

# Domestic Migration Data – 2023

## Migration Slowdown: Oregon Struggles to Retain Residents

Authors: Serra Kirsch, Mark McMullen

### Oregon's Migration Landscape: Evolving Patterns and New Challenges

Recent estimates from the U.S. Census Bureau indicate significant shifts in Oregon's migration patterns, altering its long-standing net gains of both domestic and international migrants. Historically, Oregon consistently ranked within the top 20 states for population growth from net migration. However, since 2020, the state has witnessed profound changes in its demographic dynamics. Although migrants continue to be drawn to the state, some residents are leaving and the birth rate has been very low, leading to small population losses. The last time Oregon saw its population decline was in the early 1980's when wood product mills closed across the state. The current environment is much different, with the job market healthy in most regions.

According to the latest Census figures, between 2022 and 2023, Oregon's population experienced a decline of approximately **6,000 individuals**, equating to a **0.14% decrease** within a single year. This reduction is primarily attributed to a **diminishing natural growth rate**—defined as the number of births minus the number of deaths—coupled with **net outflows in domestic migration**, where the number of residents leaving the state surpasses those arriving. Oregon's birth rate ranks in the bottom five across states and saw a spike in population outflows during 2022. Although these outflows came back to earth in 2023, net migration remained slightly negative.

Although **international migration** has provided some counterbalance to the decline in natural growth, its impact was not as substantial in 2023 as in the previous year. In terms of the **net migration rate**, which combines both international and domestic flows, Oregon ranked **45th** among all states and Washington D.C. in 2023. This ranking underscores a concerning trend: for the second consecutive year, Oregon recorded **negative net migration**, indicating more people are leaving the state than arriving. This decline highlights the growing challenge Oregon faces in maintaining population stability and addressing factors driving outmigration.

### Key Findings:

- Oregon's peak migration rank was **2nd in 2016**, but by 2023, it had fallen dramatically to **45th**, marking a significant outflow of residents. Many moved to less expensive areas in other states. This shift represents a sharp decline from its earlier standing as one of the top states attracting movers.
- The number of households earning over \$200,000 has grown significantly over the last decade, although the share of these households dipped in 2021 and 2022.
- The working age groups (25-44 years old) in Oregon have shown volatile migration patterns, with a long period of positive net migration followed by sharp increase in outmigration around 2020, stabilizing again by 2023.
- Oregon experienced a **net population decrease** of about **6,000 people from 2022 to 2023**, largely due to **reduced natural growth, increased domestic outmigration, and insufficient gains from international migration** to offset these losses.
- California and Washington are the main sources of **domestic incoming migrants**, while the top destinations for residents leaving Oregon are Washington, California, Arizona, Texas, and Idaho.

- Despite a downturn in domestic net migration, **international migration** showed some recovery post-pandemic, but it was insufficient to offset the overall migration losses.
- Oregon's declining net migration contrasts with neighbouring states like **Washington, Idaho, and Nevada**, which have maintained or improved their gains. Idaho and Nevada have retained their affordability advantages, and most of the gains in Washington have come in low-cost rural areas.

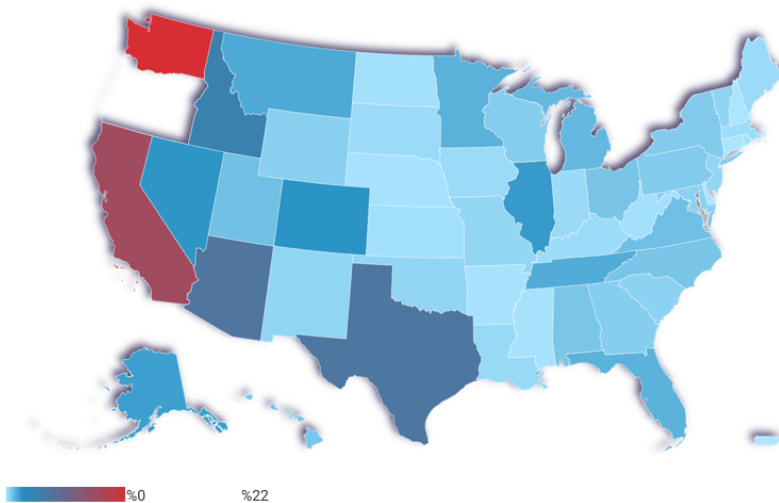
## Detailed Migration Flows to and from Oregon

