

**August 19, 2021**

# July 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)

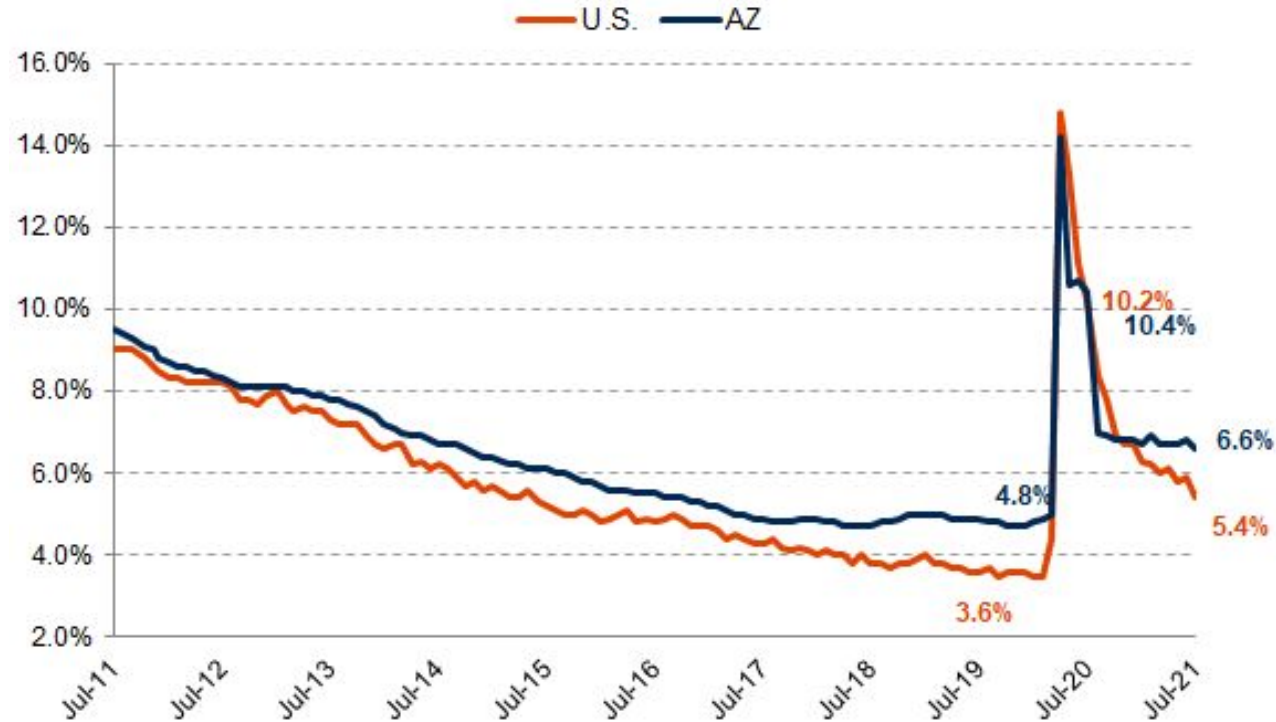
# Month-Over-Month (MoM) Highlights

- The Arizona seasonally adjusted (SA) unemployment rate decreased to 6.6% in July 2021 from 6.8% in June 2021
- The U.S. SA unemployment rate decreased to 5.4% in July 2021 from 5.9% in June 2021
- Arizona nonfarm employment increased by 6,100 jobs
  - The private sector gained 16,100 jobs, while government lost 10,000 jobs
- Seven of the eleven major sectors reported job gains
  - The largest gains occurred in Professional and Business Services (11,700 jobs) and Leisure and Hospitality (2,400 jobs) and
- June 2021 total nonfarm employment losses were revised to 8,000 jobs from 8,800 jobs

# Year-Over-Year (YoY) Highlights

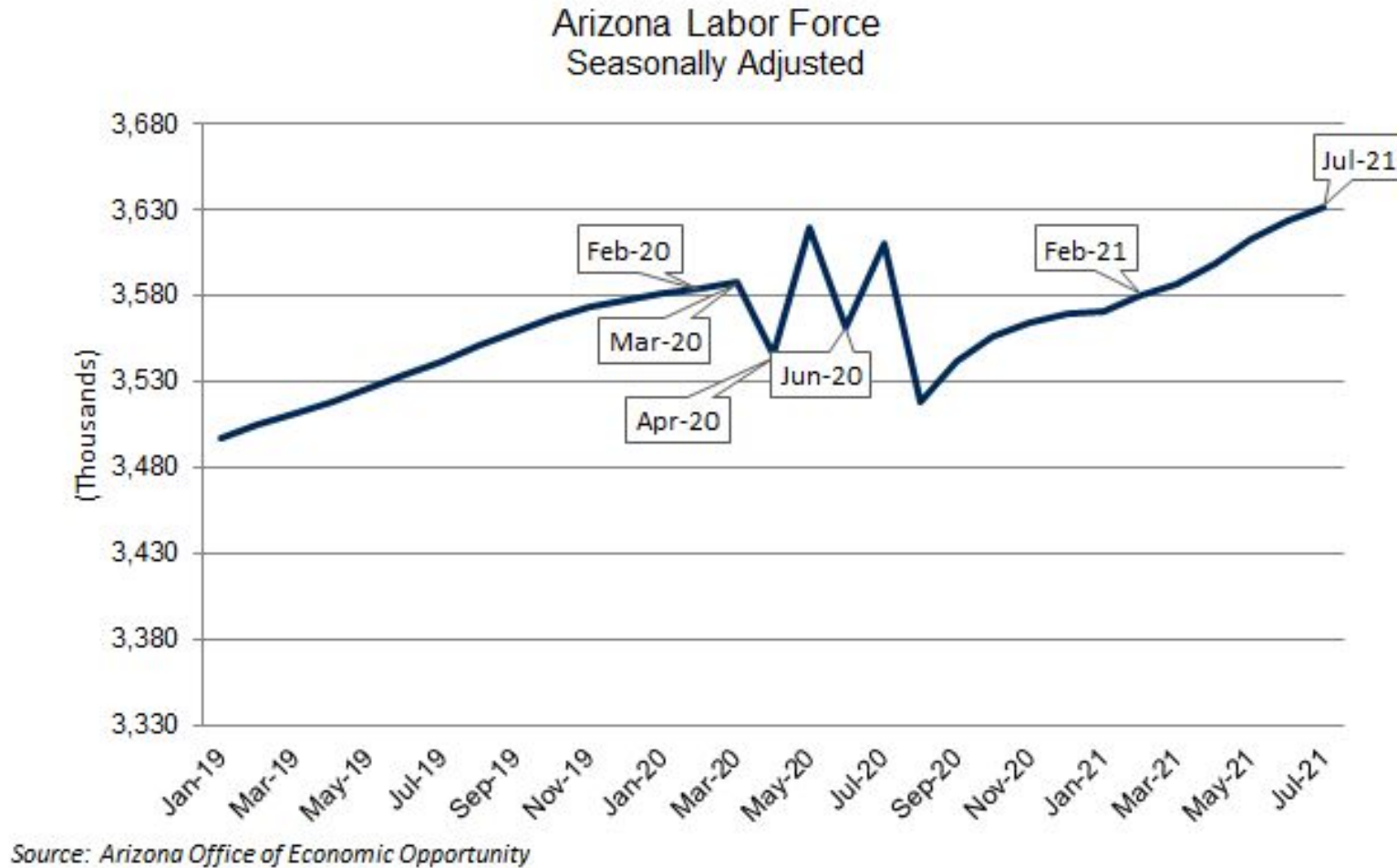
- Arizona nonfarm employment increased by 183,200 jobs (6.7%)
- Arizona private sector employment increased by 181,400 jobs (7.7%), while government employment increased by 1,800 jobs (0.5%)
- All eleven sectors recorded job gains
  - The largest gains were recorded in Leisure and Hospitality (60,100 jobs) and Trade, Transportation & Utilities (41,000 jobs)
- All seven Arizona metro areas (MSAs) gained jobs
  - The largest gains were recorded in Prescott MSA (7.6%) and Phoenix MSA (7.6%)

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



Period	Labor Force	Employment	Unemployment	Unemp. Rate
Jul-2021	3,631,914	3,393,427	238,487	6.6
OTM Change	9,084	15,383	-6,299	-0.2
OTY Change	21,036	159,773	-138,737	-3.8

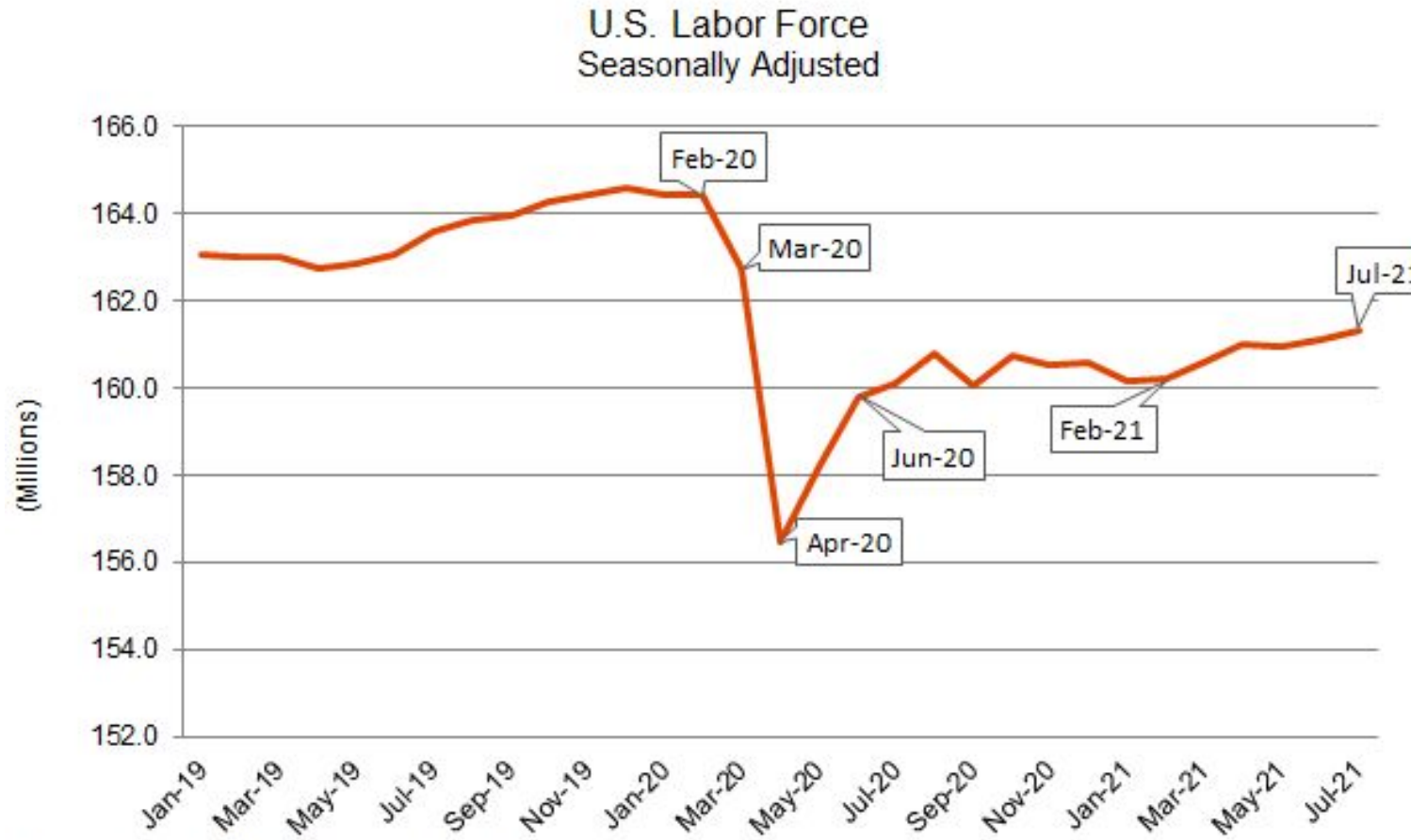
# Labor Force



- The Arizona labor force has grown by 47,869 people (1.3%) since Feb. 2020



# Labor Force

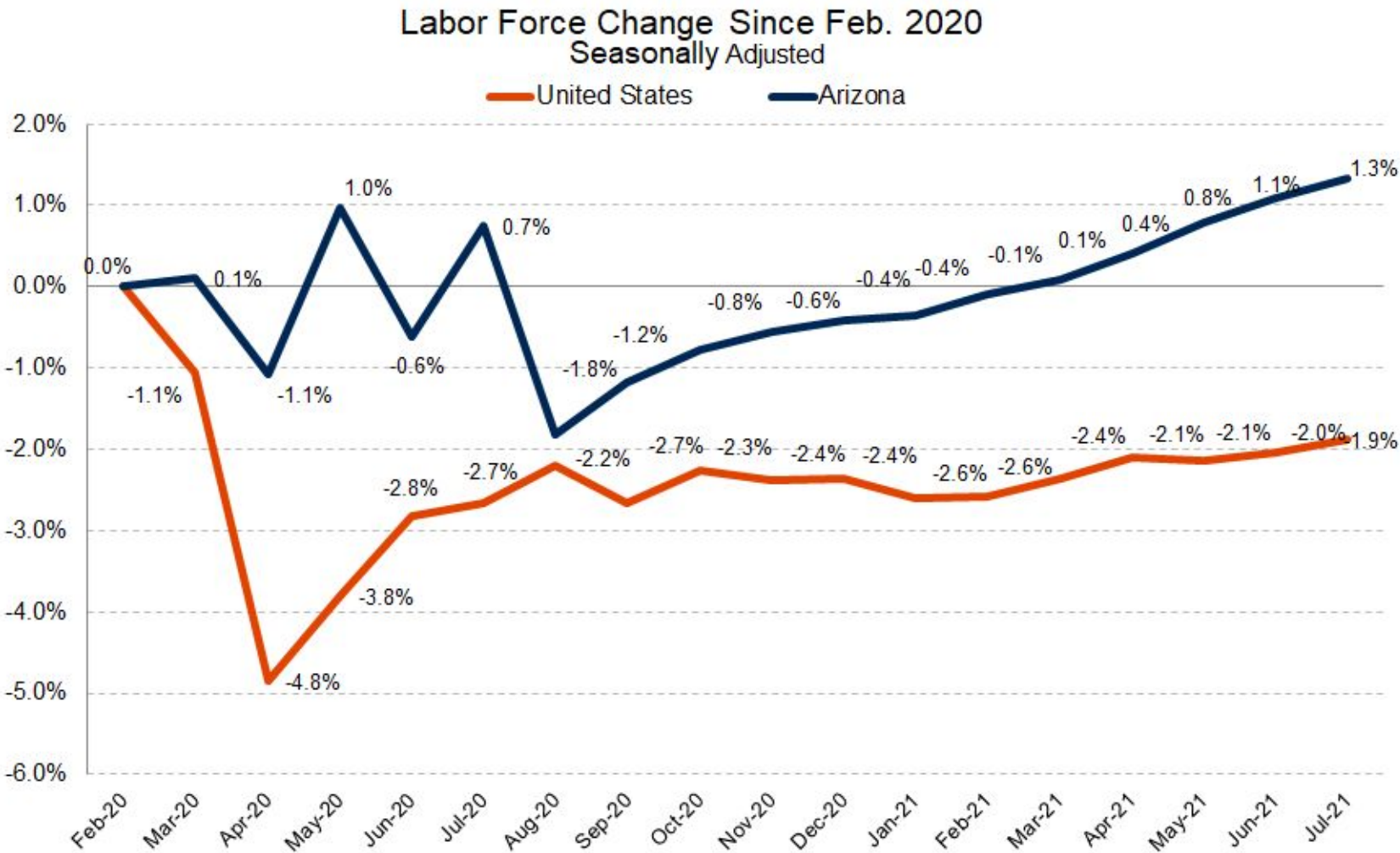


Source: Arizona Office of Economic Opportunity

- The U.S. labor force has declined by 3,101,000 people (-1.9%) since Feb. 2020

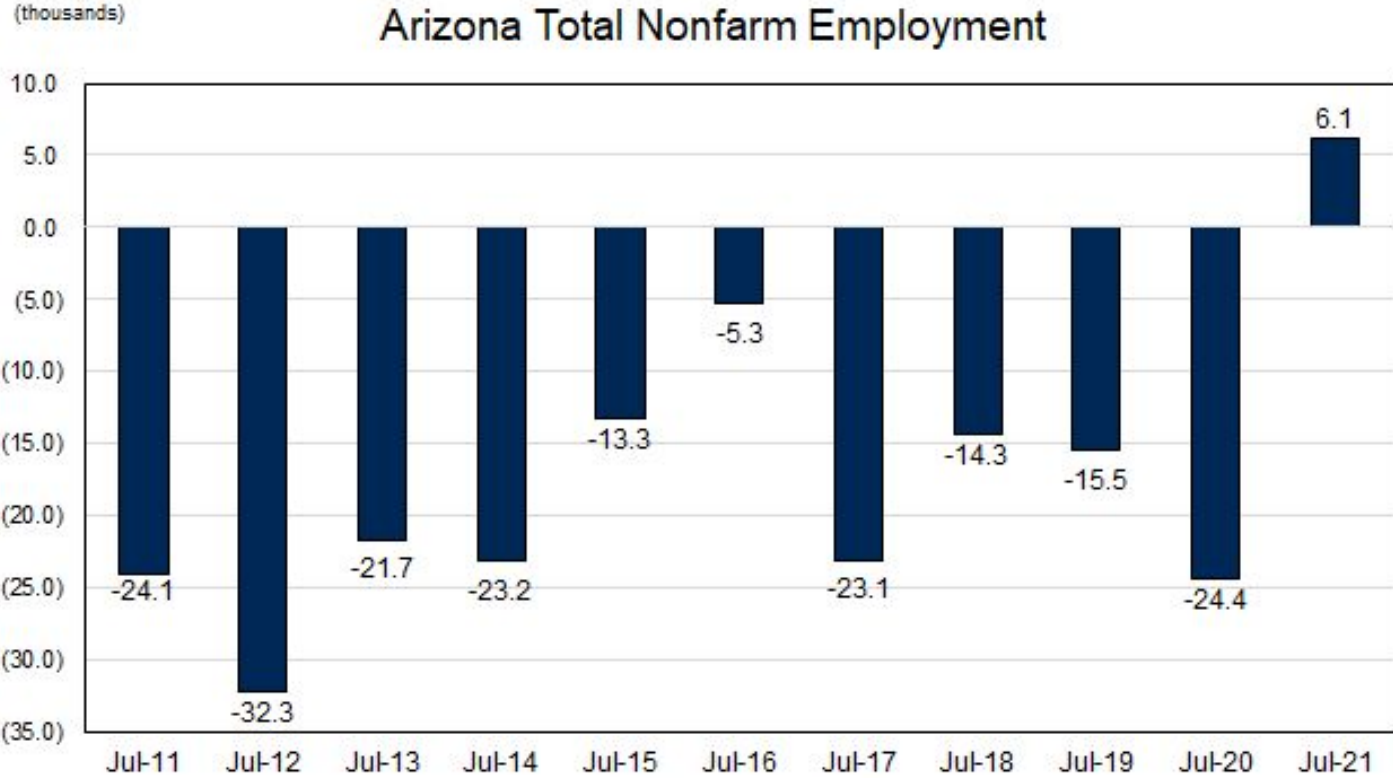


# Labor Force Comparison



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

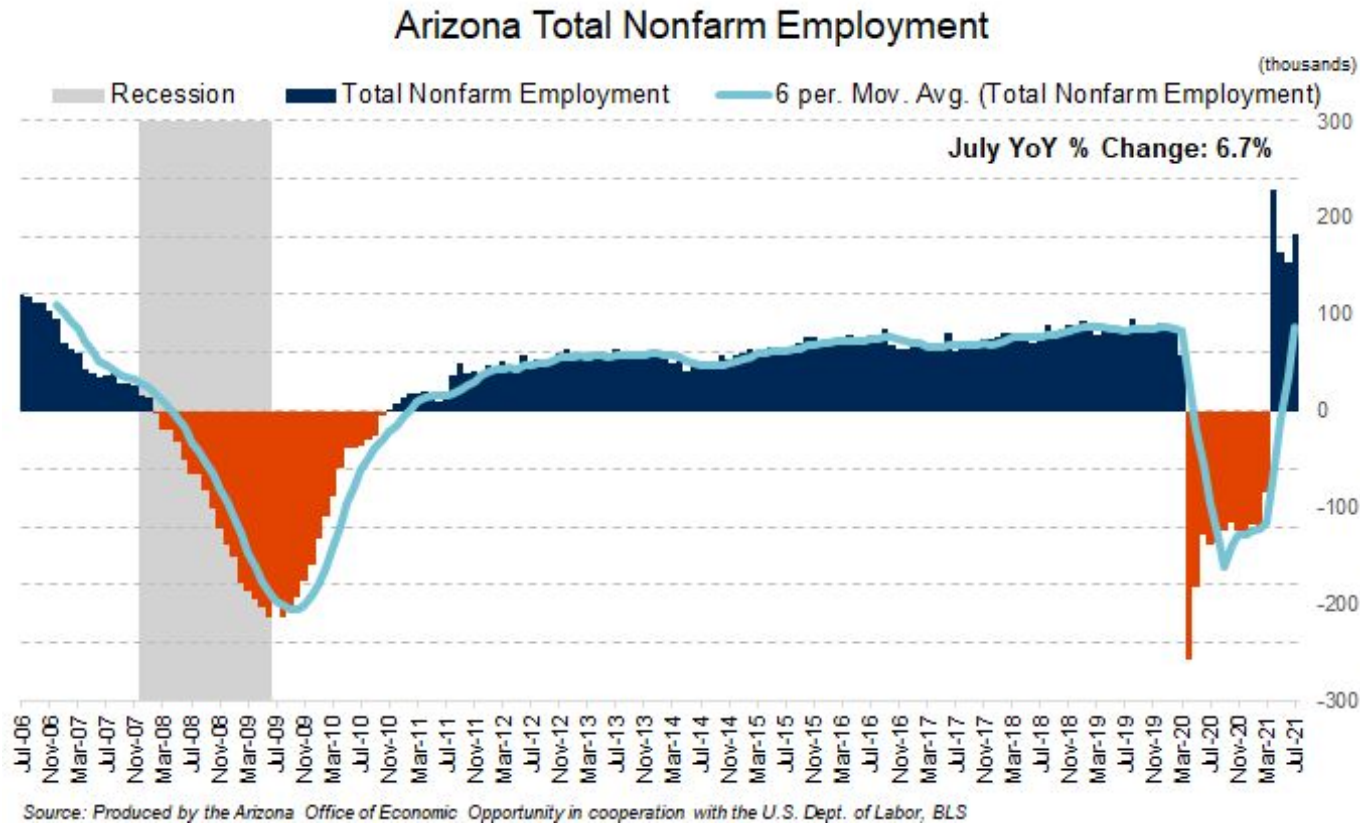
# Month-Over-Month Employment Change



**Historic 10-Year Average ('11-'20):** -19,700 Jobs or -0.8%  
**Pre- Pandemic Average ('10-'19):** -19,800 Jobs or -0.8%

