

September 15, 2022

August 2022 Employment Report

Doug Walls, Labor Market Information Director



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

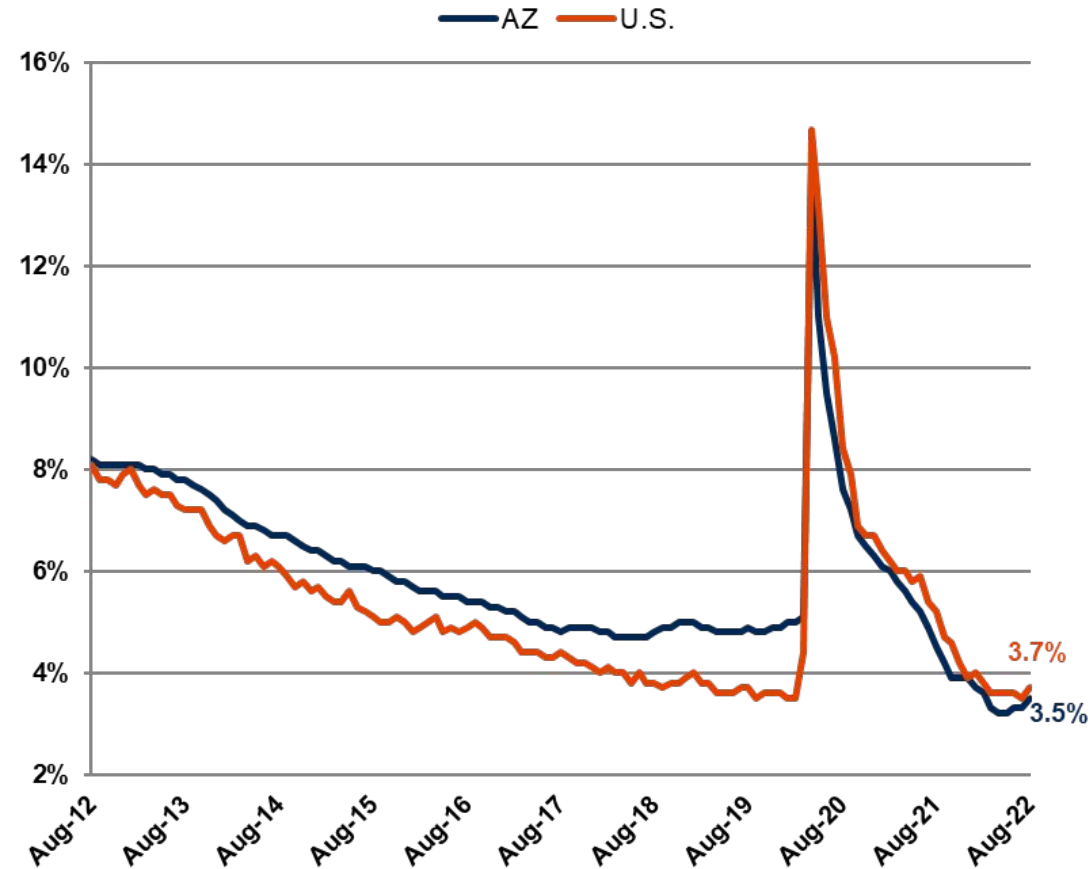
- The Arizona seasonally adjusted (SA) unemployment rate increased to 3.5% in August 2022 from 3.3% in July 2022.
- The U.S. SA unemployment rate increased to 3.7% in August 2022 from 3.5% in July 2022
- Arizona nonfarm employment increased by 46,300 jobs
 - The largest gains were recorded in Government (38,200 jobs) and Construction (3,700 jobs)
 - Job losses were recorded in Financial Activities (-800 jobs), Leisure & Hospitality (-700 jobs) and Other Services (-100 jobs)
- The July 2022 nonfarm employment change was revised to a gain of 19,300 jobs from a gain of 18,300 jobs

Year-Over-Year (YoY) Highlights

- Arizona nonfarm employment increased by 111,000 jobs (3.7%)
- Arizona private sector employment increased by 101,400 jobs (4.0%), while government employment increased by 9,600 jobs (2.4%)
- Ten of eleven major sectors recorded job gains
 - The largest gains were recorded in Trade, Transportation, and Utilities (22,600 jobs) and Education and Health Services (20,100 jobs)
 - Financial Activities lost 1,400 jobs
- All seven Arizona metro areas (MSAs) gained jobs
 - The largest percentage gains were recorded in Flagstaff MSA (5.9%) and Prescott MSA (4.5%)

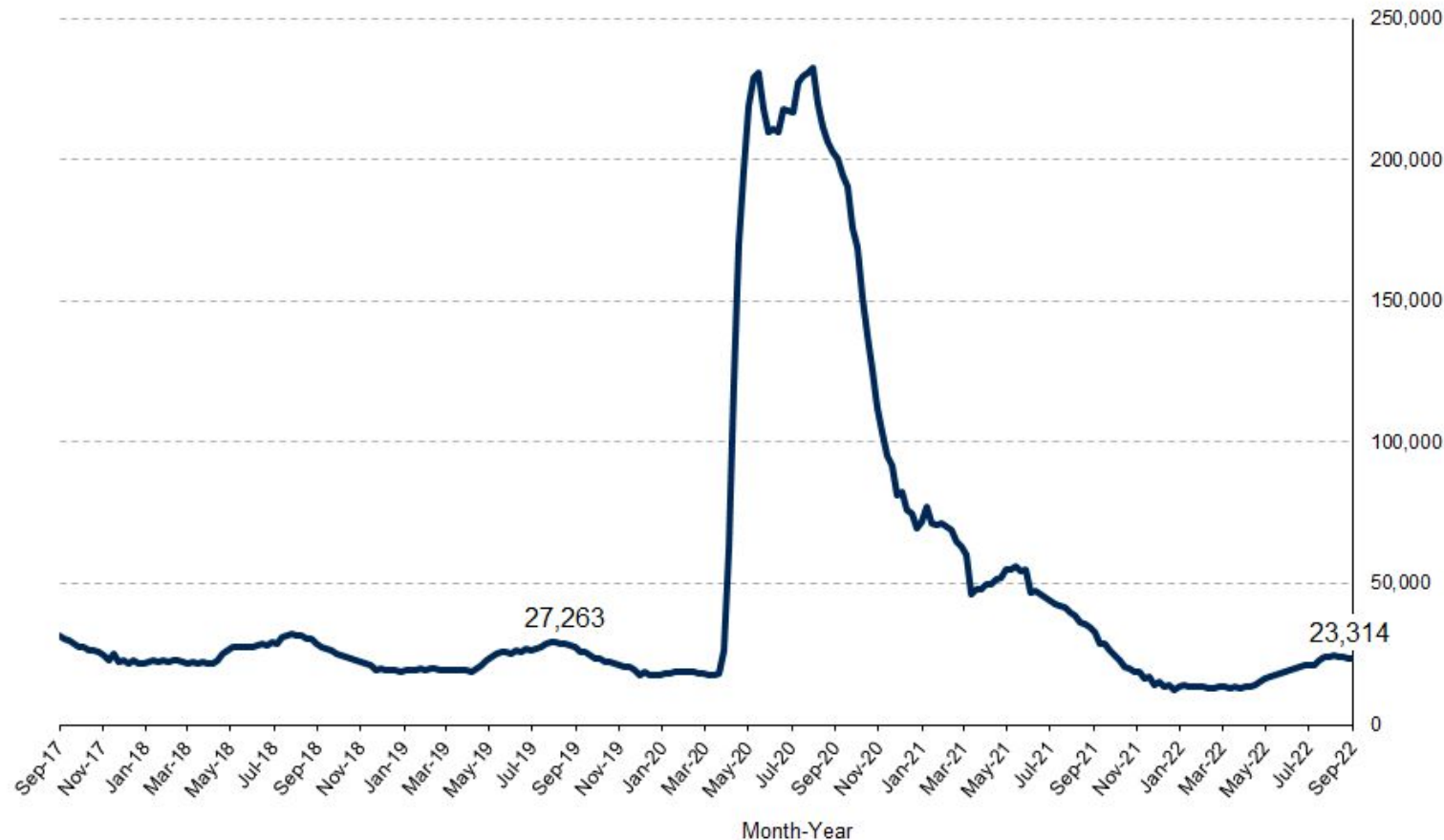
Arizona & U.S. Unemployment Rate

Seasonally Adjusted



Period	Labor Force	Employment	Unemployment	Unemp. Rate
Aug-2022	3,595,574	3,470,465	125,109	3.5
OTM Change	11,137	4,770	6,367	0.2
OTY Change	67,166	102,064	-34,898	-1.0

Regular Weekly Unemployment Insurance Claims



Source: Produced by the Arizona Office of Economic Opportunity

- During the week ending 9/3/22, 23,314 regular UI claims were filed
 - UI claims are down 29.1% YoY
 - UI claims are down 3,949 (-14.5%) since week ending 8/31/19

Arizona & U.S. Labor Force YoY Percentage Change Seasonally Adjusted

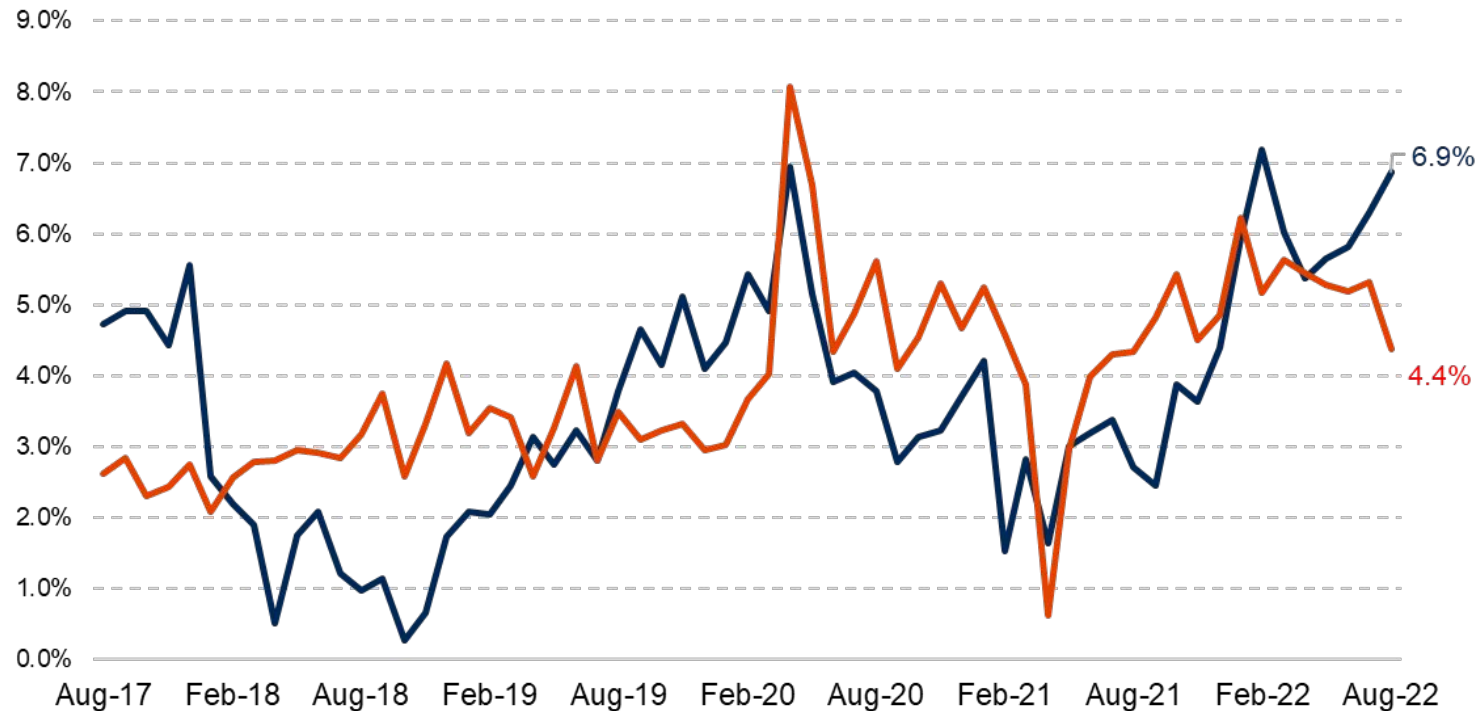


Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

Year-Over-Year Earnings Change

Private Sector Average Hourly Earnings

— Arizona — United States

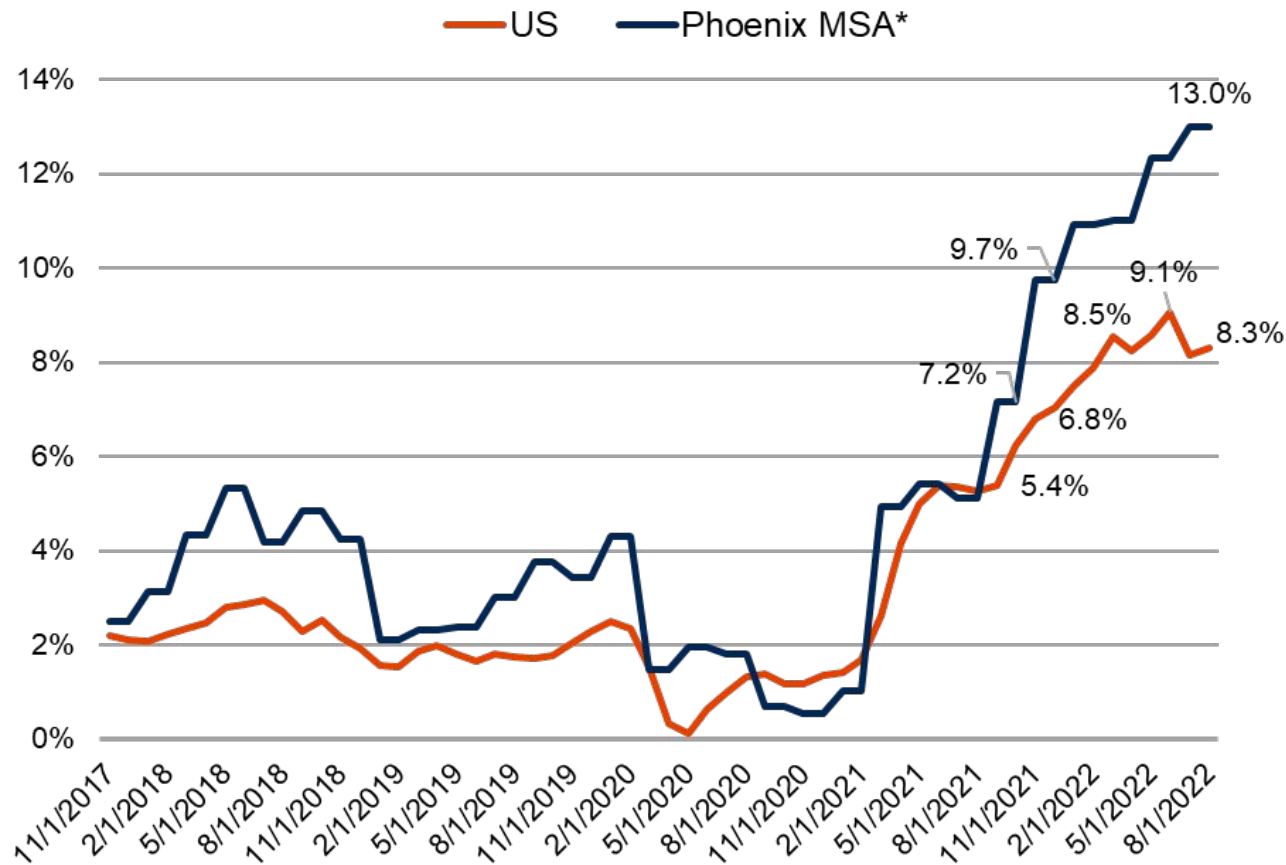


- Arizona average hourly earnings increased 6.9% YoY in August 2022
- U.S. average hourly earnings increased 4.4% YoY in August 2022

Avg. Hourly Earnings: Arizona: \$30.36; U.S.: \$32.14

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

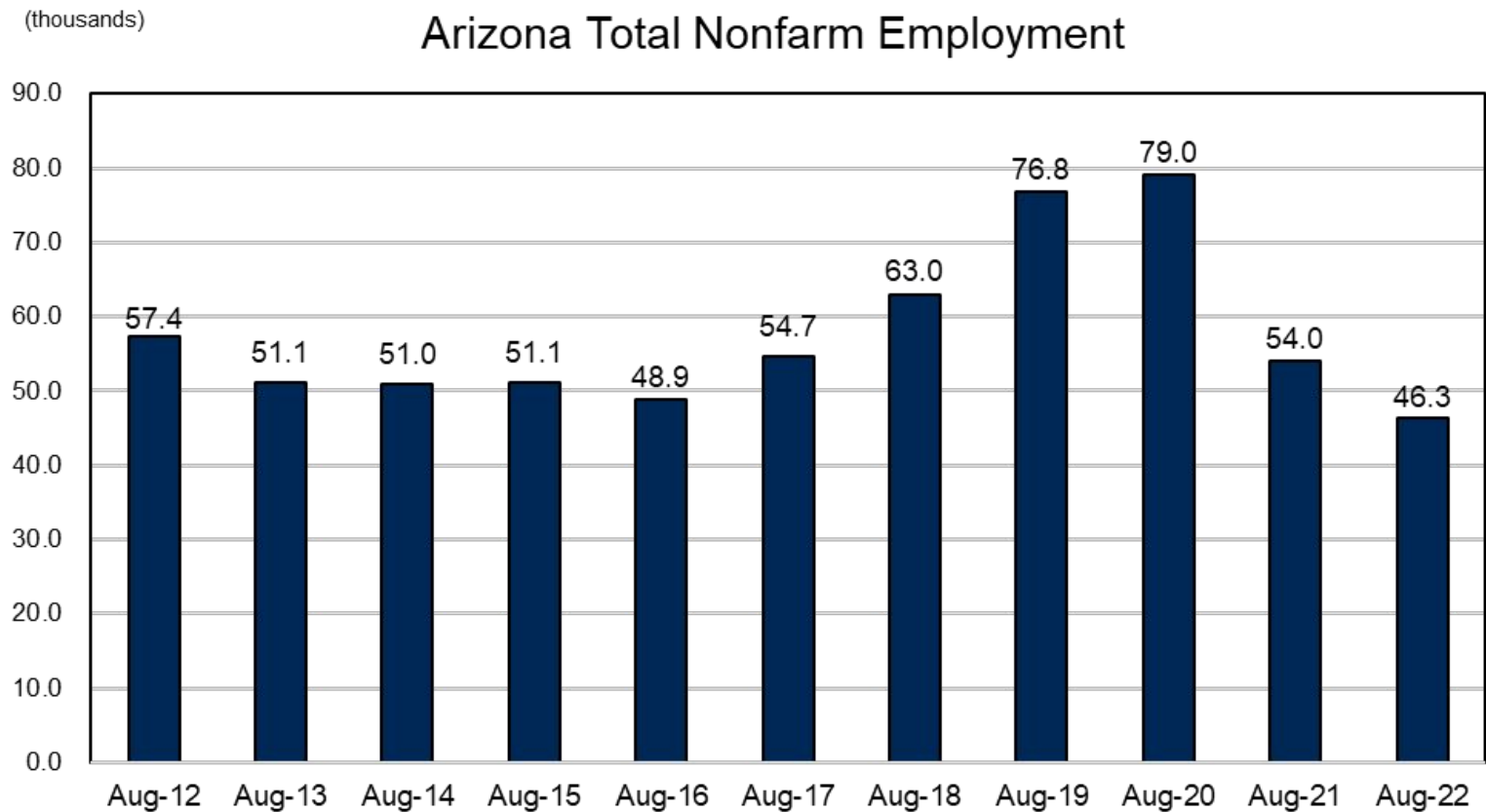
Consumer Price Index Year-Over-Year % Change Not Seasonally-Adjusted



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

- US CPI increased 8.3% year-over-year (YoY) in August 2022
 - Energy prices rose 23.8% YoY
 - Food prices rose 11.4% YoY
- Phoenix MSA CPI increased 13.0% YoY in August 2022
 - Energy prices rose 19.2% YoY
 - Food prices rose 14.1% YoY
 - Transportation prices rose 13.0% YoY
 - Housing prices rose 17.1% YoY
 - Rent of primary residence rose 21.4% YoY

