



THE ECONOMICS AND DEMOGRAPHICS OF MAINE

LEADERSHIP MAINE ORIENTATION

JUNE 7, 2019

AMANDA RECTOR (PI CLASS)

MAINE STATE ECONOMIST

DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES



OVERVIEW


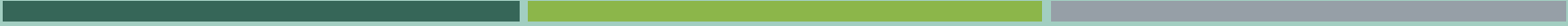
- Demographics

- Employment and Industry

- Industries of the Past and the Future

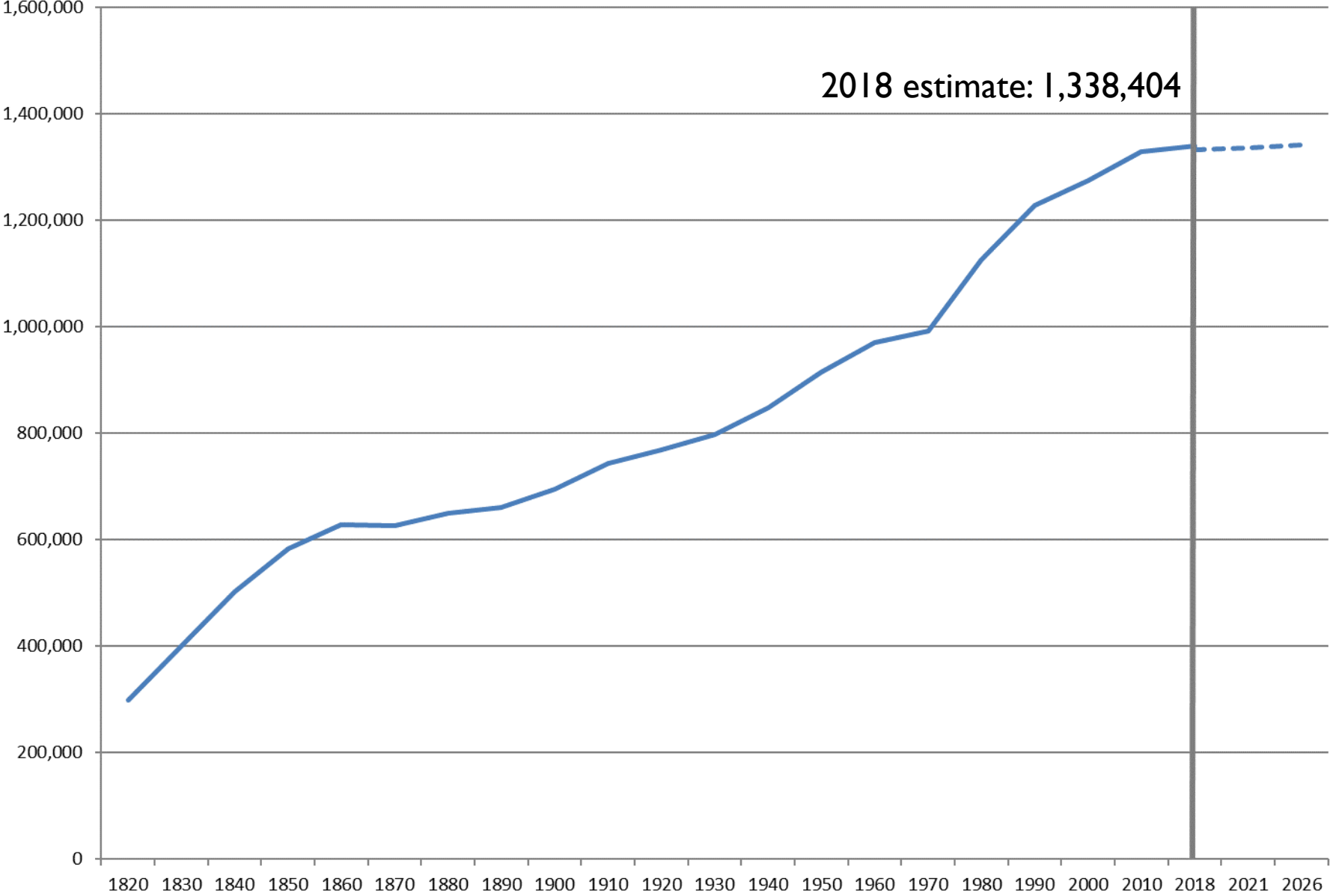
DEMOGRAPHICS





IN ORDER TO UNDERSTAND
THE **ECONOMY**, YOU
HAVE TO UNDERSTAND THE
DEMOGRAPHICS.

Total Population, Maine



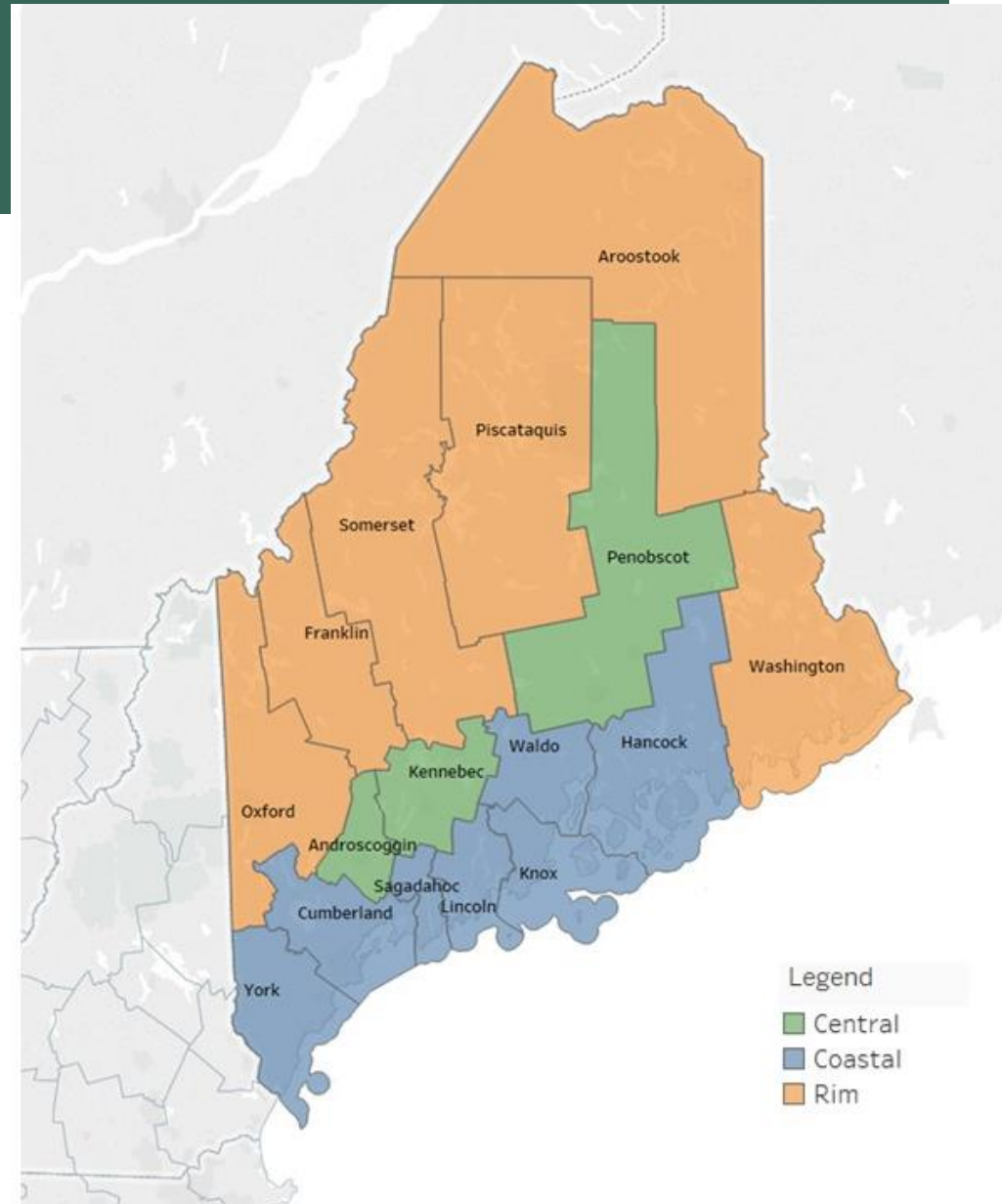
2018 estimate: 1,338,404

Sources: U.S. Census Bureau; State Economist population projections

REGIONS OF MAINE

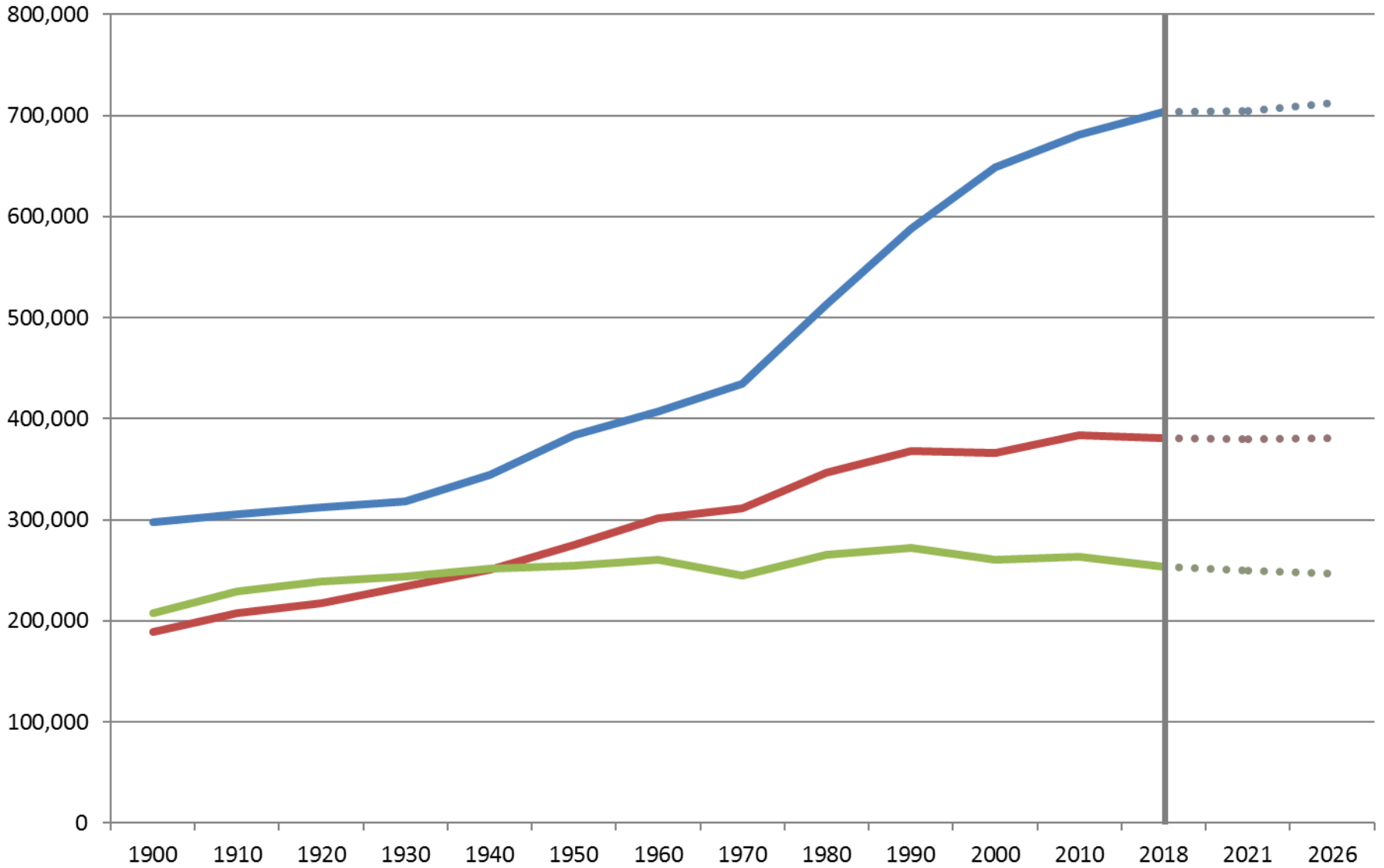
■ Three counties had peak decennial population in a year other than 2010:

- Aroostook: 1960
- Piscataquis: 1920
- Washington: 1900



Total Population, Regions of Maine

Coastal Central Rim

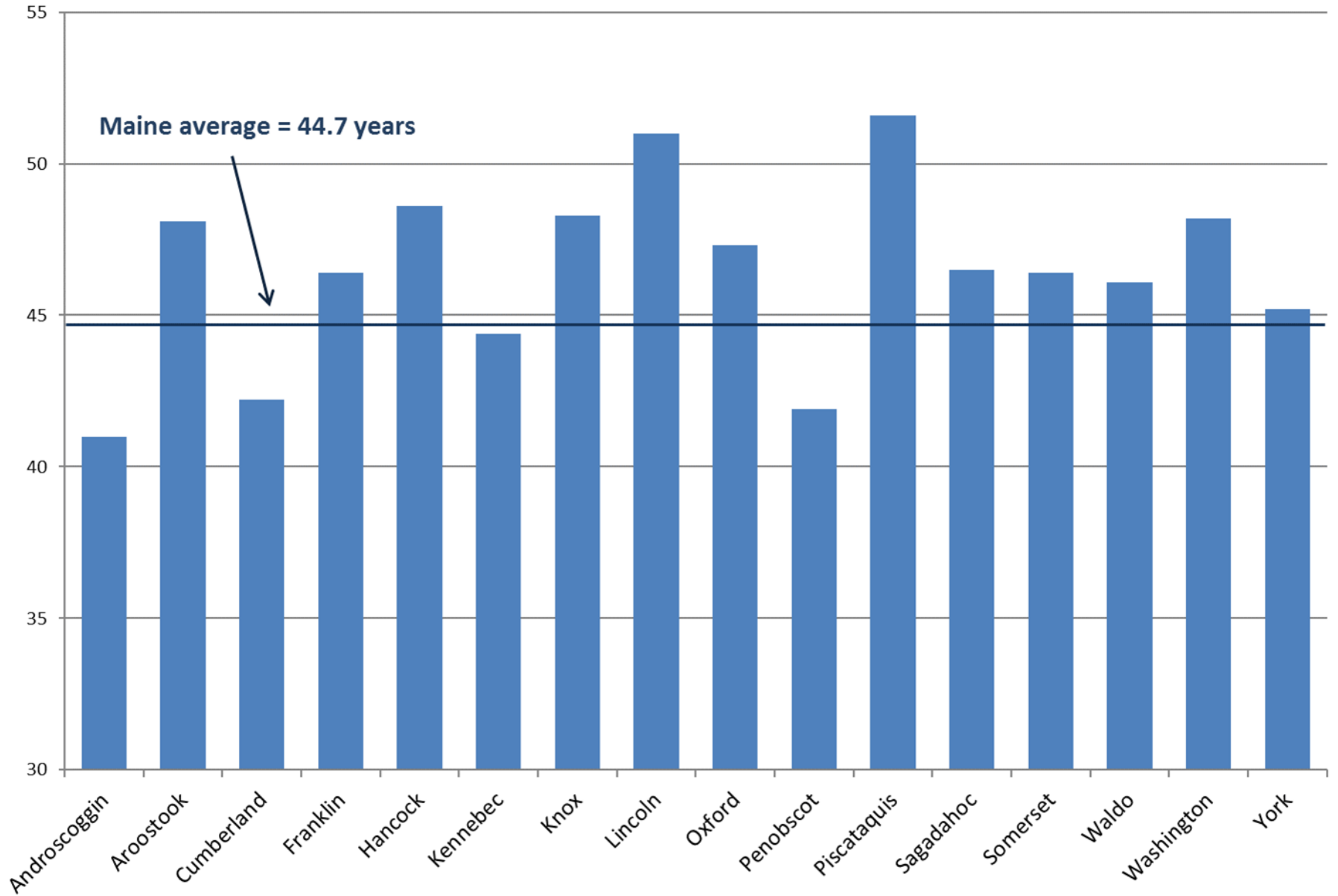


MAINE: A DEMOGRAPHIC SNAPSHOT

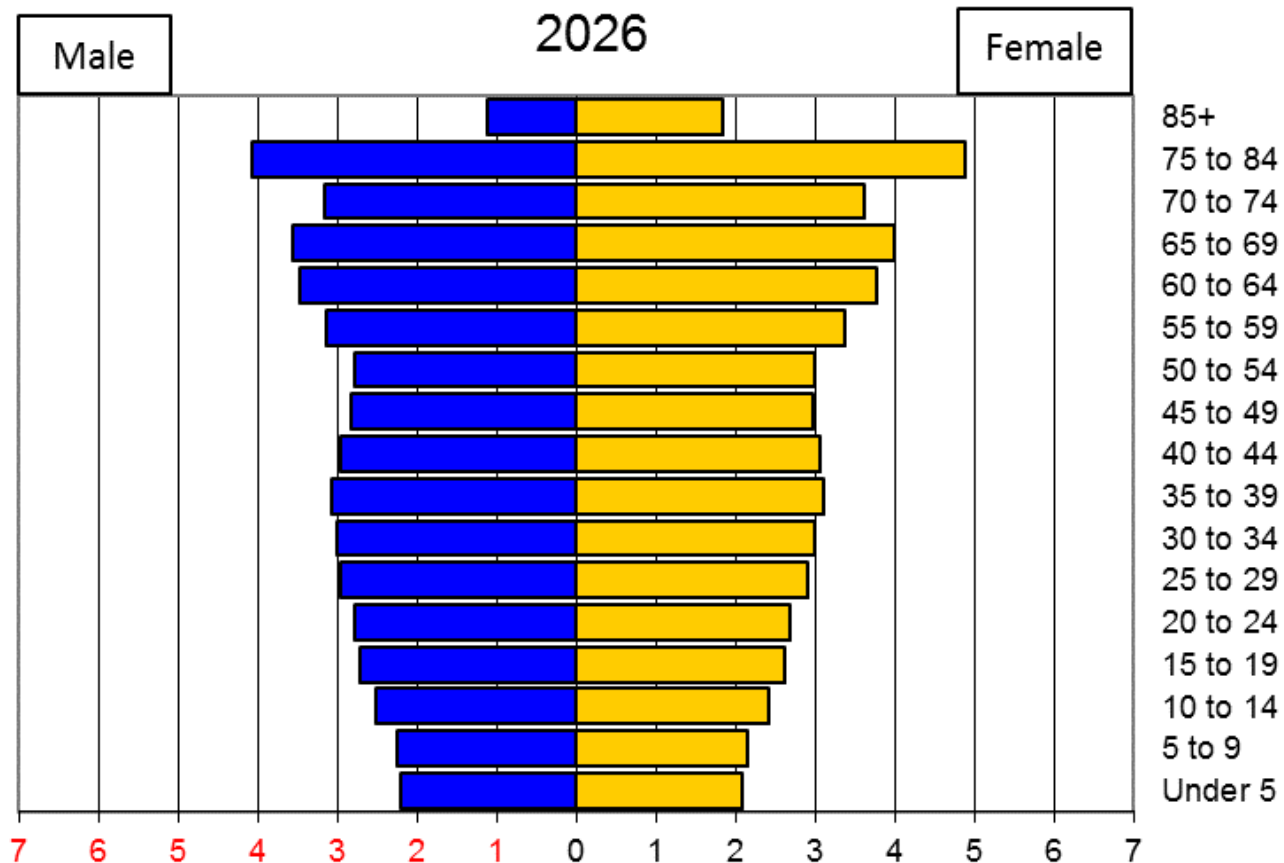
- 2018 Population Estimate: 1,338,404
 - 42nd largest in US
- 2010 – 2018 Population Change: +0.8%
 - 42nd in US (ahead of WV, IL, CT, VT, RI, MS, NY, PA)
- 2017 Median age: 44.7 years
 - Oldest in US
- 93.3% White, Non-Hispanic
 - Highest percentage in US



