

Great Falls Development Authority

Environmental Scan

2022



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EXECUTIVE SUMMARY

The environmental scan synthesizes data from many sources and databases (U.S. Census, Bureau of Labor Statistics, Bureau of Economic Analysis, Cost of Living Index, FBI Uniform Crime Reporting program, Montana Department of Labor & Industry, Montana Office of Public Instruction, and JobsEQ) to build a comprehensive overview of the Great Falls Metropolitan Statistical Area (MSA) and the Great Falls Region's ecosystem. In summary, Great Falls is headed in the right direction. Many of its economic and social indicators are trending up.

Economically, the Great Falls region and MSA show growth in their Real Gross Domestic Product (RGDP), a measure of economic activity adjusted for inflation. Great Falls' Real Per Capita Personal Income has caught up and exceeded the national average. Real Personal Income includes all sources not just wages and salaries and is adjusted for inflation and regional price parity. Numerous employment and industry clusters are growing, and the unemployment rate remains low at 2.8% in February 2022. While the economy is growing slowly, the cost of living has remained under the national average — 89.1% of the national average.

The top ten sectors in the Great Falls MSA by RGDP includes: (1) Government and Government Enterprises (military is a subset); (2) Finance, Insurance and Real Estate, (3) Educational Services, Health Care, and Social Assistance with the healthcare sector creating most of the wealth, (4) Professional and Business Services, (5) Retail Trade, (6) Manufacturing, primarily of nondurable goods, (7) Wholesale trade, (8) Construction, (9) Agriculture, Forestry, Fishing and Hunting, and (10) Arts, Entertainment, Recreation, Accommodation, and Food Services.

The largest sectors by employment basis in the Great Falls MSA includes Health Care and Social Assistance (7,080 workers), Retail Trade (5,117 workers), Malmstrom AFB (4,000 Active Military), Accommodation and Food Services (3,729), Construction (2,833), Public Administration (2,698), Educational Services (2,337), Admin and Support and Waste Management and Remediation (1,858), Other Services except Public Administration (1,699), Finance and Insurance (1,637), and Transportation and Warehousing (1,482).

The Great Falls region and MSA have seen a population growth for the first time in four decades — five percent for the region and four percent for Great Falls MSA, which includes all of Cascade County. The population has become more diverse with the biggest growth in some other race alone, populations of two or more races, and the Hispanic population. The largest minority group in the region is the Native American population (25,012) with a 9% growth rate. The largest minority groups in the Great Falls MSA are populations of two or more races (6,735), growing at 129%, and the Hispanic population (4,012) growing at 48%.

Student achievement in the Great Falls School District is behind the state average as well as per pupil spending on education. The crime rate in the City of Great Falls which had been on the rise since 2016 has flattened out by 2018.

The work of Great Falls Development Authority has promoted this gradual economic growth with programs for small businesses, downtown development, business attraction, expansion and retention, brownfield redevelopment, and gap financing. There are many traditional and nontraditional economic and workforce development partners from regional economic development organizations, port authorities, chambers of commerce to state agencies, higher education, K-12 schools, and social services organizations with overlapping jurisdictions. To continue and expand on the positive momentum happening in the Great Falls region, all these various players enhance their partnerships and collaborations in order to leverage their resources.

BACKGROUND

Great Falls Development Authority

Great Falls Development Authority (GFDA) is a 501(c)3 regional public-private economic development organization that serves the 13-county urban/rural/tribal Great Falls Montana trade area in north central Montana. GFDA is a certified Community Development Financial Institution (CDFI), a Montana Small Business Development Center, and a Procurement Technical Assistance Center. GFDA is charged with addressing historical economic challenges in the Great Falls trade area which consists of Blaine, Cascade, Chouteau, Fergus, Glacier, Hill, Judith Basin, part of Lewis & Clark, Liberty, Meagher, Pondera, Teton, and Toole Counties. Great Falls serves as the economic hub and the retail, healthcare, and population center for the region.

Since the late 1970's, the Great Falls regional economy has not kept pace with other more prosperous Montana communities. Following the closure of its largest employer in 1980, the Anaconda Copper Mining Company, a copper smelting facility that operated for nearly 70 years, the region saw its economy beginning to decline. This resulted in a loss of talent as young people have left to seek career opportunities elsewhere. The Great Falls region has suffered from low wages as compared to the state average. Great Falls' median household is \$49,809 whereas the State of Montana's median household of \$56,539. (U.S. Census, July 2021)

Against this backdrop, the organization, formerly the High Plains Development Authority, Inc, was reorganized in 2002 and became the Great Falls Development Authority to improve the region's competitiveness in attracting private investment and business opportunities and to improve the quality of life and standard of living for its citizens.

GFDA Mission

Grow diverse economic opportunities that enhance quality of life

Great Falls Region Community Vision

The Great Falls Region will be a proud, positive, and vibrant community, which welcomes new people, new investments, and innovative opportunities while celebrating its authentic and diverse Montana culture. Our community will be a safe and inclusive place to raise families and will offer opportunities for individual growth and a quality of life, which retains and grows our population.

GFDA Organizational Vision

Great Falls Development Authority will be a change agent, catalyst, and facilitator in the Great Falls region, fostering collaboration and partnerships to support diverse economic opportunities, innovation, and growth. Our economic development organization will be a high performing leader in attracting new investment and talent. Our work providing access to capital, consulting, training and resources for entrepreneurs, businesses, developers, and nonprofits will transform Great Falls and the surrounding 13-county trade area into a thriving regional economy that enhances the standard of living for our people.

GFDA Values

- Integrity
- Fiscal Prudence
- Tenacity
- Transparency
- Communication
- Continuous Improvement
- Performance
- Collaboration
- Diversity

STRATEGIC PLANNING PROCESS

The BBA Project Team was engaged by the Great Falls Development Authority to develop a strategic plan that would promote economic development in the 13 county region of north central Montana. Through a collaborative and inclusive process that included extensive SWOT interviews and focus groups with internal and external stakeholders, we have identified the region's strengths, weaknesses, opportunities, and threats. We validated our qualitative information with quantitative data gathered through desktop research.

Our analysis includes an environmental scan, an industry cluster analysis, and a SWOT analysis. An environmental scan is a synthesis of all the qualitative and quantitative data to form

a comprehensive picture of the community's economic ecosystem. The industry cluster analysis identifies existing clusters, challenges that limit their growth, and offers possible solutions that could be implemented to nurture and grow existing clusters and related target sectors. The SWOT analysis underpins all economic analyses. By identifying the region's strengths, weaknesses, opportunities, and threats, we can develop Great Falls' value proposition that attracts new business opportunities. These studies culminated into an Action Plan for the Great Falls region that will serve as a roadmap for the region for the next five years.

Through this collaborative effort between the BBA Project Team and GDFA and its board of directors, a new mission and organizational and community visions were adopted to set the stage for a new era of economic growth. This strategic plan will continue the positive economic momentum that has already begun with the revitalization of Great Falls' downtown, new economic development projects that have located to or expanded in the region and a five percent population increase in the region and a four percent increase in Cascade County and the City of Great Falls.

LITERATURE REVIEW

In addition to our original qualitative and desktop research, BBA reviewed existing studies previously developed by other consulting firms as well as the most recent studies on child care and housing. Another healthcare corridor study is underway that will identify how to grow Great Falls' robust healthcare sector. This sector is anchored by three major healthcare systems, Benefis Health System, the Great Falls Clinic, and the rapidly growing Alluvion Health. New healthcare investments, including the Touro Medical School, are underway in Great Falls. The healthcare sector employs 7,080 workers with an average annual wage of \$54,599. The healthcare sector in the Great Falls MSA is forecasted to grow by nearly .41 percent. (JobsEQ 2022)

The following childcare study and housing study conducted from 2021 to 2022 identifies weaknesses in the Great Falls MSA and potential constraints on economic growth.

- The lack of childcare capacity could limit additional workforce participation which is lower for Great Falls than the State of Montana's and the nation's.
- The housing shortage will limit continual in-migration from elsewhere in the state and from outside of Montana, thus impacting population growth and workforce recruitment.

Summary of Childcare Study

A Childcare Demand Assessment conducted by Camoin Associates determined that there is an estimated childcare center demand for approximately 580 children in the City of Great Falls with the highest demand in Newborns (up to 12 months) and Preschool (3-5 years) age groups. Existing childcare facilities in Great Falls are at capacity with long waitlists. The lack of childcare capacity predated COVID but the pandemic has only exacerbated the problem, creating a

severe shortage. According to a report from the Montana Department of Labor and Industry, 43 percent of the licensed childcare providers in the state have closed due to the pandemic, resulting in reduced childcare capacity.

The Great Falls childcare study shows there's a need for childcare across all income levels. There is a need for subsidized child care to support working families and single parents. Continued demand for childcare is expected to grow as the number of children in the region is trending upwards with the increase in the birthrate. However, adequate staffing and funding for childcare are anticipated to be the most significant challenges to establishing new childcare facilities in the region. Interviews conducted by Camoin indicated that finding enough qualified staff already is difficult and would likely pose a hurdle for any future child care facilities. Additionally, childcare entrepreneurs state access to capital is another barrier.

The BBA Project Team believes the lack of childcare capacity has contributed to low workforce participation in Great Falls' trade area. The labor force participation rate for Great Falls MSA (61.3%) is lower than the state's rate (63.2%) and the national rate (63.2%), according to JobsEQ (2022). 16% of parents of the children enrolled in the Great Falls elementary school district are not in the labor force. As of March 2022, there were nearly 11,700 online job positions over the past year, and with the unemployment rate at 2.8% (Feb. 2022), employers are struggling to fill positions. The workforce shortage will continue to constrain economic growth.

Summary of Housing Study

A Housing Market Demand Assessment for Great Falls conducted by The Concord Group projected a demand for 450 new housing units per year in Cascade County and Great Falls for the next decade. More specifically, 190 new rental units and 250 new for-sale/ownership units are needed per year to meet demand. This demand is driven by new job growth, in-migration from elsewhere in Montana and from out-of-state, and aging housing stock. 70 percent of Great Falls' MSA housing stock was built before 1980, which is a higher rate than other major housing markets in Montana.

The housing study projects a significant housing shortage over the next 10 years. The Concord Housing Study further projects a housing gap of 910 rental units and 2,170 for-sale homes for the next decade, when demand is compared against current supply and planned housing projects.

The BBA Project Team believes the housing shortage will limit population growth that is driven by in-migration from other Montana communities and out-of-state, thus constraining workforce recruitment from outside the local laborshed. The 4 percent population growth in the Great Falls MSA, caused by increased the birthrate and in-migration, reverses four decades of minimal population growth. From an economic development standpoint, an increase in population

stimulates the economy: driving new demand for goods and services, adding to the workforce, increasing new investment and tax revenue, and expanding the economies of scale for the Great Falls market which allows for quality of life improvements and amenities. This population growth also supports small businesses and decreases overall trucking transportation costs. The region must continue to improve and add to its current housing stock in order to continue to attract in-migration, recruit talent and retain young families.

Summary of the COVID Impact Study

GDFA engaged Chmura to do a study on the impact of COVID-19 on the regional economy. The report covered the period of Q2 2020 through Q3 2021. The pandemic has impacted all industries in the Great Falls region, resulting in sharp declines in employment in Q2 2020. A second wave of COVID in the winter of 2020 stalled economic recovery. In Q2 2020, 3,470 jobs in the region were lost, equivalent to a 9.1% decline from the previous quarter. It is also estimated that during April 2020, when the stay-at-home order was in effect for most of the month, as many as 4,333 jobs based in the region were lost— approximately 11.4% of the regional workforce.

In the Great Falls region, the sector with the greatest employment decline is accommodation and food services, with a loss of 1,118 jobs in the second quarter of 2020. The healthcare and social assistance sector declined by 538 jobs, while the retail sector lost 368 jobs. Other industries such as administrative and support and waste management and remediation services (-351 jobs); arts, entertainment, and recreation (-319); and educational services (-259) also fell by a significant number of jobs during Q2 2020.

However, other sectors such as construction; agriculture, forestry, fishing and hunting and public administration added jobs. However, this does not mean these industries were unaffected by the pandemic. For example, due to a time lag, employment in public administration declined in the fourth quarter of 2020, as the pandemic's impact on government revenue started to materialize. Construction and agriculture—industries in which a large percentage of employees work outdoors—were not severely impacted by the stay-at-home order in the initial stage of the pandemic, but they began to experience negative effects in late 2020 and 2021.

