ARIZONA'S ECONOMY

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By Marshall J. Vest

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NEW ECONOMY TAKES CENTER STAGE

The New Economy is alive and well. But, what exactly, is the New Economy? A new study commissioned by Governor Hull's Arizona Partnership for a New Economy (APNE) Task Force addresses that question as well as what Arizona needs to do to be a player.

What is the New Economy, anyway? There are as many definitions as flying ants after a summer rainstorm. Some definitions are characteristics of the New Economy—fast, agile, vanishing geographic boundaries. It is about technology, globalism, knowledge, competition, alliances, people and places. We are creating a new language and a slew of acronyms. But what does all this mean? What is "new"? And what can we do to ensure that Arizona participates in this New Economy?

In the simplest of terms, the New Economy is all about how knowledge and information are affecting our lives. For businesses, it means using information technologies to better manage relationships with customers and suppliers. This has led to entirely new business models—new ways of conducting business. For many companies, it means figuring out what you are good at—where you have a competitive advantage—and exploiting that advantage as long as it lasts. In today's high-paced information-charged world, that may not be long, which explains why many companies are continually tearing down and rebuilding, or creating subsidiaries that directly compete with the parent business.

For consumers, better information means a wider selection of products at lower prices

—and changes in lifestyle. One only needs to consider the cellular phone or the Internet to appreciate how information has changed the way we work and live our lives.

The New Economy is pervasive. It is clearly about much more than just e-commerce (the buying and selling of goods and services from a web store). Every business is affected—not just "dot coms" or high tech firms, but every company, including "old economy businesses." According to Michael Porter of the Harvard Business School, "Today there is no such thing as a low-tech industry. There are only low-tech companies—that is, companies that fail to use world-class technology and practices to enhance productivity and innovation." The New Economy pertains not just to high tech, but to every business. We still manufacture widgets and provide services, but the relationship between and among businesses is new. Some refer to this as e-business or business-to-business (B2B), which is a whole order of magnitude larger than e-commerce or business-to-consumers (B2C).

There are, however, entirely new industries that have emerged, such as Internet service providers, web designers, "infomediaries" such as eBay and FreeMarkets.com that provide online auctions, and a cadre of application service providers (ASPs) that provide software solutions for managing a company's information technology (IT) requirements.

The Internet is the enabling technology that has driven the cost of information toward zero, thereby turning information into a commodity and making it widely available. As the cost of computers continues to fall— now only a few hundred dollars—households of even modest incomes can have access to technology, which puts a plethora of information at everyone's disposal. The challenge in combating a growing "digital divide" is to ensure that everyone knows how to use the technology/information. The implications for public education, workforce development, job training and higher education are obvious. For Arizona to be a player, education/knowledge/ skills (i.e. human capital) must become the top priority.

How should economic development efforts be modified to embrace the New Economy? What state policies are needed to ensure that Arizona can compete? These are the questions being addressed by Governor Hull's Arizona Partnership for a New Economy (APNE) task force. Collaborative Economics, a California-basedconsultant, has been retained to conduct a study that will conclude by year-end. Wide participation is encouraged, and you can get involved using the Internet by accessing **http://www.azcommerce.com/neweconomy/New_Economy_Partnership.htm.** ■

INSIDE

BEANIE BABY BILLIONS?

STUDY NOTES THAT INTERNET AUCTIONS ENABLE INCOME TAX EVASION

Until the explosion in Internet auctions, probable income tax evasion on private transactions was limited to the relatively minor market of garage sales and swap meets. However, it seems as if everyone knows someone making money on eBay and other Internet auction sites. Currently, reporting a net gain is the individual seller's responsibility—the auction sites are not responsible for any income tax owed by the sellers. In fact, an eBay disclaimer recommends that sellers consult their tax advisors.

Assuming that these sellers do not report any tax on the gains, Lillian Mills, Ph.D., assistant professor of accounting at the Eller College of Business and Public Administration at the University of Arizona, conservatively estimates this unreported tax at more than $100 million on an annualized basis. Professor Mills became curious about Internet income tax evasion because it has received little attention in the Internet tax debate. Most popular press and research articles on Internet taxation focus only on the sales and use tax.

"Beanie Baby Billions?: Unpaid Tax on Internet Auctions," by Susan Albring, Lillian Mills and Marlene Plumlee, appears in the May 22 issue of *Tax Notes*. Susan Albring is a Ph.D. candidate at the University of Arizona and Marlene Plumlee, Ph.D. is an assistant professor at the University of Utah. All three researchers have prior tax compliance experience as certified public accountants.

The authors estimate the gain on auction sales of collectibles and the related tax. eBay provides a rolling 30-day auction history. This allows anyone to observe private transactions that were previously hidden in the underground economy. The authors sampled completed auctions for a variety of categories, including plush toys (Beanies), coins, stamps, trading cards and others. From these completed auctions, they estimated the total sales of collectibles at approximately $1 billion per year.

Net gains on sales of collectibles are generally subject to a 28% capital gains tax rate (although low-income taxpayers would pay the lower 15% ordinary rate). Net losses, however, may not be deductible if the IRS deems the trading activity to be a hobby.

PROFESSOR MILLS BECAME CURIOUS ABOUT INTERNET INCOME TAX EVASION BECAUSE IT HAS RECEIVED LITTLE ATTENTION IN THE INTERNET TAX DEBATE. MOST POPULAR PRESS AND RESEARCH ARTICLES ON INTERNET TAXATION FOCUS ONLY ON THE SALES AND USE TAX.

Potential unpaid tax is computed at 28% of taxable gain, which is calculated as the difference between the auction price and the estimated tax basis. Since none of the information on eBay indicates what the seller originally paid for the item, it is impossible for an outsider to know the seller's tax basis. If sellers sold the collectibles for twice what they paid for them, the annualized estimate of the potential unreported tax on sales of collectibles is $134 million from eBay auctions alone.

The growth in participation in auctions suggests that more taxpayers have the opportunity to evade taxes. "If the Internet increases the number of people engaging in small-scale income tax evasion, such behavior could undermine voluntary tax compliance in the United States," says Mills. The authors suggest that either education be coupled with enforcement to collect such taxes, or that laws be changed to exempt small gains from taxation. In the meantime, Mills recommends that profitable sellers consult their tax advisors about possible tax liabilities. ■

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ECONOMY CONTINUES ITS HIGH-FLYING ACT

By Marshall J. Vest
Forecasting Project Director
June 1, 2000

Once again we've revised our forecasts upward, mirroring new estimates for job growth that are significantly stronger than originally reported, coupled with the continuation of unprecedented spending by consumers. The New Economy is alive and well, but it faces threats according to analysts—this time from voter initiatives that could derail the economy and torpedo economic development efforts.

Real GDP increased at a 7.3% annual rate in the fourth quarter of 1999, the largest increase since the first quarter of 1984! This strong surge reflected spending related to Y2K—remediation of computer problems, stockpiling in anticipation of disruptions that didn't materialize, and celebratory spending. Strong growth continued in the first quarter with RGDP up nearly 5.5%, propelled by record auto sales and consumer spending that soared at an astonishing 8.3% annual rate.

Forecasts for the nation's economy prepared by the WEFA Group continue to show a gradual slowing due to higher interest rates as the year progresses. The Federal Reserve boosted its target federal funds rate, as well as the discount rate, by 1/2 percent on May 16th in a continuing effort to reign in the run-away economy. Additional increases are sure to follow as long as the economy continues to grow beyond its non-inflationary path of 3.5% to 4.0%.

Measures for Arizona also show very strong growth in the first quarter. The number of nonag jobs was 4.8% higher than one year earlier, an amazing result given tightness of labor markets **(Exhibit 1)**. Unemployment in Arizona in April was only 3.6%, the lowest since 1969. Prior to recent revisions, employment reports showed a significant slowdown of job creation in the metro Phoenix area, which suggested that growth was being restrained by shortages of labor. Revised data show that the labor force remains quite elastic as employment continues to grow at a rapid pace, and workers are imported (more about recent employment revisions below).

