

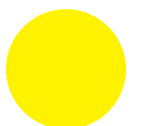
Diversity of Economy

TREND



IMPROVING

STATUS



KEEP WATCH

CURRENT STATE

While our economy recovered quickly after the dot-com bust, it did not structurally change. Our economy was more resilient through the recent recession.

IDEAL STATE

The Central Texas economy is diverse enough to minimize the negative effects of cyclical downturns and changing market conditions.

CONTEXT

Firms in every industry have been affected by the recent recession. While major employers that are spread across several regions may be more able to weather a recession, small businesses tend to be more local in nature and more vulnerable to regional trends in housing affordability, health insurance, land use and transportation.

ADDITIONAL MEASURES

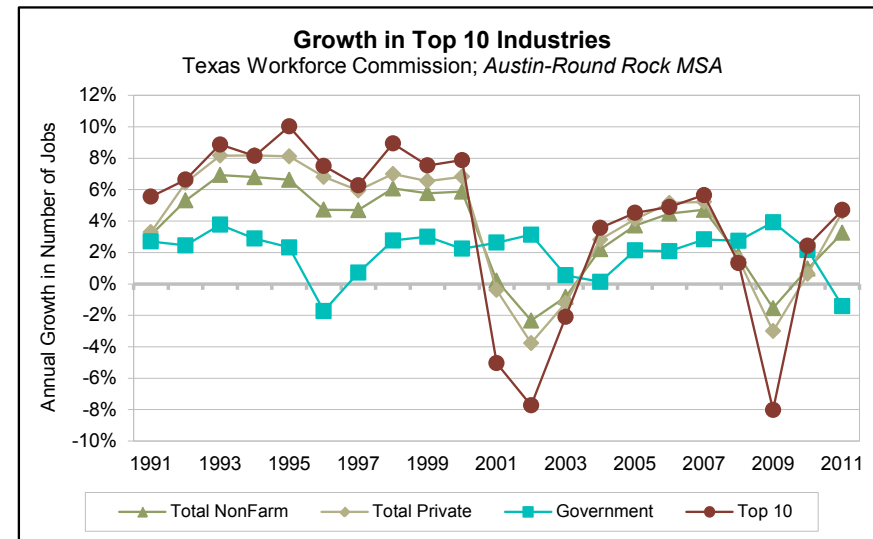
Percentage of Sales Tax Permits Locally Held

SOURCES

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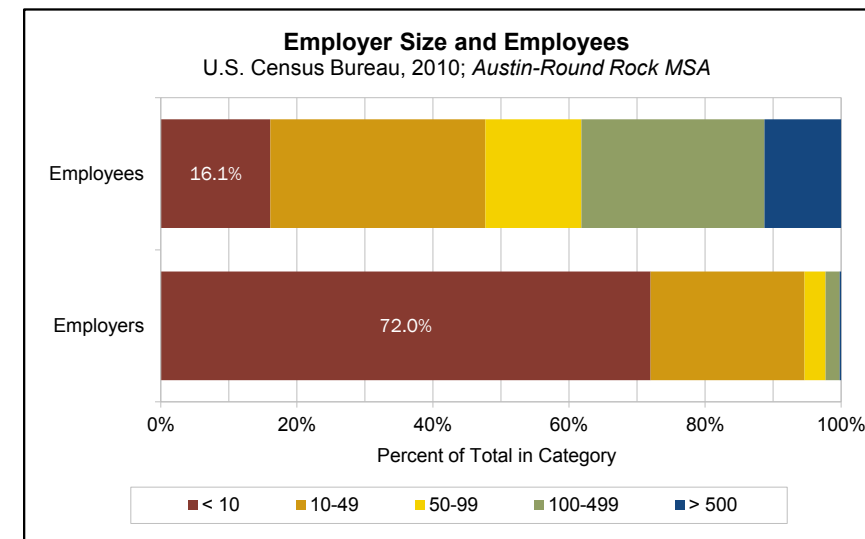
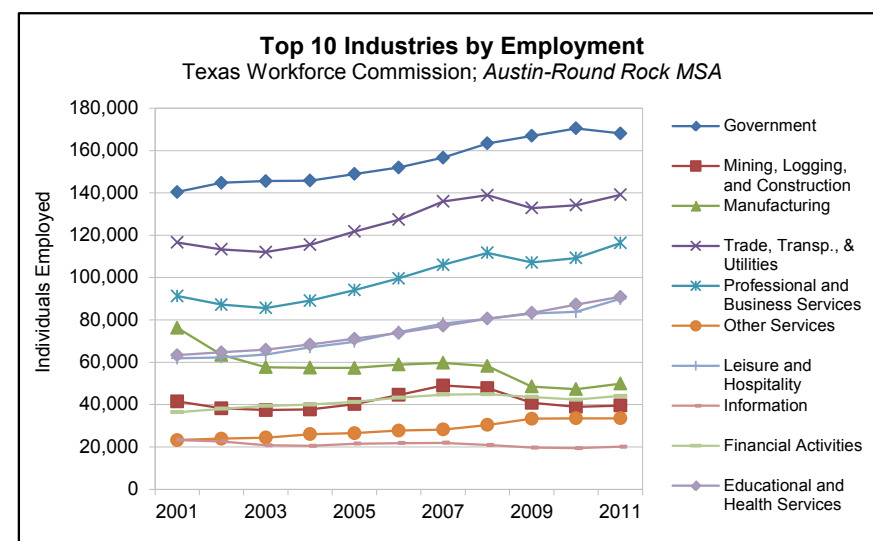
Growth in Major Industries

- The Top 10 Central Texas industries (relatively unchanged in a decade) bore the brunt of the downturn in 2001, but rebounded with several years of increasing growth before another sharp decline beginning in 2007 at the outset of the most recent recession.
- Government employment is a strength for any capital city - the reliability of steady growth in state government and related institutions stabilizes the Central Texas region.



