

3. Analysis

a. Analysis of regional economic conditions

ii. Existing and emerging in-demand industry sectors and occupations.

The WIB's Planning Committee periodically reviews local data and economic development reports to determine which industries are critical to the growth of the local economy. It takes into consideration sectors emphasized by the [Pima County Economic Development Plan](#), Update 2015-2017, [Sun Corridor Inc.](#) and the [Arizona Commerce Authority](#).

Here are Industry Projections:

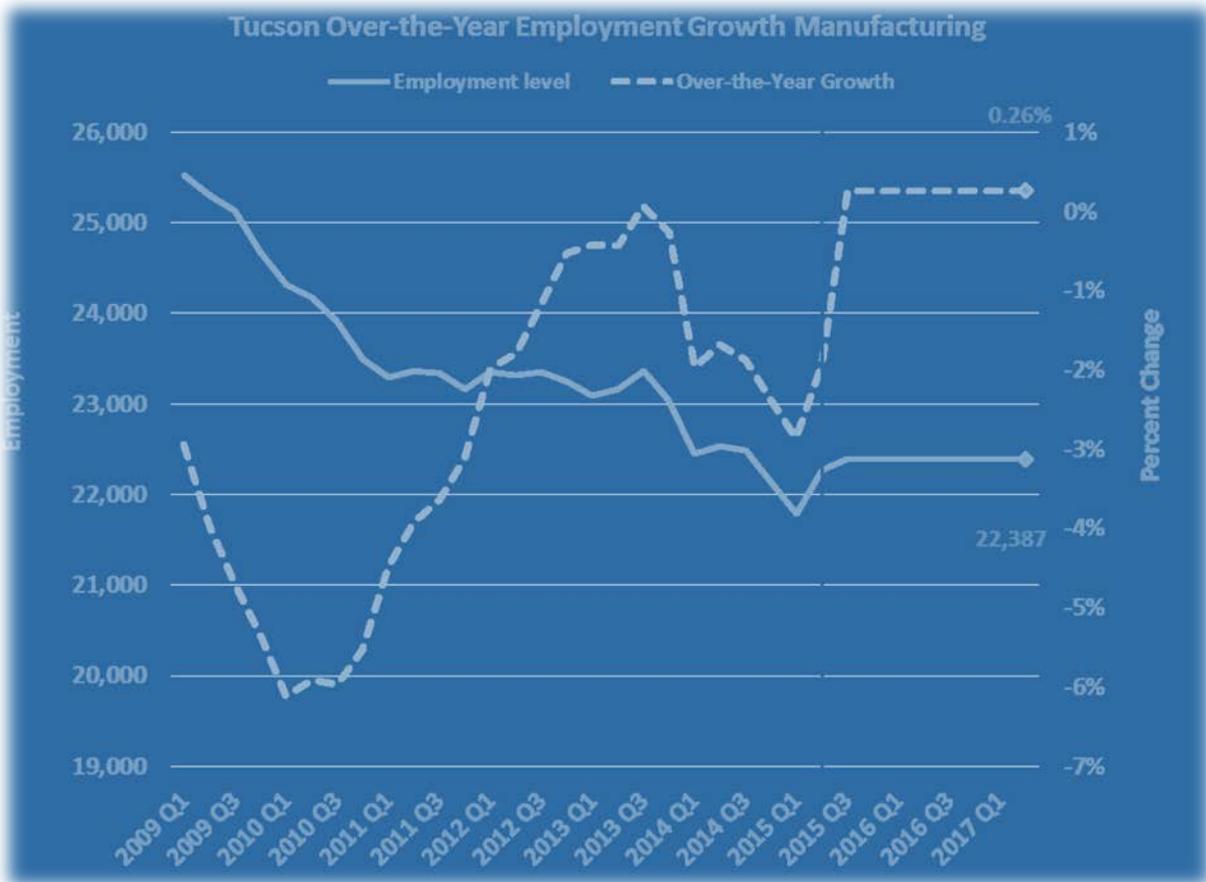
Industry Code	Industry Title	Base Employment 2015 Q2	Projected Employment 2017 Q2	Numeric Change	Percent Change
101100	Natural Resources and Mining	2,982	2,605	-377	-6.50%
101200	Construction	14,786	15,665	879	2.90%
101300	Manufacturing	22,269	22,387	118	0.30%
102100	Trade, Transportation, and Utilities	60,892	62,076	1,184	1.00%
102200	Information	4,385	4,532	147	1.70%
102300	Financial Activities	16,277	17,210	933	2.80%
102400	Professional and Business Services	49,024	52,290	3,266	3.30%
102500	Education and Health Services	96,976	101,403	4,427	2.30%
102600	Leisure and Hospitality	46,108	48,830	2,722	2.90%
102700	Other Services (Except Government)	11,801	12,035	234	1.00%
102800	Government	26,111	26,236	125	0.20%
102900	Unclassified	19,255	19,994	739	1.90%

