Yellowstone County
A Unique Montana Trade Center
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The direct and indirect impacts of the eastern Montana energy boom made for a short recession in Yellowstone County. There was one year of stagnation (2008) and one year of decline (2009) followed by accelerating growth in 2010, 2011, and 2012.

The energy boom in rural eastern Montana impacts the Billings economy in a number of ways. First, there are the energy companies and the firms that serve them. Even though oil and gas rigs are located in rural locations, these companies may locate their administrative and service facilities in urban areas – and Billings is the largest city near the Bakken. Secondly, Billings’ traditional role as a regional retail and service center suggests that increased economic activity anywhere in its three-state trade area will quickly be transferred to local merchants.

The three oil refineries are another, sometimes forgotten, energy-related component of Yellowstone County’s economic base for years to come. Retail, health care, and other services remain important, but it is wholesale trade that makes Yellowstone County unique. Almost 40 percent of Montana’s wholesale trade earnings are in Yellowstone County. Examples of wholesale trade businesses are distribution centers, farm and mine equipment dealers, and bulk petroleum distributors. These wholesale trade firms also benefit from the increased activity in the Bakken.

The construction industry in the Billings area was not hit as hard as elsewhere in the state. It has experienced continued moderate growth since the cycle trough in 2009. Also, the impact of the pipeline oil spill cleanup was concentrated in a few months of 2011 and is barely noticeable in the annual data.

The forecasts are for continued growth in Yellowstone County. The closure in food products may slightly dampen the increase for 2013, but overall growth should average about 3.3 percent per year between 2013 and 2016.