

SCAG's New Population Projection and Migration: What Are the Big Changes?

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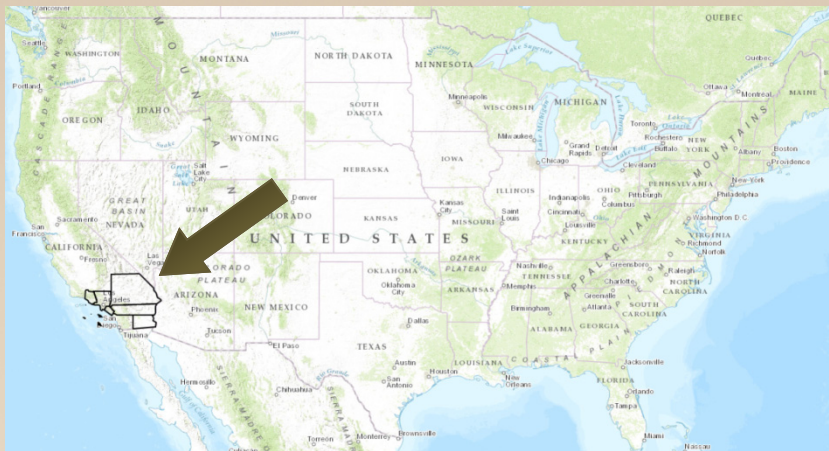
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SCAG Region

- 6 counties and 191 cities covering over 38,000 square miles (98,000 km²)
- Nearly 19 million people in 2015 – one of the most racially and ethnically diverse regions in the US.
- \$1,005 billion of GRP and 8 million jobs - 16th largest economy in the World.
- Nation's global gateway for trade



Questions

- How did this region grow compared to California and US historically? How will this region grow compared to California and US in the future?

Historical and Projected Population for SCAG Region, CA, and US:1850-2035

3,530 people lived in the SCAG region in 1850. The region grew to nearly 8 million in 1960, and grew to around 19 million in 2015. In 2035, The region's population will exceed 21 million. Nearly 3 million people will be added to the Region from 2014-2035.

Year	1850	1910	1960	1990	2010	2014	2035
SCAG Region	4	662	7,824	14,641	18,052	18,729	21,482
CA	93	2,378	15,717	29,760	37,254	38,803	45,748
US	23,192	92,228	179,323	248,710	308,746	318,857	370,338

Unit: **Thousands**. Source: US Census, Decennial Census, Population Estimates (2014), Population Projections (2014); CA DOF, Population Projections, 2014; SCAG, Draft Growth Forecast, 2014.

Annual Average Growth Rate of Population:1850-2035

Over the last 160 years (1850-2010), the regional growth went through 4 periods: (1) very rapid growth, (2) rapid growth, (3) average growth, (4) slow growth, using statewide growth as a reference. The new projection shows a “slower” growth than 4th period (1990-2010) with an annual average growth rate of less than 1% in the future.

Periods	1850-1910	1910-1960	1960-1990	1990-2010	2010-2014	2015-2035
SCAG Region	310.8%	21.6%	2.9%	1.2%	0.9%	0.7%
California	41.1%	11.2%	3.0%	1.3%	1.0%	0.9%
US	5.0%	1.9%	1.3%	1.2%	0.8%	0.8%

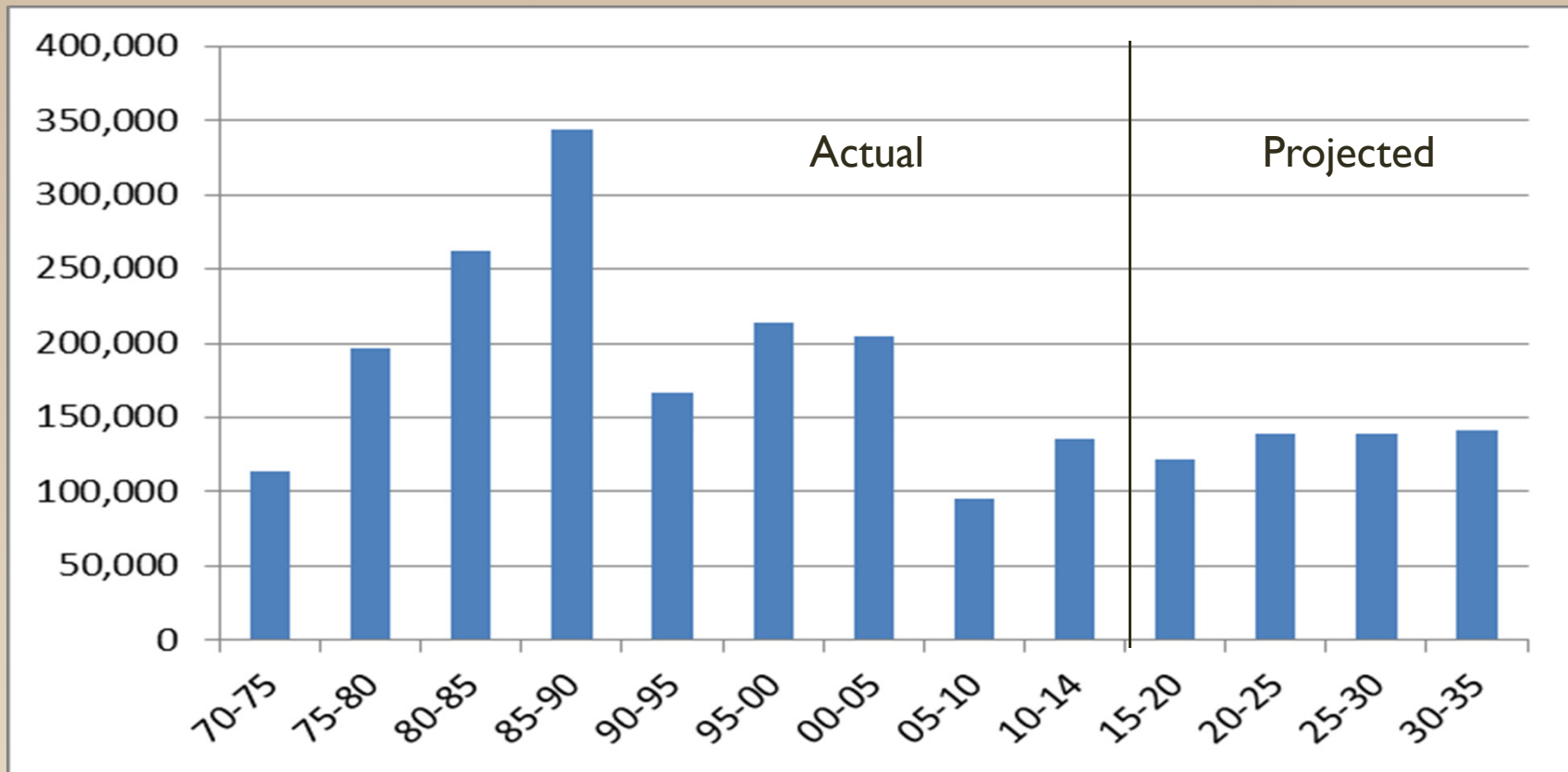
Source: US Census Bureau, Decennial Census (1850-2010), Population Estimates (2014), Population Projections (2014); CA DOF, Population Projections, 2014; SCAG, Preliminary Growth Projections, 2014.

