ARIZONA'S ECONOMY

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ARIZONA'S ROBUST ECONOMY MAY STRENGTHEN IN 1998

Marshall J. Vest
Forecasting Project Director
March 4, 1998

We've revised our forecasts upward again. Arizona's economy was gaining momentum in last year's second half and strong gains in manufacturing – coupled with a commercial building boom and rising real wages – promise to make 1998 an even stronger year than 1997. The major risk to this sanguine outlook is fallout from the Asian economic bomb, which could short-circuit exports from high-tech sectors.

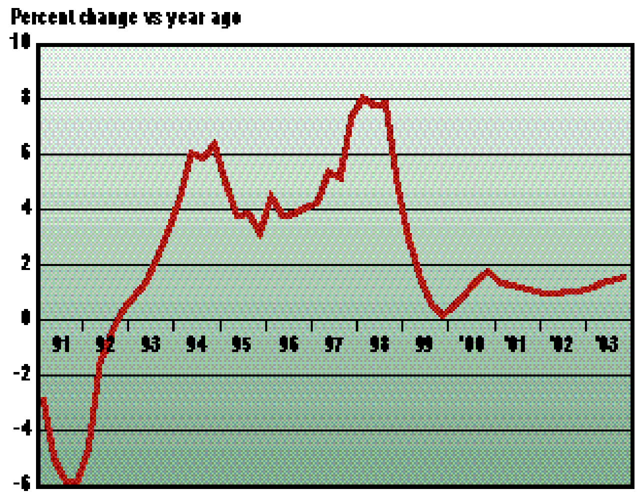
Arizona's economy, along with neighboring Nevada and other states in the Rocky Mountain region, continues to pace the nation on such measures as employment and population growth. Arizona's job growth of 4.5% is second only to Nevada's 6.5% gain during 1997. Utah follows in third place with a 4.2% increase. Arizona also ranks second to Nevada in population growth during the 1990s. During the first seven years of this decade, Arizona's population has swelled by 835,000, an average gain of 2.9% per year. Last year's population gain exceeded 130,000, a 3.0% gain.

Nineteen-ninety-seven marked the fifth consecutive year of growth above long-term averages in Arizona. But rather than slowing down as one might expect, the pace was accelerating as 1997 came to a close.

After a relative lull in the spring of 1997, retail sales gains moved up to a 6.5% annual gain in November (12 months versus 12 months). Consumer confidence remains near its high point for this business cycle, buoyed by rising real wages and an abundance of job opportunities. Those factors plus added discretionary income from mortgage refinancing, promise to keep retail sales growing in the 6.5-7.0% range in 1998. That represents a large real gain, given that consumer inflation remains below two percent.

Nonag job growth accelerated during the second half of 1997, led by a surge in manufacturing jobs, which rose six percent above year-earlier levels. As labor markets continued to tighten, the index of help wanted advertising as measured by the Conference Board rose to new highs. The gains in manufacturing result from the myriad of new plant openings and expansions that were announced over the past 2-3 years. Led by Motorola, Intel, Microchip Technology, Raytheon and a host of other high-tech manufacturers, payrolls in manufacturing are expected to surge by 15,000 during 1998. That's a seven percent increase on top of the 5.5% gain during 1997. With the boost from manufacturing, nonag job growth will accelerate to 5.2%, up from 1997's 4.6% gain. Most of the announced new manufacturing projects will be completed by the end of this year, so in 1999 manufacturing will plateau, thus removing a major source of stimulus **(Exhibit 1)**.

EXHIBIT 1
Manufacturing Job Growth
Arizona



With labor in short supply, especially for certain skills such as computer technology and other high tech jobs, wages are moving up at an annual rate of four percent. Private sector wage gains have consistently exceeded public sector increases for the past three years running. Vigorous demand for workers will push wage gains upward to 5.5% in both 1998 and 1999. Strong employment growth and robust wage gains combine to propel personal income growth to 9.5% in 1998 and 8.8% the following year (see forecast table on page 6).

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EXHIBIT 2

Arizona Merchandise Exports to the World and Asian 10 Countries*, 1993-1996

Dollars

	1993	1995	1996	% Change 1993-96	% Change 1995-96
Total exports to the world	5,785,148,000	8,402,790,000	9,937,766,000	71.8	18.3
Exports to Asian 10 countries	2,265,050,074	3,437,165,257	4,451,637,170	96.5	29.5
Asian 10 exports as % of total	39.20%	40.90%	44.80%		

* *The Asian 10 are China, Hong Kong, Indonesia, Japan, Malaysia, Philippines, Singapore, S. Korea, Taiwan and Thailand.*
Prepared by: Office of Trade and Economic Analysis, International Trade Administration, Dept. of Commerce
Source: Exporter Location Series, Census Bureau

Buoyed by single family homebuilding, the number of units authorized by building permits surged from a 50,000 unit annual rate at mid-year to a 60,000-unit rate, matching the high point for this business cycle set in late 1995. For all of 1997, over 56,000 units were permitted statewide, a gain of 5.5%. Low and falling mortgage rates, coupled with strong job growth, are the reasons for home building's resurgence. During this cycle, the new home market has successfully matched new supply to demand. Since overbuilding is not present and interest rates are likely to fall further, there is every reason to expect homebuilding to match last year's levels in 1998.

This is a very positive outlook as we begin the eighth year of this business expansion. In fact, it is almost too good to be true. What could go wrong with this sanguine outlook?

IMPACT OF EAST ASIA ON ARIZONA EXPORTS

A major risk on the minds of economists is the recent turmoil in financial markets (and economies) of East Asia. Realignment of currencies, which makes U.S. goods much more expensive, coupled with recessions in the Asian countries, could bring about a collapse of U.S. exports to the region. Moreover, a flood of cheap Asian imports promise to make it even more difficult to sell (much less raise prices for) domestic products. As domestic inventories rise, production schedules could be scaled back and workers laid off. Consumer confidence surely would suffer and the economy could slow significantly.

Because exports to East Asia comprise a large portion of its exports, Arizona was recently identified as one of the states most vulnerable to the Asian downdraft. Of Arizona's nearly $10 billion worth of exports in 1996, nearly 45% was destined for one of these Asian countries **(Exhibit 2)**. Moreover, exports to the "Asian 10" have been growing at a much faster rate than the total. In recent years Arizona's exports to the world have been growing at nearly a 20% annual rate, but in 1996, exports to the Asian 10 grew by nearly 30%.

During the first three quarters of 1997, Arizona exports already have surpassed the $10 billion mark, exceeding the total for all of 1997. Since the Asian crisis didn't unfold until the fourth quarter, we are unable to judge its impact as yet. But still, we must ask, "What is Arizona's maximum exposure?" In a "worst-case" scenario, exports to Asia could dry up entirely. Using the rule of thumb that $1 billion of exports supports 15,000 direct jobs, that means nearly 67,000 Arizona jobs could evaporate. To put this in perspective, last year, some 85,000 jobs were created in Arizona. So, if exports to Asian 10 countries were to evaporate, new job growth could be cut by 80%.

Fortunately, not all exports will be cut. During the Mexican crisis of 1994-95, U.S. exports to Mexico fell 8.7% during the year following devaluation of the peso (at the end of 1994), and rose again the following year. In a special study, "The Risk of the Asian Meltdown to U.S. Industries," the WEFA Group assumes that Asian exports decline 10% in 1998, remain at that level in 1999 and then resume growing again in 2000. In WEFA's view, a shock of this magnitude does not precipitate a U.S. recession.

A 10% decline in exports for Arizona means a potential loss of only 6,700 jobs. That is dwarfed by overall job creation and is easily manageable.

