



## PANEL 1

# Demographic Check-Up: The Numbers Behind the Current Growth Outlook



# Demographic Check-Up: The Numbers Behind the Current Growth Outlook

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## PANEL 1

# Demographic Check-Up: The Numbers Behind the Current Growth Outlook



2024 SCAG/USC Demographic Workshop

# How Low Will Birth Rates Go?

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September 2024

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# The number of births has been falling.

Total Births Per Year in the U.S., 1995-2023 (in Millions)

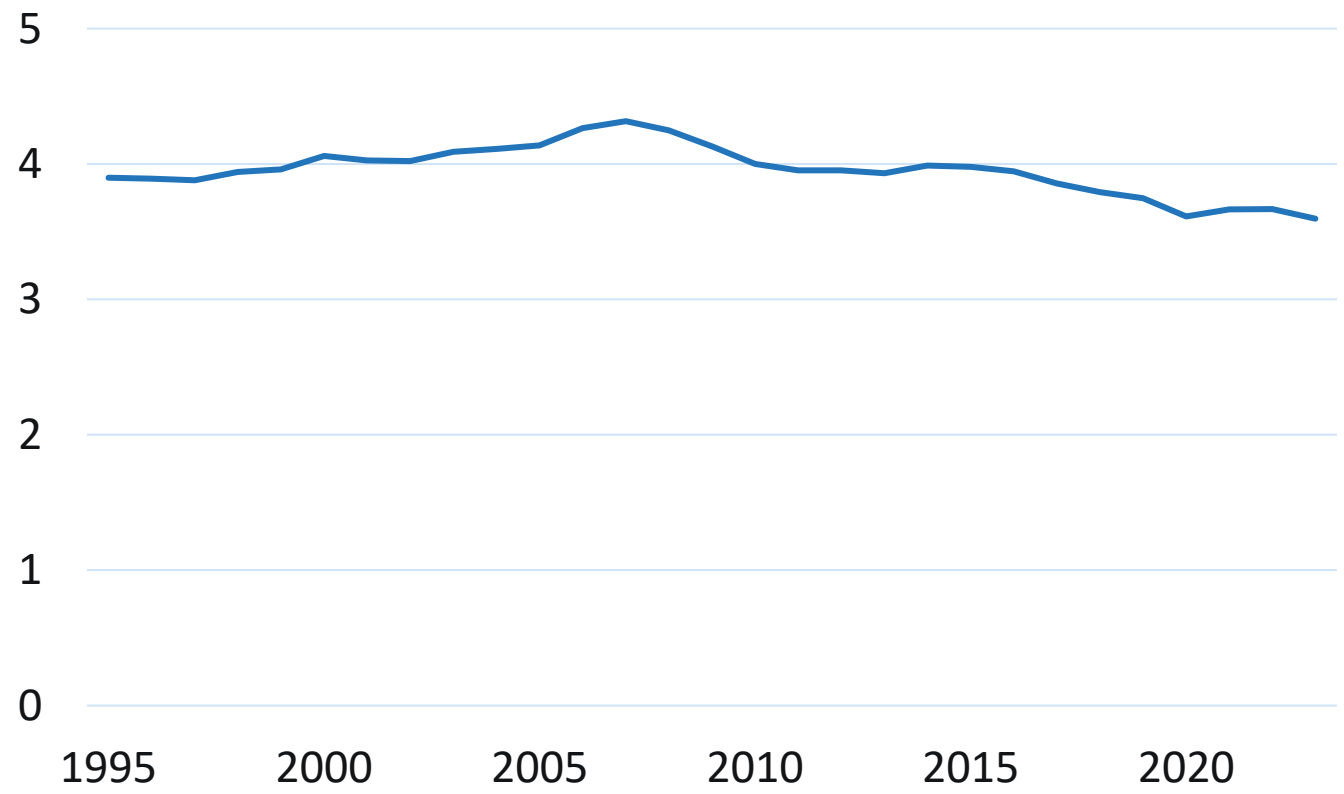
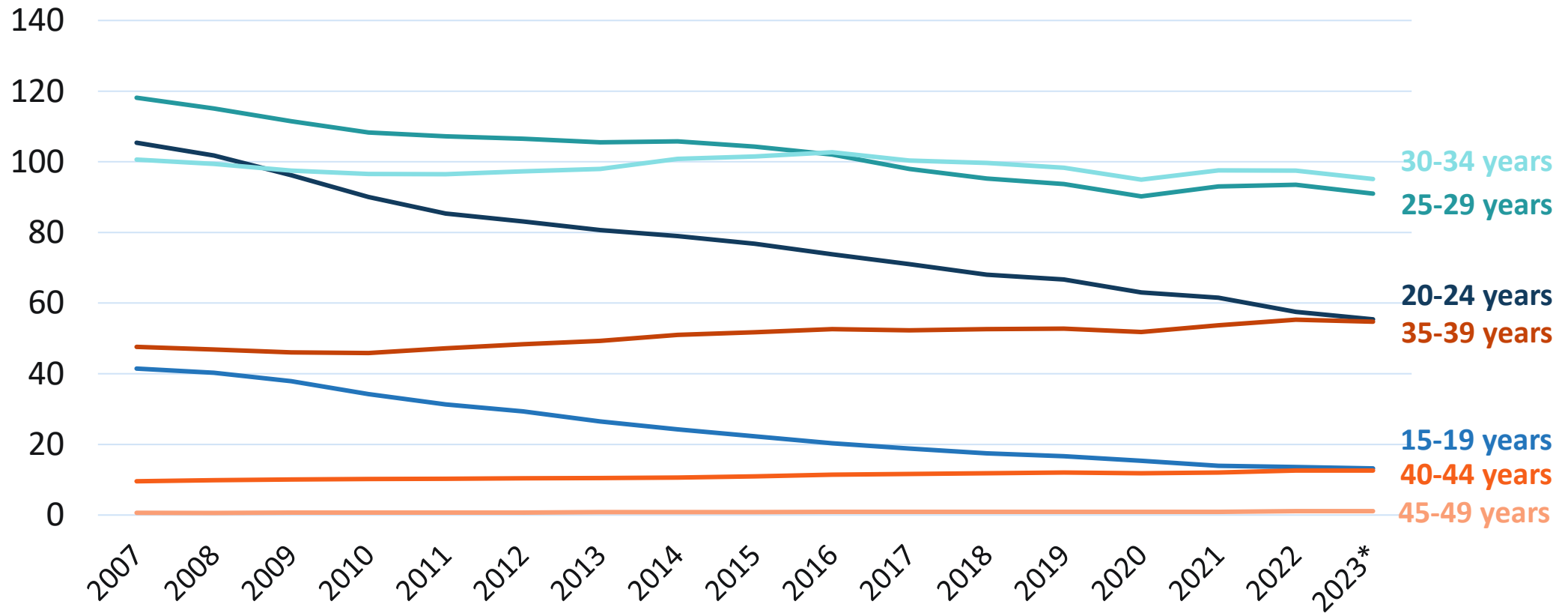


Image: Nihal Karkala via UnSplash

Data Source: National Center for Health Statistics (NCHS), U.S. Centers for Disease Control and Prevention

# Birth rates have been falling for younger age groups for more than a decade.

U.S. Births per 1,000 Women, by Age, 2007-2023



Source: U.S. Centers for Disease Control and Prevention, National Center for Health Statistics (NCHS), CDC WONDER online database, "Births: Final Data for 2021," "Births: Final Data for 2022," and "Births: Provisional Data for 2023."

# Total Fertility Rate is a measurement tool for understanding dynamics across age groups.

- Total Fertility Rate (TFR) = Number of children a hypothetical woman would have in her lifetime if current fertility rates remained the same throughout her lifetime.
- “Replacement” TFR is about two children per woman.

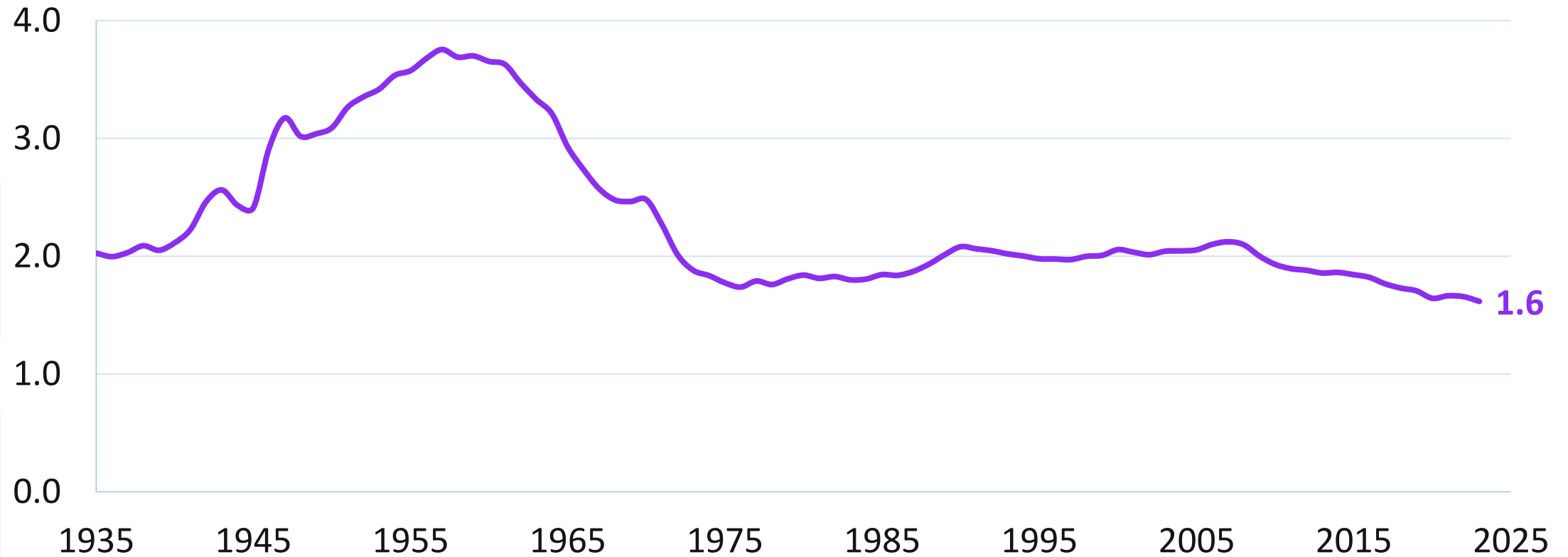
# What is the U.S. total fertility rate today (2023)?

- A. 2.1
- B. 1.9
- C. 1.6
- D. 1.0



# U.S. TFR has been below 2.0 for more than a decade.

U.S. Total Fertility Rate, 1935-2023



Source: U.S. Centers for Disease Control and Prevention, National Center for Health Statistics (NCHS), CDC WONDER online database, "Births: Final Data for 2021," "Births: Final Data for 2022," and "Births: Provisional Data for 2023."

# What is the total fertility rate in Mexico today?

- A. 2.5
- B. 2.1
- C. 1.9
- D. 1.8



# What is the total fertility rate in Mexico today?

- A. 2.7
- B. 2.3
- C. 1.9
- D. 1.8**

Mexico's TFR fell below two in 2019 and continues to fall. Across Latin America and the Caribbean, the combined rate in 2022 was 1.9.

