



THE
GROWTH
COMMISSION

**The Growth Commission's Monthly
Monitor of the contribution of the
Tech Sector to the UK economy**

June 2026

Douglas McWilliams

The Growth Commission

The Growth Commission is a non-partisan group of international economists analysing public policy and regulatory proposals and how they will affect GDP per capita growth in the medium- to long-term.

Membership of The Growth Commission

Shanker A. Singham (Chairman)

Alden Abbott

Barbara Bowie-Whitman

James Carter

Tyler Cowen

Stephen J. Entin

Akira Igata

Christine McDaniel

Mieko Nakabayashi

Douglas McWilliams

Eduardo Pérez-Motta

U. Srinivasa Rangan

Ewen Stewart

Thomas Stratmann

Membership of our International Advisory Board

Tony Abbott (Former Prime Minister of Australia)

Iván Duque Márquez (Former President of Colombia)

Petr Nečas (Former Prime Minister of the Czech Republic)

Sebastian Kurz (Former Chancellor of Austria)

Janez Janša (Prime Minister of Slovenia)

Mateusz Morawiecki (Former Prime Minister of Poland)

Liz Truss (Former Prime Minister of the United Kingdom)

Elbegdorj Tsakhia (Former Prime Minister and President of Mongolia)

Authorship

This note was authored by Douglas McWilliams, as a follow-up to his paper on the same theme which was published in May 2026 with input from the entire Commission, who gave it their approval following due discussion and consideration.

How to keep in touch with The Growth Commission

Email: contact@growth-commission.com

Media enquiries: media@growth-commission.com

X (Twitter): [@TheGrowthComm](https://twitter.com/TheGrowthComm)

Web: www.growth-commission.com

The Growth Commission, 71-75 Shelton St, Covent Garden, London, WC2H 9JQ

This is the latest monthly update of the state of the tech sector from the new UK data published on 12th June 2026.

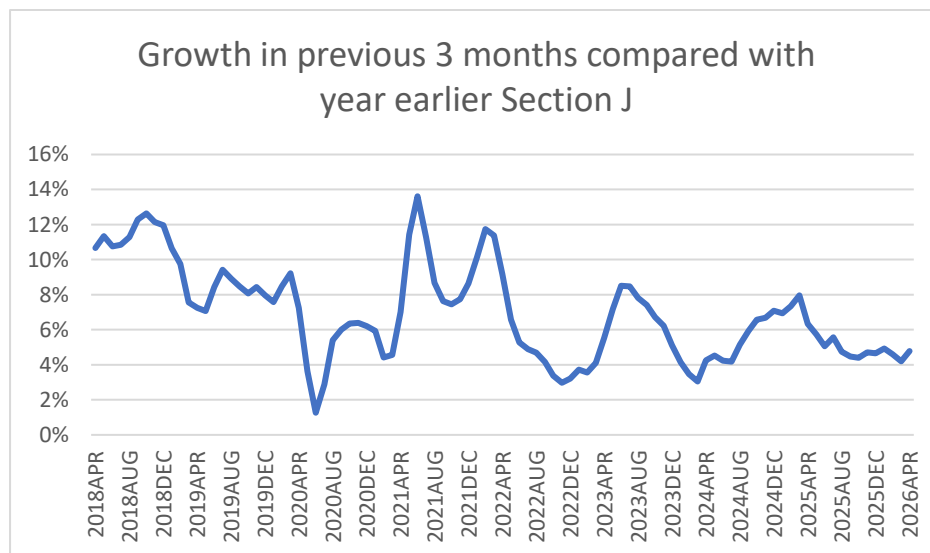
On a production basis, tech's role in GVA growth strengthened with Section J of the Economy (see below for definition) rising 4.8% comparing the three months to April with a year earlier, up from 4.2% in March. The sector accounted directly for 27% of GVA growth which is impressive for a sector measured in 2023 as accounting for only 6% of GVA.

In April 2026 the sector produced 6.6% more than in April 2025, accounting directly for 35.7% of the GVA growth over the period.

On a wider definition of the sector including the tech using sectors, growth was also strong. The latest data shows turnover in the three months to April 2026 up 6.9% on a year earlier. This accounts for 24% of the turnover of the index of services; and the recent growth accounts for 21.5% of the total index of services turnover growth over the past year.

Output based¹

Figure 1



Section J is the SIC definition of the 'Information and Communication' sector. It covers:

- **58: Publishing activities:** Books, newspapers, journals, software
- **59: Motion picture, video, television and sound recording:** Production, post-production and distribution
- **60: Programming and broadcasting:** Radio and TV stations
- **61: Telecommunications:** Wired, wireless and satellite communications
- **62: Computer programming, consultancy and related activities:** Software, hardware and IT services
- **63: Information service activities:** Data processing, hosting and web portals

¹ Data source:

<https://www.ons.gov.uk/economy/grossdomesticproductgdp/datasets/monthlygrossdomesticproductbygrossvalueadded>

Data is presented in chained volume terms.

This sector amounted to 6.1% of GVA in 2023. For the three months ending in April 2026, its growth was 4.8% over a year earlier (see Figure 1).

Total UK GVA over the period rose by 1.1% of which section J accounted for 0.27%, more than a quarter of the growth. This shows the extent to which the sector is punching above its weight – 6% of GVA accounted for 27% of growth. In April 2026 the sector produced 6.6% more than in April 2025, accounting directly for 35.7% of the GDP growth over the period.

Turnover based²

In *The Flat White Economy*³, Growth Commissioner Douglas McWilliams argued that the real contribution from tech was not just from the tech producing sector but also the tech using sector. He therefore coined a phrase ‘the Flat White economy’ to include all the sectors in Table 1. If these are added in, the size of the tech sector roughly doubles when measured by turnover.

Table 1

SIC Section	Name
18	Printing publishing and recording
59	Film, video and TV production
60	Broadcasting
61	Telecoms
62	Software and IT services
63	IT information and data services
70	Office admin
72	Research and scientific experiments
73	Advertising and marketing
74	Film and photography and other scientific
82	Office admin, call centres etc
90	Creative performance
95	Repair of IT and other equipment

The monthly data for the sector on this basis is in value terms and measures turnover. The latest data shows turnover in the three months to April 2026 up 6.9% on a year earlier. This accounts for 24% of the turnover of the index of services; and the recent growth accounts for 21.5% of the total index of services turnover growth over the past year.

² Data source:

<https://www.ons.gov.uk/economy/economicoutputandproductivity/output/datasets/monthlybusinesssurveyindexturnoverofservicesindustries>

³ McWilliams, D. (2015), *The Flat White Economy: How the Digital Economy is Transforming London and Other Cities of the Future*. London: Duckworth Overlook