A FEW OBSERVATIONS ON THE CHANGES IN EMPLOYMENT IN MONTANA - 1950-1960

In 1950 Montana had 150,000 total employment outside agriculture, and in the decade this figure increased to 167,000. Montana non-farm employment growth was 12 per cent, compared to the U. S. average of over 18 per cent. Mining declined slightly more than in the country as a whole - by over 31 per cent. The classification that includes transportation, communications, and public utilities declined about 15 per cent, as against a national decline of 5 per cent. In other activities which increased, Montana grew less rapidly than the U. S. average in all categories except finance-insurance-real estate, and in manufacturing. The former is small, however, representing only 4 per cent of Montana's total employment in 1960.

Manufacturing as a whole grew by 8.7 per cent compared to the national rate of 7.4 per cent. The biggest single major activity in the State is trade, with 25 per cent of total employment in 1960, and trade grew at one-half the national rate - 12 per cent, as against 24 per cent. The performance of Montana is difficult to interpret in the light of these figures alone. On the surface they appear to be cause for pessimism, but on further analysis we see that what is actually going on is that the State is changing its industry pattern - its structure is following general trends of the national pattern and also is shifting from earlier specializations to new ones.

Shifts in Personal Income as a per cent of total

In 1929 Montana personal income totalled $312 million, compared to $1,368 million in 1960. This represents an increase of 4.4 times as against the U. S. increase for the same period of 4.7 times. Farm personal income as a per cent of total remains about the same during the 30-year period, dropping only slightly, from 14.7 per cent to 13.2 per cent. Mining and oil personal income dropped from 9.6 per cent to 1.5 per cent.
One of the big increases was in personal income from government (Federal, state, and local) - from 8.9 per cent to 13.8 per cent. Wholesale and retail trade increased from 10.6 per cent to 11.4 per cent, and service trade from 4.5 per cent to 5.3 per cent. For manufacturing there was a drop from 8.6 per cent to 7.7 per cent.

The direct contribution of agriculture to personal income tends to underestimate the importance of agriculture to the upper midwest. Gross farm income - that is, total receipts plus noncash income - may provide a better measure. Gross farm income in 1960 was $446 million in Montana. The total gross farm income for the four-state region (Montana, Minnesota, North and South Dakota) was $3.3 billion, accounting for 8.6 per cent of the nation's gross farm income.

Migration and Population Growth

Between 1930 and 1960 the region's actual population grew by 17 per cent, more than 900,000 people. It would have gained 46 per cent, or 2,500,000 people, if the region had grown as fast as the U.S. as a whole. A net of 1,300,000 persons moved from the region in the 30-year period, and together with the children they have had since out-migrating, they constitute a loss potential of 1,500,000 people. Montana's actual population during the 30-year period increased from 539,000 to 674,000, a gain of 25 per cent, but the State's population, had it not been for out-migration, would have been 784,000. The report estimated out-migration from the State during the 30-year period at 97,000.

The upper midwest is predominantly urban for the first time in its history. The region's population in cities and towns of more than 2500 people grew from 37 per cent of total population in 1930 to 53 per cent in 1960; the corresponding change for the entire U.S. was from 56 to 70 per cent.
Montana in 1960 was just about equally divided between urban and rural population, the advantage going to the urban population by .2 per cent. The present urban population is estimated at 338,000 people. This represents an increase of 157,000, or 86.7 per cent, in contrast with a loss of 22,000 or 6.2 per cent for the rural areas.