

CHICAGO REGION GAINS HIGH EARNERS BUT LOSES POPULATION OVERALL AS OUTMIGRATION INCREASES AND IMMIGRATION STAGNATES

Population growth is both a strong indicator and a driver of economic performance, whereas population loss can point to insufficient economic opportunity or quality of life. Residents often move for employment, but also because of family connections, life stage, or changing lifestyle preferences. Slowing population growth then inhibits economic growth as the region becomes increasingly unable to capitalize on the benefits of a well-trained and innovative workforce.

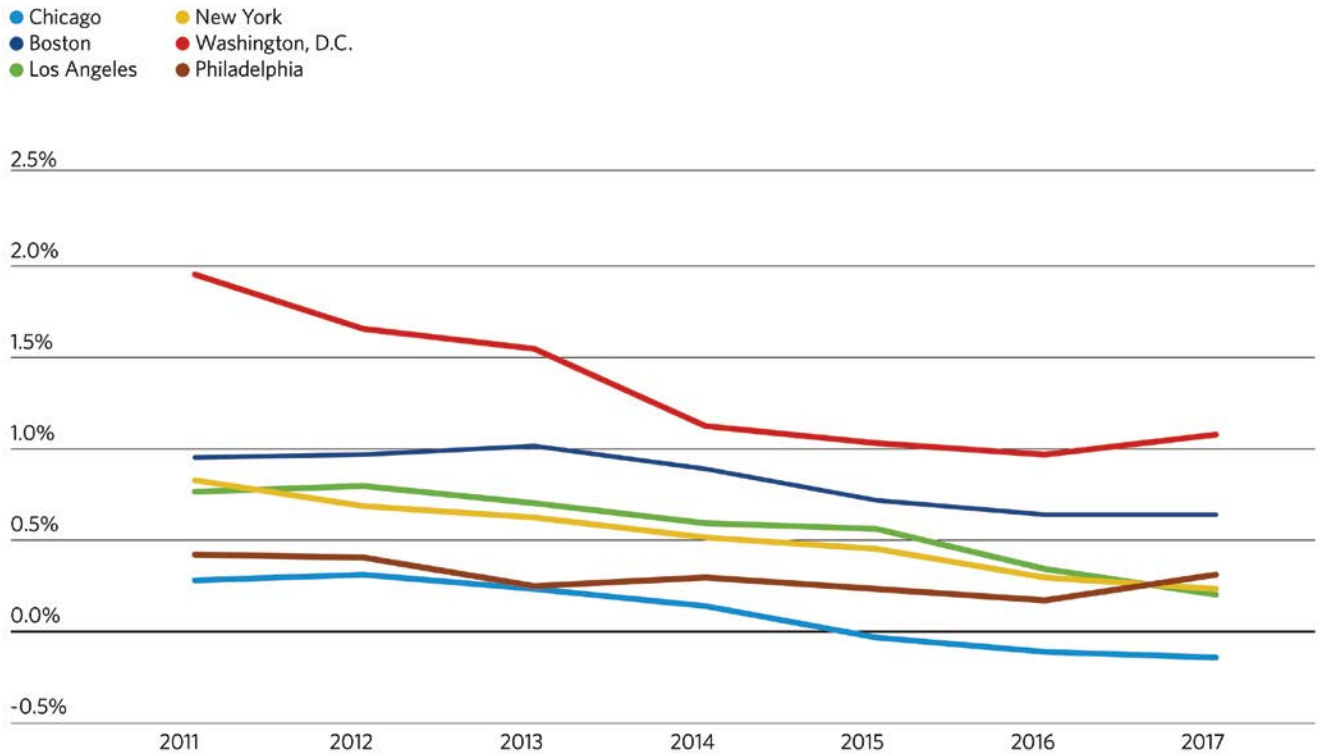
This Policy Update analyzes data just released from the U.S. Census Bureau's Population and Housing Unit Estimates. As prior CMAP analyses have illustrated, the Chicago Metropolitan Statistical Area (MSA) continues to experience stagnant changes in population, with earlier years of small population increases followed by more recent small population declines. Overall, population in the Chicago MSA continues to experience minimal decline enveloped in a longer-term trend of stagnation. While recent declines are largely attributable to increased domestic population loss, declining birth rates, and stagnation in international immigration, they speak to broader issues with economic opportunity and quality of life.

