

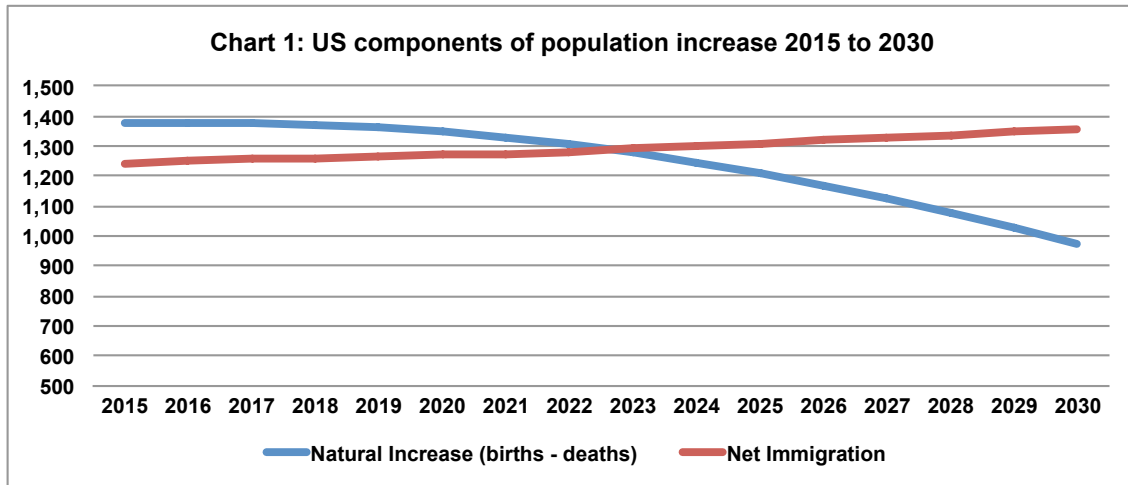
NCSL Legislative Leaders Symposium

Demographic Trends: Change & Consequences

Peter Francese Global Demographic Forecaster

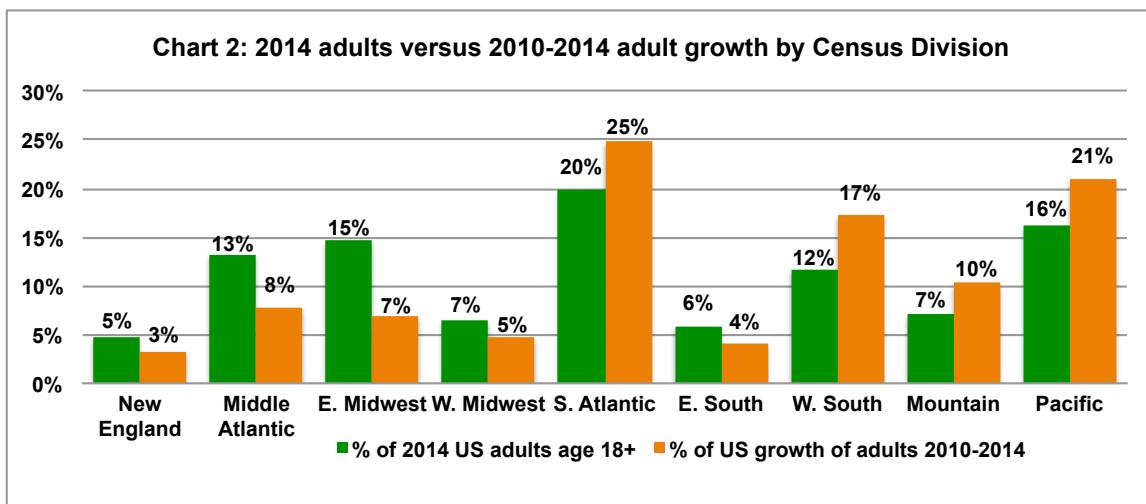
Demographic trends unfold slowly, but they often have huge economic impacts:

- U.S (321m) & Canada (35m): annual growth slowing, now 0.75% vs. 1.1%
- Both nations are aging, but some parts are aging more rapidly than others
- Both nations are becoming more diverse & more urban, but diversity differs



