

Labor Market Study for the Ak-Chin Indian Community

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1.0 Introduction

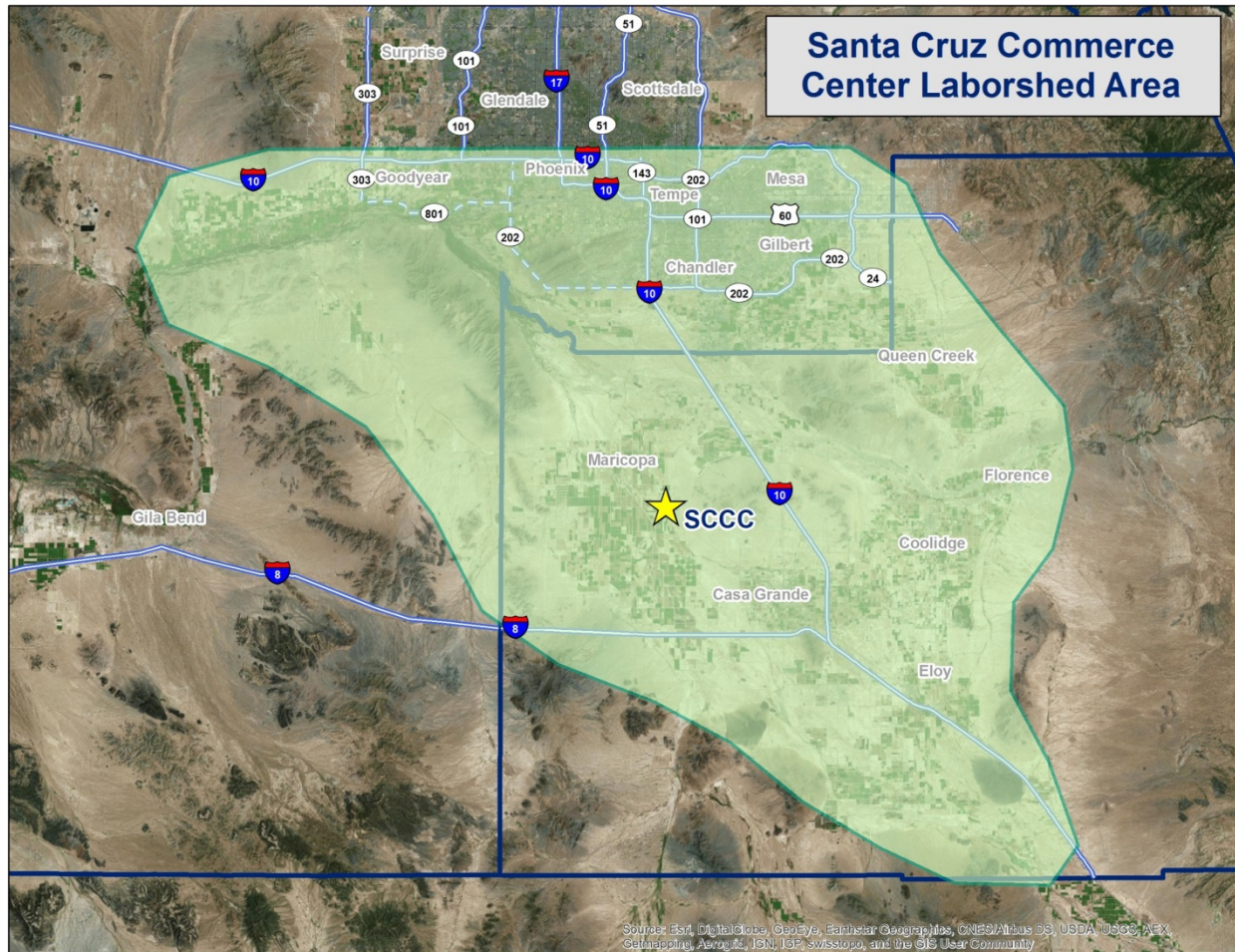
The Ak-Chin Indian Community has engaged Applied Economics LLC to perform a labor market analysis for the community. This document presents a comparative assessment of the local labor market relative to Maricopa and Pinal Counties and provides an important perspective as to how the community competes. The intent of this report is to provide information that can be used to market to prospective tenants at the Santa Cruz Commerce Center (SCCC) about the size and capabilities of the local talent pool.

While the Ak-Chin Indian Community is unique in terms of its economic base as well as the demographic characteristics of its residents, it functions as part of the larger metro area economy. It is therefore important to understand how the community compares, and how it can differentiate itself from other communities in metro Phoenix. With detailed information about the education and skills of the workforce, the Ak-Chin Indian Community will be able to more effectively market to new and expanding businesses who may be interested in a location in the SCCC.

