Sussex Demographic and Labor Market Trends

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Introduction

- **Statistical Update**
  - Differences among the regions in Sussex
  - Demographic, economic and labor market update
  - Is Sussex doing better?
  - Review of industry job trends

- **Focus**
  - Review of major industry sectors
  - Small business and entrepreneurship
During the past couple of years the rates are showing some improvement.

<table>
<thead>
<tr>
<th>Year</th>
<th>Sussex</th>
<th>DE</th>
<th>US</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>7.9%</td>
<td>7.9%</td>
<td>9.3%</td>
</tr>
<tr>
<td>2010</td>
<td>7.9%</td>
<td>8.0%</td>
<td>9.6%</td>
</tr>
<tr>
<td>2011</td>
<td>7.5%</td>
<td>7.4%</td>
<td>8.9%</td>
</tr>
<tr>
<td>2012</td>
<td>7.0%</td>
<td>7.1%</td>
<td>8.1%</td>
</tr>
<tr>
<td>2013</td>
<td>7.2%</td>
<td>7.2%</td>
<td>7.6%</td>
</tr>
</tbody>
</table>

Sussex Has Slower Job Decline

Sussex Trends: Jobs grew faster at first and then declined more slowly. During the past few years Sussex has had modest job growth.

People

Demographic Trends
In an Average Month in Sussex . . .

- 186 Persons are born
- 181 Persons die
- 247 Persons move here from another area

Source: U.S. Census Bureau (7/11 to 7/12)
Sussex Population Growth is Steady (Annual Change)

Source: U.S. Census Bureau
55+: 28% in 1990 - to 43% in 2030

Source: Delaware Population Consortium
# Median Age – 2013 Estimate

<table>
<thead>
<tr>
<th>Area</th>
<th>Median Age</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sussex County</td>
<td>46.1</td>
</tr>
<tr>
<td>Sussex East</td>
<td>54.7</td>
</tr>
<tr>
<td>Sussex Central</td>
<td>44.0</td>
</tr>
<tr>
<td>Sussex West</td>
<td>40.1</td>
</tr>
<tr>
<td>Delaware</td>
<td>39.2</td>
</tr>
<tr>
<td>U.S.</td>
<td>37.4</td>
</tr>
</tbody>
</table>

Source: DemographicsNow
### Median Household income – 2013 Est.

<table>
<thead>
<tr>
<th>Area</th>
<th>Median Household Income ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sussex County</td>
<td>53,568</td>
</tr>
<tr>
<td>Sussex East</td>
<td>58,455</td>
</tr>
<tr>
<td>Sussex Central</td>
<td>51,878</td>
</tr>
<tr>
<td>Sussex West</td>
<td>50,118</td>
</tr>
<tr>
<td>Delaware</td>
<td>60,230</td>
</tr>
<tr>
<td>U.S.</td>
<td>52,800</td>
</tr>
</tbody>
</table>

Source: DemographicsNow
Employment and Wages by Age Group – Sussex 2012

Source: U.S. Census Bureau, LEHD
Sussex Employment Trends
Major Sussex Industry Groups (2012 Employment)

- Wholesale & Retail Trade
- Leisure & Hospitality
- Healthcare
- Mfg, (Food)
- Education
- Prof & Business Serv.

Source: Del. Dept of Labor, OOLMI
Where Sussex Works (2012)

Source: Del. Dept of Labor, OOLMI; Census of Agriculture
Nonemployer data in Sussex (2011)

- Businesses with employees
  - Source DE Dept. of Labor
  - Part of the Unemployment Insurance system

- Establishments with no employees
  (Self-Employed and Entrepreneurs)
  - Source: U.S. Census Bureau – “Nonemployer Statistics”
  - Most recent data is for 2011
  - How are they obtained?
  - How are they different from other data?
  - Why is this source important
  - We’ll refer to this information as “Establishments with no employees”.
## Establishments with No Employees, 2011

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Delaware</td>
<td>55,418</td>
<td>$2,937,679,000</td>
<td>$53,009</td>
</tr>
<tr>
<td>New Castle</td>
<td>32,237 (58.2%)</td>
<td>$1,854,174,000</td>
<td>$57,517</td>
</tr>
<tr>
<td>Kent</td>
<td>8,984 (16.2%)</td>
<td>$430,601,000</td>
<td>$47,930</td>
</tr>
<tr>
<td>Sussex</td>
<td>14,197 (25.6%)</td>
<td>$652,904,000</td>
<td>$45,989</td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau – Non-employer Statistics
Establishments With No Employees, 2011 - Sussex

Source: U.S. Census Bureau – Non-employer Statistics
Average Annual Gross Receipts, Establishments With No Employees, Sussex, 2011

$45,989 Avg.