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

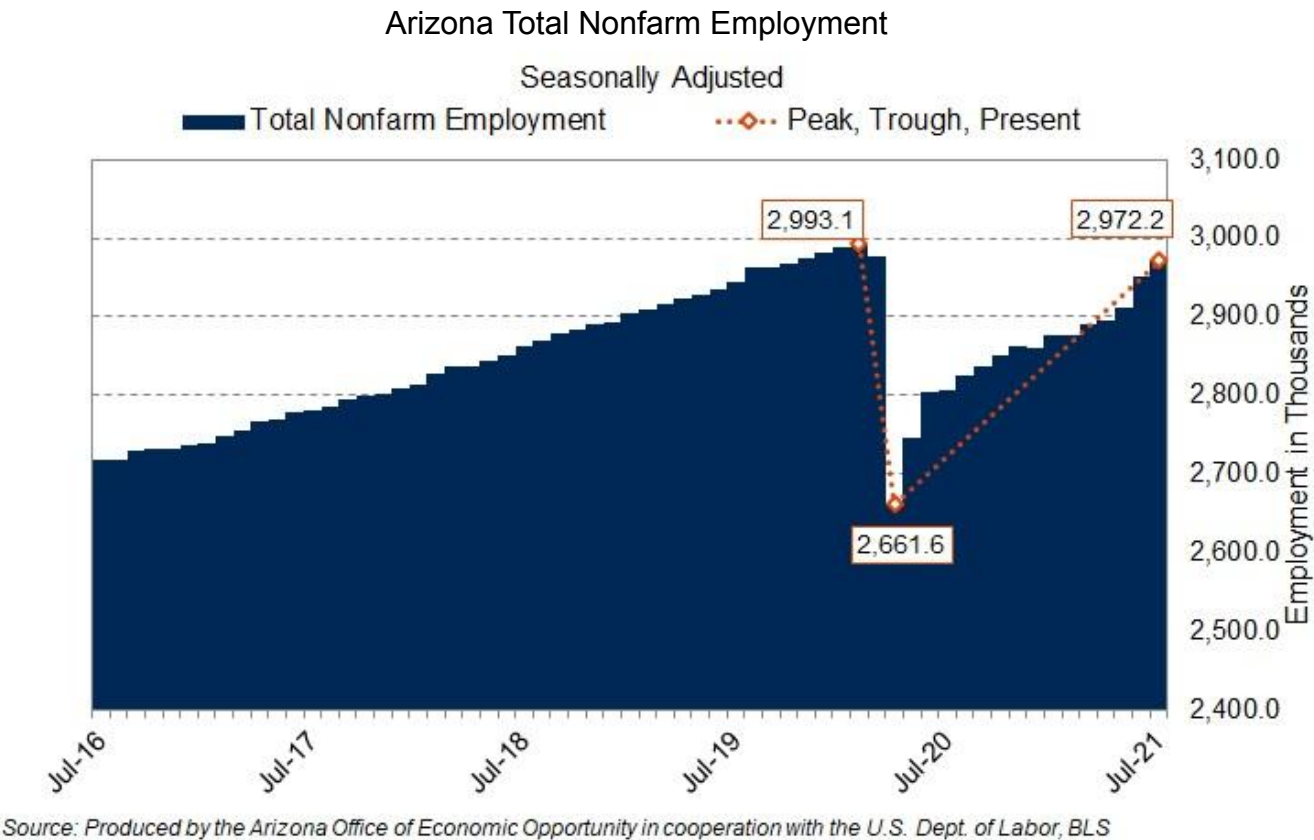
# Year-Over-Year Employment Change



## Notable Change:

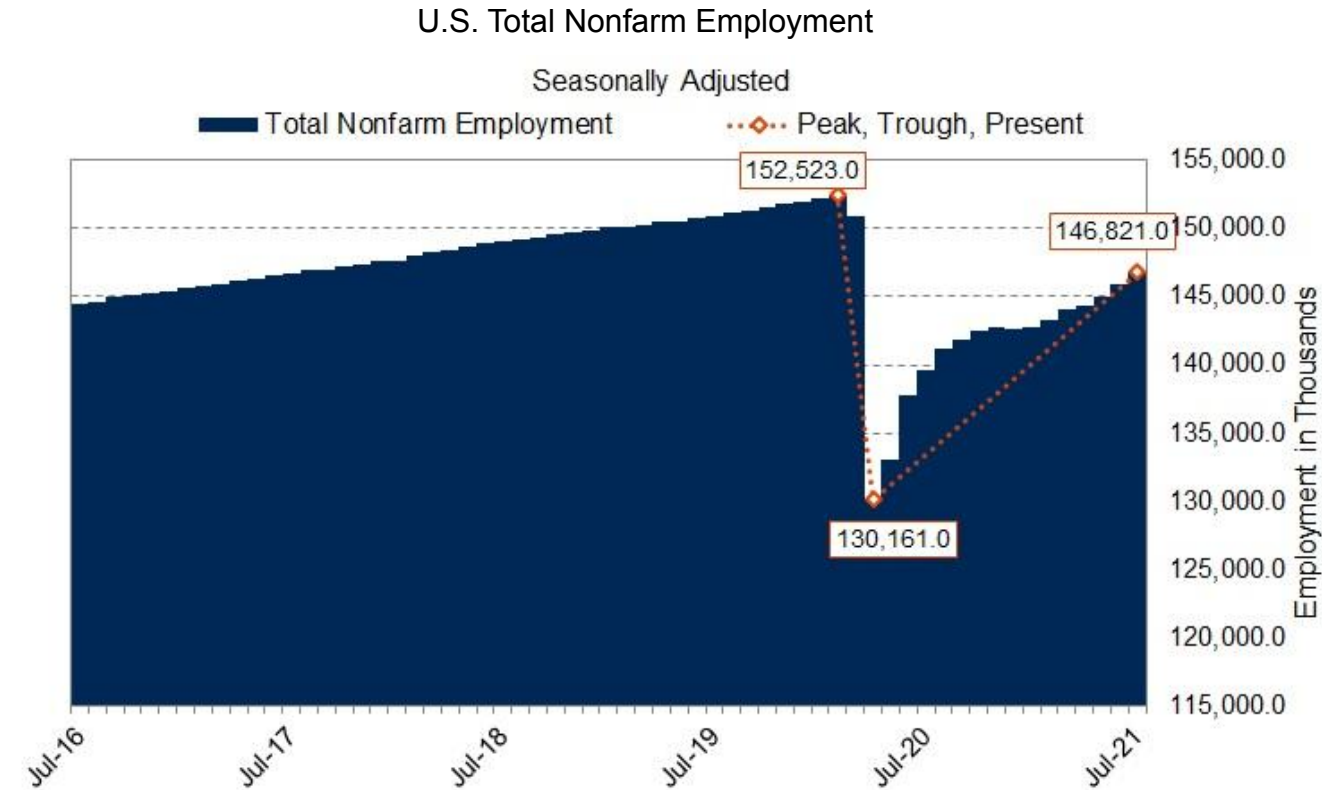
- Arizona nonfarm employment increased 6.7% YoY (183,200 jobs)

# COVID-19 Pandemic Impact



- Since April 2020, 94% (310,600 jobs) of the pandemic job losses have been recovered

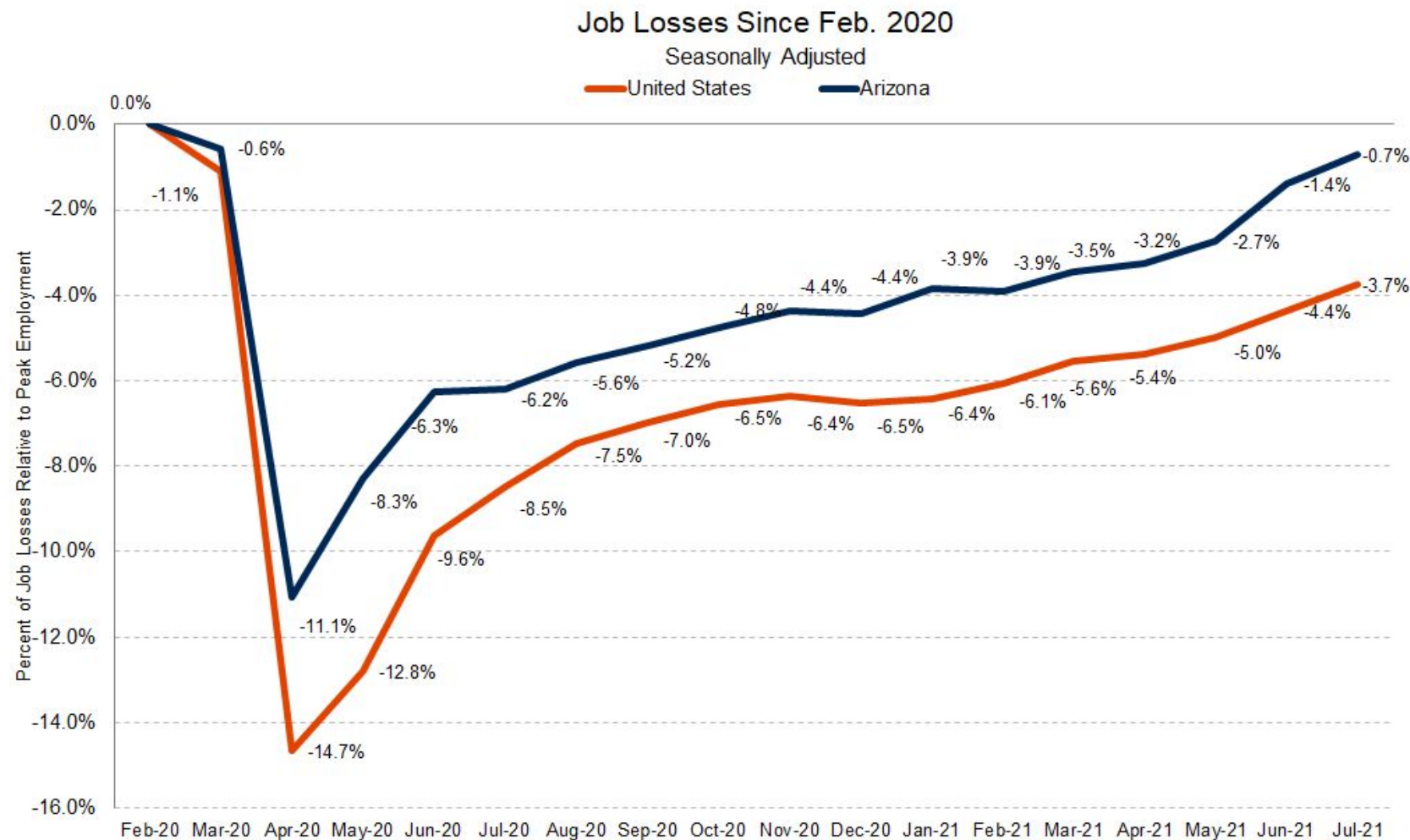
# COVID-19 Pandemic Impact



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

- Since April 2020, 75% (16,660,000 jobs) of the pandemic job losses have been recovered

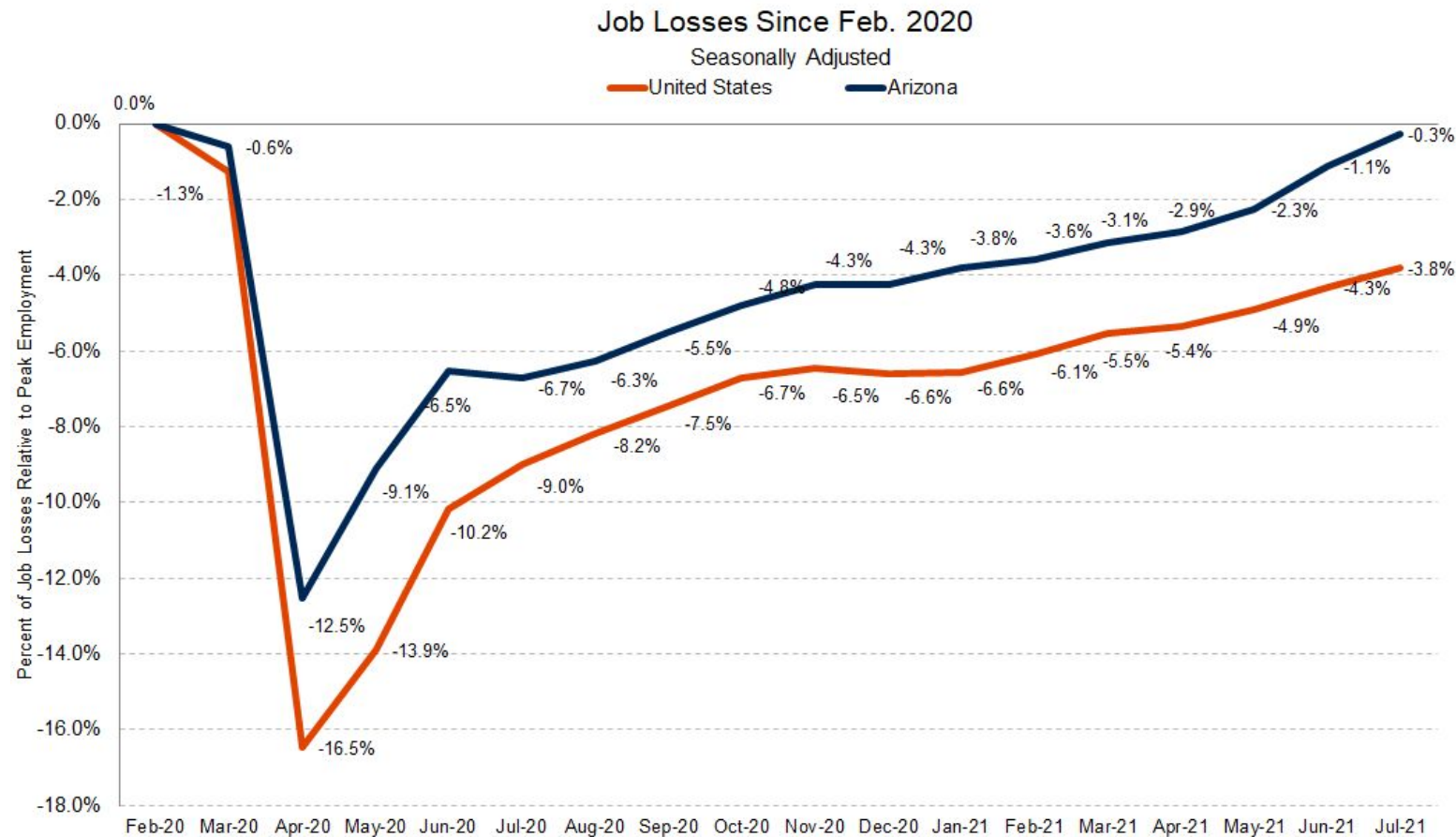
# Nonfarm Employment Comparison



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



# Private Sector Employment Comparison



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

- Arizona private sector employment has recovered 98% of pandemic job losses
- U.S. private sector employment has recovered 77% of pandemic job losses



# United States Quits Rates; Seasonally Adjusted

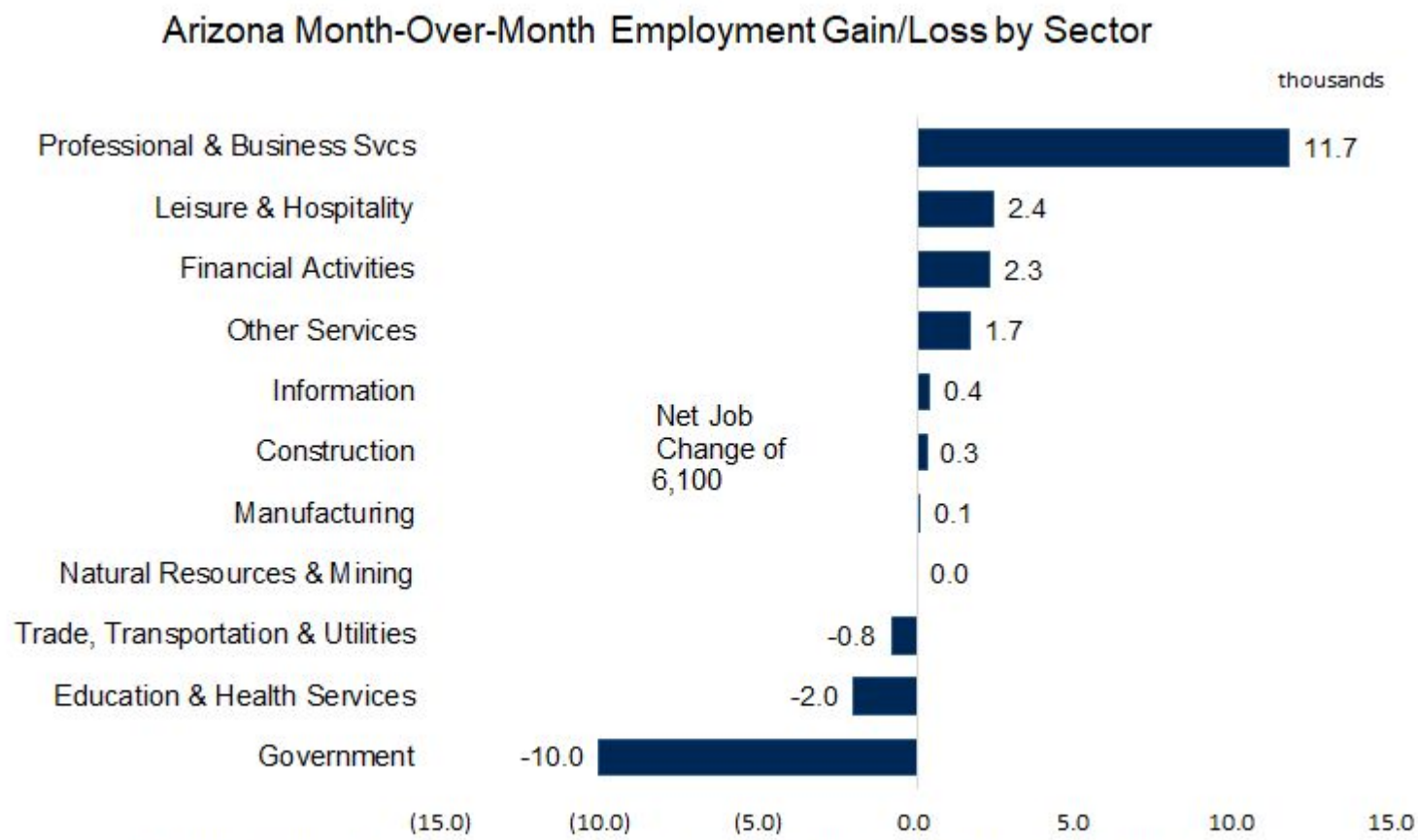


Source: U.S. Bureau of Labor Statistics

## Highlight:

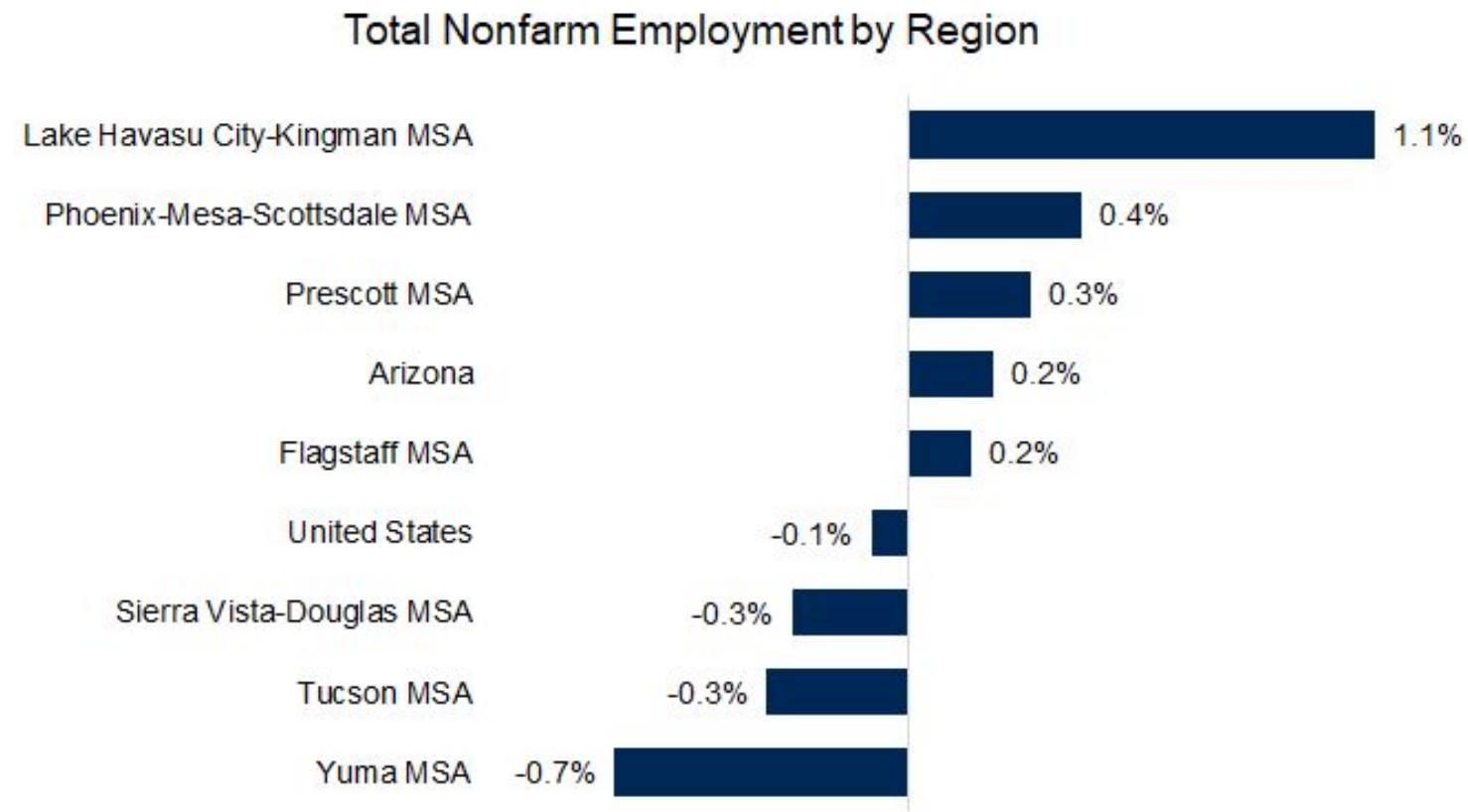
- The quits rate increased to 2.7% in June 2021 from 2.5% in May 2021.
- In April 2021, the quits rate hit a historic high of 2.8%

