

## A Poor Report Card Doesn't Deter Growth

By Marshall J. Vest  
Forecasting Project Director  
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*The data for 2005 continues to arrive, and it shows that Arizona's economy was even stronger than previously imagined. Moreover, bellwether data for employment and personal income are likely to be revised significantly higher in coming months. How else can double-digit growth in tax collections be reconciled? After all the revisions for 2005 are in, employment will have grown in the 5-6% range, wage increases will top five percent, and personal income growth may exceed ten percent. As 2006 begins, the Arizona economy has a full head of steam, but the pace will moderate as the year progresses due to less exuberant consumer spending and the return of more "normal" real estate activity.*

After surging during the fiscal year ending last June, tax collections for the state's general fund continued strong through year end. For the six months from July through December, sales and use taxes increased 17.1%, individual income taxes by 22.1% and corporate income taxes by 16.3%, compared to the same period one year earlier. Even after adjusting for a boost to withholding schedules that took effect in January 2005, individual income tax collections were still ahead of last year by nearly 18%. After removing the effects of inflation, these increases are among the largest ever recorded.

Meanwhile, published data for employment shows growth of only 4.1%. With data for the first three quarters, personal income is reported to be growing by less than 9%. Both measures will be revised higher in coming weeks: employment growth may approach 6% and personal income could top 10%. Together the two measures suggest that average pay scales increased in the 5-6% range, a very strong gain that no doubt reflects a resurgence from bonuses and stock options that today are offered across many industries.

Recently, the Arizona Department of Economic Security recently released population estimates for mid-year 2005. These show that the number of Arizona residents increased by over 210,000 last year, a growth rate of 3.7%. That is the largest numerical increase ever recorded and the fastest growth since the 4.4% gain of 1995. According to DES, Arizona now has 6.045 million residents (making it the 16th most populated state).

### A Poor Report Card for Arizona

Arizona may be experiencing a boom and rank as the second-fastest growing state in the nation, but the Corporation for Enterprise Development (CFED) recently gave Arizona D's on its economic report card. Arizona has never scored well on this annual study that's been published since 1987. The study assigns grades to each state on "how well its economy is doing for its people... and its businesses, and how well the state is preparing

for the future." Measures include sixty-eight aspects of economic health organized into three indexes: performance, business vitality, and development capacity.

The performance index is comprised of five measures: employment (which garnered an A due to Arizona's rapid growth), earnings and job quality (D due to poor employer health coverage and large proportions of working poor), equity (D due to a wide and worsening income gap), quality of life (D due to high percentages of uninsured low-income children and teen pregnancies, low voting rates, low home ownership rates, and the worst crime rate in the country), and resource efficiency (B highlighted by low per capita energy consumption). Overall grade = D.

The business vitality index is comprised of two measures: competitiveness of existing businesses and entrepreneurial energy. The competitiveness component received an F for low scores on "strength of traded sector", business closings, and manufacturing investment. The entrepreneurial component received a C with low scores for growth of new companies counterbalanced by job growth in new businesses and a large portion of employment in technology industries. Overall grade = D.

Finally, development capacity is made up of five components: human resources (D due to low scores on student proficiency in reading and math, low teacher salaries, low K-12 education expenditures and the highest high school dropout rate in the country), financial resources (D due to loans for small businesses), infrastructure resources (B with the best bridge deficiency rating in the country), amenity resources and natural capital (F due to high cost of housing, poor air quality, and

*How is it that Arizona scores so poorly, yet is the second fastest growing state in the country?*

conversion of cropland), and innovation assets (B with high rankings for R&D, university spin-outs and patents issued). Overall grade = D.

Arizona was among only five states that scored Ds or Fs in each of the three dimensions. Mississippi, West Virginia, New Mexico and Alaska were the other bottom dwellers.

Critics argue that grades from the development report card correlate poorly with growth. After all, how is it that Arizona scores so poorly, yet is the second fastest growing state in the country? How does one explain that those economic dynamos, Massachusetts and Minnesota, received the highest grades? Arizona, they continue, is widely viewed as pro business, retiree-friendly, and a land of endless possibilities.

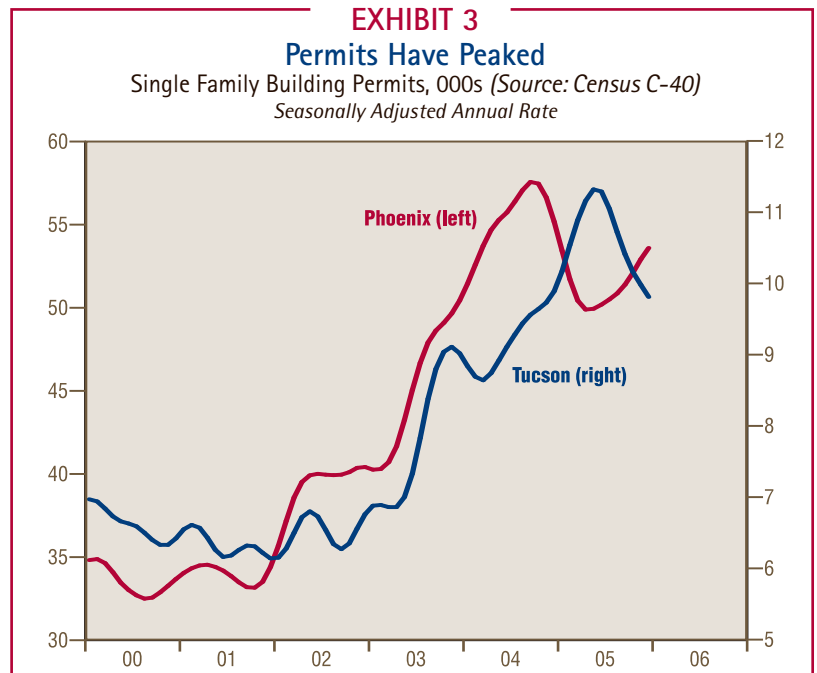
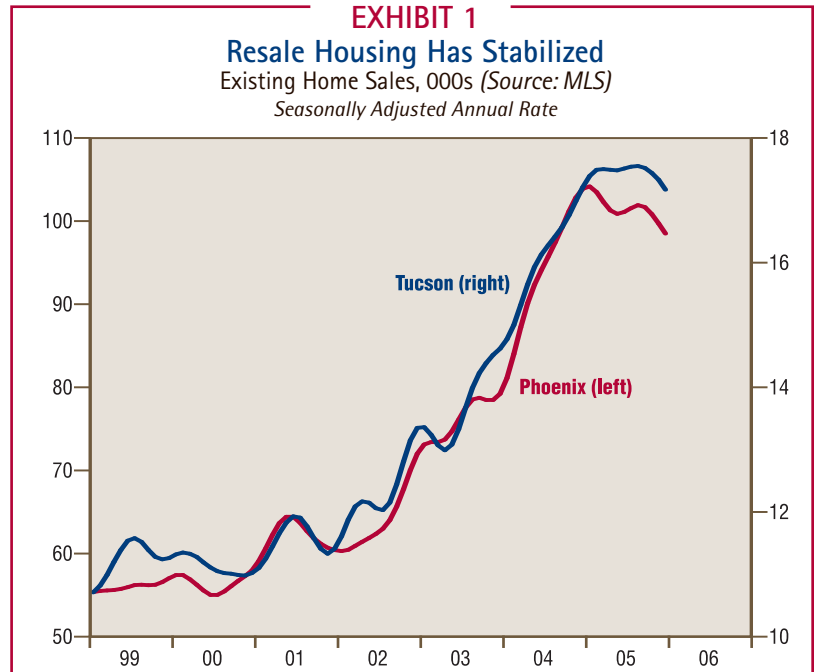
These criticisms aside, the study is useful in identifying Arizona's perceived weaknesses. Arizona is portrayed as a state of haves-and-have-nots, with a mediocre workforce, troubled public schools, and poor quality of life due to various social ills. This is not the image desired by elected officials and economic developers who dream of and promote a state with a highly skilled work force, an idyllic setting, and an economy driven by high technology and creative thinking. How will policy makers close this gap?

### Real Estate Update

For the past few years, real estate has been the turbo charger for Arizona's growth engine. Money poured in from all over the country, especially from over-priced housing markets in California and Las Vegas, thereby driving homebuilding to record levels and sending home prices soaring. Commercial construction also found new life as demand for retail, office, and industrial space strengthened. The construction industry normally accounts for 5-7 percent of total jobs, but in recent years it provided nearly one-fourth of all new jobs. In short, growth industries have been driving growth.

What we've just experienced is a once or twice in a generation surge in real estate investment. In the late 1990's, money poured into high tech. Since the high tech boom went bust, the investment focus has been on real estate (and not just here in Arizona, but around the world).

The frenzy in last summer's real estate markets all but disappeared as 2005 came to a close. Bidding wars that resulted in homes selling for tens-of-thousands of dollars more than asking price have disappeared, along with Saturday morning lines of potential homebuyers hoping to get their name on the list for the next lottery drawing used to allocate who gets to buy a new home. Open house signs are once again popping up (for a while houses were selling

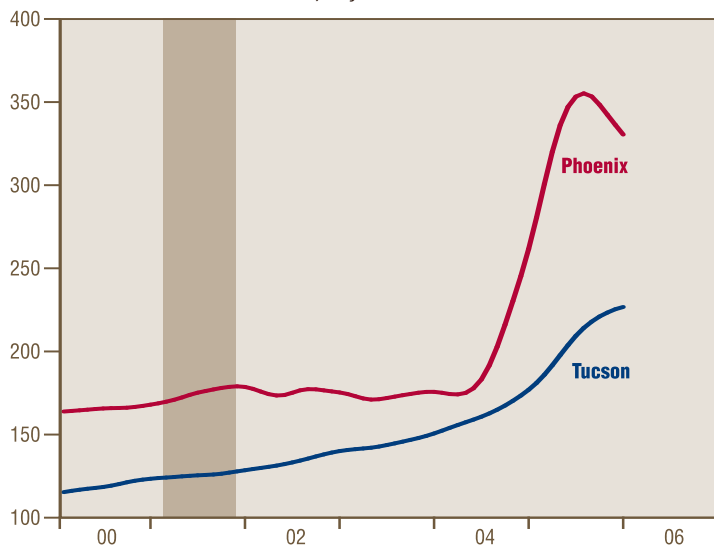


*What we've just experienced is a once or twice in a generation surge in real estate investment.*

### EXHIBIT 2

#### Home Prices Are Plateauing

Median Price of Homes Sold, \$000s (Source: MLS)  
Seasonally Adjusted, Smoothed



so fast, realtors didn't have a chance to hold them open). Inventories of homes for sale have increased back to normal levels, and houses are selling for less than asking price. Housing markets are getting back to normal once again.

With data through the end of the year, we see that the number of homes sold through the MLS has flattened out in both metros Tucson and Phoenix. Sales peaked in metro Phoenix during last year's first quarter, while Tucson sales have plateaued (Exhibit 1).

Data reported by the National Association of Realtors (NAR) and the Federal Office of Enterprise Oversight (OFHEO) both show moderating home prices in recent months. Data for the fourth quarter show that metro Phoenix led the nation for price increases year-on-year with a 48.9% increase. That was slower than the 55.2% increase registered during the prior quarter. Metro Tucson had the second-fastest gain in the West, with an increase of 32.2%. Again, that was slower than the third quarter's 34.7% gain.

