



January 8, 2020

Economic Conditions Report

Yuma County

FOR FURTHER INFORMATION:

Doug Walls, Labor Market Information Director, 602.771.1258

Sam Briggs, Economist, 602.364.0430

www.laborstats.az.gov

ABOUT THIS REPORT

This report was created to assist Arizona Local Workforce Development Areas in completing their 2020-2024 Local Workforce Development Plans. The report summarizes key demographic, labor market, and workforce trends in the state and local economy. The information provided in this report is intended to be a resource for local workforce information board members and workforce practitioners during the local workforce planning process.

ABOUT THE ARIZONA OFFICE OF ECONOMIC OPPORTUNITY

The Office of Economic Opportunity (OEO) was created to strengthen the analytical capabilities of the state's workforce and economic development initiatives. OEO serves as Arizona's workforce planning coordinator, and in this role, provides operational, strategic and research support to the Workforce Arizona Council and other key workforce partners. OEO produces official statewide data for population, employment, and wage estimates including the official Arizona employment and population projections. OEO also functions in an advisory capacity by providing economic expertise to state and local government agencies and officials.

OVERVIEW

Yuma County's economy includes a wide range of industries offering opportunities for individuals seeking employment of all types.

Several positive economic and workforce trends were recorded in Yuma County including:

- Population continues to increase, growing 0.9 percent annually from 2013 to 2018.
- Population is projected to grow by 1.5 percent in 2019 and 1.4 percent in 2020.
- Labor force participation grew in 2018, increasing by 1,929 people, or 2.0 percent from 2017.
- From 2017 to 2018, all ten of the ten major industry sectors recorded positive year-over-year employment growth.
- In 2018, employment gains were led by Education and Health Services, which grew by 626 jobs or 4.0 percent, and Manufacturing, which grew by 358 jobs or 6.8 percent from 2017.
- Within Yuma County, total employment is projected to increase by 1.4% annually from Q3 2018 through Q2 2020.
- From 2017 to 2018, the percentage of Yuma residents with a high school diploma or higher increased.
- The share of Yuma residents with a bachelor's degree or higher increased from 13.9 percent in 2013 to 16.8 in 2018.

Other less favorable economic and workforce challenges were recorded in Yuma County include:

- Since 2009, Yuma County's unemployment rate has been dramatically higher than Arizona and the United States.
- Yuma's median household income decreased in 2018 to \$43,403 from \$46,798 in 2017.
- Yuma County had a substantially higher rate of families in poverty (16 percent), when compared with the state's rate (10 percent).

POPULATION

Population Growth by County, 2013-2018

Area	Population Estimate (2013)	Population Estimate (2018)	Numeric Change (2013-2018)	Annualized Percent Change (2013-2018)
Arizona	6,634,999	7,171,646	536,647	1.6%
Apache County	72,341	71,818	-523	-0.1%
Cochise County	129,608	126,770	-2,838	-0.4%
Coconino County	136,713	142,854	6,141	0.9%
Gila County	53,022	53,889	867	0.3%
Graham County	37,454	38,072	618	0.3%
Greenlee County	8,908	9,483	575	1.3%
La Paz County	20,532	21,098	566	0.5%
Maricopa County	4,019,019	4,410,824	391,805	1.9%
Mohave County	203,158	209,550	6,392	0.6%
Navajo County	107,145	110,445	3,300	0.6%
Pima County	997,437	1,039,073	41,636	0.8%
Pinal County	385,656	447,138	61,482	3.0%
Santa Cruz County	46,991	46,511	-480	-0.2%
Yavapai County	214,426	231,993	17,567	1.6%
Yuma County	202,589	212,128	9,539	0.9%
United States	316,057,727	327,167,434	11,109,707	0.7%

Source: U.S. Census Bureau, American Community Survey, 5-Year Estimates
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 2013-2017, ranking 9th among all U.S. states
- Yuma County represented nearly 2 percent of Arizona's total population growth from 2013 to 2018.
- In both 2017 and 2018, Yuma County represented 3 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

