

# REGIONAL SNAPSHOT

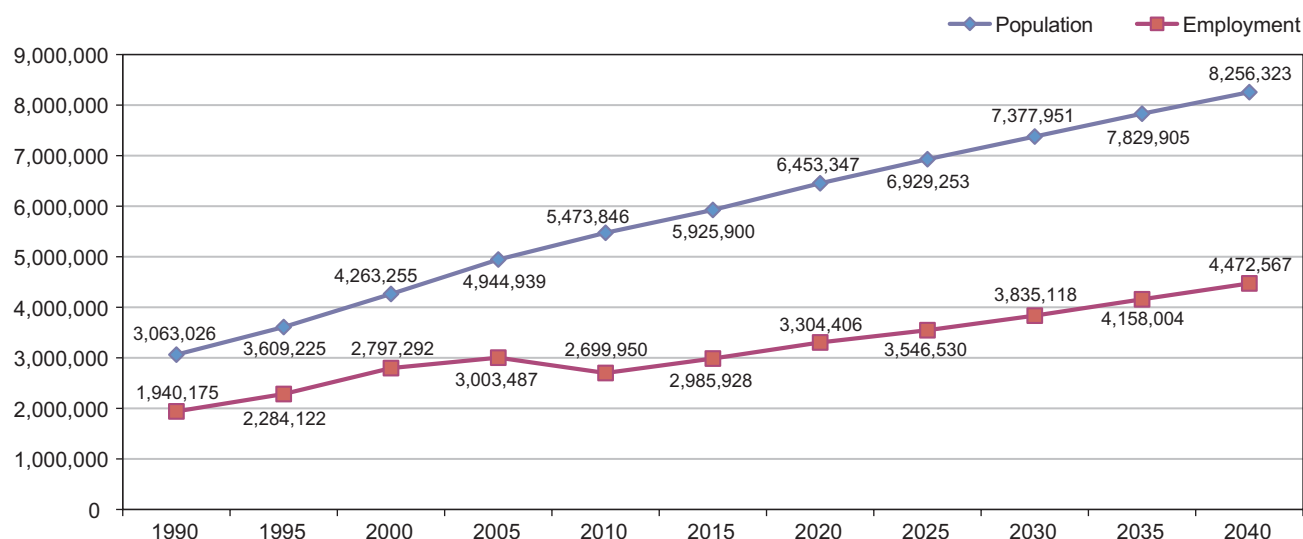
June 2009

## ARC's 20-County Forecasts: What the Future Holds

ARC's newly-released population and employment forecasts show continued strong growth for the 20-county Atlanta region. ARC expects that 8.3 million people will call the region home by the year 2040, an increase of roughly three million people from today. Job growth, although not as robust as in the 1990s, will remain strong, as well. ARC forecasts the region to have 4.5 million jobs by 2040, an addition of about 1.6 million jobs from today.

For the first time, ARC was able to forecast age and race/ethnicity characteristics of the population. In addition to having a lot more people by 2040, the region will be older, yet remain relatively young compared to the U.S., and will soon have no majority racial or ethnic group.

Chart 1 – ARC's Population and Employment Forecasts 1990 - 2040



## 8.3 MILLION STRONG

Metro Atlanta's place as a transportation and logistics hub of the southeast positions it well to remain one of the fastest growing metropolitan areas in the country. During the last eight years alone, the Atlanta region has added 1.1 million people, making it the second-fastest growing metro in the country, behind Dallas. While the growth metro Atlanta has experienced during the last two decades will not continue at the same unprecedented rate, Chart 1 shows that ARC forecasts the 20-county Atlanta region to add roughly three million people, for a 2040 population of 8.3 million. As Table 1 shows, though, average annual growth is expected to taper off each decade.

ARC also forecasts the addition of about 1.6 million jobs for a 2040 employment total of 4.5 million jobs. While this is strong growth, Table 1 shows that future growth will not be as robust as in the 1990s, thanks, in part, to Atlanta's own "lost decade" of 2000 - 2010, with an expected overall job loss of almost 10,000.

One of the more significant trends ARC expects is the shrinking of the labor force participation rate (LFPR) over the coming decades.

