



# Arizona Economic Update

November 20, 2015

## Summary

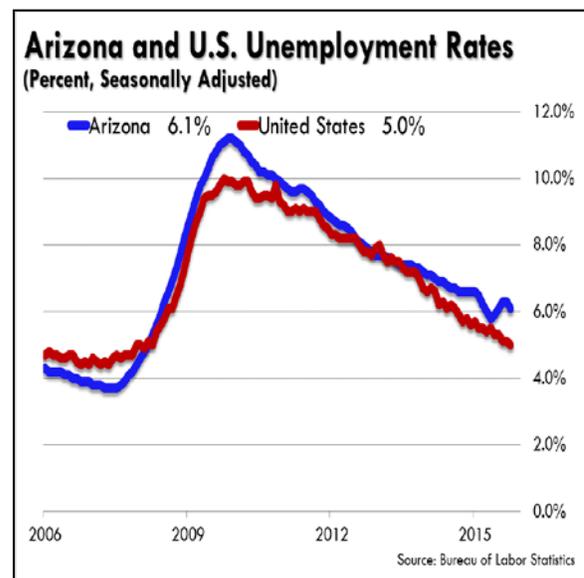
Nonfarm payroll employment in Arizona increased by 18,700 jobs and the unemployment rate fell to 6.1 percent in October according to data released by the Bureau of Labor Statistics (BLS).

## Arizona Unemployment Rate

During October, the unemployment rate in Arizona declined by 0.2 percentage point to 6.1 percent. The number of people counted as unemployed fell by 4,039 in October to 192,977, while the labor force grew by 3,754 to 3,148,153. Among the 50 states and the District of Columbia, 44 posted lower unemployment rates for the month than Arizona. A year earlier, the unemployment rate in Arizona stood at 6.6 percent.

The 10 year peak for the unemployment rate in Arizona was 11.2 percent in December 2009. The series high for the unemployment rate in Arizona occurred in December 1982 when the unemployment rate reached 11.5 percent. The 10 year low for the unemployment rate was 3.7 percent in July 2007. This also represents the series low for the unemployment rate in Arizona. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate declined by 0.1 percentage point to 5.0 percent in October. October's unemployment rate was 0.7 percentage point lower than a year earlier. The ten year high for the national unemployment rate was 10.0 percent in October 2009. The ten year low was 4.4 percent in May 2007.



## Arizona Payroll Employment

Arizona nonfarm payrolls increased by 18,700 jobs, or 0.71 percent, on a seasonally adjusted basis during October. In the prior month, nonfarm payrolls increased by 4,100. Over the past 12 months nonfarm payrolls in Arizona increased by 60,300, or 2.33 percent. Arizona nonfarm payroll employment has increased in 9 of the past 12 months.

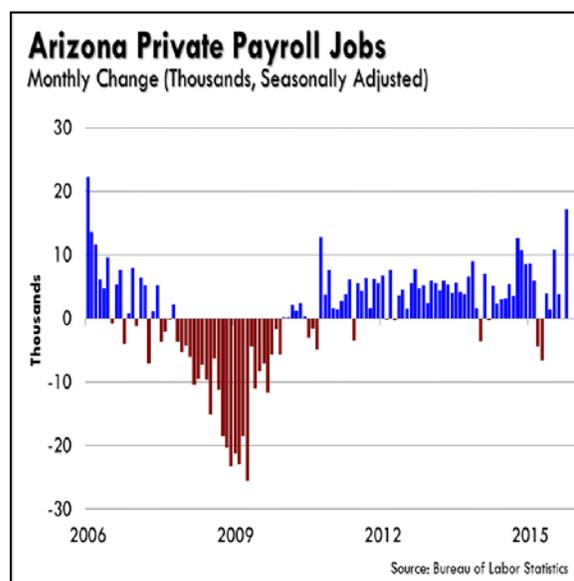
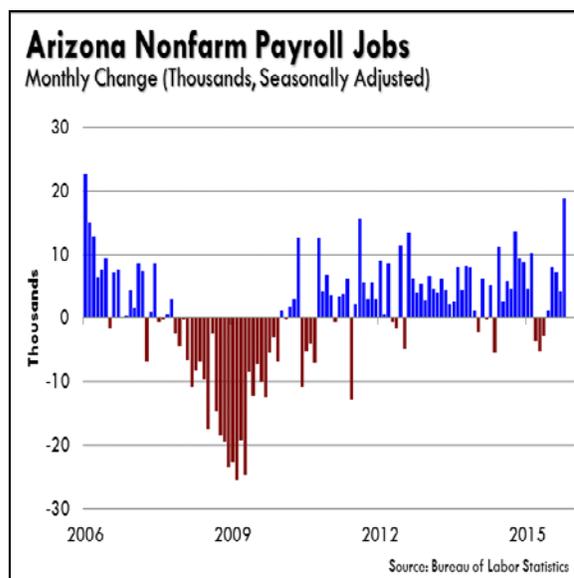
Nationally nonfarm payrolls increased by 271,000 jobs in October, or 0.19 percent. Over the 12 month period ending in October 2015 nonfarm payrolls grew by 2,814,000 jobs, or 2.01 percent. Arizona ranks 10th among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During October, Arizona private sector payrolls increased by 17,200, or 0.77 percent. Private sector payrolls declined by 100 jobs in the prior month. Over the past 12 months, private sector payrolls in Arizona increased by 59,800, or 2.75 percent. Arizona private sector payroll employment has increased in 9 of the past 12 months.

