

# THE ECONOMY IN THE BIG SKY

PRESENTATION AT:

SMALL BUSINESS &  
DOWNTOWN KIN

PRESENTATION BY:

JOE RAMLER

SENIOR ECONOMIST

MT DEPARTMENT OF COMMERCE

CENSUS & ECONOMIC INFORMATION CENTER (CEIC)



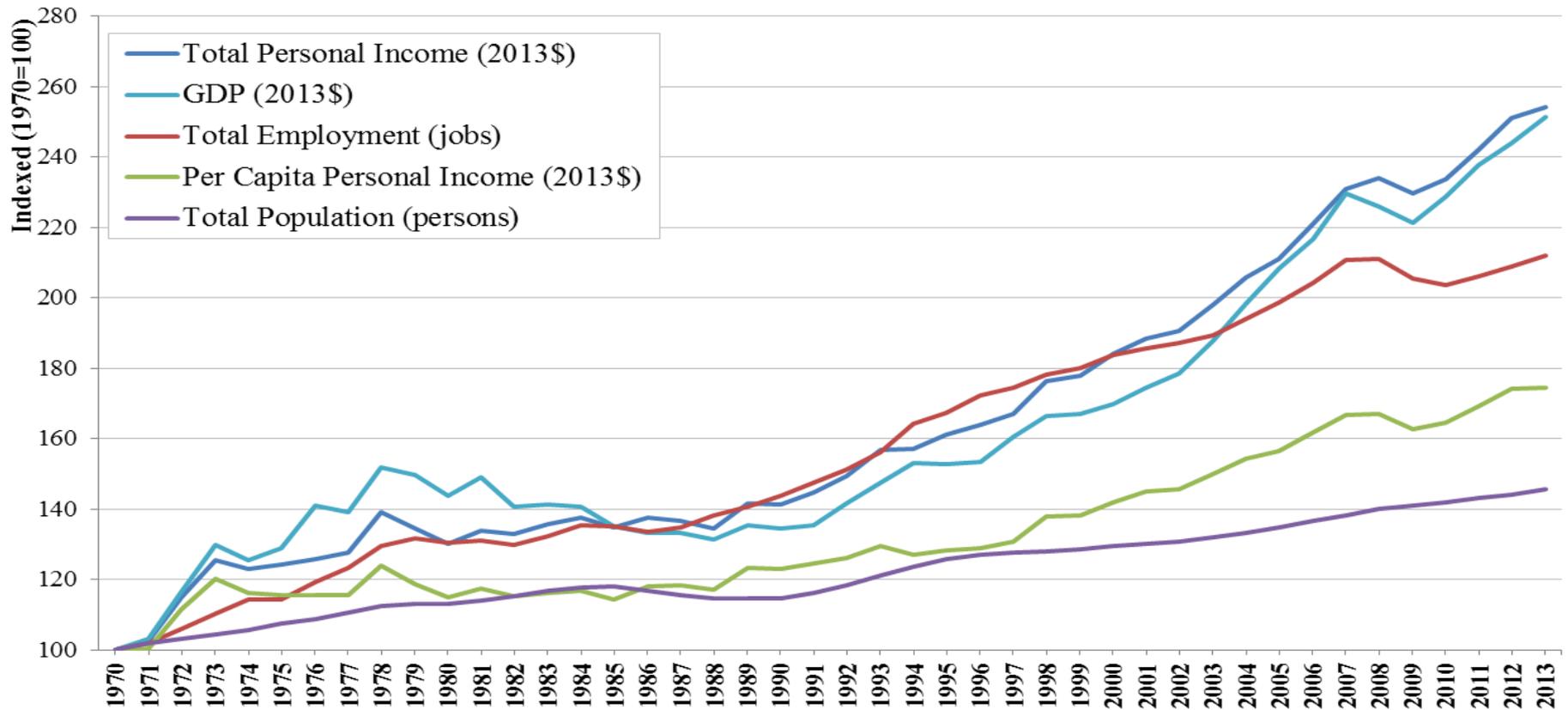
MT BOARD OF INVESTMENTS  
JANUARY 13, 2015



# THE ECONOMY IN THE BIG SKY



## GROWTH INDICATORS, MONTANA 1970-2013



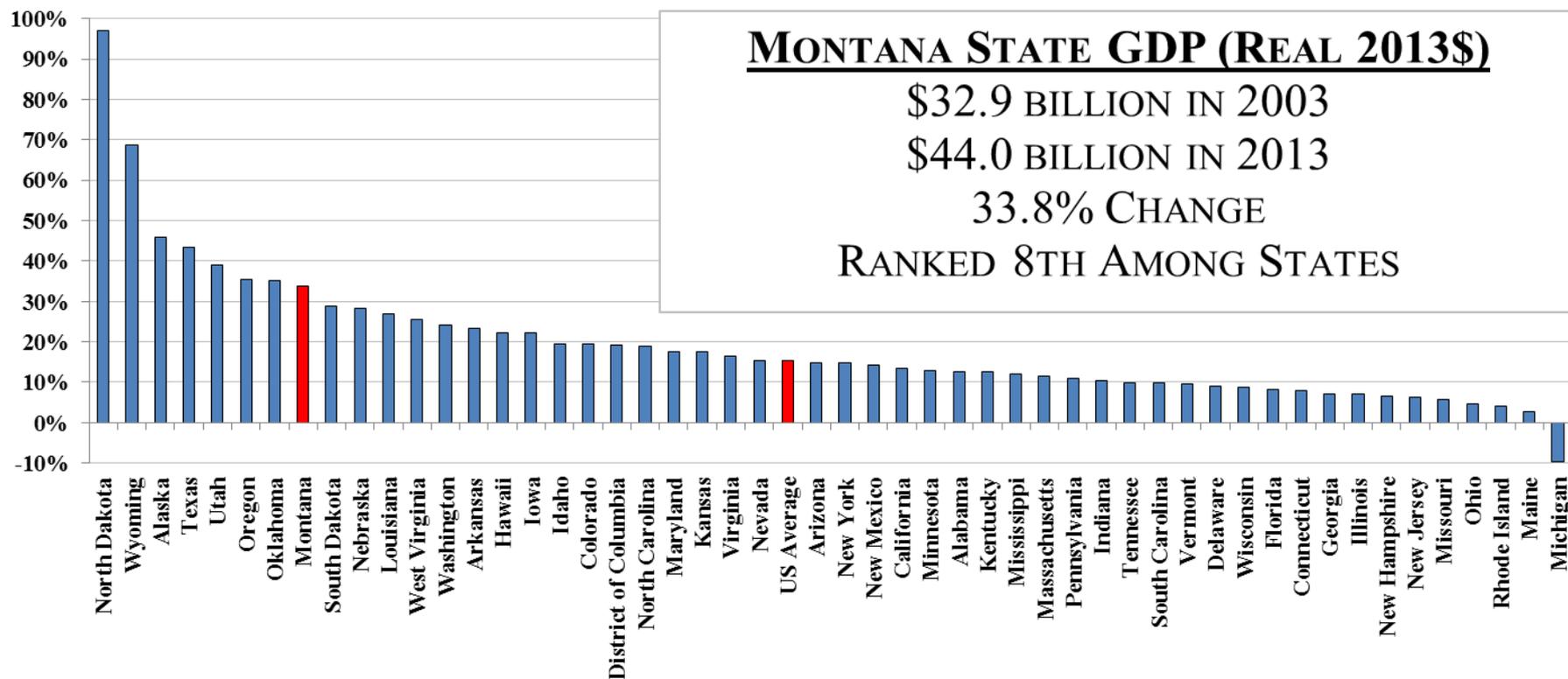
Source: US Bureau of Economic Analysis (BEA). Compiled 1/12/2015.

