

# Sussex Demographic and Labor Market Trends

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# Introduction

- How are things changing in Sussex?
  - Short-term and long-term trends
  - How is Sussex different than other areas
- New Statistics
  - Housing Affordability
  - Healthcare

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# Topics

- **Demographic Trends**
  - Population/Age trends
  - Impact on job market
  - Impact on housing
- **Local Business Trends**
  - Industry sectors for Sussex
  - Jobs, wages & growth by industry
  - High pay vs. Low
  - Healthcare

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# Sussex - Overview

- Lower unemployment rate than the U.S. and Delaware last year: 3.3% vs. 4.6%, 3.6%
- This year the unemployment rates continue to be low
- Job growth at a much faster pace than the U.S and Delaware since 2000
- Aging population
- Increased demand on healthcare
- Housing costs are the highest in the state

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# People

## Demographic Trends

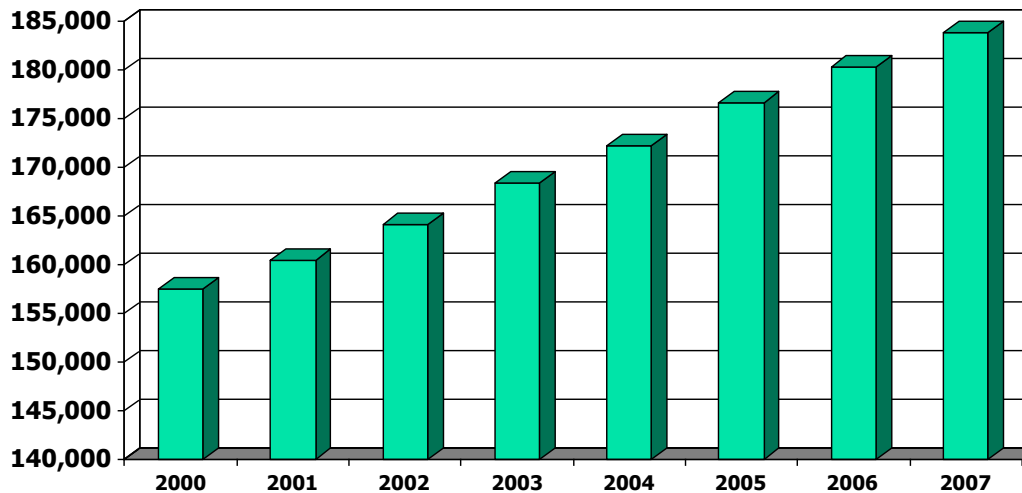


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# Demographic Overview

- Sussex Population growth up 62% since 1990 (113,200 to 183,800).
  - Kent +36%
  - New Castle +20%
  - Delaware +30%
- Since 2000, Sussex population rose by 26,300.



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# Demographic Overview (Cont.)

- **Employment Status (Residents)**
  - Employed = 89,000
  - Unemployed/actively seeking = 3,000
  - Not in the labor force, 16 years+ = 59,000 (retired, in school, or not looking for work)

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# In an Average Month in Sussex . . .

- 190 Persons are born
- 154 Persons die
- 309 Persons move here from another area

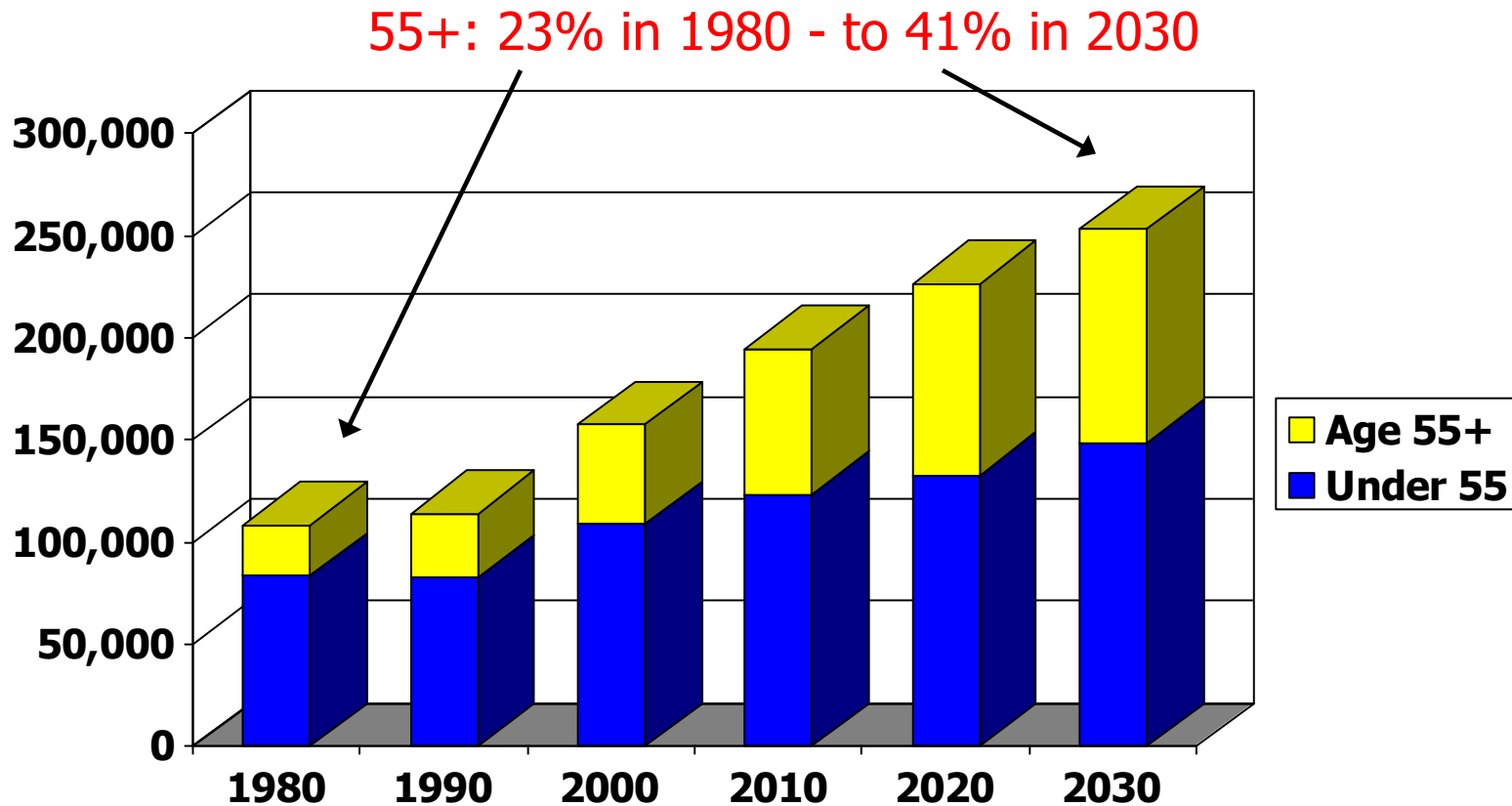
Source: U.S. Census Bureau

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# Long Term Population Trends – Sussex