In 2023, approximately **125,246 individuals moved to Oregon**, while **131,403 residents left**, indicating a **net migration loss**.

### Incoming Migration (Inflow):

The primary sources of **incoming migrants** are neighboring states, with **California** leading at **33,807** and **Washington** following with **22,169**. **Arizona**, which contributed **7,144 new residents**, represents another significant origin of new Oregonians. The close proximity and possibly similar economic opportunities or lifestyle preferences likely influence these migration patterns. The rate of inflows into Oregon has remained relatively stable in recent years. Recent data on out-of-state driver's licenses surrendered suggest that healthy inflows continued into 2024.

### Destinations of Oregonians: Where Are They Moving?



Source: U.S. Census Bureau 2021 boundaries, U.S. Census Bureau Population Estimates  
 This map visualizes the destinations of Oregonians relocating to other states, represented as a percentage of the total number of movers. Darker reds indicate a higher percentage of the total movers from Oregon settling in those states, while lighter blues show a lower percentage.



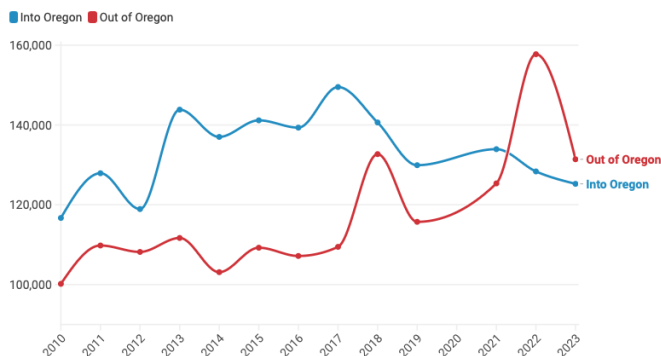
### Outgoing Migration (Outflow):

The main destinations for Oregonians moving out are also largely within the region. **Washington** is the top destination, attracting **29,960 Oregonians**, followed by **California** with **22,162**. Other popular destinations include **Arizona** and **Texas**, receiving **10,465** and **10,131 Oregonians** respectively, and **Idaho** with **7,458 movers**. While the overall outflows to neighboring states, net population losses have clearly been driven by movers to lower-cost regions.

From 2010 to 2021, more individuals moved into the state than left. In 2021, there was a surge in outmigration. However, by 2023, this trend halted, and a drastic decrease in outmigration was observed, while the number of people moving into Oregon remained stable during this short period of drastic volatility in outmigration.

### Oregon Domestic Migration

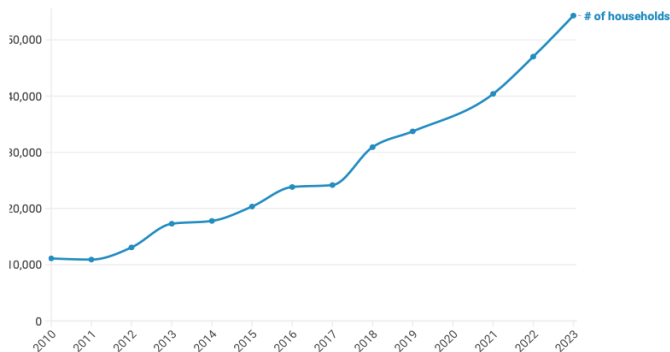
Number of people moving into and out of Oregon



Source: U.S Census State to State Migration Flows , ACS 1 year estimates

One interesting aspect of the 2023 data has been growth in the number of high-income households in the Portland area. Anecdotally, many such households have been driven from the city due to recent tax reforms. However, in Multnomah County, the number of households earning over \$200,000 rose from around 40,000 in 2021 to 55,000 in 2023. This growth could still be consistent with anecdotes of households fleeing taxes. Income growth has been very strong, leading to more existing households crossing the \$200,000 threshold.