The number of manufacturing jobs statewide is growing once again. In March, manufacturing jobs were 1.6% higher than one year earlier, following a decline of 2.1% for all of 1999. All of that growth, interestingly, has occurred in the Tucson metro area, which added jobs at a 15% annual rate (3,500 new jobs) during the past year. In contrast, manufacturing jobs in Phoenix have stabilized during the past twelve months, following a loss of 5,000 jobs during the 1998 Asian crisis. We expect manufacturing payrolls in the Phoenix area to increase going forward as exports continue to improve and capacity is added in the semiconductor and electronic components industries.

Consumers maintained their buying spree in early 2000, especially for big-ticket items: sales at motor vehicle dealers rose more than 20%, year-over-year. When combined with an

EXHIBIT 1

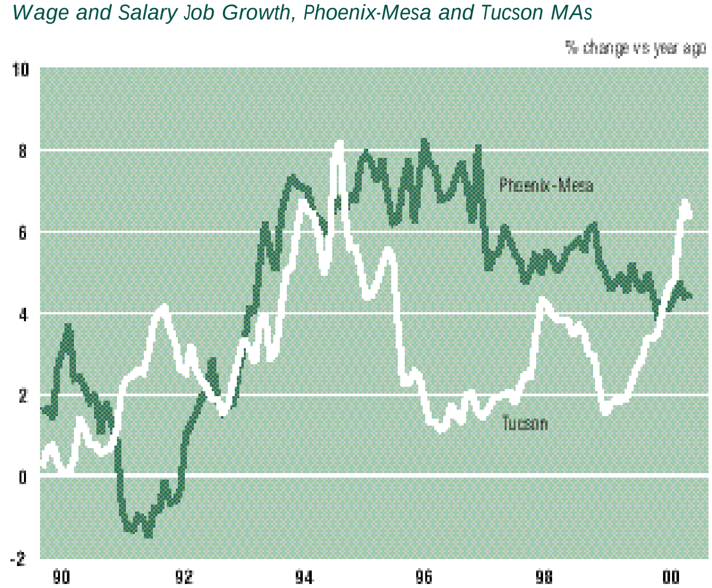
Job Creation is Truly Amazing...

Wage and Salary Job Growth, Arizona

EXHIBIT 2

...in Both Phoenix and Tucson

Wage and Salary Job Growth, Phoenix-Mesa and Tucson MAs



Forecasts for Arizona	1999	2000	2001	2002	2003	2004	2005
Personal Income ($ mill)	116,224.7	125,211.8	133,639.0	142,004.1	150,145.4	158,172.6	166,330.7
percent change	7.2	7.7	6.7	6.3	5.7	5.3	5.2
Per Capita Personal Income	23,998.5	25,147.4	26,166.2	27,126.8	28,010.0	28,848.2	29,691.4
percent change	4.1	4.8	4.1	3.7	3.3	3.0	2.9
Aggregate Retail Sales ($ mill)*	49,894.3	53,448.3	55,408.2	58,646.0	61,826.7	64,531.0	67,184.7
percent change	10.2	7.1	3.7	5.8	5.4	4.4	4.1
Population (000s, mid-year)	4,843.0	4,979.1	5,107.3	5,234.8	5,360.4	5,482.9	5,602.0
percent change	3.0	2.8	2.6	2.5	2.4	2.3	2.2
Net Migration (000s)	98.9	91.4	85.5	85.5	81.8	78.2	75.4
Wage & Salary Employment (000s)	2,159.7	2,245.4	2,326.7	2,404.0	2,474.0	2,535.2	2,593.2
percent change	4.1	4.0	3.6	3.3	2.9	2.5	2.3
Goods-Producing	376.7	382.6	386.0	389.5	394.3	400.8	407.1
percent change	1.1	1.5	0.9	0.9	1.2	1.6	1.6
Construction	153.8	154.2	151.6	150.9	151.8	153.3	154.8
percent change	7.0	0.3	-1.7	-0.5	0.6	1.0	0.9
Manufacturing	211.6	218.1	223.9	228.1	231.8	236.7	241.5
percent change	-2.0	3.0	2.7	1.9	1.6	2.1	2.0
Service-Providing	1,783.0	1,862.9	1,940.7	2,014.4	2,079.6	2,134.4	2,186.1
percent change	4.8	4.5	4.2	3.8	3.2	2.6	2.4
Trade (Wholesale & Retail)	512.8	534.3	555.1	580.5	603.5	619.4	631.7
percent change	3.0	4.2	3.9	4.6	4.0	2.6	2.0
Services	675.6	713.1	744.7	775.2	803.7	829.1	854.9
percent change	7.9	5.6	4.4	4.1	3.7	3.2	3.1

Forecasts for Phoenix-Mesa Metro	1999	2000	2001	2002	2003	2004	2005
Personal Income ($ mill)	80,259.0	86,254.2	92,008.2	97,338.1	103,028.9	108,645.1	114,294.2
percent change	7.3	7.5	6.7	5.8	5.8	5.5	5.2
Per Capita Personal Income	26,336.9	27,461.8	28,495.6	29,404.1	30,403.2	31,342.4	32,247.6
percent change	4.0	4.3	3.8	3.2	3.4	3.1	2.9
Aggregate Retail Sales ($ mill)*	34,173.3	36,793.0	37,985.0	39,957.1	42,472.0	44,481.8	46,463.7
percent change	8.7	7.7	3.2	5.2	6.3	4.7	4.5
Population (000s, mid-year)	3,047.4	3,140.9	3,228.9	3,310.4	3,388.8	3,466.4	3,544.3
percent change	3.2	3.1	2.8	2.5	2.4	2.3	2.2
Net Migration (000s)	65.8	62.8	56.4	49.6	46.6	45.8	46.0
Wage & Salary Employment (000s)	1,527.0	1,593.4	1,639.7	1,676.8	1,710.1	1,744.0	1,778.3
percent change	4.7	4.3	2.9	2.3	2.0	2.0	2.0
Goods-Producing	283.0	289.3	289.1	287.6	287.0	289.8	293.8
percent change	0.9	2.2	0.0	-0.5	-0.2	1.0	1.4
Construction	110.8	111.0	107.5	103.6	101.4	101.4	102.9
percent change	5.1	0.2	-3.1	-3.6	-2.2	0.0	1.5
Manufacturing	167.8	174.9	178.2	180.5	182.1	185.0	187.4
percent change	-1.0	4.2	1.9	1.3	0.9	1.5	1.3
Service-Providing	1,243.9	1,304.1	1,350.5	1,389.3	1,423.1	1,454.2	1,484.5
percent change	5.6	4.8	3.6	2.9	2.4	2.2	2.1
Trade (Wholesale & Retail)	369.9	387.1	400.8	413.1	423.3	430.6	436.3
percent change	4.6	4.7	3.5	3.1	2.5	1.7	1.3
Services	487.0	511.9	531.7	547.1	560.2	573.9	588.2
percent change	7.4	5.1	3.9	2.9	2.4	2.4	2.5

