

ARIZONA

OFFICE OF ECONOMIC OPPORTUNITY

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ECONOMIC CONDITIONS REPORT

Apache County, Gila, and Navajo Counties

FOR FURTHER INFORMATION:

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ABOUT THIS REPORT

This report was created to assist Arizona Local Workforce Development Areas in completing their 2025-2028 Local Workforce Development Plans; the information provided in this report is intended to be used as a resource in the planning process. The report summarizes key demographic, labor market, and workforce trends occurring within the state and local economy.

ABOUT THE ARIZONA OFFICE OF ECONOMIC OPPORTUNITY (OEO)

The Office of Economic Opportunity (OEO) is the State of Arizona's statistics agency. Arizona's economic potential is revealed through evidence-based statistics compiled by OEO. The OEO improves analytic capacity and tracks Arizona's key economic indicators, such as the state's labor market, population, and regulatory and taxation.

Workforce

OEO serves as Arizona's workforce planning coordinator, and provides operational, strategic, and research support to the Workforce Arizona Council and other key workforce partners in this role.

Labor Market Information

OEO conducts labor market analysis, including but not limited to employment forecasting and trend reporting. In addition, OEO compiles workforce analysis, such as this report, and provides custom employment and WIOA research to the Arizona workforce system.

Population

OEO produces the official population estimates and projections for the State of Arizona including demographics.

Regulatory and Tax

OEO monitors Arizona's tax and regulatory competitiveness by collecting and quantifying tax and regulatory activities. This work provides baseline information that can be used to make informed decisions about the state of regulation and taxation in Arizona.

WIOA TRAINING

Northeastern AZ Title 1B WIOA Negotiated Training Outcomes, PY2020-2023

Program	Program Year	Q2 Employment after Exit	Q4 Employment after Exit	Median Earnings	Credential Rate	Measurable Skill Gains
Adult	2020	67.0%	57.0%	\$6,500	62.5%	59.2%
	2021	67.0%	57.0%	\$6,500	62.5%	62.5%
	2022	72.0%	65.0%	\$7,506	73.2%	65.0%
	2023	72.0%	65.0%	\$7,506	73.2%	65.0%
Dislocated Worker	2020	72.6%	62.0%	\$8,646	67.3%	50.0%
	2021	72.6%	62.0%	\$8,646	67.3%	60.0%
	2022	78.0%	75.0%	\$8,646	74.5%	67.5%
	2023	78.0%	75.0%	\$8,646	74.5%	67.5%
Youth	2020	77.3%	67.9%	\$4,500	54.0%	52.8%
	2021	77.3%	67.9%	\$4,500	54.0%	52.8%
	2022	75.4%	68.5%	\$5,044	50.0%	66.7%
	2023	75.4%	68.5%	\$5,044	50.0%	66.7%

Source: Department of Economic Security

Northeastern AZ Title 1B WIOA Recorded Training Outcomes, PY2020-2022

Program	Program Year	Q2 Employment after Exit	Q4 Employment after Exit	Median Earnings	Credential Rate	Measurable Skill Gains
Adult	2020	81.4%	68.9%	\$6,556	73.2%	67.9%
	2021	88.9%	55.2%	\$10,732	75.0%	43.8%
	2022	78.1%	81.1%	\$16,503	73.1%	36.2%
Dislocated Worker	2020	100.0%	100.0%	\$5,843	NA	60.0%
	2021	66.7%	66.7%	\$15,965	50.0%	100.0%
	2022	80.0%	87.5%	\$11,196	100.0%	NA
Youth	2020	70.0%	75.0%	\$5,536	41.7%	72.7%
	2021	80.0%	66.7%	\$8,336	50.0%	66.7%
	2022	75.0%	69.2%	\$4,183	NA	43.8%

Source: Department of Economic Security

The tables above display negotiated and achieved performance for Northeastern AZ Title 1B WIOA trainings during the last programmatic four-year plan. The data may be used with the subsequent labor market information to help shift into focus what to improve in the next four-year plan.

