

HIGH-TECH JOBS

Jobs in electronics manufacturing, software and computer-related services, telecommunications, and biomedical as a share of total employment.³⁴

Why Is This Important? Notwithstanding the difficulties in the IT sector, technology companies remain key engines of the New Economy. High-tech output increased from 5.5 percent of GDP in 1990 to 6.2 percent in 1996 to 8.3 percent in 2000, while average wages in the sector are 73 percent higher than in the rest of the economy.³⁵ The slowdown in the IT and telecommunications sector is cyclical, in part a natural adjustment to the extremely high level of IT investment in 1999 and 2000 to respond to the Y2K crisis and the dot-com and telecom bubbles. Even so, IT investment in 2001 was higher than any year prior to 2000. And it's expected to grow as IT gets cheaper and more powerful, and a host of new technologies, including smart cards, voice recognition, expert systems, cheap storage devices, new display devices, intelligent transportation systems, "third generation" wireless communication devices, and robots are rolled out. And with the breakthroughs in the human genome project, biotechnology and related biomedical industries are poised for robust growth.

The Rankings: The high-tech focus of states varies significantly, from a high of 10.4 percent of the workforce in Massachusetts to 1.4 percent in Wyoming. While all states have high-tech jobs, the leaders tend to be in the Northeast, the Mountain states, and the Pacific region. High-tech jobs are often concentrated in particular regions of a state: information technology in southern New Hampshire, software around Provo, Utah and Seattle; Internet and telecommunications in the Washington, DC region; telecommunications in Denver; semiconductors in Phoenix; and a broad mix of technologies in Silicon Valley and Los Angeles.

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| The top five | | High-tech jobs as a percentage of all jobs |
|---------------------|---------------|--|
| 1 | Massachusetts | 10.4% |
| 2 | Colorado | 10.0% |
| 3 | New Hampshire | 9.6% |
| 4 | California | 8.9% |
| 5 | Virginia | 7.5% |
| U.S. average | | 5.3% |

Sources: American Electronics Association, 2000 data, and U.S. Census (for biomedical sectors), 1999 data.

