

TEXAS

CHEMICAL PRODUCT AND PHARMACEUTICAL MANUFACTURING

This manufacturing subsector creates products essential to our daily needs, such as household cleaning products, beauty products, pharmaceuticals and diagnostic substances, agricultural fertilizers, dyes and paints, adhesives, plastics and much more. As this subsector is tied to many end-use consumer products, its health is highly dependent on global economic growth and an economically stable middle class.



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

PETROCHEMICALS AND PHARMACEUTICALS LEAD GROWTH

The basic chemical manufacturing industry — such as petrochemicals, industrial gas and ethyl alcohol — is highly concentrated in Texas. In 2016, 67 percent of all U.S. petrochemical production jobs were in Texas.

Texas pharmaceutical and medicine manufacturing employment rose by 20 percent from 2010 to 2016; it was only industry in the subsector to add Texas jobs in the 2000s.

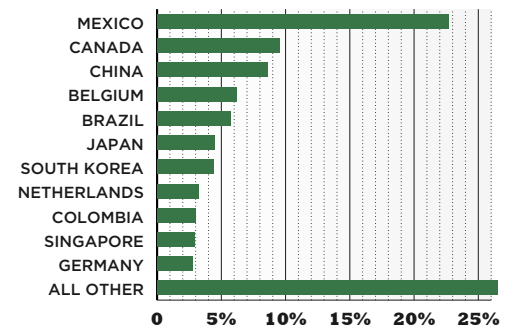
	DIRECT JOBS 2016	JOB CHANGE 2010-2016	AVERAGE TEXAS SALARIES 2016	LOCATION QUOTIENT 2016*
SUBSECTOR TOTALS	78,845	12%	\$108,397	1.17
BASIC CHEMICALS	35,376	14%	\$123,588	2.87
RESIN, SYNTHETIC RUBBER AND ARTIFICIAL SYNTHETIC FIBERS AND FILAMENTS	10,242	22%	\$119,391	1.32
PESTICIDE, FERTILIZER AND OTHER AGRICULTURAL CHEMICALS	2,872	-4%	\$85,120	0.97
PHARMACEUTICALS AND MEDICINE	11,502	20%	\$103,186	0.49
PAINT, COATING AND ADHESIVES	5,765	8%	\$77,775	1.13
SOAP, CLEANING COMPOUNDS AND TOILET PREPARATION	4,272	-15%	\$67,282	0.49
OTHER CHEMICAL PRODUCTS AND PREPARATION	8,817	11%	\$89,002	1.31

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

Source: Emsi and Texas Comptroller of Public Accounts

PHARMACEUTICAL AND MEDICINE MANUFACTURING JOBS ROSE BY 20% IN TEXAS FROM 2010-2016, COMPARED TO A 2.5% INCREASE IN THE U.S.

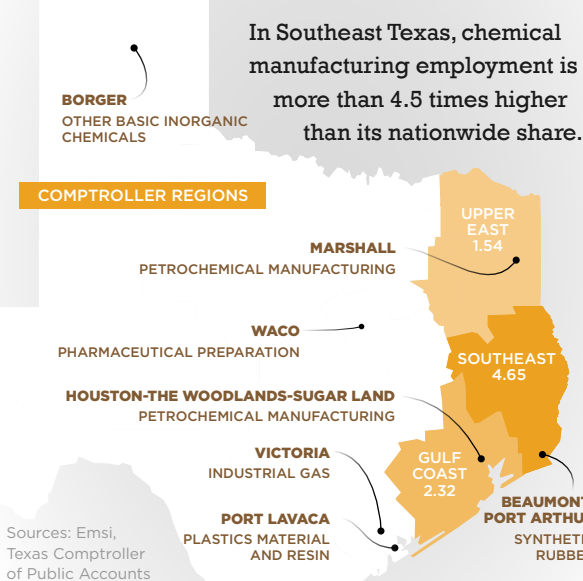
SUBSECTOR EXPORTS FROM TEXAS



Texas exported \$36.6 billion in chemical products in 2016, making this subsector the state's second-largest export market behind computer and electronic parts.

Source: U.S. Department of Commerce International Trade Administration

REGIONAL SUBSECTOR LQs AND AREAS OF INDUSTRY SPECIALIZATION BY METRO AREA



CONCLUSION

Chemical product manufacturing contributes \$55.5 billion to Texas' GDP, the greatest amount of any manufacturing subsector. Industries in chemical manufacturing have experienced increased production, profits and employment in recent years, fueled by lower costs of natural gas, the main feedstock of Texas chemical plants. Chemical manufacturing employment has remained stable since early 2015, alleviating the effects of job losses in other manufacturing subsectors caused by declining crude oil prices.

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

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

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