Finance. Ins. Real Est. $67,842
Transportation $67,662
Construction $62,754
Information $52,138
Wholesale & Retail Trade $48,551
Professional & Bus. Serv. $36,024
Manufacturing $30,163
Leisure & Hospitality $29,179
Health & Social Assistance $28,419

Sussex County TODAY & TOMORROW Conference
Turnover Rates (%) – Sussex and DE

Source: U.S. Census Bureau, LEHD
Turnover Rates by Industry, Sussex (2012)

- Industries with highest turnover rates:
  - Arts, Entertainment, 17.8
  - Accommodations, Food Serv., 17.7
  - Admin, 15.7
  - Retail Trade, 11.1

- Industries with lowest turnover rates:
  - Utilities, 1.6
  - Education, 4.8
  - Information, 5.7

Source: U.S. Census Bureau, LEHD
Turnover Rates by Age – Sussex (2012)
### Industries with the largest number of older workers

<table>
<thead>
<tr>
<th>Industry</th>
<th>55+ workers</th>
<th>% of Tot. Ind.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail Trade</td>
<td>2,460</td>
<td>23.5</td>
</tr>
<tr>
<td>Health Care and Social Assistance</td>
<td>2,424</td>
<td>24.9</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>1,853</td>
<td>20.6</td>
</tr>
<tr>
<td>Accommodation and Food Service</td>
<td>887</td>
<td>10.0</td>
</tr>
<tr>
<td>Construction</td>
<td>655</td>
<td>20.6</td>
</tr>
<tr>
<td>Real Estate and Rental and Leasing</td>
<td>582</td>
<td>33.3</td>
</tr>
<tr>
<td>Other Services</td>
<td>570</td>
<td>24.8</td>
</tr>
<tr>
<td>Transportation &amp; Warehousing</td>
<td>474</td>
<td>34.2</td>
</tr>
</tbody>
</table>
Sussex Labor Force Data

- Total Sussex Population = 205,800
- Employed = 86,200
- Not in the labor force, 16 years+ = 74,400 (retired, in school, or not looking for work)
- Persons under age 16 years = 38,700
- Unemployed/actively seeking = 6,500

<table>
<thead>
<tr>
<th>Region</th>
<th>Avg. Annual Wage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Delaware</td>
<td>$51,757</td>
</tr>
<tr>
<td>New Castle</td>
<td>$58,808</td>
</tr>
<tr>
<td>Kent</td>
<td>$38,491</td>
</tr>
<tr>
<td>Sussex</td>
<td>$34,489</td>
</tr>
</tbody>
</table>

2012 Annual Avg.
Sussex Population Continues to Increase

Source: Delaware Population Consortium
Highest Growth in Youngest & Oldest
Sussex 2010 and 2030

Source: Delaware Population Consortium
Population/Age Impact on County

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Pop. Change 2010 to 2030</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-14</td>
<td>6,601</td>
</tr>
<tr>
<td>15-24</td>
<td>5,765</td>
</tr>
<tr>
<td>25-34</td>
<td>6,209</td>
</tr>
<tr>
<td>35-44</td>
<td>4,871</td>
</tr>
<tr>
<td>45-54</td>
<td>-872</td>
</tr>
<tr>
<td>55-64</td>
<td>1,721</td>
</tr>
<tr>
<td>65+</td>
<td>37,853</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
Average Annual Wage by Ind. Sussex (2012)

- Manufacturing (Non-food)
- Transport./Utilities
- Healthcare
- Education
- Information
- Fin. Ins. & Real Est.
- Government
- Construction
- Prof.& Bus. Serv
- Agriculture (Farms)
- Manufacturing (Food)
- Wholesale & Retail Trade
- Other Serv.
- Leisure & Hospitality

$34,489
Total Receipts, Establishments with No Employees, Sussex, 2011

Source: U.S. Census Bureau – Non-employer Statistics
Housing Production – Number of Units*