POPULATION

Population Growth by County, 2017-2022

Area	Population Estimate (2017)	Population Estimate (2022)	Numeric Change (2017-2022)	Annualized Percent Change (2017-2022)
United States	321,004,407	331,097,593	10,093,186	0.6%
Arizona	6,809,946	7,172,282	362,336	1.0%
Apache County	71,602	66,054	-5,548	-1.6%
Cochise County	126,516	125,504	-1,012	-0.2%
Coconino County	138,639	144,705	6,066	0.9%
Gila County	53,145	53,419	274	0.1%
Graham County	37,700	38,453	753	0.4%
Greenlee County	9,368	9,483	115	0.2%
La Paz County	20,477	16,681	-3,796	-4.0%
Maricopa County	4,155,501	4,430,871	275,370	1.3%
Mohave County	204,691	214,229	9,538	0.9%
Navajo County	107,902	107,110	-792	-0.1%
Pima County	1,007,257	1,042,393	35,136	0.7%
Pinal County	405,537	433,338	27,801	1.3%
Santa Cruz County	46,358	47,838	1,480	0.6%
Yavapai County	220,972	237,830	16,858	1.5%
Yuma County	204,281	204,374	93	0.0%

Source: U.S. Census Bureau, American Community Survey, 2022, 5-Year Estimates, Table B01003
Office of Economic Opportunity

Changes in population can have a large impact on a local economy. An area experiencing population growth, particularly growth in working-age populations, may experience an increase in economic activity¹ and workforce diversity.

- Arizona had one of the fastest growing populations in the United States from 2021-2022, ranking 5th among all U.S. states in numeric growth and 6th in percent growth.²
- From 2017-2022, Northeastern Arizona's net population decreased by 6,066 individuals.
- Northeastern Arizona accounted for 3.2 percent of Arizona's total population.

¹ Headey, D., & Hodge, A. (2009). The Effect of Population Growth on Economic Growth: A Meta-Regression Analysis of the Macroeconomic Literature. *Population and Development Review*, 35(2), 221-248. Retrieved from www.jstor.org/stable/25487661

² U.S. Census Bureau, American Community Survey, 5 Year estimates. (2017-2022). Total Population, Table B01003. Available from data.census.gov

POPULATION

Population projections provide useful insight into an area’s future demand for resources and services.³ An area experiencing population declines may choose to focus efforts on filling current job positions, while an area experiencing population growth may choose to focus on job creation. Further analysis into the composition of growing or declining populations can be a useful next step.

- Arizona is projected to add more than 487,155 people to its population from 2022-2026, growing by an annualized rate of 1.6 percent.

Apache County Population Projections, 2022-2026

Year	Population Estimate	Projected Numeric Change	Projected Percentage Change	Projected Natural Change ¹	Projected Total Net Migration ²
2022	66,848	-----	-----	-414.0	851.0
2023	67,310	462.0	0.7%	-257.0	724.0
2024	67,741	431.0	0.6%	-161.0	597.0
2025	68,145	404.0	0.6%	-61.0	470.0
2,026	68,420	275.0	0.4%	-68.0	343.0

¹ Natural Change = Births – Deaths

² Net Migration = (Domestic In Migration – Domestic Out Migration) + (Foreign In Migration – Out Migration)

Source: Office of Economic Opportunity, Population Projections Medium Series

- Apache County is projected to add 1,572 people to its population from 2022-2026.

Gila County Population Projections, 2022-2026

Year	Population Estimate	Projected Numeric Change	Projected Percentage Change	Projected Natural Change ¹	Projected Total Net Migration ²
2022	53,838	-----	-----	-581.0	894.0
2023	54,236	398.0	0.7%	-445.0	844.0
2024	54,632	396.0	0.7%	-397.0	794.0
2025	55,028	396.0	0.7%	-345.0	743.0
2,026	55,360	332.0	0.6%	-361.0	693.0

¹ Natural Change = Births – Deaths

² Net Migration = (Domestic In Migration – Domestic Out Migration) + (Foreign In Migration – Out Migration)

Source: Office of Economic Opportunity, Population Projections Medium Series

- Gila County is projected to add 1,522 people to its population from 2022-2026.

