



Montana Department of  
**LABOR & INDUSTRY**

# Reservation Economies and Labor Markets in Montana

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Naomi Crawford painted teepee  
Courtesy of S and J Design Photography

Montana shares geography with seven Indian reservations and eight federally recognized Native nations that represent thirteen Tribes. Over half of American Indians in Montana live on Tribal lands, with the local economies of these areas providing opportunity and supporting the livelihoods of those who live there. Each reservation’s local economy varies, along with its own geographical characteristics, industrial opportunities, workforce characteristics, and histories. This article takes an in-depth look at Montana’s reservation economies to broaden understanding of the factors that contribute to different economic trends within reservations.

### Demographics of Montana’s Reservations

The seven reservations overlapping Montana are located across the state (see **Figure 5**) and like much of Montana, are often in remote, geographically isolated, rural areas. These reservations have relatively small populations of under 10,000 people apart from the Flathead Reservation, which has a population of approximately 31,000. **Figure 1** describes the populations of each reservation and includes statewide data for Montana for context. Reservation populations are primarily American Indian, though the Flathead Reservation differs with only one third of the population being American Indian.

**FIGURE 1**  
Reservation Population Demographics

	Blackfeet	Crow	Flathead	Fort Belknap	Fort Peck	Northern Cheyenne	Rocky Boy’s	Montana
Total Population	10,375	7,353	31,690	3,377	10,126	4,460	3,613	1,091,840
American Indian	8,818	6,100	10,248	3,253	7,128	7,128	3,503	88,830
Percent American Indian	85%	83%	32%	96%	70%	95%	97%	8%
Median Household Income	\$38,767	\$51,250	\$54,181	\$46,250	\$44,907	\$45,184	\$42,813	\$66,341
Percent Below Poverty Line	31%	30%	20%	30%	34%	38%	34%	12%
Percent High School Graduates	87%	85%	90%	86%	89%	83%	80%	94%

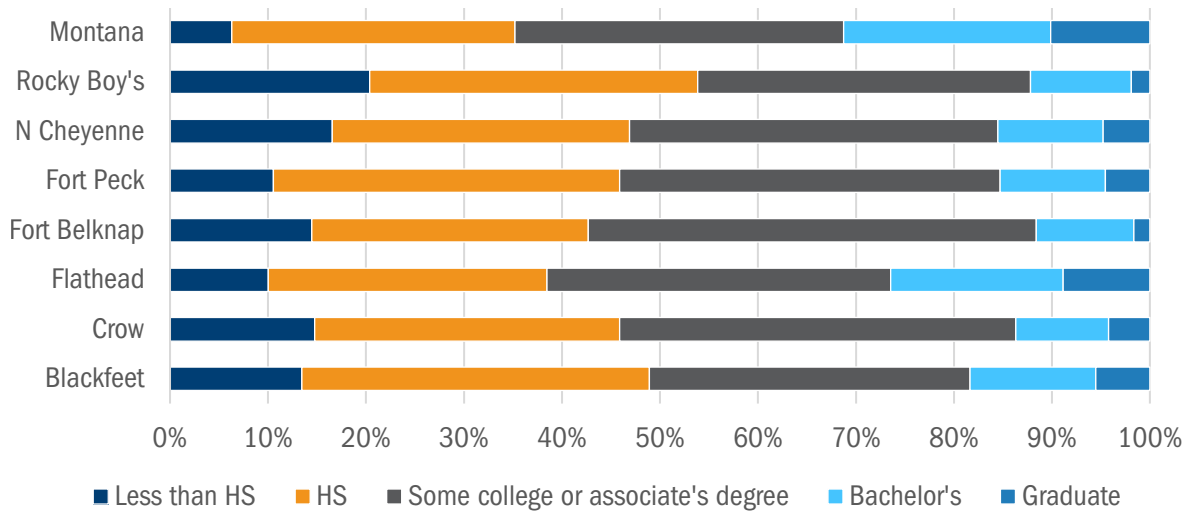
Source: American Community Survey, 5-year Estimates 2018-2022

Across some measures of economic wellbeing, the reservations in Montana are below statewide averages reflecting sensitive economic environments and the value of focused strategies for workforce and economic development. Poverty rates are above the statewide average on all seven reservations, ranging from 38% in the Northern Cheyenne Reservation to 20% in the Flathead Reservation. Household incomes reflect this disparity, with median household incomes below the statewide average.