# Month-Over-Month Employment Change



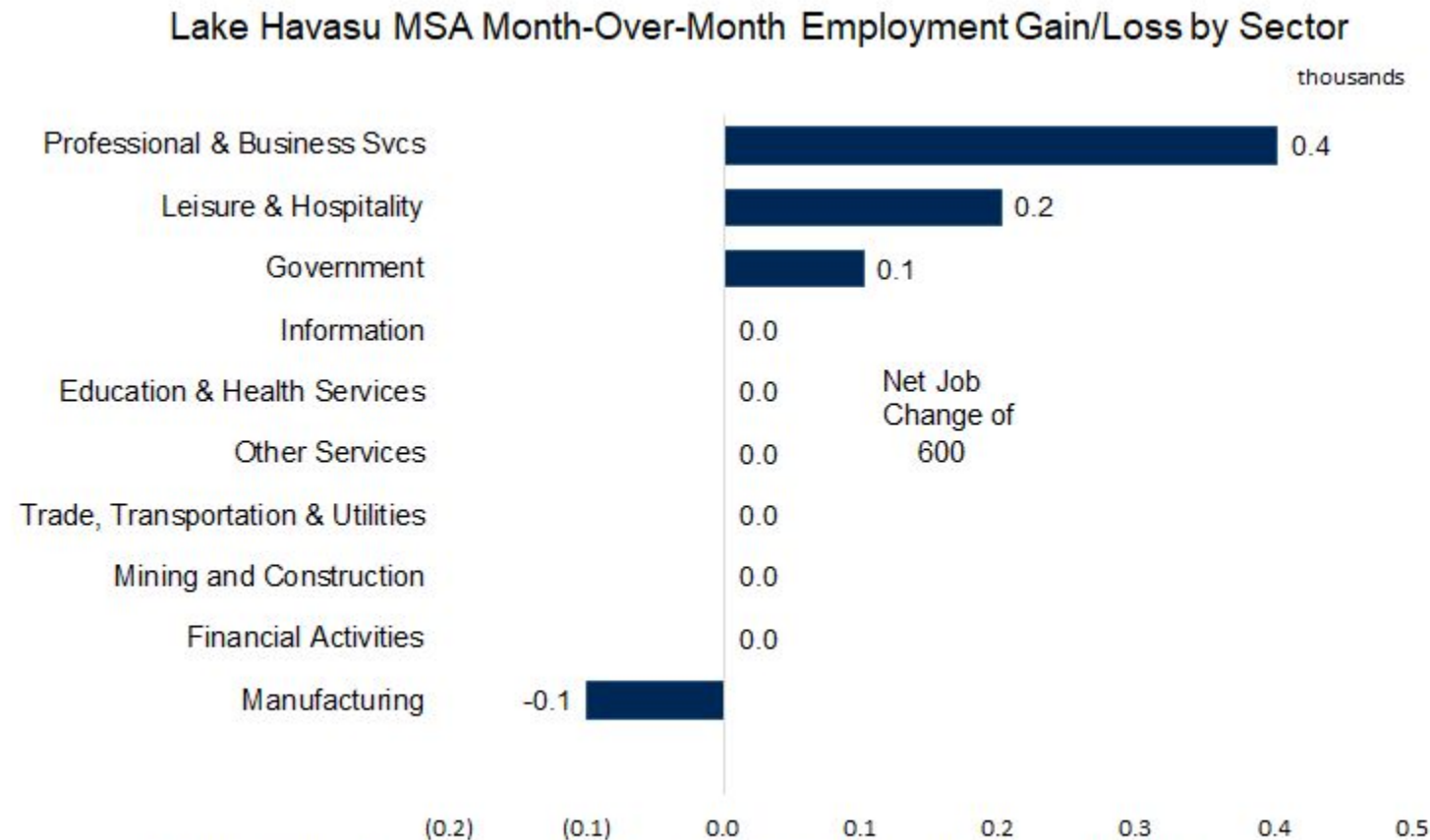
Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics

# Month-Over-Month Employment Change



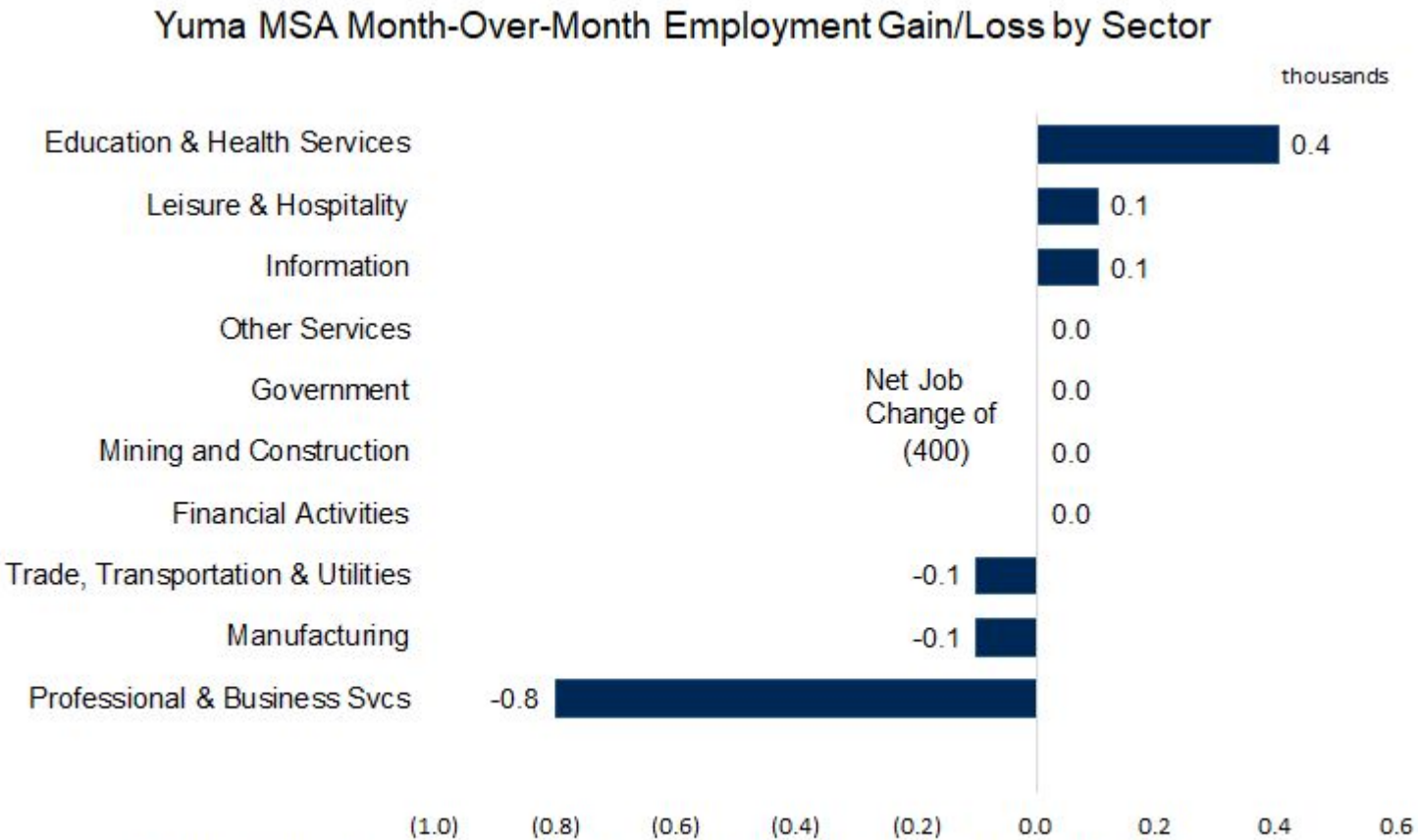
Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

# Month-Over-Month Employment Change



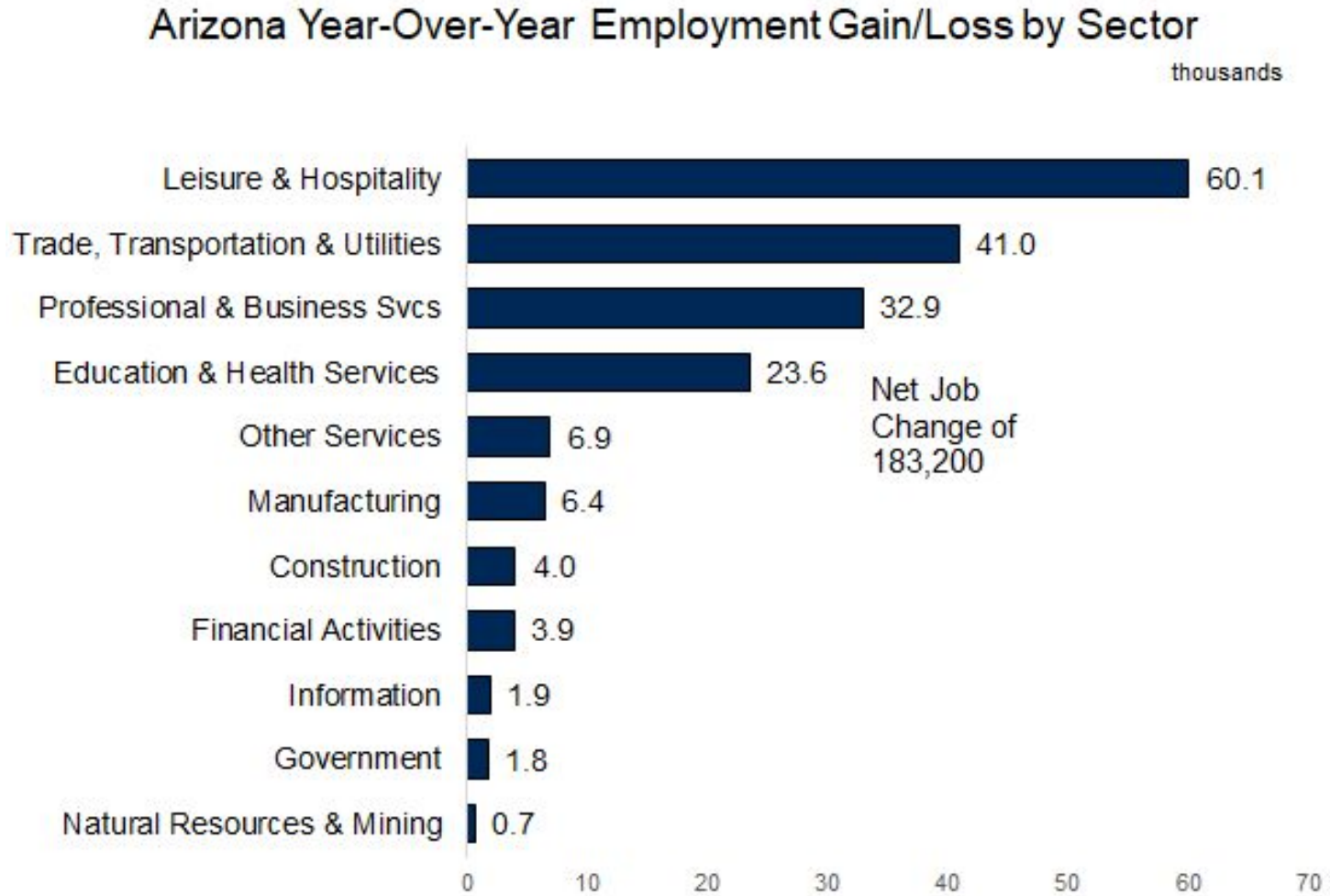
Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics

# Month-Over-Month Employment Change



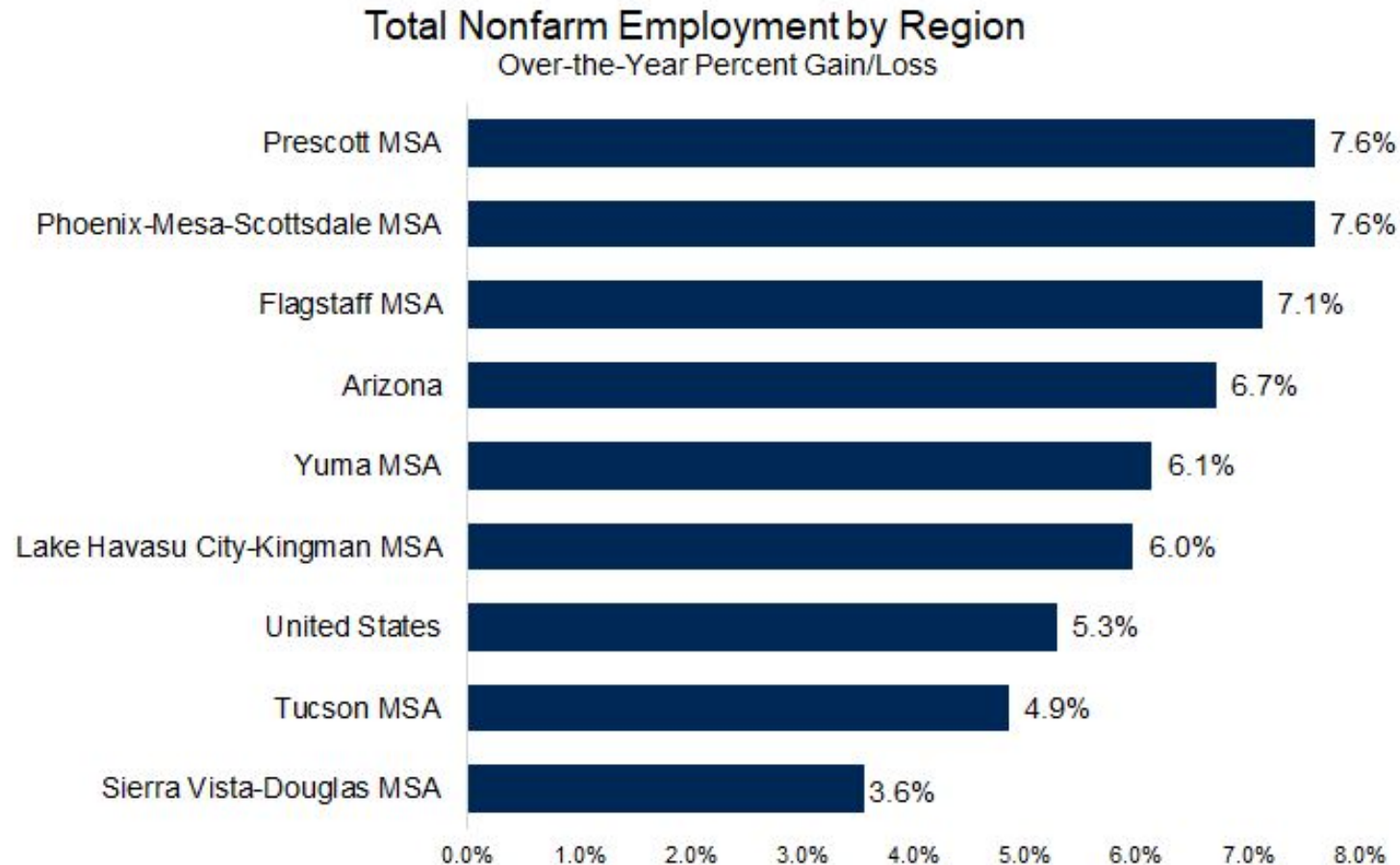
Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics

# 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 July '21

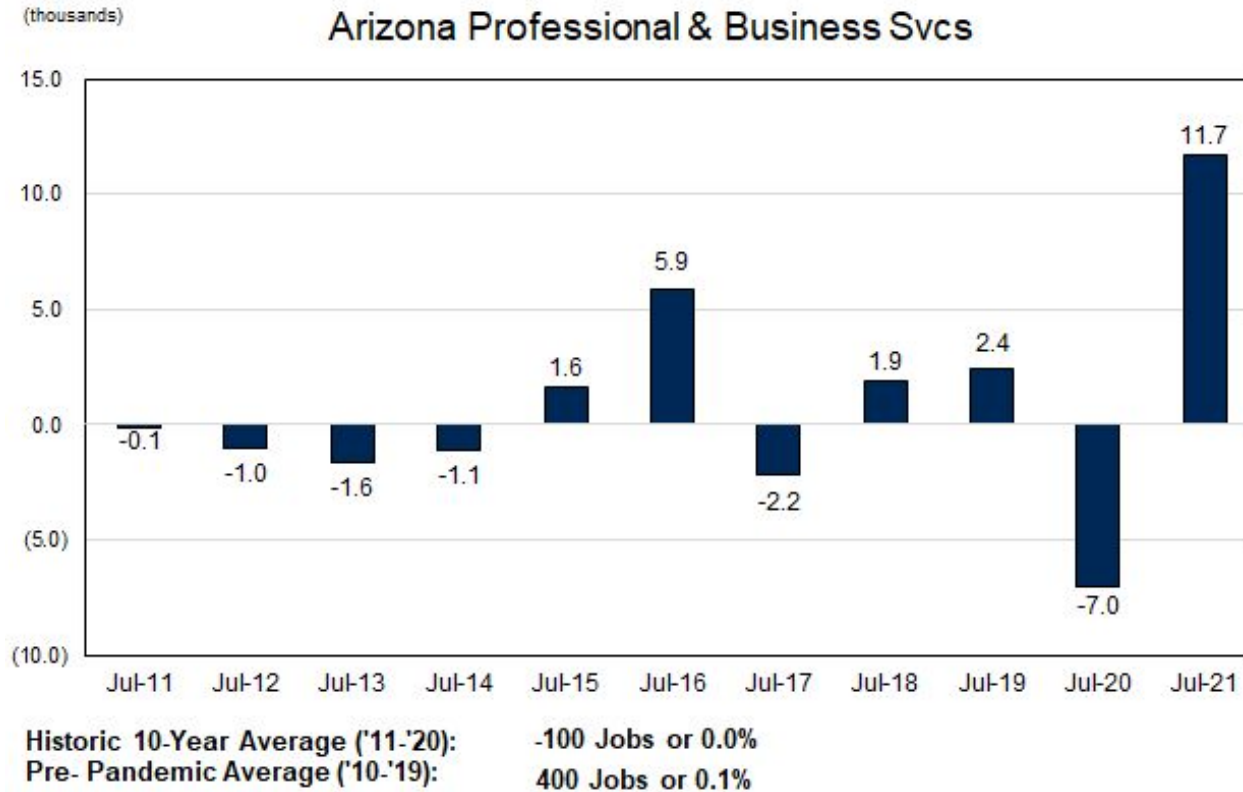
*Seasonally-Adjusted; In Thousands*

Sector	Jobs Lost	Jobs Recovered	Percent Recovered
Arizona	331.5	310.6	94%
Sierra Vista-Douglas MSA	2.3	2.9	126%
Lake Havasu City-Kingman MSA	6.1	7.0	115%
Prescott MSA	9.1	9.9	109%
Phoenix-Mesa-Scottsdale MSA	244.3	241.8	99%
Yuma MSA	5.7	4.8	84%
Tucson MSA	44.0	32.9	75%
Flagstaff MSA	12.6	9.0	71%

*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



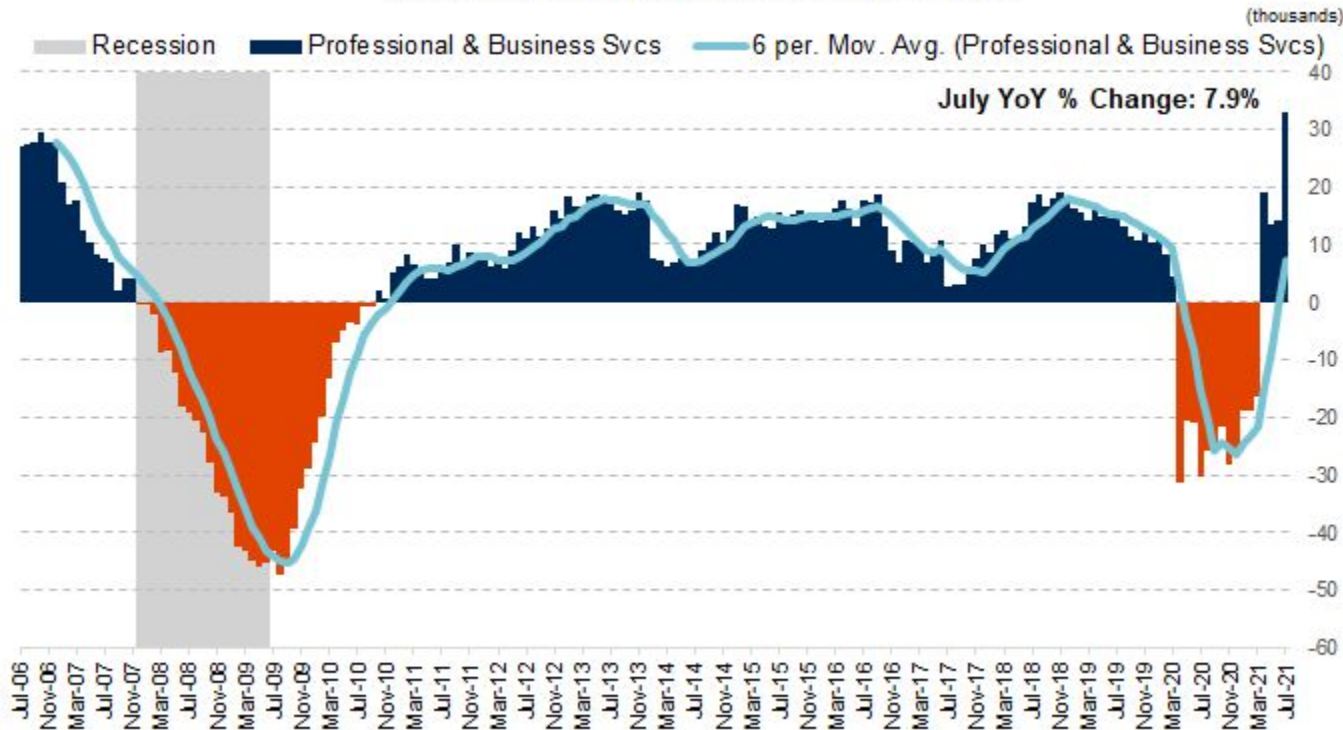
Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

## Highlights:

- Professional, Scientific, and Technical Services gained 4,700 jobs (2.8%)
- Employment Services gained 1,900 jobs (1.9%)
- Business Support Services gained 1,600 jobs (5.0%)
  - Gains in Telemarketing Bureaus and Private Mail Centers, among others
- Services to Buildings and Dwellings gained 1,400 jobs (2.9%)
  - Gains came from from Pest Control Service and Janitorial Services, among others

# Year-Over-Year Employment Change

## Arizona Professional & Business Svcs



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 1,300 jobs (-3.7%)

### Notable Gains:

- Professional, Scientific and Technical Services gained 16,900 jobs (10.7%)
- Employment Services gained 11,100 jobs (12.3%)
- Services to Buildings and Dwellings gained 4,600 jobs (10.2%)

