

Employment Report

October 2016

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Techniques to Analyze Employment Levels

Over the Month

- Numeric/Percentage Change
- Issue: Large influence of seasonal factors
- Main Use: Compare changes to previous years in the same month – comparison of previous years point-in-time estimates

Over the Year

- Numeric/Percentage Change
- Issue: Less influence of seasonal factors
- Main Use: Compare changes to previous time periods – long-term trends (growing, declining, accelerating, or decelerating)

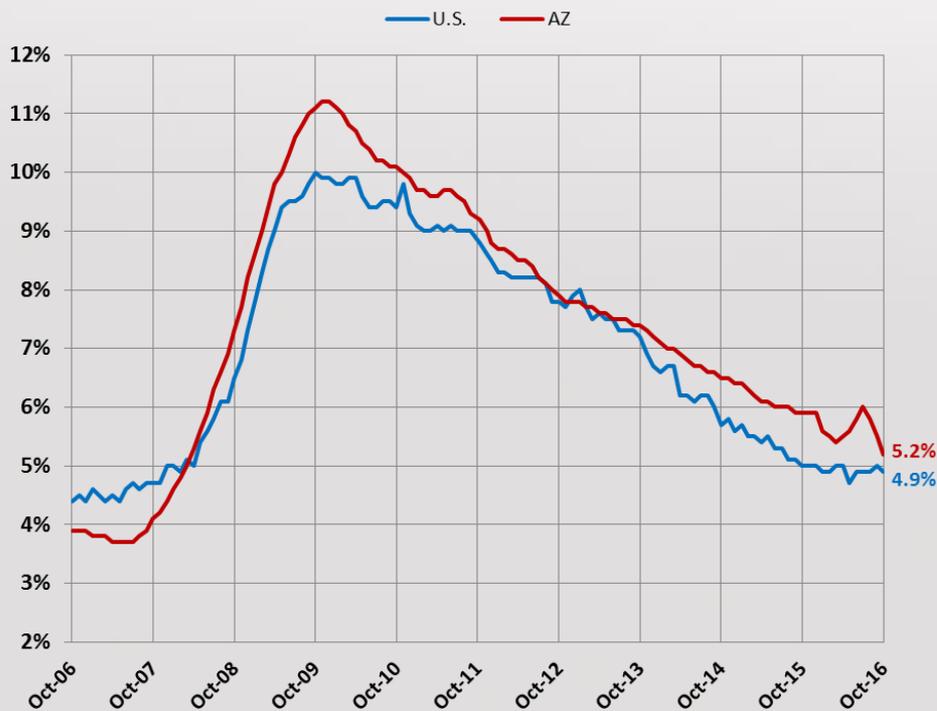
Over-the-Month Highlights

- AZ unemployment rate (SA) decreased from 5.5 to 5.2%; US unemployment rate (SA) decreased to 4.9%
- Arizona gained 28,000 Nonfarm jobs (1.0%), more than the post-recessionary ('10-'15) average gain of 26,500 jobs
- The Private Sector gained 24,400 jobs (1.1%)
- Ten of the eleven major sectors added jobs
- One of the major sectors reported neither losses nor gains
 - Natural Resources and Mining
- Professional and Business Services recorded the largest job gain of 8,000 jobs
- September Nonfarm employment gains were revised downward from 32,700 to 29,900 jobs

Over-the-Year Highlights

- Arizona added 49,600 Nonfarm jobs (1.8%)
- Private Sector added 50,400 jobs (2.2%)
- Seven major sectors added jobs
- Three major sectors reported losses
 - Other Services; Manufacturing; Government
- One sector reported neither gains nor losses
 - Natural Resources and Mining
- Largest gains were recorded in Education and Health Services (15,800 jobs)
- Largest losses were recorded in Other Services (-2,300 jobs)

Arizona & U.S. Unemployment Rate Seasonally Adjusted

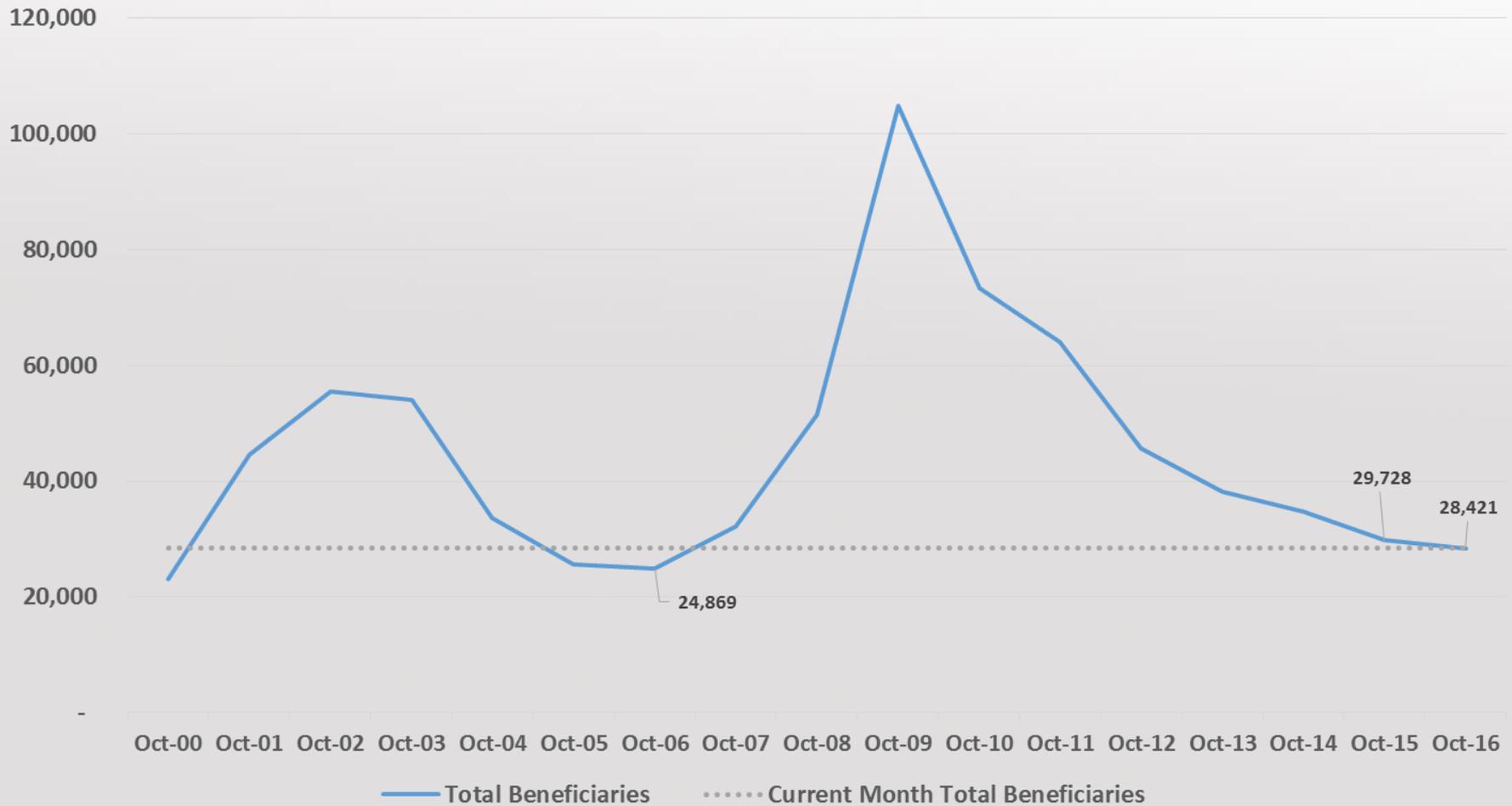


LAUS - Seasonally Adjusted

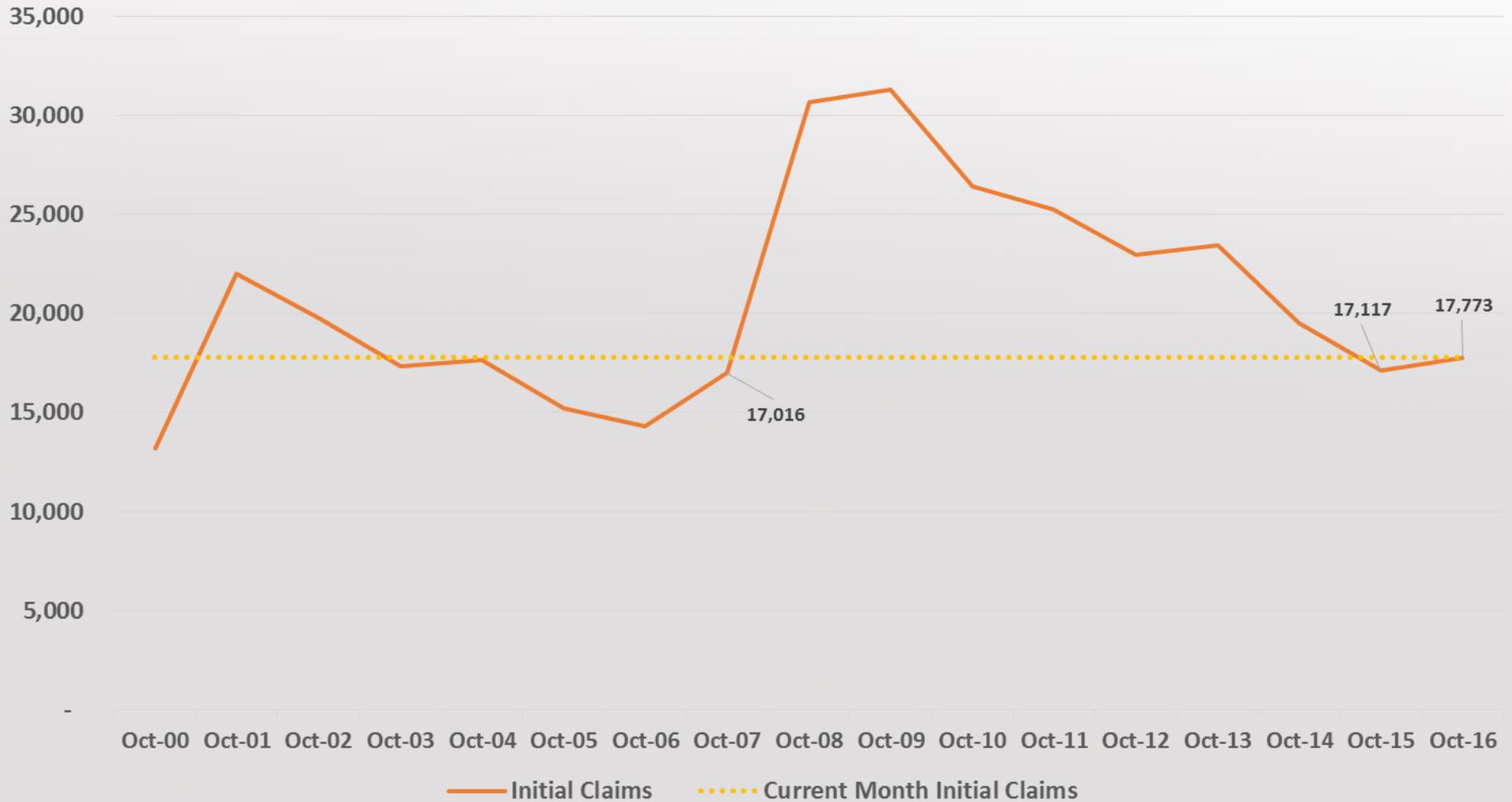
	<u>Labor Force</u> Level	<u>Employment</u> Level	<u>Unemployment</u> Level	<u>Rate</u>
Oct-2015	3,157,151	2,970,904	186,247	5.9
Nov-2015	3,162,525	2,976,666	185,859	5.9
Dec-2015	3,167,258	2,981,717	185,541	5.9
Jan-2016	3,187,561	3,008,409	179,152	5.6
Feb-2016	3,212,514	3,036,288	176,226	5.5
Mar-2016	3,233,768	3,060,685	173,083	5.4
Apr-2016	3,244,757	3,067,876	176,881	5.5
May-2016	3,247,280	3,066,142	181,138	5.6
Jun-2016	3,236,807	3,049,537	187,270	5.8
Jul-2016	3,223,810	3,031,608	192,202	6.0
Aug-2016	3,213,513	3,026,554	186,959	5.8
Sep-2016	3,221,981	3,043,240	178,741	5.5
Oct-2016	3,236,617	3,067,177	169,440	5.2
OTM Change	14,636	23,937	-9,301	-0.3
OTY Change	79,466	96,273	-16,807	-0.7

Source: Office of Economic Opportunity in collaboration with the US Dept. of Labor's Bureau of Labor Statistics; Local Area Unemployment Statistics

Total Arizona Unemployment Claimants in October



Arizona Initial Claims for Unemployment in October



Alternative Measures of Labor Underutilization

<u>Period</u>	<u>Unemployed</u>		<u>Discouraged</u>	<u>All Marginally</u>	<u>Involuntary Part-</u>
	<u>15+ Weeks</u>	<u>Job Losers</u>	<u>Workers</u>	<u>Attached</u>	<u>time Employed</u>
2014:IV – 2015:III	79,000	91,800	16,900	49,100	184,100
2015 annual average	70,000	94,400	13,900	45,200	173,600
2015:II – 2016:I	62,900	90,400	12,300	42,800	147,200
2015:III – 2016:II	57,900	82,600	13,700	47,200	135,500
2015:IV – 2016:III	57,000	72,200	14,300	48,100	132,600
Over-the-Quarter	-900	-10,400	600	900	-2,900
Over-the-Year	-22,000	-19,600	-2,600	-1,000	-51,500

Job losers: Unemployed persons who involuntarily lost their last job or who had completed a temporary job. This includes persons who were on temporary layoff expecting to return to work, as well as persons not on temporary layoff.

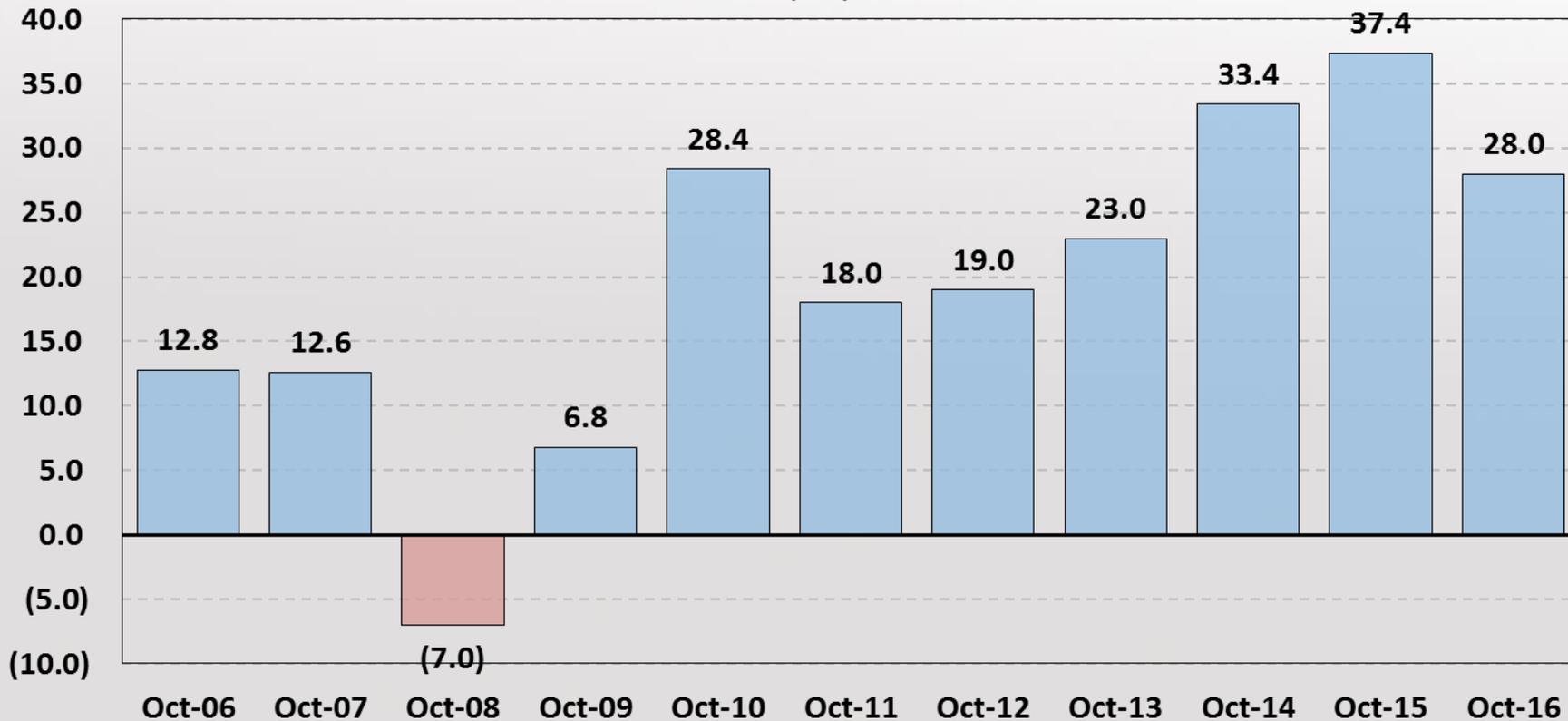
Discouraged workers: Persons not in the labor force who want and are available for a job and who have looked for work sometime in the past 12 months, but who are not currently looking because they believe there are no jobs available or there are none for which they would qualify.

