

Forecast for Arizona in 2036: A Top 5 State?

By Marshall J. Vest
Forecasting Project Director
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During the next 30 years, Arizona will add another 8.5 million residents to the 6 million-plus who already call Arizona home. That will boost Arizona's population to more than today's Illinois, the fifth largest state. Arizona's growth is multi-faceted and unique, comparable only to Florida and Nevada; all three are long-standing high-growth states. The challenge to plan for and accommodate the tremendous growth yet to come has never been greater. It is in this sense that Arizona likely will continue to be "overpopulated," and its economy and infrastructure "underdeveloped."

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This quarter's forecast updates the long term, 30-year outlook. It is more of a projection than a forecast, and is best described as the most likely of all possible paths that the state's economy might take. As such, it is an unbiased projection derived from the state's historical growth, current attributes, and competitive position.

In the long term, supply factors such as population and labor force, capital stock (infrastructure as well as financial assets), and technological progress determine potential growth. At the state level, population growth is the most important factor.

Arizona's population explosion in recent years results from a combination of forces. First and foremost is continuation of the migration of the nation's population from northern states to the Sunbelt. Second is the movement westward to the "land of possibilities." Third is the "rebound" effect from California as that state's domestic net migration flows turn negative as Californians flock to neighboring states. Fourth is the attraction of retirees to Arizona's low-taxes, low cost of living, and abundant sunshine. Fifth is the flow of immigrants – both legal and illegal – from Latin America. And finally, high birth rates attributable to Arizona's large and rapidly-growing Hispanic population are adding to growth of the resident population.

Using Census Bureau population estimates for 2005, Arizona was the 17th-largest state. By mid-2006, it surpassed Tennessee to gain 16th. Within the coming year Arizona will become the 13th largest, surpassing Indiana, Washington, and Massachusetts. By 2036, it will be solidly among the top 10 and competing for the number 5 ranking! (Exhibit 1).

Arizona's economy 30 years from now

In the year 2036:

- More than 14.6 million people will call Arizona home. That's 3.8% of the nation's population, up from 2.0% today.
- Over 20% of the population will be age 65 and over, compared to 12% today.
- Annual increases in population will approach 375,000 per year compared to 200,000 today.
- The working age population (ages 16-64) will

EXHIBIT 1

Arizona Soon Will Be #13 (July 2005 Population, millions)

1	California	36.1
2	Texas	22.9
3	New York	19.3
4	Florida	17.8
5	Illinois	12.8
6	Pennsylvania	12.4
7	Ohio	11.5
8	Michigan	10.1
9	Georgia	9.1
10	New Jersey	8.7
11	North Carolina	8.7
12	Virginia	7.6
13	Massachusetts	6.4
14	Washington	6.3
15	Indiana	6.3
16	Tennessee	6.0
17	Arizona	5.9
18	Missouri	5.8
19	Maryland	5.6
20	Wisconsin	5.5

account for 59% of the total, down from 66% today. This cohort will grow at half the rate of the past 30 years during the next decade, and only one-third that rate after 2015. (Exhibit 2).

- Roughly 44% of the population (including children and retirees) will be employed – about the same as today. The "employment-to-population" ratio, after increasing for decades, will plateau as the baby boom generation retires.
- Per capita incomes of Arizonans will remain significantly below national averages. After peaking in the early 1980s near 95%, per capita income relative to the US fell to near 85%, where it will remain for another decade before drifting below 80% in 2036. The decline has more to do with overpopulation than with anemic wage gains.
- The average wage per private-sector job will exceed \$124,000, compared to

\$41,500 today. Private sector wages rates will rise slightly relative to the national average – to near 96%. Public sector wages will lose ground and fall below 90% of national public sector wages.

- As Arizona's population ages, transfer payments (primarily social security disbursements) will comprise an increasing share of personal income. The share from dividends, interest, and rents will decline.
- Arizona will create 3.7 million jobs over the next 30 years to total 6.3 million.
- Growth leaders (sectors growing more rapidly than the overall rate) include professional and business services; health care and social services; transportation and warehousing; leisure and hospitality; and trade.
- Sectors growing more slowly than average include government, utilities, mining, manufacturing, construction, other services, information, and financial activities.
- Arizona's traditional goods producing sectors (mining, manufacturing, and construction) will account for a diminishing portion of jobs, continuing a long downward slide.

Forecasts by five-year increments are shown in Exhibit 3. Arizona's population will top 7 million in 2010 and 8 million only five years later. Each subsequent decade will add another 2 million or more. Metro Phoenix's population approaches 10 million by 2036, and metro Tucson's head count will near 1.75 million. (These current metro definitions will no doubt change to include surrounding counties as developable land is exhausted and growth spills into surrounding counties.)

In percentage terms, growth over the next 30 years will be slower than during the past 30. As shown in Exhibit 4, population growth will average 2.9% per year, compared to 3.3%. Employment averages 3.0%, down from 4.2%. Both personal income and retail sales in current dollars grow more slowly, partly because the rate of inflation is only slightly more than half.

The projections described above are the most likely outcome. It's possible that technological changes, capital stock, the labor force, and popu-

lation grow more quickly. With a stronger economy nationwide and increased migration flows, Arizona's population could climb to 15.1 million, or 1/2 million higher than in the base scenario. Contrarily, these same supply factors could grow more slowly and migration flows to Arizona could be significantly slower. In our low scenario, which

contains much more inflation and less real growth, the year 2036 population reaches 13.4 million, some 1.2 million lower. We assign subjective probabilities of 60% to the base, with the remainder evenly split between the two alternatives. The range of possibilities is portrayed in Exhibit 5.

EXHIBIT 2
Dramatic Shifts Lie Ahead as Baby Boomers Retire

Shares of Total Population, U.S.
By Age Group

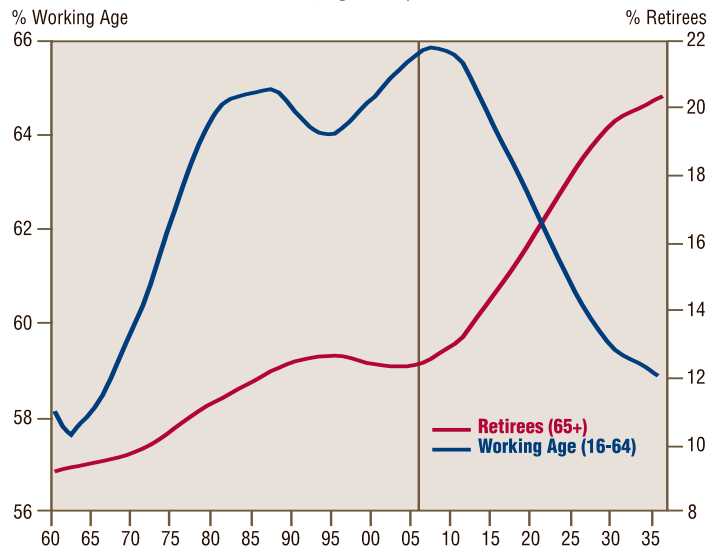
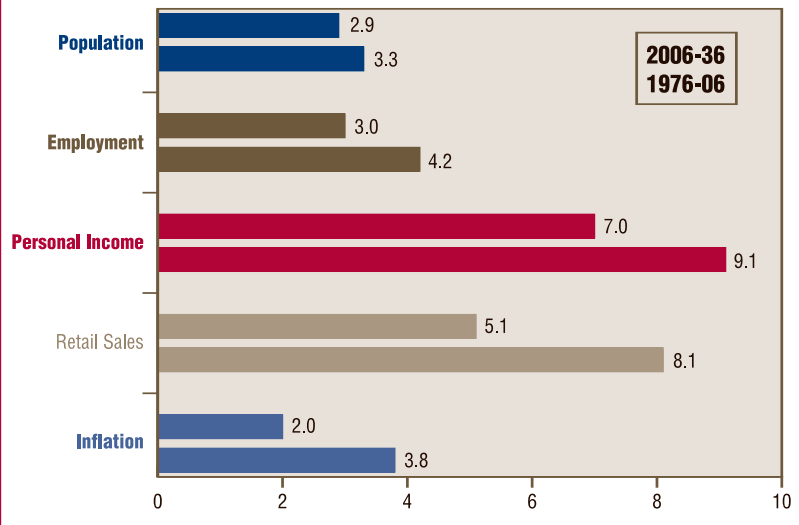


