

THE ECONOMY IN THE BIG SKY

FOCUS ON HOUSING & THE CONSTRUCTION INDUSTRY

PRESENTATION AT:

HOUSING KIN MEETING

PRESENTATION BY:

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RESEARCH & INFORMATION SERVICES BUREAU



HELENA, MT
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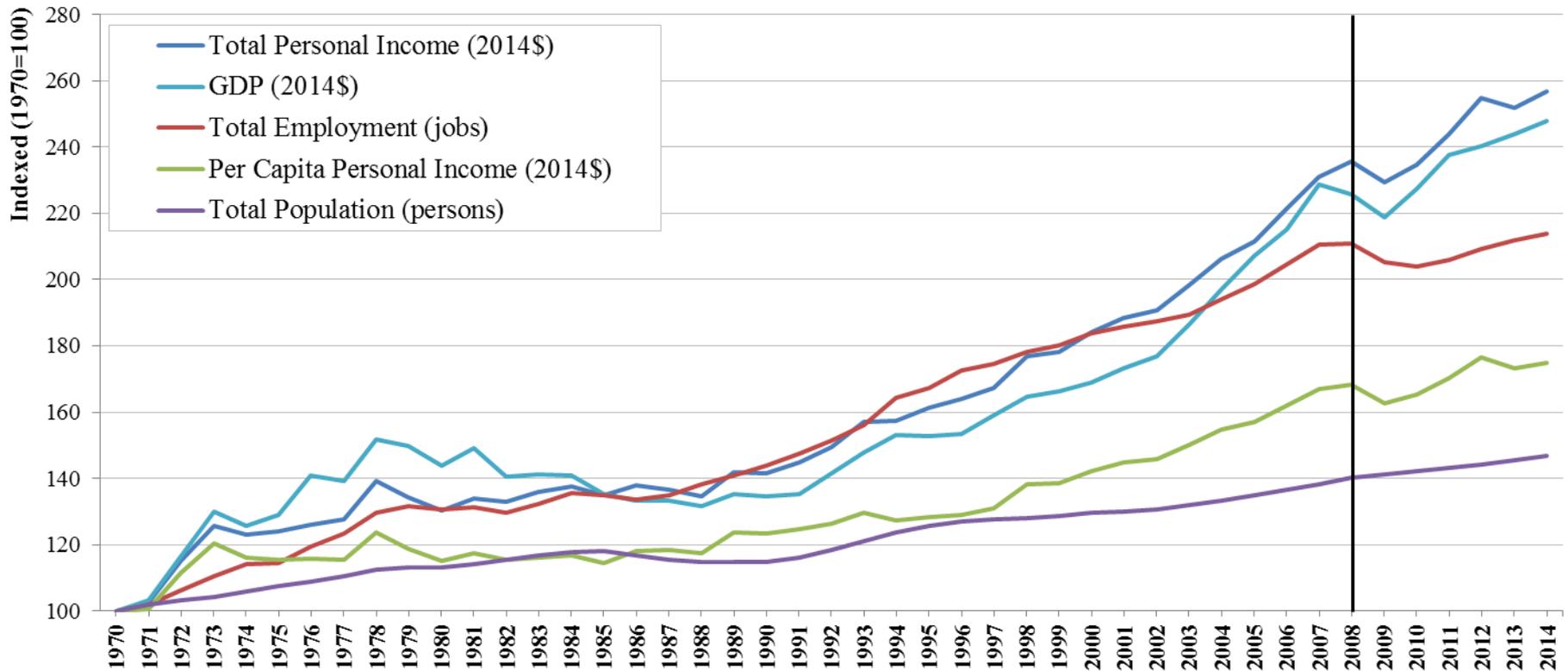
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GROWTH INDICATORS, MONTANA 1970-2014

FIGURES ARE ADJUSTED FOR INFLATION & INDEXED (1970 = 100)



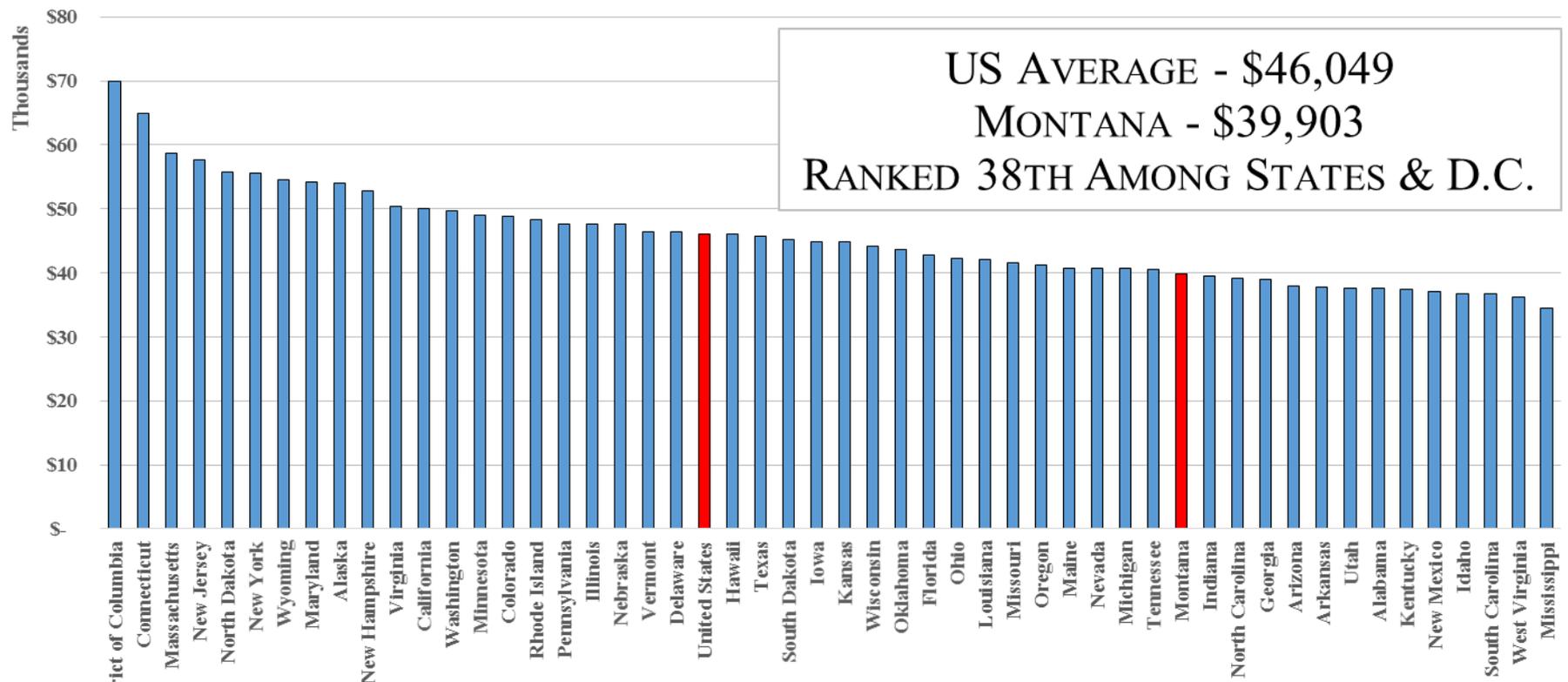
Source: US Bureau of Economic Analysis (BEA)
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STATE PER CAPITA PERSONAL INCOME, 2014



