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A State of Diversity

Demographic Trends in California's Regions

By Hans P. Johnson



This edition of *California Counts* uses recent data from the 2000 Census to examine demographic trends and patterns in California's nine regions. The regions share many demographic characteristics. For example, although California gained over 4 million residents

in the 1990s, every region in the state experienced slower population growth than it had in the 1980s. Unlike many other states, California's demographic diversity is not confined to one or two large cities: In every region, population growth in the 1990s was greatest for either Hispanic or Asian and Pacific Islander populations. In three of the nine regions identified in this report, no race or ethnic group constitutes a majority of the population. In every region except the Far North, housing growth has not kept pace with population growth.

In spite of these similarities, California's regions are also demographically different. Despite rapid increases in Hispanic and Asian populations, the Far North and the Sierras both remain overwhelmingly non-Hispanic white, whereas in the South Coast, Hispanics are now the single largest ethnic group. The sources of population growth also vary, with the South Coast, Bay Area, San Diego, Central Coast, and San Joaquin Valley receiving international migrants and sending out domestic migrants, whereas all other regions receive more domestic than international migrants. The age structure differs substantially, with the Inland Empire and San Joaquin Valley having very young populations and the Sierras and Far North having much older populations. Finally, the economic paths of California's regions have continued to diverge, with the poorest (and also two of the fastest growing regions)—the San Joaquin Valley and the Inland Empire—falling further behind the rest of the state.

Hans P. Johnson is a research fellow at the Public Policy Institute of California. Views expressed here do not necessarily reflect those of PPIC. The author acknowledges the helpful comments of Elisa Barbour, Paul Lewis, Elias Lopez, Deborah Reed, and Gary Bjork on earlier drafts of this report.

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Introduction: The Statewide Context

From a demographic perspective, the 1990s were an exceptional decade for California. The severe recession of the early 1990s led to massive domestic outmigration and the slowest rate of population growth for any decade since records have been kept.1 Still, international migration and natural increase (the excess of births over deaths) led to sizable absolute gains (4.1 million) in the state's population. Population change varied considerably across California's regions. In particular, the domestic migration outflows from California were concentrated in only a few parts of the state. In this report, we examine demographic trends in California's regions, noting population levels and changes as well as the demographic sources of population growth (natural increase, international migration, domestic migration). We also provide some economic information on California's regions, because so much of migration in the state appears to be determined by regional economic conditions. Finally, we provide some demographic characteristics of the population of California's regions. We focus on changes in the 1990s but also note changes that have occurred less recently.

It is important to understand California's regions. Over the past

decade, a new emphasis on regionalism has emerged in the state with certain issues increasingly seen as regional in nature, particularly transportation and environmental concerns. A recent PPIC Statewide Survey found that a substantial majority of Californians believe that local governments should take a regional approach to working on land use and growth issues (Baldassare, 2001). The "new regionalism" takes a more flexible institutional approach than past efforts to promote regionalism, focusing on publicprivate partnerships rather than regional government (Barbour and Teitz, 2001; Teitz, Silva, and Barbour, 2001; California Center for Regional Leadership, 2001). Interest in regionalism is high in Sacramento. In 2000, the Speaker of California's Assembly established a special commission on regionalism "to develop innovative state government policies and strategies that will encourage and support regional collaboration among local governments; and to encourage regional collaboration among local governments and civic, business, and other community organizations, to better enable our governments and our citizens to address California's major economic, social, and environmental challenges in the years ahead" (Speaker's Commission on Regionalism, 2002).

In this report, we identify nine regions of California (see Figure 1).

Although this identification is somewhat subjective, we have sought to combine areas that are similar, paying particular attention to geography, demography, and economic conditions. For example, we have defined the Bay Area as a single region because it represents a single labor market (that is, there is a great deal of commuting between the counties of the Bay Area), it can be identified geographically as those counties surrounding one of the bays in the area (San Francisco, San Pablo, or Suisun), and it is readily understood as a region by the public and by government.² In contrast, we have separated the Los Angeles metropolitan area into two regions: the South Coast and the Inland Empire. We define these regions as separate because of the very large population in the area, and because we want to distinguish population changes occurring in coastal areas of the state from those occurring inland. The Sacramento Metro region includes El Dorado and Placer Counties (even though geographically these counties are primarily in the Sierra Nevada) because most of the population of these counties live near Sacramento County and many of the residents commute to Sacramento.

