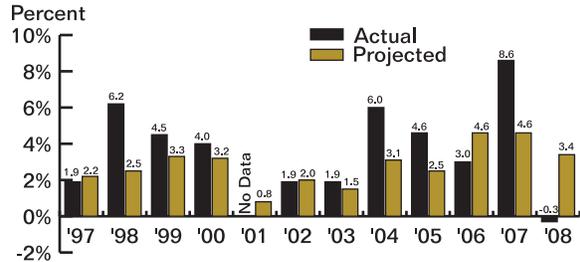


## Yellowstone County

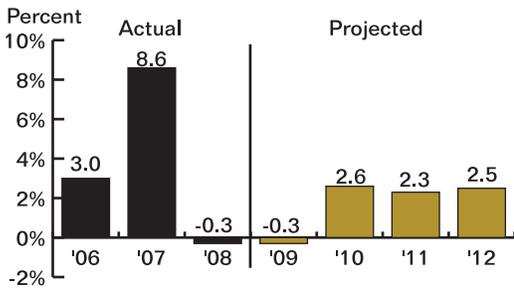
A slowdown in the natural resource industries is likely to have a “double whammy” on the Yellowstone County economy. First of all, Billings is the dominant trade and service center in the region. Layoffs or closings in Richland or Stillwater counties will be quickly felt by local suppliers and other firms serving the rural areas. Secondly, even though there are few mines or drilling rigs in Yellowstone County, many energy and natural resource-related headquarters and management personal live in and near Billings. The forecasts do not incorporate actual shutdowns and closures, but should they occur, the projections may be too optimistic. Retail and service establishments in Miles City and Bozeman continue to provide stiff competition. Although house prices remain relatively strong (Page 7, Table 1), the negative growth in 2008 (and also 2009) reflects significant declines in construction and real estate employment and earnings.

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



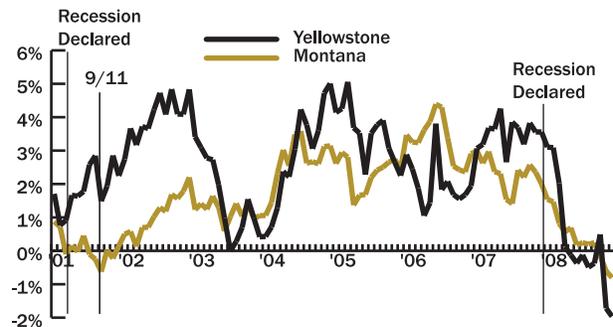
Sources: Bureau of Business and Economic Research, The University of Montana-Missoula; Bureau of Economic Analysis, U.S. Department of Commerce.

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



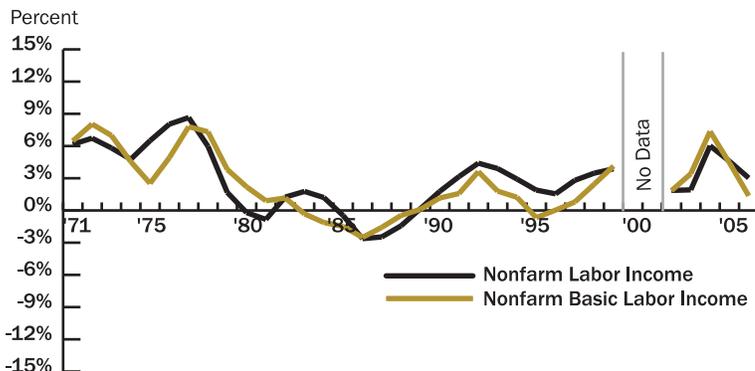
Sources: Bureau of Business and Economic Research, The University of Montana-Missoula; Bureau of Economic Analysis, U.S. Department of Commerce.

**Figure 3**  
Annual Percent Change in Nonfarm Wage and Salary Employment, January 2001 to November 2008



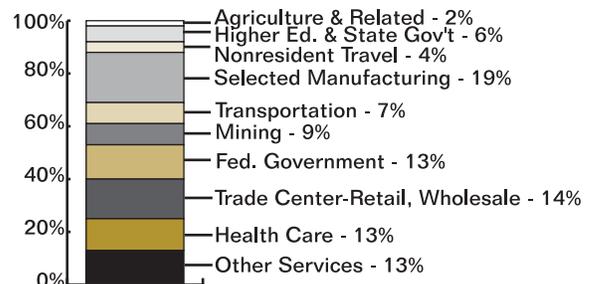
Source: Research and Analysis Bureau, Montana Department of Labor and Industry.

**Figure 4**  
Nonfarm Labor Income and Nonfarm Basic Labor Income, Yellowstone 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, Yellowstone 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.