

Texas

Texas's 386,422 small employers and 1,819,963 nonemployers make significant contributions to the state's economy, and they bring innovative products and services to the marketplace.* They are an important source of employment and opportunity throughout the state. This profile by the Office of Advocacy uses the latest statistics to describe the small business contribution in the greatest possible detail. (Note: A small business is defined as one with fewer than 500 employees.)

- Texas's real gross state product increased by 2.0% and private-sector employment increased by 2.1% in 2008. By comparison, real GDP growth in the United States was 0.7% and private-sector employment declined by 0.7%.
- The health care and social assistance industry was the state's largest small business employer in 2006; retail trade was the largest overall employer (Table 1).
- Small businesses are a major force in the state's net job change, as shown in Table 2.
- The number of small employers in Texas was 386,422 in 2006, accounting for 98.7% of the state's employers and 46.8% of its private-sector employment. (Source: U.S. Dept. of Commerce: Bureau of the Census.)

For Further Information

- Data on all states and territories is available at www.sba.gov/advo/research/profiles.
- For other small business data and analysis, visit www.sba.gov/advo/research, call (202) 205-6533, or email advocacy@sba.gov.
- Visit <http://web.sba.gov/list> to subscribe to listservs for Advocacy's newsletter, press releases, regulatory news, and research reports.
- For RSS feeds, visit www.sba.gov/advo/rsslibrary.html

* Small employer data from 2006; nonemployer from 2007.

Texas Small Business Facts			
	2007†	2006	2000
Number of Businesses			
Small employers (<500 employees)	n.a.	386,422	364,013
Large employers (500+ employees)	n.a.	5,105	5,026
Nonemployers	1,819,963	1,736,997	1,271,401
	2002‡	% Share in 2002	% Change 1997–2002
Business Owner Demographics			
Male-owned	1,018,189	58.7	24.1
Woman-owned	468,705	27.0	22.9
Equally male/female-owned	207,591	12.0	-29.3
African American-owned	88,768	5.1	46.9
Asian-owned	77,834	4.5	31.2
Hispanic-owned	319,340	18.4	32.8
Native American/Alaskan-owned	16,204	0.9	n.a.
Hawaiian and Pacific Islander-owned	1,391	0.1	53.2
	2008‡	% Change from	
		2007	2000
Workforce (Thousands) /Unemployment (%)			
Private-sector employment	8,710	2.1	12.4
Government employment	1,741	2.4	13.0
Self-employed (incorp. & uninc.)	1,144	1.7	5.9
Female self-employment	367	-0.1	7.9
Male self-employment	777	2.6	5.0
Minority self-employment	118	-14.5	8.1
Veteran self-employment	121	-8.7	-29.5
Unemployment rate (%)	4.9	0.5	0.5
Business Turnover			
Quarterly establishment openings	88,781	-0.7	14.3
Quarterly establishment closings	90,621	9.2	20.8
Business bankruptcies	3,124	26.0	20.5
	2008‡	2007	2000
Income and Finance			
Proprietors' income (\$billion)	145.6	137.1	83.3
Number of bank branches	6,887	6,573	4,801
No. of bus. loans under \$100,000‡	n.a.	943,328	302,508
Total value of business loans under \$100,000 (\$million)‡	n.a.	10,616	3,879
Source: U.S. Dept. of Commerce, Bureau of the Census and Bureau of Economic Analysis; U.S. Dept. of Labor, Bureau of Labor Statistics; Administrative Office of the U.S. Courts; Federal Deposit Insurance Corporation; and U.S. Small Business Administration, Office of Advocacy (www.sba.gov/advo/research/sbl_08study.pdf , Table 4b.) n.a. not available.			
† Latest available data; certain figures are economywide. ‡ Data are for CRA loans.			

