

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?

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Sussex - Overview

- 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

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People

Demographic Trends

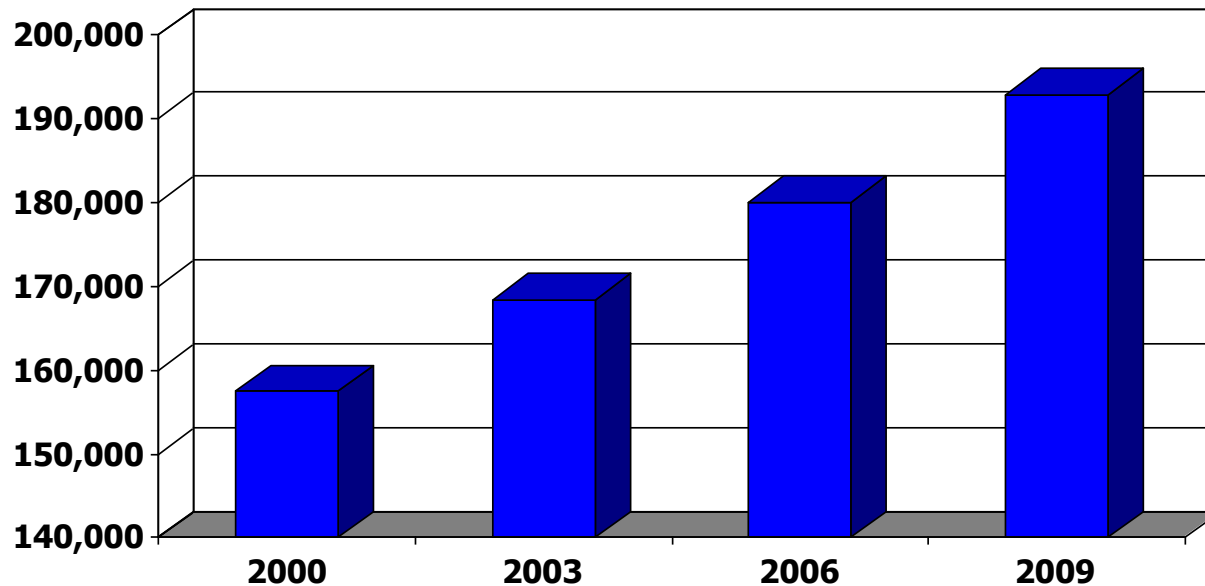


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Demographic Overview

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



Source: Delaware Population Consortium

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Demographic Overview (Cont.)

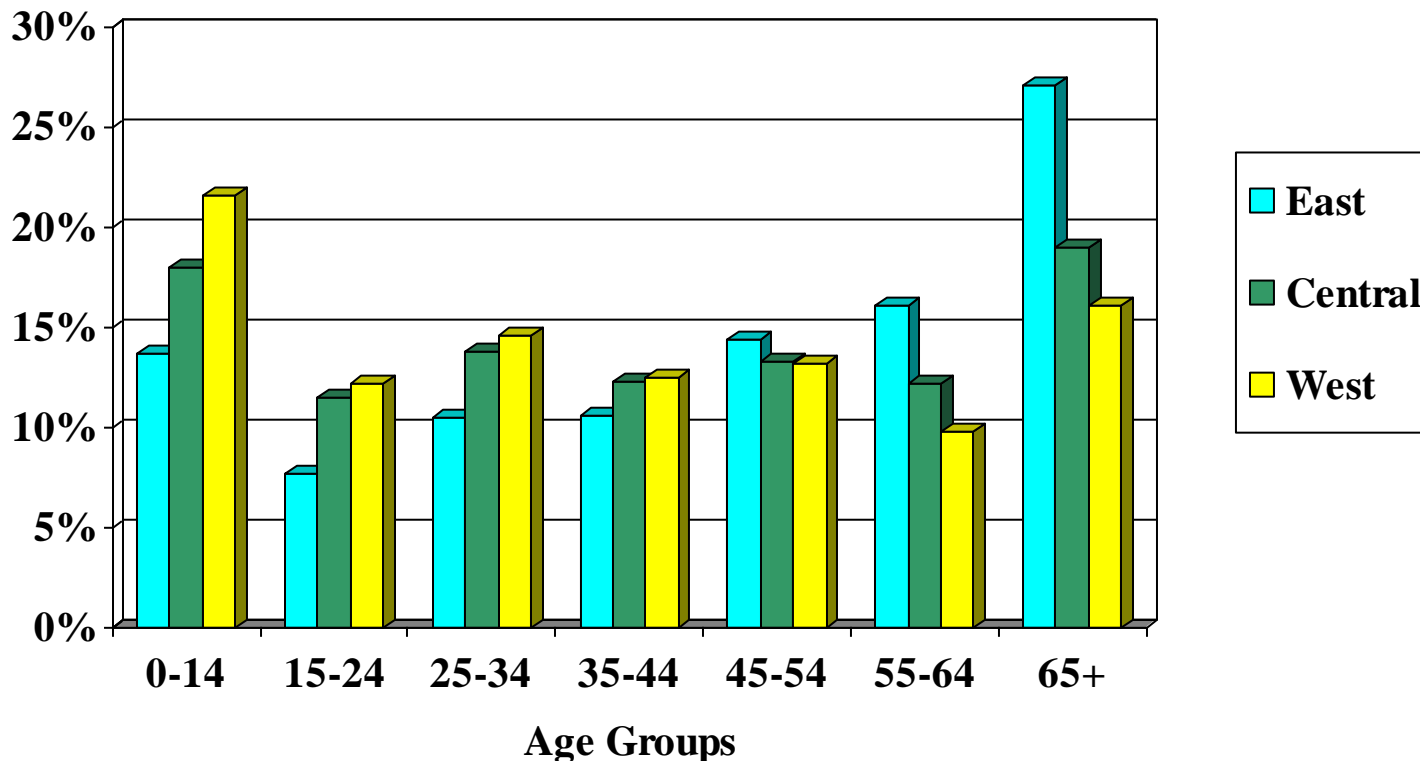
- Employment Status (Residents)
 - Employed = 85,000
 - Not in the labor force, 16 years+ = 65,000 (retired, in school, or not looking for work)
 - Persons under age 16 years = 35,600
 - Unemployed/actively seeking = 7,300
 - By necessity, older persons will seek to stay in the labor market longer – a change from the recent past

