The Outlook for Gallatin County

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Bureau of Business and Economic Research
University of Montana
What is your economic outlook?

1. Go to pollev.com/bber297 to respond

or,

2. Text BBER297 to 22333 once to join
Then text A, B, or C to vote
In terms of sales, what kind of year did your business or organization have last year?

- Better than 2016
- About the same as 2016
- Worse than 2016
Again in terms of sales, what kind of year do you expect for your business or organization this year?

Better than 2017

About the same as 2017

Worse than 2017
# Gallatin County Profile

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
<th>State Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Population, 2016</td>
<td>104,502</td>
<td>3</td>
</tr>
<tr>
<td>Percent change since 2010</td>
<td>16.7%</td>
<td>2</td>
</tr>
<tr>
<td>Median age</td>
<td>33.2</td>
<td>53</td>
</tr>
<tr>
<td>Percent Aged 65 or Older</td>
<td>11.2%</td>
<td></td>
</tr>
<tr>
<td>Percent with Bachelors Degree or Higher (Age 25+)</td>
<td>48.0%</td>
<td>1</td>
</tr>
<tr>
<td>Percent without Health Insurance Coverage, 2015</td>
<td>11.2%</td>
<td>53</td>
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Source: U.S. Census Bureau
### Gallatin County Profile

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<td>Earnings per Job, 2016</td>
<td>$44,611</td>
<td>9</td>
</tr>
<tr>
<td>Construction</td>
<td>$63,276</td>
<td>5</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>$47,487</td>
<td>8</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>$41,960</td>
<td>5</td>
</tr>
<tr>
<td>Information</td>
<td>$50,781</td>
<td>12</td>
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Source: U.S. Bureau of Economic Analysis
Drivers of Economic Activity
Percent Share of Income in Basic Industries, Gallatin County

Ag. And Related, 5%

Federal Govt., 6%

Nonresident Travel, 15%

Selected Manufacturing, 14%

Trade Ctr., Prof. Services, 16%

MSU & State Govt., 26%

Mining & Transportation, 2%

Trade Ctr., Retail, 13%

Source: U.S. Bureau of Economic Analysis and BBER
What Has Grown Since 2007
Inflation Corrected Earnings in 2016 as Percent of 2007, Gallatin County

Construction
State & Loc Govt
Prof. Services
Ret. Trade
Health Care
Accom. & Food
Manufacturing
Other Services
Whol. Trade
Real Estate
Finance
Admin Support

Source: U.S. Bureau of Economic Analysis
Growth Slowdown in 2016 Widespread
Percent Growth in Real Nonfarm Earnings, 2014-16

Source: U.S. Bureau of Economic Analysis
Broad Based Expansion Continued in 2016

Growth in Inflation-Corrected Earnings, Gallatin County ($ Millions)

Source: U.S. Bureau of Economic Analysis
Strong Wage Growth Continued in 2017

Inflation-Corrected Covered Wages, Index 2007=100

Seasonally adjusted by BBER
Source: U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages
Outlook for Job Growth is Slower
Employment Growth, Gallatin County 2014-21

Source: IHS Markit
Looking Ahead to 2018

- Very fast growth continued in 2017
- Construction footprint is very large
- Health care hitting its stride
- Manufacturing, tech development spreading beyond Bozeman
- Very few holes to be found in growth profile
- Expect strong growth to continue
Growth in Nonfarm Earnings, Gallatin County, 2015-2021

Source: BBER and U.S. Bureau of Economic Analysis
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Questions?