Montana’s economy is growing and outperforming the broader U.S. economy.

From 2000 to 2010, Montana’s population grew by 10%, employment 12%, and real per capita income 18%. Over the same time period, real personal income grew by 29%, driven by higher quality jobs and a rapid growth of investment and retirement income.
High wage services industries led Montana’s job growth, diversifying the state’s economy.

From 2000 to 2010, Montana’s economy created 73,732 new jobs, with 95% of this growth coming from service-related industries. The fastest growing sectors included health care, real estate, government, and professional services.

The state’s diverse industry mix means that assets—such as quality education and unique federal public lands—that attract people and business across a range of services sectors are critical to Montana’s economic future.
Montana is attracting people and investment, while creating businesses faster than the U.S.

People are drawn to Montana for its remarkable quality of life and natural amenities, bringing investment income and business connections to the larger world.

From 2000 to 2009, Montana created 4,477 net new firms, and the number of businesses per 1,000 people grew by 6%. In the U.S. over the same time period, the number of businesses per 1,000 people shrunk by 3%.

From 1970 to 2010, investment income—dividends, interest, and rent—was Montana’s fastest growing source of personal income, increasing from $2.3 to $7.6 billion, in real terms, a 231% gain. In 2010, investment income was 21% of total personal income in the state. Combined with transfer payments, mostly age-related, non-labor income made up 41% of total personal income in 2010.
Economists believe protected federal lands are an important driver of economic growth.

Across Montana and the West, protected federal lands such as National Parks and Wilderness are associated with higher rates of job growth.

From 1970 to 2010, western non-metropolitan counties with more than 30 percent federal protected land increased jobs by 345%. By comparison, non-metro counties with no protected federal lands increased employment by 83%.

“People create economic opportunities and people are drawn to beautiful natural settings and highly livable communities; making Montana’s quality environment one of the state’s key economic assets. Protecting and enhancing Montana’s environmental amenities is essential for sustained economic growth.”

Dr. Larry Swanson, The O’Connor Center for the Rocky Mountain West

Reference
The West is defined as the 11 public lands continental western states: Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming. “Protected” federal lands include areas such as National Parks, Wilderness, National Monuments, National Conservation Areas, National Recreation Areas, National Wild and Scenic Rivers, and National Wildlife Refuges. For more details, see: http://headwaterseconomics.org/tools/eps-hdt/tech-info.

More than 100 economists recently urged the President to protect federal lands as an important economic asset. See: http://headwaterseconomics.org/land/reports/economists-president-public-lands.

Non-Metropolitan counties are counties without an urbanized area of 50,000 or more population, or a high degree of social and economic integration with a Metropolitan Statistical Area as measured by commuting ties.


For More Information
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Headwaters Economics is an independent research group whose mission is to improve community development and land management decisions in the West.