Paving the Way

Leveraging Labor Market Insights for Strategic Planning

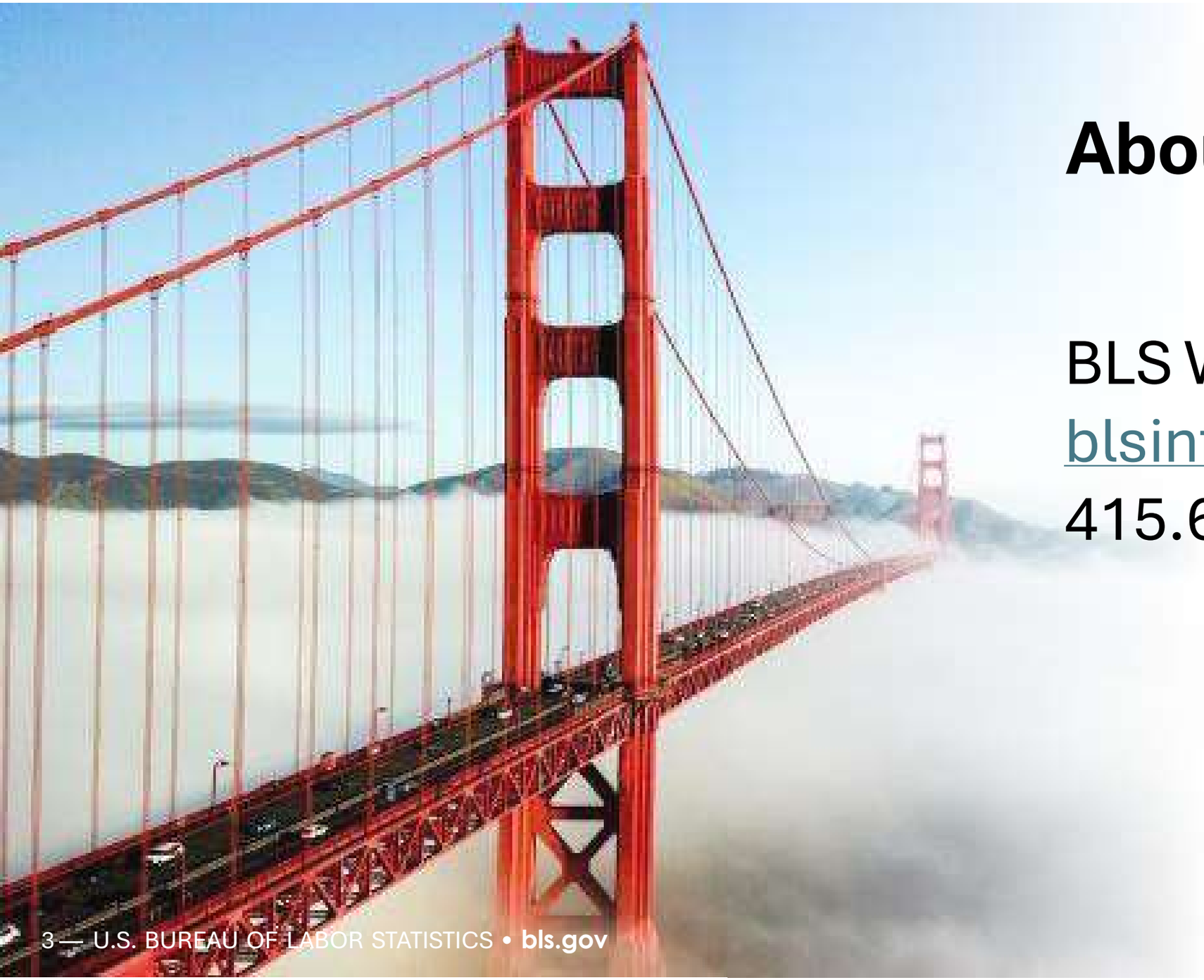




BLS:
The big picture

BLS is the principal fact-finding agency for the Federal Government in the broad field of labor economics and statistics.

About BLS



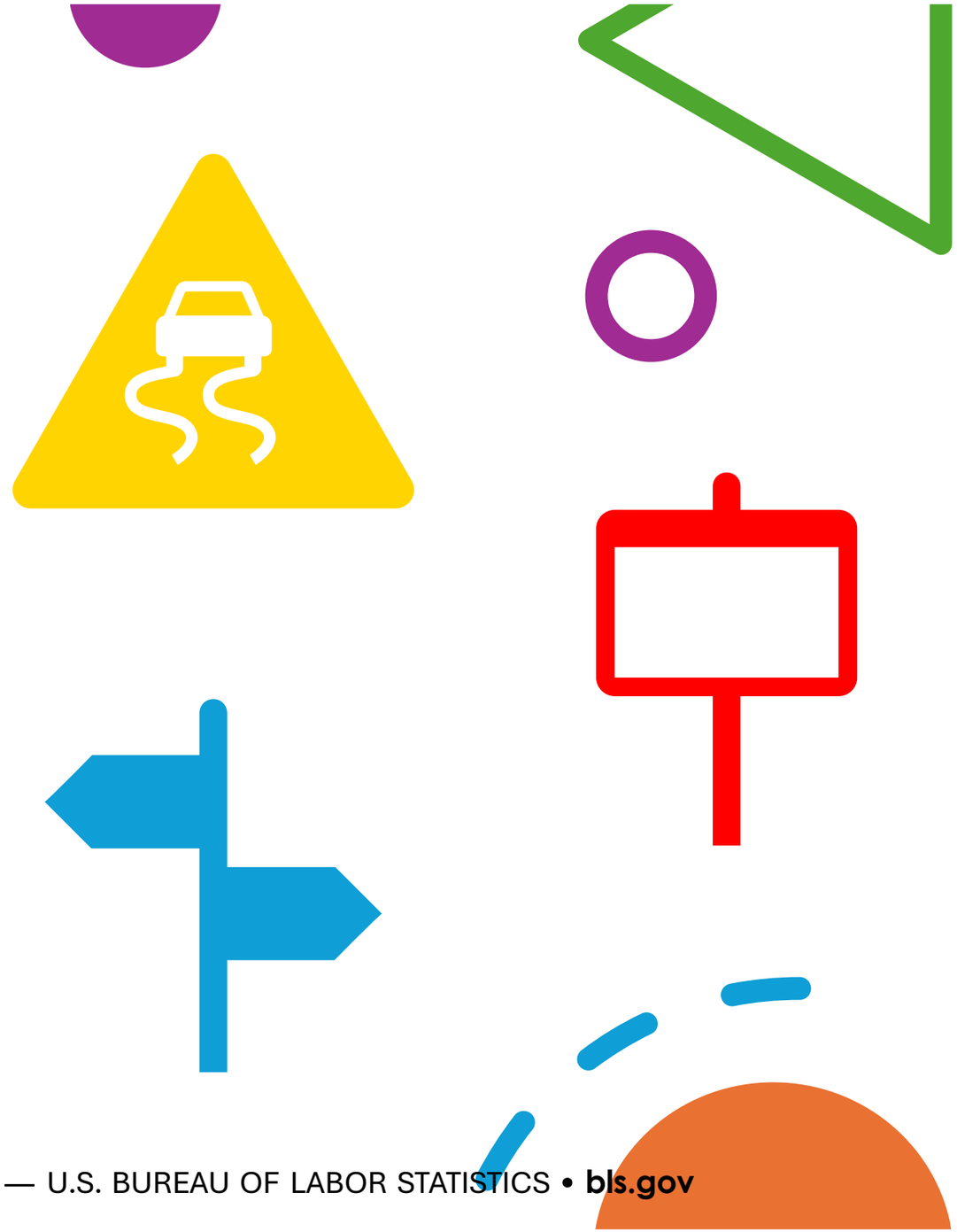
About us:

BLS West Region

blsinfosf@bls.gov

415.625.2282

How we can help you



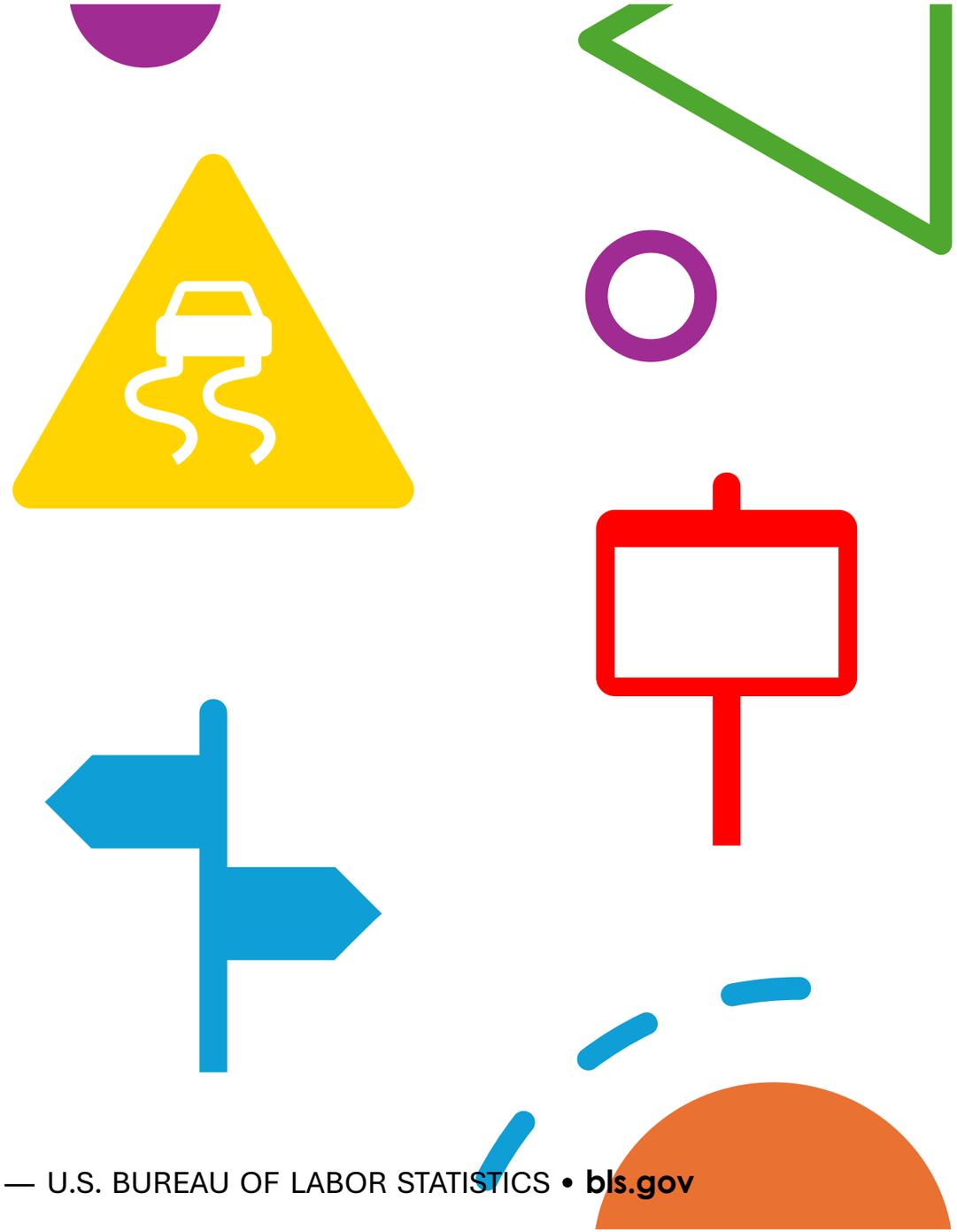
Setting the journey - today's agenda

Key road signs

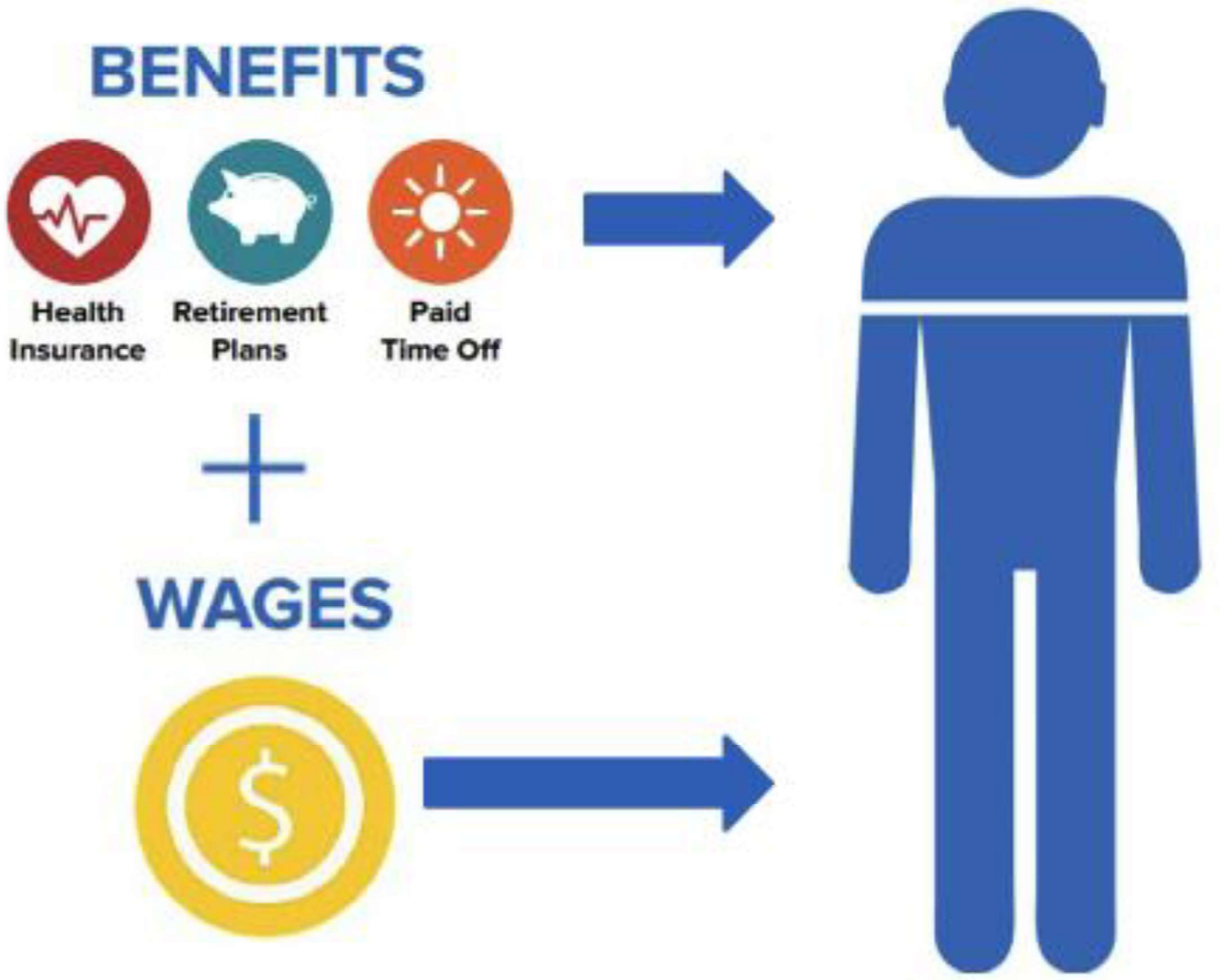
- Unemployment rate
- Job openings and labor turnover
- Inflation

Setting the journey - today's agenda

The road ahead



- Labor force
- Employment projections
- Takeaways



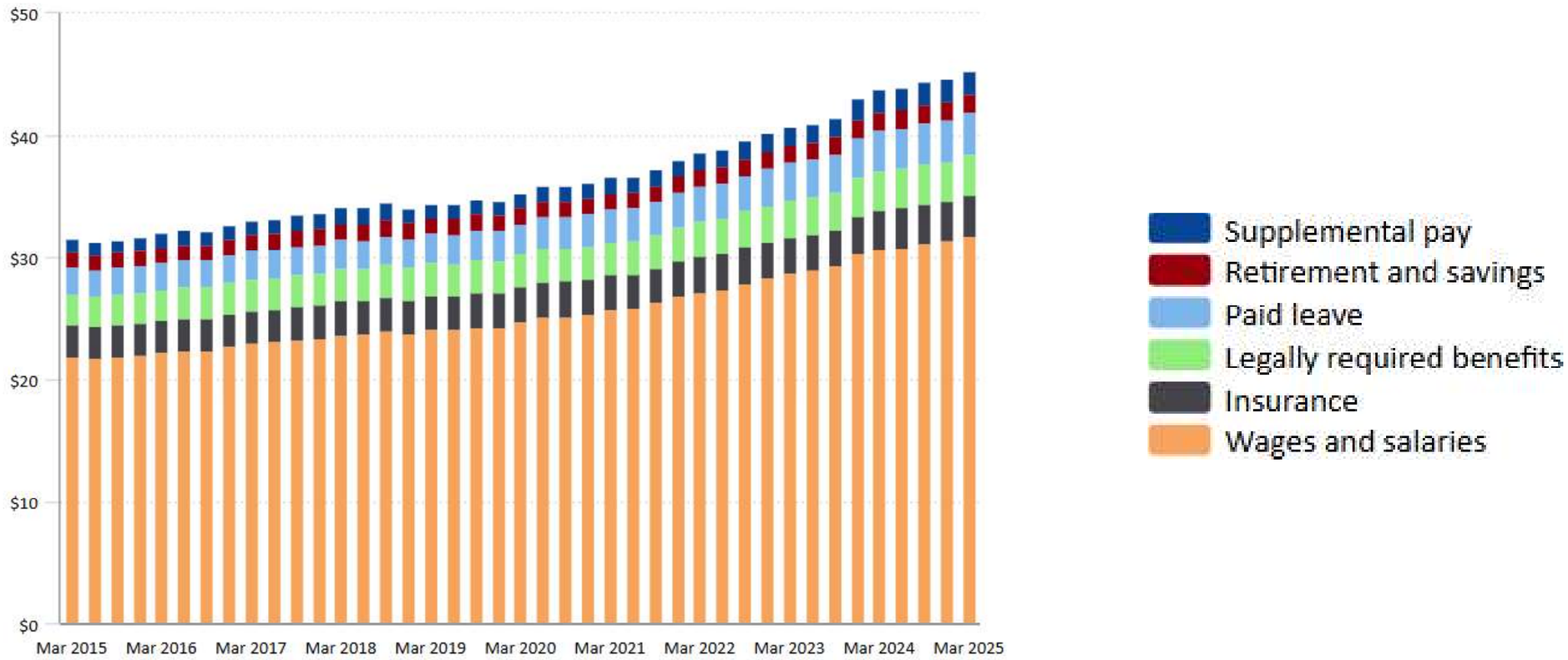
Tracking labor costs:

The Employment Cost Index



Total compensation signs: Wages + benefits

Employment costs per hour worked for employee compensation for private industry workers



Employer Costs for Employee Compensation

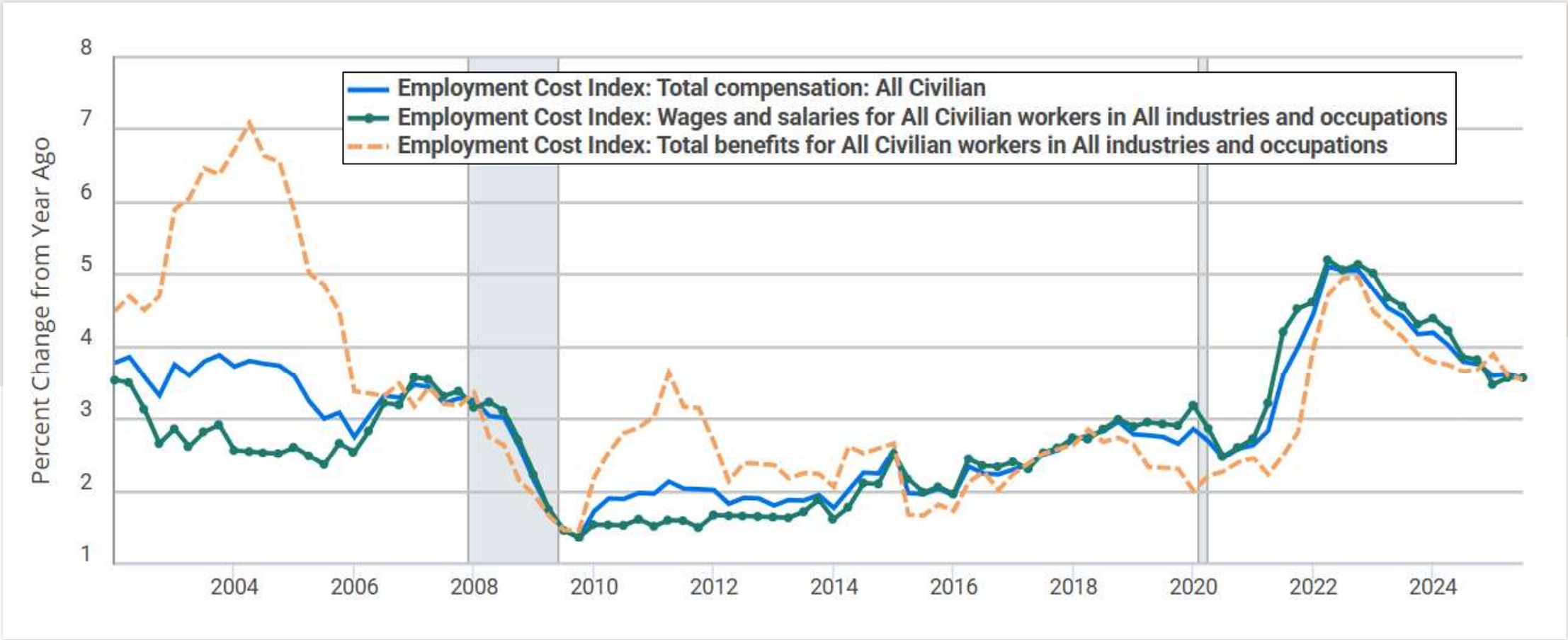
Private vs public total compensation

Compensation component	Private industry workers		State and local government	
	Cost ($)	Percent of compensation (%)	Cost ($)	Percent of compensation (%)
Total compensation	45.65	100.0	63.94	100.0
Wages and salaries	32.07	70.2	39.31	61.5
Total benefits	13.58	29.8	24.63	38.5
Paid leave	3.44	7.5	4.71	7.4
Supplemental pay	1.84	4.0	0.66	1.0
Insurance	3.44	7.5	7.36	11.5
Life	0.05	0.1	0.09	0.1
Health	3.23	7.1	7.17	11.2
Short-term disability	0.10	0.2	0.04	0.1
Long-term disability	0.05	0.1	0.06	0.1
Retirement and savings	1.54	3.4	8.50	13.3
Defined benefit	0.40	0.9	7.93	12.4
Defined contribution	1.14	2.5	0.56	0.9
Legally Required benefits	3.31	7.3	3.41	5.3

Employer Costs for Employee Compensation

How labor costs are changing

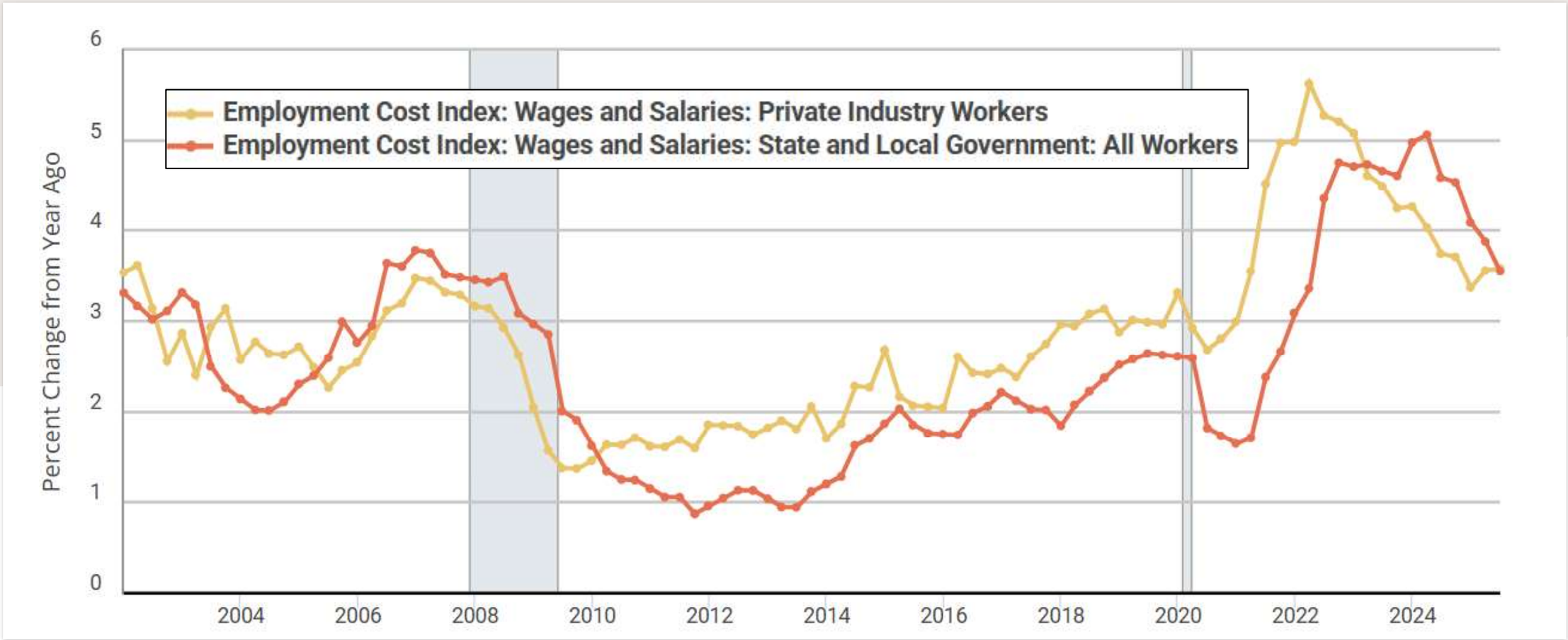
Employment Cost Index



U.S. Bureau of Labor Statistics via FRED®

How labor costs are changing

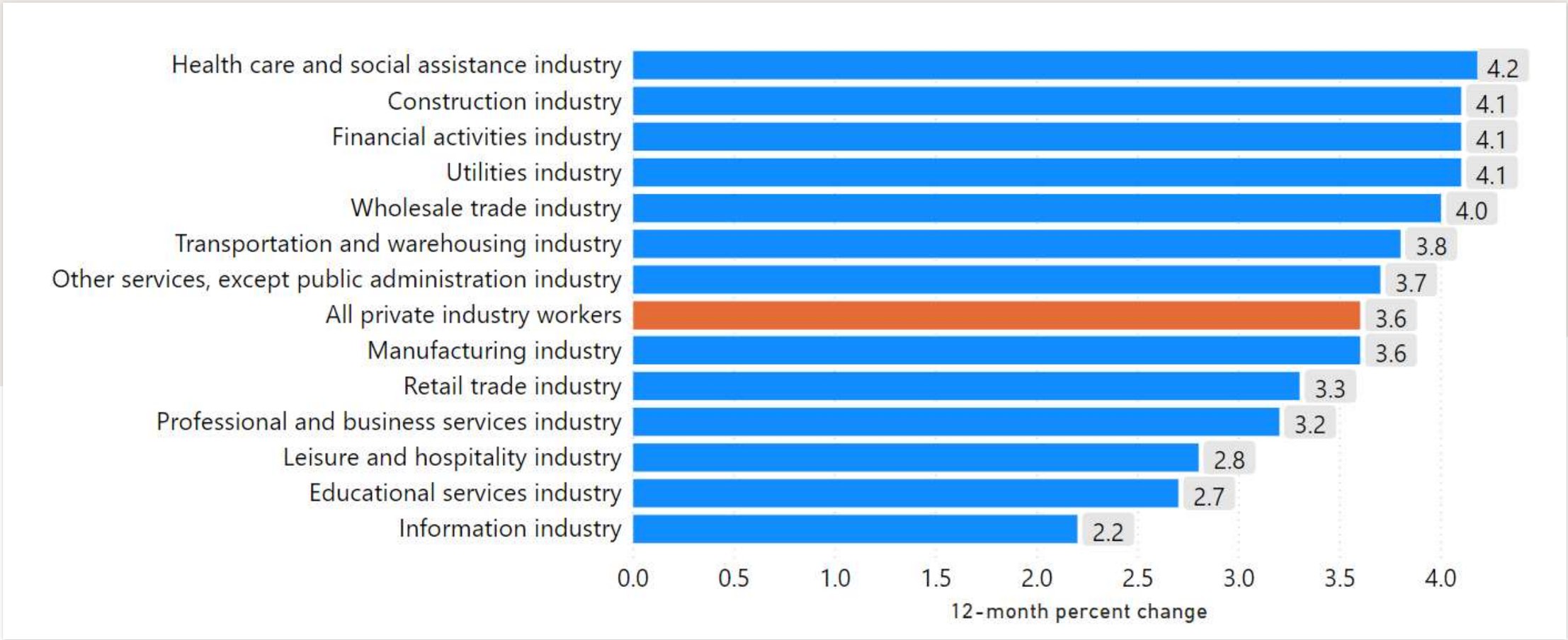
Employment Cost Index



U.S. Bureau of Labor Statistics via FRED®

12-month wage increases by industry

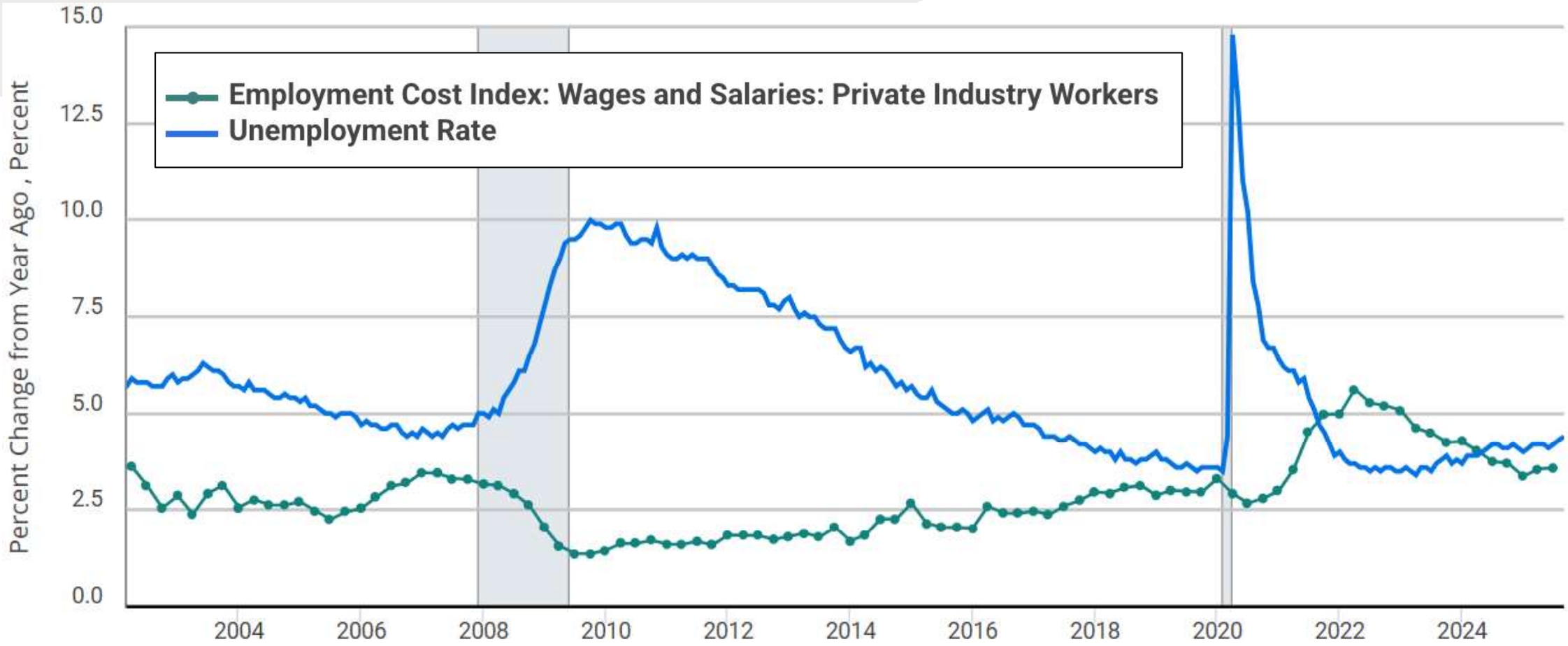
Employment Cost Index



Employment Cost Index, private industry, not seasonally adjusted, September 2025

The unemployment rate

The most famous sign



U.S. Bureau of Labor Statistics via FRED®

Unemployment

When unemployment is low it means talent is scarce. Recruiting gets harder, and the fight for retention gets tougher.

- In low-unemployment times, you may need to double down on employer branding and invest in retention strategies.

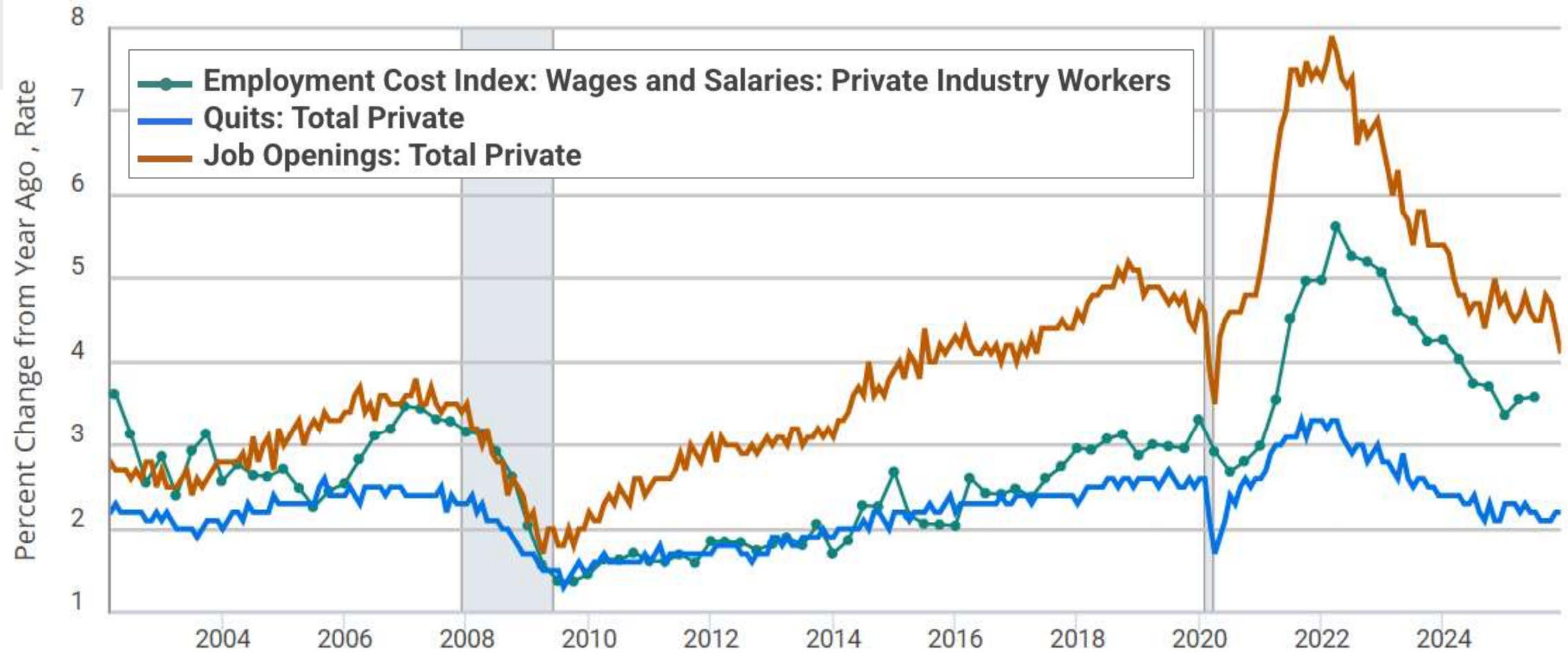
When unemployment rises, there's a bigger pool of applicants. Recruiting may get easier, but employees may feel more anxious, and engagement could suffer.