Educational attainment, as measured by high school graduation rates, tends to be lower on reservations within Montana relative to non-reservation areas in the state. However, all seven reservation areas have high school graduation rates above the national average of 79% for American Indians. A greater share of people have their highest educational attainment as some college or an associate’s degree compared to the statewide average for 6 of the 7 reservations, while rates of attainment for bachelor’s or graduate degrees are lower (**Figure 2**). It is likely that post-secondary degree attainment reflects jobs in the area demanding skills obtained in 2-year programs and the offerings at local training institutions.

**FIGURE 2**

**Education Attainment by Reservation**



Source: American Community Survey 5-Year Estimates 2018-2022

The Montana Department of Labor & Industry established the Office of the Tribal Liaison in October 2023 to better communicate and collaborate with tribes to identify opportunities and support each other. One area of focus is to increase educational and employment opportunities for Native American youth through non-college credentialing pathways, such as Registered Apprenticeship programs and work-based learning that leads youth directly into jobs with local employers. The Department recently worked with the Blackfeet Tribal Employment Rights Ordinance (TERO) office to offer a CNA training for local residents interested in healthcare opportunities at the local hospital and care center. In addition, the Department works with schools across the state to improve awareness of careers available in the community and the steps a student may take to access the training needed to succeed in them.

## Industries of Employment

Montana’s reservation areas each have unique economies with a mix of industry reflecting local specialties, resources, and connection to regional economies. In Northwest Montana, the Blackfeet and Flathead Reservations’ proximity to Glacier Park and Flathead Lake create opportunity for the leisure activities industry, leading to higher employment in areas such as recreation, accommodation, and food service. Both the Blackfeet and Flathead reservations have over 10% of total employment in leisure activities. The Blackfeet Reservation also has an especially high share of jobs in education, while the Flathead Reservation has several large manufacturers.

In Southeast Montana, coal mining is a large source of jobs for the Crow and Northern Cheyenne Reservations. A strong connection to the coal mining industry in this region provides a significant number of high paying jobs but brings volatility associated with energy and commodity markets. Changing demand for coal and unknowns associated with the future of both coal mining and energy production has led to these Tribal nations to enter emerging industries in tech, broadband, solar, and the trades.

In Northeast Montana, the Fort Peck Reservation’s location along U.S. Highway 2 and within the Bakken shale formation creates opportunities as a regional hub for trade and transportation, as well as several active oil wells. Here employment in transportation and utilities is close to the statewide average while trade and mining are both above the statewide average. The Assiniboine and Sioux Tribes also recently completed construction of a modern health facility and wellness center, contributing to further growth in the healthcare and education industry.



