

# THE ECONOMY IN THE BIG SKY

PRESENTATION AT:  
MANUFACTURING KIN MEETING

PRESENTATION BY:

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CENSUS & ECONOMIC INFORMATION CENTER (CEIC)



MONTANA STATE FUND  
855 STATE STREET  
SEPTEMBER 26<sup>TH</sup>, 2014

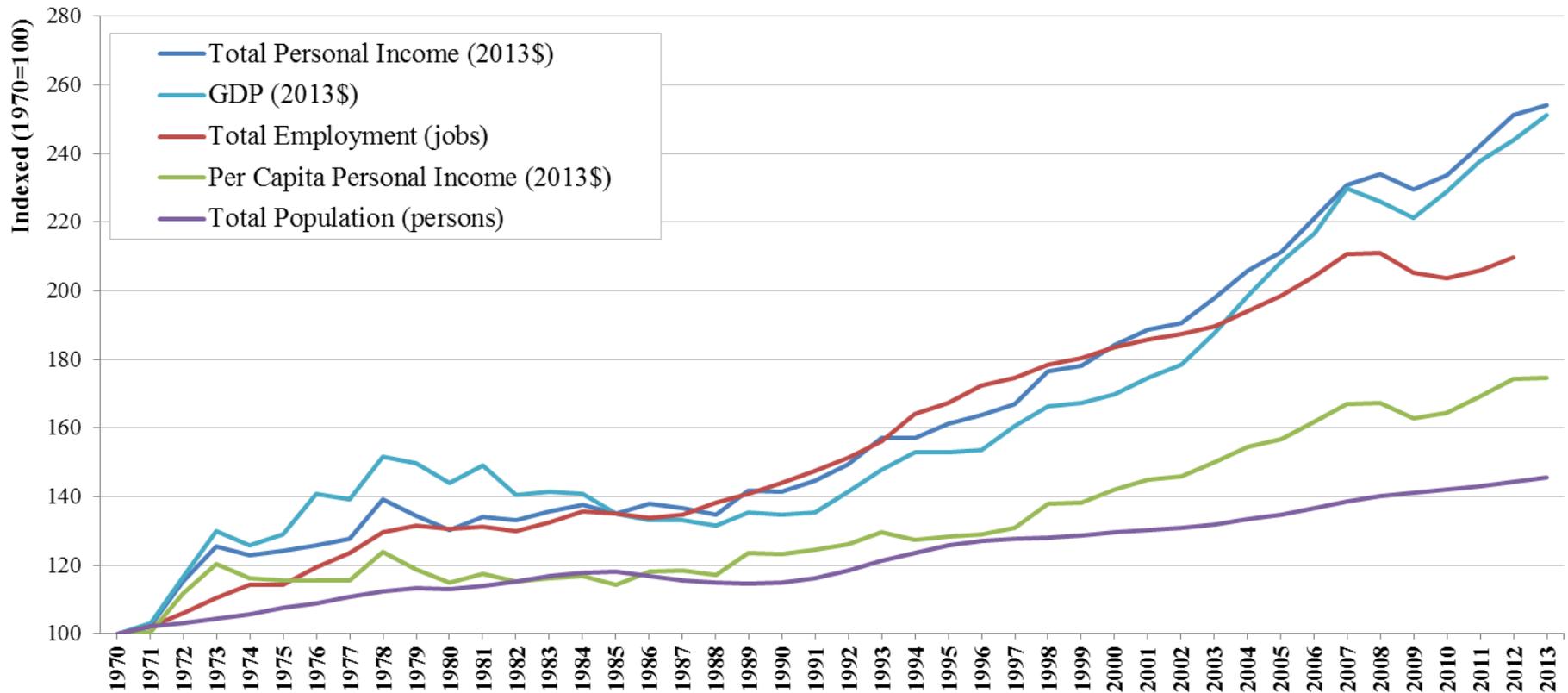


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## MANUFACTURING FOCUS



### GROWTH INDICATORS, MONTANA 1970-2013



Source: US Bureau of Economic Analysis (BEA)  
 Compiled 9/19/2014 by the Census & Economic Information Center, MT Dept. of Commerce

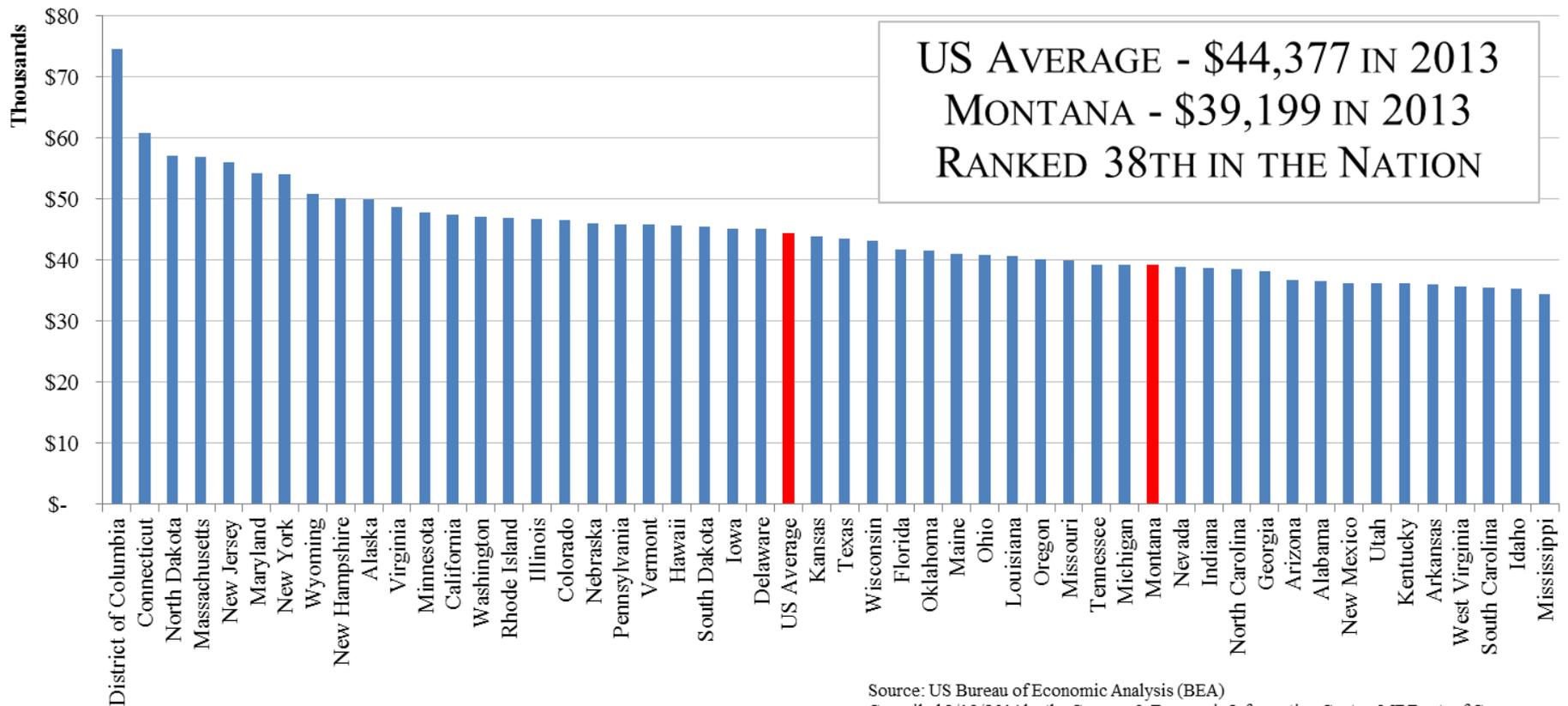
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### STATE PER CAPITA PERSONAL INCOME, 2013

(FIGURES ARE ADJUSTED FOR INFLATION - REAL 2013\$)



