Sussex Demographic and Labor Market Trends

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Introduction

- Statistical Update
  - Differences between Sussex and other areas
  - Demographic, economic and labor market update
  - Is Sussex doing better now?
  - Review of industry and job trends

- Focus
  - Review of major industry sectors
  - What drives the Sussex economy
During the past couple of years the rates are showing improvement.

<table>
<thead>
<tr>
<th>Year</th>
<th>Sussex</th>
<th>DE</th>
<th>US</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>8.5%</td>
<td>8.4%</td>
<td>9.6%</td>
</tr>
<tr>
<td>2011</td>
<td>7.7%</td>
<td>7.5%</td>
<td>8.9%</td>
</tr>
<tr>
<td>2012</td>
<td>7.3%</td>
<td>7.2%</td>
<td>8.1%</td>
</tr>
<tr>
<td>2013</td>
<td>6.8%</td>
<td>6.7%</td>
<td>7.4%</td>
</tr>
<tr>
<td>2014</td>
<td>5.7%</td>
<td>5.7%</td>
<td>6.2%</td>
</tr>
<tr>
<td>2015 Est</td>
<td>4.6%</td>
<td>4.7%</td>
<td>5.3%</td>
</tr>
</tbody>
</table>

Sussex Labor Force Data

- Total Sussex Population = 212,900
- Employed = 88,400
- Not in the labor force, 16 years+ = 82,100 (retired, in school, or not looking for work)
- Persons under age 16 years = 37,100
- Unemployed/actively seeking = 5,400

Sussex Jobs Are Increasing

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

Housing Production – Number of Units*

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

Source: U.S. Bureau of the Census
People

Demographic Trends
In an Average Month in Sussex . . .

- 192 Persons are born
- 195 Persons die
- 327 Persons move here from another area

Source: U.S. Census Bureau (7/13 to 7/14)
Sussex Population Growth is Steady (Annual Change)

Source: U.S. Census Bureau
Sussex Population Continues to Increase

Source: Delaware Population Consortium
Long Term Population Trends – Sussex

55+: 28% in 1990 - to 43% in 2030

Source: Delaware Population Consortium
### Population/Age Impact on County

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Pop. Change 2015 to 2035</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-14</td>
<td>5,192</td>
</tr>
<tr>
<td>15-24</td>
<td>2,997</td>
</tr>
<tr>
<td>25-34</td>
<td>4,245</td>
</tr>
<tr>
<td>35-44</td>
<td>4,601</td>
</tr>
<tr>
<td>45-54</td>
<td>-280</td>
</tr>
<tr>
<td>55-64</td>
<td>-4,168</td>
</tr>
<tr>
<td>65+</td>
<td>26,404</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 needed for Young Adults and Retirees
- More Planned Communities (Adult Communities) – with services
Highest Growth in Youngest & Oldest Sussex 2015 and 2035

Source: Delaware Population Consortium
## Median Age

<table>
<thead>
<tr>
<th>Area</th>
<th>Median Age</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sussex County</td>
<td>45.9</td>
</tr>
<tr>
<td>Kent County</td>
<td>36.7</td>
</tr>
<tr>
<td>New Castle County</td>
<td>37.2</td>
</tr>
<tr>
<td>Delaware</td>
<td>38.9</td>
</tr>
<tr>
<td>U.S.</td>
<td>37.3</td>
</tr>
</tbody>
</table>

Source: American Fact Finder
## Median Household Income

<table>
<thead>
<tr>
<th>Area</th>
<th>Median Household Income ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sussex County</td>
<td>52,710</td>
</tr>
<tr>
<td>Kent County</td>
<td>55,149</td>
</tr>
<tr>
<td>New Castle County</td>
<td>64,537</td>
</tr>
<tr>
<td>Delaware</td>
<td>59,878</td>
</tr>
<tr>
<td>U.S.</td>
<td>53,046</td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau
Employment and Wages by Age Group – Sussex 2014