According to Area Development's 2015 Annual Site Selection Consultant Survey, finding the right kinds of skilled workers is a top factor in nearly every site location decision. Availability of skilled labor is especially important for manufacturing companies. In order to address this critical issue, expanding and relocating companies are increasingly seeking more detailed information to allow them to identify specific skill sets as their labor needs become more specialized. This situation is both a challenge and an opportunity for economic developers attempting to make their region stand out relative to labor availability.

This analysis will allow the Ak-Chin Indian Community to gauge its comparative advantages in the regional market, and to enhance its competitiveness for job creation and capital investment. The first step is to define the labor shed. Municipal and county boundaries are not relevant when looking at the available labor force for a particular community. The relevant question is where the workers live that work at businesses in the community. An analysis of commuting patterns can be used to define the labor shed for a particular location. Data on worker commuting patterns is available on an annual basis from the Census Longitudinal Employer Household Survey. In this case, the analysis looks at people who work in the Ak-Chin Indian Community or in the City of Maricopa and extracted data on where they live.

The location of worker residences was defined in terms of Census Block Groups. Using GIS, we then identified the primary labor shed area where the majority of workers live (about 75 percent) who currently commute to Maricopa or the Ak-Chin Indian Community. The map of the SCCC Labor Shed shown below provides an illustration of this area, which includes all of the East Valley and parts of the City of Phoenix, as well as parts of the Southwest Valley and most of western Pinal County. This labor shed area defines the base geography for all of the data included in this report. Comparative information for Maricopa and Pinal Counties is also shown for each factor.



2.0 Commuting Patterns

The distance that an employee is typically willing to commute depends on several factors including the wage and skill levels of that employee, level of urbanization, traffic congestion, relative housing costs and overall economic conditions. In general, employees with higher skill levels and correspondingly higher wages are willing to commute somewhat further.

Labor Shed Area Definition

For workers in the Ak-Chin Indian Community and in the neighboring City of Maricopa, about 42 percent of them live in the local area. The area has grown significantly over the last decade and now offers a variety of reasonably priced housing and local retail to support the resident workforce. However, there are still a significant number of workers that commute in and out from other parts of the metro area, including Pinal County. The top locations from which existing employers draw their workforce include Phoenix, Chandler, Mesa, Gilbert and Tempe within Maricopa County, along with Casa Grande and the San Tan Valley within Pinal County. These areas account for an additional 30 percent of the primary labor shed beyond workers living in the City of Maricopa. Overall, communities in the primary labor shed account for 75 percent of the workers. The communities in the secondary labor shed account for an additional 6 percent, plus about 19 percent that live outside these cities, based on data from the Census Longitudinal Employer Household Survey (Figure 1).

The key finding from the commuting pattern data is that local employers are by no means limited to the available workforce within the local area. There is demonstrated ability to attract workers from the East Valley as well as other parts of Pinal County, significantly broadening the pool of skills and industry experience.

FIGURE 1
SANTA CRUZ COMMERCE CENTER LABOR SHED
*Place of Residence for Persons Working in Ak-Chin Village and
City of Maricopa*

Residence Location:	Percent
Primary Labor Shed	
Maricopa City	41.6%
Phoenix	9.0%
Casa Grande	6.6%
Chandler	5.6%
Mesa	3.3%
Gilbert	2.4%
San Tan Valley	2.0%
Tempe	1.2%
Stanfield	0.6%
Queen Creek	0.6%
Goodyear	0.5%
Ak-Chin Village	0.4%
Coolidge	0.4%
Eloy	0.4%
Secondary Labor Shed	
Scottsdale	1.3%
Tucson	1.0%
Peoria	0.7%
Avondale	0.7%
Buckeye	0.7%
Glendale	0.6%
Apache Junction	0.5%
Arizona City	0.3%
All Other Places	19.6%

Source: Census Longitudinal Employer and Household Survey,
OnTheMap, 2013.

Current Local Employment Base

This labor shed data reflects workers in both the City of Maricopa, and the Ak-Chin Indian Community where the SCCC is located. Current major employers in the Ak-Chin Indian Community include Harrah's Ak-Chin Hotel & Casino which has close to 800 employees, as well as the Community Government and the UltraStar Multi-tainment Center which have about 560 and 250 employees, respectively (Figure 2). Existing businesses within the SCCC include Hickman's Family Farms, Fyrestorm Cheer, the M&S Equipment and Tillers Tool Rentals. These four businesses plus the smaller tenants in the Adobe Office Suites account for about 110 employees. It is interesting to note that with the exception of the Community Government, most of the people working at these local businesses are not Community members.

Commuting data provided by Harrah's reflects about two thirds of their workforce coming from the City of Maricopa (versus 42 percent of the overall workforce in the area) and an additional 27 percent from

the East Valley plus other parts of Pinal County. This slightly higher share of workers from the immediate area is likely due to the fact that many of the jobs at the hotel and casino are lower skilled and do not tend to draw workers from as far away.

