

Recent Trends and Projections

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Population Projections for California

Figure I
Total Population: Previous Vs. Current

Population growth is projected to slow to an average 0.5% per year (down from previous projections of 0.8% per year). At this rate, California will grow from 39.9 million in 2019 to 45.3 million in 2060 (instead of previous projections of 50.6 in 2060).

The projection reflects both:

- Lower starting population due to less estimated growth since 2010
- Net migration of ~ 100,000 per year rather than 200,000
- Fewer births, compounded by fewer foreign-born migrants
- Higher deaths from slowing life expectancy gains.

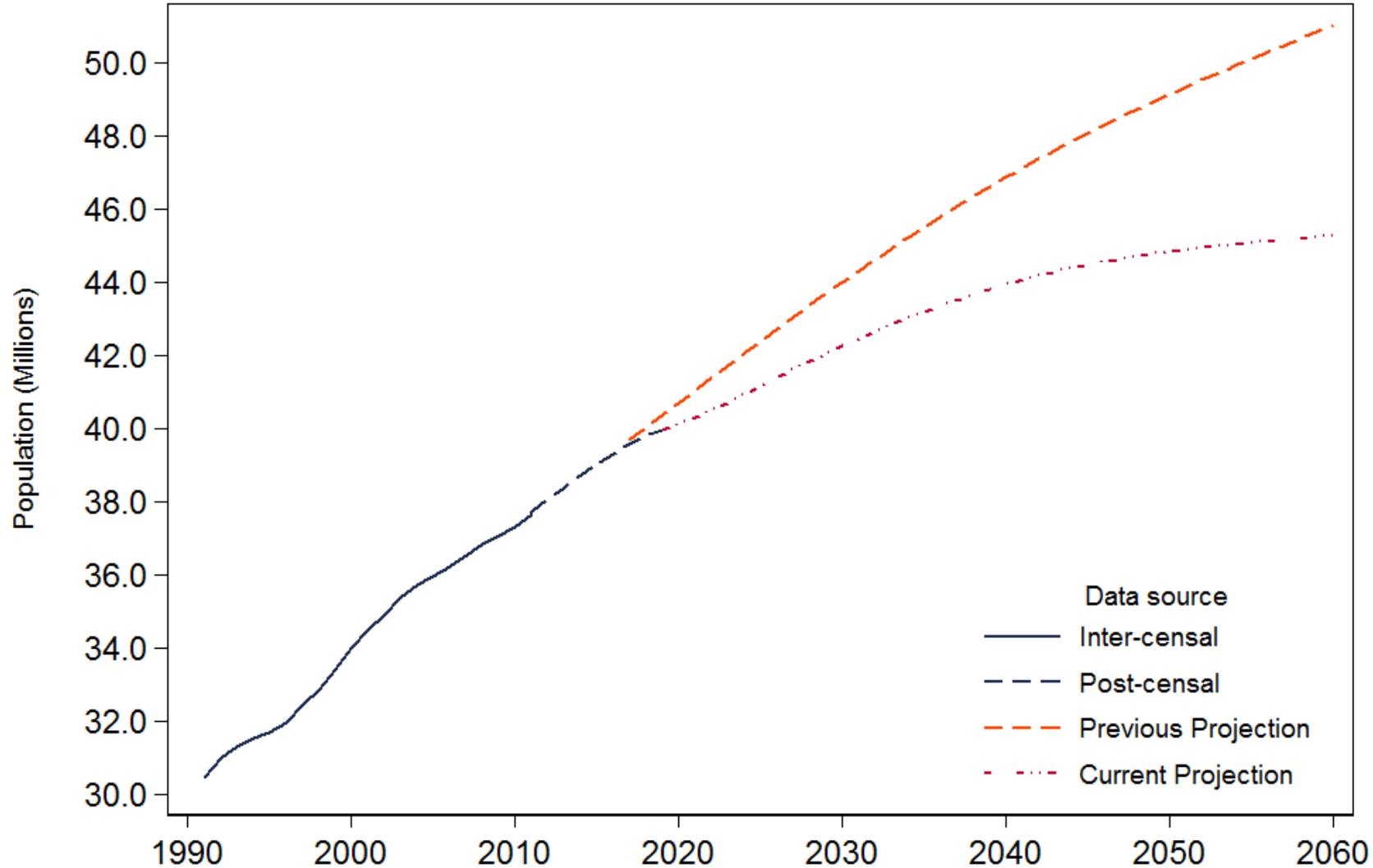
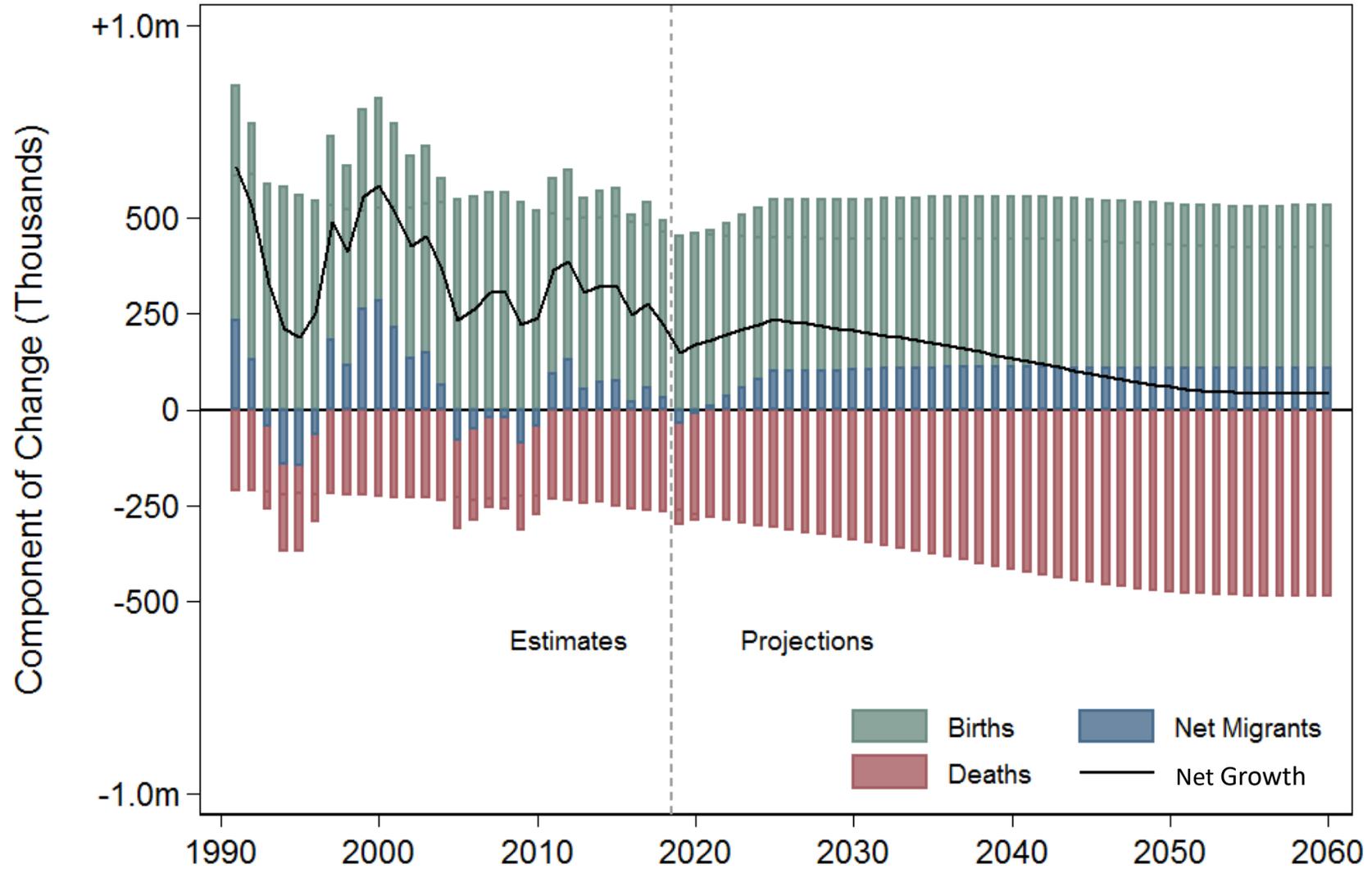