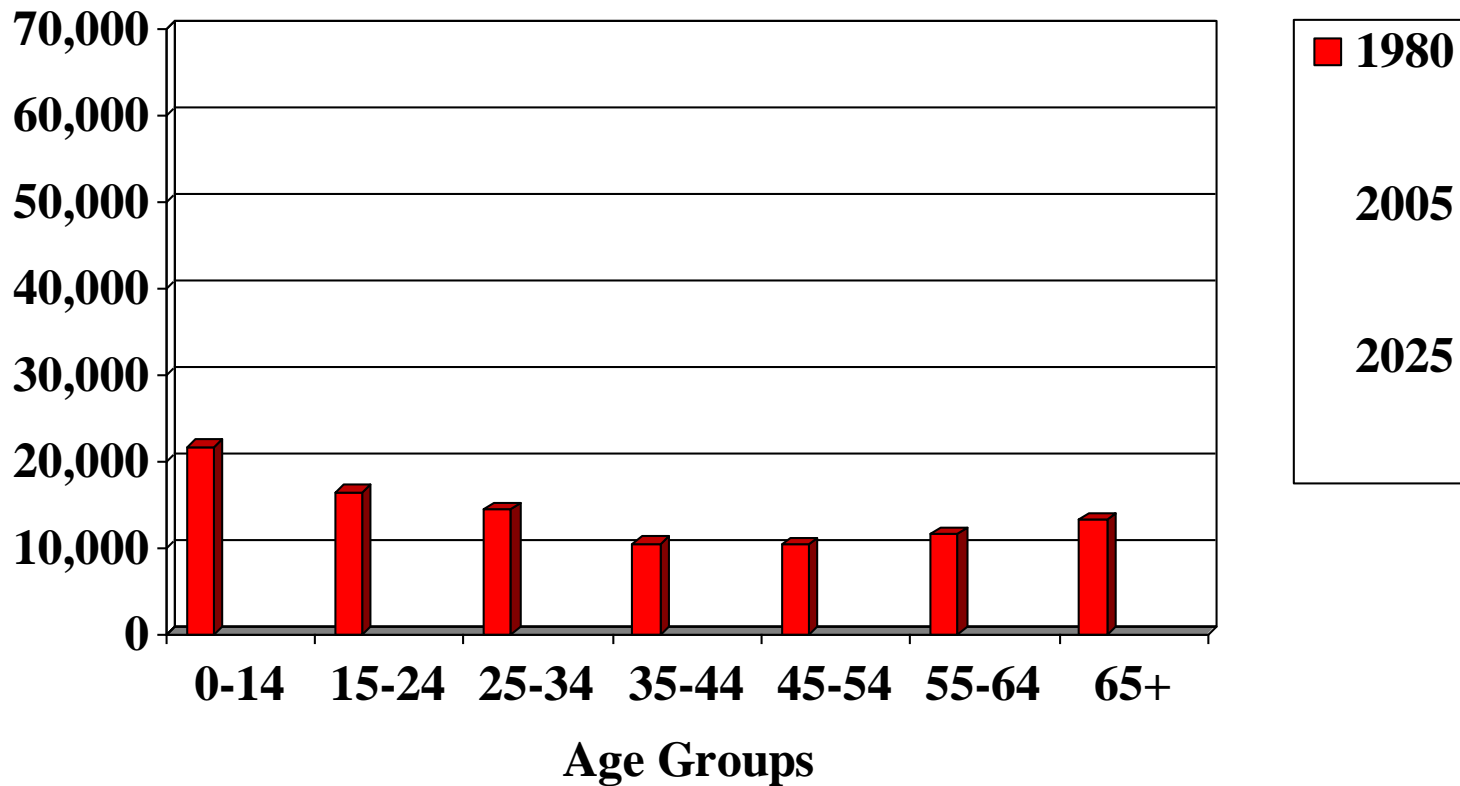
Source: Delaware Population Consortium

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# Population by Age Group

## Sussex 1980, 2005, and 2025



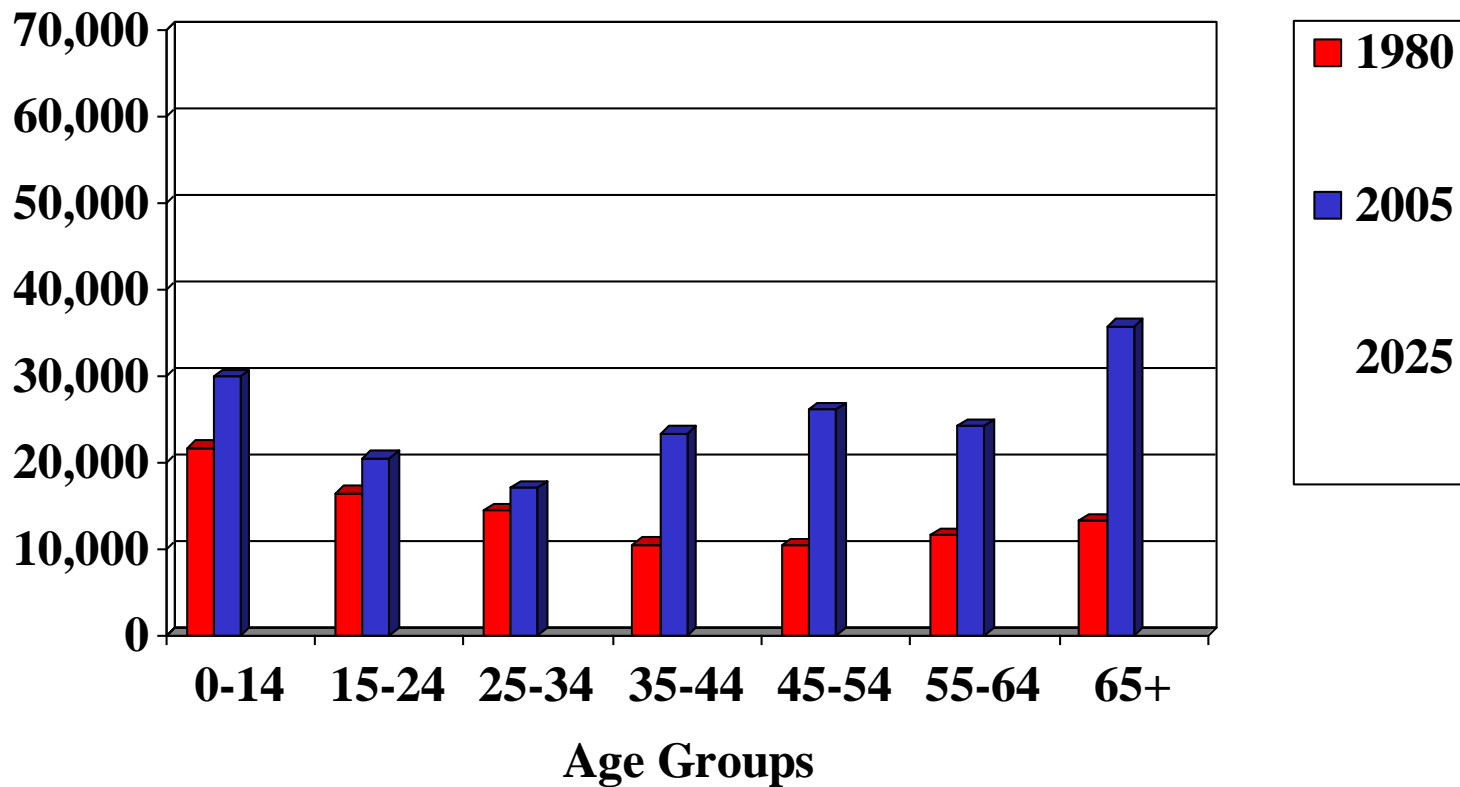
Source: Delaware Population Consortium

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# Population by Age Group

## Sussex 1980, 2005, and 2025



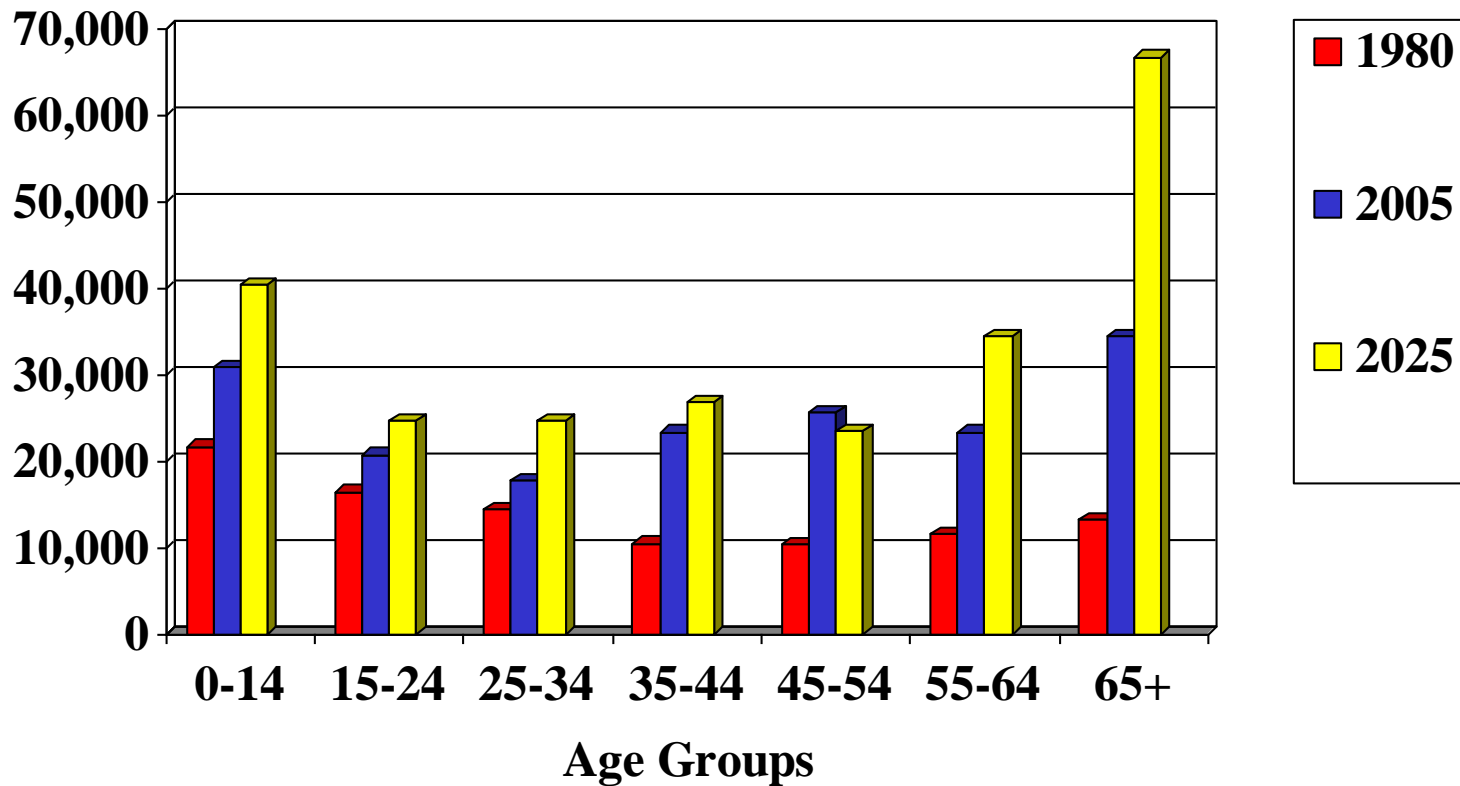
Source: Delaware Population Consortium

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# Population by Age Group

## Sussex 1980, 2005, and 2025



Source: Delaware Population Consortium

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# Population/Age Impact on County

<b>Age Group</b>	<b>Pop. Change 2005 to 2025</b>
------------------	---------------------------------

