



Quick Answers to Unemployment Questions

Presentation to Economic Affairs
Interim Committee,
2011 Legislature,
Oct. 5, 2011



Montana

Department of Labor and Industry



Montana Department of Labor and Industry



Questions about Unemployment

1. Unemployment rates

- How do we track dislocated workers?
- How do we calculate unemployment on Montana's reservations?

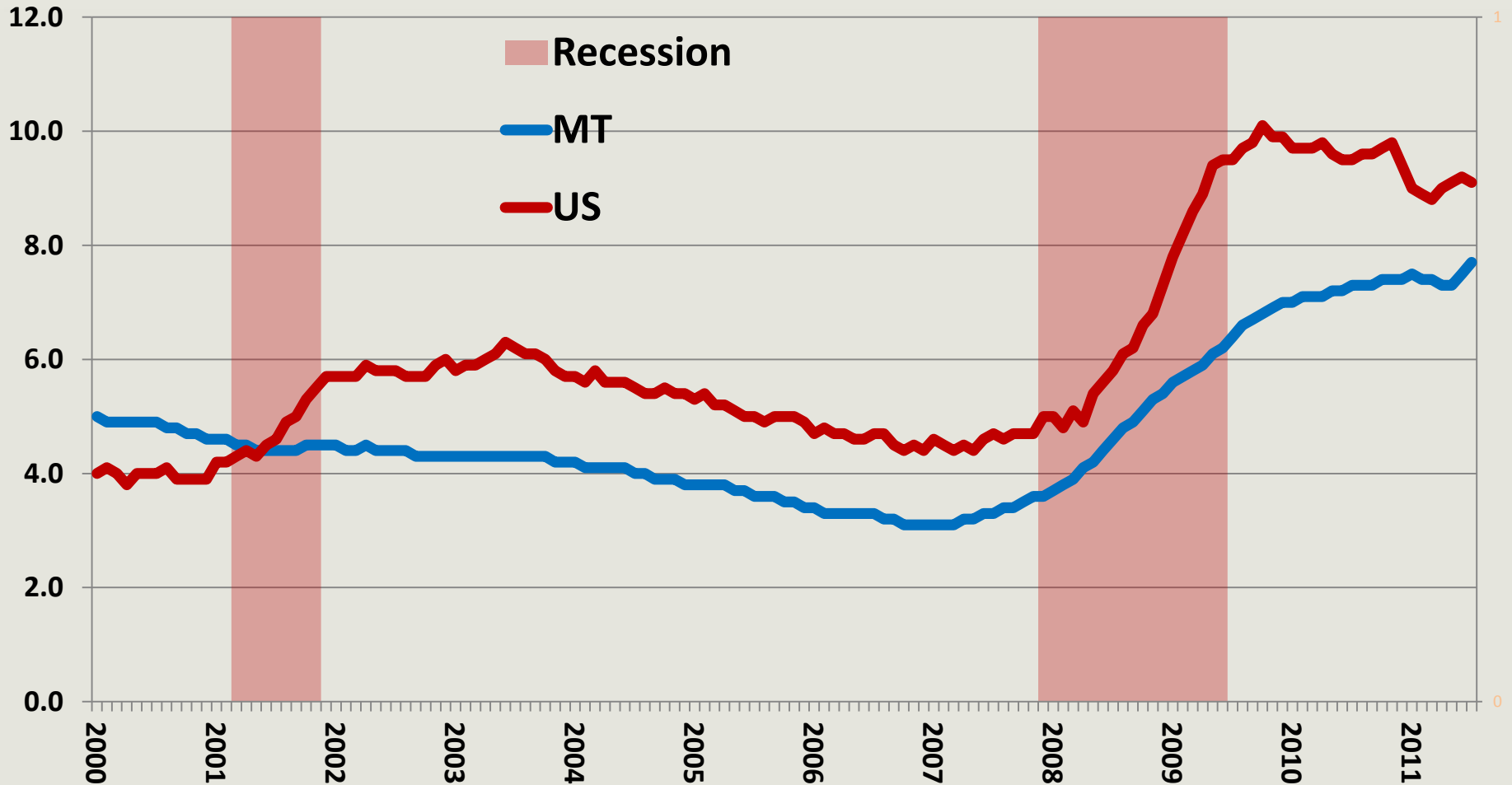
2. Cyclical versus structural unemployment

- What is structural unemployment?
- Will it happen in Montana?
- What can we do about it?





