

Labor Market Information

Santa Cruz County LWIA

Office of Employment and Population Statistics
Arizona Department of Administration

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AGENDA

- LMI in WIOA Local Plans
- Economic Overview
 - Local Demographics
 - Individuals with Barriers to Entry
 - Unemployment
 - Industry Growth
- Existing and Emerging In-Demand Industries and Occupations
- LMI Data Sources

Local Plans [Sec. 108 (b)]

– The local plan should include:

- An analysis of the regional economic conditions, including:
 - **Existing and emerging in-demand industry sectors and occupations**
 - The employment needs of employers in those industry sectors and occupations
- An analysis of the knowledge and skills needed to meet the employment needs of the employers in the region
- An analysis of the workforce in the region, including **current labor force employment data**, labor market trends, and **the education and skill levels of the workforce in the region**

LMI should also be included in:

Youth Workforce Investment [Sec. 129 (c)(2)(M)]

- Program elements including **services that provide labor market information about in-demand industry sectors or occupations**

Training Services [Sec. 134 (C)(3)(G)(iii)]

- Training Services should be **directly linked to an in-demand industry sector or occupation in the local area**

Career Services [Sec. 134 (e)(3)(A)(1)]

- (iv) Labor exchange services including:
 - (I). job search and placement assistance and career counseling including
 - (aa). **information on in-demand industry sectors and occupations**

Economic Overview

SANTA CRUZ COUNTY

How to use data:

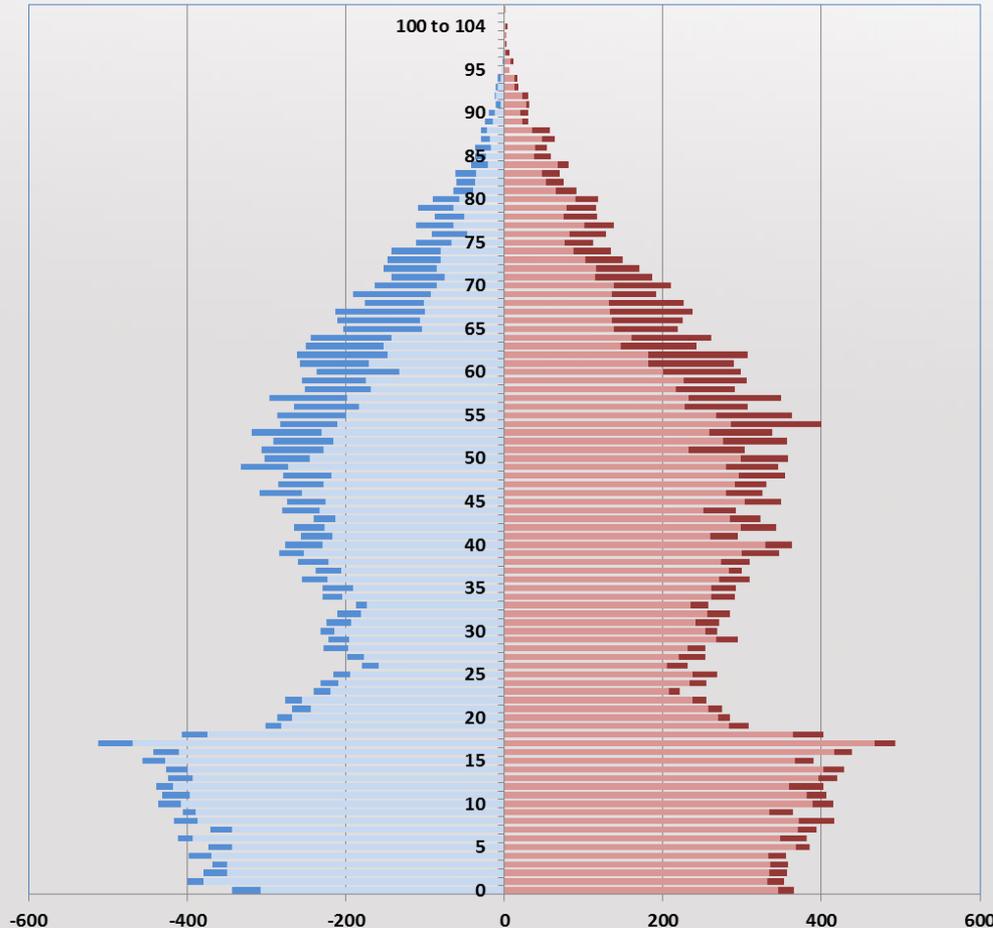
- Use data to drive decision, not validate decisions
- **Use more than one source of data** – don't lock yourself into a single estimate, consider all of the available data to get the most accurate picture
- **Know the limitations of your data set** – it's easy to accidentally misuse data and draw erroneous conclusions
- **Become familiar with different data sets (or someone who is)** – there is no one place to find all the data you need

Immerse yourself in the data

Be prepared to accept surprising surprises

Santa Cruz County Population

Hispanic Male Hispanic Female Non-Hispanic Male Non-Hispanic Female



Santa Cruz County

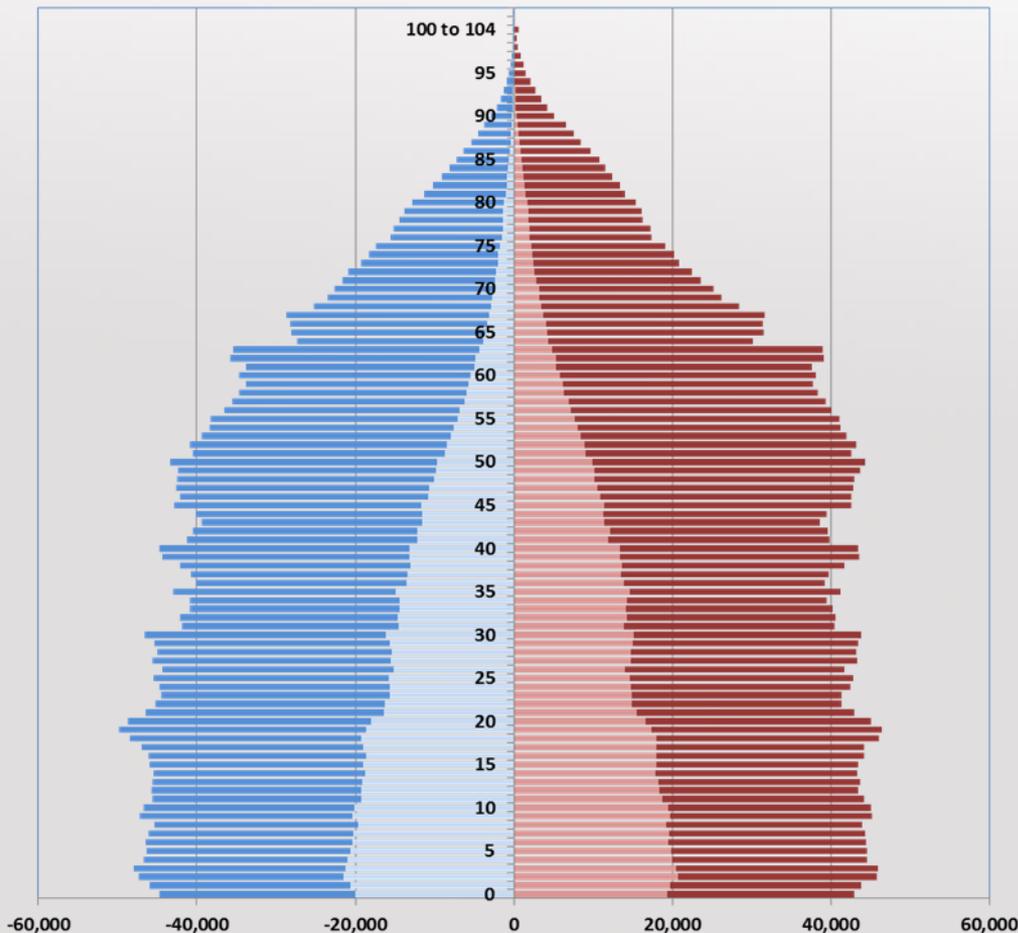
Census 2010

Total Population: 47,420

Hispanic			
Male	18,439		38.9%
Female	20,834		43.9%
Non-Hispanic			
Male	4,120		8.7%
Female	4,027		8.5%
Under 17	13,555		28.6%
Age 17 - 24	5,017		10.6%
Age 25 - 34	4,801		10.1%
Age 35 - 44	5,760		12.1%
Age 45 - 54	6,443		13.6%
Age 55 - 64	5,620		11.9%
Over 64	6,224		13.1%