- In high-unemployment times, you may want to strengthen internal communication to support employees' sense of security, even if you own company is stable.



Job openings and labor turnover

Another key sign



U.S. Bureau of Labor Statistics via FRED®

Labor turnover

When job openings are high, competition is fierce.

- If openings are high, consider whether you need to shorten hiring processes or adjust pay or benefits to compete.

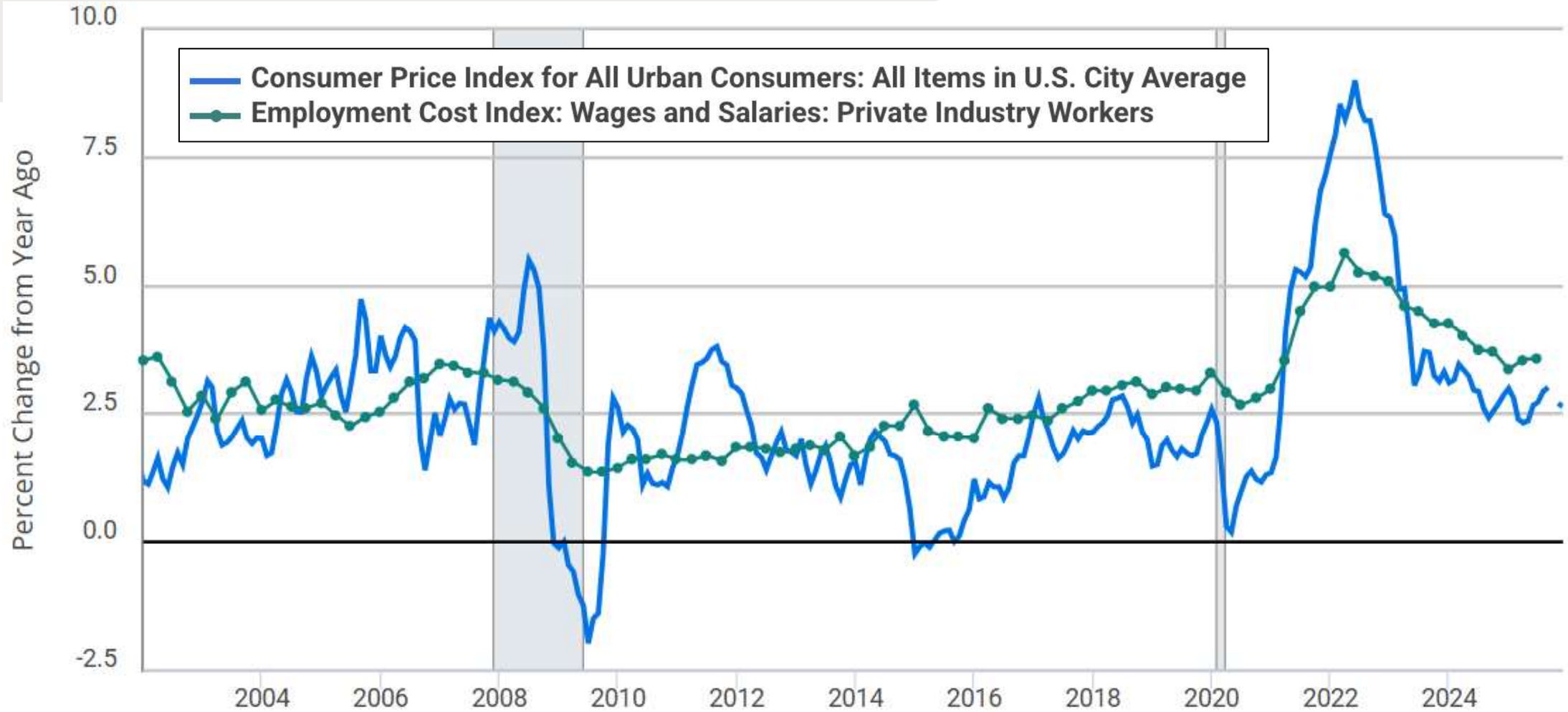
When quit rates are high, employees are feeling confident about leaving.

- If quits rates are high, consider having ‘stay’ interviews – not just exit interviews.



Inflation

Cost of living sign



U.S. Bureau of Labor Statistics via FRED®

Inflation

If wages in the market are rising faster than inflation, and you're not keeping up, you risk losing people.

- Use external wage and benefit cost data to inform your compensation strategy – not just what competitors are doing.

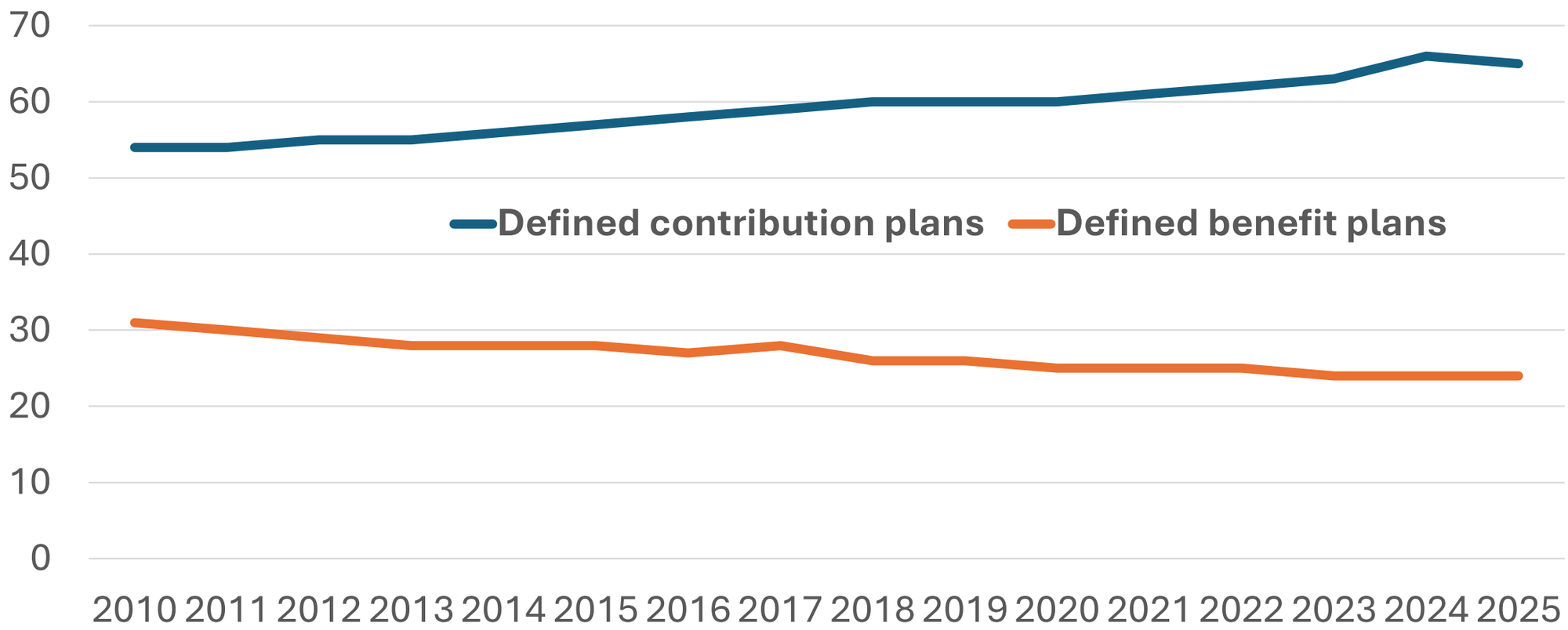
If inflation is high but wages are flat, employees feel squeezed. They may stay, but engagement, productivity, and morale can take a hit.

- Pay attention to inflation as a pressure point on employees' lives, even if it doesn't directly hit your payroll budgets.



Retirement benefits

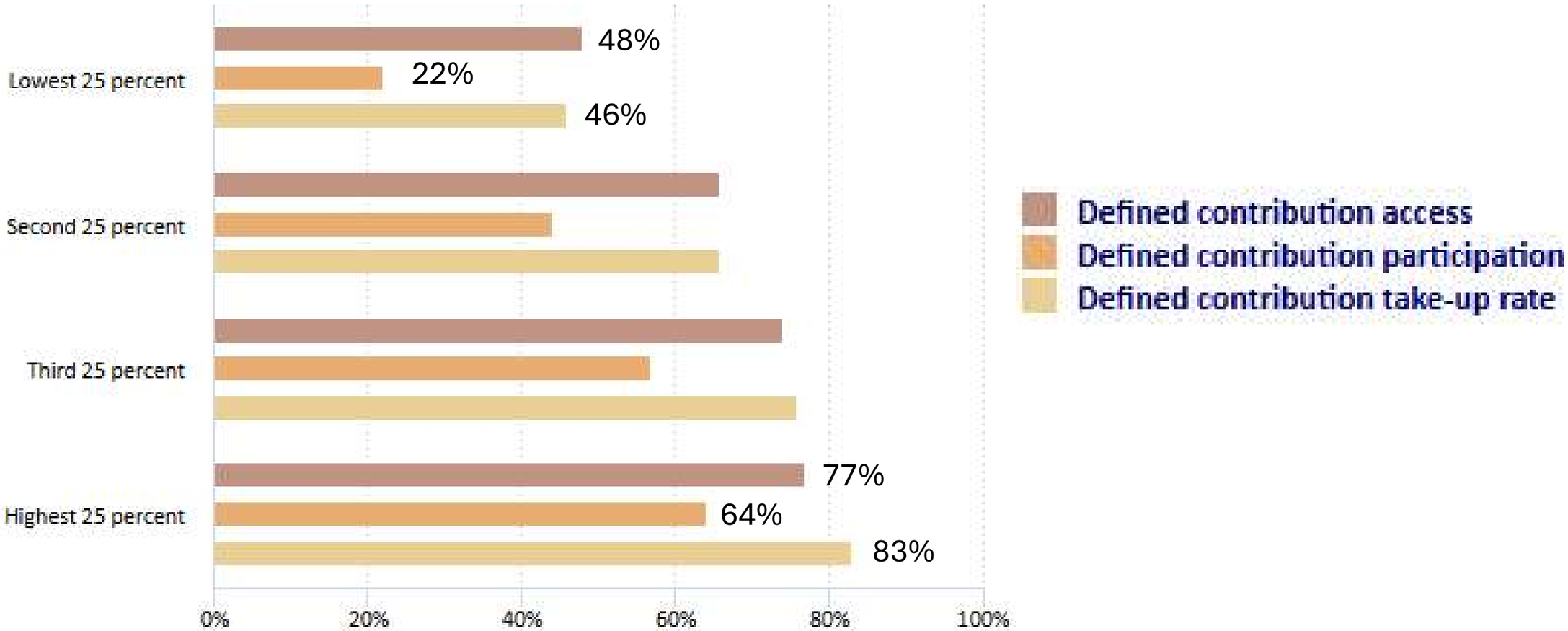
Percent of workers with access to defined contribution or defined benefit plans, 2010-2025



Employer Costs for Employee Compensation

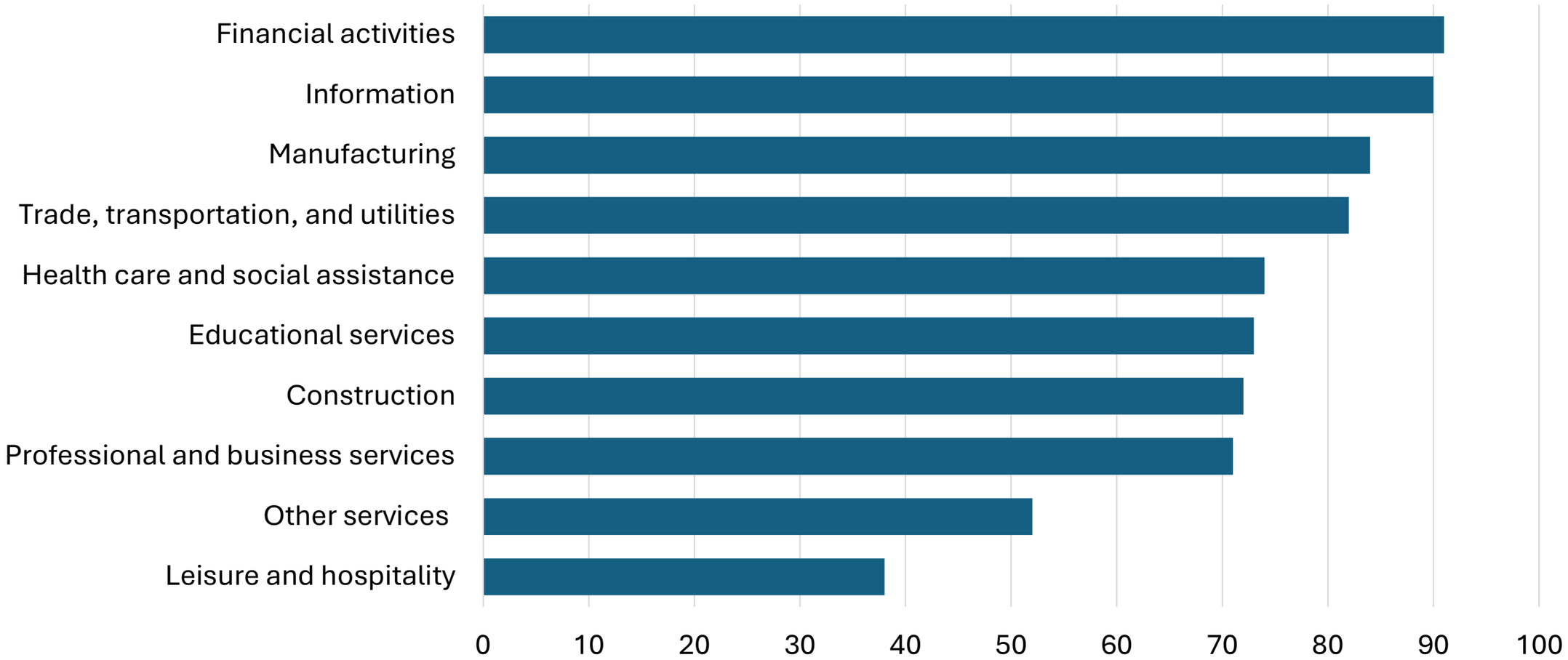
Retirement benefits

Retirement benefits: Access, participation, and take-up rates of **defined contribution plans** for civilian workers by wage category, March 2025



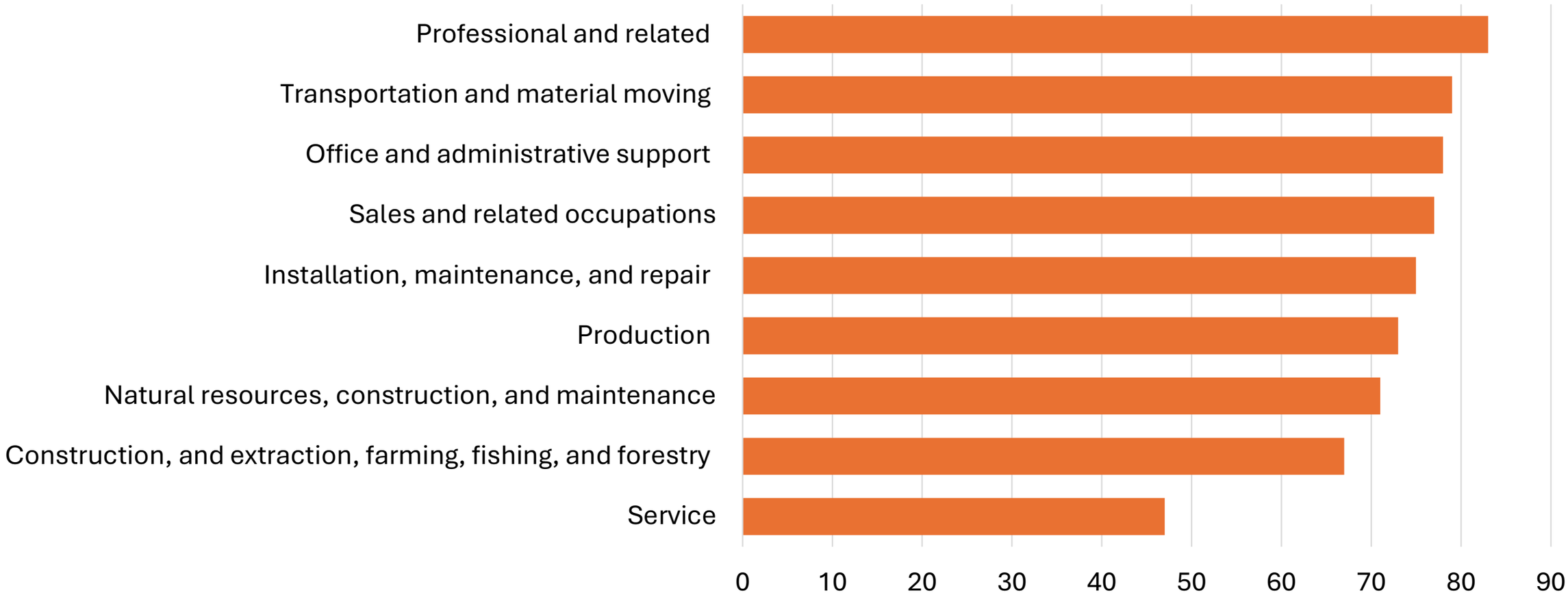
Retirement benefits

Percent of workers with access to all retirement benefits by **industry sector**, private industry, 2025