As the state and region entered different phases of reopening, the Great Falls region experienced a robust recovery in the third quarter of 2020. The Chmura report stated that data showed the region added 1,378 jobs in Q3 2020, led by job gains in accommodation and food services (569 new jobs); health care and social assistance (+277); and retail (+248).

With another COVID surge in November 2020 and accompanying mandate, the recovery experienced in the third quarter of 2020 slowed. The region added 751 jobs in Q4 2020. Economic conditions further deteriorated in Q1 2021 when the Great Falls region lost 332 jobs. However as vaccines became widely available, the region added 765 jobs in Q2 2021. The

Delta variant in Q3 2021 once again disrupted economic recovery, causing the region to lose 164 jobs in this quarter, with the accommodation and foodservice industry declining by 249 jobs. By Q4 2021, the regional employment was still 1,072 jobs below the level of the first quarter of 2020. The Great Falls Region lost \$14.8 million in GDP from Q2 2020 to Q3 2021.

The study concludes the region is expected to recover 74.9% of lost jobs by Q4 2021, with total employment reaching 37,189. On the assumption that the virus is becoming endemic, Chmura estimates that the regional economy will continue on a path of steady recovery in 2022. The region is expected to reach its pre-pandemic employment level in the fourth quarter of 2022 and continue its pre-pandemic growth path. The emergence of the Omicron causes some uncertainty in this projection, but to date the newest variant has been relatively mild in Montana.

*It is important to note that as of February 2022, employment in Great Falls has nearly returned to pre-pandemic levels. (Montana Dept of Industry & Labor)

ENVIRONMENTAL SCAN

Economic Overview

The economic indicators for Great Falls MSA — Real Gross Domestic Product (GDP), adjusted for inflation, Real Per Capita Personal Income adjusted for inflation, and the unemployment rate — indicate a gradual increase in economic activity and wealth. RGDP by metropolitan area is the measure of the market value of all final goods and services produced within a metropolitan area for a particular period of time (annually) and is adjusted for inflation. RGDP is one of the first indicators used to gauge the health of an economy. It represents economic production and growth, or the size of the economy. An increase in RGDP indicates that businesses are making more money. It also suggests an increase in the standard of living for people in that community. If RGDP decreases, then it suggests the reverse.

The RGDP for the Great Falls Region and MSA has risen slowly over the last 19 years. Cascade's economy grew by a compounded annual growth rate (CAGR) of nearly 1% from \$2.76 billion to \$3.26 billion RGDP from 2001 to 2020. While the Great Falls MSA demonstrated economic growth, its RGDP did not grow as fast as the national RGDP which grew by nearly 2% over the same period. Every county in the Great Falls region has seen an increase in its GDP over the last 19 years. Counties that saw the largest growth in GDP included Liberty (8.4%), Chouteau (5%), Judith Basin (4.1%), and Toole (3.7%). Pondera, and Teton all grew by 2.6%.

Great Falls Real GDP (2001-2020)



Great Falls Real Per Capita Income

We reviewed other economic indicators for performance, Real per Capita Personal Income (RPCPI) adjusted for inflation, and the unemployment rate. The most common use of RPCPI is to ascertain an area's wealth or lack of wealth. For example, per capita income is one metric the [U.S. Bureau of Economic Analysis \(BEA\)](https://www.bea.gov/) uses to rank the wealthiest counties in the United States. An analysis of the RPCPI trend from 2008 to 2020 shows that the RPCPI for Great Falls MSA has been steadily increasing by 2 percent over 12 years. Great Falls exceeded the national RPCIP by 2020 with \$54,630 RPCIP as compared to the national RPCI of \$53,504. RPCPI is a better measure of a person's spending power, because BEA uses regional price parities to reflect price differences between places and to adjust for inflation over time. For example, consumers pay higher prices on average in New York than in Montana. Personal Income also includes all sources of income, not just wages and salaries. Nationally, only 67 percent of the total income reported on Form 1040 consisted of wages and salaries.



Source: Federal Reserve Economic Data & Bureau of Economic Analysis

Unemployment Rate

Additionally, the unemployment rate for Great Falls MSA has steadily declined in the last 30 years except for times of recession. According to Montana Labor Market Information, Great Falls' February 2022 unemployment rate stands at 2.8% (Feb. 2022) which is effectively zero unemployment. The sharp spike in unemployment in 2019-2020 represents an outlier due to the pandemic.



Industry Snapshot

We evaluated Great Falls MSA existing clusters using three different approaches. We reviewed industry output, using the Real Gross Domestic Product for each sector, employment created by each sector, and location quotient analysis. The analysis indicates GFDA should consider expanding and nurturing the following sectors with business attraction, retention and expansion services: health care, military, value-added food manufacturing, tourism, and construction sectors.

Largest Sectors by Real Gross Domestic Product

Based on the RGDP, the market value of output adjusted for inflation, the top ten **private industry sectors** include: (1) Finance, Insurance, Real Estate; (2) Educational Services, Health Care, and Social Assistance with the healthcare sector creating most of the wealth; (3) Professional and Business Services (4) Retail Trades; (5) Manufacturing, primarily of nondurable goods; (6) Wholesale Trade; (7) Construction; (8) Agriculture, Forestry, Fishing and Hunting; (9) Arts, Entertainment, Recreation, Accommodation, and Food Services with Accommodations and Food Services the primary contributor; and (10) Information. Government and Government Enterprises, which includes the Military as a sub-group, created \$728.98 million in RGDP versus the Private Industries RGDP of \$2.53 billion in 2020. Government and government enterprises contribute 22% toward the RGDP of the Great Falls MSA.

The top ten private industry sectors comprise 92.4% of the RGDP for the **private sector**. The Finance, Insurance, Real Estate, Rental and Leasing sector makes up 21.5% of the RGDP, followed by Educational Services, Health Care and Social Assistance making up 18.5%. The next largest sector by RGDP is Professional and Business Services (9.9%) followed by Retail Trade (9.6%), Manufacturing (8.7%), Wholesale Trade (6.9%), Construction (5.8%), and Agriculture, Forestry, Fishing and Hunting (4%). Arts, Entertainment, Recreation, Accommodation, and Food Services comprised mainly of Accommodation and Food Services make up 4% of the RGDP. Finally, Information comprises 3.5%. The following table and chart show the RGDP for the various sectors.

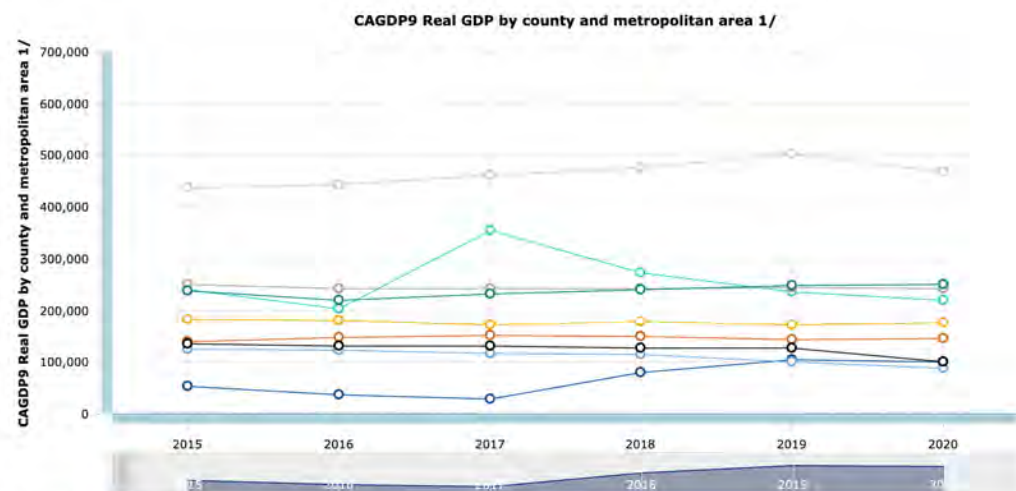
Top Industry Sectors by Real GDP (in thousands of dollars)

Great Falls MSA Real GDP						
(2010-2020)						
Description	2015	2016	2017	2018	2019	2020
All industry total	3,275,460	3,250,618	3,426,131	3,441,509	3,360,305	3,260,734
Government and government enterprises	691,796	719,939	726,392	721,864	711,694	728,976
Private Industries	2,584,417	2,530,528	2,700,429	2,720,455	2,649,281	2,531,329
Finance, insurance, real estate, rental, and leasing	572,491	575,871	600,436	631,523	564,968	545,245
Real estate and rental and leasing	366,179	343,492	352,784	375,381	317,718	300,944
Finance and insurance	205,374	229,674	244,413	253,164	242,672	239,306
Educational services, health care, and social assistance	438,088	444,234	462,433	476,570	503,317	468,888
Health care and social assistance	416,124	422,251	440,018	451,466	477,398	451,214
Educational services	22,071	22,106	22,569	25,134	25,993	18,226
Professional and business services	238,337	220,458	232,775	240,695	248,956	249,463
Professional, scientific, and technical services	126,889	120,458	125,280	122,979	129,097	127,523
Administrative and support and waste management and remediation services	90,562	80,231	84,652	94,209	96,861	97,128
Management of companies and enterprises	20,820	19,782	23,039	23,581	22,867	25,048
Retail trade	250,444	243,059	242,291	242,726	243,693	242,206
Manufacturing	239,856	203,443	354,250	272,995	236,189	220,017
Nondurable goods manufacturing	212,633	172,154	325,000	249,955	210,158	195,504

Durable goods manufacturing	26,191	28,550	30,628	24,082	26,310	24,701
Wholesale trade	182,003	179,919	172,548	179,335	172,760	175,678
Construction	140,238	148,445	151,033	150,279	144,324	146,652
Agriculture, forestry, fishing and hunting	53,176	37,625	29,558	79,537	104,873	101,008
Arts, entertainment, recreation, accommodation, and food services	135,341	131,656	130,818	126,285	127,593	100,930
Accommodation and food services	101,951	97,326	95,440	94,538	94,980	77,443
Arts, entertainment, and recreation	33,407	34,410	35,519	31,728	32,633	23,332
Information	126,014	123,628	116,762	115,151	101,046	88,736
Transportation and warehousing	94,629	92,727	97,150	101,829	99,952	87,697
Utilities	53,859	57,463	61,248	62,124	68,181	74,426
Other services (except government and government enterprises)	62,964	62,515	64,733	65,722	66,634	60,858
Mining, quarrying, and oil and gas extraction	1,402	1,315	1,545	253	373	511