Median Age

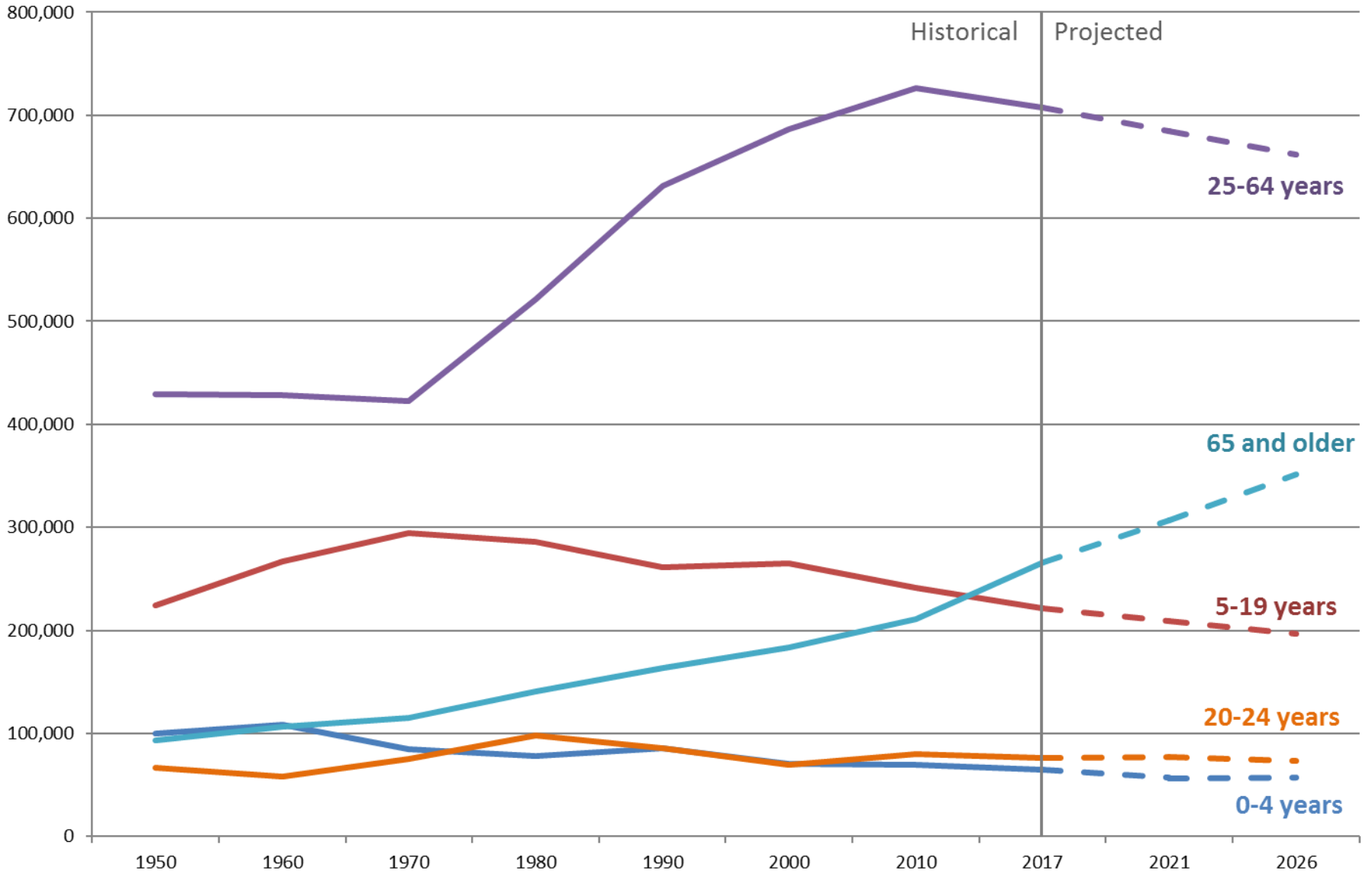


THE BABY BOOM WAVE



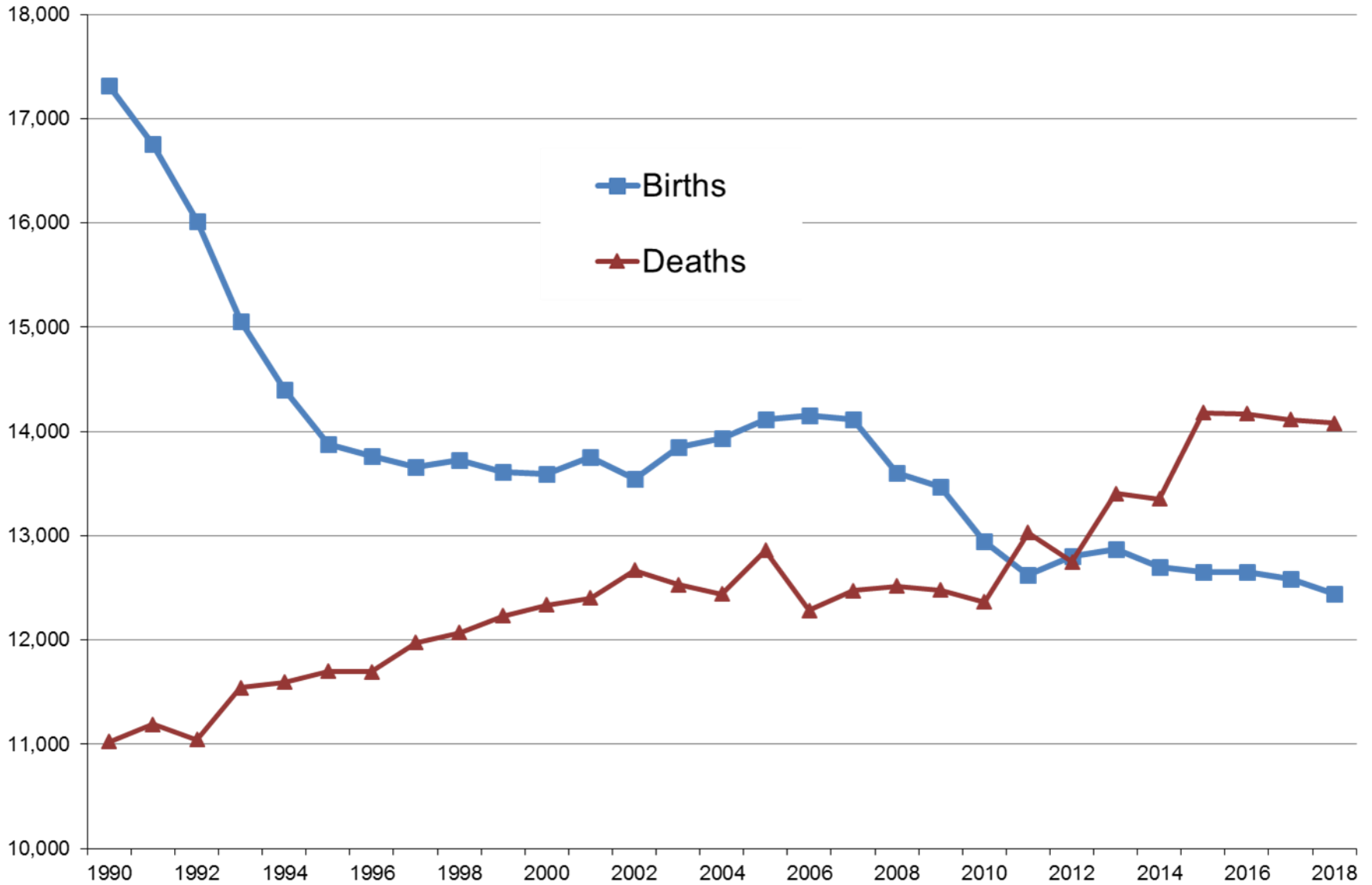
Maine Population Trends by Age

1950-2026

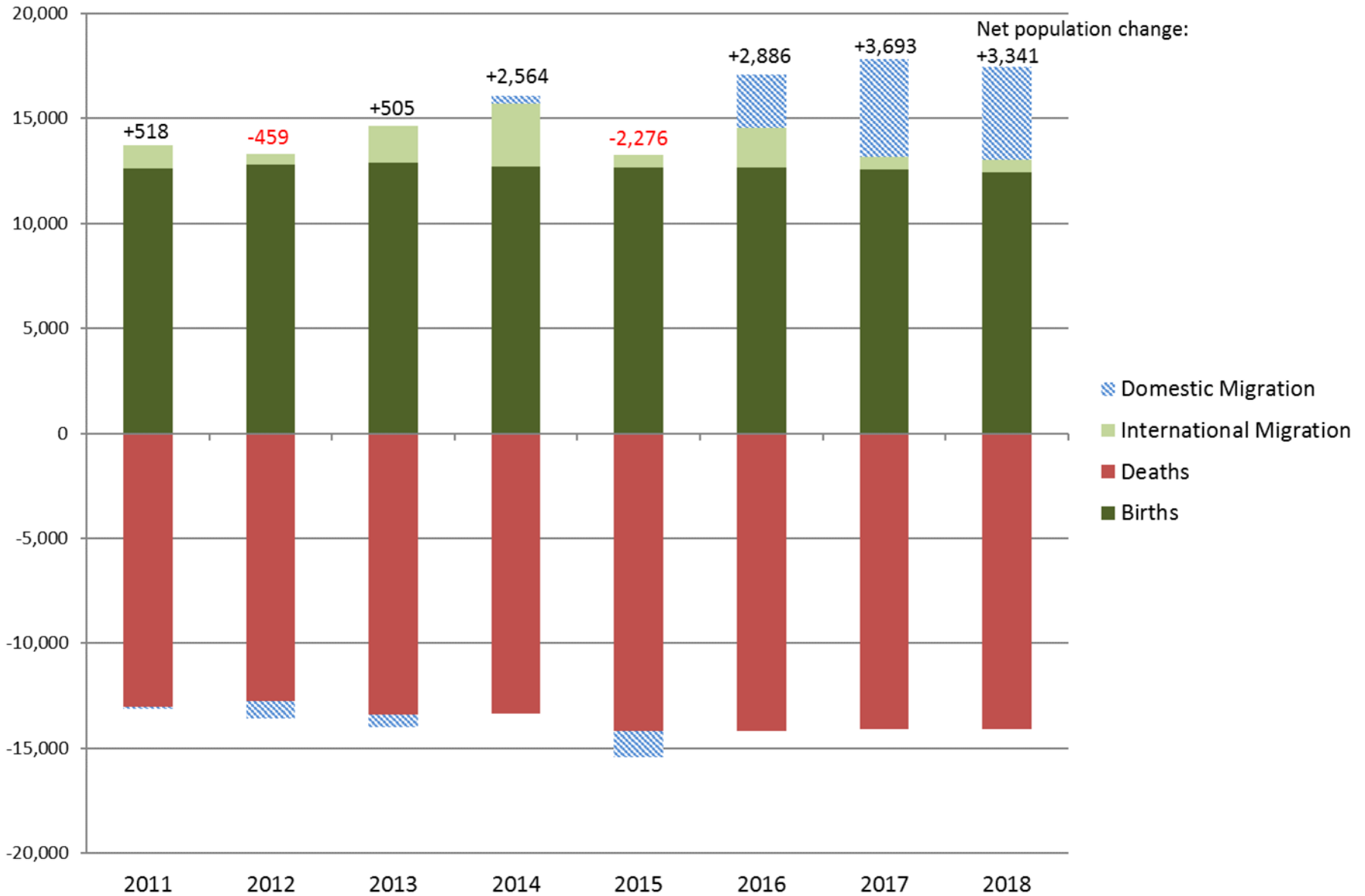


Sources: U.S. Census Bureau, Decennial Census; State Economist population projections

Births and Deaths per year in Maine



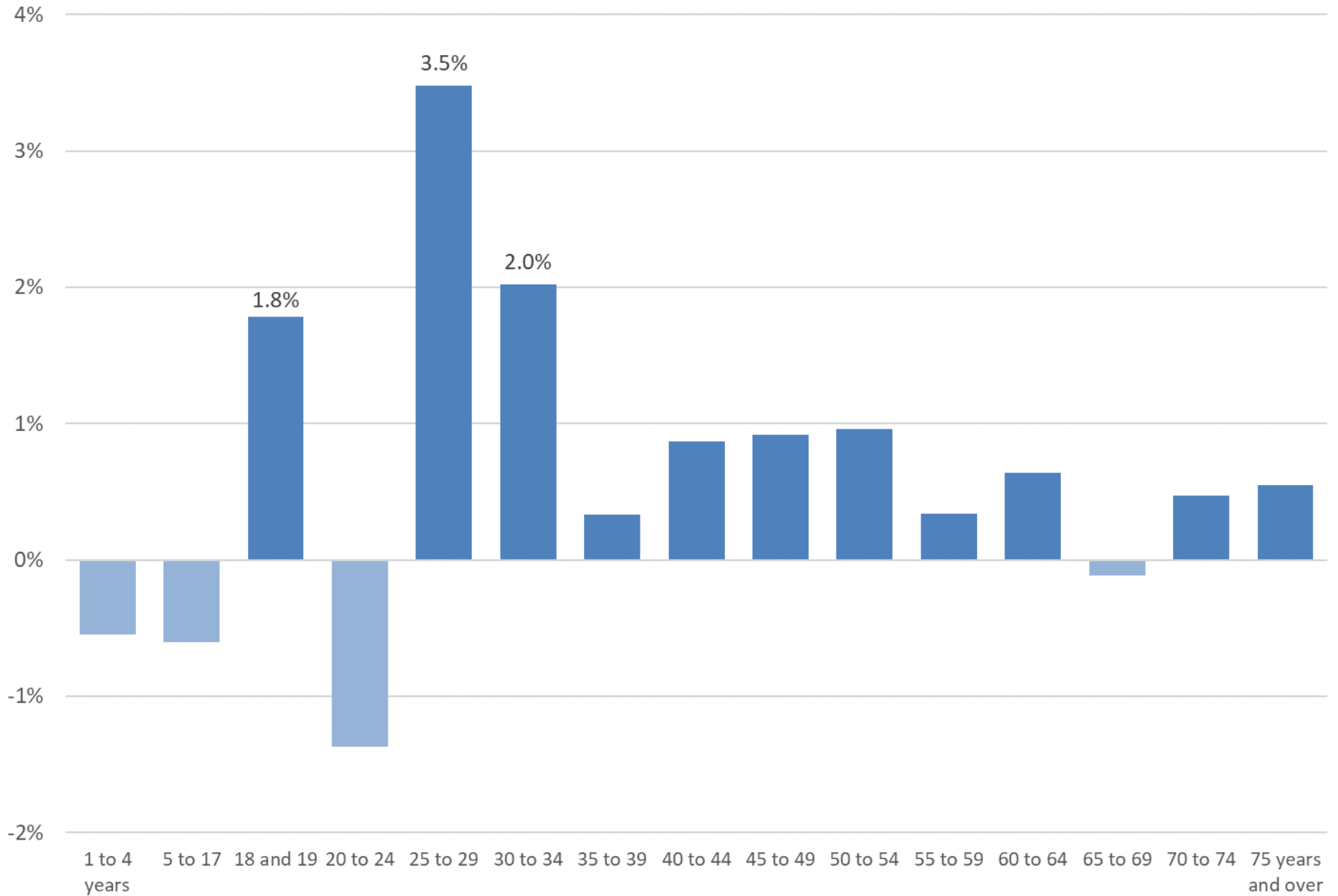
Components of Population Change, Maine



WHERE ARE PEOPLE MOVING TO/FROM?

2017 State-to-State Migration Patterns			
<i>Moved to Maine from:</i>		<i>Moved from Maine to:</i>	
Massachusetts	7,567	Massachusetts	4,099
New Hampshire	4,274	New Hampshire	3,950
Florida	3,059	Florida	2,960
New York	2,478	California	2,578
Connecticut	1,690	New York	1,611
Pennsylvania	1,629	Pennsylvania	1,156
California	1,578	Virginia	1,135
Georgia	1,241	North Carolina	1,014
Virginia	1,162	Wisconsin	904
North Carolina	1,074	Texas	648

Annual Domestic Migration Rate by Age, 2017



Source: U.S. Census Bureau, 2017 American Community Survey 1-year estimates

WHO ARE THE PEOPLE MOVING TO MAINE?

■ Educational attainment

- High School Graduate: net gain of 457
- Some College or Associate's: +2,555
- Bachelor's Degree: +2,966
- Graduate or Professional Degree: +1,896

COUNTIES WITH POSITIVE NET MIGRATION

2010 - 2018

- Cumberland (10,151)
- York (9,412)
- Hancock (1,408)
- Waldo (1,200)
- Lincoln (1,083)
- Kennebec (1,067)
- Knox (911)
- Oxford (840)
- Sagadahoc (533)

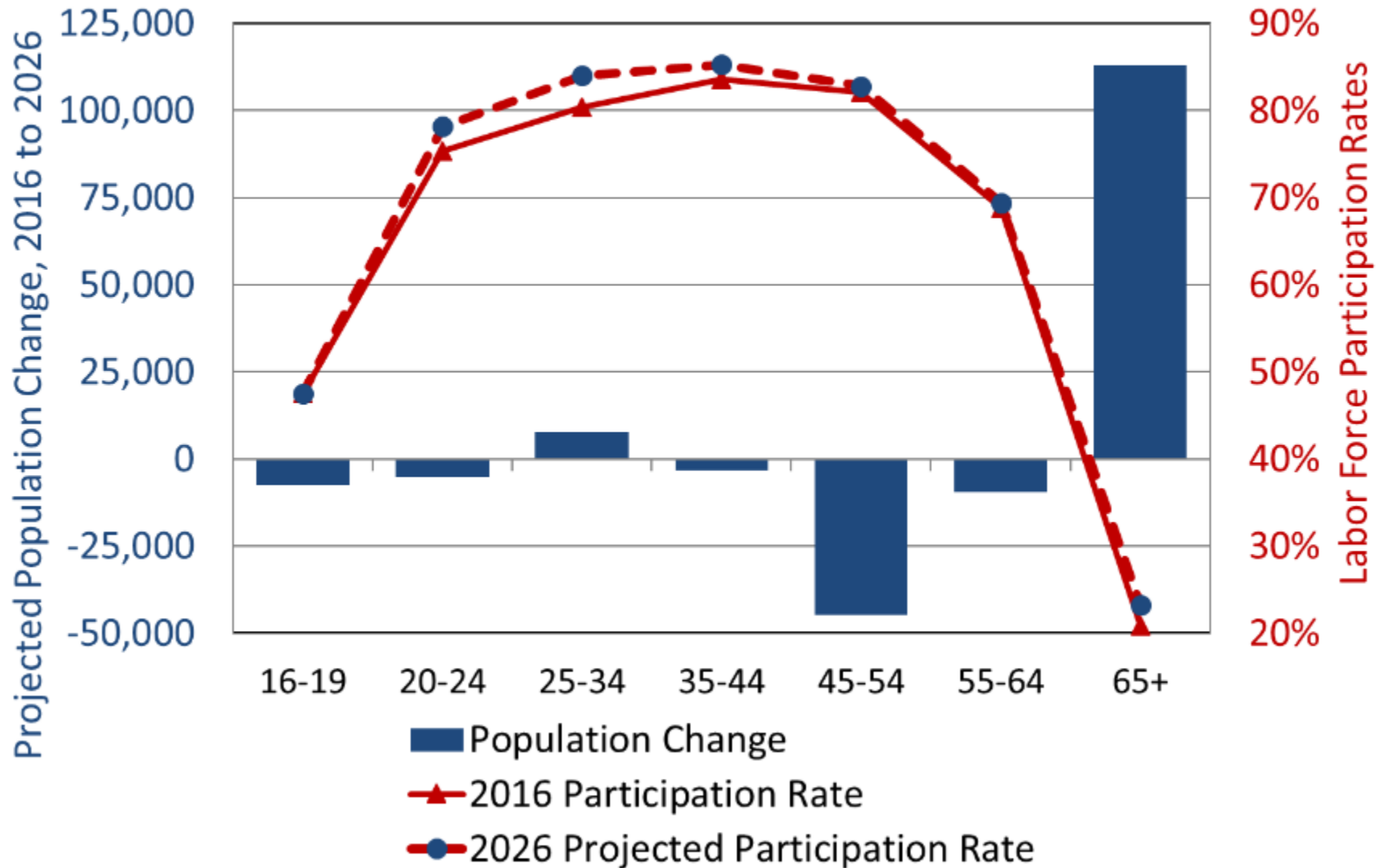
2017 - 2018

- York (1,856)
- Cumberland (1,080)
- Kennebec (386)
- Hancock (382)
- Oxford (366)
- Lincoln (304)
- Sagadahoc (288)
- Somerset (273)
- Franklin (155)
- Washington (85)
- Piscataquis (68)
- Penobscot (51)