FIGURE 2
MAJOR EMPLOYERS IN THE AK-CHIN INDIAN COMMUNITY

	Total	Community Members	Other Native Americans	Non- Native
Total Local Employers	1,831	279	147	1,405
Harrah's Ak-Chin Hotel & Casino	781	25	37	719
Community Government	557	214	80	263
UltraStar Multi-tainment Center	250	14	14	222
Ak-Chin Farms	90	21	11	58
Hickman's Family Farms	63	0	0	63
	44 Regular/ 24 Seasonal			
Ak-Chin Southern Dunes Golf Course		5	5	34
Fyrestorm Cheer	18	0	0	18
Adobe Office Suites	15	0	0	15
M&S Equipment	9	0	0	9
Tillers Tool Rental	4	0	0	4

3.0 Population and Demographics

Population Growth

An initial measure to understand the SCCC Labor Shed in the context of the metro area is to look at historic and projected population growth rates. Population growth is a general measure of the robustness of the economy and the attractiveness of the region as a place to live. The SCCC Labor Shed has an estimated population of 2.23 million and represents 52 percent of the metro area based on 2014 data. Annual population estimates and projections shown in the table are only available for cities and counties, however since the labor shed accounts for a significant portion of the region, it mirrors the trends in the larger area.

Population growth in both Maricopa and Pinal Counties has been slower since the recession and throughout the recovery, averaging less than 2 percent per year (Figure 3). The housing crisis resulted in reduced household mobility for people who were upside down in their mortgage, and limited job creation over the past several years has put a damper on in-migration to the Phoenix metro area. However, over the past year the recovery has finally taken hold and job creation is increasing. In addition, the housing market recovery and improved overall economic conditions have resulted in increased household mobility nationally. As a result, in-migration has started to increase and annual growth rates in 2015 showed improvement in both Maricopa and Pinal Counties.

Projected growth from 2015 to 2020 is estimated at about 10 percent over five years for Maricopa County and 14 percent for Pinal County, resulting in annual growth rates of 2 to 3 percent, which is a significant jump up from the previous five year period. By 2030, the current population of Maricopa County is expected to increase by 30 percent and the population of Pinal County is expected to double as compared to 2015 levels. It is expected that significant job growth will accompany this increase in population.

**FIGURE 3
POPULATION GROWTH**

	Maricopa County		Pinal County	
	Number	Percent	Number	Percent
Historic Population Trends				
2010	3,824,058	na	376,369	na
2011	3,843,370	0.5%	384,231	2.1%
2012	3,884,705	1.1%	389,192	1.3%
2013	3,944,859	1.5%	393,813	1.2%
2014	4,008,651	1.6%	396,237	0.6%
2015	4,076,438	1.7%	406,468	2.6%
Projected Growth				
2020	4,480,900	9.9%	463,500	14.0%
2030	5,280,100	29.5%	604,800	48.8%
Projected Annual Growth				
2015 - 2020	80,892	2.0%	11,406	2.8%
2020 - 2030	79,920	1.8%	14,130	3.0%

Source: Arizona Department of Administration, Employment and Population Statistics.

Population by Age

The distribution of population by age reveals that the SCCC Labor Shed is relatively young. About 27 percent of the region's population is under 18, compared to 26 percent of the population in Maricopa County or Pinal County (Figure 4). There is also a slightly lower share of people ages 65 and over in the labor shed. This is reflected in a lower median age for the SCCC labor shed of 34.4 versus 35 to 37 for the Maricopa and Pinal Counties. The share of the population that is working age (25 to 64) is important in terms of having a sufficiently sized workforce to support economic development. Despite slight differences in the age distribution between the SCCC Labor Shed and the counties in the metro area, the share of working age population is almost identical at 51 percent.

FIGURE 4
DEMOGRAPHIC CHARACTERISTICS

	SCCC Labor Shed		Maricopa County		Pinal County	
	Number	Percent	Number	Percent	Number	Percent
2014 Population by Age						
Under 5 years	173,962	7.6%	279,514	7.0%	27,748	7.0%
5 to 17 years	449,353	19.6%	747,664	18.7%	73,513	18.6%
18 to 24 years	243,104	10.6%	391,292	9.8%	32,319	8.2%
25 to 34 years	350,496	15.3%	567,464	14.2%	54,842	13.8%
35 to 44 years	316,389	13.8%	542,110	13.5%	53,144	13.4%
45 to 54 years	285,597	12.4%	524,341	13.1%	45,634	11.5%
55 to 64 years	224,386	9.8%	434,759	10.8%	46,125	11.6%
65 to 74 years	147,506	6.4%	295,309	7.4%	40,376	10.2%
Over 75 years	103,811	4.5%	226,198	5.6%	22,536	5.7%
Total	2,294,604	100.0%	4,008,651	100.0%	396,237	100.0%
Population Under 18	623,315	27.2%	1,027,179	25.6%	101,261	25.6%
Population 25 to 64 Years	1,176,868	51.3%	2,068,674	51.6%	199,745	50.4%
Population Over 64	251,317	11.0%	521,507	13.0%	62,912	15.9%
Median Age	34.4		35.3		36.6	

Source: Arizona Department of Administration, Employment and Population Statistics, 2015; Census Bureau American Community Survey 2014-5 Year Data.