Most of the data we use are from the 1990 and 2000 decennial Censuses. These data are not adjusted for the undercount. The California Department of Finance

Figure 1. Regional Definitions



Note: The counties included in each region are as follows.

Far North: Butte, Colusa, Del Norte, Glenn, Humboldt, Lake, Lassen, Mendocino, Modoc, Nevada, Plumas, Shasta, Sierra, Siskiyou, Sutter, Tehama, Trinity, and Yuba.

Sacramento Metro: El Dorado, Placer, Sacramento, and Yolo.

Sierras: Alpine, Amador, Calaveras, Inyo, Mariposa, Mono, and Tuolumne.

Bay Area: Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and

San Joaquin Valley: Fresno, Kern, Kings, Madera, Merced, San Joaquin, Stanislaus, and Tulare. Central Coast: Monterey, San Benito, San Luis Obispo, Santa Barbara, and Santa Cruz.

Inland Empire: Riverside and San Bernardino.

South Coast: Los Angeles, Orange, and Ventura.

San Diego: Imperial and San Diego.

has developed some estimates that are adjusted for the undercount, and we have used those estimates in examining the components of population change. However, for many of the numbers presented here, such adjustments are not available. We also use data on jobs from the California Employment Development Department and on incomes from the U.S. Bureau of Economic Analysis.

How Many People and How Much Change?

alifornia's regions are diverse ■in their population density and growth. Vast areas of the state have relatively few people. For example, the Far North region contains only 1.1 million people in an area the size of Pennsylvania. In contrast, the South Coast is home to 13.1 million people more than live in the entire state of Illinois (the fifth most populous state) and more than live in the 13 least populous states combined. Population densities range from only nine people per square mile in the Sierras (less dense than North Dakota) to almost 2,000 people per square mile in the South Coast (almost twice as dense as the most densely populated state, New Jersey). As shown in Table 1, regions within California are as large as many other states not only in geographic size but also in population size.

Most Californians—six in ten—live in Southern California.³ The past four decades have seen little change in the north-south distribution of the state's population (see Figure 2). Within the south, the Inland Empire has gained in demographic importance relative to the South Coast. In the central and northern part of the state, three regions—the San Joaquin Valley, the Central Coast,

Table 1. Area and Population of California's Regions

Region	Land Area (Sq. Mi.)	2000 Population	Population per Sq. Mi.	Area Equivalent	Population Equivalent
South Coast	6,696	13,118,824	1,959	Hawaii	Illinois
Bay Area	6,923	6,783,760	980	New Jersey	Virginia
San Joaquin Valley	27,276	3,302,792	121	South Carolina	Oregon
Inland Empire	27,260	3,254,821	119	West Virginia	Connecticut
San Diego	8,375	2,956,194	353	Massachussetts	Iowa
Sacramento Metro	5,094	1,796,857	353	Connecticut	New Mexico
Central Coast	11,198	1,356,626	121	Maryland and Delaware	Idaho
Far North	43,853	1,122,483	26	Pennsylvania	Hawaii
Sierras	19,286	179,291	9	Vermont and New Hampshire	Guam

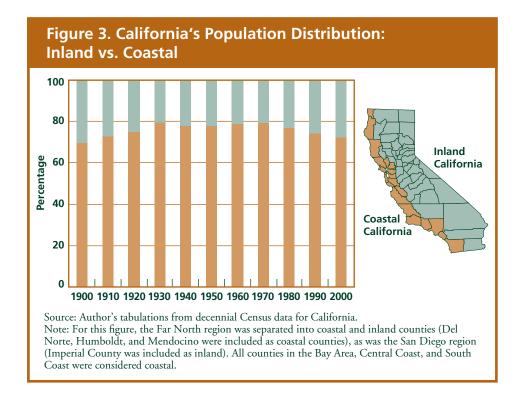
Source: Author's calculations from U.S. Census Bureau (2000) and the California Department of Finance (2001b).