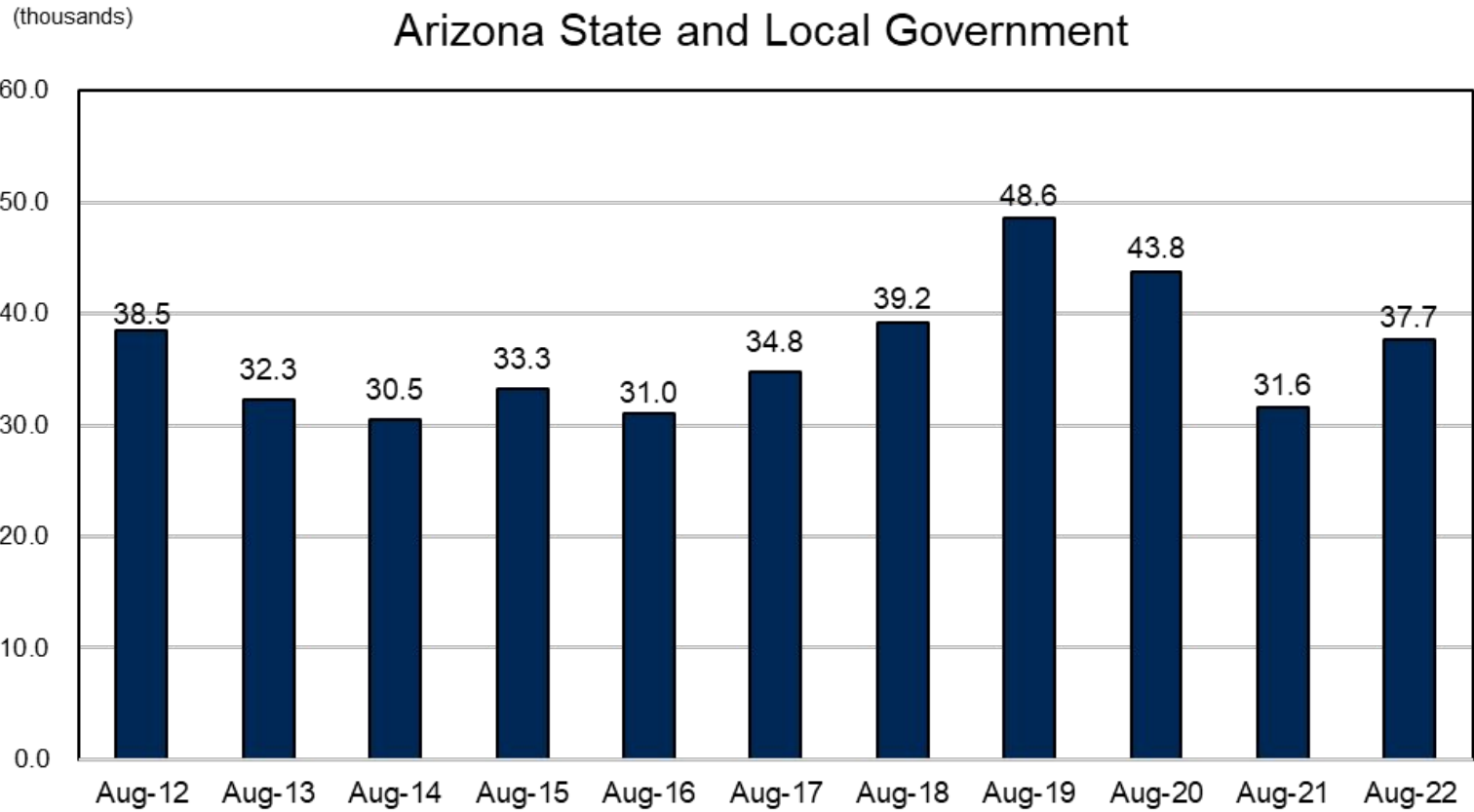
Month-Over-Month Employment Change



Historic 10-Year Average ('12-'21): 58,700 Jobs or 2.2%
Pre- Pandemic Average ('10-'19): 54,000 Jobs or 2.1%

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

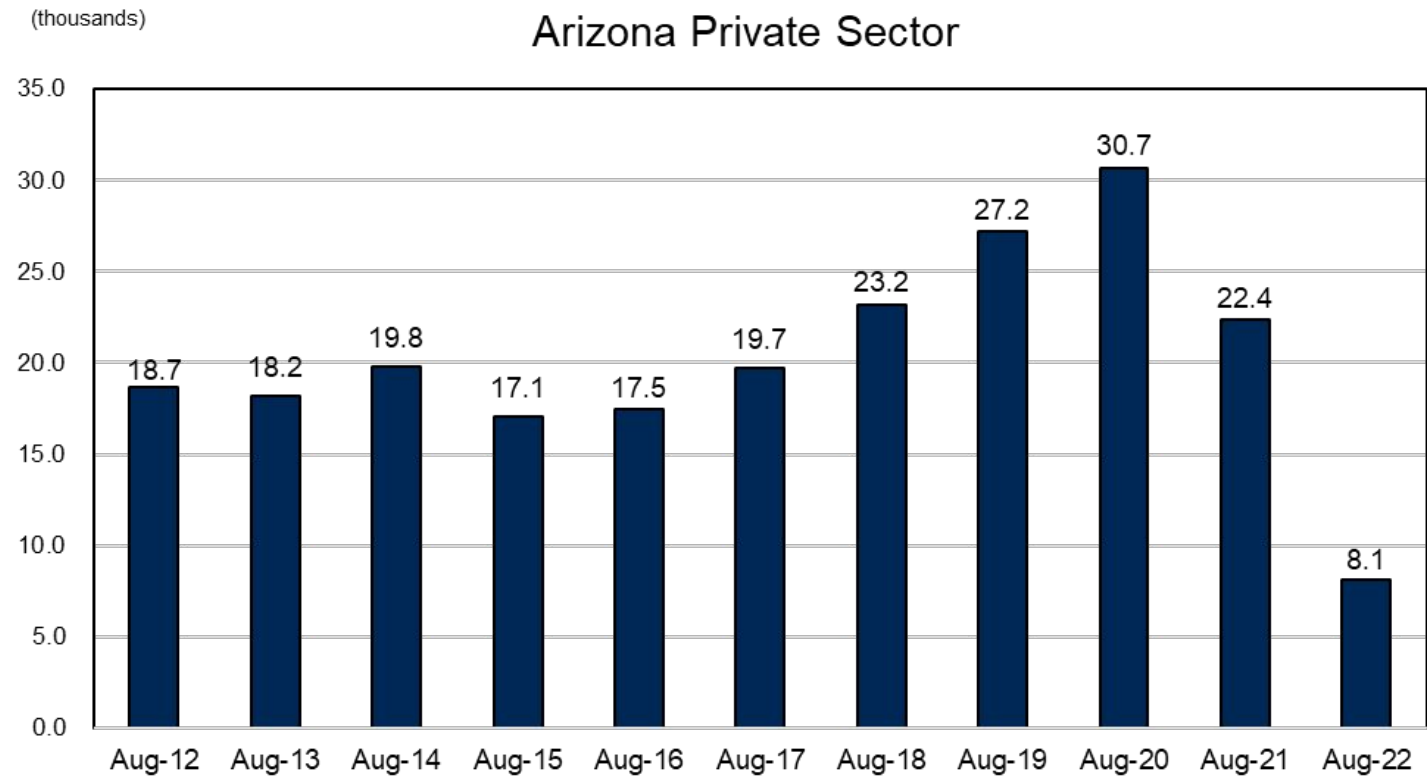
Month-Over-Month Employment Change



Historic 10-Year Average ('12-'21): 36,400 Jobs or 11.8%
Pre- Pandemic Average ('10-'19): 35,500 Jobs or 11.5%

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): 21,500 Jobs or 0.9%
Pre- Pandemic Average ('10-'19): 18,300 Jobs or 0.8%

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

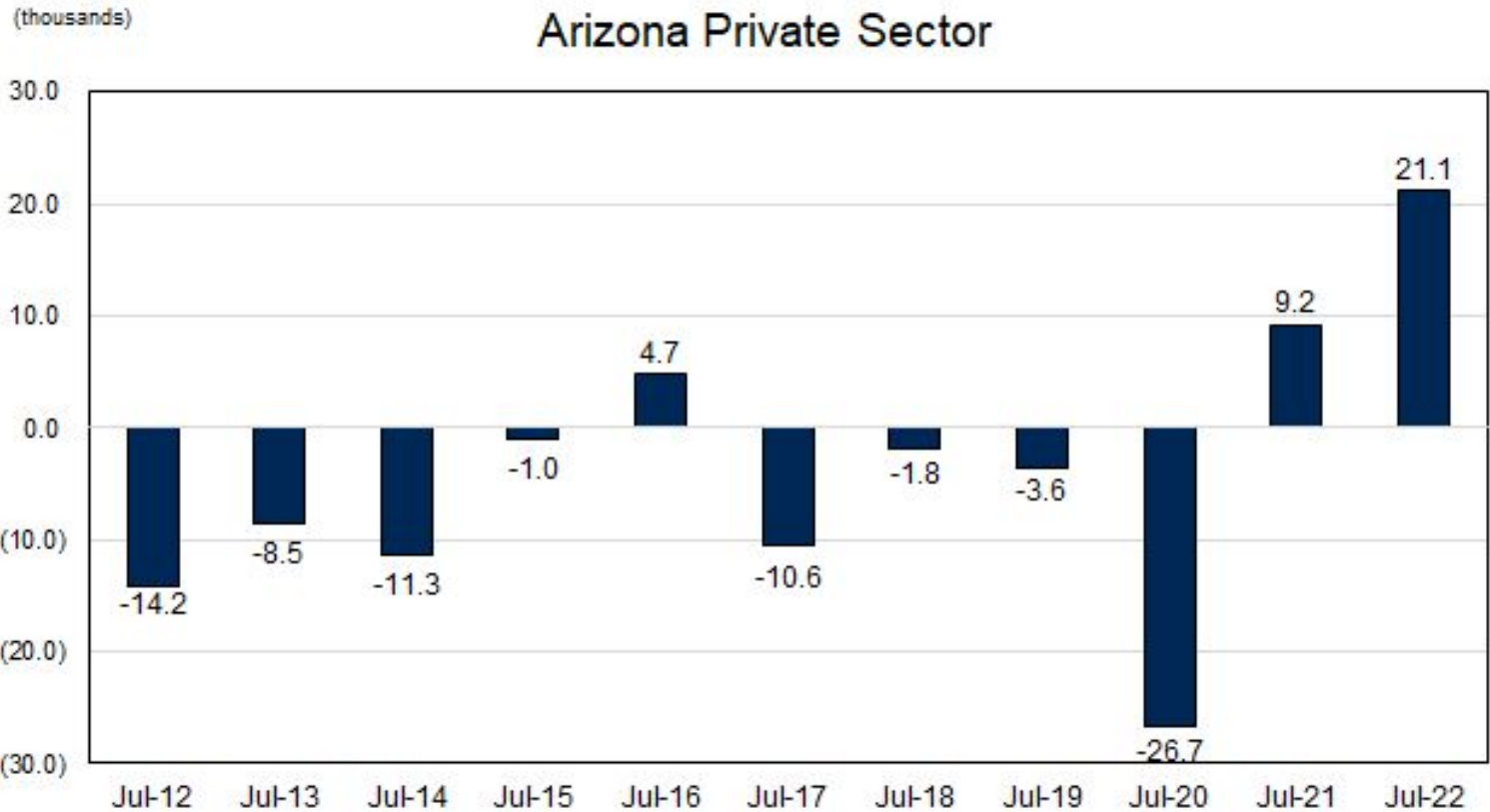
Note: Aug. '22 below-average gains follow above-average gains recorded in July '22

- July '22 chg.: 21,100 jobs
- Pre-pandemic avg. July chg.: -6,900 jobs



Month-Over-Month Employment Change

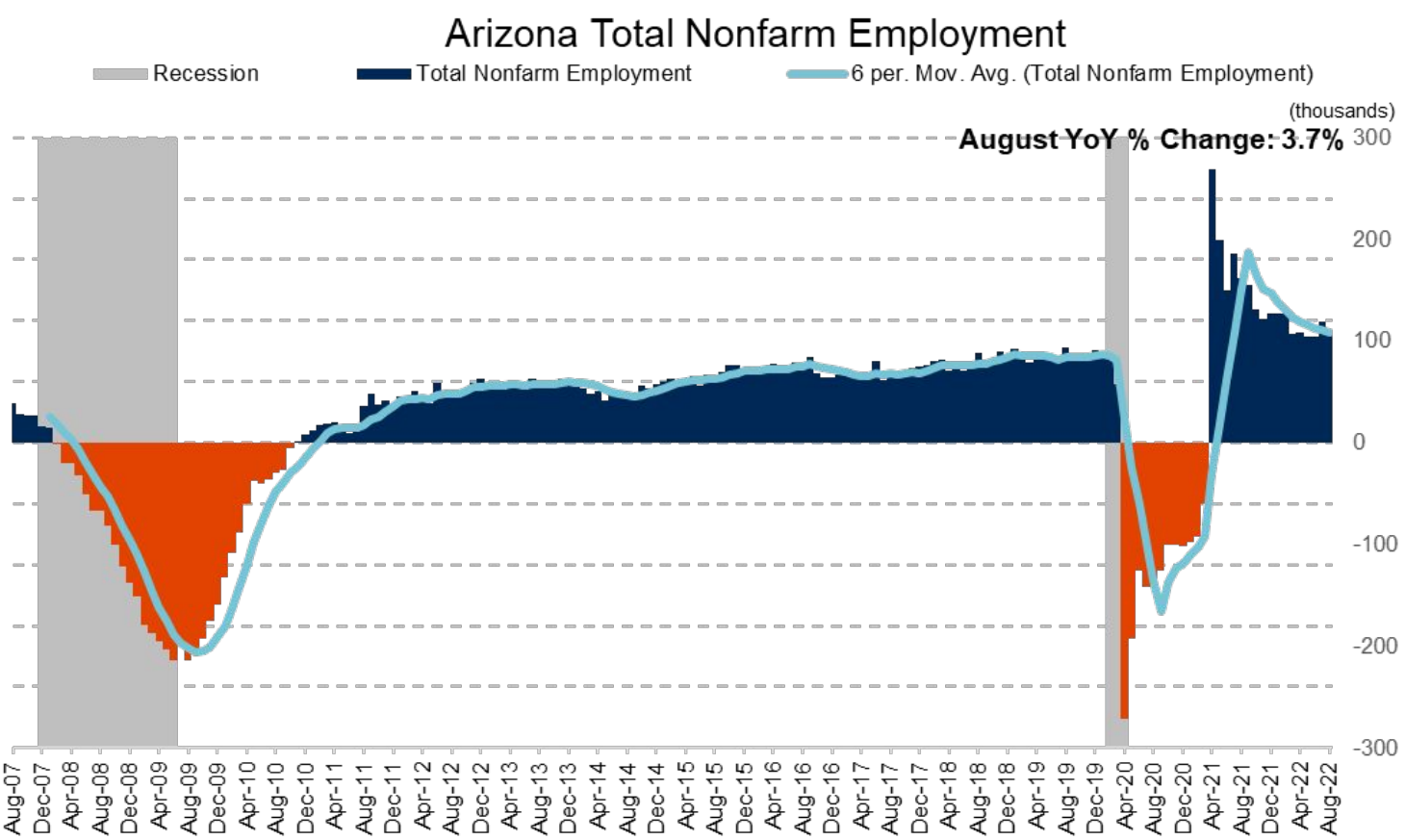
NOTE: JULY 2022 DATA



Historic 10-Year Average ('12-'21): -6,400 Jobs or -0.3%
Pre- Pandemic Average ('10-'19): -6,900 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

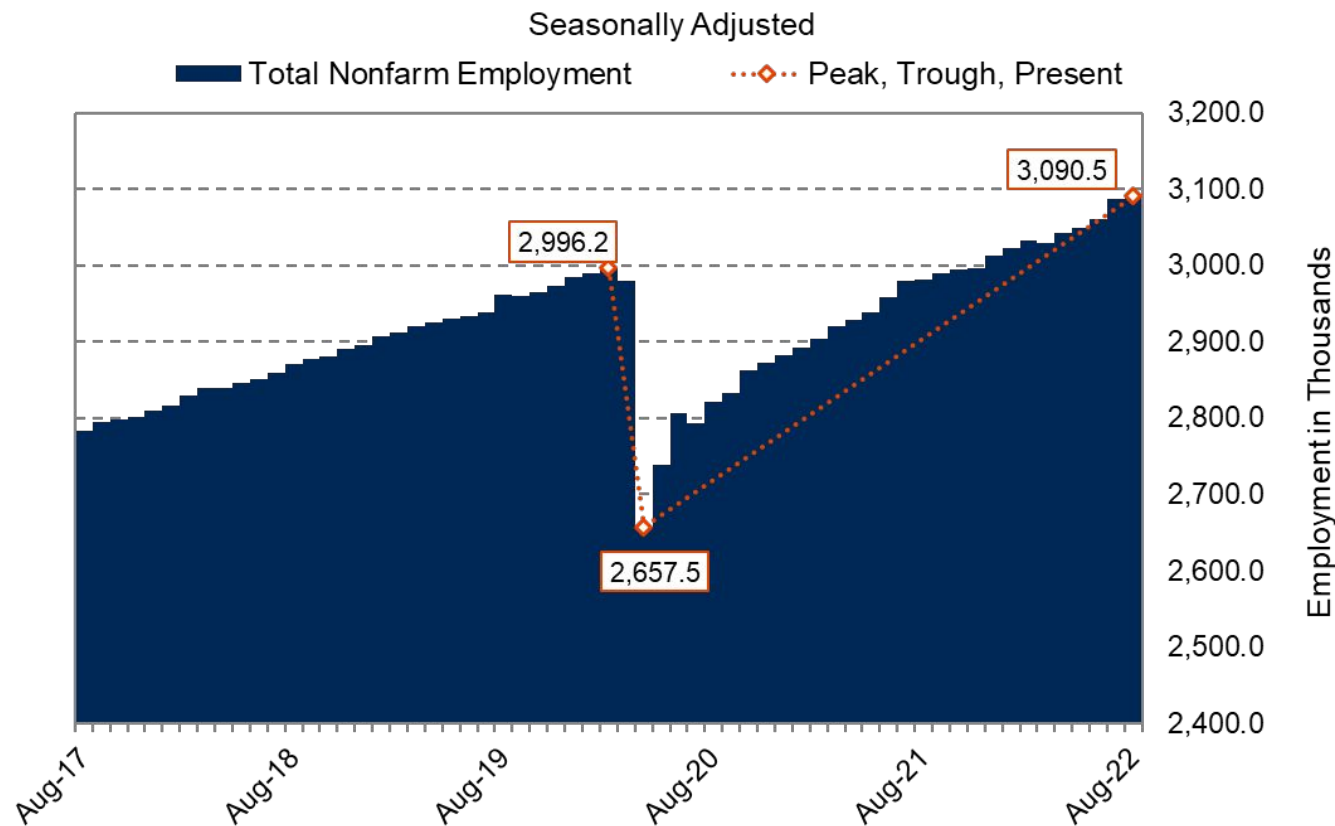


- Arizona nonfarm employment increased 3.7% YoY (111,000 jobs)

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

COVID-19 Pandemic Impact

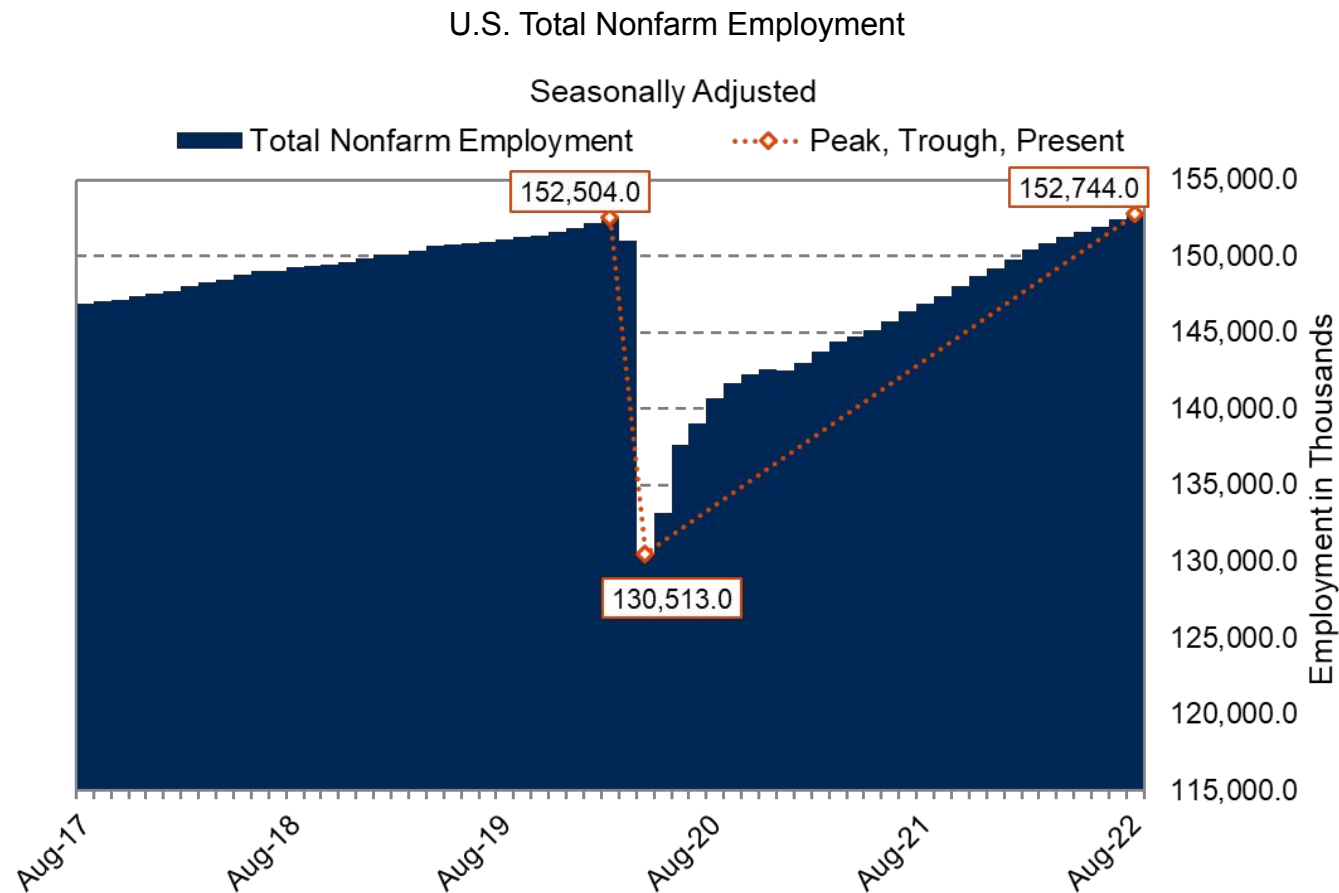
Arizona Total Nonfarm Employment



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

- Since April 2020, 128% (433,000 jobs) of the Arizona Nonfarm pandemic job losses have been recovered

