

Texas – A Majority/Minority State: Social and Economic Implications

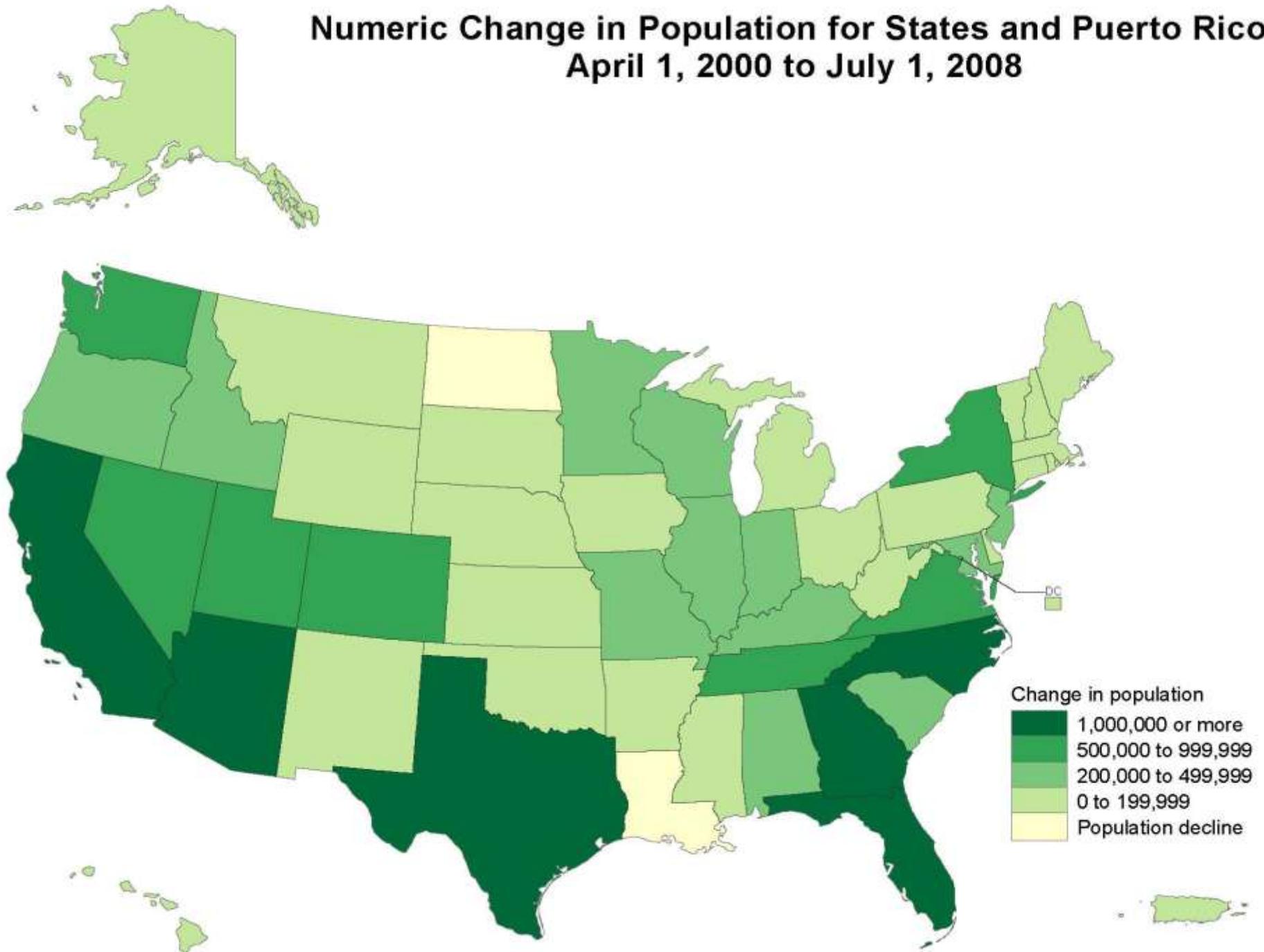
by
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May 25, 2011**

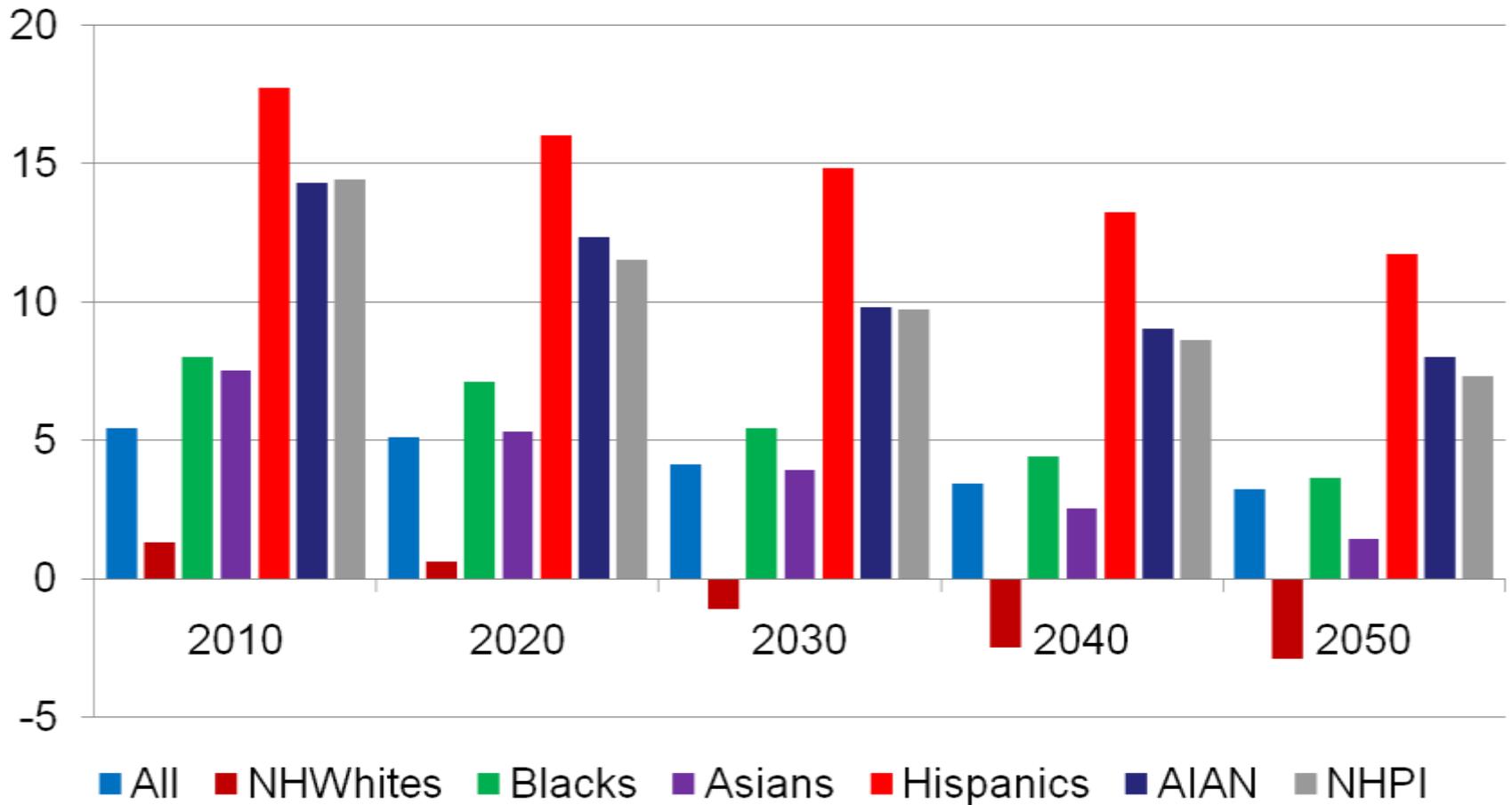
Demographic Trends Affecting the Future

- **Change in Rates and Sources of Population Growth**
 - migration
- **Increase in the Non-Anglo Population**
 - fertility
- **Aging of the Population**
 - death

Numeric Change in Population for States and Puerto Rico: April 1, 2000 to July 1, 2008