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

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% of Population by Age Group Sussex Areas 2009

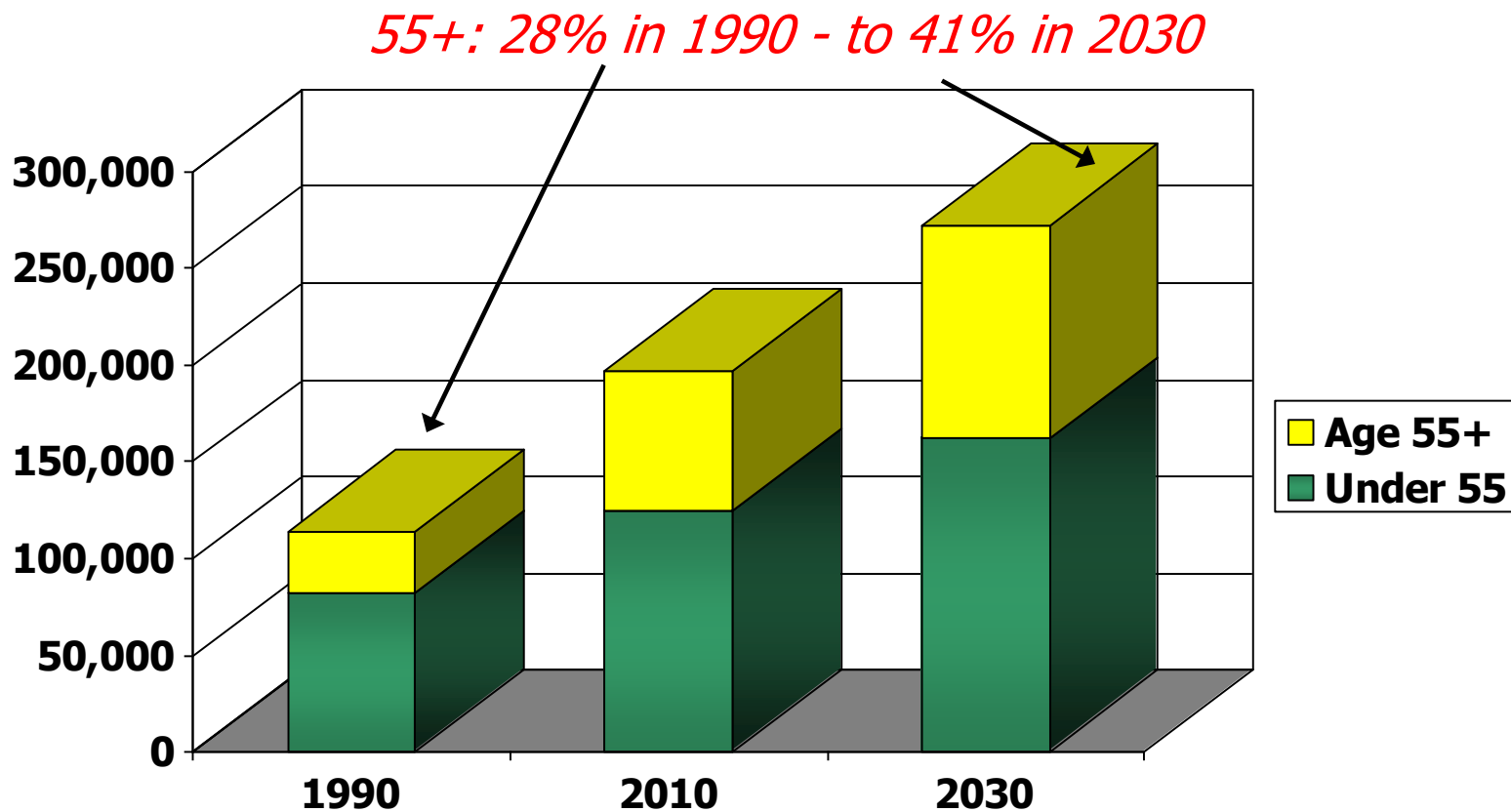


Source: Economic Modeling Specialists, Inc., EMSI

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Long Term Population Trends – Sussex

