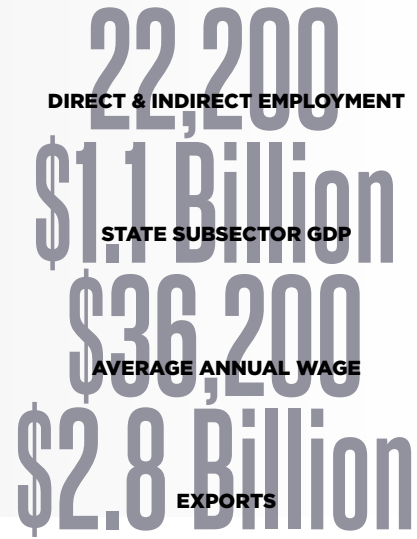


TEXAS

TEXTILES, APPAREL AND LEATHER PRODUCTS MANUFACTURING

U.S. and Texas manufacturers of textiles, apparel and leather have incurred significant job losses as production moves overseas to cheaper labor markets. Some areas of Texas, such as El Paso, still maintain a large presence of textile and apparel jobs, but these areas, too, have experienced heavy job losses within these subsectors.



Sources: U.S. Bureau of Economic Analysis; Regional Economic Models, Inc.; Emsi; U.S. Department of Commerce International Trade Administration

SUBSECTOR PRESENCE IN TEXAS

Texas had about 17,100 textile, apparel and leather manufacturing jobs in 2016. The average annual wage for these jobs was about \$36,200. The top occupations within these subsectors

include sewing machine operators, knitting and weaving machine setters and shoe and leather workers and repairers.

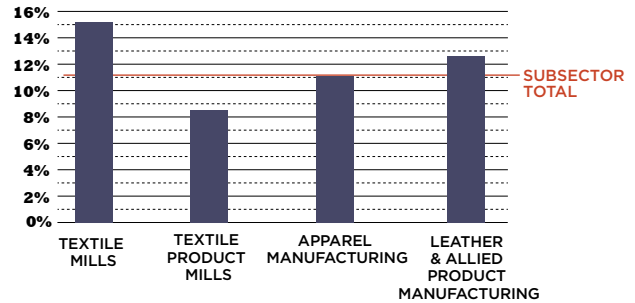
The leather and allied product subsector's share of total employment is 1.80 times greater in Texas than in the U.S., as measured by location quotient.

SUBSECTOR TOTALS

	DIRECT JOBS 2016	AVERAGE TEXAS SALARIES 2016	LOCATION QUOTIENT 2016*
SUBSECTOR TOTALS	17,120	\$36,227	0.53
TEXTILE MILLS	1,590	\$44,168	0.17
TEXTILE PRODUCT MILLS	5,836	\$33,689	0.61
APPAREL MANUFACTURING	5,318	\$37,632	0.50
LEATHER AND ALLIED PRODUCTS	4,376	\$35,017	1.80

*Location quotient compares an industry's share of jobs in a specific region with its share of nationwide employment. Source: Emsi

TEXAS EMPLOYMENT PROJECTIONS BY SUBSECTOR, 2014-2024



Source: Texas Workforce Commission

Despite heavy job losses in these four subsectors during the past few decades, the Texas Workforce Commission does project some future job growth. Overall, the four subsectors are projected to rise by about 11 percent from 2014 through 2024.

SAN ANTONIO LEADS ALL U.S. METRO AREAS IN FOOTWEAR MANUFACTURING EMPLOYMENT.

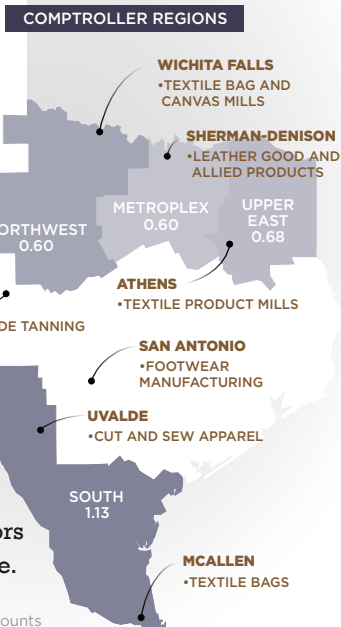
Source: The U.S. Cluster Mapping Project

REGIONAL SUBSECTOR LQs AND AREAS OF INDUSTRY SPECIALIZATION BY METRO AREA

EL PASO
 • CUT AND SEW APPAREL CONTRACTORS
 • FOOTWEAR MANUFACTURING

UPPER RIO GRANDE 2.31
SAN ANGELO
 • LEATHER AND HIDE TANNING AND FINISHING

The Upper Rio Grande and South regions maintain a high concentration of employment in these subsectors compared to the national average.



Sources: Emsi, Texas Comptroller of Public Accounts

CONCLUSION

Manufacturing continues to drive output and productivity in the Texas economy, creating jobs paying well above the statewide average. It also contributes significantly to job creation in other industries, particularly in design operations and services.

U.S. and Texas jobs in the textiles, apparel and leather manufacturing subsectors fell by 62 percent from 2001 through 2016. These developments were expected and have occurred in other advanced economies, as production moves to cheaper labor markets.