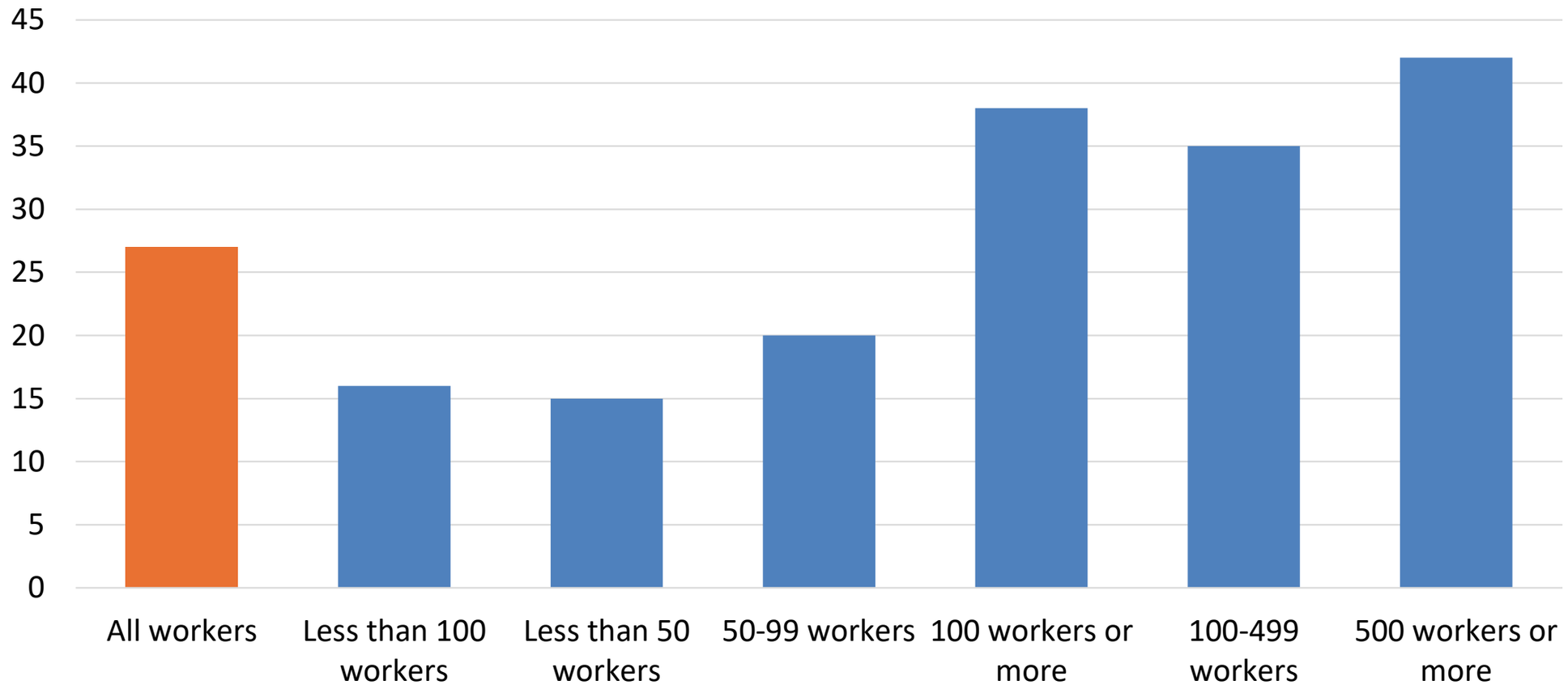
Retirement benefits

Percent of workers with access to all retirement benefits by **occupational group**, private industry, 2025



Financial planning

Percent of workers with access to financial planning by **establishment size**, civilian workers, 2025



Employee tenure

	2014	2016	2018	2020	2022	2024
Total, 16 years and over	**4.6**	**4.2**	**4.2**	**4.1**	**4.1**	**3.9**
Private sector	4.1	3.7	3.8	3.7	3.7	3.5
Agriculture and related industries	3.6	4.5	4.6	3.5	4.7	4.4
Mining, quarrying, and oil and gas extraction	4.0	4.6	5.1	4.6	5.2	5.7
Construction	3.9	4.0	4.1	4.0	3.9	4.2
Manufacturing	5.9	5.3	5.0	5.1	5.2	4.9
Wholesale trade	5.8	5.2	5.1	5.0	4.9	4.6
Retail trade	3.3	3.0	3.0	3.1	2.8	2.9
Transportation and warehousing	4.7	4.4	4.2	3.9	3.4	3.4
Utilities	9.2	7.4	9.5	7.7	6.0	4.9
Information	4.8	4.3	4.4	4.2	4.2	4.2
Financial activities	5.0	4.8	4.7	4.8	4.5	4.7
Professional and business services	3.6	3.4	3.6	3.5	3.4	3.5
Educational services	4.8	4.0	4.2	3.9	4.1	4.0
Health care and social assistance	4.4	3.9	3.9	3.8	3.9	3.5
Leisure and hospitality	2.3	2.2	2.2	2.3	2.0	2.1
Other services	4.0	3.9	4.0	4.1	3.9	3.8
Public sector	7.8	7.7	6.8	6.5	6.8	6.2

Employee Tenure

Employee age

Industry	Median age
Total, 16 years and over	**42.2**
Agriculture, forestry, fishing, and hunting	46.1
Wholesale trade	44.6
Oil and gas extraction	44.3
Manufacturing	44.3
Financial activities	44.2
Educational services	43.7
Other services	43.4
Transportation and warehousing	43.3
Utilities	43.1
Professional and business services	42.7
Health care and social assistance	42.6
Construction	42.0
Information	41.8
Retail trade	38.7
Leisure and hospitality	32.3

Current Population Survey, 2024 annual averages

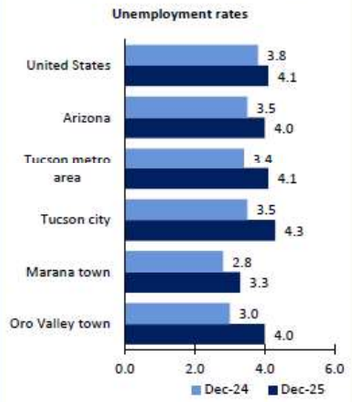
Keeping up to date with local signs

Tucson Area Economic Summary

Updated February 07, 2026

This summary presents a sampling of economic information for the area; supplemental data are provided for regions and the nation. Subjects include **unemployment, employment, wages, prices, spending,** and **benefits**. All data are not seasonally adjusted and some may be subject to revision. Area definitions may differ by subject. For more area summaries and geographic definitions, see https://www.bls.gov/regions/economic-summaries.htm.

Unemployment rates for the nation and selected areas



Source: U.S. BLS, Local Area Unemployment Statistics.

Average weekly wages for all industries by county

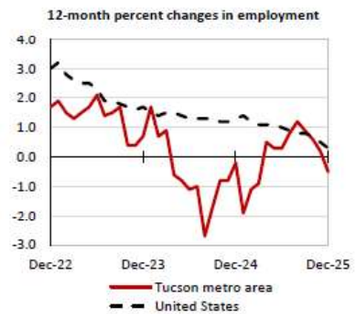
Tucson metro area, second quarter 2025

(U.S. = $1,436; Area = $1,215)



Source: U.S. BLS, Quarterly Census of Employment and Wages.

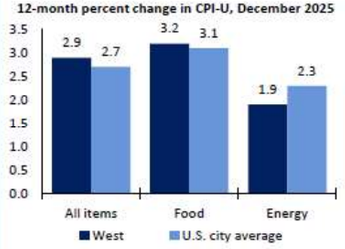
Employment on nonfarm payrolls and employment by major industry sector, over-the-year changes



Tucson metro area employment (number in thousands)	Dec. 2025	Change from Dec. 2024 to Dec. 2025	
		Number	Percent
Total nonfarm	403.0	-1.9	-0.5
Mining and logging	2.9	0.3	11.5
Construction	19.7	-0.7	-3.4
Manufacturing	27.7	-0.7	-2.5
Trade, transportation, and utilities	71.3	-1.4	-1.9
Information	4.9	-0.2	-3.9
Financial activities	17.7	0.3	1.7
Professional and business services	43.1	-1.8	-4.0
Education and health services	75.9	3.5	4.8
Leisure and hospitality	46.1	0.7	1.5
Other services	15.9	1.0	6.7
Government	77.8	-2.9	-3.6

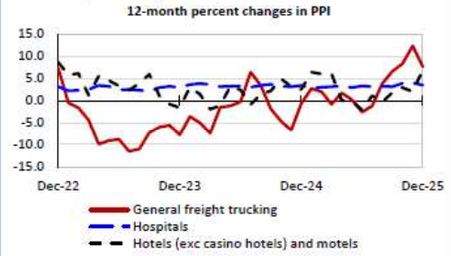
Source: U.S. BLS, Current Employment Statistics.

Prices paid by urban consumers for selected categories, over-the-year change



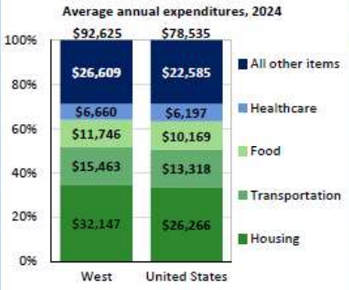
Source: U.S. BLS, Consumer Price Index.

Selling prices received by producers for selected industries nationwide, over-the-year change



Source: U.S. BLS, Producer Price Index.

Average annual spending and percent distribution for selected categories



Source: U.S. BLS, Consumer Expenditure Survey.

Average hourly wages for selected occupations, May 2024

Occupation	Tucson metro area	United States
All occupations	$29.91	$32.66
Electrical engineers	62.08	58.16
Aerospace engineers	57.89	67.88
Aircraft mechanics and service technicians	34.69	38.84
Social science research assistants	26.61	30.56
Psychiatric technicians	19.35	21.64
Fast food and counter workers	15.89	15.07

Source: U.S. BLS, Occupational Employment and Wage Statistics.

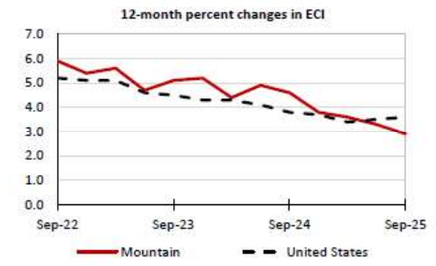
Employer costs per hour worked for wages and selected employee benefits by census division

Private industry, June 2025	Mountain	United States
Total compensation	$41.59	$45.65
Wages and salaries	30.12	32.07
Total benefits	11.46	13.58
Paid leave	2.88	3.44
Vacation	1.42	1.75
Supplemental pay	1.56	1.84
Insurance	2.76	3.44
Retirement and savings	1.14	1.54
Legally required benefits	3.12	3.31

Map of Census Regions and Divisions

Source: U.S. BLS, Employer Costs for Employee Compensation.

Changes in wages and salaries over-the-year

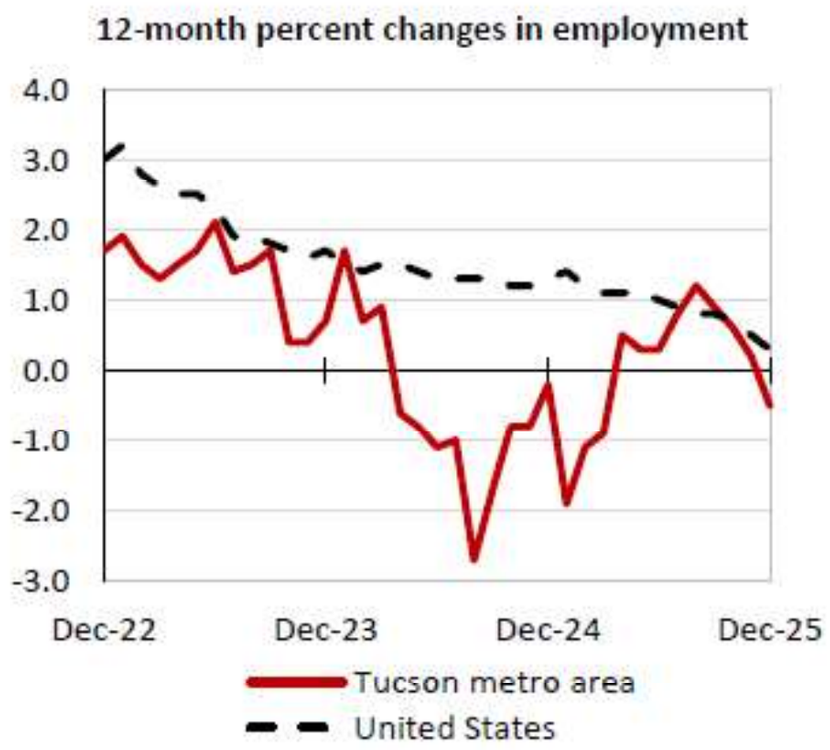


Source: U.S. BLS, Employment Cost Index.

Area economic summaries

Keeping up to date with local signs

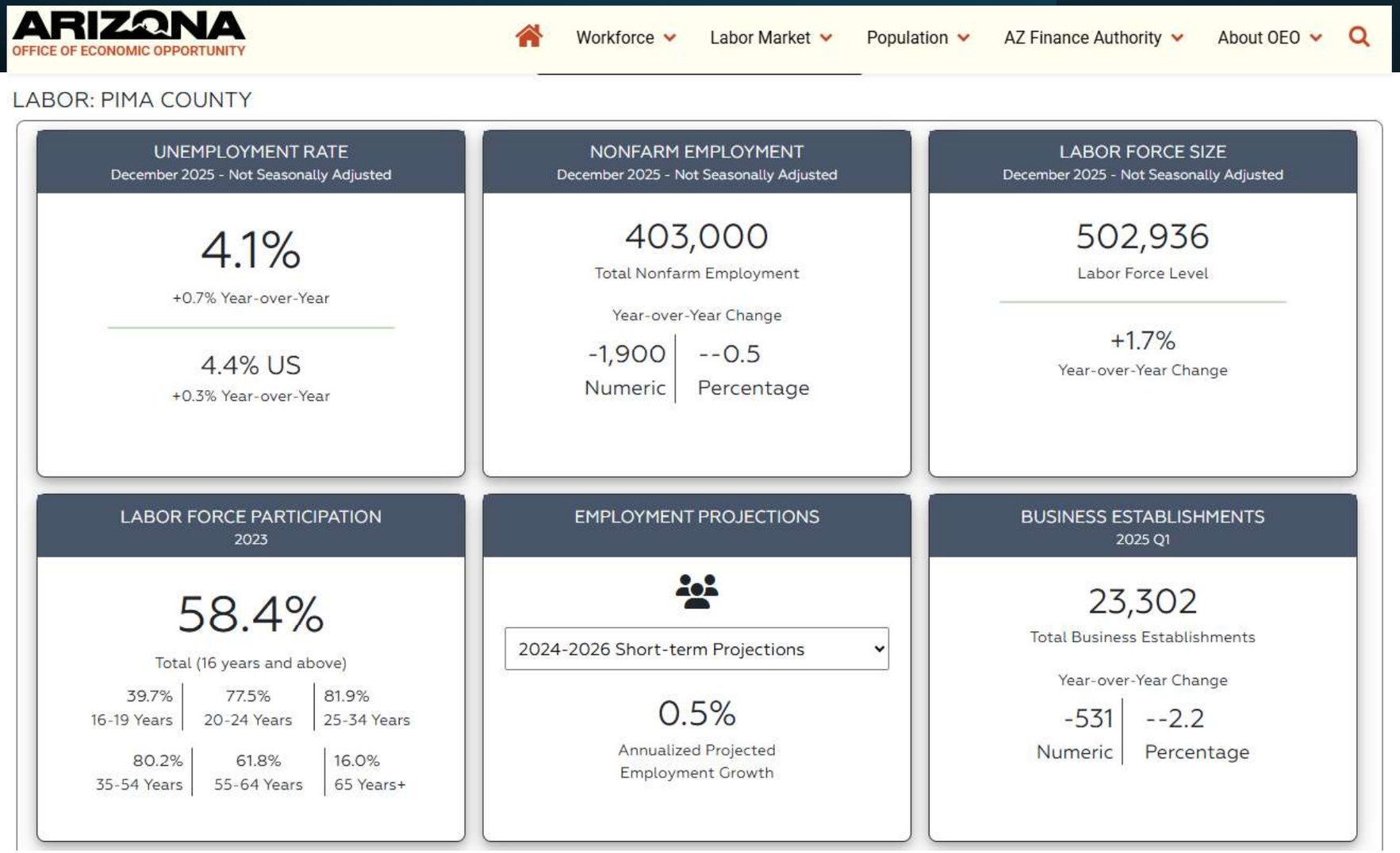
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Construction	19.7	-0.7	-3.4
Manufacturing	27.7	-0.7	-2.5
Trade, transportation, and utilities	71.3	-1.4	-1.9
Information	4.9	-0.2	-3.9
Financial activities	17.7	0.3	1.7
Professional and business services	43.1	-1.8	-4.0
Education and health services	75.9	3.5	4.8
Leisure and hospitality	46.1	0.7	1.5
Other services	15.9	1.0	6.7
Government	77.8	-2.9	-3.6