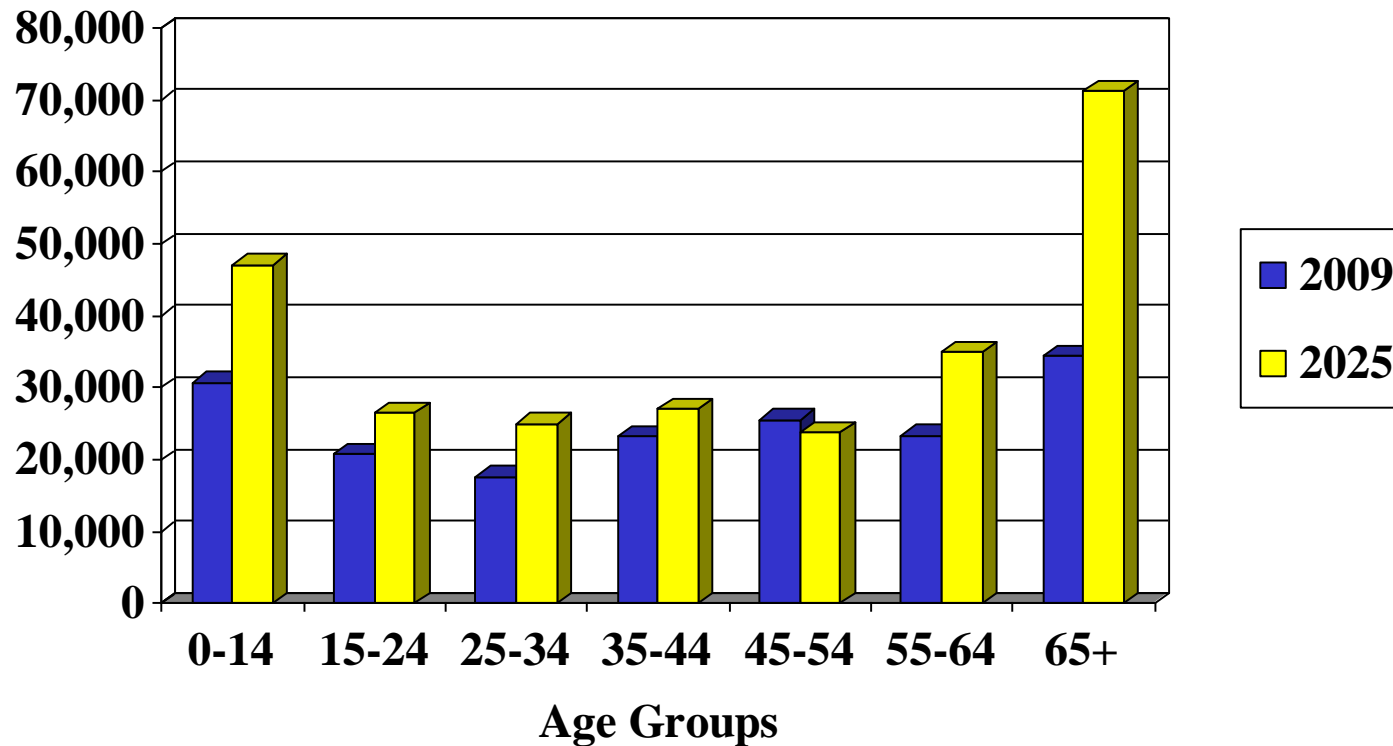


Source: Delaware Population Consortium

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Population by Age Group Sussex 2009 and 2025



Source: Delaware Population Consortium

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Educational Attainment

Persons 25 Years and over

	Sussex	DE	U.S.
Less Than High School	14.0%	12.8%	15.0%
High school grad., or Some College no Degree	57.7%	52.6%	49.8%
Associates, Bachelor's Degree or higher	28.3%	34.6%	35.2%

Source: 2008 American Community Survey

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Demographic Summary

- 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.

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Jobs

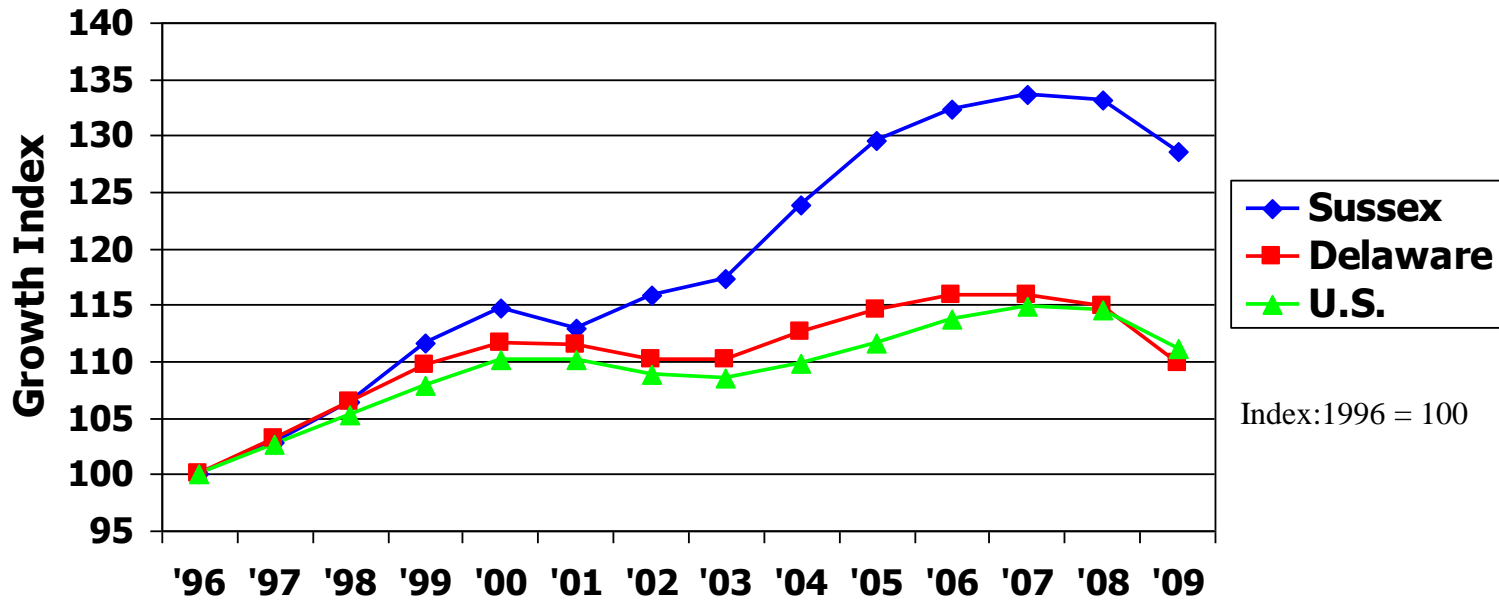
Sussex Employment Trends

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Jobs have grown faster in Sussex '96 to '09