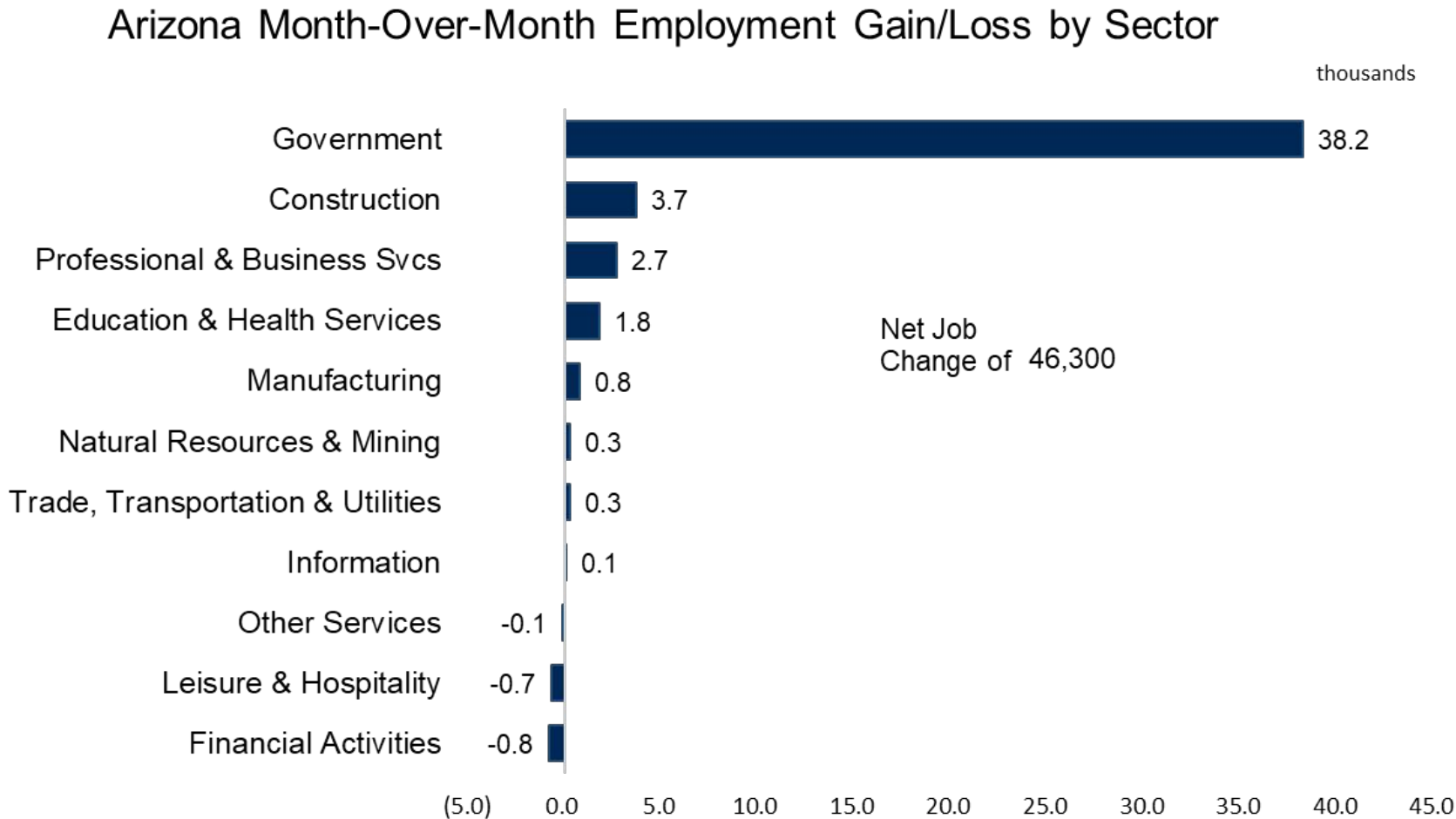
COVID-19 Pandemic Impact



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

- Since April 2020, 101% (22,231,000 jobs) of the U.S. Nonfarm pandemic job losses have been recovered

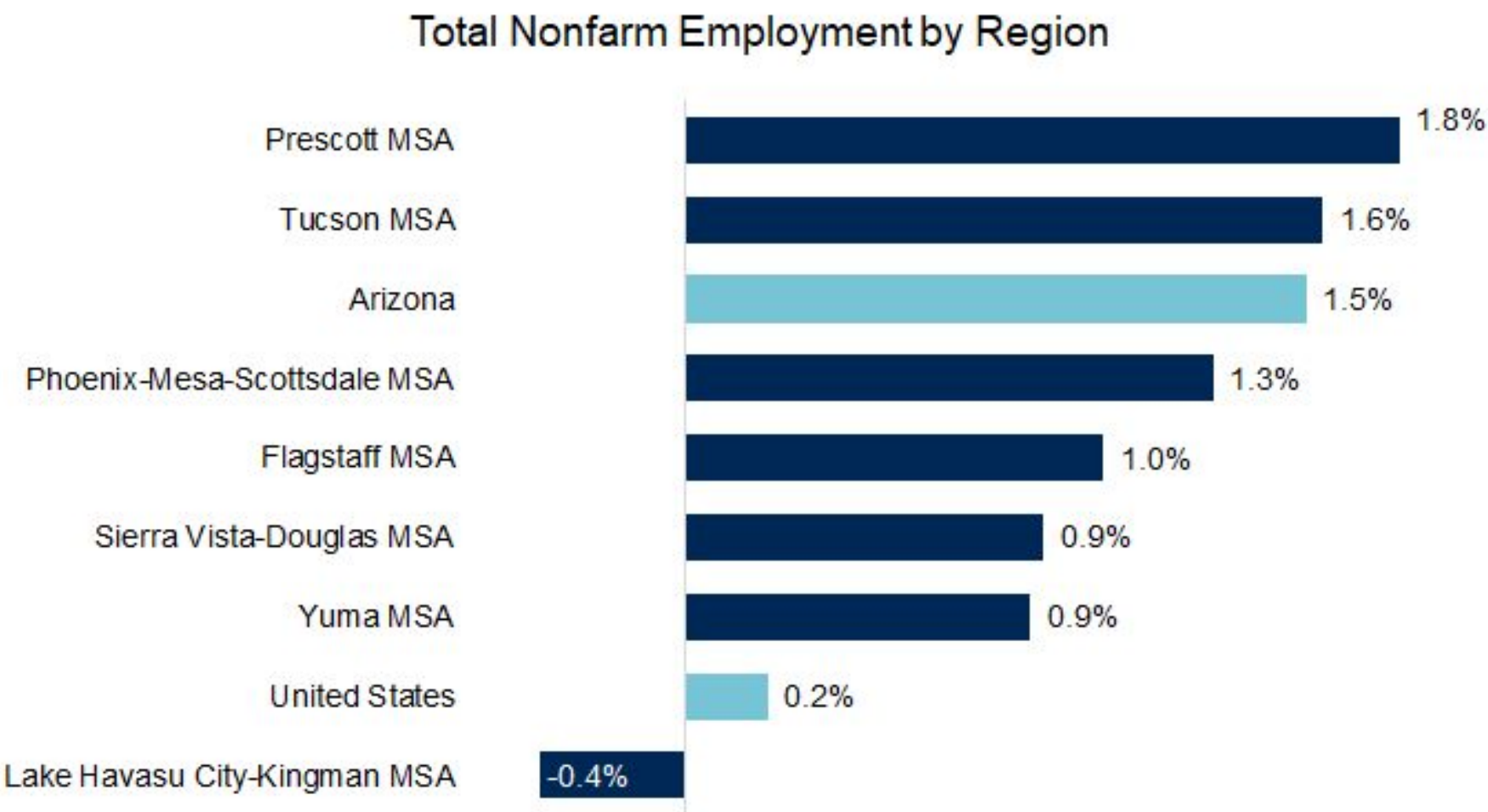
Month-Over-Month Employment Change



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

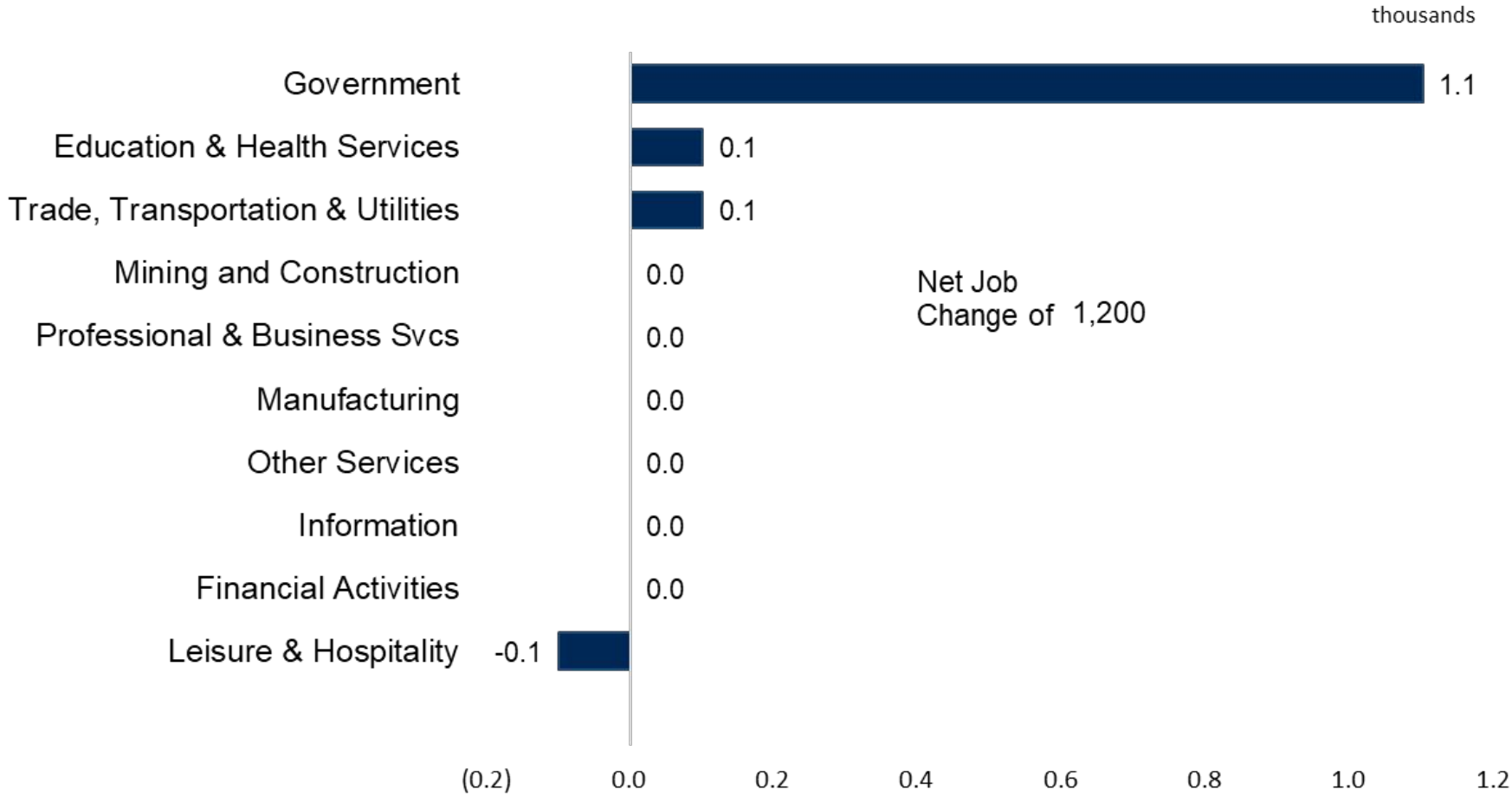
Month-Over-Month Employment Change



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

Month-Over-Month Employment Change

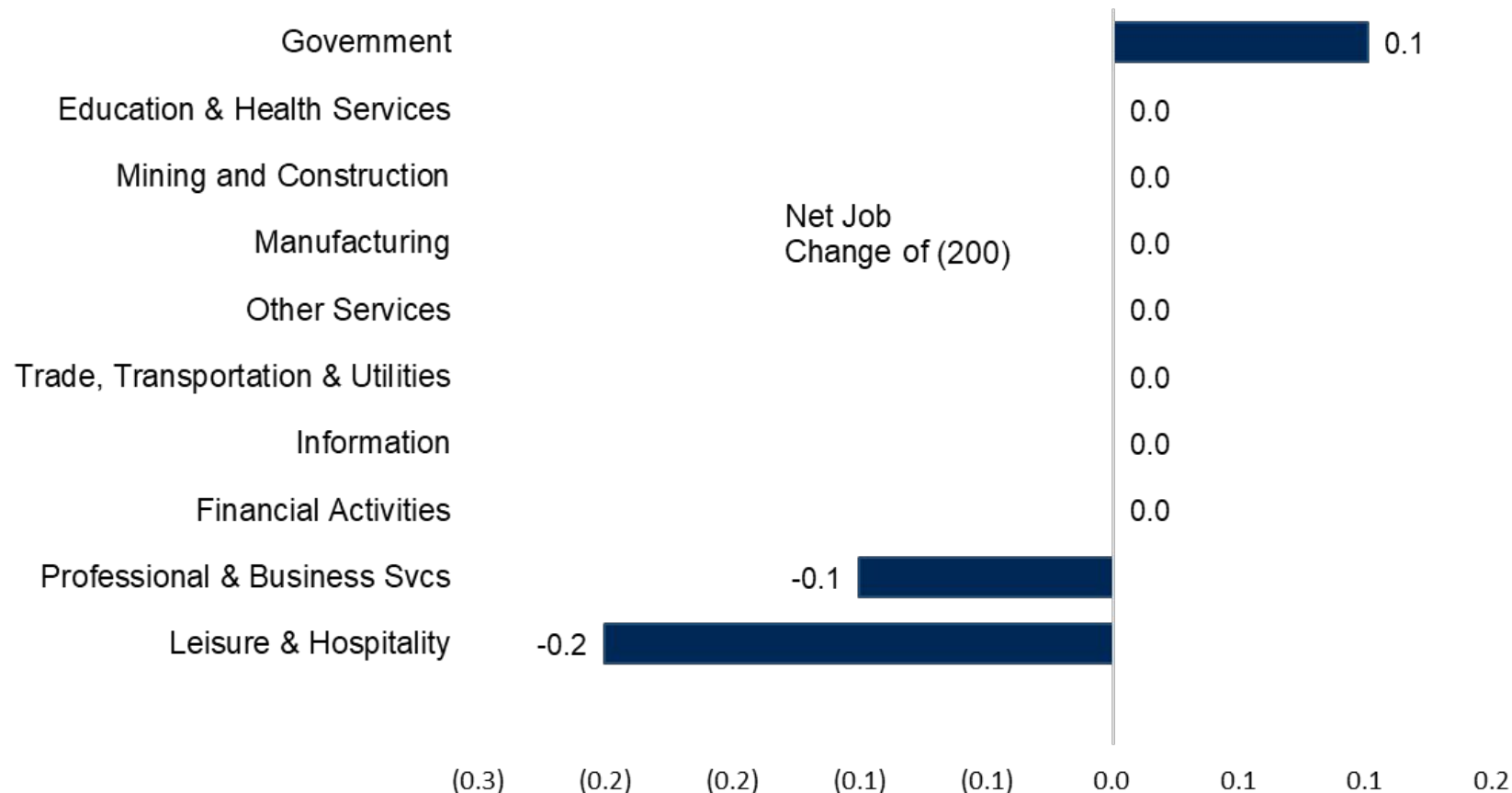
Prescott MSA Month-Over-Month Employment Gain/Loss by Sector



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

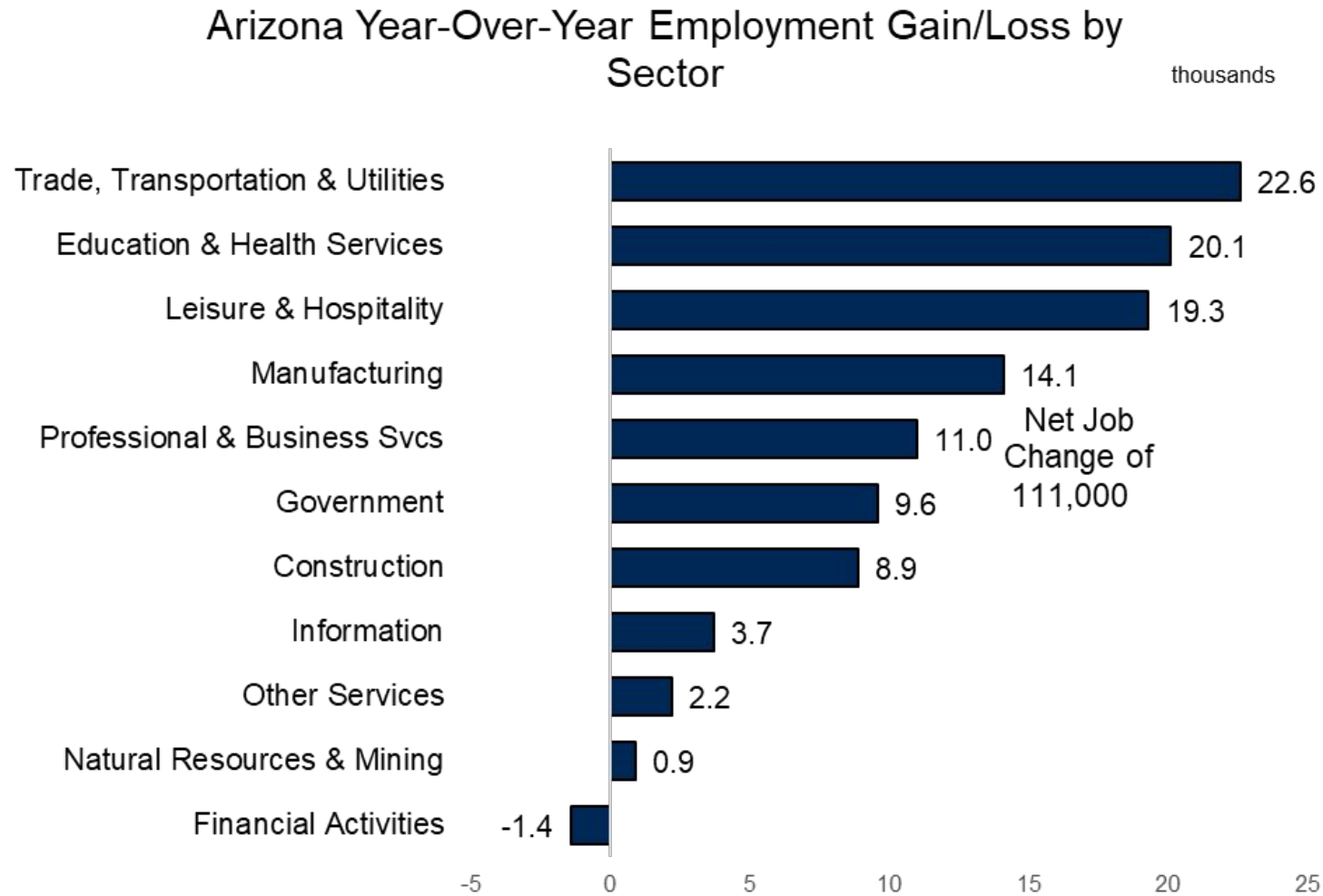
Month-Over-Month Employment Change

Lake Havasu City-Kingman MSA Month-Over-Month Employment Gain/Loss by Sector



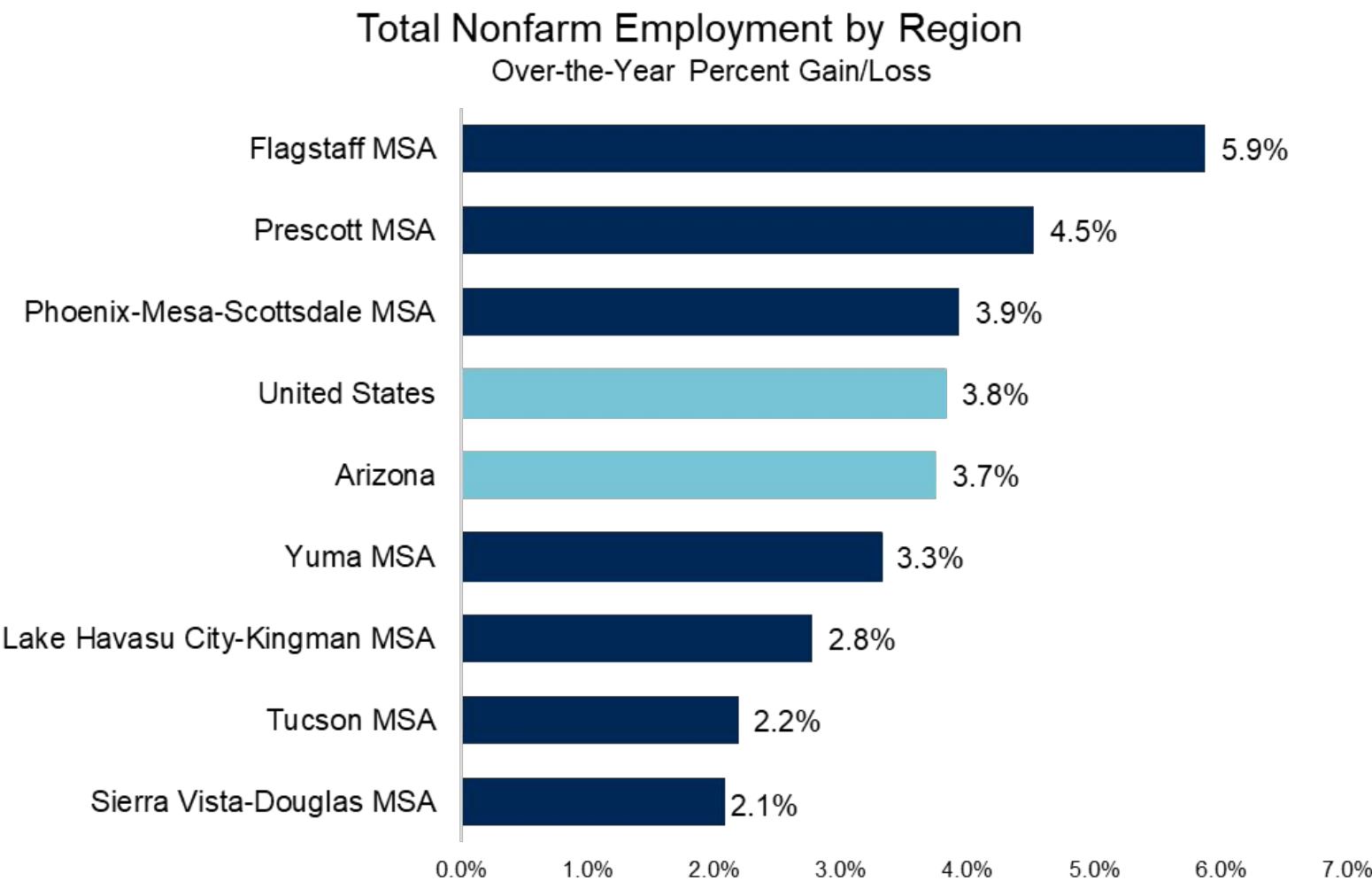
Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics

