

# ARIZONA

OFFICE OF ECONOMIC OPPORTUNITY

January 8, 2023

# ECONOMIC CONDITIONS REPORT

Yavapai County

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**FOR FURTHER INFORMATION:**

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## **ABOUT THIS REPORT**

This report was created to assist Arizona Local Workforce Development Areas in completing their 2024-2027 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.

### **Labor Market**

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.

### **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.

# POPULATION

## Population Growth by County, 2016-2021

Area	Population Estimate (2016)	Population Estimate (2021)	Numeric Change (2016-2021)	Annualized Percent Change (2016-2021)
United States	318,558,162	329,725,481	11,167,319	0.7%
Arizona	6,797,006	7,285,370	488,364	1.4%
Apache County	68,305	66,411	-1,894	-0.6%
Cochise County	125,414	126,463	1,049	0.2%
Coconino County	142,846	147,434	4,588	0.6%
Gila County	53,325	53,525	200	0.1%
Graham County	38,356	39,025	669	0.3%
Greenlee County	9,834	9,593	-241	-0.5%
La Paz County	17,676	16,820	-856	-1.0%
Maricopa County	4,154,976	4,507,419	352,443	1.6%
Mohave County	203,956	216,527	12,571	1.2%
Navajo County	106,763	107,748	985	0.2%
Pima County	1,013,296	1,058,318	45,022	0.9%
Pinal County	392,646	439,128	46,482	2.3%
Santa Cruz County	47,075	48,468	1,393	0.6%
<b>Yavapai County</b>	221,970	241,173	19,203	1.7%
Yuma County	200,568	207,318	6,750	0.7%

Source: Office of Economic Opportunity Population Estimates

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 activity<sup>1</sup> and workforce diversity.

- Arizona had one of the fastest growing populations in the United States from 2020-2021, ranking 3<sup>rd</sup> among all U.S. states in numeric growth and 4<sup>th</sup> in percent growth.
- Yavapai County accounted for 3.9 percent of Arizona’s total population growth from 2016 to 2021, growing by 19,203 people or 1.7 percent. In 2021, Yavapai County made up 3.3 percent of the state’s total population.
- Out of 15 counties, Yavapai County experienced the highest rate of population growth in Arizona.
- In 2021, twelve percent of individuals who moved to Yavapai County from a different U.S. state were prime-working age adults (25 to 54 years).<sup>2</sup>

<sup>1</sup> 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](http://www.jstor.org/stable/25487661)

<sup>2</sup> U.S. Census Bureau, American Community Survey, 5 Year estimates. (2016-2021). Geographic Mobility by Selected Characters, Table S0701. Available from [data.census.gov](http://data.census.gov).

## Yavapai County Population Projections, 2022-2026

Year	Population Estimate	Projected Numeric Change	Projected Percentage Change	Projected Natural Change <sup>1</sup>	Projected Total Net Migration <sup>2</sup>
2022	245,389	-----	-----	-2,371	6,587
2023	250,074	4,685	1.9%	-1,814	6,381
2024	254,704	4,630	1.9%	-1,670	6,176
2025	259,282	4,578	1.8%	-1,522	5,970
2026	263,450	4,168	1.6%	-1,596	5,764

<sup>1</sup> Natural Change = Births – Deaths

<sup>2</sup> 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.<sup>3</sup> 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.
- Yavapai County is projected to add 18,061 people to its population from 2022-2026.
- All of Yavapai’s projected change is projected to come from migration into the county, it is one of the few Arizona counties with a projected negative natural change.

## Population Characteristics, 2021

Indicator	Yavapai County	Arizona	United States
Population 16 Years and Over	200,779	5,650,624	264,087,642
Civilian Labor Force Participation Rate 16 and Over	49%	60%	63%
Median Household Income	\$56,170	\$65,913	\$69,021
Families in Poverty	8%	10%	9%
Median Age	54	38	38
Individuals with a Disability	18%	13%	13%
Veterans	13%	9%	7%
Uninsured	11%	11%	9%

Source: U.S. Census Bureau, American Community Survey, 2021, 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 to best meet the needs of their unique population.

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

- Median age was significantly higher in Yavapai County than in Arizona or the United States.
- The labor force participation rate was substantially lower in Yavapai County when compared with Arizona, most likely due to the county's aging population who are no longer working.
- Median household income has historically been lower in Yavapai County than in Arizona or the United States. Despite a median household income lower than the state, the rate of families in poverty in Yavapai County was lower than the statewide rate.