# What is the lowest total fertility rate in the world today?

- A. 1.5
- B. 1.3
- C. 1.0
- D. 0.7



# What is the lowest total fertility rate in the world today?

- A. 1.5
- B. 1.3
- C. 1.0
- D. 0.7**

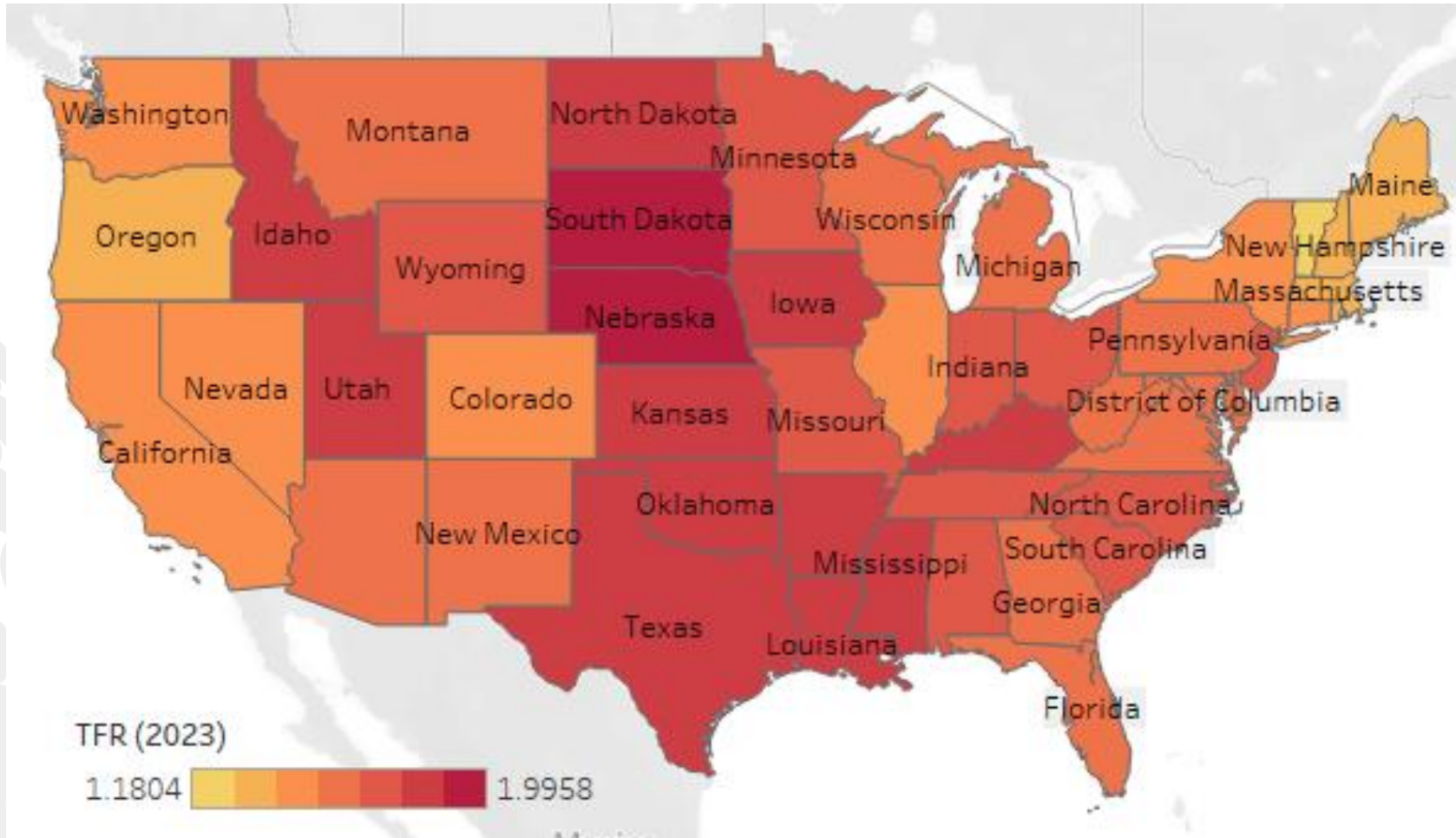
Several countries (incl. S. Korea, Taiwan, Puerto Rico) have TFRs below 1.0. East Asia's TFR is 1.1.

Niger's TFR is the world's highest (6.7), but in 2022 just 11 countries had estimated TFRs at or above 5—most are in Africa.

Globally, TFR is 2.2.

# Total fertility rates vary widely by state, but no state is above two.

Total Fertility Rate, by State, 2023



Source: Author's calculations based on data from CDC WONDER database.

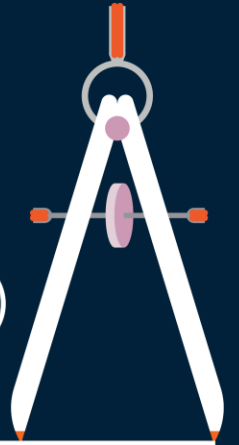


Image: Logan Weaver via UnSplash

## What do falling birth rates mean for California?

2024 SOUTHERN CALIFORNIA DEMOGRAPHIC WORKSHOP

# NAVIGATING THE NEW GROWTH REALITY



[scag.ca.gov/demographics](https://scag.ca.gov/demographics)





WHERE  
NOW

# New Baseline Projections

## 35<sup>rd</sup> Annual Demographic Workshop

September 24, 2024



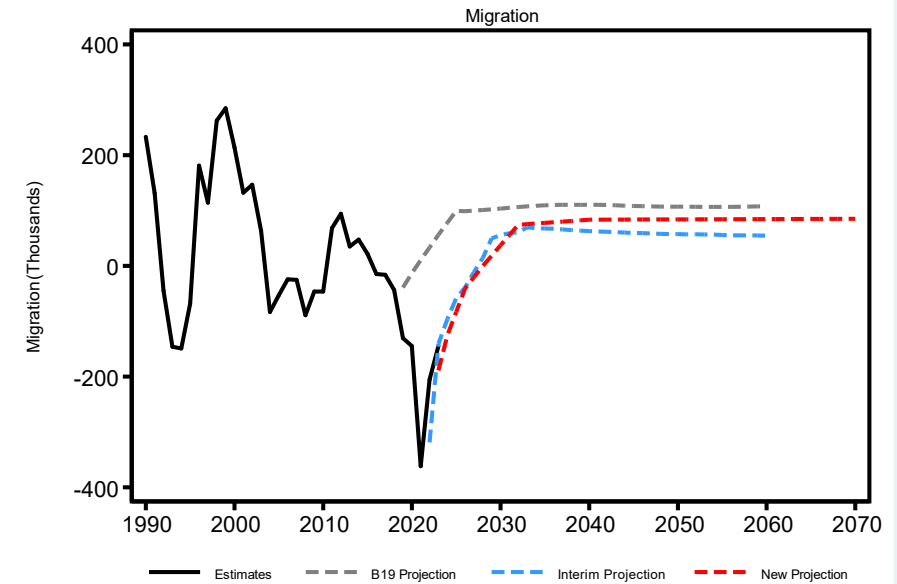
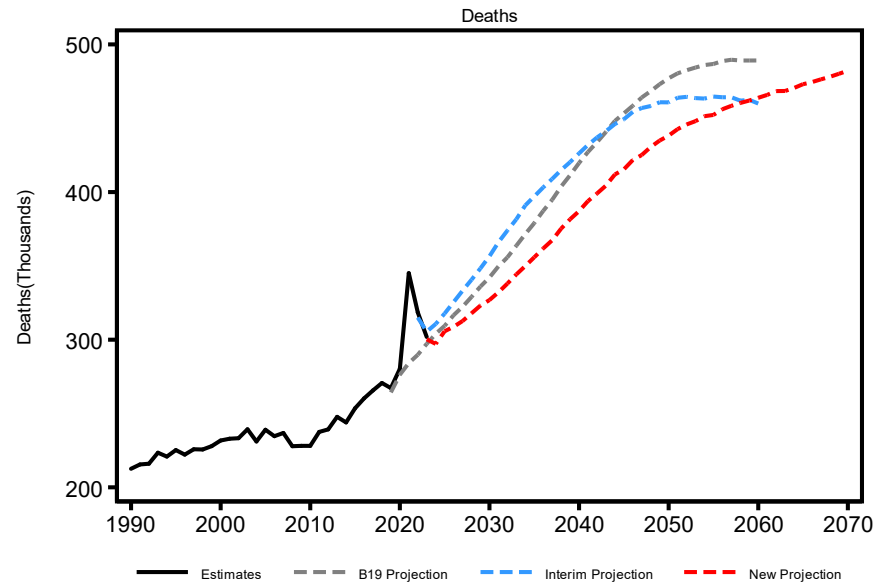
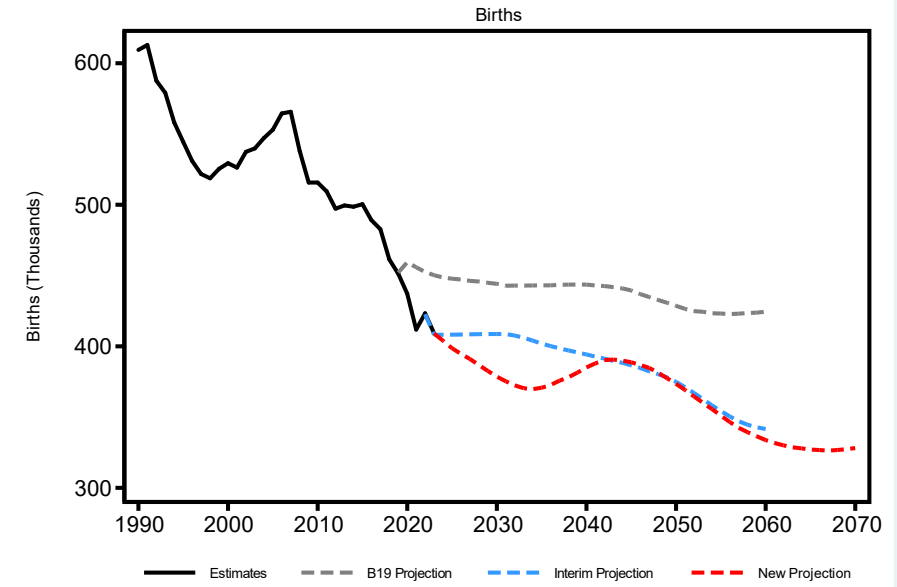
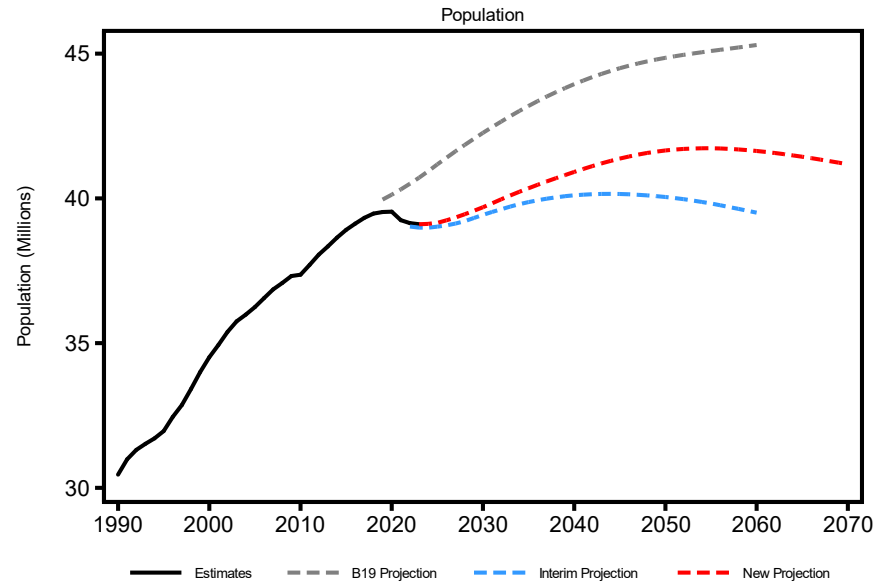
Walter Schwarm  
Chief Demographer  
California Department of Finance

## California Population and Components: B19, Interim, B23

Population growth is projected to slow to an average 0.13% per year (down from B19 (0.5%) but up from the Interim (0.11%) per year). California population peaks at 41.7 million in 2055 (compared to 40.2 million in 2044 for the Interim) and experiences slight declines through the end of the projection thereafter

The projection reflects both:

- Return to positive growth in 2023
- Domestic Migration returning to 2014-18 levels of -100,000 net loss
- Increases in Foreign immigration to ~210,000
- Fewer births, 1.3 TFR rather than 1.5 TFR as the floor
- Slowing life expectancy gains vs. B19, but better than Interim (Pandemic accelerated deaths)



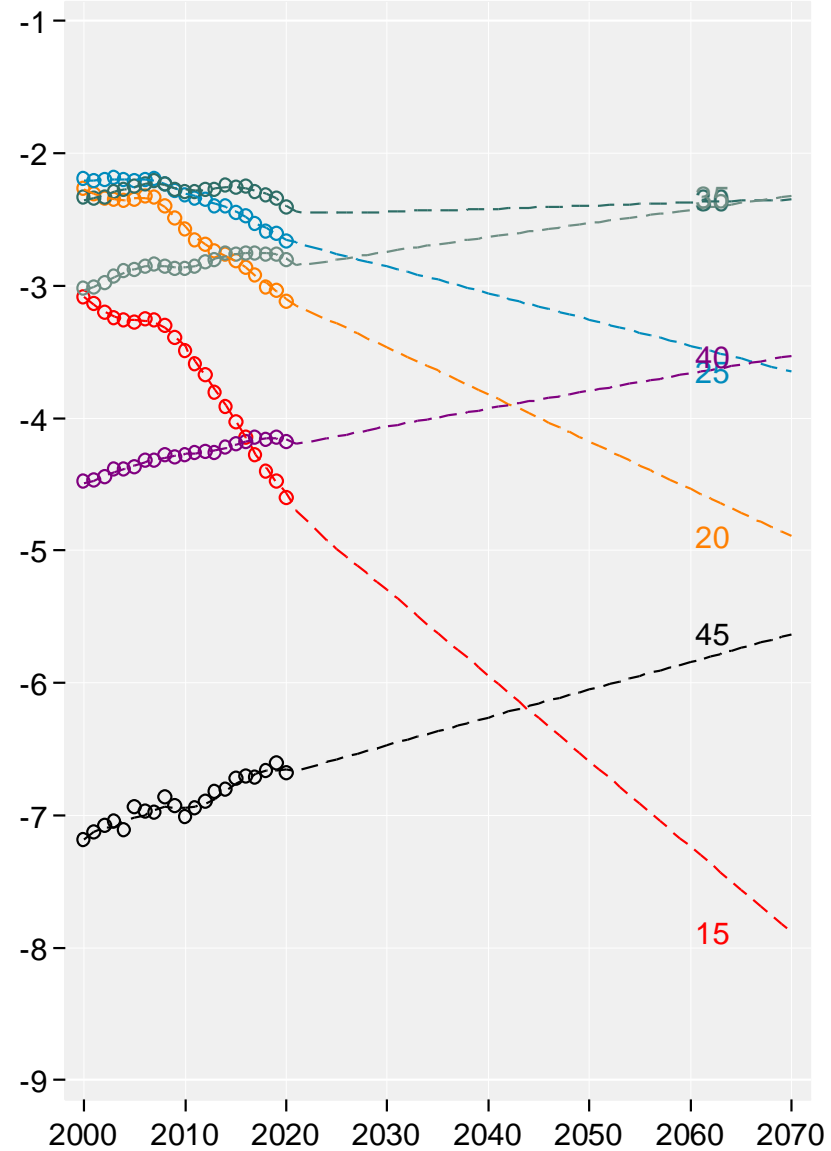
## Total Fertility Rate

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 (these exceed 20-24 and 30-34 by the end of the forecast window).