Forecasts for Tucson Metro Area	1999	2000	2001	2002	2003	2004	2005
Personal Income ($ mill)	18,908.4	20,402.8	21,820.7	23,142.0	24,444.8	25,701.9	26,942.5
percent change	7.6	7.9	6.9	6.1	5.6	5.1	4.8
Per Capita Personal Income	22,356.3	23,477.8	24,494.8	25,431.5	26,355.5	27,234.6	28,087.2
percent change	4.8	5.0	4.3	3.8	3.6	3.3	3.1
Aggregate Retail Sales ($ mill)*	7,839.6	8,470.9	8,858.1	9,295.3	9,735.8	10,129.0	10,520.3
percent change	8.0	8.1	4.6	4.9	4.7	4.0	3.9
Population (000s, mid-year)	845.8	869.0	890.8	910.0	927.5	943.7	959.2
percent change	2.7	2.7	2.5	2.1	1.9	1.7	1.6
Net Migration (000s)	17.1	18.6	17.1	14.3	12.6	11.2	10.5
Wage & Salary Employment (000s)	340.0	356.2	367.6	377.2	384.5	390.7	396.4
percent change	4.6	4.8	3.2	2.6	1.9	1.6	1.4
Goods-Producing	55.3	57.9	59.3	59.8	60.1	60.4	60.7
percent change	8.5	4.7	2.4	0.9	0.5	0.4	0.6
Construction	20.9	22.0	22.7	22.7	22.6	22.4	22.4
percent change	5.9	5.2	2.8	0.3	-0.6	-0.6	0.0
Manufacturing	32.6	34.3	34.8	35.2	35.6	35.9	36.3
percent change	12.3	5.1	1.6	1.1	1.1	1.0	1.0
Service-Providing	284.7	298.3	308.3	317.3	324.4	330.3	335.6
percent change	3.9	4.8	3.3	2.9	2.2	1.8	1.6
Trade (Wholesale & Retail)	72.0	75.5	78.5	81.0	82.8	83.8	84.5
percent change	3.2	4.9	4.0	3.2	2.2	1.2	0.9
Services	111.2	117.6	123.5	128.4	132.2	135.7	138.9
percent change	5.1	5.8	5.0	4.0	3.0	2.6	2.4

**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 increase of 14% for furniture and home furnishings and near double-digit gains in building materials, overall retail sales increased by nearly 12%. In contrast to national readings, which have declined in recent months, consumer confidence among Arizonans remains at record highs.

Homebuilding indicators are the only measures that show some slowing. Residential permits are down from their mid-1999 peak, but remain at very high levels relative to history. Resale housing in both Phoenix and Tucson also remains near recent highs. Rises in interest rates will continue to nibble away at affordability and housing measures will record their first down year since 1989 (a decline of 250 units was recorded in 1996, but that was a pause rather than a drop). Homebuilding in Metro Tucson is expected to register another increase, albeit small, reflecting very strong job growth *(see forecast table page 4)*.

Estimates released on May 17 show that Arizona personal income increased by 7.0% in 1999. We were expecting a 7.2% increase. That ranks Arizona 7th among all states, following a ranking of 3rd in 1998. Methodological improvements and new sources of income from federal administrative records led to a boost in the *level* of personal income by nearly $5 billion. In terms of per capita income gains, Arizona's 4.5% increase was below the national average of 4.8%, but that is the result of very rapid population growth and the fact that newcomers have lower incomes, on average, than existing residents.[i]

EMPLOYMENT REVISED SHARPLY UPWARD

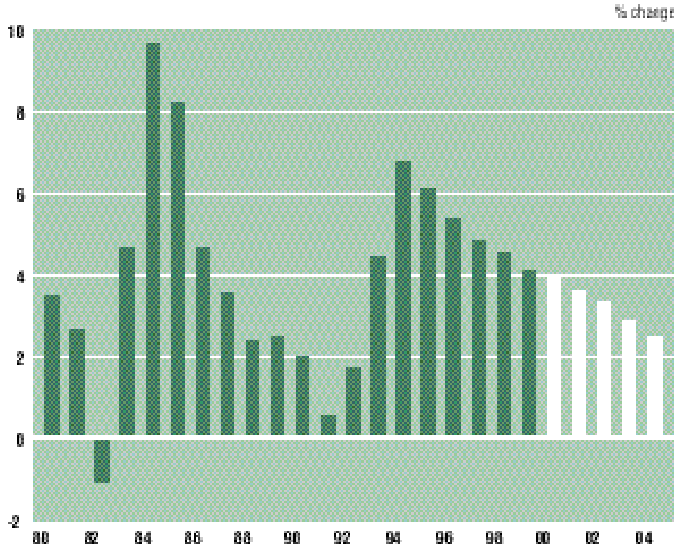
In its annual rebenchmarking of employment estimates, the Arizona Department of Economic Security (DES) revised its preliminary statewide estimate for 1999 upward by 8,800. More importantly, job *growth* for 1999 was revised upward to show a 4.1% gain, right in line with our forecasts. The preliminary estimate showed a 3.5% gain.

Over the past 16 years, the average difference between preliminary and final estimates is 15,600 jobs in an upward direction. In percentage terms, the 16-year average is one full percentage point. The largest upward revision came in 1994, 53,500 jobs or 2.5 percentage points. In only three of the past 16 years have the revisions been downward, in 1986 and 1990-91, all periods of slow growth or recession.

EXHIBIT 3

A Gradual Slowing is Expected

Wage and Salary Job Growth, Arizona



THE CURRENT BOOM IN METRO TUCSON'S ECONOMY WILL CONTINUE THIS YEAR, MAKING IT THE FASTEST-GROWING AREA IN ARIZONA... IT IS QUICKLY BECOMING THE CENTER OF ARIZONA'S R&D ACTIVITY.

Although the revisions are small relative to history, the effects on year-over-year growth rates are large. For example, the preliminary estimates showed a significant slowing in metro Phoenix during 1999, so that by the end of the year, the number of jobs was only 2.7% higher than one year earlier. We had questioned in these pages whether the reported decline was real. The revised numbers show growth of 4.3%, and that is a very different picture. The employment reports now show, as do other economic measures, solid (and strong) growth in metro Phoenix **(see Exhibit 2)**.

Growth in Tucson was lowered a bit for 1999. Year-over-year increases for December showed a 5.3% gain in preliminary reports. The revisions now show a 4.6% gain. A good deal of that difference may be explained by the disappearance of some 2,000 jobs in the Communications and Public Utilities industries between December of 1998 and January of 1999. This looks like a problem of counting jobs in the proper county rather than an actual loss.[ii] Reports for early 2000 show very strong gains in the 6.5-7.0% range.

THE OUTLOOK FOR 2000 AND BEYOND

During the past few years, both the national and Arizona economies have been absolutely unbelievable. With nearly half of the year over and the economy still smoking, the year 2000 will go into the record books as another strong year. The modest slowing expected through the rest of this year will affect the 2001 numbers. Job growth of 4.0% is expected this year, nearly matching last year's gain. That is another 85,000 new jobs (and a 135,000 increase in population). Next year, expect a 3.6% gain, and smaller gains in following years **(Exhibit 3)**.

Manufacturing will add to growth while construction activity becomes a negative. Several thousand temporary census workers also will add to job counts this year (and of course, subtract from next year).

For personal income, a gain of 7.5-8.0% is expected this year, followed by 6.7% and 6.3% in 2001 and 2002, respectively. Retail sales finally slow from recent unbelievable levels as confidence retreats, the wealth effect subsides and household debt service payments squeeze discretionary income as interest rates move higher. A gain of 6.5% this year is a reasonable expectation for sales, following the outsized 10.1% gain in 1999. Residential building permits retreat modestly, from nearly 63,000 units statewide last year to 53,000.

The current boom in Metro Tucson's economy will continue this year, making it the fastest-growing area in Arizona. During the 12-months ending in April, Metro Tucson accounted for more than 19,000 (20.3%) of the 94,000 new jobs created statewide. In recent years, Tucson has added several thousand high-paying R&D jobs in aerospace, optics and electrical machinery and is quickly becoming the center of Arizona's R&D activity.

THREATS TO THE OUTLOOK—GROWTH CONTROLS, INCOME TAX CUTS

Two voter initiatives on this fall's ballot could significantly alter the outlook. The Citizen's Growth Management Initiative (CGMI), according to some analysts, would significantly reduce building activity—right away, not ten years down the road. Proponents argue that there would be no effect on prices or availability. But if analysts are correct, and development is brought to a screeching halt, the impact on the overall economy could be severe.

A second initiative deals with the elimination of Arizona's individual income tax. This is a major source of revenue, accounting for over 37% of funding for state government. Proponents argue that the tax cut would significantly stimulate economic growth so that lost revenues would be quickly replaced by other sources (in Arizona, that falls on the sales tax). Analysts counter that this "supply-side" argument is deeply flawed and that the lost revenue would severely cripple the delivery of public goods, including education. Given the challenges of the knowledge-based new economy, this could be a catastrophe for Arizona's future economic development.