Population continues to decline in the Chicago region

The latest Census estimates reaffirm that population is declining in the Chicago metropolitan area. The Chicago region is alone among its peers in experiencing population decline. Peer metropolitan areas including Boston, Los Angeles, New York, Philadelphia, and Washington, D.C. continue to experience population growth, although at declining rates.

Population growth rate in the Chicago Metropolitan Statistical Area (MSA) and select peer MSAs (relative to prior year), 2011-17

Source: Chicago Metropolitan Agency for Planning analysis of U.S. Census Bureau Population Estimates Program data, 2010-17.

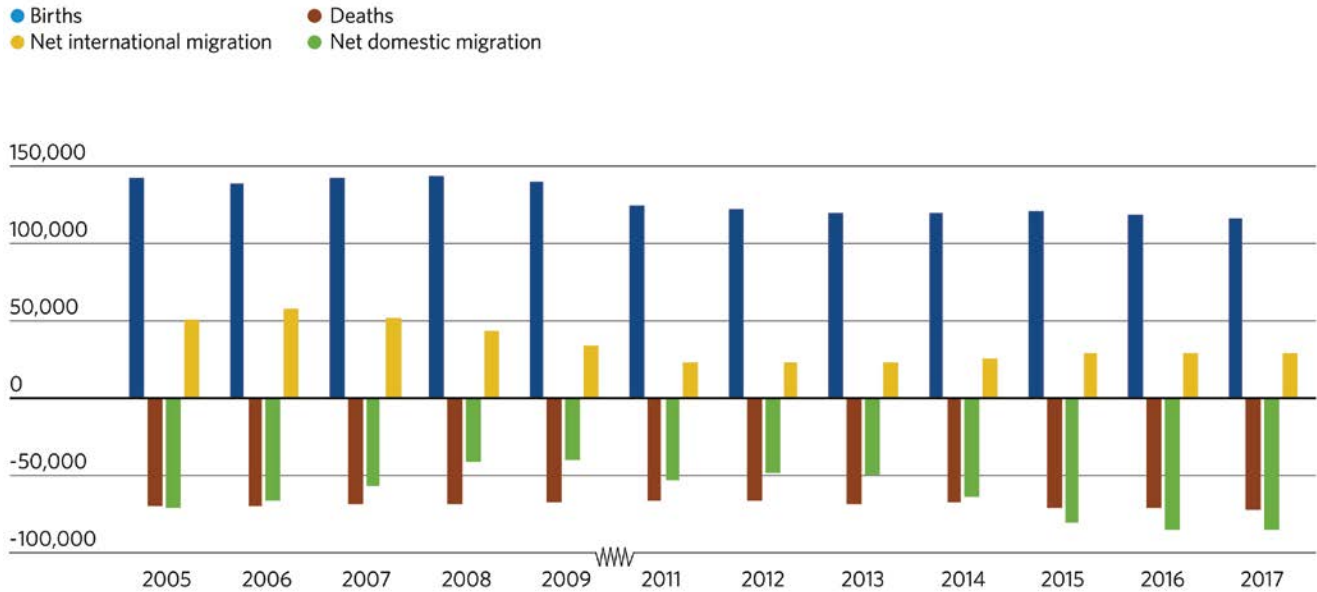


Domestic outmigration growing more prevalent

Multiple demographic components are contributing to population decline in the Chicago region. Declining births rates, delayed marriages, and an aging population are slowing natural population growth. These trends are consistent across CMAP's seven counties and in the [U.S.](#) as a whole.

Chicago Metropolitan Statistical Area components of population change, 2005-17

Source: Chicago Metropolitan Agency for Planning analysis of U.S. Census Bureau Population Estimates Program data, 2005-17. Note that data is not available for 2010.