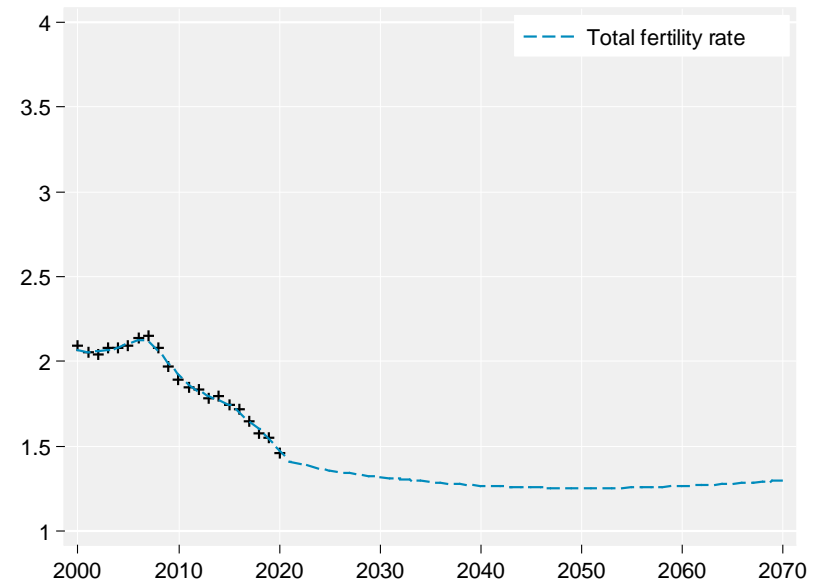
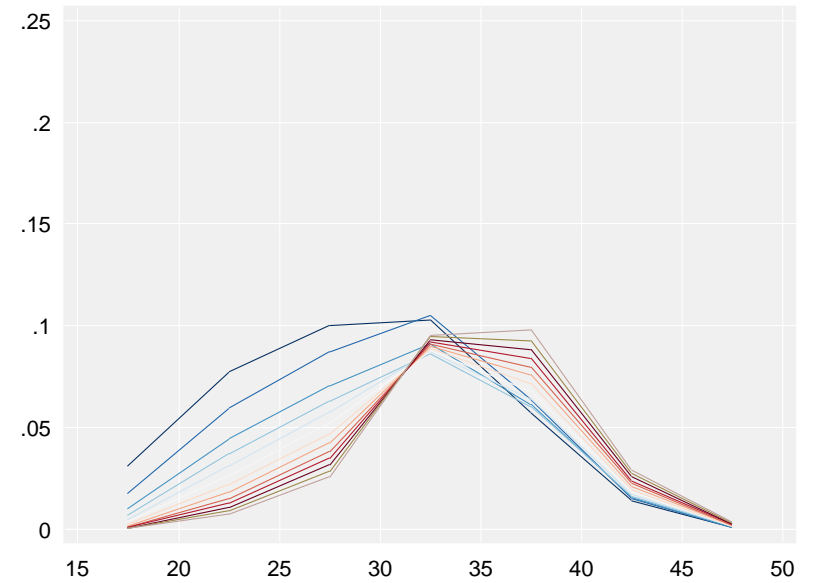
Our new series projects a slightly faster rate of change compared to the previous series beginning at a point already below 400,000.

This level of fertility (1.3 TFR) would put California in the company of European but still higher than some Asian ones.

## Age specific fertility rates



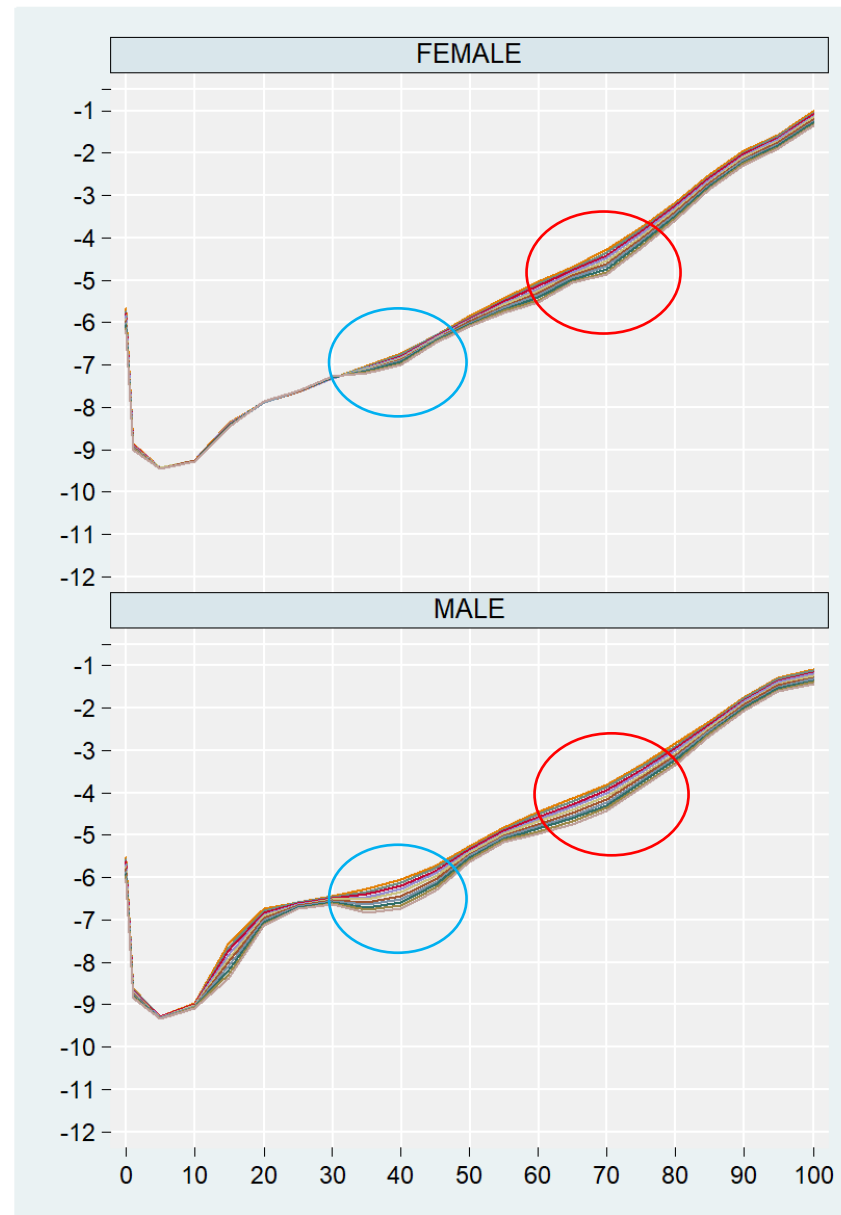
CALIFORNIA



## Life Expectancy

The Interim series projected lower life expectancy gains in the future. That translated into more deaths, which slowed population growth. In the short run this is driven by **COVID-19** as an endemic and continued **deaths of despair** (elevated suicide rates and fentanyl overdoses) particularly among men.

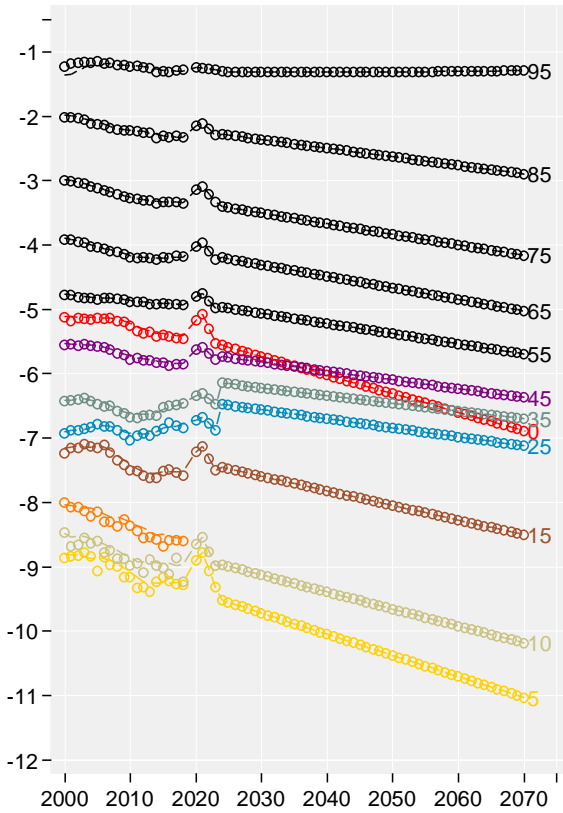
The new series sees an improvement in these areas with fewer COVID-19 deaths and a lessening of the deaths of despair.



