Sussex Demographic and Labor Market Trends

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Introduction

- **Statistical Update**
  - Changing economic and labor market conditions
  - Impact on population and job trends
  - How Sussex is very different than other areas

- **New Information**
  - Data revised from prior presentations
  - Regional data within Sussex – East, Central and West
  - What can we expect moving forward?
Historically Sussex has had relatively low unemployment rates. But this is changing.

2007: 3.4% (Sussex) vs. 3.4% (DE), 4.6% (U.S.)
2008: 4.9% (Sussex) vs. 4.8% (DE), 5.9% (U.S.)
2009: 7.7% (Sussex) vs. 7.8% (DE), 9.0% (U.S.)

The 2009 data is an average through September.

Since 2000 Job growth here has been at a faster pace than for U.S. and Delaware

However job growth is rapidly slowing – expect overall losses in 2009 and possibly 2010.

Aging population – Median age in Sussex is much higher than in other counties in Delaware.

Advantages and Opportunities
People

Demographic Trends
Since 2000, Sussex population rose by about 35,000.

Source: Delaware Population Consortium
Employment Status (Residents)

- Employed = 85,000
- Not in the labor force, 16 years+ = 65,000 (retired, in school, or not looking for work)
- Persons under age 16 years = 35,600
- Unemployed/actively seeking = 7,300

By necessity, older persons will seek to stay in the labor market longer – a change from the recent past

% of Population by Age Group
Sussex Areas 2009

Source: Economic Modeling Specialists, Inc., EMSI
55+: 28% in 1990 - to 41% in 2030

Source: Delaware Population Consortium
Population by Age Group
Sussex 2009 and 2025

Source: Delaware Population Consortium
## Educational Attainment

### Persons 25 Years and over

<table>
<thead>
<tr>
<th>Education Level</th>
<th>Sussex</th>
<th>DE</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less Than High School</td>
<td>14.0%</td>
<td>12.8%</td>
<td>15.0%</td>
</tr>
<tr>
<td>High school grad., or Some College no Degree</td>
<td>57.7%</td>
<td>52.6%</td>
<td>49.8%</td>
</tr>
<tr>
<td>Associates, Bachelor’s Degree or higher</td>
<td>28.3%</td>
<td>34.6%</td>
<td>35.2%</td>
</tr>
</tbody>
</table>

*Source: 2008 American Community Survey*
Sussex (population) has grown much faster than the State and other counties. The growth trend is expected to continue although at a slower rate.

65,000 of our residents are not in the labor force. This will likely increase until the economy improves.

The largest increase in our population will come from persons age 65+.

This will continue to increase the demand for healthcare services and the need for jobs in the field.

The need to attract and retain younger workers to replace “Baby-Boomers’ will be a major priority especially when the recession ends.

We will need to find ways to extend careers and introduce encore careers to our senior population. In many cases this will be a financial necessity.

We must continue to improve the quality of our workforce. This is a must for ensuring retention of existing businesses and attraction of new ones.
Jobs

Sussex Employment Trends

Opportunities for Today & Tomorrow
Jobs have grown faster in Sussex ‘96 to ‘09

Where Sussex Works (2008)

Source: Del. Dept of Labor, OOLMI
Distribution of Jobs by Area (%) (Selected Sectors)

Source: Economic Modeling Specialists, Inc., EMSI
Occupational Growth
Sussex – ‘08 to ‘13

Above Average Job Growth is Expected For:

- Building & grounds cleaning & maintenance
- Business & financial operations
- Computer & mathematical science
- Education, training, & library
- Food preparation & serving
- Healthcare practitioners & technical
- Healthcare support
- Legal
- Sales & related

Source: Economic Modeling Specialists, Inc., EMSI
### % of Jobs by Education/Training - 2008, 2018 Sussex

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Associate’s</td>
<td>26.0%</td>
<td>27.9%</td>
</tr>
<tr>
<td>Bachelor’s Degree</td>
<td></td>
<td></td>
</tr>
<tr>
<td>&amp; Above</td>
<td></td>
<td></td>
</tr>
<tr>
<td>High School and</td>
<td>74.0%</td>
<td>72.1%</td>
</tr>
<tr>
<td>Long or Short</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Term OJT</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Economic Modeling Specialists, Inc., EMSI
Since 2002, two-thirds of total Sussex job growth has occurred in five sectors: Healthcare; Manufacturing; Finance, Insurance & Real Estate; and Education.

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 (or declining) in those sectors.

The Construction sector was once one our fastest growing industries – extremely difficult period now.
Jobs Summary (Continued)

- Since 1996 job growth in Sussex has been twice as fast as the Statewide rate although the number of jobs has recently declined.
- Education and training are the keys to our long term success and ability to support entrepreneurial efforts.
- Wages and salaries are lower in Sussex ($33,300 vs. $47,700 – Del.).
- Industries that have above average annual wages include: Healthcare, $43,921; Education, $41,129; Information, $40,726; Manufacturing, $39,583; Transportation/Utilities, $38,069; Government, $37,369; and Finance, Insurance & Real Estate, $35,263.
Top priority to stabilize our labor market. Improve and expand the knowledge and skills of our residents.

Economic downturn - slower job creation; higher unemployment rate.

Sluggish real estate market locally and regionally limiting our growth.

Economic diversification. “Green Industries” initiatives.

