

TECHNOLOGY

Austin may have lost thousands of high-tech jobs, but remaining ones pay well

Austin's average tech wage is \$100,500

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Austin has lost thousands of high-tech jobs since 2000, but the ones that remain pay well.

A Cyber cities survey of American tech communities completed by the AeA trade group shows that Austin's total tech-related wages remained relatively stable even as the number of tech jobs in the area dropped dramatically in 2002 and 2003. What that meant, area economists said, is that some lower-wage manufacturing jobs were replaced by higher-wage engineering, development and management positions.

Economist Jon Hockenyos said high-tech wages have risen in Austin because the makeup of the local high-tech work force has changed. There are fewer people manufacturing things and more professional people, including engineers and software developers, involved in product development.

"What's happened to technology in Austin is that it has shifted toward employing more people involved in product innovation," said Hockenyos, who leads the Texas Perspectives economic consulting firm. "That is where we are today, and that is where we are going to go."

The latest survey, which is being released today, is based on 2006 jobs and wage data because they are the most recent that surveyors could get for all the nation's tech communities.

The average tech wage in Austin was about \$100,500 in 2006, more than twice the average annual wage of the rest of the local private work force. The wage differential of 113 percent was the highest in the country.

The survey ranked Austin 23rd in total tech jobs in 2006. The city's tech job total, 68,800, was up 2,300, or 3 percent, from 2005, but it was down more than 16 percent from 2001, when the Internet and telecommunications industry busts began eating into jobs in Austin and elsewhere.

During the same time period, total high-tech wages in Austin remained little effected, dropping only 5 percent.

According to the survey, in 2006, Austin had 16,000 jobs in electronic components manufacturing, 10,700 in computer equipment manufacturing and 11,900 in computer design and related services.

Thousands of high-tech manufacturing jobs were eliminated early in the decade, and many of them were not replaced. Major employers Dell Inc. and chip makers, including Freescale Semiconductor Inc. (formerly Motorola Semiconductor), were among the biggest job-cutters.

Although many manufacturing jobs went away, many engineering and development jobs did not.

The local tech operations at IBM Corp. and Advanced Micro Devices Inc. have become far more research-and-development intensive in recent years.

Among Texas technology centers, Austin had a higher concentration of high-tech jobs in 2006, but the Dallas-Forth Worth area, with 176,000 total tech jobs, and Houston, with 117,200, had more of them.

However, Austin's tech jobs pay more on average than tech jobs elsewhere in the state. The average tech wage in Houston was about \$84,900 in 2006; it was about \$83,100 in Dallas-Forth Worth and about \$68,000 in San Antonio.

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Cyber cities wage survey

Nationally, Austin's tech workers were the third-highest paid in 2006, with average annual wages of more than \$100,000.

1. San Jose/Silicon Valley \$144,828
2. San Francisco \$118,518
- 3. Austin \$100,536**
4. Oakland, Calif. \$96,930
5. Seattle \$96,197
6. Boulder, Colo. \$96,077
7. Durham, N.C. \$95,551
8. Boston \$95,100
9. Washington, D.C. \$92,718
10. San Diego \$92,328

Source: AeA

Courtesy of JB Goodwin