# COVID-19 Pandemic Impact

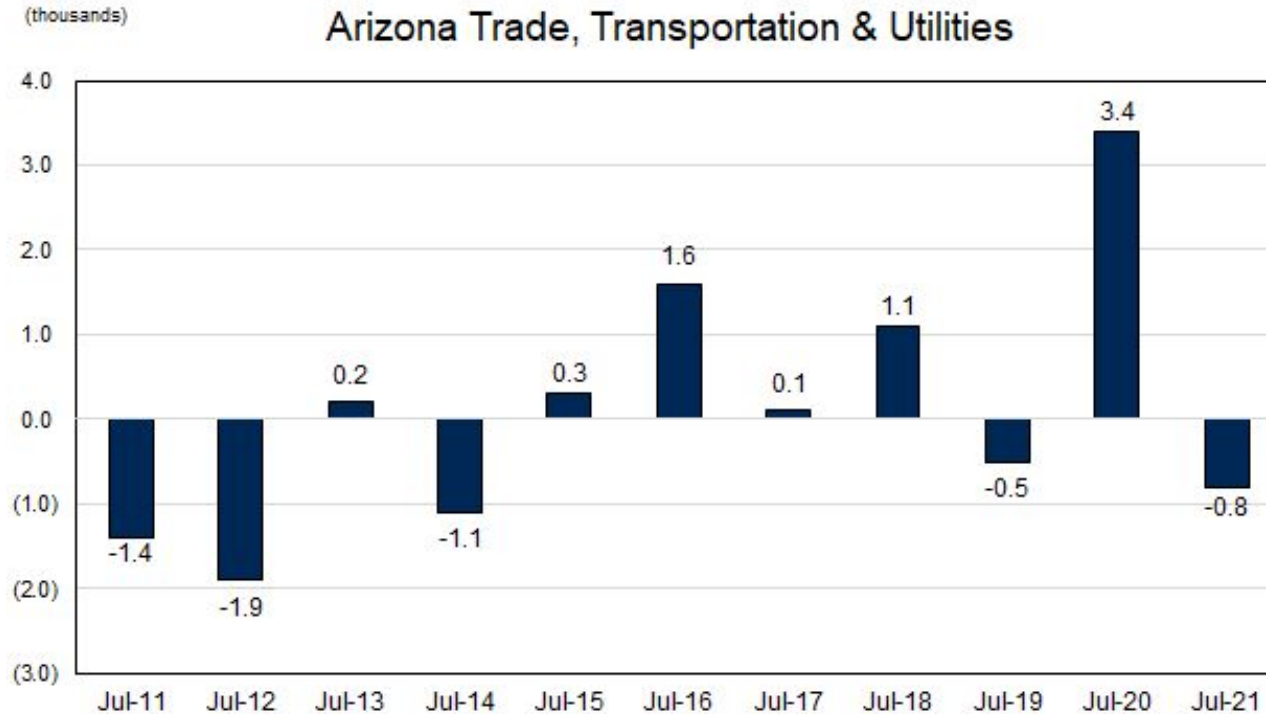
## Arizona Professional & Business Services



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

- Since April 2020, 98% (37,200 jobs) of the pandemic job losses have been recovered

# Month-Over-Month Employment Change



Historic 10-Year Average ('11-'20): 200 Jobs or 0.0%  
Pre- Pandemic Average ('10-'19): -400 Jobs or -0.1%

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

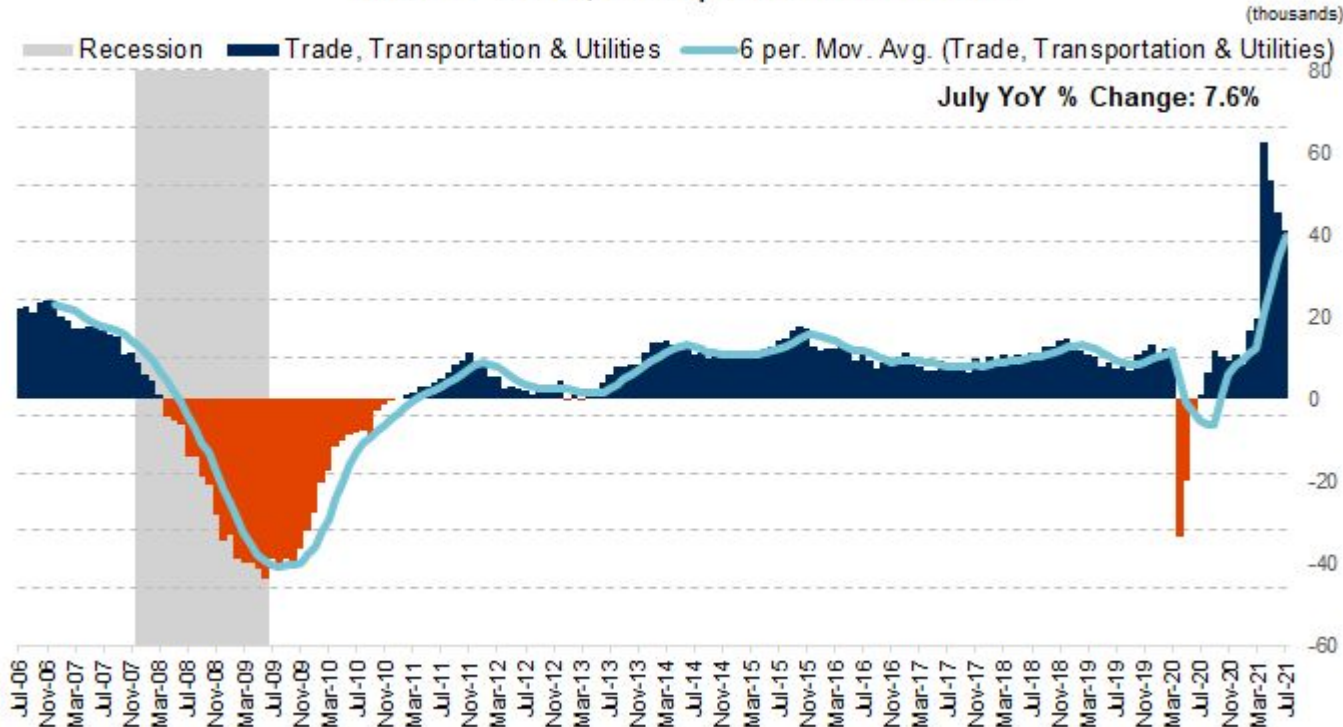
## Highlights:

- Transportation and Warehousing lost 500 jobs or -0.4%
  - Losses from Air Traffic Control and Other Support Activities for Transportation
- Retail Trade lost 300 jobs or -0.2%
- Wholesale Trade lost 100 jobs or -0.1%



# Year-Over-Year Employment Change

Arizona Trade, Transportation & Utilities



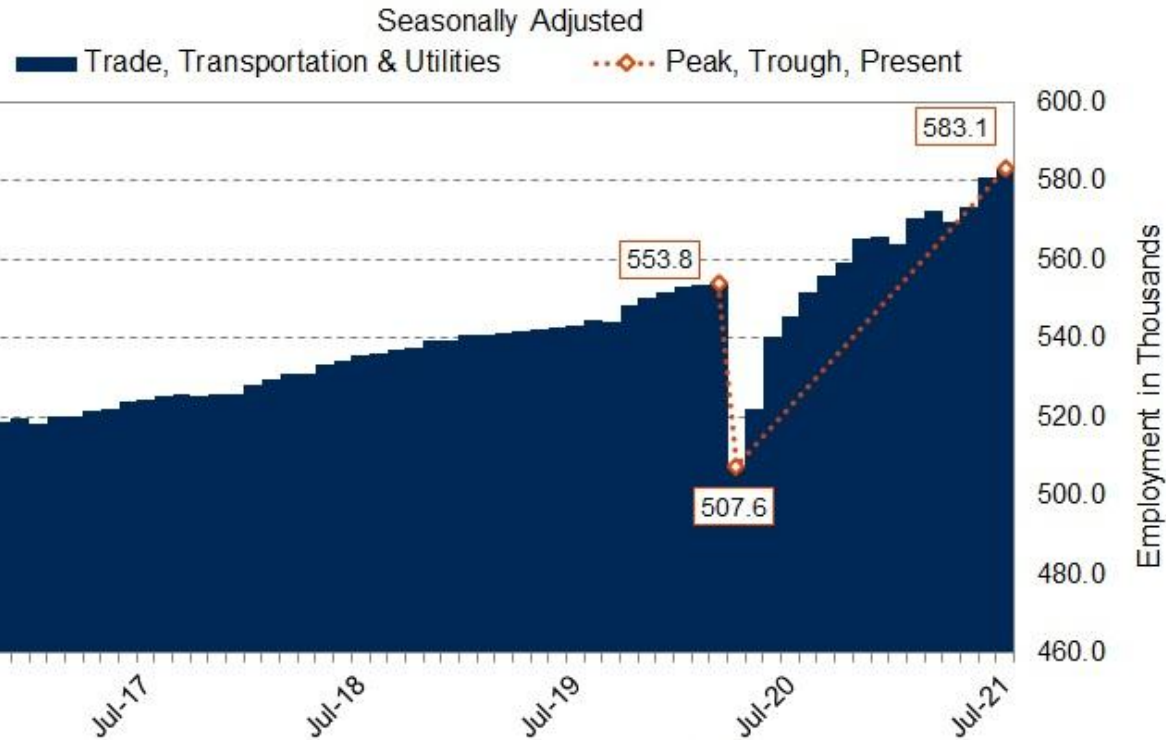
Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

## Notable Gains:

- Transportation and Warehousing gained 19,000 jobs (16.6%)
- Retail Trade gained 15,000 jobs (4.8%)
  - Clothing and General Merchandise gained 2,000 jobs (2.6%)

# COVID-19 Pandemic Impact

## Arizona Trade, Transportation and Utilities

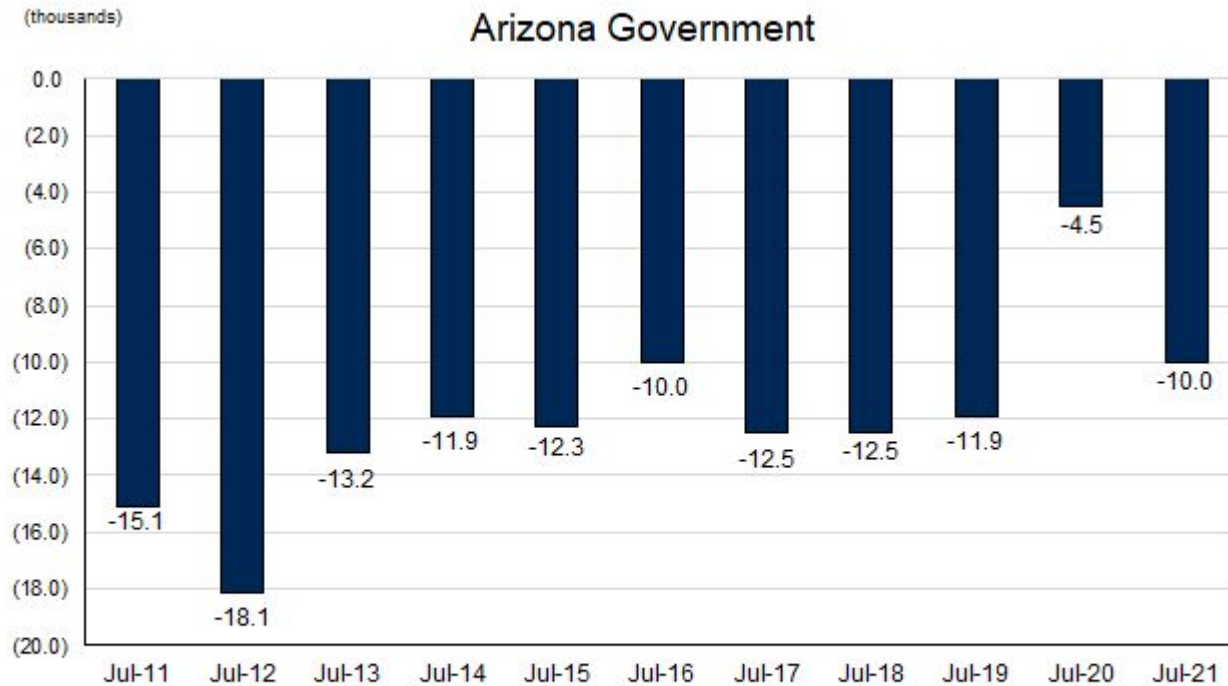


Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

- Since April 2020, 163% (75,500 jobs) of the pandemic job losses have been recovered



# Month-Over-Month Employment Change



Historic 10-Year Average ('11-'20): -12,200 Jobs or -3.3%

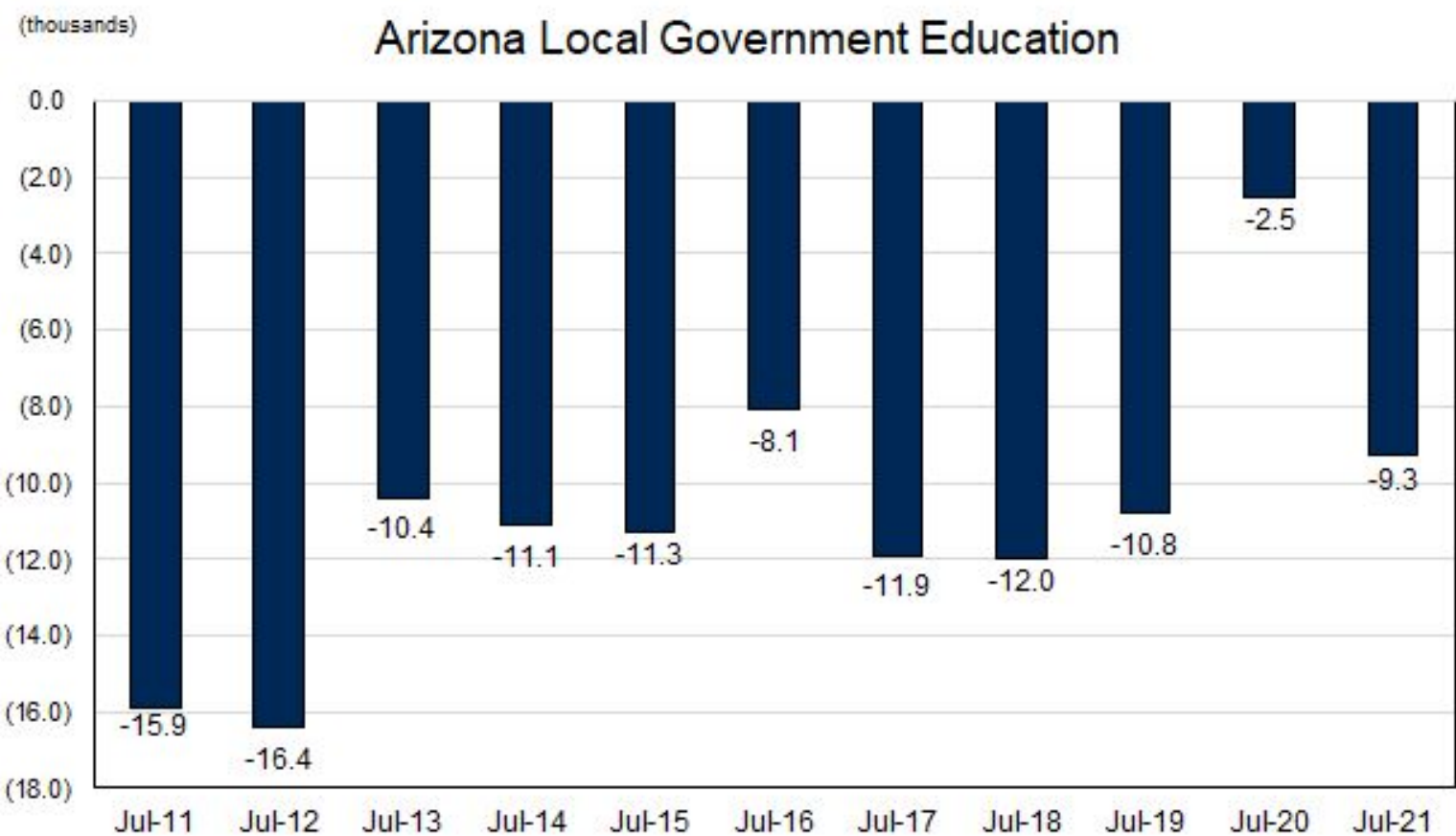
Pre- Pandemic Average ('10-'19): -12,900 Jobs or -3.4%

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

## Highlights:

- Federal Government gained 300 jobs (0.5%)
- Local Government Education lost 9,300 jobs (-8.5%)
  - Seasonal losses because of the public school summer recess
  - Losses were smaller than the pre-pandemic historical losses of 12,900 jobs
- State Government Education lost 700 jobs (-1.7%)

# Month-Over-Month Employment Change

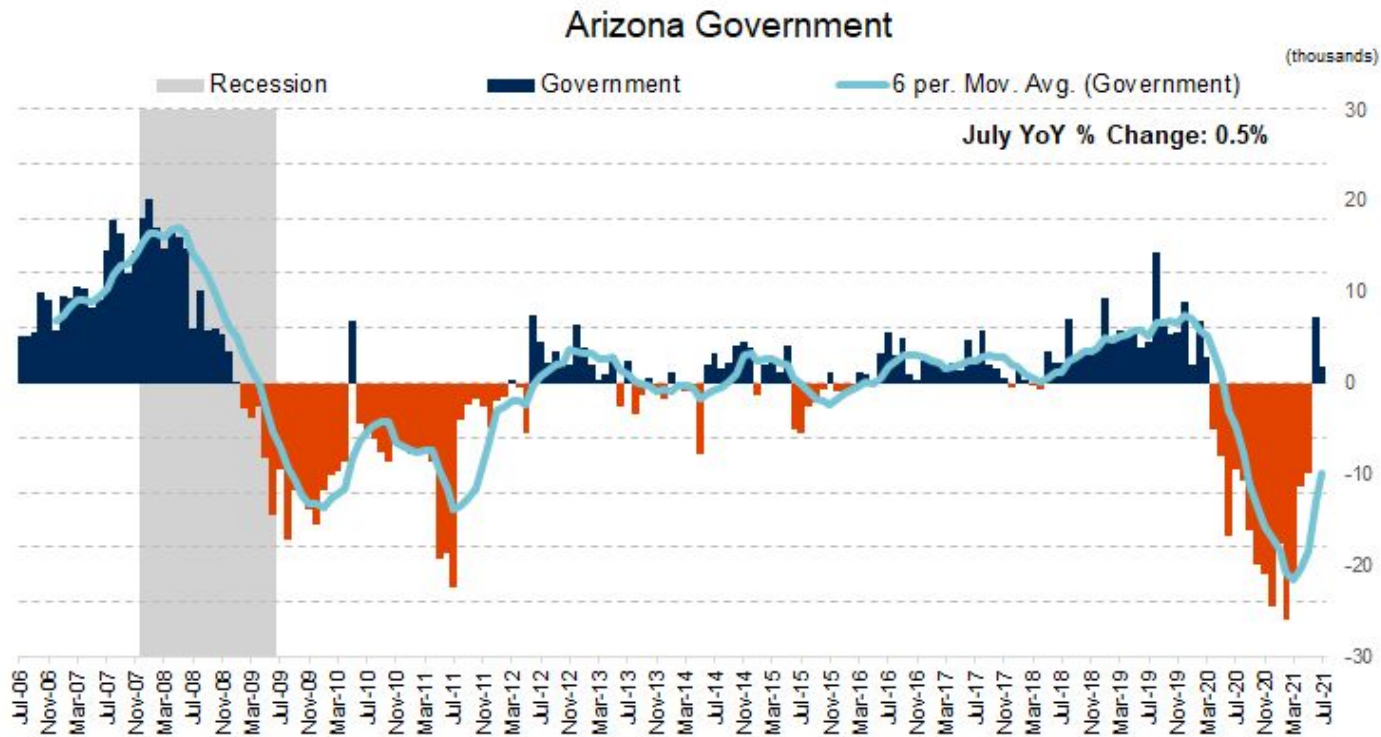


**Historic 10-Year Average ('11-'20):** -11,000 Jobs or -9.8%  
**Pre- Pandemic Average ('10-'19):** -11,600 Jobs or -

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



# Year-Over-Year Employment Change

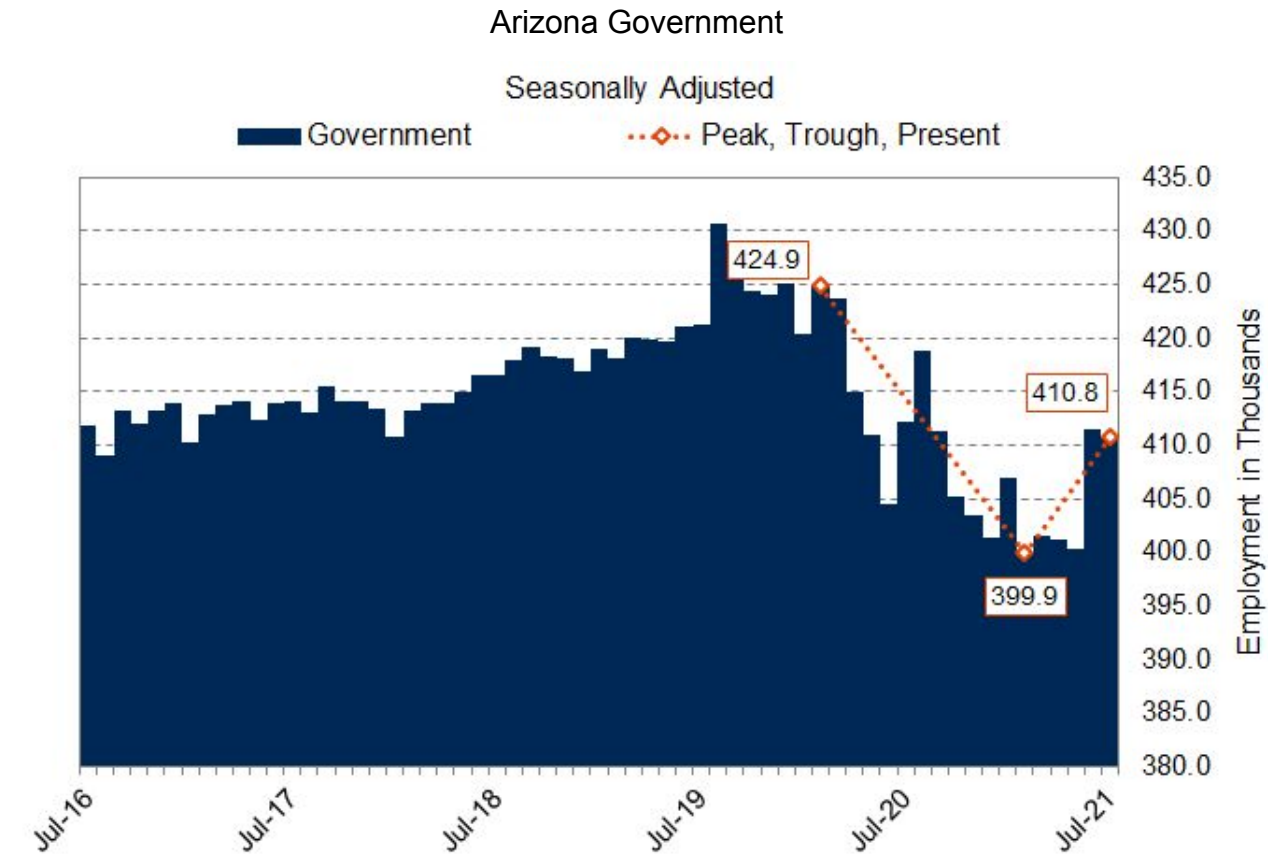


Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

## Notable Gains:

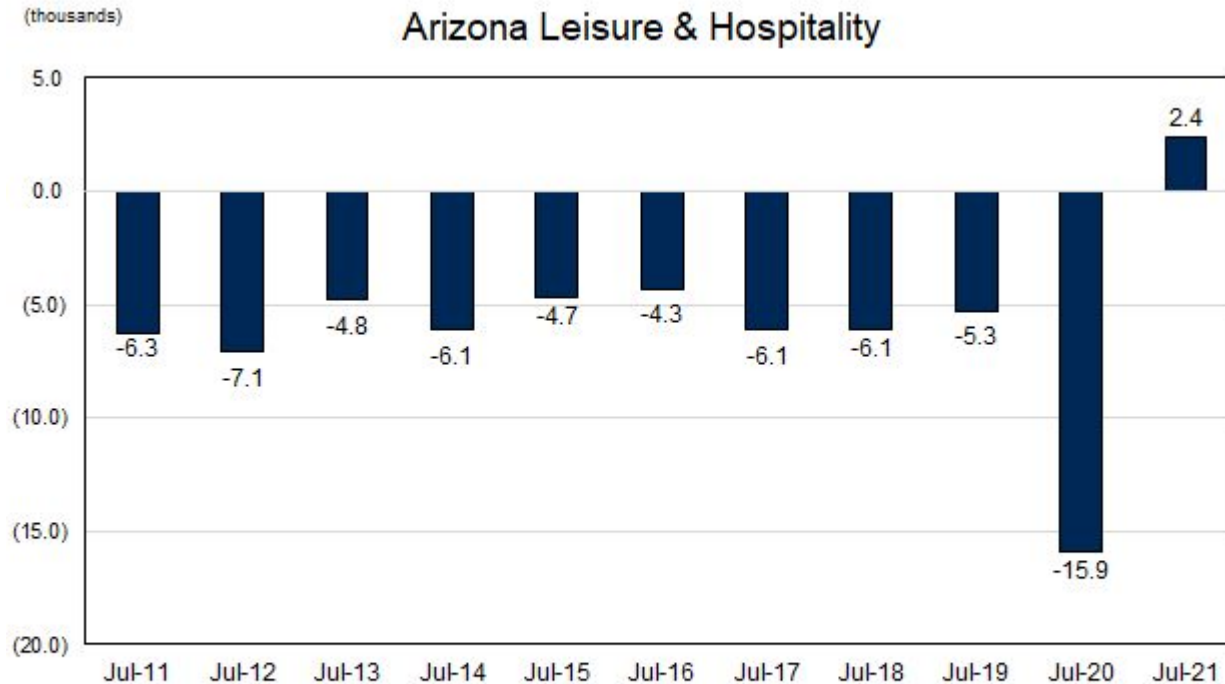
- Local Government gained 2,000 (0.9%) jobs
  - Local Government Education gained 3,200 jobs (3.3%) jobs
- State Government Education recorded a gain of 300 jobs (0.8%)