Nationally private-sector payroll jobs increased by 268,000 jobs in 2.01, or 0.22 percent. Over the past 12 months, the nation's economy has added 2,709,000 jobs in the private sector, an increase of 2.30 percent.

Arizona ranks 9th among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

During October, total government payroll employment in Arizona increased by 1,500, or 0.36 percent. Federal government payroll employment declined by 300, or 0.54 percent. State government payroll employment increased by 1,400, or 1.69 percent, while local government payroll employment declined by 200, or 0.07 percent.



Over the past year, total government payroll employment increased by 500, or 0.12 percent. State government payroll employment increased by 2,700, or 3.32 percent. Local government payroll employment declined by 3,400, or 1.25 percent.

The best performing sectors on a seasonally adjusted basis during October were Trade, Transportation & Utilities (+4,600) and Professional & Business Services (+3,100). The poorest performing sectors during the month were Construction (-900) and Mining & Logging (-400).

The best performing sectors during the last twelve months were Educational & Health Services (+11,200) and Professional & Business Services (+11,100). The poorest performing sectors for the year were Mining & Logging (-1,000) and Manufacturing (-200).

#### Other Arizona Labor Force Statistics

The labor force participation rate in Arizona was unchanged at 59.6 percent in October. Among the 50 states and the District of Columbia, 41 have a higher labor force participation rate than Arizona. The labor force participation rate in Arizona is unchanged from a year earlier. The labor force participation rate is the percentage of the civilian noninstitutionalized population age 16 and older who are employed or actively looking for work.

The 10 year high for the labor force participation rate in Arizona was 64.7 percent in November 2006. The series high for the labor force participation rate in Arizona occurred in July 1995 when the labor force participation rate hit 66.9 percent. The 10 year low for the labor force participation rate was 59.4 percent in July 2014. This also represents the series low for the labor force participation rate in Arizona.

The national labor force participation rate was unchanged at 62.4 percent in October. That rate was 0.4 percentage point lower than a year earlier. At 62.4 percent, the labor force participation rate is at its lowest level since September 1977.



The employment-to-population ratio, or the percentage of the Arizona civilian noninstitutionalized population 16 years and older counted as employed, rose to 56.0 percent in October from 55.9 percent the prior month. Among the 50 states and the District of Columbia, 41 have higher employment-to-population ratios than Arizona. The employment-to-population ratio in Arizona is 0.2 percentage point higher than a year earlier.

The 10 year high for the employment-to-population ratio in Arizona was 62.1 percent in December 2006. The series high for the employment-to-population ratio in Arizona occurred in August 1995 when the employment-to-population ratio hit 63.3 percent. The 10 year low for the employment-to-population ratio was 55.0 percent in September 2013. The series low for the employment-to-population ratio occurred in March 1976 when the employment-to-population ratio hit 53.2 percent.

The national employment-to-population ratio rose by 0.1 percentage point to 59.3 percent in October. That rate was 0.1 percentage point higher than a year earlier, but still 0.1 percentage point lower than it was when the recession ended in June 2009. The all-time high for the employment-to-population ratio was 64.7 percent in April 2000. The 10 year high for the employment-to-population ratio was 63.4 percent in December 2006. The recent low occurred in October 2013 when the employment-to-population ratio dipped to 58.2 percent. The last time the employment-to-population posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for November is scheduled for release on Friday, December 18. The national employment situation report for November will be released on Friday, December 4.

