

**MICHIGAN'S CURRENT AND PROJECTED POPULATION TRENDS**

**Implications for the Remainder of This Century**

**.. A Discussion Paper ..**

**Kurt Gorwitz, Sc.D.  
Vice President for Research  
PUBLIC SECTOR CONSULTANTS, INC.**

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**PUBLIC SECTOR CONSULTANTS, INC.**

KNAPP'S CENTRE • 300 S. WASHINGTON SQUARE • Suite 401 • LANSING, MI 48933 • (517) 484-4954

Michigan's era of rapid population growth has ended and only a limited increase is expected for the remainder of this century. Concurrently, the number of children and adolescents is decreasing while the number of older persons is rising. A temporary bulge in the working age population, due to the high post-World War II birth rates, is coming to an end and Michigan could face a worker shortage in the 1990's. Also, population is continuing to shift from Detroit to suburban areas and to the northern counties of the lower peninsula. The anticipated impact of these trends, as analyzed and discussed here, require careful consideration and appropriate public action. In our opinion, they offer a fruitful opportunity to increase the quality and nature of our life in Michigan.

### DEMOGRAPHIC TRENDS

Michigan's population grew 4.2 percent between 1970 and 1980, from 8,881,000 to 9,262,000. This compares with an 11.4 percent increase in the preceding decade. During the 1970's, Michigan had a natural increase (the excess of births over deaths) of 680,000 together with a net out-migration of 300,000. Most of this population loss occurred in the second half of the 1970's due to the state's stagnating economy and the perception of greater opportunities available in the west and southwest. This migration has increased since the 1980 census.

Only minimal population growth is expected for Michigan during the remainder of this century, at an annual level of about 0.2 percent or 18,000. The total population increase by the year 2000 should be less than 350,000 (to about 9,600,000), or approximately half the rate of the 1970's. The number of Michigan residents should level off thereafter and probably will not reach ten million.

While the rate of population growth slowed dramatically throughout the nation in the 1970's, this decrease was most evident in the midwestern states as well as in the industrial states of the northeast. In Michigan the reduced increase primarily has been due to three factors:

(1) An accelerating reversal of the traditional pattern of young men and women migrating with their families to Michigan in search of employment in the automobile related industries. Since 1970, the contraction of job opportunities combined with high unemployment has been a major factor in the estimated net out-migration which currently exceeds 50,000 per year with half or more in the working ages.

(2) The continuing out-migration of an estimated 20,000 retirees to the sunbelt states each year.

(3) The rapid decrease in the number of live births. From a high of 208,000 in 1957, the number has dropped more than one-fourth to less than 150,000 in 1981 and is expected to remain between 135,000 and 165,000 for the rest of the century. This decline has occurred despite a one-third increase during the period in the number of women in the childbearing ages (15-44). As a result, the average number of births per child-bearing woman has been reduced in a period of 20 years from more than three to less than two. The latter figure is below the zero population growth (ZPG) level of 2.1 children per woman. If women continue to have an average of less than two children, the number of births should decrease once again by the late 1980's because of a drop in the number of females in the childbearing ages (15-44).

These factors, in conjunction, are responsible for major changes in the age distribution of the state's residents. The number of children and adolescents decreased by 60,000 per year in the early 1970's and will continue to go down about 30,000 annually until the end of this decade. While the number in the working ages (18-64) is increasing by 40,000 per year, this is a temporary phenomenon caused by the large cohort of post-World War II babies who are now entering this age range. The number of those 18-24 years old has begun to decline and for some time will decrease at an accelerating rate. By the year 2000 there will be 250,000 fewer in that age group than the present 1.3 million. Therefore, at most there should be only a modest (20,000 or less) annual increase in the working age population after the early 1980's. If out-migration remains near present levels, there may even be a decrease in this age group.

The post-working age population (65 and over) should continue to increase annually by 10,000 in Michigan. This group, which accounted for 8.5 percent of the state's population in 1970, represented 9.8 percent in 1980 and is expected to be 10.9 percent in 1990 and approximately 12 percent in 2000. Their number will exceed one million before the year 2000. The average (median) age of Michigan's population rose from 26.3 years in 1970 to 28.8 years in 1980 and is projected to be 31.4 years in 1990. It should approach 35 years by the end of this century. Michigan's population had a lower average age than the nation through the 1970's. Because of the out-migration of younger residents, it should be equal or higher before 2000.

