

# CALIFORNIA

# POPULATION



PPIC

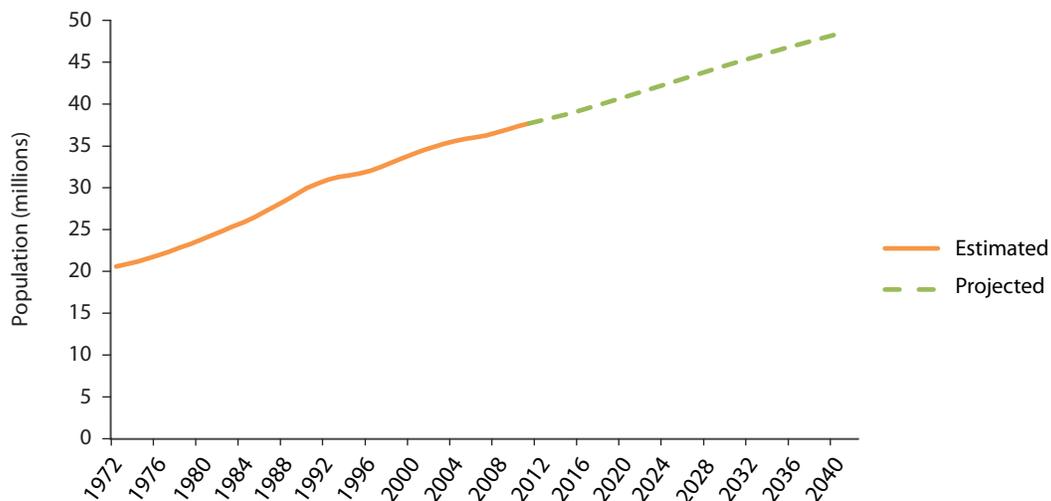
PUBLIC POLICY  
INSTITUTE OF CALIFORNIA

## GROWTH WILL PUT PRESSURE ON INFRASTRUCTURE

California has long been known for and even defined by its tremendous population growth. No other developed region of similar size anywhere in the world has sustained so much growth over such a long period. Equally remarkable has been the population's increasing diversity. California is home to large groups of immigrants from more than 60 nations, and no race or ethnic group constitutes a majority of the state's population. Although growth rates have slowed, the state added 3.4 million people from 2000 to 2010 (according to Census counts), reaching a total population of 37.3 million. The most recent estimate by the California Department of Finance (July 2011) places the state's population at 37.6 million.

During the next 20 years California's population will continue to increase, with millions of new residents each decade. This growth will lead to increased demand in all areas of infrastructure and public services—including education, transportation, corrections, housing, water, health, and welfare.

## CALIFORNIA'S POPULATION WILL CONTINUE TO GROW



SOURCES: U.S. Census Bureau, Intercensal Estimates of Resident Population and Current Population Estimates Vintage 2011; J. Pitkin and D. Myers, *Generational Projections of the California Population by Nativity and Year of Immigrant Arrival* (USC PopDynamics Research Group, 2012).  
NOTE: Population as of July of each year.

## GROWTH WILL CONTINUE AS REGIONAL, RACIAL/ETHNIC, AND AGE GROUPS SHIFT

- **Population gains are projected to continue.**

By 2025, California's population is projected to reach about 43 million. Annual growth rates are expected to be just 1 percent, similar to growth experienced in the 1990s and the 2000s but substantially slower than in earlier decades. Even so, average annual increases between now and 2025 will exceed 350,000—equivalent to adding the population of a city the size of Bakersfield each year.

- **Inland areas will see higher growth.**

The inland areas of California have experienced faster growth rates than the coastal areas for many decades, but coastal counties are still home to most of the state’s population. Projections indicate that the Inland Empire, the Sacramento region, and the San Joaquin Valley will grow faster than other areas of the state.