Household Income

Median household income is a general measure of standard of living as well as a reflection of the typical wage and skill levels of the population. The SCCC Labor Shed is slightly below Maricopa County in terms of average household income levels at \$67,941, but significantly above the Pinal County average of \$60,597 (Figure 5). Middle income households earning \$50,000 to \$75,000 per year account for about 32 percent of households in the labor shed, similar to Maricopa County as a whole. Households with incomes of \$100,000 or more account for 21 percent of households in the labor shed, compared to 23 percent in Maricopa County and only 15 percent in Pinal County. Comparative income levels suggest relatively high wage levels among workers in the SCCC Labor Shed.

FIGURE 5
HOUSEHOLD INCOME LEVELS

	SCCC Labor Shed		Maricopa County		Pinal County	
	Number	Percent	Number	Percent	Number	Percent
Total Households	772,448	100.0%	1,424,244	100.0%	126,128	100.0%
Less than \$15,000	92,061	11.9%	162,973	11.4%	14,245	11.3%
\$15,000 to \$24,999	79,334	10.3%	145,865	10.2%	13,204	10.5%
\$25,000 to \$34,999	81,453	10.5%	149,047	10.5%	14,703	11.7%
\$35,000 to \$49,999	114,855	14.9%	205,165	14.4%	20,516	16.3%
\$50,000 to \$74,999	146,729	19.0%	261,519	18.4%	28,028	22.2%
\$75,000 to \$99,999	96,972	12.6%	175,343	12.3%	16,573	13.1%
\$100,000 to \$149,999	102,312	13.2%	190,978	13.4%	13,264	10.5%
\$150,000 to \$199,999	33,532	4.3%	68,365	4.8%	3,366	2.7%
\$200,000 or more	25,200	3.3%	64,989	4.6%	2,229	1.8%
Mean Household Income	\$67,941		\$73,344		\$60,597	

Source: Census Bureau American Community Survey 2014-5 Year Data.

Educational Attainment

In addition to looking at general demographics it is important to look at the education levels as a measure of the quality of the potential workforce. The majority of jobs created in this country over the next ten years will require some post-high school education. Successful communities with capacity for growth are those that are able to attract and retain higher skilled workers.

Educational attainment measures the highest degree attained by the adult population. The East Valley, which is included in the SCCC Labor Shed, has a strong reputation for having a well-educated resident base. About 35 percent of the adult population in the SCCC Labor Shed has an associate's degree or higher, compared to 38 percent of the population in the Maricopa County and only 27 percent of the population of Pinal County (Figure 6). This is particularly important in terms of being able to demonstrate to prospective new employers that the resident workforce is sufficiently skilled to meet their needs. It is interesting to note that the SCCC Labor Shed has a very similar share of people with some college and with associate's degrees as Maricopa County, but a slightly lower share with bachelor's or graduate degrees. However, the workers that can be attracted to the area are more educated than the average resident work force in Pinal County.

FIGURE 6
EDUCATIONAL ATTAINMENT

Highest Level of Educational Attainment	SCCC Labor Shed		Maricopa County		Pinal County	
	Number	Percent	Number	Percent	Number	Percent
Persons Age 25 and Over	1,428,185	100%	2,550,592	100%	258,629	100%
less than 9th grade	105,642	7%	162,108	6%	14,863	6%
9 - 12, no diploma	114,119	8%	179,612	7%	24,164	9%
High School Grad.	347,479	24%	593,094	23%	77,438	30%
Some College	363,034	25%	638,115	25%	72,001	28%
Associate Degree	121,752	9%	213,628	8%	23,998	9%
Bachelor Degree	247,128	17%	490,927	19%	30,434	12%
Grad. or Prof. Degree	129,031	9%	273,108	11%	15,731	6%
High School Graduate	1,208,424	85%	2,208,872	87%	219,602	85%
Post High School Degree	497,911	35%	977,663	38%	70,163	27%

Source: Bureau of the Census, American Community Survey 2014, 5 year data.

