

Coastal Counties' Economic Overview

LEGISLATIVE MANDATE

SECTION 14.22.(c) *The Department of Commerce shall study and provide an executive summary of readily available economic data related to the 20 coastal counties of the State for the purpose of quantifying the contribution of the coastal economy to the economy of the State as a whole, considering, at a minimum, the benefits of travel and tourism, small businesses, job creation and opportunity, and tax revenues, including property, sales, and income taxes. The Department shall report the results of the study no later than November 1, 2016, to the Department of Environmental Quality and the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources.*

COASTAL REGION

The Coastal Region of North Carolina was defined by the federal Coastal Zone Management Act (CZMA) in 1972, and the Coastal Management Act of 1974 (G.S. 113a-103). The twenty counties are:

1. Beaufort	6. Chowan	11. Hertford	16. Pasquotank
2. Bertie	7. Craven	12. Hyde	17. Pender
3. Brunswick	8. Currituck	13. New Hanover	18. Perquimans
4. Camden	9. Dare	14. Onslow	19. Tyrrell
5. Carteret	10. Gates	15. Pamlico	20. Washington

Dare County is the largest county in the region with 1,562mi², but land area is only 25 percent of its total area, as the remaining 75 percent is water. Hyde and Carteret Counties are the second and third largest respectively, with more water than land area. Pender County is the largest by land area, followed by Brunswick, Beaufort, and Onslow Counties. Chowan County is the smallest with 233.3mi², followed by Pasquotank, and Camden Counties.

The majority of the counties in this region are predominately rural, with five identified as completely rural by the U.S. Census Bureau: (1) Gates, (2) Hyde, (3) Pamlico, (4) Perquimans, and (5) Tyrrell Counties. New Hanover County is the most urban at 97.8 percent, followed by Onslow and Craven Counties.

2010 Rural Percentage

Beaufort	65.6%	Chowan	67.6%	Hertford	68.6%	Pasquotank	41.3%
Bertie	83.2%	Craven	27.7%	Hyde	100.0%	Pender	68.8%
Brunswick	43.0%	Currituck	98.3%	New Hanover	2.2%	Perquimans	100.0%
Camden	99.6%	Dare	29.0%	Onslow	26.4%	Tyrrell	100.0%
Carteret	32.6%	Gates	100.0%	Pamlico	100.0%	Washington	67.8%
Region 38.2%				NC 33.9%			

Source: United States Census Bureau.

POPULATION

The Coastal Region accounted for about **10 percent of the state's population**, consistently growing since 2010. New Hanover County had the largest population with over 200,000, followed by Onslow, Brunswick, and Craven Counties with over 100,000 people each from 2010-2015. The Coastal Region's population density averaged 73 people per square mile compared to the state's average of 139 people per square mile. This region has consistently grown since 2010, at a similar rate to the state as a whole.

Population

	2010	2011	2012	2013	2014	2015
Region	992,925	997,898	1,009,500	1,018,914	1,037,034	1,036,500
NC	9,558,979	9,651,025	9,747,021	9,845,432	9,940,387	10,042,802

Source: United States Census Bureau. (See appendix for county-level data.)

Population Density (land only)

	2010	2011	2012	2013	2014	2015
Region	106.5	107.0	108.3	109.3	110.1	111.2
NC	138.5	139.9	141.3	142.7	144.1	145.6

Source: United States Census Bureau. (Population/Miles²) (See appendix for county-level data.)

Population Growth Rate (base year 2010)

	2010	2011	2012	2013	2014	2015
Region	-	0.5%	1.7%	2.6%	3.4%	4.4%
NC	-	1.0%	2.0%	3.0%	4.0%	5.1%

Source: United States Census Bureau. (See appendix for county-level data.)

It is important to note that population in this region varies throughout the year due to seasonality of the vacation destinations. Most of these counties experience an influx of population between May and August, where many stay and/or work in these counties during the summer months.

LABOR MARKET

The Coastal Region accounted for almost **10 percent of North Carolina's labor force**. New Hanover County has a significantly larger labor force due to its large population, making up 25 percent of the region's total labor force. The number of unemployed in the Coastal Region has dropped by 40 percent since 2010. Despite the drop in the unemployment number, the Coastal Region's unemployment rate has been higher than the state's rate since 2011.

Labor Force

	2010	2011	2012	2013	2014	2015
Region	442,706	441,012	443,614	442,228	441,728	447,492
NC	4,616,690	4,633,071	4,680,265	4,683,022	4,690,562	4,769,245

Source: Local Area Unemployment Statistics (LAUS), Labor & Economic Analysis Division (LEAD), NC Department of Commerce. (See appendix for county-level data.)

