Nebraska Demographic and Workforce Trends

Chamber of Commerce
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Besides the 1990s, current population growth is the highest since the 1910s.

**Nebraska Population Change Rate by Decade: 1900s to 2000s with 2010s Extrapolated from 2015**

<table>
<thead>
<tr>
<th>Decade</th>
<th>Population Change Rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1900s</td>
<td>11.8</td>
</tr>
<tr>
<td>1910s</td>
<td>8.7</td>
</tr>
<tr>
<td>1920s</td>
<td>6.3</td>
</tr>
<tr>
<td>1930s</td>
<td>0.7</td>
</tr>
<tr>
<td>1940s</td>
<td>-4.5</td>
</tr>
<tr>
<td>1950s</td>
<td>6.5</td>
</tr>
<tr>
<td>1960s</td>
<td>5.2</td>
</tr>
<tr>
<td>1970s</td>
<td>5.7</td>
</tr>
<tr>
<td>1980s</td>
<td>0.5</td>
</tr>
<tr>
<td>1990s</td>
<td>8.4</td>
</tr>
<tr>
<td>2000s</td>
<td>6.7</td>
</tr>
<tr>
<td>2010s</td>
<td>7.3</td>
</tr>
</tbody>
</table>

Sources: Decennial Censuses, 2015 Vintage Population Estimates, U.S. Census Bureau

Note: the 2010s decade rate is extrapolated based upon what is estimated to have occurred between 2010 and 2015.
Nebraska has consistently trailed the U.S. growth rate, but the gap is narrowing.
Why have we improved? Migration is the “wildcard” and it has strengthened. NE continues to have domestic outmigration (now exceeded by int’l inmigration)

Nebraska Net Migration Rate by Decade: 1920s to 2000s with 2010s Extrapolated from 2015

Sources: Decennial Censuses, 2015 Population Estimates, U.S. Census Bureau; Vital Statistics Reports, Nebraska Department of Health and Human Services

Note: the 2010s decade rate is extrapolated based upon what is estimated to have occurred between 2010 and 2015.
Population Change in Nebraska Counties: 2000-2010 and 2010-2015

Population Change between 2000-2010 and 2010-2015
Note: State of Nebraska Increased in Both Time Periods

- **Increased 2000-2010 and Increased 2010-2015** (16 counties)
- **Increased 2000-2010 and Decreased 2010-2015** (8 counties)
- **Decreased 2000-2010 and Increased 2010-2015** (15 counties)
- **Decreased 2000-2010 and Decreased 2010-2015** (54 counties)


Prepared by: David Drozd, Center for Public Affairs Research, University of Nebraska at Omaha - March 30, 2016
Nebraska’s rural areas have less population today than in “frontier days”.

**Total Population for Nebraska Metro and Nonmetro Counties (2013 Definitions): 1900 - 2015**

- **Metro counties (13)**
- **Nonmetro counties (80)**

Sources: Decennial Censuses, 2015 Population Estimates, U.S. Census Bureau; 2013 OMB metro definitions

Compiled and Prepared by: UNO Center for Public Affairs Research
AGING AND DIVERSITY
The baby boom from the 1950s has had a ripple effect every 30 years.
Decade Percent Change in Nebraska Population Aged 65 and Older: 1960s to 2000s and 2010s to 2040s Projection

Sources: Decennial Censuses, U.S. Census Bureau; June 2013 Population Projections, CPAR @ UNO
July 1, 2015 Nebraska Estimated Population by Sex and Five-Year Age Group: Non-White or Hispanic (Minority) Population

Source: 2015 Vintage Population

Green lines depict the depression cohort; red checker shows the "baby boom"; pink represents the "baby boom echo"; pink crosshatch shows the "3rd wave"
1990 Nebraska Population by Five-Year Age Group:
Non-White or Hispanic/Latino (Minority Population) as a Percent of State Total

Source: 1990 Census, U.S. Census Bureau, Table 19
in Nebraska Publication 1990 CP-1-29

Compiled and Prepared by: David Drozd,
Center for Public Affairs Research, UNO
2000 Nebraska Population by Five-Year Age Group:
Non-White or Hispanic/Latino (Minority Population) as a Percent of State Total