The [Arizona Commerce Authority](#) has developed a "Sector Strategy" approach for the statewide workforce system. In Pima County, a number of sector initiatives have developed out of a synergistic approach that incorporates integrated cross-program strategies that meet the needs of specific populations and sub-populations as well as the workforce needs of employers in a sector at the regional level. A great example is the Southern Arizona Logistics Education Organization. At the local level, the [One-Stop](#) system has helped industry and education rejuvenate the machinist/manufacturing pipeline. For more detail on Pima County sector strategies, see section 7.

Aerospace and Defense (also a state sector)

The nation's fifth largest aerospace-defense industry sector accounts for 50,000 jobs in southern Arizona, many of which are in Pima County. This includes a

concentration of the highest paid jobs, with military bases, defense contractors, and supporting manufacturers anchored by Davis-Monahan and major companies such as Raytheon, Bombardier, and Sargent Aerospace & Defense, and Worldview.



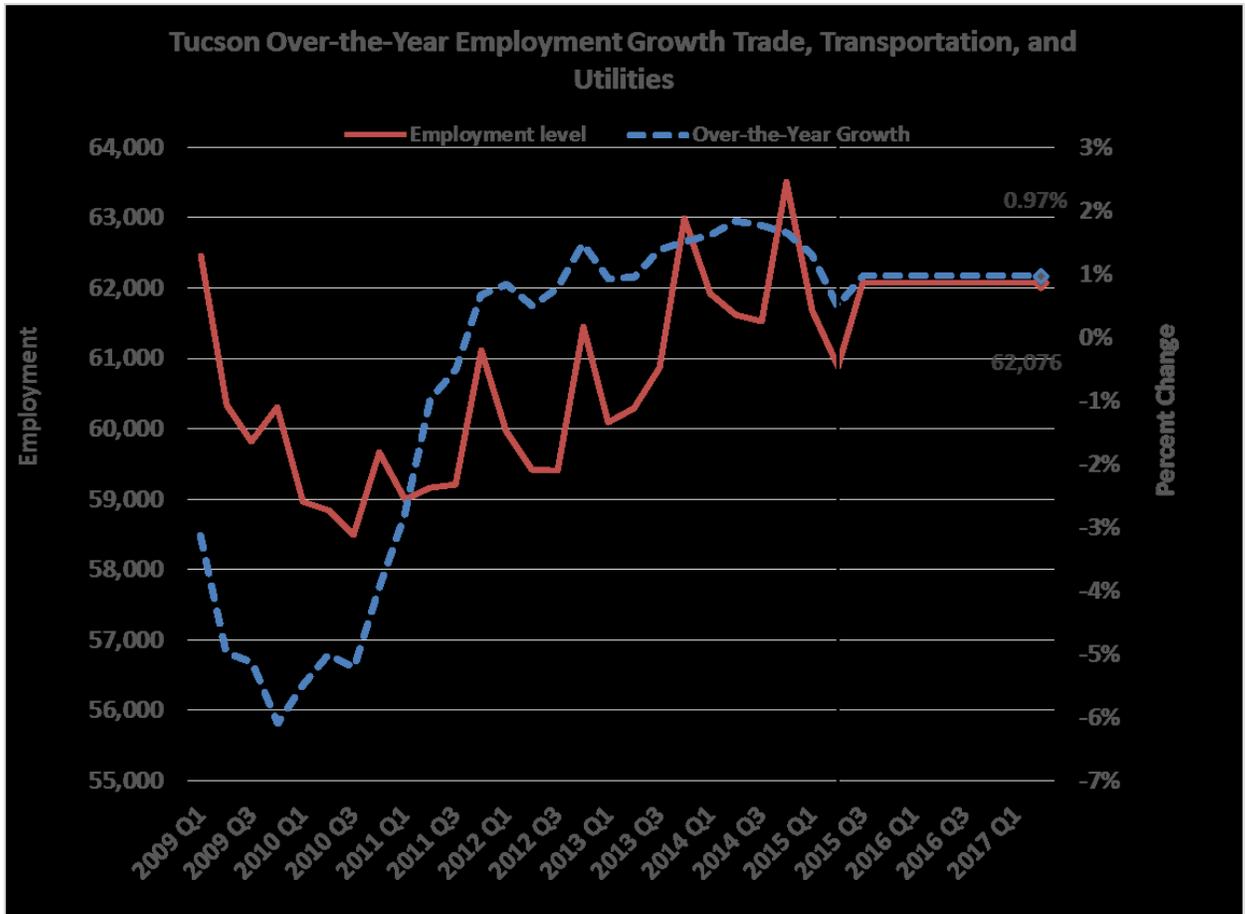
Emerging Technologies

This sector encompasses entrepreneurship research and development, innovation, technology transfer and commercialization. These activities create primary jobs and drive competitiveness. Pima County has 1,200 high tech companies, ranging from established Fortune 500 companies to small start-ups, some of them resulting from technology transfer activities from the [University of Arizona's Tech Launch Arizona](#). The area has had a number of locally grown companies, including Burr-Brown (Texas Instruments) and Ventana Medical Systems (Roche). Today, [Tech Parks Arizona](#), a part of Tech Launch Arizona, features an incubator that houses start-ups as well as IBM, and is currently home to 40 plus companies.

Logistics

The region's strategic location along the U.S.-Mexico border and key trade routes accounts for the prominence of transportation and logistics, with career opportunities in purchasing, expediting, distribution, fleet management, import/export, inventory management, supply-chain management and warehousing. The major crossroads

