



Demographic Check-Up

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WHERE
TO
NOW

Updated Baseline Projections

36th Annual Demographic Workshop

October 1, 2025



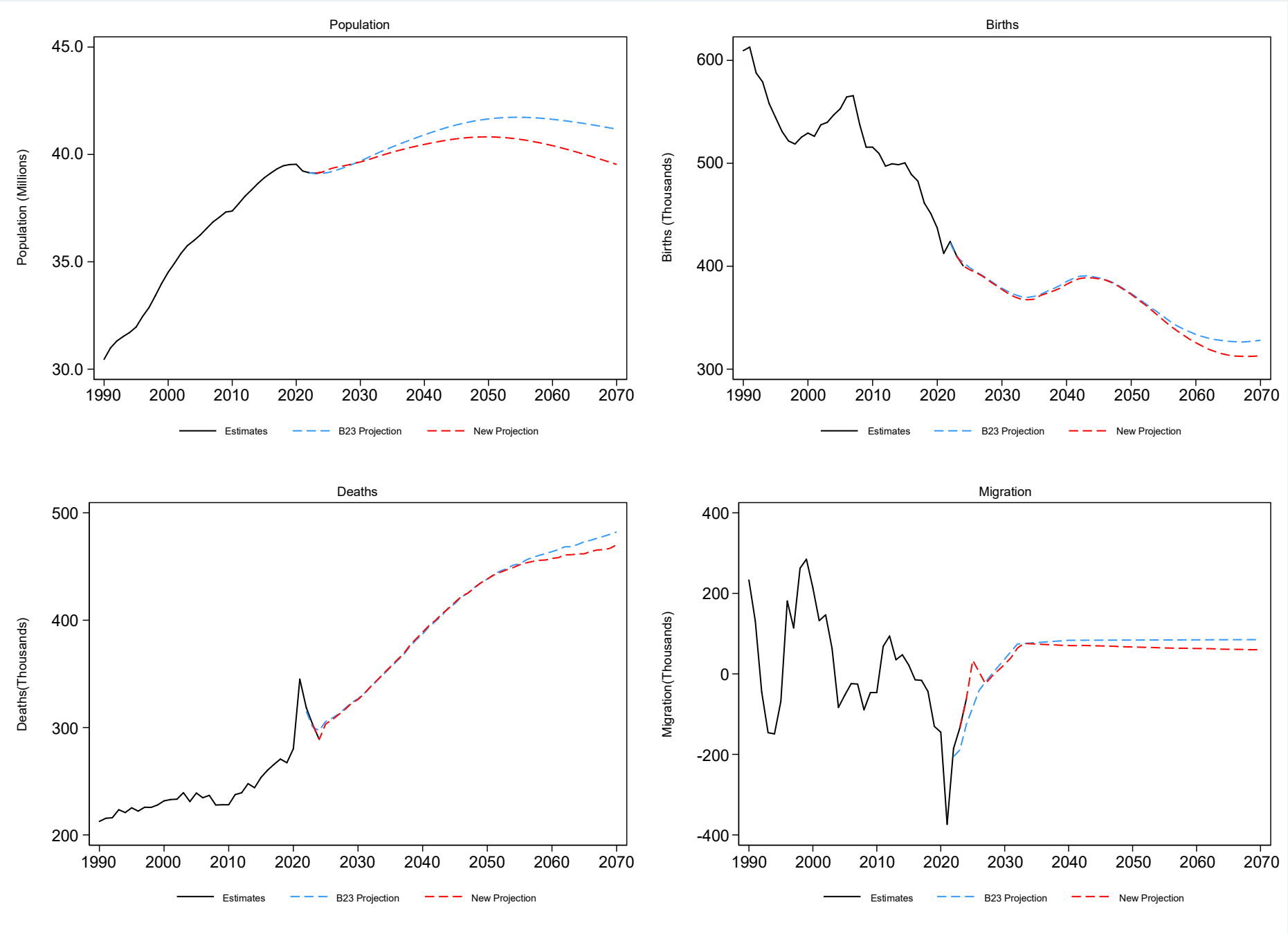
Walter Schwarm
Chief Demographer
California Department of Finance

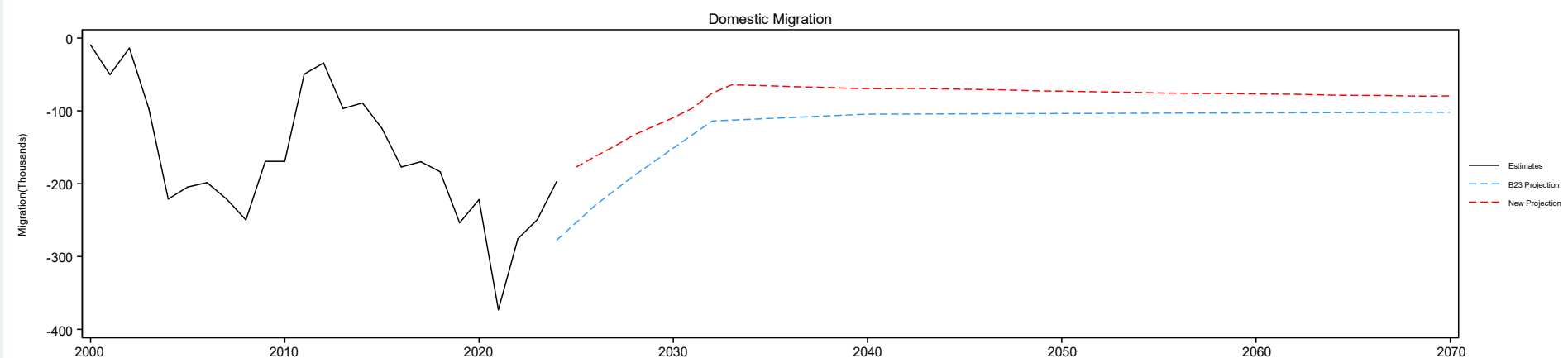
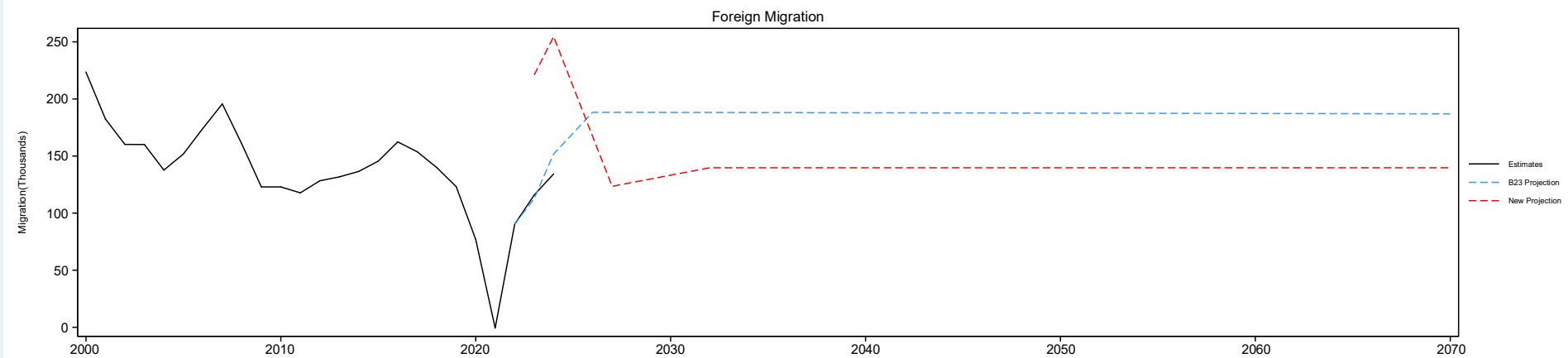
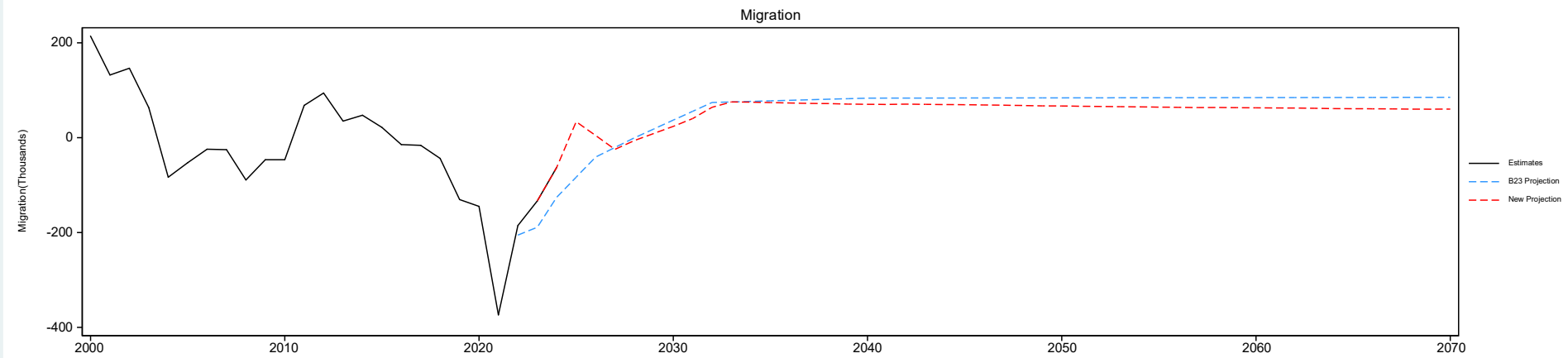
California Population and Components: B23 vs. B24

Population growth is projected to slow to an average 0.11% per year (down from B23 at 0.13%). California's population peaks at 40.8 million in 2050 (compared to 41.7 million in 2055 for the B23) and experiences slight declines through the end of the projection thereafter

