

## Introduction

Although known as a haven for visitors, Arizona is increasingly drawing more people inside its borders for business rather than pleasure. Arizona exudes a *pro-business* environment that is attractive in operating costs, modern infrastructure, skilled workforce, strong educational systems, and targeted incentives.

Arizona is known for its dry, arid weather and this works to its advantage. Leading the nation in aerospace and defense testing, the state's political and social culture is supportive of these businesses and their missions. To add increasing value to such companies, Arizona offers two targeted incentives: the Military Reuse Zone Program and the Foreign Trade Zone Program which is unique among border states.

Workforce quality is another advantage for Arizona. The state understands the linkage between workforce and education and there is a collaborative effort between government, businesses, and education institutions to continue to develop the workforce. Arizona provides a strong post-secondary education system which provides a constant of skilled professionals. Some of Arizona's assets include Arizona State University (ASU), the University of Arizona (UA), Northern Arizona University (NAU), and Thunderbird University.

In addition to the state universities, Arizona also has a nationally top-ranked community college system. These colleges have programs working with employers and industry groups to develop specifically tailored curriculum. The majority of these programs qualify for reimbursement through the Arizona Job Training Program, and the objective is to align training and education to meet unique industry standards that will support innovative strategies in manufacturing.

*(Arizona Department of Commerce)*

Arizona is starting to be viewed as the next Inland Empire. With California's ports operating beyond capacity, Arizona is the next strategic location with its' viable connection to Mexican ports and intricate railroad and interstate systems. As surrounding industrial and commercial markets are slowing down, Arizona is actually seeing a healthy market with continuing low costs in land development and construction costs.

All of these attributes and factors, workforce, incentives, location and infrastructure, and development are building a strong economic base for Arizona.

## Edition I Updates

<b>Arizona Economic Indicators</b>							% change vs. year ago for most recent:	
<b>YUMA COUNTY (GREENLEE)</b>	MAR 2006	APR 2006	MAY 2006	JUN 2006	JUL 2006	month	12-months	
<b>Civilian Labor Force, ADES</b>	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	
<b>Employees on Nonagricultural Payrolls, ADES</b>								
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	
<i>Government</i>	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	
<b>Sales (\$000s) ADOR</b>								
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	
<b>New Housing Units Authorized, Census C-40</b>								
Total Units	159	117	189	134	83	-54.6	-17.9	
Single Family Units	154	112	184	127	83	-53.4	-16.5	

*(Eller College of Management, University of Arizona; October 2006 Issue)*

## Arizona Economic Indicators

GROWTH INDICATORS			
	2000	2005	% Change 2000-2005
State Population	5,130,632.0	6,044,985.0	17.8%
Gross State Product (\$billion)	158.5	215.8	3620.0%
Personal Income (\$billion)	132.6	179.8	35.6%
Per Capita (\$)	25,660.0	30,267.0	18.0%
Retail Sales (\$billion)	36.4	46.3	27.4%
Value of All Building Permits (\$billion)	11.7	21.4	82.7%
Total Net Assessed Valuation (\$billion)	31.8	48.9	53.7%
Department of Defense Contracts (\$billion)	4.6	5.6	21.7%
National Institutes of Health Funding (\$million)	110.5	175.9	59.2%

LABOR FORCE DATA		
	2000	2005
Civilian Labor Force	2,505,306	2,843,997
Employed	2,404,916	2,710,087
Unemployed	100,390	133,910
Unemployment Rate	4.0%	4.7%

ARIZONA REGIONAL COMPARISONS FOR EMPLOYEE POOL QUALITY			
State	Science & Engineering Grad Students, % of 18-24 yr olds (AZ Rank)	# of Patents/10,000 Business Establishments (AZ Rank)	% with Bachelor's Degree (AZ Rank)
Arizona	1.29	146	26.3
California	1.58	259	27.9
Oregon	1.20	149	27.1
Utah	1.27	141	26.8
Washington	1.01	138	28.3

(Source: University of Arizona Science & Technology Indicators: 4th Edition; 2001; pp 3-4)