

MAINE'S ECONOMIC OUTLOOK

Kennebec Valley Board of REALTORS®

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Percent Change in Time Spent Outside Home*

In **Maine**, as of **June 01 2021**, total time spent away from home **decreased** by **4%** compared to January 2020.



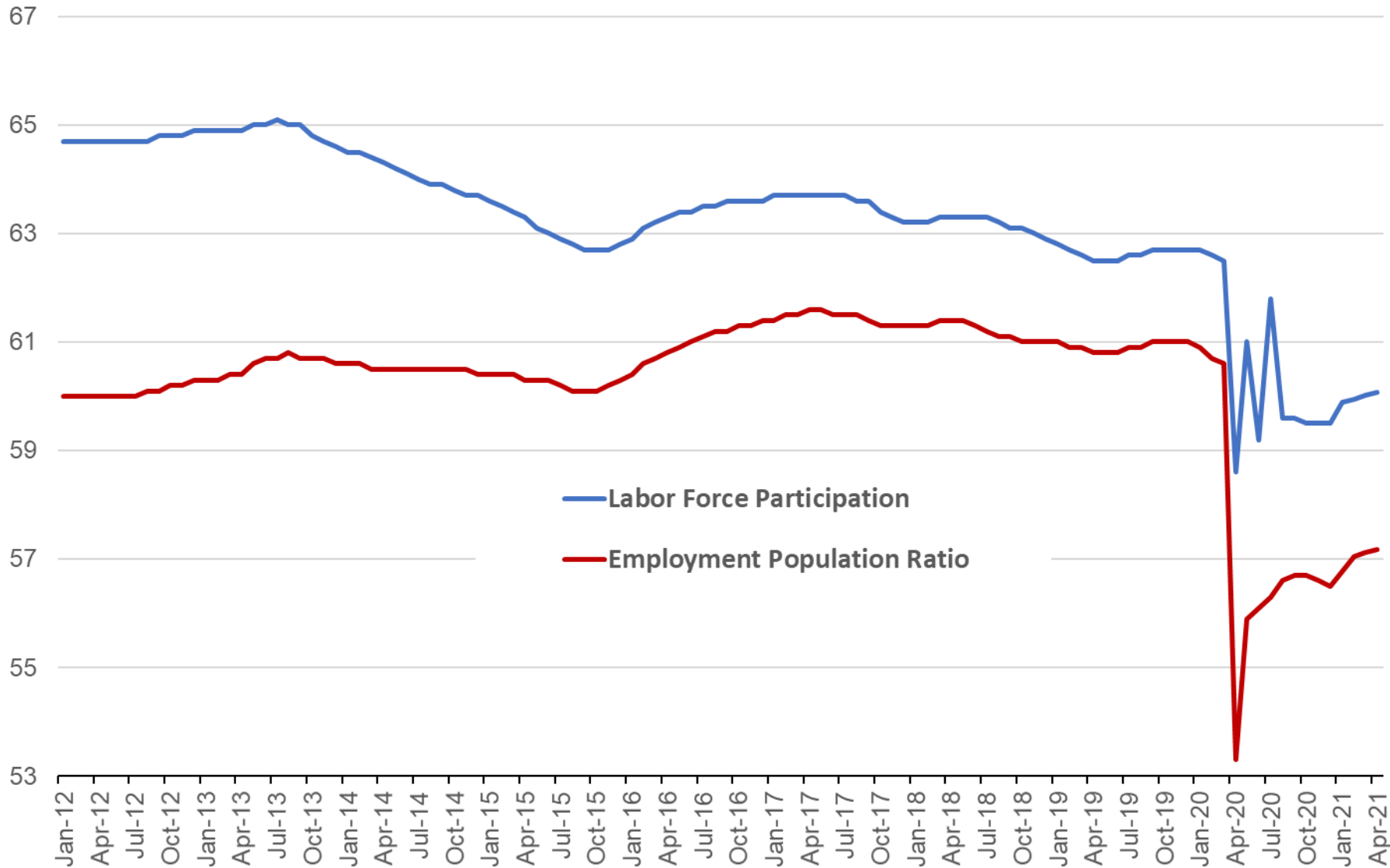
data source: Google COVID-19 Community Mobility Reports

*Change in the average time spent outside of residential locations indexed to the period between Jan 3-Feb 6 2020. This series uses data from Google's COVID-19 Community Mobility reports.

last updated: **June 04, 2021** next update expected: **June 08, 2021**

Labor Force Participation & Employment Population Ratio

(Seasonally Adjusted)