# COVID-19 Pandemic Impact



- Since February 2021, 44% (10,900) of the pandemic jobs losses have been recovered

# Month-Over-Month Employment Change



Historic 10-Year Average ('11-'20): -6,700 Jobs or -2.3%

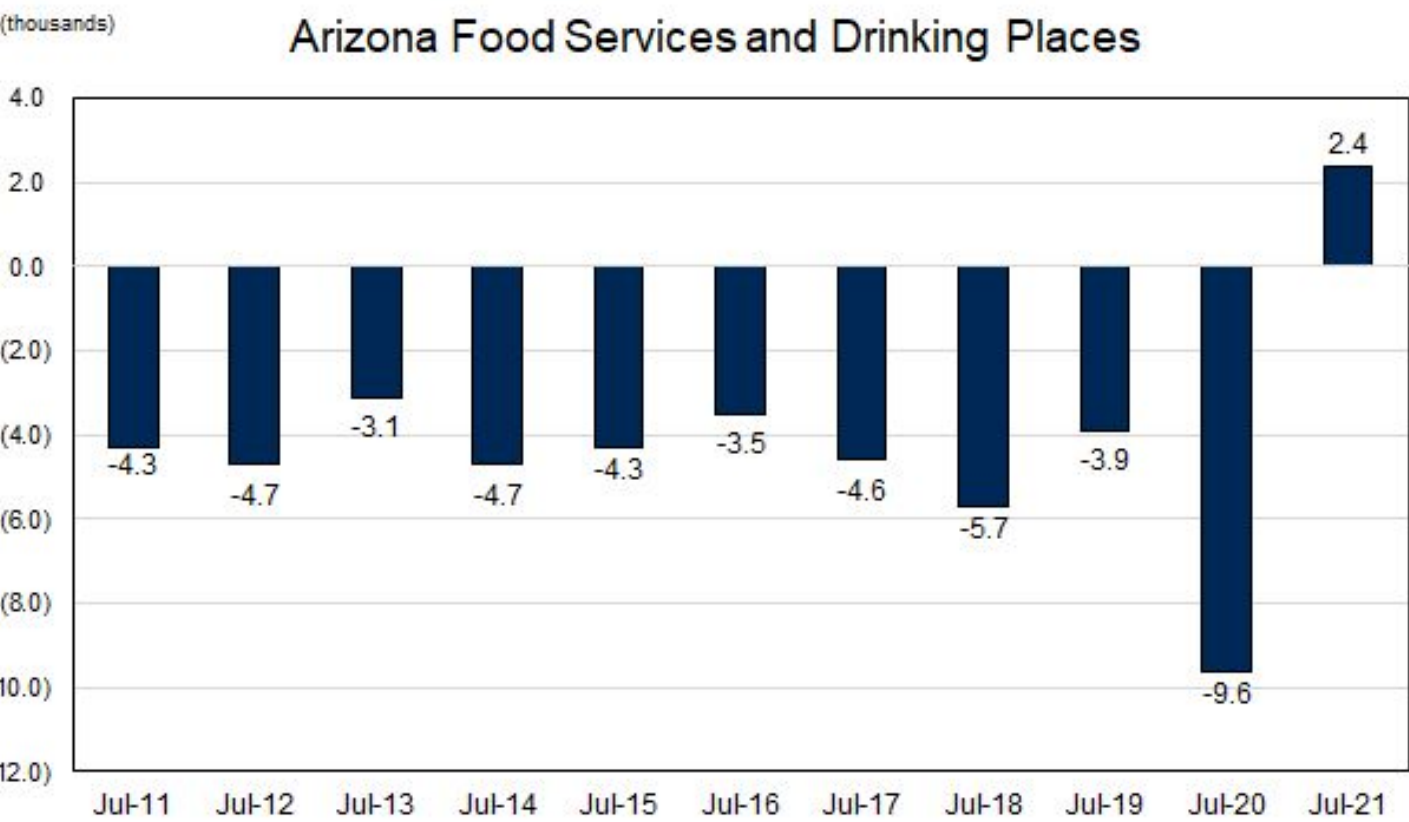
Pre- Pandemic Average ('10-'19): -5,700 Jobs or -2.0%

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 2,400 jobs (1.0%)
- Accommodations gained 200 jobs (0.6%)
  - Gains from Hotels and Motels
- Arts, Entertainment and Recreation lost 200 jobs (-0.5%)

# Month-Over-Month Employment Change



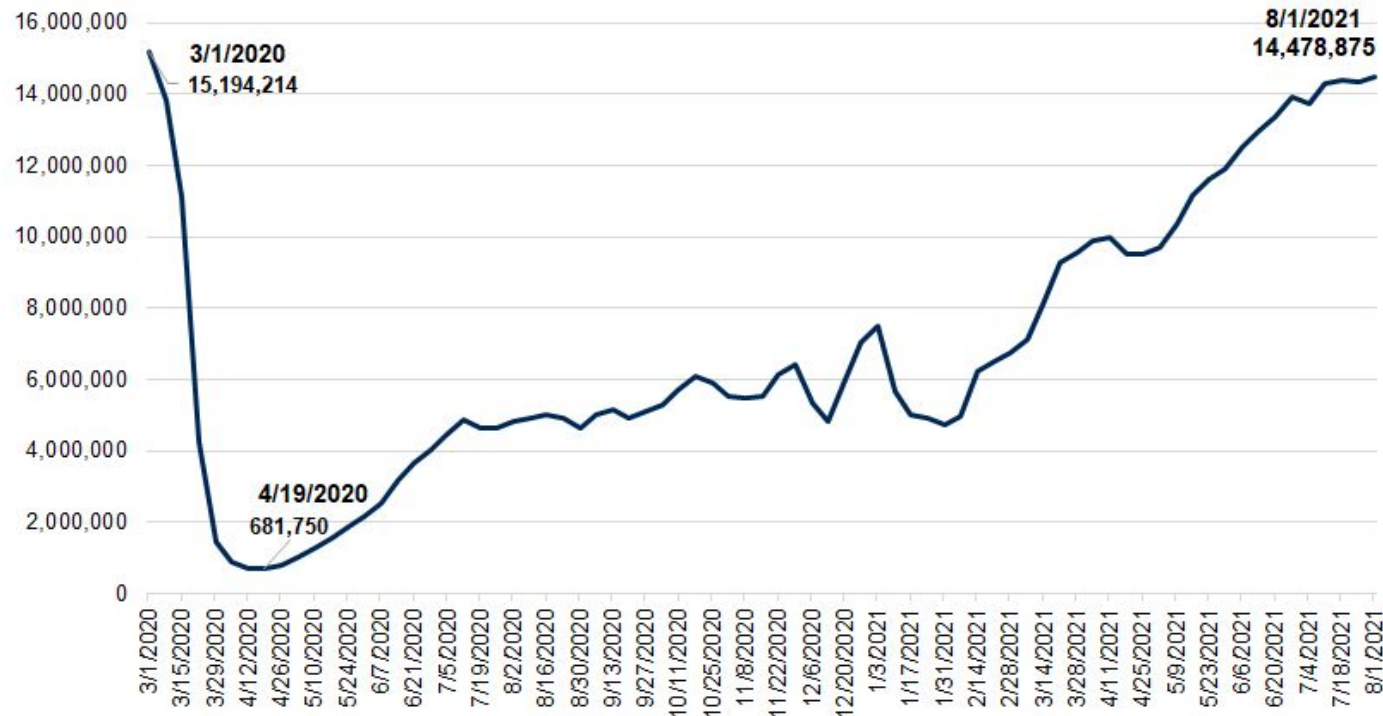
**Historic 10-Year Average ('11-'20):** -4,800 Jobs or -2.3%  
**Pre- Pandemic Average ('10-'19):** -4,300 Jobs or -2.1%

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

- Gains occurred within Full Services Restaurants and Food Service Contractors, among others



# TSA Average Weekly Airport Throughput

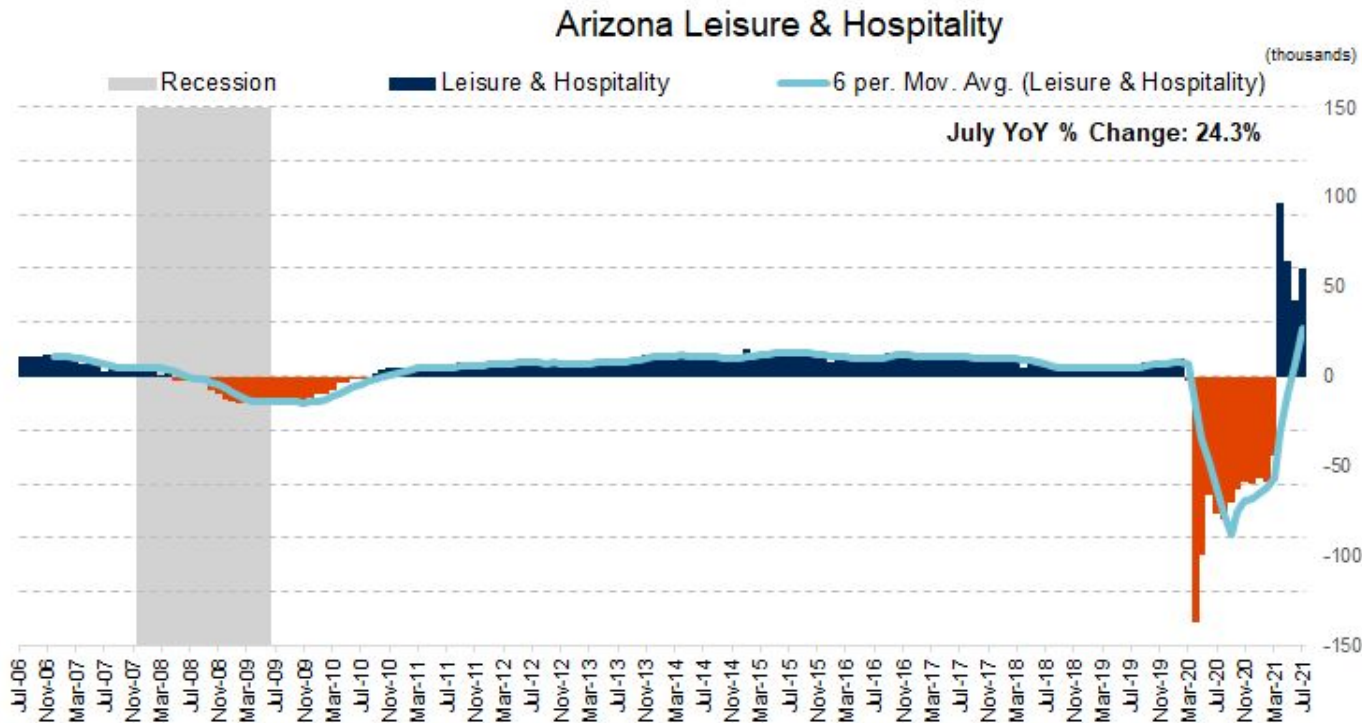


Source: Transportation Security Administration

- TSA throughput levels are the closest to pre-pandemic levels since 3/1/2020



# 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:

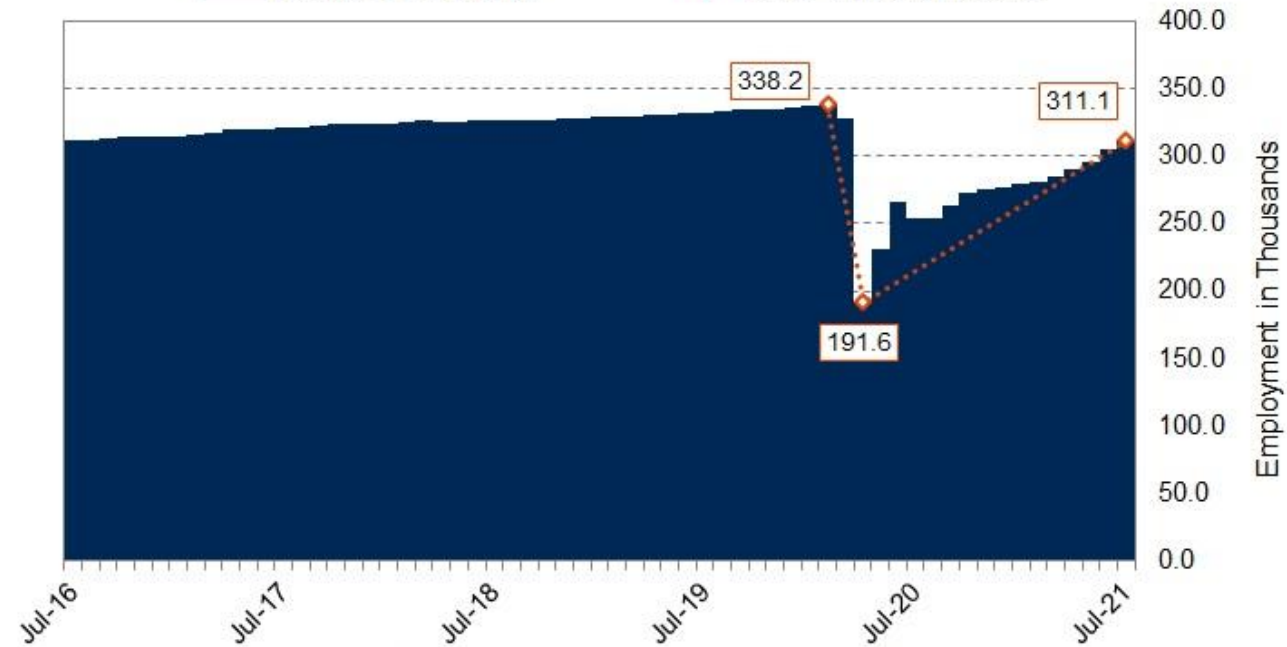
- Food Services and Drinking Places gained 41,400 jobs (21.5%)
- Arts, Entertainment, and Recreation gained 13,500 jobs (50.4%)
- Accommodations gained 5,200 jobs (18.7%)

# COVID-19 Pandemic Impact

## Arizona Leisure & Hospitality

Seasonally Adjusted

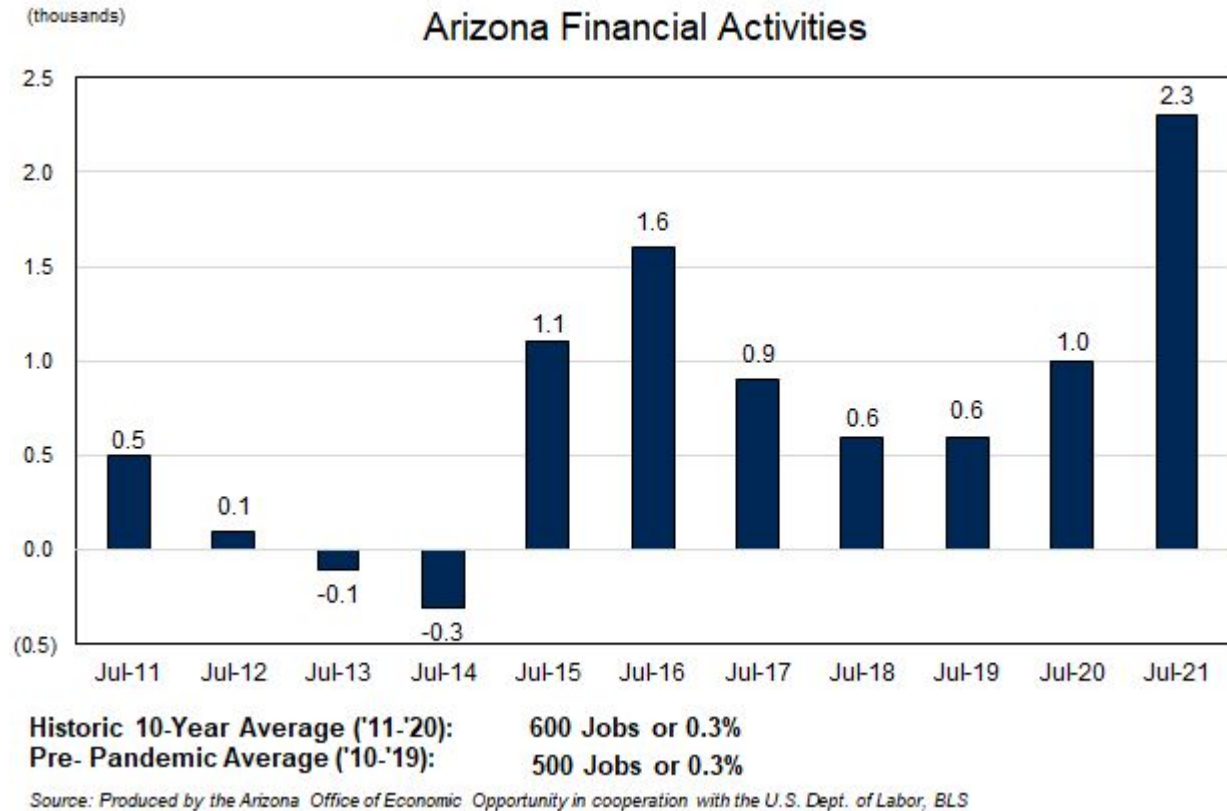
■ Leisure & Hospitality    - - - ♦ - - - Peak, Trough, Present



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

- Since April 2020, 82% (119,500 jobs) of the pandemic job losses have been recovered

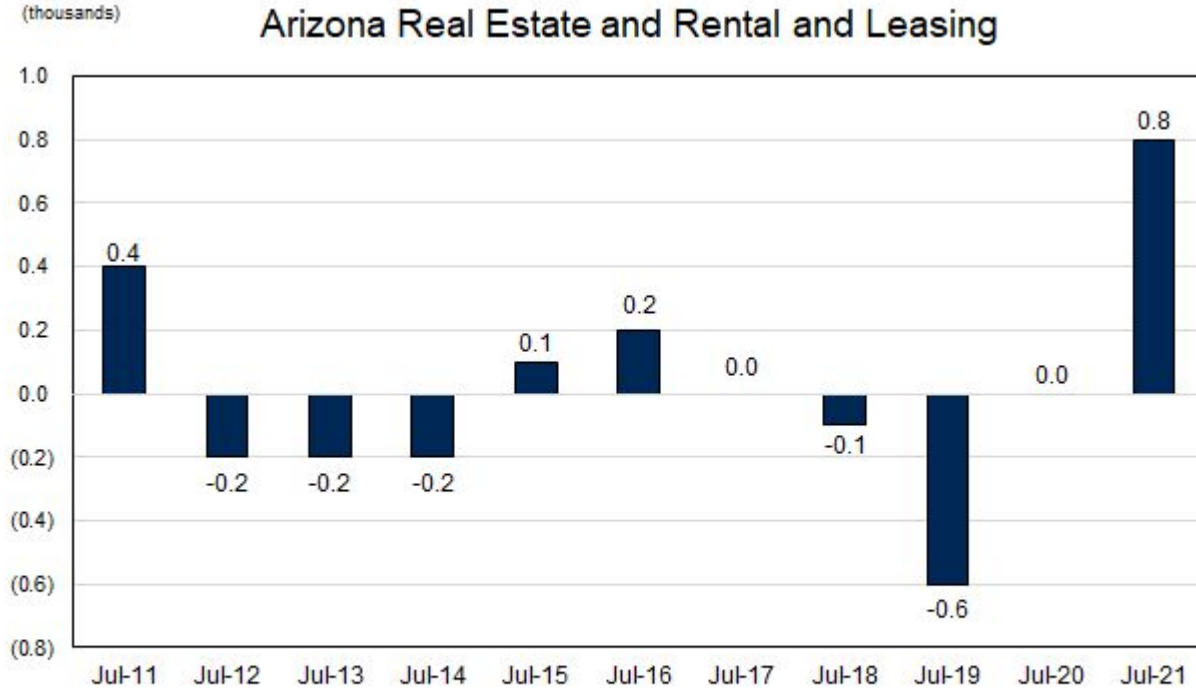
# Month-Over-Month Employment Change



## Highlights:

- Credit Intermediaries gained 800 jobs (0.8%)
- Real Estate, Rental, and Leasing gained 800 jobs (1.5%)
- Insurance Carriers gained 600 jobs (0.9%)