Yuma County Population Projections, 2018

Year	Population Estimate (2018)	Projected Numeric Change	Projected Percentage Change	Projected Natural Change ¹	Projected Total Net Migration ²
2018	225,212	-----	-----	1,323	2,241
2019	228,592	3,380	1.5%	1,340	2,040
2020	231,781	3,189	1.4%	1,350	1,838
2021	234,971	3,190	1.4%	1,362	1,829
2022	238,160	3,189	1.4%	1,371	1,818

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

Population projections provide useful insight into an area's future demand for resources and services.² 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 406,032 people to its population from 2019-2022, growing by an annualized rate of 1.0 percent.
- Yuma County population is projected to add 12,948 people to its overall population from 2019-2022, representing 3.2 percent of total projected population growth for the state.
- A majority of Yuma County's population growth, roughly 58%, is projected to come from people migrating into the county from other Arizona counties, U.S. states or foreign countries.

Population Characteristics, 2018

Indicator	Yuma County	Arizona	United States
Population 16 and Over	164,347	5,714,007	262,185,951
Civilian Labor Force Participation Rate 16 and Over	50%	59%	63%
Median Household Income	\$43,403	\$59,246	\$61,937
Families in Poverty	16%	10%	9%
Median Age	35.1	38.0	38.2
Individuals 16 and Over with a Disability	12%	13%	13%
Veterans	11%	9%	7%
Uninsured	10%	11%	9%

Source: U.S. Census Bureau, American Community Survey, 2018 1-Year Estimates
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

² Kaneda, T. & Bremer, J. (2014). "Understanding Population Projection: Behind the Numbers. Population Reference Bureau". Retrieved from <https://www.prb.org/united-nations-population-projections/>

area with population characteristics that are significantly different than state or national averages, may need to consider specific approaches on how to best meet the needs of their unique population.

- Median household income was lower in Yuma County than in Arizona or the United States. Yuma’s median household income decreased from \$46,798 in 2017 to \$43,403 in 2018.
- Median age was substantially lower in Yuma County than in Arizona or the United States.
- In Yuma County, veterans represented a larger share of total population than in Arizona or the nation.
- The rate of uninsured people in Yuma County was lower than Arizona’s rate. This may be attributed to Yuma County’s AHCCCS utilization being dramatically higher than Arizona or national rates.
- The labor force participation rate was substantially lower in Yuma County when compared with Arizona or the United States.
- Yuma County’s households in poverty was substantially higher than the national or state rate.

Yuma County Public Assistance Households, 2018

Indicator	Yuma County	Arizona	United States
TANF (Temporary Assistance for Needy Families)	2%	2%	2%
Food Stamps/SNAP	17%	11%	12%
SSI (Supplemental Security Income)	4%	5%	5%
Medicaid/AHCCCS Individuals	26%	17%	15%

*NOTE: TANF, SSI, and SNAP proportions are based on households, Medicaid/AHCCCS proportions are based on individuals.
Source: U.S. Census Bureau, American Community Survey, 2018 1-Year Estimates
Office of Economic Opportunity*

- Yuma County had a dramatically higher rate of SNAP and AHCCCS utilization when compared with the state.
- Over a quarter of Yuma residents are on AHCCCS, nearly double the rate of the United States.

Highest Educational Achieved, 2018, Population 25 and Older

Indicator	Yuma County	Arizona	United States
Less than High School	24%	13%	12%
High School Graduate (includes equivalency)	27%	24%	27%
Some College, no degree	24%	25%	20%
Associate's Degree	8%	9%	9%
Bachelor's Degree	12%	19%	20%
Graduate or Professional Degree	5%	11%	13%

Source: U.S. Census Bureau, American Community Survey, 2018 1-Year Estimates
Office of Economic Opportunity

