

POLICY BRIEF
An electronic publication of
The Allegheny Institute for Public Policy

April 20, 2011

Volume 11, Number 24

Has Allegheny County's Population Loss Ended?

Has the population decline in Allegheny County that dates back to 1960 finally ended? The latest Census figures show the rate of population loss since 2000 appears to have slowed to a halt—at least temporarily. The question is: has the County turned the corner and is it now poised to begin reversing the decades-long pattern of population loss, or is it more of a momentary pause in losses stemming from the effects of the deep national recession?

Allegheny County's population stood at 1.223 million in 2010 according to the Census, down more than 58,000 from the 2000 Census reading of 1.281 million—a loss of 4.5 percent, which was actually larger than the 4.1 percent drop from 1990 to 2000. To examine the details of the population change we looked at the latest estimates of the components of resident population change for the County for which the latest Census annual estimates are from July 2009. This data shows that from 2000 to 2009 the bulk of the population decline was the result of domestic out-migration exceeding domestic in-migration. Net migration, including domestic and international flows, was responsible for more than two-thirds of the County's population loss from 2000 to 2009.

As for the argument that Allegheny County's outflows are merely moving to the five counties contiguous to Allegheny County, note that only Butler and Washington posted population gains over the decade. Butler and Washington Counties also had positive net domestic in-migration totals, but combined those gains were less than one-third of Allegheny County losses. Residents who have left Allegheny County were far more likely to have moved beyond neighboring counties.

Looking at the year-to-year estimates from 2008 to 2009, the data for domestic migration indicate that about 3,000 more residents migrated to Allegheny County than moved away following years of net outflows of population. The big question we must wait to get answered is this: did the net positive domestic in-migration and consequent halting of the County's population losses occur because of improving economic opportunities in Allegheny County or was it because the country was mired in a deep recession and states that prior to the recession were creating large numbers of jobs suddenly found themselves shedding jobs? With opportunities in other states drying up, it could well be that some who had moved away in search of employment found it necessary to look homeward.

A review of civilian labor force and employment data for Allegheny County may shed light on the answer to these questions.

In 2000 the County's labor force was estimated to be 635,900 and by 2010 had risen one percent to 642,900 (Bureau of Labor Statistics household survey). During the decade the count varied from a high of 644,000 in 2002 to a low of 629,300 in 2006 before beginning a steady increase in the later years of the decade. Thus while the County's population declined 4.5 percent over the decade, the civilian labor force increased slightly. When we look at the civilian labor force as a percentage of the population, we can see that the civilian labor force was just under fifty percent of the population in 2000 (49.6 percent). By 2010 that percentage had risen to 52.6 percent.

Growth in labor force has not translated to growth in employment. Data shows that in 2000 the total employment level in Allegheny County stood at nearly 610,000 (Bureau of Labor Statistics household survey). After hitting peaks of 615,000 in 2001 and 611,000 in 2008, the recession at the end of the decade eroded the employment level to around 592,000 by 2010.

The notion that Allegheny County failed to boom along with much of the country before the recession, and therefore its fall wasn't as precipitous as faster growing counties across the nation, may have contributed to the cessation of population loss. However, the only time domestic migration was a net positive during the decade was in the recession years of 2008-09. Hence it is entirely possible that once the national recovery moves into high gear, population losses may well resume unless substantial changes are made to the business climate.

Notwithstanding all the city rankings that show the area to be a great place to live with a low cost of living, great amenities, and low incidences of crime, it will be economic factors—specifically jobs—that lure new residents and encourage existing ones to stay. The current economic environment in Allegheny County is not conducive to attracting businesses or growing jobs. The brightest spot, other than the health and education sectors, is the activity related to Marcellus Shale exploration and production.

On the other hand, excessive subservience to unions by elected officials works strongly against creating the business climate the County needs. A give-them-what-they-demand mentality has pushed up the cost of public services from mass transit to education creating the necessity for high taxes. Only when these and related problems are dealt with can the County expect to transition to a period of vigorous economic growth that will in turn lead to a rising population.

Frank Gamrat, Ph.D., Sr. Research Assoc.

Jake Haulk, Ph.D., President

Policy Briefs may be reprinted as long as proper attribution is given.

For more information about this and other topics, please visit our website:

www.alleghenyinstitute.org

Allegheny Institute for Public Policy
305 Mt. Lebanon Blvd.* Suite 208* Pittsburgh PA 15234
Phone (412) 440-0079 * Fax (412) 440-0085
E-mail: aipp@alleghenyinstitute.org