

Six Disruptive Demographics That Will Change the U.S. & North Carolina Forever



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OVERVIEW

- Demographic Trends
- Challenges & Opportunities
- Keys to Maintaining & Enhancing
Competitiveness
- Discussion

6 DISRUPTIVE TRENDS

- The South Rises – Again
- The Browning of America
- Marrying Out is “In”
- The Silver Tsunami is About to Hit
- The End of Men?
- Cooling Water from Grandma’s Well...
and Grandpa’s Too!

People on the Move

The South Rises—Again!

A map of the United States where the Southern region is highlighted in a solid red color. The rest of the country is shown in a light gray color. The red region includes Texas, Oklahoma, Arkansas, Louisiana, Mississippi, Alabama, Georgia, Florida, South Carolina, North Carolina, and Virginia. The text "The South" is written in a large, bold, red serif font across the top of the map.

The South

Continues To Rise

...Again!

SOUTH'S SHARE OF U.S. NET POPULATION GROWTH, SELECTED YEARS, 1910-2016

Years	U.S. Absolute Population Change	South's Absolute Population Change	South's Share of Change
1910-1930	30,974,129	8,468,303	27%
1930-1950	28,123,138	9,339,455	33%
1950-1970	51,886,128	15,598,279	30%
1970-1990	45,497,947	22,650,563	50%
1990-2010	60,035,665	29,104,814	49%
2010-2016	14,381,975	7,763,830	54%

U.S. POPULATION CHANGE BY REGION, 2000-2010

Region	2010 Population	Absolute Population Change, 2000-2010	Percent Population Change, 2000-2010
U.S.	309,050,816	26,884,972	9.5%
Northeast	55,417,311	1,753,978	3.3%
Midwest	66,972,887	2,480,998	3.0%
South	114,555,744	14,318,924	14.3%
West	72,256,183	8,774,852	13.8%

SHARES OF NET POPULATION GROWTH BY REGION, 2000-2010

Region	Absolute Population Change	Percent of Total
UNITED STATES	26,884,972	100.0
NORTHEAST	1,753,978	6.0
MIDWEST	2,480,998	9.0
SOUTH	14,318,924	53.0
WEST	8,774,852	32.0

STATE SHARE OF SOUTH'S NET GROWTH, 2000-2010

Region/State	Absolute Change	State's Share
The South	14,318,924	100.0%
Texas	4,293,741	30.0%
Florida	2,818,932	19.7%
Georgia	1,501,200	10.5%
North Carolina	1,486,170	10.4%
Other Southern States	4,218,881	29.4%

GROSS AND NET MIGRATION FOR THE SOUTH, 2004-2010

The Region

Years	Domestic			Foreign		
	In	Out	Net	In	Out	Net
2004-2007	4,125,096	3,470,431	654,665	268,619	132,382	136,237
2007-2010	3,874,414	3,477,899	396,525	232,501	132,201	100,300

Florida

Years	Domestic			Foreign		
	In	Out	Net	In	Out	Net
2004-2007	812,053	630,051	182,002	41,745	24,108	17,637
2007-2010	654,931	668,087	-13,156	33,095	32,094	1,001

SHARES OF NET POPULATION GROWTH BY REGION, 2010-2016

Region	Absolute Population Change	Percent of Total
UNITED STATES	14,381,975	100.0
NORTHEAST	892,264	6.2
MIDWEST	1,014,428	7.1
SOUTH	7,763,830	54.0
WEST	4,711,447	32.7

STATE SHARES OF SOUTH'S NET GROWTH, 2010-2016

Region/State	Absolute Change	State's Share
The South	7,763,830	100.0%
Texas	2,717,035	35.0%
Florida	1,811,129	23.3%
Georgia	622,718	8.0%
North Carolina	611,305	7.9%
Virginia	410,784	5.3%
Other Southern States	1,590,859	20.5%

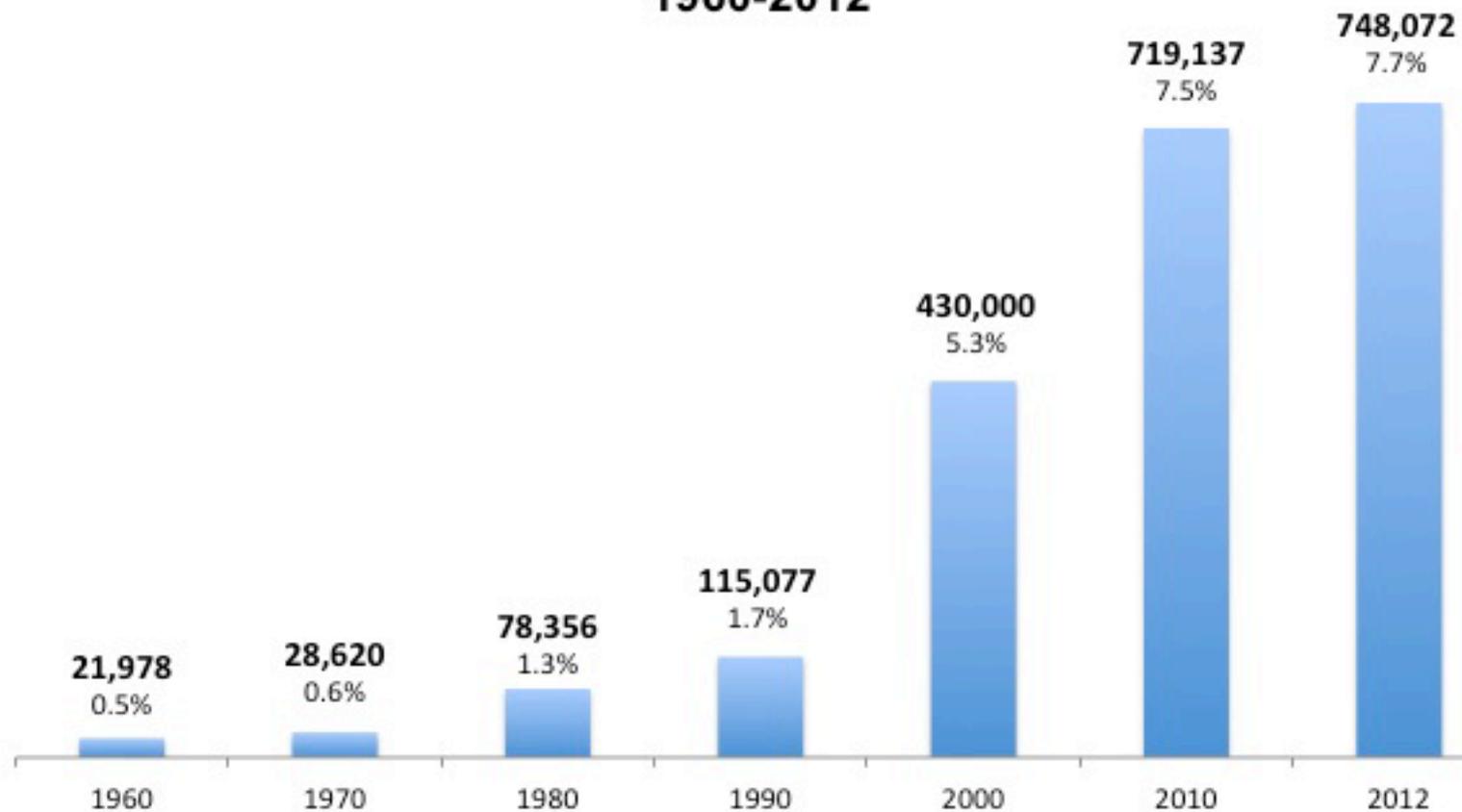
U.S. POPULATION CHANGE BY REGION, 2010-2016

Region	2016 Population	Absolute Population Change, 2010-2016	Percent Population Change, 2010-2016
U.S.	323,127,513	14,381,975	4.7%
Northeast	56,209,510	892,264	1.6%
Midwest	67,941,429	1,014,428	1.5%
South	122,319,574	7,763,830	6.8%
West	76,657,000	4,711,947	6.5%

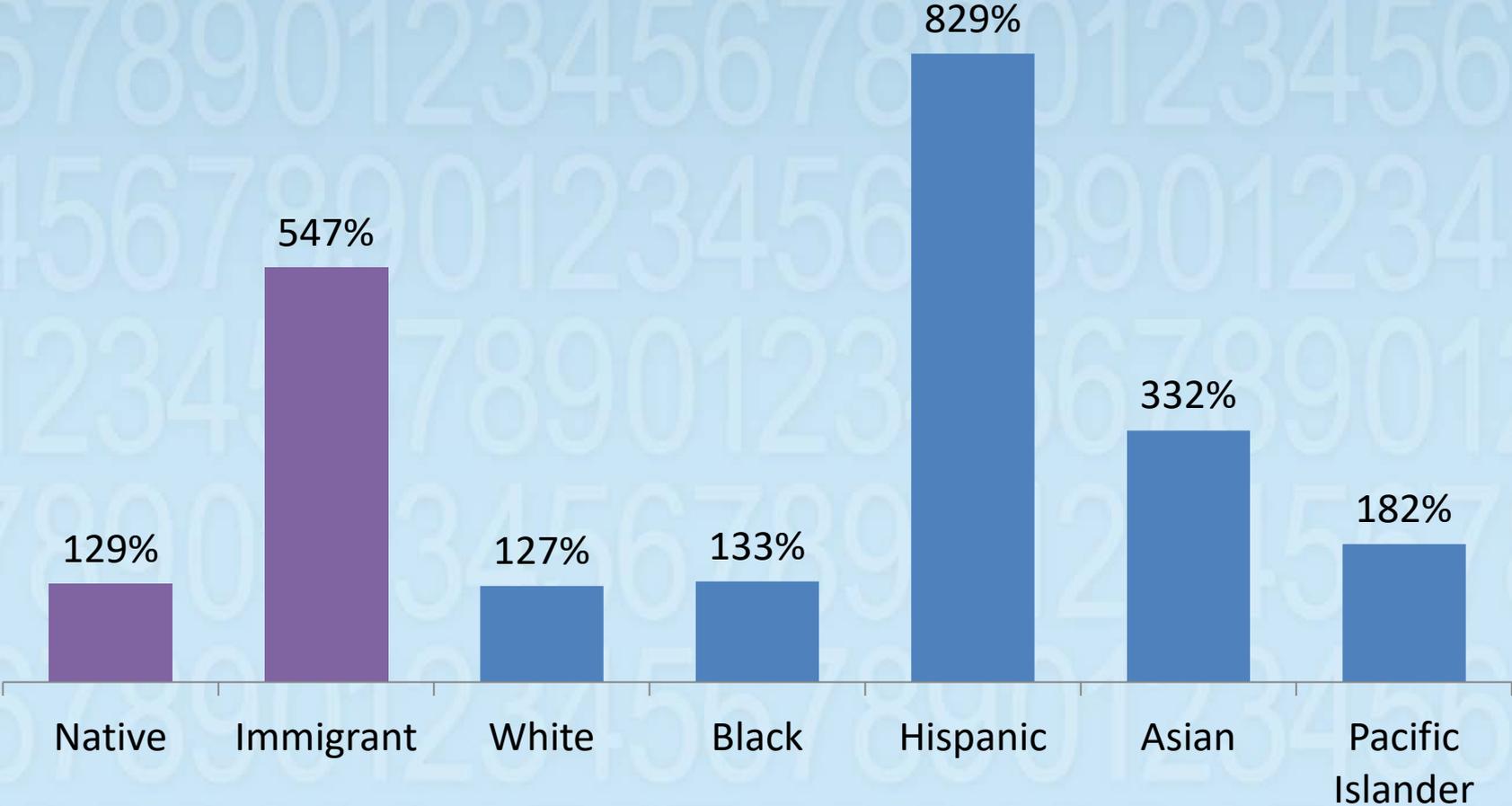
Absolute and Percent Population Change, 2000-2010

Area	2010 Population	Absolute Change 2000-2010	Percent Change 2000-2010
U.S.	308,745,538	27,323,632	9.7%
South	114,555,744	14,318,924	14.3%
North Carolina	9,335,483	1,46,120	18.5%

North Carolina Foreign Born Population Growth, 1960-2012



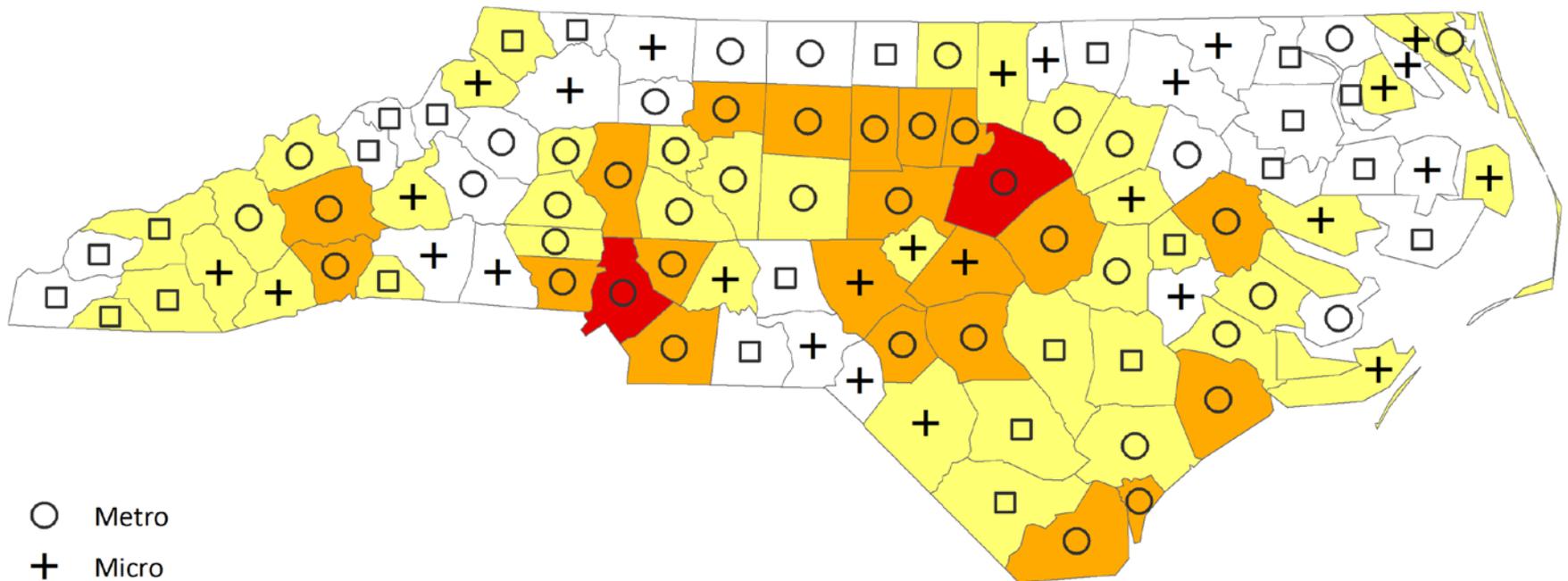
NORTH CAROLINA POPULATION GROWTH BY NATIVITY, RACE, AND ETHNICITY, 1990-2007



Absolute and Percent Population Change, 2010-2016

Area	2016 Population	Absolute Change 2010-2016	Percent Change 2010-2016
U.S.	323,127,513	14,381,975	4.7%
South	122,319,574	7,763,830	6.8%
North Carolina	10,146,788	611,305	6.4%

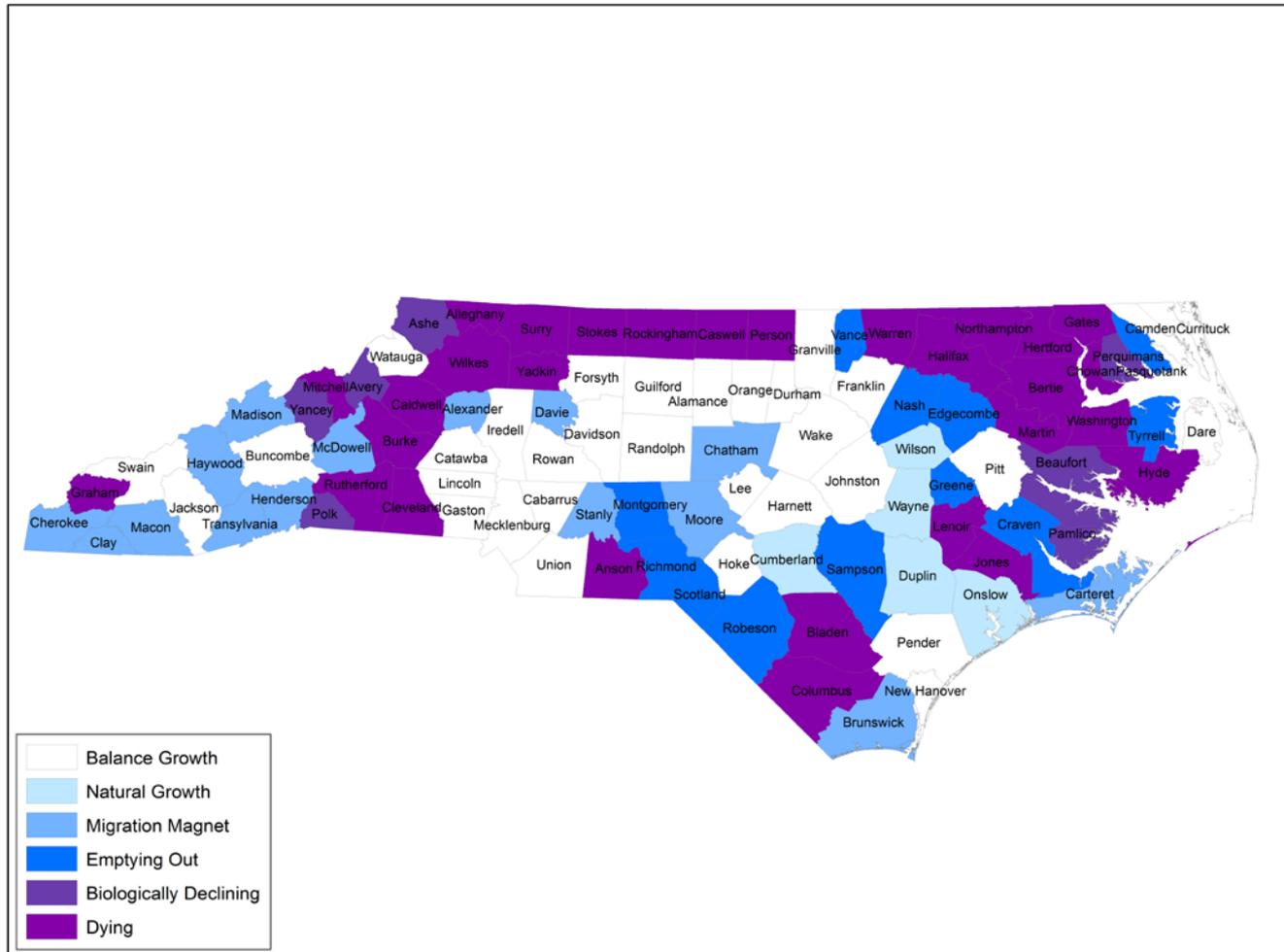
Shares of Total Net Growth, NC, 2010-2015