U.S. and MT Unemployment Rates



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





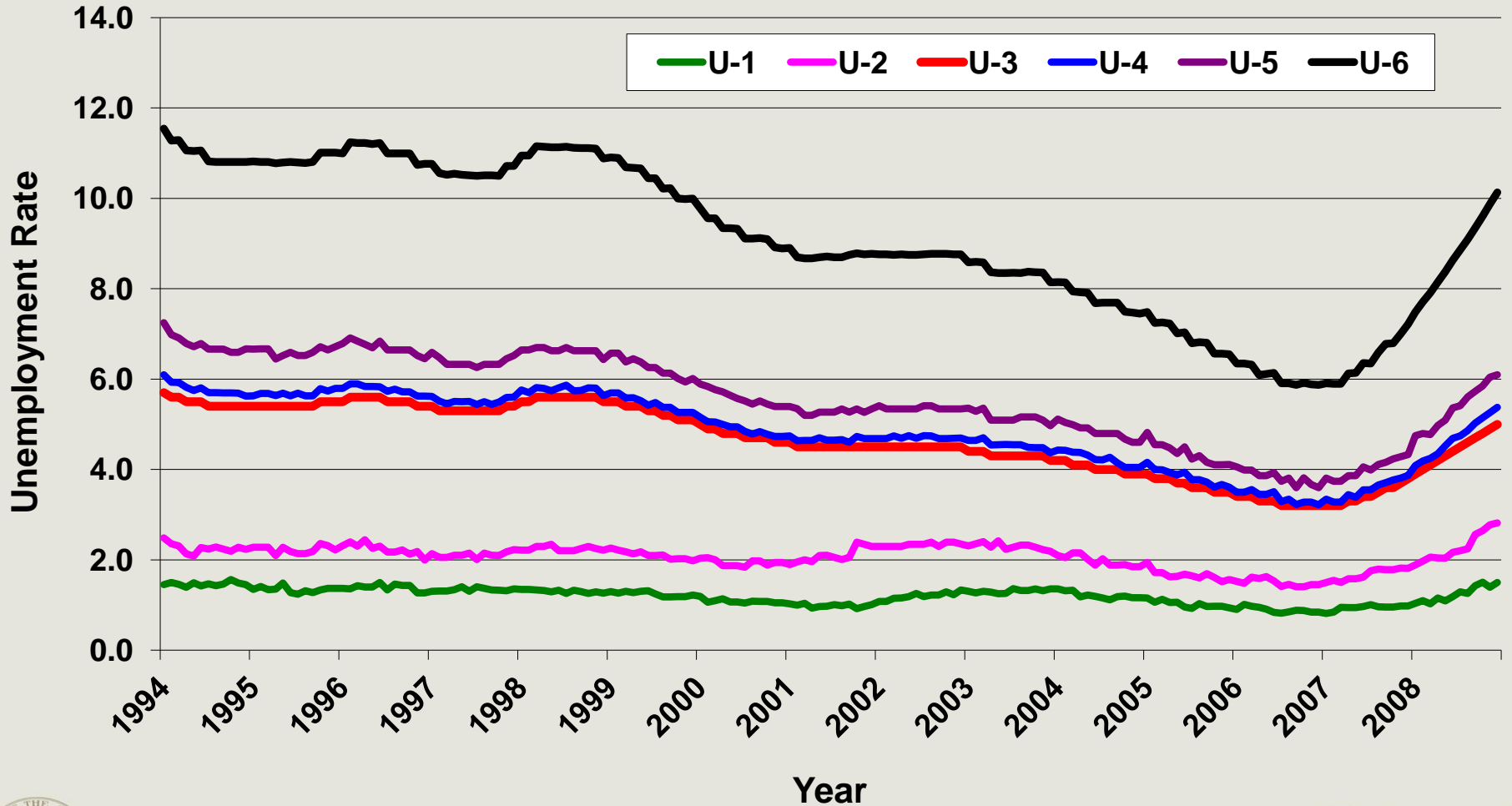
Who Do We Count as Unemployed?