Questions

- What is the regional population trend? What is the new regional population projection? What is the role of migration in the new regional population projection?

Annual Population Change, SCAG Region, Historical (1970-2014) and Projected (2015-2035): Proj16

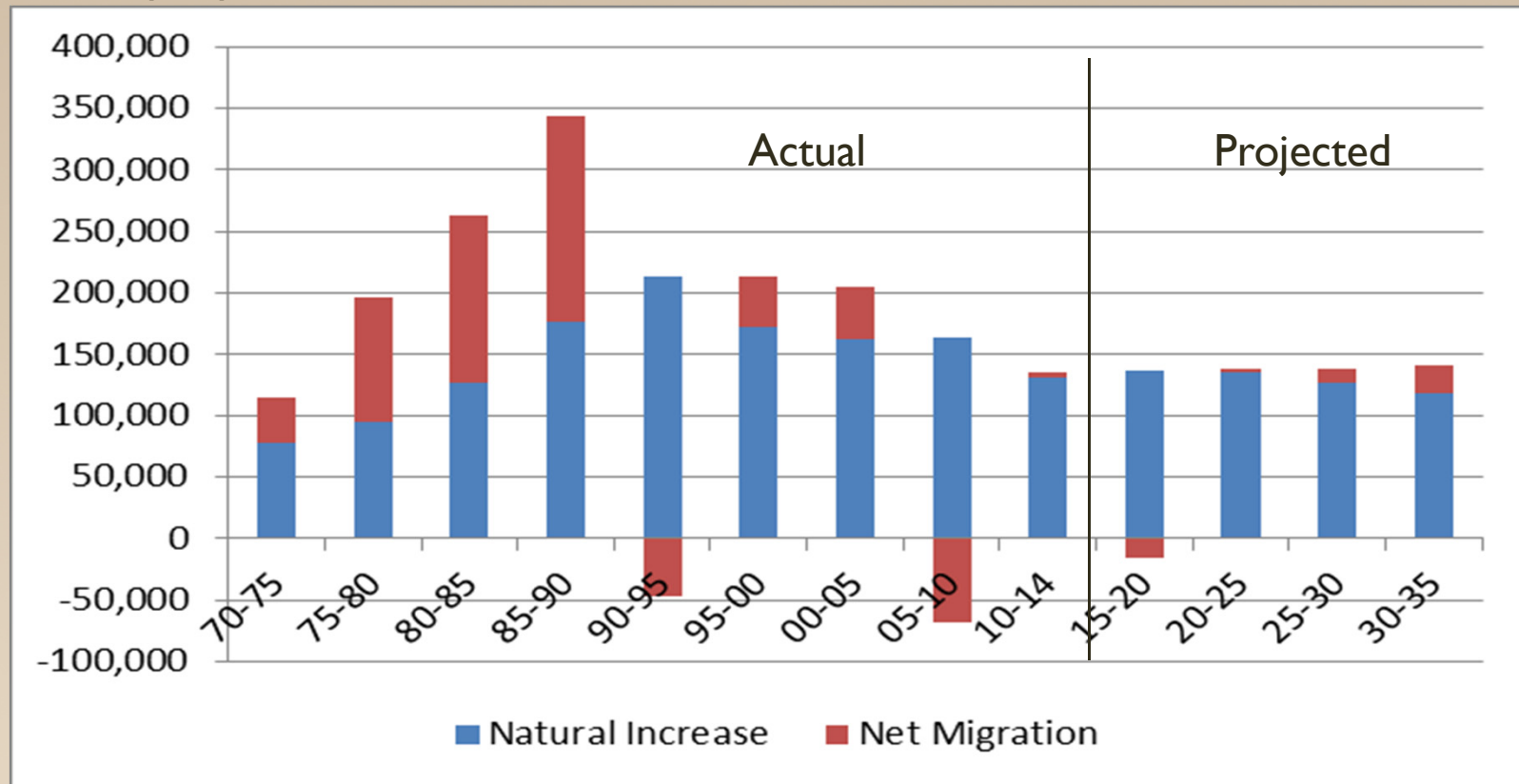
Since adding 3 million people to the SCAG region in 1980s, the Region gradually experienced the relatively slow growth. Low population change is closely linked with economic recession. The new projection maintains the slower growth pattern.



Source: CA DOF, SCAG

Components of Annual Population Change, SCAG Region, Historical (1970-2014) and Projected (2015-2035): Proj16

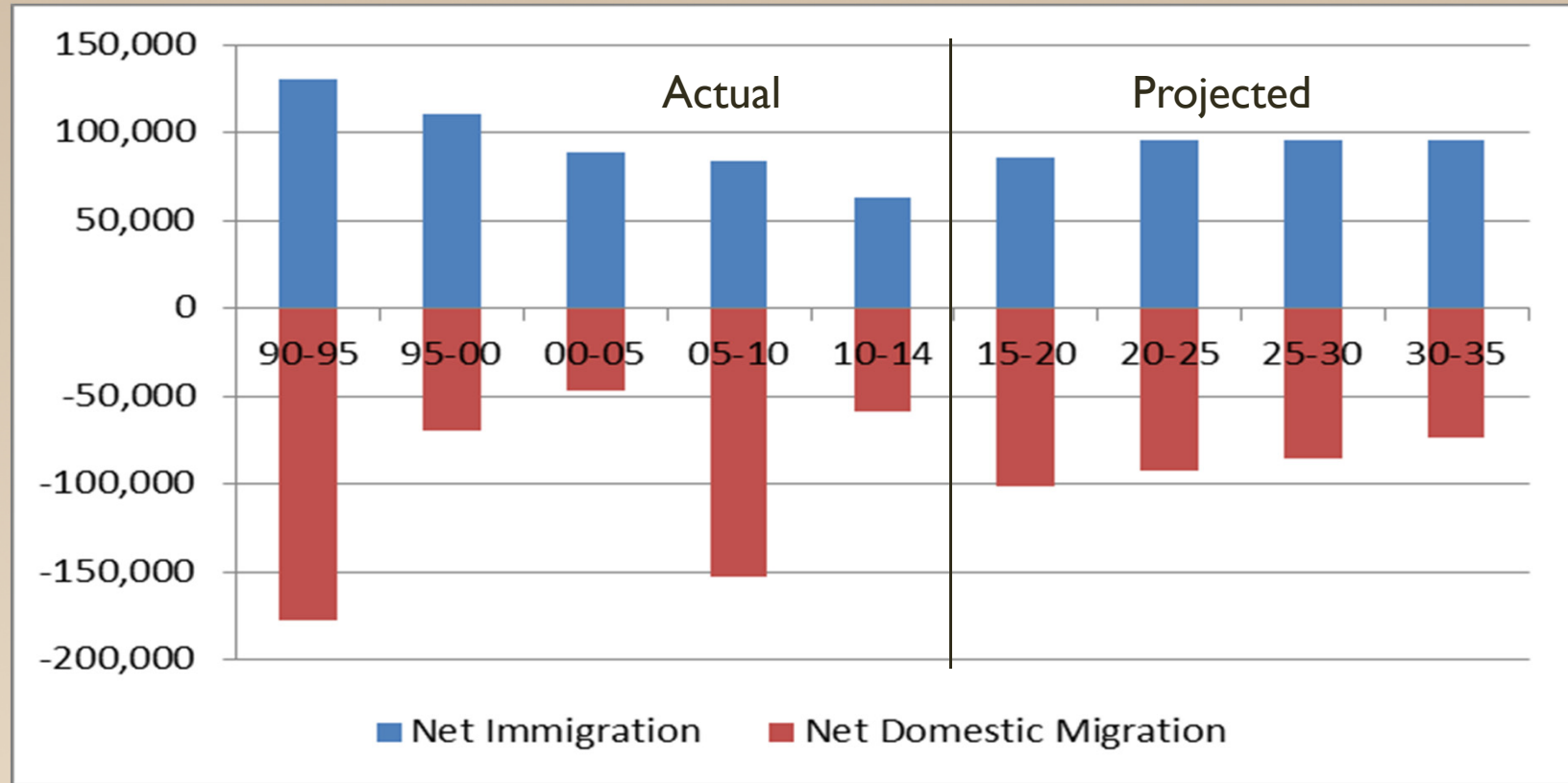
Net migration made a significant contribution to population growth from 1975-1990., while it played a little role in population growth since 1990. This pattern continues in the new population projection. Net migration accounts for 4% of the additional 2.7 million people from 2015-2035.