- Metro
- + Micro
- Rural

- Primary Magnet (18% - 22%)
- Secondary Magnet (1.01% - 6%)
- Tertiary Magnet (0.01% - 1%)
- Population Decline (-.33% - 0%)

Typology of North Carolina Counties, 2016



Two 'colorful' demographic processes are drivers of change

Browning & Graying of America

The “Browning” of America

Immigration-driven population
change

Legal Immigration to United States

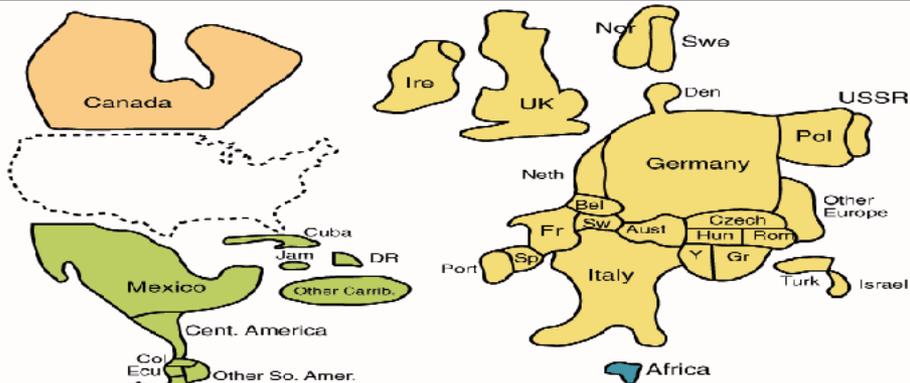
1921-1960

40 years

Area Proportional to Number of Immigrants

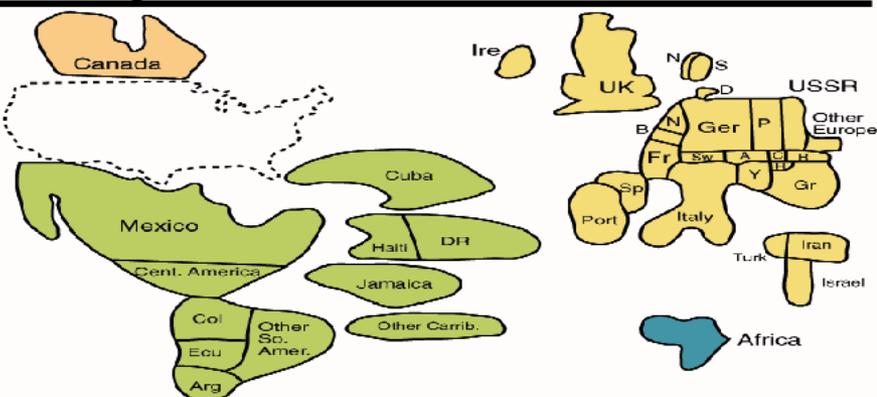
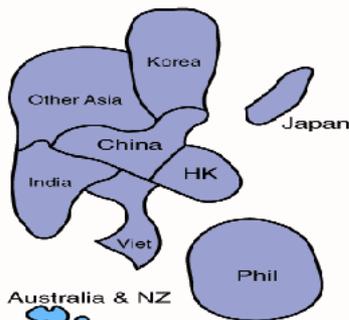
□ 10,000

□ 100,000



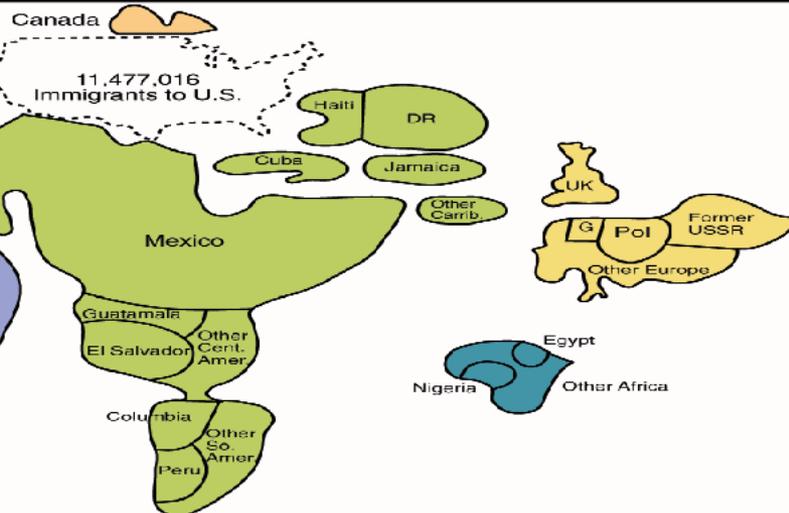
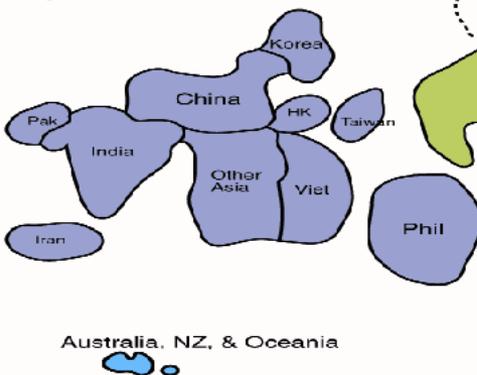
1961-1986

16 years



1987-1998

12 years



The Numbers

Legal Immigrants

Year	Annual Flow
1920-1961	206,000
1961-1992	561,000
1993-1998	800,654
1999-2004	879,400
2005-2008	1,137,000
2009-2012	1,067,000

Refugees, Parolees, Asylees

Year	Annual Flow
1961-1993	65,000
1994-1998	107,000
1999-2004	85,500
2005-2008	75,000
2009-2012	92,500

The Numbers Cont'd

- **Illegal Immigrants**

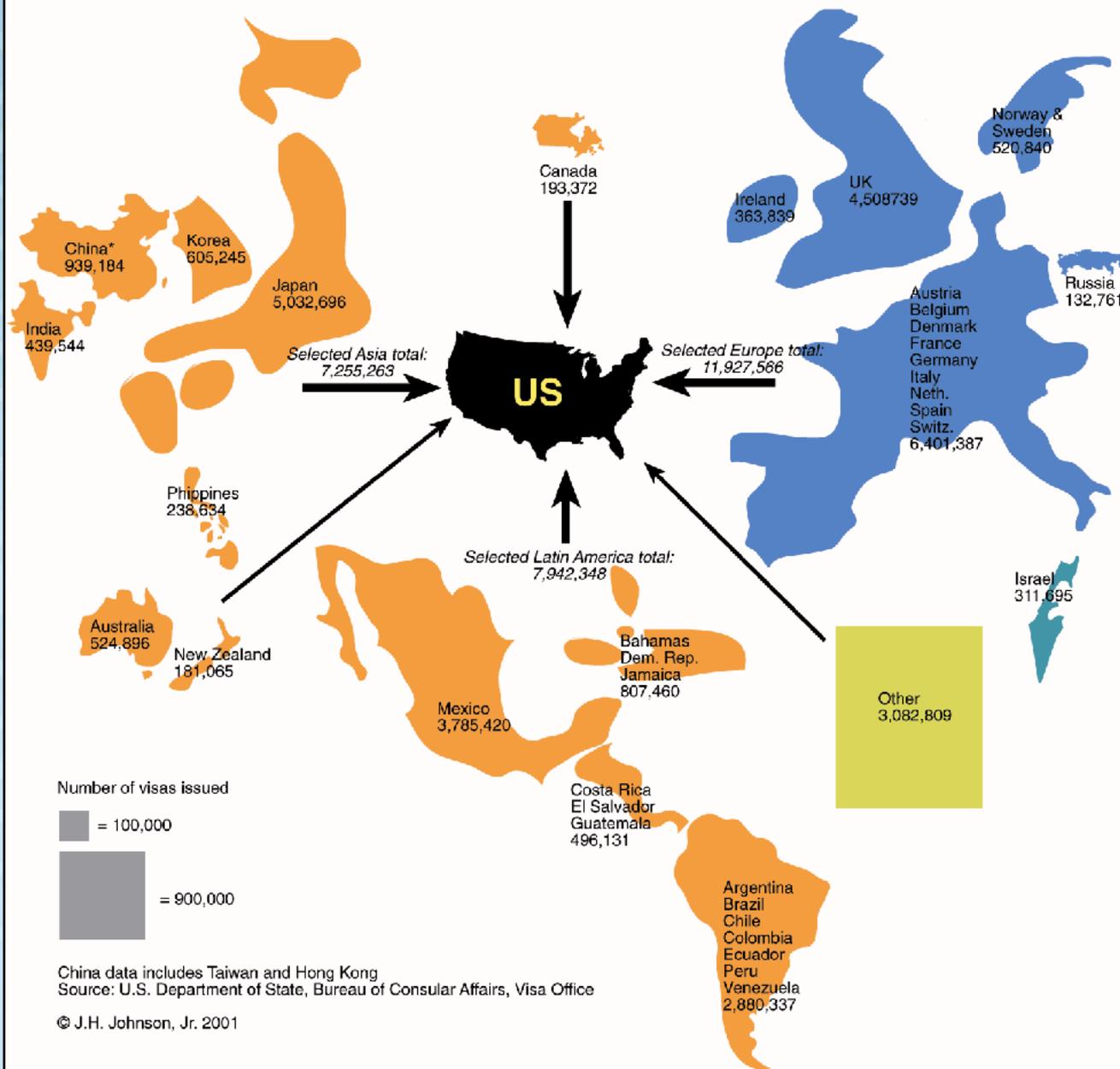
- 300,000 to 400,000 annually over the past two decades
- Three million granted amnesty in 1986
- 2.7 million illegal immigrants remained after 1986 reforms
- October 1996: INS estimated there were 5 million illegal immigrants in U.S.
- Since August 2005: Estimates of illegal population have ranged between 7 million and 15 million
- Today: An estimated 11.0 million unauthorized immigrants reside in U.S.

NON-IMMIGRANTS ADMITTED TO UNITED STATES, SELECTED YEARS, 1981-2011

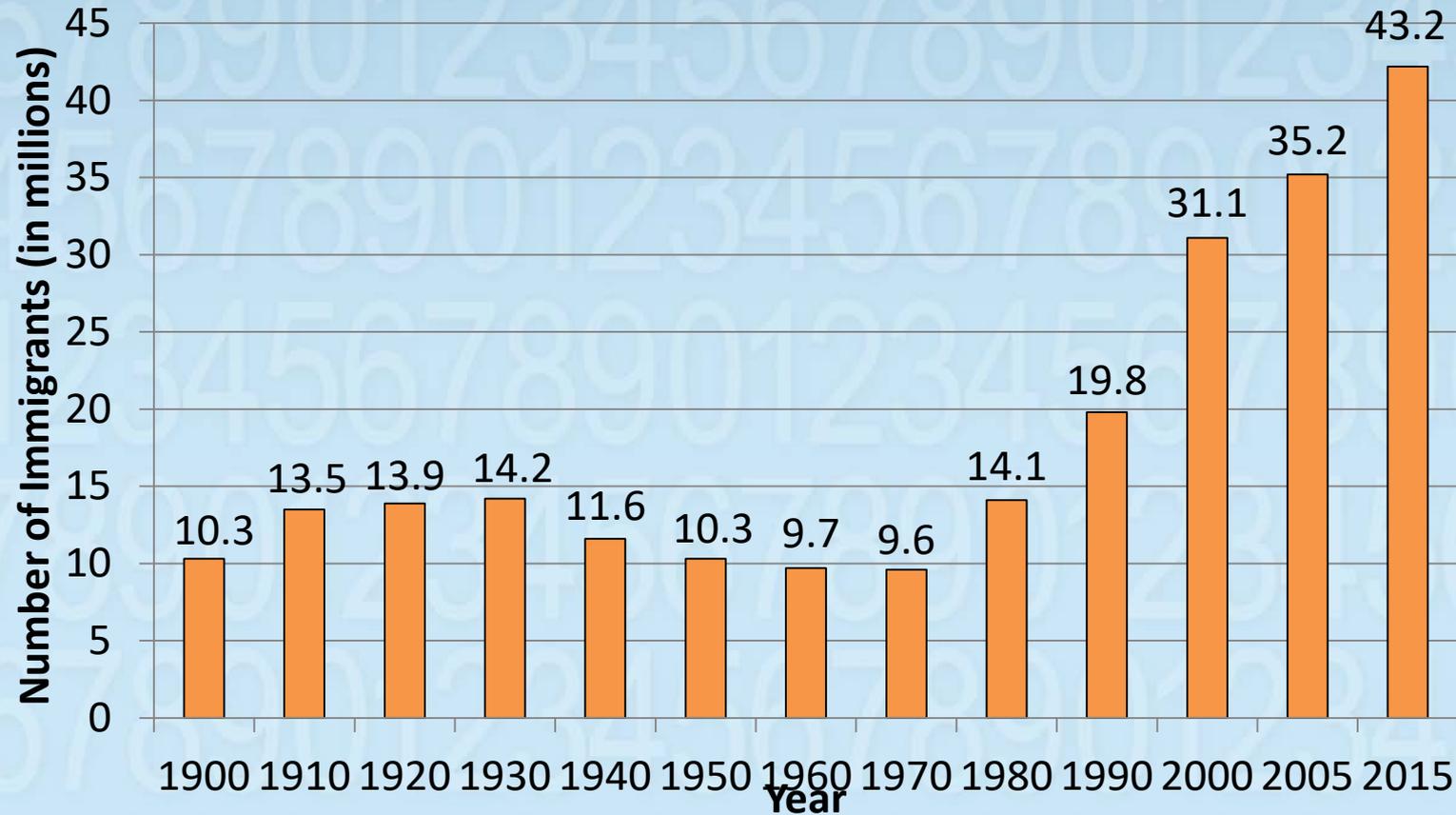
Year	All Classes	Exchange Visitors	Academic & Vocational Students
1981	11,756,903	108,023 (1%)	271,861 (2%)
1985	9,539,880	141,213 (1%)	285,496 (3%)
1990	17,574,055	214,644 (1%)	355,207 (2%)
1995	22,640,540	241,364 (1%)	395,480 (2%)
2000	33,690,082	351,743 (1%)	699,953 (2%)
2001	32,824,088	389,435 (1%)	741,921 (2%)
2002	27,907,139	370,176 (1%)	687,506 (2%)
2008	39,381,928	506,138 (1%)	917,373 (2%)
2011	53,082,286	526,931 (1%)	1,702,730 (3%)

Non-Immigrants Arriving in United States by County of Citizenship, 1999

(Issuance of Non-residence visas, fiscal year 1999)



U.S. Immigrant Population, 1900-2015



U.S. Foreign Born Population by Race/Ethnicity, 2014

Race/Ethnicity	Foreign Born Population	Share of Total (%)
Total	42,235,749	100.0
Hispanic	19,300,947	45.7
White Alone, not Hispanic	7,655,008	18.1
Black Alone, not Hispanic	3,377,733	8.0
Asian Alone, not Hispanic	11,036,059	26.1
Other Alone, not Hispanic	866,002	2.1

U.S. POPULATION CHANGE BY RACE & ETHNICITY, 2000-2010

Race	2010 Population	Absolute Change 2000 – 2010	Percentage Change 2000 - 2010
Total	308,745,538	27,323,632	9.7%
Non-Hispanic	258,267,944	12,151,856	4.9%
White	196,817,552	2,264,778	1.2%
Black	37,685,848	3,738,011	11.0%
AI/AN	2,247,098	178,215	8.6%
Asian	14,465,124	4,341,955	42.9%
NH/PI	481,576	128,067	36.2%
2 or More Races	5,966,481	1,364,335	29.6%
Hispanic	50,477,594	15,171,776	43.0%

NON-WHITE AND HISPANIC SHARES OF POPULATION GROWTH, 2000-2010

Area	Absolute Population Change	Non-White Share	Hispanic Share
US	27,323,632	91.7	55.5
South	14,318,924	79.6	46.4
Texas	4,293,741	89.2	65.0
Florida	2,818,932	84.9	54.7
Georgia	1,501,206	81.0	27.9
North Carolina	1,486,170	61.2	28.3

NON-WHITE AND HISPANIC SHARES OF POPULATION GROWTH, 2010-2016

Area	Absolute Population Change	Non-White Share	Hispanic Share
US	14,381,975	92.1	51.1
South	6,502,887	81.9	43.3*
Texas	3,550,705	82.8	55.7
Florida	2,100,819	81.7	54.1
Georgia	841,556	85.3	21.9
NC	875,410	64.1	24.0
VA	357,206	82.8	33.4

MEDIAN AGE OF U.S. POPULATION BY RACE, HISPANIC ORIGIN & GENDER, 2014

Race	Total	Male	Female
United States	37.7	36.3	39.0
White Alone	40.4	39.0	39.6
White, Non-Hispanic	43.1	41.7	41.8
Black Alone	33.4	31.6	35.1
AI/AN Alone	32.5	31.1	33.6
Asian Alone	36.5	35.3	37.7
NH/PI Alone	30.8	30.3	31.6
Two or More Races	19.6	19.1	20.2
Hispanic	28.4	27.9	29.1

Median Age and Fertility Rates for Females in North Carolina, 2010-2014

Demographic Group	Median Age	Fertility/1000 women*
All Females	39.2	54
White, Not Hispanic	43.6	47
Black	36.2	56
American Indian & Alaskan Native	35.7	65
Asian	33.2	63
Native Hawaiian & Pacific Islander	27.3	81
Some other race	23.9	81
Two or more races	17.2	69
Hispanic	23.9	84
Native Born	39.4	50
Foreign Born	38.0	83

Source: www.census.gov

*Women 15 to 50 with births in past 12 months.