Marginally attached workers: Persons not in the labor force who want and are available for work, and who have looked for a job sometime in the prior 12 months, but were not counted as unemployed because they had not searched for work in the 4 weeks preceding the survey. Discouraged workers are a subset of the marginally attached.

Total Nonfarm Employment

Over-The-Month Employment Gain/Loss

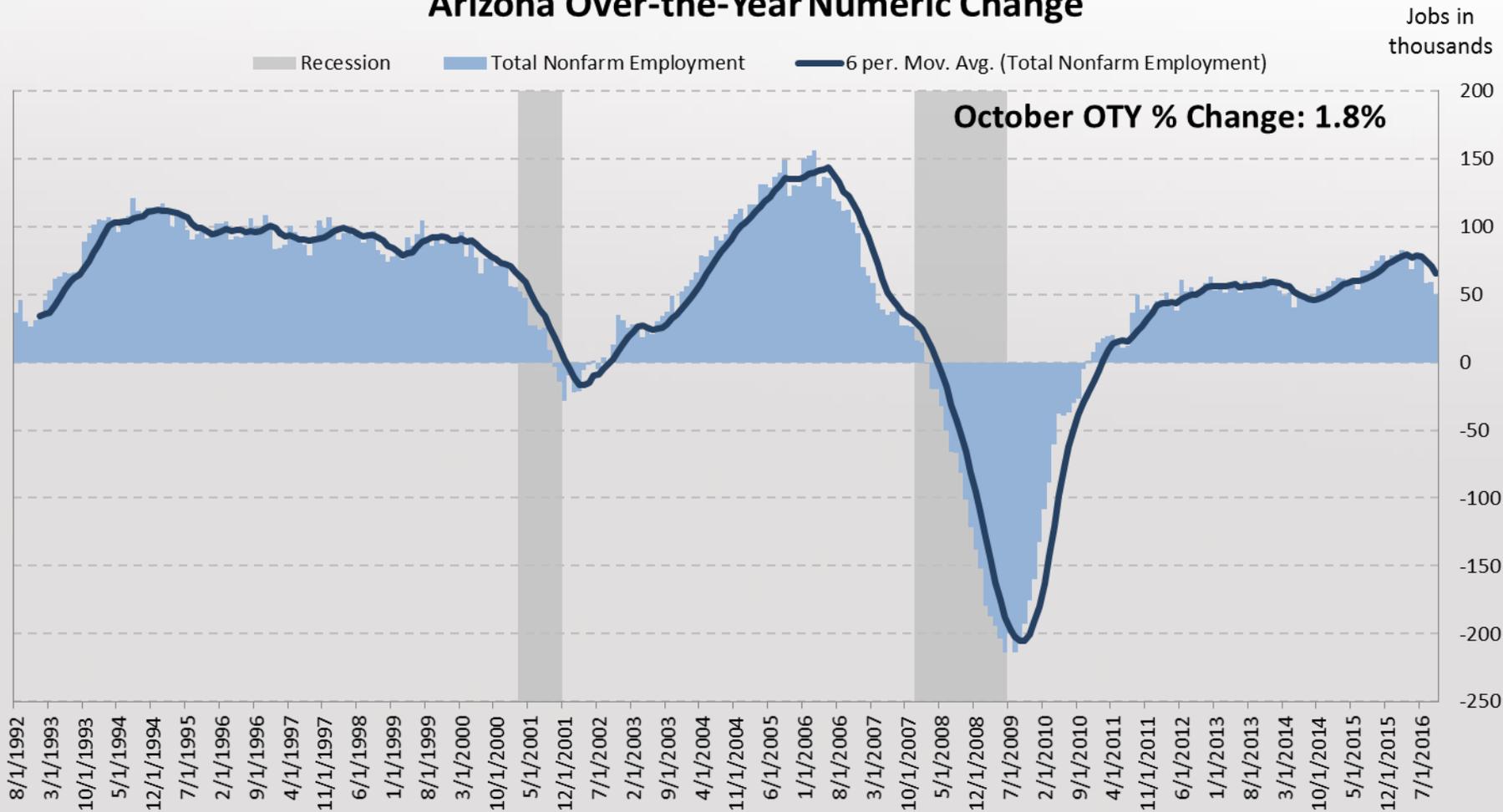
in thousands



Post-Recession Average ('10-'15): 26,500 Jobs or 1.1%
Historic 10-Year Average ('06-'15): 18,400 Jobs or 0.7%

Source: Office of Economic Opportunity in collaboration with the US Dept. of Labor's Bureau of Labor Statistics; Current Employment Statistics

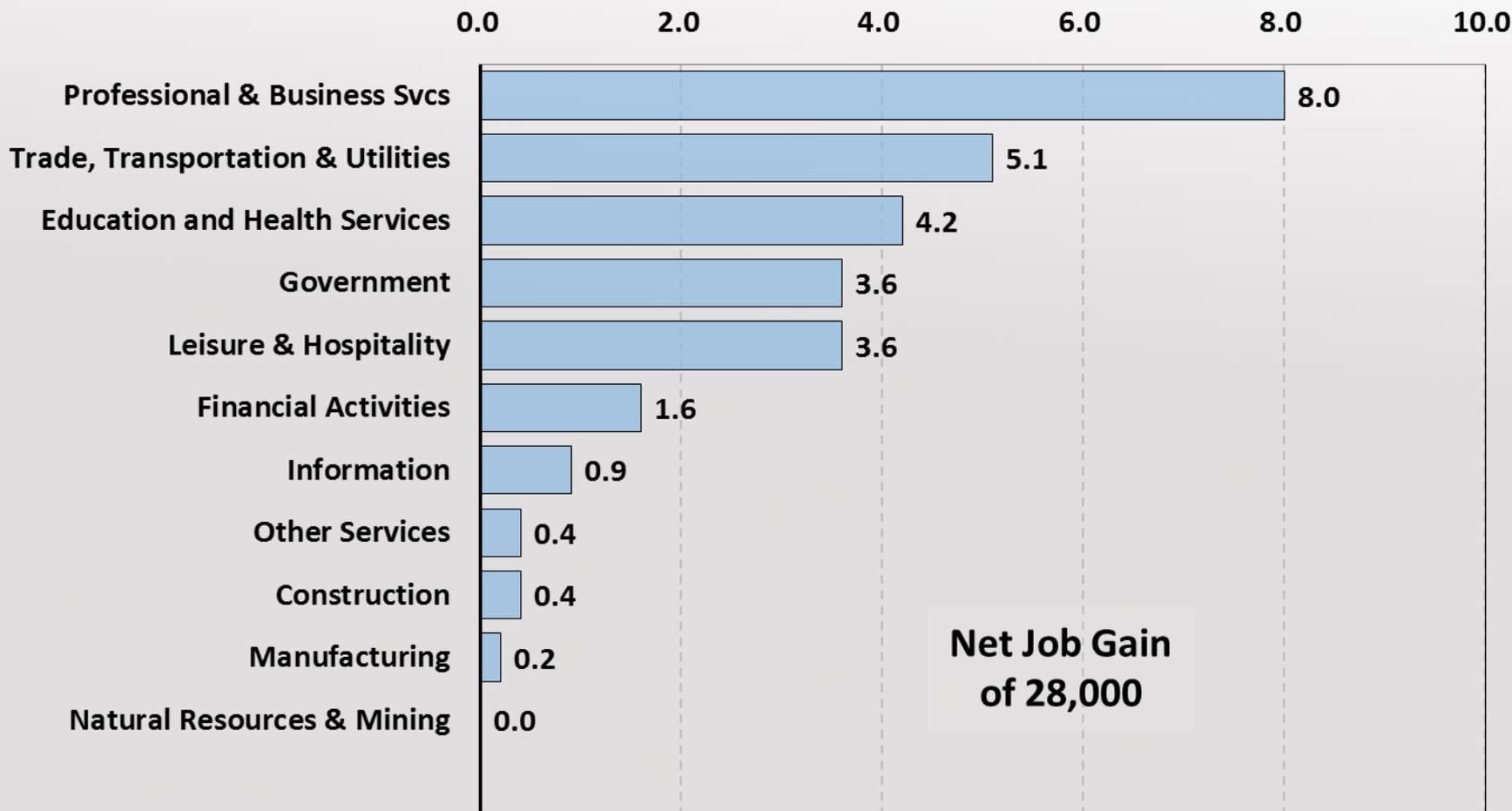
Arizona Over-the-Year Numeric Change



Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics

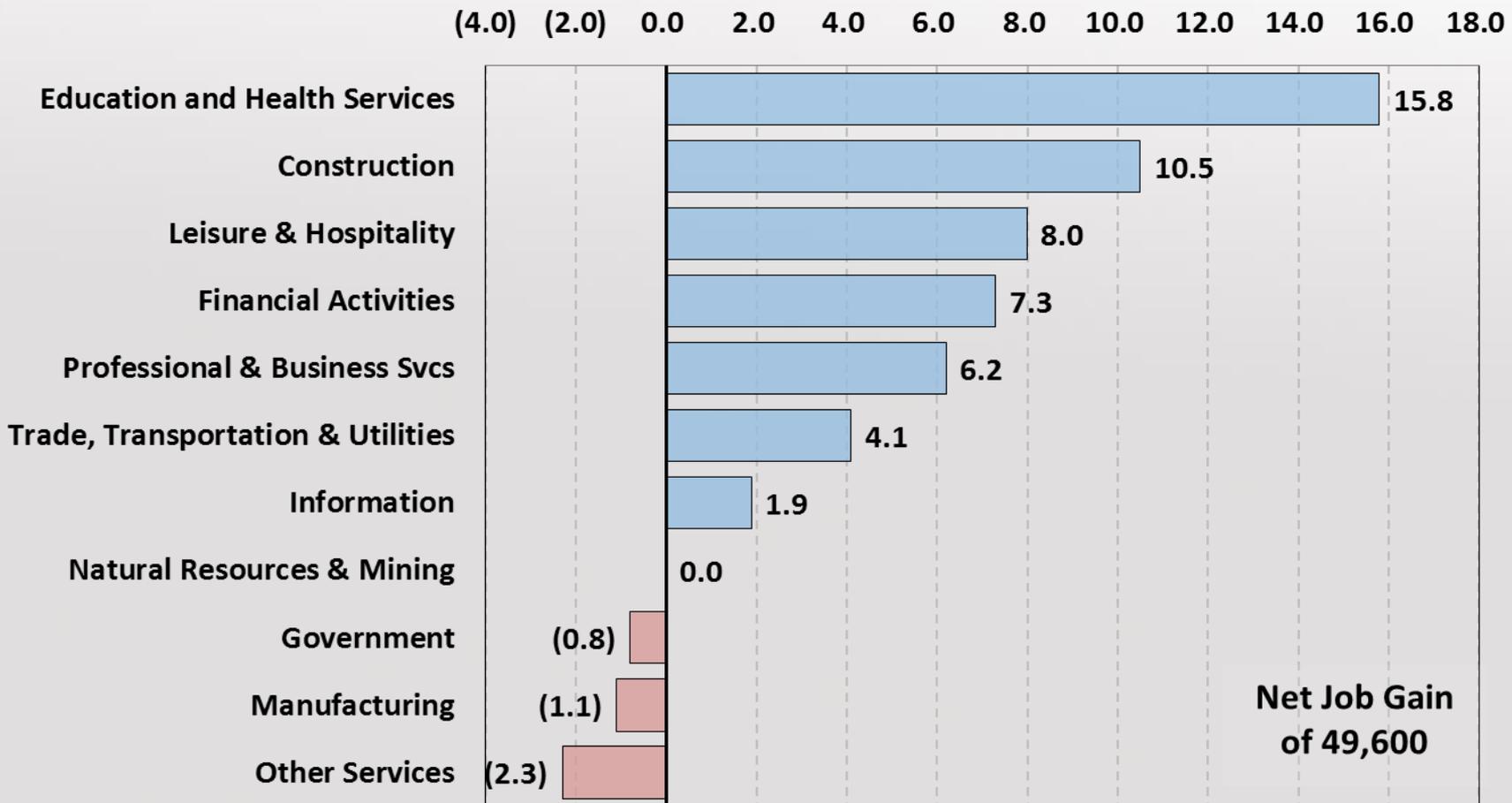
Arizona Over-the-Month Job Gain/Loss by Sector

