2014-2018 Population Trends: Regions Footprint

While the state level data have been available for a few months, the U.S. Census Bureau has only recently released comprehensive 2018 data on metro area level population, including the components of the change in total population. In what follows, we highlight some of the key points in the data. As with any other metric for which consistent data across geographies are available, rates of population growth differ amongst individual metro areas across the Regions footprint, in many cases significantly so. While there are several in-footprint metro areas in which population growth is significantly above the U.S. average, there are also a number of metro areas that have seen persistent declines in population over the past several years. This is where having data on the components of population change is useful, as the underlying detail allows us to isolate whether natural growth or migration is the main driver of population trends, and to further isolate between domestic and international net migration. Obviously demographic trends are a key driver of overall economic activity in any given market, and population is the most fundamental demographic metric there is.

What follows is a high level summary of population trends on the state and metro area levels across the Regions footprint. The final four pages present a table showing how population has changed over the past five years, including the components of change, for each of the 104 in-footprint metro areas for which we routinely monitor and report on the various economic data series. In the following discussion, we use the same geographic structure on which we have always reported the metro area level data, i.e., the three broad (East, Mid-America, and South) regions as we find this to still be a useful way of reporting such a high volume of data.

Population Growth Slowing, But Most Of Footprint Still Outpacing U.S.
Total population, annual % change
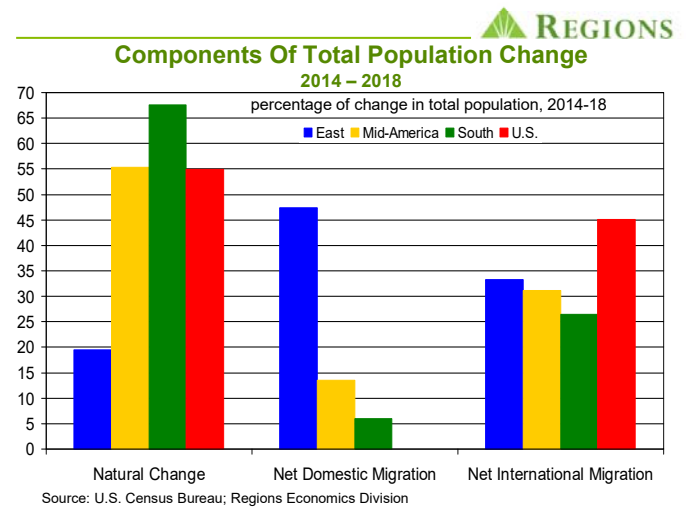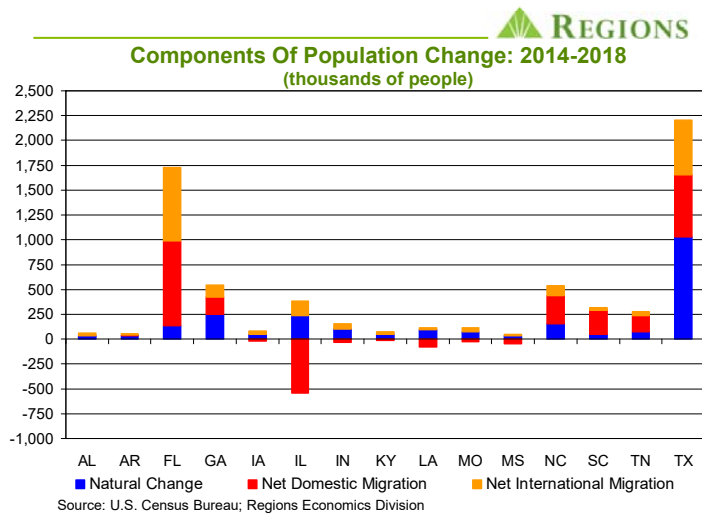Source: U.S. Census Bureau; Regions Economics Division
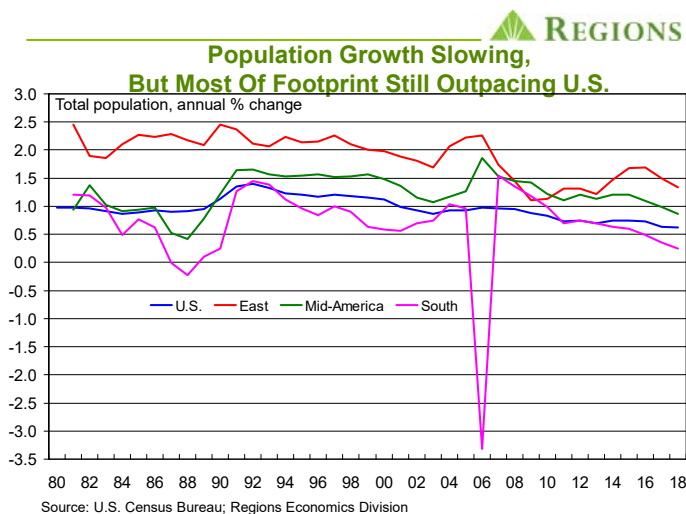
Population growth for the Regions footprint as a whole has consistently outpaced that of the U.S. as a whole over recent decades. The chart to the side shows this, but highlights that the East and Mid-America regions have been the main drivers of growth in total population within the Regions footprint. With Florida, Georgia, and the Carolinas being four of the five states in the footprint with the most rapid population growth, it is no surprise that the East region metro areas have consistently posted the most rapid population growth. Texas and portions of Tennessee have been the main drivers of overall population growth in the Mid-America region. Obviously any time series of population for the South region will bear the mark of Hurricane Katrina, as can be seen in the chart to the side, but on the whole population growth in this region has over time consistently lagged that of the other two regions. It is worth noting that after population growth in the New Orleans metro area had topped the national average in the post-

