The August jobs report from the Arizona Office of Economic Opportunity showed Pima County continues to benefit from a hot job market and very high consumer confidence (https://laborstats.az.gov/sites/default/files/Emp-Report.pdf). Since the end of last year, Tucson’s job growth has been among the fastest in the state. The latest numbers show the Tucson metropolitan statistical area (MSA), which encompasses all of Pima County, had the second fastest job growth in the state and the third fastest in the nation for midsized MSAs.

According to the report, Pima County added nearly 15,000 new jobs between July 2015 and July 2016, an increase of 4.2 percent. Only Prescott had a higher percentage job growth at 6.4 percent. Job growth in Phoenix over the same time was 3.1 percent and the state’s overall growth was 3 percent.

Nationally, only the Ogden and Provo, Utah, MSAs grew faster than Tucson’s when comparing mid-size MSAs (between 500,000 and 1,000,000 people).

Manufacturing, healthcare and financial activities lead the strong growth locally. The improved jobs market is reflected in the huge increase in consumer confidence in June. According to the Rocky Mountain Poll’s Behavior Research Center’s quarterly poll (http://www.brcpolls.com/16/RMP%202016-III-02.pdf), consumer confidence in the Tucson MSA has shot up from 65.1 last summer to 89.4 percent in June. That is the highest consumer confidence has been in Pima County since before the Great Recession.

What these numbers show is that County and regional efforts to grow our local economy are working. For the past year, major national employers have been expanding their operations in the metropolitan area, among them Caterpillar, Comcast, ADP and HomeGoods. In addition, County efforts to spur entrepreneurship and startup growth are part of the increase in employment, including Accelerate Diagnostics, which has added nearly 100 jobs here since 2013 and is located in the County’s biotech incubator at the Abrams Public Health Center, and World View, which since signing an incentive agreement with the County in January has grown from 30 to 50 employees with plans to hire many more over the next four years.
Economic development does not happen overnight. It takes regional and state cooperation and a guiding document like the County’s Economic Development Plan, which lays out specific actions necessary to lay the groundwork for private sector growth.

Our plan is working and the economic seeds we have planted since 2012 are beginning to bear fruit. There are numerous other economic development negotiations underway with other major regional and national employers, and I expect the job growth harvest to continue for the foreseeable future.

CHH/mjk

Attachments

c: John Bernal, Deputy County Administrator for Public Works
   Tom Burke, Deputy County Administrator for Administration
   Jan Lesher, Deputy County Administrator for Community and Health Services
   Dr. John Moffatt, Director, Economic Development
   Patrick Cavanaugh, Deputy Director, Economic Development
These Are the Cities With the Fastest and Slowest Job Growth in America

Here's where the job growth is.

Julie Verhage
julieverhage
August 19, 2016 — 10:01 AM MST

The Seattle skyline.

Photographer: Mike Kane/Bloomberg

With an economy that some believe is marching towards full employment, annual job growth nationally is slowing down. But some cities in the south and west of the country — where labor markets are coming from a lower base — are currently in the throes of strong headline job growth.

Jed Kolko, an economist who specializes in U.S. cities and the future of work, points out that mid-sized cities, such as Tucson, Arizona and Seattle, Washington, continue to see fast growth, but the San Francisco Bay area has fallen out of the top 10.

<table>
<thead>
<tr>
<th>Metro</th>
<th>YoY job growth, July 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ogden-Clearfield, UT</td>
<td>4.6%</td>
</tr>
<tr>
<td>Provo-Orem, UT</td>
<td>4.6%</td>
</tr>
<tr>
<td>Tucson, AZ</td>
<td>4.2%</td>
</tr>
<tr>
<td>Orlando-Kissimmee-Sanford, FL</td>
<td>4.3%</td>
</tr>
<tr>
<td>Deltona-Daytona Beach-Ormond Beach, FL</td>
<td>4.2%</td>
</tr>
<tr>
<td>Austin-Round Rock, TX</td>
<td>3.9%</td>
</tr>
<tr>
<td>Seattle-Tacoma-Bellevue, WA</td>
<td>3.5%</td>
</tr>
<tr>
<td>Toledo, OH</td>
<td>3.9%</td>
</tr>
<tr>
<td>Boise City, ID</td>
<td>3.9%</td>
</tr>
<tr>
<td>Cape Coral-Fort Myers, FL</td>
<td>3.7%</td>
</tr>
</tbody>
</table>

Among metro areas and divisions with 300,000 or more people;

Strong job growth in the south could also be driving the pick-up in consumer sentiment in the region. Southern-based respondents in the University of Michigan's consumer sentiment survey have indicated business conditions have improved over the past twelve months.

Better job security is fueling real-estate demand in the south, and a corresponding pick-up in homebuilder sentiment.

On the flip side, cities exhibiting slow job growth are those typically with large oil industries that are grappling with the impact of low oil prices. Tulsa, Oklahoma and Oklahoma City, Oklahoma both appear on this list.