Year-Over-Year Employment Change



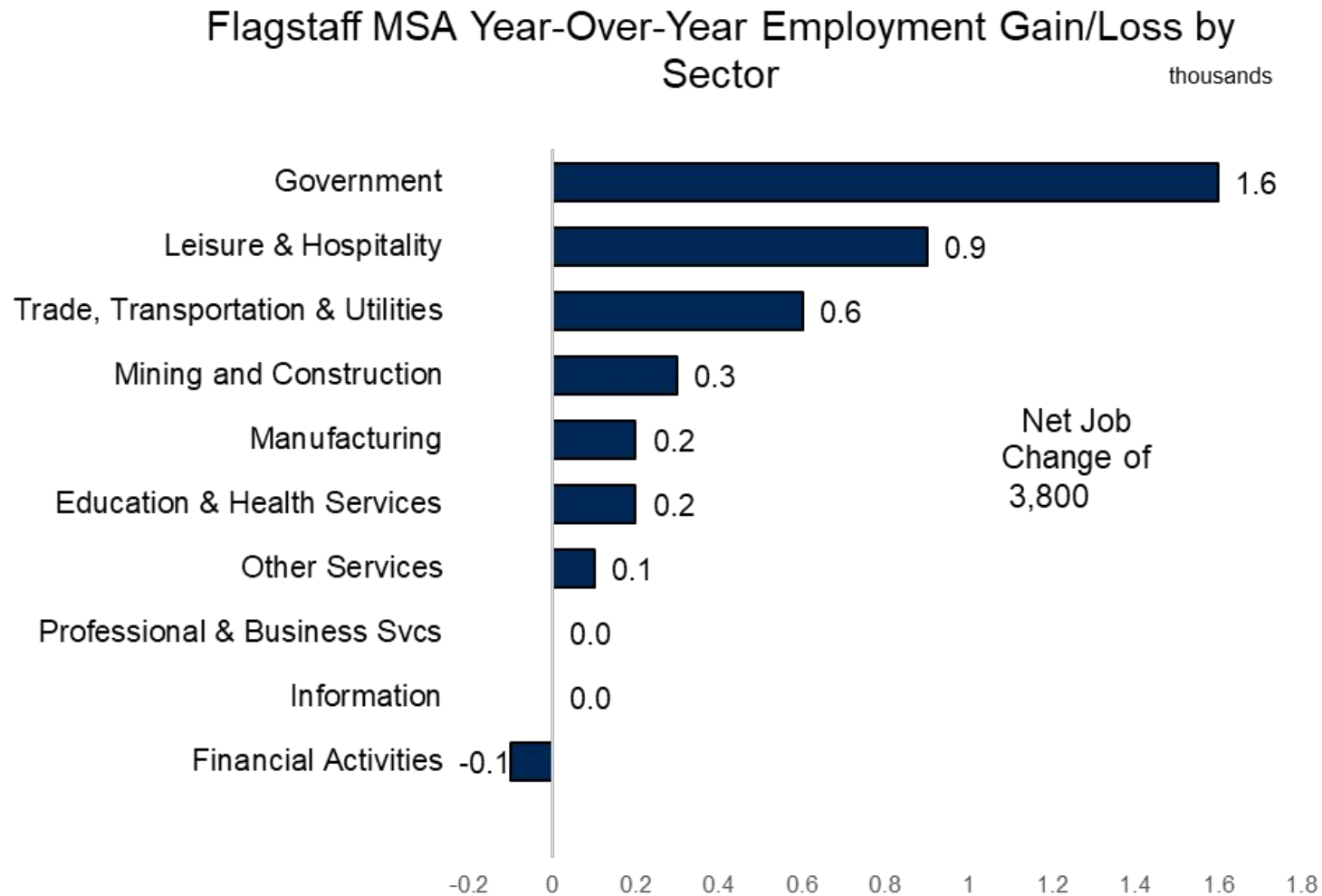
Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

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 August '22

Seasonally Adjusted; In Thousands

Impacts of COVID-19 on Arizona Jobs: Feb. '20 to Aug '22

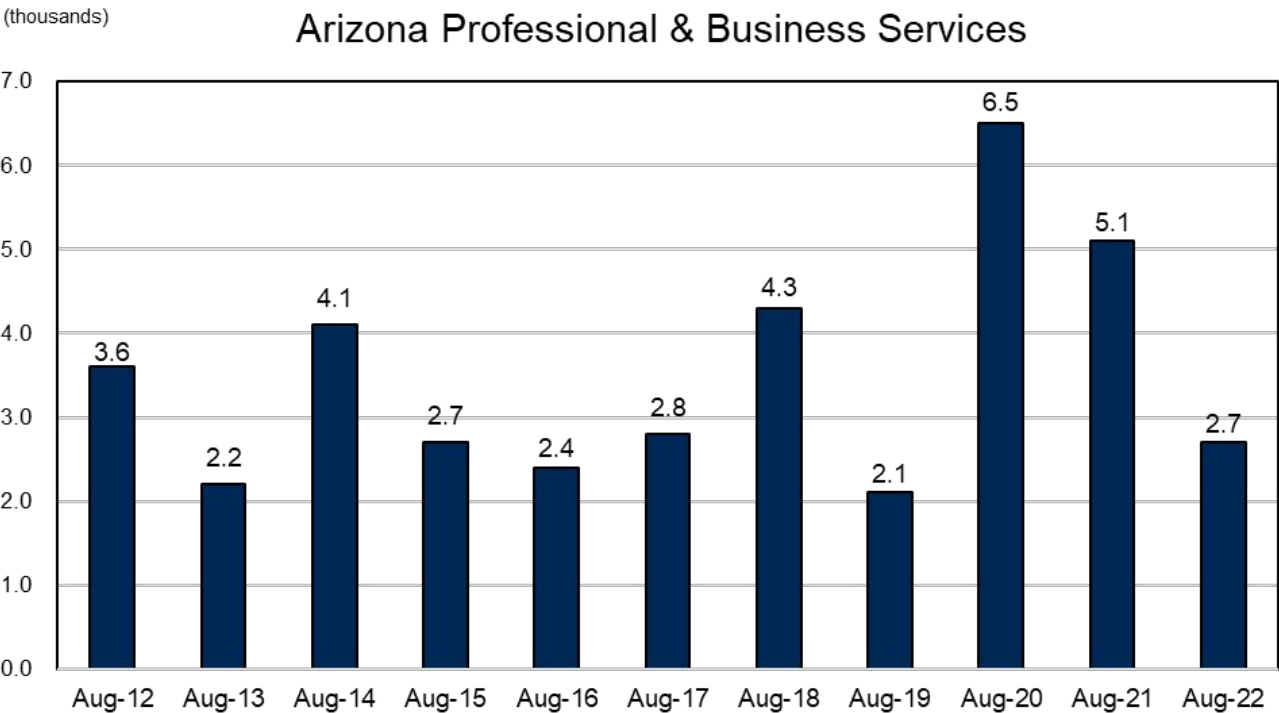
Seasonally-Adjusted; In Thousands

Sector	Jobs Lost	Jobs Recovered	Percent Recovered
Arizona	338.7	433.0	128%
Lake Havasu City-Kingman MSA	6.1	8.7	143%
Phoenix-Mesa-Scottsdale MSA	249.7	342.0	137%
Prescott MSA	8.9	11.2	126%
Yuma MSA	5.9	7.1	120%
Flagstaff MSA	12.8	12.4	97%
Tucson MSA	45.5	45.2	99%
Sierra Vista-Douglas MSA	2.2	1.6	73%

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): 3,600 Jobs or 0.9%
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

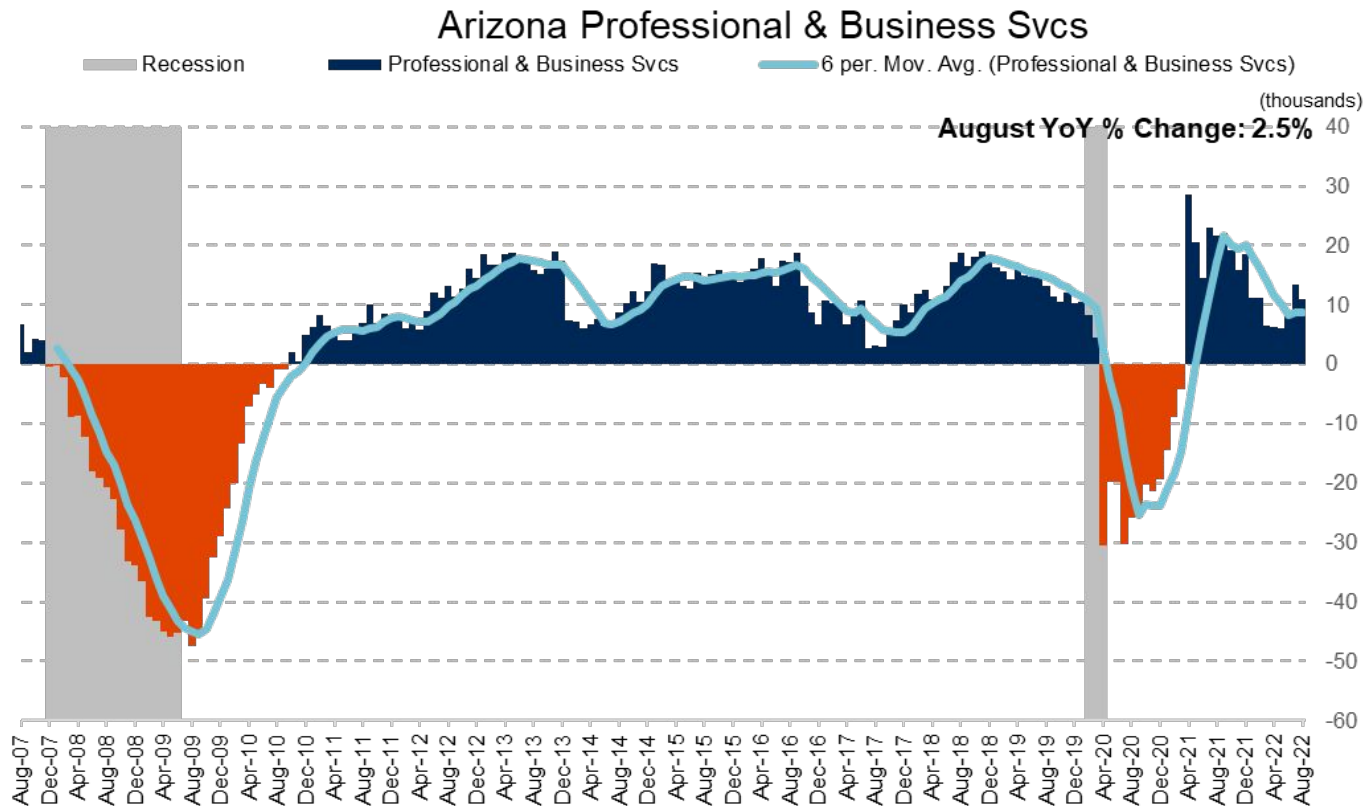
Highlights:

- Employment Services gained 2,600 jobs (2.7%)
- Professional, Scientific, and Technical Services lost 300 jobs (-0.2%)
 - Losses occurred within Business Support Services (-300 jobs, -1.0%)

Note: Aug. '22 below-average gains follow above-average gains recorded in July '22

- July '22 chg.: 5,000 jobs
- Pre-pandemic avg. July chg.: 400 jobs

Year-Over-Year Employment Change



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

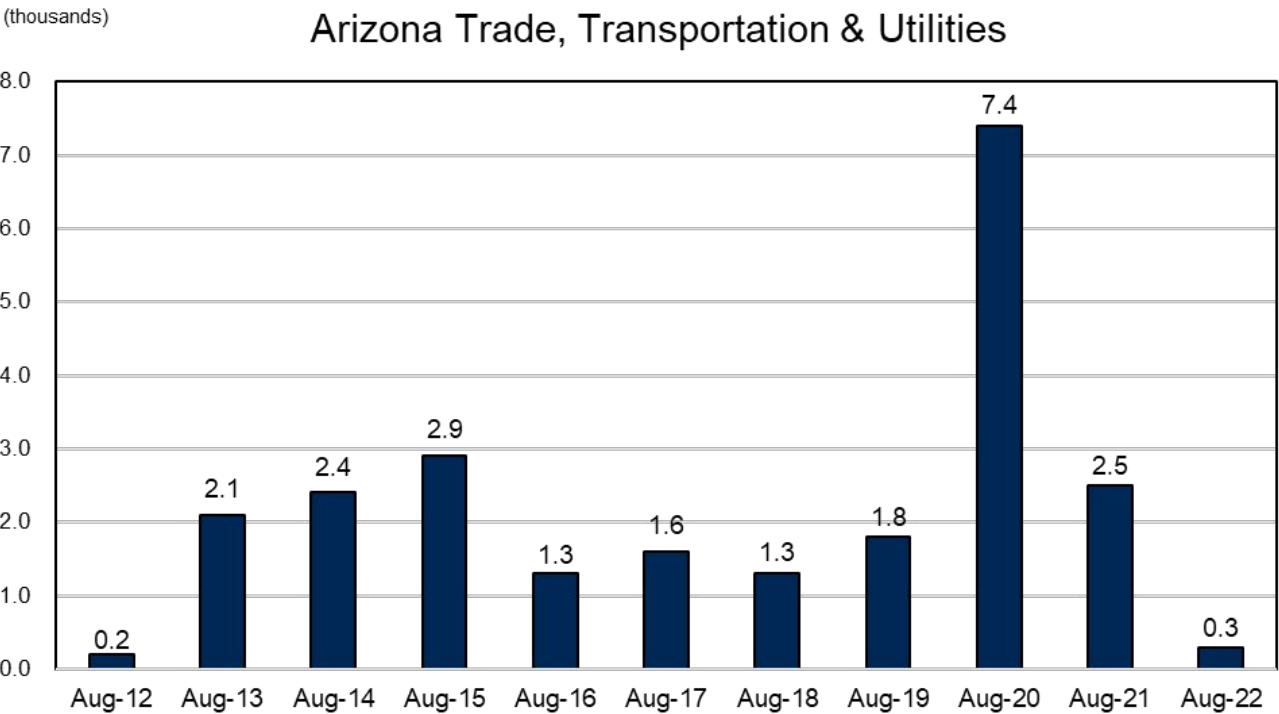
Notable Gains:

- Professional, Scientific, and Technical Services gained 15,200 jobs (9.0%)
- Management of Companies gained 3,200 jobs (9.4%)

Notable Losses:

- Services to Buildings & Dwellings lost 3,900 jobs (-8.6%)
- Employment Services lost 3,100 jobs (-3.0%)
- Business Support Services lost 2,500 jobs (-7.6%)

Month-Over-Month Employment Change



Historic 10-Year Average ('12-'21): 2,400 Jobs or 0.5%
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:

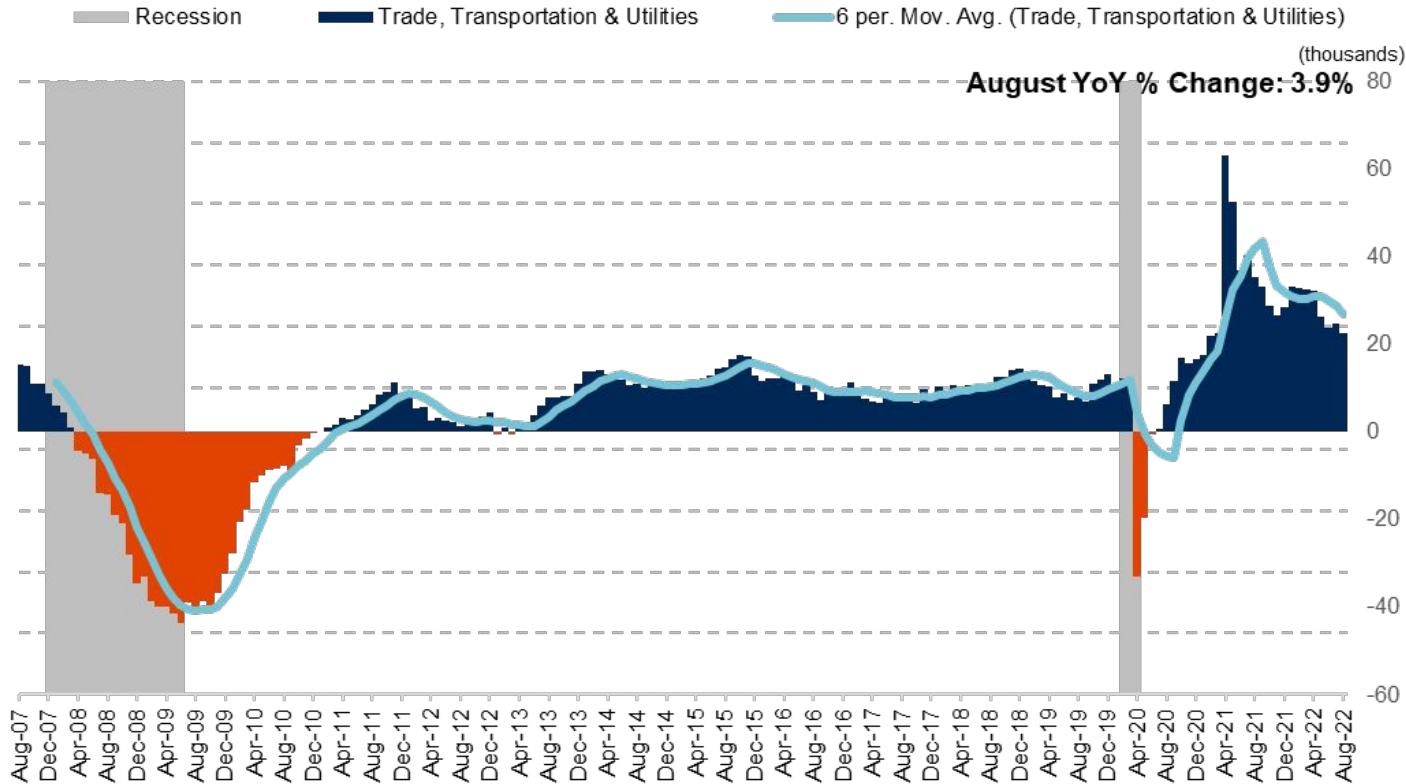
- Retail Trade gained 800 jobs (0.2%)
- Transportation & Warehousing lost 300 jobs (-0.2%)
- Wholesale Trade lost 100 jobs (-0.1%)

Note: Aug. '22 below-average gains follow above-average gains recorded in July '22