Figure 2 Components Of Change:

The new projections reflect annual growth of around 200,000 people in 2030 (growing from 170,000 in 2020 to a peak of 240,000 in 2025 before falling), down from 300,000 per year in the previous projections. Population growth will continue to slow down until the end of the forecast period, yielding a projected increase in 2060 of 43,000 people.



Assumptions and Methods

These are the basic modeling assumptions we make for each component:

- We model birth, death and migration rates for each county and work up to the state level.
- For births and deaths, we assume that each sex and age group's birth or death rate will follow a log-linear trend.
- For migration, we assume that the migration rate for an age group, will converge back from our latest 2018 estimate to its average during the past decade, and remain at that average for the years 2025 onward.

Overall, we assume:

- That federal immigration and health insurance coverage policies do not drastically change. We also assume the availability of sufficient resources to support growth, including housing, water, energy, under approximately the same conditions as observed since 2010.
- Data Sources:
 - Births and Deaths: California Department of Public Health
 - Migration: A compilation of several state and federal agencies including ACS, US Census, CA Department of Education, CA Department of Motor Vehicles.

Figure 3 Total Fertility Rate

Analysis of the data suggest that birth rates are declining for women under age 30 and rising for those above 30, especially at ages 35-40.

Our new models project a similar rate of change compared to the previous series, but from a lower starting point in 2019. Fertility declines flatten and reverse by 2040.

This level of fertility would put California in the company of European countries like Spain and Italy which have had low TFR since the 1970's.

