

Outlook 2011:

Different City, Different Recovery

By Paul E. Polzin

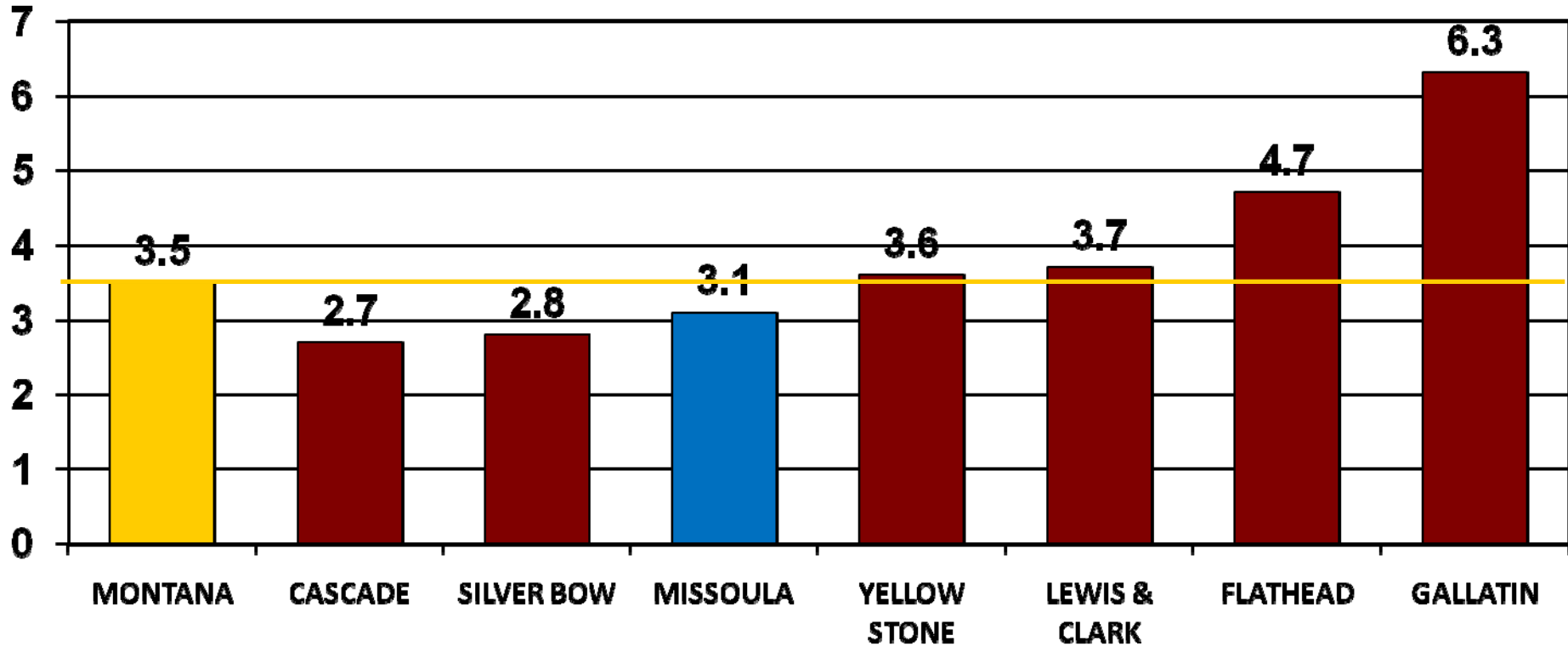
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Annual Percent Change in Nonfarm Labor Income (in Constant Dollars) 2001-2007

