



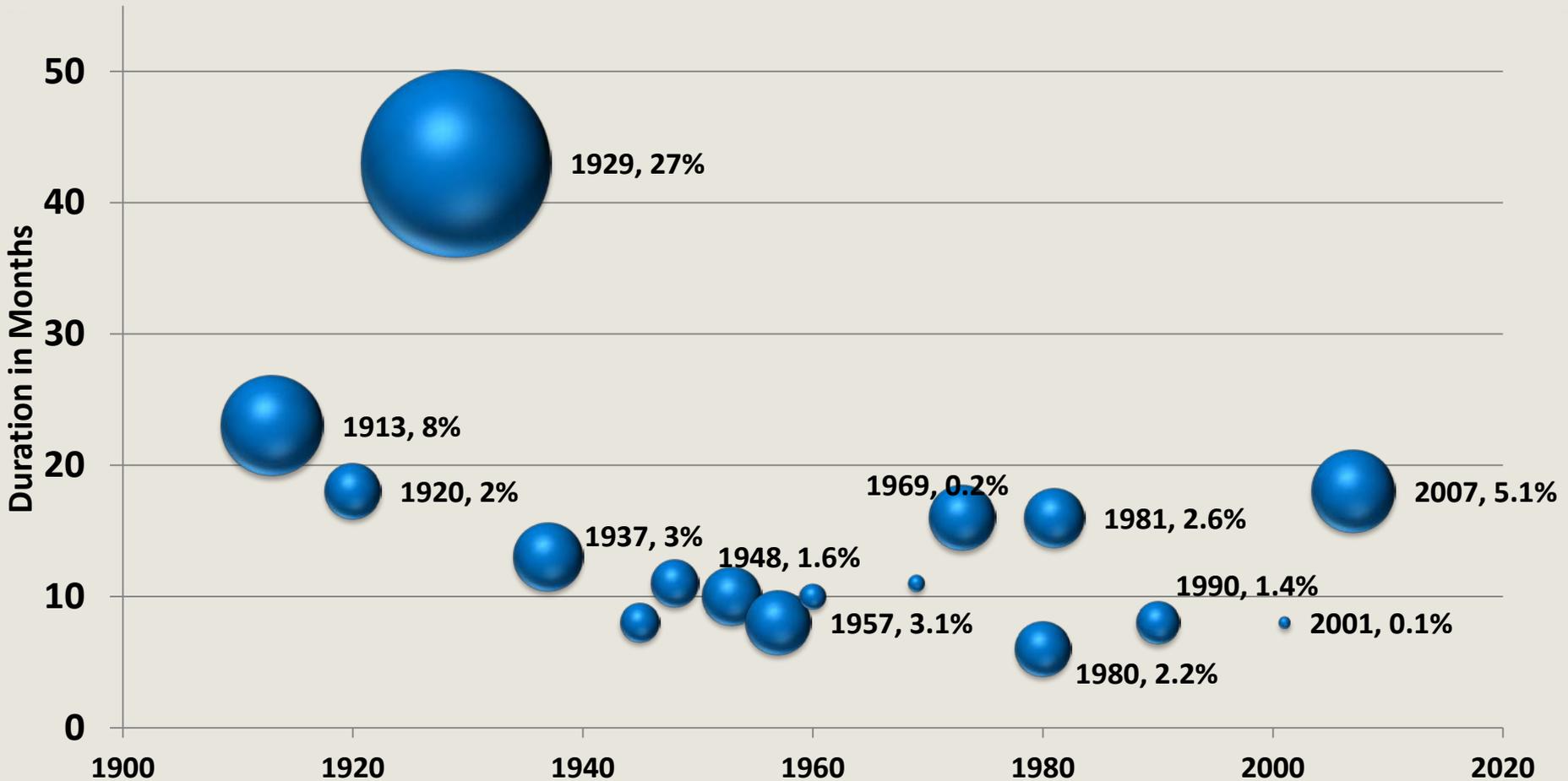
2011 Labor Day Report

Presentation to State Workforce
Investment Board,
Jan. 12, 2012

Barbara Wagner, Senior Economist



Duration and Loss of GDP in U.S. Recessions in the Last 100 Years

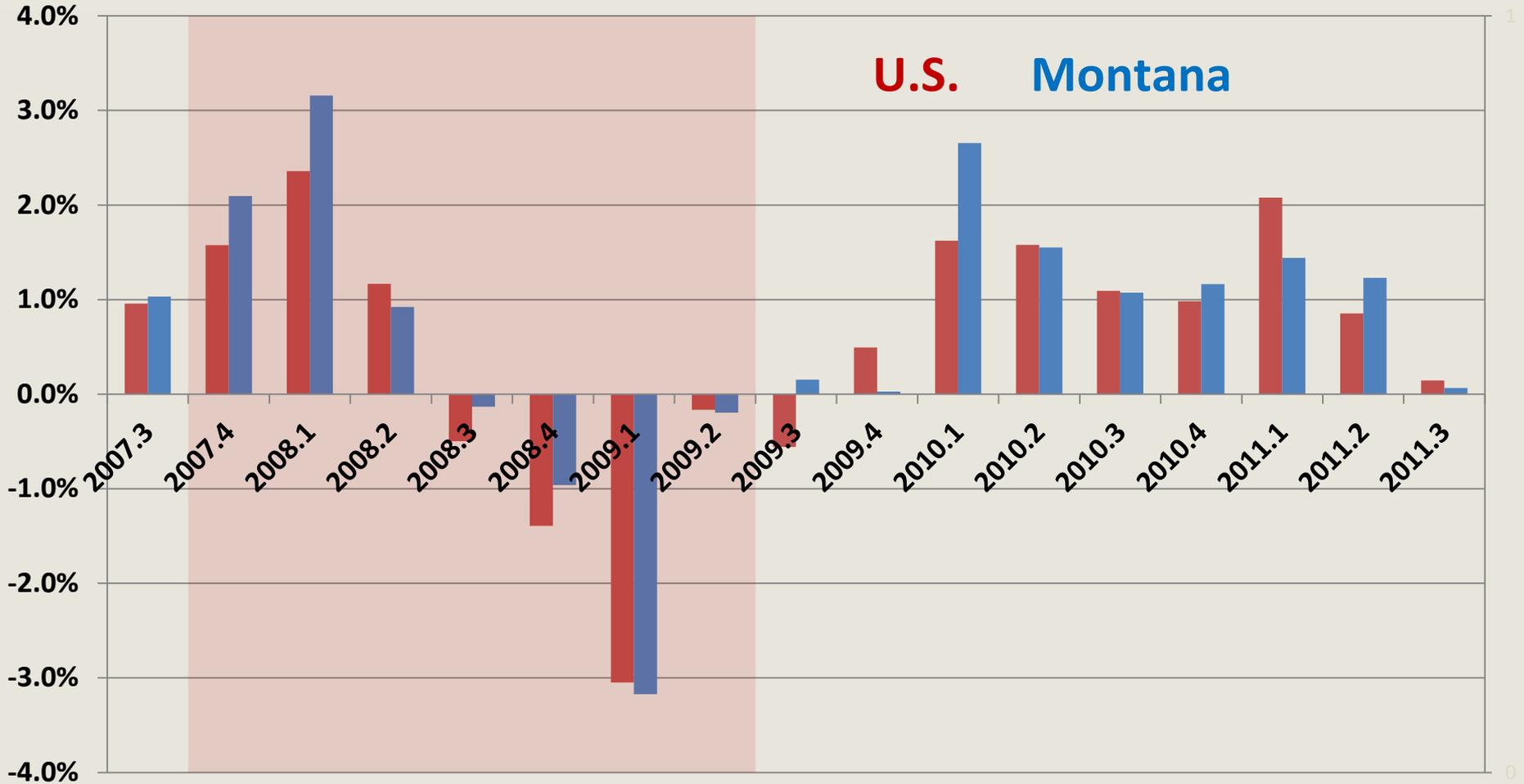


Source: National Bureau of Economic Research and Lawrence Officer, Measuring Worth, 2010. www.measuringworth.org





