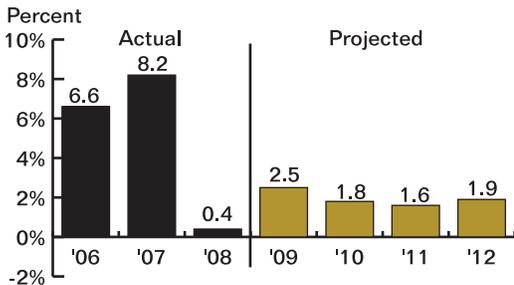


Lewis and Clark County

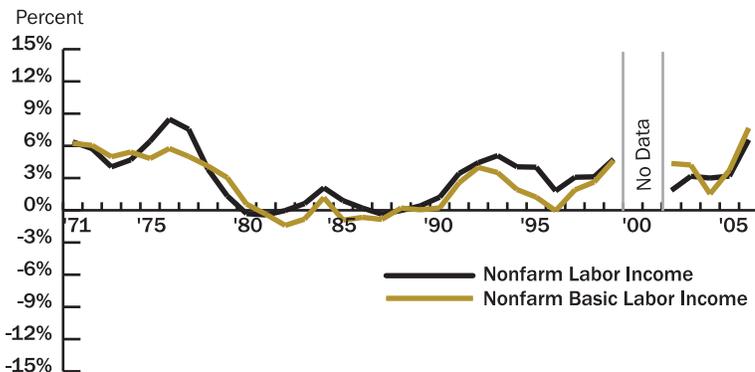
The current recession will likely have a relatively small impact on the Helena-area economy. State and federal government workers account for almost 65 percent of the economic base in Lewis and Clark County, and government employment is traditionally less cyclic. A potential state government pay freeze in response to reduced tax revenues may reduce the growth rates in 2009, 2010, and 2011 but then increase the rate in 2012 and later as “catch-up” raises are approved. Although the Helena area never experienced the house-price bubble of other areas, the sharp acceleration in 2007 and then the slowdown in 2008 was mostly due to construction and real estate.

Figure 2
Actual and Projected Percent Change in Nonfarm Labor Income, Lewis & Clark County, 2006-2012



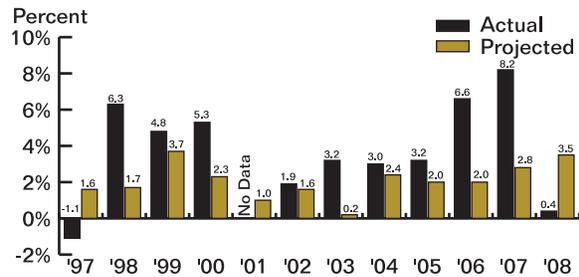
Sources: Bureau of Business and Economic Research, The University of Montana-Missoula; Bureau of Economic Analysis, U.S. Department of Commerce.

Figure 4
Nonfarm Labor Income and Nonfarm Basic Labor Income, Lewis & Clark County, Percent Change, [in constant dollars]



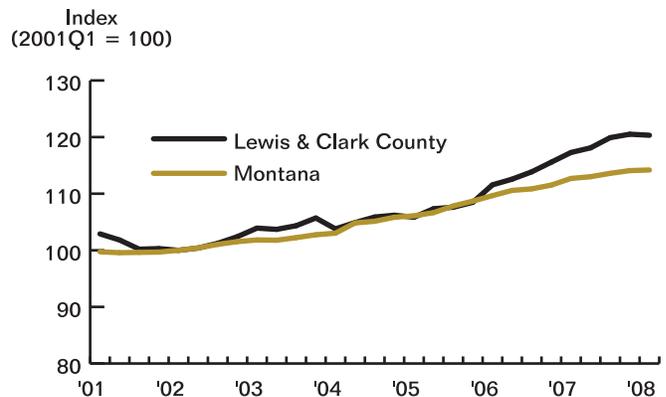
Note: 1971-1999 are three-year averages.
Source: Bureau of Economic Analysis, U.S. Department of Commerce.

Figure 1
Actual and Projected Percent Change in Nonfarm Labor Income, Lewis & Clark County, 1997-2008



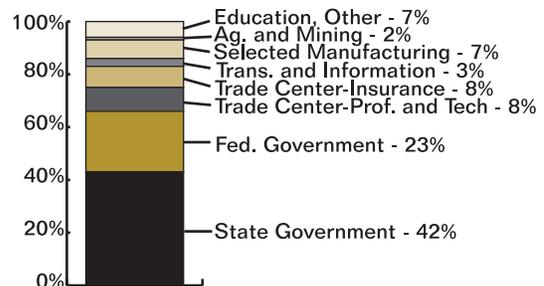
Sources: Bureau of Business and Economic Research, The University of Montana-Missoula; Bureau of Economic Analysis, U.S. Department of Commerce.

Figure 3
Nonfarm Wage and Salary Employment, Montana & Lewis & Clark County, 2001 Q1 to 2008 Q1



Note: Data seasonally adjusted by BBER.
Source: U.S. Bureau of Labor Statistics.

Figure 5
Labor Income in Basic Industries, Lewis & Clark County, 2006-2008 [percent of total]



Sources: Bureau of Business and Economic Research, The University of Montana-Missoula; Bureau of Economic Analysis, U.S. Department of Commerce.