Source: CA DOF, SCAG

Annual Average of Net Immigration and Net Domestic Migration, SCAG Region, Historical (1990-2014) and Projected (2015-2035): Proj16

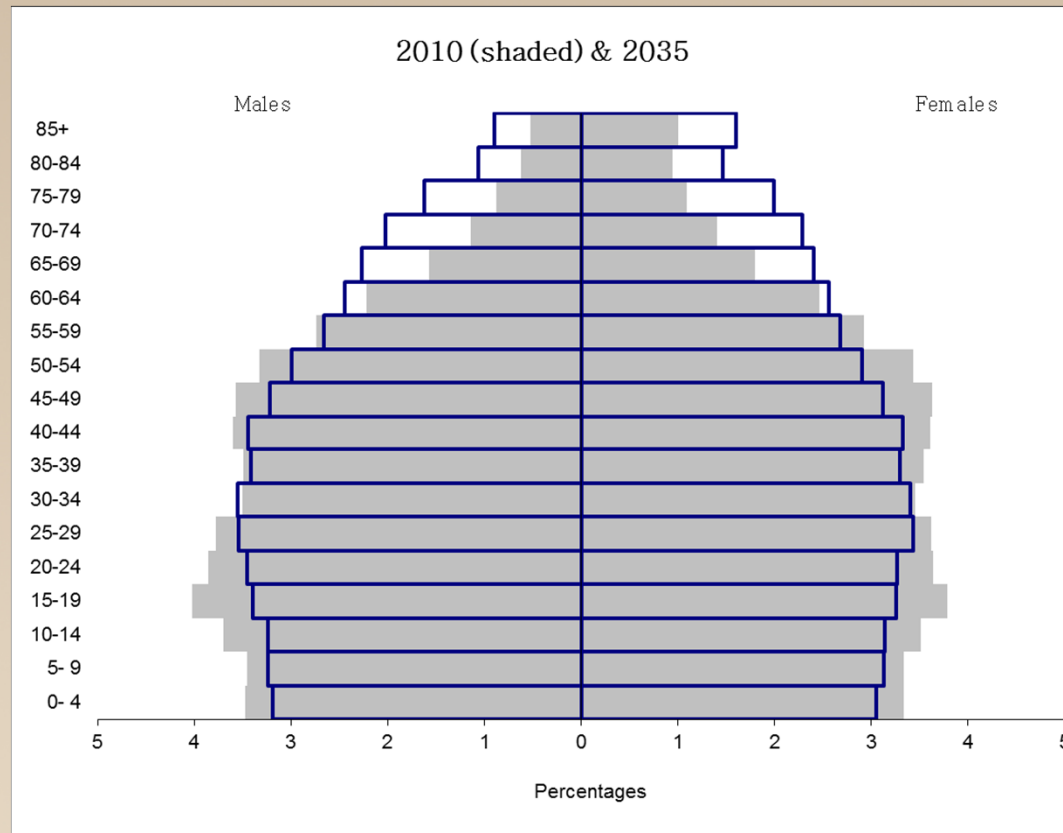
Net immigration has leveled off since 1990. The immigration hit the lowest level during 2010-2014. Although immigration is expected to be back to the higher, but moderate level, more SCAG residents move out of the region than people moving from other regions in US from 2015-2035.



Source: CA DOF, SCAG

Population Pyramids, SCAG Region, 2010 & 2035: Proj16

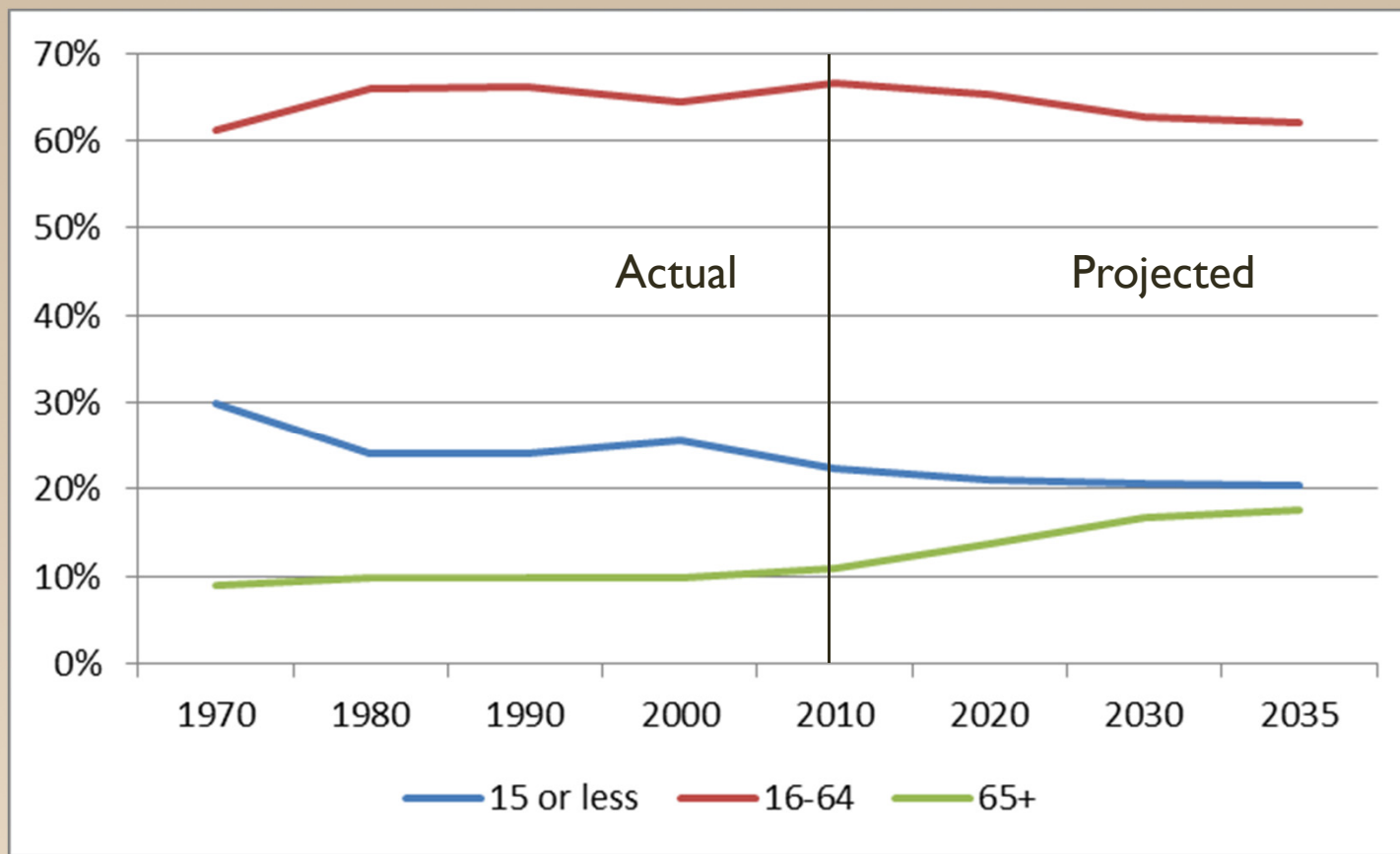
The shape of the population pyramid gradually evolves over time based on fertility, mortality, and migration trends. The new projection reflects lower fertility and mortality rates in 2035. The proportion of older people (age 65+) significantly increases, while the proportion of younger people declines.