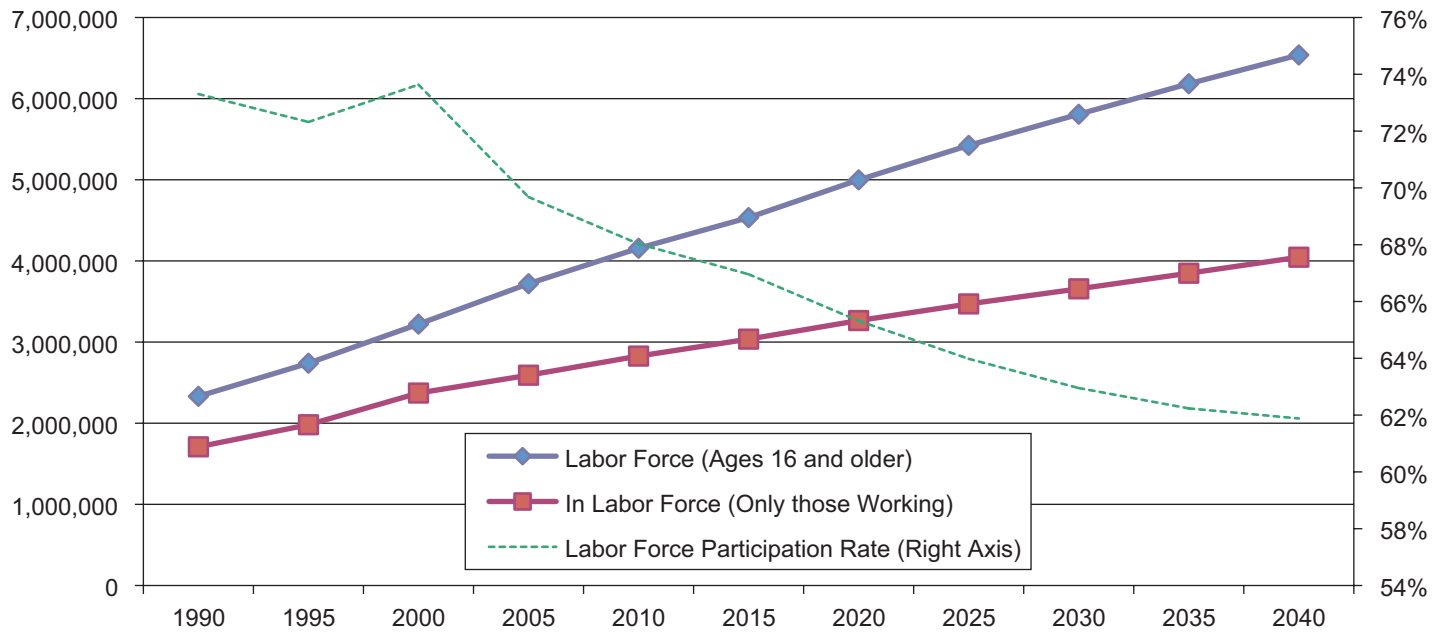
Table 1 – Average Annual Forecast Growth 1990 - 2040

	Average Annual Growth				
	1990-2000	2000-2010	2010-2020	2020-2030	2030-2040
Population	120,023	121,059	97,950	92,460	87,837
Employment	85,712	(9,734)	60,446	53,071	63,745

The labor force participation rate is the percent of the working-age population (here defined as those 16 and older) actually in the workforce. Chart 2, on the next page, illustrates the decline of the LFPR over the forecast horizon.

The solid lines show the labor force population (in blue) and the expected number of those in the work force (in red). While both are expected to grow, the labor force participation rate (the dashed green line charted on the right axis) is expected to fall from a high of almost 74 percent in 2000, to around 62 percent by 2040.

## Chart 2 – Labor Force Participation Rate



## Table 2 – Population by Age 2005-2040

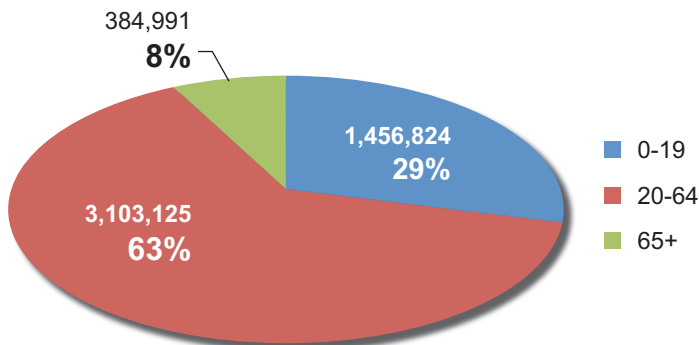
Age Group	2005	2010	2015	2020	2025	2030	2035	2040	Change 2005 - 2040	
									Total	Percent
Ages 0-4	396,414	414,149	421,195	442,919	464,870	490,330	516,012	533,587	137,173	34.6%
Ages 5-9	361,303	418,465	429,177	442,795	460,009	479,621	505,713	530,190	168,887	46.7%
Ages 10-14	366,006	383,372	434,725	451,588	462,171	478,054	498,746	524,430	158,424	43.3%
Ages 15-19	333,101	361,331	375,316	433,081	448,317	458,838	476,577	497,831	164,730	49.5%
Ages 20-24	318,909	339,248	363,927	388,210	439,653	452,810	465,107	481,711	162,802	51.0%
Ages 25-29	359,858	383,230	393,598	431,366	448,305	496,321	511,628	522,685	162,827	45.2%
Ages 30-34	408,558	393,298	412,163	433,436	466,144	481,121	531,346	546,379	137,821	33.7%
Ages 35-39	417,772	437,773	419,069	445,601	463,199	494,366	511,074	560,943	143,171	34.3%
Ages 40-44	424,770	436,095	451,333	439,083	462,297	478,616	510,966	527,446	102,676	24.2%
Ages 45-49	383,948	436,843	443,896	463,958	449,546	471,459	488,701	520,653	136,705	35.6%
Ages 50-54	322,649	388,028	437,120	447,920	466,148	451,513	473,888	490,926	168,277	52.2%
Ages 55-59	277,901	321,828	382,980	433,705	443,562	461,320	448,145	470,120	192,219	69.2%
Ages 60-64	188,760	272,464	312,558	373,831	422,076	432,089	450,502	438,599	249,839	132.4%
Ages 65-69	126,060	178,349	254,822	293,395	351,093	396,918	407,865	426,445	300,385	238.3%
Ages 70-74	92,763	114,156	160,560	230,210	265,723	318,885	361,599	373,264	280,501	302.4%
Ages 75-79	70,950	80,218	98,563	139,321	200,624	232,667	280,359	319,248	248,298	350.0%
Ages 80-84	51,024	56,669	64,251	79,645	113,199	164,101	191,781	232,548	181,524	355.8%
Ages 85+	44,194	58,331	70,647	83,283	102,316	138,921	199,896	259,318	215,124	486.8%
<b>Total</b>	<b>4,944,940</b>	<b>5,473,847</b>	<b>5,925,900</b>	<b>6,453,347</b>	<b>6,929,252</b>	<b>7,377,950</b>	<b>7,829,905</b>	<b>8,256,323</b>	<b>3,311,383</b>	<b>67.0%</b>
Ages 0-19	1,456,824	1,577,317	1,660,413	1,770,383	1,835,367	1,906,843	1,997,048	2,086,038	629,214	43.2%
Ages 20-64	3,103,125	3,408,807	3,616,644	3,857,110	4,060,930	4,219,615	4,391,357	4,559,462	1,456,337	46.9%
Ages 65+	384,991	487,723	648,843	825,854	1,032,955	1,251,492	1,441,500	1,610,823	1,225,832	318.4%
% 65+	7.8%	8.9%	10.9%	12.8%	14.9%	17.0%	18.4%	19.5%		