Our current forecasts do not include these potential risks, but we will take a close look at the issue in coming months and incorporate our findings into future forecasts. ■

i See "Recent Migration Flows Underscore Arizona's Diversity", Arizona's Economy, October 1998.

ii See "Too Good to be True?" Arizona's Economy, July 1999, p 5, and "1999/00 Outlook" Arizona's Economy, January 1998, p5.

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	DEC 1999	JAN 2000	FEB 2000	MAR 2000	APR 2000	% change versus year ago for: most recent month	most recent 12-months
YUMA METROPOLITAN REGION*							
Civilian Labor Force, ADES	64,500	58,375	56,650	57,250	59,425	-17.5	3.3
Employment	52,350	48,250	47,875	47,575	46,300	-13.4	3.3
Unemployment	12,150	10,125	8,775	9,675	13,125	-29.4	3.3
Unemployment Rate (%)	18.8	17.3	15.5	16.9	22.1	-14.4	-2.3
Employees on Nonagricultural Payrolls, ADES							
Total	43,400	38,975	39,800	40,150	39,250	-9.2	4.0
Construction	2,925.0	2,825.0	2,875.0	2,900.0	2,975	10.2	11.0
Manufacturing	2,400	2,325	2,425	2,450	2,475	5.3	10.9
Trans., Comm. & Publ. Util.	1,850	1,450	1,450	1,450	1,425	-20.8	-2.7
Trade	12,250	11,225	11,050	11,075	10,475	-11.2	-2.2
Finance, Ins. & Real Estate	1,300	1,100	1,125	1,100	1,050	-16.0	-0.5
Services	8,275	9,175	9,350	9,475	9,175	11.6	2.1
Government	14,400	10,875	11,525	11,700	11,675	-22.7	9.7
Sales ($000s) ADOR							
Gross Retail	132,662	96,428	101,323	100,815	...	4.4	10.6
Retail	110,653	71,890	77,598	75,947	...	0.6	8.4
Restaurants & Bars	9,858	9,889	11,834	11,310	...	8.3	9.4
Gasoline, EBR	12,151	14,649	11,891	13,558	9,924	-6.2	24.2
Gallons (000s) ADOT	9,223	11,375	8,904	8,657	6,479	-14.0	0.2
Contracting	16,104	12,928	17,034	16,742	...	-0.1	1.6
Value of Construction Contract Awards ($000s) F.W. Dodge							
Total	9,363	9,677	19,083	8,778	7,023	-71.2	-23.7
Residential Building	5,358	4,659	9,620	7,023	6,696	-26.4	-20.5
Non-Residential Building	1,566	4,660	8,828	1,340	327	-94.7	-29.6
Non-Building	2,439	358	635	415	0	...	-21.7
Number of Dwelling Units Awarded, F.W. Dodge							
Total	63	61	176	80	81	-21.4	-3.0
One Family Houses	63	61	94	80	81	-21.4	-12.1
MOHAVE-LA PAZ REGION							
Civilian Labor Force, ADES	71,725	72,150	71,575	71,450	71,150	2.3	5.9
Employment	68,700	68,650	68,175	68,225	68,250	3.4	6.4
Unemployment	3,025	3,500	3,400	3,225	2,900	-17.7	-4.2
Unemployment Rate (%)	4.2	4.9	4.8	4.5	4.1	-19.6	-9.3
Employees on Nonagricultural Payrolls, ADES							
Total	44,975	44,725	44,975	45,675	45,550	4.2	5.1
Mining (Mohave County only)	100	100	100	100	100	0	-2.0
Construction	3,675	3,600	3,575	3,600	3,600	6.7	6.9
Manufacturing	3,650.0	3,625.0	3,675.0	3,800.0	3,875	2.6	2.8
Trans., Comm. & Publ. Util.	2,200	2,150	2,150	2,250	2,300	9.5	6.2
Trade	13,700	13,525	13,600	13,600	13,375	1.1	3.1
Finance, Ins. & Real Estate	1,500	1,500	1,500	1,500	1,600	4.9	1.3
Services	11,100	11,125	11,200	11,400	11,275	3.0	7.8
Government	9,050	9,100	9,175	9,425	9,425	8.6	5.5
Sales ($000s) ADOR							
Gross Retail	121,254	96,901	107,491	135,633	...	31.1	12.7
Retail	94,623	71,573	82,108	88,874	...	13.8	8.9
Restaurants & Bars	12,408	12,141	13,549	14,942	...	13.1	9.7
Gasoline, EBR	14,223	13,187	11,834	31,817	17,305	17.7	39.1
Gallons (000s) ADOT	10,795	10,240	8,862	20,315	11,299	7.9	12.5
Contracting	31,951	20,573	22,592	23,854	...	-3.8	15.1
Value of Construction Contract Awards ($000s) F.W. Dodge							
Total	28,841	24,379	15,838	34,360	17,101	-41.6	11.3
Residential Building	19,516	18,651	11,737	18,130	15,449	-8.5	7.3
Non-Residential Building	8,871	909	2,599	6,856	988	-79.6	-30.0
Non-Building	454	4,819	1,502	9,374	664	-91.2	70.2
Number of Dwelling Units Awarded, F.W. Dodge							
Total	194	391	122	183	157	-9.2	11.4
One Family Houses	182	123	122	181	153	-9.5	0.4

*No mining data available

See notes at bottom of Arizona - Quarterly table.

	DEC 1999	JAN 2000	FEB 2000	MAR 2000	APR 2000	% change versus year ago for: most recent month	most recent 12-months
COCHISE COUNTY*							
Civilian Labor Force, ADES	41,175	41,125	40,425	40,075	39,575	0.8	4.0
Employment	39,125	38,950	38,450	38,175	37,950	3.1	5.7
Unemployment	2,050	2,175	1,975	1,900	1,625	-34.3	-19.5
Unemployment Rate (%)	5.0	5.3	4.9	4.7	4.1	-34.8	-22.6
Employees on Nonagricultural Payrolls, ADES							
Total	32,450	32,075	32,075	32,000	31,925	5.0	5.7
Construction	2,325	2,250	2,275	2,200	2,225	-2.2	16.6
Manufacturing	800	800	800	825	850	-17.1	-9.1
Trans., Comm. & Publ. Util.	1,250	1,275	1,275	1,275	1,275	4.1	-3.2
Trade	8,400	8,150	8,100	8,050	8,025	11.5	9.5
Finance, Ins. & Real Estate	750	700	700	700	725	3.6	-0.9
Services	8,550	8,550	8,525	8,500	8,400	13.1	13.3
Government	10,375	10,350	10,400	10,450	10,425	-1.2	-1.3
Sales ($000s) ADOR							
Gross Retail	55,842	49,439	57,798	58,833	...	1.8	11.0
Retail	42,546	38,734	43,135	42,559	...	-0.2	7.7
Restaurants & Bars	7,109	5,923	7,771	7,589	...	19.3	15.1
Gasoline, EBR	6,187	4,782	6,892	8,685	6,785	-15.0	21.6
Gallons (000s) ADOT	4,696	3,713	5,161	5,545	4,430	-22.1	-0.4
Contracting	16,520	11,833	13,534	14,051	...	17.4	34.4
Value of Construction Contract Awards ($000s) F.W. Dodge							
Total	5,714	5,948	4,218	7,422	17,037	53.0	9.3
Residential Building	4,084	3,003	2,841	4,736	9,409	39.9	-15.2
Non-Residential Building	693	2,240	493	2,686	4,676	55.9	41.8
Non-Building	937	705	884	0	2,952	109.4	20.2
Number of Dwelling Units Awarded, F.W. Dodge							
Total	50	37	35	49	125	86.6	-4.7
One Family Houses	50	37	35	49	45	-32.8	-16.6
SANTA CRUZ COUNTY*							
Civilian Labor Force, ADES	12,900	12,825	12,600	12,625	12,450	-3.9	-1.5
Employment	11,375	11,450	11,450	11,450	11,475	-0.2	0.4
Unemployment	1,525	1,375	1,150	1,175	975	-32.8	-10.4
Unemployment Rate (%)	11.8	10.7	9.1	9.3	7.8	-30.1	-9.8
Employees on Nonagricultural Payrolls, ADES							
Total	11,750	11,700	11,875	12,000	12,125	2.3	0.4
Construction	375	350	350	350	350	0.0	-1.1
Manufacturing	825	825	850	850	850	-5.6	-8.5
Trans., Comm. & Publ. Util.	1,275	1,225	1,250	1,275	1,300	2.0	11.5
Trade	4,400	4,475	4,450	4,525	4,600	-1.6	-4.9
Finance, Ins. & Real Estate	225	200	200	200	200	0.0	-21.8
Services	1,600	1,575	1,650	1,650	1,675	8.1	4.8
Government	3,050	3,050	3,125	3,150	3,150	8.6	7.5
Sales ($000s) ADOR							
Gross Retail	31,952	22,127	24,577	24,402	...	0.3	2.5
Retail	26,193	17,022	19,199	18,867	...	3.0	-0.1
Restaurants & Bars	2,942	2,782	2,964	2,521	...	-12.9	-0.4
Gasoline, EBR	2,817	2,323	2,414	3,014	2,823	-3.8	24.2
Gallons (000s) ADOT	2,138	1,804	1,808	1,924	1,843	-11.8	1.9
Contracting	4,250	3,689	4,435	4,241	...	-15.4	20.2
Value of Construction Contract Awards ($000s) F.W. Dodge							
Total	4,051	4,138	3,353	4,832	12,882	280.7	-0.5
Residential Building	1,808	3,188	3,353	3,282	11,587	353.5	9.1
Non-Residential Building	950	950	0	1,550	1,295	547.5	-31.9
Non-Building	1,293	0	0	0	0	-100.0	17.1
Number of Dwelling Units Awarded, F.W. Dodge							
Total	18	21	40	32	196	460.0	15.7
One Family Houses	16	19	29	32	28	-20.0	-8.5