Source: US Bureau of Economic Analysis (BEA)
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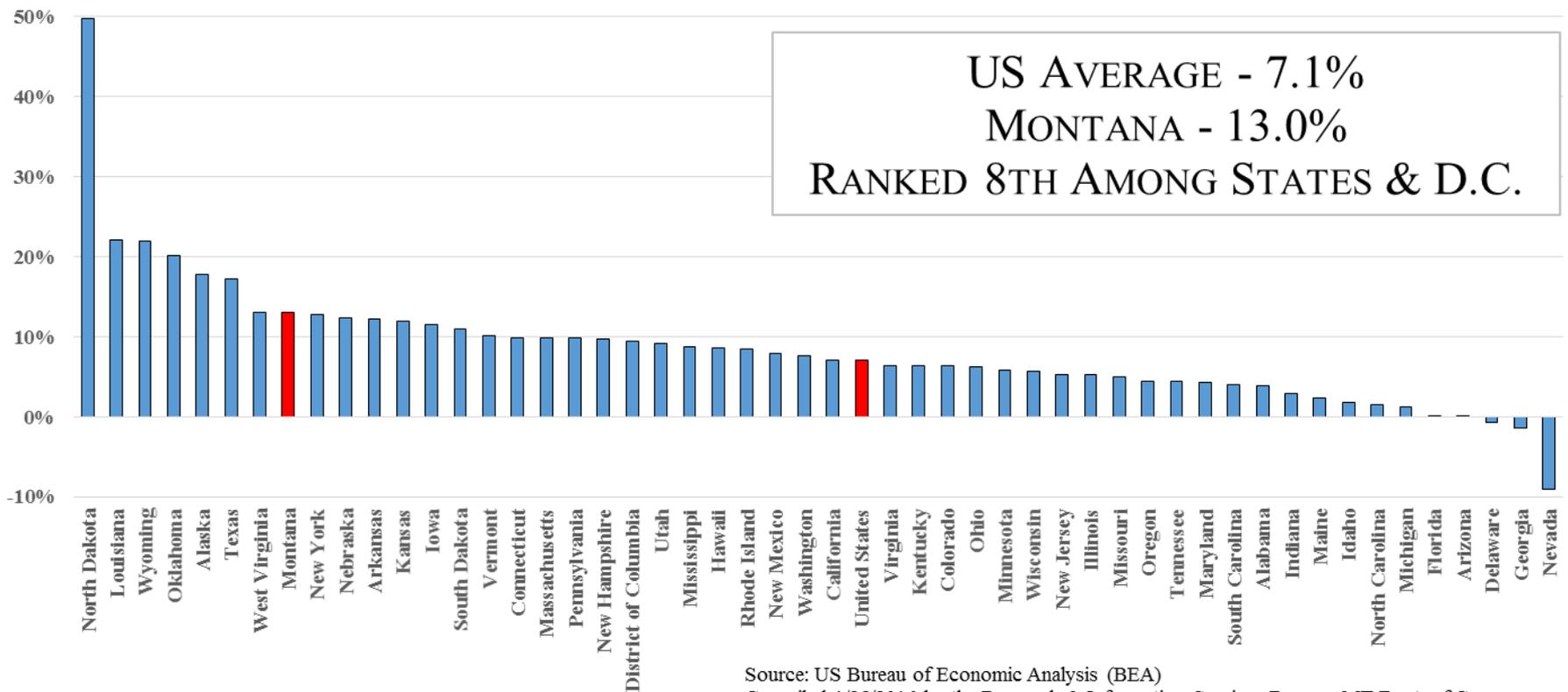
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STATE PER CAPITA PERSONAL INCOME, % CHANGE 2004-2014

(FIGURES ARE ADJUSTED FOR INFLATION)