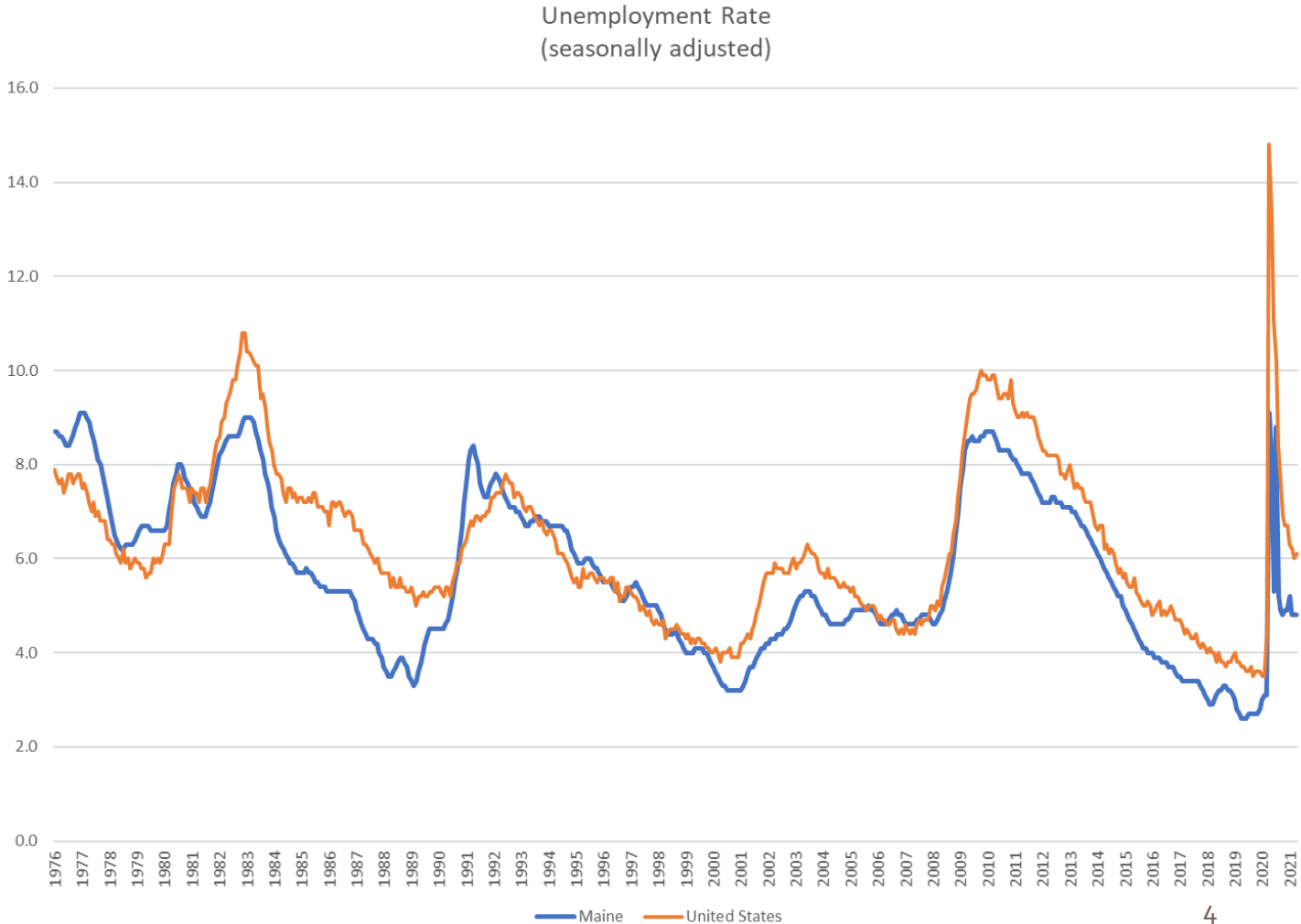


With disruptions to schools and childcare, many children were suddenly home all day, resulting in people – more women than men – leaving the labor force to care for them.

