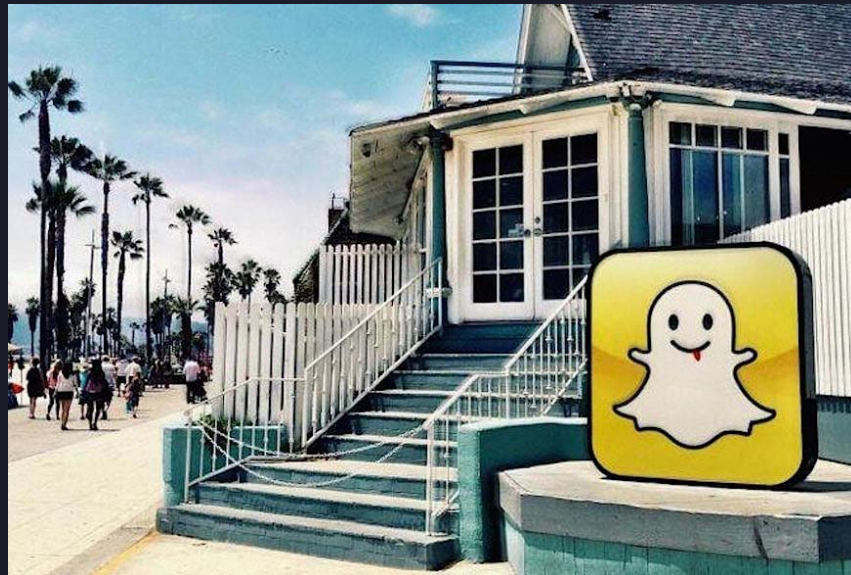


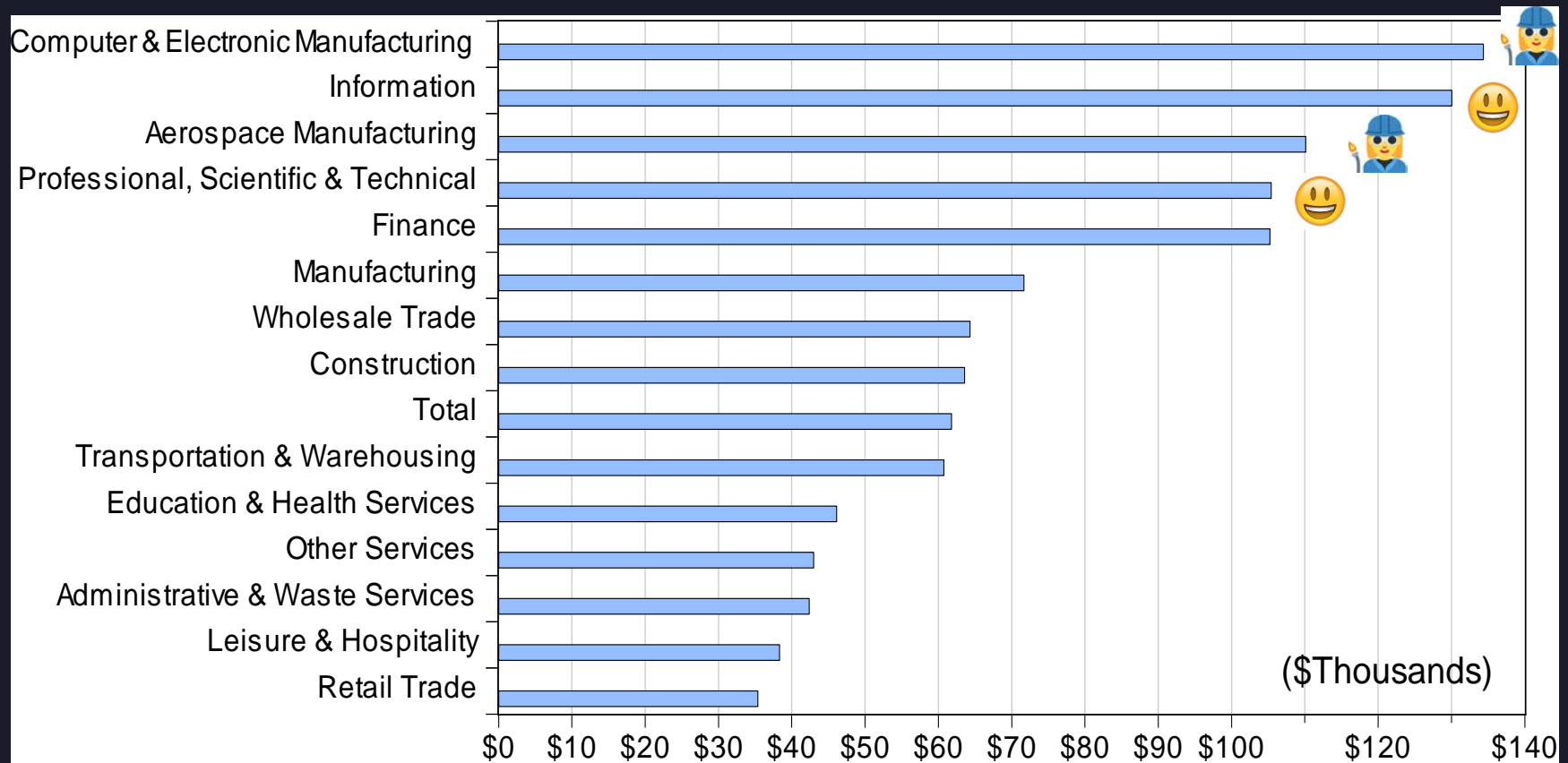
# The Tech Industry in California and Los Angeles