Source: US Census, SCAG

Population by Age, SCAG Region, 1970-2035: Proj16

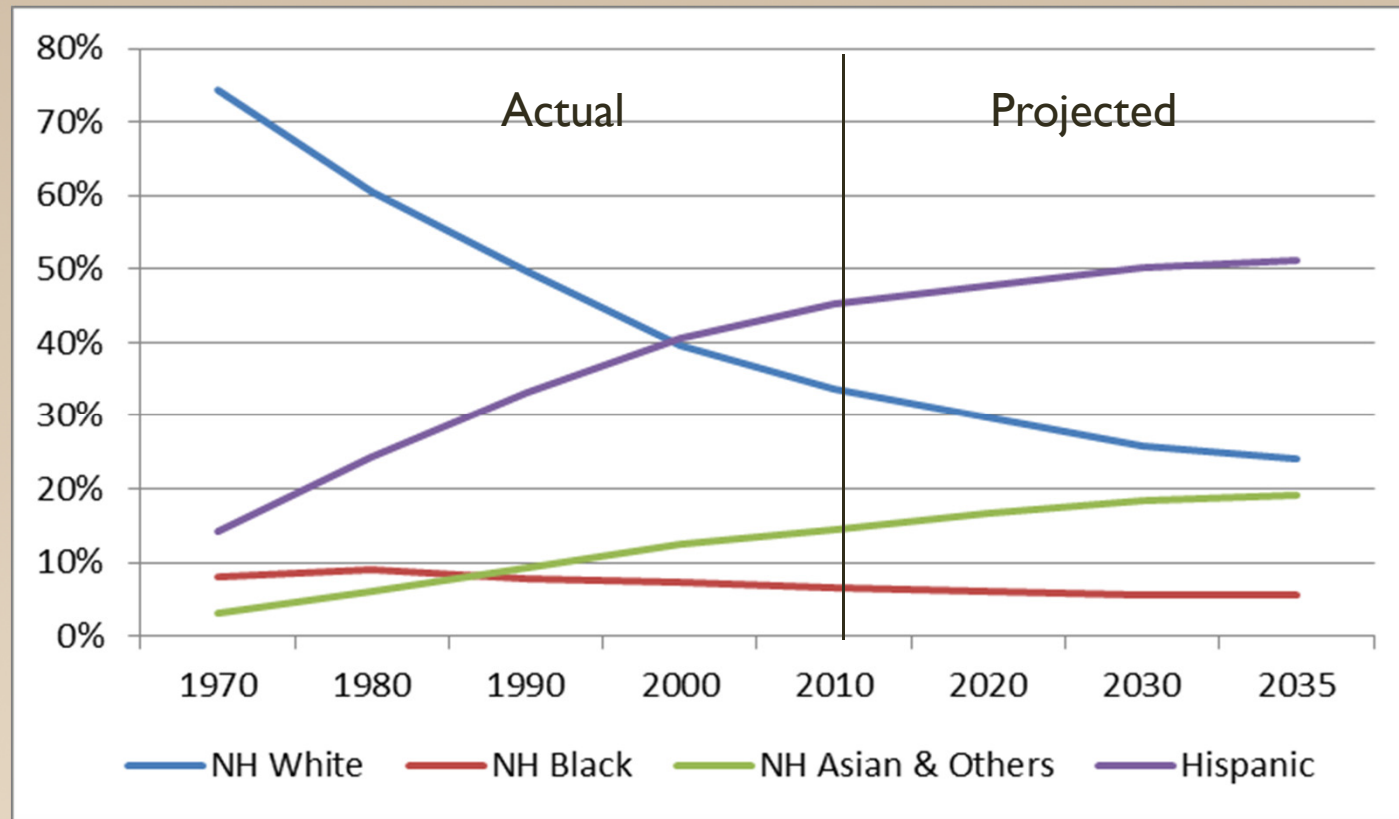
With an increasing proportion of older people (age 65+), the old-age dependency ratio (age 65+/ age 16-64), measuring the number of older people as a share of those of working age, increases from 16.5% in 2010 to 28.4% in 2035.



Source: US Census, SCAG

Population by Race/Ethnicity, SCAG Region, 1970-2035: Proj16

The SCAG region is one of the most ethnically diverse regions in the nation. Hispanic population will become the majority in the region in 2035. Asian population will show the fastest growth among racial/ethnic groups. The proportion of White and Black populations will continue to decline.



