

**September 16, 2021**

# August 2021 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)

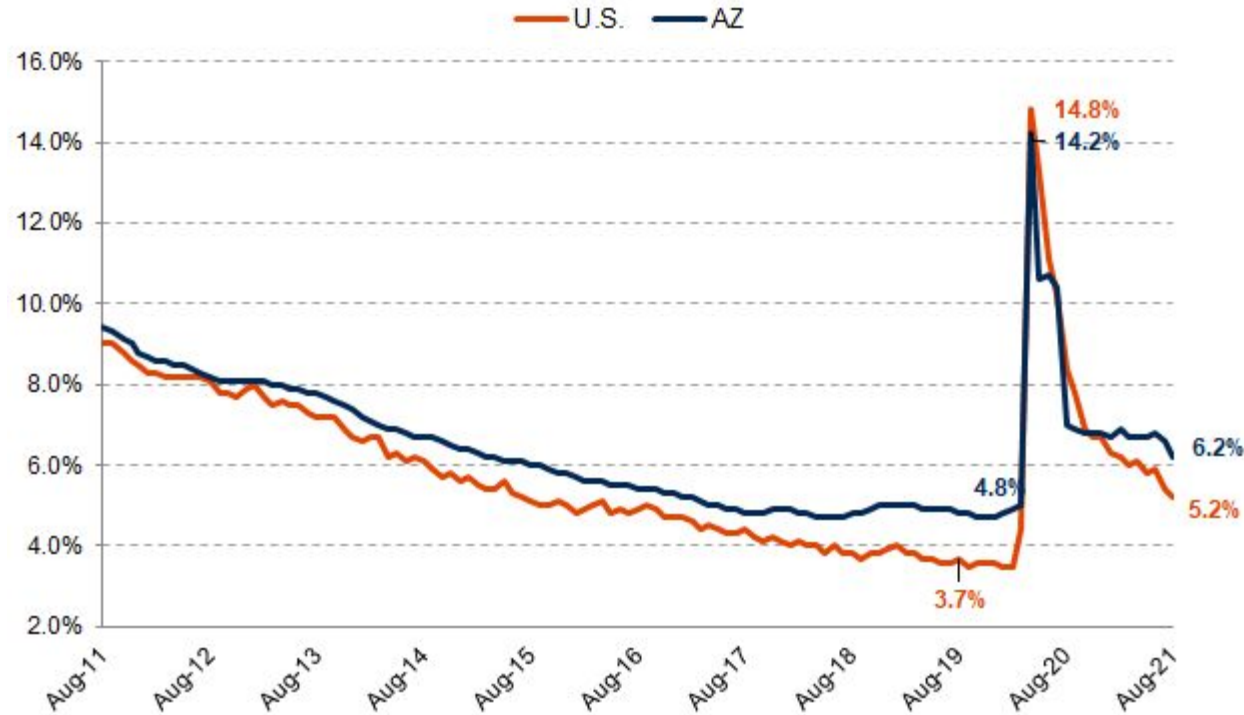
# Month-Over-Month (MoM) Highlights

- The Arizona seasonally adjusted (SA) unemployment rate decreased to 6.2% in August 2021 from 6.6% in July 2021
- The U.S. SA unemployment rate decreased to 5.2% in August 2021 from 5.4% in July 2021
- Arizona nonfarm employment increased by 53,600 jobs
  - The private sector gained 20,300 jobs, and government gained 33,300 jobs
- Seven of the eleven major sectors reported job gains
  - The largest gains occurred in government (33,300 jobs) and Education and Health Services (11,800 jobs)
- July 2021 total nonfarm employment gains were revised up to 9,600 jobs from 6,100 jobs
  - Local government education losses were revised from 9,300 jobs to 3,400 jobs

# Year-Over-Year (YoY) Highlights

- Arizona nonfarm employment increased by 162,400 jobs (5.8%)
- Arizona private sector employment increased by 169,900 jobs (7.1%), while government employment decreased by 7,500 jobs (-1.8%)
- Ten of the eleven major sectors recorded job gains
  - The largest gains were recorded in Leisure and Hospitality (62,100 jobs) and Trade, Transportation & Utilities (34,900 jobs)
- All seven Arizona metro areas (MSAs) gained jobs
  - The largest percentage gains were recorded in Prescott MSA (7.9%) and Yuma MSA (6.7%)

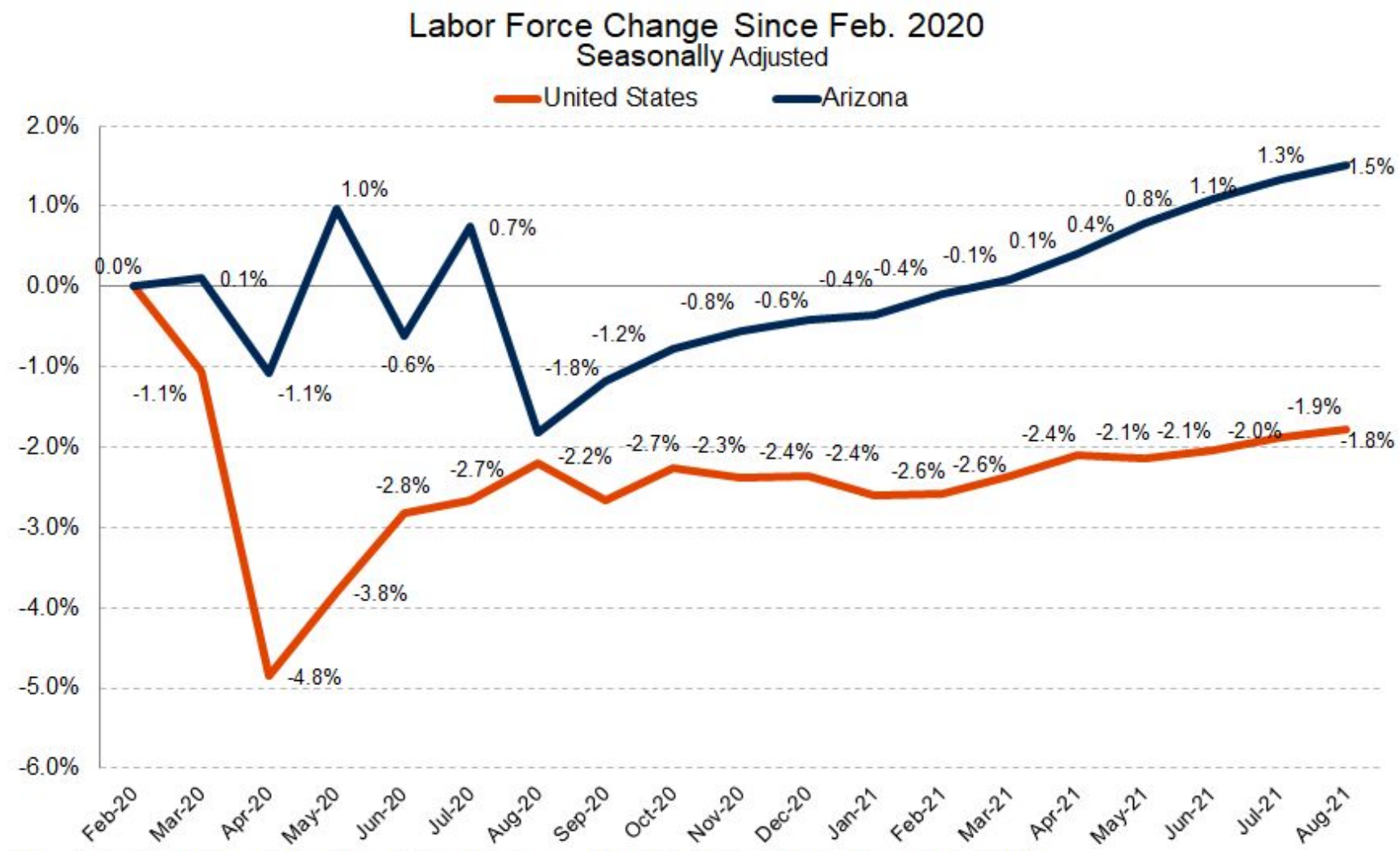
## Arizona & U.S. Unemployment Rate Seasonally Adjusted



Period	Labor Force	Employment	Unemployment	Unemp. Rate
Aug-2021	3,637,988	3,412,686	225,302	6.2
OTM Change	6,169	19,110	-12,941	-0.4
OTY Change	119,257	139,735	-20,478	-0.8

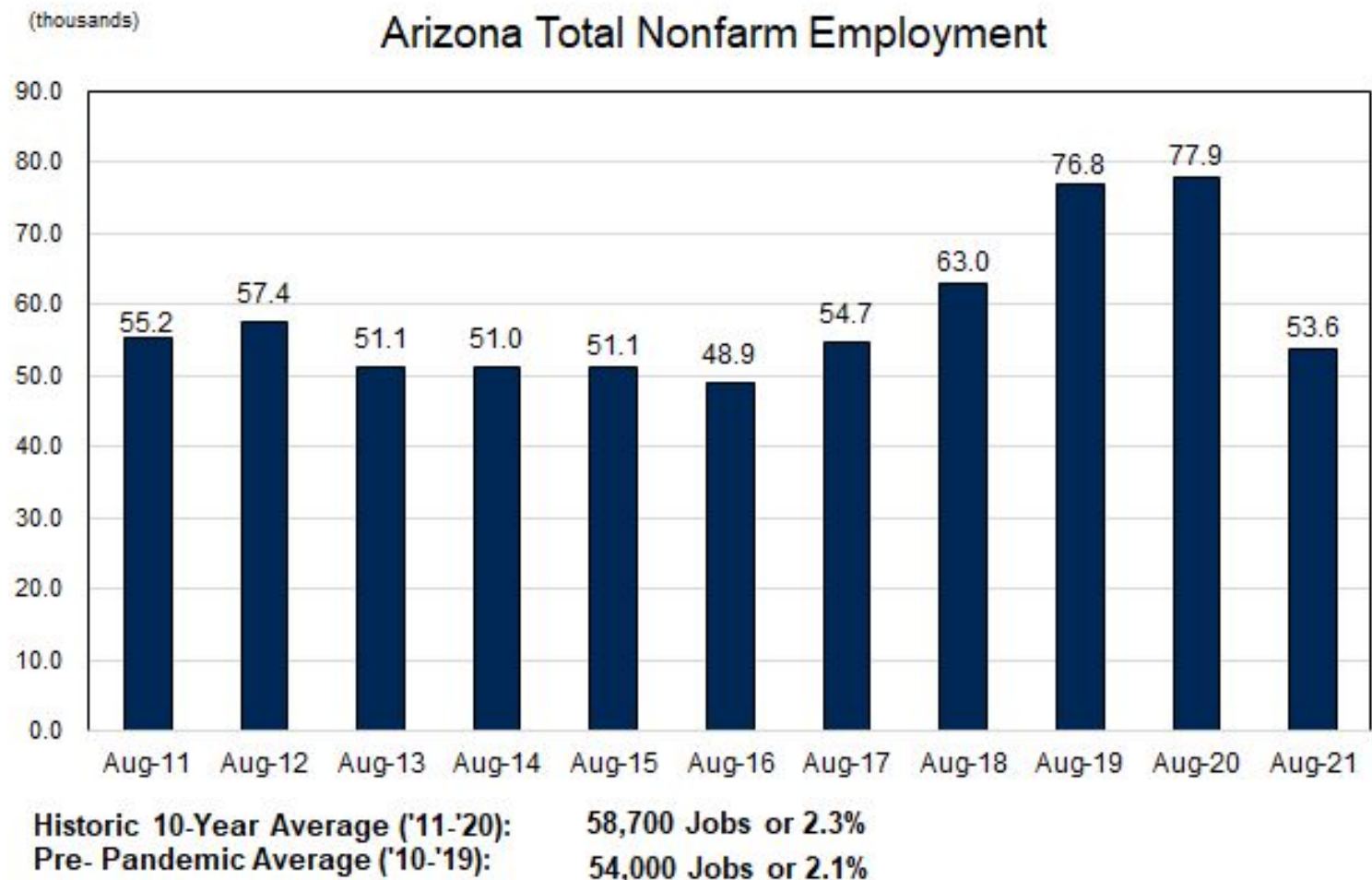


# Labor Force Comparison



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

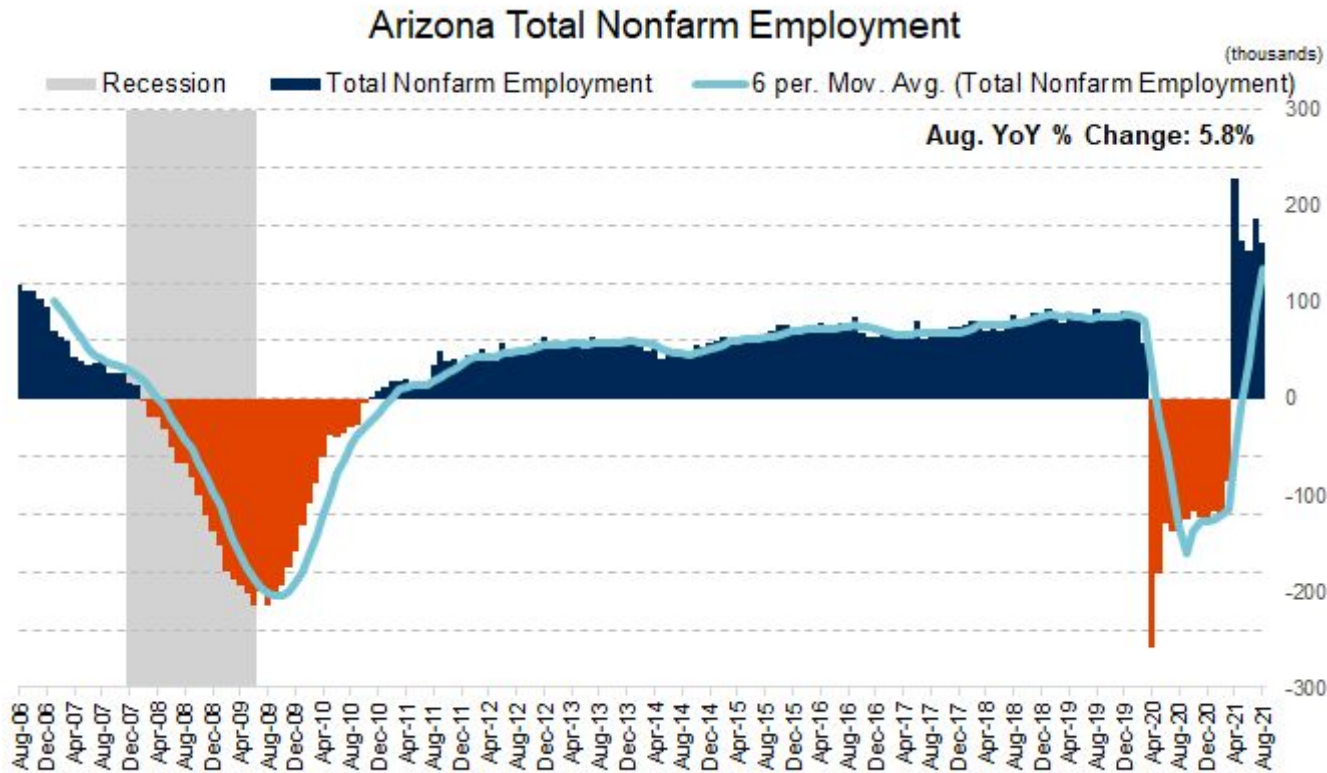
# Month-Over-Month Employment Change



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

## Notable Change:

- Arizona nonfarm employment increased 5.8% YoY (162,400 jobs)

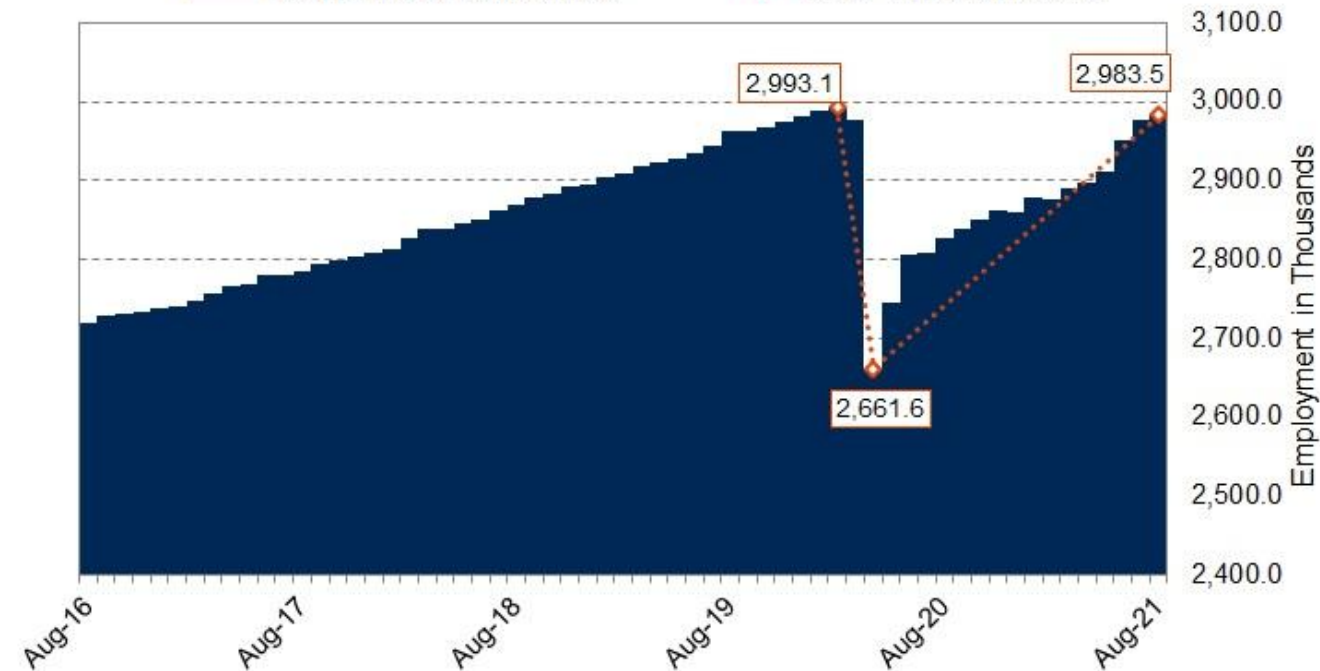
# COVID-19 Pandemic Impact

Arizona Total Nonfarm Employment

Seasonally Adjusted

■ Total Nonfarm Employment

●●● Peak, Trough, Present

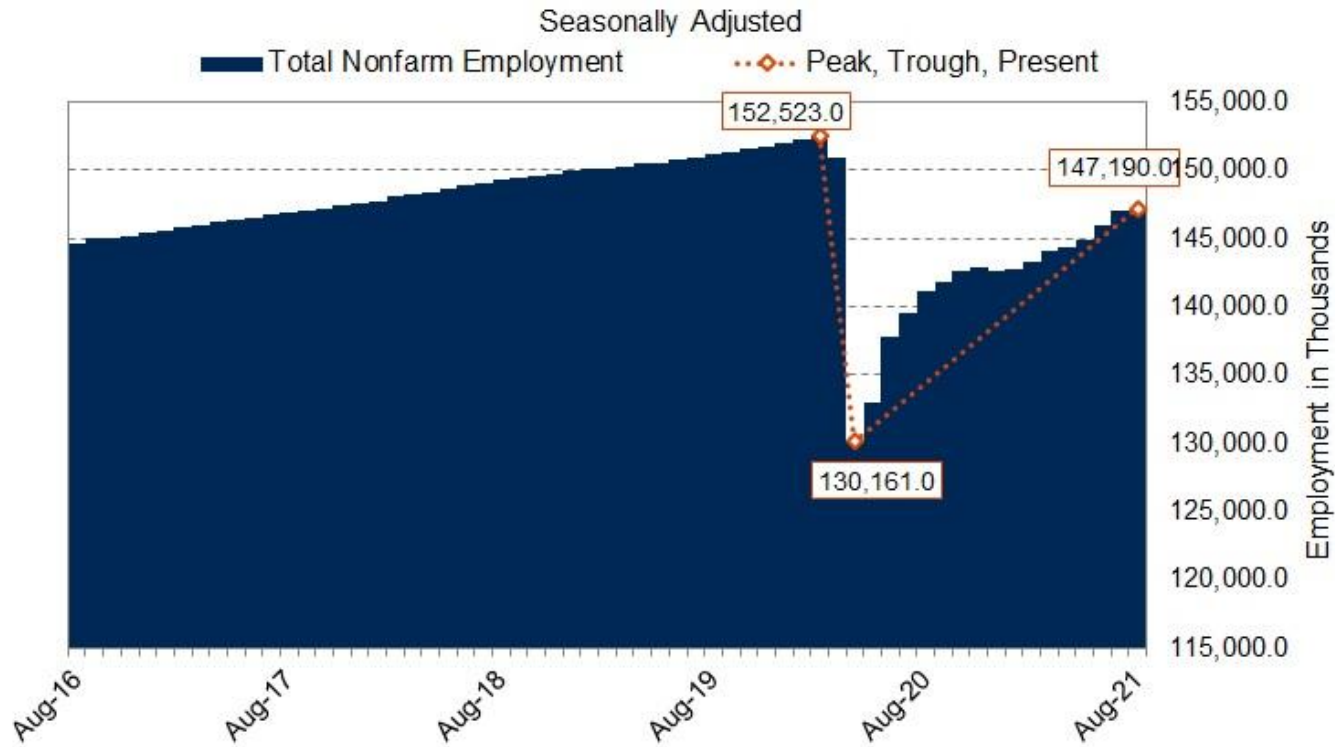


Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

- Since April 2020, 97% (321,900 jobs) of the pandemic job losses have been recovered