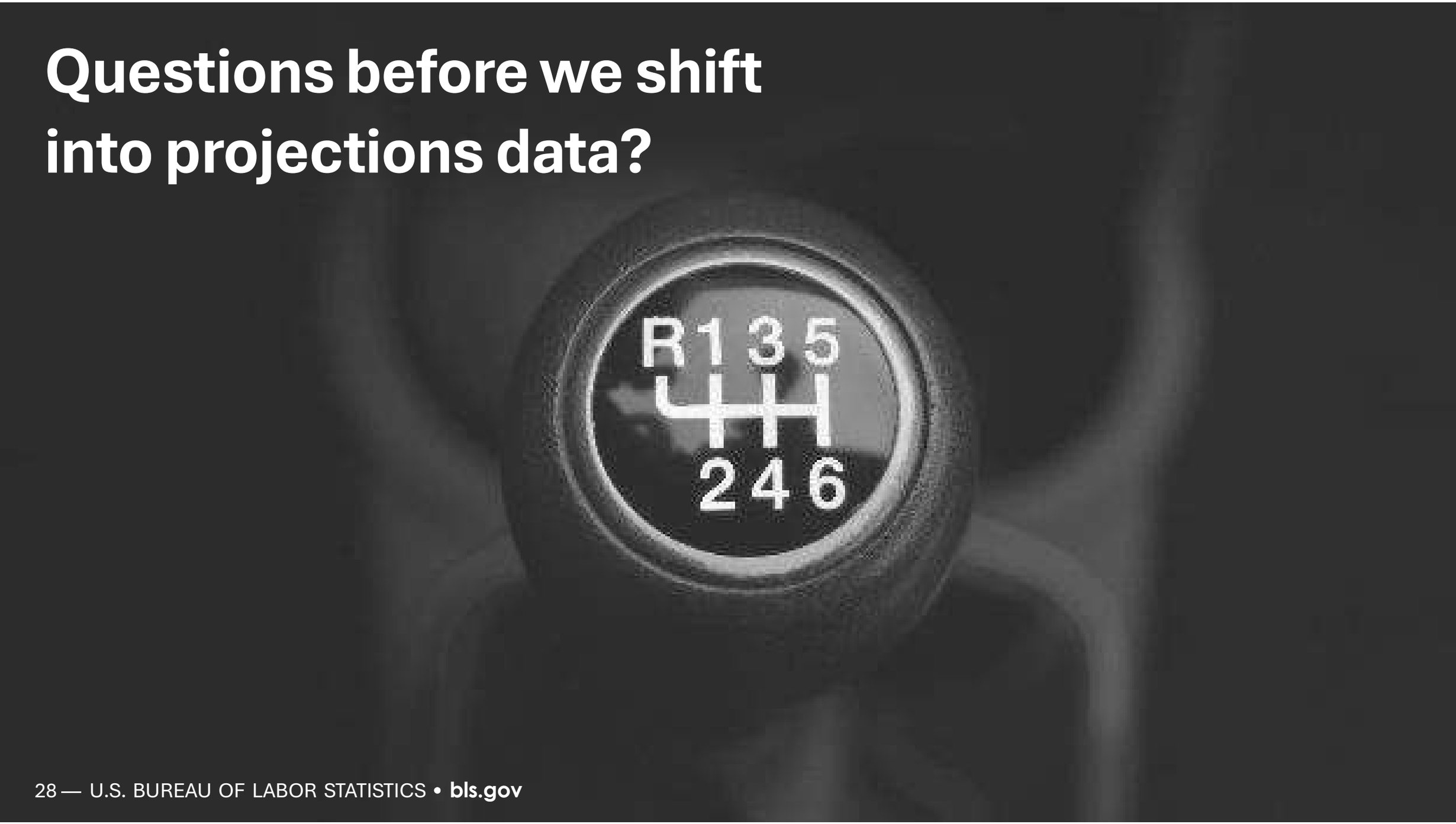
Area economic summaries

Keeping up to date with local signs



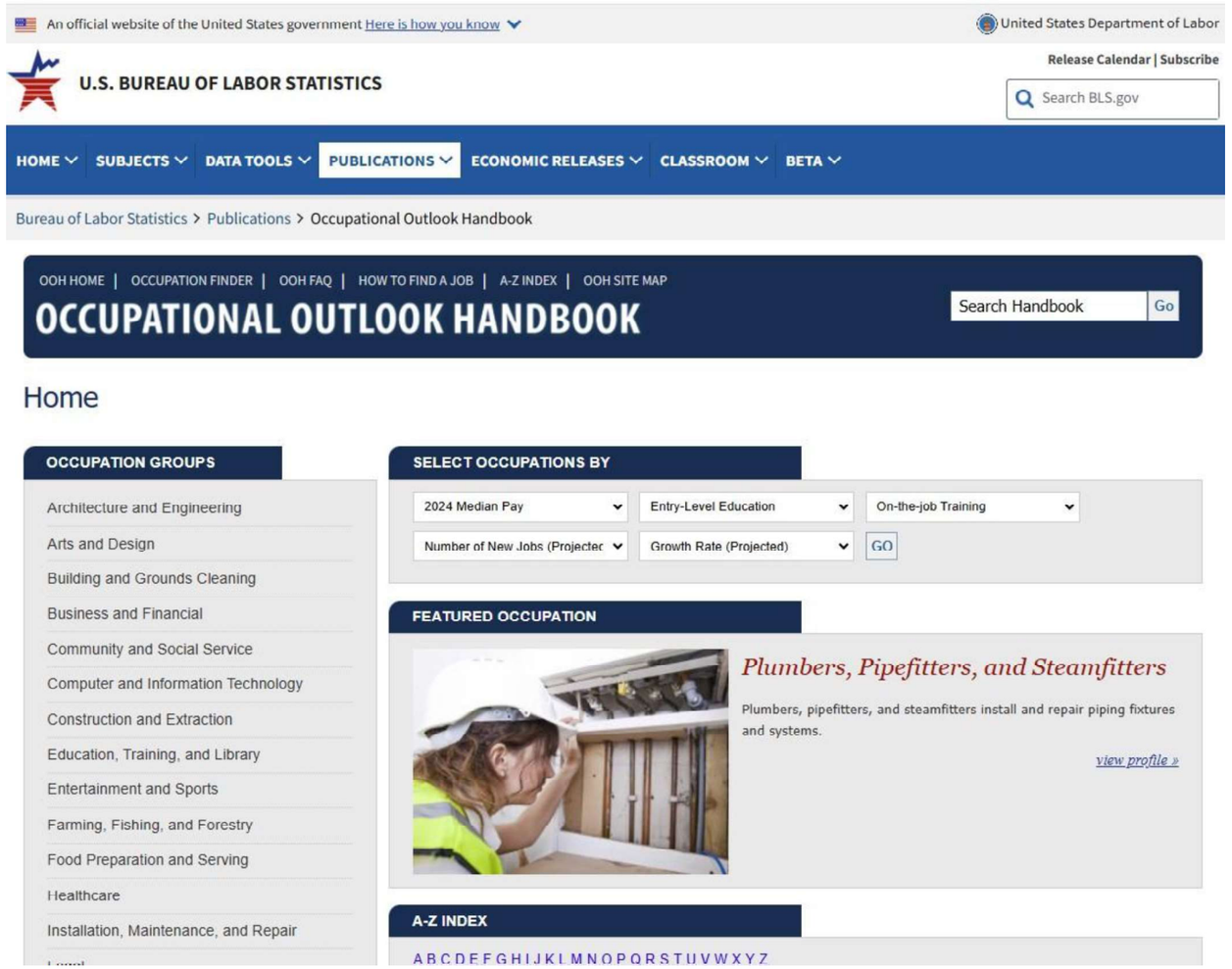
State Labor Market Information Offices

Questions before we shift into projections data?



Employment projections products

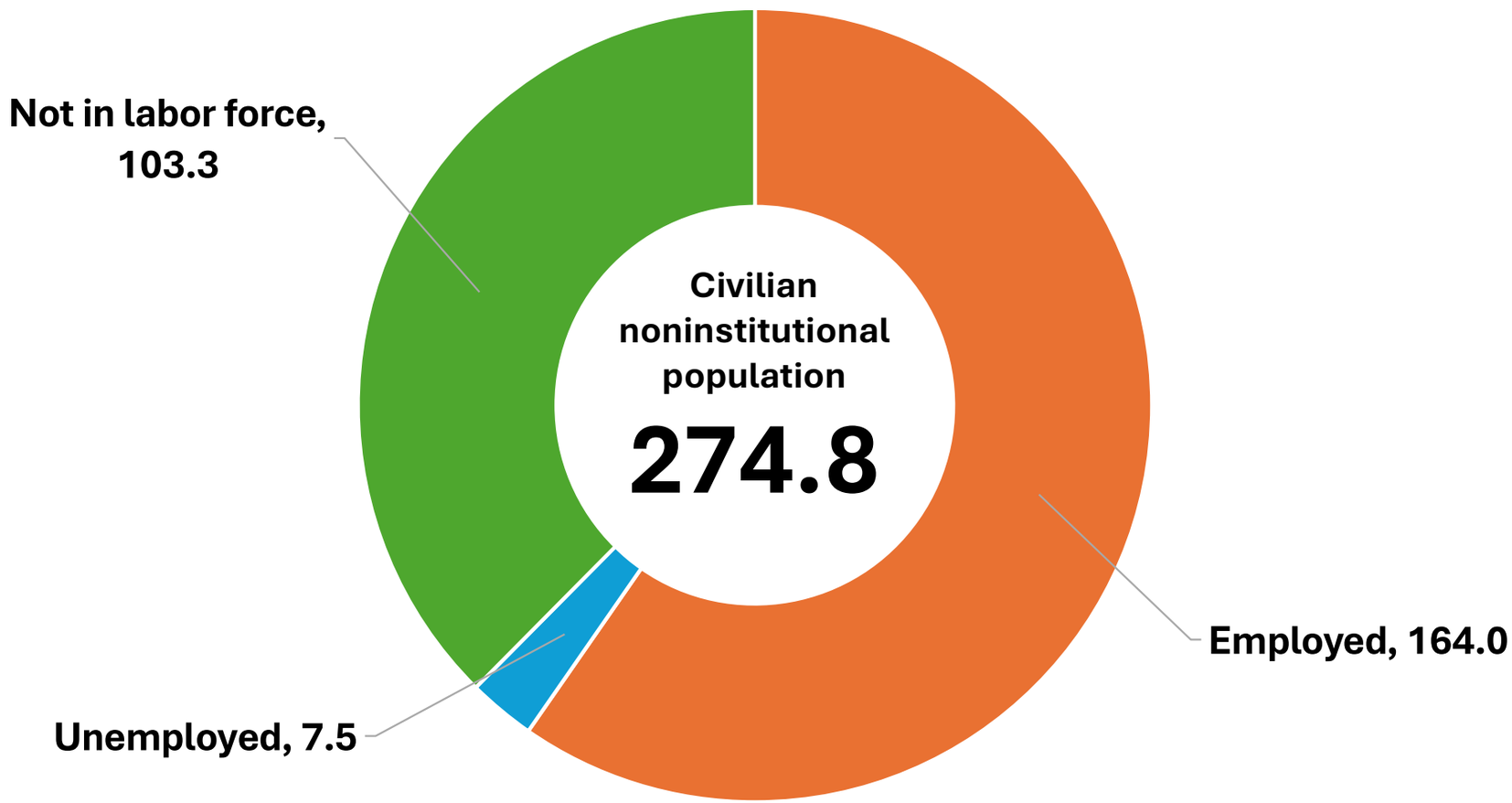
- Occupational Outlook Handbook
- Long-term employment projections by industry and occupation
- Technical materials—occupational openings, education and training categories, and more
- Skills data



Employment Projections

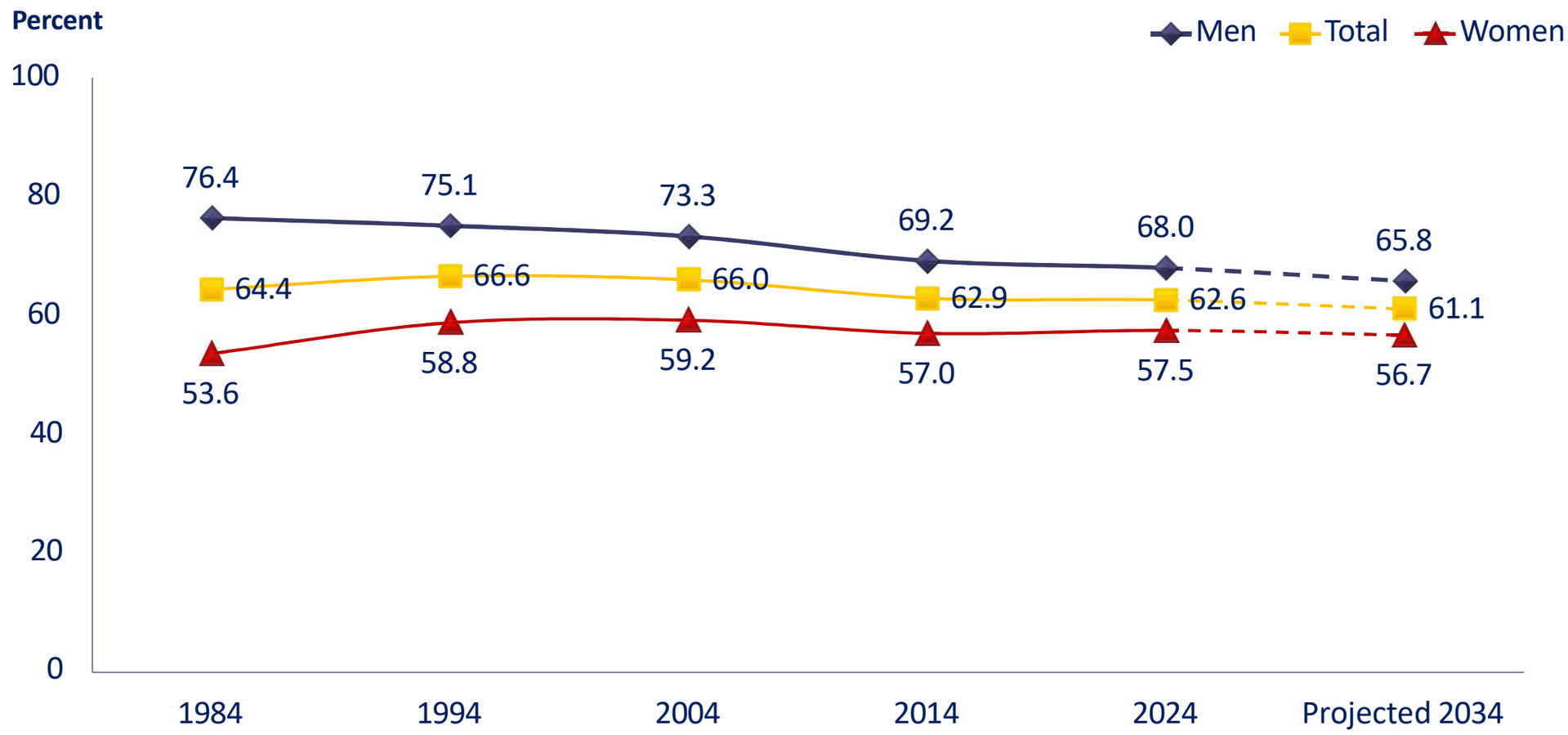
100 million not in labor force

Civilian noninstitutional population, December 2025



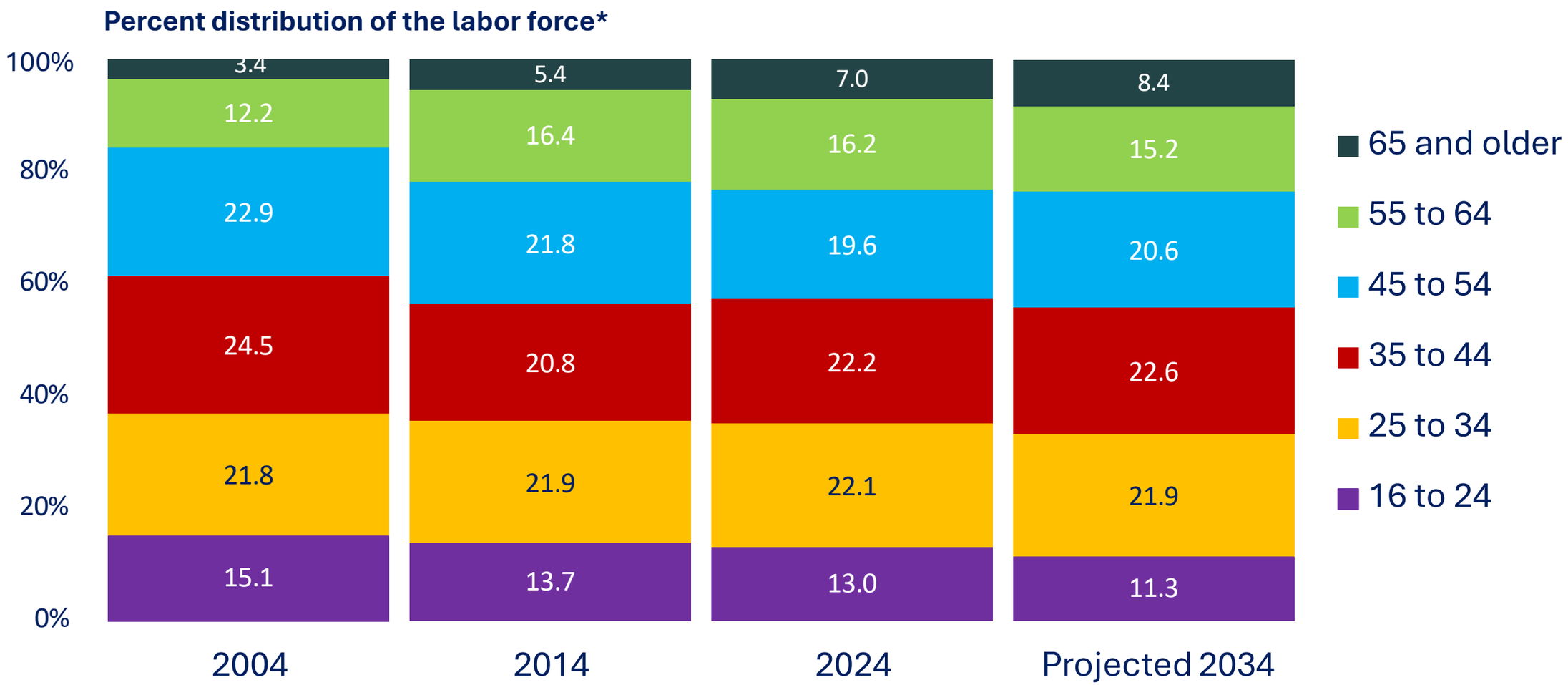
Current Population Survey, numbers in millions, seasonally adjusted