# THE ECONOMY IN THE BIG SKY



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

(ADJUSTED FOR INFLATION)



Source: US Bureau of Economic Analysis (BEA)

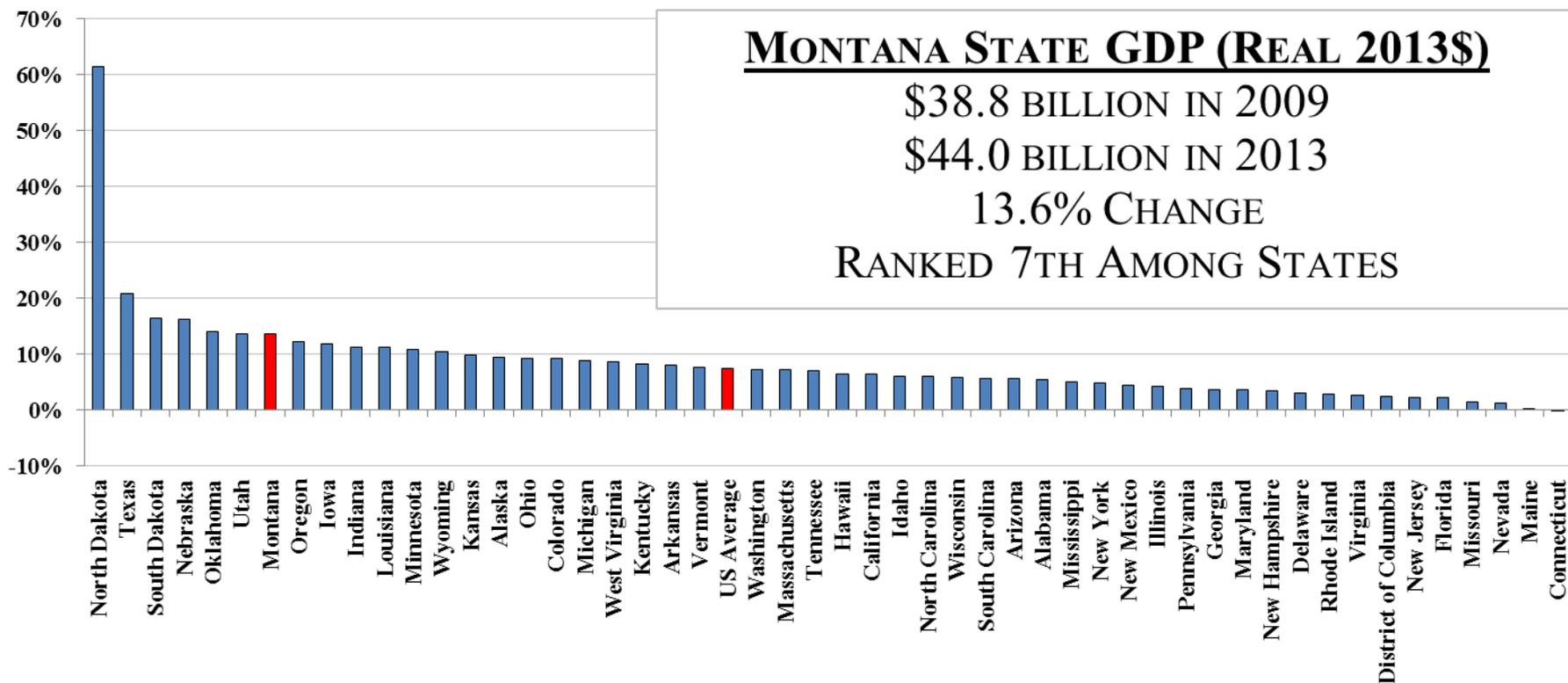
Compiled 9/18/2014 by the Census & Economic Information Center, MT Dept. of Commerce

# THE ECONOMY IN THE BIG SKY



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

(ADJUSTED FOR INFLATION)



Source: US Bureau of Economic Analysis (BEA)