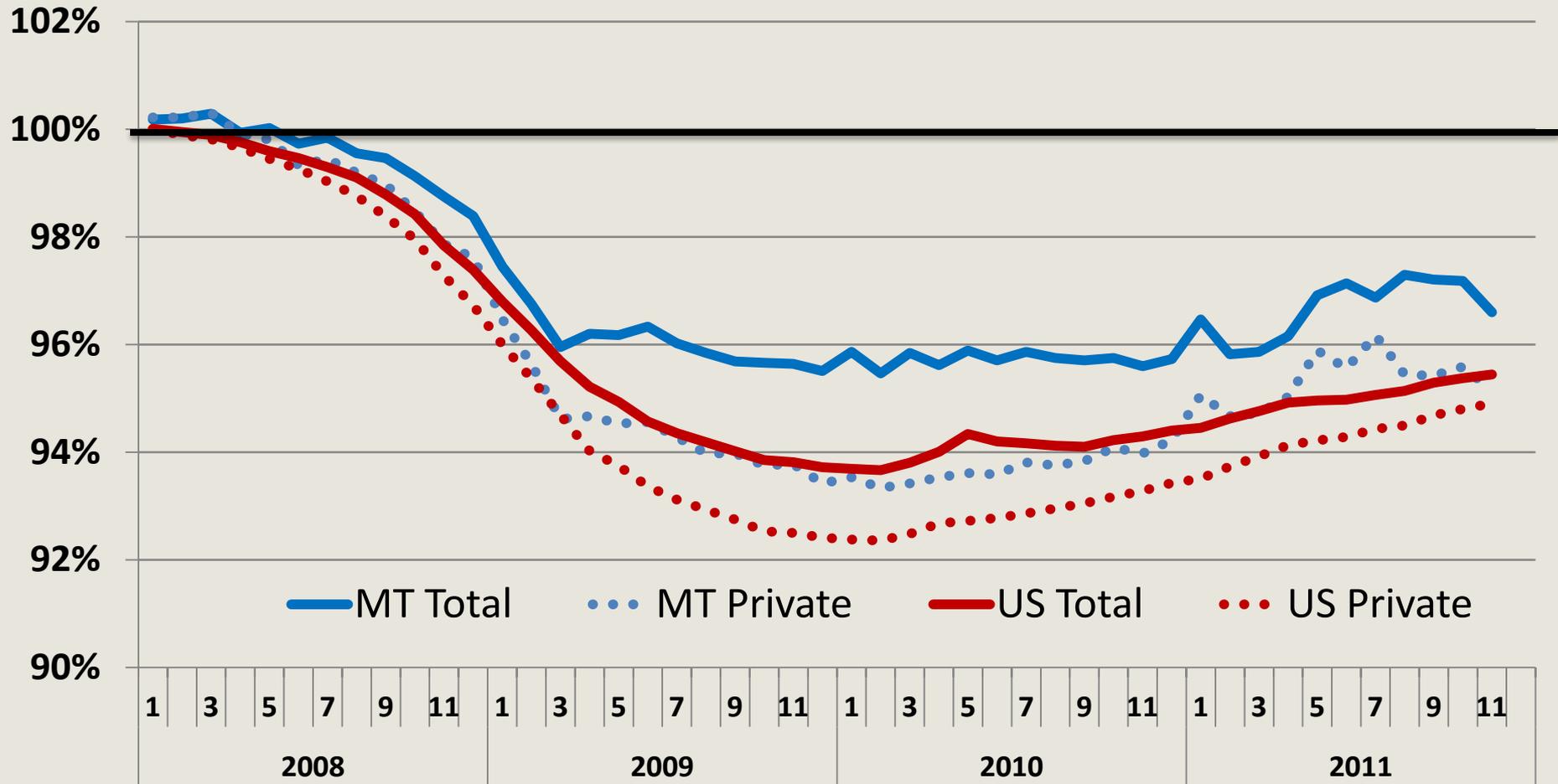
Personal Income Growth by Quarter, MT and US



Source: Regional Economic Information System, Bureau of Economic Analysis, U.S. Dept. of Commerce.



Private and Total Employment for Montana and the U.S. (Indexed to Pre-recession Employment)

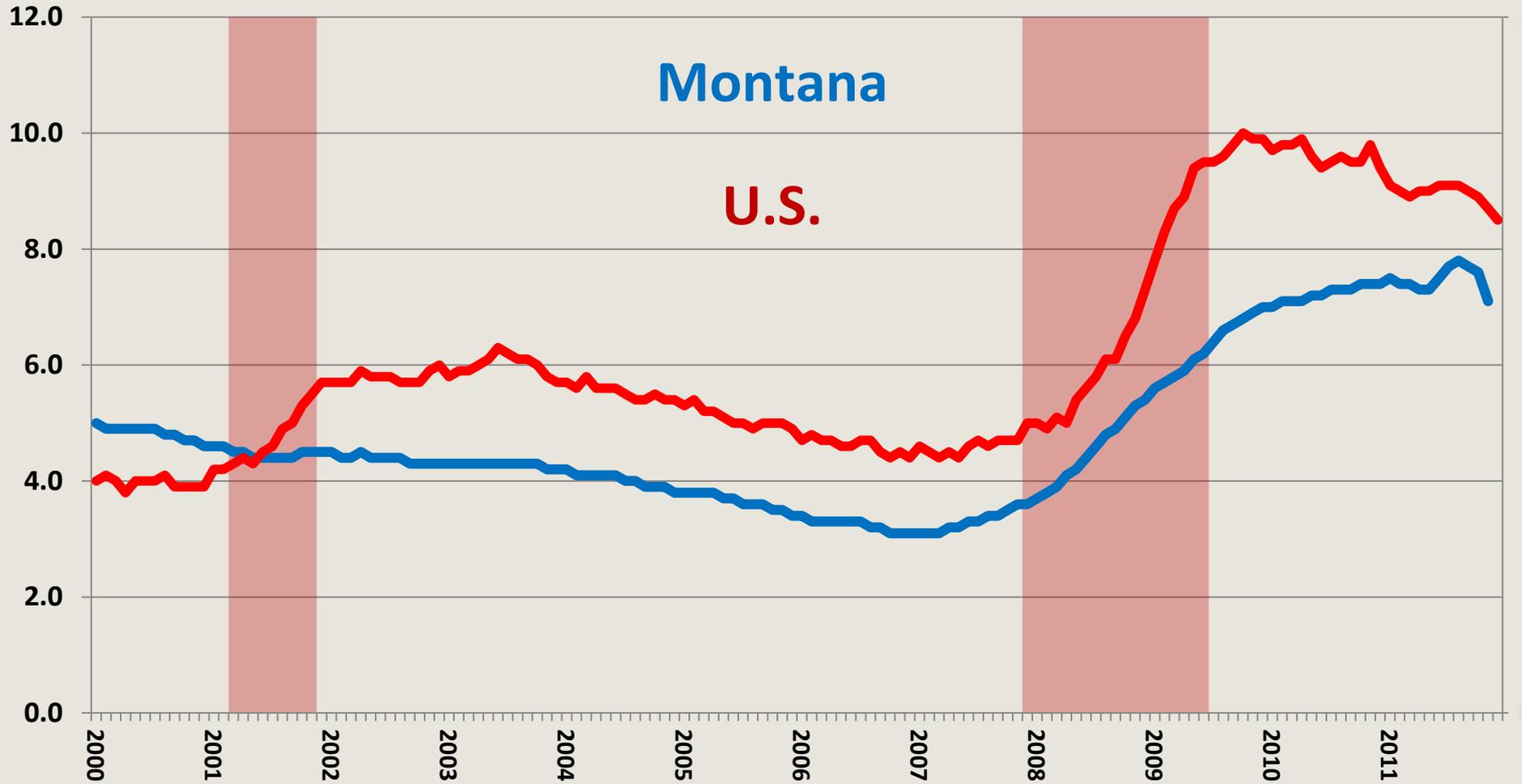


Source: Current Employment Statistics, Bureau of Labor Statistics and the Montana Department of Labor and Industry





U.S. and MT Unemployment Rates



Source: Bureau of Labor Statistics, Current Population Survey and Local Area Unemployment Statistics.