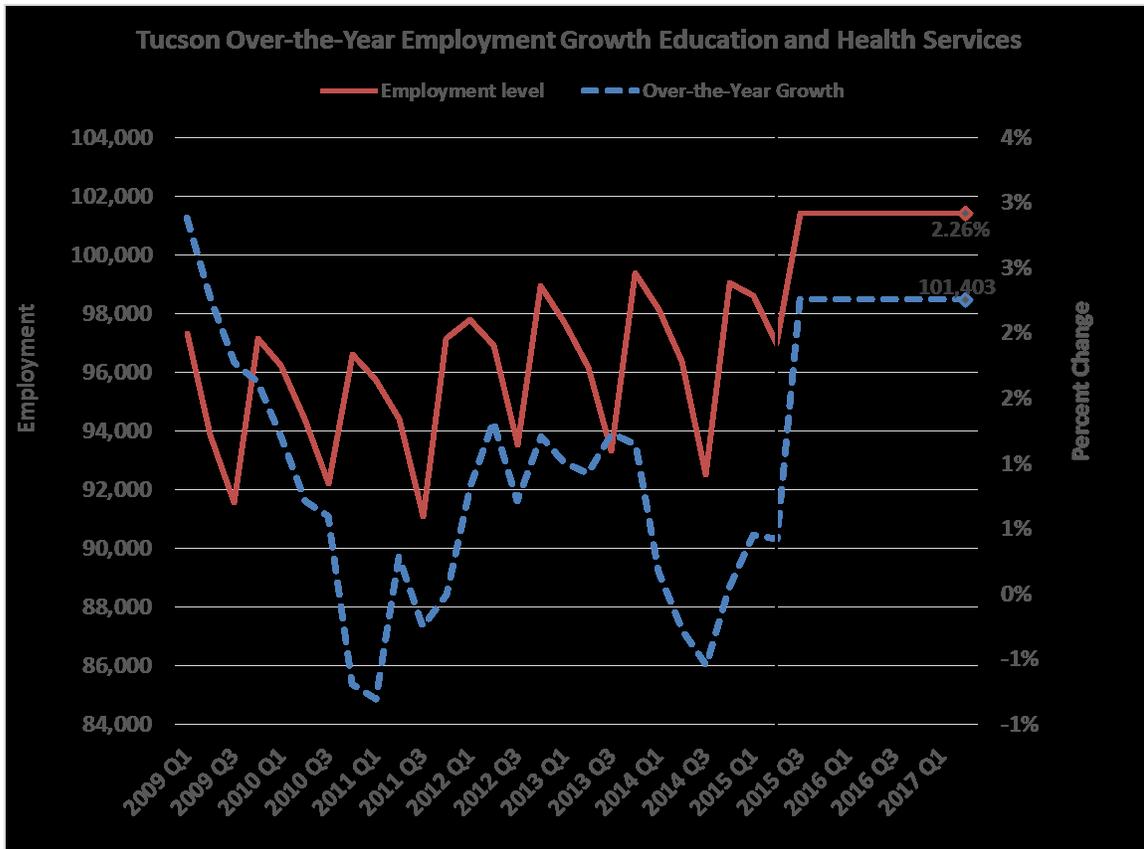
aspect of Pima County, located along Interstates 10 and 19, as well as rail connections running east/west from the sea ports of California and north/south from Mexico, is exemplified by the [Port of Tucson](#), a full service inland port, rail yard and intermodal facility. Major employers in the area include Union Pacific Railroad, American Airlines, Target.com Fulfillment Center, UPS, Off-Shore Group, Biagi Bros. Logistics, ABF Freight and the recently opened 800,000 square foot HomeGoods Distribution Center, serving the Southwestern and Western parts of the U.S.