## OLDER POPULATION TO SURGE

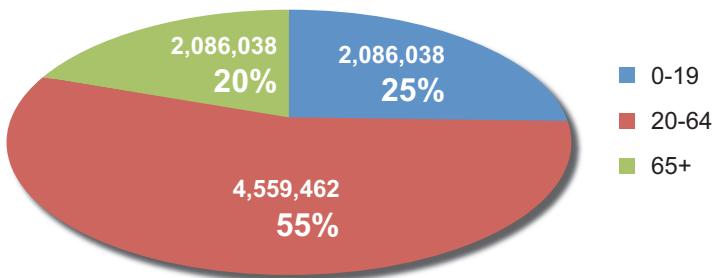
Simple demographics explain why the labor force participation rate will drop dramatically during the next three decades. As Table 2 shows, in 2005, roughly eight percent of the 20-county Atlanta region's population was 65 and older. By 2040, 20 percent of the population will be older than 65.

Of course, what this means is that there will be relatively fewer workers for each dependent, as shown in charts 3 and 4. In 2005, approximately 63 percent of the population was of an independent working age (here defined as ages 20 – 64). By 2040, that percentage will drop to 55 percent, meaning that there will be roughly one worker for each dependent.

**Chart 3 – Workers and Dependents - 2005**



**Chart 4 – Workers and Dependents - 2040**



It's not just that the region is getting older. A significant share of the 2040 population is expected to be very young, as well. Figure 1 illustrates the region's age structure at three points in time – 1970, 2005 and 2040. As can be seen in 1970, the structure looks very much like a pyramid, with the youngest at the bottom outnumbering the oldest at the top. By 2005, a bulge forms in the middle that represents the baby boomers. Finally, by 2040, the structure looks like a pillar, with roughly the same number of people in each group.