Arizona Population

Hispanic Male Hispanic Female Non-Hispanic Male Non-Hispanic Female



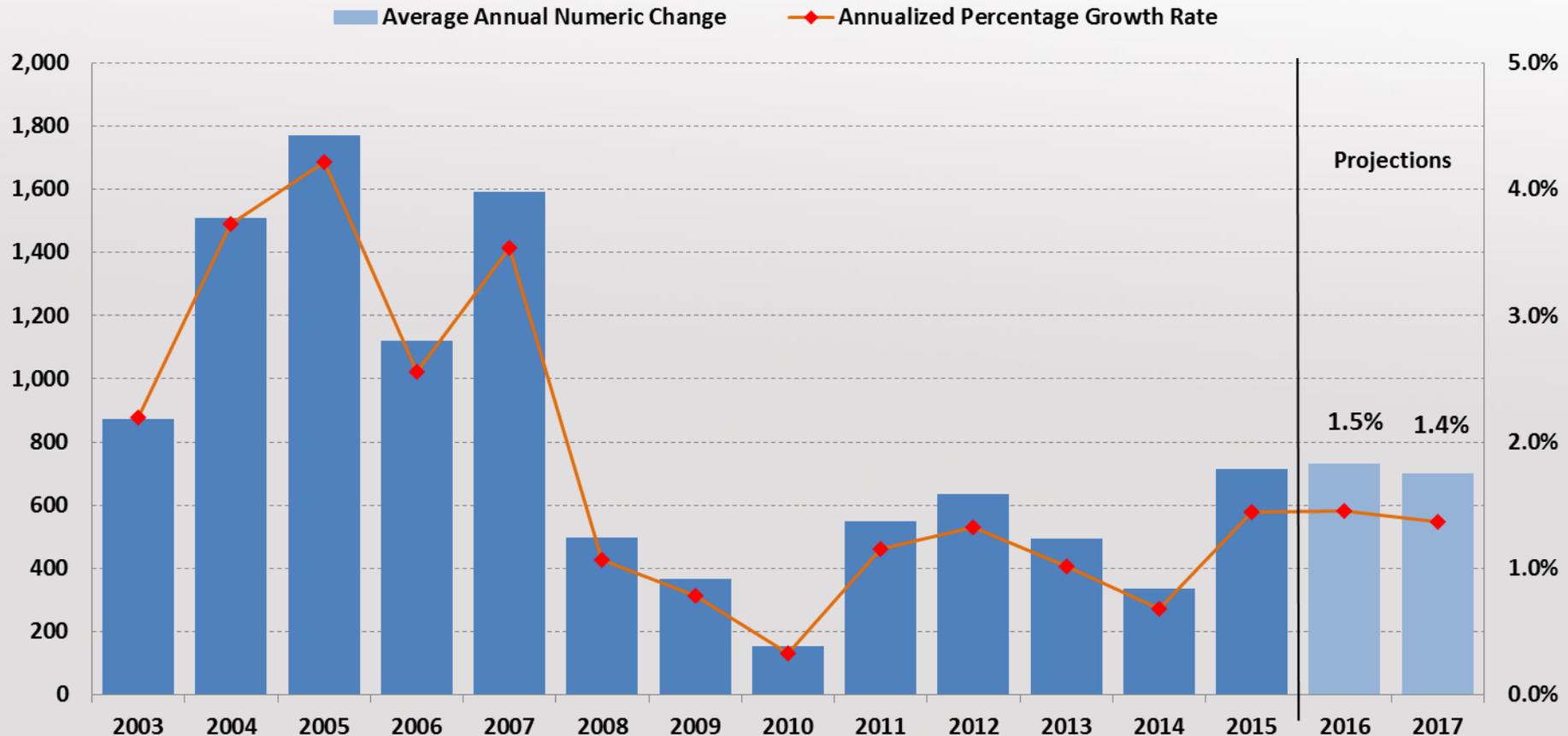
Arizona

Census 2010

Total Population: 6,392,017

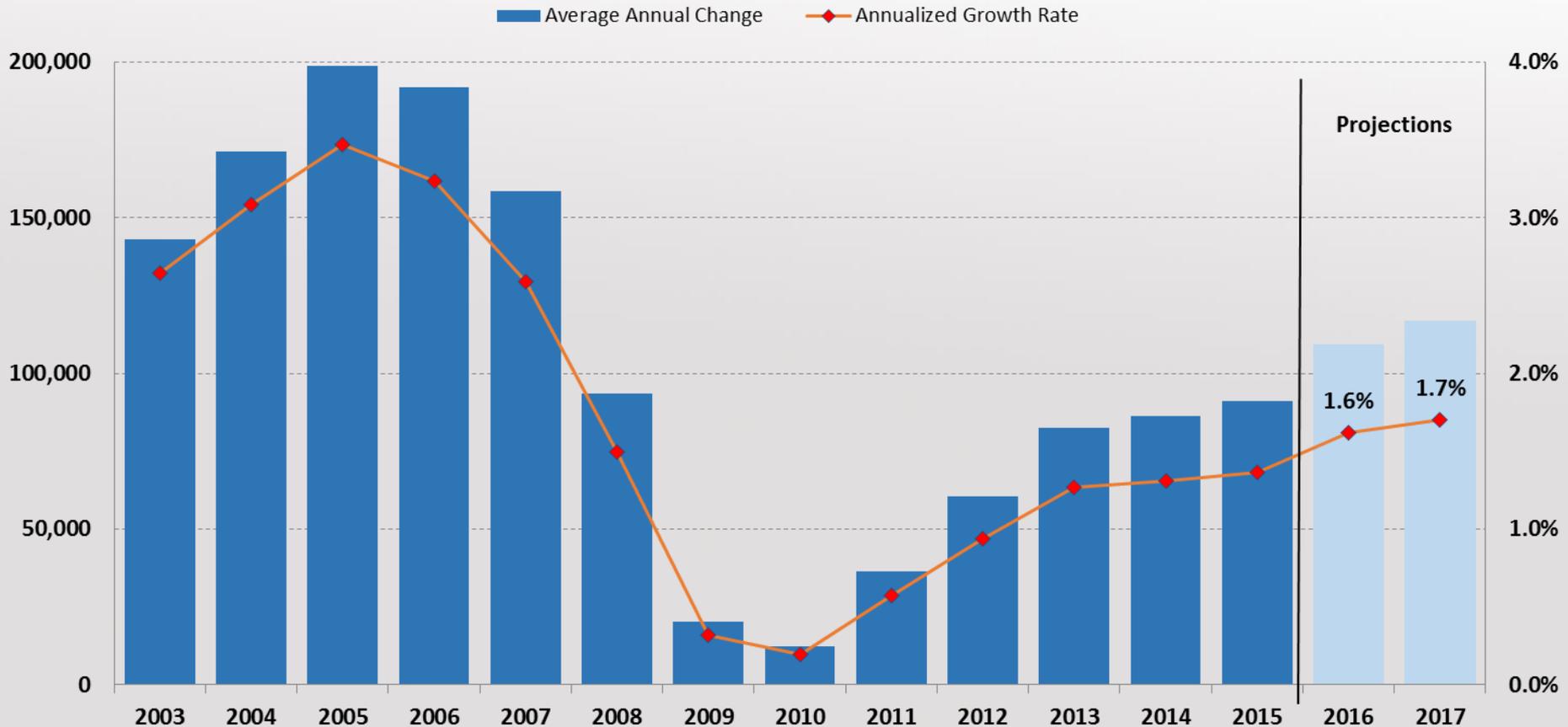
Hispanic	1,895,149	29.6%
Male	951,790	14.9%
Female	943,359	14.8%
Non-Hispanic	4,496,868	70.4%
Male	2,224,033	34.8%
Female	2,272,835	35.6%
Under 17	1,537,878	24.1%
Age 17 - 24	724,347	11.3%
Age 25 - 34	856,693	13.4%
Age 35 - 44	822,494	12.9%
Age 45 - 54	842,546	13.2%
Age 55 - 64	726,228	11.4%
Over 64	881,831	13.8%

Santa Cruz County's Population Growth and Growth Rates



Source: Produced by the Arizona Office of Employment and Population Statistics using 2010 Census data in cooperation with the U.S. Census Bureau

Arizona's Population Growth and Growth Rates, 2003-2017



Source: Produced by the Arizona Office of Employment and Population Statistics using 2010 Census data in cooperation with the U.S. Census Bureau

Santa Cruz County Quick Facts (2014)

	Santa Cruz County	Arizona	United States
Median Household Income	\$38,802	\$49,928	\$53,482
Median Age	36.2	36.5	37.4
Individuals with a Disability Between 18-64	7.7%	9.9%	10.2%
Veterans	6.6%	10.0%	8.3%
Poverty Status	24.4%	18.2%	15.6%
Mean Travel Time to Work	20:42	24:42	25:42
Civilian Labor Force Participation Rate	57.1%	59.7%	63.5%
Population over 16	35,058	5,121,781	248,775,628

Source: Produced by the Arizona Office of Employment and Population Statistics using 2014 ACS 5-Year Estimates (DP03, S0501, S1810, S2101) in cooperation with the U.S. Census Bureau

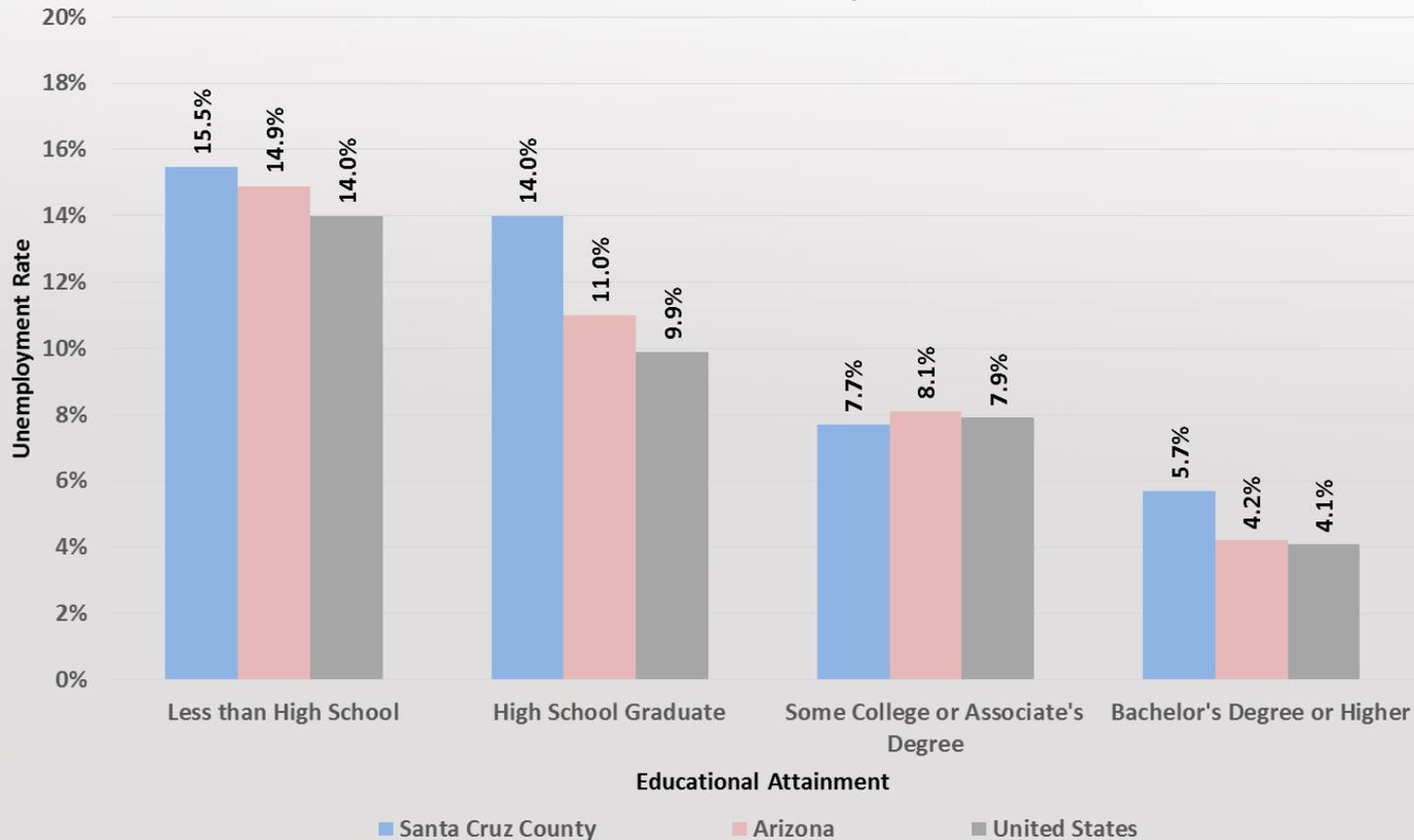
Highest Educational Level Achieved (Population over 25, 2014)

