

# Nebraska Demographic and Workforce Trends

Chamber of Commerce  
Federal Legislative Summit  
August 4, 2016

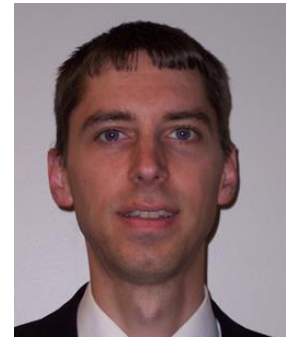
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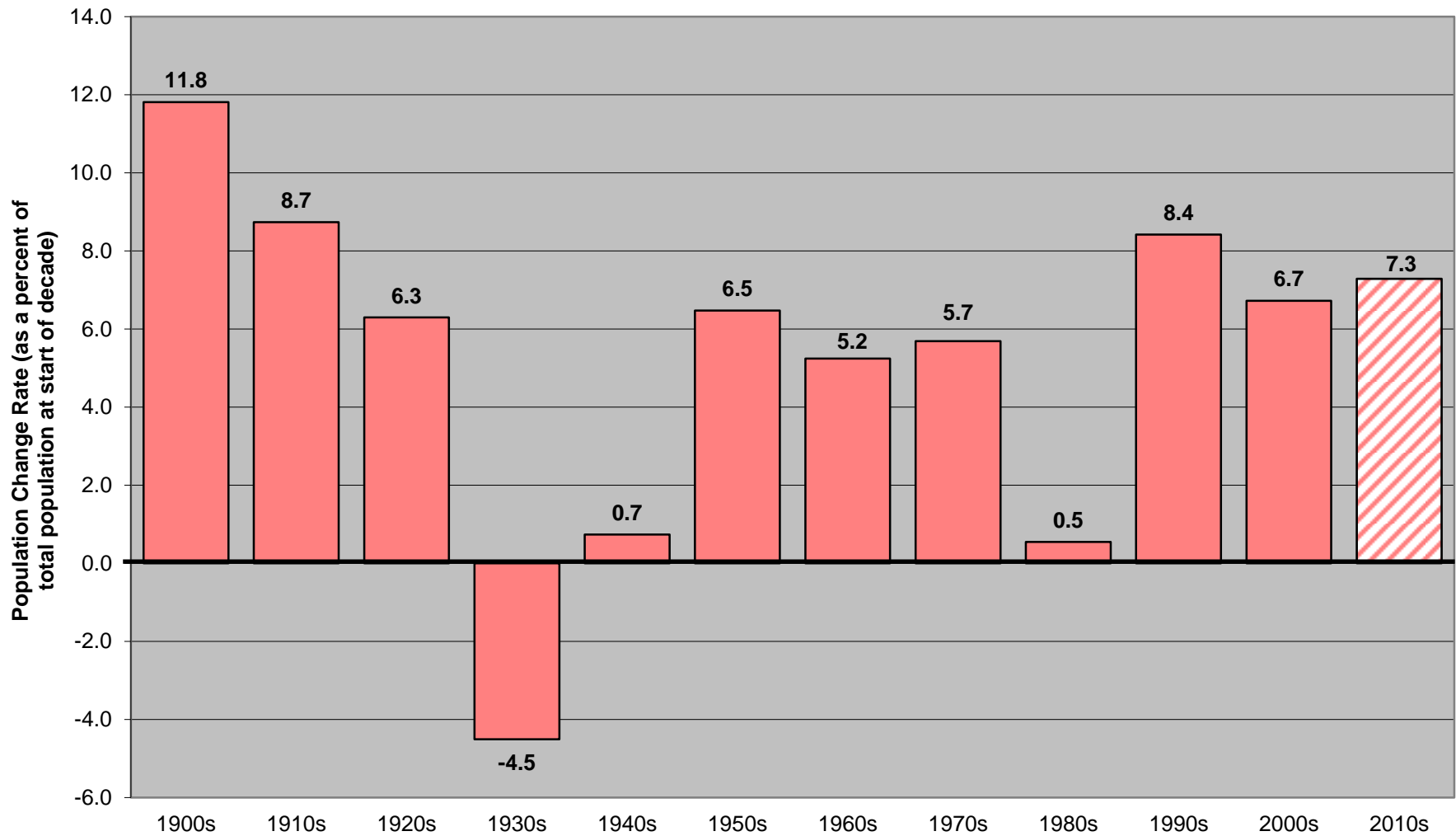


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# Besides the 1990s, current population growth is the highest since the 1910s

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



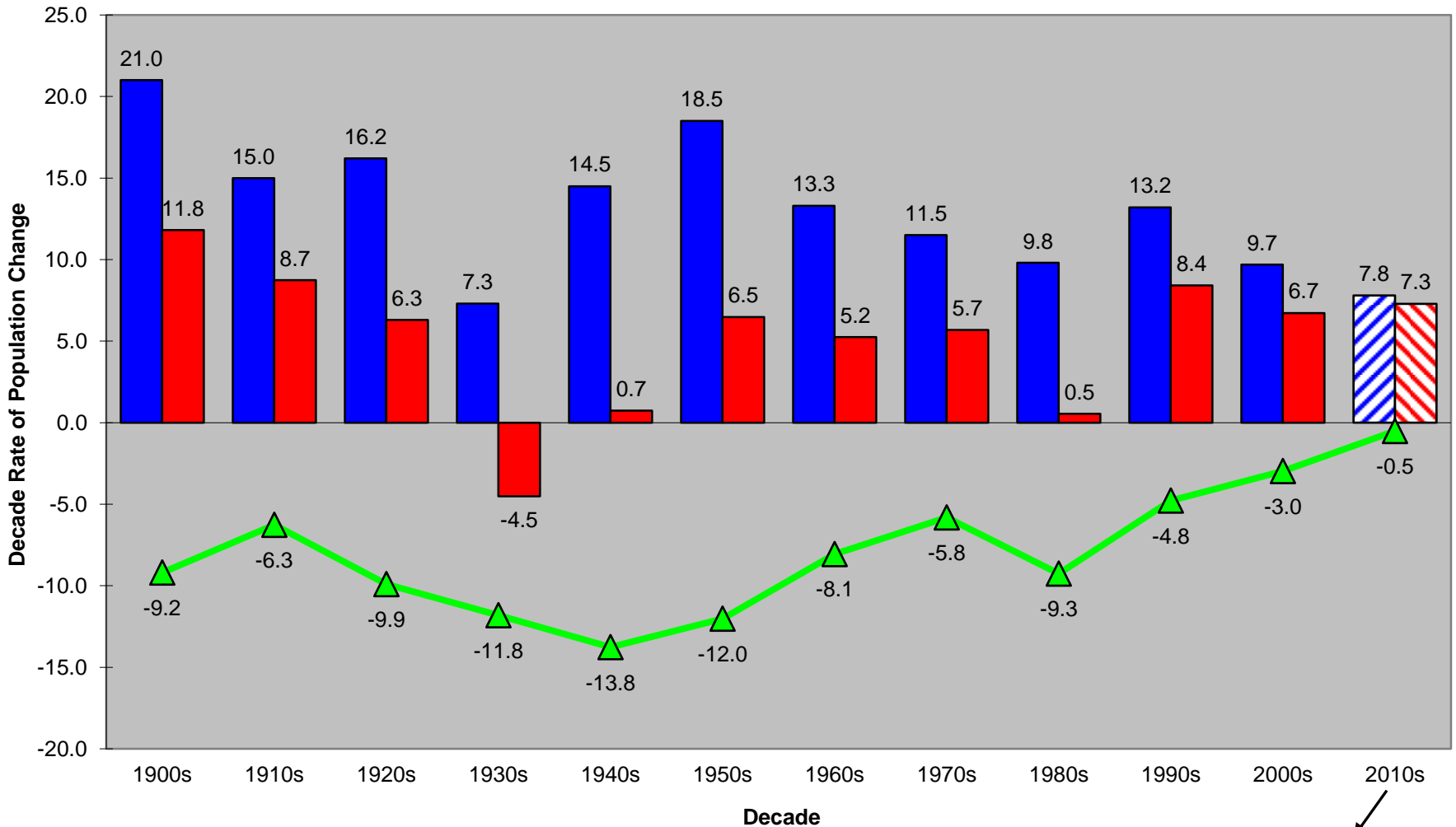
Sources: Decennial Censuses, 2015 Vintage Population Estimates, U.S. Census Bureau

**Decade**

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

Comparison of Population Change Rates in Nebraska and the U.S.: 1900s to 2010s decades



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

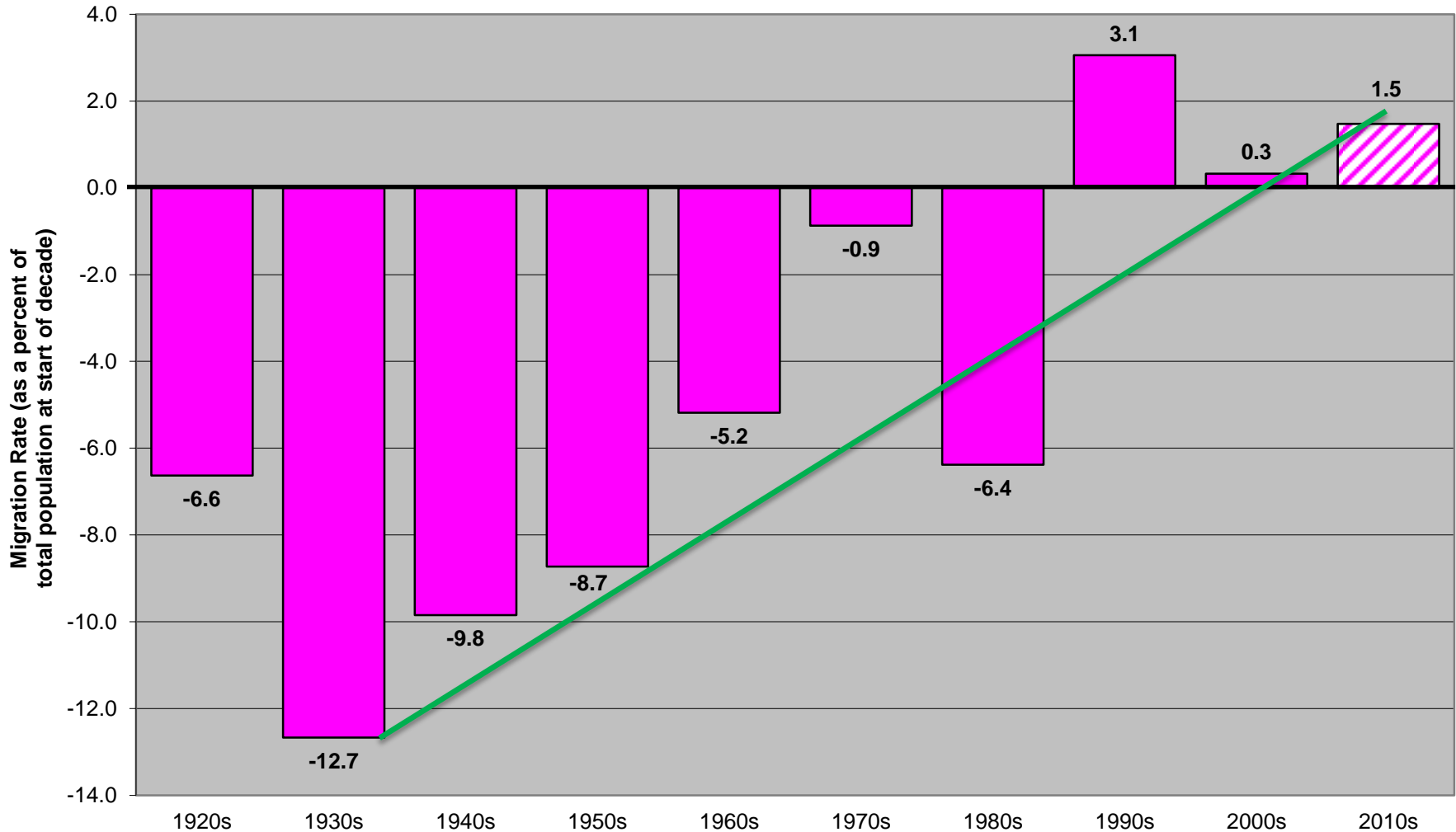
■ U.S. 
 ■ Nebraska 
 ▲ Difference

Decade rates as extrapolated from 2015 estimates



# Why have we improved? Migration is the “wildcard” and it has strengthened. NE continues to have domestic outmigration (now exceeded by int’l immigration)