Migration trends are exacerbating population decline in metropolitan Chicago. [Nationally](#), people have been moving less overall since the 1980s. Migration also often slows during recessions, as happened in the recent recession. Post-recession, other regions have rebalanced domestic and international migration and births to continue to grow, while the Chicago region has continued to lose residents.

Domestic outmigration is increasing across CMAP's seven counties, leading to a net loss for the region. Net domestic migration is the difference between people moving to and from other parts of the region or nation. Cook County, like the [core counties of established metropolitan regions](#), tends to lose residents domestically. Our collar counties have historically benefitted from Cook County's outmigration as residents have moved from the region's central core to its perimeter, also a common national phenomenon.

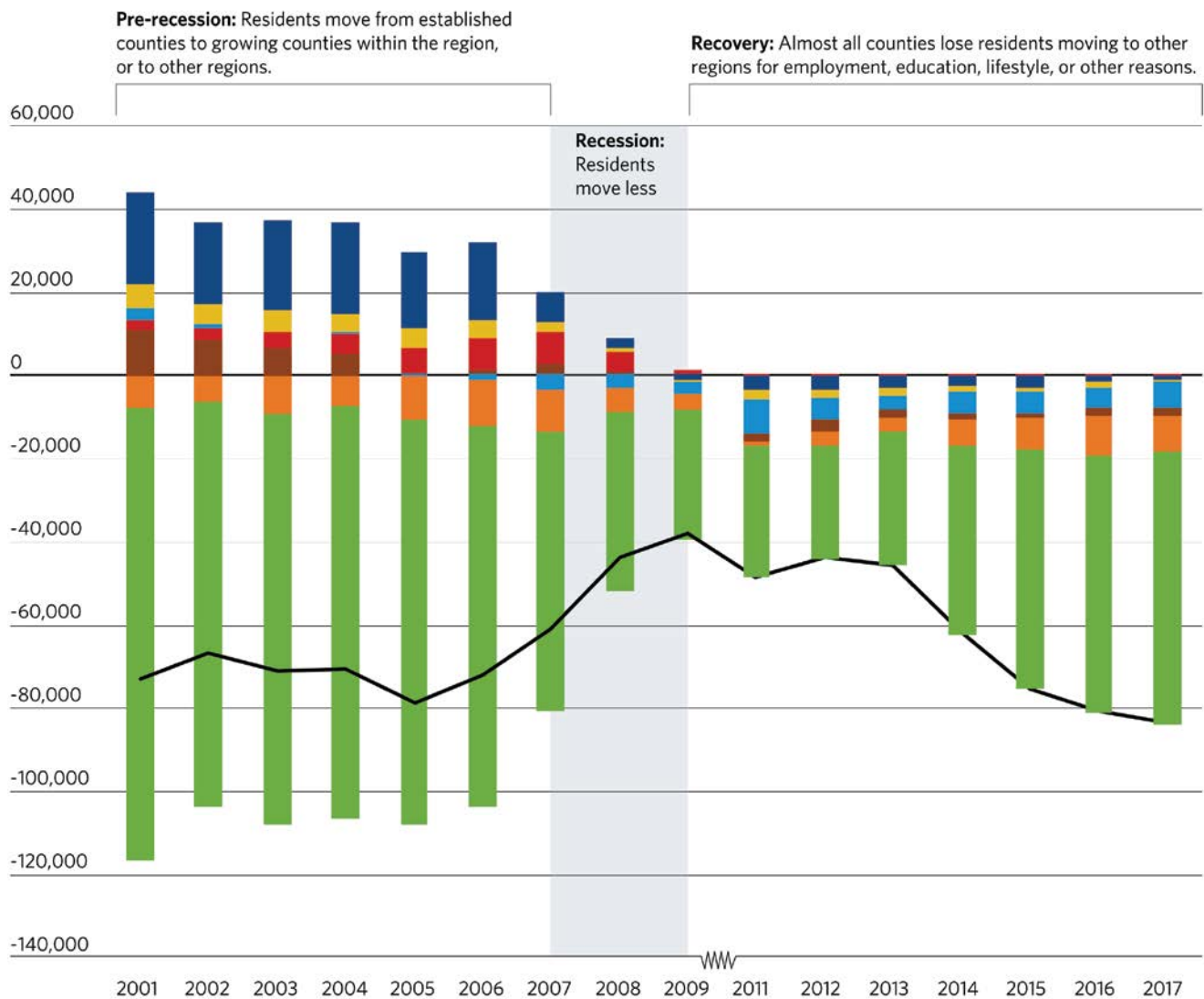
Recent data, however, indicates a change in this trend during the post-recessionary period. The 2007-09 recession slowed domestic migration, particularly in Cook County. In addition, residents leaving Cook County do not appear to be heading to the region's other counties. Instead, collar counties, including Kane, Lake, McHenry, and Will counties, are now also experiencing net negative domestic migration. While it is typical for older metropolitan areas to lose residents to other U.S. regions, the persistent, growing outmigration from all of the region's counties is concerning.