EXHIBIT 4
Average Annual Growth Rates, Past and Projected

Average Annual Growth Rates, AZ

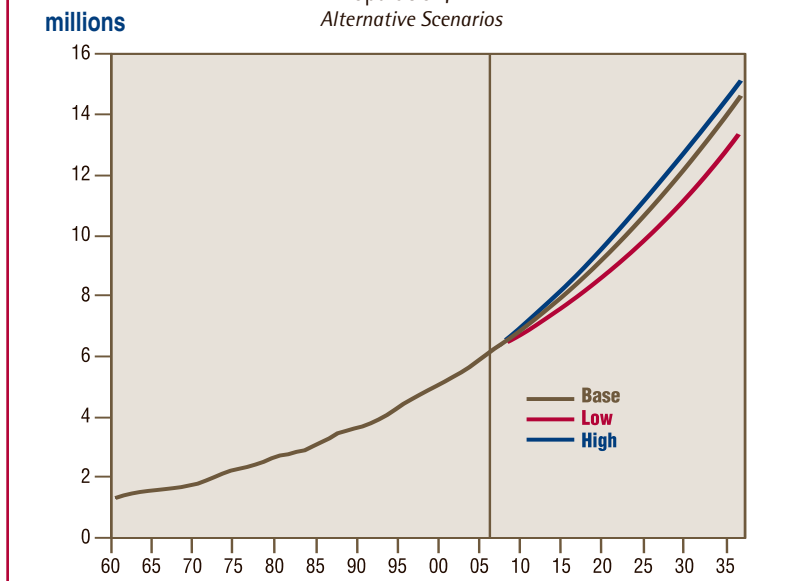


*Within the coming year Arizona will become the 13th largest state.
By 2036, it will be competing for the number 5 ranking!*

EXHIBIT 3
Forecasts Through 2036

	2006	2011	2016	2021	2026	2031	2036
Arizona							
Population (000s)	6,247	7,200	8,400	9,700	11,100	12,824	14,600
Nonfarm Jobs (000s)	2,632	3,000	3,500	4,100	4,800	5,536	6,300
Personal Income (\$ bil)	197	280	400	560	780	1,079	1,475
Retail Sales (\$ bil)	83	110	140	180	230	292	370
Metro Phoenix							
Population (000s)	4,040	4,700	5,600	6,500	7,500	8,500	9,700
Nonfarm Jobs (000s)	1,868	2,200	2,600	3,000	3,500	4,000	4,500
Personal Income (\$ bil)	138	200	290	400	560	770	1,050
Retail Sales (\$ bil)	58	80	100	130	170	220	290
Metro Tucson							
Population (000s)	987	1,100	1,200	1,400	1,498	1,600	1,700
Nonfarm Jobs (000s)	384	420	470	500	562	600	650
Personal Income (\$ bil)	29	40	55	70	99	130	170
Retail Sales (\$ bil)	12	15	20	23	27	30	40

EXHIBIT 5
No Catastrophic Crash Here
Population, AZ
Alternative Scenarios



Where Will We Put All This Growth?

The existing metropolitan Phoenix area (Maricopa and Pinal counties) will account for nearly 10 million, or two-thirds of the total. Metro Tucson's population will top 1.7 million, accounting for 12 percent. As we already see, the

area along I-10 connecting the two cities will develop quickly.

In a study published last year, Robert E. Lang at Virginia Tech's Metropolitan Institute identifies the three-county aggregate as one of the country's ten "megapolitan areas."ⁱ These ten areas are

combinations of two or more metropolitan areas that are linked by transportation systems and business networks as well as culturally. They also have, or will have by 2040, a population exceeding 10 million. Although the "Valley of the Sun," so named by the authors, is the smallest megapolitan area, it will easily exceed the population requirement by 2030 or so.

Research by the Maricopa Association of Governments shows that development will extend far beyond both urban cores. By 2050 significant densities will stretch from Sierra Vista to Kingman.

The scale of growth yet to come underscores the need for regional planning and coordinated implementation of infrastructure development. What this research makes clear is that the entire state is part of one globally connected economic system with Phoenix as the central city (the Phoenix Citistateⁱⁱ). We have long argued that economic development initiatives should be coordinated so as to advance the entire region. Additionally, transportation and water clearly need to be addressed in a region-wide framework. Will there be enough water and how will it be distributed? How can the transportation link between Tucson and Phoenix be developed to accommodate intra-regional flows? These are only a couple of the myriad over-arching questions that affect Arizona's long-term development. ■

i Lang, Robert E. and Dawn Dhavale, "Beyond Megalopolis: Exploring America's New 'Megapolitan' Geography," Metropolitan Institute at Virginia Tech, 2005.

ii According to www.citistates.com, the term citistate was coined in 1993 by Neal Pierce and Curtis Johnson and is defined as "A region consisting of one or more historic central cities surrounded by cities and towns which have a shared identification, function as a single zone for trade, commerce and communication, and are characterized by social, economic and environmental interdependence. It is similar to city states of antiquity (e.g. Athens, Rome, Carthage) or medieval times (e.g. the Hanseatic League), except that modern citistates engage in instant electronic communication and capital transfer, and are the chief recipients of world population growth."

FORECAST TABLES

	2000	2005	2006	2007	2008	2009	2010	Compound Annual Growth Rates		
								00-05	05-10	00-10
Arizona										
Personal Income (\$ mill)	132,557.8	180,216.4	196,710.0	209,236.7	223,098.4	240,500.4	259,485.4			
percent change	9.7	9.6	9.2	6.4	6.6	7.8	7.9	6.3	7.6	6.9
Wage per Employee	33,885	40,256	41,923	43,354	44,942	46,771	48,660			
percent change	6.3	5.7	4.1	3.4	3.7	4.1	4.0	3.5	3.9	6.9
Aggregate Retail Sales (\$ mill)*	54,345.8	74,997.9	83,015.3	86,980.0	90,614.8	95,321.2	101,202.2			
percent change	8.8	13.5	10.7	4.8	4.2	5.2	6.2	6.7	6.2	6.4
Population (000s, mid-year)	5,165.8	6,045.0	6,246.5	6,428.3	6,612.6	6,811.2	7,019.1			
percent change	2.8	3.4	3.3	2.9	2.9	3.0	3.1	3.2	3.0	6.9
Residential Permits	58,568	85,829	76,616	66,851	75,693	81,221	85,308			
percent change	-6.9	0.2	-10.7	-12.7	13.2	7.3	5.0	7.9	-0.1	6.9
Non Farm Employment (000s)	2,242.6	2,509.2	2,632.4	2,691.8	2,755.9	2,847.3	2,942.0			
percent change	3.7	5.4	4.9	2.3	2.4	3.3	3.3	2.3	3.2	2.8
Goods-Producing	387.8	410.5	433.9	425.4	423.3	427.1	434.3			
percent change	2.2	8.9	5.7	-2.0	-0.5	0.9	1.7	1.1	1.1	1.1
Service-Providing	1,854.8	2,098.7	2,198.7	2,266.6	2,332.7	2,420.4	2,507.9			
percent change	4.0	4.7	4.8	3.1	2.9	3.8	3.6	2.5	3.6	3.1
Trade, Trans., & Utilities	437.8	488.9	513.0	523.8	536.1	558.2	579.8			
percent change	3.3	5.7	4.9	2.1	2.4	4.1	3.9	2.2	3.5	2.8
Prof. & Business Services	326.2	368.1	395.5	409.2	419.7	436.7	454.5			
percent change	6.3	8.7	7.5	3.5	2.6	4.0	4.1	2.4	4.3	3.4
Leisure & Hospitality	228.9	253.2	266.8	275.1	284.5	295.3	305.8			
percent change	2.6	4.7	5.4	3.1	3.4	3.8	3.5	2.0	3.8	2.9
Government	366.6	404.3	412.8	422.3	430.7	440.5	451.0			
percent change	3.5	1.2	2.1	2.3	2.0	2.3	2.4	2.0	2.2	2.1
Phoenix-Mesa Metro Area										
Personal Income (\$ mill)	92,974.8	126,622.3	137,638.5	148,136.1	159,905.1	172,902.1	187,520.7			
percent change	10.9	9.5	8.7	7.6	7.9	8.1	8.5	6.4	8.2	7.3
Wage per Employee	38,537	45,946	47,548	49,284	51,301	53,492	55,718			
percent change	7.8	4.1	3.5	3.7	4.1	4.3	4.2	3.6	3.9	3.8
Aggregate Retail Sales (\$ mill)*	37,294.7	52,025.1	57,659.8	60,090.3	63,698.9	67,672.2	72,183.7			
percent change	8.5	14.7	10.8	4.2	6.0	6.2	6.7	6.9	6.8	6.8
Population (000s, mid-year)	3,277.8	3,895.2	4,040.1	4,171.9	4,310.7	4,458.5	4,614.0			
percent change	3.1	3.7	3.7	3.3	3.3	3.4	3.5	3.5	3.4	3.5
Residential Permits	45,310	62,617	55,730	48,143	55,109	62,941	66,242			
percent change	-5.0	14.1	-11.0	-13.6	14.5	14.2	5.2	6.7	1.1	3.9
Non Farm Employment (000s)	1,578.4	1,778.4	1,868.3	1,930.7	1,992.2	2,057.9	2,136.5			
percent change	3.5	5.6	5.1	3.3	3.2	3.3	3.8	2.4	3.7	3.1
Goods-Producing	286.8	300.2	312.4	313.6	316.0	313.4	324.0			
percent change	1.3	8.9	4.1	0.4	0.8	-0.8	3.4	0.9	1.5	1.2
Service-Providing	1,291.6	1,478.3	1,556.0	1,617.1	1,676.3	1,744.5	1,812.5			
percent change	4.0	5.0	5.3	3.9	3.7	4.1	3.9	2.7	4.2	3.4
Trade, Trans., & Utilities	321.4	363.7	382.9	394.3	407.0	423.5	439.8			
percent change	3.4	6.8	5.3	3.0	3.2	4.1	3.8	2.5	3.9	3.2
Prof. & Business Services	264.1	291.8	315.7	334.7	346.8	360.7	375.4			
percent change	6.5	6.6	8.2	6.0	3.6	4.0	4.1	2.0	5.2	3.6
Leisure & Hospitality	149.7	169.7	178.4	184.2	191.0	198.8	206.4			
percent change	2.0	4.8	5.2	3.2	3.7	4.1	3.8	2.5	4.0	3.3
Government	195.7	224.7	228.9	234.8	241.1	247.8	254.8			
percent change	3.4	1.8	1.9	2.6	2.7	2.8	2.8	2.8	2.6	2.7
Tucson Metro Area										
Personal Income (\$ mill)	20,513.6	26,526.4	28,692.2	30,623.6	32,611.1	34,993.0	37,528.0			
percent change	7.6	7.4	8.2	6.7	6.5	7.3	7.2	5.3	7.2	6.2
Wage per Employee	31,476	38,604	40,333	41,778	43,299	44,887	46,569			
percent change	4.5	4.6	4.5	3.6	3.6	3.7	3.7	4.2	3.8	4.0
Aggregate Retail Sales (\$ mill)*	8,502.1	10,984.9	12,025.5	12,461.2	12,994.3	13,601.9	14,304.6			
percent change	8.2	10.9	9.5	3.6	4.3	4.7	5.2	5.3	5.4	5.3
Population (000s, mid-year)	848.6	957.6	987.3	1,012.6	1,036.8	1,062.5	1,088.6			
percent change	2.4	2.8	3.1	2.6	2.4	2.5	2.5	2.4	2.6	2.5
Residential Permits	7,799	11,913	10,003	9,278	9,896	10,553	10,709			
percent change	-8.7	14.4	-16.0	-7.3	6.7	6.6	1.5	8.8	-2.1	3.2
Non Farm Employment (000s)	349.9	371.0	384.3	393.1	399.5	408.9	418.8			
percent change	4.0	3.0	3.6	2.3	1.6	2.4	2.4	1.2	2.5	1.8
Goods-Producing	57.6	55.8	58.3	58.5	57.4	58.0	58.8			
percent change	5.8	3.9	4.5	0.4	-1.8	0.9	1.4	-0.6	1.1	0.2
Service-Providing	292.4	315.2	326.0	334.6	342.0	350.9	360.0			
percent change	3.7	2.9	3.4	2.6	2.2	2.6	2.6	1.5	2.7	2.1
Trade, Trans., & Utilities	55.0	59.4	61.4	62.7	64.3	66.1	67.8			
percent change	2.6	2.5	3.5	2.2	2.4	2.9	2.5	1.5	2.7	2.1
Prof. & Business Services	43.5	45.6	47.4	50.1	51.3	52.3	54.0			
percent change	5.8	5.0	4.0	5.6	2.4	2.0	3.2	0.9	3.5	2.2
Leisure & Hospitality	39.9	40.2	42.0	43.1	44.5	46.1	47.5			
percent change	4.6	2.8	4.5	2.7	3.1	3.6	3.1	0.1	3.4	1.8
Government	76.3	81.1	82.6	83.7	84.9	86.2	87.6			
percent change	4.4	1.5	1.8	1.3	1.4	1.6	1.6	1.2	1.5	1.4