# Month-Over-Month Employment Change



Historic 10-Year Average ('11-'20): -100 Jobs or -0.1%

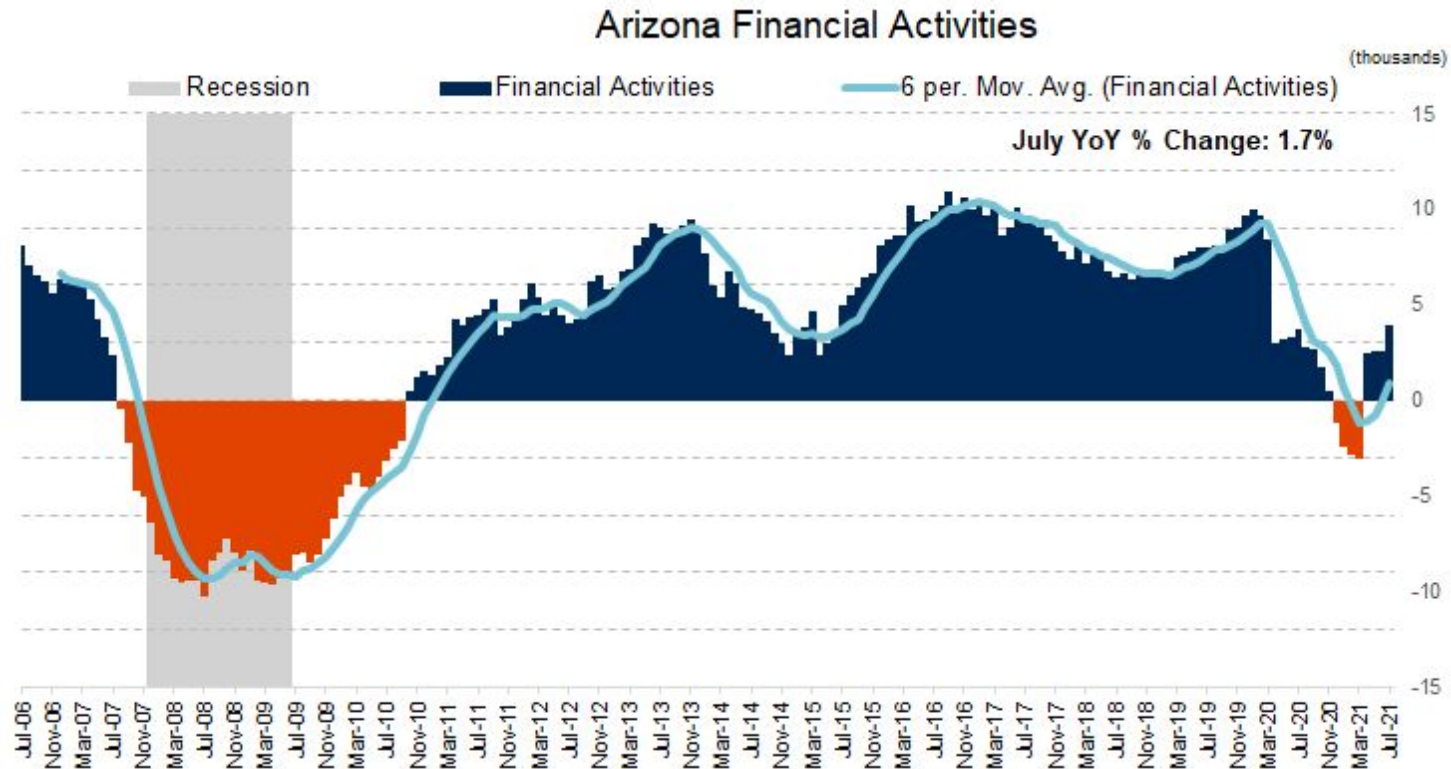
Pre- Pandemic Average ('10-'19): 0 Jobs or -0.1%

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
  - Offices of Real Estate Agents and Brokers
  - Residential Property Managers
  - Other Commercial and Industrial Machinery and Equipment Rental and Leasing

# 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:

- Insurance Carriers lost 2,500 jobs (-3.7%)

## Notable Gains:

- Credit Intermediaries gained 4,500 jobs (4.9%)
- Real Estate and Rental and Leasing gained 1,400 jobs (2.7%)
- Financial Investments and Vehicles gained 500 jobs (2.5%)

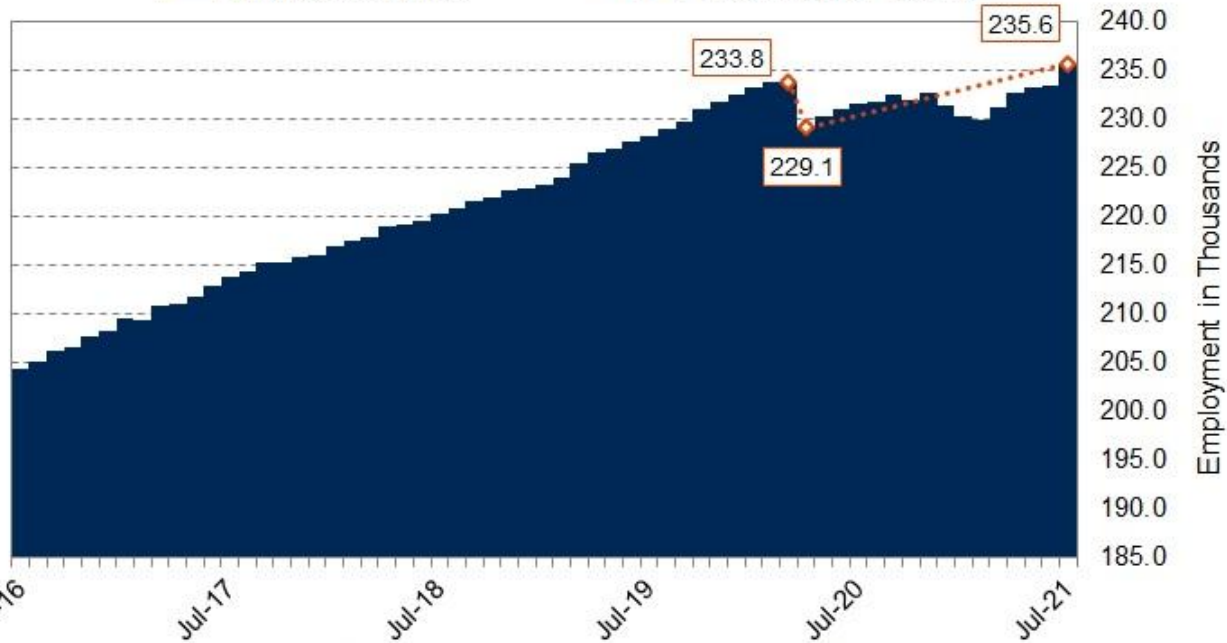
# COVID-19 Pandemic Impact

## Arizona Financial Activities

Seasonally Adjusted

Financial Activities

Peak, Trough, Present

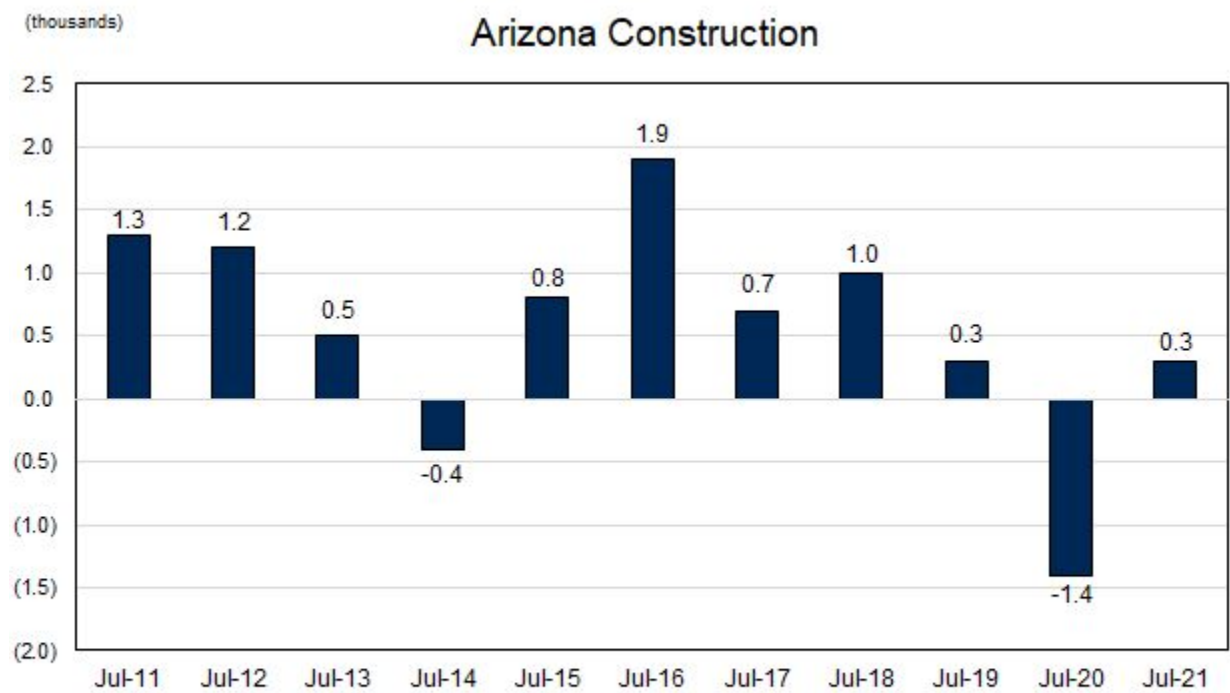


Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

- Since April 2020, 138% (6,500 jobs) of the pandemic job losses have been recovered



# Month-Over-Month Employment Change



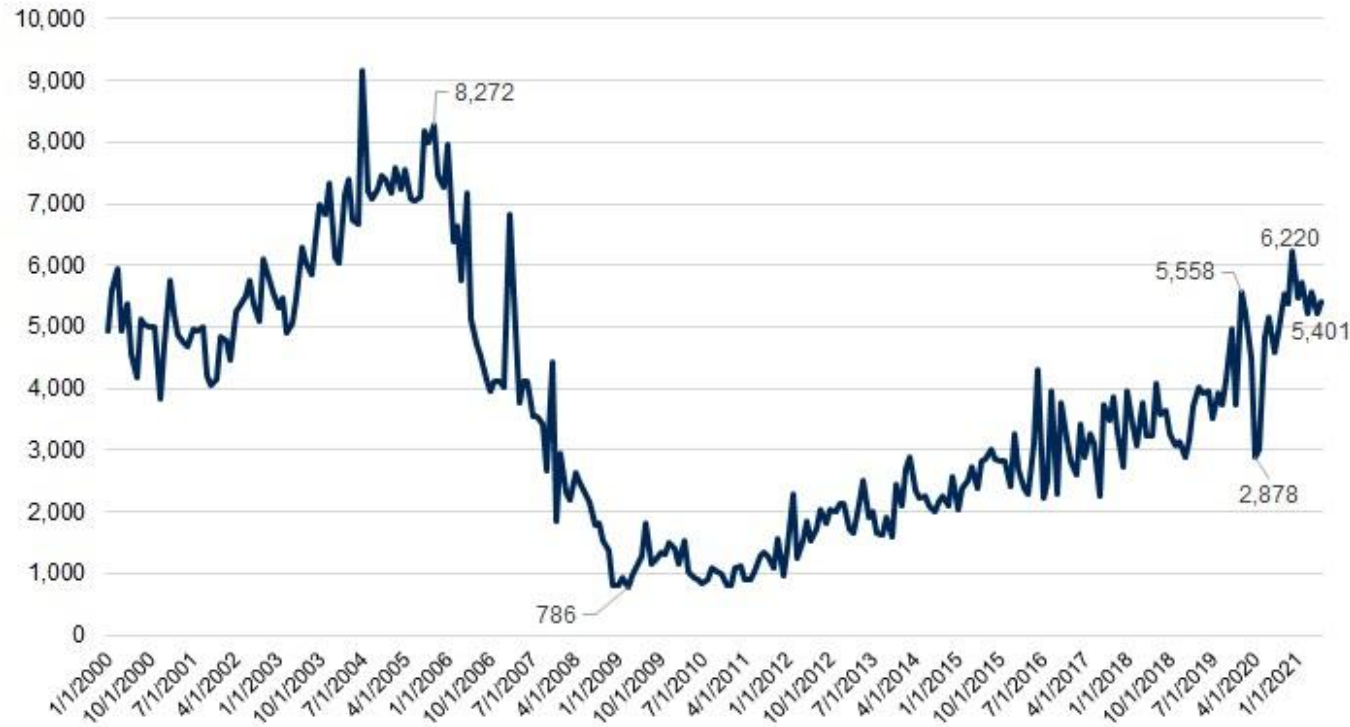
Historic 10-Year Average ('11-'20): 600 Jobs or 0.5%  
Pre- Pandemic Average ('10-'19): 800 Jobs or 0.6%

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

## Highlights:

- Construction of Buildings gained 700 jobs (1.9%)
- Heavy and Civil Engineering lost 300 jobs (-1.4%)
- Specialty Trade Construction lost 100 jobs (-0.1%)

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

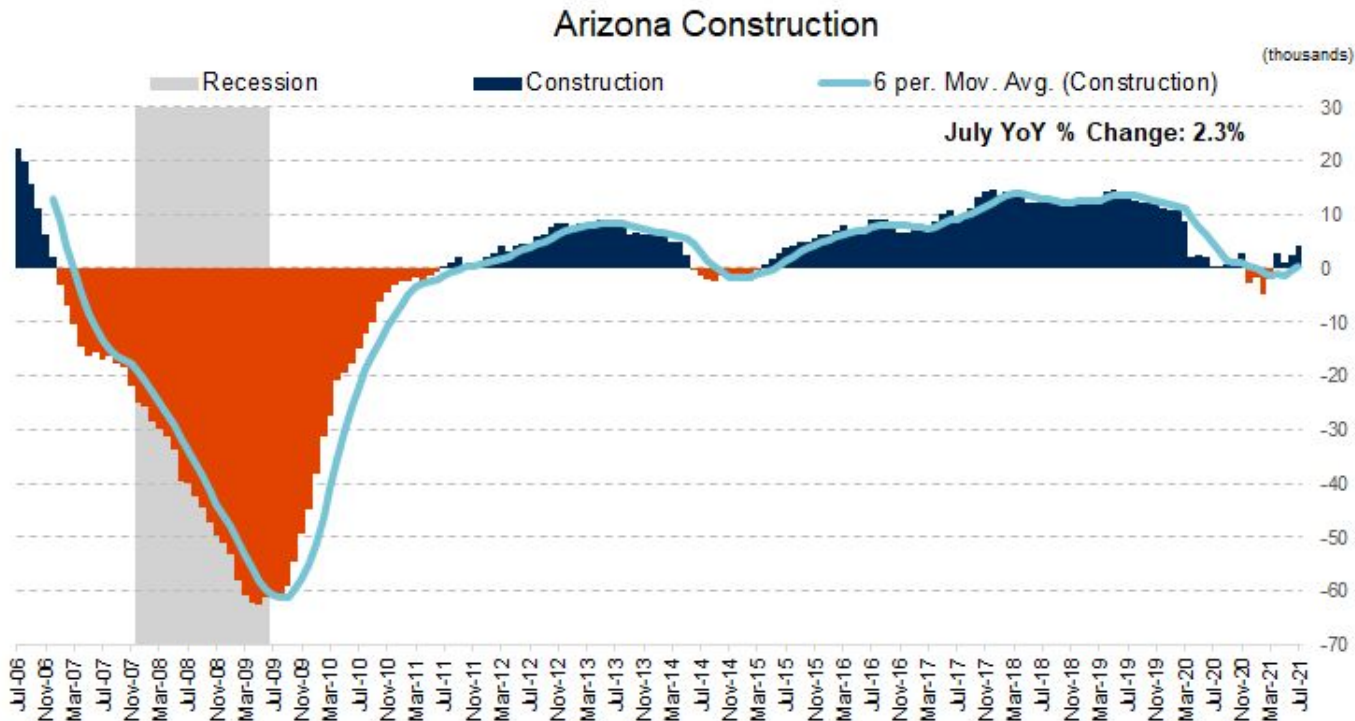


Source: U.S. Census Bureau

## Notable Changes:

- 5,401 building permits were authorized in June 2021, up 543 (11.2%) from June 2020.

# Year-Over-Year Employment Change



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

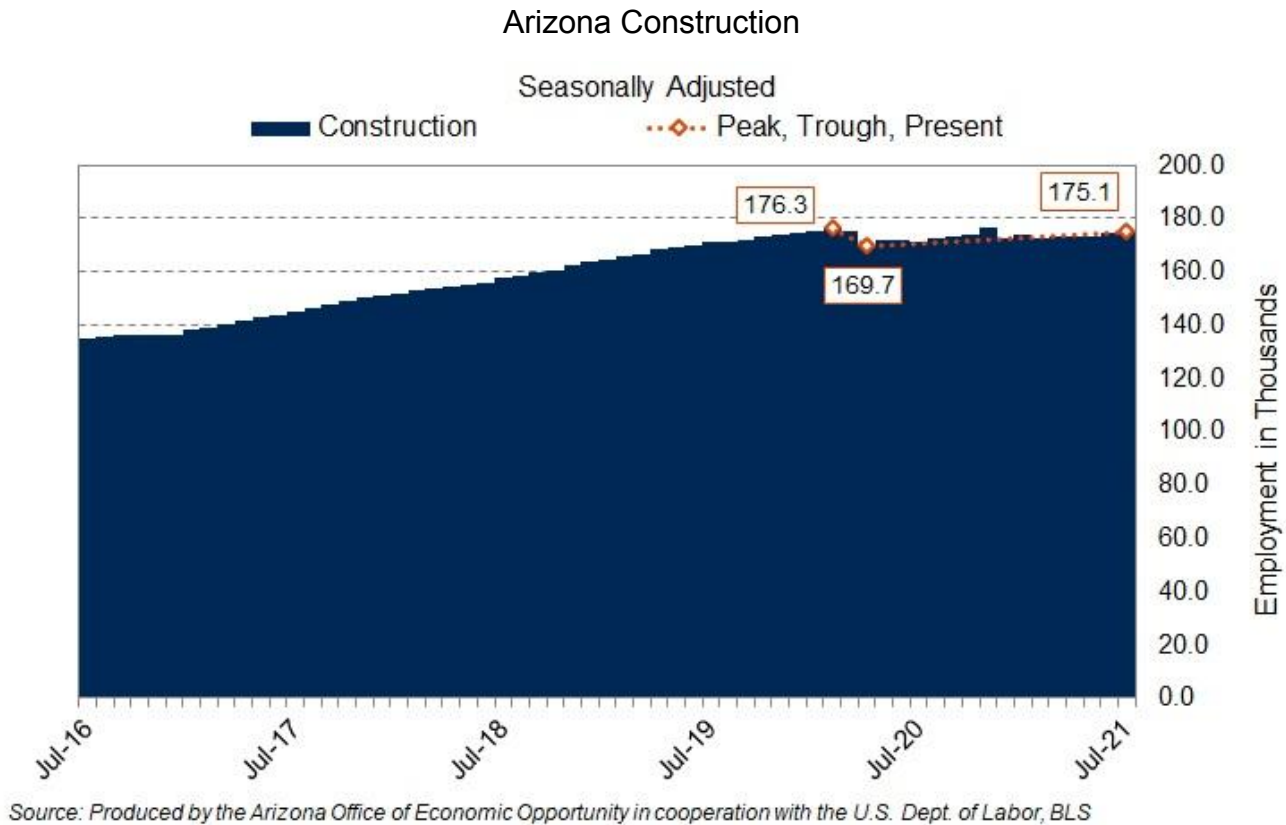
## Notable Loss:

- Heavy and Civil Construction lost 200 jobs (-1.0%)

## Notable Gains:

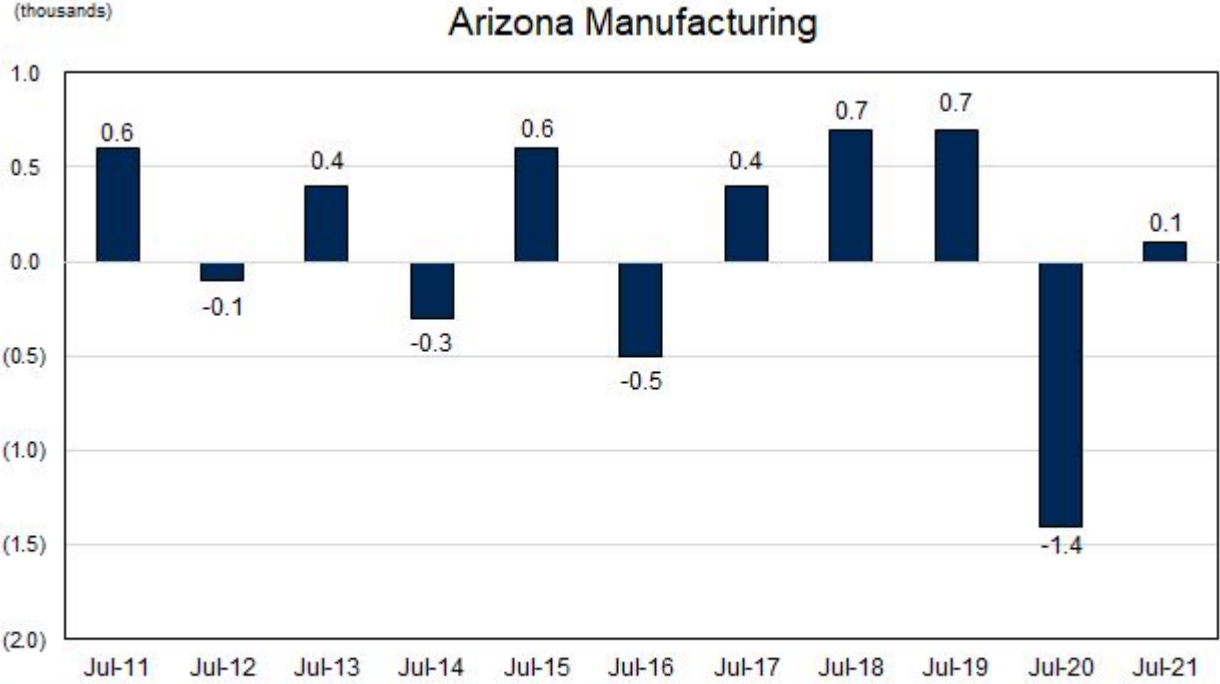
- Construction of Buildings gained 2,600 jobs (7.4%)
- Specialty Trades Construction gained 1,600 jobs (1.4%)