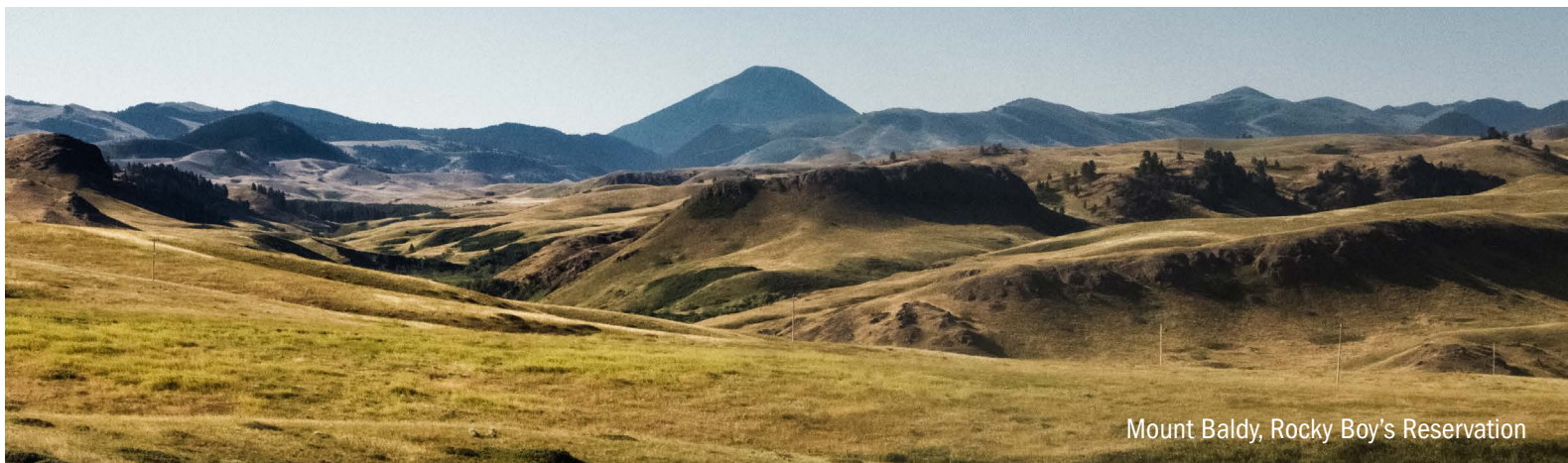
In North Central Montana, the Rocky Boy's and Fort Belknap Reservations have Montana's smallest populations and workforces. A relatively high share of jobs is in finance on the Rocky Boy's Reservation through Chippewa Cree Tribe's economic development arm. The Fort Belknap Reservation has a relatively high share of jobs from construction and the A'aninin and the Nakoda Tribes are finalizing a CDL certification program with the tribal college, creating a route to employment in the transportation sector and any other industry requiring workers with this credential.

One commonality across all seven reservations is that the industry employing the most people is either healthcare and education or public administration. This is in part due to the treaty obligations of the federal government with each of the sovereign Tribal nations within the United States. The federal support in health, law, and education contributes to the high employment in these industries on reservations. Each reservation has a tribal college, an Indian Health Service unit, and employment in tribal government. Additionally, economic investment by tribes through tribal enterprises may at times reflect as public administration.

**FIGURE 3**  
**Employment by Industry for Montana and Reservations**

	Montana	Blackfeet	Crow	Flathead	Fort Belknap	Fort Peck	Northern Cheyenne	Rocky Boy's
Healthcare & Education	23.0%	31.4%	30.7%	25.8%	22.4%	30.6%	36.3%	19.8%
Public Administration	5.7%	16.7%	13.6%	8.4%	23.5%	16.2%	23.0%	26.7%
Trade	14.3%	11.3%	13.8%	12.5%	3.0%	16.4%	6.6%	8.6%
Leisure Activities	10.8%	11.0%	8.8%	10.7%	6.6%	6.6%	7.3%	13.6%
Agriculture & Mining	6.3%	9.2%	15.8%	6.3%	10.4%	9.4%	10.4%	2.1%
Professional and Admin Services	9.4%	7.2%	2.0%	8.9%	4.5%	2.2%	6.6%	3.5%
Construction	8.6%	4.3%	5.1%	6.8%	15.9%	5.6%	1.3%	5.2%
Financial Activities	5.4%	3.2%	3.2%	4.2%	8.4%	2.1%	2.0%	13.6%
Other Services	5.0%	2.5%	2.7%	4.3%	4.4%	4.0%	1.2%	3.8%
Transportation & Utilities	5.2%	1.7%	2.6%	3.4%	0.9%	4.4%	3.6%	1.3%
Manufacturing	4.8%	0.9%	0.9%	6.1%	0.0%	0.9%	1.7%	1.7%
Information	1.6%	0.5%	0.7%	2.6%	0.0%	1.5%	0.0%	0.0%