### Highest Education Achieved, 2021, Population Over 25 Years of Age

Indicator	Yavapai County	Arizona	United States
Less than High School	2.2%	4.9%	4.8%
High School Graduate (includes equivalency)	25.2%	23.5%	26.5%
Some College, no degree	29.3%	24.6%	20.0%
Associate's Degree	9.4%	9.0%	8.7%
Bachelor's Degree	16.1%	19.3%	20.6%
Graduate or Professional Degree	11.6%	11.9%	13.1%

Source: U.S. Census Bureau, American Community Survey, 2021 5-Year Estimates, Table S1501 Office of Economic Opportunity

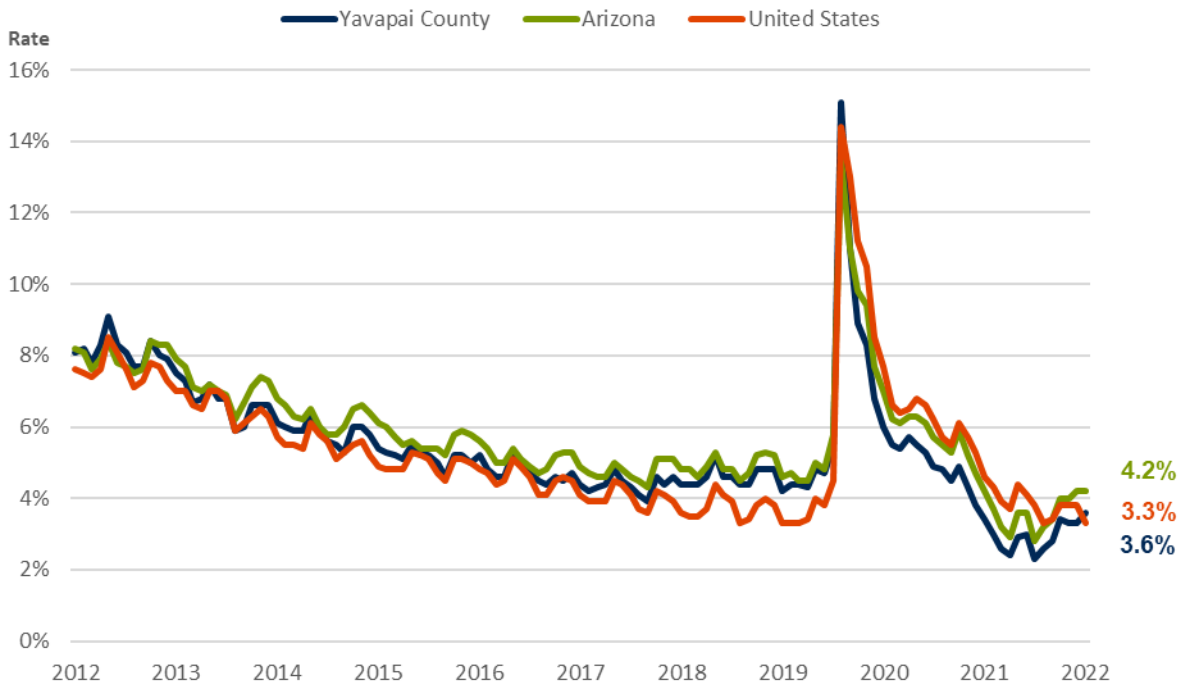
Understanding the current educational attainment of your local area's available workforce is a crucial step in identifying job seeker and business needs. Education is an important element in determining job success, and, oftentimes, can lead directly to higher-paying jobs and lower rates of unemployment.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

- Ninety-two percent of Yavapai County residents aged 25 and over have graduated from high school, greater than the statewide rate of 88 percent.
- Comparatively, the percentage of Yavapai County's population with a bachelor's degree or higher is 3.0 percent less than the state's.