Exhibit 3 shows the industries that are important in Arizona. The largest sector by

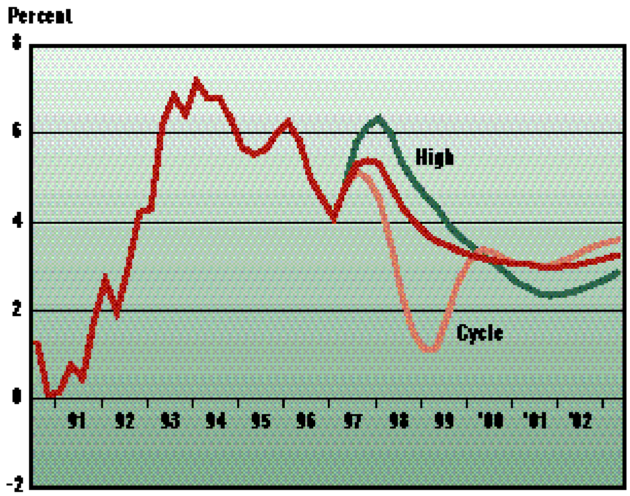
EXHIBIT 3

Arizona Merchandise Exports to Asian 10 Countries* by Industry, 1996 and Projected** Percentage Shock to Industrial Production, 1998-99

		Percent Shock	
	(Dollars)	1998	1999
Exports to Asian 10 Countries	4,451,637,170	-	-
Manufacturers	4,352,281,656	-2.6	-4.2
Primary Metals	263,771,322	-4.8	-7.9
Industrial Machines and Computers	317,600,682	-3.1	-4.8
Electric and Electronic Equipment	3,246,534,684	-4.8	-7.7
Transportation Equipment	210,558,191	-3.2	-4.7
Scientific and Measuring Instruments	108,844,029	-1.7	-3.1
Agricultural and Livestock Products	43,708,603	-	-
Other Commodities	55,646,911	-	-

**The Asian 10 are China, Hong Kong, Indonesia, Japan, Malaysia, Philippines, Singapore, S. Korea, Taiwan and Thailand.*
***The WEFA Group, "The Risk of the Asian Meltdown to U.S. Industries," February 4, 1998.*

EXHIBIT 4
Nonag Job Growth, Arizona



far, “electric & electronic equipment,” accounted for nearly three-quarters ($3.2 billion of $4.5 billion) of the exports to Asian 10 countries in 1996 and is more than ten times larger than the second largest category, “industrial machines & computers.” The shock in percentage terms for this sector, according to WEFA, results in industrial production 4.8% below what would have otherwise occurred in 1998, followed by a hit of 7.7% in 1999. These percentages are calculated as the percent difference in an “Asian shock” simulation from the “baseline” forecast. Applying these percentages to Arizona employment in each sector suggests an impact of less than 6,000 jobs in 1998.

Given the nature of Arizona’s exports, a case can be made that the Asian crisis might increase rather than decrease exports. Exports of electric and electronic equipment – produced by such firms as Motorola, Intel, Microchip Technologies, Sumitomo and a host of others – are components that go into products that are assembled in Asia. As recent declines in Asian currencies lower the cost of Asian products, those countries will export more final goods and that means they’ll need more components.

Our BASE forecast does not explicitly address the Asian crisis, but our CYCLE scenario incorporates potential negative effects. We assume that 7,000 employees are lost in the machinery sector in both 1998 and 1999 and 2,000 in the year 2000 and beyond. An additional 10,000 jobs are subtracted so as to create a “worst case” scenario. That trims a full five percentage points from manufacturing job growth and 0.7 percent from nonag job growth in 1998. In 1999, manufacturing jobs decline by 6.2% and nonag jobs grow by only 1.5%. Outright contraction of the economy is avoided, but by 1999 Arizona would experience the slowest job growth since 1991 **(Exhibit 4)**.

SUB-STATE ANALYSIS

Sub-state analysis continues to be hampered by unreliable employment statistics for counties. The problem stems from a growing number of employers who no longer provide the state with employment and wages paid within each county. These statewide totals are being rolled into one county where the home office is located. For most employers, that is Maricopa County. The effect is to boost reported jobs (and job growth) in the Metro Phoenix area and to seriously understate the data for all outlying counties. In Metro Tucson, for example, job growth over the past three years is reported to be only two percent per year, but in reality, growth is perhaps twice that amount.

The Arizona Legislature is currently considering a bill that will provide the Department of Economic Security with funding to address non-reporting with an outreach program. The proposed effort is similar to the “BEL” Initiative, a pilot program originally funded from federal sources that was allowed to expire three years ago (about the same time as problems began to appear). If funded, it will take a year or longer to get employers reporting once again. And there is some question as to whether the historical data going back to 1994 will ever be revised. In the meantime, analysts will need to look to other measures to judge sub-state economies. $

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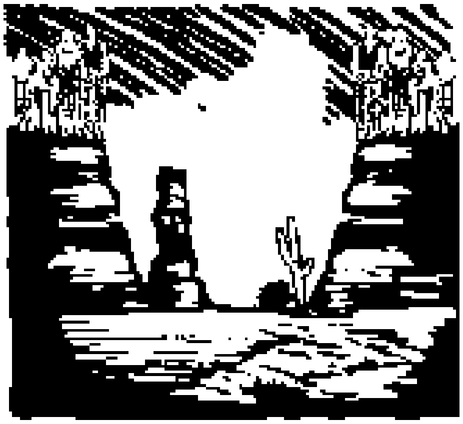

THE WIDENING INCOME GAP: ARE WE GETTING BETTER, OR JUST BIGGER?

By Marshall J. Vest

A new report gives Arizona a poor report card because of a wide income gap and declining real incomes for four-fifths of Arizona's families.

EXHIBIT 1

Average Incomes of Families with Children

(Dollars, annual)

	Bottom Fifth		Middle Fifth		Top Fifth	
	'85-'87	'94-'96	'85-'87	'94-'96	'85-'87	'94-'96
Arizona	11,589	7,273	40,622	32,177	100,795	103,392
California	11,279	9,033	44,268	40,312	110,625	127,719
Colorado	10,281	14,326	42,648	47,797	113,507	131,368
Idaho	9,569	10,721	34,274	39,381	80,004	104,725
Montana	8,088	9,051	34,914	35,332	82,195	89,902
Nevada	10,449	12,276	39,738	43,313	93,288	98,693
New Mexico	8,111	6,408	30,793	29,557	86,111	91,741
Oregon	11,440	9,627	40,848	37,588	92,471	97,589
Utah	13,517	15,709	41,802	44,846	91,826	110,938
Washington	8,868	10,116	40,559	41,277	104,131	112,501
Wyoming	11,578	11,174	44,677	41,073	96,260	94,845
Total U.S.	9,529	9,254	41,111	40,721	101,035	117,499

Source: Pulling Apart: A State-by-State Analysis of Income Trends, Center on Budget and Policy Priorities. 16-Dec-97

The U.S. is enjoying a period of prosperity not seen since the 1960s: seven consecutive years of expansion, record corporate profits, solid gains in productivity, a soaring stock market and near full employment. So why is poverty still rising? And why is the gap between high income and low-income households widening?

A recent study by the Washington, DC-based Center on Budget and Policy Priorities titled, "Pulling Apart: A State-by-State Analysis of Income Trends," provides estimates of the income gap *for individual states.* Arizona does not fare well; it has one of the widest income gaps and the gap is widening faster than in other states. During the mid-1990s, average incomes of the top 20% of families with children were 14 times higher than average income of the bottom 20%. That ranks Arizona fourth among all states. Moreover, the gap grew wider over the past decade. The rich are getting richer and the poor are getting poorer, according to the old saw. Nowhere did the gap widen faster than in Arizona.

The same holds true for the middle fifth. Average incomes of Arizona's top fifth are more than three times the average income for the middle fifth, and that is the second highest gap in the nation. Moreover, during the past decade only one state's gap has widened more (Indiana).

ARIZONA HAS ONE OF THE WIDEST INCOME GAPS AND THE GAP IS WIDENING FASTER THAN IN OTHER STATES... IN ARIZONA, REAL INCOMES OF THE BOTTOM FIFTH FELL BY 37.2% OVER THE DECADE. MIDDLE INCOME FAMILIES SAW THEIR INFLATION-ADJUSTED WAGES FALL BY NEARLY 21%. THOSE ARE THE LARGEST DECLINES OF ANY STATE IN THE NATION.

