

STAGNANT INTERNATIONAL IMMIGRATION SLOWS POPULATION GROWTH IN THE CHICAGO REGION

The Chicago region is experiencing demographic shifts that have led to recent small population declines, which hold significant implications for the future. Domestic migration, which long occurred both within the region as well as to and from other parts of the country, has now shifted to [outmigration to other regions, from all parts of the Chicago region](#). In line with national trends, declining birth rates and an aging Baby Boomer generation are resulting in an [older region](#), imposing new transportation and housing demands. Despite black population declines, the region will continue to [grow increasingly diverse](#) as its white population shifts from a majority to a plurality. Lower and moderate income residents are leaving the region, while metropolitan Chicago is [adding higher income residents](#).

This Policy Update analyzes data from the U.S. Census Bureau's annual Population and Housing Unit Estimates program (PEP) and American Community Survey Estimates (ACS). As prior CMAP analyses indicated, the Chicago Metropolitan Statistical Area (MSA) continues to experience long-term population stagnation as well as recent declines. The number of people leaving our region for other parts of the nation — a trend that slowed during the recession — has increased in recent years, returning to pre-recession levels. Meanwhile, international immigration to the Chicago region is stagnant and has not yet recovered to pre-recession rates. These international and domestic migration trends together contribute to a net migration loss for the region, driving recent population declines.

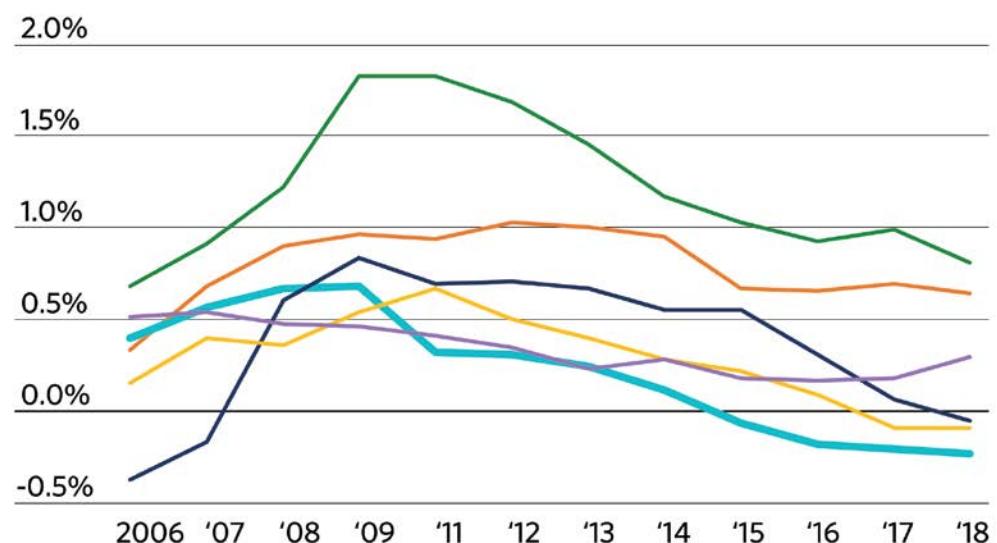
Chicago MSA leads large metros in declining population growth rates

The Chicago region continues to experience population decline, losing residents for the fourth consecutive year. The region's population decreased by 22,000 in 2018 and more than 65,000 total over the last four years. While small compared with the region's overall population count, this loss stands in contrast to population gains elsewhere in the nation. For example, some peer metropolitan areas, including Boston, Philadelphia, and Washington, D.C., continue to gain residents albeit at generally declining rates. Others peer regions, however, have also started to experience population decline. The Los Angeles and New York regions, for example, also experienced declines in 2018, though these regions lost population at lower rates than the Chicago region. Should these trends continue, the Chicago region and other well-established metropolitan areas are expected to continue to lose residents.

Annual population growth rates for select Metropolitan Statistical Areas, 2006-18

● Boston ● Chicago ● Los Angeles ● New York
● Philadelphia ● Washington, D.C.

Note: No data available for 2010.
Source: Chicago Metropolitan Agency for Planning analysis of U.S. Census Population and Housing Unit Estimates data, 2005-18.