Labor force participation rate continues to decline



Employment Projections

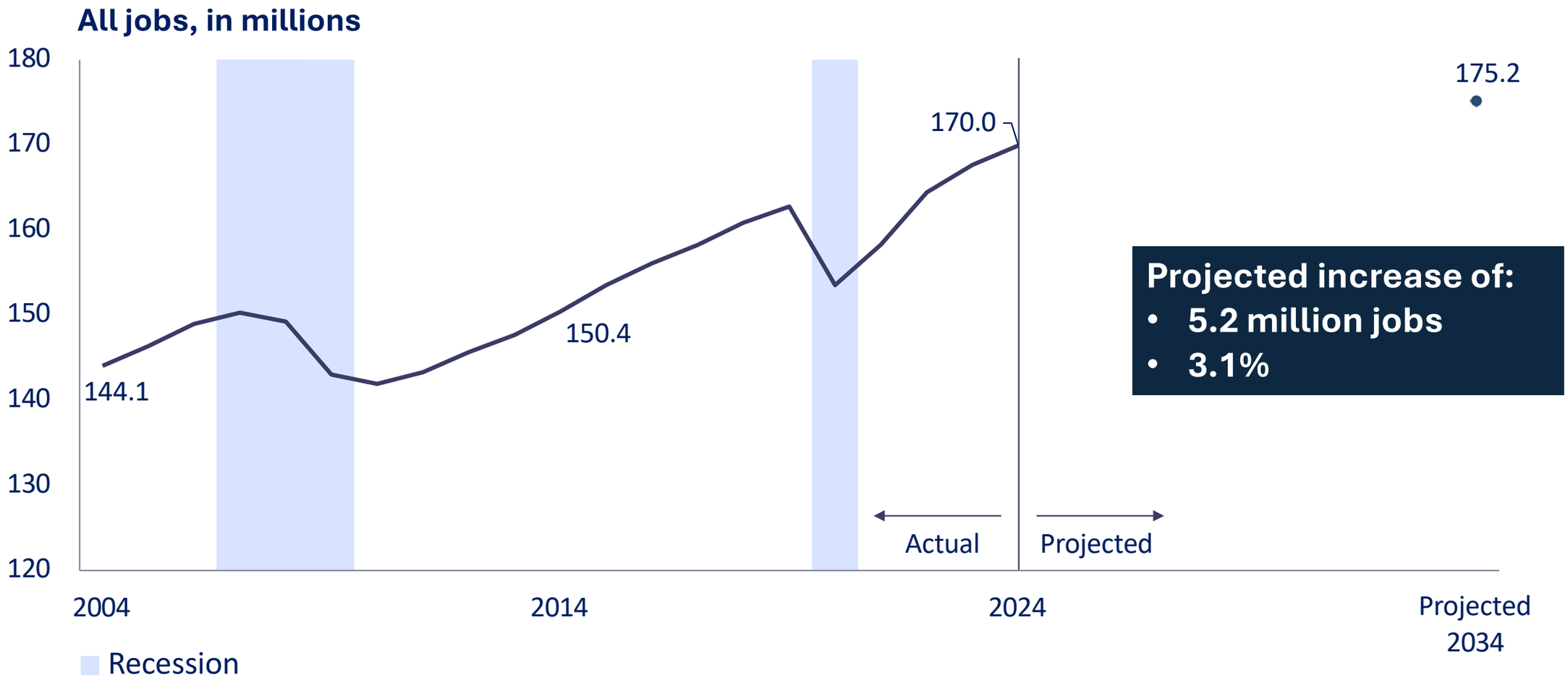
Aging labor force



*Data may not sum to 100 percent due to rounding

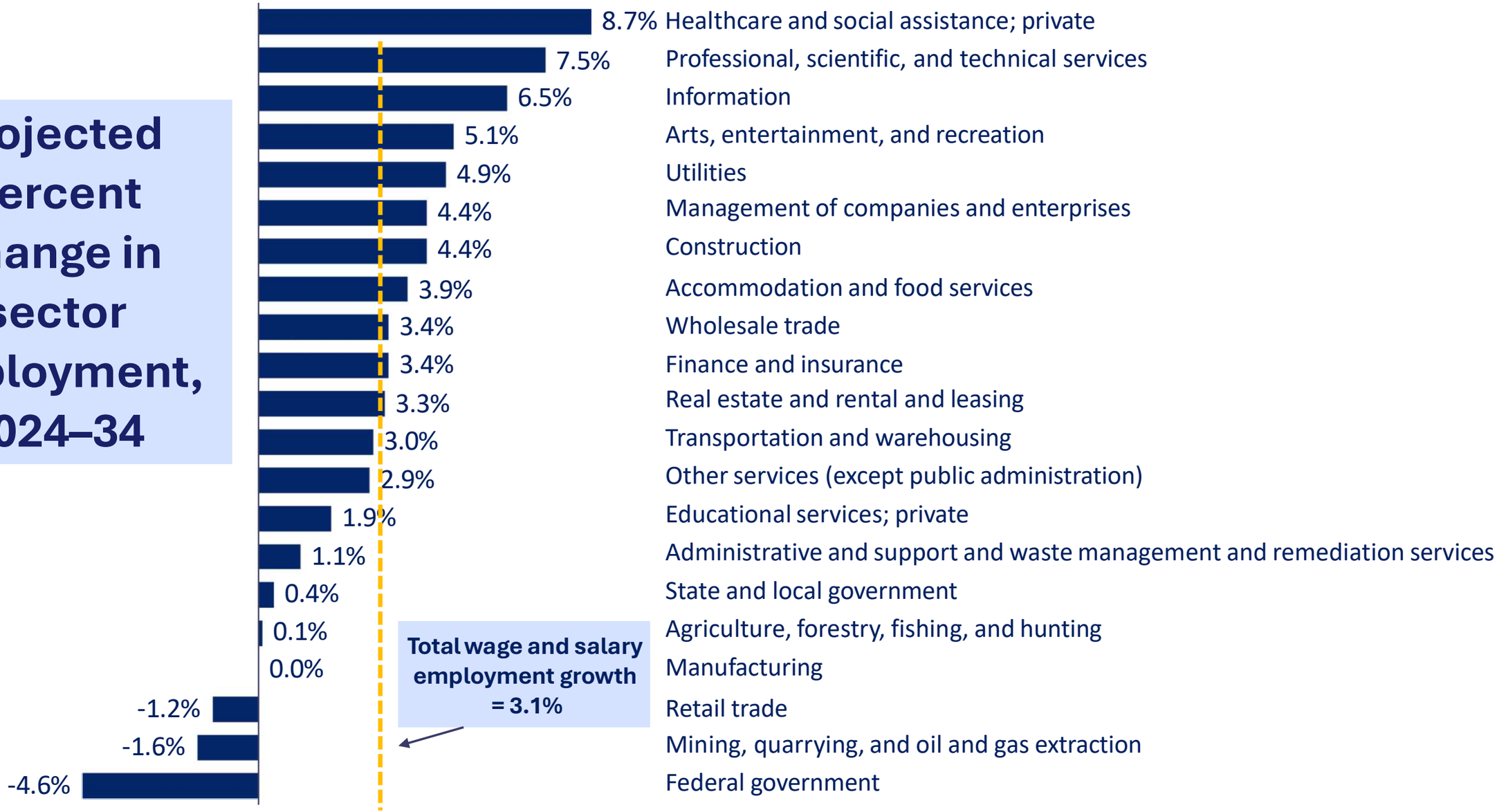
Employment Projections

Total employment, 2004–24 and projected 2034



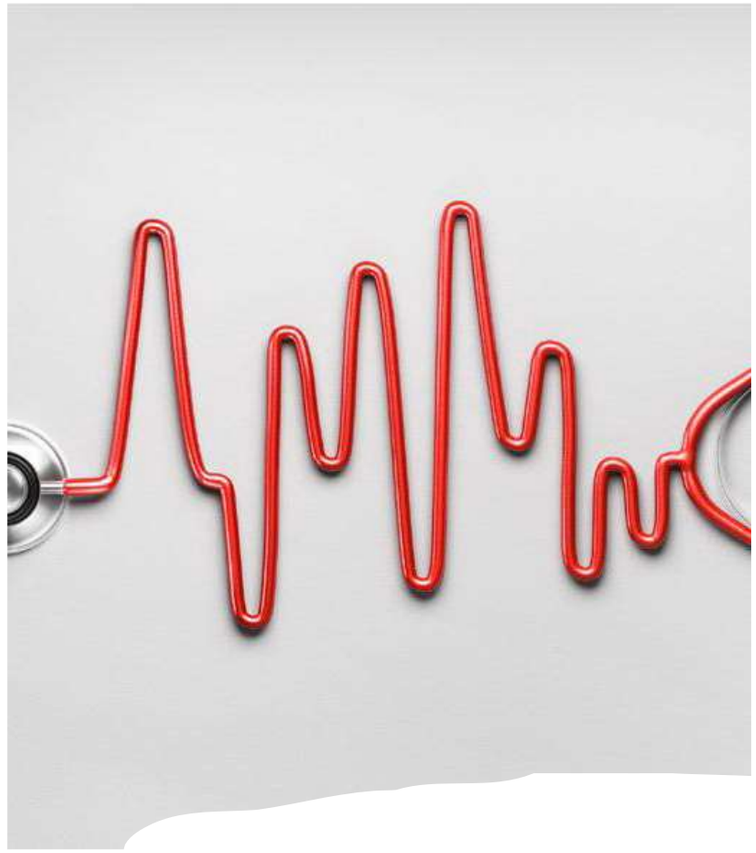
Employment Projections

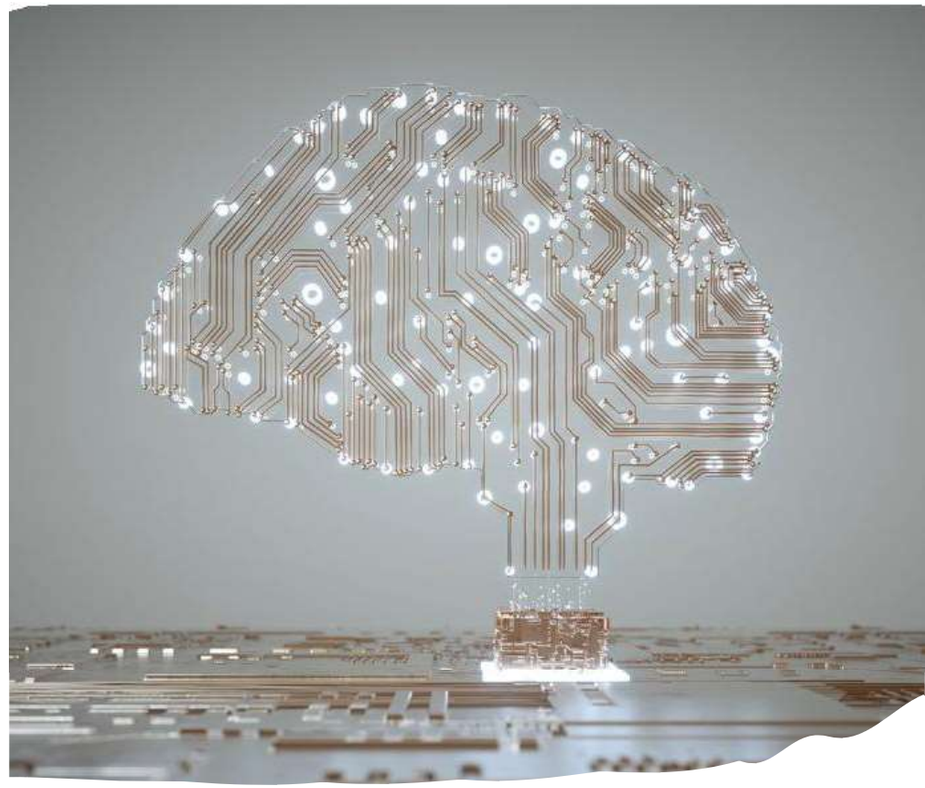
Projected percent change in sector employment, 2024–34



