

# Sussex Demographic and Labor Market Trends

Ed Simon  
(302) 672-6845

[edward.simon@state.de.us](mailto:edward.simon@state.de.us)

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# Introduction

- **Demographic Update**
  - Update on short-term and long-term trends
  - How Sussex is very different than other areas
  - How demographic change can be an asset
    - Challenges and Opportunities
- **New Information**
  - Focus on how the labor market is changing
  - What we can expect
  - Where our economic strengths are
  - Occupational trends

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# Topics

- **Demographic Trends**
  - Population/Age trends
  - Impact on job market
  - Impact on future trends
- **Local Business Trends**
  - Industry sectors for Sussex
  - Jobs, wages & growth by industry
  - Focus on Tourism
  - High pay vs. Low Industries
  - Occupational Information

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# Sussex - Overview

- Historically Sussex has had Lower unemployment rates than the U.S. and Delaware:
  - 2007: 3.3% (Sussex) vs. 4.6% (U.S.), 3.6% (DE)
- But this year the unemployment rates have been rising
  - 2008: 4.3% (Sussex) vs. 5.3% (U.S.), 4.1% (DE)
- Since 2000 Job growth here has been at a much faster pace than for U.S and Delaware
- Recent industry trends – Since 2002 job growth has been strong but recently things have slowed considerably in some of our key industries
- Aging population – Median age in Sussex is much higher than in other areas

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# People

## Demographic Trends

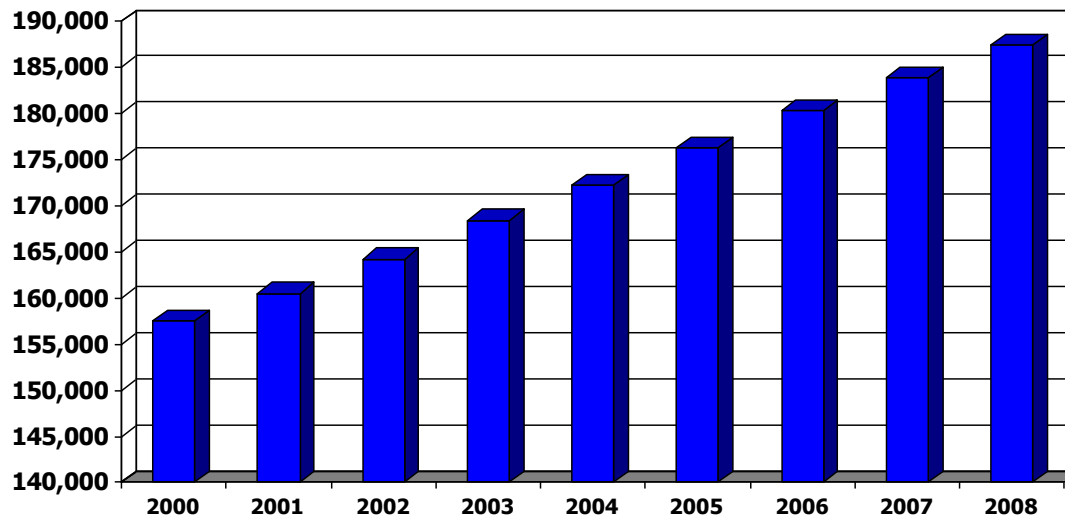


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# Demographic Overview

- Sussex Population growth up 65% since 1990 (113,200 to 187,300).
  - Kent +38%
  - New Castle +21%
  - Delaware +31%
- Since 2000, Sussex population rose by nearly 30,000.



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# Demographic Overview (Cont.)

- Employment Status (Residents) - 2008
  - Employed = 90,000
  - Unemployed/actively seeking = 4,000
  - Not in the labor force, 16 years+ = 60,000 (retired, in school, or not looking for work)
  - Only 59.3% of Sussex population (age 16+) is in the labor force, compared to 64.8% for both Delaware and the U.S.
  - 55+ age group: 29.7% of those in Sussex are in the labor force; 36.4% for Delaware; and 33.0% for U.S.
  - We need to utilize this resource of potential workers

Source: U.S. Dept. of Labor, Bureau of Labor Stat.; and U.S. Census Bureau

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# In an Average Month in Sussex . . .

- 205 Persons are born
- 160 Persons die
- 309 Persons move here from another area

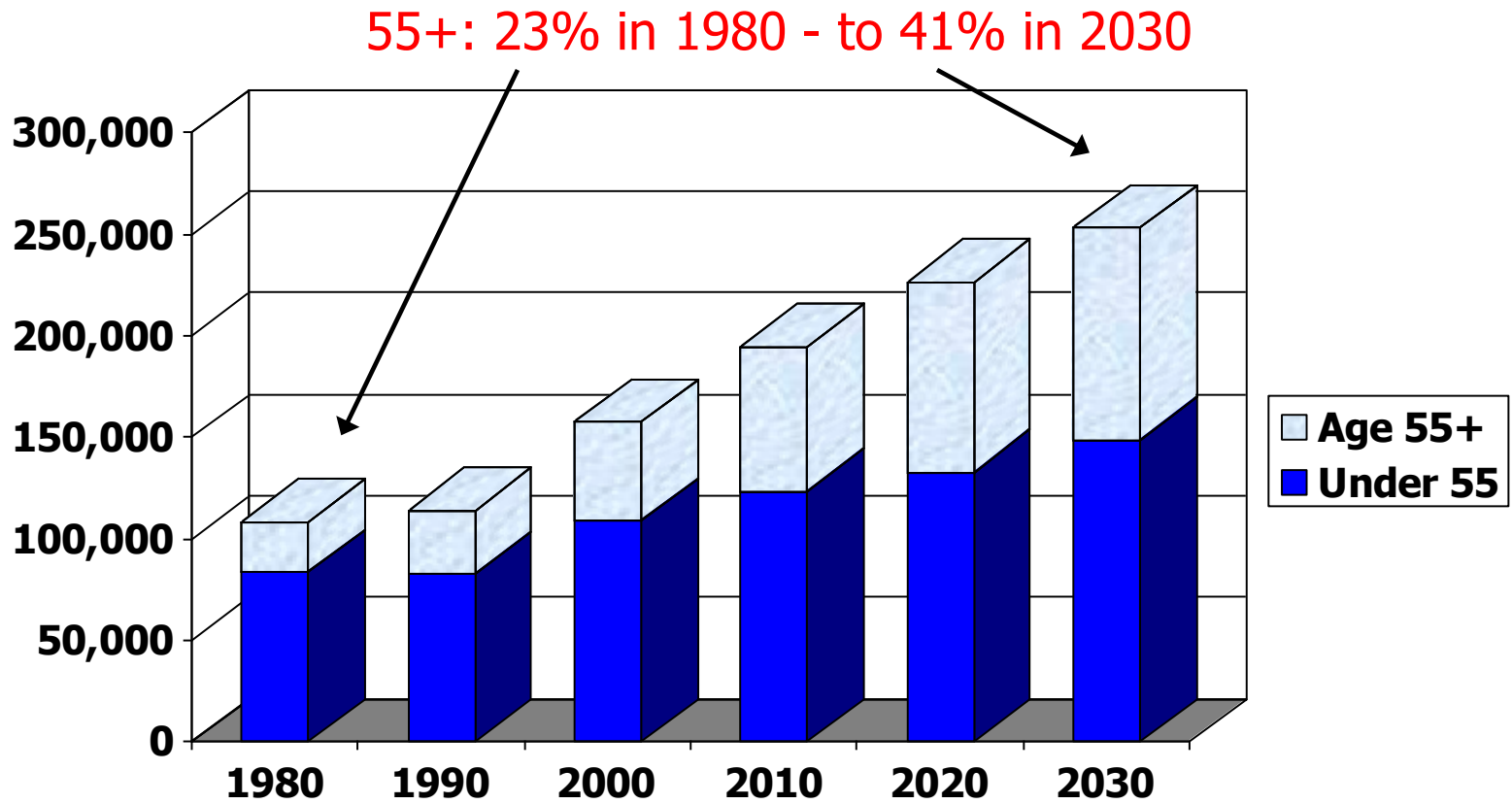
Source: U.S. Census Bureau (7/06 to 7/07)

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# Long Term Population Trends – Sussex