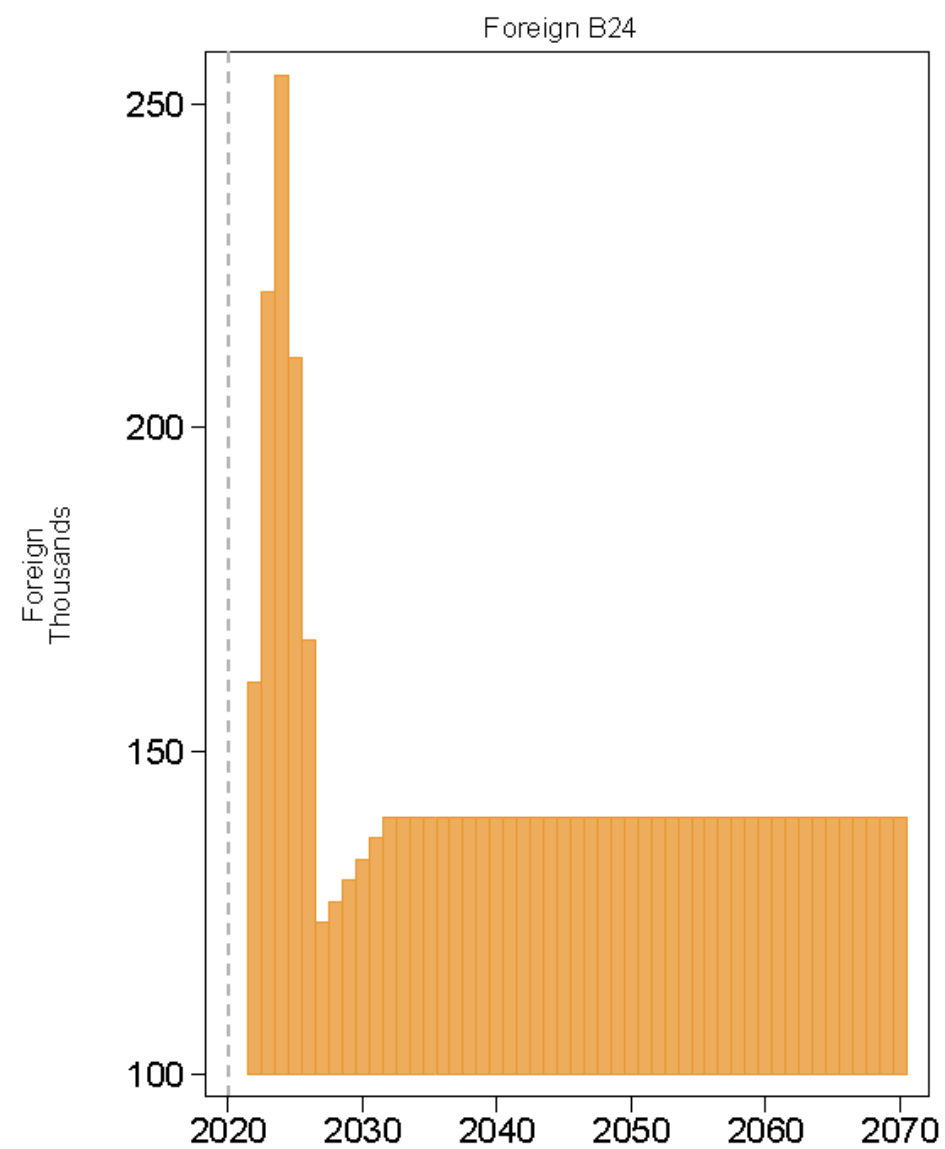
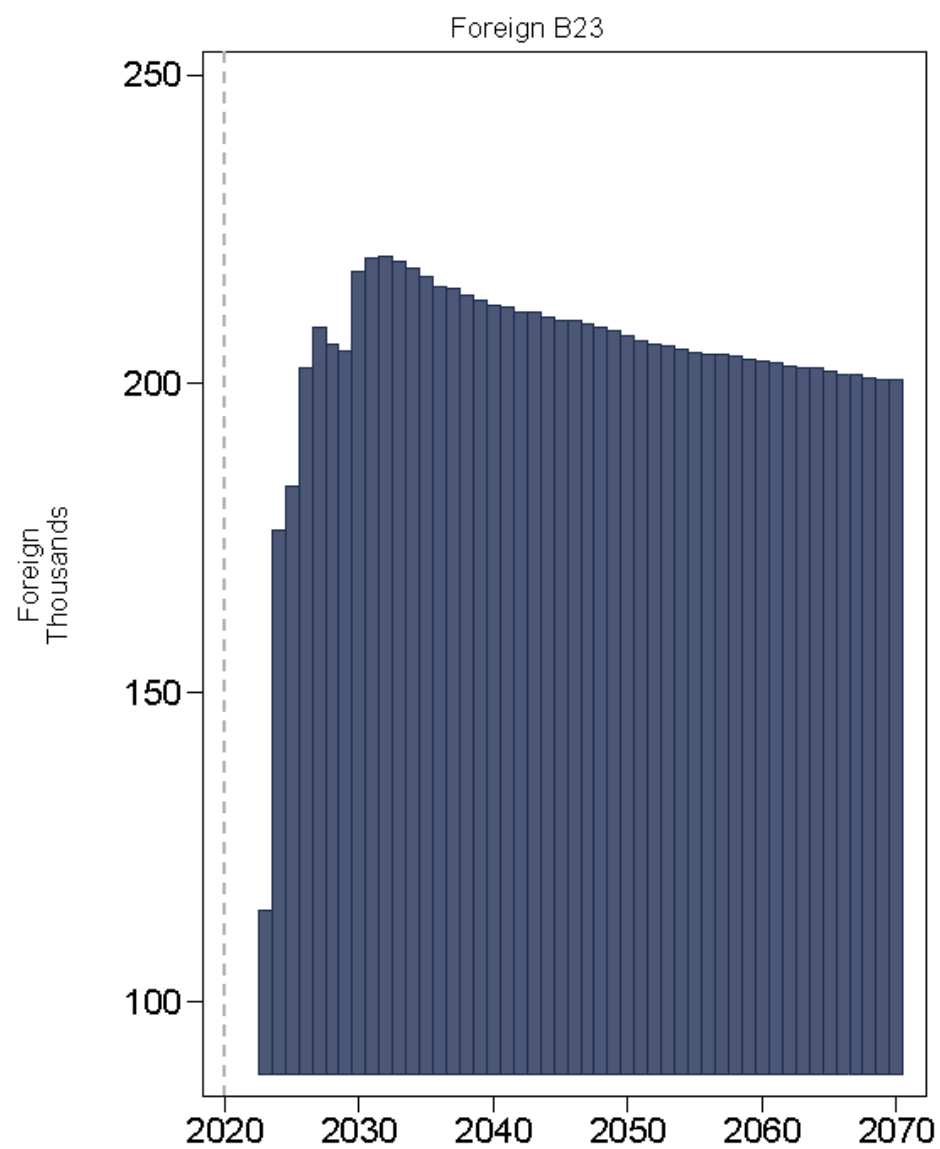
The projection reflects:

- Revised growth in 2023-24 with new humanitarian migrants
- Domestic Migration stabilizing at a net loss of 73,000 vs 100,000 in B23
- Foreign immigration averages 140,000 rather than ~210,000
- Births remain the same as B23 with a 1.3 TFR
- Slowing life expectancy gains but unchanged from B23

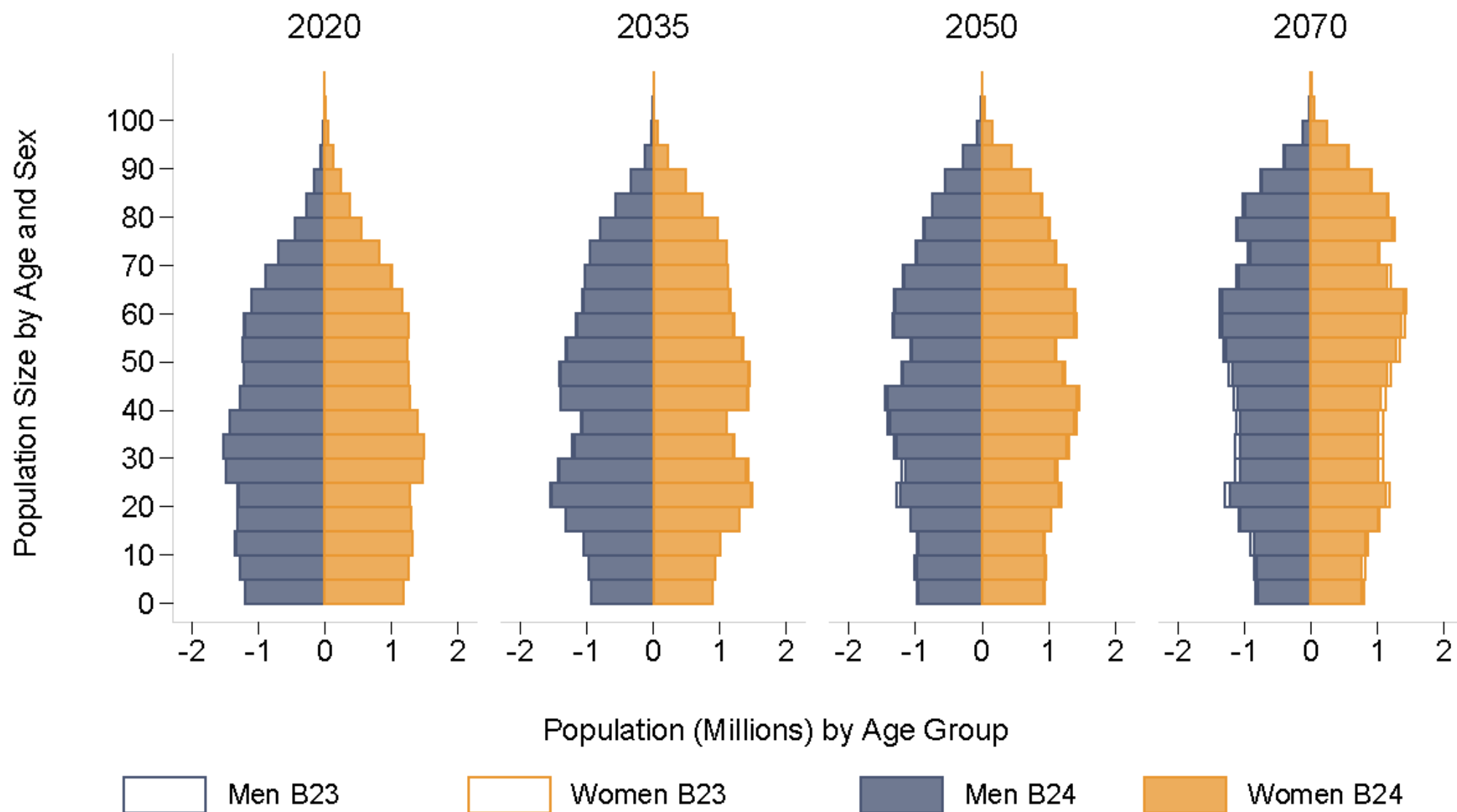




B23 vs B24 Foreign Migration



Age Pyramids B23 vs B24



Thank You

[Projections | Department of Finance](#)

[DRU Data Portal](#)

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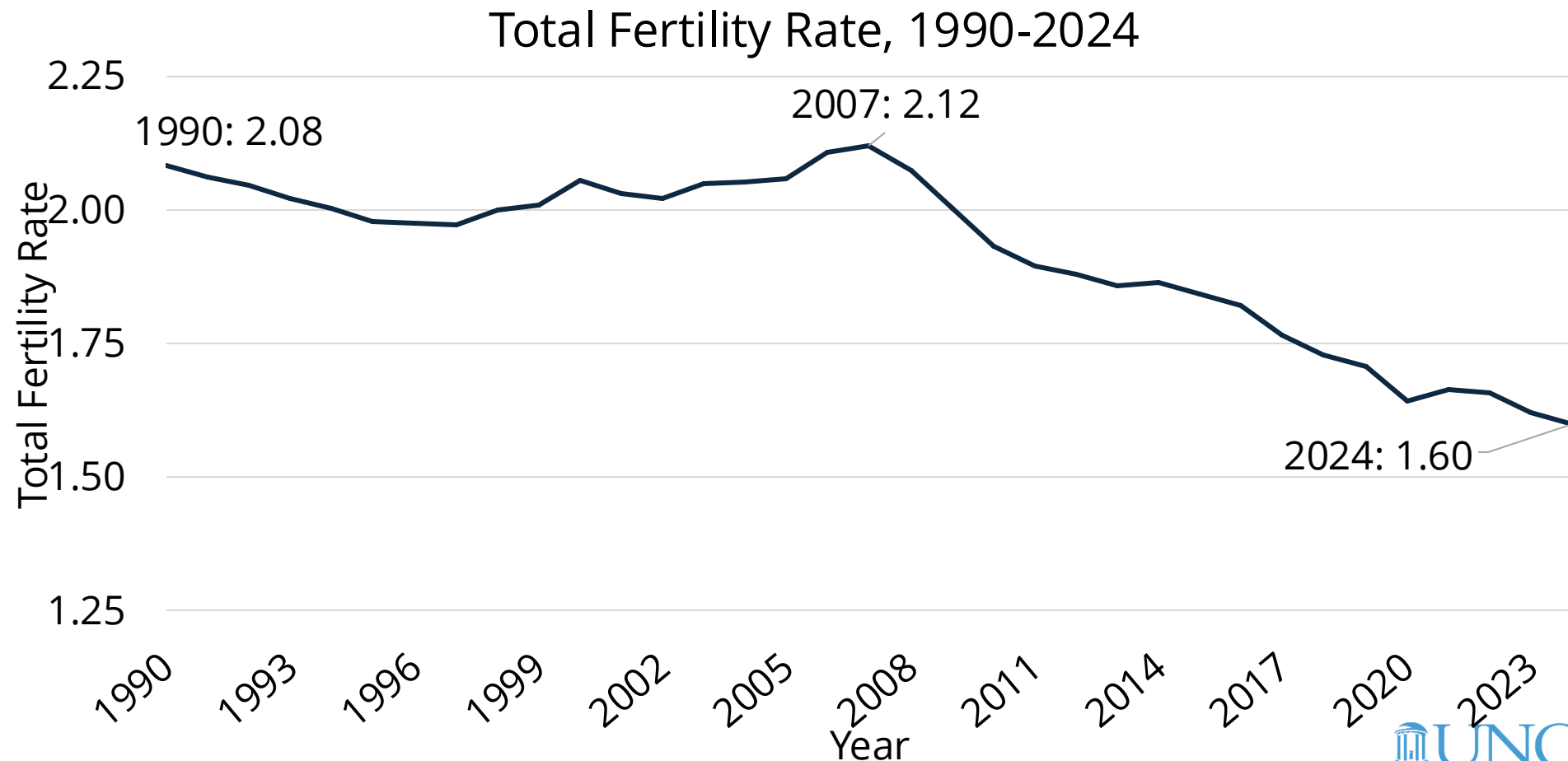
Childbearing Trends in the U.S.

Karen Benjamin Guzzo

University of North Carolina at Chapel Hill

What are the Current Trends?