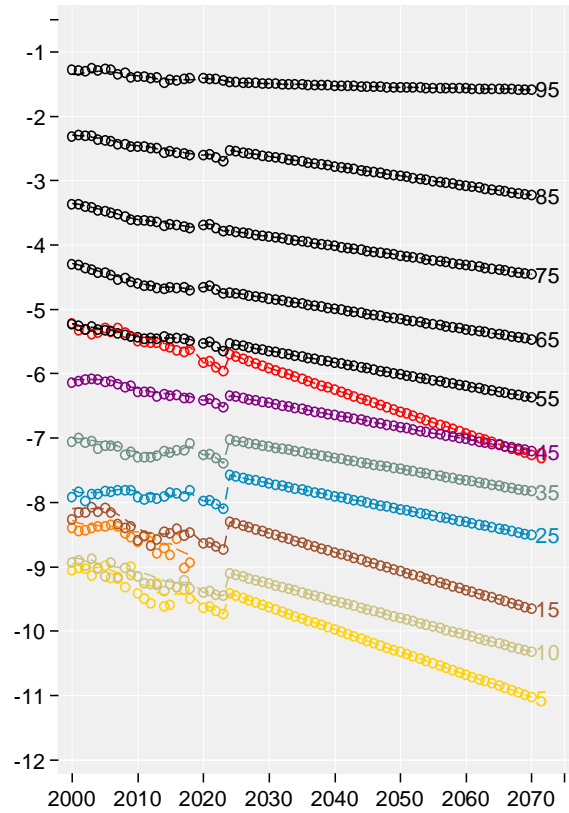
Interim

# B23 Mortality

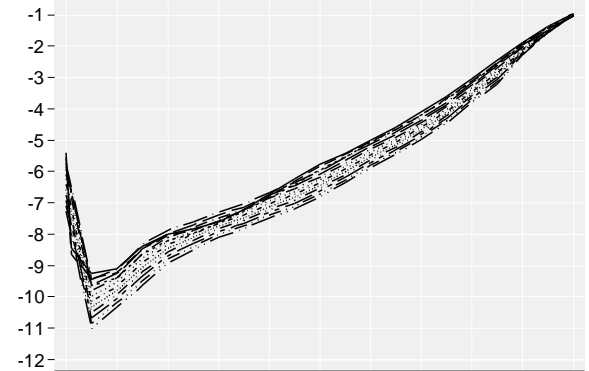
Men



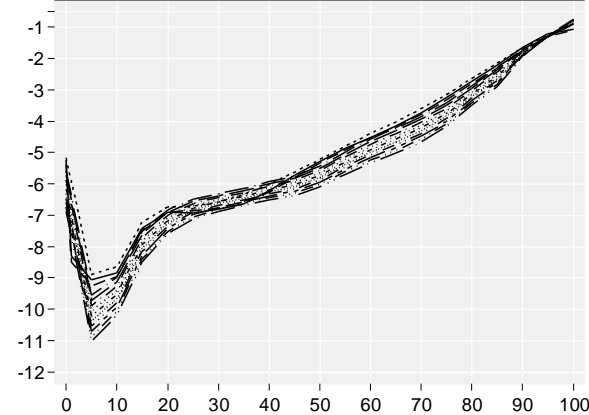
Women



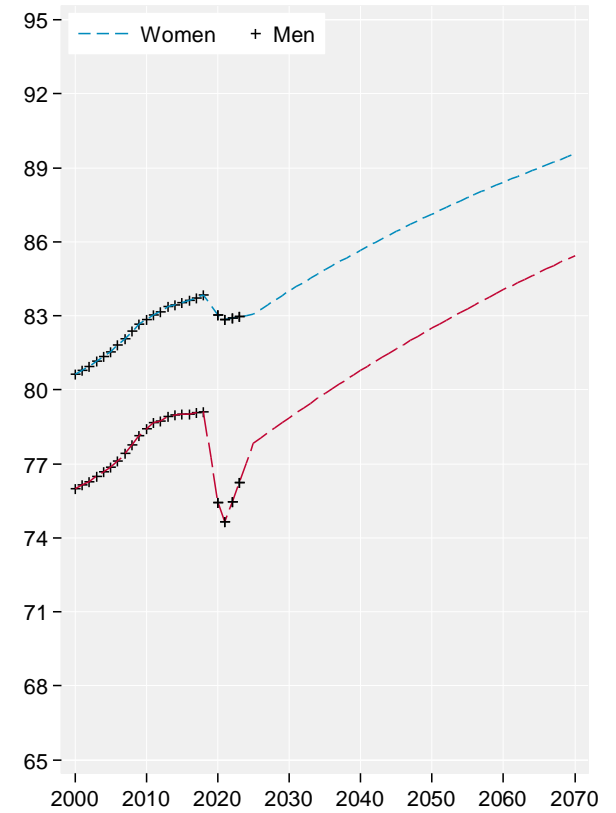
FEMALE



MALE



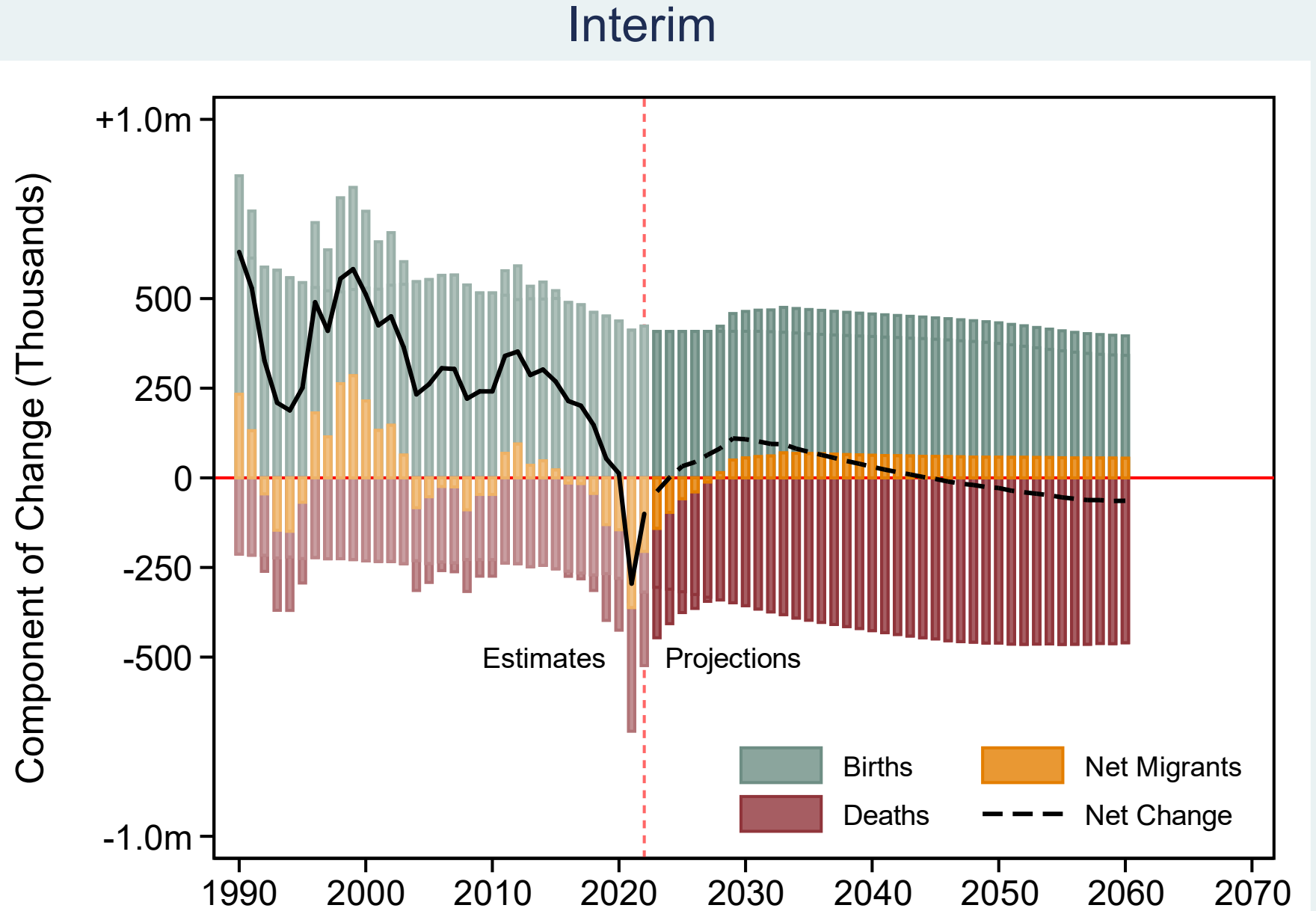
Life expectancy



CALIFORNIA

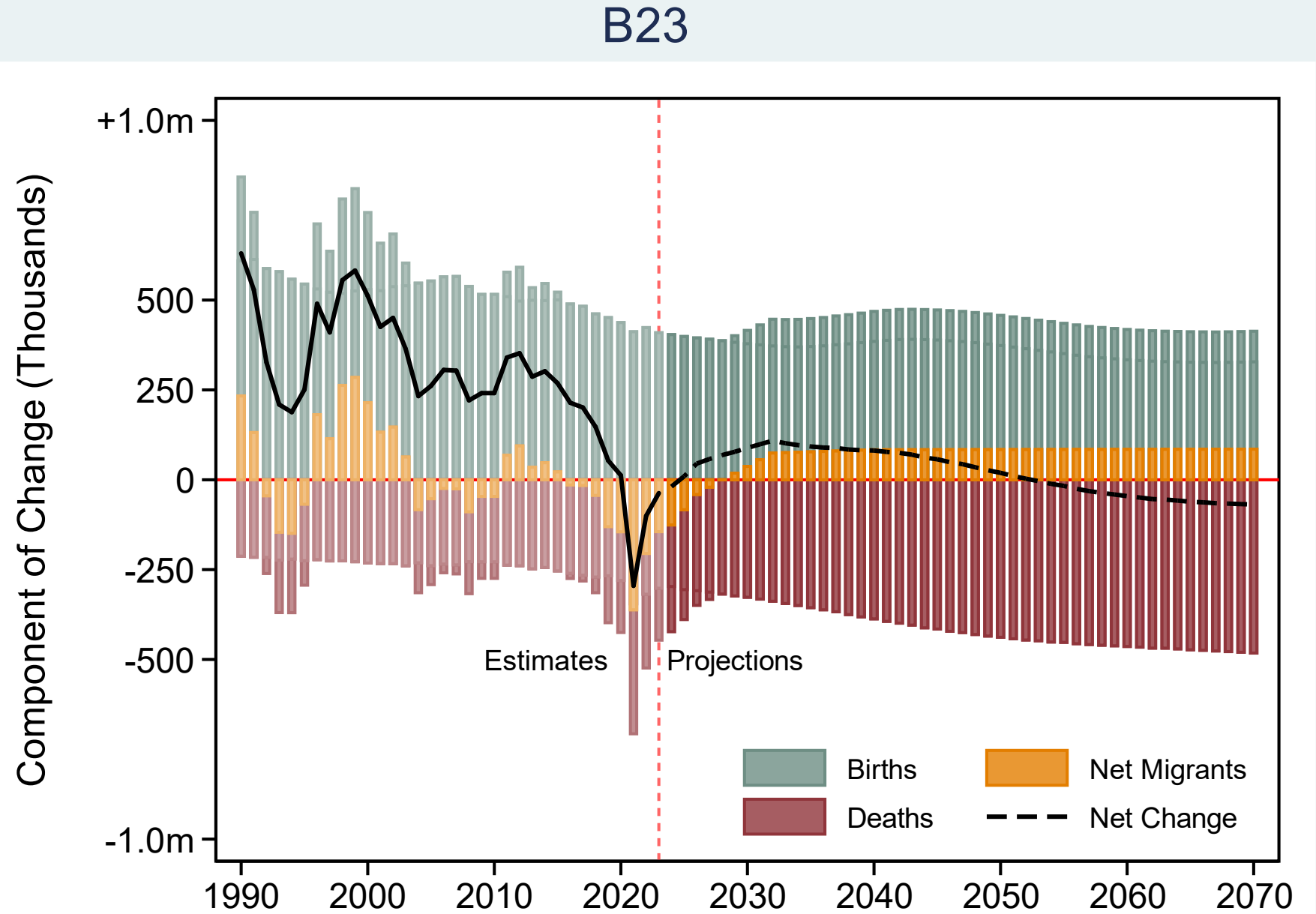
## Components

The Interim series had California experiencing natural decrease (deaths exceed births) in 2041. With lower migration and higher mortality, the state was projected to start losing population by 2044.

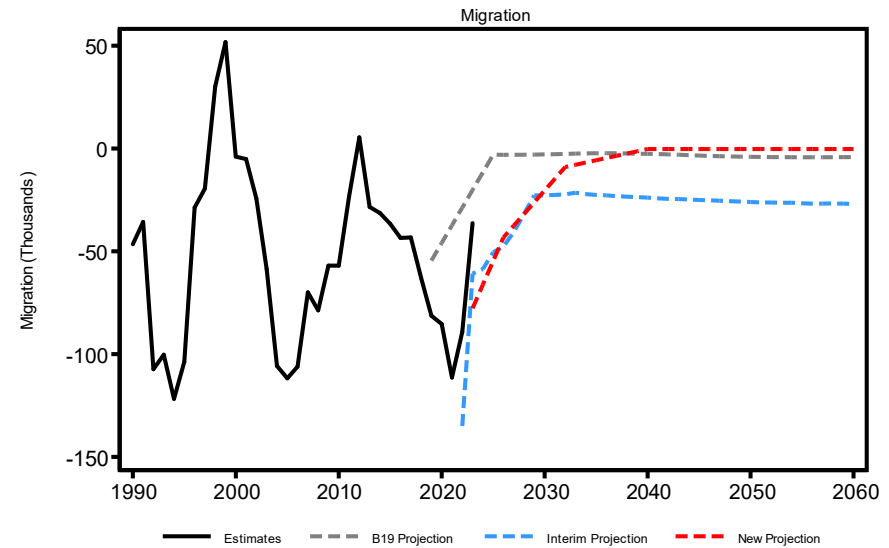
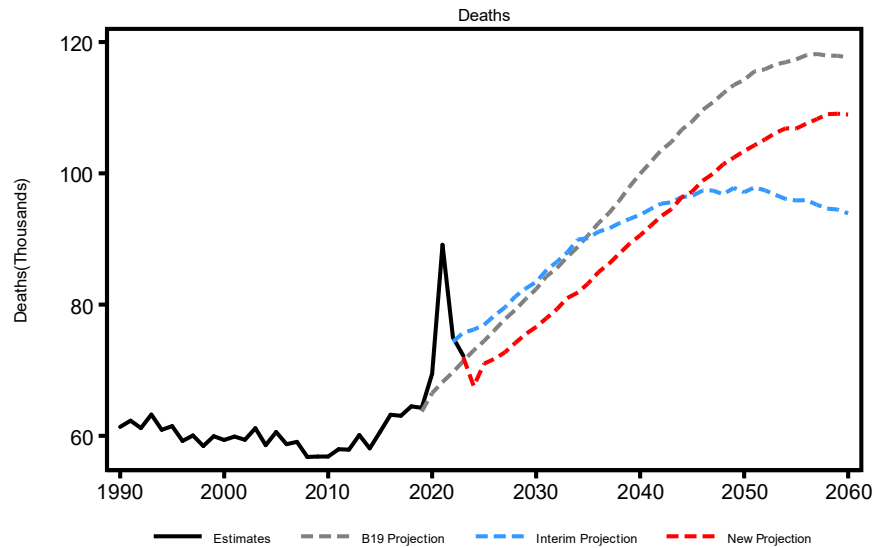
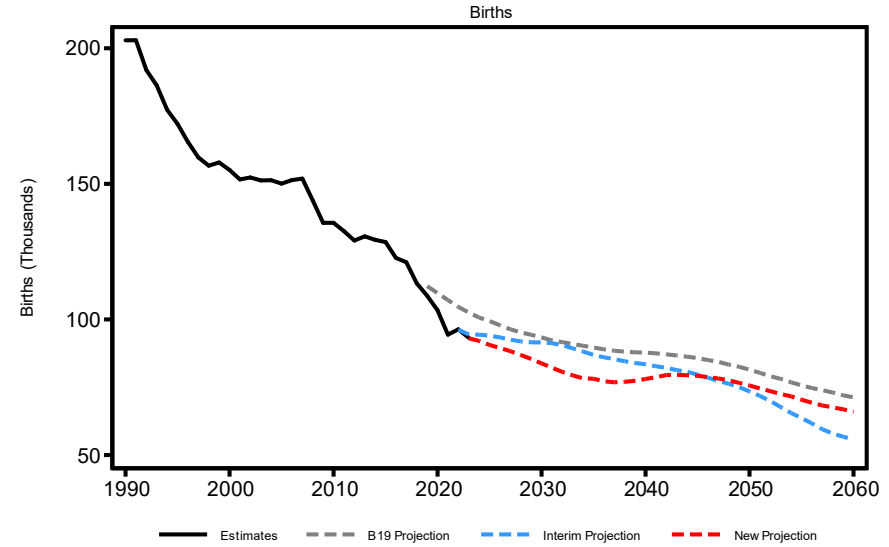
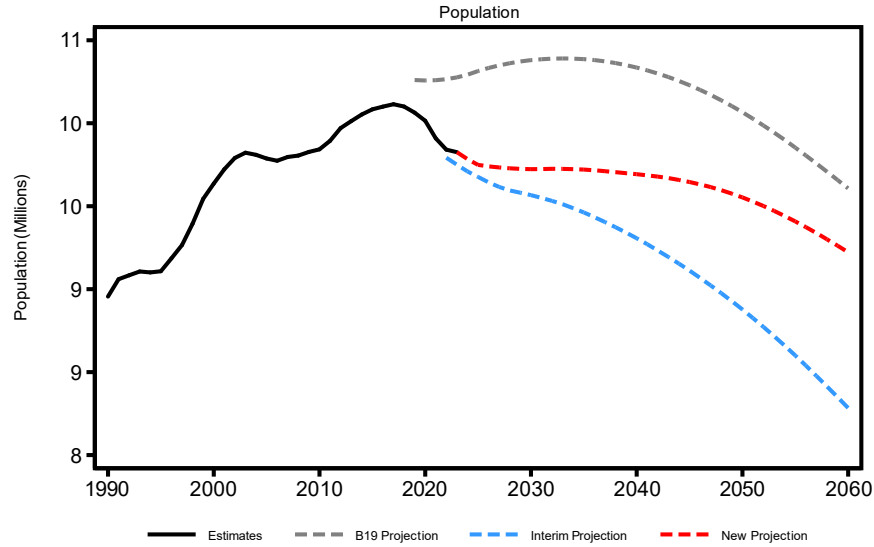