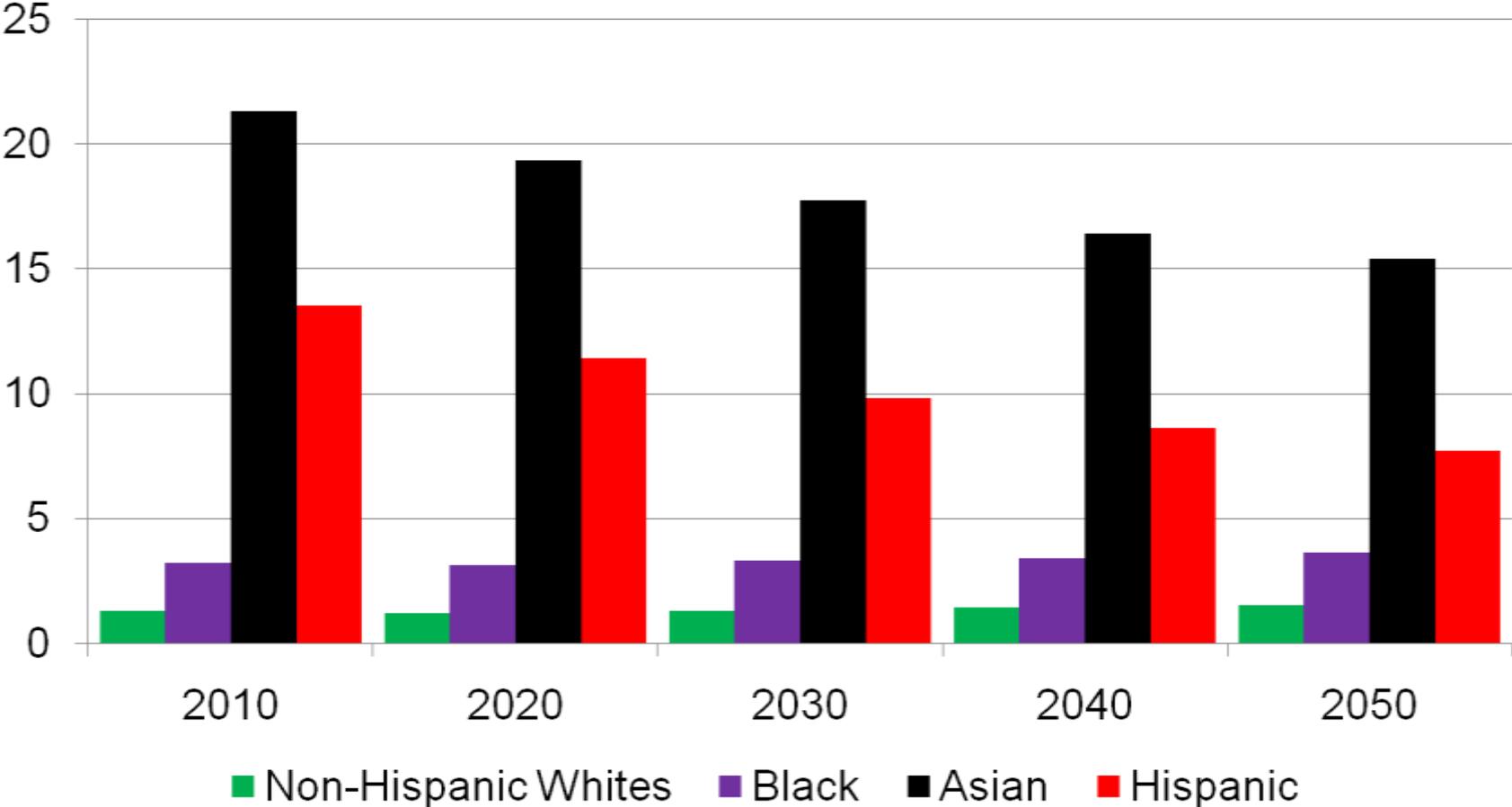


Projected Rates of Natural Increase for US by Population Groups: 2010-2050

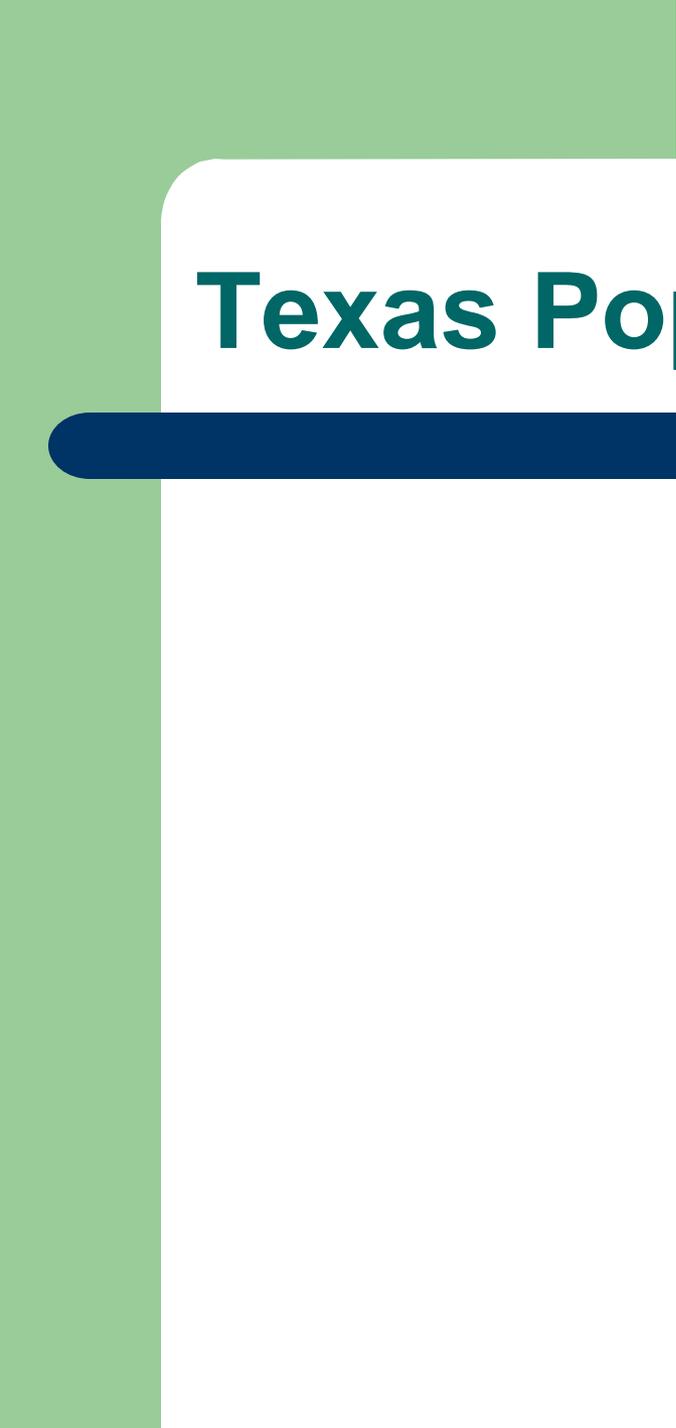


Source: U.S. Census Bureau, Population Division (NP2008-t9)

Projected Rates for Components of US International Migration by Ethnicity: 2010-2050



Texas Population Change



Texas Population Change by Race/Ethnicity: 2000-2010

Race/ Ethnicity	2000	2010	Numerical	Percent	Percent of Population	
	Census Population	Census Population	Change 2000- 2010	Change 2000/ 2010	2000	2010
NH White	11,074,716	11,397,345	322,629	2.9	53.1	45.3
NH Black	2,421,653	2,886,825	465,172	19.2	11.6	11.5
Hispanic	6,669,666	9,460,921	2,791,255	41.8	32.0	37.6
NH Asian	685,785	1,400,470	714,685	104.2	3.3	5.6
Total	20,851,820	25,145,561	4,293,741	20.6	100.0	100.0

Source: U.S. Census Bureau 2000 and 2010 Census Counts

Population Change by Components of Change in the State, 1990-2000 and 2000-2009

State of Texas

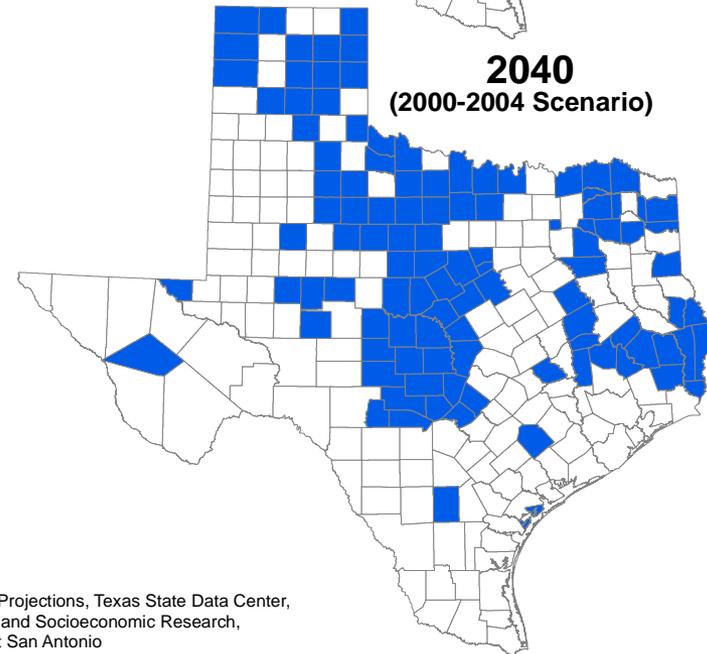
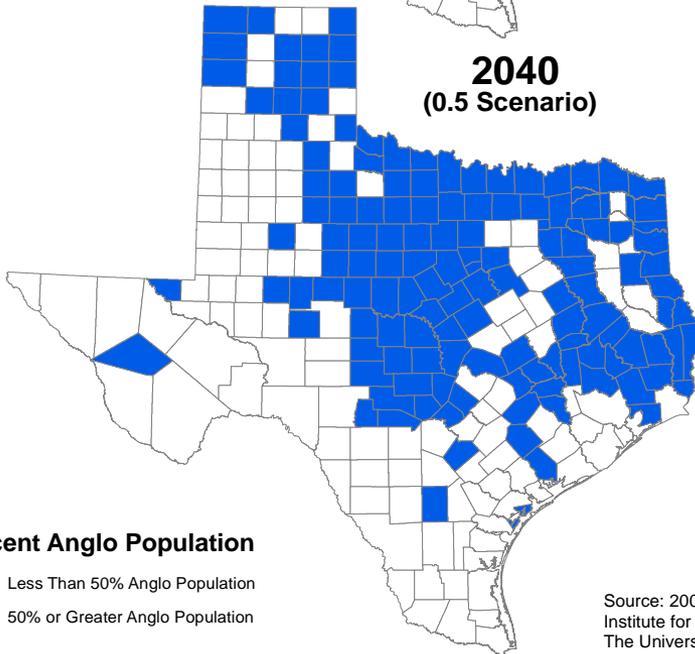
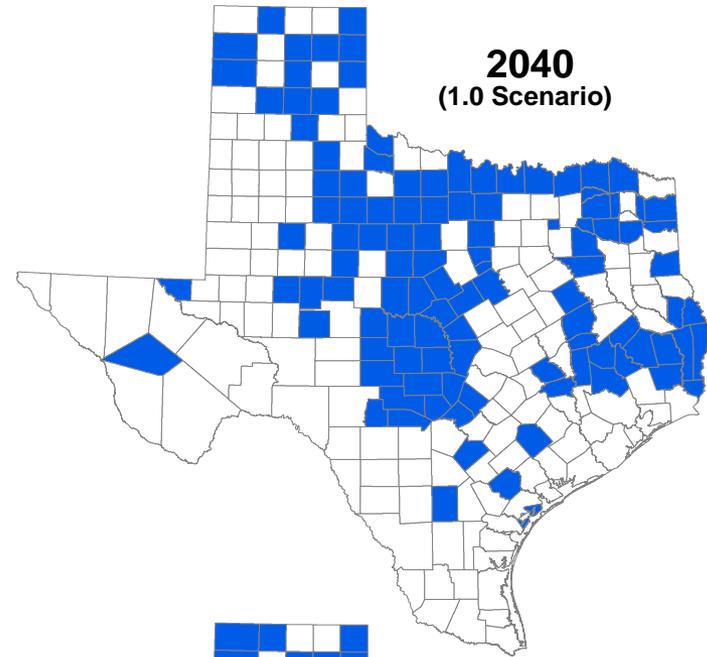
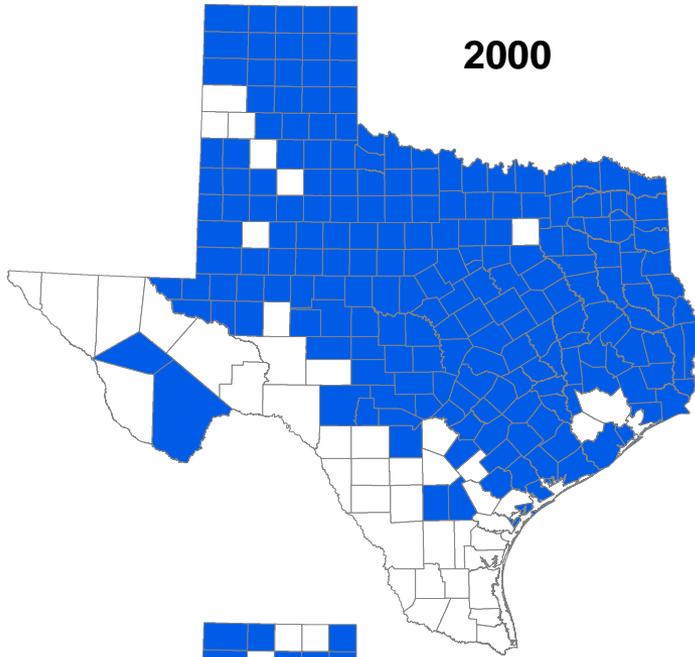
1990-2000

Numerical Change	3,865,485
Natural Increase	49.7
Domestic Migration	30.2
International Migration	20.1

2000-2009

Numerical Change	3,930,484
Natural Increase	54.04
Domestic Migration	21.6
International Migration	23.8

Texas Counties with 50 Percent or More of Their Total Population That is Anglo in 2000 and Projected for 2040 Under Alternative Projection Scenarios