# COVID-19 Pandemic Impact

U.S. Total Nonfarm Employment



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

- Since April 2020, 76% (17,029,000 jobs) of the pandemic job losses have been recovered

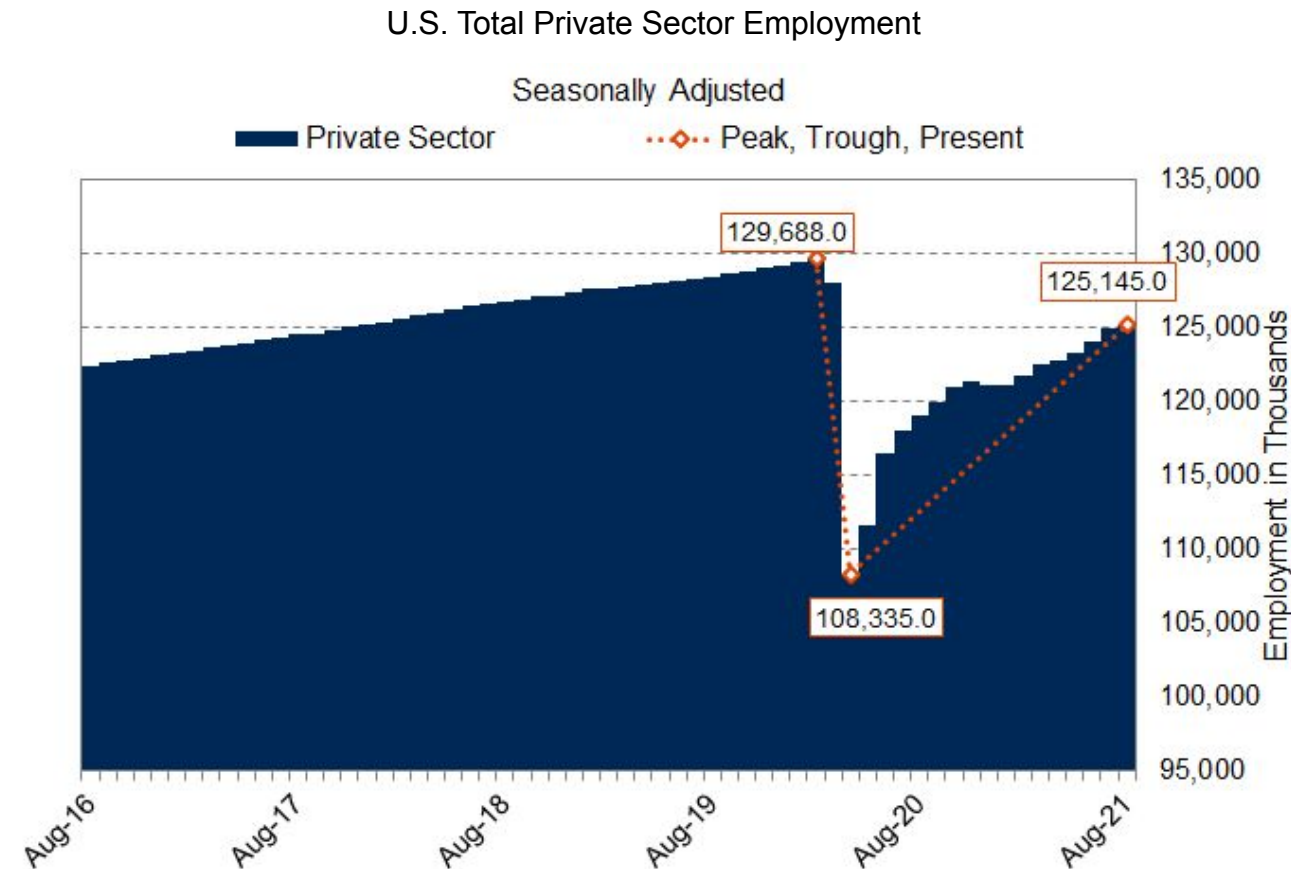
# COVID-19 Pandemic Impact



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

- Since April 2020, 101% (325,500 jobs) of the pandemic job losses have been recovered

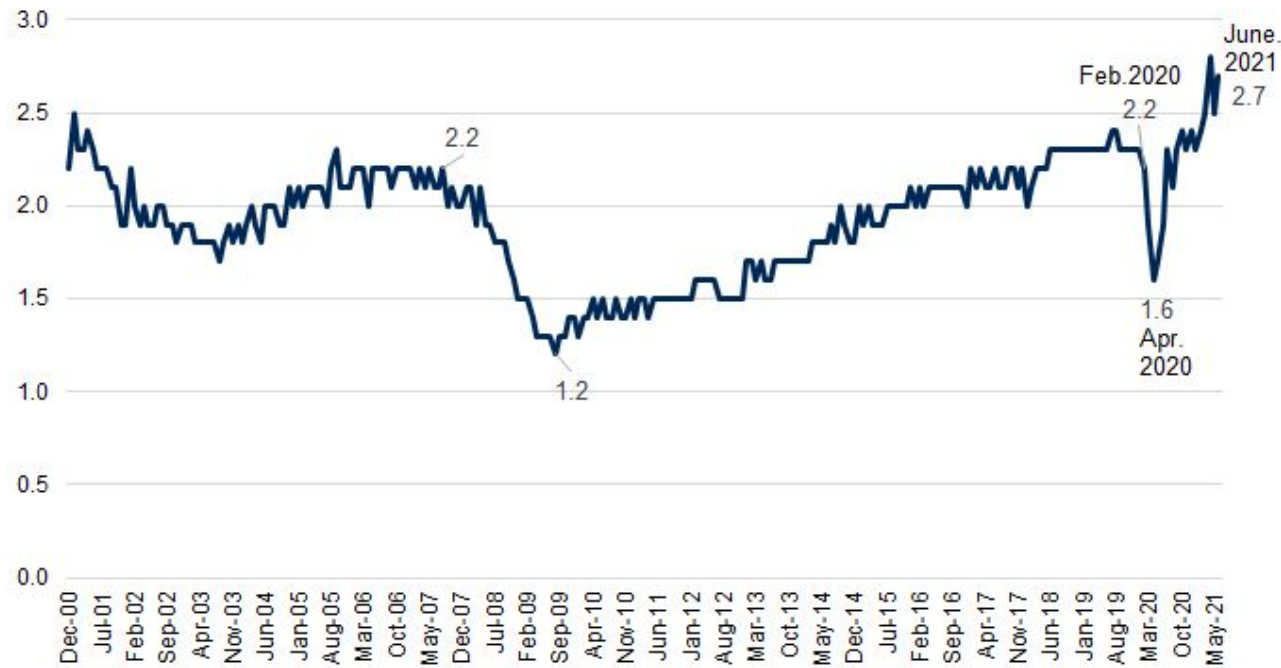
# COVID-19 Pandemic Impact



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

- Since April 2020, 79% (16,810,000 jobs) of the pandemic job losses have been recovered

# United States Quits Rates; Seasonally Adjusted



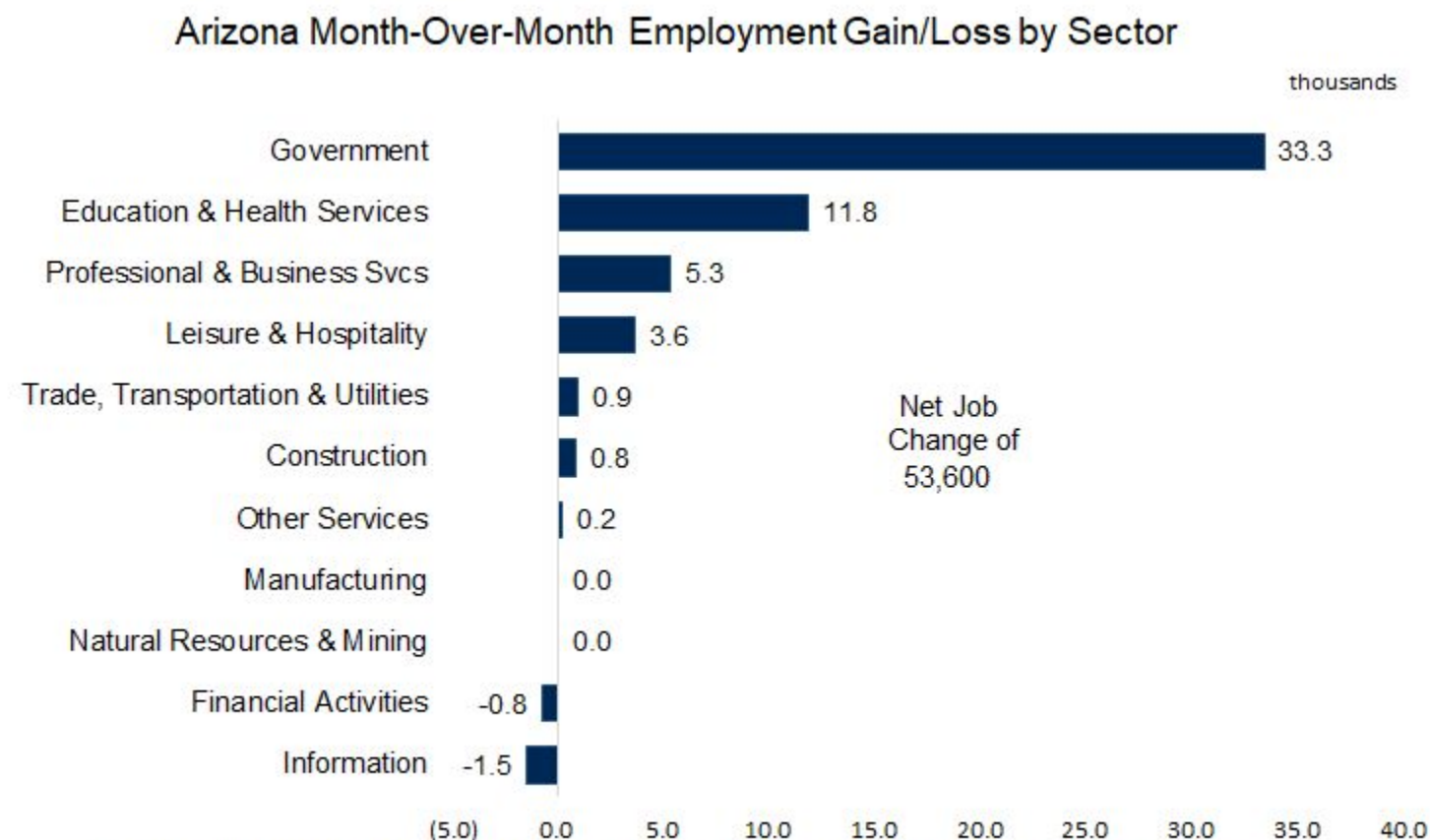
Source: U.S. Bureau of Labor Statistics

## Highlight:

- The quits rate increased to 2.7% in June 2021 from 2.5% in May 2021.
- In April 2021, the quits rate hit a historic high of 2.8%

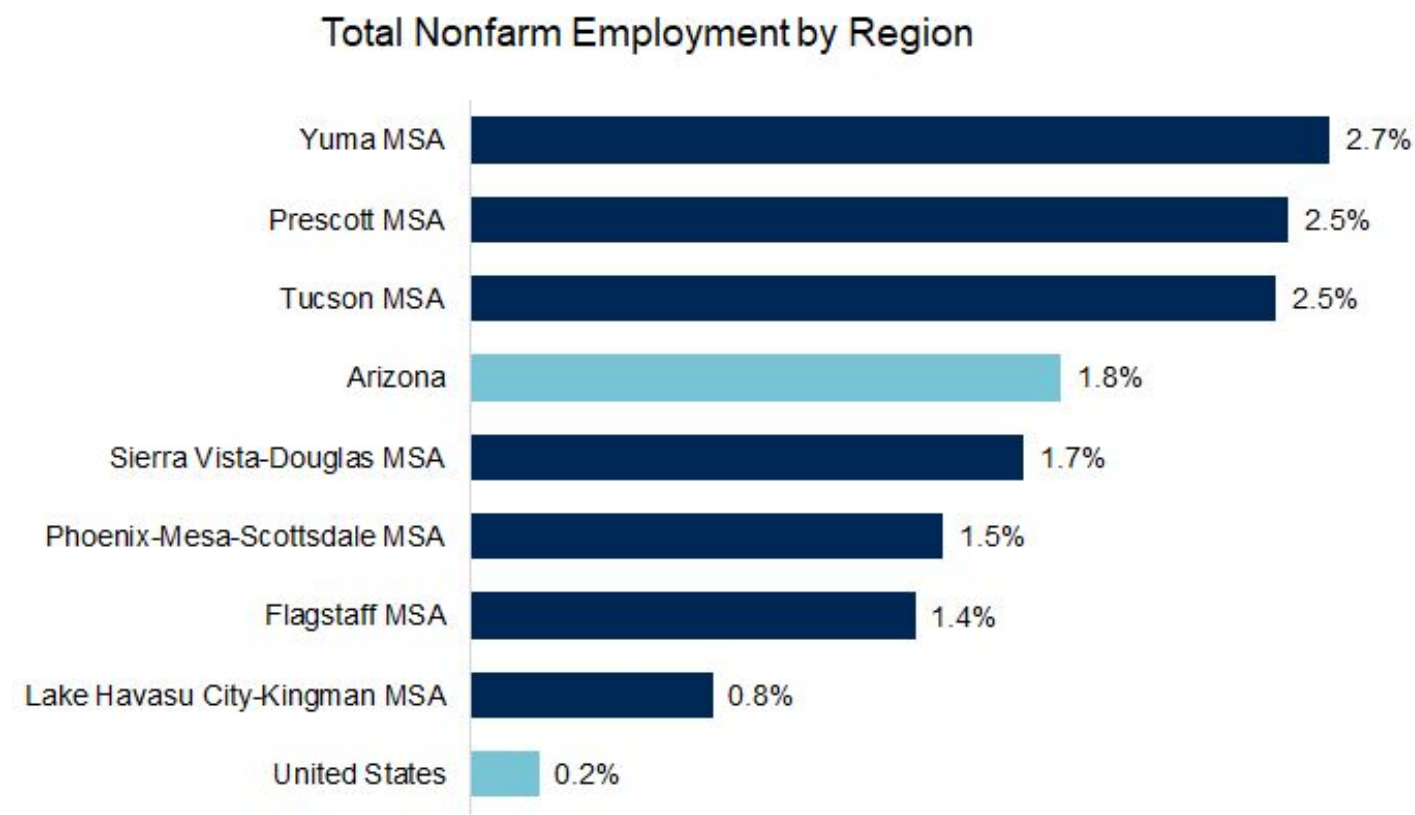


# Month-Over-Month Employment Change



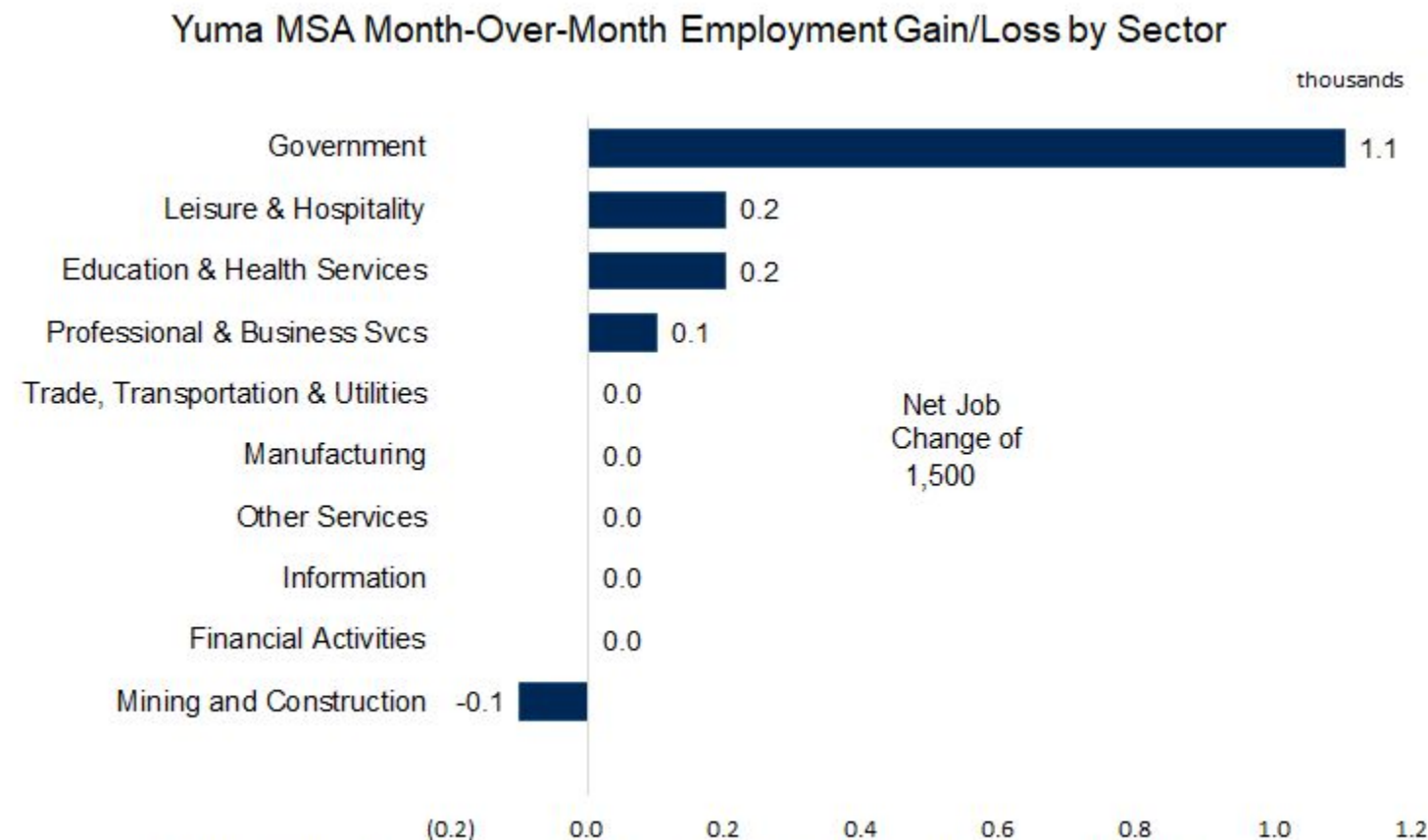
Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics

# Month-Over-Month Employment Change



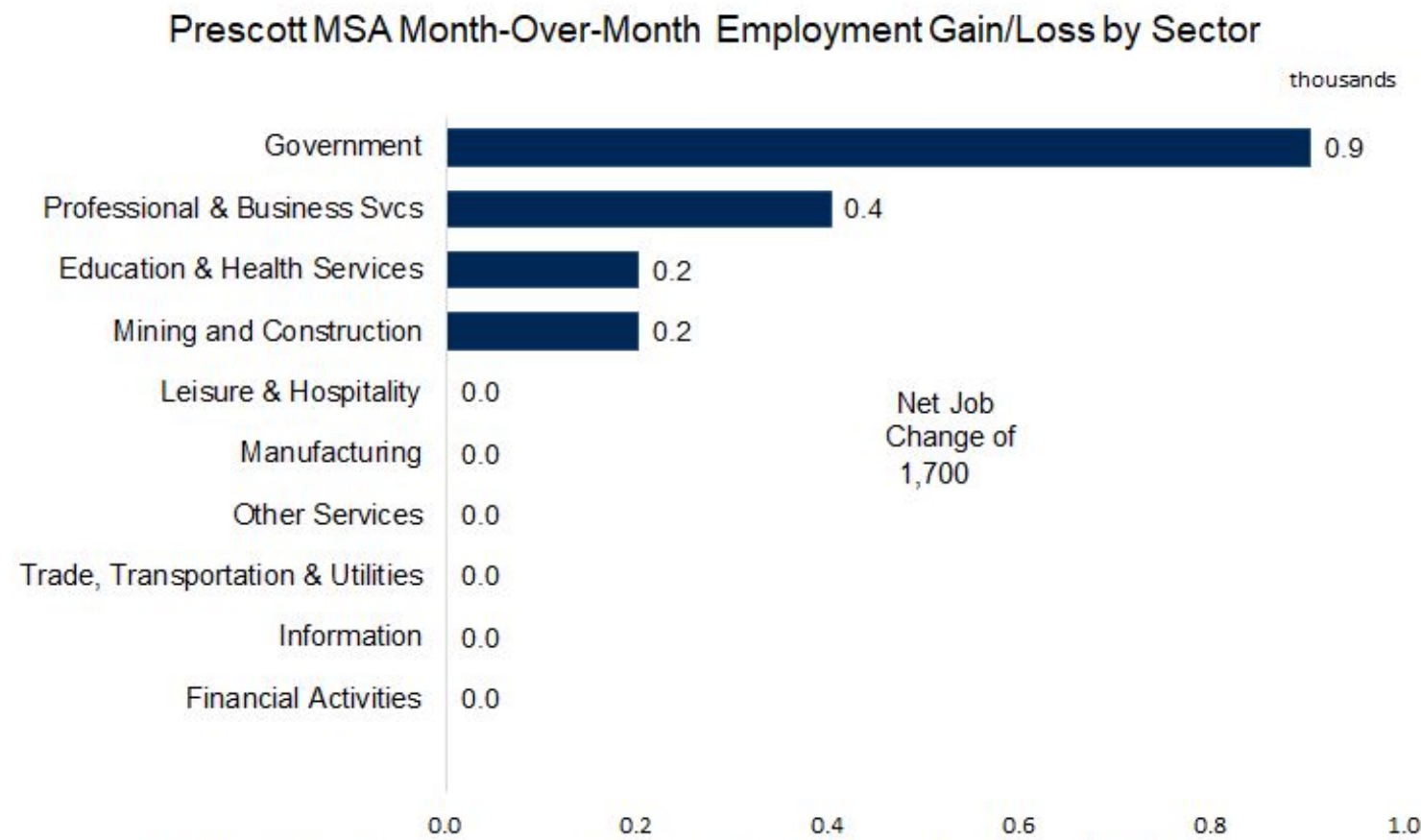
Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