OFHEO data for the third quarter show deceleration as well, not only in AZ but in California and Nevada metros as well. This data provides quarter-over-prior-quarter annual rates (as opposed to year-on-year from NAR) and therefore gives a more current picture of price trends. In the third quarter, the annual rate of appreciation in metro Phoenix was 37.7%, down from a 51.3% pace in the prior quarter. Similar results as seen for metro Tucson (28.3% versus 37.6%).

Southern California cities and Las Vegas, which experienced rapid increases earlier and serve as a leading indicator for Arizona, recorded much more moderate increases in the third quarter: Los Angeles prices rose at a 19.7% annual rate, Las Vegas up 9.3%, and San Diego up 7.1%. Prices in those markets are plateauing and serve as a harbinger for Arizona.

Data from local Multiple Listing Services show similar results. The median price of homes sold on the MLS has declined recently in metro Phoenix after an amazing surge during 2004 and 2005. In December the median price was \$330,000, up from \$245,000 the year before. In metro Tucson, prices are flattening out and are much lower (at \$220,000 up from \$169,000) than in Phoenix, (Exhibit 2).

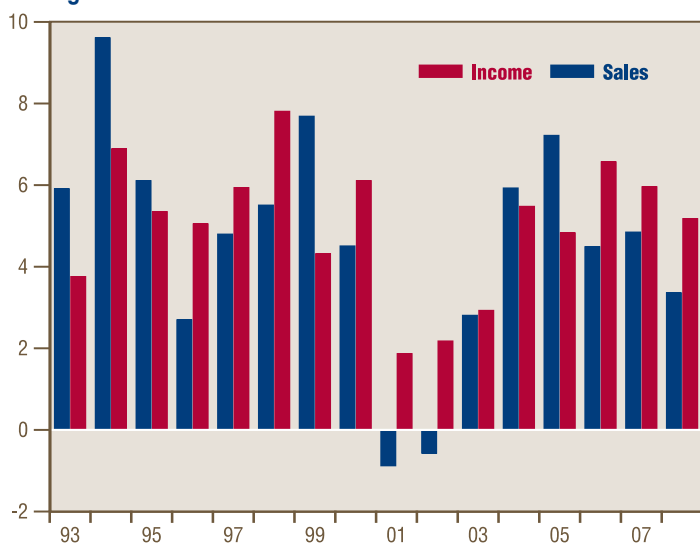
Slowing can also be seen in new home construction, as single family permitting in both metros is below its peak. In metro Phoenix, the decline in the latter part of 2004 was payback from accelerated permitting prior to a boost in impact fees in the summer of 2004. After falling about 15%, permits in metro Phoenix have been moving upward during the past year. In metro Tucson, permits peaked in the spring of 2005 and are down about 10% so far (Exhibit 3).

### EXHIBIT 4

#### Spending to Lag Income Growth

Real Consumer Spending and Income Growth, AZ

% change



*With data through the end of the year, we see that the number of homes sold through the MLS has flattened out in both metros Tucson and Phoenix.*

The mania that swept through these markets has evaporated, but that doesn't mean disaster looms. We expect these measures to flatten or give back modest amounts in months to come, but strong population growth will limit the downside. Also, commercial construction will remain robust in the near term.

One question now is, where will the "hot" money go next? Financial markets, collectibles, commodities? A second question is, now that real estate is no longer a driver of growth, what sector is going to take its place? One possibility: business investment spending, which promises expansion for Arizona's high tech industries. It's time for the hot money to seek business opportunities once again.

### The Outlook

We continue to expect Arizona's economy to slow as the year progresses. Real estate will become a neutral factor or even a slight drag rather than the major source of growth. Consumers will spend less freely as slower appreciation of homes and higher interest rates limit homeowners access to extra cash. Fortunately, job creation and tightening labor markets will drive wages higher, and the combination will prop up spending. But after two years of spending growth exceeding that of income gains, we'll see the opposite going forward.

After adjusting for inflation, spending will grow two percentage points slower than incomes over the next three years. This mirrors the years 1996-98 which followed a spending surge in 1993-94 that was even stronger than what we experienced during the past two years (Exhibit 4).

Overall, 2006 will be another year of solid expansion for the Arizona economy. The following year is more uncertain. One of the top forecasters in the country, Jim Smith from the University of North Carolina Chapel Hill, predicts a recession in 2007, due to over tightening by the Federal Reserve Bank. For the time being, we'll stick with a forecast of continuing expansion in 2007, just at a slower pace. Stay tuned. ■

## Arizona is the Fifth-Youngest State

By Valorie Rice

Arizona is young in comparison with the rest of the United States. The Census Bureau recently released state level population estimates that include a tabulation of those over 18 years old. According to the figures, Arizona is the fifth-youngest state with 26.6% of our population under the age of 18. The four states with populations even younger than ours are Utah (30.1%), Alaska (28.4%), Texas (27.7%) and California (26.9%) while the United States as a whole has 24.8% of the population under 18 years. Despite the perception that Arizona is an older state, the data shows that we are, in fact, quite young. The percentage of young people in Arizona hasn't changed much – it was at 26.6 in 2000 as well – but the number of other states younger than us has fallen. We were the tenth-youngest state in 2000 and now stand at fifth. ■

*Arizona was the tenth-youngest state in 2000 and now stands at fifth.*

Source: Population Estimates Program, U.S. Bureau of the Census  
Estimates of the Total Resident Population and Resident  
Population Age 18 Years and Older for the United States and States:  
July 1, 2005  
(Released January 2006)

### 2005 Population Estimate

	2005 Population Estimate	% under 18 yrs
UNITED STATES	296,410,404	24.8
1 Utah	2,469,585	30.1
2 Alaska	663,661	28.4
3 Texas	22,859,968	27.7
4 California	36,132,147	26.9
5 Arizona	5,939,292	26.6
6 Idaho	1,429,096	26.2
7 Georgia	9,072,576	26.0
8 Nevada	2,414,807	25.7
9 Indiana	6,271,973	25.6
10 Mississippi	2,921,088	25.6
11 Illinois	12,763,371	25.4
12 Louisiana	4,523,628	25.4
13 New Mexico	1,928,384	25.4
14 Colorado	4,665,177	25.3
15 Maryland	5,600,388	25.1
16 Michigan	10,120,860	24.9
17 New Jersey	8,717,925	24.8
18 North Carolina	8,683,242	24.7
19 Kansas	2,744,687	24.6
20 Nebraska	1,758,787	24.5
21 Arkansas	2,779,154	24.3
22 South Dakota	775,933	24.3
23 Ohio	11,464,042	24.1
24 Oklahoma	3,547,884	24.1
25 South Carolina	4,255,083	24.1
26 Virginia	7,567,465	24.1
27 Minnesota	5,132,799	24.0
28 Alabama	4,557,808	23.9
29 Connecticut	3,510,297	23.8
30 Missouri	5,800,310	23.8
31 New York	19,254,630	23.6
32 Washington	6,287,759	23.6
33 Hawaii	1,275,194	23.5
34 Kentucky	4,173,405	23.5
35 Wisconsin	5,536,201	23.4
36 Oregon	3,641,056	23.3
37 Tennessee	5,962,959	23.3
38 Delaware	843,524	23.2
39 New Hampshire	1,309,940	23.1
40 Florida	17,789,864	22.9
41 Massachusetts	6,398,743	22.8
42 Rhode Island	1,076,189	22.8
43 Pennsylvania	12,429,616	22.7
44 Iowa	2,966,334	22.6
45 Wyoming	509,294	22.4
46 Montana	935,670	21.9
47 North Dakota	636,677	21.4
48 Vermont	623,050	21.3
49 West Virginia	1,816,856	21.1
50 Maine	1,321,505	21.0

*Overall, 2006 will be another year of solid expansion for the Arizona economy. The following year is more uncertain.*