* 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

ARIZONA ECONOMIC INDICATORS

	MAR 2006	APR 2006	MAY 2006	JUN 2006	JUL 2006	% change versus year ago for most recent: month 12-months	
APACHE COUNTY							
Civilian Labor Force, ADES							
Employment	19,500	19,625	19,650	19,825	19,900	-0.1	-2.1
Unemployment	17,450	17,600	17,525	17,100	16,800	-0.7	-2.2
Unemployment Rate (%)	2,050	2,025	2,125	2,725	3,100	3.3	-0.8
Unemployment Rate (%)	10.5	10.3	10.8	13.7	15.6	3.5	1.3
Employees on Nonagricultural Payrolls, ADES							
Total	19,500	19,625	19,500	18,725	18,425	-0.1	-1.1
<i>Total Private</i>	6,575	6,625	6,625	6,550	6,550	0.0	1.5
Goods-Producing	725	750	775	750	800	-3.0	14.6
Service-Providing	18,775	18,875	18,725	17,975	17,625	0.0	-1.6
Trade, Transportation, and Utilities	1,925	1,900	1,900	1,950	1,875	1.4	2.1
Other Private Service-Providing	3,925	3,975	3,950	3,850	3,875	0.0	-1.2
<i>Government</i>	12,925	13,000	12,875	12,175	11,875	-0.2	-2.3
Federal Government	3,100	3,125	3,175	3,300	3,150	16.7	2.7
State and Local Government	9,825	9,875	9,700	8,875	8,725	-5.2	-3.9
Sales (\$000s) ADOR							
Gross Retail	12,645	13,874	15,065	14,978	...	-4.4	19.2
Retail	5,990	6,190	6,216	6,715	...	-24.6	18.1
Restaurants & Bars	713	812	981	1,084	...	18.3	8.1
Gasoline, EBR	5,942	6,872	7,867	7,180	...	22.6	22.0
Gallons (000s) ADOT	2,479	2,342	2,529	2,501	...	-5.1	-3.3
Contracting	6,100	2,895	4,973	6,326	...	6.3	0.4
Hotel/Motel	646	960	1,169	1,430	...	25.0	3.8

New Housing Units Authorized, Census C-40

Total Units
Single Family Units

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

NAVAJO COUNTY

Civilian Labor Force, ADES							
Employment	36,425	36,700	36,975	38,000	37,975	0.4	-0.6
Unemployment	33,575	33,975	34,350	34,575	34,225	0.4	-0.4
Unemployment Rate (%)	2,850	2,725	2,625	3,425	3,750	0.7	-2.4
Unemployment Rate (%)	7.8	7.4	7.1	9.0	9.9	0.3	-1.8
Employees on Nonagricultural Payrolls, ADES							
Total	28,925	29,175	29,625	29,500	29,200	1.0	1.2
<i>Total Private</i>	18,600	18,950	19,450	19,575	19,600	0.9	4.3
Goods-Producing	3,350	3,475	3,575	3,650	3,725	0.0	0.4
Mining and Construction	2,650	2,700	2,775	2,900	2,975	5.3	4.9
Manufacturing	700	775	800	750	750	-16.7	-12.9
Service-Providing	25,575	25,700	26,050	25,850	25,475	1.1	1.3
Trade, Transportation, and Utilities	5,425	5,350	5,450	5,350	5,375	-5.3	1.1
Information	800	800	800	800	825	3.1	8.6
Financial Activities	575	550	550	550	550	0.0	-8.0
Professional and Business Services	1,225	1,250	1,200	1,300	1,275	8.5	15.3
Educational and Health Services	3,650	3,650	3,700	3,700	3,400	5.4	11.9
Leisure and Hospitality	2,600	2,850	3,125	3,175	3,375	4.7	1.2
Other Services	975	1,025	1,050	1,050	1,075	2.4	12.6
<i>Government</i>	10,325	10,225	10,175	9,925	9,600	1.1	-4.2
Federal Government	1,600	1,600	1,725	1,775	1,600	1.6	0.4
State and Local Government	8,725	8,625	8,450	8,150	8,000	0.9	-5.1
Sales (\$000s) ADOR							
Gross Retail	80,823	91,937	91,185	94,862	...	10.7	13.2
Retail	62,859	71,868	68,213	71,832	...	10.9	13.3
Restaurants & Bars	6,759	6,394	8,270	8,976	...	15.6	14.7
Gasoline, EBR	11,205	13,675	14,702	14,054	...	6.7	11.6
Gallons (000s) ADOT	4,674	4,662	4,727	4,896	...	-17.4	-11.4
Contracting	15,340	21,652	21,636	24,798	...	6.9	38.3
Hotel/Motel	1,782	2,383	2,814	3,536	...	32.5	10.1
New Housing Units Authorized, Census C-40							
Total Units	57	35	56	41	45	32.4	21.9
Single Family Units	55	35	56	41	45	32.4	27.1

See sources and abbreviations at the bottom of page 12. • For additional detail and history, subscribe to *Arizona Economic Indicators Data Book*.

