

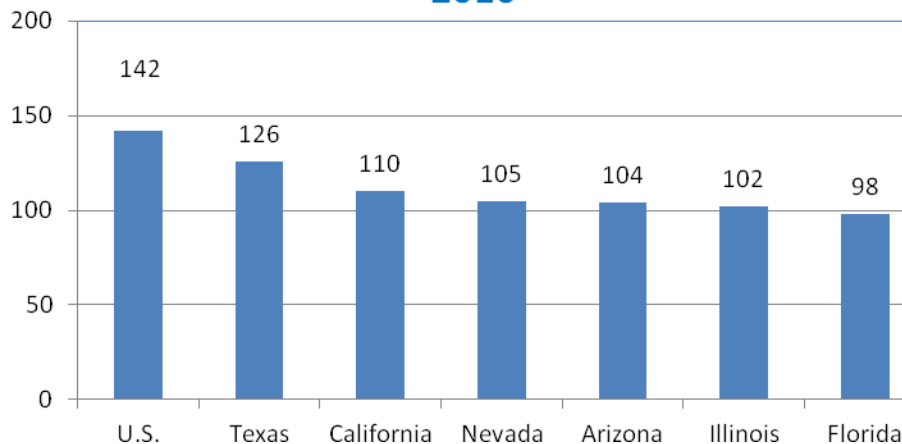
State and Local Government Employees: Where Does California Rank?—2010 Update

Estimates of state and local government employment for 2010 have been released by the U.S. Census Bureau. The estimates are for March 2010 before many of the recent budget cuts and layoffs. This issue of *Numbers in the News* examines where California ranks and how these estimates relate to ongoing debates about state budget choices.

In 2010 California had the 5th lowest number of full-time equivalent state government employees relative to population among all states. California had 110 state employees for every 10,000 residents while Florida had the lowest ratio at 98 and Illinois was second with 102. The U.S. average was 142 state employees per 10,000 residents. California's ratio of state government employees relative to population was 23% below the national average.

Nevada and Arizona also had lower ratios of state workers to population than California while Texas had 15% more employees relative to population.

**State Employees per 10,000 Residents in
2010**



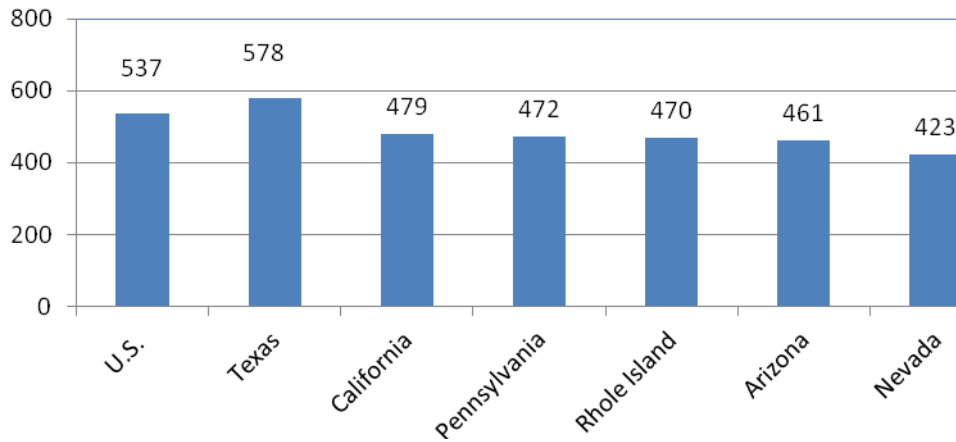
When state and local government employees (including education) are added together, California has the 5th lowest ratio of employees to population.

California had 479 state and local full-time equivalent employees per 10,000 residents in 2010 compared to the national average of 537. Nevada was the state with the lowest ratio (423) followed by Arizona (461), Rhode Island (470) and Pennsylvania (472).

California's ratio was 11% below the national average.