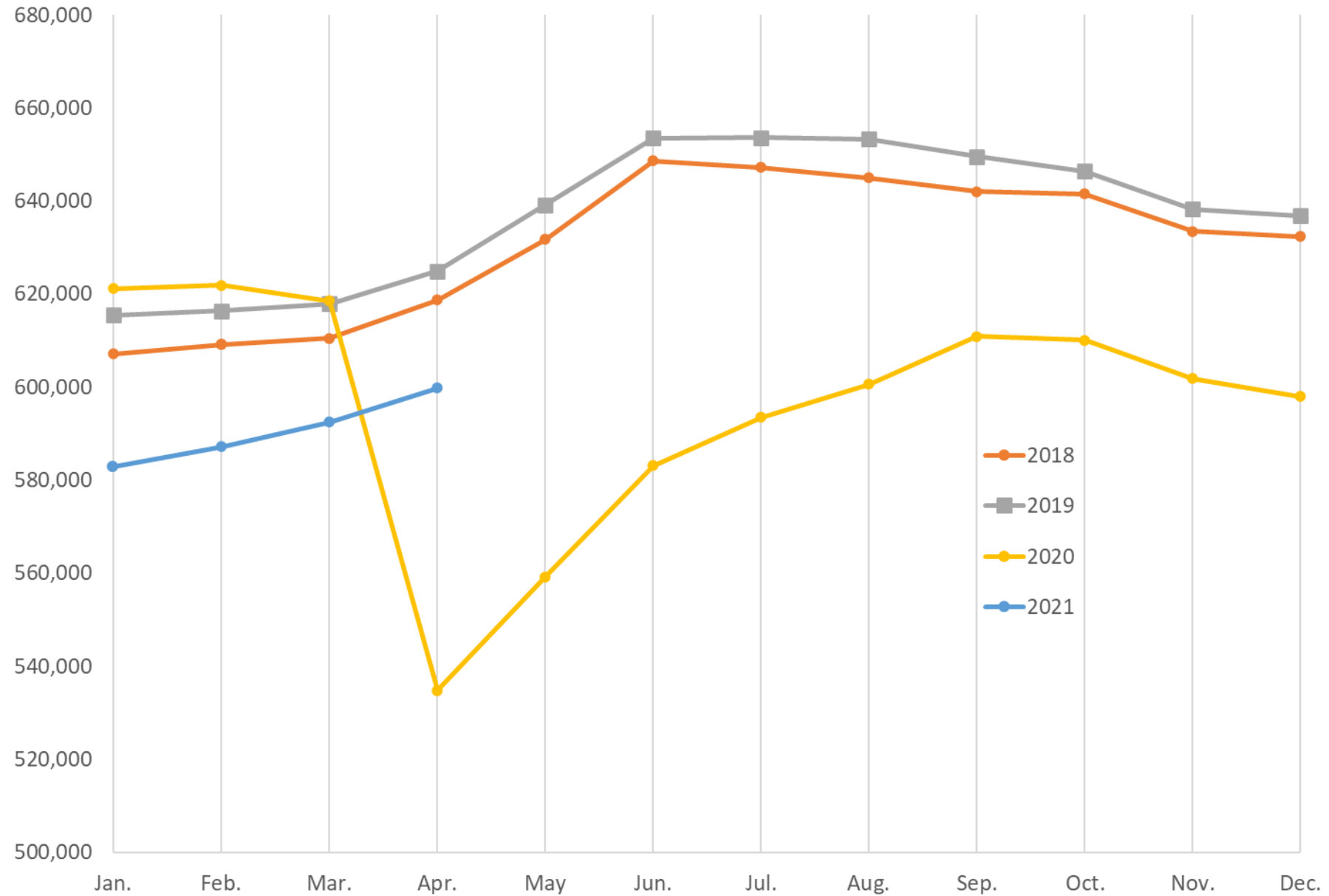
Recent research from the Federal Reserve Bank of San Francisco found that nationally, approx. 700,000 more prime-age mothers would have been in the labor force in Dec. 2020 if their recovery had matched that of other women.

In April 2020, Maine's official unemployment rate was 9.1% - the highest since February 1977. Even so, it underrepresented the true unemployment rate due to technical issues

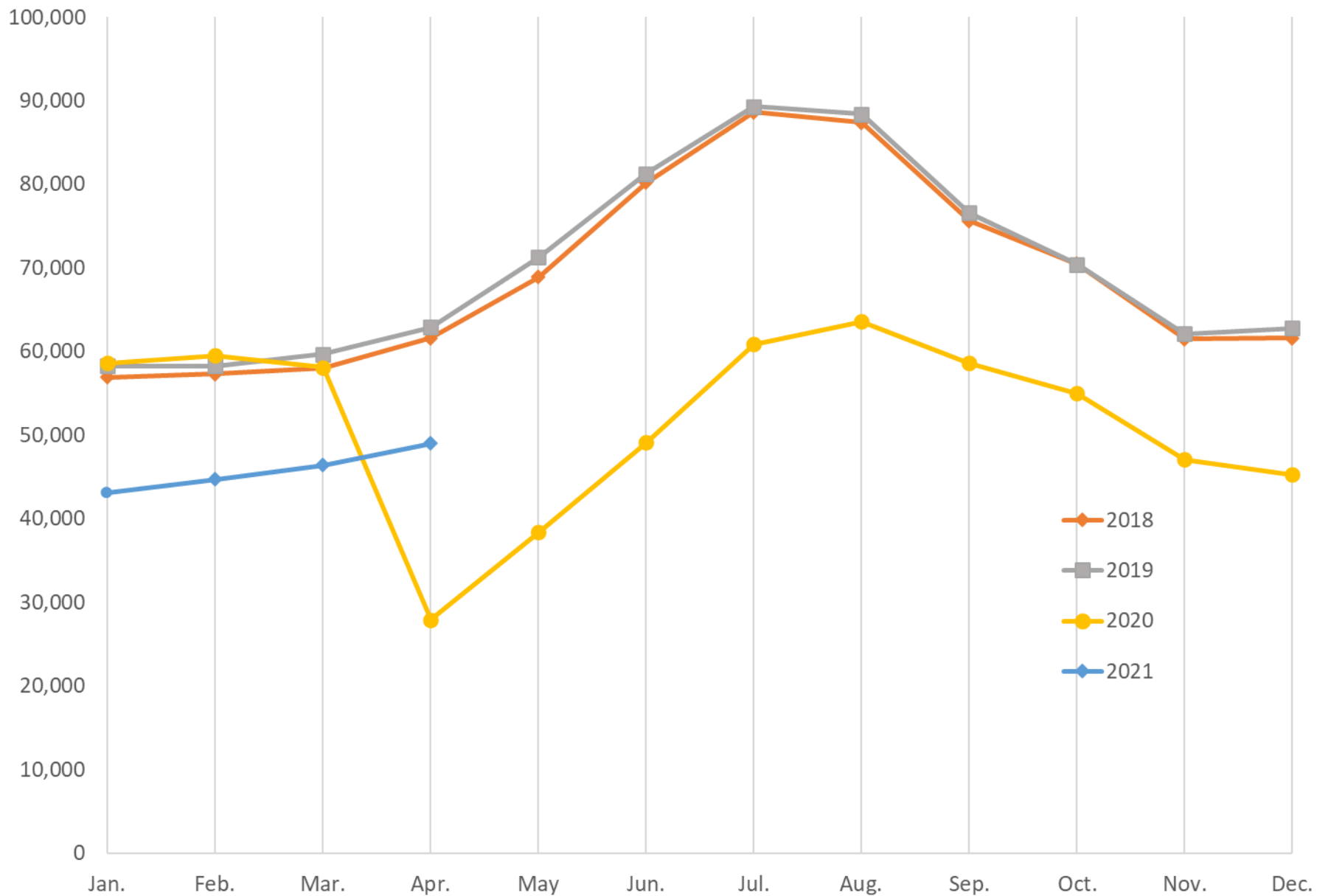
Maine's official unemployment rate in April 2021 was 4.8%; but the Maine Department of Labor estimates that if labor force participation were at Feb. 2020 levels the unemployment rate would be 8.7%



