The Washington Region’s Changing Population and its Economic Implications

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Population Trends in the Washington Region
1. The Washington Region is Aging.

The Washington Region attracted a large number of Baby Boomers and has kept them.

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### Population by Age Group

Washington Region, 1980

- **Baby Boomers:** 1.29M

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Sources: U.S. Census Bureau (1980 Census); The Stephen S. Fuller Institute at the Schar School, GMU
Population by Age Group
Washington Region, 1990

Sources: U.S. Census Bureau (1990 Census); The Stephen S. Fuller Institute at the Schar School, GMU

Population by Age Group
Washington Region, 2000

Sources: U.S. Census Bureau (2000 Census); The Stephen S. Fuller Institute at the Schar School, GMU
Population by Age Group
Washington Region, 2010

Sources: U.S. Census Bureau (2010 Census); The Stephen S. Fuller Institute at the Schar School, GMU

Population by Age Group
Washington Region, 2015

Sources: U.S. Census Bureau (v2016 Population Estimates); The Stephen S. Fuller Institute at the Schar School, GMU
2. The Region Attracted Millennials But May Not Be Able to Keep Them.

Millennials have a strong presence in the Washington region, but are less concentrated compared to Boomers at the same age. There are early signs that Millennials will not stay in the region to the extent that Boomers did.
Percent Change in Population by Age Group
Washington Region, 1980 and 2016

Total Increase = 74.7%

Washington Region’s Population as a % of Nation’s
1980 and 2016

<table>
<thead>
<tr>
<th></th>
<th>Washington as % of U.S.</th>
<th>Relative Concentration</th>
</tr>
</thead>
<tbody>
<tr>
<td>15-24</td>
<td>1.50%</td>
<td>1.80%</td>
</tr>
<tr>
<td>25-34</td>
<td>1.77%</td>
<td>2.06%</td>
</tr>
<tr>
<td>15-34, Total</td>
<td>1.63%</td>
<td>1.93%</td>
</tr>
<tr>
<td>Total Population</td>
<td>1.51%</td>
<td>1.90%</td>
</tr>
</tbody>
</table>
Percent Change in Population Aged 25-34
15 Largest Metros, 2014 - 2016

U.S. Increase = 2.8%

Domestic Migration by Age Group
Washington Region, 2013-2015 Average

Sources: U.S. Census Bureau (v2016 Population Estimates); The Stephen S. Fuller Institute at the Schar School, GMU

Domestic Migration by Age Group
Washington Region, 2013-2015 Average

Sources: 2013, 2014, 2015 ACS Microdata (Average); The Stephen S. Fuller Institute at the Schar School, GMU

Population gains have been driven by the natural increase and net foreign migration.

Net domestic migration has been negative.
Domestic Migration in the Washington Region 2000 to 2015

Comparison of Job Growth Washington Region and the Rest of the Nation, 2000 - 2015

Sources: Internal Revenue Service; The Stephen S. Fuller Institute at the Schar School, GMU
*Preliminary
Implications of Population Trends in the Washington Region

1. Continuing Out-Migration and Subdued Population Growth

Most Baby Boomers are under 65 years old and 65-69 year olds have been the most likely to leave the region.
Domestic Out-Migrant Per In-Migrant
Washington Region, 2013-2015 Average

Population Growth
Washington Region, 2001-2021

Sources: 2013, 2014, 2015 ACS Microdata (Average); The Stephen S. Fuller Institute at the Schar School, GMU
Sources: IHS Economics; The Stephen S. Fuller Institute at the Schar School, GMU
2. A Tightening Labor Force

The region is losing workers to net domestic migration and foreign in-migrants are less attached to the labor force.