- 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



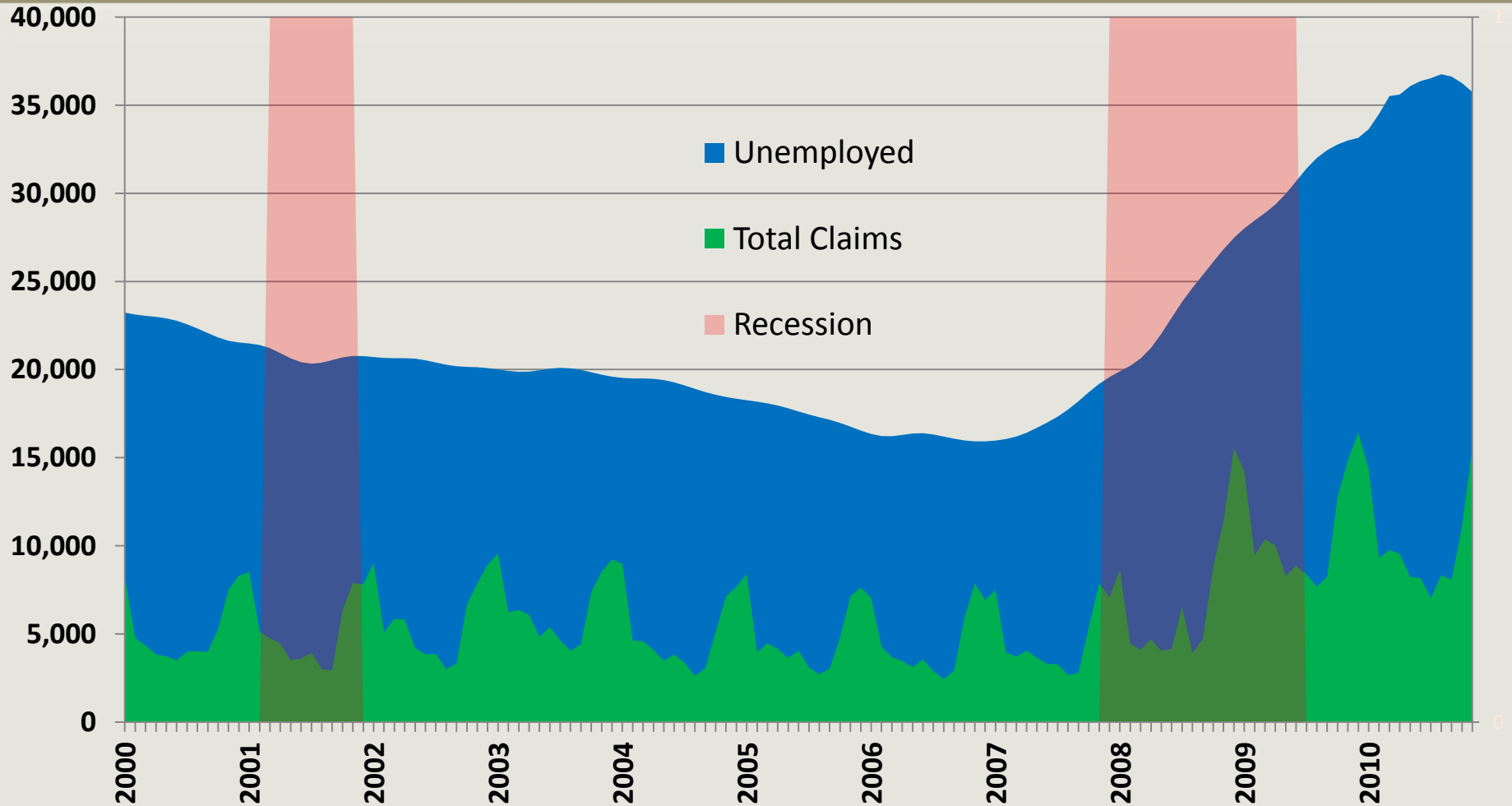


Montana Alternative Estimates





More Unemployed People than Unemployment Insurance Claims





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%	





Questions about Unemployment

1. Unemployment rates

- How do we track dislocated workers?
- How do we calculate unemployment on Montana's reservations?