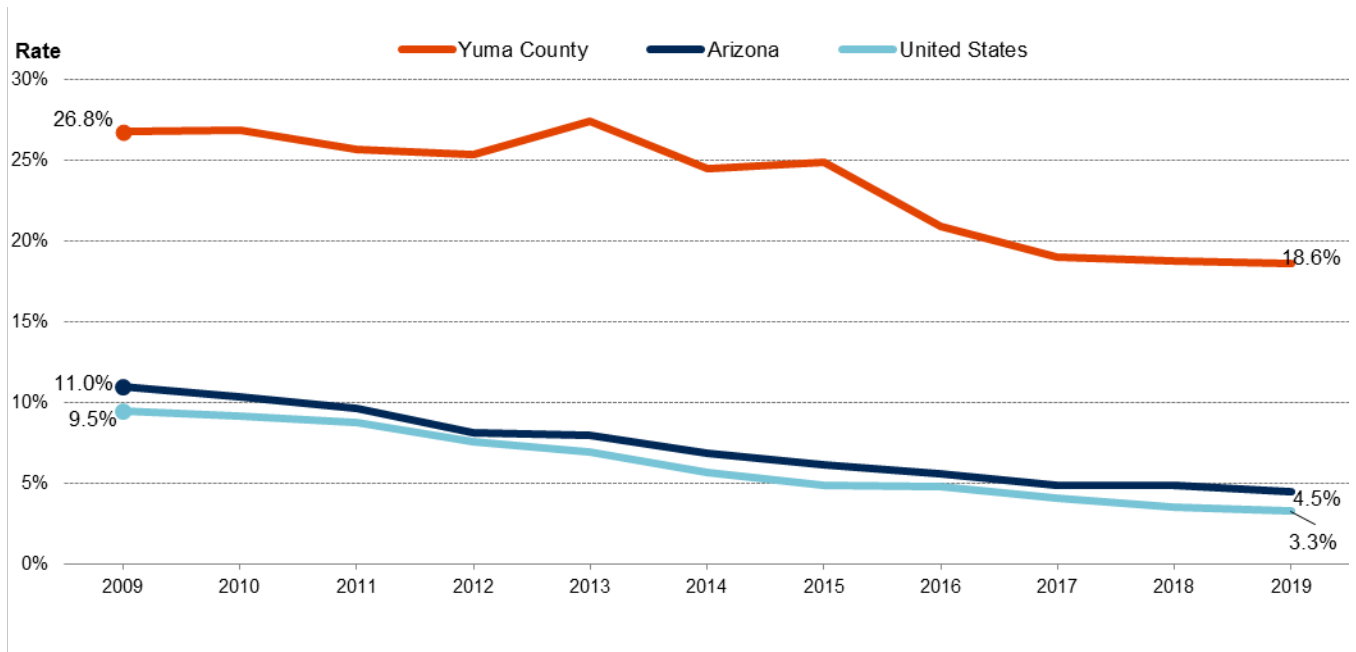
Understanding the current educational attainment of your local area's available workforce is a crucial step in identifying job seeker and business needs. Education is an important element in determining job success, and, oftentimes, can lead to higher-paying jobs and lower rates of unemployment.³

- Yuma residents 25 and older with a high school diploma (75.6 percent) is below the statewide rate (87.5 percent). However, in 2018, the percentage of Yuma residents with a high school diploma or higher increased from 72.3 percent in 2017.
- The percentage of Yuma residents with lower than a high school diploma decreased from 28.3 percent in 2017 to 24.4 percent in 2018.
- The share of Yuma residents with a bachelor's degree or higher increased from 13.9 percent in 2013 to 16.8 in 2018.