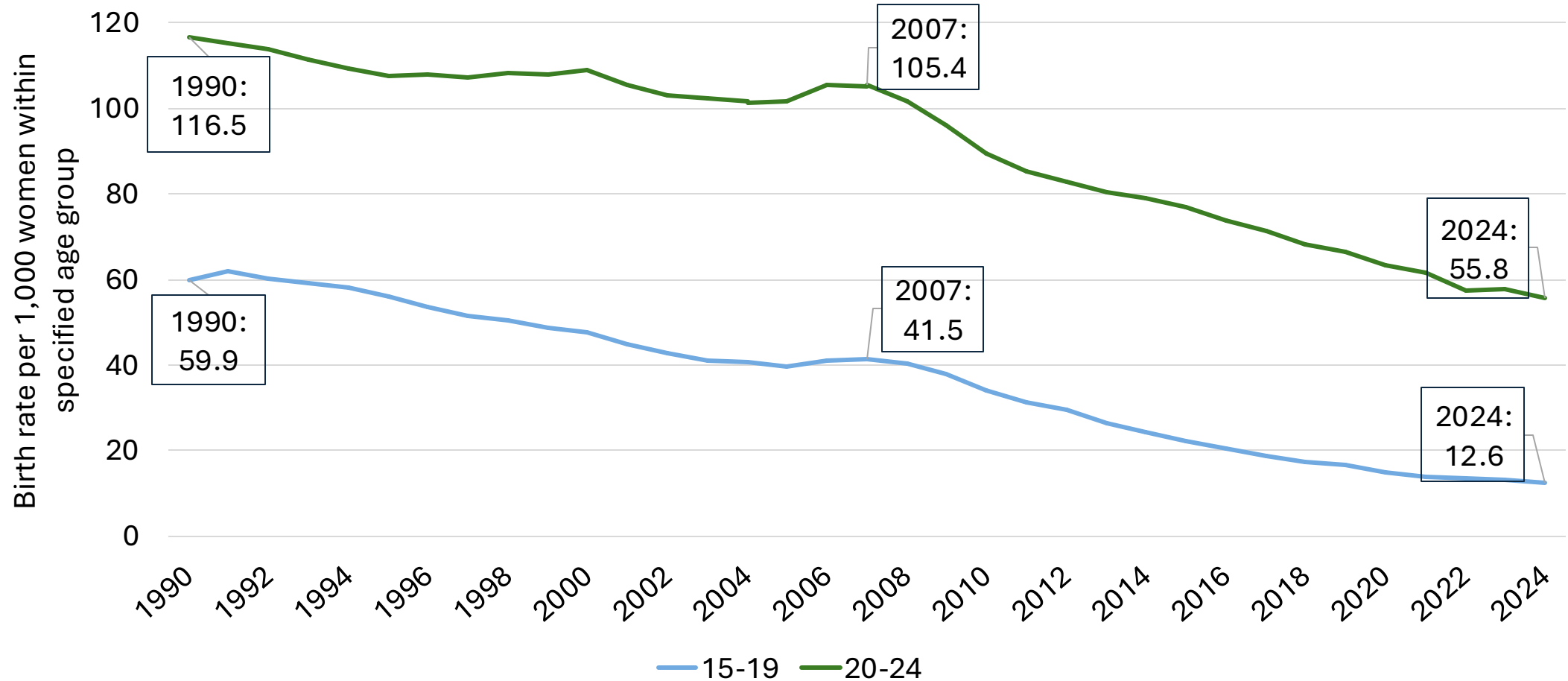
- U.S. Total Fertility Rate (TFR) is at a record low (1.6)



What are the Current Trends?

- U.S. Total Fertility Rate (TFR) is at a record low (1.6)
- Low TFR is due to shifts in childbearing behaviors among different age groups
 - Much of this is **good** news

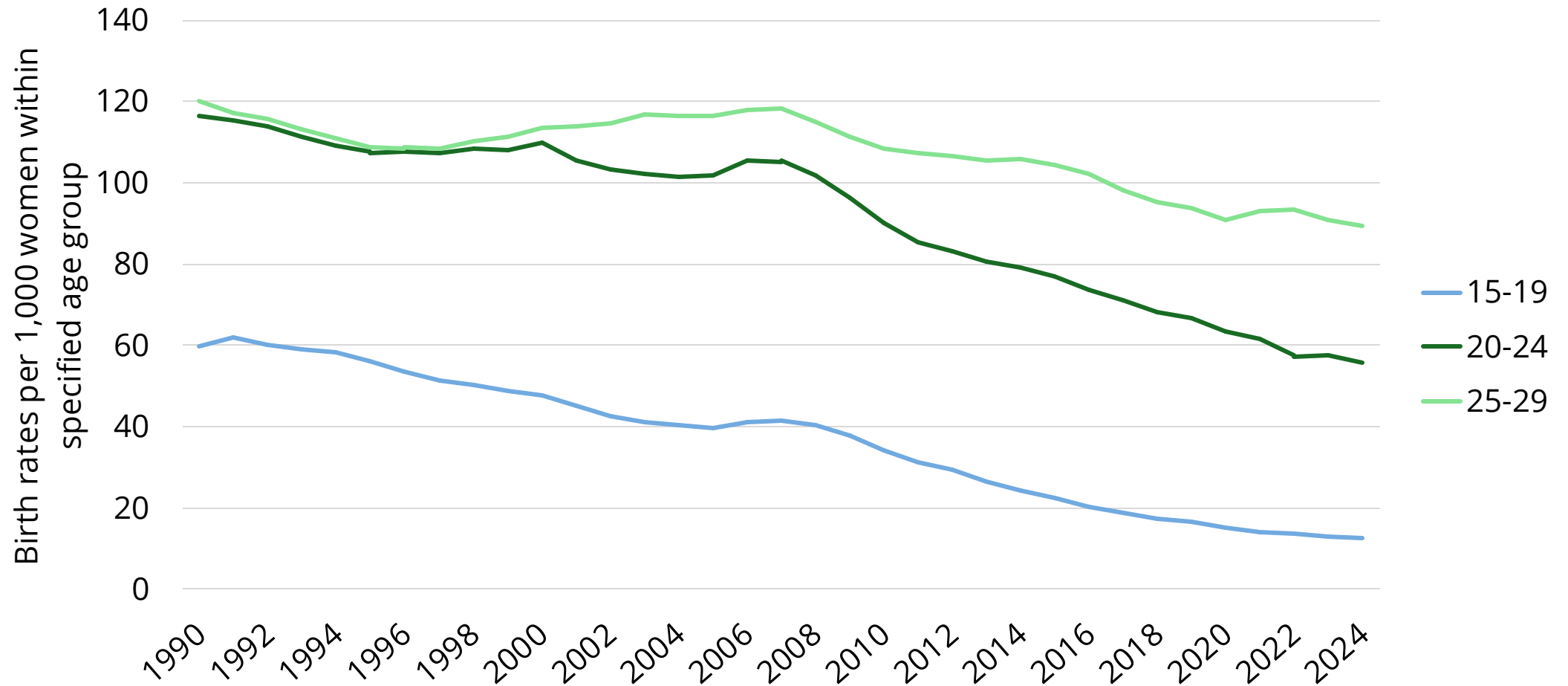
Birth Rates at Younger Ages



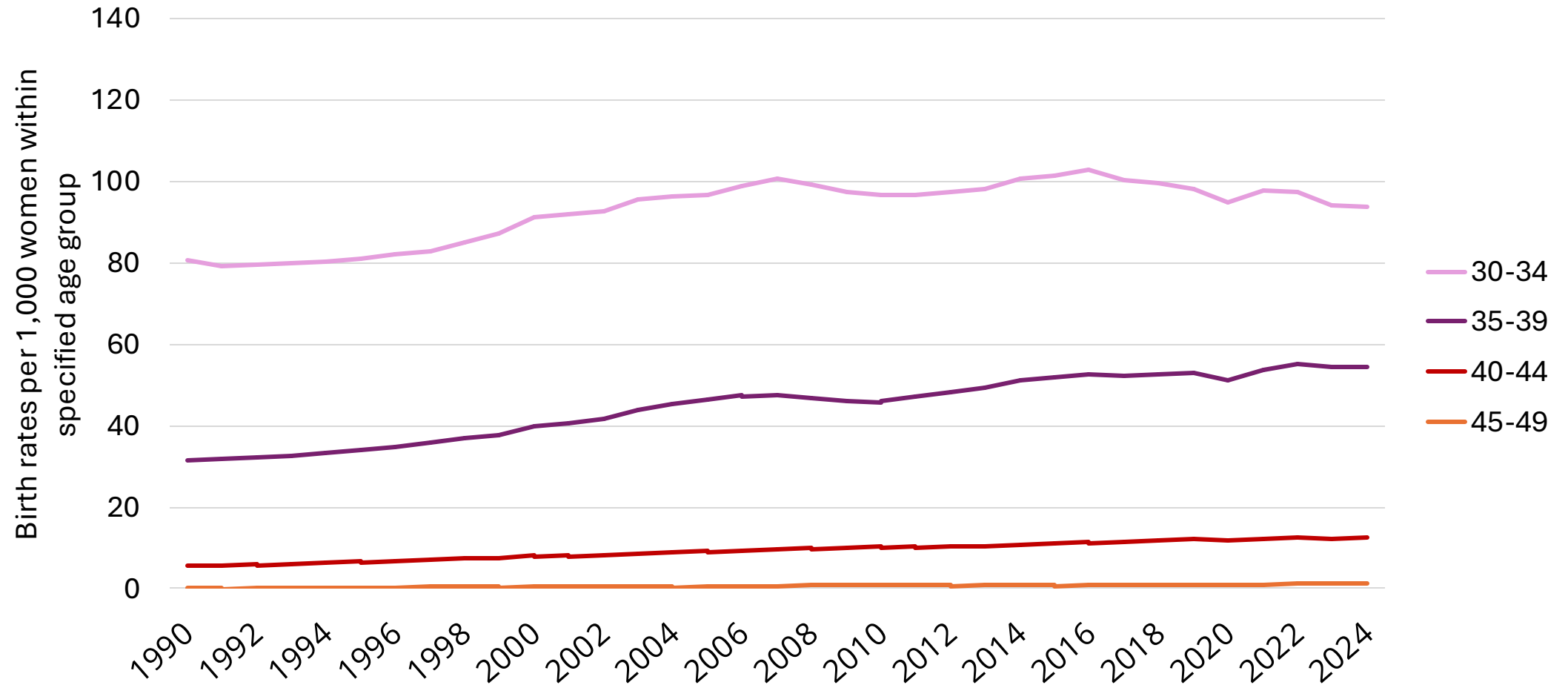
What are the Current Trends?

- U.S. Total Fertility Rate (TFR) is at a record low (1.6)
- Low TFR is due to shifts in childbearing behaviors among different age groups
 - About 80% of the decline in the TFR between 2007 and 2024 is due to falling birthrates among women ≤ 24
 - Changes in birth rates at older ages are not offsetting the declines at younger ages