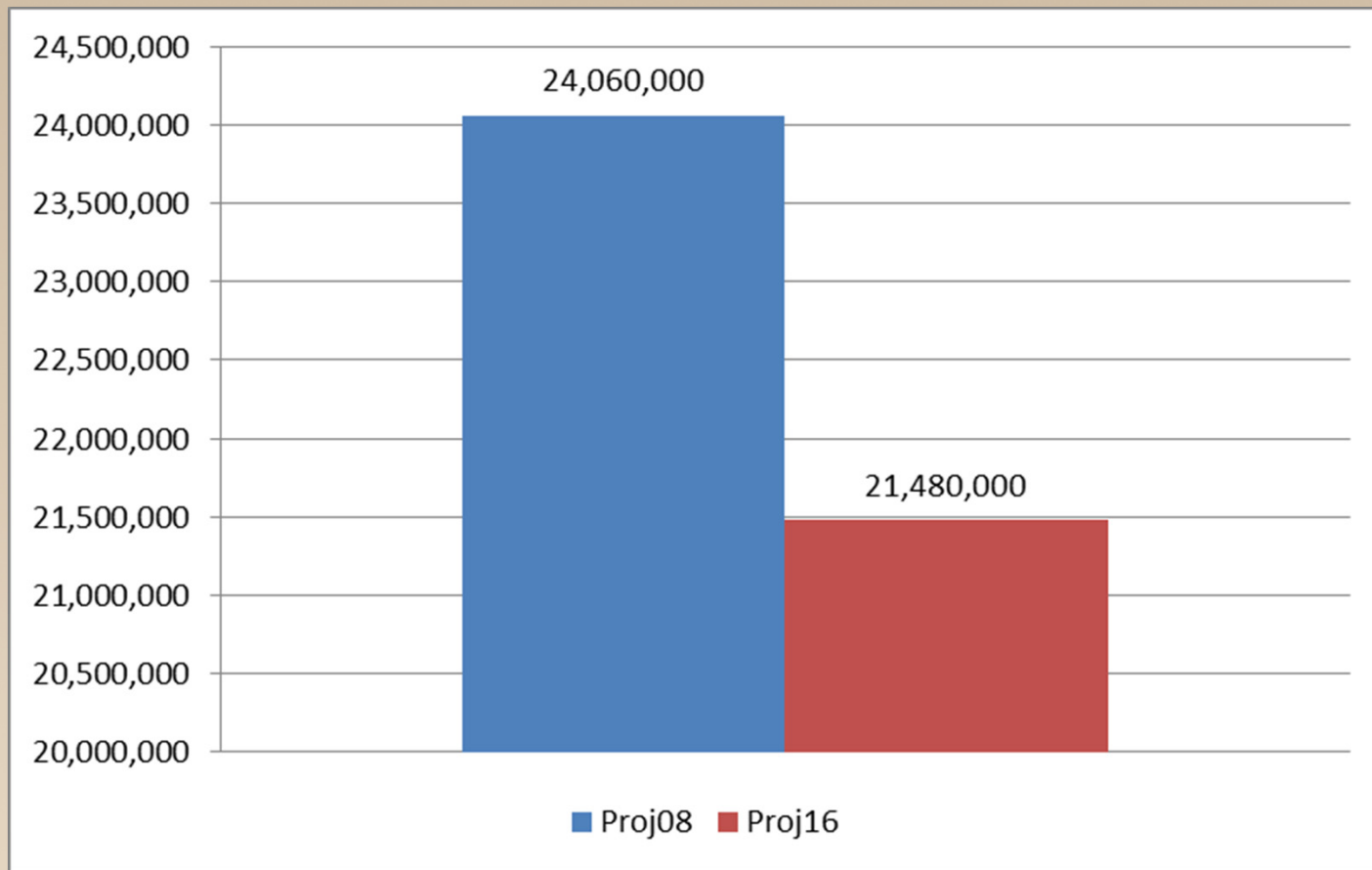
Source: US Census, SCAG

Questions

- What are the big changes in 2016 population projection, when compared with 2008 population projection?
 - What is the newly projected population for 2035?
 - How much does migration account for the population growth differential (2015-2035)?
 - How about demographic characteristics?

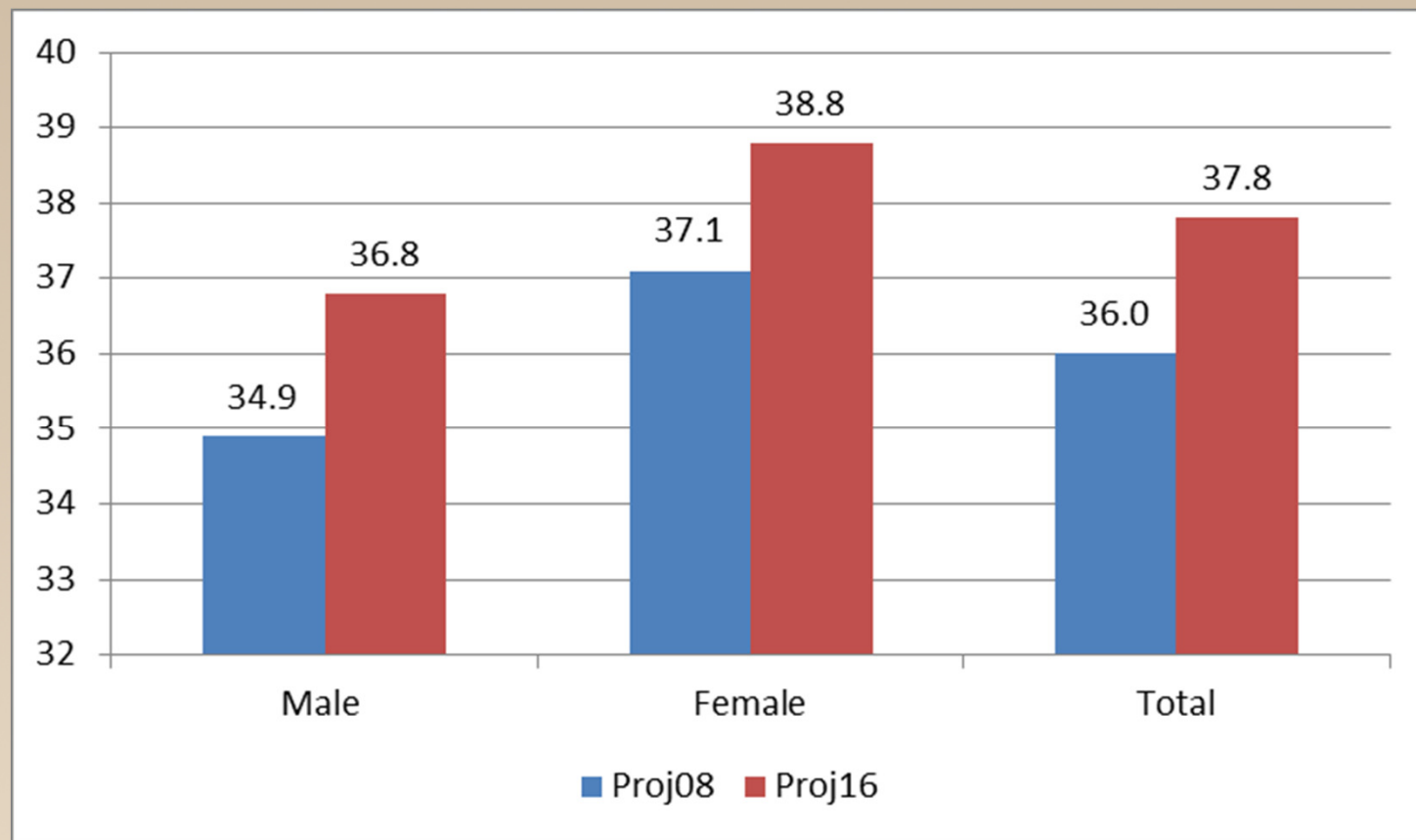
2035 Population, SCAG Region: Proj08 vs. Proj16

The new population projection for year 2035 is 21.5 million, which is 2.6 million (11%) lower than that of Proj08.