³ 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

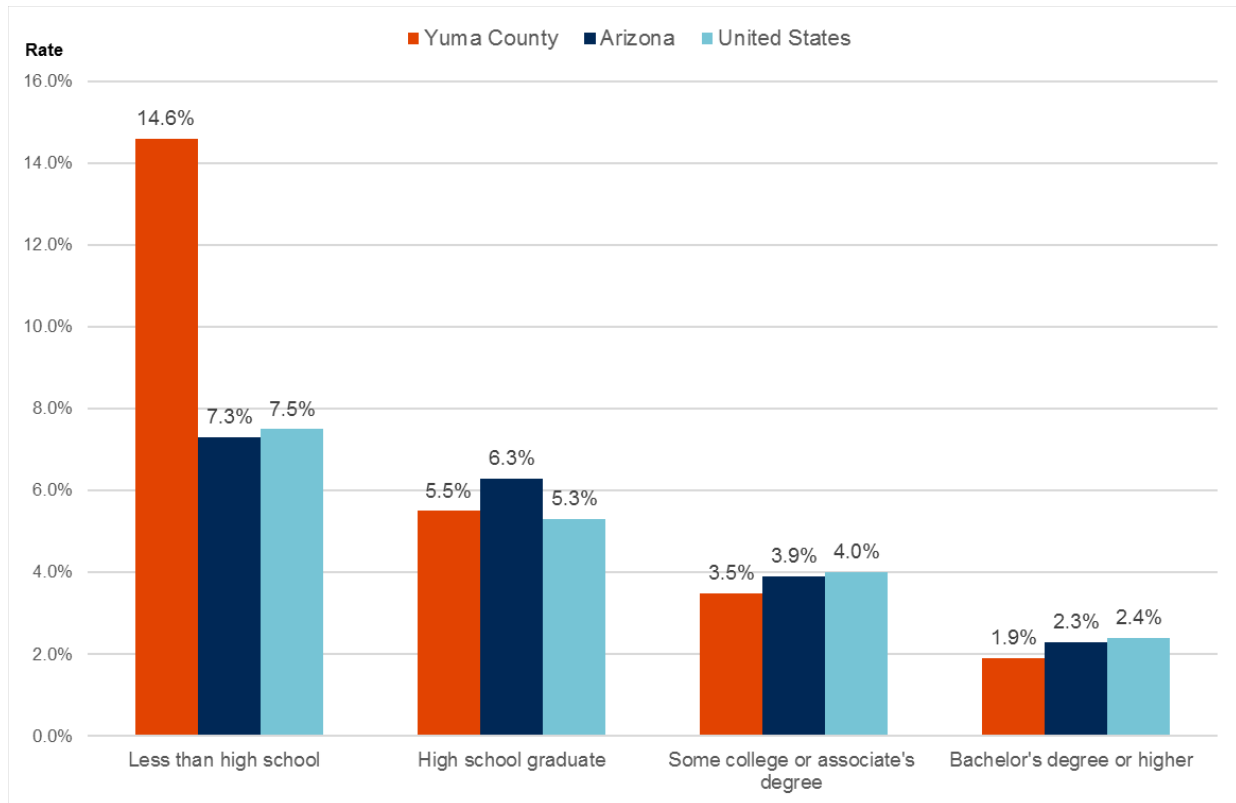
Unemployment Rate Comparisons, Sept. 2009-Sept. 2019, Not-Seasonally Adjusted



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

- Over the past ten years, Yuma County’s unemployment rate has remained dramatically higher than the statewide and national rate.
- Over the past ten years, Yuma County has had the highest unemployment rate of any county in Arizona.
- Despite high unemployment the number of people in Yuma County’s labor force increased from an average of 95,707 in 2017, to 97,636 in 2018.
- In 2018, there was an average of 16,639 unemployed individuals in Yuma County.