Katrina years, the metro area's rate of population growth slowed sharply in 2017 and the population declined outright in 2018.

On the state level, Florida's population grew by 8.87 percent over the 2014-2018 period, edging out Texas (8.35 percent) for the fastest population growth of any state in the Regions footprint over this period, easily ahead of 3.52 percent growth for the U.S. as a whole. With over 28.7 million residents as of 2018, Texas has the largest population of any of the in-footprint states and is second only to California when considering all states, with Florida third. In addition to Florida and Texas, population growth in Georgia, the Carolinas, and Tennessee also topped the national average over the 2014-2018 period, and at the other end of the spectrum, Illinois saw its total population decline in each year over this time span, with annual declines becoming progressively larger in each successive year.

Our earlier point about the usefulness of data on the components of population change can be easily illustrated with the state level data. There are basically three components of changes in total population over time. The first is what is referred to as the "natural change," which is simply the difference between the number of births and the number of deaths in any given period. The second is net domestic migration, or, the difference between the number of people who move into a given geography from another area of the U.S. and the

number of people who move out of a given geography to another area of the U.S. (obviously for the U.S. net domestic migration always sums to zero). Finally, net international migration is the difference between the number of people who move into a given geography within the U.S. from abroad and the number of people who move out of a given geography within the U.S. and settle abroad. The first chart below shows the contribution of each of the three components to total population growth over the 2014-2018 period for each of the 15 in-footprint states.
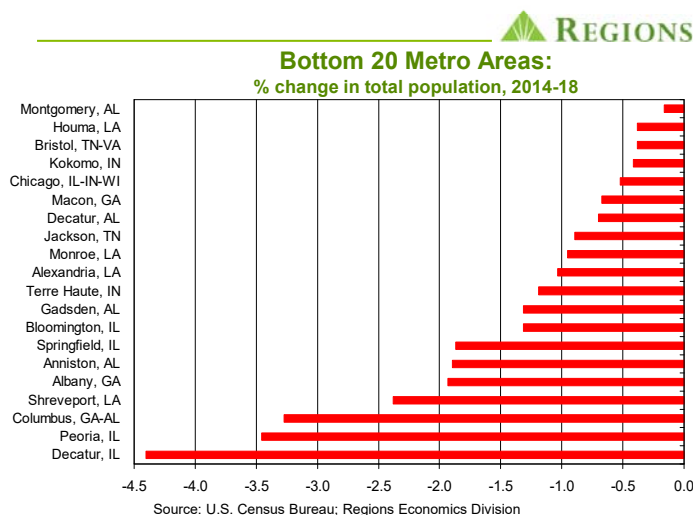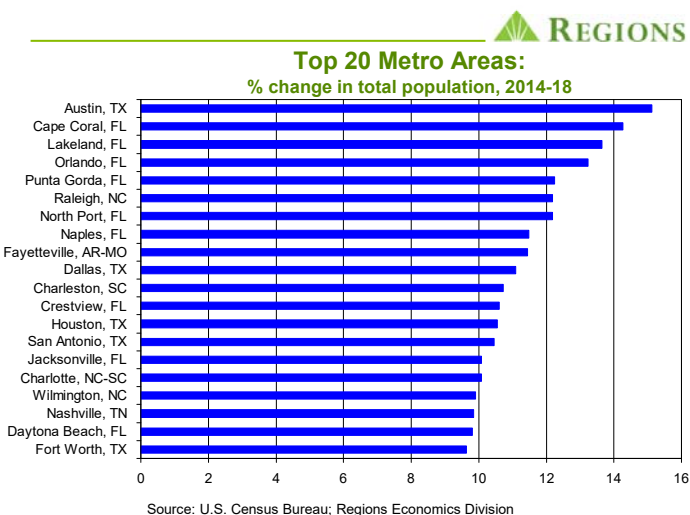
One thing that stands out is that many of the states within the Regions footprint have suffered from notably weak domestic net migration patterns over the past several years. Over the 2014-2018 period, Iowa, Illinois, Indiana, Kentucky, Louisiana, Missouri, and Mississippi saw negative net domestic migration, i.e., more people moved out of these states and settled elsewhere in the U.S. than moved into these states from elsewhere in the U.S. In Illinois, net domestic out-migration of 544,541 persons more than offset combined population gains from natural change and net foreign in-migration, resulting in a net decline in the state's total population over the most recent five-year period. Two other states – Alabama and Arkansas – saw only trivial net domestic in-migration over the most recent five-year period, in Alabama's case, a jump in net domestic in-migration in 2018 more than offset, albeit only slightly, what was net domestic out-migration over the 2014-2017 period. Given its demographic profile, it should come as no surprise that natural change accounted for the smallest share (7.76 percent) of total population growth in Florida over the 2014-2018 period. Neither should it come as a surprise that net foreign in-migration accounts for such a sizeable share of total population growth in Florida and Texas.