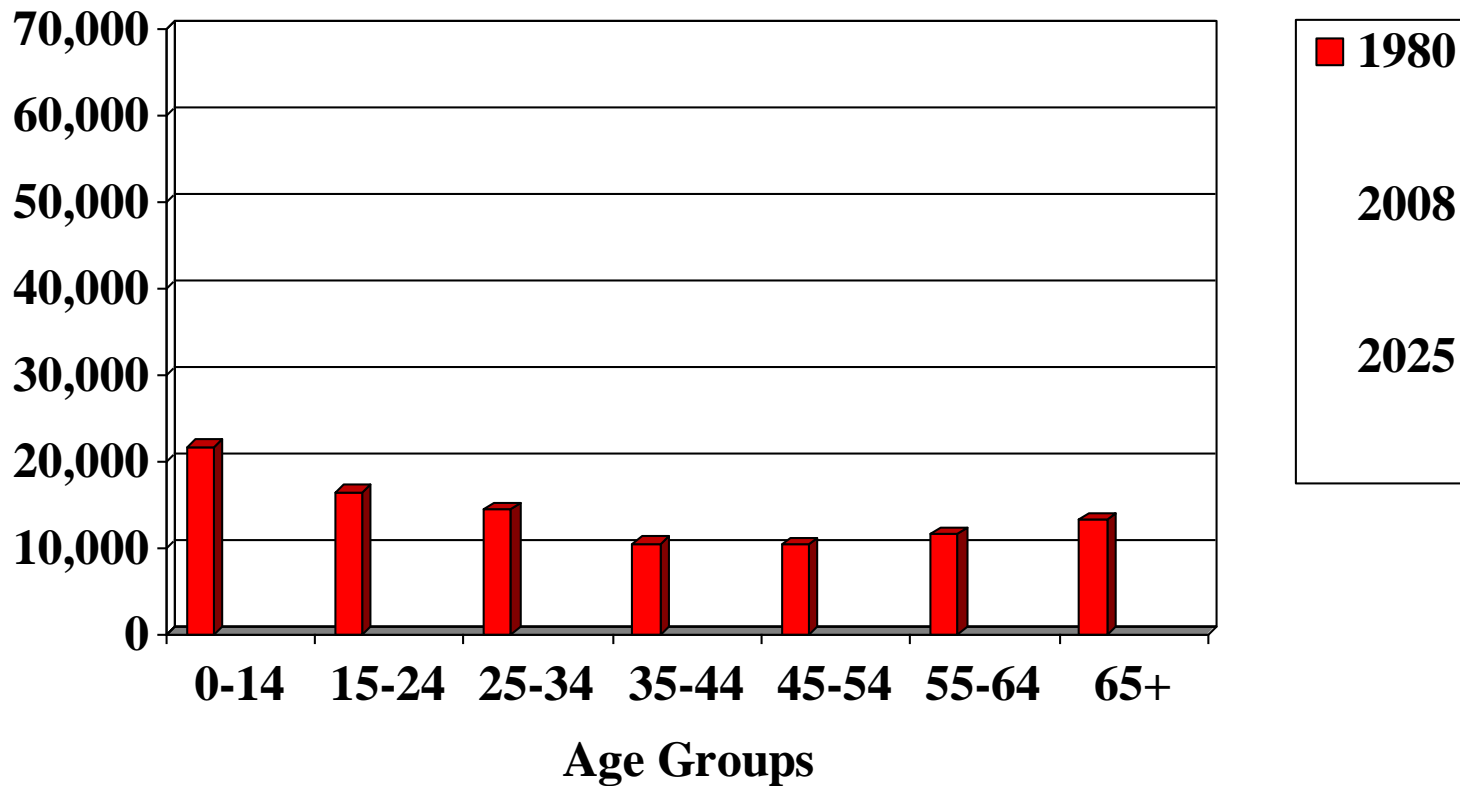
Source: Delaware Population Consortium

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# Population by Age Group

## Sussex 1980, 2008, and 2025

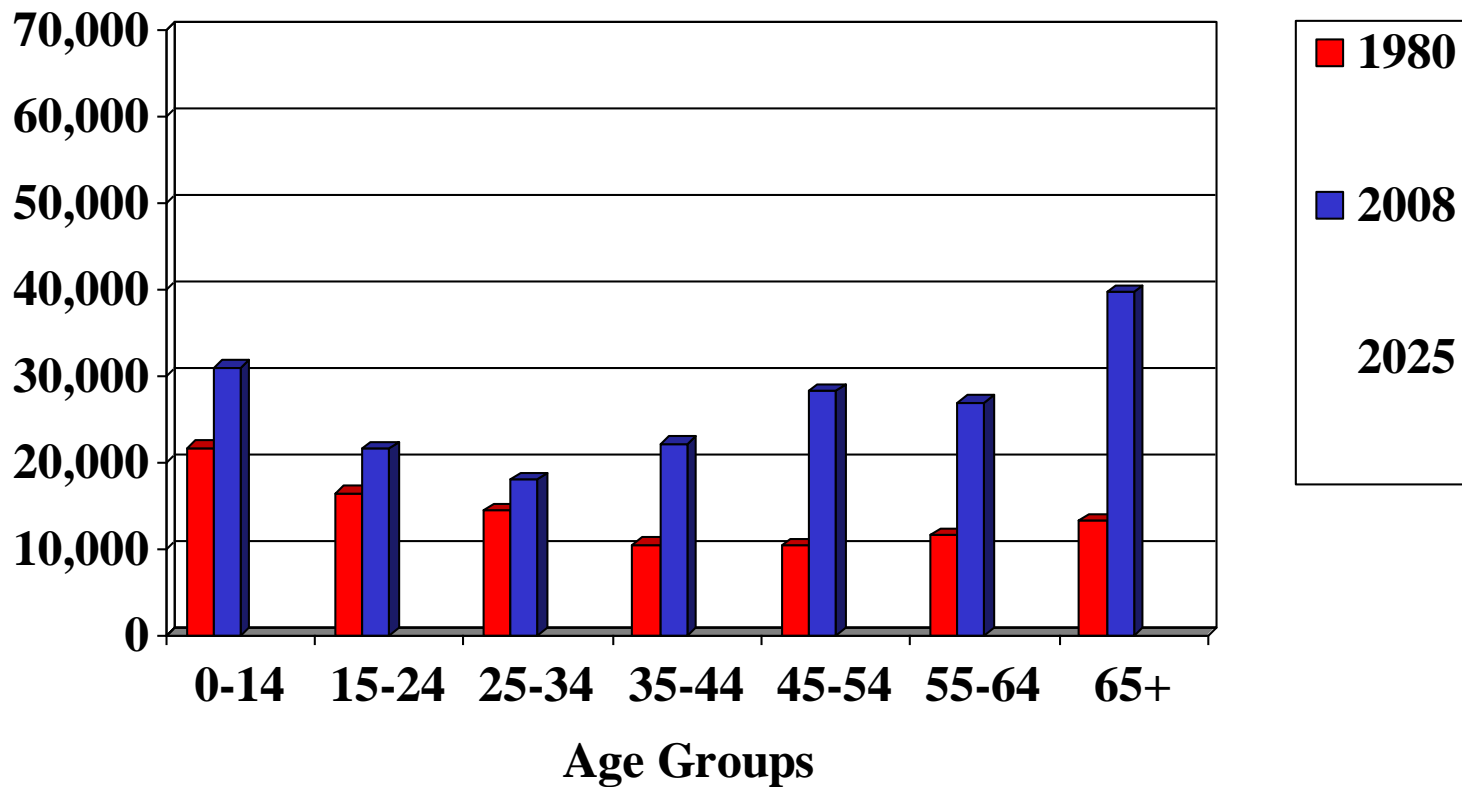


Source: Delaware Population Consortium

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# Population by Age Group Sussex 1980, 2008, and 2025



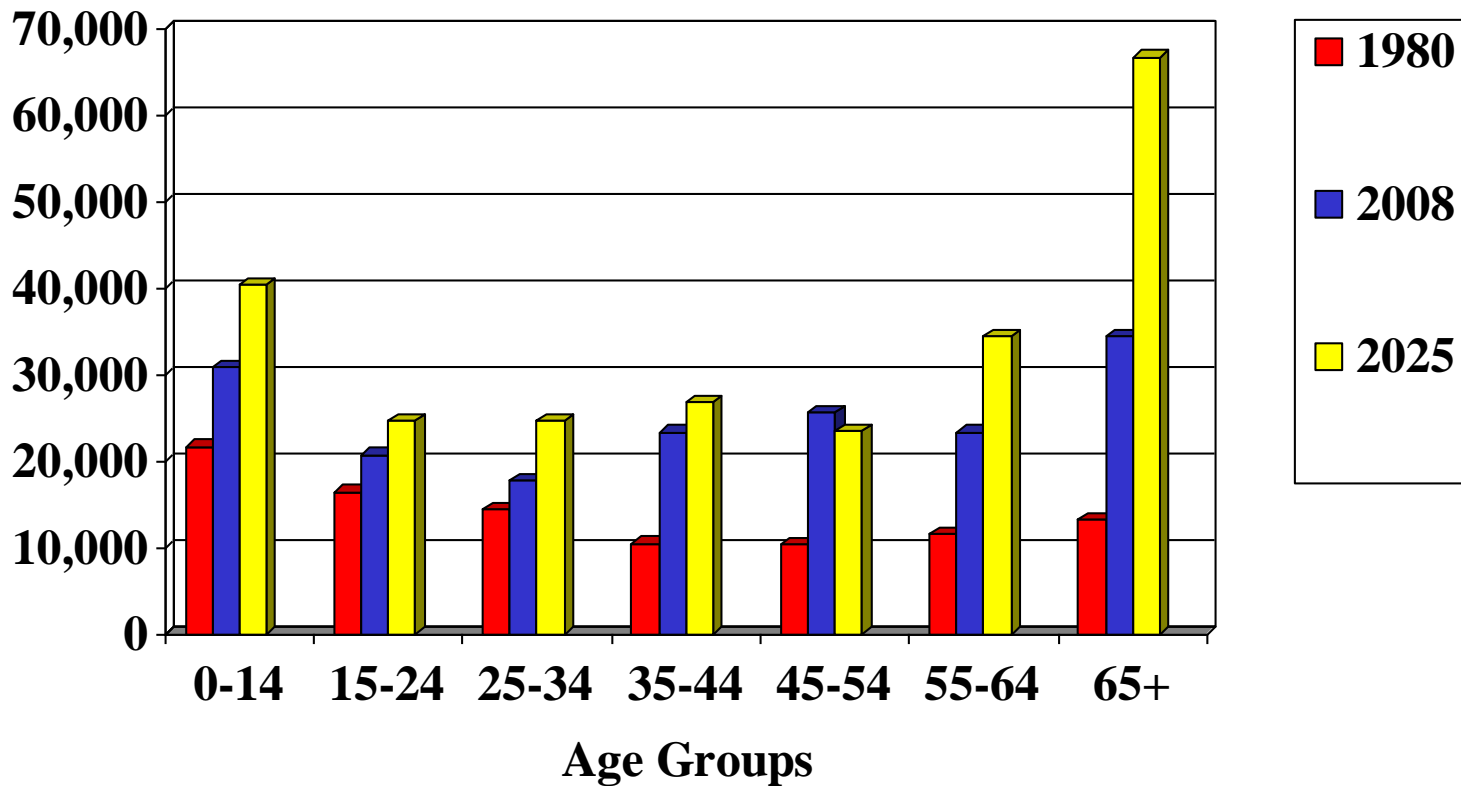
Source: Delaware Population Consortium

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# Population by Age Group

## Sussex 1980, 2008, and 2025



Source: Delaware Population Consortium

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# Population/Age Impact on County