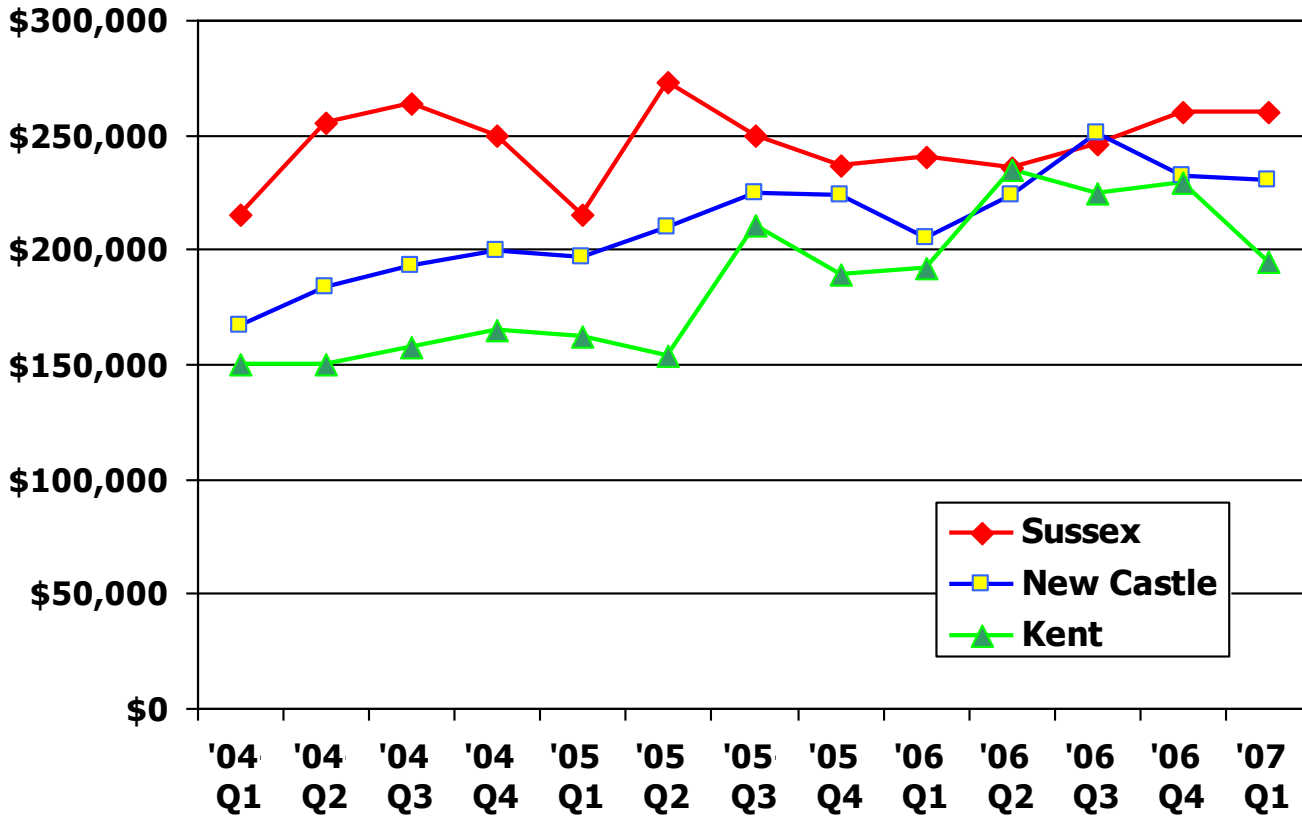
<b>0-14</b>	<b>10,487</b>
<b>15-24</b>	<b>4,266</b>
<b>25-34</b>	<b>7,713</b>
<b>35-44</b>	<b>3,541</b>
<b>45-54</b>	<b>-2,582</b>
<b>55-64</b>	<b>10,205</b>
<b>65+</b>	<b>30,996</b>

- Increased School Population
- Expanded opportunities and need for education/training
- Working age population will not experience much growth
- Aging Population will impact:
  - Health Care
  - Eldercare
  - Transportation
  - Social Services
- More Homes for Young Adults and Retirees
- More Planned Communities

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# Median Home Prices

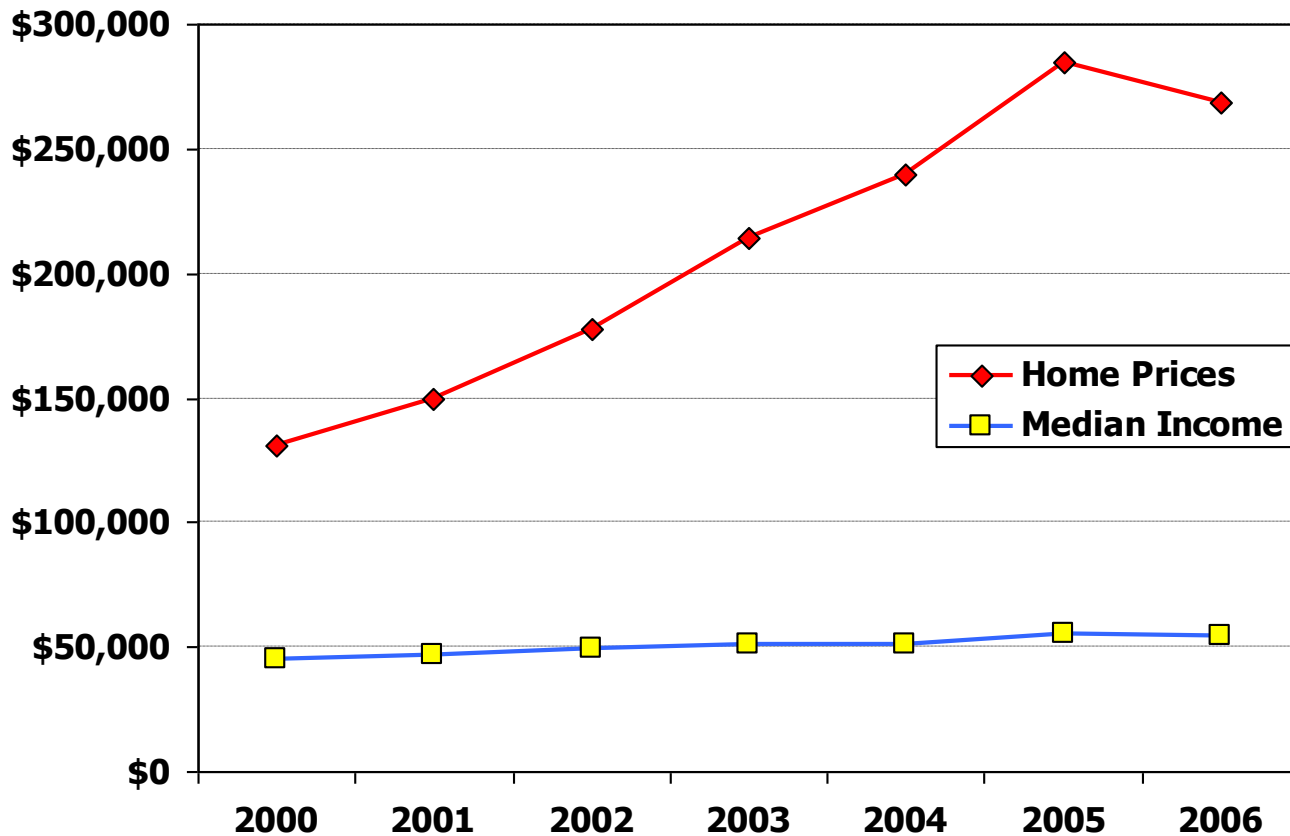


Source: ENeighborhoods

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# Home Prices vs. Income - Sussex