Birth Rates by Age Group

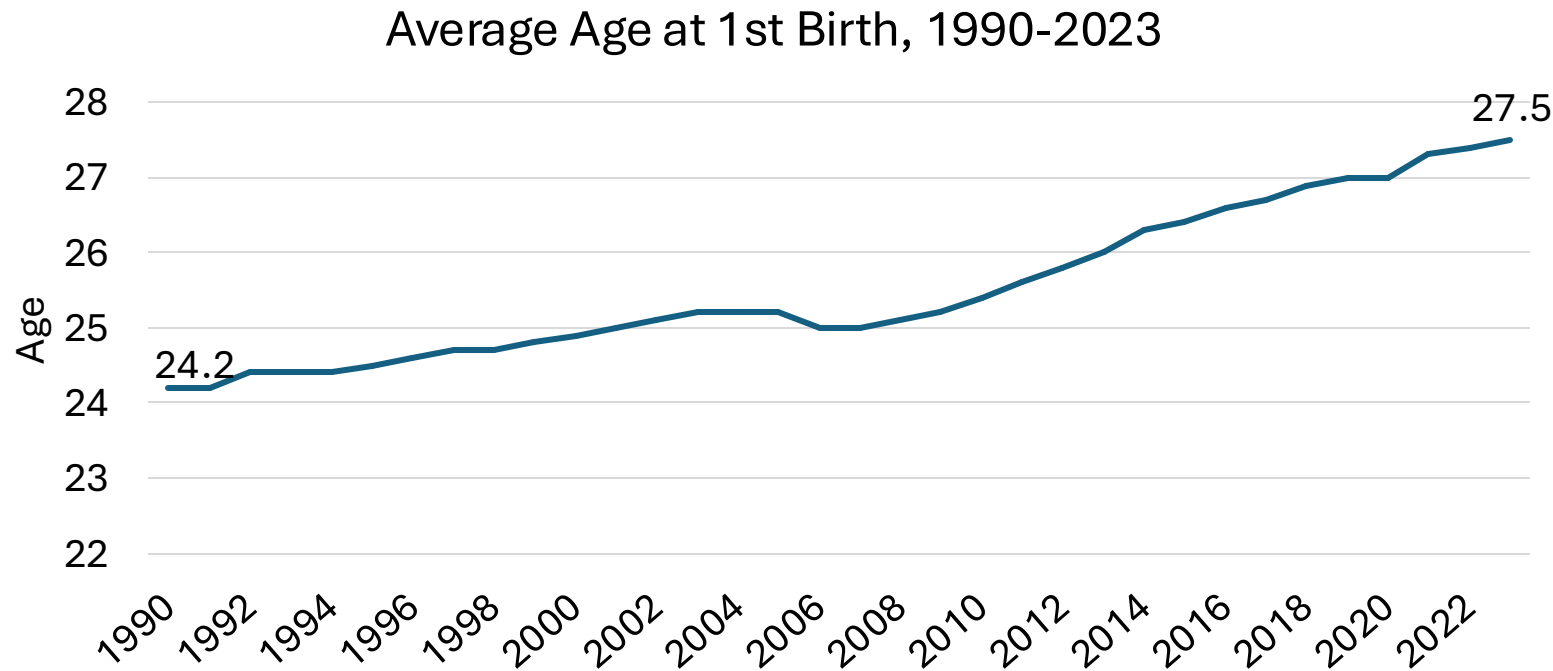


Birth Rates by Age Group

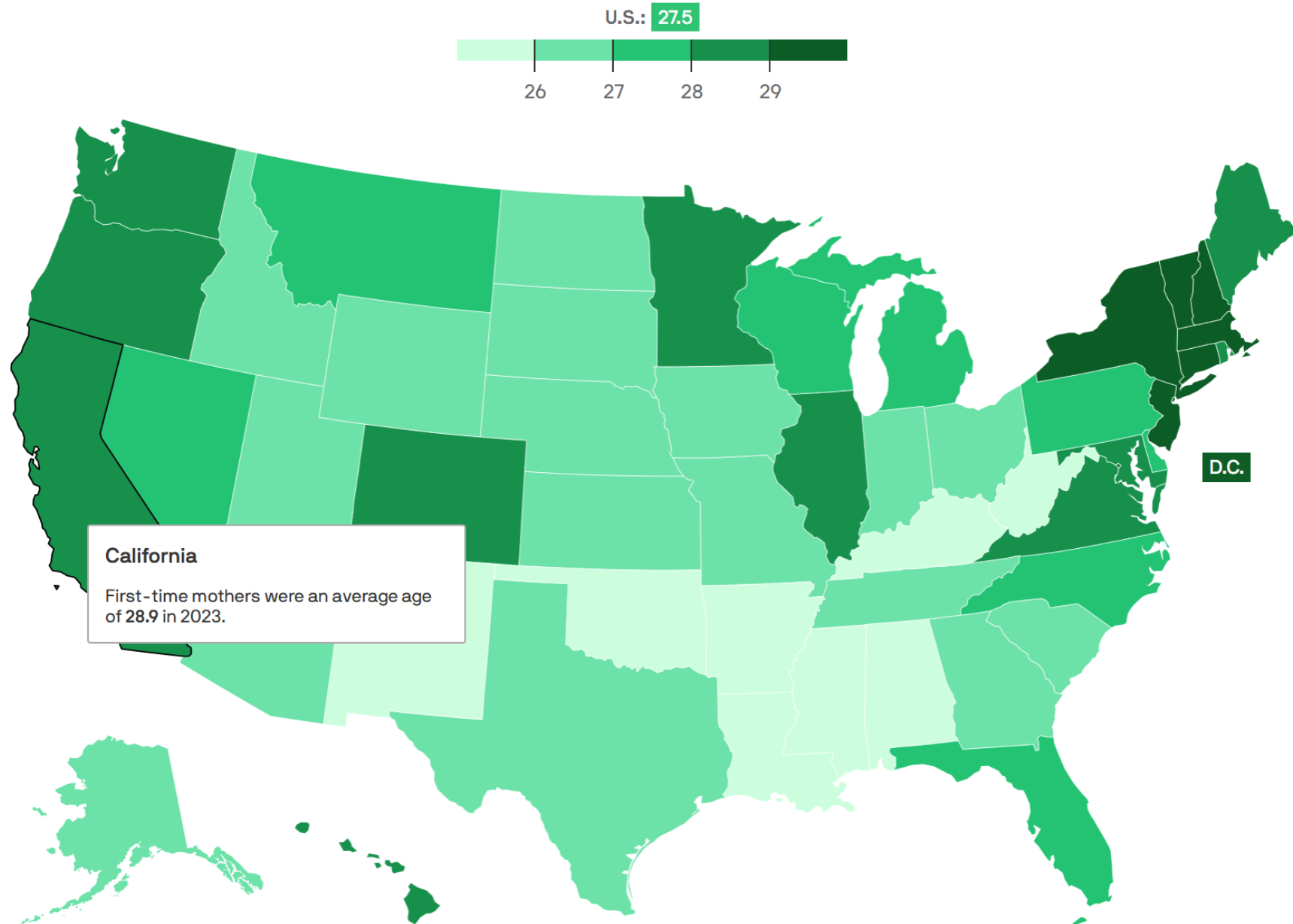


What are the Current Trends?

- U.S. Total Fertility Rate (TFR) is at a record low (1.6)
- Low TFR is due to shifts in childbearing behaviors among different age groups
- Average age at 1st birth is at a record high (27.5)



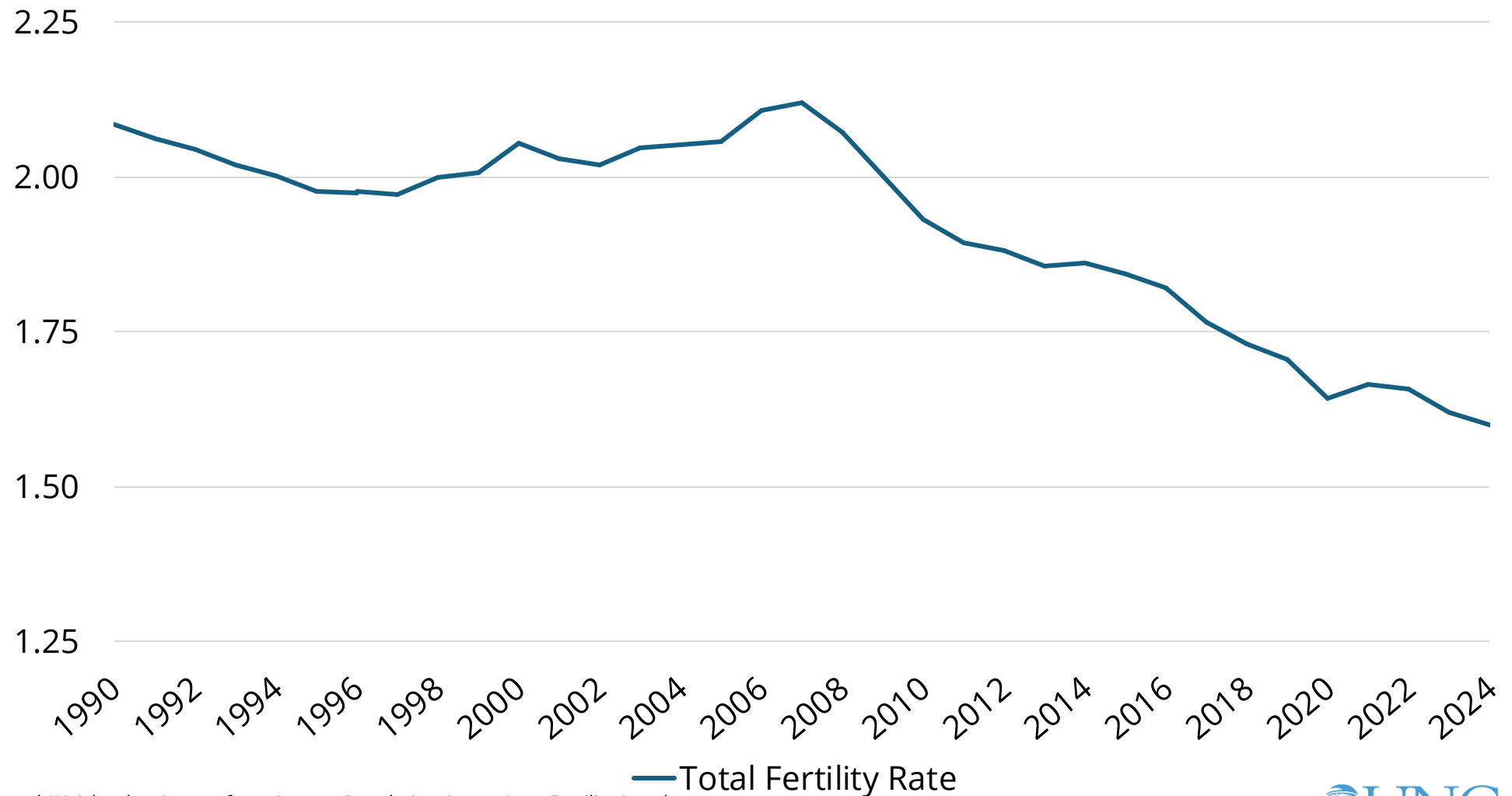
Average age of first-time mothers, 2023



What Does It All Mean?

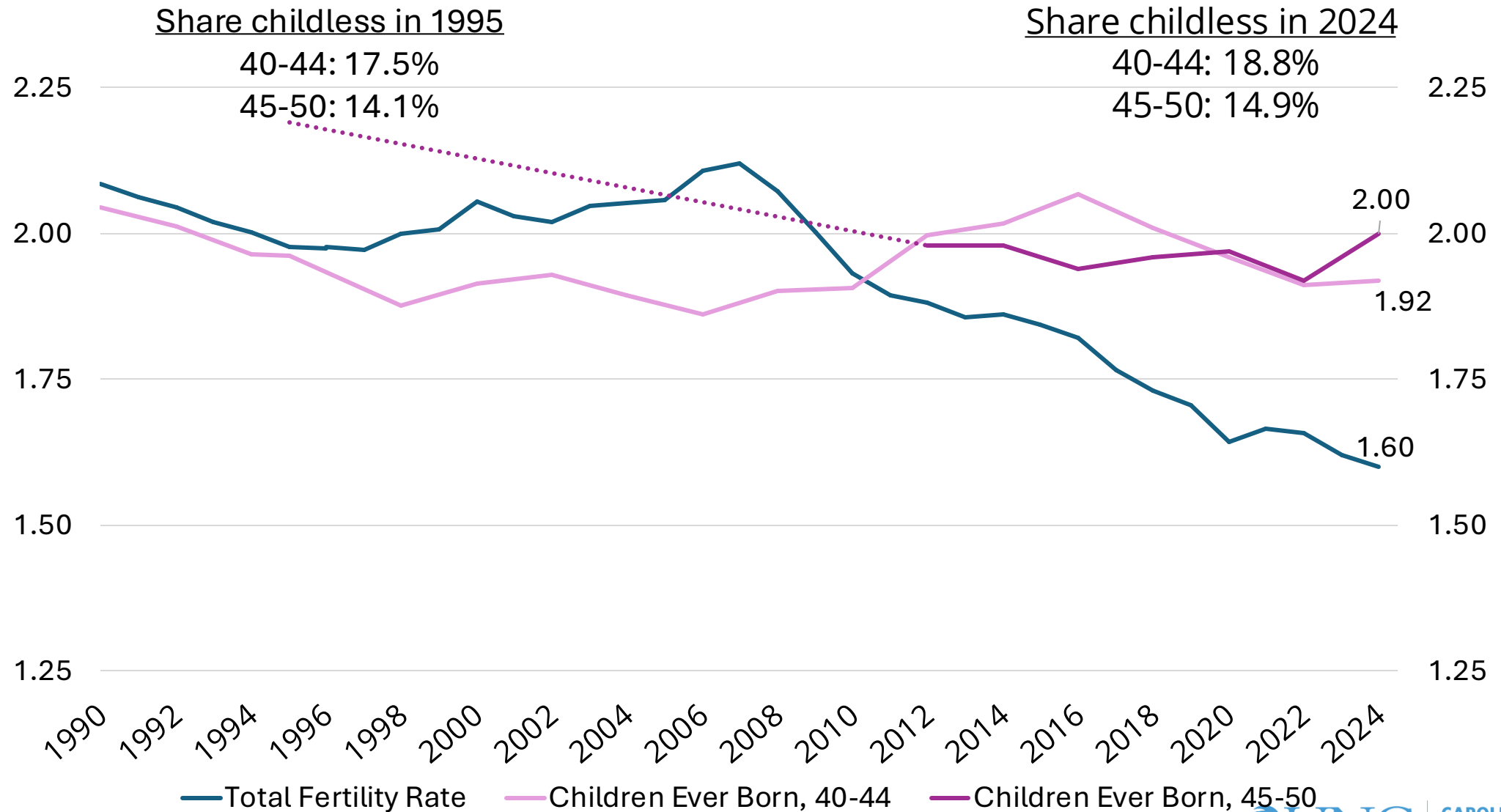
- Birth rates are down, and people are waiting longer to become parents
- The TFR is ***not*** a prediction of how many children women will necessarily have over their lifetime
- Looking at the number of children ever born by the end of the childbearing years paints a different picture