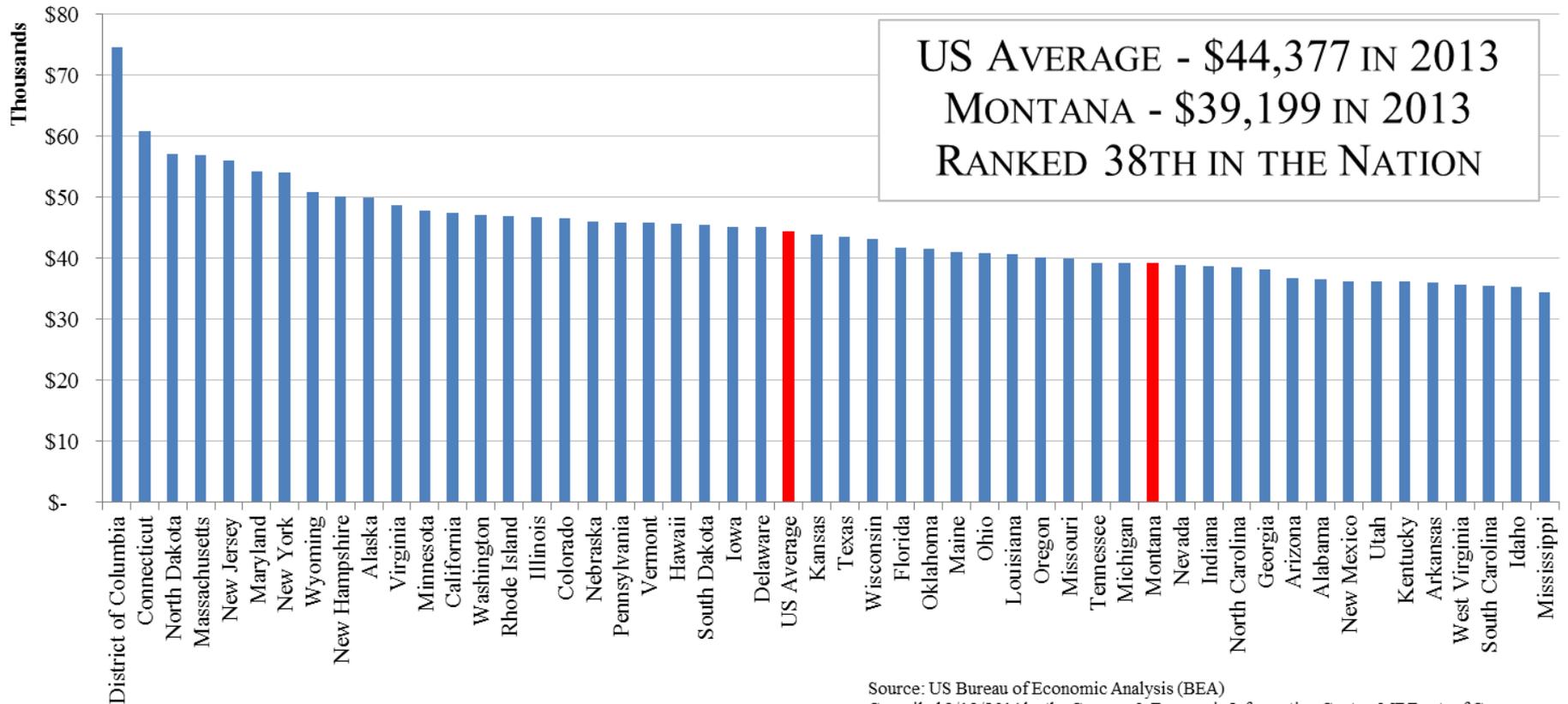
Compiled 9/18/2014 by the Census & Economic Information Center, MT Dept. of Commerce

# THE ECONOMY IN THE BIG SKY



## STATE PER CAPITA PERSONAL INCOME, 2013

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



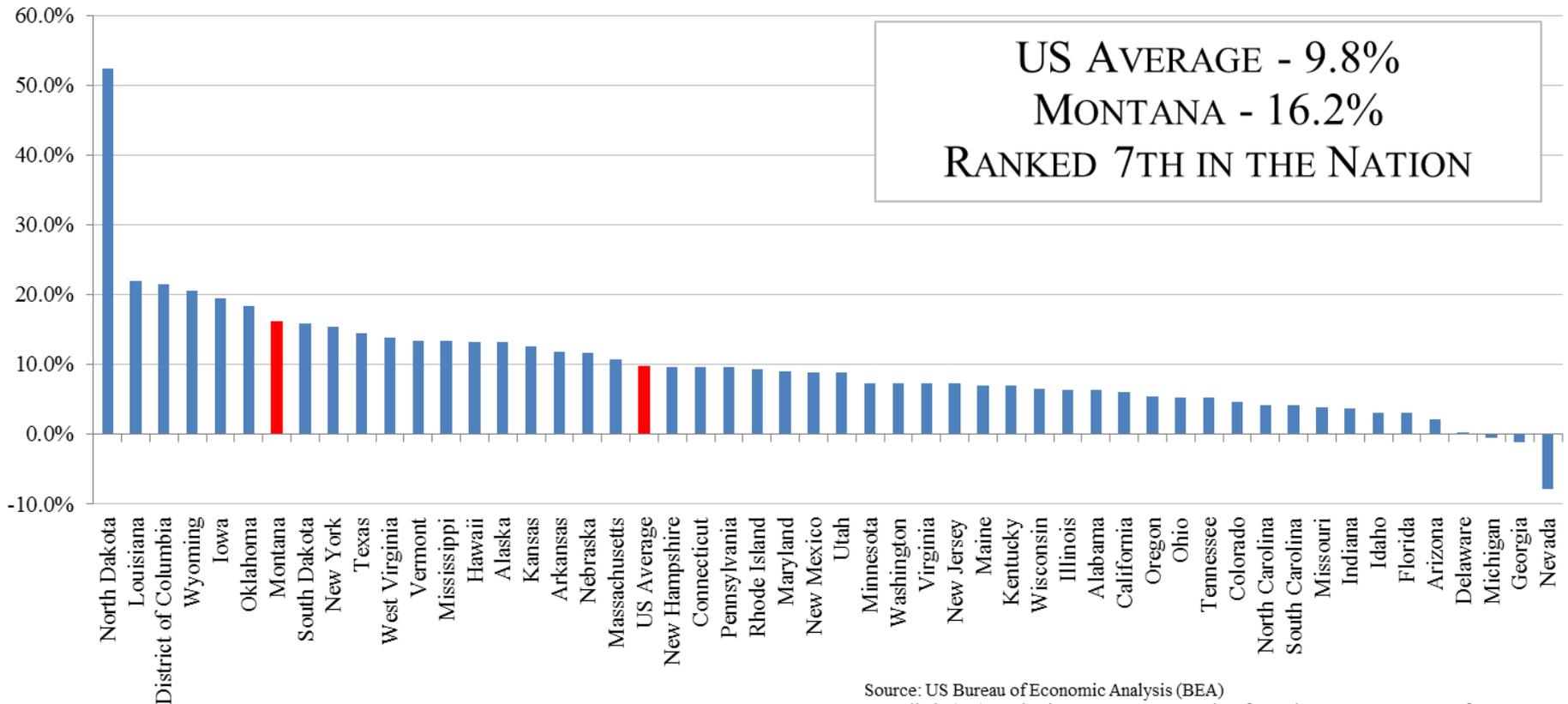
Source: US Bureau of Economic Analysis (BEA)  
 Compiled 9/19/2014 by the Census & Economic Information Center, MT Dept. of Commerce

