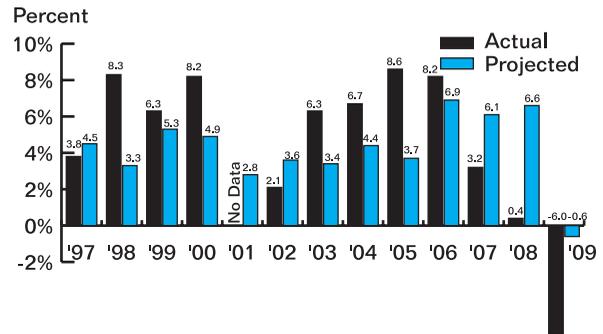


## Gallatin County

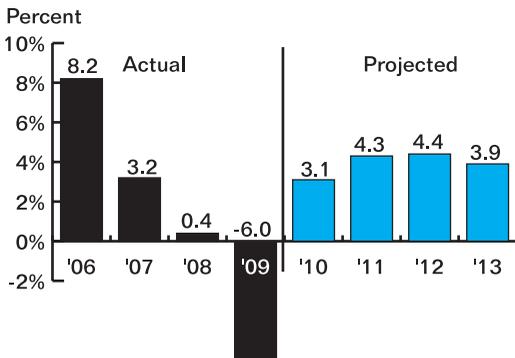
The housing/real estate bubble was the biggest in Gallatin County. The corresponding bust was particularly stark. By mid-2009, construction employment was down 30 percent (or more than 1,600 jobs) from mid-2008 levels, which themselves were 15 percent below the corresponding 2007 figures. Adding to the “bubble” impacts, there were sizable declines in retail trade, transportation, and business services in early 2009. Finally, the national recession impacted nonresident travel. The 6.0 percent decline in 2009 in Gallatin County matches the decrease posted by Flathead County. On the bright side, manufacturing employment has been only modestly impacted. Montana State University, other state agencies, and the federal government account for about 40 percent of the economic base and contribute stability to the local economy. Growth is projected to return in 2010 and later, but the growth rates will be far below those posted from 2003 to 2007.

**Figure 1**  
Actual and Projected Percent Change in Nonfarm Labor Income, Gallatin County, 1997-2009



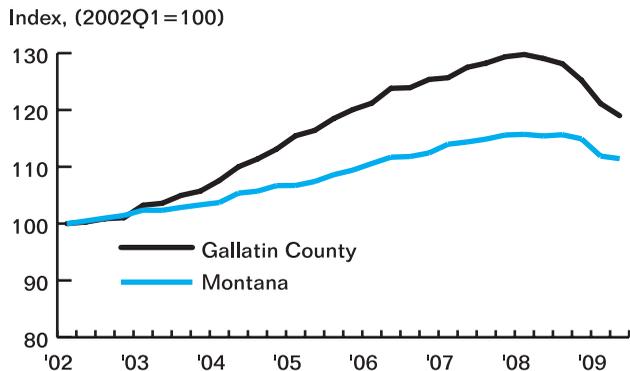
Sources: Bureau of Business and Economic Research, The University of Montana; Bureau of Economic Analysis, U.S. Department of Commerce.

**Figure 2**  
Actual and Projected Percent Change in Nonfarm Labor Income, Gallatin County, 2006-2013



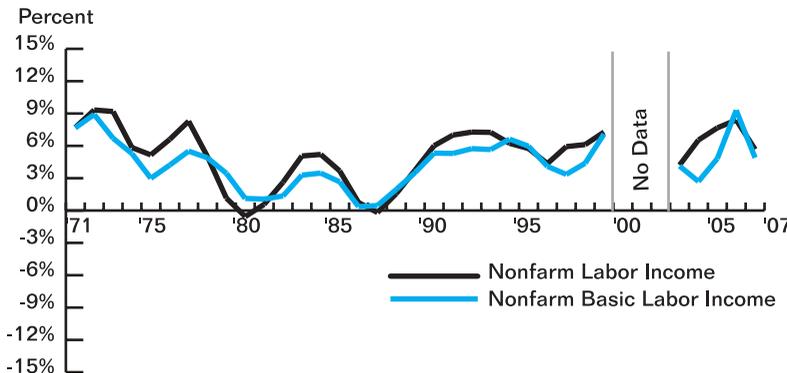
Sources: Bureau of Business and Economic Research, The University of Montana; Bureau of Economic Analysis, U.S. Department of Commerce.

**Figure 3**  
Nonfarm Wage and Salary Employment, Montana & Gallatin County, 2002 Q1 to 2009 Q2



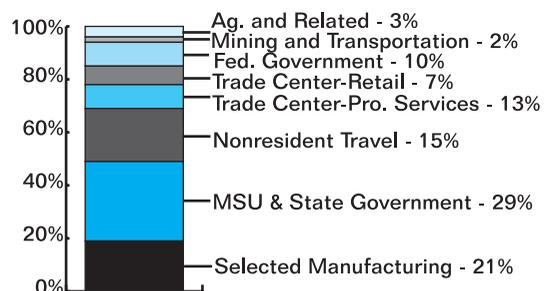
Note: Data seasonally adjusted by BBER.  
Source: U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages.

**Figure 4**  
Nonfarm Labor Income and Nonfarm Basic Labor Income, Gallatin County, Percent Change, 1971-2007 (In Constant Dollars)



Note: 1971-1999 are three-year averages. 2002-2007 are two-year averages.  
Source: Bureau of Economic Analysis, U.S. Department of Commerce.

**Figure 5**  
Labor Income in Basic Industries, Gallatin County, 2007-2009 (Percent of Total)



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