Source: Bureau of Economic Analysis

Growth of Industry Sectors by Real GDP



Source: U.S. Bureau of Economic Analysis

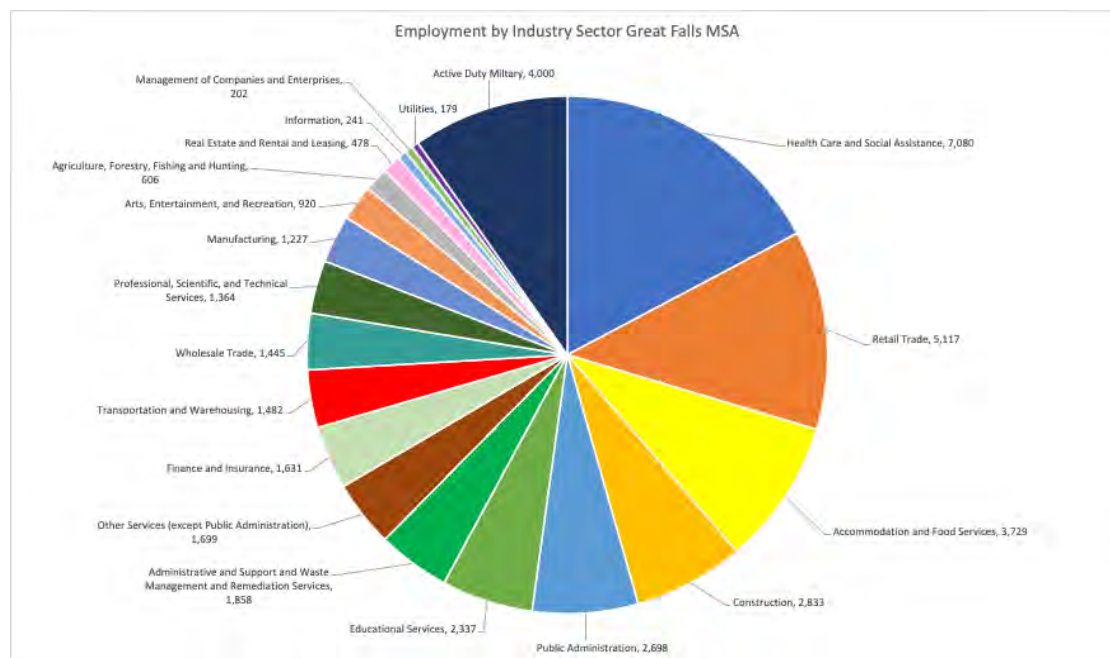
- Agriculture forestry fishing and hunting [Great Falls MT (Metropolitan Statistical Area)]
- Construction [Great Falls MT (Metropolitan Statistical Area)]
- Manufacturing [Great Falls MT (Metropolitan Statistical Area)]
- Wholesale trade [Great Falls MT (Metropolitan Statistical Area)]
- Retail trade [Great Falls MT (Metropolitan Statistical Area)]
- Information [Great Falls MT (Metropolitan Statistical Area)]
- Finance insurance real estate rental and leasing [Great Falls MT (Metropolitan Statistical Area)]
- Professional and business services [Great Falls MT (Metropolitan Statistical Area)]
- Educational services health care and social assistance [Great Falls MT (Metropolitan Statistical Area)]
- Arts entertainment recreation accommodation and food services [Great Falls MT (Metropolitan Statistical Area)]

Some of the largest sectors by GDP saw a modest growth, and several declined marginally from 2015 to 2020. Agriculture, forestry, fishing and hunting saw a 14% compound annual growth rate (CAGR). Construction, Professional and Business Services, and Educational Services, Health Care, and Social Assistance also grew by 1% CAGR. The Information sector declined by -7% CAGR, while Arts, Entertainment, Recreation, Accommodation and Food Services declined by -6%. Manufacturing declined by -2% since 2015. Wholesale Trade, Retail Trade, Finance, Insurance, Real Estate, Rental, and Leasing declined by -1% CAGR.

Largest Sectors by Employment

The largest sectors by employment basis in the Great Falls, MT MSA is Health Care and Social Assistance, employing 7,080 workers. The next largest sectors in the region are Retail Trade (5,117 workers), Malmstrom AFB (4,000 Active Military), Accommodation and Food Services (3,729), Construction (2,833), Public Administration (2,698), Educational Services (2,337), Admin and Support and Waste Management and Remediation (1,858), Other Services except Public Administration (1,699), Finance and Insurance (1,637), and Transportation and Warehousing (1,482). Other than Health Care, Retail Trade, and Accommodation and Food Services have modest median wages.

Sectors in the Great Falls, MT MSA with the highest average wages per worker are Management of Companies and Enterprises (\$81,035), Utilities (\$80,154), and Finance and Insurance (\$72,617). Regional sectors with the best job growth (or most moderate job losses) over the last 5 years are Health Care and Social Assistance (+253 jobs), Construction (+227), and Administrative and Support and Waste Management and Remediation Services (+114).



Industry Sector by Employment

Industry	Empl	Avg Ann Wages	LQ
Health Care and Social Assistance	7,080	\$54,599	1.30
Retail Trade	5,117	\$33,292	1.32
Accommodation and Food Services	3,729	\$18,860	1.29
Construction	2,833	\$53,145	1.29
Public Administration	2,698	\$59,316	1.50
Educational Services	2,337	\$40,928	0.78
Administrative & Support & Waste Management & Remediation Services	1,858	\$37,772	0.78
Other Services (except Public Administration)	1,699	\$30,643	1.05
Finance and Insurance	1,631	\$72,617	1.06
Transportation and Warehousing	1,482	\$53,230	0.80
Wholesale Trade	1,445	\$58,721	1.03
Professional, Scientific, and Technical Services	1,364	\$62,937	0.51
Manufacturing	1,227	\$57,134	0.40
Arts, Entertainment, and Recreation	920	\$17,964	1.48
Agriculture, Forestry, Fishing and Hunting	606	\$29,822	1.18
Real Estate and Rental and Leasing	478	\$40,816	0.74
Information	241	\$55,741	0.33
Management of Companies and Enterprises	202	\$81,035	0.36
Utilities	179	\$80,154	0.92
Mining, Quarrying, and Oil and Gas Extraction	6	\$35,931	0.05
Unclassified	6	\$18,210	0.13
Total - All Private Sector Industries	37,139	\$46,114	1.00
Active Duty Military	4,000		

Source: JobsEQ Q3 2021

Sectors by Location Quotient Analysis

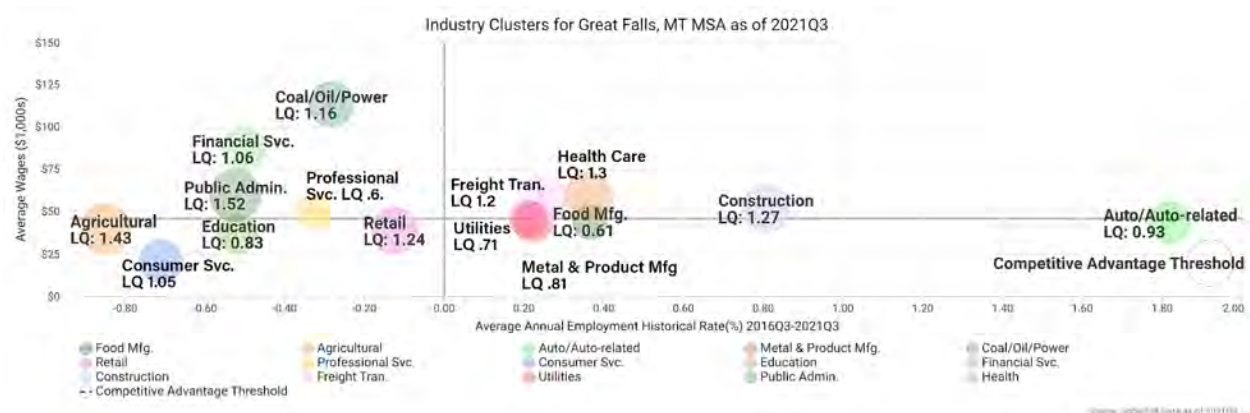
Industry clusters can be identified based on location quotient, a measurement of the concentration in the local market as compared to the nation. The following chart shows those industry clusters that have added jobs over the past five years, which appear above the x-axis

of the chart. The growth rate of industries is measured on the x-axis. The average wages in \$1,000s are measured on the y-axis. Clusters in the upper right-hand quadrant have higher-than-average wages per worker and have grown jobs or have the potential for job growth. The following charts can be used to identify which clusters bring higher value to the local economy.

High location quotients (LQs) indicate sectors in which a region has high concentrations of employment compared to the national average. The private sectors with the largest LQs in the region are Public Administration (LQ 1.52), Arts, Entertainment, and Recreation (LQ 1.48), Agricultural (LQ 1.43), Retail Trade (LQ 1.32), Health Care and Social Assistance, (LQ 1.3), Accommodation and Food Service (LQ 1.29), Construction (LQ 1.29), Freight Transportation (1.2), Finance and Insurance (LQ 1.06), Other Services except Public Administration (LQ 1.05), and Wholesale Trade (LQ 1.03).

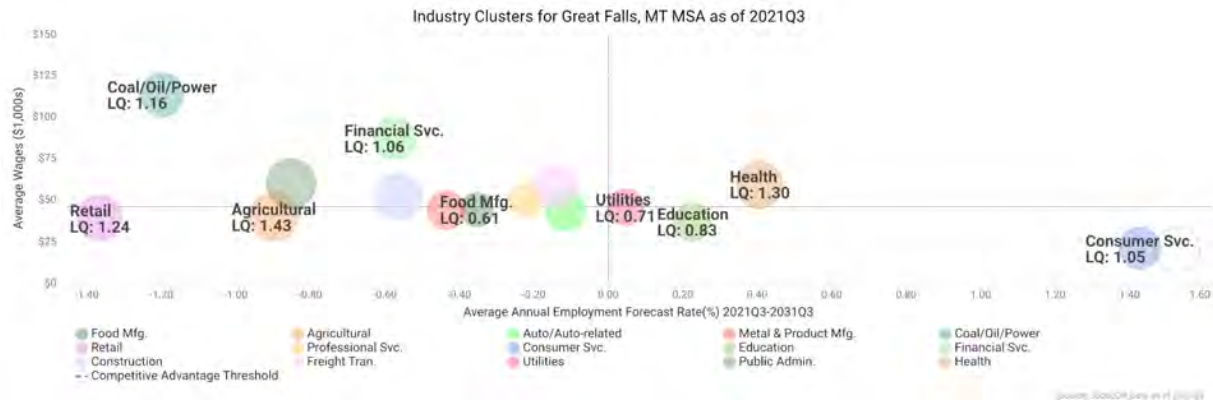
LQ Historical

The following chart shows those private industry clusters that have added jobs with higher than average wages per worker over the past five years on the upper right-hand side of the quadrant. Those clusters include auto and auto-related industries, construction, health care, freight transportation, food manufacturing, metal and product manufacturing, and utilities.



LQ Forecast

Location Quotient Forecast below shows the industry clusters projected to add jobs in the future on the right side of the chart. Clusters in the upper quadrants have higher-than-average wages per worker. The sector forecasted to create higher-paying jobs in the future is Consumer Services with a 1.43% growth rate and Health Care with a .41% annual growth. Utilities (.05%) and Education (0.23%) are also projected to create new jobs.



Employment by Ownership

Employment by Ownership for Cascade (2020)

Industry Name	Establishments	Avg Employed	Annual Avg, Wage
Total	2,814	33,938	\$45,729
Total Govt	127	5,331	\$53,059
Federal Govt	61	1,670	\$61,642
State Govt	15	927	\$48,127
Local Govt	52	2,735	\$49,470
Private	2,686	28,606	\$44,364

Source: Quarterly Census of Employment and Wages. QCEW does not include self-employed and some agricultural workers.

Top 20 Private Employers in Great Falls MSA

Employer	Employment Range
Benefis Hospital	1,000
Great Falls Clinic	500-999
Walmart	500-999
Albertsons	250-499
Centene Management	250-499
Easter Seals- Goodwill	250-499

ADF International	100-249
Aware, Inc	100-249
Benefis Healthcare	100-249
Calumet	100-249
Central Plumbing & Heating	100-249
D A Davidson & Co.	100-249
North 40 Outfitters	100-249
North Central Independent Living	100-249
Opportunities Inc.	100-249
Quality of Life Concepts	100-249
Sletten Construction	100-249
Town Pump	100-249
University of Providence	100-249

Source: Montana Labor Market Information, 2022

Economic Development Partners

The economic development ecosystem is dominated by local and regional economic development organizations, port authorities, chambers of commerce and local governments that work in silos **without** what appears to be much coordination between the various organizations and their activities. There are five economic development organizations, including GFDA, six Port Authorities and 18 chambers of commerce within the 13 county region that GFDA serves. The relationships between GFDA and other local and regional economic development appear to be strained. The lack of collaboration between organizations prevents the leveraging of combined resources. The Great Falls region would be better served if all regional and local economic development organizations were pulling in the same direction and working off the same game plan. With more collaboration, the effectiveness of economic development efforts will be maximized.

In the past, economic development initiatives were driven at the local and regional level with limited support from state government. However, that has changed recently as new state support has materialized. GFDA works with a host of state government agencies depending on the project focus. The lead state economic development agency is the Montana Department of Commerce. Other statewide organizations provide services in specific economic development

niches: international trade and economic development for tribal communities. Since the pandemic, new state initiatives have been launched to stimulate economic recovery in Montana.

Local governments also serve as economic development partners, and their policies and regulations greatly impact the business climate in which major employers and small businesses must operate. Government policies and attitudes about economic development vary greatly amongst the various municipal entities from more proactive to reactionary. Working relationships between governmental bodies appear to be limited. Here too, more collaboration between governmental entities would maximize resources, reduce duplication of efforts, and enhance the effectiveness of economic development initiatives.