RELATIVE DISTRIBUTION OF U.S. BIRTHS BY RACE / ETHNICITY

Race/Ethnicity	1990	2008	2011
White	66%	50%	49.6%
Blacks	17%	16%	15.0%
Hispanics	15%	26%	26.0%
Other	2%	8%	9.4%

Source: Johnson and Lichter (2010); Tavernise (2011).

RELATIVE DISTRIBUTION OF U.S. POPULATION BY RACE / ETHNICITY

Race/Ethnicity	2005	2050
White	67%	47%
Blacks	12.8%	13%
Hispanics	14%	29%
Asian	5%	9%

Source: Pew Research Center, 2008 *projected.

The “Graying” of America

The Silver Tsunami is about to hit

Key Drivers

- **Changes in Longevity**
- **Declining Fertility**
- **Aging of Boomer Cohort**

U.S. LIFE EXPECTANCY AT BIRTH

YEAR

AGE

1900

47.3

1930

59.7

1960

69.7

1997

76.5

2007

77.9

2010

78.3

2030

101.0

COMPLETED FERTILITY FOR WOMEN 40 - 44 YEARS OLD

Year	Percent Childless	Avg. Number of Children	Percent Higher Order Births*
2006	20	1.9	28
1976	10	3.1	59

*Three or more Children

TOTAL FERTILITY RATES FOR U.S. WOMEN BY RACE/ETHNICITY, 2012

Race/Ethnicity	Total Fertility Rate
All Races	1.88
Hispanic	2.18
Non-Hispanic White	1.76
Blacks	1.90
Asian	1.77
Native American	1.35

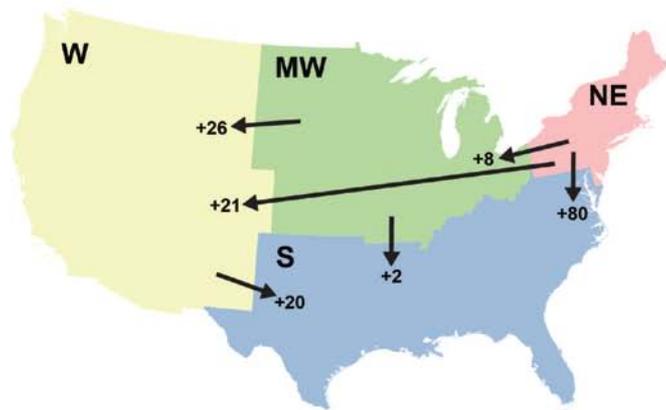
U.S. POPULATION CHANGE BY AGE, 2000-2010

Age	2010	Absolute Change 2000 - 2010	Percentage Change 2000 - 2010
<25	104,853,555	5,416,289	5.4%
25-44	82,134,554	-2,905,697	-3.4%
45-64	81,489,445	19,536,809	31.5%
65+	40,267,984	5,276,231	15.1%
TOTAL	308,745,538	27,323,632	9.7%

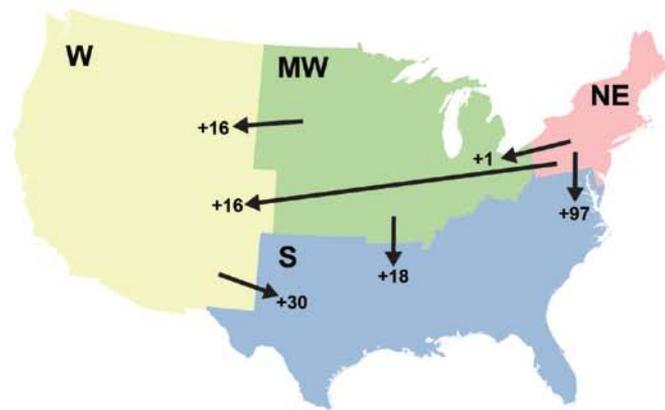
U.S. POPULATION TURNING 50, 55, 62, AND 65 YEARS OF AGE, (2007-2015)

	Age 50	Age 55	Age 62	Age 65
Average Number/Day	12,344	11,541	9,221	8,032
Average Number/Minute	8.6	8.0	6.4	5.6

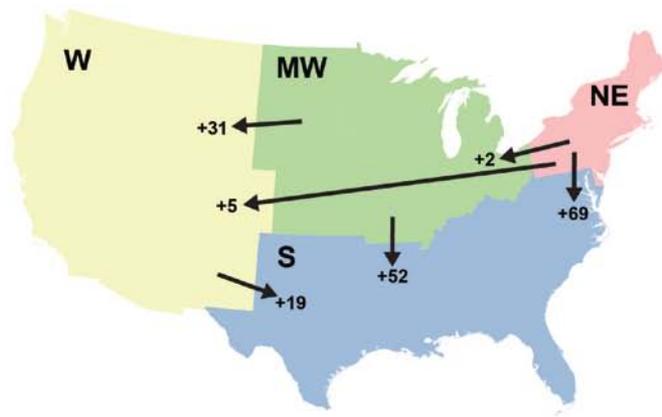
Net Regional Migration Flows of Elderly Populations



2000-2005



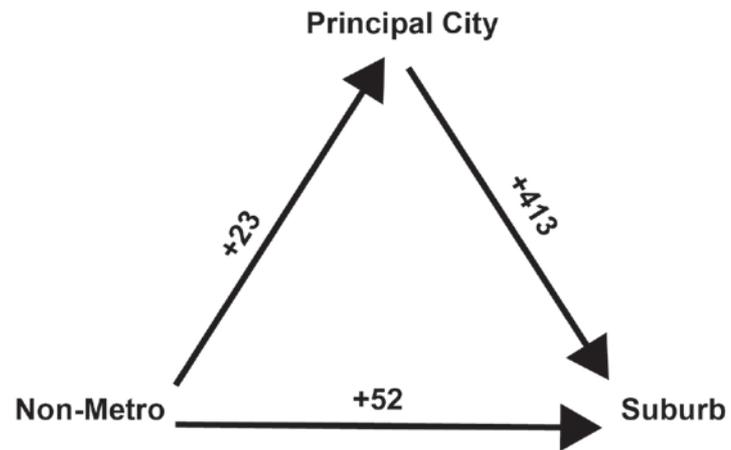
2005-2010



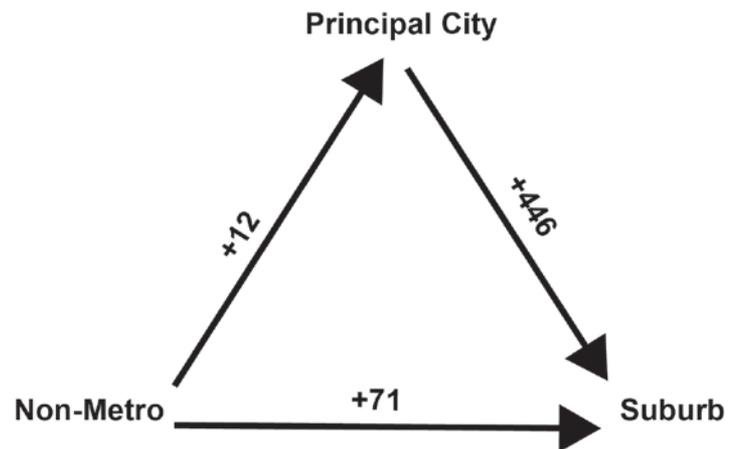
2010-2015

Metro/Non-Metro Elderly Net Migration Flow (In Thousands)