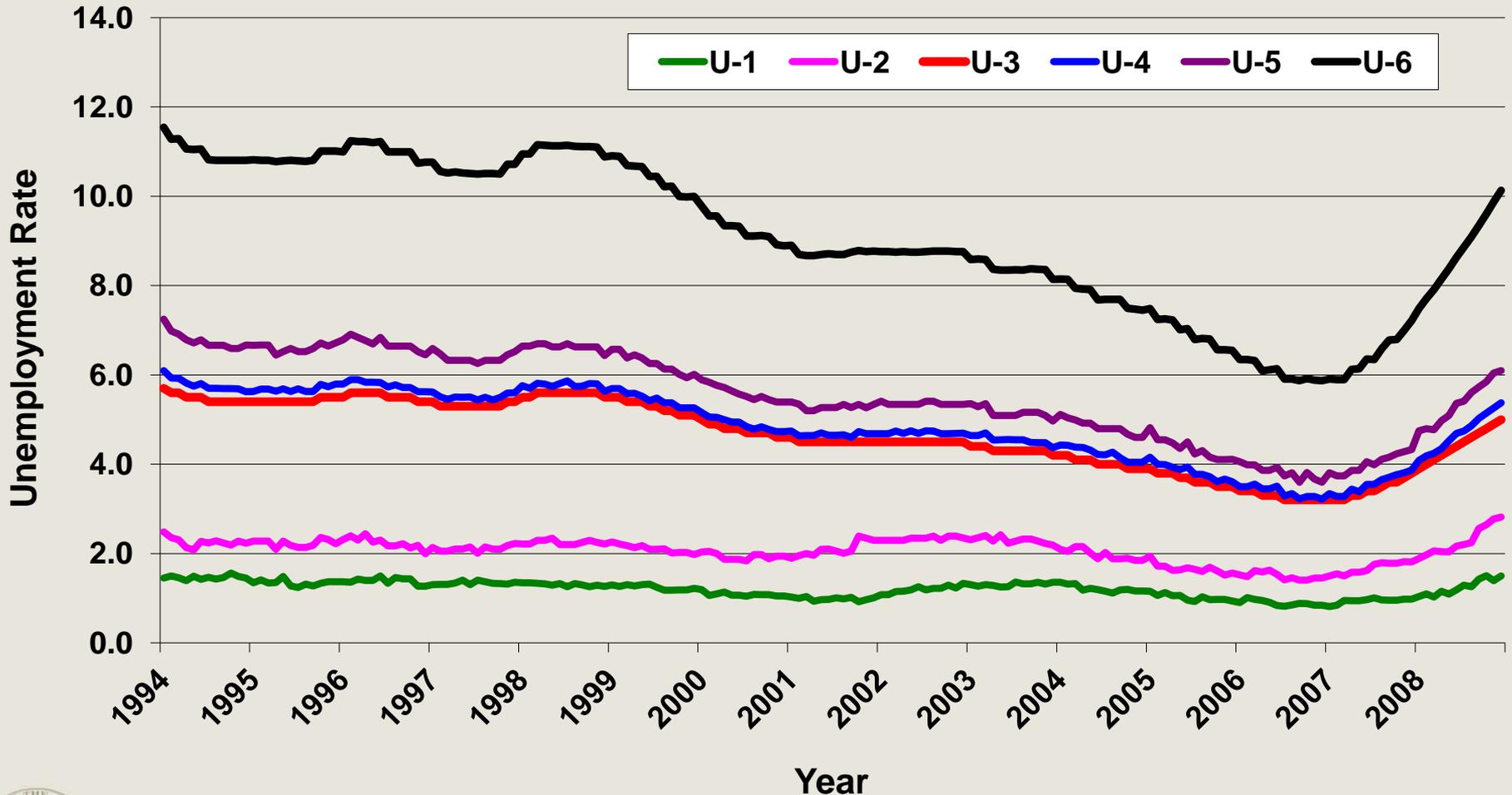


Who Do We Count as Unemployed?

- U1- Unemployed 15 weeks or longer
- U2- Job losers, including temporary workers
- **U3- Official Rate, total unemployed**
- U4- Unemployed plus discouraged workers
- U5- Unemployed, discouraged, and marginally attached
- U6- Unemployed, discouraged, marginally attached, and part-time for economic reasons



Montana Alternative Estimates

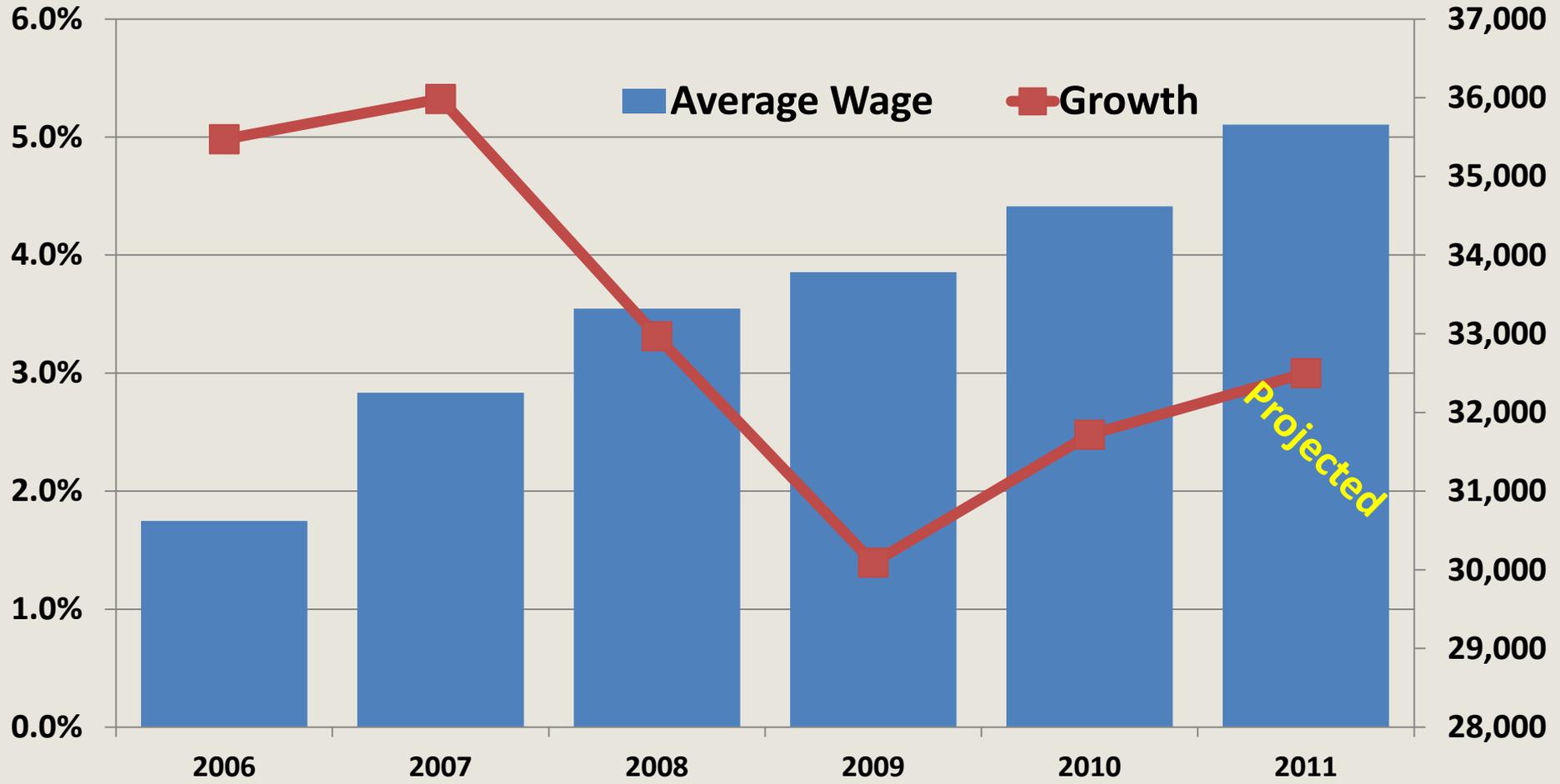




Employment and Total Wage Growth, Percent Increase over Prior Year



Montana Average Wage Continues to Increase



Source: Quarterly Census of Employment and Wages. Projection based on actual 2011 first half growth.