Regional Economic Development Organizations

Bear Paw Development Corporation:

Bear Paw assists communities and businesses in five counties in north central Montana: Blaine, Choteau, Hill, Liberty, and Phillips. Bear Paw offers community planning, business lending, value-added agriculture, community development, brownfields redevelopment, and small business counseling.

Great Falls Development Authority (GFDA) covers the largest service territory: 13 counties in north central north Montana. They include Blaine, Cascade, Chouteau, Fergus, Glacier, Hill, Judith Basin, part of Lewis & Clark, Liberty, Meagher, Pondera, Teton, and Toole. GFDA offers gap financing, business attraction, retention and expansion services, brownfield redevelopment, small business development, government procurement services, and talent attraction services.

Snowy Mountain Development Corporation (SMDC) is a 501(c)(3) non-profit organization dedicated to building community and economic capital in a six-county area, comprised of Fergus, Judith Basin, Wheatland, Petroleum, Musselshell, and Golden Valley Counties. SMDC provides access to financing and grants: gap financing and low-interest rate financing to clean up contaminated sites, as well as planning, fuels mitigation, and brownfields assessments grants. Snowy Mountain offers development services — business counseling and training on all aspects of small business ownership, education and financial counseling for first-time homebuyers, customized train-the-trainer programs, and leadership education and training.

Sweetgrass Development is a private, non-profit corporation created in 2004 to support economic development in the five counties of Glacier, Cascade, Pondera, Teton, and Toole, as well as the Blackfeet Nation. Sweetgrass Development assists businesses and community entities with a variety of projects, including funding grants, brownfields assessments, community meetings, and real estate listings.

Port Authorities in the North Central Montana

Chouteau Port Authority
Glacier County Regional Port Authority
Great Falls Port Authority
Fergus County Port Authority
Pondera County Port Authority
Shelby County Port Authority

Chambers of Commerce within the 13 Counties of North Central Montana

Augusta Area Chamber of Commerce in Lewis & Clark County
Chinook Chamber of Commerce in Blaine County
Choteau Chamber of Commerce in Teton County
City of White Sulphur Springs Chamber of Commerce in Meagher County
Conrad Area Chamber of Commerce in Pondera County
Cut Bank Area Chamber of Commerce in Glacier County
East Glacier Chamber of Commerce in Glacier County
Fairfield Chamber of Commerce in Teton County
Fort Benton Chamber of Commerce & Info. Center in Chouteau County
Great Falls Area Chamber of Commerce in Cascade County
Havre Area Chamber of Commerce in Hill County
Helena Area Chamber of Commerce in Lewis & Clark County
Judith Basin Chamber of Commerce
Lewistown Area Chamber of Commerce in Fergus County
Liberty County Chamber of Commerce
Lincoln Valley Chamber of Commerce in Lewis & Clark County
Meagher County Chamber of Commerce
Shelby Area Chamber of Commerce in Toole County

Statewide Economic Development Organizations

Accelerate Montana

Accelerate Montana helps Montana businesses to increase their success from those in the idea stage all the way to those looking for global expansion. GFDA partners with Accelerate Montana to enhance services to businesses across the region.

MoFi

MoFi is a CDFI that provides financing and consulting that transforms lives and communities. MoFi brings additional resources to projects in the Great Falls Region. MoFi partners with GFDA to provide New Markets Tax Credits.

Montana Board of Investments

The Montana Board of Investments provides prudent investment management of state and local government funds. The agency works with financial institutions, state agencies, and local governments to enhance and expand Montana's economy, assist new and expanding Montana businesses, and lend low-interest funds to eligible governments for a variety of projects.

Montana Cooperative Extension

MSU Extension works in collaboration with local partners to identify emerging needs, then plans and prioritizes work to support those needs. The agency creates and extends resources to serve the interests of individuals, families, communities—all Montanans—across generations, across Montana.

Montana Department of Agriculture

The Montana Department of Agriculture operates more than 30 programs, many funded entirely through user fees. These include regulatory programs that protect producers, consumers and the environment, as well as development and marketing programs to foster growth in Montana agriculture.

Montana Department of Commerce

The Montana Department of Commerce works with statewide and local partners, private industry, and small businesses to enhance and sustain economic prosperity in Montana. The Department works to improve the state's economy through business creation, expansion, retention, and diversification of the state's economic base and provides direct technical assistance, grants and loans for Montana's entrepreneurs, businesses and their employees. Additionally, the Dept. of Commerce strengthens the economy through the promotion of tourism development, promoting and protecting historic sites, and marketing Montana as a travel and filmmaking destination. It promotes access to new markets, both foreign and domestic, for Montana goods and services and provides financing for homeownership and rental assistance opportunities for Montana families. Lastly, the Dept. of Commerce develops and improves public infrastructure and housing for Montana citizens by providing grants and technical assistance to Montana communities and counties. GFDA collaborates with the Montana Department of Commerce on economic development projects.

Montana Manufacturing Extension Center

MMEC grows Montana's economy by helping manufacturers succeed. They are a statewide manufacturing outreach and assistance center that provides solutions to help Montana manufacturers grow, innovate, and enhance their business. MMEC partners with GFDA to build additional manufacturing capacity.

Montana Native Growth Fund

Montana Native Growth Fund is a Native Community Development Financial Institution with a mission to promote sustainable tribal homeownership, building opportunities to improve the economic outlook for Native Americans by offering access to credit and

capital blended with culturally empowered education. GFDA partners with this Fund to aid in building advising and loan support for Native American businesses.

Montana World Trade Center (MWTC) is a program of the University of Montana and part of the World Trade Centers® Association (WTCA), which includes nearly 300 World Trade Centers® (WTCs). The MWTC is charged with promoting international trade. MWTC coordinates resources from the University of Montana system and compiles and analyzes information from the WTC and its vast network. MWTC also provides training and forums relating to international business and technical assistance on exporting to Montana businesses. Acting as an extension of the business client, MWTC offers international market evaluation, prospect generation and qualification, project management, comprehensive export strategy development, sourcing, F/X services, Certificates of Free Sale, and quick answers to pressing international business questions.

Native American Development Corporation

Native American Development Corporation is a hub for American Indian businesses. NADC provides technical assistance and financial lending opportunities, and champions small businesses and tribes in order to empower Indian communities toward economic and social stability.

Women's Entrepreneurship and Leadership Lab W.E.L.L.

Women's Entrepreneurship and Leadership Lab (W.E.L.L.) creates empowering environments where women say their ideas out loud. W.E.L.L. builds educational, experiential and entrepreneurial programs for Montana women to create more equitable, prosperous and collaborative futures for all. W.E.L.L. partners with GFDA to offer business advising specifically for women entrepreneurs.

Workforce Ecosystem

According to the Bureau of Labor Statistics, Great Falls MSA has a civilian labor force of 38,100 in January of 2022. This number represents an increase from 37,200 in July 2021. Employment has nearly returned to pre-pandemic numbers at 37,265 in February 2022. As more people begin looking for work and reentering the workforce, the unemployment rate in February 2022 stands at 2.8%.

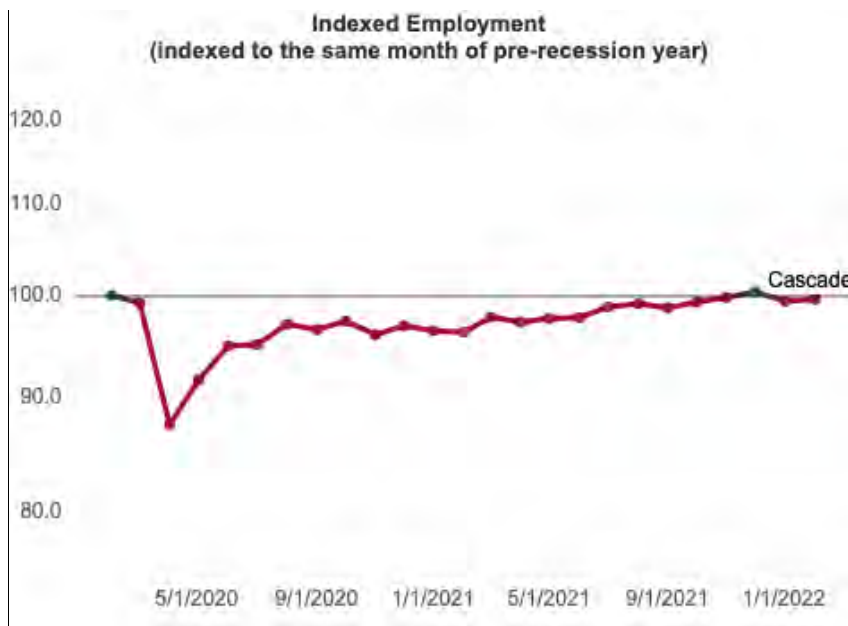
	July 2021	Aug 2021	Sept 2021	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022
Civilian Labor Force (1)	37.2	37.2	36.8	36.7	36.8	36.6	38.1	-

Employment (1)	36.0	36.1	36.0	36.0	36.1	35.9	36.9	37.3
Unemployment (1)	1.2	1.1	0.7	0.7	0.7	0.7	1.2	-
Unemployment Rate (2)	3.2	2.9	2.0	2.0	1.8	1.9	3.2	2.8

Source: Bureau of Labor Statistics & Montana Labor Market Information, 2022

(1) Number of persons, in thousands, not seasonally adjusted.

(2) In percent, not seasonally adjusted.



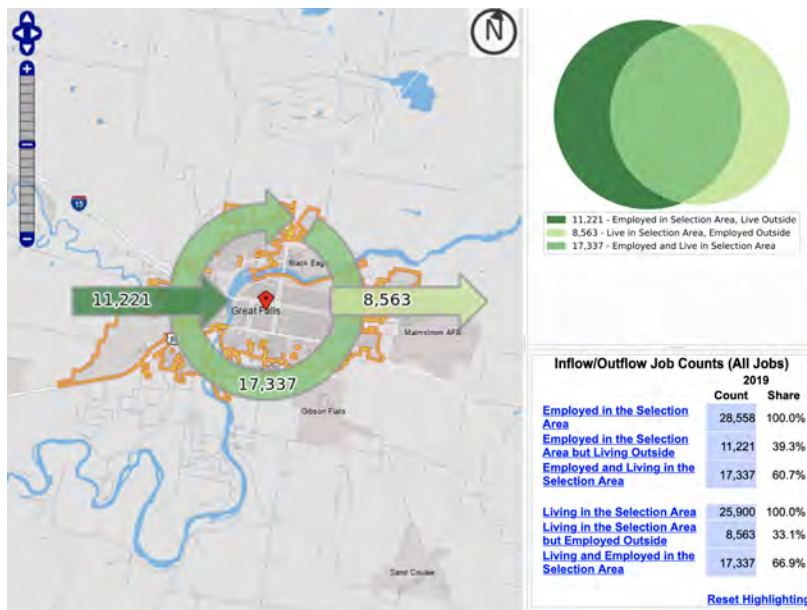
The workforce participation rate of Great Falls is 61.3% (age 16 and over) — lower than the workforce participation rate for Montana and the U.S., both at 63.2%. The Prime-age Labor Force Participation Rate for Great Falls is also lower than the state and the national rate at 80.80% as compared to 83.60% for Montana and 82.10% for the U.S. Only Veterans Labor Force Participation Rate (Age 18-64) is higher than the state and national labor force participation rate at 77.30% versus 77.10% for Montana and 76.60% for the U.S.

The Great Falls MSA prime-age labor pool (age 25-54) skews slightly younger than the state's and on par with the U.S. Great Falls' educational attainment rate of 92.1% is slightly lower than the state's educational attainment of 94.2% but higher than the national educational attainment rate of 89%. The educational attainment rate measures the level of education attained by people 25 to 64 years of age, who have earned a high school diploma or higher. 37,243 people in the Great Falls MSA have at least a high school diploma.