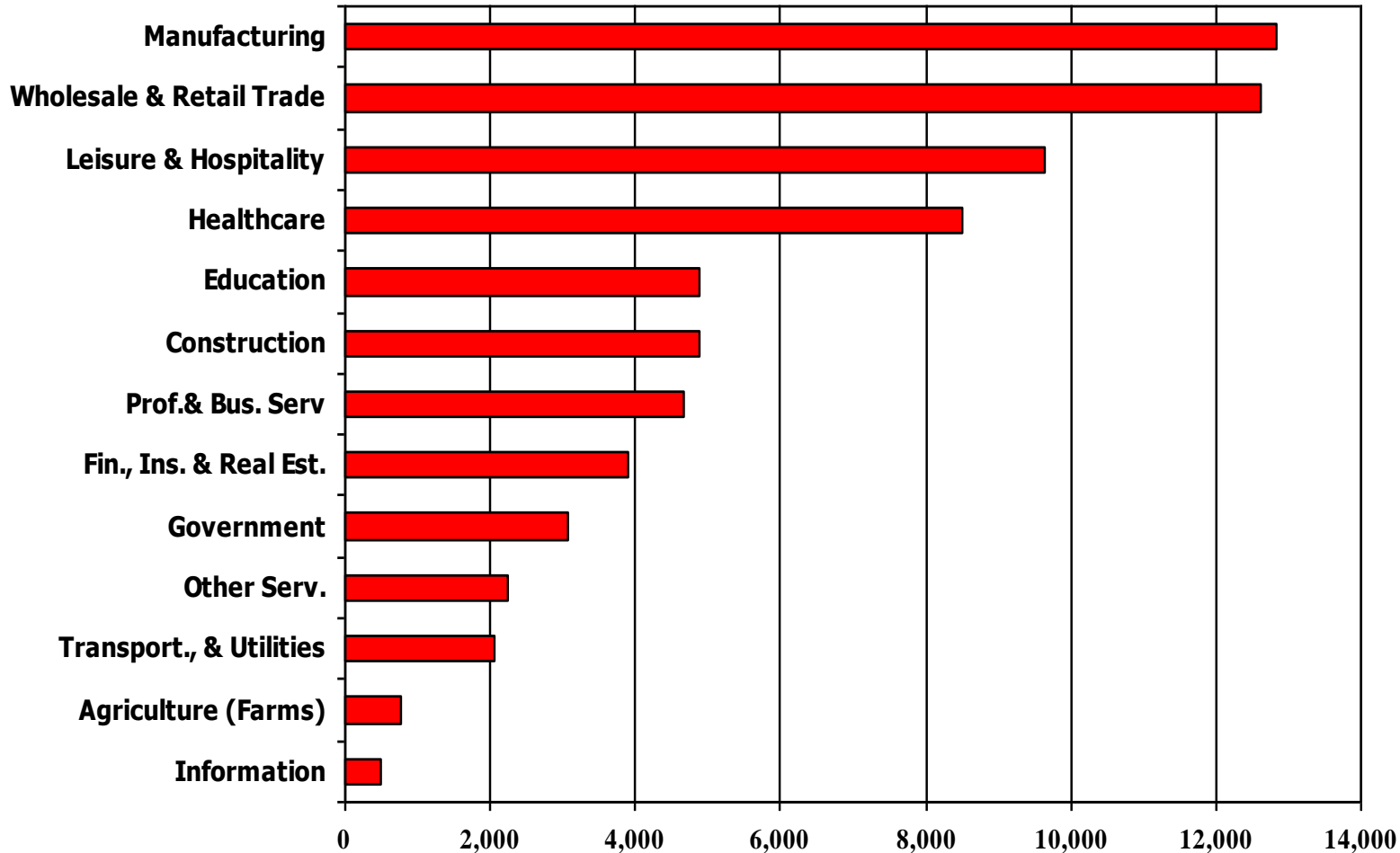
Increase	
Sussex	28.6%
Del.	9.9%
U.S.	11.2%

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

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Where Sussex Works (2008)