# COVID-19 Pandemic Impact



- Since April 2020, 82% (5,400 jobs) of the pandemic job losses have been recovered

# Month-Over-Month Employment Change



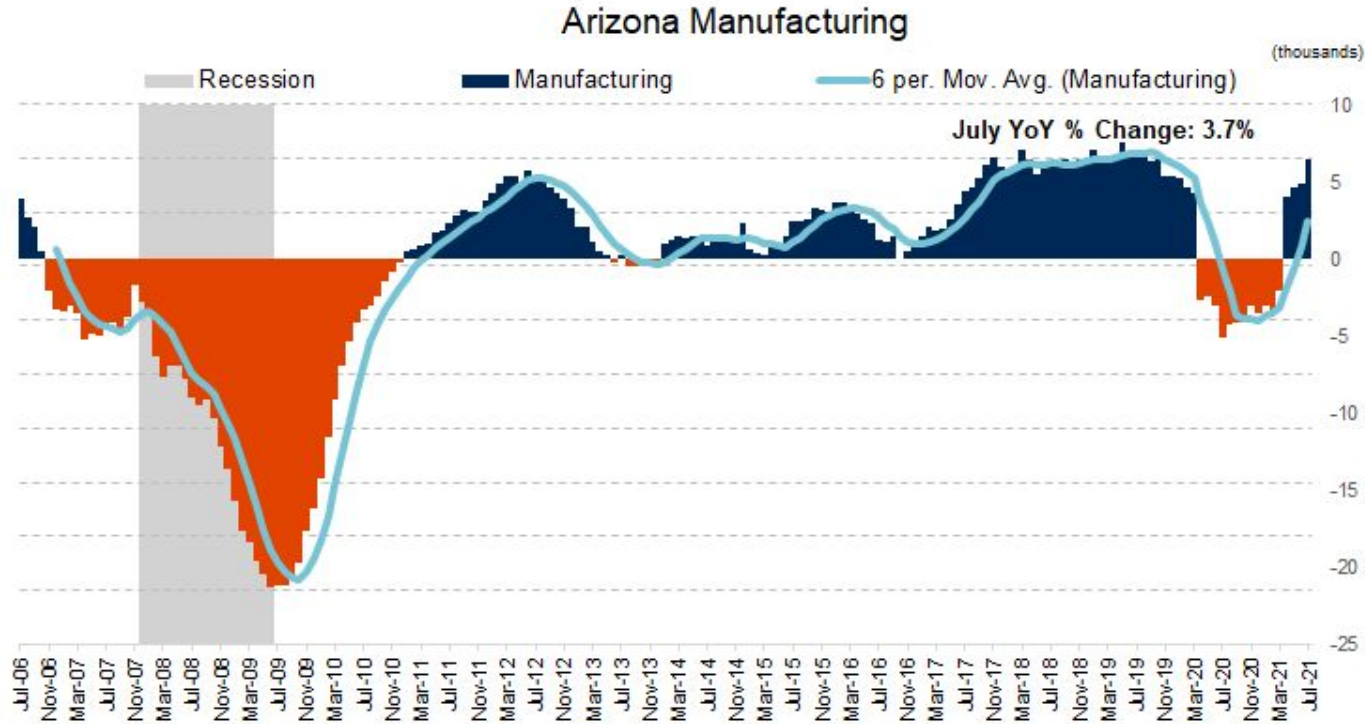
Historic 10-Year Average ('11-'20): 100 Jobs or 0.1%  
Pre- Pandemic Average ('10-'19): 300 Jobs or 0.2%

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

## Highlights:

- Nondurable Goods gained 100 jobs (0.2%)
- Durable Goods job growth remained unchanged

# 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 4,500 jobs (3.4%)
- Nondurable Goods gained 1,900 jobs (4.6%)



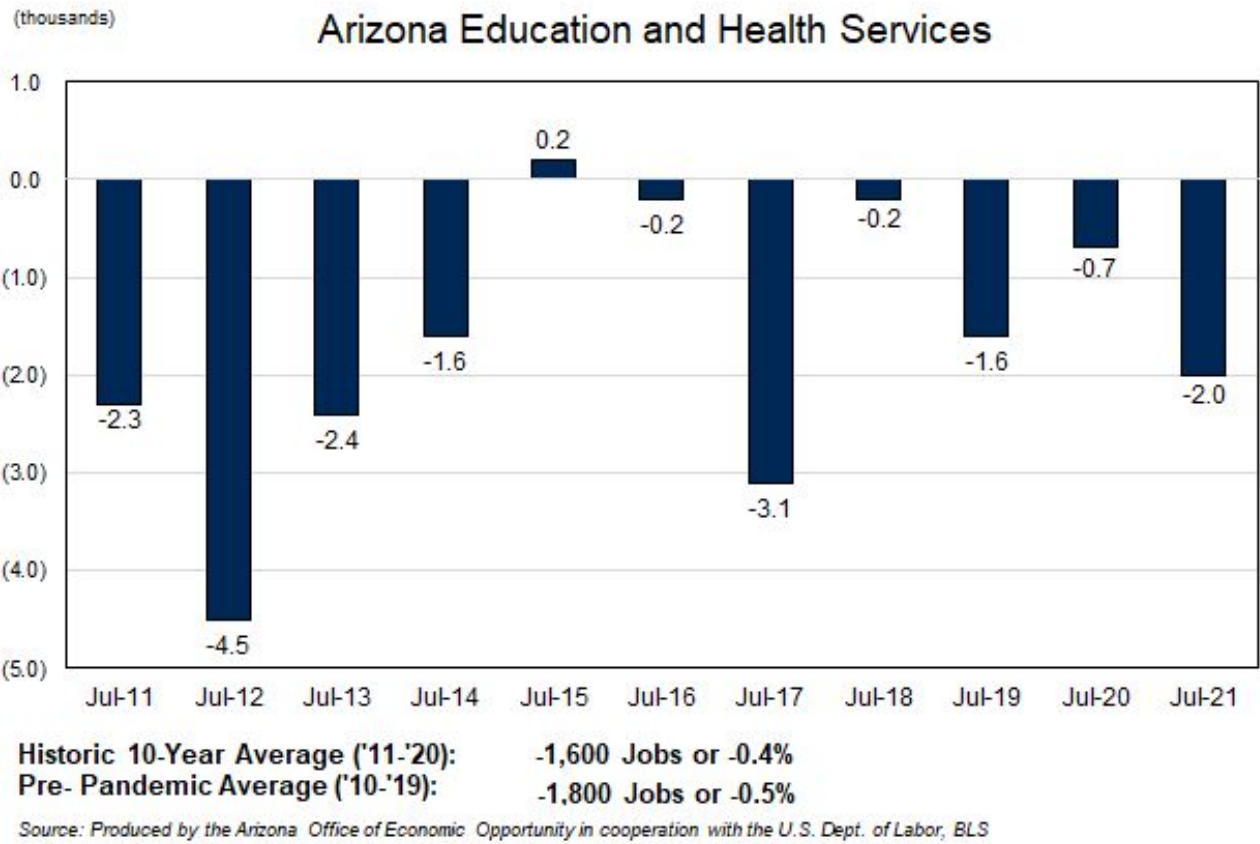
# COVID-19 Pandemic Impact



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

- Since July 2020, 88% (6,600 jobs) of the pandemic job losses have been recovered

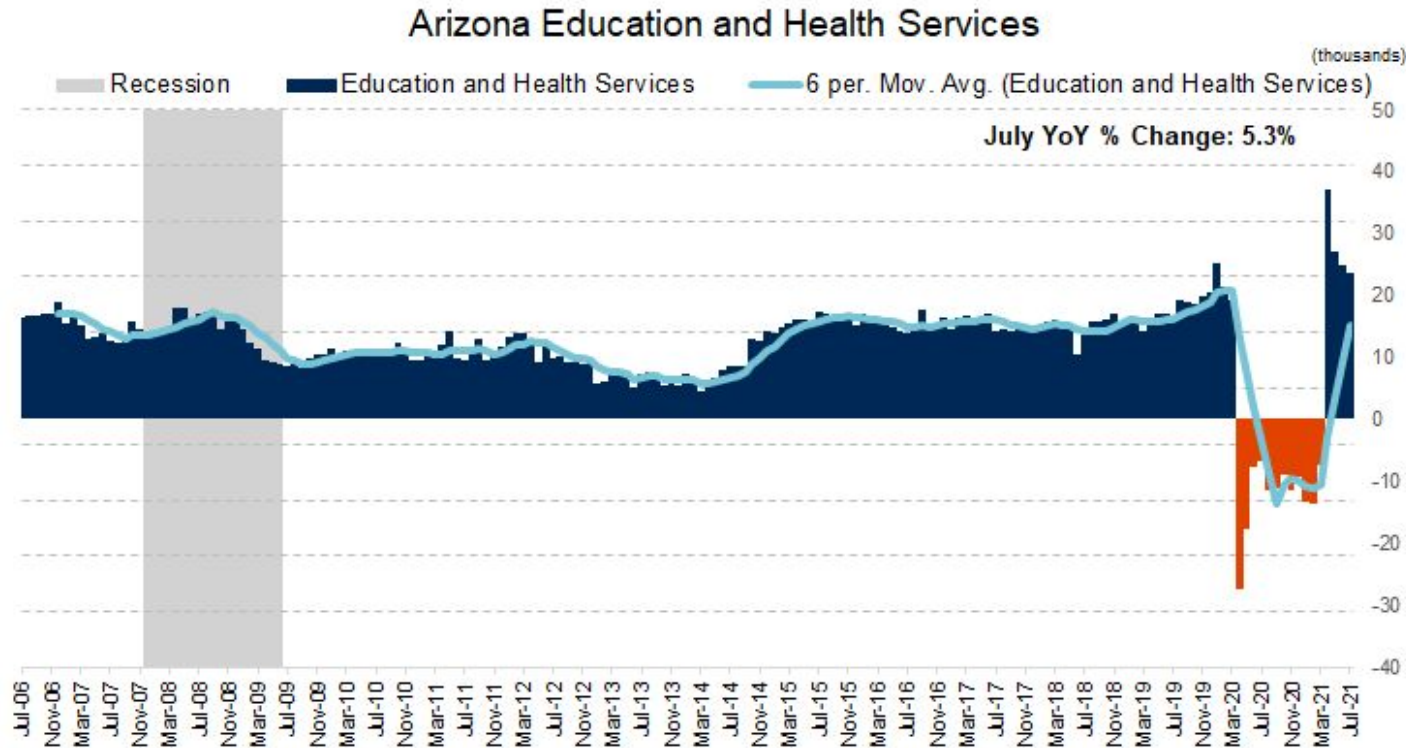
# Month-Over-Month Employment Change



## Highlights:

- Ambulatory Health Services gained 2,400 jobs (1.3%)
- Social Assistance lost 1,000 jobs (-1.7%)
- Hospitals lost 500 jobs (-0.5%)
- Nursing and Residential Care Facilities lost 600 jobs (-1.1%)
- Educational Services lost 2,300 jobs (-3.3%)

# Year-Over-Year Employment Change



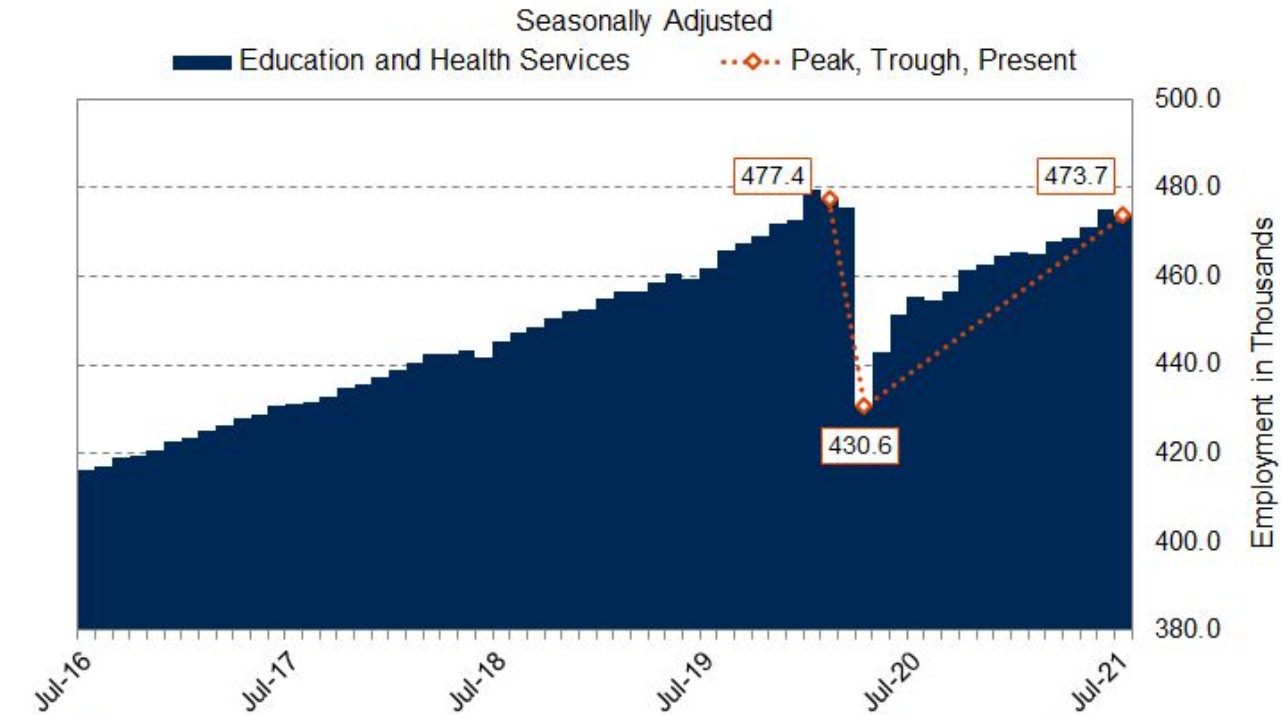
Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

## Notable Gains:

- Ambulatory Health Care Services gained 12,200 jobs (7.0%)
- Educational Services gained 10,900 jobs (19.4%)
- Nursing and Residential Care Facilities gained 600 jobs (1.1%)

# COVID-19 Pandemic Impact

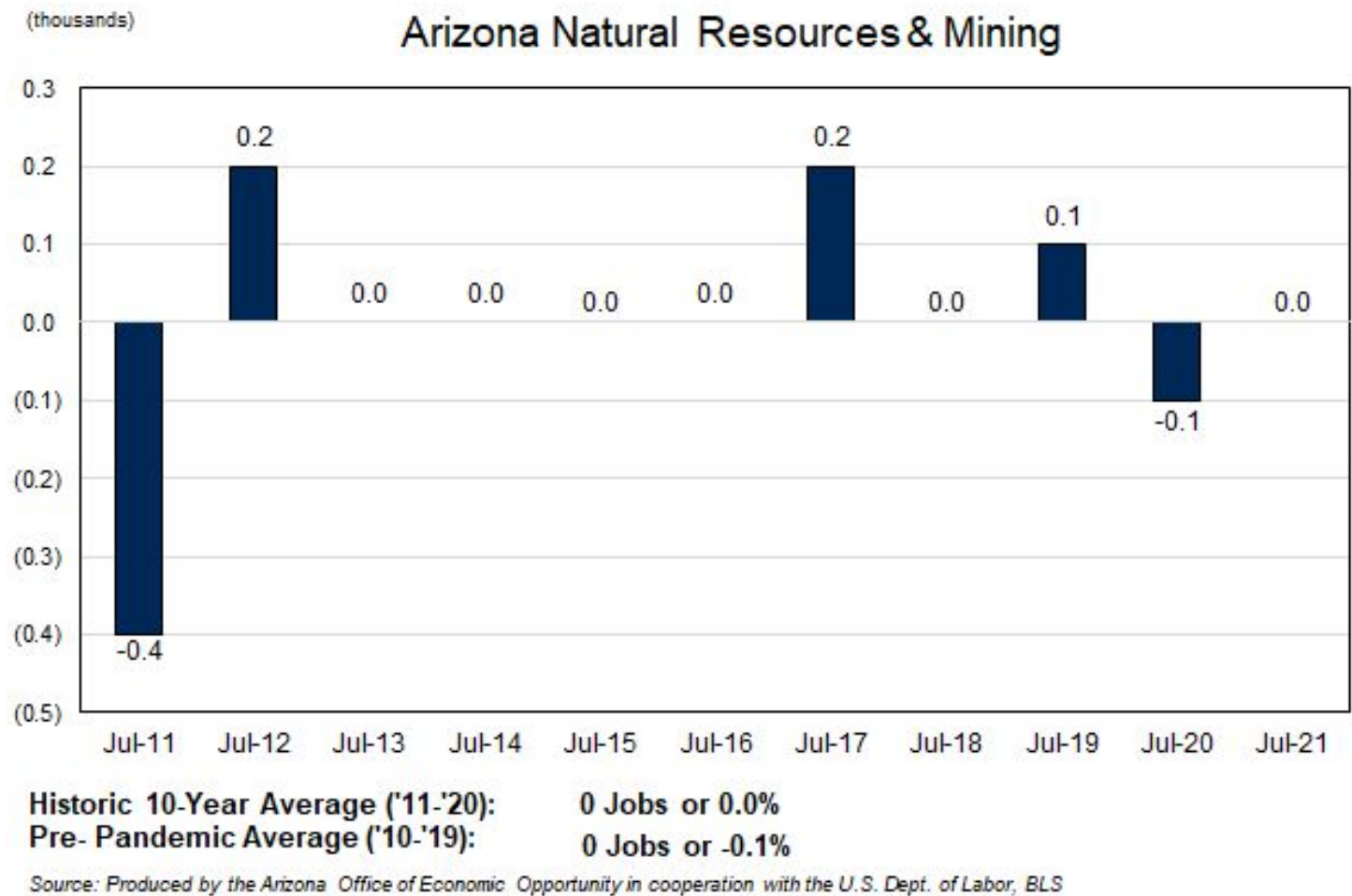
## Arizona Education and Health Services



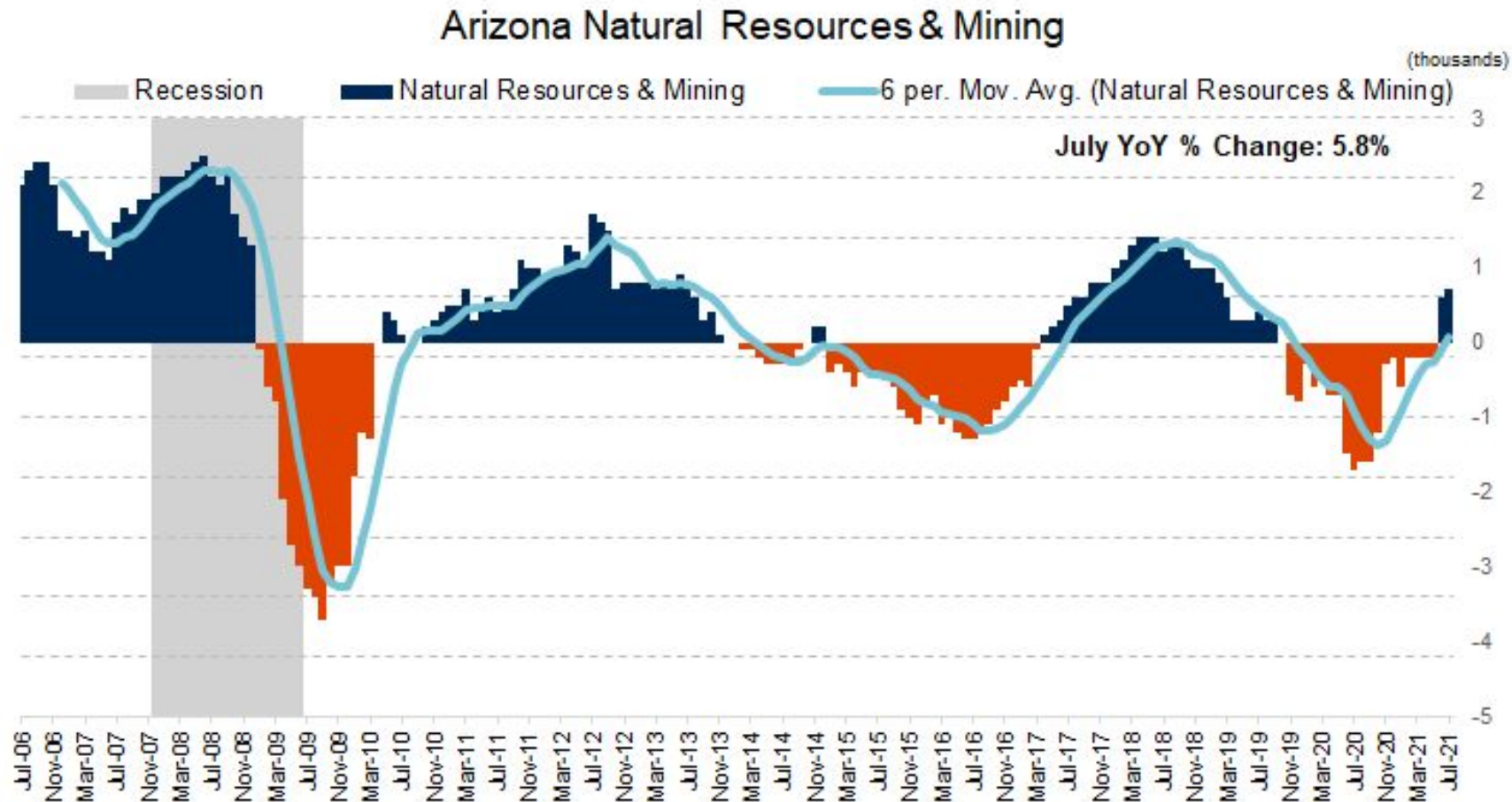
Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

- Since April 2020, 92% (43,100 jobs) of the pandemic job losses have been recovered
  - Healthcare has recovered 103% of jobs lost
  - Educational Services has recovered 59% of jobs lost