ARIZONA ECONOMIC INDICATORS

	MAR 2006	APR 2006	MAY 2006	JUN 2006	JUL 2006	% change versus year ago for most recent: month 12-months	
GRAHAM COUNTY							
Civilian Labor Force, ADES	12,625	12,950	12,625	12,750	13,000	6.3	3.3
Employment	11,900	12,225	11,950	11,900	12,125	6.8	3.7
Unemployment	725	725	675	850	875	0.0	-2.3
Unemployment Rate (%)	5.7	5.6	5.3	6.7	6.7	-6.0	-5.4
Employees on Nonagricultural Payrolls, ADES							
Total	7,825	7,850	7,825	7,500	7,475	7.2	4.9
<i>Total Private</i>	5,150	5,275	5,275	5,175	5,225	8.9	7.4
Goods-Producing	600	650	650	675	725	20.8	9.9
Service-Providing	7,225	7,200	7,175	6,825	6,750	5.9	4.5
Trade, Transportation, and Utilities	1,800	1,775	1,825	1,750	1,725	15.0	13.5
Other Private Service-Providing	2,750	2,850	2,800	2,750	2,775	2.8	3.6
<i>Government</i>	2,675	2,575	2,550	2,325	2,250	3.4	0.1
Federal Government	325	325	325	350	350	0.0	3.2
State and Local Government	2,350	2,250	2,225	1,975	1,900	4.1	-0.4
Sales (\$000s) ADOR							
Gross Retail	22,295	23,035	24,620	23,053	...	27.0	25.3
Retail	18,343	18,675	20,246	18,537	...	26.5	27.4
Restaurants & Bars	1,889	1,767	1,815	2,119	...	26.7	21.9
Gasoline, EBR	2,063	2,593	2,559	2,397	...	30.5	14.3
Gallons (000s) ADOT	861	884	823	835	...	0.9	-9.3
Contracting	3,740	3,672	4,819	3,843	...	62.6	54.6
COCONINO COUNTY							
Civilian Labor Force, ADES	68,300	68,800	68,400	70,100	70,400	2.5	2.4
Employment	65,100	65,700	65,500	66,400	66,300	2.5	2.7
Unemployment	3,200	3,100	2,900	3,700	4,100	2.5	-1.6
Unemployment Rate (%)	4.7	4.5	4.2	5.3	5.8	0.0	-4.0
Employees on Nonagricultural Payrolls, ADES							
Total	63,700	64,500	64,400	64,300	64,800	3.5	4.5
<i>Total Private</i>	44,100	44,800	45,100	45,000	45,900	3.1	5.2
Goods-Producing	6,700	6,900	7,000	7,200	7,400	7.2	6.9
Mining and Construction	3,200	3,300	3,400	3,600	3,700	5.7	5.0
Manufacturing	3,500	3,600	3,600	3,600	3,700	8.8	8.8
Service-Providing	57,000	57,600	57,400	57,100	57,400	3.1	4.2
Trade, Transportation, and Utilities	9,300	9,300	9,400	9,200	9,400	-3.1	-1.6
Information	500	500	500	500	500	0.0	9.1
Financial Activities	1,700	1,700	1,700	1,700	1,700	0.0	1.5
Professional and Business Services	4,000	4,100	4,100	4,200	4,300	13.2	17.0
Educational and Health Services	7,400	7,300	7,300	6,700	6,800	-1.4	4.0
Leisure and Hospitality	12,700	13,100	13,200	13,600	13,900	6.1	8.2
Other Services	1,800	1,900	1,900	1,900	1,900	0.0	0.9
<i>Government</i>	19,600	19,700	19,300	19,300	18,900	4.4	2.9
Federal Government	2,700	2,700	3,000	3,100	2,800	-6.7	-6.5
State and Local Government	16,900	17,000	16,300	16,200	16,100	6.6	4.8
Sales (\$000s) ADOR							
Gross Retail	125,670	137,238	152,691	157,660	...	6.3	11.0
Retail	79,856	85,099	93,375	97,276	...	3.1	8.9
Restaurants & Bars	27,163	27,828	29,537	32,202	...	1.4	10.9
Gasoline, EBR	18,652	24,312	29,779	28,183	...	27.3	20.2
Gallons (000s) ADOT	7,781	8,287	9,574	9,818	...	-1.5	-5.0
Contracting	25,853	32,298	32,675	36,214	...	24.3	38.3
Hotel/Motel	14,469	16,918	22,962	24,747	...	4.3	8.7
New Housing Units Authorized, Census C-40							
Total Units	269	129	57	61	57	-10.9	61.8
Single Family Units	77	65	30	61	55	-14.1	13.3

See sources and abbreviations at the bottom of page 12. • For additional detail and history, subscribe to *Arizona Economic Indicators Data Book*.

ARIZONA ECONOMIC INDICATORS

	MAR 2006	APR 2006	MAY 2006	JUN 2006	JUL 2006	% change versus year ago for most recent:	
						month	12-months
GREENLEE COUNTY							
Civilian Labor Force, ADES							
Employment	3,575	3,700	3,625	3,600	3,700	6.5	3.4
Unemployment	3,425	3,525	3,450	3,425	3,500	6.9	3.8
Unemployment Rate (%)	150	175	175	175	200	0.0	-3.2
Unemployment Rate (%)	4.2	4.7	4.8	4.9	5.4	-6.1	-6.3
Employees on Nonagricultural Payrolls, ADES							
Total	4,025	4,050	4,150	4,250	4,325	10.9	9.0
<i>Total Private</i>							
Goods-Producing	3,550	3,600	3,675	3,800	3,875	14.8	11.8
Service-Providing	2,950	3,000	3,050	3,150	3,175	15.5	13.5
<i>Government</i>							
Trade, Transportation, and Utilities	1,075	1,050	1,100	1,100	1,150	0.0	-1.3
Other Private Service-Providing	275	275	300	275	300	0.0	4.6
Government	325	325	325	375	400	23.1	4.5
Federal Government	475	450	475	450	450	-14.3	-8.1
State and Local Government	25	25	50	50	50	0.0	5.3
State and Local Government	450	425	425	400	400	-15.8	-9.3
Sales (\$000s) ADOR							
Gross Retail	10,856	10,340	11,870	11,524	...	18.1	20.8
Retail	9,909	9,049	10,716	10,367	...	16.3	19.1
Restaurants & Bars	260	263	321	270	...	14.4	22.1
Gasoline, EBR	687	1,029	834	887	...	45.7	44.8
Gallons (000s) ADOT	286	351	268	309	...	12.8	14.6
Contracting	4,746	5,421	4,778	6,666
Hotel/Motel*	515	655	325	623	...	70.0	72.2

* Includes Graham County data.

YAVAPAI COUNTY

Civilian Labor Force, ADES							
Employment	93,600	94,600	94,400	95,000	94,700	5.2	4.7
Unemployment	90,300	91,200	91,300	91,300	90,800	5.3	4.8
Unemployment	3,300	3,400	3,100	3,700	3,900	2.6	1.2
Unemployment Rate (%)	3.5	3.6	3.3	3.9	4.1	-2.5	-3.3
Employees on Nonagricultural Payrolls, ADES							
Total	62,900	64,000	64,300	63,700	63,200	6.8	7.2
<i>Total Private</i>							
Goods-Producing	51,200	52,100	52,400	53,000	52,900	7.5	7.7
Mining and Construction	12,500	12,800	13,000	13,200	13,400	11.7	10.9
Manufacturing	8,700	9,000	9,200	9,400	9,600	14.3	13.8
Service-Providing	3,800	3,800	3,800	3,800	3,800	5.6	4.7
Trade, Transportation, and Utilities	50,400	51,200	51,300	50,500	49,800	5.5	6.3
Information	12,000	12,100	12,100	12,200	12,200	7.0	5.9
Financial Activities	600	600	600	600	600	0.0	-5.3
Professional and Business Services	2,300	2,300	2,300	2,400	2,400	9.1	11.4
Educational and Health Services	5,100	5,100	5,100	5,400	5,300	6.0	13.5
Leisure and Hospitality	8,900	9,000	9,000	8,800	8,600	4.9	5.0
Other Services	7,600	8,000	8,100	8,200	8,100	5.2	4.0
Government	2,200	2,200	2,200	2,200	2,300	9.5	12.7
Federal Government	11,700	11,900	11,900	10,700	10,300	3.0	4.9
State and Local Government	1,200	1,300	1,300	1,300	1,400	7.7	3.4
State and Local Government	10,500	10,600	10,600	9,400	8,900	2.3	5.1
Sales (\$000s) ADOR							
Gross Retail	175,781	180,791	188,693	179,180	...	4.7	15.2
Retail	136,503	136,028	140,093	134,469	...	2.1	14.6
Restaurants & Bars	22,702	22,516	23,875	22,520	...	0.3	11.2
Gasoline, EBR	16,576	22,247	24,725	22,191	...	31.0	25.1
Gallons (000s) ADOT	6,915	7,583	7,949	7,731	...	1.4	-0.9
Contracting	76,394	78,487	76,022	77,896	...	12.0	28.5
Hotel/Motel	9,451	11,115	9,780	8,443	...	2.5	14.1
New Housing Units Authorized, Census C-40							
Total Units	350	274	391	230	169	-59.0	-1.4
Single Family Units	348	268	379	216	169	-58.8	-0.7

