

December 2012

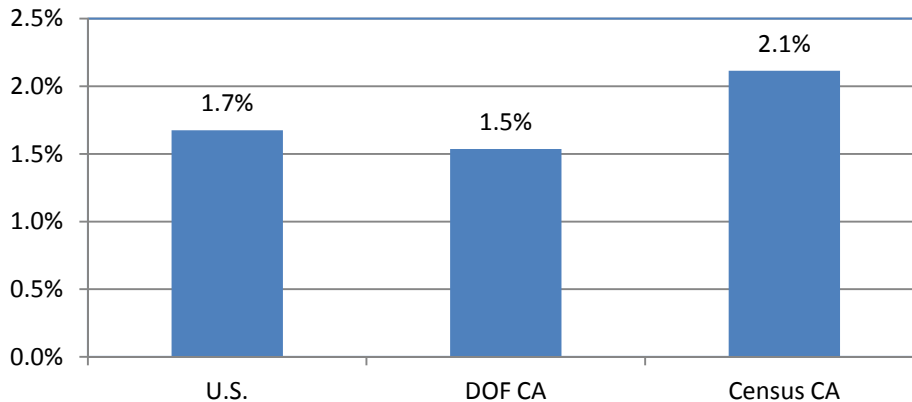
Census Bureau Says California Outpaces Nation in Population Growth

On December 13th the California Department of Finance (DOF) released population estimates for California that showed the state growing more slowly than the nation since the 2010 Census in April 2010. The major cause was a slowdown in foreign immigration and net movement of residents to other states of approximately 200,000. The release of these estimates launched a new round of news articles on the woes of California and why everyone was leaving the Golden State.

But on December 20th the Census Bureau released new national and state estimates for July 1, 2012 and these estimates tell a much different story about California. There is no way of telling now which set is better. The divergence in population estimates between DOF and the Census Bureau has persisted for many years. The results of the 2010 Census revealed that the Census Bureau estimates were nearly perfect for 2010 while DOF was 1.5 million too high.

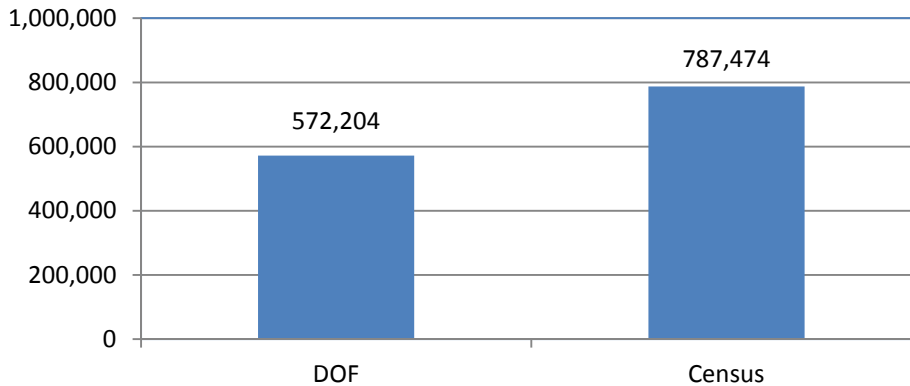
The Census Bureau estimates for July 1, 2012 have California growing slightly faster than the nation since the 2010 Census, a reversal from the DOF estimates that had the state trailing the nation.

% Population Growth From April 2010 Through June 2012



The Census Bureau estimates that California added nearly 800,000 residents since the 2000 Census or more than 200,000 above the DOF estimate. The Census Bureau estimates the state population at 38.0 million on July 1, 2012 compared to 37.8 million in the DOF estimate.

Numerical Population Growth



The difference is almost entirely the results of different estimates of migration to the state. The Census Bureau estimates that California had 176,000 more foreign immigrants compared to the DOF estimate and 105,000 fewer out migrants to other states. In total net migration was plus 172,716 in the Census estimates, a sharp reversal from the minus 39,104 estimated by DOF.

The new Census estimates are more in line with the job recovery going on in California and should cause readers to reevaluate the narrative that California is in a “death spiral” as a recent Forbes article labeled the state.

Why the Estimates Differ