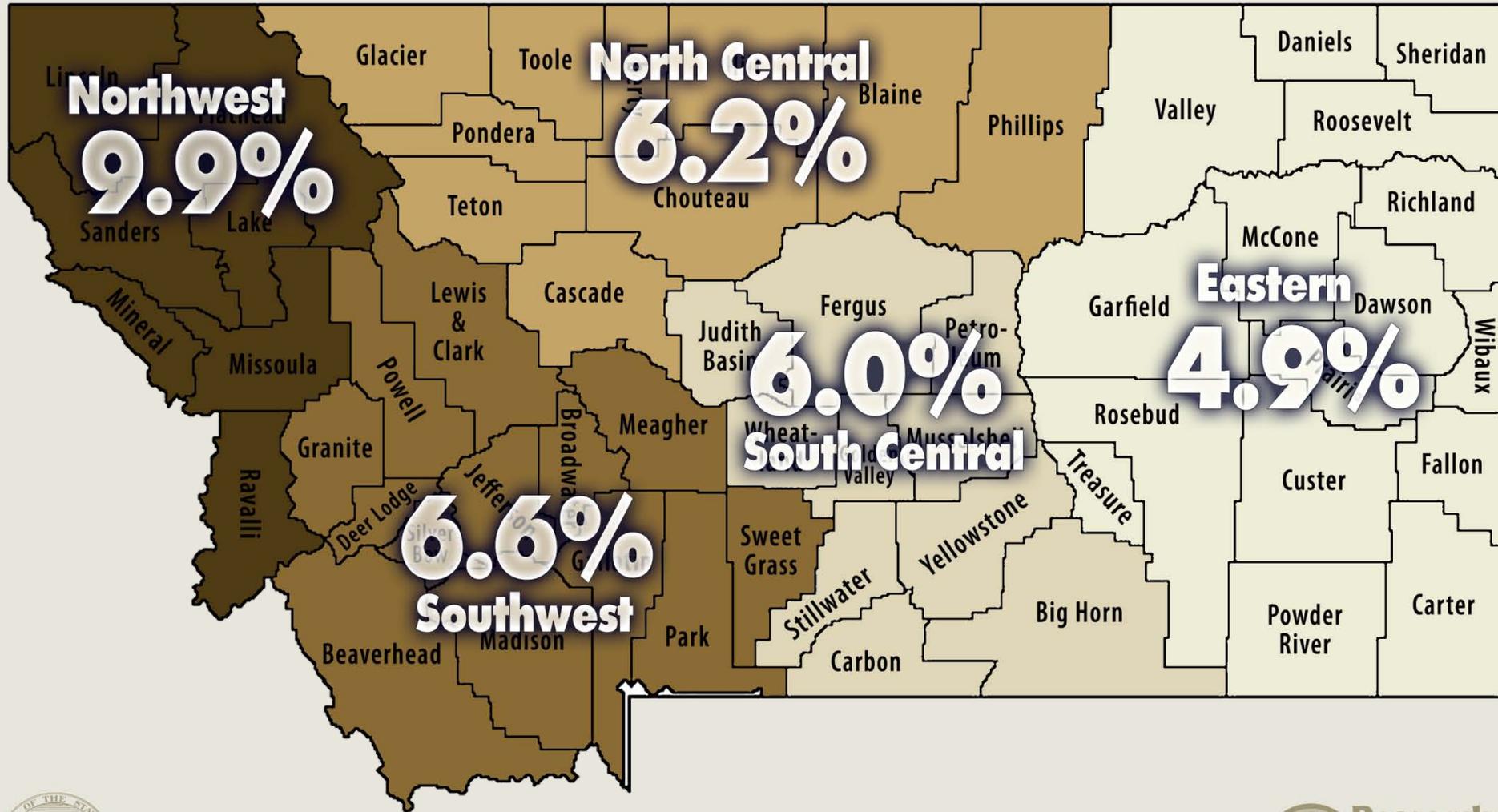




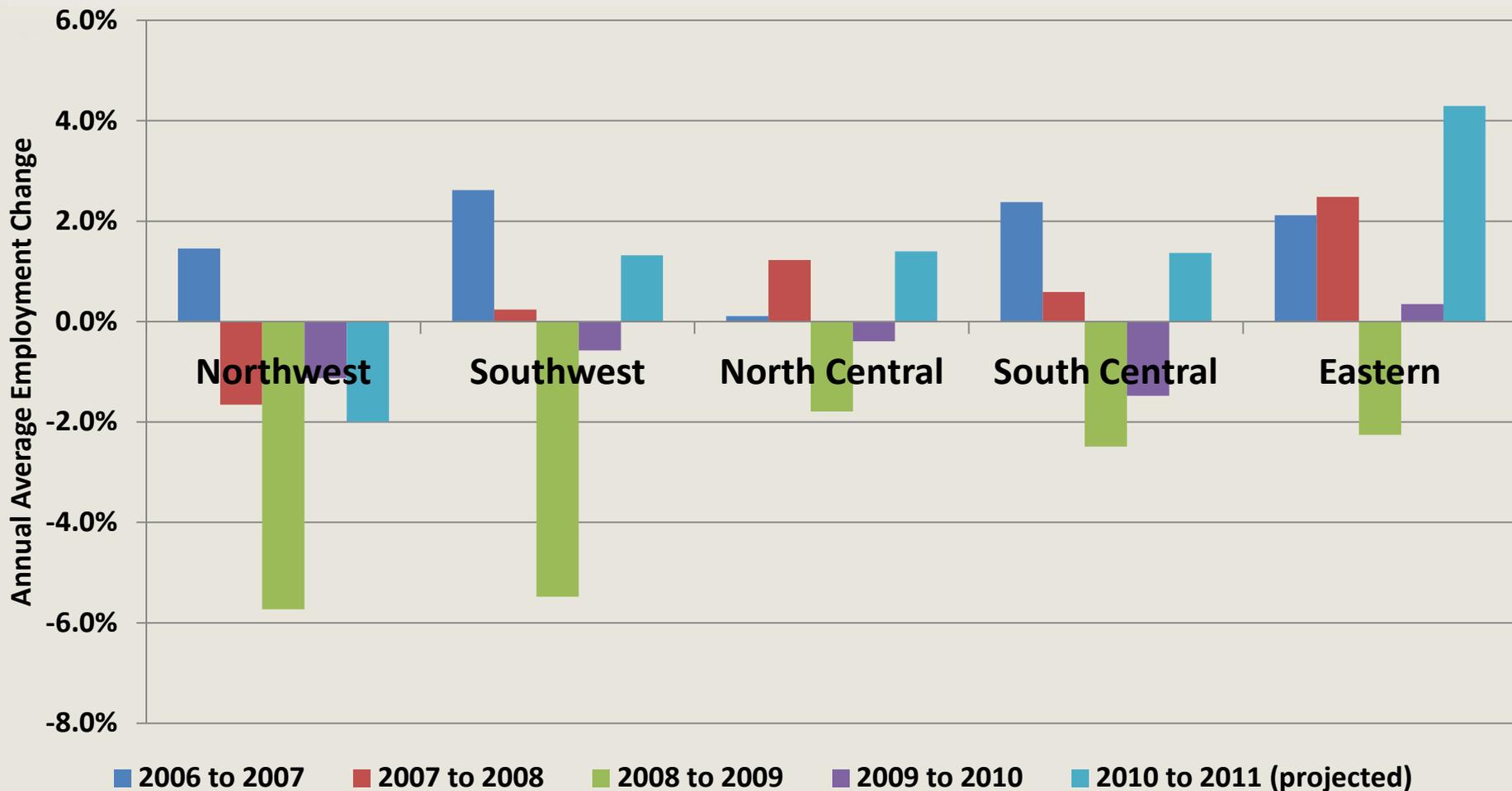
Take Away Points

- Montana's economy is in recovery with growth in personal income, employment, wages, and a decrease in unemployment.
- Steady private job growth since 2010 has been masked by public job losses.
- We measure dislocated workers.