Source: U.S. Census Bureau, LEHD
Jobs/Industry

Sussex Employment Trends
Major Sussex Industry Groups (2014 Employment)

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

Source: Del. Dept of Labor, OOLMI
Where Sussex Works (2014)

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

Source: Del. Dept of Labor, OOLMI; Census of Agriculture
Avg. Annual Wage – Total All Industries

<table>
<thead>
<tr>
<th></th>
<th>2014 Annual Avg.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Delaware</td>
<td>$53,212</td>
</tr>
<tr>
<td>New Castle</td>
<td>$60,043</td>
</tr>
<tr>
<td>Kent</td>
<td>$39,978</td>
</tr>
<tr>
<td>Sussex</td>
<td>$36,319</td>
</tr>
</tbody>
</table>

2014 Annual Avg.
Average Annual Wage by Ind. Sussex (2014)

- Manufacturing (Non-food): $36,319
- Healthcare
- Information
- Transport./Utilities
- Fin. Ins. & Real Est.
- Education
- Construction
- Government
- Prof.& Bus. Serv
- Agriculture (Farms)
- Manufacturing (Food)
- Wholesale & Retail Trade
- Other Serv.
- Leisure & Hospitality
Agriculture in Sussex

- Sussex has more acres of farm land than New Castle and Kent combined.
- From 2007 to 2012 the number of farms declined from 1,374 to 1,214; but average size of farms rose from 196 acres to 224 acres.
- From 2007 to 2012 farm acreage is Sussex rose slightly - from 269,464 to 272,232 acres.
- The market value of Agr. Products sold was $921 million.
- Sussex County is the number one broiler producing county in the U.S. *Source: 2012 Census of Agriculture.*
- Poultry is our #1 farm commodity representing over 70% 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.
Market Value of Agr. Products Sold - $921 Million in Sussex

- $249 Million – Crops
- $672 Million – Livestock, Poultry

Poultry and Eggs represent about 71% Of total Agr. Products sold in Sussex

Source: 2012 Census of Agriculture
Nonemployer data in Sussex (2013)

- 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 2013
  - 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, 2013

<table>
<thead>
<tr>
<th>Location</th>
<th>Establishments</th>
<th>Receipts</th>
<th>Avg. Ann. Receipts Per Firm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Delaware</td>
<td>56,861</td>
<td>$3,303,733,000</td>
<td>$58,102</td>
</tr>
<tr>
<td>New Castle</td>
<td>32,974 (58.0%)</td>
<td>$2,068,599,000</td>
<td>$62,734</td>
</tr>
<tr>
<td>Kent</td>
<td>9,126 (16.0%)</td>
<td>$ 499,038,000</td>
<td>$54,683</td>
</tr>
<tr>
<td>Sussex</td>
<td>14,761 (26.0%)</td>
<td>$ 736,096,000</td>
<td>$49,868</td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau – Non-employer Statistics
Establishments With No Employees, 2013 - Sussex

Source: U.S. Census Bureau – Non-employer Statistics
Average Annual Gross Receipts,
Establishments With No Employees, Sussex, 2013

- Finance, Insurance, and Real Estate: $77,438
- Construction: $72,541
- Information: $63,861
- Transportation: $57,710
- Wholesale & Retail Trade: $50,486
- Manufacturing: $46,500
- Professional & Business Services: $38,392
- Health & Social Assistance: $27,472
- Leisure & Hospitality: $26,938

Total Average: $49,868
Turnover Rates (%) – Sussex and DE

Source: U.S. Census Bureau, LEHD
Turnover Rates by Industry, Sussex (2013)

- Industries with highest turnover rates:
  - Accommodations, Food Serv., 19.2
  - Administrative Services, 17.6
  - Arts, Entertainment, 17.1
  - Retail Trade, 11.4

- Industries with lowest turnover rates:
  - Education, 5.7
  - Finance, 6.3
  - Manufacturing, 6.7