Note: Densities for some regions, especially the Inland Empire, reflect large areas of uninhabited land in those regions.

and Sacramento Metro—have all gained in their share of the state's population over the last few decades. Throughout the 20th century, the Bay Area's share of the state's population declined. In 1900, almost half of all Californians lived in the Bay Area; by 2000, this was true of only one in every five state residents.

Perhaps a more meaningful regional difference in California, rather than the traditional north vs. south dichotomy, is inland vs. coastal. In 2000, the vast majority of Californians—almost three in four—lived in the coastal regions of California (see Figure 3). However, over the past three decades, the inland areas of the state have been growing in demographic importance as their share of the state's population has risen.

Indeed, as shown in Table 2, population growth rates during the 1990s were higher in inland areas of the state than in coastal areas. The three fastest growing regions in California were the Inland Empire, the Sacramento Metro region, and the San Joaquin Valley. These three regions accounted for almost four of every ten new residents of California during the 1990s. Still, even though rates of growth are low in the coastal regions, absolute changes are large because of the very large population bases. For example, the South Coast grew by only 10 percent in the 1990s, its slowest rate of growth since



records have been kept; yet this still amounted to over 1 million new residents.

Sources of Growth in the 1990s

All of California's regions are growing. However, the sources of population growth differ between the regions. Over time, a population grows or declines through births, deaths, and migration. Demographers define natural increase as the difference between the number of births and the number of deaths, and they disaggregate migration into international migration and domestic

migration. Table 3 presents these components of change for California's regions. Figure 4 provides rates of change from natural increase, net international migration, and net domestic migration. The components of population growth vary markedly between California's regions.

In all regions except the Sierras, natural increase was the largest component of population change. In the Sierras, the region with the oldest age structure, the number of deaths almost equaled the number of births. For the same reason, rates of natural increase were quite low in the Far North. Rates of natural increase were especially high in the South Coast,

	Popul	Population (in thousands)			Absolute Change (in thousands)		Percentage Change	
Region	1980	1990	2000	1980–1990	1990–2000	1980–1990	1990–2000	
South Coast	9,939	11,943	13,119	2,003	1,176	20	10	
Bay Area	5,180	6,024	6,784	844	760	16	13	
San Joaquin Valley	2,048	2,742	3,303	694	561	34	20	
Inland Empire	1,558	2,589	3,255	1,031	666	66	26	
San Diego	1,954	2,607	2,956	653	349	33	13	
Sacramento Metro	1,100	1,481	1,797	381	316	35	21	
Central Coast	958	1,209	1,357	251	148	26	12	
Far North	818	1,011	1,122	193	111	24	11	
Sierras	113	154	179	42	25	37	16	
California total	23,668	29,760	33,872	6,092	4,112	26	14	

San Joaquin Valley, and Inland Empire, all areas with large Hispanic populations, the group with the highest birth rates in California (Johnson, Hill, and Heim, 2001).

Some of California's regions experience large inflows of international migrants, others do not. During the 1990s, international migration was especially strong in the South Coast, adding almost as many people to the region as natural increase. Over half of all immigrants to California settled in this region. Other regions with substantial rates of international migration include the Bay Area, San Diego, the San Joaquin Valley, and the Inland Empire. Few inter-

national migrants settle in the Sierras and Far North.

Regions that experienced substantial international migration inflows were also the regions with domestic migration outflows. California's tremendous domestic migration exodus was fueled almost entirely by people leaving the South Coast region. San Diego, the Central Coast, and the Bay Area all experienced sizable domestic migration losses, but in each of these regions the rate of domestic out-migration was much less than half the rate experienced in the South Coast region. Within the South Coast, Los Angeles County accounted for 91 percent of the net domestic migration losses.

Rates of domestic out-migration in Orange and Ventura Counties were greater than those of the Bay Area and similar to those of the San Diego and Central Coast regions.

At the other end of the domestic migration spectrum, the Sierras experienced high rates of domestic in-migration, with almost all of the region's population growth attributable to domestic migration. The Sacramento Metro region and the Inland Empire experienced less dramatic but still substantial positive flows of domestic migrants. Many of the domestic migrants to these large metropolitan areas probably originated in the South Coast and Bay Area.