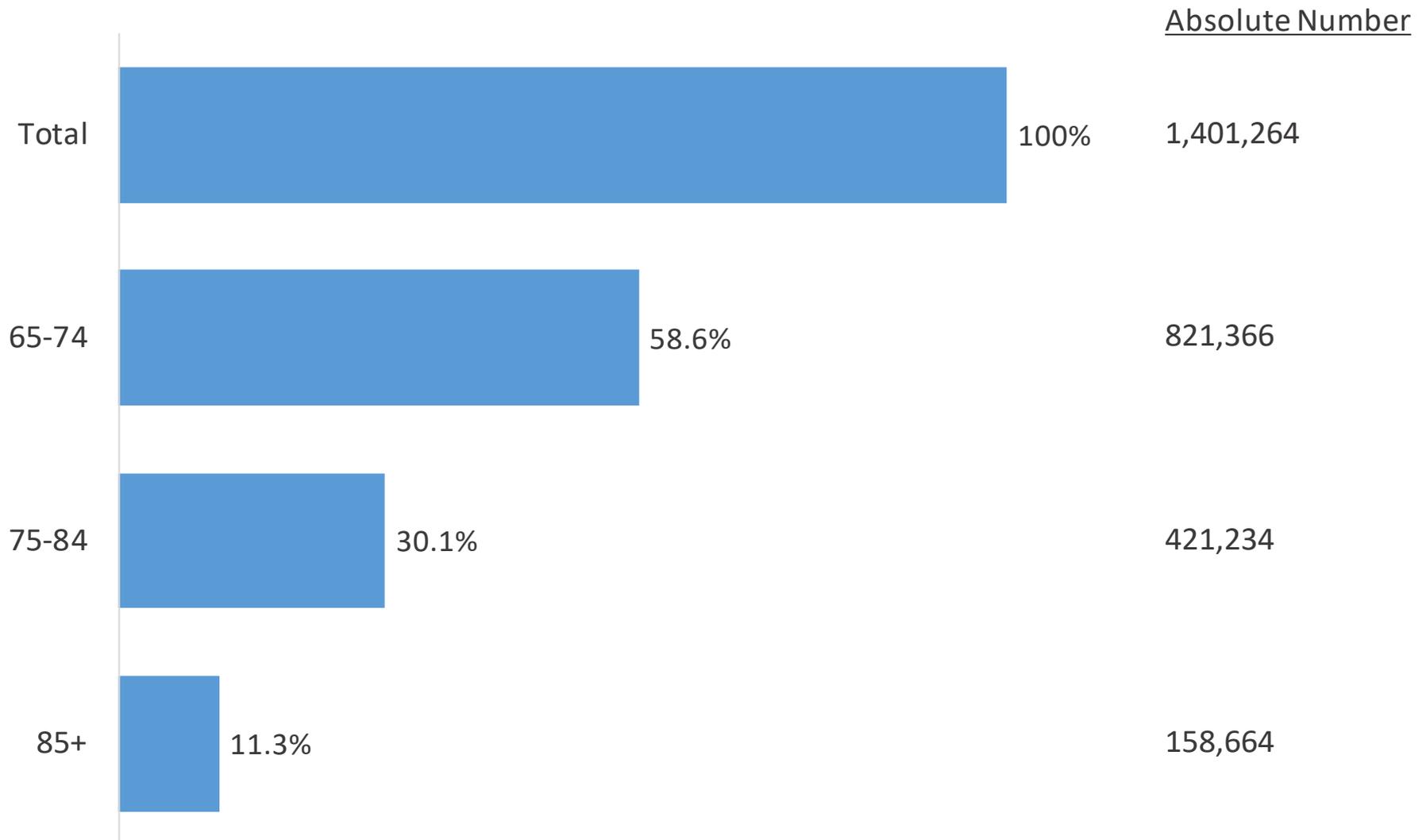
2005 - 2010



2010-2011 - 2013-2014



NC Elderly Population by Age



NC Elderly Population by Gender

Absolute Number

All

100%

1,401,264

Male

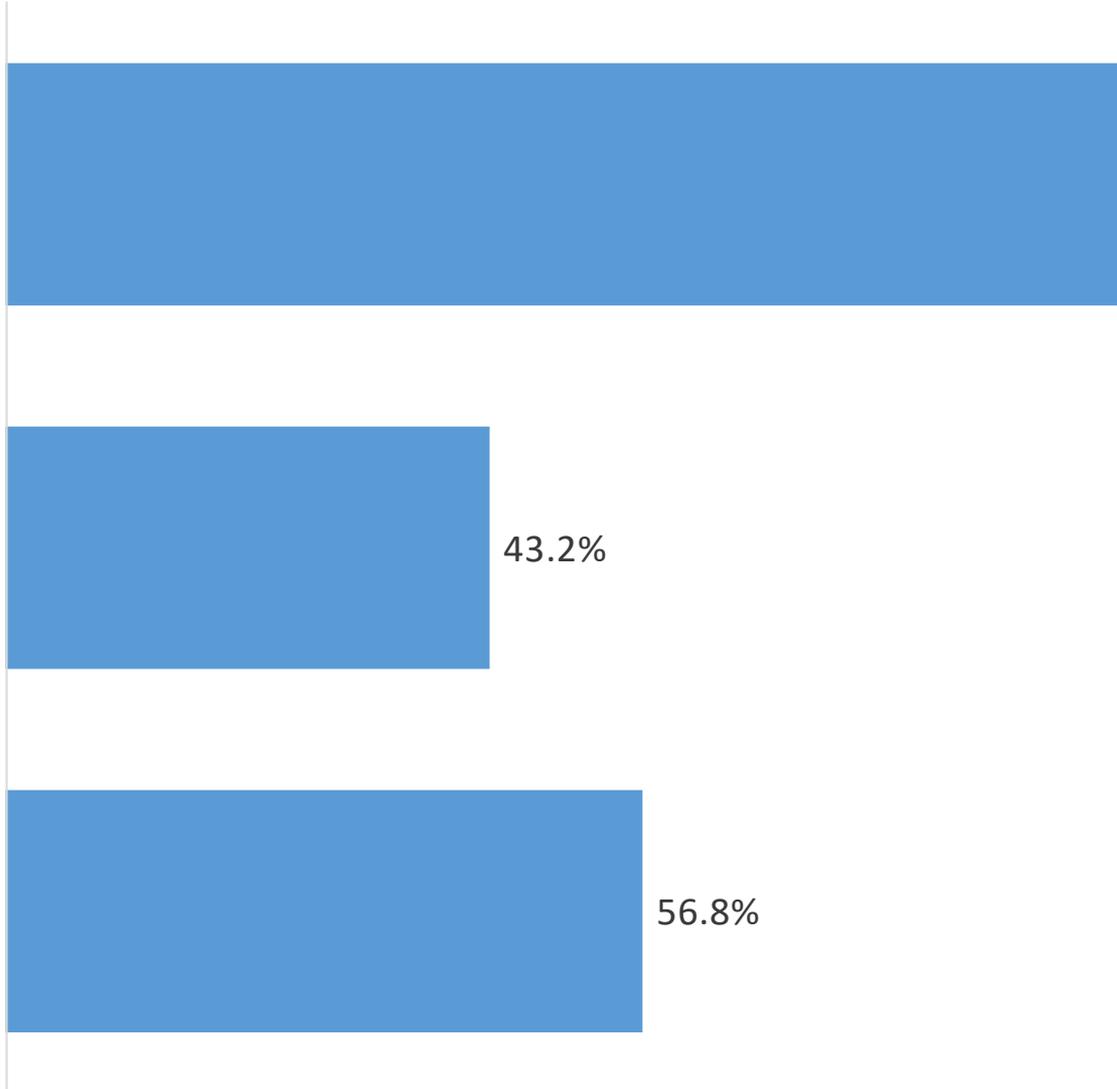
43.2%

604,881

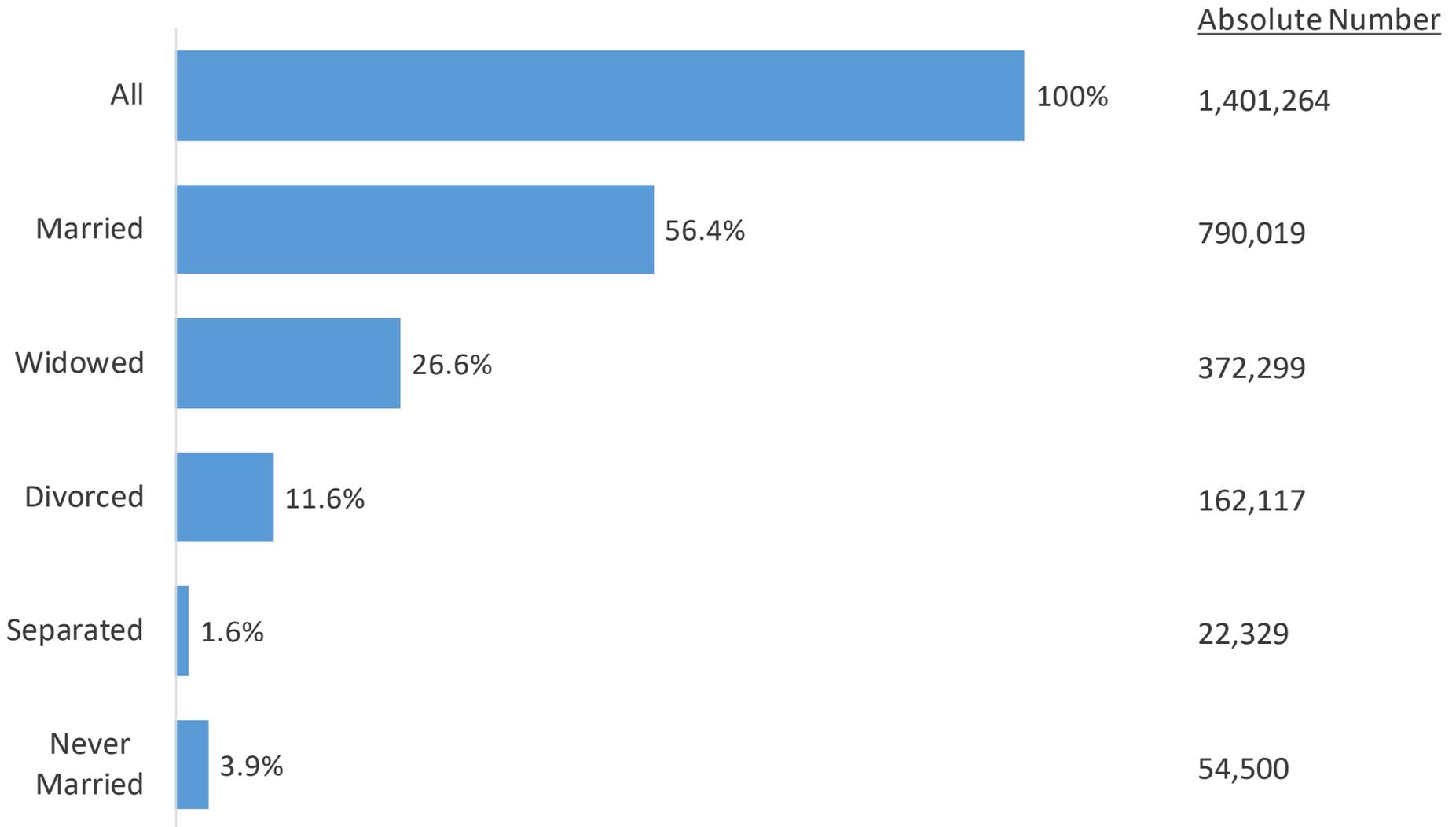
Female

56.8%

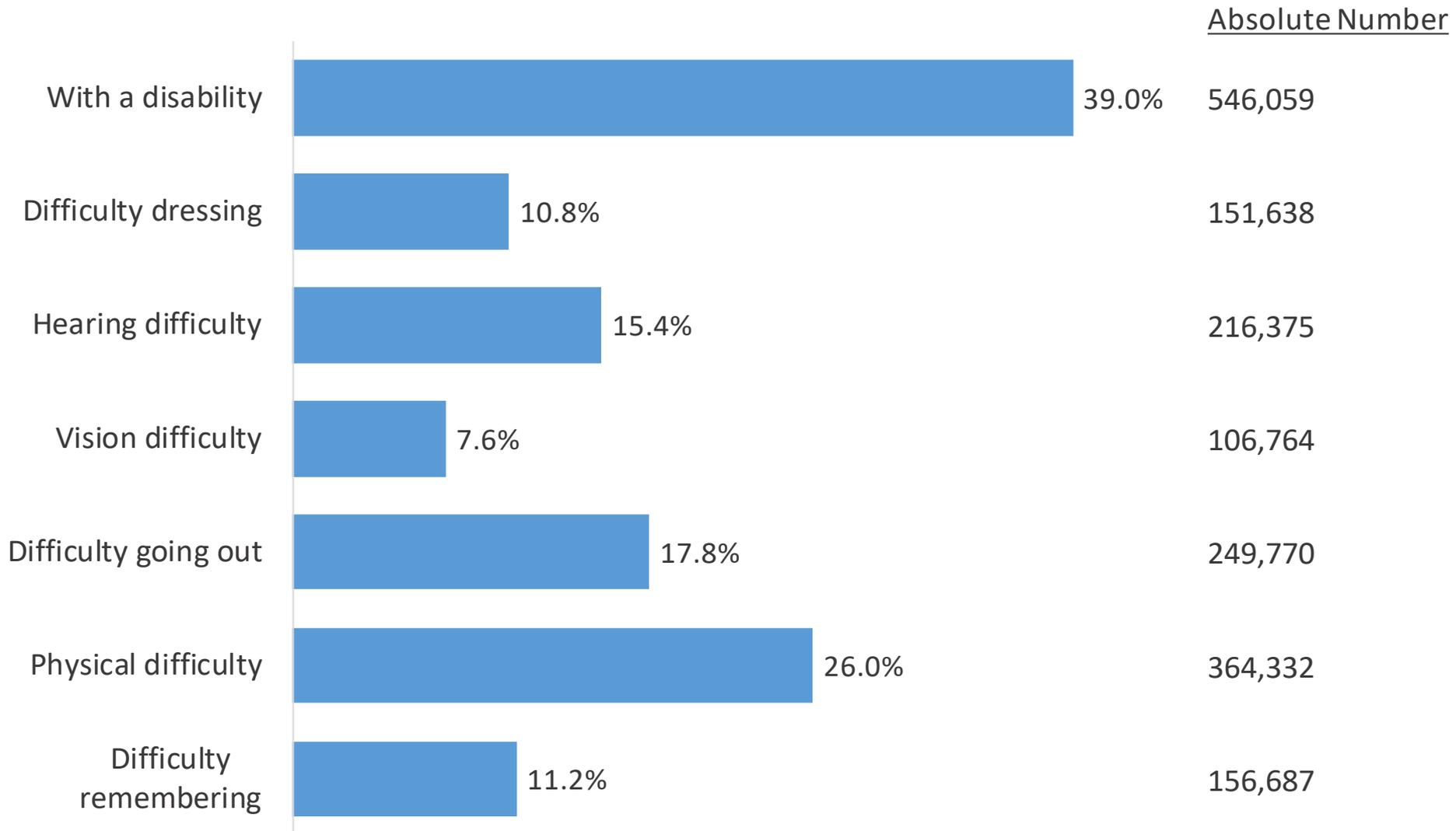
796,383



NC Elderly Population by Marital Status

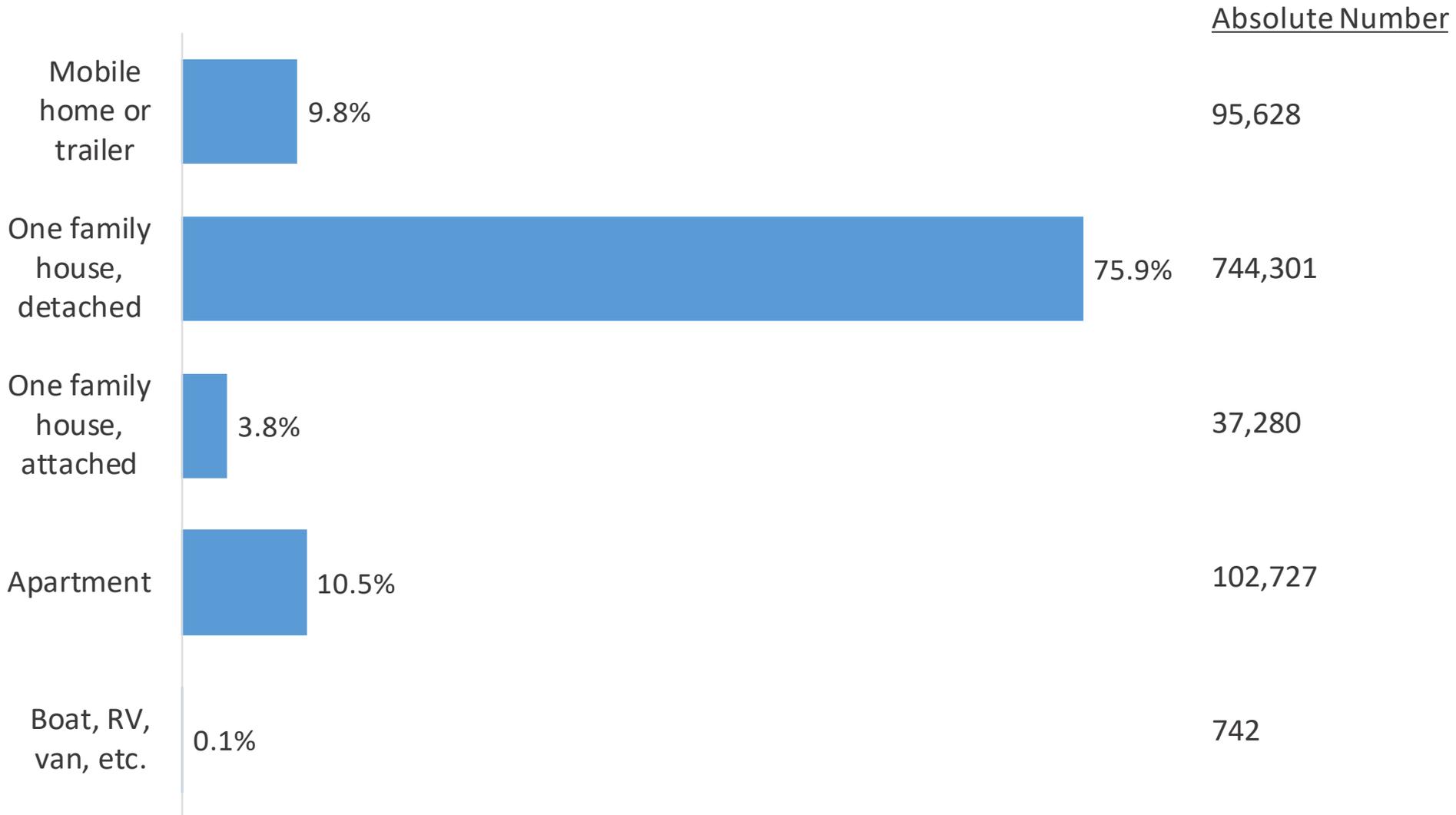


NC Elderly Population by Mobility Constraints



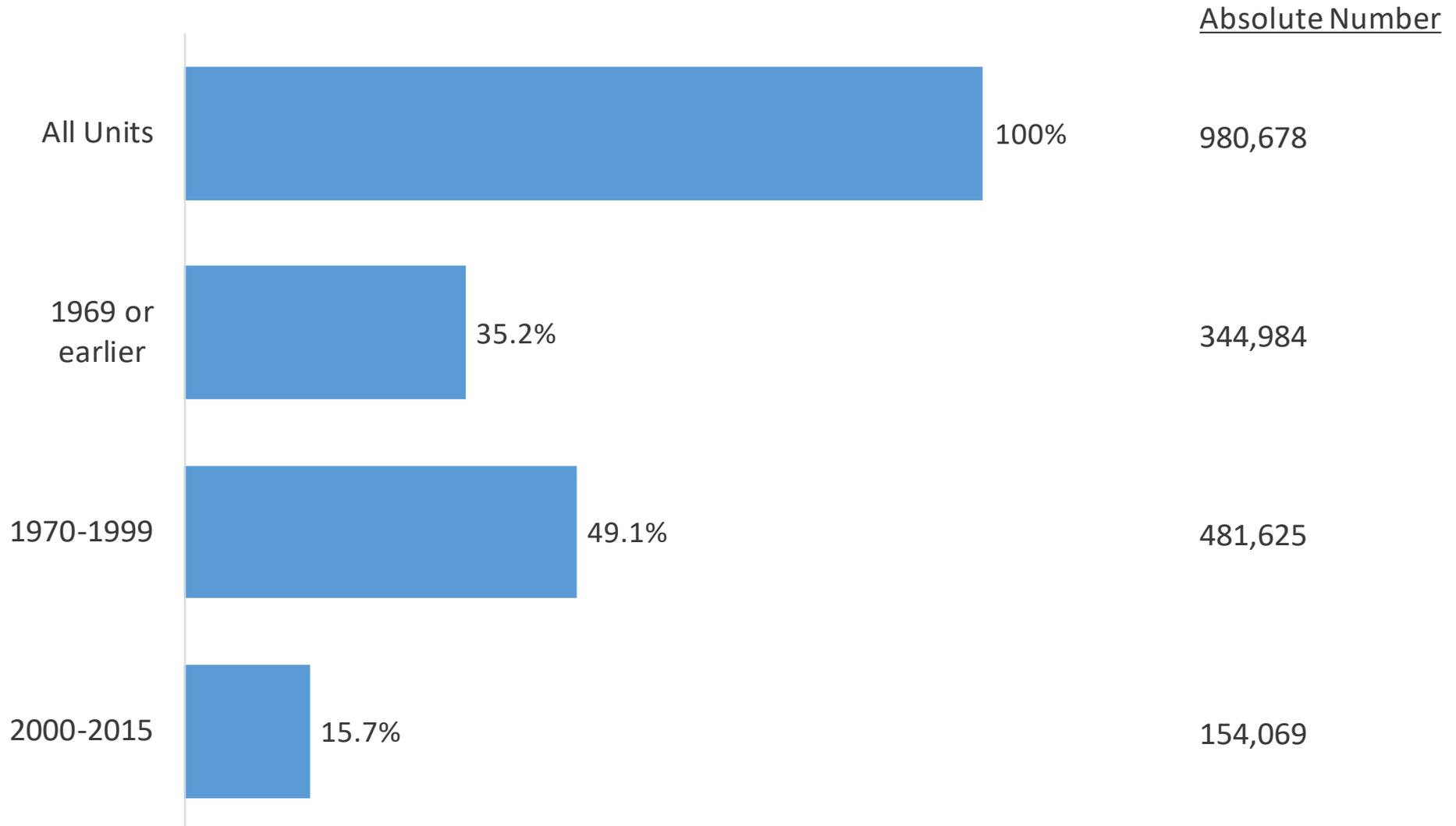
Housing of the NC Elderly Population

Number of Units by Type of Building



Housing of the NC Elderly Population

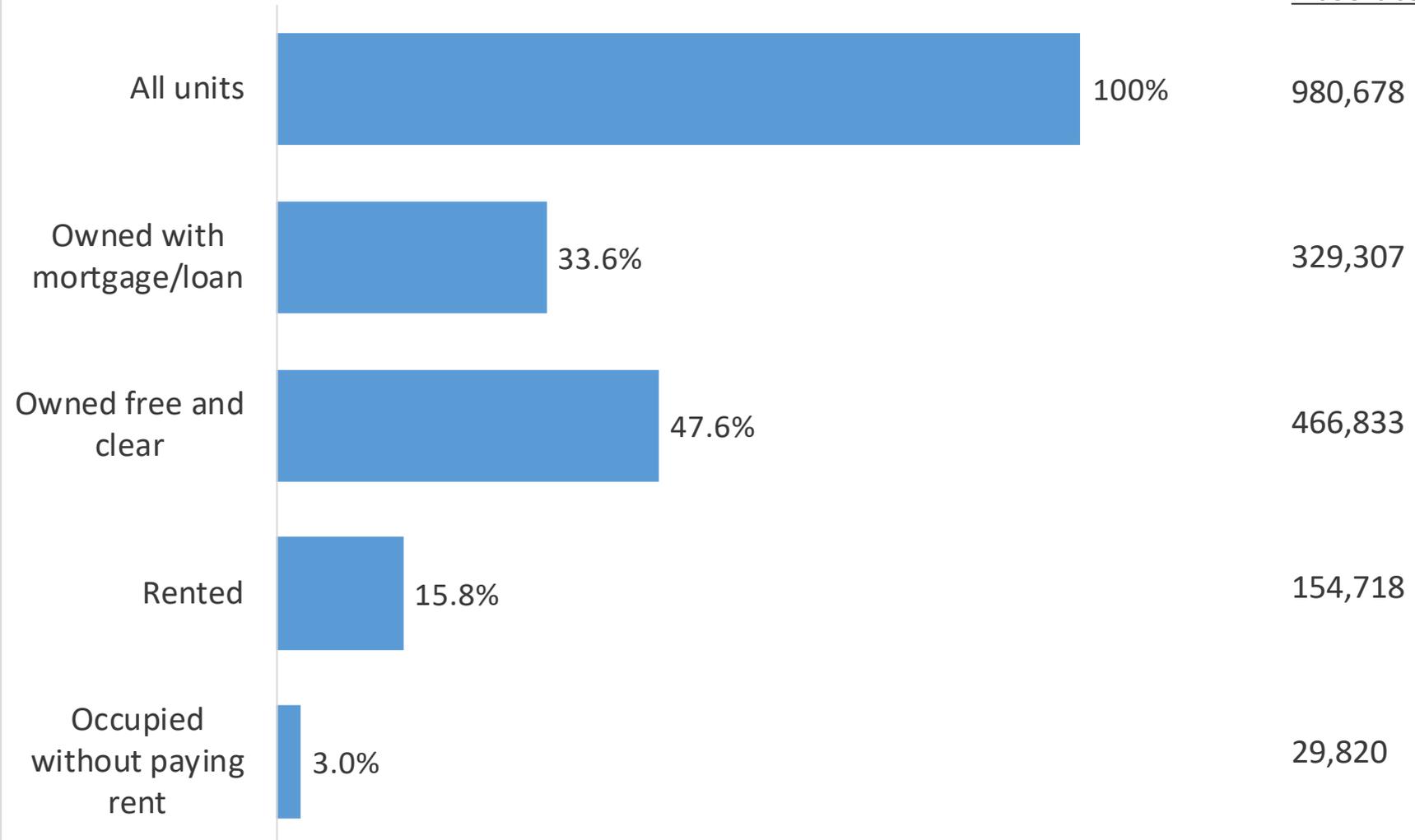
Number of Units by Year Structure Built



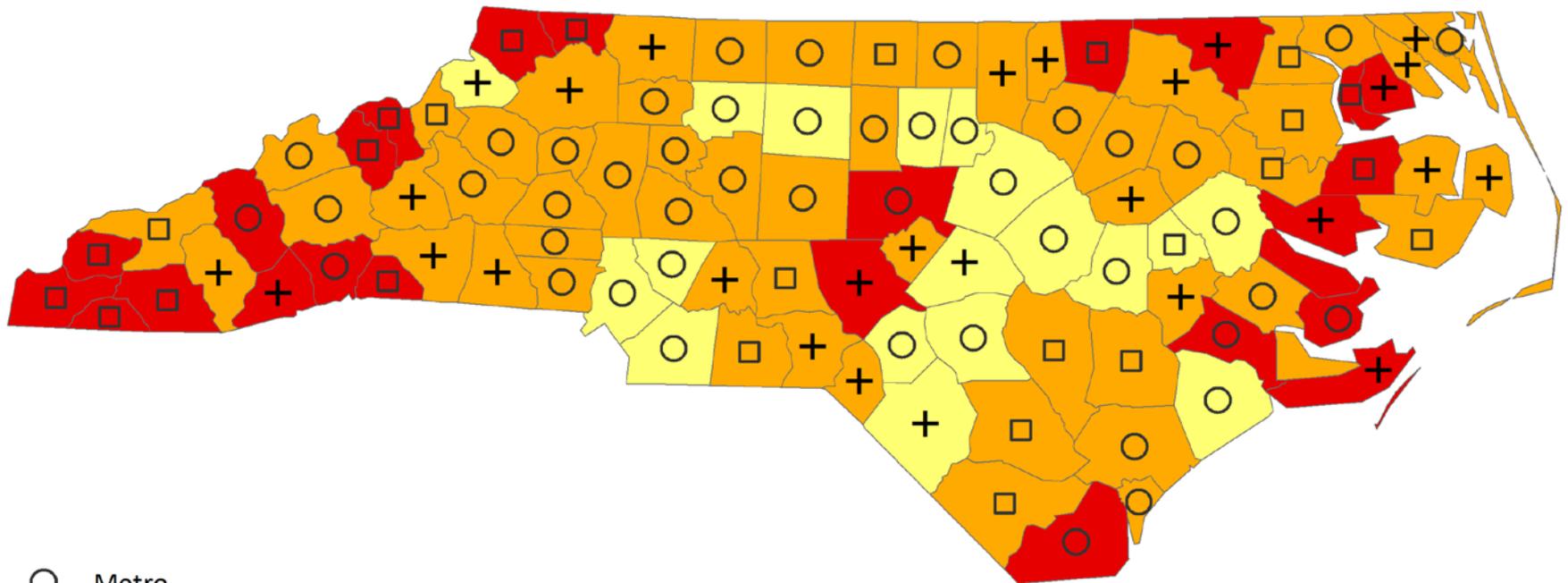
Housing of the NC Elderly Population

Number of Units by Tenure

Absolute Number



Percent Elderly by County, NC, 2015



○ Metro

+ Micro

□ Rural

High (>20%)

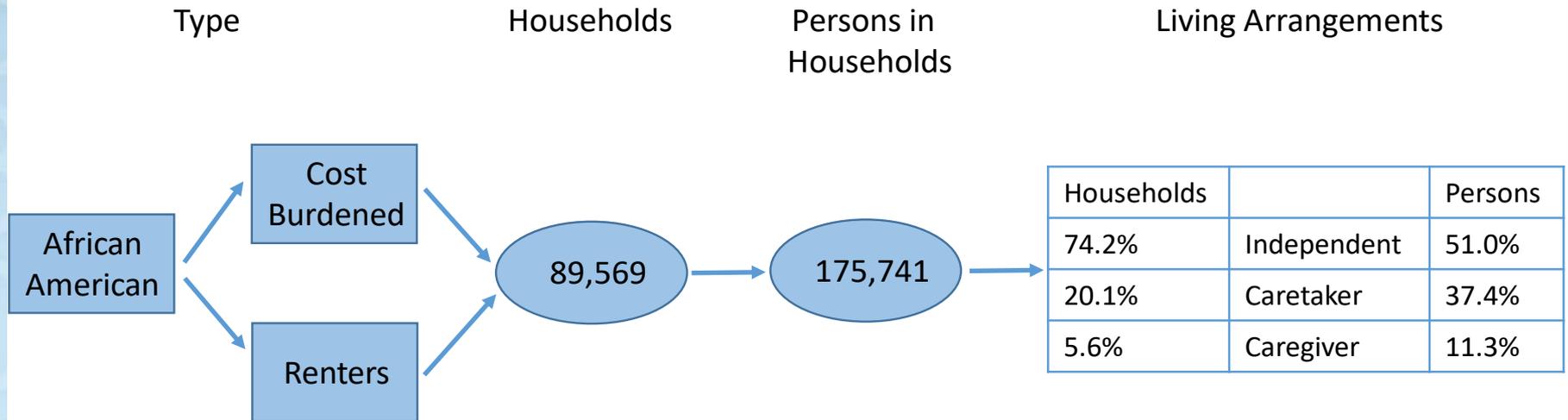
Above Average (14% - 20%)

Below Average (<14%)

Old Age Dependency Ratios by County, NC, 2016



Households with Greatest Barriers to Aging in Place, North Carolina, 2011-2015



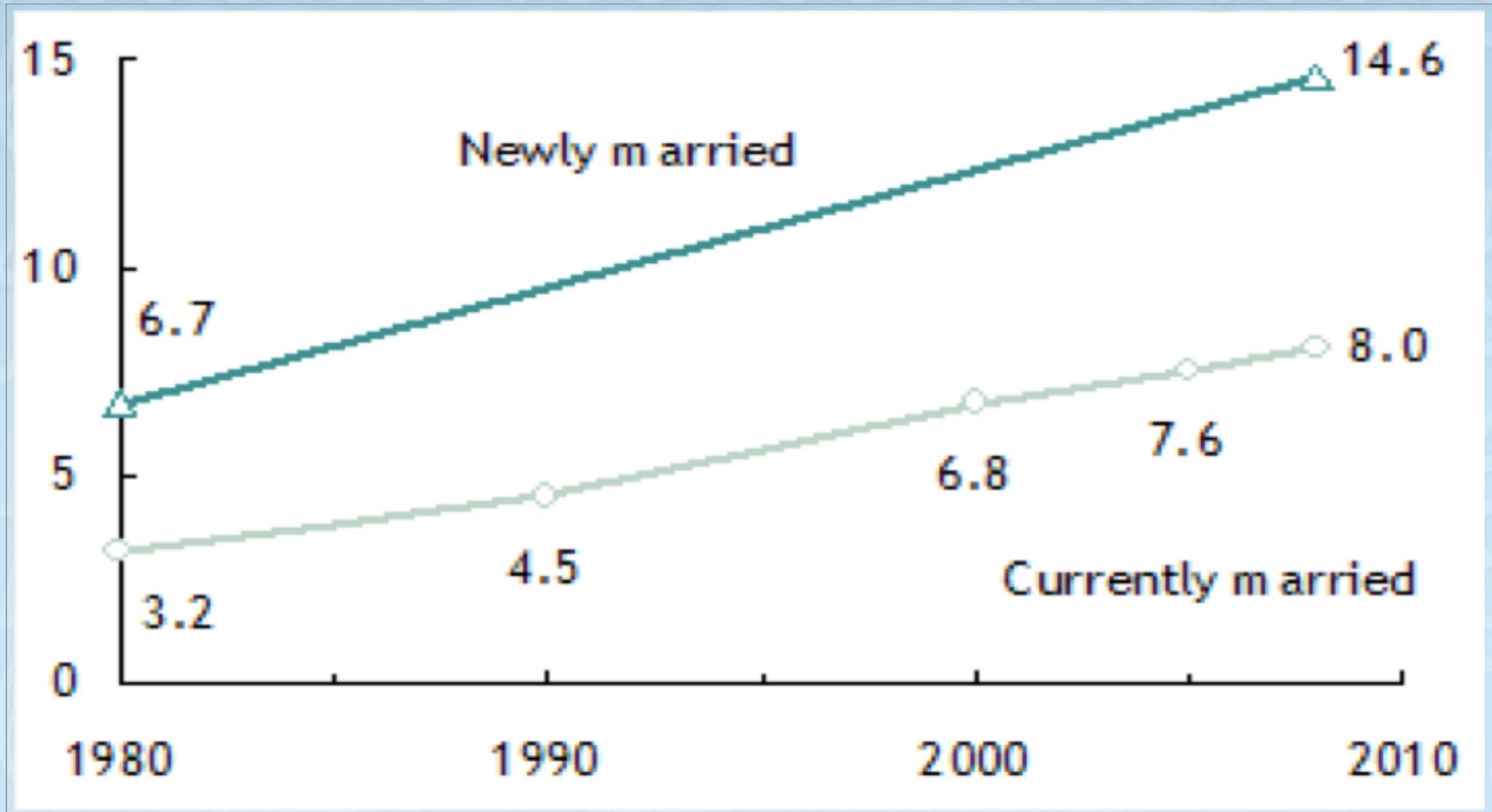
Source: American Community Survey, PUMS, 2011-2015

Marrying Out



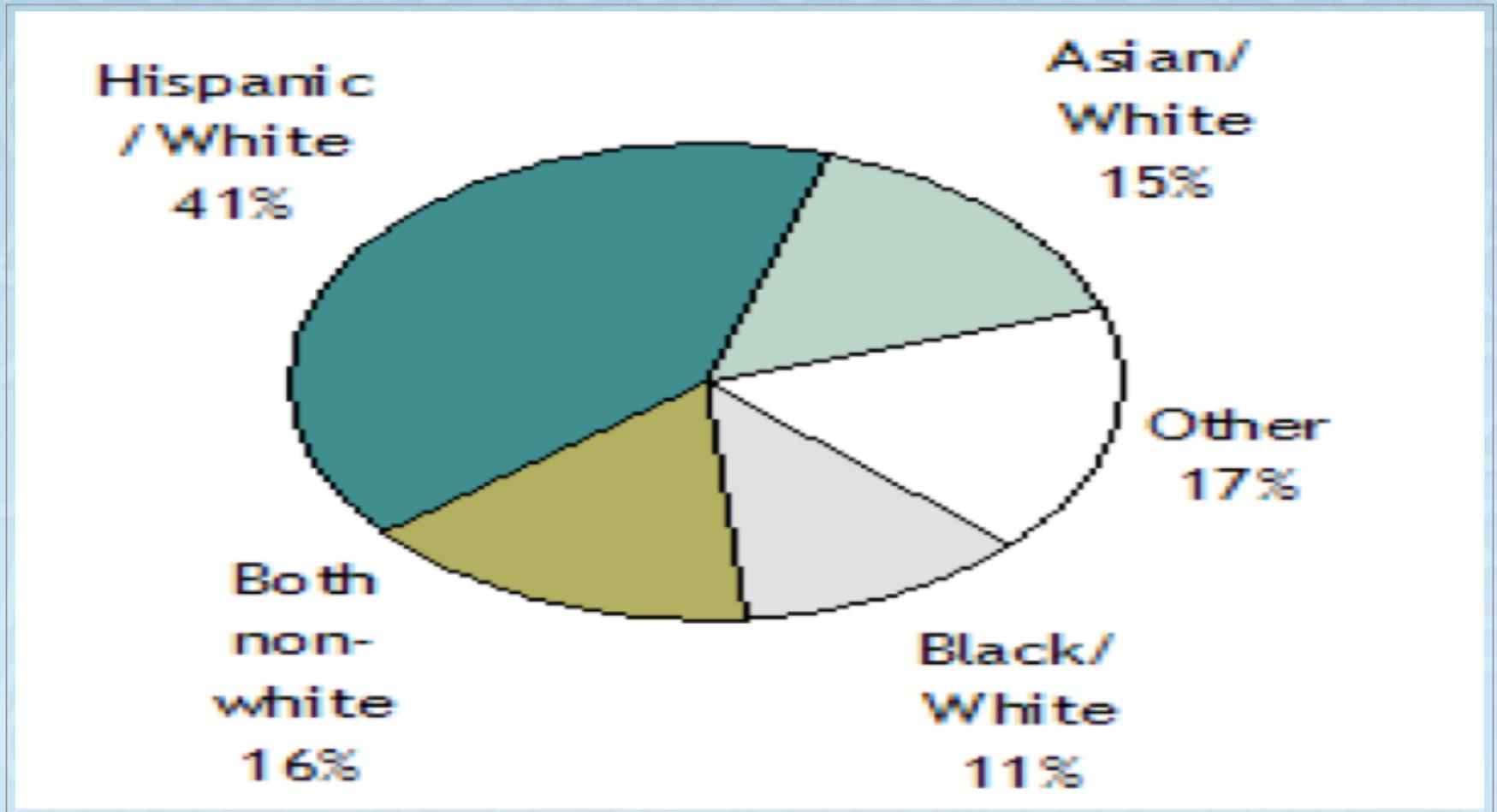
INTERMARRIAGE TREND, 1980-2008

% Married Someone of a Different Race/Ethnicity