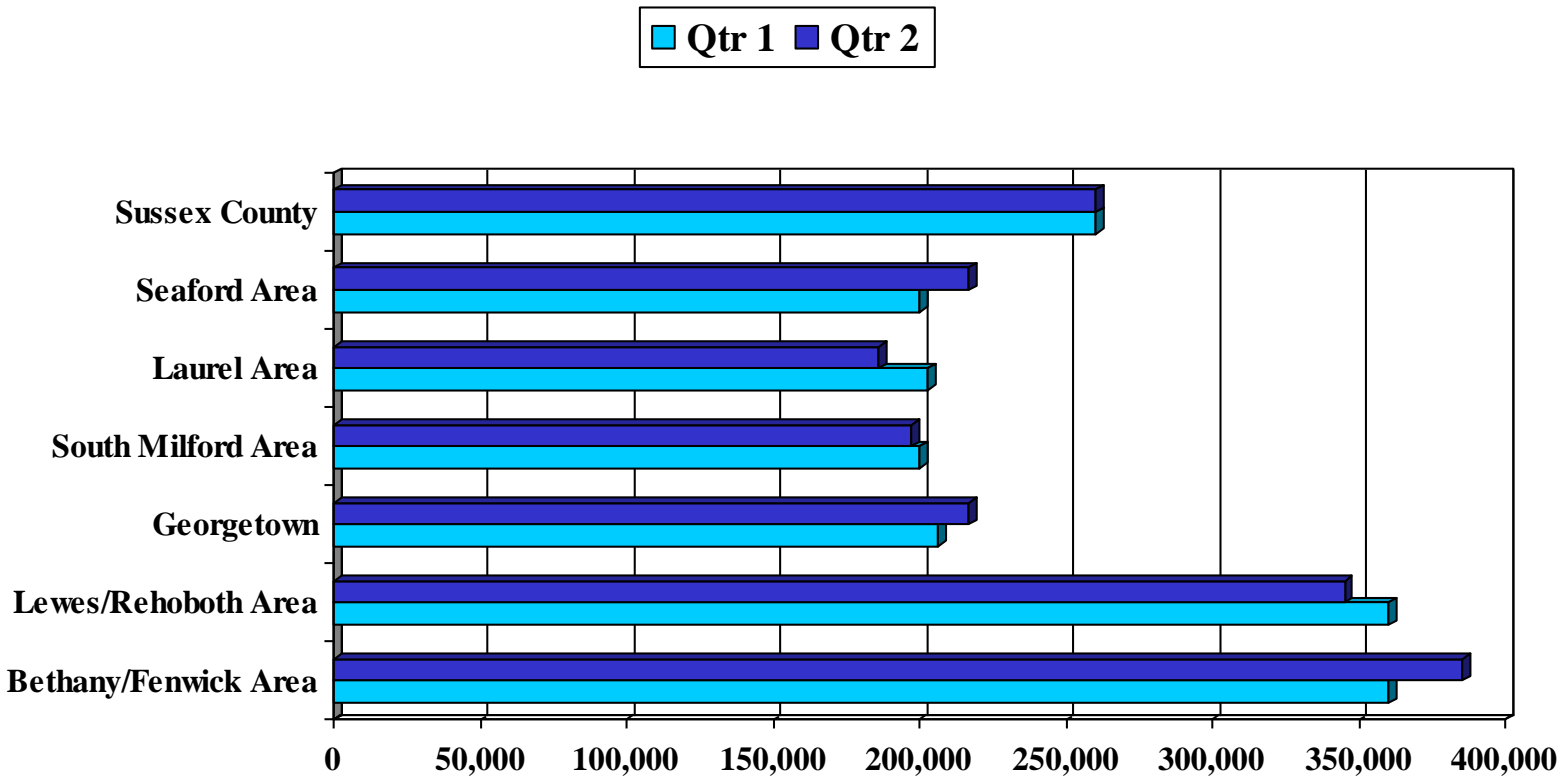


Sources: Sussex County Association of Realtors, HUD Annual Median Incomes, and Del. State Housing Authority

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# Median Home Prices – Most Recent Quarters in 2006 and 2007



Source: Sussex County Association of Realtors

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# Affordability Gap

	Income*	Qualifying Mortgage Amount	Median Home Price	Affordability Gap
New Castle	\$72,100	\$221,580	\$230,000	(\$8,420)
Kent	\$58,700	\$176,817	\$195,000	(\$18,183)
<b>Sussex</b>	<b>\$55,100</b>	<b>\$164,791</b>	<b>\$260,000</b>	<b>(\$95,209)</b>

\*Based on HUD'S FY2007 Median Family Income Estimates

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# Demographic Summary

- Sussex (population) has grown much faster than the State and other counties. We expect this trend to continue.
- 59,000 of our residents are not in the labor force. (possible asset – source of workers).
- The largest increase in our population will come from persons age 65+.
- The need to attract and retain younger workers to replace “Baby-Boomers’ will be a major priority.
- Sussex has highest median home prices in the state.
- Housing affordability gap is highest in Sussex County.

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# Industry

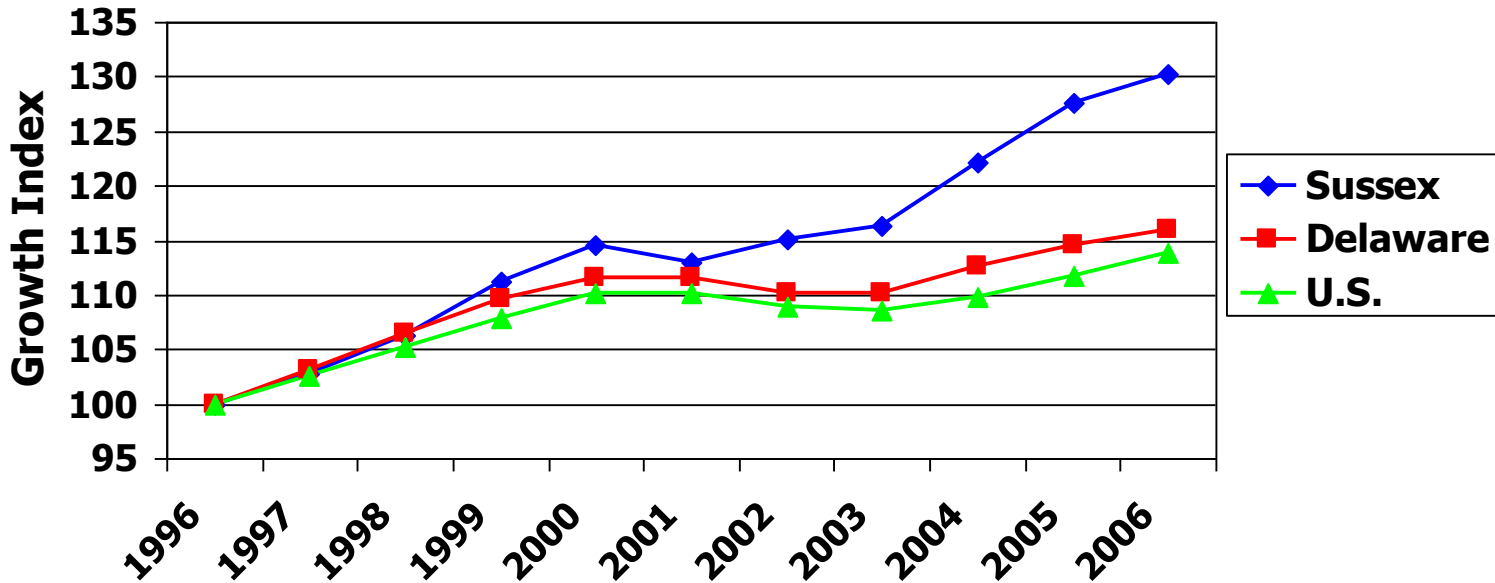
## Local Business Trends



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# Jobs have grown faster in Sussex