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

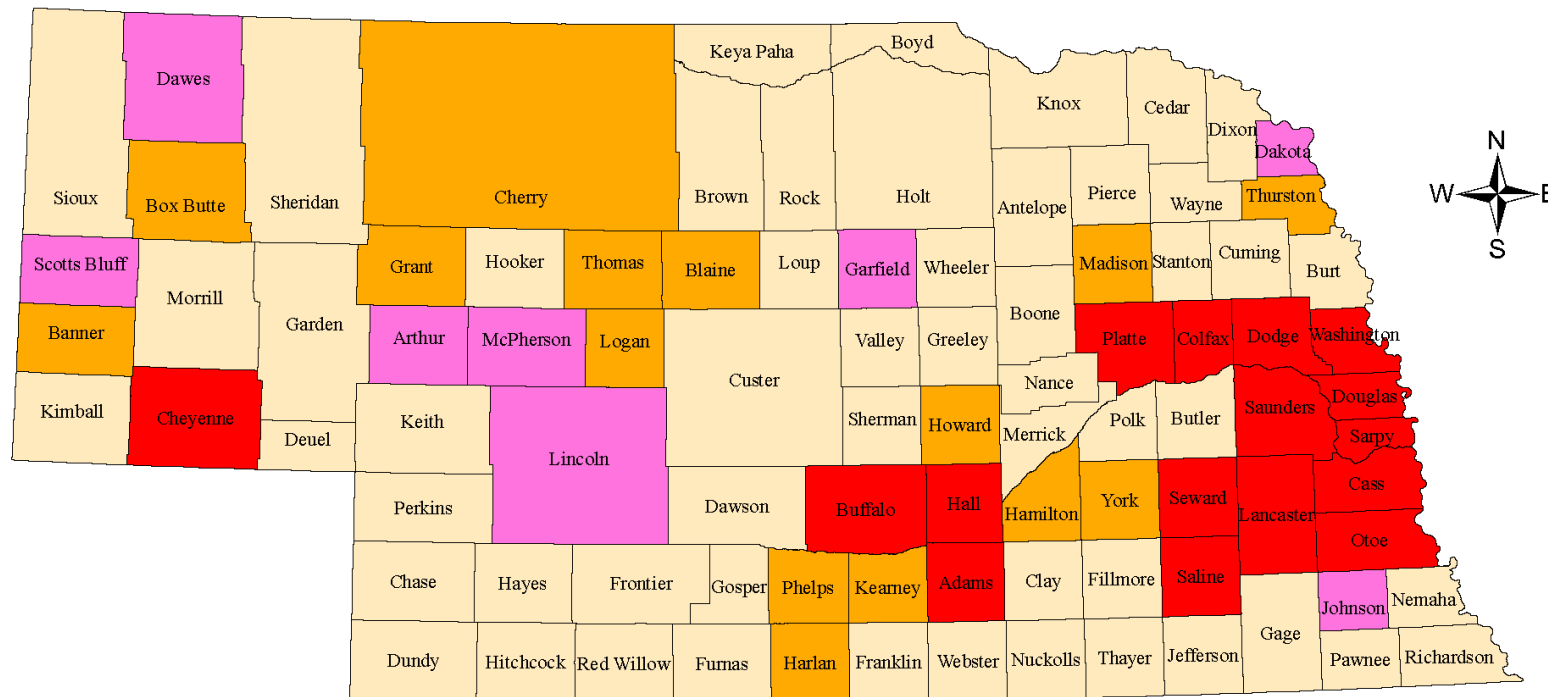


Sources: Decennial Censuses, 2015 Population Estimates, U.S. Census Bureau;  
Vital Statistics Reports, Nebraska Department of Health and Human Services

**Decade**

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)

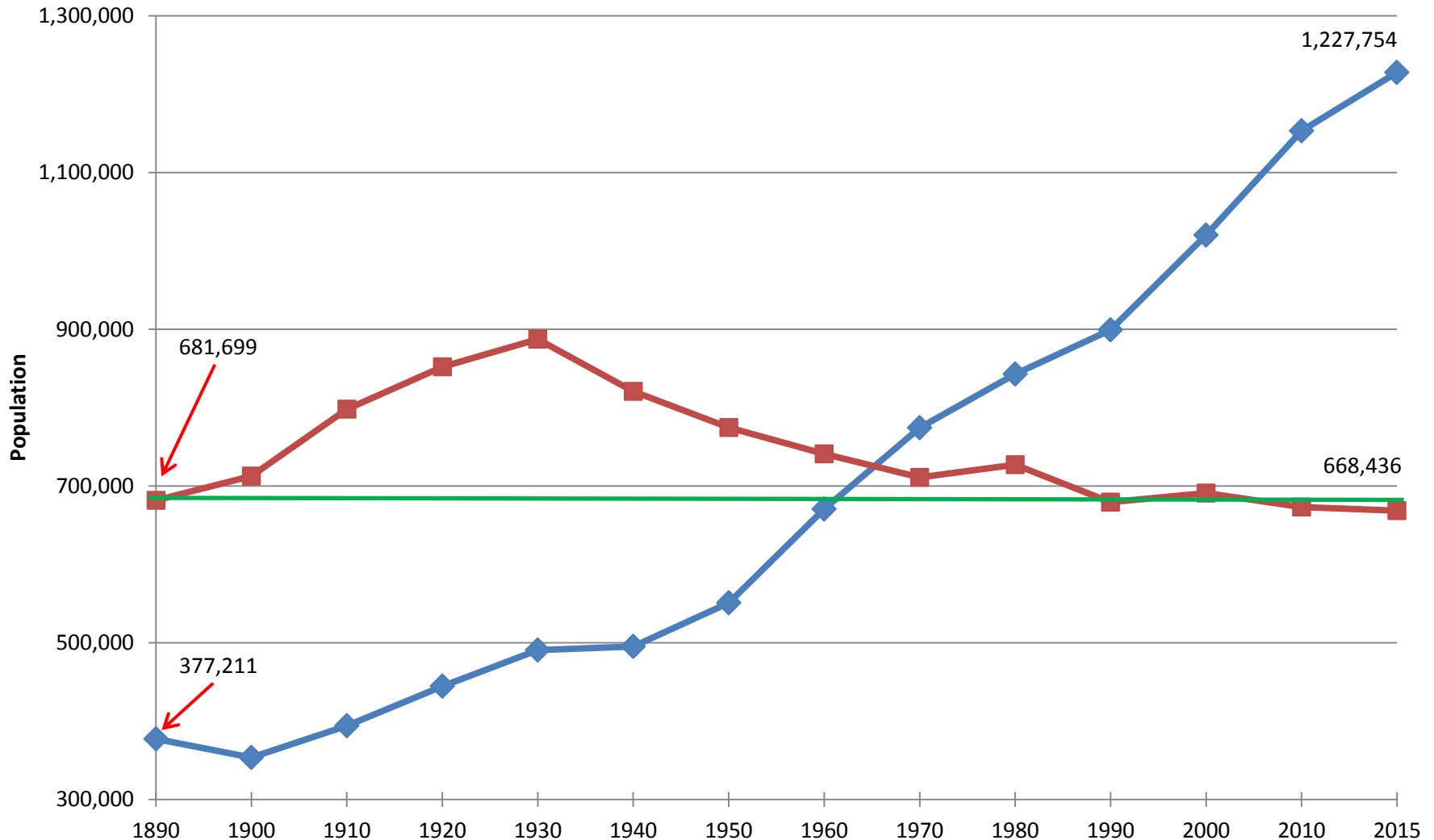
Sources: 2000 and 2010 Decennial Censuses, 2015 Vintage Population Estimates for Counties (released 3-24-2016), U.S. Census Bureau

Prepared by: David Drozd, Center for Public Affairs Research, University of Nebraska at Omaha - March 30, 2016



# Nebraska's rural areas have less population today than in "frontier days"

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



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

— Metro counties (13)

— Nonmetro counties (80)

Compiled and Prepared by: UNO Center for Public Affairs Research

# AGING AND DIVERSITY

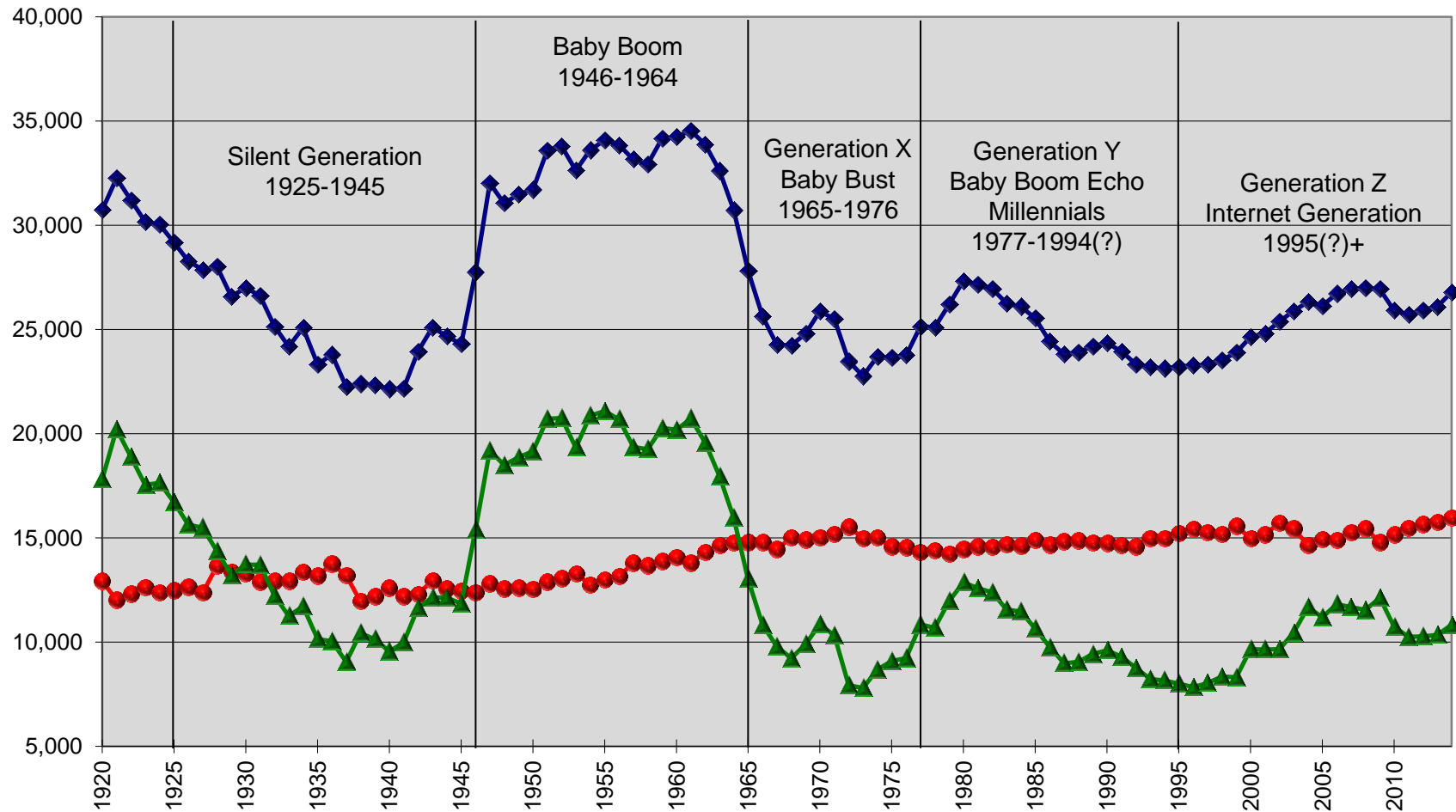




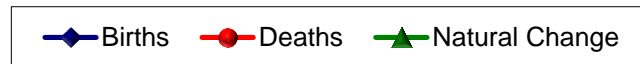
# The baby boom from the 1950s has had a ripple effect every 30 years

## Nebraska Births, Deaths, and Natural Change: 1920-2014

Number



Source: Vital Statistics Reports, Nebraska Department of Health and Human Services  
Prepared by Center for Public Affairs Research, UNO

