

# BUILDING THE BIG SKY STATE

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Montana Department of  
**LABOR & INDUSTRY**

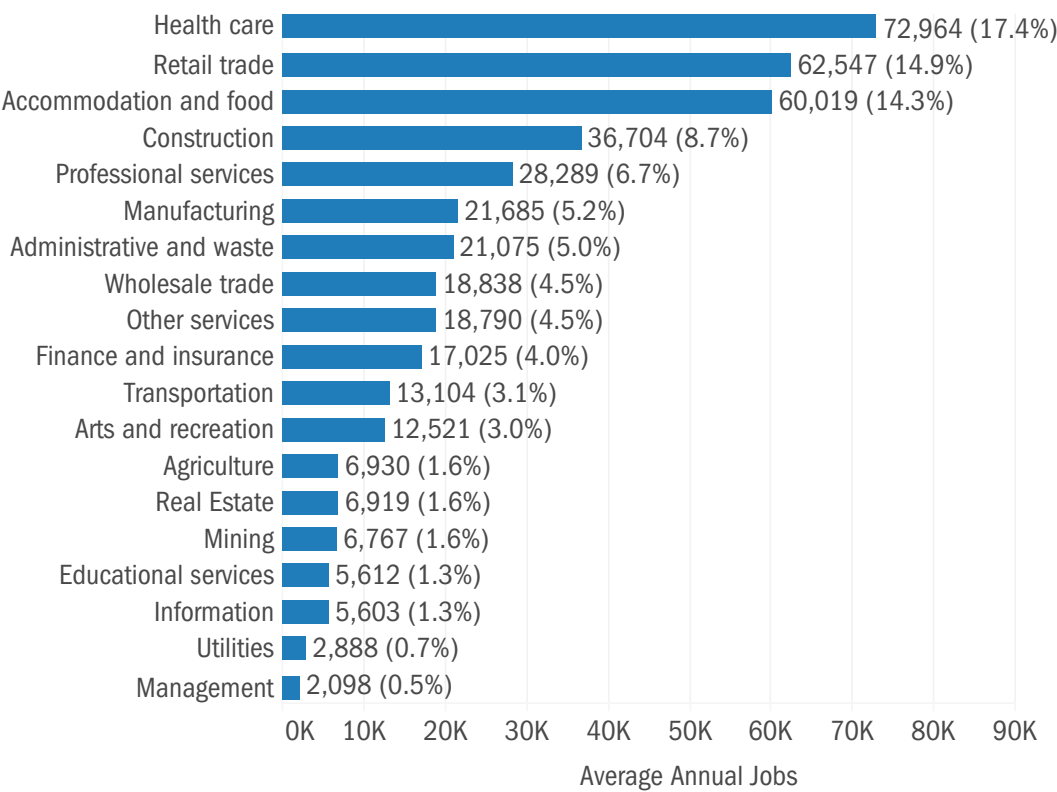


Montana has seen expansive economic and labor market growth over the last several years and with growth comes construction. Whether it be construction and renovation of residential housing due to a growing population, development of commercial and industrial spaces for new enterprises, or construction of infrastructure to accommodate increasing activity, people working in construction are needed. The trajectory of Montana’s private sector construction industry reflects this, having added 7,600 jobs from 2018-2023, over 1,500 more jobs than the next highest sector. To better understand this rapid growth, this article dives into how the construction industry has grown from 2018-2023 and some of the resulting demand for workers.

### Construction Industry Overview

Montana’s construction industry is a major source of jobs and a significant sector of the labor market. Shown in **Figure 1**, construction is the 4th largest private sector industry with about 36,700 jobs in 2023. Overall, construction makes up 9% of statewide private sector jobs in Montana, a larger share of employment than the national average of 6%. Jobs in construction also tend to have above average pay, with an industry average annual wage of \$67,540 in 2023 compared to the statewide average wage of \$56,860 for private sector jobs.

**FIGURE 1: 2023 Employment by Industry in Montana’s Private Sector**



Source: U.S. BLS QCEW, Private Sector Only

Within the construction sector, activities are divided into three primary sub-industries; construction of buildings, heavy and civil engineering, and specialty trade contractors. **Figure 2** shows the average employment and wages for these sub-industries in Montana in 2023. Specialty trade contractors provide a wide range of services, but also contract out their work to firms in other construction sub-industries, making it the largest of the three at 56% of all construction employment. Heavy and civil engineering is the smallest of the three subindustries, making up 17% of construction employment.