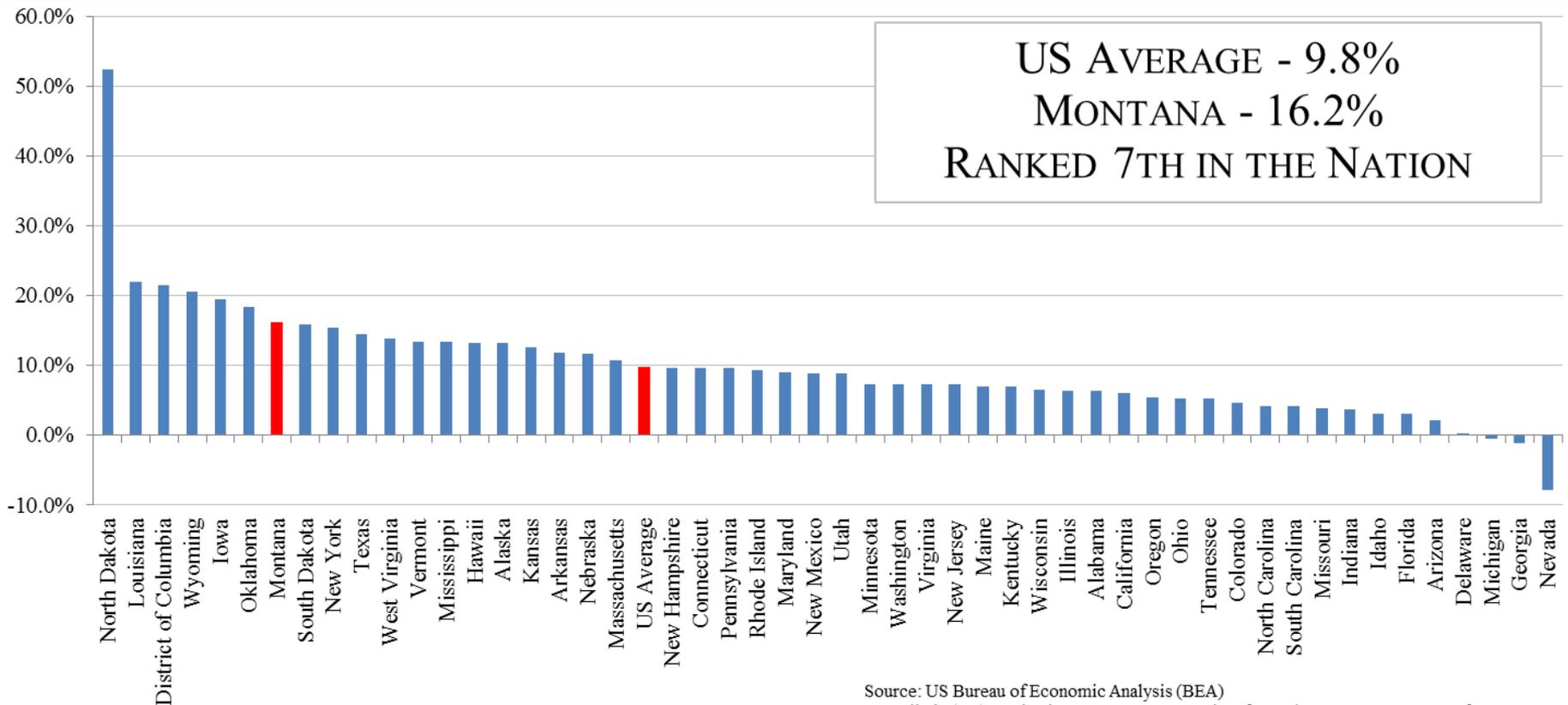
Source: US Bureau of Economic Analysis (BEA)  
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## STATE PER CAPITA PERSONAL INCOME, % CHANGE 2003-2013

(FIGURES ARE ADJUSTED FOR INFLATION)



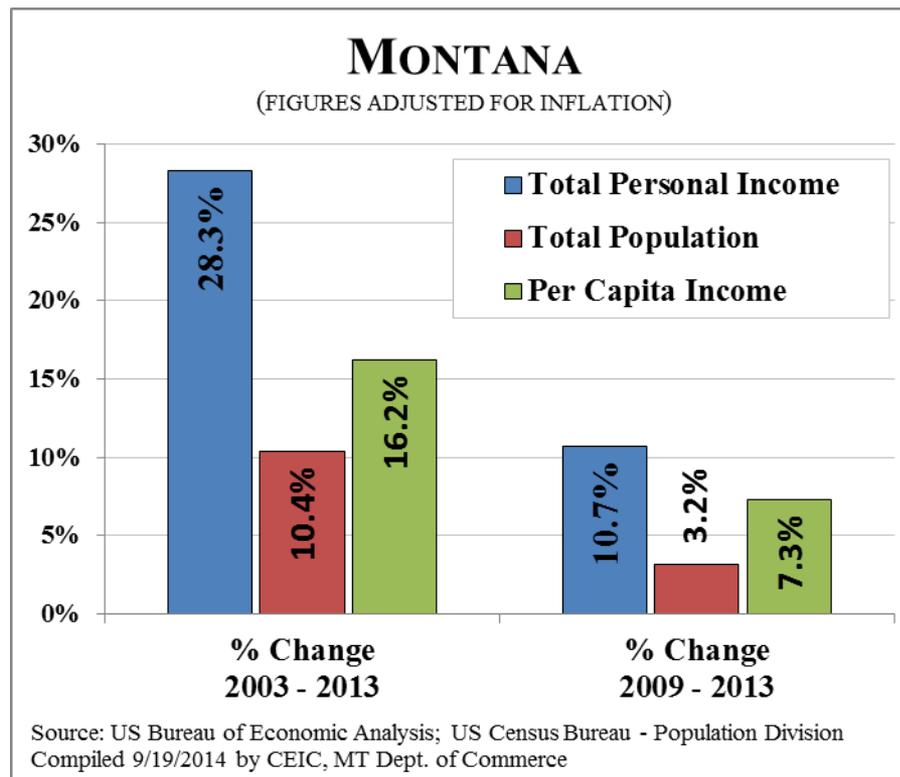
Source: US Bureau of Economic Analysis (BEA)  
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Over the past 10 years and since the recession, Montana has continued to realize an increase in per capita personal income.



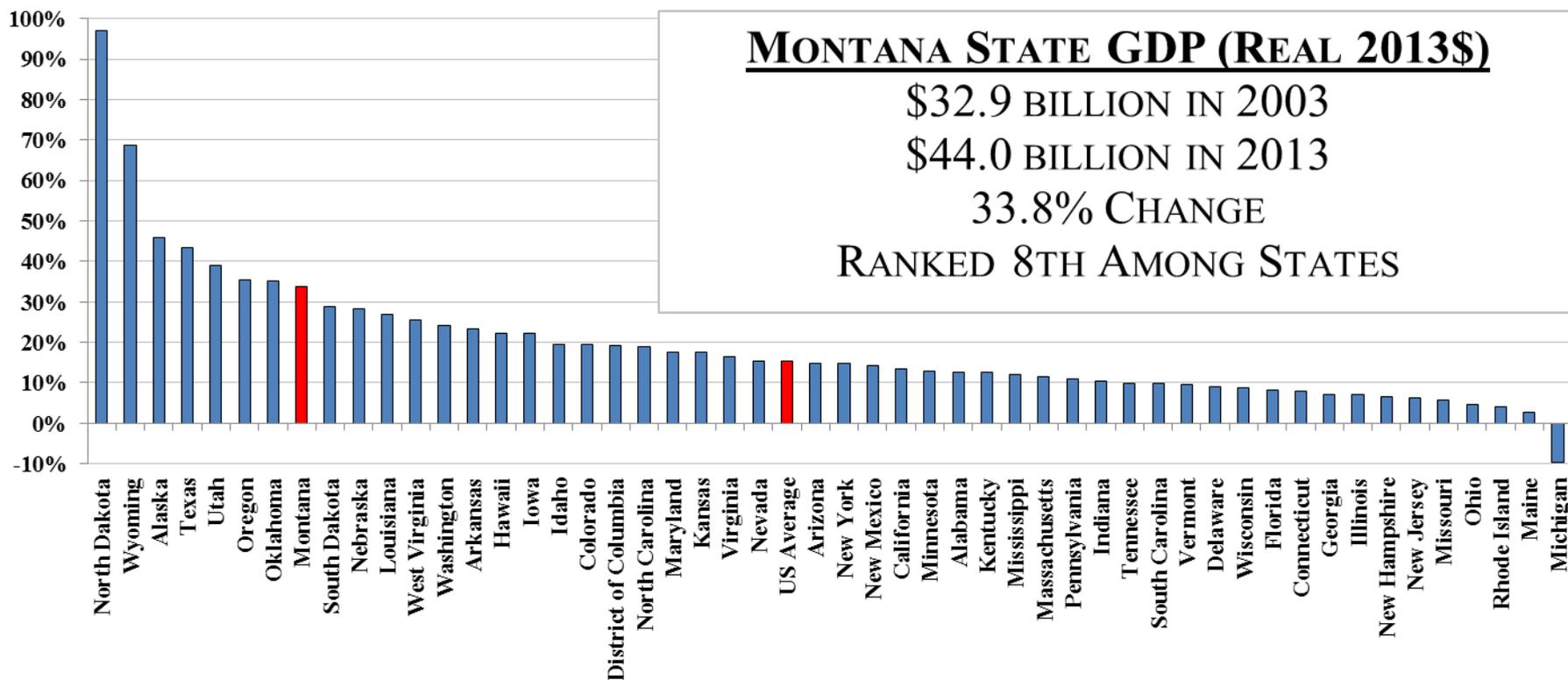
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### STATE GROSS DOMESTIC PRODUCT (GDP) PERCENT CHANGE, 2003 - 2013

(ADJUSTED FOR INFLATION)



Source: US Bureau of Economic Analysis (BEA)