To see more in-depth Texas manufacturing data, visit:

comptroller.texas.gov/economy/economic-data/manufacturing/

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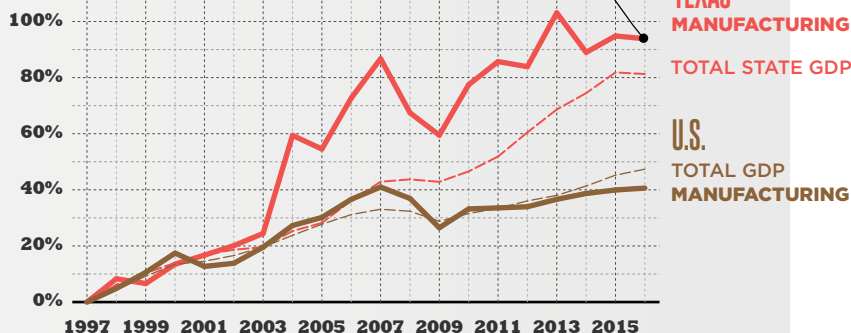
TEXAS MANUFACTURING

Texas has an extraordinary manufacturing economy. The state's resources make it a natural leader in petroleum and chemical manufacturing; its research institutions have fostered computer-related and other high-tech manufacturing; and a business-friendly environment and skilled labor have helped create a burgeoning automotive manufacturing sector. **IN ALL, MANUFACTURING CONTRIBUTED \$218 BILLION TO TEXAS' GROSS DOMESTIC PRODUCT (GDP) in 2016, an amount larger than the entire economy of Portugal.**



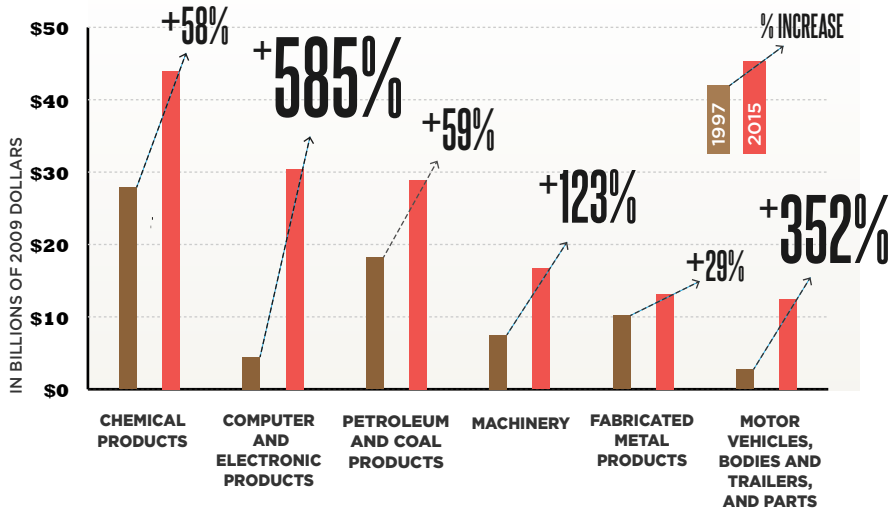
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PERCENT CHANGE IN REAL GROSS DOMESTIC PRODUCT / 1997-2016



Sources: U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics

LARGEST MANUFACTURING SUBSECTORS IN TEXAS BY GDP: GROWTH FROM 1997 TO 2015



Sources: U.S. Bureau of Economic Analysis, Texas Comptroller of Public Accounts

TEXAS MANUFACTURING OUTPUT HAS OUTPACED THE TOTAL TEXAS ECONOMY.

TEXAS MANUFACTURING ACCOUNTED FOR 10 PERCENT OF U.S. MANUFACTURING GDP IN 2016.

From 1997 through 2016, growth in Texas manufacturers' economic output more than doubled U.S. manufacturing gains of 41 percent.

BETWEEN 1997 AND 2016, MANUFACTURING REAL GDP INCREASED 94 PERCENT, COMPARED WITH AN 81 PERCENT GAIN ACROSS ALL TEXAS INDUSTRIES.

Sources: U.S. Bureau of Economic Analysis, Texas Comptroller of Public Accounts

3,000,000
DIRECT & INDIRECT EMPLOYMENT

\$218.3 Billion
TEXAS MANUFACTURING GDP

\$73,100
AVERAGE ANNUAL WAGE

\$208.7 Billion
EXPORTS

While Texas' manufacturing employment has diminished as a result of automation, technological advances and other factors, its economic output has increased. From 1997 through 2016, Texas' manufacturing job count fell by 19 percent, but its real GDP rose by 94 percent. Texas has **845,000 DIRECT MANUFACTURING JOBS**, as well as another **2.2 MILLION JOBS** indirectly created or supported by manufacturers. In 2016, average annual Texas wages in manufacturing were more than **\$73,000**, much higher than the statewide average of \$53,500.

To see more in-depth Texas manufacturing data, visit:

comptroller.texas.gov/economy/economic-data/manufacturing/

Sources: U.S. Bureau of Economic Analysis, Regional Economic Models, Inc., Emsi, U.S. Department of Commerce International Trade Administration

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