Montana and U.S. Unemployment Rates

Source: Local Area Unemployment Statistics (LAUS), Montana Dept. of Labor & Industry (MTDLI)
Montana’s Aging Population

Labor Force Participation

Prime working age = 25 to 54

Source: Data for LFPRs by demographic is from the Bureau of Labor Statistics CPS. Note: LFPRs shown in this graph are a three-year moving average of the annual rates.
Over-the-Year Employment Gains and Job Openings

Job Openings in Montana

Gains in Employment

Economy continues to grow, but employment growth slowing due to worker shortage.

Source: Employment growth from LAUS. Job openings from BLS experimental JOLTS data.
Unemployment Rate

Montana Real Agriculture GDP

30% drop between 2016 and 2017

Source: BEA
Montana 2018 Real GDP by Industry
(billions of 2012 dollars)

- Government, $6.3
- Trade, $5.8
- Healthcare & private education, $4.8
- Real Estate, $5.9
- Construction, $2.2
- Leisure activities, $2.1
- Mining & utilities, $3.1
- Manufacturing, $3.1
- Professional services, $2.3
- Other, $2.1
- Agriculture & Forestry, $1.9
- Finance and insurance, $1.8
- Transportation, $1.8
- Information, $1.3

Source: Bureau of Economic Analysis.
Agriculture as Percent of Total GDP

Share
-0.01
Less than 5%
5% to 10%
10% to 20%
Over 20%
Recent study found counties with high exposure to retaliatory tariffs (high relative ag exposure) experienced:

- consumption drops of 3.8% to 5.5%
- consumption decrease of $1,600 per worker
- 1% to 1.5% slowdown in job growth

Tariff Exposure to China from Waugh Research

US County Tariff Exposure to China (as of Dec 2018)

Source: Recopied Figure 1 directly from Waugh, 2019.
Real GDP by States in the 9th District

Source: Bureau of Economic Analysis
Regional Job Growth

Indexed to 2009 Employment

- **Southwest**: 19% growth (21,000 jobs)
- **Northwest**: 13% growth (14,700 jobs)
- **South Central**: 6% growth (6,200 jobs)
- **Eastern**: 1% growth (255 jobs)
- **North Central**: -2% growth (-640 jobs)

*Source: QCEW, BLS and MTDLI. Quarterly data indexed to 2007 same quarter employment.*
Industry Projections

Source: MTDLI 2018 Employment Projections compared to QCEW historic growth
Colstrip Power Plant Closure

• Units 1 & 2 Closed January 2020
  – Legal settlement required partial closure by 2022.
  – Represent roughly 30% of plant’s production / coal use / tax base

• Full closure to around 2027, 2030, or 2035?
  – Most companies will fully depreciate by 2027

Restoration Economic Impact and Duration Still Unclear
Take Away Points

• Montana’s economy is growing with strong wage gains.

• Not without challenges.
  – Tight labor markets
  – Agriculture recovery
  – Loss of coal exports & power generation

• Transitioning to less industrial economy.
  – Growth professional service, technology, healthcare
More Information at lmi.mt.gov

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