Higher Education Enrollment

Areas with high educational attainment are often markets that also have a large number of students enrolled in local colleges and universities. Note that higher education enrollment is different than educational attainment in that it looks at students who are currently enrolled, versus those that have already completed a degree. College enrollment is an indicator of the future pipeline of workers present in the market. The presence of universities also tends to advance innovation, foster startup enterprises and support technology transfer.

Within the SCCC Labor Shed, 9 percent of the population is enrolled in undergraduate studies and an additional 2 percent in graduate or professional school for a total of 11 percent of the population 18 and over currently enrolled in higher education (Figure 7). This compares to 10 percent of the population in Maricopa County and 7 percent in Pinal County that are currently enrolled in higher education. Since the labor shed includes Arizona State University as well as several community colleges and a number of private colleges, it is expected that the enrollment levels would be relatively high. Central Arizona College opened a branch campus in the City of Maricopa in 2013 that offers programs in business, accounting, culinary arts and elementary education.

FIGURE 7
ENROLLMENT IN HIGHER EDUCATION

Current Enrollment	SCCC Labor Shed		Maricopa County		Pinal County	
	Number	Percent	Number	Percent	Number	Percent
Persons Age 18 and Over	1,671,289	100%	2,981,472	100%	294,976	100%
Enrolled in Undergraduate College	153,290	9%	242,547	8%	16,241	6%
Enrolled In Graduate or Professional School	31,468	2%	52,903	2%	2,545	1%

Source: Bureau of the Census, American Community Survey 2014, 5 year data.

Future Workforce Pipeline

Students currently pursuing higher education in the region form the pipeline for the future workforce. While not all of these students will remain in the region, they are potentially available to local employers upon graduation. In this case, the focus is on local community colleges since individuals with certificates and two year degrees are the most likely workforce for the types of target industries that are recommended for the Santa Cruz Commerce Center. To better understand the type of talent that is being produced by local colleges and universities, it is possible to look at a breakdown of degrees and certificates awarded by discipline. Figure 8 shows data on degrees awarded for the past three years. Fields with significant degree and certificate awards that are relevant to the types of industries that will likely locate in the SCCC include mechanics and repair technology, transportation, construction trades, engineering technologies, precision production and agricultural sciences. These six programs combined resulted in over 5,000 new well-trained graduates in the region over the past three years. To the extent that these higher education programs align with the needs of prospective employers they can be marketed as a source of graduates in fields that are well matched to local workforce needs.

FIGURE 8
GRADUATES BY PROGRAM AT LOCAL COMMUNITY COLLEGES

Program	Central Arizona College			Maricopa Community Colleges		
	Associates		Total	Associates		Total
	Certificates	Degrees		Certificates	Degrees	
Total Degrees Awarded 2011-2013	1,588	1,532	3,120	53,015	12,916	65,931
Arts and Music	0	2	2	12,613	699	13,312
General Studies	0	797	797	12,754	4	12,758
Health Professions	263	381	644	5,971	4,062	10,033
Business, Management, Marketing	76	38	114	6,656	2,697	9,353
Law Enforcement and Firefighting	26	71	97	5,416	834	6,250
Computer and Information Science	259	17	276	2,012	746	2,758
Interdisciplinary Studies	0	0	0	1,836	69	1,905
Physical Sciences	0	0	0	11	1,709	1,720
<i>Mechanics and Repair Technology</i>	93	21	114	1,185	167	1,352
<i>Transportation</i>	22	39	61	938	17	955
Communications Technology	0	4	4	748	145	893
Education	0	61	61	212	630	842
<i>Construction Trades</i>	431	0	431	791	42	833
Legal Professions	0	0	0	319	268	587
<i>Engineering Technologies</i>	16	9	25	239	316	555
Culinary Services	20	5	25	188	168	356
<i>Precision Production</i>	191	0	191	316	30	346
Family and Consumer Sciences	183	65	248	151	109	260
<i>Agricultural Sciences</i>	1	21	22	152	36	188
Library Science	0	0	0	142	11	153
Leisure and Fitness	5	1	6	60	71	131
Foreign Languages, Linguistics	0	0	0	89	23	112
Public Administration, Social Services	0	0	0	65	39	104
Communication, Journalism	0	0	0	66	5	71
Natural Resources and Conservation	0	0	0	39	0	39
English and Literature	0	0	0	26	0	26
Biological Sciences	2	0	2	3	17	20
Social Sciences	0	0	0	17	2	19

Source: National Center for Education Statistics, IPEDS Completion Survey, 2011-2013 data.

3.0 Employment and Workforce

Regional Job Growth

The overall health of a local economy can be measured in terms of its ability to create new jobs. This also generally leads to employment driven in-migration. Being part of a growing regional economy means that it is easier to attract workers in general because there are a multitude of potential job opportunities. Job growth in metro Phoenix is beginning to increase as the recovery gains momentum, ranging from 2.4 to 2.8 percent per year in Maricopa County over the past four years (Figure 9). Pinal County has yet to catch up to other parts of the metro area.