Private Sector Job-Holders by Select Age Group
Washington Region, 2005-2016

Sources: Quarterly Workforce Indicators; The Stephen S. Fuller Institute at the Schar School, GMU *3Q & 4Q 2005 **through 3Q 2016
Labor Force Status of Domestic Migrants
Washington Region, 2013-2015 Average

<table>
<thead>
<tr>
<th>Labor Force Status</th>
<th>In-Migrant</th>
<th>Out-Migrant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employed, Civilian</td>
<td>108.3</td>
<td>121.4</td>
</tr>
<tr>
<td>Employed, Armed Forces</td>
<td>10.8</td>
<td>9.0</td>
</tr>
<tr>
<td>Unemployed</td>
<td>9.6</td>
<td>15.0</td>
</tr>
<tr>
<td>Not in the Labor Force</td>
<td>48.9</td>
<td>81.3</td>
</tr>
</tbody>
</table>

Sources: 2013, 2014, 2015 ACS Microdata (Average); The Stephen S. Fuller Institute at the Schar School, GMU

Net Domestic Migration by Select Industry
Washington Region, 2013-2015 Average
Ranked by Total In-Migration (000s)

<table>
<thead>
<tr>
<th>Industry</th>
<th>Rank</th>
<th>In-Migration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prof., Sci., &amp; Tech. Svcs &amp; Mgt</td>
<td></td>
<td>(6.0)</td>
</tr>
<tr>
<td>Federal Government</td>
<td></td>
<td>(1.8)</td>
</tr>
<tr>
<td>Health Care &amp; Social Assistance</td>
<td></td>
<td>(2.7)</td>
</tr>
<tr>
<td>State &amp; Local Government</td>
<td></td>
<td>(1.9)</td>
</tr>
<tr>
<td>Leisure &amp; Hospitality</td>
<td></td>
<td>(1.9)</td>
</tr>
<tr>
<td>Other Services</td>
<td></td>
<td>(1.3)</td>
</tr>
<tr>
<td>Educational Services</td>
<td></td>
<td>(2.0)</td>
</tr>
<tr>
<td>Financial Activities</td>
<td></td>
<td>(1.2)</td>
</tr>
<tr>
<td>Construction</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Manufacturing</td>
<td></td>
<td>(0.8)</td>
</tr>
<tr>
<td>Admin., Support &amp; Waste Mgt</td>
<td></td>
<td>(0.9)</td>
</tr>
</tbody>
</table>

Sources: 2013, 2014, 2015 ACS Microdata (Average); The Stephen S. Fuller Institute at the Schar School, GMU
3. A Shift to a Buyer’s Market?

Will younger workers be able to buy the homes of down-sizing or leaving Baby Boomers?
Share of Single-Family Homes Owned for 20+ Years
Washington Region

- 2000: 19.3%
- 2010: 20.6%
- 2015: 23.3%

Sources: U.S. Census Bureau (2000 Census, 2010 ACS, 2015 ACS microdata); The Stephen S. Fuller Institute at the Schar School, GMU
NOTE: Includes detached and attached; modest geography changes over time

Population by Age
Washington Region, 2016

Sources: U.S. Census Bureau (v2016 Population Estimates); The Stephen S. Fuller Institute at the Schar School, GMU
Population by Age Based on Past Trends
Washington Region, 2025

Sources: The Stephen S. Fuller Institute at the Schar School, GMU

Percent Difference in Regional Price Levels,
Compared to the Washington Region, 2015

Sources: U.S. Bureau of Economic Analysis; The Stephen S. Fuller Institute at the Schar School, GMU
4. Changing Drivers of Job Growth

Resident-Serving jobs have grown disproportionately faster than export-based jobs.

### Job Growth By Select Sub-Sector
**Washington Region, 2001-2006 and 2012-2017**

<table>
<thead>
<tr>
<th></th>
<th>2001-2006 Change</th>
<th>2012 – Aug 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Jobs (000s)</td>
<td>% of Total</td>
</tr>
<tr>
<td>Health Care &amp; Social Assistance</td>
<td>26.5</td>
<td>10.6%</td>
</tr>
<tr>
<td>Food Service &amp; Drinking Places</td>
<td>25.7</td>
<td>10.2%</td>
</tr>
<tr>
<td><strong>Total of Sectors</strong></td>
<td><strong>52.2</strong></td>
<td><strong>20.8%</strong></td>
</tr>
<tr>
<td><strong>Sector as % of All Jobs</strong></td>
<td><strong>13.6%</strong></td>
<td></td>
</tr>
</tbody>
</table>

Sources: U.S. Bureau of Labor Statistics; The Stephen S. Fuller Institute at the Schar School, GMU