Table 3. Components of Population Change 1990–1999 (in thousands)

Region	Births	Deaths	Natural Increase	Net International Migration	Net Domestic Migration
South Coast	2,167	724	1,443	1,233	(1,817)
Bay Area	866	413	452	394	(218)
San Joaquin Valley	533	197	337	157	(25)
Inland Empire	496	189	307	112	152
San Diego	445	170	275	164	(160)
Sacramento Metro	228	106	122	54	89
Central Coast	185	79	106	66	(67)
Far North	127	94	33	21	31
Sierras	15	14	1	1	19
California total	5,063	1,987	3,076	2,201	(1,996)

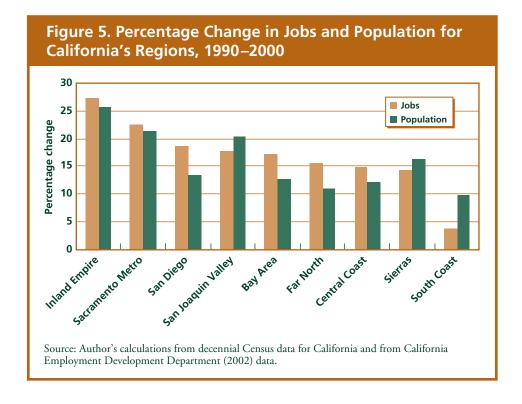
Source: Author's tabulations from California Department of Finance (2001a) data. Note: Numbers in parentheses indicate a net loss.

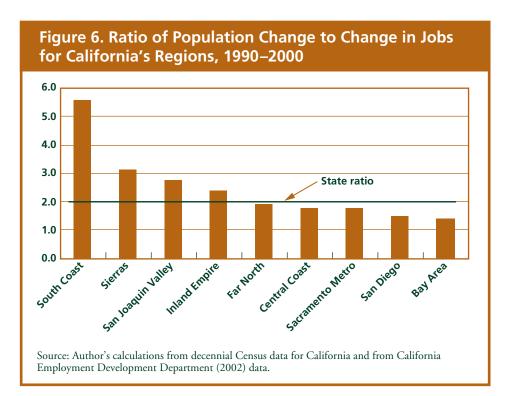
Figure 4. Components of Population Change per 1,000 1990 Residents, 1990-1999 150 100 50 Diego North Sacramento Metro South Coast California total (50)Far (100)■ Natural increase (150)Net international migration ■ Net domestic migration Source: Author's tabulations from California Department of Finance (2001a) data.

Job-related reasons are commonly cited as the most important factor in migration between states.

Jobs and Population Growth

Economic conditions are an important determinant of population change in California, and those conditions vary substantially between California's regions (Dardia and Luk, 1999). During the first half of the 1990s, the state lost as many as 2 million people to other states as California endured its worst recession since the great depression. Job-related reasons are commonly cited as the most important factor in migration between states.5 Figure 5 shows the strong relationship between job growth and population growth—regions that had the largest growth rates in jobs also had the largest population growth rates. In most regions, the rate of job growth outpaced the rate of population growth.6 Figure 6 shows the ratio of the change in population during the 1990s to the change in jobs during the 1990s. The Bay Area and San Diego added relatively few people





for each new job—this suggests either an increase in commuters from outside the regions as new housing did not keep pace with new jobs within those regions or an increase in labor force participation rates in those regions. At the other extreme, the South Coast and the Sierras added quite a few people for each new job. In the Sierras, this high ratio suggests that many people moved to the region for reasons other than employment—to retire, for example. In the South Coast, natural increase was the primary source of population growth, and young children are of course not in the labor force. Job growth was particularly anemic in Los Angeles County, which by 2000 still had not fully recovered from job losses incurred during the recession of the early 1990s.7

Per Capita Incomes in California's Regions

Regional income levels provide some indication of an area's ability to plan for and provide services to growing populations. Over the past three decades, the economic well-being of California's regions, as measured by income, has diverged. In 1969, the wealthiest region of the state, the Bay Area, had a per capita income about 10 percent higher than the

state as a whole, whereas the poorest region, the San Joaquin Valley, had a per capita income about 20 percent lower than the state average (Figure 7).8 By 1999, the gap had grown tremendously, with the Bay Area enjoying a per capita income almost 40 percent higher than the state average, and the San Joaquin Valley having a per capita income more than 30 percent below the state average. The Inland Empire, Sierras, and Far North joined the San Joaquin Valley as the poorest regions in the state (at least, by this measure of income).9 In inflation-adjusted terms, per capita incomes have declined in the Inland Empire and