³ Kaneda, T. & Bremer, J. (2014). “Understanding Population Projection: Behind the Numbers. Population Reference Bureau”. Retrieved from <https://www.prb.org/united-nations-population-projections/>

Navajo County Population Projections, 2022-2026

Year	Population Estimate	Projected Numeric Change	Projected Percentage Change	Projected Natural Change ¹	Projected Total Net Migration ²
2022	108,580	-----	-----	-584.0	1,416
2023	108,055	-525.0	-0.5%	-315.0	-199.0
2024	107,686	-369.0	-0.3%	-176.0	-182.0
2025	107,469	-217.0	-0.2%	-39.0	-167.0
2,026	107,240	-229.0	-0.2%	-64.0	-165.0

¹ Natural Change = Births – Deaths

² Net Migration = (Domestic In Migration – Domestic Out Migration) + (Foreign In Migration – Out Migration)

Source: Office of Economic Opportunity, Population Projections Medium Series

- Navajo County's population is projected to lose 1,340 people from 2022-2026.

Population Characteristics, 2022

Indicator	Apache County	Gila County	Navajo County	Arizona	United States
Population 16 Years and Over	50,731	44,145	82,333	5,764,417	266,411,973
Civilian Labor Force Participation Rate 16 and Over	39.7%	45.5%	45.7%	60.1%	63.0%
Median Household Income	\$37,483	\$55,242	\$50,335	\$72,581	\$75,149
Families in Poverty	26.4%	12.6%	19.9%	9.2%	8.8%
Median Age	35.6	50.6	38.7	38.4	38.5
Individuals with a Disability	14.0%	21.2%	17.9%	13.4%	12.9%
Veterans	5.7%	11.9%	8.1%	8.4%	6.6%
Uninsured	23.6%	9.8%	14.5%	10.8%	8.7%

Source: U.S. Census Bureau, American Community Survey, 2022, 5-Year Estimates, Table DP03
Office of Economic Opportunity

It is important to understand the employment barriers faced by those served when developing workforce strategies. Population characteristics can help illuminate vulnerable segments of an area's population. An area with population characteristics that differ significantly from state or national averages may need to consider what best meets the needs of their unique population.

- As a whole, Arizona had a lower labor force participation rate and a lower median household income than the nation.
- Arizona had a higher rate of families in poverty, rate of veterans, and rate of uninsured individuals than the nation.

Highest Education Achieved, 2022, Population Over 25 Years of Age

Indicator	Apache County	Gila County	Navajo County	Arizona	United States
Less than High School	7.0%	2.7%	5.0%	4.8%	4.7%
High School Graduate (includes equivalency)	32.5%	30.6%	29.9%	23.6%	26.4%
Some College, no degree	28.6%	28.3%	28.6%	24.2%	19.7%
Associate's Degree	9.2%	10.2%	9.9%	9.1%	8.7%
Bachelor's Degree	8.2%	11.8%	10.1%	19.6%	20.9%
Graduate or Professional Degree	5.6%	6.2%	7.2%	12.2%	13.4%

Source: U.S. Census Bureau, American Community Survey, 2022 5-Year Estimates, Table S1501
Office of Economic Opportunity

