

ARIZONA

OFFICE OF ECONOMIC OPPORTUNITY

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ECONOMIC CONDITIONS REPORT

Cochise, Greenlee, and Graham 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 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%
Yavapai County	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 activity¹ and workforce diversity.

- Arizona had one of the fastest growing populations in the United States from 2020-2021, ranking 3rd among all U.S. states in numeric growth and 4th in percent growth.²
- Collectively, the three Southeastern counties accounted for 0.3 percent of Arizona's 2016-2021 population growth and 2.3 percent of the state's total 2021 population.
- All Southeastern Arizona losses in population occurred within Cochise County.
- In 2021, Southeastern Arizona comprised 2.4 percent of Arizona's 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. (2021). *New Vintage 2021 Population Estimates Available for the Nation, States and Puerto Rico* [press release]. Available from [census.gov](https://www.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.

Cochise County Population Projections, 2022-2026

Year	Population Estimate	Projected Numeric Change	Projected Percentage Change	Projected Natural Change ¹	Projected Total Net Migration ²
2022	126,648	-----	-----	-617	802
2023	127,241	593	0.5%	-346	755
2024	127,845	604	0.5%	-286	707
2025	128,464	619	0.5%	-224	660
2026	128,846	381	0.3%	-232	613

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

- Cochise County is projected to add 2,198 people to its population from 2022-2026.
- Cochise County is one of the few Arizona counties to experience negative natural change. All of the County's population growth is projected to come from migration.

Greenlee County Population Projections, 2022-2026

Year	Population Estimate	Projected Numeric Change	Projected Percentage Change	Projected Natural Change ¹	Projected Total Net Migration ²
2022	9,652	-----	-----	0	59
2023	9,670	18	0.2%	20	-6
2024	9,702	32	0.3%	41	-12
2025	9,748	46	0.5%	60	-18
2026	9,784	37	0.4%	61	-24

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

- Greenlee County is projected to add 132 people to its population from 2022-2026.
- Most of the growth during this timeframe is projected to come from natural change.

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/>

Graham County Population Projections, 2022-2026

Year	Population Estimate	Projected Numeric Change	Projected Percentage Change	Projected Natural Change ¹	Projected Total Net Migration ²
2022	39,010	----	----	23	-38
2023	39,168	158	0.4%	101	-16
2024	39,386	218	0.6%	139	6
2025	39,665	279	0.7%	178	29
2026	39,894	229	0.6%	178	51

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

- Graham County is projected to add 884 people to its population from 2022-2026.
- Most of the growth during this timeframe is projected to come from natural change.

Population Characteristics, 2021

Indicator	Cochise County	Greenlee County	Graham County	Arizona	United States
Population 16 Years and Over	101,053	7,262	29,205	5,650,624	264,087,642
Civilian Labor Force Participation Rate 16 and Over	47%	59%	49%	60%	63%
Median Household Income	\$55,077	\$67,723	\$57,105	\$65,913	\$69,021
Families in Poverty	10%	7%	16%	10%	9%
Median Age	41	36	34	38	38
Individuals with a Disability	18%	12%	14%	13%	13%
Veterans	19%	8%	6%	9%	7%
Uninsured	8%	2%	8%	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 what best meets the needs of their unique population.

- The labor force participation rate in all three Southeastern counties is lower when compared with the state and nationwide rates.
- The median household income for Cochise and Graham Counties are substantially lower than the median for Arizona and the United States.
- All three Southeastern counties have a lower rate of uninsured individuals than the state and nation.
- Graham County has a higher rate of families in poverty than the state and nation.

Highest Educational Achievement, 2021, Population Over 25 Years of Age

Indicator	Cochise County	Greenlee County	Graham County	Arizona	United States
Less than High School	4.7%	3.9%	4.4%	4.9%	4.8%
High School Graduate (includes equivalency)	24.4%	32.6%	29.6%	23.5%	26.5%
Some College, no degree	27.4%	31.4%	28.1%	24.6%	20.0%
Associate's Degree	11.1%	7.7%	11.1%	9.0%	8.7%
Bachelor's Degree	15.9%	13.0%	10.0%	19.3%	20.6%
Graduate or Professional Degree	9.9%	3.0%	4.7%	11.9%	13.1%