	Santa Cruz County	Arizona	United States
Less than High School	26.8%	14.1%	13.6%
High School Graduate (includes equivalency)	45.0%	50.4%	49.2%
Associate's Degree	6.1%	8.4%	7.9%
Bachelor's Degree	14.9%	17.1%	18.3%
Graduate or Professional Degree	7.1%	10.0%	11.0%

Source: Produced by the Arizona Office of Employment and Population Statistics using 2014 ACS 5-Year Estimates (S1501) in cooperation with the U.S. Census Bureau

Unemployment Rates by Educational Attainment (Ages 25-64)

Santa Cruz County 2014



Source: Produced by the Arizona Office of Employment and Population Statistics using 2014 ACS 5-Year Estimates (B23006) in cooperation with the U.S. Census Bureau

- **Unemployment decreases with higher levels of education**

Santa Cruz Public Assistance Households (2014)

	Santa Cruz County	Arizona	United States
TANF (Temporary Assistance for Needy Families)	4.8%	2.5%	2.8%
SSI (Supplemental Security Income)	5.0%	4.2%	5.3%
SNAP (Supplemental Nutrition Assistance Program)	23.6%	13.6%	13.0%
Medicaid/AHCCCS (Arizona Health Care Cost Containment System) (Individuals)	30.6%	20.0%	17.8%

Source: Produced by the Arizona Office of Employment and Population Statistics using 2014 ACS 5-Year Estimates (DP03, S2701) in cooperation with the U.S. Census Bureau

Santa Cruz County Health Insurance (2014)

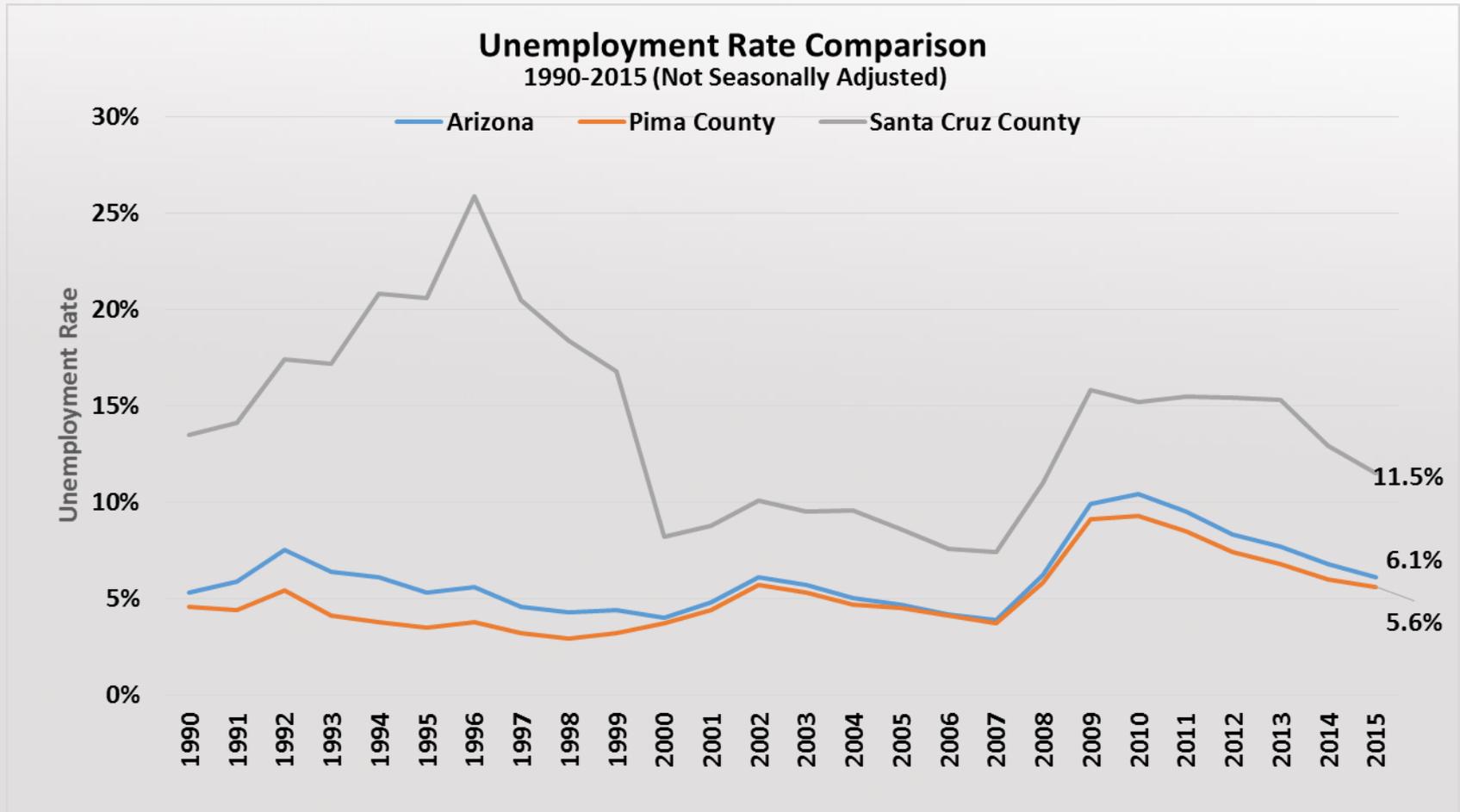
	Santa Cruz County	Arizona	United States
Private Coverage Only (Employer, Direct-Purchase, TRICARE)	33.4%	47.0%	52.7%
Public Coverage Only (Medicare, AHCCCS, Veteran's Admin.)	28.7%	21.1%	17.6%
Both Private and Public Coverage (Some combination of the above, ex. Tricare for Life and Medicare)	17.8%	15.6%	15.5%
Uninsured	20.2%	16.3%	14.2%

Source: Produced by the Arizona Office of Employment and Population Statistics using 2014 ACS 5-Year Estimates (S2701) in cooperation with the U.S. Census Bureau

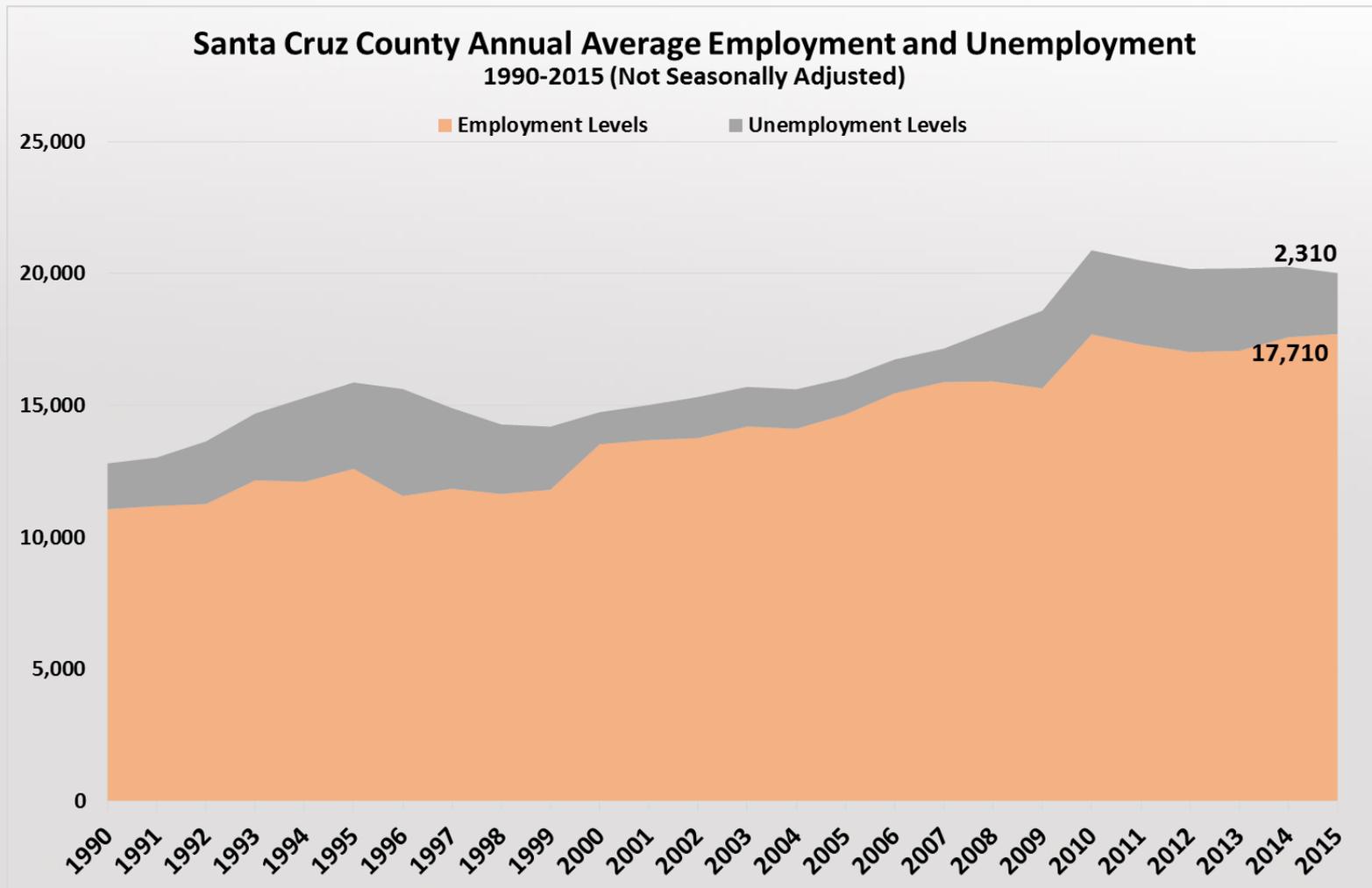
Santa Cruz County Detailed Health Insurance (2014)