The data are based on the Census Bureau's *Current Population Survey Public Use Files.* Incomes were adjusted for inflation by using the implicit price deflator for personal consumption expenditures. The figures are based on before-tax incomes for families with at least one child under the age of 18. Comparable periods in the business cycle were used to eliminate business cycle effects. **Exhibit 1** shows average incomes by quintile and year for western states.

Arizona's income gap is wide because the average income for the bottom fifth is one of the lowest in the nation at $7,273. One explanation is Arizona's large Native American population living on reservations, where incomes are extremely low. Additionally, Arizona, New Mexico, California, and Texas all share a border with Mexico and all have wide income gaps. Other major ports of entry for immigrants such as New York and Florida also have wide gaps. One possible explanation is that immigrants from other countries often are willing to work for lower wages than residents, and this puts downward pressure on wages across the skill spectrum, but especially for low-skill jobs.

WHAT ARE THE SOCIAL AND POLITICAL CONSEQUENCES OF A GROWING ECONOMIC DIVISION IN THE POPULATION? WHAT CAN BE DONE TO REVERSE THESE TRENDS? THESE ARE QUESTIONS THAT BOTH POLICY MAKERS AND ECONOMISTS NEED TO ADDRESS IN FURTHER STUDY.

EXHIBIT 2

Change in Average Incomes of Families with Children from Mid-80s to Mid-90s

(Dollars, annual)

	Bottom Fifth		Middle Fifth		Top Fifth	
	Dollars	Percent	Dollars	Percent	Dollars	Percent
Arizona	(4,316)	(37.2)	(8,445)	(20.8)	2,597	2.6
California	(2,246)	(19.9)	(3,956)	(8.9)	17,094	15.5
Colorado	4,045	39.3	5,149	12.1	17,861	15.7
Idaho	1,152	12.0	5,107	14.9	24,721	30.9
Montana	963	11.9	418	1.2	7,707	9.4
Nevada	1,827	17.5	3,575	9.0	5,405	5.8
New Mexico	(1,703)	(21.0)	(1,236)	(4.0)	5,630	6.5
Oregon	(1,813)	(15.8)	(3,260)	(8.0)	5,118	5.5
Utah	2,192	16.2	3,044	7.3	19,112	20.8
Washington	1,248	14.1	718	1.8	8,370	8.0
Wyoming	(404)	(3.5)	(3,604)	(8.1)	(1,415)	(1.5)
Total U.S.	(275)	(2.9)	(390)	(0.9)	16,464	16.3

Source: Pulling Apart: A State-by-State Analysis of Income Trends, Center on Budget and Policy Priorities. 16-Dec-97

IS ARIZONA THE ELLIS ISLAND OF THE SOUTHWEST? DOES THE TIDE OF NEW IMMIGRANTS (MANY WITH LOW SKILLS) SWAMP GAINS FROM THE CREATION OF HIGH-PAYING JOBS, SO THAT REAL ECONOMIC GAINS ARE WASHED AWAY?

A large gap between low and high-income groups is not in-and-of itself worrisome as long as incomes are rising, i.e., a rising tide lifts all boats. However, this is not the case nationwide and definitely not in Arizona.

Exhibit 2 shows the change in average incomes in dollars and percentages for these groups over the past decade. In Arizona, real incomes of the bottom fifth fell by 37.2% over the decade. Middle income families saw their inflation-adjusted wages fall by nearly 21%. Those are the largest declines of any state in the nation. In Arizona, 80% of families with children experienced declining real wages from the mid-80's to the mid-90's. Only the top fifth saw incomes rise. Even so, the richest fifth in Arizona saw a miniscule increase of only three percent over the decade. Compared to other Western states, only two experienced a smaller increase (Wyoming saw a decline of 1.5%). These are sobering statistics that suggest a significant decline in living standards for most Arizona families.

Why has Arizona fared so poorly during the past decade? What are the social and political consequences of a growing economic division in the population? What can be done to reverse these trends? These are questions that both policy makers and economists need to address in further study.

The report clearly calls into question the theory that rapid growth raises living standards. That may be working in Nevada, the nation's fastest-growing state, and in Utah (#3) but not for number two, Arizona. Is Arizona the Ellis Island of the southwest? Does the tide of new immigrants (many with low skills) swamp gains from the creation of high-paying jobs, so that real economic gains are washed away?

It is possible, of course, that these data are just plain wrong. The public use *sample* is a sample after all and is subject to sampling variation. It is routinely criticized by researchers as suffering from small sample sizes (only 250 in Arizona) and faulty samples that do not represent the entire population. So, it could be that this data is not representative, and that incomes for the entire population grew much more rapidly in actuality. Other data sources must be examined to either validate or refute the findings of this study before the results are taken too seriously. We hope to revisit this topic in a future issue of *Arizona's Economy*. $

Forecasts for Arizona	1997	1998	1999	2000	2001	2002	2003
Personal Income ($ mill)	102,845.0	112,641.1	122,533.7	132,295.5	141,997.7	152,123.6	162,762.6
percent change	8.7	9.5	8.8	8.0	7.3	7.1	7.0
Per Capita Personal Income	22,537.8	24,008.1	25,397.4	26,727.2	27,998.9	29,296.5	30,628.0
percent change	5.5	6.5	5.8	5.2	4.8	4.6	4.5
Aggregate Retail Sales ($ mill)*	42,666.8	45,328.2	48,367.5	51,187.9	54,037.0	57,095.2	60,254.2
percent change	5.6	6.2	6.7	5.8	5.6	5.7	5.5
Population (000s, mid-year)	4,563.2	4,691.8	4,824.7	4,949.8	5,071.5	5,192.6	5,314.2
percent change	3.0	2.8	2.8	2.6	2.5	2.4	2.3
Net Migration (000s)	89.9	90.6	87.7	81.0	79.0	78.6	80.1
Wage & Salary Employment (000s)	1,989.0	2,092.6	2,174.6	2,246.5	2,315.7	2,384.8	2,460.1
percent change	4.6	5.2	3.9	3.3	3.1	3.0	3.2
Goods-Producing	355.5	376.1	380.1	383.2	385.9	389.6	395.4
percent change	3.4	5.8	1.1	0.8	0.7	0.9	1.5
Construction	128.7	133.8	134.9	135.2	135.4	136.9	139.5
percent change	0.3	4.0	0.8	0.2	0.1	1.1	1.9
Manufacturing	212.4	227.5	230.3	233.0	235.6	237.8	241.0
percent change	5.5	7.1	1.3	1.1	1.1	0.9	1.4
Service-Providing	1,633.5	1,716.5	1,794.5	1,863.4	1,929.8	1,995.2	2,064.7
percent change	4.9	5.1	4.5	3.8	3.6	3.4	3.5
Trade (Wholesale & Retail)	483.0	505.6	527.6	546.9	565.5	583.9	602.5
percent change	4.1	4.7	4.4	3.6	3.4	3.3	3.2
Services	599.8	640.3	681.1	719.8	757.1	793.9	832.8
percent change	6.6	6.7	6.4	5.7	5.2	4.9	4.9

Forecasts for Phoenix-Mesa Metro Area	1997	1998	1999	2000	2001	2002	2003
Personal Income ($ mill)	71,479.2	77,683.8	83,580.4	89,535.4	95,789.9	102,323.6	109,277.1
percent change	10.1	8.7	7.6	7.1	7.0	6.8	6.8
Per Capita Personal Income	25,146.9	26,481.8	27,678.5	28,886.8	30,147.5	31,429.0	32,763.9
percent change	6.5	5.3	4.5	4.4	4.4	4.3	4.2
Aggregate Retail Sales ($ mill)*	29,053.1	30,782.2	33,071.5	35,132.3	37,291.6	39,553.7	41,968.0
percent change	6.5	6.0	7.4	6.2	6.1	6.1	6.1
Population (000s, mid-year)	2,842.5	2,933.5	3,019.7	3,099.5	3,177.4	3,255.7	3,335.3
percent change	3.4	3.2	2.9	2.6	2.5	2.5	2.4
Net Migration (000s)	67.3	63.2	57.3	50.3	47.8	47.8	48.6
Wage & Salary Employment (000s)	1,391.1	1,461.5	1,512.3	1,551.3	1,590.6	1,629.6	1,672.4
percent change	5.9	5.1	3.5	2.6	2.5	2.4	2.6
Goods-Producing	270.5	286.9	290.6	289.3	289.6	291.3	295.2
percent change	6.4	6.0	1.3	-0.4	0.1	0.6	1.3
Construction	95.8	99.7	99.9	98.8	98.0	98.5	100.5
percent change	6.2	4.1	0.2	-1.1	-0.8	0.5	2.0
Manufacturing	167.1	179.5	183.1	182.9	183.9	185.1	187.0
percent change	6.1	7.5	2.0	-0.1	0.6	0.6	1.0
Service-Providing	1,120.6	1,174.6	1,221.7	1,262.0	1,301.0	1,338.3	1,377.3
percent change	5.8	4.8	4.0	3.3	3.1	2.9	2.9
Trade (Wholesale & Retail)	337.2	349.2	360.9	371.2	381.0	390.4	400.0
percent change	3.9	3.6	3.3	2.9	2.6	2.5	2.5
Services	433.1	458.9	485.2	508.3	529.6	550.0	570.7
percent change	7.6	6.0	5.7	4.8	4.2	3.9	3.8