*No mining data available

See notes at bottom of Arizona - Quarterly

	DEC 1999	JAN 2000	FEB 2000	MAR 2000	APR 2000	% change versus year ago for: most recent month	most recent 12-months
GILA COUNTY							
Civilian Labor Force, ADES	17,725	17,825	17,875	17,925	17,850	0.1	-2.5
Employment	16,625	16,700	16,750	16,825	16,875	2.3	-1.4
Unemployment	1,100	1,125	1,125	1,100	975	-26.4	-16.5
Unemployment Rate (%)	6.2	6.3	6.3	6.1	5.5	-26.5	-14.4
Employees on Nonagricultural Payrolls, ADES							
Total	14,200	14,200	14,375	14,575	14,650	3.9	-0.9
Mining	725	725	725	725	725	3.6	63.9
Construction	1,000	975	975	975	1,025	7.9	0.4
Manufacturing	1,150	1,150	1,175	1,175	1,175	4.4	-29.0
Trans., Comm. & Publ. Util.	525	500	500	500	500	-4.8	-11.0
Trade	3,425	3,575	3,725	3,775	3,675	10.5	4.6
Finance, Ins. & Real Estate	225	200	200	200	200	0.0	-14.8
Services	2,700	2,575	2,550	2,600	2,650	1.0	3.6
Government	4,450	4,500	4,525	4,625	4,700	1.1	-2.0
Sales ($000s) ADOR							
Gross Retail	27,896	20,441	23,806	23,845	...	3.3	6.8
Retail	21,721	15,390	17,242	17,103	...	-0.5	4.6
Restaurants & Bars	3,200	2,934	3,555	3,304	...	1.2	5.2
Gasoline, EBR	2,975	2,117	3,009	3,438	3,380	7.5	20.1
Gallons (000s) ADOT	2,258	1,644	2,253	2,195	2,207	-1.5	-0.9
Contracting	8,393	7,086	6,528	6,909	...	-3.9	-18.4
Value of Construction Contract Awards ($000s) F.W. Dodge							
Total	4,569	7,241	5,418	5,548	8,710	1.2	20.4
Residential Building	4,420	4,039	4,186	5,428	5,113	17.5	9.1
Non-Residential Building	149	141	800	0	3,597	-15.4	-28.2
Non-Building	0	3,061	432	120	0	...	200.1
Number of Dwelling Units Awarded, F.W. Dodge							
Total	36	31	36	40	42	35.5	12.1
One Family Houses	36	31	36	36	42	35.5	7.9

	DEC 1999	JAN 2000	FEB 2000	MAR 2000	APR 2000	most recent month	most recent 12-months
GRAHAM-GREENLEE REGION							
Civilian Labor Force, ADES	32,525	32,550	32,400	32,475	32,425	-1.9	-1.4
Employment	30,275	30,300	30,225	30,425	30,600	0.5	-0.3
Unemployment	2,250	2,250	2,175	2,050	1,825	-29.8	-13.6
Unemployment Rate (%)	6.9	6.9	6.7	6.3	5.6	-28.5	-12.5
Employees on Nonagricultural Payrolls, ADES							
Total	25,250	25,050	25,325	25,700	26,000	2.4	-0.5
Mining (Greenlee County only)	3,275	3,275	3,275	3,275	3,250	-2.3	6.5
Construction	1,525	1,575	1,550	1,550	1,625	4.8	-8.3
Manufacturing	1,425	1,425	1,450	1,450	1,450	3.6	-24.0
Trans., Comm. & Publ. Util.	775	750	725	725	725	-6.5	-9.3
Trade	5,650	5,675	5,825	5,950	5,825	4.0	1.7
Finance, Ins. & Real Estate	400	350	350	350	375	7.1	-16.7
Services	4,475	4,350	4,300	4,350	4,475	1.7	6.0
Government	7,725	7,650	7,850	8,050	8,275	3.4	0.4
Sales ($000s) ADOR							
Gross Retail	50,043	38,295	43,087	45,189	...	9.9	7.2
Retail	40,378	30,082	32,989	33,866	...	6.0	5.1
Restaurants & Bars	4,861	4,548	5,231	5,115	...	3.1	4.9
Gasoline, EBR	4,804	3,665	4,867	6,208	5,412	5.7	22.9
Gallons (000s) ADOT	3,646	2,846	3,645	3,964	3,534	-3.2	1.0
Contracting	12,510	10,626	10,589	9,630	...	-8.2	-13.1
Value of Construction Contract Awards ($000s) F.W. Dodge							
Total	6,479	7,970	5,894	7,025	12,436	-28.6	-0.4
Residential Building	6,330	4,768	4,662	6,379	6,039	16.2	8.4
Non-Residential Building	149	141	800	0	6,397	-45.6	-52.4
Non-Building	0	3,061	432	646	0	...	108.4
Number of Dwelling Units Awarded, F.W. Dodge							
Total	97	39	43	49	51	15.9	17.5
One Family Houses	45	39	43	45	51	15.9	3.0

See notes at bottom of Arizona - Quarterly table.