Arizona	2005	2006	2007	2008	2009	2010	2011
Personal Income (\$ mill)	178,119	194,839	210,245	225,539	243,919	264,103	284,801
percent change	8.4	9.4	7.9	7.3	8.1	8.3	7.8
Wage per Employee	39,852	41,518	43,199	44,940	46,878	48,904	50,952
percent change	4.5	4.2	4.0	4.0	4.3	4.3	4.2
Aggregate Retail Sales (\$ mill)*	73,873	79,666	84,686	88,970	93,988	99,748	105,733
percent change	11.7	7.8	6.3	5.1	5.6	6.1	6.0
Population (000s, mid-year)	6,028.3	6,228.6	6,431.1	6,624.4	6,822.6	7,030.4	7,242.5
percent change	3.4	3.3	3.3	3.0	3.0	3.0	3.0
Residential Permits	86,245	80,644	80,666	77,793	79,386	83,057	84,924
percent change	0.6	-6.5	0.0	-3.6	2.0	4.6	2.2
Non Farm Employment (000s)	2,483.7	2,601.6	2,694.1	2,772.4	2,866.9	2,965.6	3,060.9
percent change	4.6	4.7	3.6	2.9	3.4	3.4	3.2
Goods-Producing	394.5	409.3	412.4	420.1	430.1	440.2	453.0
percent change	5.1	3.7	0.8	1.9	2.4	2.4	2.9
Service-Providing	2,089.4	2,192.5	2,281.8	2,352.5	2,437.1	2,525.6	2,608.1
percent change	4.6	4.9	4.1	3.1	3.6	3.6	3.3
Trade, Trans., & Utilities	484.2	506.2	523.8	536.6	553.5	573.3	591.4
percent change	4.9	4.5	3.5	2.4	3.2	3.6	3.1
Prof. & Business Services	359.6	391.7	416.6	432.4	452.9	474.0	494.5
percent change	7.8	8.9	6.4	3.8	4.7	4.7	4.3
Leisure & Hospitality	250.7	261.4	268.7	275.5	284.4	293.5	301.3
percent change	3.8	4.2	2.8	2.5	3.2	3.2	2.7
Government	412.1	425.1	437.0	445.3	456.2	467.9	479.0
percent change	2.9	3.2	2.8	1.9	2.5	2.6	2.4
<b>Phoenix-Mesa Metro Area</b>							
Personal Income (\$ mill)	123,788	135,053	145,516	156,231	169,271	183,787	198,058
percent change	8.6	9.1	7.7	7.4	8.3	8.6	7.8
Wage per Employee	45,687	47,593	49,756	51,998	54,400	56,907	59,438
percent change	4.2	4.2	4.5	4.5	4.6	4.6	4.4
Aggregate Retail Sales (\$ mill)*	51,622	55,597	58,828	61,927	66,055	70,135	73,850
percent change	13.8	7.7	5.8	5.3	6.7	6.2	5.3
Population (000s, mid-year)	3,897.0	4,033.9	4,159.4	4,284.9	4,421.0	4,564.2	4,707.6
percent change	4.1	3.5	3.1	3.0	3.2	3.2	3.1
Residential Permits	63,449	55,344	49,758	49,792	53,961	56,812	56,883
percent change	-2.8	-12.8	-10.1	0.1	8.4	5.3	0.1
Non Farm Employment (000s)	1,765.6	1,853.1	1,906.9	1,955.5	2,022.7	2,098.8	2,167.0
percent change	5.0	5.0	2.9	2.6	3.4	3.8	3.2
Goods-Producing	289.6	297.1	292.0	293.0	300.7	311.3	320.2
percent change	6.6	2.6	-1.7	0.3	2.7	3.5	2.9
Service-Providing	1,476.0	1,556.1	1,614.9	1,662.6	1,722.0	1,787.6	1,846.8
percent change	4.7	5.4	3.8	3.0	3.6	3.8	3.3
Trade, Trans., & Utilities	358.6	374.0	386.2	396.8	409.8	424.8	438.6
percent change	5.0	4.3	3.3	2.7	3.3	3.6	3.3
Prof. & Business Services	287.2	314.6	330.4	337.6	348.9	364.3	380.3
percent change	6.7	9.6	5.0	2.2	3.4	4.4	4.4
Leisure & Hospitality	169.8	177.1	181.8	186.7	193.6	200.4	205.7
percent change	4.4	4.3	2.6	2.7	3.7	3.5	2.6
Government	229.4	235.9	241.9	246.2	252.3	259.1	265.3
percent change	3.5	2.8	2.5	1.8	2.5	2.7	2.4
<b>Tucson Metro Area</b>							
Personal Income (\$ mill)	26,537	28,813	30,961	32,955	35,163	37,534	39,898
percent change	7.7	8.6	7.5	6.4	6.7	6.7	6.3
Wage per Employee	38,076	39,622	41,167	42,690	44,237	45,816	47,444
percent change	4.4	4.1	3.9	3.7	3.6	3.6	3.6
Aggregate Retail Sales (\$ mill)*	11,077	11,860	12,381	12,944	13,528	14,155	14,771
percent change	11.9	7.1	4.4	4.5	4.5	4.6	4.4
Population (000s, mid-year)	956.9	983.5	1008.2	1031.5	1055.9	1081.3	1106.2
percent change	2.8	2.8	2.5	2.3	2.4	2.4	2.3
Residential Permits	11,758	11,290	9,749	9,189	9,618	9,999	9,833
percent change	13.0	-4.0	-13.6	-5.8	4.7	4.0	-1.7
Non Farm Employment (000s)	376.3	391.8	403.2	410.9	419.4	428.5	436.8
percent change	4.5	4.1	2.9	1.9	2.1	2.2	1.9
Goods-Producing	56.9	59.8	61.2	61.2	61.7	62.8	63.8
percent change	5.1	5.1	2.3	0.1	0.8	1.7	1.7
Service-Providing	319.4	332.0	342.0	349.7	357.7	365.7	372.9
percent change	4.4	3.9	3.0	2.2	2.3	2.2	2.0
Trade, Trans., & Utilities	61.4	63.8	65.5	66.7	68.2	69.6	70.8
percent change	5.9	3.9	2.6	1.9	2.2	2.1	1.7
Prof. & Business Services	44.4	48.2	51.9	53.8	55.4	56.9	58.7
percent change	4.4	8.6	7.5	3.8	2.9	2.7	3.2
Leisure & Hospitality	41.6	43.6	44.8	45.8	46.9	48.1	49.0
percent change	6.5	4.8	2.9	2.1	2.5	2.4	1.9
Government	80.9	82.3	83.4	84.5	85.7	87.0	87.9
percent change	1.8	1.8	1.3	1.2	1.4	1.5	1.0

\* Aggregate Retail Sales includes retail, food, restaurant & bars and gasoline sales.  
 Source: Economic and Business Research Center, Eller College of Management, The University of Arizona

## UA is a Major Contributor to Arizona's Economy<sup>1</sup>

By Vera Pavlakovich-Kochi, Ph.D.  
and Alberta H. Charney, Ph.D.<sup>2</sup>

The University of Arizona is a land-grant school and a Doctoral/Research University-Extensive (formerly called a Research I Institution). As such it plays a valuable role in training citizens and conducting advanced research in important academic areas such as astronomy, medicine, optics, and biosciences.

The University of Arizona is also a major generator of economic activity in Pima County and

throughout Arizona. The annual statewide economic impact of the University includes the creation of approximately 41,300 jobs, \$1.2 billion in earnings and a total dollar impact on the state's economy of \$2.3 billion in the fiscal year ending June 30, 2004.

The impacts estimated in this report are limited to the following sources of university-related spending: University purchases and operating expenditures, University capital investment (including construction), University employee spending, student spending, and University-related visitor spending. As such, this study does not evaluate the economic contributions of the spending of alumni or retired University employees who stay in the area. Similarly, the study does not estimate the economic impact of private businesses that are in Pima County either directly or indirectly because of the existence of the University.

### University Revenues

Total University revenues in 2004 were \$1.1 billion. In addition to the state appropriation funding, the University attracts additional dollars to the local economy from several other sources. For every dollar of the state's \$317.3 million in appropriated funds, the University received \$3.5 from other revenue sources. Federal grants and contracts were the largest source of University revenues, accounting for more than \$346.3 million. The share of University revenues attributable to federal grants and contracts increased substantially from 25.8 percent in fiscal year 1998 to 31.2 percent in 2004. In 2004, the University attracted an additional \$1.45 in grants, contracts and gifts for every \$1 of state-appropriated funds.

### University Impact on the Pima County Economy

The University buys from local businesses various goods and services such as equipment, office supplies, and professional services. The economic impact of these purchases is almost 2,000 jobs and \$168.8 million in earnings in Pima County.

Locally, the University spent more than \$60 million in construction and acquisition of capital goods, creating 1,300 jobs in construction and other industries in Pima County. This activity contributed \$44.6 million in earnings to the local economy.

The University employed 14,484 full- and part-time persons, including more than 3,000 graduate students. The total payroll, including benefits, was \$714.9 million. The local spending of University faculty and staff generated an economic impact in Pima County of 7,500 jobs and \$171.7 million in additional earnings.

Not counting tuition, University student spending injected \$704.3 million into the local economy. This generated 12,600 jobs and \$279 million in earnings in Pima County.

More than 809,000 University-associated visi-

- Statewide, the UA accounts for over 42,000 jobs, \$1.2 billion in earnings (primarily wage and salary disbursements), and \$2.3 billion in total dollar impact (as measured by spending).
- One in every ten employees in metro Tucson holds a job directly or indirectly related to the UA.
- Every dollar of state appropriated funds is matched by \$1.45 in grants, contracts, and gifts.
- State appropriations account for 28.5% of total spending. Student tuition and fees represents 15.5%. Grants, contract and gifts comprise 41%.
- Every dollar of state appropriations generates \$7.13 in total spending.
- Over \$98 million in tax revenues is generated, including \$54.2 million that is collected by the State of Arizona.

*For every \$1.00 of the state's \$317.3 million in appropriated funds, the University received \$3.50 from other revenue sources.*

tor-days were generated in Pima County, creating about 1,640 jobs and \$35.3 million in earnings.

The total employment impact of the University was 39,500 jobs in Pima County. This included direct employment of 14,484 at the University and all other jobs generated by University-related activities. This represents 9.8 percent of total employment in Pima County. Thus, every 10th employed person in Pima County is directly or indirectly related to The University of Arizona.

The combined earnings impact was \$1.1 billion in Pima County. The total dollar impact (including earnings and tax revenues) was \$2.1 billion. This means that \$7.13 in total sales is generated by University-related activities for every dollar of state appropriated funds.

### Impact on the Arizona Economy

The economic impact of The University of Arizona extends beyond the boundaries of Pima

County. The University has a physical presence in every county of Arizona through its various programs and outreach center. The University also purchases goods and services from other Arizona businesses outside of Pima County. More than 1,770 jobs and \$60.9 million in earnings were generated in Arizona counties other than Pima County. The total dollar impact was \$140.7 million.

Combining the impacts in Pima County with those in all other Arizona counties, The University of Arizona generated close to 41,300 jobs with \$1.2 billion in earnings. The total dollar impact on the state economy was an estimated \$2.3 billion, including earnings and revenue impacts.

### Total Revenue Impact

The University generates tax revenues directly through purchases of goods and services and indirectly through taxes paid by University employees. In addition, employees of businesses that sell to the University, students and visitors pay taxes to all levels of governments. The total tax impact in fiscal year 2004 was \$98.1 million, including \$54.2 to state government, \$20.3 million to the City of Tucson, \$14 million to Pima County, \$9.5 million to other Arizona counties and cities, and about \$100,000 to the Pima Association of governments.

Tax revenues associated with the spending impacts estimated in this report are estimated to return \$17.10 to the state government for every \$100 of state appropriated funding received in fiscal year 2004. ■

1 The entire study is available online at either <http://oed.arizona.edu> or <http://ebr.eller.arizona.edu>.

2 The authors of this article are with the Office of Economic and Policy Analysis in the Office of Economic Development and the Economic and Business Research Center, Eller College of Management, respectively. The authors would like to recognize Lora Mwaniki-Lyman and Dr. Sushila Umashankar as co-authors of the original study.

#### UA Revenues by Source FY 2004 (in thousands of dollars)

State appropriations	317,250
Federal grants and contracts	346,282
Non-federal grants and contracts	73,125
Student tuition and fees	172,529
Gifts	41,717
Auxiliary enterprise operations	121,087
Other*	48,617
<b>Total</b>	<b>1,111,607</b>

Source: UA Annual Financial Report, Year ended June 30, 2004

\* Includes state education sales tax revenues, investment income (less interest expense on debt), and other revenues.

#### Economic Impacts of the University of Arizona

	Pima County	Beyond Pima County	Total Impact on Arizona
Jobs	39,498	1,774	41,272
Earnings	\$1.1 billion	\$60.9 million	\$1.2 billion
Tax Revenues City of Tucson	\$20.3 million		
Tax Revenues Pima County	\$14 million		
Tax Revenues Counties		\$9.5 million	
Tax Revenues State		\$54.2 million	\$98.1 million
Pima Association of Governments	\$0.1 million		
<b>Total Impact</b>	<b>\$2.1 billion</b>	<b>\$140.7 million</b>	<b>\$2.3 billion</b>

The University of Arizona generated close to 41,300 jobs with \$1.2 billion in earnings. The total dollar impact on the state economy was an estimated \$2.3 billion.

## Study Shows Phoenix is a Great Place for Women Business Owners

By Heather Peterson  
December 2, 2005

Phoenix is a great place for women to own businesses according to a study by the Center for Women's Business Research. Using U.S. Census Bureau data, Center researchers ranked 50 MSAs based on estimates of how many privately-held firms were at least half-owned by women. The rankings also reflect firms' employee counts and sales volumes.

Phoenix-Mesa ranked fifth overall, with 54.7 percent (136,845) of privately-held firms (250,300) being at least half owned by women. These

women-owned firms boast a sales volume of more than \$41 billion and account for 21.2 percent (304,408) of all private sector jobs.

When the cities were ranked solely based on the share of women-owned firms, Phoenix-Mesa's 54.7 percent moved the city into third place, behind Portland-Vancouver with 57.7 percent and Seattle-Bellevue-Everett with 56.8 percent. Las-Vegas ranked fourth with 53.7 percent.