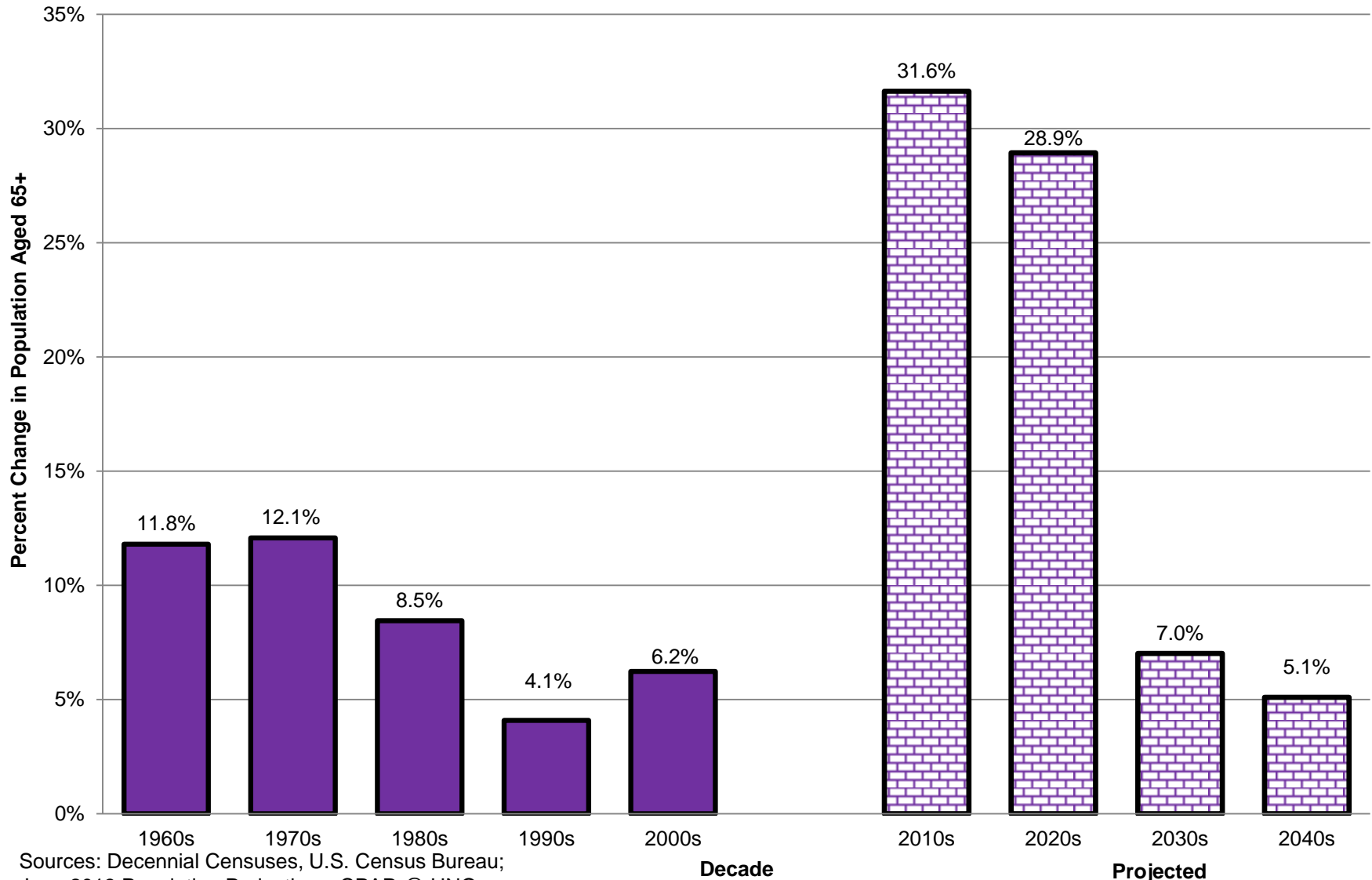






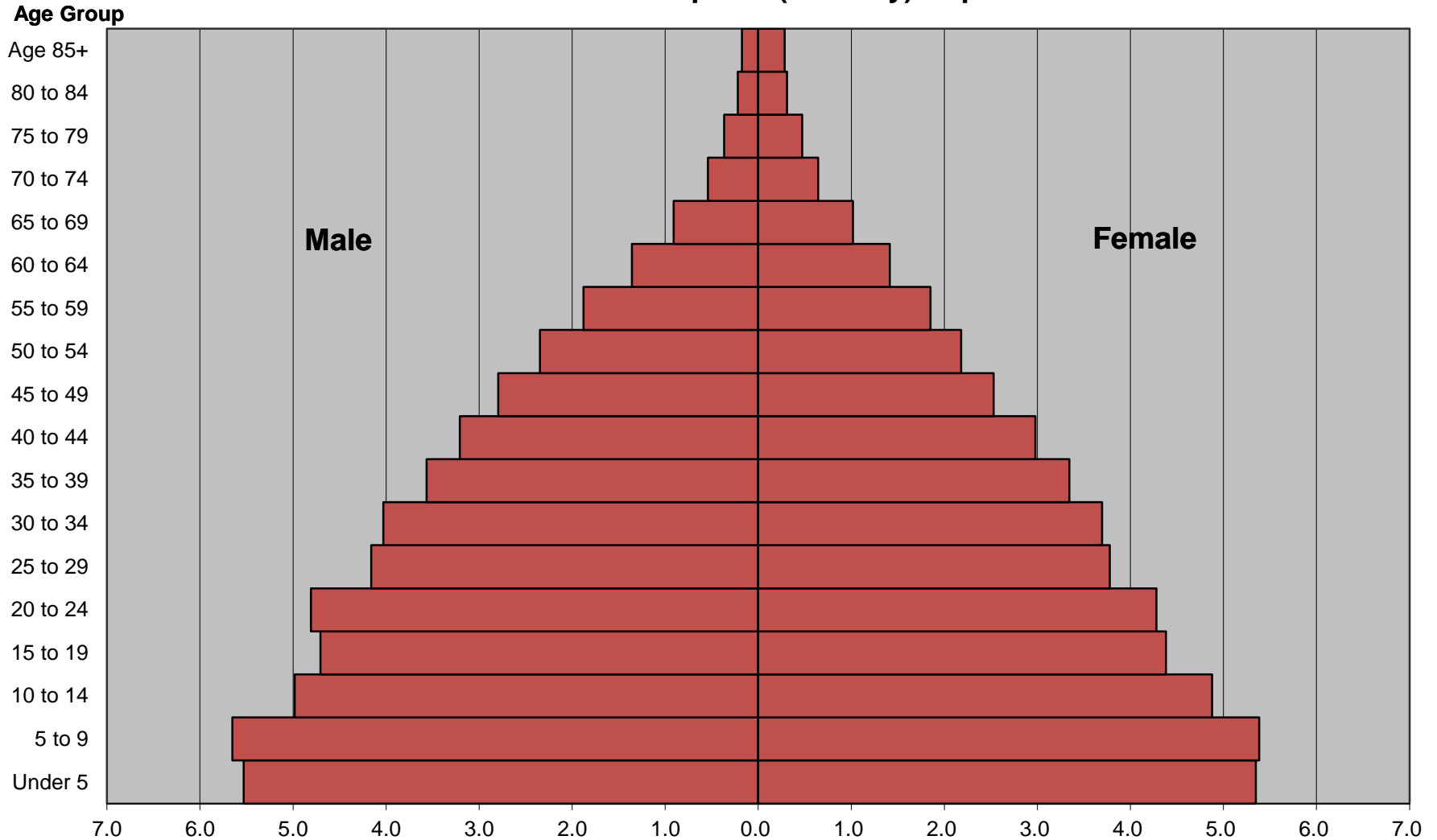
## The jump in age 65+ we've all been waiting for...

### 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

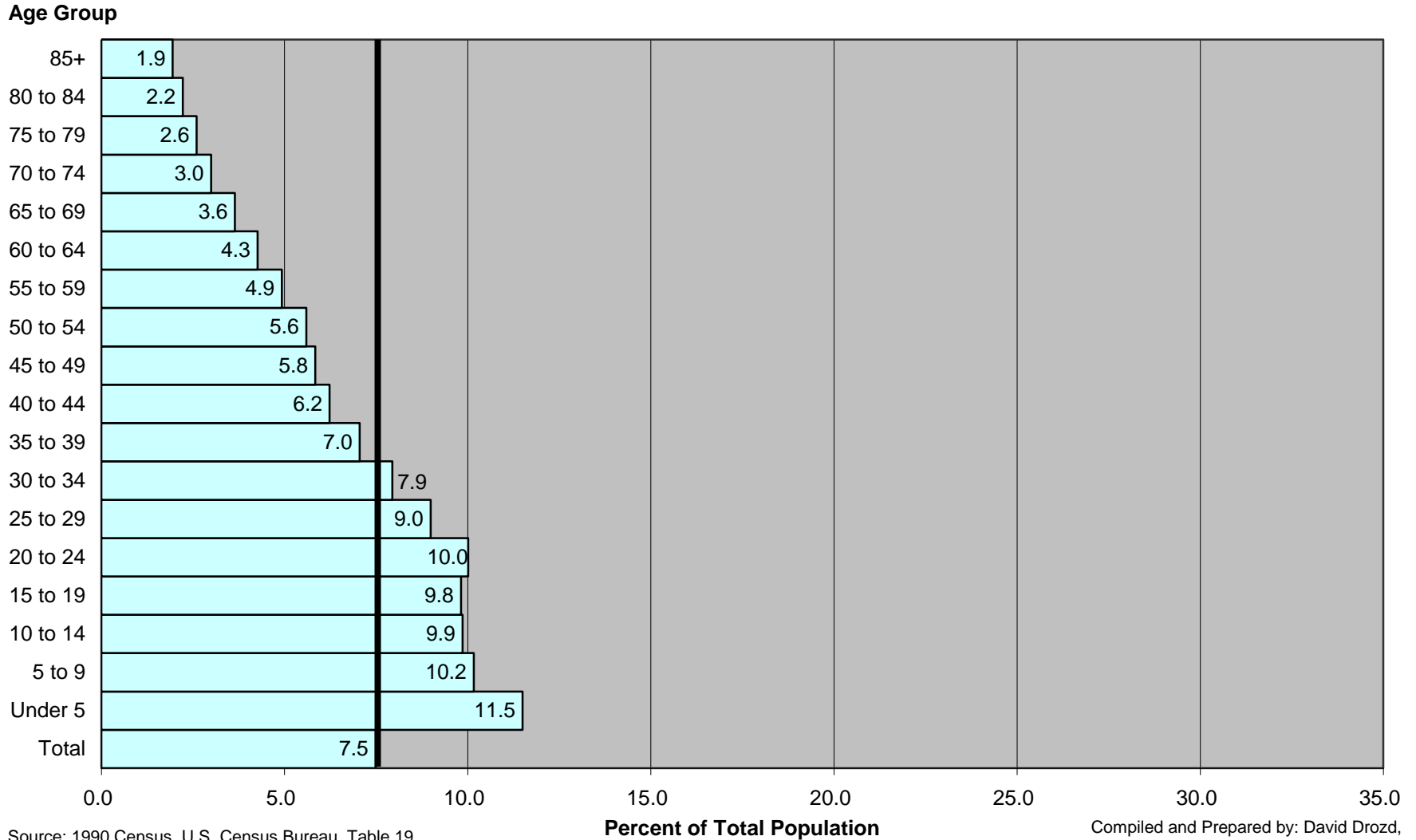
## July 1, 2015 Nebraska Estimated Population by Sex and Five-Year Age Group: Non-White or Hispanic (Minority) Population



Source: 2015 Vintage Population Estimates, U.S. Census Bureau

Green lines depict the depression cohort; red checker shows the "baby boom"; pink represents the "baby boom echo"; pink crosshatch shows the "3rd wave"

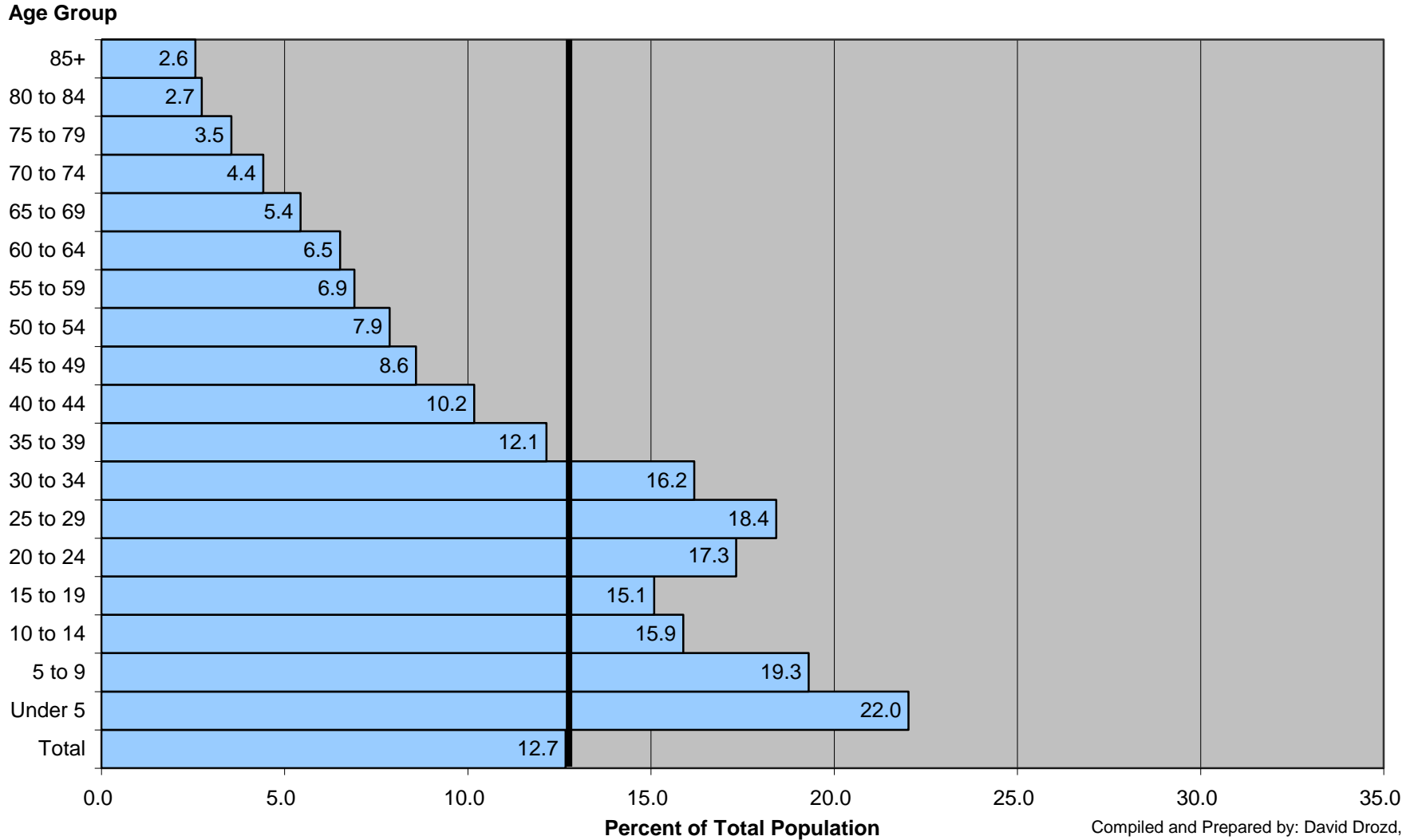
## 1990 Nebraska Population by Five-Year Age Group: Non-White or Hispanic/Latino (Minority Population) as a Percent of State Total