Net domestic migration in the Chicago Metropolitan Agency for Planning region, 2001-17

Note: Between 2011-17, Kendall County grew by as few as 62 people and as many as 513 people in a given year.

Source: Chicago Metropolitan Agency for Planning analysis of U.S. Census Bureau Population Estimates Program data, 2001-17. Note that data is not available for 2010.

- Cook
- DuPage
- Kane
- Kendall
- Lake
- McHenry
- Will
- Regional net migration



The 2007-09 recession's negative impact on economic opportunity in the Chicago region partially explains these trends. The region regained its pre-recession 2007 peak in employment and gross regional product years after peer regions, and continues to lag in post-recessionary recovery, with an [unemployment rate](#) that has yet to recover to pre-recession levels. The rise in domestic outmigration in the region's younger and growing counties suggest that the Chicago region is increasingly unable to retain its residents, and instead is losing residents across the region to other metropolitan areas and states with stronger economic opportunities.

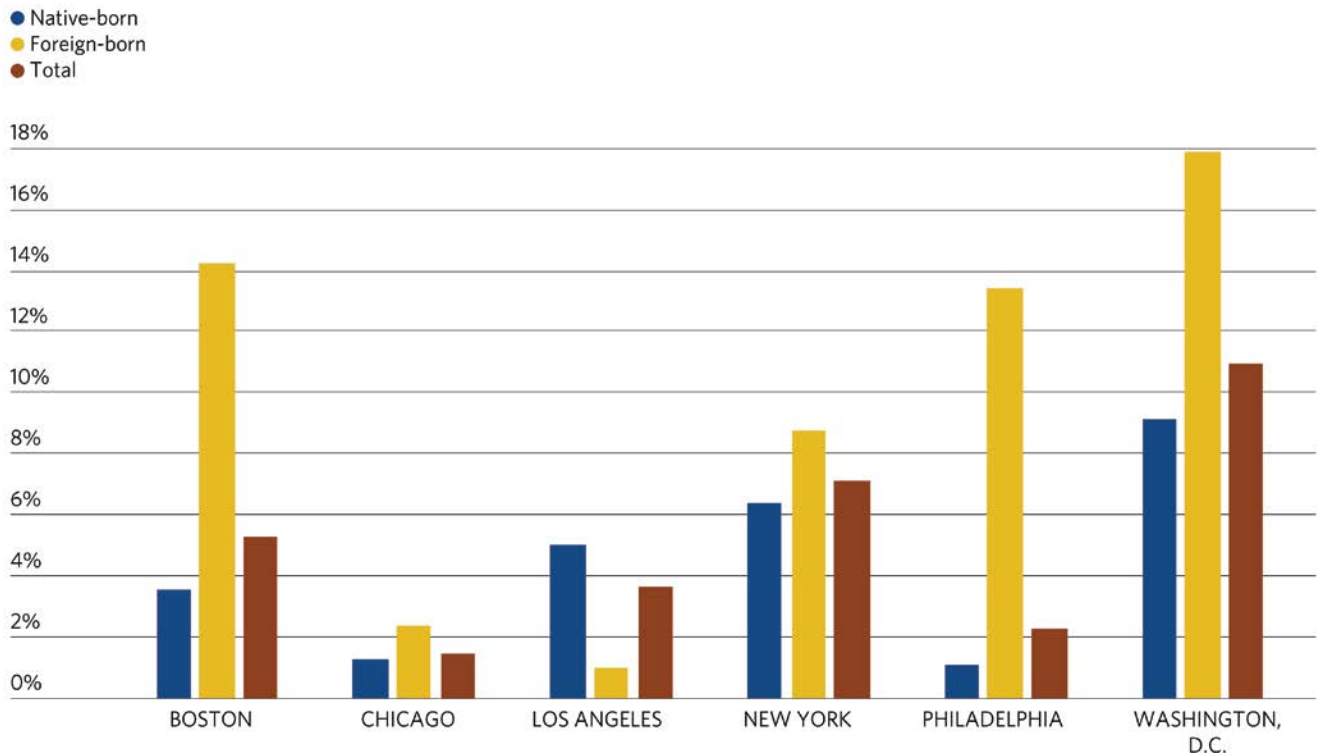
Immigration to the Chicago region stagnates