Percent





Recession Impulses

Housing bust

- **Impacted construction and real estate**

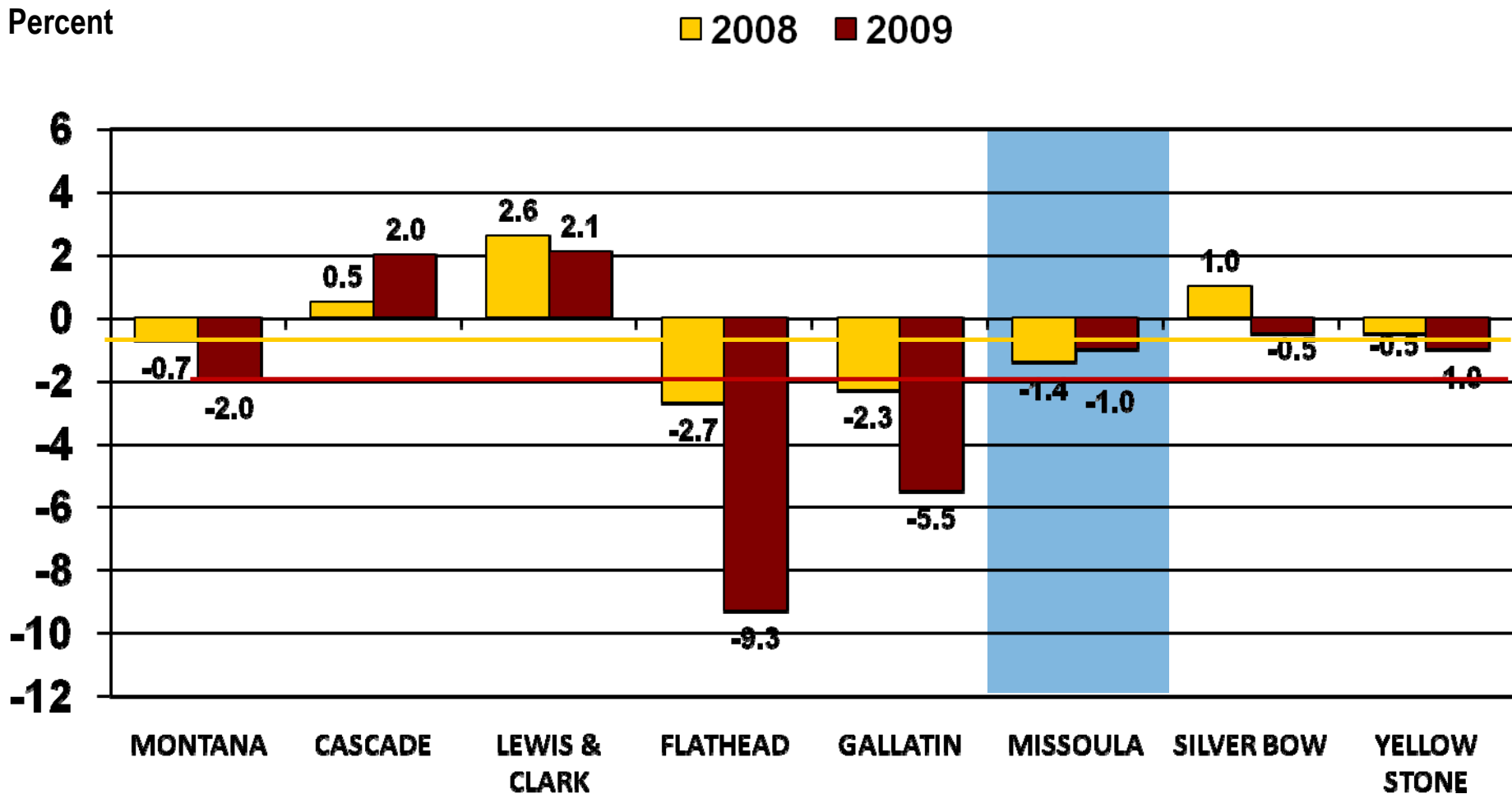
Worldwide financial crisis

- **Impacted consumer sentiment**