# Month-Over-Month Employment Change



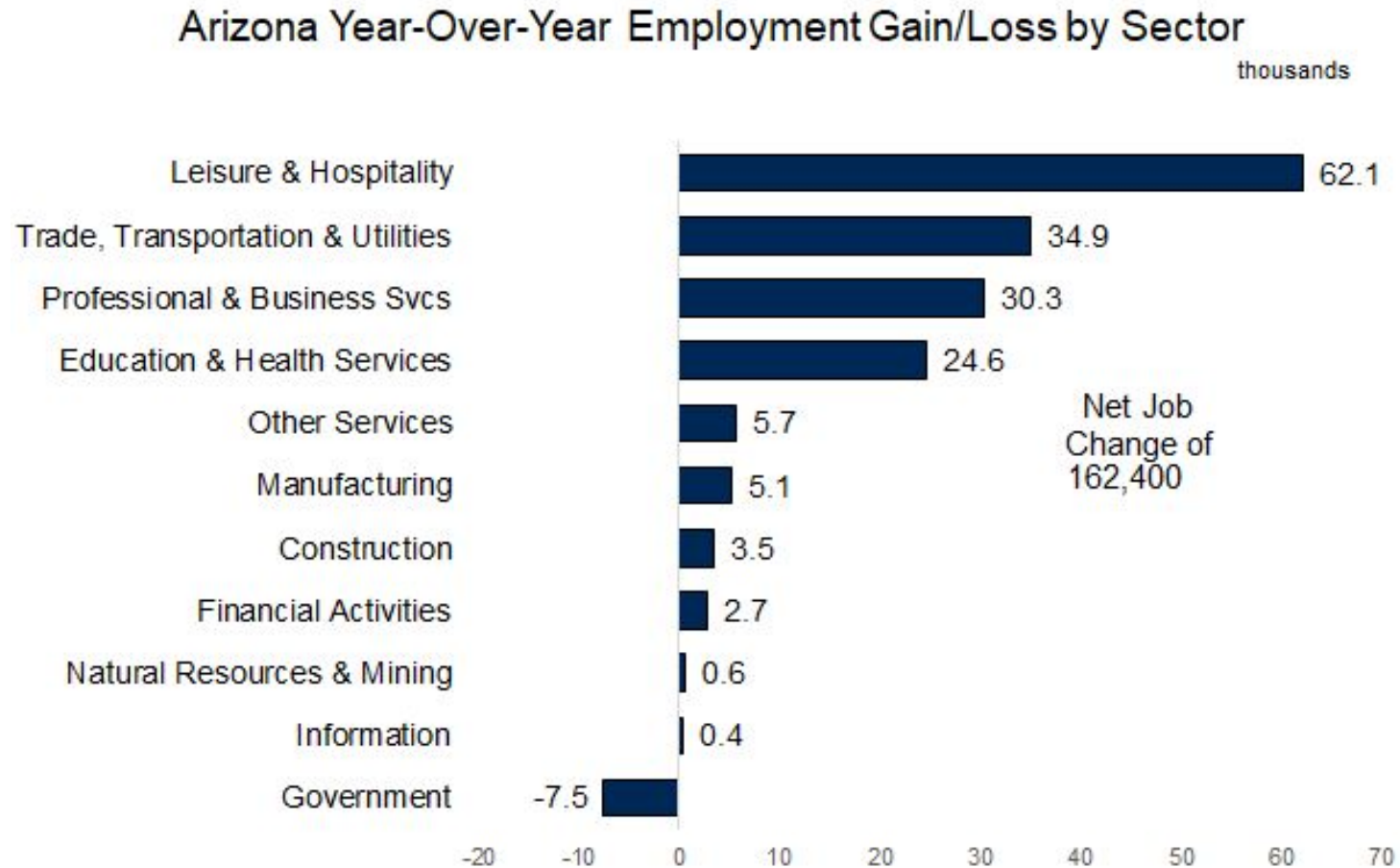
Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics

# Month-Over-Month Employment Change



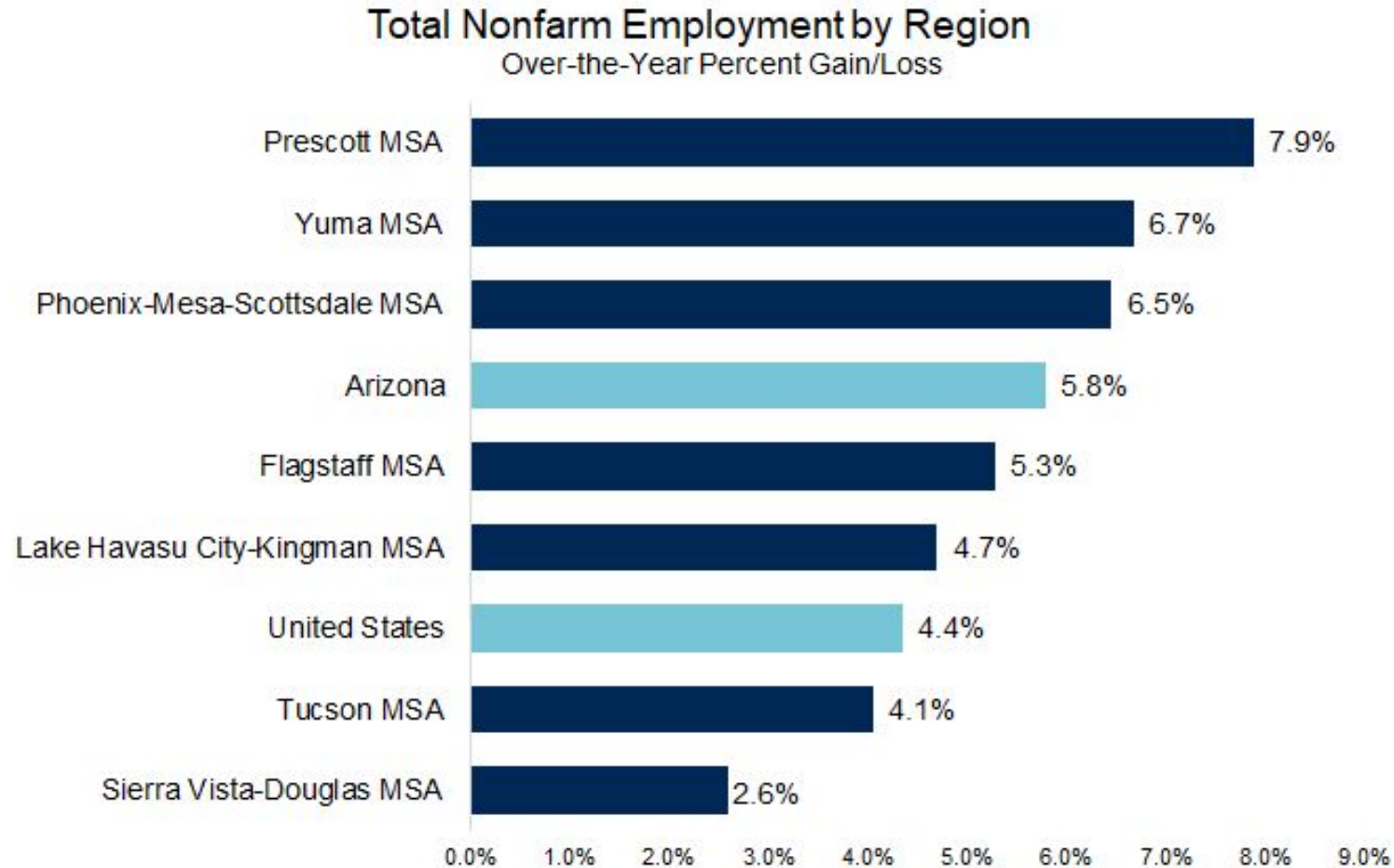
Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics

# 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



# Arizona Job Gains and Losses from Feb. '20 to August '21

*Seasonally-Adjusted; In Thousands*

Sector	Jobs Lost	Jobs Recovered	Percent Recovered
Arizona	331.5	321.9	97%
Sierra Vista-Douglas MSA	2.3	2.8	122%
Prescott MSA	9.1	10.8	119%
Lake Havasu City-Kingman MSA	6.1	6.7	110%
Phoenix-Mesa-Scottsdale MSA	244.3	250.6	103%
Yuma MSA	5.7	5.6	98%
Tucson MSA	44.0	36.5	83%
Flagstaff MSA	12.6	9.3	74%

*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 ('11-'20): 3,200 Jobs or 0.8%

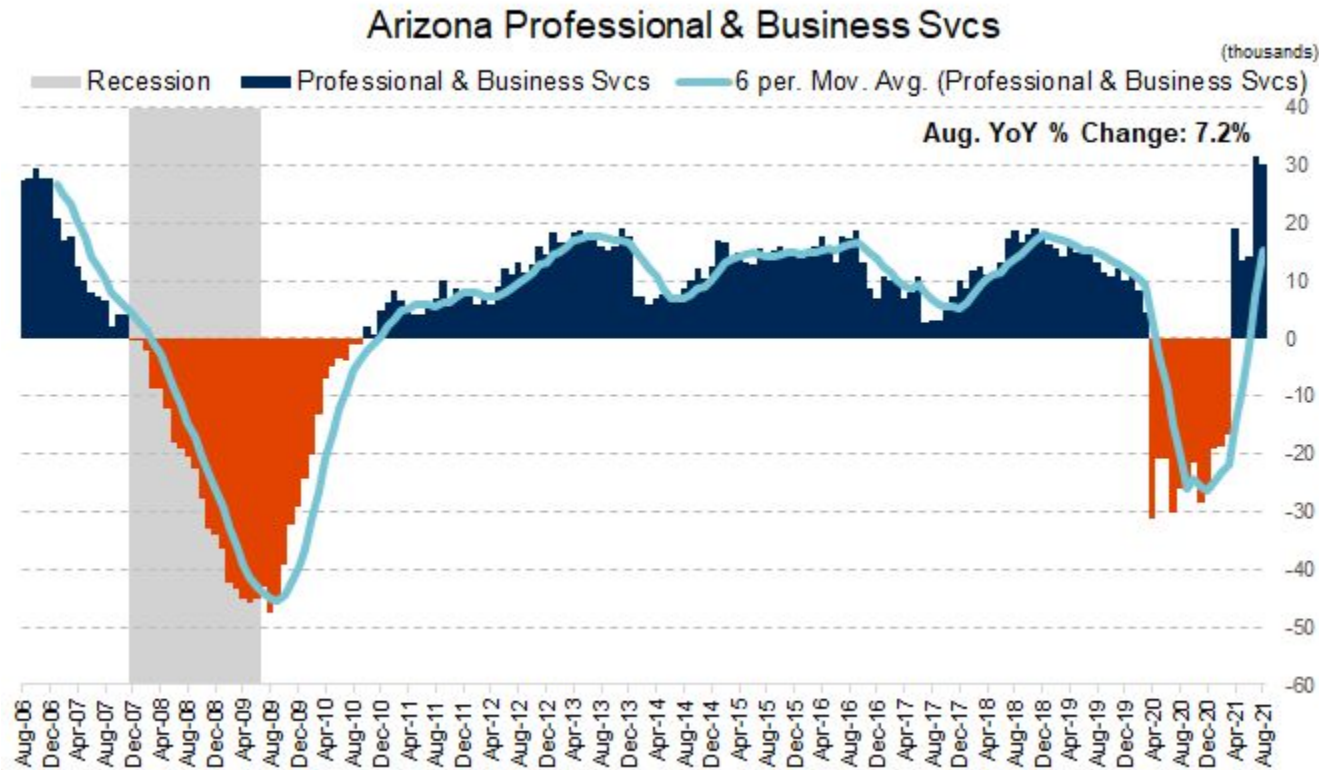
Pre- Pandemic Average ('10-'19): 2,700 Jobs or 0.7%

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 gained 1,500 jobs (0.9%)
  - Gains primarily came from Computer Programming and Design, among others
- Services to Buildings and Dwellings gained 1,100 jobs (2.2%)
  - Gains came from Landscaping Services and Janitorial Services
- Employment Services gained 600 jobs (0.6%)

# 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:

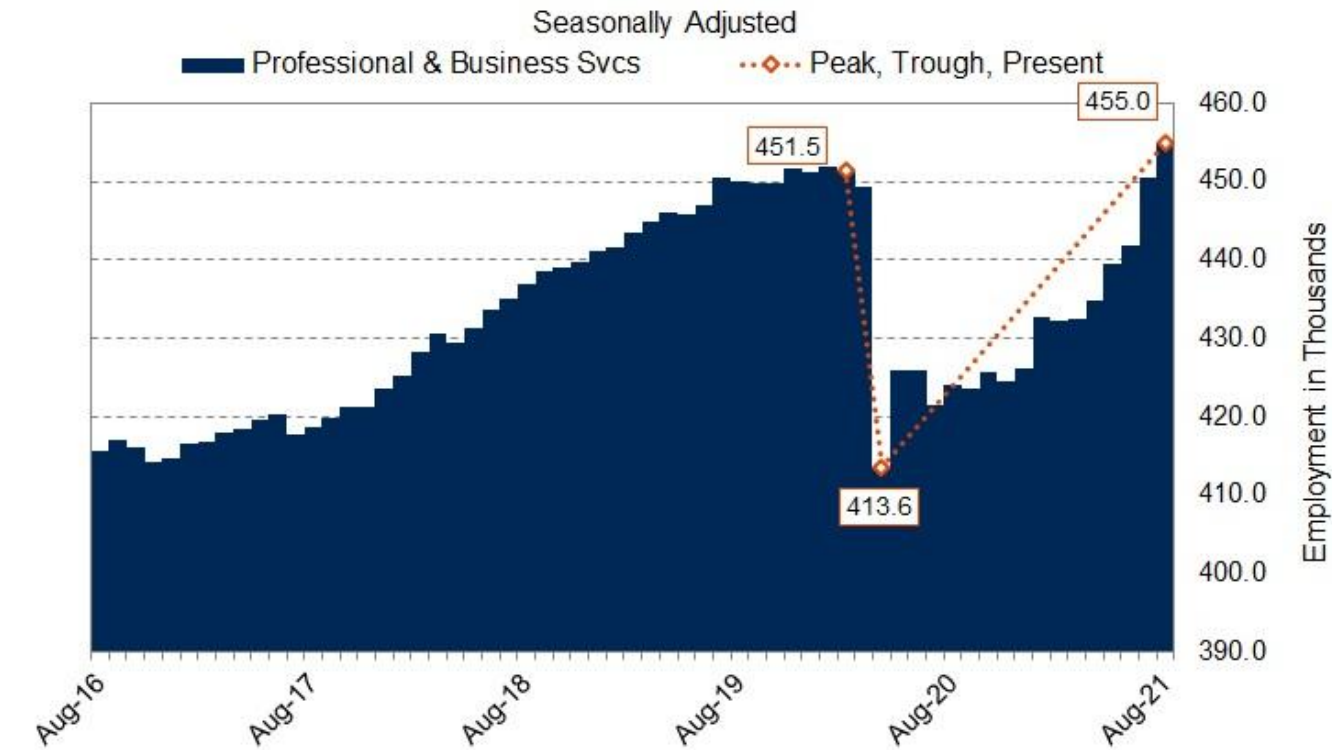
- Business Support Services lost 2,500 jobs (-7.1%)

## Notable Gains:

- Professional, Scientific and Technical Services gained 17,400 jobs (11.0%)
- Employment Services gained 7,200 jobs (7.6%)
- Services to Buildings and Dwellings gained 5,300 jobs (11.8%)

# COVID-19 Pandemic Impact

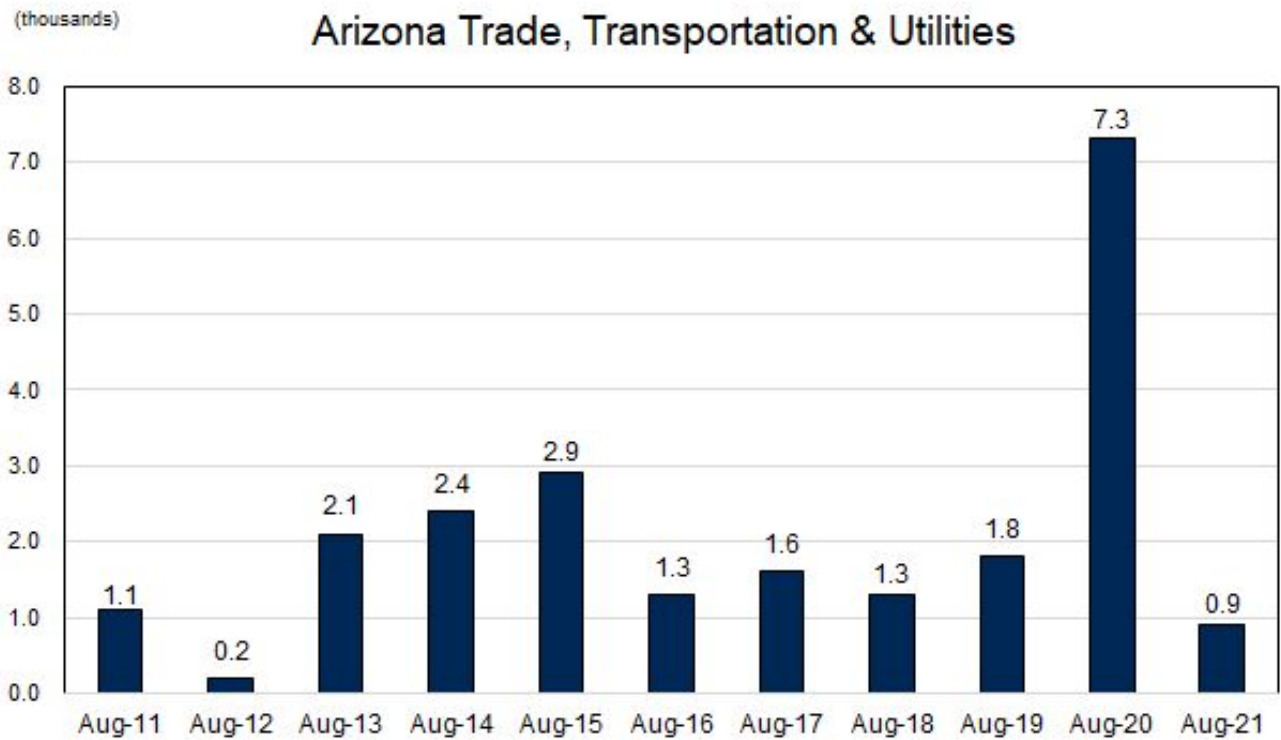
## Arizona Professional & Business Services



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

- Since April 2020, 109% (41,400 jobs) of the pandemic job losses have been recovered

# Month-Over-Month Employment Change



Historic 10-Year Average ('11-'20): 2,200 Jobs or 0.4%  
Pre- Pandemic Average ('10-'19): 1,500 Jobs or 0.3%