Center researchers estimated that between 1997 and 2004 the number of women-owned firms in the Phoenix-Mesa MSA grew 30.6 percent, the number of employer firms grew by 43.8 percent, and employment in these firms grew by 49.1 percent. At the same time, sales increased by 79.3 percent. These growth numbers combined to place Phoenix-Mesa second for overall growth in women-owned businesses, following Salt Lake City-Ogden in first place, ahead of third-place Las Vegas.

At the state level, Arizona was ranked fourteenth with 56.6 percent of private-sector firms at least half-owned by women. These firms account for 24.5 percent of the State's private sector jobs and generate more than \$60 billion in sales.

Arizona ranked second for strong growth in the number of women-owned firms, which increased a stunning 30 percent, while sales volume shot up a whopping 79 percent between 1997 and 2004. Utah placed first and Nevada followed in third.

The number of firms in Phoenix-Mesa increased 31 percent between 1997 and 2004, the number of employer firms grew by 44 percent, and employment in these firms grew by 49 percent. These growth numbers placed Phoenix-Mesa second, following Salt Lake City-Ogden in first place, and Las Vegas ranked third.

To read this study or for more general information, visit the Center for Women's Business Research at [www.cfwbr.org](http://www.cfwbr.org). ■

Number of Firms, Sales Volume, and Employment Firms Owned 50% or More by Women 2004  
Arizona and Phoenix-Mesa MSA

	Total Number of Privately-Held Firms	Number of 50% or More Women Owned Firms	% of Total	Total Employment	Employment in Firms 50% or more Owned by Women	% of Total Private Sector Employment	Sales (\$000)
California	2,571,405	1,249,343	48.6%		2,818,949		406,217,440
Texas	1,659,061	791,387	47.7%		1,515,034		197,112,725
Washington	475,188	280,075	58.9%		538,087		70,398,286
Arizona	388,333	219,894	56.6%	1,979,000	484,214	24.5%	60,296,582
Colorado	470,562	245,185	52.1%		358,227		49,824,725
Oregon	317,345	186,704	58.8%		355,826		42,515,391
Nevada	166,321	89,501	53.8%		177,803		29,216,458
Utah	204,149	102,194	50.1%		217,260		22,795,105
New Mexico	145,222	84,048	57.9%		176,931		18,999,798
Idaho	126,102	74,713	59.2%		140,743		16,959,144
Phoenix-Mesa MSA	250,300	136,845	54.7%	1,435,950	304,408	21.2%	41,176,987

*Phoenix-Mesa ranked fifth overall,  
with 54.7 percent of privately held firms  
being at least half owned by women.*

# ARIZONA ECONOMIC INDICATORS

	SEP 2005	OCT 2005	NOV 2005	DEC 2005	JAN 2006	% change versus year ago for most recent: month      12-months	
<b>APACHE COUNTY</b>							
<b>Civilian Labor Force, ADES</b>							
Employment	20,375	20,150	19,550	19,350	19,250	-3.6	-1.3
Unemployment	18,125	18,025	17,400	17,225	16,900	-4.7	-0.9
Unemployment Rate (%)	2,250	2,125	2,150	2,125	2,350	4.4	-4.2
Unemployment Rate (%)	11.0	10.5	11.0	11.0	12.2	8.4	-2.8
Employees on Nonagricultural Payrolls, ADES							
Total	20,375	20,350	19,575	19,325	18,825	-2.7	1.1
<i>Total Private</i>	6,875	6,775	6,625	6,525	6,325	-1.6	3.6
Goods-Producing	900	900	875	775	725	11.5	14.6
Service-Providing	19,475	19,450	18,700	18,550	18,100	-3.2	0.6
Trade, Transportation, and Utilities	1,825	1,900	1,925	1,950	1,875	1.4	0.6
Other Private Service-Providing	4,150	3,975	3,825	3,800	3,725	-5.1	3.1
<i>Government</i>	13,500	13,575	12,950	12,800	12,500	-3.3	-0.2
Federal Government	3,300	3,275	3,175	3,150	3,050	-1.6	1.8
State and Local Government	10,200	10,300	9,775	9,650	9,450	-3.8	-0.8
Sales (\$000s) ADOR							
Gross Retail	15,229	14,392	13,379	13,326	...	11.5	15.8
Retail	6,576	6,461	6,399	7,007	...	12.1	17.7
Restaurants & Bars	1,055	1,015	677	849	...	1.6	9.1
Gasoline, EBR	7,598	6,916	6,304	5,469	5,585	20.5	15.1
Gallons (000s) ADOT	2,610	2,515	2,628	2,533	2,439	-5.1	-3.6
Contracting	10,857	6,450	9,477	7,863	...	12.5	27.0
Hotel/Motel	1,373	1,134	534	904	...	2.9	17.7
<b>New Housing Units Authorized, Census C-40</b>							
Total Units							
Single Family Units							

Note: As of Jan 2005, Apache County no longer reports monthly permits.

<b>NAVAJO COUNTY</b>							
<b>Civilian Labor Force, ADES</b>							
Employment	37,425	36,875	36,450	36,625	36,300	-1.3	-0.9
Unemployment	34,400	34,025	33,475	33,675	32,950	-1.8	-0.8
Unemployment Rate (%)	3,025	2,850	2,975	2,950	3,350	3.9	-2.1
Unemployment Rate (%)	8.1	7.7	8.2	8.1	9.2	5.2	-1.2
Employees on Nonagricultural Payrolls, ADES							
Total	29,650	29,475	29,050	29,375	28,400	0.7	1.2
<i>Total Private</i>	19,425	19,250	18,975	18,900	18,250	3.3	4.5
Goods-Producing	3,550	3,575	3,450	3,350	3,150	-7.4	3.9
Mining and Construction	2,725	2,775	2,675	2,675	2,475	-2.9	6.8
Manufacturing	825	800	775	675	675	-20.6	-4.3
Service-Providing	26,100	25,900	25,600	26,025	25,250	1.8	0.9
Trade, Transportation, and Utilities	5,575	5,525	5,725	5,675	5,475	2.8	2.5
Information	750	750	750	800	800	10.3	14.3
Financial Activities	550	550	525	550	550	-12.0	-8.5
Professional and Business Services	1,150	1,150	1,150	1,200	1,200	20.0	9.0
Educational and Health Services	3,650	3,650	3,650	3,600	3,550	8.4	10.4
Leisure and Hospitality	3,150	3,025	2,725	2,700	2,575	3.0	-2.0
Other Services	1,050	1,025	1,000	1,025	950	15.2	17.2
<i>Government</i>	10,225	10,225	10,075	10,475	10,150	-3.6	-4.3
Federal Government	1,775	1,675	1,500	1,650	1,500	0.0	-1.6
State and Local Government	8,450	8,550	8,575	8,825	8,650	-4.2	-4.7
Sales (\$000s) ADOR							
Gross Retail	88,252	79,769	73,680	87,371	...	10.3	10.2
Retail	65,198	58,096	55,892	69,752	...	11.3	9.2
Restaurants & Bars	7,361	7,104	6,169	6,649	...	9.8	12.1
Gasoline, EBR	15,693	14,569	11,619	10,969	10,973	16.9	14.0
Gallons (000s) ADOT	5,390	5,299	4,843	5,081	4,793	-7.9	-4.4
Contracting	20,491	19,133	18,759	23,872	...	91.8	35.3
Hotel/Motel	3,001	2,497	1,666	2,150	...	14.1	10.0
New Housing Units Authorized, Census C-40							
Total Units	59	63	76	29	50	127.3	26.4
Single Family Units	57	59	76	27	46	109.1	32.7

See sources and abbreviations at the bottom of page 16. • For additional detail and history, subscribe to *Arizona Economic Indicators Data Book*.

# ARIZONA ECONOMIC INDICATORS

	SEP 2005	OCT 2005	NOV 2005	DEC 2005	JAN 2006	% change versus year ago for most recent:	
						month	12-months
<b>GRAHAM COUNTY</b>							
<b>Civilian Labor Force, ADES</b>	12,275	12,250	12,275	12,200	12,275	2.7	2.3
Employment	11,425	11,450	11,500	11,450	11,400	2.2	2.6
Unemployment	850	800	775	750	875	9.4	-2.0
Unemployment Rate (%)	6.9	6.5	6.3	6.1	7.1	6.5	-4.2
Employees on Nonagricultural Payrolls, ADES							
Total	7,425	7,525	7,575	7,550	7,325	3.5	3.2
<i>Total Private</i>	4,875	4,850	5,000	4,975	4,750	2.7	6.2
Goods-Producing	600	600	625	600	550	0.0	6.0
Service-Providing	6,825	6,925	6,950	6,950	6,775	3.8	3.0
Trade, Transportation, and Utilities	1,525	1,525	1,625	1,600	1,525	5.2	4.3
Other Private Service-Providing	2,750	2,725	2,750	2,775	2,675	1.9	7.4
<i>Government</i>	2,550	2,675	2,575	2,575	2,575	5.1	-2.0
Federal Government	325	325	325	325	325	8.3	2.6
State and Local Government	2,225	2,350	2,250	2,250	2,250	4.7	-2.7
Sales (\$000s) ADOR							
Gross Retail	18,669	18,646	19,406	22,651	...	14.6	18.2
Retail	14,600	14,687	15,047	19,005	...	17.4	18.6
Restaurants & Bars	1,643	1,757	2,325	1,725	...	2.5	18.7
Gasoline, EBR	2,426	2,202	2,034	1,922	1,895	7.9	13.3
Gallons (000s) ADOT	833	801	848	890	827	-15.0	-4.5
Contracting	2,459	2,850	4,788	4,137	...	84.3	19.7
<b>COCONINO COUNTY</b>							
<b>Civilian Labor Force, ADES</b>	68,600	68,300	67,900	67,000	66,400	2.3	1.6
Employment	65,100	65,000	64,600	63,600	62,300	2.1	1.8
Unemployment	3,500	3,300	3,300	3,400	4,100	5.1	-1.6
Unemployment Rate (%)	5.1	4.8	4.9	5.1	6.2	2.8	-3.1
Employees on Nonagricultural Payrolls, ADES							
Total	63,900	64,100	64,200	63,100	61,200	5.2	3.9
<i>Total Private</i>	44,200	44,200	44,200	43,700	42,300	6.0	4.8
Goods-Producing	6,700	6,700	6,700	6,600	6,500	8.3	4.1
Mining and Construction	3,300	3,300	3,200	3,200	3,000	3.4	0.3
Manufacturing	3,400	3,400	3,500	3,400	3,500	12.9	8.0
Service-Providing	57,200	57,400	57,500	56,500	54,700	4.8	3.9
Trade, Transportation, and Utilities	9,400	9,300	9,500	9,400	9,100	0.0	0.2
Information	500	500	500	500	500	25.0	7.3
Financial Activities	1,700	1,700	1,700	1,700	1,600	0.0	-0.5
Professional and Business Services	4,000	4,000	3,900	3,900	3,800	18.8	12.0
Educational and Health Services	7,200	7,400	7,300	7,400	7,300	5.8	5.5
Leisure and Hospitality	12,800	12,800	12,800	12,400	11,800	8.3	7.7
Other Services	1,900	1,800	1,800	1,800	1,700	-5.6	1.8
<i>Government</i>	19,700	19,900	20,000	19,400	18,900	3.3	2.0
Federal Government	3,200	3,000	2,900	2,800	2,600	-10.3	-6.8
State and Local Government	16,500	16,900	17,100	16,600	16,300	5.8	3.8
Sales (\$000s) ADOR							
Gross Retail	140,565	136,971	116,602	135,817	...	7.3	8.1
Retail	88,783	87,723	78,283	98,156	...	7.2	5.9
Restaurants & Bars	26,827	26,831	21,034	20,917	...	2.3	9.4
Gasoline, EBR	24,956	22,417	17,284	16,744	16,118	18.5	16.3
Gallons (000s) ADOT	8,572	8,154	7,205	7,755	7,040	-6.7	-2.5
Contracting	35,233	26,012	31,134	35,868	...	40.3	13.0
Hotel/Motel	21,394	19,164	11,030	10,529	...	5.4	7.5
New Housing Units Authorized, Census C-40							
Total Units	174	88	80	62	67	76.3	27.9
Single Family Units	90	88	80	62	67	103.0	-1.1

See sources and abbreviations at the bottom of page 16. • For additional detail and history, subscribe to *Arizona Economic Indicators Data Book*.