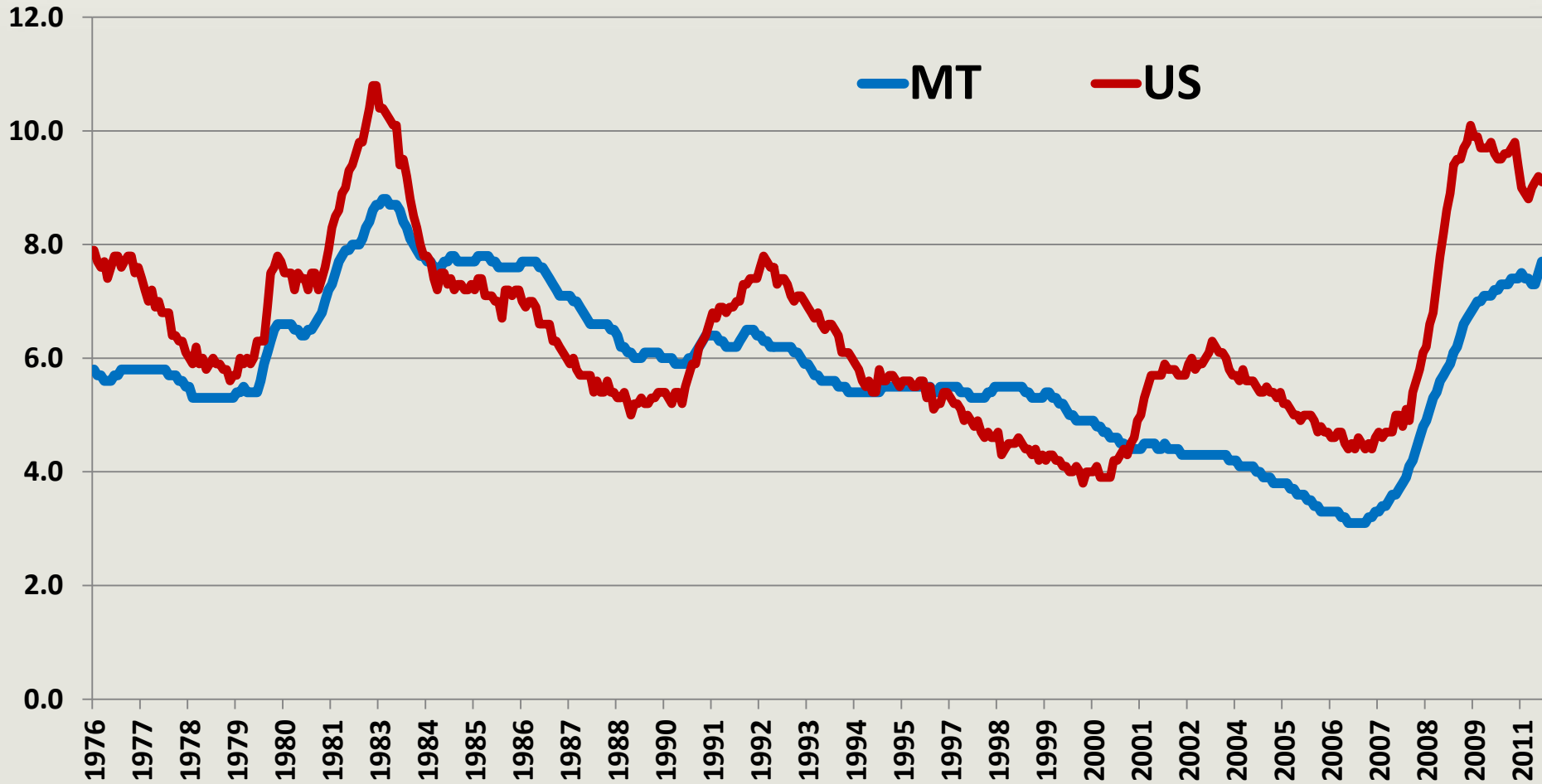
2. Cyclical versus structural unemployment

- What is structural unemployment?
- Will it happen in Montana?
- What can we do about it?