Index: 1996 = 100

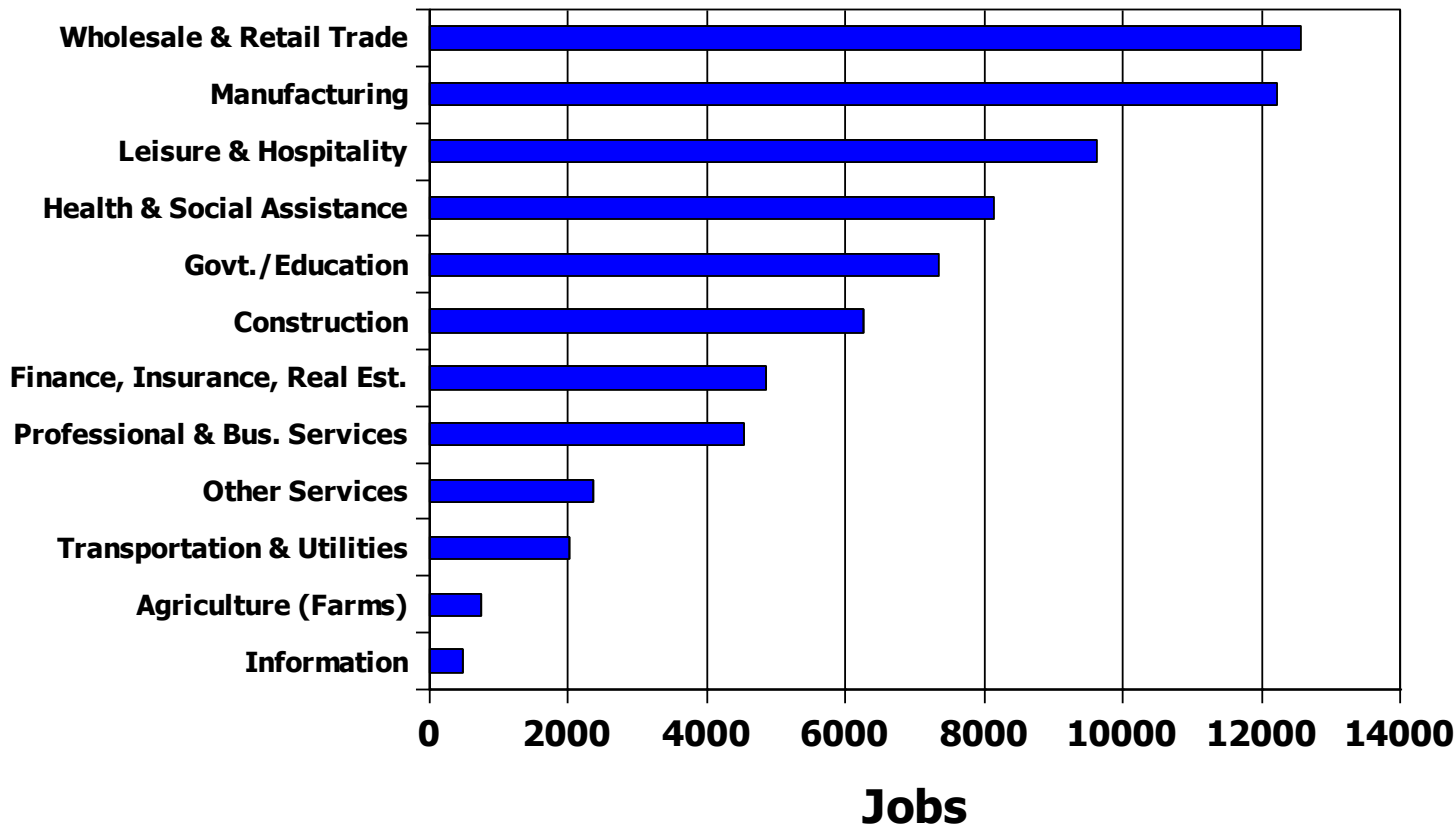
Increase	
<b>Sussex</b>	<b>30.3%</b>
<b>Del.</b>	<b>15.9%</b>
<b>U.S.</b>	<b>13.8%</b>

Source: U.S. Dept. of Labor, Bureau of Labor Statistics

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# Total Jobs by Industry 2006 - Sussex



Source: Del. Dept of Labor, OOLMI

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# Health Care Impact on Jobs

- Jobs
  - 8,100 + Spin off jobs = 12,000
  - Represents 1 out of every 6 jobs
    - 71,400 all industry jobs ÷ 12,000

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# Employment in Health & Social Assistance Sector Sussex 2006

	Jobs	Avg. Annual Pay
Ambulatory Health Care (Offices of Physicians, Clinics, Dentists, Home Health Care, Medical Labs)	2,324	\$47,636
Hospitals	3,562	\$40,462
Nursing and Residential Care Facilities	1,239	\$26,857
Social Assistance	1,012	\$17,723

Average annual Wage in Health Care excluding Social Assistance is \$39,543

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# Avg. Annual Wage – Total All Industries