# ARIZONA ECONOMIC INDICATORS

	SEP 2005	OCT 2005	NOV 2005	DEC 2005	JAN 2006	% change versus year ago for most recent:	
						month	12-months
<b>GREENLEE COUNTY</b>							
<b>Civilian Labor Force, ADES</b>							
Employment	3,500	3,500	3,525	3,475	3,500	2.9	2.6
Unemployment	200	200	200	175	200	0.0	1.1
Unemployment Rate (%)	5.7	5.7	5.7	5.0	5.7	-2.9	-1.5
Employees on Nonagricultural Payrolls, ADES							
Total	3,825	3,800	3,850	3,850	3,925	9.8	8.2
<i>Total Private</i>							
Goods-Producing	3,350	3,325	3,350	3,350	3,450	12.2	10.8
Service-Providing	2,725	2,700	2,725	2,725	2,775	11.0	11.5
Trade, Transportation, and Utilities	1,100	1,100	1,125	1,125	1,150	7.0	0.9
Other Private Service-Providing	300	300	275	275	275	0.0	14.3
Government	325	325	350	350	400	33.3	3.2
<i>Government</i>							
Federal Government	475	475	500	500	475	-5.0	-6.7
State and Local Government	50	50	50	50	50	100.0	-9.1
	425	425	450	450	425	-10.5	-6.5
Sales (\$000s) ADOR							
Gross Retail	10,566	9,052	7,798	8,552	...	-0.7	11.9
Retail	9,582	8,003	6,907	7,821	...	-0.6	10.2
Restaurants & Bars	203	287	260	212	...	-14.2	10.7
Gasoline, EBR	781	762	631	518	643	42.8	42.4
Gallons (000s) ADOT	268	277	263	240	281	12.5	19.0
Contracting	5,038	2,328	1,761	3,172	...	N/A	59.7
Hotel/Motel*	668	490	479	477	...	86.2	33.7

\* Includes Graham County data.

## YAVAPAI COUNTY

<b>Civilian Labor Force, ADES</b>							
Employment	92,100	91,900	90,900	90,500	90,000	4.0	3.9
Unemployment	88,200	88,200	87,400	87,200	85,900	3.7	4.1
Unemployment Rate (%)	3,900	3,700	3,500	3,300	4,100	10.8	0.7
Unemployment Rate (%)	4.2	4.0	3.9	3.6	4.6	6.5	-3.2
Employees on Nonagricultural Payrolls, ADES							
Total	61,400	61,800	61,800	61,500	59,900	7.2	6.7
<i>Total Private</i>							
Goods-Producing	50,000	50,200	50,200	50,300	48,900	7.7	7.4
Mining and Construction	12,200	12,200	12,000	12,000	11,700	9.3	10.5
Manufacturing	8,600	8,500	8,300	8,300	8,100	12.5	12.6
Service-Providing	3,600	3,700	3,700	3,700	3,600	2.9	6.1
Trade, Transportation, and Utilities	49,200	49,600	49,800	49,500	48,200	6.6	5.8
Information	11,600	11,900	12,200	12,100	11,800	5.4	5.9
Financial Activities	600	600	600	600	600	0.0	-12.2
Professional and Business Services	2,200	2,200	2,200	2,300	2,100	10.5	12.1
Educational and Health Services	5,100	5,100	5,000	5,100	4,900	19.5	15.9
Leisure and Hospitality	8,500	8,500	8,600	8,600	8,500	3.7	5.1
Other Services	7,700	7,600	7,500	7,500	7,300	4.3	2.8
Government	2,100	2,100	2,100	2,100	2,000	17.6	8.5
<i>Government</i>							
Federal Government	11,400	11,600	11,600	11,200	11,000	4.8	3.8
State and Local Government	1,300	1,300	1,300	1,200	1,200	0.0	0.7
	10,100	10,300	10,300	10,000	9,800	5.4	4.2
Sales (\$000s) ADOR							
Gross Retail	171,561	176,329	163,514	198,778	...	12.6	16.2
Retail	130,071	134,135	127,293	163,621	...	14.2	16.0
Restaurants & Bars	20,529	21,959	20,263	20,163	...	1.0	17.0
Gasoline, EBR	20,960	20,235	15,957	14,995	15,304	26.3	17.5
Gallons (000s) ADOT	7,199	7,360	6,652	6,945	6,684	-0.6	-1.5
Contracting	62,935	65,982	73,315	81,206	...	41.9	25.5
Hotel/Motel	7,858	9,221	6,605	6,074	...	15.9	18.0
New Housing Units Authorized, Census C-40							
Total Units	315	316	311	251	248	-1.2	11.7
Single Family Units	311	302	308	249	248	0.4	19.0

See sources and abbreviations at the bottom of page 16. • For additional detail and history, subscribe to *Arizona Economic Indicators Data Book*.

# ARIZONA ECONOMIC INDICATORS

	SEP 2005	OCT 2005	NOV 2005	DEC 2005	JAN 2006	% change versus year ago for most recent:	
						month	12-months
<b>GILA COUNTY</b>							
<b>Civilian Labor Force, ADES</b>	20,650	20,450	20,350	20,250	20,200	0.4	0.1
Employment	19,300	19,150	19,100	19,050	18,800	-0.3	0.3
Unemployment	1,350	1,300	1,250	1,200	1,400	9.8	-2.8
Unemployment Rate (%)	6.5	6.4	6.1	5.9	6.9	9.4	-2.8
Employees on Nonagricultural Payrolls, ADES							
Total	14,050	14,025	14,275	14,225	13,900	2.4	1.7
<i>Total Private</i>	9,175	9,175	9,500	9,425	9,200	4.5	3.0
Goods-Producing	1,925	1,900	2,125	2,125	2,075	0.0	-0.3
Service-Providing	12,125	12,125	12,150	12,100	11,825	2.8	2.0
Trade, Transportation, and Utilities	2,150	2,150	2,250	2,225	2,125	2.4	1.7
Other Private Service-Providing	5,100	5,125	5,125	5,075	5,000	7.5	5.0
<i>Government</i>	4,875	4,850	4,775	4,800	4,700	-1.6	-0.8
Federal Government	550	525	425	450	425	-5.6	-2.8
State and Local Government	4,325	4,325	4,350	4,350	4,275	-1.2	-0.6
Sales (\$000s) ADOR							
Gross Retail	35,140	34,471	33,867	39,402	...	14.5	15.0
Retail	23,801	23,197	23,364	29,253	...	15.9	15.1
Restaurants & Bars	4,665	4,797	4,200	4,188	...	-2.1	8.1
Gasoline, EBR	6,674	6,477	6,303	5,962	5,666	40.9	22.0
Gallons (000s) ADOT	2,292	2,356	2,627	2,761	2,475	11.0	3.0
Contracting	10,504	8,095	9,504	9,681	...	-1.8	-3.5
Hotel/Motel	1,221	1,206	966	891	...	31.0	19.6
<b>MOHAVE COUNTY</b>							
<b>Civilian Labor Force, ADES</b>	87,850	88,350	88,525	87,700	89,050	4.8	4.8
Employment	84,075	84,725	85,025	84,300	84,875	4.1	4.8
Unemployment	3,775	3,625	3,500	3,400	4,175	22.8	5.4
Unemployment Rate (%)	4.3	4.1	4.0	3.9	4.7	17.1	0.5
Employees on Nonagricultural Payrolls, ADES							
Total	53,125	53,600	54,125	53,725	53,625	7.1	7.0
<i>Total Private</i>	45,275	45,725	46,175	45,850	45,700	7.8	7.5
Goods-Producing	11,025	11,075	11,050	10,700	10,975	5.3	9.1
Mining and Construction	7,100	7,150	7,150	7,000	7,300	10.6	10.7
Manufacturing	3,925	3,925	3,900	3,700	3,675	-3.9	6.1
Service-Providing	42,100	42,525	43,075	43,025	42,650	7.6	6.4
Trade, Transportation, and Utilities	11,400	11,525	12,025	12,050	11,900	9.9	6.2
Information	950	950	950	975	925	0.0	2.9
Financial Activities	2,175	2,175	2,200	2,200	2,125	7.6	8.7
Professional and Business Services	3,875	3,825	3,950	3,975	3,900	11.4	8.5
Educational and Health Services	6,775	6,925	6,900	6,900	7,050	8.5	6.1
Leisure and Hospitality	6,525	6,675	6,500	6,475	6,325	5.4	7.1
Other Services	2,550	2,575	2,600	2,575	2,500	12.4	10.3
<i>Government</i>	7,850	7,875	7,950	7,875	7,925	2.9	4.2
Federal Government	525	525	525	525	500	0.0	2.0
State and Local Government	7,325	7,350	7,425	7,350	7,425	3.1	4.3
Sales (\$000s) ADOR							
Gross Retail	179,625	153,740	162,580	181,896	...	7.9	17.4
Retail	136,105	110,496	124,444	143,744	...	7.6	16.7
Restaurants & Bars	16,183	16,985	15,575	15,895	...	-1.7	13.2
Gasoline, EBR	27,337	26,260	22,561	22,257	22,741	44.2	25.7
Gallons (000s) ADOT	9,389	9,551	9,404	10,308	9,932	13.5	5.7
Contracting	61,228	56,056	52,945	52,682	...	-0.8	20.5
Hotel/Motel	4,316	3,673	2,585	2,896	...	22.9	7.2
New Housing Units Authorized, Census C-40							
Total Units	387	328	304	234	265	-14.0	5.4
Single Family Units	380	316	300	232	237	-16.8	7.5

See sources and abbreviations at the bottom of page 16. • For additional detail and history, subscribe to *Arizona Economic Indicators Data Book*.