Labor Force Characteristics	Great Falls MS		Montana	U.S.
	Value	Percentage		
Demographics				
Under 18 Years	18,345	22.50%	21.70%	22.60%
18 to 24 Years	7,925	9.70%	9.40%	9.40%
25 to 34 Years	11,354	13.90%	12.70%	13.90%
35 to 44 Years	9,029	11.10%	11.80%	12.60%
45 to 54 Years	9,105	11.20%	11.70%	13.00%
55 to 64 Years	10,917	13.40%	14.50%	12.90%
65 to 74 Years	8,371	10.30%	10.90%	9.10%
75 Years, and Over	6,579	8.10%	7.20%	6.50%
Economics				
Labor Force Participation Rate and Size (civilian population 16 years and over)	38,376	61.30%	63.20%	63.20%
Prime-Age Labor Force Participation Rate and Size (civilian population 25-54)	22,853	80.80%	83.60%	82.10%
Female Labor Force Participation Rate		59.8%	59.6%	58.4%
Armed Forces Labor Force	2,321	3.60%	0.40%	0.40%
Veterans, Age 18-64	5,584	12.10%	6.80%	4.60%
Veterans Labor Force Participation Rate and Size, Age 18-64	4,317	77.30%	77.10%	76.60%
Educational Attainment, Age 25-64 (HS diploma or higher)	37,243	92.10%	94.20%	89.00%
No High School Diploma	3,162	7.80%	5.70%	10.90%
High School Graduate	12,533	31.00%	27.70%	25.70%
Some College, No Degree	9,583	23.70%	23.50%	20.70%
Associate's Degree	4,368	10.80%	10.30%	9.10%
Bachelor's Degree	7,398	18.30%	22.60%	21.20%
Postgraduate Degree	3,361	8.30%	10.10%	12.30%

Soure: JobsEQ, 2022

Great Falls Laborshed & Commute Patterns

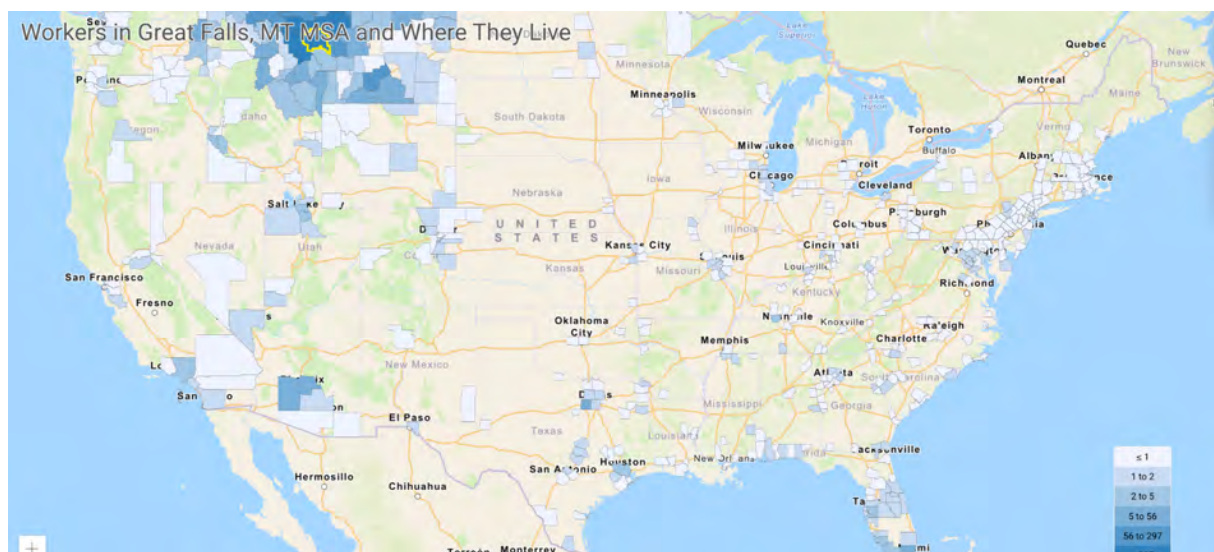


The Great Falls serves as the employment hub for the region. Nearly 40% of employees who work in Great Falls live outside of the City. 11,221 commute into Great Falls for work and 8,563 (33.1%) living in Great Falls work outside of the area. The majority of residents (60.7%) live and work in Great Falls.

According JobsEQ which draws from the U.S. Census 2015 American Community Survey (ACS), Cascade County's

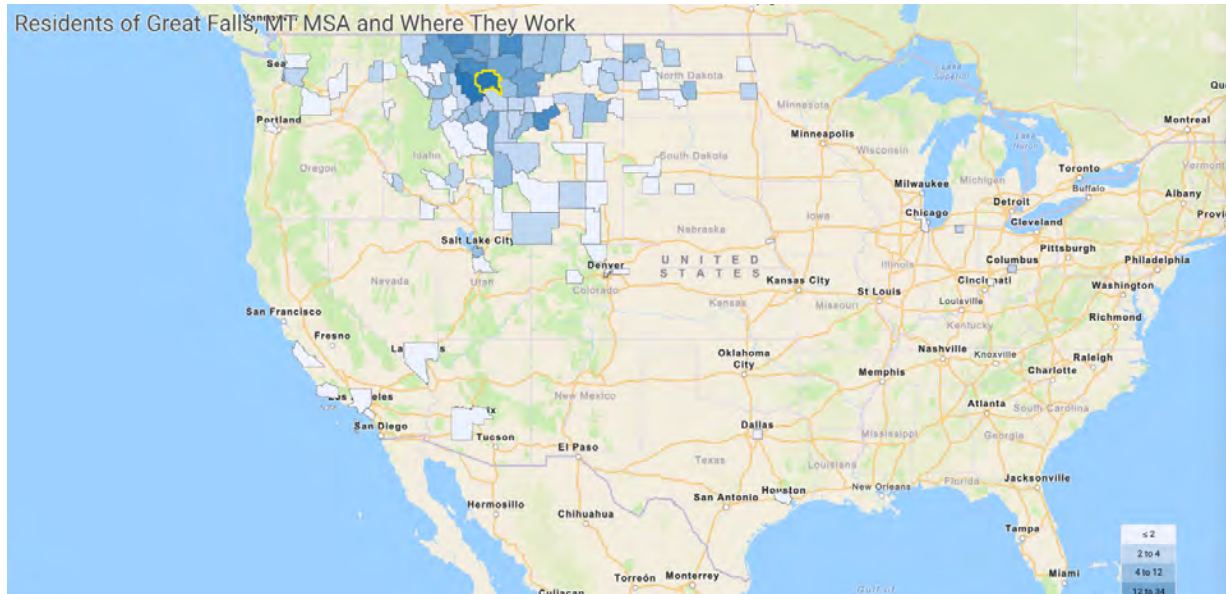
laborshed draws primarily from neighboring counties with Teton (438), Chouteau (237), and Lewis and Clark (211) Counties, which have the highest concentration of people commuting to Great Falls for work. The heat map below shows the concentrations of out-of-area workers commuting into the Great Falls MSA. Similarly, residents of 18 other states work for a Great Falls company. Those states include Arizona, California, Idaho, Illinois, Iowa, Kentucky, Louisiana, Massachusetts, Minnesota, Missouri, New Jersey, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington, and Wyoming.

Where Great Falls Workers Live



Of those Cascade residents commuting outside of the County, the majority work in neighboring counties. The highest numbers of commuters travel to Lewis and Clark (219); 147 commute to Teton; and 90 work in Ward County, North Dakota. Cascade residents also work in 18 other states, including Alaska, Arizona, California, Colorado, Florida, Idaho, Indiana, Massachusetts, Nebraska, New York, North Dakota, South Dakota, Tennessee, Texas, Utah, Washington, Wisconsin, and Wyoming.

Where Great Falls MSA Residents Work



Top Occupations

When compared to the nationwide distribution, Great Falls area employment was more highly concentrated in 11 of the 22 occupational groups, based on Location Quotient (LQ). The occupation groups with the highest LQ include:

- Life, Physical, and Social Science Occupations (LQ 1.75)
- Food Preparation and Serving-related Occupations (LQ 1.31)
- Community and Social Service Occupations (LQ 1.30)
- Healthcare Practitioners and Technical Occupations (LQ 1.30)
- Personal Care and Service Occupations (LQ 1.23)
- Construction and Extraction Occupations (LQ 1.22)
- Sales and Related Occupations (LQ 1.18)
- Installation, Maintenance, and Repair Occupations (LQ 1.12)
- Building and Grounds Cleaning and Maintenance Occupations (LQ 1.11)
- Healthcare Support Occupations (LQ 1.02)
- Office and Administrative Support Occupations (LQ 1.01)

Six groups had employment shares significantly below their national representation, including Computers and Mathematical Occupations (LQ .41); Architecture and Engineering (LQ .60); Production (LQ .55); Business and Financial Operations (LQ .86); Transportation and Material Moving (LQ .86); and Management (LQ .88). (JobsEQ Q3 2021)

Over the next year, the fastest-growing occupation group in the Great Falls, MT MSA is expected to be Food Preparation and Serving Related Occupations with a +1.3% year-over-year rate of growth. The strongest forecast by number of jobs over this period is expected for Food Preparation and Serving Related Occupations (+48 jobs) and Healthcare Support Occupations (+17). Over the same period, the highest separation demand (occupation demand due to retirements and workers moving from one occupation to another) is expected in Food Preparation and Serving Related Occupations (663 jobs) and Sales and Related Occupations (573).

Top Occupations by Employment

Occupation	Empl	Mean Ann Wages	LQ	Unempl	Unempl Rate
Office and Administrative Support Occupations	4,764	\$35,100	1.01	143	3.00%
Sales and Related Occupations	4,202	\$37,900	1.18	189	4.50%
Food Preparation and Serving Related Occupations	3,710	\$23,700	1.31	336	8.50%
Healthcare Practitioners and Technical Occupations	2,849	\$85,900	1.3	37	1.30%
Transportation and Material Moving Occupations	2,762	\$36,500	0.86	120	4.20%
Construction and Extraction Occupations	2,094	\$49,400	1.22	89	4.10%
Management Occupations	2,030	\$90,600	0.88	31	1.50%
Business and Financial Operations Occupations	1,917	\$66,200	0.86	31	1.70%
Educational Instruction and Library Occupations	1,776	\$43,100	0.87	63	3.60%
Healthcare Support Occupations	1,684	\$30,000	1.02	47	2.80%
Installation, Maintenance, and Repair Occupations	1,587	\$50,100	1.12	49	3.10%
Building and Grounds Cleaning and Maintenance Occupations	1,335	\$30,300	1.09	62	4.50%
Production Occupations	1,190	\$42,200	0.55	46	3.70%

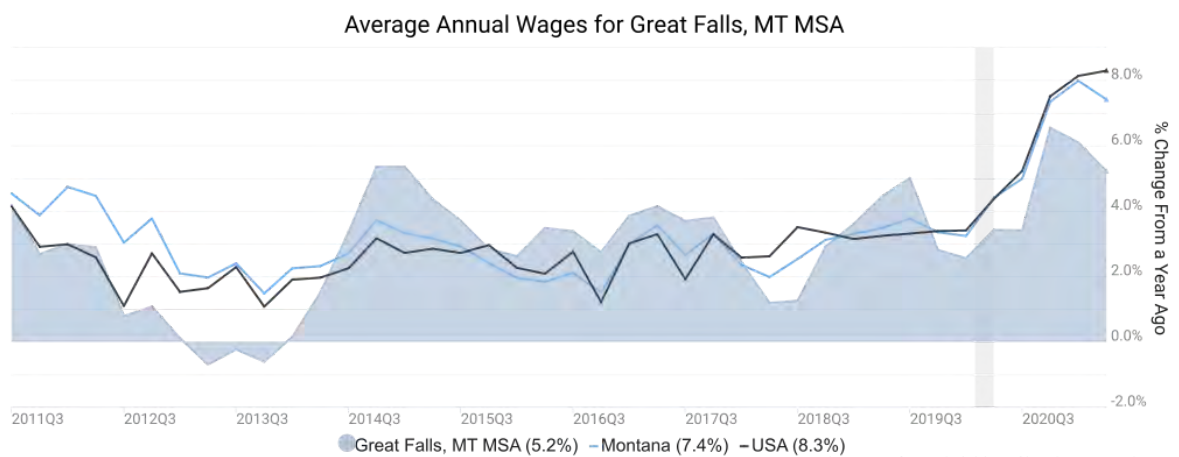
Personal Care and Service Occupations	1,108	\$27,100	1.21	91	7.70%
Community and Social Service Occupations	869	\$40,800	1.3	11	1.30%
Protective Service Occupations	672	\$48,700	0.85	23	3.40%
Life, Physical, and Social Science Occupations	592	\$56,300	1.75	13	2.40%
Arts, Design, Entertainment, Sports, and Media Occupations	564	\$37,800	0.86	28	5.50%
Computer and Mathematical Occupations	528	\$61,500	0.41	7	1.50%
Architecture and Engineering Occupations	380	\$76,400	0.60	6	1.70%
Legal Occupations	317	\$57,100	0.98	3	1.10%
Farming, Fishing, and Forestry Occupations	208	\$32,800	0.83	10	4.20%
Total - All Occupations	37,139	\$46,100	1	1,436	3.80%

(Source: JobsEQ Q3 2021)

In the Great Falls MSA, only Management (\$90,600); Healthcare Practitioners and Technical Occupations (\$85,900), and Architecture and Engineering Occupations (\$76,400) have a mean annual wage higher than the state average. Whereas Healthcare Occupations are highly concentrated in Great Falls, the other two occupational groups have a lower concentration than the national average. As you can see from the following table and chart, occupational wages are generally lower than state and national averages. However, since 2019, occupational wages in Great Falls have increased, reflecting wages trends at the state and national level. Wage trends show a 5.5% increase over the preceding four quarters. The average worker in the Great Falls, MT MSA earned annual wages of \$46,114 as of 2021Q3 as compared to the national annual average wages of \$64,555.