in thousands

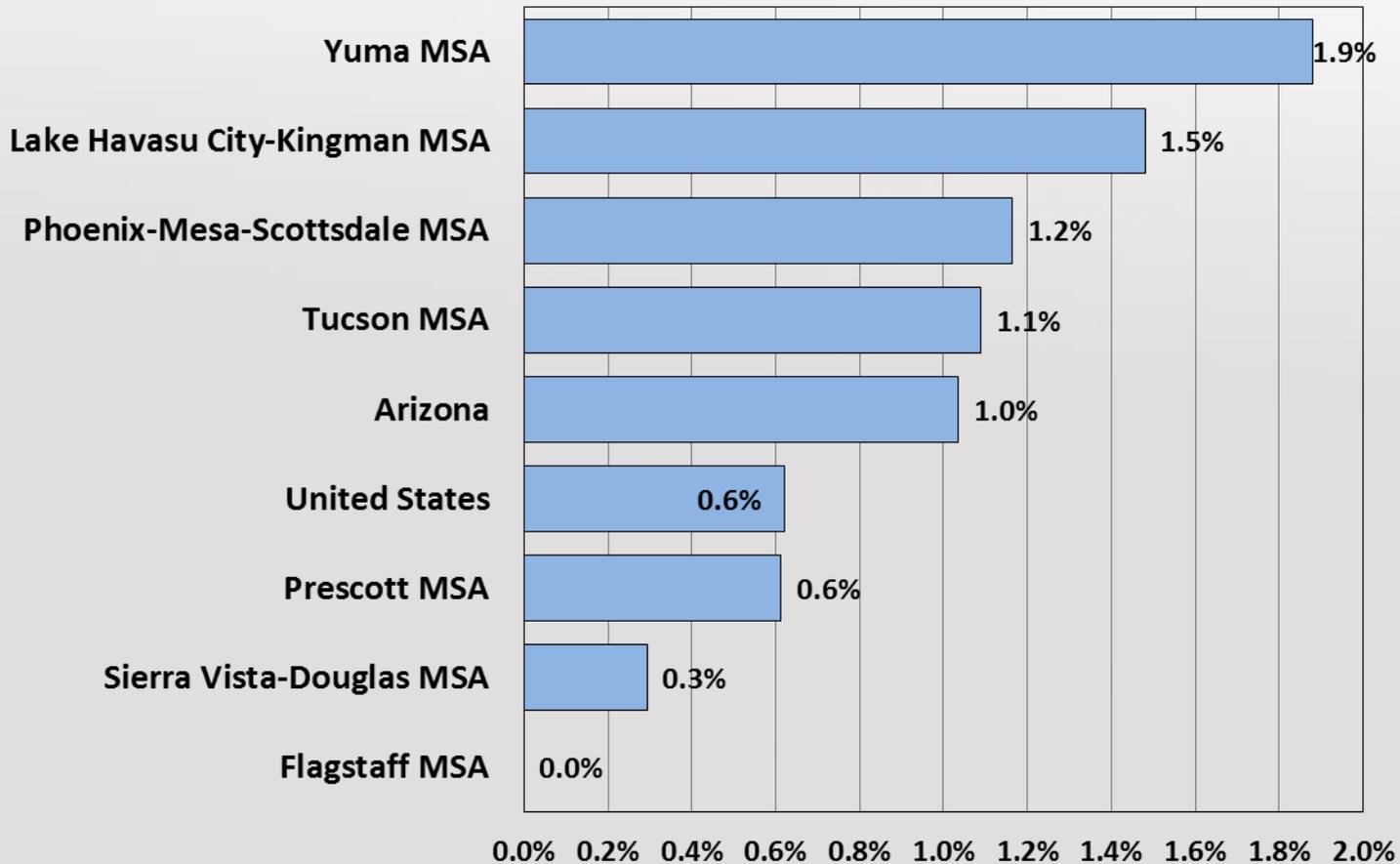


Arizona Over-the-Year Job Gain/Loss by Sector

in thousands

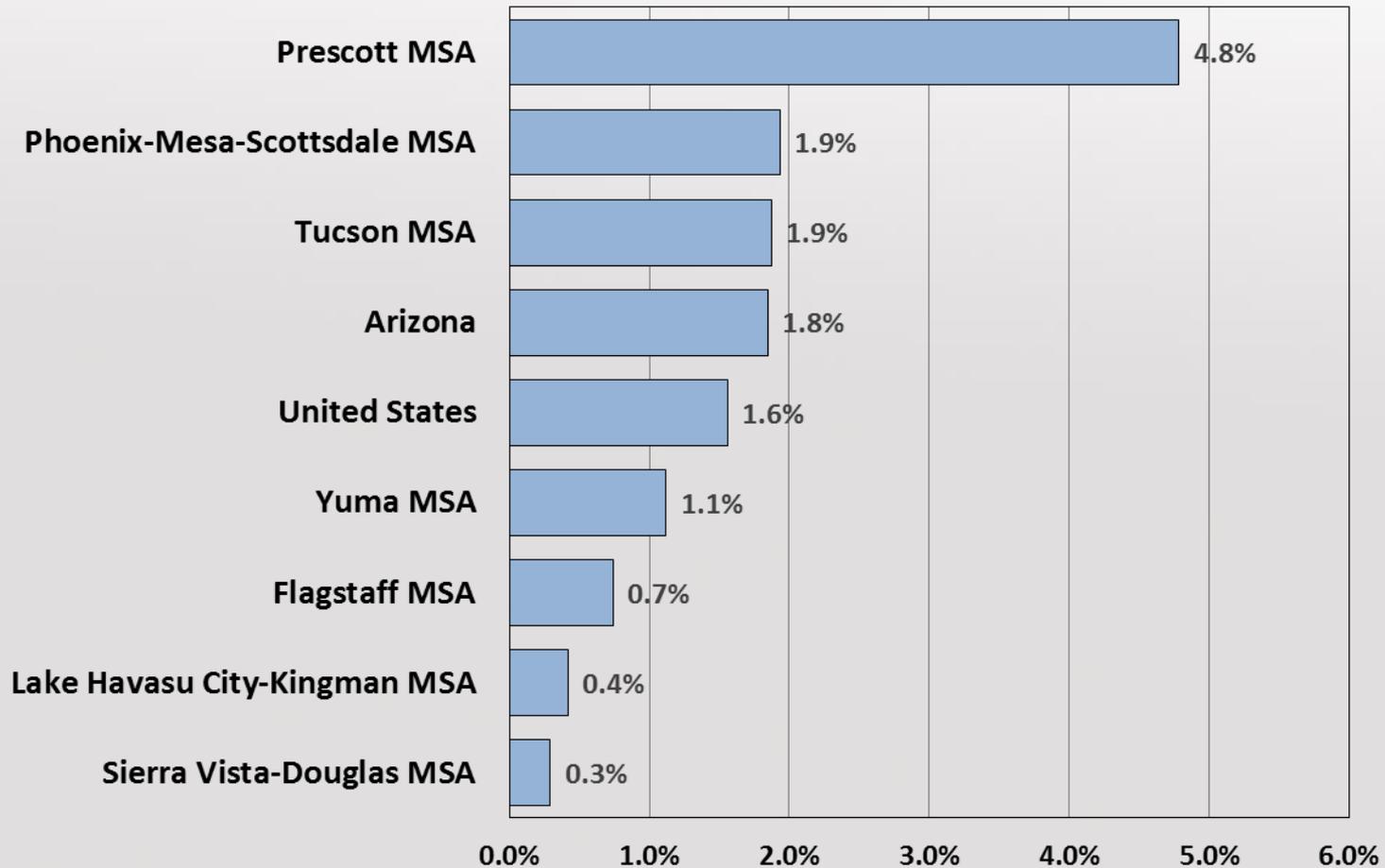


Total Nonfarm Employment Over-the-Month Percentage Gain/Loss by Region



Source: Office of Economic Opportunity in collaboration with the US Dept. of Labor's Bureau of Labor Statistics; Current Employment Statistics

Total Nonfarm Employment Over-the-Year Percentage Gain/Loss by Region

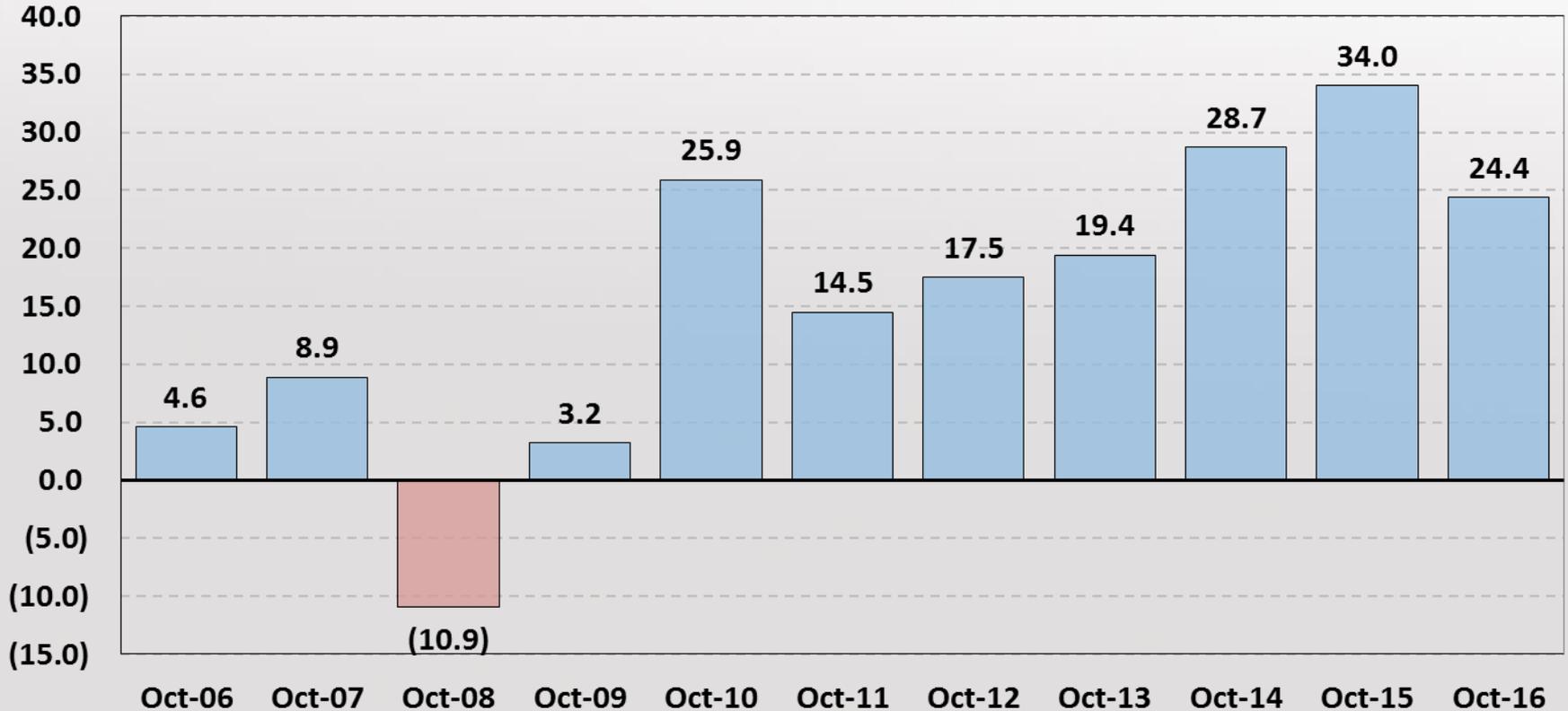


Source: Office of Economic Opportunity in collaboration with the US Dept. of Labor's Bureau of Labor Statistics; Current Employment Statistics

Private Sector

Over-The-Month Employment Gain/Loss

in thousands

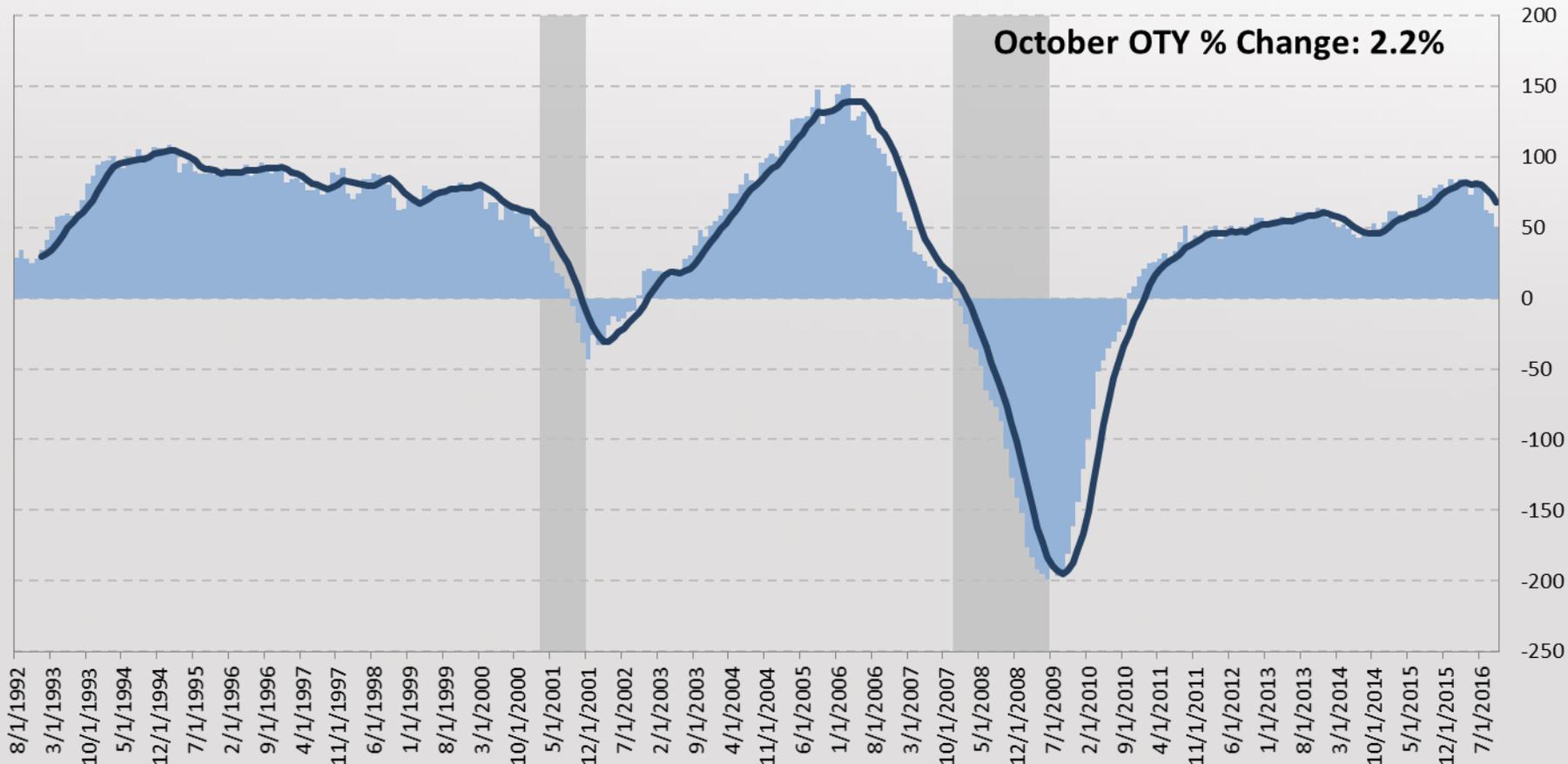


Post-Recession Average ('10-'15): 23,300 Jobs or 1.1%
Historic 10-Year Average ('06-'15): 14,600 Jobs or 0.7%

Source: Office of Economic Opportunity in collaboration with the US Dept. of Labor's Bureau of Labor Statistics; Current Employment Statistics

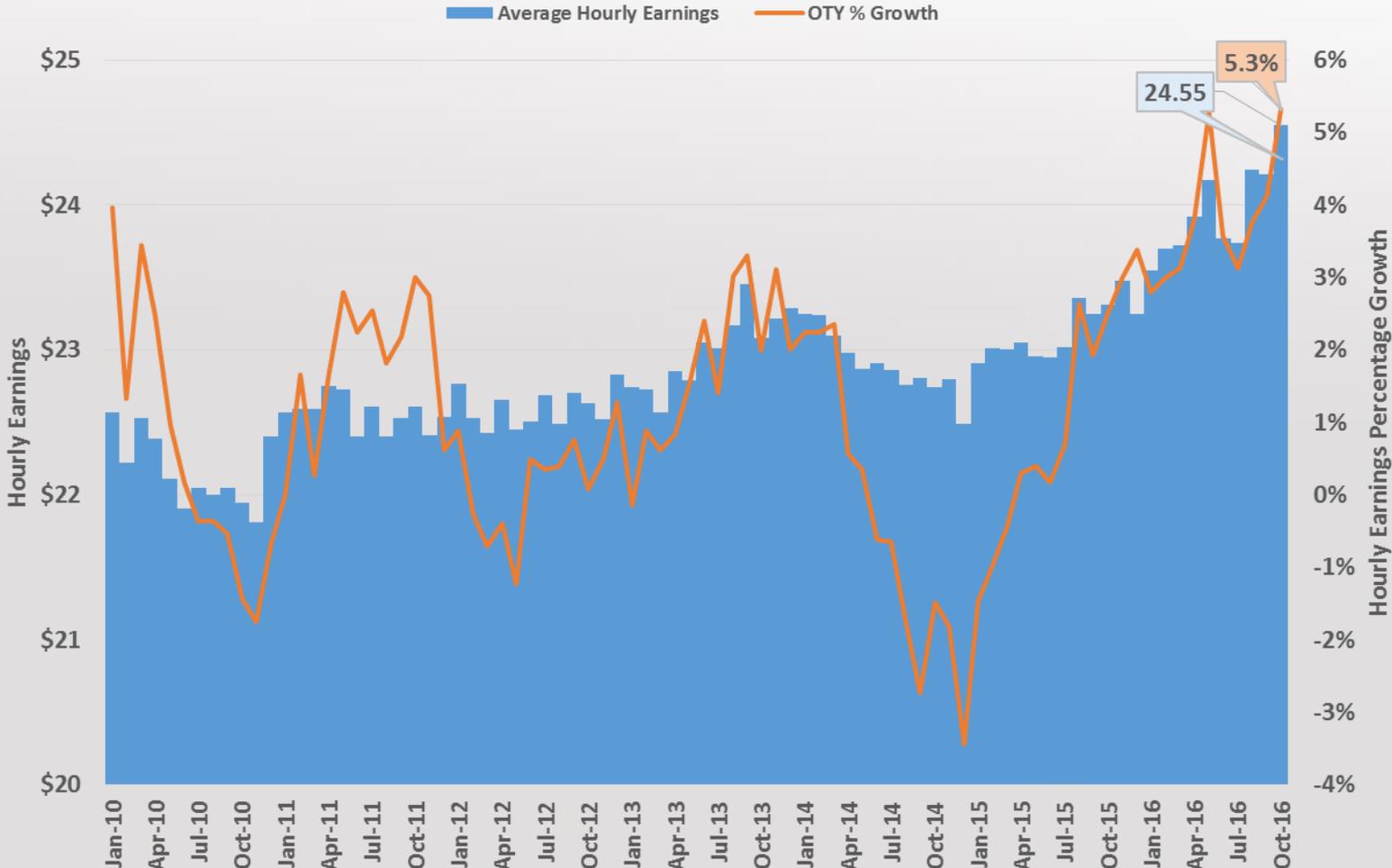
Arizona Over-the-Year Numeric Change

Recession
 Private Sector
 6 per. Mov. Avg. (Private Sector)



Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics

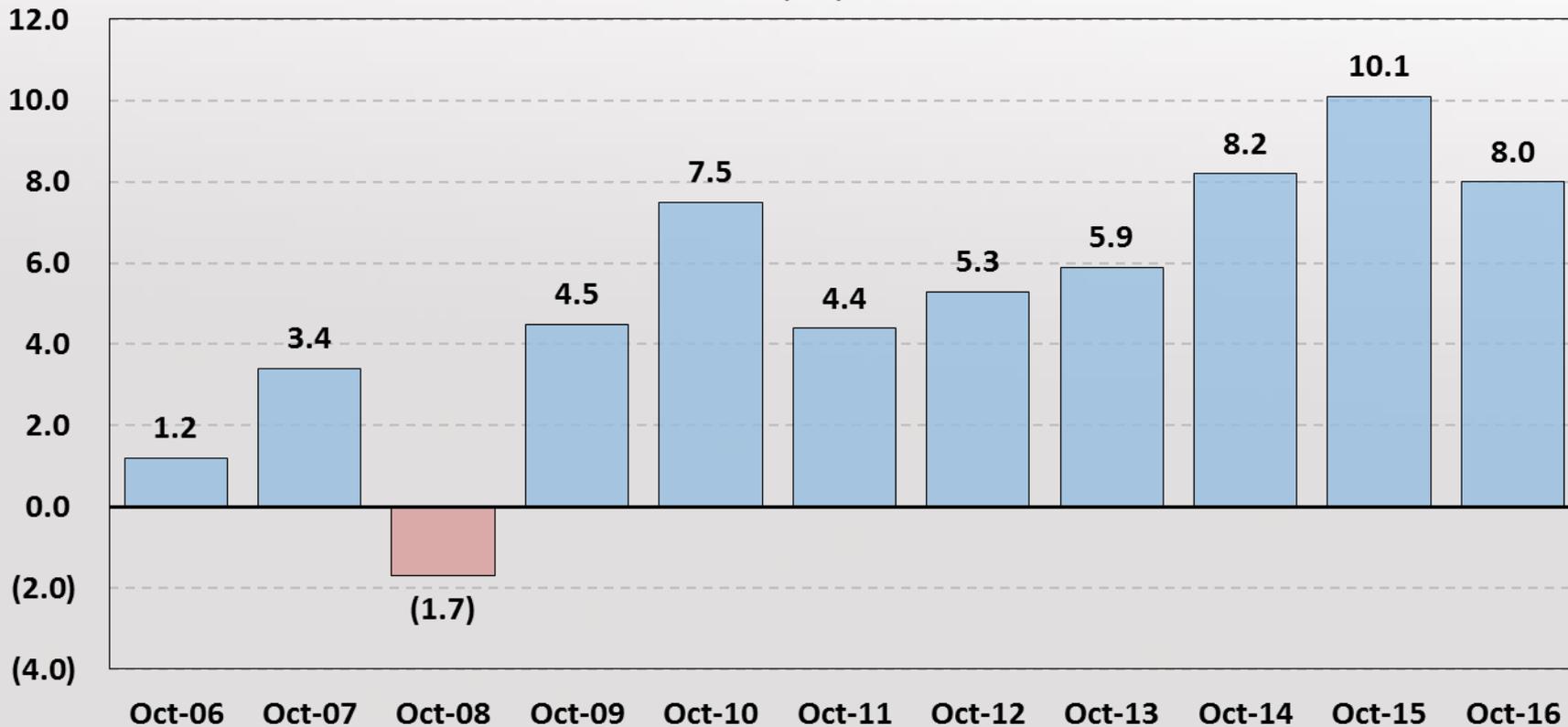
Arizona Over-the-Year Average Hourly Earnings - Private Sector



Professional & Business Svcs

Over-The-Month Employment Gain/Loss

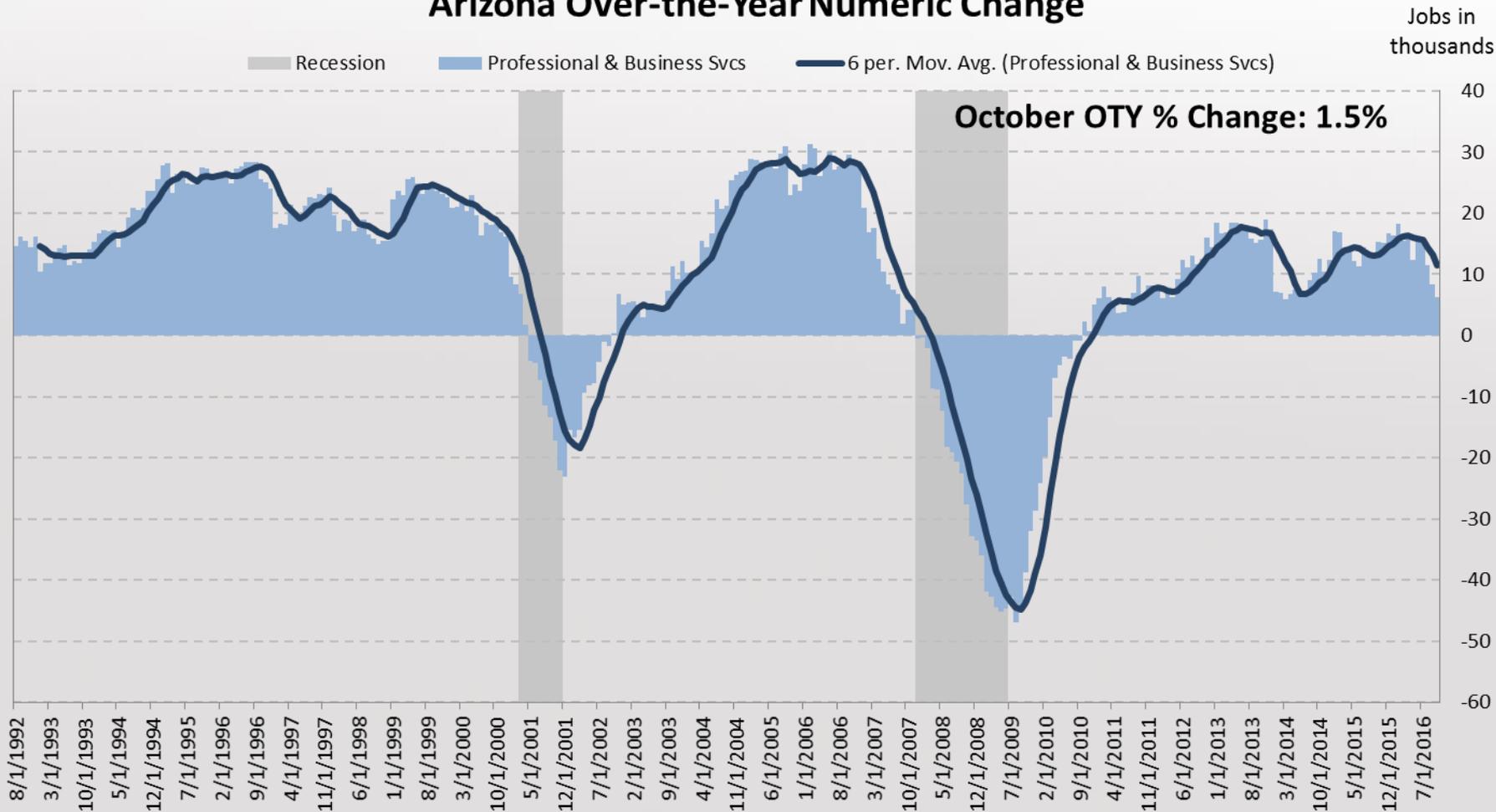
in thousands



Post-Recession Average ('10-'15): 6,900 Jobs or 1.9%
Historic 10-Year Average ('06-'15): 4,900 Jobs or 1.3%

Source: Office of Economic Opportunity in collaboration with the US Dept. of Labor's Bureau of Labor Statistics; Current Employment Statistics

Arizona Over-the-Year Numeric Change

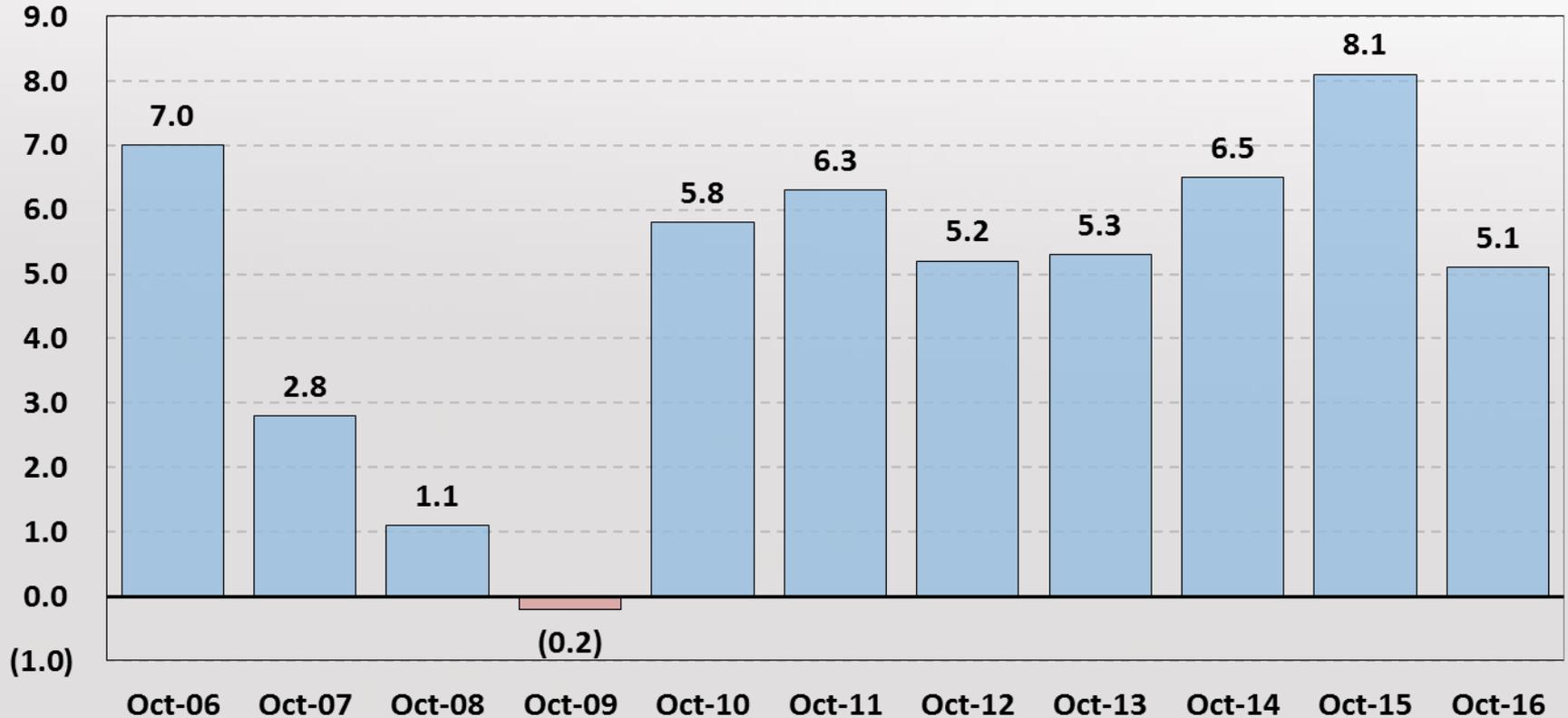


Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics

Trade, Transportation & Utilities

Over-The-Month Employment Gain/Loss

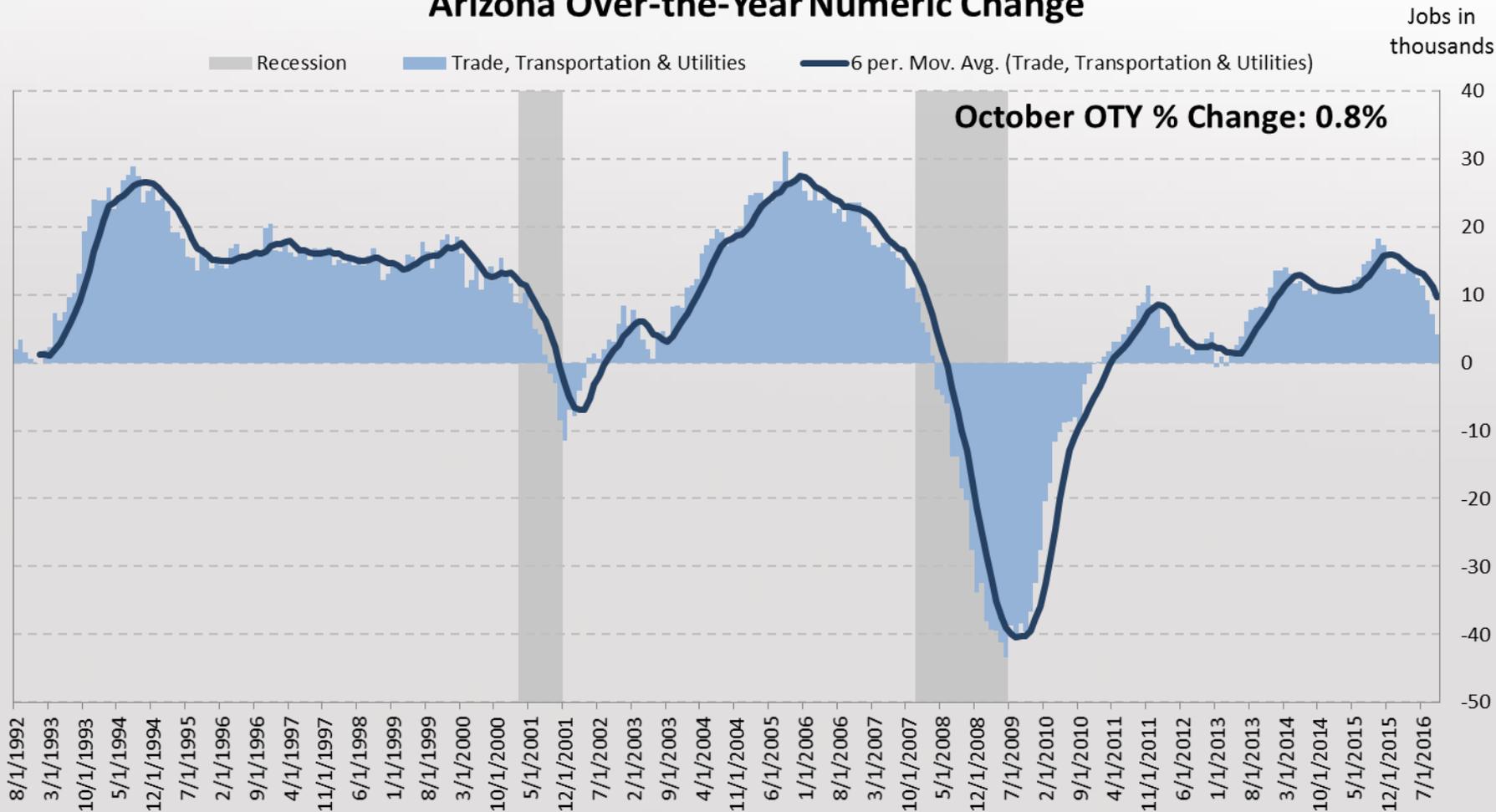
in thousands



Post-Recession Average ('10-'15): 6,200 Jobs or 1.3%
Historic 10-Year Average ('06-'15): 4,800 Jobs or 1.0%

Source: Office of Economic Opportunity in collaboration with the US Dept. of Labor's Bureau of Labor Statistics; Current Employment Statistics