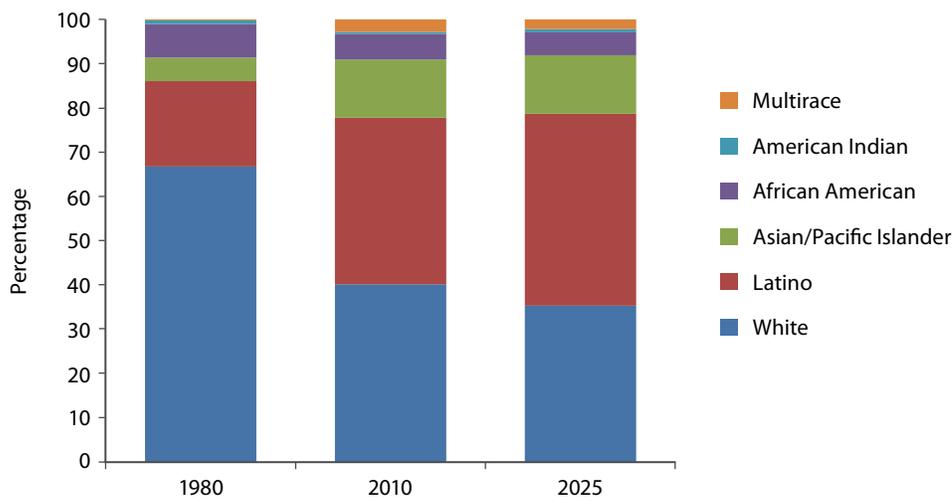
- **Migration will account for a small share of growth.**

Until 1990, most of California’s population growth was due to migration, primarily from the rest of the United States. Most of the state’s growth since 1990 has been due to natural increase—that is, the gap between the number of births and the number of deaths. Over the past ten years, gains through international migration have been fully offset by domestic migration out of California. Population projections suggest that this pattern will continue: almost all of the state’s population growth is expected to come from natural increase.

- **California’s population will continue to diversify.**

No ethnic group composes a majority of the state’s population, with whites (non-Hispanic) making up 40 percent of the state’s population and Latinos making up 38 percent. The California Department of Finance projects that in 2016 Latinos will replace whites as the largest ethnic group. Among children age 12 and under, Latinos already make up 52 percent of the population. Latino increases are due to both immigration and relatively high birth rates. Immigrants are projected to make up 29 percent of the state’s population in 2025, a modest increase from 27 percent in 2009.

## LATINOS WILL BECOME CALIFORNIA’S LARGEST ETHNIC GROUP



SOURCES: 1980 and 2010 Censuses; California Department of Finance projections.

- **Large numbers of Californians will soon reach retirement age.**

In 2010, 11 percent of Californians were age 65 and over, compared to only 9 percent in 1970. By 2025, that share will grow to 16 percent. The total number of adults age 65 and over is projected to grow from 4.2 million in 2010 to more than 7 million in 2025.

- **The number of children will increase very slowly.**

From 2010 to 2020 the number of children in public schools is projected to increase only 2 percent according to the California Department of Finance. This is a consequence of slight declines in birth rates along with a small increase in the number of women aged 15 to 44. In contrast, during the 1990s the number of school children grew more than 20 percent.