## Age Group Pop. Change 2008 to 2025

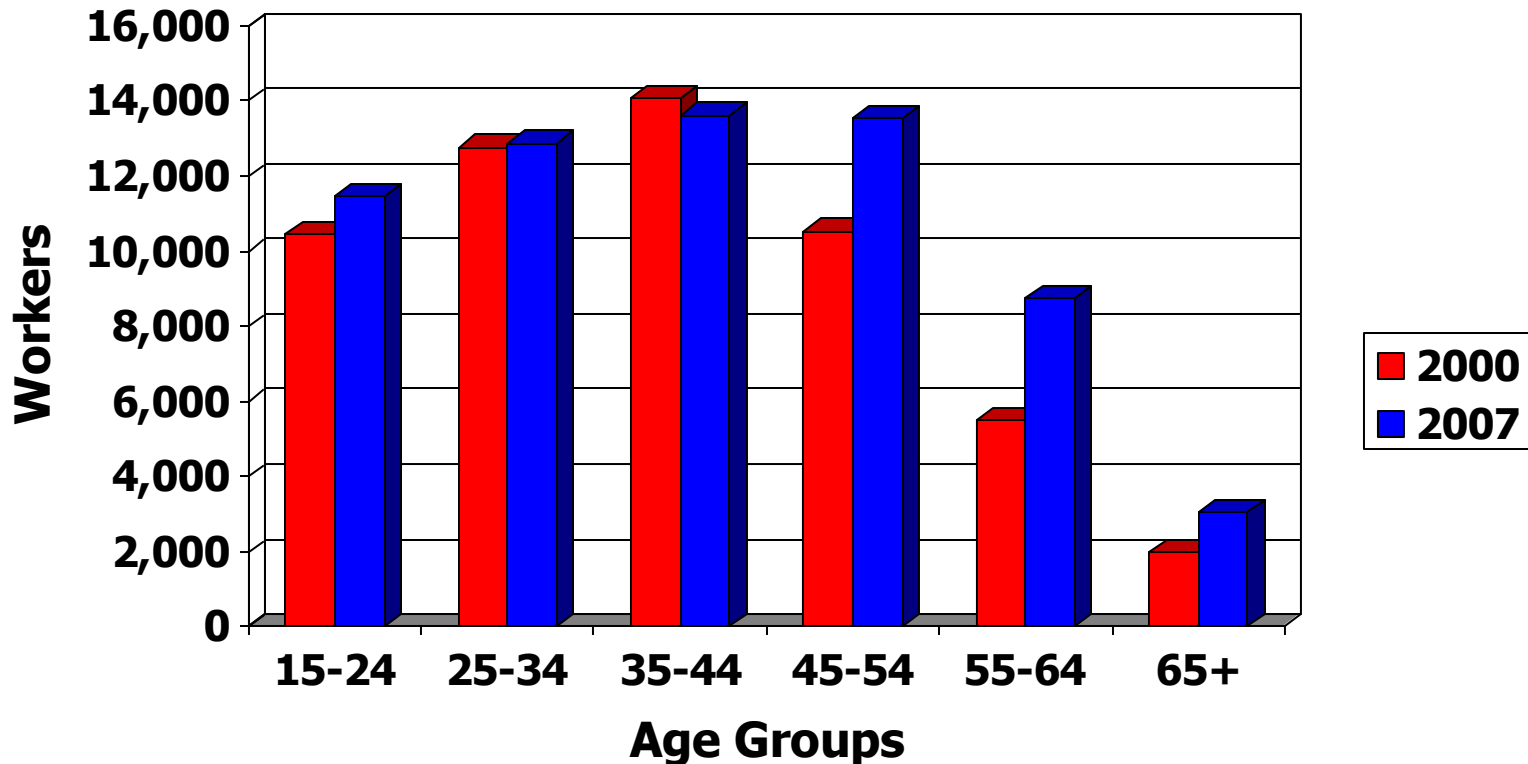
0-14	9,456
15-24	3,109
25-34	6,730
35-44	4,722
45-54	-4,755
55-64	7,475
65+	27,125

- Increased School Population
- Expanded opportunities and need for education/training
- Working age population will not experience much growth
- Focus on retention of young persons
- Aging Population will impact:
  - Health Care
  - Eldercare
  - Transportation
  - Social Services
- More Affordable Homes for Young Adults and Retirees
- More Planned Communities (Adult Communities) – with services

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# Sussex Workers by Age Group – All Industries

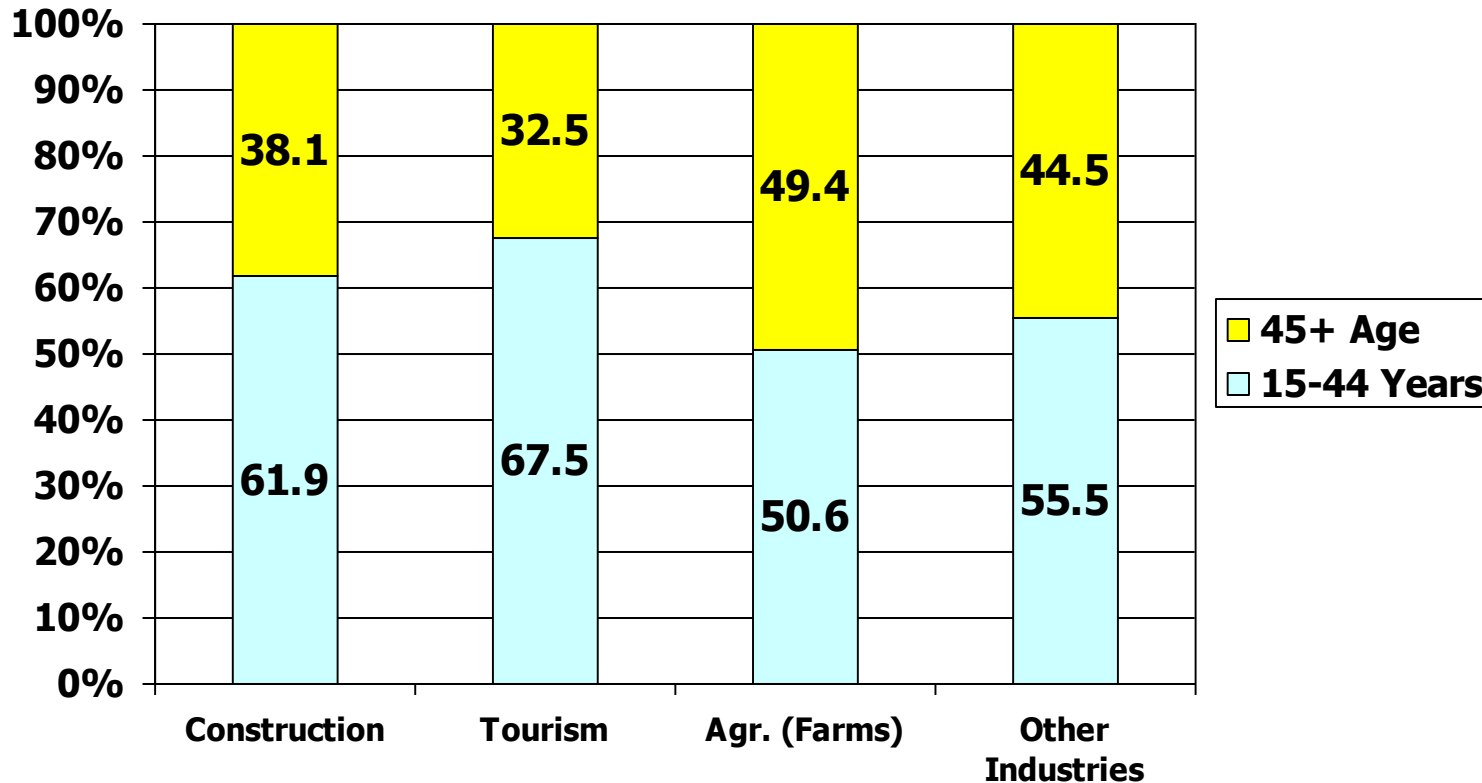


Census Bureau – Local Employment Dynamics (LED)

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# Age Distribution by Industry



Census Bureau – Local Employment Dynamics (LED)

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# Educational Attainment

Persons 25 Years and over

	Sussex	U.S.
Less Than High School	16.5%	15.5%
High school grad. Or higher	83.5%	84.5%
Bachelor's Degree or higher	19.9%	27.5%

Source: 2007 American Community Survey

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# Demographic Summary

- Sussex (population) has grown much faster than the State and other counties. We expect this trend to continue.
- 60,000 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.
- We need to find ways to extend careers and introduce encore careers to our senior population.
- Although education attainment has improved, we must continue to improve the quality of our workforce.

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# Industry

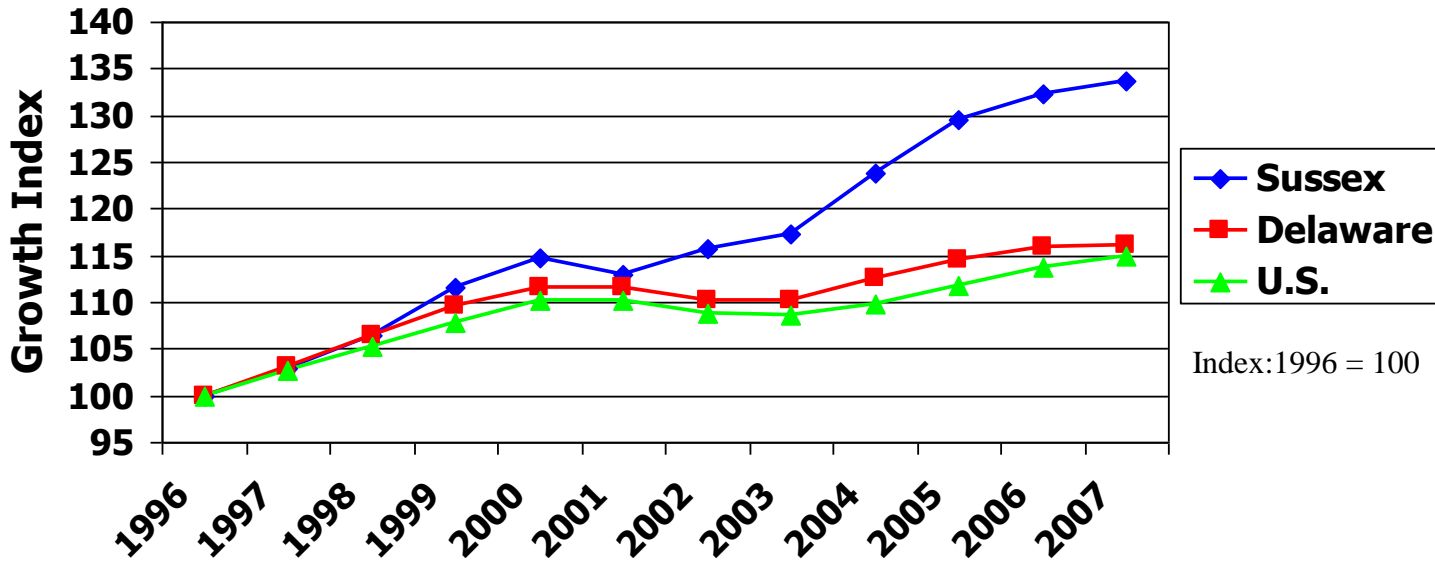
## Local Business Trends

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# Jobs have grown faster in Sussex