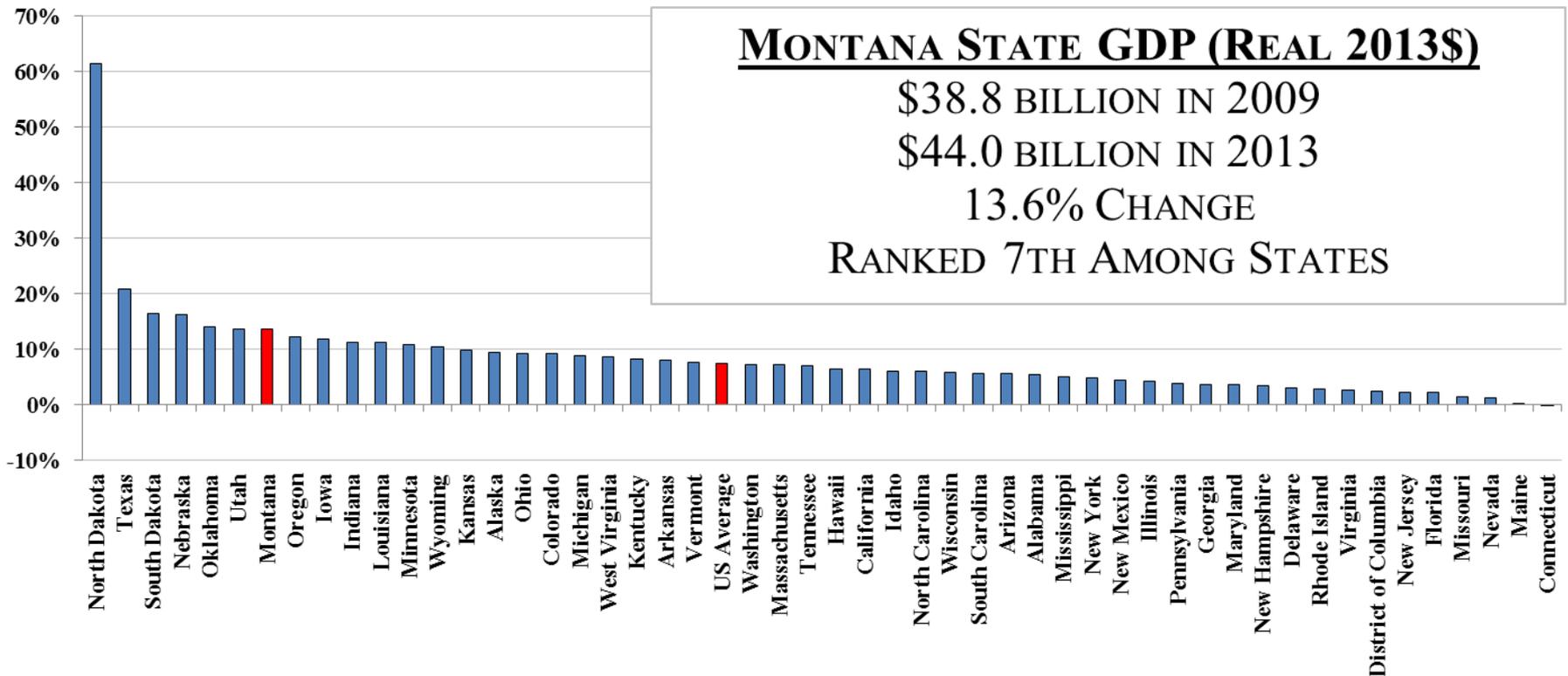
Compiled 9/18/2014 by the Census & Economic Information Center, MT Dept. of Commerce

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### STATE GROSS DOMESTIC PRODUCT (GDP) PERCENT CHANGE, 2009 - 2013 (ADJUSTED FOR INFLATION)



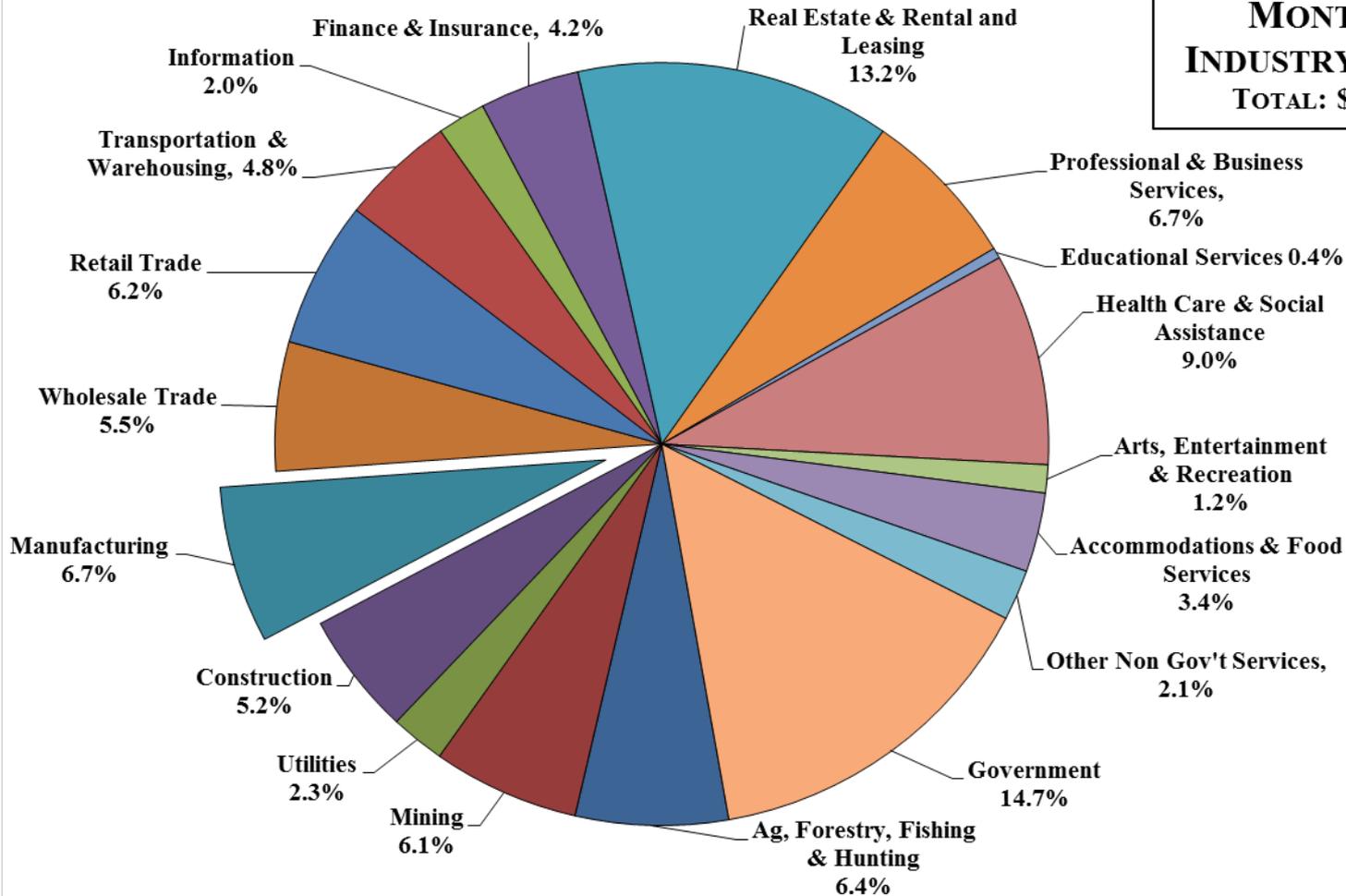
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**MONTANA GDP  
INDUSTRY SHARE, 2013**  
TOTAL: \$44.04 BILLION



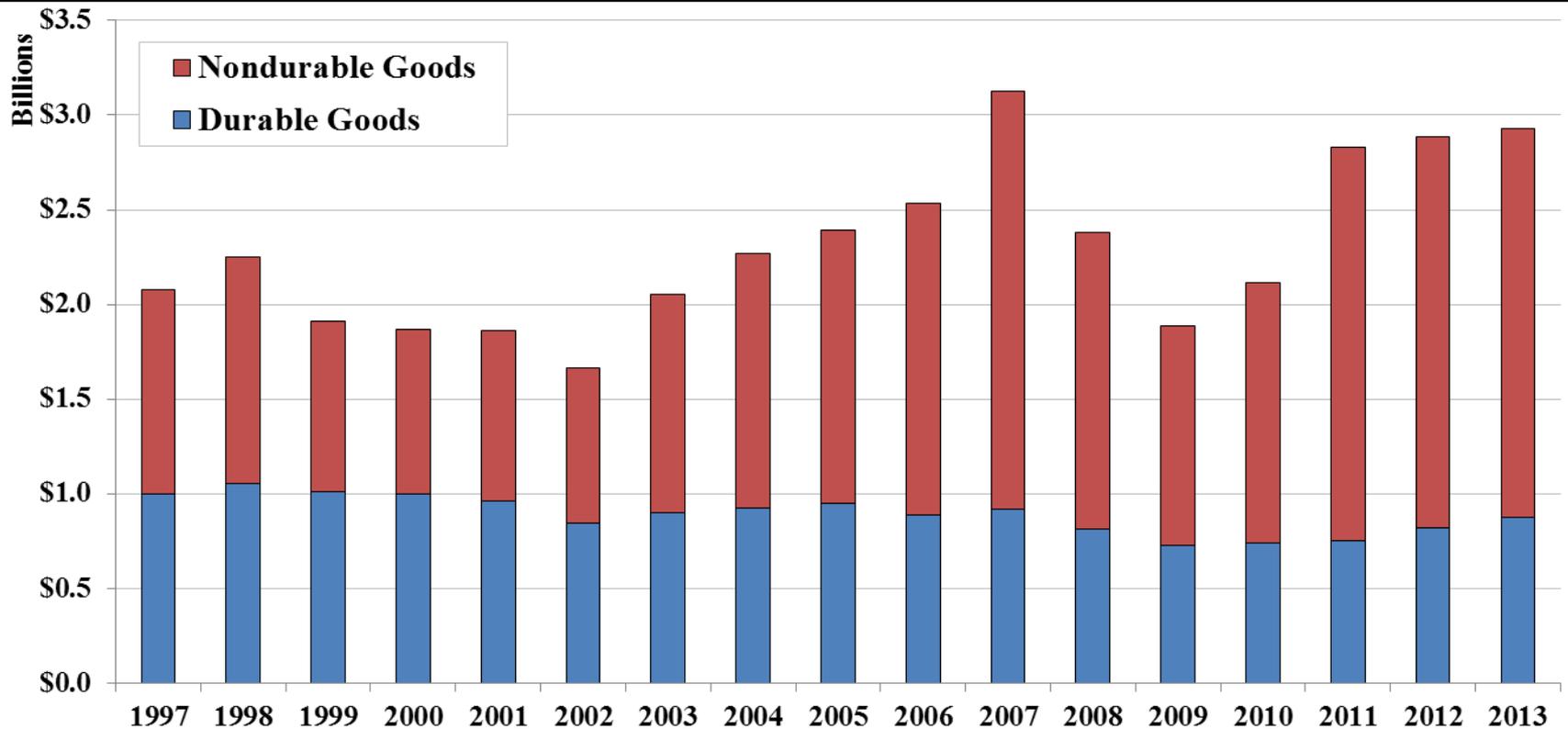
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### STATE GDP FROM MANUFACTURING, MONTANA 1997 - 2013