Forecasts for Tucson Metro Area	1997	1998	1999	2000	2001	2002	2003
Personal Income ($ mill)	17,106.0	18,215.3	19,444.9	20,828.8	22,244.9	23,666.5	25,113.3
percent change	7.7	6.5	6.8	7.1	6.8	6.4	6.1
Per Capita Personal Income	21,471.7	22,306.8	23,249.7	24,353.5	25,461.3	26,547.3	27,631.7
percent change	5.0	3.9	4.2	4.7	4.5	4.3	4.1
Aggregate Retail Sales ($ mill)*	6,863.9	7,162.5	7,621.6	8,100.1	8,592.9	9,085.9	9,578.1
percent change	4.6	4.4	6.4	6.3	6.1	5.7	5.4
Population (000s, mid-year)	796.7	816.6	836.3	855.3	873.7	891.5	908.9
percent change	2.5	2.5	2.4	2.3	2.2	2.0	1.9
Net Migration (000s)	15.1	15.3	15.1	14.1	13.5	12.8	12.3
Wage & Salary Employment (000s)	323.9	336.8	348.6	359.1	369.3	378.2	387.2
percent change	3.9	4.0	3.5	3.0	2.8	2.4	2.4
Goods-Producing	51.3	53.7	55.6	57.2	58.5	59.5	60.3
percent change	3.5	4.6	3.5	2.9	2.3	1.7	1.4
Construction	19.7	20.2	21.1	21.9	22.7	23.1	23.5
percent change	-0.1	2.2	4.4	4.1	3.4	2.1	1.4
Manufacturing	29.1	30.9	31.6	32.1	32.6	33.1	33.6
percent change	5.9	6.2	2.2	1.8	1.6	1.4	1.4
Service-Providing	272.6	283.1	293.0	301.9	310.8	318.7	326.9
percent change	4.0	3.9	3.5	3.1	2.9	2.6	2.6
Trade (Wholesale & Retail)	69.9	71.3	73.5	75.7	77.7	79.6	81.3
percent change	1.3	2.0	3.1	2.9	2.7	2.4	2.1
Services	102.8	108.9	114.8	120.2	125.5	130.3	135.2
percent change	5.9	5.9	5.5	4.7	4.4	3.8	3.8

** Aggregate Retail Sales includes retail, food, restaurant & bars and gasoline sales.*

Source: Economic and Business Research Program, Karl Eller Graduate School of Management, College of Business and Public Administration, The University of Arizona

Business Basics

Increasing Employee Value

A New Certificate Program
College of Business and Public Administration
The University of Arizona

A two-week concentrated program for employees who hold a degree in an area other than business. The curriculum includes short courses in fundamental business topics that will be integrated through the use of team projects and business simulations. Topics to be addressed include:

- money and finance
- marketing
- management information systems
- time management
- principles of teamwork
- accounting
- economics
- oral and written communication
- organizational structure
- business process design

Business Basics provides employees who lack a business background with the tools necessary to succeed in a business environment. The intent is to build upon a non-business education by means of intensive business training. The experience, understanding, and vocabulary gained as a result of the program will enhance the participants' value to their employers and increase their long-term potential.

For more information:

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	SEP 97	OCT 97	NOV 97	DEC 97	JAN 98	% change versus year ago for: most recent month	most recent 12-months
YUMA METROPOLITAN REGION							
Civilian Labor Force, ADES	71,725	68,000	67,900	63,625	58,775	-7.3	-3.2
Employment	47,725	50,175	51,525	51,300	48,575	-2.7	2.9
Unemployment	24,000	17,825	16,375	12,325	10,200	-24.4	-16.5
Unemployment Rate (%)	33.5	26.2	24.1	19.4	17.4	-18.5	-13.6
Employees on Nonagricultural Payrolls, ADES							
Total	37,400	37,800	38,900	39,400	39,100	4.0	4.4
Mining	0	0	0	0	0	...	...
Construction	2,000	2,200	2,300	2,300	2,600	23.8	9.4
Manufacturing	1,600	1,700	1,700	1,700	1,800	12.5	3.1
Trans., Comm. & Publ. Util.	1,900	2,100	2,100	2,200	1,700	-10.5	5.0
Trade	10,800	11,200	11,800	12,300	12,300	2.5	1.0
Finance, Ins. & Real Estate	1,100	1,200	1,200	1,200	1,200	9.1	-4.2
Services	9,300	9,700	9,900	10,000	9,100	1.1	9.9
Government	9,600	9,700	9,900	9,700	10,400	5.1	2.7
Sales ($000s) ADOR							
Gross Retail	64,026	71,791	84,097	99,088	...	6.8	10.3
Retail	50,787	58,001	67,776	81,929	...	5.5	11.5
Restaurants & Bar	6,475	6,285	8,559	8,508	...	11.0	8.7
Gasoline, EBR	6,764	7,505	7,762	8,651	...	16.5	3.6
Gallons (000s) ADOT	5,089	5,698	5,975	6,853	...	7.1	2.0
Contracting	16,875	15,191	16,542	17,225	...	57.0	20.0
Value of Construction Contract Awards ($000s) F.W. Dodge							
Total	24,231	11,340	7,543	6,381	15,401	150.9	48.7
Residential Building	6,929	6,865	5,972	5,122	3,950	-17.2	-9.0
Non-Residential Building	5,446	2,303	1,571	958	10,289	787.0	201.0
Non-Building	11,856	2,172	0	301	1,162	450.7	9.7
Number of Dwelling Units Awarded, F.W. Dodge							
Total	83	93	68	64	49	-18.3	-13.8
One Family Houses	80	93	68	64	49	-18.3	1.6
MOHAVE-LA PAZ REGION							
Civilian Labor Force, ADES	71,225	70,975	70,825	70,325	68,850	-4.4	1.1
Employment	67,575	67,525	67,525	67,050	65,500	-1.0	3.8
Unemployment	3,650	3,450	3,300	3,275	3,350	-42.7	-31.8
Unemployment Rate (%)	5.1	4.9	4.7	4.7	4.9	-40.1	-32.5
Employees on Nonagricultural Payrolls, ADES							
Total	41,300	41,400	41,400	41,600	41,300	5.9	4.8
Mining	200	200	200	200	200	0.0	0.0
Construction	3,400	3,400	3,100	3,100	2,600	-10.3	8.1
Manufacturing	3,200	3,200	3,200	3,200	3,300	10.0	0.0
Trans., Comm. & Publ. Util.	1,900	1,900	2,000	2,000	2,100	5.0	3.5
Trade	11,600	11,500	11,700	11,900	13,000	17.1	2.5
Finance, Ins. & Real Estate	1,900	1,800	1,900	1,900	1,300	-31.6	-2.7
Services	10,800	10,900	10,900	10,900	10,500	2.9	9.1
Government	8,300	8,500	8,400	8,400	8,300	7.8	5.6
Sales ($000s) ADOR							
Gross Retail	75,523	76,672	87,638	106,165	...	19.0	2.4
Retail	55,303	57,143	64,555	75,444	...	10.1	4.0
Restaurants & Bar	9,252	9,412	11,722	10,389	...	9.2	0.9
Gasoline, EBR	10,968	10,117	11,361	20,332	...	82.3	-3.6
Gallons (000s) ADOT	8,252	7,681	8,745	16,106	...	67.5	-3.6
Contracting	15,711	15,668	18,764	15,765	...	-7.4	10.2
Value of Construction Contract Awards ($000s) F.W. Dodge							
Total	13,642	18,929	16,423	11,751	27,308	53.1	16.6
Residential Building	11,334	13,915	8,459	10,021	10,720	1.6	9.4
Non-Residential Building	1,720	4,859	3,462	1,632	2,506	-46.2	20.3
Non-Building	588	155	4,502	98	14,082	435.8	32.6
Number of Dwelling Units Awarded, F.W. Dodge							
Total	125	149	98	112	115	-2.5	3.6
One Family Houses	117	147	96	104	113	-0.9	6.3

See notes at bottom of Arizona - Quarterly table.