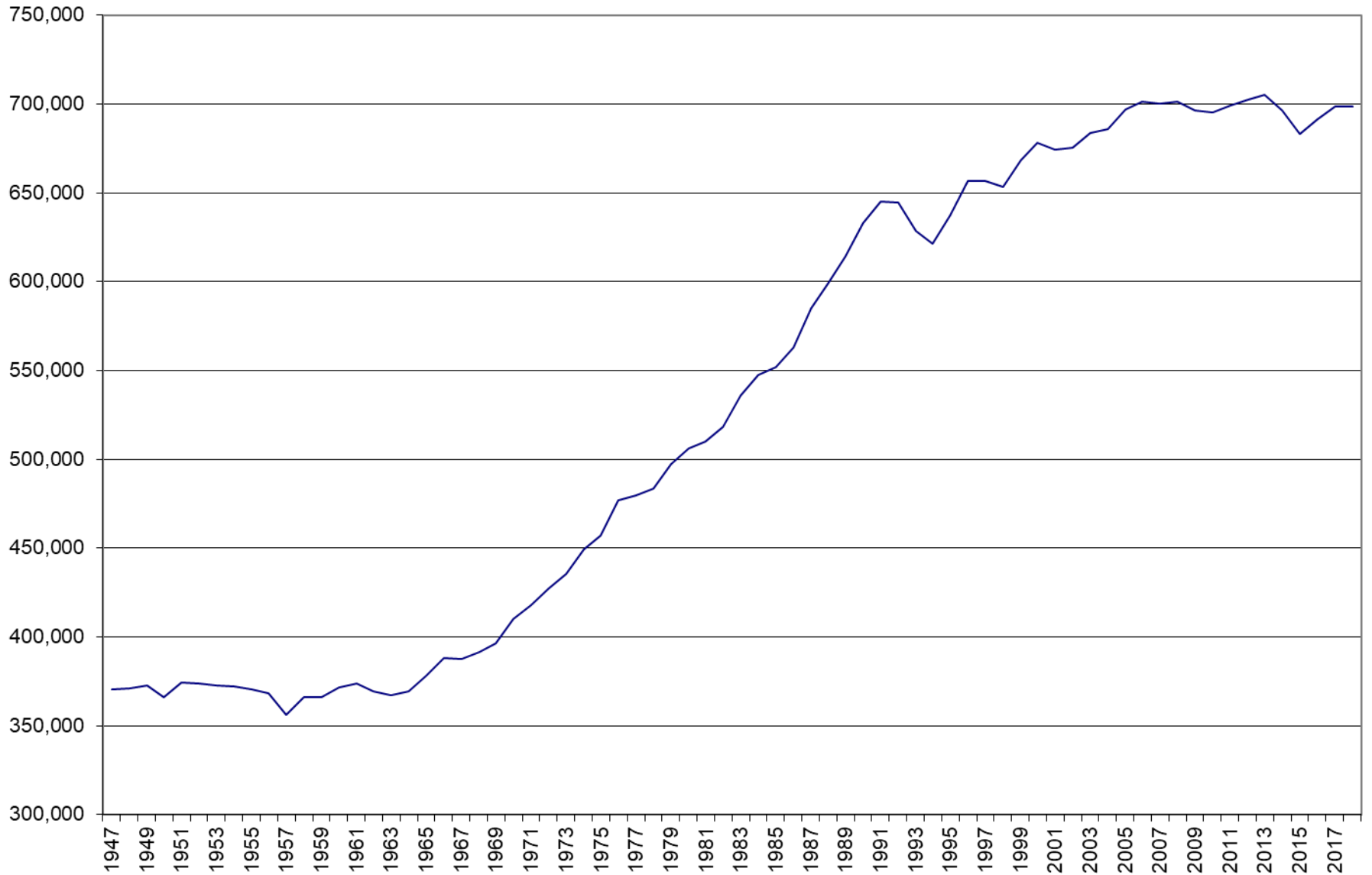
EMPLOYMENT AND INDUSTRY

Projected Population Change and Participation Rates by Age Group in Maine



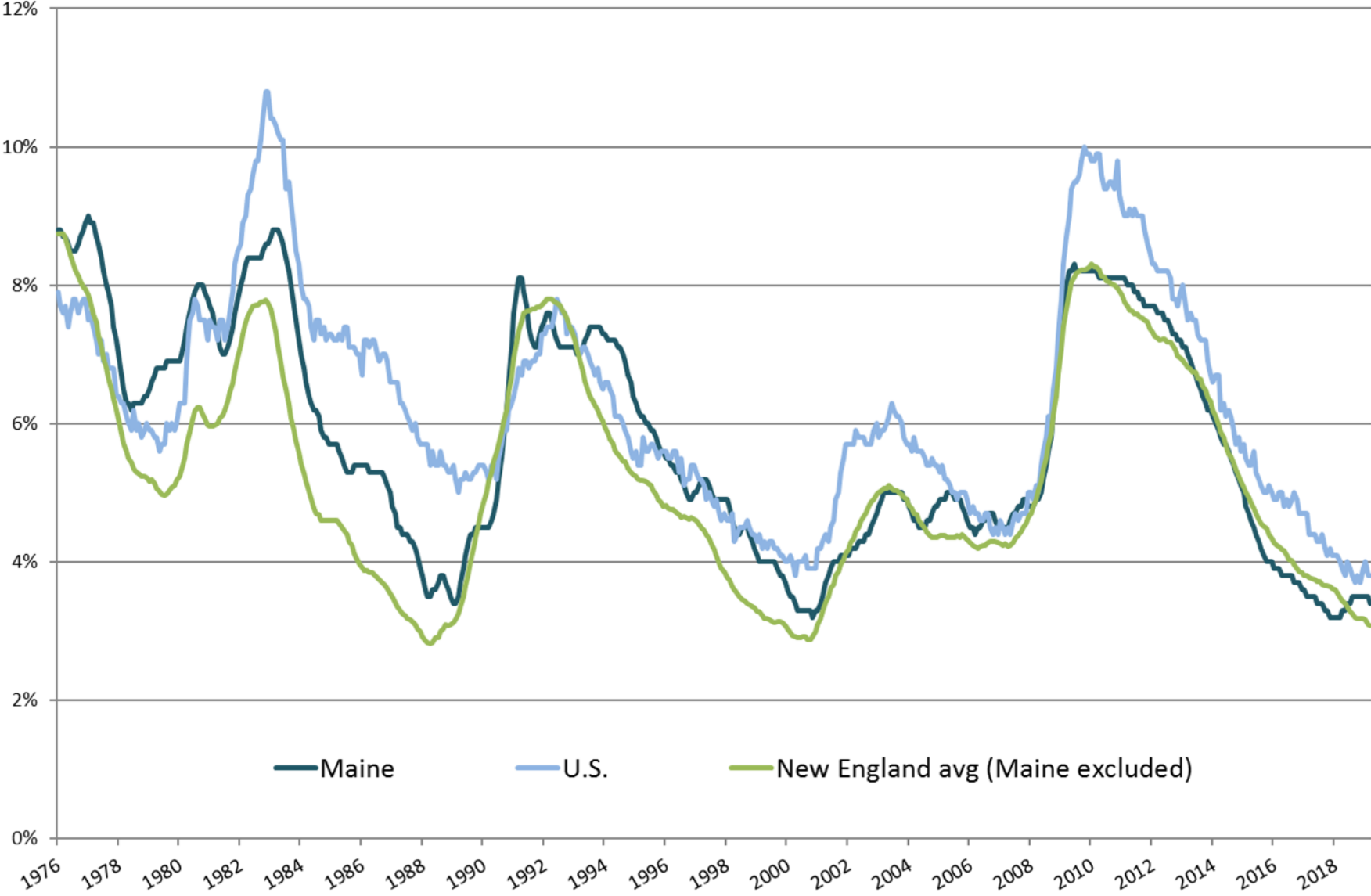
Source: Maine Department of Labor, *Employment Outlook to 2026*;
<https://cwri1.blogspot.com/2018/07/employment-outlookto-2026.html>

Maine Civilian Labor Force



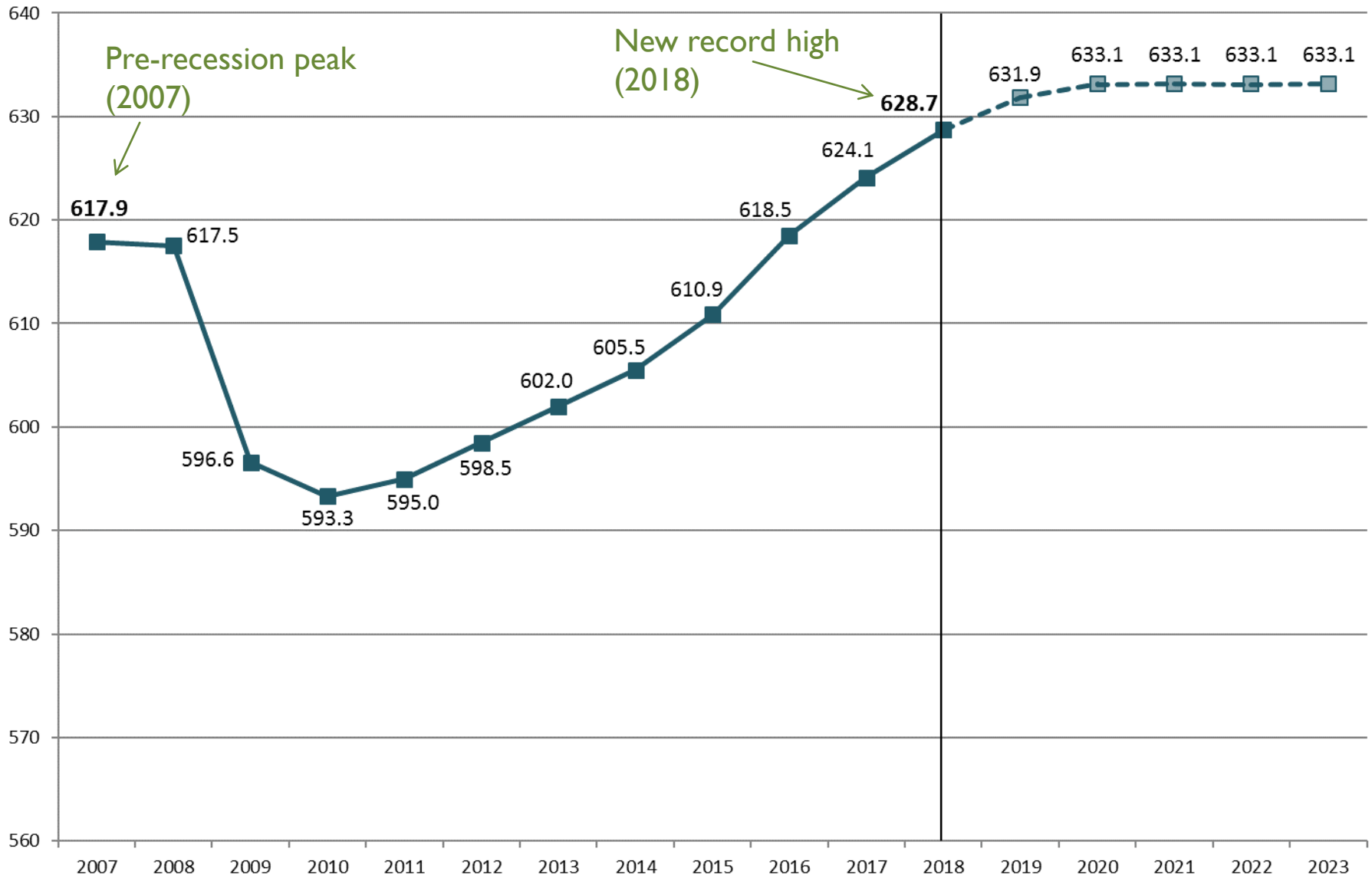
Source: Maine Department of Labor

Monthly Unemployment Rate (Seasonally Adjusted)