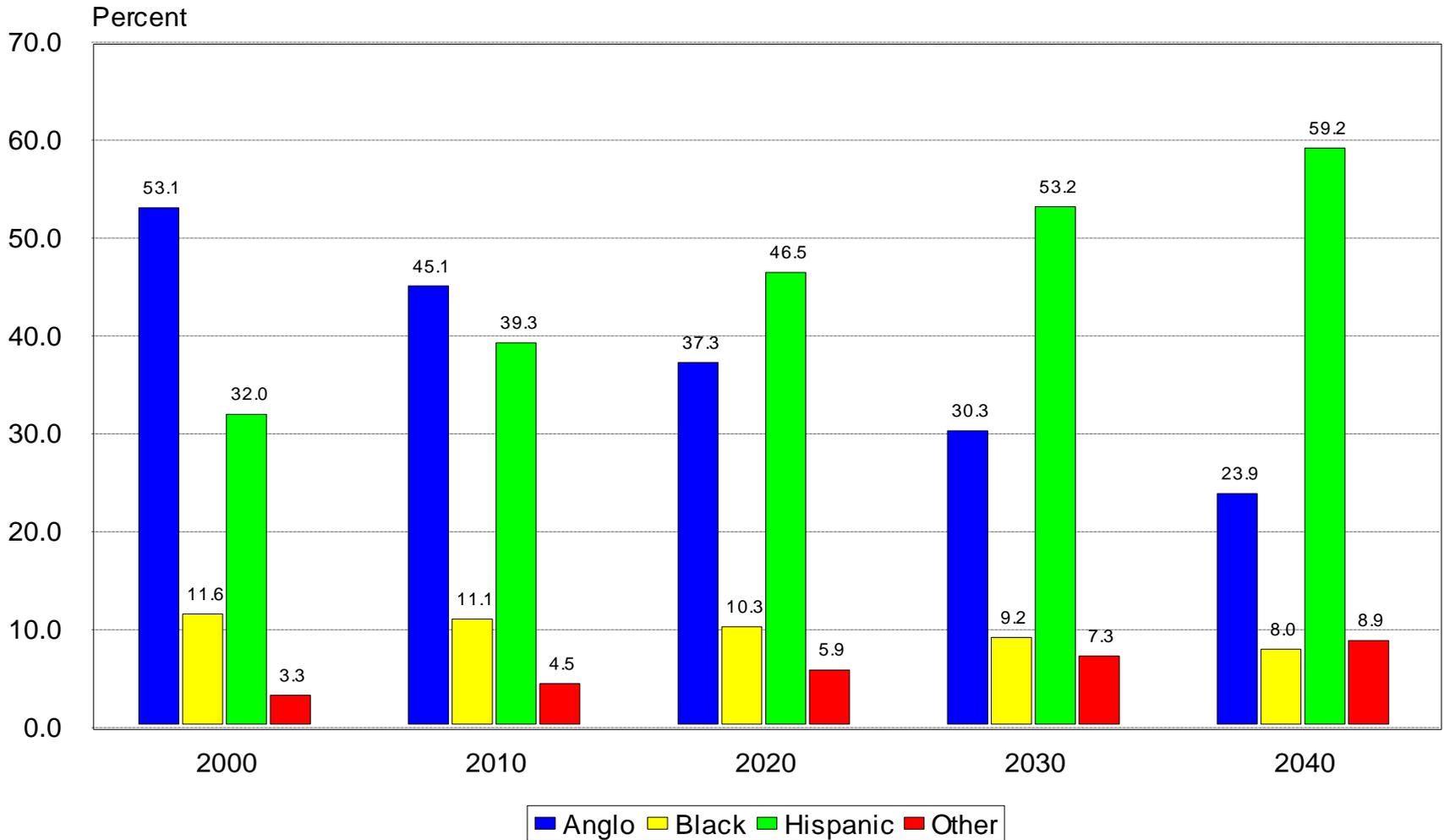


Percent Anglo Population

- Less Than 50% Anglo Population
- 50% or Greater Anglo Population

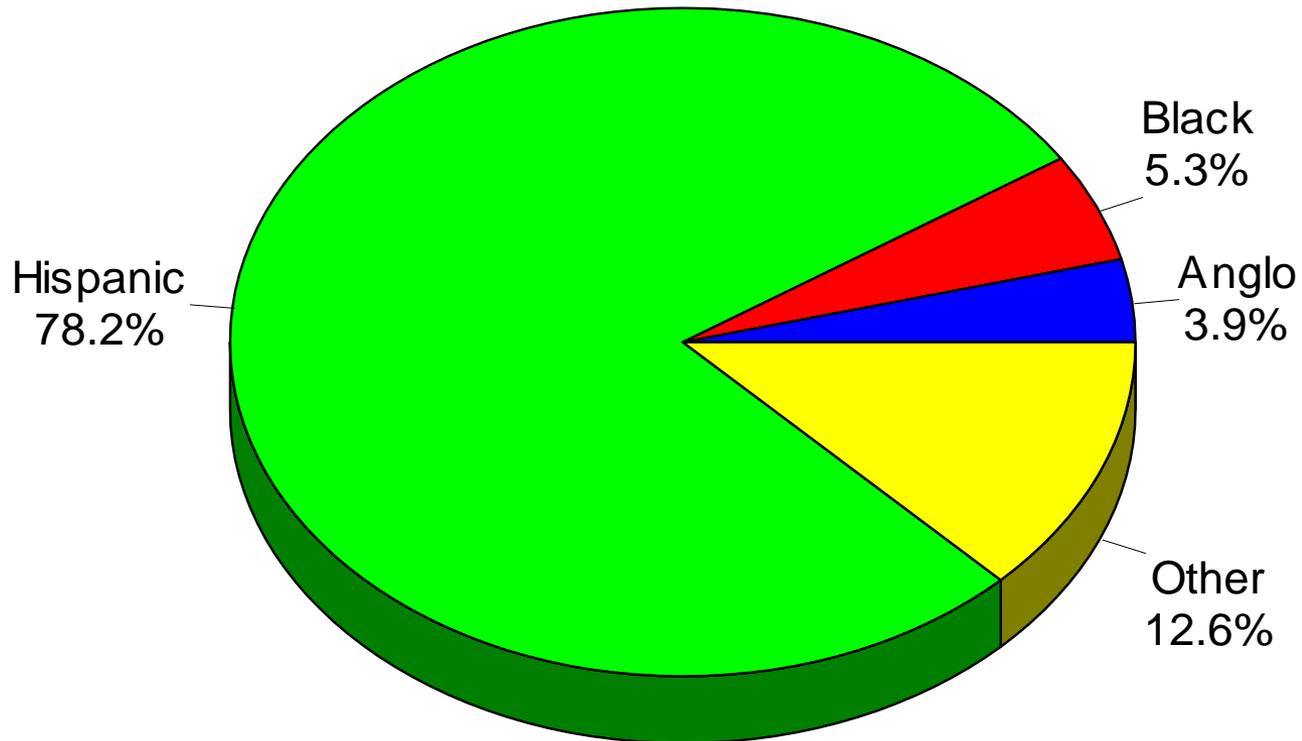
Source: 2006 Population Projections, Texas State Data Center, Institute for Demographic and Socioeconomic Research, The University of Texas at San Antonio

Projected Proportion of Population by Race/Ethnicity in Texas, 2000-2040*



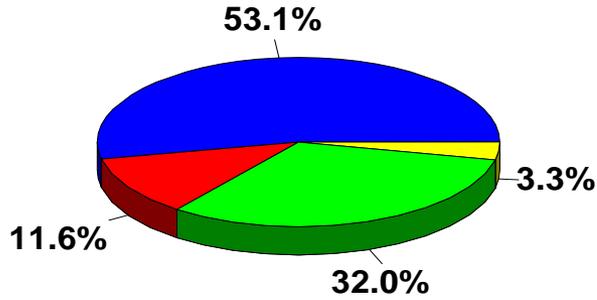
*Using U.S. Census count for 2000 and Texas State Data Center 1.0 population projection scenario for 2010-2040.

Projected Percent of Net Change Attributable to Each Race/Ethnicity Group in Texas for 2000-2040*

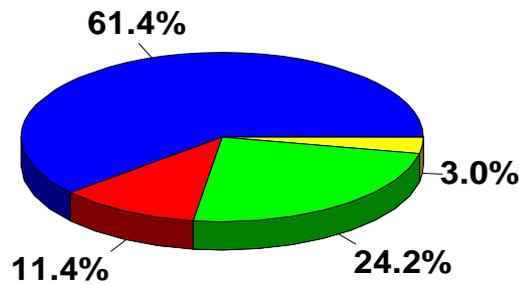


* Using U.S. Census count for 2000 and Texas State Data Center 1.0 population projection scenario for 2040.

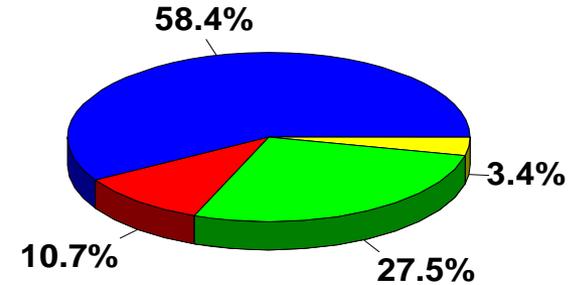
Ethnic Diversity of the Population, Householders, and Labor Force in Texas, 2000 and 2040*



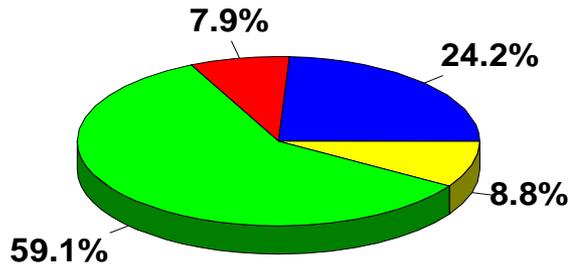
2000 Population



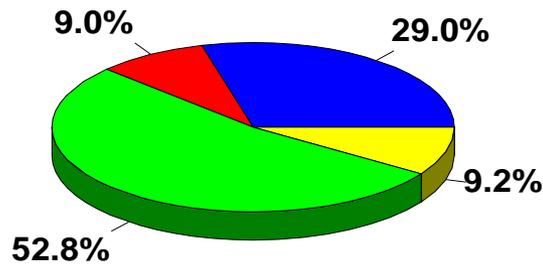
2000 Householders



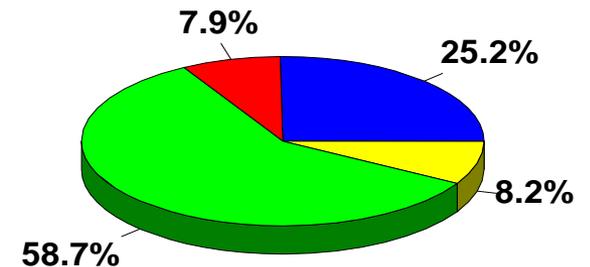
2000 Civilian Labor Force



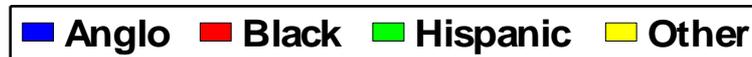
2040 Population



2040 Householders



2040 Civilian Labor Force



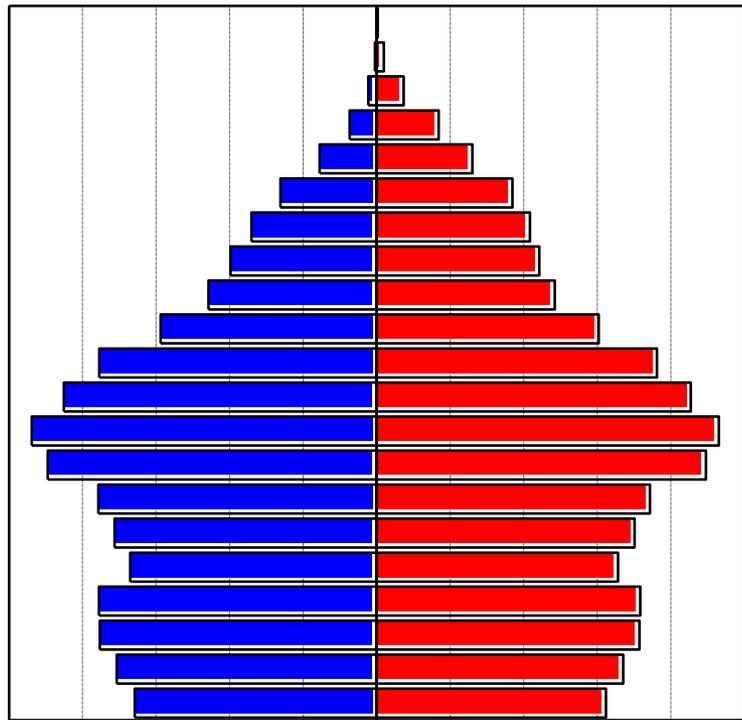
* Projections are shown for the 1.0 scenario

Major Changes in Population:

Age Composition

Population Pyramids for Anglo and Hispanic Ethnic Groups in Texas, 2000

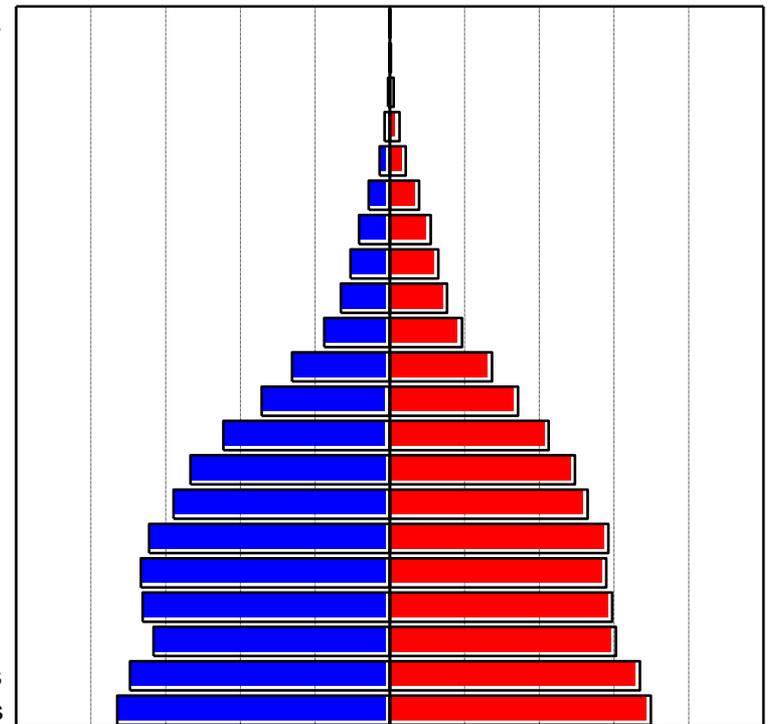
Anglo



Hispanic

Age

- 100 + years
- 95 to 99 years
- 90 to 94 years
- 85 to 89 years
- 80 to 84 years
- 75 to 79 years
- 70 to 74 years
- 65 to 69 years
- 60 to 64 years
- 55 to 59 years
- 50 to 54 years
- 45 to 49 years
- 40 to 44 years
- 35 to 39 years
- 30 to 34 years
- 25 to 29 years
- 20 to 24 years
- 15 to 19 years
- 10 to 14 years
- 5 to 9 years
- < 5 years