The Chicago region has [historically](#) relied on strong international immigration for its population growth, as have other peer regions also experiencing increasing domestic outmigration. However, the latest Census data shows that international migration into the Chicago region is stagnant, and thus is not compensating for the continued loss of residents to other parts of the country.

As a result, foreign-born population growth has slowed in recent years. The region's foreign-born population grew by 61 percent between 1990-2000 but only grew by 2.4 percent between 2010-16 -- less than 40,000 people. The foreign-born population, however, continues to outgrow the native-born population, which grew by a mere 1.3 percent between 2010-16. This trend is consistent across CMAP's seven counties.

Population growth rate by nativity in the Chicago Metropolitan Statistical Area (MSA) and select peer MSAs, 2010-16

Source: Chicago Metropolitan Agency for Planning analysis of American Community Survey data, 5-year estimates, 2010 and 2016.



Foreign-born population growth in the Chicago region has typically been driven by immigrants from Latin America. The latest data suggests a shift in this pattern: The Chicago region has begun to experience less Latin American immigration and more Asian immigration. In the Chicago region, the Asian-born population increased by more than 60,000 new residents since 2010, in stark contrast to a loss of nearly 18,000 Latin American-born residents.

Regional immigration trends reflect larger national trends. Nationally, the 2007-09 recession accelerated a decline in [Mexican immigration](#) to the U.S. As a result, Asian immigrants arriving to the U.S. have [outnumbered](#) Hispanic immigrants every year since 2010. Similarly, the Chicago region had roughly 70,000 fewer Mexican-born residents in 2016 than it did in 2006, at the same time as the region added more than 76,000 Asian-born residents.