### Number of households earning over 200K in Multnomah



Source: Census, ACS1-year

## Shifting Currents: A Decade of Migration Trends in Oregon

From 2010 to 2016, Oregon experienced a significant rise in net population growth and net migration, which is the sum of domestic and international migration, reaching a peak in 2016. This period was characterized by substantial contributions from both international and domestic movements. However, after reaching this peak, the trends shifted, with net migration gradually declining, despite occasional recovery. This decline was predominantly influenced by fluctuations in domestic migration, which has been the critical component shaping the overall migration landscape.

By 2021, natural growth turned negative for the first time, contributing to the downward trend of population growth. In part this was due to a spike in the number of deaths associated with the COVID pandemic. Going forward, the larger concern is Oregon’s low birth rate which remains low despite the large millennial cohort entering their peak child-bearing years.

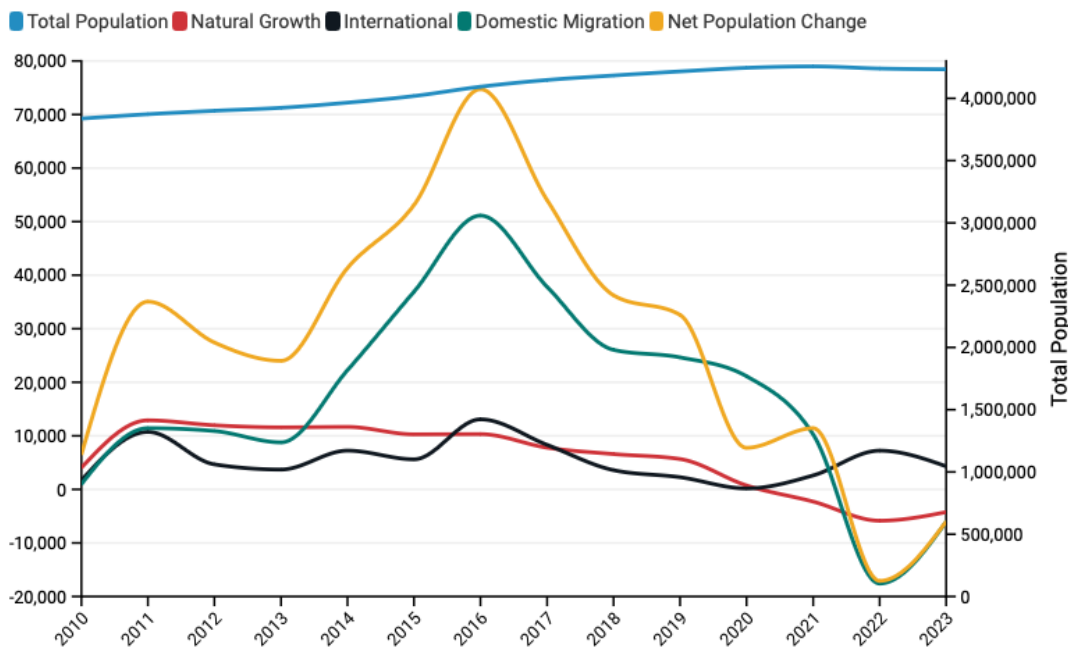
Although Oregon’s birth rate has ticked up recently, it remains stubbornly low, ranking in the bottom five across all states. Looking at the fertility rate (the average number of children each

woman will have over their lifetime), we are entering uncharted territory. A fertility rate of 2.1 is required to replace the existing population. Although every high-income country falls below this threshold, Oregon stands out. In the most recent data, Oregon’s fertility rate was 1.4, and appears to be dropping further.