	Santa Cruz County	Arizona	United States
Employment-based (private)	39.2%	48.7%	54.7%
Direct-purchase (private)	11.5%	12.5%	12.4%
TRICARE (private)	1.9%	3.2%	2.7%
Medicare (public)	16.2%	16.5%	15.5%
AHCCCS/Medicaid (public)	30.6%	20.0%	17.8%
VA (public)	1.5%	2.7%	2.1%
Uninsured	20.2%	16.3%	14.2%

Source: Produced by the Arizona Office of Employment and Population Statistics using 2014 ACS 5-Year Estimates (S2701) in cooperation with the U.S. Census Bureau



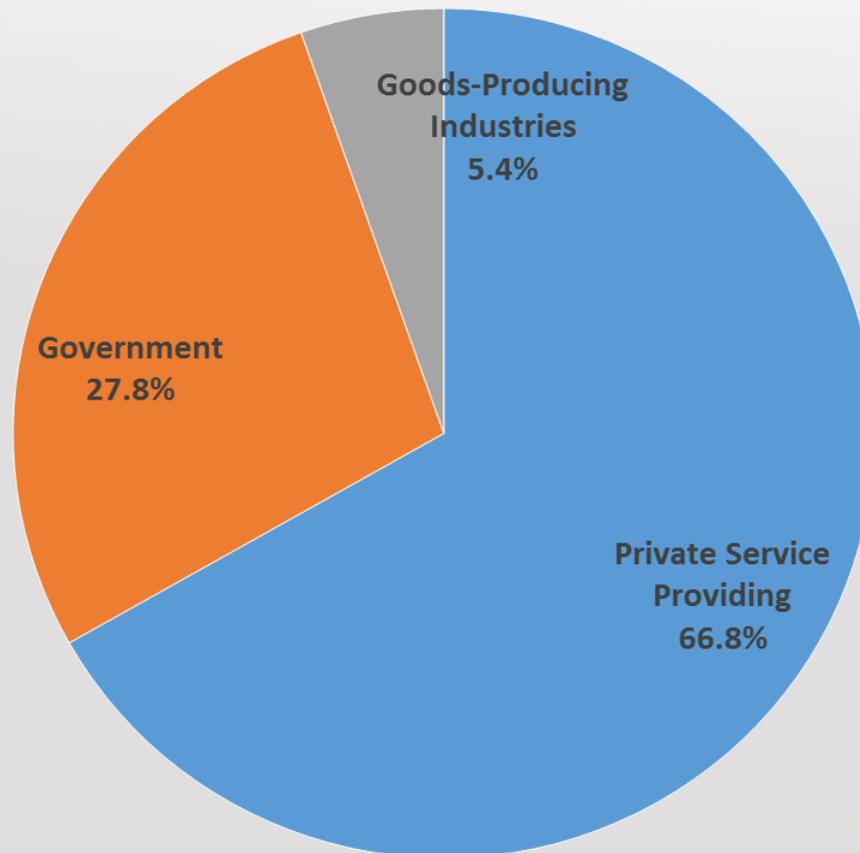
Source: Produced by the Arizona Office of Employment and Population Statistics using LAUS data in cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics



Source: Produced by the Arizona Office of Employment and Population Statistics using LAUS data in cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics

Santa Cruz County Broad Industry Total Nonfarm Employment Share

2015 Annual Average, Not Seasonally Adjusted



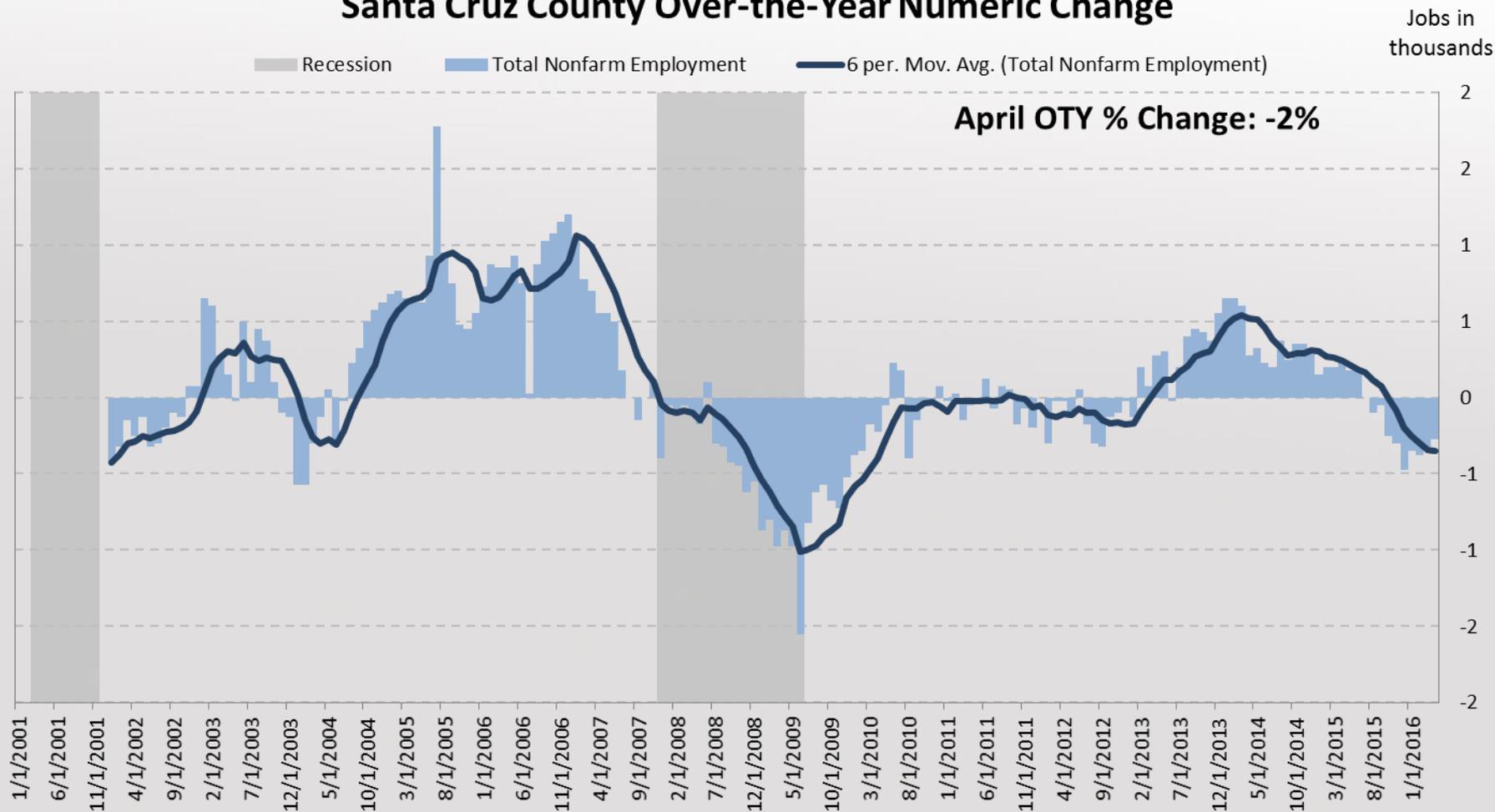
Source: Produced by the Arizona Office of Employment and Population Statistics using CES data in cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics

Santa Cruz County Industry Nonfarm Employment Share 2001 & 2015 Annual Averages

Industry	Employment Share		
	2001	2015	Change
Government	25.7%	27.8%	2.2%
Private Service Providing	63.0%	66.8%	3.8%
Goods-Producing Industries	11.3%	5.4%	-5.9%
Total Nonfarm Employment	100.0%	100.0%	0.0%