# ARIZONA ECONOMIC INDICATORS

	SEP 2005	OCT 2005	NOV 2005	DEC 2005	JAN 2006	% change versus year ago for most recent: month      12-months	
<b>LA PAZ COUNTY</b>							
<b>Civilian Labor Force, ADES</b>	7,225	7,225	7,250	7,200	7,350	-3.9	-0.2
Employment	6,675	6,700	6,750	6,725	6,800	-4.6	-0.6
Unemployment	550	525	500	475	550	4.8	4.6
Unemployment Rate (%)	7.6	7.3	6.9	6.6	7.5	9.0	4.9
Employees on Nonagricultural Payrolls, ADES							
Total	5,200	5,250	5,200	5,225	5,275	-2.8	0.9
<i>Total Private</i>	3,000	3,075	3,050	3,075	3,150	2.4	3.8
Goods-Producing	450	450	450	475	500	11.1	13.5
Service-Providing	4,750	4,800	4,750	4,750	4,775	-4.0	-0.2
Trade, Transportation, and Utilities	1,325	1,375	1,325	1,325	1,275	-5.6	2.1
Other Private Service-Providing	1,225	1,250	1,275	1,275	1,375	7.8	2.4
<i>Government</i>	2,200	2,175	2,150	2,150	2,125	-9.6	-2.9
Federal Government	225	225	225	225	225	0.0	5.9
State and Local Government	1,975	1,950	1,925	1,925	1,900	-10.6	-3.8
Sales (\$000s) ADOR							
Gross Retail	16,167	20,314	17,598	18,543	...	-2.6	18.4
Retail	8,581	12,335	9,202	11,136	...	-2.8	21.7
Restaurants & Bars	1,854	1,951	2,120	2,091	...	-11.5	11.3
Gasoline, EBR	5,732	6,028	6,275	5,315	6,994	27.9	15.7
Gallons (000s) ADOT	1,969	2,192	2,616	2,462	3,055	0.7	-1.7
Contracting	3,399	2,541	2,237	3,830	...	145.2	4.1
Hotel/Motel	462	403	439	409	...	0.6	6.0
<b>YUMA METROPOLITAN REGION</b>							
<b>Civilian Labor Force, ADES</b>	74,000	73,700	75,500	75,800	75,700	4.7	4.1
Employment	60,200	61,800	64,400	66,400	66,900	3.7	3.6
Unemployment	13,800	11,900	11,100	9,400	8,800	12.8	7.2
Unemployment Rate (%)	18.6	16.1	14.7	12.4	11.6	7.8	2.7
Employees on Nonagricultural Payrolls, ADES							
Total	49,600	51,100	53,000	55,000	54,700	4.8	5.6
<i>Total Private</i>	35,700	36,700	38,400	40,800	40,600	4.6	6.4
Goods-Producing	7,300	7,500	7,900	8,700	8,700	6.1	7.6
Mining and Construction	4,900	5,000	5,000	5,000	4,900	11.4	12.0
Manufacturing	2,400	2,500	2,900	3,700	3,800	0.0	1.1
Service-Providing	42,300	43,600	45,100	46,300	46,000	4.5	5.2
Trade, Transportation, and Utilities	9,300	9,800	10,300	11,500	11,400	0.0	4.5
Information	1,100	1,100	1,100	1,100	1,100	0.0	0.0
Financial Activities	1,500	1,500	1,500	1,500	1,500	0.0	3.5
Professional and Business Services	3,500	3,500	3,600	3,800	3,700	5.7	7.0
Educational and Health Services	6,100	6,100	6,400	6,400	6,400	4.9	4.2
Leisure and Hospitality	5,400	5,700	6,000	6,200	6,300	16.7	15.6
Other Services	1,500	1,500	1,600	1,600	1,500	-6.3	-2.1
<i>Government</i>	13,900	14,400	14,600	14,200	14,100	5.2	3.5
Federal Government	3,100	3,100	3,200	3,300	3,200	10.3	5.2
State and Local Government	10,800	11,300	11,400	10,900	10,900	3.8	3.0
Sales (\$000s) ADOR							
Gross Retail	126,647	137,513	146,178	185,478	...	9.6	16.4
Retail	93,530	103,253	111,599	149,264	...	11.0	15.2
Restaurants & Bars	12,432	13,992	15,419	17,099	...	6.5	15.4
Gasoline, EBR	20,685	20,268	19,161	19,115	20,864	26.2	24.8
Gallons (000s) ADOT	7,105	7,372	7,987	8,853	9,113	-0.6	5.1
Contracting	39,617	31,683	33,170	40,719	...	25.6	24.2
Hotel/Motel	2,417	3,539	3,409	3,873	...	34.1	14.7
New Housing Units Authorized, Census C-40							
Total Units	213	168	130	168	142	-4.1	-14.2
Single Family Units	208	168	125	168	142	-2.7	-9.8

See sources and abbreviations at the bottom of page 16. • For additional detail and history, subscribe to *Arizona Economic Indicators Data Book*.

# ARIZONA ECONOMIC INDICATORS

	SEP 2005	OCT 2005	NOV 2005	DEC 2005	JAN 2006	% change versus year ago for most recent:	
						month	12-months
<b>SANTA CRUZ COUNTY</b>							
<b>Civilian Labor Force, ADES</b>	16,000	16,300	16,350	16,450	16,275	3.3	3.4
Employment	14,075	14,525	14,900	15,225	15,025	3.3	4.1
Unemployment	1,925	1,775	1,450	1,225	1,250	4.2	-3.2
Unemployment Rate (%)	12.0	10.9	8.9	7.4	7.7	0.8	-6.5
Employees on Nonagricultural Payrolls, ADES							
Total	12,725	13,275	13,725	14,050	13,725	6.6	6.9
<i>Total Private</i>	9,500	10,025	10,450	10,775	10,400	9.5	9.7
Goods-Producing	925	900	875	825	775	-16.2	-4.1
Service-Providing	11,800	12,375	12,850	13,225	12,950	8.4	7.8
Trade, Transportation, and Utilities	4,925	5,325	5,725	6,100	5,875	11.4	11.8
Other Private Service-Providing	3,650	3,800	3,850	3,850	3,750	13.6	10.5
<i>Government</i>	3,225	3,250	3,275	3,275	3,325	-1.5	-0.7
Federal Government	1,200	1,225	1,250	1,250	1,250	11.1	4.1
State and Local Government	2,025	2,025	2,025	2,025	2,075	-7.8	-3.3
Sales (\$000s) ADOR							
Gross Retail	35,101	36,227	43,831	58,602	...	11.9	14.7
Retail	26,078	28,586	34,105	47,891	...	14.4	16.6
Restaurants & Bars	3,453	3,184	3,700	4,543	...	16.5	11.3
Gasoline, EBR	5,570	4,456	6,026	6,167	5,473	17.0	7.6
Gallons (000s) ADOT	1,913	1,621	2,512	2,857	2,390	-7.9	-8.6
Contracting	10,334	7,348	9,722	8,950	...	N/A	41.2
Hotel/Motel	888	706	1,225	1,327	...	65.8	19.3
New Housing Units Authorized, Census C-40							
Total Units	64	48	36	30	128	265.7	15.3
Single Family Units	59	48	36	30	128	265.7	16.9
<b>COCHISE COUNTY</b>							
<b>Civilian Labor Force, ADES</b>	56,375	56,325	56,075	55,900	56,500	3.7	3.2
Employment	53,400	53,500	53,400	53,300	53,350	2.8	3.1
Unemployment	2,975	2,825	2,675	2,600	3,150	20.0	4.3
Unemployment Rate (%)	5.3	5.0	4.8	4.7	5.6	15.8	1.1
Employees on Nonagricultural Payrolls, ADES							
Total	37,750	38,050	38,125	38,025	37,725	5.7	5.6
<i>Total Private</i>	25,325	25,600	25,600	25,600	25,350	6.0	5.4
Goods-Producing	3,700	3,775	3,725	3,650	3,550	6.0	7.7
Mining and Construction	2,850	2,900	2,975	2,850	2,775	11.0	11.1
Manufacturing	850	875	750	800	775	-8.8	-2.2
Service-Providing	34,050	34,275	34,400	34,375	34,175	5.7	5.3
Trade, Transportation, and Utilities	6,450	6,500	6,725	6,825	6,550	2.3	1.1
Information	450	450	450	475	475	0.0	-8.3
Financial Activities	1,000	1,000	1,000	1,000	975	8.3	4.7
Professional and Business Services	4,450	4,500	4,425	4,350	4,525	9.0	15.2
Educational and Health Services	3,900	3,950	3,975	4,000	4,025	4.5	4.4
Leisure and Hospitality	4,225	4,250	4,275	4,300	4,275	11.8	6.2
Other Services	1,150	1,175	1,025	1,000	975	0.0	-4.1
<i>Government</i>	12,425	12,450	12,525	12,425	12,375	5.3	6.0
Federal Government	5,025	5,025	5,025	5,000	5,000	4.2	3.6
State and Local Government	7,400	7,425	7,500	7,425	7,375	6.1	7.6
Sales (\$000) ADOR							
Gross Retail	79,841	80,784	80,611	99,292	...	1.0	7.8
Retail	57,853	59,437	60,043	78,775	...	2.1	7.5
Restaurants & Bars	8,626	9,313	9,091	9,600	...	2.8	1.8
Gasoline, EBR	13,362	12,034	11,478	10,918	11,340	6.4	12.3
Gallons (000s) ADOT	4,589	4,377	4,784	5,057	4,953	-16.2	-5.5
Contracting	21,330	24,377	26,526	22,817	...	-3.6	14.4
Hotel/Motel	2,601	2,988	2,690	2,158	...	-6.8	9.8
New Housing Units Authorized, Census C-40							
Total Units	110	92	67	50	60	-14.3	12.5
Single Family Units	108	90	67	48	60	-14.3	13.6

See sources and abbreviations at the bottom of page 16. • For additional detail and history, subscribe to *Arizona Economic Indicators Data Book*.