Health and Bioscience

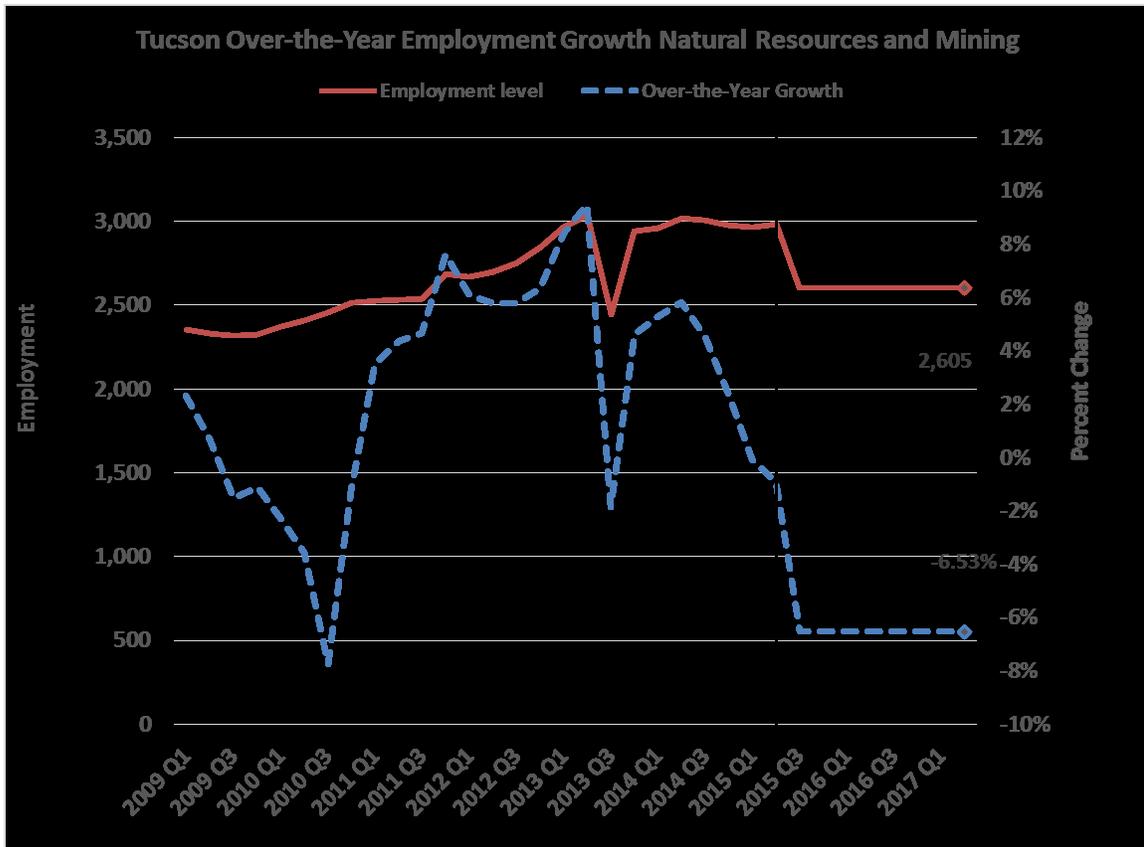
Health care and bioscience are large and vibrant industries that provide a significant number of high-paying jobs in southern Arizona, anchored by the University of Arizona Medical School, and ranging from traditional health occupations, state of the art health information systems, and cutting edge biotechnology businesses.

Employers range from medical offices to hospitals such as [Tucson Medical Center](#), Banner-University Medical Center, Carondelet Health Network, and Northwest Medical Center to biotech firms such as Accelerate Diagnostics, Ventana/Roche and Sanofi Tucson Research Center.