TFR vs Children Ever Born



* Weighted estimates from Current Population Survey June Fertility Supplements

TFR vs Children Ever Born

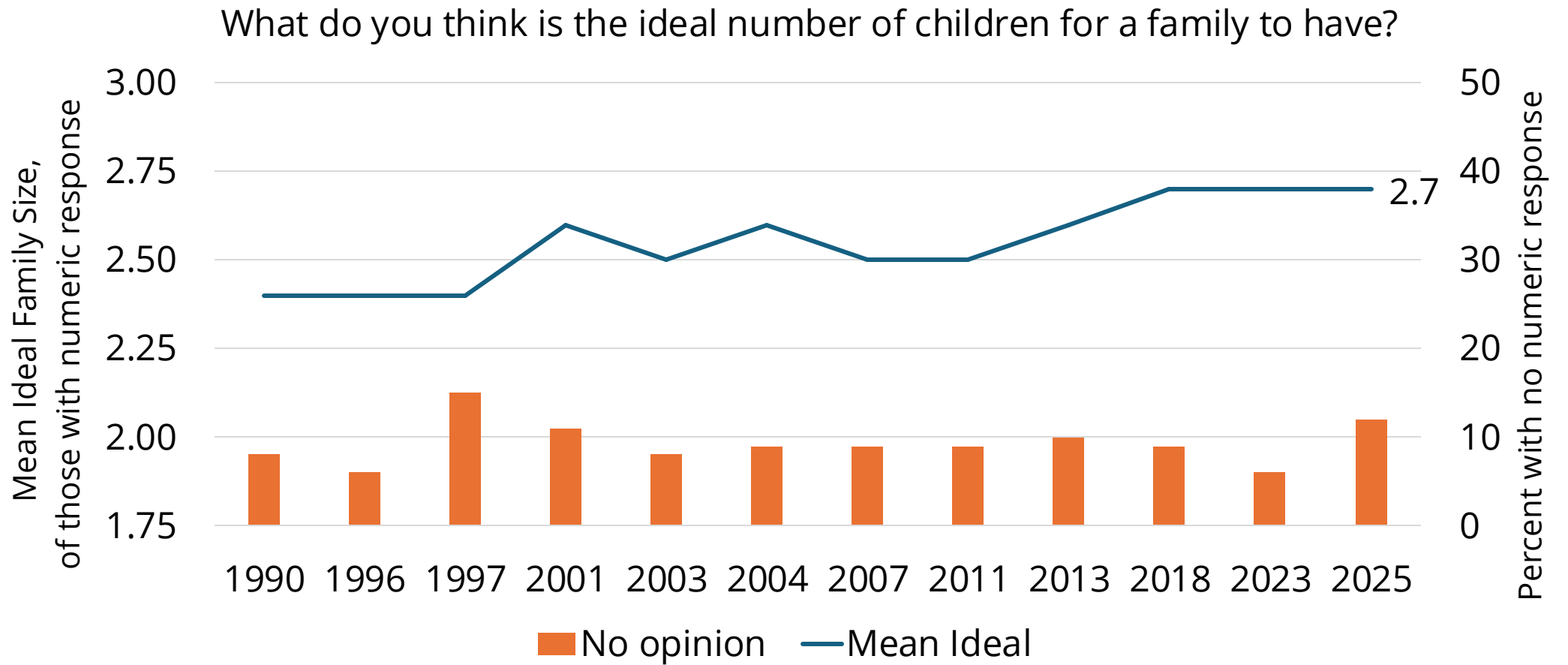


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What Does It All Mean?

- Birth rates are down, and people are waiting longer to become parents
- The TFR is **not** a prediction of how many children women will necessarily have over their lifetime
- Looking at the number of children ever born by the end of the childbearing years paints a different picture
- Consistent with norms about ideal family size

Trends in Ideal Family Size



What Does It All Mean?

- Declining fertility is ***not*** primarily driven by people rejecting parenthood or preferring to have only one child
- Contemporary childbearing is ***conditional***
 - People have preferred circumstances to become a parent and/or to have another child
 - If those circumstances are not currently present and don't seem likely in the near future, they postpone having a(nother) child

What are the “Conditions” for Childbearing?

- Stable, good quality partnership
- Stable, rewarding, flexible full-time job
- Financial security
- Access to healthcare during pregnancy/childbirth
- Psychological health

Am I, as a parent or would-be parent, in a good place to have a child now? Do I feel good about where my life is likely going in the future?

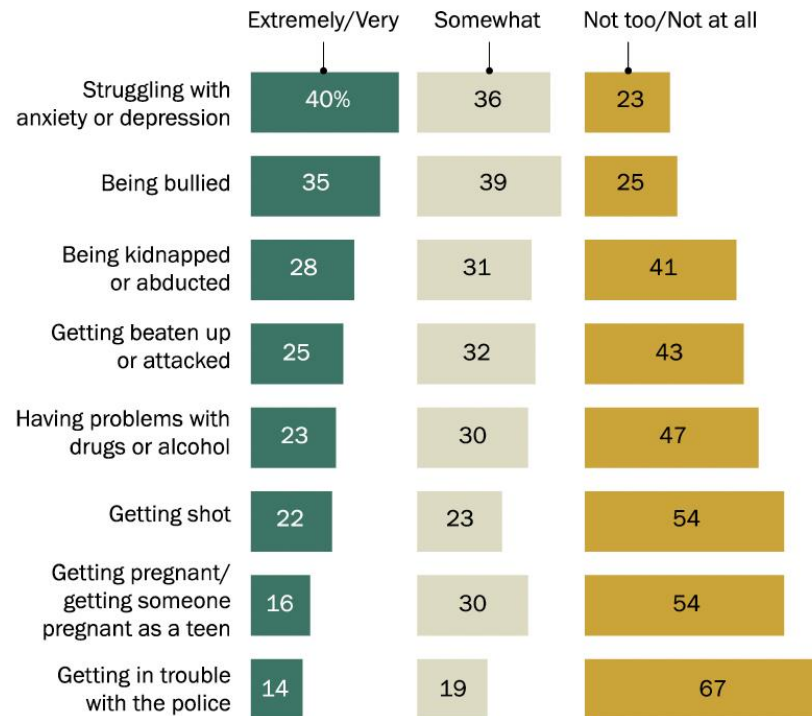
Why are These “Conditions” so Important?

Parenting is hard, and parents/would-be parents have many worries

- Short-term
 - Mental health
 - Bullying
 - Violence
 - Screen time
 - Physical health

Mental health tops the list of parental concerns

% of parents saying they are ___ worried about each of the following happening to any of their children at some point



Note: Share of respondents who didn't offer an answer not shown.
Source: Survey of U.S. parents conducted Sept. 20-Oct. 2, 2022.
"Parenting in America Today"

PEW RESEARCH CENTER

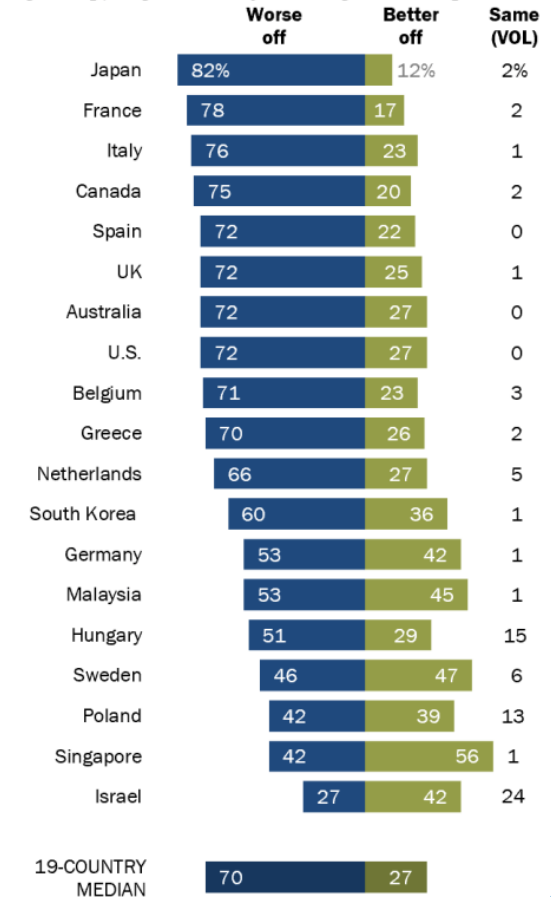
Why are These “Conditions” so Important?

Parenting is hard, and parents/would-be parents have many worries

- Short-term
- Long-term
 - Educational opportunities (and costs!)
 - Labor market options
 - Financial security
 - Declining economic mobility (or stability) across generations

Majorities in most places surveyed are pessimistic about their children's financial well-being

% who say that when children today in (survey country) grow up, they will be ___ financially than their parents



Note: Those who did not answer not shown.
Source: Spring 2022 Global Attitudes Survey, Q2.

PEW RESEARCH CENTER

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PULATION CENTER

Why are These “Conditions” so Important?

Parenting is hard, and parents/would-be parents have many worries

- Short-term
- Long-term
- Existential
 - Climate change
 - Political polarization
 - Globalization
 - War
 - Health threats

Why are These “Conditions” so Important?

Parents, and would-be parents, worry about their children’s future

- Short-term
- Long-term
- Existential

The stakes of parenthood are really high. Can I be sure my child will have a good life? Do I have the economic and psychosocial resources to maximize their chances to be successful?

Why are Birth Rates Low?

- Childbearing is inherently about making a commitment to the future
- People do not feel confident about their futures, so they are deciding “not now” – and doing so over and over again
 - Some will end up not having any children
 - Some will end up with fewer than they would have liked



“Wages are down, prices are up, and terror and uncertainty plague the streets, but first our top story—why aren’t women having more babies?”

Riley Fanning, The New Yorker, 9/19/25

Questions?

Thank you

Living and Working in 2024

Insights from the American Community Survey

Echo Zheng, PhD, Forecasting & Spatial Analytics, SCAG

Alycia Cheng, Sol Price School of Public Policy, USC

Kevin Kane, PhD, Forecasting & Spatial Analytics, SCAG

October 2025

WWW.SCAG.CA.GOV



American Community Survey 2024 1-Year Estimates

OCTOBER 2025



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Table of Contents

Highs, Lows, and Shocks: Key Housing and Economic Trends in Southern California	iii
Median Household Income	1
Median Home Value	2
Homeownership	3
Share of Housing in Structures of 5+ Units	4
Median Gross Rent.....	5
Housing Cost Burden	6
Household Overcrowding	7
Residential Mobility.....	8
Work from Home	9
Labor Force Participation Rate of Parents.....	10
Poverty Rate	11
Population Age 65 and Over.....	12
College Education Rates	13

Home Price Pressure: A Classic Southern California Story and a Changing National Landscape

Median Household Income
\$98.8k (in 2025 dollars)

Since 2014

↑ 17%

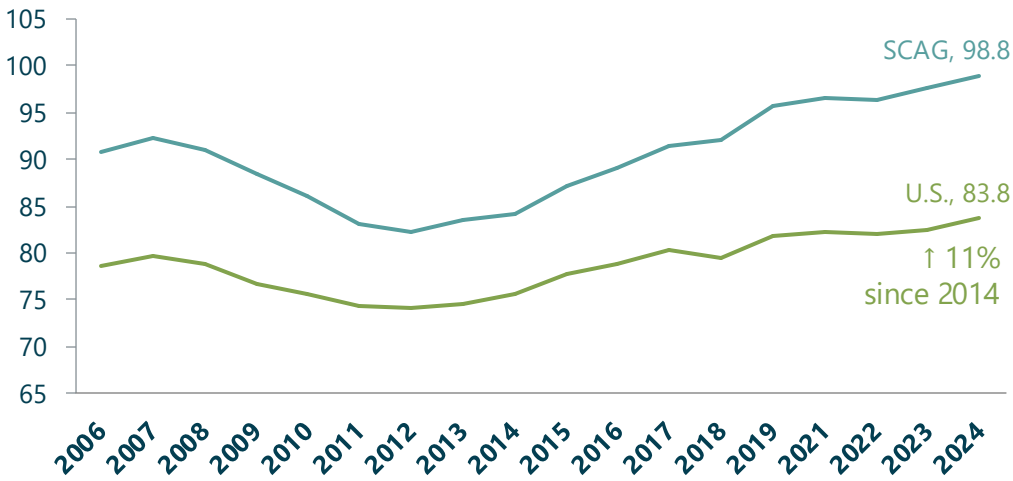
Median Home Value
\$808k (in 2025 dollars)

↑ 35%

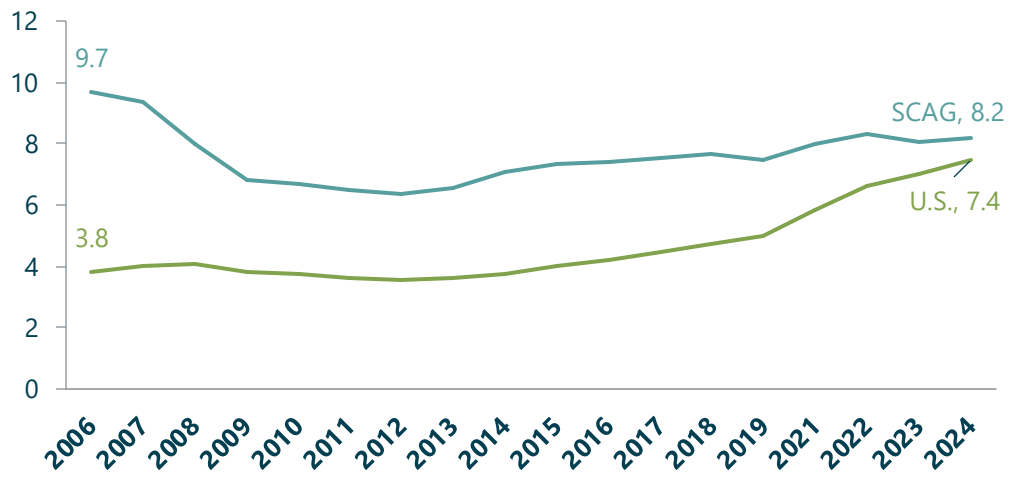
Homeownership Rate
53.2%

↑ 1.3 pct points

Income (\$K)