Employed

	2010	2011	2012	2013	2014	2015
Region	396,948	395,348	401,167	404,800	411,768	419,511
NC	4,115,628	4,157,543	4,247,139	4,310,817	4,396,286	4,495,473

Source: Local Area Unemployment Statistics (LAUS), Labor & Economic Analysis Division (LEAD), NC Department of Commerce. (See appendix for county-level data.)

Unemployed

	2010	2011	2012	2013	2014	2015
Region	45,758	45,664	42,447	37,428	29,960	27,981
NC	501,062	475,528	433,126	372,205	294,276	273,772

Source: Local Area Unemployment Statistics (LAUS), Labor & Economic Analysis Division (LEAD), NC Department of Commerce. (See appendix for county-level data.)

Unemployment Rate

	2010	2011	2012	2013	2014	2015
Region	10.3%	10.4%	9.6%	8.5%	6.8%	6.3%
NC	10.9%	10.3%	9.3%	7.9%	6.3%	5.7%

Source: Local Area Unemployment Statistics (LAUS), Labor & Economic Analysis Division (LEAD), NC Department of Commerce. (See appendix for county-level data.)

Job Openings for 2015 averaged 7.2 percent of the state's total, with a little over 50,000 openings. Almost 70 percent of the openings in the region were located in New Hanover County, Onslow County, and Craven County. The labor slack rate (the number of unemployed persons per job opening) was 0.6 for the Coastal Region and 0.4 for the state, meaning the Coastal Region had slightly more unemployed people per job opening than the state as whole.

Job Openings

	2015
Region	50,333
NC	702,533

Source: Wanted Analytics, Help Wanted Online, The Conference Board. (See appendix for county-level data.)

Labor Slack Rate

	2015
Region	0.6
NC	0.4

Source: Local Area Unemployment Statistics (LAUS), Labor & Economic Analysis Division (LEAD), NC Department of Commerce & Wanted Analytics, Help Wanted Online, The Conference Board. (Number of unemployed divided by the number of job openings.) (See appendix for county-level data.)

INDUSTRY

The Coastal Region averaged **8.5 percent of the jobs in North Carolina** between 2010 and 2015, with over 348,000 jobs in 2015. Almost 30 percent of the jobs in the region were located in New Hanover County alone. The growth rate for the region has grown consistently since 2012 but at half the rate of the state's. The average yearly wage for the Coastal Region was about 35 percent less than the state's average yearly wage (\$46,563); but almost half of the counties were above the region's average.

Number of Jobs

	2010	2011	2012	2013	2014	2015
Region	330,991	329,737	331,718	336,548	342,433	348,852
NC	3,788,425	3,836,792	3,905,109	3,975,144	4,057,234	4,162,137

Source: Quarterly Census Employment and Wages (QCEW), Labor and Economic Analysis Division (LEAD), North Carolina Department of Commerce. (See appendix for county-level data.)

Job Growth Rate (base year 2010)

	2010	2011	2012	2013	2014	2015
Region	-	-0.4%	0.2%	1.7%	3.5%	5.4%
NC	-	1.3%	3.1%	4.9%	7.1%	9.9%

Source: Quarterly Census Employment and Wages (QCEW), Labor and Economic Analysis Division (LEAD), North Carolina Department of Commerce. (See appendix for county-level data.)

Average Yearly Wage (in 2015 dollars)

	2010	2011	2012	2013	2014	2015
Region	\$36,790	\$36,400	\$35,761	\$35,671	\$35,903	\$36,675
NC	\$44,709	\$44,394	\$44,509	\$44,548	\$45,020	\$46,563

Source: Quarterly Census Employment and Wages (QCEW), Labor and Economic Analysis Division (LEAD), North Carolina Department of Commerce. Wages are adjusted for inflation using the Bureau of Labor Statistics' Consumer Price Index. (See appendix for county-level data.)

The top three industry sectors (as measured by employment) for the Coastal Region in 2015 were: (1) retail trade, (2) healthcare and social assistance, and (3) accommodation and food services; two of which were the same as the state. As a region, these coastal counties have a higher concentration of employees in Retail Trade, Accommodation and Food Services, and Public Administration as compared to the state. Fourteen of the 20 counties had Retail Trade as the first or second largest industry sector, for example. Accommodation and Food Services is the number one industry by employment in Dare County, and the second biggest sector in Brunswick, Carteret, Onslow and Perquimans Counties. When compared to the state, manufacturing was far less concentrated, although still important for several counties including Beaufort and Washington.