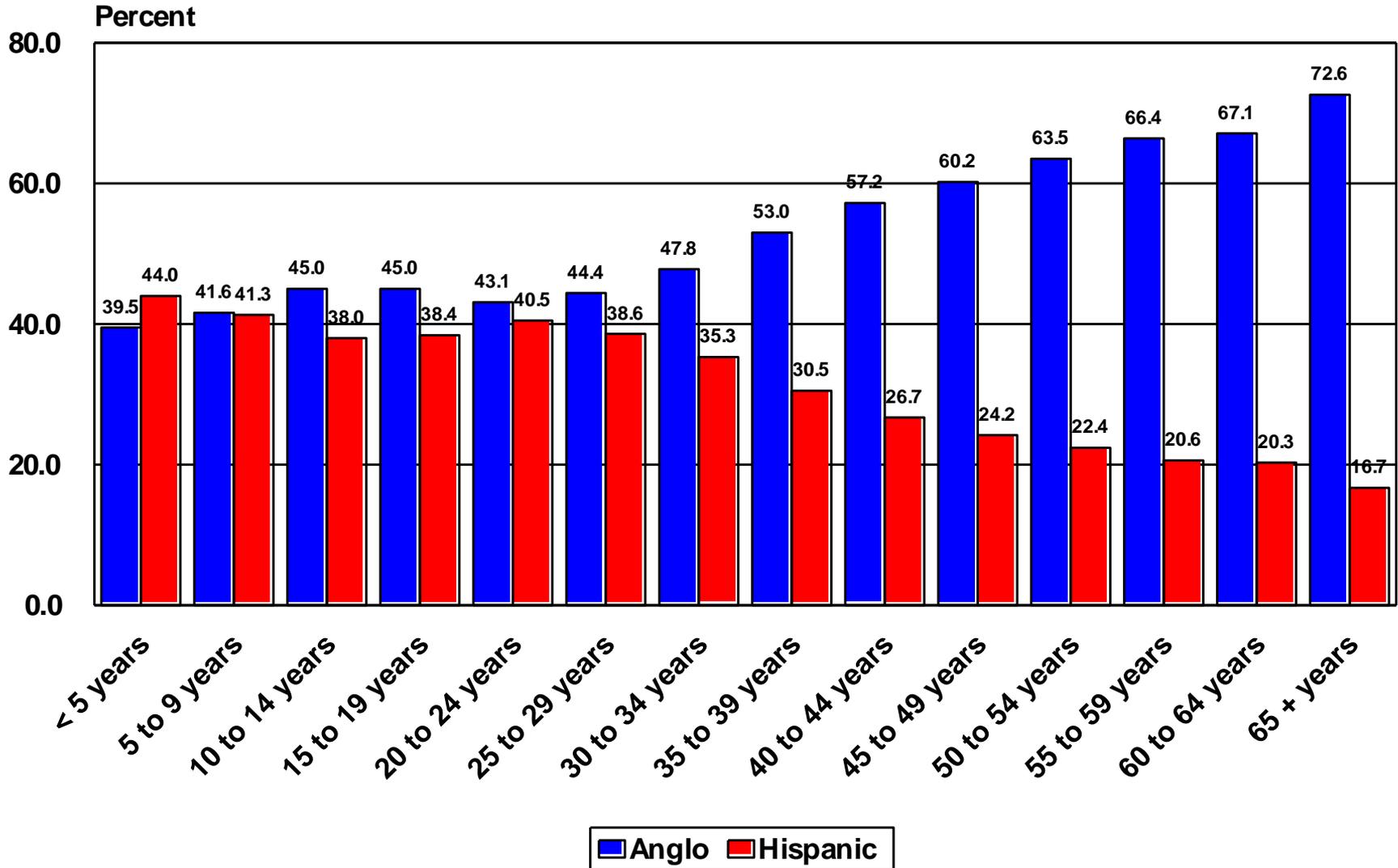
Male

Female

Male

Female

Percent of Texas Population by Age Group and Ethnicity, 2000



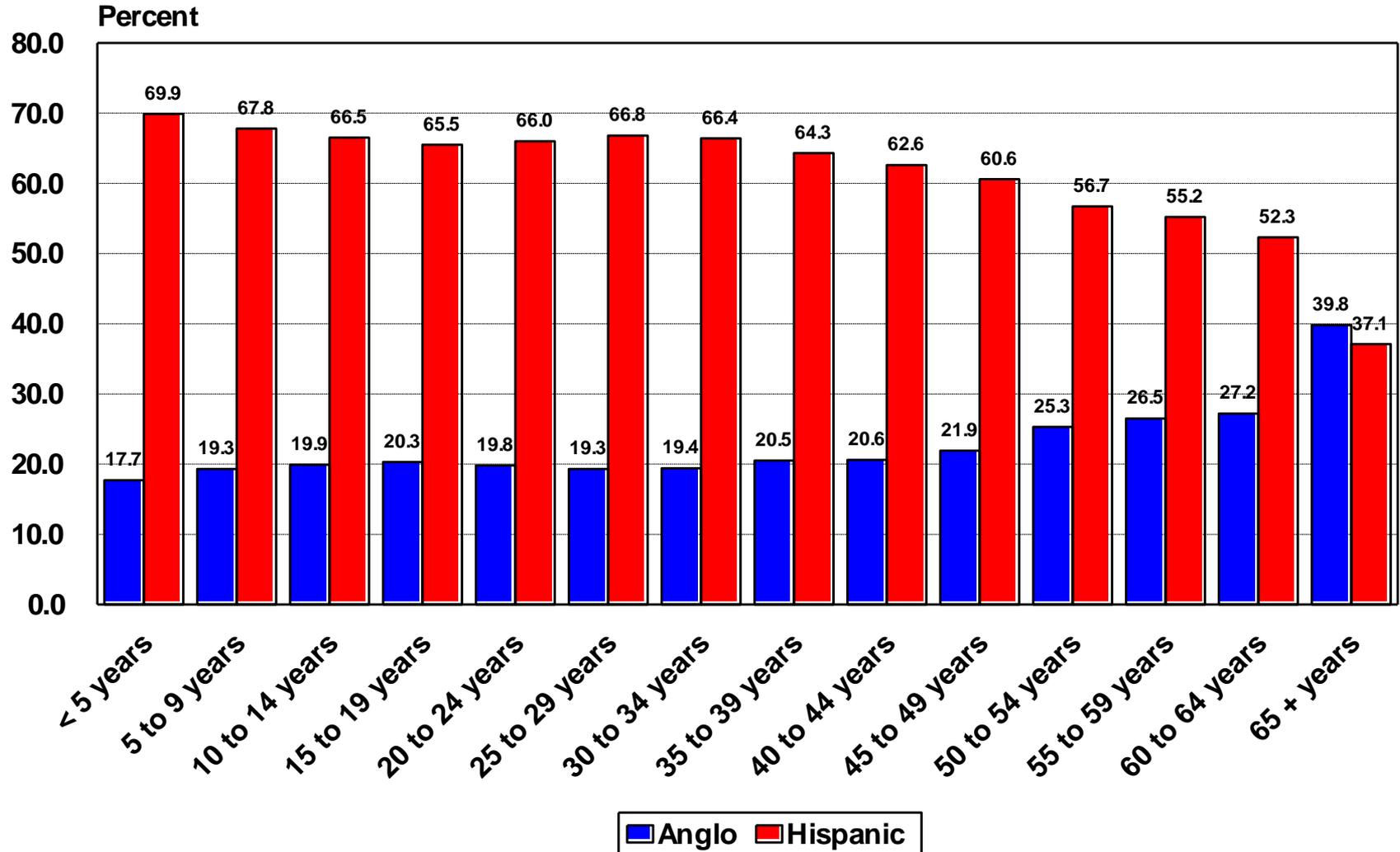
Population, Population Change, and Proportion of the Population Less than 18 Years of Age by Race/Ethnicity for Texas, 2000 and 2010

Race/Ethnicity*	Change				Percent of Population	
	2000	2010	Numeric	Percent	2000	2010
NH Whites (Anglo)	2,507,147	2,322,661	-184,486	-7.36	42.59	33.83
Hispanic (All Races)	2,386,765	3,317,777	931,012	39.01	40.54	48.32
NH Black	732,807	810,543	77,736	10.61	12.45	11.81
NH Asian	139,226	231,458	92,232	66.25	2.37	3.37
NH "Other" Races	28,962	36,513	7,551	33.05	0.49	0.53
NH Two or More Races	91,852	146,872	55,020	59.90	1.56	2.14
State of Texas	5,886,759	6,865,824	979,065	16.63	100.00	100.00

Source: U.S. Census 2010, P.L. 94-171

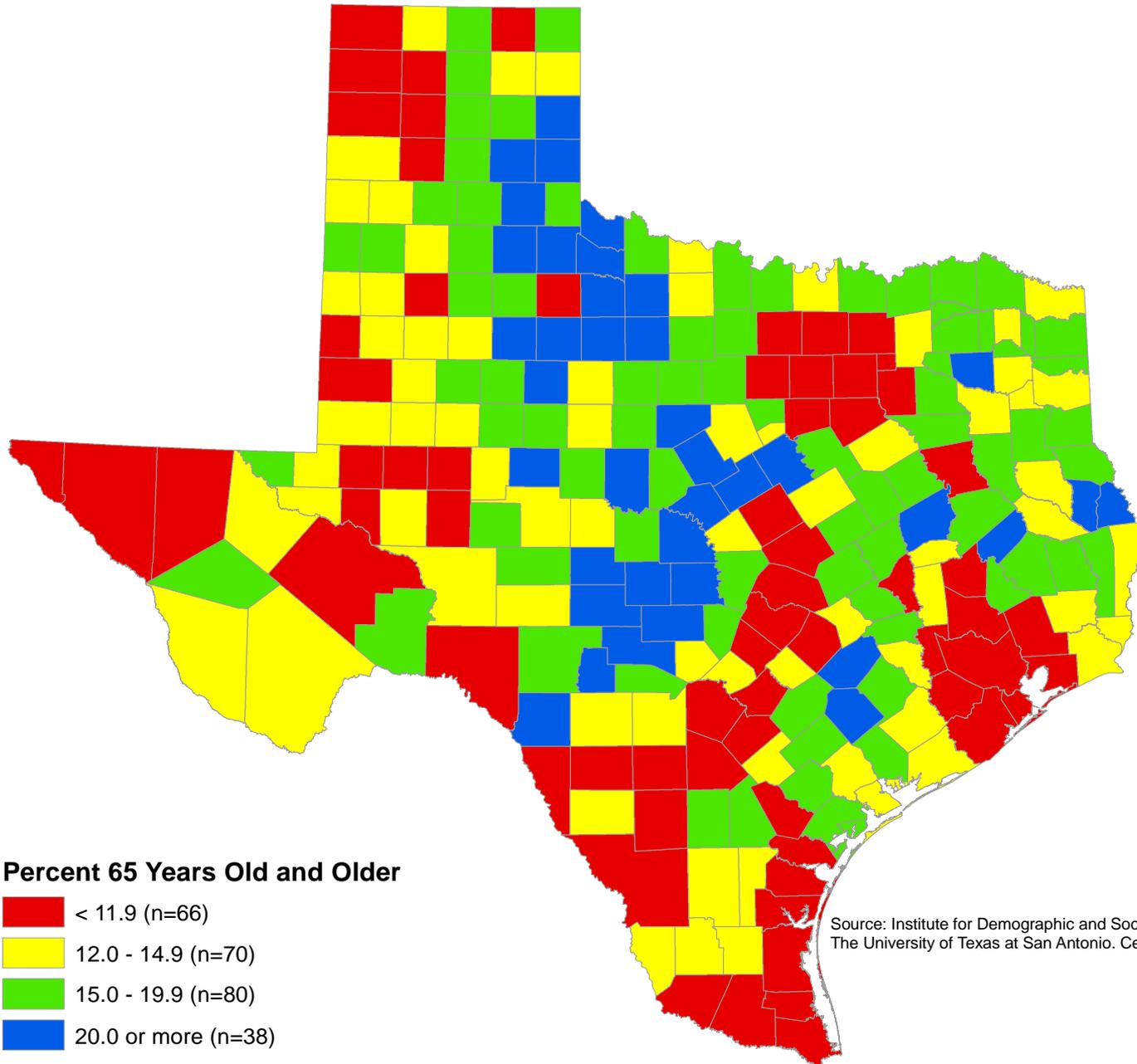
* "Other Race" is comprised of Native American and Alaska Native, Native Hawaiian and Pacific Islander, and "Some Other Race" as per the Census 2000 and Census 2010. Hispanic includes persons of all races. All other race/ethnicity categories shown here are non-Hispanic (e.g., non-Hispanic White, non-Hispanic Black, etc.)