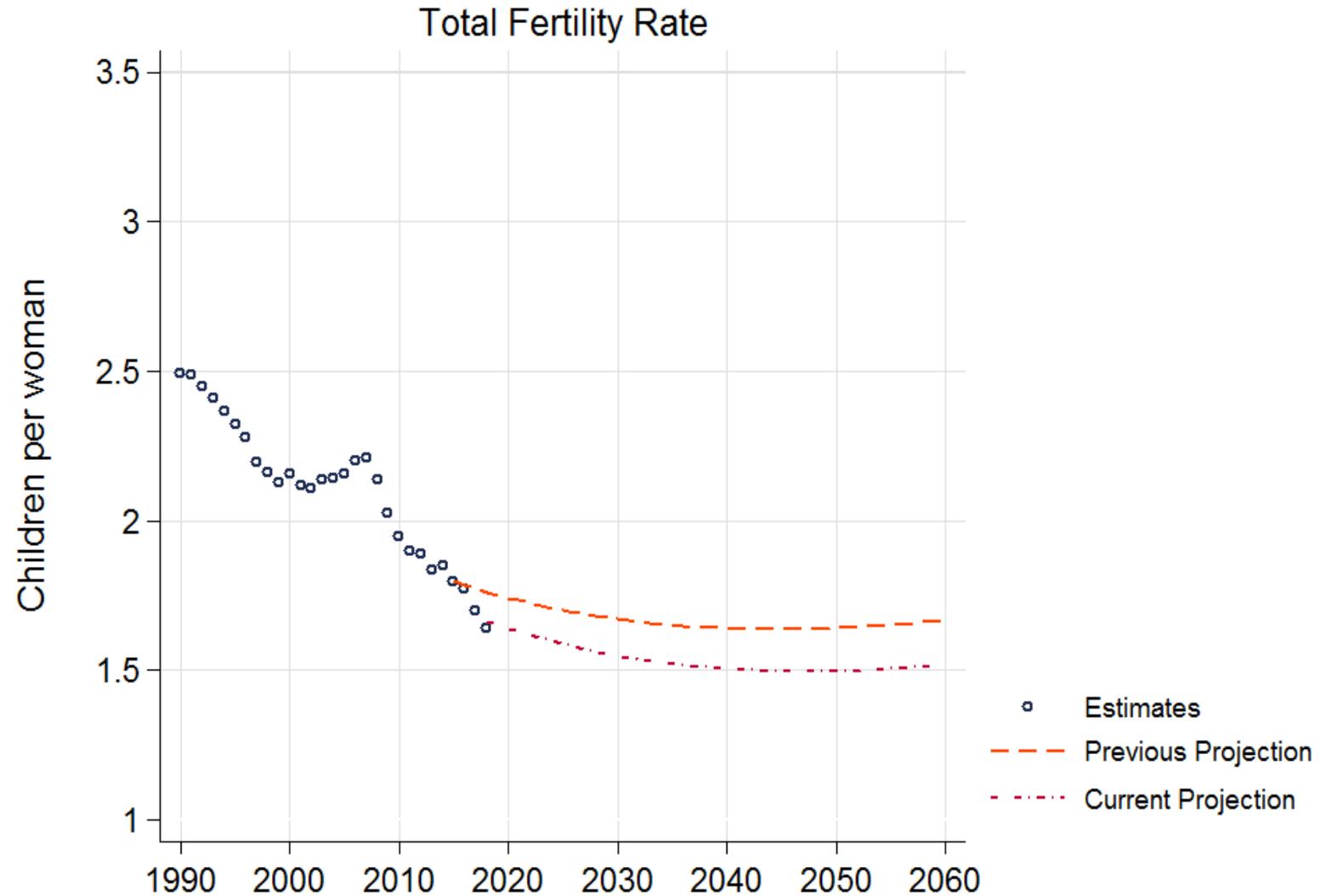


Figure 4 Life Expectancy At Birth

The new series projects lower life expectancy gains in the future. That translates to more deaths, which slow population growth.

Life expectancy has not grown as fast as expected and the new projection series reflects that. However, California outpaces the U.S. as a whole, where life expectancy has not significantly changed since 2010.