William Yu  
Economist  
UCLA Anderson Forecast

# How do we define the tech industry?

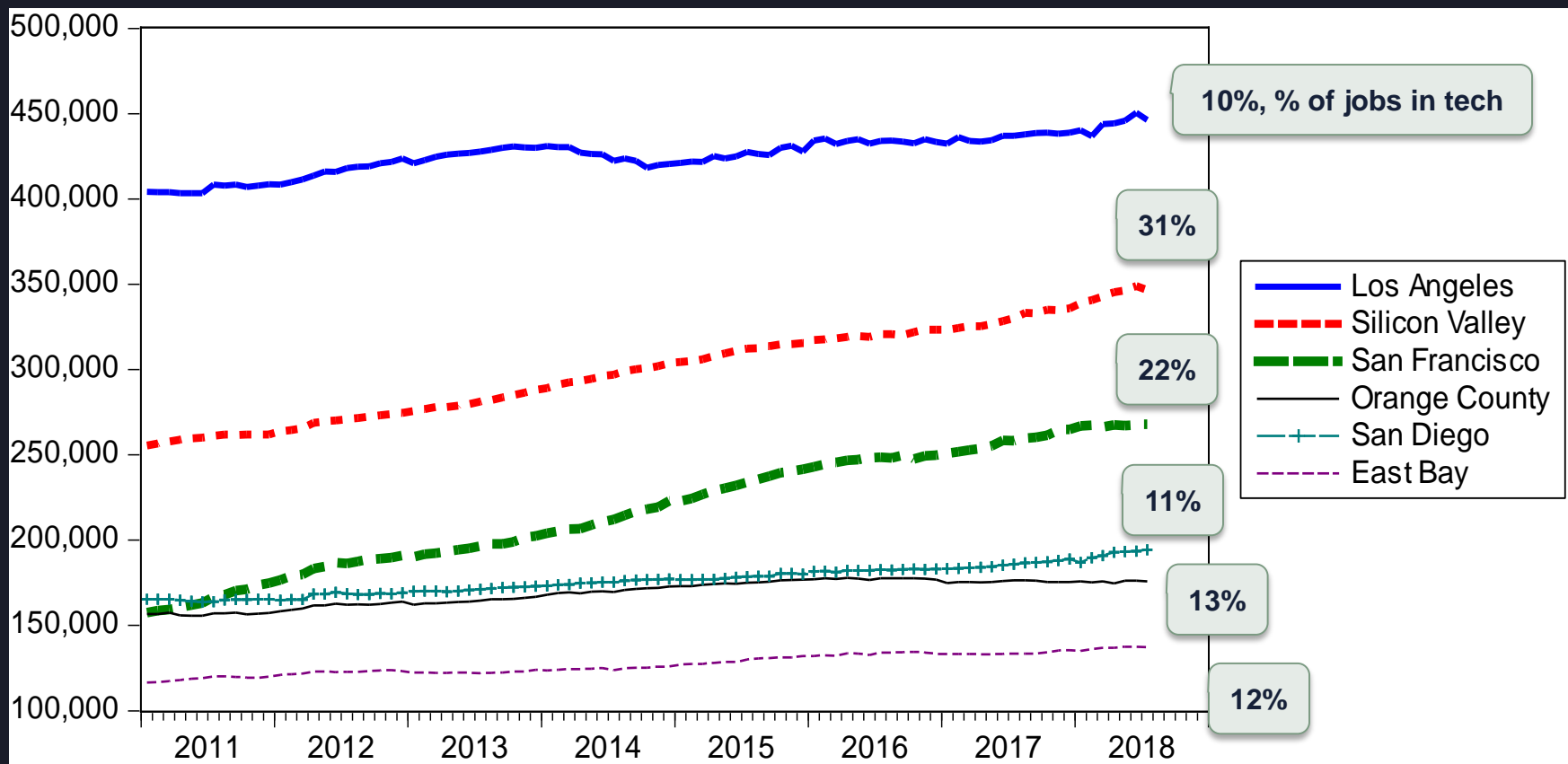
Average wage by industry in 2017 in Los Angeles County



Source: Current Employment Statistics

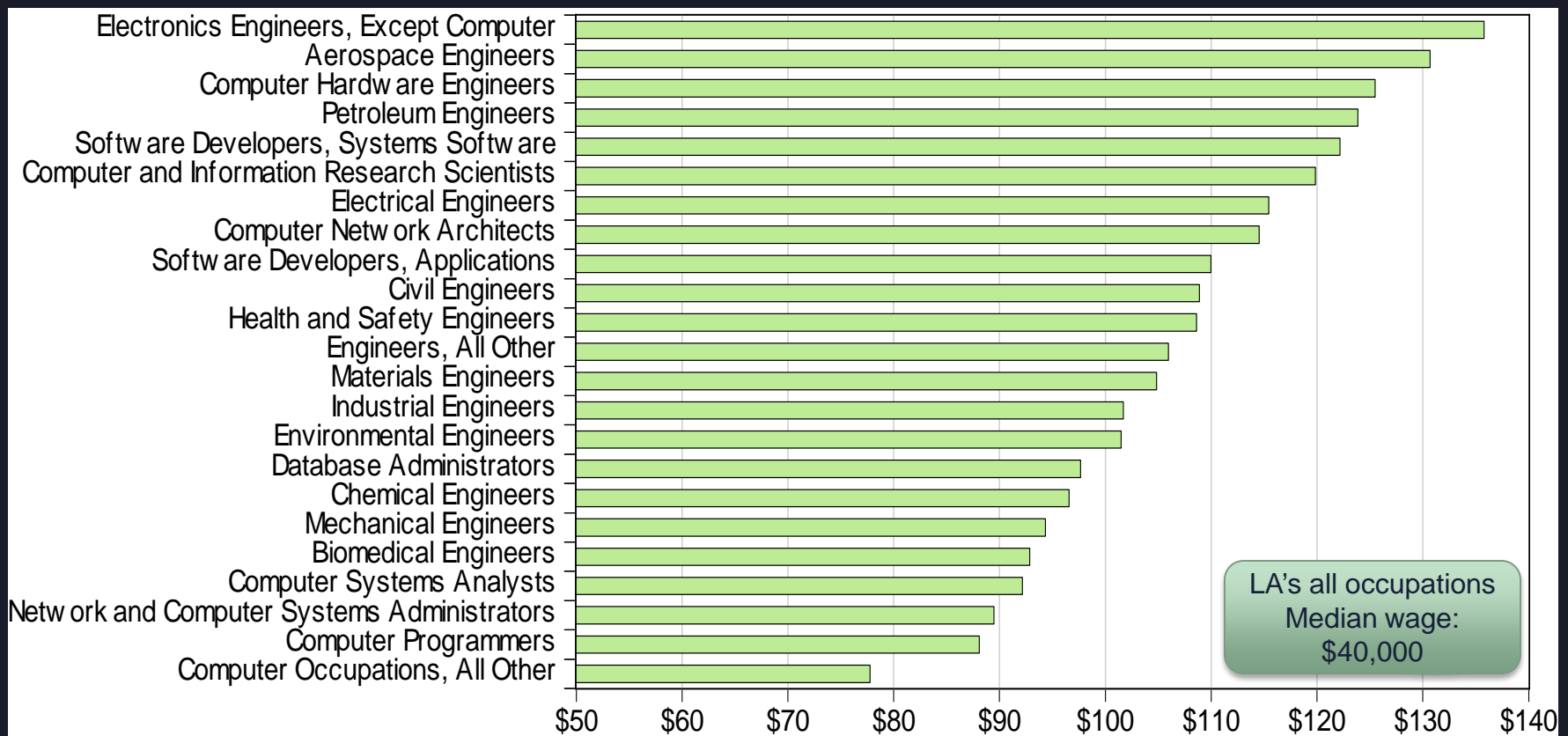
**L.A. has the largest size of tech industry. Silicon Valley and San Francisco grew rapidly and have large share of tech workforce.**