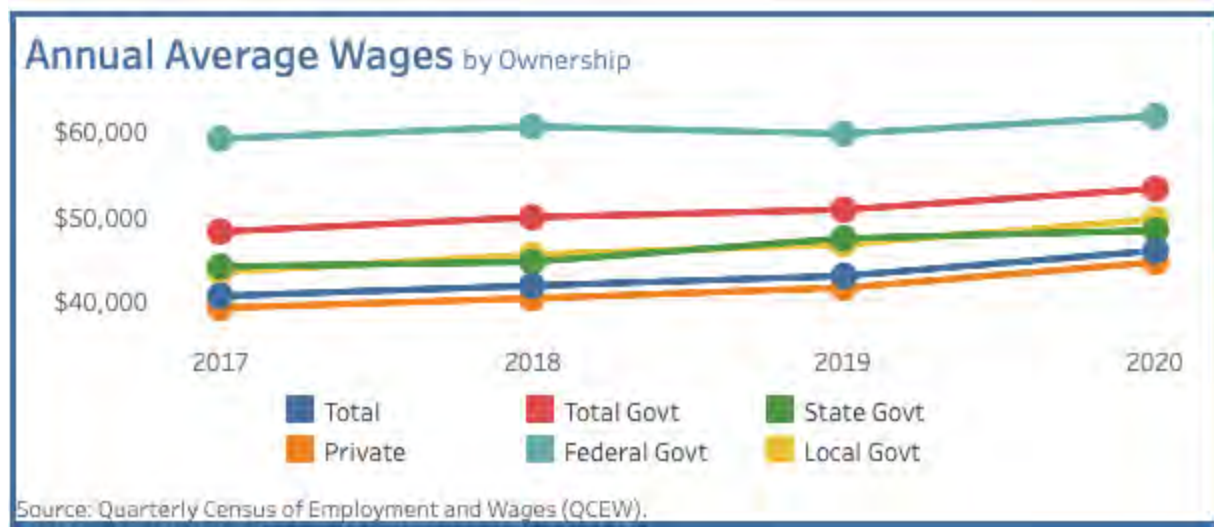
Occupation Wages, Average Annual in Great Falls, MT MSA, 2020			
Occupation	Mean		
	Great Falls	Montana	USA
Management Occupations	\$90,600	\$86,900	\$120,900
Healthcare Practitioners and Technical Occupations	\$85,900	\$83,300	\$87,200
Architecture and Engineering Occupations	\$76,400	\$75,700	\$90,200
Business and Financial Operations Occupations	\$66,200	\$66,700	\$81,100
Computer and Mathematical Occupations	\$61,500	\$75,600	\$98,000
Legal Occupations	\$57,100	\$76,300	\$115,800
Life, Physical, and Social Science Occupations	\$56,300	\$61,200	\$80,200
Installation, Maintenance, and Repair Occupations	\$50,100	\$50,200	\$52,100

Construction and Extraction Occupations	\$49,400	\$50,700	\$53,600
Protective Service Occupations	\$48,700	\$49,100	\$52,000
Educational Instruction and Library Occupations	\$43,100	\$45,700	\$59,100
Production Occupations	\$42,200	\$42,700	\$41,700
Community and Social Service Occupations	\$40,800	\$42,200	\$52,200
Sales and Related Occupations	\$37,900	\$40,400	\$46,500
Arts, Design, Entertainment, Sports, and Media Occupations	\$37,800	\$41,000	\$65,500
Transportation and Material Moving Occupations	\$36,500	\$40,300	\$39,600
Office and Administrative Support Occupations	\$35,100	\$37,200	\$42,300
Farming, Fishing, and Forestry Occupations	\$32,800	\$35,700	\$32,800
Building and Grounds Cleaning and Maintenance Occupations	\$30,300	\$31,700	\$33,100
Healthcare Support Occupations	\$30,000	\$31,500	\$32,400
Personal Care and Service Occupations	\$27,100	\$28,800	\$32,400
Food Preparation and Serving Related Occupations	\$23,700	\$25,400	\$27,700
Total - All Occupations	\$46,100	\$48,100	\$56,500
Source: JobsEQ® , 2020			



The following chart shows the breakdown of Annual Average Wages by ownership. Federal government employment paid the most (\$60,000), followed by state and local government employment, which ranged between \$40K to \$50K. Annual Average Wages for the Great Falls MSA has increased since the pandemic, growing 5.2%.

Annual Average Wages for Cascade County, MT by Ownership



In-Demand Jobs

From March 2021 to March 2022, there were nearly 11,700 online postings for jobs in Great Falls. Retail salesperson (518), heavy and tractor-trailer truck drivers (501), first-line supervisors of retail sales workers (487), registered nurses (479), and stock and order fillers (397) ranked in the top five in-demand jobs.

<input type="checkbox"/>	SOC	Occupation	Active Job Ads	
<input type="checkbox"/>	41-2031.00	Retail Salespersons	518	
<input type="checkbox"/>	53-3032.00	Heavy and Tractor-Trailer Truck Drivers	501	
<input type="checkbox"/>	41-1011.00	First-Line Supervisors of Retail Sales Workers	487	
<input type="checkbox"/>	29-1141.00	Registered Nurses	479	
<input type="checkbox"/>	53-7065.00	Stockers and Order Fillers	397	
<input type="checkbox"/>	35-3023.00	Fast Food and Counter Workers	347	
<input type="checkbox"/>	41-3091.00	Sales Representatives of Services, Except Advertising, Insurance, Financial Services, and Travel	312	
<input type="checkbox"/>	35-1012.00	First-Line Supervisors of Food Preparation and Serving Workers	252	
<input type="checkbox"/>	43-4051.00	Customer Service Representatives	251	
<input type="checkbox"/>	53-3031.00	Driver/Sales Workers	207	

Source: JobsEQ®
Data reflect online job postings that were active from 3/16/2021 to 3/16/2022.
See JobsEQ online Help for important Technical Notes

Max Rows: 10

Of the 2,100 employers posting openings, 1,100 of the jobs required hard skills, 100 needed soft skills, and 213 required certifications. The hard skills included knowledge of Excel; the ability to lift 51-100 lbs or 41 to 50 lbs; knowledge of Microsoft Office, Outlook, and Word; sales; cash handling; and mathematical skills. Soft skills included communications; customer service; being a team player; flexibility and adaptability; organization; being detail-oriented and

self-motivated; the ability to problem solve; supervisory skills; and interpersonal relationship skills. Certifications and licenses required included driver's license, basic life support, RN, Advanced Cardiac Life Support, CPR, CDL, Medical Technologist, Pediatric Advanced Life Support, CDL-A, and first aid.

2,885 of the jobs needed just a high school diploma; 1,138 needed a Bachelor's; and 298 needed an Associate's degree. Only 134 jobs needed a Master's, and 64 needed a Doctoral or professional degree.

Skills Gap

Quality K-12 schools and higher education institutions in the GFDA region mean Great Falls has a high educational attainment rate relative to the nation: 92.1% versus 89% respectively. However, there are skills gaps in the labor market, including:

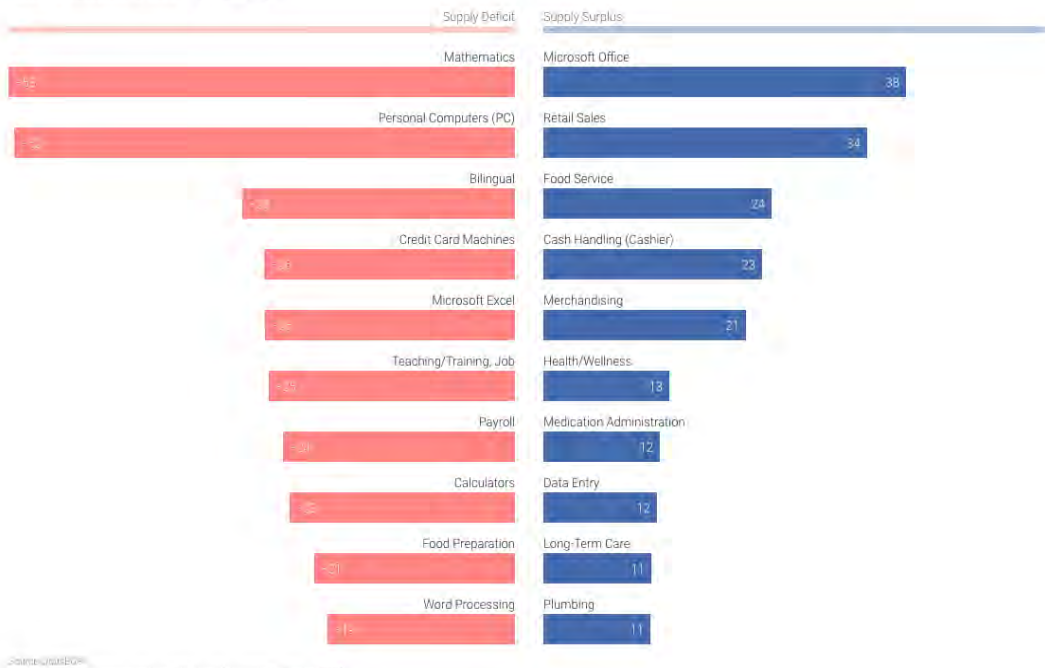
- | | |
|------------------------|---------------------|
| • mathematics | • teaching/training |
| • personal computers | • payroll |
| • bilingual | • calculators |
| • credit card machines | • food preparation |
| • Microsoft Excel | • word processing |

There are skill surpluses in the labor market, which reflect Great Falls' existing clusters: healthcare, retail trade, and food service.

- | | |
|--------------------|-----------------------------|
| • Microsoft Office | • health/wellness |
| • retail sales | • medication administration |
| • food service | • data entry |
| • cash handling | • long-term care |
| • merchandising | • plumbing |

Skill Gaps :

Total - All Occupations, Great Falls, MT MSA



JobsEQ, 2022

Workforce Partners

Workforce Services Division (WSD)

Workforce Services Division is charged with three primary goals to ensure that workforce development in Montana remains strong and growing. The first goal is that Montana employers understand the labor market and have a skilled and ready workforce that meets their needs. Secondly, Montana workers understand the job market and have access to skills development opportunities and job search assistance services. Third, business and job seekers can learn about the workforce and connect with each other to keep it growing.

WSD is a division under the Montana Department of Labor and Industry, which provides services through a network of 17 offices across the state. WSD partners with the community college system to deliver workforce training. Other workforce training programs include apprenticeships and On-the-Job training through employers. WSD serves the GFDA region at locations in Great Falls, Havre, Cutbank, and Lewistown. Based on our SWOT interview with a WSD business specialist, it appears that Great Falls businesses have not fully taken advantage of all the programs available for workforce training.

Most decisions on workforce incentives happen at the state level in Helena. WSD is not a major partner in business attraction for GFDA when it comes to workforce incentives like in other states. WSD does help with jobs fairs for existing and new employees but due to workforce

training guidelines, rules and the way WSD approves workforce grants, partnering on incentive partners is limited.