2010 Unemployment Rate by Region

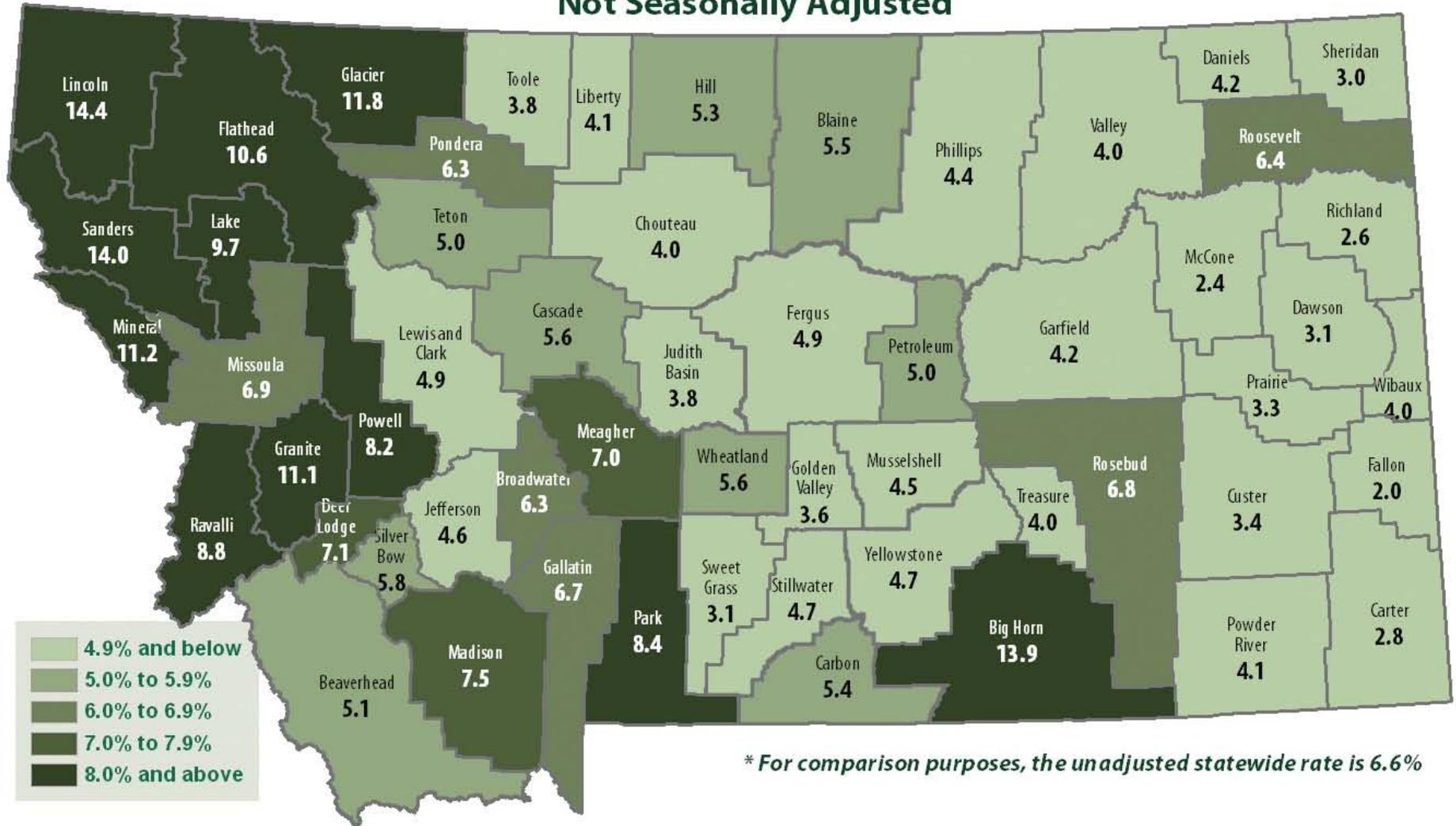


Employment Change by MT Region, 2007 to 2011



County Unemployment Rates, November 2011

Not Seasonally Adjusted



* For comparison purposes, the unadjusted statewide rate is 6.6%

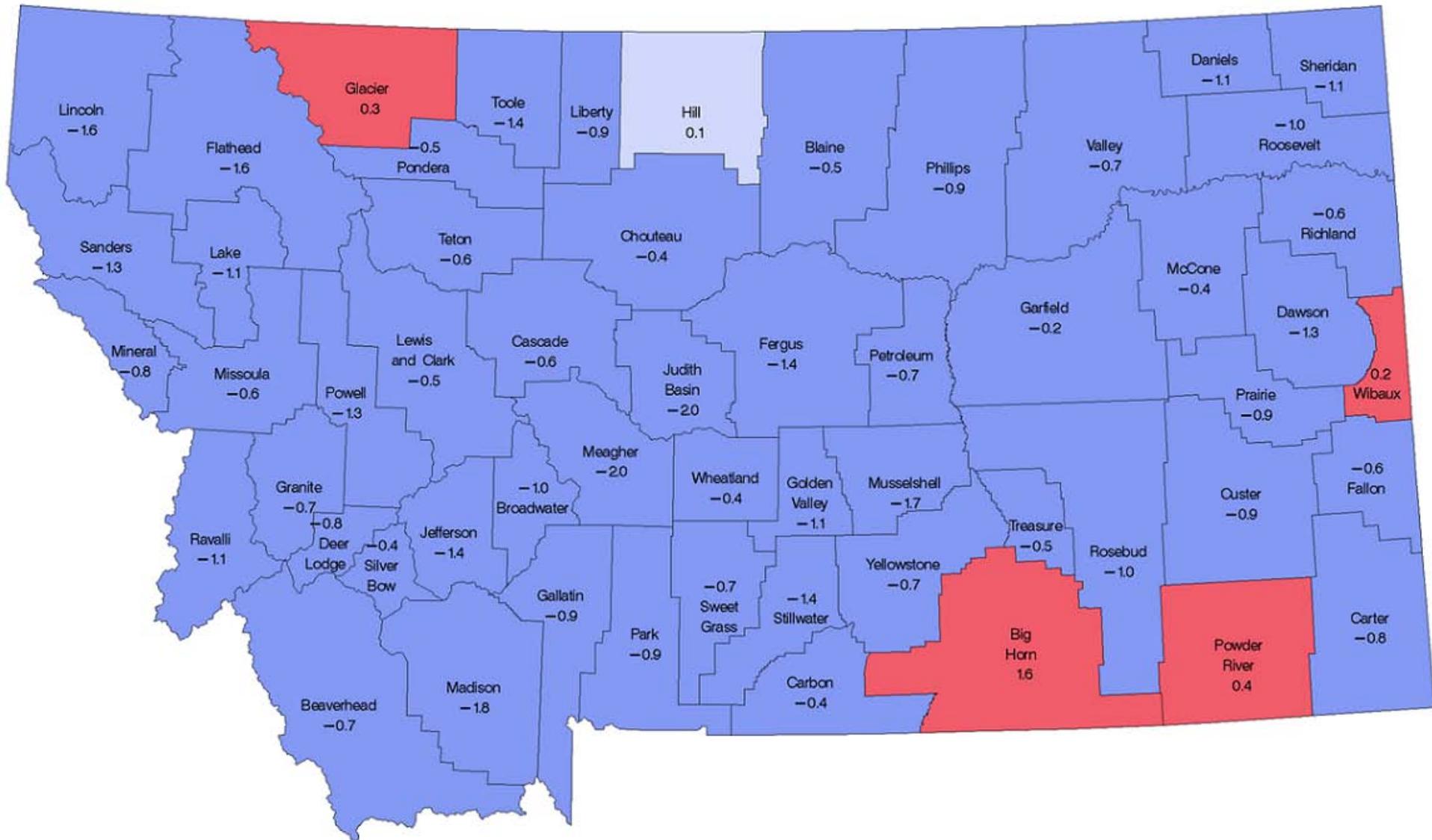
Reservation Unemployment Rates

	Employment		Wages		Unemployment Rate
	2010 Employment	2009 to 2010 Growth	2010 Annual Average	2009 to 2010 Growth	2010 Average
Blackfeet	2,961	2.5%	\$32,092	1.8%	15.9%
Crow	2,174	-5.4%	\$34,866	3.0%	13.9%
Flathead	8,054	-2.2%	\$30,075	1.4%	10.1%
Fort Belknap	341	4.6%	\$41,512	2.8%	N/A
Fort Peck	3,240	1.6%	\$31,446	2.8%	9.3%
Northern Cheyenne	1,472	2.8%	\$31,634	3.8%	17.1%
Rocky Boy's	966	14.0%	\$39,474	4.4%	18.3%
Total	19,208	-0.1%	\$31,955	2.4%	





