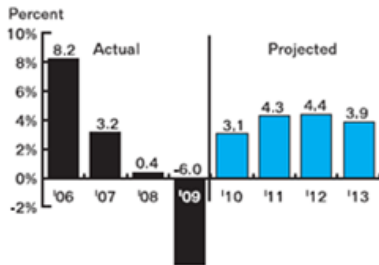


**Gallatin County's
Economic Base, 2008-2010**

Industry	% of Base	Outlook
Other Basic	5%	
Federal Government	10%	Stimulus?
Nonresident Travel	15%	Stable
Trade Center	19%	Slow Growth
Manufacturing	21%	Risks Receding
MSU and State Gov't	30%	Pay Freeze
Construction	-	Depressed

**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.

Gallatin County

The housing/real estate bubble was largest in Bozeman, Big Sky, and elsewhere in Gallatin County. The corresponding bust in construction and real estate was particularly stark. In addition, the recession impacted nonresident travel, which accounts for about 15 percent of Gallatin County's economic base. On the bright side, manufacturing employment has been only modestly impacted, suggesting that there will not be a repeat of the significant high-tech layoffs of the 2001 recession. 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. But the two-year pay freeze for state workers will soften the positive stimulus from this sector. Growth is projected to return in 2010 and later, but the growth rates will be far below those posted from 2003 to 2007.