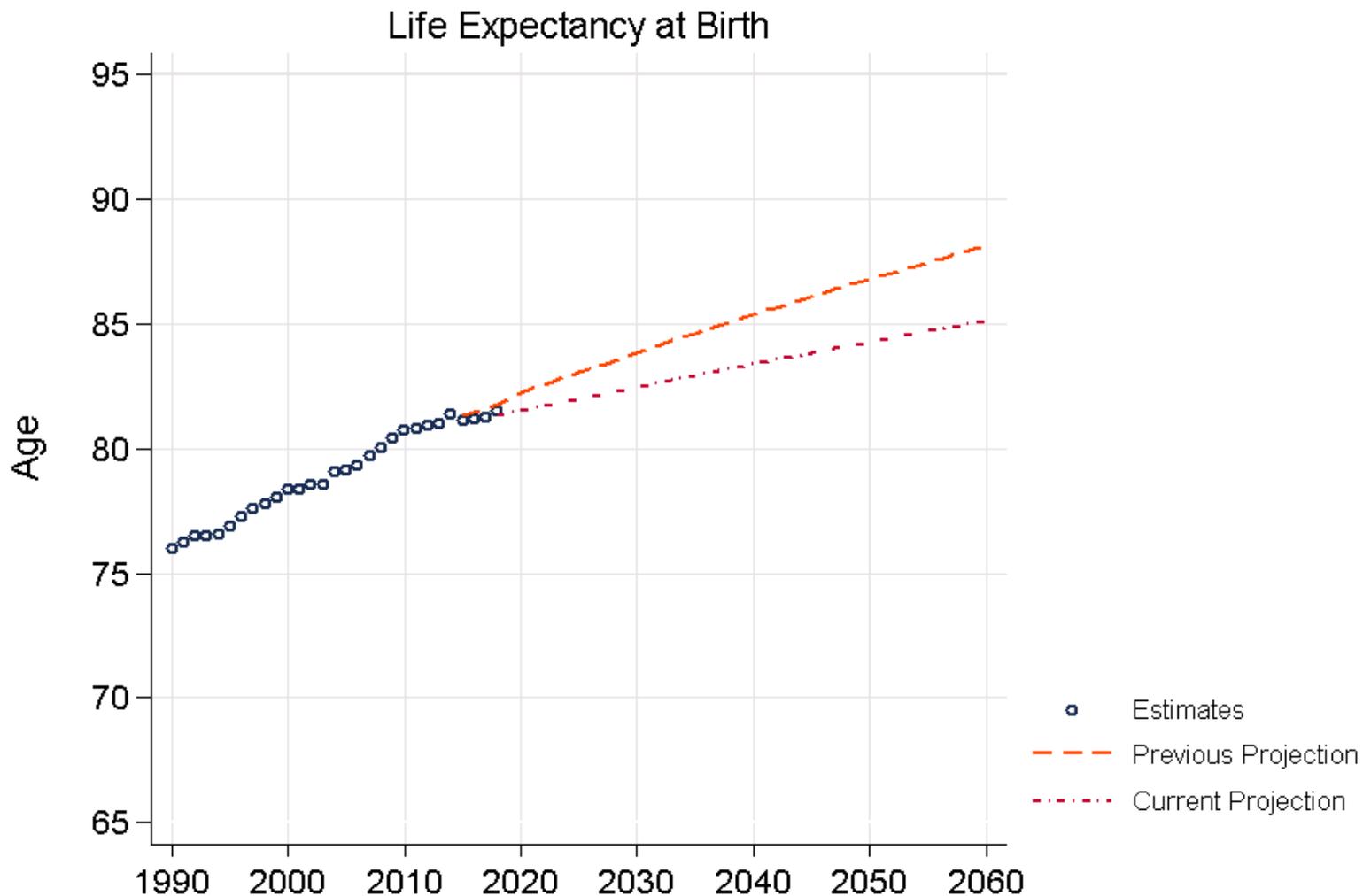


Figure 5 Net Migration

The new projections assume that migration will continue from the most recent age specific migration rates observed in 2018, reverting to the mean (calculated from 2010 onward) between now and 2025.

After 2025, we hold the age specific gross migration rates constant into the future. In the past, we assumed a more rapid return to average, and a higher average based on trends since 1990 when migration rates were much higher.

That means that in the past where we had 200,000 migrants per year, we instead are projecting 100,000 per year.