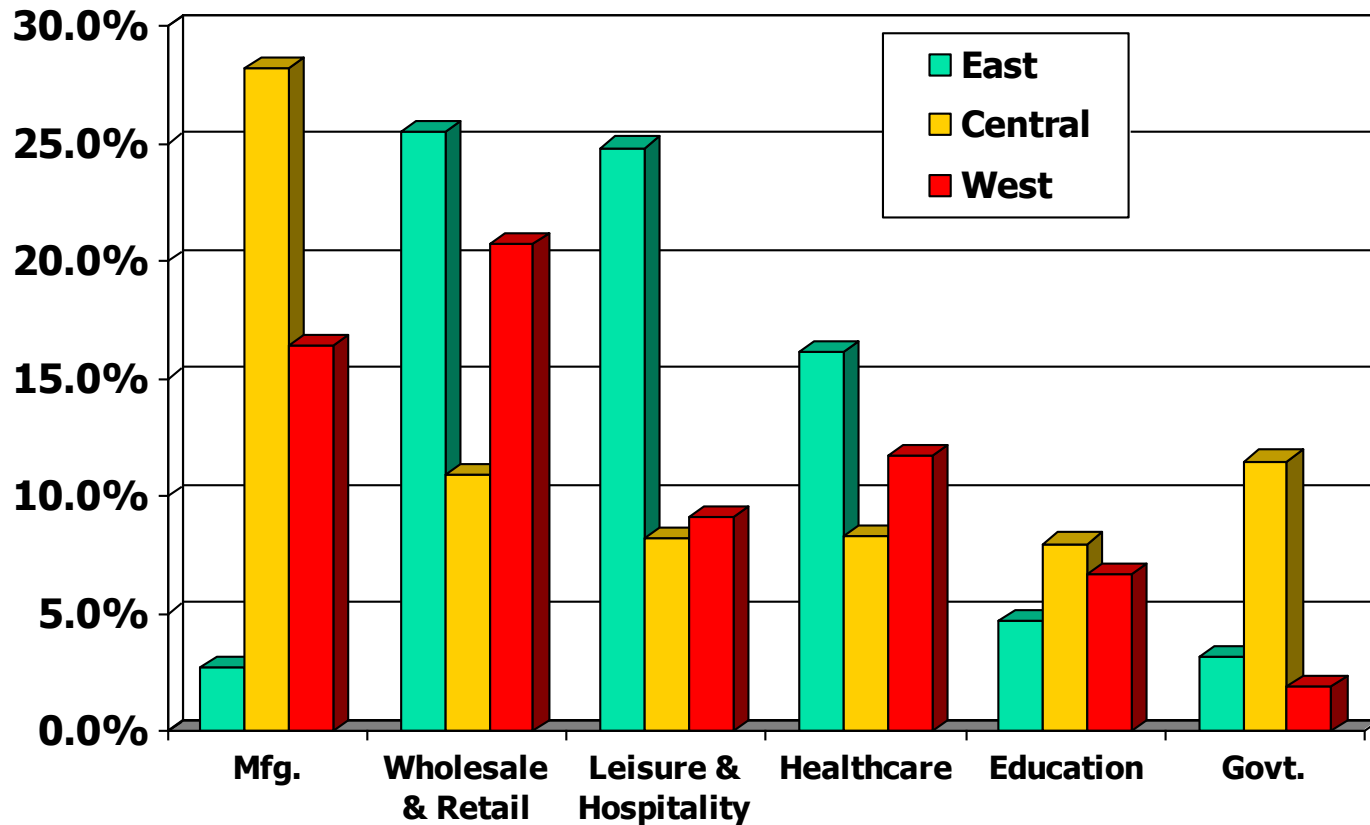


Source: Del. Dept of Labor, OOLMI

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Distribution of Jobs by Area (%) (Selected Sectors)



Source: Economic Modeling Specialists, Inc., EMSI

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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

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% of Jobs by Education/Training - 2008, 2018 Sussex

	2008	2018
Associate's Bachelor's Degree & Above	26.0%	27.9%
High School and Long or Short Term OJT	74.0%	72.1%

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Source: Economic Modeling Specialists, Inc., EMSI

Jobs - Summary

- 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.

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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.

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Conclusion

- 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.

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ADDENDUM

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Population/Age Impact on County

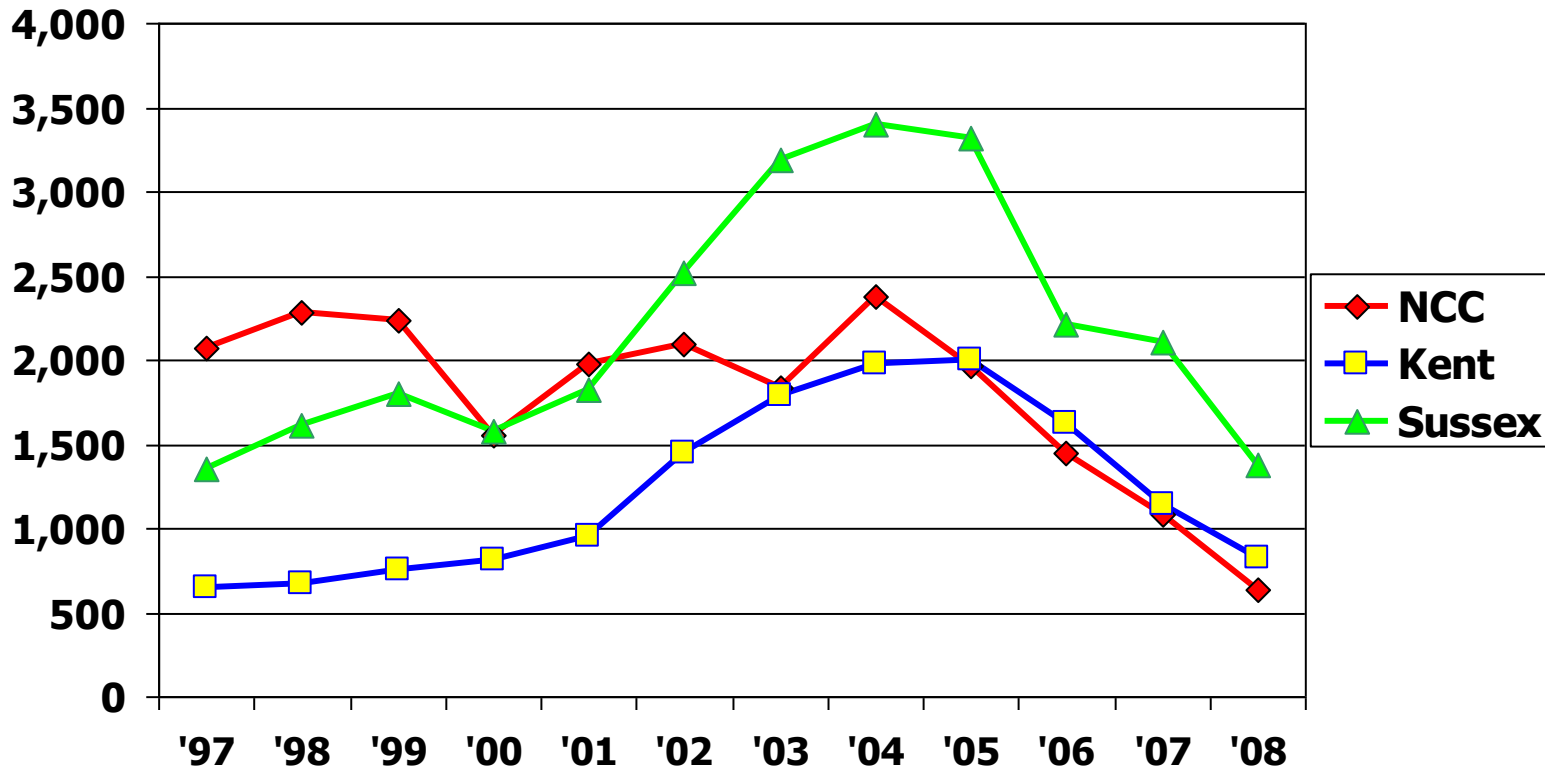
Age Group	Pop. Change 2009 to 2025
0-14	14,668
15-24	4,721
25-34	6,293
35-44	5,513
45-54	-4,920
55-64	7,079
65+	29,391