Unemployment Rate by Educational Attainment, 2018, Ages 25-64



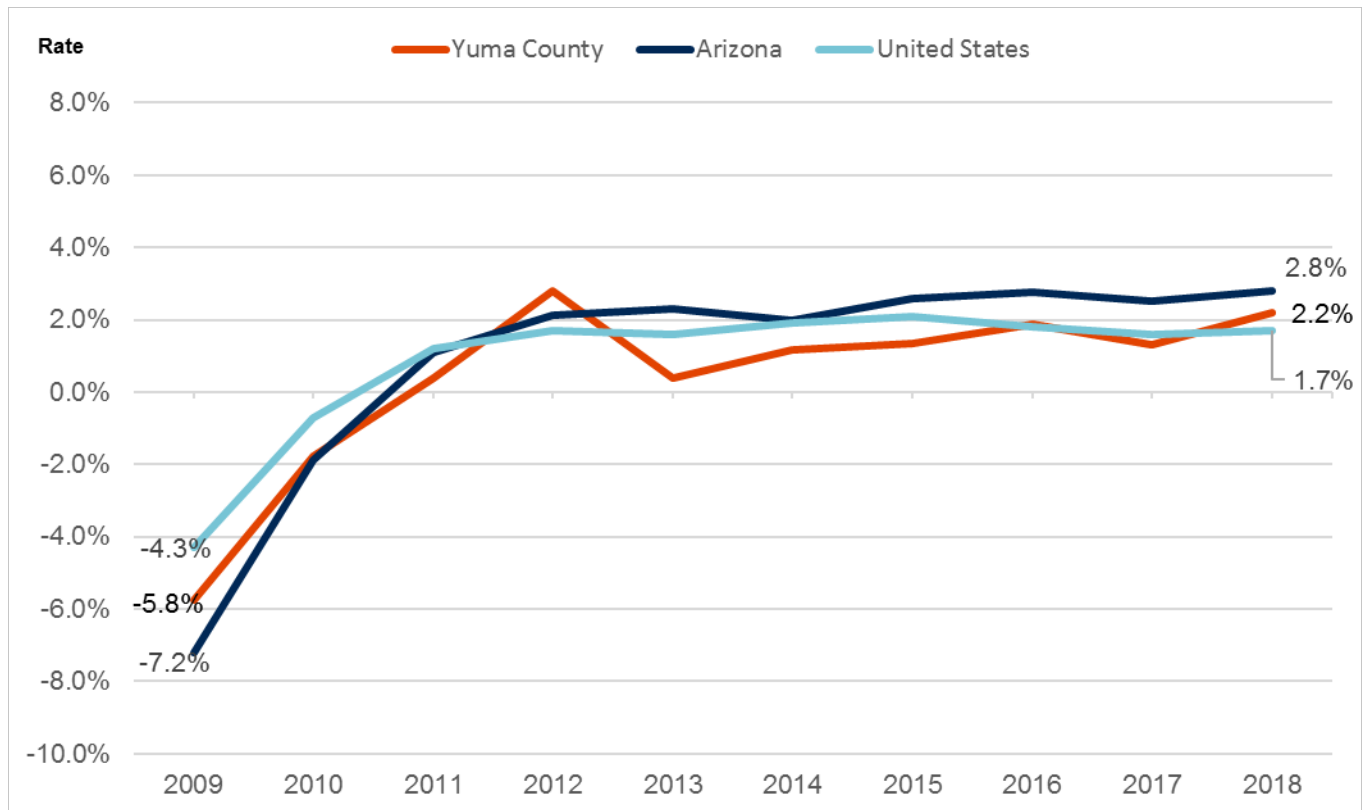
Source: U.S. Census American Community Survey, 2018 1-Year Estimates
Office of Economic Opportunity

Historically, higher educational attainment levels lead to lower levels of unemployment.⁴ Understanding the relationship between unemployment and education can help determine which education levels are most in need of targeted workforce efforts.

- Unemployment rates for individuals in Yuma County without a high school diploma was nearly double the statewide or national rate.
- For individuals with a high school diploma or higher, the unemployment rate is lower for those in Yuma County than Arizona overall.