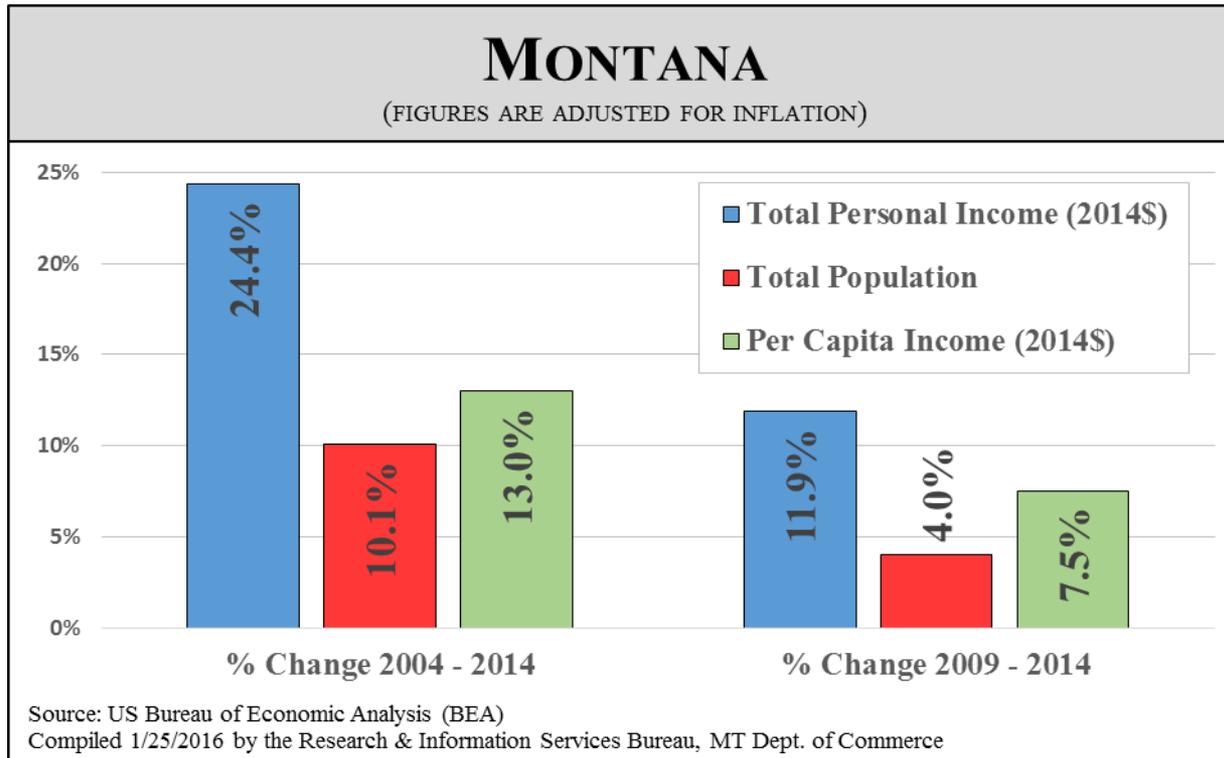
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Over the past 10 years and since the recession, Montana has continued to realize an increase in per capita personal income.



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Personal Income is made up of three parts:

1. **Net Earnings by Place of Residence**
 - Wage, salary & proprietor earnings from working – adjusted to account for people working/living in different places
2. **Dividends, Interest & Rent Payments**
 - Investment income, rental properties, etc.
3. **Personal Current Transfer Receipts**
 - Government social benefits such as Social Security, Medicare, Medicaid, veteran benefits, and unemployment insurance
 - Income for which no current services are performed such as net insurance settlements

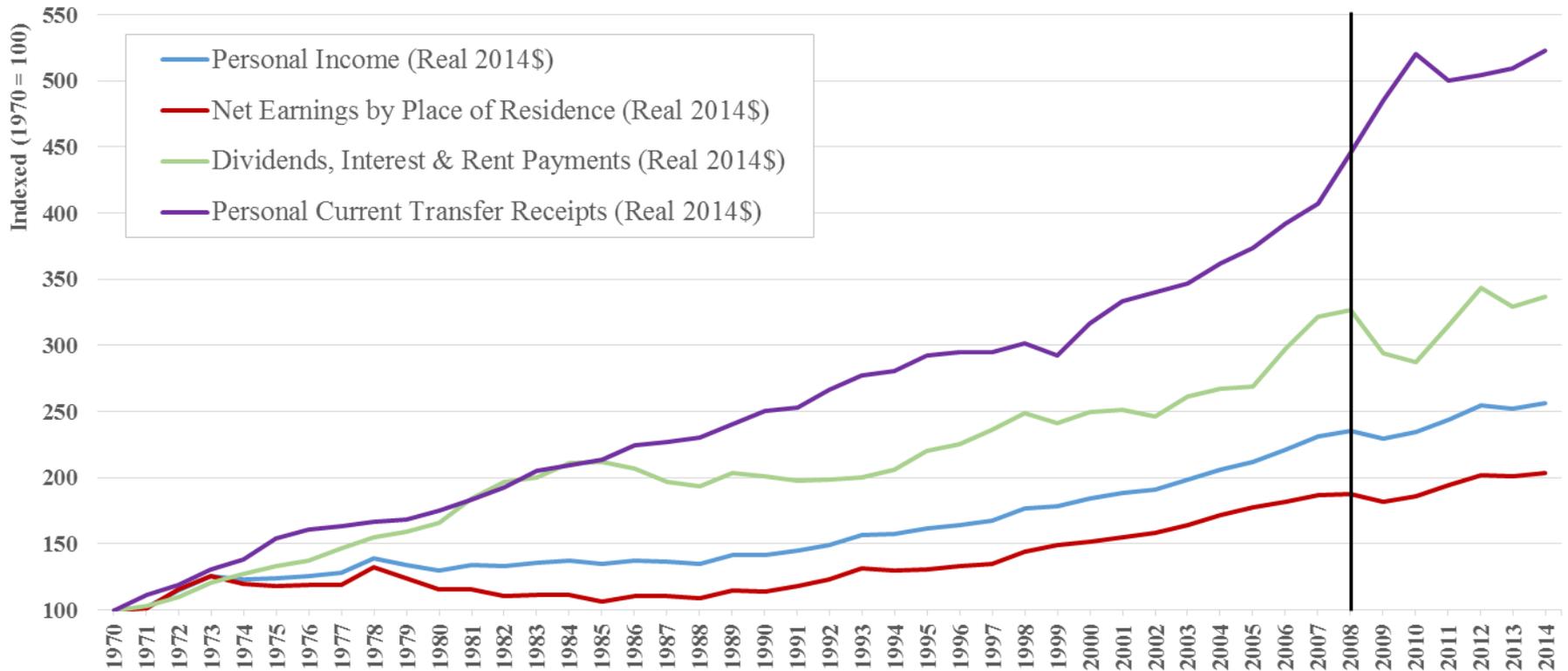
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COMPONENTS OF PERSONAL INCOME, MONTANA 1970 - 2014

FIGURES ARE ADJUSTED FOR INFLATION & INDEXED (1970 = 100)