- 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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Housing Production – Number of Units*



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

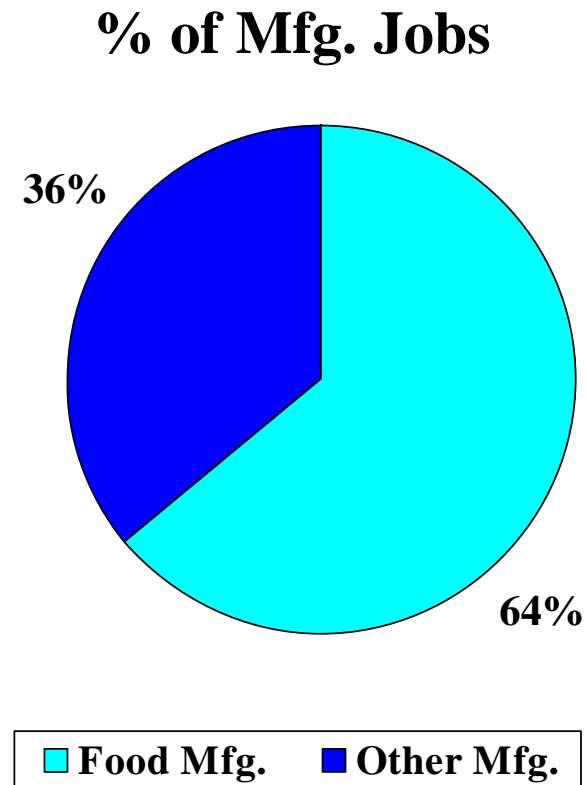
Source: U.S. Bureau of the Census

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Food Production Dominates Mfg.- Sussex, 2008

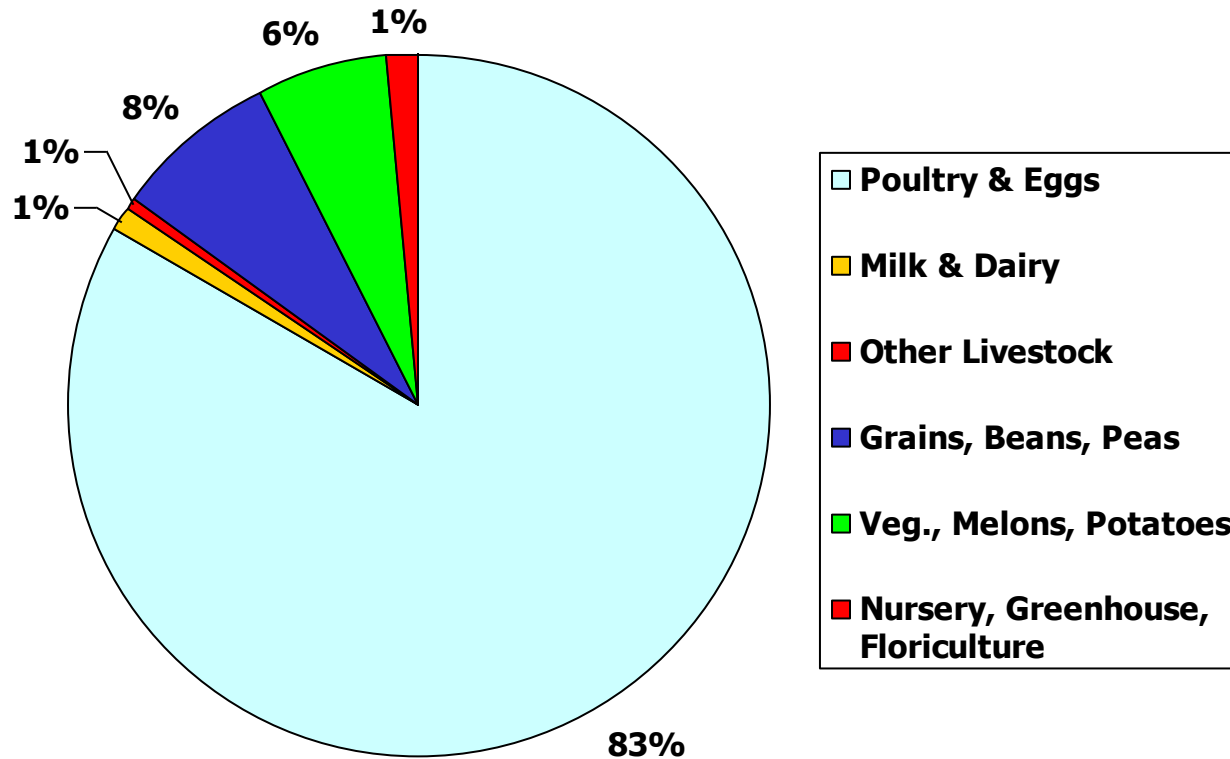
- **Total Manufacturing,**
12,800 jobs;
food production portion
(mostly poultry processing)
is 8,200; other manufacturing,
4,600 jobs
- **Food Production**
11.6% of all Sussex jobs
10.3% of total payroll
- **Other Manufacturing**
6.6% jobs in County;
11.3% of payroll
- **Average annual wage;**
food production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



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Market Value of Agr. Products Sold - \$849 Million in Sussex



Source: 2007 Census of Agriculture

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Agriculture

- Sussex has more acres of farm land than New Castle and Kent combined.
- From 2002 to 2007 farm acreage in 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.