Source: American Community Survey (ACS), 5-year estimates 2018-2022

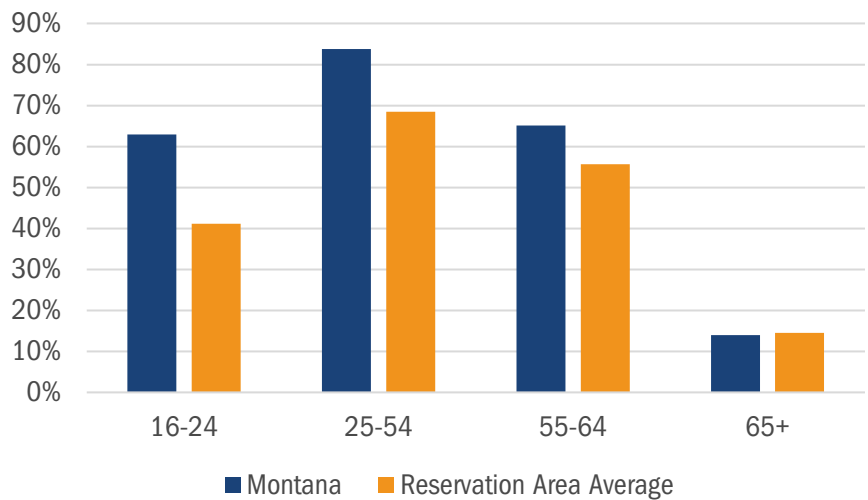


Mount Baldy, Rocky Boy's Reservation

## Unemployment Rates and Labor Force Participation

Economic indicators suggest it is harder to find employment for people living on reservations compared to the Montana average, with lower labor force participation rates and higher unemployment rates. **Figure 4** shows labor force participation rates in reservation areas, which tend to be below Montana averages. Labor force participation measures the share of the population working or seeking work. Typically, labor force participation increases with more job opportunity, higher or rising wages, and as education levels increase.

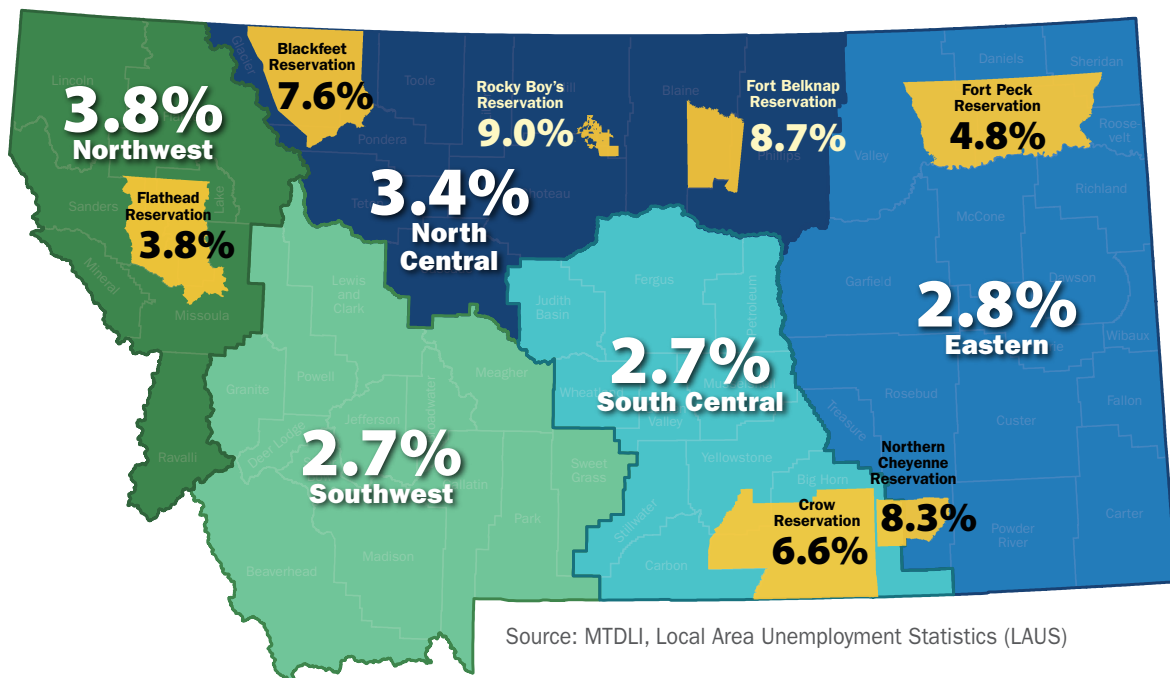
**FIGURE 4**  
Labor Force Participation Rates by Age