Arizona Over-the-Year Numeric Change

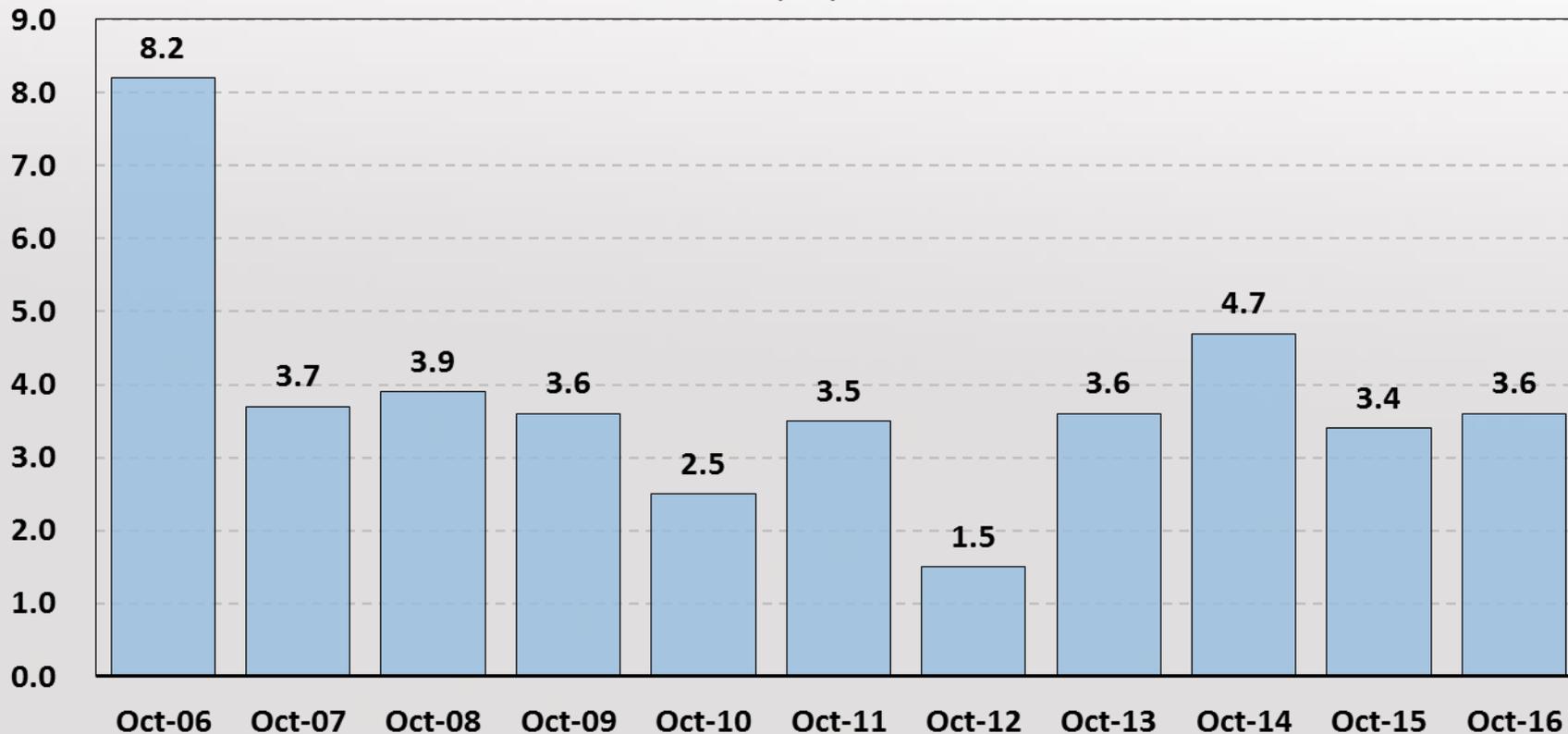


Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics

Government

Over-The-Month Employment Gain/Loss

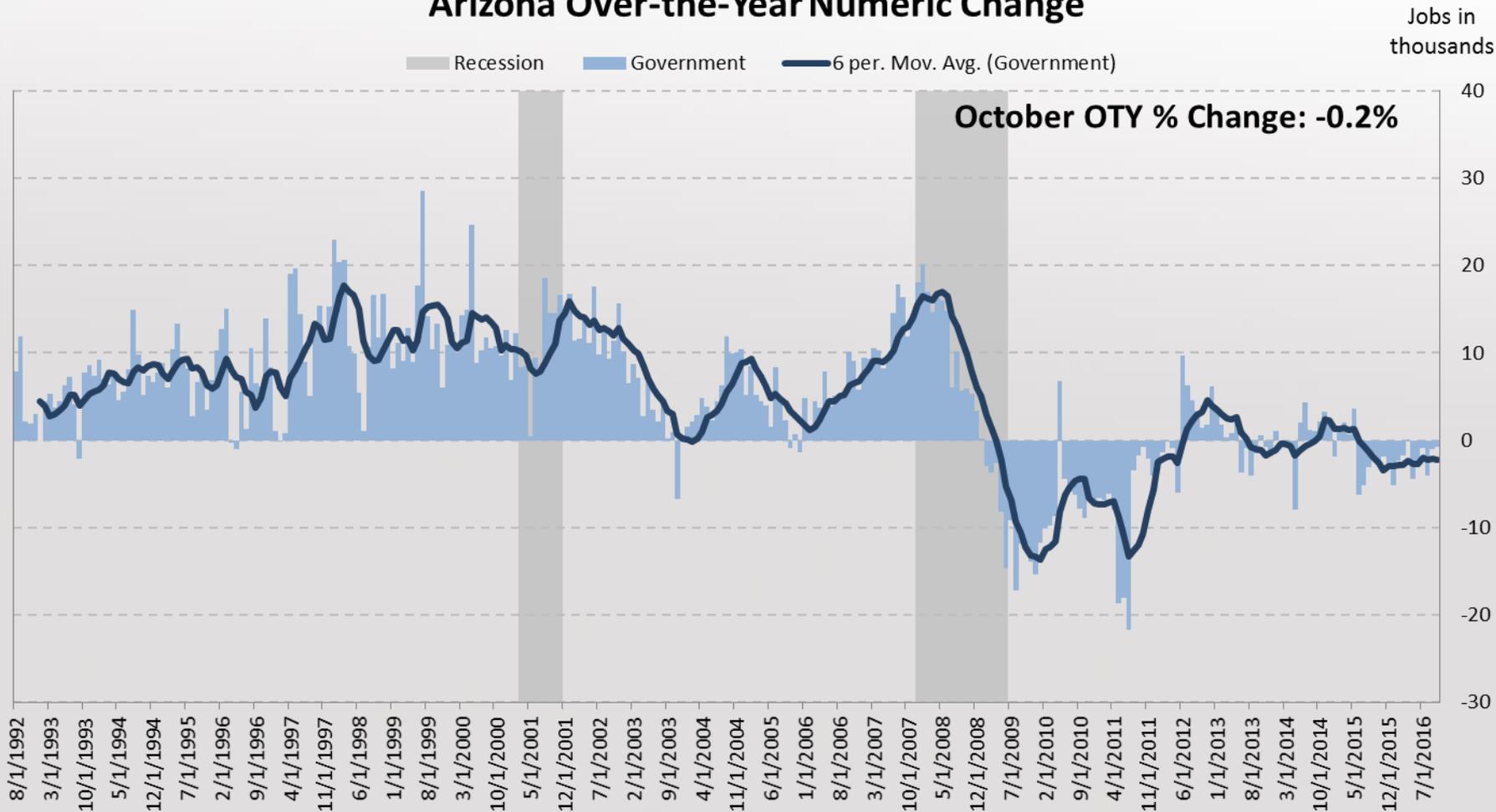
in thousands



Post-Recession Average ('10-'15): 3,200 Jobs or 0.8%
Historic 10-Year Average ('06-'15): 3,900 Jobs or 0.9%

Source: Office of Economic Opportunity in collaboration with the US Dept. of Labor's Bureau of Labor Statistics;
 Current Employment Statistics

Arizona Over-the-Year Numeric Change

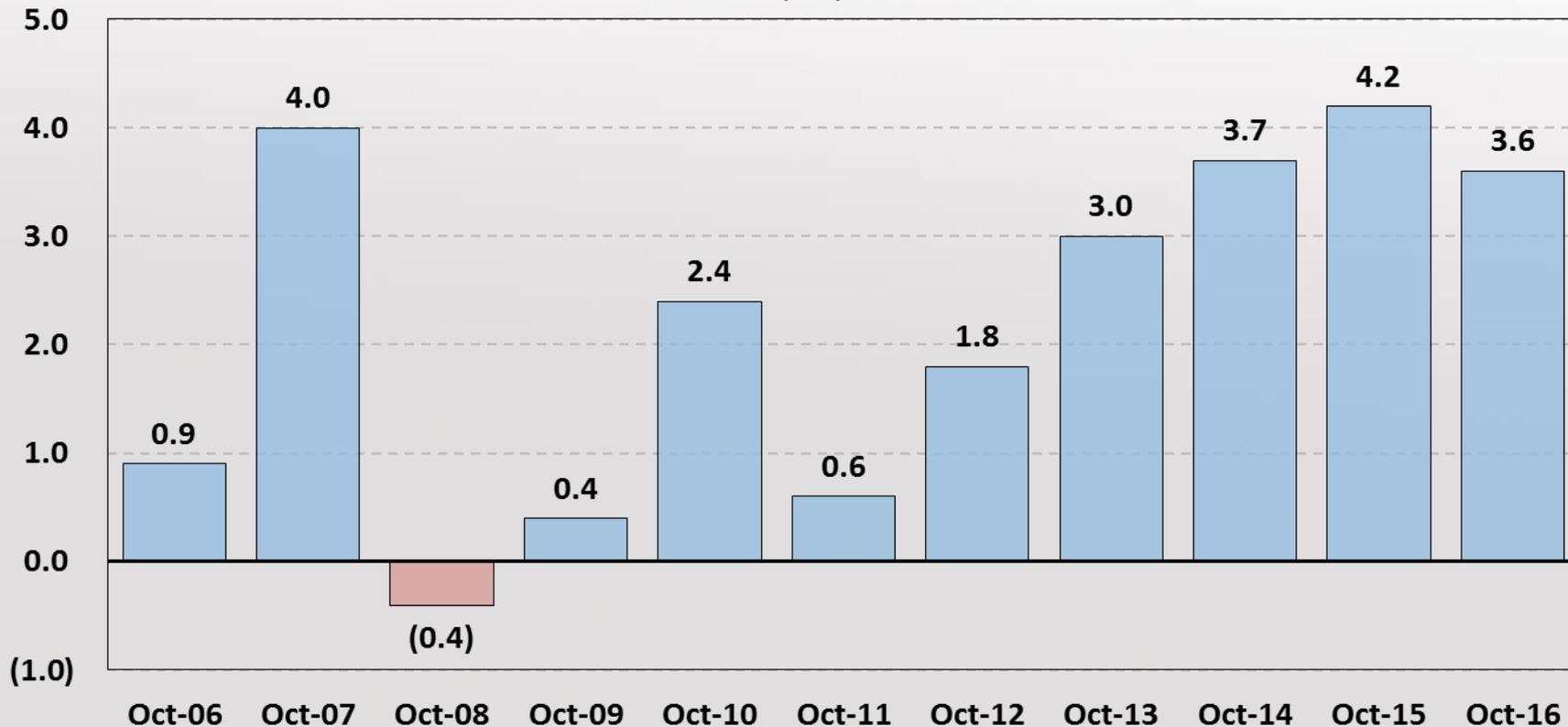


Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics

Leisure & Hospitality

Over-The-Month Employment Gain/Loss

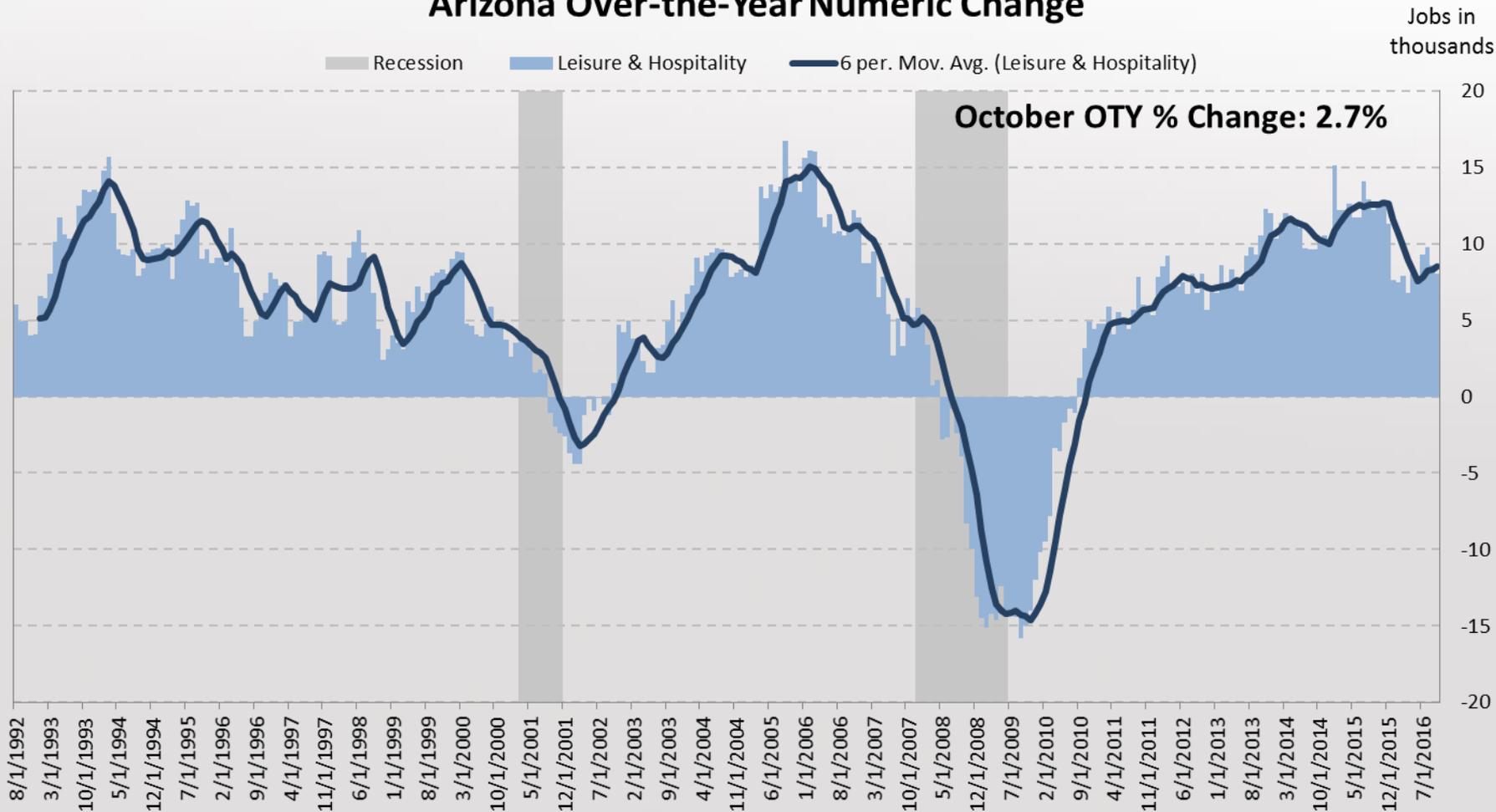
in thousands



Post-Recession Average ('10-'15): 2,600 Jobs or 0.9%
Historic 10-Year Average ('06-'15): 2,100 Jobs or 0.7%

Source: Office of Economic Opportunity in collaboration with the US Dept. of Labor's Bureau of Labor Statistics; Current Employment Statistics