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ARIZONA ECONOMIC INDICATORS

	MAR 2006	APR 2006	MAY 2006	JUN 2006	JUL 2006	% change versus year ago for most recent:	
						month	12-months
GILA COUNTY							
Civilian Labor Force, ADES	20,100	20,350	20,450	20,325	20,600	-1.2	-0.1
Employment	18,950	19,225	19,375	19,050	19,250	-1.3	-0.0
Unemployment	1,150	1,125	1,075	1,275	1,350	0.0	-1.3
Unemployment Rate (%)	5.7	5.5	5.3	6.3	6.6	1.2	-1.2
Employees on Nonagricultural Payrolls, ADES							
Total	13,950	14,125	14,375	14,150	14,125	0.7	1.4
<i>Total Private</i>	9,450	9,400	9,500	9,525	9,600	2.7	3.2
Goods-Producing	2,100	2,075	2,050	2,100	2,175	10.1	-2.8
Service-Providing	11,850	12,050	12,325	12,050	11,950	-0.8	2.1
Trade, Transportation, and Utilities	2,225	2,200	2,200	2,175	2,200	-1.1	1.8
Other Private Service-Providing	5,125	5,125	5,250	5,250	5,225	1.5	6.4
<i>Government</i>	4,500	4,725	4,875	4,625	4,525	-3.2	-2.1
Federal Government	425	475	525	575	550	-4.3	-3.3
State and Local Government	4,075	4,250	4,350	4,050	3,975	-3.0	-1.9
Sales (\$000s) ADOR							
Gross Retail	35,868	37,011	41,818	37,525	...	-0.4	17.0
Retail	25,125	25,368	26,954	23,892	...	-5.2	17.8
Restaurants & Bars	4,737	4,401	5,084	5,625	...	-1.3	8.1
Gasoline, EBR	6,007	7,242	9,780	8,008	...	17.9	21.1
Gallons (000s) ADOT	2,506	2,469	3,144	2,790	...	-8.8	-3.4
Contracting	8,232	7,401	11,121	10,758	...	77.1	30.1
Hotel/Motel	1,088	1,089	1,141	1,386	...	18.1	21.2
MOHAVE COUNTY							
Civilian Labor Force, ADES	89,050	89,225	88,675	90,175	89,625	2.3	3.8
Employment	85,725	85,900	85,625	86,400	85,325	1.5	3.6
Unemployment	3,325	3,325	3,050	3,775	4,300	19.4	9.3
Unemployment Rate (%)	3.7	3.7	3.4	4.2	4.8	16.8	5.3
Employees on Nonagricultural Payrolls, ADES							
Total	54,100	54,250	54,150	53,350	52,750	1.4	4.9
<i>Total Private</i>	46,050	46,275	46,175	46,050	45,725	1.7	5.3
Goods-Producing	10,800	10,800	10,750	10,900	10,875	-0.5	1.0
Mining and Construction	7,150	7,150	7,150	7,350	7,350	5.0	3.3
Manufacturing	3,650	3,650	3,600	3,550	3,525	-10.2	-3.0
Service-Providing	43,300	43,450	43,400	42,450	41,875	1.9	6.0
Trade, Transportation, and Utilities	12,000	11,925	11,850	11,550	11,375	0.7	6.4
Information	900	900	950	950	925	-7.5	-2.6
Financial Activities	2,150	2,225	2,250	2,275	2,325	3.3	6.5
Professional and Business Services	3,775	3,875	3,850	3,975	3,975	0.6	5.5
Educational and Health Services	7,000	7,050	7,075	6,950	6,875	6.6	7.3
Leisure and Hospitality	6,900	6,975	6,950	6,950	6,900	5.3	8.0
Other Services	2,525	2,525	2,500	2,500	2,475	-2.0	9.5
<i>Government</i>	8,050	7,975	7,975	7,300	7,025	-0.7	2.7
Federal Government	500	500	525	525	575	4.5	0.4
State and Local Government	7,550	7,475	7,450	6,775	6,450	-1.1	2.9
Sales (\$000s) ADOR							
Gross Retail	182,538	187,075	190,741	182,467	...	4.9	14.8
Retail	138,381	136,699	137,282	135,528	...	4.9	14.5
Restaurants & Bars	18,351	19,130	20,451	18,844	...	5.4	6.2
Gasoline, EBR	25,806	31,246	33,008	28,095	...	4.7	22.8
Gallons (000s) ADOT	10,765	10,651	10,612	9,788	...	-19.0	-2.0
Contracting	63,117	65,504	72,283	71,891	...	19.4	23.9
Hotel/Motel	4,306	4,737	4,979	5,280	...	23.3	10.8
New Housing Units Authorized, Census C-40							
Total Units	272	335	376	242	129	-56.9	-18.2
Single Family Units	232	314	236	178	119	-59.7	-22.7

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ARIZONA ECONOMIC INDICATORS

	MAR 2006	APR 2006	MAY 2006	JUN 2006	JUL 2006	% change versus year ago for most recent:	
						month	12-months
LA PAZ COUNTY							
Civilian Labor Force, ADES	7,425	7,675	7,550	7,950	7,850	2.3	-1.6
Employment	6,975	7,225	7,125	7,450	7,325	3.2	-1.6
Unemployment	450	450	425	500	525	-8.7	-1.2
Unemployment Rate (%)	6.1	5.9	5.6	6.3	6.7	-10.7	0.5
Employees on Nonagricultural Payrolls, ADES							
Total	5,425	5,500	5,475	5,325	5,425	2.8	-1.3
<i>Total Private</i>	3,300	3,350	3,350	3,300	3,325	9.0	4.4
Goods-Producing	550	575	600	500	500	5.3	9.7
Service-Providing	4,875	4,925	4,875	4,825	4,925	2.6	-2.3
Trade, Transportation, and Utilities	1,350	1,350	1,325	1,325	1,325	-1.9	-0.2
Other Private Service-Providing	1,400	1,425	1,425	1,475	1,500	22.4	7.3
Government	2,125	2,150	2,125	2,025	2,100	-5.6	-8.6
Federal Government	225	225	225	225	225	0.0	0.0
State and Local Government	1,900	1,925	1,900	1,800	1,875	-6.3	-9.5
Sales (\$000s) ADOR							
Gross Retail	20,395	22,212	18,347	17,986	...	-1.3	6.5
Retail	11,787	11,091	9,211	9,653	...	-7.4	4.4
Restaurants & Bars	1,980	1,971	2,044	1,970	...	0.5	-2.1
Gasoline, EBR	6,628	9,150	7,092	6,363	...	9.0	13.5
Gallons (000s) ADOT	2,765	3,119	2,280	2,217	...	-15.6	-9.4
Contracting	3,218	3,407	2,863	2,708	...	-3.5	74.2
Hotel/Motel	785	452	476	535	...	10.3	11.2
YUMA METROPOLITAN REGION							
Civilian Labor Force, ADES	76,700	77,000	80,100	81,400	83,700	6.2	4.0
Employment	69,000	66,900	65,200	67,400	65,800	7.3	4.3
Unemployment	7,700	10,100	14,900	14,000	17,900	2.3	2.4
Unemployment Rate (%)	10.0	13.1	18.6	17.2	21.4	-3.7	-1.3
Employees on Nonagricultural Payrolls, ADES							
Total	56,800	54,400	52,500	53,300	51,900	7.7	6.0
<i>Total Private</i>	41,800	39,600	38,100	38,600	38,500	8.5	6.4
Goods-Producing	9,100	8,900	8,100	8,700	8,800	18.9	10.3
Mining and Construction	5,200	5,300	5,300	5,500	5,500	14.6	12.6
Manufacturing	3,900	3,600	2,800	3,200	3,300	26.9	6.7
Service-Providing	47,700	45,500	44,400	44,600	43,100	5.6	5.2
Trade, Transportation, and Utilities	11,800	10,300	9,900	9,800	9,800	7.7	3.0
Information	1,100	1,100	1,100	1,100	1,100	0.0	0.0
Financial Activities	1,500	1,500	1,400	1,500	1,500	7.1	0.6
Professional and Business Services	3,700	3,500	3,500	3,600	3,600	-2.7	5.3
Educational and Health Services	6,300	6,200	6,200	6,100	6,000	1.7	3.3
Leisure and Hospitality	6,700	6,600	6,400	6,300	6,200	14.8	17.5
Other Services	1,600	1,500	1,500	1,500	1,500	0.0	-2.6
Government	15,000	14,800	14,400	14,700	13,400	5.5	4.9
Federal Government	3,300	3,300	3,300	3,300	3,400	9.7	10.8
State and Local Government	11,700	11,500	11,100	11,400	10,000	4.2	3.3
Sales (\$000s) ADOR							
Gross Retail	166,588	141,513	138,056	128,106	...	3.8	11.7
Retail	125,168	102,803	99,170	93,328	...	1.1	9.1
Restaurants & Bars	19,104	15,620	14,754	14,550	...	10.0	15.8
Gasoline, EBR	22,316	23,090	24,132	20,227	...	13.2	23.6
Gallons (000s) ADOT	9,309	7,871	7,758	7,046	...	-12.4	-1.4
Contracting	39,126	39,610	49,863	40,492	...	-3.8	12.3
Hotel/Motel	5,203	3,935	3,578	3,012	...	9.9	17.4
New Housing Units Authorized, Census C-40							
Total Units	159	117	189	134	83	-54.6	-17.9
Single Family Units	154	112	184	127	83	-53.4	-16.5

