California’s population growth is slowing to match the overall U.S. rate. As the population ages, the number of births falls, and international immigration is offset by migration to other states. These changes are particularly striking when looking at patterns since 1980, and show a population that has longer life expectancy, waits to have children, and has a different racial and ethnic composition. Where and how Californians live throughout the state has also evolved across the years.

Demographic Outlook

California’s population will continue to grow at less than 1 percent per year from 2018 to 2022 (see Figure DEM-01). While on par with the average growth rate of 0.8 percent since 2005, this marks a slower rate of growth than for most of the years since 1980. California’s growth during 2016-17 was only slightly higher than the national growth rate of 0.7 percent.

Since 1980, California’s population has grown from 23 million to nearly 40 million in 2016. At current rates of growth, the next doubling in population size will take approximately 85 years. Personal income per capita in 2016 dollars also grew from around $30,000 to more than $56,000. As the state has become wealthier, people live longer and wait to have children. Lower net migration is also to be expected as the state has become more crowded.
Timing of Life Events

Since 1980, Californians have begun to stay in school longer, which delays their entry to the labor force, along with delaying marriage and when they choose to have children. However, the state also benefits from increases to longevity. In 1980, California was a relatively young state, attracting large numbers of young in-migrants, with a median age of 29. With slowing population growth, the median age had increased to 36 in 2016.

The percentage of the population age 25 and older with a bachelor’s degree or higher has climbed from 19.6 to 32.9 percent from 1980 to 2016. Men and women are both spending more time in school: expected years of schooling between ages 17-30 have risen from 3.8 years in 1980 to 6.0 years in 2016 for women and from 3.9 years to 5.4 years for men. Labor force participation rates for Californians aged 16-24 has fallen from 62 percent in 1980 to 50 percent in 2016. At the other end of the spectrum, labor force participation rates for workers aged 65-74 has more than doubled from the 13 percent participation rate in 1980. Health and longevity improvements, as well as economic conditions, have contributed to longer working lives. The life expectancy of women has increased by 5.7 years from 78.0 in 1980 to 83.7 in 2015, while the gains for men were even greater: male life expectancy increased by 8 years from 71 to 79. Figure DEM-02 illustrates a population pyramid that shows the male population on the left and female population on the right, according to age with the youngest at the bottom and oldest at the top.
Female labor force participation has continued to grow; 25-year old women in 2016 can expect to spend approximately 30.6 more years in the labor force—5.6 more years than their predecessors in 1980. Men can expect to work 37.4 additional years in the labor force beyond age 25, down 0.6 years since 1980. Women still spend an average of 6.8 fewer years working than men over their lifetime, but the gap has decreased from 13 years in 1980.

By 1980, an increasing number of women born during the baby boom of 1946-64 had joined the labor force. This was a major social and economic shift, signaling changing norms about education, work, and family structure. The greater labor force participation rates of women over time can be seen in the pyramid figure below in the increasing symmetry between the male and female populations (in particular, the growth in the share of women 25-34 who are employed or looking for work).

The total fertility rate—the number of children an average woman can expect to have in her lifetime—of 1.8 in 2015 is similar to the rate of 1.9 in 1980. However, in 1980, the state was in the midst of an echo boom with baby boomers having children, and would continue trending upward until 1990 when it reached 2.5 children per woman. Since then, fertility has been on a declining trend.

The average age at marriage has increased rapidly during 1980-2016, from 24 years old to 29 years old for women and from 26 to 31 for men. The average age at first birth for women has increased from 25.4 in 1980 to 29.6 years old in 2016.
Figure DEM-03 shows a population pyramid graph by marital status—a greater share of young women were unmarried at any given age in 2016 than was the case in 1980, especially notable for women under 35.

Migration

Despite low fertility, the working age population is expected to remain at a stable size so long as migration flows continue to bring young people to California. Over half of children born in California today have at least one foreign-born parent, and the state’s population growth rate would be much lower without net in-migration. Immigration has buffered California’s population from some of the consequences of population aging, as new arrivals to California in prime working ages make up for a dearth of children born in the state. The state attracts both relatively high and low-skilled workers and relatively fewer in the middle (Figure DEM-04).

Although historically the majority of immigration to California came from Mexico and Latin America, this pattern has changed over the last decade, and since 2011, the majority of new arrivals come from Asian countries rather than Latin America. Throughout California’s history, immigrants have provided a significant portion of the state’s labor force and fueled economic growth. In 1980, most immigrants arrived as young adults and with minimal education. In 2016, over 50 percent of immigrants have Bachelor’s degrees or higher, although 18 percent have not completed high school.
Figure DEM-05 exhibits the change in the racial composition of the population since 1980. The growth of the retirement-age cohorts was concentrated in the non-Hispanic White population, with 21 percent of the White population being at least 65 years of age or older, and only 7 percent of the Hispanic population 65 or older. By 2020, Hispanics will make up 48 percent of the college-age population.

**Housing and Poverty**

Between 2005 and 2015, California has averaged fewer than 80,000 net new housing units per year, compared to an average of 147,000 per year for 1980 through 2005. When controlling for a different population size, this is equivalent to adding 328 units for each 1,000 new residents in 2005-2015, in contrast with 1970-1980 when California added 620 units per 1,000 new residents. Approximately one in five households in California in 2016 paid more than 50 percent of their household income toward housing costs. In 2016, 54 percent of California households owned their home, compared to 56 percent in 1980. Over half of all California renters pay 30 percent or more of household income towards housing, with more than 25 percent paying 50 percent or more.

These trends have resulted in growth in the number of persons in each household. As Figure DEM-06 shows, much of the growth occurred in areas in relatively close proximity to growing employment centers. Vehicle miles traveled in the state has also more than doubled, from almost 88 billion in 1980 to more than 195 billion in 2016.
The official poverty rate from the 1980 decennial census was 11.4 percent, which has risen to 14.3 percent in the 2016 American Community Survey. Compared to other states, California remains in the middle of the pack, moving up from 26\textsuperscript{th} highest poverty rate in 1980 to the 20\textsuperscript{th} highest in 2016.

The poverty rate increase since 1980 differs by age group. The poverty rate for children under 16 rose from 16.0 percent in 1980 to 20.1 percent in 2016, although the largest increase in poverty, from 15.4 percent to 19.8 percent, is in the college-age (16-24 years old) population. The smallest change in the poverty rate between 1980 and 2016 can be found in the elderly age group, which rose from 8.3 percent to 10.3 percent, respectively.

Within California, the poverty rate also varies by geography. Northern California and Central Valley counties have experienced the greatest increase in the proportion of the population below the poverty level. Fresno County’s poverty rate increased from 14.5 percent in 1980 to 25.6 percent in 2016. Other counties, such as Tulare, Lake and Kern, had similar rate increases. On the other hand, counties in the Bay Area have had little to no increase in poverty rates. In fact, the poverty rate in San Francisco decreased from 13.7 percent in 1980 to 10.1 percent in 2016, and San Mateo County had the lowest poverty rate in California at 6.5 percent in 2016.
Figure DEM-06
Change in Persons per Household: California, 1980 and 2017

Percent change 1980 - 2017
- More than 10 percent
- 0 percent to 10 percent
- Decline

Map showing the change in persons per household in California between 1980 and 2017, with counties shaded to indicate the percentage change.