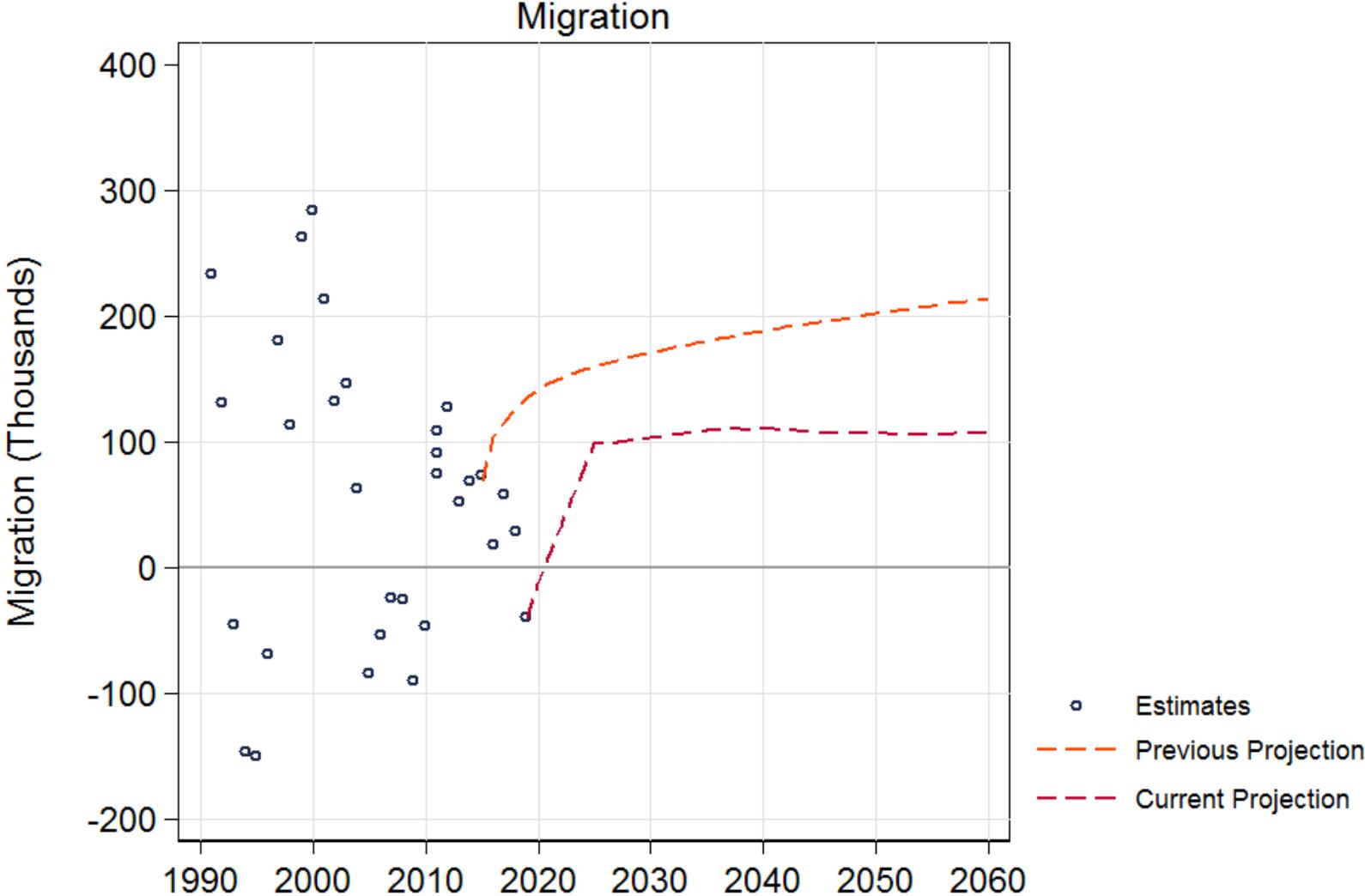
