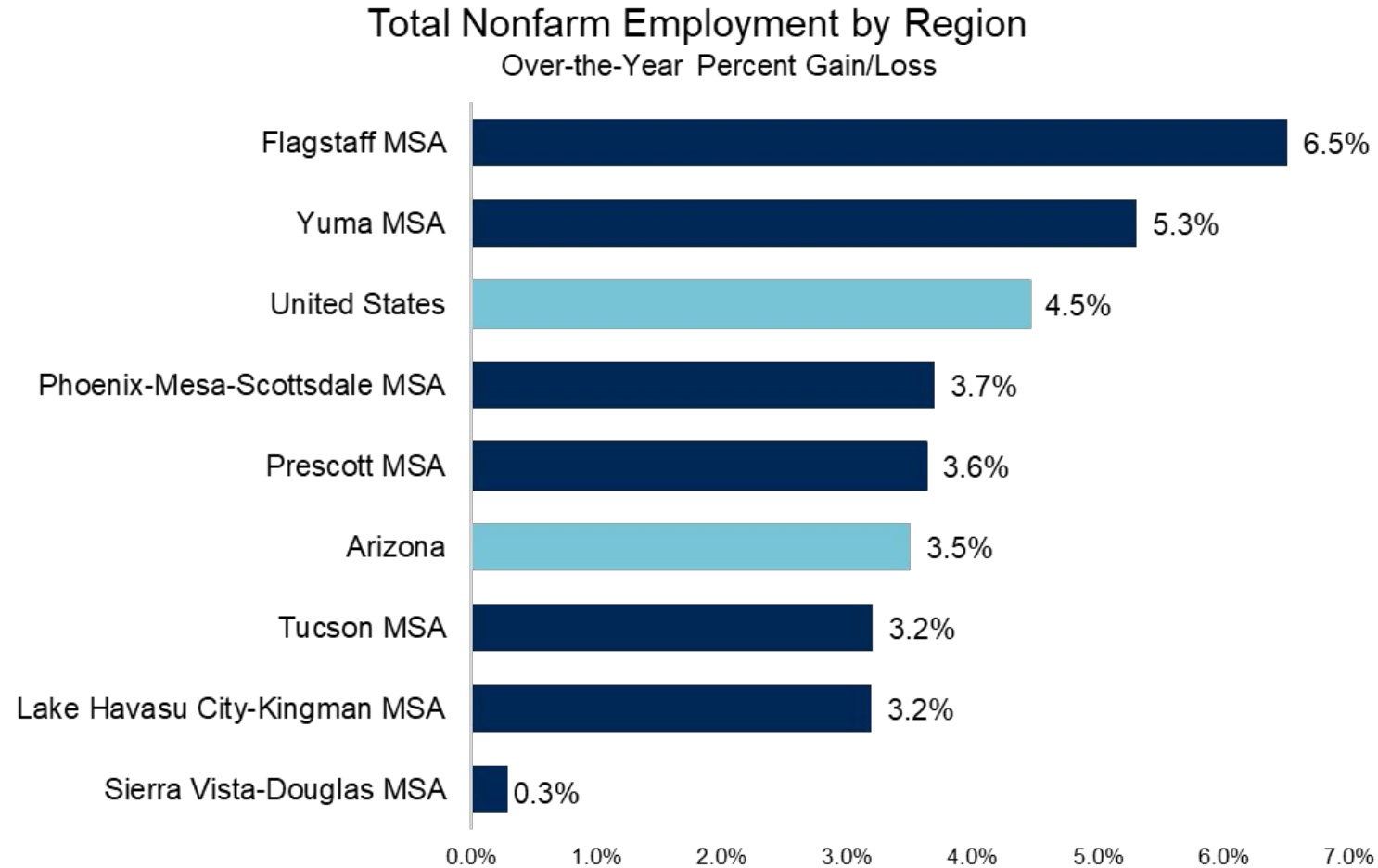
Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics

Year-Over-Year Employment Change



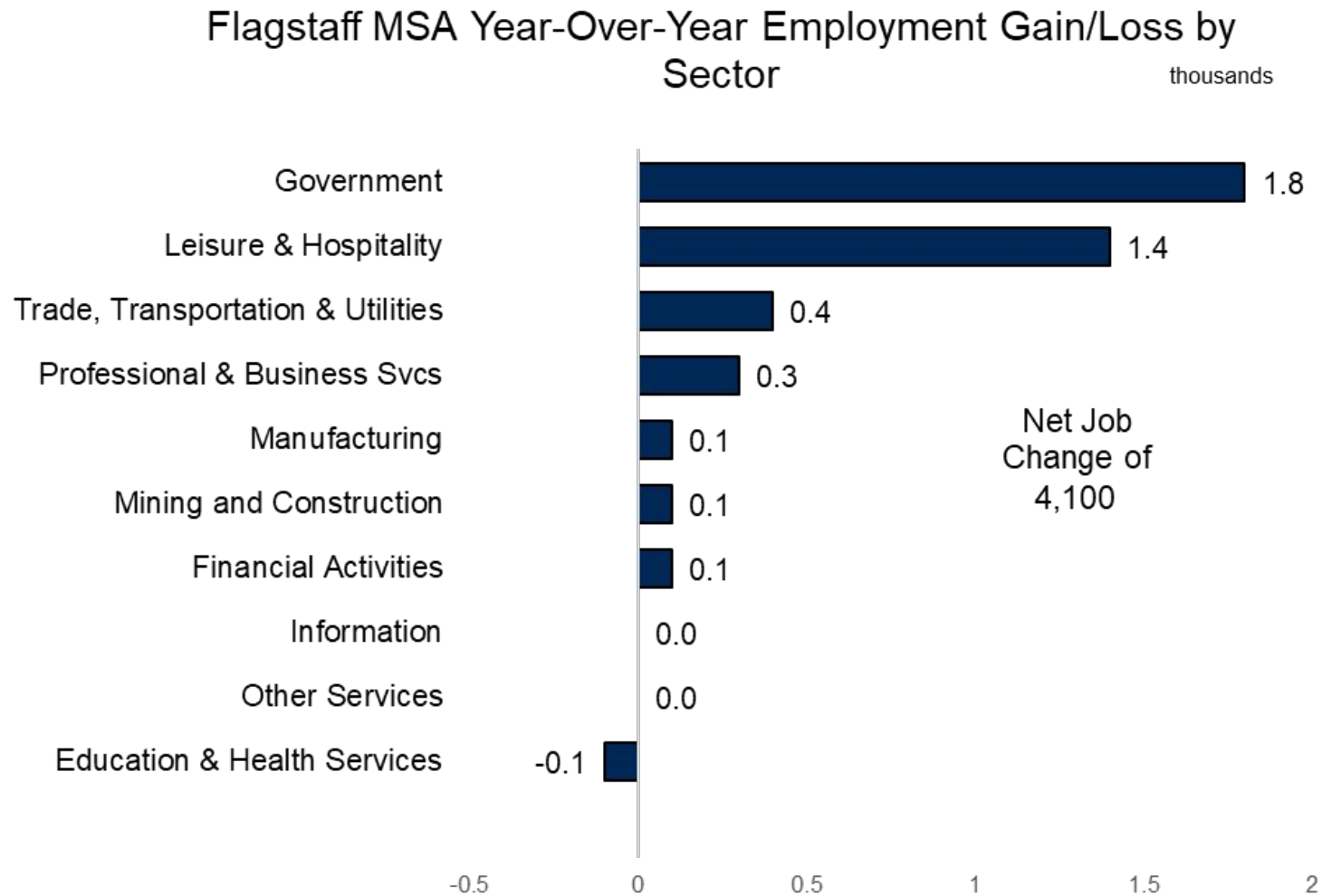
Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

Year-Over-Year Employment Change



Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

Year-Over-Year Employment Change



Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

State and Regional Job Gains and Losses from Feb. '20 to May '22

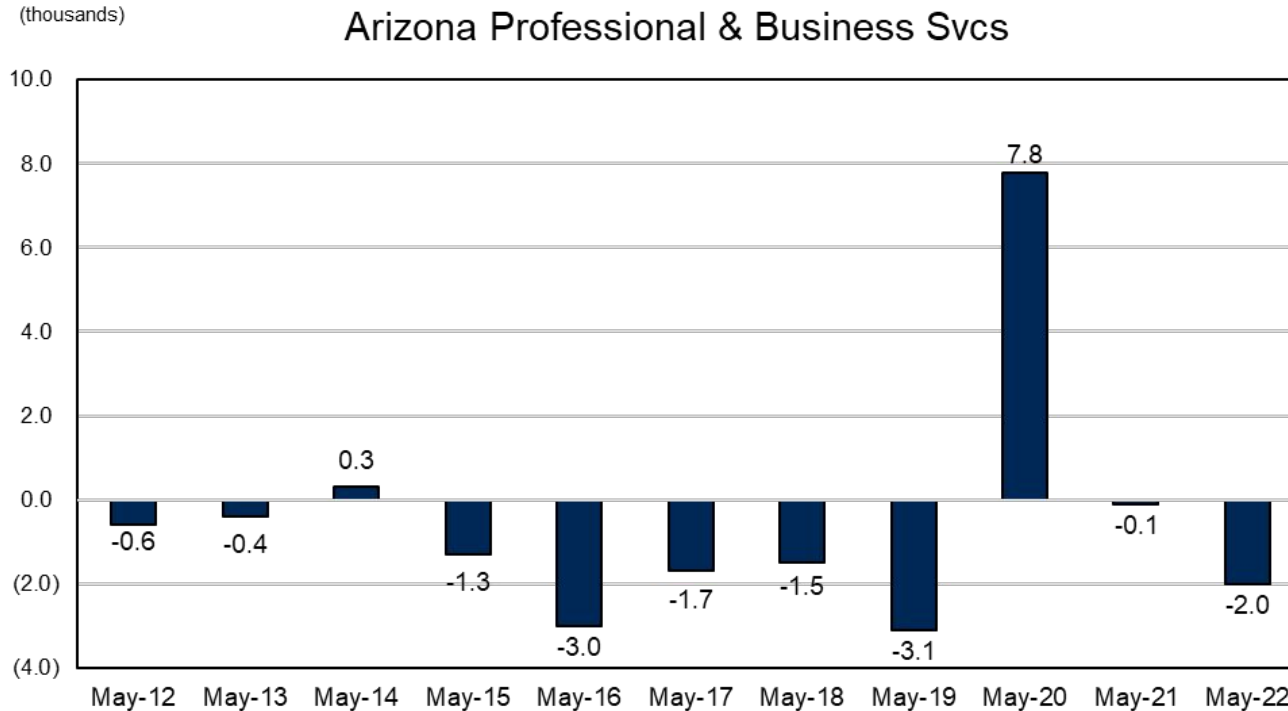
Seasonally Adjusted; In Thousands

Sector	Jobs Lost	Jobs Recovered	Percent Recovered
Arizona	338.7	390.0	115%
Lake Havasu City-Kingman MSA	6.1	7.9	130%
Phoenix-Mesa-Scottsdale MSA	249.7	300.3	120%
Prescott MSA	8.9	10.5	118%
Yuma MSA	5.9	6.7	114%
Flagstaff MSA	12.8	11.4	89%
Tucson MSA	45.5	39.5	87%
Sierra Vista-Douglas MSA	2.2	1.2	55%

Source: Arizona Office of Economic Opportunity in cooperation with the U.S. DOL BLS

Note: February 2020 level was used as the reference month for comparison purposes

Month-Over-Month Employment Change



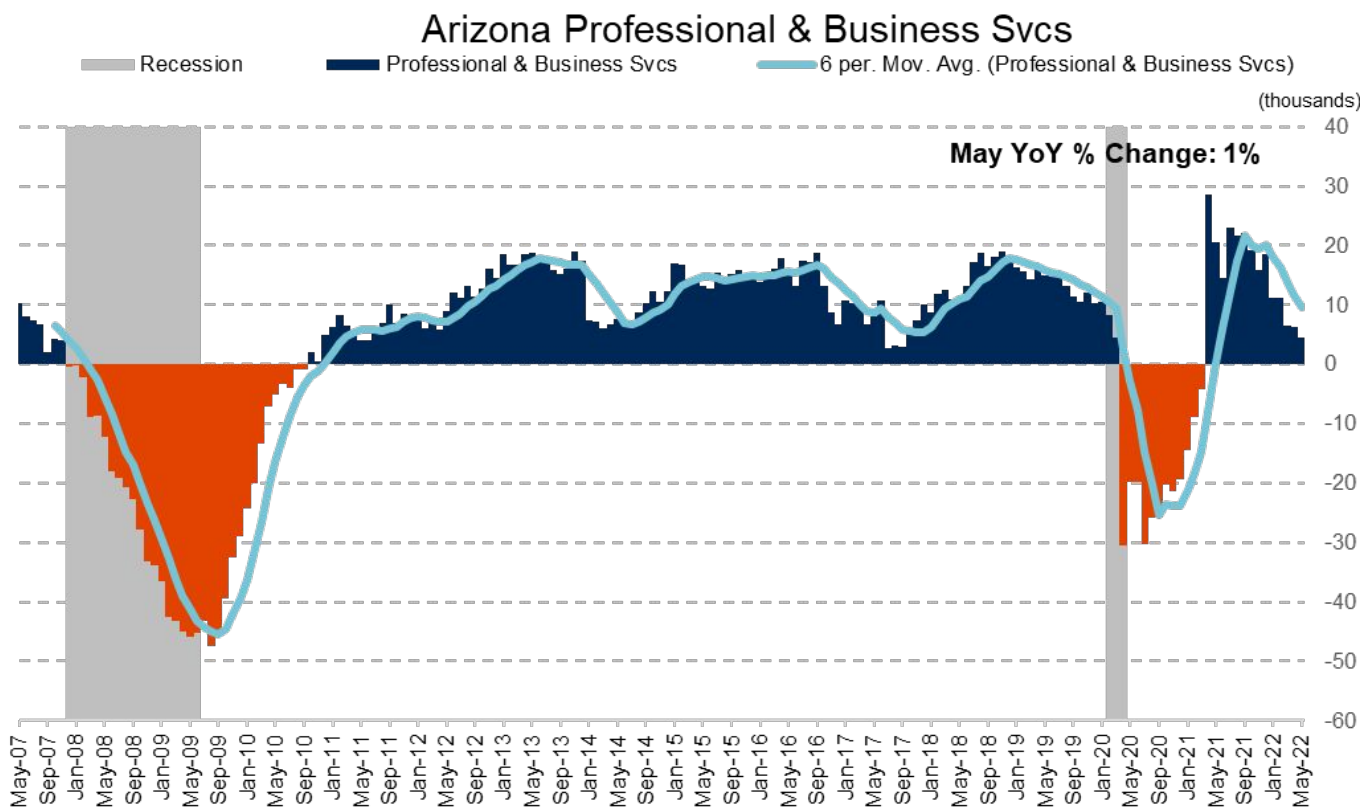
Historic 10-Year Average ('12-'21): -400 Jobs or -0.1%
Pre- Pandemic Average ('10-'19): -1,700 Jobs or -0.4%

Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

Highlights:

- Professional, Scientific, and Technical Services lost 1,700 jobs (-1.0%)
- Employment Services lost 1,000 jobs (-1.0%)
 - The largest losses were reported in Temporary Help Services and Professional Employer Organizations
- Services to Buildings and Dwellings gained 600 jobs (1.4%)
- Business Support Services gained 400 jobs (1.3%)

Year-Over-Year Employment Change



Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

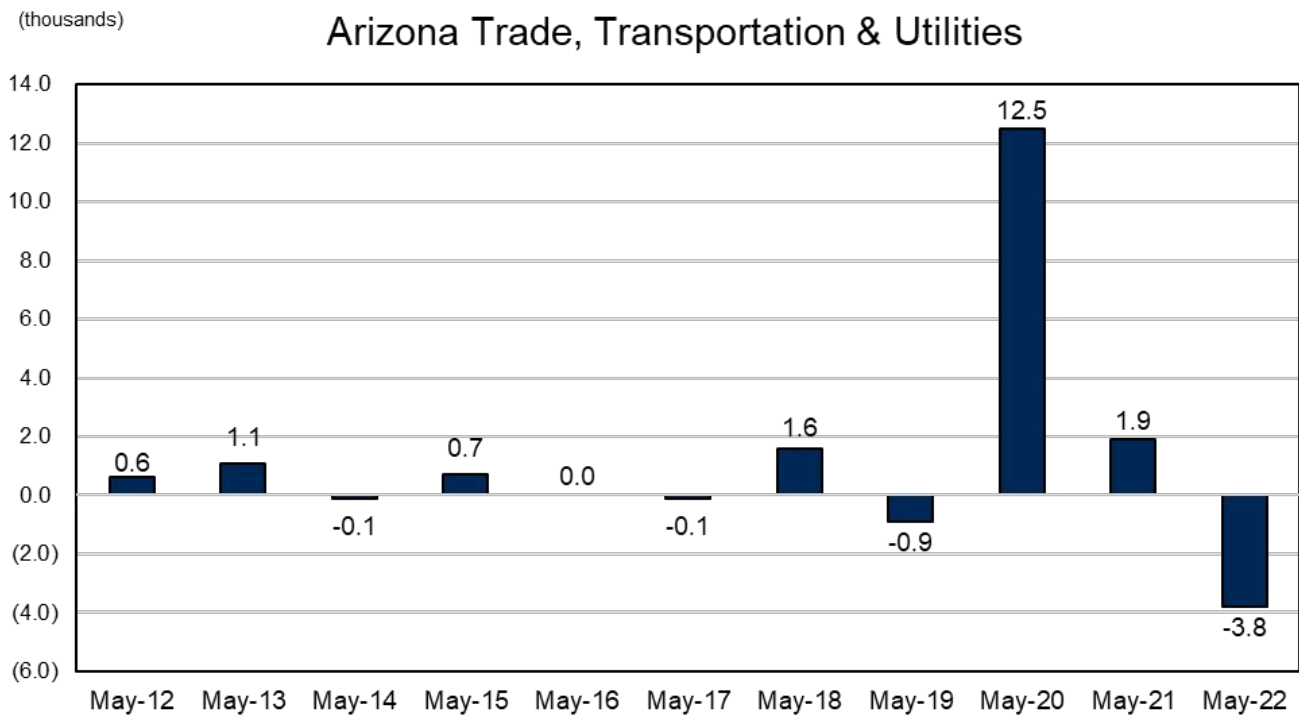
Notable Gains:

- Professional, Scientific and Technical Services gained 9,000 jobs (5.4%)
- Management of Companies gained 3,100 jobs (9.3%)

Notable Losses:

- Services to Buildings and Dwellings lost 3,400 jobs (-7.5%)
- Business Support Services lost 1,600 jobs (-4.8%)
- Employment Services lost 5,000 jobs (-4.8%)

Month-Over-Month Employment Change



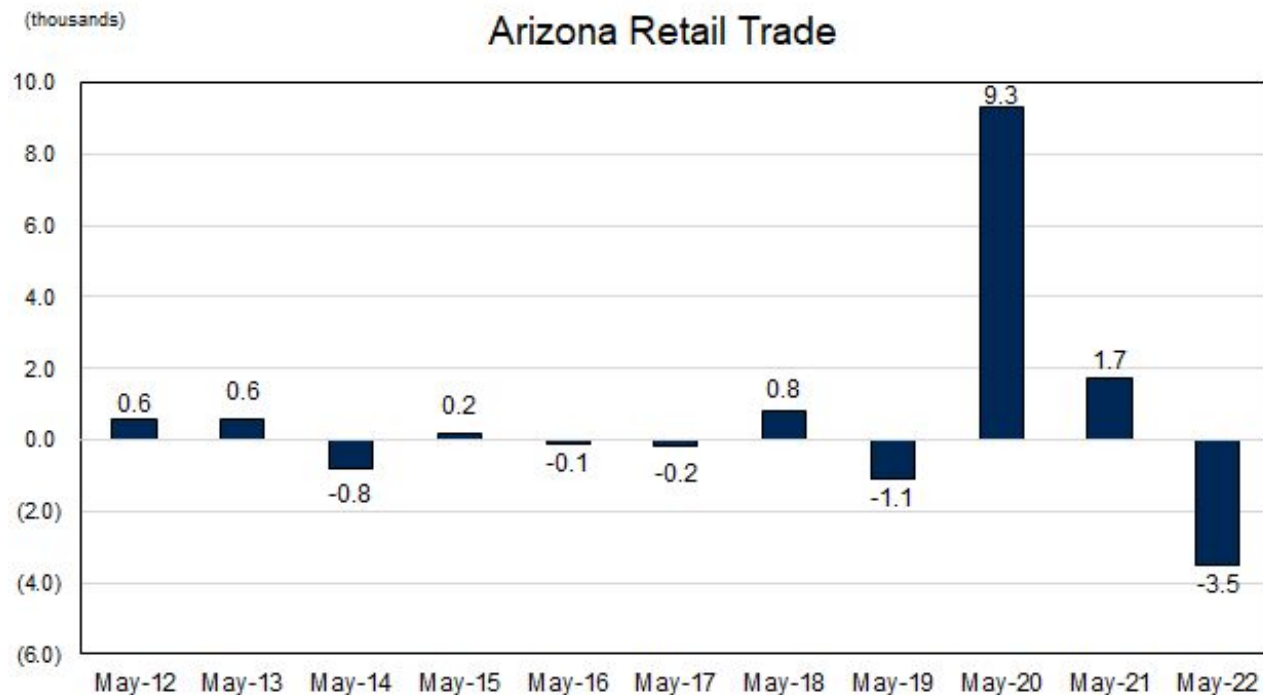
Historic 10-Year Average ('12-'21): 1,700 Jobs or 0.3%
Pre- Pandemic Average ('10-'19): 300 Jobs or 0.1%

Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

Highlights:

- Retail Trade lost 3,500 jobs or -1.0%
- Transportation and Warehousing lost 500 jobs or -0.4%
 - Losses were reported in Freight Transportation, Motor Vehicle Towing, Air Traffic Control and Warehousing and Storage
- Wholesale Trade gained 200 jobs or 0.2%

Month-Over-Month Employment Change



Historic 10-Year Average ('12-'21): 1,100 Jobs or 0.4%
Pre- Pandemic Average ('10-'19): 0 Jobs or 0.0%

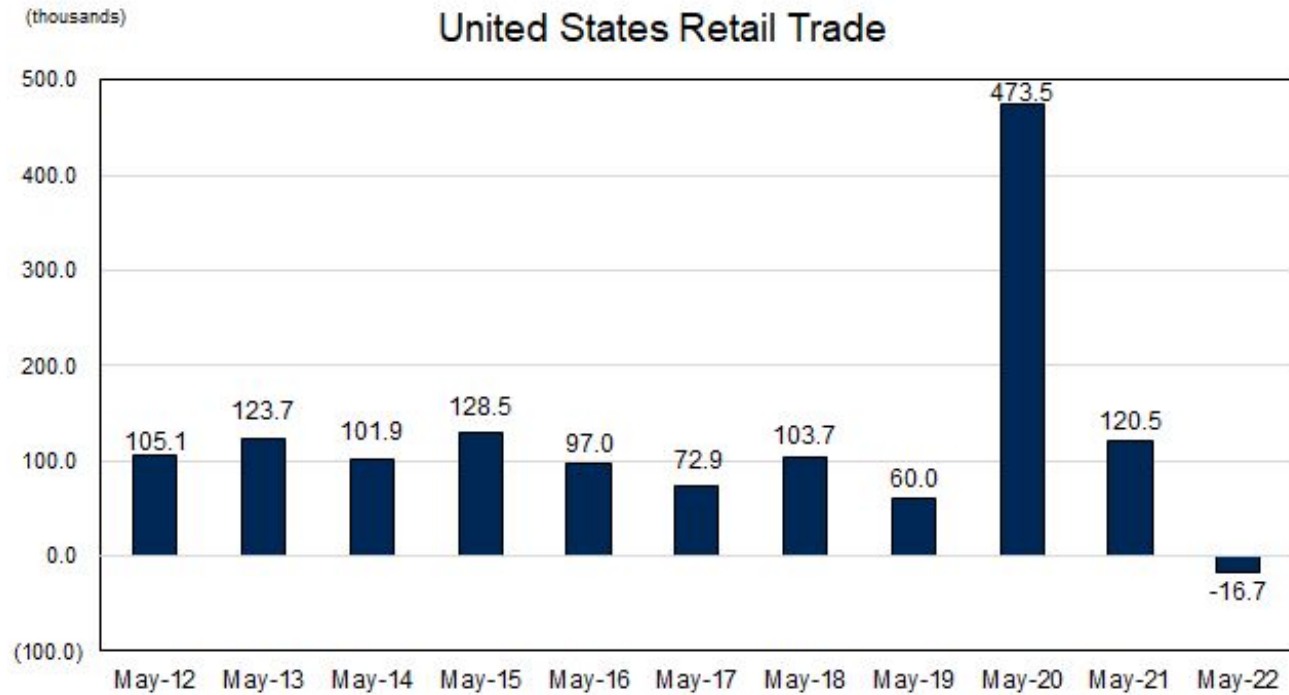
Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

Highlights:

- Retail Trade lost 3,500 jobs or -1.0%
 - The largest losses were reported in General Merchandise* (-2,300 jobs), and Food and Beverage (-400 jobs)

**General Merchandise consists of Department Stores, Warehouse Clubs, Dollar Stores and Home and Auto Supply Stores*

Month-Over-Month Employment Change

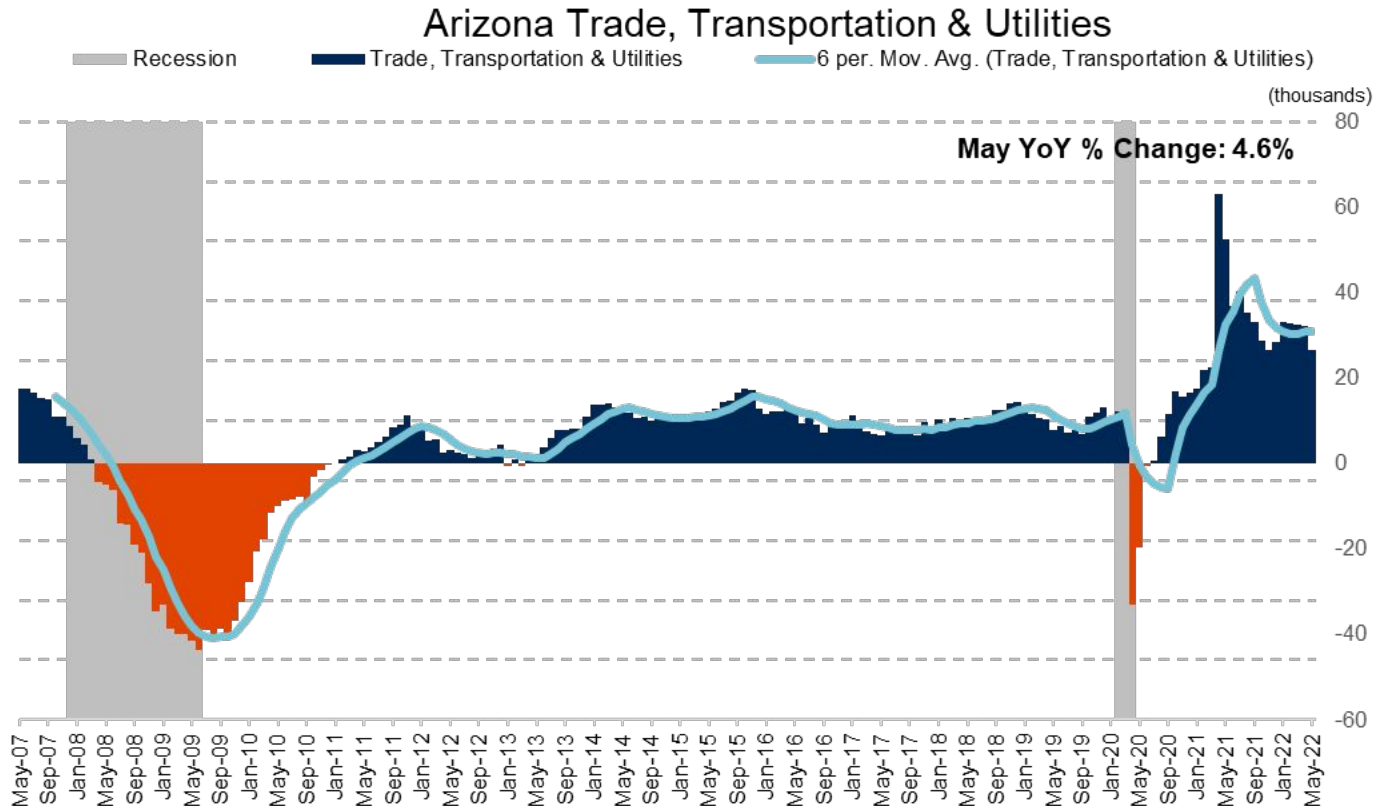


Historic 10-Year Average ('12-'21): 138,700 Jobs or 1.0%
Pre- Pandemic Average ('10-'19): 100,400 Jobs or 0.7%

Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

- U.S. Retail Trade recorded a similar atypical job loss in May 2022

Year-Over-Year Employment Change

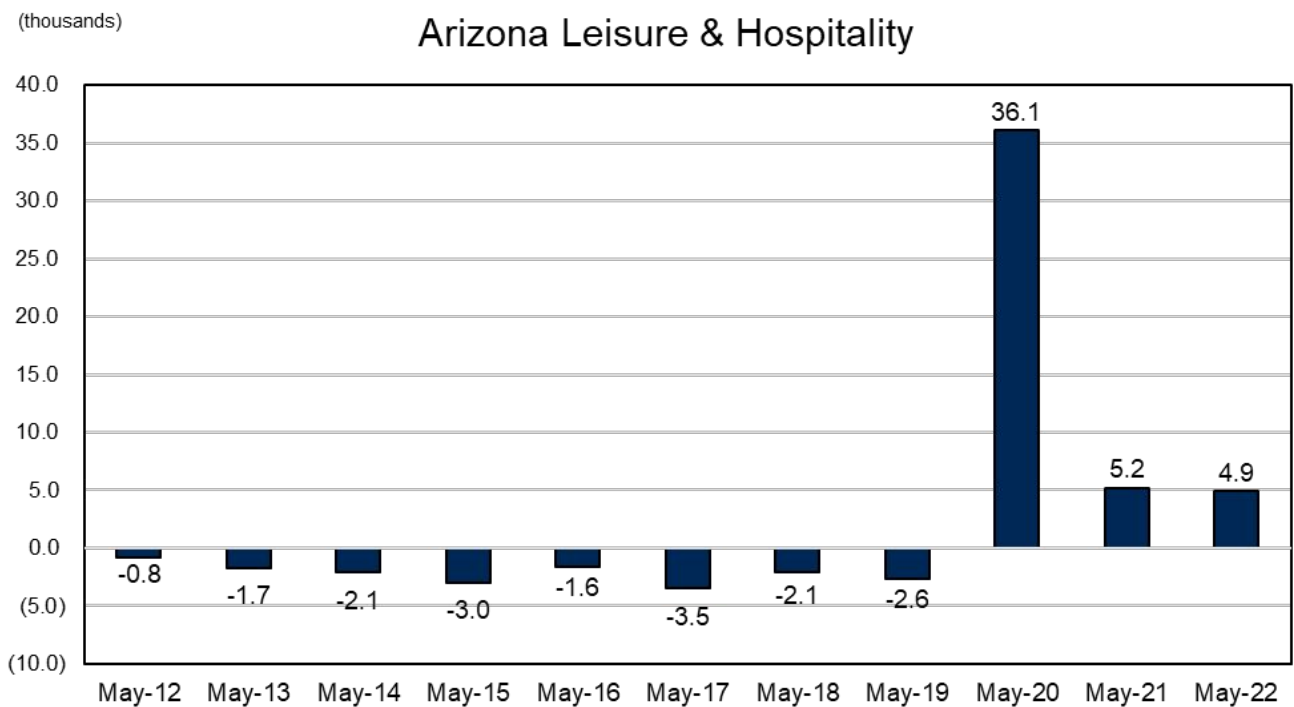


Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

Notable Gains:

- Transportation and Warehousing gained 13,100 jobs (10.5%)
- Retail Trade gained 10,300 jobs (3.1%)
- Wholesale Trade gained 3,000 jobs (3.0%)

Month-Over-Month Employment Change



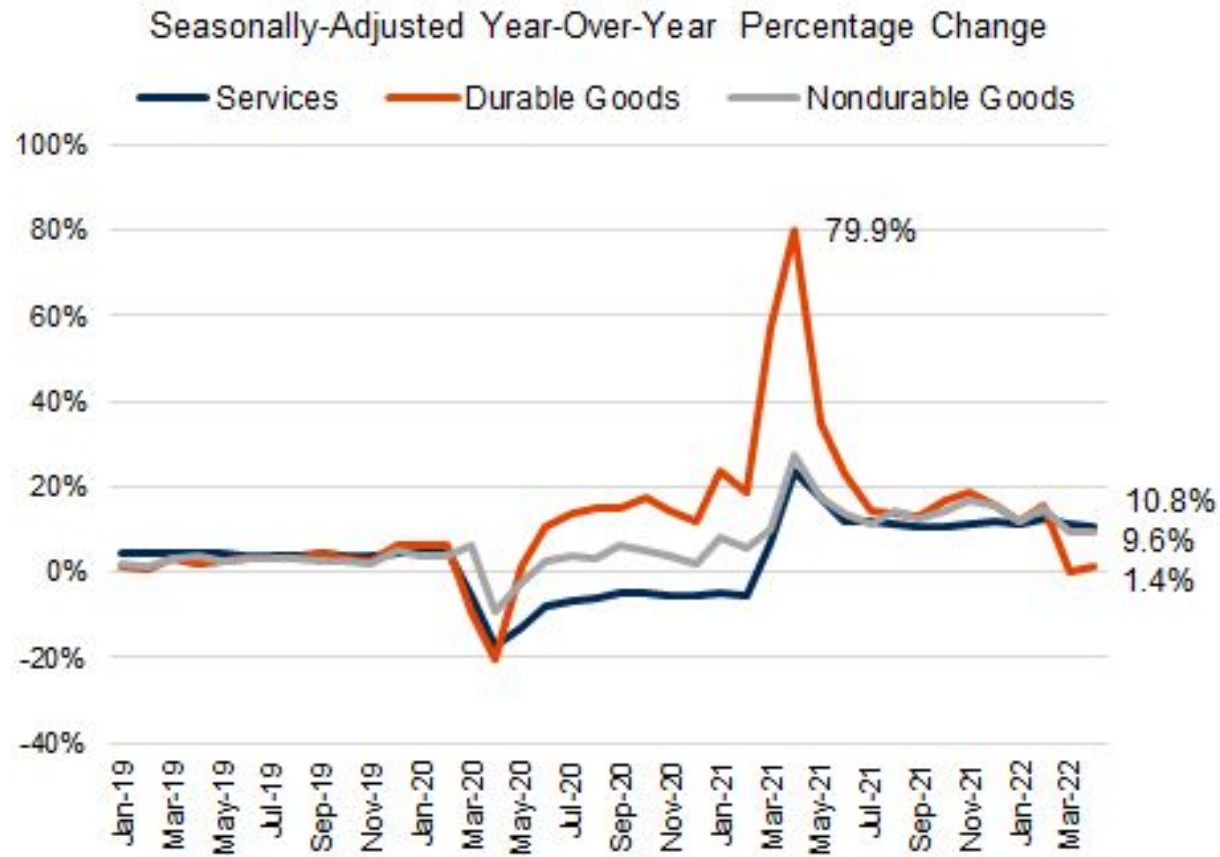
Historic 10-Year Average ('12-'21): 2,400 Jobs or 1.4%
Pre- Pandemic Average ('10-'19): -2,000 Jobs or -0.7%

Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

Highlights:

- Arts, Entertainment and Recreation gained 2,800 jobs (6.7%)
 - Gains came from Performing Arts, Sports, Fitness and Recreational Sports Centers, among others
- Food Services and Drinking Places gained 1,300 jobs (0.5%)
 - Gains came from Full and Limited Service Restaurants
- Accommodations gained 800 jobs (2.0%)

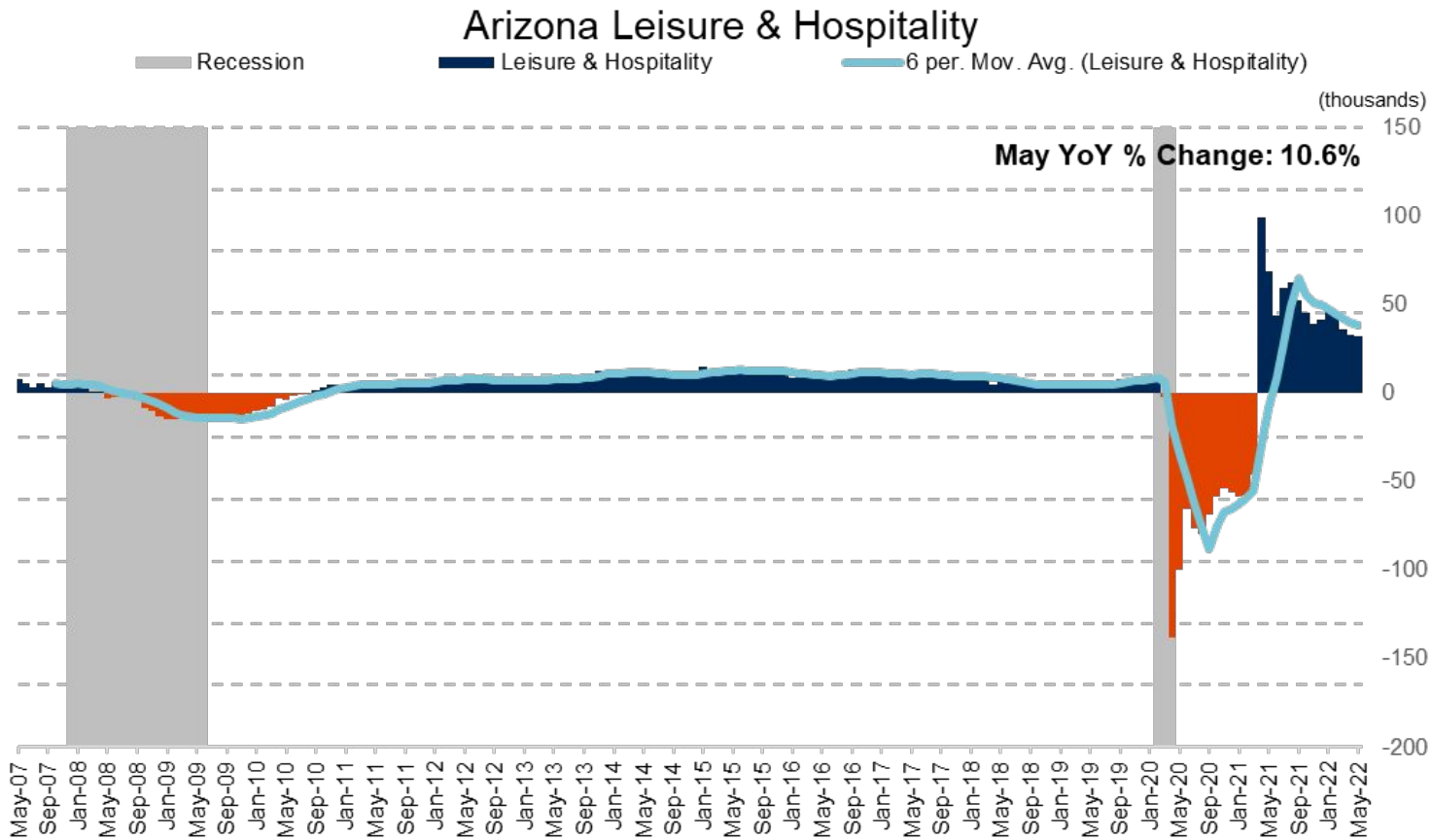
U.S. Personal Consumption Expenditures



Source: U.S. Bureau of Economic Analysis

- Durable and Nondurable Goods expenditures YoY growth increased slightly in April 2022 after reporting slowing growth in March 2022
 - Durable Goods expenditures slowed to 0.2% in March 2022 from 15.2% in February 2022
 - Nondurable Goods expenditures slowed to 9.5% in March 2022 from 15.1% in February 2022
- Services expenditures YoY growth declined in April 2022 to 10.8% from 11.3% in March 2022 and 12.6% in February 2022

Year-Over-Year Employment Change

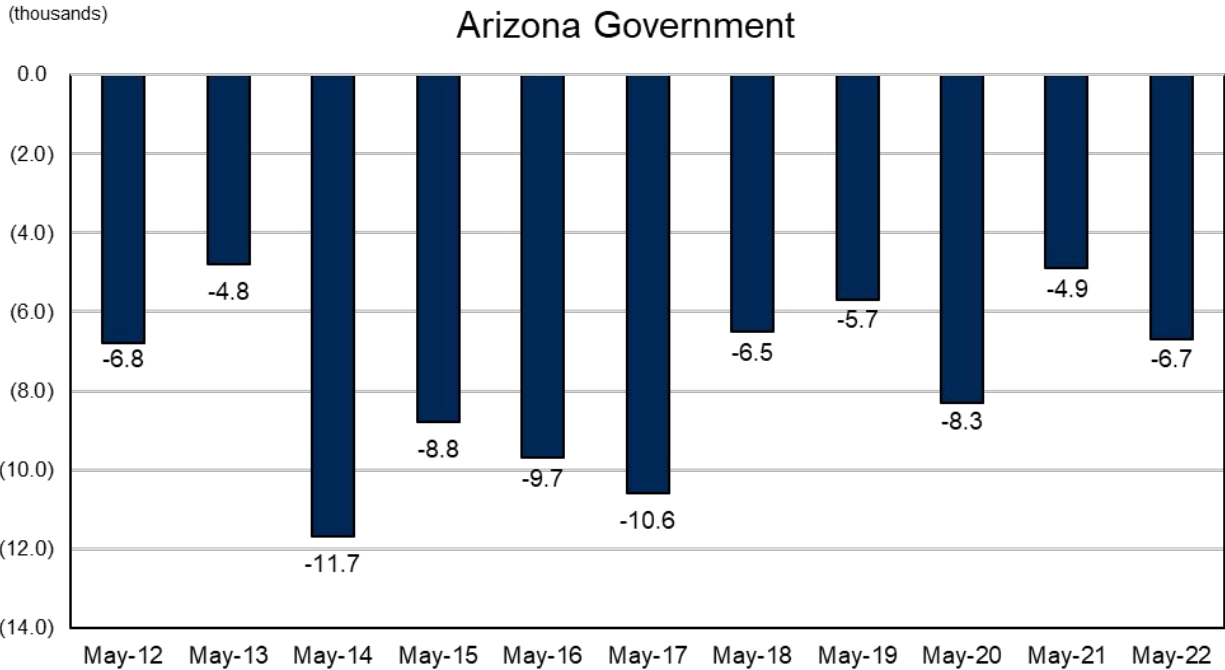


Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

Notable Gains:

- Food Services and Drinking Places gained 22,300 jobs (8.8%)
- Accommodations gained 5,900 jobs (17.3%)
- Arts, Entertainment, and Recreation gained 5,900 jobs (15.3%)

Month-Over-Month Employment Change



Historic 10-Year Average ('12-'21): -7,800 Jobs or -1.8%
Pre- Pandemic Average ('10-'19): -5,700 Jobs or -1.4%