Employment in the tech Industry in 6 coastal CA regions, 2011 to July 2018



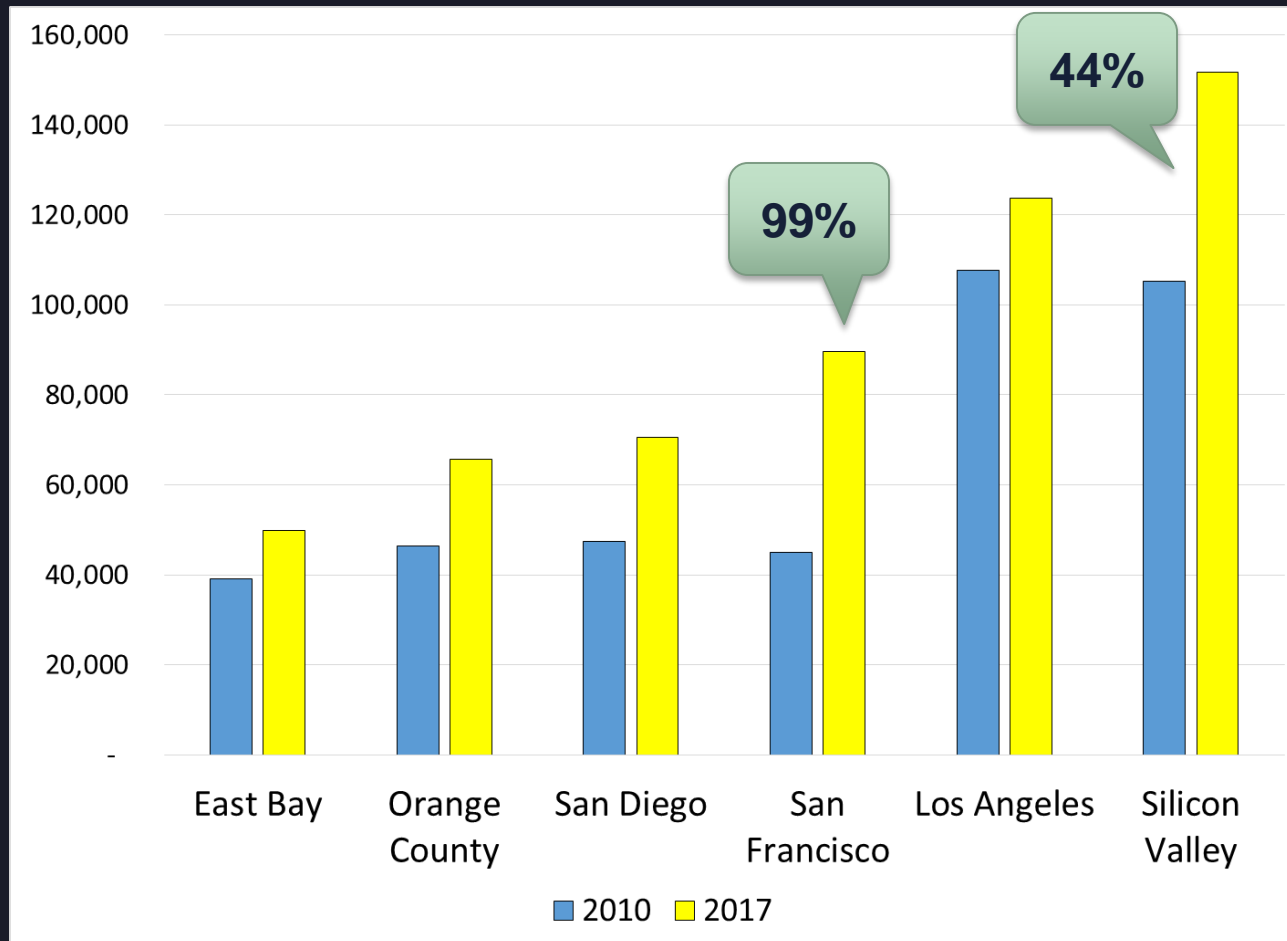
# How do we define the core tech jobs?

Median wage by 23 occupations with tech skills: above \$77K in L.A.