	DEC 1999	JAN 2000	FEB 2000	MAR 2000	APR 2000	% change versus year ago for: most recent month	most recent 12-months
APACHE-NAVAJO REGION							
Civilian Labor Force, ADES	52,000	52,025	51,525	51,775	50,900	-4.5	-0.1
Employment	45,850	45,050	44,875	45,750	45,675	-1.3	1.9
Unemployment	6,150	6,975	6,650	6,025	5,225	-25.1	-12.0
Unemployment Rate (%)	11.8	13.4	12.9	11.6	10.3	-21.6	-12.2
Employees on Nonagricultural Payrolls, ADES							
Total	46,450	45,275	45,575	46,900	46,950	0.8	2.5
Mining	900	875	875	875	875	-2.8	-3.8
Construction	2,000	1,900	1,850	1,900	1,925	-1.3	7.1
Manufacturing	1,275	1,175	1,175	1,175	1,150	-6.1	-11.0
Trans., Comm. & Publ. Util.	2,550	2,525	2,525	2,525	2,525	5.2	3.4
Trade	7,675	7,225	7,100	7,175	7,350	-3.9	1.3
Finance, Ins. & Real Estate	1,325	1,225	1,200	1,200	1,200	-4.0	9.4
Services	7,975	7,800	7,775	7,950	8,000	3.6	6.6
Government	22,750	22,550	23,075	24,100	23,925	1.8	1.8
Sales ($000s) ADOR							
Gross Retail	91,196	55,718	57,522	77,479	...	39.3	25.0
Retail	76,032	43,498	44,186	61,671	...	42.4	23.2
Restaurants & Bars	4,758	4,162	5,079	4,883	...	21.3	5.8
Gasoline, EBR	10,406	8,058	8,257	10,925	12,560	34.8	52.0
Gallons (000s) ADOT	7,899	6,257	6,183	6,975	8,201	23.5	26.1
Contracting	13,902	11,651	4,548	10,919	...	6.2	17.2
Value of Construction Contract Awards ($000s) F.W. Dodge							
Total	62,378	13,058	14,678	29,965	8,730	-5.3	53.6
Residential Building	6,964	12,040	5,323	7,374	7,476	20.1	19.6
Non-Residential Building	52,160	188	138	12,980	855	-41.0	82.8
Non-Building	3,254	830	9,217	9,611	399	-74.2	80.7
Number of Dwelling Units Awarded, F.W. Dodge							
Total	55	100	46	55	54	-11.5	5.2
One Family Houses	55	100	46	55	54	-11.5	8.1
COCONINO-YAVAPAI REGION							
Civilian Labor Force, ADES	128,500	125,200	124,900	126,875	127,925	2.3	3.4
Employment	122,250	118,650	119,100	121,650	123,425	3.6	3.9
Unemployment	6,250	6,550	5,800	5,225	4,500	-23.4	-6.6
Unemployment Rate (%)	4.9	5.2	4.6	4.1	3.5	-25.1	-9.7
Employees on Nonagricultural Payrolls, ADES							
Total	104,250	101,175	102,450	105,100	106,700	5.1	4.3
Mining	925	925	925	925	950	-2.6	-0.4
Construction	7,150	6,900	6,825	6,875	6,900	3.0	2.6
Manufacturing	5,675	5,650	5,675	5,600	5,650	-2.2	-5.3
Trans., Comm. & Publ. Util.	2,775	2,575	2,600	2,675	2,750	-2.7	-7.1
Trade	26,575	25,350	25,200	25,625	26,100	1.6	2.2
Finance, Ins. & Real Estate	2,600	2,550	2,550	2,575	2,600	2.0	-12.2
Services	30,150	29,450	29,625	30,275	30,975	7.6	9.2
Government	28,400	27,775	29,050	30,550	30,775	8.9	7.3
Sales ($000s) ADOR							
Gross Retail	228,361	160,931	180,733	195,545	...	10.2	15.1
Retail	177,824	120,295	131,685	138,177	...	6.0	11.8
Restaurants & Bars	29,877	26,544	30,114	32,950	...	10.2	12.5
Gasoline, EBR	20,660	14,092	18,934	24,418	28,143	41.0	51.0
Gallons (000s) ADOT	15,681	10,942	14,179	15,590	18,375	29.3	24.5
Contracting	67,561	47,456	45,531	44,973	...	8.6	16.5
Value of Construction Contract Awards ($000s) F.W. Dodge							
Total	37,085	68,608	31,918	52,514	52,840	-13.7	-13.7
Residential Building	24,782	30,826	24,243	35,776	32,730	-3.6	-14.3
Non-Residential Building	3,055	13,337	7,675	4,100	6,959	-42.8	-39.9
Non-Building	9,248	24,445	0	12,638	13,151	-12.8	22.5
Number of Dwelling Units Awarded, F.W. Dodge							
Total	214	329	205	260	268	3.5	-10.9
One Family Houses	206	203	177	254	219	-7.6	0.9

See notes at bottom of Arizona - Quarterly table.

	DEC 1999	JAN 2000	FEB 2000	MAR 2000	APR 2000	% change versus year ago for: most recent month	most recent 12-months
PHOENIX-MESA METROPOLITAN REGION (MARICOPA AND PINAL)							
Civilian Labor Force (000s) ADES	1,606.7	1,585.9	1,588.7	1,590.6	1,591.5	2.2	4.1
Employment	1,563.1	1,540.8	1,546.2	1,549.8	1,554.5	2.9	4.1
Unemployment	43.6	45.1	42.5	40.8	37.0	-19.6	4.8
Unemployment Rate, Seas. Adj.	2.8	2.9	2.8	2.7	2.6	-21.2	0.0
Employees on Nonagricultural Payrolls (000s) ADES							
Total	1,580.2	1,549.1	1,568.5	1,578.3	1,588.5	4.1	4.4
Mining	2.9	2.8	2.8	2.9	2.9	-47.3	-38.3
Construction	115.5	114.4	114.3	114.0	115.3	2.9	5.9
Manufacturing	164.5	164.3	164.3	164.2	164.3	-0.3	-2.1
Durable	126.7	126.5	126.5	126.4	126.7	-0.3	-2.2
Nondurable	37.8	37.8	37.8	37.8	37.6	-0.3	-1.5
Trans., Comm. & Publ. Util.	82.7	81.1	81.6	82.1	82.7	5.9	7.1
Trade	382.7	372.6	373.6	375.1	376.7	3.4	3.7
Wholesale	88.1	87.6	88.6	89.0	88.9	0.5	1.1
Retail	294.6	285.0	285.0	286.1	287.8	4.3	4.5
Finance, Ins. & Real Estate	122.5	122.1	122.9	123.2	123.9	5.7	4.8
Services	515.3	505.6	515.0	521.6	526.9	7.6	8.4
Government	194.1	186.2	194.0	195.2	195.8	1.0	0.6
Sales ($000s) ADOR							
Aggregate Retail Sales	3,604,337	2,796,128	2,943,003	3,139,507	...	5.3	9.5
Retail	2,730,298	1,949,771	2,059,424	2,190,195	...	2.9	10.8
Food, EBR	357,025	359,770	361,934	363,035	...	6.0	-1.9
Restaurants & Bars	356,920	343,512	380,481	402,763	...	10.7	10.3
Gasoline, EBR	160,095	143,074	141,164	183,514	188,354	15.8	18.4
Contracting	695,051	555,339	628,252	661,658	...	0.5	8.2
Value of Construction Contract Awards ($000s) F.W. Dodge							
Total Awards	623,409	705,463	581,711	1,336,248	1,007,544	10.8	-6.1
Residential Building	439,590	412,321	446,895	634,596	572,207	-5.2	-3.6
Non-Residential Building	130,187	212,051	110,448	664,613	332,086	75.9	-4.4
Non-Building	53,632	81,091	24,368	37,039	103,251	-11.3	-22.2
New Housing Units Authorized, Census C-40							
Total Units	3,572	3,131	4,167	5,183	...	8.5	-3.5
Single Family Units	2,501	2,446	2,701	3,418	...	-20.6	-4.5
2-4 Unit Structures	42	40	86	100	...	40.8	0.2
5-plus Unit Structures	1,029	645	1,380	1,665	...	316.2	-0.1
Housing Sales and Prices, ARMLS							
Total Sales ($000s)	728,080	519,800	632,541	892,382	931,558	14.1	14.2
Total Units	4,477	3,166	3,914	5,250	5,323	3.5	6.5
Average Price ($)	162,627	164,182	161,610	169,977	175,006	10.2	7.2
Phoenix Skyharbor International Airport, PSIA							
Total Passengers	2,844,390	2,690,486	2,794,281	3,422,053	3,082,885	8.1	7.3
Total Aircraft Movements	49,305	49,153	52,673	56,302	53,966	14.9	9.0

