Demography Informs Destiny!  
The Case of Greater Boston

New England Economic Partnership  
Fall Economic Outlook Conference

Boston Federal Reserve Bank  
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Dukakis Center for Urban & Regional Policy

Northeastern University  
School of Public Policy & Urban Affairs  
www.northeastern.edu/dukakiscenter

A “Think and Do” Tank
Between 2015 and 2030, projected population growth: 37.1 million
Projected United States Population Growth by Component 2015-2030

- Births: 65,873,000
- Deaths: 43,439,000
- Net Int'l Migration: 14,670,000
- Population: 37,108,000

Source: U.S. Census Bureau
Figure 2: Interim Projections: Numerical Change in Population by Region of the United States, 2000 to 2030

Source: U.S. Census Bureau, Population Division, Interim State Population Projections,
Projected Population Growth
2010-2030
New England vs. United States


Source: U.S. Census Bureau
Projected Population Growth by Age Cohort
2010-2030
New England

And aging rapidly
Share of Projected Population Growth by Age Cohort
2010-2030

About 20% of projected U.S. population growth are children … in New England only 13%

Source: U.S. Census Bureau
New England’s Young Adult population will shrink by nearly 19 percent ... while it grows modestly in the U.S.
New England’s Prime Age population will shrink dramatically ... while the U.S. experiences growth.
Meanwhile, New England’s senior population will expand rapidly ... its share of total population increasing more than twice as fast as the U.S.

Source: U.S. Census Bureau
How Might a Slow Growing, Rapidly Aging Population Affect New England?

Labor Force
New Business
State & Local Finance
Public Service
Economic Challenges

- With slow population growth and a rapidly aging population, much of New England could begin to experience **critical labor shortages**
  - Example: Massachusetts will need 100,000 replacement workers in manufacturing over the next ten years ... where will they come from?

- With tight labor markets, will **firms relocate to regions** with a more plentiful labor supply?
Political Challenges

- With an aging population and a dearth of prime age workers, what might happen to state and local revenue?

- With an aging population, what will happen to the demand for and cost of public services?
  - Appropriate public transportation for seniors
  - Medical costs for retiring public employees
  - Medicaid Costs
  - Elder Services
Can Boston attract Young Households and Young Workers to Counter these Trends?
City of Boston Population
1950-2011

Boston finally growing again
Migration Patterns

Within the New England states, recent migration rates vary from state to state.

Within Massachusetts, in-migrants are coming to Metro Boston – 70% of migrants into Massachusetts move into Metro Boston.


But net out-migration to New Hampshire, Florida, California, and Texas.
### Interstate Migration 2011-2012

<table>
<thead>
<tr>
<th>State</th>
<th>In-Migration</th>
<th>Out-Migration</th>
<th>Ratio of In-Migration to Out-Migration</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Hampshire</td>
<td>50,484</td>
<td>38,696</td>
<td>1.30</td>
</tr>
<tr>
<td>Vermont</td>
<td>24,431</td>
<td>20,056</td>
<td>1.22</td>
</tr>
<tr>
<td>Rhode Island</td>
<td>33,446</td>
<td>30,498</td>
<td>1.10</td>
</tr>
<tr>
<td>Connecticut</td>
<td>80,311</td>
<td>87,023</td>
<td>0.92</td>
</tr>
<tr>
<td>Massachusetts</td>
<td>142,577</td>
<td>158,156</td>
<td>0.90</td>
</tr>
<tr>
<td>Maine</td>
<td>27,523</td>
<td>38,574</td>
<td>0.71</td>
</tr>
</tbody>
</table>
## Net Migration – Metro Boston 1996/7-2007/8