This downturn in natural population gains, combined with the decreasing domestic migration, led to total population growth dipping into small negative figures by 2022 and continuing into 2023. These recent years have underscored the challenges of reversing the negative trends in both natural growth and net domestic migration, highlighting the pivotal role of domestic migration in shaping Oregon's demographic future. In particular, Oregon’s traditional ability to attract young working-aged households has been a key driver of growth in the past, and will remain key to the outlook going forward.

### Oregon's Migration Dynamics:

Population Changes and Migration Flows, 2010-2022

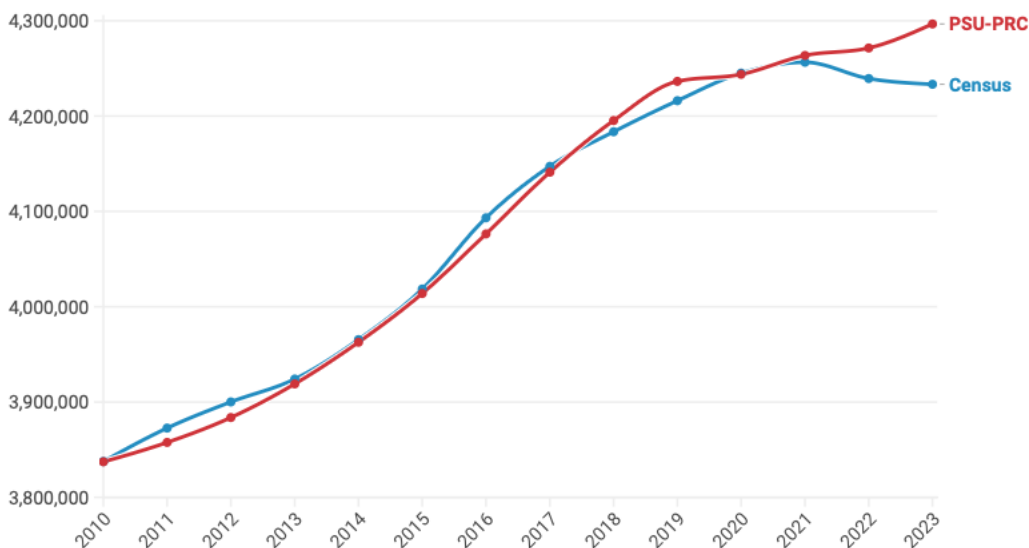


Source: U.S. Census • The right axis displays total population numbers.

While the U.S. Census Bureau reports a population decrease in Oregon for the past two years, figures from Portland State University's Population Research Center (PSU-PRC) present a different narrative. Contrasting with the Census data, **PSU-PRC's estimates for the last two years indicate a population increase.** For example, in 2023, PSU-PRC estimated Oregon's population at 4,296,626, significantly higher than the Census's reported 4,233,358. Despite a downward revision of 10,445 people to their 2022 estimation, PSU-PRC's figures remained higher than those reported by the Census. This suggests that even if PSU-PRC revises their 2023 numbers in the future, and a under a similar margin of error, the adjusted figures would likely still exceed those of the Census. This discrepancy can be attributed to PSU-PRC's comprehensive methodology, which combines administrative data—such as birth and death records, school enrollments, and tax exemptions—with survey data collected directly from local officials. This method includes not only residents in traditional housing but also those living in settings like college dormitories, nursing homes, military barracks, and prisons.

## PSU Population Research Center vs. Census

Oregon Population Estimates



### Demographic Trends in Oregon's Net Domestic Migration

Between 2010 and 2023, Oregon has experienced varied net migration trends across different age demographics. These population dynamics that could influence state policies and economic planning.

**Children (0-17 years old):** Up until the late 2010s, more children were moving into Oregon than leaving. However, this trend reversed, and Oregon has since experienced a net loss in this age group. In 2023, a slight uptick in net migration suggests a recovery, primarily due to a significant decrease in the number of young residents moving out of the state.