<sup>4</sup> 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

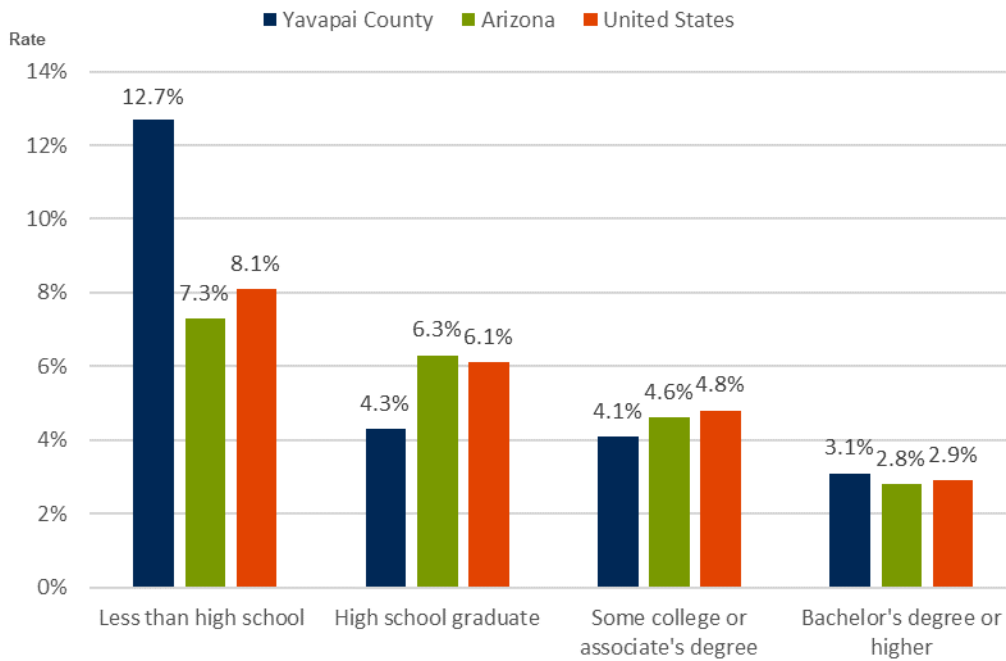
## Unemployment Rate Comparisons, Sep 2012-Sep 2022, Not-Seasonally Adjusted



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

- Yavapai County's unemployment rate for the past 10 years has trended closely with the statewide rate.
- Since the pandemic, Yavapai County's unemployment rate has remained lower than the national rate.
- Yavapai County's labor force level increased from an annual average of 104,290 in 2020 to an annual average of 105,108 in 2021. Prior to the pandemic (2017-2019), Yavapai County's average labor force level was 101,453 people.
- In 2021, there was an annual average of 4,337 unemployed people in Yavapai County, compared to 5,930 unemployed people in 2020. Prior to the pandemic (2017-2019), Yavapai County averaged 4,589 unemployed people.
- The average unemployment rate in Yavapai County during 2021 was 4.1 percent, 1.7 percent lower than the average from the previous nine years.

## Unemployment Rate by Educational Attainment, 2021, Ages 25-64



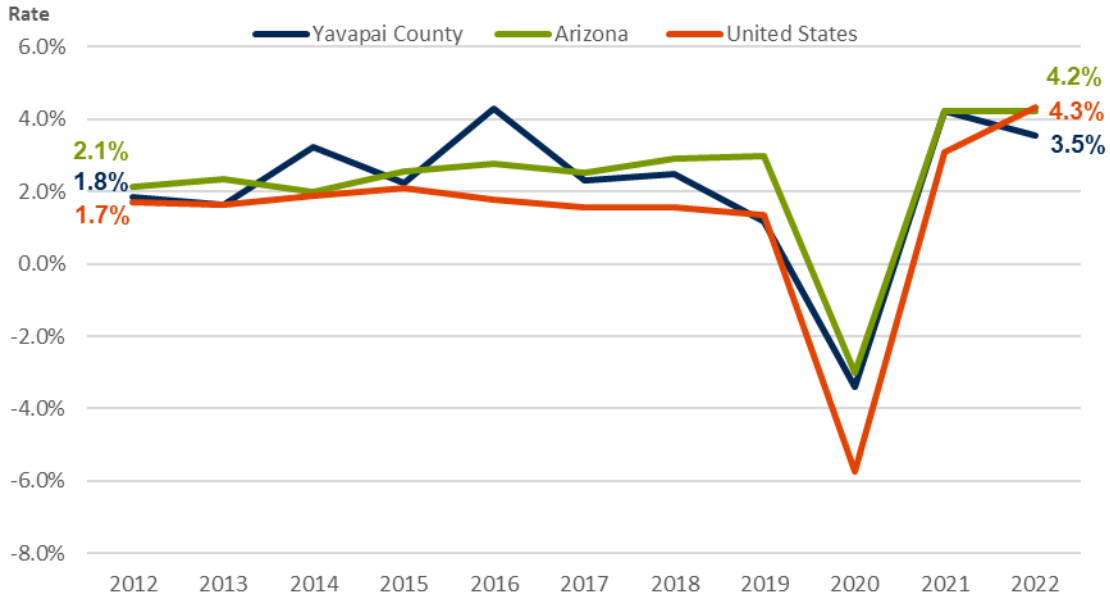
Source: U.S. Census American Community Survey, 2021 5-Year Estimates, Table S2301  
Office of Economic Opportunity

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

- When compared to the state and nationwide unemployment rates, Yavapai County's rate was higher across all educational attainment levels except for those with a high school diploma or some college/associate's degree.
- The unemployment rate for individuals with less than a high school diploma was higher in Yavapai County (12.7 percent) when compared with Arizona (7.3 percent) and the United States (8.1 percent).
- For someone with a high school diploma or equivalent, the unemployment rate is nearly 2.0 percent lower in Yavapai County than both Arizona and the United States.