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

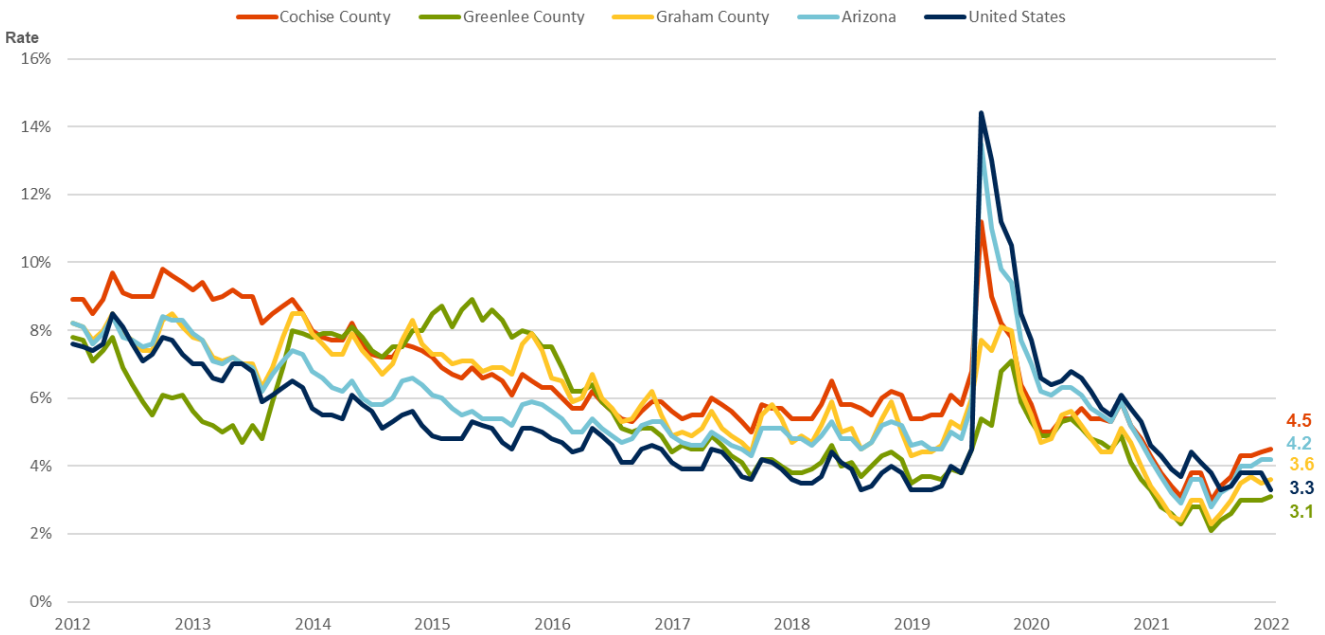
Understanding the current educational attainment of your local area’s available workforce is a crucial step in identifying job seeker and business needs. Education is an important element in determining job success, and, oftentimes, can lead directly to higher-paying jobs and lower rates of unemployment.⁴

- Similar to other rural areas, many Southeastern Arizona residents attend college but do not attain a degree.
- The percentage of individuals with a bachelor’s degree or higher is lower in the three Southeastern Counties than in the state and nation.
- Both Cochise and Greenlee counties have a high school graduation rate equal to or higher than the state average.

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

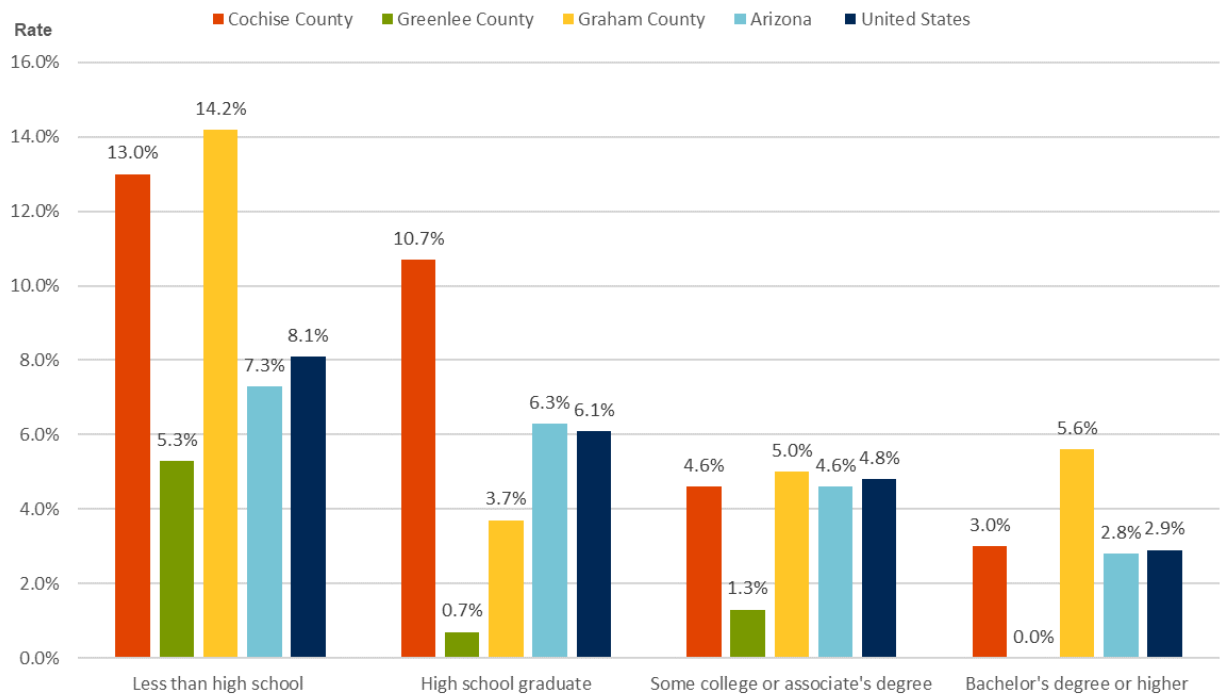
Unemployment Rate Comparisons, Sep 2012-Sep 2022, Not-Seasonally Adjusted