- July '22 chg.: 5,300 jobs
- Pre-pandemic avg. July chg.: -400 jobs

Year-Over-Year Employment Change

Arizona Trade, Transportation & Utilities

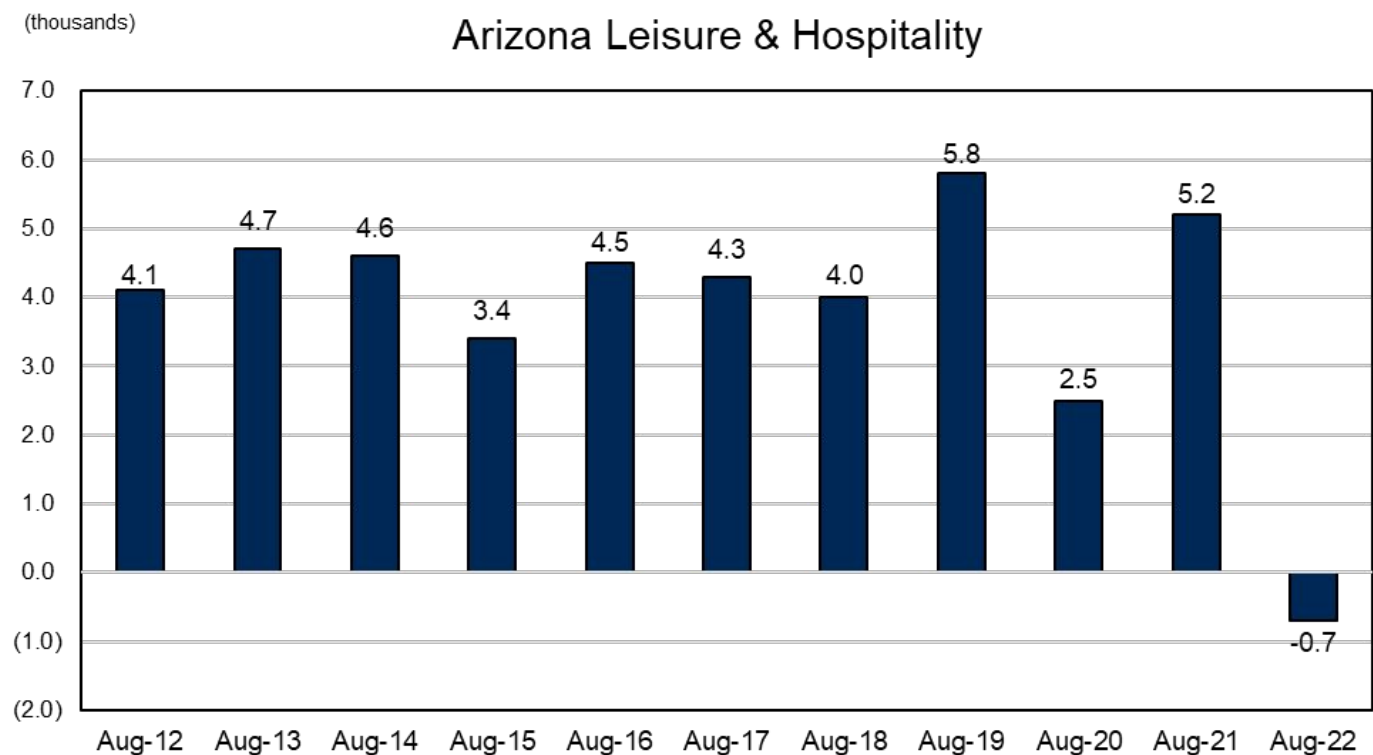


Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

Notable Gains:

- Transportation and Warehousing gained 12,000 jobs (9.3%)
- Retail Trade gained 7,000 jobs (2.1%)
- Wholesale Trade gained 3,500 jobs (3.5%)

Month-Over-Month Employment Change



Historic 10-Year Average ('12-'21): 4,300 Jobs or 1.5%
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

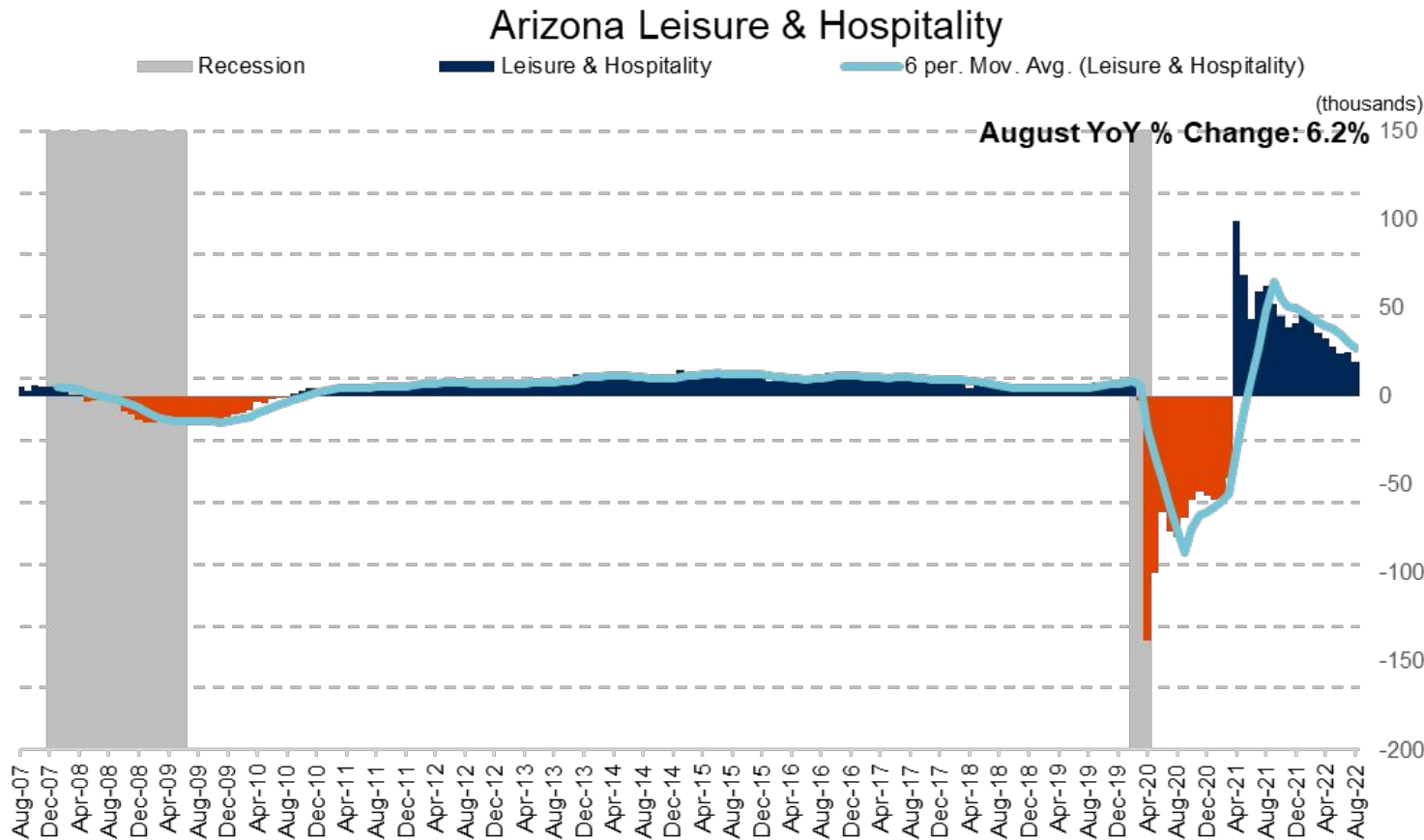
Highlights:

- Food Services and Drinking Places gained 700 jobs (0.3%)
- Accommodations lost 1,400 jobs (-3.5%)
- Arts, Entertainment and Recreation employment remained unchanged

Note: Aug. '22 atypical losses follow above-average gains recorded in July '22

- July '22 chg.: 1,000 jobs
- Pre-pandemic avg. July chg.: -5,700 jobs

Year-Over-Year Employment Change

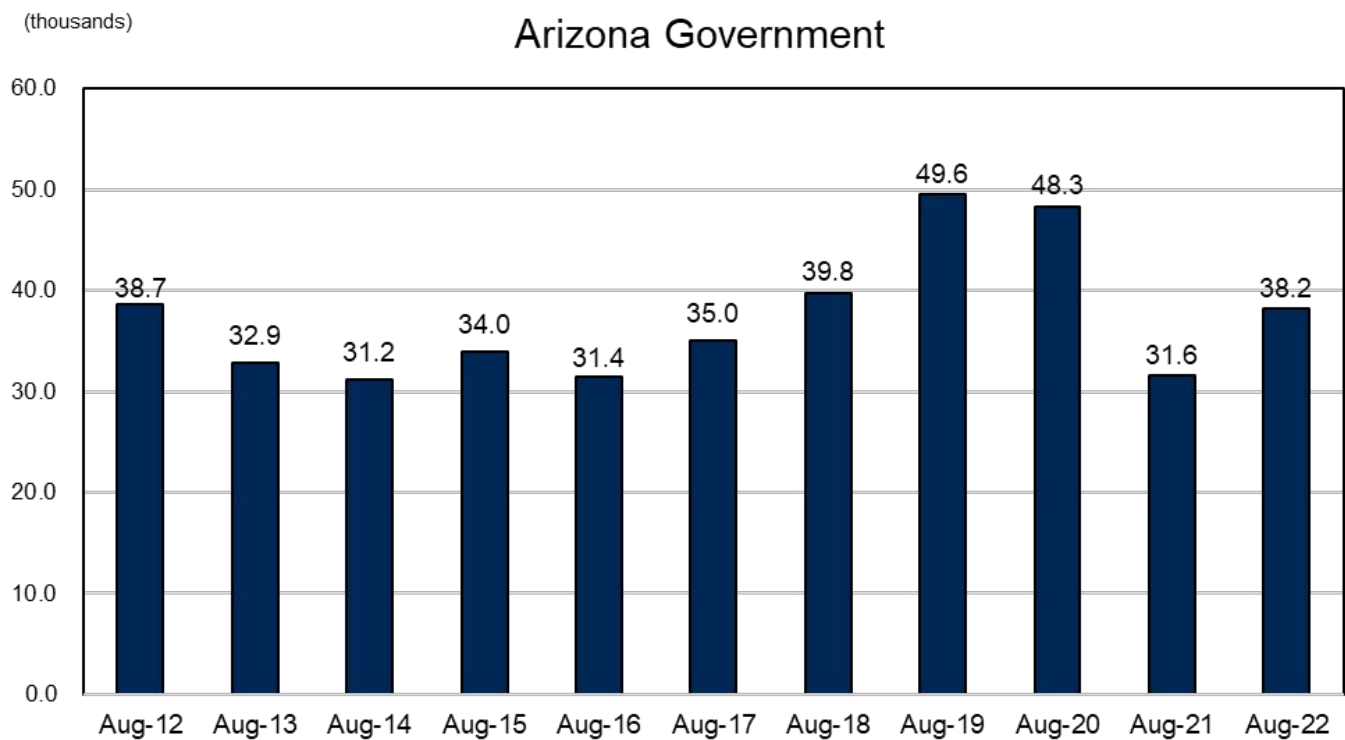


Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

Notable Gains:

- Food Services and Drinking Places gained 11,800 jobs (5.0%)
- Arts, Entertainment, and Recreation gained 5,500 jobs (13.5%)
- Accommodations gained 2,000 jobs (5.5%)

Month-Over-Month Employment Change



Historic 10-Year Average ('12-'21): 37,300 Jobs or 10.2%
Pre- Pandemic Average ('10-'19): 35,600 Jobs or 9.8%

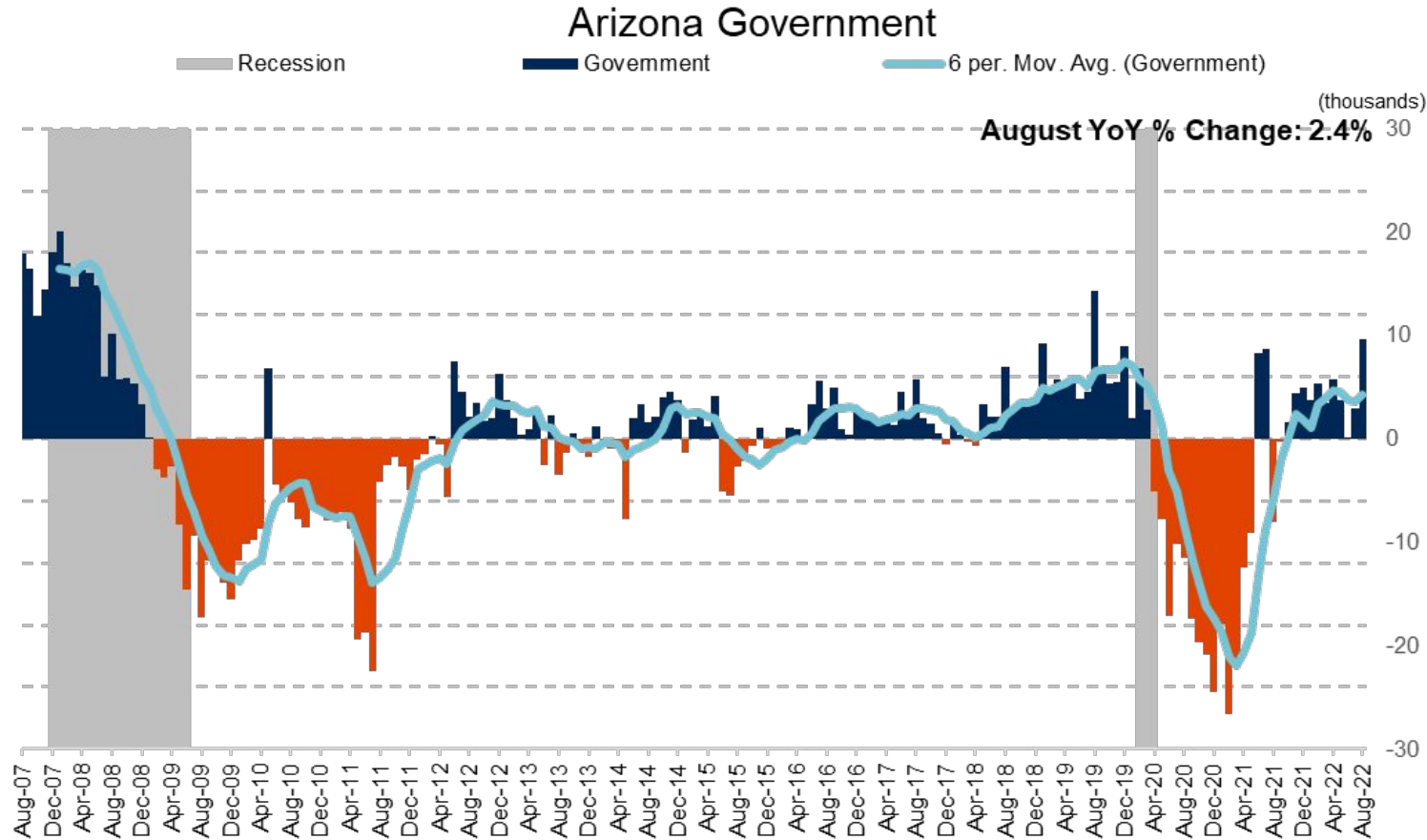
Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

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

Highlights:

- Local Government gained 30,600 jobs (12.7%)
 - Local Education gained 31,100 jobs (28.8%)
- State Government gained 7,100 jobs (9.3%)
 - State Education gained 7,100 jobs (17.6%)
- Federal Government gained 500 jobs (0.9%)

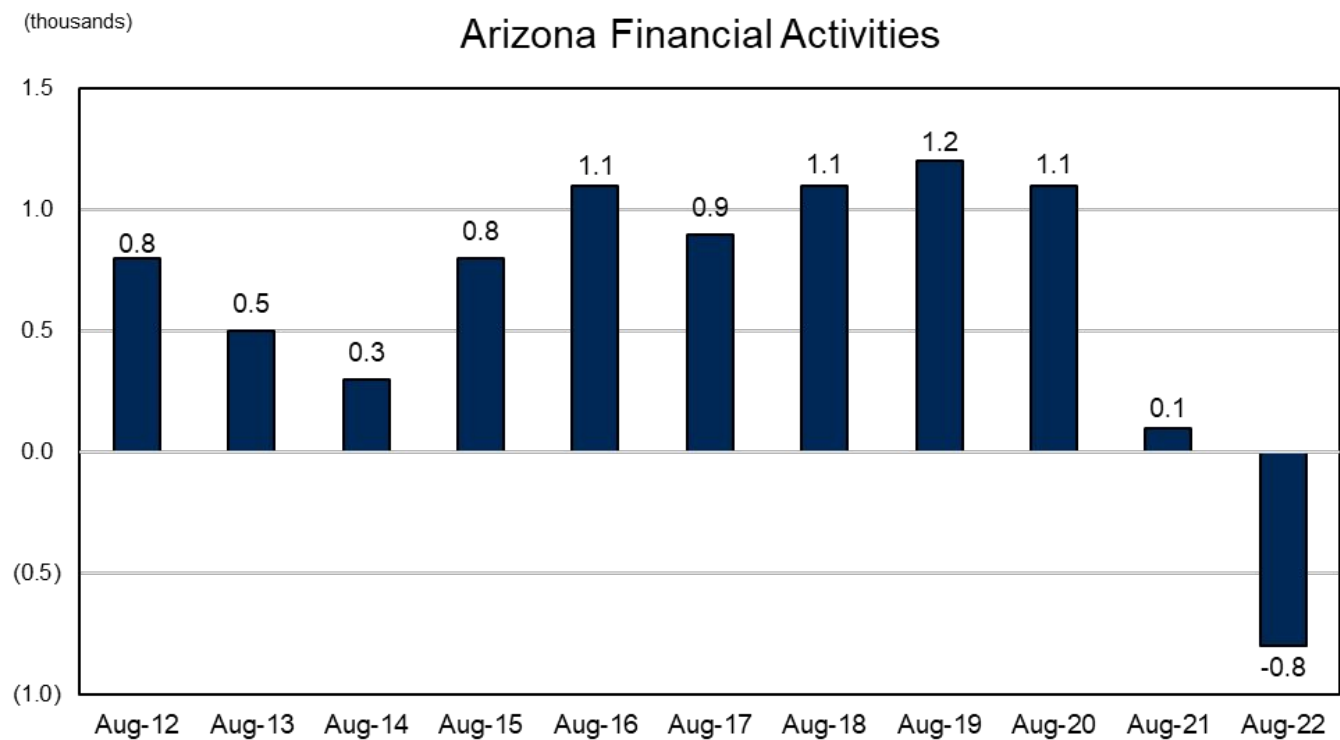
Year-Over-Year Employment Change



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

- Local Government gained 12,400 jobs (4.8%)
- State Government lost 2,700 jobs (-3.1%)
- Federal Government lost 100 jobs (-0.2%)

Month-Over-Month Employment Change



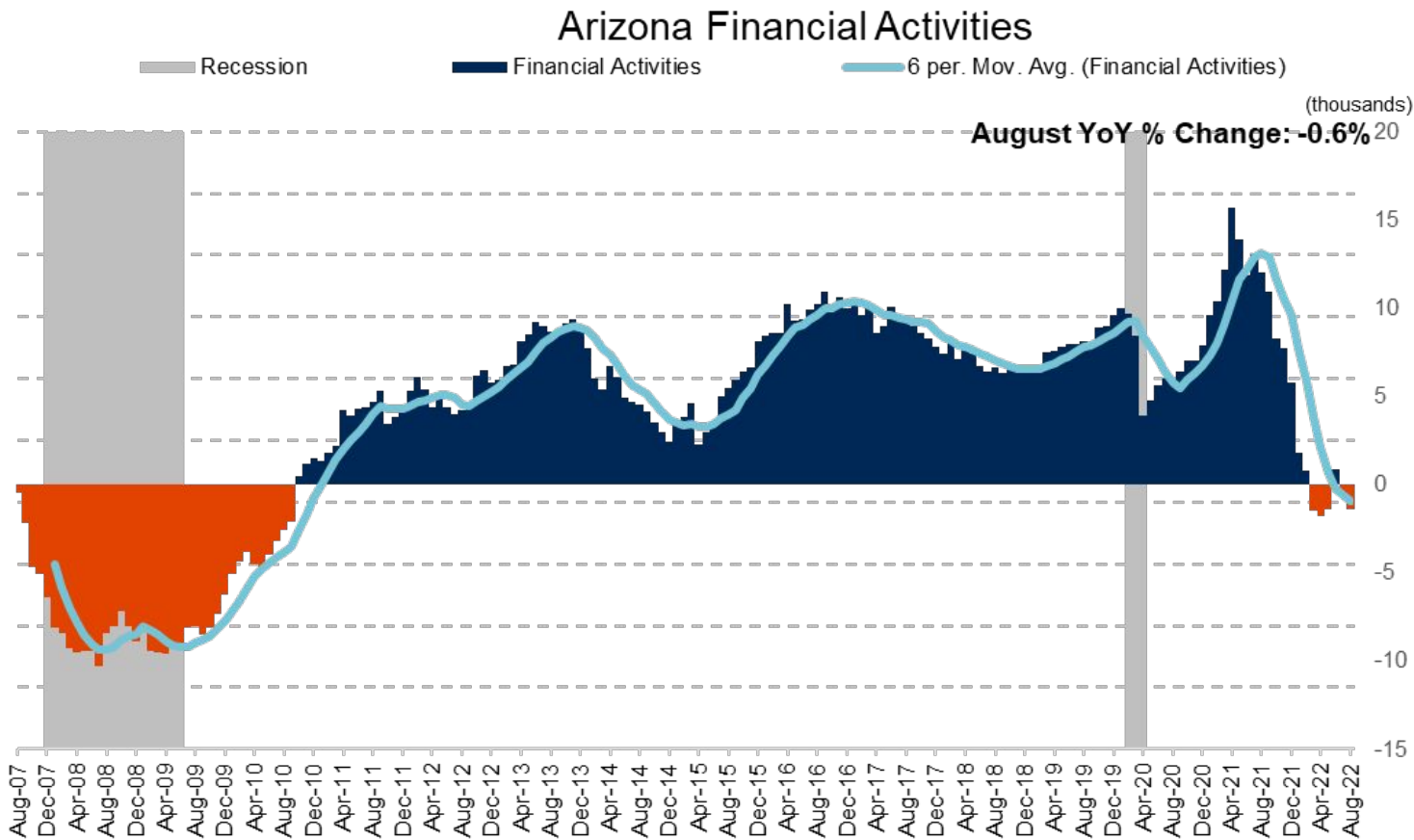
Historic 10-Year Average ('12-'21): 800 Jobs or 0.4%
Pre- Pandemic Average ('10-'19): 800 Jobs or 0.4%

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 lost 1,100 jobs (-1.9%)
- Credit Intermediaries lost 100 jobs (-0.1%)
- Insurance Carriers gained 500 jobs (0.7%)