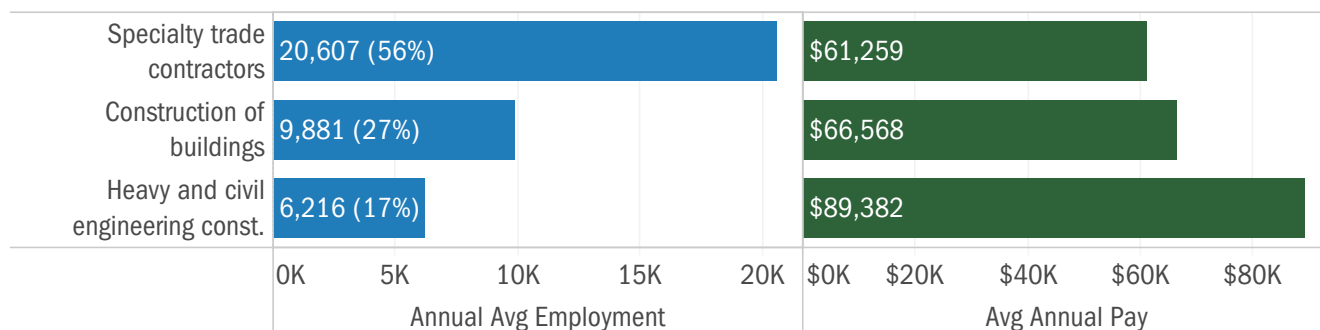
**Construction of Buildings:** Businesses responsible for the construction of buildings including new work, alterations, or repairs. Often subcontracts to establishments in other construction subindustries.

**Heavy and Civil Engineering:** Businesses with primary activity in the construction of engineering projects or contractors that primarily produce components for such projects. Includes projects like road-building, utility line installation, and open space improvement.

**Specialty Trade Contractors:** Businesses involved in construction that perform activities that are similar for all types of construction, but that are not responsible for the entire project. For example, pouring concrete, plumbing, and electrical work.

Workers in construction of buildings, heavy and civil engineering, and specialty trade contracting all earn wages above the statewide average annual wage. Wages are highest in heavy and civil engineering, averaging just under \$90,000 annually, and lowest among specialty trade contractors, averaging just over \$61,000 annually.

**FIGURE 2: Average Employment and Wages for Montana's Private Construction Sub-Industries, 2023**



Source: U.S. BLS QCEW, Private Sector Only

## Recent Industry Growth

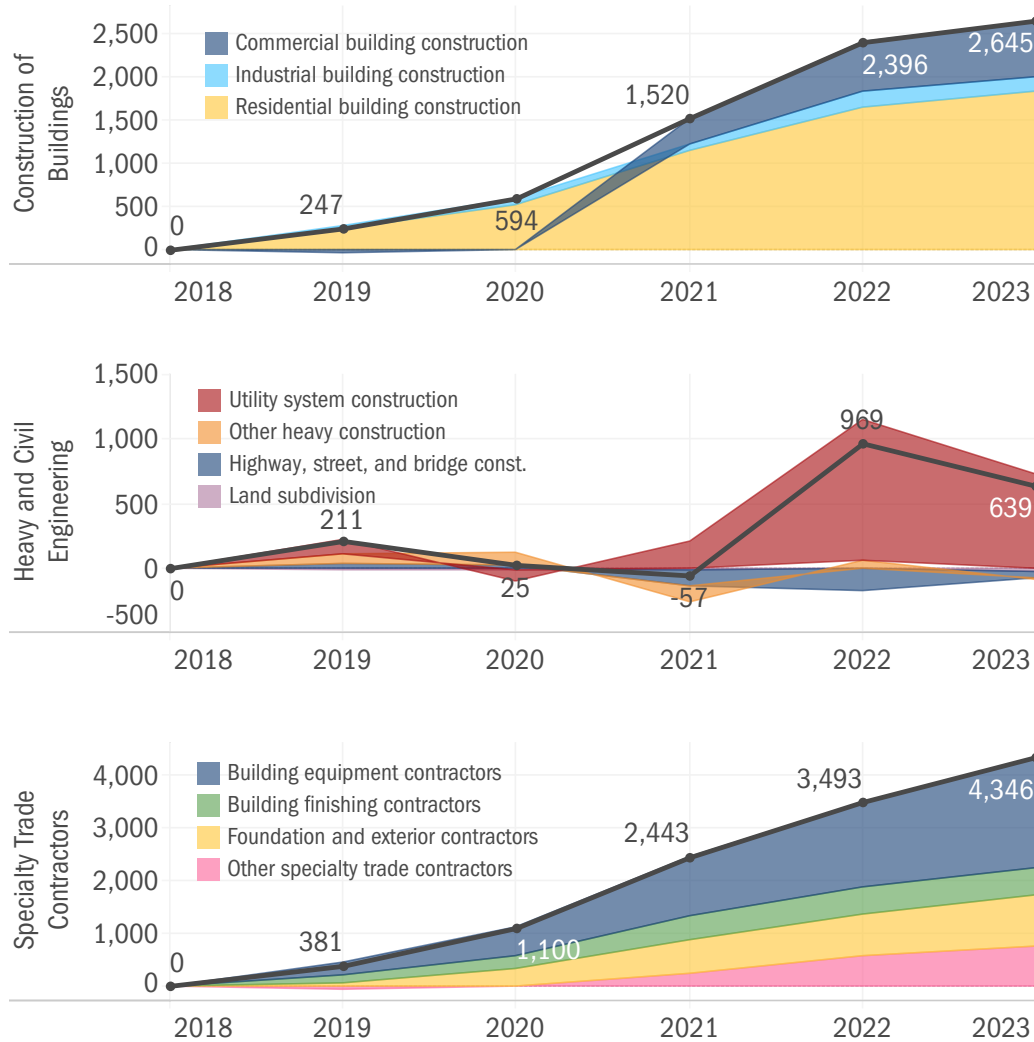
Over the last five years, employment grew in all three subindustries of construction, shown in **Figure 3**.