Concurrent with changes in the demographic structure of Michigan's population, new trends regarding its geographic distribution have emerged during the past decade. Southern lower Michigan - especially the Detroit metropolitan area - is experiencing little or no actual population growth, although redistribution through suburbanization continues to be important. Northern lower Michigan is experiencing significant population growth and the Upper Peninsula overall is continuing to grow at a modest but steady pace.

The six-county Detroit Standard Metropolitan Statistical Area (SMSA),<sup>1</sup> with 48 percent of the state's total population, currently has approximately 35,000 more births than deaths per year but is experiencing an accelerating population loss. Annual net out-migration, the number moving out of this area minus the number moving in, probably exceeds 35,000 at the present time. Whether or not the six county area will continue to lose population during the remainder of the 1980's will depend primarily on economic conditions and employment opportunities.

For the last ten years there has been a steady movement out of Wayne, the most populous county, particularly from the city of Detroit. The number of Wayne County residents currently is decreasing annually by 35,000, and it is projected to have less than 1.8 million residents by the year 2000 compared with the present 2.3 million. One out of five residents moved out of the county between 1970 and 1980. The city of Detroit, which reached a high of 1.8 million residents in 1950, presently has about 1.2 million and should have less than one million by the year 2000 due to the continuing annual net out-migration of 15,000 residents.

<sup>1</sup>The SMSA comprises the following Michigan counties: Lapeer, Livingston, Macomb, Oakland, Washtenaw and Wayne.

This loss has been balanced in part by continuing population growth in Lapeer, Livingston, Macomb and St. Clair, the more outlying counties of the Detroit SMSA. Oakland, the state's second largest county, had a very low rate of net in-migration relative to its total population in the second half of the 1970's, and probably will experience a net out-migration in the 1980's. Its population can be expected to increase slightly, from the 1.01 million noted in 1980 to around 1.05 million in 1990, due to an excess of births over deaths.

The same general pattern is occurring on a smaller scale in Jackson, Kalamazoo, Lansing and other major cities of southern lower Michigan. Virtually all had fewer residents in 1980 than in 1970. The only localities in that part of the state in which rapid population growth occurred in this decade and is projected to continue (but at a slower level) are suburban counties adjacent to such major cities as Lansing (Eaton), Flint (Shiawassee) and Grand Rapids (Ottawa). All should grow one percent or more each year.

Continuing, substantial population growth of one-two percent per year is expected for the remainder of this century in the counties of northern lower Michigan (north of a line from Muskegon to Bay City). Overall, the population in this 32 county area grew by one-fifth between 1970 and 1980; in nine counties the increase exceeded 40 percent with Kalkaska growing by 103.9 percent (from 5,372 to 10,952). Much of this area remains sparsely populated, with growth tied primarily to its recreational assets and to its attractiveness to retirees.

The population of the fifteen Upper Peninsula counties increased by 15,000 to 320,000 between 1970 and 1980. This growth was concentrated in counties such as Houghton and Marquette which already contain major population centers and in those which are relatively accessible from the Mackinac Bridge. For the first time in this century, in-migration exceeded the number moving out. Those moving in have been mainly retirees returning after an extended absence while the U.P. continues to lose younger residents. As a result, the area has a high and growing proportion of elderly with a dependency on support payments. Although the closing of Kincheloe Air Force Base in 1977 has had deleterious effects upon the short term population experience of the eastern Upper Peninsula, growth for the entire Upper Peninsula should continue at a moderate but steady rate of around 0.5 percent per year for the remainder of this century. The number of residents should exceed 350,000 by the year 2000.

#### SOME IMPLICATIONS

Since Michigan's 0.4 percent population growth rate in the 1970's was considerably below the national average of 0.7 percent, the state lost one of its 19 congressional seats. Should population growth be at projected low levels, Michigan will lose an additional one or two seats after the 1990 census. In the state legislature, Detroit and other out-state industrial cities experienced a reduction in their legislative representation. Political strength will be concentrated increasingly in the suburban areas and will reflect their orientation and concerns. This trend will continue in the 1990 reapportionment reflecting population decline and stagnation, and suburban growth with its consequent effects.

At the national level, there will be an ongoing transfer in the number of representatives from the northeast and midwest to the sunbelt states of the south, southwest and west. In 1983, these latter states will for the first time have a majority in the House of Representatives.

In addition to these implications which are directly attributable to Michigan's diminishing overall population growth, much of what is particularly important for Michigan's future is based upon projected changes in the age composition of the state's population.

