California demographic checkup:
key indicators and context

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ANNUAL
DEMOGRAPHIC
WORKSHOP

"Slowest growth ever"

The Golden State's population
growth rate is the slowest in
recorded history. Why?
89.3**KPCC**

Los Angeles Times
California's population growth is the slowest in recorded
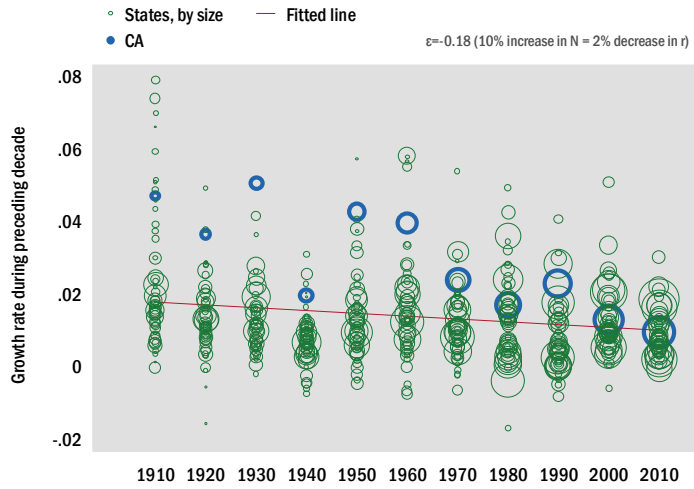history

U.S.News **California Inches Toward 40M People, but Growth
Rate Slows**

THE SACRAMENTO BEE
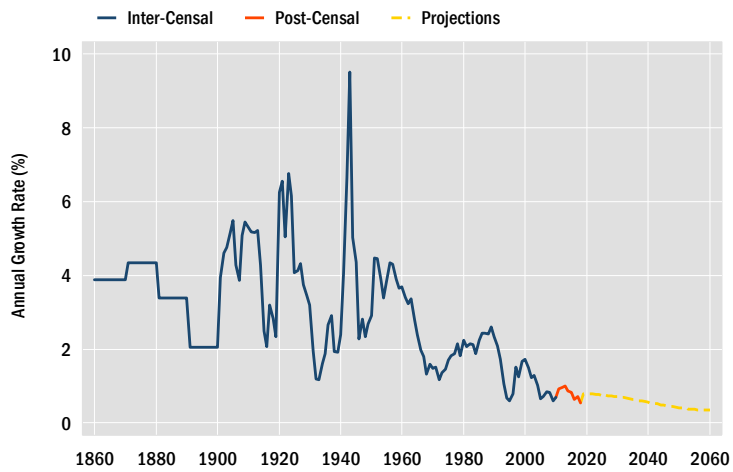**Where are the babies? California sees slowest
population growth since it started counting**
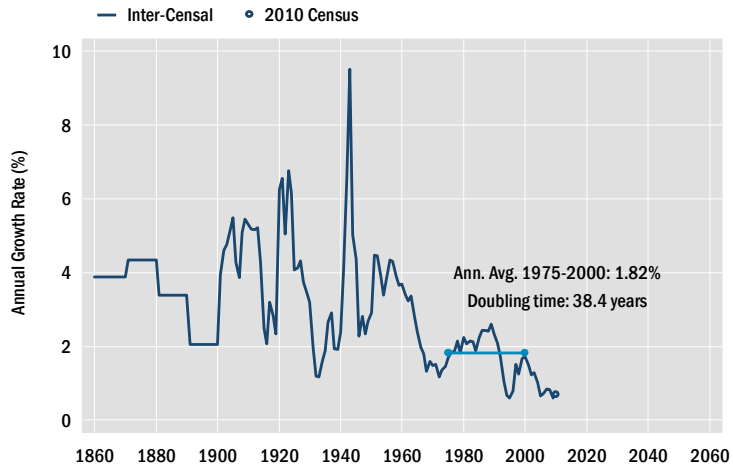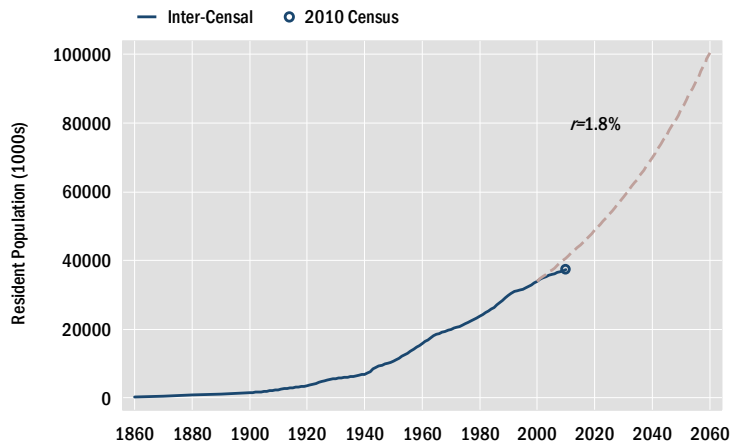
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"Slowest growth ever"

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"Slowest growth ever"

