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**Gone to Texas:
Migration Vital to Growth in the Lone Star State**

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ABSTRACT: Texas has relied on a large and sustained influx of workers from other states and other countries. These transplants—making up nearly half of the state’s workforce—account for an even larger share of Texas’ growth than their relative numbers. Significantly, this inflow brought the types of workers most in demand.

With nearly half of its workers born outside the state, Texas depends on—and is shaped by—migration. For most of its history, Texas has relied on migration to populate its expansive landmass and power its economy.

It wasn’t always easy to attract people. In the beginning, land grants and other enticements were used to lure settlers. Admittedly, the spirit of enticements has lived on; the state continues working hard to be welcoming—it can be argued that maintaining low taxes, less regulation and an accommodating business climate helps attract people and firms.

In addition to bringing in outsized numbers of migrants, the state also retains its existing residents. Texas is by far the “stickiest” state in the nation with over 82 percent of those born in the state remaining here.

Since 2000, natural increase and net migration have contributed roughly equal parts to the state’s population

growth—about 210,000 on average per year for natural increase, another 200,000 for net migration (*Chart 1*). The state’s 1.8 percent average annual population growth is about double the nation’s 0.9 percent.

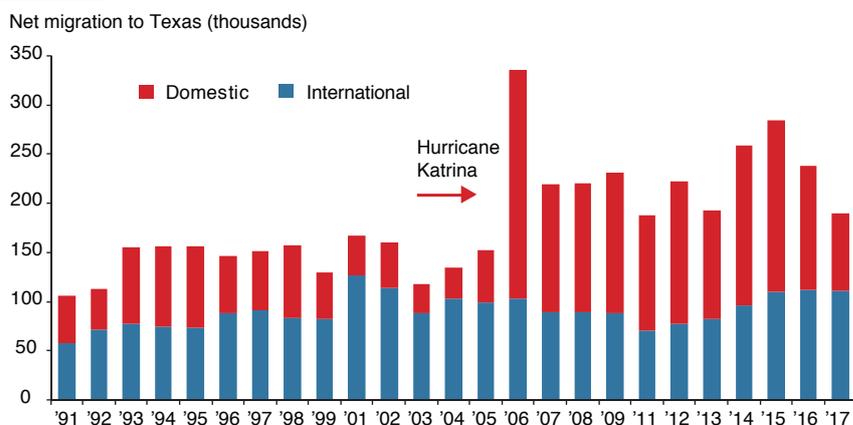
Although the state grows faster and is currently slightly younger than the rest of the nation, the trajectory of aging in Texas resembles that of the U.S. By 2050, about 20 percent of the population will be 65 or older, the highest share in the state’s history.¹

Population growth and aging are important because they largely determine the growth of the workforce, which helps set the speed limit of economic growth. An economy can grow by adding workers and/or by workers becoming more productive. Migration plays an important role in productivity; by channeling the right workers to the right jobs, migration makes labor markets more efficient.²

States typically don’t differ much from one another in terms of produc-

CHART
1

Migration to Texas Reaches Record Highs After 2005



NOTES: Census Bureau population estimates approximate the population on July 1 of the year indicated and, thus, capture changes from the previous year. Data are not available for decennial census years, 2000 and 2010.
SOURCE: Census Bureau.

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