INTERMARRIAGE TYPES

Newly Married Couples in 2008



**Living Arrangements
are more diverse ...**

And Interesting!

Children Living in Non-Grandparent and Grandparent Households, 2001-2010

Household Type	Absolute Number 2010	Absolute Change 2001-2010	Percent Change 2001-2010
All	74,718	2,712	3.8
No Grandparents	67,209	917	1.4
Both Grandparents	2,610	771	41.9
Grandmother Only	1,922	164	9.3
Grandfather Only	318	71	28.7

Children Living in Non-Grandparent and Grandparent-Headed Households by Presence of Parents, 2010

Household Type	All Children (in thousands)	Living with Both Parents	Living with Mother Only	Living with Father Only	Living with Neither parent
All	74,718	69.3%	23.1%	3.4%	4.0%
No Grandparents	67,209	73.4%	21.2%	3.3%	2.1%
Both Grandparents	2,610	18.1%	40.6%	5.2%	36.1%
Grandmother Only	1,922	13.8%	48.4%	4.5%	33.2%
Grandfather Only	318	26.4%	45.9%	4.4%	23.6%

Couple Households with Children, 2009

Type of Couple	Number of Households with Children	Percent Own Children	Percent Unrelated Children
Married—opposite sex	23,453,504	99.6	0.4
Unmarried—opposite sex	2,493,838	86.9	13.1
Same Sex	104,949	90.2	9.8



DIVERSITY RULES

but Challenges Abound

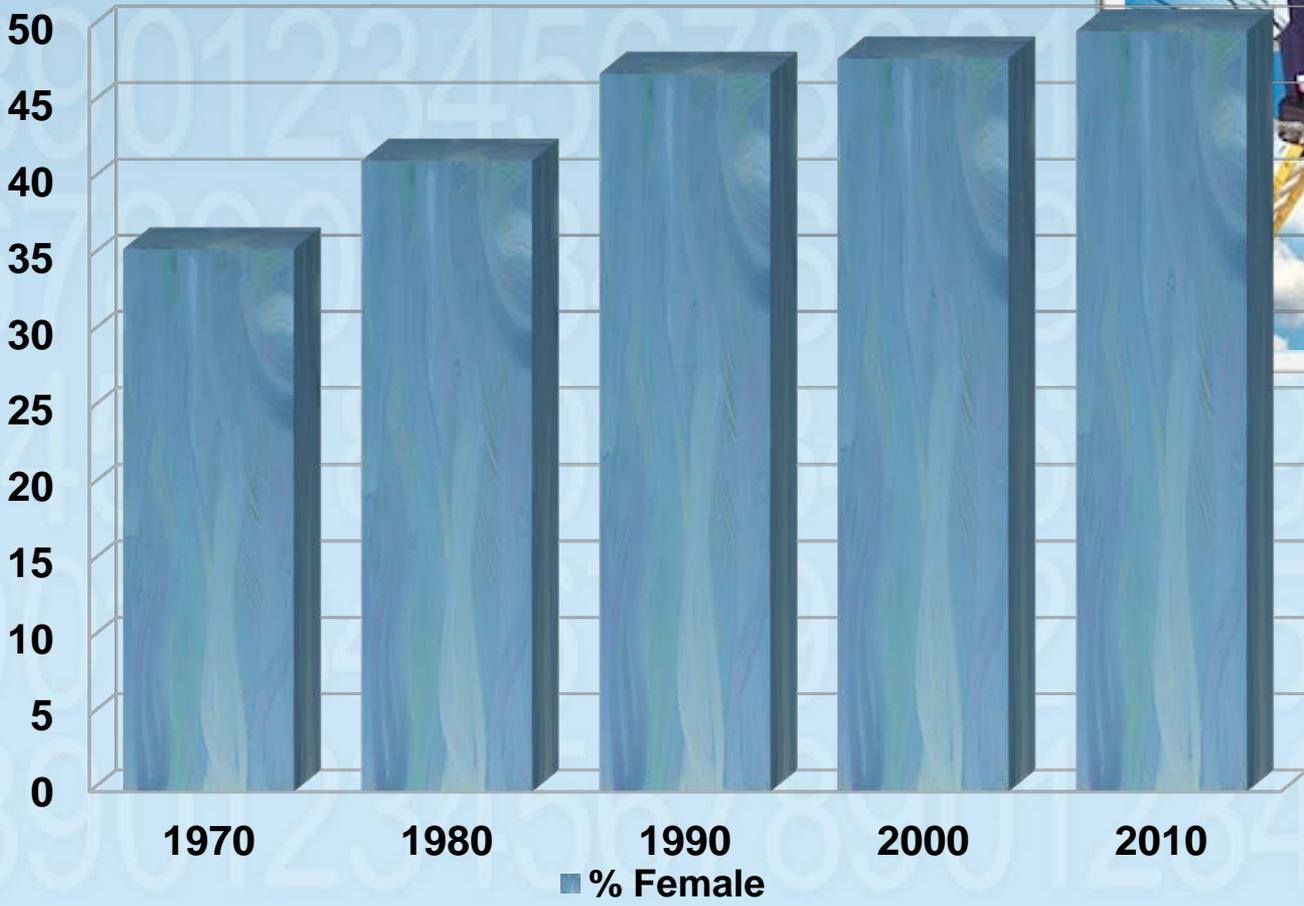
Workforce Planning and Development Challenges

- The End of Men?
- The Triple Whammy of Geographic Disadvantage
- Education necessary, but not sufficient



The End of Men?