PHOENIX-MESA METROPOLITAN REGION (MARICOPA AND PINAL) - QUARTERLY DATA	I 1999	II 1999	III 1999	IV 1999	I 2000	% change versus year ago for: most recent quarter	most recent 4-quarters
Demographics & Vital Statistics (000s, seas adj) ADHS & EBR							
Population	3,011.9	3,035.4	3,058.8	3,082.3	3,105.8	3.1	3.2
Natural Increase	7.3	7.4	7.5	7.6	7.6	3.4	5.4
Births	13.0	13.2	13.4	13.4	13.5	3.6	5.4
Deaths	5.7	5.8	5.8	5.9	5.9	3.9	5.4
Net Migration	16.5	16.0	15.9	15.9	15.8	-3.8	-7.5
Personal Income by Source ($mil, SAAR) EBR							
Total Personal Income	78,137	79,502	80,933	82,465	84,006	7.5	7.3
Earnings by Place of Work	59,544	60,705	61,901	63,157	64,422	8.2	8.3
Less: Contributions for Social Insurance	4,161	4,233	4,307	4,385	4,464	7.3	7.3
Plus: Adjustment for Residence	-167	-164	-163	-163	-164	1.8	1.5
Plus: Dividends, Interest & Rents	12,154	12,245	12,361	12,512	12,667	4.2	3.4
Plus: Transfer Payments	10,767	10,949	11,141	11,344	11,545	7.2	6.5
Per Capita Personal Income ($, SAAR) EBR	25,943	26,192	26,459	26,754	27,048	4.3	4.0

See notes at bottom of Arizona - Quarterly table.

	DEC 1999	JAN 2000	FEB 2000	MAR 2000	APR 2000	% change versus year ago for: most recent month	most recent 12-months
TUCSON METROPOLITAN REGION (PIMA)							
Civilian Labor Force (000s) ADES	396.1	395.6	395.9	395.9	395.7	4.4	5.1
Employment	383.0	382.0	383.6	385.2	385.7	4.4	4.6
Unemployment	13.1	13.6	12.3	10.7	10.0	4.2	24.5
Unemployment Rate, Seas. Adj.	3.4	3.4	3.2	2.9	2.9	0.0	17.4
Employees on Nonagricultural Payrolls (000s) ADES							
Total	349.5	346.8	351.0	353.8	355.2	5.7	4.6
Mining	1.8	1.8	1.8	1.8	1.8	-10.0	-12.6
Construction	22.6	22.1	22.3	22.0	22.1	5.2	9.7
Manufacturing	32.5	32.6	32.7	33.1	33.1	12.6	9.3
Durable	27.0	27.1	27.2	27.5	27.5	16.0	12.6
Nondurable	5.5	5.5	5.5	5.6	5.6	-1.8	-3.8
Trans., Comm. & Publ. Util.	12.4	12.2	12.2	12.4	12.3	3.4	-6.8
Trade	74.6	72.9	73.4	74.0	74.7	6.0	3.6
Wholesale	10.9	10.7	10.7	10.8	10.9	2.8	0.8
Retail	63.7	62.2	62.7	63.2	63.8	6.5	4.1
Finance, Ins. & Real Estate	13.7	13.5	13.5	13.7	13.8	7.8	2.7
Services	116.8	117.0	117.5	118.4	119.2	5.5	6.7
Government	75.1	74.7	77.6	78.4	78.2	3.6	2.2
Sales ($000s) ADOR							
Aggregate Retail Sales	838,671	644,298	683,156	733,718	...	8.4	8.9
Retail	618,169	432,981	462,154	494,141	...	6.2	9.7
Food, EBR	89,864	90,563	91,108	91,385	...	6.0	0.1
Restaurants & Bars	82,849	78,481	88,201	89,160	...	5.4	5.6
Gasoline, EBR	47,789	42,272	41,693	59,031	54,470	17.6	27.2
Contracting	137,457	99,391	123,593	122,130	...	14.1	20.3
Value of Construction Contract Awards ($000s) F.W. Dodge							
Total Awards	120,116	126,500	137,773	219,229	140,587	-14.3	8.4
Residential Building	70,577	69,102	70,461	91,357	113,801	9.1	-13.1
Non-Residential Building	16,859	33,525	33,008	78,825	21,788	-32.9	34.6
Non-Building	32,680	23,873	34,304	49,047	4,998	-81.6	90.1
New Housing Units Authorized, Census C-40 adjusted by EBR							
Total Units	900	497	644	...	...	13.8	4.2
Single Family Units	522	465	575	...	...	8.0	-1.1
2-5-plus Unit Structures	378	32	69	...	...	104.0	33.1
Housing Sales and Prices, TAR							
Total Sales ($000s)	119,866	92,970	112,365	161,409	153,212	2.2	15.0
Total Units	796	646	773	1,062	979	-8.2	8.1
Average Price ($)	150,585	143,917	145,362	151,986	156,499	11.4	6.1
Tucson International Airport, TAA							
Total Passengers	295,796	271,852	310,165	347,470	315,933	-2.0	0.5
Total Aircraft Movements	23,629	24,310	20,496	22,565	21,970	-6.6	-2.5

TUCSON METROPOLITAN REGION (PIMA) - QUARTERLY DATA	I 1999	II 1999	III 1999	IV 1999	I 2000	% change versus year ago for: most recent quarter	most recent 4-quarters
Demographics & Vital Statistics (000s, seas adj) ADHS & EBR							
Population	837.5	842.8	848.5	854.4	860.3	2.7	2.7
Natural Increase	1.2	1.2	1.2	1.2	1.2	-1.8	3.8
Births	2.9	2.9	2.9	2.9	3.0	2.2	2.4
Deaths	1.7	1.7	1.7	1.8	1.8	5.0	1.5
Net Migration	4.2	4.2	4.5	4.7	4.7	12.1	-3.0
Personal Income by Source ($mil, SAAR) EBR							
Total Personal Income	18,365	18,719	19,085	19,465	19,842	8.0	7.7
Earnings by Place of Work	11,542	11,803	12,065	12,324	12,581	9.0	9.0
Less: Contributions for Social Insurance	815	832	849	867	884	8.5	8.4
Plus: Adjustment for Residence	215	219	225	231	238	10.9	11.1
Plus: Dividends, Interest & Rents	3,921	3,975	4,036	4,108	4,181	6.6	5.7
Plus: Transfer Payments	3,502	3,554	3,609	3,668	3,726	6.4	5.8
Per Capita Personal Income ($, SAAR) EBR	21,928	22,210	22,492	22,781	23,065	5.2	4.9