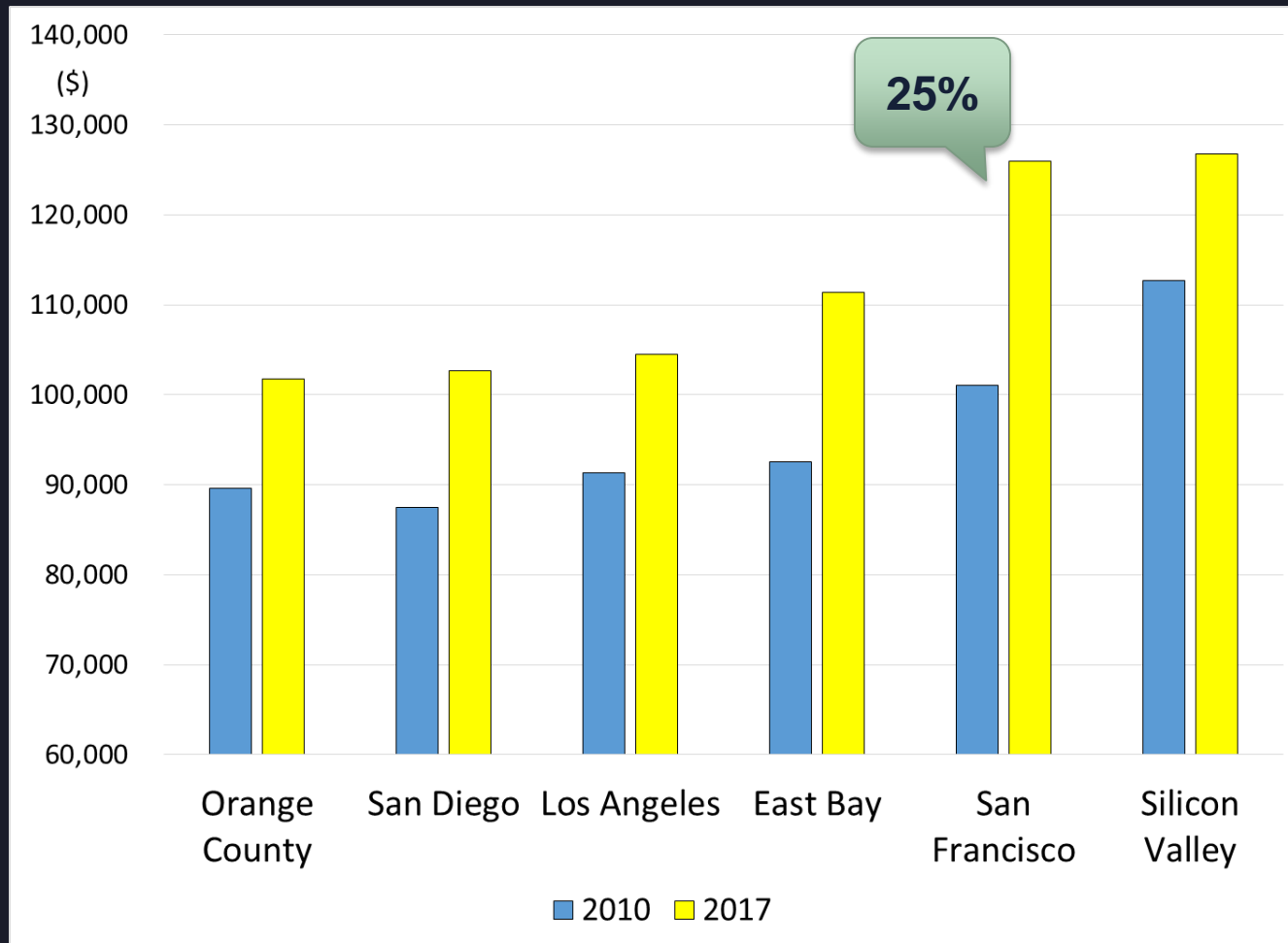


Source: Occupational Employment Statistics

# Core tech jobs increased in CA metros

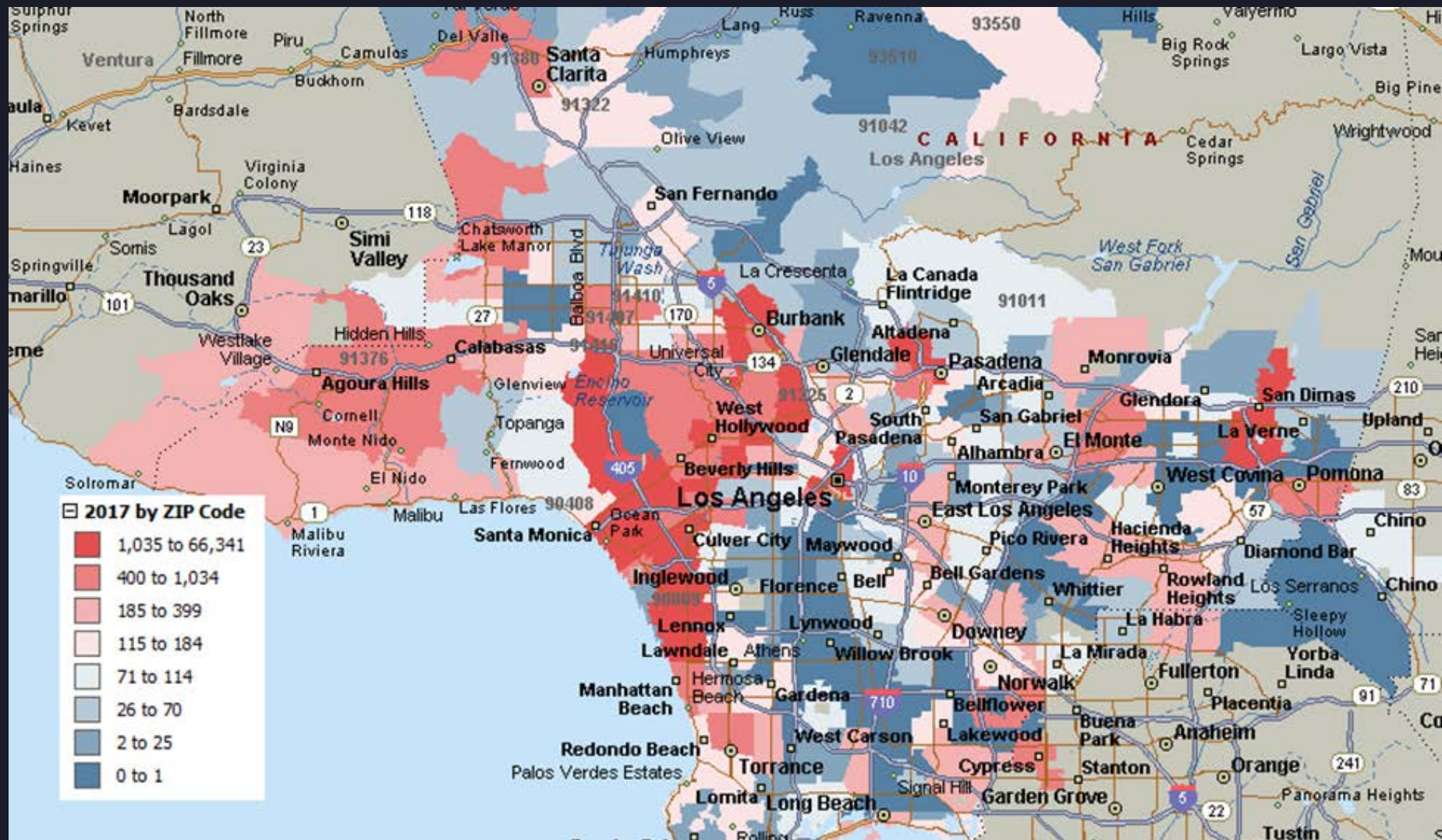


# Median wages in tech jobs increased! Wages in Bay Area are higher than Southern CA metros.



