The Economic Outlook for Yellowstone County

Patrick M. Barkey, Director
Bureau of Business and Economic Research
University of Montana
Real Non-Farm Earnings, Yellowstone County vs. Montana
Index, 2007 = 100

Source: U.S. Bureau of Economic Analysis
2015 Overcame Energy Cutbacks to Record Strong Growth

Growth in Real Nonfarm Earnings, Yellowstone County, 2014-15, Millions of Dollars

Source: U.S. Bureau of Economic Analysis
2016 Started Very Poorly for Billings

Percent Change in Real Wages, Yellowstone County, Select Industries, 2015H1 – 2016H1

Source: U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages
What Drives the Yellowstone County Economy?

Earnings by Industry, 2015, Millions of Real Dollars

Source: U.S. Bureau of Economic Analysis
# Billings Region – Top 10 Industries by Employment Concentration

<table>
<thead>
<tr>
<th>NAICS Industry</th>
<th>Establishments</th>
<th>Employment</th>
<th>Wages ($ mill.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>324 Petroleum and Coal Products Manufacturing</td>
<td>4</td>
<td>1043</td>
<td>$122.8</td>
</tr>
<tr>
<td>423 Merchant Wholesalers, Durable Goods</td>
<td>286</td>
<td>3226</td>
<td>$189.0</td>
</tr>
<tr>
<td>481 Air Transportation</td>
<td>10</td>
<td>195</td>
<td>$7.9</td>
</tr>
<tr>
<td>492 Couriers and Messengers</td>
<td>21</td>
<td>683</td>
<td>$30.0</td>
</tr>
<tr>
<td>424 Merchant Wholesalers, Nondurable Goods</td>
<td>133</td>
<td>2086</td>
<td>$113.2</td>
</tr>
<tr>
<td>316 Leather and Allied Product Manufacturing</td>
<td>2</td>
<td>x</td>
<td>X</td>
</tr>
<tr>
<td>551 Management of Companies and Enterprises</td>
<td>50</td>
<td>610</td>
<td>$44.5</td>
</tr>
<tr>
<td>332 Fabricated Metal Product Manufacturing</td>
<td>47</td>
<td>733</td>
<td>$34.4</td>
</tr>
<tr>
<td>484 Truck Transportation</td>
<td>164</td>
<td>1553</td>
<td>$74.8</td>
</tr>
<tr>
<td>425 Wholesale Electronic Markets and Agents and Brokers</td>
<td>122</td>
<td>413</td>
<td>$23.0</td>
</tr>
</tbody>
</table>

Source: Quarterly Census of Employment and Wages
Population Growth Since 2010 Reveals Changing Growth Patterns
Average Annual Population Growth, 2011-15

Source: Montana Census and Economic Information Center
Outlook for Key Industries

Manufacturing:

Refineries have seen considerable new investment

Composition of Earnings in Yellowstone County’s Basic Industries, 2014-16
Source: BBER and U.S. Bureau of Economic Analysis
Outlook for Key Industries

Health Care:

Expansion and consolidation

14%
Wholesale/Retail Trade Center and Transportation and Warehousing:

Deep declines in North Dakota and Wyoming have been felt in Billings

Composition of Earnings in Yellowstone County’s Basic Industries, 2014-16
Source: BBER and U.S. Bureau of Economic Analysis
Mining:

Bakken woes being felt
Growth in Nonfarm Earnings, Yellowstone County, 2014-2020

Source: BBER and U.S. Bureau of Economic Analysis
Average Projected Growth in Real Nonfarm Earnings, Percent, 2017-2020

Source: Bureau of Business and Economic Research
Questions?