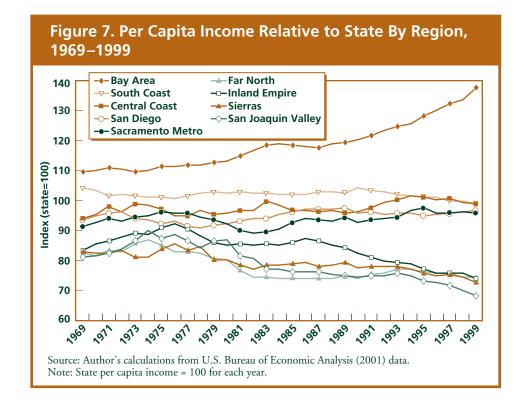
San Joaquin Valley, whereas they have risen dramatically in the Bay Area (Figure 8).10 Cost of living increases have been greater in some regions, including the Bay Area, than in others. Nonetheless, when we account for regional variations in inflation (the light green bars on Figure 8), we do not see a different pattern.11 That two of California's fastest growing regions (the San Joaquin Valley and the Inland Empire) have such low and declining incomes is troubling.12 It suggests that those areas have fewer resources to successfully plan for and provide for population growth than do other regions that are experiencing far less growth.

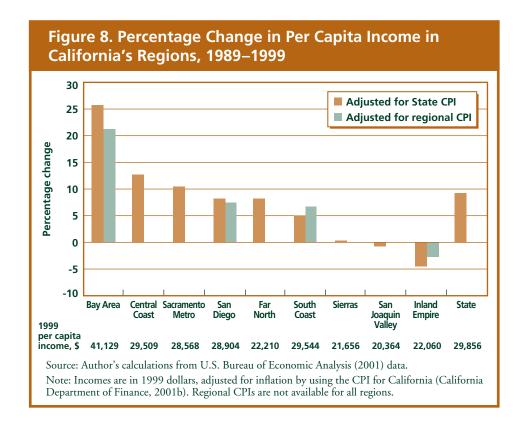
In all but one region of California, population growth outpaced housing growth.

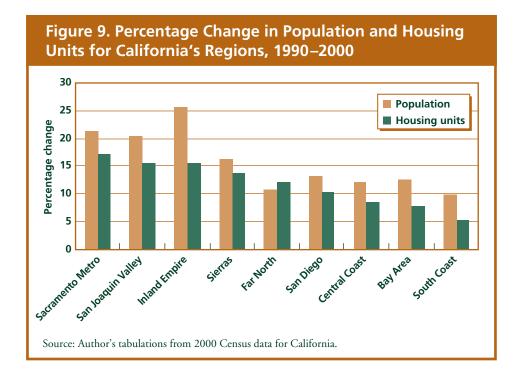
Accommodating Growth: Housing

n California during the 1990s, housing growth did not keep pace with population growth: California's population grew 13.8 percent, whereas the number of total housing units grew by 9.2 percent. In all but one region of California, population growth outpaced housing growth (Figure 9). This is in contrast to the rest of the nation, where housing growth was slightly greater than population growth (13.4 percent versus 13.2 percent). The nature of California's population growth explains some of this difference: Children do not form their own households, and the child population of California grew faster than the rest of the population. Immigrants, another important source of population growth in California, tend to live in families and households with more people than do U.S. natives.