Source: US Bureau of Economic Analysis (BEA)
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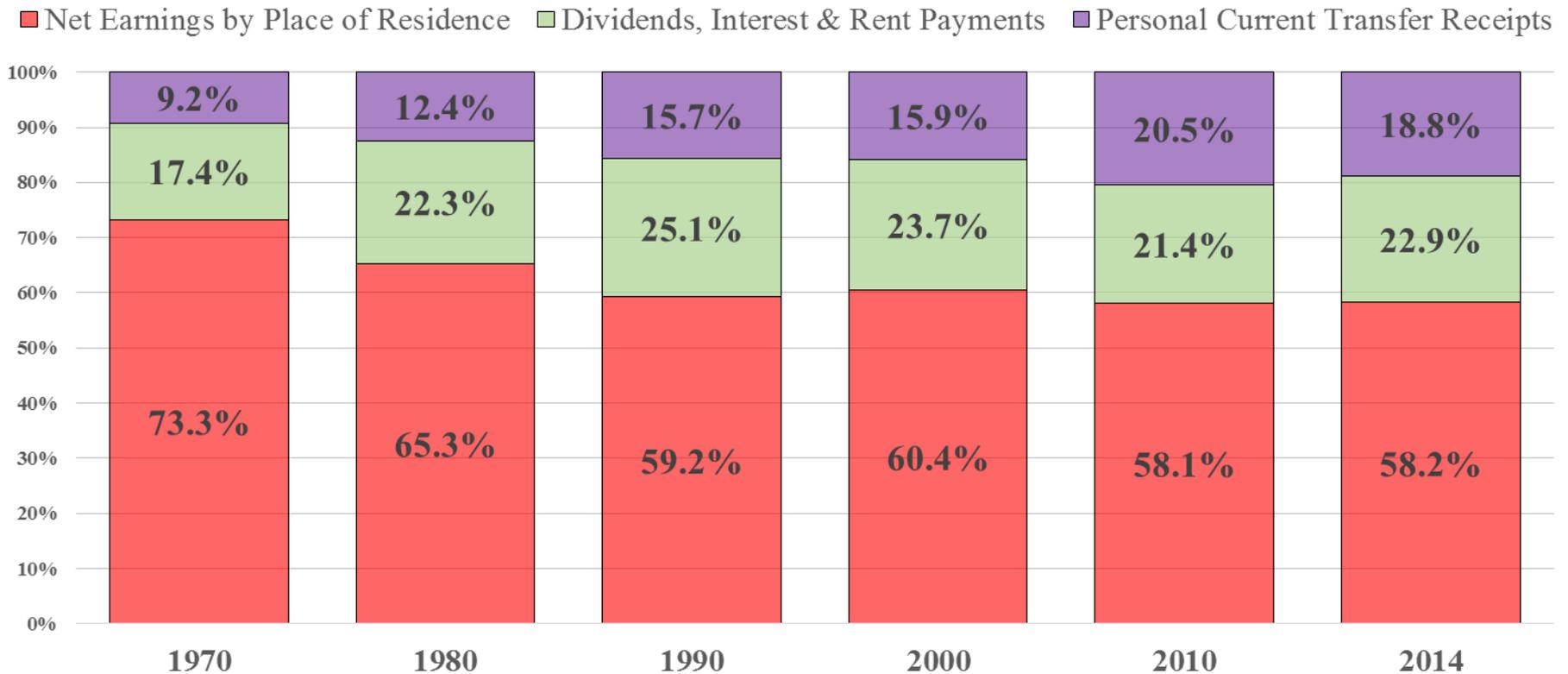
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COMPONENT SHARE OF PERSONAL INCOME, MONTANA

FIGURES ARE ADJUSTED FOR INFLATION



Source: US Bureau of Economic Analysis (BEA)

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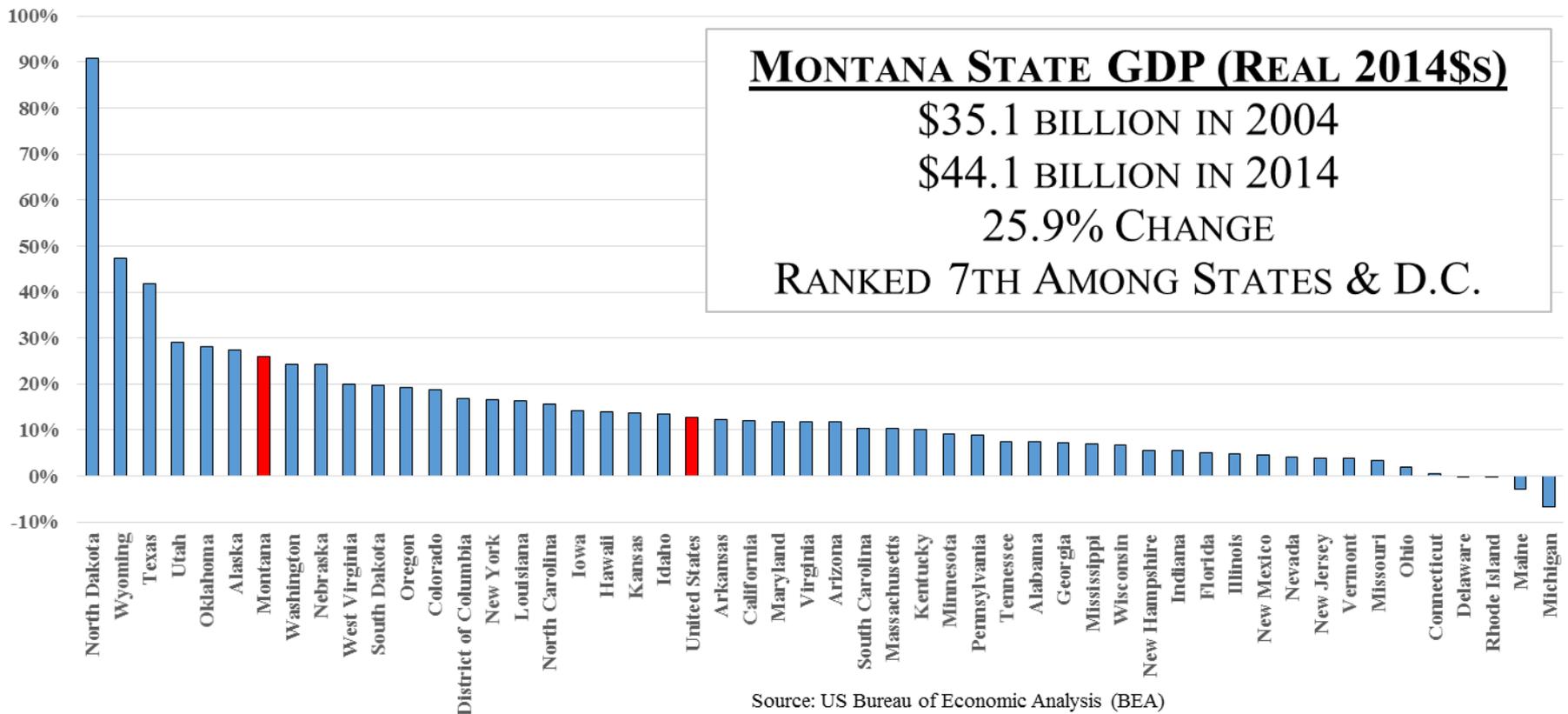
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STATE GROSS DOMESTIC PRODUCT (GDP), % CHANGE 2004 - 2014