Construction of buildings grew at the fastest pace for total growth of 37%. Fast population growth in Montana drove high residential housing demand and contributed to residential construction adding 1,800 jobs from 2018-2023. Non-residential construction also contributed to this fast growth adding 800 jobs over the same period.

Specialty trade contractors added 4,300 total jobs from 2018-2023, the most jobs of each subindustry. The total 5-year growth rate for specialty contractors was 27%. Within specialty trade contracting, 47% of jobs added were with plumbing, HVAC, and electrical contractors. Plumbing, HVAC, and electrical contractors make up a significant portion of specialty trade contracting, 42%, in part due to the frequent use of subcontracting by firms in construction of buildings. Site preparation contractors and poured concrete contractors added the next most jobs from 2018 to 2023, with 551 and 416 jobs added, respectively.

Heavy and civil engineering added the fewest jobs within the construction industry, with just over 600 jobs added from 2018-2023. This growth was driven entirely by firms working in utility construction, which added over 700 jobs while other sectors within heavy and civil engineering had net negative employment change. Examples of firms in utility construction includes those that install electrical and broadband infrastructure.

**FIGURE 3: Total Jobs Added in Construction by Detailed Industry, 2018-2023, Montana**



Source: U.S. BLS QCEW, Private Sector Only

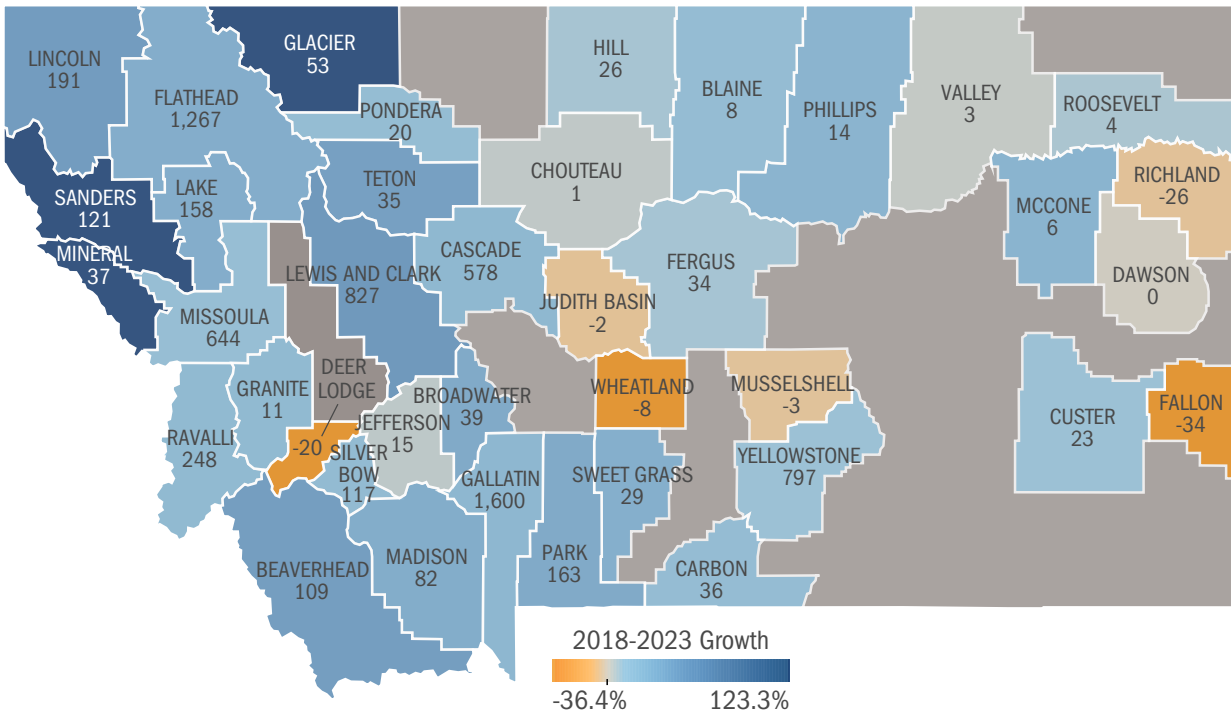
## Regional Trends in Construction

Employment in Montana's construction industry tends to be concentrated in and around the state's urban centers, particularly in cities like Bozeman and Billings where nearly two in every five construction jobs are found. **Figure 4** contains construction employment job gains, shown in the label, and growth, shown through the color, by county for 2018-2023. Gallatin County added the most construction jobs (1,600), followed by Flathead County (1,267 jobs), and Lewis and Clark County (827 jobs). Lewis and Clark County's 61% growth in construction was the fastest construction growth among counties with a larger city, driven in part by strong gains among heavy and civil engineering firms.

In terms of the rate of growth, construction job gains were more distributed with smaller counties seeing significant growth rates over the last five years. Three counties in northwest Montana – Glacier, Sanders, and Mineral counties – all saw construction employment more than double from 2018-2023. Construction industry growth was more muted in eastern Montana, which has not experienced the same population boom as western parts of the state.



**FIGURE 4: Construction Employment Growth by County, 2018-2023**



Source: U.S. BLS QCEW, Private Sector only. Number labels are jobs gained by county. Map shading represents growth rate. Missing counties are excluded for confidentiality reasons.