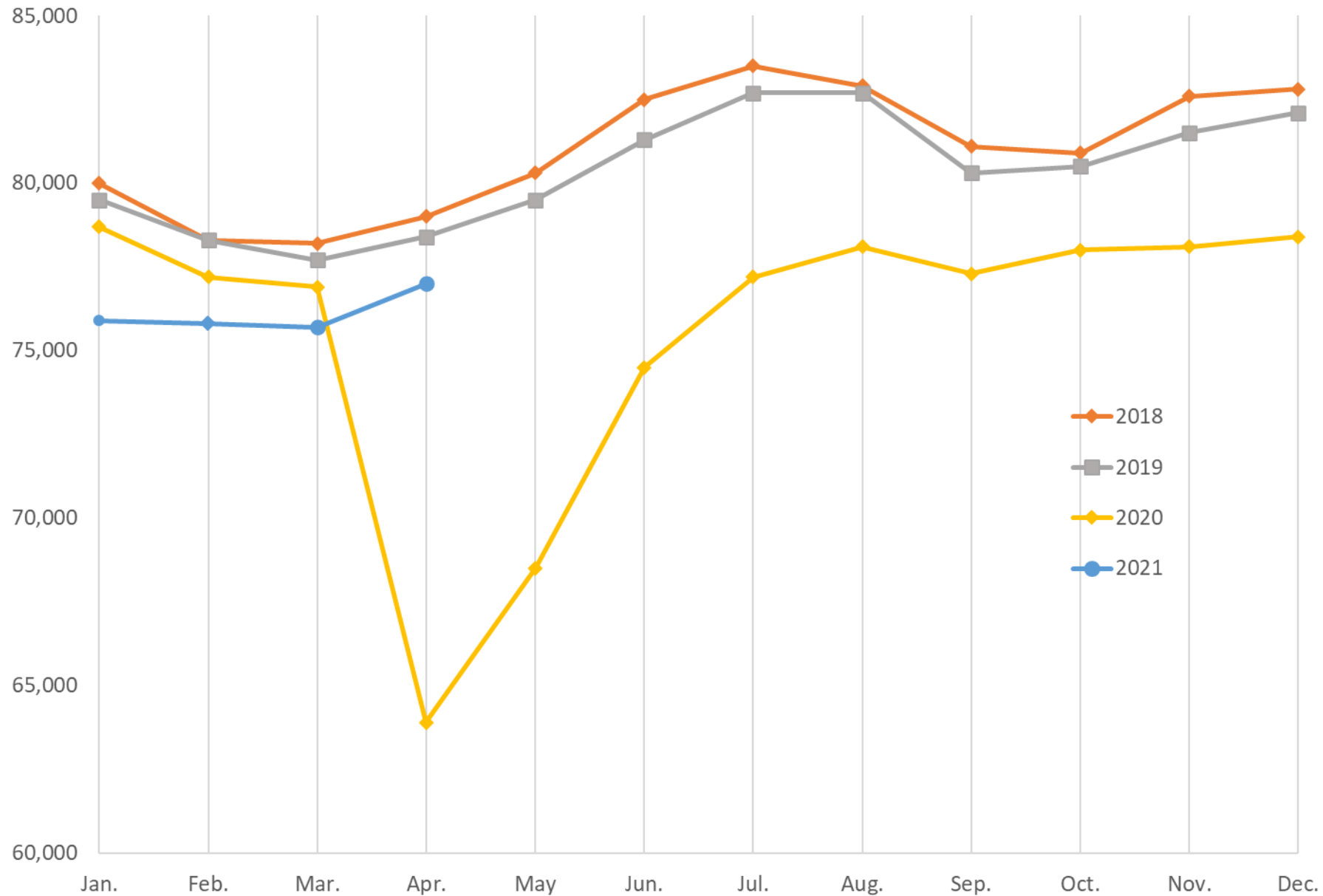
Total Nonfarm Employment, Not Seasonally Adjusted