Components Of Population Change: 2014-2018 (thousands of people)
Source: U.S. Census Bureau; Regions Economics Division

Components Of Total Population Change 2014 – 2018
Source: U.S. Census Bureau; Regions Economics Division

The second chart above breaks the total population change in each of the three broad geographic regions over the 2014-2018 period into the three components. This chart is based on the 104 in-footprint metro areas we track, summed up to the three broad regions. Over the 2014-2018 period, total population in the East region increased by 7.92 percent, with a 5.49 percent increase in the Mid-America region, and a 2.35 percent increase in the South region. Note that the South region relied much more heavily on natural change, which accounted for 67.57 percent of the change in total population over the 2014-2018 period, than did the two other broad regions, but this is more or less by default since net migration, domestic and foreign, in the South region has been so weak. Our thought is that persistently weak domestic migration trends in the South region over the past several years are a reflection of the fact that many metro area economies in the South region continued to see very slow and/or very uneven growth deep into this economic expansion. This led many residents of these metro areas to leave in search of better prospects while at the same time people in other parts of the U.S. looking to move no longer saw these metro areas as a viable destination. That said, by year-end 2018 there were signs that the economic expansion had finally taken root in what had been slower growing parts of the South region, which could help account for domestic out-migration having been much less pronounced in 2018 than was the case in 2017, and it will be interesting to see whether the South region posts net domestic in-migration in 2019.

In contrast, net migration has been much stronger in the East region, and Florida's weight in the East region can be seen in the low share (19.44 percent) of population growth accounted for by natural change. To the extent Florida dominates the East region, this makes sense given that Florida has a relatively high median age and, in turn, has persistently seen lower birth rates (live births per 1,000 residents) and higher death rates (deaths per 1,000 residents) than have other states. But, Florida has long been a magnet for in-migration, both domestic and foreign, meaning that net migration has accounted for an above-average share of Florida's population growth, which is reflected in the totals for the East region as a whole. It is interesting to note that the Miami FL Metropolitan Division (which along with the Fort Lauderdale and West Palm Beach Metropolitan Divisions is part of the Miami Metropolitan Area) has over the

years seen persistent net domestic out-migration which has been more than offset by persistently strong net international in-migration. For instance, over the 2014-18 period the Miami Metropolitan Division saw net domestic out-migration of just over 193,000 persons and net international in-migration of just under 259,000 persons, thus leaving total migration positive. Other parts of the East region, including Georgia, North Carolina, and South Carolina, have also seen above-average population growth that has been considerably boosted by steady in-migration. For the Regions footprint as a whole, net foreign in-migration accounted for 32.06 percent of total population growth over the 2014-2018 period which, while reflecting a significant contribution to overall population growth, is nonetheless far below the 45.12 percent share for the U.S. as a whole.