**Figure 1- Age Structure**

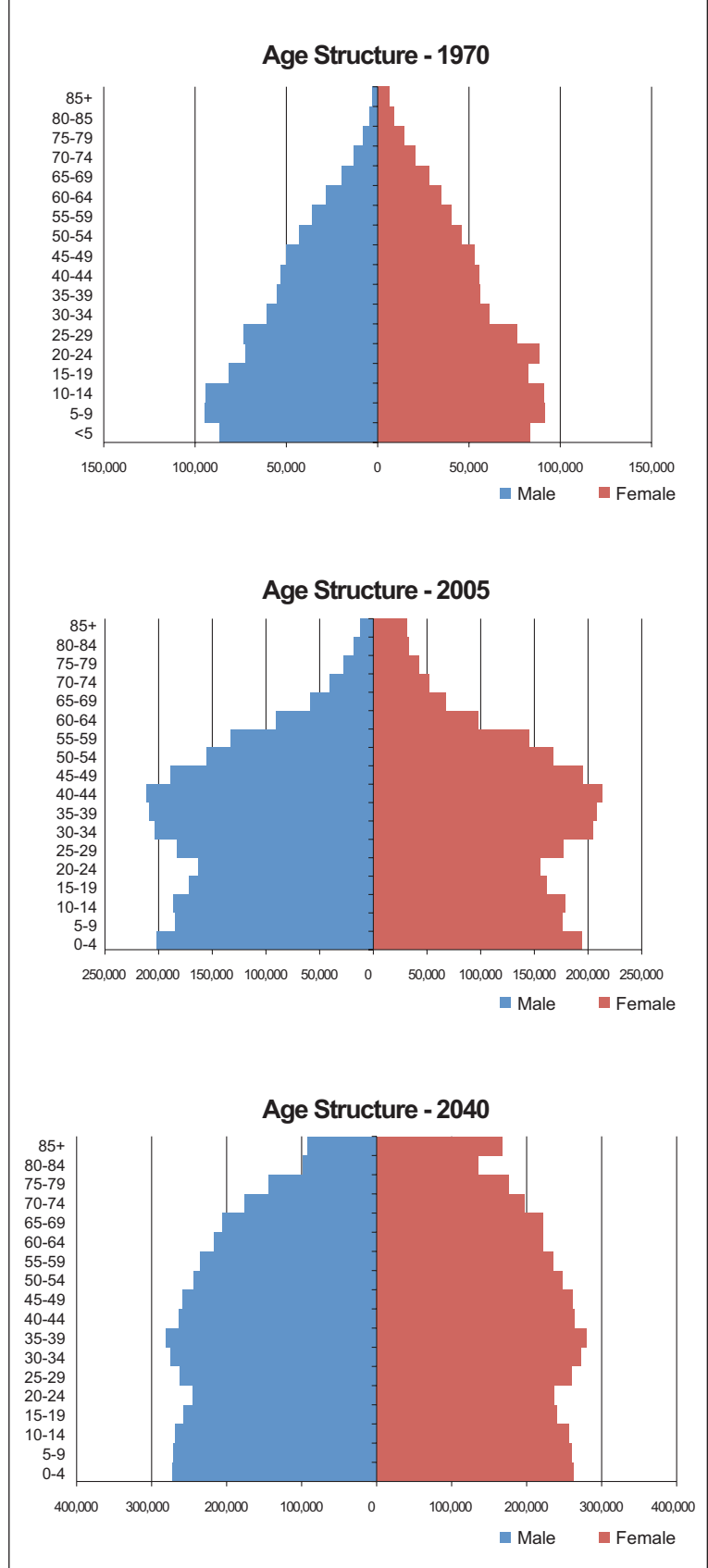
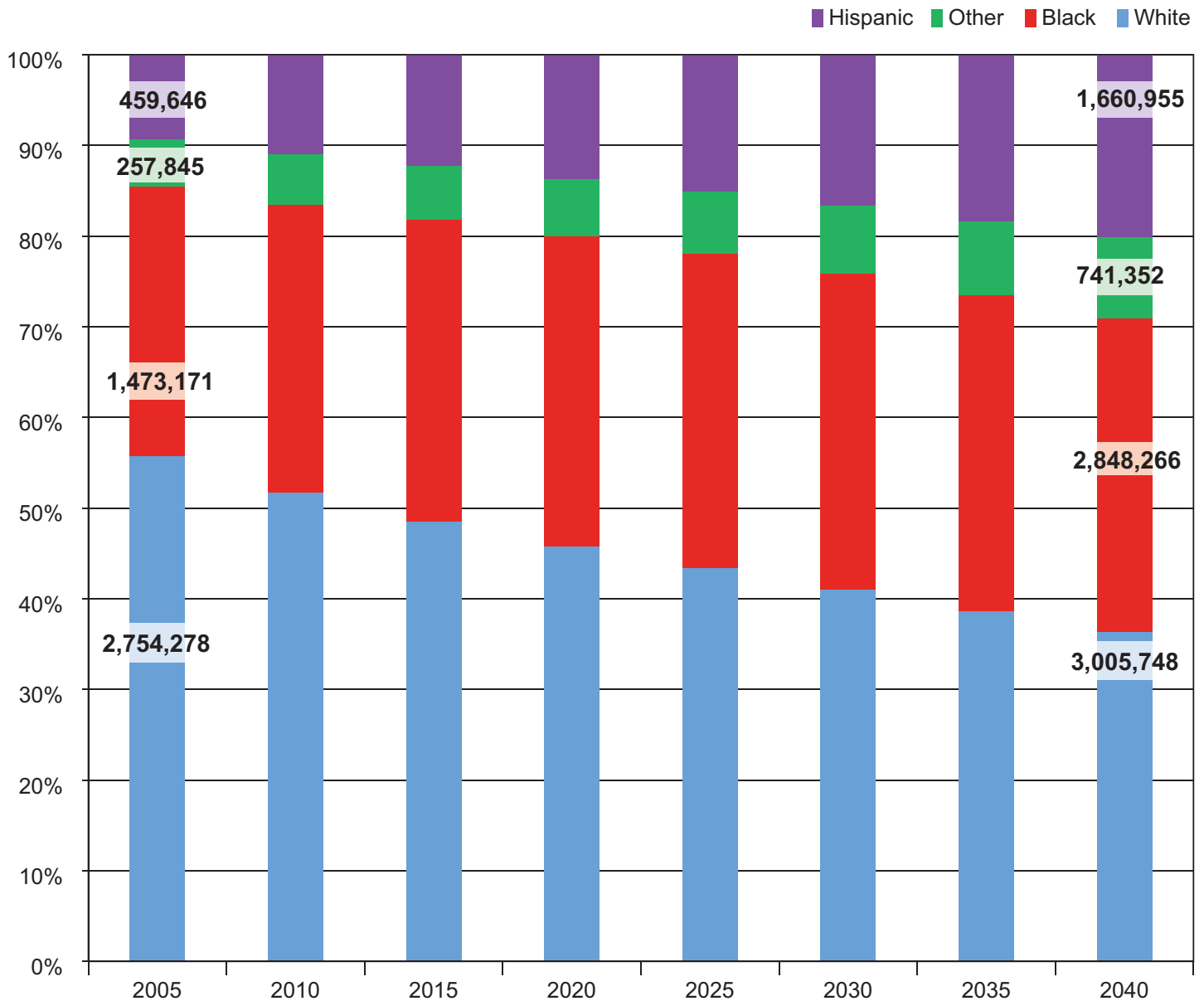


Chart 5 – Population Forecasts by Race/Ethnicity



## INTERNATIONAL ATLANTA

The Atlanta region has historically been a bi-ethnic region – White and Black, with Whites comprising the majority. By 2015 or so, there will no longer be a majority racial or ethnic group. As Chart 5 shows, while Whites will maintain a plurality throughout the forecast horizon, their share will decline from roughly 56 percent in 2005 to 36 percent in 2040. Meanwhile, the Hispanic share will increase from roughly nine percent today to 20 percent by 2040.