Delaware	\$ 46,300
New Castle	\$ 52,500
Kent	\$ 34,600
Sussex	\$ 30,900

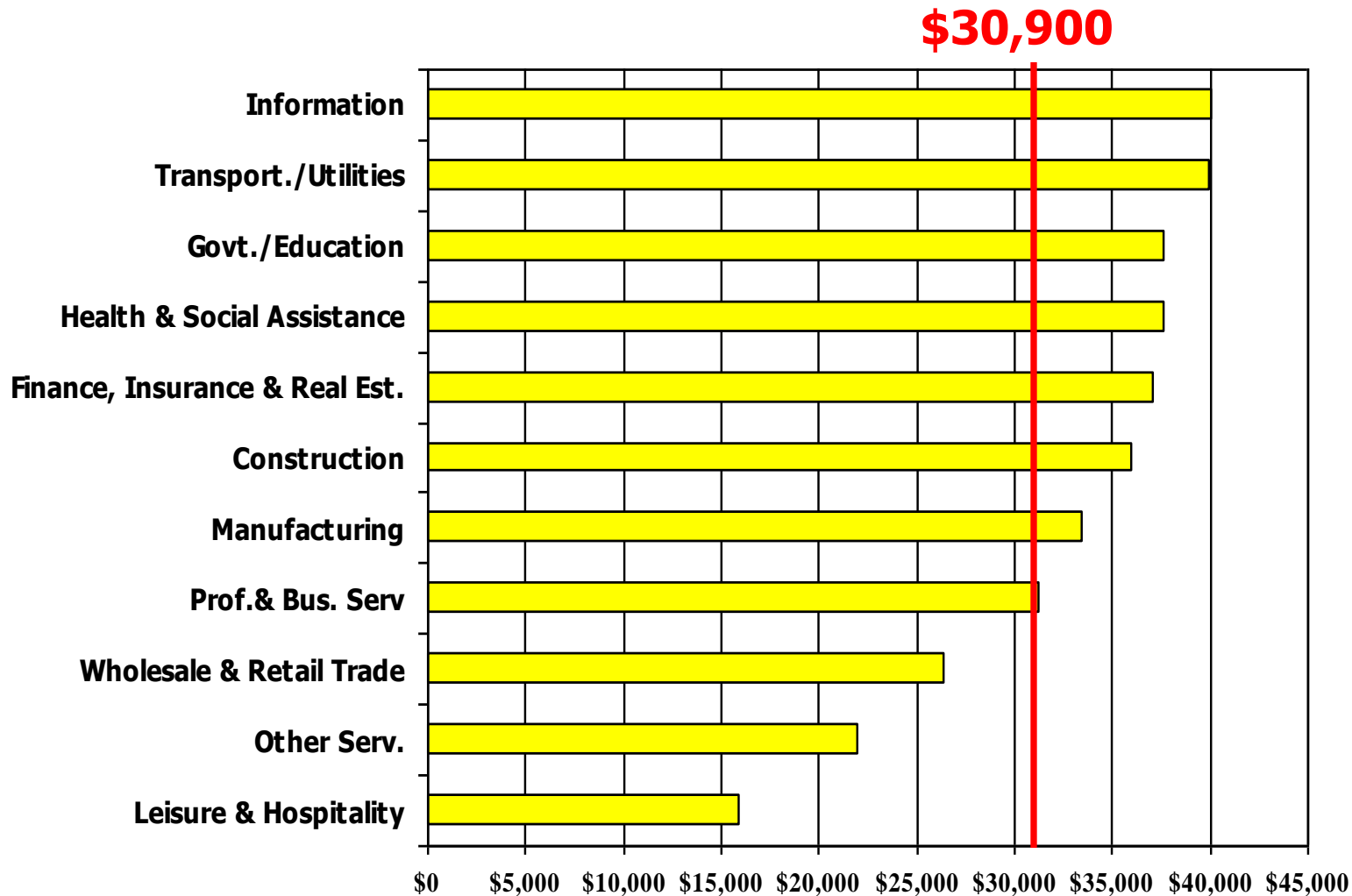
**2006 Annual Avg.**

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# Average Annual Wage by Ind. Sussex (2006)



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# Jobs Vs. Pay – High to Low

## Job Growth ('96-'06)

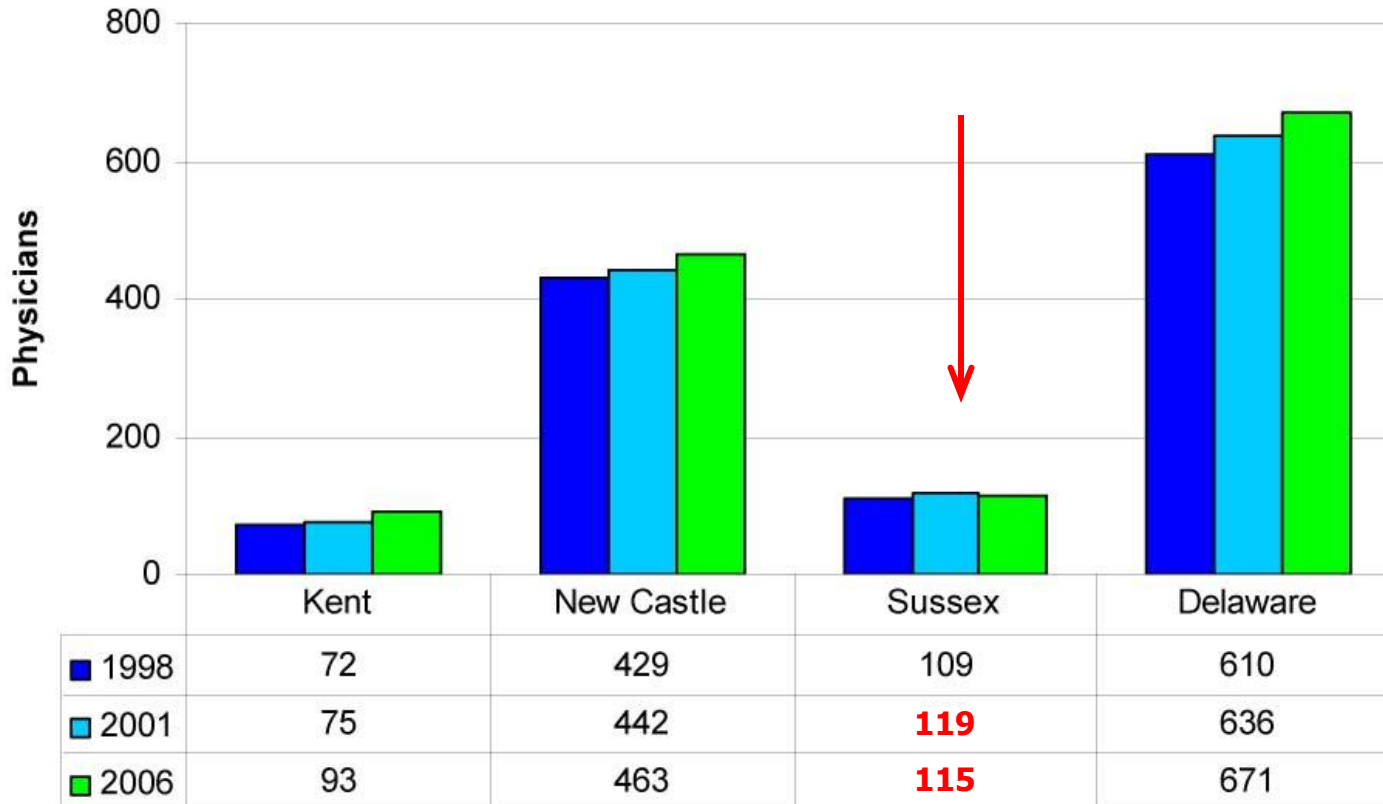
## Pay

1. Leisure & Hospitality	1. Information
2. Health & Social Assistance	2. Transportation & Util.
3. Wholesale & Retail Trade	3. Govt. / Education
4. Construction	4. Health & Social Assistance
5. Govt./Education	5. Finance Insurance, & Real Estate
6. Prof. & Business Services	6. Construction
7. Transportation & Util.	7. Manufacturing
8. Finance Insurance, & Real Estate	8. Prof. & Business Services
9. Other Services	9. Wholesale & Retail Trade
10. Manufacturing	10. Other Services
11. Information	11. Leisure & Hospitality