Projected job growth is moderate over the next 5 to 15 years, ranging from an average of 2.0 to 2.1 percent per year through 2030 in both Maricopa and Pinal Counties. However, by 2030 this will result in one-third more jobs in the metro area than there are currently, or a total of 2.5 million jobs. It is important to note that job growth represents jobs by place of employment, which is different than the data in the previous chapter that was based on workers living in the Maricopa/Pinal region.

FIGURE 9
HISTORIC AND PROJECTED JOB GROWTH

	Maricopa County		Pinal County	
	Number	Percent	Number	Percent
Historic Employment Trends				
2007	1,822,037		53,283	
2010	1,602,744	na	52,171	na
2011	1,626,646	1.5%	52,854	1.3%
2012	1,666,812	2.5%	55,980	5.9%
2013	1,713,992	2.8%	56,850	1.6%
2014	1,755,209	2.4%	57,421	1.0%
2015	1,796,957	2.4%	57,849	0.7%
Projected Growth				
2020	1,987,649	10.6%	63,941	10.5%
2030	2,387,889	32.9%	76,761	32.7%
Projected Annual Growth				
2015 - 2020	38,138	2.1%	1,218	2.1%
2020 - 2030	40,024	2.0%	1,282	2.0%

Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2015; Woods & Poole Economics, 2015; Applied Economics.

Note: Estimates include both private and public sector employment.

Labor Force and Unemployment

Labor force growth is a measure of overall labor availability. Labor force includes both individuals who are employed, as well as those who are unemployed and actively looking for work. Job growth in the previous table includes only employed persons. Looking back over the past seven years from 2009 to 2015, Maricopa County experienced significant drops in the labor force in 2010 and again in 2011,

whereas Pinal County saw losses in 2011 following growth in 2010. Since 2011, the labor force in Pinal County remained flat up until 2015 when it grew by about 2 percent. In Maricopa County, annual labor force growth rates have ranged from 1 to 2 percent since 2012, but on such a large base this still resulted in 108,000 new workers over the past four years. As of 2015, the metro area has now finally surpassed pre-recessionary levels in terms of labor force.

Since these labor force numbers include unemployed persons, declines in the labor force indicate unemployed workers leaving the area, or simply becoming discouraged and dropping out of the labor force. Many areas across the state experienced significant losses during the recession, but communities with a larger share of educated workers who were less likely to become unemployed tended to fare better. Unemployment rates dropped dramatically in both Maricopa and Pinal Counties in 2014 and 2015, now at 5.2 and 6.4 percent, respectively. For some communities within the labor shed such as Tempe, Chandler and Gilbert, unemployment rates are now below 5 percent (Figure 10).

FIGURE 10
LABOR FORCE, UNEMPLOYMENT AND PARTICIPATION RATE

	2009	2010	2011	2012	2013	2014	2015	2015 Labor Force Participation
Total Labor Force								
Pinal County	126,779	153,707	149,786	149,174	149,173	151,645	155,078	53%
Maricopa County	1,966,607	1,919,590	1,895,859	1,898,250	1,913,680	1,956,284	2,004,280	68%
City of Casa Grande	19,192	21,797	21,185	21,119	21,079	21,380	21,854	60%
City of Coolidge	4,183	5,009	4,880	4,860	4,860	4,941	5,057	59%
City of Eloy	3,661	3,797	3,677	3,633	3,622	3,652	3,715	54%
Town of Florence	2,830	3,725	3,646	3,628	3,119	3,170	3,233	33%
City of Maricopa	21,461	21,620	21,632	21,634	21,924	22,273	22,779	71%
City of Chandler	133,559	132,292	132,814	134,399	136,054	140,365	141,778	76%
Town of Gilbert	114,615	112,237	114,101	166,603	121,010	125,050	126,377	79%
City of Mesa	228,567	217,623	214,521	214,067	214,916	219,555	225,184	66%
City of Tempe	104,115	97,170	95,193	95,035	95,450	97,623	100,207	72%
City of Phoenix	782,821	727,068	720,826	720,521	729,162	750,178	756,913	67%
Unemployment Rate								
Pinal County	12.3%	10.7%	9.8%	8.8%	8.3%	7.2%	6.4%	na
Maricopa County	9.1%	9.5%	8.6%	7.3%	6.6%	5.9%	5.2%	na
City of Casa Grande	11.6%	11.3%	10.1%	9.4%	8.8%	7.5%	6.5%	na
City of Coolidge	11.6%	10.8%	9.9%	8.8%	8.4%	7.3%	6.4%	na
City of Eloy	18.4%	17.6%	16.3%	14.6%	14.0%	12.2%	10.8%	na
Town of Florence	9.1%	8.2%	9.6%	9.3%	9.4%	8.3%	7.1%	na
City of Maricopa	13.7%	7.0%	8.5%	7.7%	7.6%	6.5%	5.5%	na
City of Chandler	7.1%	7.6%	7.2%	6.1%	5.6%	5.1%	4.5%	na
Town of Gilbert	5.3%	6.5%	6.5%	5.5%	5.2%	4.7%	4.2%	na
City of Mesa	8.4%	9.7%	8.7%	7.4%	6.7%	5.9%	5.2%	na
City of Tempe	8.0%	9.5%	7.9%	6.7%	6.2%	5.5%	4.9%	na
City of Phoenix	11.5%	9.7%	8.3%	7.0%	6.3%	5.7%	5.4%	na