	SEP 97	OCT 97	NOV 97	DEC 97	JAN 98	% change versus year ago for: most recent month	most recent 12-months
COCHISE-SANTA CRUZ REGION							
Civilian Labor Force, ADES	56,800	55,875	54,775	53,975	53,525	-4.0	-4.2
Employment	49,150	49,250	49,275	48,900	48,900	0.3	-0.9
Unemployment	7,650	6,625	5,500	5,075	4,625	-33.9	-24.1
Unemployment Rate (%)	13.5	11.9	10.0	9.4	8.6	-31.2	-20.8
Employees on Nonagricultural Payrolls, ADES							
Total	40,500	40,700	40,900	41,000	42,300	7.1	1.4
Mining	100	100	100	100	0	-100.0	-8.3
Construction	1,900	1,900	1,900	1,900	1,900	18.7	4.0
Manufacturing	2,400	2,500	2,400	2,400	2,200	-4.3	0.7
Trans., Comm. & Publ. Util.	2,300	2,400	2,400	2,400	2,400	4.3	1.8
Trade	11,200	11,200	11,300	11,600	12,100	9.0	2.5
Finance, Ins. & Real Estate	1,100	1,100	1,100	1,100	800	-33.3	1.5
Services	8,500	8,500	8,600	8,600	9,400	14.6	0.0
Government	13,000	13,000	13,100	12,900	13,500	6.3	1.1
Sales ($000s) ADOR							
Gross Retail	64,915	70,012	70,656	86,923	...	11.3	8.7
Retail	50,495	53,911	53,094	71,852	...	12.4	9.9
Restaurants & Bar	7,467	7,775	10,233	8,317	...	3.2	5.1
Gasoline, EBR	6,953	8,326	7,329	6,754	...	10.3	4.2
Gallons (000s) ADOT	5,231	6,321	5,641	5,350	...	1.3	3.3
Contracting	13,820	12,537	10,562	11,155	...	-11.1	3.4
Value of Construction Contract Awards ($000s) F.W. Dodge							
Total	9,230	12,639	5,125	12,657	5,790	-14.8	-39.5
Residential Building	7,918	10,562	4,070	8,162	5,173	-13.7	-26.5
Non-Residential Building	1,156	1,631	1,055	637	617	0.3	-60.2
Non-Building	156	446	0	3,858	0	-100.0	-54.9
Number of Dwelling Units Awarded, F.W. Dodge							
Total	99	152	50	81	57	-21.9	-16.9
One Family Houses	86	89	45	77	57	-21.9	-0.7
GILA-GRAHAM-GREENLEE REGION							
Civilian Labor Force, ADES	34,500	34,925	34,425	34,250	33,675	-3.8	-1.7
Employment	31,775	32,300	31,875	31,700	31,300	-0.7	-0.4
Unemployment	2,725	2,625	2,550	2,550	2,375	-31.7	-14.9
Unemployment Rate (%)	7.9	7.5	7.4	7.4	7.1	-29.0	-13.4
Employees on Nonagricultural Payrolls, ADES							
Total	25,200	25,600	25,200	25,400	25,700	4.0	1.7
Mining	3,000	3,000	3,000	3,000	3,100	3.3	0.3
Construction	1,900	1,900	1,800	1,800	1,700	-15.0	-3.0
Manufacturing	1,900	1,900	1,900	1,900	1,900	0.0	1.3
Trans., Comm. & Publ. Util.	800	800	800	800	800	0.0	2.1
Trade	5,900	6,000	6,000	6,000	5,700	3.6	1.0
Finance, Ins. & Real Estate	400	500	400	500	400	-20.0	0.0
Services	4,100	4,100	4,000	4,100	4,300	10.3	2.1
Government	7,200	7,400	7,300	7,300	7,800	9.9	4.2
Sales ($000s) ADOR							
Gross Retail	40,231	41,695	39,762	48,943	...	11.4	5.0
Retail	31,141	32,333	31,193	39,977	...	10.5	6.1
Restaurants & Bar	4,778	4,745	4,727	4,747	...	13.3	1.7
Gasoline, EBR	4,312	4,617	3,842	4,219	...	17.4	1.5
Gallons (000s) ADOT	3,245	3,506	2,957	3,342	...	7.8	1.5
Contracting	10,233	8,936	10,590	10,289	...	-17.3	-3.9
Value of Construction Contract Awards ($000s) F.W. Dodge							
Total	8,255	6,576	13,281	6,661	6,924	122.3	6.2
Residential Building	6,552	5,376	3,912	4,466	6,622	306.0	34.1
Non-Residential Building	1,603	0	7,990	2,111	0	-100.0	-17.6
Non-Building	100	1,200	1,379	84	302	117.3	-26.1
Number of Dwelling Units Awarded, F.W. Dodge							
Total	60	53	38	42	83	361.1	40.6
One Family Houses	60	53	38	42	34	88.9	16.5

See notes at bottom of Arizona - Quarterly table.