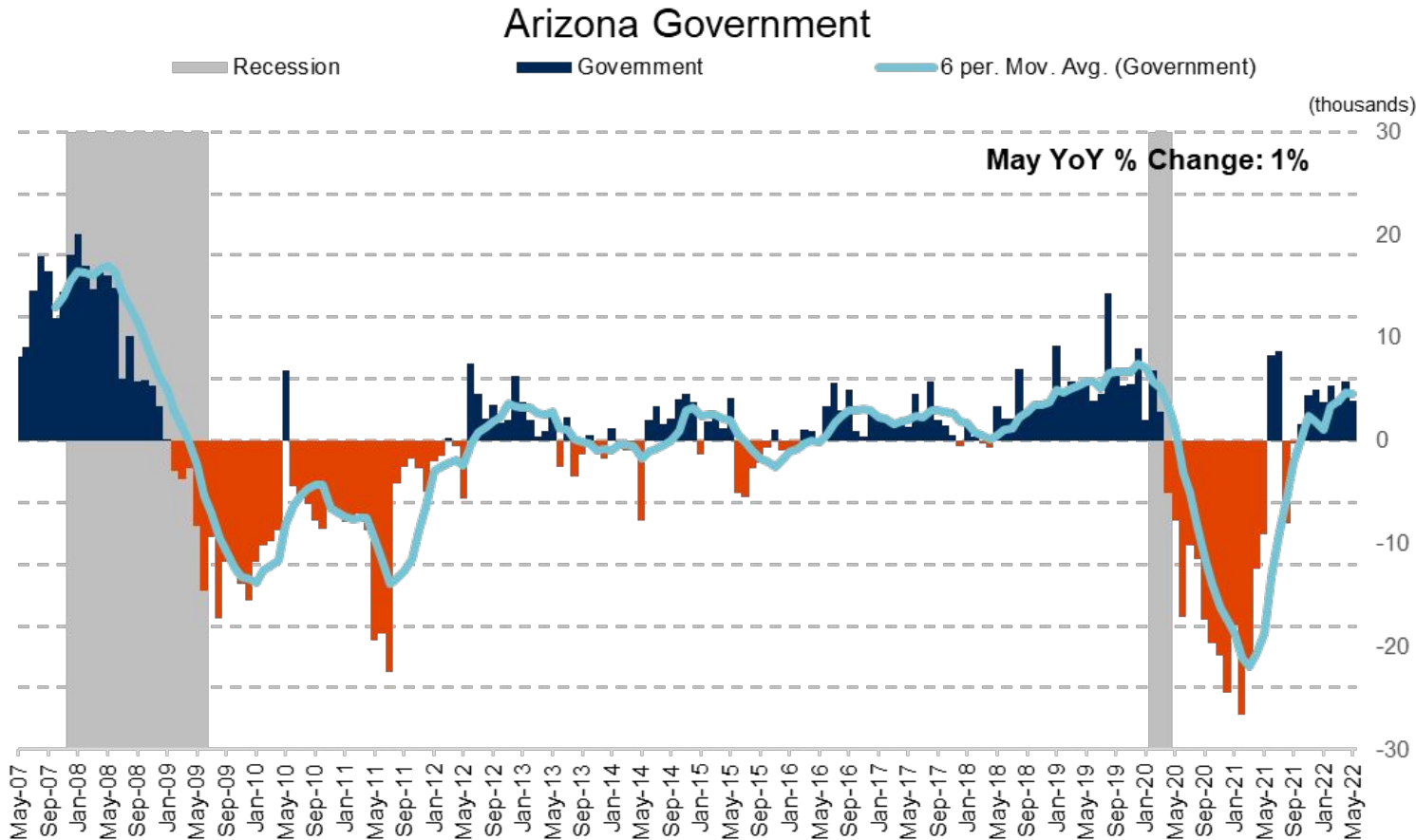
Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

Note: Government sector includes public K-12 and post-secondary education institutions

Highlights:

- State Government Education lost 4,300 jobs (-7.6%)
- Local Government Education lost 3,800 jobs (-2.7%)
- Federal Government gained 300 jobs (0.5%)

Year-Over-Year Employment Change



Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

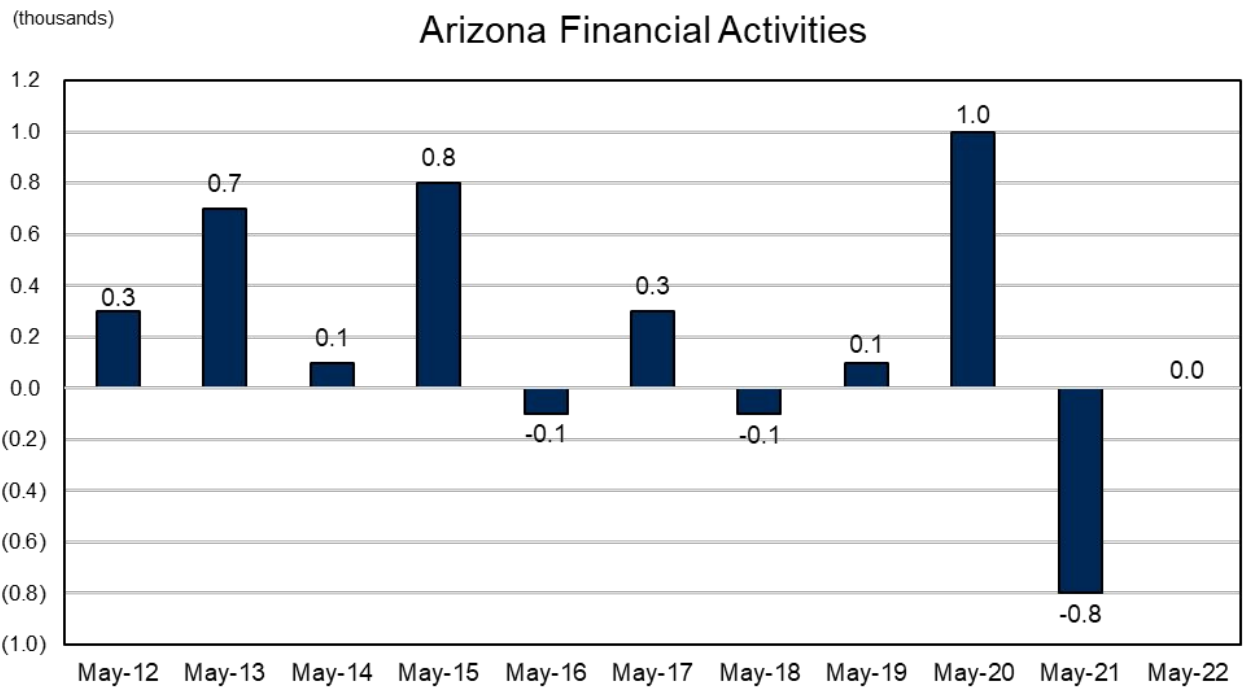
Notable Loss:

- Federal Government lost 300 jobs (-0.5%)

Notable Gains:

- State Government Education gained 3,400 jobs (7.0%)
- Local Government Education gained 1,000 jobs (0.7%)

Month-Over-Month Employment Change



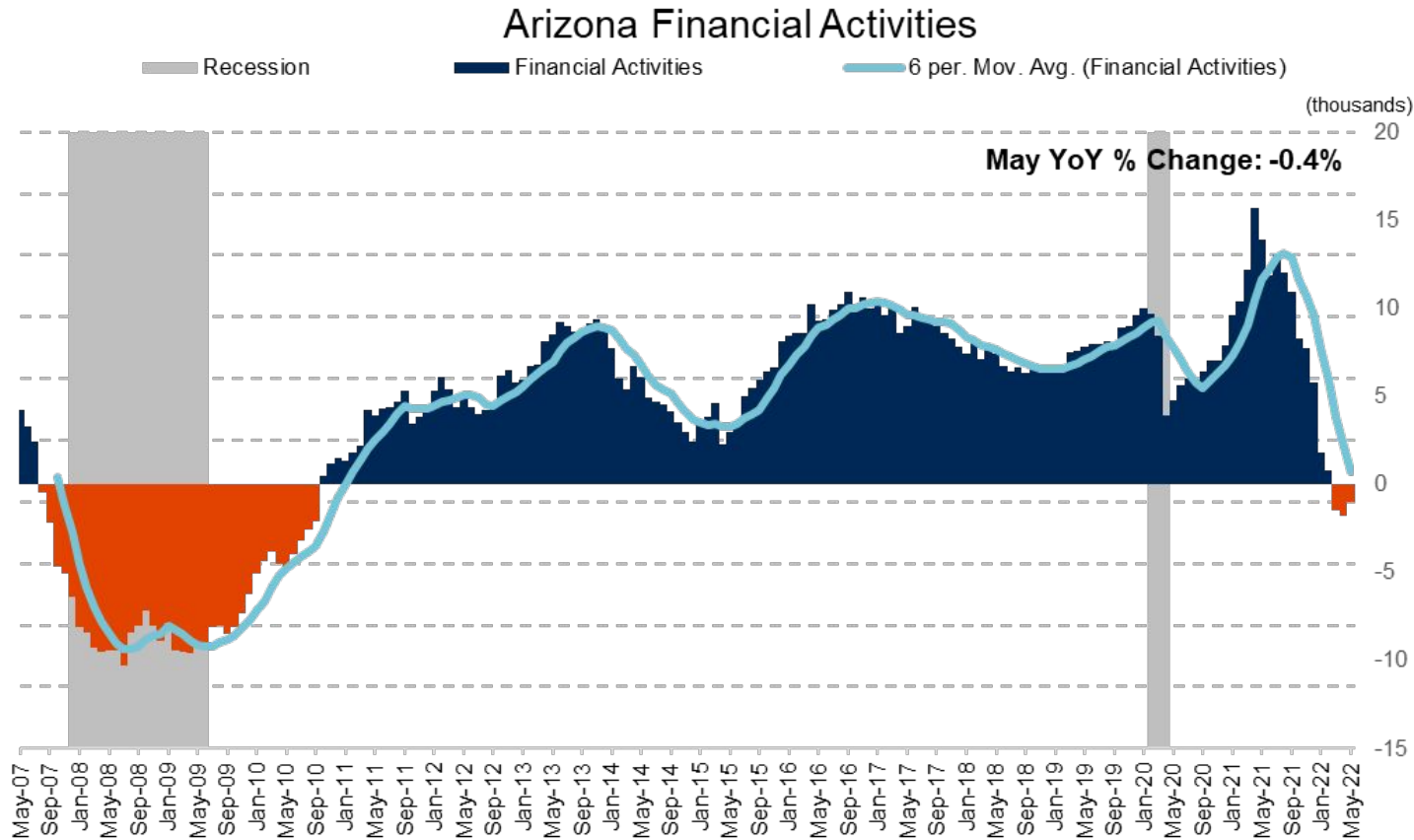
Historic 10-Year Average ('12-'21): 200 Jobs or 0.1%
Pre- Pandemic Average ('10-'19): 200 Jobs or 0.1%

Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

Highlights:

- Real Estate, Rental, and Leasing gained 800 jobs (1.5%)
 - Gains primarily came from Residential and Nonresidential Property Managers
- Credit Intermediaries lost 600 jobs (-0.6%)
- Insurance Carriers lost 400 jobs (-0.5%)

Year-Over-Year Employment Change



Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

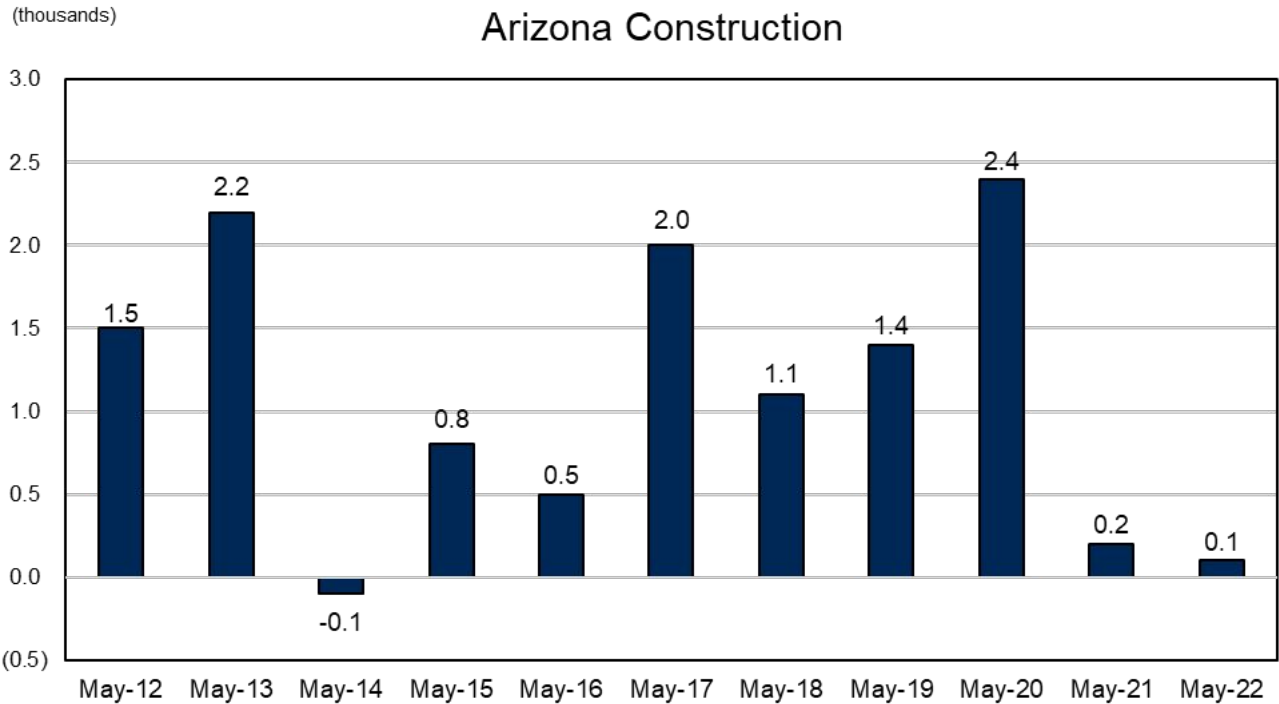
Notable Losses:

- Credit Intermediaries lost 2,900 jobs (-3.0%)

Notable Gains:

- Financial Investments and Vehicles gained 700 jobs (3.5%)
- Insurance Carriers gained 300 jobs (0.4%)

Month-Over-Month Employment Change



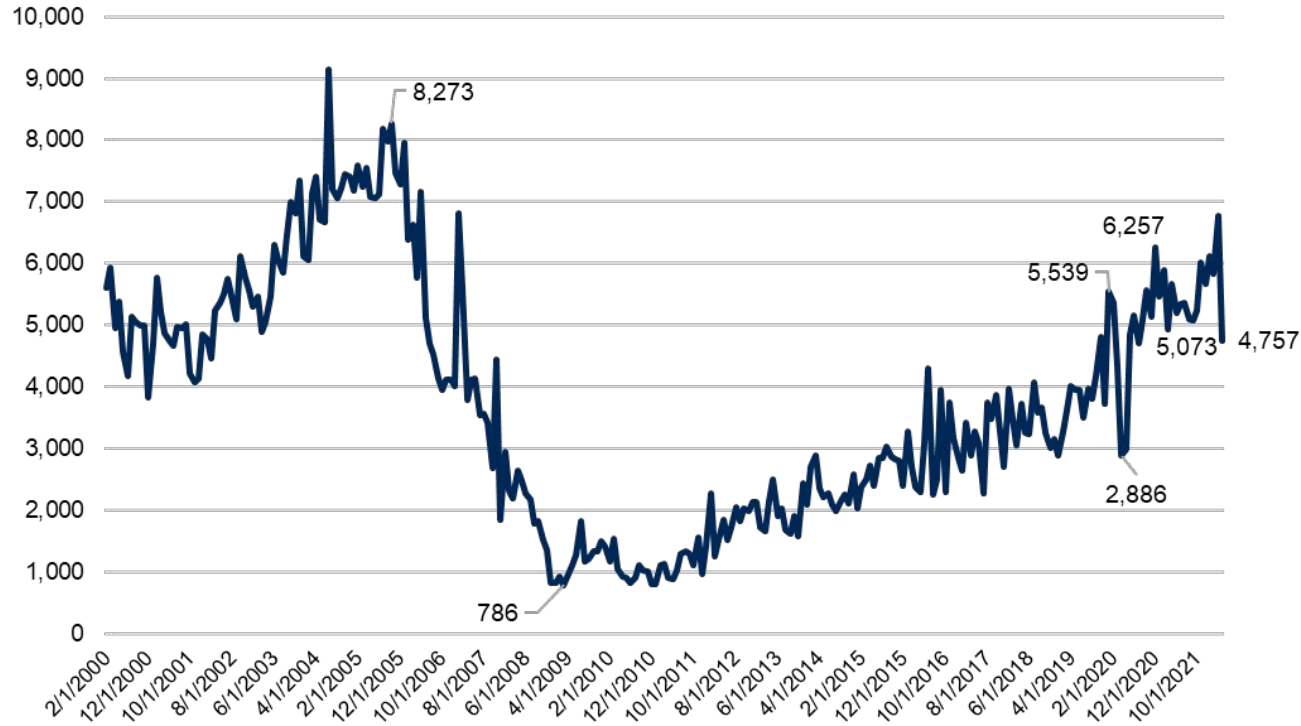
Historic 10-Year Average ('12-'21): 1,200 Jobs or 0.9%
Pre-Pandemic Average ('10-'19): 1,000 Jobs or 0.8%

Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

Highlights:

- Speciality Trade Construction gained 700 jobs (0.6%)
- Construction of Buildings lost 600 jobs (-1.6%)
 - Losses reported in Commercial and Institutional Building Construction, among others

Arizona New Private Housing Units Authorized by Building Permits; Seasonally Adjusted

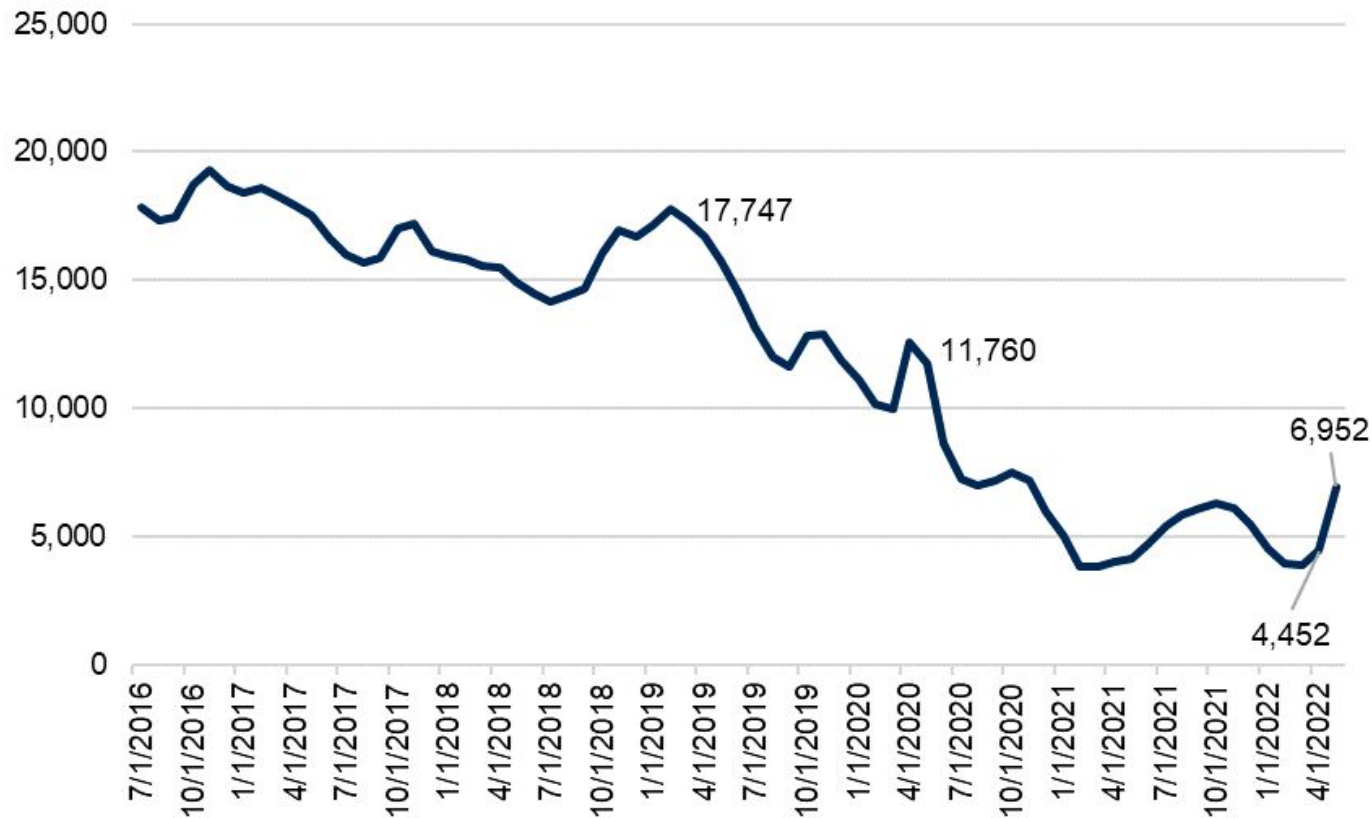


Source: U.S. Census Bureau

Notable Changes:

- 4,757 building permits were authorized in April 2022, an decrease of 902 permits (15.9%) from April 2021
- From March 2022 to April 2022, building permits decreased by 29.8% or 2,015 permits

Housing Inventory: Active Listing Count in Phoenix-Mesa-Scottsdale, AZ

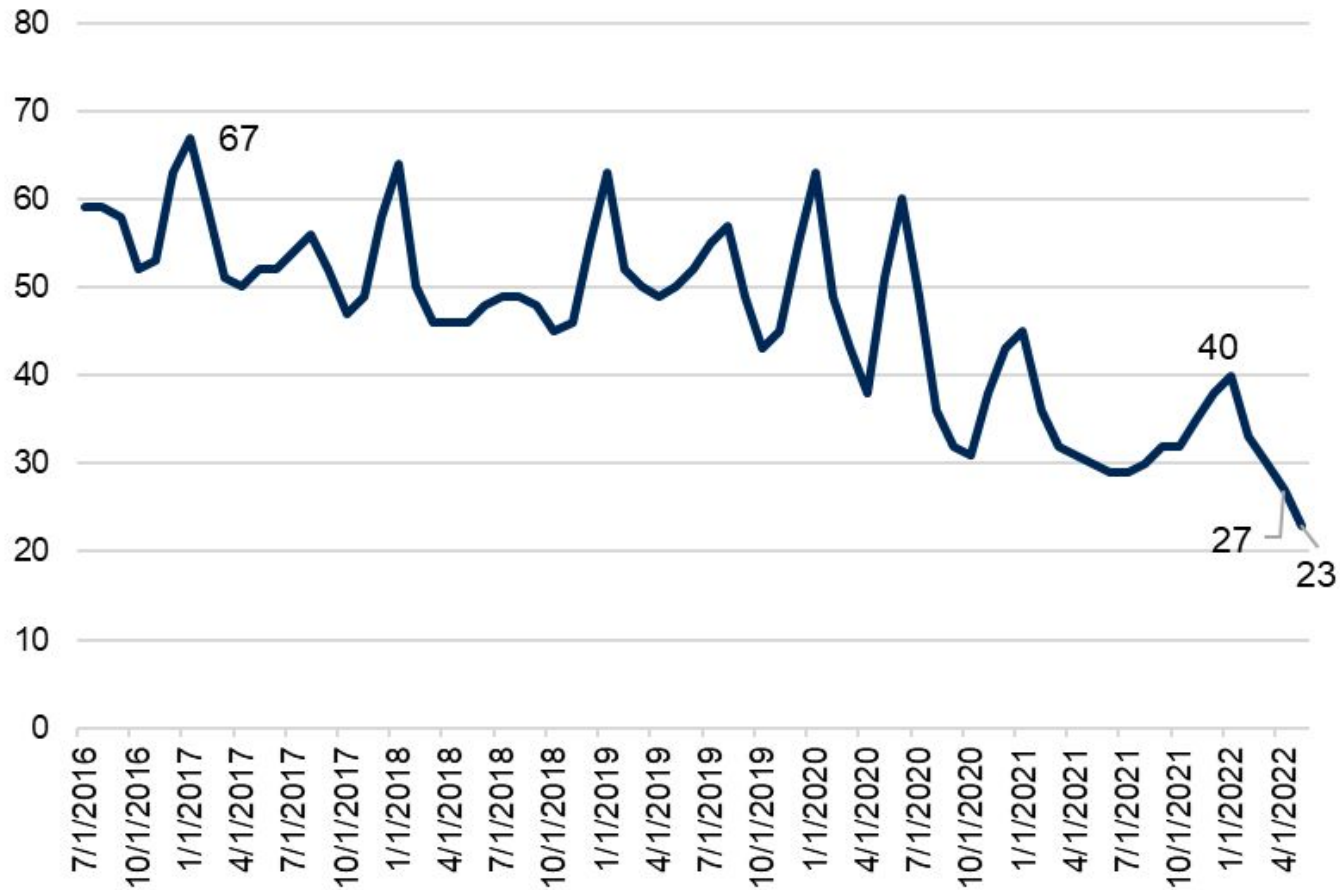


Source: Realtor.com

Notable Changes:

- The count of active house listing increased by 2,500 (56.2%) from April 2022 to May 2022
- The count of active house listing increased by 2,792 (67.1%) from May 2021 to May 2022

Housing Inventory: Median Days on Market in Phoenix-Mesa-Scottsdale, AZ (CBSA)

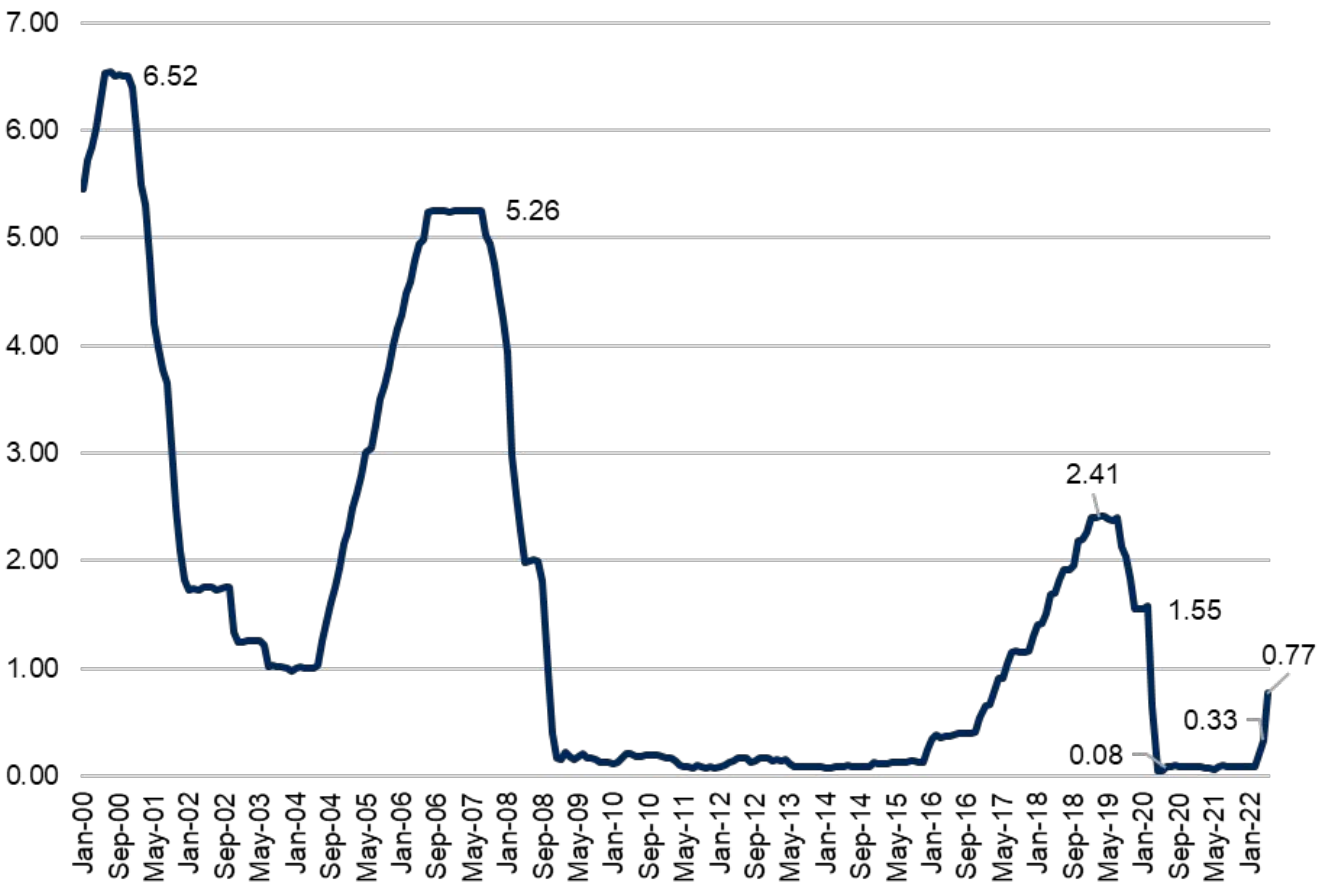


Source: Realtor.com

Notable Changes:

- The median number of days property listings spend on the market decreased by 4 days (15%%) from April 2022 to May 2022
- The median days on market decreased by 7 (23%) from May 2021 to May 2022

Federal Funds Effective Rate*

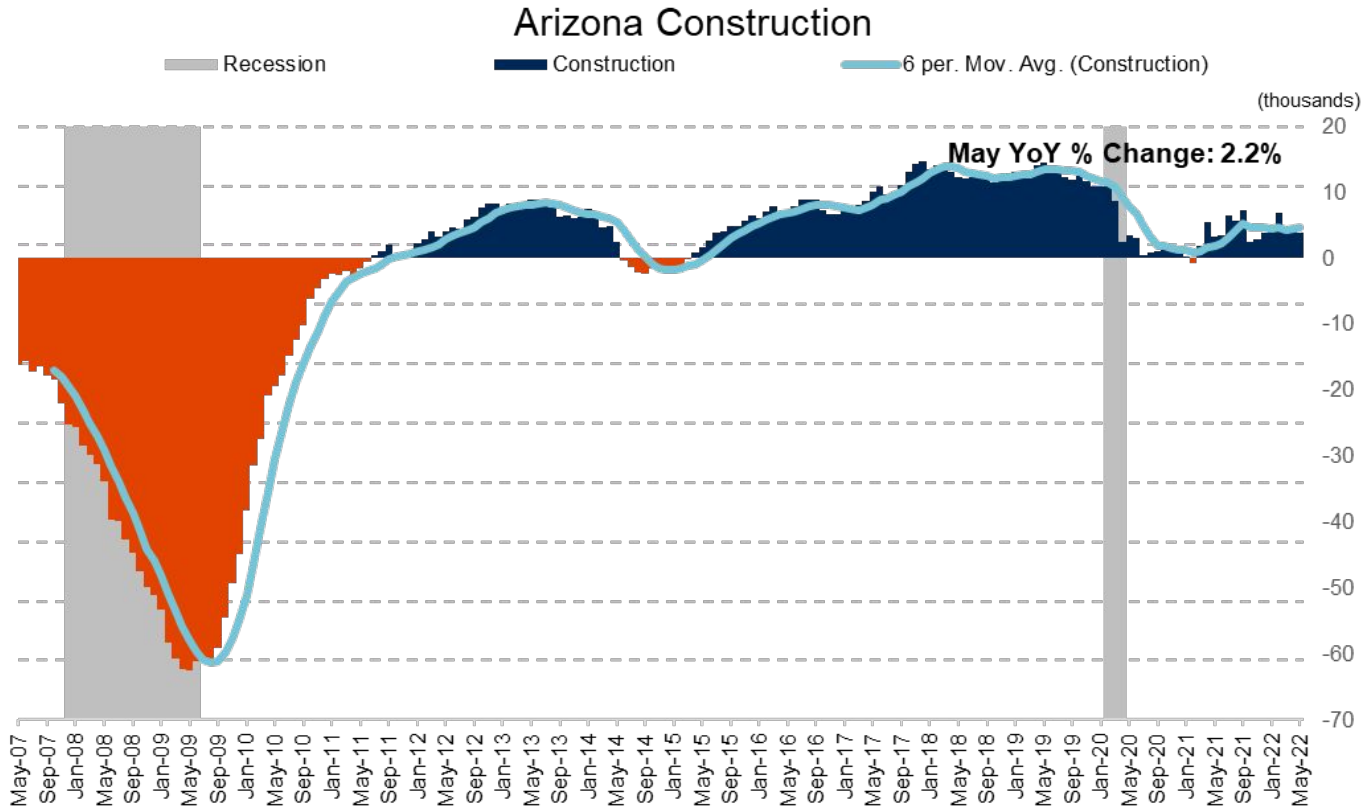


Source: Board of Governors of the Federal Reserve System
Does not reflect rate changes announced on 06/15/2022