# ARIZONA ECONOMIC INDICATORS

	SEP 2005	OCT 2005	NOV 2005	DEC 2005	JAN 2006	% change versus year ago for most recent:	
						month	12-months
<b>TUCSON METROPOLITAN REGION (PIMA)</b>							
<b>Civilian Labor Force (000s) ADES</b>							
Employment	437.1	438.9	438.9	441.2	438.9	1.3	-0.2
Unemployment	415.4	418.2	419.4	422.7	416.5	0.6	-0.3
Unemployment Rate, Seas. Adj. (%)	21.7	20.7	19.5	18.5	22.4	14.9	1.6
	4.8	4.8	4.7	4.5	4.9	13.5	1.7
<b>Employees on Nonagricultural Payrolls (000s) ADES</b>							
Total	367.7	372.1	375.6	378.6	369.9	3.8	1.8
Natural Resources and Mining	1.3	1.3	1.6	1.6	1.6	14.3	8.8
Construction	26.3	26.7	26.7	27.1	26.4	11.4	7.9
Manufacturing	28.3	28.3	28.4	28.6	28.8	2.9	-0.3
Computer and Electronic Prod.	4.7	4.8	4.7	4.7	4.7	-6.0	-5.0
Aerospace Products and Parts	11.2	11.2	11.3	11.4	11.3	1.8	-0.4
Wholesale Trade	8.3	8.4	8.4	8.6	8.4	5.0	3.2
Retail Trade	40.3	40.9	42.6	43.6	41.5	0.7	-1.0
Transp., Warehousing, and Utilities	9.1	9.3	9.3	9.4	9.3	5.7	8.1
Information	7.1	7.2	7.1	7.3	7.2	-1.4	-4.9
Financial Activities	16.8	17.0	17.1	17.4	17.2	11.0	4.2
Professional and Business Services	46.6	47.2	47.2	47.8	46.7	5.7	5.5
Educational and Health Services	50.8	51.3	51.7	51.6	51.6	5.1	5.3
Arts, Entertainment, and Recreation	5.0	5.3	5.6	5.6	5.7	26.7	2.4
Accommodation	7.8	7.7	7.9	8.0	8.1	5.2	0.1
Food Svcs and Drinking Places	27.1	27.4	27.8	28.1	27.9	5.7	4.5
Other Services	14.7	14.9	14.9	14.9	14.3	0.0	-0.1
Federal Government	10.3	10.3	10.3	10.2	10.1	2.0	3.9
State and Local Government	67.9	68.9	69.0	68.8	65.1	-1.8	-3.9
State and Local Government Education	43.1	44.4	44.6	44.4	40.8	-2.9	-6.3
<b>Sales (\$000s) ADOR</b>							
Aggregate Retail Sales	911,419	894,110	915,677	1,156,281	...	8.7	10.9
Retail	587,212	567,016	606,453	839,207	...	9.0	9.2
Food, EBR	124,176	129,703	132,513	134,007	...	13.2	12.6
Restaurants & Bars	104,403	109,081	108,368	116,830	...	6.5	12.4
Gasoline, EBR	95,628	88,310	68,343	66,237	70,074	19.5	21.6
Contracting	186,483	165,585	185,217	207,330	...	16.5	13.6
Hotel/Motel	21,681	28,388	29,983	24,526	...	9.3	18.7
<b>New Housing Units Authorized, Census C-40 adjusted by EBR</b>							
Total Units	1,110	899	823	896	897	26.9	15.0
Single Family Units	965	797	713	793	853	25.7	16.6
2-5-plus Unit Structures	145	102	110	103	44	53.0	2.9
<b>Housing Sales and Prices, TAR</b>							
Total Sales (\$000s)	354,531	355,266	324,189	331,014	258,363	3.7	32.3
Total Units	1,404	1,368	1,219	1,241	944	-13.1	7.2
Average Price (\$)	252,515	259,698	265,947	266,731	273,690	19.3	23.5
<b>Tucson International Airport, TAA</b>							
Total Passengers	313,413	357,371	354,541	358,549	...	7.8	9.5
Total Aircraft Movements	23,941	24,194	27,291	25,337	...	25.9	12.2

## TUCSON METROPOLITAN REGION (PIMA COUNTY) - QUARTERLY DATA

	IV 2004	I 2005	II 2005	III 2005	IV 2005	% change versus year ago for most recent:	
						quarter	4-quarters
<b>Demographics &amp; Vital Statistics (000s, seas adj) ADHS &amp; EBR</b>							
Population	940.7	947.1	953.8	960.4	967.0	2.8	2.7
Natural Increase	1.3	1.3	1.3	1.3	1.3	-0.5	-0.3
Births	3.3	3.3	3.3	3.3	3.3	1.2	1.2
Deaths	2.0	2.0	2.0	2.0	2.0	2.4	2.1
Net Migration	4.7	5.1	5.3	5.3	5.3	11.7	18.3
<b>Personal Income by Source (\$mil, SAAR) EBR</b>							
Total Personal Income	25,339	25,715	26,247	26,803	27,384	8.1	7.7
Earnings by Place of Work	17,597	17,955	18,362	18,761	19,143	8.8	9.0
Less: Contributions for Social Insurance	1,990	2,022	2,072	2,124	2,180	9.6	9.1
Plus: Adjustment for Residence	120	123	126	129	132	9.6	9.9
Plus: Dividends, Interest & Rents	4,929	4,890	4,962	5,068	5,220	5.9	3.3
Plus: Transfer Payments	4,683	4,769	4,868	4,968	5,068	8.2	8.3
<b>Per Capita Personal Income (\$, SAAR) EBR</b>	26,936	27,151	27,519	27,908	28,320	5.1	4.9

# ARIZONA ECONOMIC INDICATORS

	SEP 2005	OCT 2005	NOV 2005	DEC 2005	JAN 2006	% change versus year ago for most recent: month 12-months	
<b>PHOENIX-MESA METROPOLITAN REGION (MARICOPA AND PINAL)</b>							
<b>Civilian Labor Force (000s) ADES</b>							
Employment	1,930.3	1,942.5	1,948.8	1,952.9	1,948.7	3.8	3.8
Unemployment	1,845.4	1,861.7	1,872.7	1,880.5	1,861.2	3.5	4.0
Unemployment Rate, Seas. Adj. (%)	84.9	80.8	76.1	72.4	87.5	10.9	-1.5
Unemployment Rate, Seas. Adj. (%)	4.2	4.2	4.1	4.0	4.3	6.9	-5.2
<b>Employees on Nonagricultural Payrolls (000s) ADES</b>							
Total	1,809.2	1,829.9	1,850.3	1,862.8	1,826.3	6.5	6.2
Natural Resources and Mining	1.7	1.7	2.5	2.6	2.6	18.2	4.4
Construction	169.6	172.5	173.6	175.3	172.8	16.0	15.9
Durable Goods	108.9	109.1	109.0	109.1	109.1	3.0	3.3
Fabricated Metal Products	14.2	14.4	14.4	14.7	14.5	5.1	5.7
Computer and Electronic Prod.	40.0	39.9	39.9	40.0	40.1	3.4	2.5
Aerospace Products and Parts	15.4	15.4	15.3	15.3	15.3	3.4	3.5
Non-Durable Goods	27.5	27.5	27.5	27.4	26.9	0.4	0.5
Wholesale Trade	82.5	83.5	83.8	84.2	84.1	4.6	4.3
Retail Trade	216.3	220.8	230.4	235.0	227.8	8.2	8.3
Utilities	8.2	8.2	8.2	8.2	8.0	2.6	2.2
Transportation and Warehousing	54.0	55.0	55.0	55.1	54.9	2.8	2.5
Information	32.9	33.1	33.0	32.9	32.6	1.2	-3.1
Finance and Insurance	110.9	110.7	111.5	112.0	110.7	4.8	5.1
Real Estate, Rental, and Leasing	37.5	38.0	38.4	38.9	38.2	5.8	7.6
Professional and Business Services	306.5	310.9	313.2	316.4	307.4	9.8	9.4
Educational Services	30.3	31.0	31.6	31.5	31.1	4.7	6.9
Health Care and Social Assistance	154.5	154.8	155.5	155.8	156.4	6.6	5.2
Arts, Entertainment, and Recreation	21.5	22.2	22.6	23.1	22.7	7.6	5.1
Accommodation	26.2	27.1	27.4	27.5	27.4	0.4	-0.7
Food Svcs and Drinking Places	120.1	122.1	123.7	124.6	122.9	6.8	6.4
Other Services	68.2	68.5	68.8	69.2	67.8	6.4	4.6
Federal Government	21.9	21.9	22.1	22.4	22.2	1.8	1.2
State and Local Government	210.0	211.3	212.5	211.6	200.7	0.7	2.0
State and Local Government Education	110.7	111.7	113.2	112.9	102.0	1.6	3.3
<b>Sales (\$000s) ADOR</b>							
Aggregate Retail Sales	4,303,110	4,363,527	4,444,380	5,572,205	...	15.7	14.7
Retail	2,878,748	2,889,600	3,036,818	4,119,293	...	16.7	14.7
Food, EBR	546,914	571,256	583,633	590,212	...	14.4	13.8
Restaurants & Bars	479,397	511,397	511,297	553,719	...	10.4	12.6
Gasoline, EBR	398,050	391,274	312,632	308,980	322,354	32.1	21.2
Contracting	1,204,574	1,120,078	1,242,223	1,443,256	...	32.8	29.5
Hotel/Motel	83,888	110,371	116,001	102,327	...	12.1	15.6
<b>New Housing Units Authorized, Census C-40</b>							
Total Units	5,263	5,433	3,577	4,703	4,915	14.0	-4.8
Single Family Units	4,350	3,889	3,405	3,905	3,593	-3.6	-9.7
2-4 Unit Structures	38	144	61	176	257	213.4	-7.7
5-plus Unit Structures	875	1,400	111	622	1,065	110.9	42.2
<b>Housing Sales and Prices, ARMLS</b>							
Total Sales (\$000s)	2,827,977	2,513,633	2,279,457	2,093,431	1,721,698	5.4	40.1
Total Units	8,871	7,751	7,048	6,300	5,048	-19.9	3.6
Average Price (\$)	318,789	324,298	323,419	332,291	341,065	31.6	35.8
<b>Phoenix Skyharbor International Airport, PSIA</b>							
Total Passengers	3,130,240	3,451,033	3,404,530	3,433,127	3,310,363	4.9	4.1
Total Aircraft Movements	45,879	47,572	46,840	47,656	46,349	0.6	1.5

## SOURCES AND ABBREVIATIONS:

<b>ADES:</b> Arizona Department of Economic Security	<b>BLS:</b> Bureau of Labor Statistics, U.S. Department of Labor	<b>PSIA:</b> Phoenix Skyharbor International Airport
<b>ADHS:</b> Arizona Department of Health Services	<b>Census C-40:</b> Bureau of the Census, U.S. Department of Commerce	<b>SAAR:</b> Seasonally adjusted at annual rates
<b>ADOR:</b> Arizona Department of Revenue	<b>EBR:</b> Economic & Business Research Center, The University of Arizona	<b>TAA:</b> Tucson Airport Authority
<b>ADOT:</b> Arizona Department of Transportation	<b>NPS:</b> National Park Service, U.S. Department of the Interior	<b>TAR:</b> Tucson Association of Realtors
<b>ARMLS:</b> Arizona Regional Multiple Listing Service		<b>U.S. Bankruptcy Court:</b> District of Arizona
<b>ASPB:</b> Arizona State Parks Board		<b>USB CBP:</b> U.S. Bureau of Customs and Border Protection, U.S. Department of Homeland Security
<b>BEA:</b> Bureau of Economic Analysis, U.S. Department of Commerce		

	IV 2004	I 2005	II 2005	III 2005	IV 2005	% change versus year ago for most recent: quarter 4-quarters	
<b>PHOENIX-MESA METROPOLITAN REGION (MARICOPA AND PINAL COUNTY) - QUARTERLY DATA</b>							
<b>Demographics &amp; Vital Statistics (000s, seas adj) ADHS &amp; EBR</b>							
Population	3,803.0	3,841.6	3,878.6	3,913.8	3,948.2	3.8	4.0
Natural Increase	9.3	9.3	9.3	9.4	9.5	2.0	1.3
Births	15.7	15.8	15.9	16.0	16.2	2.8	2.4
Deaths	6.4	6.5	6.6	6.6	6.7	4.1	4.1
Net Migration	31.1	29.4	27.7	25.8	24.9	-19.9	-6.3
<b>Personal Income by Source (\$mil, SAAR) EBR</b>							
Total Personal Income	117,661	119,672	122,357	125,132	127,993	8.8	8.6
Earnings by Place of Work	94,582	96,475	98,796	101,129	103,442	9.4	9.4
Less: Contributions for Social Insurance	10,382	10,543	10,815	11,109	11,426	10.1	9.4
Plus: Adjustment for Residence	-46	-46	-46	-46	-46	0.7	1.9
Plus: Dividends, Interest & Rents	18,147	18,069	18,324	18,682	19,176	5.7	3.6
Plus: Transfer Payments	15,360	15,717	16,098	16,476	16,847	9.7	10.0
<b>Per Capita Personal Income (\$, SAAR) EBR</b>	30,939	31,152	31,547	31,972	32,418	4.8	4.3