## Components

In contrast in the new projection series while natural decrease starts earlier in 2039. This is largely the result of lower fertility. Higher levels of migration as well as increases in life expectancy keep California's growth rate positive until 2055.

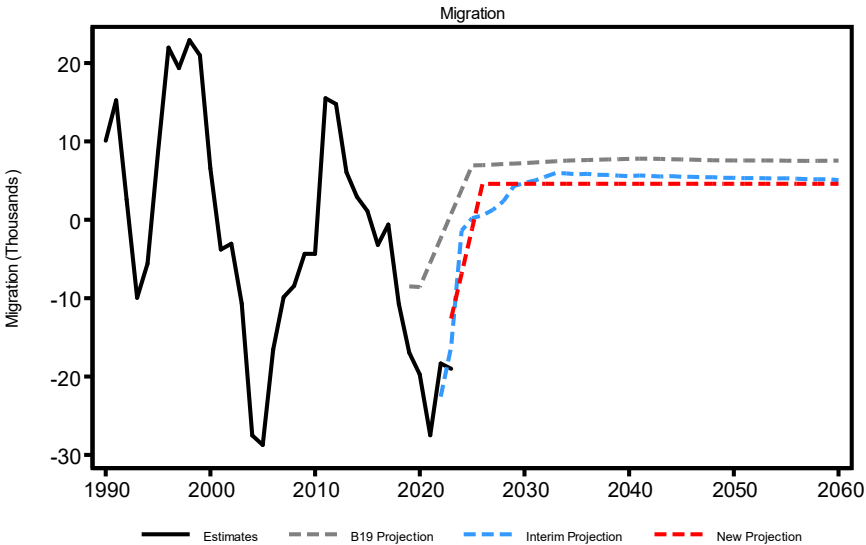
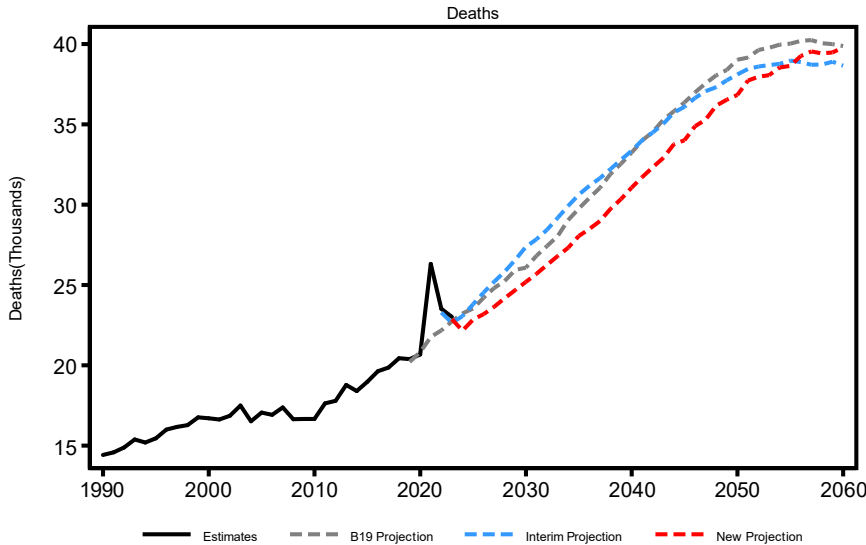
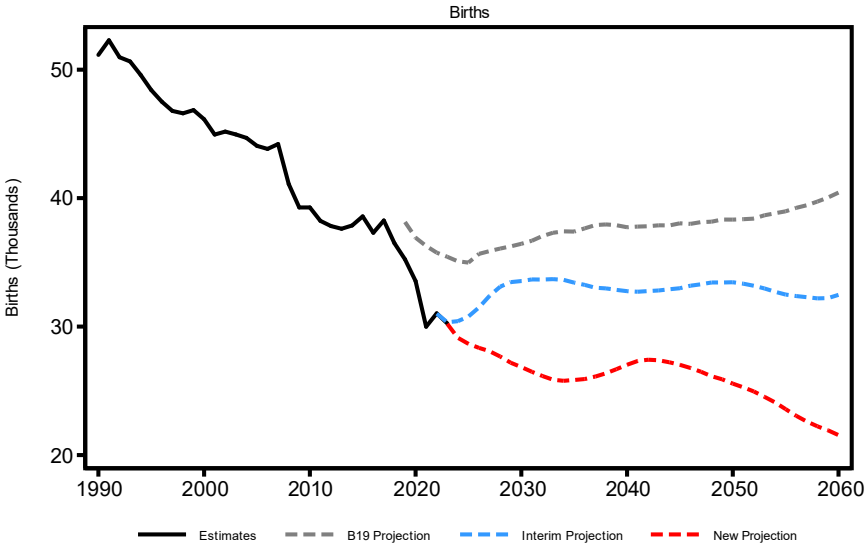
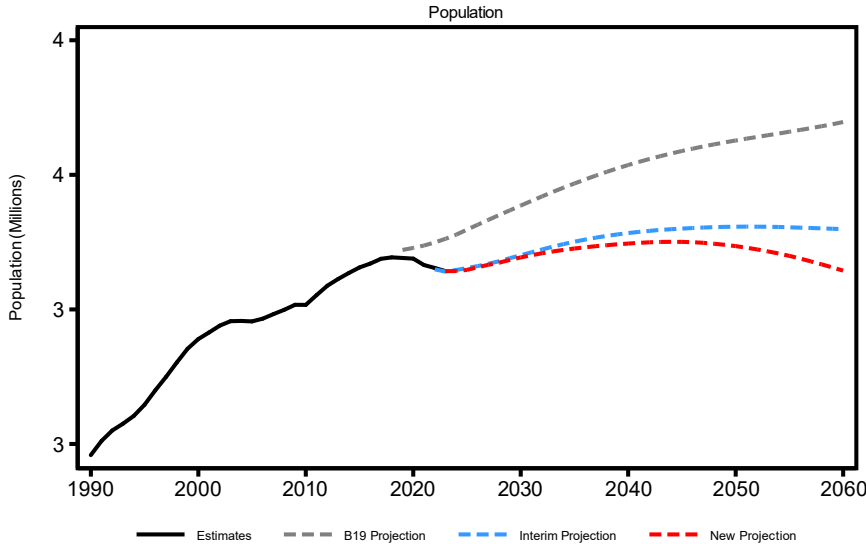


# LOS ANGELES

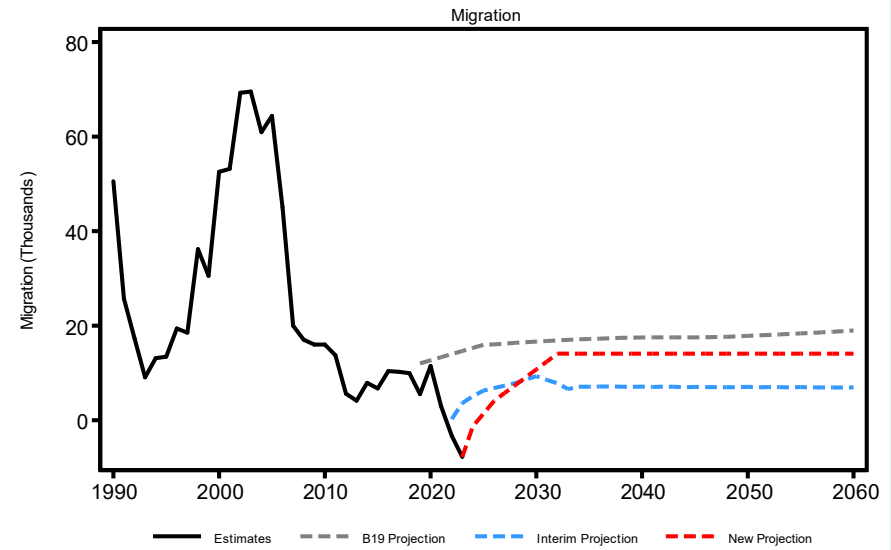
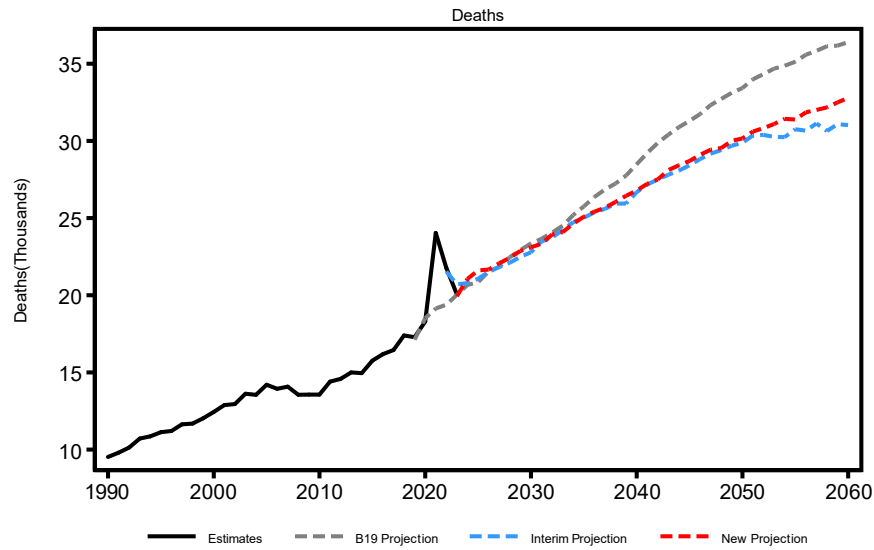
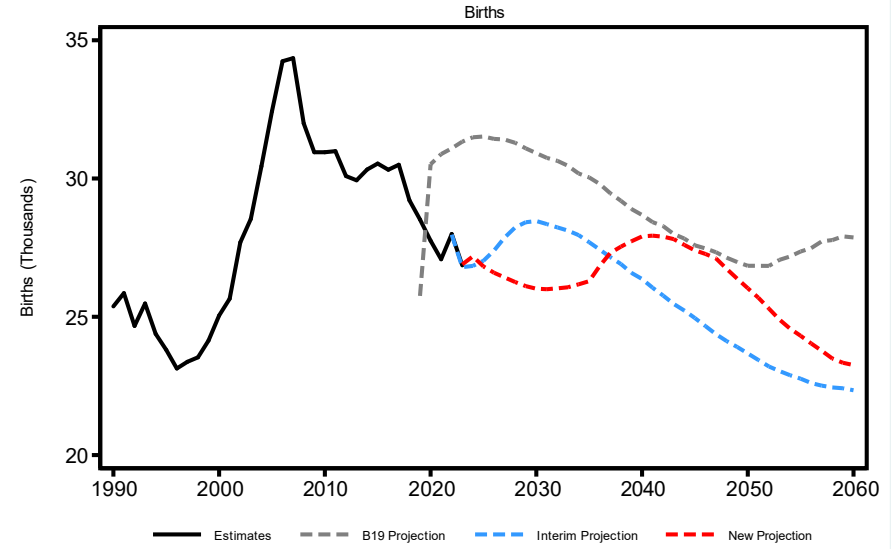
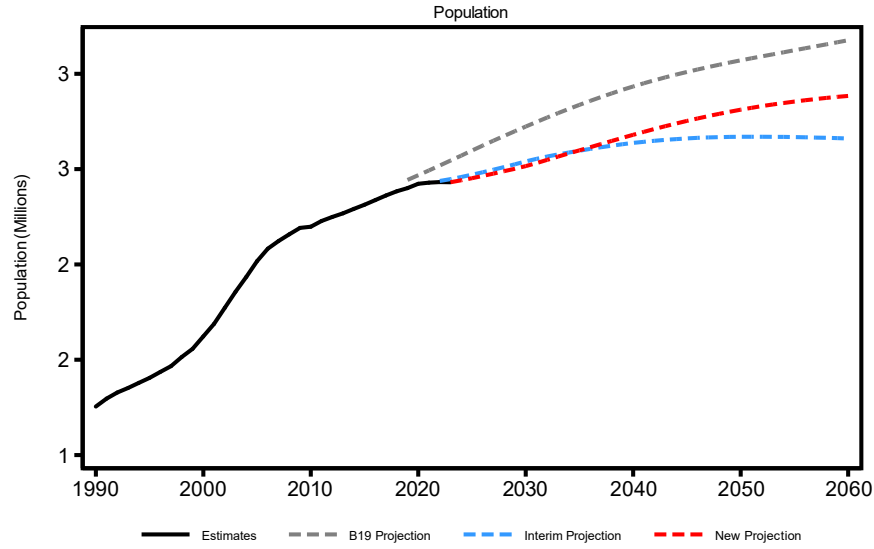