Almost Every County has an Improved Unemployment Rate





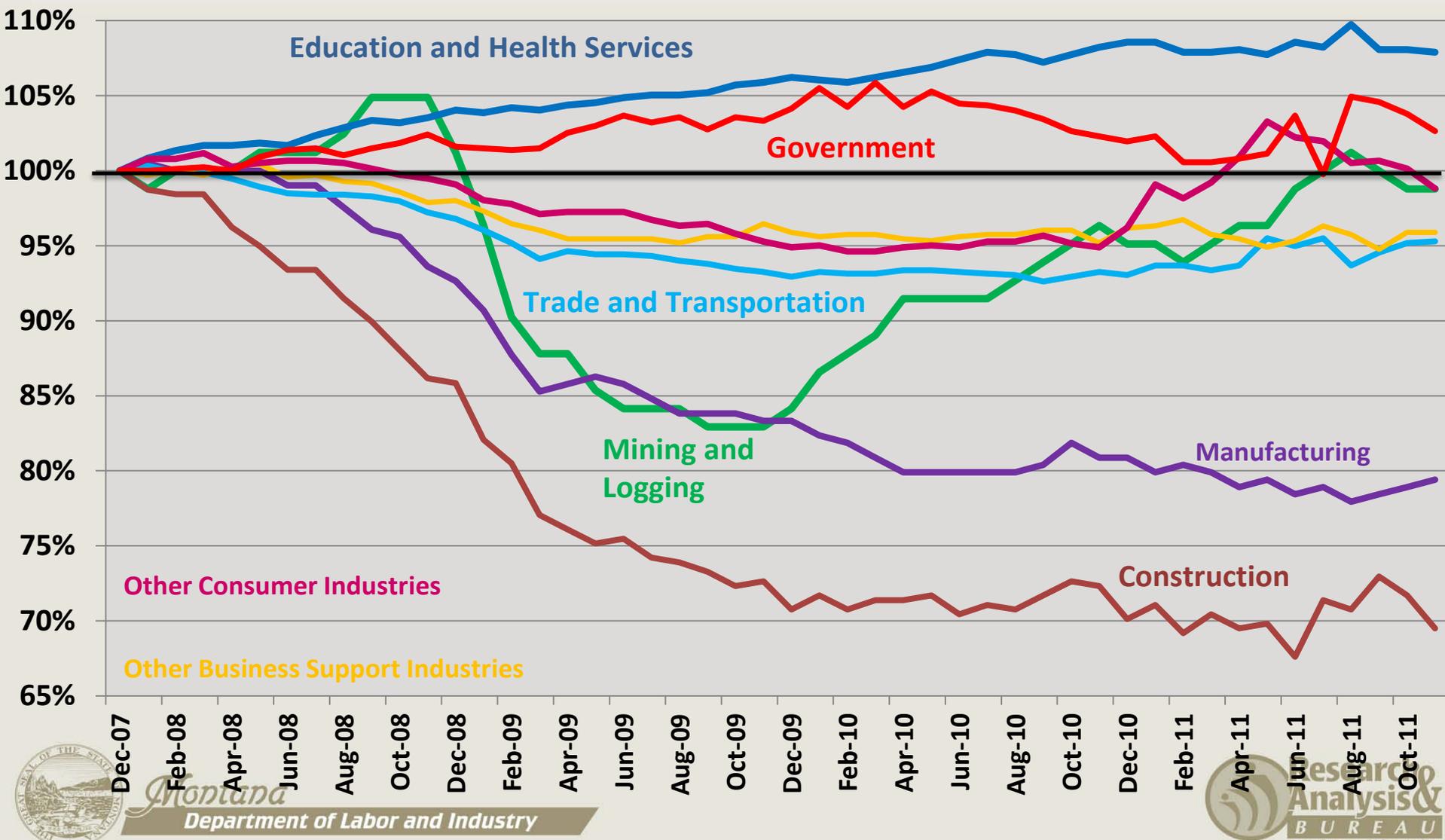
Take Away Points

- Northwestern Montana was hit the hardest by the recession and is still losing jobs.
- All other areas of the state are growing.
- Reservations remain the most economically sensitive areas of our state.
- Eastern Montana performed well during the recession, and is now experiencing very rapid job growth.



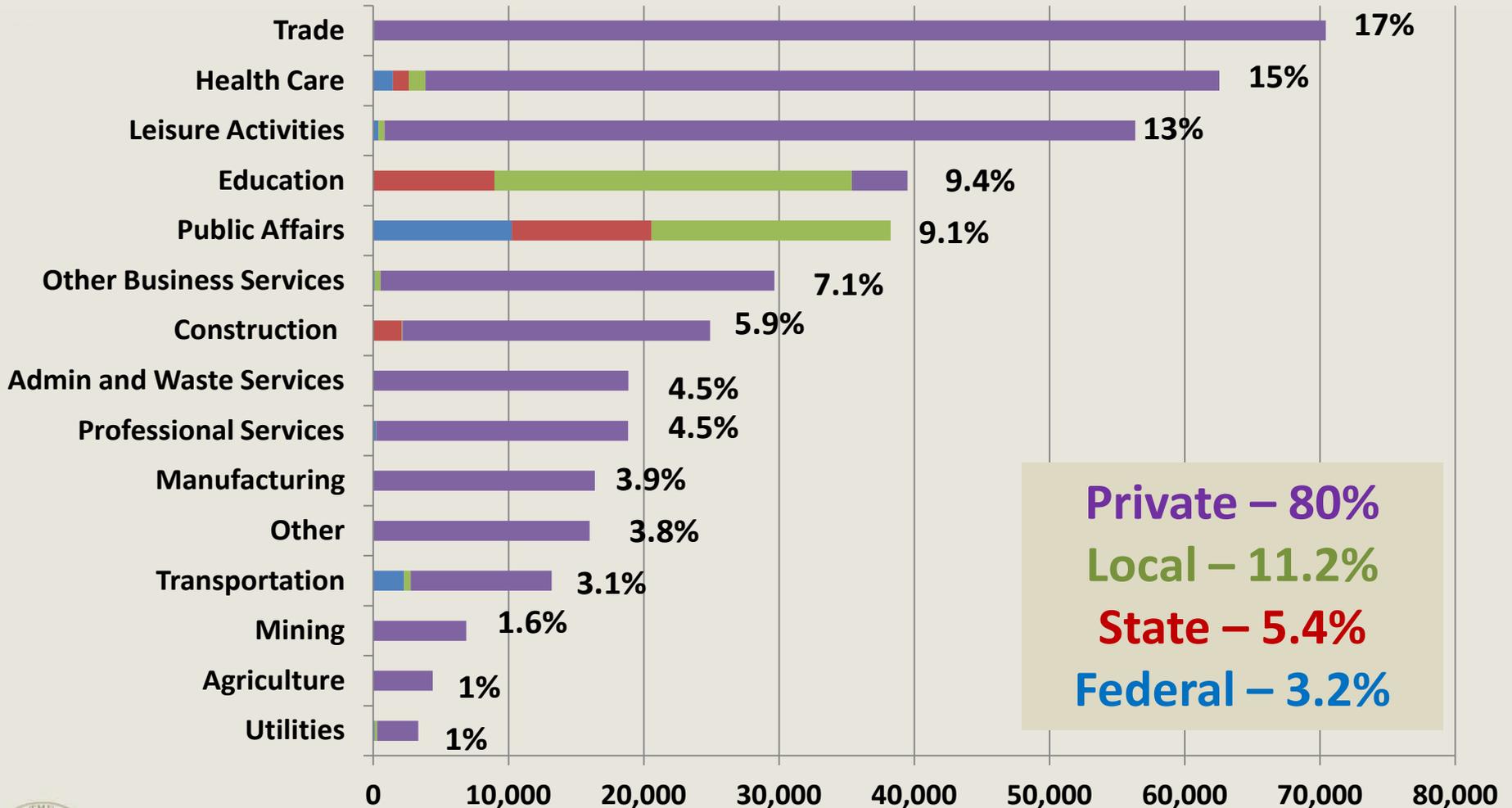
Montana Industry Performance Throughout Recession

(indexed to Dec. 2007 = 100%)





Montana Jobs by Industry and Ownership, 2010



Source: Quarterly Census of Employment and Wages, 2010. Percentages shown are percent of total Montana jobs





Take Away Points

- Construction and Manufacturing were worst-hit industries during the recession. Neither have shown signs of recovery.
- All other industries have improved.
- Health care has added jobs throughout the recession.





Types of Unemployment

1. Frictional

- Normal, good, temporary unemployment that results from turnover and workers finding better jobs.

