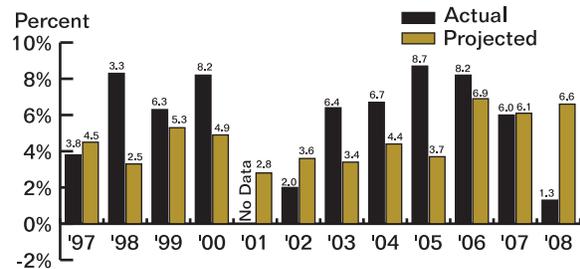


## Gallatin County

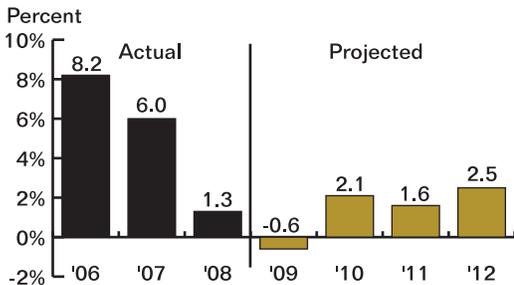
There is no question about the causes of the slowdown in the Gallatin County economy. The housing bubble was probably most pronounced in the Bozeman and Big Sky area, so the corresponding bust in construction and real estate is particularly stark. In addition, the slowing national economy also impacted nonresident travel, which accounts for about 15 percent of the Gallatin County economic base. A very big risk concerns the future trends in Bozeman area manufacturing. During the 2001 recession, there were significant employment declines among the high-tech firms in the area. Montana State University, other state government agencies, and the federal government account for about 40 percent of the economic base and should contribute some stability to the local economy. Unlike the state's largest counties, all trade center components (especially professional services) continue to grow in Gallatin County.

**Figure 1**  
Actual and Projected Percent Change in Nonfarm Labor Income, Gallatin County, 1997-2008



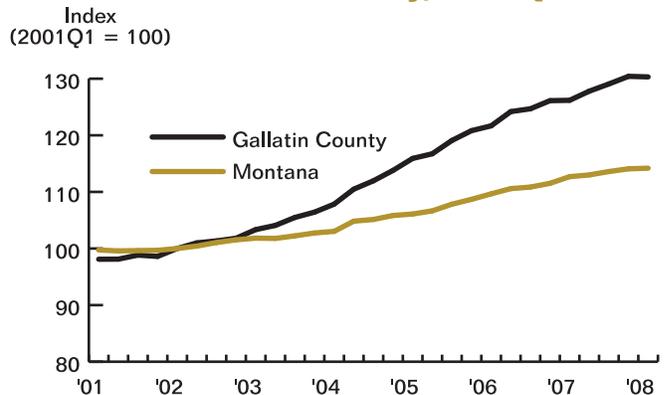
Sources: Bureau of Business and Economic Research, The University of Montana-Missoula; Bureau of Economic Analysis, U.S. Department of Commerce

**Figure 2**  
Actual and Projected Percent Change in Nonfarm Labor Income, Gallatin County, 2006-2012



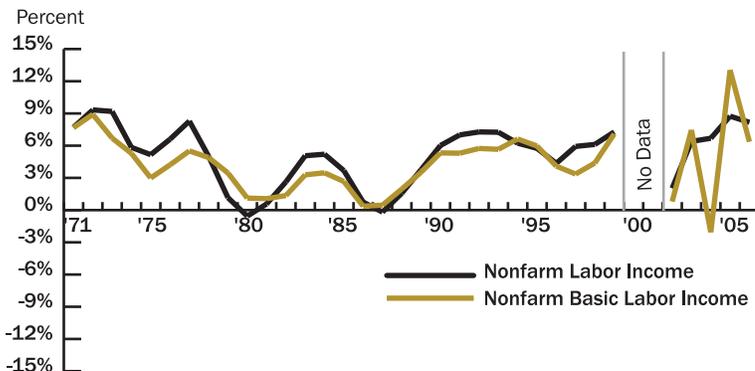
Sources: Bureau of Business and Economic Research, The University of Montana-Missoula; Bureau of Economic Analysis, U.S. Department of Commerce.

**Figure 3**  
Nonfarm Wage and Salary Employment, Montana & Gallatin County, 2001 Q1 to 2008 Q1



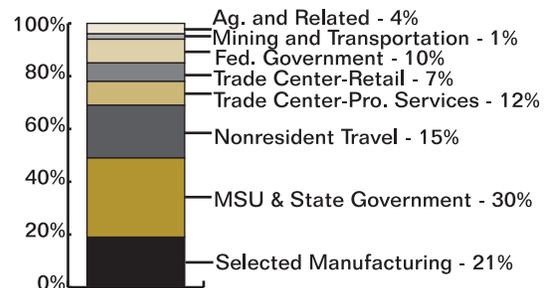
Note: Data seasonally adjusted by BBER.  
Source: U.S. Bureau of Labor Statistics.

**Figure 4**  
Nonfarm Labor Income and Nonfarm Basic Labor Income, Gallatin County, Percent Change, [in constant dollars]



Note: 1971-1999 are three-year averages.  
Source: Bureau of Economic Analysis, U.S. Department of Commerce.

**Figure 5**  
Labor Income in Basic Industries, Gallatin County, 2006-2008 [percent of total]



Sources: Bureau of Business and Economic Research, The University of Montana-Missoula; Bureau of Economic Analysis, U.S. Department of Commerce.