Age Group

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Percent of Total Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 5</td>
<td>22.0</td>
</tr>
<tr>
<td>5 to 9</td>
<td>19.3</td>
</tr>
<tr>
<td>10 to 14</td>
<td>15.9</td>
</tr>
<tr>
<td>15 to 19</td>
<td>15.1</td>
</tr>
<tr>
<td>20 to 24</td>
<td>17.3</td>
</tr>
<tr>
<td>25 to 29</td>
<td>18.4</td>
</tr>
<tr>
<td>30 to 34</td>
<td>16.2</td>
</tr>
<tr>
<td>35 to 39</td>
<td>12.1</td>
</tr>
<tr>
<td>40 to 44</td>
<td>10.2</td>
</tr>
<tr>
<td>45 to 49</td>
<td>8.6</td>
</tr>
<tr>
<td>50 to 54</td>
<td>7.9</td>
</tr>
<tr>
<td>55 to 59</td>
<td>6.9</td>
</tr>
<tr>
<td>60 to 64</td>
<td>6.5</td>
</tr>
<tr>
<td>65 to 69</td>
<td>5.4</td>
</tr>
<tr>
<td>70 to 74</td>
<td>4.4</td>
</tr>
<tr>
<td>75 to 79</td>
<td>3.5</td>
</tr>
<tr>
<td>80 to 84</td>
<td>2.7</td>
</tr>
<tr>
<td>85+</td>
<td>2.6</td>
</tr>
</tbody>
</table>

Source: 2000 Census, U.S. Census Bureau, AFF tables P12 and P12I

Compiled and Prepared by: David Drozd, Center for Public Affairs Research, UNO
July 1, 2015 Nebraska Population by Five-Year Age Group:
Non-White or Hispanic/Latino (Minority Population) as a Percent of State Total

Prepared by: David Drozd, CPAR @ UNO
Nebraska Hispanic Residents Now More Born in the State than Foreign Born

Place of Birth for Nebraska Hispanic/Latino Residents:
2000 Census and 5-year timeframes from 2005-09 to 2010-14

Sources: Table PCT063H, 2000 Census; Table B06004I, Various American Community Surveys, U.S. Census Bureau
Prepared by: David Drozd, UNO Center for Public Affairs Research
Young Hispanics have More Education than their Parents, but only about half of Nebraska Hispanics have a high school or higher education level.

Nebraska Hispanic High School or More Education Percentage by Single Year of Age: Smoothed Using 3-Years Surrounding Specific Age, 2010-2014 Survey Timeframe

Source: Custom Calculation from 2010-14 American Community Survey PUMS files, U.S. Census Bureau
Prepared by: David Drozd, Center for Public Affairs Research, UNO
Nebraska has traditionally suffered a “Brain Drain”; like overall migration, it is tied to economic conditions.

**Nebraska Net Migration of Those Age 25 or Older with Bachelor's Degrees or More Education (Moving three-year timeframes: 2005-2007 to 2011-2013)**

<table>
<thead>
<tr>
<th>Timeframe</th>
<th>Net Migration</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005-07</td>
<td>-1,493</td>
</tr>
<tr>
<td>2006-08</td>
<td>-1,470</td>
</tr>
<tr>
<td>2007-09</td>
<td>-587</td>
</tr>
<tr>
<td>2008-10</td>
<td>289</td>
</tr>
<tr>
<td>2009-11</td>
<td>-663</td>
</tr>
<tr>
<td>2010-12</td>
<td>-2,606</td>
</tr>
<tr>
<td>2011-13</td>
<td>-2,575</td>
</tr>
</tbody>
</table>

Sources: 2005-2013 Annual American Community Surveys: 3-year aggregates, U.S. Census Bureau, Calculations by CPAR at UNO.

Note: A positive value is referred to as net immigration, which is typically desired.
“Brain Drain” Described

• Based upon the most recent surveying over the 5 years from 2010 to 2014 (to be most accurate), the following was occurring annually in Nebraska among those aged 25+ with a Bachelor’s Degree or more education:
  – Inmigration: 9,033
  – Outmigration: 10,941
  – Net migration: -1,908 (or a total of -9,540 over 5 years)

• When calculated as a rate (for comparison to other states) this equals an net outmigration of -1.6 per 1,000 people aged 25+, which ranked Nebraska only 43rd best (9th worst) among the states on this measure.
Age 25+ Bachelor Degree or more Net Mover Rate per Thousand Age 25+ Population: 2010 to 2014 timeframe

The District of Columbia would be in the lowest category (white color) with a net BD+ mover rate of -5.58.

Sources: Tables B07009 and B07409, 2010 to 2014 American Community Survey, U.S. Census Bureau, Author Calculations
Prepared by: David Drozd, Center for Public Affairs Research, University of Nebraska Omaha - March 30, 2016
Nebraska tends to lose people right after college and at retirement; Nebraska gains minorities at almost all ages, but loses Whites at almost all ages.

**Nebraska 10-Year Net Migration Rates for 2000-2010 by Five-Year Age Groups using Two 5-Year Periods**

Overall Net Migration Rate = 0.3%

Sources: 2000 and 2010 Censuses, Post-Censal Estimates, U.S. Census Bureau; Annual Births and Deaths by Single Year of Age, NE Dept of HHS

Compiled and Prepared by: David Drozd, UNO Center for Public Affairs Research

To view similar graphs for certain NE counties or groups of counties see [cpar.unomaha.edu/countyprojections](http://cpar.unomaha.edu/countyprojections)
55 is a Key Age for Change in Labor Force Status

The Nebraska labor force participation rate is 85% or higher for all ages from 23 to 54.