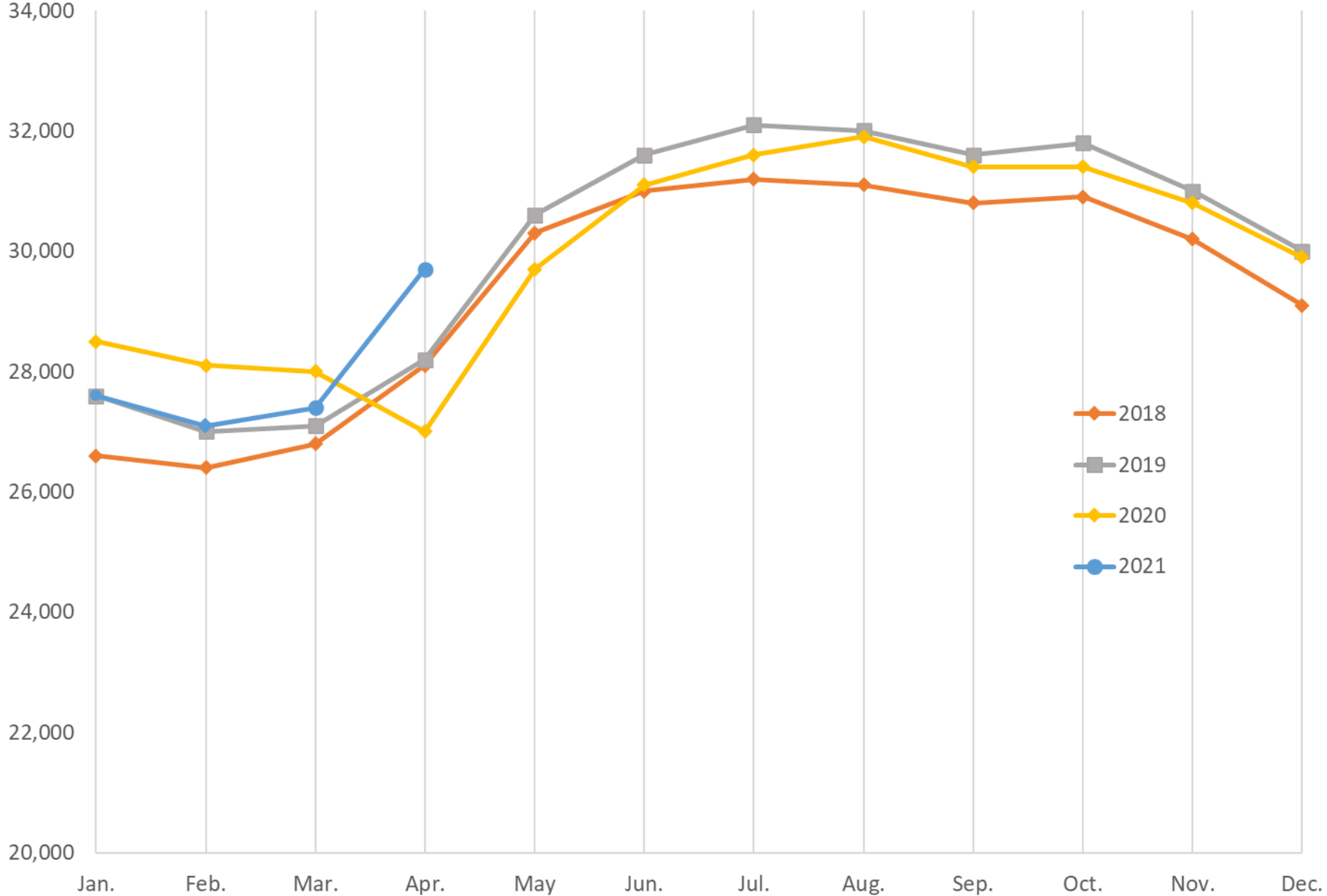
Leisure and Hospitality Employment, Not Seasonally Adjusted