U.S. and MT Unemployment since 1976

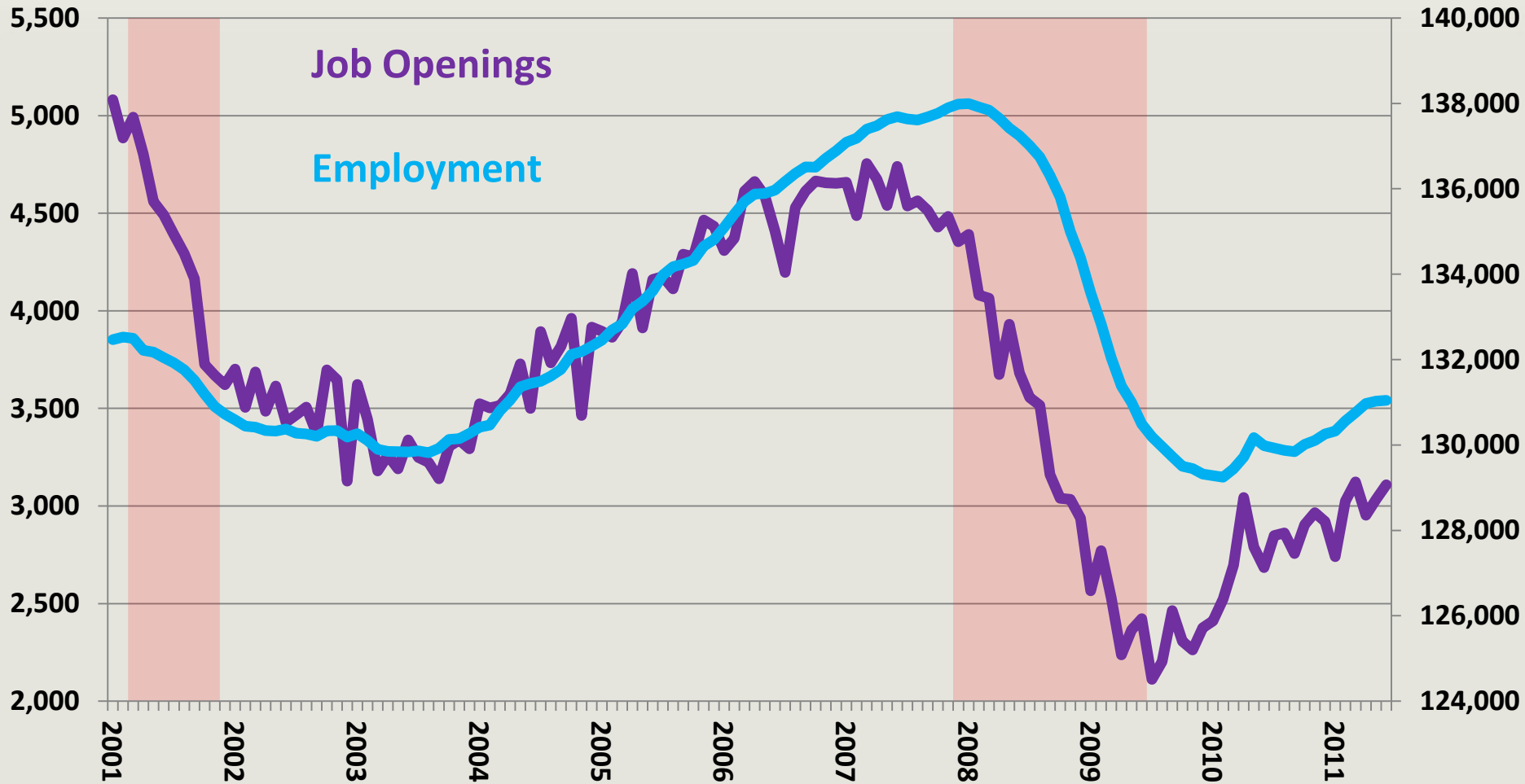


Source: Current Population Survey and the Local Area Unemployment Statistics





Structural Unemployment

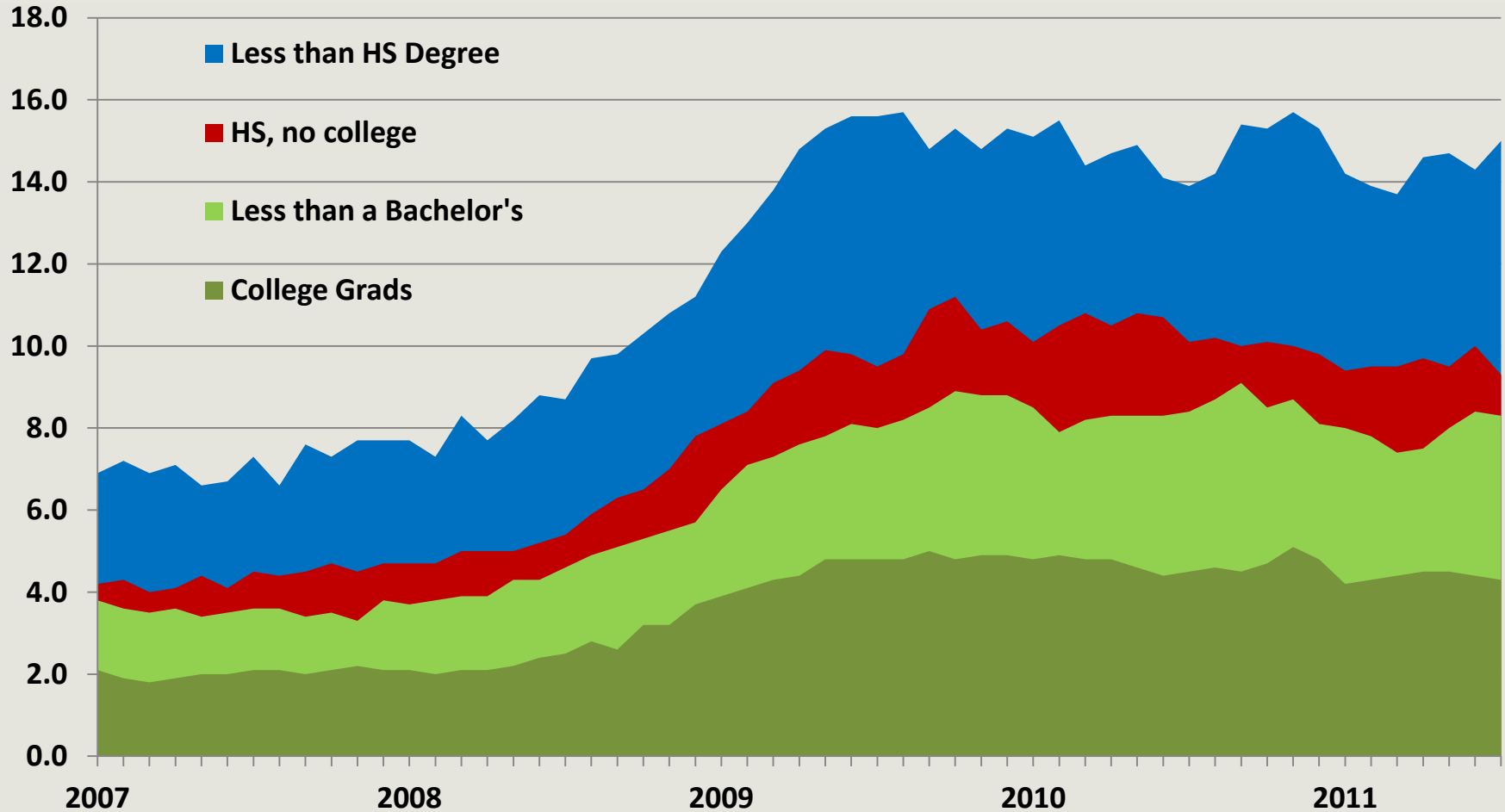


Source: Bureau of Labor Statistics, JOLTS job openings and CES nonfarm payroll employment.





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, 2010 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