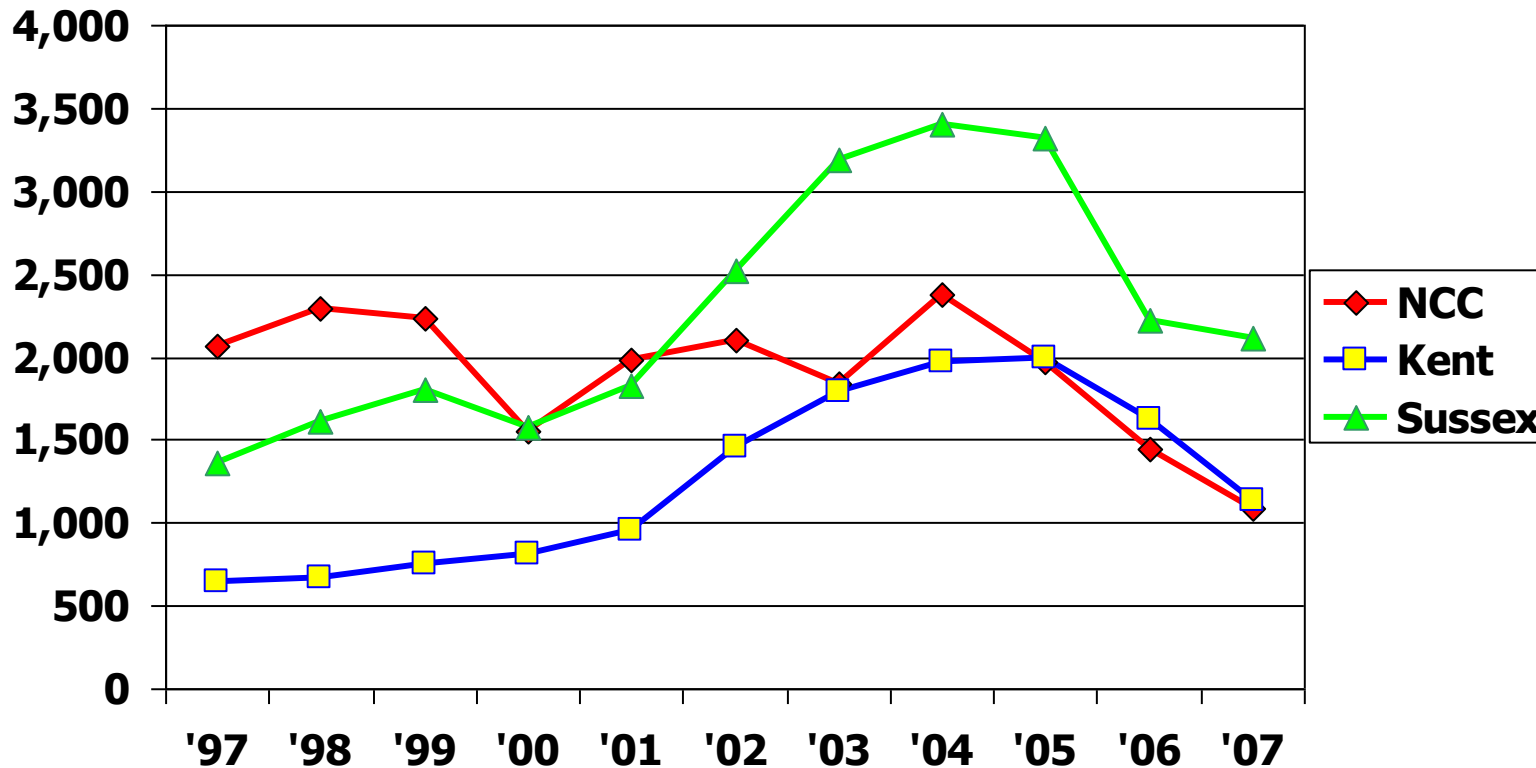
Increase	
<b>Sussex</b>	<b>33.6%</b>
<b>Del.</b>	<b>16.1%</b>
<b>U.S.</b>	<b>15.0%</b>

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

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# Housing Production – Number of Units\*



\*These numbers represent new housing units authorized by building permits.

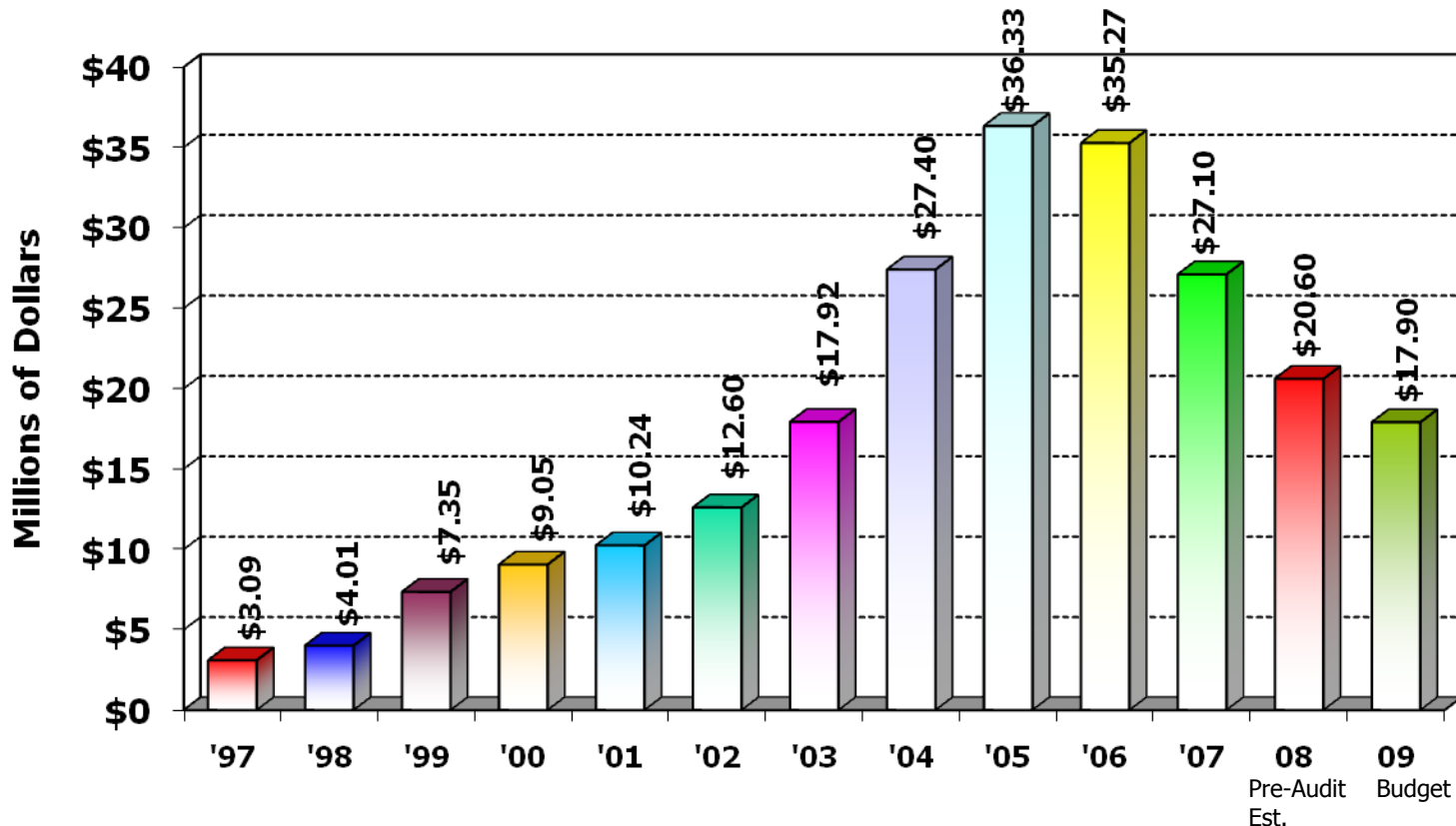
Source: U.S. Bureau of the Census

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# Realty Transfer Tax – Sussex