REGIONS
Top 20 Metro Areas:
% change in total population, 2014-18
Source: U.S. Census Bureau; Regions Economics Division

REGIONS
Bottom 20 Metro Areas:
% change in total population, 2014-18
Source: U.S. Census Bureau; Regions Economics Division

Florida dominates the list of in-footprint metro areas with the fastest population growth over the 2014-2018 period, accounting for nine of the top 20, but Austin, TX posted the fastest population growth (15.12 percent) of any in-footprint metro area. Though obviously related to the level of population, we think it is nonetheless interesting to note that over the past five years the Houston metro area saw its population increase by just under 665,000 persons, easily the most of any in-footprint metro area. Of our group of 104 in-footprint metro areas, 55 saw population growth ahead of the U.S. average (3.52 percent) while 26 saw population grow at a rate below the U.S. average, and 23 saw outright declines in population. On a percentage change basis, the Decatur, IL metro area saw its population decline by 4.40 percent, followed by a 3.46 percent decline in the Peoria, IL metro area. The Chicago, IL metro area, with a population of just under 9.5 million people, is the largest in-footprint metro area but has seen its population decline by 0.52 percent over the past five years. Along with the larger (in percentage terms) population declines seen in the Bloomington, Decatur, Peoria, and Springfield metro areas, Chicago's declining population is reflective of what has been a persistent decline in the population of Illinois over recent years.

It comes as no surprise that, though not a one-for-one match, the list of metro areas with the most rapid population growth closely resembles the list of metro areas with the most rapid employment growth. It is a long-standing question of which comes first, the jobs or the people, though clearly the attraction runs both ways. Our argument has been that firms are concerned not so much with their ability to fully staff an expansion or a relocation today, but instead are more concerned with being able to fully staff expansions down the road. This then gives those metro areas with track records of healthy demographic trends a clear advantage in what basically become competitions, amongst metro areas/states, to attract new business. The broader point is that healthy demographics support overall economic activity including not only job growth but residential demand, retail trade, and the provision of personal services.

Conversely, the lack of employment prospects is a key driver of out-migration from a given geography. For instance, many smaller and less economically diverse metro areas have not fully recovered from the 2007-09 recession, in many cases due to the loss of a, if not the, major employer during or in the aftermath of the recession. Ultimately a given metro area in this position will see outflows of those who feel they must move in order to find employment, contributing to either slower population growth or an outright decline in population. Another driver of out-migration could be state and local tax burdens. For instance, Illinois has been plagued by chronic budget issues over the past several years on top of which comes the prospect of dealing with significant unfunded pension obligations. It seems clear that higher taxes will be part of any prospective solution, but coming on top of an already heavy tax burden any further increases seem likely to add to the flow of state residents migrating to other states, particularly given the elimination of the deduction of state and local income taxes on federal tax returns.

Changes in population, including detail on the components of change, are the most basic measuring stick of the vitality of any given geographic unit. As noted above, population growth is closely aligned with employment and income growth, and also helps drive growth in residential construction and demand for various personal services. When seeking to understand differentials in rates of job and income growth amongst the individual metro areas across the Regions footprint, a logical starting point is always differentials in rates of population growth. But, as we have seen, overall economic conditions can clearly impact population growth, both to the good (i.e., healthy net in-migration) and to the bad (persistent net out-migration). As such, we think it important to view population growth as another piece of a puzzle, with each demographic and economic data series representing a separate piece. In other words, no single piece yields a complete picture but each piece is necessary in order to see that complete picture. This summary, along with the others we provide, hopefully helps you visualize that picture for our group of in-footprint metro areas. The table that follows provides data on the change in total population, broken down into the three main components, for each of the 104 in-footprint metro areas.