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# FTE Primary Care Physicians by Area & Year

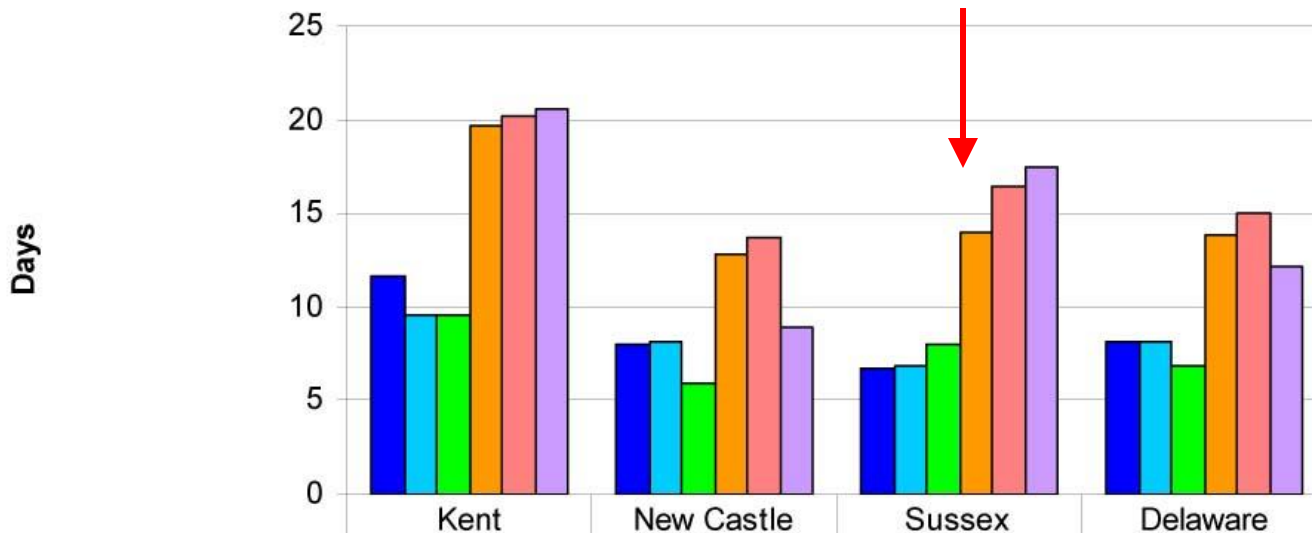


Source: Center for Applied Demography & Survey Research, University of Delaware;  
 Prepared for the Dept. of Health and Social Services, Division of Public Health

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# Average Wait Time for Current and New Patients



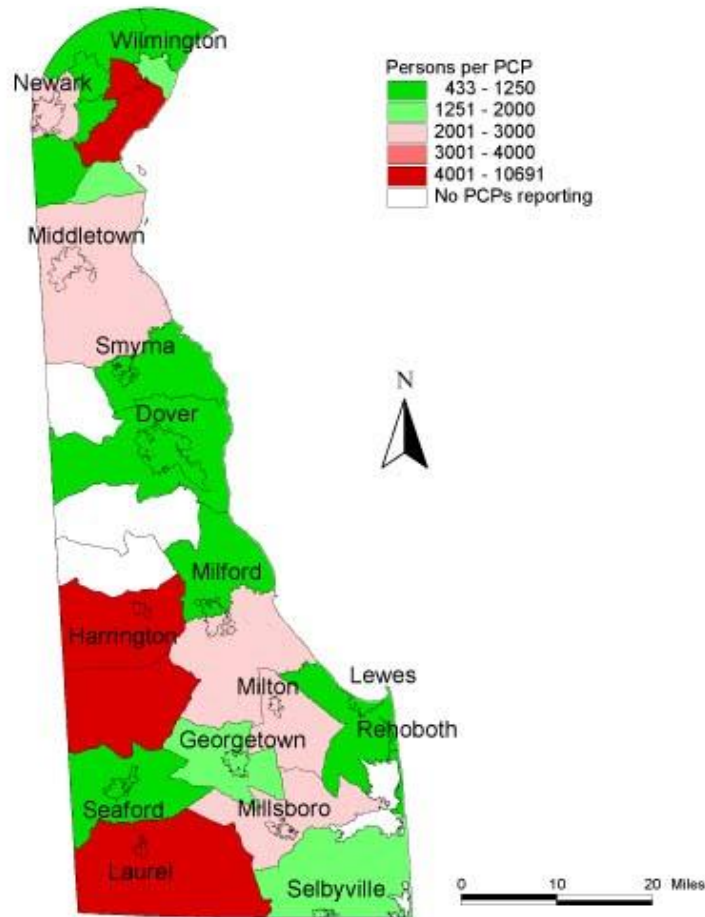
■ 1998-Current	11.7	8.0	<b>6.7</b>	8.2
■ 2001-Current	9.6	8.2	<b>6.9</b>	8.1
■ 2006-Current	9.6	5.9	<b>8.1</b>	6.9
■ 1998-New	19.7	12.8	<b>14.0</b>	13.9
■ 2001-New	20.2	13.7	<b>16.4</b>	15.0
■ 2006-New	20.5	8.9	<b>17.5</b>	12.2

Source: Center for Applied Demography & Survey Research, University of Delaware;  
Prepared for the Dept. of Health and Social Services, Div. of Public Health

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# Distribution of Primary Care Physicians



Source: Center for Applied Demography & Survey Research, University of Delaware  
Prepared for the Dept. of Health and Social Services, Div. of Public Health

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# Industry - Summary

- Job growth continues to be rapid in Sussex
- Much of the growth has been in low wage industries and occupations
- Since 1996, 66% of total Sussex job growth has occurred in four sectors: Leisure & Hospitality; Wholesale & Retail Trade; Health & Social Assistance; and Construction
- Wages and salaries are lower in Sussex (\$30,100 vs \$44,600)
- Leisure & Hospitality and Wholesale & Retail Trade are very large but relatively low paying industries. These two major groups represent 31.5% of jobs and 21.8% of total payroll.
- Industries that have above average annual wages include: Information, \$40,004; Transportation/ Utilities, \$39,968; Govt./Education, \$37,664; Health & Social Assistance, \$37,613; Finance, Insurance & Real Estate, \$37,045; Construction, \$35,926; Manufacturing, \$33,465; and Professional and Business Services, \$31,264.

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# Conclusions

- Income levels have risen much slower than housing prices.
- Housing affordability will continue to be a key issue in attracting and retaining an experienced workforce.
- Sussex continues to be an attractive tourist and retirement destination. This has been a huge plus but we need more economic diversification.
- Like other areas, Sussex is facing the challenges of an aging population.
- This will have a huge impact on healthcare and job growth.
- Emphasis needs to be placed on attracting and retaining younger workers and families.
- The retention and attraction of younger workers can provide the pipeline to improve the quality of jobs in our county.

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