Population change has several components. The Chicago region has traditionally been a popular destination for international immigrants coming to the U.S. According to the American Community Survey, in 2017, the Chicago region was home to 1.72 million foreign-born residents, representing 18 percent of the region's total population. New births and growing families from all residents groups are another typical avenue for population growth, and the balance of births and deaths is known as natural increase. Finally, the region typically loses residents to other regions, called domestic outmigration. Domestic and international migration are stronger components of population change than natural increase, accounting for more than two-thirds of annual population change during the last few years. The remainder of this update explores domestic and international migration for the Chicago region and its peers.

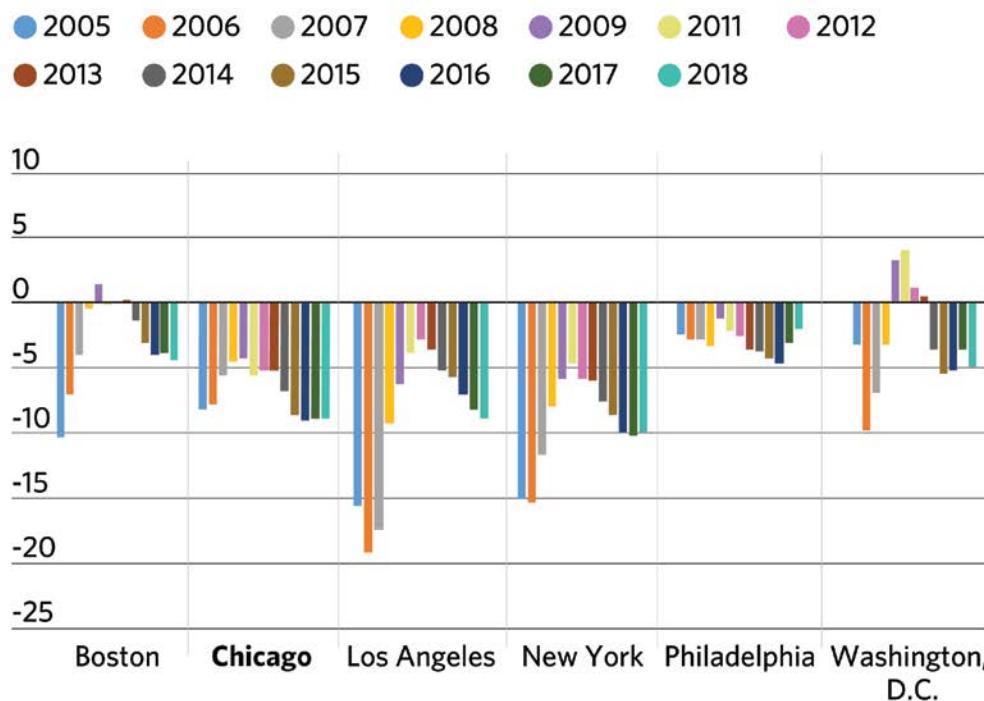
As many residents are leaving the region now as before recession

Slowed population growth in large metropolitan areas hints at a decreased desirability among residents to live in these areas. Domestic migration is changing. Across the nation, [residents are leaving the Snow Belt for the Sun Belt](#) — southern cities that may be more affordable, offer more job prospects due to rapid growth, or possess other quality-of-life improvements. A [prior CMAP analysis](#) illustrated the growth in residents migrating from the Chicago region to live elsewhere in the country, leading to a net loss for the region.

The Chicago region, like its peers, has lost more residents to other regions than it has gained every year since before the 2007-09 recession. When migration — people moving around — slowed down during the recession, the number of people moving out of the region to other parts of the nation decreased. Post-recession, people in metropolitan areas generally began to move around again, including to other regions. The Chicago region's rate of domestic outmigration — people moving to other regions — has remained net negative and returned to pre-recession rates, while peer regions have generally seen slightly reduced rates of net population loss to other regions.