FIGURES ARE ADJUSTED FOR INFLATION (REAL 2013\$)



Source: US Bureau of Economic Analysis (BEA)  
Compiled 9/25/2014 by the Census & Economic Information Center, MT Dept. of Commerce

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### Durable Goods Manufacturing

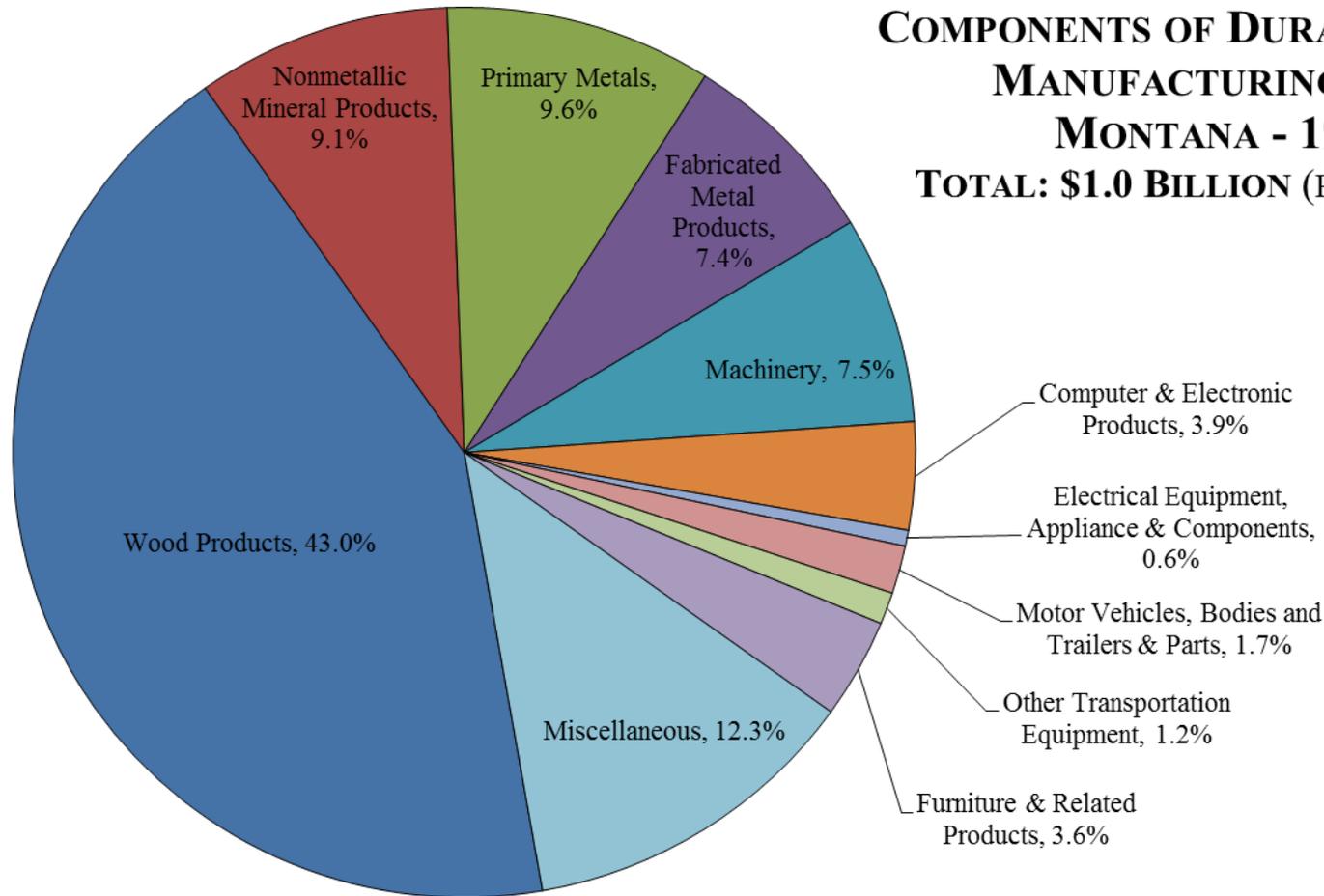
- Wood Products
- Nonmetallic Mineral Products
- Primary Metals
- Fabricated Metal Products
- Machinery
- Computer & Electronic Products
- Electrical Equipment, Appliance & Components
- Motor Vehicles, Bodies and Trailers & Parts
- Other Transportation Equipment
- Furniture & Related Products
- Miscellaneous

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## MANUFACTURING FOCUS



### COMPONENTS OF DURABLE GOODS MANUFACTURING GDP MONTANA - 1997 TOTAL: \$1.0 BILLION (REAL 2013\$)



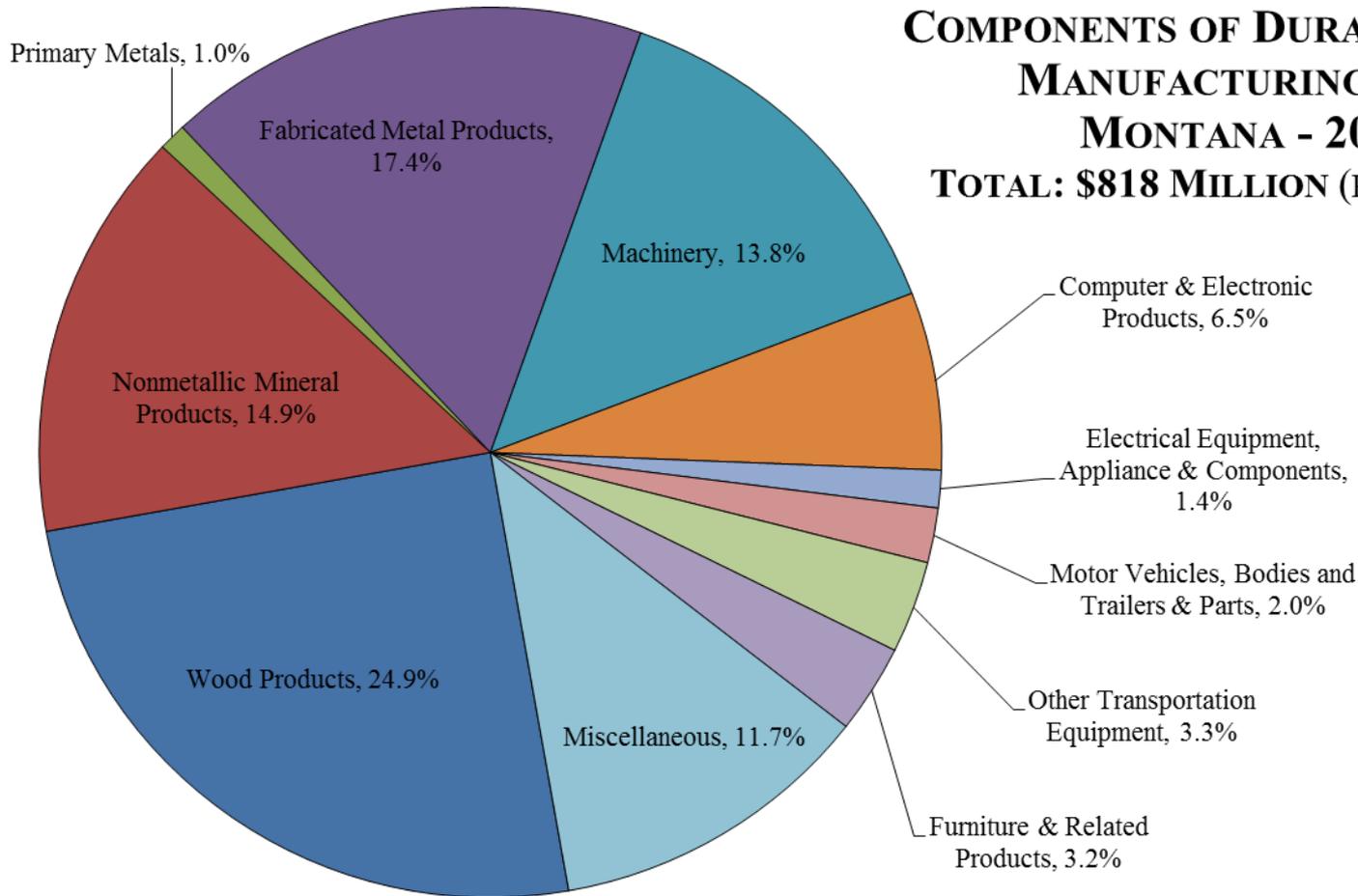
Source: US Bureau of Economic Analysis (BEA)