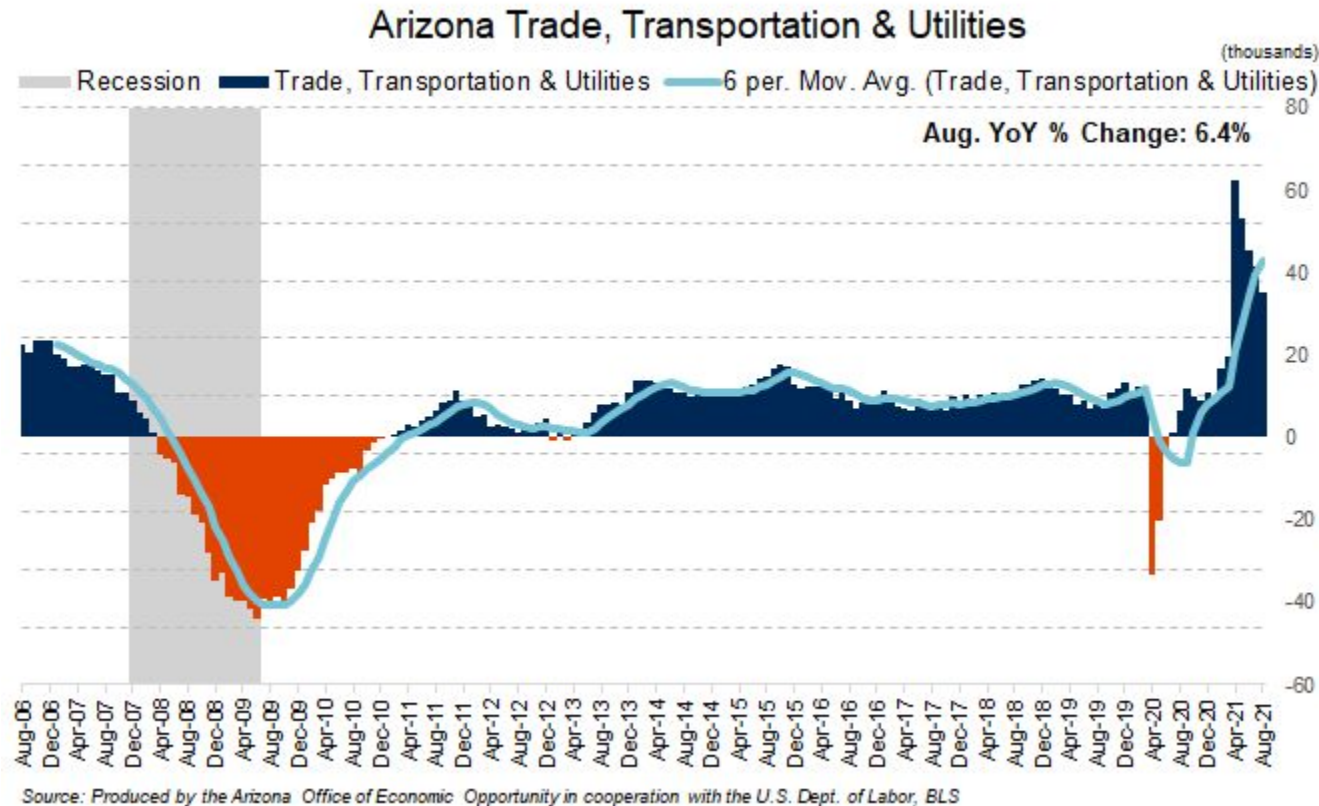
Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

## Highlights:

- Transportation and Warehousing gained 800 jobs or 0.6%
- Retail Trade gained 900 jobs or 0.3%
- Wholesale Trade lost 600 jobs or -0.6%



# Year-Over-Year Employment Change



## Notable Gains:

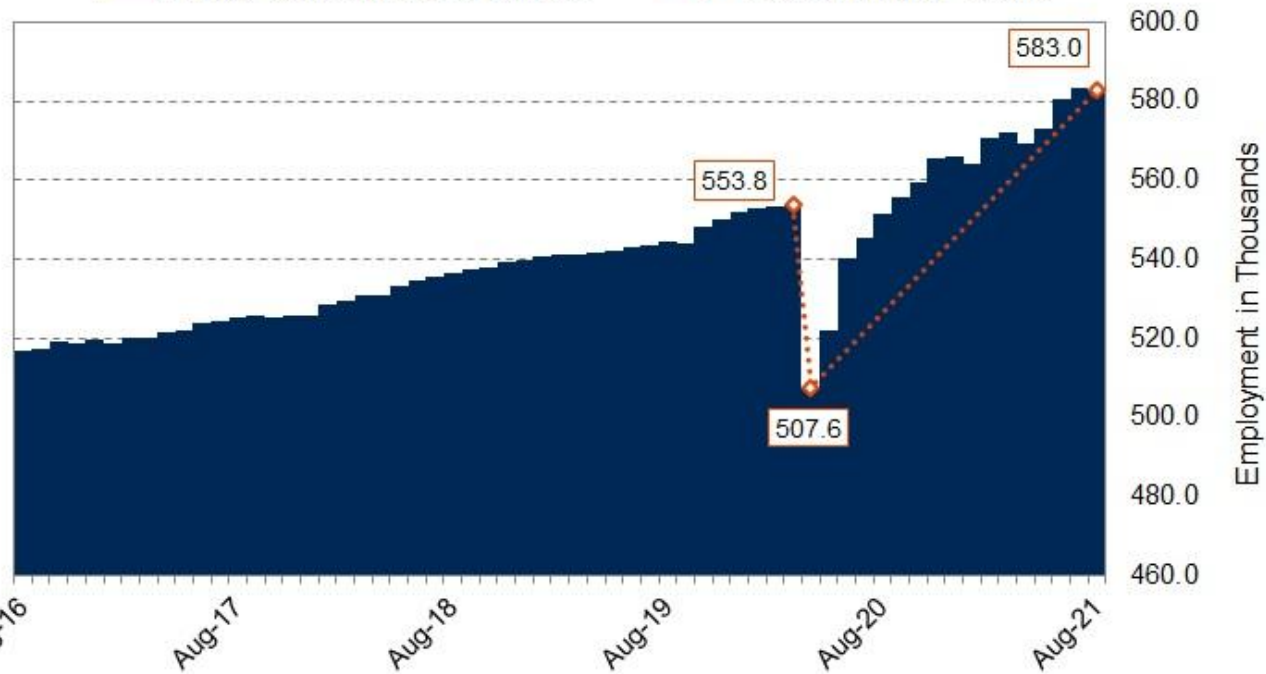
- Transportation and Warehousing gained 17,500 jobs (15.0%)
- Retail Trade gained 11,200 jobs (3.5%)
  - Department Stores gained 2,400 jobs (15.0%)
  - Motor Vehicles and Parts gained 1,900 jobs (4.0%)
- Wholesale Trade gained 6,200 jobs (6.4%)



# COVID-19 Pandemic Impact

## Arizona Trade, Transportation and Utilities

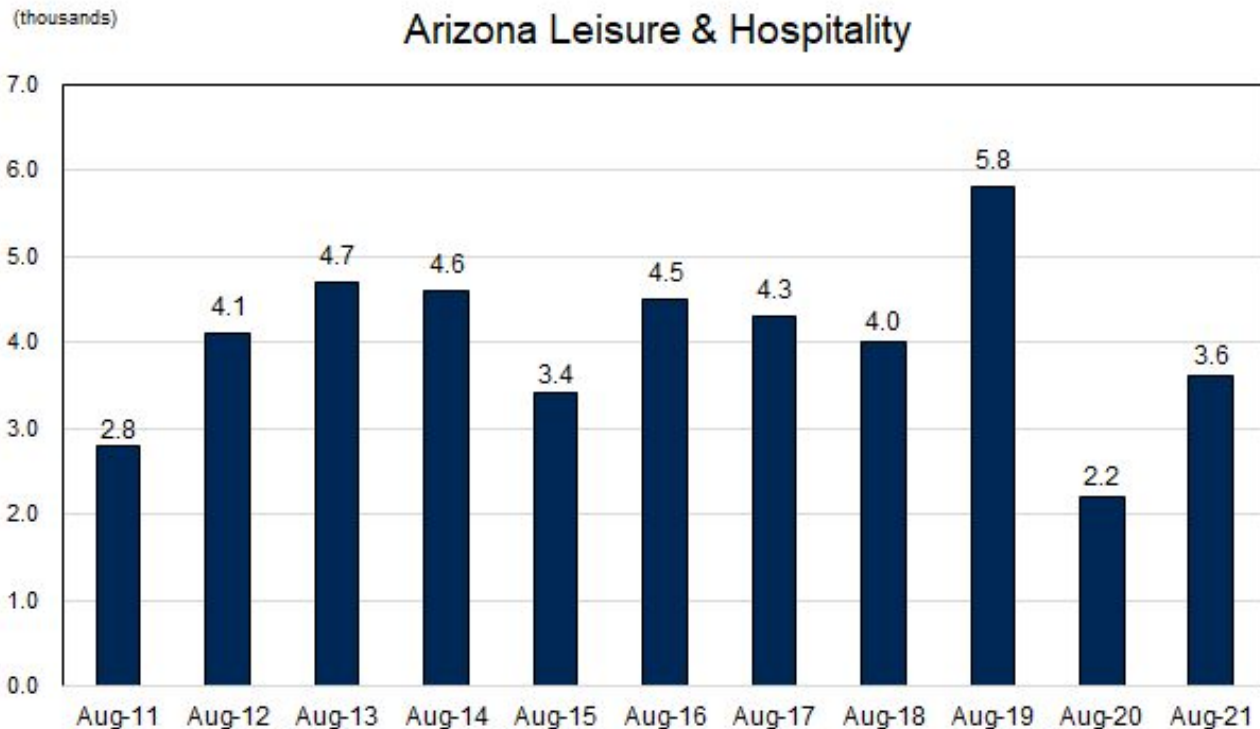
Seasonally Adjusted  
■ Trade, Transportation & Utilities    ●●● Peak, Trough, Present



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

- Since April 2020, 163% (75,400 jobs) of the pandemic job losses have been recovered

# Month-Over-Month Employment Change



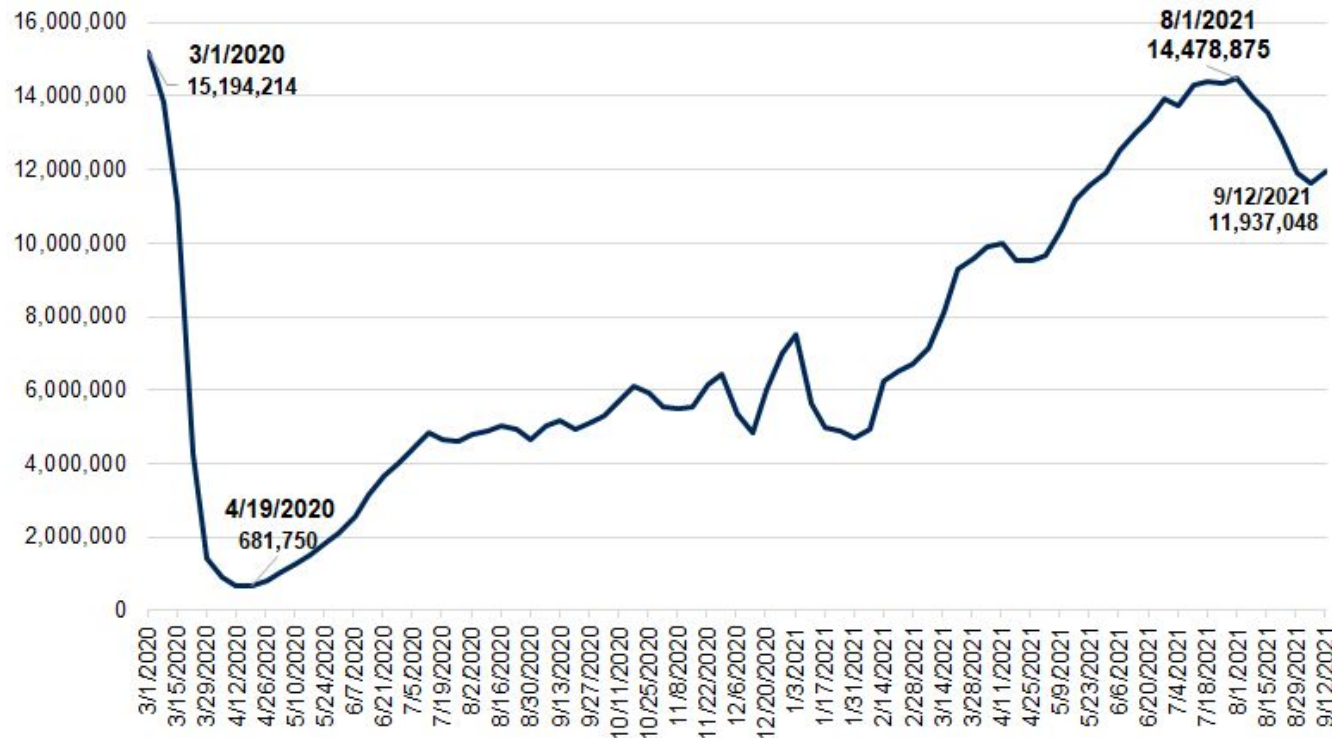
Historic 10-Year Average ('11-'20): 4,000 Jobs or 1.4%  
Pre-Pandemic Average ('10-'19): 4,000 Jobs or 1.4%

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

## Highlights:

- Food Services and Drinking Places gained 3,100 jobs (1.3%)
- Accommodations gained 1,000 jobs (3.0%)
  - Gains from Hotels and Motels
- Arts, Entertainment and Recreation lost 500 jobs (-1.2%)
  - Losses primarily from Amusement and Recreation Industries

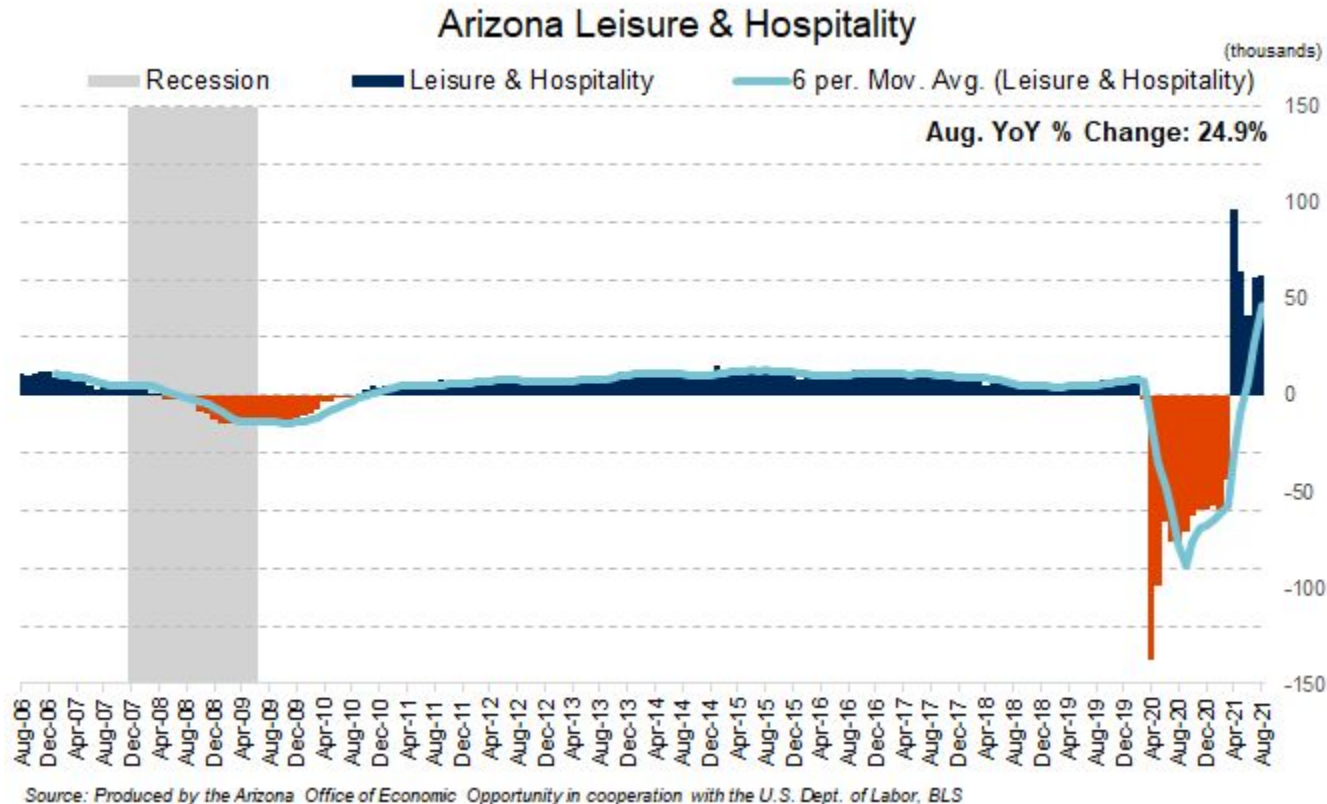
# TSA Average Weekly Airport Throughput



Source: Transportation Security Administration

- Average throughput has trended downward since the beginning of August. From August 1 to September 12, throughput levels declined 18%

# Year-Over-Year Employment Change



## Notable Gains:

- Food Services and Drinking Places gained 41,700 jobs (21.3%)
- Arts, Entertainment, and Recreation gained 14,600 jobs (57.7%)
- Accommodations gained 5,800 jobs (20.6%)

# COVID-19 Pandemic Impact

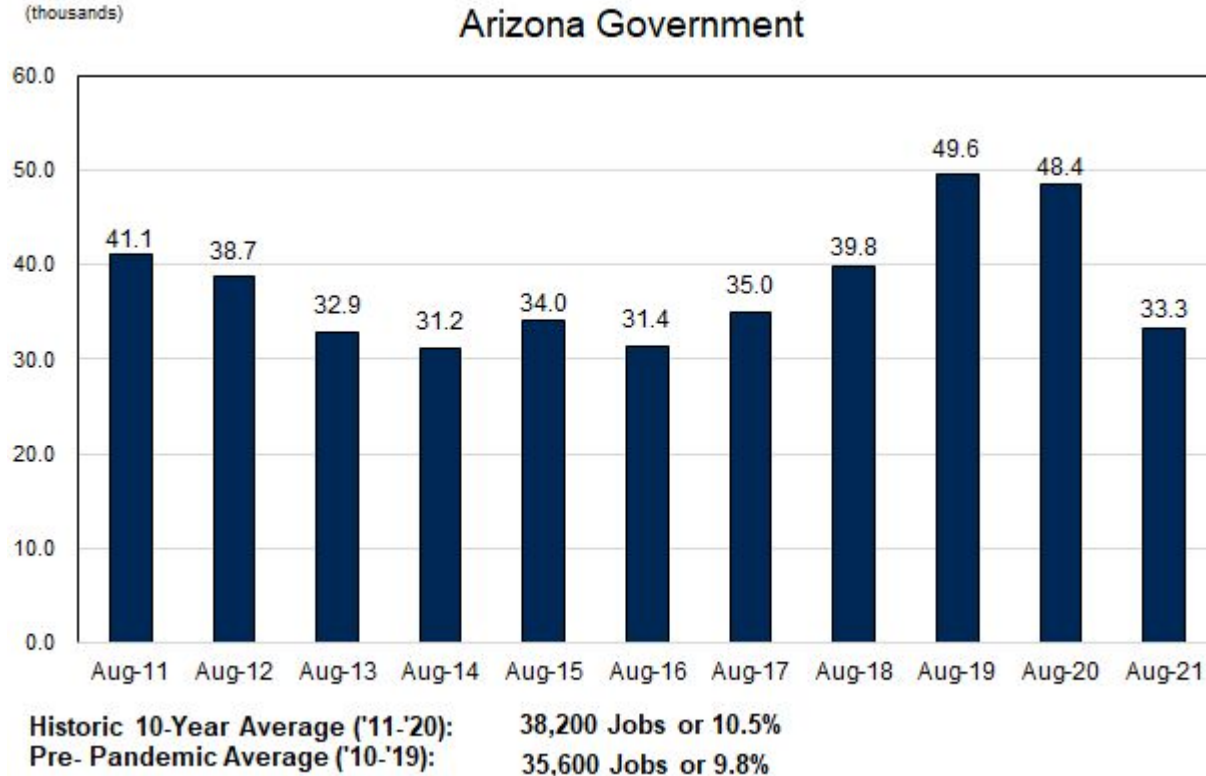
## Arizona Leisure & Hospitality



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

- Since April 2020, 83% (121,500 jobs) of the pandemic job losses have been recovered