Arizona Over-the-Year Numeric Change

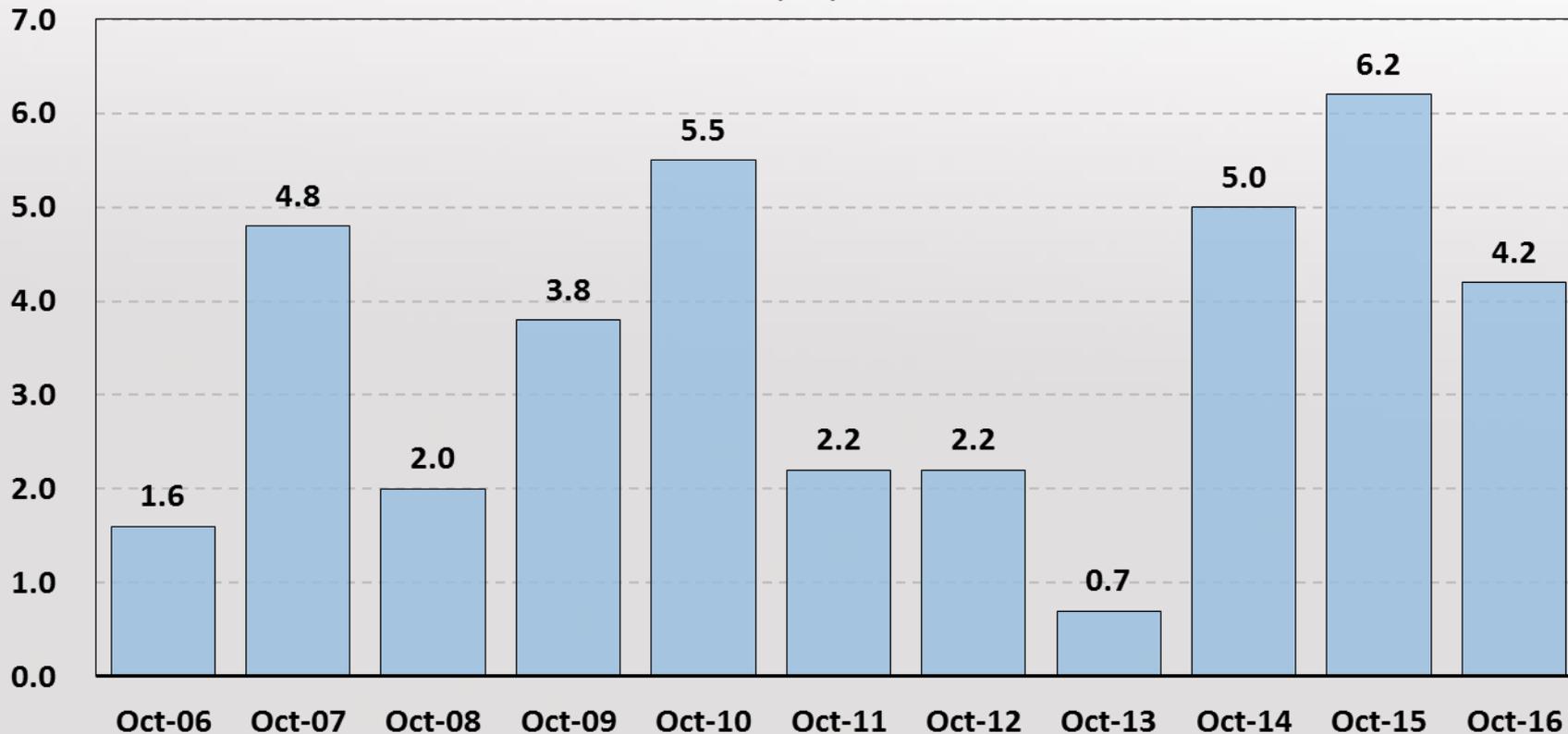


Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics

Education and Health Services

Over-The-Month Employment Gain/Loss

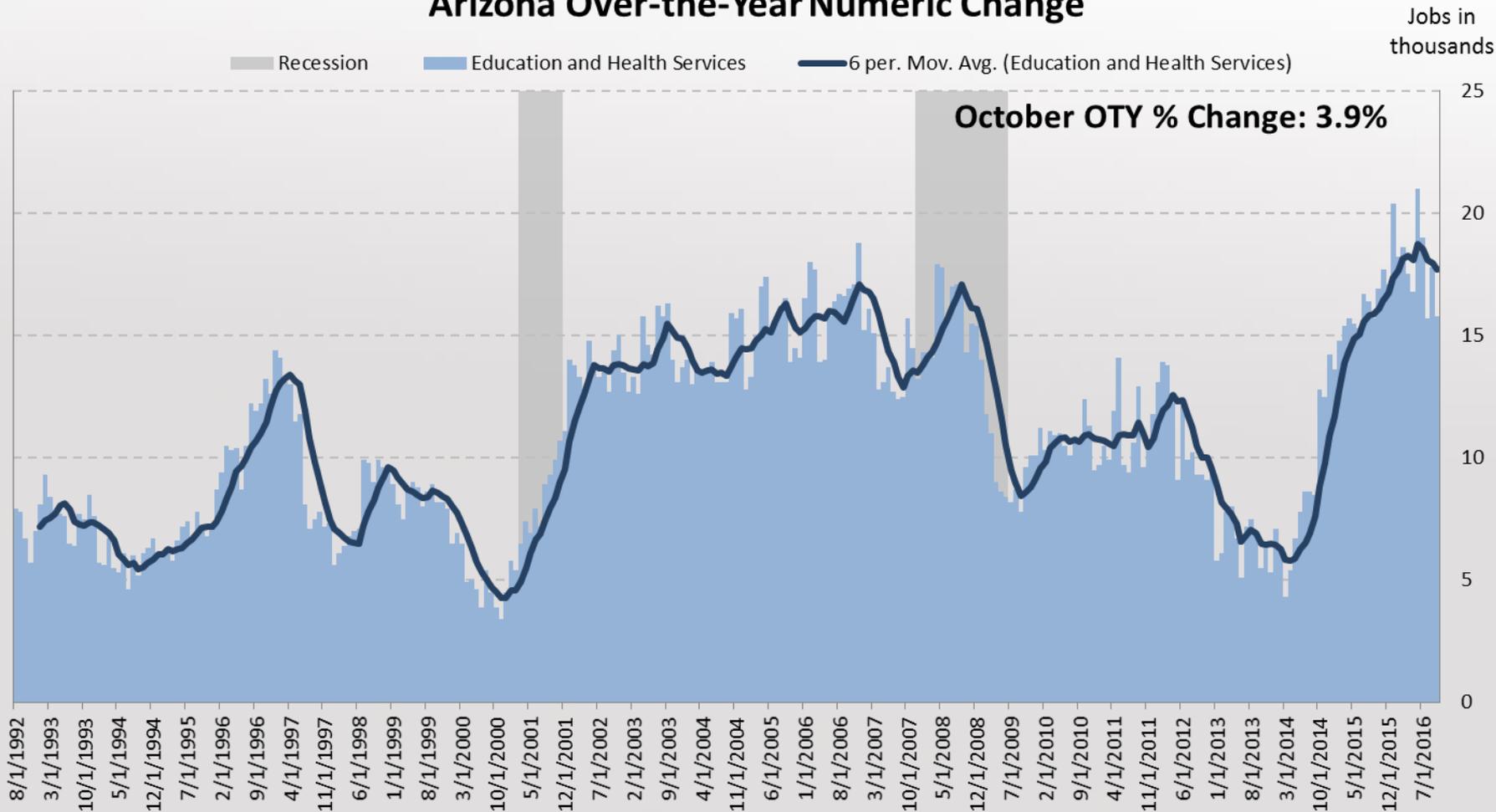
in thousands



Post-Recession Average ('10-'15): 3,600 Jobs or 1.0%
Historic 10-Year Average ('06-'15): 3,400 Jobs or 1.0%

Source: Office of Economic Opportunity in collaboration with the US Dept. of Labor's Bureau of Labor Statistics; Current Employment Statistics

Arizona Over-the-Year Numeric Change

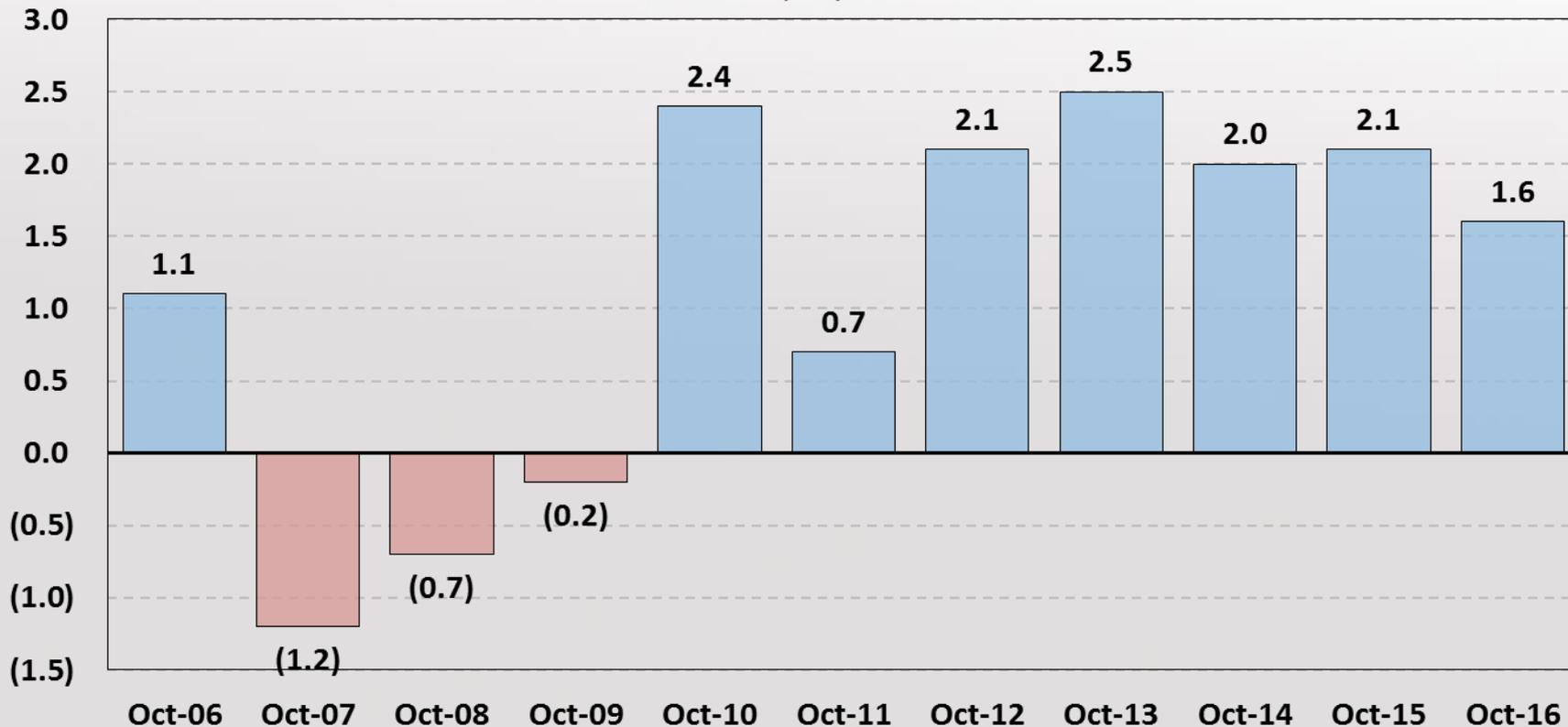


Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics

Financial Activities

Over-The-Month Employment Gain/Loss

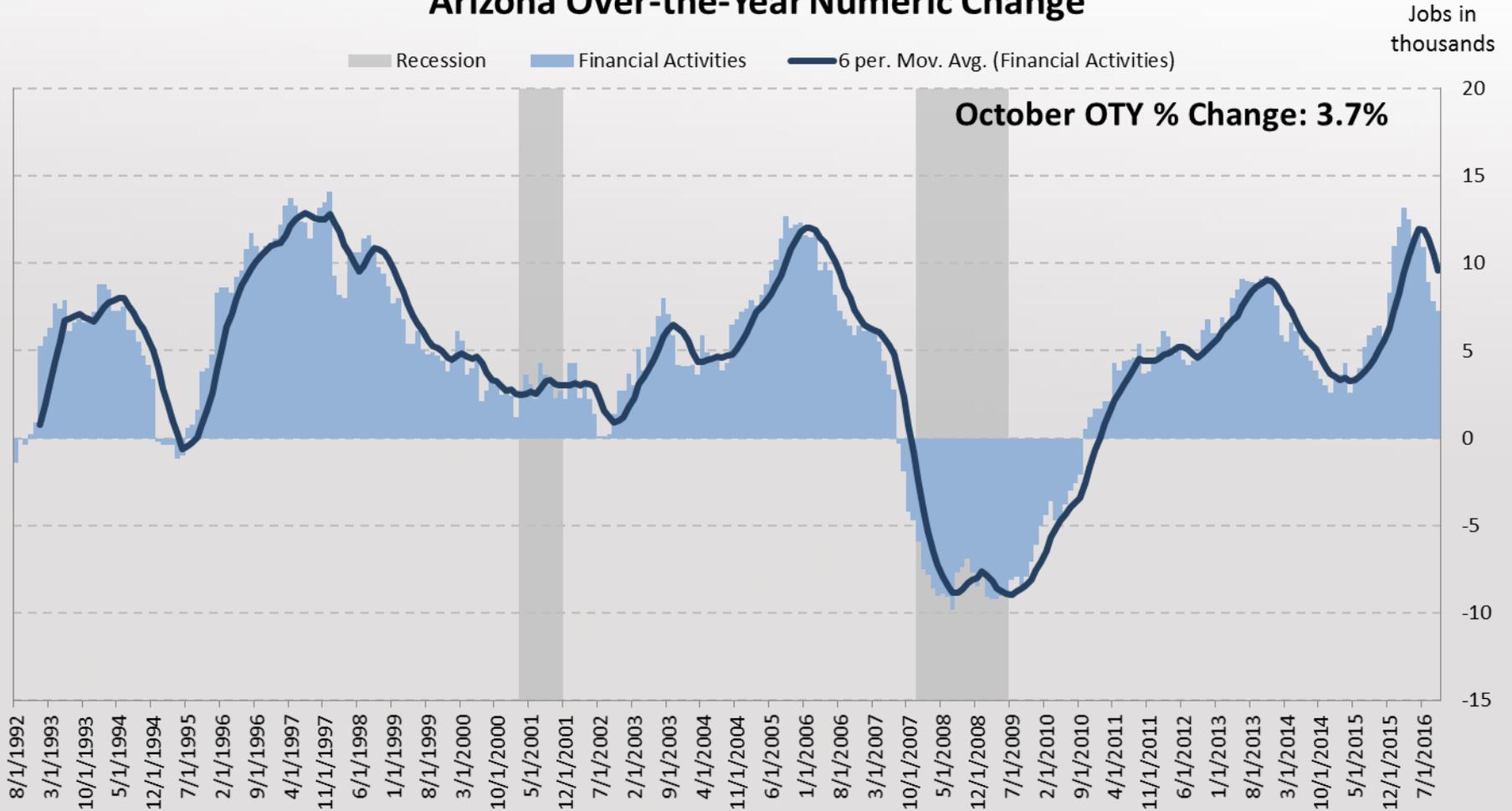
in thousands



Post-Recession Average ('10-'15): 2,000 Jobs or 1.1%
Historic 10-Year Average ('06-'15): 1,100 Jobs or 0.6%

Source: Office of Economic Opportunity in collaboration with the US Dept. of Labor's Bureau of Labor Statistics; Current Employment Statistics

Arizona Over-the-Year Numeric Change

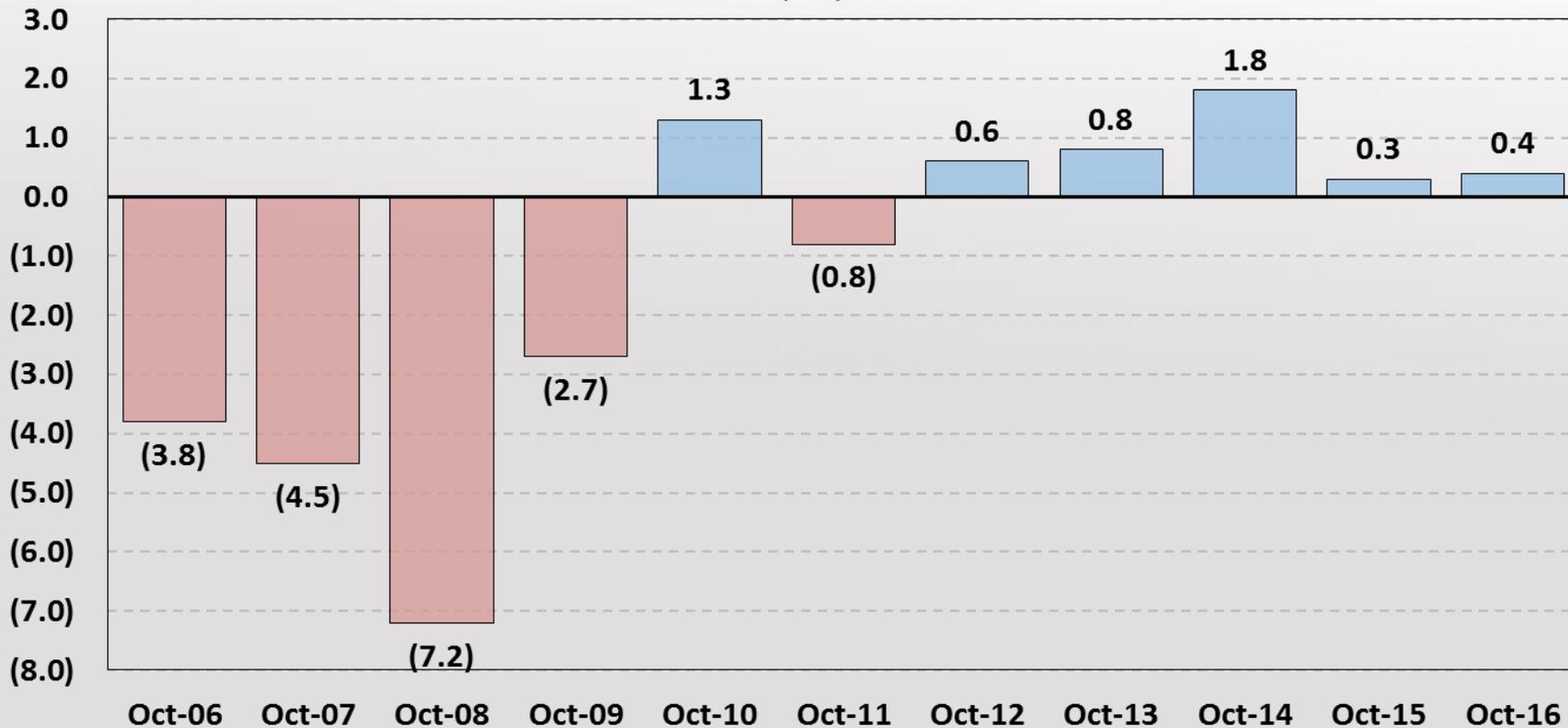


Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics

Construction

Over-The-Month Employment Gain/Loss

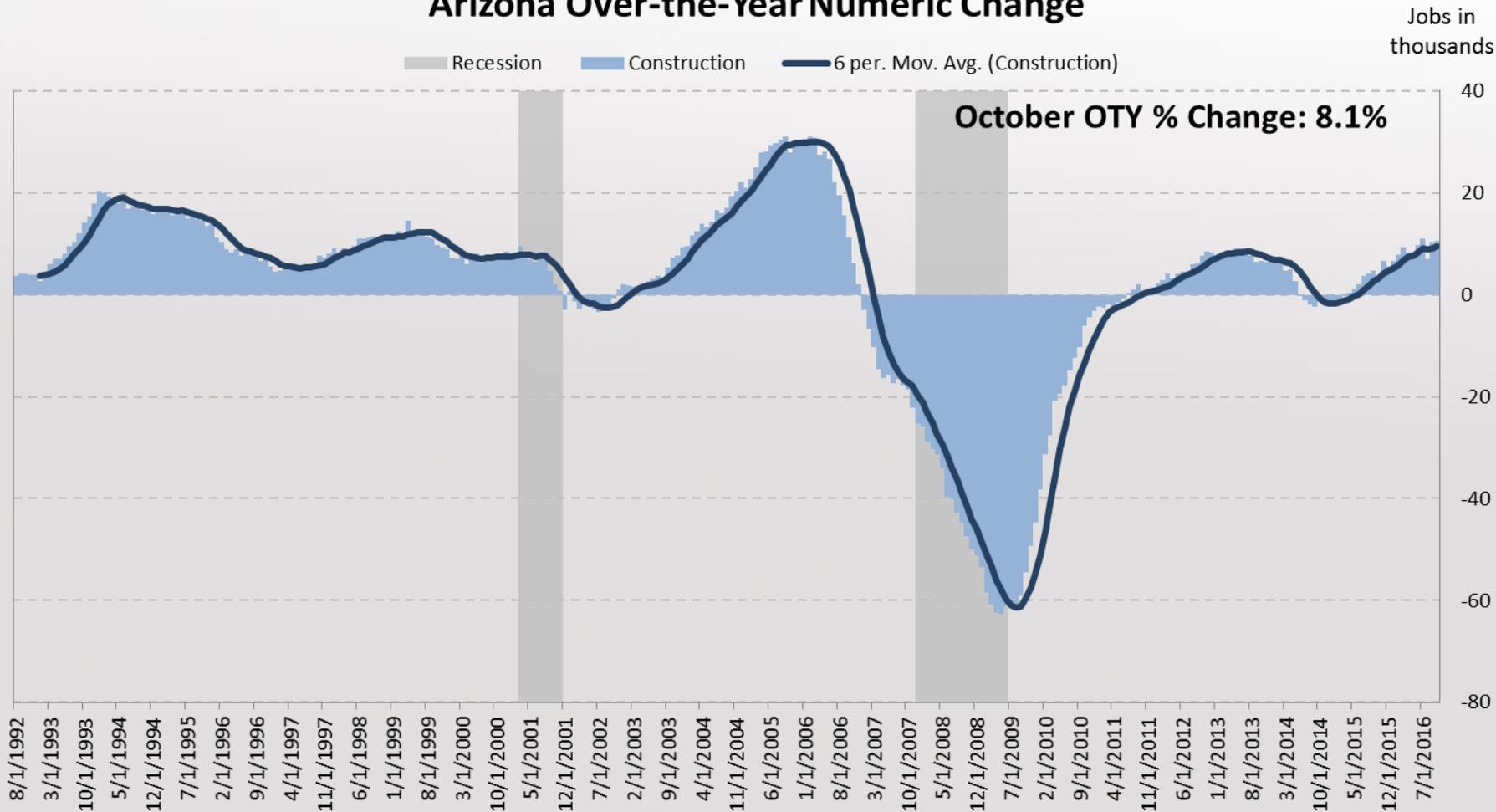
in thousands



Post-Recession Average ('10-'15): 700 Jobs or 0.5%
Historic 10-Year Average ('06-'15): -1,400 Jobs or -0.6%