# THE ECONOMY IN THE BIG SKY



## STATE PER CAPITA PERSONAL INCOME, % CHANGE 2003-2013

(FIGURES ARE ADJUSTED FOR INFLATION)

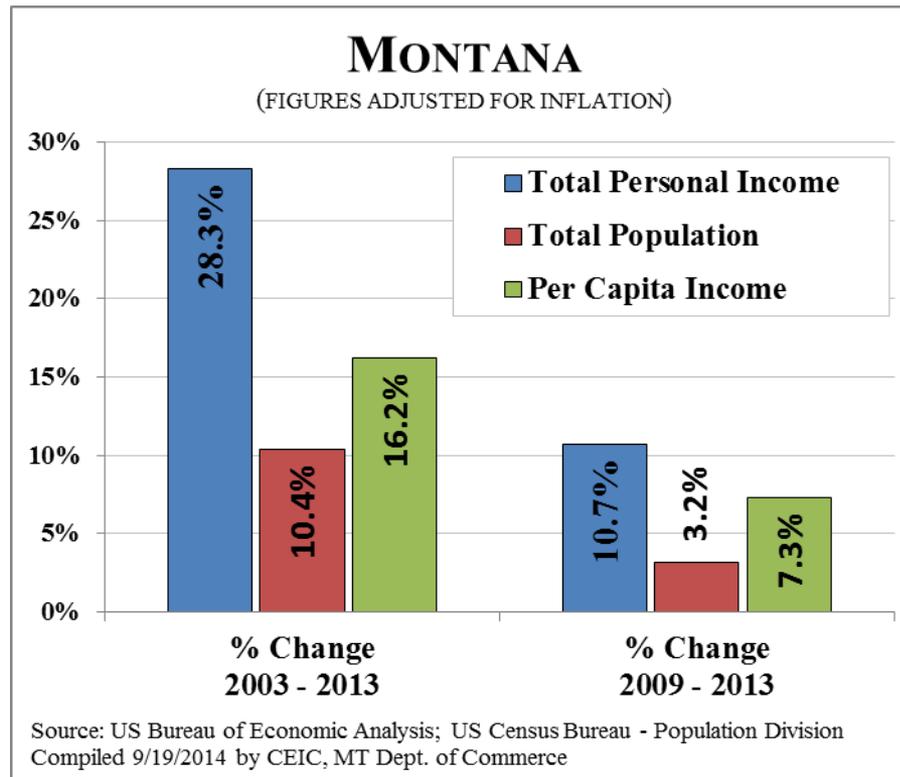


Source: US Bureau of Economic Analysis (BEA)  
 Compiled 9/19/2014 by the Census & Economic Information Center, MT Dept. of Commerce

# THE ECONOMY IN THE BIG SKY



Over the past 10 years and since the recession, Montana has continued to realize an increase in per capita personal income.



# THE ECONOMY IN THE BIG SKY



**Personal Income** is made up of three parts:

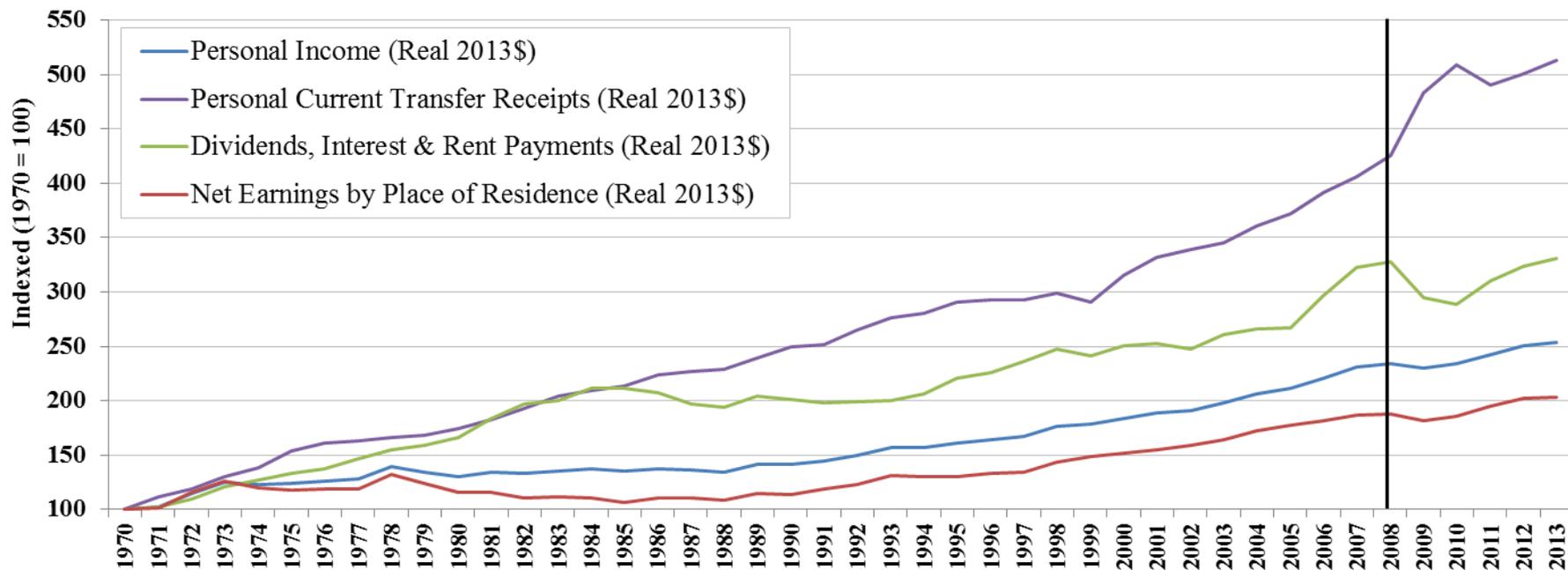
1. **Net Earnings by Place of Residence**
  - Wage, salary & proprietor earnings from working – adjusted to account for people working/living in different places
2. **Dividends, Interest & Rent Payments**
  - Investment income, rental properties, etc.
3. **Personal Current Transfer Receipts**
  - Government social benefits such as Social Security, Medicare, and unemployment insurance
  - Income for which no current services are performed such as net insurance settlements