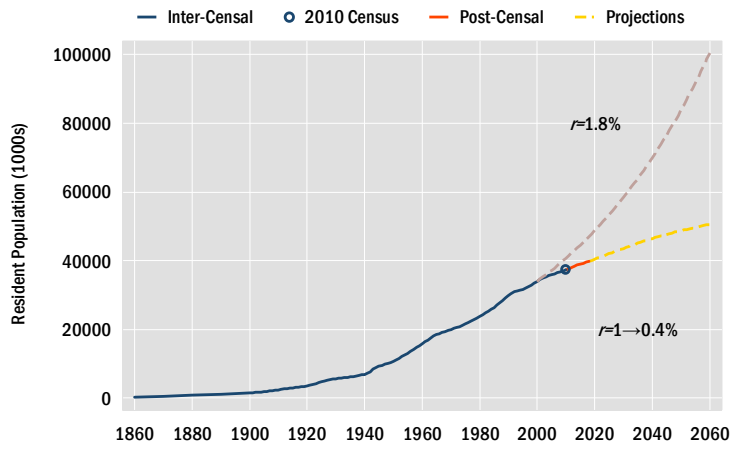Ann. Avg. 1975-2000: 1.82%
Doubling time: 38.4 years

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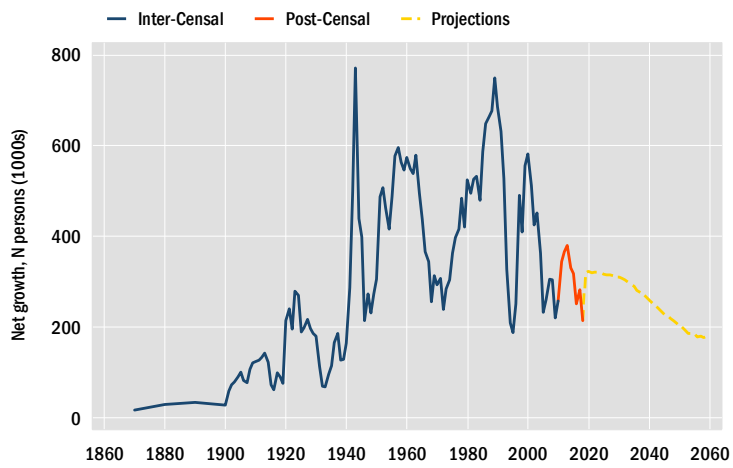"Slowest growth ever"

$r \approx 1.8\%$

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"Slowest growth ever"

"Slowest growth ever"

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Determinants of the population growth rate

Decomposition of the Crude Growth Rate (CGR) <small>Das Gupta 1993</small>

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Determinants of the population growth rate

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$$CGR = \frac{(N_2 - N_1)}{PY} \qquad (1)$$

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Determinants of the population growth rate

Decomposition of the Crude Growth Rate (CGR) Das Gupta 1993

$$CGR = \frac{(N_2 - N_1)}{PY} \qquad (1)$$

$$CGR = \frac{(B - D + NM)}{PY} \qquad (2)$$

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Determinants of the population growth rate

Decomposition of the Crude Growth Rate (CGR) Das Gupta 1993

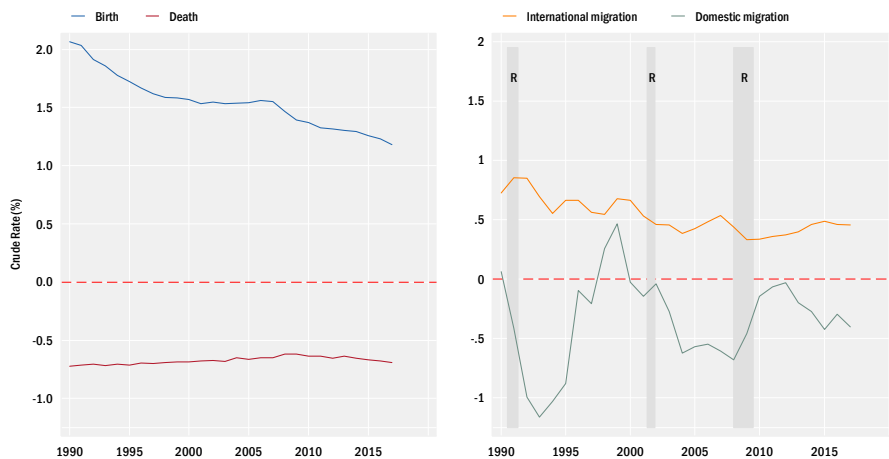$$CGR = \frac{(N_2 - N_1)}{PY} \qquad (1)$$

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$$CGR = \frac{B}{PY} - \frac{D}{PY} + \frac{NIM}{PY} + \frac{NDM}{PY} \qquad (3)$$

$$CGR = \left[\frac{B}{PY_{W15-49}} * \frac{PY_{W15-49}}{PY_W} * \frac{PY_W}{PY} \right] - \frac{D}{PY} + \frac{NIM}{PY} + \frac{NDM}{PY} \qquad (4)$$

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Determinants of the population growth rate

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Determinants of the population growth rate