## Looking Ahead: Construction Jobs

Continued growth in the construction industry will require workers ready to fill the many jobs being created. Job seekers interested in high-paying jobs in a sector of growth would benefit from training for the skills required in various occupations common to the construction industry. **Figure 5** shows the top ten most common occupations in the construction industry along with projected demand. The construction industry employs almost 4,000 carpenters, 3,900 first-line supervisors, and 3,800 construction laborers. Half of the top occupations in construction earn wages above the statewide average, with construction managers earning the highest average wage among the top ten at \$112,080 annually. With the exception of office clerks, all of these top occupations are expected to grow by nearly 20% or more by 2033.



**FIGURE 5: Top 10 Occupations in Construction, 2023**

Detailed Occupation	Employment	Average Wage	Total Annual Openings 2023-2033	Projected Growth 2023-2033
Carpenters	3,990	\$50,320	670	22%
First Line Supervisors	3,870	\$76,140	640	22%
Construction Laborers	3,780	\$47,590	700	25%
Electricians	2,390	\$63,090	380	27%
Operating Engineers & Equipment Operators	2,030	\$61,440	430	19%
Office Clerks	1,870	\$41,600	1,500	3%
Construction Managers	1,460	\$112,080	190	23%
Plumbers, Pipefitters, and Steamfitters	1,420	\$75,100	270	22%
HVAC & Refrigeration Mechanics	1,120	\$51,900	160	26%
Painters	990	\$46,860	160	22%

Source: MTDLI Analysis of 2023 OEWS and Occupational Projections 2023-2033. Employment and wages are specific to NAICS 23 Construction firms. Projected openings and growth reflect all industries.

The largest occupations in the construction industry have a large number of job openings due to turnover among existing positions. However, these occupations are not necessarily always the fastest growing. **Figure 6** shows the top five fastest growing occupations in the construction industry. Tile and Stone setters are the fastest growing occupation within construction, projected to grow by 30% from 2023-2033. Another fast-growing and high-paying occupation in construction is structural iron and steel workers, expected to grow by over a quarter from 2023-2033 while paying over \$62,500 per year in 2023.

**FIGURE 6: Top 5 Fastest Growing Construction Occupations in Montana, 2023**

Occupation	Projected Growth 2023-2033	Projected Annual Openings 2023-2033	2023 Average Wage
Tile and Stone Setters	30%	30	\$53,270
Floor Layers, Except Carpet, Wood, and Hard Tiles	28%	30	\$38,940
Electricians	27%	380	\$63,090
Structural Iron and Steel Workers	26%	30	\$62,560
Construction Laborers	25%	700	\$47,590

Source: MTDLI analysis of 2023 OEWS data and Occupational Projections 2023-2033. 2023 average wage is specific to NAICS 23 construction firms. Projected growth and openings reflect all industries.

## Conclusion

Montana's construction industry is foundational to the state economy, employing a significant portion of the workforce in high-paying jobs. Additionally, construction facilitates other economic activity through the creation of spaces for businesses to operate, people to live, and commerce to travel. Continuing growth in the construction industry will require training workers to keep up with its fast growth, such as through the traditional apprenticeship training model or other postsecondary credentialing. For more data on Montana's construction industry, occupations related to the field, and training programs for workers in this sector visit [lmi.mt.gov](https://lmi.mt.gov).