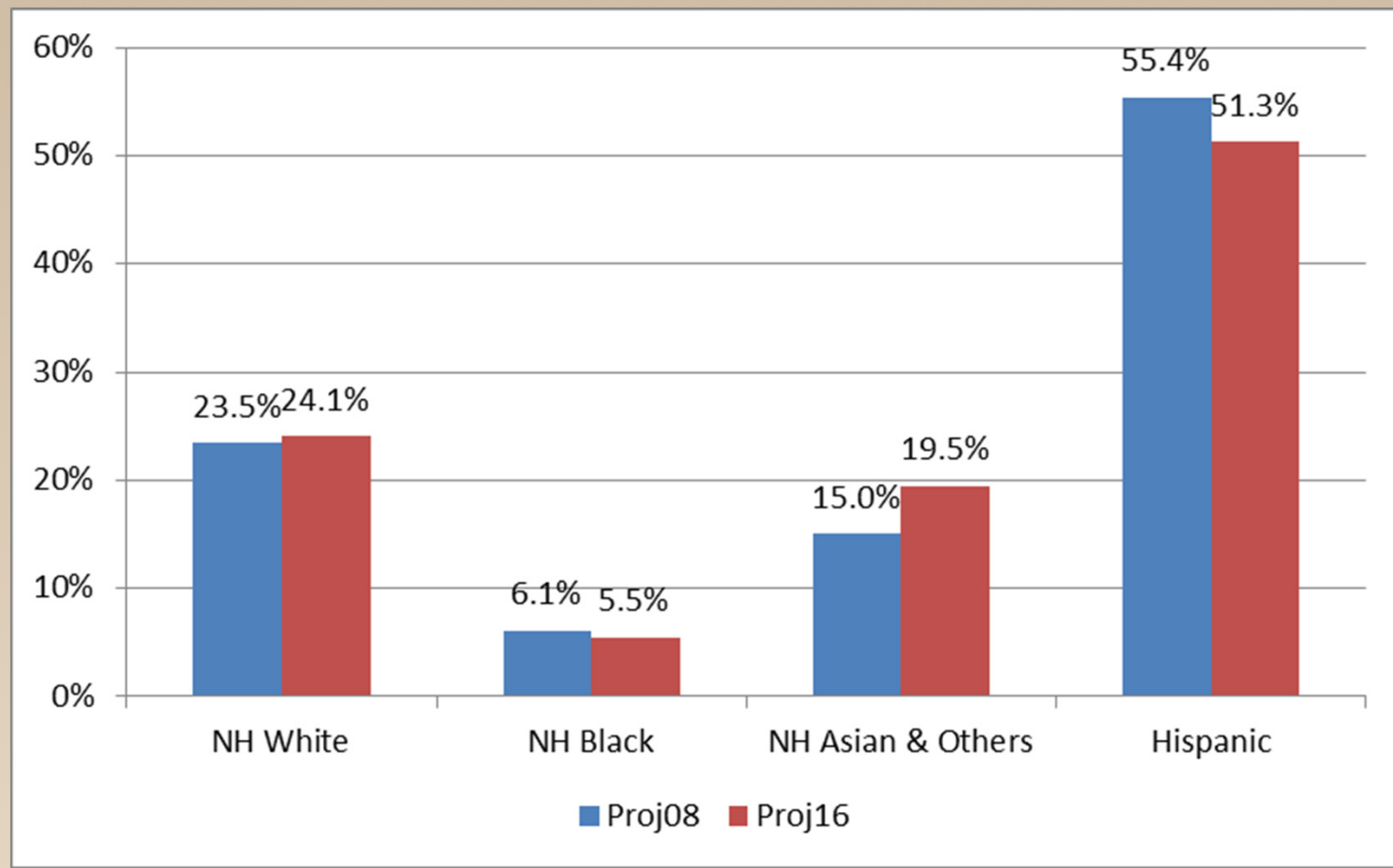
Source: SCAG

2035 Median Age, SCAG Region: Proj08 vs. Proj16



Source: SCAG

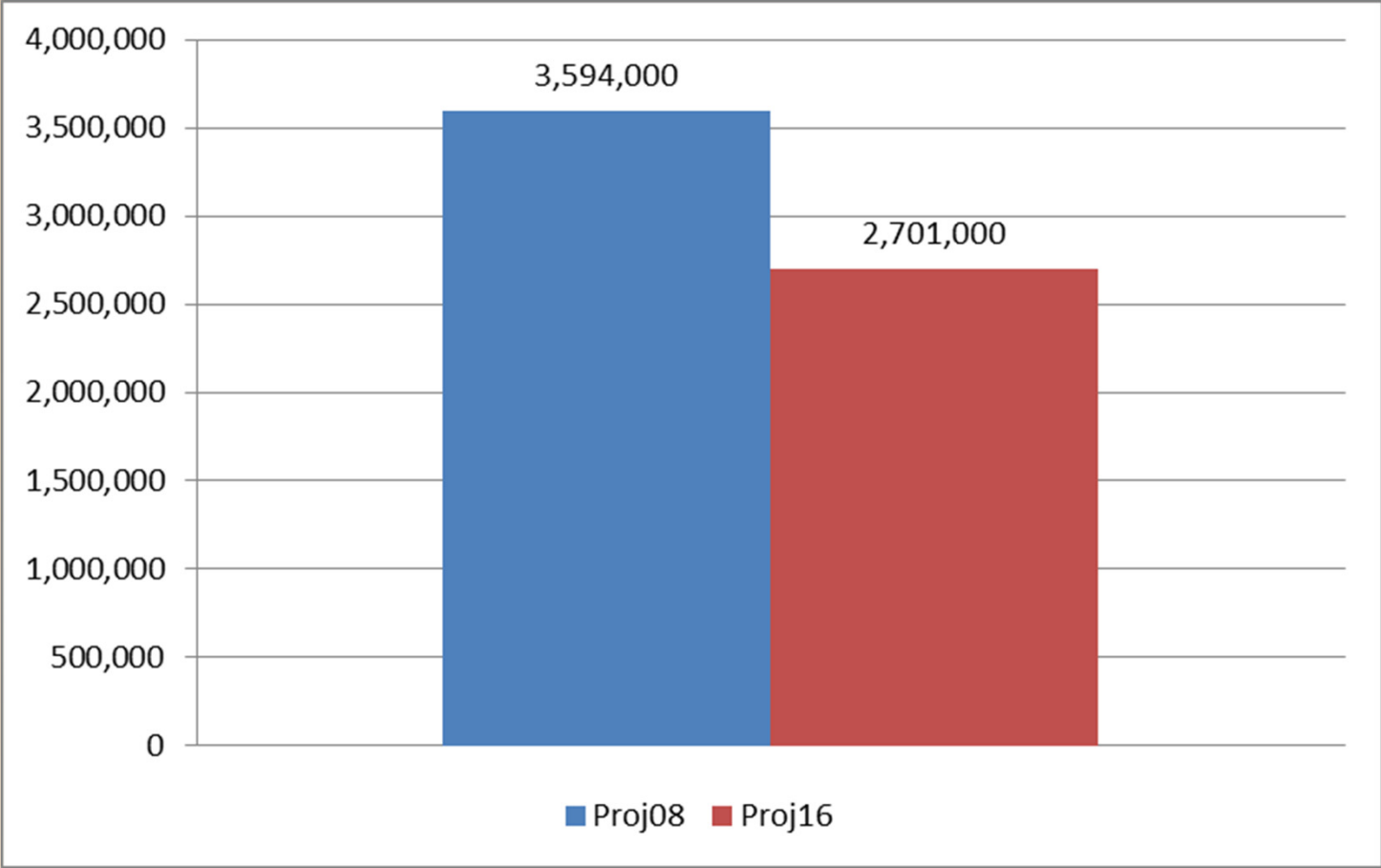
2035 Population by Race/Ethnicity, SCAG Region: Proj08 vs. Proj16



