

# Lewis and Clark County

## A Distinctly Different Recession Experience

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As its moniker suggests, the recent “Great Recession” has been different than previous downturns. But in at least one respect it has been exactly the same – its effects on Lewis and Clark County have been much more muted than elsewhere in the state. With almost two-thirds of its economic base accounted for by state and federal government, Helena’s economy has always been much less responsive to swings in the private sector economy than the state as a whole. And while Helena’s relatively robust performance has helped businesses and workers survive in better shape than elsewhere, its outlook is clouded by the forces that are expected to reduce public sector growth in the coming years.

The recession’s impacts are visible in Lewis and Clark County, but as a slowdown instead of a reversal in growth. And the closer one moves to the present time, the more pronounced the slowdown appears. From the recession’s onset until the statewide low point at the end of 2009, Helena-area inflation-corrected wages and salaries managed to grow by 3.7 percent, the highest in the state. Despite this growth, the recession remained apparent from declines in construction, retail, and goods distribution industries.

Since that point in time, however, real earnings growth has been practically zero. Government wages and salaries

### Lewis and Clark County Profile

<b>Total Population, 2010</b>	63,395
<b>Percent Change in Population, 2000-2010</b>	13.8%
<b>Median Age, 2010</b>	40.9
<b>Percent 65 or Older, 2010</b>	13.8%
<b>Percent of Population with Bachelor’s Degree or Higher, 2010</b>	35.6%
<b>Median Household Income, 2010</b>	\$51,581
<b>Percent of Population without Health Insurance Coverage, 2010</b>	11.6%
<b>Unemployment Rate, November 2011</b>	4.9%

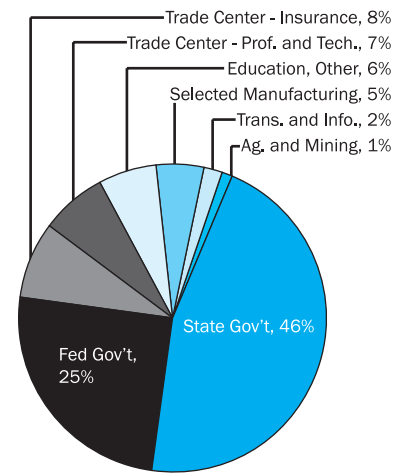
Sources: American Community Survey, U.S. Census Bureau; Research and Analysis Bureau, Montana Department of Labor and Industry.

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barely registered any growth, and were it not for a large increase in wages paid by temporary help supply firms, the declines since the end of 2009 in retail, local public schools, and health care would have produced an actual decline.

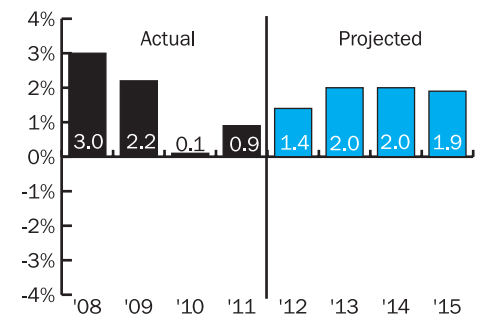
Two years into a state pay freeze and recession-induced pressures on state spending, the performance of the Helena-area economy has been better than expected. Our baseline forecast calls for renewed growth in 2012 and beyond at just below the state average. <sup>12</sup>

**Figure 1**  
Earnings in Basic Industries, Lewis and Clark County, 2009-2011 (Percent of Total)



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

**Figure 2**  
Actual and Projected Change in Nonfarm Earnings, Lewis and Clark County, 2008-2015



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