<table>
<thead>
<tr>
<th>#</th>
<th>Metro</th>
<th>YoY job growth, July 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Tulsa, OK</td>
<td>-3.3%</td>
</tr>
<tr>
<td>2</td>
<td>Albany-Schenectady-Troy, NY</td>
<td>-0.4%</td>
</tr>
<tr>
<td>3</td>
<td>Syracuse, NY</td>
<td>-2.1%</td>
</tr>
<tr>
<td>4</td>
<td>Youngstown-Warren-Boardman, OH-PA</td>
<td>0.0%</td>
</tr>
<tr>
<td>5</td>
<td>Rochester, NY</td>
<td>0.1%</td>
</tr>
<tr>
<td>6</td>
<td>Memphis, TN-MS-AR</td>
<td>0.3%</td>
</tr>
<tr>
<td>7</td>
<td>Pittsburgh, PA</td>
<td>0.3%</td>
</tr>
<tr>
<td>8</td>
<td>Oklahoma City, OK</td>
<td>0.3%</td>
</tr>
<tr>
<td>9</td>
<td>Houston-The Woodlands-Sugar Land, TX</td>
<td>0.4%</td>
</tr>
<tr>
<td>10</td>
<td>Lancaster, PA</td>
<td>0.4%</td>
</tr>
</tbody>
</table>

Among metro areas and divisions with 500,000 or more people; Jed Kolko analysis of BLS data.

Metro Tucson sees 2nd highest job growth in Arizona

Employment report: 4.2% more jobs added over past year

Posted Aug 18, 2016, 12:42 pm

Betty Beard TucsonSentinel.com

Metro Tucson recorded a 4.2 percent growth in jobs over the past year, the second highest in the state.

Those 14,900 payroll, non-farm jobs were added from July 2015 to July 2016, bringing the total to 366,300. Only Prescott, with 3,800 new jobs, had a higher percentage growth — 6.4 percent, according to a monthly Arizona jobs report released Thursday.

Although metro Phoenix gained 58,600 jobs, the growth in that heavily populated area was only 3.1 percent. The state overall gained 76,100 jobs or 3 percent. Both of those are better than the nation's 1.7 percent growth.

Even so, Arizona’s unemployment rate rose to 6 percent in July. That was the fourth consecutive monthly increase, though the increase from June was small, just two-tenths of a percentage point.

Tucson’s growth was mostly in manufacturing, health care and financial activities, said Doug Walls, a research administrator with the Office of Economic Opportunity, which recently changed its name from the Office of Employment and Population Statistics.

George Hammond, director of the Economic and Business Research Center at the University of Arizona, cautioned that the data is preliminary and said past revisions have substantially reduced job growth.

“I think Tucson is accelerating for a variety of reasons,” he said in an email.

“One is that we are now experiencing less federal fiscal drag compared to the 2013-2014 period. The past federal fiscal drag reflected reduced federal spending locally due to the sequester and other federal budget cuts,” Hammond said.

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“While federal spending does not appear to be rising, it has stabilized and that means less drag. Federal government activity means a lot more for Tucson than for the state, Phoenix, or the nation as a whole,” he said.

“In 2013, federal government activity (civilian and military) accounted for 7.8 percent of Tucson’s GDP (gross domestic product), compared to 3.9 percent for the state and 3.6 percent for the U.S.”

Some recent relocation decisions, such as Comcast and Homegoods, are showing impacts, Hammond said.

Comcast in May opened a 100,000-square-foot call center that will house 1,100 employees. And Homegoods opened a new distribution center in the spring and planned to hire 400 this year.
The state report shows the strongest employment sectors in metro Tucson to be:

- Government: 66,700 total jobs in July;
- Private education and health services: 65,700
- Trade, transportation and utilities (mostly retail): 60,400
- Professional and business services: 52,200
- Leisure and hospitality: 43,000

Arizona’s seasonally adjusted unemployment rate of 6 percent in July is the same as it was in July 2015. But last month’s rate is higher than the national rate of 4.9 percent.

The state lost 14,800 jobs in July, largely because of typical seasonal job losses in schools.

Economists prefer to look at over-the-year numbers, and Arizona there continues to do well, with a 3 percent gain over the year. The 76,100 new jobs were all from private businesses. Government jobs fell over the year by 700.

The largest statewide gains were in private education and health services, 19,000 new jobs; professional and business services (such as banking), 15,300; and trade, transportation and utilities, 11,200.

Walls said the rise in the unemployment rate could be because more people are looking for jobs and not losing jobs. The total number of people claiming unemployment insurance in Arizona fell to 35,654 in July, compared with 37,398 a year earlier.

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Pima County’s unemployment rate has been steadily increasing all year, from 4.9 percent in January to 5.8 percent in July.

The unemployment rate is based on a household survey asking if people are working or looking for work.

The report also showed that metro Phoenix had an average wage and salary growth of 2.4 percent in July, compared with a year earlier. While that was lower than the U.S. average of 2.6 percent, it was the third highest behind Los Angeles and Detroit among large metro areas.

Wage and salary information on metro Tucson was not available.

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have your say

**Comment on this story**

There are no comments yet. Why don't you get the discussion going?
Office of Employment & Population Statistics