In most of California's regions, population growth was accommodated by increases in the number of people per household, declines







in unoccupied housing units, and an increase in new housing units. In the South Coast, almost half of the population growth of the 1990s took place within preexisting housing units (through an increase in the number of people per household and a decline in unoccupied housing units).¹³ The number of people per household, already high in California compared to the nation, continued to increase in the state even as the number fell in the rest of the United States. Increases were greatest in the Inland Empire and San Joaquin Valley (Table 4). The percentage of housing units vacant or unoccupied in California, already low by national standards, continued to fall during the 1990s. By 2000, among the 50 states, California had the lowest percentage of unoccupied housing units, the 3rd lowest rental vacancy rate, and the 9th lowest homeowner vacancy rate.14 The percentage of housing units that were unoccupied fell during the 1990s for every region except the Far North and San Joaquin Valley. Declines were especially noteworthy in the South Coast and Bay Area, regions with exceptionally few unoccupied housing units. These two regions also had the slowest rate of increase in new housing units. Indeed, the ratio of population change to housing units change during the 1990s exceeded 4 to 1 in the Bay Area and exceeded 5 to 1 in the South Coast (Table 4).

Table 4. Household Size, Unoccupied Households, and Population Change in California's Regions

	Persons per Occupied Household 1990 2000			of Housing occupied	Ratio of Household Population Change to Total Housing Units Change,
Region			1990 2000		1990–2000
San Joaquin Valley	2.98	3.09	6.4	6.7	3.5
Inland Empire	2.91	3.07	15.5	12.8	4.1
South Coast	2.91	2.99	5.5	4.0	5.2
Central Coast	2.75	2.83	7.9	7.0	3.7
San Diego	2.71	2.75	6.4	4.6	3.5
Bay Area	2.61	2.69	5.0	3.4	4.1
Sacramento Metro	2.60	2.65	8.8	6.9	3.0
Far North	2.56	2.53	11.7	12.0	1.9
Sierras	2.44	2.39	31.4	28.0	2.0
California total	2.79	2.87	7.2	5.8	3.9

Source: Author's tabulations from 2000 Census data for California.

Note: Unoccupied housing units include seasonal or vacation homes, as well as those for rent or for sale.

Racial and Ethnic Diversity

An exceptional feature of California is that ethnic diversity is not isolated to one particular city or region. With the exception of the two least populated regions in the state, every region of California is more racially and ethnically diverse than the nation as a whole. In every region of the state, the share of the population that is non-Hispanic white has declined over the past two decades, and the share that is Hispanic has increased

(Table 5). In three regions—the South Coast, the San Joaquin Valley, and the Inland Empire—no single group constitutes a majority of the population. And in the South Coast region, Hispanics have become the largest racial/ethnic group, an event that will undoubtedly be repeated over the next decade or so in other regions of the state. Other notable regional trends and patterns include:

 In the Bay Area, Asians and Pacific Islanders are about as numerous as Hispanics (statewide, Hispanics outnumber An exceptional feature of California is that ethnic diversity is not isolated to one particular city or region.

Asians and Pacific Islanders almost 3 to 1).

- During the 1990s, the Inland Empire became the region with the greatest percentage of African-Americans, surpassing the South Coast and the Bay Area. In 1980, African-Americans were just 1.3 percent of the Inland Empire's population; by 2000, the share had grown to between 7.5 percent (low estimate) and 8.1 percent (high estimate).
- American Indians, though not a large share of the population in any region of the state, are the second largest minority group in both the Far North and Sierras.¹⁵
- The Sacramento Metro region has the highest percentage of multiracial residents—that is, residents who identified as of more than one race.

Age Structure

Like the rest of the nation, California is aging. However, California has a relatively young

Table 5. Racial and Ethnic Population Distribution in California's Regions, 1980, 1990, and 2000 (in percent)