Interestingly, the race and ethnicity growth trends help shape the aging trends and vice versa. Charts 6 and 7 compare the region's age structure by race/ethnicity. As can be seen, in 2005 (Chart 5) the age structure for each race or ethnicity is shaped similarly, with spikes in the prime working age groups, followed by steep declines in the older age groups. By 2040 (Chart 6), the shape of the structures change – numbers in each age group even out, except for the very old (similar to what Figure 1 illustrated). The story is different for Hispanics, however. By 2040, the age structure for Hispanics will look very

Chart 6 – Age Structure by Race/Ethnicity - 2005

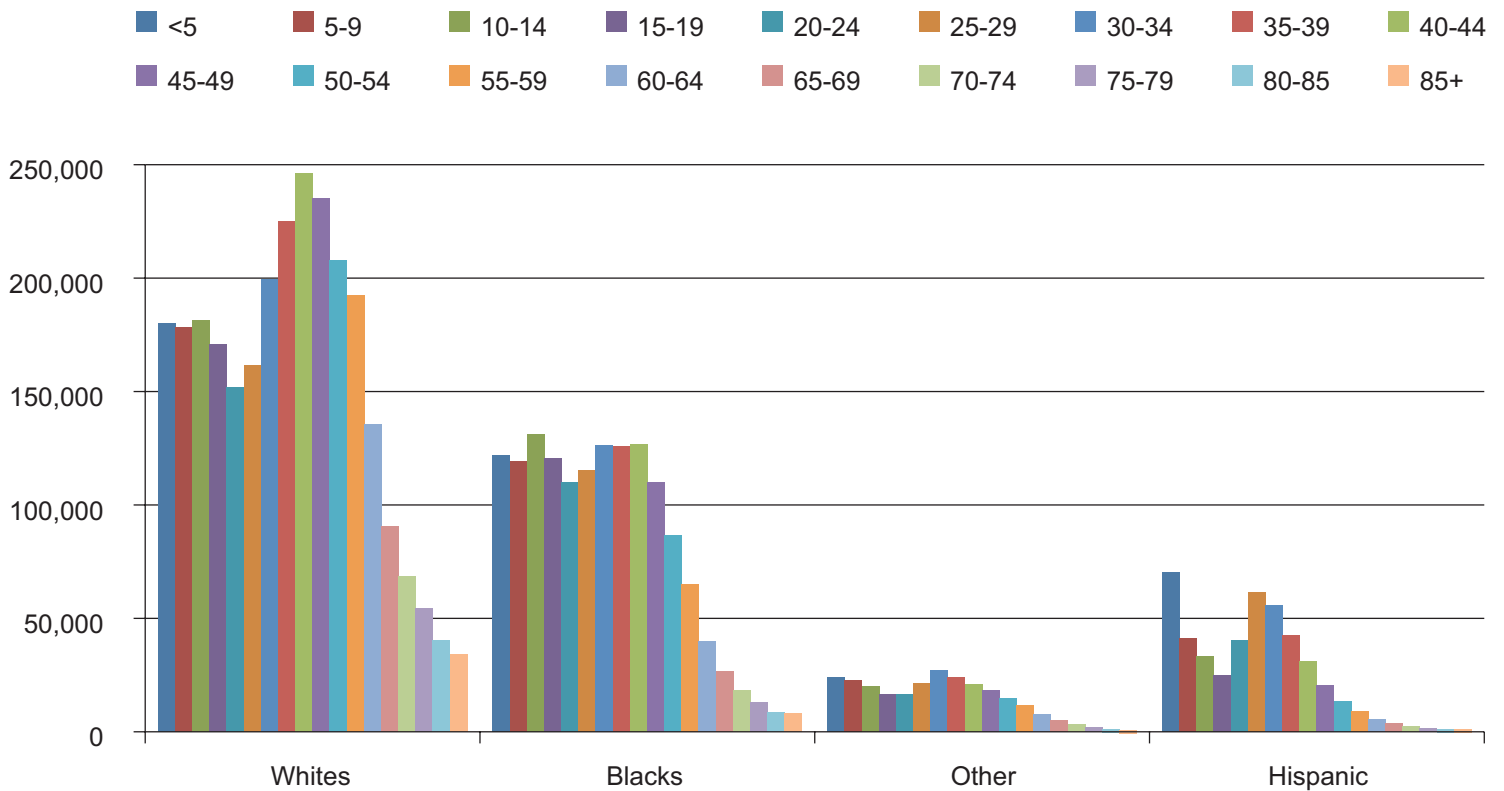


Chart 7 – Age Structure by Race/Ethnicity - 2040

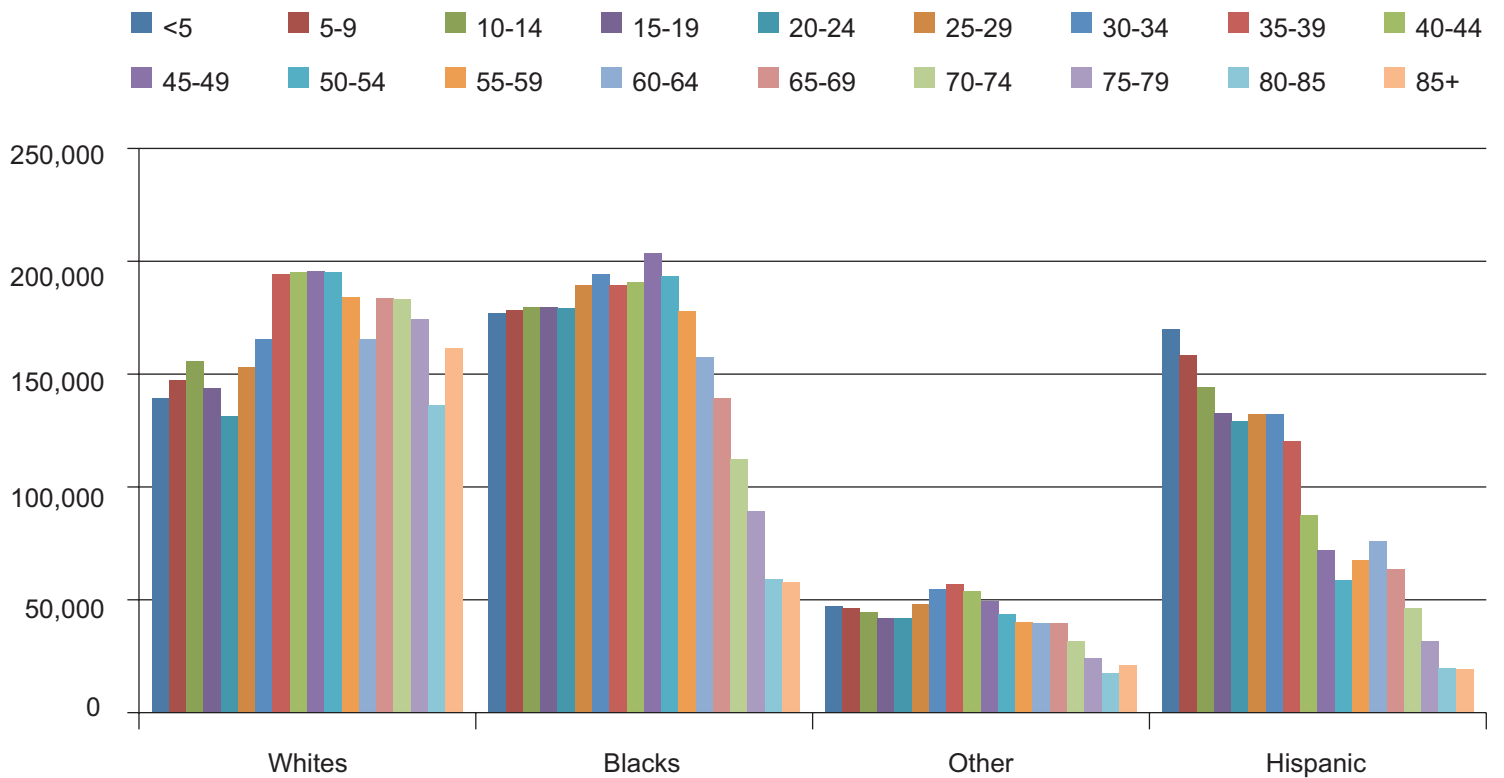
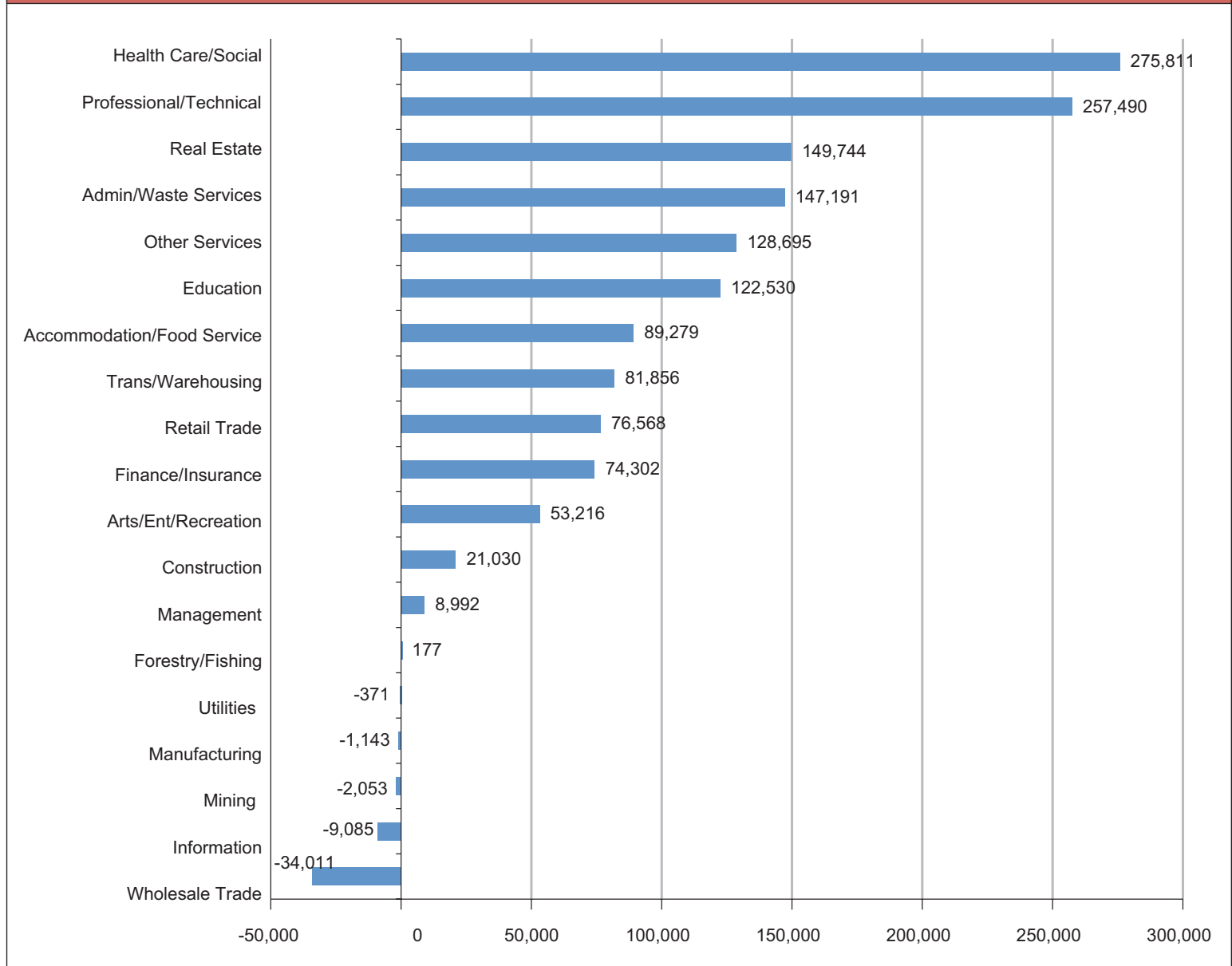