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### COMPONENTS OF DURABLE GOODS MANUFACTURING GDP MONTANA - 2012 TOTAL: \$818 MILLION (REAL 2013\$)



Source: US Bureau of Economic Analysis (BEA)

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## **Nondurable Goods Manufacturing**

- Food and Beverage & Tobacco Products
- Textile Mills & Textile Products
- Apparel and Leather & Allied Products
- Paper Products
- Printing & Related Support
- Petroleum & Coal Products
- Chemical Products
- Plastics & Rubber Products

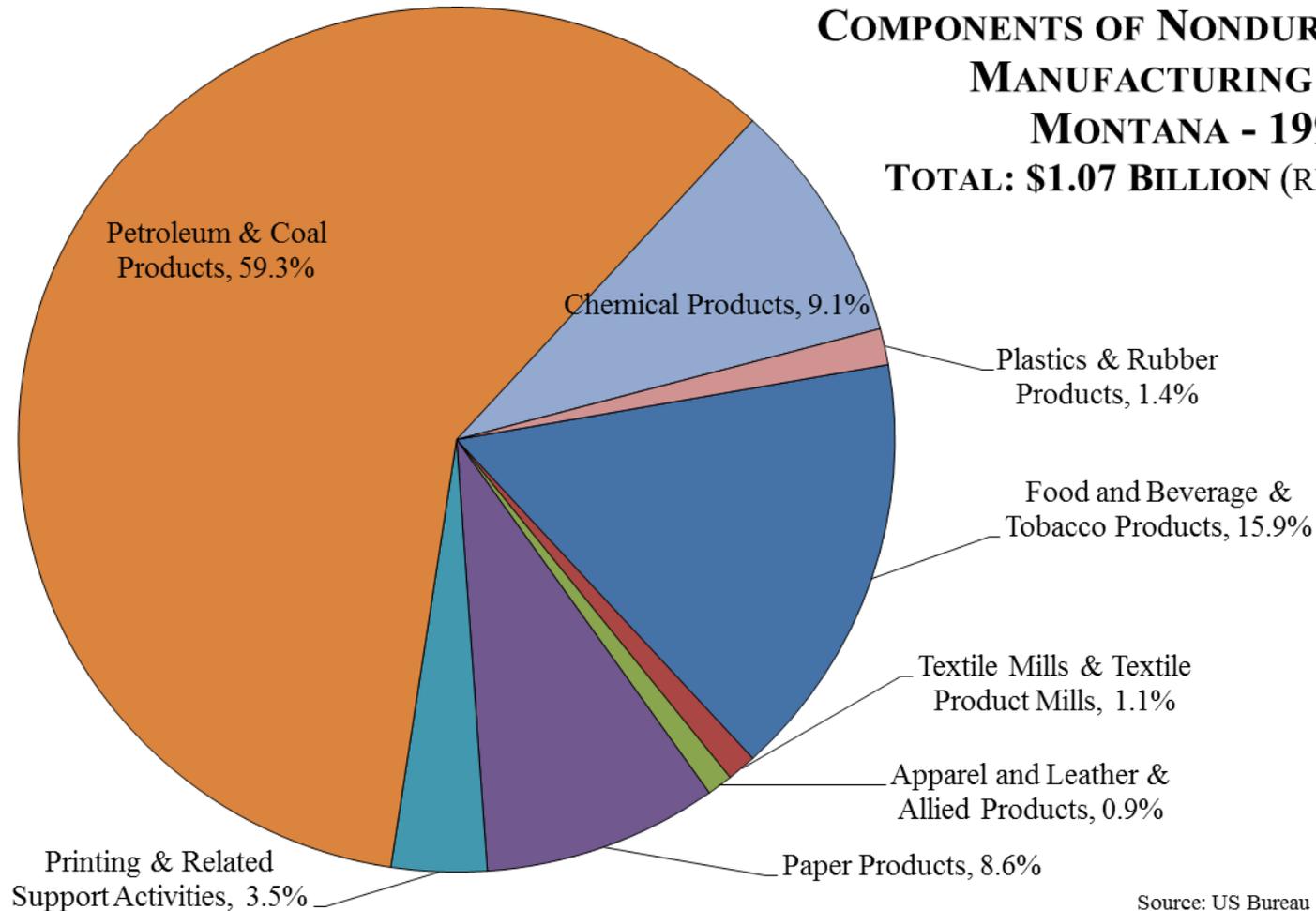
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### COMPONENTS OF NONDURABLE GOODS MANUFACTURING GDP MONTANA - 1997

TOTAL: \$1.07 BILLION (REAL 2013\$)



Source: US Bureau of Economic Analysis (BEA)

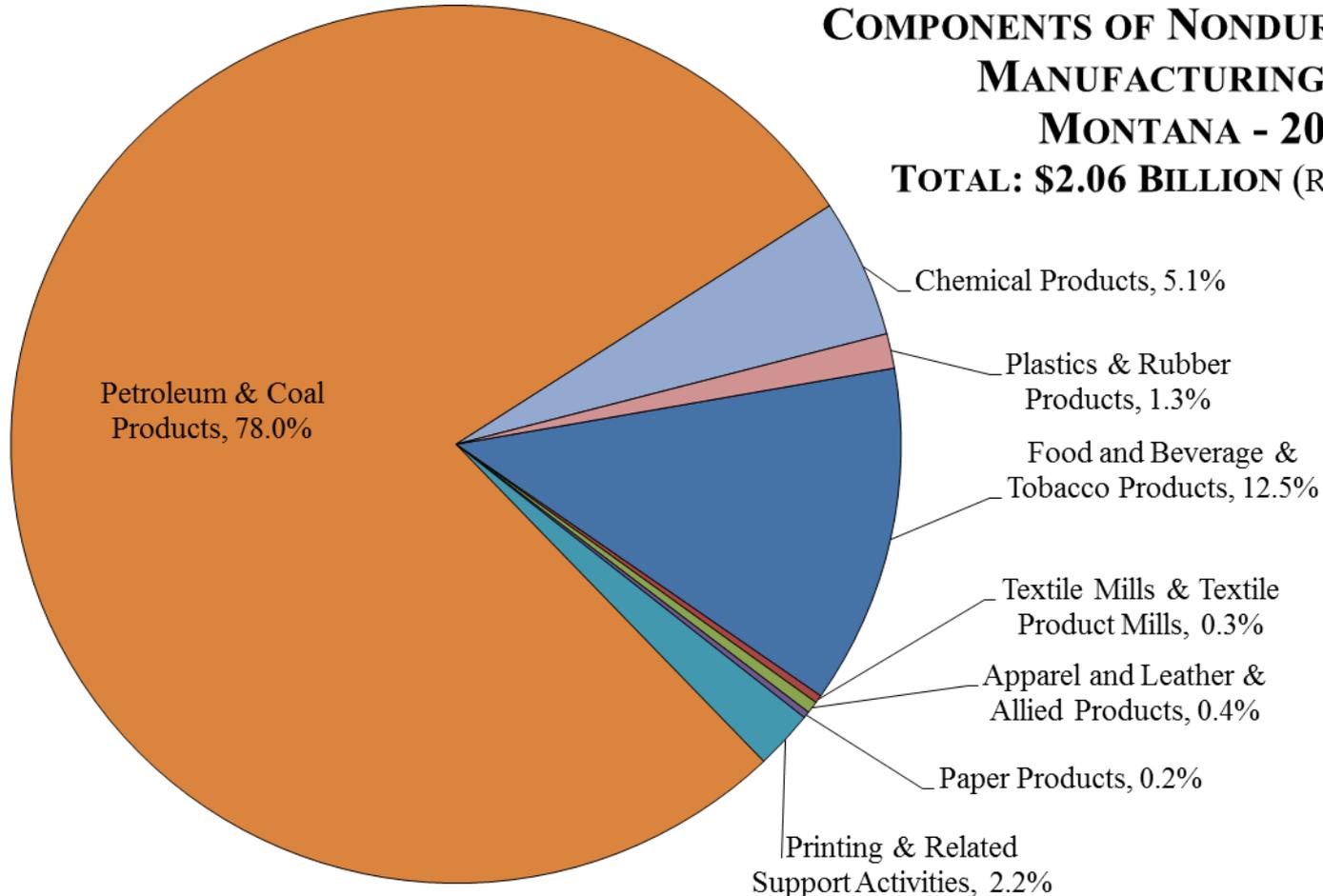
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### COMPONENTS OF NONDURABLE GOODS MANUFACTURING GDP MONTANA - 2012

TOTAL: \$2.06 BILLION (REAL 2013\$)