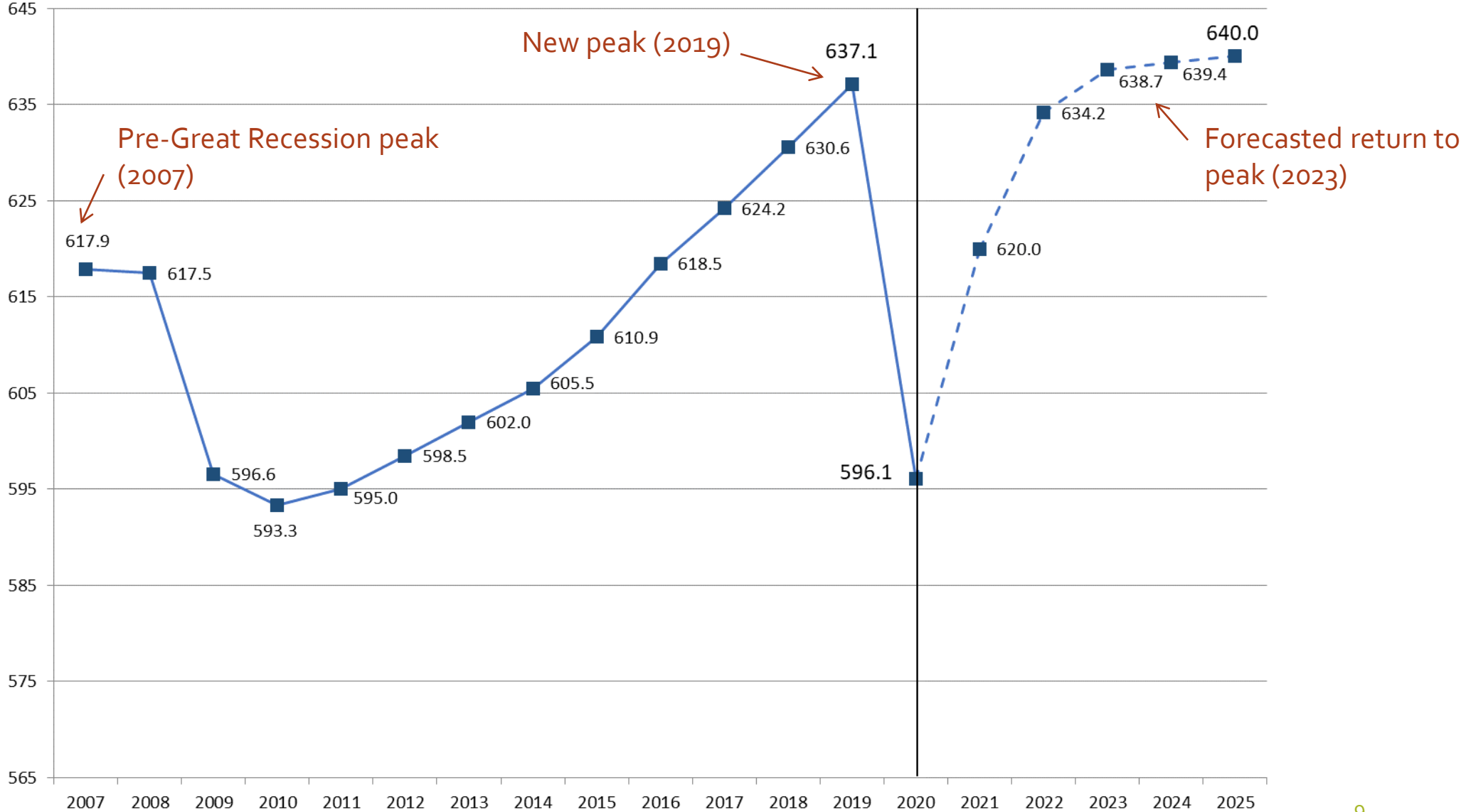
Retail Trade Employment, Not Seasonally Adjusted



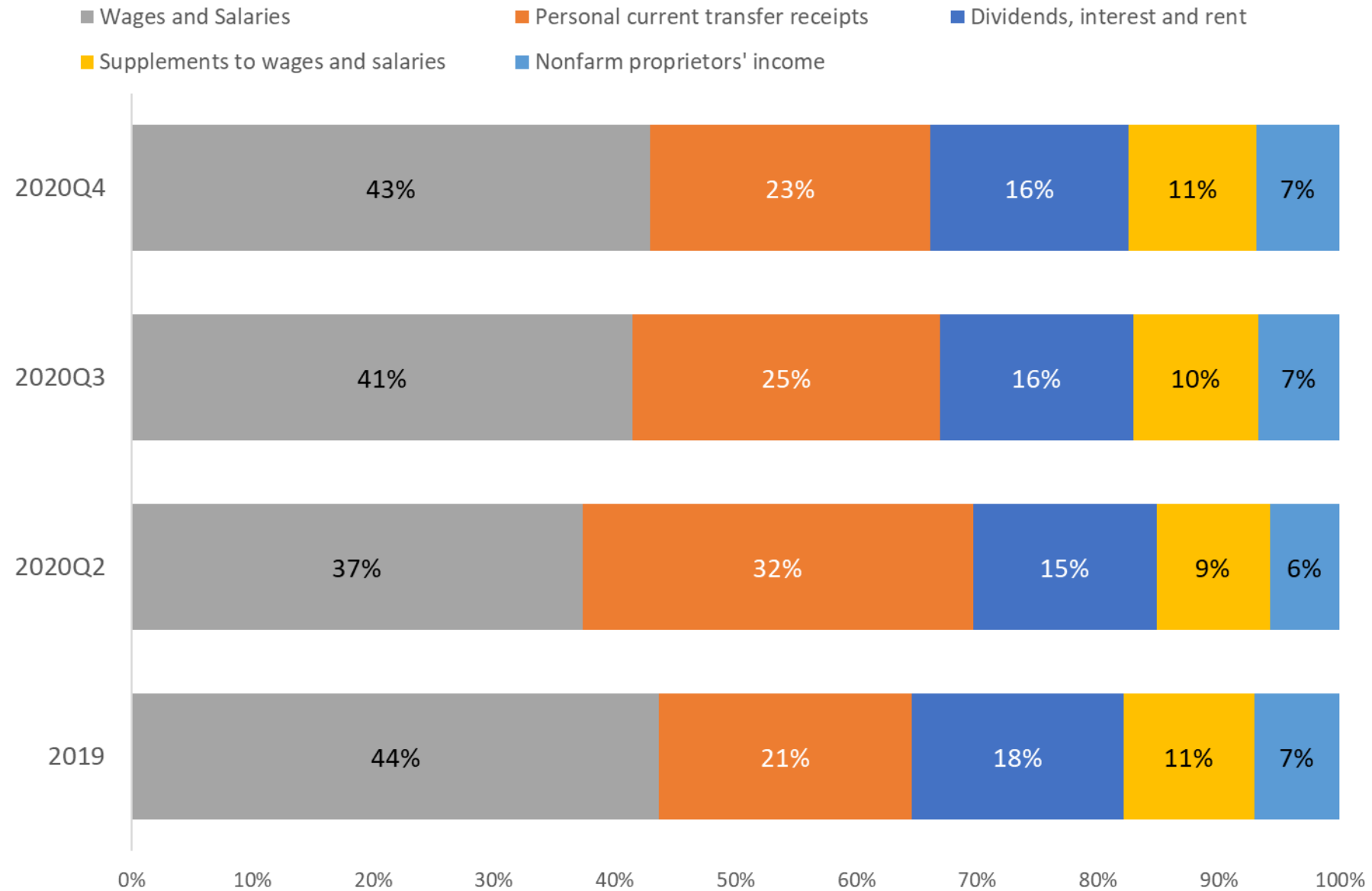
Construction Employment, Not Seasonally Adjusted