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

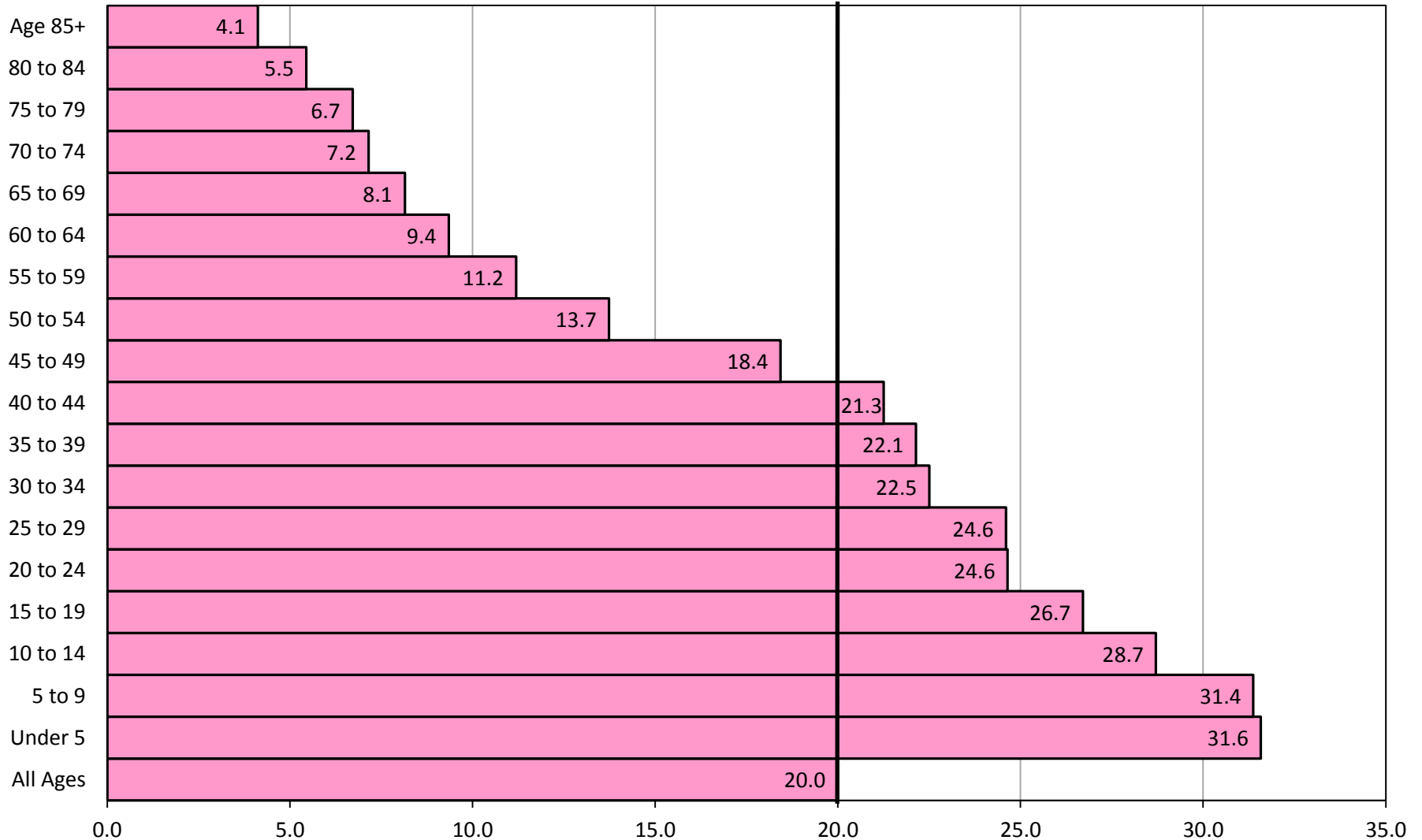
Compiled and Prepared by: David Drozd,  
Center for Public Affairs Research, UNO

## 2000 Nebraska Population by Five-Year Age Group: Non-White or Hispanic/Latino (Minority Population) as a Percent of State Total





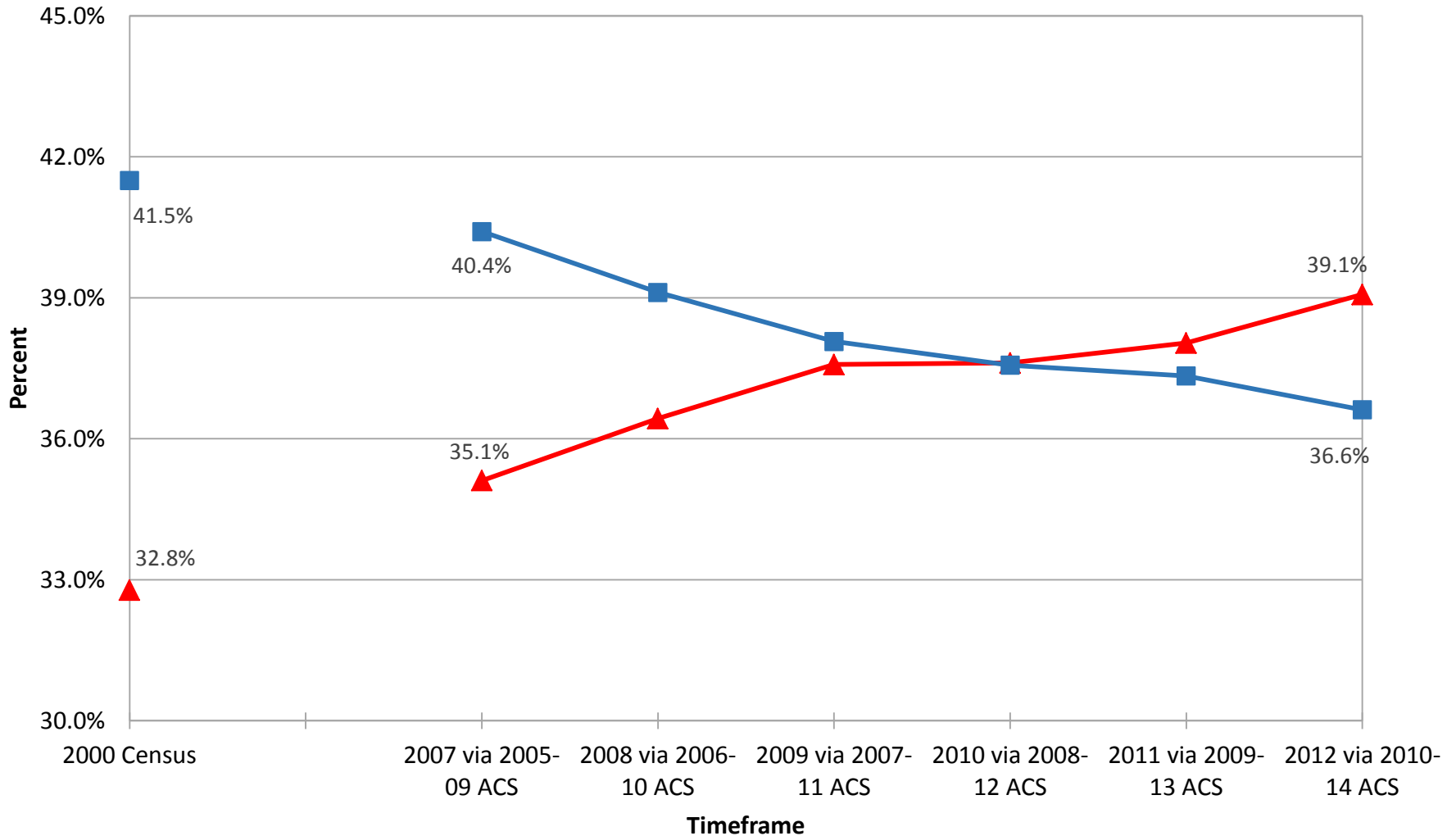
### July 1, 2015 Nebraska Population by Five-Year Age Group: Non-White or Hispanic/Latino (Minority Population) as a Percent of State Total





# 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

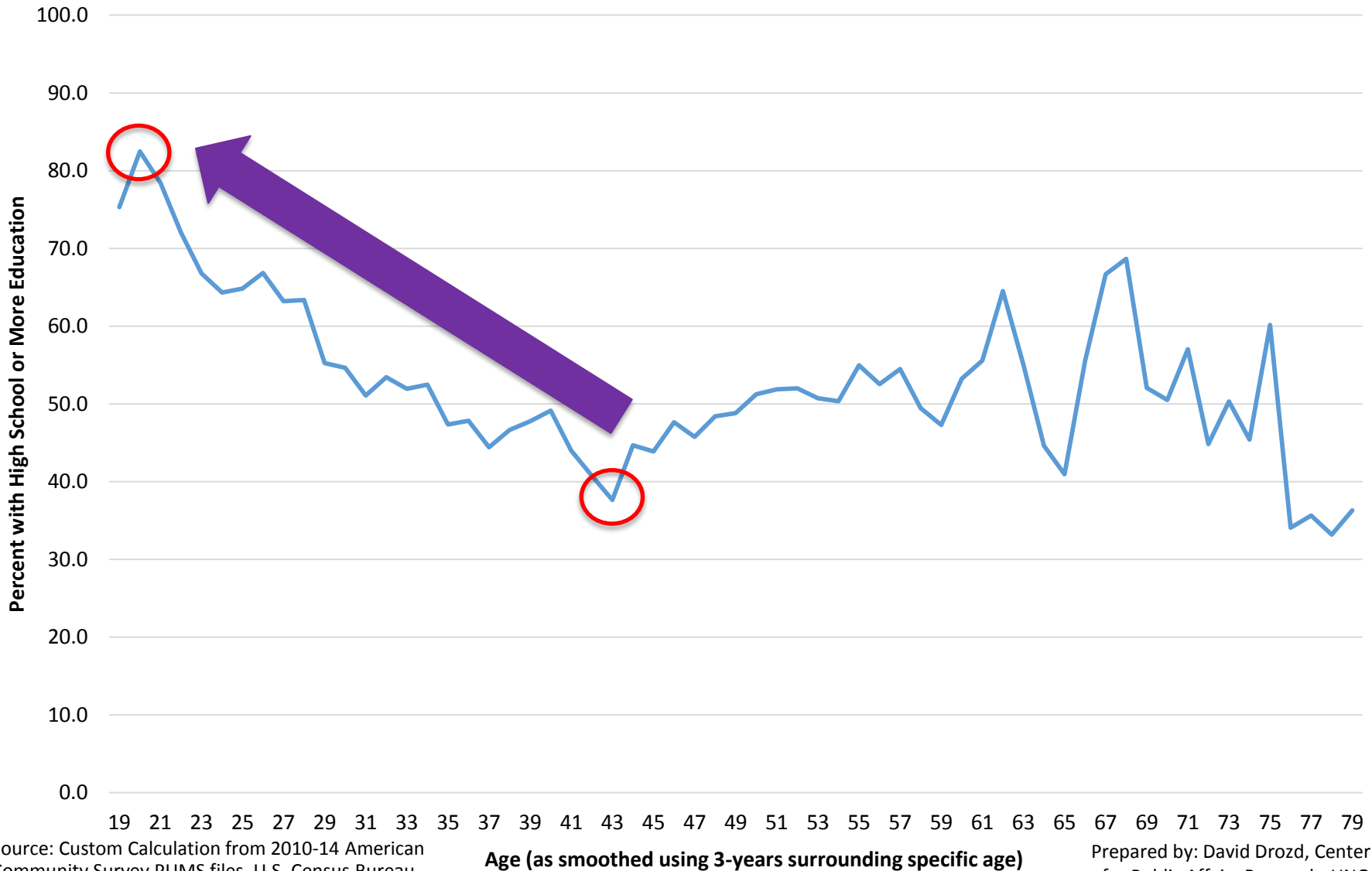
▲ % Born in state of current residence  
■ % Foreign born

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**



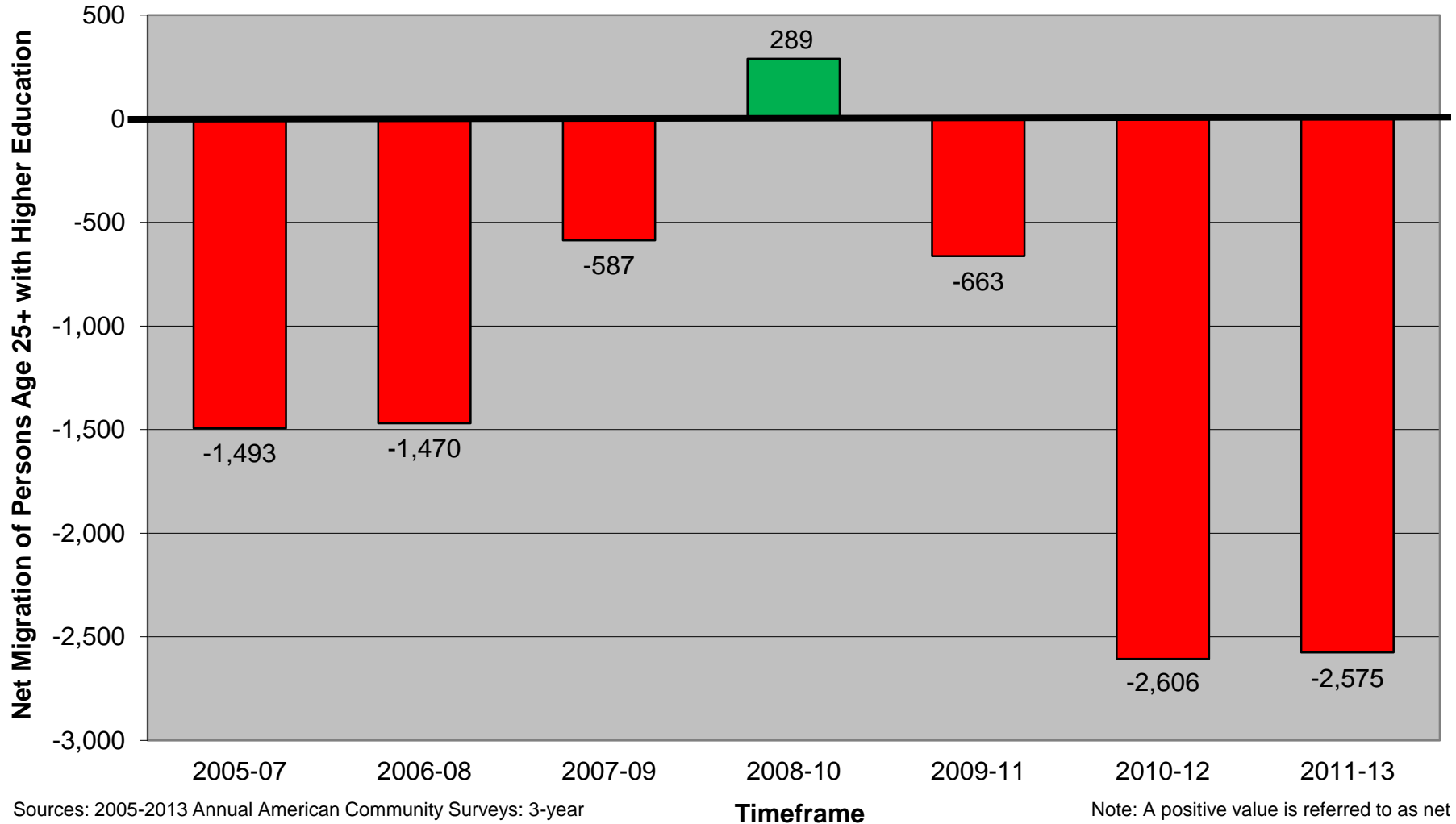
Source: Custom Calculation from 2010-14 American Community Survey PUMS files, U.S. Census Bureau