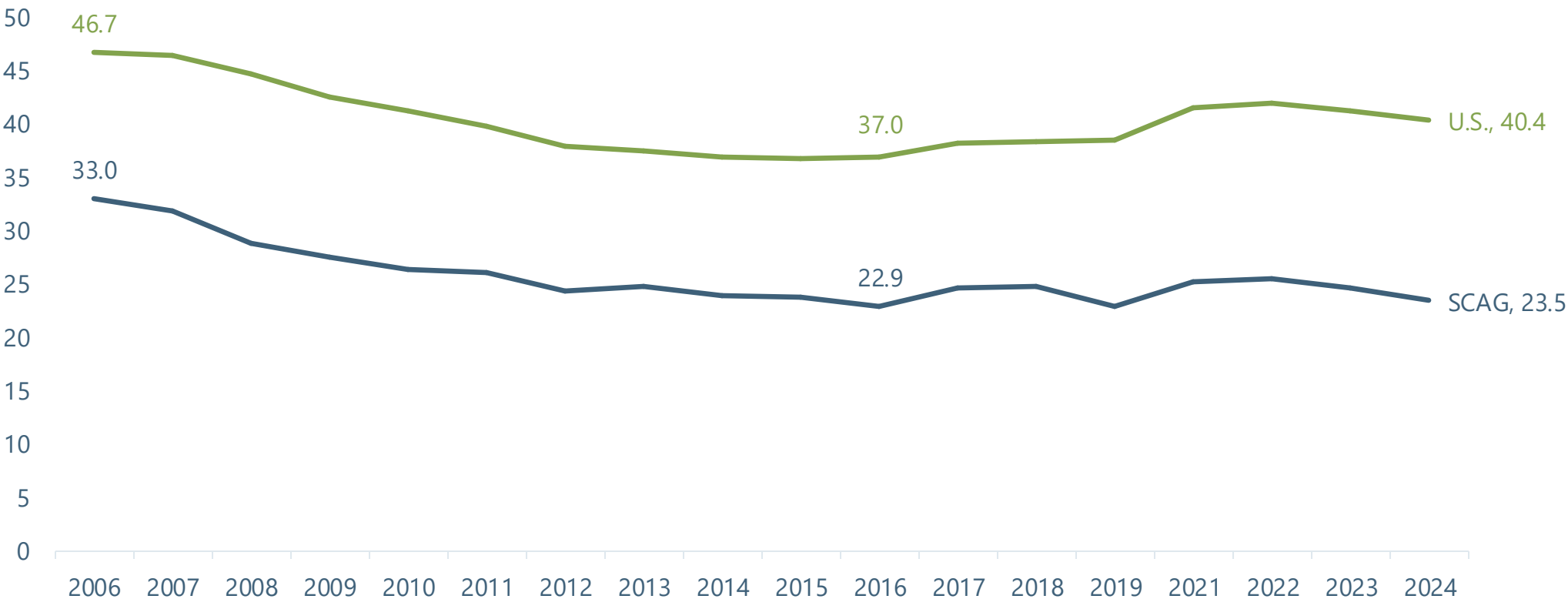
Median Home Value / Median Income



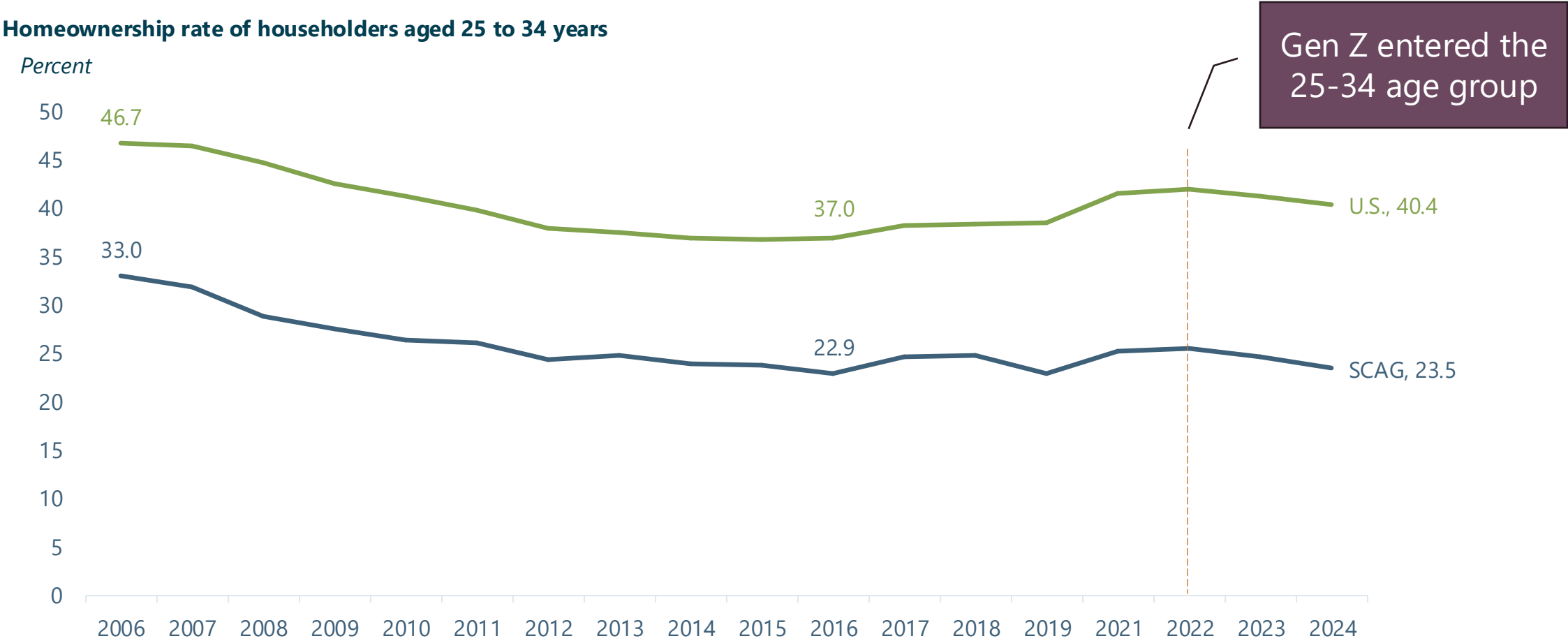
After a brief post-recession recovery, young adult homeownership declined as Gen Z aged in

Homeownership rate of householders aged 25 to 34 years

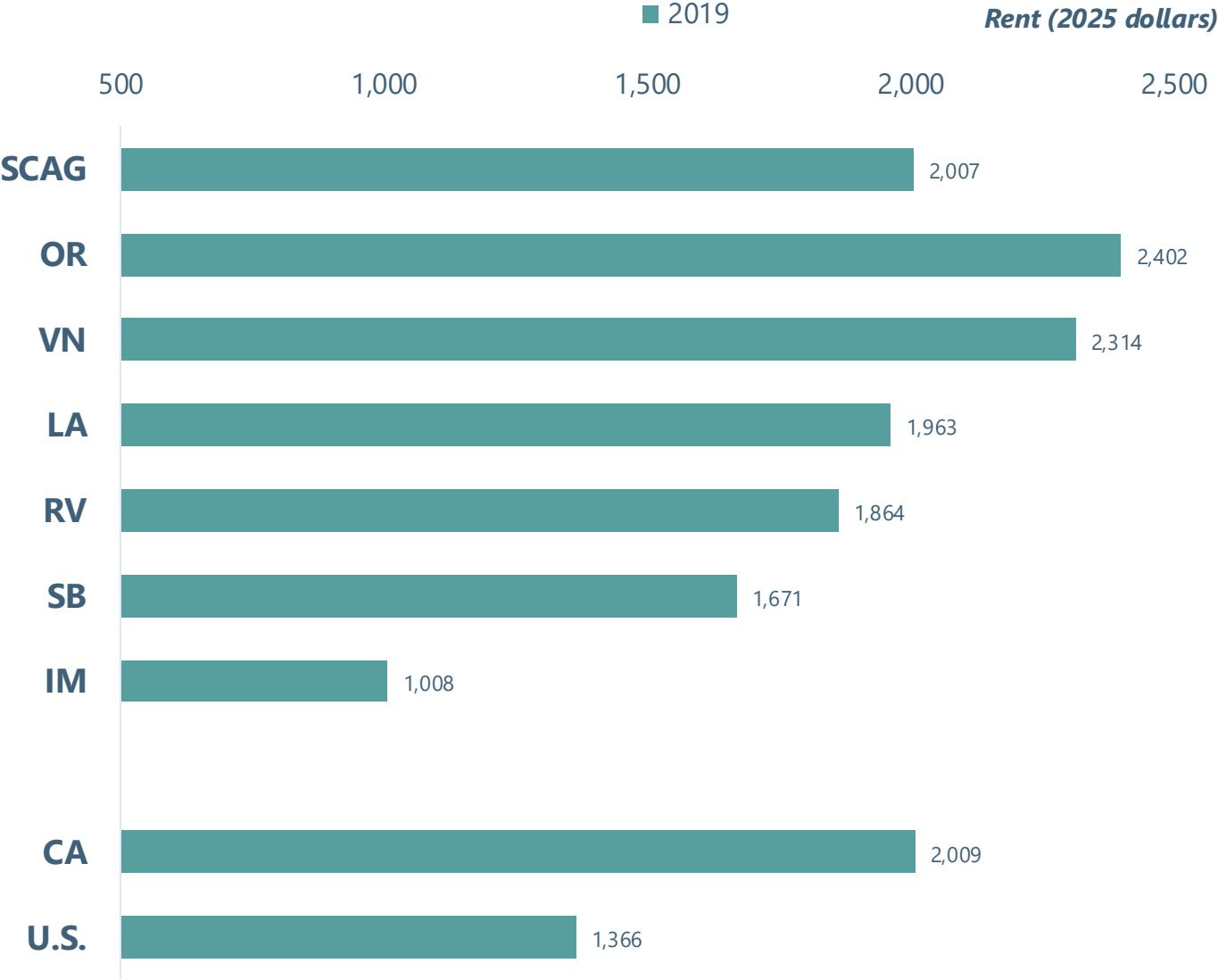
Percent



After a brief post-recession recovery, young adult homeownership declined as Gen Z aged in