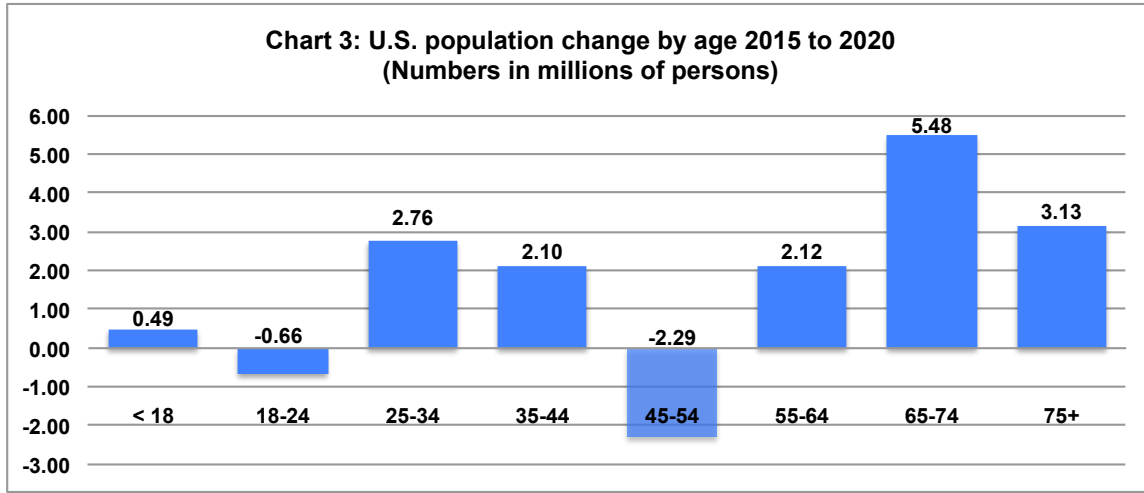
Source: Census Bureau 2014 population projections

- Legal immigration is now 42% of US population growth & 67% of Canada's
- Slower growth is due in part to declining birth rates and an aging population
- Median age of women in 2015: U.S. 50 states = 39.1 years Canada = 43.1 years



Source: Census Bureau (Please see page four for definition of Census Divisions)

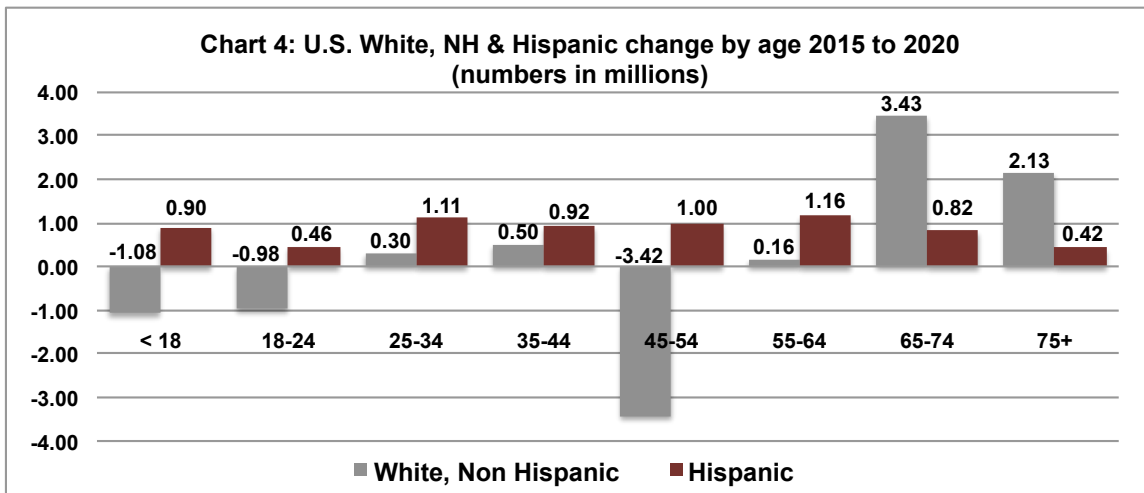
- Aging nations: 66% of next 5 year US growth & 84% of Canada’s will be 65+
- Only 30% of next 5 year US growth & just 1% of Canada’s may be ages 18-64
- Regions that grow more slowly age more rapidly and have more fiscal problems