| | **NUMBER OF PEOPLE** | | | |
| | **Total Population:** | | **Net International** | |
	% change 2014-18	**Natural Change**	**Net Domestic Migration**	**Migration**	**Total Change**
Deltona-Daytona Beach-Ormond Beach, FL	9.81	-12,527	62,878	8,430	58,781
Gainesville, FL	6.90	4,727	6,615	7,453	18,795
Jacksonville, FL	10.08	28,049	90,044	22,622	140,715
Ocala, FL	7.37	-7,264	28,611	3,378	24,725
Palm Bay-Melbourne-Titusville, FL	8.37	-9,443	48,415	7,339	46,311
Tallahassee, FL	3.20	6,667	923	4,450	12,040
Fort Lauderdale-Pompano Beach-Deerfield Beach, FL	6.01	35,653	-13,350	92,746	115,049
Miami-Miami Beach-Kendall, FL	4.45	59,244	-193,117	258,777	124,904
Orlando-Kissimmee-Sanford, FL	13.24	55,558	122,450	123,762	301,770
West Palm Beach-Boca Raton-Delray Beach, FL	7.79	609	53,204	55,398	109,211
Cape Coral-Fort Myers, FL	14.26	-2,020	78,855	16,989	93,824
Lakeland-Winter Haven, FL	13.65	4,891	63,512	16,456	84,859
Naples-Immokalee-Marco Island, FL	11.49	-321	26,697	12,855	39,231
North Port-Sarasota-Bradenton, FL	12.18	-15,656	92,046	12,351	88,741
Punta Gorda, FL	12.24	-7,805	26,197	1,626	20,018
Tampa-St. Petersburg-Clearwater, FL	9.40	5,827	193,504	71,749	271,080
Albany, GA	-1.93	2,292	-5,946	569	-3,085
Athens-Clarke County, GA	6.87	3,942	7,175	2,533	13,650
Atlanta-Sandy Springs-Roswell, GA	7.85	179,608	165,745	93,449	438,802
Augusta-Richmond County, GA-SC	4.23	10,285	11,172	3,121	24,578
Charleston-North Charleston, SC	10.72	18,373	52,825	4,572	75,770
Columbia, SC	5.25	12,762	21,486	7,618	41,866
Columbus, GA-AL	-3.27	7,291	-21,090	3,277	-10,522
Dalton, GA	1.23	3,349	-1,708	443	2,084
Gainesville, GA	8.24	5,438	8,352	1,841	15,631
Greenville-Anderson-Mauldin, SC	6.80	10,844	38,806	8,448	58,098
Macon-Bibb County, GA	-0.67	2,252	-4,918	1,161	-1,505
Rome, GA	2.09	561	654	865	2,080
Savannah, GA	6.58	10,306	10,317	3,729	24,352
Spartanburg, SC	7.11	2,438	19,548	791	22,777
Valdosta, GA	2.22	3,962	-1,884	1,150	3,228
Warner Robins, GA	3.99	4,205	1,819	1,593	7,617
Charlotte-Concord-Gastonia, NC-SC	10.08	59,434	144,378	31,805	235,617

	Total Population: % change 2014-18	Natural Change	NUMBER OF PEOPLE		
			Net Domestic Migration	Net International Migration	Total Change
Chattanooga, TN-GA	3.46	3,084	13,565	2,050	18,699
Cleveland, TN	4.43	601	4,258	362	5,221
Johnson City, TN	1.20	-2,105	3,864	650	2,409
Kingsport-Bristol-Bristol, TN-VA	-0.38	-5,406	4,364	-31	-1,073
Knoxville, TN	3.75	-221	28,798	3,226	31,803
Morristown, TN	3.02	-532	3,412	560	3,440
Raleigh, NC	12.19	41,521	85,471	21,579	148,571
Richmond, VA	4.85	21,285	22,661	17,483	61,429
Wilmington, NC	9.92	2,112	23,566	803	26,481
Fayetteville-Springdale-Rogers, AR-MO	11.44	18,446	30,016	6,610	55,072
Fort Smith, AR-OK	0.77	2,612	-1,762	1,200	2,050
Hot Springs, AR	1.56	-1,305	2,702	140	1,537
Jonesboro, AR	5.45	2,668	3,413	640	6,721
Little Rock-North Little Rock-Conway, AR	2.58	14,548	-1,313	4,863	18,098
Alexandria, LA	-1.03	2,209	-4,080	319	-1,552
Longview, TX	1.46	2,874	-945	1,145	3,074
Monroe, LA	-0.96	3,193	-5,278	421	-1,664
Shreveport-Bossier City, LA	-2.38	7,130	-18,990	1,282	-10,578
Texarkana, TX-AR	0.39	1,557	-1,372	409	594
Tyler, TX	6.37	5,249	6,691	1,770	13,710
Bloomington, IN	2.90	1,782	-1,710	4,497	4,569
Bloomington, IL	-1.31	4,179	-10,934	3,813	-2,942
Champaign-Urbana, IL	1.66	5,244	-11,725	9,518	3,037
Chicago-Naperville-Elgin, IL-IN-WI	-0.52	224,629	-401,673	121,614	-55,430
Decatur, IL	-4.40	462	-5,658	317	-4,879
Evansville, IN-KY	0.07	2,135	-2,441	738	432
Indianapolis-Carmel-Anderson, IN	4.89	51,685	23,102	21,193	95,980
Kokomo, IN	-0.41	-81	-390	133	-338
Lafayette-West Lafayette, IN	5.52	6,018	-3,058	8,046	11,006
Louisville/Jefferson County, KY-IN	2.69	16,332	3,947	12,416	32,695
Peoria, IL	-3.46	4,208	-19,716	1,997	-13,511
Springfield, IL	-1.87	1,233	-6,544	1,262	-4,049
Terre Haute, IN	-1.19	381	-3,252	724	-2,147