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)



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

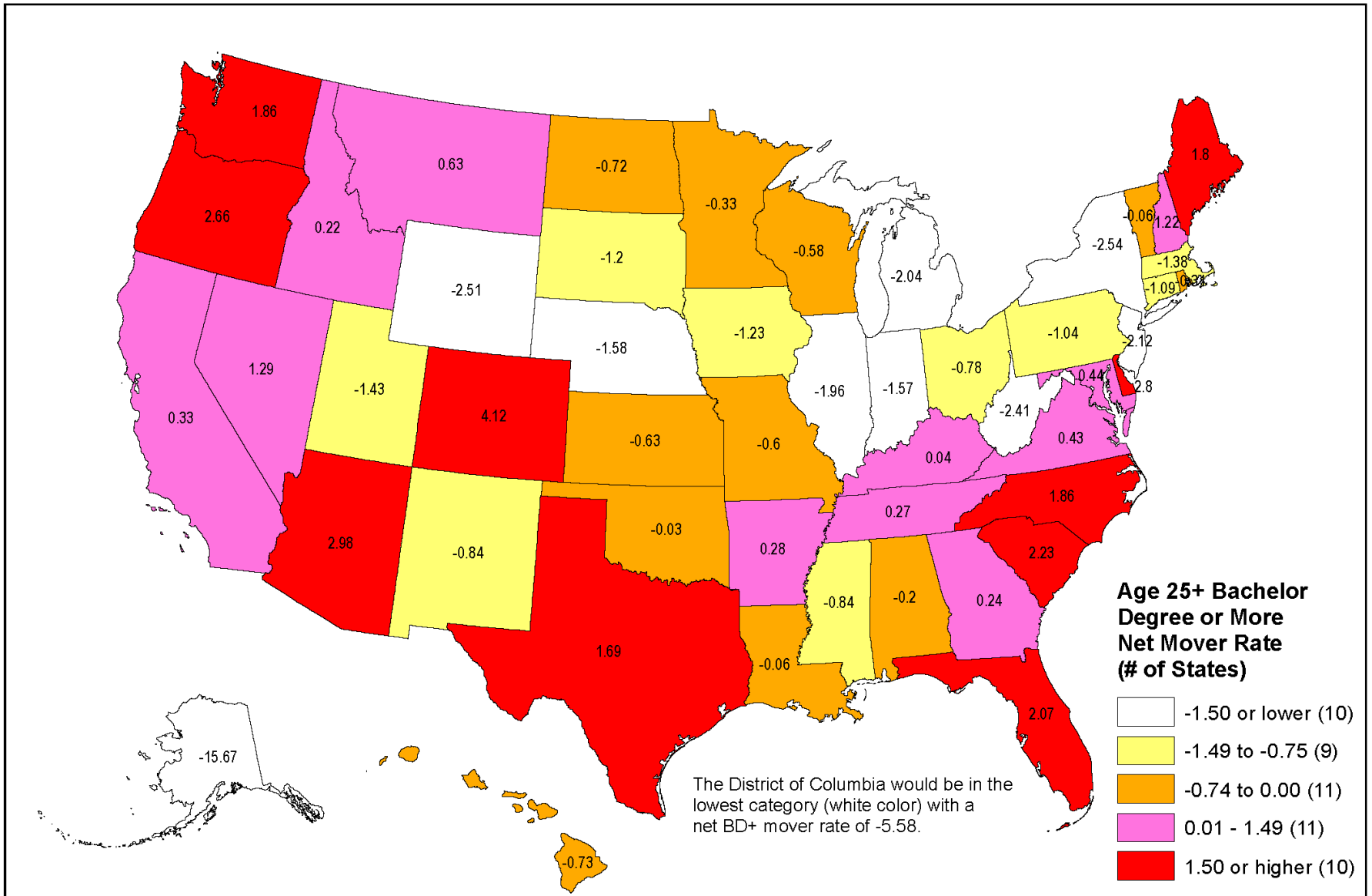
Note: A positive value is referred to as net immigration, which is typically desired.



## “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 43<sup>rd</sup> best (9<sup>th</sup> 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



Sources: Tables B07009 and B07409, 2010 to 2014 American Community Survey, U.S. Census Bureau, Author Calculations

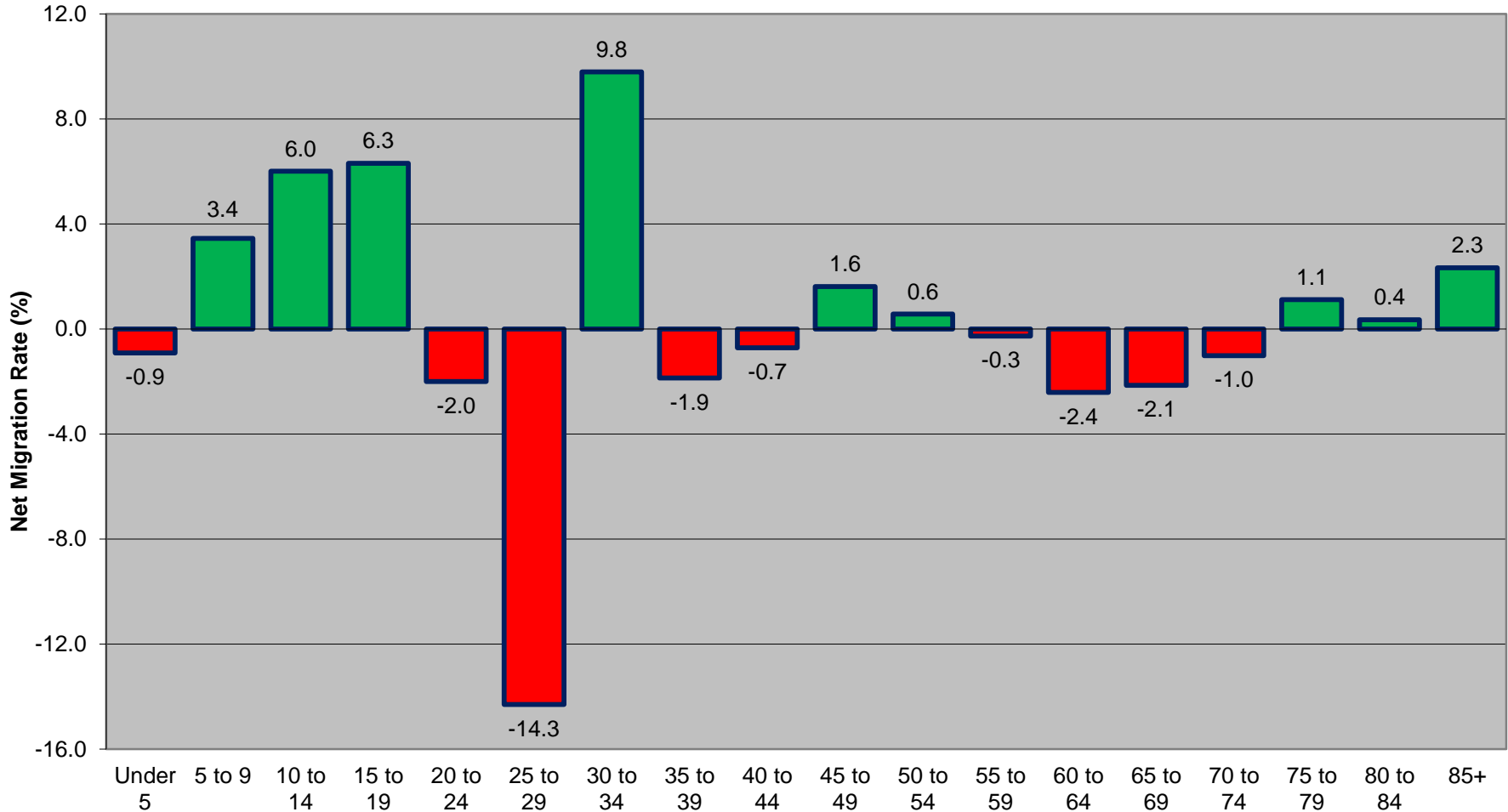
Prepared by: David Drozd, Center for Public Affairs Research, University of Nebraska Omaha - March 30, 2016



# 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

Age Group

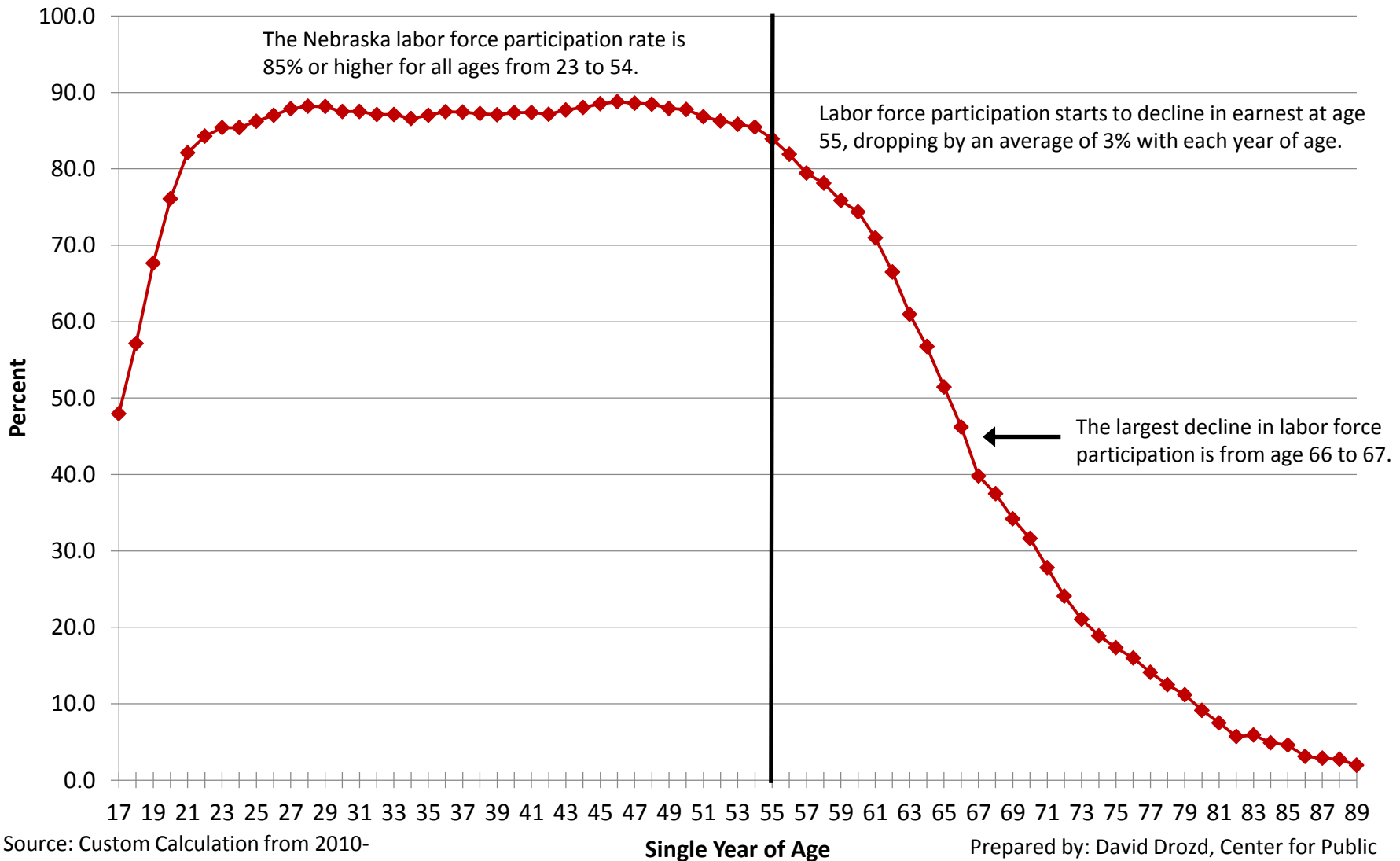
Compiled and Prepared by: David Drozd,  
UNO Center for Public Affairs Research