Canada: 0.19 -0.26 0.14 0.21 -0.45 0.39 0.65 0.43

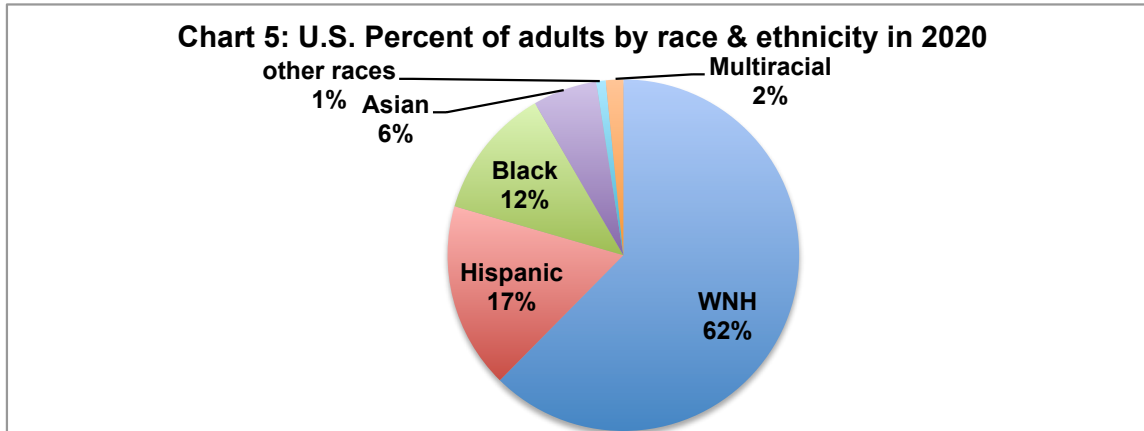
Source: Census Bureau & Statistics Canada population projections

- A rapidly aging population has economic consequences that are seldom foreseen
- One effect of aging is receding residential mobility rates, now near historic lows
- States with fewer children will face rising pressure to cut K-12 school spending



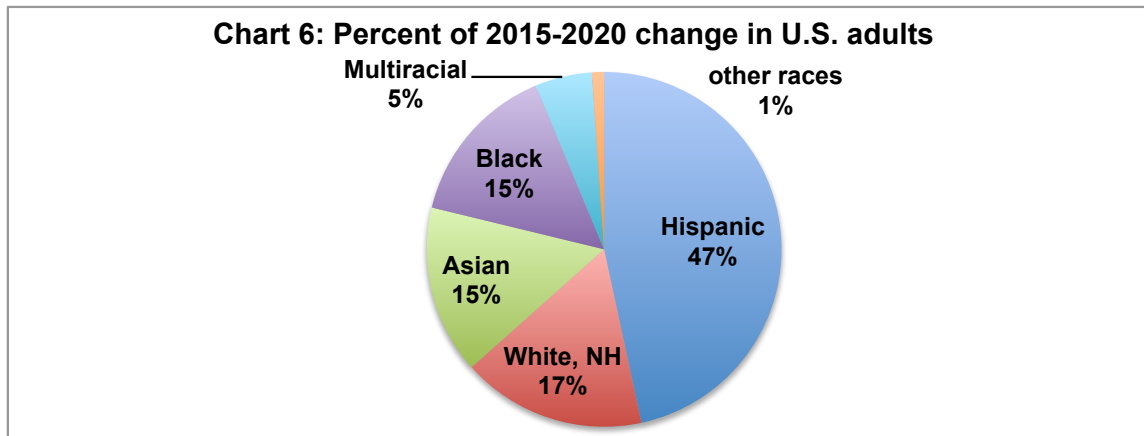
Source: US Census Bureau

Rising diversity: In addition to slower growth and an aging population, the US and nearly all states are becoming more diverse. 100% of workforce growth in ages 18 to 64 over the next decade is projected to be Hispanic, Black or Asian or Multi-racial.



