



The Inland Empire in 2015: Moderating Growth, Myriad Challenges

The fastest-growing region of a fast-growing state—the Inland Empire of Riverside and San Bernardino Counties—has undergone an extreme makeover on its way to becoming home to a population larger than Oregon’s. Although that growth will slow slightly in coming years, it will still outpace that of other parts of the state. Its popularity as a place to settle and raise a family will continue, as will the region’s many changes and challenges.

PPIC researchers Hans Johnson, Deborah Reed, and Joseph M. Hayes describe what those coming years may look like in a new report, *The Inland Empire in 2015*. Projecting forward the likely population characteristics of the region and its diverse subregions, they find that the Inland Empire will continue to draw new residents attracted by affordable housing and by job growth. The accelerated pace of new school construction will probably slow, in response to slower growth in the number of school-age children. The population’s level of educational attainment is likely to rise somewhat. And the ethnic mix will change, with Latinos becoming the new majority by 2015.

The Inland Empire has grown more than 50 percent since 1990—twice the rate of the rest of California—to a current population of about four million. By 2015, the population of the region will grow by almost one million—close to five times the current population of the city of San Bernardino, and well above the state’s overall growth rate—to about 4.9 million total. Virtually all of the region’s growth is attributable to people moving in: Since 2000, 587,000 newcomers have arrived, about 82 percent from other parts of the state and nation. Half came from Los Angeles County alone, including many noncitizens. Of the remaining 18 percent who arrived directly from other countries, more than half were from Central and Latin America, with military personnel returning from overseas assignments also constituting a significant group. The region’s continued

**Percentage Distribution of Registered Voters,
by Race/Ethnicity, 2005 and 2015**

	2005		2015	
	Adults	Registered Voters	Adults	Registered Voters
White	47	62	35	48
Latino	39	24	48	34
African American	7	9	7	9
Asian	6	4	8	6
American Indian	1	1	1	1
Multiracial	1	1	2	2

SOURCE: Authors' projections for 2005 and 2015.

NOTES: Asian includes Pacific Islanders. Columns may not sum to 100 percent because of rounding.

growth is expected even in the face of the recent downturn in the nation’s housing market, one that has contributed to the Inland Empire’s posting one of the highest foreclosure rates in the nation.

Besides affordable housing, jobs have also been a significant motivator for these migrants: Job growth has been higher in the region than in the rest of Southern California. However, in recent years, population gains have outstripped job gains, an imbalance best shown by the region’s position as one of the nation’s largest commuter communities. In 2006, 30 percent of San Bernardino County residents with a job commuted out of the county, as did 29 percent of Riverside County workers. (Only Queens and Brooklyn in New York had higher rates of out-of-county commuting.) Los Angeles and Orange Counties have long been the primary job destinations for these commuters, but in recent years, former San Diego residents have begun commuting from the Inland Empire in larger numbers.

Workforce and Education in 2015

By 2015, the Inland Empire is expected to provide almost 1.5 million nonfarm civilian jobs, up 28 percent from 2004. Some employment sectors, such as administrative services, will gain in share of total employment, whereas sectors such as manufacturing will employ a smaller percentage. Will Inland Empire residents in 2015 have the skills and education to fill the available jobs? A modest demand for slightly more workers with college degrees seems likely to be met with an increase in the supply of such workers. At the other end of the education scale, however, a mismatch is likely. The share of employment for those with less than a high school diploma (17.7%) is expected to be lower than the share of adults at this education level (22.1%); that is, it will be even harder in 2015 for those without a diploma to find jobs.

Although rising numbers of more highly educated workers and jobs that require their skills might mean higher average wages and higher household incomes, the increase in wages will be modest. It is unlikely that, even by 2015, the average annual wages paid in the region will match those of other metropolitan areas of the state and country. In 2006, of 51 metropolitan areas in the United States that had more than 500,000 jobs, the Inland Empire ranked second to last, with an annual average of \$36,924. (The next-highest California wage area was Sacramento, at \$44,785 annually.)

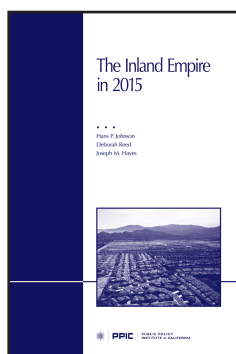
The overall education level of the 2015 population is expected to shift upward from 2005, with the share of working-age adults with at least a bachelor's degree increasing from 19 percent to 21 percent—lower than the 31 percent statewide share in 2005. One reason for this slow progress is the retirement of many in the most educated population group, ages 50–64. Younger arrivals to the region will have more education than in previous years and will account for much of the increase in the overall education level.

Ethnicity and Political Participation in 2015

A majority of the Inland Empire's residents in 2015 will be Latino. Domestic and international migration will account for rapid growth in the Asian population as well, from about 209,000 in 2005 to 366,000, or 6.6 percent of the total population, in 2015. Two Riverside County subregions, Southwestern Riverside and the San Jacinto Valley, will retain white majorities but white residents will still decline as a share of the overall subregion population. A notable change will occur by 2015 in the ranks of young Asians and Latinos (ages 20–34): A majority will have been born in the United States.

Voters ultimately make the decisions that will direct any community's future. Despite the significant shift in ethnicity by 2015, Inland Empire voting patterns will probably not reflect the new population mix. The shares of Latinos and Asians who are registered to vote are expected to remain substantially lower than the shares for other ethnic groups. Moreover, white residents who are registered to vote are more likely to cast a ballot than other ethnic groups. If current voting patterns persist, whites in 2015 will make up the majority of voters even though they will constitute little more than one-third of the adult population.

The challenges that the Inland Empire's residents will face between now and 2015, and perhaps beyond, are reflected in the areas of employment, education, and civic participation. Lowering the region's relatively substantial high school dropout rate and encouraging more young people to attend college would raise the region's educational achievement level—thus providing more skilled workers for higher-paying jobs. More businesses and jobs located within the region would mean a reduction in commuting, benefiting families and communities. And encouraging more participation in local democratic processes by Latinos, Asians, and other ethnic groups could mean that policy decisions for the future would be made by those who will be more widely affected by them.



This research brief summarizes a report by Hans Johnson, Deborah Reed, and Joseph M. Hayes, The Inland Empire in 2015 (2008, 140 pp. \$12.00, ISBN 978-1-58213-128-3). The report may be ordered online at www.ppic.org or by phone at (800) 232-5343 or (415) 291-4400 (outside mainland U.S.). A copy of the full text is also available at www.ppic.org. The Public Policy Institute of California is a private, nonprofit organization dedicated to independent, objective, nonpartisan research on economic, social, and political issues affecting California. This study was supported with funding from The James Irvine Foundation.

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