Source: US Bureau of Economic Analysis (BEA)

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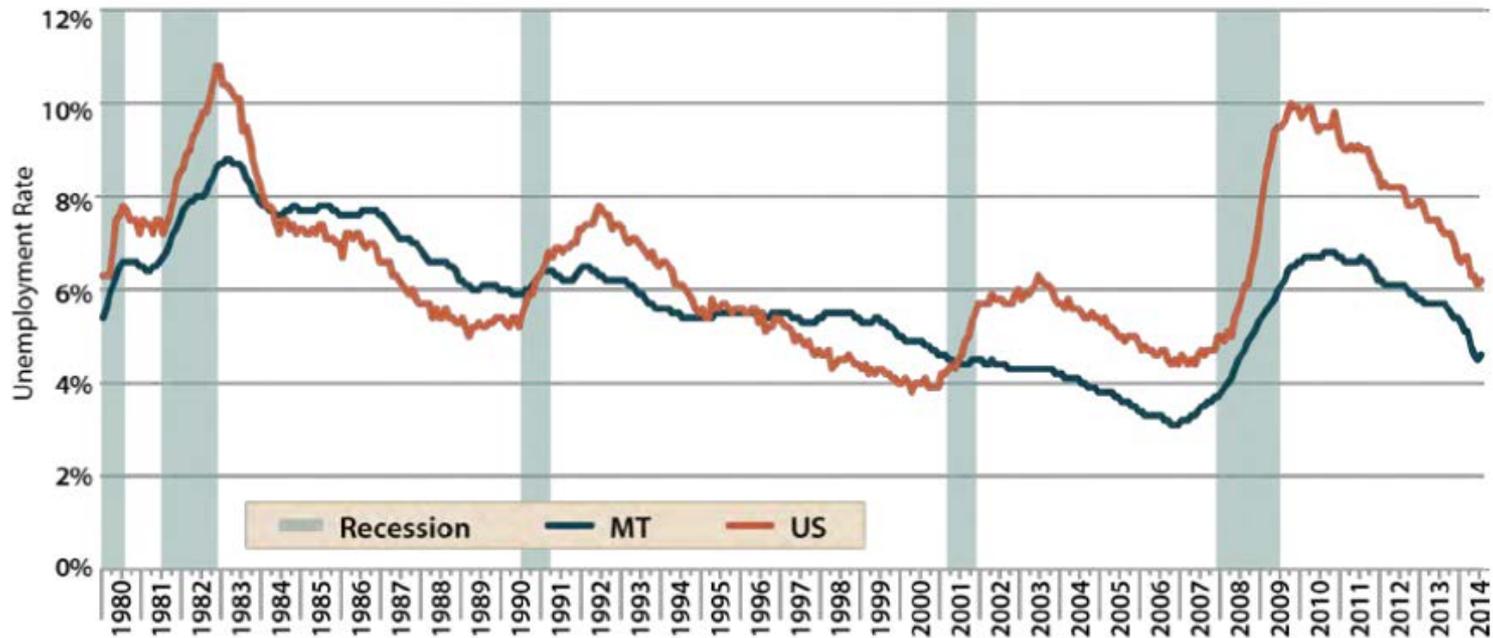
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“At 4.6% in July 2014, MT had the 11<sup>th</sup> lowest unemployment rate in the nation.”

Source: MT Labor Day Report 2014, MT Department of Labor & Industry

**Figure 1: Montana and U.S. Unemployment Rates since 1980**

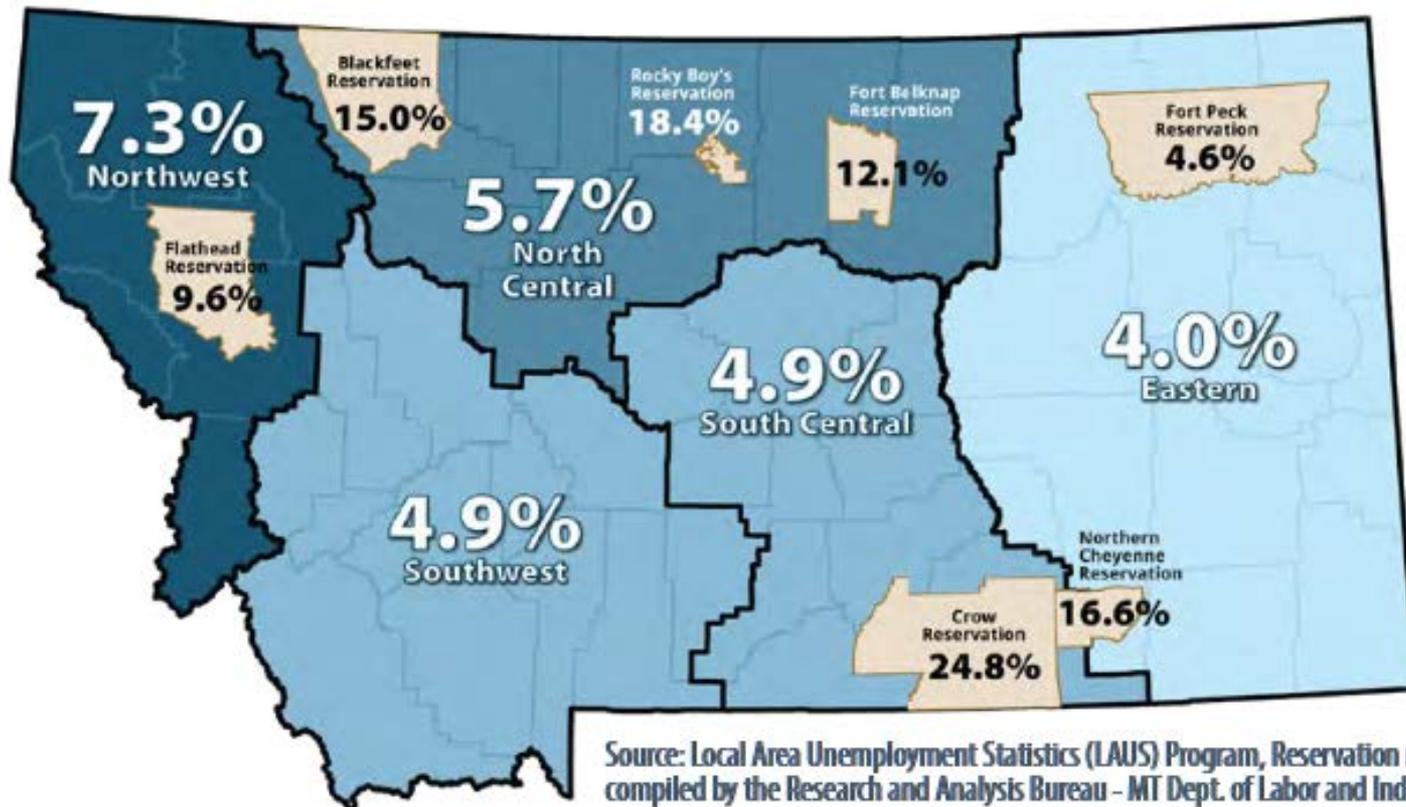


Source: Local Area Unemployment Statistics for Montana and Current Population Survey for U.S., Bureau of Labor Statistics and MT Dept of Labor and Industry

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**Figure 10: Unemployment Rates for Montana's Labor Market Regions and Reservations**



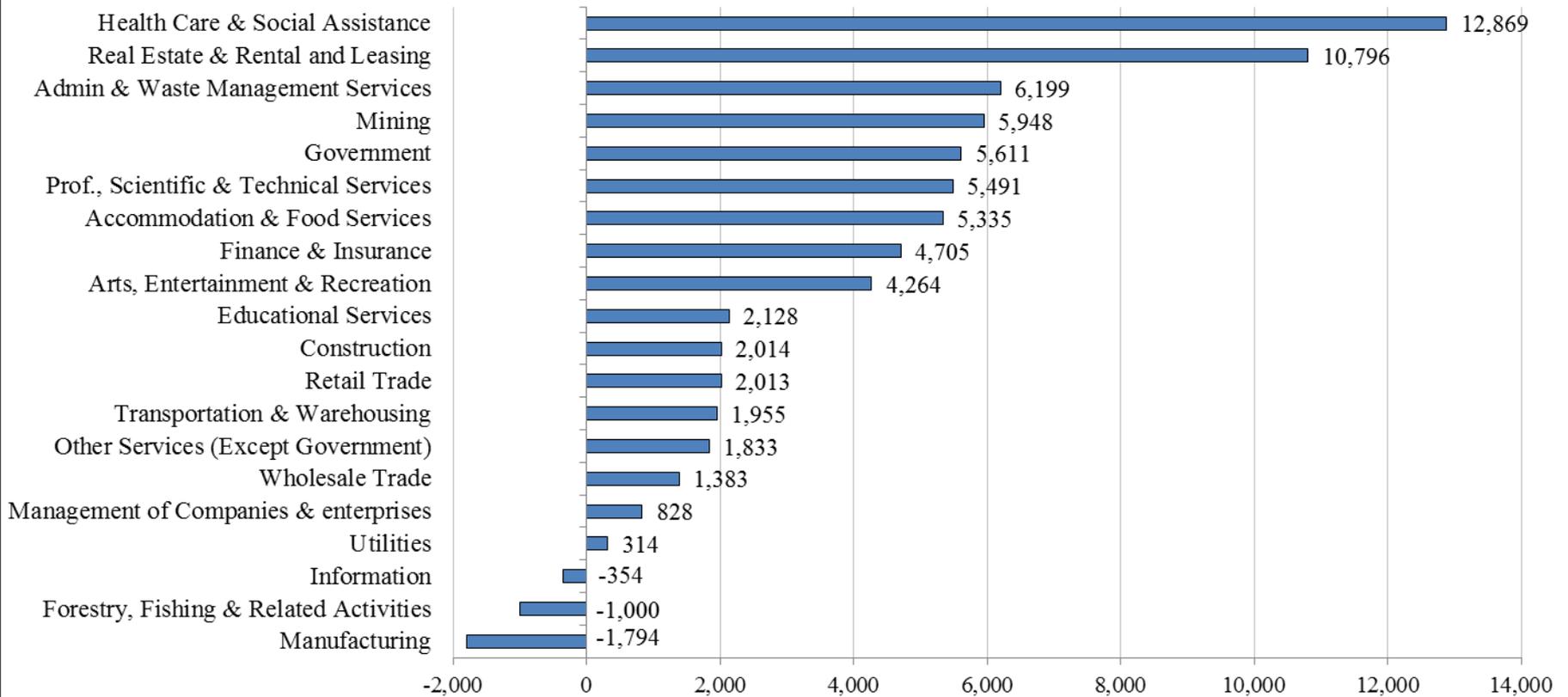
Source: MT Labor Day Report 2014, MT Department of Labor & Industry