FIGURES ARE ADJUSTED FOR INFLATION



Source: US Bureau of Economic Analysis (BEA)
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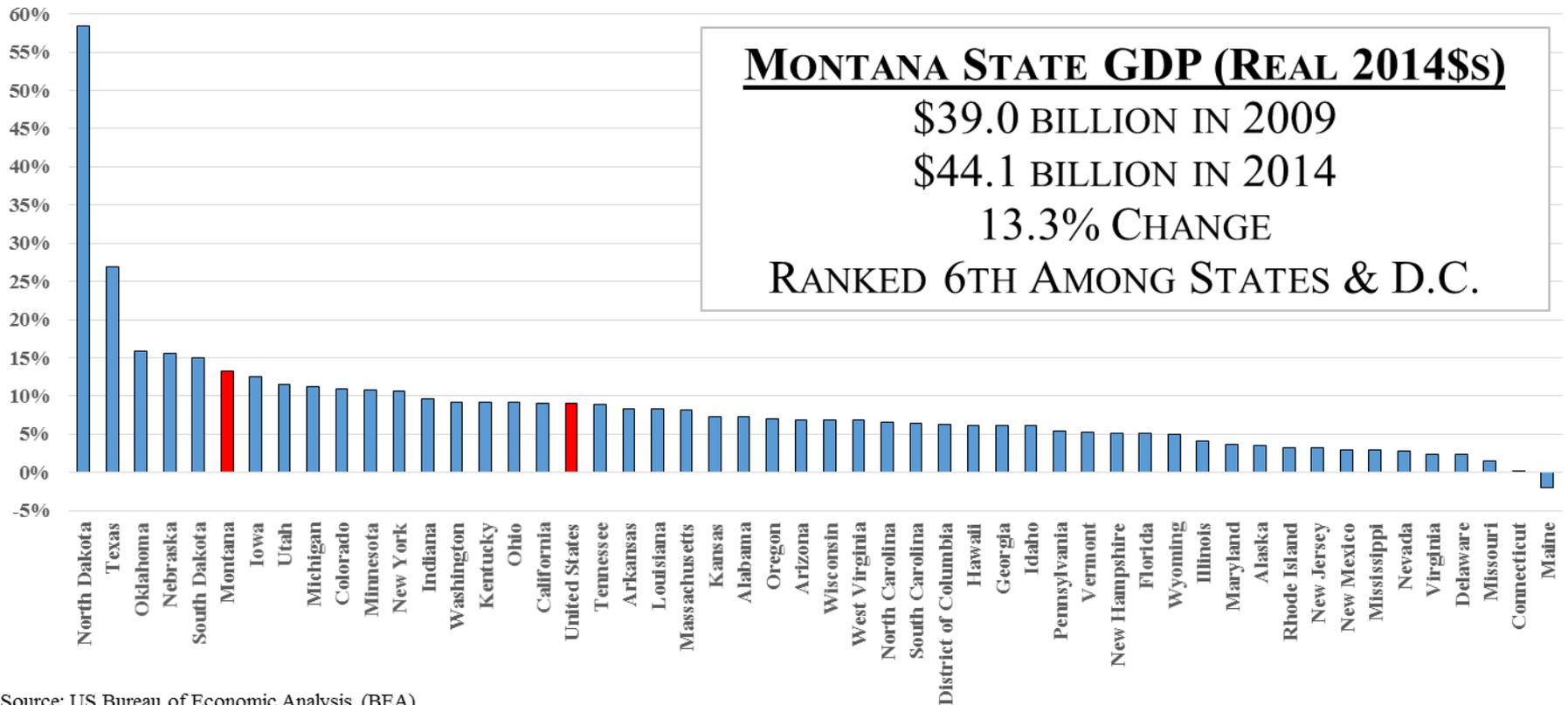
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STATE GROSS DOMESTIC PRODUCT (GDP), % CHANGE 2009 - 2014