**College-Age Adults (18-24 years old):** This age group has maintained a relatively stable migration pattern, with a slight decline in the early part of the decade stabilizing thereafter. The stability might reflect the state's ability to retain young adults, possibly due to educational opportunities.

**Root-Setting Adults (25-34 years old):** Over the past decade, Oregon has increasingly attracted young professionals and families looking to establish roots, evidenced by steady growth in net migration. However, around 2021, this demographic experienced a significant shift with increased outmigration and decreased inflows. Despite these challenges, 2023 shows signs of recovery, primarily due to a slowdown in outmigration. The upcoming years will be crucial in determining whether this recovery can be sustained.

**Prime Working Age (35-44 years old):** Initially, this age group experienced positive net migration rates, with inflows of prime working-age individuals consistently outpacing outflows. These rates have since stabilized. Between 2022 and 2023, there was a sharp increase followed by an equally sharp decrease in outmigration. Meanwhile, inflows into the state have remained

stable. The reduction in outflows in 2023 suggests a renewed interest in Oregon among established professionals, likely reflecting favorable economic or lifestyle conditions.

**Peak Earning Age (45-55 years old):** This demographic has exhibited the most volatility in migration trends, with significant peaks around 2016. The pattern of fluctuation is similar to that observed in the prime working age group, highlighting synchronous trends in migration behavior among mature professionals.

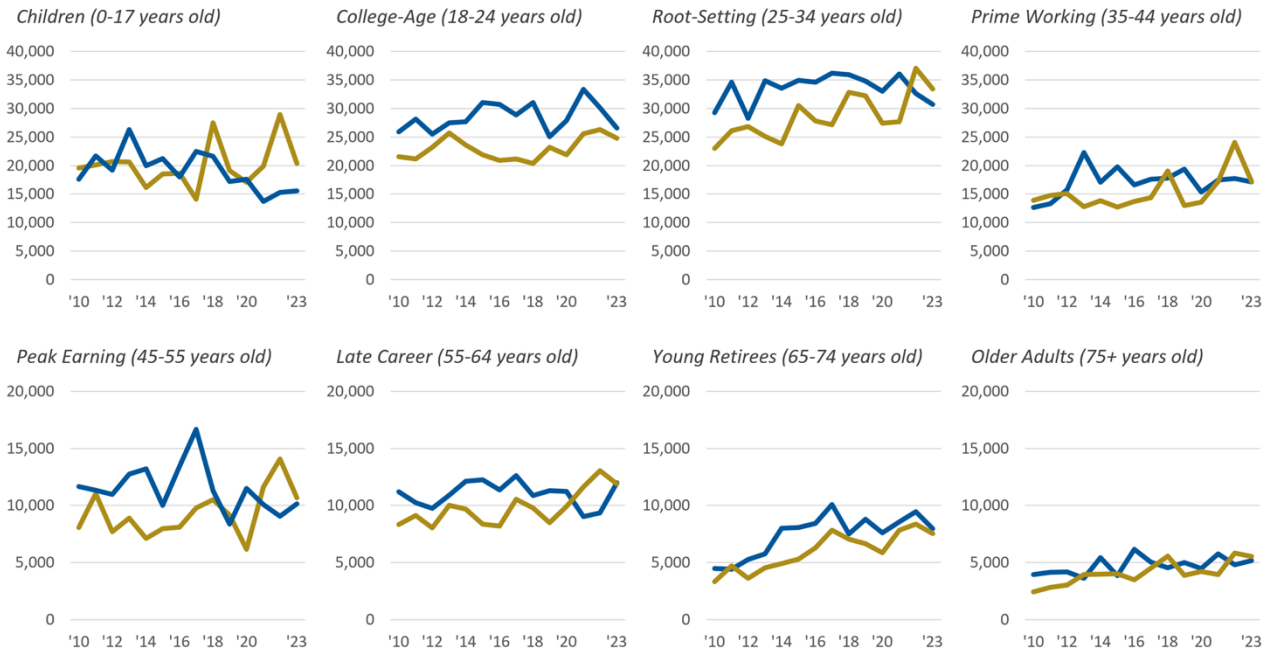
**Late Career (55-64 years old):** The migration pattern for this age group has been stable, with only minor fluctuations, suggesting that late-career professionals are neither moving to nor leaving Oregon in significant numbers. Recently, there was a notable swing, similar to the experiences of other working-age demographic groups, but it has since returned to the typical patterns.