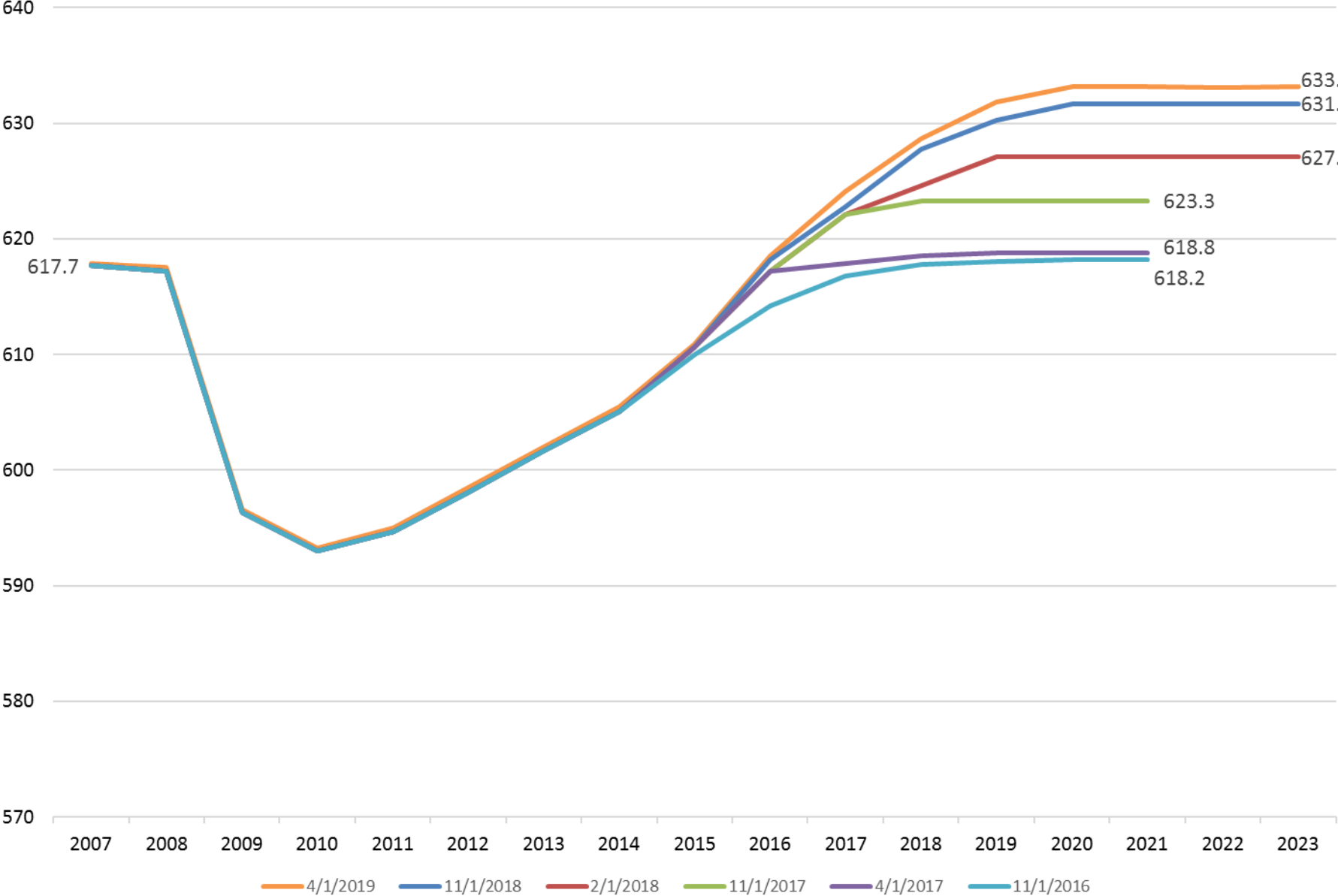
Source: Maine Department of Labor, Center for Workforce Research and Information

Total Nonfarm Employment (in thousands) History and CEFC forecast



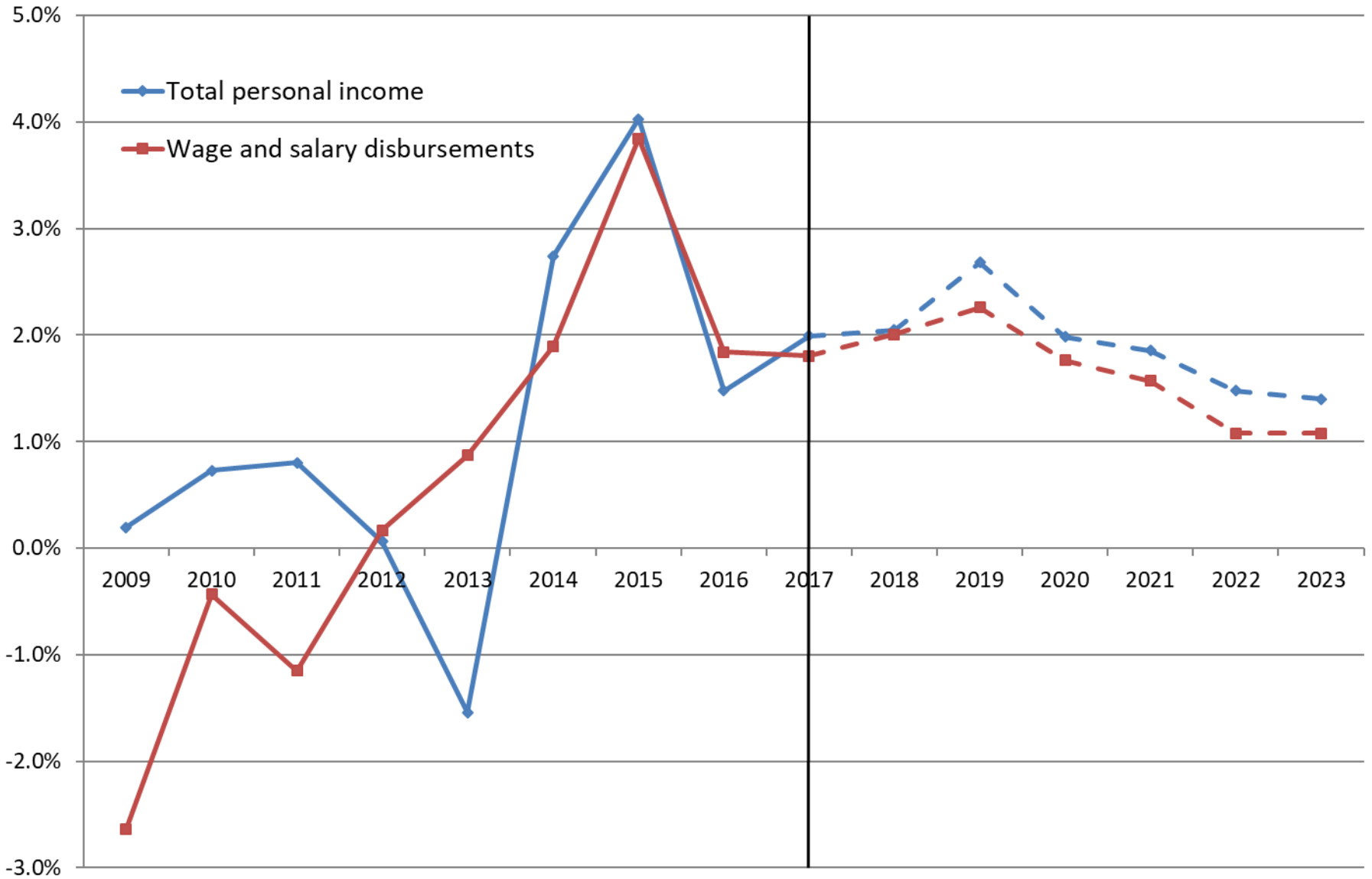
Sources: Maine Department of Labor and Consensus Economic Forecasting Commission report, April 1, 2019

Revisions to CEFC Forecast of Total Nonfarm Employment (in thousands)



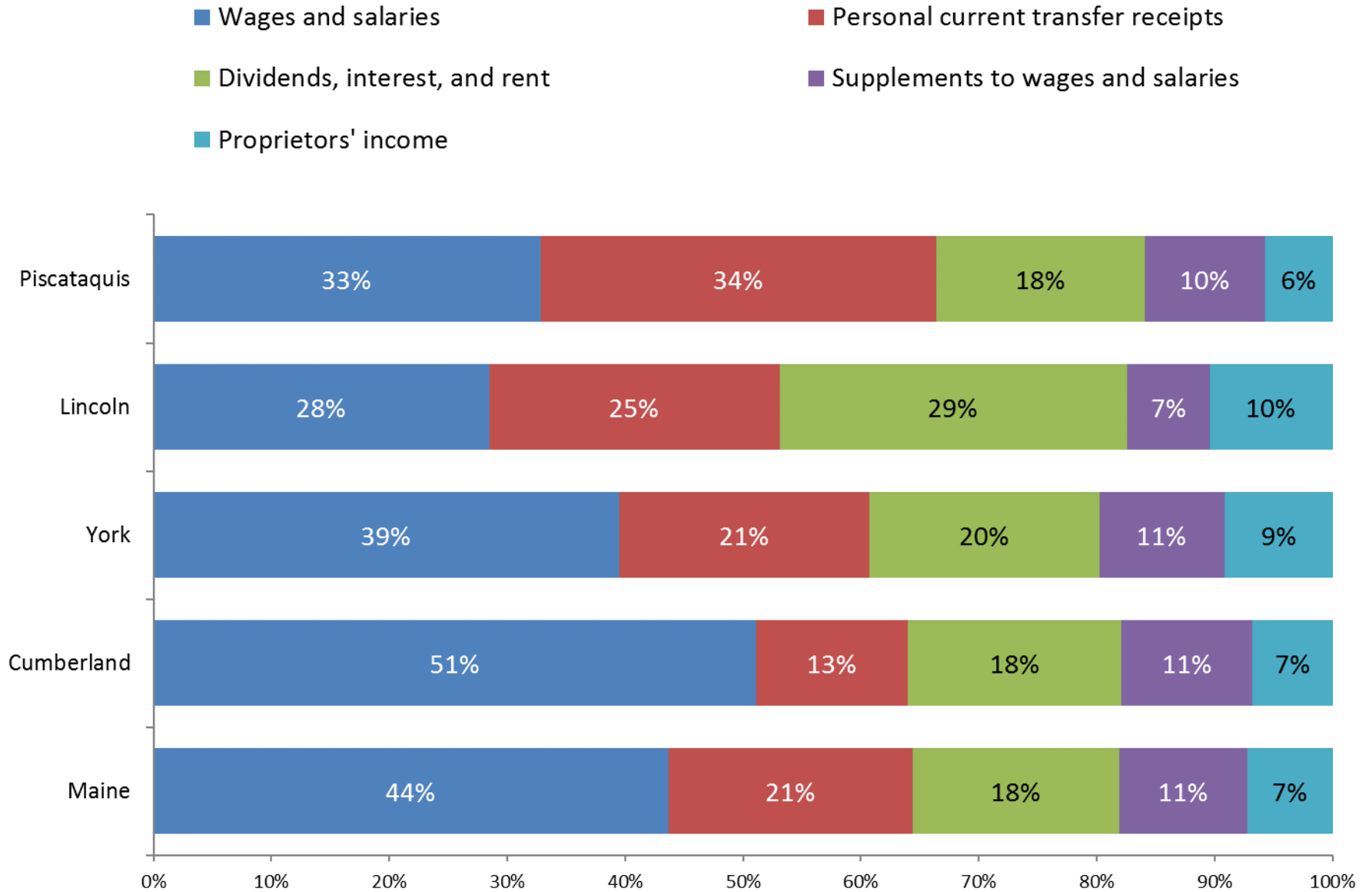
Source: Consensus Economic Forecasting Commission reports

Percent Change in Real Personal Income, Maine 2009-2017 and forecast to 2023



Sources: U.S. Bureau of Labor Statistics; U.S. Bureau of Economic Analysis; CEFC report, April 1, 2019

