TXP Technology Impact Analysis
A Production Focus

• As mentioned, technology an increasing presence in every element of modern life
• To measure impact, use a “production” orientation – products and services that enable other activity – consistent with CompTIA
  • Software
  • Data processing, etc.
• Some elements of
  • Mfg
  • Services
  • Education
  • Wholesale trade
• QCEW employment data on employment and wages by industry used as the basis – integrated with state/national ratios on output/value-added by worker/wage levels. Texas statewide RIMS model used to estimate the secondary (ripple) effects.
TXP Technology Impact Analysis

Results

Flow of Economic Impacts

Direct + Indirect + Induced = Total

Total 2022 Economic Impact

• Value-added (equivalent of GDP) $469.75b (19.6%)
• Wages: $185.62b (23.1%)
• Employment 1,996,639 (17.6%)

Distribution of Impact

- Mfg. 17.5%
- Services 45.1%
- Data, etc 19.4%
- Other 18.1%
The Technology & Economic Future

TXP View

• Texas’ economy clearly continues to move toward being based in applying knowledge/information – either directly through services, indirectly through technology, or oftentimes in some combination.

• A range of factors influence near-term direction, specifically related to demand – overall economic trends, inflation/interest rates, global political events/conflict, consumer confidence, weather/climate, etc.
  • Texas is relatively well-positioned, but competition is fierce – ranked 3rd in $ value of incentives, 13th in # of transactions, and 10th in jobs created on economic development deals in 2022

• Over more extended period, supply assumes a more dominant role, as well as the capacity for innovation. These factor will be crucial to success.
  • Industry clusters
  • Labor force/education
  • Business/regulatory environment
  • Infrastructure
  • Digital backbone (compute, data, electricity, focused talent, security)