## Impact of a slowing Real Estate Market

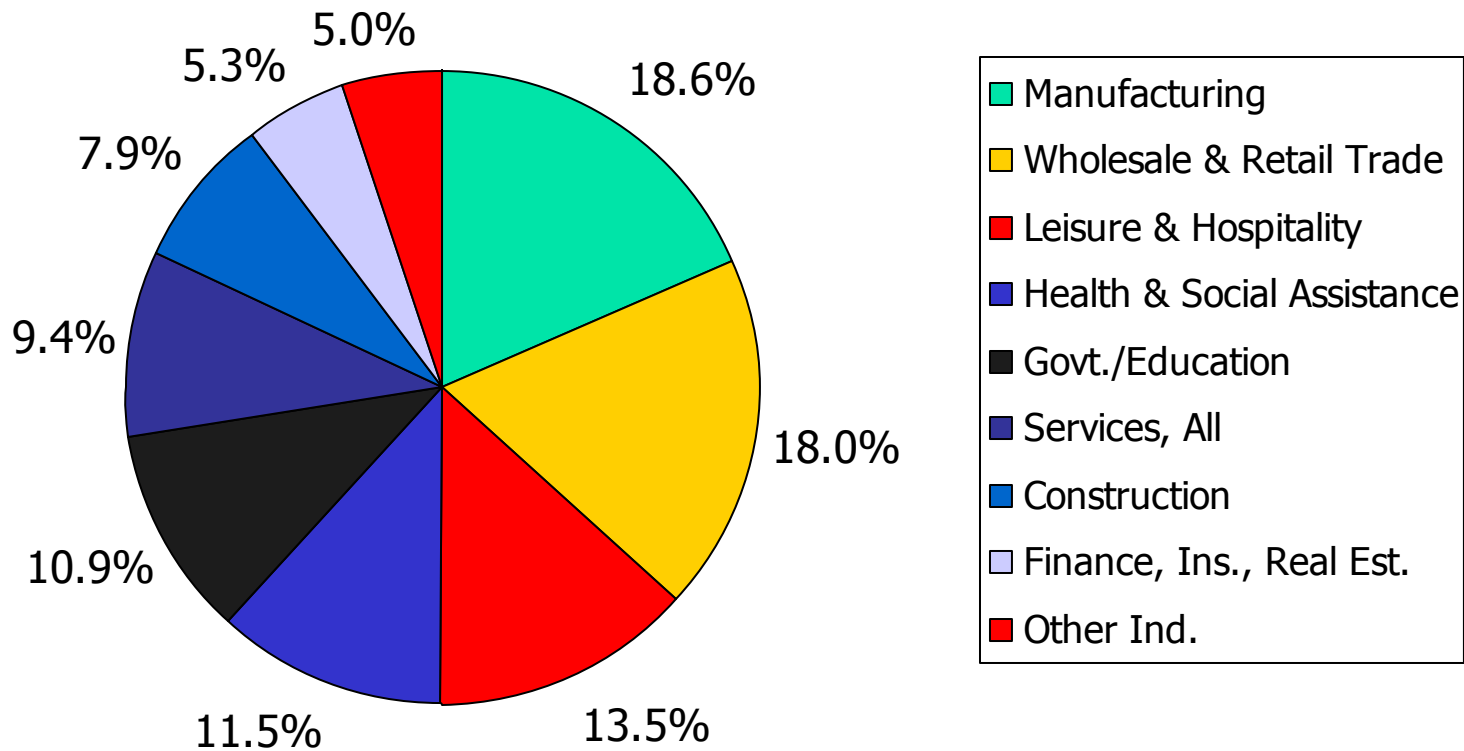


Sussex County Council 2009 Budget

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# Where Sussex Works

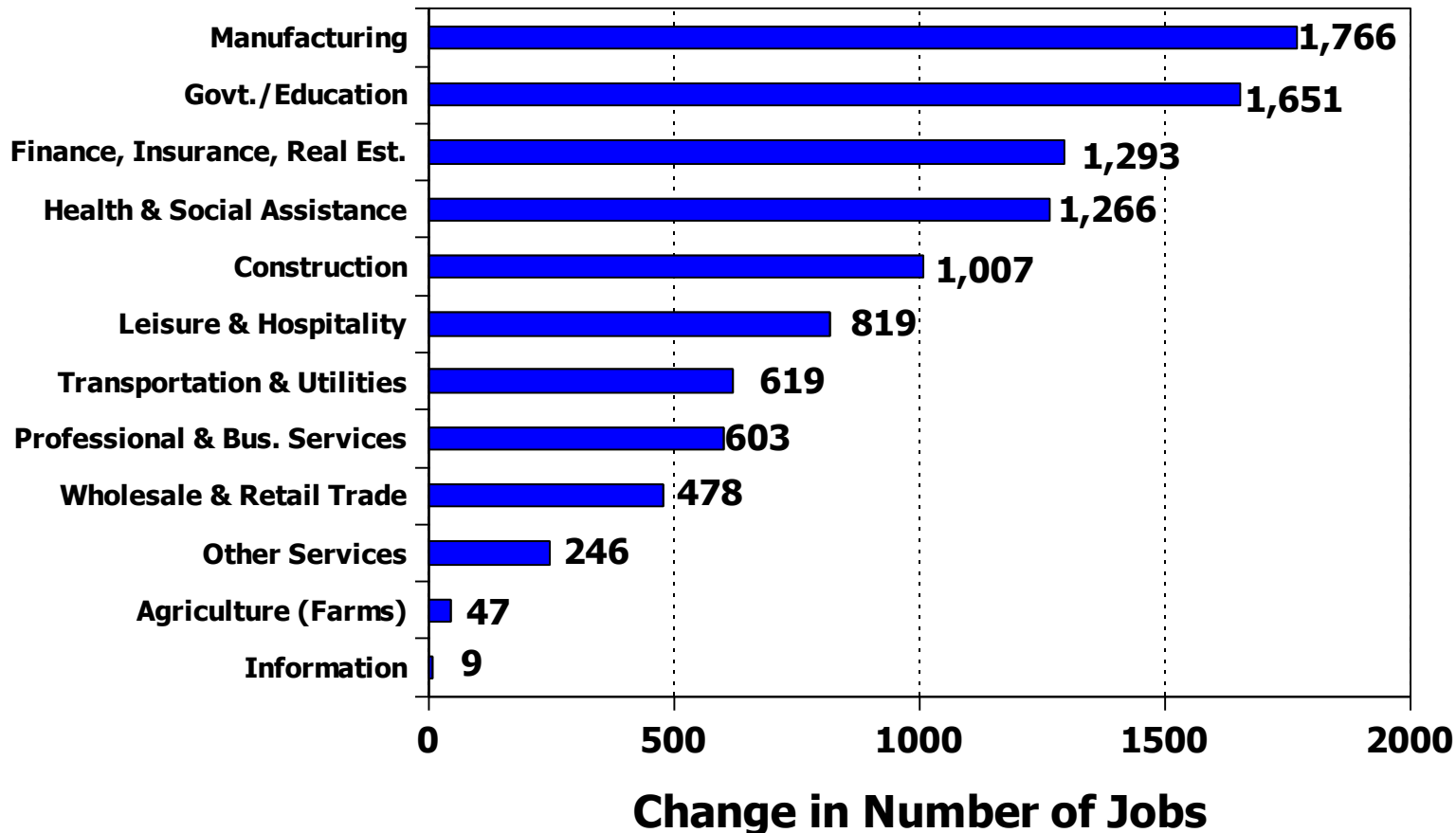


Source: Del. Dept of Labor, OOLMI – 2007 Annual Avg.

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# Job Change by Industry '02 to '07 - Sussex

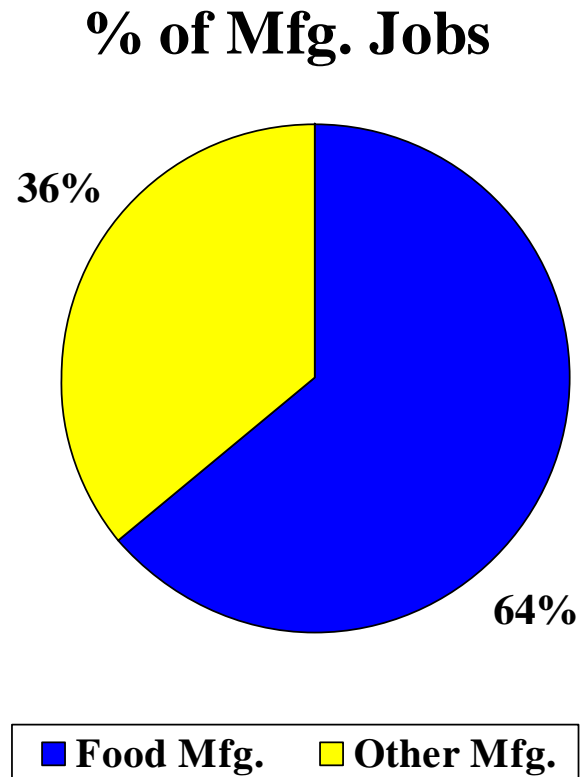


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# Food Production Dominates Mfg.- Sussex, 2007

- **Total Manufacturing,**  
13,100 jobs;  
food production portion  
(mostly poultry processing)  
is 8,339; other manufacturing,  
4,735 jobs
- **Food Production**  
11.8% of all Sussex jobs  
10.4% of total payroll
- **Other Manufacturing**  
6.7% jobs in County;  
11.4% of payroll
- **Average annual wage;**  
food production \$29,100;  
other manufacturing, \$56,000



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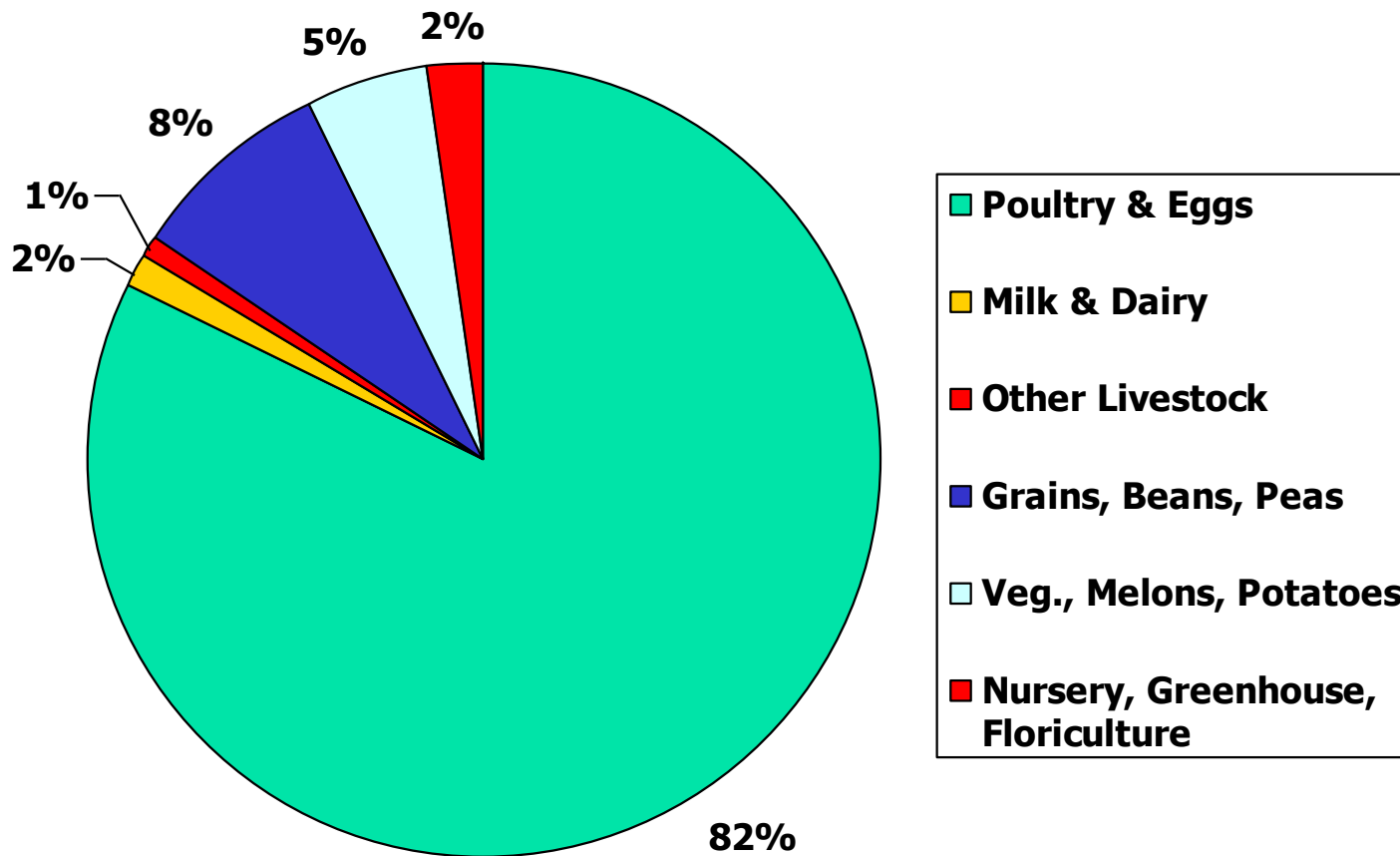
# Agriculture