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### FULL & PART TIME NON-FARM EMPLOYMENT BY INDUSTRY IN MONTANA, CHANGE 2002 - 2012



Source: US Bureau of Economic Analysis (BEA)

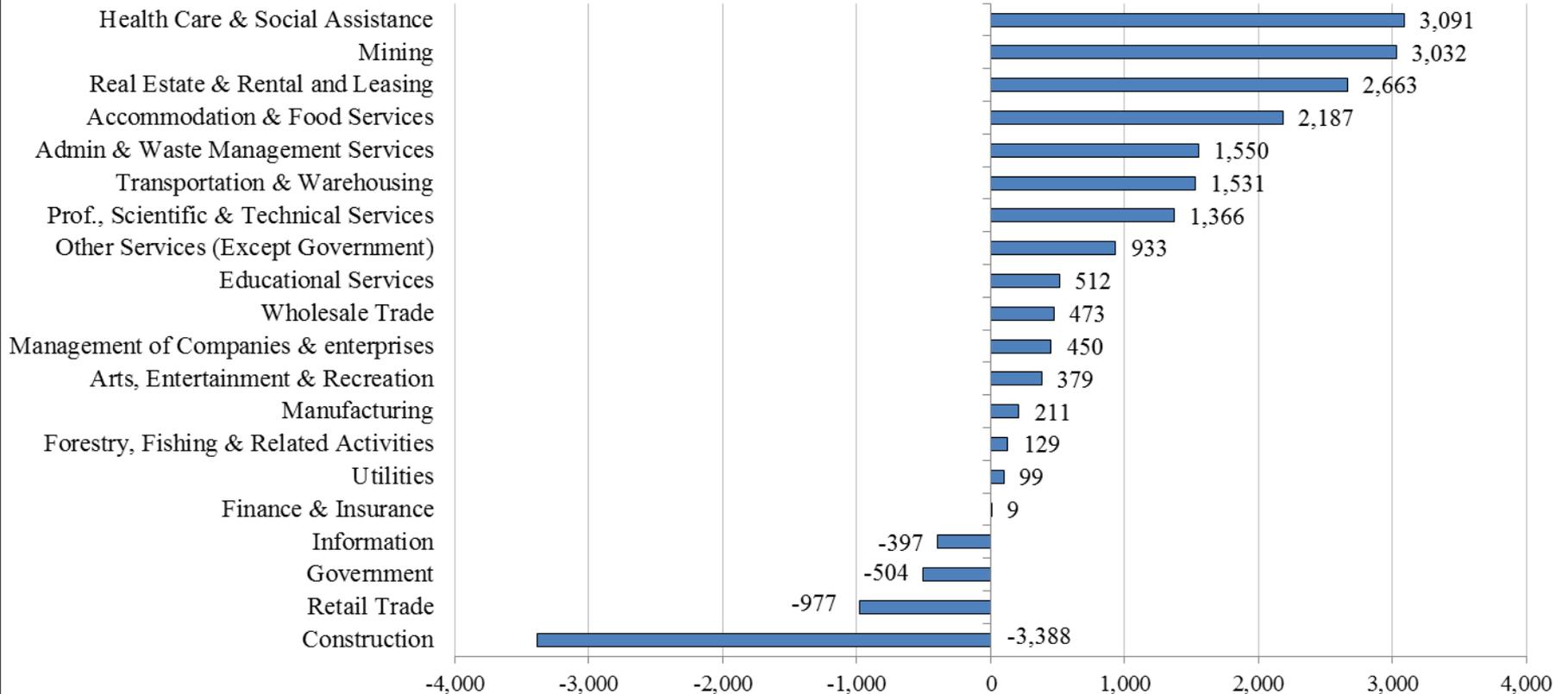
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### FULL & PART TIME NON-FARM EMPLOYMENT BY INDUSTRY IN MONTANA, CHANGE 2009 - 2012



Source: US Bureau of Economic Analysis (BEA)

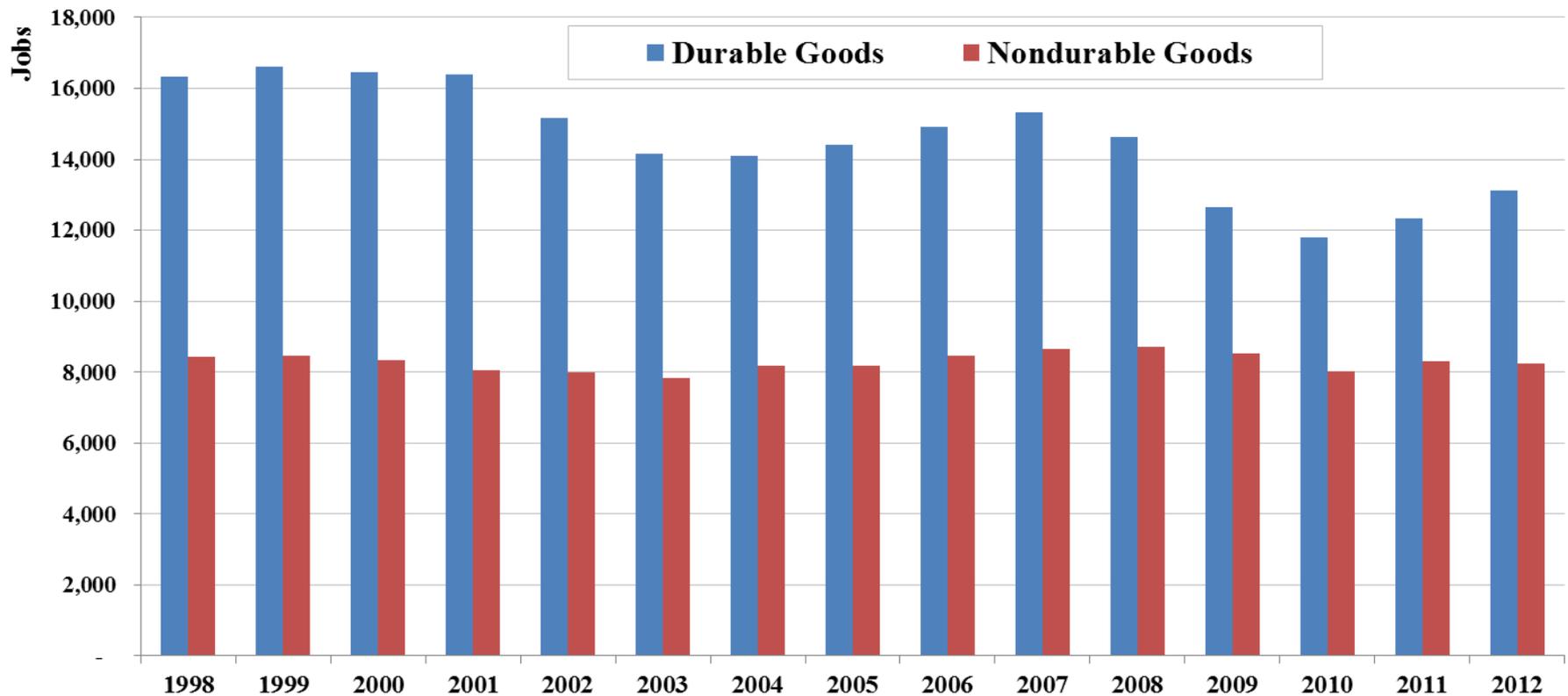
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### MANUFACTURING JOBS IN MONTANA, 1998 - 2012



Source: US Bureau of Economic Analysis (BEA)  
Compiled 9/25/2014 by the Census & Economic Information Center, MT Dept. of Commerce