Source: U.S. Census Bureau, LEHD
Turnover Rates by Age – Sussex (2013)
<table>
<thead>
<tr>
<th>Industry</th>
<th>55+ workers</th>
<th>% of Tot. Ind.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health Care and Social Assistance</td>
<td>2,749</td>
<td>24.9</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>2,702</td>
<td>26.4</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>1,986</td>
<td>22.0</td>
</tr>
<tr>
<td>Education</td>
<td>1,436</td>
<td>29.3</td>
</tr>
<tr>
<td>Accommodation and Food Service</td>
<td>979</td>
<td>10.8</td>
</tr>
<tr>
<td>Construction</td>
<td>783</td>
<td>22.6</td>
</tr>
<tr>
<td>Real Estate and Rental and Leasing</td>
<td>588</td>
<td>35.8</td>
</tr>
<tr>
<td>Other Services</td>
<td>585</td>
<td>26.4</td>
</tr>
<tr>
<td>Occupational Group</td>
<td>Employment</td>
<td>Annual Avg. Wage</td>
</tr>
<tr>
<td>-------------------------------------------</td>
<td>------------</td>
<td>-----------------</td>
</tr>
<tr>
<td>Food Preparation and Serving Related</td>
<td>10,460</td>
<td>$22,240</td>
</tr>
<tr>
<td>Office and Administrative Support</td>
<td>10,230</td>
<td>$32,860</td>
</tr>
<tr>
<td>Sales and Related</td>
<td>9,130</td>
<td>$33,990</td>
</tr>
<tr>
<td>Production</td>
<td>6,540</td>
<td>$29,910</td>
</tr>
<tr>
<td>Transportation and Material Moving</td>
<td>4,920</td>
<td>$30,220</td>
</tr>
<tr>
<td>Healthcare Practitioners and Technical</td>
<td>4,910</td>
<td>$74,640</td>
</tr>
<tr>
<td>Education, Training, and Library</td>
<td>4,540</td>
<td>$47,010</td>
</tr>
<tr>
<td>Building and Grounds Cleaning and Maintenance</td>
<td>3,600</td>
<td>$26,600</td>
</tr>
<tr>
<td>Installation, Maintenance, and Repair</td>
<td>3,200</td>
<td>$43,140</td>
</tr>
<tr>
<td>Construction and Extraction</td>
<td>3,110</td>
<td>$40,080</td>
</tr>
<tr>
<td>Healthcare Support</td>
<td>2,370</td>
<td>$28,100</td>
</tr>
<tr>
<td>Management</td>
<td>1,670</td>
<td>$11,430</td>
</tr>
<tr>
<td>Business and Financial Operations</td>
<td>1,540</td>
<td>$62,550</td>
</tr>
</tbody>
</table>

Largest Specific Occupations – Sussex 2014

Ann. Wages for Selected Occupations – Sussex 2014

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 improving real estate sector and the continuation of the influx of retirees.

82,100 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 and job training programs.
Since 2002, a large portion of total Sussex job growth has occurred in four sectors: Healthcare; Leisure & Hospitality; Education; and Professional & Bus. Services.

Leisure & Hospitality and Wholesale & Retail Trade are very large but relatively low paying industries. These two major groups represent 35% of jobs and 23% of total payroll.

In 2014, job growth in Sussex was led by Leisure & Hospitality, and Wholesale & Retail Trade, Healthcare, and Professional & Bus. Services.
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 in Sussex, there has been job growth for the past four years.

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

Wages and salaries are lower in Sussex ($36,300, Sussex vs. $53,200, Del.)

Industries that have above average annual wages include: Manufacturing (non-food), $51,440; Healthcare, $50,387; Information, $50,209; Transportation/Utilities, $48,424; Finance, Insurance & Real Estate, $46,278; Education, $44,119; Construction,$43,102; Government, $41,222; and Professional & Bus. Services, $40,402.
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 – Workforce training and preparation is the key.
- Aging population - impact on healthcare services and job growth. What will be the impact on the economy and occupational trends?
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.

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 careers to support the aging population. This will have a continuing impact on healthcare services and job growth (need for younger workers). Will we be able to have enough younger workers?

So 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.