Natural and Renewable Resources

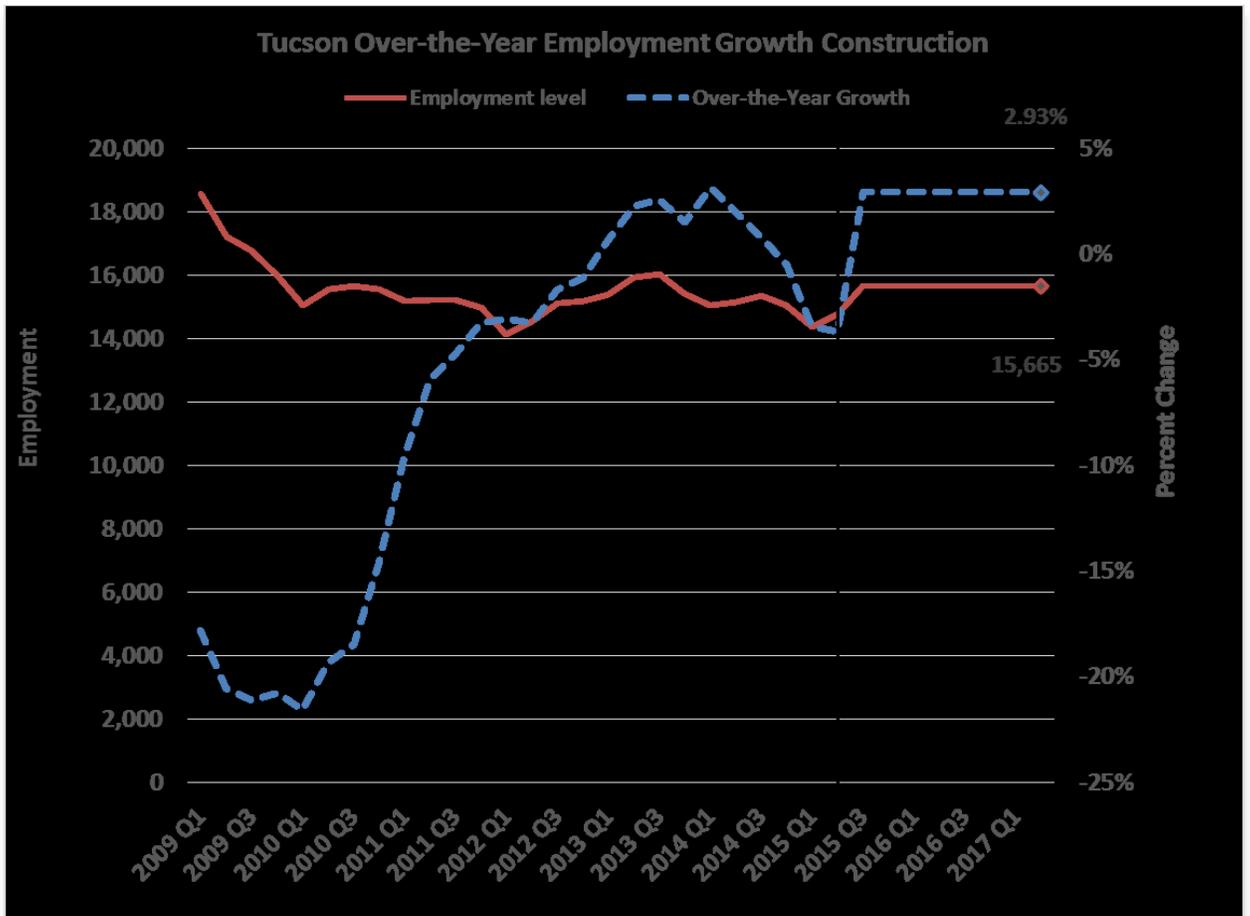
This sector focuses on both the creation of “green” jobs, facilities and systems that help reduce or eliminate reliance on non-replaceable energy sources and the importance of extracting natural resources from the ground. The natural resource aspect of the area features mining firms and suppliers such as Freeport-McMoRan, Asarco, [CAID Industries](#), Caterpillar Proving Grounds and newly announced relocation of Caterpillar’s Surface, Mining & Technology Division to Tucson.



The renewable resource section features “Solar Zone” at the University of Arizona, [Tech Parks Arizona](#) that helps companies conduct research for new photovoltaic and other sun powered systems under the areas’ 311 days of sun each year. The Zone attracts both proven energy suppliers such as [Tucson Electric Power](#) and Duke Energy, to smaller companies such as Arizon Solar, E.On Climate & Renewables North America and REhnu *Next Generation Solar*.

Infrastructure

The foundations of a safe, clean, and connected community include occupations in construction, communication and utilities. Major employers include [Tucson Electric Power](#), Unisource Energy Solutions, [Southwest Gas](#), Cox Communications, CenturyLink, Sundt, Granite Construction, and Ashton Contractors & Engineers.



The Demand Designation Protocol provided by the Arizona Department of Administration was used to define demand occupations within broad groupings as shown in the table below:

Occupational Group	Jobs	Number Projected Change	Percentage Projected Change	Occupational Codes
Healthcare	41,904	1,775	4.2%	29-0000 31-0000
Business Management, Operations, Support	101,698	3,975	3.9%	11-0000 13-0000 43-0000
Production	16,055	477	3.0%	51-0000
Construction, Building/Grounds Maintenance, Installation, Repair	49,365	1,765	4.0%	47-0000 49-0000 37-0000
Transportation and Material Handling	23,279	896	3.67%	53-0000