- Sussex has far more acres of farm land than New Castle and Kent combined.
- "Sussex County is the number one broiler producing county in the U.S." *Source: Delaware Agriculture Statistics, 2006-2007.*
- Poultry is our #1 farm commodity.
- Soybeans – Sussex is the leader in the Delmarva Peninsula with over 83,000 acres.
- Sussex also leads the region by a large margin in corn for grain production.
- The county is one of the leading producers of wheat in the 14 county Delmarva Region.
- Sources of data: <http://dda.delaware.gov/> (Delaware Dept. of Agriculture); and <http://www.agcensus.usda.gov/> (The Census of Agriculture)

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# Market Value of Agr. Products Sold - \$463 Million in Sussex



Source: 2002 Census of Agriculture

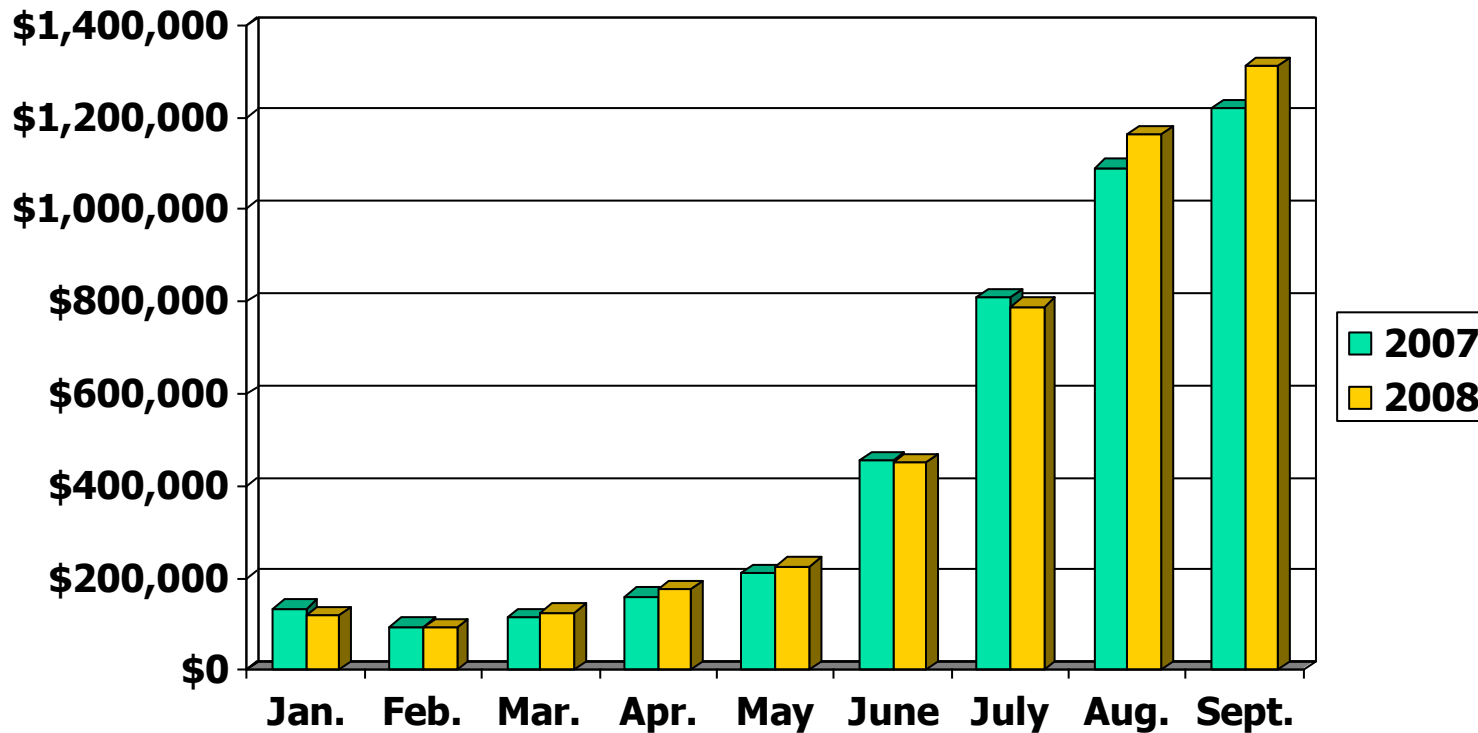
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# Hotel/Motel Revenue – Sussex

## *Impact on Tourism*

2008: up \$166,700, +3.9%



Source: Del. Dept. of Finance – Public Accommodation data base

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# Avg. Annual Wage – Total All Industries

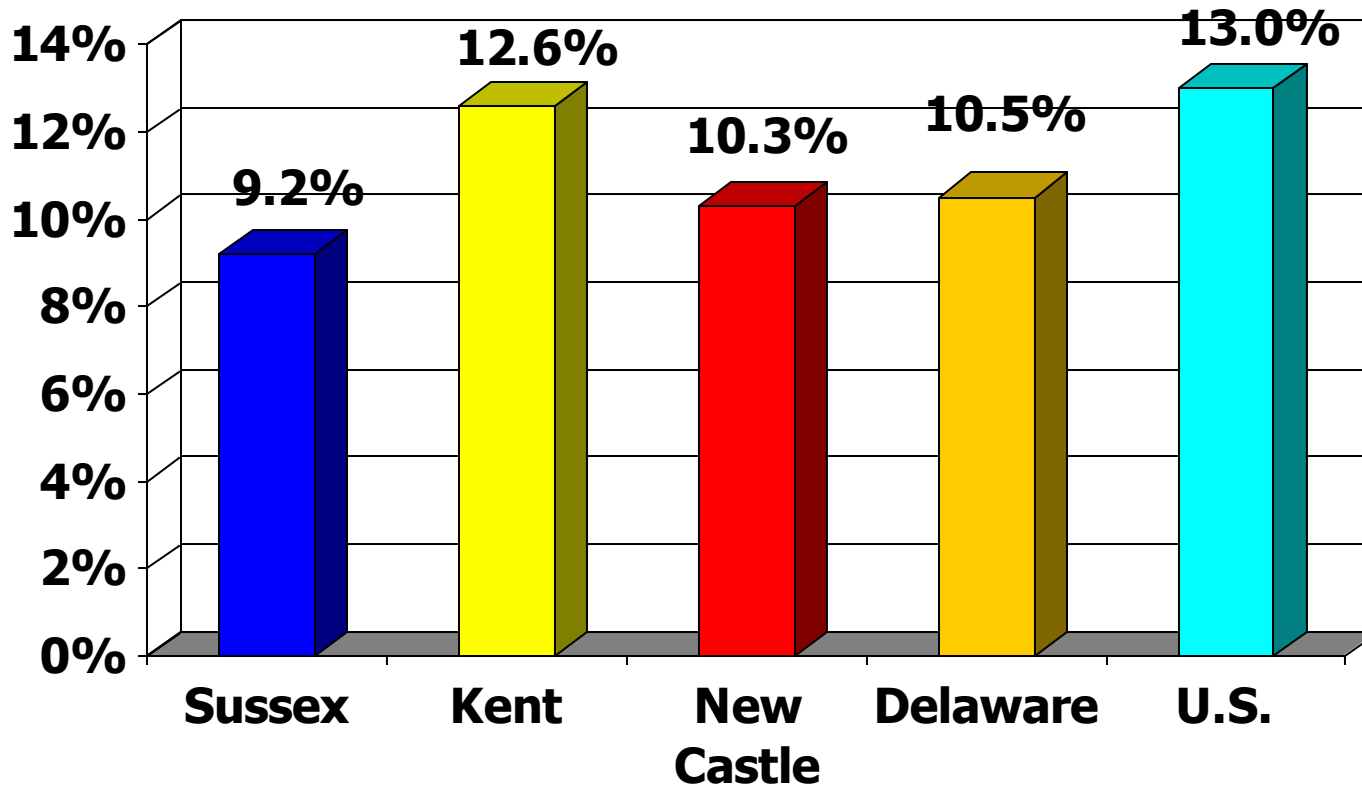
Delaware	\$ 47,300
New Castle	\$ 53,300
Kent	\$ 36,000
Sussex	\$ 33,000