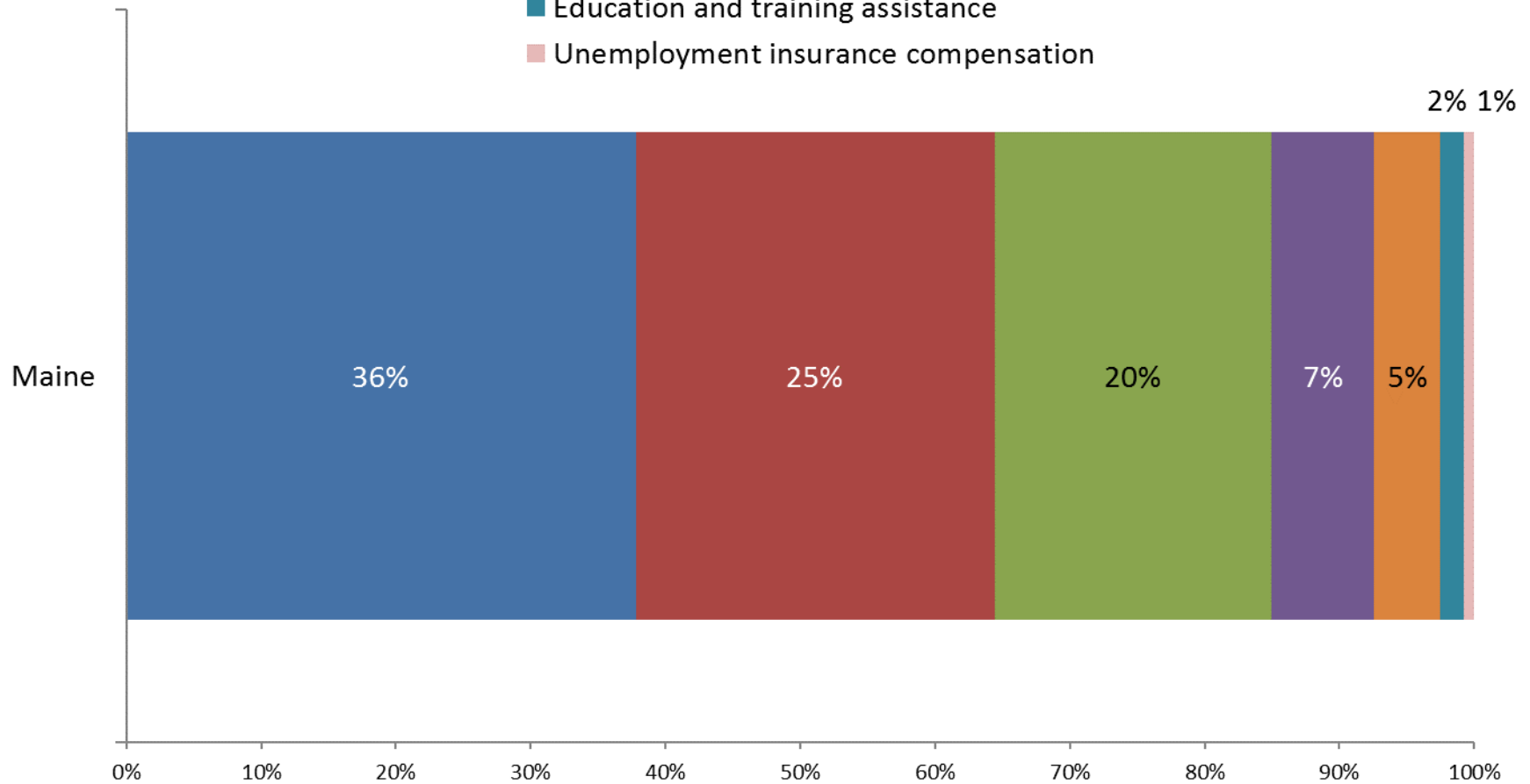
Major Components of Personal Income, 2017



Sources: U.S. Bureau of Economic Analysis; State Economist calculations

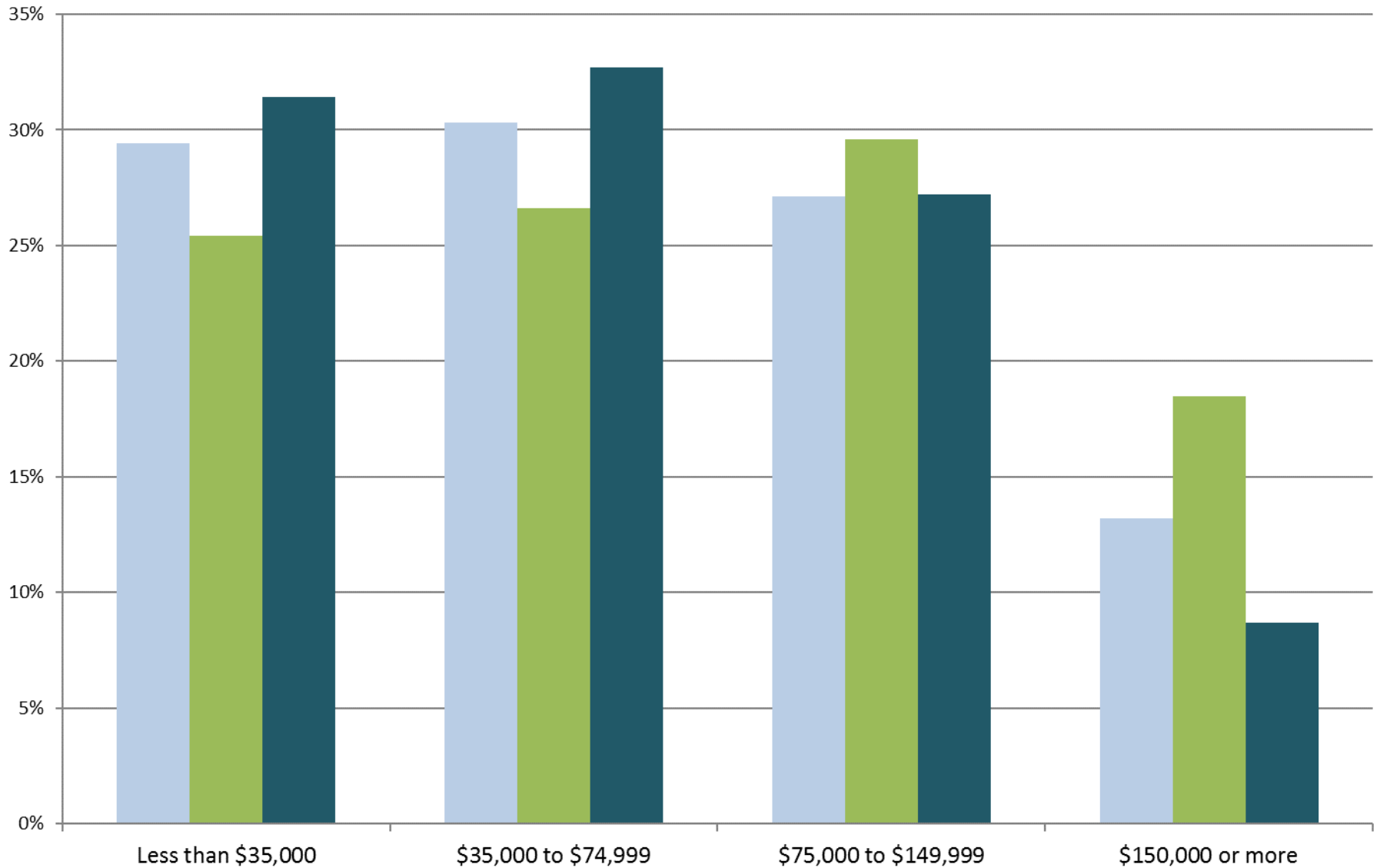
Components of Personal Current Transfer Receipts, 2017

- Social Security benefits
- Medicare benefits
- Medicaid
- Income maintenance benefits
- Veterans' benefits
- Education and training assistance
- Unemployment insurance compensation