**Young Retirees (65-74 years old):** There is a clear increasing trend in the net migration of young retirees to Oregon, with inflows consistently outpacing outflows. This sustained interest likely reflects Oregon's appeal as a retirement destination, attributed to factors such as healthcare, environmental quality, and community services.

**Older Adults (75+ years old):** The flat migration trend in this oldest group suggests low mobility. However, slight increases indicate a small but steady number of older adults choosing Oregon as their residence in late life, potentially for similar reasons as young retirees.

## Oregon Net Domestic Migration by Age

Number of people moving *into Oregon* minus the number *moving out of Oregon*



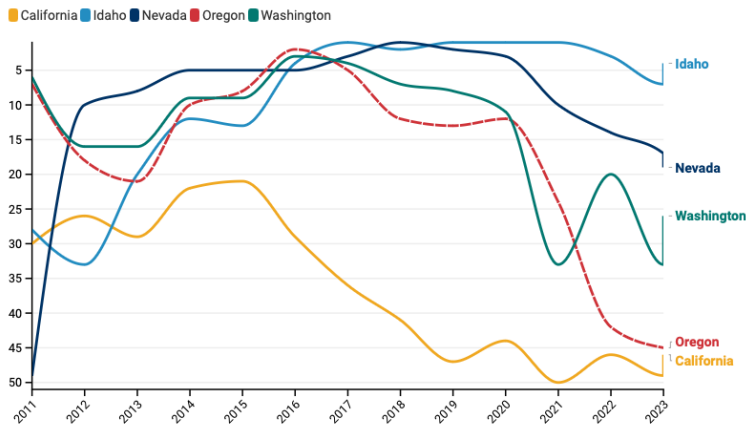
Data: ACS 1 year estimates | Source: Census, IPUMS-USA, Oregon Office of Economic Analysis



## Regional Migration Trends: A comparative analysis

### Net migration rate rankings: Oregon and neighbouring states

Relative ranking of 50 states and D.C. in terms of net migration rate - population adjusted



Source: U.S. Census • Please note that the y-axis is inverted to illustrate that a rank of #1 indicates the highest rate of net migration, while a rank of #51 indicates the lowest.

Each state's rank is based on the net migration rate, a metric that reflects the combined effects of domestic migration (people moving between states within the U.S.) and international migration (people moving between the U.S. and other countries). The net migration rate is adjusted for population size. This adjustment allows for a fair comparison between states of varying population sizes.

The ranking spans all 50 states and Washington D.C., where **1 represents the state with the highest net migration rate** and **51 represents the lowest**. A lower rank indicates stronger migration into the state, while a higher rank reflects stagnation or decline due to net emigration or domestic outmigration.