**2007 Annual Avg.**

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# Poverty Rates, 2007

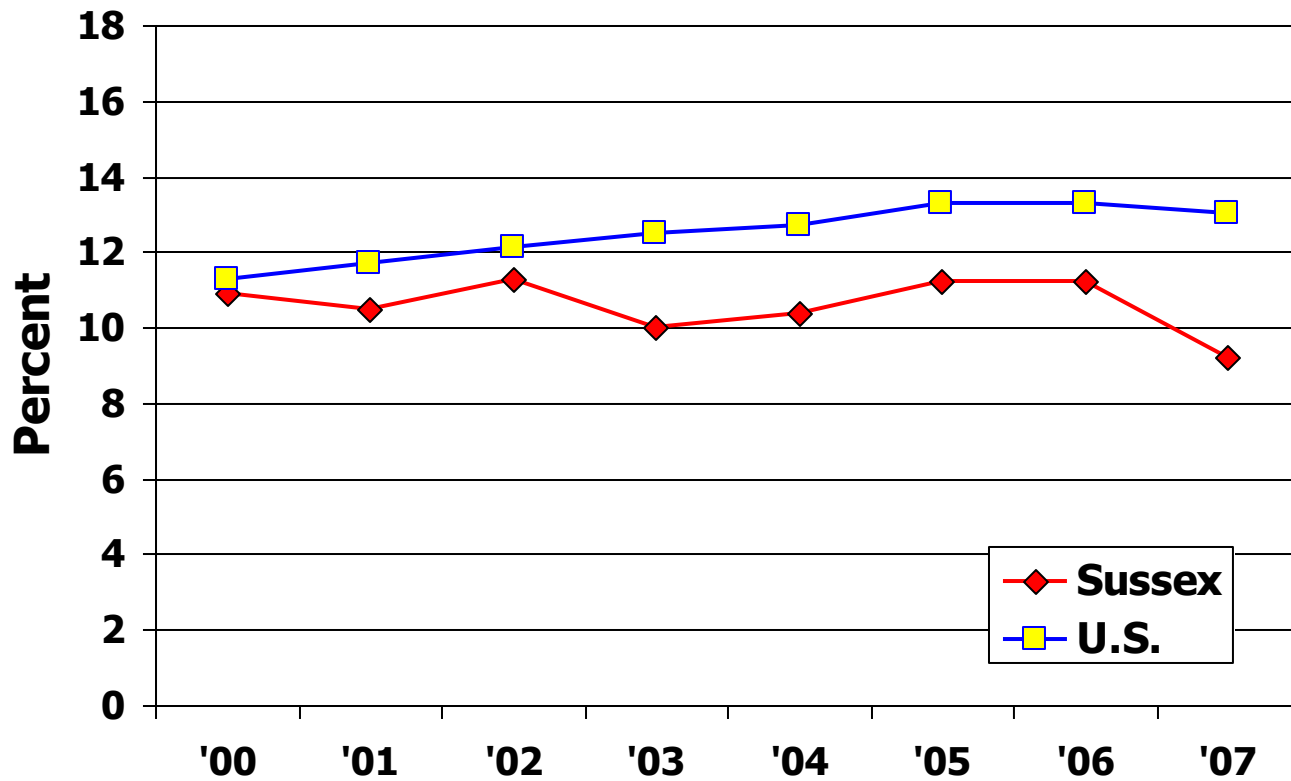


Source: U.S. Census Bureau

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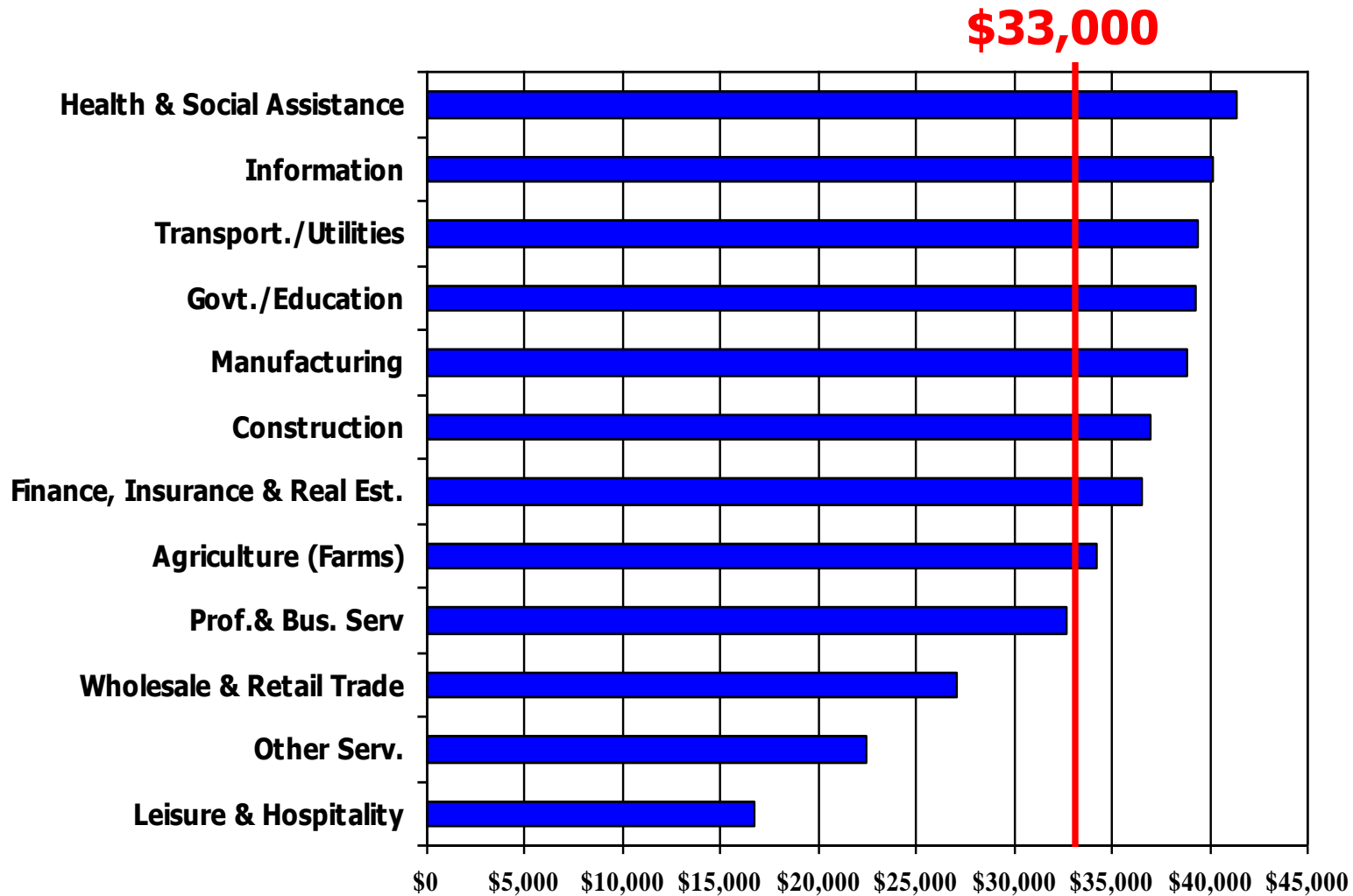
# Poverty Rates



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# Average Annual Wage by Ind. Sussex (2007)



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# Jobs Vs. Pay – High to Low

## Job Base - 2007

## Pay

1. Manufacturing	1. Health & Social Assistance
2. Wholesale & Retail Trade	2. Information
3. Leisure & Hospitality	3. Transportation & Utilities
4. Health & Social Assistance	4. Govt./Education
5. Govt./Education	5. Manufacturing
6. Construction	6. Construction
7. Professional & Bus. Serv.	7. Finance, Ins., & Real Estate
8. Finance Insurance, & Real Estate	8. Agriculture (Farms)
9. Other Services	9. Professional & Bus. Serv.
10. Transportation & Utilities	10. Wholesale & Retail Trade
11. Agriculture (Farms)	11. Other Services
12. Information	12. Leisure & Hospitality

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# Industry - Summary

- Since 1996 job growth in Sussex has been twice as fast as the Statewide rate
- Most growth has been in low wage industries and occupations
- Since 2002, 71% of total Sussex job growth has occurred in four sectors: Manufacturing; Government/Education; Finance, Insurance & Real Estate; Health & Social Assistance; and Construction
- Wages and salaries are lower in Sussex (\$33,000 vs \$47,300 – Del.)
- Leisure & Hospitality and Wholesale & Retail Trade are very large but relatively low paying industries. These two major groups represent 31.3% of jobs and 21.5% of total payroll.
- However job growth is slowing in those sectors
- Industries that have above average annual wages include: Health & Social Assistance, \$41,412; Information, \$40,113; Transportation/Utilities, \$39,378; Govt./Education, \$39,331; Manufacturing, \$38,847; Construction, \$36,916; and Finance, Insurance & Real Estate, \$36,508.

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# Occupations

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# Largest Occupational Groups Sussex 2007

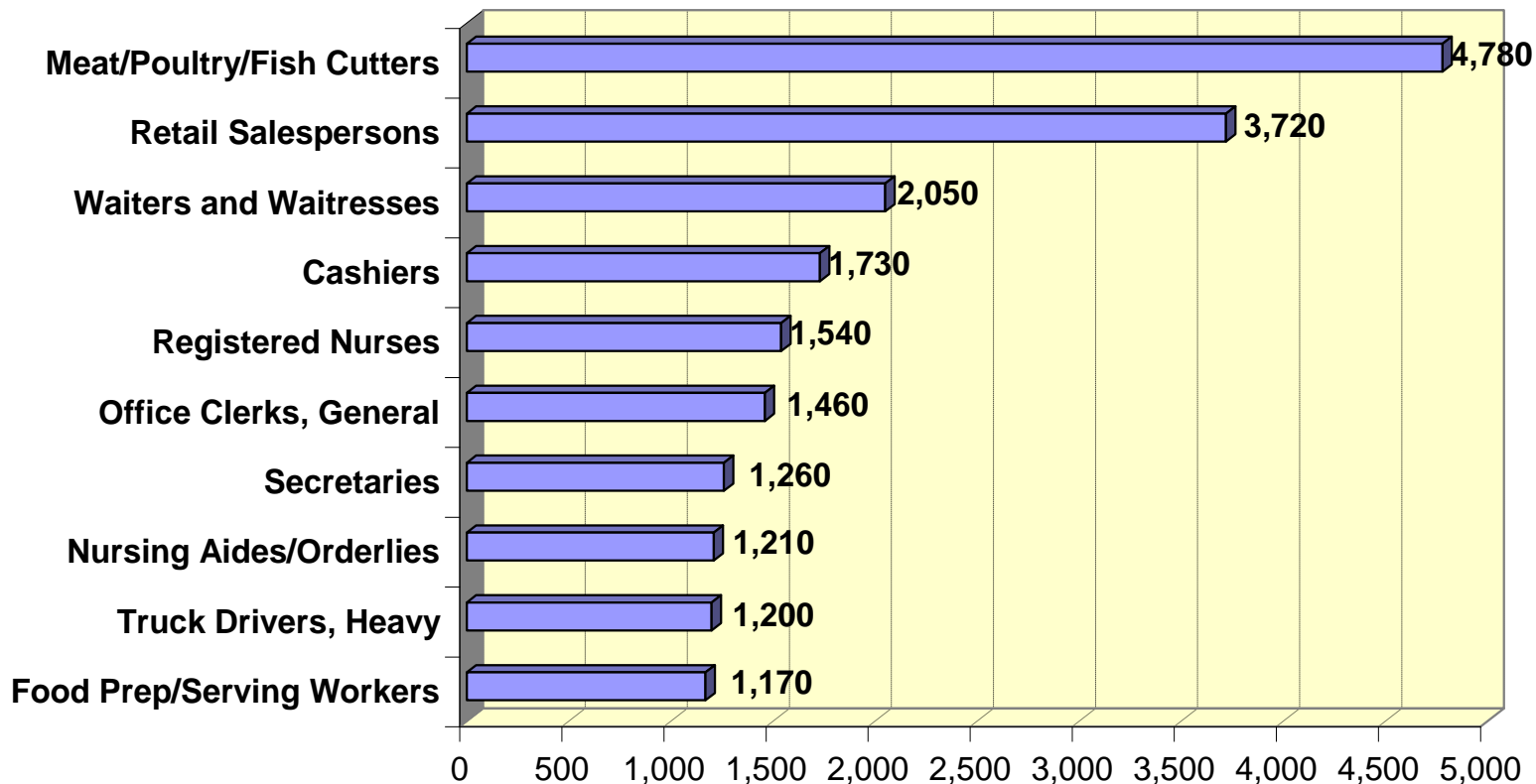
<b>Occupational Group</b>	<b>Employment</b>	<b>Annual Wage</b>
Office and administrative support	10,540	\$29,380
Production	9,740	\$23,550
Sales and related	8,300	\$31,220
Food preparation and serving related	8,000	\$20,720
Transportation and material moving	4,620	\$26,340
Construction and extraction	4,470	\$34,810
Healthcare practitioners and technical	4,140	\$61,750
Education, training, and library	3,900	\$44,850
Installation, maintenance, and repair	3,310	\$34,370
Building & grounds cleaning & maintenance	2,950	\$24,060
Healthcare support	2,070	\$26,940