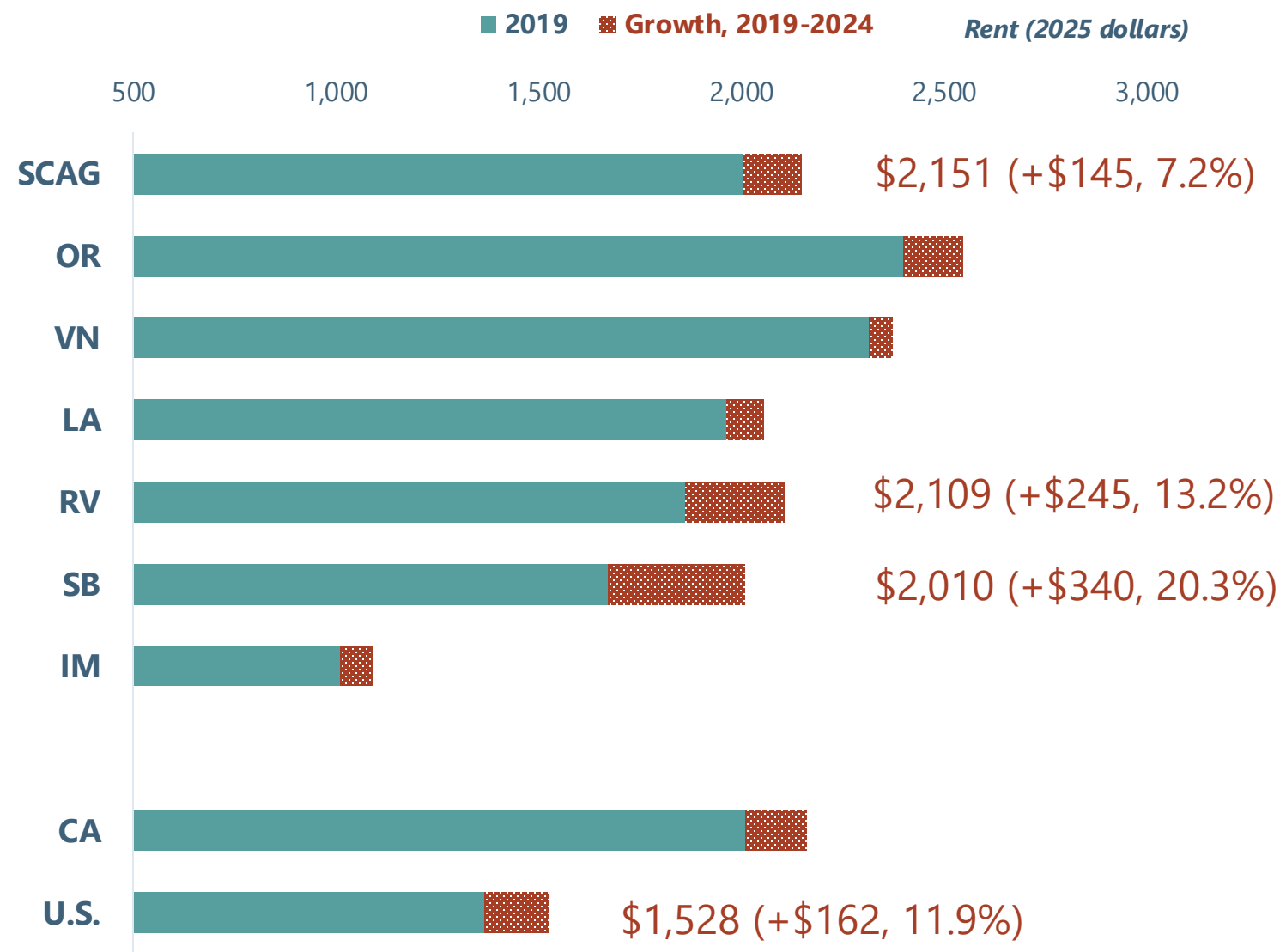


Median Rent



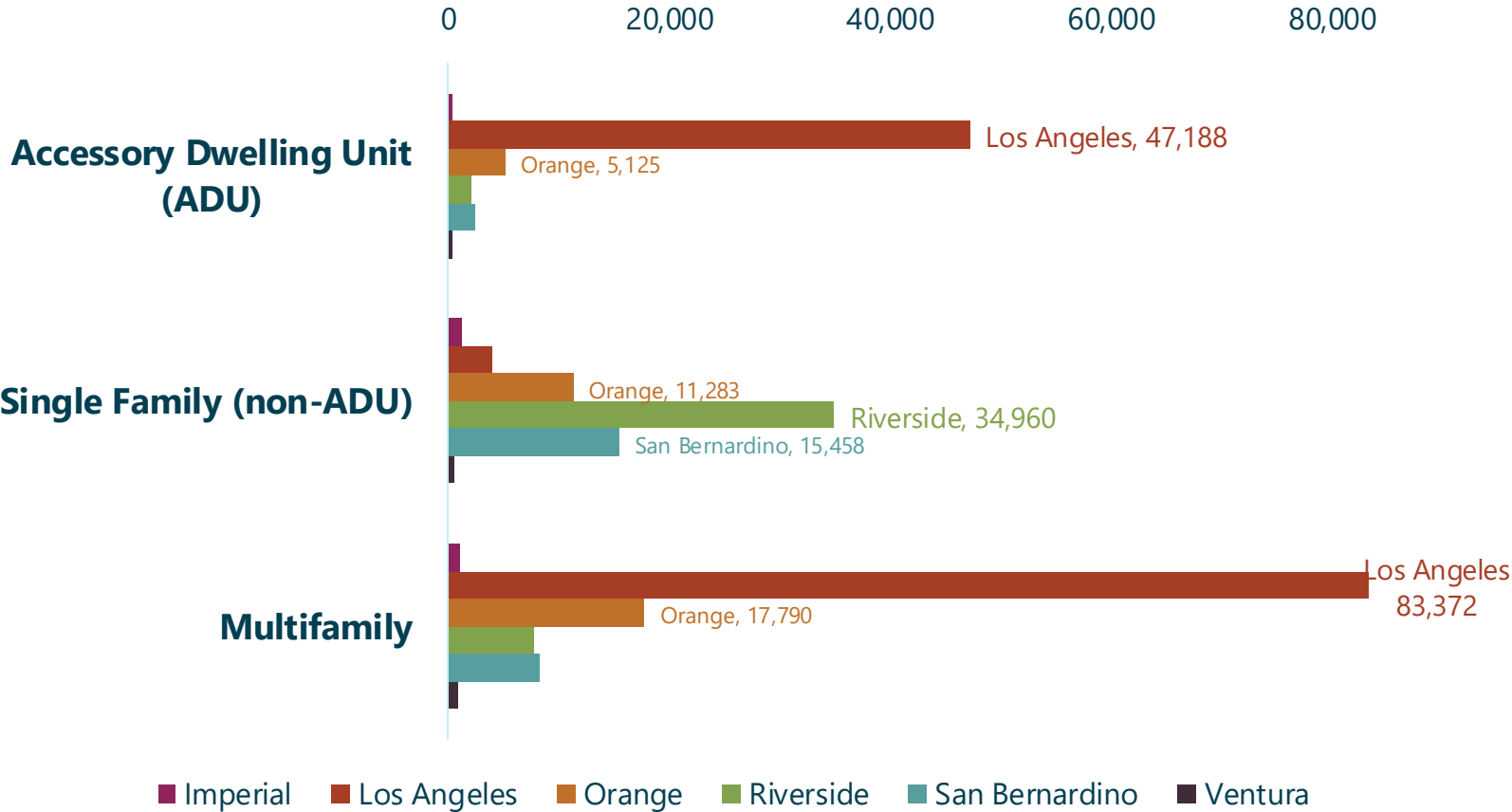
Post-Pandemic Rent Increase

- Regional and national rent growth accelerating post-pandemic
- Fastest rent hikes are now occurring inland



New housing growth has been dominated by ADUs (≈23%) and multifamily units (≈49%)

SCAG Region New Units by Type and County, Jan 2020 - Dec 2024



In LA County, nearly 20,000 ***fewer*** households were overcrowded in 2024 than in 2014.

Sources: State of California, Department of Finance, E-5 Population and Housing Estimates for Cities, Counties and the State — January 1, 2021-2025. ADU counts are retrieved from DOF Demographic Research Unit Data Hub. ADUs from 2020 through 2021 reflect a nine-month estimate using the decennial census data from April 1, 2020. Residential permits come from the Census Building Permit Survey.

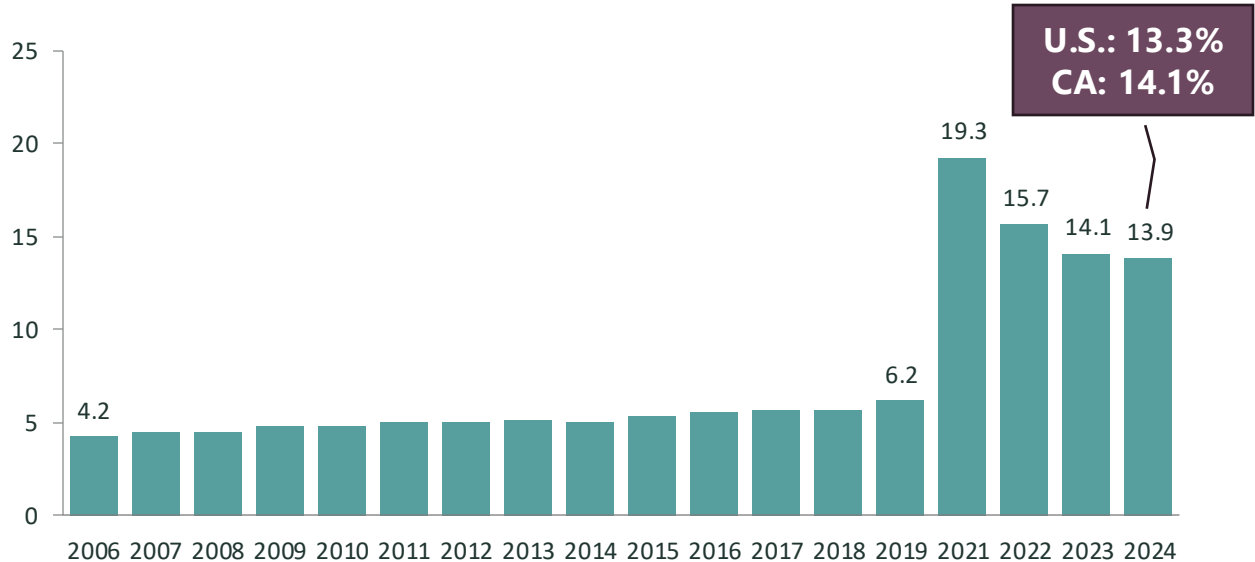
TELEWORK IN 2024



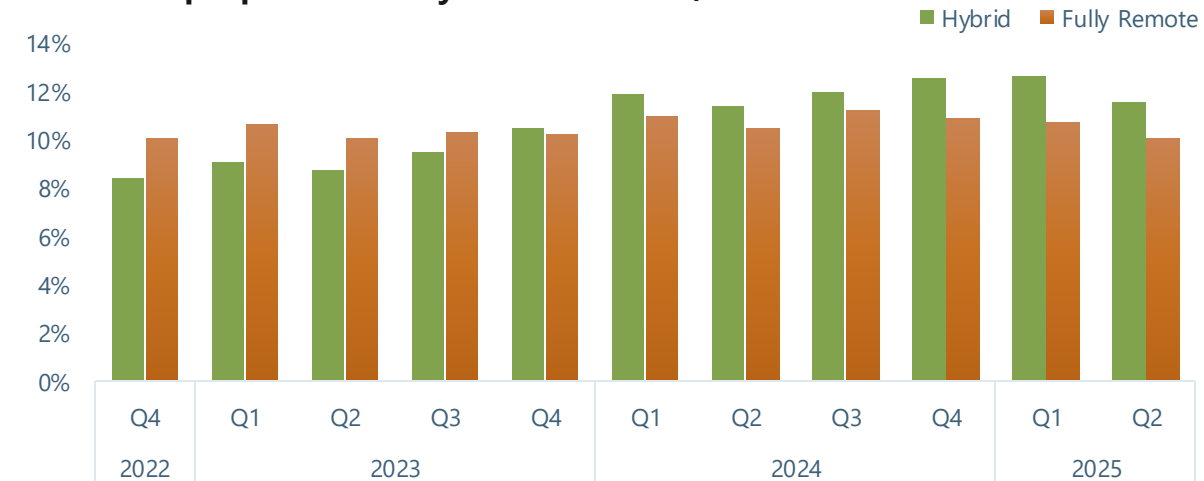
Remote work entering a new normal

- The region had 3,298 fewer people working from home last year.
- Nationally, fully remote rates remained stable (10.1% – 11.2%), with a modest uptick in hybrid work.

Percent of workers working from home in SCAG region

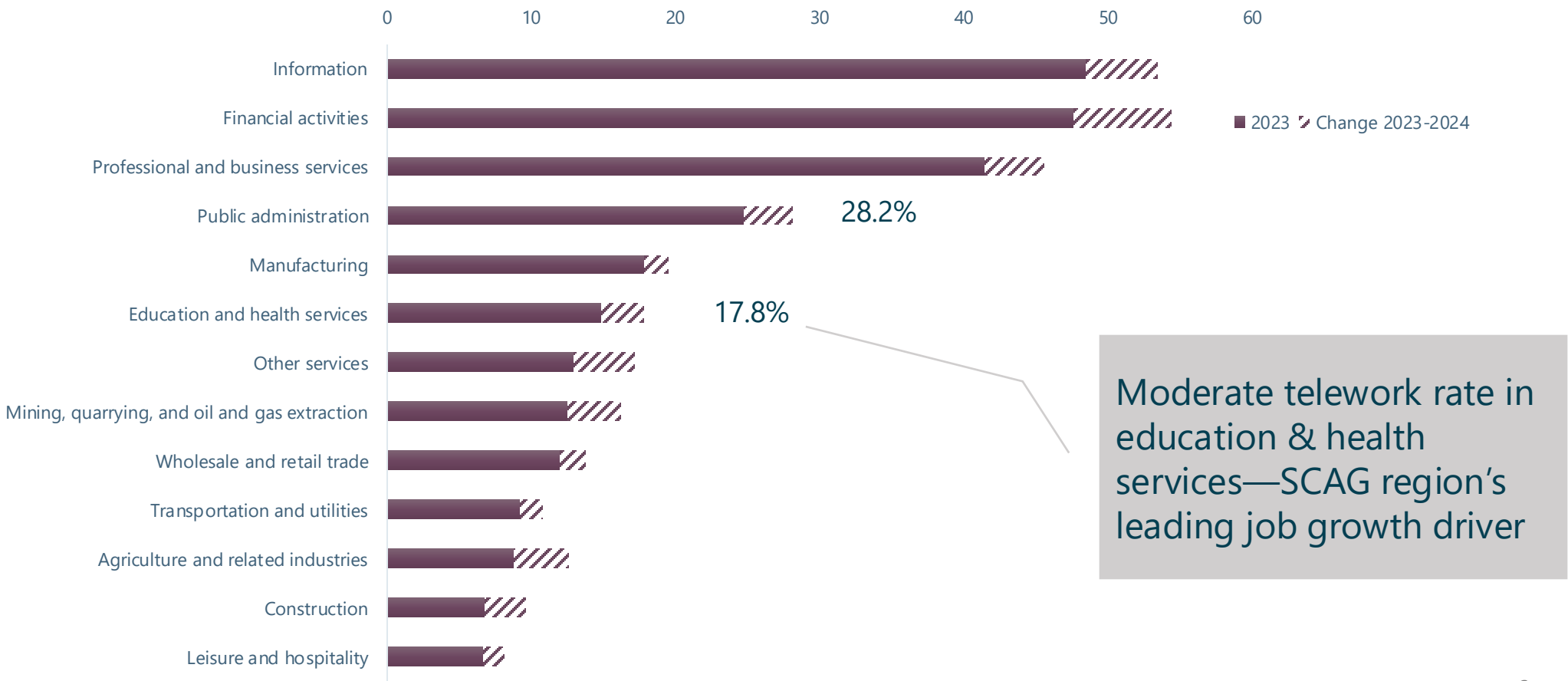


Percent of people at work by telework status, U.S.