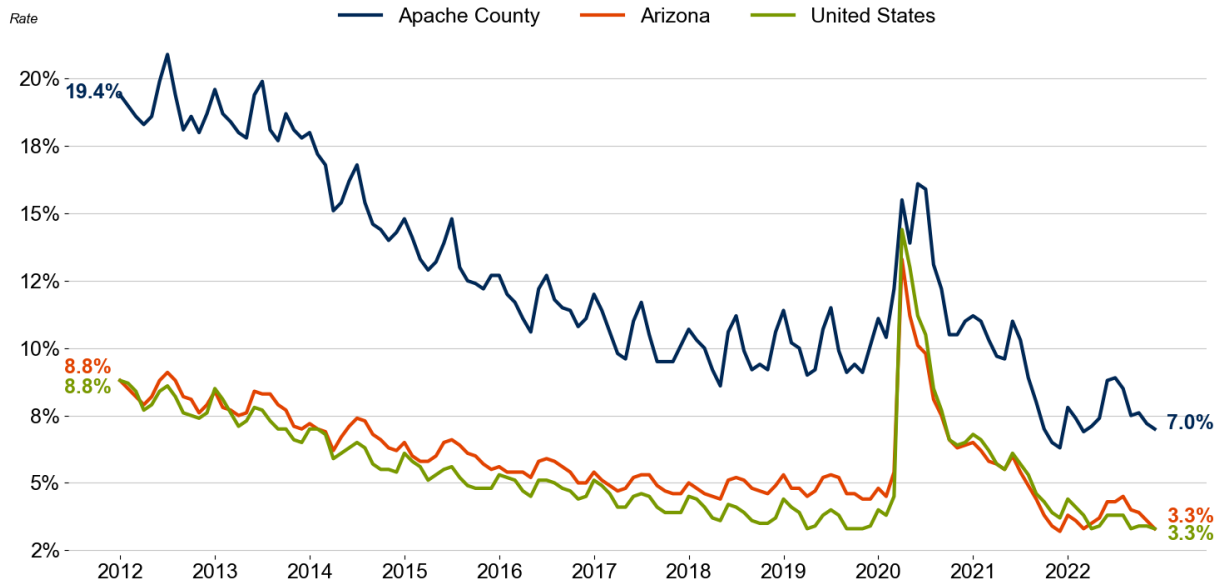
Understanding the current educational attainment of your local area's available workforce is a crucial step in identifying job seeker and business needs. Education is an important element in determining job success, and, oftentimes, can lead directly to higher-paying jobs and lower rates of unemployment.⁴

- When compared with the United States, Arizona has a higher rate of individuals with less than a high school diploma; with some college, no degree; and with an associate's degree.
- In Arizona, 88.3 percent of individuals have a high school diploma (or equivalent) or higher and 31.2 percent of individuals have a bachelor's degree or higher; in the United States, 88.9 percent of individuals have a high school diploma (or equivalent) or higher and 33.7 percent of individuals have a bachelor's degree or higher.

⁴ U.S. Bureau of Labor Statistics. (2019) "Unemployment Rates and Earnings by Educational Attainment." Retrieved from <https://www.bls.gov/emp/chart-unemployment-earnings-education.htm>.

WORKFORCE

Unemployment Rate Comparisons, Jan 2012-Dec 2022, Not-Seasonally Adjusted



Source: U.S. Bureau of Labor Statistics
Office of Economic Opportunity

Apache County:

- Apache County's labor force level decreased from an annual average of 18,917 in 2021 to an annual average of 18,688 in 2022.
- In 2021, there was an annual average of 1,733 unemployed individuals in Coconino County. This decreased to 1,435 in 2022.
- Prior to the pandemic (2017-2019), Apache County had an average labor force level of 19,884 and an average unemployment level of 2,076 people.
- Throughout 2022, the average unemployment rate in Apache County was 7.7 percent, lower than the average unemployment rate of 9.2 in 2021.