# THE ECONOMY IN THE BIG SKY



## COMPONENTS OF PERSONAL INCOME, MONTANA 1970 - 2013

FIGURES ARE INDEXED (1970 = 100)



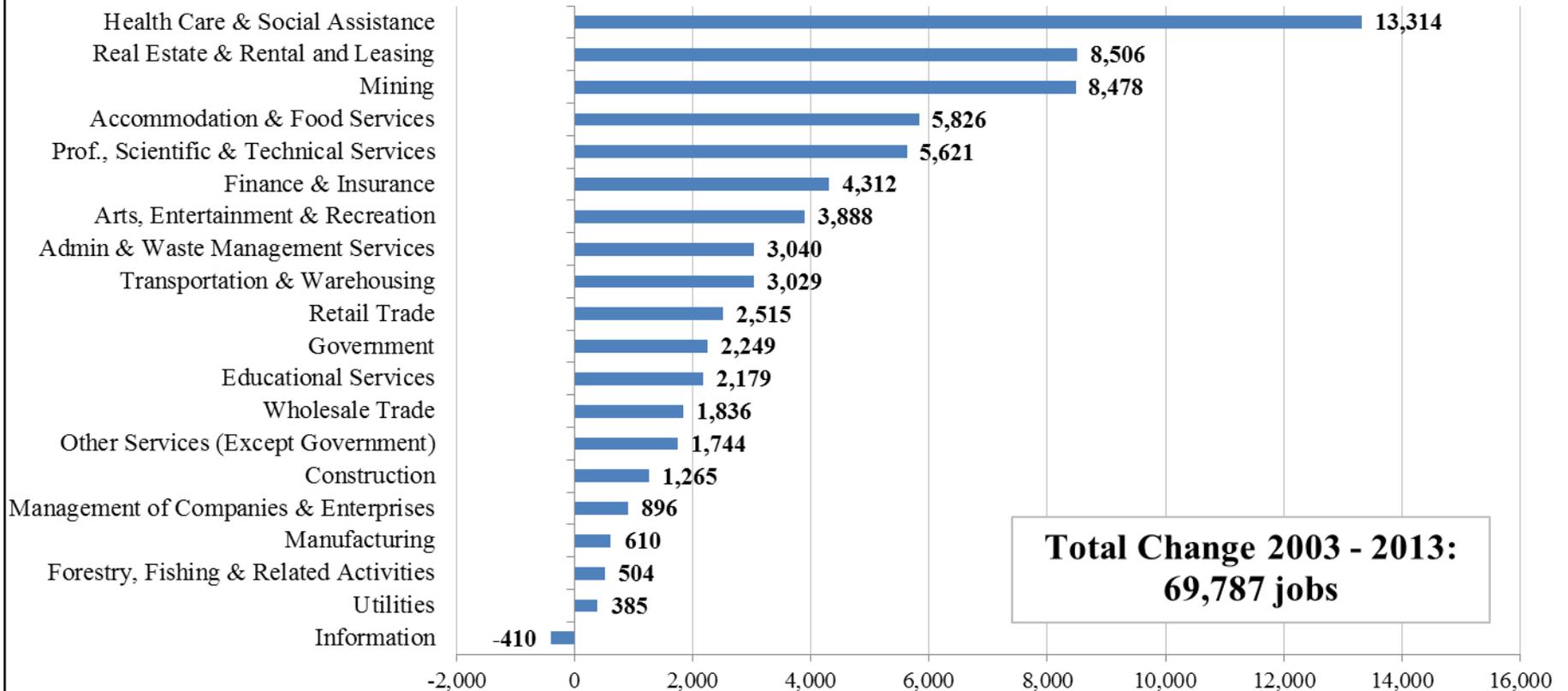
Source: US Bureau of Economic Analysis (BEA)

Compiled 9/21/2014 by the Census & Economic Information Center, MT Dept. of Commerce

# THE ECONOMY IN THE BIG SKY



## FULL & PART TIME NON-FARM EMPLOYMENT BY INDUSTRY IN MONTANA, CHANGE 2003 - 2013



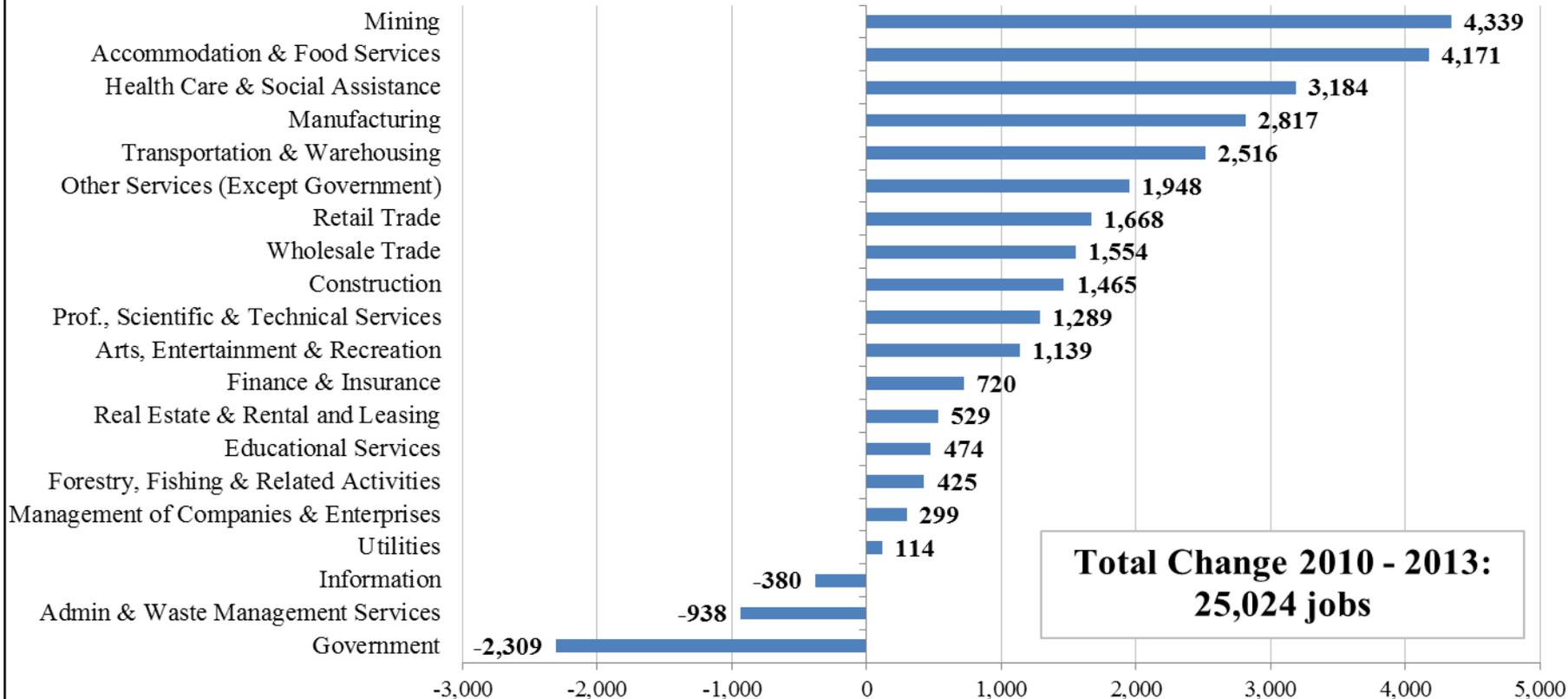
Source: US Bureau of Economic Analysis (BEA)