Employment Projections





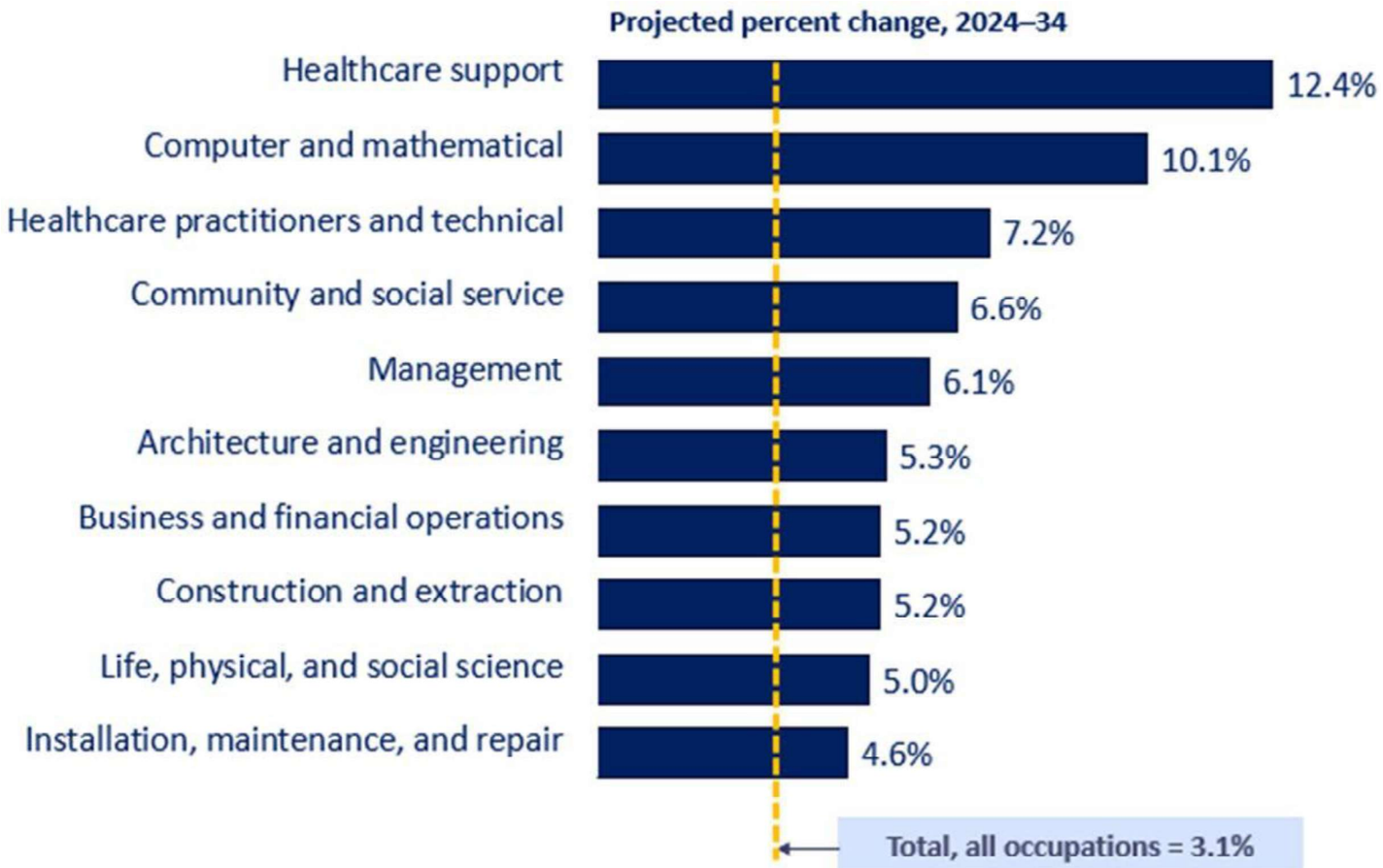




2024–34 projections overarching trends

Healthcare and social assistance

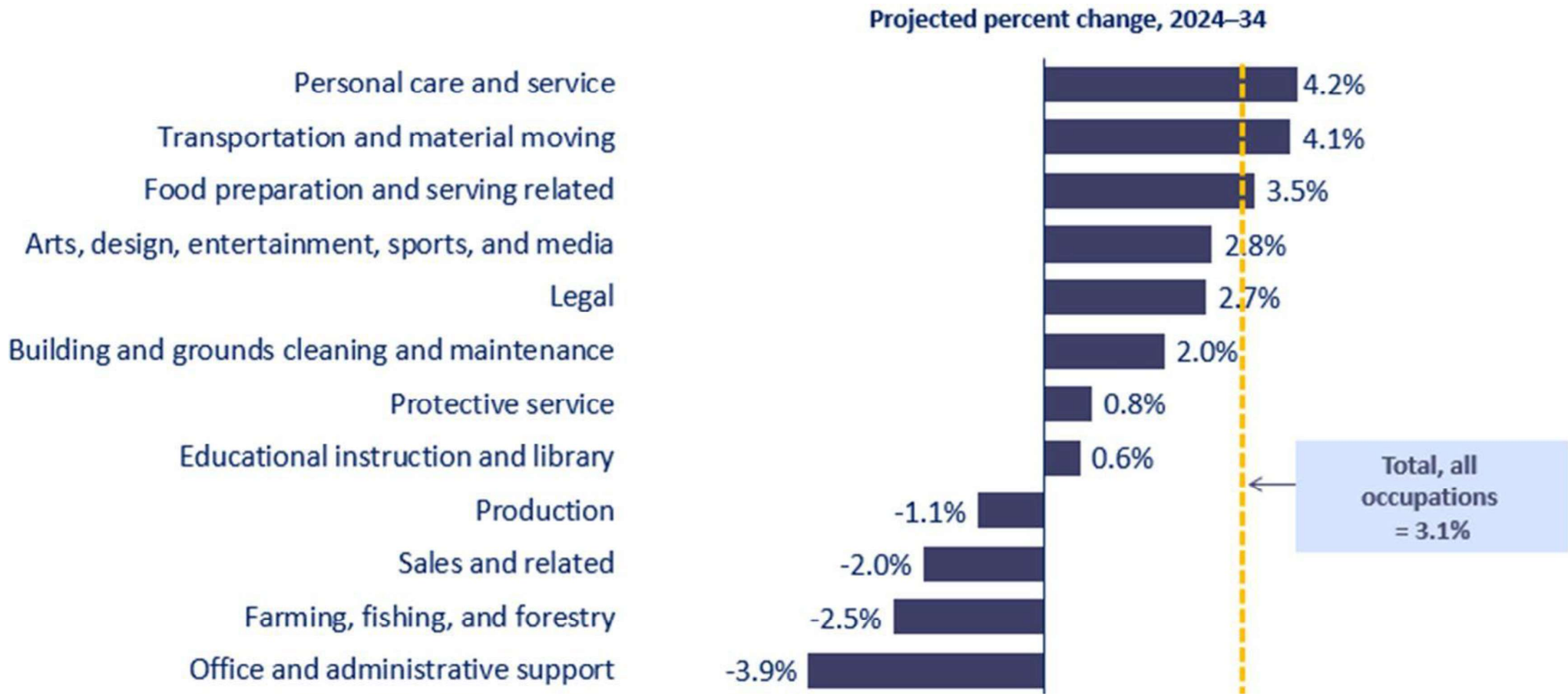
Healthcare support occupations projected to grow the fastest



Employment Projections

Artificial intelligence

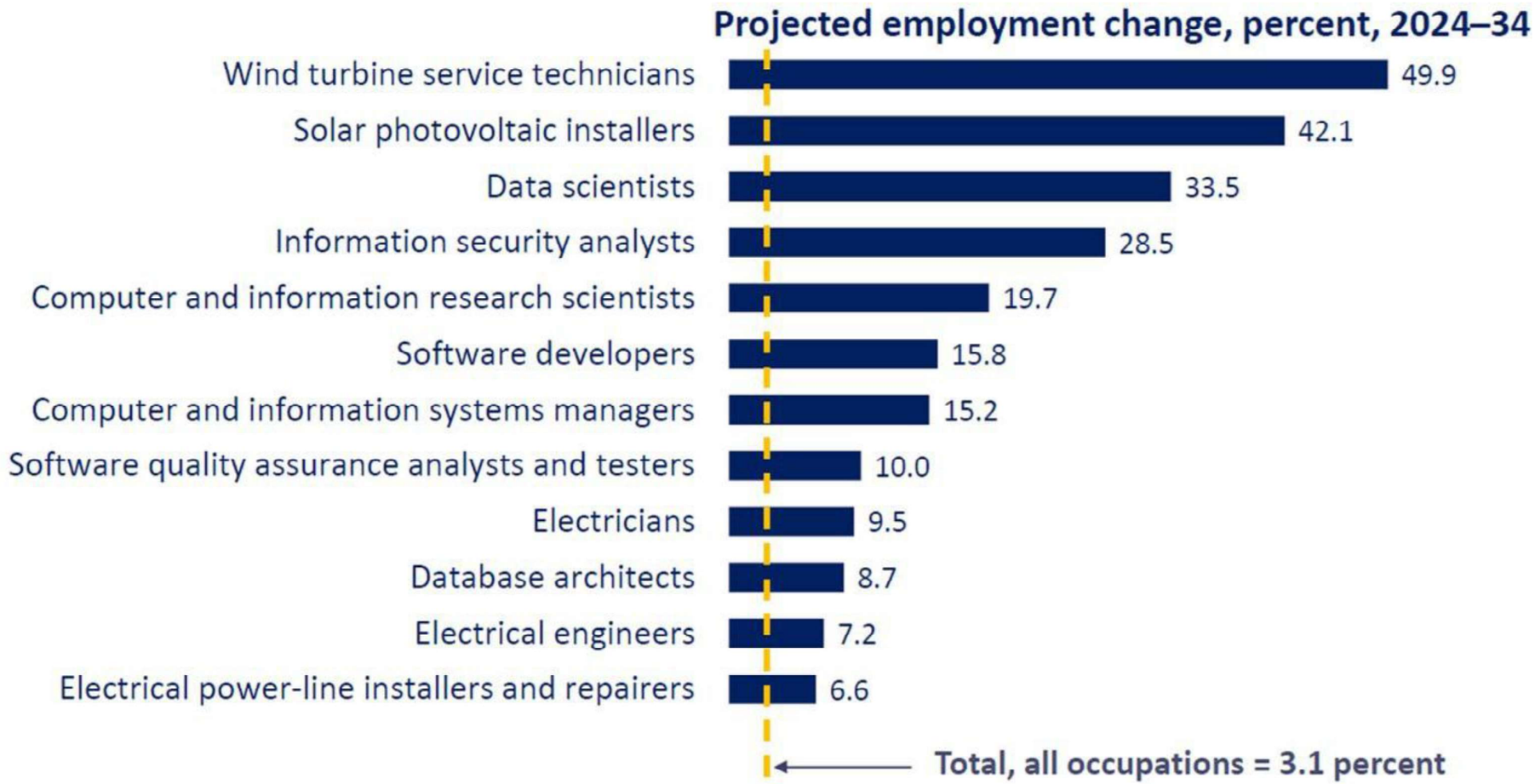
Office and administrative support occupations projected to be the fastest declining



Employment Projections

Artificial intelligence

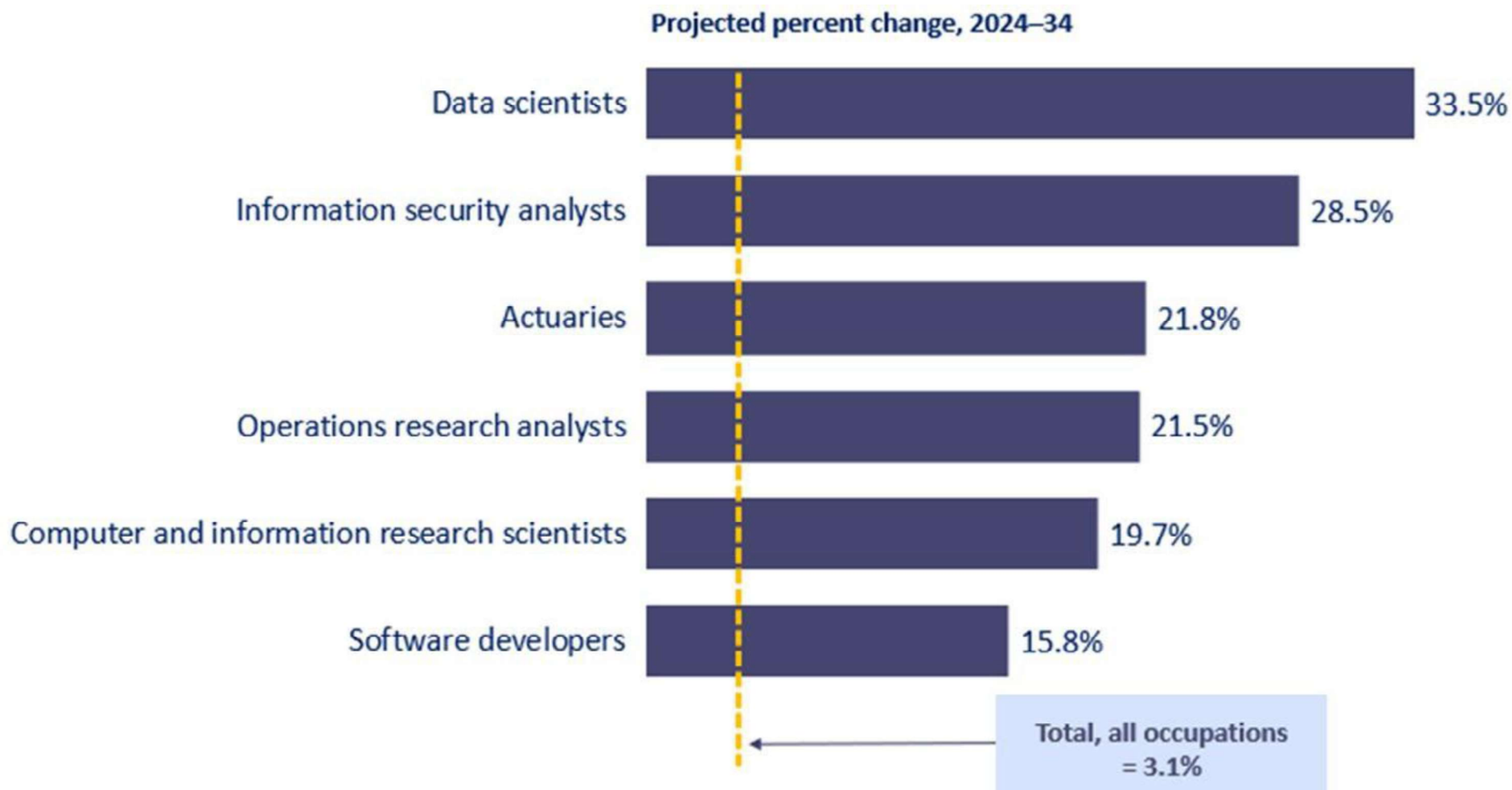
Selected fast-growing occupations related to AI infrastructure