See notes at bottom of Arizona - Quarterly table

	DEC 1999	JAN 2000	FEB 2000	MAR 2000	APR 2000	% change versus year ago for: most recent month	most recent 12-months
ARIZONA MONTHLY DATA							
Civilian Labor Force (000s) ADES	2401.8	2375.8	2374.7	2378.8	2381.1	1.9	4.0
Employment	2312.3	2284.2	2290.0	2298.1	2303.9	2.9	4.1
Unemployment	89.5	91.6	84.7	80.7	77.2	-21.5	2.4
Unemployment Rate, Seas. Adj.	4.0	4.1	3.9	3.9	3.6	-21.7	-1.2
Employees on Nonagricultural Payrolls (000s) ADES							
Total	2239.4	2199.7	2227.8	2244.6	2256.3	4.3	4.3
Mining	10.1	9.9	9.9	9.9	10.0	-21.9	-17.5
Construction	158.5	156.4	156.6	155.9	156.9	3.2	6.2
Manufacturing	212.8	212.5	212.9	213.3	213.6	1.4	-0.8
Durable	164.5	164.3	164.8	165.2	165.7	2.5	-0.3
Nondurable	48.3	48.2	48.1	48.1	47.9	-2.2	-2.4
Trans., Comm. & Publ. Util.	107.4	105.4	106.0	106.8	107.3	5.0	3.7
Transportation	70.1	68.1	68.4	69.1	69.5	3.9	4.5
Trade	535.5	521.7	522.7	525.3	527.1	3.2	3.3
Wholesale	107.8	107.5	107.5	108.1	108.1	-1.3	-1.1
Retail	427.7	414.2	415.2	417.2	419.0	4.4	4.6
Finance, Ins. & Real Estate	144.0	143.5	144.4	144.7	145.7	5.7	4.1
Services	707.7	697.0	707.6	715.9	722.4	7.2	8.3
Government	363.4	353.3	367.7	372.8	373.3	3.1	2.0
Federal	47.0	45.5	46.2	49.4	49.6	4.4	3.4
State & Local	316.4	307.8	321.5	323.4	323.7	2.9	1.8
Schools	170.5	161.4	174.5	175.6	175.9	1.8	0.2
Hours Worked Per Week, Manufacturing, ADES	40.5	40.6	40.3	40.1	40.4	0.2	0.8
Average Hourly Earnings ($) ADES							
Copper Mining*	19.54	n/a	n/a	n/a	n/a	14.7	5.1
Construction	14.28	14.25	14.51	14.58	14.86	3.6	0.8
Manufacturing	12.82	12.79	12.76	12.68	12.82	1.4	2.4
Utilities	17.7	18.04	18.17	18.4	18.64	6.2	2.4
Retail Trade	11.42	11.46	11.62	11.47	11.69	-0.4	-0.8
Wholesale Trade	14.1	13.99	13.71	14.12	14.03	6.5	2.8
Sales ($000s) ADOR							
Aggregate Retail Sales	5,265,293	4,076,755	4,315,880	4,628,666	...	7.1	10.8
Retail	3,916,716	2,775,846	2,952,478	3,144,297	...	4.3	10.6
Food, EBR	557,862	566,824	570,233	571,968	...	6.8	6.7
Restaurants & Bars	511,582	487,982	545,224	571,233	...	9.8	9.6
Gasoline, EBR	279,133	246,102	247,945	341,168	325,776	16.5	24.5
Gallons (000s) ADOT	211,866	191,103	185,671	217,832	212,703	6.8	1.5
Utilities	395,288	417,011	362,773	375,693	...	2.2	3.2
Communications	193,735	219,379	216,523	213,752	...	17.4	16.0
Amusements	58,470	65,713	81,900	72,928	...	-1.2	9.8
Rentals - Personal Property	289,198	272,718	286,951	325,742	...	16.1	3.5
Contracting	995,306	773,486	870,108	908,198	...	2.5	10.4
Mining - Metal, Oil & Gas	45,816	46,783	28,049	38,901	...	-47.6	-23.4
Hotel/Motel	115,377	157,258	213,095	228,058	...	5.1	6.9
Value of Construction Contract Awards ($000s)							
Total Awards	897,436	965,741	814,466	1,700,373	1,276,180	3.8	-3.7
Residential Building	579,009	558,558	579,135	808,653	775,394	-1.7	-5.0
Non-Residential Building	214,490	268,001	163,989	772,950	375,371	43.9	-2.0
Non-Building	103,937	139,182	71,342	118,770	125,415	-30.1	-1.2
New Housing Units Authorized, Census C-40							
Total Units	4,843	4,058	5,250	6,501	...	8.1	-0.6
Single Family Units	3,439	3,343	3,732	4,659	...	-15.6	-2.1
2-4 Unit Structures	89	60	123	159	...	78.7	9.7
5-plus Unit Structures	1,315	655	1,395	1,683	...	315.6	4.7
Bankruptcy Filings, U.S. Bankruptcy Court							
Total	1,688	1,340	1,555	1,981	1,736	-16.1	-7.7
Chapter 7	1,347	1,022	1,220	1,609	1,415	-15.9	-8.8
Chapter 11	19	19	28	34	29	31.8	21.7
Chapter 13	322	299	306	338	291	-20.3	-4.8

** discontinued*

See notes at bottom of Arizona - Quarterly table.

	I 1999	II 1999	III 1999	IV 1999	I 2000	% change versus year ago for: most recent quarter	most recent 4-quarters
ARIZONA QUARTERLY DATA							
Demographics & Vital Statistics (000s, seas adj) ADHS & EBR							
Population	4,789.8	4,825.3	4,860.4	4,894.9	4,928.8	2.9	3.0
Natural Increase	10.0	10.4	10.6	10.0	10.1	0.9	3.3
Births	20.1	19.9	20.1	20.0	20.1	0.3	1.9
Deaths	10.1	9.6	9.5	10.0	10.0	-0.3	0.4
Net Migration	25.5	25.1	24.3	24.0	23.7	-7.0	-2.7
Personal Income Derivation ($mil, SAAR) EBR							
Total Personal Income	110,892	115,691	118,030	120,286	122,219	10.2	8.3
Earnings by Place of Work	79,403	83,390	85,304	86,961	88,396	11.3	9.3
Less: Contributions for Social Insurance	5,555	5,792	5,905	6,003	6,110	10.0	8.2
Plus: Adjustment for Residence	301	306	309	311	313	3.9	7.2
Plus: Dividends, Interest & Rents	18,186	19,018	19,306	19,731	19,857	9.2	5.9
Plus: Transfer Payments	18,556	18,768	19,017	19,287	19,763	6.5	6.2
Components of Earnings ($mil, SAAR) BEA							
Wages and Salaries	66,245	69,042	69,900	71,390	...	7.4	8.1
Other Labor Income	7,272	7,545	7,601	7,708	...	5.0	5.2
Proprietor's Income	8,552	8,720	8,713	9,018	...	7.2	9.3
Farm	646	578	390	510	...	-24.1	9.3
Nonfarm	7,906	8,142	8,323	8,508	...	9.9	9.3
Per Capita Personal Income ($, SAAR) EBR	23,152	23,976	24,284	24,574	24,797	7.1	5.2
Average Wage Per Employee, Annual Rate ($) EBR	30,720	31,568	31,598	32,055	...	3.1	3.8

TRAVEL AND TOURISM - MONTHLY DATA	DEC 1999	JAN 2000	FEB 2000	MAR 2000	APR 2000	% change versus year ago for: most recent month	most recent 12-months
Visits to Parks & Other Recreational Areas, ADOT, NPS & ASPB							
Northern Arizona	890,306	854,969	975,123	1,335,541	1,868,433	15.6	1.5
Historical	69,620	77,532	104,274	142,261	188,262	18.2	-1.4
Scenic	250,992	239,334	239,035	439,928	553,791	13.1	-0.6
Water Based Recreation	569,694	538,103	631,814	753,352	1,126,380	16.4	3.0
Southern Arizona	200,249	307,670	410,233	415,417	335,071	13.1	8.5
Historical	44,083	53,839	70,350	79,784	57,108	-3.4	-4.8
Scenic	146,034	225,929	299,003	286,023	223,406	16.3	14.6
Water Based Recreation	10,132	27,902	40,880	49,610	54,557	21.3	1.6
International Border Crossings, USINS & USCS							
U.S. Citizens	820,408	751,616	740,871	799,918	757,219	3.0	3.2
Aliens	2,306,446	2,016,822	2,024,266	2,154,878	1,947,179	0.3	1.1
Vehicles	871,451	850,123	824,903	...	...	10.5	6.3

MEASURES OF INFLATION AND PRICES - MONTHLY DATA	DEC 1999	JAN 2000	FEB 2000	MAR 2000	APR 2000	% change versus year ago for: most recent month	most recent 12-months
Consumer Price Index (1982-1984=100) BLS							
U.S. - All Urban	168.3	168.7	169.7	171.1	171.2	3.0	2.6
U.S. - Wage Earners	165.1	165.5	166.4	167.8	167.9	3.2	2.7

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
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 -QUARTERLY DATA

	I 1999	II 1999	III 1999	IV 1999	I 2000	% change versus year ago for: most recent quarter	most recent 4-quarters
Consumer Price index (1982-84=100) BLS							
Western Region (U.S.)	167.3	168.3	170.0	170.5	173.4	3.6	3.0
U.S. - All Urban Consumers	164.6	166.2	167.2	168.3	169.8	3.2	2.6
U.S. - Urban Wage Earners	161.2	162.8	163.9	165.1	166.6	3.4	2.7
Price Indexes (1992=100) BEA							
Gross Domestic Product	104.0	104.4	104.7	105.2	105.5	1.5	1.5
Personal Consumption Expenditures	103.7	104.3	104.8	105.4	105.8	2.0	1.9

See notes at bottom of Arizona - Quarterly table

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