Compiled 1/13/2015 by the Census & Economic Information Center, MT Dept. of Commerce

# THE ECONOMY IN THE BIG SKY



## FULL & PART TIME NON-FARM EMPLOYMENT BY INDUSTRY IN MONTANA, CHANGE 2010 - 2013



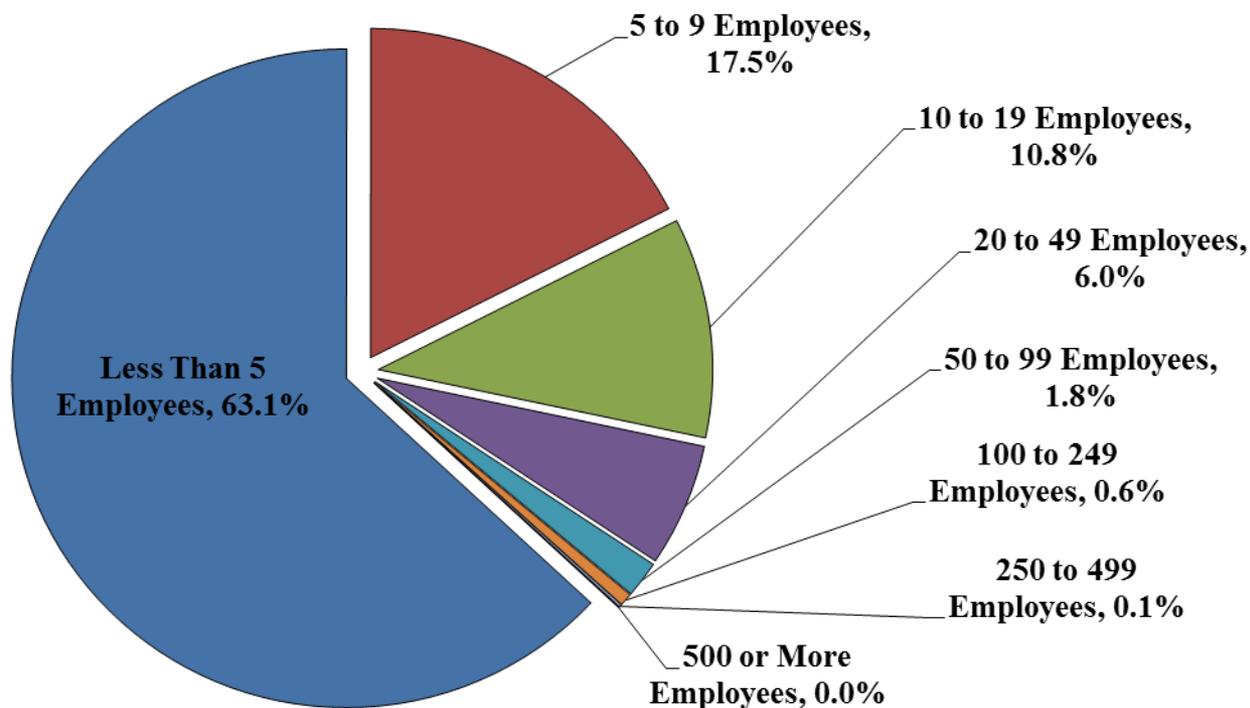
Source: US Bureau of Economic Analysis (BEA)

Compiled 1/13/2015 by the Census & Economic Information Center, MT Dept. of Commerce

# THE ECONOMY IN THE BIG SKY



## PERCENT OF TOTAL PRIVATE ESTABLISHMENTS WITH EMPLOYEES BY SIZE MONTANA - 1ST QUARTER 2013



Source: US Bureau of Labor Statistics, Quarterly Census of Employment & Wages (QCEW). Current as of 1/12/2015