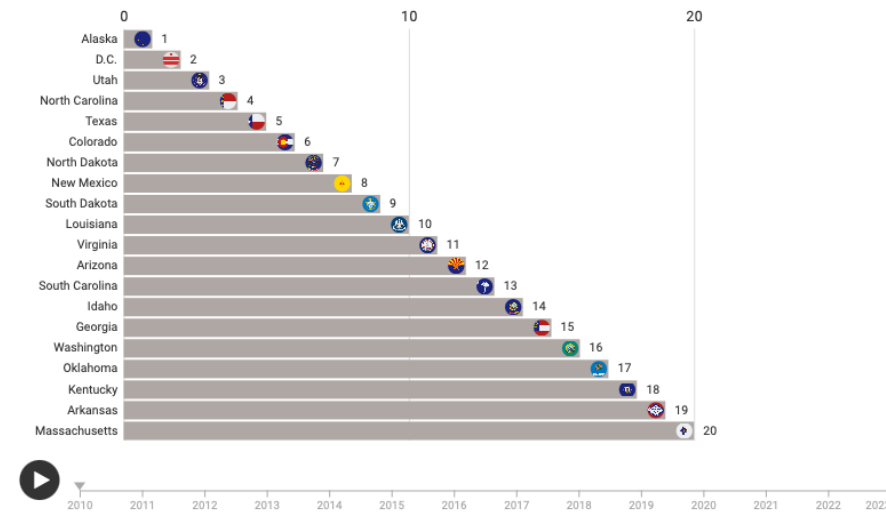
**Oregon's Migration Patterns:** Oregon's net migration ranking has fluctuated significantly over the years. In 2016, the state ranked 2nd, showing a high level of attractiveness for both domestic and international migrants. However, this trend has reversed, with Oregon's rank falling to 24th in 2021, 42nd in 2022, and further to 45th in 2023. This decline reflects increased domestic outmigration, where more people are moving out of Oregon than arriving, as well as relatively low gains from international migration. A similar pattern is observed when natural growth rate, birth-death) is taking into account.

### Comparative Regional Analysis:

- **Oregon's Decline:** Oregon's population outflows have brought net migration down significantly. The state's rank relative to other states has worsened in recent years, moving from 2nd in 2016 to 45th in 2023.
- **Regional Comparison:** In contrast to lower-cost neighboring states like Idaho and Nevada, which continue to rank highly (7th and 17th, respectively, in 2023), Oregon has seen a sharp decline. Washington, which also experienced a drop in its migration ranking, stood at 33rd in 2023, highlighting regional differences in migration patterns. However, birth rates in Washington have shown some significant recent increases unlike those in Oregon.
- **Shift to International Migration:** While Oregon's overall migration rate has declined, there has been a slight recovery in international immigration after the pandemic. However, these gains have not been sufficient to counterbalance the larger losses from domestic outmigration.
- **Population Trends:** Despite these migration challenges, Oregon's population continued to grow until 2022. However, beginning in 2022, the state has seen a decline in total population, driven by the continued trend of domestic outmigration exceeding population gains from both natural growth and international migration.

## Migration to Oregon Fell Significantly over the Last Two Years

Oregon's rank for net domestic migration plus natural growth, adjusted for population, saw a dramatic decline starting in 2022.



Source: US Census

## Bottom Line

During every economic expansion since World War II, Oregon has experienced above-average rates of economic growth driven by inflows of migrants from other states. Many of these migrants have been young, working-age households in their root-setting years that represent the gold standard for economic development. Not only do these households create demand for housing, retail trade and services, but more importantly they have been a boon for employers. Firms in Oregon have been able to hire skilled workers at a discount relative to other states.

The recent stall in population gains puts this traditional advantage into question going forward. A higher relative cost of living may keep net migration low in the future. Oregonians are moving to lower-cost states, while healthy inflows of migrants continue from higher-cost areas. Households moving from California are leading the way as always.

Although Oregon's migration trends have been abnormally low during the current business cycle, economic growth has not. Unlike during the typical business cycle, Oregon has lagged behind other states in population and labor force growth but has made up for this with strong productivity and output gains. Investment and start-up activity have been strong, leading to a healthy overall expansion.

States with slow population gains have tended to fall into two separate camps. Those with large amounts of capital investment and productivity growth such as California and Massachusetts have enjoyed some of the strongest economies. Others, in areas such as the farm and rust belts have seen many of their regional economies stagnate. If Oregon's traditional comparative advantage in migration flows does not return in future years, public and private productivity-enhancing investments will be key to growth.