Notable Change:

- The federal funds rate increased by 0.23 from April 2022 to May 2022

Year-Over-Year Employment Change



Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

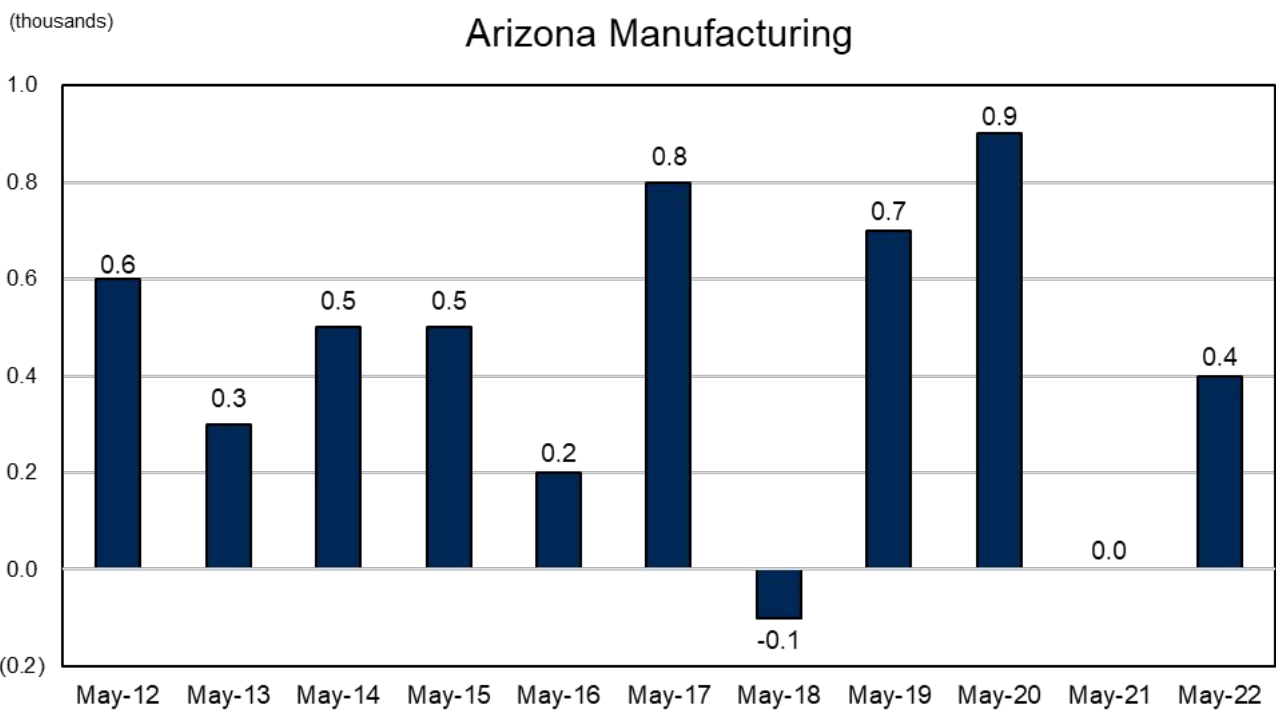
Notable Gains:

- Specialty Trades Construction gained 3,200 jobs (2.6%)
- Heavy and Civil Construction gained 100 jobs (5.2%)

Notable Loss:

- Construction of Buildings lost 300 jobs (-0.8%)

Month-Over-Month Employment Change



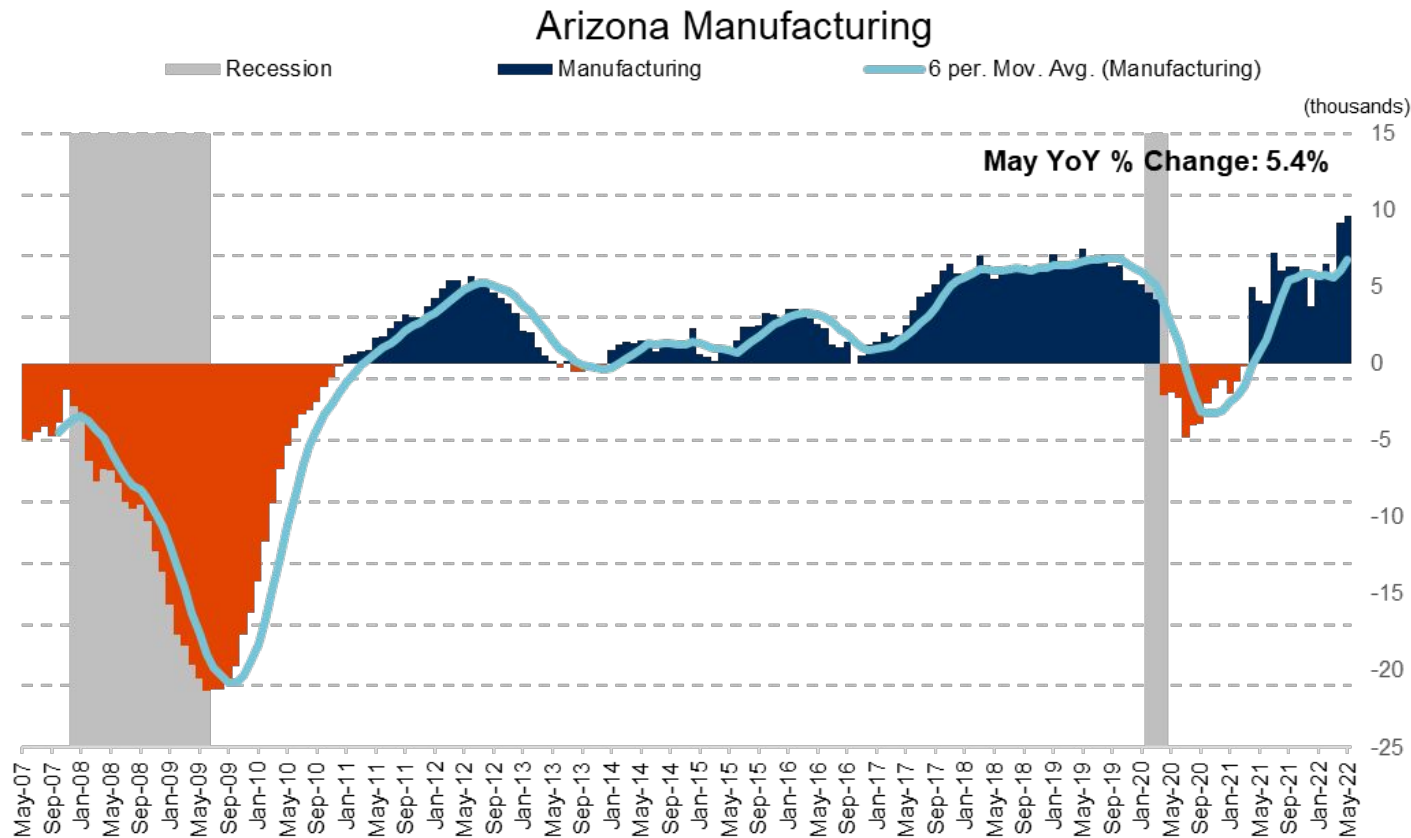
Historic 10-Year Average ('12-'21): 400 Jobs or 0.3%
Pre- Pandemic Average ('10-'19): 500 Jobs or 0.3%

Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

Highlights:

- Durable Goods gained 600 jobs (0.4%)
- Nondurable Goods lost 200 jobs (-0.4%)

Year-Over-Year Employment Change

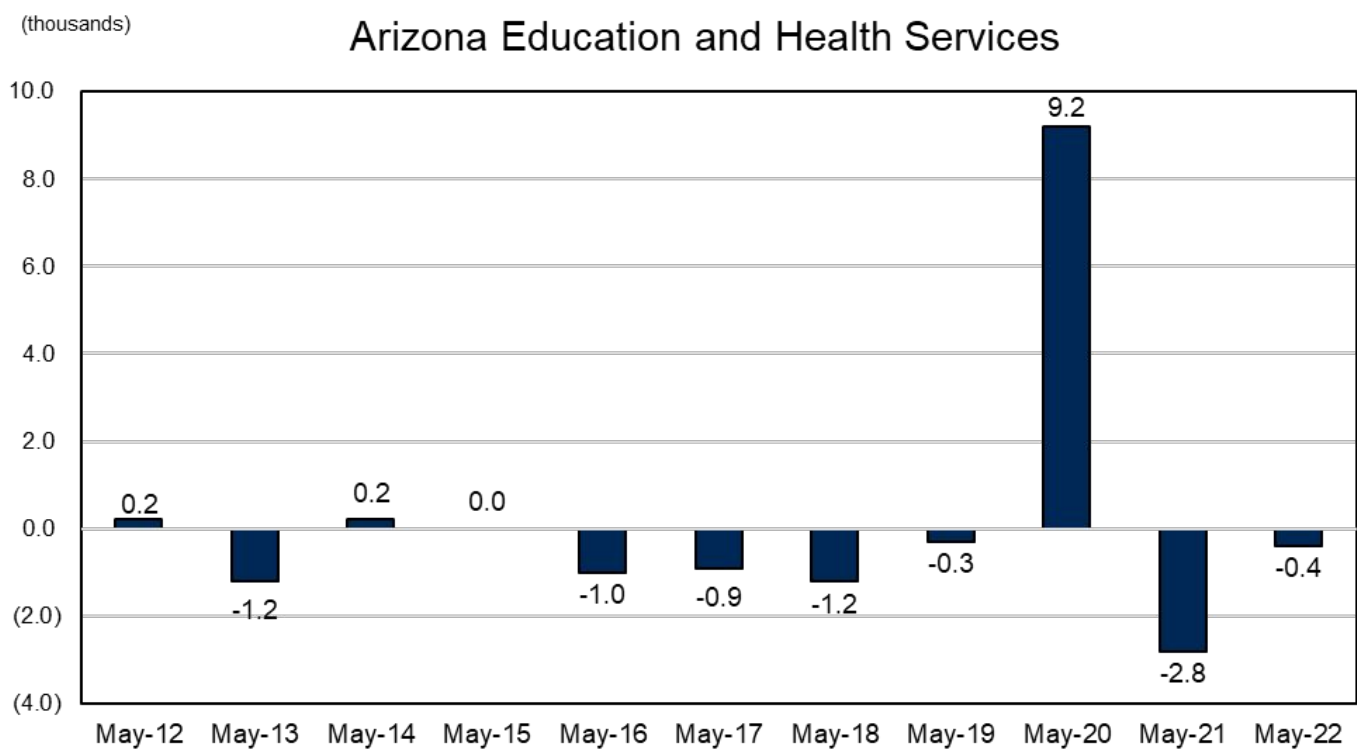


Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

Notable Gains:

- The May 2022 YoY job gain of 5.4% in Manufacturing is the largest gain since June 1995 (6.2% growth)
- Durable Goods gained 7,000 jobs (5.2%)
- Nondurable Goods gained 2,600 jobs (5.9%)

Month-Over-Month Employment Change



Historic 10-Year Average ('12-'21): 200 Jobs or 0.1%
Pre- Pandemic Average ('10-'19): 0 Jobs or 0.0%

Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

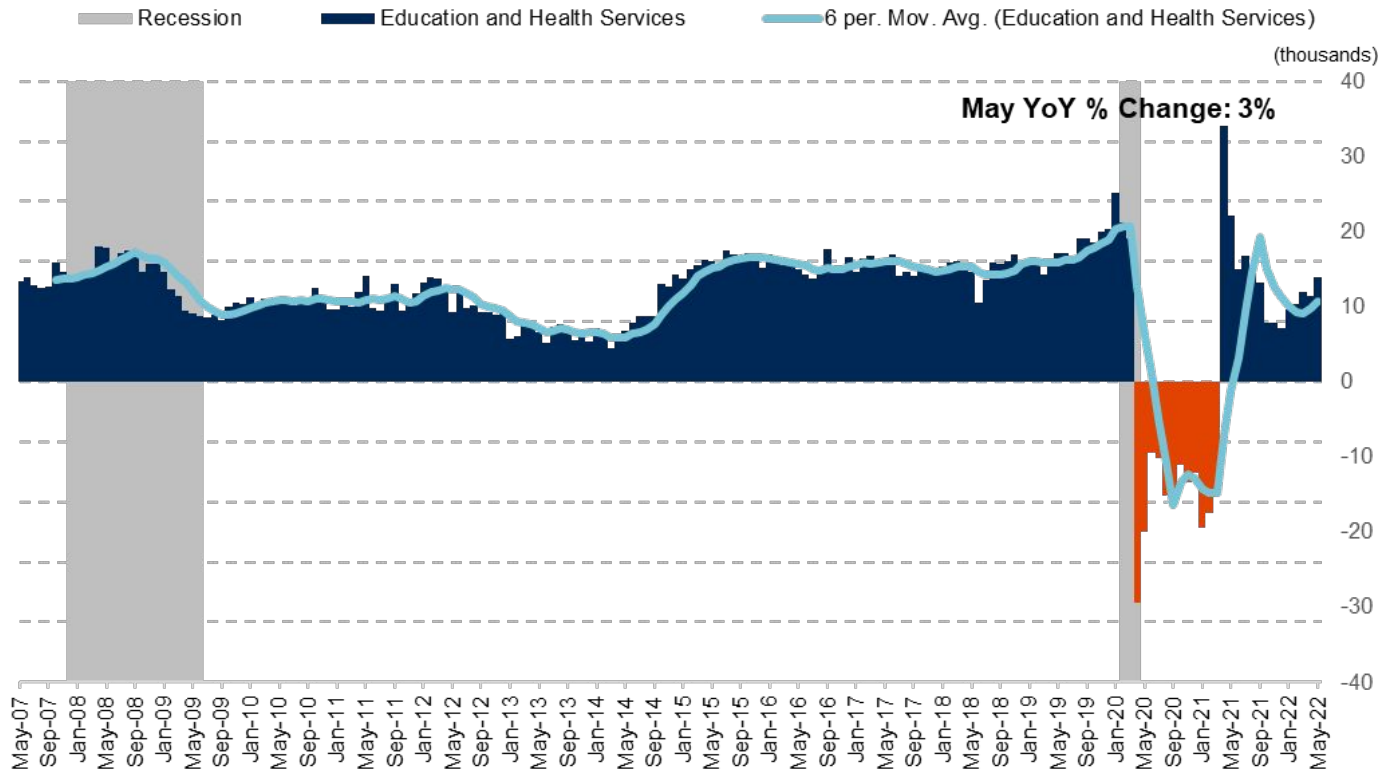
Note: Education and Health Services includes private sector education only