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

Source: U.S. Bureau of the Census
# Largest Occupational Groups

**Sussex 2012**

<table>
<thead>
<tr>
<th>Occupational Group</th>
<th>Employment</th>
<th>Annual Avg. Wage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office and Administrative Support</td>
<td>9,770</td>
<td>$30,920</td>
</tr>
<tr>
<td>Food Preparation and Serving Related</td>
<td>9,420</td>
<td>$22,320</td>
</tr>
<tr>
<td>Sales and Related</td>
<td>8,700</td>
<td>$29,050</td>
</tr>
<tr>
<td>Production</td>
<td>8,130</td>
<td>$27,900</td>
</tr>
<tr>
<td>Healthcare Practitioners and Technical</td>
<td>4,770</td>
<td>$74,610</td>
</tr>
<tr>
<td>Transportation and Material Moving</td>
<td>4,620</td>
<td>$30,360</td>
</tr>
<tr>
<td>Education, Training, and Library</td>
<td>4,150</td>
<td>$50,470</td>
</tr>
<tr>
<td>Installation, Maintenance, and Repair</td>
<td>3,080</td>
<td>$39,440</td>
</tr>
<tr>
<td>Building and Grounds Cleaning and Maintenance</td>
<td>2,960</td>
<td>$24,400</td>
</tr>
<tr>
<td>Construction and Extraction</td>
<td>2,820</td>
<td>$37,210</td>
</tr>
<tr>
<td>Healthcare Support</td>
<td>2,480</td>
<td>$28,170</td>
</tr>
<tr>
<td>Business and Financial Operations</td>
<td>1,550</td>
<td>$57,620</td>
</tr>
<tr>
<td>Management</td>
<td>1,470</td>
<td>$108,480</td>
</tr>
</tbody>
</table>

Largest Specific Occupations – Sussex 2012


- **Family & Gen. Practitioners**: $178,070
- **Pharmacists**: $120,740
- **Lawyers**: $114,860
- **Computer Systems Analysts**: $73,430
- **Mechanical Engineers**: $77,810
- **Registered Nurses**: $68,200
- **Occupational Therapists**: $67,390
- **Radiologic Techs.**: $63,160
- **Purchasing Agents**: $55,240
- **Accountants and Auditors**: $53,120
- **HVAC Mechanics**: $44,770
- **Machinists**: $40,540

In the past twenty-five years Sussex (population) has grown rapidly. The growth trend is expected to continue although at a slightly slower rate. The growth rate will be influenced by the rebound in the real estate sector and the continuation of the influx of retirees.

74,000 of our residents are not in the labor force. This is a large pool of potential workers.

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.

We will continue to focus on the need to attract and retain younger workers to replace “Baby-Boomers” during the next few years. But at the same time we will need to find ways to extend careers and introduce encore careers to our senior population.

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. We need to continue to improve our educational attainment results.
Since 2002, about 90% of total Sussex job growth has occurred in four sectors: Healthcare; Leisure & Hospitality; Education; and Finance, Insurance & Real Estate.

Leisure & Hospitality and Wholesale & Retail Trade are very large but relatively low paying industries. These two major groups represent 33.9% of jobs and 22.5% of total payroll.

In 2012, job growth in Sussex was led by Health Services, and Leisure & Hospitality.
Since 2002 job growth in Sussex has been faster than both Delaware’s rate and the U.S. growth rate.

But in 2009 the number of jobs have declined in most areas. But Sussex, in 2011 and 2012, has had job growth.

Education and training are the keys to our long term success and ability to support entrepreneurial efforts.

Wages and salaries are lower in Sussex ($34,500, Sussex vs. $51,800, Del.)

Industries that have above average annual wages include: Manufacturing (non-food), $52,080; Transportation/Utilities, $47,137; Healthcare, $46,890; Education, $42,845; Information, $42,547; Finance, Insurance & Real Estate, $42,066 Government, $39,702; Construction, $39,185; and Professional & Bus. Services, $39,013.
Conclusion

- Small businesses are critical to the success of Sussex; Support the efforts of small businesses and entrepreneurs.
- Economy – expect continued job creation with lower unemployment rates.
- The real estate market continues to show some very positive trends. This is a good sign for our near-term economic success.
- Economic diversification – efforts continue to target manufacturing and high tech industries. Workforce training and preparation is the key.
- Aging population - impact on healthcare services and job growth. This has been a long term trend.
Our labor market continues to face major 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. The current economy has led to improved job creation results.

Key issue remains: Attracting and retaining an experienced workforce.

Sussex continues to be an attractive tourist and retirement destination. Sussex has been able to attract retirees. This trend is expected to continue.

Sussex is facing the challenges of an aging population. A positive will be the creation of service careers to support the aging population.

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 depends on this.

But we will still need to utilize the experience and abilities of our senior population. Our senior workforce is an asset that needs to be utilized.