Percent of Texas Population by Age Group and Ethnicity, 2040*

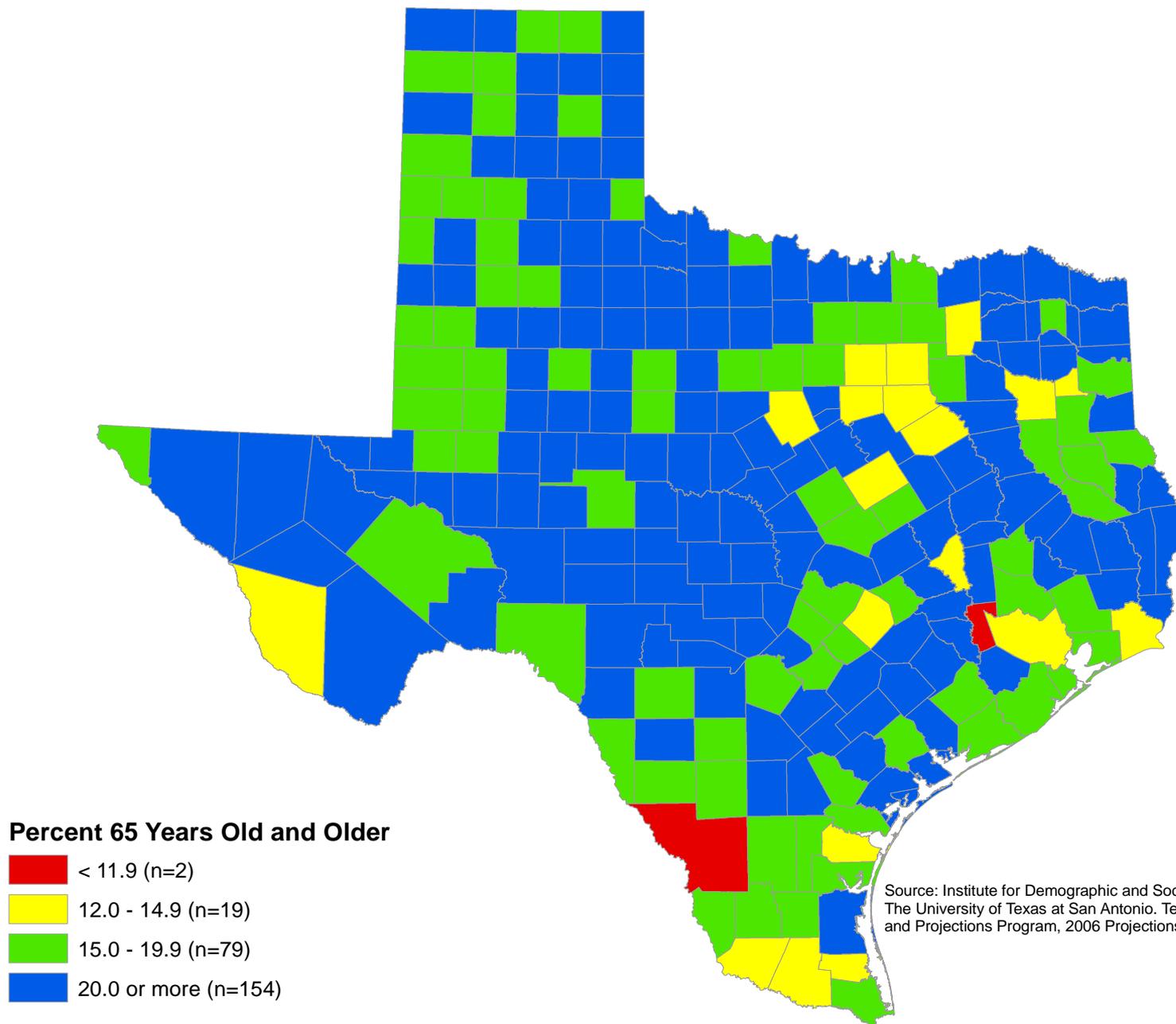


* Projections are shown for the 1.0 scenario

Percent of Persons 65 Years of Age and Older in Texas Counties, 2000



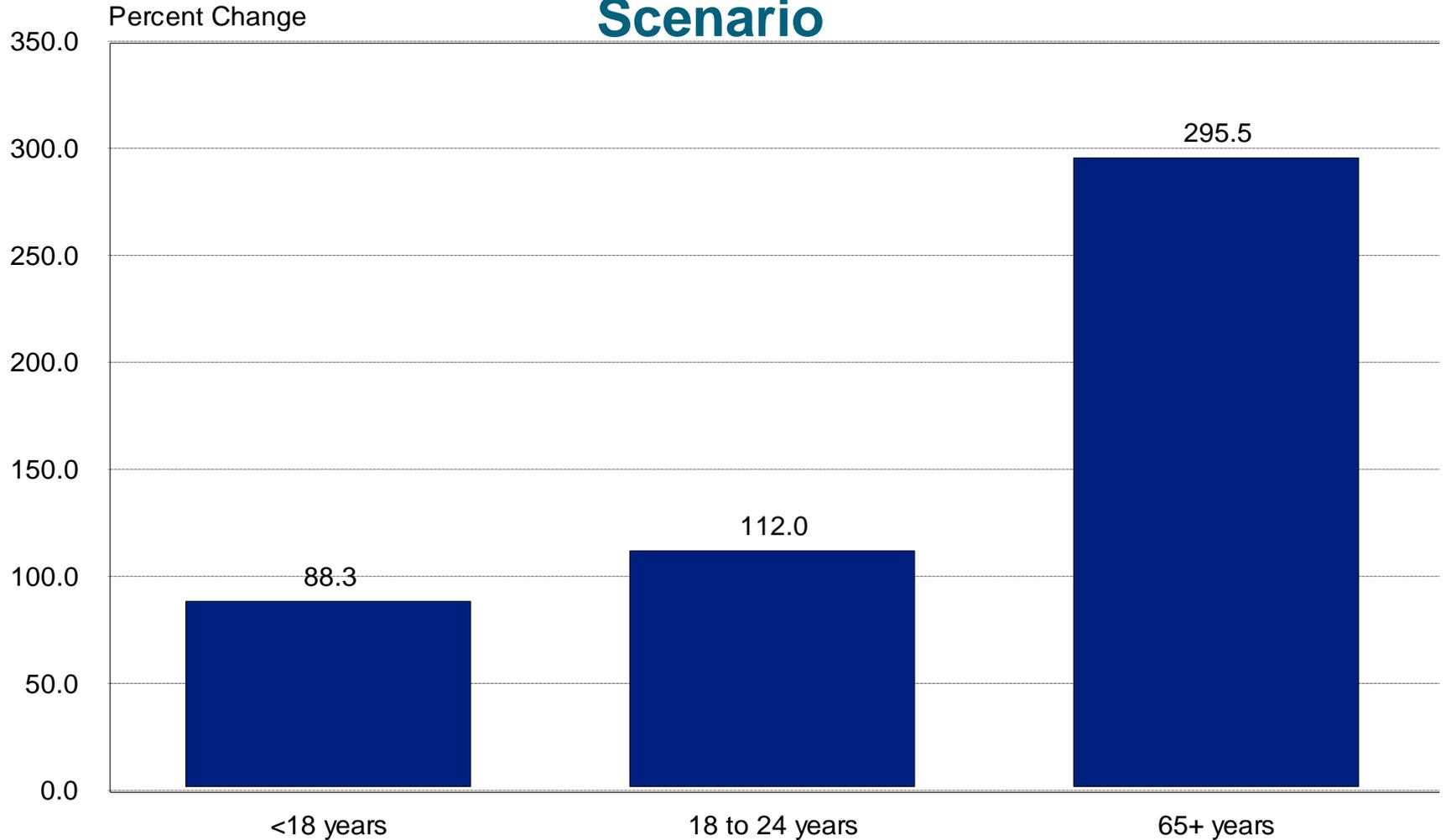
Percent of Persons 65 Years of Age and Older in Texas Counties, 2040*



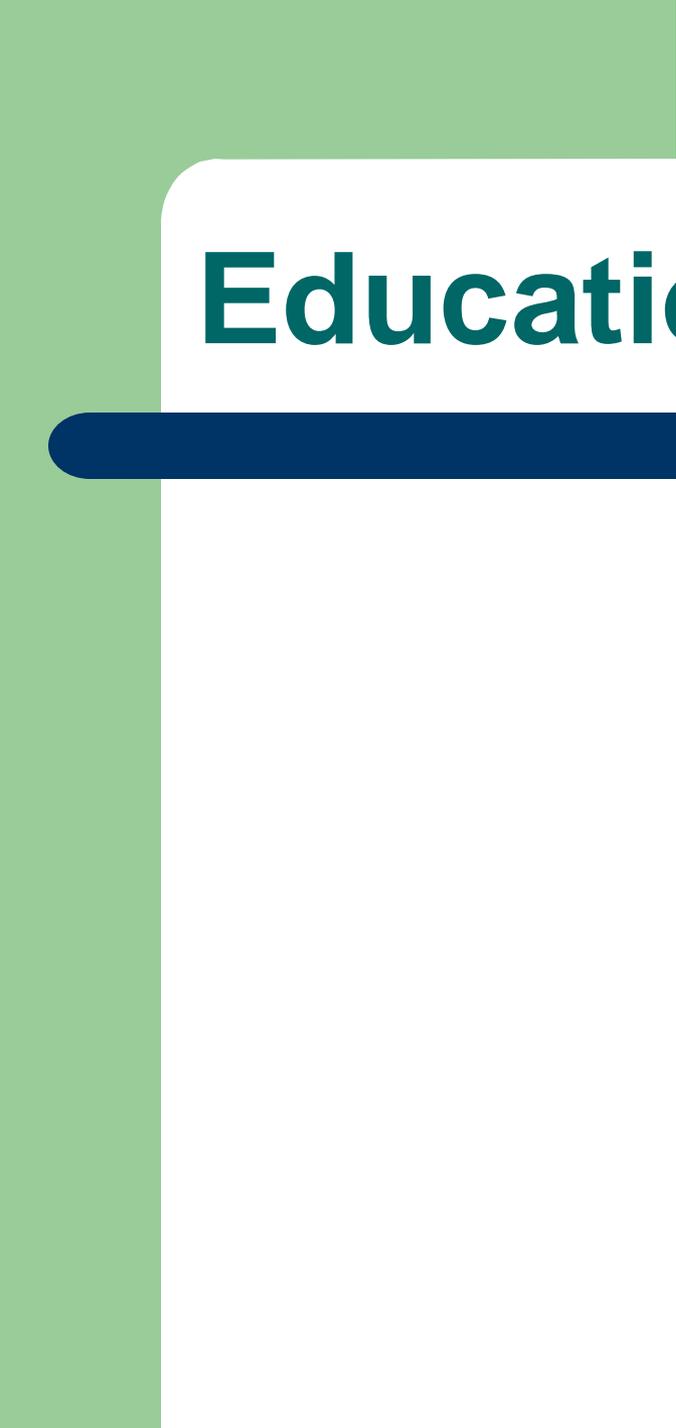
Source: Institute for Demographic and Socioeconomic Research, The University of Texas at San Antonio. Texas Population Estimates and Projections Program, 2006 Projections.