Source: Office of Economic Opportunity in collaboration with the US Dept. of Labor's Bureau of Labor Statistics; Current Employment Statistics

Arizona Over-the-Year Numeric Change

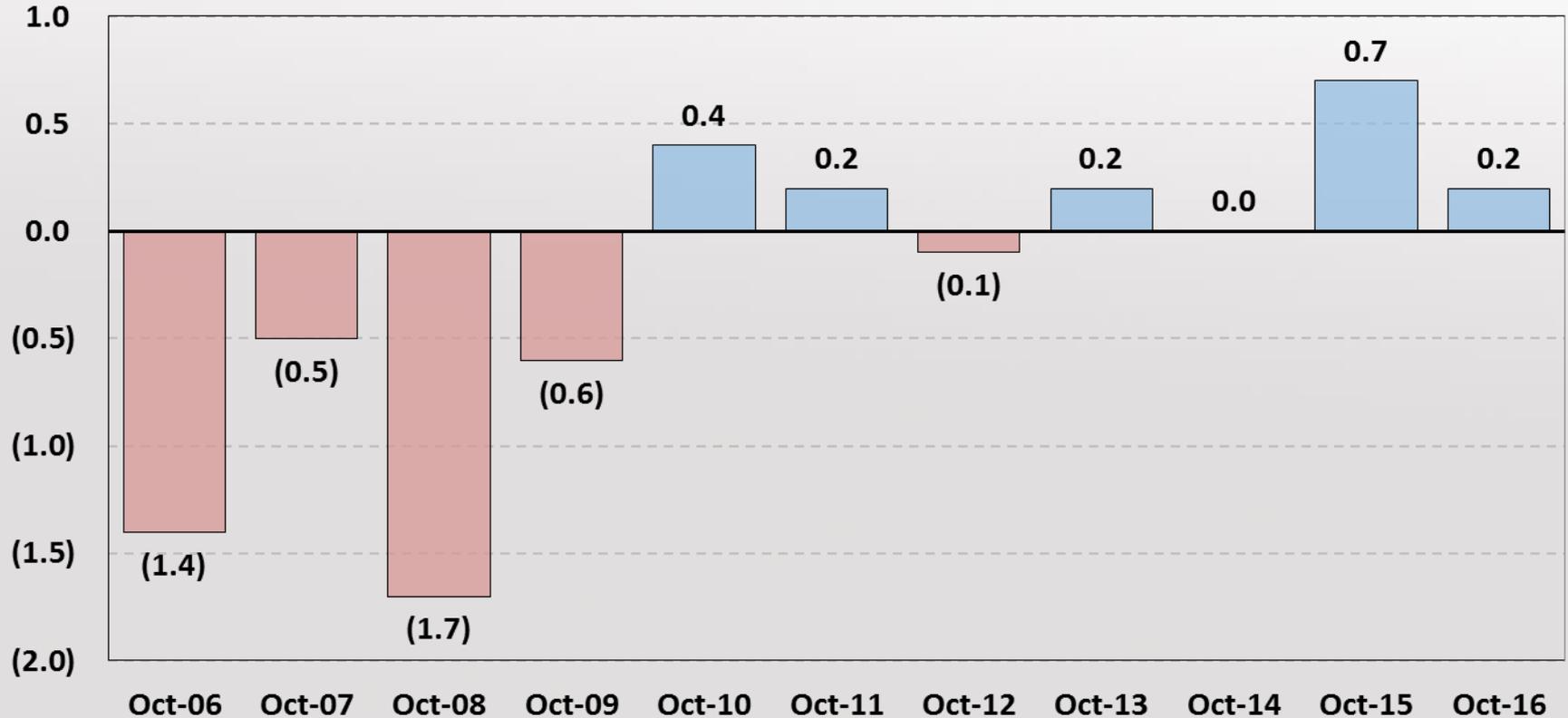


Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics

Manufacturing

Over-The-Month Employment Gain/Loss

in thousands

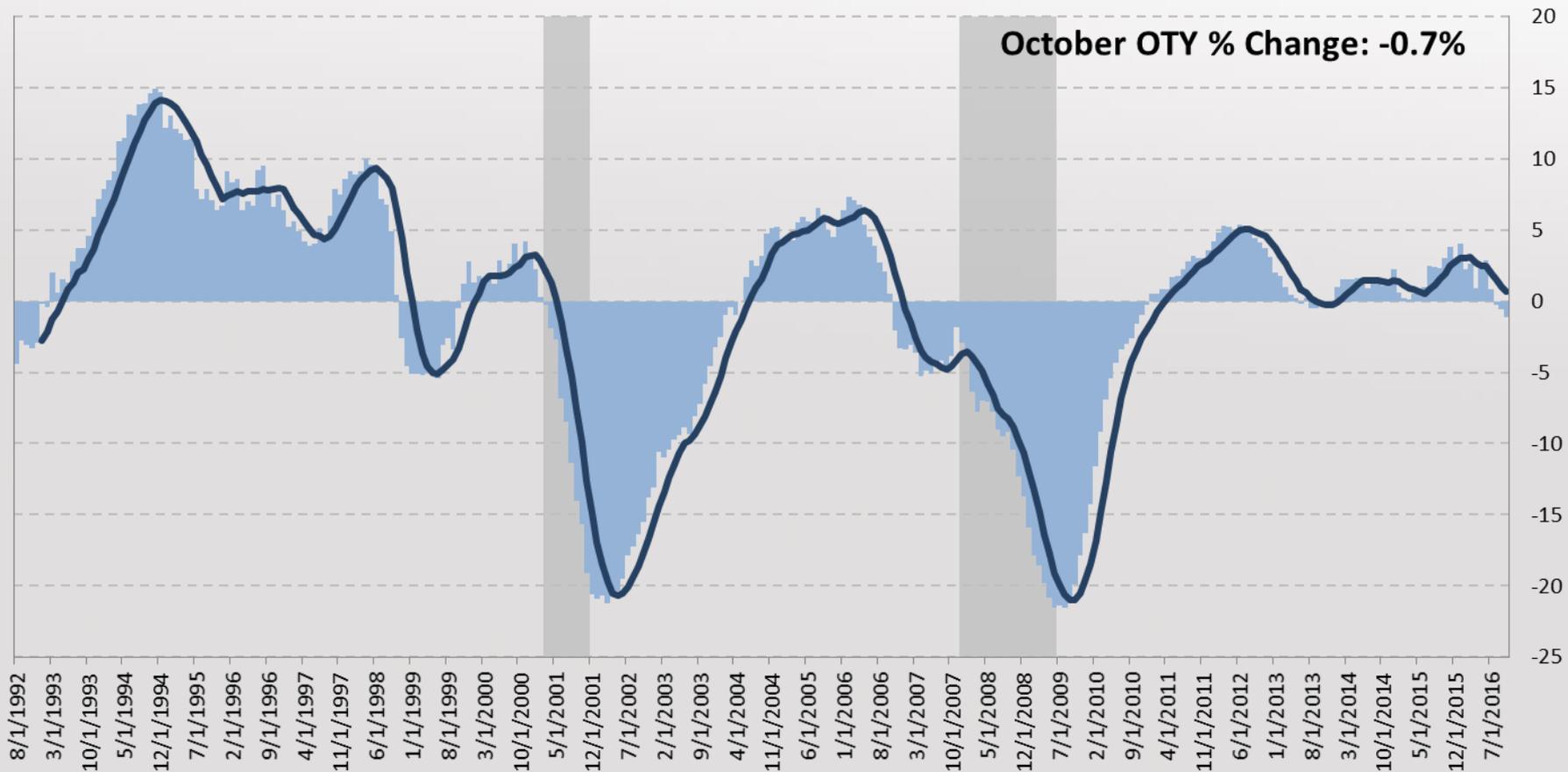


Post-Recession Average ('10-'15): 200 Jobs or 0.2%
Historic 10-Year Average ('06-'15): -300 Jobs or -0.2%

Source: Office of Economic Opportunity in collaboration with the US Dept. of Labor's Bureau of Labor Statistics; Current Employment Statistics

Arizona Over-the-Year Numeric Change

Recession
 Manufacturing
 6 per. Mov. Avg. (Manufacturing)

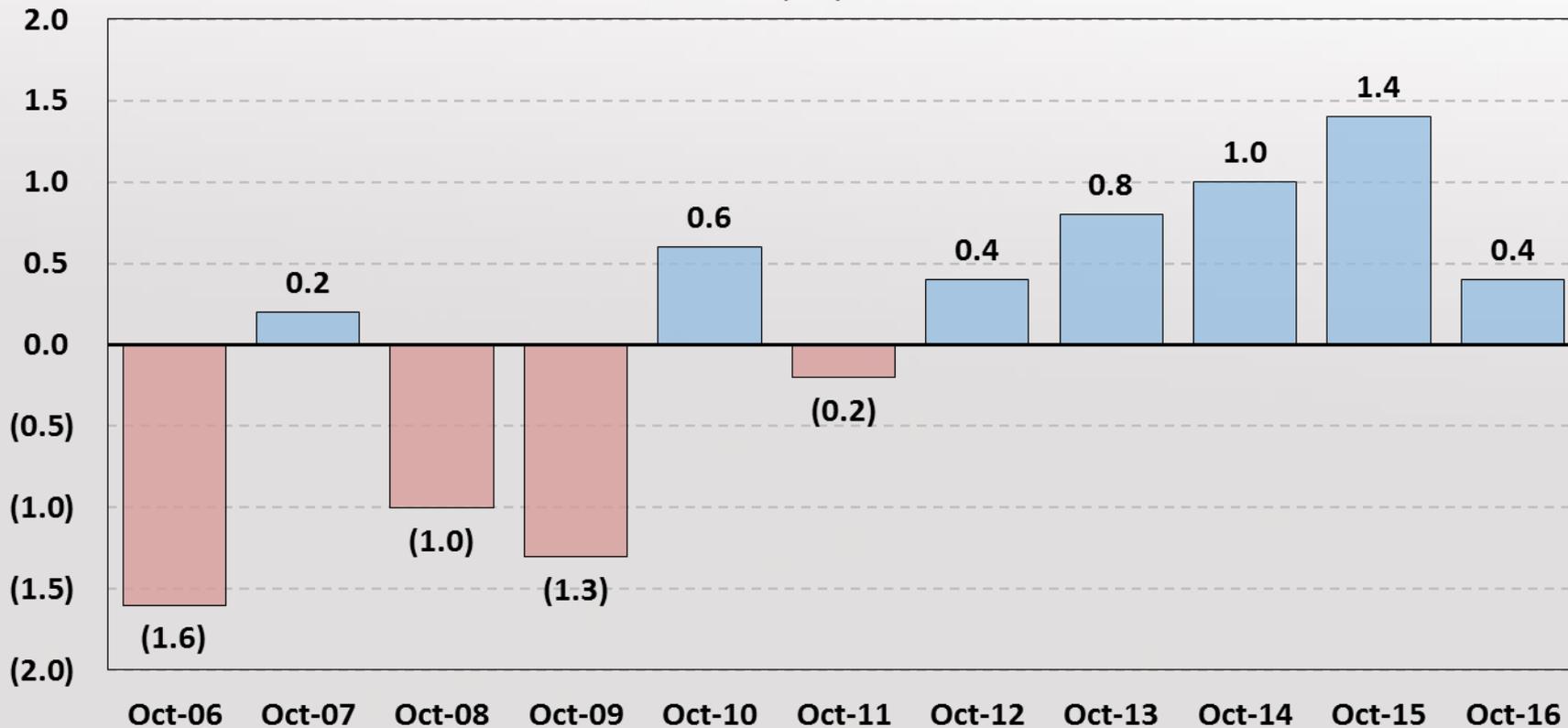


Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics

Other Services

Over-The-Month Employment Gain/Loss

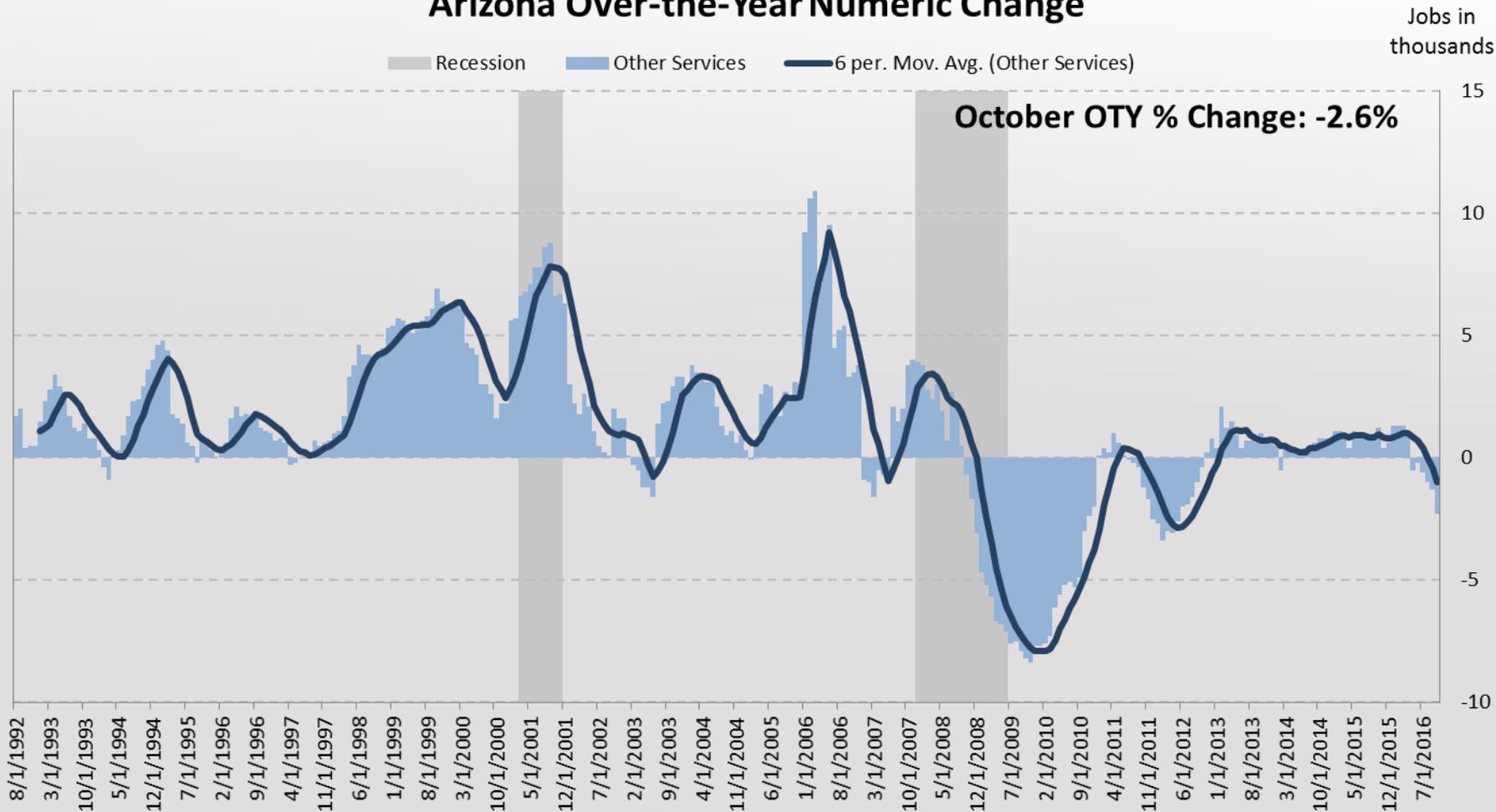
in thousands



Post-Recession Average ('10-'15): 700 Jobs or 0.8%
Historic 10-Year Average ('06-'15): 0 Jobs or 0.1%