FEMALE WORKFORCE REPRESENTATION



THE PLIGHT OF MEN

- Today, three times as many men of working age do not work at all compared to 1969.
- Selective male withdrawal from labor market—rising non-employment due largely to skills mismatches, disabilities & incarceration.
- The percentage of prime-aged men receiving disability insurance doubled between 1970 (2.4%) and 2009 (4.8%).
- Since 1969 median wage of the American male has declined by almost \$13,000 after accounting for inflation.
- After peaking in 1977, male college completion rates have barely changed over the past 35 years.

COLLEGE CLASS OF 2010

DEGREE	MALE	FEMALE	DIFFERENCE
Associate's	293,000	486,000	193,000
Bachelor's	702,000	946,000	244,000
Master's	257,000	391,000	134,000
Professional	46,800	46,400	-400
Doctor's	31,500	32,900	1,400
TOTAL	1,330,300	1,902,300	572,000

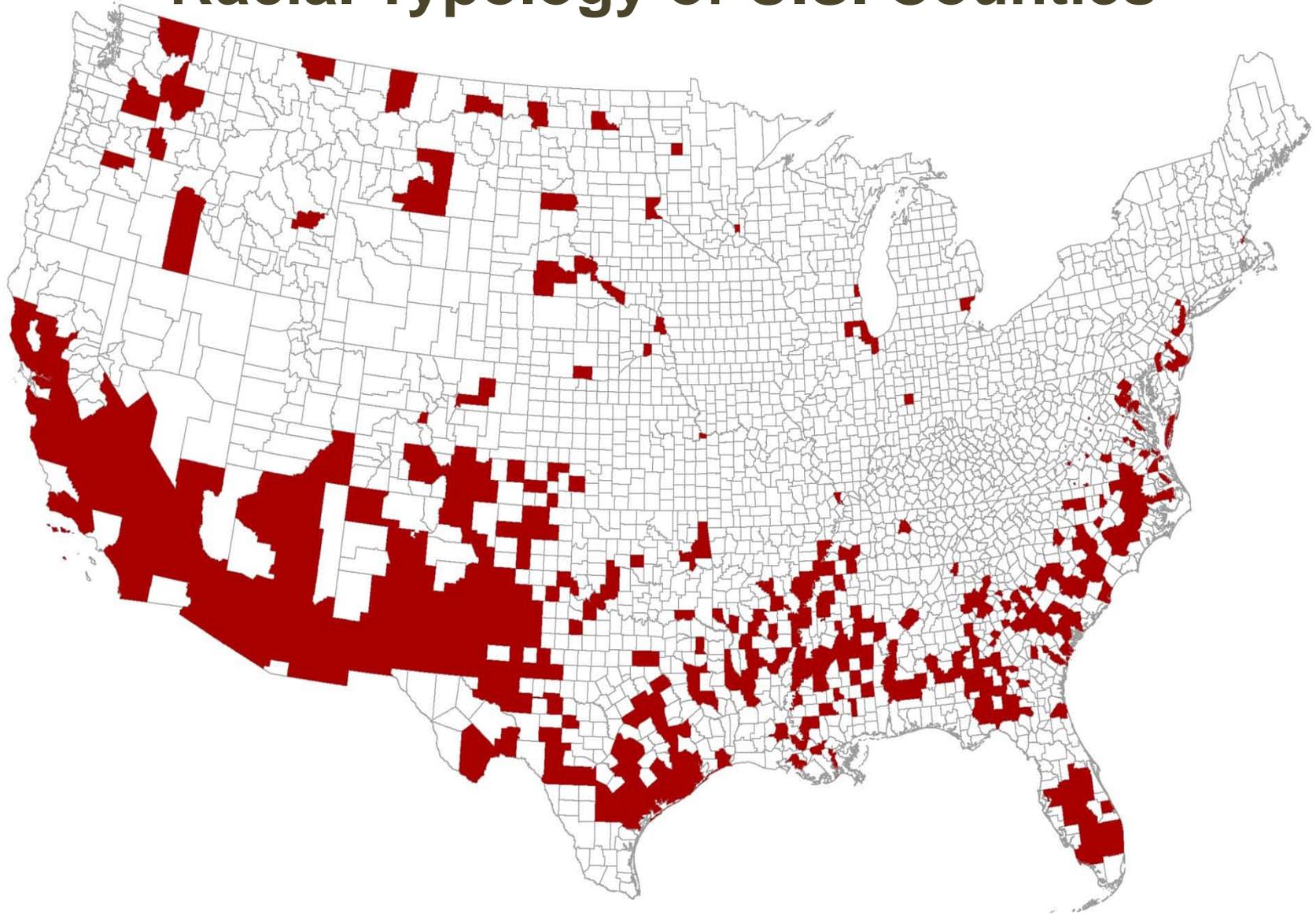
Gender Composition of Student Head Count Enrollment in NC Colleges & Universities, Fall 2014

Type of Institution	Total Enrollment	Male Enrollment	Percent Male Enrollment
All Institutions	554,505	230,672	41.6
Bible Colleges	3,880	2,720	70.1
Public Institutions	459,651	189,749	41.3
UNC System	220,121	95,435	43.3
PWIs	181,246	81,304	44.9
MSIs	38,875	14,131	36.3
HBU's	32,653	11,835	36.2
Community Colleges	239,530	104,313	43.5
Private Institutions	90,974	38,204	42.0
Senior Colleges & Universities	90,296	37,755	41.8
Junior Colleges	678	449	66.2