	SEP 97	OCT 97	NOV 97	DEC 97	JAN 98	% change versus year ago for: most recent month	most recent 12-months
APACHE-NAVAJO REGION							
Civilian Labor Force, ADES	49,925	49,800	49,175	49,100	48,750	-7.4	-3.6
Employment	42,900	42,975	42,750	42,375	41,550	-2.2	-1.7
Unemployment	7,025	6,825	6,425	6,725	7,200	-29.2	-12.9
Unemployment Rate (%)	14.1	13.7	13.1	13.7	14.8	-23.6	-9.8
Employees on Nonagricultural Payrolls, ADES							
Total	40,600	40,700	41,100	41,100	40,800	2.0	0.5
Mining	900	900	900	900	900	0.0	-2.7
Construction	2,200	2,200	2,200	2,300	1,800	-10.0	10.8
Manufacturing	1,900	1,800	1,900	1,800	1,700	0.0	0.9
Trans., Comm. & Publ. Util.	2,500	2,600	2,600	2,600	2,400	-7.7	1.0
Trade	7,400	7,400	7,500	7,500	7,200	1.4	0.2
Finance, Ins. & Real Estate	1,200	1,200	1,200	1,200	1,100	-8.3	-2.1
Services	8,000	8,000	7,900	7,900	8,200	1.2	1.8
Government	16,500	16,600	16,900	16,900	17,500	6.7	-0.9
Sales ($000s) ADOR							
Gross Retail	58,471	57,452	55,768	65,902	...	15.6	-3.4
Retail	45,832	45,449	45,161	52,106	...	14.7	-1.2
Restaurants & Bar	5,453	4,782	4,265	4,759	...	8.2	1.3
Gasoline, EBR	7,186	7,221	6,342	9,037	...	25.2	-16.5
Gallons (000s) ADOT	5,407	5,482	4,882	7,158	...	15.0	-16.4
Contracting	10,324	7,012	4,230	9,612	...	-1.2	-16.9
Value of Construction Contract Awards ($000s) F.W. Dodge							
Total	17,541	13,772	7,022	5,721	4,763	-61.7	-7.3
Residential Building	7,497	5,286	5,826	3,432	2,893	15.8	-16.9
Non-Residential Building	4,325	6,394	1,099	284	1,870	207.6	11.7
Non-Building	5,719	2,092	97	2,005	0	-100.0	-5.8
Number of Dwelling Units Awarded, F.W. Dodge							
Total	69	50	107	37	28	21.7	-6.7
One Family Houses	69	48	37	35	28	21.7	-17.0
COCONINO-YAVAPAI REGION							
Civilian Labor Force, ADES	125,175	126,050	126,025	124,400	117,300	-4.6	0.6
Employment	118,575	119,625	119,125	117,550	110,225	-3.0	1.5
Unemployment	6,600	6,425	6,900	6,850	7,075	-24.3	-11.7
Unemployment Rate (%)	5.3	5.1	5.5	5.5	6.0	-20.7	-12.1
Employees on Nonagricultural Payrolls, ADES							
Total	95,400	97,000	97,700	97,100	94,100	4.3	4.2
Mining	900	800	800	800	900	0.0	-6.5
Construction	6,600	6,700	6,500	6,400	6,200	3.3	2.0
Manufacturing	6,500	6,600	6,500	6,600	6,600	0.0	2.7
Trans., Comm. & Publ. Util.	2,900	3,000	2,900	2,800	3,100	10.7	-2.5
Trade	26,300	26,300	26,700	26,600	23,000	-4.6	2.8
Finance, Ins. & Real Estate	2,800	2,800	2,900	2,900	2,800	3.7	5.7
Services	27,100	26,800	26,900	26,900	26,000	7.0	7.4
Government	22,300	24,000	24,500	24,100	25,500	11.8	3.4
Sales ($000s) ADOR							
Gross Retail	179,513	168,985	159,072	182,223	...	5.1	4.7
Retail	125,561	122,382	119,954	143,222	...	5.5	6.0
Restaurants & Bar	35,673	29,484	24,000	24,616	...	5.5	3.8
Gasoline, EBR	18,279	17,119	15,118	14,385	...	1.1	-2.7
Gallons (000s) ADOT	13,753	12,998	11,637	11,395	...	-7.1	-2.2
Contracting	48,099	43,708	42,451	40,955	...	4.5	-10.6
Value of Construction Contract Awards ($000s) F.W. Dodge							
Total	39,268	54,220	26,038	31,177	32,233	17.8	-10.8
Residential Building	26,416	32,013	16,715	23,503	20,817	31.0	-4.6
Non-Residential Building	7,939	15,831	5,070	4,938	9,135	224.2	-6.5
Non-Building	4,913	6,376	4,253	2,736	2,281	-73.6	-28.3
Number of Dwelling Units Awarded, F.W. Dodge							
Total	253	310	169	217	226	42.1	-4.5
One Family Houses	242	245	163	207	195	66.7	13.4

See notes at bottom of Arizona - Quarterly table.

	SEP 97	OCT 97	NOV 97	DEC 97	JAN 98	% change versus year ago for: most recent month	most recent 12-months
PHOENIX-MESA METROPOLITAN REGION (MARICOPA AND PINAL)							
Civilian Labor Force (000s) ADES	1,514.4	1,524.6	1,526.8	1,527.1	1,472.7	-0.7	2.7
Employment	1,467.0	1,481.6	1,486.4	1,488.6	1,436.1	0.3	3.6
Unemployment	47.4	43.0	40.4	38.5	36.6	-28.8	-21.0
Unemployment Rate, Seas. Adj. (%)	2.9	2.5	2.7	2.6	2.4	-27.3	-22.5
Employees on Nonagricultural Payrolls (000s) ADES							
Total	1,395.9	1,412.0	1,432.3	1,445.6	1,423.2	6.4	5.6
Mining	6.7	6.6	6.7	6.8	6.8	4.6	1.0
Construction	95.1	96.2	95.9	95.2	94.2	4.8	4.1
Manufacturing	163.3	163.8	165.2	166.4	167.0	6.6	4.5
Durable	124.0	124.6	125.6	126.9	127.4	8.0	5.0
Nondurable	39.3	39.2	39.6	39.5	39.6	2.3	2.9
Trans., Comm. & Publ. Util.	71.3	71.9	72.3	73.4	99.5	47.0	9.2
Trade	336.3	340.8	351.3	358.6	352.5	5.5	4.2
Wholesale	85.8	86.2	87.0	87.8	86.5	6.4	4.7
Retail	250.5	254.6	264.3	270.8	266.0	5.3	4.0
Finance, Ins. & Real Estate	107.9	109.0	109.7	111.1	111.4	9.3	10.5
Services	438.8	442.5	448.2	451.7	446.8	7.9	7.8
Government	176.5	181.2	183.0	182.4	169.6	1.4	1.7
Sales ($000s) ADOR							
Aggregate Retail Sales	2,366,019	2,375,950	2,525,931	3,040,320	...	10.2	7.2
Retail	1,665,866	1,641,640	1,761,251	2,276,786	...	11.3	8.1
Food, EBR	314,397	327,309	333,065	335,400	...	7.2	7.1
Restaurants & Bars	256,167	265,906	300,207	298,467	...	7.0	5.5
Gasoline, EBR	129,590	141,095	131,409	129,666	...	6.0	0.5
Contracting	547,545	511,746	508,707	589,327	...	13.2	9.4
Value of Construction Contract Awards ($000s) F.W. Dodge							
Total Awards	629,891	590,131	347,976	564,092	744,909	35.9	-4.0
Residential Building	396,417	350,817	222,096	384,471	327,093	-11.1	-5.5
Non-Residential Building	193,458	195,187	108,237	163,510	280,414	149.7	-1.2
Non-Building	40,016	44,127	17,643	16,111	137,402	102.2	-2.4
New Housing Units Authorized, Census C-40							
Total Units	4,112	4,047	2,850	4,314	2,907	-30.2	1.9
Single Family Units	3,137	2,620	2,093	2,411	2,194	-10.8	4.7
2-4 Unit Structures	12	56	16	19	13	-89.1	-38.2
5-plus Unit Structures	963	1,371	741	1,884	700	-55.9	-11.7
Housing Sales and Prices, ARMLS							
Total Sales ($000s)	452,201	549,878	444,588	527,968	487,636	29.1	15.2
Total Units	3,332	3,932	3,189	3,629	3,209	20.4	5.3
Average Price ($)	135,715	139,847	139,413	145,486	151,959	7.2	9.0
Phoenix Skyharbor International Airport, PSIA							
Total Passengers	2,198,082	2,520,296	2,493,491	2,621,960	...	-4.3	0.6
Total Aircraft Movements	40,519	43,892	42,415	43,403	...	-1.0	-1.1

PHOENIX-MESA METROPOLITAN REGION (MARICOPA AND PINAL) - QUARTERLY DATA	IV 96	I 97	II 97	III 97	IV 97	% change versus year ago for: most recent quarter	most recent 4-quarters
Demographics & Vital Statistics (000s, seas adj) ADHS & EBR							
Population	2,784.1	2,807.6	2,830.9	2,853.8	2,876.6	3.3	3.4
Natural Increase	6.6	6.6	6.7	6.7	6.8	2.8	2.3
Births	12.0	12.0	12.1	12.2	12.3	2.9	2.6
Deaths	5.4	5.4	5.5	5.5	5.5	3.0	3.1
Net Migration	17.1	16.9	16.6	16.2	16.0	-6.7	-1.2
Personal Income by Source ($mil, SAAR) EBR							
Total Personal Income	67,388	69,149	70,709	72,257	73,802	9.5	10.1
Earnings by Place of Work	49,074	50,367	51,594	52,805	53,996	10.0	10.6
Less: Contributions for Social Insurance	3,346	3,420	3,490	3,558	3,624	8.3	8.8
Plus: Adjustment for Residence	-93	-92	-92	-92	-92	1.4	1.7
Plus: Dividends, Interest & Rents	11,719	12,068	12,312	12,555	12,803	9.3	10.2
Plus: Transfer Payments	10,033	10,227	10,385	10,547	10,719	6.8	7.1
Per Capita Personal Income ($, SAAR) EBR	24,204	24,629	24,978	25,319	25,656	6.0	6.5