* Assuming rates of migration equal to 2000-2004

Percent Change from 2000 to 2040 in Selected Age Groups in the Texas Population Under the 1.0 Scenario



Education

The slide features a decorative layout on the left side. A light green vertical bar is partially visible on the far left. To its right, a white rounded rectangular shape contains the word "Education" in a bold, dark teal font. Below this white shape, a thick, dark blue horizontal bar extends across the width of the slide.

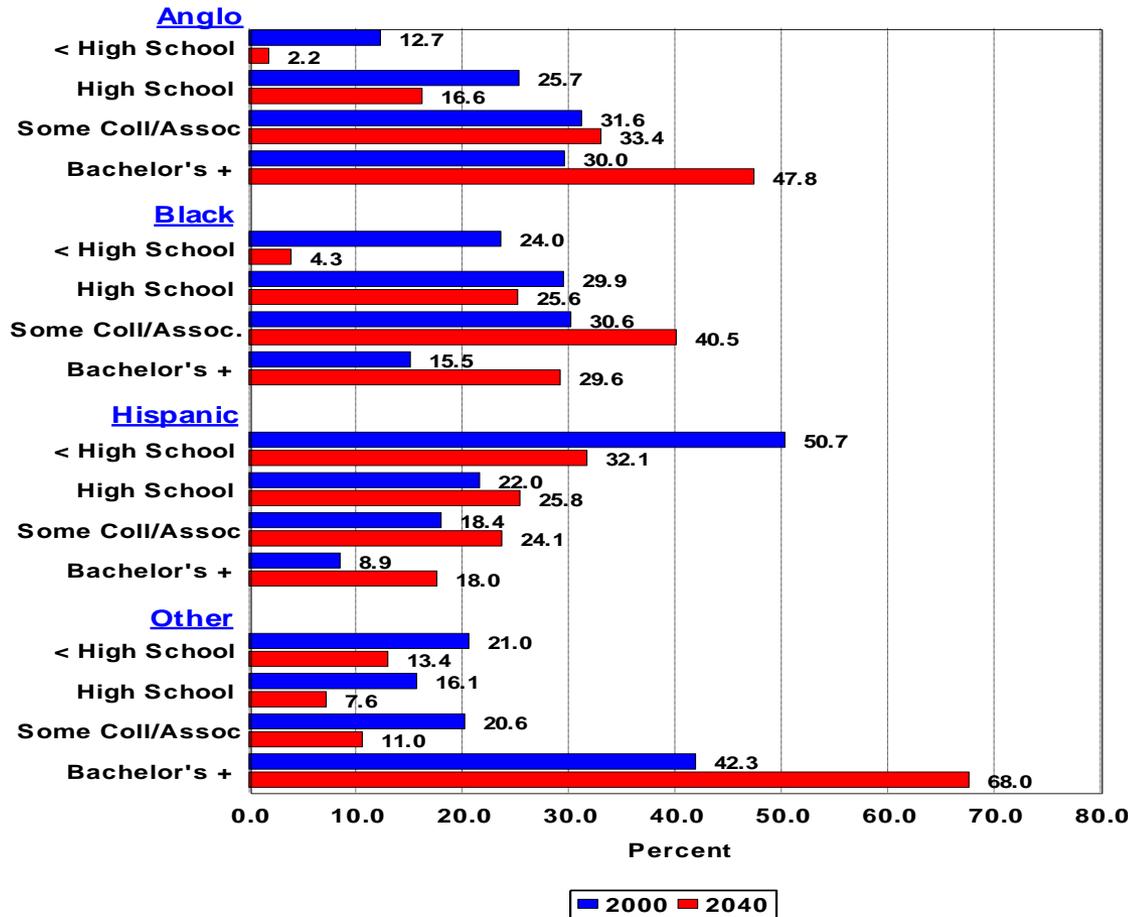
Educational Attainment for the Texas Population Age 25 and Older by Race/Ethnicity, 2009

Race Ethnicity	Population Age 25 and Older	Less than high school	High school diploma	Some college or associates degree	Bachelor or more
Non-Hispanic White	8,026,049	8.3	25.3	32.5	33.9
Black	1,705,709	15.0	30.4	36.5	18.1
Hispanic*	4,876,517	42.5	25.2	21.4	10.9
Asian	580,159	14.2	15.4	17.2	53.2
Total	15,361,557	20.1	25.4	28.9	25.5

Source: U.S. Census, American Community Survey, 2009.

*Includes Hispanic persons of all races.

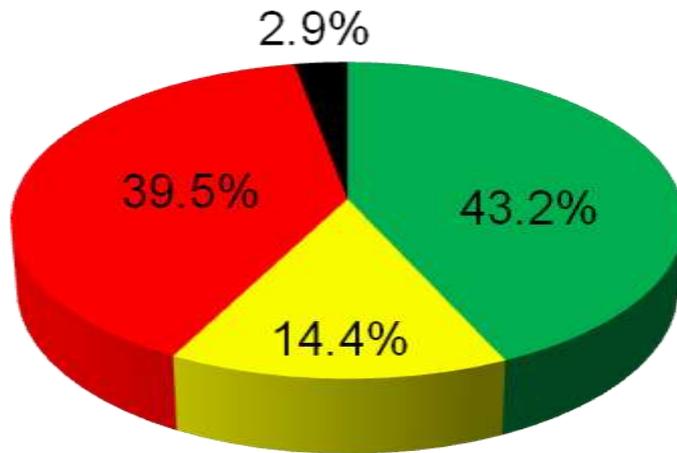
Percent of Persons 25 Years of Age or Older by Level of Educational Attainment and Race/Ethnicity in 2000 and Projected to 2040* Assuming 1990-2000 Trends in Educational Attainment Rates



*Projections are shown for the 1.0 scenario

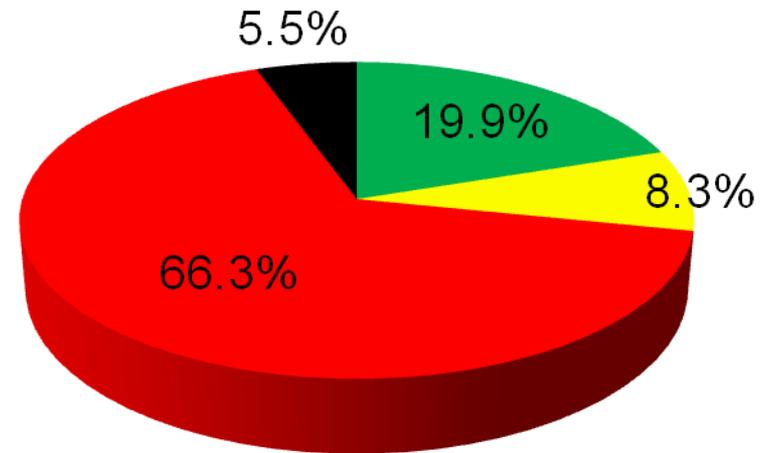
Ethnic Diversity of the Population Enrolled in Elementary and Secondary Schools in Texas, 2000 and 2040

2000



■ NHWhite ■ NHBlack
■ Hispanic ■ NHOther

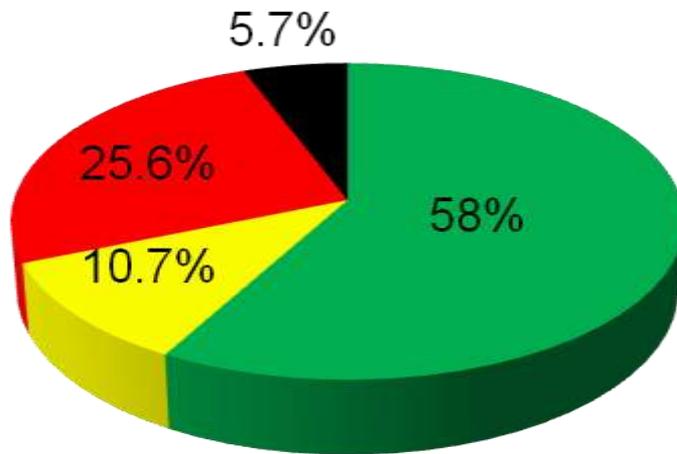
2040



■ NHWhite ■ NHBlack
■ Hispanic ■ NHOther

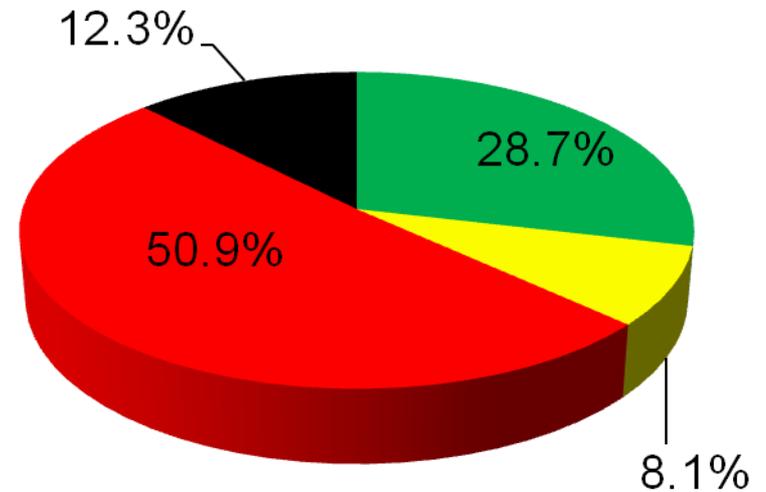
Ethnic Diversity of the Population Enrolled in Colleges and Universities in Texas, 2000 and 2040

2000



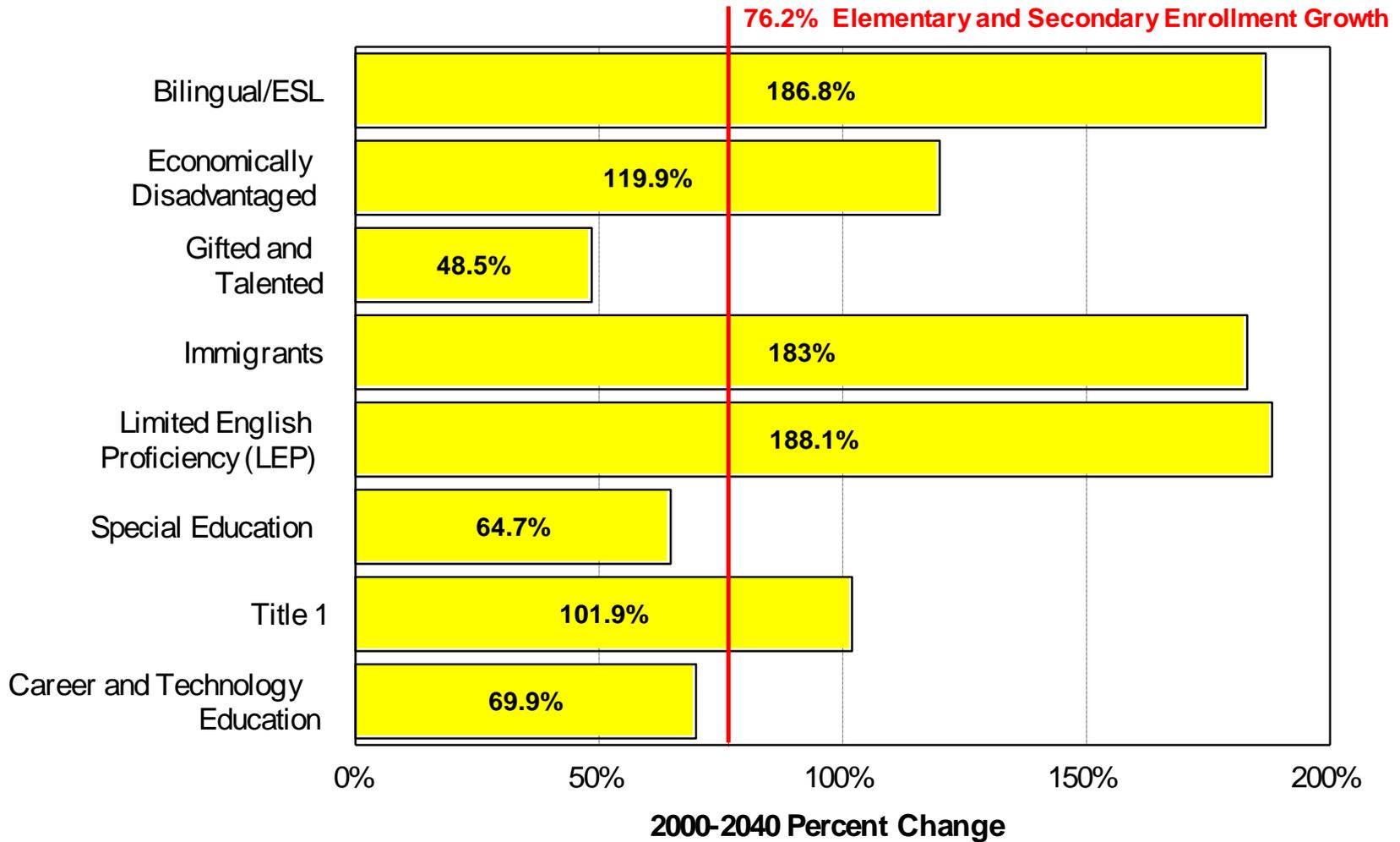
■ NHWhite ■ NHBlack
■ Hispanic ■ NHOther