⁴ National Center for Educational Statistics. (2019). "Employment and Unemployment Rates by Educational Attainment." Retrieved from https://nces.ed.gov/programs/coe/indicator_cbc.asp

Nonfarm Employment Year-Over-Year Percentage Change, 2009-2018, Not Seasonally Adjusted



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

- Average total nonfarm employment increased 5,100 jobs from 2009 to 2018, an annualized increase of 1.1 percent over this period. Over this same period, Arizona average total nonfarm employment increased by an annual average of 1.8 percent.
- Despite a high unemployment rate, nonfarm job growth has trended closely to statewide job growth.

Yuma County Private Sector Industry Employment, 2013-2018

Industry	Employment (2013)	Employment (2018)	Numeric Growth (2013-2018)	Annualized Percentage Growth (2013-2018)
Construction	2,346	2,644	298	2.4%
Education and Health Services	7,314	8,260	946	2.5%
Financial Activities	1,724	1,846	122	1.4%
Information	561	496	-65	-2.4%
Leisure and Hospitality	5,490	6,081	591	2.1%
Manufacturing	1,990	2,897	907	7.8%
Natural Resources and Mining	17,784	0	---	---
Other Services	1,128	1,298	170	2.8%
Professional and Business Services	6,024	6,998	974	3.0%
Trade Transportation and Utilities	10,196	11,453	1,257	2.4%

NOTE: Employment reflects 4th quarter levels and private employment only.

Source: Quarterly Census of Employment and Wages

Office of Economic Opportunity

- Industries with the highest annualized percentage growth was led by Manufacturing (7.8 percent) and Professional and Business Services (3.0 percent).
- From 2013 to 2018, Trade, Transportation, and Utilities had the largest increase in the amount of people.

Projected Area Employment, 2018-2020

Area	Projected Employment (2018)	Projected Employment (2020)	Projected Numeric Growth (2018-2020)	Annualized Percentage Growth (2018-2020)
Arizona	3,015,242	3,180,933	165,691	2.7%
City of Phoenix	984,294	1,025,152	40,858	2.1%
Maricopa Workforce Area*	1,149,559	1,247,158	97,599	4.2%
Coconino County	70,609	72,920	2,311	1.6%
Mohave and La Paz	62,236	65,596	3,360	2.7%
Northeastern Arizona	65,904	67,190	1,286	1.0%
Pima County	398,986	410,891	11,905	1.5%
Pinal County	67,567	69,560	1,993	1.5%
Santa Cruz County	15,145	15,246	101	0.3%
Southeastern Arizona	61,057	61,638	581	0.5%
Yavapai County	71,809	75,770	3,961	2.7%
Yuma County	67,951	69,817	1,866	1.4%

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 projected to record positive employment growth from 2018 to 2020.
- Yuma County is projected to have a growth rate of 1.4% through 2020, below the statewide growth rate.

Yuma County Projected Industry Employment, 2018-2020

Area	Projected Employment (2018)	Projected Employment (2020)	Projected Numeric Growth (2018-2020)	Annualized Percentage Growth (2018-2020)
Construction	2,587	2,814	227	4.3%
Education and Health Services	12,474	12,729	255	1.0%
Financial Activities	1,918	1,955	37	1.0%
Government	6,902	6,941	39	0.3%
Information	517	520	3	0.3%
Leisure and Hospitality	7,189	7,415	226	1.6%
Manufacturing	2,488	2,597	109	2.2%
Natural Resources and Mining	8,695	9,097	402	2.3%
Other Services	1,677	1,739	62	1.8%
Professional and Business Services	7,120	7,136	16	0.1%
Trade Transportation and Utilities	11,695	11,922	227	1.0%

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 Yuma County, Construction is projected to record the largest annual growth rates, increasing by 4.3 percent through 2020.
- All industries in Yuma County are projected to have positive growth through 2020.
- By 2020, Education and Health Services is projected to become the industry that employs the most people in Yuma County.

ARIZONA

OFFICE OF ECONOMIC OPPORTUNITY

118 North 7th Avenue | Suite 400
Phoenix, Arizona 85007

Phone: 602.771.2222

Email: Laborinfo@oeo.az.gov