See notes at bottom of Arizona - Quarterly table

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TUCSON METROPOLITAN REGION (PIMA)							
Civilian Labor Force (000s) ADES	379.6	381.9	382.0	379.3	364.7	-4.0	-1.1
Employment	366.4	369.7	371.0	368.5	354.4	-3.2	-0.4
Unemployment	13.2	12.2	11.0	10.8	10.3	-24.3	-17.1
Unemployment Rate, Seas. Adj. (%)	3.1	2.9	3.0	3.0	2.8	-22.2	-16.1
Employees on Nonagricultural Payrolls (000s) ADES							
Total	312.6	315.8	320.6	321.5	316.9	3.2	1.9
Mining	2.4	2.4	2.4	2.4	2.4	4.3	4.0
Construction	19.7	19.8	19.8	19.9	20.2	8.6	1.8
Manufacturing	28.4	28.4	28.5	28.4	28.4	1.4	0.8
Durable	22.4	22.4	22.5	22.4	22.4	0.9	0.4
Nondurable	6.0	6.0	6.0	6.0	6.0	3.4	2.3
Trans., Comm. & Publ. Util.	13.2	13.2	13.2	13.2	13.1	0.8	-1.9
Trade	67.5	68.3	70.0	70.9	69.6	3.0	2.1
Wholesale	10.7	10.9	10.9	11.0	10.9	6.9	4.5
Retail	56.8	57.4	59.1	59.9	58.7	2.3	1.7
Finance, Ins. & Real Estate	12.0	12.1	12.1	12.1	11.9	3.5	-1.0
Services	99.0	98.8	100.2	101.0	100.3	3.8	3.1
Government	70.4	72.8	74.4	73.6	71.0	2.0	1.9
Sales ($000s) ADOR							
Aggregate Retail Sales	544,778	566,916	579,833	716,564	...	6.5	5.3
Retail	365,502	378,339	389,939	522,086	...	6.8	5.8
Food, EBR	80,187	83,481	84,949	85,544	...	4.8	4.7
Restaurants & Bars	63,907	68,108	69,810	72,295	...	8.0	6.8
Gasoline, EBR	35,182	36,989	35,135	36,639	...	3.2	-0.5
Contracting	89,618	87,541	81,988	95,492	...	4.5	-4.6
Value of Construction Contract Awards ($000s) F.W. Dodge							
Total Awards	93,028	86,191	83,824	75,384	96,590	11.8	-12.8
Residential Building	53,728	52,817	48,021	52,195	44,697	3.8	-20.3
Non-Residential Building	32,195	23,884	26,275	19,368	43,561	43.7	-1.0
Non-Building	7,105	9,490	9,528	3,821	8,332	-35.9	-2.2
New Housing Units Authorized, Census C-40							
Total Units	739	403	408	602	250	-28.4	5.1
Single Family Units	481	403	388	345	236	-30.0	-1.6
2-4 Unit Structures	18	0	8	4	14	16.7	25.8
5-plus Unit Structures	240	0	12	253	0	...	89.3
Housing Sales and Prices, TAR							
Total Sales ($000s)	97,392	97,577	73,982	90,244	78,589	14.3	3.6
Total Units	705	719	551	675	585	14.5	1.0
Average Price ($)	138,145	135,712	134,268	133,695	134,339	-0.1	2.5
Tucson International Airport, TAA							
Total Passengers	246,049	289,765	291,461	302,968	279,396	-3.4	0.3
Total Aircraft Movements	17,383	20,946	21,527	18,225	22,178	10.3	1.7

TUCSON METROPOLITAN REGION (PIMA) - QUARTERLY DATA	IV 96	I 97	II 97	III 97	IV 97	% change versus year ago for: most recent quarter	most recent 4-quarters
Demographics & Vital Statistics (000s, seas adj) ADHS & EBR							
Population	784.3	789.2	794.2	799.2	804.2	2.5	2.5
Natural Increase	1.1	1.1	1.1	1.1	1.1	1.3	1.5
Births	2.8	2.8	2.8	2.9	2.9	1.2	1.1
Deaths	1.7	1.7	1.7	1.7	1.7	1.2	0.8
Net Migration	3.7	3.8	3.8	3.8	3.8	2.8	2.9
Personal Income by Source ($mil, SAAR) EBR							
Total Personal Income	16,346	16,673	16,969	17,255	17,527	7.2	7.7
Earnings by Place of Work	10,076	10,265	10,479	10,690	10,891	8.1	8.3
Less: Contributions for Social Insurance	697	710	724	737	750	7.5	7.7
Plus: Adjustment for Residence	166	169	174	179	183	9.9	10.0
Plus: Dividends, Interest & Rents	3,544	3,634	3,678	3,716	3,750	5.8	7.0
Plus: Transfer Payments	3,258	3,315	3,361	3,407	3,453	6.0	6.4
Per Capita Personal Income ($, SAAR) EBR	20,841	21,125	21,366	21,590	21,796	4.6	5.0

See notes at bottom of Arizona - Quarterly table

	SEP 97	OCT 97	NOV 97	DEC 97	JAN 98	% change versus year ago for: most recent month	most recent 12-months
ARIZONA MONTHLY DATA							
Civilian Labor Force (000s) ADES	2,303.5	2,312.2	2,311.4	2,302.1	2,218.2	-2.0	1.3
Employment	2,191.1	2,213.1	2,219.5	2,216.0	2,136.5	-0.6	2.5
Unemployment	112.4	99.1	91.9	86.1	81.7	-28.6	-19.1
Unemployment Rate, Seas. Adj. (%)	4.2	3.9	4.3	4.2	3.7	-28.8	-20.4
Employees on Nonagricultural Payrolls (000s) ADES							
Total	1,986.8	2,010.5	2,037.6	2,053.5	2,021.4	5.3	4.6
Mining	14.2	14.2	14.2	14.2	14.1	1.4	0.1
Construction	132.9	134.0	133.1	132.3	131.1	5.3	3.6
Manufacturing	209.8	210.3	211.8	213.0	213.5	5.7	3.7
Durable	158.2	158.8	160.0	161.3	161.8	6.4	3.8
Nondurable	51.6	51.5	51.8	51.7	51.7	3.6	3.3
Trans., Comm. & Publ. Util.	96.4	96.9	97.0	98.7	100.3	8.0	4.4
Transportation	61.8	62.2	62.2	63.9	61.6	4.1	4.3
Trade	475.6	481.8	497.0	505.5	495.7	4.2	3.7
Wholesale	105.9	107.1	108.2	109.2	108.7	5.1	4.9
Retail	369.7	374.7	388.8	396.3	387.0	4.0	3.3
Finance, Ins. & Real Estate	128.0	129.4	130.1	130.9	130.7	8.0	8.2
Services	603.5	607.5	614.1	620.4	614.3	7.0	6.6
Government	326.4	336.4	340.3	338.5	321.7	2.1	1.9
Federal	43.3	43.0	43.0	43.8	42.7	-1.2	-0.8
State & Local	283.9	294.5	298.3	295.1	279.0	1.9	2.7
Schools	163.9	175.4	177.5	175.5	153.5	-2.4	3.8
Hours Worked Per Week, Manufacturing, ADES	41.2	41.4	41.7	42.1	41.7	1.5	-3.0
Average Hourly Earnings ($) ADES							
Copper Mining	16.09	16.23	16.27	16.58	16.63	-2.7	-2.9
Construction	13.95	13.72	13.71	13.84	14.13	4.0	10.9
Manufacturing	11.67	11.66	11.80	11.74	11.73	1.2	1.4
Utilities	17.95	17.68	17.88	17.84	17.72	-3.2	-0.1
Retail Trade	11.86	11.75	11.74	11.57	11.83	7.0	8.3
Wholesale Trade	13.55	13.20	13.20	13.11	13.11	-2.8	0.6
Sales ($000s) ADOR							
Aggregate Retail Sales	3,475,969	3,515,353	3,690,146	4,434,130	...	9.4	6.3
Retail	2,390,487	2,389,198	2,532,923	3,263,402	...	10.2	7.3
Food, EBR	477,076	496,670	505,403	508,948	...	5.7	5.6
Restaurants & Bars	389,172	396,497	433,523	432,098	...	7.2	5.4
Gasoline, EBR	219,234	232,989	218,297	229,682	...	10.6	-0.6
Gallons (000s) ADOT	164,949	176,895	168,037	181,941	...	1.6	-1.1
Utilities	510,214	451,345	335,105	369,609	...	7.9	3.3
Communications	177,792	63,659	248,890	154,277	...	8.9	13.9
Amusements	41,443	47,220	55,143	51,319	...	11.6	14.9
Rentals - Real Property	9,020	-7,879	9,398	9,393	...	-98.6	-53.6
Rentals - Personal Property	227,938	208,799	191,867	248,976	...	13.1	8.1
Contracting	752,225	702,339	693,834	789,820	...	10.7	6.4
Mining - Metal, Oil & Gas	115,549	115,806	104,951	92,587	...	-10.9	2.0
Hotel/Motel	112,427	133,940	131,804	108,336	...	8.3	7.1
Value of Construction Contract Awards ($000s)							
Total Awards	835,086	793,798	507,232	713,824	933,918	31.9	-4.9
Residential Building	516,791	477,651	315,071	491,372	421,965	-6.7	-7.2
Non-Residential Building	247,842	250,089	154,759	193,438	348,392	126.5	0.8
Non-Building	70,453	66,058	37,402	29,014	163,561	60.2	-5.8
New Housing Units Authorized, Census C-40							
Total Units	5,507	5,113	3,753	5,478	3,622	-27.5	1.7
Single Family Units	4,155	3,563	2,875	3,184	2,817	-11.7	2.6
2-4 Unit Structures	54	81	34	64	47	-13.0	-3.0
5-plus Unit Structures	1,298	1,469	844	2,230	758	483.1	6.6
Bankruptcy Filings, U.S. Bankruptcy Court							
Total	2,157	2,248	1,796	1,822	...	7.7	23.5
Chapter 7	1,725	1,782	1,435	1,442	...	13.0	27.5
Chapter 11	32	22	23	24	...	4.3	1.3
Chapter 13	399	444	337	356	...	-9.2	11.7