Aging population - impact on healthcare services and job growth.

Attract and retain younger workers and families.

But utilize the experience of our senior population.
## Population/Age Impact on County

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Pop. Change 2009 to 2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-14</td>
<td>14,668</td>
</tr>
<tr>
<td>15-24</td>
<td>4,721</td>
</tr>
<tr>
<td>25-34</td>
<td>6,293</td>
</tr>
<tr>
<td>35-44</td>
<td>5,513</td>
</tr>
<tr>
<td>45-54</td>
<td>-4,920</td>
</tr>
<tr>
<td>55-64</td>
<td>7,079</td>
</tr>
<tr>
<td>65+</td>
<td>29,391</td>
</tr>
</tbody>
</table>

- 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
Housing Production – Number of Units*

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

Source: U.S. Bureau of the Census
Food Production Dominates Mfg.- Sussex, 2008

- Total Manufacturing, 12,800 jobs; food production portion (mostly poultry processing) is 8,200; other manufacturing, 4,600 jobs
- Food Production 11.6% of all Sussex jobs 10.3% of total payroll
- Other Manufacturing 6.6% jobs in County; 11.3% of payroll
- Average annual wage; food production $29,500; other manufacturing, $57,400

**% of Mfg. Jobs**

- Food Mfg.: 64%
- Other Mfg.: 36%
Market Value of Agr. Products Sold - $849 Million in Sussex

- Poultry & Eggs: 83%
- Milk & Dairy: 1%
- Other Livestock: 1%
- Grains, Beans, Peas: 8%
- Veg., Melons, Potatoes: 6%
- Nursery, Greenhouse, Floriculture: 1%

Source: 2007 Census of Agriculture
Agriculture

- Sussex has more acres of farm land than New Castle and Kent combined.
- From 2002 to 2007 farm acreage is Sussex declined by 5% - from 283,503 to 269,464 acres.
- Sussex County is the number one broiler producing county in the U.S. Source: 2007 Census of Agriculture.
- Market value of production grew by 83% from 2002 to 2007.
- Poultry is our #1 farm commodity representing over 80% of Sussex Market value of Agr. Products sold.
- In the Delmarva Peninsula, Sussex remains as a key leader in the production of Soybeans, corn and wheat.
# Avg. Annual Wage – Total All Industries

<table>
<thead>
<tr>
<th></th>
<th>2008 Annual Avg.</th>
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<tbody>
<tr>
<td>Delaware</td>
<td>$ 47,700</td>
</tr>
<tr>
<td>New Castle</td>
<td>$ 53,700</td>
</tr>
<tr>
<td>Kent</td>
<td>$ 36,400</td>
</tr>
<tr>
<td>Sussex</td>
<td>$ 33,300</td>
</tr>
</tbody>
</table>

*Delaware, New Castle, Kent, Sussex*
Job Change by Industry ’02 to ’08 - Sussex

Change in Number of Jobs by Industry

- Healthcare: 1,642
- Manufacturing: 1,534
- Finance, Insurance, Real Est.: 1,498
- Education: 1,145
- Professional & Bus. Services: 1,061
- Leisure & Hospitality: 934
- Government: 735
- Wholesale & Retail Trade: 444
- Transportation & Utilities: 387
- Construction: 344
- Other Services: 102
- Agriculture (Farms): 75
- Information: -6

Opportunities for Today & Tomorrow
Average Annual Wage by Ind. Sussex (2008)

- Healthcare: $33,300
- Education
- Information
- Manufacturing
- Transport./Utilities
- Government
- Construction
- Finance, Insurance & Real Est.
- Prof.& Bus. Serv
- Agriculture (Farms)
- Wholesale & Retail Trade
- Other Serv.
- Leisure & Hospitality

$0 $5,000 $10,000 $15,000 $20,000 $25,000 $30,000 $35,000 $40,000 $45,000 $50,000
## School Dropout Rates

<table>
<thead>
<tr>
<th>Year</th>
<th>Delaware</th>
<th>Sussex</th>
</tr>
</thead>
<tbody>
<tr>
<td>'00-'01</td>
<td>4.4</td>
<td>4.4</td>
</tr>
<tr>
<td>'01-'02</td>
<td>6.2</td>
<td>4.9</td>
</tr>
<tr>
<td>'02-'03</td>
<td>5.4</td>
<td>5.1</td>
</tr>
<tr>
<td>'03-'04</td>
<td>6.0</td>
<td>5.3</td>
</tr>
<tr>
<td>'04-'05</td>
<td>5.9</td>
<td>5.5</td>
</tr>
<tr>
<td>'05-'06</td>
<td>5.6</td>
<td>5.4</td>
</tr>
<tr>
<td>'06-'07</td>
<td>5.9</td>
<td>4.9</td>
</tr>
<tr>
<td>'07-'08</td>
<td>5.6</td>
<td>4.9</td>
</tr>
</tbody>
</table>

Source: State of Delaware, Dept. of Education

### Graph

- **Y-axis**: Dropout Rates (3.5 to 6.5)
- **X-axis**: School Years ('00-'01 to '07-'08)
- **Legend**:
  - Delaware
  - Sussex

The graph illustrates the dropout rates for Delaware and Sussex counties over the years '00-'01 to '07-'08. Delaware consistently has higher dropout rates compared to Sussex.