2040



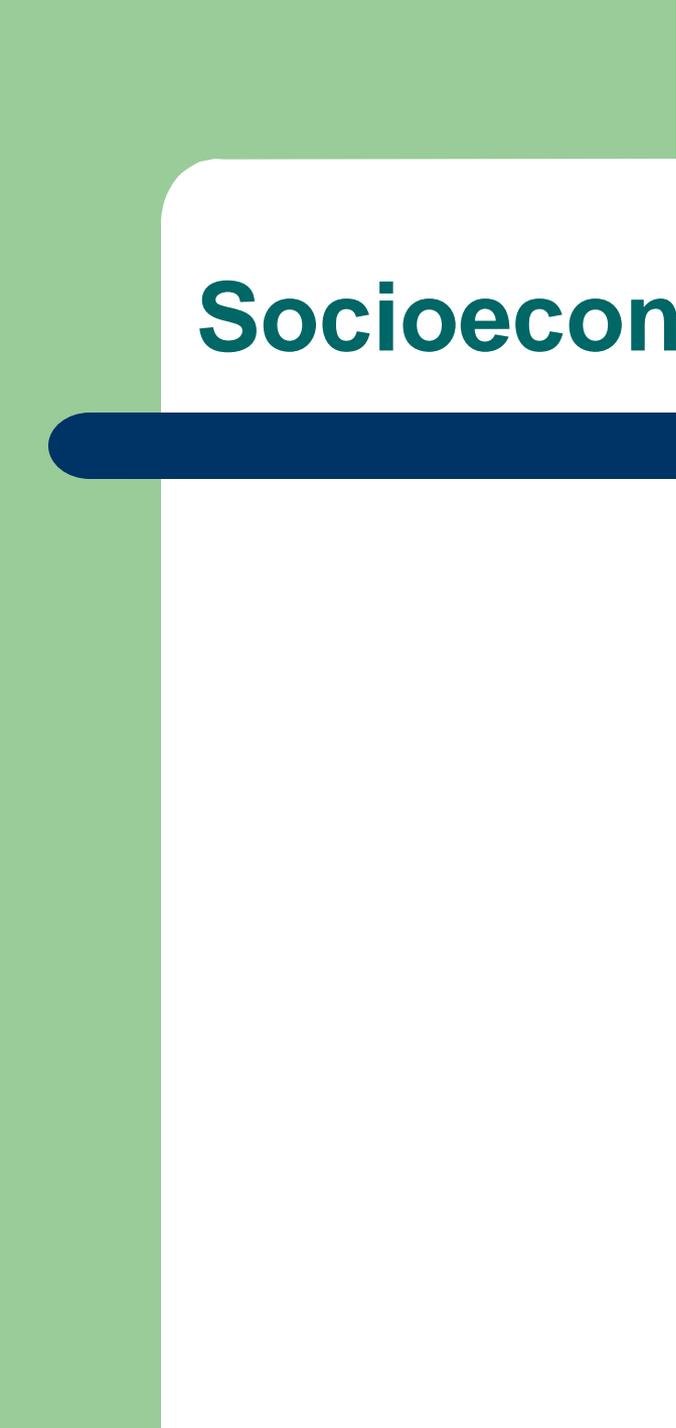
■ NHWhite ■ NHBlack
■ Hispanic ■ NHOther

Future Demands for Specific Programs



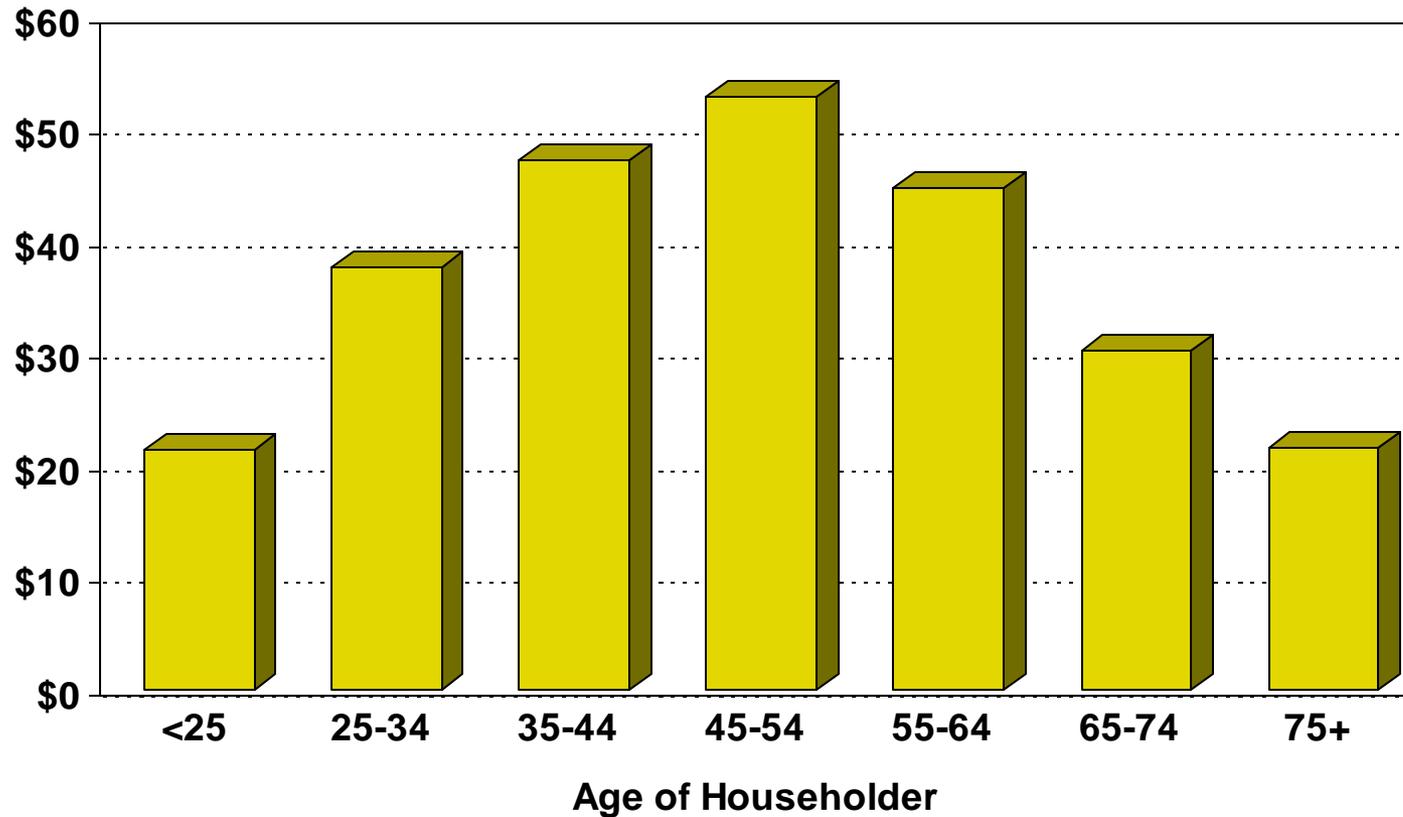
Source: The New Texas Challenge: Population Change and the Future of Texas

Socioeconomic Conditions

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Median Household Income in 1999 in Texas by Age of Householder

Thousands



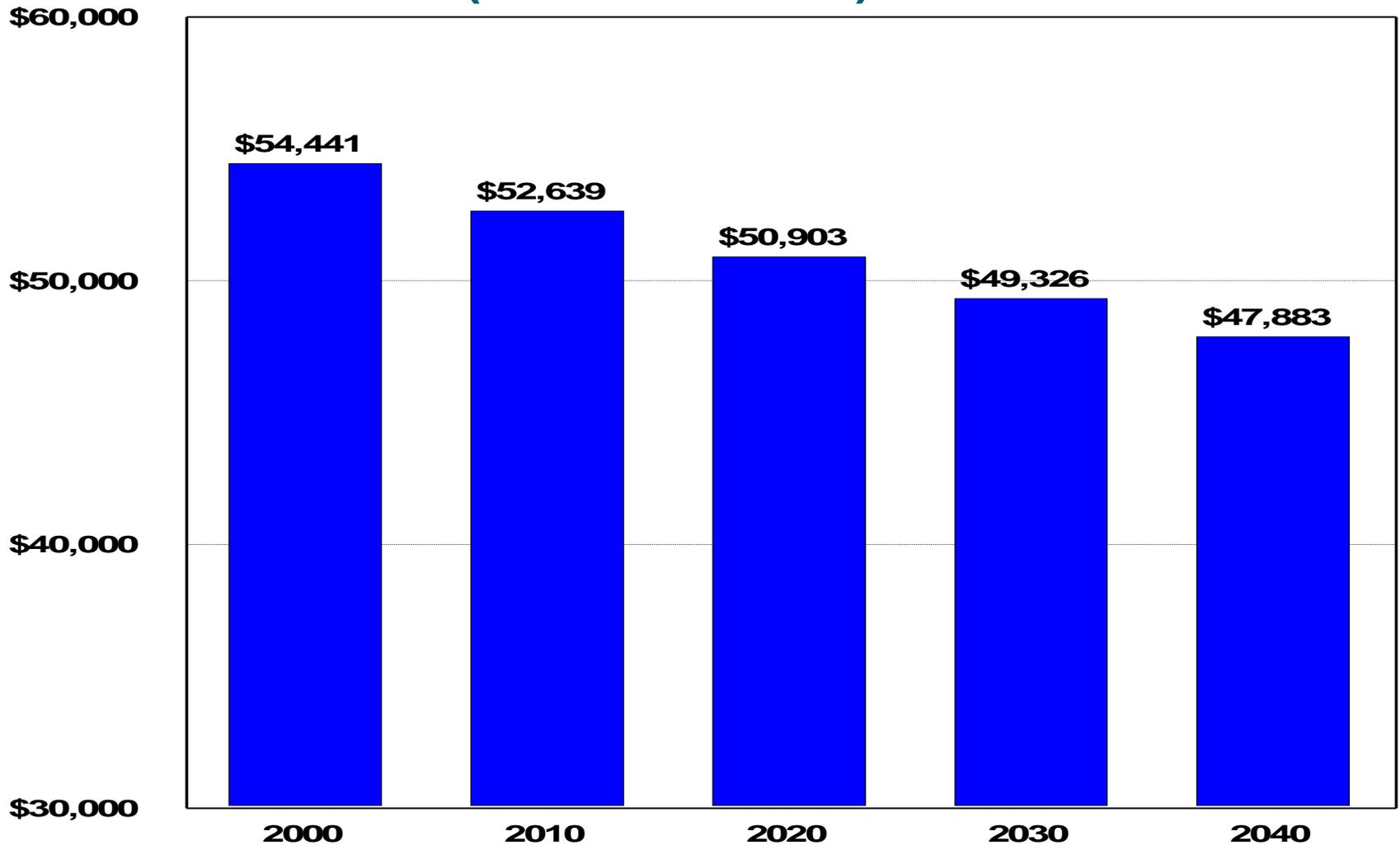
Total and Percent of the Texas Population in Poverty and Median Household Income by Race/Ethnicity, 1999 and 2009