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

- Prior to the pandemic, Southeastern Arizona’s unemployment rates trended higher than the state and nationwide rates.
- Since the pandemic, Southeastern Arizona’s unemployment rates have trended lower than the state and nationwide rates.
- Greenlee County’s unemployment rates fluctuate greatly.
- From 2020-2021, Cochise County’s labor force level decreased from an annual average of 49,558 to an annual average of 49,027, Graham County’s labor force level increased from an annual average of 15,554 to an annual average of 15,695, and Greenlee County’s labor force level increased from an annual average of 4,325 to an annual average of 4,343. Cochise County, Graham County, and Greenlee County had average historic labor force levels (2017-2019) of 48,342, 14,456, and 4,125, respectively.
- The average unemployment rate in Cochise County during 2021 was 4.8 percent, 2.2 percent lower than the average from the previous nine years.
- The average unemployment rate in Graham County during 2021 was 4.1 percent, 2.4 percent lower than the average from the previous nine years.
- The average unemployment rate in Greenlee County during 2021 was 4.0 percent, 1.9 percent lower than the average from the previous nine years.

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



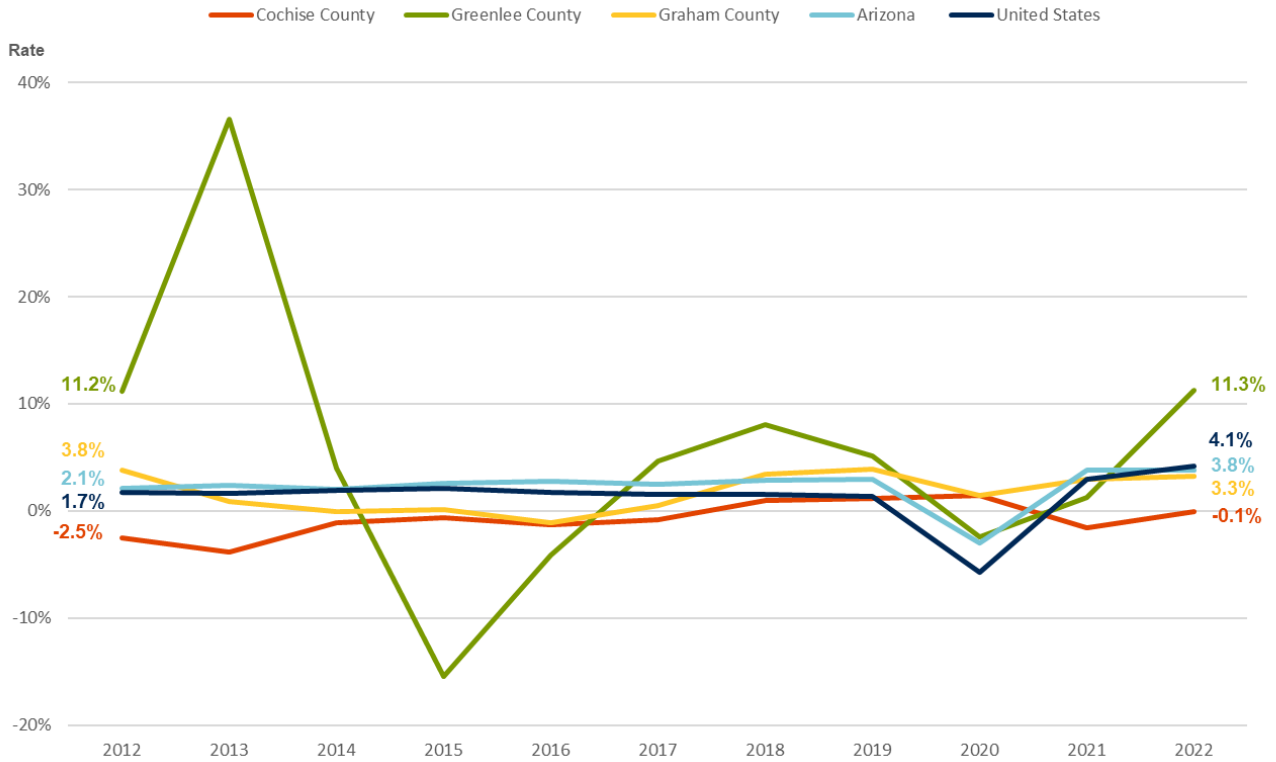
Source: U.S. Census American Community Survey, 2021 5-Year Estimates, Table S2301
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Historically, higher educational attainment levels have been associated with lower levels of unemployment.⁵ Understanding the relationship between unemployment and education can help determine which education levels are most in need of targeted workforce efforts.