<table>
<thead>
<tr>
<th>Region</th>
<th>In-Migration</th>
<th>Out-Migration</th>
<th>Net Migration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreign</td>
<td>76,095</td>
<td>33,265</td>
<td>42,830</td>
</tr>
<tr>
<td>New York</td>
<td>90,127</td>
<td>54,694</td>
<td>35,433</td>
</tr>
<tr>
<td>Connecticut</td>
<td>42,504</td>
<td>26,158</td>
<td>16,346</td>
</tr>
<tr>
<td>New Jersey</td>
<td>33,132</td>
<td>21,132</td>
<td>12,000</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>23,725</td>
<td>16,901</td>
<td>6,824</td>
</tr>
<tr>
<td>Rhode Island</td>
<td>26,102</td>
<td>22,712</td>
<td>3,390</td>
</tr>
<tr>
<td>Texas</td>
<td>18,388</td>
<td>18,940</td>
<td>-552</td>
</tr>
<tr>
<td>California</td>
<td>60,403</td>
<td>61,997</td>
<td>-1,594</td>
</tr>
<tr>
<td>Florida</td>
<td>46,942</td>
<td>83,986</td>
<td>-37,044</td>
</tr>
<tr>
<td>New Hampshire</td>
<td>83,444</td>
<td>150,381</td>
<td>-66,937</td>
</tr>
<tr>
<td><strong>Total - All Regions</strong></td>
<td><strong>685,198</strong></td>
<td><strong>672,439</strong></td>
<td><strong>12,759</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>In-Migration to Metro Boston</th>
<th>Out-Migration from Metro Boston</th>
<th>Net Migration</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Hampshire</td>
<td>83,444</td>
<td>150,381</td>
<td>-66,937</td>
</tr>
<tr>
<td>Maine</td>
<td>18,108</td>
<td>27,382</td>
<td>-9,274</td>
</tr>
<tr>
<td>Vermont</td>
<td>8,065</td>
<td>7,423</td>
<td>642</td>
</tr>
<tr>
<td>Rhode Island</td>
<td>26,102</td>
<td>22,712</td>
<td>3,390</td>
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<td>42,504</td>
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<td>16,346</td>
</tr>
</tbody>
</table>
## Metro Boston dominates In-Migration into Massachusetts 1996/7 – 2007/8

<table>
<thead>
<tr>
<th>From</th>
<th>To Massachusetts</th>
<th>To Metro Boston</th>
<th>% into Metro Boston</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pennsylvania</td>
<td>28,543</td>
<td>23,725</td>
<td>83.1%</td>
</tr>
<tr>
<td>New Hampshire</td>
<td>102,984</td>
<td>83,444</td>
<td>81.0%</td>
</tr>
<tr>
<td>New Jersey</td>
<td>41,231</td>
<td>33,132</td>
<td>80.4%</td>
</tr>
<tr>
<td>California</td>
<td>76,053</td>
<td>60,403</td>
<td>79.4%</td>
</tr>
<tr>
<td>Maine</td>
<td>23,955</td>
<td>18,108</td>
<td>75.6%</td>
</tr>
<tr>
<td>Foreign Countries</td>
<td>102,331</td>
<td>76,095</td>
<td>74.4%</td>
</tr>
<tr>
<td>New York</td>
<td>127,455</td>
<td>90,127</td>
<td>70.7%</td>
</tr>
<tr>
<td>Florida</td>
<td>80,588</td>
<td>46,942</td>
<td>58.2%</td>
</tr>
<tr>
<td>Connecticut</td>
<td>88,260</td>
<td>42,504</td>
<td>48.2%</td>
</tr>
<tr>
<td>Rhode Island</td>
<td>76,779</td>
<td>26,102</td>
<td>34.0%</td>
</tr>
<tr>
<td><strong>Total - All States</strong></td>
<td><strong>970,925</strong></td>
<td><strong>685,198</strong></td>
<td><strong>70.6%</strong></td>
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</tbody>
</table>
Greater Boston Population Trends

With its strong academic, medical, bioscience, high tech, convention, and financial services, the Boston metro area would seem to be a population magnet.

What is the reality?
Population Growth 1990-2040
Greater Boston
Status Quo Projection

Population Growth 2010-2030: 5.1%  +225,000
2010-2040: 6.6%  +293,000

Source: Metropolitan Area Planning Council
BUT … extremely modest increase in Labor Force by 2040: +10,000 (0.3%)

Source: Metropolitan Area Planning Council
Population Growth
1990-2040
Greater Boston
Stronger Region Projection

Population Growth 2010-2030: 9.6%  +430,000
2010-2040: 12.6%  +561,000

Source: Metropolitan Area Planning Council
Labor Force 2010-2040
Greater Boston
Stronger Region Projection