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Avg. Annual Wage – Total All Industries

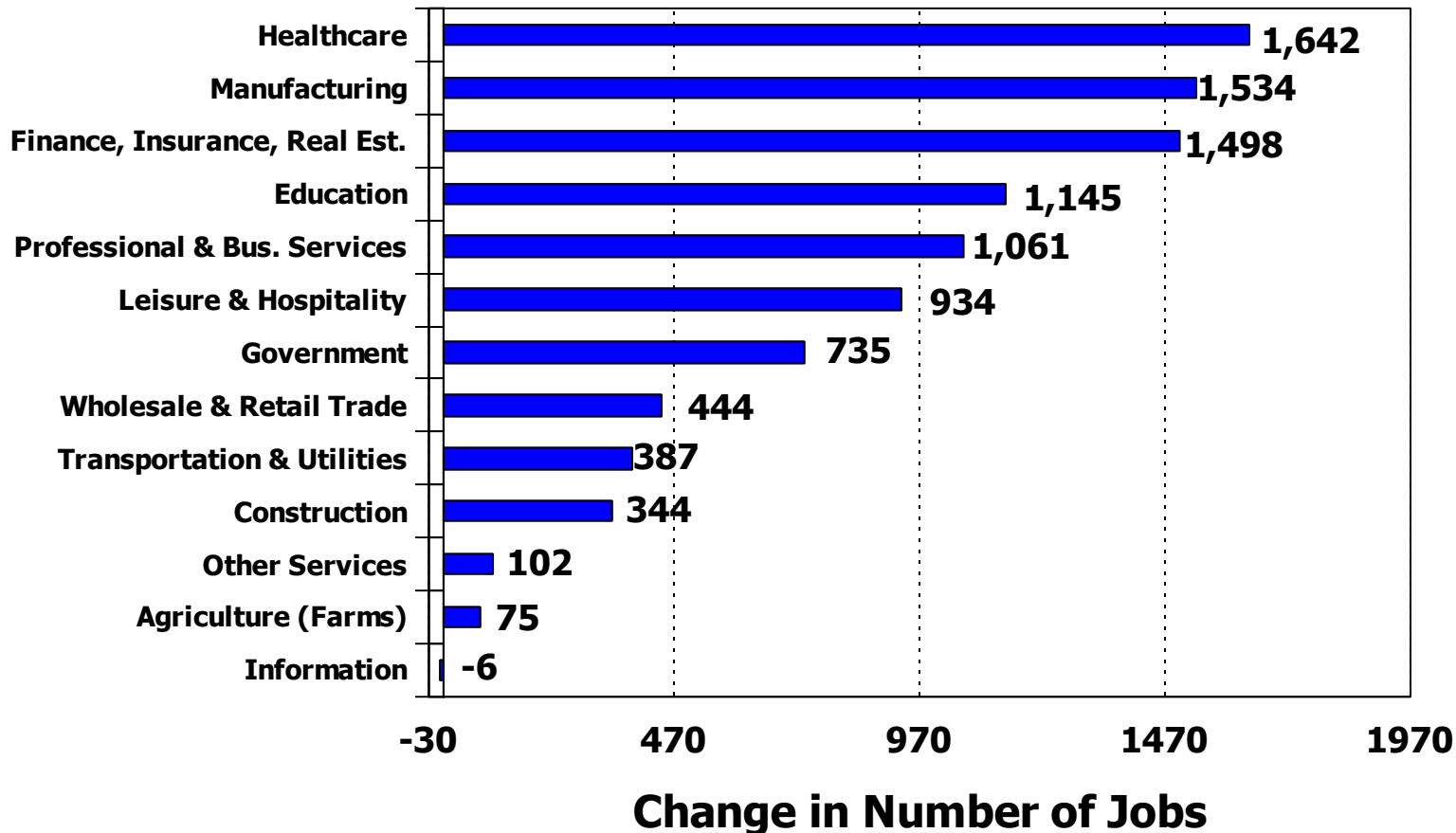
Delaware	\$ 47,700
New Castle	\$ 53,700
Kent	\$ 36,400
Sussex	\$ 33,300

2008 Annual Avg.

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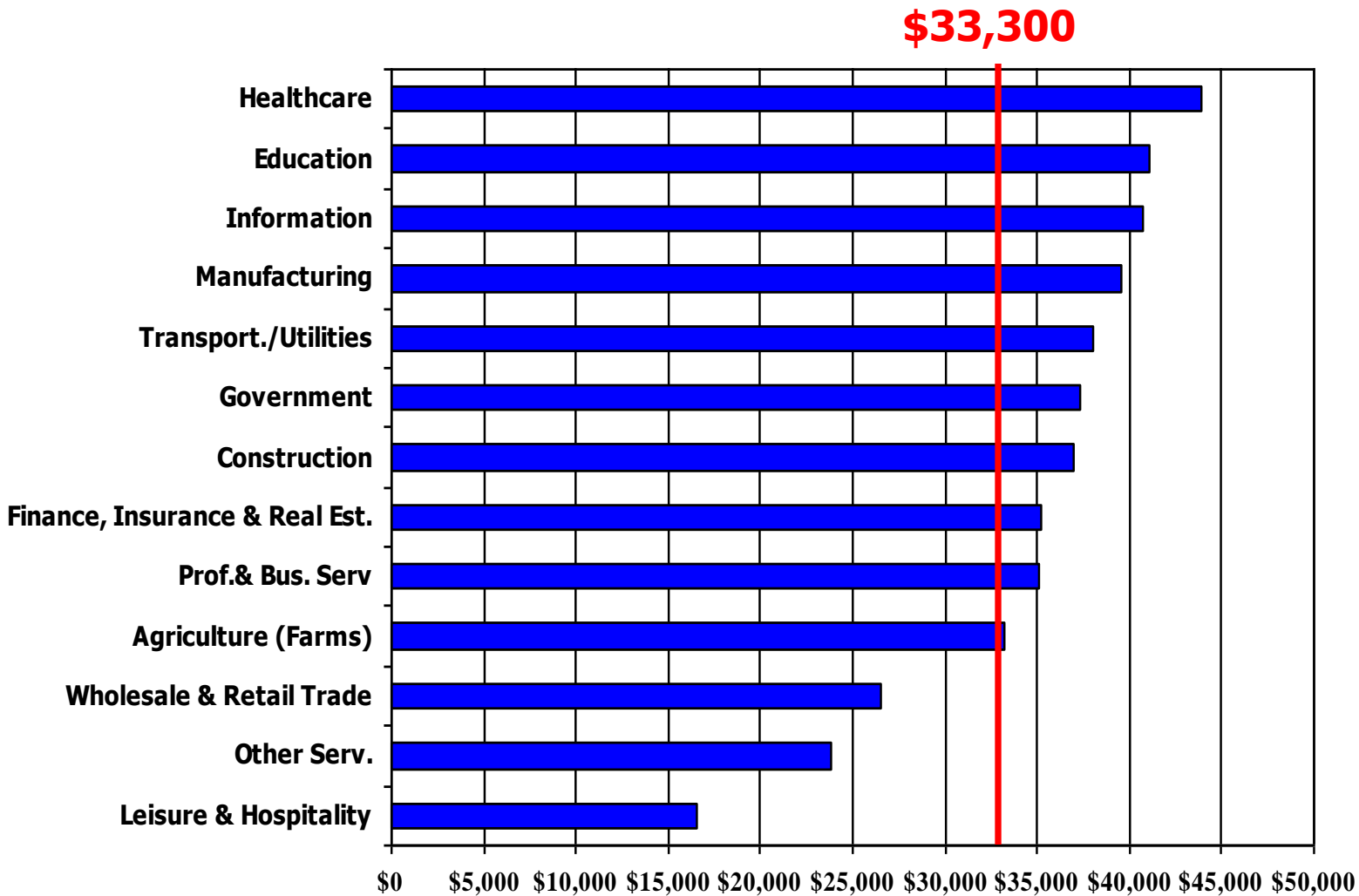
Job Change by Industry '02 to '08 - Sussex