2. Cyclical

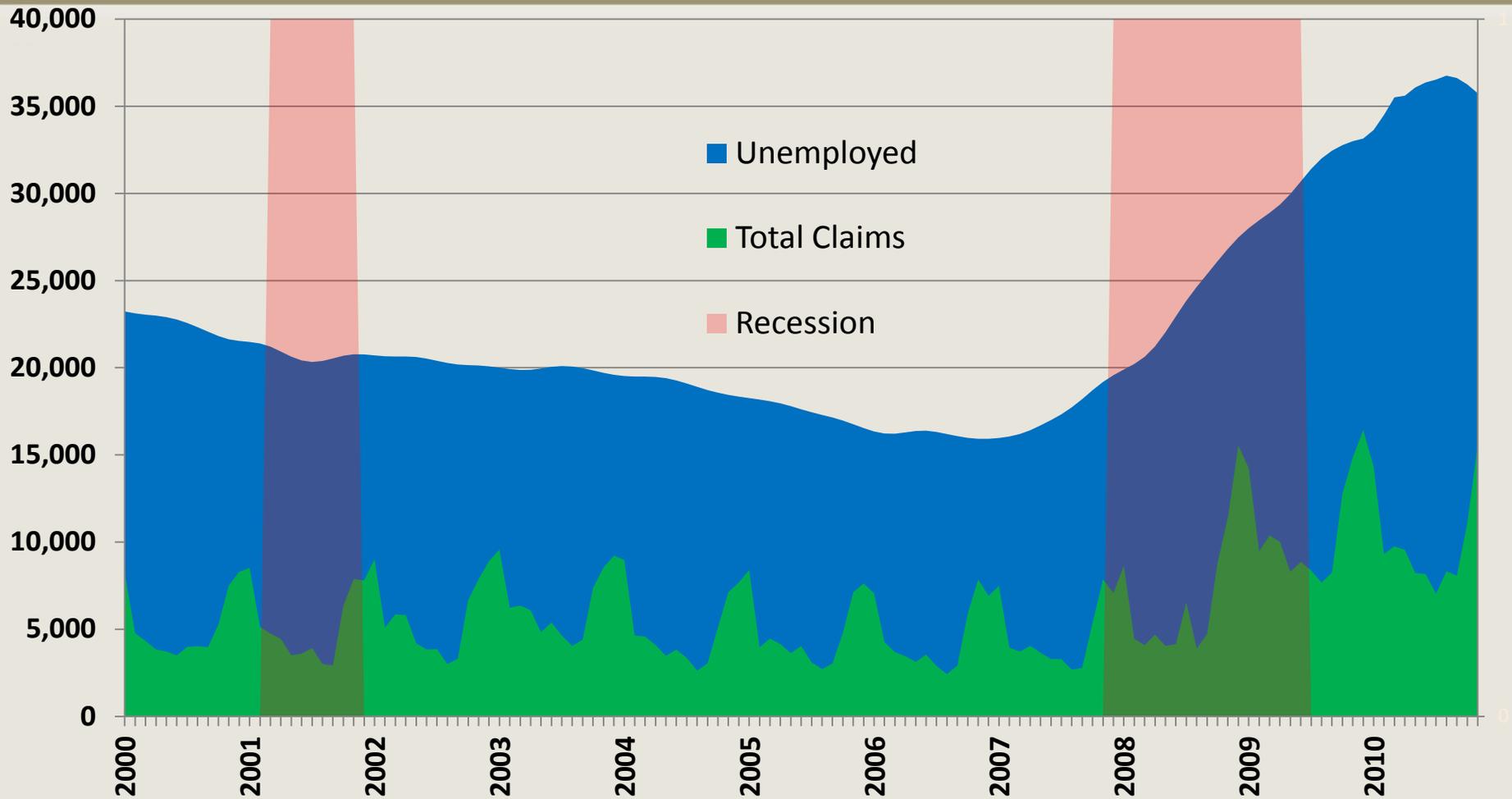
- Unemployment due to a recession.

3. Structural

- Skills mismatch between jobs and workers.

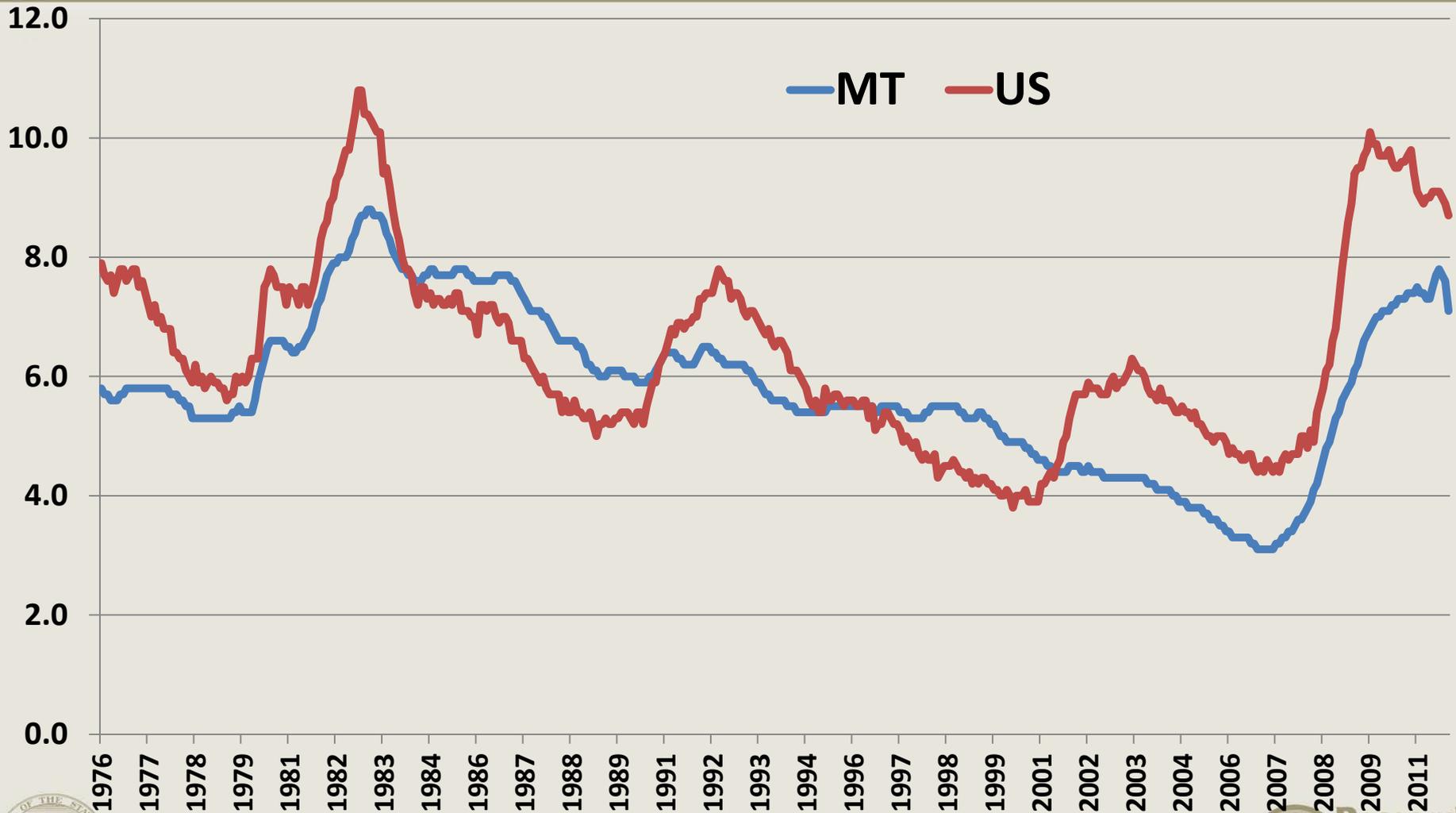


Frictional Unemployment: There are Always Some Unemployed People and Unemployment Claims