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

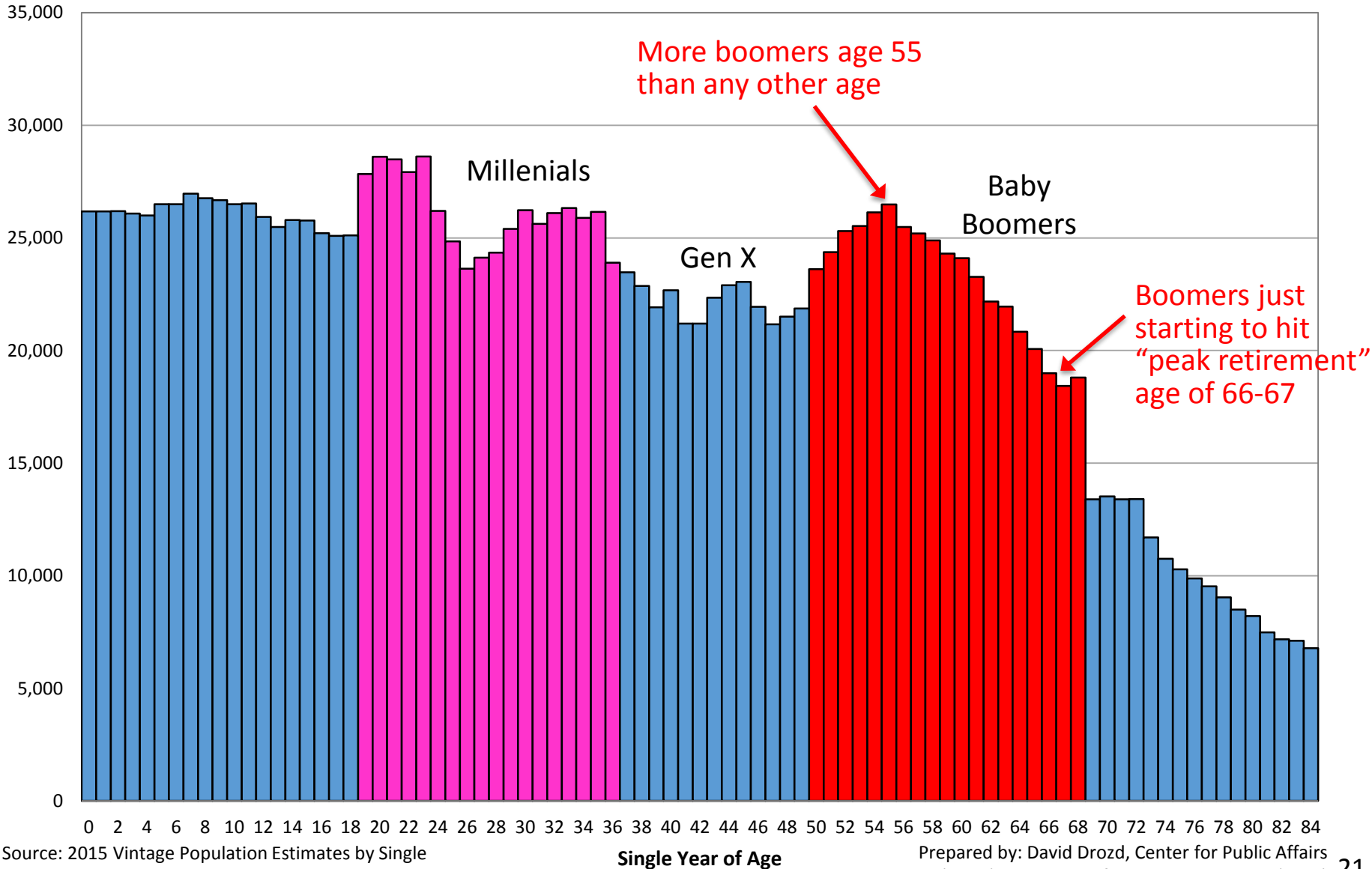
## Nebraska Labor Force Participation Rate by Single Year of Age (Smoothed by 3-Year Average): 2010-14 Timeframe



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

### Nebraska Population by Single Year of Age: July 1, 2015



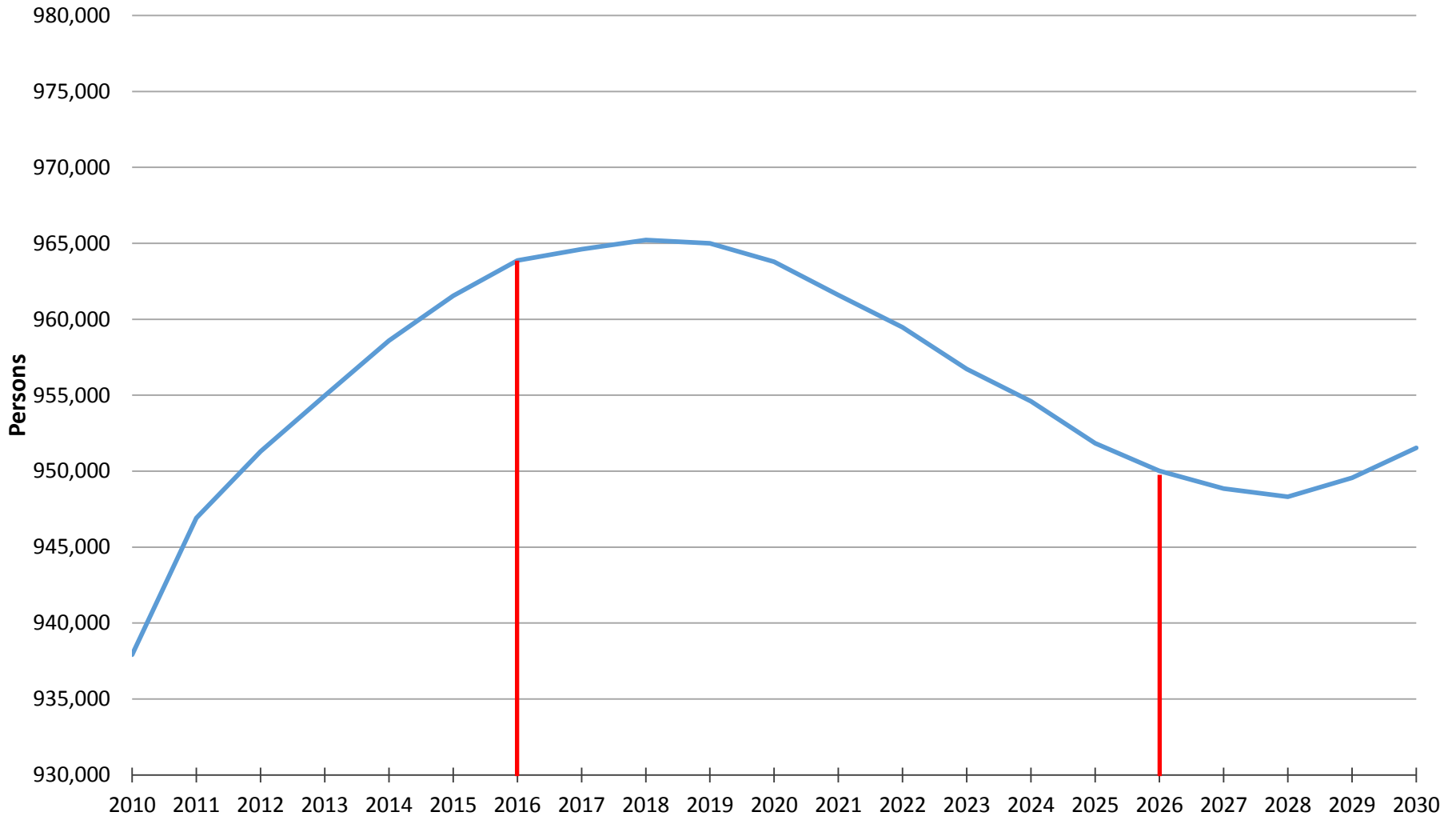
Source: 2015 Vintage Population Estimates by Single Year of Age and Sex for States, released June 2016

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  
Nebraska County Population Projections, CPAR @ UNO



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

From: Bloomberg.com  
Author: Ben Steverman

## Americans Are Working Longer

Employment-to-population ratio for people 65 years and over



U.S. Bureau of Labor Statistics

Bloomberg

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.



- 2014 Top labor force participation: <http://tinyurl.com/p77c7fw>
- 2014 #2 in both husband/wife in LF: <http://tinyurl.com/p4ceyhx>

## Percentage of Persons in the Labor Force

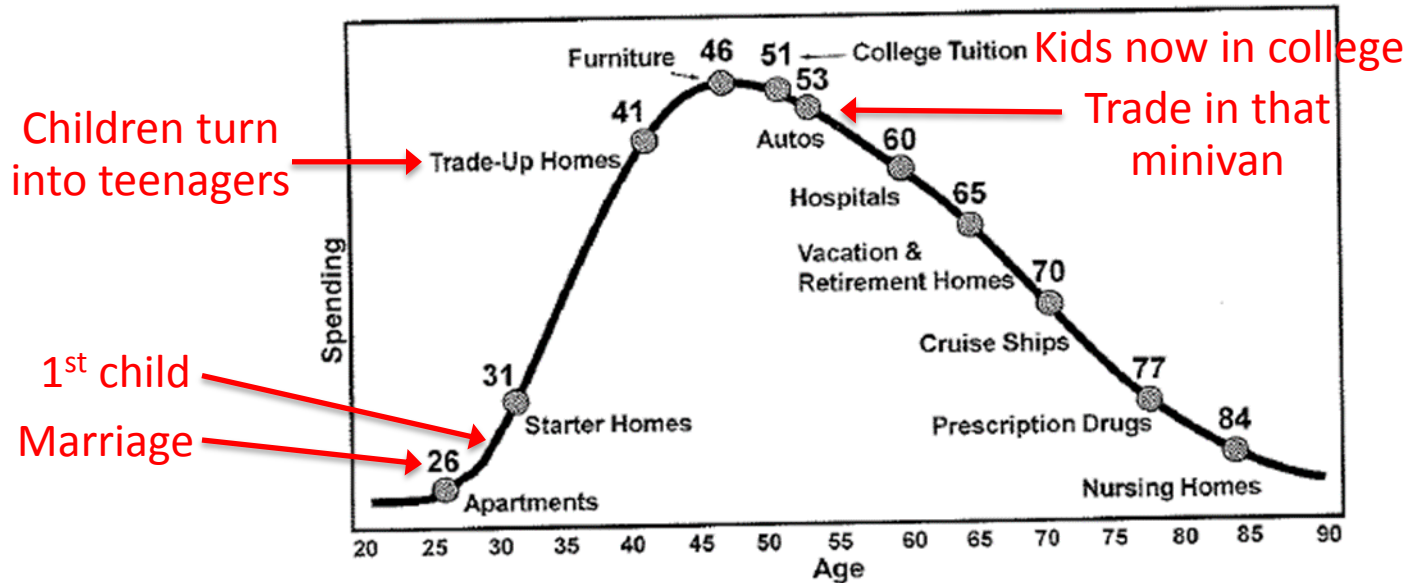
<u>Area</u>	<u>Age 55-64</u>	<u>Area</u>	<u>Age 65+</u>
1. North Dakota	74.6	1. Alaska	23.7
<b>2. Nebraska</b>	<b>74.1</b>	2. Wash, DC	22.5
3. Connecticut	73.3	3. Vermont	21.6
4. New Hampshire	73.2	<b>4. Nebraska</b>	<b>21.5</b>
5. South Dakota	73.0	5. South Dakota	21.3
9. Iowa	71.6	13. Kansas	19.6
12. Kansas	70.5	22. Iowa	17.7





# “The Best Leading Indicator – People do predictable things as they age” ~ Demographics drive economic and other trends

Figure 1-1: Consumer Life Cycle



Data Source: U.S. Census Bureau, Dent Research

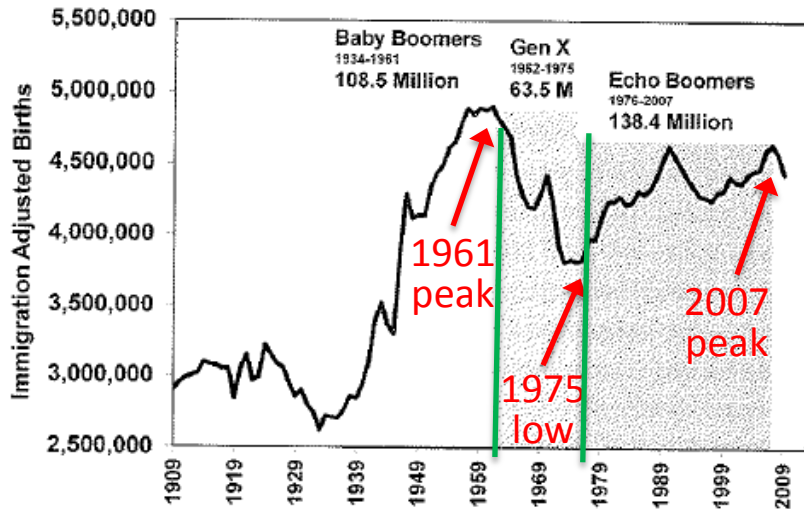
- The Consumer Expenditure Survey tells us how much people spend on certain products
  - Can be broken down by age, income, education, etc.
  - Peak spending (from Dent pages 11-13):
    - Average family borrows the most when parents are age 41 (step-up home purchase)
    - Most spending on potato chips 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



# Where are we at in the housing cycle? (given births & peak age demand)

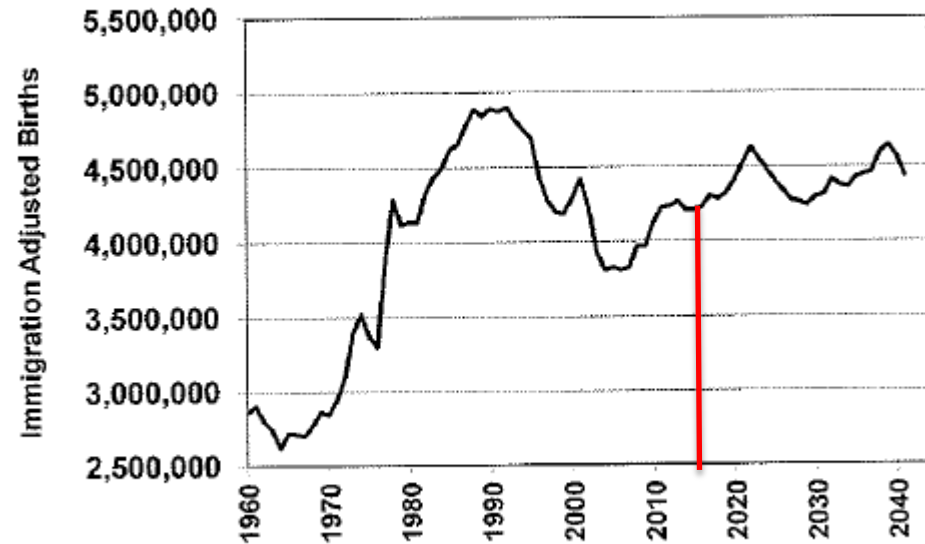
[Graphs from *The Demographic Cliff* by Harry S. Dent, Jr.]

Figure 1-6: Generation Population Size, U.S.