The Triple Whammy of Geographical Disadvantage

The Human Capital Challenge

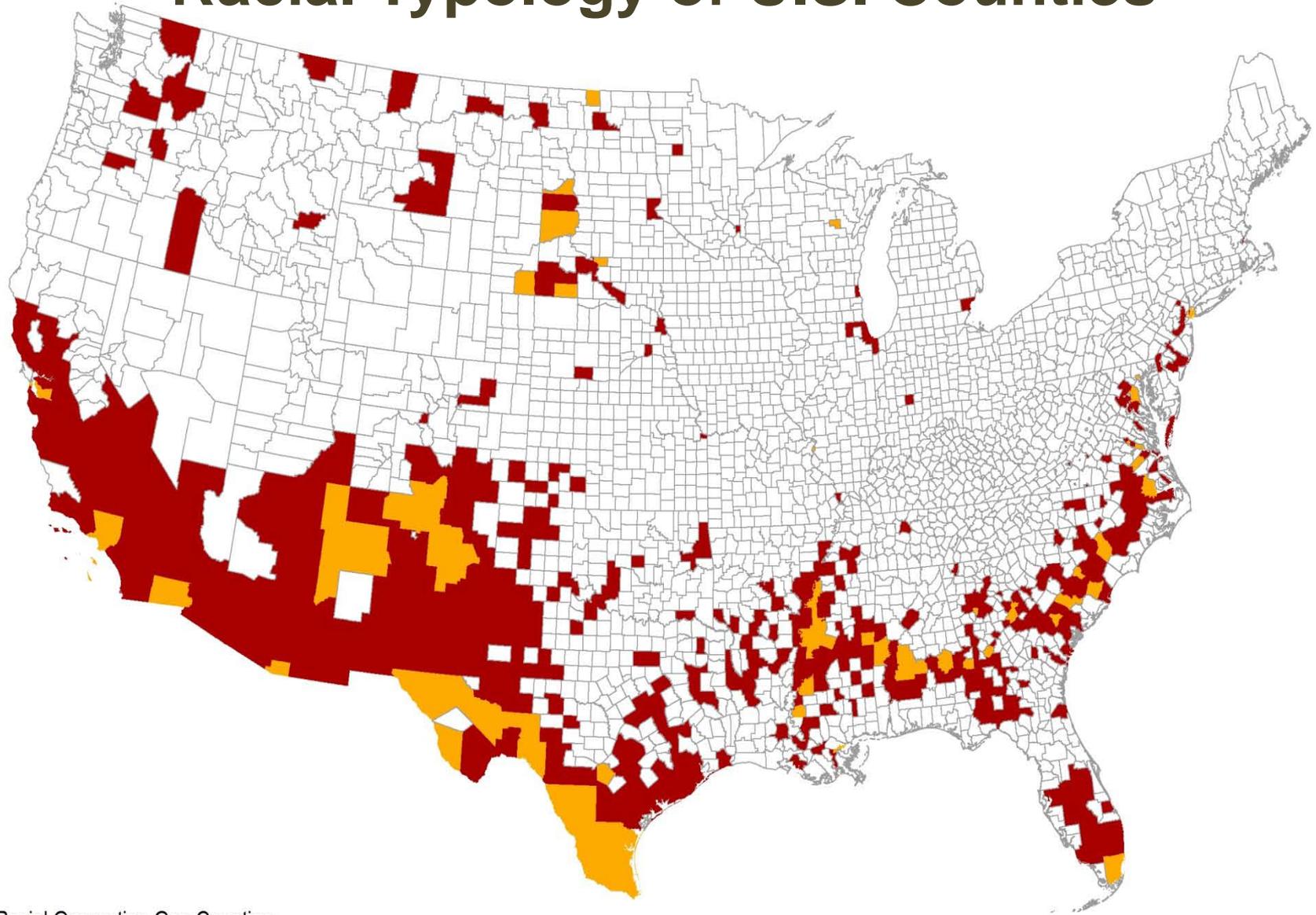
Racial Typology of U.S. Counties



 Racial Generation Gap Counties

Source: U.S. Decennial Census, 2010

Racial Typology of U.S. Counties

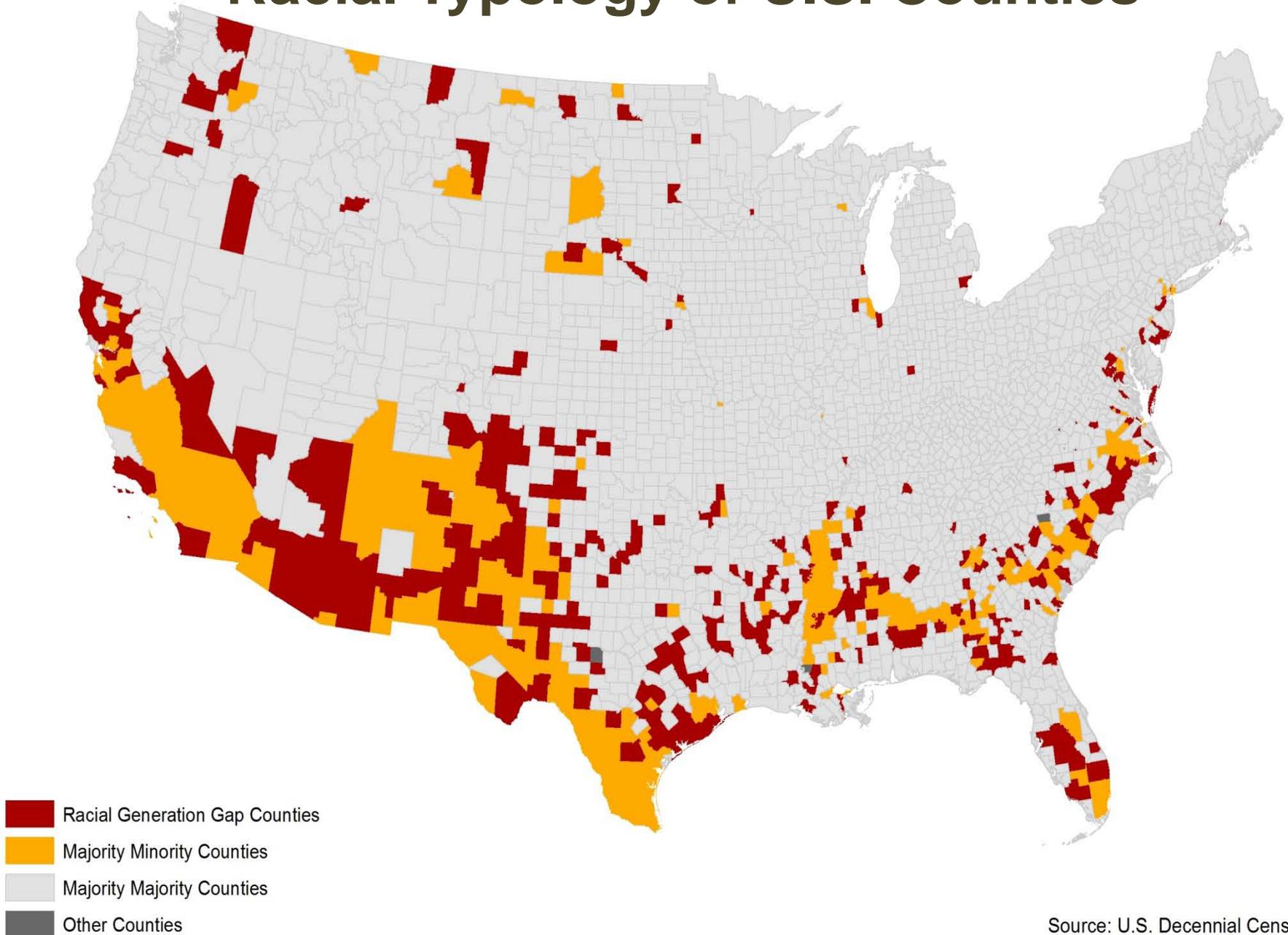


 Racial Generation Gap Counties

 Majority Minority Counties

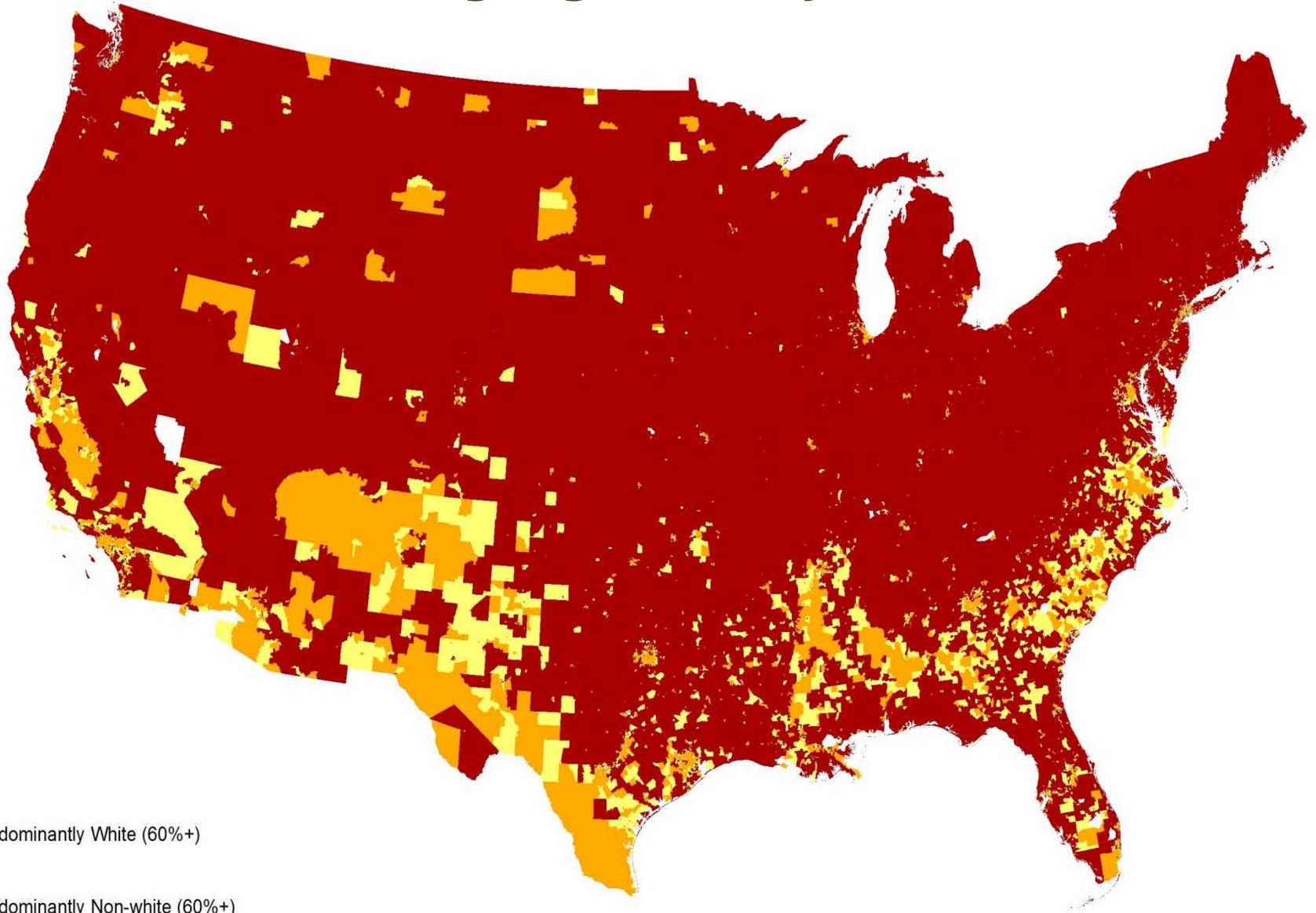
Source: U.S. Decennial Census, 2010

Racial Typology of U.S. Counties



Source: U.S. Decennial Census, 2010

U.S. Racial Segregation by Census Tract



-  Predominantly White (60%+)
-  Predominantly Non-white (60%+)
-  Mixed Tracts

Source: U.S. Decennial Census, 2010

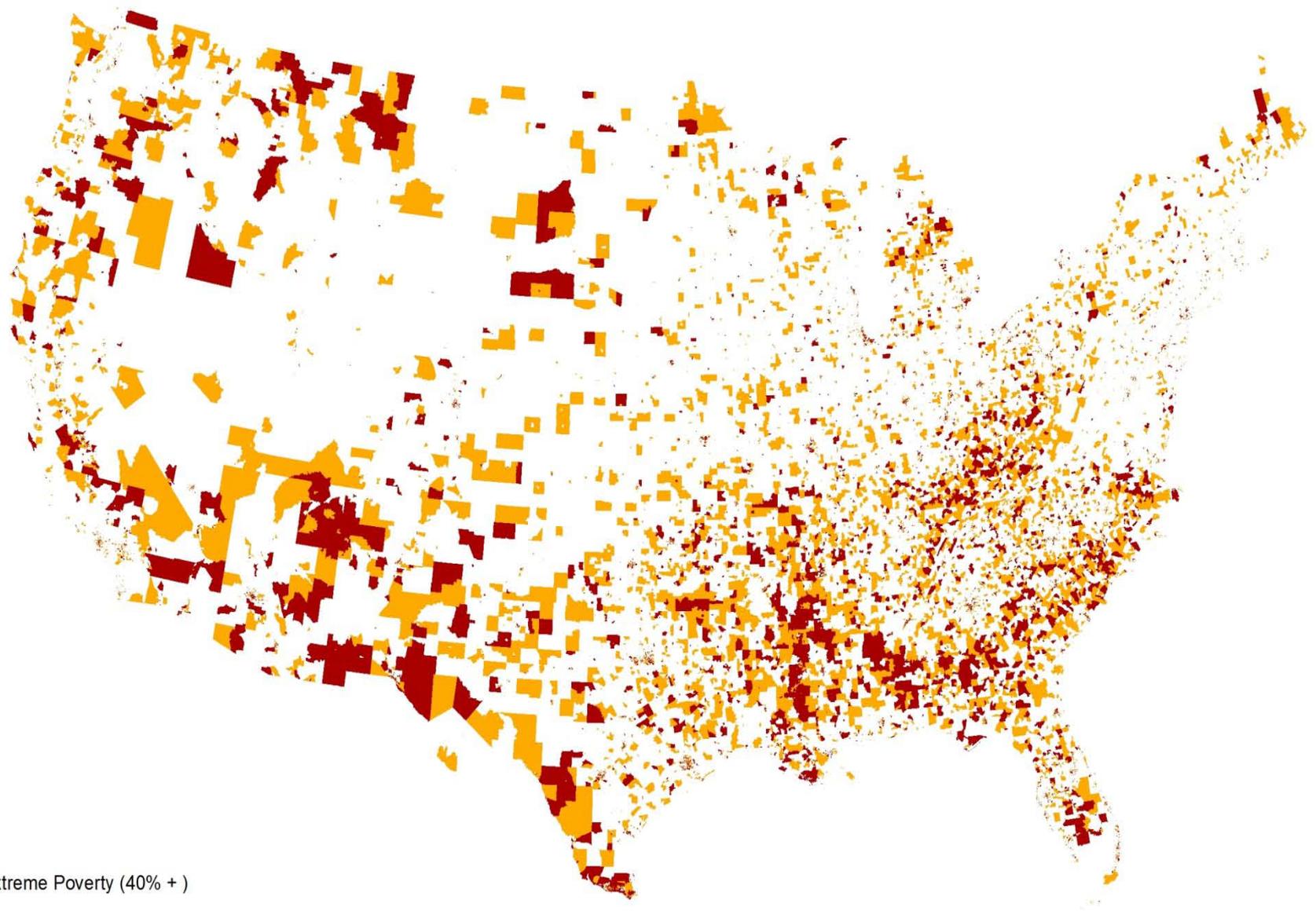
U.S. School Age Poverty by Census Tract



 Extreme Poverty (40% +)

Source: U.S. Decennial Census, 2010

U.S. School Age Poverty by Census Tract

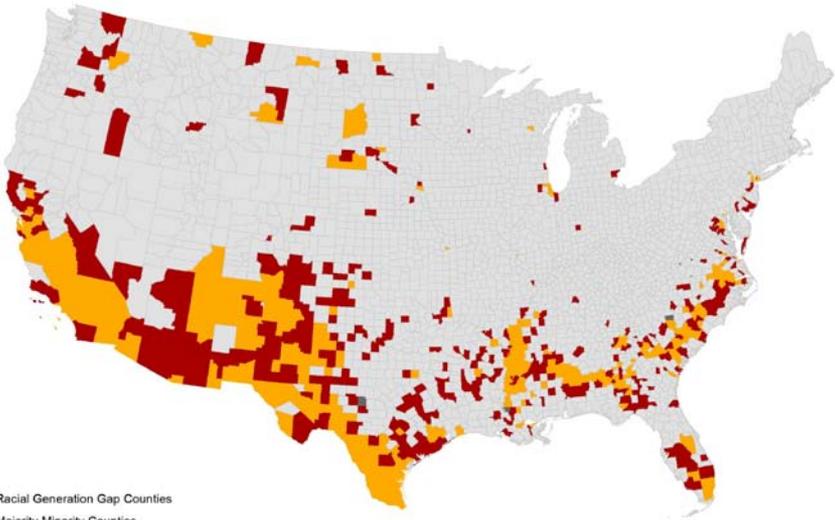


 Extreme Poverty (40% +)

 High Poverty (25% - 39%)

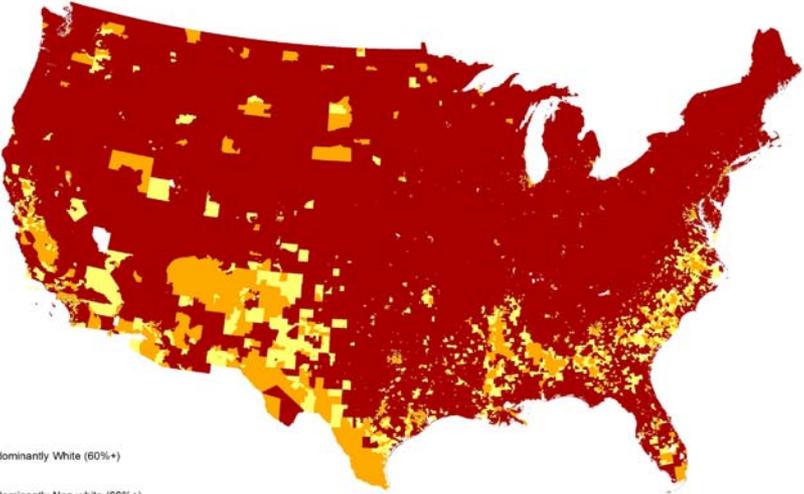
Source: U.S. Decennial Census, 2010

The Triple Whammy of Geographic Disadvantage



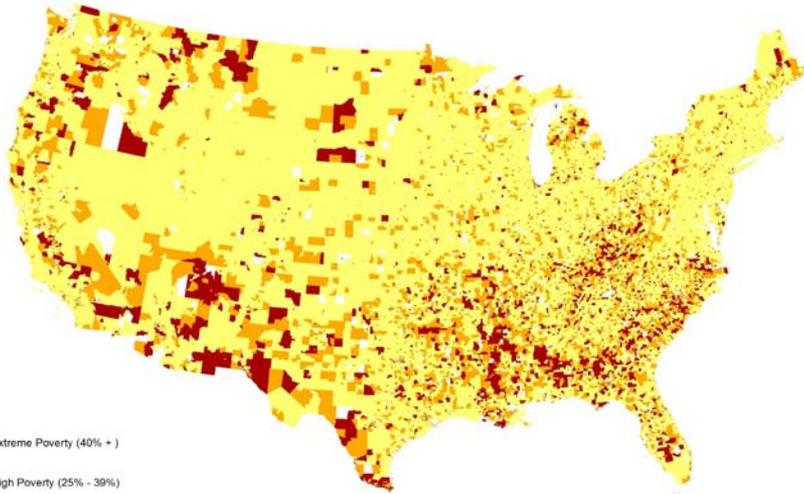
- Racial Generation Gap Counties
- Majority Minority Counties
- Majority Majority Counties
- Other Counties

Source: U.S. Decennial Census, 2010



- Predominantly White (60%+)
- Predominantly Non-white (60%+)
- Mixed Tracts

Source: U.S. Decennial Census, 2010



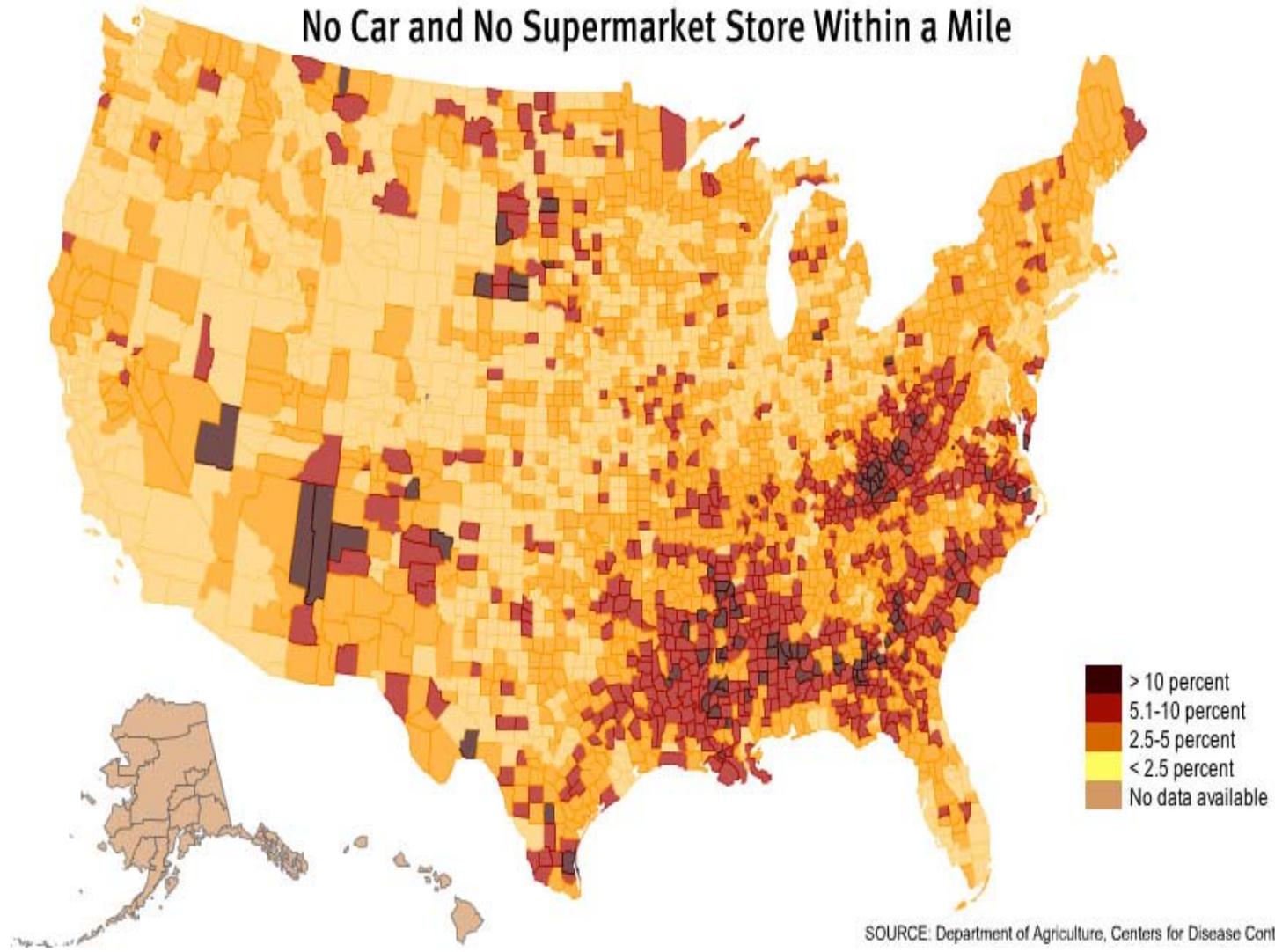
- Extreme Poverty (40%+)
- High Poverty (25% - 39%)
- Low Poverty (<25%)

Source: U.S. Decennial Census, 2010

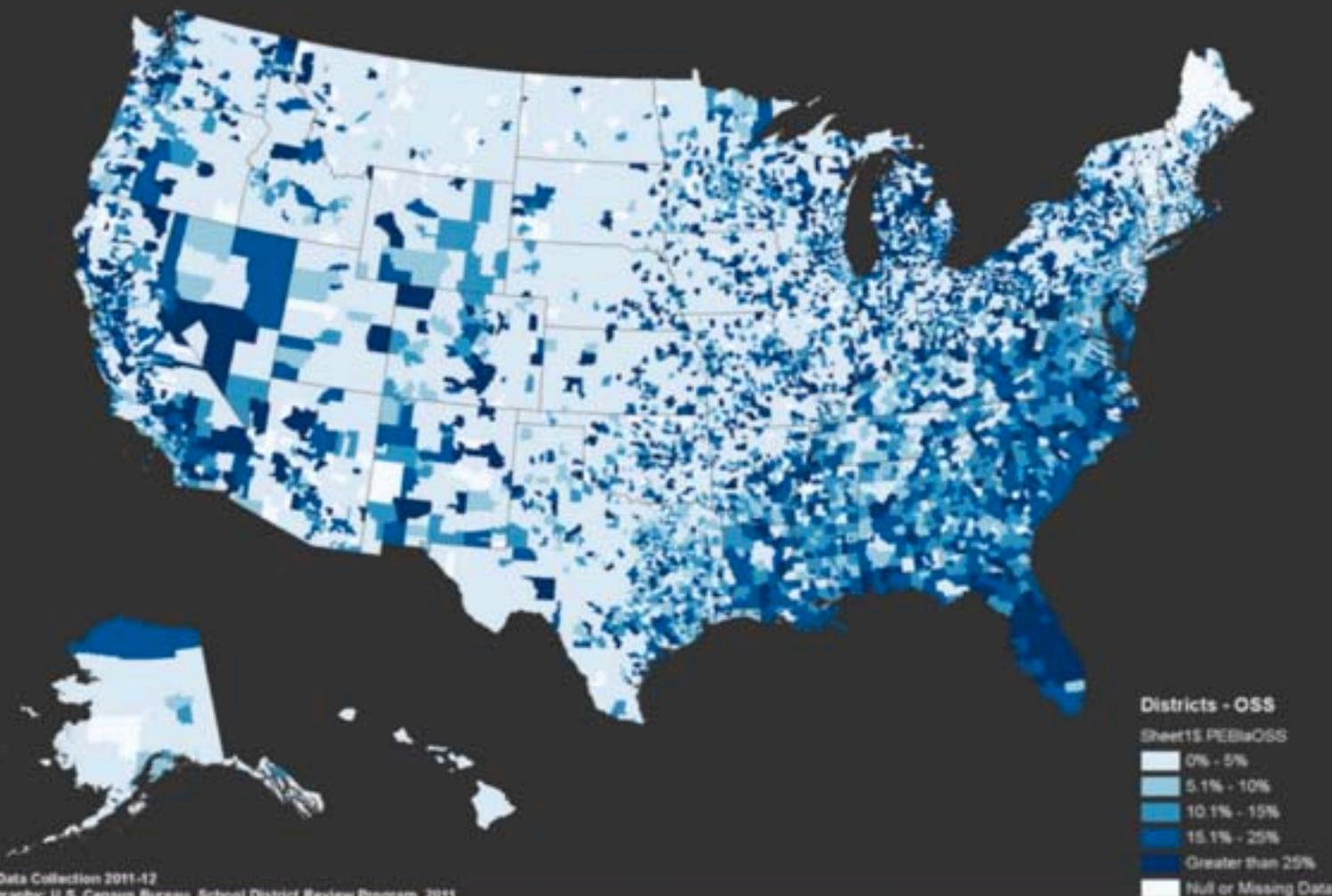
Summary Indicators of Exposure

Level of Vulnerability	Number of Youth	Percent Non-White
Triple Whammy	9.8 million	93
Double Whammy	12.2 million	81
Single Whammy	20.0 million	39
No Whammy	32.1 million	24