Cyclical Unemployment: MT and U.S. Unemployment Rates since 1976



Source: Current Population Survey and the Local Area
Unemployment Statistics





Types of Unemployment

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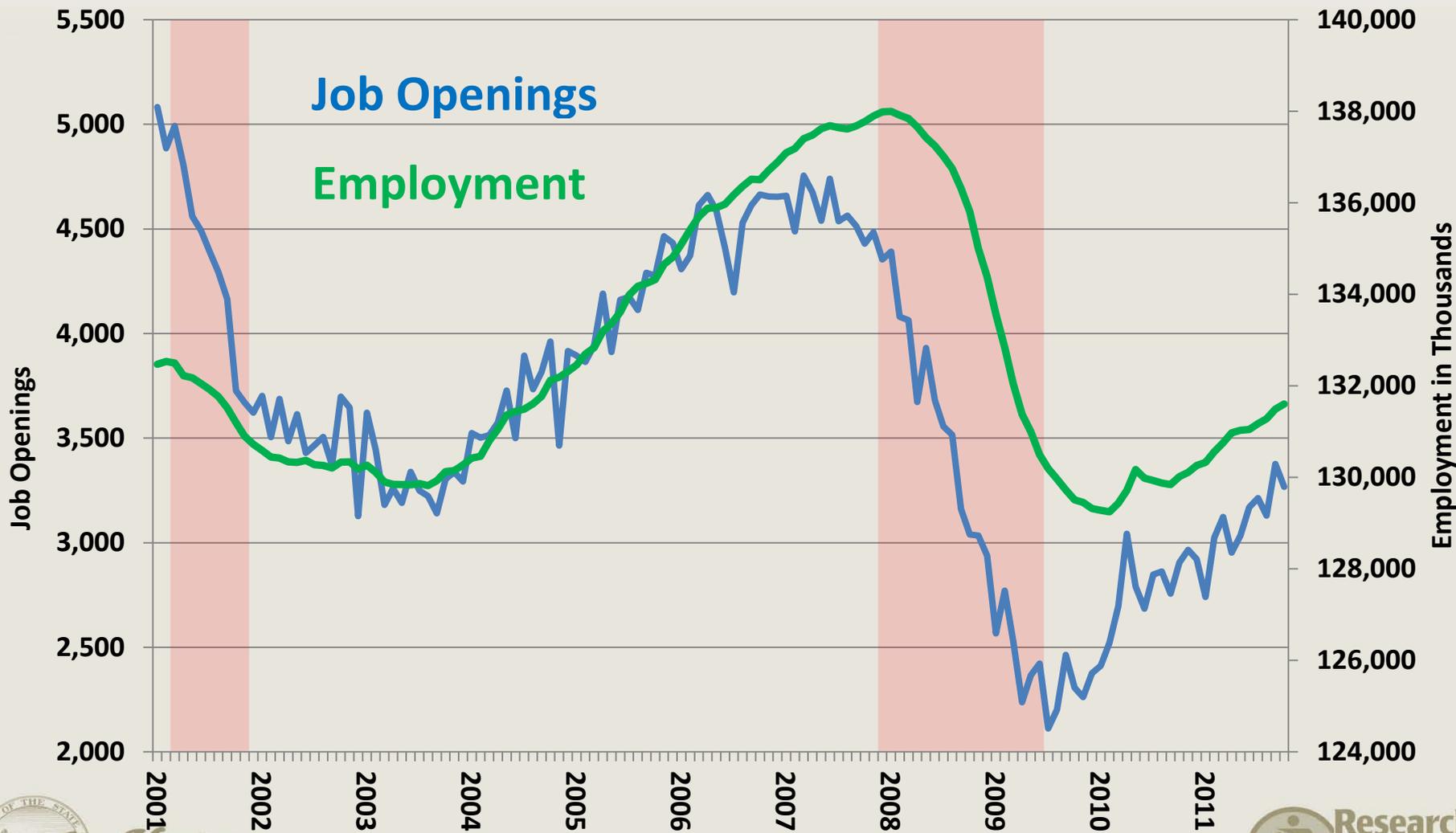
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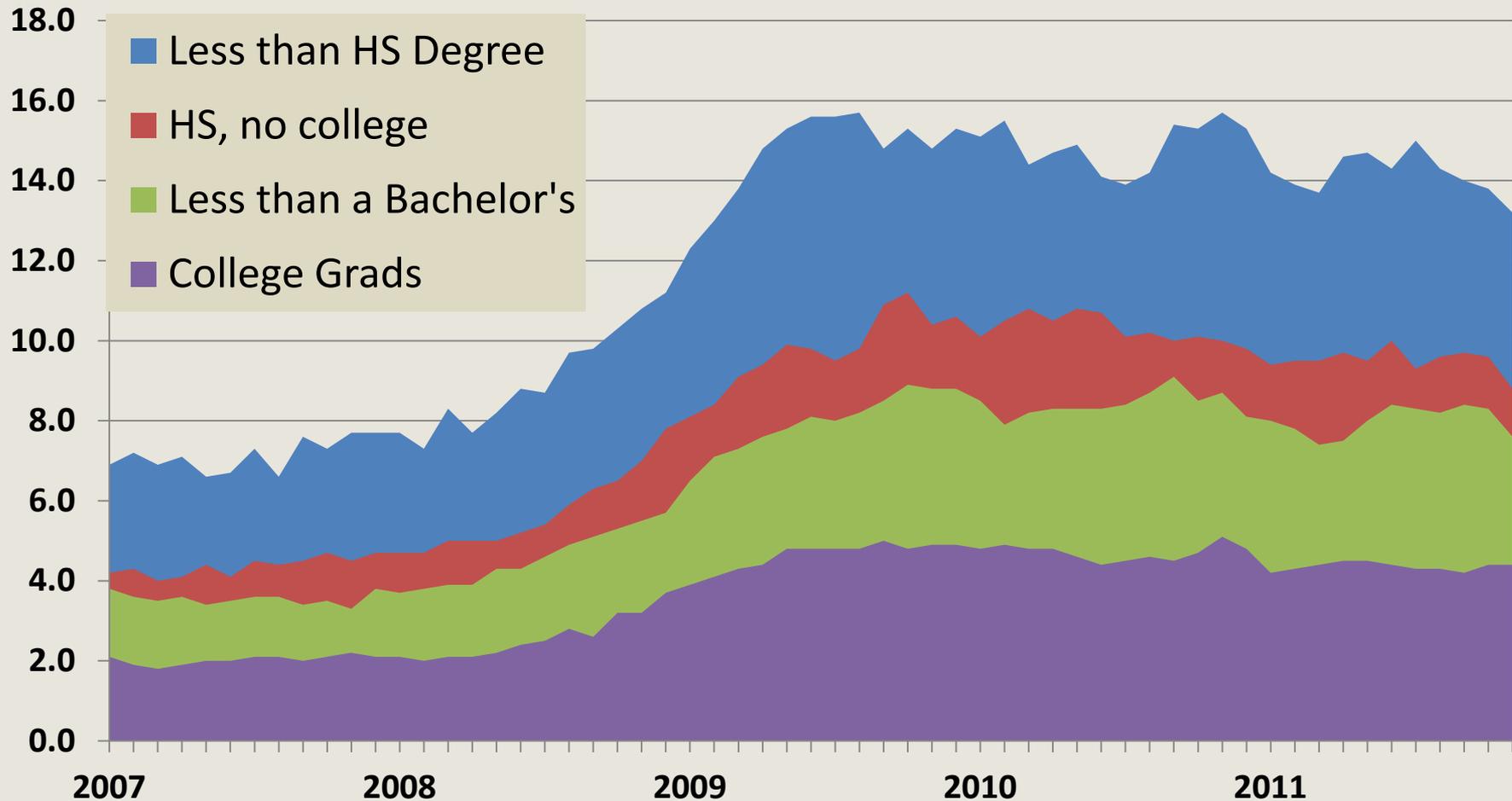


U.S. Employment and Job Openings from 2001 to 2011





U.S. Unemployment Rate by Education Level



Source: Current Population Survey, Bureau of Labor Statistics





Projected Growth Compared to Recession Losses

Occupation	Estimated Recession Losses	Projected Statewide Annual Job Growth, 2012 to 2020	Year that All Workers are Rehired
Carpenters	-2,260	140	Past 2020
Retail Salespersons	-1,174	116	2019
Construction Laborers	-1,171	94	Past 2020
Bookkeeping and Auditing Clerks	-791	149	2016
Cashiers	-776	121	2015
Secretaries	-702	15	Past 2020
Truck Drivers, Heavy and Tractor-Trailer	-644	66	2019
Janitors and Cleaners	-563	29	Past 2020



Ten Growing Occupations with Unmet Demand for Workers

Occupation	Projected Annual Growth	Minimum Training Required
Home Health Aides	96	Short OJT
Registered Nurses	72	Associate
Personal and Home Care Aides	54	Short OJT
Elementary School Teachers	52	Bachelor's
Nursing Aides, Orderlies, and Attendants	46	Vocational training
Teachers and Instructors, All Other	32	Bachelor's
Medical Secretaries	31	Moderate OJT
Network Systems and Data Communications Analysts	22	Bachelor's
Medical Assistants	22	Moderate OJT
Child Care Workers	22	Short OJT

Projected Job Growth by Education and Training Category

	% of Montana Jobs	2007 to 2010 Change	Annual Job Growth 2010-2012	Annual Job Growth 2012-2018	Year Jobs Regained
Short to Moderate OJT	55%	(15,959)	2,514	2,537	2016
Long OJT or Work Experience	16%	(7,415)	445	802	2020
Associate or Vocational Degree	11%	286	283	477	No losses
Bachelor's Degree or Higher	19%	(78)	608	841	2011

OJT means on-the-job training Source: Montana Employment Projections, 2010, Research and Analysis Bureau, Montana Dept of Labor and Industry





Take Away Points

- Structural unemployment can be addressed at the state level with education and training.
- In general, more workers are needed in health care and in jobs requiring high levels of education.
 - Carpenters, retail workers, and workers in other occupations will need to be retrained to fill new jobs.
- Geographical economic disparities are also a large factor. Training is not the only solution.





QUESTIONS?

PRESENTATION, MONTHLY UPDATES, DATA, AND OTHER ECONOMIC RESEARCH
AT

<http://www.ourfactsyourfuture.org>

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Projections Publication:

http://www.ourfactsyourfuture.org/admin/uploadedPublications/4543_projections.pdf



Montana

Department of Labor and Industry