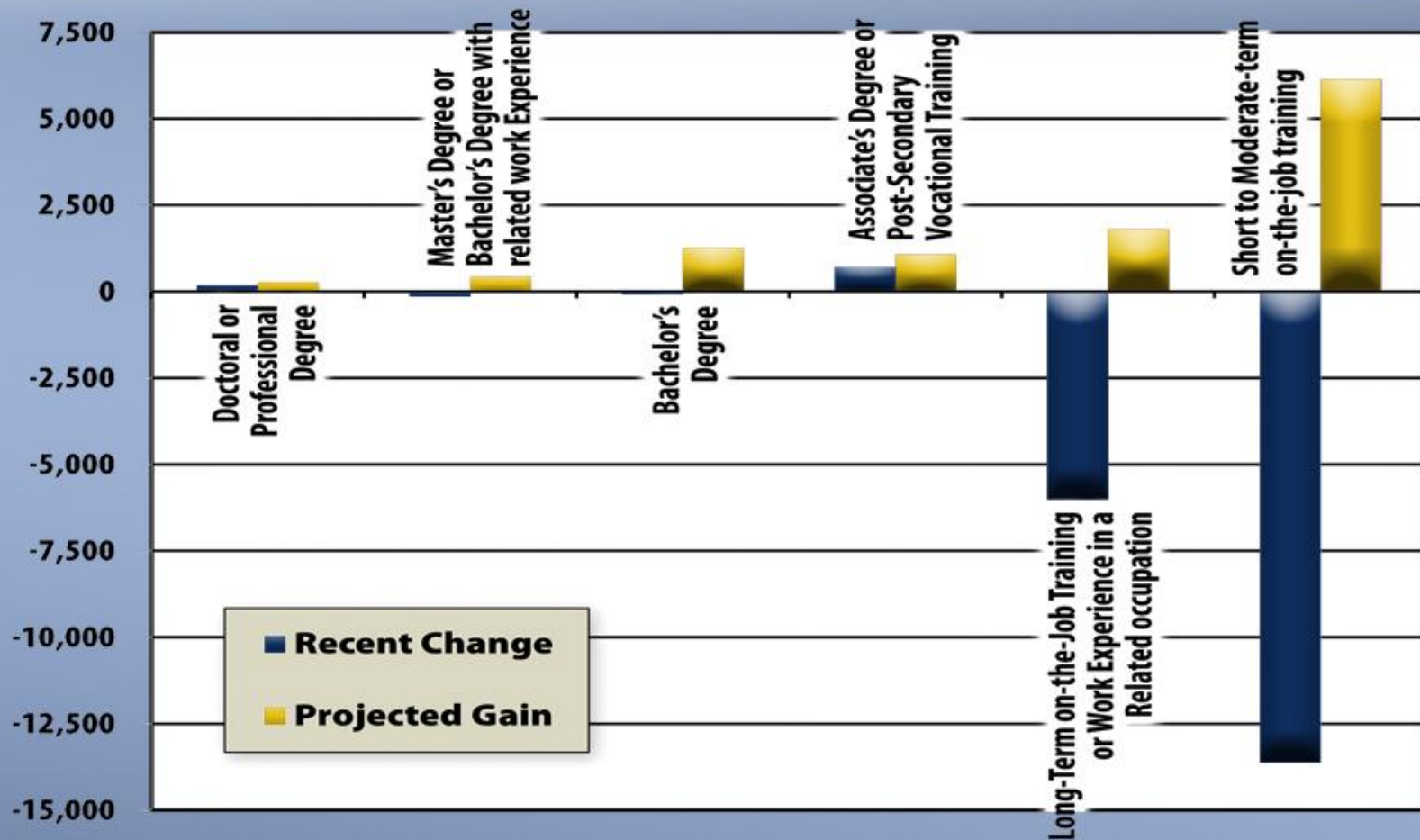


Ten Growing Occupations with Unmet Demand for Workers

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

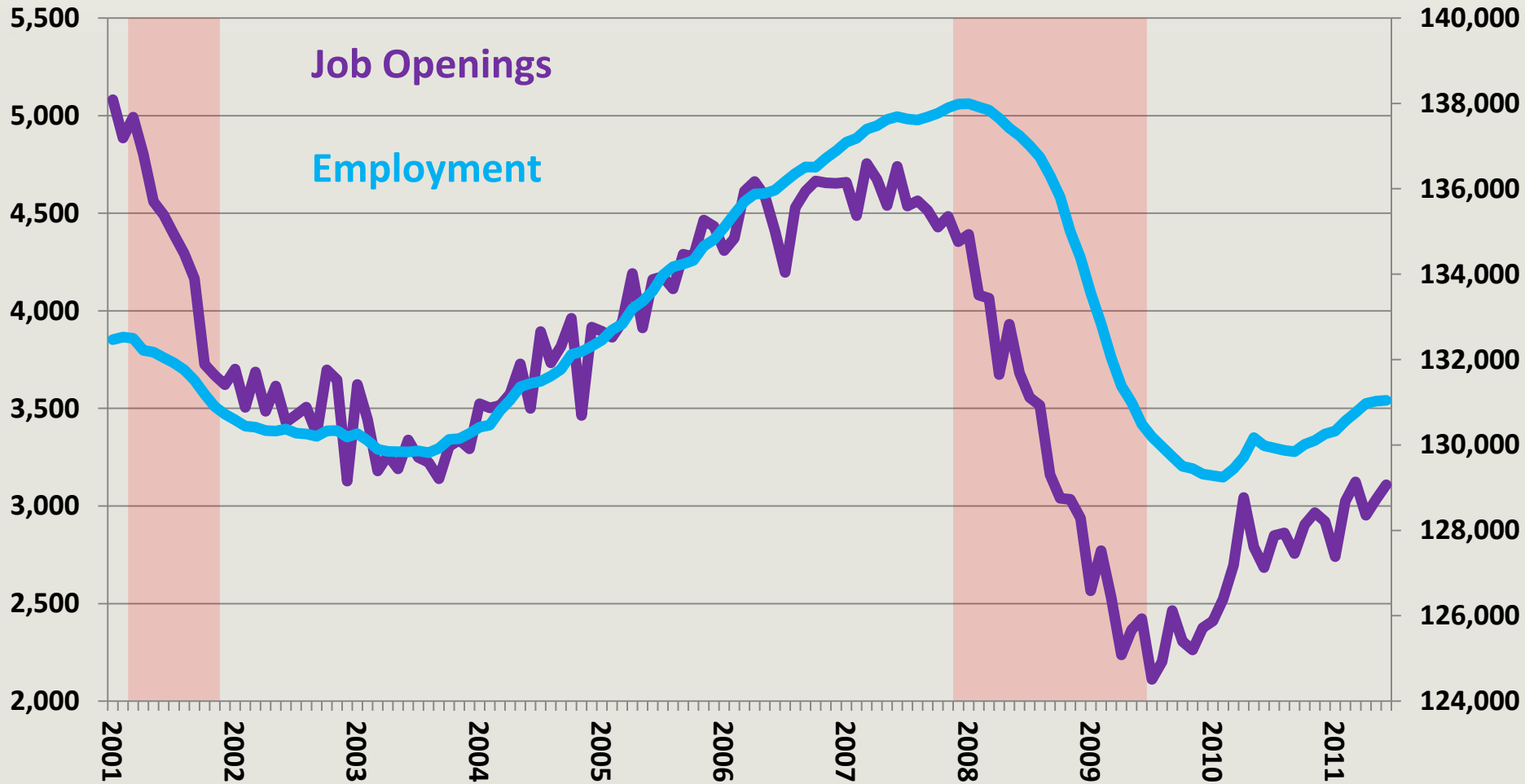


Employment Change During the Recession Compared to Projected Two-Year Growth by Education and Training Requirements