Highlights:

- Educational Services lost 1,900 jobs (-2.8%)
- Ambulatory Health Services gained 1,600 jobs (0.8%)
 - Gains were reported in Home Health Care Services, Medical Laboratories and Offices of Physicians, among others
- Social Assistance gained 300 jobs (0.5%)
- Nursing and Residential Care Facilities gained 200 jobs (0.4%)
- Hospitals lost 600 jobs (-0.6%)

Year-Over-Year Employment Change

Arizona Education and Health Services



Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

Note: Education Services includes private education only

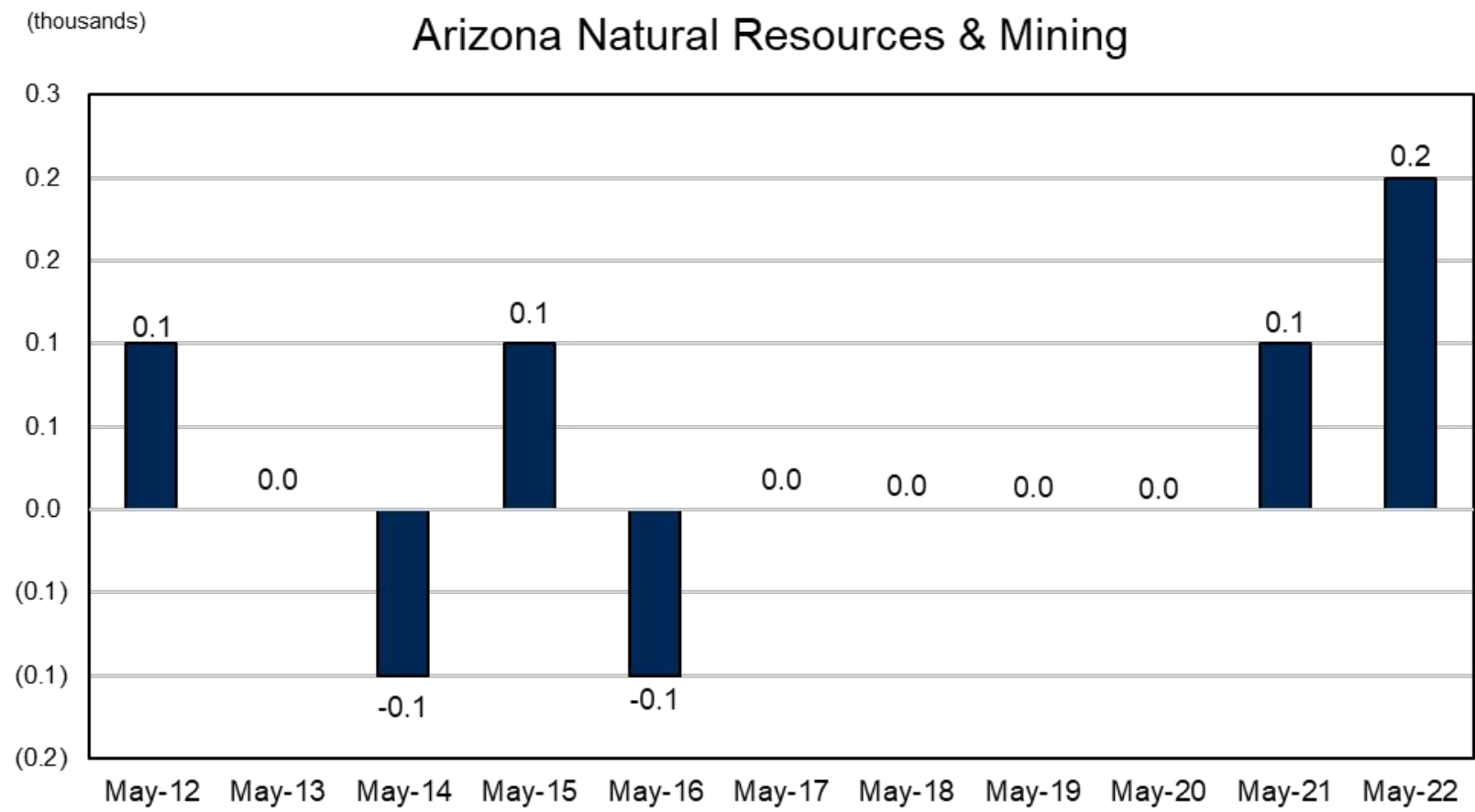
Notable Gains:

- Ambulatory Health Care Services gained 9,100 jobs (5.0%)
- Educational Services gained 3,000 jobs (4.7%)
- Hospitals gained 2,000 jobs (2.0%)
- Social Assistance gained 200 jobs (0.3%)

Notable Loss:

- Nursing and Residential Care Facilities lost 400 jobs (-0.7%)

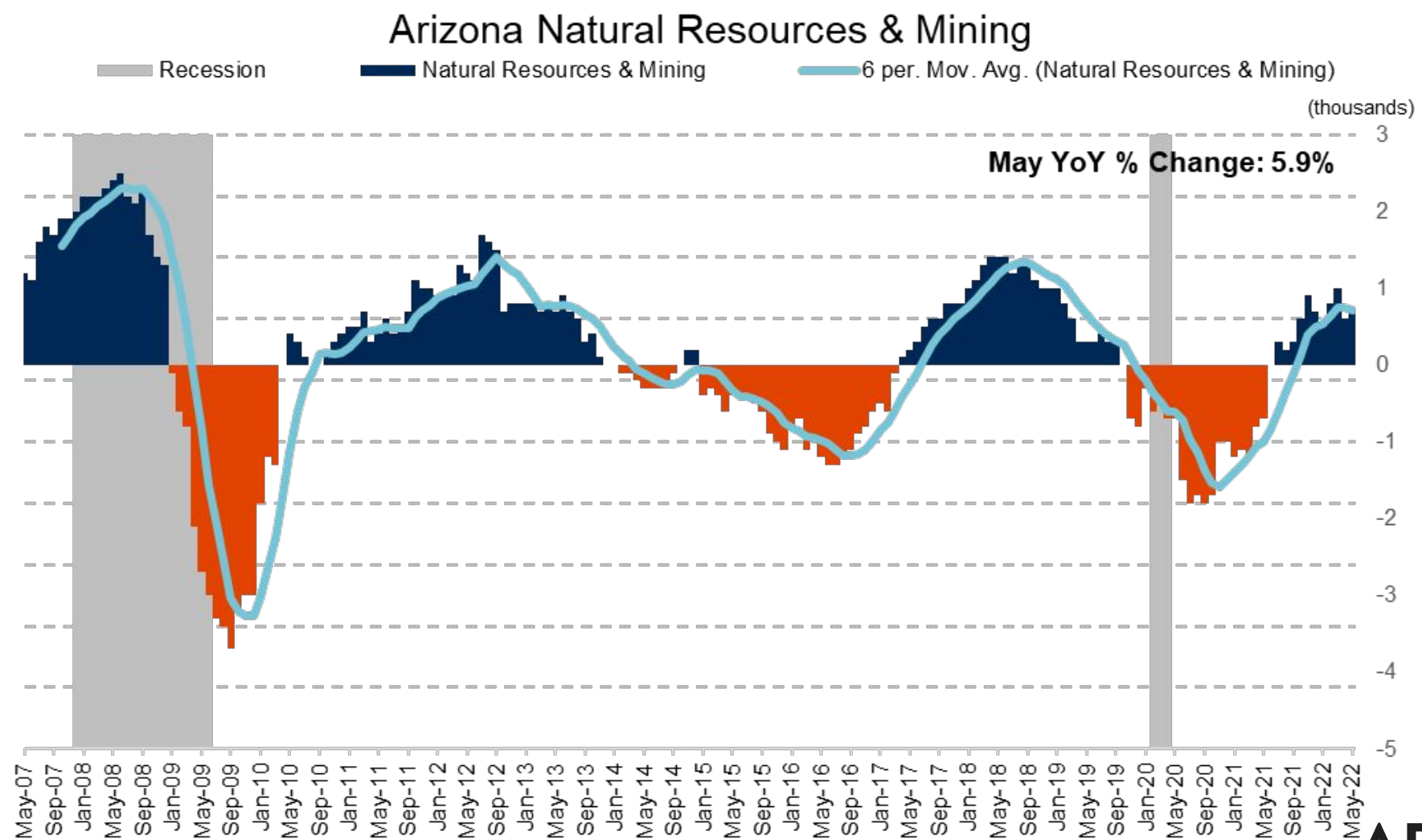
Month-Over-Month Employment Change



Historic 10-Year Average ('12-'21): 0 Jobs or 0.1%
Pre- Pandemic Average ('10-'19): 0 Jobs or 0.3%

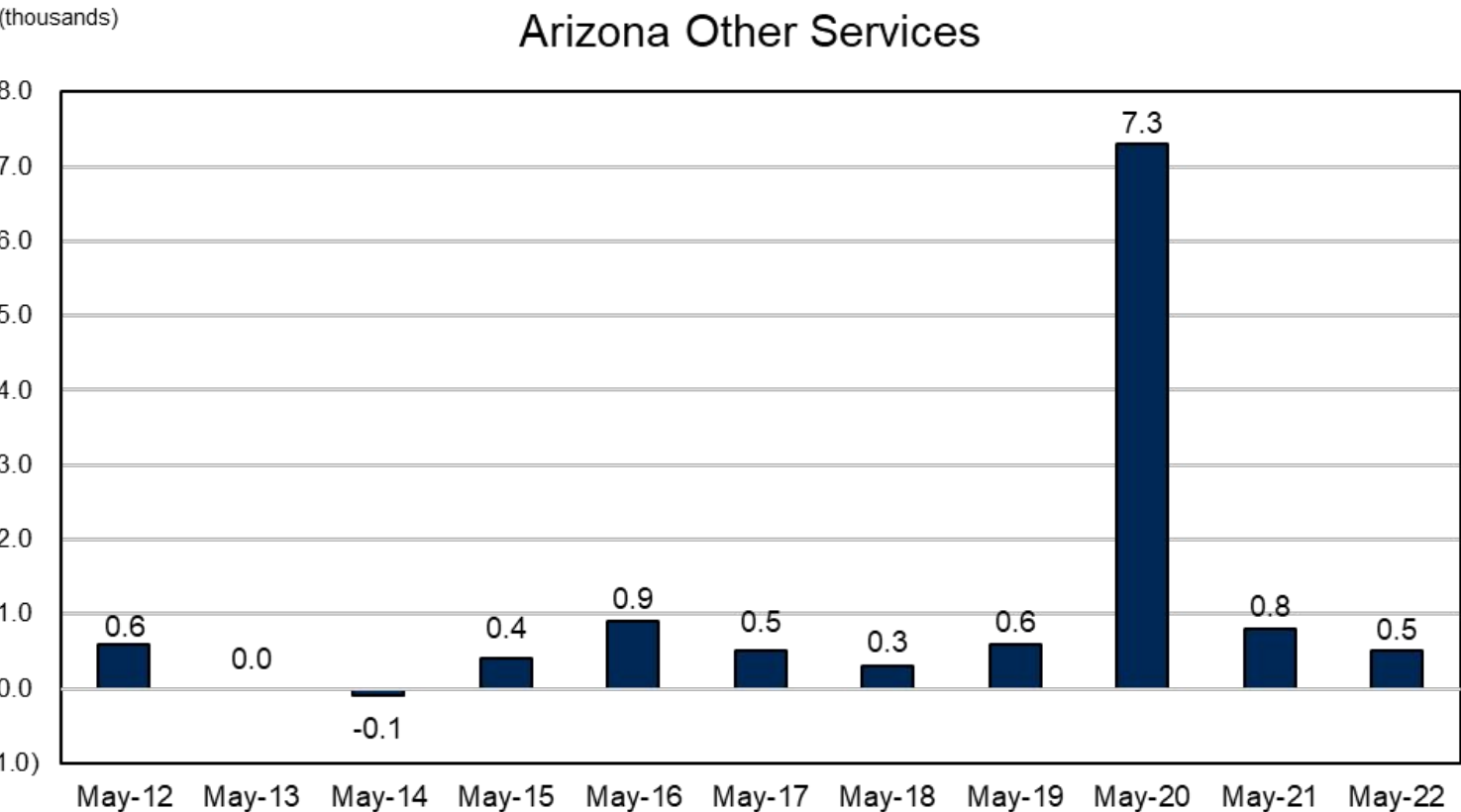
Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