Source: Bureau of Labor Statistics, Local Area Unemployment Statistics; Census Bureau American Community Survey.
Labor force participation rate measures share of population age 18 and older in the labor force.

Labor Force Participation

The workforce participation rate (also shown in Figure 10) is a measure of the share of the population that is working or seeking work. Because the participation rate includes both employed and unemployed persons it is a good metric for indicating the potential pool of workers. Throughout

Arizona, the workforce participation rate declined from 2010 to 2013. This may be partly a function of discouraged workers who were no longer counted in the workforce but remained as residents. In any case, as the recovery proceeds and more job opportunities become available, it is expected that workforce participation locally and regionally should continue to increase in the next two to three years. Overall, workforce participation in Maricopa County stands at 68 percent, meaning 68 percent of adults over 18 are in the labor force. This compares to 63 percent nationally. Participation rates are lower in Pinal County, particularly in communities like Florence and Eloy. However, on the other end of the spectrum, labor force participation in places like Chandler and Gilbert are now 76 to 79 percent, which is indicative of a tightening labor market in those areas.

Employment by Occupation

In order to fully understand the Santa Cruz Commerce Center's competitive position as a place for expanding and relocating businesses, it is important to understand in greater detail the types of skill sets represented in the resident workforce of the labor shed. The SCCC Labor Shed is generally very similar to Maricopa County as a whole. About 5 percent of the workforce is in production and 6 percent in material moving, both of which are slightly above the shares in Maricopa County (Figure 11). An additional 27 percent are in sales and office administrative occupations. About 8 percent of the workforce is in construction and maintenance occupations. Production and construction/maintenance are the most relevant occupation groups to the target industry clusters for the Santa Cruz Commerce Center which include fabricated metals, construction suppliers, rental and repair services and aviation.

FIGURE 11
OCCUPATIONAL DISTRIBUTION OF THE RESIDENT WORKFORCE

	SCCC Labor Shed		Maricopa County		Pinal County	
	Workers	Percent	Workers	Percent	Workers	Percent
Total Workers	994,656	100%	1,765,058	100%	135,058	100%
Management and Financial						
Management occupations	90,187	9%	178,477	10%	11,078	8%
Business and financial operations	50,794	5%	99,268	6%	5,044	4%
Computers, Engineering and Science						
Computer and mathematical occupations	30,971	3%	55,364	3%	2,943	2%
Architecture and engineering	25,658	3%	37,391	2%	2,617	2%
Life, physical, and social science	5,635	1%	10,291	1%	913	1%
Education, Legal, Community Service, Media						
Community and social services	15,669	2%	28,681	2%	2,043	2%
Legal occupations	9,040	1%	19,566	1%	788	1%
Education, training, and library occupations	55,266	6%	93,533	5%	7,417	5%
Arts, design, entertainment, sports, and media	16,049	2%	30,584	2%	1,381	1%
Health Care						
Health diagnosing and treating practitioners	31,909	3%	66,373	4%	3,603	3%
Health technologists and technicians	16,650	2%	28,349	2%	2,725	2%
Healthcare support occupations	19,806	2%	36,452	2%	2,794	2%
Other Services						
Protective services	28,614	3%	40,722	2%	8,534	6%
Food preparation and serving	58,629	6%	103,130	6%	7,277	5%
Building and grounds cleaning, maintenance	45,963	5%	77,621	4%	5,507	4%
Personal care and service	36,118	4%	65,584	4%	5,828	4%
Sales and Office						
Sales and related occupations	115,062	12%	217,269	12%	14,483	11%
Office and administrative support	151,832	15%	263,634	15%	18,805	14%
Natural Resources, Construction, Maintenance						
Farming, fishing, and forestry	4,481	0.5%	5,052	0.3%	2,041	2%
Construction and extraction	47,985	5%	82,943	5%	7,840	6%
Installation, maintenance, and repair	34,320	3%	57,804	3%	6,062	4%
Production and Transportation						
Production	46,859	5%	72,607	4%	7,034	5%
Transportation and Material Moving	57,159	6%	94,363	5%	8,301	6%

Source: Bureau of the Census, American Community Survey 2014, 5 year data.