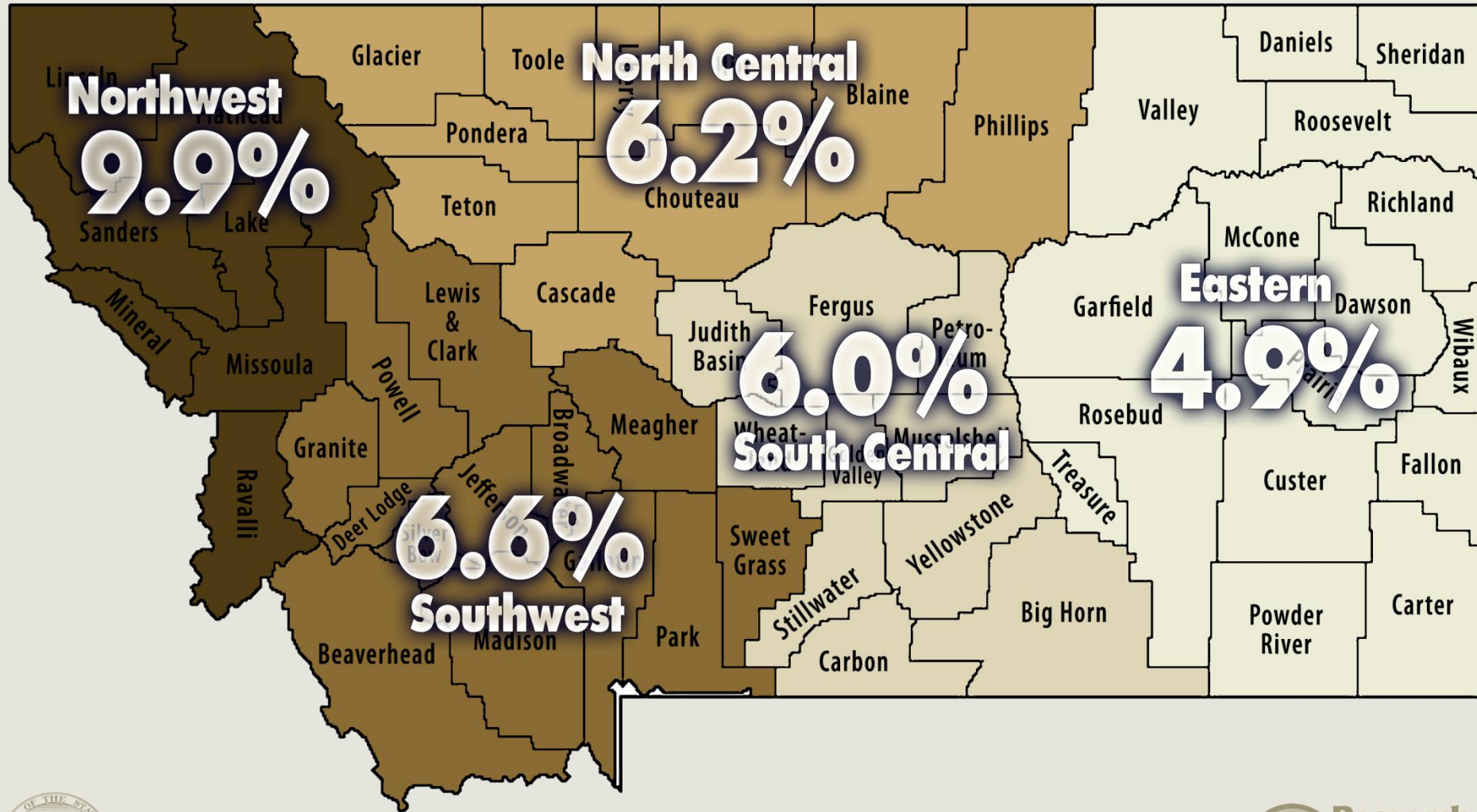
Both Cyclical and Structural Unemployment



Source: Bureau of Labor Statistics, JOLTS job openings and CES nonfarm payroll employment.



2010 Unemployment Rate by Region





Take-Away Points

1. Frictional Unemployment
 2. Cyclical Unemployment
 3. Structural Unemployment
- Retraining will likely be needed for many dislocated workers





QUESTIONS?

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

<http://www.ourfactsyourfuture.org/>

bwagner@mt.gov
406-444-5474

