Population growth rates are slowing

What we know

Global population trends have changed, reached peak child

U.S. and CO total fertility rates firmly below replacement
Colorado Total Population, 1970 to 2050

- Total population reaches 7.5 million by 2050
- Next 10 Years
- Key to answering questions
Colorado population forecast methodology

Jobs are people

Review assumptions:
- Net Migration
- Births
- Deaths
- Age Matters

Cohort-component
+Births - Deaths
+ Net Migration
X LFPR
Labor Supply

Economic forecast
Jobs
- 2\textsuperscript{nd} & 3\textsuperscript{rd} job
- Commuters
Labor Demand

Differences resolved by net migration
The Questions

• Over the next 10 years all members of the Baby Boomer generation will reach traditional retirement age, will they continue to age in place and what does that mean for Colorado?

• We know births have declined, will they continue to decline?

• Which areas of the state will likely see the most growth and why? Which areas will need to maintain services with a declining workforce?
Net Migration Assumptions

• Colorado remains competitive, net migration sufficient to fill expected job growth and replace retiring workers

(Expecting 40,000 retirements per year over the next 5 years)

• The age distribution of migrants to Colorado does not change
Colorado Net Migration Level

From 1970-2020, Net Migration averaged 40,000 per year.

From 2022-2032, Net Migration projected to average 42,000 per year.

After 2030, Net Migration is expected to decline.

Age Matters
Colorado Net Migration by Age

Colorado attracts early career young adults, families, and university students.

Most older adults age in place.

Same since 1970s.

Source: State Demography Office

https://demography.dola.colorado.gov/assets/html/netmigcomp.html
**Net Migration By Age Typologies**

*defined by dominant feature of the age of migrants*

**Young Adults Ages 20-30**
- Early career (6 counties)
- University influence (5)
- Resort influence (8)
- Young adult out (18)

**Adults Ages 30+**
- Family (5)
- Retirement destination (14)
- Prison influence (4)

Combination Counties: Denver, El Paso, Mesa, Weld
Early Career

Early Career Combined County Net Migration By Age, 2010s

Front Range
Adams
Arapahoe
Broomfield
Jefferson

Western Slope
Garfield
Routt

Source: State Demography Office
https://demography.dola.colorado.gov/assets/html/netmigcomp.html
Family

Family Combined County Net Migration By Age, 2010s

Front Range
Clear Creek
Douglas
Elbert
Gilpin
Park

Source: State Demography Office
https://demography.dola.colorado.gov/assets/html/netmigcomp.html
Young Adult Out Migration

Young Adult Out Combined County Net Migration By Age, 2010-2020

Eastern Plains
Baca
Cheyenne
Kiowa
Kit Carson
Morgan
Otero
Phillips
Prowers
Sedgwick
Washington
Yuma

San Luis Valley
Conejos
Mineral
Rio Grande

Western Slope
Dolores
Jackson
Moffat
Rio Blanco

https://demography.dola.colorado.gov/assets/html/netmigcomp.html
Retirement Destination Migration

Retirement Destination Combined County Net Migration By Age, 2010s

Front Range
Pueblo
Central
Mountains
Teller
Chaffee
Custer
Fremont
Huerfano
Las Animas

Western Slope
Archuleta
Montezuma
Delta
Montrose
Ouray
San Luis Valley
Costilla
Saguache

https://demography.dola.colorado.gov/assets/html/netmigcomp.html
Source: State Demography Office
Net Migration Assumptions

Net migration lower if:
- Job growth is lower than expected - tight LF, automation?
- Retirees do not age in place as they have historically, cash out equity and relocate to lower cost area?

Net migration higher if:
- Job growth is higher than expected
- Colorado attracts retirees from higher cost states

Net Migration by Age Dashboard, Migration by Age Groups Map
Natural Population Change
Births and Deaths
Assumptions in the Projections

• Deaths - Life Expectancy did not increase as much as we expected. Assume life expectancy returns to increasing.

• Births - Young female fertility rates declined significantly and older female fertility increased. Assume the same continues.
Change in Births by Age of Mother, 2010s

Change in Births by Age 2011-2020

Source: Data and Visualization by Colorado State Demography Office. Print date: October 09, 2023

https://gis.dola.colorado.gov/FertilityAge/
Transitions in Colorado Fertility Rates

Colorado’s General Fertility Rate averaged 65.4 from 1972 to 2015.

Moving forward, we expect the General Fertility Rate to average 54.2 from 2023 through 2050.
Colorado Births and Deaths, 1970 to 2050

- **Births**
- **Births (Projection)**
- **Deaths**
- **Deaths (Projection)**
From 1970-2022, Natural Increase averaged 30,250

From 2022-2032, Natural Increase projected to average 20,000

After 2030, Natural Increase is expected to decline rapidly
Changes in Age Distribution
2020 to 2030
Colorado Aging

Colorado Population By Age, 2020 to 2030

- 0 to 17
- 18 to 24
- 25 to 44
- 45 to 64
- 65 & Over

2020 vs 2030
Colorado Aging

Colorado Population Change By Age, 2020-2030

65 & over represents 53% of total growth

How much of the growth in each age group is due to assumed migration?
If we assume no net migration over the next decade in Colorado:

- Statewide decline in the prime working age population
- All population growth could be attributed to the 65 & over population.
**Change in Working Age Population**

Current projections with assumed migration:

- **52%** working age population increases
- **48%** of counties decline in working age population
What does it mean for Colorado?

• Labor force, continues to be tight
  Over the next 5 years 200,000 retirements, assuming increased participation for everyone ages 55+
• Aging - Consumer and service demand changes - drives economy
• Housing
  Older Adults - aging in place and demand from new workers
  Millennials - aging into prime and second home ownership
  Gen Z - aging into housing and first time home buying
• Increasing diversity
  Youngest residents are most diverse
Colorado Diversity by Age

2020 People of Color Share of Population by Age

- **0-17**: Hispanic or Latino of any race
- **18-24**: Hispanic or Latino of any race
- **25-44**: Hispanic or Latino of any race
- **45-64**: Hispanic or Latino of any race
- **65+**: Hispanic or Latino of any race

Source: State Demography Office, Census 2020
The long-term forecast
The Colorado long-term forecast

Statewide increase 1.7 Million
- 1.5 M Front Range (88%)
- 54% Denver-Boulder
- 26% North Front Range
- 20% South Front Range

Only region with Natural Increase through 2050
- 170 K Western Slope (10%)
- 12 K Eastern Plains (1%)
- 5 K Central Mountains and San Luis Valley
Uncertainties

• Slower National growth, Competition for labor?
• Automation, Will we need as many workers as we assume?
• Relative housing cost, Attract young adults? Retirees move out?
• Remote and hybrid workers, Growth less concentrated?
• Water & natural disasters
Thank you!

Cindy DeGroen
303-864-7752
cindy.degroen@state.co.us

State Demography Office
Department of Local Affairs
demography.dola.colorado.gov