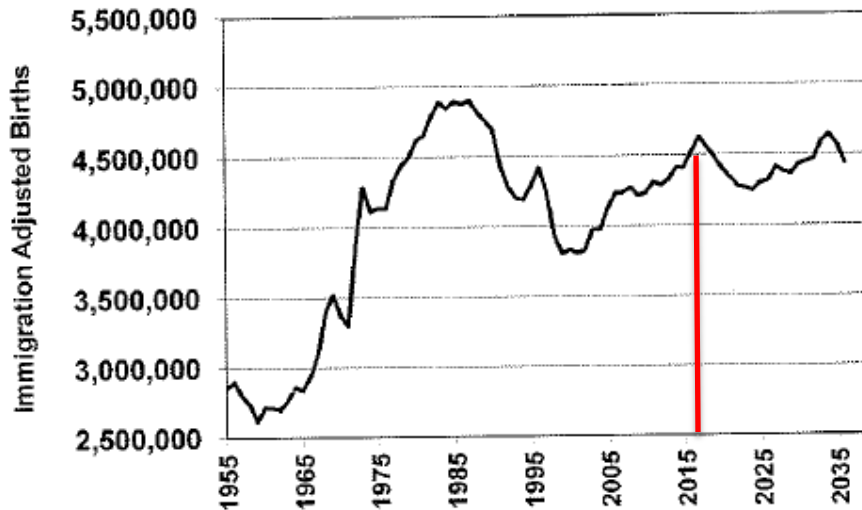
Data Source: U.S. Census Bureau, Dent Research

Figure 3-4: Starter Homes, 31 – 32-year Lag



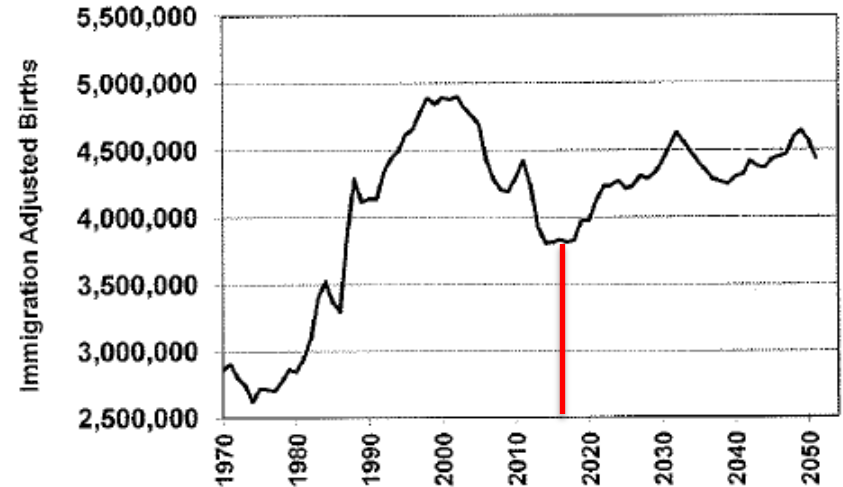
Data Source: U.S. Census Bureau

Figure 3-3: Apartments and Shopping Centers, 26 – 27-year Lag



Data Source: U.S. Census Bureau

Figure 3-5: Trade-up Homes, 41 – 43-year Lag



Data Source: U.S. Census Bureau

# MONEY / OWHJobs.com

## 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



OMAHA HOUSING MARKET  
ONLY IN THE WORLD-HERALD

# GONE IN 24 HOURS (OR LESS)

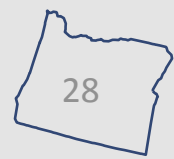
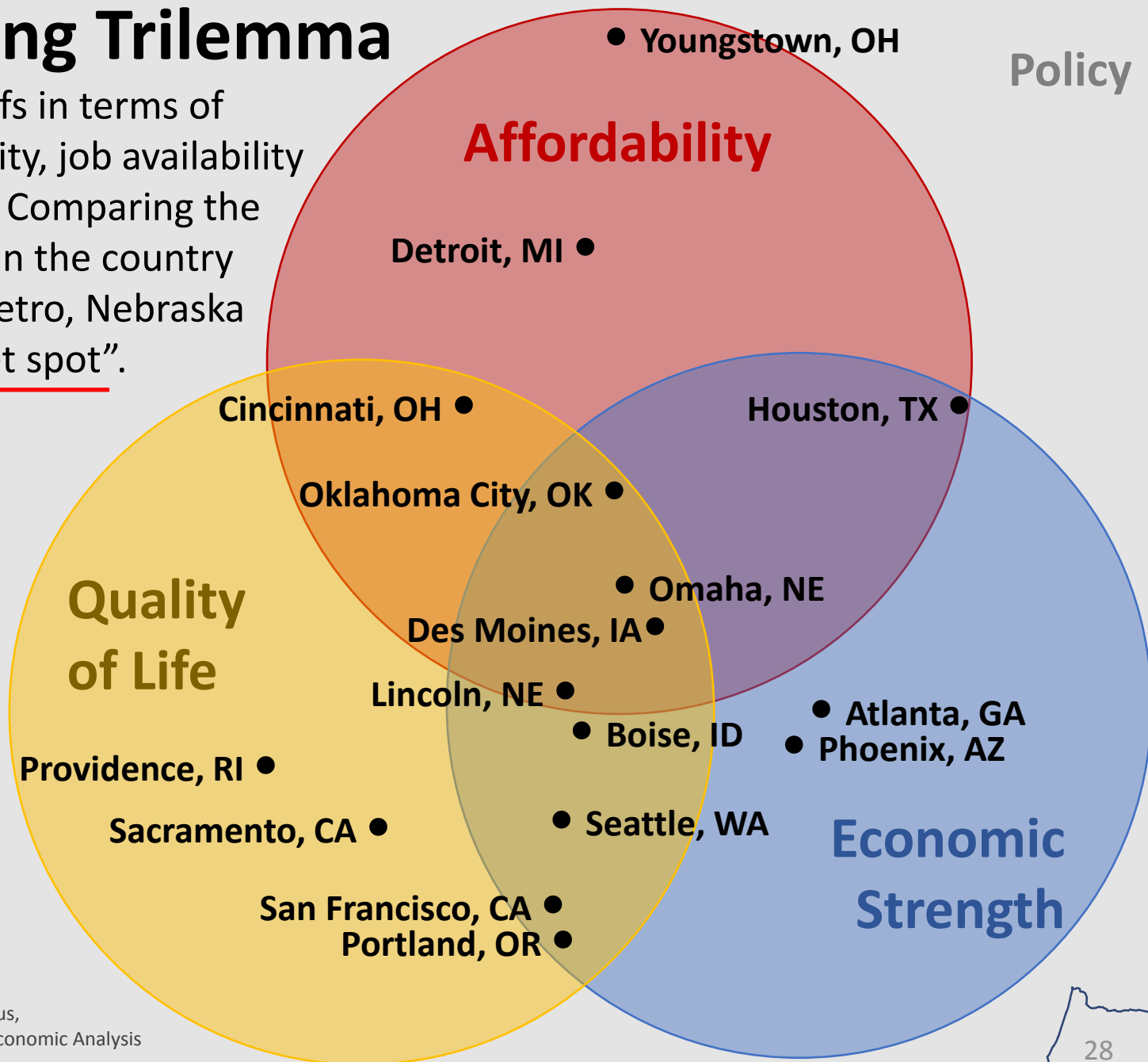
Low interest rates and red-hot demand by millennials and empty-nesters create speed-buying frenzies in Omaha area



# 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”.

Policy



Source: David Albouy, BEA, BLS, Census, IHS Global Insight, Oregon Office of Economic Analysis

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...

27<sup>th</sup> Annual Nebraska  
Data Users Conference

August 17, 2016

Register at:

[www.unomaha.edu/cpar](http://www.unomaha.edu/cpar)

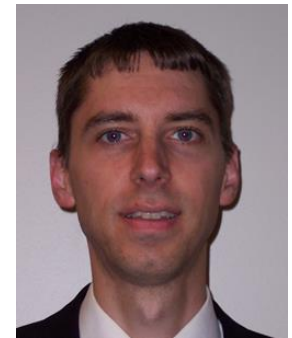
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Slides with additional information  
follow for perspective and as a  
resource

# State Population Trends Summary

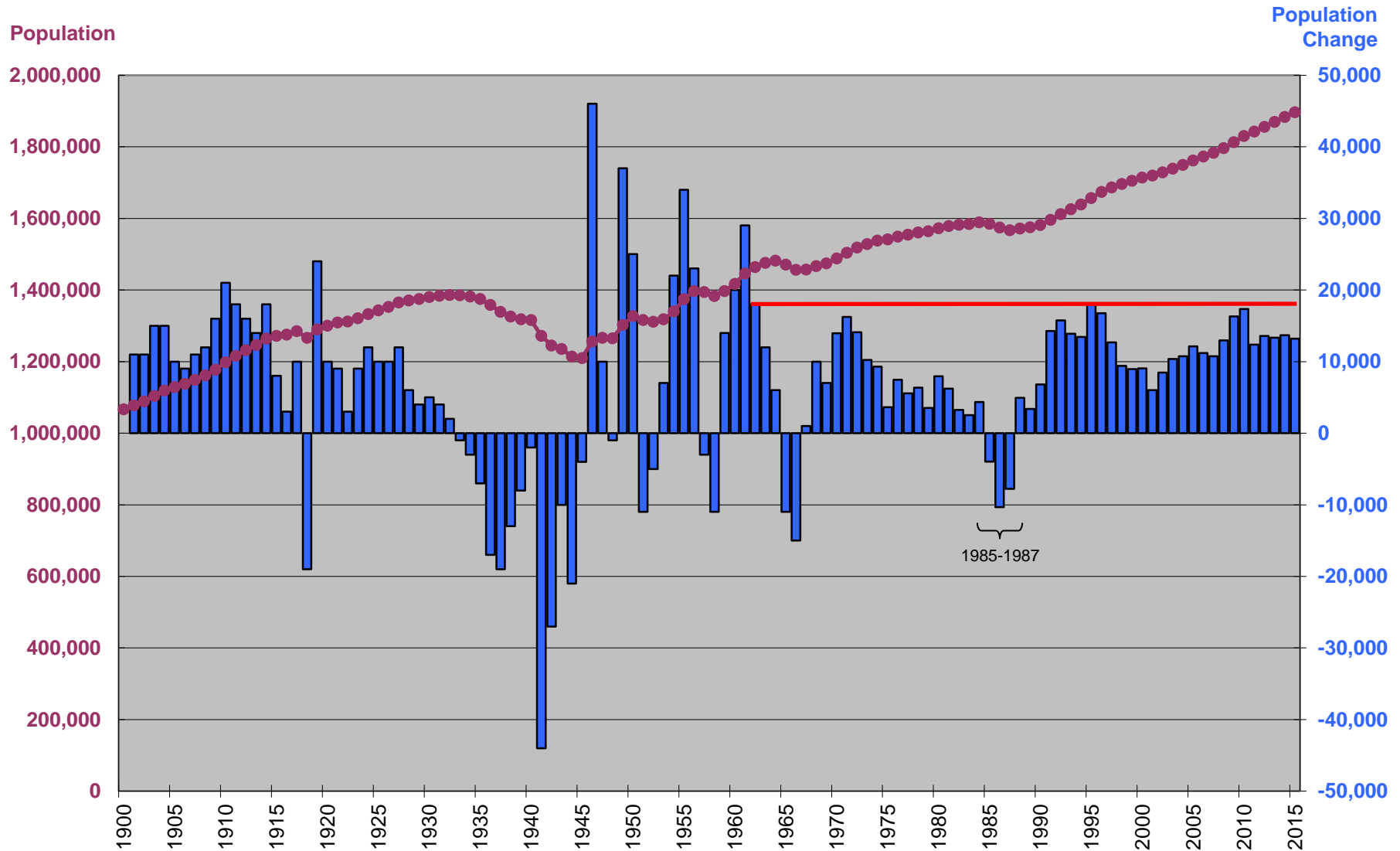
- Nebraska's population is increasing overall, but primarily in urban (metro) areas while rural (nonmetro) areas experience population loss
  - The state is not uniform but dichotomous in many ways
- The state's population is aging, as more people live to older ages, and as each additional year passes 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

## Yearly Nebraska Population and Annual Population Change: 1900 to 2015



Sources: Annual Population Estimates (released 12-22-15), U.S. Census Bureau; REIS, Bureau of Economic Analysis

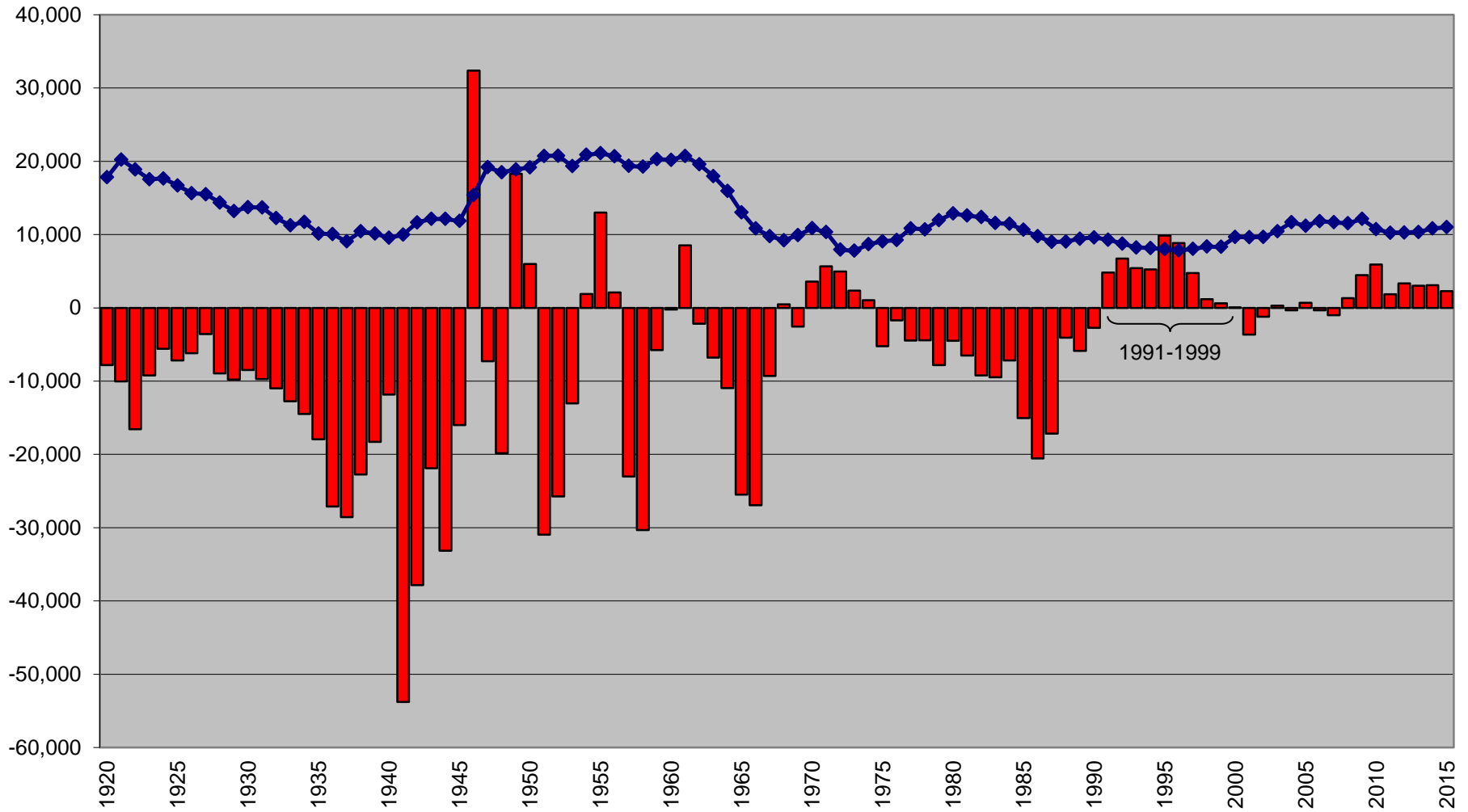
Annual Population Change Total Population

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



Natural change tends to be steady. Migration is the “wild card”.