**Table 1. Firms and Employment in Texas by Industry and Firm Size, 2006 and 2007
(Nonfarm, Thousands)**

Industry	Nonemployer Firms (2007)	Employer Firms (2006)			Employment (2006)		
		Total	1-19 Employees	1-499 Employees	Total	1-19 Employees	1-499 Employees
Total	1,820.0	391.5	340.0	386.4	8,711.5	1,417.8	4,074.7
Forestry, etc. and agriculture support	19.0	1.1	1.0	1.1	7.7	3.8	6.2
Mining	34.9	6.1	5.1	5.9	143.8	19.7	61.6
Utilities	2.6	1.1	1.0	1.1	39.2	4.0	12.3
Construction	268.0	39.9	35.0	39.7	553.8	146.9	418.9
Manufacturing	28.8	18.6	13.1	17.6	846.5	72.2	360.1
Wholesale trade	32.8	24.9	19.9	23.9	463.5	89.4	258.0
Retail trade	165.7	46.1	41.3	45.4	1,128.1	173.1	382.6
Transportation and warehousing	109.0	12.3	10.0	11.7	352.5	40.3	117.4
Information	21.1	4.7	3.6	4.4	255.8	15.1	56.7
Finance and insurance	69.7	19.3	17.1	18.8	453.2	55.0	153.8
Real estate and rental and leasing	151.4	18.9	17.6	18.7	169.0	50.9	103.7
Professional, scientific, and technical svcs.	227.2	52.8	48.3	52.1	551.7	156.7	339.6
Management of companies and enterprises	--	2.3	0.4	1.4	244.3	1.1	26.1
Admin., support, waste mgt., remed. svcs.	183.1	20.5	16.9	19.8	868.6	67.7	282.9
Educational services	37.4	4.6	3.5	4.5	136.8	16.5	73.8
Health care and social assistance	122.4	44.3	38.5	43.9	1,126.4	185.6	539.1
Arts, entertainment, and recreation	69.1	5.6	4.7	5.6	110.9	21.5	68.5
Accommodation and food services	31.5	28.6	21.7	28.3	850.6	124.6	471.0
Other services (except public admin.)	246.3	43.5	39.5	43.2	406.6	171.4	340.0
Unclassified	--	2.1	2.1	2.1	2.4	2.2	2.4

Source: U.S. Dept. of Commerce, Bureau of the Census, Statistics of U.S. Businesses. (See www.sba.gov/advo/research/data.html for data from other years, and for starts, closures, job creation and destruction by industry and by size category.)

Table 2: Net Job Change by Firm Size, 2003–2006 (Nonfarm)

	Total Net New Jobs	Employment Size of Firm						
		1-4	5-9	10-19	20-99	100-499	<500	500+
2003 - 2004	63,968	69,418	22,990	14,113	19,376	6,629	132,526	-68,558
2004 - 2005	173,451	57,324	11,814	4,838	-4,664	7,506	76,818	96,633
2005 - 2006	396,612	67,648	28,050	28,825	78,553	50,228	253,304	143,308

Source: U.S. Dept. of Commerce, Bureau of the Census. (For more detailed data see www.sba.gov/advo/research/data.html.)

Table 3: Establishment and Employment Turnover by Quarter, 2008 (Nonfarm, Thousands)

	Establishments				Employment Change Due To:			
	Openings	Expansions	Contractions	Closings	Openings	Expansions	Contractions	Closings
Quarter 1	22.2	112.4	107.2	23.6	98.8	437.0	395.5	88.8
Quarter 2	23.1	109.0	111.6	21.1	96.2	433.7	433.8	87.0
Quarter 3	20.8	106.1	113.1	22.8	83.7	415.7	440.7	93.2
Quarter 4	22.7	108.3	113.2	23.1	91.5	442.9	464.6	98.4

Source: U.S. Dept. of Labor, Bureau of Labor Statistics, Business Employment Dynamics. (For more detailed data see www.bls.gov/bdm/home.htm.)

Note: These figures contain all firm sizes; Census data from 2006 show that 86 percent of establishment births and deaths were in firms with fewer than 500 employees.