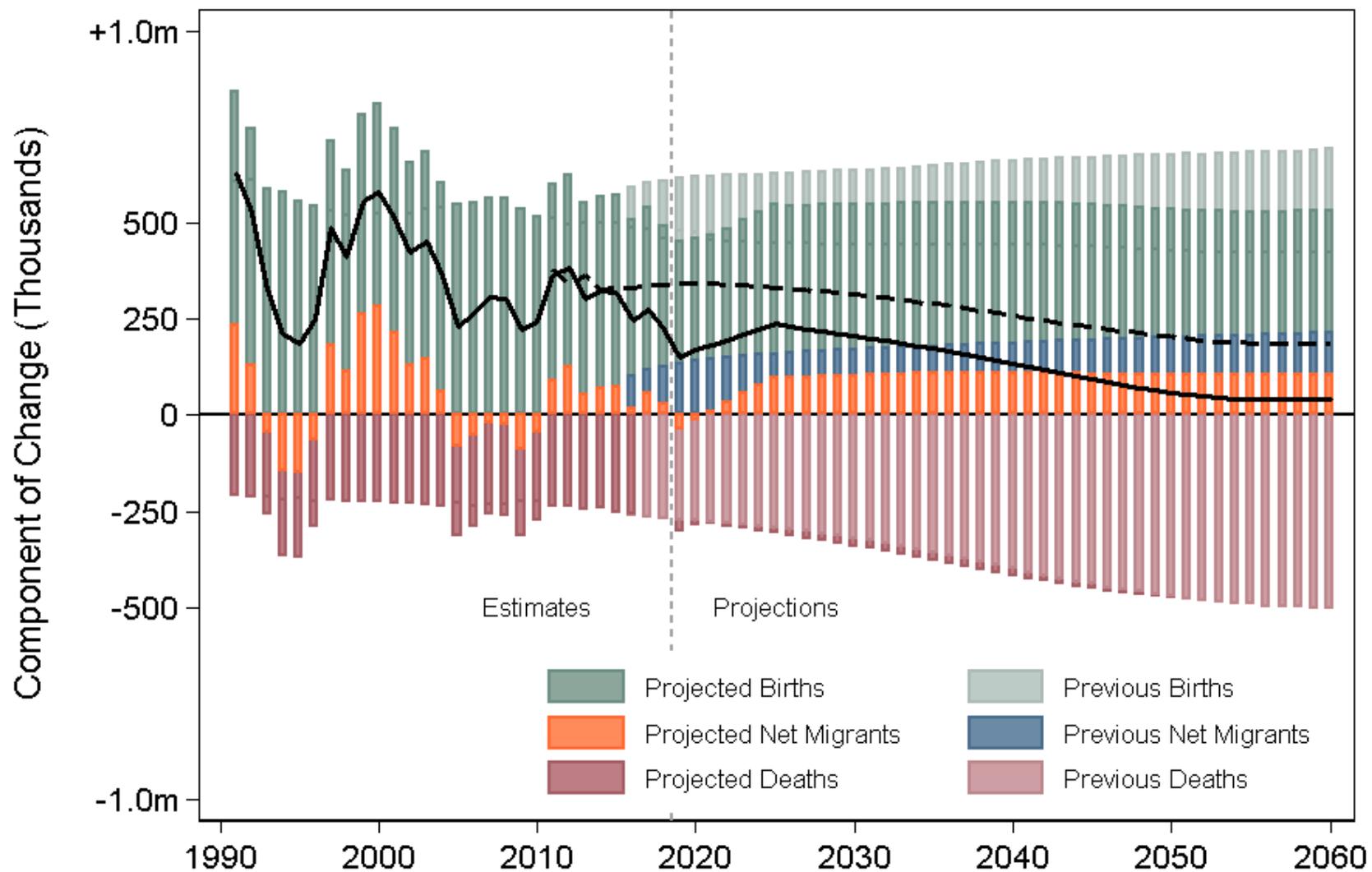