Wood products layoffs and closures

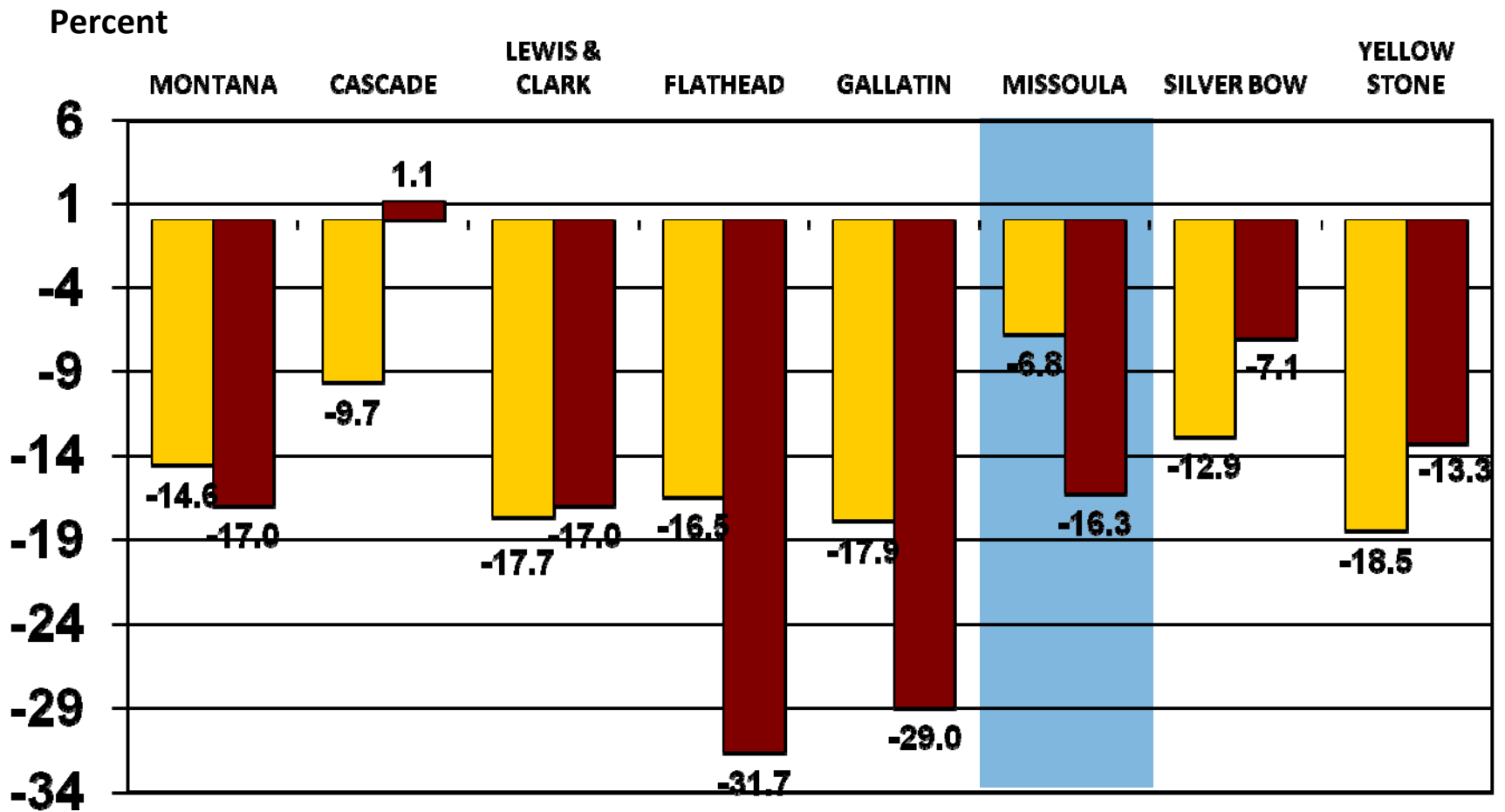
- **Impacted western Montana**

Annual Percent Change in Nonfarm Labor Income (in Constant Dollars) 2008 and 2009