Coastal Region Top 10 Industry Sectors

2015					
	Industry	Employees		Industry	Employees
1	Retail Trade	55,672	6	Administrative and Support and Waste Management and Remediation Services	19,732
2	Health Care and Social Assistance	49,548	7	Manufacturing	19,272
3	Accommodation and Food Services	46,368	8	Construction	16,167
4	Educational Services	31,293	9	Professional, Scientific, and Technical Services	14,552
5	Public Administration	30,108	10	Other Services (except Public Administration)	9,722

Source: Quarterly Census Employment and Wages (QCEW), Demand driven Data Delivery System (4D), Labor & Economic Analysis Division (LEAD), NC Department of Commerce. (See appendix for county-level data.)

NC Top 10 Industry Sectors

2015					
	Industry	Employees		Industry	Employees
1	Health Care and Social Assistance	590,275	6	Administrative and Support and Waste Management and Remediation Services	290,807
2	Retail Trade	490,823	7	Public Administration	239,235
3	Manufacturing	461,008	8	Professional, Scientific, and Technical Services	221,796
4	Accommodation and Food Services	396,622	9	Construction	189,169
5	Educational Services	370,929	10	Wholesale Trade	178,875

Source: Quarterly Census Employment and Wages (QCEW), Demand driven Data Delivery System (4D), Labor & Economic Analysis Division (LEAD), NC Department of Commerce. (See appendix for county-level data.)

Employment projections for the Coastal Region are not available at the county level. Instead, projections are available by NC's Prosperity Zones, a larger regional grouping used by the state for administrative purposes. The Coastal Region is split between the Northeast Prosperity Zone and the Southeast Prosperity Zone. In both zones, the top five major occupations expected to have growth were the same, just in slightly different order.

Top 5 Occupations by Net Projected Employment Growth

Northeast Prosperity Zone	Actual 2012	Projected 2022	Net Change	Wage Annual Median
Food Preparation and Serving Related Occupations	20,228	24,818	4,590	\$18,275
Healthcare Support Occupations	9,934	14,040	4,106	\$19,317
Office and Administrative Support Occupations	28,798	32,326	3,528	\$28,176
Healthcare Practitioners and Technical Occupations	13,697	16,667	2,970	\$53,482
Construction and Extraction Occupations	7,477	10,121	2,644	\$31,774

Source: Major Occupational Projections, Labor & Economic Analysis Division (LEAD), NC Department of Commerce. (See appendix for county-level data.)

Top 5 Occupations by Net Projected Employment Growth

Southeast Prosperity Zone	Actual 2012	Projected 2022	Net Change	Wage Annual Median
Food Preparation and Serving Related Occupations	39,818	47,670	7,852	\$18,403
Office and Administrative Support Occupations	52,061	58,846	6,785	\$28,260
Healthcare Practitioners and Technical Occupations	22,394	28,221	5,827	\$52,407
Healthcare Support Occupations	15,082	20,739	5,657	\$21,858
Construction and Extraction Occupations	17,033	21,152	4,119	\$32,818

Source: Major Occupational Projections, Labor & Economic Analysis Division (LEAD), NC Department of Commerce. (See appendix for county-level data.)

SMALL BUSINESS

Small firms are defined as having fewer than 500 employees by the Small Business Administration. There were more employees at small firms than large firms in the Coastal Region. From 2010 to 2015, the region has consistently had a higher percentage of employees in small businesses than the state.

Percent of Workers at Small Firms

	2010 Q3	2011 Q3	2012 Q3	2013 Q3	2014 Q3	2015 Q3
Region	66.7%	65.9%	65.4%	64.7%	64.1%	64.7%
NC	49.6%	49.0%	48.2%	47.7%	47.6%	47.5%

Source: Longitudinal Employer–Household Dynamics (LEHD) at the U.S. Census Bureau. (See appendix for county-level data.)

TAX REVENUE AND PERSONAL INCOME

The Coastal Region collected, on average, **10 percent of all of North Carolina's sales and property tax revenues**. New Hanover County (\$4 billion) reported more than two times the taxable sales as the second highest county, Onslow (\$1.9 billion). Sales in the region grew consistently since FY 2009-2010,

which paralleled the state's growth in taxable sales. New Hanover, Onslow, and Brunswick Counties lead the region in gross sales tax collections. Both the Coastal Region and the state repeatedly increased gross sales tax collections for five years (2011-2016). For property taxes, New Hanover (\$255 million) collected over a quarter of the region's taxes.

Personal income per capita for the region was \$3,000 less than the state's in 2014.