	1999			2009		
	Population in Poverty	%	Median Household Income*	Population in Poverty	%	Median Household Income
Anglo	826,459	7.8	\$60,839	1,010,170	9.0	\$59,836
Hispanic	1,658,434	25.4	\$38,536	2,364,407	26.4	\$35,628
Black	525,082	23.4	\$37,803	630,479	23.1	\$35,438
Asian	65,048	11.9	\$64,576	105,186	12.1	\$63,692
Other	42,586	13.9	NA	40,000	11.9	NA
Total	3,117,609	15.4	\$51,506	4,150,242	17.2	\$50,043

*In 2009 Dollars

Source: U.S. Census Bureau, Census 2000 and American Community Survey, 2009

Average Household Income in Texas, 2000-2040* (in 2000 Dollars)

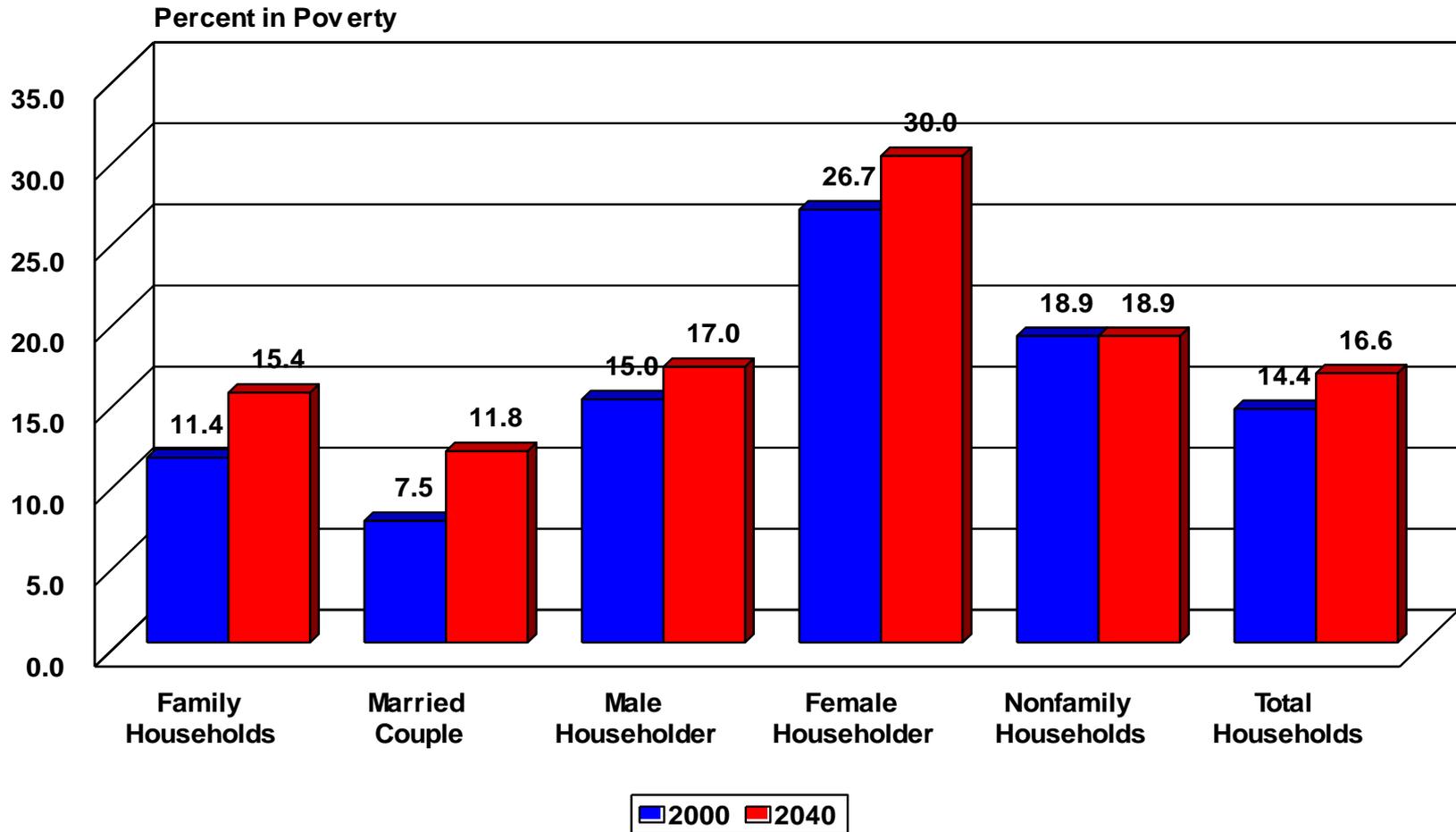


* Projections are shown for the 1.0 scenario

Texas Latino Labor Force

- U.S. Latino wages better than Texas Latino wages
 - 71% of NH white wages
- Texas Latino wages
 - 64% of NH white wages
- If current labor force trends continue by 2040 HH income will be \$6,000 less than in 2000

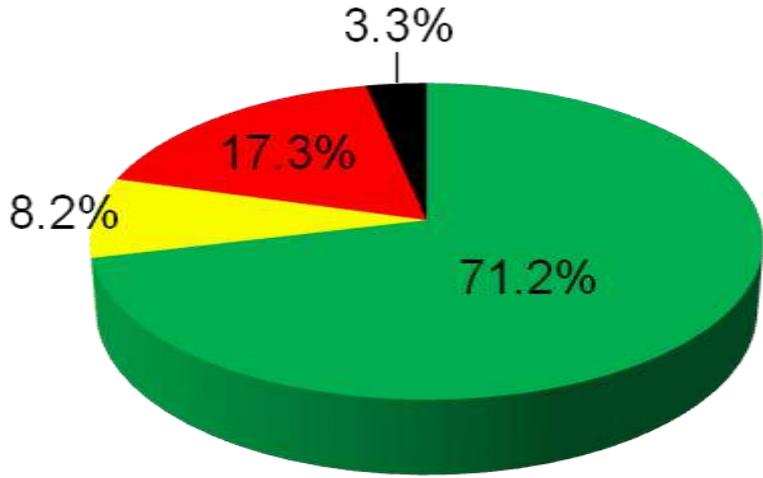
Projected Percent of Households in Poverty by Family Type in Texas, 2000 and 2040



* Projections are shown for the 1.0 scenario

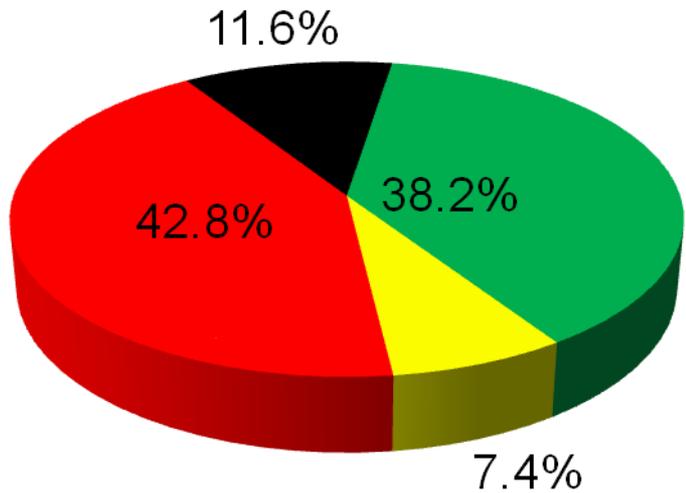
State Tax Revenues in Texas Proportioned by Race/Ethnicity in 2000 and Projections to 2040* Assuming 2000 Decile Tax Rates

2000 Tax Revenues



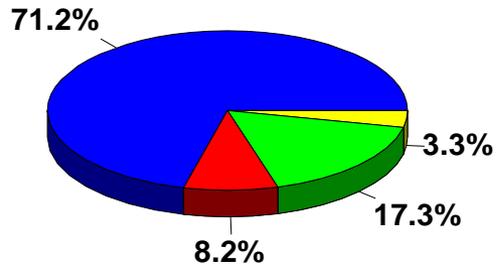
- NHWhite
- Hispanic
- NHBlack
- NHOther

2040 Projected Tax Revenues

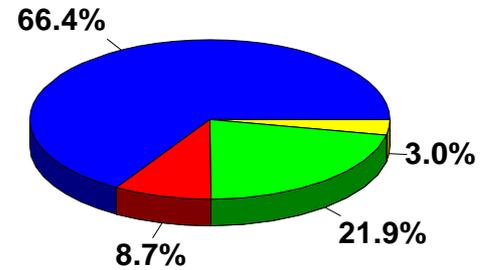


- NHWhite
- Hispanic
- NHBlack
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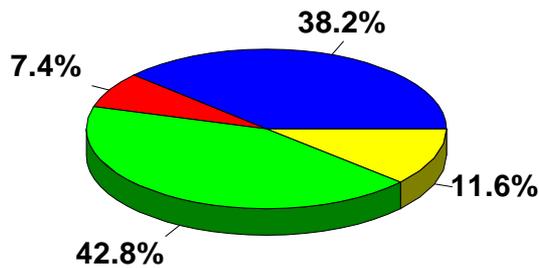
Ethnic Diversity of Household Income and Consumer Expenditures in Texas, 2000 and 2040*



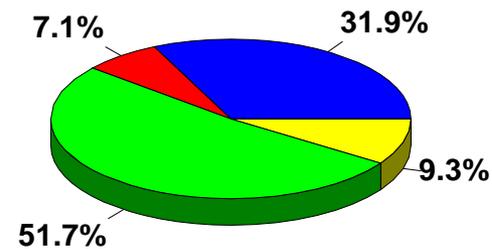
2000 Aggregate Household Income



2000 Consumer Expenditures



2040 Aggregate Household Income



2040 Consumer Expenditures



* Projections are shown for the 1.0 scenario

Group Disparities

- Texas' ethnic group wages lower than Texas NH white wages
- Texas native born Hispanics' wages higher than immigrant wages in Texas

What does all this mean ?

**Pain
or
Gain**

Generation Gap: Two Pronged Issue

- The Old
 - Non-Hispanic white populations diminishing
- The Young
 - Hispanic populations rapidly expanding

Consequences of Aging Population

- Greater proportion of population in retirement
 - Fixed income; dwindling resources
 - Increase in single head of households
 - Older more established households- less consumer needs
- Greater demand for services
 - Baby Boomer Syndrome

Consequences of Aging Population

- Increase in health care needs
 - Age = chronicity
- Increase need for service providers
 - Smaller family units – less available help
 - Greater geographic mobility less proximity to family care providers
 - Greater proportion of elders will be childless

Consequences of Increase in Minority Populations

- Labor Workforce
 - Younger workforce
 - Less experience
- Less educated workforce
 - Lower skilled occupations = Lower wages
 - Reduced occupation related benefits
 - Especially health care benefits
 - Reduced consumerism
 - Increased government costs

Minority Populations Consequences

- Higher fertility rates
 - 95% of child growth in past decade=Hispanic
 - 50.2% of public school children in Texas /Hispanic
 - Larger size households
 - Greater demand for single family housing
 - Greater demands on services
 - health
 - education

Summary Market Consequences

- Reduced tax revenues
 - Increased proportion of taxpayers in retirement
 - Only 38% of revenues will from non-Hispanic whites
 - Increased proportion of taxpayers non-Anglo
 - Younger less experienced
 - Lower levels of formal education
 - Increased proportion of taxpayers in Service occupations = lower wages
 - Less disposable income for needs

Implications of Low English Proficiency & Education Attainment

- High levels of underemployment
 - Part-time
 - Seasonal
- High levels of unemployment
- Low-skilled occupations
- Low-wage occupations
 - Low/no benefits
 - Low/no security
- High sensitivity to economic downturns
 - Last hired – first fired

Advantages of Population Shifts

- Greater demand for services
 - **The gray/aging population**
 - English-speaking service providers
 - Housing
 - **The brown/younger population**
 - Bilingual service providers
 - Education
 - Affordable housing
 - Younger households – more needs

High Fertility Good for Economy

- More people
 - More demand for goods & services
- Pumps up Social Security
 - Young workers support aging population

Investing in the future

- Hispanics can stimulate business
 - US Latino buying power \$870 billion in 2008
- Pump-up weak housing markets
 - 61% of US Latino net worth invested in homeownership
- Replenish an aging labor force
- Revitalize dying communities
 - Look at what it has done for the Catholic Church

The 64 Million \$ Question

- Is Texas willing to educate this population the way it educated the populations in the past?

Latino Family Portrait



--- mi casa es su casa!

Muchas Gracias

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