Net domestic migration per 1,000 residents in select Metropolitan Statistical Areas, 2005-18

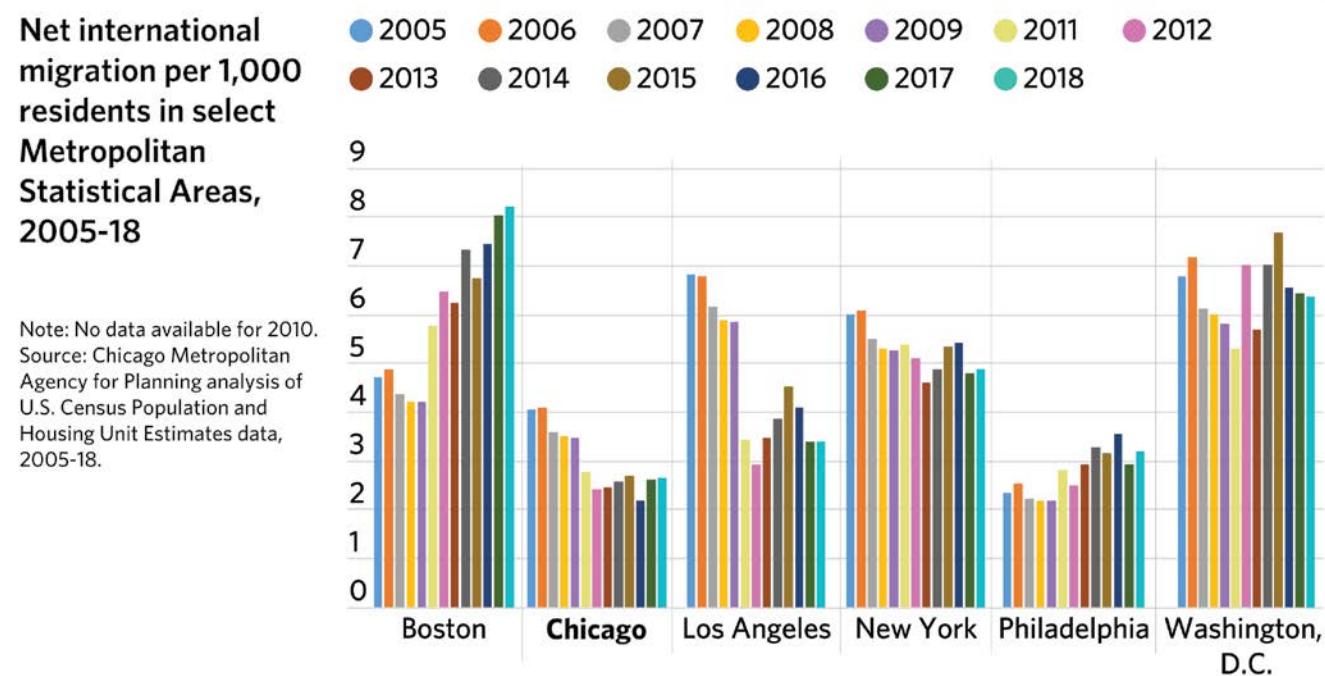
Note: No data available for 2010.
Source: Chicago Metropolitan Agency for Planning analysis of U.S. Census Population and Housing Unit Estimates data, 2005-18.



International immigration to the Chicago region declined during the recent recession and has not recovered

Domestic outmigration from the region has historically been counteracted with strong international immigration to the region. However, recent Census data indicates that international immigration to the region declined during the 2007-09 recession, and has not returned to its pre-recession levels. In 2018, the Chicago region welcomed 25,000 international migrants — 13,000 less than the 38,000 international migrants it welcomed in 2005.