Source: Office of Economic Opportunity in collaboration with the US Dept. of Labor's Bureau of Labor Statistics; Current Employment Statistics

Arizona Over-the-Year Numeric Change

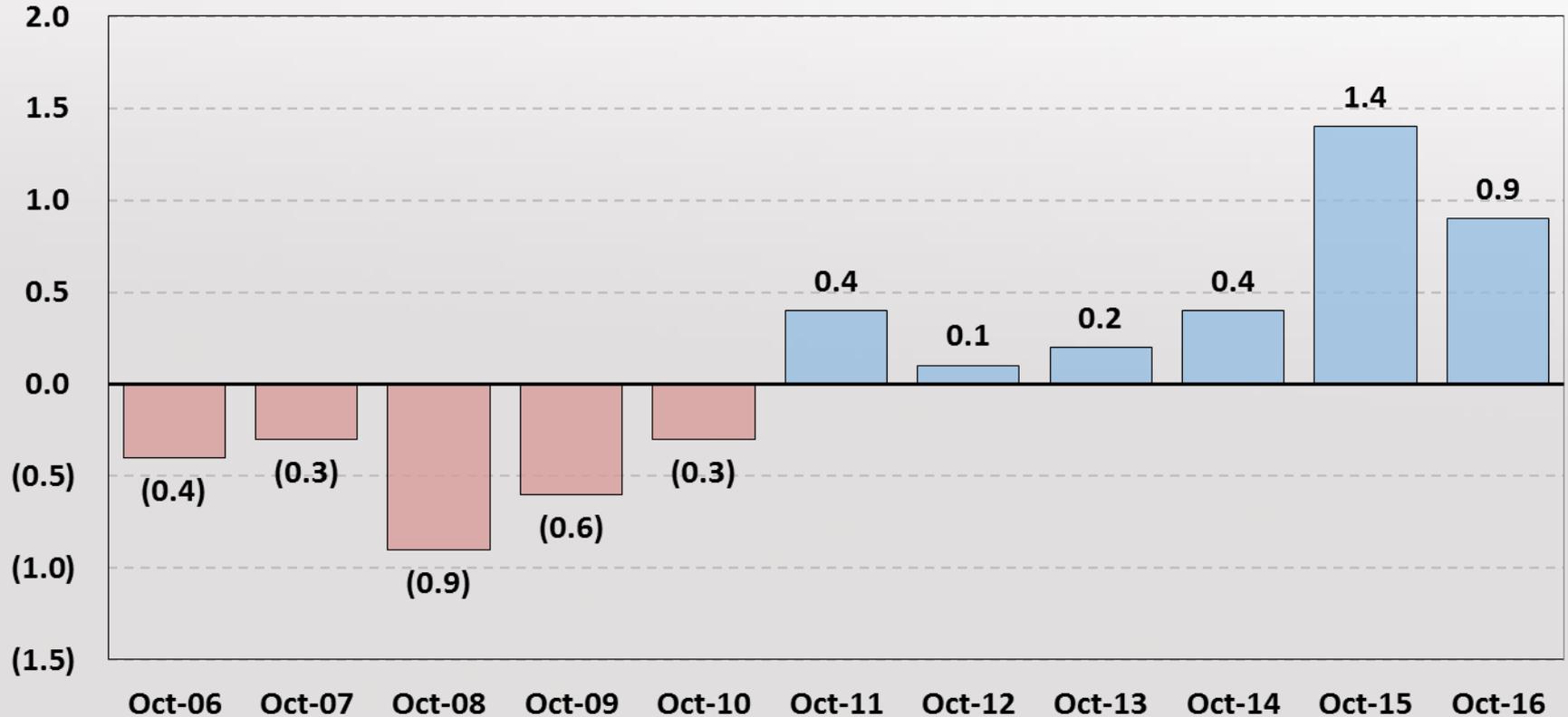


Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics

Information

Over-The-Month Employment Gain/Loss

in thousands



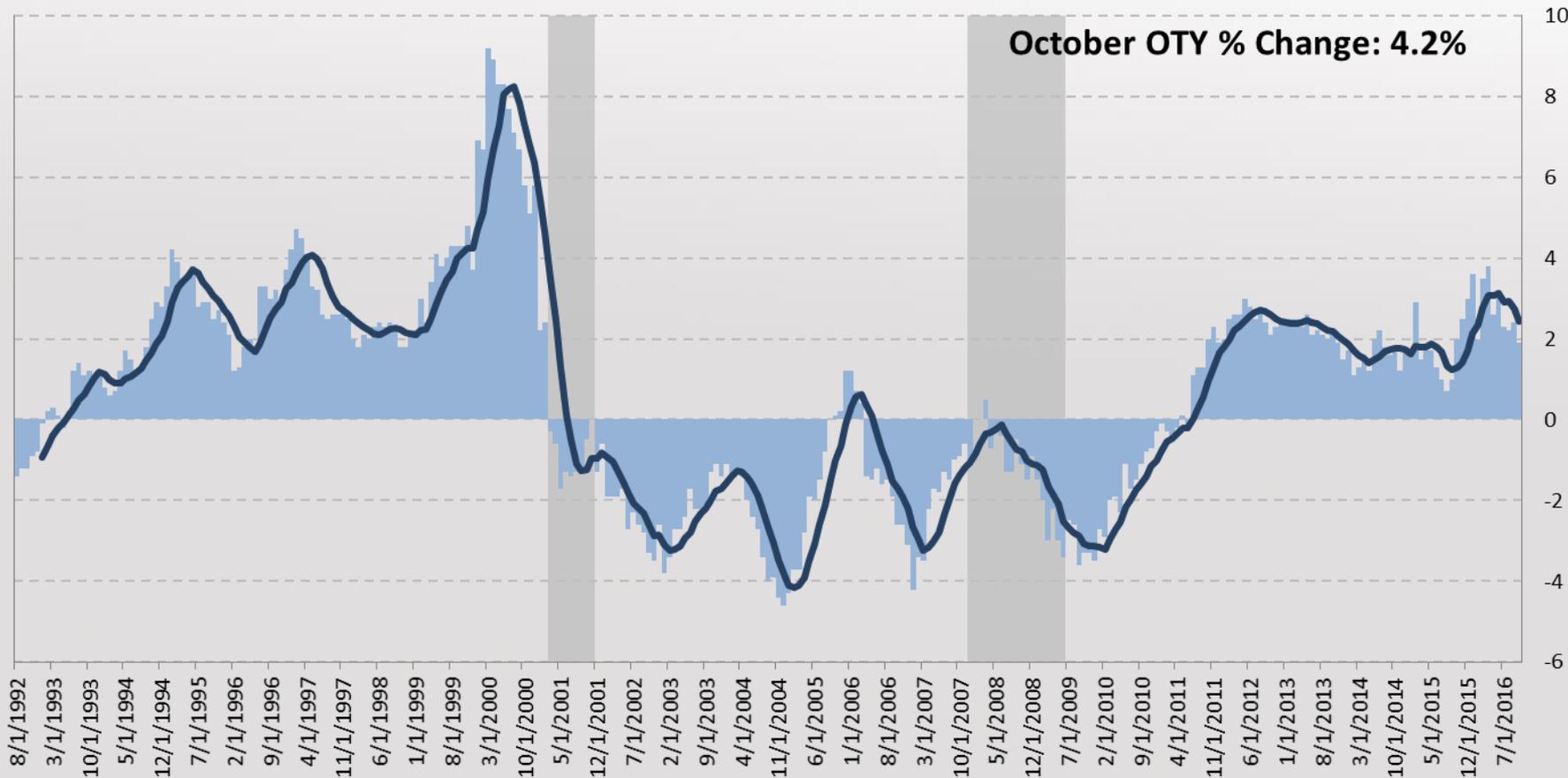
Post-Recession Average ('10-'15): 400 Jobs or 0.8%
Historic 10-Year Average ('06-'15): 0 Jobs or 0.0%

Source: Office of Economic Opportunity in collaboration with the US Dept. of Labor's Bureau of Labor Statistics; Current Employment Statistics

Arizona Over-the-Year Numeric Change

Recession
 Information
 6 per. Mov. Avg. (Information)

Jobs in thousands

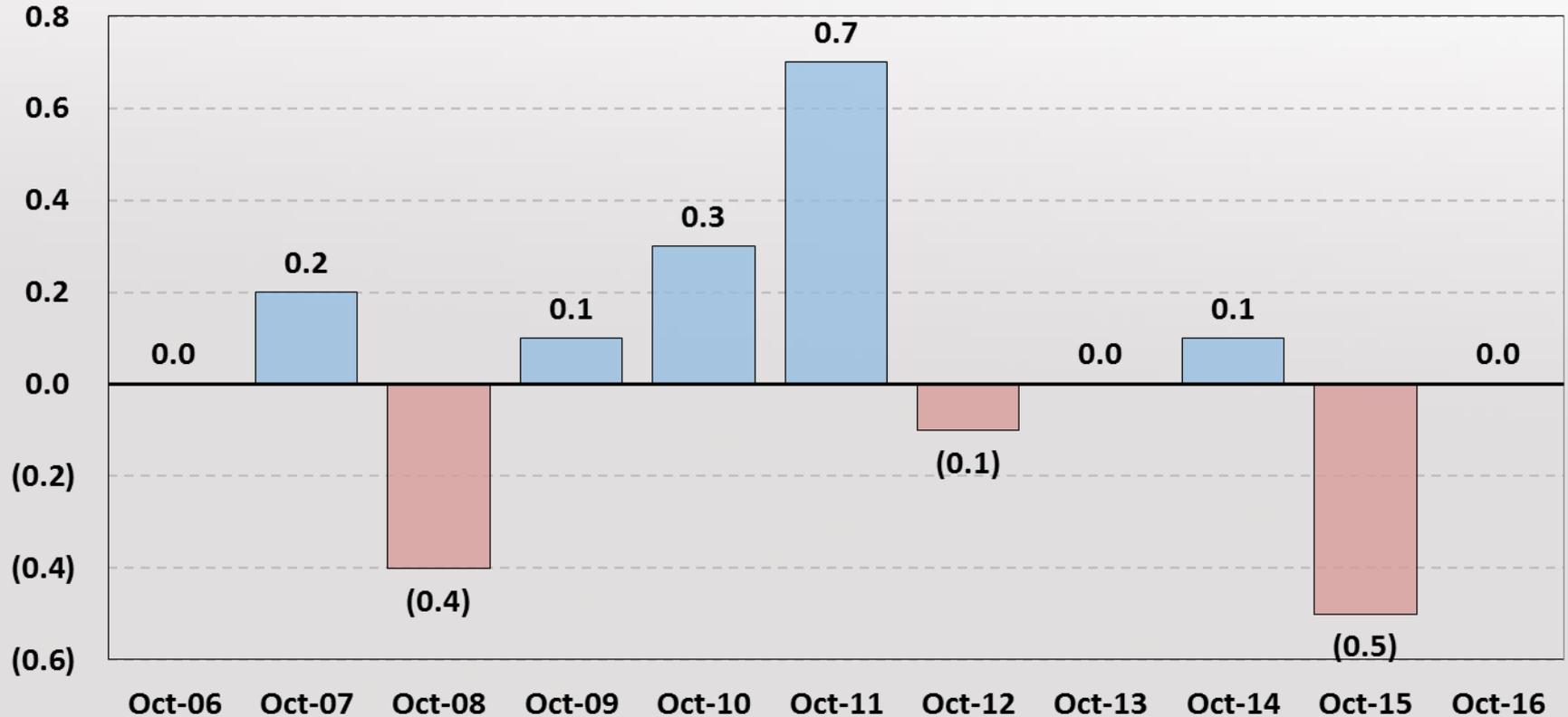


Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics

Natural Resources & Mining

Over-The-Month Employment Gain/Loss

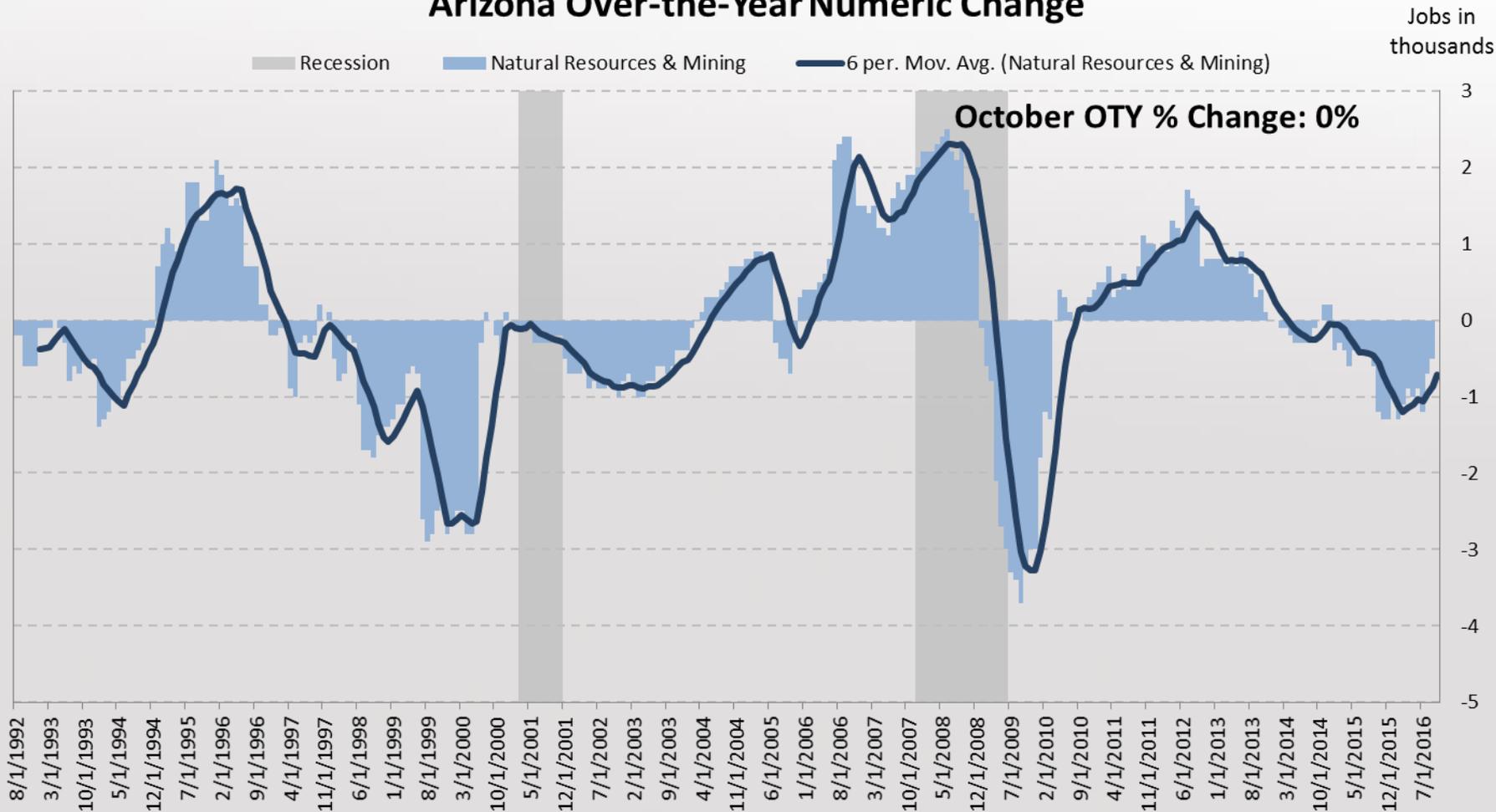
in thousands



Post-Recession Average ('10-'15): 100 Jobs or 0.8%
Historic 10-Year Average ('06-'15): 0 Jobs or 0.5%

Source: Office of Economic Opportunity in collaboration with the US Dept. of Labor's Bureau of Labor Statistics; Current Employment Statistics

Arizona Over-the-Year Numeric Change



Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics

Report Summary

- OTM Nonfarm employment gains above post-recession average
 - Gains primarily in Professional and Business Services, Trade Transportation and Utilities
- Continued steady OTY Nonfarm employment growth (49,600 jobs, 1.8%)
 - The Private Sector gained 2.2% OTY
 - Seven of eleven sectors recorded positive OTY growth
 - Seven of seven metro areas recorded positive OTY growth
- The seasonally-adjusted unemployment rate decreased three-tenths of a percentage point OTM

Thank You!

Any Questions?

Upcoming Release Schedule:

- **November Employment Report on December 15**
- **December Employment Report on January 19**