Year-Over-Year Employment Change



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

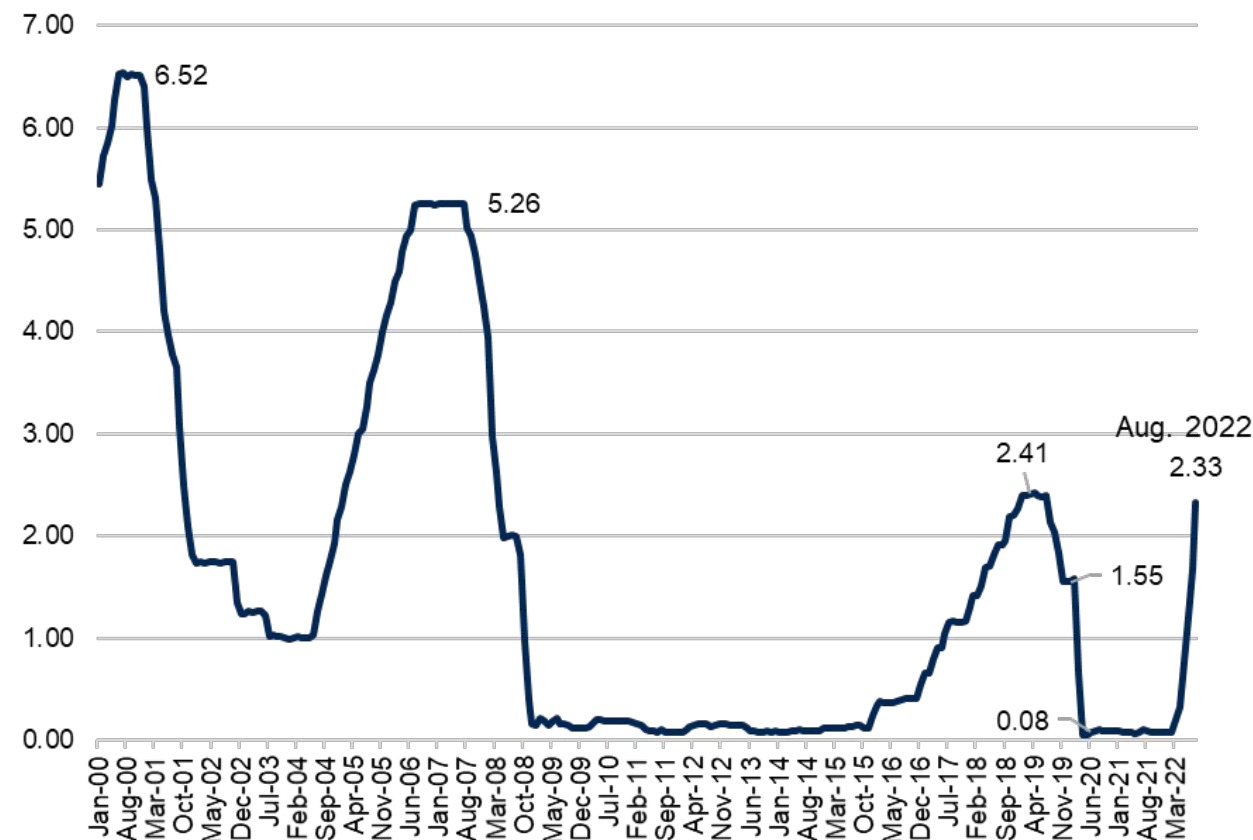
Notable Losses:

- Credit Intermediaries lost 2,900 jobs (-2.9%)

Notable Gains:

- Real Estate, Rental, and Leasing gained 700 jobs (1.3%)
- Financial Investments and Vehicles gained 800 jobs (4.0%)

Federal Funds Effective Rate



Source: Board of Governors of the Federal Reserve System

Notable Change:

- The federal funds rate increased by 0.65 from July 2022 to August 2022
- The MoM percent point increase in August 2022 was the largest going back to Dec 1986

Note: The Federal Open Market Committee will hold their next meeting on Sept. 20-21

Housing Inventory: Active Listing Count in Arizona Not Seasonally Adjusted



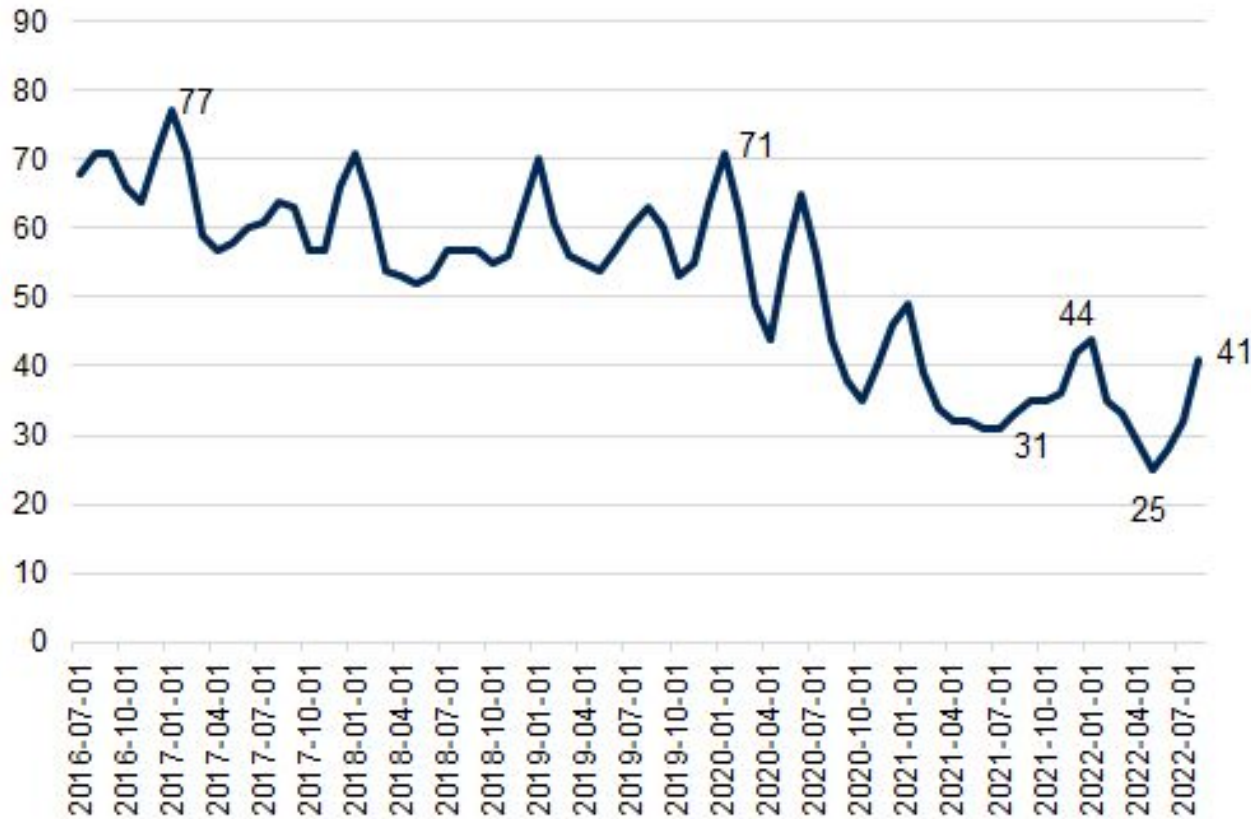
Source: Realtor.com

Notable Changes:

- The count of active house listing increased by 2,708 (12.9%) from Jul. 2022 to Aug. 2022
- The count of active house listing increased by 13,776 (138.5%) in Aug 2022 from Aug 2021

Housing Inventory: Median Days on Market in Arizona

Not Seasonally Adjusted



Source: Realtor.com

Notable Changes:

- The median number of days property listings spend on the market increased to 41 days in Aug. 2022 from 32 days in July 2022 (9 days or 28%)
- The median days on market increased to 41 days in Aug. 2022 from 33 days in Aug. 2021 (8 days or 24%)

S&P/Case-Shiller AZ-Phoenix Home Price Index, Index Jan 2000=100, Monthly, Seasonally Adjusted

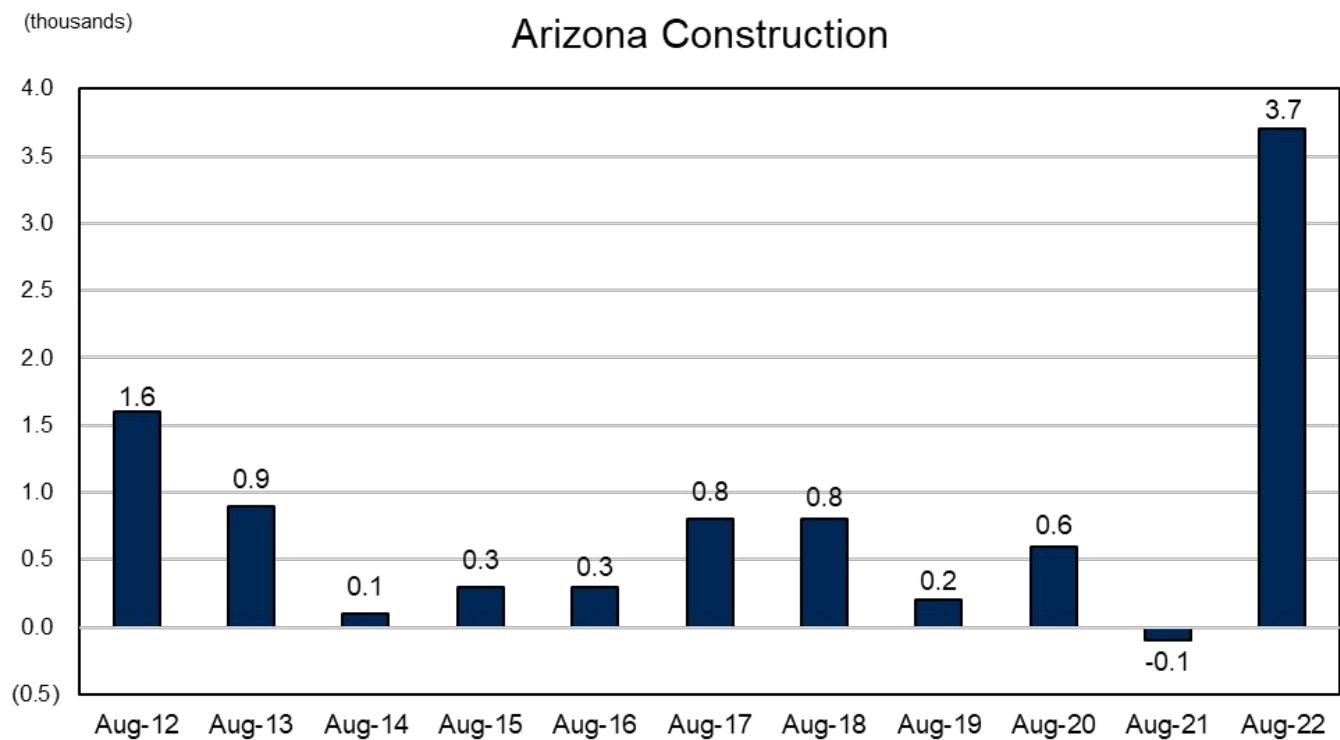


Source: S&P Dow Jones Indices LLC, S&P/Case-Shiller AZ-Phoenix Home Price Index

Notable Changes:

- The Home Price Index increased 0.7% MoM in June 2022 to 342 from 339
 - The June 2022 MoM increase was the slowest increase since June 2020
- The Home Price Index increased 26.5% in June 2022 from June 2021

Month-Over-Month Employment Change



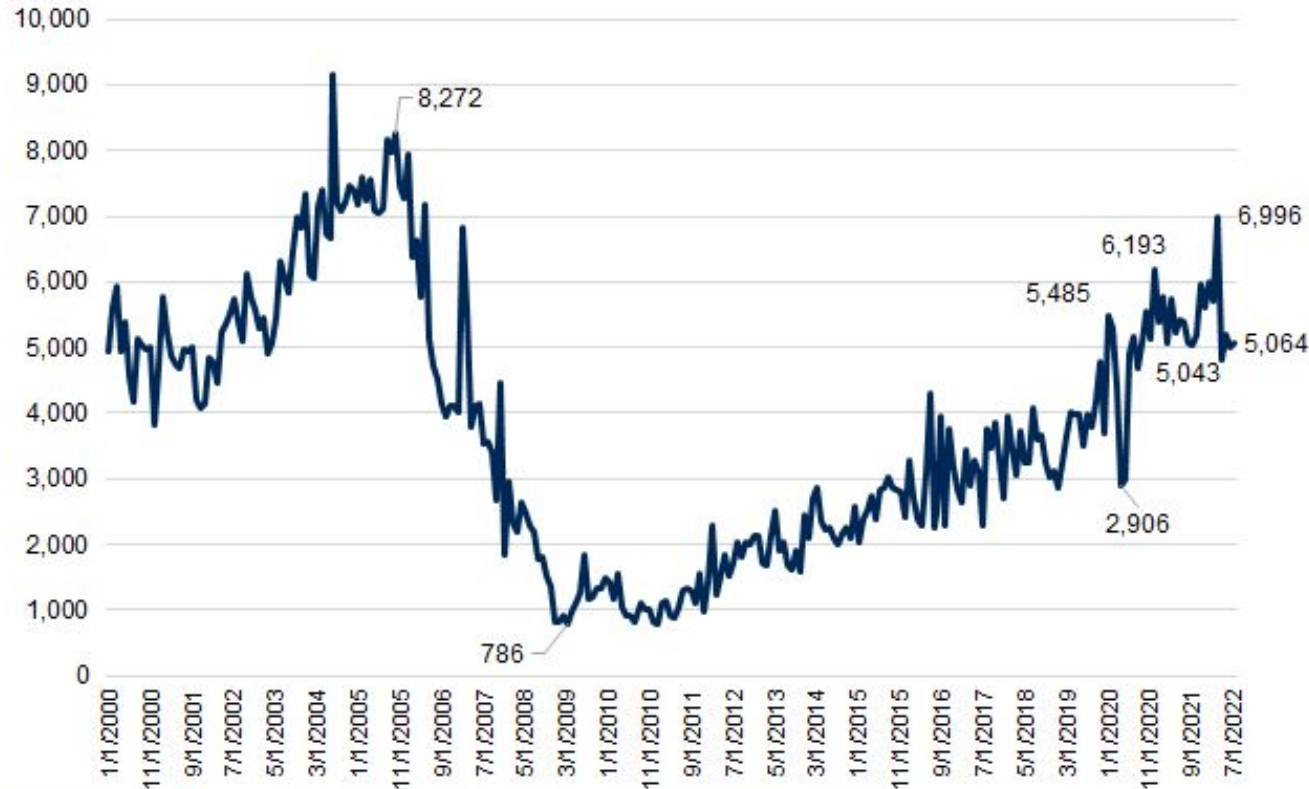
Historic 10-Year Average ('12-'21): 600 Jobs or 0.4%
Pre- Pandemic Average ('10-'19): 500 Jobs or 0.4%

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

Highlights:

- Speciality Trade Construction gained 2,400 jobs (1.9%)
- Construction of Buildings gained 900 jobs (2.4%)
- Heavy & Civil Engineering Construction gained 400 jobs (1.9%)

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

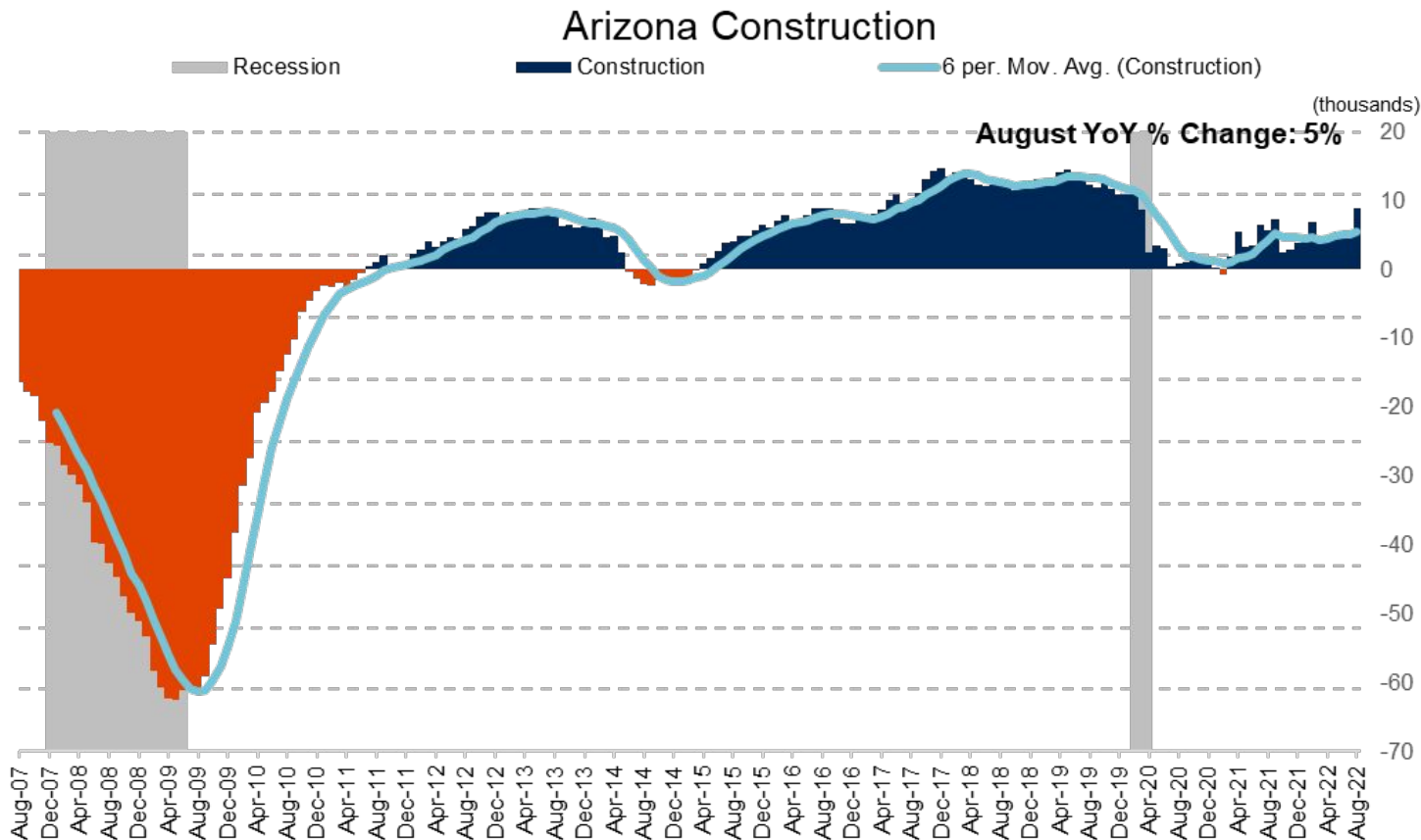


Source: U.S. Census Bureau; Seasonal adjustment calculated by the Federal Reserve Bank of St. Louis

Notable Changes:

- Building permits increased by 1.4% in July 2022 from June 2022
- 5,064 building permits were authorized in July 2022, a decrease of 319 permits (-5.9%) from July 2021

Year-Over-Year Employment Change

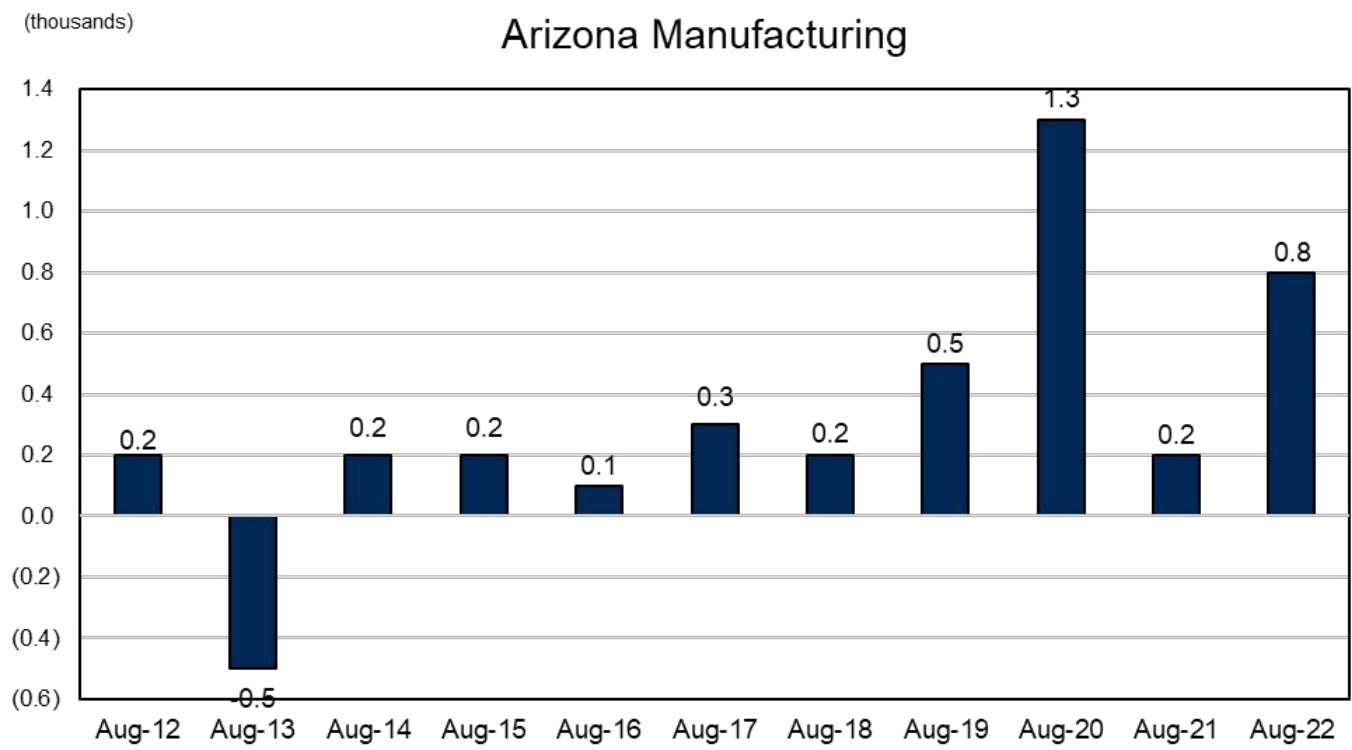


Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

Notable Gains:

- Specialty Trades Construction gained 6,700 jobs (5.5%)
- Heavy and Civil Construction gained 1,200 jobs (6.0%)
- Construction of Buildings gained 100 jobs (2.7%)

Month-Over-Month Employment Change



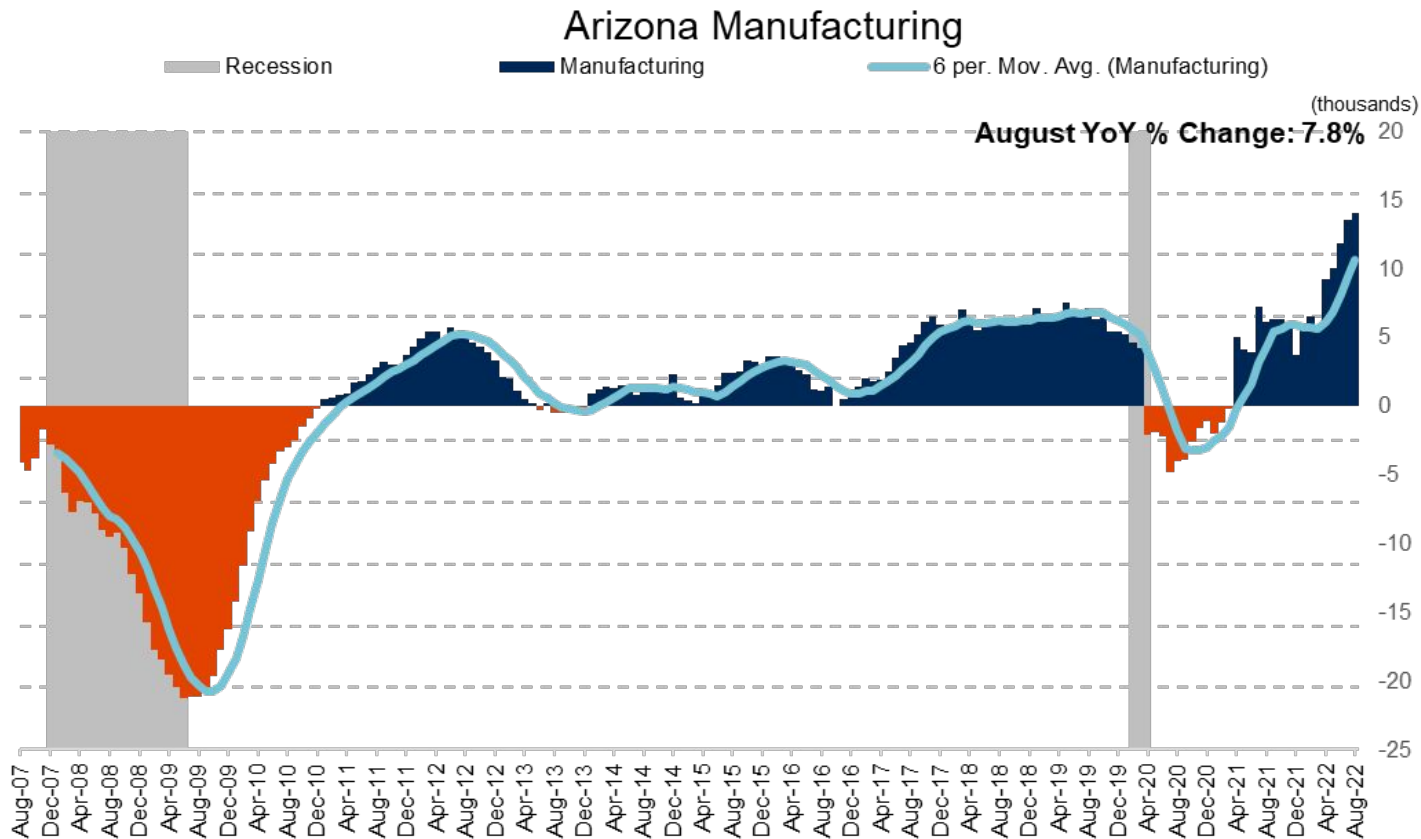
Historic 10-Year Average ('12-'21): 300 Jobs or 0.2%
Pre- Pandemic Average ('10-'19): 100 Jobs or 0.1%

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

Highlights:

- Durable Goods gained 700 (0.5%)
 - Computer & Electronic Parts gained 200 jobs (0.6%)
 - Aerospace Parts gained 200 jobs (0.6%)
- Nondurable Goods gained 100 jobs (0.2%)

Year-Over-Year Employment Change

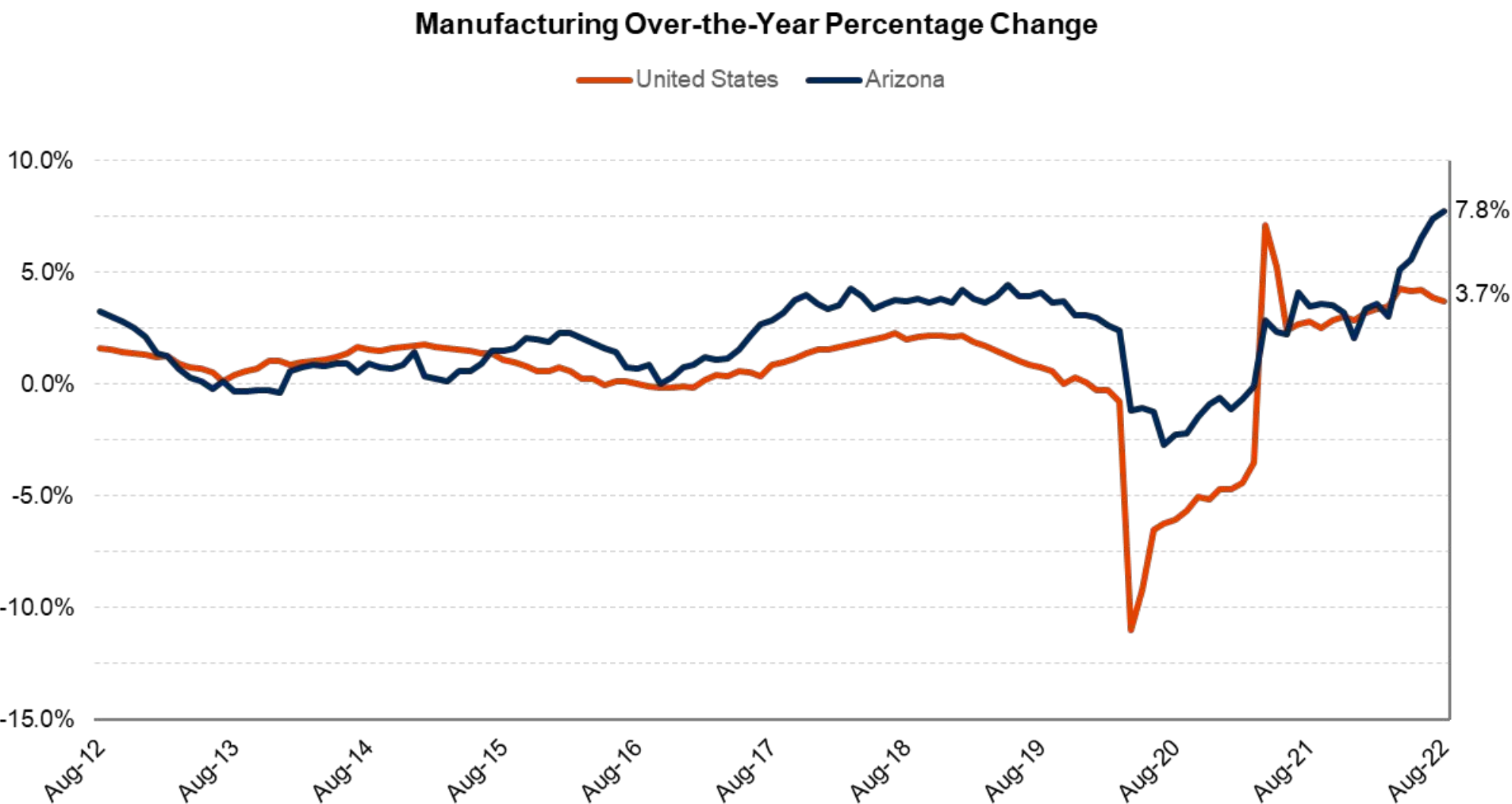


Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

Notable Gains:

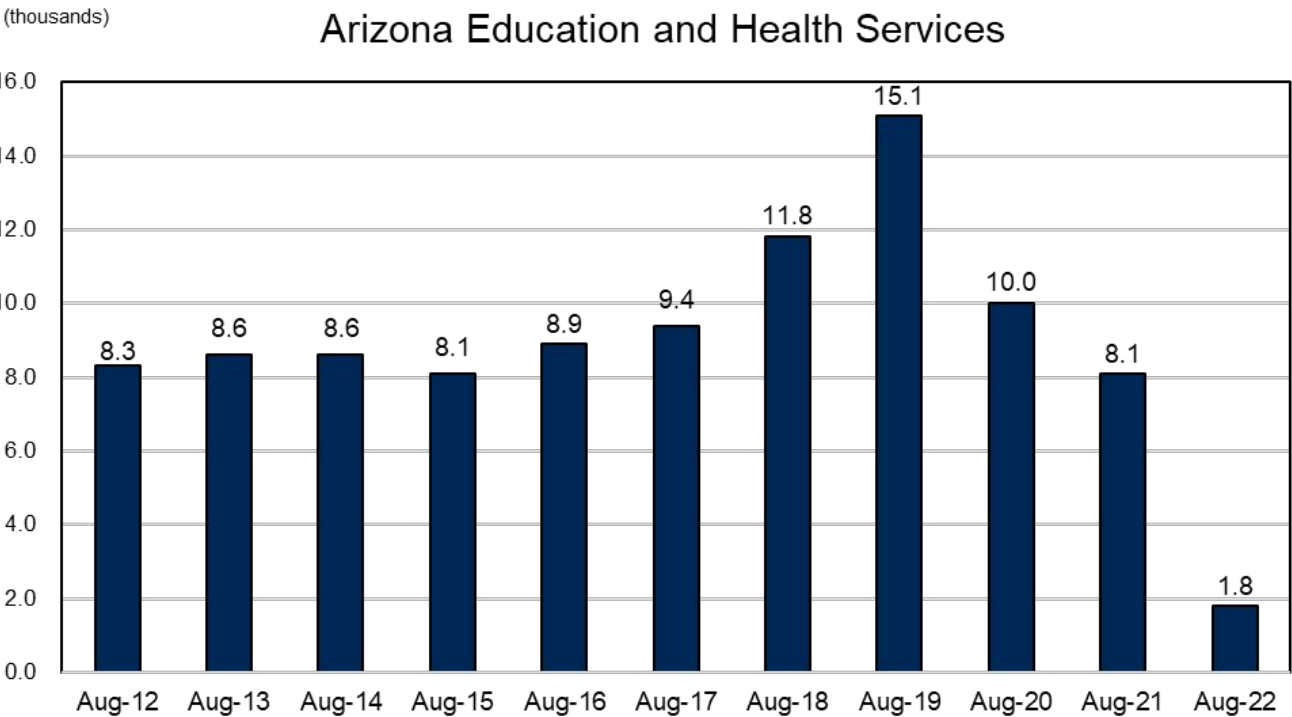
- Durable Goods gained 11,300 jobs or 8.3%, the largest percentage change since April, 1995
 - Fabricated Metal gained 1,200 jobs (5.6%)
 - Computer and Electronic Parts gained 2,000 jobs (6.1%)
 - Aerospace Products and Parts gained 1,700 jobs (5.7%)
- Nondurable Goods gained 2,800 jobs (6.2%)

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): 9,700 Jobs or 2.4%
Pre- Pandemic Average ('10-'19): 9,400 Jobs or 2.4%

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:

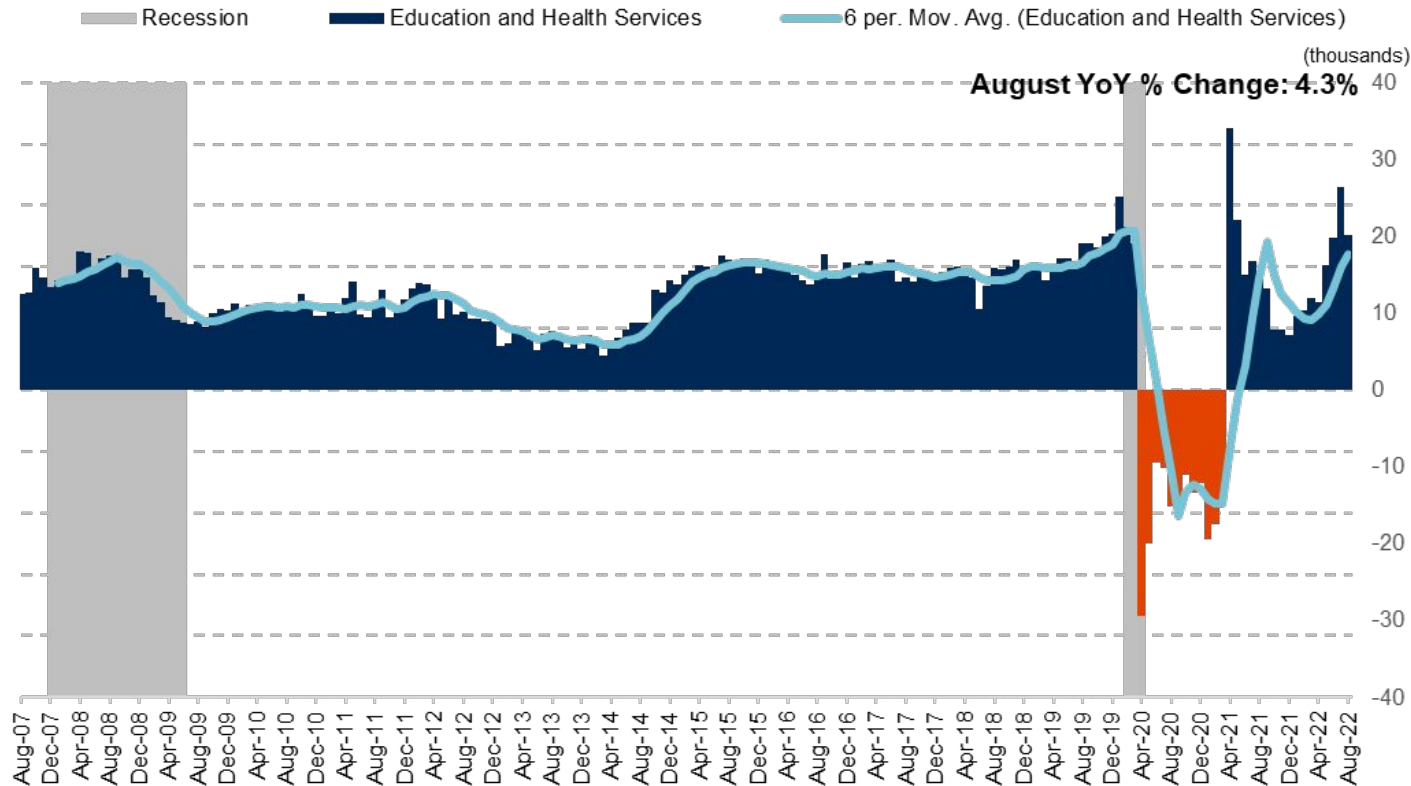
- Ambulatory Health Services gained 200 jobs (0.1%)
- Educational Services gained 2,300 jobs (3.8%)
- Nursing and Residential Care Facilities lost 200 jobs (-0.4%)
- Hospitals lost 200 jobs (-0.2%)
- Social Assistance lost 300 jobs (-0.4%)

Note: Aug. '22 below-average gains follow above-average gains recorded in July '22

- July '22 chg.: 6,300 jobs
- Pre-pandemic avg. July chg.: -1,800 jobs

Year-Over-Year Employment Change

Arizona Education and Health Services



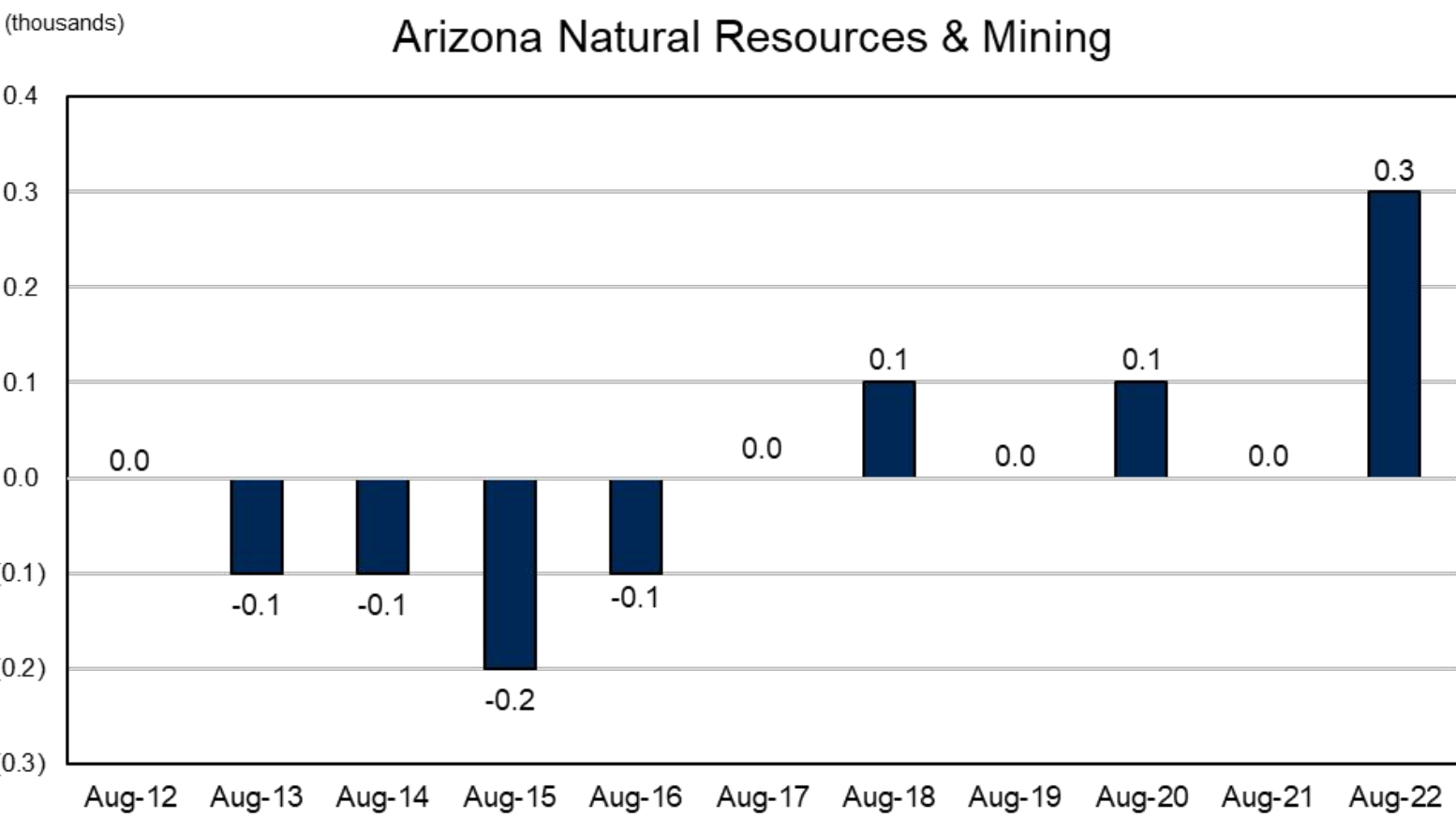
Notable Gains:

- Ambulatory Health Care Services gained 13,300 jobs (7.3%)
- Social Assistance gained 2,900 jobs (4.5%)
- Hospitals gained 2,200 jobs (2.2%)
- Nursing and Residential Care Facilities gained 1,600 jobs (3.0%)
- Educational Services gained 100 jobs (0.2%)