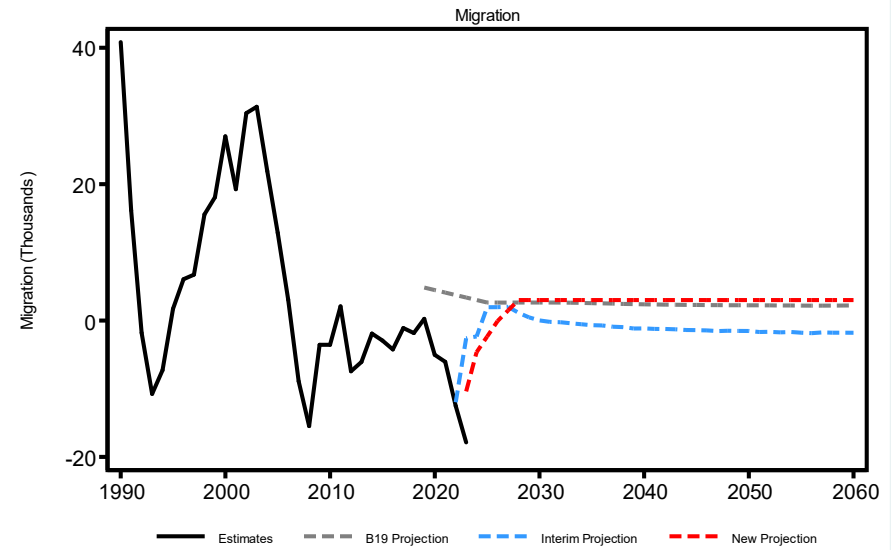
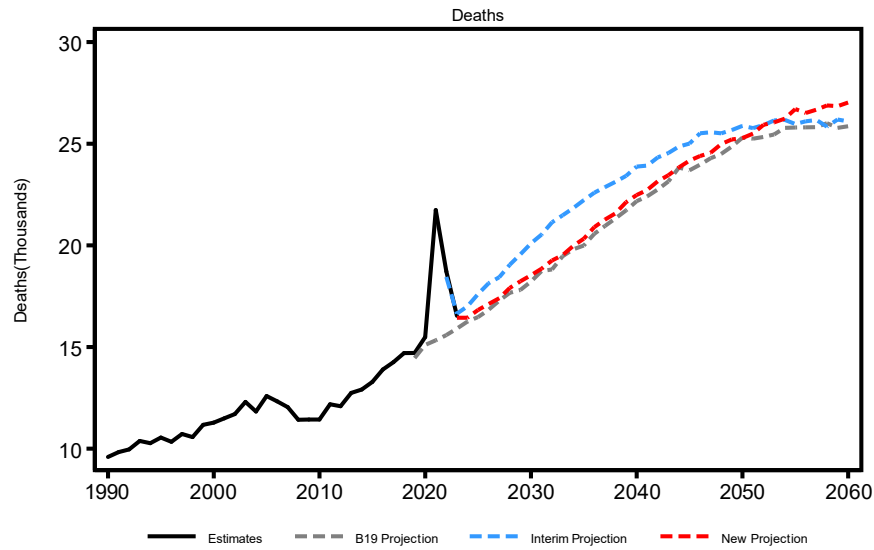
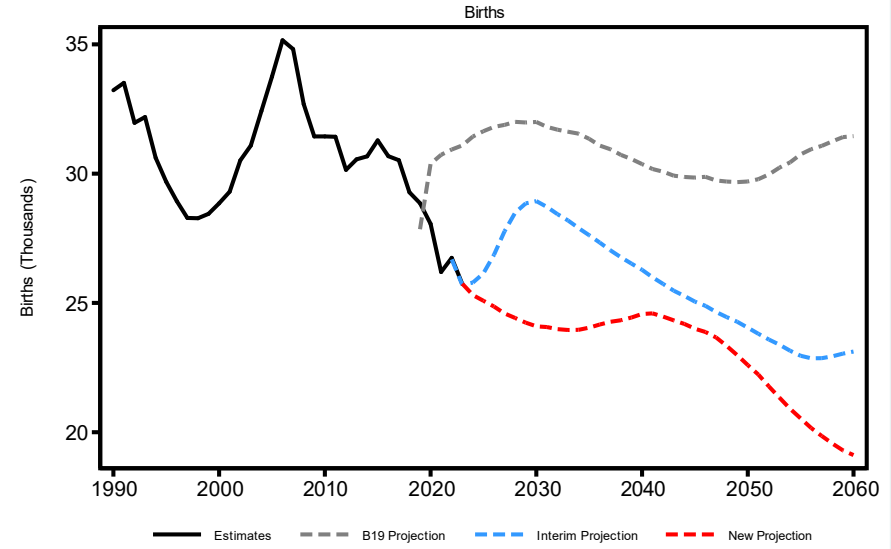
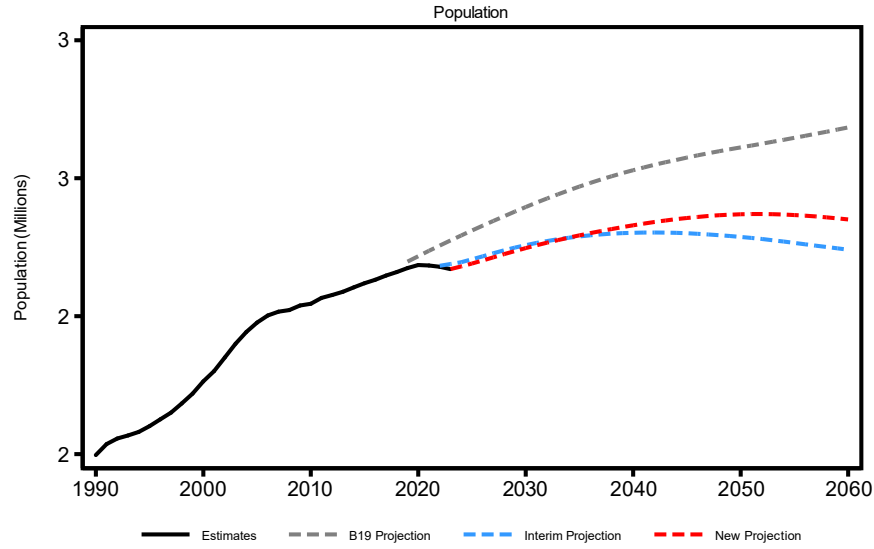
# ORANGE



# RIVERSIDE



# SAN BERNARDINO



# Thank You

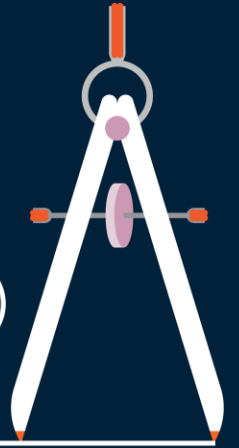
Walter Schwarm, PhD  
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2024 SOUTHERN CALIFORNIA DEMOGRAPHIC WORKSHOP

# NAVIGATING THE NEW GROWTH REALITY



[scag.ca.gov/demographics](https://scag.ca.gov/demographics)





# Post-Pandemic Housing and Remote Work Trends in Southern California from ACS 2023

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September 24, 2024

Echo Zheng, PhD, Regional Planner, SCAG

[WWW.SCAG.CA.GOV](http://WWW.SCAG.CA.GOV)

# SCAG's ACS 2023 1-year data publication release



**Household  
Income**



**Home values  
& rents**



**Homeownership**



**Household  
overcrowding**



**Housing cost  
burden**



**Residential  
mobility**



**Commute  
mode**



**Industry  
sector**

**AMERICAN COMMUNITY SURVEY  
2023 1-YEAR ESTIMATES**

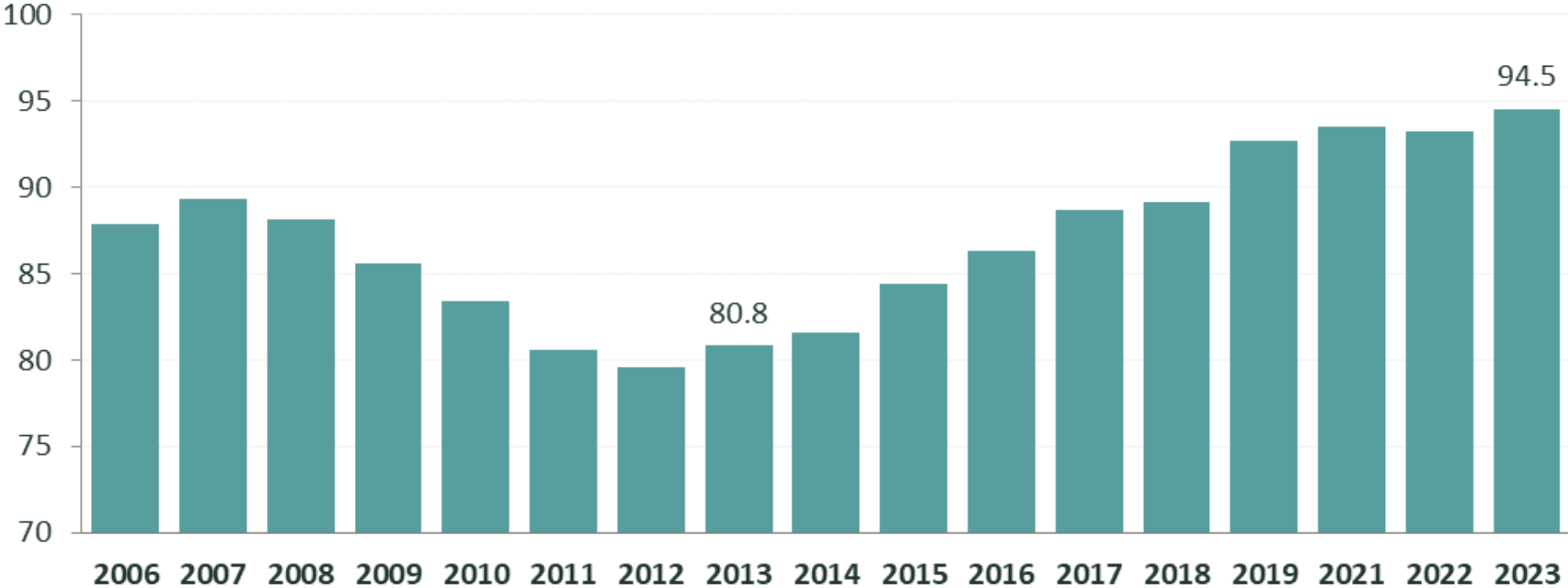
Post-Pandemic Housing and  
Economic Trends in Southern California