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ARIZONA ECONOMIC INDICATORS

	MAR 2006	APR 2006	MAY 2006	JUN 2006	JUL 2006	% change versus year ago for most recent:	
						month	12-months
SANTA CRUZ COUNTY							
Civilian Labor Force, ADES	16,500	16,625	16,475	16,550	16,675	4.1	4.3
Employment	15,500	15,650	15,525	15,225	14,925	5.1	5.2
Unemployment	1,000	975	950	1,325	1,750	-4.1	-3.8
Unemployment Rate (%)	6.1	5.9	5.8	8.0	10.5	-7.8	-7.6
Employees on Nonagricultural Payrolls, ADES							
Total	14,225	14,275	14,200	13,825	13,475	6.5	7.8
<i>Total Private</i>	10,875	10,900	10,775	10,500	10,225	5.7	11.1
Goods-Producing	825	850	825	825	850	-12.8	-10.5
Service-Providing	13,400	13,425	13,375	13,000	12,625	8.1	9.3
Trade, Transportation, and Utilities	5,975	6,000	5,875	5,650	5,350	4.9	12.0
Other Private Service-Providing	4,075	4,050	4,075	4,025	4,025	11.8	15.9
<i>Government</i>	3,350	3,375	3,425	3,325	3,250	9.2	-1.4
Federal Government	1,250	1,275	1,300	1,300	1,300	8.3	7.3
State and Local Government	2,100	2,100	2,125	2,025	1,950	9.9	-6.1
Sales (\$000s) ADOR							
Gross Retail	43,102	44,992	41,521	40,568	...	6.4	13.4
Retail	33,243	33,962	31,575	32,122	...	7.6	13.9
Restaurants & Bars	4,163	4,226	3,907	3,238	...	13.8	20.8
Gasoline, EBR	5,695	6,805	6,038	5,209	...	-4.3	6.7
Gallons (000s) ADOT	2,376	2,319	1,941	1,815	...	-25.9	-14.4
Contracting	11,143	8,764	12,602	12,309	...	107.6	88.9
Hotel/Motel	1,712	1,403	1,286	1,068	...	4.6	15.0
New Housing Units Authorized, Census C-40							
Total Units	42	53	64	61	52	15.6	16.3
Single Family Units	39	51	61	58	50	11.1	16.3
COCHISE COUNTY							
Civilian Labor Force, ADES	56,775	56,900	56,800	57,975	57,150	1.7	3.2
Employment	54,175	54,225	54,350	55,025	54,025	1.4	3.0
Unemployment	2,600	2,675	2,450	2,950	3,125	7.8	6.6
Unemployment Rate (%)	4.6	4.7	4.3	5.1	5.5	6.0	3.3
Employees on Nonagricultural Payrolls, ADES							
Total	38,225	38,350	38,325	38,150	37,800	2.2	4.9
<i>Total Private</i>	25,700	25,825	25,800	25,975	25,925	3.4	5.3
Goods-Producing	3,700	3,775	3,700	3,750	3,875	4.7	7.3
Mining and Construction	2,850	2,925	2,875	2,900	3,000	6.2	11.2
Manufacturing	850	850	825	850	875	0.0	-4.3
Service-Providing	34,525	34,575	34,625	34,400	33,925	1.9	4.6
Trade, Transportation, and Utilities	6,675	6,650	6,775	6,750	6,700	4.7	3.4
Information	450	450	425	425	425	-5.6	-5.7
Financial Activities	1,000	1,000	1,000	1,000	1,000	0.0	4.8
Professional and Business Services	4,525	4,625	4,625	4,800	4,725	6.2	8.7
Educational and Health Services	3,950	3,950	3,950	4,050	4,000	-1.2	1.8
Leisure and Hospitality	4,425	4,425	4,375	4,250	4,250	4.9	9.7
Other Services	975	950	950	950	950	-2.6	-0.6
<i>Government</i>	12,525	12,525	12,525	12,175	11,875	-0.4	3.9
Federal Government	5,025	5,025	5,025	5,025	5,025	-0.5	2.9
State and Local Government	7,500	7,500	7,500	7,150	6,850	-0.4	4.7
Sales (\$000) ADOR							
Gross Retail	87,842	89,294	89,395	77,674	...	-8.1	8.0
Retail	63,961	64,737	66,401	55,741	...	-13.4	6.6
Restaurants & Bars	10,661	9,924	9,528	9,227	...	5.9	5.7
Gasoline, EBR	13,220	14,633	13,466	12,705	...	11.0	17.6
Gallons (000s) ADOT	5,515	4,988	4,329	4,426	...	-14.1	-6.7
Contracting	23,568	26,353	26,389	28,449	...	43.6	27.5
Hotel/Motel	3,857	3,182	3,183	2,643	...	5.0	10.2
New Housing Units Authorized, Census C-40							
Total Units	70	63	87	70	75	92.3	-13.9
Single Family Units	70	63	87	70	75	92.3	-13.8

See sources and abbreviations at the bottom of page 12. • For additional detail and history, subscribe to *Arizona Economic Indicators Data Book*.

ARIZONA ECONOMIC INDICATORS

	MAR 2006	APR 2006	MAY 2006	JUN 2006	JUL 2006	% change versus year ago for most recent:	
						month	12-months
TUCSON METROPOLITAN REGION (PIMA)							
Civilian Labor Force (000s) ADES							
Employment	447.0	449.5	445.0	443.3	446.0	3.9	1.5
Unemployment	429.2	431.3	428.6	422.9	424.6	4.0	1.5
Unemployment Rate, Seas. Adj. (%)	17.8	18.2	16.4	20.4	21.4	0.9	1.6
Unemployment Rate, Seas. Adj. (%)	3.9	4.2	3.9	4.4	4.5	-2.2	-0.0
Employees on Nonagricultural Payrolls (000s) ADES							
Total	379.4	383.4	381.8	374.1	376.0	5.3	3.2
Natural Resources and Mining	1.6	1.7	1.7	1.7	1.7	30.8	9.4
Construction	27.3	27.6	27.9	28.5	29.0	9.8	9.7
Manufacturing	28.6	28.7	28.7	29.3	29.5	4.2	1.6
Computer and Electronic Prod.	4.7	4.7	4.7	4.7	4.7	-2.1	-4.2
Aerospace Products and Parts	11.4	11.4	11.4	11.6	11.7	4.5	1.6
Wholesale Trade	8.6	8.6	8.6	8.8	8.7	3.6	3.8
Retail Trade	42.3	42.9	42.5	42.9	42.9	6.5	1.5
Transp., Warehousing, and Utilities	8.8	8.9	9.1	9.3	9.2	0.0	2.5
Information	7.1	7.1	7.0	7.1	7.1	0.0	-2.7
Financial Activities	17.4	17.5	17.6	17.5	17.9	7.2	8.6
Professional and Business Services	47.6	48.7	48.2	48.5	49.0	6.8	6.0
Educational and Health Services	52.3	52.6	52.8	52.0	51.9	4.8	4.9
Arts, Entertainment, and Recreation	6.4	6.8	6.5	6.3	6.0	20.0	14.9
Accommodation	8.5	8.4	8.1	8.1	8.1	5.2	2.4
Food Svcs and Drinking Places	28.7	29.4	29.0	28.3	27.8	5.7	5.5
Other Services	14.8	15.1	15.0	15.0	14.9	0.7	0.7
Federal Government	10.2	10.2	10.3	10.4	10.3	1.0	2.9
State and Local Government	69.2	69.2	68.8	60.4	62.0	3.2	-2.4
State and Local Government Education	44.9	44.8	44.1	34.5	35.6	2.6	-3.9
Sales (\$000s) ADOR							
Aggregate Retail Sales	1,017,895	1,011,050	996,934	982,560	...	6.6	10.7
Retail	679,864	656,152	650,036	659,263	...	5.4	9.6
Food, EBR	136,494	139,612	137,680	135,055	...	10.3	11.7
Restaurants & Bars	128,121	122,888	117,538	109,086	...	8.4	11.2
Gasoline, EBR	73,417	92,397	91,681	79,156	...	8.2	18.1
Contracting	218,339	183,428	211,471	194,981	...	6.0	14.7
Hotel/Motel	46,727	38,518	29,411	22,815	...	-14.1	8.5
New Housing Units Authorized, Census C-40 adjusted by EBR							
Total Units	1,075	819	987	879	712	-30.9	-5.3
Single Family Units	979	798	963	851	678	-26.4	-4.6
2-5-plus Unit Structures	96	21	24	27	33	-69.0	-12.6
Housing Sales and Prices, TAR							
Total Sales (\$000s)	423,942	406,193	410,826	417,120	335,851	-18.5	9.4
Total Units	1,501	1,466	1,526	1,524	1,227	-22.5	-4.8
Average Price (\$)	282,439	277,076	269,217	273,701	273,717	5.2	16.1
Tucson International Airport, TAA							
Total Passengers	409,761	380,148	375,866	343,147	340,385	0.4	7.3
Total Aircraft Movements	24,771	24,208	23,208	22,131	20,023	-12.3	12.4