Total Private Establishments with Employees in Montana = 40,636

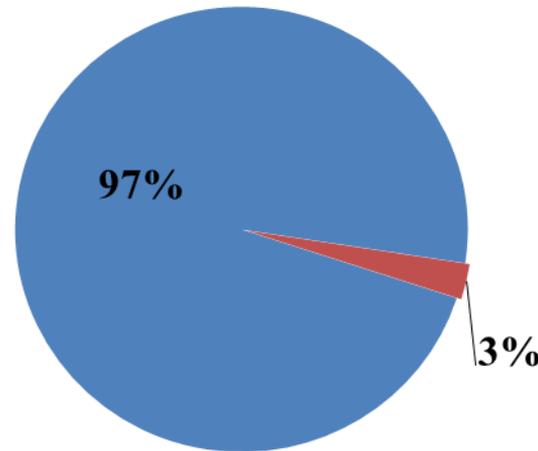
# THE ECONOMY IN THE BIG SKY



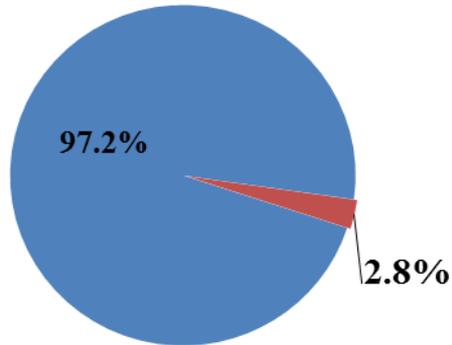
■ **Less Than 50 Employees**

■ **50 or More Employees**

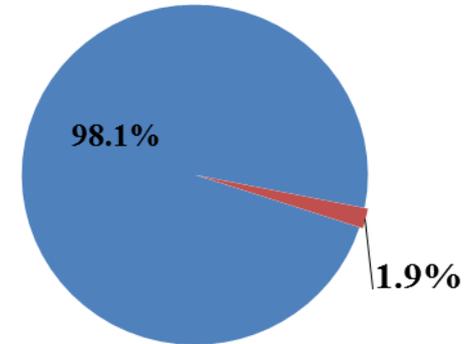
**TOTAL - ALL PRIVATE INDUSTRIES**



**PRIVATE SERVICE PROVIDING INDUSTRIES**



**PRIVATE GOODS PRODUCING INDUSTRIES**



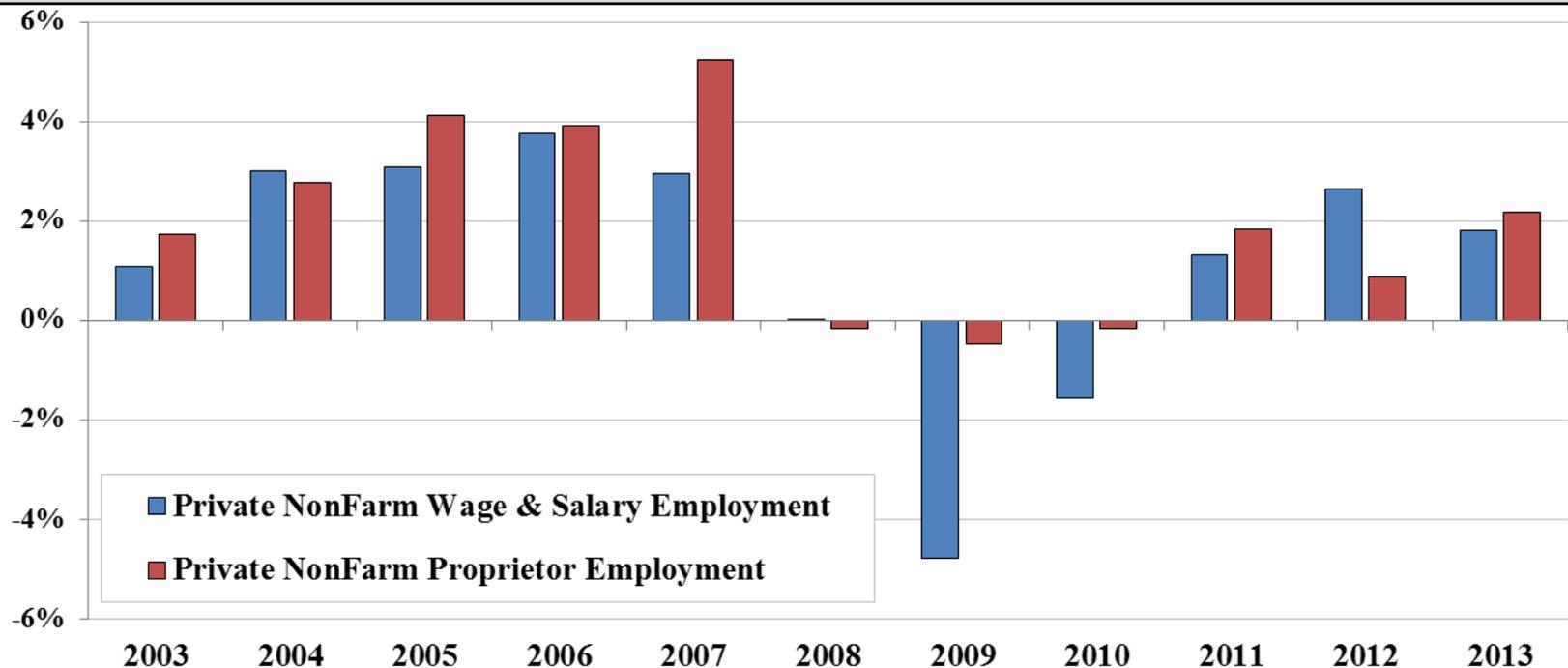
Total Private Establishments with Employees in Montana = 40,636

Source: US Bureau of Labor Statistics, Quarterly Census of Employment & Labor (QCEW) – 1<sup>st</sup> Quarter 2013 data