### Nebraska Components of Population Change, 1920-2015

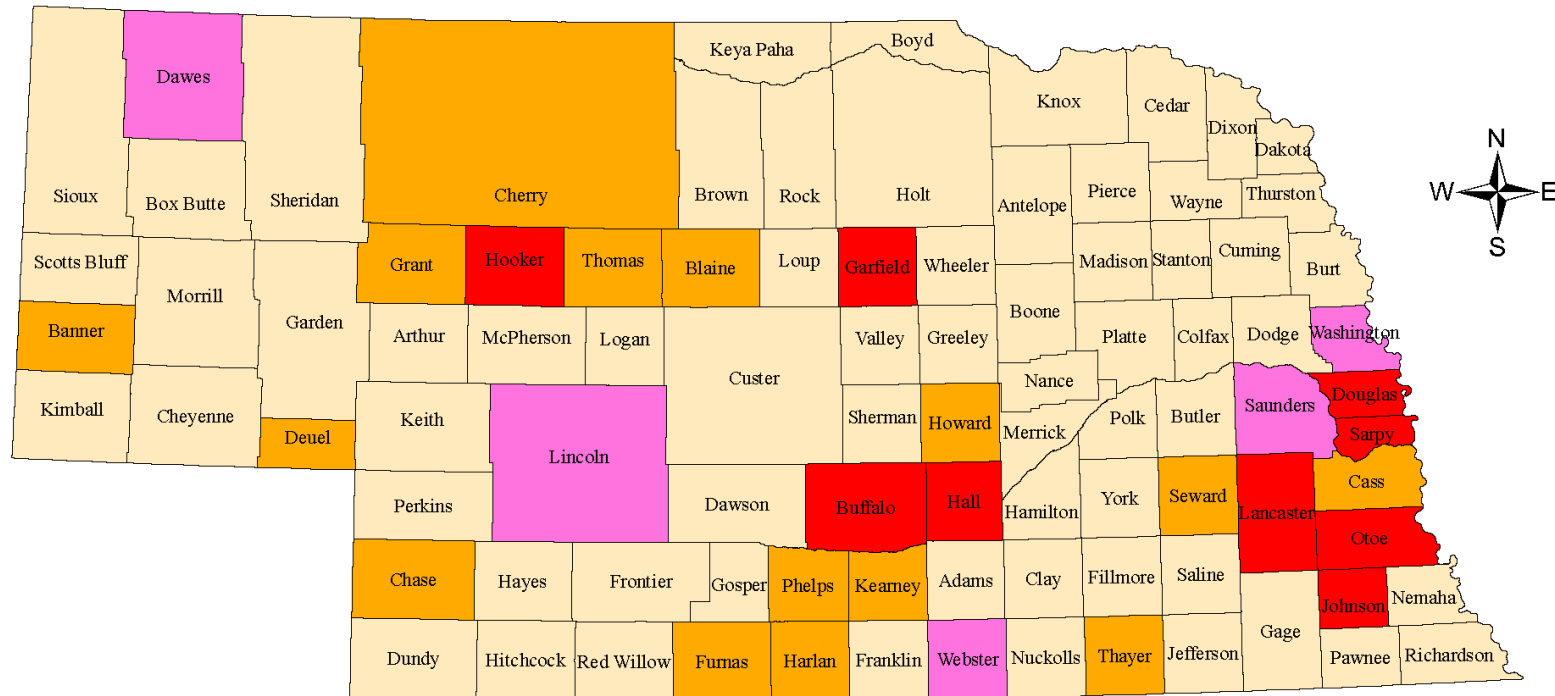


Source: Vital Statistics, Nebraska Department of Health and Human Services; Annual Population Estimates, U.S. Census Bureau - released 12-22-15





# 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**

- Net Immigration 2000-2010 and Net Immigration 2010-2015 (9 counties)
- Net Immigration 2000-2010 and Net Outmigration 2010-2015 (5 counties)
- Net Outmigration 2000-2010 and Net Immigration 2010-2015 (15 counties)
- 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

## On Mother's Day, a look at Nebraska's fifth-place rank among states in birthrate

Story Comments Image (4) Print Font Size: - +

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SARAH HOFFMAN/THE WORLD-HERALD

Scott and Audrey Dobbe moved back to Nebraska after living in Chicago because they wanted to raise a family in Omaha. Now they are enjoying their life together, their careers and their home in Dundee with daughter Cora, who turns 2 today. Nebraska, as it turns out, ranks fifth among states in birthrate.

“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

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

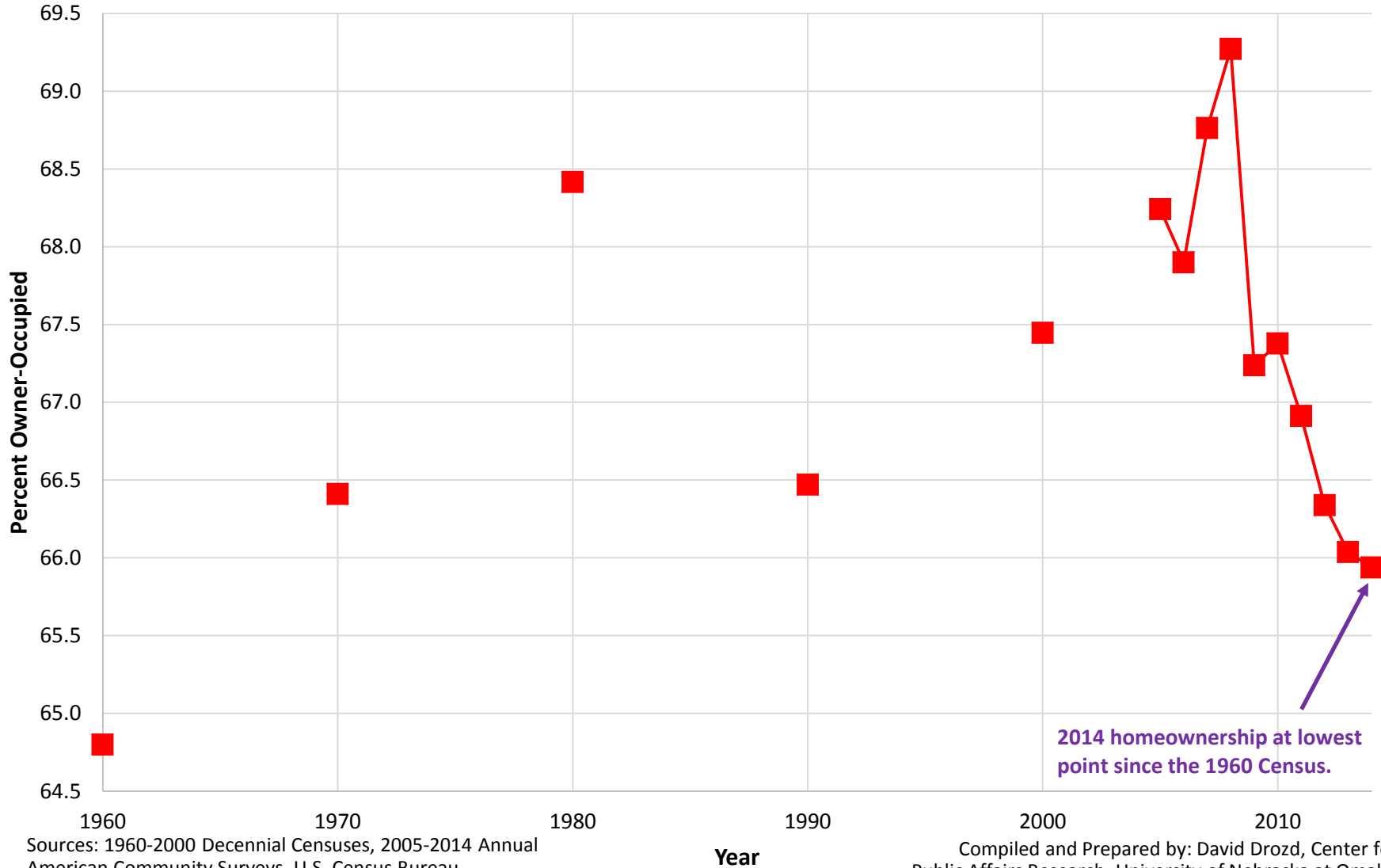
“If Nebraska keeps its current 3 Congressional seats after the 2020 Census, it will have local parents to thank.” ~ David Drozd



## Shift in population structure has impacts:

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

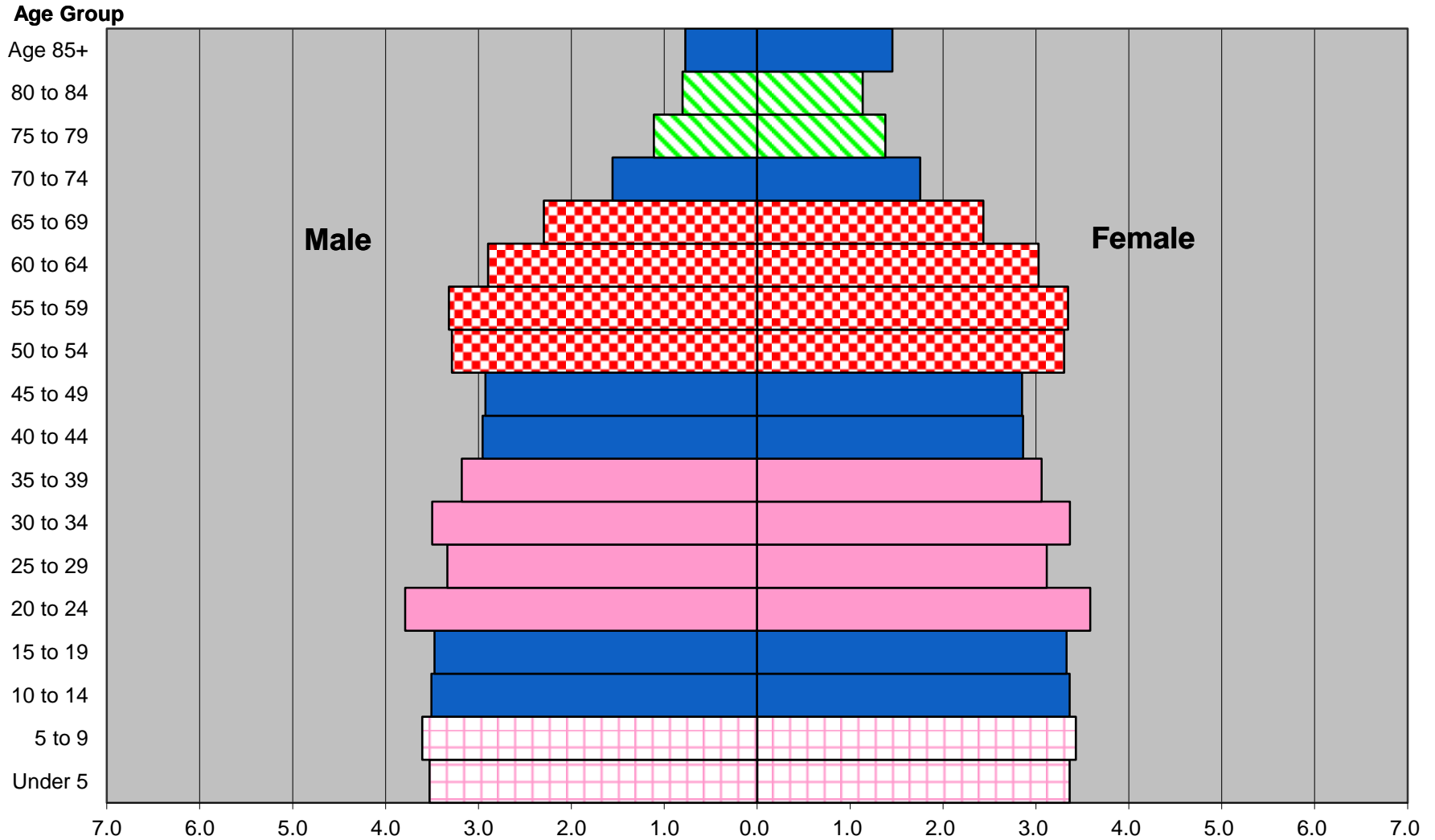
### Nebraska Home Ownership Percentage: 1960 to 2014



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

## July 1, 2015 Nebraska Estimated Population by Sex and Five-Year Age Group



Source: 2015 Vintage Population

Percent of Total 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