Region gains higher-earning residents

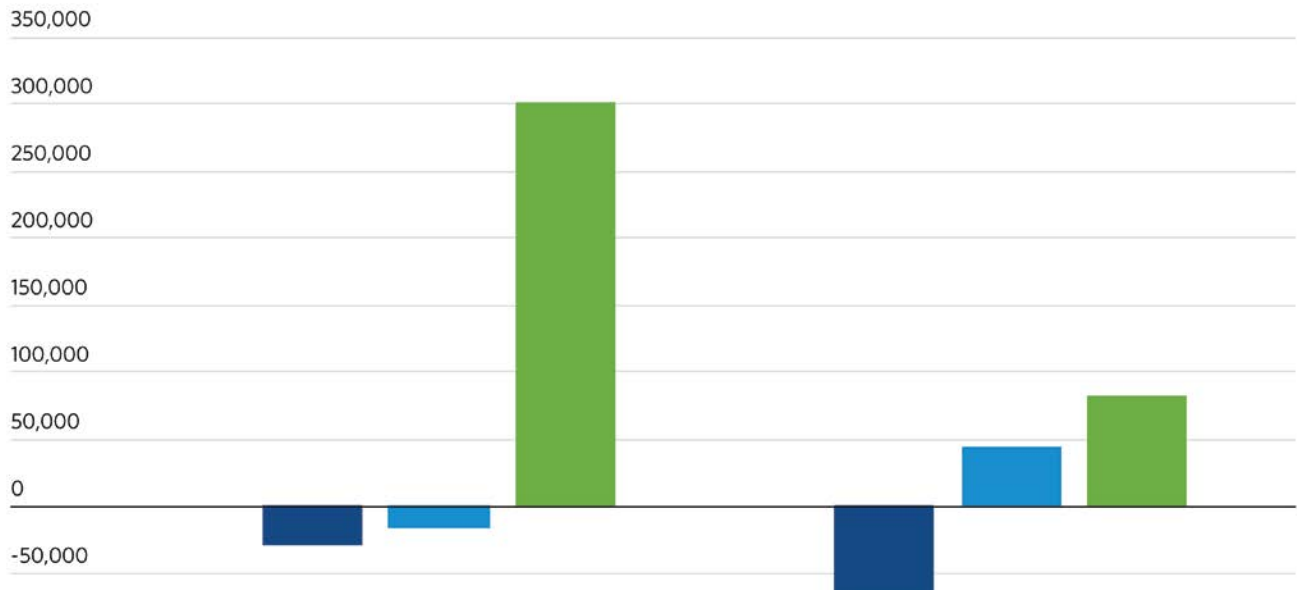
The Chicago region's [slow economic growth](#) affects regional mobility. The region's lower- and moderate-income residents are especially susceptible to changing economic conditions and slow recessionary recovery. Prior CMAP analysis indicates that [low- and moderate-income residents across all demographic groups](#) have left the Chicago region over the last decade, potentially in search of greater economic opportunity elsewhere.

An analysis of earnings data for the Chicago region's native- and foreign-born populations reaffirms the loss of lower-income residents. The number of people in the Chicago region age 16 and older earning less than \$25,000 decreased by roughly 30,000 and 80,000 for the native- and foreign-born populations, respectively, between 2006-16. In contrast, the native- and foreign-born populations, respectively, added more than 300,000 and 80,000 people earning \$75,000 or more.

Change in population 16 years and older with earnings, by earnings and nativity, 2006-16

Source: Chicago Metropolitan Agency for Planning analysis of American Community Survey data, 1-year estimates, 2006 and 2016.

- \$1 to \$24,999 or loss
- \$25,000 to \$74,999
- \$75,000 or more



These data suggest diverging migration patterns based on earnings. Though domestic and international migration into the Chicago region has slowed, declining migration may be more pervasive among lower-earning individuals—across race, ethnicity, and nativity. This highlights that the region’s available employment options, quality of life, or cost of living may better meet the needs of high-earners rather than lower-earning residents.

Looking forward

Continued population loss is a worrisome trend. While the region appears to be gaining high- income residents, this increase is not offsetting losses due to stagnant immigration and domestic outmigration of low- and moderate-income residents.

The region has made strides that can contribute to economic and population growth, including building a more skilled workforce, improving the transportation network and quality of life, and maintaining diverse industries. The region continues to add jobs, and indeed has reached its [highest employment count since the recession](#). However, this job growth and its related prosperity is not occurring equally across all residents. In addition, the region’s overall employment and gross regional product growth continues to lag peers.

The region’s economic vitality hinges on attracting and retaining a healthy [workforce](#). Research indicates that more successful regions provide economic opportunity for all residents. As part of emerging ON TO 2050 recommendations, CMAP is highlighting the need to [provide economic opportunity for all of the region’s residents](#), particularly low-income and minority residents. Providing this opportunity, as well as spurring growth overall, will require collaborative efforts on [economic development](#), infrastructure investment, and inclusive growth.

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