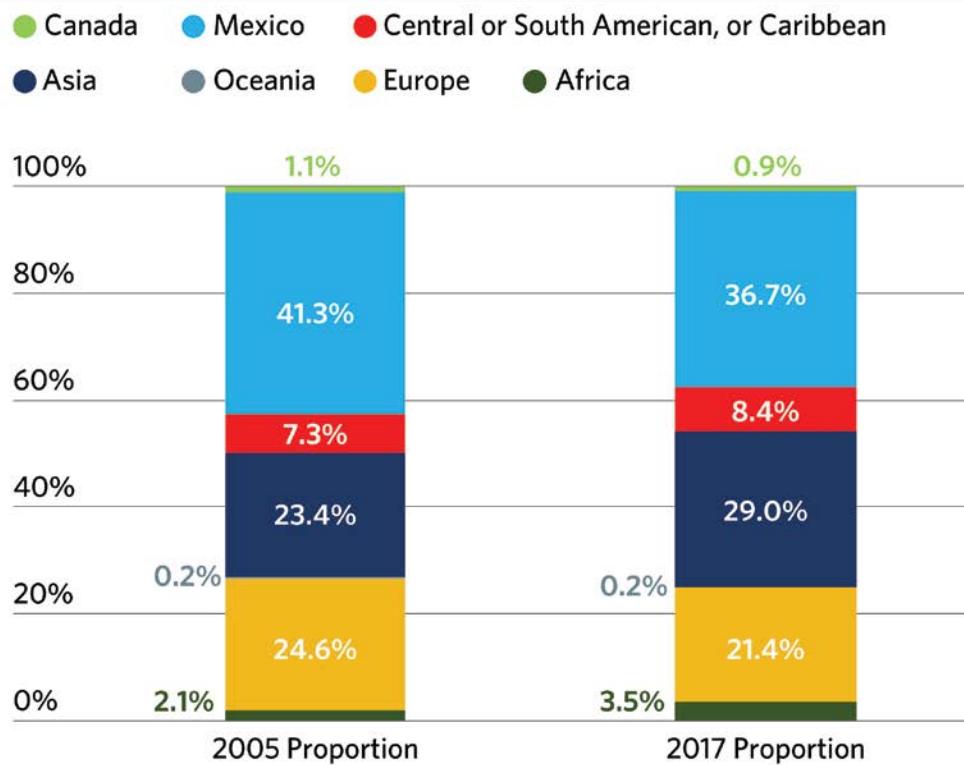
Other large metropolitan areas also experienced declines in international immigration during the recent recession. Growing metropolitan areas, including Boston and Philadelphia, have since recovered and surpassed their pre-recession rates. Shrinking metropolitan areas, including Los Angeles and New York, are experiencing trends similar to the Chicago region though they maintain higher international immigration rates than the Chicago region. The Chicago region maintains the lowest international immigration rate among its peer metropolitan areas, albeit international immigration to these now shrinking regions has generally stagnated in more recent years.



Mexicans remain the largest foreign-born population in the region despite a decline in the Mexican immigrant population

Though immigrants to the region come from numerous countries, Mexican immigrants represent the largest share, 36.7 percent, of foreign-born residents in the region. However, the number of Mexican immigrants to the region has been declining in recent years. In 2017, the Chicago region was home to 630,000 Mexican-born residents, 40,000 less than the 670,000 Mexican-born residents in 2005. The decline in Mexican immigration has contributed to the overall stagnation in international immigration to the region. Decline in Mexican immigration has also contributed in part to slower growth in the region's overall Hispanic population, potentially also contributing to slower population growth overall.