The widespread surplus of obstetrics and pediatrics beds that will result from a decreasing number of births has been noted. Hospitals, operating at 50 percent or less of capacity in these patient areas, will face serious challenges to change their mix or reduce capacity. Similarly, personnel in those and related health fields will encounter a shrinking patient base and will have to redefine their areas of responsibility, or be forced to relocate to other areas in the state or in other states.

The closing of some elementary schools due to declining enrollment will become an important concern and challenge in many school districts. The districts will also be faced with over-capacity in junior and senior high schools. If average class size remains at current levels, this decade will see a surplus of 2,400 elementary school classrooms, 1,500 junior high school classrooms and 700 senior high school classrooms throughout the state. This may result in district consolidations as well as school building closings and conversion to other uses. It is also likely concurrently that suburban areas with substantial new population growth will be faced with a shortage of facilities. Nonetheless, employment prospects for new teachers in Michigan, except in certain fields such as academic enrichment, special education, vocational training and mathematics, will continue to be bleak unless class size were to be reduced. Local financing for schools is becoming a more widespread problem with a growing number of districts experiencing economic difficulties. The policy issue of school financing, faced partially a decade ago, will become a major challenge that will require the attention of the Executive and Legislative branches of government.

The number of individuals in the traditional college age group (18-24) reached a record high of nearly 1.4 million in 1978. This group has now begun to decrease and will shrink dramatically for at least ten years before leveling off. By the end of this century, the figure will be between 900,000 and 1.1 million. Whether or not the reduction of this college bound cohort leads to a comparable or greater decrease in enrollment depends on (1) what proportion of individuals in this age group will seek admission to colleges and universities, (2) the extent to which competitive institutions maintain their degree of selectivity, (3) the extent to which colleges and universities market their programs, (4) the development and/or expansion of new services to different age groups and programs both credit and non-credit focusing on older residents, and (5) future levels of student aid programming.

If declines do occur, they will be mixed with the major losses at regional four-year colleges and universities whose students primarily come from a limited geographic area. Barring other factors, universities such as Michigan State and Michigan which draw students statewide as well as nationally should experience a limited enrollment decline while decreases would be more pronounced at regional institutions. The size and continuity of the Higher Education establishment will obviously be challenged in future policy determinations based on these demographic potentialities. Tenure, as presently defined, will come under increasing attack and may be modified in some instances.

Some suggest that the current and projected decline in the number of children and adolescents will lead to a concomitant decrease in caseloads of social service programs (such as AFDC, Aid for Dependent Children) for these age groups. Should this in fact occur, the decrease can be expected to be limited. This

judgment is based on the assumption that teenage pregnancies as well as births to other unmarried women will remain at current high levels or even rise further. This conclusion is related to the fact that the number of teenage and illegitimate births increased during the last decade even though there was a reduction in total deliveries. The future policy of state funding for abortions through Medicaid may also impact materially on the case load. Further, there are indications that a rising proportion of teenage mothers now are unwilling to give up their babies for adoption and instead are opting to raise the infants themselves. This group includes a relatively high proportion of social service recipients.

Rising crime rates and a resultant burgeoning prison population are matters of grave concern receiving increasing attention. In response, the state has initiated a major expansion in prison facilities. National data from the FBI's Uniform Crime Report indicate that between half and three-fourths of the individuals responsible for most major crimes (i.e., auto theft, burglary, robbery, rape and homicide) are males in the 14-24 age group. Some criminologists believe that current high crime rates are a temporary phenomenon caused in part by the large number of teenagers and young men. They therefore anticipate that crime rates will decline somewhat within a few years due to the projected reduction in the number of persons in the 14-24 age category. However, it must be borne in mind that sociological, cultural and economic factors related to the strength and quality of social institutions are of equal or even more importance in the rate and frequency of crime. We believe that Michigan's crime rates will decline somewhat as the result of demographic changes. However, the magnitude of this decrease is dependent on other factors. Whether or not reduced crime rates lead to a smaller prison population will depend also on the proportion of crimes for which there are convictions as well as on the length of incarceration. We could well have a lower crime rate and a greater number of inmates in prison.

Current high unemployment levels are partly due to a rapid increase in the number of individuals reaching the working age. This rise is a temporary phenomenon, caused by the baby boom after World War II which will come to a halt by the middle of the 1980's and then begin to reverse. Given present trends, the number of young men and women entering the labor force will be reduced one-fifth or more within five years. Unemployment levels, which have been particularly high for this age group, therefore should be reduced materially. An irony in this particular time of acute hardship is that there may well be a labor shortage in the 1990's necessitating the importation of workers from foreign countries and/or inducing a higher proportion of women and elderly to seek or continue employment. Industry and commerce now primarily targeted to youth will find it economically advantageous to shift their emphasis as well as the age level of their work force. This pattern already is evident in the attempt to capture new adult markets by food processors who have catered primarily to infants and children.