TUCSON METROPOLITAN REGION (PIMA COUNTY) - QUARTERLY DATA

	II 2005	III 2005	IV 2005	I 2006	II 2006	% change versus year ago for most recent:	
						quarter	4-quarters
Demographics & Vital Statistics (000s, seas adj) ADHS & EBR							
Population	954.3	961.5	968.9	976.2	983.6	3.1	3.0
Natural Increase	1.3	1.3	1.3	1.3	1.3	0.3	0.8
Births	3.2	3.2	3.2	3.3	3.3	1.2	0.5
Deaths	1.9	1.9	1.9	1.9	1.9	1.8	0.3
Net Migration	5.6	5.9	6.0	6.0	6.1	8.5	19.9
Personal Income by Source (\$mil, SAAR) EBR							
Total Personal Income	26,250	26,769	27,325	27,880	28,421	8.3	7.9
Earnings by Place of Work	18,333	18,697	19,084	19,471	19,850	8.3	8.0
Less: Contributions for Social Insurance	2,044	2,090	2,139	2,188	2,236	9.4	8.8
Plus: Adjustment for Residence	120	121	123	124	126	4.6	4.0
Plus: Dividends, Interest & Rents	4,898	5,000	5,116	5,231	5,342	9.1	7.8
Plus: Transfer Payments	4,943	5,041	5,141	5,241	5,340	8.0	8.0
Per Capita Personal Income (\$, SAAR) EBR	27,507	27,839	28,203	28,559	28,894	5.0	4.8

ARIZONA ECONOMIC INDICATORS

	MAR 2006	APR 2006	MAY 2006	JUN 2006	JUL 2006	% change versus year ago for most recent: month 12-months	
PHOENIX-MESA METROPOLITAN REGION (MARICOPA AND PINAL)							
Civilian Labor Force (000s) ADES							
Employment	1,972.2	1,986.4	1,980.8	1,998.6	1,991.6	4.2	4.2
Unemployment	1,902.6	1,915.3	1,916.3	1,920.1	1,909.4	4.4	4.4
Unemployment Rate, Seas. Adj. (%)	69.6	71.1	64.5	78.5	82.2	0.1	-1.1
	3.5	3.7	3.4	3.8	4.0	-2.4	-5.4
Employees on Nonagricultural Payrolls (000s) ADES							
Total	1,867.6	1,877.2	1,881.5	1,861.2	1,852.0	5.1	6.0
Natural Resources and Mining	2.7	2.6	2.7	2.8	2.7	58.8	10.7
Construction	178.7	179.9	182.0	185.1	186.6	11.9	14.6
Durable Goods	109.6	109.4	109.2	109.6	109.4	0.3	2.3
Fabricated Metal Products	14.6	14.7	14.8	14.9	15.0	4.9	5.1
Computer and Electronic Prod.	40.5	40.5	40.5	40.6	40.5	1.3	3.1
Aerospace Products and Parts	15.3	15.2	15.1	15.0	15.1	-0.7	2.4
Non-Durable Goods	27.1	27.2	27.3	27.4	27.3	-1.1	-0.4
Wholesale Trade	85.0	85.4	85.4	85.7	86.2	4.4	4.1
Retail Trade	229.7	230.1	230.0	230.4	230.7	7.2	8.2
Utilities	8.0	8.1	8.1	8.2	8.2	0.0	1.7
Transportation and Warehousing	53.9	53.6	53.6	53.5	53.5	0.0	1.4
Information	32.4	32.8	32.6	32.8	32.7	-2.1	-1.1
Finance and Insurance	111.6	112.2	112.0	112.0	112.7	3.1	4.5
Real Estate, Rental, and Leasing	38.7	39.4	39.2	39.5	39.6	5.3	5.9
Professional and Business Services	317.5	321.3	322.1	325.3	326.2	8.5	9.5
Educational Services	31.9	31.8	31.8	30.7	28.9	5.9	5.3
Health Care and Social Assistance	157.5	158.3	159.0	159.3	159.3	3.8	4.6
Arts, Entertainment, and Recreation	24.2	24.5	24.6	23.9	22.9	8.5	6.9
Accommodation	28.3	28.3	28.0	27.2	26.3	0.0	-0.7
Food Svcs and Drinking Places	128.0	129.1	129.2	127.4	125.0	6.0	6.4
Other Services	69.3	69.2	69.4	69.6	70.4	4.1	5.8
Federal Government	22.0	22.1	22.1	22.0	22.1	1.4	1.0
State and Local Government	211.5	211.9	213.2	188.8	181.3	0.4	1.3
State and Local Government Education	112.2	112.2	112.2	86.6	79.3	-0.6	2.2
Sales (\$000s) ADOR							
Aggregate Retail Sales	4,924,810	4,867,056	4,845,550	4,785,673	...	10.3	15.3
Retail	3,362,447	3,238,432	3,217,230	3,251,079	...	7.9	14.9
Food, EBR	616,637	630,726	621,995	610,139	...	13.1	13.7
Restaurants & Bars	607,689	578,921	552,671	529,829	...	9.8	12.7
Gasoline, EBR	338,038	418,978	453,654	394,626	...	29.4	25.9
Contracting	1,417,472	1,295,096	1,399,841	1,549,182	...	23.5	28.3
Hotel/Motel	193,120	162,137	117,613	91,025	...	23.4	9.5
New Housing Units Authorized, Census C-40							
Total Units	4,658	4,373	4,967	4,538	3,326	-34.8	-9.2
Single Family Units	3,814	3,374	4,007	3,800	2,518	-40.5	-16.0
2-4 Unit Structures	258	126	104	58	88	-50.0	59.7
5-plus Unit Structures	586	873	856	680	720	3.6	33.0
Housing Sales and Prices, ARMLS							
Total Sales (\$000s)	2,393,181	2,161,766	2,522,924	2,446,496	1,977,003	-30.5	4.1
Total Units	7,149	6,491	7,235	6,946	5,878	-35.2	-16.7
Average Price (\$)	334,757	333,041	348,711	352,216	336,339	7.2	26.5
Phoenix Skyharbor International Airport, PSIA							
Total Passengers	3,810,342	3,578,243	3,573,731	3,608,776	3,709,773	-0.4	2.4
Total Aircraft Movements	46,970	43,908	45,364	43,858	45,428	-4.3	0.7

SOURCES AND ABBREVIATIONS:

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

	II 2005	III 2005	IV 2005	I 2006	II 2006	% change versus year ago for most recent: quarter 4-quarters	
PHOENIX-MESA METROPOLITAN REGION (MARICOPA AND PINAL COUNTY) - QUARTERLY DATA							
Demographics & Vital Statistics (000s, seas adj) ADHS & EBR							
Population	3,877.3	3,913.2	3,949.5	3,985.8	4,022.0	3.7	3.7
Natural Increase	9.7	9.9	9.9	10.0	10.0	3.1	4.5
Births	16.1	16.3	16.4	16.5	16.7	3.2	3.7
Deaths	6.4	6.4	6.5	6.6	6.6	3.4	2.4
Net Migration	25.4	26.0	26.4	26.3	26.2	3.0	2.8
Personal Income by Source (\$mil, SAAR) EBR							
Total Personal Income	125,245	128,035	130,777	133,507	136,261	8.8	9.1
Earnings by Place of Work	100,852	103,073	105,247	107,420	109,611	8.7	9.2
Less: Contributions for Social Insurance	10,870	11,116	11,378	11,639	11,895	9.4	9.0
Plus: Adjustment for Residence	-74	-74	-74	-75	-75	-1.3	-1.0
Plus: Dividends, Interest & Rents	19,006	19,407	19,856	20,298	20,726	9.0	7.9
Plus: Transfer Payments	16,331	16,745	17,127	17,503	17,894	9.6	10.4
Per Capita Personal Income (\$, SAAR) EBR	32,302	32,719	33,112	33,496	33,879	4.9	5.2