Labor force participation starts to decline in earnest at age 55, dropping by an average of 3% with each year of age.

The largest decline in labor force participation is from age 66 to 67.

Source: Custom Calculation from 2010-2014 ACS PUMS files, U.S. Census Bureau
Prepared by: David Drozd, Center for Public Affairs Research, University of Nebraska Omaha
More boomers age 55 than any other age

Boomers just starting to hit “peak retirement” age of 66-67


Prepared by: David Drozd, Center for Public Affairs Research (CPAR), University of Nebraska at Omaha (UNO)
Population “Flow” Does Not Bode Well for a Rising Labor Pool

Projected Population Aged 25-64 for Nebraska: 2010 to 2030

Sources: 2010 Census, U.S. Census Bureau; December 2015
People are working longer, but transition planning for leaders/skilled workers will continue to be a key for businesses.

‘I’ll Never Retire’: Americans Break Record for Working Past 65

Because of the huge baby boom generation that is just now hitting retirement age, the U.S. has the largest number of older workers ever.

When asked to describe their plans for retirement, 27 percent of Americans said they will “keep working as long as possible,” a 2015 Federal Reserve study found. Another 12 percent said they don’t plan to retire at all.
Nebraskans Work!! Older Labor Force Participation among highest in U.S.

- 2014 Top labor force participation: [http://tinyurl.com/p77c7fw](http://tinyurl.com/p77c7fw)
- 2014 #2 in both husband/wife in LF: [http://tinyurl.com/p4ceyhx](http://tinyurl.com/p4ceyhx)

### Percentage of Persons in the Labor Force

<table>
<thead>
<tr>
<th>Area</th>
<th>Age 55-64</th>
<th>Area</th>
<th>Age 65+</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. North Dakota</td>
<td>74.6</td>
<td>1. Alaska</td>
<td>23.7</td>
</tr>
<tr>
<td>2. Nebraska</td>
<td>74.1</td>
<td>2. Wash, DC</td>
<td>22.5</td>
</tr>
<tr>
<td>3. Connecticut</td>
<td>73.3</td>
<td>3. Vermont</td>
<td>21.6</td>
</tr>
<tr>
<td>5. South Dakota</td>
<td>73.0</td>
<td>5. South Dakota</td>
<td>21.3</td>
</tr>
<tr>
<td>9. Iowa</td>
<td>71.6</td>
<td>13. Kansas</td>
<td>19.6</td>
</tr>
<tr>
<td>12. Kansas</td>
<td>70.5</td>
<td>22. Iowa</td>
<td>17.7</td>
</tr>
</tbody>
</table>

Source: 2010-2014 American Community Survey, U.S. Census Bureau
The Consumer Expenditure Survey tells us how much people spend on certain products:
- Can be broken down by age, income, education, etc.
- Peak spending (from Dent pages 11-13):
  - Average family borrows the most when parents are age 41 (step-up home purchase)
  - Most spending on potato chips when head of household is age 42
  - Motorcycles at age 47; Recreational vehicles at age 57
  - Spending peaks at age 46 for average family; 53 for more educated/affluent
  - People save the most at age 54 and have highest net worth at age 64

““The Best Leading Indicator – People do predictable things as they age”
~ Demographics drive economic and other trends
Where are we at in the housing cycle? (given births & peak age demand)

[Graphs from *The Demographic Cliff* by Harry S. Dent, Jr.]
PROMISE OF PAPILLION

Developers home in on one of the nation’s fastest-growing housing markets with commitments to luxury apartments and gated communities of villas.

GONE IN 24 HOURS (OR LESS)

Low interest rates and red-hot demand by millennials and empty-nesters create speed-buying frenzies in Omaha area.
The Housing Trilemma

Cities face tradeoffs in terms of housing affordability, job availability and quality of life. Comparing the 100 largest MSAs in the country and the Lincoln metro, Nebraska lands in the “sweet spot”.

Source: David Albouy, BEA, BLS, Census, IHS Global Insight, Oregon Office of Economic Analysis
BOTTOMLINE: HOW IS NEBRASKA SPECIAL?

- Nebraskans work – consistently high regardless of the specific measure
- Low cost of goods & services, especially housing
- High birthrate (top 5 nationally) and consistently high across characteristics (all races, college educated or not, in poverty or not, etc.)
  - Look for marriages, births, and starter home sales as millennials hit the key ages when these events typically occur
To learn more...