# THE ECONOMY IN THE BIG SKY



## YEAR OVER YEAR PERCENT CHANGE IN EMPLOYMENT BY TYPE MONTANA, 2003 - 2013



Source: US Bureau of Economic Analysis (BEA). Compiled 1/12/2015

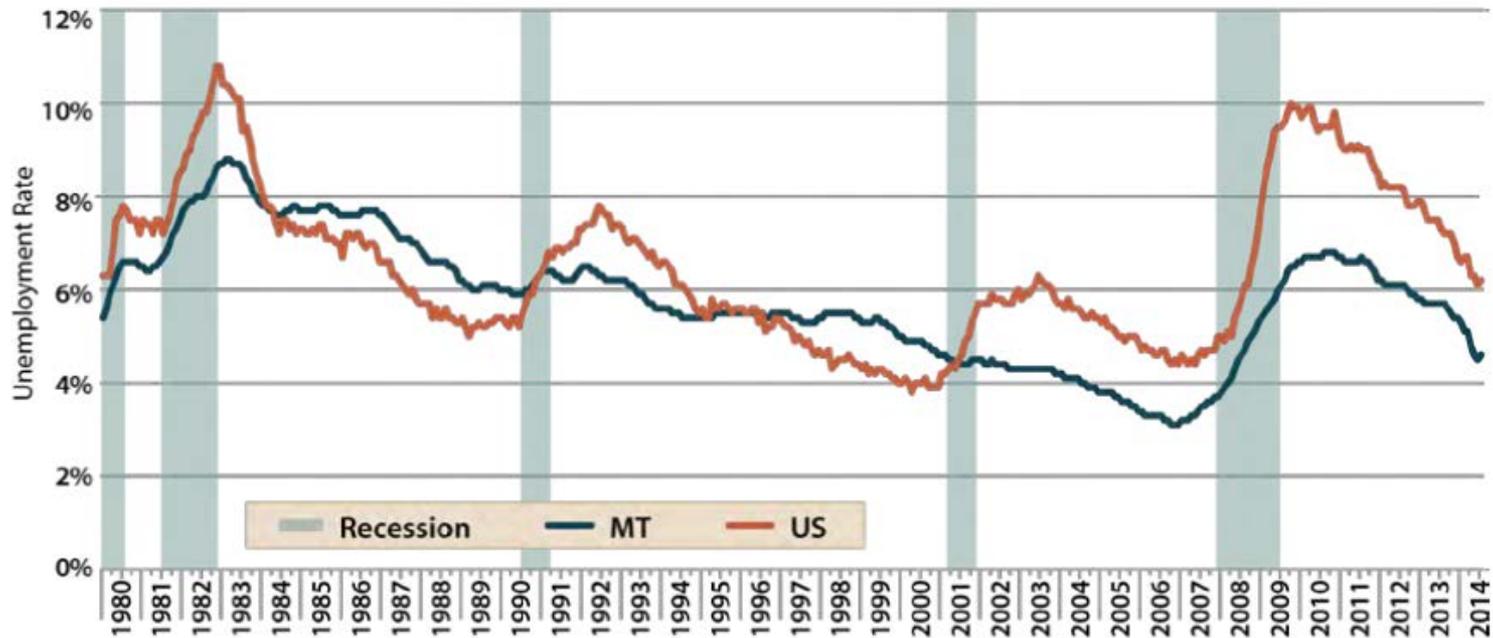
# THE ECONOMY IN THE BIG SKY



“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**

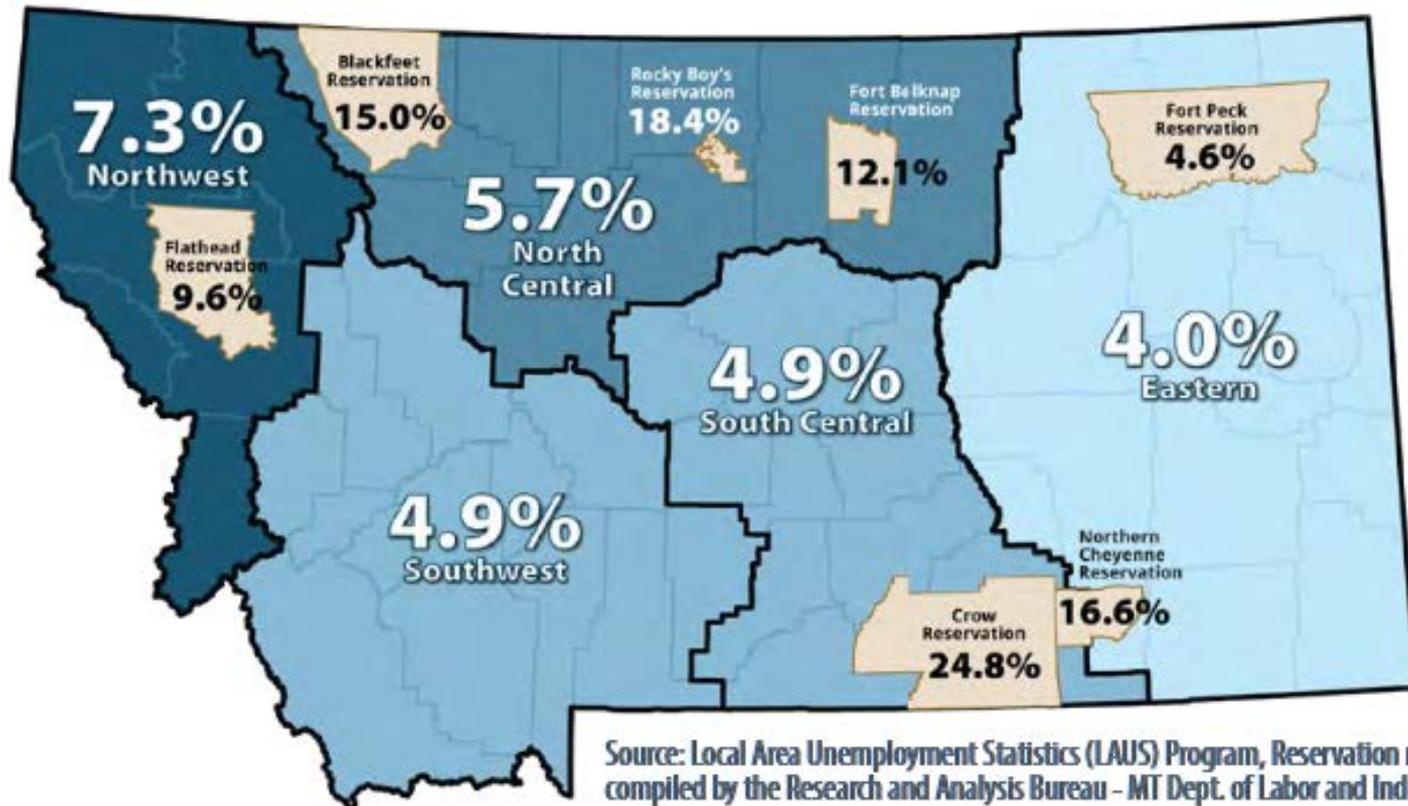


Source: Local Area Unemployment Statistics for Montana and Current Population Survey for U.S., Bureau of Labor Statistics and MT Dept of Labor and Industry

# THE ECONOMY IN THE BIG SKY



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



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

# THE ECONOMY IN THE BIG SKY



- Montana's economy is doing pretty good by all accounts...
  - Steady growth in per capita income and GDP both over the past 10 years and since the trough of the Great Recession
  - Employment growth across most industries in the State
  - Continued decline in the unemployment rate – below the National average
  - The State's continued reliance on small businesses
- 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

# QUESTIONS?

JOE RAMLER

SENIOR ECONOMIST

MT DEPARTMENT OF COMMERCE

CENSUS & ECONOMIC INFORMATION CENTER (CEIC)

JRAMLER@MT.GOV

406.841.2719