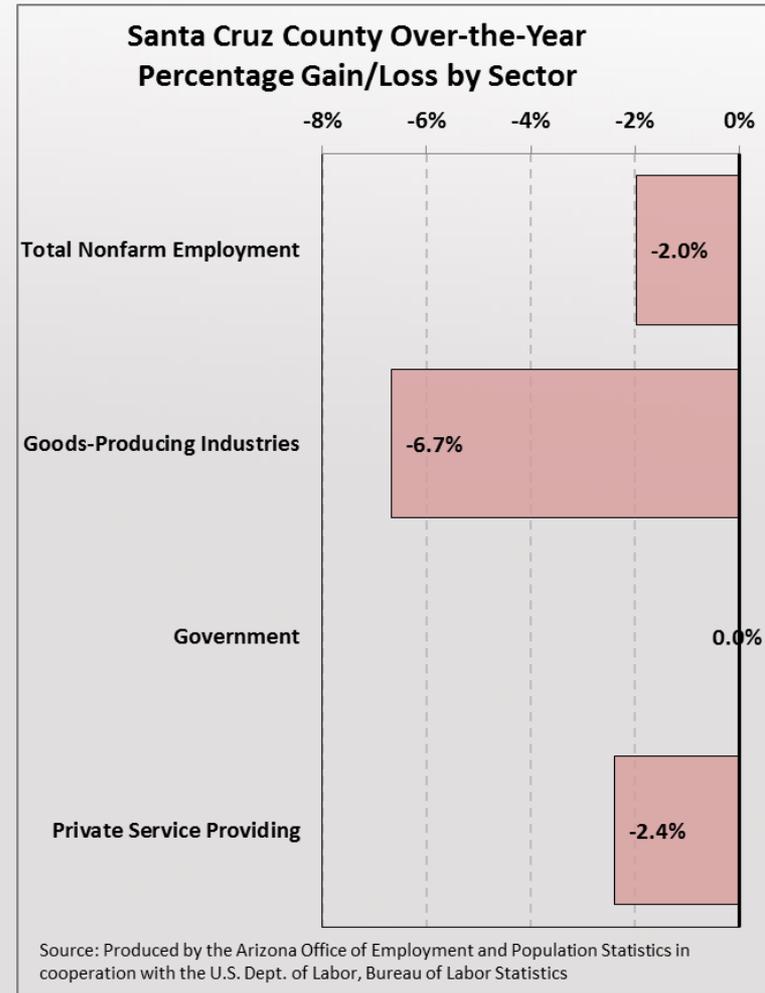
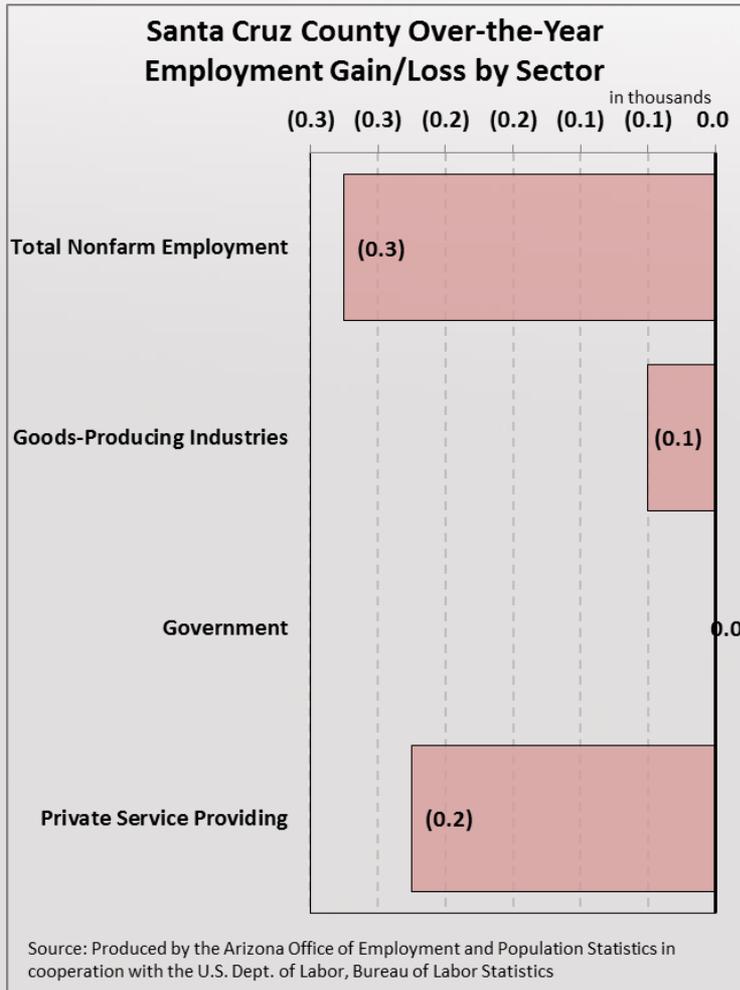
Source: Produced by the Arizona Office of Employment and Population Statistics using CES data in cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics

Santa Cruz County Over-the-Year Numeric Change



Source: Produced by the Arizona Office of Employment and Population Statistics in cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics

April 2016 Nonfarm Employment Report



Balance of State Short Term Industry Employment Projections 2015-2017

Industry Code	Industry Title	Base Employment 2015 Q2	Projected Employment 2017 Q2	Numeric Change	Percent Change
101100	Natural Resources and Mining	17983	17041	-942	-2.7%
101200	Construction	15620	16462	842	2.7%
101300	Manufacturing	16131	16826	695	2.1%
102100	Trade, Transportation, and Utilities	75613	78389	2776	1.8%
102200	Information	5274	5571	297	2.8%
102300	Financial Activities	12759	13529	770	3.0%
102400	Professional and Business Services	30970	33189	2219	3.5%
102500	Education and Health Services	87318	91973	4655	2.6%
102600	Leisure and Hospitality	55209	59010	3801	3.4%
102700	Other Services (Except Government)	9244	9289	45	0.2%
102800	Government	44949	45325	376	0.4%
102900	Unclassified	24779	26176	1397	2.8%

Balance Of State is Arizona less Maricopa, Pinal, and Pima counties

Source: Produced by the Arizona Office of Employment and Population Statistics using Projections data in cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics

Total Employment by Substate Area Employment Change

	2015 Q2(a)	2017Q2(b)	Employment Change
Arizona	2,718,515	2,875,050	156,535
Phoenix MSA ¹	1,952,031	2,077,030	124,999
Tucson MSA ²	370,866	385,259	14,393
Balance of State ³	395,848	412,781	16,933

1) Maricopa and Pinal Counties

2) Pima County

3) Arizona less Maricopa, Pinal and Pima counties

a) Historical

b) Forecast

Source: Produced by the Arizona Office of Employment and Population Statistics using QCEW data in cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics

Total Employment by Substate Area Annual Growth (Compound)

	2013 Q3-2015 Q2(a)	2015 Q3- 2017Q2(b)
Arizona	126,582	156,535
Phoenix MSA ₁	108,475	124,999
Tucson MSA ₂	4,120	14,393
Balance of State ₃	14,182	16,933

1) Maricopa and Pinal Counties

2) Pima County

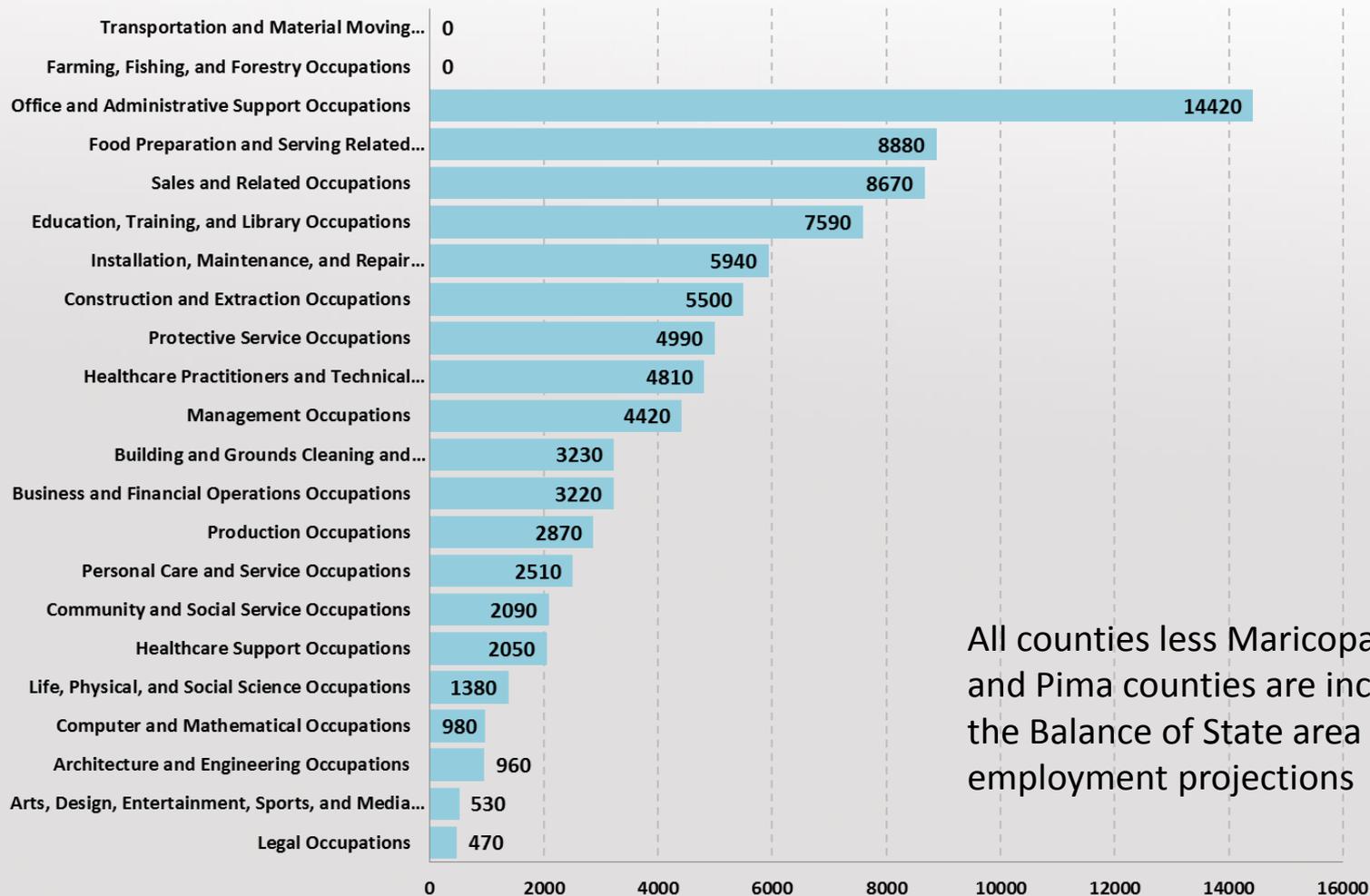
3) Arizona less Maricopa, Pinal and Pima counties

a) Historical

b) Forecast

Source: Produced by the Arizona Office of Employment and Population Statistics using QCEW data in cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics

Balance of State Major Occupational Groups 2015 Total Employment

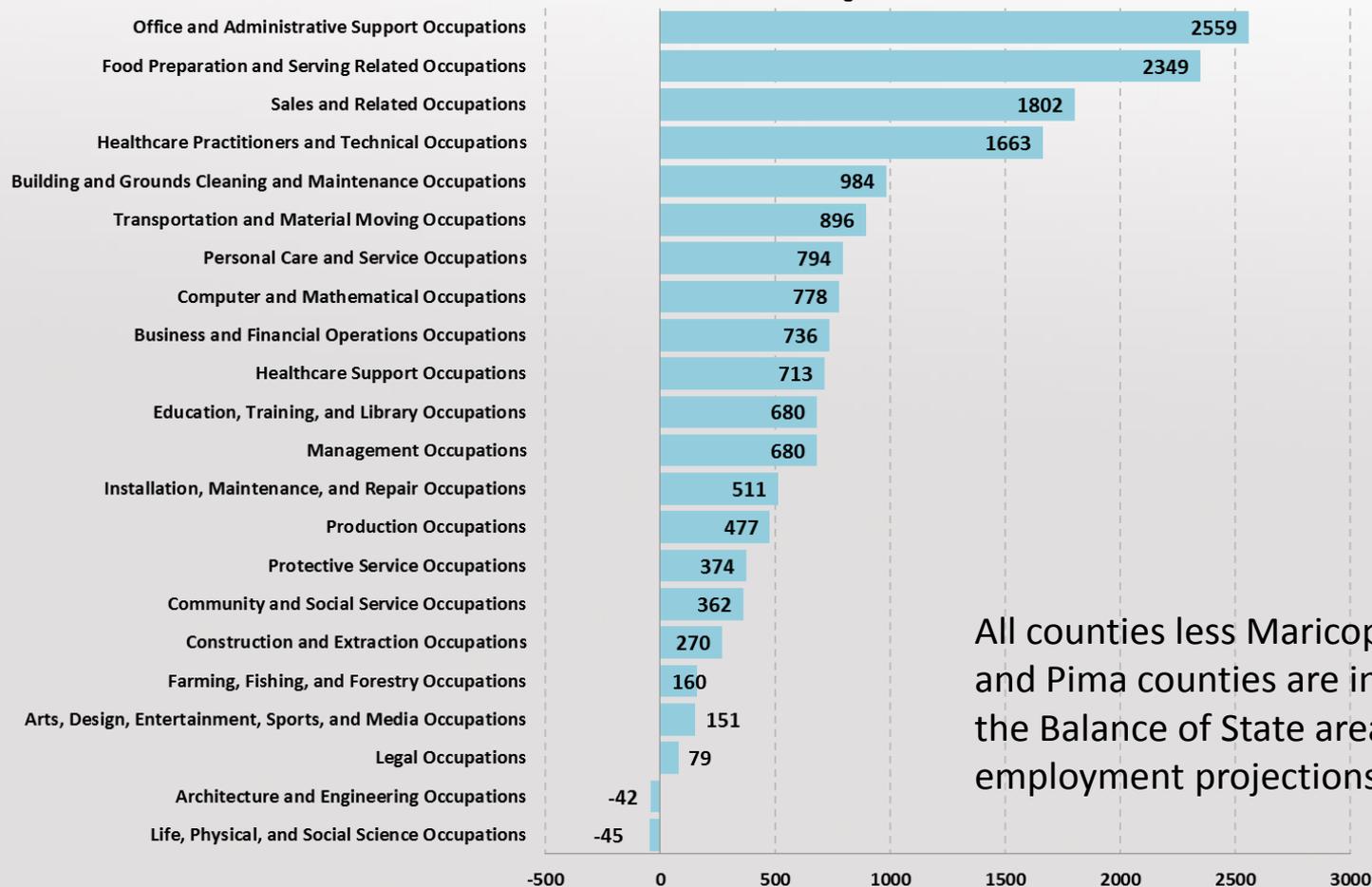


All counties less Maricopa, Pinal, and Pima counties are included in the Balance of State area for employment projections

Source: Produced by the Arizona Office of Employment and Population Statistics using OES data in cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics

Balance of State Major Occupational Groups

2015 - 2017 Total Numeric Change

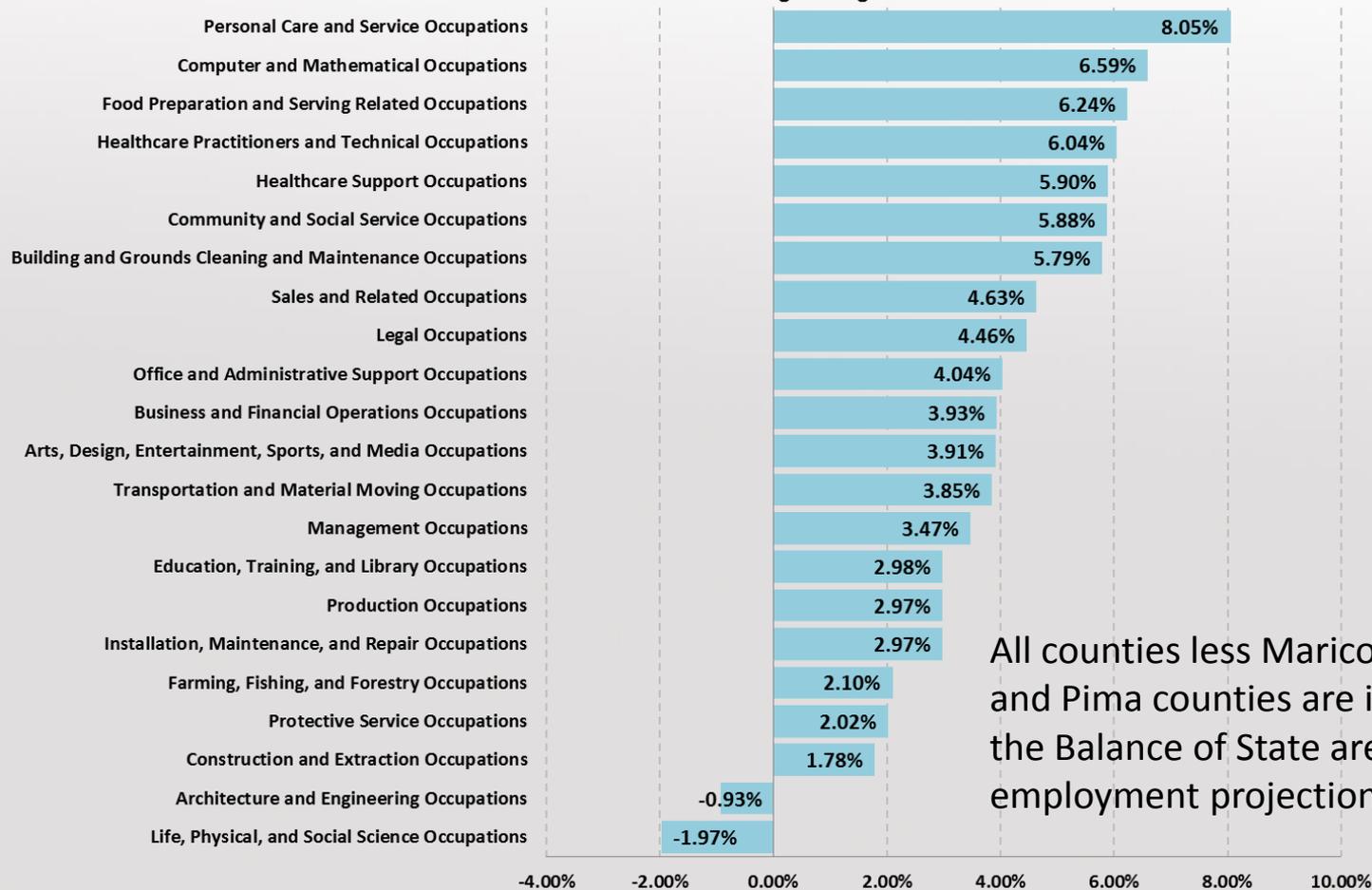


All counties less Maricopa, Pinal, and Pima counties are included in the Balance of State area for employment projections

Source: Produced by the Arizona Office of Employment and Population Statistics using OES data in cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics

Balance of State Major Occupational Groups

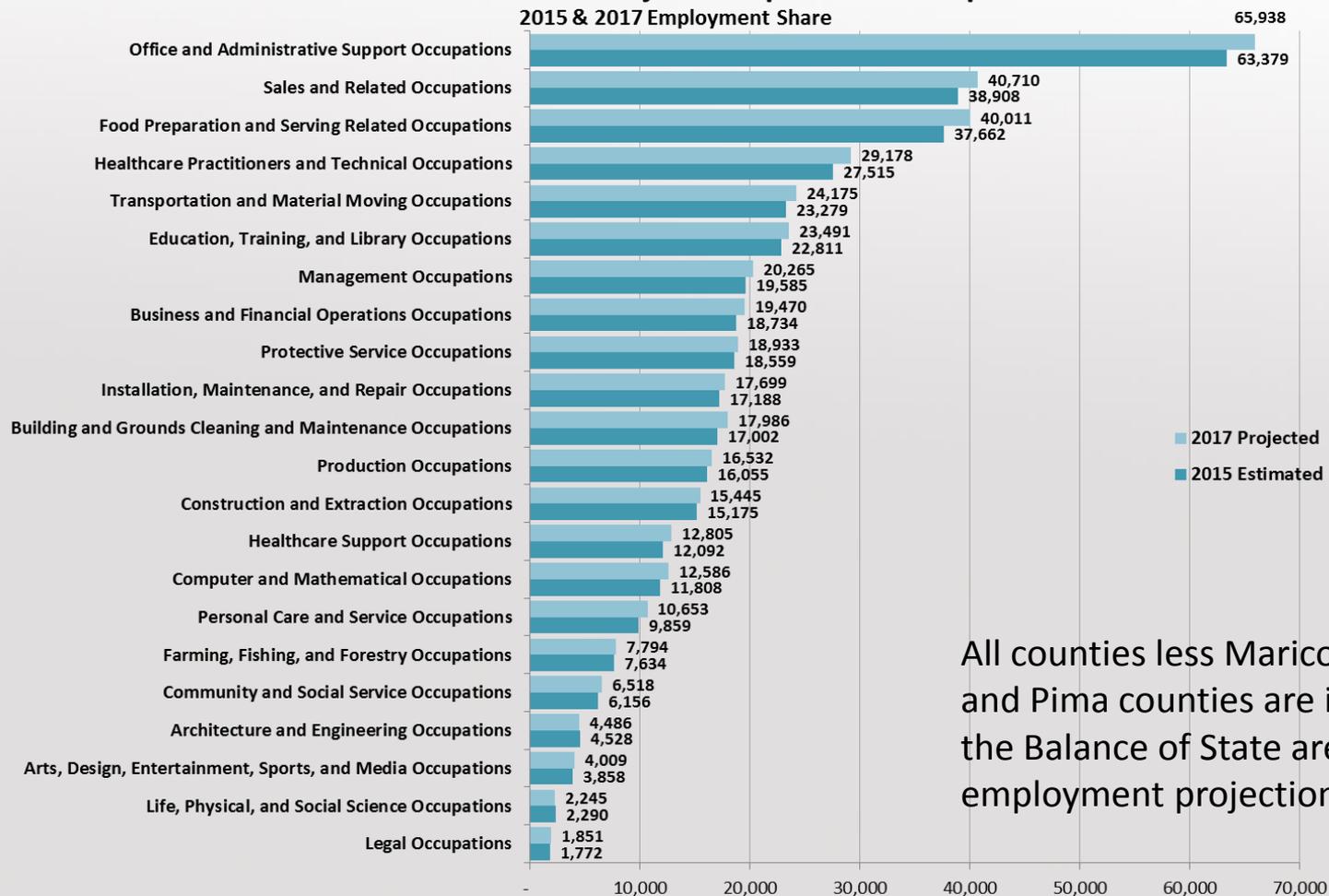
2015 - 2017 Total Percentage Change



All counties less Maricopa, Pinal, and Pima counties are included in the Balance of State area for employment projections

Source: Produced by the Arizona Office of Employment and Population Statistics using OES data in cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics

Balance of State Major Occupational Groups



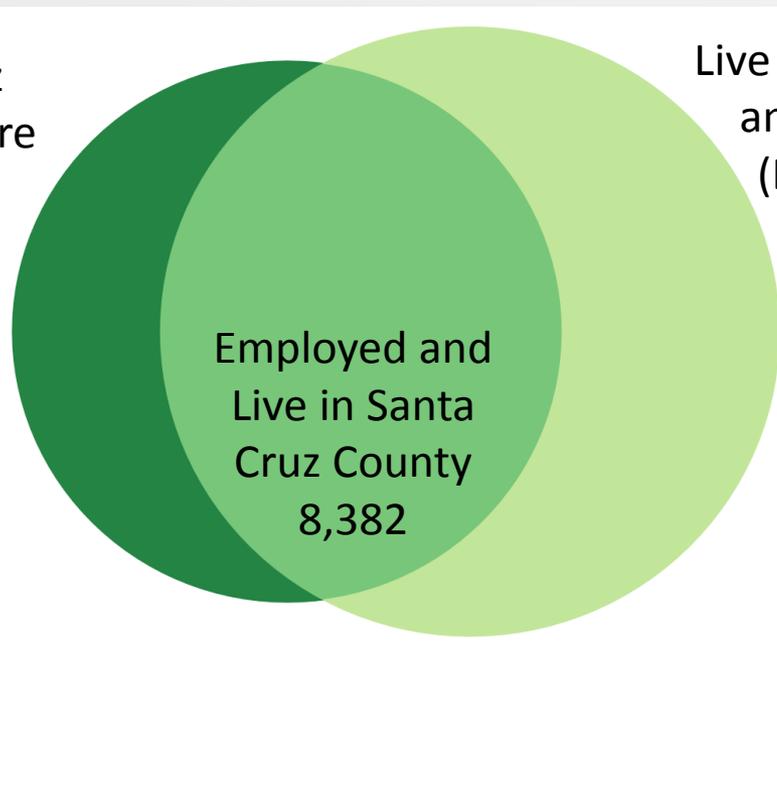
All counties less Maricopa, Pinal, and Pima counties are included in the Balance of State area for employment projections

Source: Produced by the Arizona Office of Employment and Population Statistics using OES data in cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics

Santa Cruz Commuting Patterns

Santa Cruz County 2014

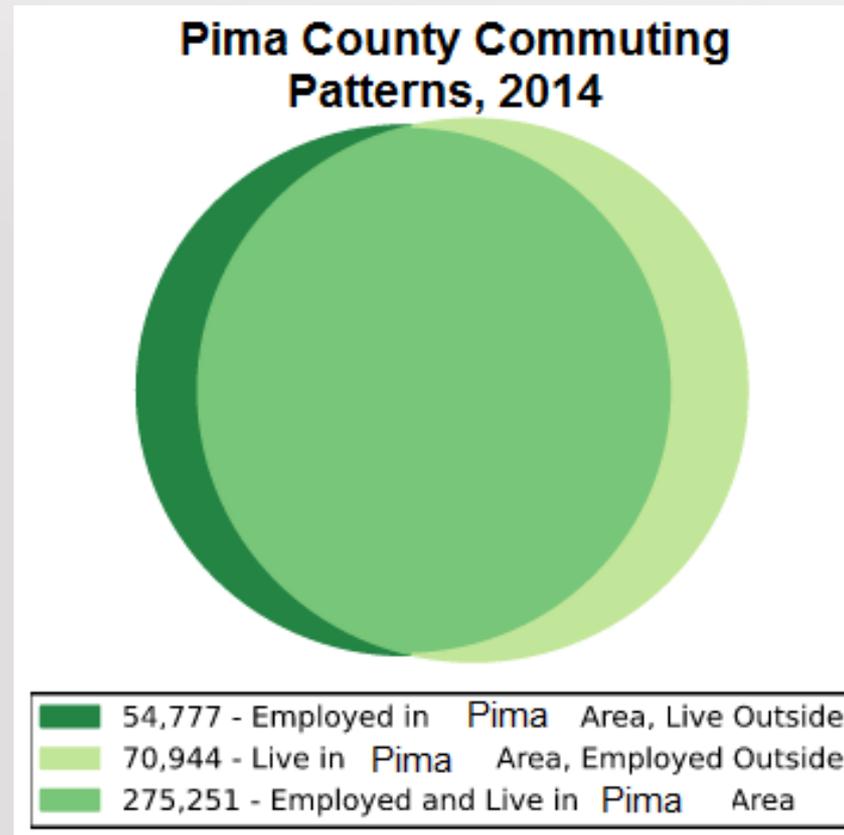
Employed in Santa Cruz
County and Live Elsewhere
(Excluding Mexico)
3,609



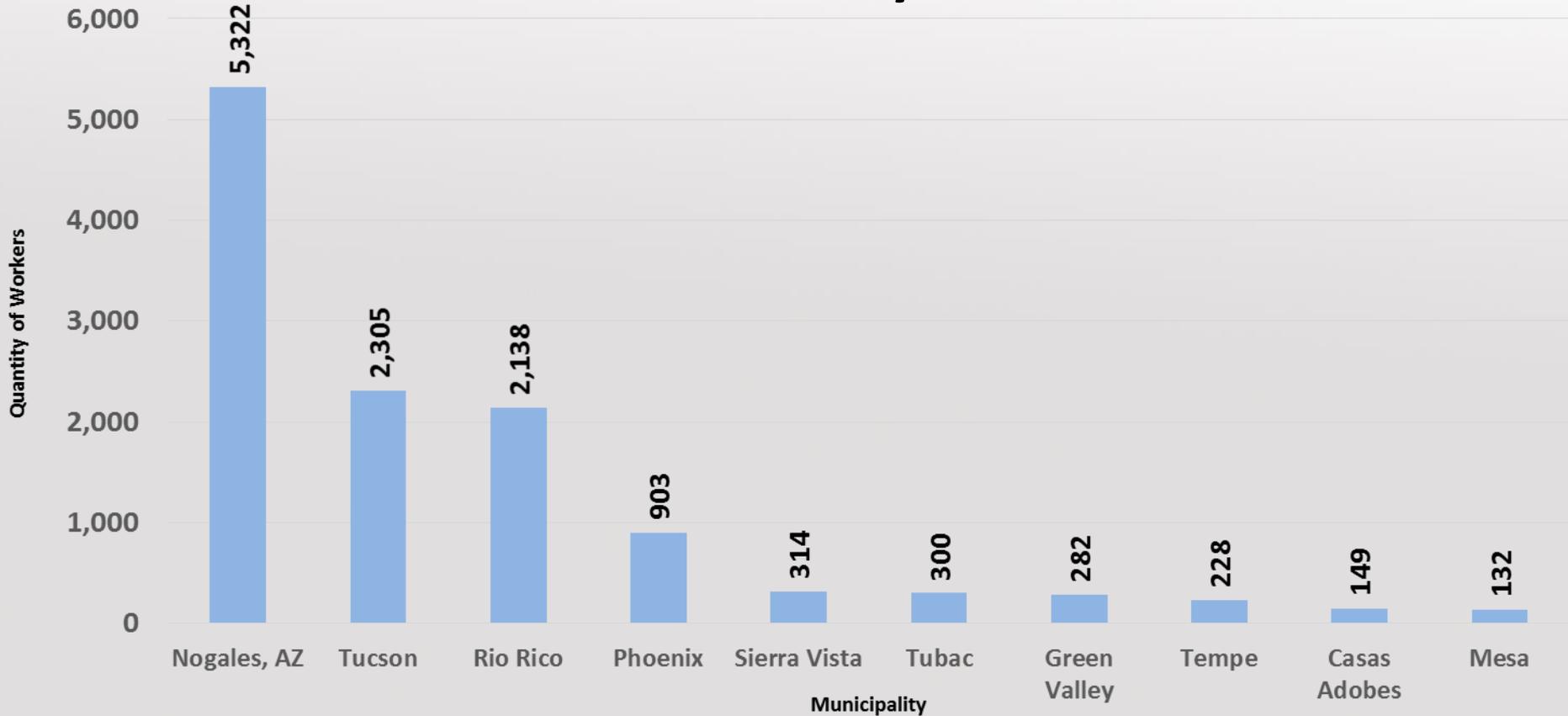
Live in Santa Cruz County
and Work Elsewhere
(Excluding Mexico)
6,813

Source: Produced by the Arizona Office of Employment and Population Statistics using On The Map in cooperation with the U.S. Census Bureau

Compared with Pima County Commuting Patterns



Santa Cruz County Commuting Patterns: Outflow Santa Cruz County 2014



Source: Produced by the Arizona Office of Employment and Population Statistics using On The Map in cooperation with the U.S. Census Bureau

Existing and Emerging Industries

Methodology

- Objective:
 - To identify industries and occupations with favorable labor market traits that support long-term economic and workforce strategies
- Labor market traits include:
 - High employment and wage growth
 - Projected long-term employment growth
 - Competitive advantages in employment and wages

Existing and emerging demand industries were selected based on their overall performance in each labor market indicator category, and an overall ranking score was calculated

Methodology cont.