Taxable Sales (in millions)

	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
Region	\$10,189.87	\$11,087.39	\$11,358.95	\$11,621.12	\$12,504.88	\$13,262.39
NC	\$96,759.10	\$102,830.05	\$105,367.31	\$110,350.58	\$120,304.94	\$128,156.85

Source: North Carolina Department of Revenue. (See appendix for county-level data.)

Gross Sales Tax Collections (in millions)

	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
Region	\$586.93	\$539.78	\$541.66	\$553.19	\$595.74	\$631.93
NC	\$5,567.95	\$4,990.66	\$5,016.41	\$5,254.90	\$5,731.24	\$6,106.79

Source: North Carolina Department of Revenue. (See appendix for county-level data.)

Personal Income per Capita

	2014
Region	\$38,927
NC	\$39,171

Source: Bureau of Economic Analysis
(See appendix for county-level data.)

Property Taxes (in millions)

	2014-2015	2015-2016
Region	\$983.71	\$1,014.92
NC	\$9,607.54	\$9,946.90

Source: North Carolina Department of Revenue. (See appendix for county-level data.)

TOURISM

Tourism expenditures fluctuated in the Coastal Region from 2010 to 2015, averaging **15 percent of North Carolina's total tourism spending**. Over a third of the region's expenditures occurred in Dare County (\$1 billion), followed by New Hanover and Brunswick Counties. Local tourism tax collections for the region comprised **24 percent of local tourism taxes** collected in the state, and increased since 2012, paralleling the state. Dare, Brunswick, and New Hanover Counties collected the most local tourism tax revenue in the region. Also, the Coastal Region contributed **14 percent to North Carolina's state tourism taxes** in 2015.

Tourism Expenditures (in millions, 2015 \$)

	2010	2011	2012	2013	2014	2015
Region	\$2,854.05	\$2,916.37	\$3,007.48	\$3,077.78	\$3,209.33	\$3,290.40
NC	\$18,495.30	\$19,410.17	\$20,037.35	\$20,570.95	\$21,348.33	\$21,961.21

Source: Economic Development Partnership of North Carolina (EDPNC) & Travel Economic Impact Model (TEIM), the Research Department of the U.S. Travel Association. Adjusted for inflation using the Bureau of Labor Statistics' Consumer Price Index. (See appendix for county-level data.)

Tourism Local Taxes (in millions, 2015 \$)

	2010	2011	2012	2013	2014	2015
Region	\$143.79	\$143.62	\$143.48	\$146.19	\$151.99	\$157.19
NC	\$591.06	\$591.05	\$598.11	\$611.70	\$637.03	\$660.84

Source: Economic Development Partnership of North Carolina (EDPNC) & Travel Economic Impact Model (TEIM), the Research Department of the U.S. Travel Association. Adjusted for inflation using the Bureau of Labor Statistics' Consumer Price Index. *(See appendix for county-level data.)*

Tourism State Taxes (in millions)

	2015
Region	\$ 158.88
NC	\$1,125.54

Source: Economic Development Partnership of North Carolina (EDPNC) & Travel Economic Impact Model (TEIM), the Research Department of the U.S. Travel Association. *(See appendix for county-level data.)*

Tourism employment steadily increased from 2010 to 2015. The Coastal Region accounted for a little over **16 percent of North Carolina's tourism employees**. The majority of employees were located in Dare, New Hanover, and Brunswick Counties. With this increase in the number of tourism employees, tourism payroll expenses increased as well. The region averaged almost **13 percent of the state's tourism payroll expenses**, with Dare County (\$223 million) paying almost double the amount of the next county, New Hanover (\$121 million) in 2015.

Tourism Employment

	2010	2011	2012	2013	2014	2015
Region	30,550	30,696	31,555	32,207	33,442	34,420
NC	183,881	188,415	193,610	198,272	204,909	211,487

Source: Economic Development Partnership of North Carolina (EDPNC) & Travel Economic Impact Model (TEIM), the Research Department of the U.S. Travel Association. *(See appendix for county-level data.)*

Tourism Payroll (in millions, 2015 \$)

	2010	2011	2012	2013	2014	2015
Region	\$552.78	\$548.70	\$563.74	\$581.17	\$612.73	\$654.71
NC	\$4,343.24	\$4,417.58	\$4,533.23	\$4,691.73	\$4,928.45	\$5,272.11

Source: Economic Development Partnership of North Carolina (EDPNC) & Travel Economic Impact Model (TEIM), the Research Department of the U.S. Travel Association. Adjusted for inflation using the Bureau of Labor Statistics' Consumer Price Index. *(See appendix for county-level data.)*