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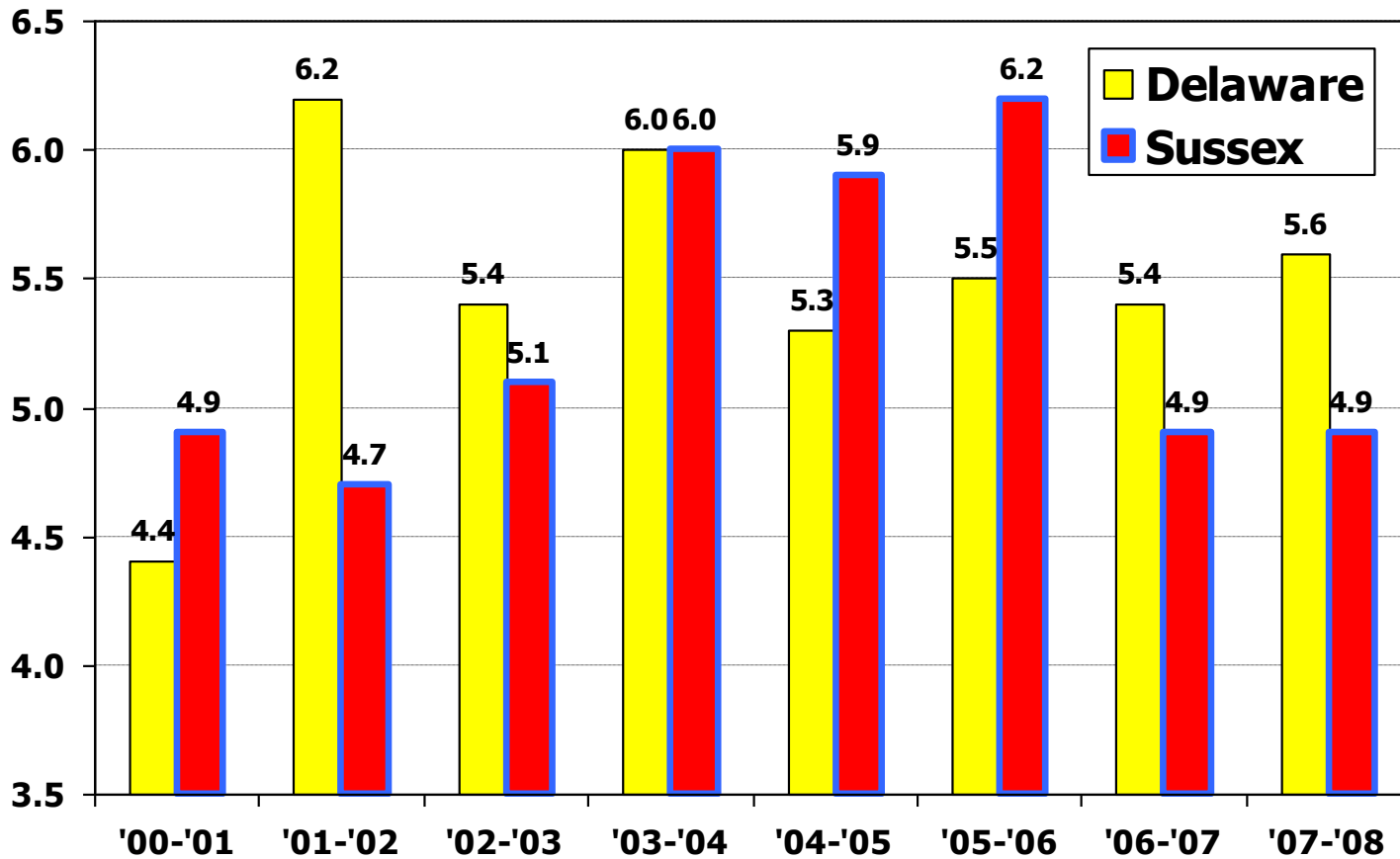
Average Annual Wage by Ind. Sussex (2008)



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School Dropout Rates



Source: State of Delaware, Dept. of Education

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