<b>ARIZONA - QUARTERLY DATA</b>							
<b>Demographics &amp; Vital Statistics (000s, seas adj) ADHS &amp; EBR</b>							
Population	5,907.4	5,956.5	6,004.5	6,053.1	6,102.8	3.3	3.4
Natural Increase	13.3	12.8	12.6	13.4	12.8	-3.9	1.7
Births	23.8	23.5	24.2	23.9	23.7	-0.4	2.2
Deaths	10.5	10.6	11.5	10.5	10.9	4.0	2.8
Net Migration	36.7	35.5	35.0	36.1	37.2	1.3	-4.5
<b>Personal Income Derivation (\$mil, SAAR) BEA &amp; EBR</b>							
Total Personal Income	170,663	172,784	176,407	178,814	184,472	8.1	8.4
Earnings by Place of Work	130,079	133,396	136,214	139,242	142,696	9.7	10.1
Less: Contributions for Social Insurance	14,266	14,777	15,052	15,341	15,663	9.8	10.3
Plus: Adjustment for Residence	643	660	675	690	708	10.1	10.1
Plus: Dividends, Interest & Rents	28,111	26,553	27,103	25,723	28,178	0.2	0.0
Plus: Transfer Payments	26,096	26,954	27,471	28,503	28,555	9.4	9.6
<b>Components of Earnings (\$mil, SAAR) BEA &amp; EBR</b>							
Wages and Salaries	94,147	96,006	97,778	99,975	102,243	8.6	9.4
Other Labor Income EBR	20,945	21,639	22,143	22,796	23,382	11.6	12.1
Proprietor's Income	14,663	15,258	15,938	16,604	...	12.6	10.4
Farm	412	713	739	823	...	44.1	3.8
Nonfarm	14,251	14,545	15,199	15,780	...	11.3	10.7
<b>Per Capita Personal Income (\$, SAAR) EBR</b>	28,890	29,008	29,379	29,541	30,228	4.6	4.9
<b>Average Wage Per Employee, Annual Rate (\$) EBR</b>	38,286	38,643	38,849	39,119	...	4.0	4.8

<b>TRAVEL AND TOURISM - MONTHLY DATA</b>							
	SEP 2005	OCT 2005	NOV 2005	DEC 2005	JAN 2006	% change versus year ago for most recent: month 12-months	
<b>Visits to Parks &amp; Other Recreational Areas, NPS &amp; ASPB</b>							
Northern Arizona	1,579,277	1,394,300	941,659	781,257	929,069	22.0	1.0
Historical	133,819	119,325	84,233	64,645	72,044	28.3	-5.7
Scenic	559,871	486,432	335,718	291,377	262,685	51.4	5.2
Water Based Recreation	885,587	788,543	521,708	425,235	594,340	11.8	-0.5
Southern Arizona	103,175	193,454	202,603	208,809	279,300	14.9	2.9
Historical	20,093	30,898	31,649	35,400	43,049	-8.6	7.6
Scenic	60,559	131,822	148,917	159,194	209,130	18.6	1.4
Water Based Recreation	22,523	30,734	22,037	14,215	27,121	37.9	5.0
<b>International Border Crossings, USBCBP</b>							
U.S. Citizens	630,599	666,986	656,552	705,441	631,041	-1.6	-3.5
Aliens	1,716,005	1,646,390	1,732,627	1,920,452	1,842,596	4.6	-8.6
Vehicles	...	...	...	...	...	...	...

<b>MEASURES OF INFLATION AND PRICES - MONTHLY DATA</b>							
<b>Consumer Price Index (1982-1984=100) BLS</b>							
U.S. - All Urban	198.8	199.2	196.8	196.8	198.3	4.0	3.4
U.S. - Wage Earners	195.0	195.2	192.5	192.5	194.0	4.1	3.6

See sources and abbreviations at the bottom of page 16. • For additional detail and history, subscribe to *Arizona Economic Indicators Data Book*.

# ARIZONA ECONOMIC INDICATORS

	SEP 2005	OCT 2005	NOV 2005	DEC 2005	JAN 2006	% change versus year ago for most recent: month      12-months	
<b>ARIZONA MONTHLY DATA</b>							
<b>Civilian Labor Force (000s) ADES</b>							
Employment	2,863.8	2,876.7	2,882.5	2,886.8	2,880.5	3.3	3.0
Unemployment	2,719.1	2,740.2	2,753.4	2,764.8	2,736.3	2.9	3.1
Unemployment Rate, Seas. Adj. (%)	144.7	136.5	129.1	122.0	144.2	11.6	-0.0
	4.8	4.8	4.7	4.7	4.8	6.7	-3.4
<b>Employees on Nonagricultural Payrolls (000s) ADES</b>							
Total	2,533.8	2,563.0	2,588.1	2,603.4	2,549.1	5.6	5.4
Natural Resources and Mining	8.2	8.2	9.5	9.6	9.6	11.6	6.0
Construction	225.5	228.7	229.5	231.1	227.2	14.1	14.1
Durable Goods Manufacturing	147.0	147.4	147.5	147.6	147.7	3.1	2.9
Fabricated Metal Products	18.4	18.6	18.6	18.9	18.5	5.1	5.3
Computer and Electronic Prod.	45.2	45.2	45.2	45.3	45.3	2.3	1.6
Aerospace Products and Parts	26.9	26.9	26.9	27.0	27.0	2.7	1.5
Non-Durable Goods Manufacturing	34.9	34.9	35.3	35.9	35.4	0.3	0.6
Wholesale Trade	98.8	100.0	100.8	102.4	102.0	4.5	4.1
Retail Trade	304.1	309.9	322.3	327.9	316.7	5.7	6.1
Utilities	11.8	11.9	11.9	11.9	11.7	2.6	2.2
Transportation and Warehousing	69.2	70.4	70.5	70.6	69.9	2.3	3.2
Information	44.8	45.0	44.9	45.0	44.5	0.7	-3.0
Finance and Insurance	126.9	126.8	127.6	128.3	126.7	5.2	4.9
Real Estate, Rental, and Leasing	49.4	49.9	50.3	51.1	50.2	7.0	7.3
Professional and Business Services	377.4	382.1	384.7	388.1	377.4	9.1	9.0
Educational Services	41.0	42.1	42.7	42.4	41.6	3.5	5.8
Health Care and Social Assistance	236.0	237.2	238.3	238.8	239.3	5.9	5.1
Arts, Entertainment, and Recreation	30.7	31.4	31.7	32.4	31.9	9.2	5.0
Accommodation	44.7	46.3	46.4	46.5	45.9	3.1	2.6
Food Svcs and Drinking Places	177.3	179.5	181.4	182.5	180.3	6.8	6.0
Other Services	94.3	95.1	95.4	95.8	93.1	5.7	4.0
Federal Government	52.4	52.3	52.0	52.2	51.0	0.6	1.5
State and Local Government	359.4	363.9	365.4	363.3	347.0	0.6	0.9
State and Local Government Education	193.4	198.0	200.1	198.4	182.2	1.1	0.9
	40.0	40.9	40.9	40.5	40.5	-1.9	0.4
<b>Hours Worked Per Week, Manufacturing, ADES</b>							
<b>Average Hourly Earnings (\$) ADES</b>							
Construction	15.99	15.92	15.98	16.12	16.21	5.7	3.7
Manufacturing	14.31	14.18	14.33	14.15	14.45	0.3	2.4
Trade, Transportation, Utilities	14.98	15.10	14.96	14.86	15.14	2.6	4.2
Retail Trade	12.21	12.27	12.19	12.01	12.37	3.6	3.7
Wholesale Trade	18.72	18.47	18.65	18.46	18.34	-0.4	1.4
<b>Sales (\$000s) ADOR</b>							
Aggregate Retail Sales	6,280,822	6,335,096	6,396,032	7,938,915	...	13.4	13.7
Retail	4,126,716	4,126,716	4,295,849	5,783,926	...	14.5	13.7
Food, EBR	820,022	856,519	875,076	884,941	...	11.6	11.0
Restaurants & Bars	688,631	729,655	718,498	774,478	...	8.7	12.4
Gasoline, EBR	645,453	622,205	506,608	495,569	516,023	28.5	20.4
Gallons (000s) ADOT	221,691	226,314	211,175	229,526	225,377	1.2	1.0
Utilities	779,801	687,685	511,689	630,229	...	19.6	9.8
Communications	256,987	273,566	258,754	260,600	...	9.4	6.3
Amusements	54,781	71,562	90,441	77,647	...	4.4	10.4
Rentals - Personal Property	281,046	311,101	314,168	298,120	...	3.0	6.5
Contracting	1,674,482	1,538,518	1,700,777	1,945,382	...	30.7	26.2
Mining - Metal, Oil & Gas	115,262	116,387	114,584	142,304	...	43.9	58.1
Hotel/Motel	151,767	183,780	177,613	158,540	...	12.1	15.1
<b>New Housing Units Authorized, Census C-40</b>							
Total Units	7,722	7,466	5,428	6,452	6,675	12.8	-0.3
Single Family Units	6,584	5,812	5,155	5,567	5,250	-0.7	-3.0
2-4 Unit Structures	83	199	86	207	312	171.3	-10.1
5-plus Unit Structures	1,055	1,455	187	678	1,113	116.5	41.1
<b>Bankruptcy Filings, U.S. Bankruptcy Court</b>							
Total	4,950	11,007	388	245	298	-84.9	23.6
Chapter 7	4,557	10,410	106	166	212	-85.9	35.0
Chapter 11	13	20	13	6	8	-57.9	-23.3
Chapter 13	379	577	269	73	78	-82.9	-28.3

See sources and abbreviations at the bottom of page 16. • For additional detail and history, subscribe to *Arizona Economic Indicators Data Book*.

	IV 2004	I 2005	II 2005	III 2005	IV 2005	% change versus year ago for most recent: quarter 4-quarters	
<b>MEASURES OF INFLATION AND PRICES -QUARTERLY DATA</b>							
<b>Consumer Price index (1982-84=100) BLS</b>							
Western Region (U.S.)	194.8	195.8	198.5	200.0	201.3	3.4	3.1
U.S. - All Urban Consumers	190.7	191.9	194.5	196.9	197.6	3.6	3.4
U.S. - Urban Wage Earners	186.4	187.4	190.1	192.7	193.4	3.7	3.5
<b>Price Indexes (1996=100) BEA</b>							
Gross Domestic Product	110.1	111.0	111.7	112.6	113.1	2.8	2.7
Personal Consumption Expenditures	109.3	109.9	110.8	111.8	112.6	3.0	2.8

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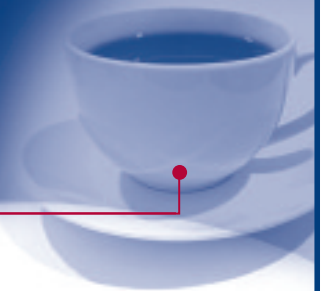
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