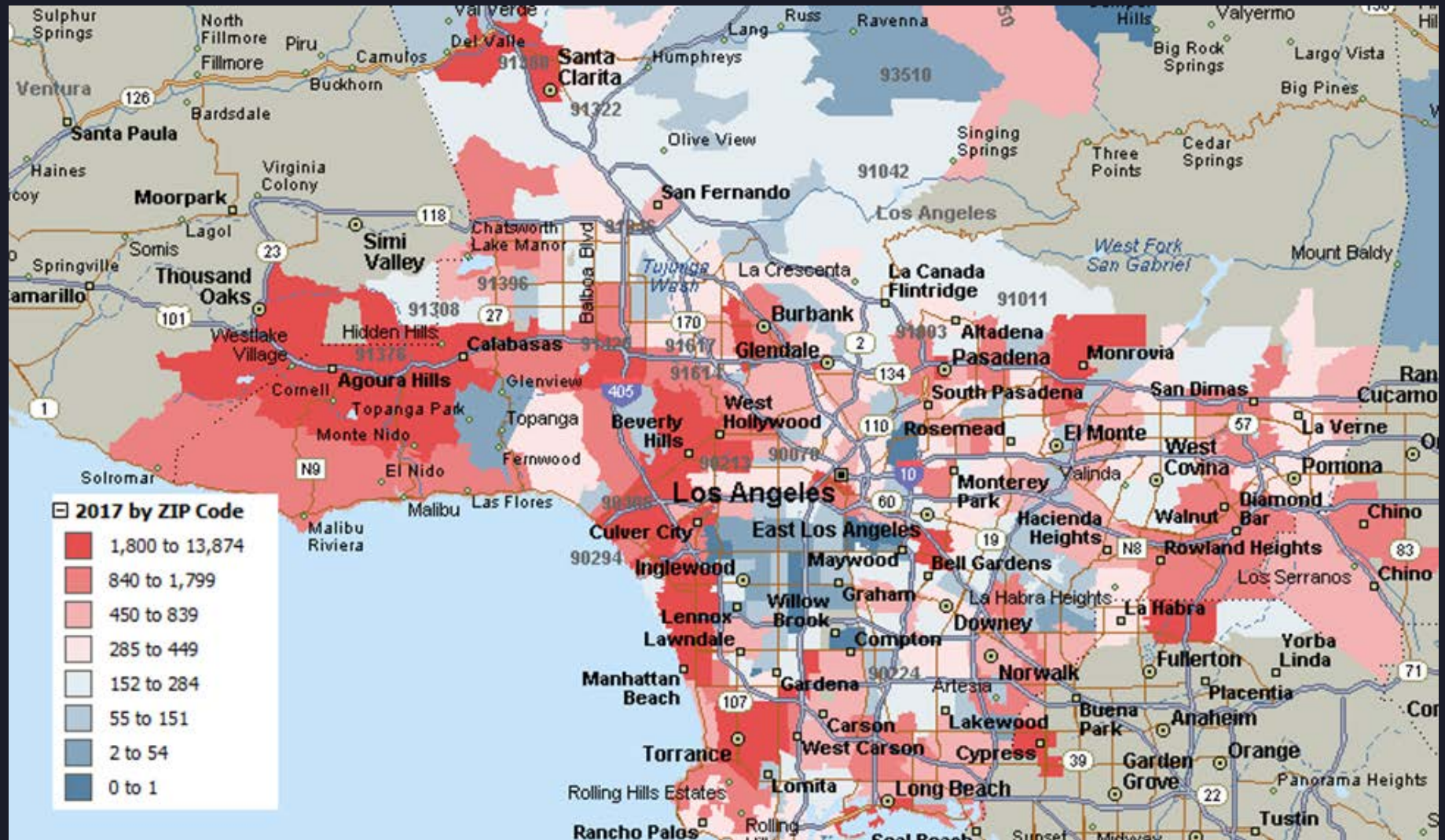


# Employment in information sector by zip code, 2017



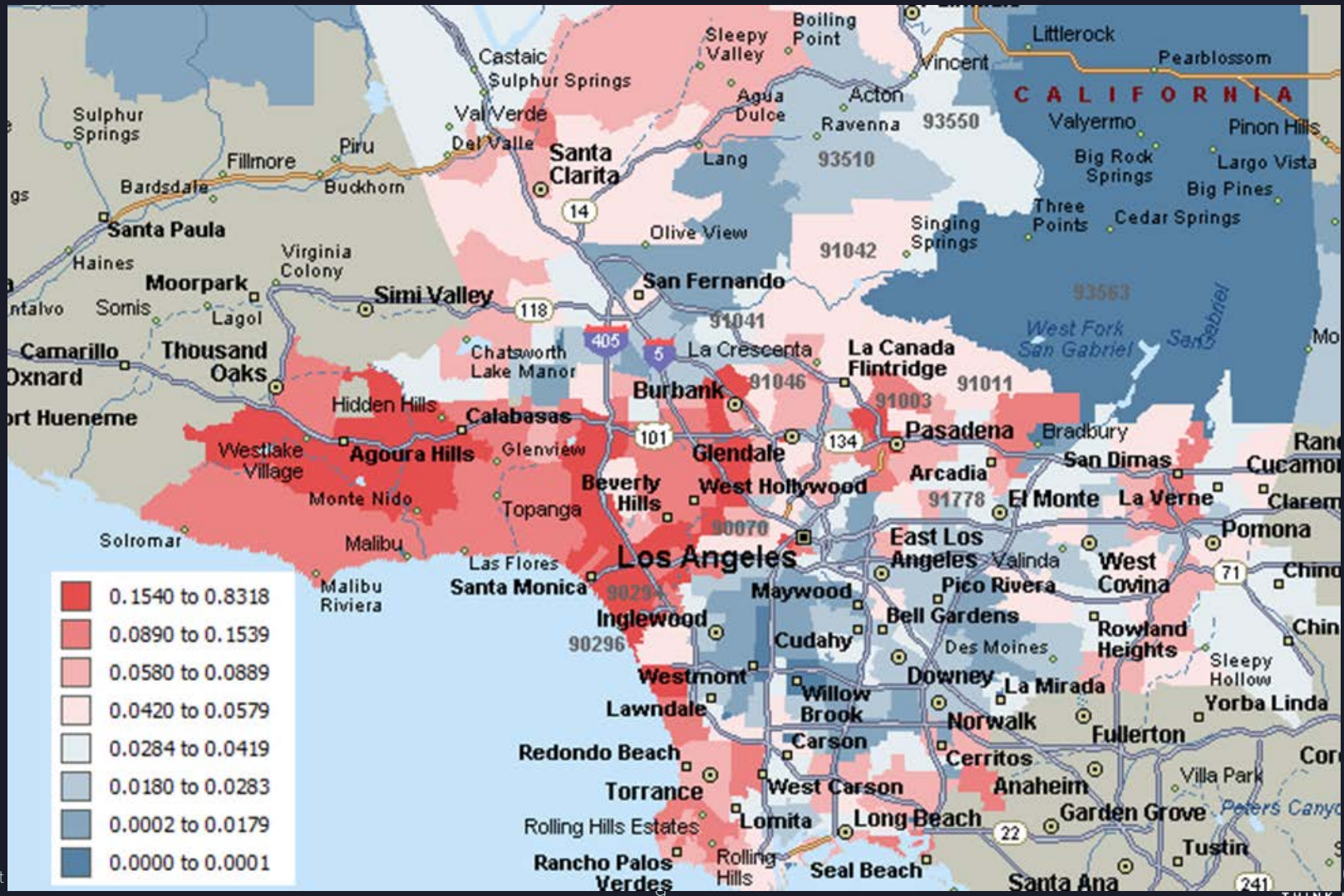


# Employment in professional, scientific, and technical sector by zip code, 2017

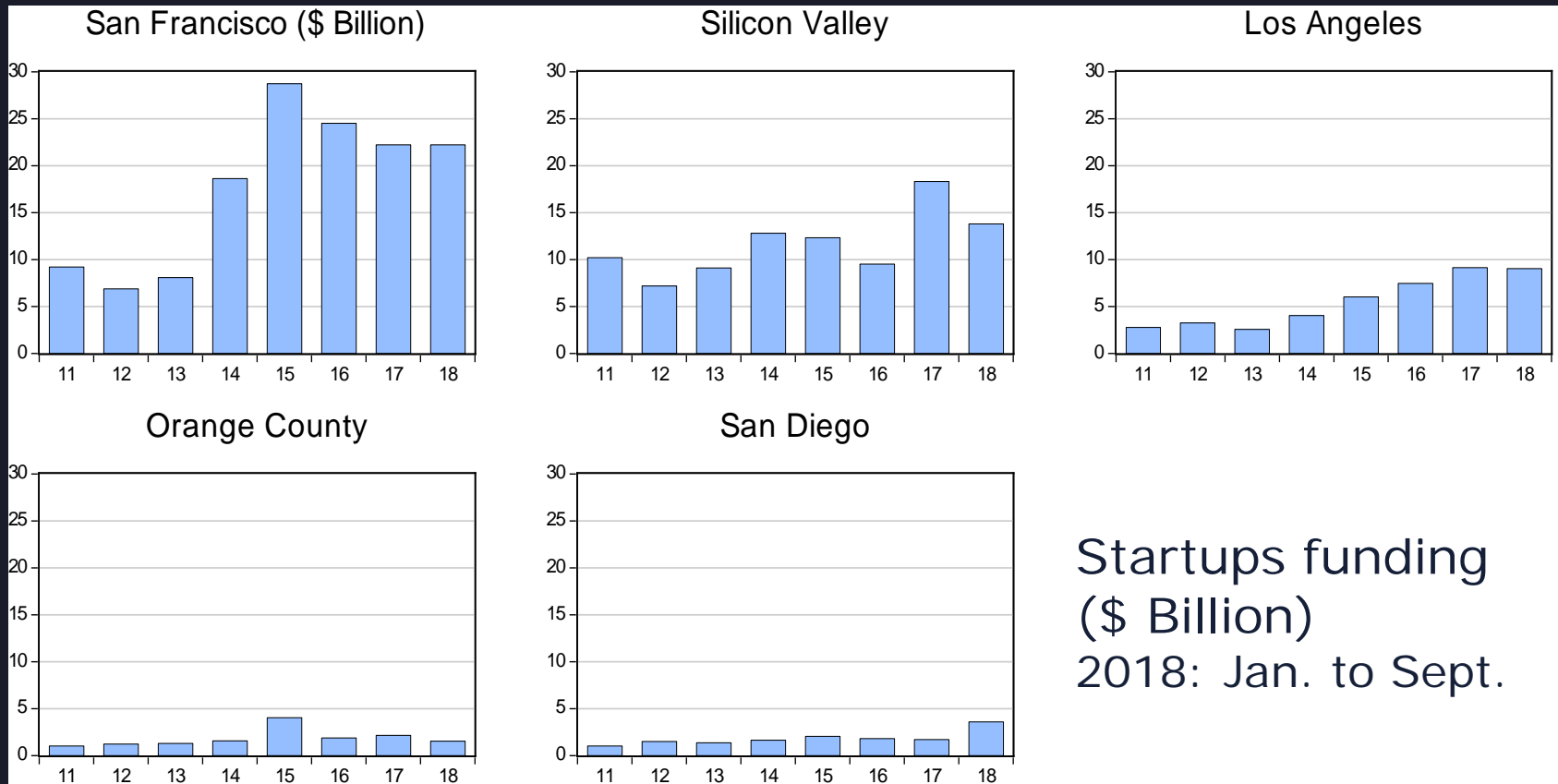