# Month-Over-Month Employment Change



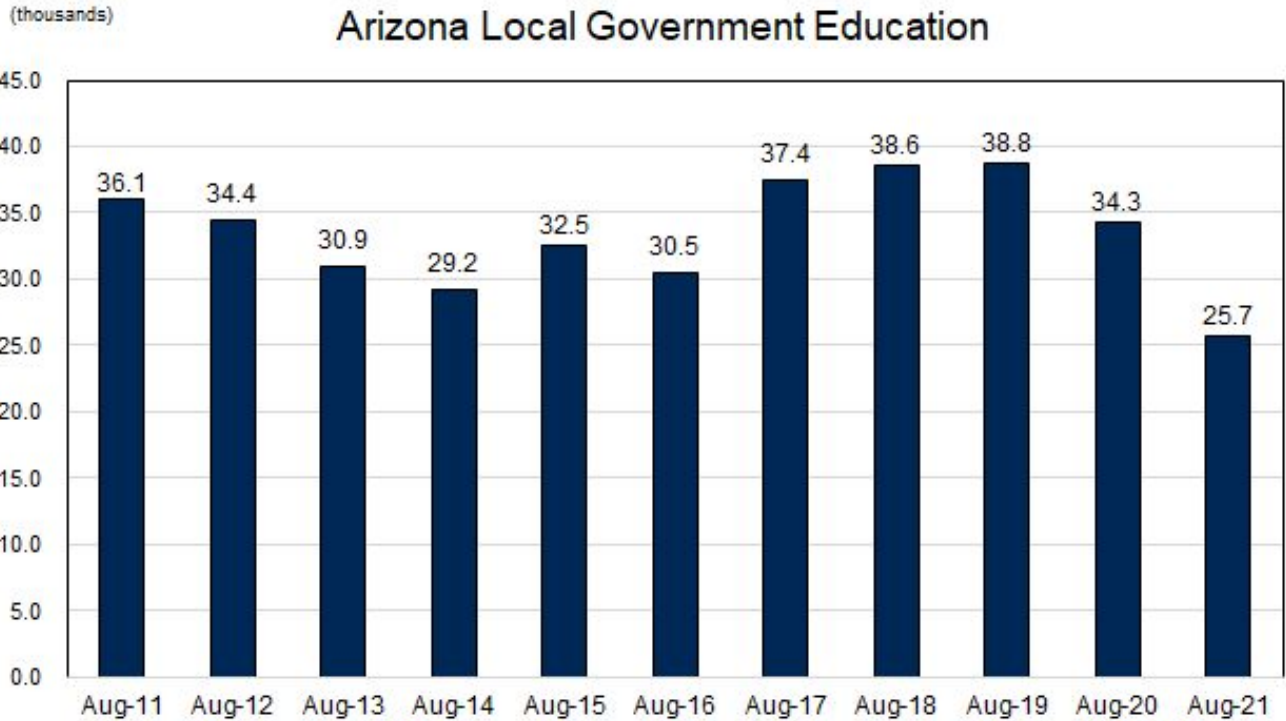
Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

## Highlights:

- Federal Government lost 700 jobs (-1.2%)
- Local Government Education gained 25,700 jobs (24.4%)
  - Seasonal gains because of public school resuming
- State Government Education gained 8,900 jobs (22.1%)



# Month-Over-Month Employment Change



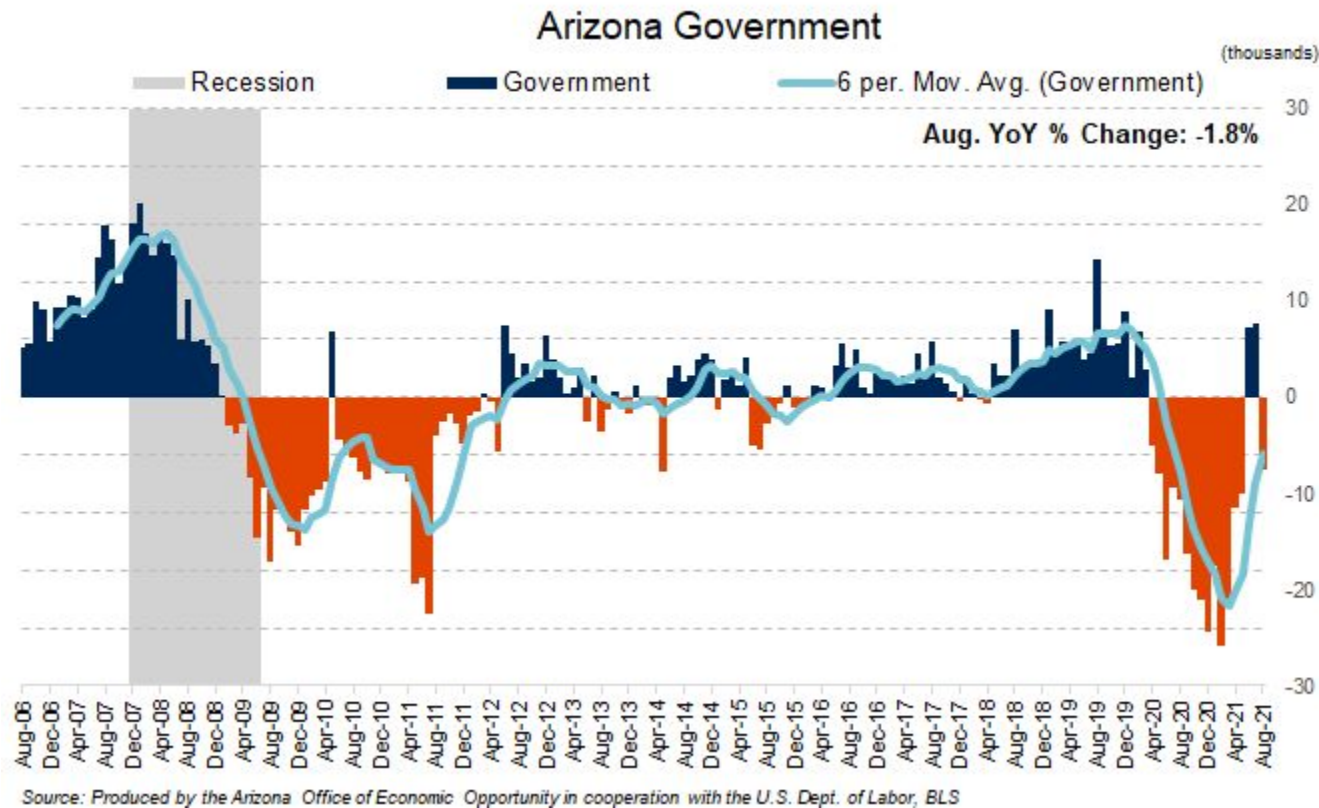
Historic 10-Year Average ('11-'20): 34,300 Jobs or 34.1%  
Pre- Pandemic Average ('10-'19): 32,900 Jobs or 32.4%

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

## Highlights:

- Below-average August job gains follow below-average job losses in June and July

# Year-Over-Year Employment Change



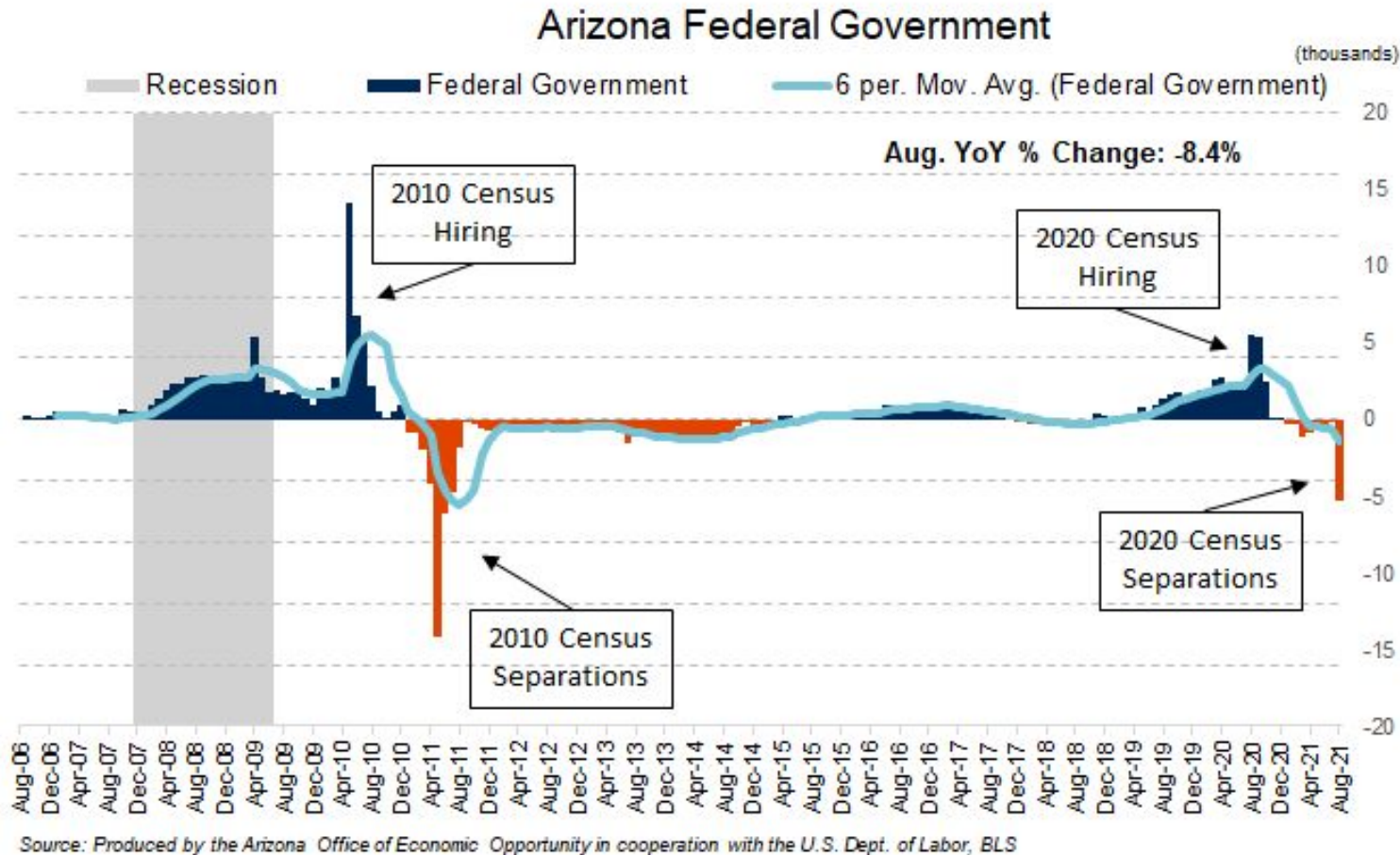
## Notable Losses:

- Federal Government lost 5,300 (-8.4%) jobs
- State Government Education lost 1,100 jobs (-2.2%)

## Notable Gain:

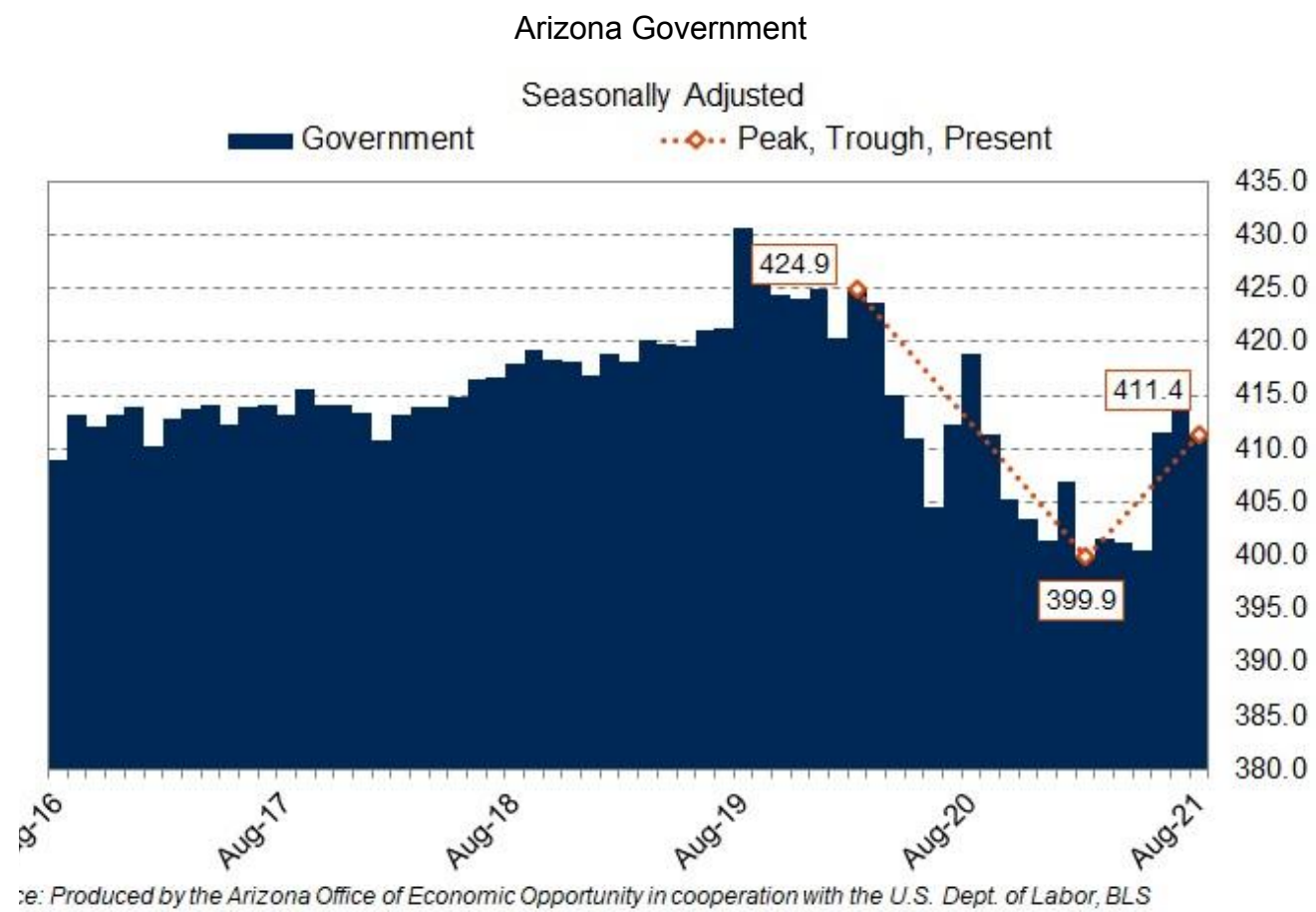
- Local Government Education gained 500 (0.4%) jobs

# Year-Over-Year Employment Change



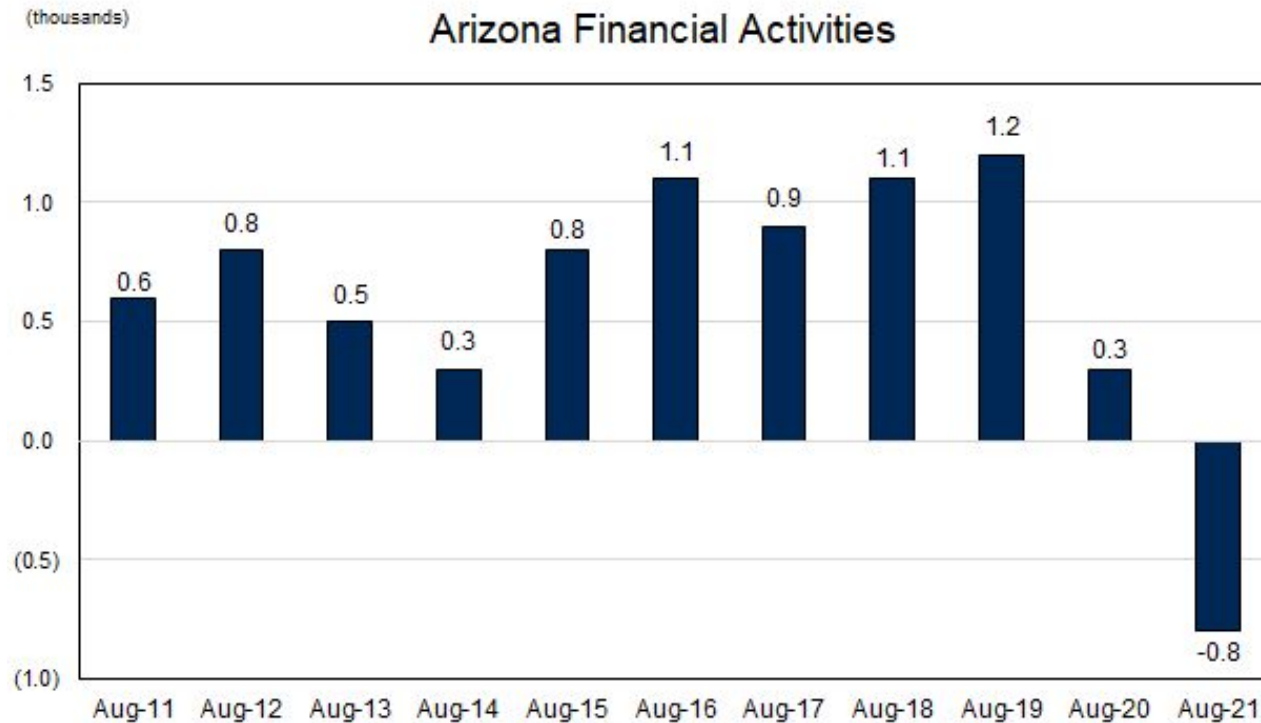
- Year-over-year losses within the federal government sector are primarily due to seasonal decennial census separations

# COVID-19 Pandemic Impact



- Since February 2021, 46% (11,500) of the pandemic jobs losses have been recovered

# Month-Over-Month Employment Change



**Historic 10-Year Average ('11-'20):** 800 Jobs or 0.4%

**Pre- Pandemic Average ('10-'19):** 800 Jobs or 0.4%

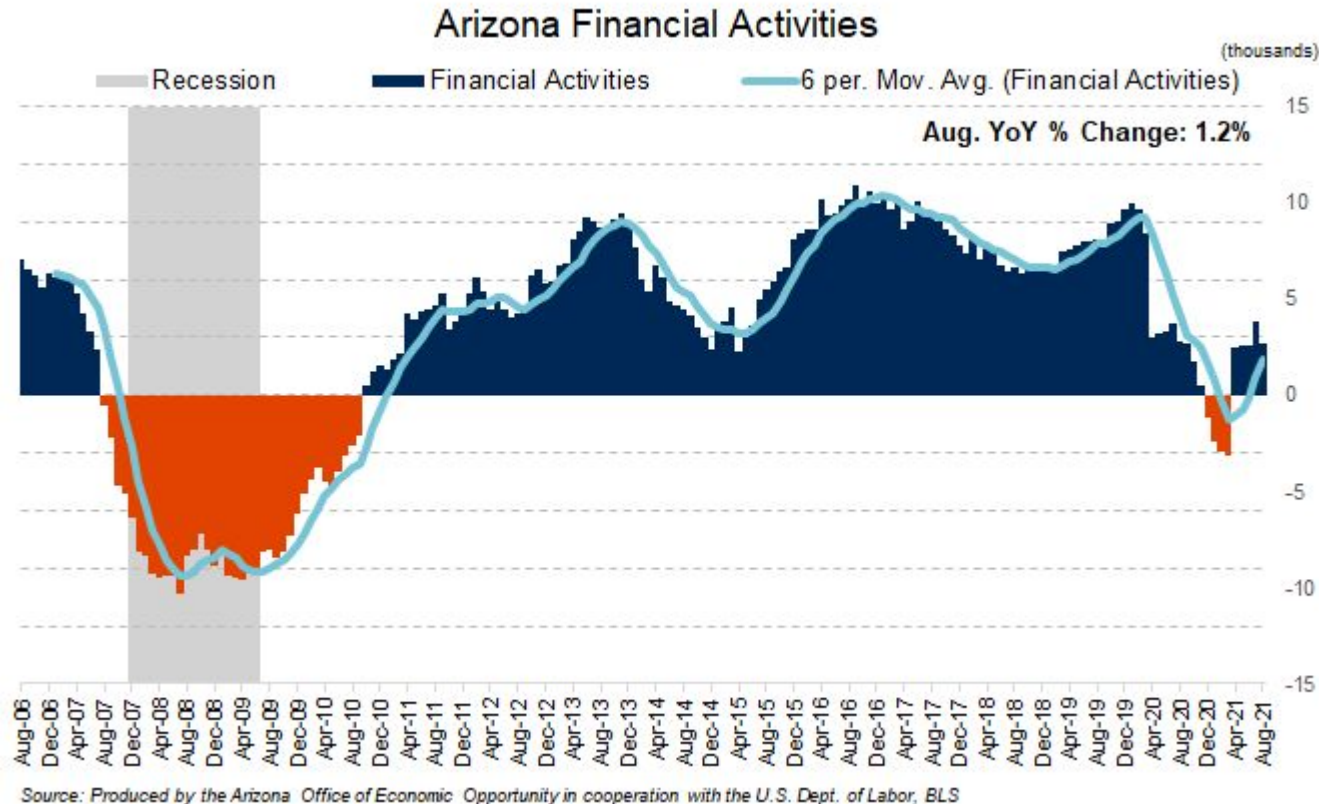
*Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS*

## Highlights:

- Real Estate, Rental, and Leasing gained 500 jobs (0.9%)
- Insurance Carriers lost 1,100 jobs (-1.7%)
  - Losses primarily from Direct Insurance, Direct Health and Medical Insurance, and Insurance Agencies and Brokerages
- Credit Intermediaries lost 200 jobs (-0.2%)