27th Annual Nebraska Data Users Conference
August 17, 2016
Register at:
www.unomaha.edu/cpar

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Thank you!!

Like us!!
Slides with additional information follow for perspective and as a resource
State Population Trends Summary

• Nebraska’s population is increasing overall, but primarily in urban (metro) areas while rural (nonmetro) areas experience population loss
  – The state is not uniform but dichotomous in many ways

• The state’s population is aging, as more people live to older ages, and as each additional year passes the population ages forward (i.e. more baby boomers hit the milestone of turning age 65 each year)
  – As people age into categories with higher mortality, deaths will increase and natural change will decline

• The state is becoming more diverse, especially among younger age groups
  – Affects all areas of the state, and all ages
Nebraska has consistently gained about 10,000 persons/year since the last loss of population in the mid 1980s.
Natural change tends to be steady. Migration is the “wild card”.

Nebraska Components of Population Change, 1920-2015

Natural Change in Nebraska Counties: 2000-2010 and 2010-2015

Natural Change (Births - Deaths) between 2000-2010 and 2010-2015
Note: State of Nebraska had Natural Increase in Both Time Periods

- Red: Natural Increase 2000-2010 and Natural Increase 2010-2015 (48 counties)
- Pink: Natural Increase 2000-2010 and Natural Decrease 2010-2015 (1 county)
- Orange: Natural Decrease 2000-2010 and Natural Increase 2010-2015 (9 counties)
- Light Brown: Natural Decrease 2000-2010 and Natural Decrease 2010-2015 (35 counties)

Sources: Vital Statistics Reports, Nebraska DHHS; 2015 Vintage Population Estimates for Counties (released 3-24-2016), U.S. Census Bureau
Prepared by: David Drozd, Center for Public Affairs Research, University of Nebraska at Omaha - March 30, 2016
Net Migration in Nebraska Counties: 2000-2010 and 2010-2015

Net Migration (Inmovers - Outmovers) between 2000-2010 and 2010-2015
Note: State of Nebraska had Net Immigration in Both Time Periods

- Red: Net Immigration 2000-2010 and Net Immigration 2010-2015 (9 counties)
- Pink: Net Immigration 2000-2010 and Net Outmigration 2010-2015 (5 counties)
- Orange: Net Outmigration 2000-2010 and Net Immigration 2010-2015 (15 counties)
- Brown: Net Outmigration 2000-2010 and Net Outmigration 2010-2015 (64 counties)

Sources: 2000 and 2010 Censuses, 2015 Estimates, U.S. Census Bureau; Vital Statistics Reports, Nebraska Department of Health and Human Services
Prepared by: David Drozd, Center for Public Affairs Research, University of Nebraska at Omaha - March 30, 2016
Nebraska’s birthrate is among the highest in the country

“Nebraska’s higher-than-average birthrate cuts across all major ethnic and racial groups and just about any other demographic you can think of.” ~ Henry Cordes

<table>
<thead>
<tr>
<th>Category</th>
<th>State Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hispanic</td>
<td>4th</td>
</tr>
<tr>
<td>Black, non Hispanic</td>
<td>7th</td>
</tr>
<tr>
<td>White, non Hispanic</td>
<td>9th</td>
</tr>
<tr>
<td>With college degree</td>
<td>3rd</td>
</tr>
<tr>
<td>No college degree</td>
<td>10th</td>
</tr>
<tr>
<td>Foreign born</td>
<td>2nd</td>
</tr>
<tr>
<td>Native born</td>
<td>8th</td>
</tr>
<tr>
<td>In poverty</td>
<td>5th</td>
</tr>
<tr>
<td>Not in poverty</td>
<td>5th</td>
</tr>
</tbody>
</table>

“If Nebraska keeps its current 3 Congressional seats after the 2020 Census, it will have local parents to thank.” ~ David Drozd
Shift in population structure has impacts:

Homeowner rate (2005-14 average): White non-Hispanics 71%; Minorities 44%

Nebraska Home Ownership Percentage: 1960 to 2014

Sources: 1960-2000 Decennial Censuses, 2005-2014 Annual American Community Surveys, U.S. Census Bureau

Compiled and Prepared by: David Drozd, Center for Public Affairs Research, University of Nebraska at Omaha

2014 homeownership at lowest point since the 1960 Census.
July 1, 2015 Nebraska Estimated Population by Sex and Five-Year Age Group

Source: 2015 Vintage Population

Green lines depict the depression cohort; red checker shows the "baby boom"; pink represents the "baby boom echo"; pink crosshatch shows the "3rd wave"
Those not in the labor force are steadily increasing, especially since the first boomers hit age 67.

Not in Civilian Labor Force (Seasonally Adjusted):
Nebraska Jan 2004 to Apr 2016

Prepared by UNO Center for Public Affairs Research