Place of birth for foreign-born population, Chicago region, 2005 and 2017

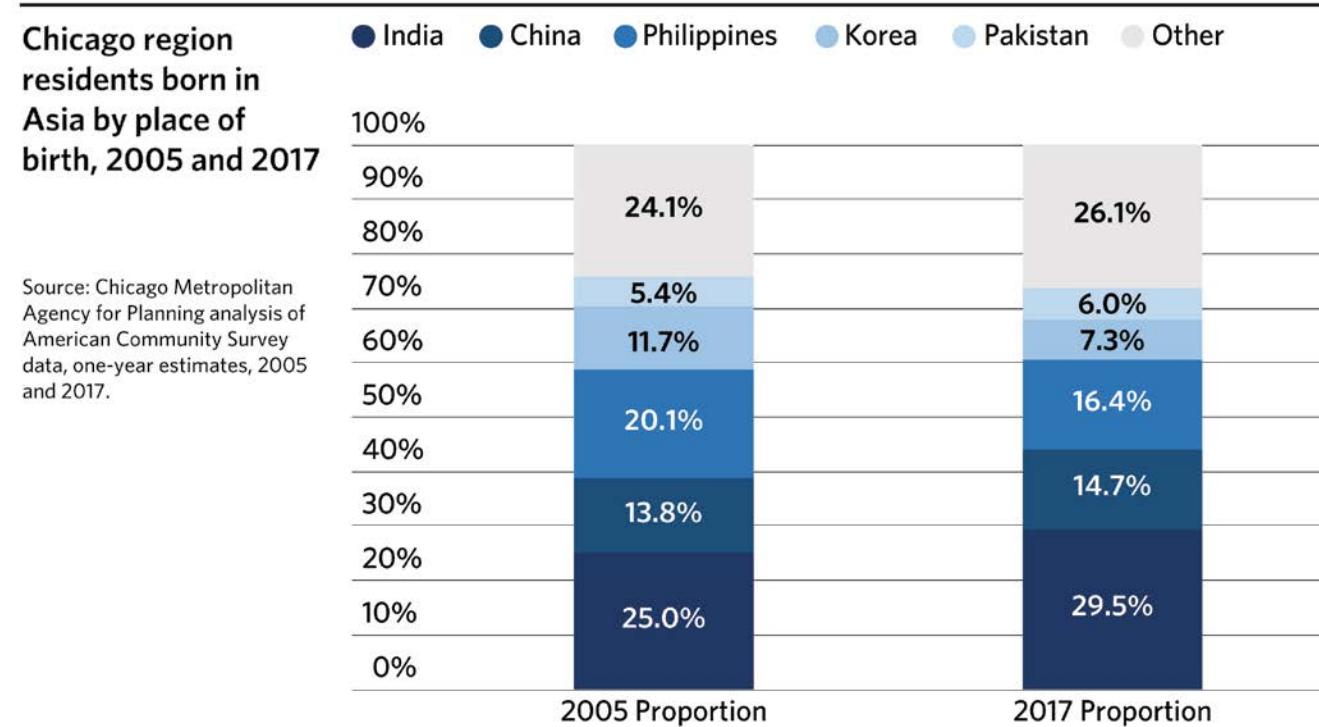


Source: Chicago Metropolitan Agency for Planning analysis of American Community Survey data, one-year estimates, 2005 and 2017.

Asian-born immigrants are the region's fastest growing immigrant group

The decline in Mexican immigration stands in stark contrast to the increase in Asian immigration. Asian-born immigrants are the region's fastest growing immigrant group, with growth largely driven by new residents from South Central Asia. The Chicago region added more than 65,000 foreign-born residents from South Central Asia between 2005-17. The number of foreign-born residents from Eastern Asia, South Eastern Asian, and Western Asia also grew, but at a slower rate. These trends mirror national trends. In recent years, the number of Asian immigrants to the U.S. has [outnumbered](#) Mexican immigrants.

In both 2005 and 2017, the largest countries of origin for Asian foreign-born residents were India, China, the Philippines, Korea, and Pakistan. India accounted for the largest share of Asian-born immigrants in both 2005 and 2017. In 2017, the Chicago region was home to 147,000 Indian-born residents, roughly 50,000 more than in 2005. The Philippines are the second largest country of origin for the region's Asian born residents. However, despite adding more than 5,000 Philippine-born residents, the share of foreign-born Asian residents from the Philippines decreased from 20.1 percent in 2005 to 16.4 percent in 2017.