Employment by Industry

While employment by occupation looks at the specific job titles in which residents are employed, it is also important to look at employment by industry. In some cases, certain job titles may exist in a wide range of industries. An example may be office and administrative support workers, who may work in any industry from construction to manufacturing to finance. Industries seeking a new location are interested in both the mix of occupational skills and the size of the workforce in their industry sector. Figure 12 shows the distribution of workers by industry in the SCCC Labor Shed, as well as in Maricopa and Pinal Counties. The four largest sectors in the SCCC Labor Shed in terms of workforce include retail, health care, education and manufacturing. These four sectors account for 43 percent of the local employment base. The SCCC Labor Shed is again quite similar to Maricopa County, but with a slightly higher share of workers in manufacturing and a slightly lower share in finance and professional services. Overall, there are workers in a broad range of industries that could support increased economic diversification in the Ak-Chin Indian Community.

FIGURE 12
INDUSTRY DISTRIBUTION OF THE RESIDENT WORKFORCE

	SCCC Labor Shed		Maricopa County		Pinal County	
	Workers	Percent	Workers	Percent	Workers	Percent
Total Employees	994,656	100%	1,765,058	100%	135,058	100%
Agriculture	7,377	1%	8,326	0%	3,089	2%
Mining	2,501	0%	3,242	0%	1,970	1%
Construction	65,192	7%	117,051	7%	8,938	7%
Manufacturing	94,072	9%	138,707	8%	12,348	9%
Wholesale Trade	26,021	3%	47,530	3%	2,222	2%
Retail Trade	120,475	12%	218,620	12%	15,816	12%
Transportation & Warehousing	44,663	4%	75,481	4%	5,313	4%
Utilities	8,312	1%	15,806	1%	1,421	1%
Information	19,552	2%	34,090	2%	2,469	2%
Finance & Insurance	60,988	6%	123,651	7%	6,292	5%
Real Estate, Rental & Leasing	21,547	2%	45,373	3%	2,789	2%
Professional & Technical Services	58,818	6%	117,930	7%	5,643	4%
Management of Companies	841	0%	1,171	0%	195	0%
Administrative & Support Services	61,605	6%	107,374	6%	7,264	5%
Educational Services	92,696	9%	152,998	9%	11,702	9%
Health Care	116,791	12%	221,889	13%	16,453	12%
Arts, Entertainment, Recreation	22,177	2%	38,867	2%	3,879	3%
Accommodation and Food Services	77,531	8%	135,865	8%	9,333	7%
Other Services	44,644	4%	84,306	5%	5,611	4%
Public Administration	48,853	5%	76,781	4%	12,311	9%

Source: Bureau of the Census, American Community Survey 2014, 5 year data.

4.0 Summary

The Santa Cruz Commerce Center offers accessibility to a labor force of close to one million people who represent a broad range of occupational and industry skills. Although the area is located some distance from the urbanized part of the metro area, there is documented evidence of workers currently commuting from the East Valley, as well as other parts of Pinal County, to jobs in the Ak-Chin Indian Community and in the neighboring City of Maricopa.

In addition, the City of Maricopa offers a local resident labor force with close to 23,000 working adults. Existing businesses in and near the SCCC are able to draw about 42 percent of their workforce from the local area, including the City of Maricopa. This area has grown significantly over the last decade and now offers a variety of reasonably priced housing and local retail that make it an attractive place to live and work.

Key advantages of the potential workforce that is available to new and expanding employers in the Santa Cruz Commerce Center and surrounding properties include the following:

- The SCCC Labor Shed has an estimated population of 2.23 million and represents 52 percent of the metro area based on 2014 data.
- A healthy rate of population growth is projected for the Maricopa/Pinal region with more than a 30 percent increase in population by 2030. Much of this increase will be due to in-migration driven by job growth. The region is expected to add more than 600,000 jobs in the next ten years.
- About 51 percent of the population within the SCCC Labor Shed is within the prime working age range of 25 to 64 years old. Labor force participation rates are strong, particularly in East Valley cities where 70 to 80 percent of the population over 18 is in the workforce.
- Educational attainment of the adult population within the labor shed is relatively high with 85 percent of the population having completed high school and 35 percent having completed a college degree.
- Current enrollment in college or graduate studies by residents within the SCCC Labor Shed is above the regional average, indicating a strong pipeline of future educated workers.
- Programs at local community colleges in precision production, construction, mechanics, transportation, engineering technology and agricultural sciences provide a ready workforce for future businesses at the Santa Cruz Commerce Center. These programs have produced over 5,000 graduates in the past three years.