FIGURES ARE ADJUSTED FOR INFLATION

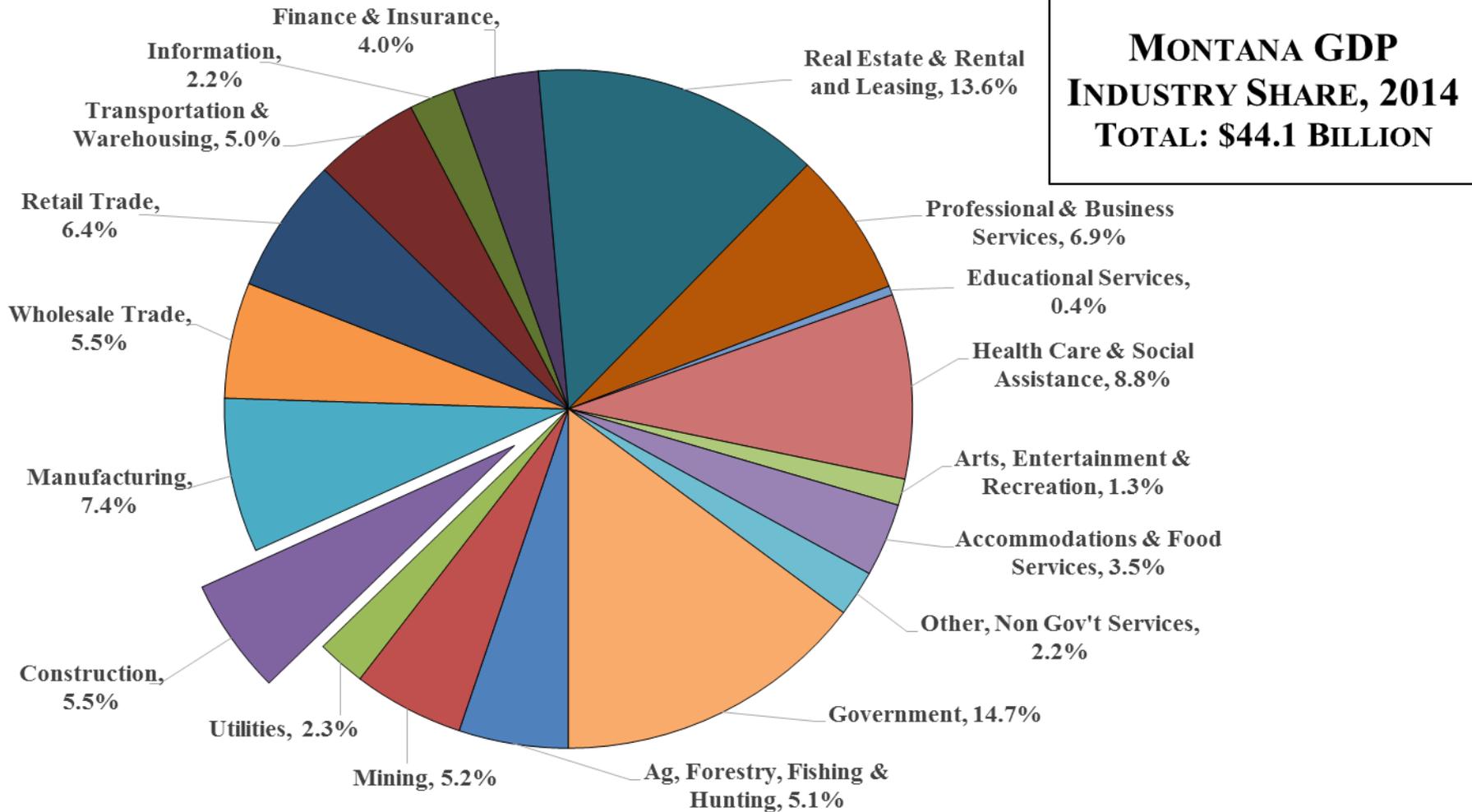


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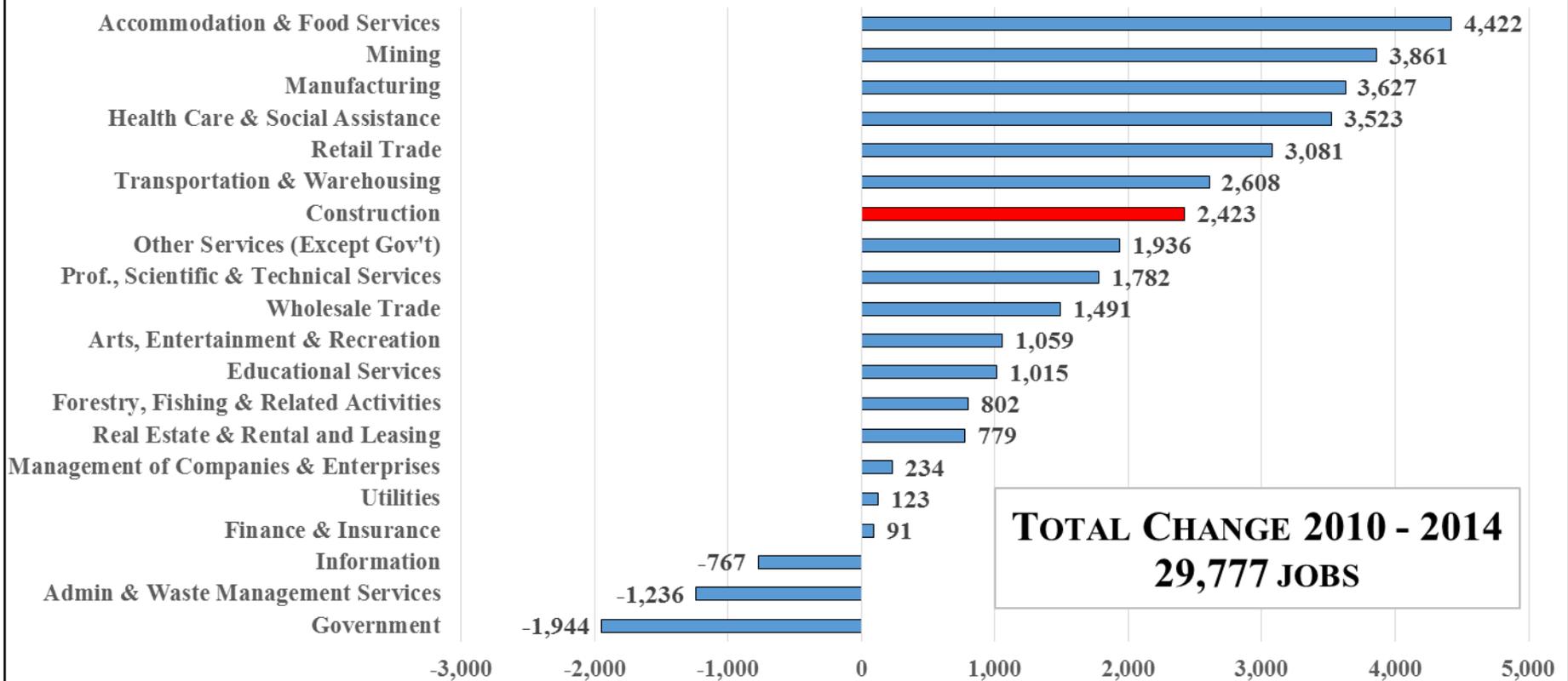