Source: SCAG

Population Growth 2015-2035, SCAG Region: Proj08 vs. Proj16

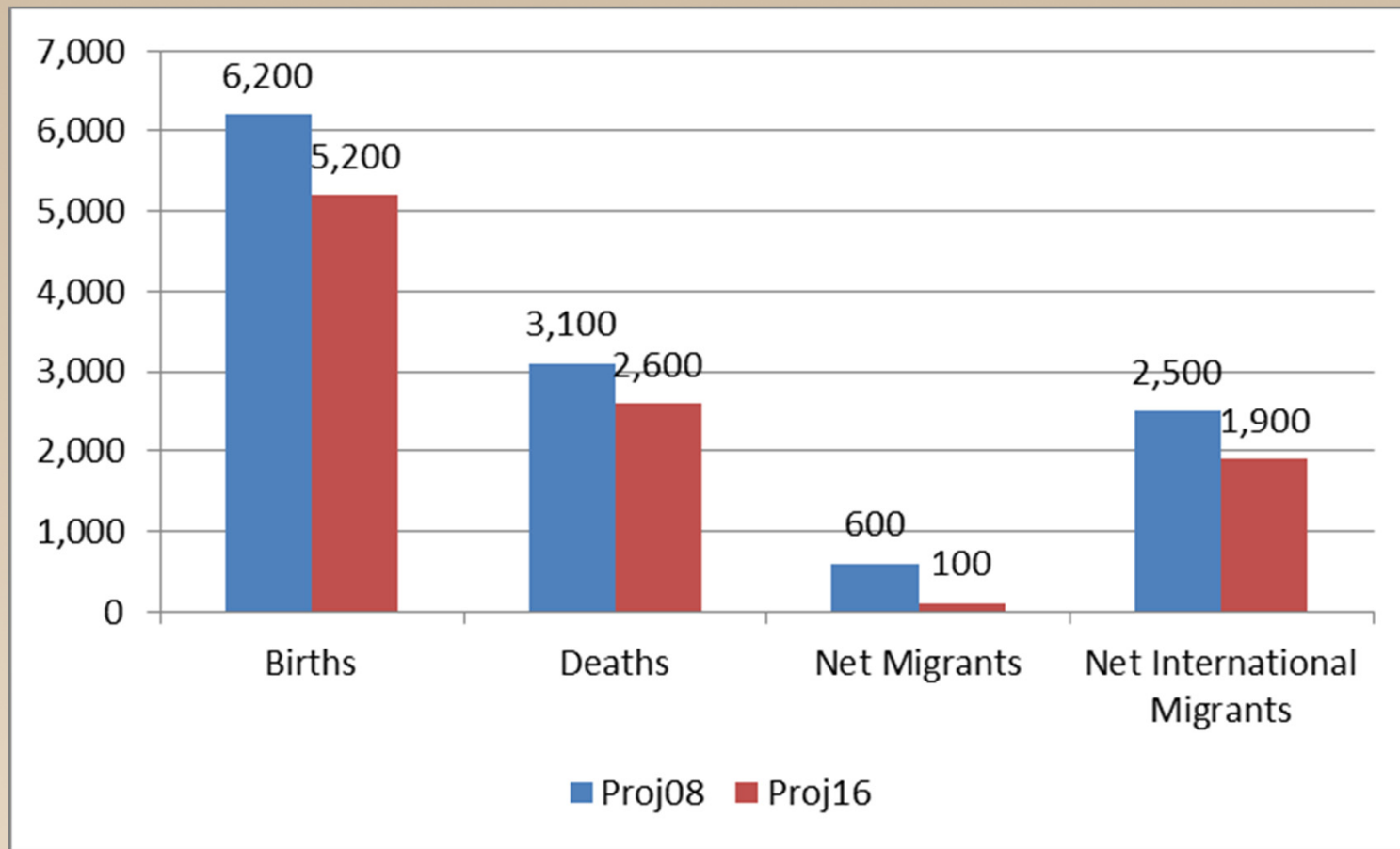
The growth differential for 2015-2035 between Proj08 and Proj16 is 890,000, which means 25% reduction of population growth for 2015-2035 from Proj08



Source: SCAG

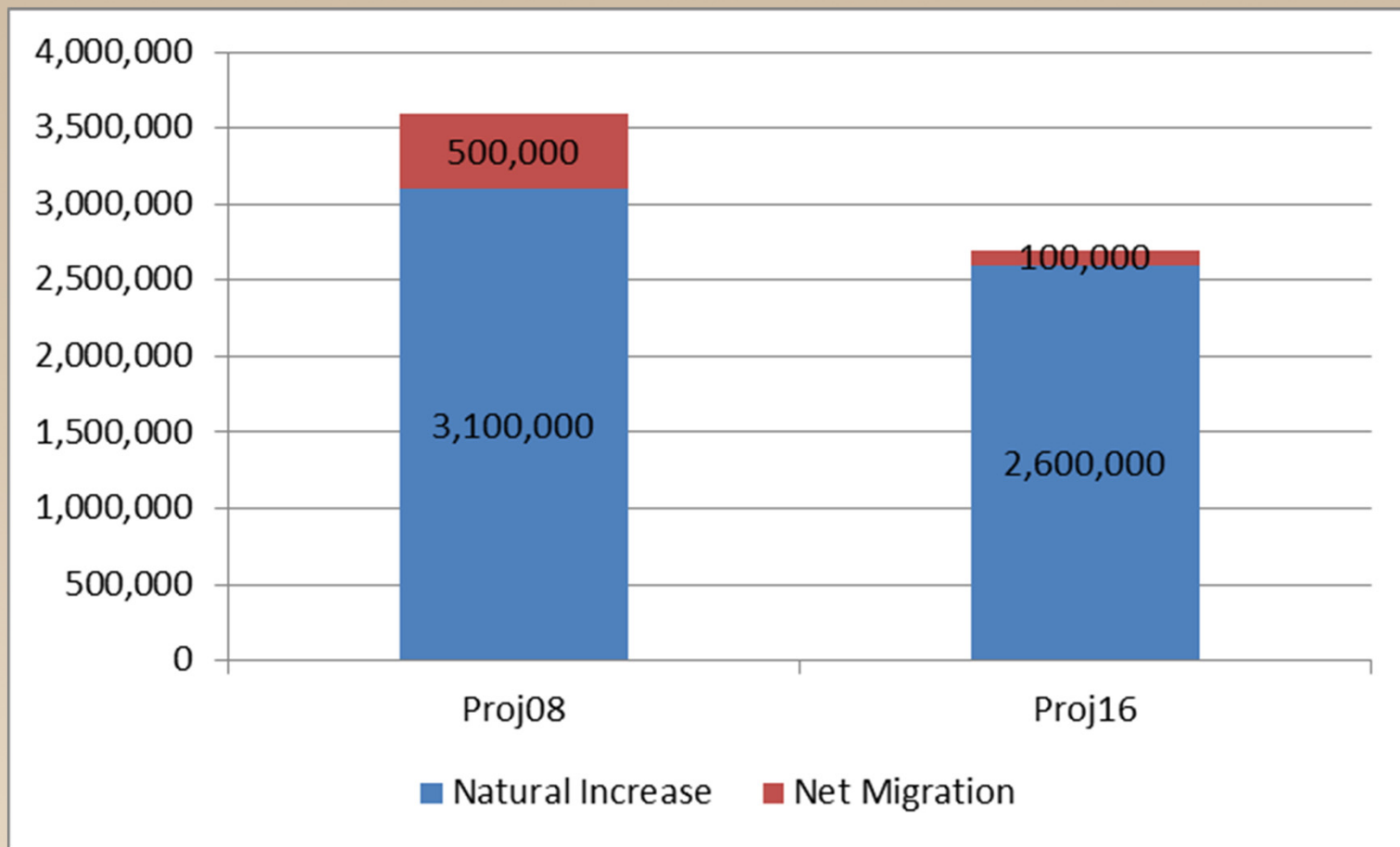
Components of Population Growth 2015-2035, SCAG Region: Proj08 vs. Proj16