ARIZONA - QUARTERLY DATA							
Demographics & Vital Statistics (000s, seas adj) ADHS & EBR							
Population	6,020.0	6,070.3	6,120.8	6,171.4	6,221.7	3.3	3.4
Natural Increase	12.6	13.0	12.3	12.9	12.6	0.1	-0.7
Births	24.2	24.2	23.9	24.8	24.6	1.7	2.9
Deaths	11.6	11.2	11.7	11.8	12.0	3.5	7.3
Net Migration	37.3	37.7	38.0	37.9	37.1	-0.6	1.5
Personal Income Derivation (\$mil, SAAR) BEA & EBR							
Total Personal Income	177,474	182,683	187,119	191,181	195,418	10.1	10.0
Earnings by Place of Work	137,589	143,281	145,893	149,288	152,582	10.9	11.8
Less: Contributions for Social Insurance	15,024	15,566	15,808	16,345	16,657	10.9	11.3
Plus: Adjustment for Residence	664	640	643	646	649	-2.2	-0.8
Plus: Dividends, Interest & Rents	27,011	27,164	28,803	29,138	29,706	10.0	5.8
Plus: Transfer Payments	27,234	27,165	27,589	28,457	29,141	7.0	6.1
Components of Earnings (\$mil, SAAR) BEA & EBR							
Wages and Salaries	99,238	103,223	104,729	107,235	109,695	10.5	11.1
Other Labor Income EBR	22,402	23,361	23,795	24,402	24,973	11.5	12.9
Proprietor's Income	15,950	16,696	16,533	16,619	...	8.9	10.7
Farm	738	874	759	632	...	-13.9	15.2
Nonfarm	15,212	15,823	15,774	15,988	...	10.0	10.5
Per Capita Personal Income (\$, SAAR) EBR	29,481	30,094	30,571	30,979	31,409	6.5	6.4
Average Wage Per Employee, Annual Rate (\$) EBR	39,199	40,200	39,657	40,006	...	3.0	4.8

TRAVEL AND TOURISM - MONTHLY DATA							
	MAR 2006	APR 2006	MAY 2006	JUN 2006	JUL 2006	% change versus year ago for most recent: month 12-months	
Visits to Parks & Other Recreational Areas, NPS & ASPB							
Northern Arizona	1,250,468	1,626,568	1,839,467	2,197,903	2,449,820	4.6	-1.4
Historical	119,789	159,827	147,604	121,540	136,140	-8.8	-3.2
Scenic	439,030	605,048	640,275	728,895	818,189	-3.9	-0.7
Water Based Recreation	691,649	861,693	1,051,588	1,347,468	1,495,491	11.4	-1.6
Southern Arizona	385,291	317,776	200,188	138,817	159,823	27.6	-1.9
Historical	64,426	44,237	29,037	18,865	23,982	5.6	-9.0
Scenic	277,141	219,453	123,810	84,601	98,088	53.6	-1.7
Water Based Recreation	43,724	54,086	47,341	35,351	37,753	-2.4	5.5
International Border Crossings, USBCBP							
U.S. Citizens	643,444	669,594	677,632	631,927	646,110	-6.3	-2.3
Aliens	1,638,170	1,797,600	1,797,356	1,649,621	1,716,996	-2.9	-4.0
Vehicles	818,231	802,636	816,278	745,902	...	-13.6	-7.6

MEASURES OF INFLATION AND PRICES - MONTHLY DATA							
Consumer Price Index (1982-1984=100) BLS							
U.S. - All Urban	199.8	201.5	202.5	202.9	203.5	4.1	3.9
U.S. - Wage Earners	195.3	197.2	198.2	198.6	199.2	4.3	4.0

See sources and abbreviations at the bottom of page 12. • For additional detail and history, subscribe to *Arizona Economic Indicators Data Book*.

ARIZONA ECONOMIC INDICATORS

	MAR 2006	APR 2006	MAY 2006	JUN 2006	JUL 2006	% change versus year ago for most recent: month 12-months	
ARIZONA MONTHLY DATA							
Civilian Labor Force (000s) ADES							
Employment	2,919.8	2,940.0	2,931.4	2,955.7	2,952.9	4.0	3.6
Unemployment	2,803.9	2,820.0	2,816.1	2,818.3	2,804.4	4.1	3.7
Unemployment Rate, Seas. Adj. (%)	115.9	120.0	115.3	137.4	148.5	1.4	0.1
	4.1	4.3	4.2	4.4	4.7	-2.1	-2.5
Employees on Nonagricultural Payrolls (000s) ADES							
Total	2,610.5	2,623.8	2,626.5	2,594.8	2,582.6	4.8	5.2
Natural Resources and Mining	10.0	10.1	10.2	10.6	10.7	30.5	9.1
Construction	234.8	236.7	239.0	243.1	245.6	10.3	12.7
Durable Goods Manufacturing	148.3	148.5	148.5	149.0	149.3	1.4	2.4
Fabricated Metal Products	18.7	18.9	19.0	19.2	19.3	4.9	4.8
Computer and Electronic Prod.	45.7	45.8	45.7	45.8	45.7	0.9	2.3
Aerospace Products and Parts	27.0	27.0	27.0	27.3	27.5	3.0	2.2
Non-Durable Goods Manufacturing	35.6	34.8	34.1	34.6	34.5	-1.7	-0.3
Wholesale Trade	103.2	102.9	102.8	103.1	103.3	4.4	4.0
Retail Trade	320.6	320.5	320.3	320.3	320.6	5.7	6.0
Utilities	12.0	11.9	11.9	11.9	11.9	0.0	2.2
Transportation and Warehousing	69.1	69.0	69.1	69.1	69.0	0.4	1.9
Information	44.2	44.6	44.4	44.5	44.4	-2.2	-1.3
Finance and Insurance	127.9	128.7	128.5	128.3	129.2	3.2	4.8
Real Estate, Rental, and Leasing	51.0	51.9	51.8	52.0	52.2	6.3	6.9
Professional and Business Services	389.1	393.3	393.4	397.1	398.0	7.2	8.7
Educational Services	42.6	42.7	42.4	40.1	37.1	3.1	3.8
Health Care and Social Assistance	241.1	242.3	243.3	243.2	243.2	4.2	4.7
Arts, Entertainment, and Recreation	34.5	35.3	35.3	34.7	33.5	9.8	8.1
Accommodation	47.5	48.4	47.8	46.9	46.4	3.1	2.9
Food Svcs and Drinking Places	187.2	189.6	189.4	187.0	183.8	5.8	6.3
Other Services	95.9	96.2	96.4	96.7	97.6	4.3	5.5
Federal Government	51.7	51.8	52.6	53.1	52.4	1.0	1.4
State and Local Government	364.2	364.6	365.3	329.5	319.9	1.8	0.7
State and Local Government Education	198.7	198.5	197.2	157.6	147.3	1.9	1.0
	40.8	40.4	40.4	40.5	40.4	1.0	-1.4
Hours Worked Per Week, Manufacturing, ADES							
Average Hourly Earnings (\$) ADES							
Construction	16.34	16.36	16.54	16.59	16.83	4.9	4.3
Manufacturing	14.57	14.70	14.99	15.14	15.49	4.0	0.7
Trade, Transportation, Utilities	14.86	15.12	14.99	15.04	15.29	2.1	2.5
Retail Trade	12.27	12.37	12.13	12.09	12.24	-0.6	2.0
Wholesale Trade	17.48	17.87	18.15	17.98	18.50	-2.4	-1.6
Sales (\$000s) ADOR							
Aggregate Retail Sales	7,076,676	7,030,862	7,017,526	6,901,598	...	9.0	14.2
Retail	4,753,435	4,596,153	4,576,718	4,599,802	...	6.7	13.7
Food, EBR	922,699	943,781	930,716	912,975	...	12.8	12.6
Restaurants & Bars	854,290	816,660	790,775	759,540	...	8.8	12.1
Gasoline, EBR	546,252	674,268	719,316	629,281	...	22.7	23.3
Gallons (000s) ADOT	227,871	229,835	231,254	219,224	...	-5.1	-2.1
Utilities	543,414	509,646	642,880	789,079	...	14.3	12.8
Communications	279,549	288,321	285,004	290,756	...	13.3	10.5
Amusements	116,193	105,222	107,961	83,327	...	16.1	15.6
Rentals - Personal Property	356,712	338,320	308,094	330,330	...	11.9	13.9
Contracting	1,916,388	1,773,987	1,931,337	2,066,512	...	21.1	26.8
Mining - Metal, Oil & Gas	114,567	159,807	221,971	202,966	...	66.3	57.6
Hotel/Motel	283,661	247,484	198,718	166,543	...	12.0	9.8
New Housing Units Authorized, Census C-40							
Total Units	6,907	6,163	7,133	6,236	4,617	-36.1	-8.8
Single Family Units	5,718	5,037	5,953	5,375	3,756	-40.1	-13.6
2-4 Unit Structures	303	164	224	116	134	-32.3	48.0
5-plus Unit Structures	886	962	956	745	727	-4.8	34.7
Bankruptcy Filings, U.S. Bankruptcy Court							
Total	557	560	551	565	514	-79.6	-25.4
Chapter 7	445	444	447	451	407	-82.1	-20.4
Chapter 11	20	16	6	17	9	-18.2	-9.8
Chapter 13	92	100	98	97	98	-59.2	-53.7

See sources and abbreviations at the bottom of page 12. • For additional detail and history, subscribe to *Arizona Economic Indicators Data Book*.

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