No Car and No Supermarket Store Within a Mile



Percent of Black Students who Have Received One or More Out of School Suspensions by District (2011-12)

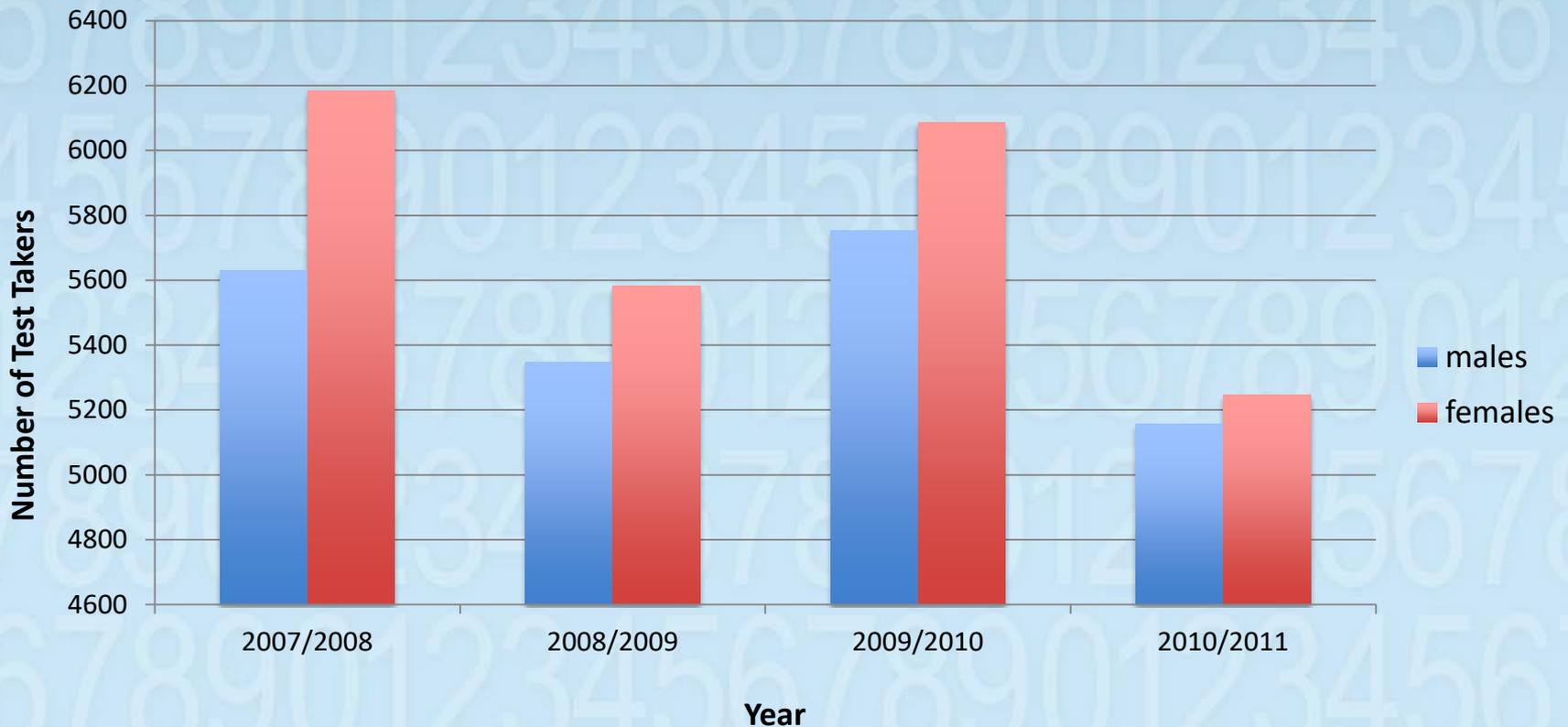


Civil Rights Data Collection 2011-12
District Geography: U.S. Census Bureau, School District Review Program, 2011

NOTE: For each school district, the percent of students receiving one or more out of school suspensions (OSS) is calculated by dividing the district's cumulative number of students receiving one or more out-of-school suspensions for the entire 2011-2012 school year, by the district's student enrollment based on a count of students taken on a single day between September 27 and December 31. Because race/ethnicity details on OSS are not available for students receiving services under 504, the OSS percentages reported for students with disabilities are restricted to data for students receiving services under IDEA.

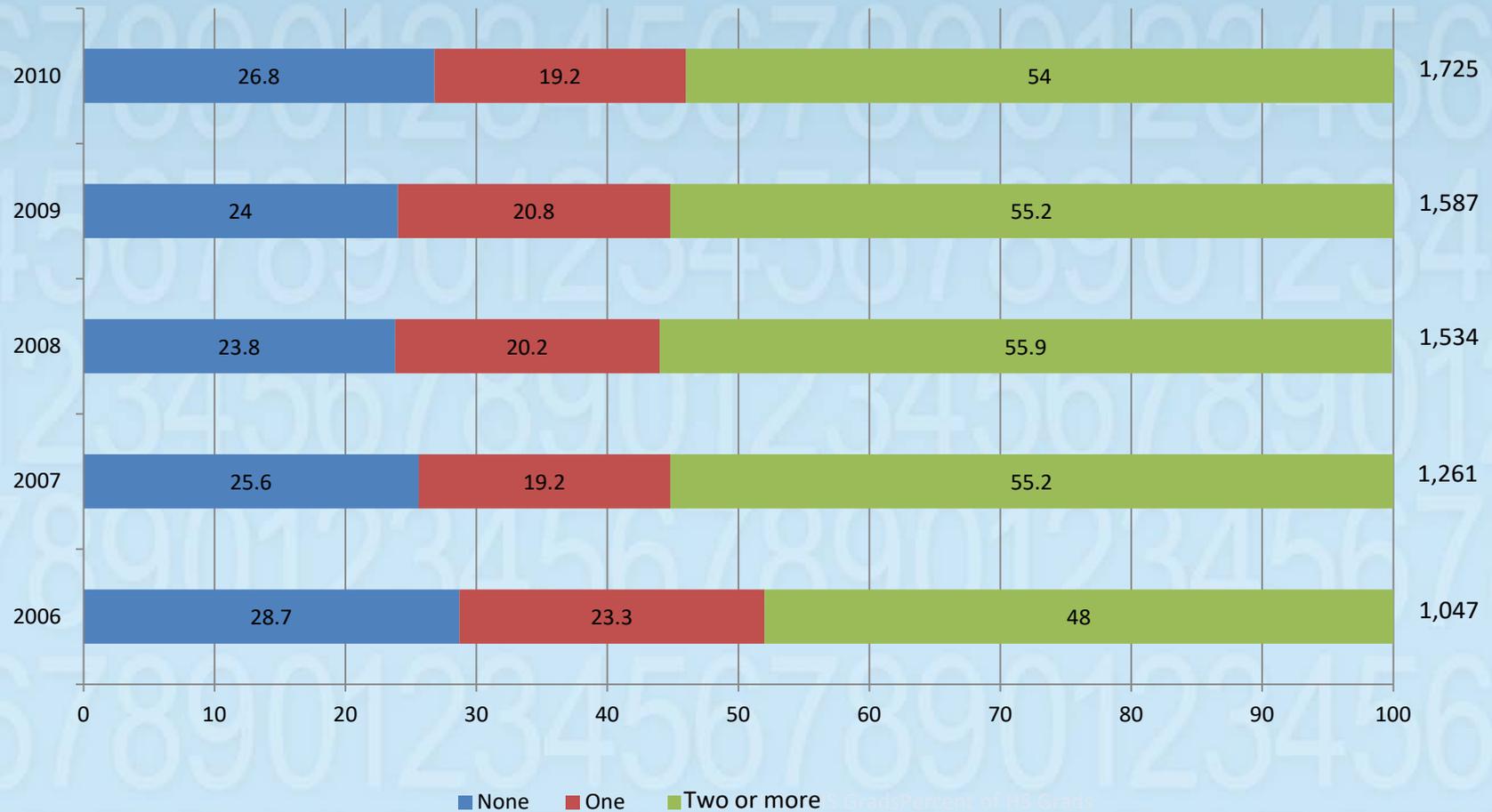
Male-Female Presence Disparity

Total Number of EOC Test Takers



Graph shows total number of male and female students tested of 6 LEAs (Bertie, Bladen, Duplin, Halifax, Northampton, and Pamlico)

Percent of High School Graduates Requiring Remedial Course Work



A group of diverse students in a chemistry laboratory. They are looking at several Erlenmeyer flasks on a white lab bench. The flasks contain liquids of different colors: orange, green, blue, and yellow. The students have their hands raised in the air, suggesting an active learning environment. A semi-transparent blue horizontal band is overlaid across the middle of the image, containing the text 'Education is Necessary'.

Education is Necessary

...but insufficient

BACHELOR'S DEGREE HOLDERS (UNDER AGE 25) WHO WERE JOBLESS OR UNDEREMPLOYED

Year

Percent

2000

41.0

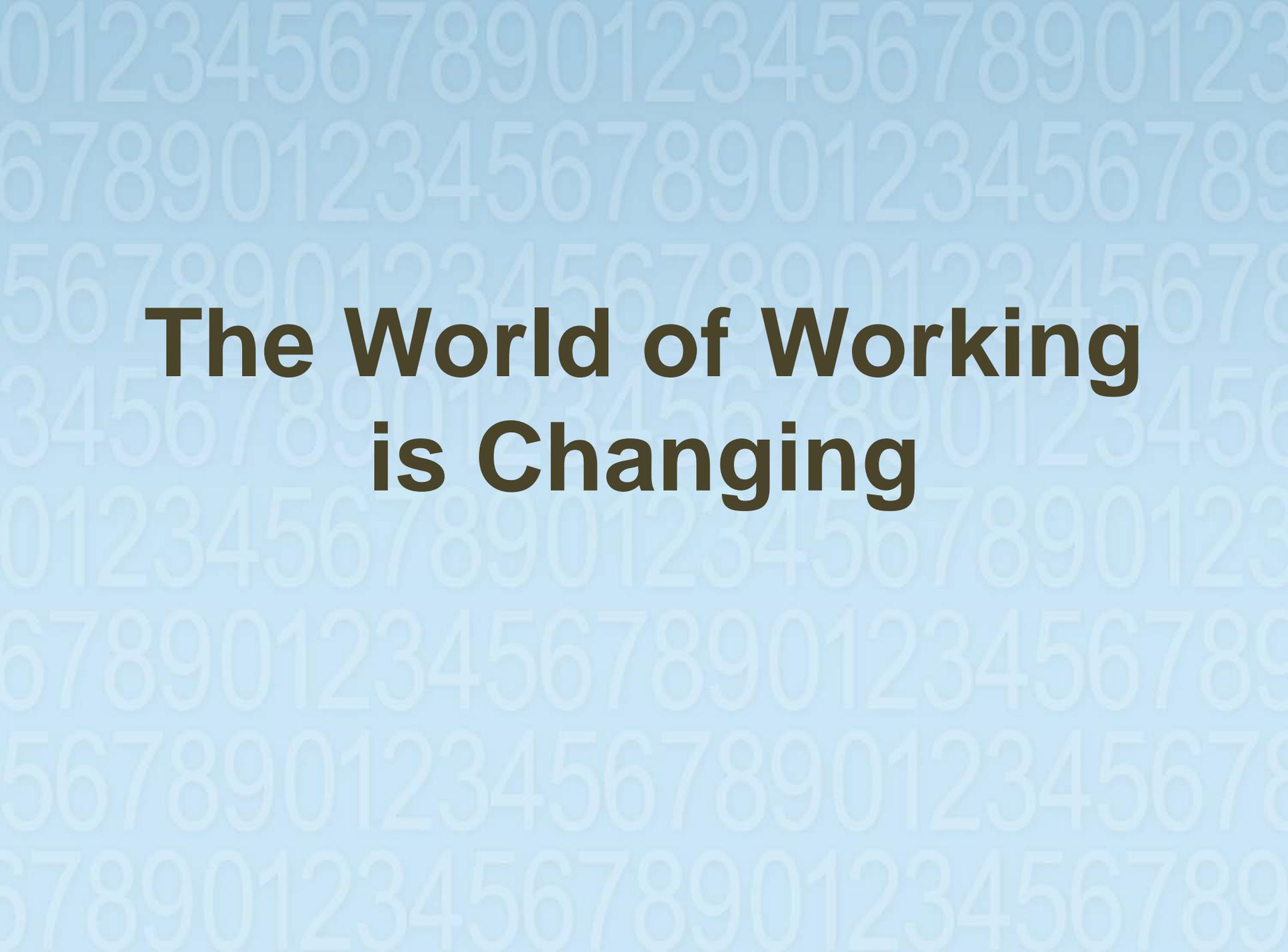
2011

53.6

CHANGE IN INCIDENCE OF POVERTY BY EDUCATIONAL ATTAINMENT IN NC, 2005-2007, 2008-2010

Educational Attainment	2005-2007	2008-2010	Percent Change
Less than High School	253,304	276,757	9.3%
High School Graduate	216,667	234,371	8.2%
Some College, Associate Degree	136,185	186,834	37.2%
Bachelor's degree or higher	49,082	57,919	18.0%

Source: American Community Survey



**The World of Working
is Changing**

The New World of Work

- Outsourcing
- Offshoring
- Robotic Outsourcing
- Freelancing & the “Gig” economy

THE COMPETITIVE TOOL KIT

- Analytical Reasoning
- Entrepreneurial Acumen
- Contextual Intelligence
- Soft Skills/Cultural Elasticity
- Agility and Flexibility

Maintaining & Enhancing Competitiveness

- Managing transition from the “graying” to the “browning” of America.
- Competition for talent will be fierce – and global.
- Embrace immigrants.
- Address the “wayward sons” problem
- Actively engage in K-12 Education to ensure a steady flow of talent into all sectors of the NC economy.
- Successful recruitment and retention will hinge on your ability to effectively manage the full nexus of “diversity” issues.

Business Implications

Aging as an Economic Driver

NC Total & Older Adult Population Change, 2000-2016

North Carolina	2015 Population	2000 Population	Absolute Change	Percent Change
Total	10,042,802	8,049,313	1,993,489	24.7
65+	1,405,992	969,048	436,944	45.1

The Aging Boomer Market

**A \$15 Trillion Prize
Globally**

Bloomberg BusinessWeek

Annual Cost of Care, 2016

HOME HEALTH CARE

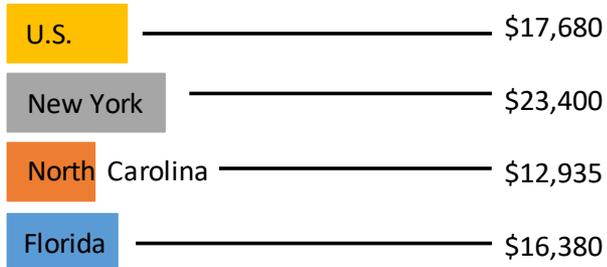
Homemaker Services



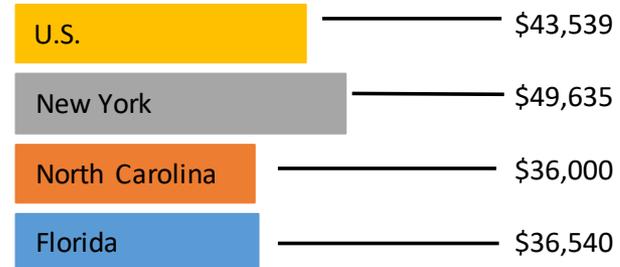
Home Health Aide



Adult Day Health Care



Assisted Living Facilities

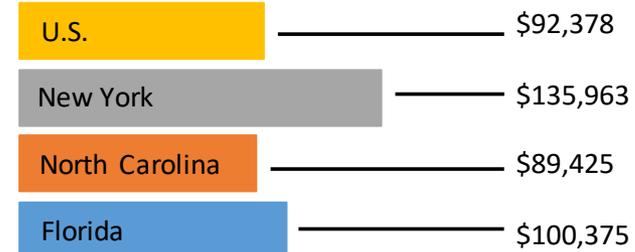


NURSING HOME CARE

Semi-Private



Private



Source: Genworth 2016 Cost of Care Survey

Encore Entrepreneurship

- Americans 55-64 start new business ventures at a higher rate than any other group, including 20 somethings.
- 23% of new entrepreneurs were age 55-64 in 2010, up from 14% in 1996.
- 50% of businesses started by 50+ entrepreneurs still operating 5 years later.
- Encore Entrepreneurs alleged to have: Double E-SP: Experience, Expertise, Seasoned Judgement & Proven Performance.

THE END