Source: US Census Bureau

- Diversity varies greatly from state to state and from urban to suburban to rural
- Interstate migration is down, but 1.6m people moved out of NE & MW ('10-'14)
- FL now has more residents than NY, & has been attracting more young families
- 74% of US Hispanics live in just eight states: CA, TX, FL, NY, IL, AZ, NJ & CO



Source: US Census Bureau

Demography is destiny. Its present shape and future prospects must be considered by all public and large private organizations when making decisions that have any long term components. Ignoring demographic certainties assures negative outcomes.

Bottom line: Actions of state legislators often have big demographic consequences:

- **Housing policy:** increasing age 55+ restricted housing hastens population aging
- **Education:** less college funding can have unintended economic consequences
- **Tax policy:** property & other taxation decisions may foster youth out-migration

Table 1: Selected 2014 adults age 18+ demographic data for States, Divisions & Regions

State	2014 18+	%C 10-14	Diversity*	% 65+	State	2014 18+	%C 10-14	Diversity*	% 65+
Northeast Region: <i>New England:</i>					<i>Middle Atlantic:</i>				
CT	2.82m	2.0%	28%	20%	NY	15.52m	2.9%	41%	19%
RI	0.84m	1.5%	22%	20%	NJ	6.93m	2.7%	41%	19%
MA	5.35m	4.0%	23%	19%	PA	10.09m	1.6%	20%	21%
ME	1.07m	1.6%	5%	23%	Blue=net 100,000+ net in-migrants '10-'14				
NH	1.06m	2.8%	7%	20%	Red= net 100,000+ net out-migrants '10-'14				
VT	0.50m	1.6%	6%	21%	Underline = 100,000+ immigrants '10-'14				
Midwest Region: <i>Western Midwest:</i>					<i>Eastern Midwest:</i>				
IA	2.38m	2.5%	11%	21%	IL	9.98m	1.8%	35%	18%
KS	2.18m	2.4%	20%	19%	MI	7.69m	1.9%	22%	20%
MN	4.18m	3.7%	15%	19%	OH	8.96m	1.6%	18%	20%
MO	4.67m	2.2%	18%	20%	IN	5.01m	2.7%	17%	19%
NE	1.41m	3.3%	16%	19%	WI	4.46m	2.4%	15%	20%
ND	0.57m	8.9%	11%	18%					
SD	0.64m	4.8%	14%	20%					
South Region: <i>South Atlantic:</i>					<i>Eastern South:</i>				
DE	0.73m	5.3%	33%	21%	AL	3.74m	2.4%	32%	20%
MD	4.63m	4.3%	45%	18%	KT	3.40m	2.2%	13%	19%
DC	0.54m	7.9%	61%	14%	MS	2.26m	2.1%	40%	19%
FL	15.84m	6.7%	41%	24%	TN	5.05m	4.0%	23%	20%
GA	7.60m	5.3%	43%	16%	<i>Western South:</i>				
NC	7.66m	5.2%	33%	19%	AR	2.26m	2.2%	24%	21%
SC	3.75m	5.4%	34%	20%	LA	3.54m	3.2%	38%	18%
VA	6.46m	4.6%	35%	18%	OK	2.93m	3.4%	29%	19%
WV	1.47m	0.2%	7%	22%	TX	19.84m	8.0%	53%	16%
West Region: <i>Mountain:</i>					<i>Pacific:</i>				
AZ	5.11m	6.8%	39%	21%	AK	0.55m	4.6%	34%	13%
CO	4.11m	7.5%	27%	17%	CA	29.65m	5.7%	58%	17%
ID	1.2m	5.4%	15%	19%	HI	1.11m	4.8%	75%	21%
MT	0.80m	4.1%	11%	21%	OR	3.11m	4.7%	20%	20%
NV	2.18m	6.7%	44%	18%	WA	5.46m	5.8%	26%	18%
NM	1.58m	2.4%	57%	20%					
UT	2.04m	7.2%	19%	14%					
WY	0.45m	3.9%	14%	18%	US	245.27m	4.3%	35%	19%
Source: US Census Bureau & Statistics Canada					Can	28.5m	5.1%	--	22%

Notes: %C is percent change number of adults age 18 or older. %65+ is percent of adults that age.
 * Diversity is percent of adults that are other than White, non-Hispanic.