Chart 8 – Employment Change by Sector 2005-2040



similar to what the overall age structure looked like for the Atlanta region in 1970 – with population in the youngest age groups surpassing the older age groups.

## "HEALTHY" JOB GROWTH?

ARC forecasts that the 20-county Atlanta region will add approximately 1.6 million more jobs by 2040. As Chart 8 shows, ARC expects the Health Care/Social Assistance sector to be the leading growth industry, adding some 276,000 jobs between 2005 and 2040. Professional and Technical services will add the second-most jobs, up 257,000, while the Real Estate sector will rank third, up some 150,000 jobs.

In terms of specific *occupations*, then, it should be no surprise that healthcare occupations will be one of the leaders in percent change

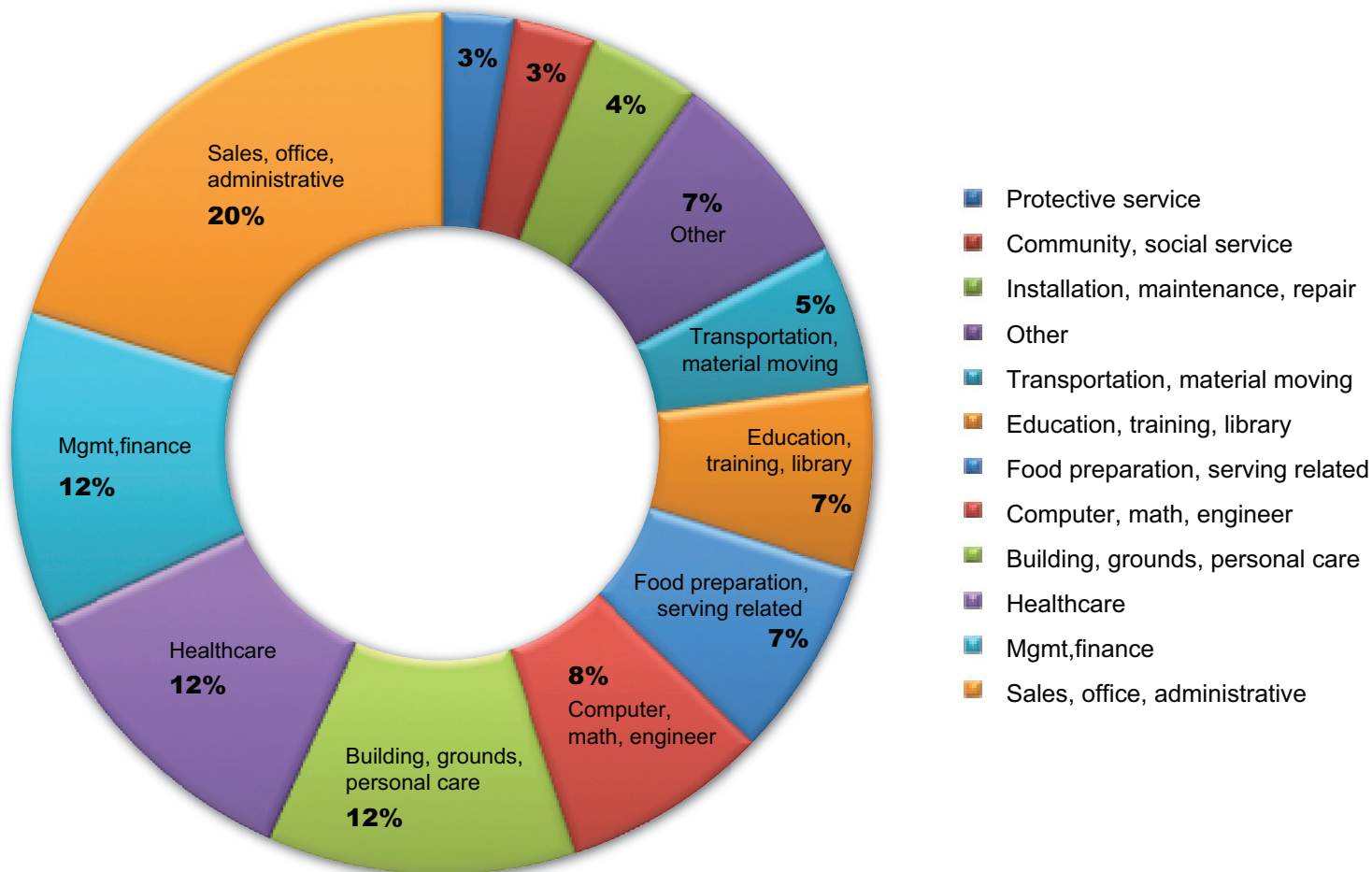
between 2005 and 2040, ranking second behind education occupations, as Table 3 shows. Other fast-growing occupations will be community/social services; building, landscaping and other personal services; and computer and math occupations.