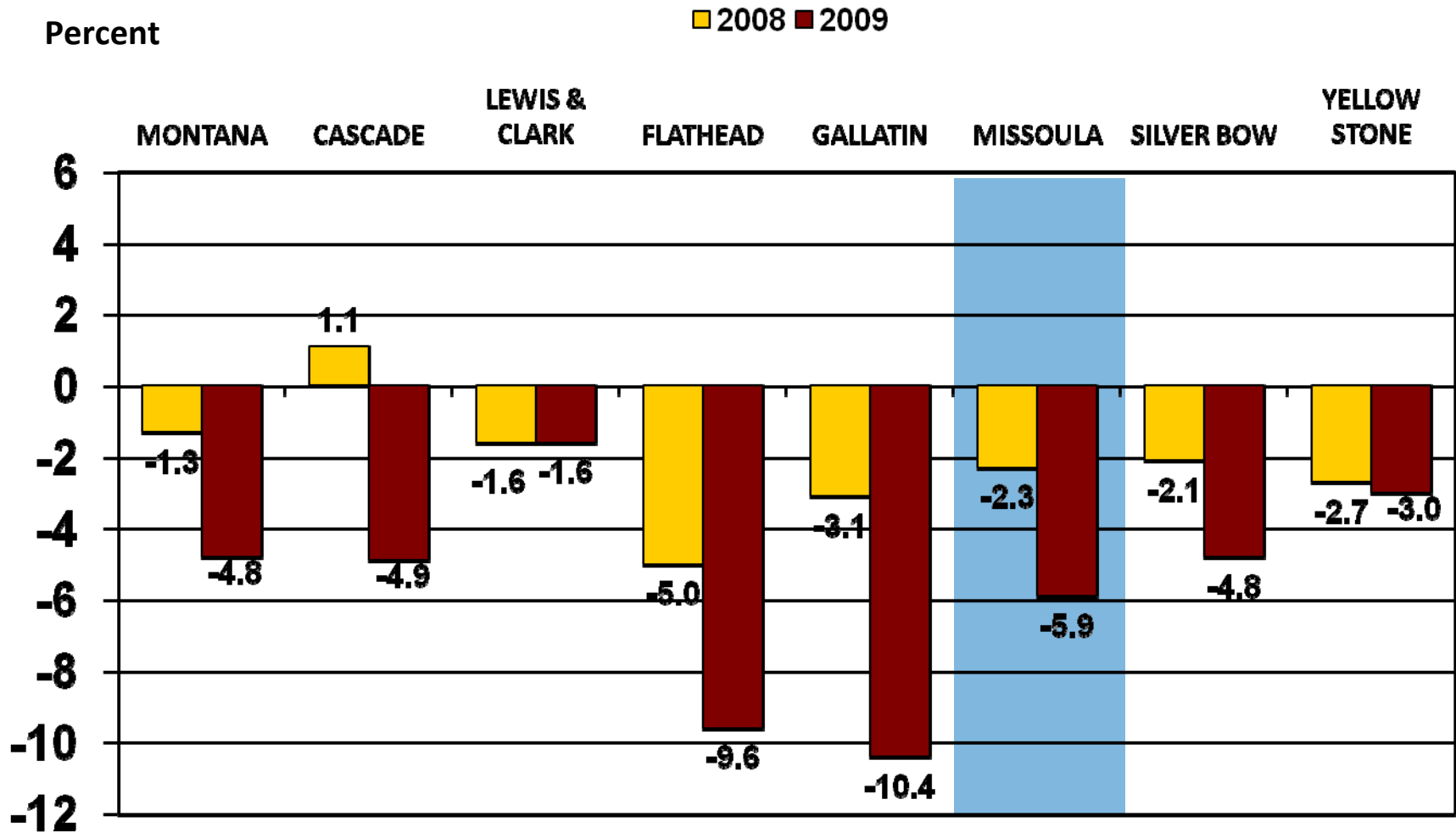


Percent Change in Construction Labor Income, 2008 and 2009

■ 2008 ■ 2009