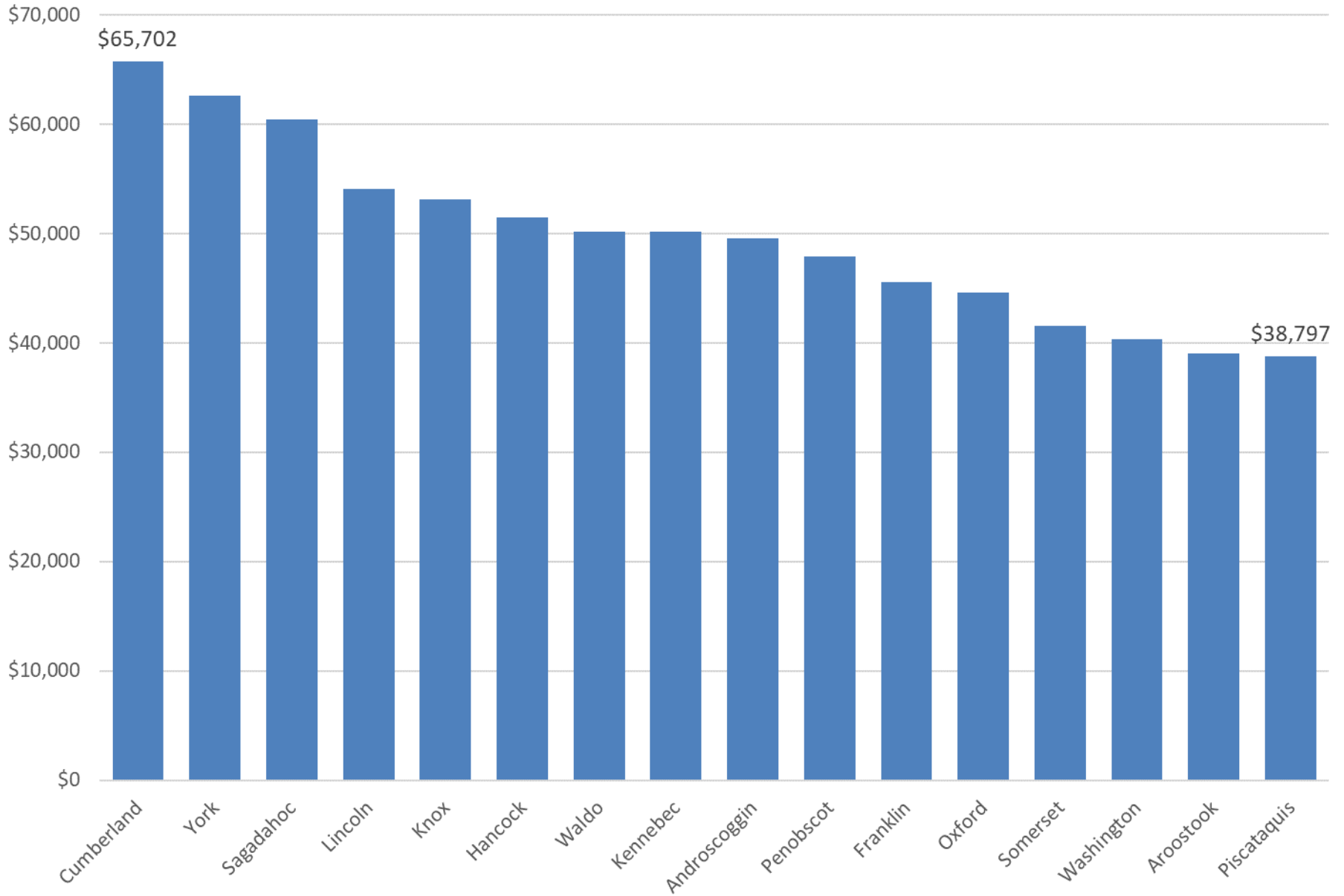


Percent of Households by Income Level, 2017

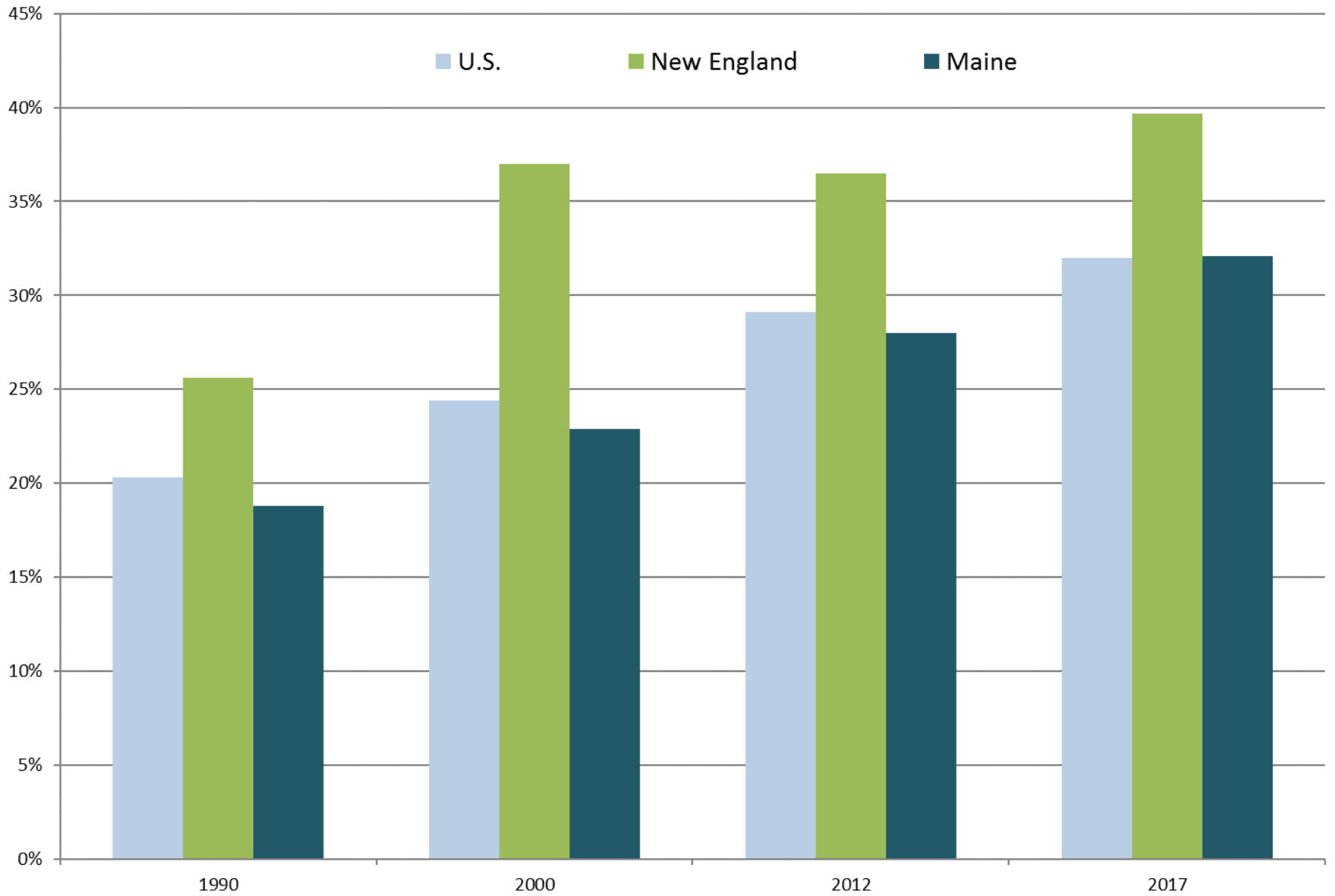
■ U.S. ■ New England ■ Maine



Median Household Income

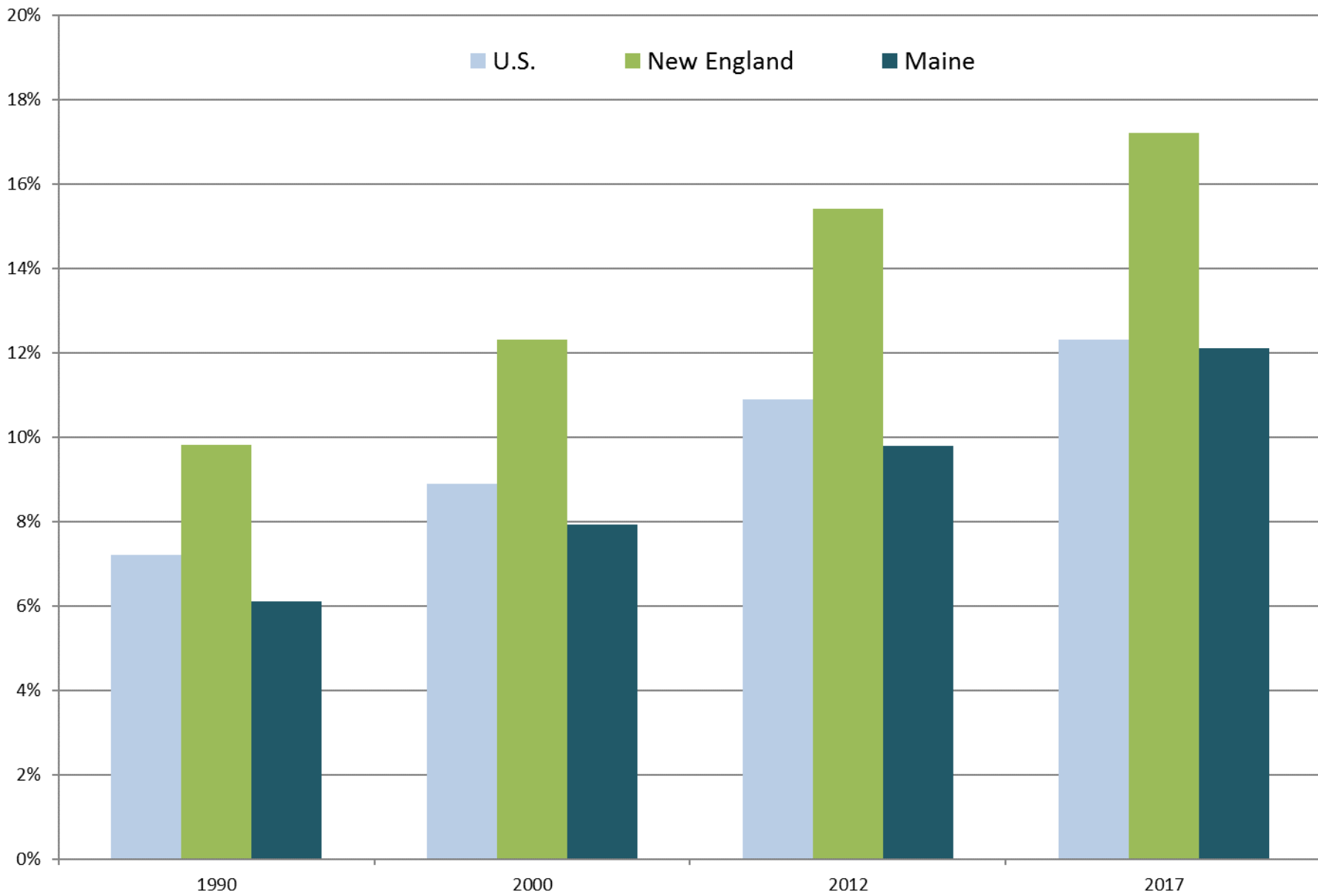


Percent of Population Age 25+ with a Bachelor's Degree or Higher



Source: U.S. Census Bureau, Decennial Census and American Community Survey 1-year estimates

Percent of Population Age 25+ with a Graduate or Professional Degree



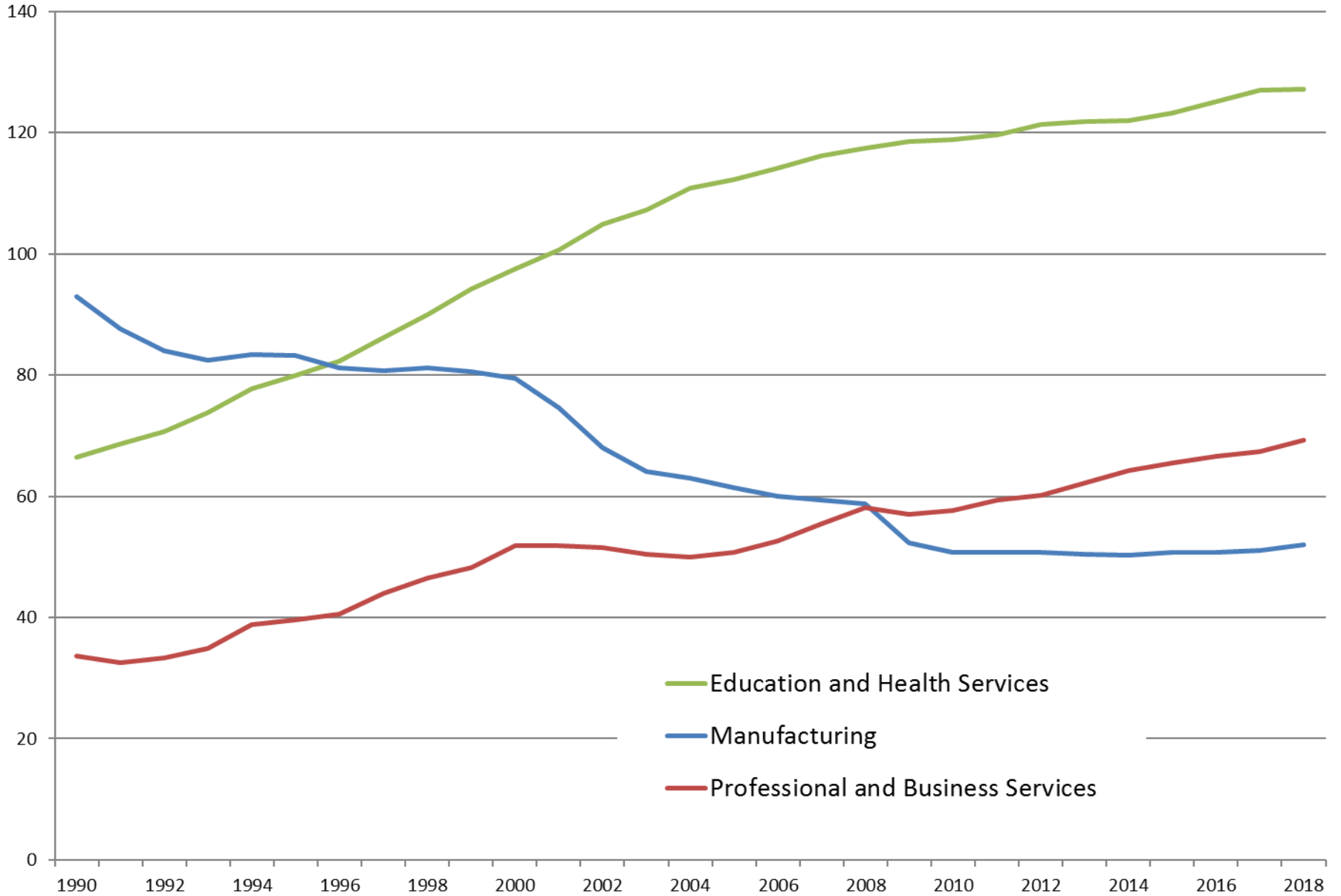
Source: U.S. Census Bureau, Decennial Census and American Community Survey 1-year estimates

Percent of Population Age 25+ with Some College, No Degree

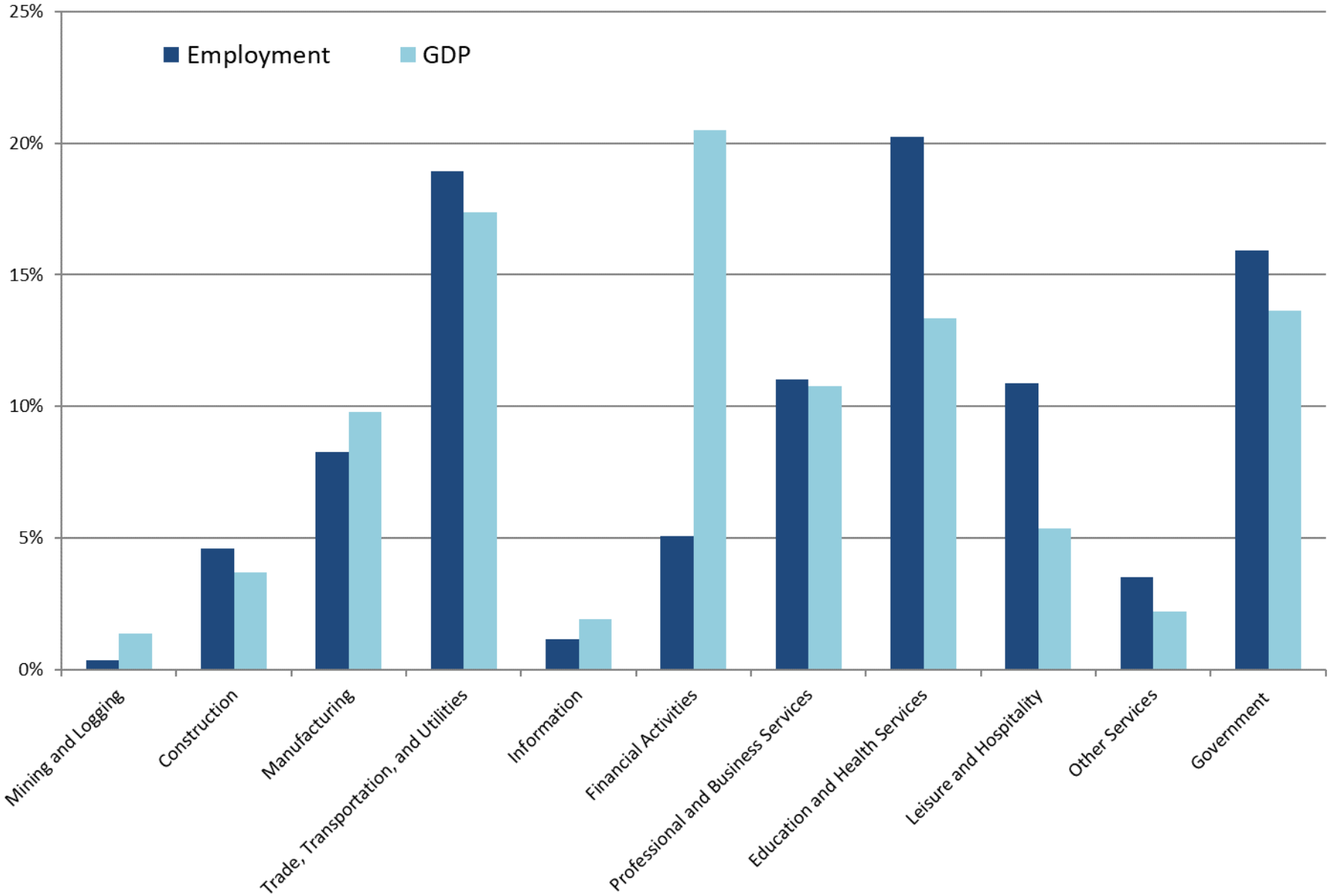


Source: U.S. Census Bureau, Decennial Census and American Community Survey 1-year estimates