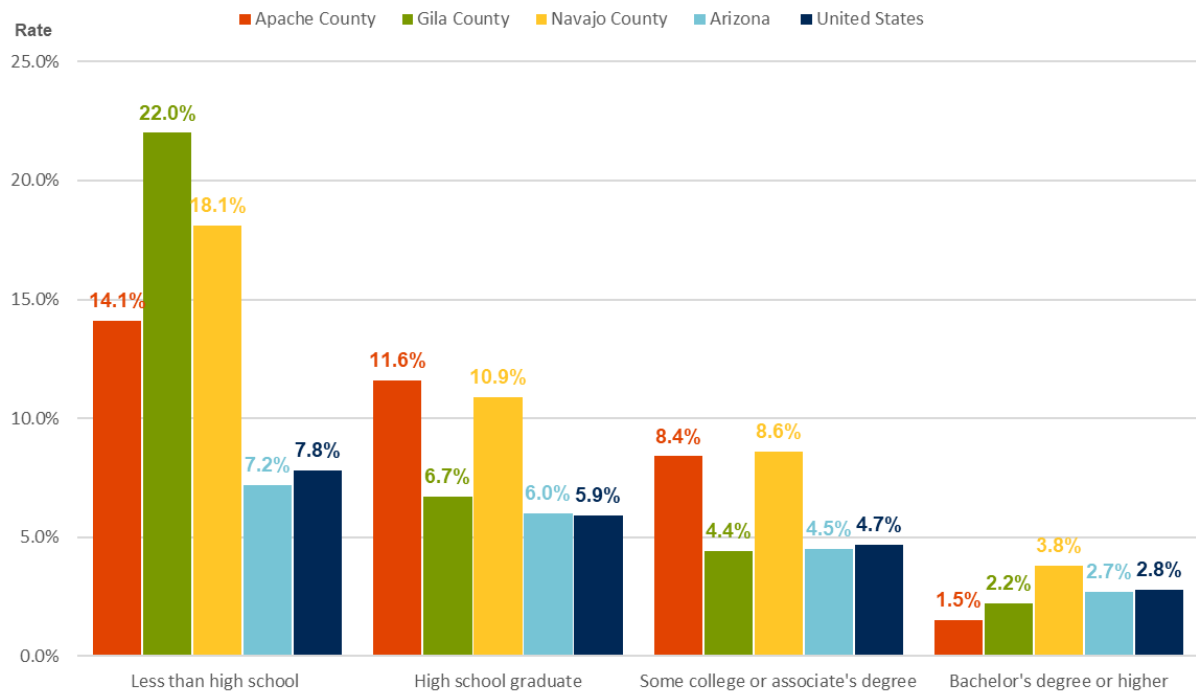
Gila County:

- Gila County's labor force level decreased from an annual average of 20,440 in 2021 to an annual average of 20,410 in 2022.
- In 2021, there was an annual average of 1,056 unemployed individuals in Coconino County. This decreased to 851.0 in 2022.
- Prior to the pandemic (2017-2019), Gila County had an average labor force level of 20,789 and an average unemployment level of 1,274 people.
- Throughout 2022, the average unemployment rate in Gila County was 4.2 percent, lower than the average unemployment rate of 5.2 in 2021.

Navajo County:

- Navajo County's labor force level increased from an annual average of 39,418 in 2021 to an annual average of 39,643 in 2022.
- In 2021, there was an annual average of 2,619 unemployed individuals in Coconino County. This decreased to 2,055 in 2022.
- Prior to the pandemic (2017-2019), Navajo County had an average labor force level of 39,709 and an average unemployment level of 3,076 people.
- Throughout 2022, the average unemployment rate in Navajo County was 5.2 percent, lower than the average unemployment rate of 6.6 in 2021.