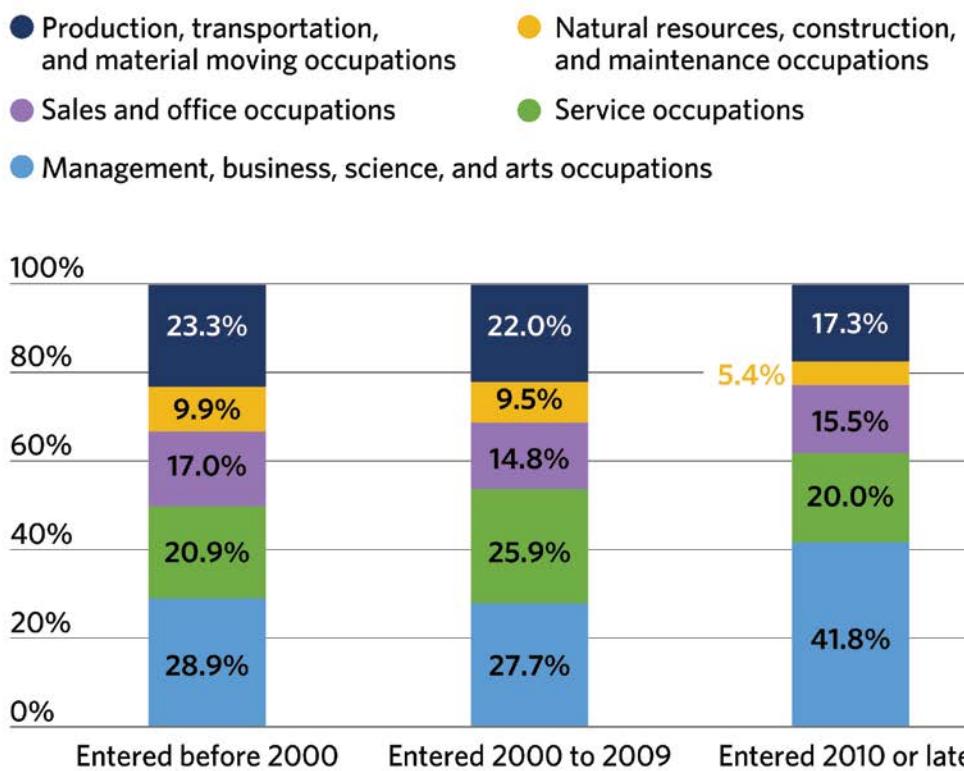
International immigrants are important contributors to the regional economy

The region's foreign-born population is a significant contributor to the regional economy. Roughly 1.1 million foreign-born residents participate in the regional economy, representing 22 percent of the region's [total labor force](#). Foreign-born residents also represent 22 percent of the region's working age population — individuals 16 years and over.

Roughly 200,000 new international immigrants entered the region since 2010. In the decade prior, almost 440,000 new international immigrants entered the region. Historically, foreign-born residents entering the region were more likely than native-born residents to be employed in service, production, transportation, and construction occupations. However, the share of foreign-born workers employed in these occupations has declined since 2010, while the share of native-born workers has increased. In more recent years, these employment dynamics have shifted. Since 2010, a larger share of new foreign-born workers — roughly 41.8 percent — is now working within management, business, science, arts, and sales occupations, which often require higher levels of education or skills training. This means that new international immigrants may have more education than those from earlier time periods, or may come to the region seeking to add to their skills. Fifty-four percent of the international immigrants that entered the region since 2010 have attained at least a bachelor's degree, 22 percentage points higher than the 32 percent of international immigrants that entered the region in the decade prior.

Employment by occupation for foreign-born population by year of entry in Chicago Metropolitan Statistical Area, 2013-17

Source: Chicago Metropolitan Agency for Planning analysis of American Community Survey data, five-year estimates, 2013-17.



Looking ahead

As more Chicago-area residents continue to move to other parts of the nation, the region will likely grow increasingly dependent on international immigrants for labor. However, stagnation in international immigration suggests that international immigration may struggle to meet future labor demands.

ON TO 2050 identifies [human capital](#) as being among the most important determinants of regional economic vitality. As the region struggles to retain its population, the foreign-born population will grow increasingly important, particularly as an economic asset. The foreign-born population grows the region's workforce, thus contributing to the regional economy. ON TO 2050 identifies inclusive economic growth strategies that help engage all residents in the regional economy. The plan supports conducting [regional planning that leverages the region's human capital strengths](#), including its diverse workforce. It also emphasizes the importance of eliminating barriers to participation in the regional economy. ON TO 2050 recommends improving access to and quality of economic opportunity by [prioritizing pathways for upward economic mobility](#) and [improving physical accessibility to jobs and other opportunities](#). ON TO 2050 also highlights the importance of providing all residents with quality transportation and [housing choices](#) that meet their unique needs and preferences. [Easing commutes by supporting public transit while also providing quality affordable housing](#) will help meet the diverse needs of all residents, and will support the region in attracting and retaining domestic and international residents of all backgrounds.

312-454-0400
info@cmap.illinois.gov
www.cmap.illinois.gov

Visit the online version at cmap.is/2KO2UbW