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

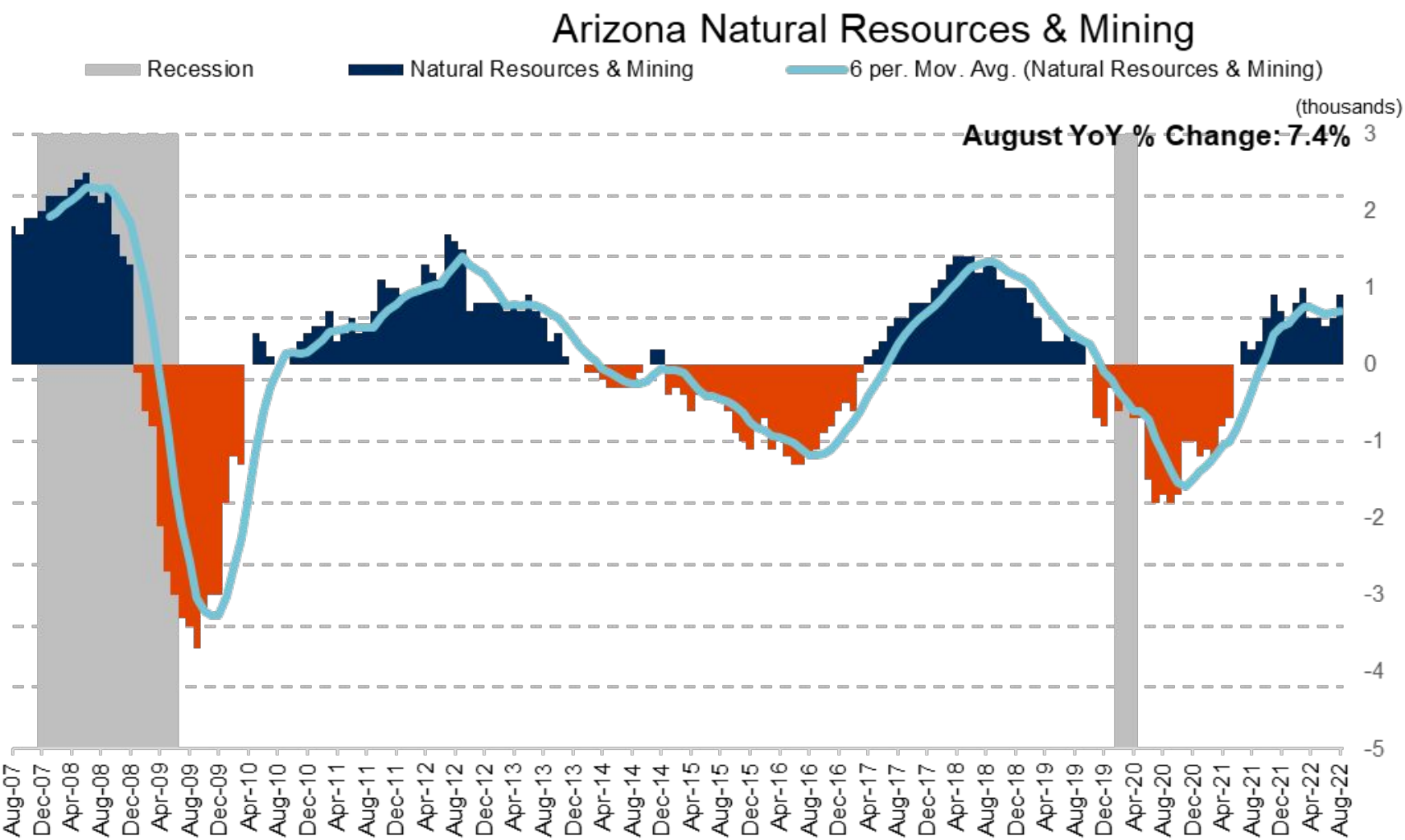
Month-Over-Month Employment Change



Historic 10-Year Average ('12-'21): 0 Jobs or -0.2%
Pre- Pandemic Average ('10-'19): 0 Jobs or -0.2%

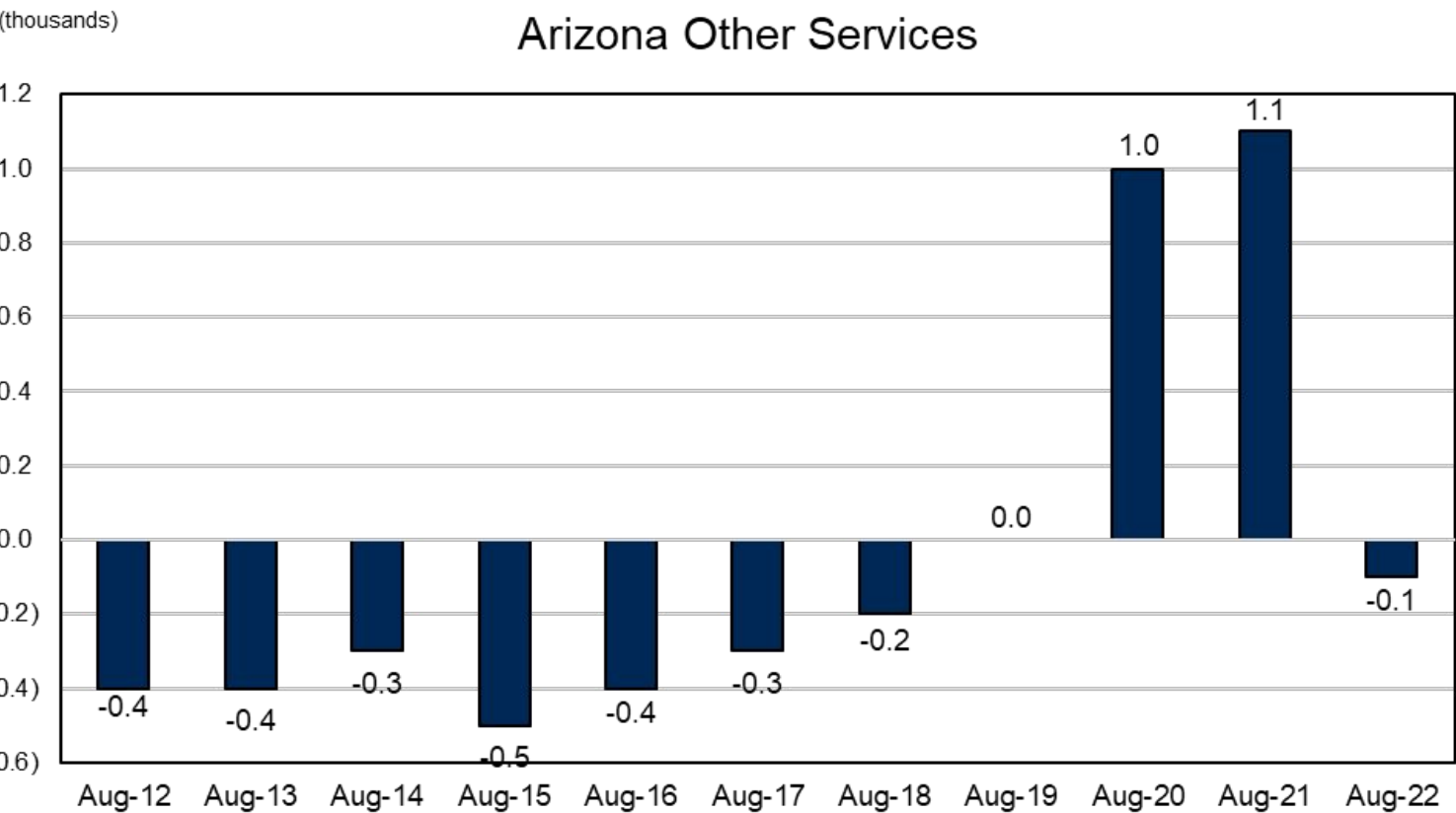
Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

Year-Over-Year Employment Change



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

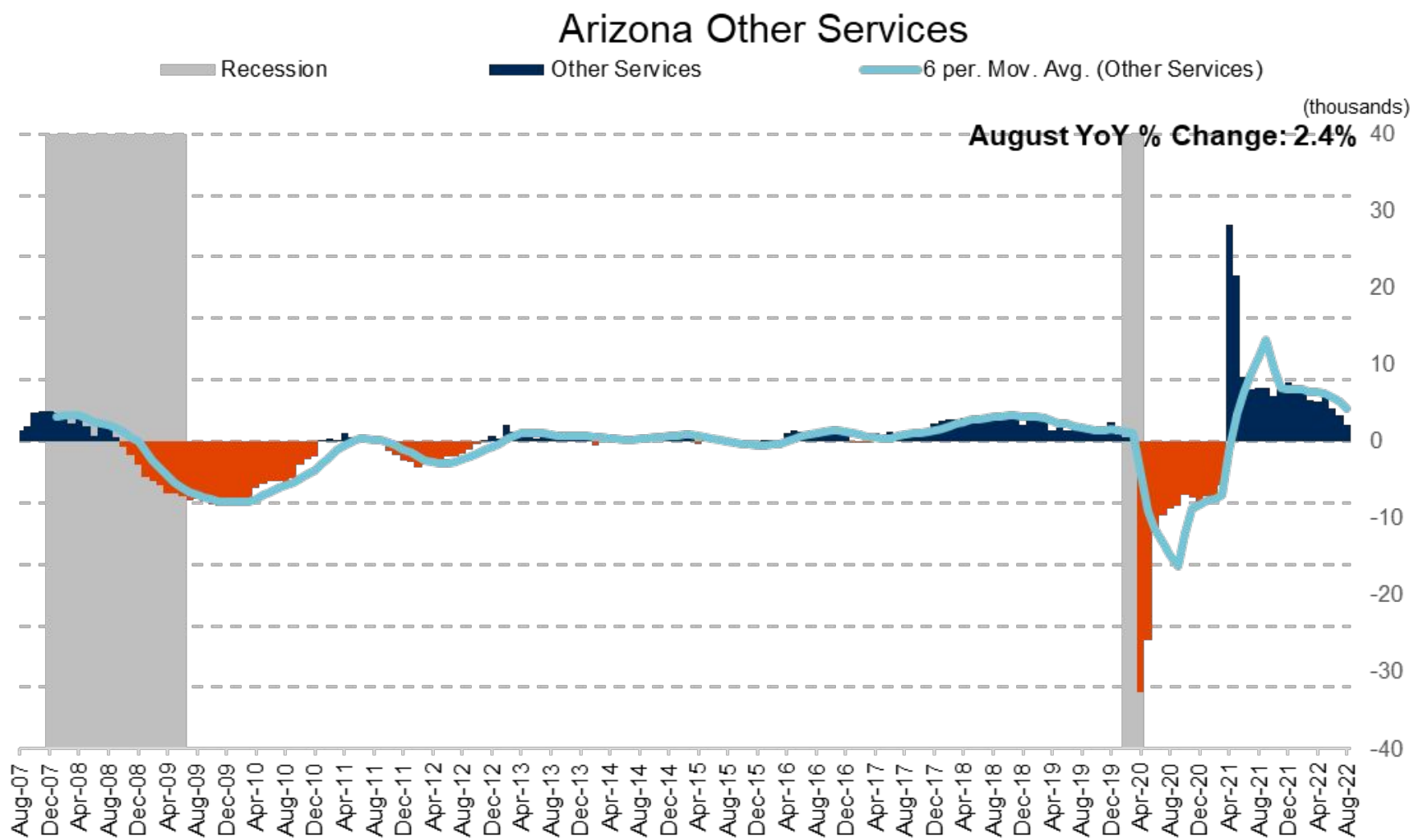
Month-Over-Month Employment Change



Historic 10-Year Average ('12-'21): 0 Jobs or 0.0%
Pre- Pandemic Average ('10-'19): -400 Jobs or -0.4%

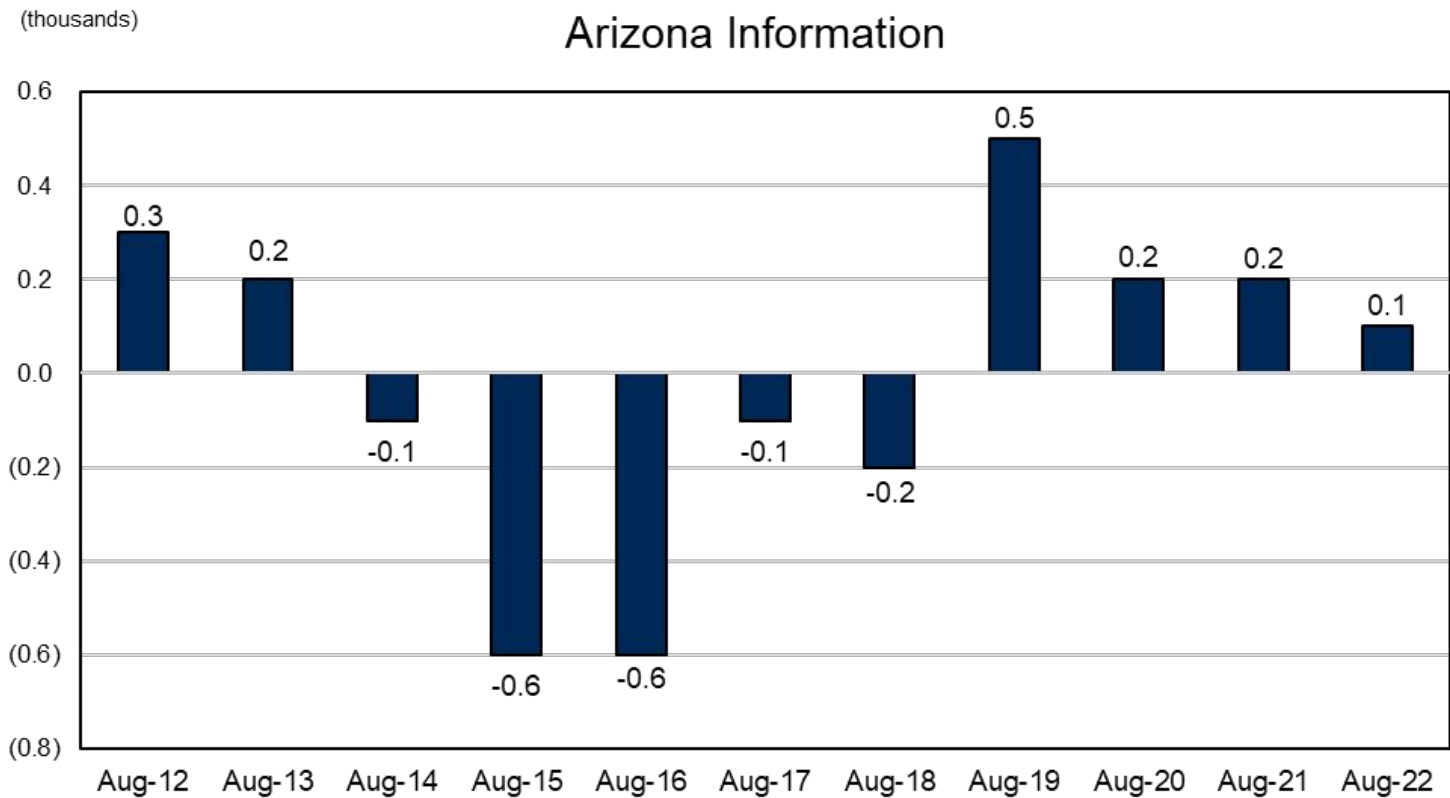
Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

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



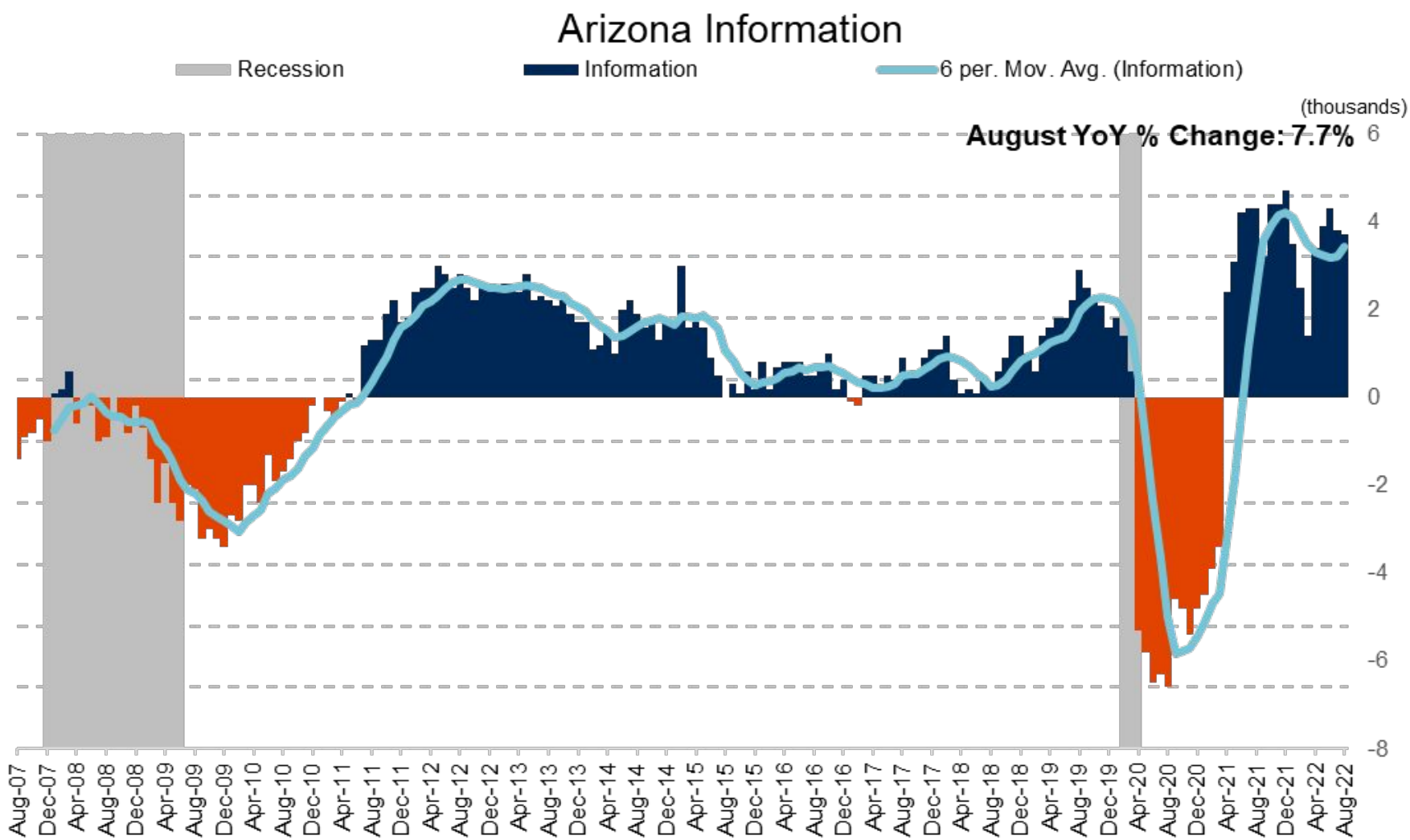
Historic 10-Year Average ('12-'21): **0 Jobs or 0.0%**
Pre- Pandemic Average ('10-'19): **-100 Jobs or -0.2%**

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

Highlights:

- Information industry gained 100 jobs (0.2%); the telecommunications sub-industry gained 100 jobs (0.7%)

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 Aug. '22

Seasonally-Adjusted

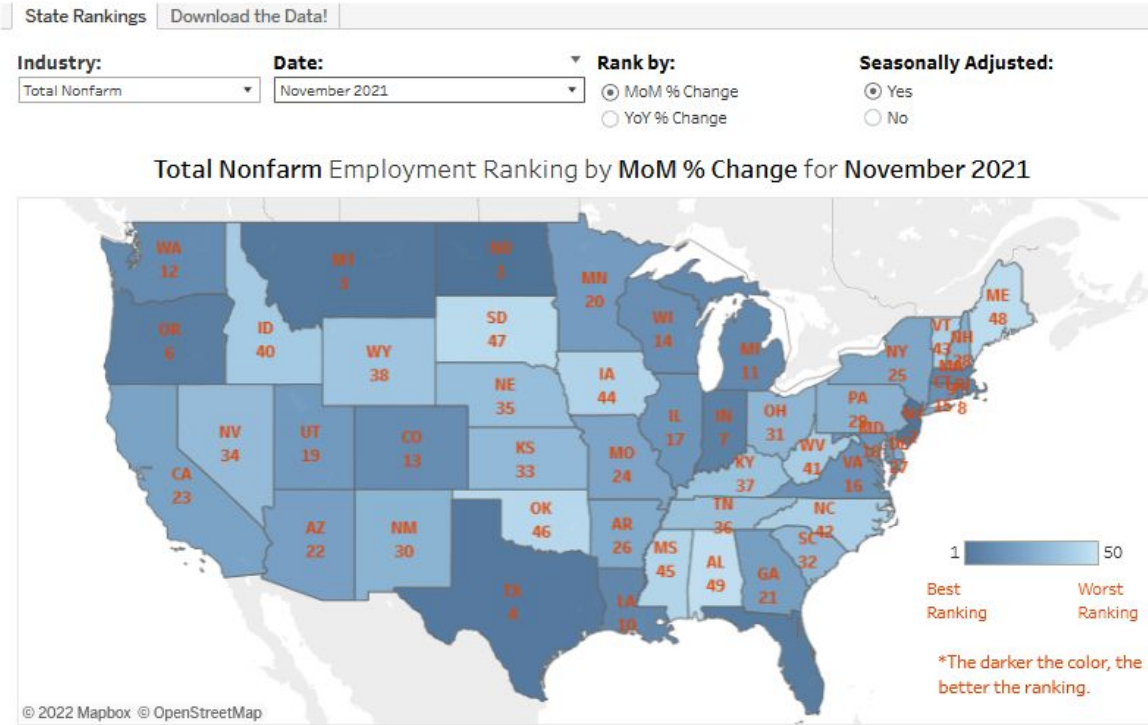
Sector	Arizona	United States
Construction	384%	108%
Education and Health Services	116%	98%
Financial Activities	405%	140%
Information	123%	143%
Leisure & Hospitality	96%	85%
Manufacturing	297%	105%
Natural Resources & Mining	108%	66%
Other Services	100%	83%
Professional & Business Svcs	115%	146%
Trade, Transportation & Utilities	231%	132%
Government	63%	56%
Private Sector	132%	104%
Total Nonfarm Employment	128%	101%

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

Report Summary

- Month-over-month, Arizona nonfarm employment increased by 46,300 jobs, while the Private Sector gained 8,100 jobs
- Year-over-year, the Arizona nonfarm employment increased by 3.7% and U.S. nonfarm employment increased by 3.8%
- Arizona nonfarm employment has recovered 128% of the jobs lost during the COVID-19 pandemic
- The Arizona unemployment rate increased to 3.5%
- Month-over-month, the Arizona labor force increased by 11,137 individuals

Employment and Unemployment State Rankings Available September 16, 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:

October 20, 2022: September 2022 Employment Report