Labor market variables were given different weights depending on the importance of each variable when defining existing and emerging demand industry requirements

- **Existing demand industries** were identified as industries with large employment bases and above-average wages
- **Emerging demand industries** were identified as industries with small employment levels and large short-term historic employment and wage growth

Location Quotient (LQ)

- A location quotient (LQ) is measurement of a region's industrial specialization relative to a larger geographic unit (usually the nation)
- It allows a subject area's distribution of employment by industry to be compared to a base area's distribution
 - Subject Area: Arizona
 - Base Area: United States
- Allows comparison of relative employment and wage levels in the United States, states, counties, & MSAs

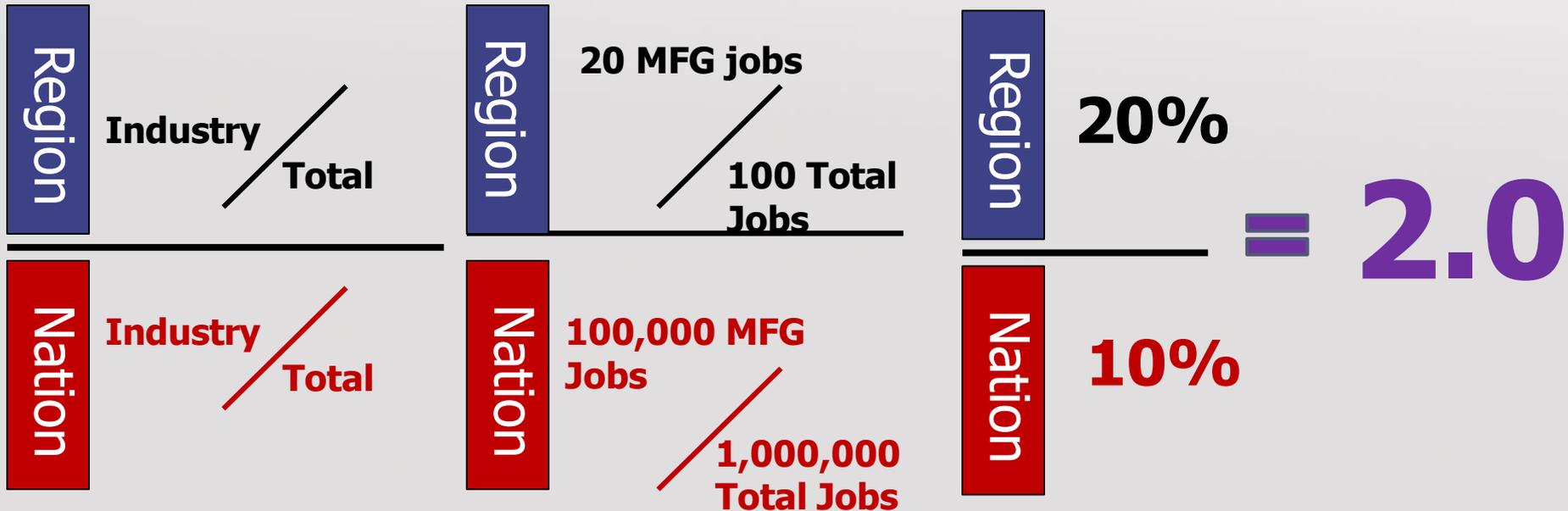
Location Quotient (LQ) Formula

Formula

Job Example

Percent

LQ



Location Quotient Calculated

How to interpret:

- $LQ = 1$: The industry has the same share of employment/wages as the reference area
- $LQ > 1$: The industry has a higher share of employment/wages as the reference area
- $LQ < 1$: The industry has a lower share of employment/wages as the reference area

Example: an LQ of 1.0 in mining means that the region and the nation are equally specialized in mining; while an LQ of 1.8 means that the region has a higher concentration in mining than the nation.

Santa Cruz County

Existing Demand Industry Detail

NAICS 424 Merchant wholesalers, nondurable goods

Average Employment Level	1,431
<i>(3-Digit Industry; 2014-2015)</i>	
Average Weekly Wage Level	\$1,117
<i>(3-Digit Industry; 2014-2015)</i>	
Employment Growth	6.0%
<i>(3-Digit Industry; 2014-2015)</i>	
Average Wage Growth	0.9%
<i>(3-Digit Industry; 2014-2015)</i>	
Employment Location Quotient	7.1
<i>(3-Digit Industry; 2014-2015)</i>	
Wage Location Quotient	1.1
<i>(3-Digit Industry; 2014-2015)</i>	
Employment Growth	1.8%
<i>(2-Digit Super Sector; 2011-2015)</i>	
Employment Share Change	0.7%
<i>(2-Digit Super Sector; 2011-2015)</i>	
Projected Employment Growth	2.1%
<i>(2-Digit Super Sector; 2012-2022)</i>	

Employment characteristics are provided for each existing and emerging demand industry to identify favorable qualities

Existing Demand Occupations

Santa Cruz County

Existing Demand Industry Detail

NAICS 424 Merchant wholesalers, nondurable goods

Rank	Occupation Title	Industry Employment Share
1	Sales Managers	1.8%
2	Heavy and Tractor-Trailer Truck Drivers	4.9%
3	Customer Service Representatives	2.4%
4	Bookkeeping, Accounting, and Auditing Clerks	1.5%
4	Financial Managers	0.5%

Top occupations within each industry were identified by wage, employment growth and employment share characteristics

Santa Cruz County Existing Demand Occupation Detail Sales Managers

SOC Code	11-2022
Education Requirement	Bachelor's degree
Work Experience Requirement	Less than 5 years
On-the-Job Training Requirement	None
Knowledge Requirement	Sales and Marketing
Skill Requirement	Monitoring
Ability Requirement	Oral Comprehension
Employment Level <i>(6-Digit SOC Code; 2014)</i>	70
Average Hourly Wage <i>(6-Digit SOC Code; 2014)</i>	\$71.9
Projected Employment Growth <i>(2-Digit Super Sector; 2012-2022)</i>	2.4%
Industry Employment Share <i>(6-Digit SOC Code; 2014)</i>	1.79

Occupation requirements are provided to identify the needs of employers

Model Weighting Structure

Santa Cruz County

Existing Demand Industry Detail

Variables	Weight	Constraints	Detail	Period
Average Employment Level	2	Top 33%	3-Digit Industry	2014-2015
Average Weekly Wage Level	3	Top 50%	3-Digit Industry	2014-2015
Employment Growth Numeric	1	na	3-Digit Industry	2014-2015
Employment Growth Percentage	1	na	3-Digit Industry	2014-2015
Average Wage Growth Numeric	1	na	3-Digit Industry	2014-2015
Average Wage Growth Percentage	1	na	3-Digit Industry	2014-2015
Employment Location Quotient	2	na	3-Digit Industry	2014-2015
Wage Location Quotient	2	na	3-Digit Industry	2014-2015
Employment Growth Numeric	1	na	2-Digit Super Sector	2011-2015
Employment Growth Percentage	1	na	2-Digit Super Sector	2011-2015
Employment Share Change	1	na	2-Digit Super Sector	2011-2015
Projected Employment Growth Numeric	1	na	2-Digit Super Sector	2012-2022
Projected Employment Growth Percentage	1	na	2-Digit Super Sector	2012-2022

Existing and Emerging Demand Industries were selected based on thirteen employment characteristics

Santa Cruz County

Existing Demand Occupation Detail

Variables	Weight	Detail	Period	Constraints
Average hourly wage	1	6-digit SOC	2014	na
Projected employment change (percentage)	1	6-digit SOC	2012-2022	na
Percentage share of industry employment	1	6-digit SOC	2014	na

Existing and Emerging Demand Occupations were selected based on three employment characteristics

Data Sources

Workforce employment and unemployment data

– BLS products:

- **Quarterly Census of Employment & Wages (QCEW):** UI covered employment & wages by industry
- **Current Employment Statistics (CES):** Nonfarm employment, hours, hourly earnings by industry
- **Occupational Employment Statistics (OES):** Local Area Occupational employment and wages by area and industry
- **Unemployment Statistics (LAUS):** Civilian labor force, employment, unemployment, unemployment rate
- **Source:** <https://laborstats.az.gov/bls-programs>

Other Labor Market Sources

Commuting Patterns Data:

On the Map: onthemap.ces.census.gov/

Demographics Data:

American Community Survey: census.gov/programs-surveys/acs/

Personal Income & State GDP Data:

US Bureau of Economic Analysis: bea.gov/regional/index.htm

Interactive Employment Mapping:

Maricopa Association of Governments: <http://geo.azmag.gov/maps/azdemographics/>

Skills and Training Requirement Data:

O*NET: onetonline.org/find/descriptor/browse

Any Questions?

Contact Information

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