Under Stronger Growth Projection, Labor Force increases by 174,000 by 2040: 6.9%

Source: Metropolitan Area Planning Council
Projected Population Growth: United States vs. Greater Boston (Status Quo/Stronger Region)

With Stronger Regional Growth, population expands faster each decade – better than U.S. trend

- United States
  - 2000-2010: 9.8%
  - 2010-2020: 8.1%
  - 2020-2030: 7.4%

- Greater Boston Status Quo
  - 2000-2010: 3.5%
  - 2010-2020: 2.2%
  - 2020-2030: 2.7%

- Greater Boston Stronger Region
  - 2000-2010: 3.5%
  - 2010-2020: 4.1%
  - 2020-2030: 4.8%
Population Growth by Age Cohort 2010-2040
Greater Boston
Status Quo Projection

Under Status Quo projection, still lose prime age workforce

Source: Metropolitan Area Planning Council
Population Growth by Age Cohort
2010-2030
Greater Boston
Stronger Region Projection

Only with the Stronger Growth Projection is there an increase in the Prime Age Workforce

Source: Metropolitan Area Planning Council
What Does this Mean for Greater Boston?

Only if Boston can continue to outpace the national economy in output and employment growth will it be in a position to retain young people already here and attract a large number of others from around the country and abroad.

This will take a major effort to maintain the region’s economic competitiveness … providing ample job opportunity for newcomers.
What does this mean for New England?

It all depends on whether Boston drains the rest of New England of young people … or once here, young Bostonians look to other states for their future … as appears to be the case today in New Hampshire (and Maine)
Bluestone’s “Conjecture”

- Boston’s strong economy and its universities attract a large number of young workers to Greater Boston who stay here for schooling and jobs – giving us the Stronger Region Projection
- But once many of these young workers have families, they find the cost of housing prohibitive in Greater Boston
- As a result, they seek more affordable housing outside of Greater Boston – migrating to other parts of Massachusetts, southern New Hampshire, southern Maine, and perhaps Rhode Island
- In this case, Boston’s impact on New England’s prosperity is benign and symbiotic
Bluestone’s Conjecture (Con’t)

- And if you are of the Democratic Party persuasion in Greater Boston, you take solace in your loss … as once RED states New Hampshire and Maine continue to switch into BLUE ones … the consequence of liberal-leaning BLUE state Greater Boston young families migrating to these states and exercising their voting franchise there!
Thank You
The Kitty and Michael Dukakis Center for Urban & Regional Policy conducts interdisciplinary research, in collaboration with civic leaders and scholars both within and beyond Northeastern University, to identify and implement real solutions to the critical challenges facing urban areas throughout Greater Boston, the Commonwealth, and the nation.

Founded in 1999 as a “think and do” tank, the Dukakis Center’s collaborative research and problem-solving model applies powerful data analysis, multidisciplinary research and evaluation techniques, and a policy-driven perspective to address a wide range of issues facing cities, towns, and suburbs, with a particular emphasis on the greater Boston region. The Dukakis Center works to catalyze broad-based efforts to solve urban problems, acting as both a convener and a trusted and committed partner to local, state, and national agencies and organizations.

In November 2008 the Center was renamed in honor of Kitty and Michael Dukakis for the extraordinary work that both of them have done to make the City of Boston, the Commonwealth, and the nation a better place to live and work.

Policy Focus Areas:

- Economic Development
- Housing
- Labor/Management Relations
- Program Evaluation
- State and Local Public Finance
- Transportation
- Workforce Development

A “Think and Do” Tank
GRADUATE PROGRAMS

MS in Urban & Regional Policy

Master of Public Administration
*Online option available.*

MS in Law & Public Policy
*Focus areas in Sustainability, Climate Change and Environmental Policy; Health Policy; Crime and Justice and Urban Policy.*

PhD in Law & Public Policy

All courses are offered in the evenings in order to accommodate students who are working full-time during the day.

The masters programs have admissions cycles for starting in either the Fall or Spring Semester.

School of Public Policy and Urban Affairs:

- Fosters interdisciplinary social science research on critical public policy issues
- Provides professional training for tomorrow’s leaders
- Energizes sustained community involvement through collaborations with local and regional institutions