Chart 9 (back page) shows the share of total growth that each occupational category is expected to capture. As can be seen, sales, office and administrative occupations will capture the bulk of the growth between 2005 and 2040. The occupation's overall share will drop, however, from 26 percent of all occupations in 2005 to 24 percent by 2040. Management and finance occupations, healthcare occupations and occupations in building, landscape and other personal services will each capture 12 percent of all growth in occupations between now and 2040, ranking them second.

**Table 3 – Growth by Occupation 2005-2040**  
(Ranked by Percent Change between 2005 and 2040)

Occupation	2005	2010	2020	2030	2040	2005-2040 Change		Share of all occupations in:		
						Net Change	Percent Change	2005	2040	Up or Down?
Education, training, library	59,579	97,846	116,099	133,914	156,947	97,368	163.4%	2.2%	3.9%	Up
Healthcare	158,723	152,316	198,892	249,462	321,407	162,684	102.5%	5.9%	7.9%	Up
Community, social service	46,841	41,313	54,993	69,858	90,046	43,205	92.2%	1.8%	2.2%	Up
Building, landscape, personal care	205,569	194,576	250,736	304,064	368,138	162,569	79.1%	7.7%	9.0%	Up
Computer, math, engineer	139,994	128,055	171,762	209,381	248,382	108,388	77.4%	5.2%	6.1%	Up
Life, physical, social science	28,519	24,562	32,474	40,147	48,185	19,666	69.0%	1.1%	1.2%	Up
Management, finance	283,269	246,406	317,418	379,246	447,171	163,902	57.9%	10.6%	11.0%	Up
Food preparation, serving related	198,601	205,240	241,209	267,951	302,910	104,309	52.5%	7.4%	7.4%	Even
Legal occupations	30,252	24,897	32,287	39,071	44,842	14,590	48.2%	1.1%	1.1%	Even
Arts, entertainment, sports, media	45,175	42,420	51,375	58,479	66,470	21,295	47.1%	1.7%	1.6%	Down
Installation, maintenance, repair	124,998	108,396	133,643	156,088	183,288	58,290	46.6%	4.7%	4.5%	Down
Protective service	90,847	64,115	86,123	107,320	128,610	37,763	41.6%	3.4%	3.2%	Down
Sales, office, administrative	694,581	608,855	745,032	855,625	974,995	280,414	40.4%	26.0%	23.9%	Down
Transportation, material moving	219,482	210,067	243,280	267,737	294,124	74,642	34.0%	8.2%	7.2%	Down
Construction, extraction	169,277	116,869	153,859	175,865	198,841	29,564	17.5%	6.3%	4.9%	Down
Production	167,096	136,991	151,640	165,389	188,079	20,983	12.6%	6.2%	4.6%	Down
Farm, fishing, forestry	12,215	10,079	10,786	11,256	11,765	(450)	-3.7%	0.5%	0.3%	Down

Chart 9 – Expected Growth by Occupation 2010-2040



For more information about population and employment trends, go to [www.atlantaregional.com/region](http://www.atlantaregional.com/region). Also, check out ARC's latest report *Cities and Towns: 2008 Yearbook of Growth and Change*. This inaugural report looks at growth trends for the 10-county Atlanta region's 68 cities. For example, did you know that some 65,000 acres of land have been annexed into cities or towns since 2000? Or that nine cities have doubled their populations since 2000? Want to find out which ones? Go to the link above.

For more information on these issues or to suggest new subjects, please email [mcarnathan@atlantaregional.com](mailto:mcarnathan@atlantaregional.com).  
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