The Outlook for Lewis and Clark County

Patrick M. Barkey, Director
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?

<table>
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<tr>
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## Lewis and Clark County Profile

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<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
<th>State Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Population, 2016</td>
<td>67,682</td>
<td>6</td>
</tr>
<tr>
<td>Percent change since 2010</td>
<td>6.1%</td>
<td>12</td>
</tr>
<tr>
<td>Median age</td>
<td>41.2</td>
<td>40</td>
</tr>
<tr>
<td>Percent Aged 65 or Older</td>
<td>16.1%</td>
<td></td>
</tr>
<tr>
<td>Percent with Bachelors Degree or Higher (Age 25+)</td>
<td>37.5%</td>
<td>7</td>
</tr>
<tr>
<td>Percent without Health Insurance Coverage, 2015</td>
<td>10.6%</td>
<td>55</td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau
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<td>Earnings per Job, 2016</td>
<td>$47,952</td>
<td>6</td>
</tr>
<tr>
<td>Construction</td>
<td>$52,419</td>
<td>17</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>$48,751</td>
<td>7</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>$29,184</td>
<td>23</td>
</tr>
<tr>
<td>Transportation and Warehousing</td>
<td>$44,623</td>
<td>19</td>
</tr>
<tr>
<td>Information</td>
<td>$51,940</td>
<td>10</td>
</tr>
</tbody>
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Source: U.S. Bureau of Economic Analysis
Drivers of Economic Activity
Percent Share of Income in Basic Industries, Lewis and Clark County

State Government, 53%
Federal Government, 19%
Trade Center, Prof. & Tech, 7%
Trade Center, Insurance, 7%
Education, Other, 5%
Selected Manufacturing, 4%
Transportation & Information, 2%
Ag. & Mining, 3%

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

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
Government Expanded Significantly in 2016

Growth in Inflation-Corrected Earnings, Lewis and Clark County ($ Millions)

Source: U.S. Bureau of Economic Analysis
Recent Wage Growth More Erratic
Inflation-Corrected Covered Wages, Index 2007=100

Percent

07 08 09 10 11 12 13 14 15 16 17

95 100 105 110 115 120

Lewis and Clark
Cascade
Montana

Seasonally adjusted by BBER
Source: U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages
Steady Job Growth Expected
Employment Growth, Lewis and Clark County 2014-21

Source: IHS Markit
In-Migration to Lewis and Clark County
by Source, 2009-13
Looking Ahead to 2018

- A struggle to hit faster growth mark
- Growth hinges on growth in state government
- Construction flying under the radar to perform well
- Visitor based businesses performing well
- Professional sectors underperforming
- State spending will restrain future growth
Growth in Nonfarm Earnings, Lewis and Clark County, 2015-2021

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