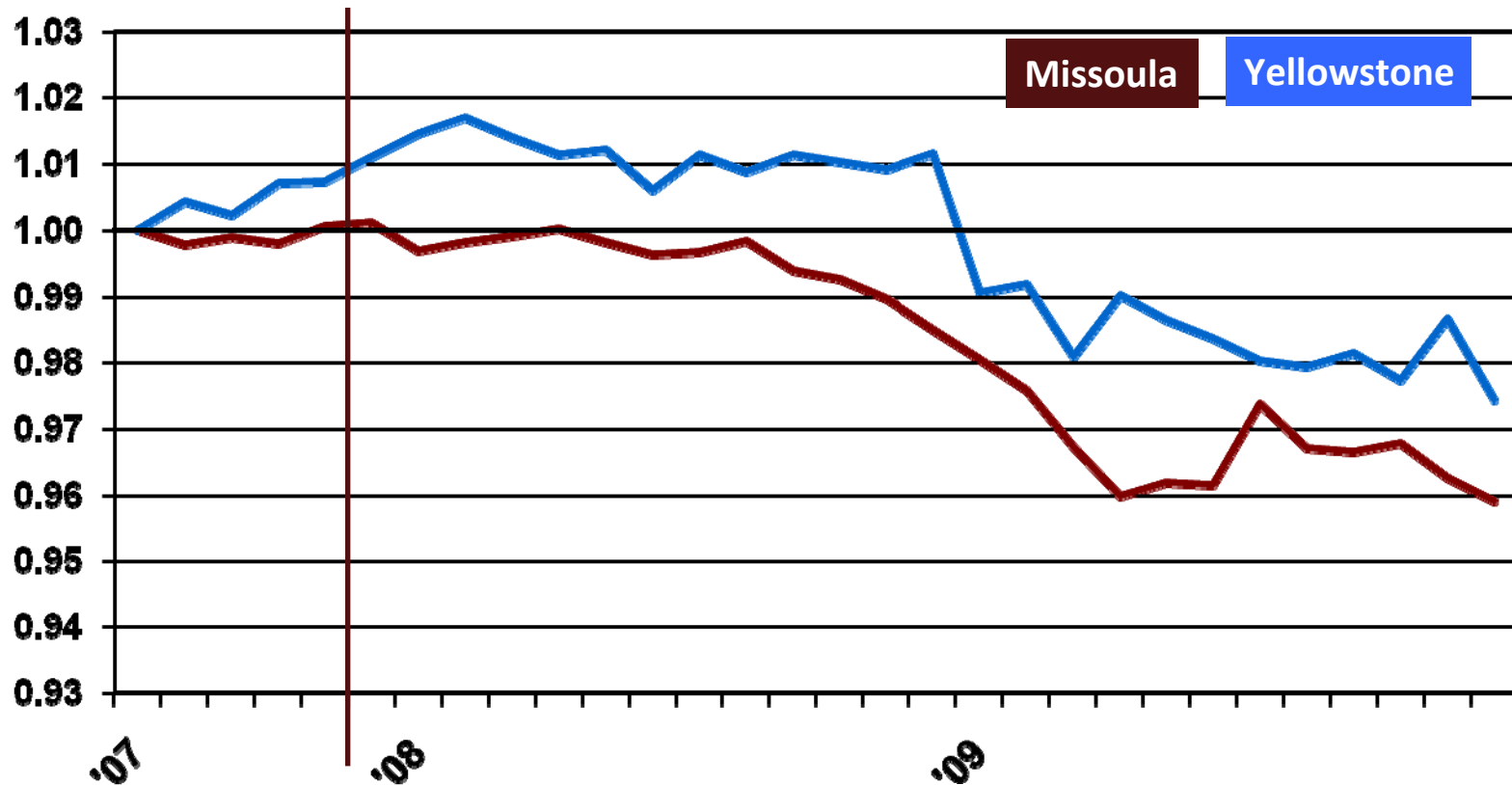


Percent Change in Retail Trade Labor Income, 2008 and 2009



Nonfarm Employment (Seasonally Adjusted)