	Total Population: % change 2014-18	Natural Change	NUMBER OF PEOPLE		Total Change
			Net Domestic Migration	Net International Migration	
Austin-Round Rock, TX	15.12	82,310	159,215	40,761	282,286
Dallas-Plano-Irving, TX	11.09	197,546	184,202	117,134	498,882
Fort Worth-Arlington, TX	9.64	85,122	95,025	42,447	222,594
Houston-The Woodlands-Sugar Land, TX	10.55	301,889	137,401	225,657	664,947
San Antonio-New Braunfels, TX	10.45	82,064	123,840	30,849	236,753
Cedar Rapids, IA	3.75	5,698	2,141	1,874	9,713
Columbia, MO	5.30	5,161	-139	4,055	9,077
Des Moines-West Des Moines, IA	9.17	22,169	24,779	7,200	54,148
Iowa City, IA	7.31	5,794	816	4,726	11,336
Jefferson City, MO	0.58	2,202	-1,846	560	916
Springfield, MO	4.15	7,207	9,784	1,729	18,720
St. Louis, MO-IL	0.21	34,257	-47,311	19,407	6,353
Waterloo-Cedar Falls, IA	-0.02	2,781	-4,916	1,978	-157
Clarksville, TN-KY	7.44	15,366	1,939	2,675	19,980
Nashville-Davidson--Murfreesboro--Franklin, TN	9.85	48,211	100,134	22,808	171,153
Jackson, TN	-0.90	956	-2,628	470	-1,202
Memphis, TN-MS-AR	0.72	32,759	-30,787	7,077	9,049
Auburn-Opelika, AL	8.25	4,044	5,727	2,309	12,080
Dothan, AL	0.55	333	345	180	858
Montgomery, AL	-0.16	6,078	-8,955	2,009	-868
Decatur, AL	-0.70	340	-1,918	508	-1,070
Florence-Muscle Shoals, AL	-0.05	-1,499	1,245	216	-38
Huntsville, AL	6.30	6,757	17,622	2,814	27,193
Anniston-Oxford-Jacksonville, AL	-1.89	-568	-1,985	316	-2,237
Birmingham-Hoover, AL	1.20	12,031	-2,979	4,554	13,606
Gadsden, AL	-1.31	-1,088	-390	135	-1,343
Tuscaloosa, AL	3.52	3,829	2,581	1,496	7,906
Crestview-Fort Walton Beach-Destin, FL	10.61	5,776	18,258	2,594	26,628
Mobile, AL	-0.04	6,058	-9,203	2,808	-337
Panama City, FL	5.74	1,636	6,956	2,296	10,888
Pensacola-Ferry Pass-Brent, FL	5.93	5,285	19,237	3,323	27,845
Baton Rouge, LA	1.47	20,635	-11,682	3,538	12,491
Houma-Thibodaux, LA	-0.38	4,763	-6,221	660	-798

REGIONS
Economics Division

	Total Population: % change 2014-18	NUMBER OF PEOPLE			
		Natural Change	Net Domestic Migration	Net International Migration	Total Change
Lafayette, LA	1.99	12,951	-5,411	2,035	9,575
New Orleans-Metairie, LA	2.35	24,287	-5,392	11,910	30,805
Gulfport-Biloxi-Pascagoula, MS	4.05	5,369	6,609	3,390	15,368
Hattiesburg, MS	1.15	3,166	-2,229	680	1,617
Jackson, MS	0.51	10,065	-10,568	3,106	
REGIONS FOOTPRINT	6.18	1,982,998	1,656,500	1,717,379	5,356,877
United States	3.52	6,096,769	N/A	5,012,938	11,109,707

SOURCE: U.S. Census Bureau; Regions Economics Division