
Press Release

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Unprecedented Decrease in Birth Rates and Coming Surge in Seniors to Bring New Challenges for Southern California Region

Experts gather to discuss implications for planning, social services and economic recovery

LOS ANGELES, CA — Leading experts and public officials met today to discuss implications of two emerging trends in Southern California’s communities: While older populations are retiring in increasing numbers, fewer children are being born.

Organized by the Southern California Association of Governments (SCAG) and the USC Sol Price School of Public Policy, the 24th Annual Demographics Workshop, “Generation Revolution in Southern California: Planning Implications of Fewer Children and Many More Elderly” provided local planners with new data and analysis for the region’s population in the coming decades.

“There will be substantial changes in the state’s demographics. In comparison to the past 20 years, there will be no growth in the family-age groups and more baby boomers will be retiring and leaving the workforce,” said Stephen Levy, Director of the Center for the Continuing Study of the California Economy.

“After four decades of remaining almost flat at the same constant level, the ratio of seniors to working age adults, those 25-64, is quite suddenly beginning to escalate. In the next 20 years, the ratio will increase by 70%,” added USC Professor Dowell Myers.

Myers, director of the Population Dynamics Research Group at USC’s Sol Price School of Public Policy, and senior research associate John Pitkin recently completed a new report on shifting age structures – the ratio of different age groups. It predicts that the number of seniors per 100 working-age adults will grow from its current level of 21 to 28 in 2020, and then to 36 per 100 working-age adults in 2030. As a result, state and local governments will be pressured by an increase in public entitlements, lower income tax revenues and increased home selling.

The report also revealed that California’s overall population growth has slowed dramatically, largely due to a drop in new immigrants. Myers said that the slowdown would help cash-strapped local governments plan for the future and catch-up in education investments.

Many panelists in the day-long workshop said that the region’s immigrant populations will end up paying for and providing the social services for the growing elderly population. Much of the growth in

the working age population will be California-born children of first generation immigrants. Guest panelist Michele Siqueiros stressed that a reinvestment in education will ensure that young people stay and contribute.

“More students are choosing to go to college out of state because the values of California’s public higher education — quality, affordability and access — are being threatened,” said Siqueiros, Executive Director of the Campaign for College Opportunity—Los Angeles. “The concern is whether they will come back to California to use their education to work and pay the taxes that will help the economy. I wonder if by the time policy makers make the decision to invest in higher education, whether it will be too late.”

This shift in demographics will also have implications on transportation and community design in the SCAG region. “There will be a need for more transportation choices, better access to transportation and increased demand for multi-family communities with easy access to services,” said Hasan Ikhata, Executive Director of SCAG. “The region has already taken great steps in planning a more efficient transportation network.”

SCAG’s 2012-2035 Regional Transportation Plan and Sustainable Communities Strategy was adopted by SCAG’s Regional Council on April 5, 2012. The long-range plan invests \$525 billion in infrastructure projects over the 23-year period, adding 500,000 jobs per year.

Levy, who presented on a panel on Growth and Change — How Should the Region Respond, stated, “There is a huge hope – a hope that the changing demographics will support the housing plans in the Sustainable Communities Strategy and more infill development. There will be two age groups that will be dominant in the region — the younger workers and the aging population — and they will want to live in high amenity, walkable, happening areas.”

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About SCAG

SCAG is the nation’s largest metropolitan planning organization, representing six counties, 191 cities and more than 18 million residents. SCAG undertakes a variety of planning and policy initiatives to plan for a livable and sustainable Southern California now and in the future. For more information about SCAG’s regional efforts, please visit www.scaq.ca.gov.