# Year-Over-Year Employment Change



## Notable Loss:

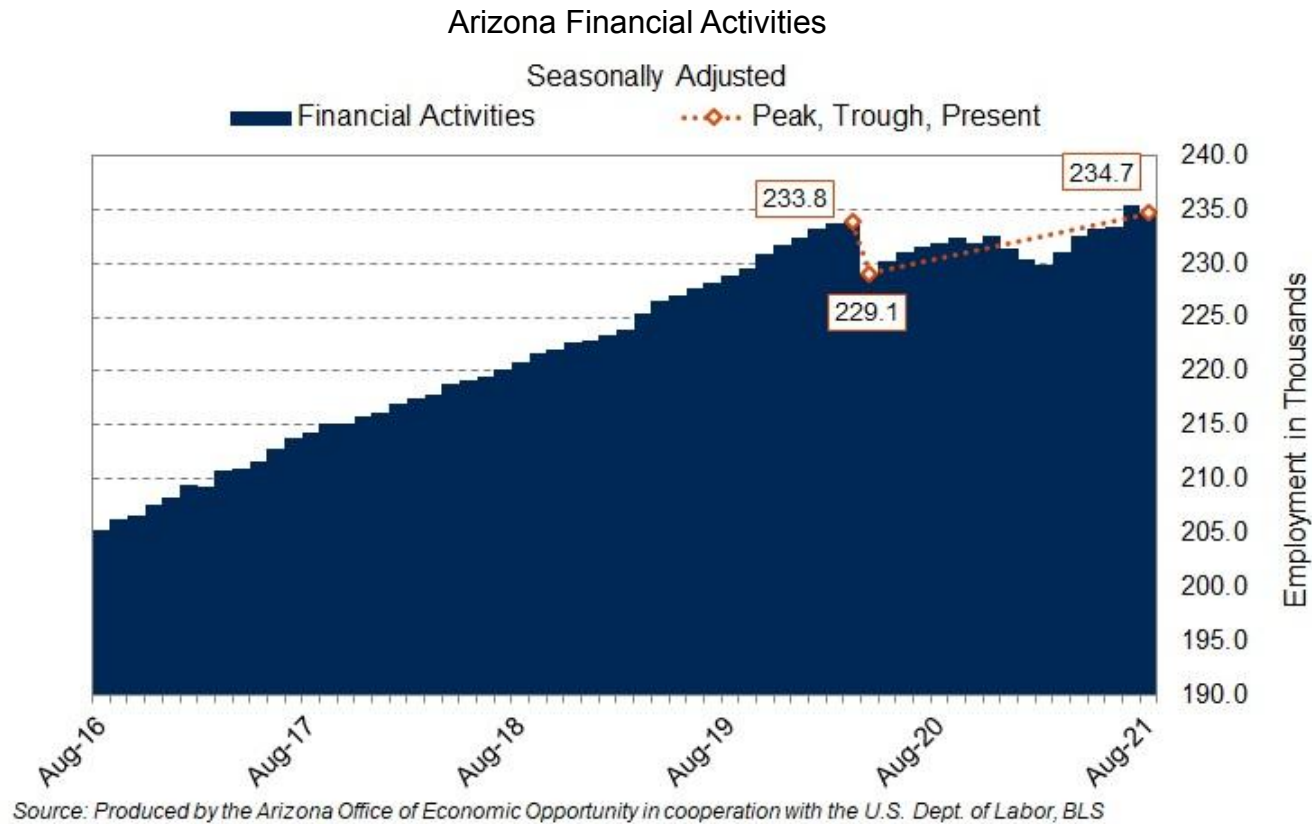
- Insurance Carriers lost 3,000 jobs (-4.5%)

## Notable Gains:

- Credit Intermediaries gained 3,200 jobs (3.4%)
- Real Estate and Rental and Leasing gained 2,100 jobs (4.0%)
- Financial Investments and Vehicles gained 400 jobs (2.0%)

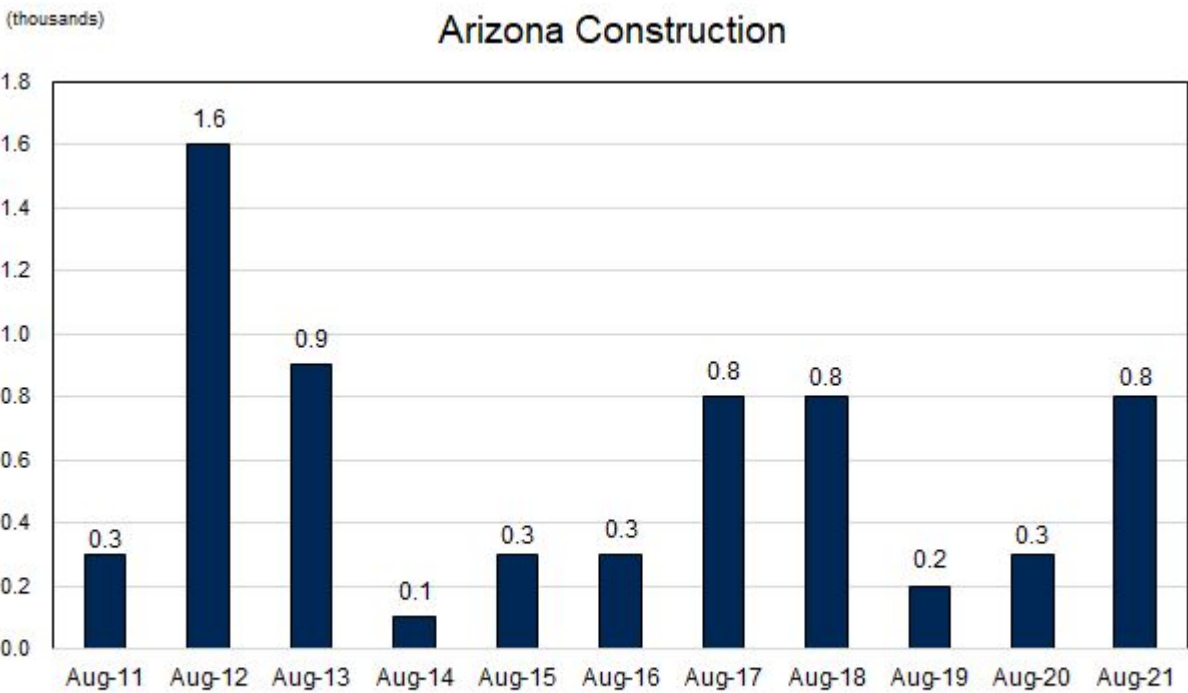


# COVID-19 Pandemic Impact



- Since April 2020, 119% (5,600 jobs) of the pandemic job losses have been recovered

# Month-Over-Month Employment Change



Historic 10-Year Average ('11-'20): 600 Jobs or 0.4%  
Pre- Pandemic Average ('10-'19): 500 Jobs or 0.4%

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

## Highlights:

- Construction of Buildings gained 800 jobs (2.2%)
  - Gains primarily from New Single Family Housing Construction, and Commercial and Institutional Building Construction
- Specialty Trade Construction gained 300 jobs (0.3%)
- Heavy and Civil Engineering lost 300 jobs (-1.5%)

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

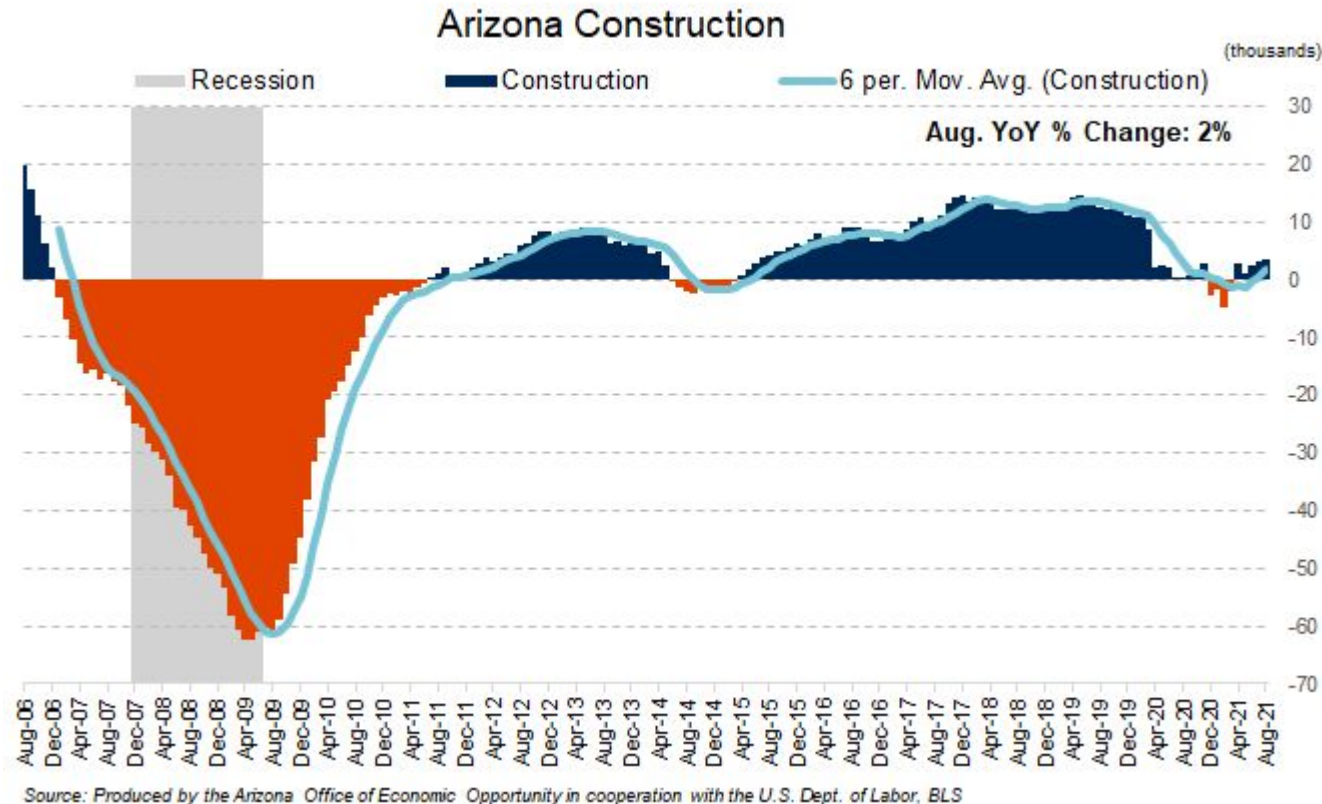


Source: U.S. Census Bureau

## Notable Changes:

- 5,402 building permits were authorized in July 2021, up 259 (5.0%) from July 2020.

# Year-Over-Year Employment Change



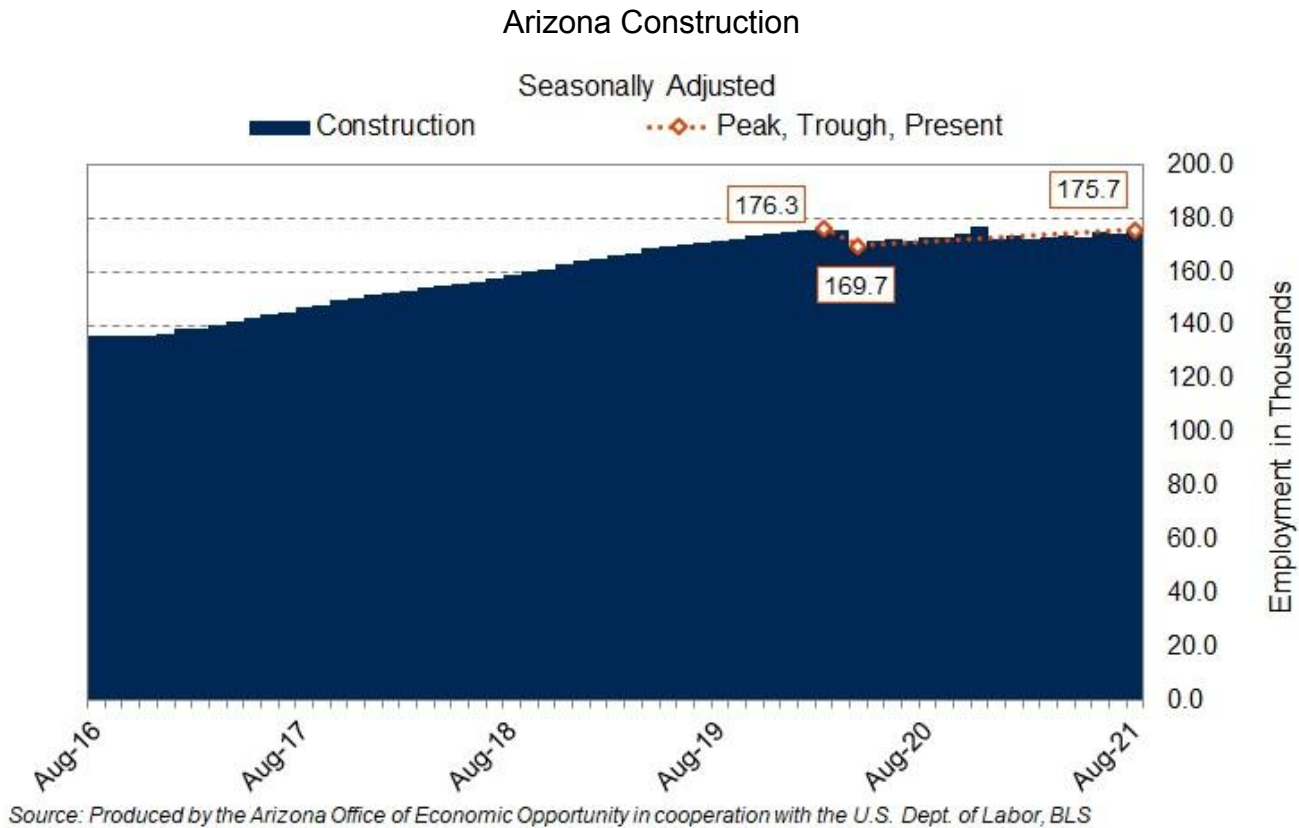
## Notable Loss:

- Heavy and Civil Construction lost 500 jobs (-2.5%)

## Notable Gains:

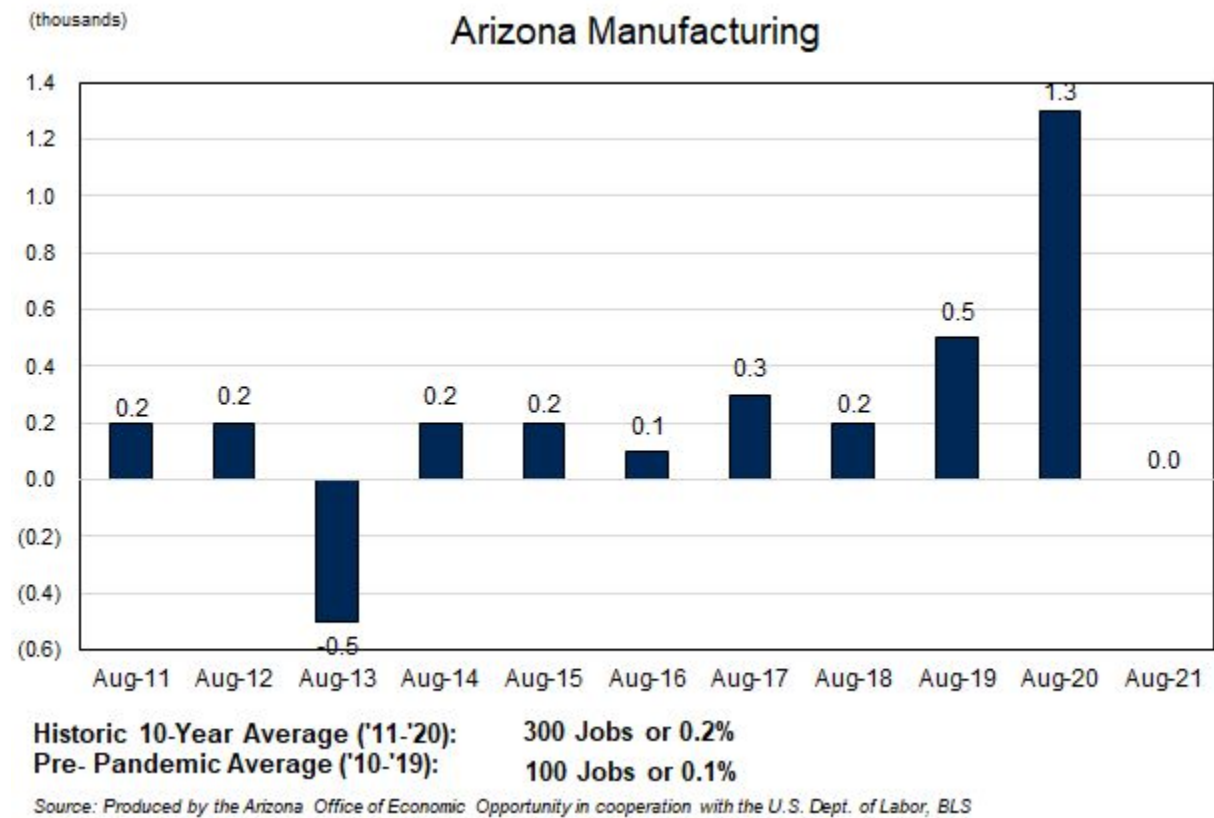
- Construction of Buildings gained 2,400 jobs (6.8%)
- Specialty Trades Construction gained 1,600 jobs (1.4%)

# COVID-19 Pandemic Impact



- Since April 2020, 91% (6,000 jobs) of the pandemic job losses have been recovered

# Month-Over-Month Employment Change



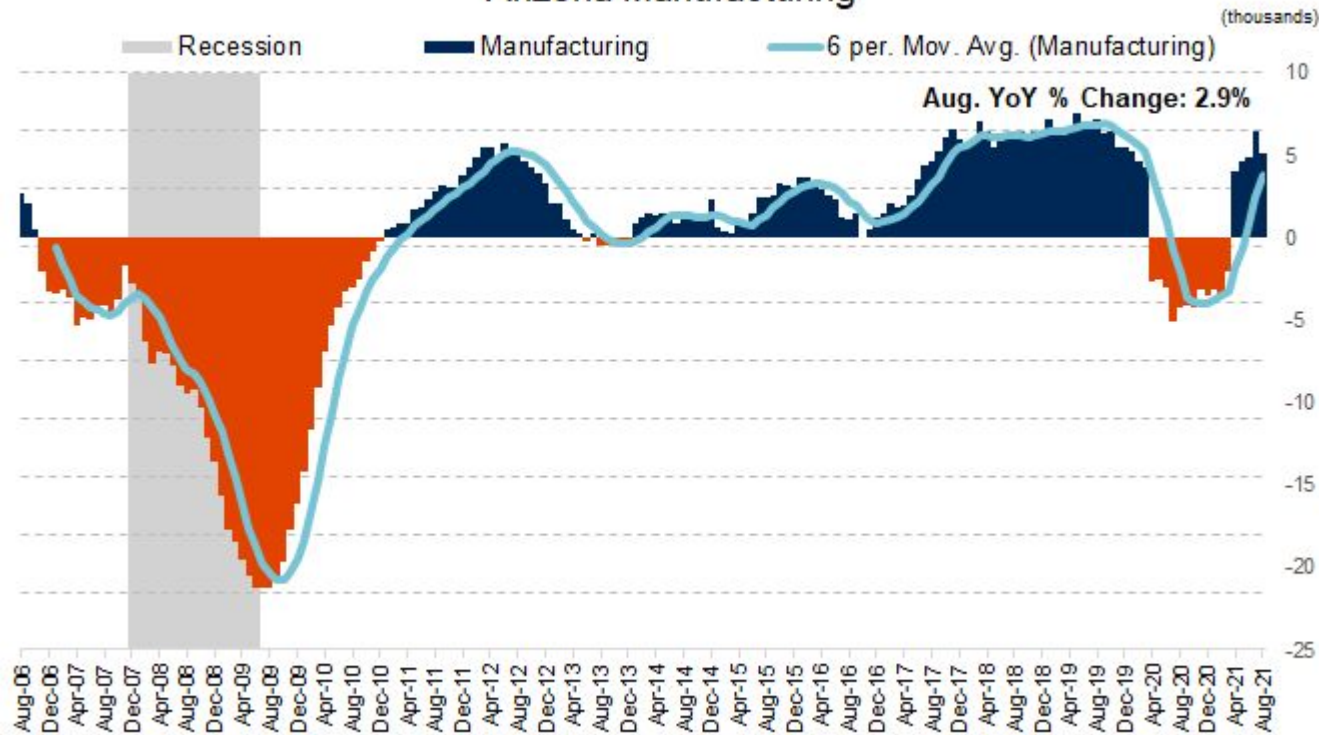
## Highlights:

- Nondurable Goods gained 200 jobs (0.5%)
- Durable Goods lost 200 jobs (-0.1%)



# Year-Over-Year Employment Change

## Arizona Manufacturing



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

### Notable Gains:

- Durable Goods gained 3,500 jobs (2.6%)
- Nondurable Goods gained 1,600 jobs (3.8%)