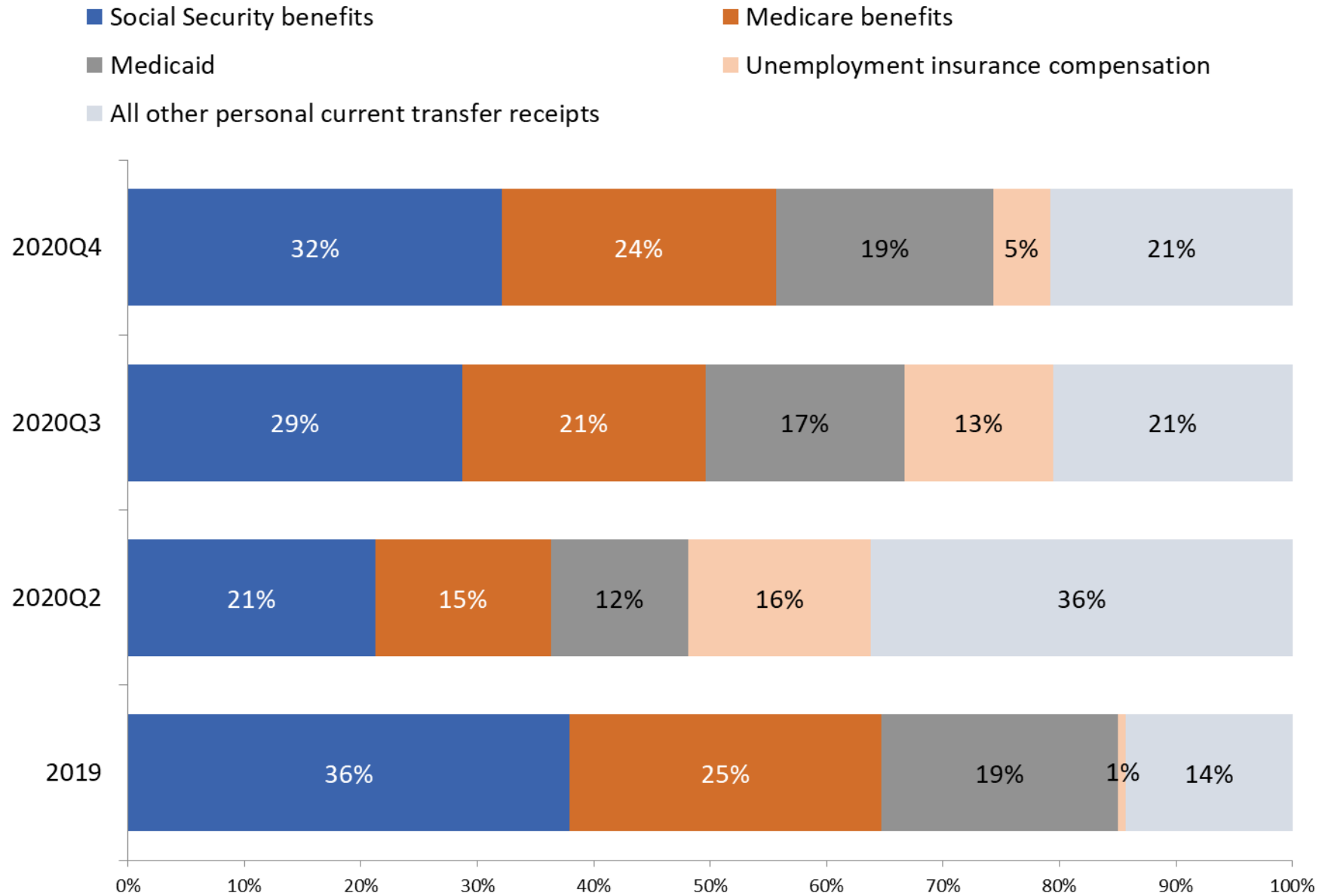
Total Nonfarm Employment (in thousands) History and CEFC forecast