- The unemployment rates in Greenlee County were lower than the state and national rates across all educational attainment levels.
- Graham and Cochise Counties had the highest levels of unemployment; both rates were nearly double the statewide rate for individuals who did not graduate high school.
- Unemployment rates in Cochise County dropped significantly as education level increased.

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

- Arizona saw an average year-over-year increase of 2.2 percent from 2012-2022.
- Cochise County's average total nonfarm employment decreased by -1,666 jobs from 2011-2022, an annualized decrease of -0.5 percent over this 10-year period.
- Graham County's average total nonfarm employment increased by 1,307 jobs from 2011-2022, an annualized increase of 1.4 percent over this 10-year period.
- Greenlee County's average total nonfarm employment increased by 1,235 jobs from 2011-2022, an annualized increase of 2.8 percent over this 10-year period.

Southeastern Arizona Private Sector Industry Employment, 2016-2021

Industry	Average Employment (2016)	Average Employment (2021)	Numeric Growth (2016-2021)	Annualized Percentage Growth (2016-2021)
Construction	1,745	2,569	824	8.0%
Trade Transportation and Utilities	2,073	2,188	115	1.1%
Professional and Business Services	1,588	1,649	61	0.8%
Manufacturing	879	899	20	0.5%
Leisure and Hospitality	2,392	2,385	-7	-0.1%
Natural Resources and Mining	614	574	-41	-1.4%
Financial Activities	567	505	-62	-2.3%
Other Services	908	797	-110	-2.6%
Information	522	450	-72	-2.9%
Education and Health Services	3,812	2,994	-818	-4.7%

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

- Four of the private-sector industries in Southeastern Arizona recorded employment growth from 2016 to 2021; however, there was a total decrease of -89 jobs over this period.
- Of the 10 private-sector industries, Education and Health Services made up the largest share of employment in 2021 despite recording the largest losses.
- Construction experienced the largest numeric growth from 2016 to 2021.

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%
Yavapai County	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.
- Southeastern Arizona is projected to grow at 3.4 percent, less than the statewide growth rate of 4.2 percent.

Southeastern Arizona Workforce Area Projected Industry Employment, 2021-2023

Industry	Projected Employment (2021)	Projected Employment (2023)	Projected Numeric Growth (2021-2023)	Annualized Percentage Growth (2021-2023)
Construction	2,486	2,907	421	8.1%
Leisure and Hospitality	4,939	5,619	680	6.7%
Professional and Business Services	5,234	5,635	401	3.8%
Financial Activities	1,110	1,178	68	3.0%
Education and Health Services	10,426	10,992	566	2.7%
Information	484	510	26	2.7%
Trade Transportation and Utilities	9,077	9,485	408	2.2%
Natural Resources and Mining	7,163	7,346	183	1.3%
Other Services	1,245	1,276	31	1.2%
Manufacturing	922	926	4	0.2%

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 private sector industries in Southeastern Arizona are projected to experience growth through 2023.
- Construction is projected to lead growth (8.1 percent), followed by Leisure and Hospitality (6.7 percent).
- Education and Health Services is projected to remain the industry that employs the most people in Southeastern Arizona.

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