The new projection is lower, mainly due to births and immigration. Immigration accounted for 71% of the growth differentials of 890,000 .



Unit: **Thousands.** Source: SCAG

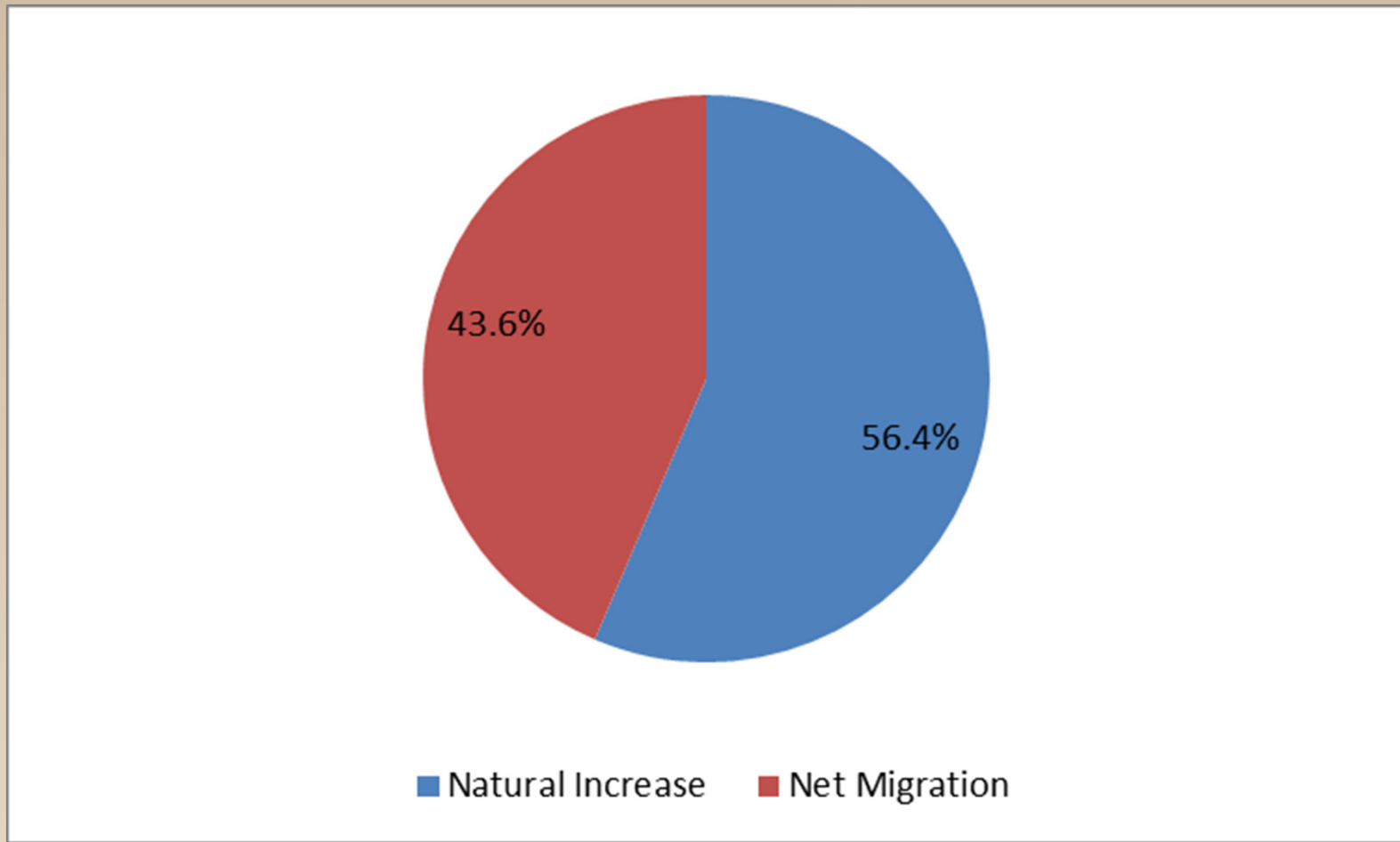
Components of Population Growth 2015-2035, SCAG Region: Proj08 vs. Proj16



Source: SCAG

Contribution of Net Migration to the Reduction of Population Growth (2015-2035) from Proj08

Net migration accounts for 44% of the growth differentials of 890,000 .



Source: SCAG

Why Lower Population Projection?: Metropolitan Region Perspective

- Regional employment is a driving force of regional population growth. Employment is linked to population through migration, in particular, domestic migration.
- The new employment projection for 2035 was reduced from the 2008 employment projection by 739,000 (7.2%).
- The great recession generated a shock for births and migration. After the great recession, net migration showed a reversal, while births continued to decline, from 2010-2014.
- The new population projection will be lower, mainly due to births and immigration, along with lower employment projection.

What are the Big Changes after the Great Recession?

- The SCAG region will grow at a “slower pace”. This seems normal from the long term and national/state perspectives.
- The Region will add nearly 3 million people by 2035. Natural increase and immigration will be the major components of population growth.
- When compared with 2008 population projection, the new 2016 population projection has the following demographic characteristics:
 - The projected population size is smaller
 - The proportion of the older population is higher.
 - The proportion of children is lower.
 - The number of new immigrants is smaller.
 - The racial and ethnic change is slower.

Thank You!

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