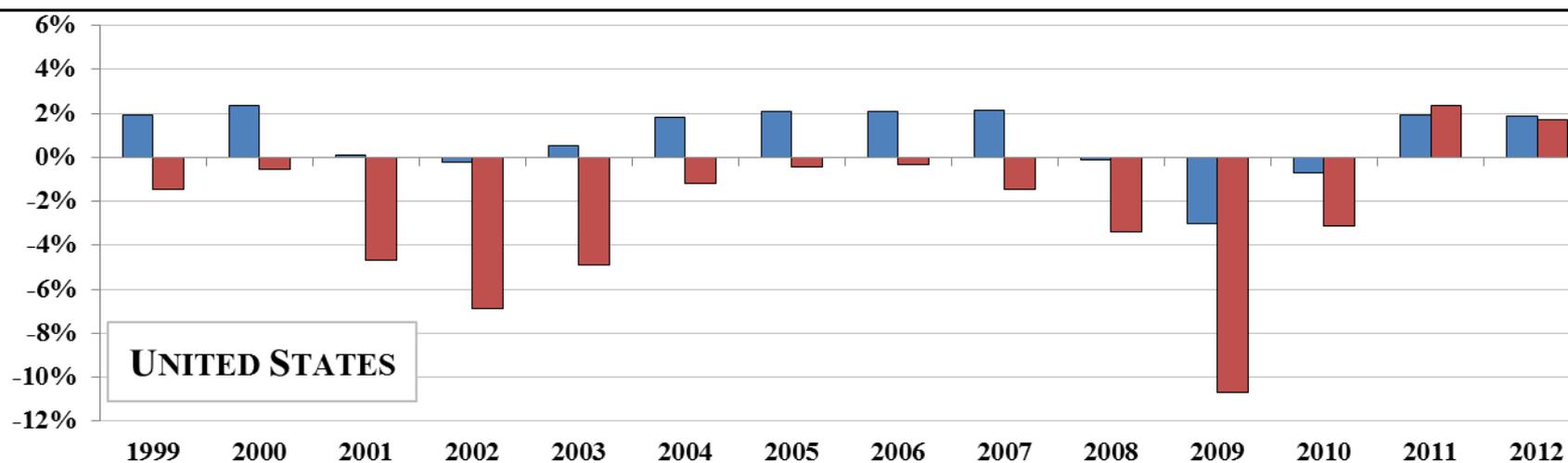
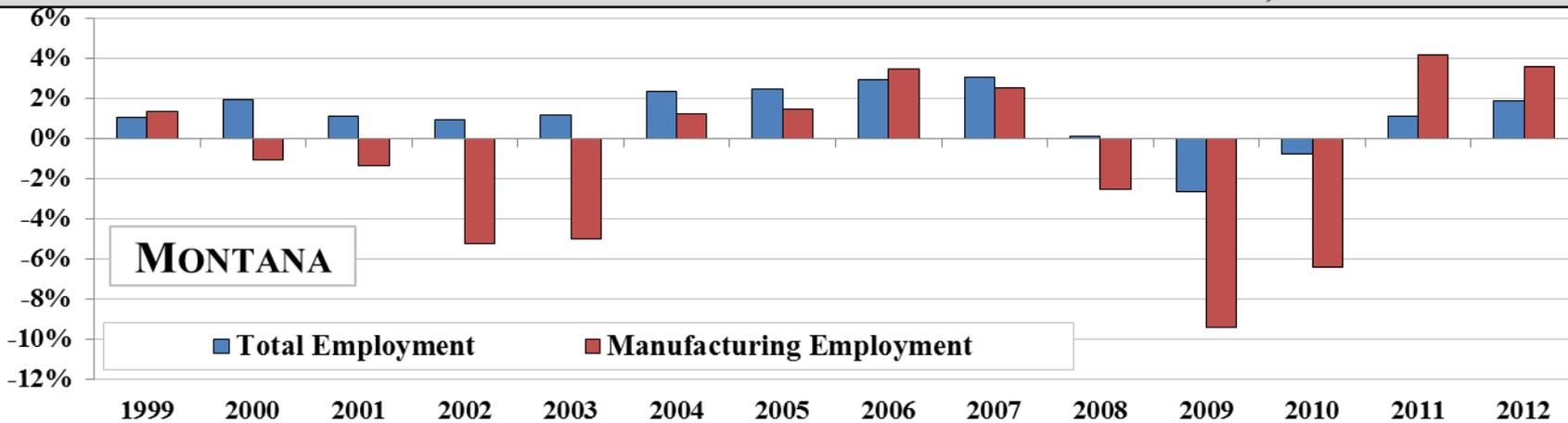
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Source: US Bureau of Economic Analysis

### ANNUAL % CHANGE IN TOTAL & MANUFACTURING EMPLOYMENT, 1999-2012



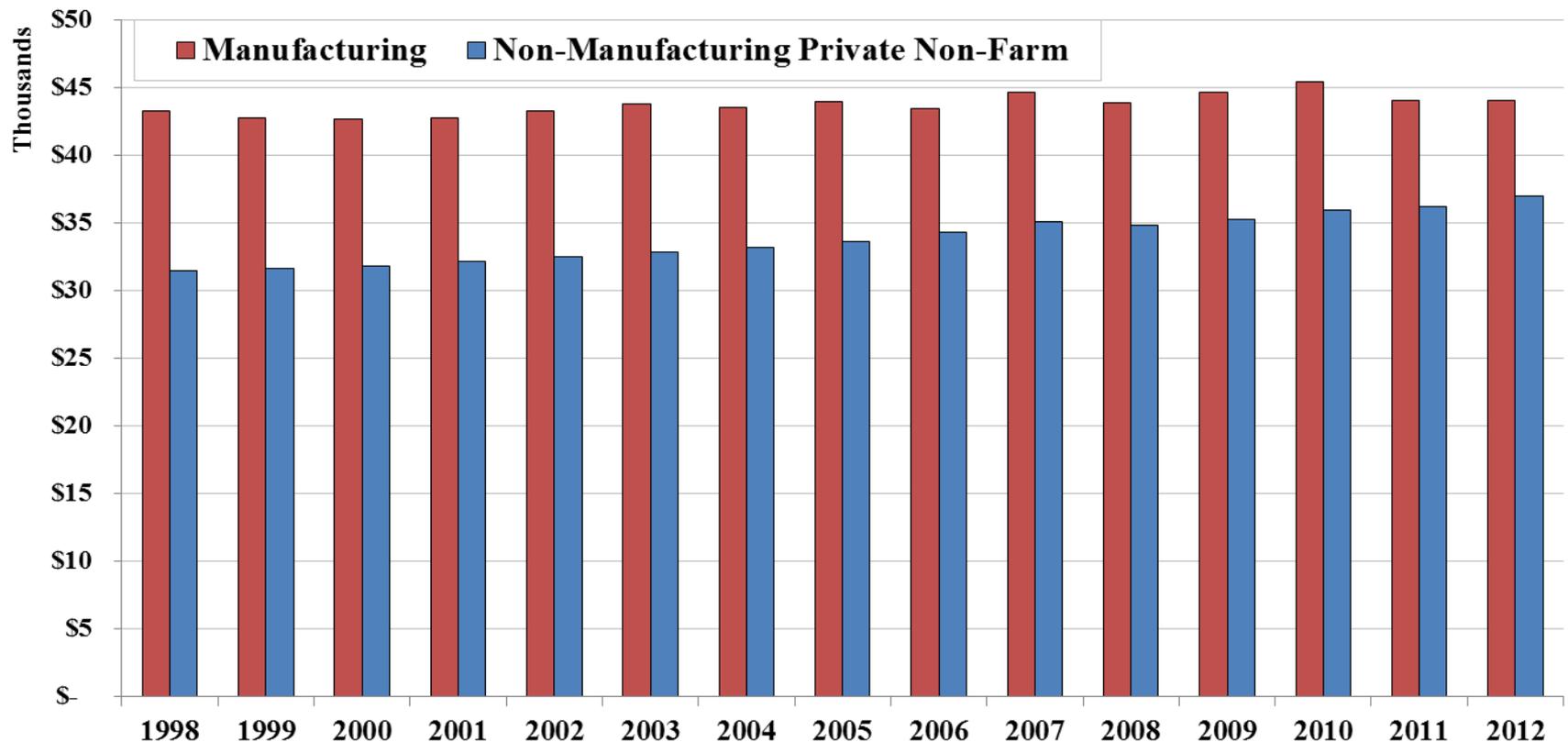
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### AVGERAGE ANNUAL PAY FOR WAGE & SALARY EMPLOYEES, MONTANA

FIGURES ADJUSTED FOR INFLATION (REAL 2013\$)



Source: US Bureau of Economic Analysis (BEA)

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- Montana's economy is doing pretty darn good by all accounts...
  - Strong growth in per capita income and GDP
  - Employment growth across most industries in the State
  - Continued decline in the unemployment rate – below the National average
- Potential stressors...
  - Unemployment rate needs to stay where it is
  - Component share of personal income is shifting which is due somewhat to an aging population (not really talked about in this presentation)

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- Montana's manufacturing sector seems to be moving in the right direction since the Great Recession...
  - Continued growth in GDP
    - Mainly from the nondurable goods portion
  - Steady employment growth
    - Concentrated in the durable goods manufacturing portion of the industry
    - Still haven't recovered/replaced the lost jobs in the wood products portion of the industry
  - Average wages in the industry continue to be well above the State average

# QUESTIONS?

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