## LOOKING AHEAD

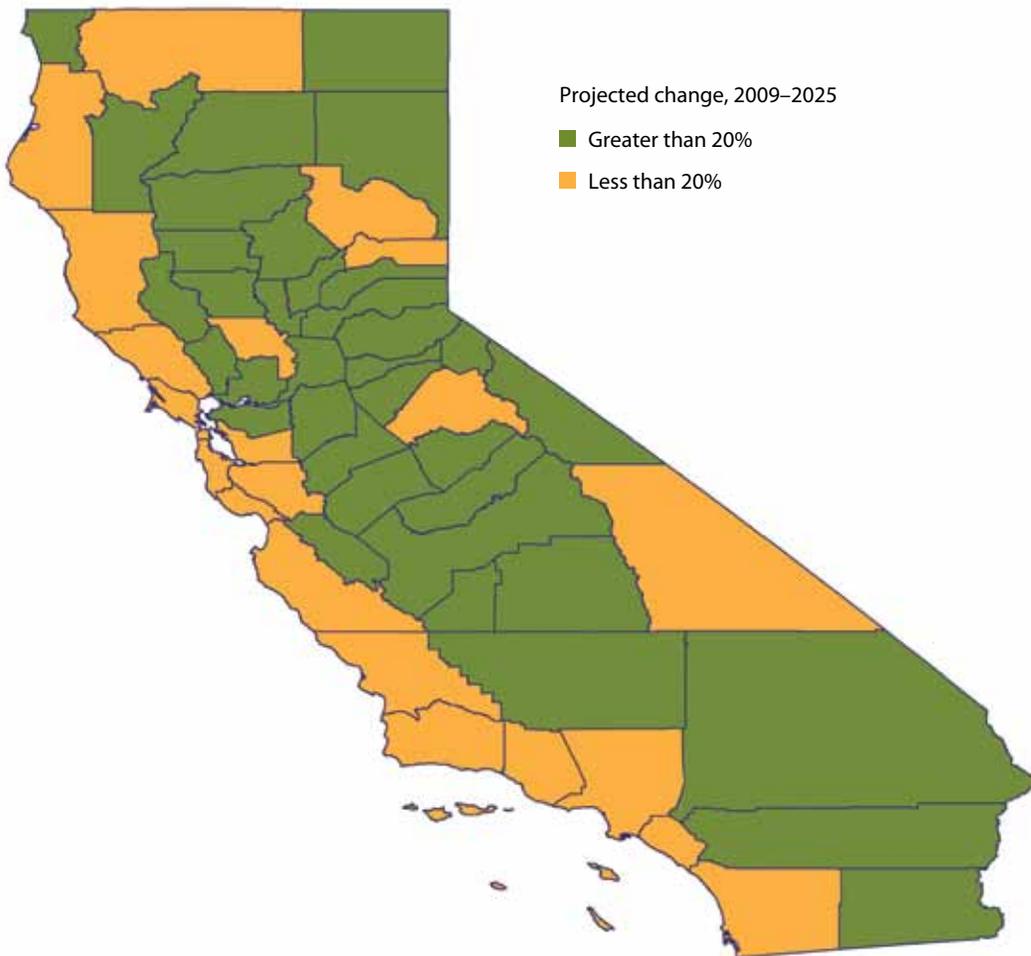
The state's growing and changing population will put pressure on a variety of infrastructure needs and public services. Key areas to watch:

**Health and human services.** Meeting the needs of a large and growing elderly population will pose more challenges. For example, even though Medi-Cal enrolls a far larger share of children, elderly adults account for a much higher share of expenditures. Annual costs per enrollee are at least five times higher for adults over age 50 than for children. Nursing home care is especially expensive.

**Housing.** After the elderly, adults in their late 20s and early 30s will be the fastest-growing age group. Between 2010 and 2025, the number of adults ages 25 to 39 will increase by almost 30 percent. These are the ages at which young adults typically get married, start families, and establish their own households—driving up housing demand.

**Schools.** The relatively slow growth in the number of school-aged children could give the state time to catch up on school infrastructure needs and a chance to adjust school budgets, perhaps increasing per student expenditures. Demand for higher education should remain strong as the number of students graduating from high school levels off but at a historically high level.

## INLAND COUNTIES WILL EXPERIENCE FASTER POPULATION GROWTH



SOURCE: California Department of Finance projections.

**We invite you to dig deeper at [ppic.org](http://ppic.org). Related PPIC resources include:**

*California's Population*

*Immigrants in California*

*The Age Gap in California Politics*

*The Inland Empire in 2015*

*PPIC Statewide Survey: Californians and Population Issues*

**Contact a PPIC expert:**

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