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FULL & PART TIME NON-FARM EMPLOYMENT BY INDUSTRY IN MONTANA, CHANGE 2010-2014



Source: US Bureau of Economic Analysis (BEA). Compiled 1/25/2016 by the Research & Information Services Bureau, MT Dept. of Commerce

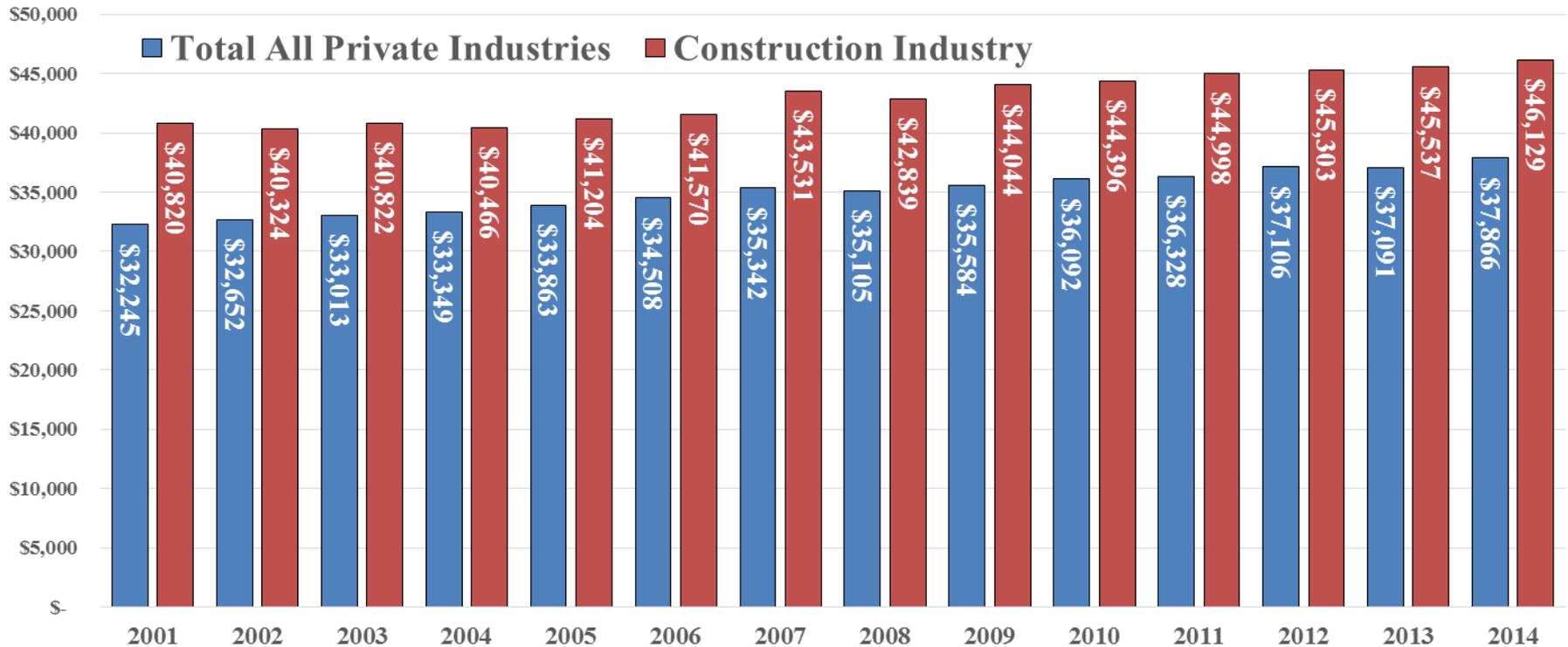
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ANNUAL AVERAGE WAGE OF EMPLOYEES, MONTANA 2001-2014

PRIVATE SECTOR ONLY; FIGURES ARE ADJUSTED FOR INFLATION (2014\$S)



Source: US Bureau of Labor Statistics (BLS), Quarterly Census of Employment & Wages (QCEW)
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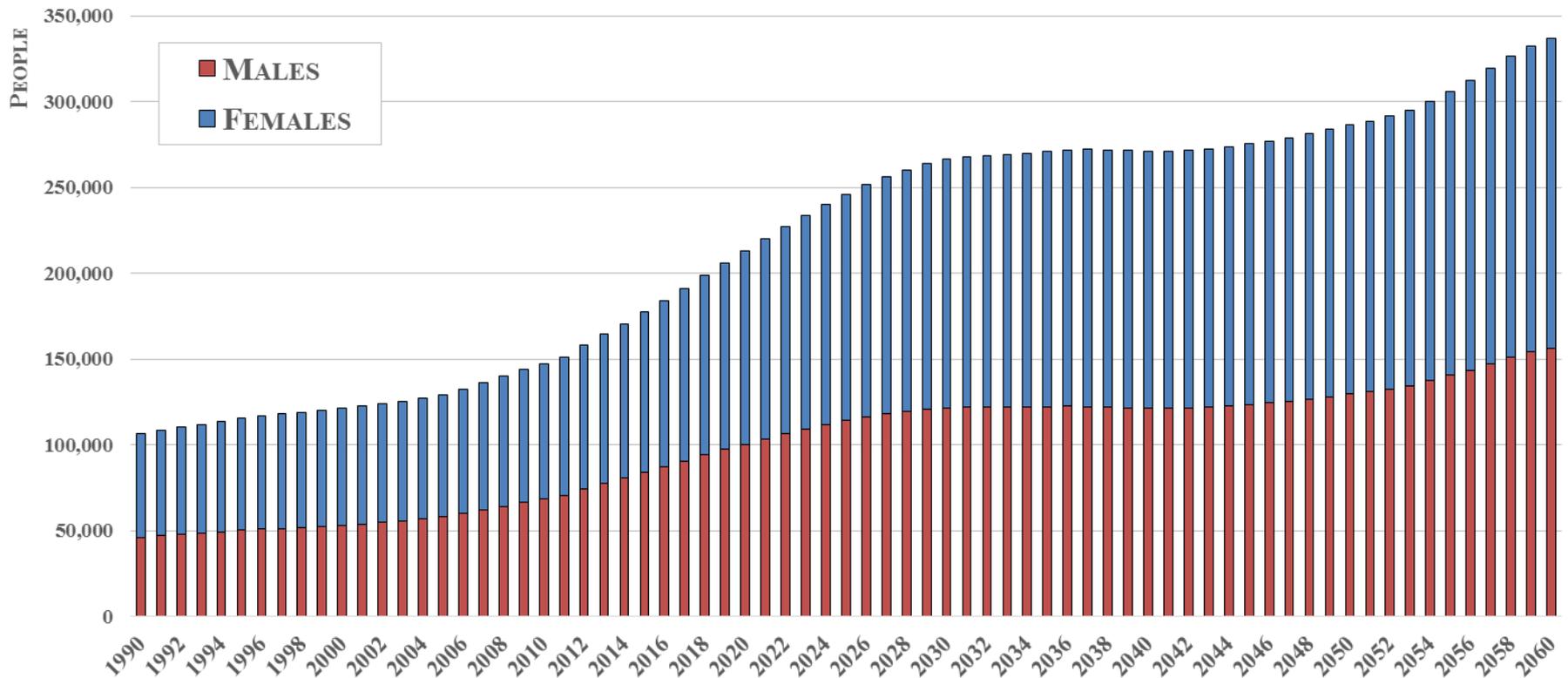
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MONTANA PROJECTED POPULATION AGE 65 YEARS & OVER, 1990 - 2060