See notes at bottom of Arizona - Quarterly table.

	IV 96	I 97	II 97	III 97	IV 97	% change versus year ago for: most recent quarter	most recent 4-quarters
ARIZONA QUARTERLY DATA							
Demographics & Vital Statistics (000s, seas adj) ADHS & EBR							
Population	4,480.5	4,513.8	4,546.7	4,579.3	4,611.3	2.9	3.0
Natural Increase	10.0	9.1	10.2	10.3	10.2	2.4	2.8
Births	19.0	18.7	18.9	19.2	19.3	1.5	2.2
Deaths	9.0	9.6	8.7	8.9	9.1	0.6	1.6
Net Migration	24.0	23.6	22.8	21.9	21.6	-10.1	-5.7
Personal Income Derivation ($mil, SAAR) EBR							
Total Personal Income	96,709	99,123	101,937	104,013	106,307	9.9	8.7
Earnings by Place of Work	66,599	68,290	70,461	72,006	73,926	11.0	9.3
Less: Contributions for Social Insurance	4,606	4,732	4,856	4,943	5,052	9.7	8.2
Plus: Adjustment for Residence	256	253	250	247	244	-4.7	0.5
Plus: Dividends, Interest & Rents	17,868	18,215	18,734	19,052	19,444	8.8	8.4
Plus: Transfer Payments	16,592	17,097	17,347	17,651	17,745	6.9	6.8
Components of Earnings ($mil, SAAR) BEA							
Wages and Salaries	54,223	55,663	56,719	57,768	...	8.0	8.3
Other Labor Income	5,625	5,709	5,790	5,858	...	4.0	2.9
Proprietor's Income	6,752	6,866	7,077	7,182	...	6.7	5.4
Farm	464	480	582	572	...	11.7	9.6
Nonfarm	6,288	6,387	6,495	6,610	...	6.2	5.1
Per Capita Personal Income ($, SAAR) EBR	21,584	21,960	22,420	22,714	23,054	6.8	5.6
Average Wage Per Employee, Annual Rate ($) EBR	27,621	28,083	28,281	28,560	...	3.7	3.5

TRAVEL AND TOURISM	SEP 97	OCT 97	NOV 97	DEC 97	JAN 98	% change versus year ago for: most recent month	most recent 12-months
Visits to Parks & Other Recreational Areas, ADOT, NPS & ASPB							
Northern Arizona	1,978,945	1,573,232	1,119,177	739,255	859,714	-10.8	-4.7
Historical	185,993	176,414	106,911	75,533	88,359	1.0	-4.9
Scenic	768,384	601,797	344,232	259,052	253,429	27.1	4.8
Water Based Recreation	1,024,568	795,021	668,034	404,670	517,926	-23.4	-9.5
Southern Arizona	143,751	209,941	203,380	189,843	261,844	-6.1	-9.2
Historical	31,980	36,374	44,582	42,768	58,794	-0.9	-9.5
Scenic	84,045	143,722	139,146	135,320	182,511	-8.2	-11.1
Water Based Recreation	27,726	29,845	19,652	11,755	20,539	-0.2	1.2
International Border Crossings, USINS & USCS							
U.S. Citizens	628,858	692,435	609,169	679,558	...	-7.2	-1.7
Aliens	1,922,374	2,171,566	1,911,920	2,209,459	...	17.9	6.4

MEASURES OF INFLATION AND PRICES - MONTHLY DATA	SEP 97	OCT 97	NOV 97	DEC 97	JAN 98	% change versus year ago for: most recent month	most recent 12-months
Consumer Price Index (1982-1984=100) BLS							
U.S. - All Urban	161.2	161.6	161.5	161.3	161.6	1.6	2.2
U.S. - Wage Earners	158.3	158.5	158.5	158.2	158.4	1.3	2.1

Sources and abbreviations:

ADES: Arizona Department of Economic Security
ADHS: Arizona Department of Health Services
ADOR: Arizona Department of Revenue
ADOT: Arizona Department of Transportation
ARMLS: Arizona Regional Multiple Listing Service
ASBD: Arizona State Banking Department
ASPB: Arizona State Parks Board
ASU: Arizona State University, College of Business, Research Centers
BEA: Bureau of Economic Analysis, U.S. Department of Commerce
BLS: Bureau of Labor Statistics, U.S. Department of Labor
Census C-40, Bureau of the Census, U.S. Department of Commerce
EBR: Economic & Business Research Program, The University of Arizona
F.W. Dodge, Division of McGraw Hill Information Systems Co. (proprietary data provided by special permission)
NPS: National Park Service, U.S. Department of the Interior
NSCCC: Nogales-Santa Cruz Chamber of Commerce
PSIA: Phoenix Skyharbor International Airport
SAAR: Seasonally adjusted at annual rates
TAA: Tucson Airport Authority
TAR: Tucson Association of Realtors
USINS: U.S. Immigration & Naturalization Service, U.S. Department of Justice
U.S. Bankruptcy Court, District of Arizona
USCS: U.S. Customs Service, U.S. Department of the Treasury

MEASURES OF INFLATION AND PRICES

	IV 96	I 97	II 97	III 97	IV 97	% change versus year ago for: most recent quarter	most recent 4-quarters
Consumer Price Index (1982-84=100) ASU & BLS							
Metropolitan Phoenix	168.6	171.3	173.9	174.4	177.4	5.2	4.4
Western Region (U.S.)	158.7	160.8	161.0	162.1	162.8	2.6	2.5
U.S. - All Urban Consumers	158.5	159.6	160.2	160.8	161.5	1.9	2.3
U.S. - Urban Wage Earners	155.8	156.7	157.3	157.9	158.4	1.7	2.2
Price Indexes (1992=100) BEA							
Gross Domestic Product	111.1	111.8	112.3	112.7	113.2	1.9	2.0
Personal Consumption Expenditures	111.6	112.2	112.5	112.9	113.3	1.5	2.1

See notes at bottom of Arizona - Quarterly table.

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