Unemployment Rate by Educational Attainment, 2022, Ages 25-64



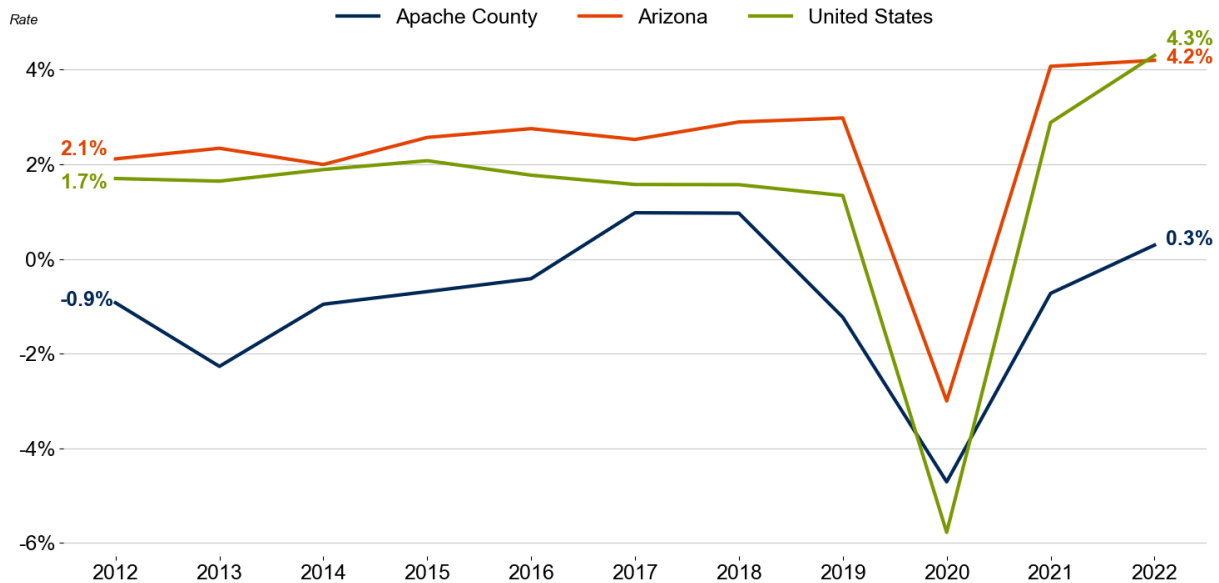
Source: U.S. Census American Community Survey, 2021 5-Year Estimates, Table S2301
Office of Economic Opportunity

Historically, higher educational attainment levels have been associated with lower levels of unemployment.⁵ Understanding the relationship between unemployment and education can help determine which education levels are most in need of targeted workforce efforts.

- Except for individuals with a high school diploma (or equivalent), unemployment rates were lower in Arizona than in the United States across all educational levels.

⁵ National Center for Educational Statistics. (2019). "Employment and Unemployment Rates by Educational Attainment." Retrieved from https://nces.ed.gov/programs/coe/indicator_cbc.asp

Average Nonfarm Employment Year-Over-Year Percentage Change, 2012-2022, Not-Seasonally Adjusted



Source: U.S. Bureau of Labor Statistics, Current Employment Statistics
Office of Economic Opportunity

Apache County:

- In general, Apache County's annualized job growth has trended below the state's growth rate.
- Apache County's annual average total nonfarm employment decreased by -1,600 jobs from 2012-2022, an annualized decrease of 0.9 percent over this ten-year period. Over this same period, Arizona average total nonfarm employment increased by 2.3 percent annually.

Gila County:

- In general, Gila County's annualized job growth has trended below the state's growth rate.
- Gila County's annual average total nonfarm employment increased by 400 jobs from 2012-2022, an annualized increase of 0.3 percent over this ten-year period. Over this same period, Arizona average total nonfarm employment increased by 2.3 percent annually.

Navajo County:

- In general, Navajo County's annualized job growth has trended below the state's growth rate.
- Navajo County's annual average total nonfarm employment decreased by -25 jobs from 2012-2022, an annualized decrease of 0.0 percent over this ten-year period. Over this same period, Arizona average total nonfarm employment increased by 2.3 percent annually.