<sup>5</sup> National Center for Educational Statistics. (2019). "Employment and Unemployment Rates by Educational Attainment." Retrieved from [https://nces.ed.gov/programs/coe/indicator\\_cbc.asp](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

- Yavapai County total nonfarm employment increased by 6,900 jobs from 2012-2022, an annualized increase of 3.7 percent over this nine-year period. Over this same period, Arizona average total nonfarm employment increased by 2.2 percent.
- Since 2011, Yavapai County's job growth has generally trended above the state's growth rate.



## Yavapai County Private Sector Industry Employment, 2016-2021

Industry	Average Employment (2016)	Average Employment (2021)	Numeric Growth (2016-2021)	Annualized Percentage Growth (2016-2021)
Construction	3,845	5,504	1,658	7.4%
Professional and Business Services	1,129	1,614	485	7.4%
Natural Resources and Mining	626	792	165	4.8%
Other Services	1,631	1,948	317	3.6%
Financial Activities	929	1,104	175	3.5%
Manufacturing	3,582	3,758	176	1.0%
Leisure and Hospitality	5,057	5,251	194	0.8%
Trade Transportation and Utilities	3,261	3,347	86	0.5%
Education and Health Services	6,522	6,470	-52	-0.2%
Information	689	529	-160	-5.2%

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

- Eight of the private-sector industries recorded employment growth from 2016 to 2021, increasing by 30,044 jobs over this period.
- Of the 10 private sector industries, Education and Health Services made up the largest share of employment in 2021, followed by Construction.
- Construction experienced the largest numeric growth from 2016-2021 (1,658 jobs, 7.4%).

## Projected Industry Employment, 2021-2023

Area	Projected Employment (2021)	Projected Employment (2023)	Projected Numeric Growth (2021-2023)	Annualized Percentage Growth (2021-2023)
Arizona	3,109,190	3,375,515	266,325	4.2%
Balance of Maricopa	1,219,259	1,337,167	117,908	4.7%
City of Phoenix	1,013,840	1,095,437	81,597	3.9%
Coconino County	64,430	70,044	5,614	4.3%
Mohave and La Paz Counties	65,909	71,189	5,280	3.9%
Northeastern Arizona	64,496	68,182	3,686	2.8%
Pima County	397,174	427,695	30,521	3.8%
Pinal County	71,978	78,038	6,060	4.1%
Santa Cruz County	14,735	15,461	726	2.4%
Southeastern Arizona	54,206	57,926	3,720	3.4%
<b>Yavapai County</b>	71,559	77,411	5,852	4.0%
Yuma County	71,560	76,512	4,952	3.4%

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 expected to record employment growth from 2021 to 2023.

- Yavapai County is projected to grow at 4.0 percent, below the statewide growth rate of 4.2 percent.

### Yavapai County Workforce Area Projected Industry Employment, 2021-2023

Industry	Projected Employment (2021)	Projected Employment (2023)	Projected Numeric Growth (2021-2023)	Annualized Percentage Growth (2021-2023)
Leisure and Hospitality	10,497	12,258	1,761	8.1%
Information	600	674	74	6.0%
Professional and Business Services	5,235	5,796	561	5.2%
Financial Activities	2,340	2,527	187	3.9%
Education and Health Services	16,269	17,336	1,067	3.2%
Natural Resources and Mining	2,278	2,428	150	3.2%
Construction	5,708	6,070	362	3.1%
Other Services	2,863	3,011	148	2.6%
Trade Transportation and Utilities	13,248	13,892	644	2.4%
Manufacturing	3,977	4,065	88	1.1%

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.

- All 10 of the private sector industries are expected to gain jobs through 2023.
- In Yavapai County, Leisure and Hospitality is projected to record the largest growth rates, increasing by 8.1 percent annually through 2023.
- Information is projected to grow the second fastest in Yavapai County.
- In 2023, the industry that employs the most people is projected to remain Education and Health Services.

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