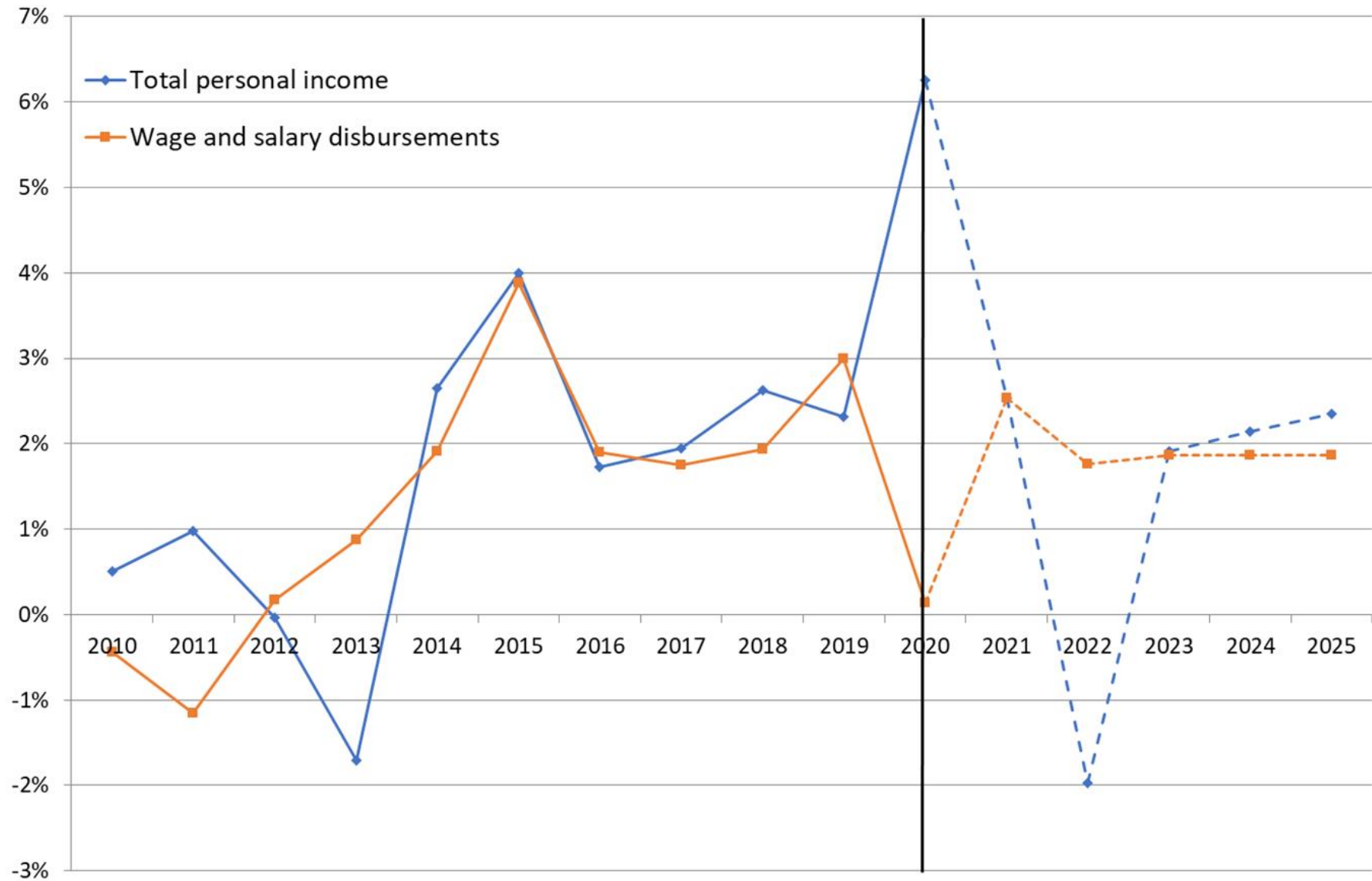
Major Components of Personal Income, Maine



Components of Personal Current Transfer Receipts, Maine



Percent Change in Real Personal Income, Maine 2010-2020 and forecast to 2025



This was not a typical recession (as much as there is such a thing as a “typical” recession)

Normally in a recession, we see more losses in goods-producing sectors while services hold up, but this time around, we’ve seen the opposite

- Leisure and hospitality plus public and private education accounted for 64% of net job loss over the year
- Auto sales (up 5.6%) and building supply sales (up 19.9%) did very well in 2020, but restaurant (down 25.5%) and lodging sales (down 35.2%) were well below normal levels

Impacts have been highly disparate, with women, BIPOC, low-income households, households with children, and younger workers more affected (share of employment in hard hit sectors one of the contributing factors)

- This is exacerbating existing inequities and is somewhat disguised by top-level indicators

What to look for in the coming weeks/months

- Economic health relies on public health, especially in key sectors
 - Increased vaccinations and decreased infection rates should result in improved economic conditions, assuming consumer confidence rebounds (people need to feel both physically and economically secure)
- Supply chain issues have become a problem and could hold back the recovery, especially if they become more widespread and/or drag on for an extended period
- Federal support has been critical thus far; American Rescue Plan will help continue bridging the gap, especially for the harder-hit households and businesses, until the pandemic is fully under control
- Good summer weather would help, too!

Contact Information

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