Northeastern Arizona Private Sector Industry Employment, 2017-2022

Industry	Average Employment (2017)	Average Employment (2022)	Numeric Growth (2017-2022)	Annualized Percentage Growth (2017-2022)
Construction	2,388	2,882	494	3.8%
Leisure and Hospitality	2,915	3,242	326	2.1%
Manufacturing	1,459	1,555	97	1.3%
Financial Activities	617.0	638.5	22	0.7%
Other Services	1,550	1,584	34	0.4%
Professional and Business Services	628.0	619.0	-9	-0.3%
Trade Transportation and Utilities	2,294	2,150	-143	-1.3%
Education and Health Services	4,332	3,913	-420	-2.0%
Natural Resources and Mining	1,007	857.0	-150	-3.2%
Information	1,320	442.0	-877	-19.6%

Source: Quarterly Census of Employment and Wages
Office of Economic Opportunity

- Five of the private-sector industries in Northeastern Arizona recorded employment growth from 2017 to 2022; but, largely due to losses in Information, Northeastern Arizona saw a net decrease of 627.0 jobs over this period.
- Of the 10 private-sector industries, Education and Health Services made up the largest share of Apache County's employment in 2022, and Leisure and Hospitality made up the second largest.
- Construction experienced the largest numeric growth from 2017 to 2022.

Projected Industry Employment, 2022-2024

Area	Employment (2022)	Projected Employment (2024)	Projected Numeric Growth (2022-2024)	Annualized Percentage Growth (2022-2024)
Arizona	3,241,387	3,332,012	90,625	1.4%
Balance of Maricopa	1,319,941	1,364,125	44,184	1.7%
City of Phoenix	1,008,713	1,037,199	28,486	1.4%
Coconino County	67,976	69,567	1,591	1.2%
Mohave and La Paz Counties	66,918	68,786	1,868	1.4%
Northeastern Arizona	65,296	66,062	766	0.6%
Pima County	411,874	417,883	6,009	0.7%
Pinal County	76,110	78,804	2,694	1.8%
Santa Cruz County	15,351	15,577	226	0.7%
Southeastern Arizona	54,950	56,290	1,340	1.2%
Yavapai County	78,176	79,962	1,786	1.1%
Yuma County	76,034	77,766	1,732	1.1%

NOTE: Maricopa Workforce Area includes Maricopa County excluding the City of Phoenix.
Source: Office of Economic Opportunity, Quarterly Census of Employment and Wages

- All Arizona local workforce areas are expected to record employment growth from 2022 to 2024.
- Total employment in Northeastern Arizona is projected to grow by 0.6 percent annually, below the statewide growth rate of 1.4 percent.

Northeastern Arizona Workforce Area Projected Industry Employment, 2022-2024

Industry	Employment (2022)	Projected Employment (2024)	Projected Numeric Growth (2022-2024)	Annualized Percentage Growth (2022-2024)
Leisure and Hospitality	8,120	8,593	473	2.9%
Manufacturing	1,731	1,816	85	2.4%
Construction	3,191	3,315	124	1.9%
Natural Resources and Mining	2,162	2,242	80	1.8%
Professional and Business Services	2,434	2,518	84	1.7%
Information	573	592	19	1.6%
Other Services	2,057	2,071	14	0.3%
Education and Health Services	15,434	15,512	78	0.3%
Government	13,432	13,453	21	0.1%
Financial Activities	1,841	1,842	1	0.0%
Trade Transportation and Utilities	10,367	10,342	-25	-0.1%

Source: Office of Economic Opportunity, Quarterly Census of Employment and Wages

Job skills are constantly evolving with the emergence of new technologies and changing consumer habits. Job seekers can better prepare themselves by gaining skills within industries projected to have large employment needs.

- In Northeastern Arizona, Leisure and Hospitality is projected to record the fastest growth rate, increasing by 2.9 percent annually through 2024.
- Manufacturing is projected to record the second fastest growth rate in Northeastern Arizona.
- In 2024, the industry that employs the most people within Northeastern Arizona is projected to remain Education and Health Services.

In addition to the above industry-level labor market information, the Office of Economic Opportunity provides a ranking of in-demand industries within each workforce area by weighing the following variables: current employment level, historic annualized employment percent change, projected employment numeric and percent change, average weekly wages, historic weekly wages percent change, employment location quotient, and wage location quotient. These data are available for download [here](#).

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