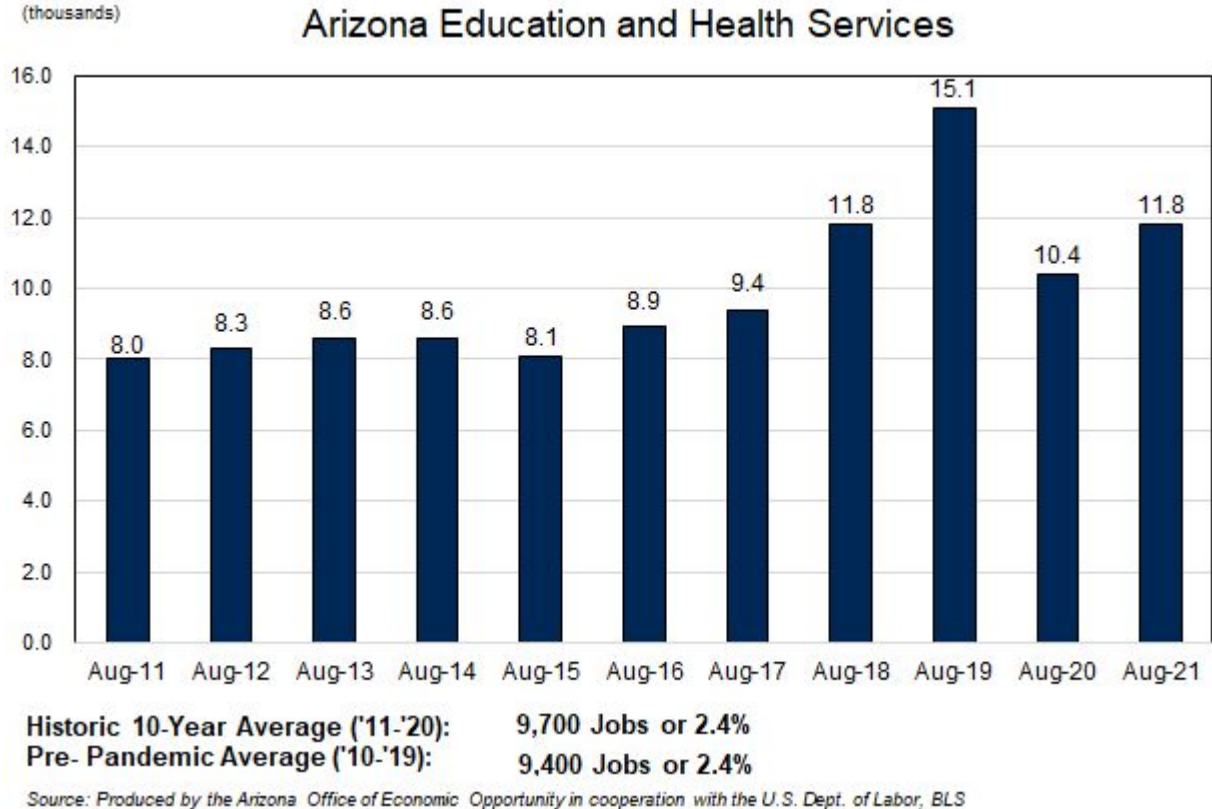
# COVID-19 Pandemic Impact



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

- Since July 2020, 84% (6,300 jobs) of the pandemic job losses have been recovered

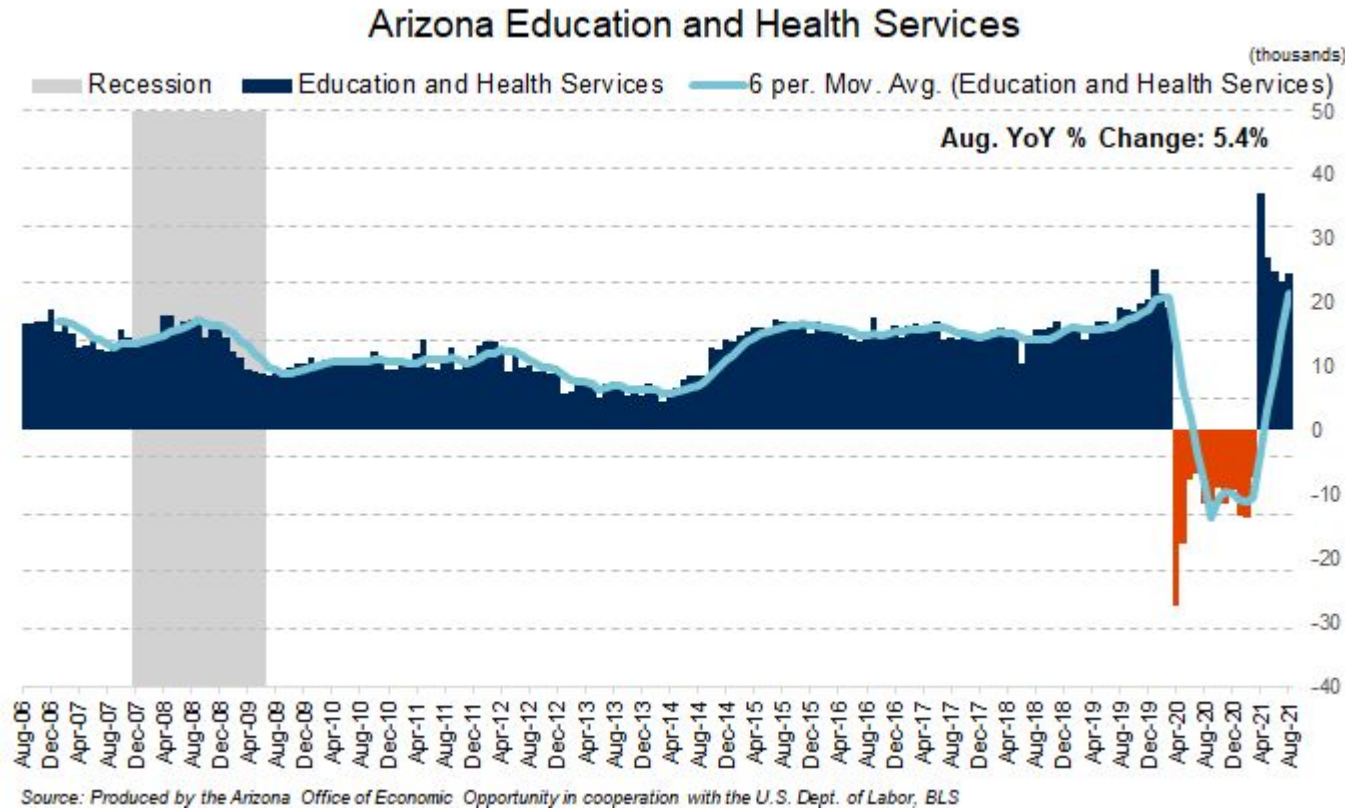
# Month-Over-Month Employment Change



## Highlights:

- Educational Services gained 4,700 jobs (7.0%)
- Social Assistance gained 2,200 jobs (3.8%)
  - Gains primarily from Child Day Care Services, and Services for the Elderly and Persons with Disabilities
- Ambulatory Health Services gained 2,200 jobs (1.2%)
- Nursing and Residential Care Facilities gained 1,700 jobs (3.0%)
- Hospitals gained 100 jobs (1.0%)

# Year-Over-Year Employment Change

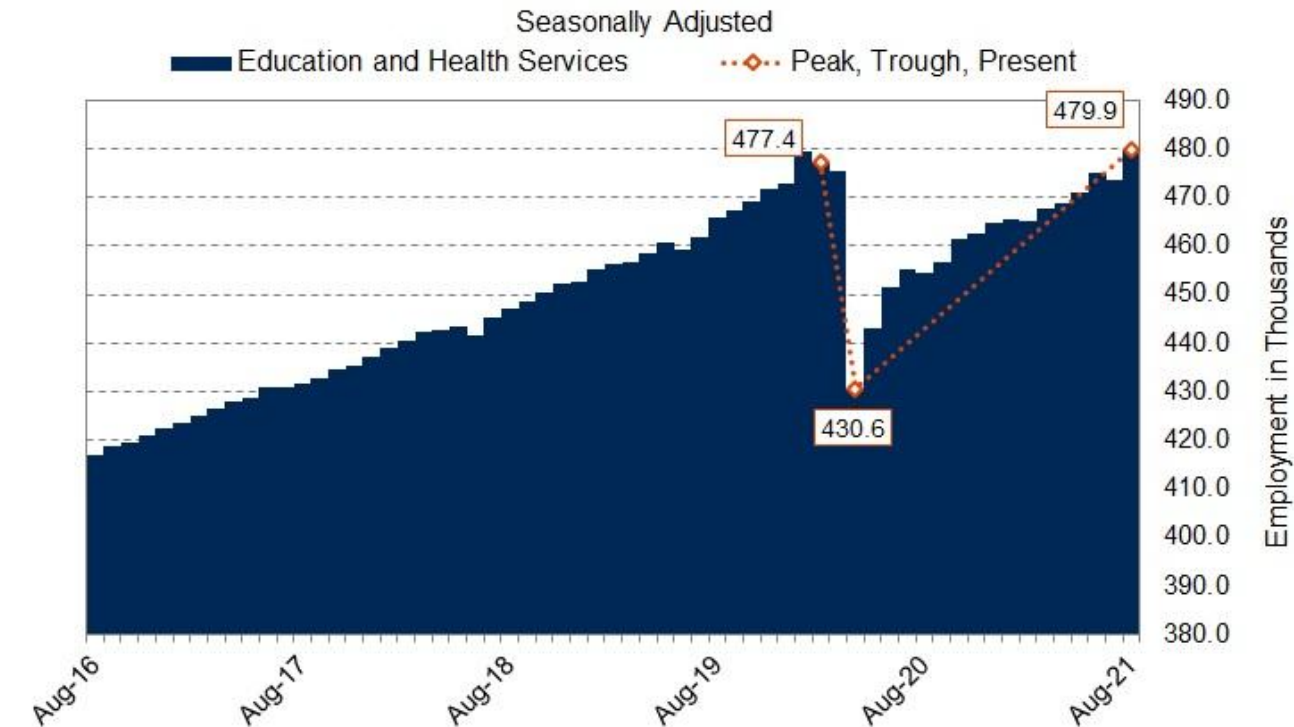


## Notable Gains:

- Ambulatory Health Services gained 11,100 jobs (6.3%)
- Educational Services gained 9,600 jobs (15.4%)
- Nursing and Residential Care Facilities gained 2,200 jobs (3.9%)

# COVID-19 Pandemic Impact

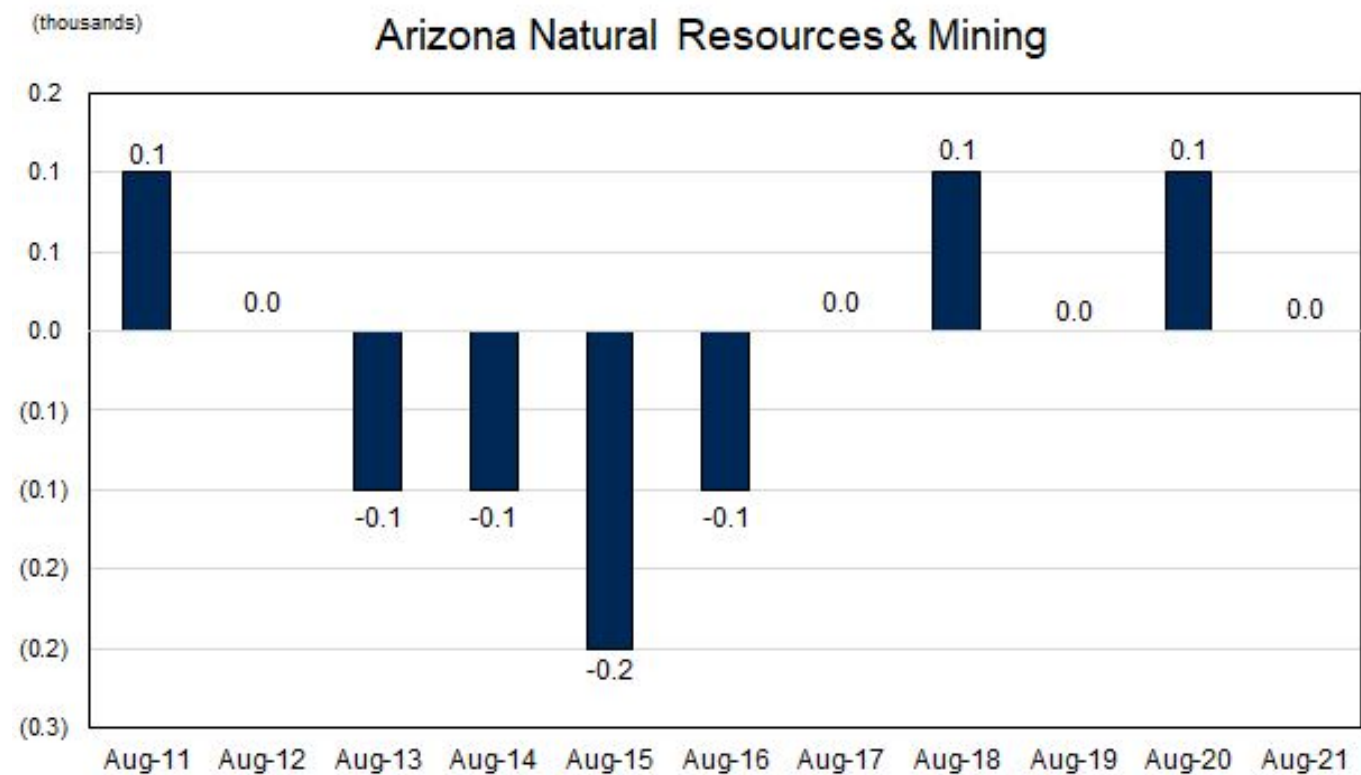
## Arizona Education and Health Services



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

- Since April 2020, 105% (49,300 jobs) of the pandemic job losses have been recovered
  - Healthcare has recovered 120% of jobs lost
  - Educational Services has recovered 85% of jobs lost

