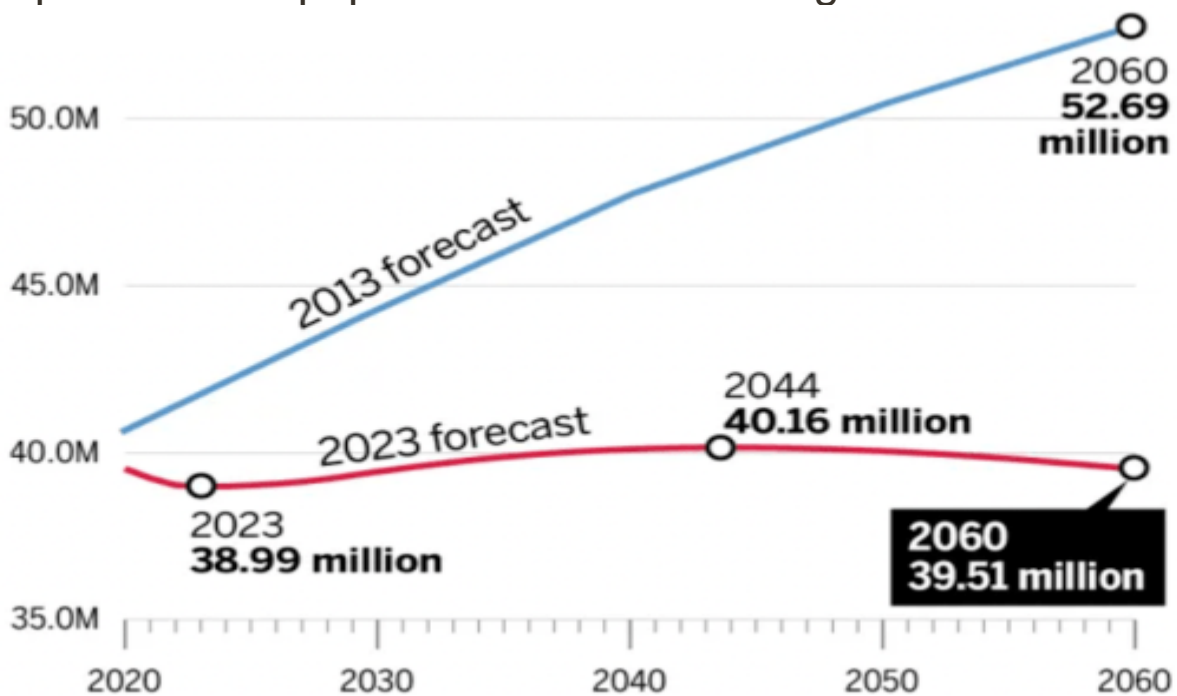


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California population projected to stagnate through 2060, down from 13.5M growth prediction

The state forecast comes on the heels of three years of unprecedented population declines totaling about 1%



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After adding residents for nearly its entire history, California can expect its population to remain roughly the same through 2060, new projections show, in a trend that would upend previous predictions and threaten the Golden State's status as an economic powerhouse.

The forecast from the state's finance department comes on the heels of three years of [unprecedented population declines](#) totaling about 1%, as residents fed up with high housing costs and other quality-of-life concerns fled California in droves.

A decade ago, the finance department had projected the state population would maintain its upward trajectory, reaching about 53 million people by 2060. But after accounting for factors including declining births, aging residents, and more people moving away in the years leading up to and during the pandemic, officials now project the population will hold steady at around 39.5 million.

"Adding those numbers has shown a reality that's different than what we expected," said Andres Gallardo, a demographer with the state.

Although some of the pandemic-era demographic shifts [appear to be stabilizing](#), the "compounding effects" of the changes could have a profound long-term impact, Gallardo said. For instance, birth rates — which had already been dropping for years — fell drastically during the pandemic, meaning that 20 years from now, fewer residents will be at the age to start having children.

A stagnant population could mean a shrinking labor force as the state fails to replace retiring Baby Boomers, potentially resulting in a flagging economy mirroring the decades-long malaise from which some Rust Belt states are still struggling to emerge.

"You can draw a pretty straight line between places that grow in population and their economic potential," said Jeff Bellisario, executive director of the Bay Area Council Economic Institute.

Stephen Levy, director of the Center for Continuing Study of the California Economy in Palo Alto, said there's optimism the state's tech and clean energy sectors, along with other engines of the California economy, will still attract workers, noting the state's latest forecast is in "conflict with the continuing job growth predicted by all of the regional planning agencies in California."

Agencies rely on population estimates to determine everything from budgets to [homebuilding targets](#).

Levy added that if the state can make progress on its ambitious goal to build more than [2.5 million market-rate and affordable homes by 2030](#), it should be equipped to accommodate more residents and prevent those now stuck in expensive and overcrowded housing from packing up and leaving.

"Essentially, a no-growth population projection assumes that we fail miserably in producing more housing," he said.

Weary of the Bay Area's high cost of living, Michele De Marco, 53, moved from Mountain View to Nampa, Idaho, in July. Her husband will follow by the end of the year after he sells his upholstery shop.

"My husband's about to retire, and we can't afford to stay in California," De Marco said. "We left because of all the fees and taxes and the fact that California is becoming so rundown — the homelessness, the drug issues. It's gotten really bad."

Bellisario, with the economic institute, said that negative perception of the state could only worsen if its population growth continues to sputter. For one, its political influence could take a hit — California already had to [give up a U.S. House seat in 2021](#) due to population decline. And more broadly, people may stop viewing the state as being at the forefront of progress nationwide.

"There is the civic pride and general clout of a growing population that has benefits, too," he said.

Staff writer Tarini Mehta contributed to this report.