SEPTEMBER 2024

**SCAG** USC Price  
Sal Price School  
of Public Policy

# Adjusted for inflation, household income increased significantly in the region, outpacing the national growth

Real Median household income in SCAG region (thousands of 2024 dollars)



**SCAG**  
**\$94,500**  
↑17%  
since 2013

**US**  
**\$79,900**  
↑11%  
since 2013

Notes: Chart reports data from ACS 1-year sample, Table B19001





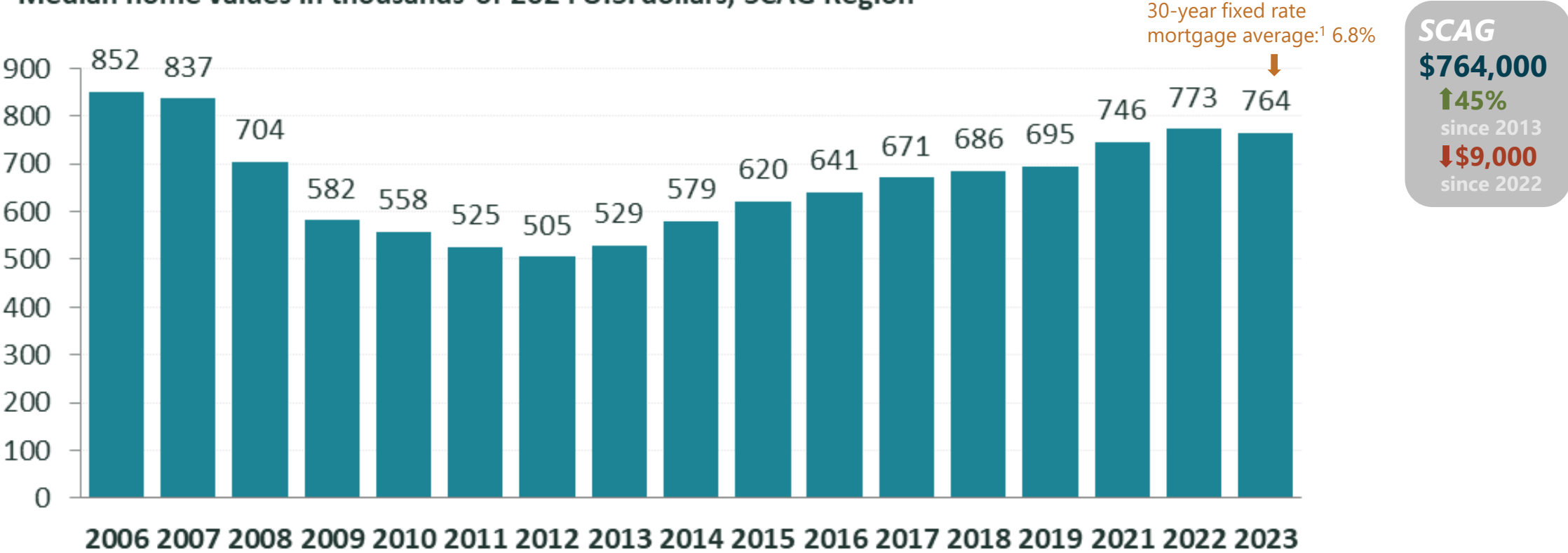
# HOUSING

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# Real median home value grew significantly over the decade but saw a slight dip in the past year

Median home values in thousands of 2024 U.S. dollars, SCAG Region

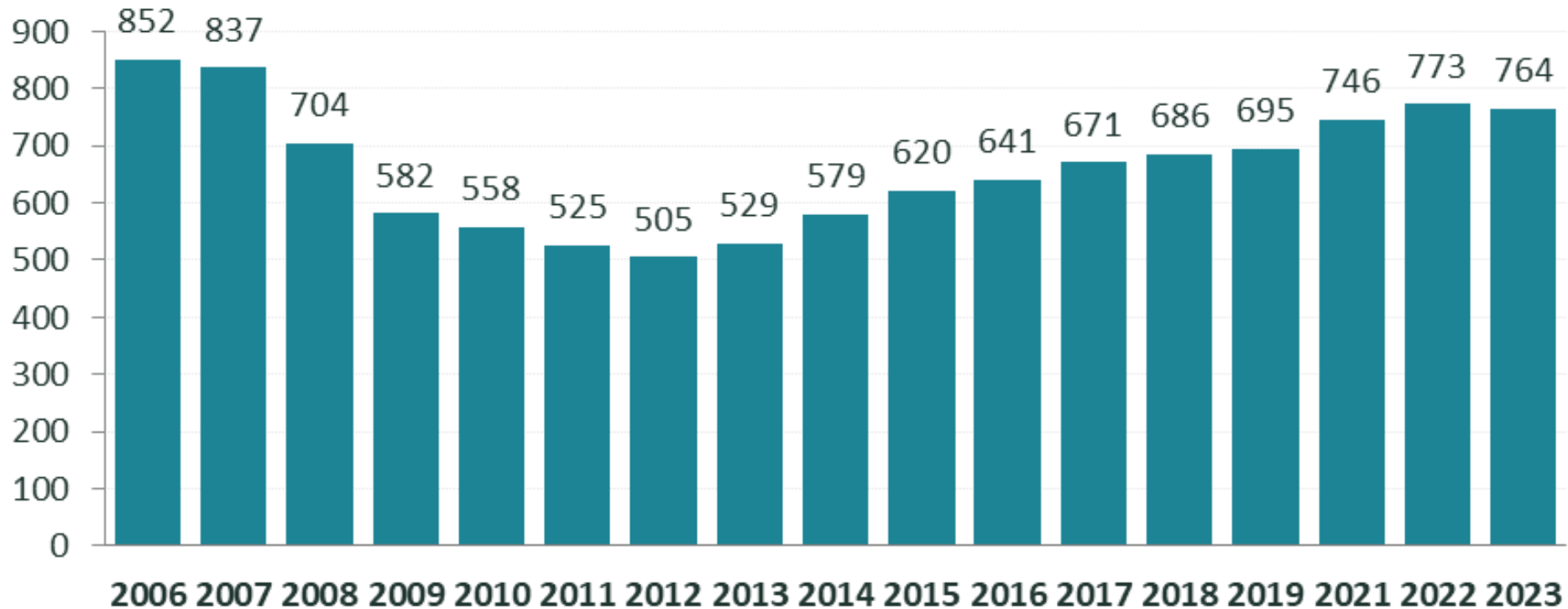


Notes: Chart reports data from ACS 1-year sample, Table B25075

<sup>1</sup>Federal Reserve Economic Data. (2024, September 19). 30-Year Fixed Rate Mortgage Average in the United States. <https://fred.stlouisfed.org/series/MORTGAGE30US>

# Housing price growth spread beyond CA

Median home values in thousands of 2024 U.S. dollars, SCAG Region



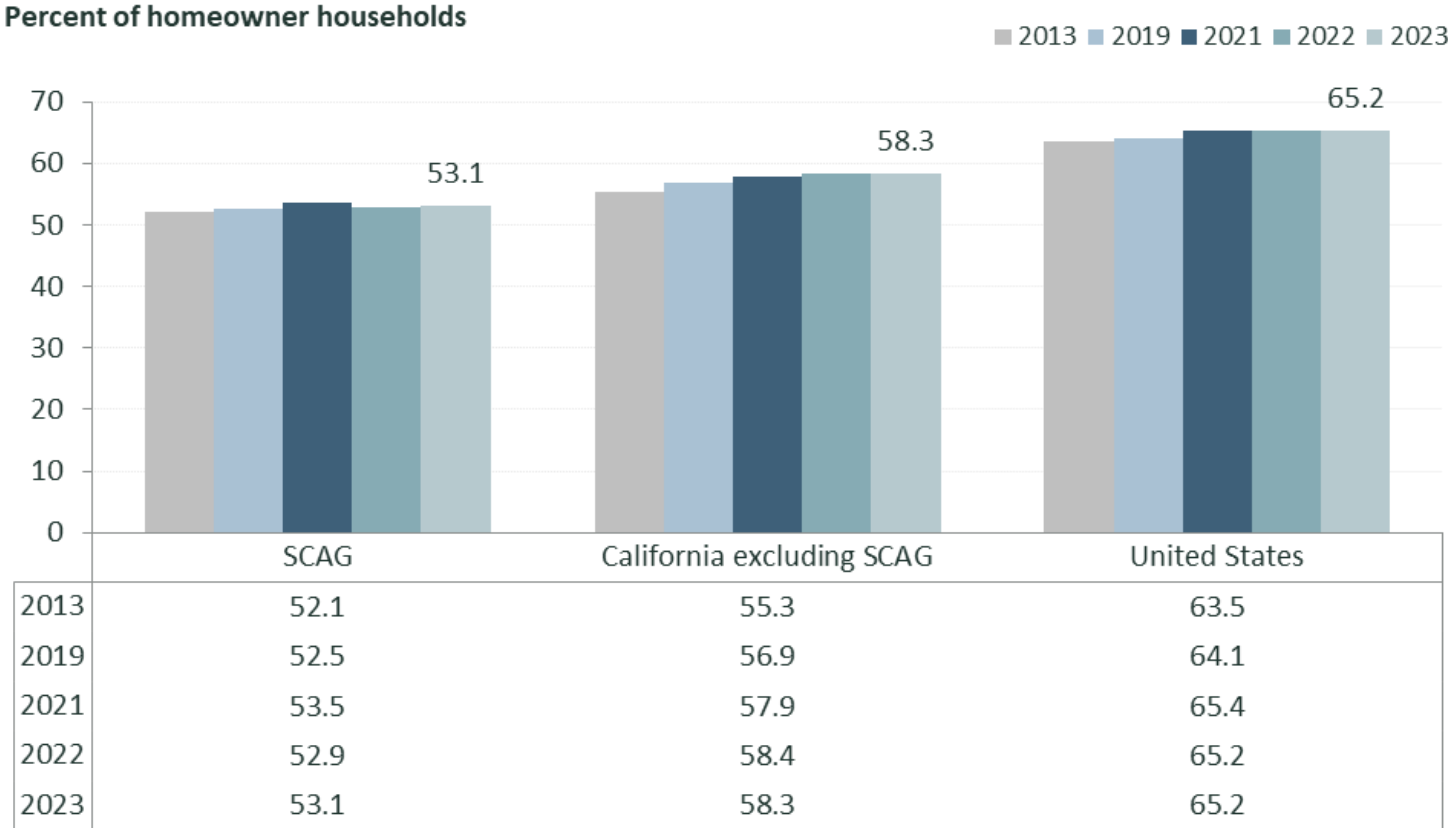
**SCAG**  
**\$764,000**  
↑45%  
since 2013  
↓\$9,000  
since 2022

**US**  
**\$350,000**  
↑46%  
since 2013  
↑\$9,000  
since 2022

Notes: Chart reports data from ACS 1-year sample, Table B25075

# SoCal's homeownership rate remained lower than CA and the U.S.

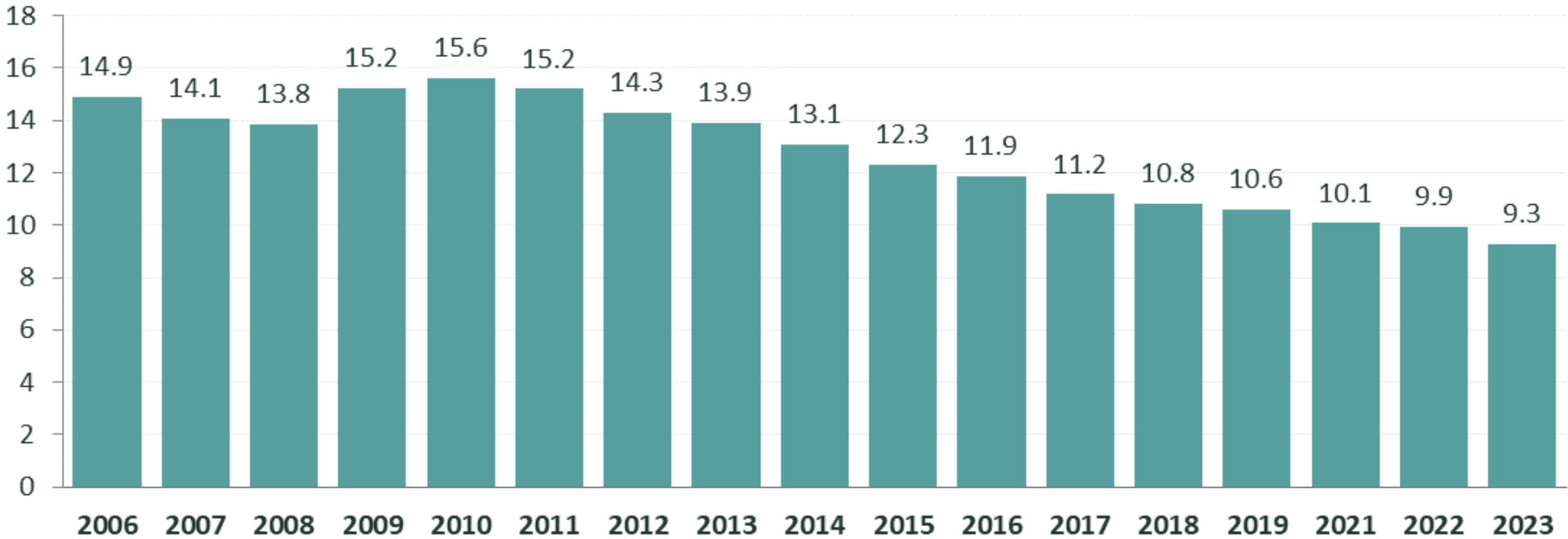
- Stagnant over the past decade, while modest growth was observed in the rest of CA