# Month-Over-Month Employment Change

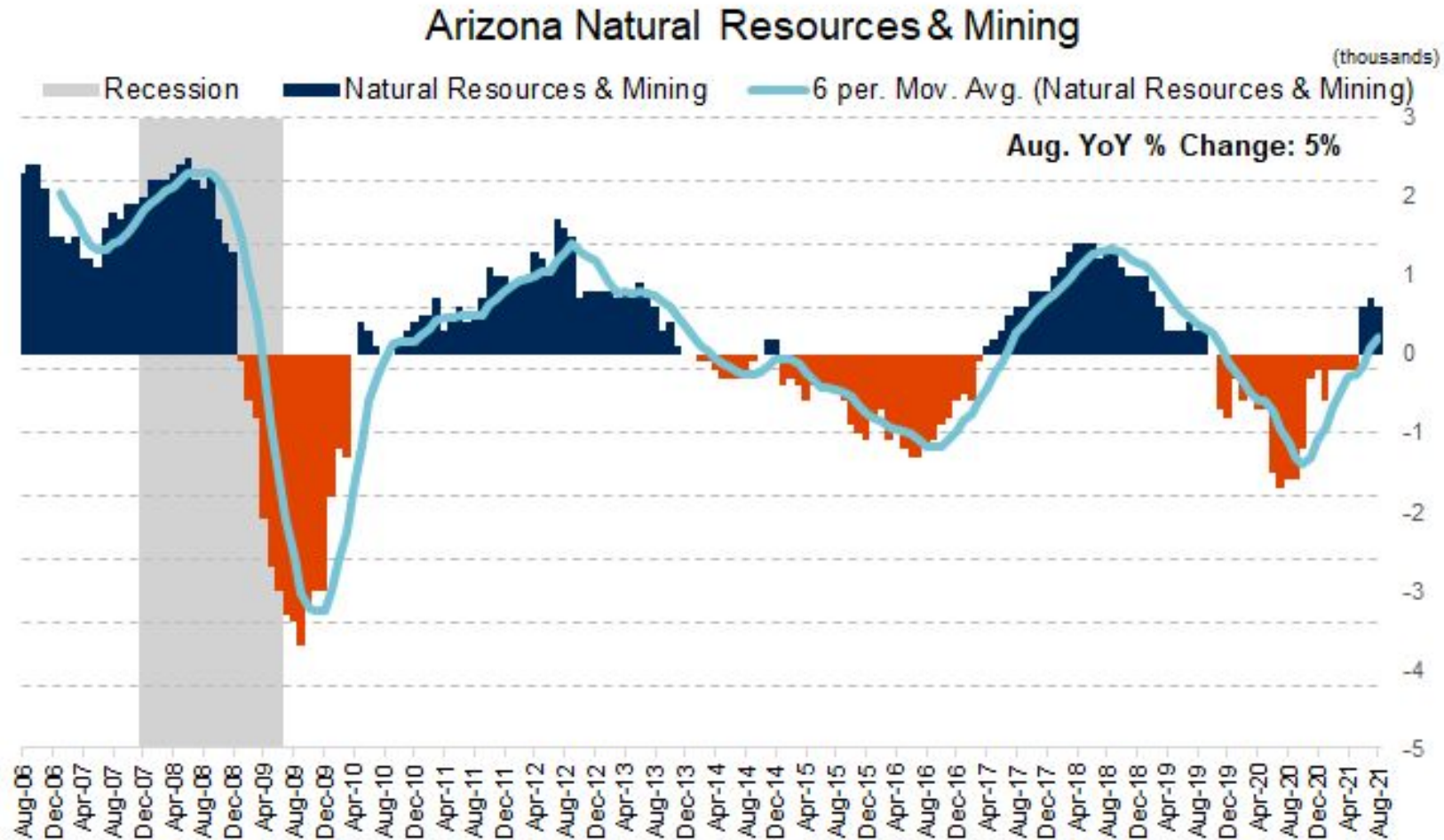


**Historic 10-Year Average ('11-'20):** 0 Jobs or -0.1%  
**Pre- Pandemic Average ('10-'19):** 0 Jobs or -0.2%

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



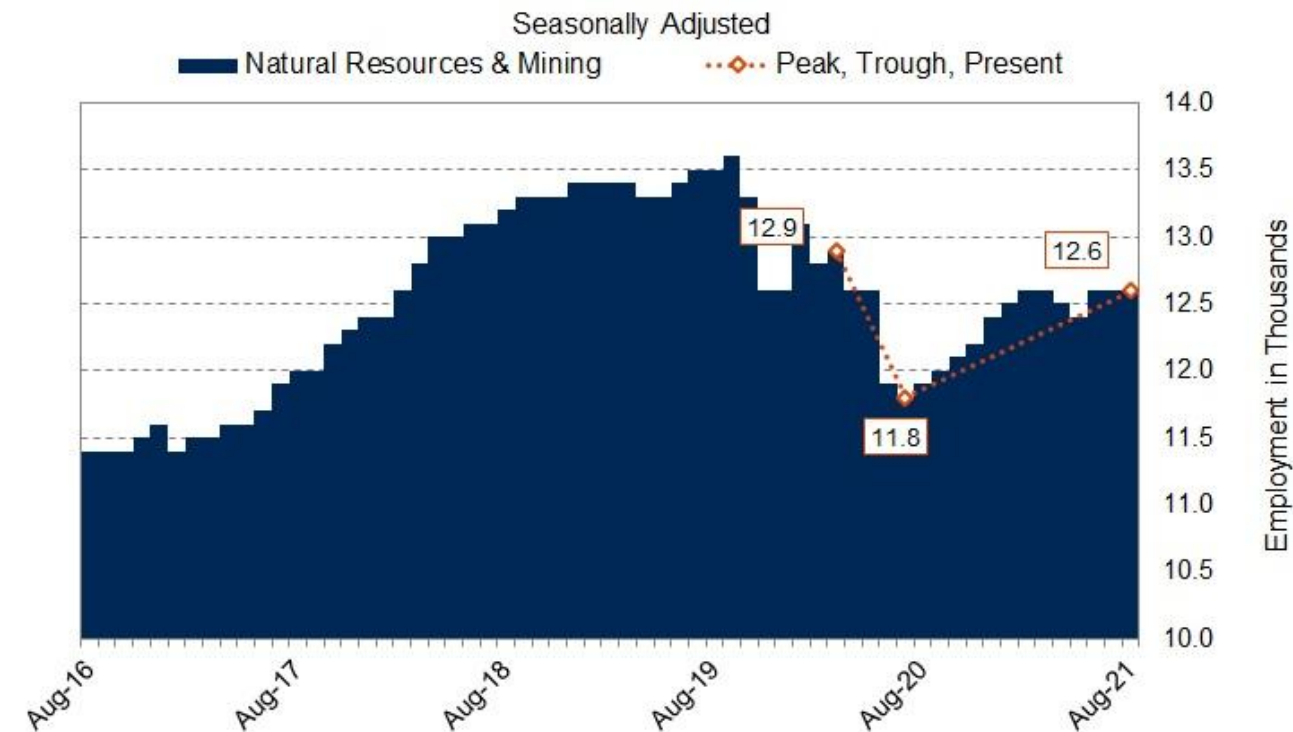
# Year-Over-Year Employment Change



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

# COVID-19 Pandemic Impact

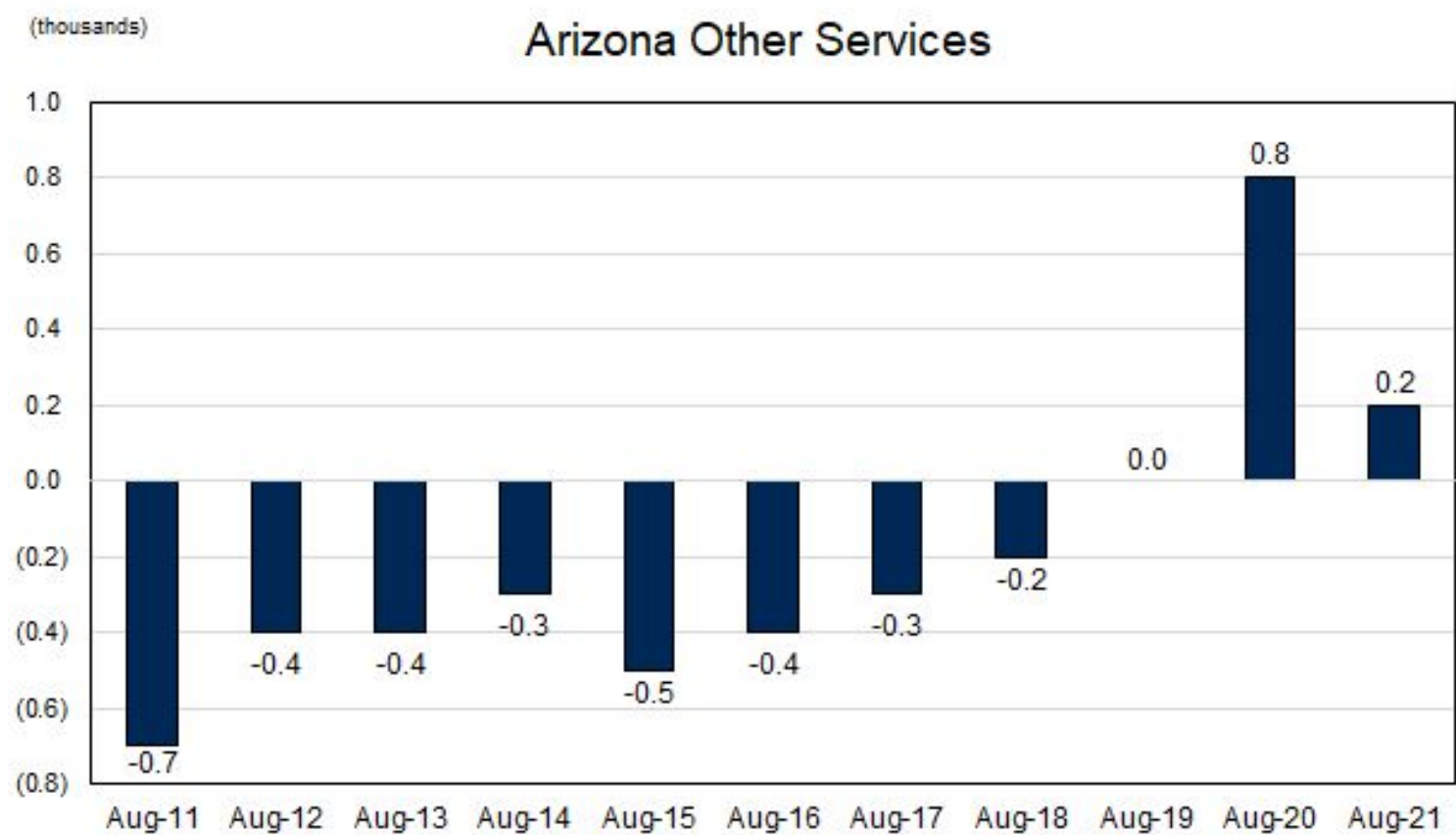
## Arizona Natural Resources & Mining



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

- Since July 2020, 73% (800 jobs) of the pandemic job losses have been recovered

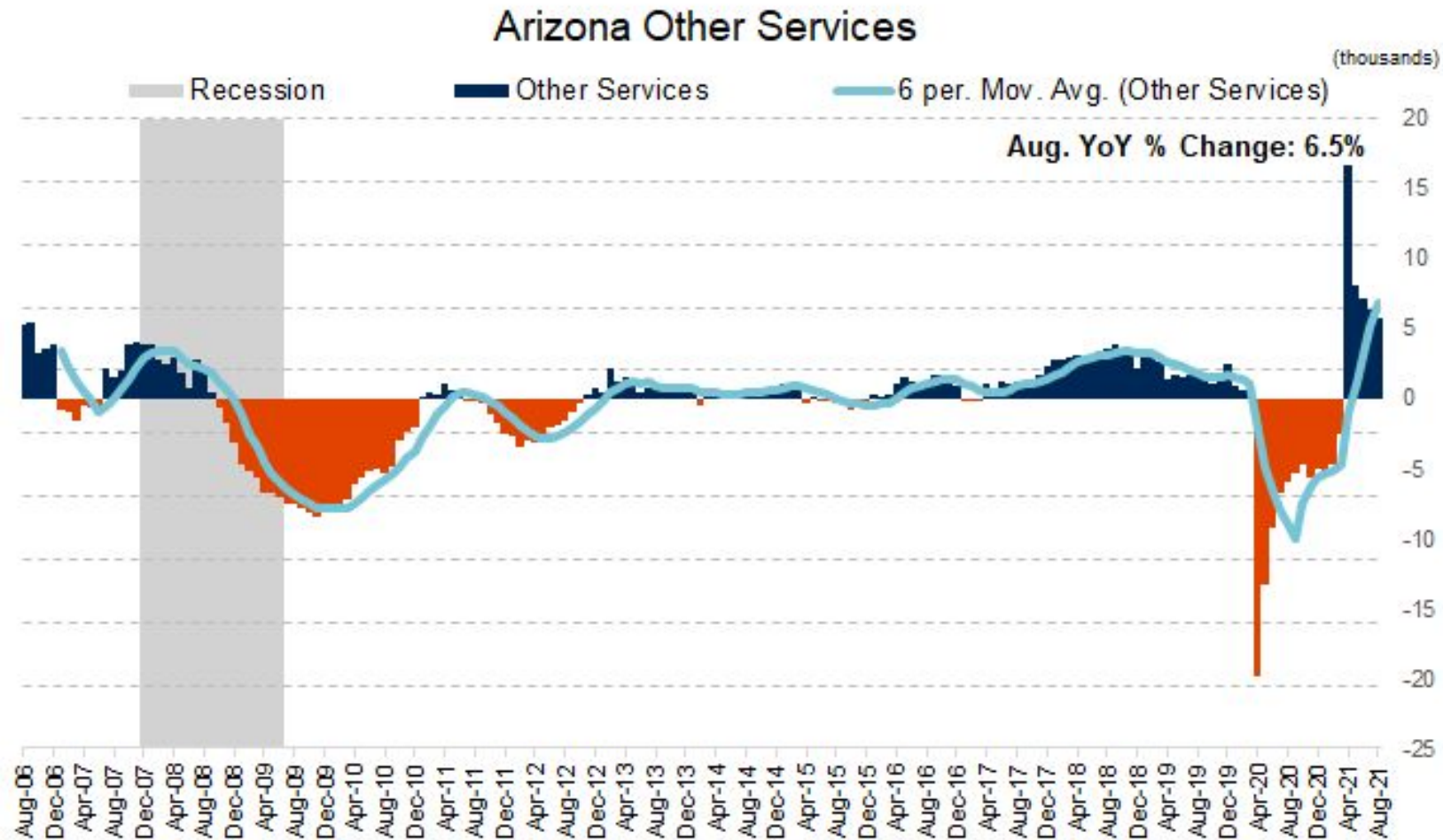
# Month-Over-Month Employment Change



**Historic 10-Year Average ('11-'20):** -200 Jobs or -0.3%  
**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

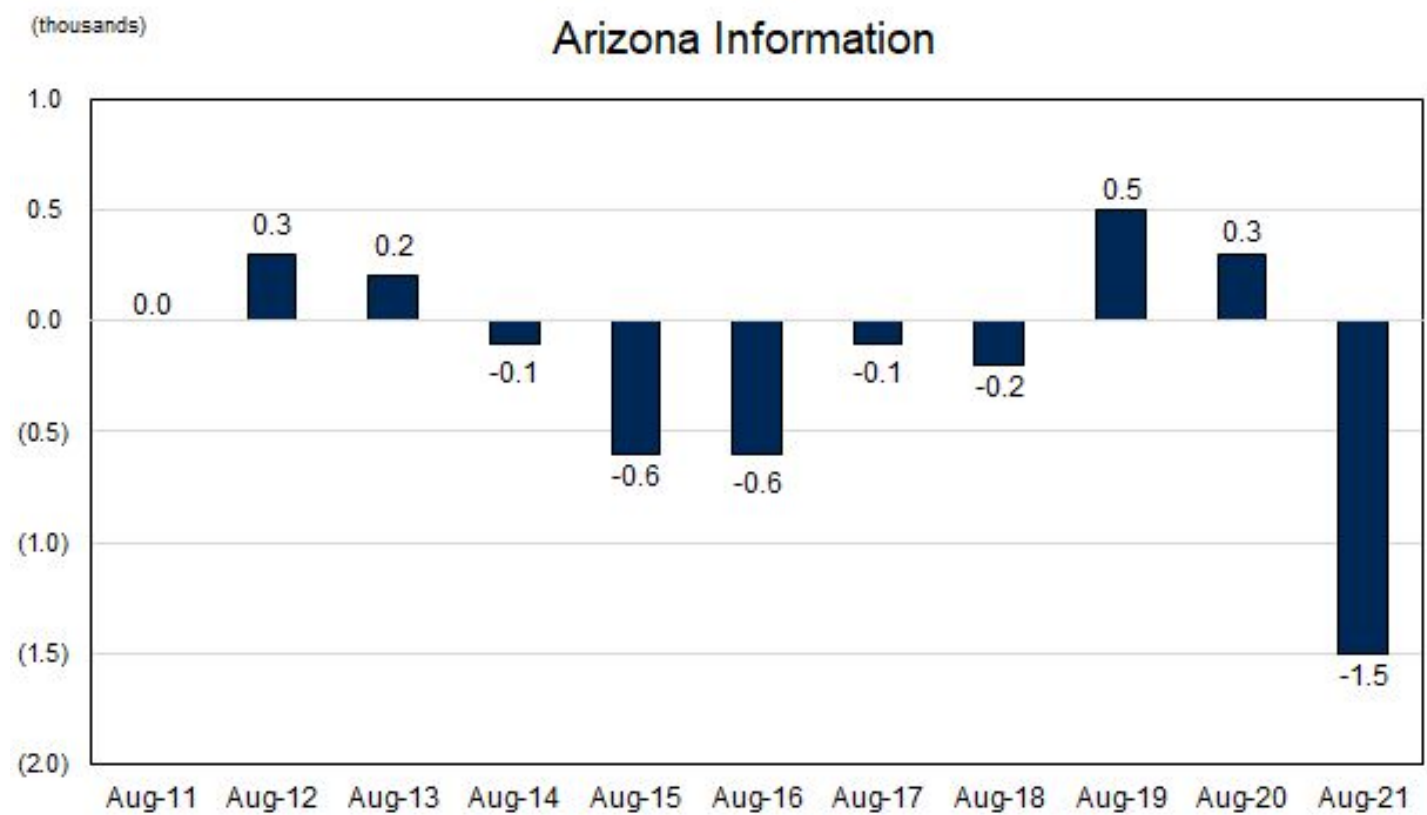
# COVID-19 Pandemic Impact



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

- Since April 2020, 98% (20,000 jobs) of the pandemic job losses have been recovered

# Month-Over-Month Employment Change



**Historic 10-Year Average ('11-'20):** 0 Jobs or -0.1%  
**Pre- Pandemic Average ('10-'19):** -100 Jobs or -0.2%

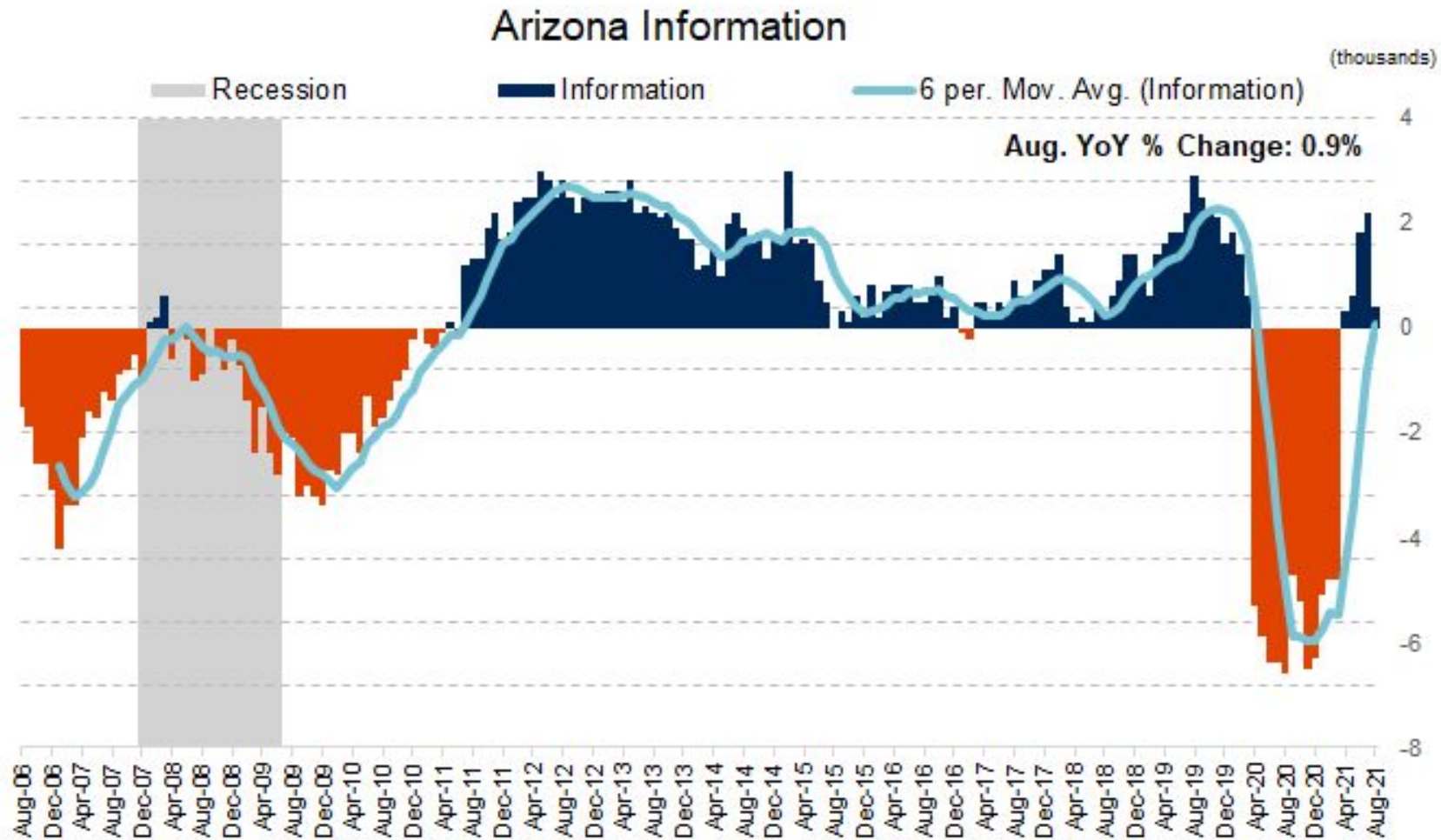
Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

Losses reported in:

- Software Publishers
- Motion Picture and Video Production
- Wireless Telecommunications Carriers

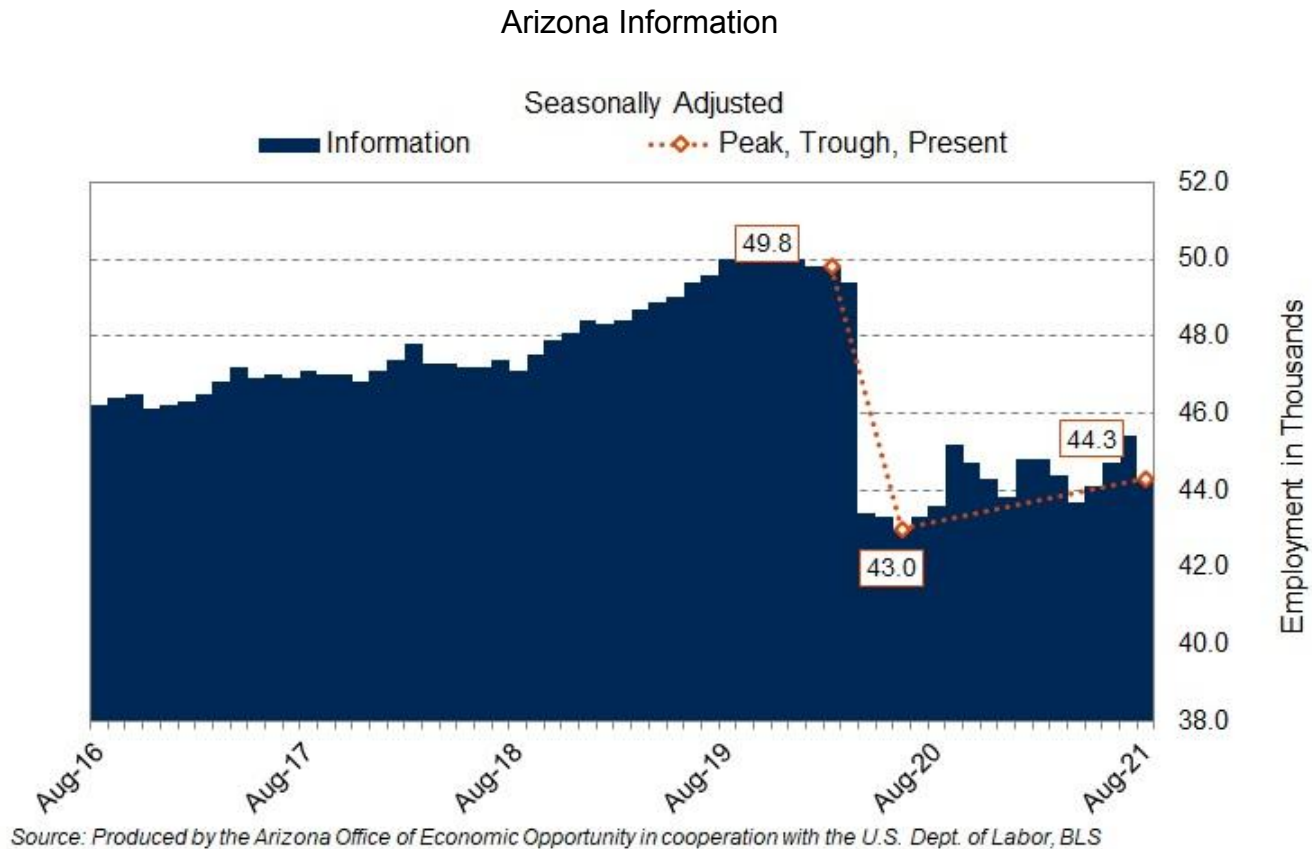


# Year-Over-Year Employment Change



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

# COVID-19 Pandemic Impact



- Since June 2020, 19% (1,300 jobs) of the pandemic job losses have been recovered

# Arizona Job Gains and Losses from Feb. '20 to Aug. '21

*Seasonally-Adjusted; In Thousands*

Sector	Jobs Lost	Jobs Recovered	Arizona Percent Recovered
Trade, Transportation & Utilities	45.8	75.4	165%
Financial Activities	4.6	5.6	122%
Professional & Business Svcs	37.9	41.4	109%
Education and Health Services	46.8	49.3	105%
Other Services	20.4	20.0	98%
Construction	6.6	6.0	91%
Manufacturing	7.2	6.3	88%
Leisure & Hospitality	146.6	121.5	83%
Natural Resources & Mining	1.0	0.8	80%
Information	6.8	1.3	19%
Government	23.5	10.0	43%
Private Sector	321.6	325.5	101%
Total Nonfarm Employment	331.5	321.9	97%

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

# United States Job Gains and Losses from Feb. '20 to Aug. '21

*Seasonally-Adjusted; In Thousands*

Sector	Jobs Lost	Jobs Recovered	Percent Recovered
Financial Activities	279.0	250.0	90%
Other Services	1,410.0	1,221.0	87%
Trade, Transportation & Utilities	3,363.0	2,916.0	87%
Professional & Business Svcs	2,387.0	1,919.0	80%
Construction	1,113.0	881.0	79%
Leisure & Hospitality	8,224.0	6,525.0	79%
Manufacturing	1,385.0	1,007.0	73%
Education and Health Services	2,843.0	1,938.0	68%
Natural Resources & Mining	101.0	55.0	54%
Information	322.0	172.0	53%
Government	1,521.0	731.0	48%
Private Sector	21,353.0	16,810.0	79%
Total Nonfarm Employment	22,362.0	17,029.0	76%

*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 increased by 53,600 jobs
  - Seven of the eleven major sectors gained jobs
- Year-over-year, Arizona nonfarm employment increased by 5.8%, while U.S nonfarm employment increased by 4.4% YoY
- Arizona nonfarm employment has recovered 97% of the jobs lost during the COVID-19 pandemic, while Arizona private sector employment has recovered 101% of the lost jobs
- The Arizona unemployment rate decreased to 6.2% in August 2021 from 6.6% in July 2021
- Month-over-month, the Arizona labor force increased by 6,169 individuals



# Thank You

## Any Questions?

### Upcoming Releases:

October 21, 2021: September Employment Report