Great Falls College MSU (GFCMSU)

Great Falls College MSU is a comprehensive two-year college, serving north central Montana. It is part of the Montana State University system with 1,000+ students enrolled. The college offers a variety of workforce development programs — both for credit and non-credit, spanning 16-week semesters, 8-week blocks, and customized timeframes. Great Falls College MSU offers Associate of Applied Science (AAS) degrees and Certificates of Applied Science (CAS), both credit-bearing programs. AAS typically takes two years to complete and requires 60 or more credits. CAS typically takes one year or less to complete and requires 30 or more credits.

Many of the programs have embedded industry credentials students can earn while completing a degree. Other certifications are available through the college's Lifelong Learning Department. An industry credential is a verification of a person's qualification or competence. Typically, a third party with authority will issue the credential. They can take many forms, including certifications, certificates, and licenses. Sometimes they are credit-bearing credentials, embedded within academic degree programs. Other times they are completed through life-long learning experiences in credit-worthy programming. The following programs are considered workforce-related.

Workforce Degree Programs

- **Accounting (AAS):** 2+2 program leading to a bachelor's online or by transferring to a 4-year university
- **Business Programs – CAS and AAS**
 - Office Support Certificate (starting Fall 2022 pending final approval)
 - Office Supervision and Management Applied Associate (starting Fall 2022 pending final approval)
- **Computer Technology Programs – CAS and AAS**
 - Computer Programming (AAS)
 - Cybersecurity Certificate (CAS): embeds or leads to CompTIA certifications
 - Cybersecurity (AAS): embeds or leads to CompTIA, Microsoft certifications
 - Information Systems Support (AAS): embeds or leads to CompTIA, Microsoft certifications
 - Network Support and Security (AAS): embeds or leads to Cisco, CompTIA, Microsoft certifications
- **Healthcare Programs – CAS and AAS**
 - Dental Assisting (CAS): leads to Certified Dental Assistant certification
 - Dental Hygiene (AAS) (the only program in Montana): successful completion and passing the National Board Dental Examination leads to securing a license

through Montana Department of Labor and Industry and certification by the National Dental Hygiene Board

- **Emergency Medical Services**
 - Paramedic (AAS): leads to National Registry Certification Examination
 - Emergency Medical Technician (EMT)
 - Basic Life Support (CPR)
 - HeartSaver First Aid/CPR
 - ALS/BLS Refresher
 - IV Therapy
 - Emergency Medical Responder
 - Critical Care (CCEMTP) licensed site
- Health Information Coding Specialist Certificate: leads to National Certified Coding Associate exam
- Health Information Technology Applied Associate Degree: leads to the National Registered Health Information Technologist exam
- Physical Therapy Assistant (AAS): leads to National Physical Therapist Assistant Examination
- Practical Nurse (LPN) (CAS): leads to national licensure examination for registered nursing (NCLEX-PN)
- Registered Nurse (RN) (AAS): leads to national licensure examination for registered nursing (NCLEX-RN)
- Respiratory Therapy (AAS): leads to National Board for Respiratory Care (NBRC) exams
- Surgical Technology (AAS): leads to national Certified Surgical Technologist (CST) exam
- **Trades Programs – CAS and AAS**
 - Industrial Technician (CAS): OSHA certifications
 - Welding Technology & Fabrication (CAS): OSHA certifications, and leads to American Welding Society (AWS) and Canadian Bureau (CWB) certifications
 - Welding Technology & Fabrication (AAS): OSHA certifications, and leads to American Welding Society (AWS) and Canadian Bureau (CWB) certifications

Non-Degree Workforce Programs

- **Healthcare Programs**
 - Certified Nursing Assistant (CNA): MT state approved training leading to certification
 - Home Health Aide Certification (HHA): MT state approved training leading to certification
 - Paid Feeding Assistant (PFA): MT state approved training, skill competency requirement
 - Medication Aide, Level 1: MT state approved training to prepare for state licensure exam
 - Medication Aide, Level 2: MT state approved training to prepare for state licensure exam

- Healthcare Provider CPR Certification: American Heart Association training leading to BLS/HSP CPR certification
- **Technology**
 - COMP TIA & Microsoft Server – Boot Camps
 - Microsoft C# programming
- **Customized Training and Professional Development**
 - MS Office Word, Excel & PowerPoint
 - QuickBooks & Payroll
 - Financial Planning and Financial Fraud
 - Canva
 - Customer Service
- **Trades**
 - Construction Apprenticeship - partnership with Dick Anderson Construction
 - Welding: Malmstrom Redhorse
 - Industrial Tech/Welding: General Mills/Pasta Montana
 - Low Pressure Steam Boiler & 3rd Class Boiler Operator Training
 - Commercial Driver's License: (starting spring 2022)

In a collaborative effort, GFCMSU, the Great Falls Public Schools, the Great Falls Chamber of Commerce, and the Department of Labor and Industry are in discussions as to how to best develop the Great Falls area workforce.

Funding for the majority of the two-year schools comes through the Board of Regents, whose budget must be approved by the Montana State Legislature. Community colleges are funded based on full-time equivalency (FTE). The current funding model rewards FTE credit programs whereas noncredit, customized workforce training for employers receives little to no funding. The Workforce Services Division does offer grants to businesses to fund workforce training.

New programs at Great Falls MSU must be approved by Montana State University in Bozeman and the Office of the Commissioner of Higher Education and the Chief Academic Officers before moving to the Board of Regents for final approval. Typically, this process can take approximately a year. Approval for non-credit workforce training programs takes less time, but since the fund model doesn't pay for non-credit training, employers and industry must bear the lion share of the cost.

A majority of students enrolled at GFCMSU are enrolled in credited occupational programs. 53% of the College's program mix is in healthcare, 37% is in business and technology and about 10% is in trades. With the healthcare sector in Great Falls creating nearly 7,080 jobs in the market, such an emphasis aligns with the demand occupations.

Providence University

The University of Providence is a private, Roman Catholic liberal arts university, founded in 1932 by the Sisters of Providence. The University has two schools — the School of Liberal Arts and Science and the School of Health Professions. The School of Liberal Arts and Science is a traditional, residential campus located in Great Falls, Montana, while the School of Health offers only online classes. A large percentage of students in the School of Health Professions are current employees in the Providence Health System which includes hospitals from Renton, Washington hospitals to Alaska to the Texas Gulf Coast. Providence University is the only liberal arts university owned by a corporate health system. Due to the differences in structure between the public MSU system and the private corporate-owned Providence University, collaboration between Providence and Great Falls College MSU is limited. Similarly, dual enrollment between the Great Falls School District and Providence is limited.

Currently, Providence does not play a major role in workforce development in Great Falls. Its residential student population is mostly out-of-area students, drawn to the school because of athletics. There is little information on how many students at Providence remain in Great Falls after graduation. Providence officials believes many of their criminal justice students are hired by local law enforcement. The University's focus is primarily workforce development for the hospital system. However, Providence recently surveyed local employers to better understand local market demand for academic and workforce programs.

Great Falls Public Schools

The Great Falls Public Schools (GFPS) is the second-largest school district in Montana with 10,160 students from transitional kindergarten through 12th grade. With Malmstrom Air Force Base located within school district boundaries, GFPS works closely with military students and families as they transition to and from Malmstrom. GFPS seeks to prepare students for college and careers. Transitional kindergarten through twelfth-grade students are served in the Early Learning Family Center, 15 neighborhood elementary schools, two middle schools, two traditional high schools, and an alternative high school. The District also provides life-long adult learning opportunities through its College and Career Readiness Center at the Great Falls College-MSU. Students are served by approximately 710 highly trained and qualified educators, many of whom have received state and national recognition. GFPS is generally viewed as a good school district.

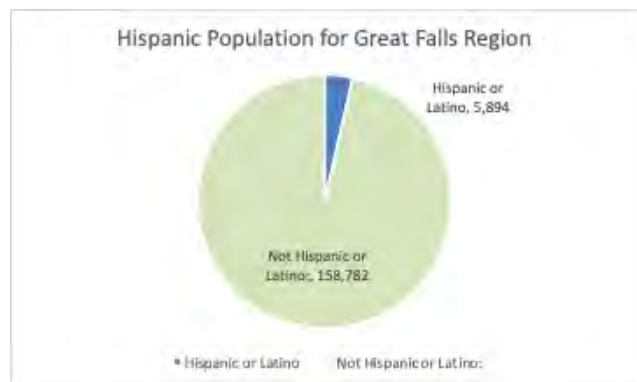
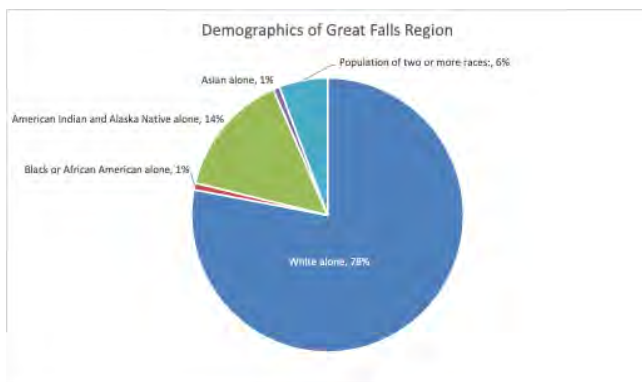
Student enrollment in Great Falls has declined over the last 30 years, going from a high of 18,000 students to 10,500 students today. Despite the lack of growth in student enrollment, the community is committed to maintaining two comprehensive high school programs in two high schools. After a decade of cutting over \$10 million dollars, the school district has had to reduce the number of teaching positions and support staff, leading to larger class sizes. In 2016, voters passed a \$100 million bond to fund upgrades in school facilities and to build two new elementary schools.

The college matriculation rate for Great Falls high school graduates averages 50%. However, college completion rates in Montana range from 30% to 50%. The school system has shifted to more of a focus on vocational and workforce training as opposed to four-year college preparation. Some of the dual enrollment programs between the Great Falls high schools and GFCMSU are vocational programs, including welding.

As the school district moves toward workforce training, there appears to be a disconnect between K-12 public schools and what the business community wants or needs in its workforce. A prime example is the implementation of WorkKeys by the Great Fall School District 10 years ago. After training faculty and spending three years to train, test, and certify students for workforce readiness, employers did not provide preferential hiring or interviewing of WorkKey graduates. GFPS had received written MOUs with specific businesses that they would accept the National Career Readiness Certificates (NCRC) and provide screening and preferential hiring for individuals that earned NCRCs. However, that did not happen. Both GFPS and GFCMSU point to the need for additional business and employer support for workforce development. As the school district looks to train the workforce of the future, GFPS school officials expressed a desire to integrate more STEM and technology into the curriculum.

Demographics and Social Indicators

The Great Falls region and the Great Falls MSA experienced population growth for the first time in four decades. The 13-county population grew 5% from 221,959 in 2010 to 232,863 in 2020. The Great Falls MSA population, which covers all of Cascade County, grew 4% from 81,327 to 84,414 in 2020. In July 2021, the Great Falls MSA estimated population grew another .1% to 84,511. The demographics of both the regional and Great Falls MSA populations have become more diverse. The largest minority group in the region is Native Americans at 25,012. The largest minority groups in the Great Falls MSA include populations of two or more races (6,735), Hispanic (4,012), and Native American (4,004).



