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Technology-enabled disruption means technology is increasingly replacing workers. It also means old business models are being replaced by new models for delivering goods and services at lower prices and potentially better convenience. This powerful trend was the subject of a Federal Reserve System conference co-hosted by the Dallas and Atlanta Federal Reserve Banks earlier this year.

As a follow-up to the conference, the Dallas Fed surveyed more than 300 Texas firms to understand how technology has impacted their businesses. Emily Kerr, Pia Orrenius and Christopher Slijk detail the results in their article headlining this quarter's *Southwest Economy*, "New Technology Boosts Texas Firms' Output, Alters Worker Mix."

Companies provided insight into new technologies they were adopting and their impact on operations and costs. Most firms said they adopted technology to boost productivity and keep up with competitors. Most also said technology had not reduced the numbers of workers they employed but did affect the types of workers they needed.

Our work in this area suggests that education and skills training are critical to helping workers adapt to this trend. For example, community leaders can form partnerships to more effectively improve early childhood literacy, college readiness, and skills training at our high schools and community colleges.

Also in this quarter's issue, Jason Saving discusses reasons for rising property taxes in his article, "Texas Property Taxes Soar as Homeowners Confront Rising Values." Although property tax rates have generally not increased in recent years, property tax revenue has grown at a near 7 percent annual rate, mostly due to a 40 percent appreciation in the median value of a single-family home in Texas over the past six years.

As this issue reflects, we at the Dallas Fed are dedicated to producing economic research and analysis that provide insights on key issues important to our region and our nation. Through this work, we hope to make sound monetary policy decisions and inform other policymakers in a manner that improves the economic prospects for our region and nation.

A handwritten signature in black ink that reads "Robert S. Kaplan". The signature is written in a cursive, flowing style.

Robert S. Kaplan
President and Chief Executive Officer
Federal Reserve Bank of Dallas