Figure 6 Components Of Change: BI6 vs New BI9 Series

The new projections reflect annual growth of around 200,000 people per year until 2030, down from 300,000 per year in the previous projections. Population growth will continue to slow down until the end of the forecast period, with a projected increase in 2060 of 20,000 people.

This figure overlays the components for the old and new projections to show the effects of lower projected rates on the yearly net change.

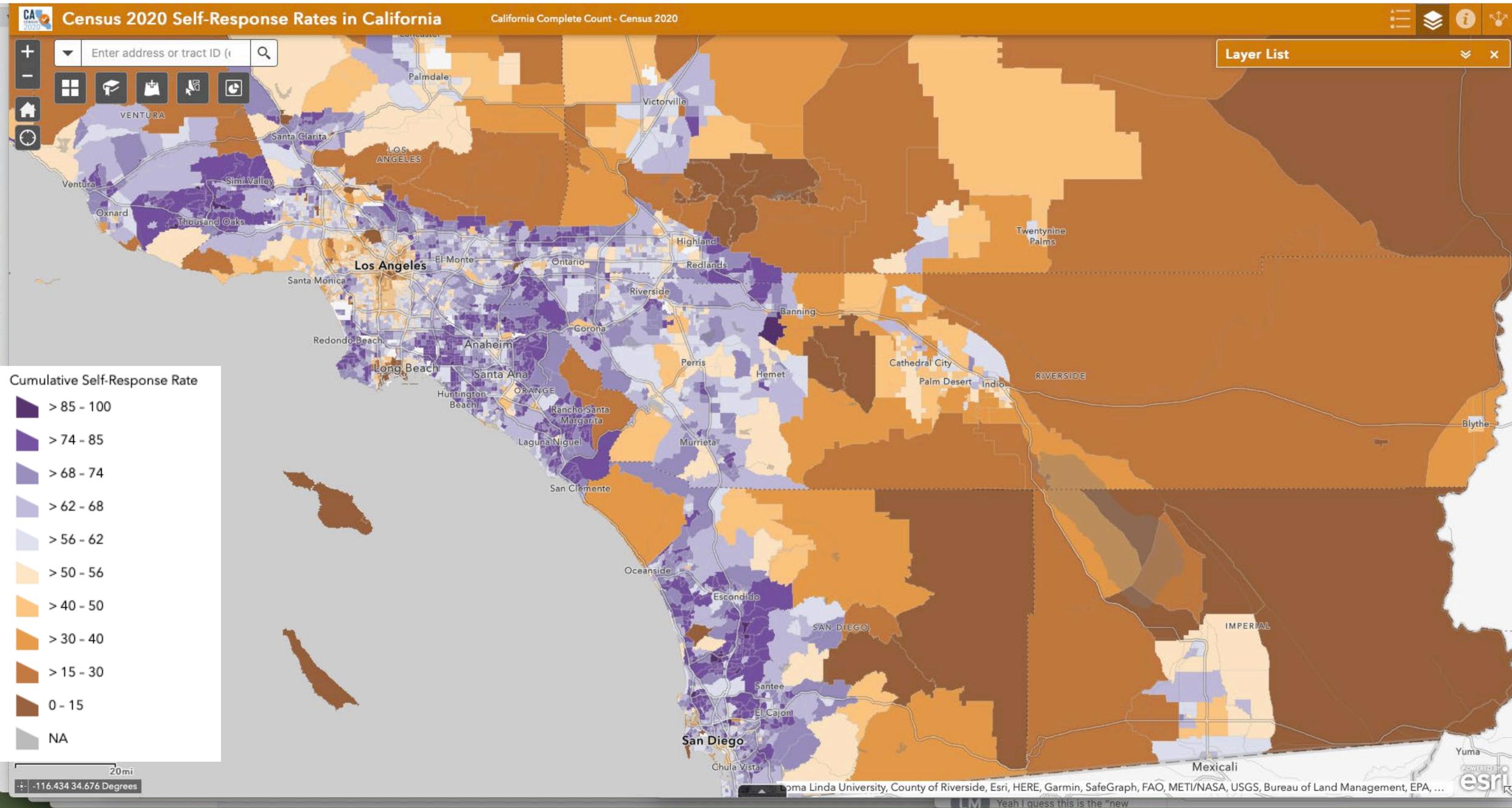


What about now?

- Everything you have seen is likely to be wrong, particularly in the next few years:
 - More Deaths
 - Fewer Births
 - Less Net Migration
- Why highlight this projection then? Represents where we thought we were before Covid-19.
- It will take time to analyze and recalibrate what the new normal represents.
- Most important to have the best possible starting point. That is the 2020 Census, going on right now. Everyone should do their part.

<https://californiacensus.org>

<https://my2020census.gov>



Thank You

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