

# Arizona Economy Continues Pandemic Recovery as Unemployment Falls

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PHOENIX — The Arizona unemployment rate continued to decrease last month as the state’s economy is not only recovering but growing coming out of the COVID-19 pandemic.

The Arizona seasonally adjusted unemployment rate fell to 6.6% in July from 6.8% in June, and down from 10.4% in July of 2020, according to a [report](#) from the Office of Economic Opportunity released last week.

The state’s seasonally adjusted labor force also increased by 9,084 people last month.

Valley economist Danny Court with Elliot D. Pollock and Company told *KTAR News 92.3 FM* it was notable to see a gain of employment in the month as there is typically a loss in July.

“The economy is just doing incredibly well,” Court said. “We’re seeing now with these new job numbers the greater Phoenix area is now 99% recovered from the loss of jobs from the pandemic of February 2020.”

“Arizona is close behind that at 94%.”

The industry that gained the most jobs last month was professional and business services, which are made up of jobs that usually offer higher pay.

“In the last few months we’ve seen leisure and hospitality leading the way because that was the industry hardest hit,” Court said. “This month, we saw professional and business services. So that’s just new companies, new employment coming in as if it were a normal economy.”

Arizona’s speedy job recovery and growth continue a long-term trend for the state’s economy.

“Arizona has been a leader in job growth for quite some time now,” Court said. “We’re just continuing that trend.”

Court added the pandemic was not an economic event but a government shutdown and the state was running on all cylinders prior to COVID-19 screeching life to a halt.

“This is just us getting back to business as usual,” Court said.

He said there are record numbers in the Arizona Commerce Authority’s pipeline and a lot of new employers want to be in the state, along with headquarter projects and manufacturing.

Court added the labor force, meaning people joining and wanting to work, increased by 50,000 people since February of 2020, another telling sign of the state’s economic health.

“That just shows our economy is growing, it’s not just recovering from the pandemic but it’s actively growing,” he said.

Despite the positive signs of Arizona’s economy, Court said he is keeping an eye on rising inflation.

He hopes it’s a short-term squeeze and that supply chains open up and distribution channels can get better so the inflation number comes down.

Also something concerning that Court is watching is variants of COVID-19 that are unknown and always carry a risk of shutting down certain parts of the economy.