Decomposition of the Crude Growth Rate (CGR) Das Gupta 1993

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Decomposition between year == 2000 (1.03)
               and year == 2017 (0.54)
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Component	Absolute Difference	Proportion (%)
Birth rate	-0.195	40.0
Death rate	-0.011	0.2
Net foreign migration	-0.103	21.2
Net domestic migration	-0.188	38.6
Overall	-0.487	100.0

Determinants of the population growth rate

Decomposition of the Crude Growth Rate (CGR) Das Gupta 1993

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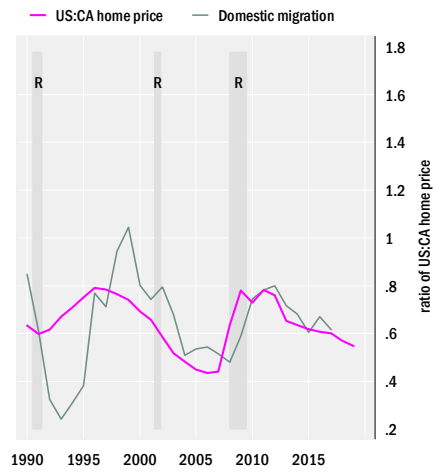| Component	Absolute Difference	Proportion (%)
Birth rate	-0.195	40.0
Birth rate effect	*-0.158*	*32.7*
Age structure effect	*-0.035*	*7.2*
Death rate	-0.011	0.2
Net foreign migration	-0.103	21.2
Net domestic migration	-0.188	38.6
Overall	-0.487	100.0

1. Net migrants are important to California's growth
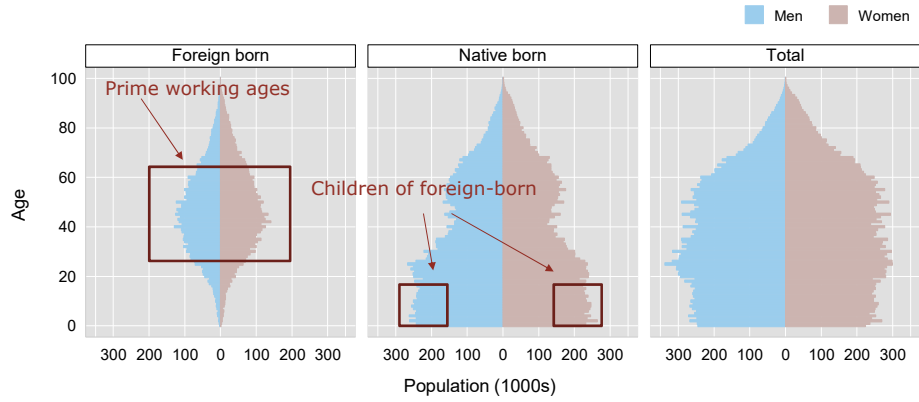
2. Net domestic migration tracks housing affordability

3. Fertility is shifting to older ages + correlated with income
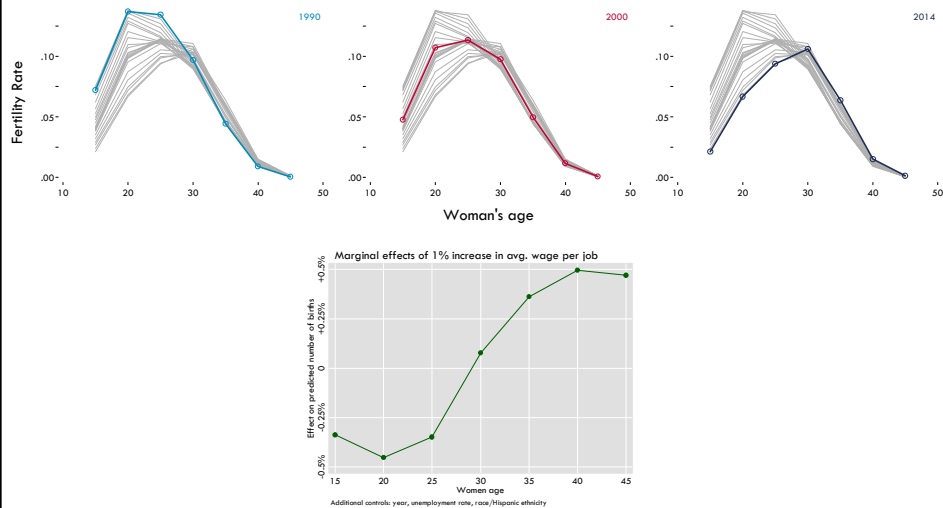
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Summary

1**. Declining growth rate** (to 0.5% in 2017-18).

2**. Declining birth rate** (to 11.8 per 1000 during 2017).

3. **Net migration is important** (Directly accounts for 25 percent of population growth since 2010; contributes further through fertility).

4. **Domestic migration** since 1990 has tracked **housing affordability**.

5. Economy, demography, and public policy all affect **foreign migration**.

Prognosis:

- Annual growth <1%, with possibility of negative years (average annual net addition of 150,000-250,000 persons per year).
- *Effect of low growth rate on California welfare is ambiguous.*
- *Reasons for optimism on birth rates.*

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