Region	White	Hispanic	Asian and Pacific Islander	African- American	American Indian	Other	Two or More Races	
	1980							
Bay Area Central Coast Far North Inland Empire Sacramento Metro San Diego San Joaquin Valley Sierras South Coast California total	69.1 72.5 89.3 73.4 79.1 72.2 67.7 90.6 58.8 66.6	12.2 19.2 5.5 18.6 9.6 16.7 23.8 5.0 24.8	8.2 3.4 1.1 1.3 3.9 4.2 2.5 0.4 5.1 4.9	8.9 3.1 1.0 4.9 5.5 5.3 4.0 0.6 9.7 7.5	0.6 0.8 2.5 1.0 1.0 0.7 1.0 3.0 0.6	1.1 0.9 0.5 0.8 0.8 0.9 0.9 0.4 1.0		
			1990					
Bay Area Central Coast Far North Inland Empire Sacramento Metro San Diego San Joaquin Valley Sierras South Coast California total	60.7 65.9 85.4 62.4 73.2 63.9 58.3 86.3 47.0 57.2	15.3 25.7 8.1 26.5 11.6 22.3 30.1 7.4 34.3 25.8	14.7 4.5 2.5 3.6 7.4 7.2 6.3 0.7 9.9	8.6 3.1 1.3 6.5 6.7 5.8 4.1 2.3 8.3 7.0	0.5 0.6 2.7 0.7 0.9 0.6 0.9 3.1 0.3	0.2 0.2 0.1 0.2 0.2 0.2 0.2 0.1 0.2		
		200	0 Census—Lov	v Estimate				
Bay Area Central Coast Far North Inland Empire Sacramento Metro San Diego San Joaquin Valley Sierras South Coast California total	50.0 56.7 78.3 47.3 63.7 53.4 46.0 83.3 36.9 46.7	19.4 33.8 11.8 37.8 15.5 28.9 39.8 9.1 40.9 32.4	19.3 4.2 2.8 4.3 9.3 8.8 6.1 0.9 12.0	7.3 2.2 1.4 7.5 6.9 5.4 4.6 1.7 7.3	0.4 0.5 2.6 0.6 0.7 0.6 0.8 2.6 0.3	0.3 0.2 0.2 0.2 0.2 0.2 0.2 0.2 0.2	3.3 2.3 2.9 2.3 3.7 2.8 2.6 2.2 2.3 2.7	
2000 Census—High Estimate								
Bay Area Central Coast Far North Inland Empire Sacramento Metro San Diego San Joaquin Valley Sierras South Coast California total	52.6 58.7 80.8 49.2 66.6 55.6 48.0 85.4 38.8 48.8	19.4 33.8 11.8 37.8 15.5 28.9 39.8 9.1 40.9 32.4	21.4 5.5 3.6 5.3 11.2 10.4 7.2 1.5 13.2 12.5	8.0 2.6 1.7 8.1 7.8 6.1 5.0 1.9 7.8 7.0	1.0 1.2 4.2 1.3 1.8 1.1 1.6 4.0 0.7 1.1	1.2 0.8 0.8 0.9 1.2 0.9 1.2 0.6 1.1	3.3 2.3 2.9 2.3 3.7 2.8 2.6 2.2 2.3 2.7	

Source: Author's tabulations from decennial Census data for California.

Note: For 2000, Census respondents could choose more than one race. The "low" figures above are for people who chose only one race; the "high" figures include anyone who identified of that race, regardless of whether they chose additional races. The Census has a separate question on Hispanic/Latino identity. We have identified anyone who listed a Hispanic/Spanish/Latino identity as Hispanic.

population, and very large gains in the population age 65 and older will not be realized until the Baby Boom generation begins to reach those ages in 2011. Table 6 shows the distribution of each region's population that is younger than 18, 18 to 64, and 65 and older. These proportions are largely unchanged since 1990 (not shown).

One measure of the age structure of a population is the dependency ratio. This ratio represents the number of people of "nonworking" ages (younger than 18 and 65 and older) per 100 people of "working" ages (18 to 64); the ratio serves as a rough measure of a population's demographic ability to support nonworking members. As shown in Figure 10, three regions in California have particularly high dependency ratios: the Inland Empire, the San Joaquin Valley, and the Far North. The determinants of these high dependency ratios are quite different: In the Inland Empire and the San Joaquin Valley, high proportions of children lead to high dependency ratios, whereas in the Far North, high populations of older residents lead to a high dependency ratio.

Conclusion

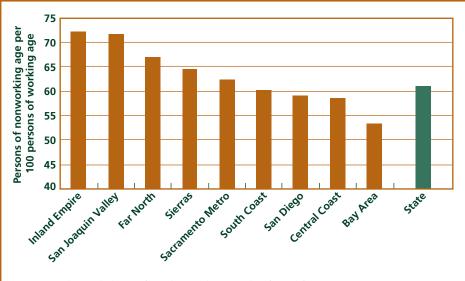
This demographic overview of California's regions reveals a state with many commonalities and some substantial differences. All regions continued to experi-

Table 6. Age Distribution of the Population of California's Regions, 2000 (in percent)

Region	< 18	18 to 64	65 +
San Joaquin Valley	32	58	10
Inland Empire	31	58	11
South Coast	28	62	10
Sacramento Metro	27	62	11
San Diego	26	63	11
Central Coast	25	63	12
Far North	25	60	15
Bay Area	24	65	11
Sierras	22	61	17
California total	27	62	11

Source: Author's tabulations from decennial Census data for California.