# Density of the tech industry jobs (information and professional) by zip code, 2017



# Startup activity is huge in SF. L.A.'s funding has rising rapidly in recent years.

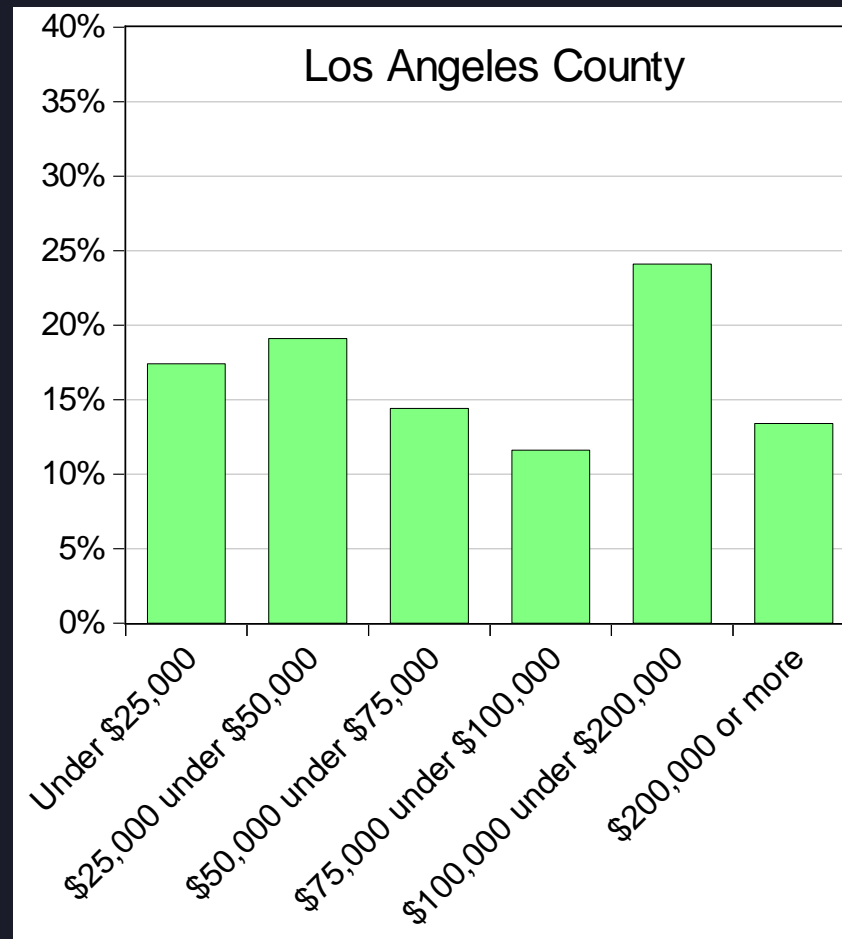


Startups funding  
(\$ Billion)  
2018: Jan. to Sept.