Source: American Community Survey 5-Year Estimates 2018-2022

In general, people often choose to not participate in the labor force because they are attending school, caring for family, or have an illness and disability. However, reservation areas also have higher unemployment rates than their surrounding region, suggesting that the low labor force participation is associated with fewer economic opportunities. Unemployment rates, shown in **Figure 5** for Montana's reservations and their surrounding regions, reflect difficulty in finding work when actively seeking employment. As **Figure 5** shows, unemployment rates tend to be significantly higher in reservation areas compared to the surrounding region.

**FIGURE 5**  
Unemployment Rates for Regions and Reservations in Montana, 2023



Source: MTDLI, Local Area Unemployment Statistics (LAUS)

Unemployment rates tend to be higher among younger workers, which may factor into the higher unemployment among on the Fort Belknap, Northern Cheyenne, and Rocky Boy’s Reservations, which all have median ages at least 10 years younger than the state’s. On the Flathead Reservation, the unemployment rate is the same as it is for the Northwest region of the state.

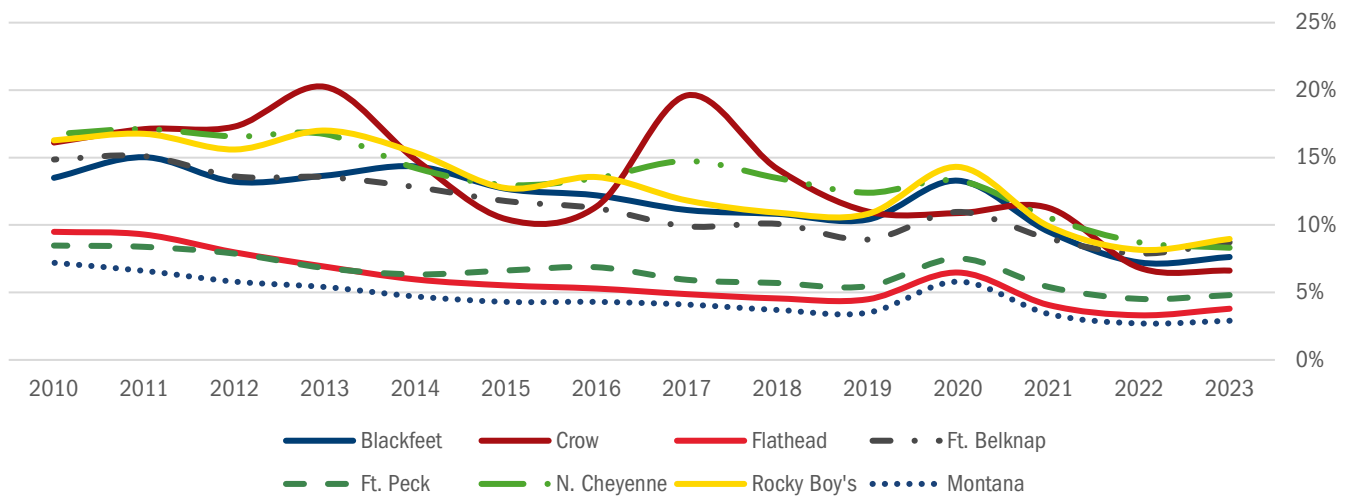
Though many reservations have high unemployment, reservation economies have improved over the last decade. **Figure 6** shows that unemployment rates have fallen since 2010 for all reservations, with levels closer to the state in the past two years than at any point in the previous decade. Prior to 2015, only two reservations had unemployment rates below 10% — now all seven do.

The Crow Reservation’s unemployment levels have fluctuated the most due to this area’s ties to coal mining, an industry that has been volatile in the last decade leading to large swings in the availability of jobs. These declining unemployment rates are a sign of improving economic conditions on reservations and suggest that people seeking employment are having more success in finding it.