Figure 10. Dependency Ratios for California's Regions, 2000



Source: Author's tabulations from decennial Census data for California.

ence population growth in the 1990s but at a slower pace than in the 1980s. Most of California's regions are characterized by a high degree of racial and ethnic diversity, and Hispanic populations have increased substantially in all of California's regions. For all but the Far North, population growth has outpaced housing growth. These commonalities suggest that many of the growth issues faced by California as a whole are felt throughout the state.

However, strong differences between regions are also evident. The sources of population growth are very different, especially with respect to international and domestic migration. Population growth rates and especially housing growth rates vary considerably. And, perhaps most disturbing, per capita incomes in California's regions have diverged over the past 30 years, with relatively poor regions becoming even poorer. These regional differences present a challenge to state policymakers and suggest that in some policy areas, regions might not share common objectives or, worse, might be pitted against one another. •

Notes

- ¹ For more on domestic migration from the state, see Johnson (2000).
- ² For example, the Association of Bay Area Governments includes the same nine counties that we have defined as the Bay Area.
- ³ We have defined Southern California generally as that portion of the state south of the Tehachapi Mountains. See the inset map in Figure 2.
- ⁴ It is important to remember that migration affects natural increase. People tend to move at young adult ages. Thus, positive migration flows eventually lead to more births and higher levels of natural increase.
- ⁵ For example, among interstate migrants moving to California between 1997 and 2000, 46 percent cited job-related reasons, with family reasons listed as primary by 29 percent (author's tabulation of March Current Population Survey [CPS] data).
- ⁶ However, absolute increases in population almost always exceed absolute increases in jobs. This is because some people do not work or are not in the labor force (e.g., children and retirees).
- ⁷ In both Orange and Ventura Counties as well as the Inland Empire, job growth outpaced population growth, providing further evidence that Los Angeles County's preeminent role as an employment center in the southland continued to wane in the 1990s.
- ⁸ Note that we do not control for regional differences in inflation.
- ⁹ Another measure of economic well-being, the poverty rate, does not show identical patterns. The San Joaquin Valley has much higher poverty rates than other regions, but the Census 2000 Supplementary Survey indicates that the Inland Empire and South Coast have similar poverty rates (Census 2000 Supplementary Survey, Summary Table P114). Data from the CPS suggest that the Inland Empire has poverty rates similar to those of the Central Coast and Los Angeles County (Reed and Swearingen, 2001).
- ¹⁰ We use the consumer price index (CPI) for California to adjust for inflation. This index does not consider regional variation in consumer price changes.

- ¹¹ Unfortunately, regional measures of inflation are not available for most of California's regions. CPIs are available only for the Bay Area, San Diego, and South Coast–Inland Empire. Housing costs are available more widely. Data on fair market rents from the Department of Housing and Urban Development indicate that the South Coast and San Diego regions had rental price increases that were similar to all other regions in California (9 to 12 percent), except for the Bay Area and the Central Coast (which both experienced 28 percent increases in fair market rents).
- ¹² Regional differences and changes in per capita income over time partly reflect changes in the share of children and other groups who do not work and thus have little or no income. During the 1990s, however, the proportion of children in the population of the Inland Empire and the San Joaquin Valley changed very little (increasing from 30 percent to 31 percent in the Inland Empire, and increasing from 31 percent to 32 percent in the San Joaquin Valley).
- ¹³ This assumes that the number of people per household is the same for new housing units as for preexisting housing units.
- ¹⁴ A vacant housing unit is one that is for rent or for sale. Unoccupied housing units include vacant housing units and seasonal or vacation homes
- 15 Based on high estimates for 2000.
- ¹⁶ See Tafoya and Johnson (2000).

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