HISTORIC MODEL BASED ESTIMATES FOR 1990 - 2014; PROJECTED MODEL BASED FIGURES FOR 2015 - 2016



Source: eREMI v6 Data - a product of Regional Economic Models, Inc. (REMI)
Compiled 1/27/2016 by the Research & Information Services Bureau (RIS), MT Dept. of Commerce

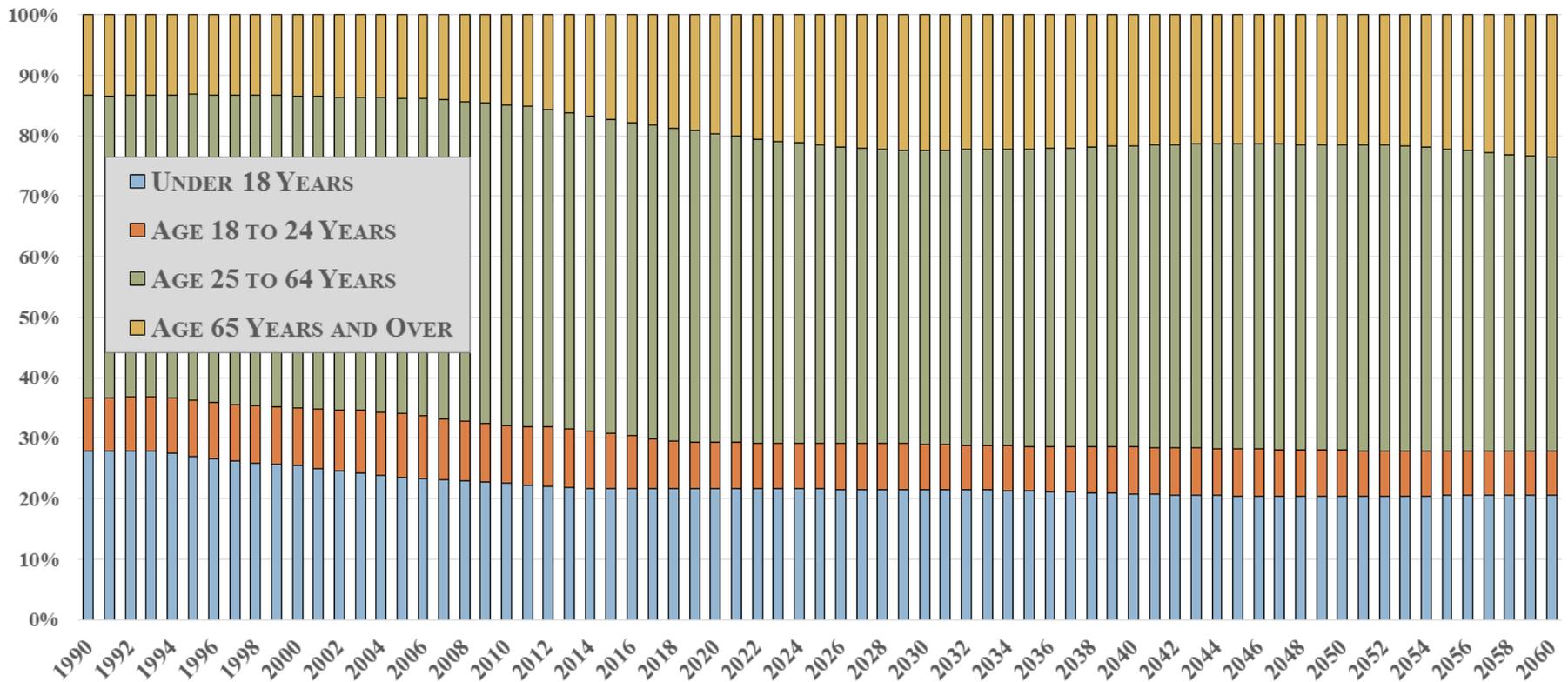
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MONTANA PROJECTED POPULATION, AGE GROUP SHARE OF TOTAL POPULATION 1990-2060

HISTORIC MODEL BASED ESTIMATES FOR 1990 - 2014; PROJECTED MODEL BASED FIGURES FOR 2015 - 2016



Source: eREMI v6 Data - a product of Regional Economic Models, Inc. (REMI)

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- Montana's economy is doing pretty good by all accounts...
 - Steady growth in per capita income and GDP both over the past 10 years and since the trough of the Great Recession
 - Employment growth across most industries in the State
 - Continued growth in the construction industry
- Potential stressors...
 - Montana's aging population
 - Component share of personal income is shifting
 - Continued increased demand for housing better suited for the elderly population

QUESTIONS?

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