Montana’s tribal colleges are both employers and an important pipeline in the process of preparing people for the workforce. The state has seven tribal colleges, one on each reservation, the most of any state. The colleges had over 3,000 American Indians enrolled in 2022. At Montana’s tribal colleges women outnumber men two to one.

Source: Integrated Postsecondary Education Data System, National Center for Education Statistics

**FIGURE 6**  
Annual Unemployment Rates

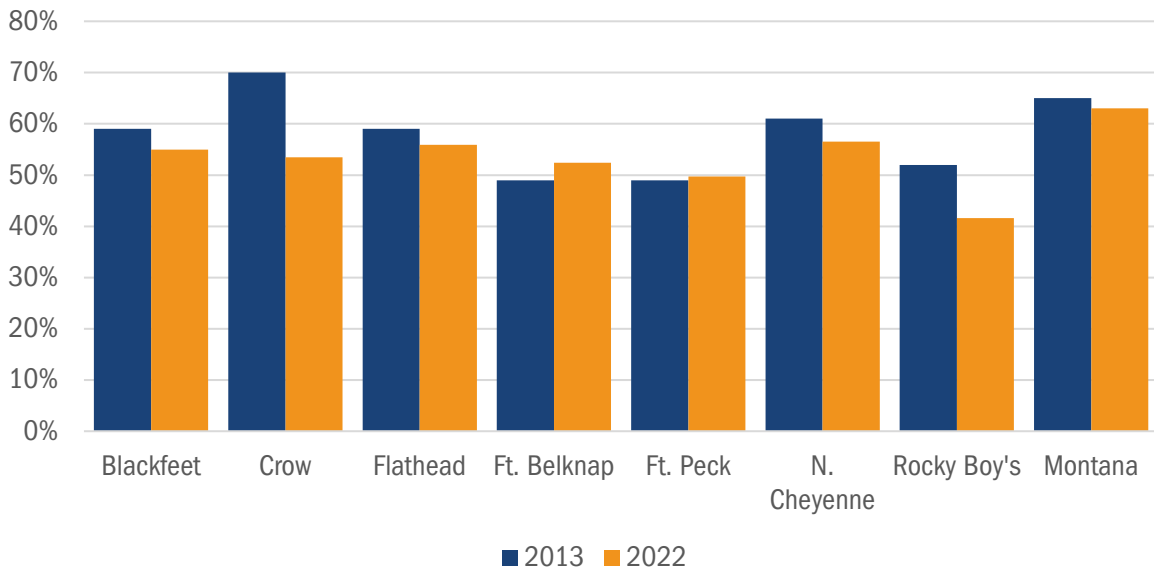


Source: MTDLI, Local Area Unemployment Statistics

In general, declining unemployment rates are followed by rising labor force participation, as greater access to opportunity brings more people into the labor market. An aging population can dampen this trend—in the past decade Montana and the seven reservations had the share of people in their prime working years (ages 25 to 54) decline by about 2%, while the shares of people at typical retirement age (65 and up) increased by about 4%. This change contributed to lower overall labor force participation across Montana and showed similar effects for some reservation areas (**Figure 7**). The Fort Belknap and Fort Peck reservations both saw an increase in labor force participation between 2013 and 2022 despite these impacts, while the Crow and Rocky Boy’s reservations saw outsized declines in labor force participation. One way in which workforce development can improve labor force participation is through efforts to prepare youth on reservations for employment, utilizing trainings customized to opportunities in their local labor markets.

**FIGURE 7**

**Labor Force Participation Rates**



Source: American Community Survey (ACS), 5-Year Estimates 2008-2013, 2018-2022

**Conclusion**

Montana’s reservation economies are varied, though all show a demand for job opportunities and economic investment. Workforce development activities to upskill and train workers in these areas will be an important part of the Montana Department of Labor & Industry’s efforts to prepare individuals for the jobs in their communities. Understanding differences in demographics, industry makeup, and workforce characteristics will be critical to efforts working in collaboration with each Tribal nation to design solutions specific to each nation’s local needs.