Employment Projections

Information technology

Computer and mathematical occupations are among the projected fastest growing

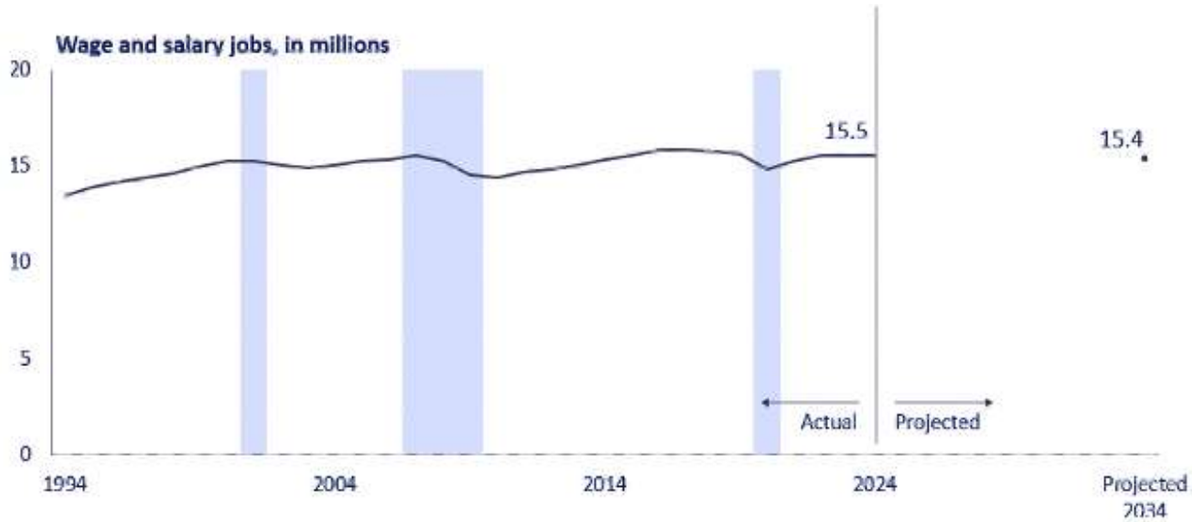


Employment Projections

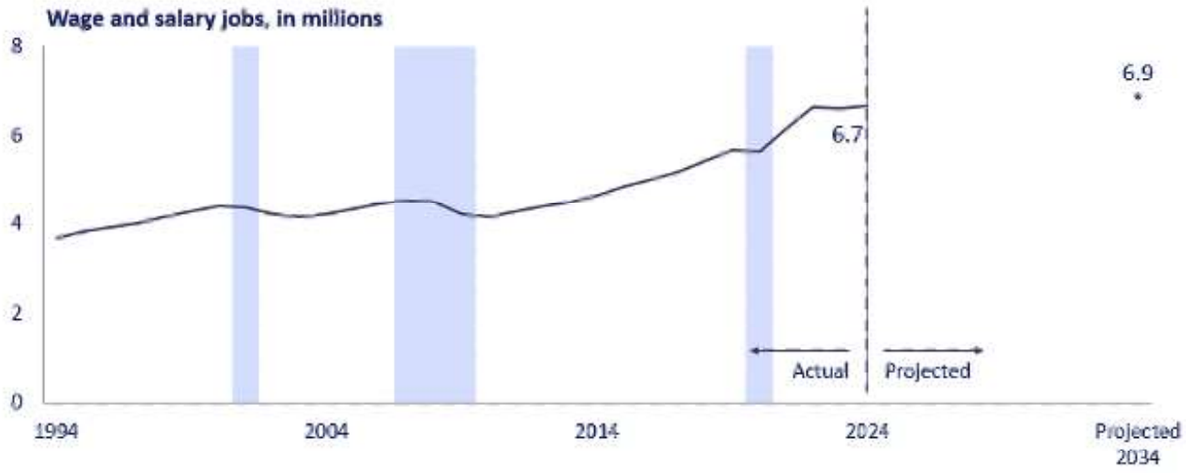
E-commerce

Retail trade losses and transportation/warehousing gains

Retail Trade Projected to Have the Most Job Losses

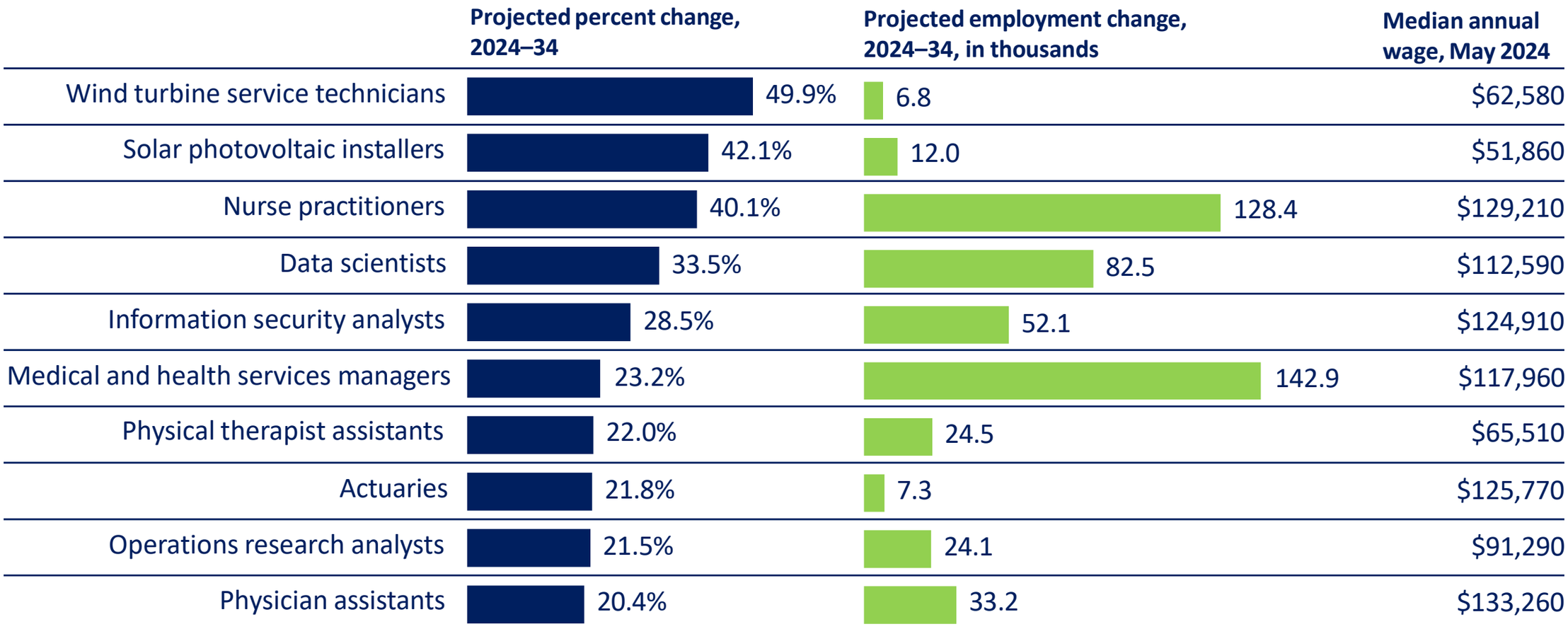


Transportation and Warehousing Projected to Continue Growing



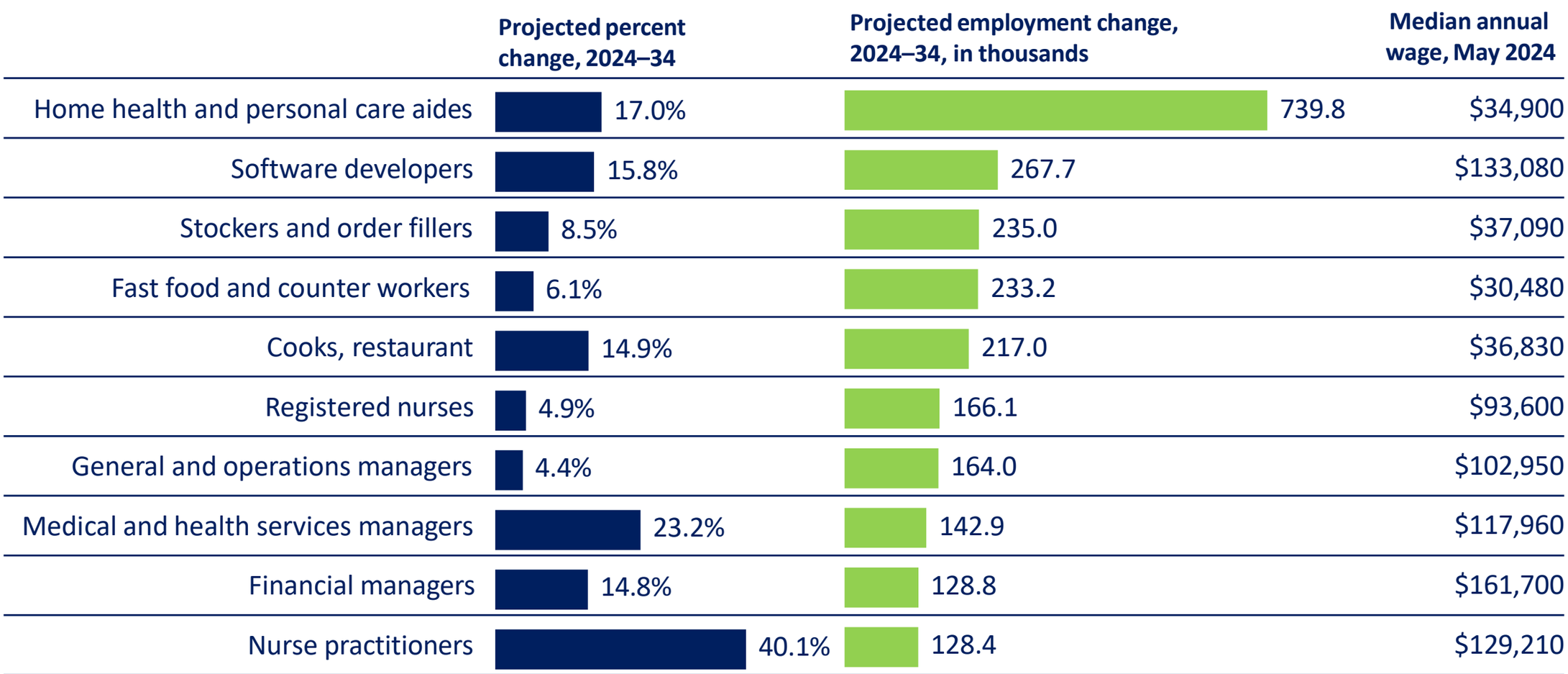
Employment Projections

Fastest growing occupations



Employment Projections

Occupations with largest projected growth

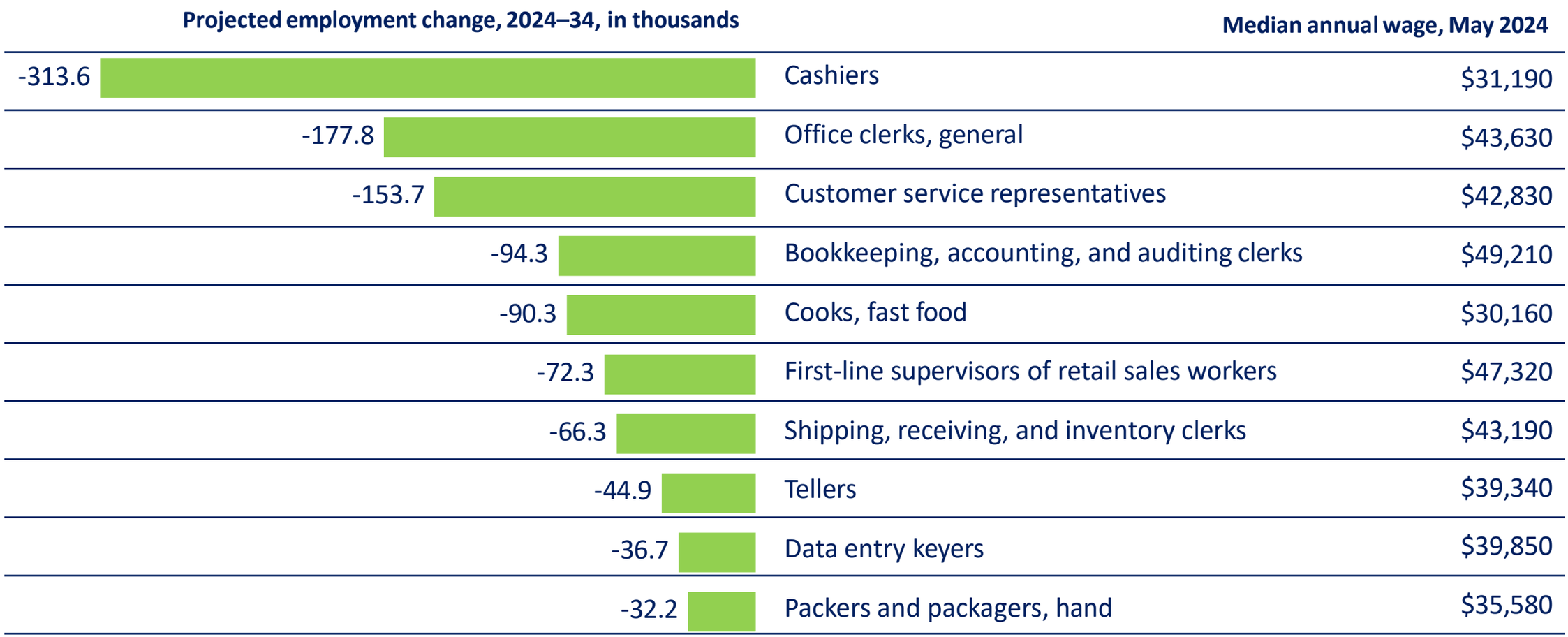


Employment Projections

Fastest declining occupations

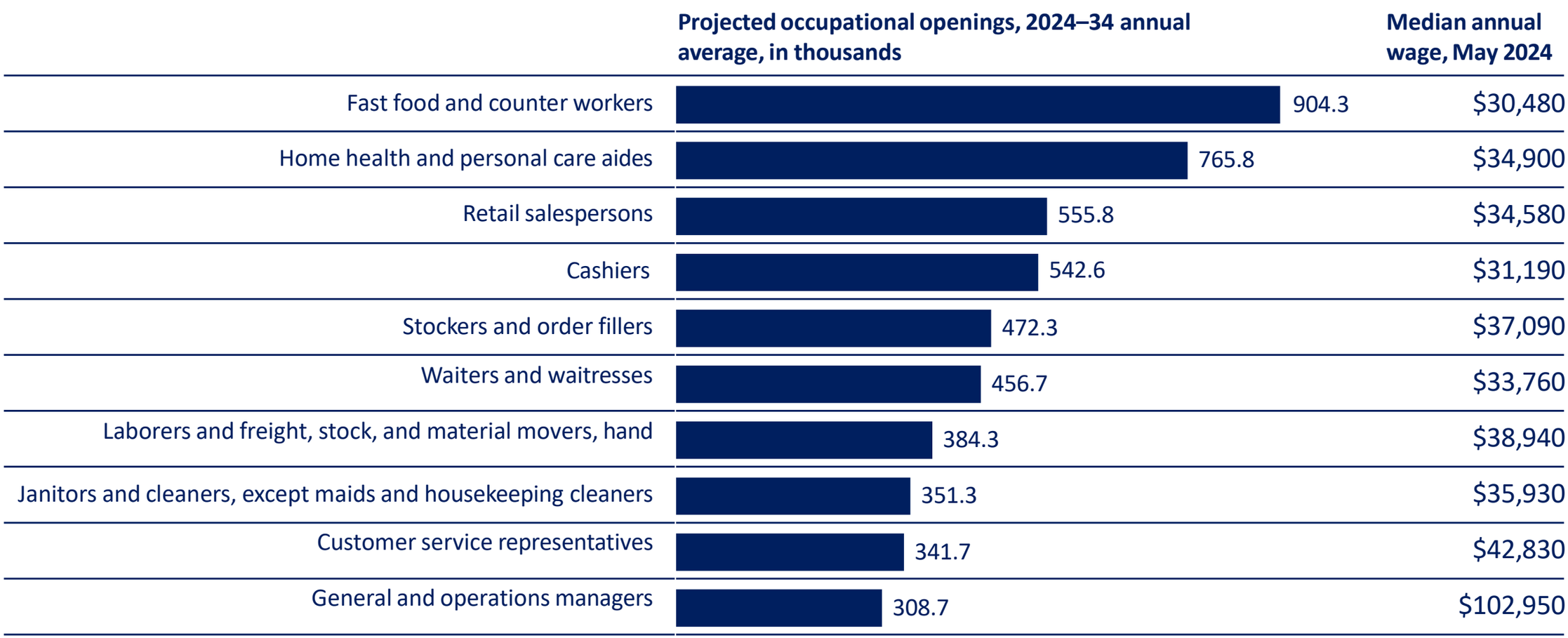
	Projected percent change, 2024–34	Projected employment change 2024–34, in thousands	Median annual wage, May 2024
Word processors and typists	-36.1%	-14.4	$47,850
Roof bolters, mining	-34.2%	-0.8	$76,640
Telephone operators	-27.5%	-1.1	$39,130
Switchboard operators, including answering service	-26.3%	-9.6	$38,370
Data entry keyers	-25.9%	-36.7	$39,850
Foundry mold and coremakers	-25.9%	-3.3	$45,700
Patternmakers, metal and plastic	-24.4%	-0.4	$54,540
Loading and moving machine operators, underground mining	-22.3%	-1.4	$68,860
Telemarketers	-22.1%	-14.9	$34,410
Grinding and polishing workers, hand	-21.2%	-2.5	$41,690

Occupations with largest projected decline



Employment Projections

Most projected occupational openings



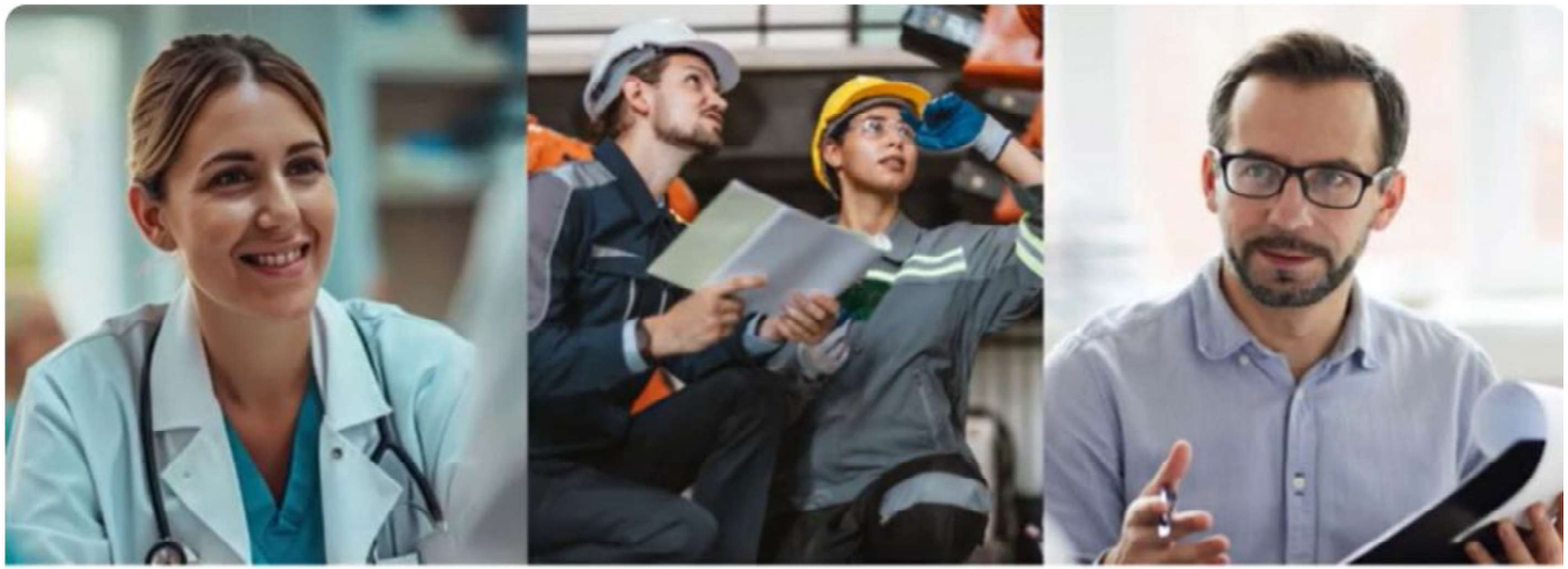
Employment Projections

Outlook for HR professionals

Job Title	Employment		2024-2034 projections			Median annual wage, 2024
	2024	2034	Numeric change	Percent change	Annual occupational openings	
Human resources specialists	944.3	1,002.7	58.4	**6.2%**	81.8	$72,910
Compensation, benefits, and job analysis specialists	107.0	112.7	5.6	**5.3%**	8.5	$77,020
Human resources managers	221.9	233.0	11.1	**5.0%**	17.9	$140,030
Total, all occupations	169,956.1	175,167.9	5,211.8	**3.1%**	18,863.3	$49,500
Compensation and benefits managers	20.9	20.9	0.0	**0.2%**	1.5	$140,360

Employment Projections, employment numbers in thousands

Local area outlook



3-minute video

Importance of skills by occupation



Skills Data

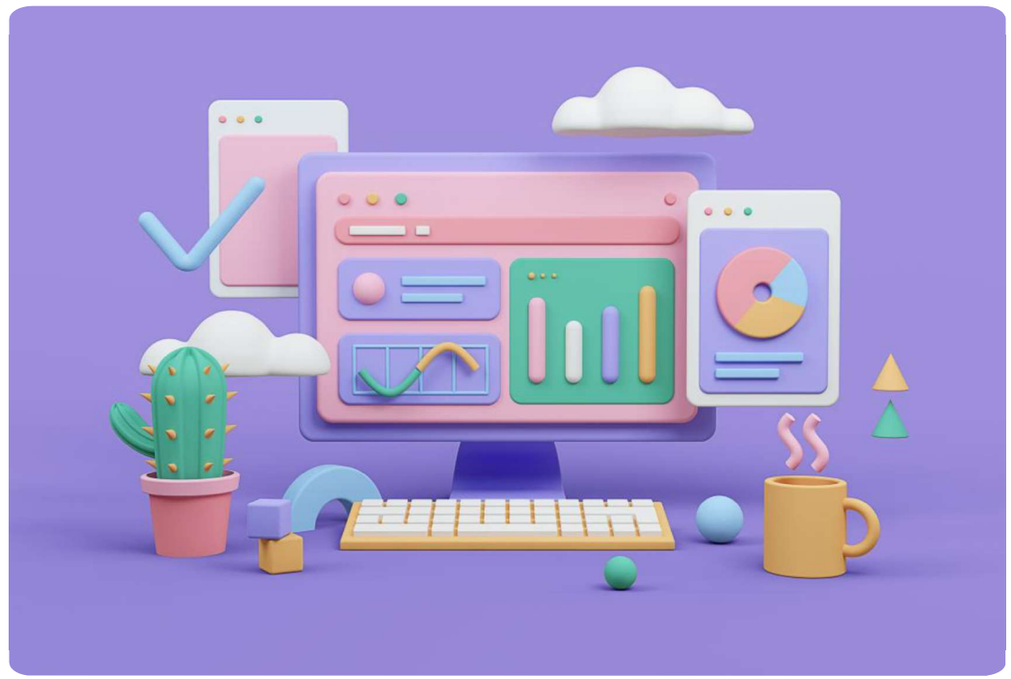
Top skills for HR managers

- Adaptability
- Leadership
- Problem solving and decision making



Skills Data

Takeaways: Making data work for you



On the ROAD!



R – Recognize the sign. Don’t gloss over it – know which sign matters and what it signals.

O – Orient to your organization. How does this sign connect to your workforce, industry, or local market?

A – Anticipate the curve. What might happen 6-12 months from now if this trend continues?

D – Drive strategy. Adjust your compensation and benefits, hiring, retention, or training plans accordingly.

Final facts!

- Nearly all BLS surveys are voluntary.
- Without the cooperation of the people who participate in its surveys, BLS could not provide high-quality information about the economy.
- We greatly appreciate the cooperation of survey respondents and supporters. Thank You!



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