Every racial group other than white alone experienced population growth with the most notable increase in the following demographic groups:

- Populations of two or more races: 129% to 156%

- Some other race alone: 117% to 124%
- Hispanic: 48% to 49%
- Native Hawaiian and Other Pacific Islander: 38% to 48%
- Asian: 39% to 45%
- African American: 18% to 22%
- Native American: 9% to 15%

Demographics for Great Falls Region (13 counties)			
	2020	2010	% Change
Population	232,863	221,959	5%
Race			
White alone	186,012	188,995	-2%
African American alone	1,670	1,373	22%
Native American alone	25,012	22,978	9%
Asian alone	1,792	1,240	45%
Native Hawaiian and other Pacific Islander alone	223	151	48%
Some other race alone	2,231	996	124%
Population of two or more races	15,923	6,226	156%
Hispanic	8,422	5,639	49%
Not Hispanic	224,441	216,320	4%

Demographics for the Great Falls MSA (Covers Cascade County)			
	2020	2010	% Change
Population	84,414	81,327	4%
Male	50.6%	48.9%	3.48%
Female	49.4%	51.1%	-3.33%
Median Age	38		

Race			
White alone	70,265	72,584	-3%
African American alone	1,196	1,010	18%
Native American alone	4,004	3,487	15%
Asian alone	952	684	39%
Native Hawaiian and other Pacific Islander alone	123	89	38%
Some other race alone	1,139	526	117%
Population of two or more races	6,735	2,947	129%
Hispanic	4,012	2,711	48%
Not Hispanic	80,402	78,616	2%
Poverty Rate	13.5%	13.5%	
Graduation Rate	82% for Great Falls vs. 86% for Montana		
Dropout Rate	4.7% for Cascade County		

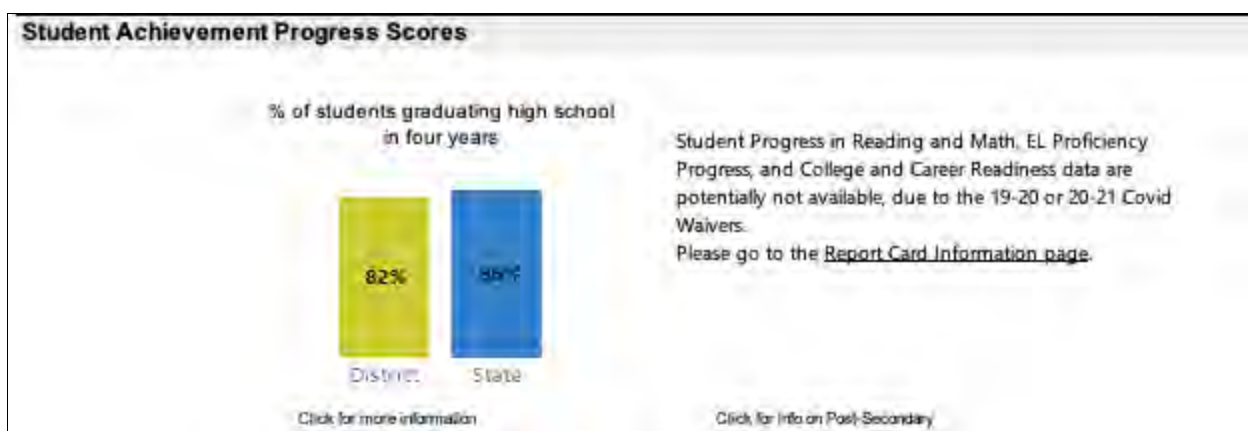
Poverty Rate

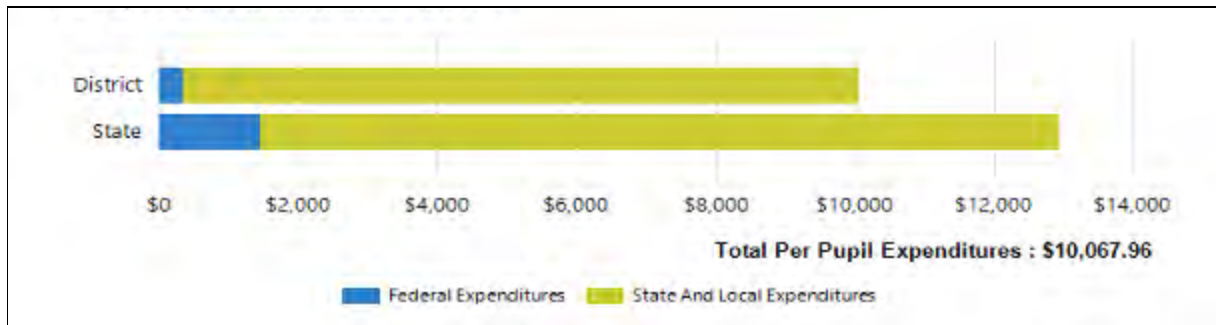
It is important to note that the poverty rate in Great Falls MSA which covers all of Cascade County remains at 13.5% in 2021, which is higher than the state rate of 12.4% and the U.S. poverty of 11.4 percent. The poverty rate is the ratio of the number of people whose income falls below the poverty line. The Census Bureau uses a set of income thresholds that vary by family size and composition to determine who is in poverty. The poverty threshold for a family of four in the contiguous U.S. is \$26,500.

Historically, the populations most impacted by poverty in the Great Falls MSA and region are the Native American and Hispanic communities. A February 2020 economic study by economist Nick Holom found 36.8% living in poverty on the Blackfeet Reservation, and 39.9% live in poverty on the Rocky Boy's Reservation. The current unemployment rate for the Blackfeet Reservation was 8.8% and 8.3% for Rocky Boy's Reservation, according to the Montana Labor Market Information.

School Performance: GFPS

Performance as measured by the Montana Office of Public Instruction shows that only 82% of Great Falls students are graduating high school in four years as compared to the state average of 86%. Proficiency in math, reading, and science are also behind the state average. The GFPS shows a 16% proficiency and 11% advanced ability in math as compared to the state average of 21% and 13%, respectively. In reading, the school district shows a 24% proficiency and 15% advanced ability as compared to the state average of 29% and 17%. In science, the school district achieved only 17% proficiency and 5% advanced as compared to the 19% and 6% across the state. Spending per pupil in Great Falls is behind state spending. GFPS spends \$10,067.96 per pupil versus the state per-pupil expenditure of \$12,944.33.





Cost of Living

The Great Falls MSA continues to enjoy a low cost of living — 89.1% of the national average as compared to the much higher cost of living in Bozeman, MT, which is 112.2% of the national average. The Cost of Living Index (COLI) is compiled by the Council for Community and Economic Research (C2ER) which synthesizes the weighted average of pricing for groceries, housing, utilities, transportation, health care, and miscellaneous goods and services into a composite index. The national average is benchmarked at 100%.

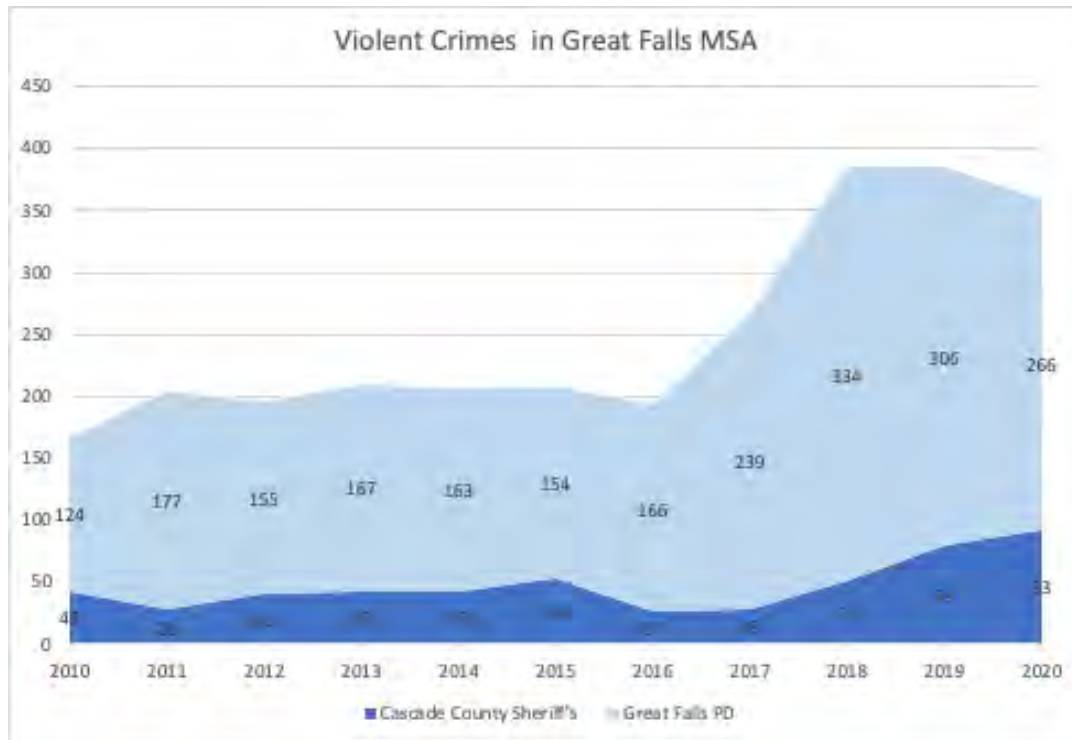
The 2021 Annual Average Cost of Living for Great Falls shows that housing is only 75% of the national average. Utilities are 88%, and transportation is 94.5% of the national average.

Crime Statistics

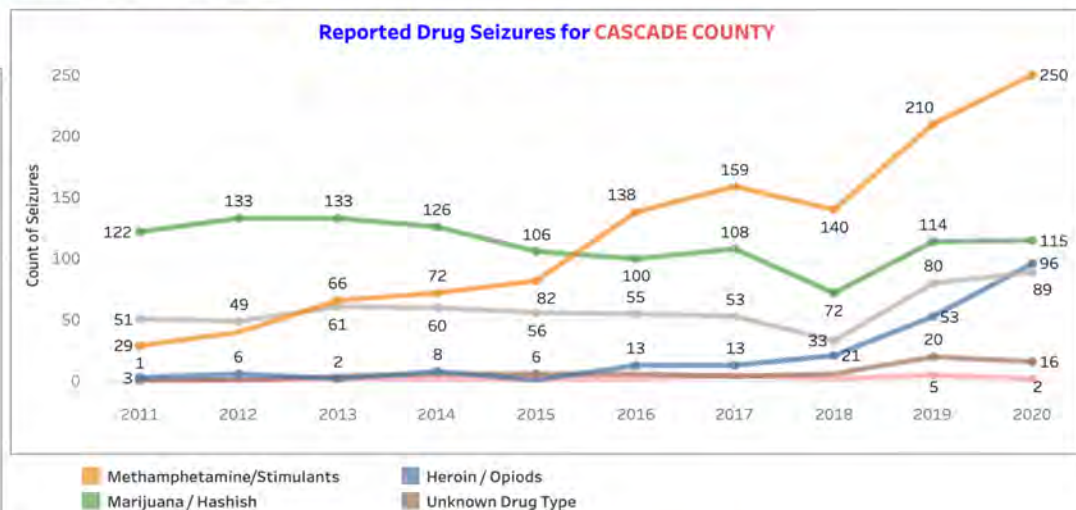
According to the FBI Uniform Crime Reporting (UCR) Program, the volume of violent crimes (murder and nonnegligent manslaughter, rape, robbery, and aggravated assault) as reported by the Great Falls Police Department and Cascade County Sheriff’s Office were relatively flat for the from 2010 to 2015. In 2016, Great Falls experienced a sharp rise in violent crimes from 2016 to 2018, which has gradually plateaued and began to fall by 2019. Similarly, the Cascade Sheriff’s Office reported an increase in violent crimes from 2017 to 2020. The Great Falls community has responded by creating a community crime task force to address the issue. The Cascade Sheriff’s Office has stepped up its policing and looked at innovative and proactive policing tactics to address both violent and property crimes.

According to the Montana Board of Crime Control, their statistics show an increase in drug seizures — more than doubling from 207 drug seizures in 2011 to 568 in 2020. The biggest increase came in seizures of methamphetamines and other stimulants. There was also a sharp increase in the number of seizures of heroin/opioids from 2018 to 2020.

In BBA’s interviews with community stakeholders, some downtown merchants perceived that crime was more prevalent in the downtown area and blamed the homeless population. While others feel that this was a misperception and not in line with reality.



Source: FBI URC



Drug Seizures Statistics for CASCADE COUNTY

Drug Type (NIBRS group)	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Grand Total
Cocaine / Crack	1	1	2	2	2	2	5	2	5	2	24
Heroin / Opioids	3	6	2	8	1	13	13	21	53	96	216
Marijuana / Hashish	122	133	133	126	106	100	108	72	114	115	1,129
Methamphetamine/Stimulants	29	40	66	72	82	138	159	140	210	250	1,186
Other Drugs	51	49	61	60	56	55	53	33	80	89	587
Unknown Drug Type	1	1	4	6	6	6	4	6	20	16	70
Grand Total	207	230	268	274	253	314	342	274	482	568	3,212

Source: Montana Board of Crime Control