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The vicious cycle of Greater Pittsburgh's population loss

By Colin McNickle

Pittsburgh cannot thrive without a growing population, concludes an analysis by the Allegheny Institute for Public Policy.

“As population falls, so does the number of people available for the labor force,” says Frank Gamrat, executive director the Pittsburgh think tank (in *Policy Brief Vol. 24, No. 16*). “Without a growing and strong labor force, the economy is going to languish.”

A review of federal U.S. Census data shows population loss is a problem for most Greater Pittsburgh counties.

In March 2024, the bureau released its population estimates for July 2023 and compared “components of change” -- such as natural change (births minus deaths) and net migration (the sum of domestic migration and international migration) -- to the 2020 decennial Census count.

“The largest county in the Pittsburgh Metropolitan Statistical Area (MSA) is Allegheny County with a 2020 count of 1,250,536 persons,” Gamrat notes. “The estimated population in 2023 was 1,224,825, a reduction of 25,711 or 2.06 percent.”

That represents a natural change of minus 8,494 and a negative net migration of 18,254 with 24,748 domestic migrants leaving the county and only 6,530 international migrants entering.

“More specifically, for every four domestic migrants leaving, only one international migrant arrived,” the Ph.D. economist says.

Of the other six counties in the MSA, Butler County posted the largest gain with 4,639 more people (2.3 percent) and Washington County gained a scant 863 (0.4 percent).

The four remaining counties each lost population over the period: Armstrong (-1,486 or 2.3 percent); Beaver (-2,598 or 2.8 percent); Fayette (-4,910 or 3.8 percent) and Westmoreland (-3,509 or 0.99 percent).

“All counties in the MSA had more deaths than births,” the think tank scholar says. “Only four counties—Beaver, Butler, Washington and Westmoreland—had increases in both domestic and international migration.”

While domestic migration in these four counties increased by a total of 13,950, “it does not offset the loss of 26,119 domestic migrants in the other three counties, including Allegheny. The MSA had a net loss of 12,169 domestic migrants,” Gamrat says.

International migration in the six smaller counties in the MSA was 1,092 people—a very small percentage, 0.1 percent, of their combined population (1,113,428). “And when added to Allegheny’s increase, the total draw of international migrants is 7,622, not enough to counter the loss of domestic migrants in the MSA,” the researcher reminds.

Enter the domino effect and a vicious cycle on the labor market.

“Current firms will have a difficult time filling jobs with local residents and with ongoing net out-migration that will likely continue indefinitely,” Gamrat cautions. “At the same time, firms will be very reluctant to enter the market for the same reason.

“Unfortunately, a stagnant economy will result in a reduced tax base, thus forcing higher tax rates on remaining residents and pushing more people away.”

The bottom line is that with a contracting tax base and declining population, the burden of high-cost services will rest on those who remain.

“Unfortunately for Allegheny County, the new chief executive has embarked on a social services campaign and has ignored advancing any reforms, such as conducting frequent property assessments that would ensure fairness in taxation and making the county more attractive for business expansion and perhaps encouraging new business to begin operations in the county,” Gamrat laments.

Sadly, he says that even statewide, the focus is not on policies that promote economic growth. “Instead, the governor is pushing a cap-and-trade policy on energy that will only raise its price for all, including businesses.”

“Without any meaningful movement toward making either the Pittsburgh MSA or Pennsylvania more business-friendly, the long-term trend of population decline and tepid economic growth in the state and region relative to growing states will continue,” concludes the Allegheny Institute director.

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