# Month-Over-Month Employment Change



# Year-Over-Year Employment Change

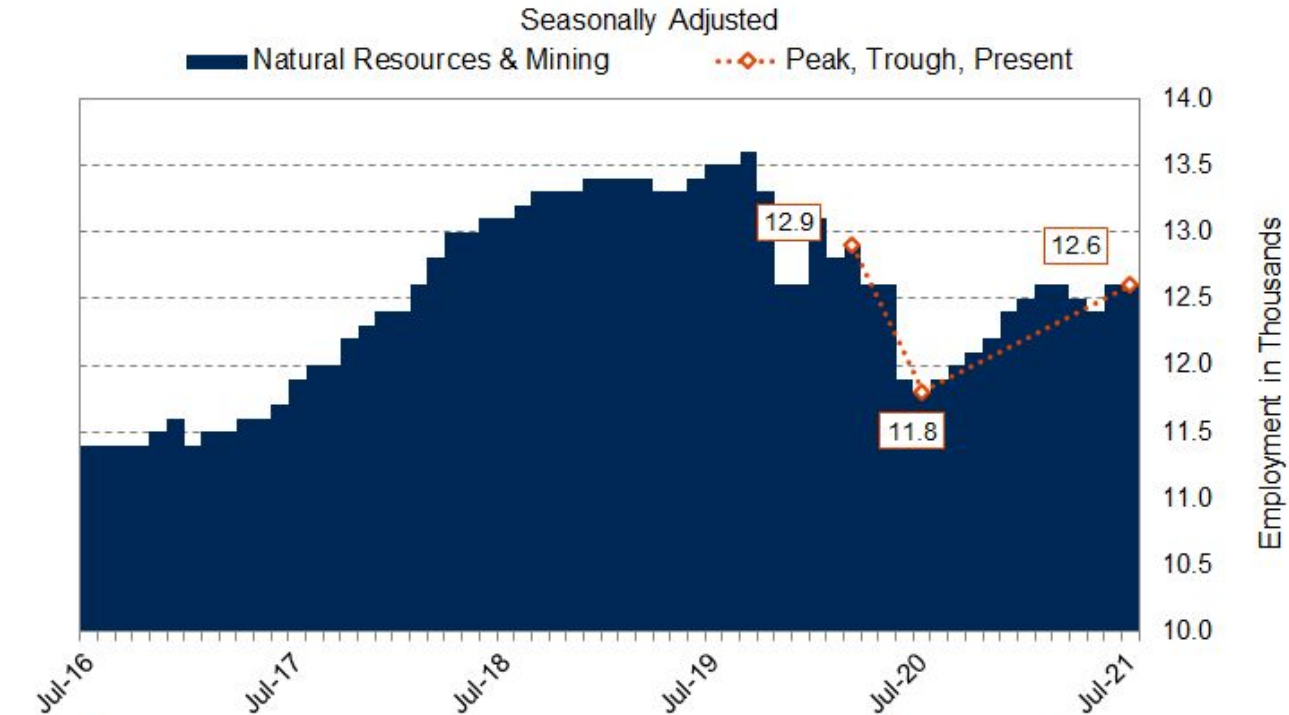


Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS



# COVID-19 Pandemic Impact

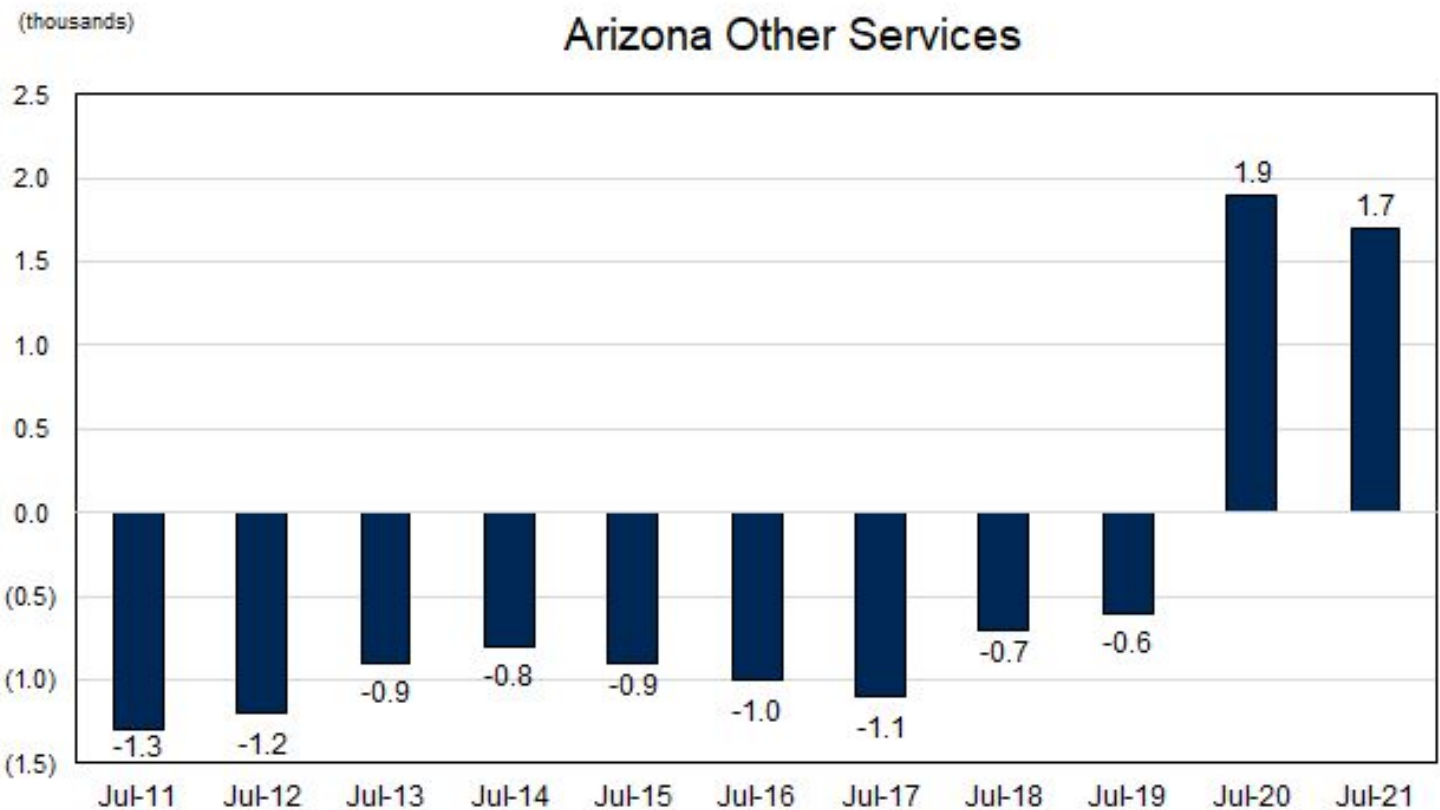
## Arizona Natural Resources & Mining



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

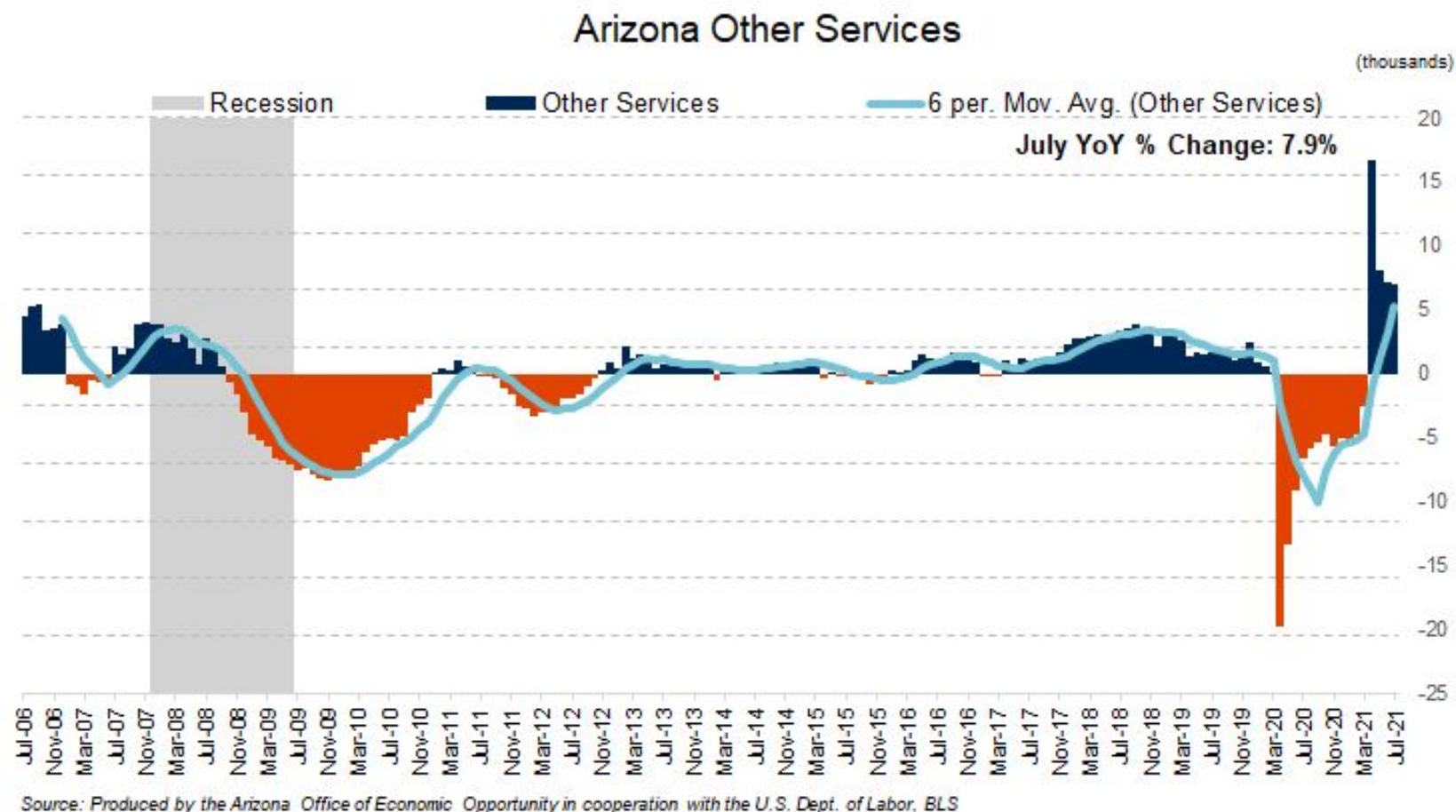


- Gains were recorded within Civic and Social Organizations, among others

Historic 10-Year Average ('11-'20): -700 Jobs or -0.7%  
Pre- Pandemic Average ('10-'19): -1,000 Jobs or -1.1%

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

# Year-Over-Year Employment Change



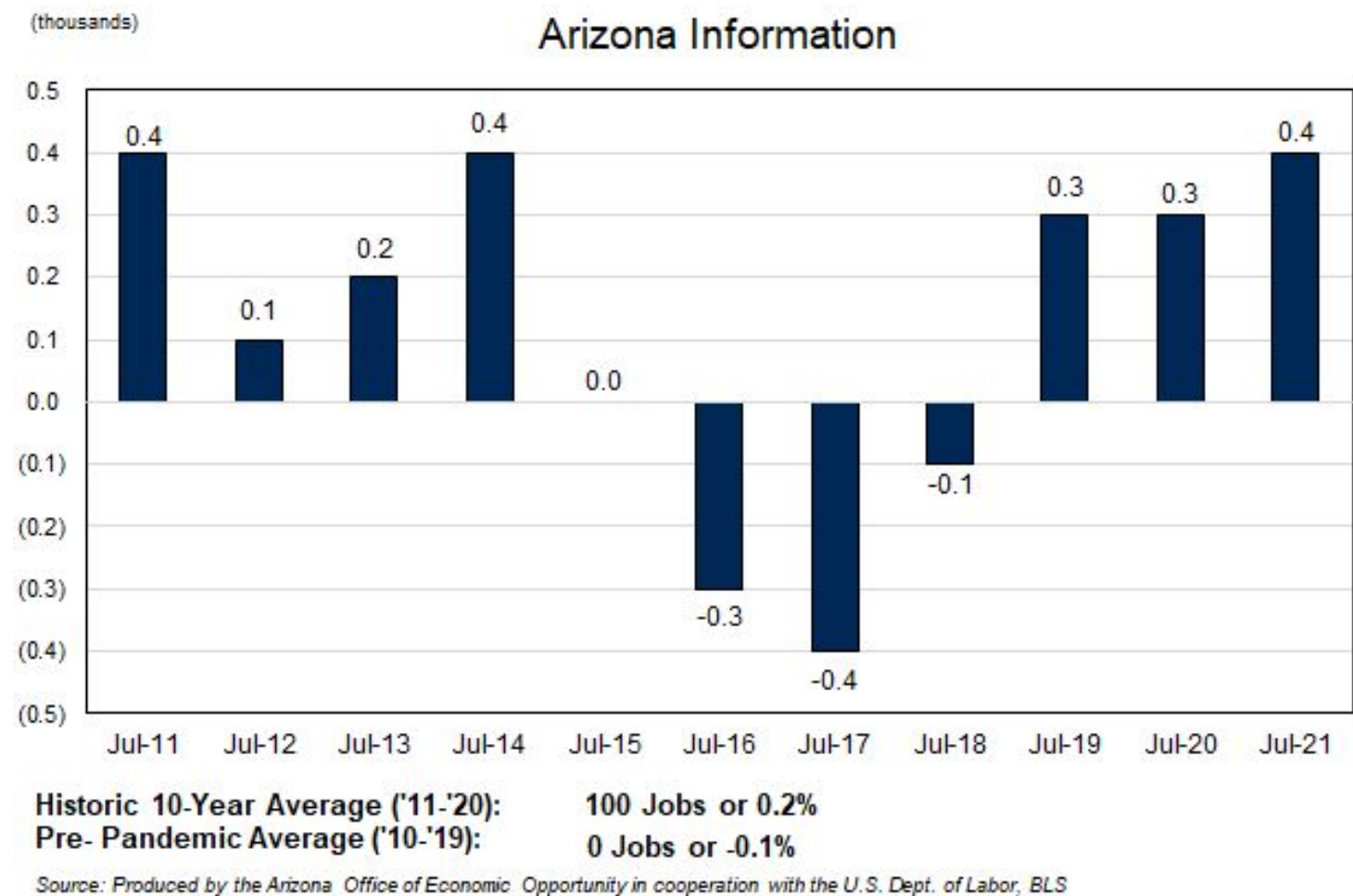
# COVID-19 Pandemic Impact



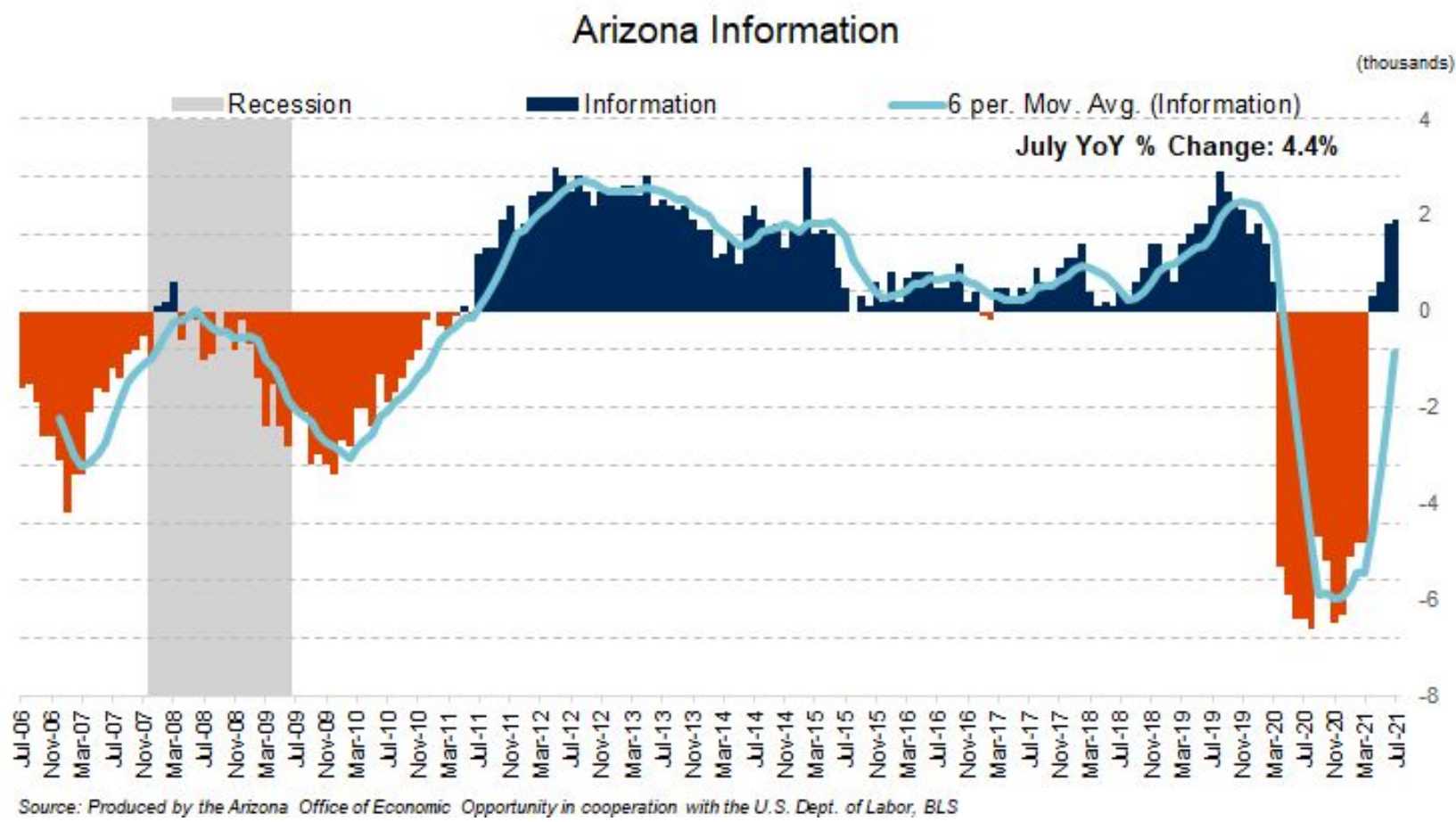
Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, BLS

- Since April 2020, 99% (20,100 jobs) of the pandemic job losses have been recovered

# Month-Over-Month Employment Change



# Year-Over-Year Employment Change





# COVID-19 Pandemic Impact

## Arizona Information



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

- Since June 2020, 32% (2,200 jobs) of the pandemic job losses have been recovered

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

*Seasonally-Adjusted; In Thousands*

Sector	Jobs Lost	Jobs Recovered	Percent Recovered
Trade, Transportation & Utilities	45.8	75.5	165%
Financial Activities	4.6	6.5	141%
Other Services	20.4	20.1	99%
Professional & Business Svcs	37.9	37.2	98%
Education and Health Services	46.8	43.1	92%
Manufacturing	7.2	6.6	92%
Construction	6.6	5.4	82%
Leisure & Hospitality	146.6	119.5	82%
Natural Resources & Mining	1.0	0.8	80%
Information	6.8	2.2	32%
Government	23.5	9.4	40%
Private Sector	321.6	314.8	98%
Total Nonfarm Employment	331.5	310.6	94%

*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*

# U.S. Job Gains and Losses from Feb. '20 to July '21

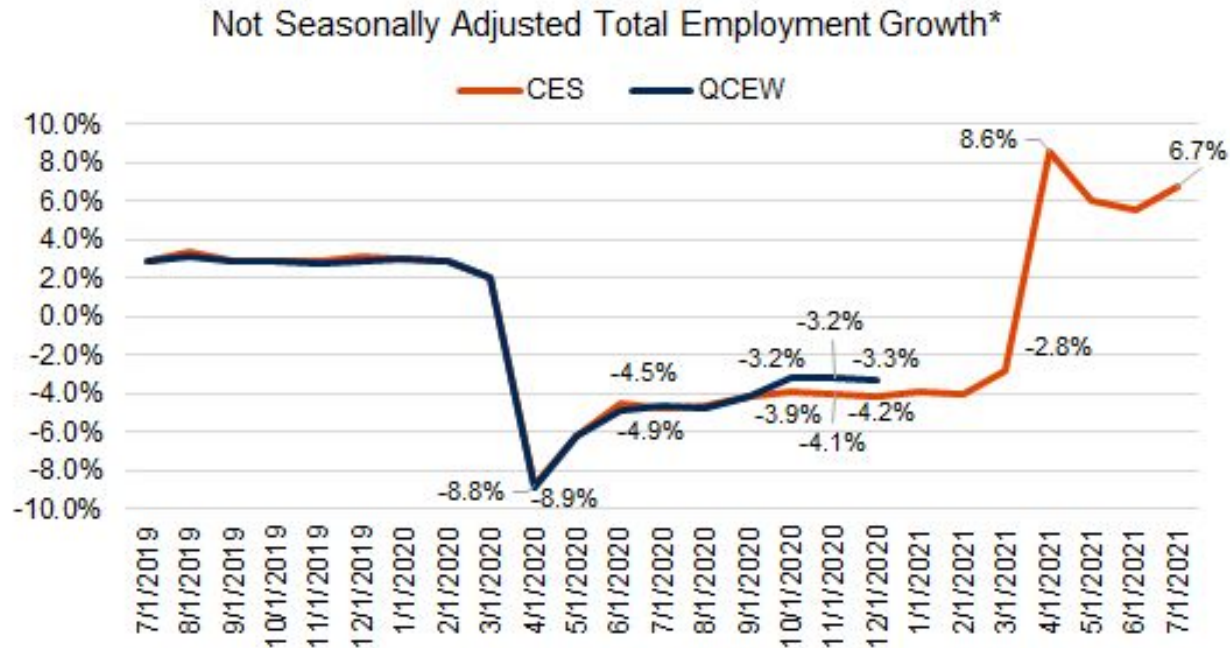
*Seasonally-Adjusted; In Thousands*

Sector	Jobs Lost	Jobs Recovered	Percent Recovered
Trade, Transportation & Utilities	3,363.0	2,858.0	85%
Other Services	1,410.0	1,174.0	83%
Financial Activities	279.0	231.0	83%
Construction	1,113.0	886.0	80%
Leisure & Hospitality	8,224.0	6,487.0	79%
Professional & Business Svcs	2,387.0	1,831.0	77%
Manufacturing	1,385.0	952.0	69%
Education and Health Services	2,843.0	1,890.0	66%
Natural Resources & Mining	101.0	48.0	48%
Information	322.0	150.0	47%
Government	1,521.0	739.0	49%
Private Sector	21,353.0	16,433.0	77%
Total Nonfarm Employment	22,362.0	16,660.0	75%

*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*

# QCEW and CES Employment Comparison



\*Note: QCEW and CES estimates use slightly different definitions to estimate total employment. One-to-one comparisons of QCEW and CES growth are not recommended for official purposes

Source: Arizona Office of Economic Opportunity

- QCEW YoY employment declines from Oct. '20 - Dec. '20 were smaller than CES YoY declines over the same period.
  - QCEW reported declines of 3.2%, 3.2% and 3.3% from Oct. '20 - Dec. '20
  - CES reported declines of 3.9%, 4.1% and 4.2% from Oct. '20 - Dec. '20

# Report Summary

- Month-over-month, Arizona nonfarm employment increased by 6,100 jobs
  - Seven of the eleven major sectors gained jobs
- Year-over-year, Arizona nonfarm employment increased by 6.7%, while U.S nonfarm employment increased by 5.3% YoY
- Arizona nonfarm employment has recovered 94% of the jobs lost during the COVID-19 pandemic, while U.S. nonfarm employment has recovered 75% of the lost jobs
- The Arizona unemployment rate decreased to 6.6% in July 2021 from 6.8% in June 2021
- Month-over-month, the Arizona labor force increased by 9,084 individuals



# Thank You

## Any Questions?

### Upcoming Releases:

September 16, 2021: August Employment Report