Source: CB Insights

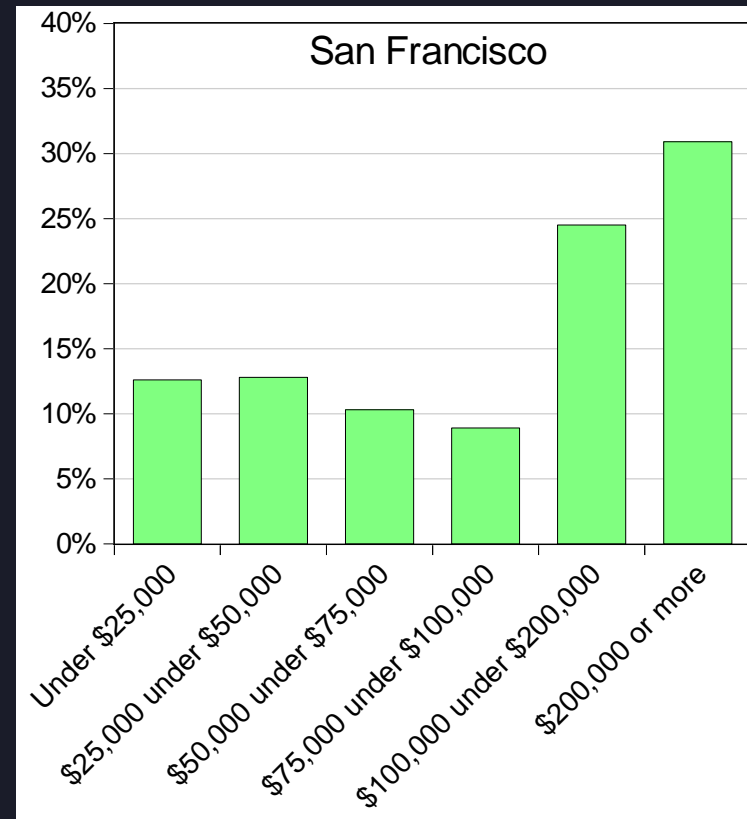
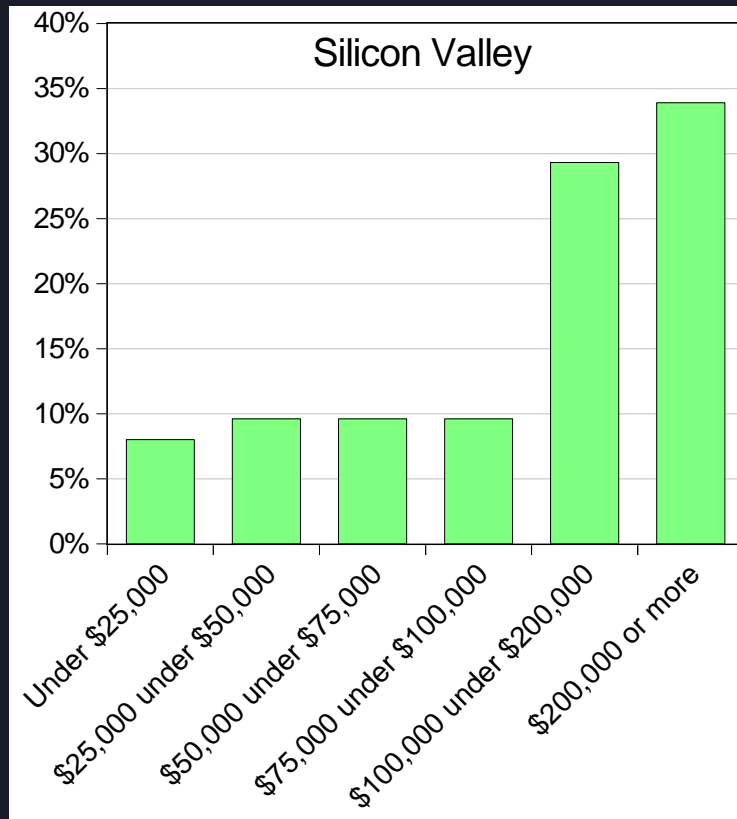
# The middle class is hollowing out and the poor is large