U.S. Dept. of Labor, Bureau of Labor Statistics, (BLS)

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# Largest Specific Occupations – Sussex 2007



Source: DE Dept. of Labor, "Delaware Wages, 2007"

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# Selected High Growth Occupations Sussex – '06 to '16

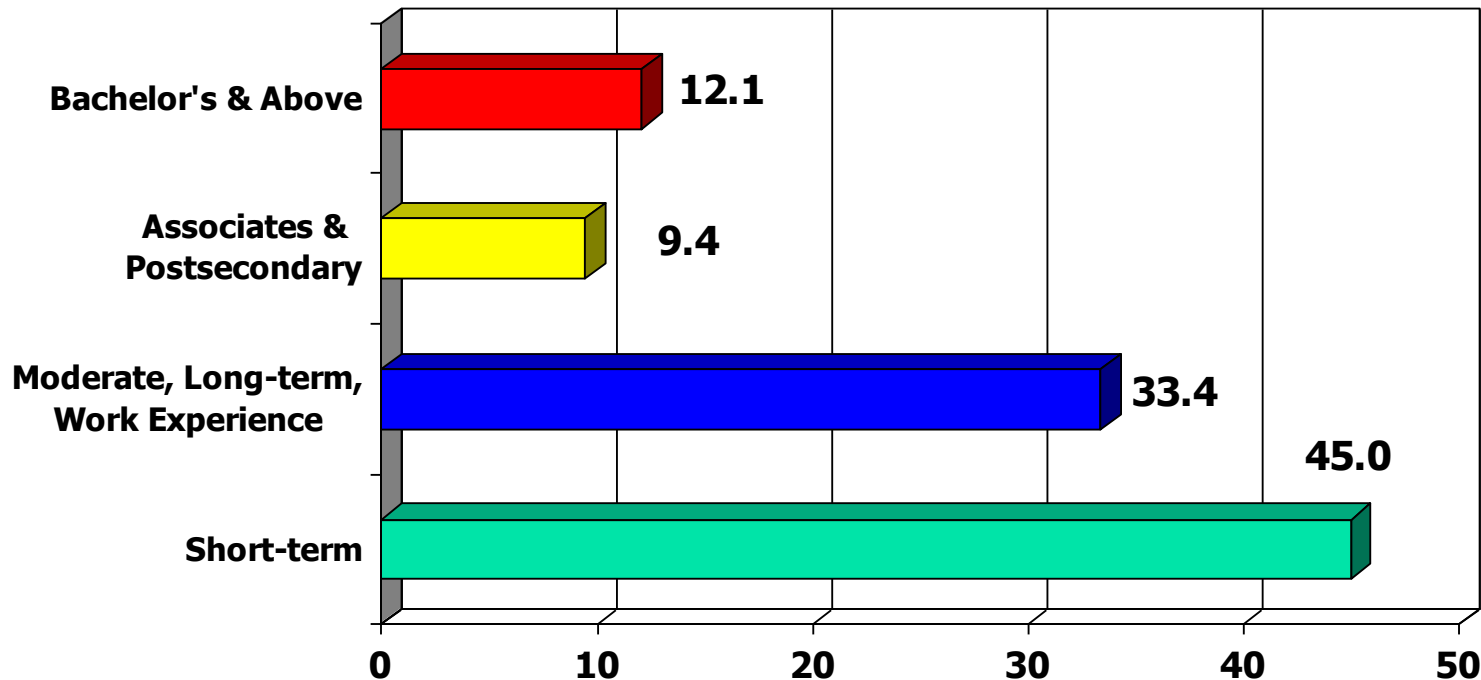
<b>Occupational Title</b>	<b>2016 Projected Employment</b>	<b>Percent Growth</b>
Insurance Sales Agents	195	52.3
Pharmacy Technicians	328	47.1
Veterinary Technologists and Technicians	70	45.8
Medical Assistants	342	45.5
Physical Therapist Assistants	109	41.6
Mental Health and Substance Abuse Social Workers	112	40.0
Dental Assistants	101	38.4
Physical Therapist Aides	62	34.8
Network and Computer Systems Administrators	71	34.0
Veterinarians	71	34.0

Source: Del. Dept of Labor, OOLMI

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# % of Jobs by Education/Training - 2006

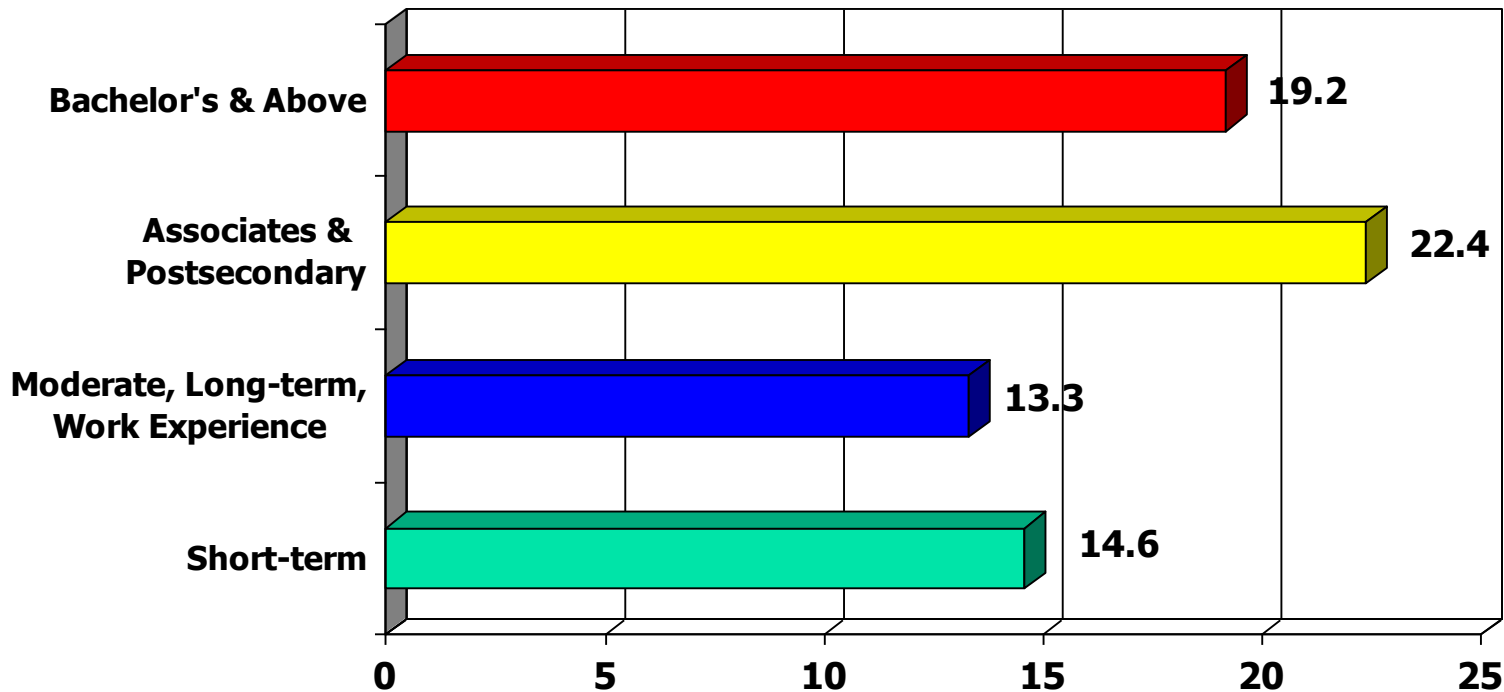


Sussex, 2006-2016 Projections – Dept. of Labor, OOLMI

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# % Growth by Education/Training 2006 to 2016



Sussex, 2006 – 2016 Projections – Dept. of Labor, OOLMI

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# Conclusions

- Our labor market is facing enormous challenges. The need to attract high-wage and high-skilled jobs is our primary goal. But we'll need to continue to improve and expand the knowledge and skills of our residents.
- Income levels are rising but the economy is under stress. The current economic downturn has led to much slower job creation and a higher unemployment rate.
- 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. However, the economy and national real estate crisis is slowing our efforts to attract retirees.
- We need more economic diversification. What about targeting "Green Industries"?
- Sussex is facing the challenges of an aging population. We have mentioned this in detail today.
- This will have a continuing impact on healthcare services and job growth (need for younger workers).
- More emphasis is needed for attracting and retaining younger workers and families. The future of our economic development is dependant on this.
- But we will still need to utilize the experience and abilities of our senior population.

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