Year-Over-Year Employment Change



Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

Month-Over-Month Employment Change

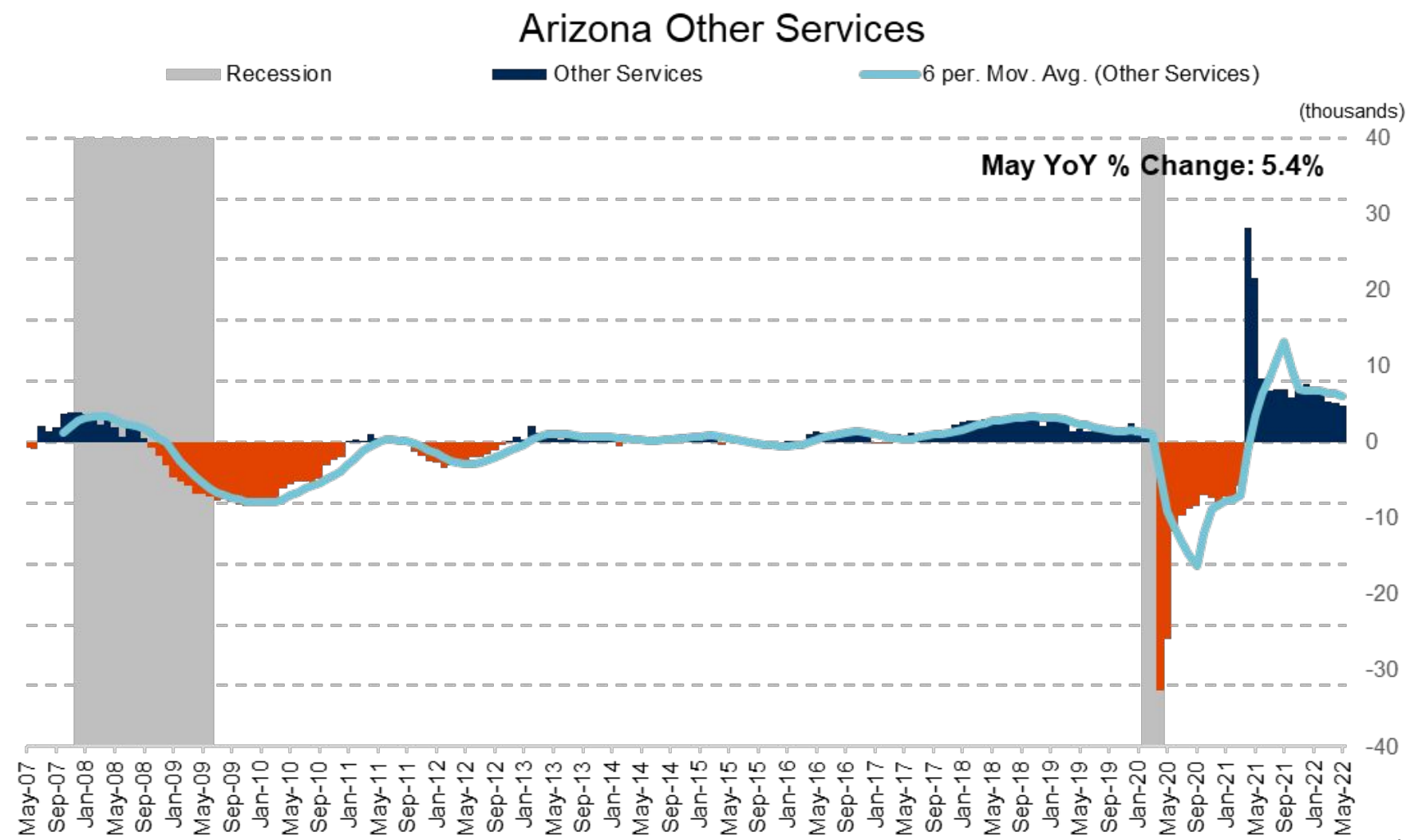


- Job gains were mainly from Automotive Repair, Beauty Salons, and Nail Salons, among others

Historic 10-Year Average ('12-'21): 1,100 Jobs or 1.6%
Pre- Pandemic Average ('10-'19): 400 Jobs or 0.4%

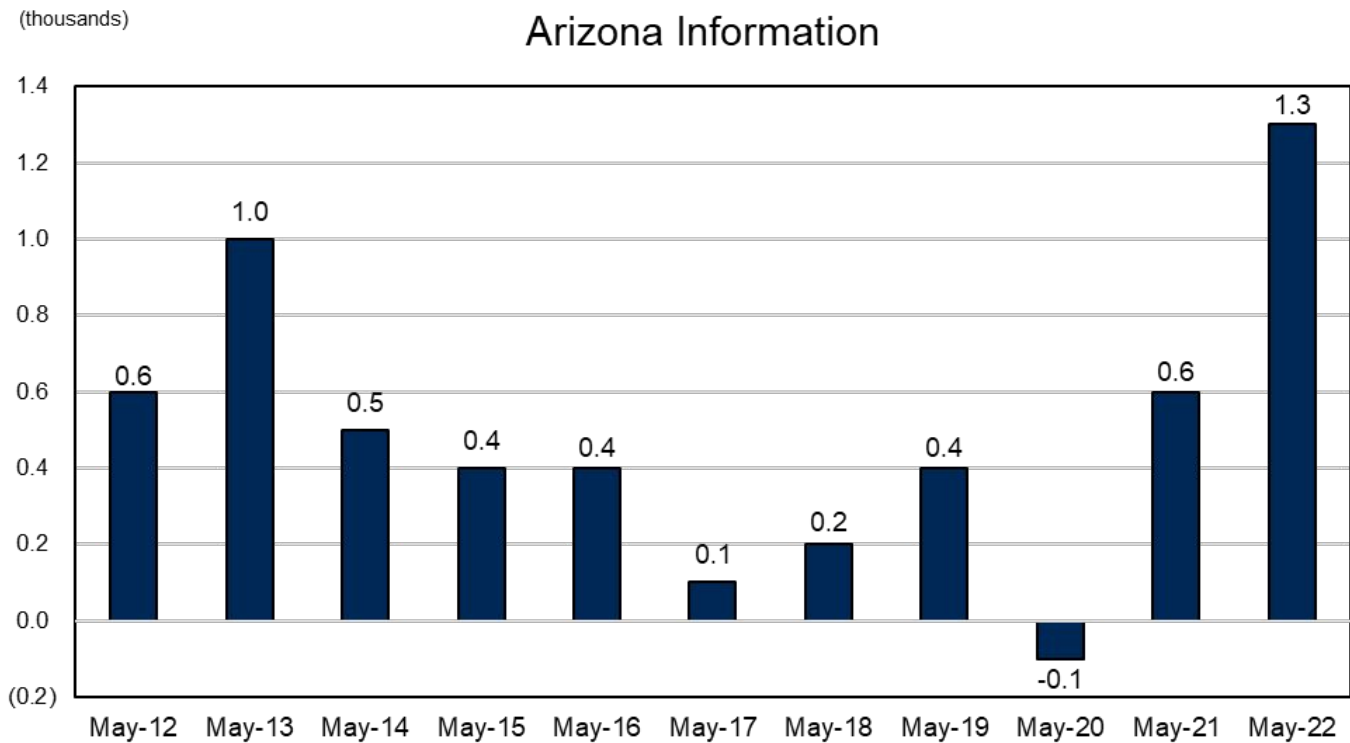
Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

Year-Over-Year Employment Change



Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

Month-Over-Month Employment Change

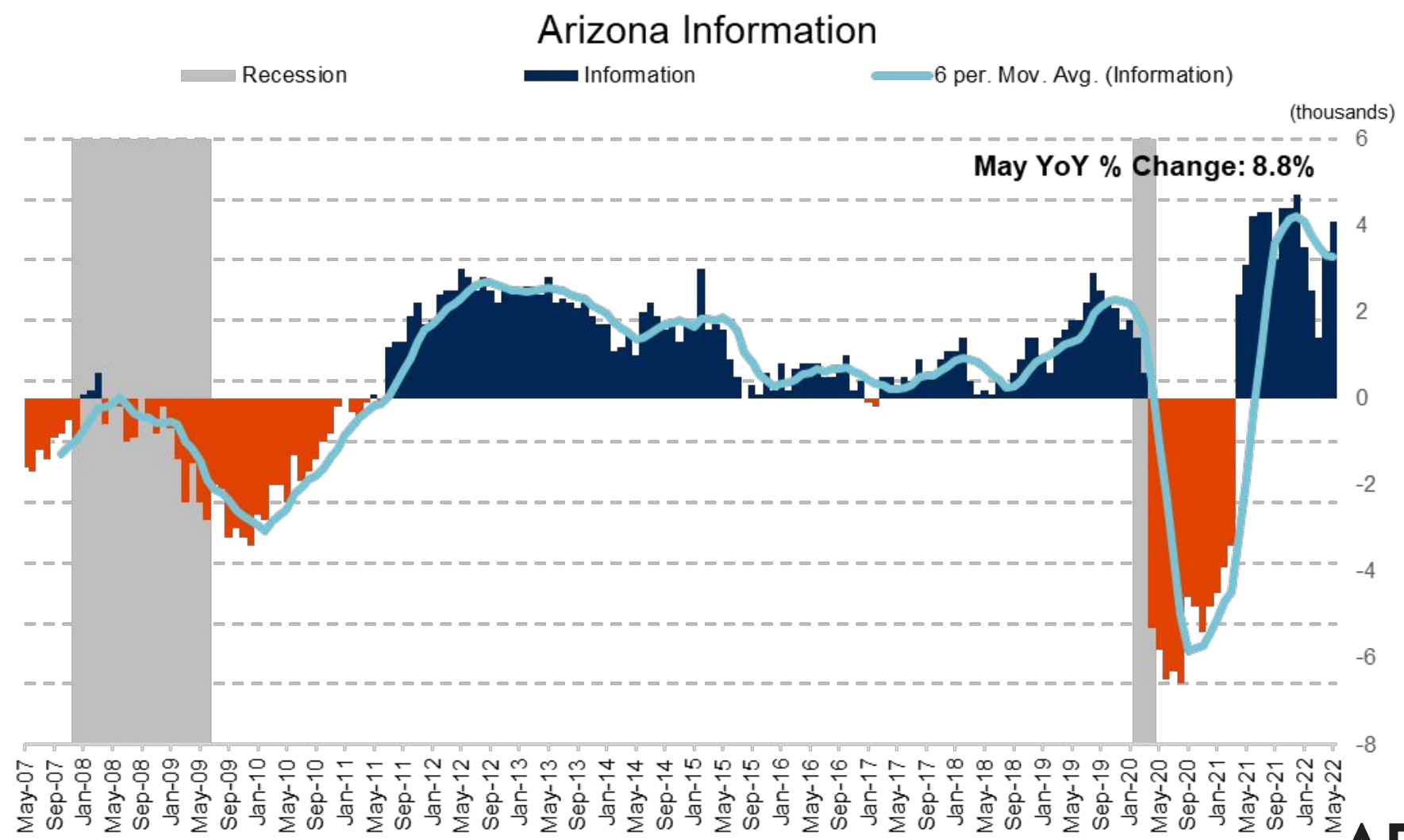


Historic 10-Year Average ('12-'21): 400 Jobs or 0.9%
Pre- Pandemic Average ('10-'19): 400 Jobs or 0.8%

Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

- Job gains were reported from Data Processing, Hosting and Related Services, Wireless Telecommunications Carriers, and Motion Picture and Video Production

Year-Over-Year Employment Change



Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

Percent of Jobs Recovered from Feb. '20 to May '22

Seasonally-Adjusted

Sector	Arizona	United States
Financial Activities	395%	128%
Manufacturing	220%	99%
Trade, Transportation & Utilities	218%	126%
Construction	214%	104%
Information	114%	122%
Professional & Business Svcs	104%	136%
Education and Health Services	101%	88%
Other Services	99%	82%
Leisure & Hospitality	95%	84%
Natural Resources & Mining	83%	48%
Government	20%	58%
Private Sector	122%	99%
Total Nonfarm Employment	115%	96%

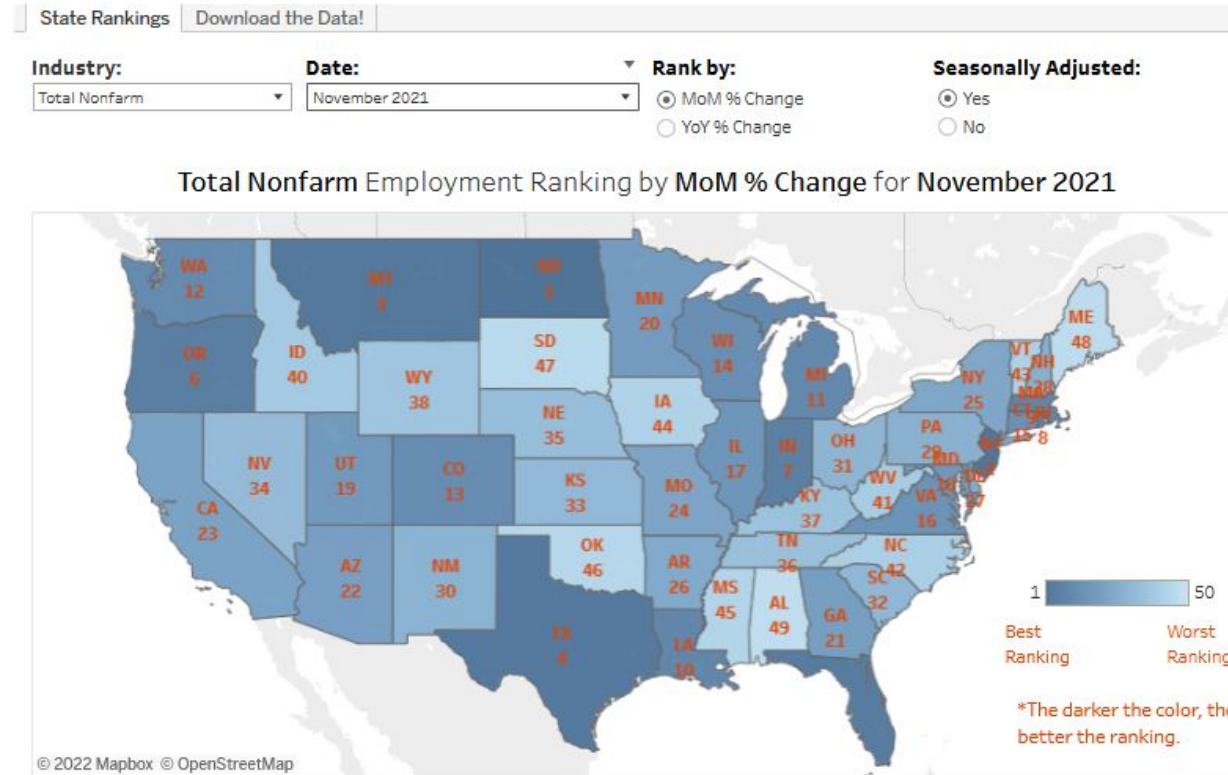
Source: Arizona Office of Economic Opportunity in cooperation with the U.S. DOL BLS

Note: February 2020 level was used as the reference month for comparison purposes

Report Summary

- Month-over-month, Arizona nonfarm employment decreased by 5,500 jobs, while the Private Sector gained 1,200 jobs
- Year-over-year, Arizona nonfarm employment increased by 3.5%, while U.S. nonfarm employment increased by 4.5% YoY
- Arizona nonfarm employment has recovered 115% of the jobs lost during the COVID-19 pandemic
- The Arizona unemployment rate remained at 3.2% in May 2022
 - The unemployment rate is the lowest rate recorded under the current estimation methodology going back to 1976.
- Month-over-month, the Arizona labor force increased by 12,691 individuals

Employment and Unemployment State Rankings Available June 17, 2022



Employment State Rankings

- [OEO Employment and Wage Page](#)

Unemployment State Rankings

- [OEO Unemployment Webpage](#)

Employment Ranking by MoM % Change for Arizona
November 2021 (Seasonally Adjusted: Yes)
**Click on map for ranking of specified state*

Industry	Arizona	
	Rank	% Change
Total Nonfarm	22	0.3%
Private Sector	23	0.3%
Goods-Producing Industries	28	0.3%
Service-Providing Industries	20	0.3%
Private Service Providing	24	0.3%
Construction	32	0.4%

Employment Ranking by MoM % Change
Top Five Ranked States by Industry
November 2021 (Seasonally Adjusted: Yes)

Industry	Area Name	Rank	% Change
Total Nonfarm	North Dakota	1	0.8%
	New Jersey	2	0.6%
	Montana	3	0.6%
	Texas	4	0.6%
	Florida	5	0.6%
Private Sector	North Dakota	1	1.0%
	Montana	2	0.8%

Thank You

Any Questions?

Upcoming Releases:

July 21, 2022: June 2022 Employment Report