Ongoing adjustments in telework across industries

Share of telework workers, U.S.

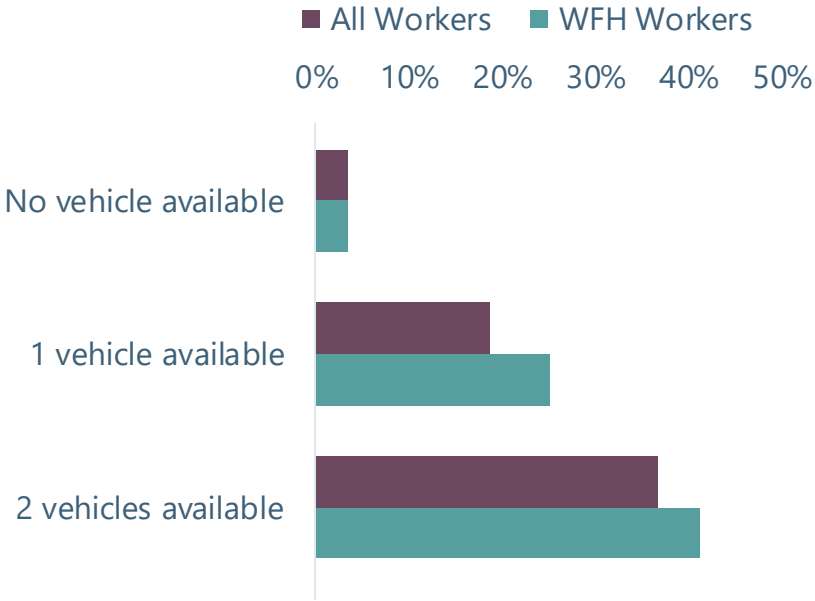


Sources Bureau of Labor Statistics

The region's work-from-home (WFH) workers: older, higher-earning, with more 1–2 vehicle households

	Median Age		Median Earnings*	
	All Workers	WFH Workers	All Workers	WFH Workers
IM	40.7	49.1	37,495	32,304
LA	41.6	42.4	50,032	71,811
OC	42.9	44.6	56,255	81,096
RV	41.4	45.5	47,753	64,713
SB	40.1	43.5	46,624	56,759
VN	43.0	47.9	52,673	78,476
CA	41.4	44.0	52,544	80,129
U.S.	41.6	43.9	50,753	71,788

Share of workers in households



Sources American Community Survey 2024 1-Year Estimates Table S0802. *Median earnings are in 2024 inflation-adjusted dollars.

What do these trends mean for *people* in the SCAG region?



Households

Robust real income growth

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Robust real income growth



Homeowners

Accumulating equity from steadily increasing home values; mobility remains constrained



Renters

Facing accelerating rent increases;
some relief from declining overcrowding in LA County;
Effects of new rental-oriented supply (ADUs, multifamily) still unfolding.

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Prospective homebuyers

Encountering steep barriers;
Young adults (25–44) increasingly struggle to transition into ownership, with Gen Z aging in during a challenging market environment

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Prospective homebuyers

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Workers

Remote work entering a new normal;
Remote workers skew older, higher-income, are more likely to have 1–2 vehicles, reshaping travel and location choices.



LEARN MORE

ACS 2024 Data Publication Release

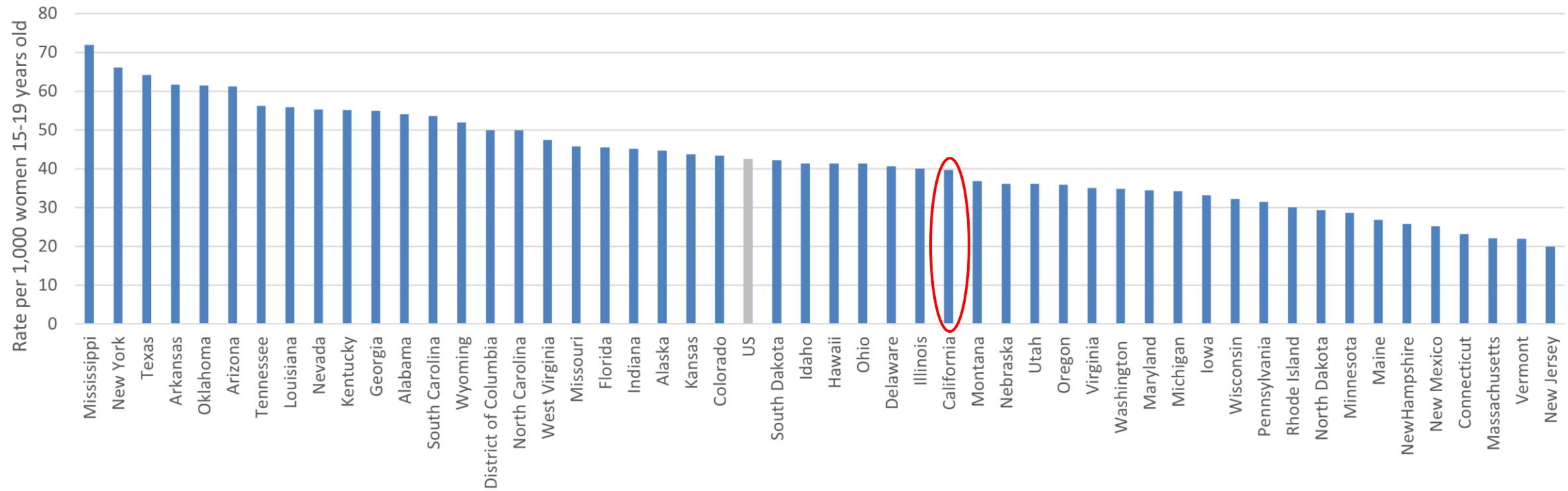
Backup Slides

Karen Benjamin Guzzo

University of North Carolina at Chapel Hill

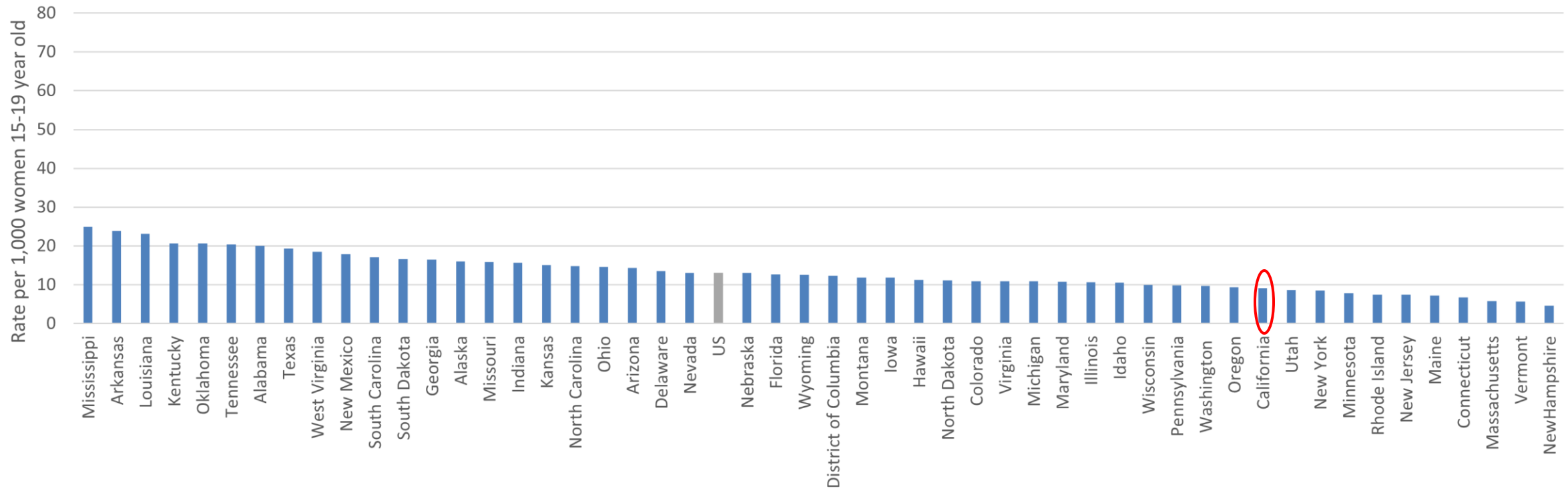
Teen Fertility

Teen Birth Rate by State, 2007



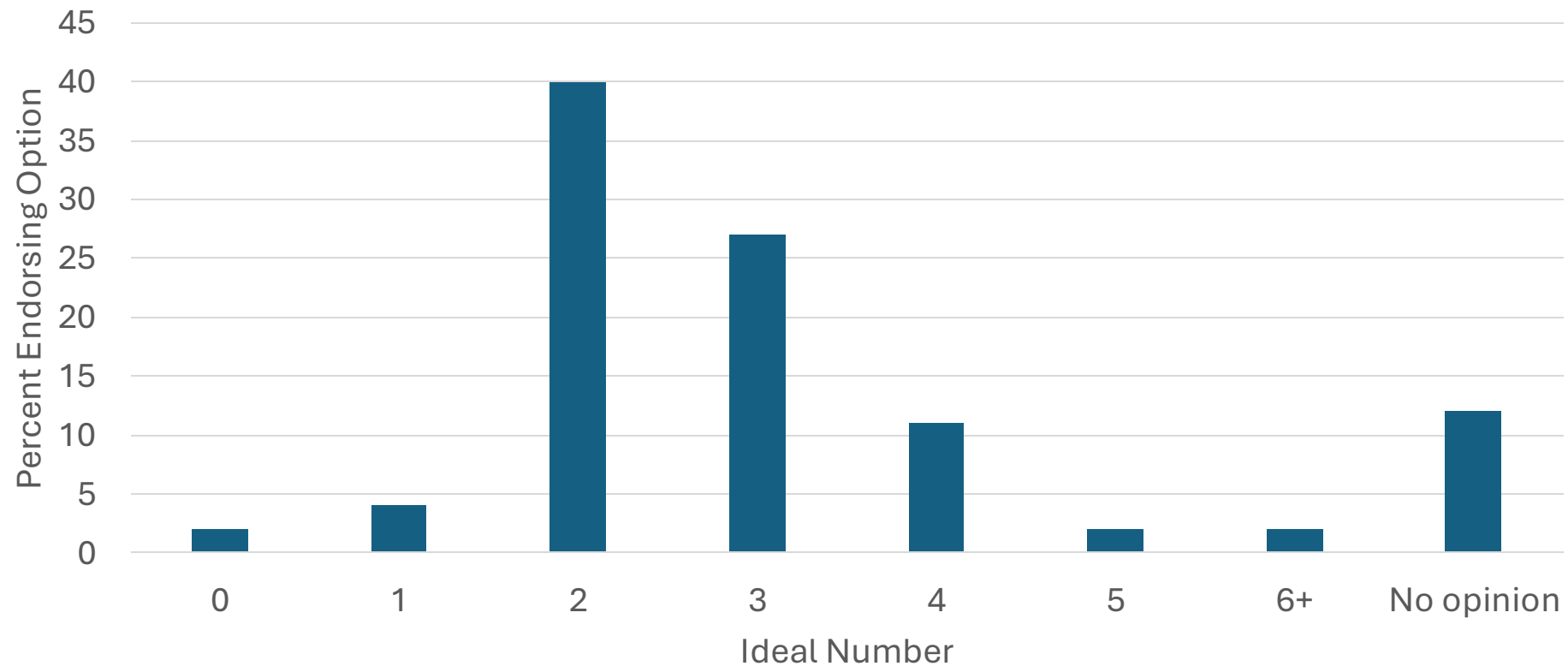
Teen Fertility

Teen Birth Rate by State, 2023



Ideal Family Size Distribution

What do you think is the ideal number of children for a family to have?



Gallup Poll, 7/21/25

Why do People Care About Birth Rates?

Changes in birth rates

- Alter population size and structure
 - Fewer births – populations skew older
- Have economic implications
 - Labor market (future workers, consumers)
 - Planning community needs (schools, hospitals, housing)
- Have implications for funding government programs
 - Social Security

What do People Misunderstand about Birth Rates?

- Below “replacement-level” birth rates do not mean population collapse is imminent
 - Migration
 - Population momentum
- Long-term predictions about population size and structure are unlikely to be accurate
 - Long-term predictions about future labor market needs are also likely to be inaccurate



What Should We Do About the Impacts of Low Birth Rates?

- Birth rates are not the only – or even most immediate or effective – lever to address changes in population size and structure
 - Economic and social policy
 - > Changes in labor market (retirement age, technology)
 - > Changes in immigration
 - > Changes in tax policy (such as raising or eliminating Social Security cap)

What Should We Do About the Impacts of Low Birth Rates?

- Very hard to raise birth rates, especially through explicitly pronatalist policies
 - Policies that make it easier to combine work and family are more effective than direct financial incentives
 - > Childcare, paid leave
 - > Modest effects (raising TFR by 0.1-0.2), mostly by affecting birth timing
 - Policies that reduce cost of living could have an impact
 - > Student loans, housing, healthcare, job security, wages
 - Risky to tie increasing birth rates to policy because
 - > The timeframe needed to see “results” is long
 - > Programs that are otherwise beneficial could get cut if they fail to produce increases