Notes: Chart reports data for 2013, 2019, 2021, 2022, and 2023 from ACS 1-year sample, Table B25003

# Drop in residential mobility is more pronounced in SoCal than nationwide

Percent of people (one year and over) living in a different home one year ago



**SCAG**  
**9.3%**  
↓ 4.6 pts  
since 2013

**US**  
**12.1%**  
↓ 2.9 pts  
since 2013

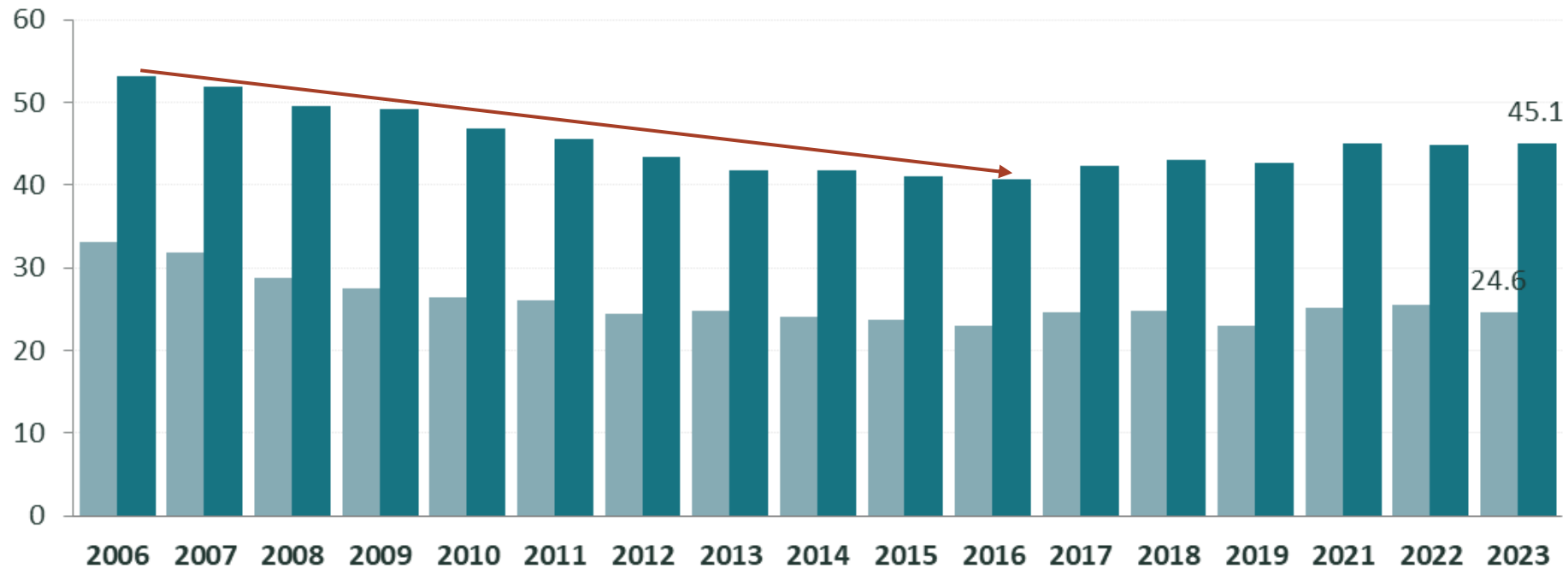
Notes: Chart reports data from ACS 1-year sample, Table B07003

# Homeownership rates stabilized for younger adults



Homeownership rate by age of householder

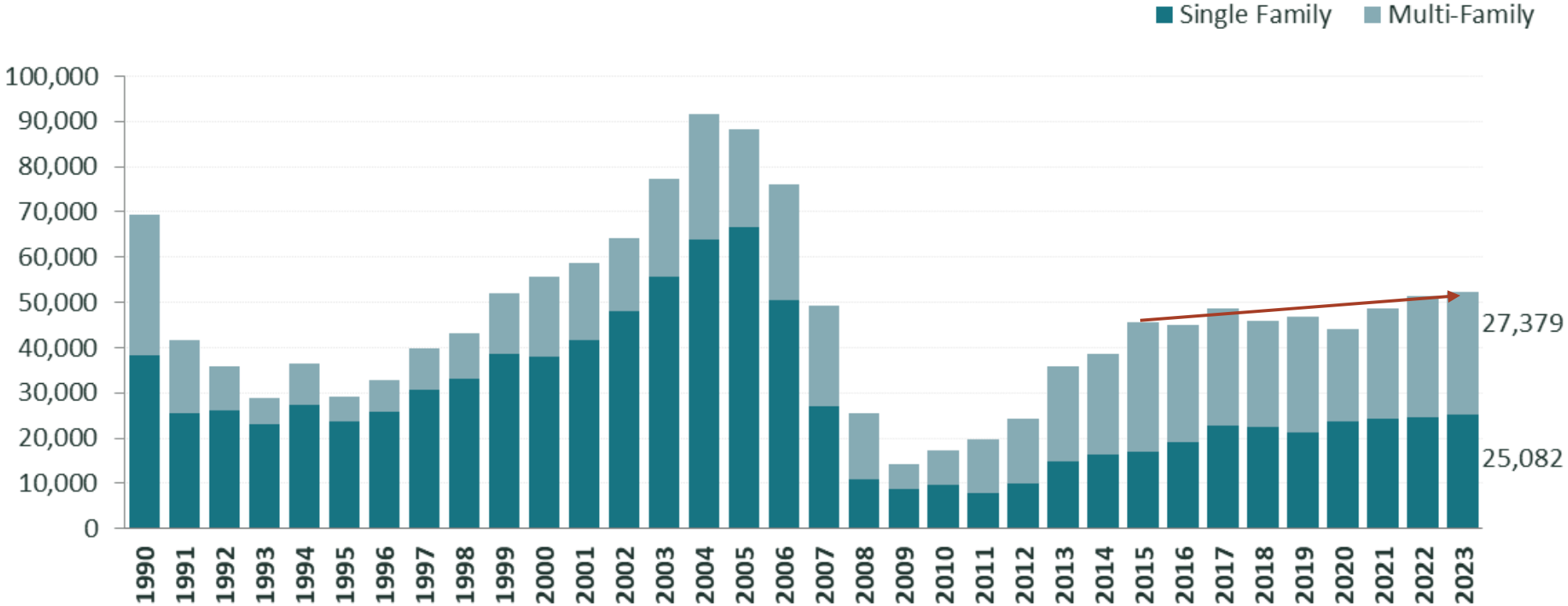
■ Householder 25-34 years   ■ Householder 35-44 years



Notes: Chart reports data from ACS 1-year sample, Table B25007

# Consistent permitting of new units in SoCal in recent years

Annual housing units permitted by type



Source: Census Building Permit Survey

# WORK FROM HOME

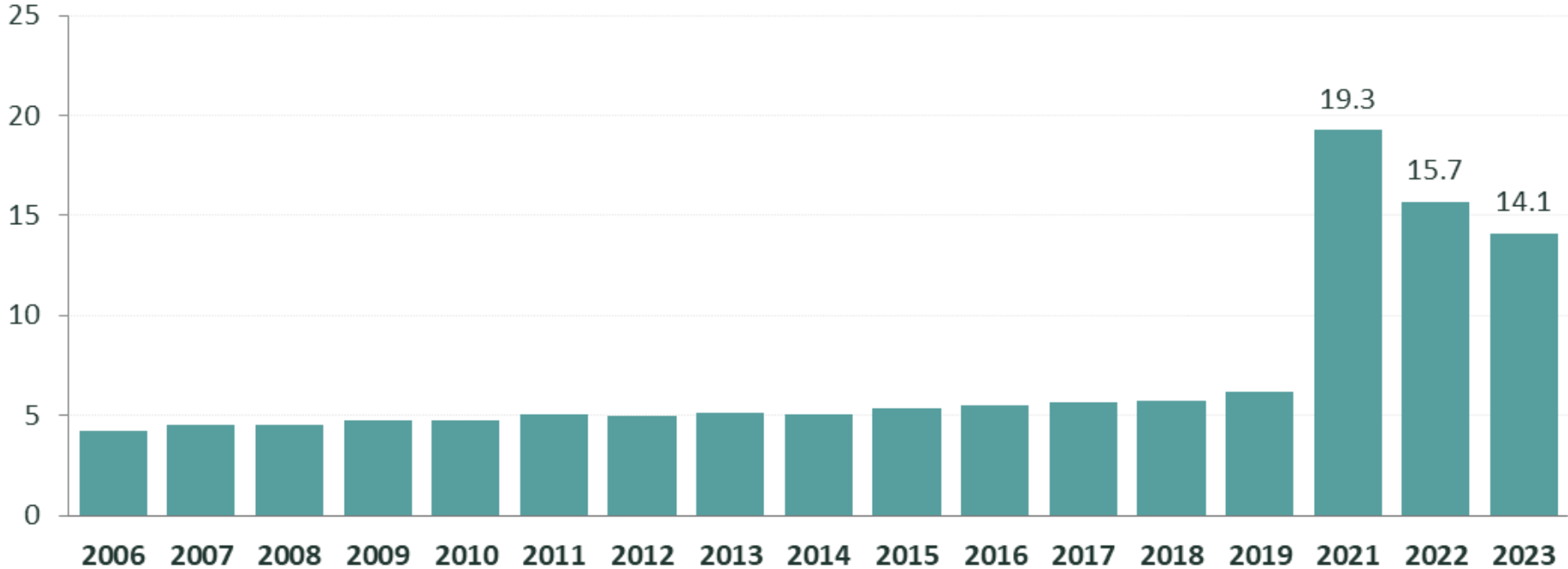
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# SoCal's work-from-home share decreased only modestly

Percent of workers working from home in SCAG region



Notes: Chart reports data from ACS 1-year sample, Table B08111

# Various data sources indicate more hybrid work for future

- ACS 2023 data shows a smaller drop compared to 2022 and remains well above pre-pandemic levels
- Survey of Working Attitudes and Arrangements (SWAA)<sup>1</sup> data shows that SoCal's workers consistently reported working from home for 30-35 percent of their workdays throughout the first half of 2024
- Connect SoCal 2024 model assumes a gradual increase in hybrid work in the coming decades
- Increase in remote work does not appear to result in less overall driving,<sup>2</sup> but it has implications for placemaking and mobility strategies.

<sup>1</sup>U.S. Survey of Working Arrangements and Attitudes (SWAA) | WFH Research. <https://wfhresearch.com/data/>

<sup>2</sup>Speroni, S., & Taylor, B. D. (2023). The Future of Working Away from Work and Daily Travel: A Research Synthesis. <https://doi.org/10.17610/T64W3D>

# Highlights of housing and remote work in ACS 2023

- The SCAG region saw strong real household income growth
- Housing affordability challenges persisted:
  - rising home values, decreasing residential mobility, and relatively low homeownership rate
- Some positive housing trends:
  - stable homeownership trend for younger adults
  - consistent permitting of new housing units for nearly a decade
- Remote work share dropped modestly, along with various data sources indicating a more hybrid future

# What do these housing and remote work trends mean for quality of life in SoCal?

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- SoCal, with its great cultural and natural amenities and diverse population, needs adequate housing to meet varying needs
  - Adequate housing in terms of both quantity and types
- Increased flexibility in work arrangements also indicate greater needs for housing in locations with good accessibility
  - Placemaking strategies to create livable and vibrant communities
  - Mobility strategies to adapt transportation infrastructure to new living and working patterns



*Scan to access the 2023 ACS data publication!*

# THANK YOU!

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For more information, please visit:

<https://scag.ca.gov/economic-insights-data-resources>

<https://scag.ca.gov/econtrends>