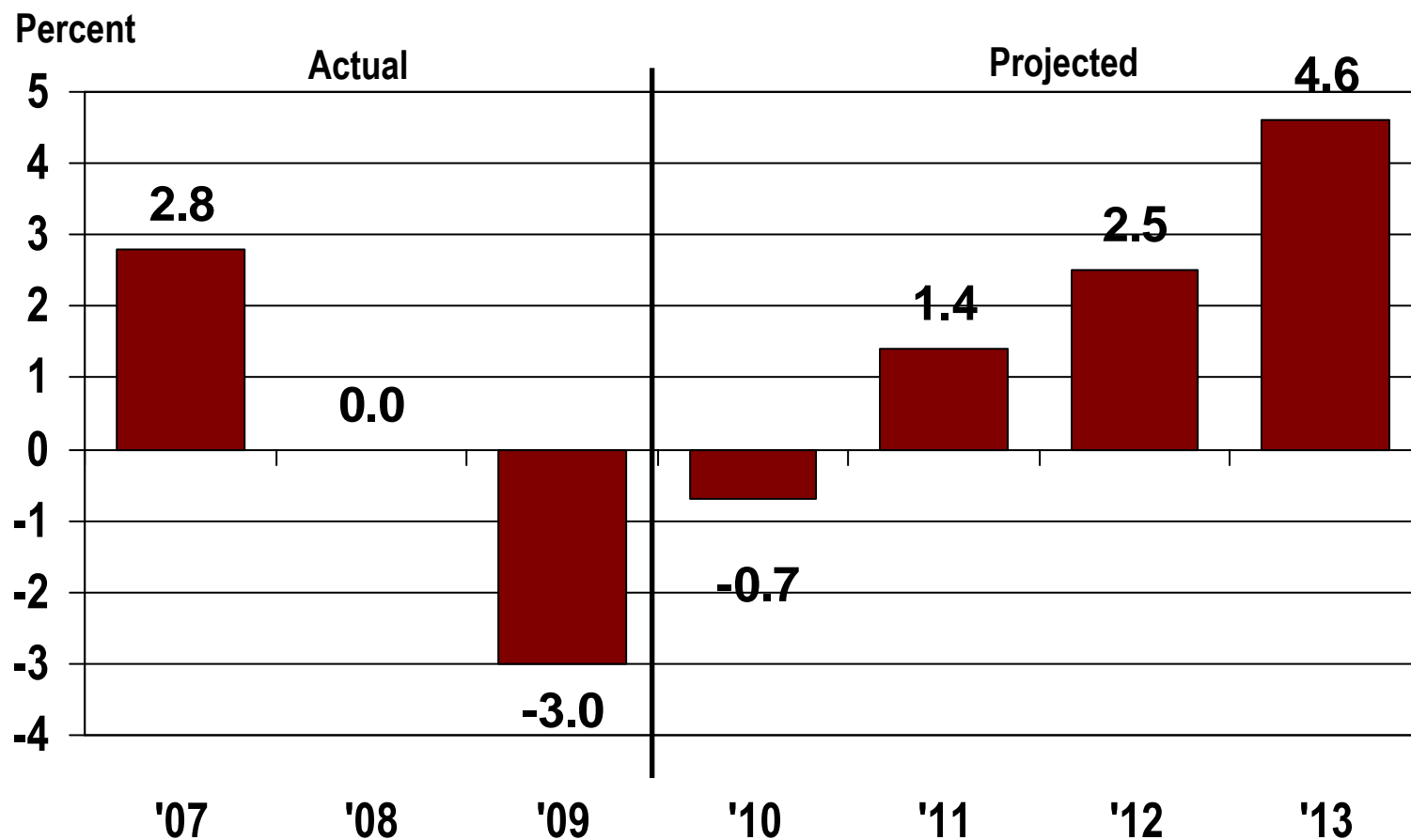
Recession Declared, Dec. 2007



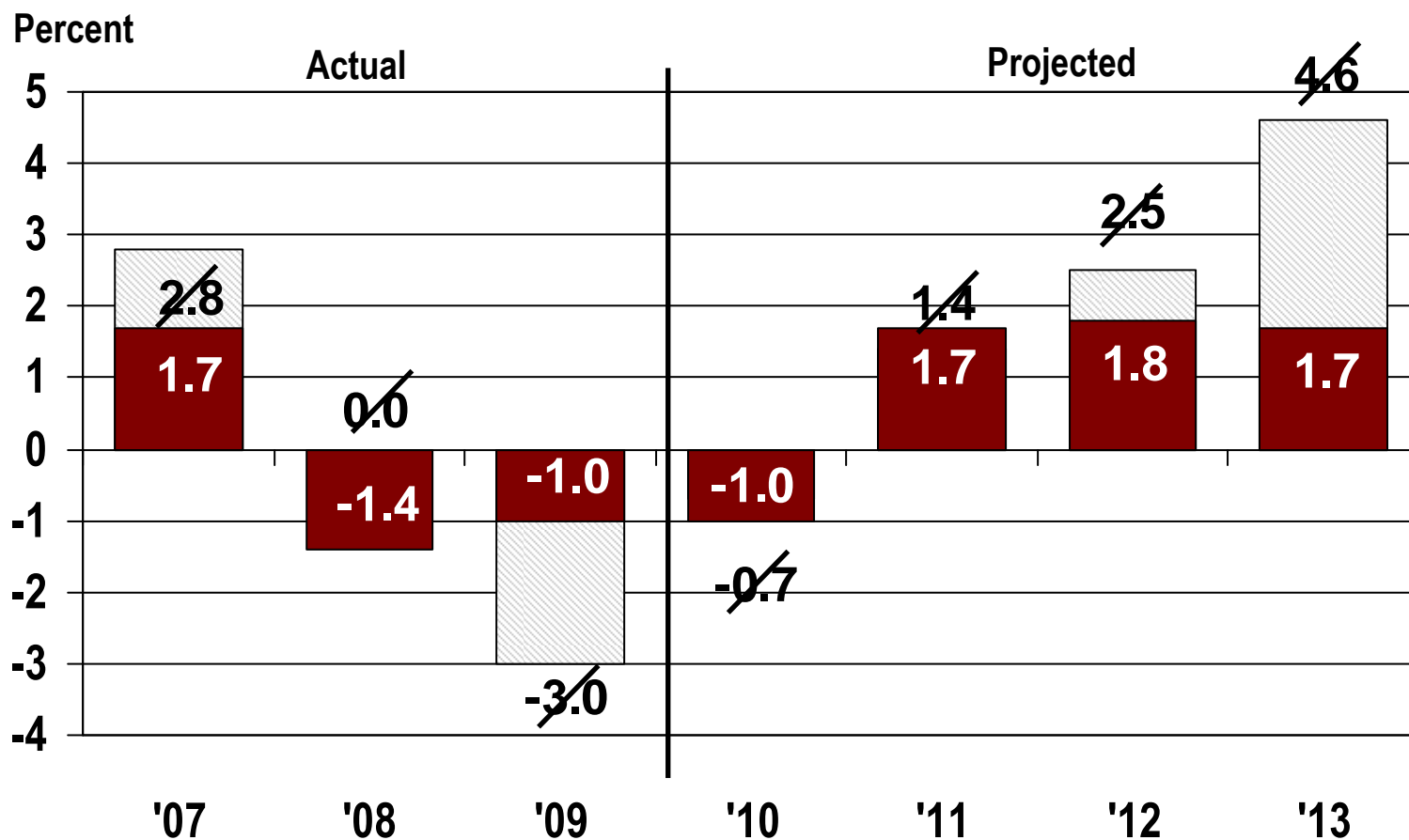
Missoula County Economic Base 2008-2010

	<u>Feb. '10</u>	<u>Aug. '10</u>
• Other	6%	
• Nonresident Travel	6% Decline	Visitations ↑ Spending ↔
• Transportation	2% Stable	✓
• Wood and Paper	2% Closures	No More Bad News
• Federal Gov't	14% Normal Growth	Stimulus
• Trade Center Medical	13% Reform?	??
• Trade Center Retail, Service	18% Negative to Flat	✓
• UM, Other State	19% Pay Freeze	Maybe longer pay freeze
Construction	Continued flat	✓

Actual and Projected Change in Nonfarm Labor Income, Missoula County, 2007-2013



Actual and Projected Change in Nonfarm Labor Income, Missoula County, 2007-2013





Questions?