

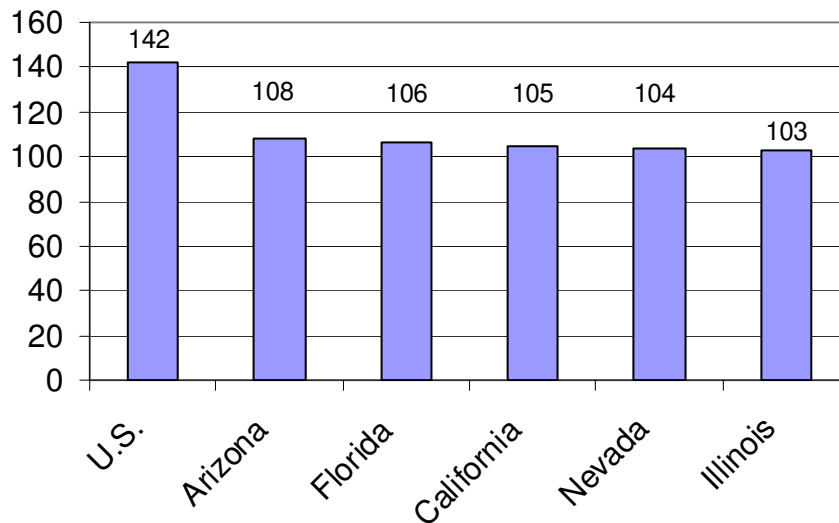
## State and Local Government Employees: Where Does California Rank?

Estimates of state and local government employment for 2006 were just released by the U.S. Census Bureau (<http://www.census.gov/govs/www/index.html>). This Numbers in the News examines where California and how these estimates relate to ongoing debates about state budget choices.

In 2006 California continued to have the 3rd lowest number of full-time equivalent state employees relative to population among all states. California had 105 state employees for every 10,000 residents while Illinois had the lowest ratio at 103. The U.S. average was 142 state employees per 10,000 residents.

Florida, Arizona and Nevada were also among the five states with the lowest ratios of state workers to population. Texas had 120 state employees per 10,000 residents.

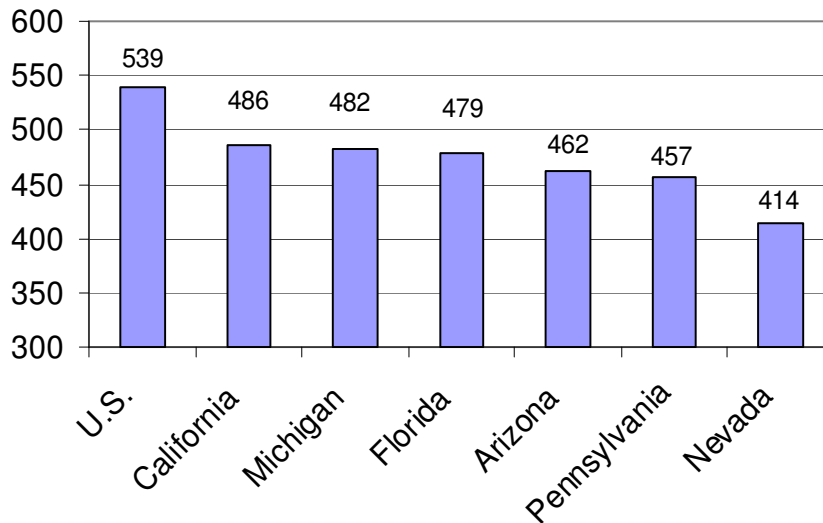
**State Employees per 10,000 Residents  
2006**



When state and local government employees (including education) are added together, California has the 6th lowest ratio of employees to population.

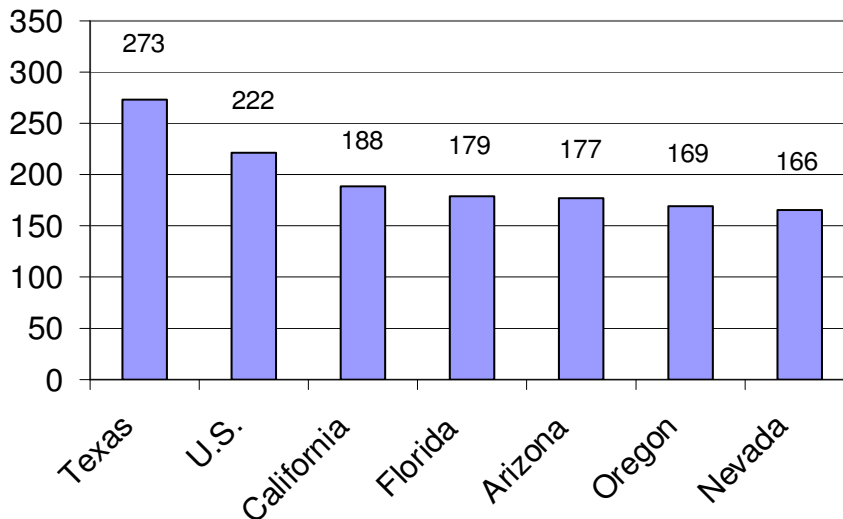
California had 486 state and local full-time equivalent employees per 10,000 residents in 2006 compared to the national average of 539. Nevada was the state with the lowest ratio (414) followed by Pennsylvania (457), Arizona (462), Florida (479) and Michigan (482). Texas had 559 state and local government employees per 10,000 residents in 2006.

**State and Local Employees per 10,000 Residents  
2006**



K-12 education has the largest number of employees in most states. California has the 5th lowest ratio of K-12 education employees to population. California is below average in education employees relative to population despite having an above-average proportion of K-12 students. Texas ranks 5th among states with 273 K-12 employees per 10,000 residents or 23% above the national average.

**K-12 Education Employees per 10,000 Residents  
2006**



California is close to being an average state measured by the number of corrections employees per 10,000 residents. California has 22 employees per 10,000 residents compared to the national average of 24 and Texas with 30.

### **Implications of the Data**

- Measuring the number of government employees relative to caseload is a better measure than the per capita data shown above. However, California has above-average caseloads relative to population in most major programs including education, health and welfare and corrections. So, California will rank even lower on measures of the number of employees relative to caseloads in most program areas.
- 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.
- These data provide another confirmation that residents must face fundamental choices about the level of services they desire and are willing to pay for. The data do not support the idea that California can avoid difficult choices by cutting “extra” government employees.

### **Technical Note**

The full-time equivalent employee data comes from the U.S. Census Bureau estimates for March 2006 released on March 5, 2007. The population estimates come from U.S. Census Bureau estimates for July 1, 2006. Note that the California population estimate prepared by the Census Bureau was 36.5 million, which is 900,000 below the California Department of Finance (DOF) estimate of 37.4 million.

Using the DOF population estimate lowers the number of employees relative to population by approximately 3% compared to using the Census population estimate. Note also that using the DOF population estimate lowers the Census estimates of public spending per capita for California as well as lowering the Census estimate of per capita income for the state by approximately 3%.