Those entering the labor force will in general have a much higher level of education than those retiring. This should produce no major difficulties since rapid technologic advances in many occupations will require more advanced skills and training. Assumptions of a growing surplus of highly educated individuals are in general not warranted although excesses in some fields can be anticipated. Rapid technological change in fact will require more programs in mid-career retraining.

While the number of children and adolescents is decreasing, the number of Michigan residents age 65 or older is increasing by 15,000 per year and will exceed one million by 1990. Thus, there is an ongoing shift in the nature of the dependent

population from the young to the old which has major implications in the health care, residential, educational, leisure and service fields, and in the political arena.

In this state, as elsewhere, women are in the majority from about age 40 on. This excess increases in successive age brackets due to higher male death rates. Nearly two-thirds of the 65 and over population consists of women and their proportion is growing. After age 85, there are three females for every male. The disparity is particularly pronounced for nonwhites, with relatively few males reaching 65 due to excessive death rates in younger ages. Because of a seven year difference in the life expectancy of males and females (68 versus 75 years), the number of older women living in single-person households is expanding rapidly and may reach 500,000 by the end of this century in Michigan alone.

Older residents increasingly will be concentrated in the counties of the northern lower peninsula as well as in metropolitan areas. Providing support services for them should prove to be an expanding source of employment. Efforts to attract professional personnel to these program areas will have to receive increasing attention.

A large proportion of the elderly have limited financial resources and are dependent on Social Security and other support payments. Issues related to their social, economic and health needs undoubtedly will become more pronounced and difficult to resolve. Retirement programs will be challenged and their viability endangered by increasing longevity.

Medicare (a program for the elderly) and Medicaid (a program for the poor of all ages) have so far been the major public response to the perception that health care needs of this population segment have not been met adequately. The cost of these programs will continue to increase rapidly unless benefit levels are curtailed because of (1) the projected increase of the number of people over 65, with the highest percentage growth among those 85 and over who require a high level of services; (2) the growing proportion of those eligible availing themselves of the benefits provided by these programs; and (3) the rapid rise in all health care costs. Medical progress in America has continued to increase the remaining years of the aged. America will increasingly become older and sicker, requiring more costly services.

### CONCLUDING REMARKS

The changes projected for Michigan's population should not be construed as reflecting a bleak future. Although several areas of potential concern have been reviewed here, the slower rate of population growth in Michigan will be beneficial in several important ways. Overall, this reduced growth can contribute significantly to a general, statewide improvement in the quality of life. Greater emphasis on social, cultural and recreational activities and resources can be anticipated.

Urban crowding and suburban sprawl, for example, have been most pronounced in the Detroit metropolitan area, caused by rapid population growth and reduced household size as well as by massive migration into the city and from there to the suburbs. While some factors contributing to suburbanization will undoubtedly continue, the trend toward smaller families should lead to improved land and resource use and new residential styles such as townhouses and apartments. With an increasing number of adult children living with their parents because of economic hardships, there may well be a housing surplus producing a downward pressure on

home prices. Conversion of open spaces on the fringes of suburbia to commercial and residential use should be reduced markedly. It should, therefore, be possible to maintain much of this area in its present undeveloped state. Also, in the suburbs, the need to build public facilities and to extend utilities and roads should decline. The funds saved could then be used for other purposes.

While it would be unrealistic to anticipate a continuation of the current decrease in energy requirements, the slowed growth in population in tandem with conservation efforts should lead to a very limited increase in demand. The need for new or expanded power sources should be minimal and should contribute to greater price stability as well as enhanced environmental quality.

Leisure activities and industries should benefit from the increasing number of retired state residents. The growth of this population group, together with the projected shrinkage in the number of working-age residents, may also produce other and, ultimately, more important benefits. Service industries directed primarily toward the retired and elderly should require substantial increases in employees. In addition, the possible labor shortage in the last decade of this century could produce an expansion in job opportunities for the elderly, as well as for women and minorities. This, in turn, could accelerate their full integration into Michigan's economic mainstream.

Perhaps most important, these trends for the first time provide the opportunity for a respite, review and reconsideration of alternatives to our life style and societal objectives. The public and private sectors may now join in common cause to shape a better future.