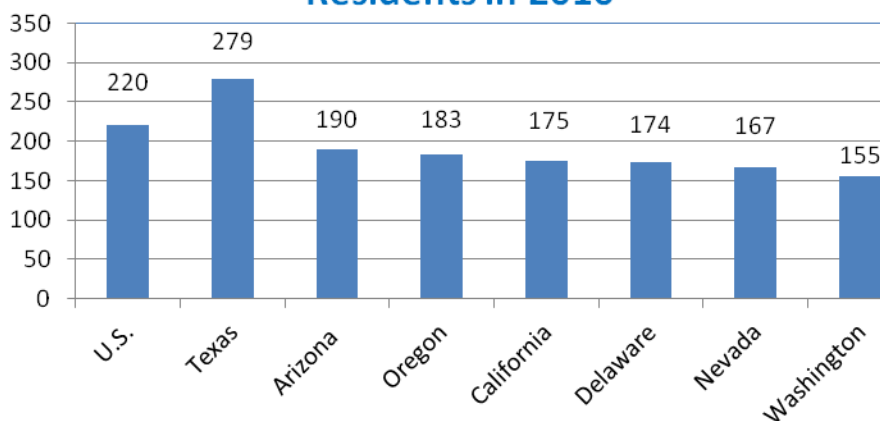
Texas has 578 state and local government employees per 10,000 residents or 8% above the national average.

State and Local Government Employees per 10,000 Residents in 2010



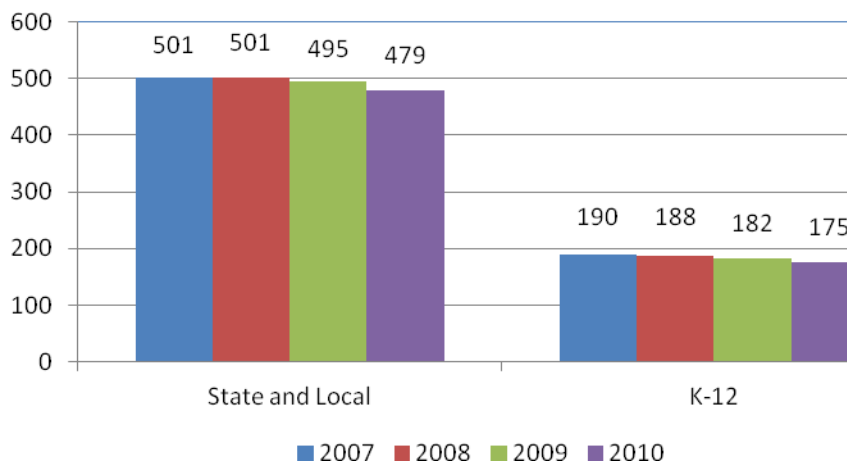
California has the 4rd lowest ratio of K-12 education employees to population in 2010 with 175 employees per 10,000 residents compared to the national average of 220. California is 20% below the national average in education employees relative to population despite the fact that California has an above-average percent of K-12 students in the state's population. Texas is 25% above the national average with 279 K-12 employees per 10,000 residents.

K-12 Education Employees per 10,000 Residents in 2010



California has fewer state and local government employees relative to population in 2010 compared to 2007 before the recession began. California has 479 state and local government employees per 10,000 residents in 2010 down from 501 in 2007. And the state had 175 K-12 education employees per 10,000 residents in 2010 compared to 190 in 2007. Continuing budget pressures make it likely that staffing levels relative to population could fall further in the near term.

California Employees per 10,000 Residents



Implications of the Data

- These data measure the staffing levels relative to population in California's state and local governments including school districts. These data do not tell us how the lower staffing levels affect the delivery of services.
- There is broad agreement that seeking efficiencies in government programs is good public policy. Yet, the data suggest that at the aggregate level California is not overstaffed relative to caseloads in the major program areas. Indeed, a stronger case can be made that public programs are being carried out with less staffing than in most other states.
- Public agencies in California continue to face serious budget challenges. A new round of budget cuts was announced in December 2011 and can look forward to a very challenging 2012-2013 budget year with continuing challenges in following years even with a moderate economic recovery and associated revenue gains.

- These data provide another confirmation that residents must face fundamental choices about the level of services they desire and are willing to pay for. This is an important conversation for all Californians. Californians will also engage in conversations about public employee retirement plans and funding, which will be an increasing budget challenge in the coming years.

Technical Note

The full-time equivalent employee data comes from the U.S. Census Bureau estimates for 2010 released in August 2010. The link to the data is <http://www.census.gov/govs/apes/>. The population estimates come from the 2010 U.S. Census Bureau estimates for April 1, 2010.