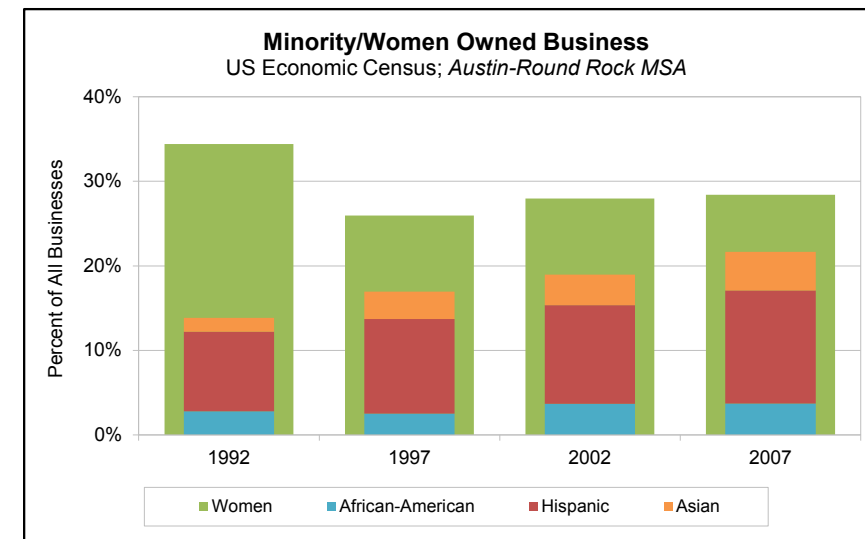
Top 10 Industries

- Within the Top 10 industries, employment in government, educational and health services, financial activities, and hospitality have been relatively unphased by the recession.
- Manufacturing and information technology are the only sectors in the Top 10 industries to decline over the past decade.



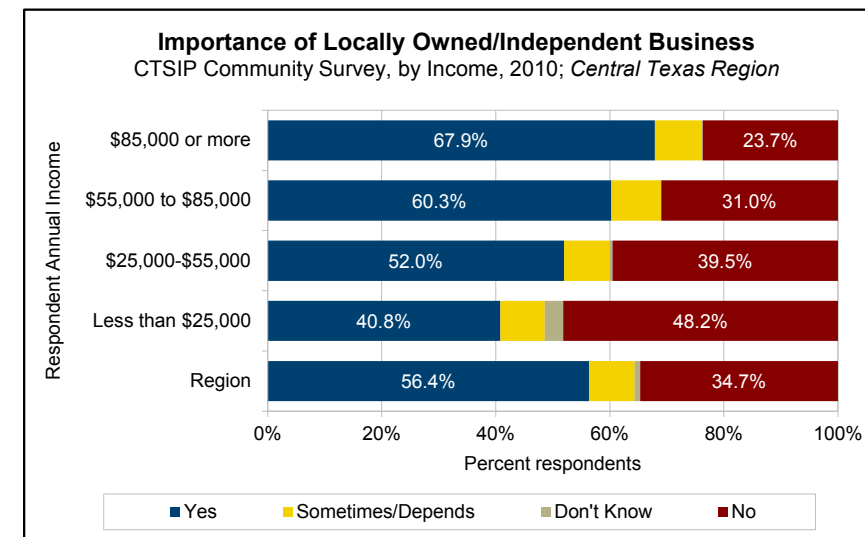
Employer Size

- The total number of employers in Central Texas in each size class steadily increases each year. In 2010, most employers (72%) had fewer than 10 employees.
- However, only 16% of employees work for these employers. Most employees work for mid-size employers.



Minority Owned Business

- The percent of women-owned businesses in Central Texas increased less between 2002 and 2007 than it did the previous five years.
- The percent of non-White owned business has been steadily growing since 1992. The Austin and Dallas regions lag well behind the Houston and San Antonio regions in minority business ownership (not shown).
- Note: 2007 data is the most recent available. The 2012 Economic Census will be conducted in late 2012 and data will be available beginning in 2013.*



Support for Local Businesses

- More than 55% of Central Texas respondents indicated that it mattered to them whether a business is locally owned and independent.
- Nearly a third of those who choose to patronize local businesses over large chains do so because they want to support their community (not shown).
- Residents with lower incomes reported a lower priority for local businesses, where goods are often less affordable than at the larger chain stores.

Survey Question: Does it matter to you if a business is locally owned and independent?