Income distribution for joint returns 2016



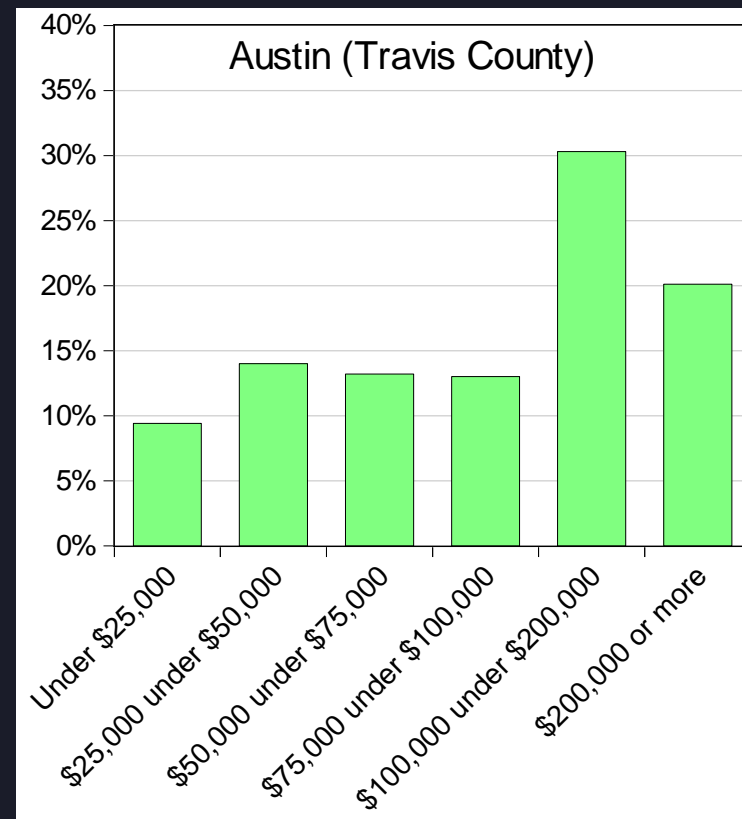
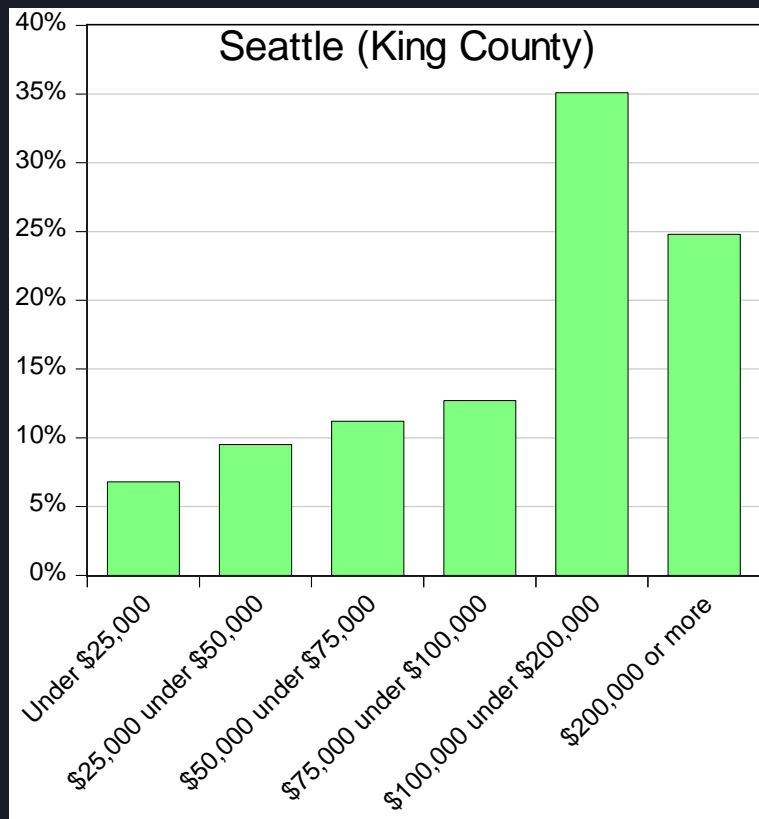
Source: IRS

# Tech industry creates wealth in Bay Area

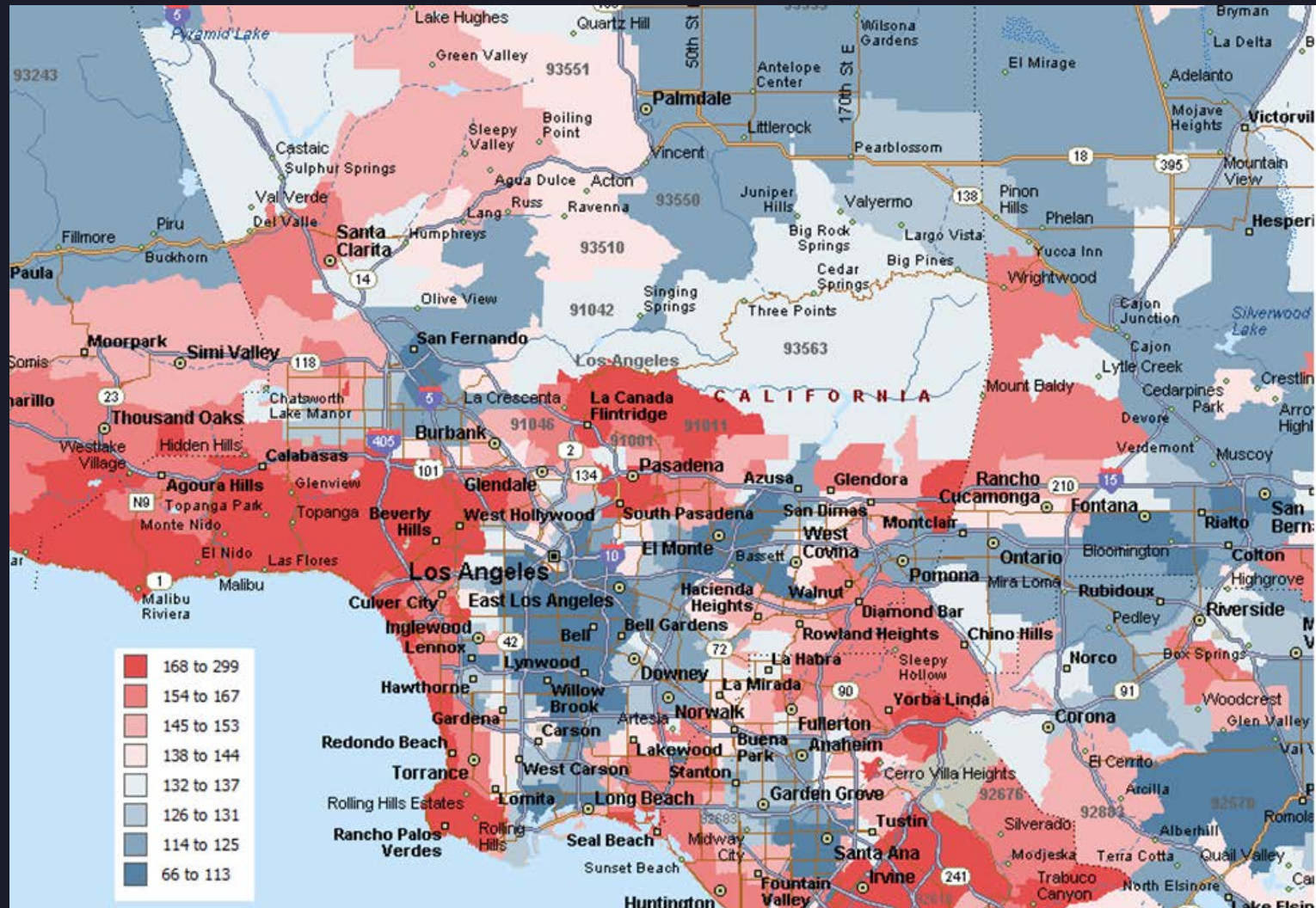




# Seattle and Austin are in a similar pattern



There is a wide disparity of human capital in L.A.  
Human capital is the key to achieve more shared prosperity.



# Forecast and conclusions

- The tech industry has been doing well. It boosted a higher economic growth in California than that of the country, in particular for San Francisco and Silicon Valley.
- We forecast tech industry and employment to grow over the next year. Bay area growth will slow down and converge to 2% similar to Southern CA.
- Investing in human capital and education is the key to achieve a more shared prosperity in the new economy of the 21<sup>st</sup> century.