Maine Wage and Salary Employment by Industry (in thousands)

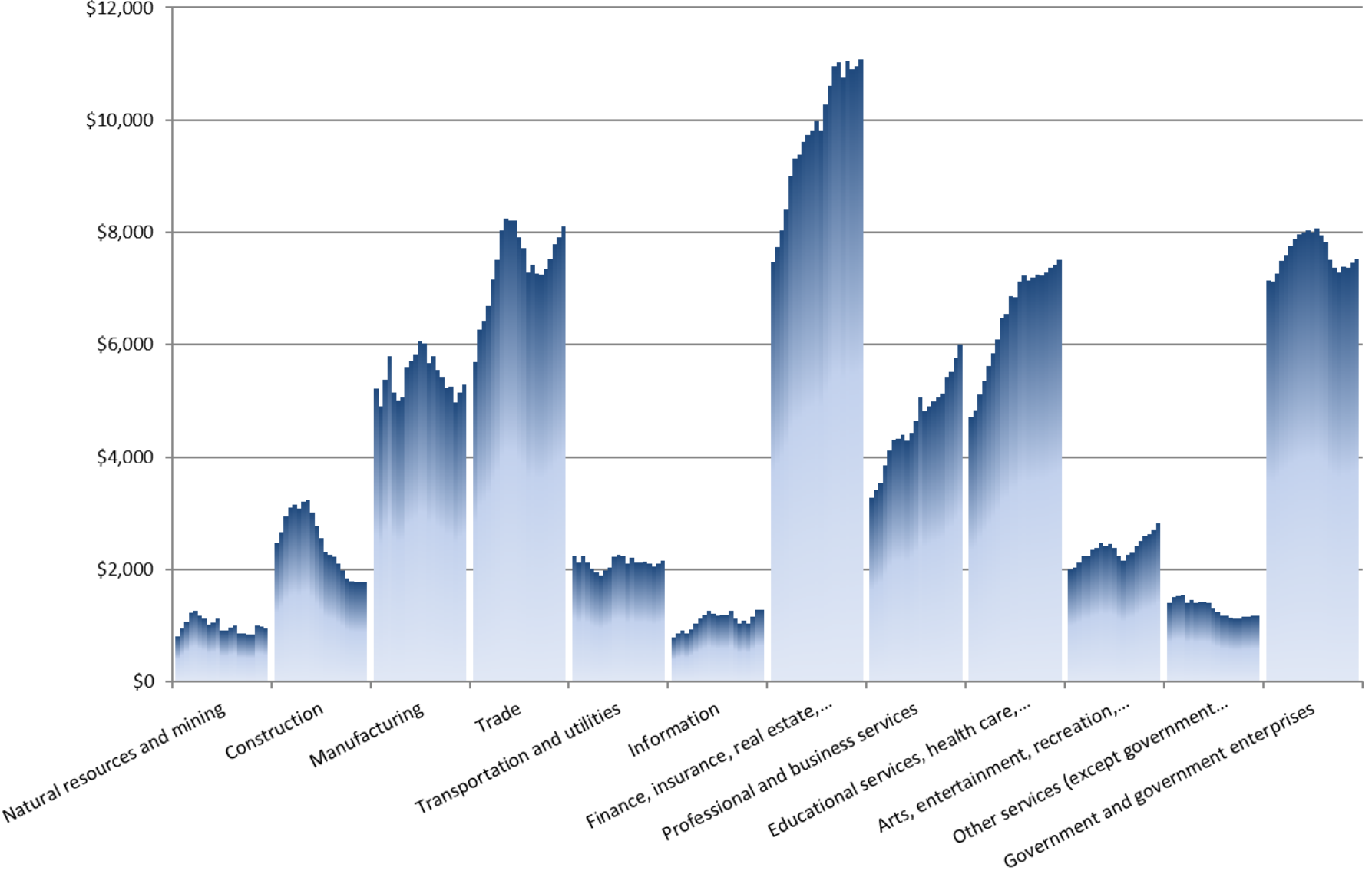


2018 Maine Employment and GDP by Industry



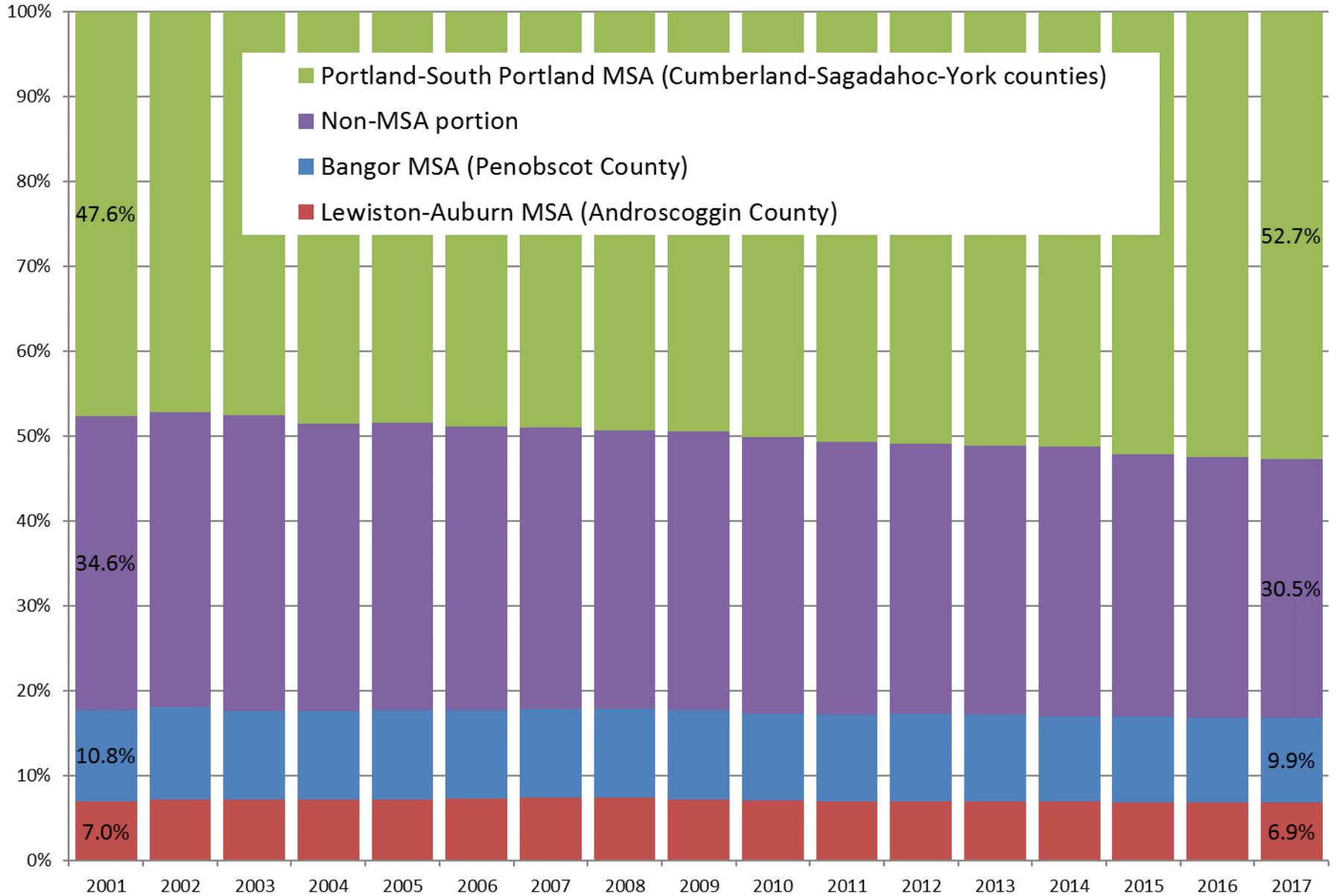
Maine Real GDP by Industry, 1997-2017

(in millions of chained 2012 dollars)



Source: U.S. Bureau of Economic Analysis

Share of Maine Real GDP by Metropolitan Area





MAINE'S ECONOMY HAS BEEN CHANGING
OVER TIME AND WILL CONTINUE TO
CHANGE.

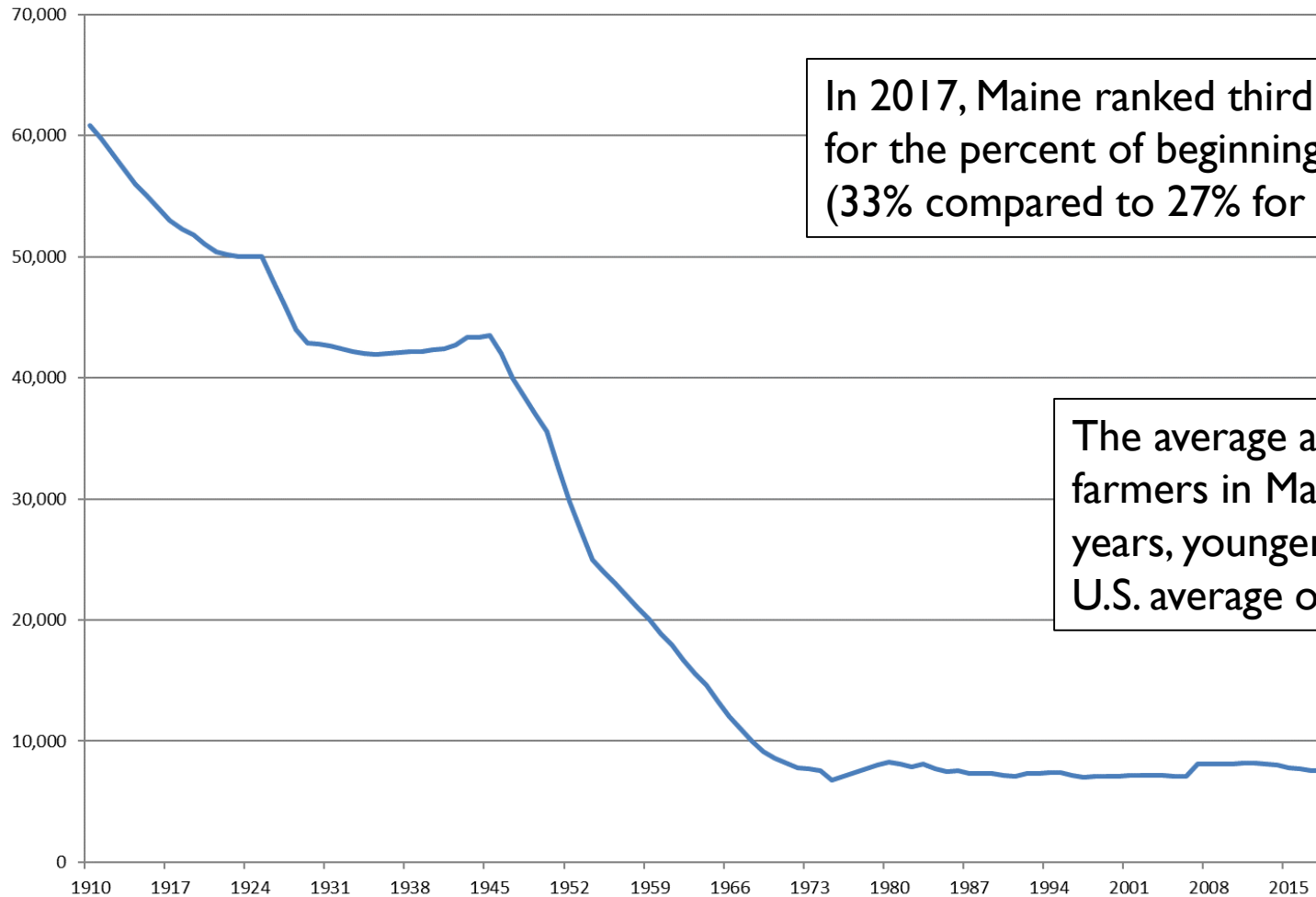
WHAT ARE SOME OF THE **CHALLENGES**
AND **OPPORTUNITIES**?



INDUSTRIES OF THE PAST AND THE FUTURE

NATURAL RESOURCES

Total Number of Farm Operations in Maine

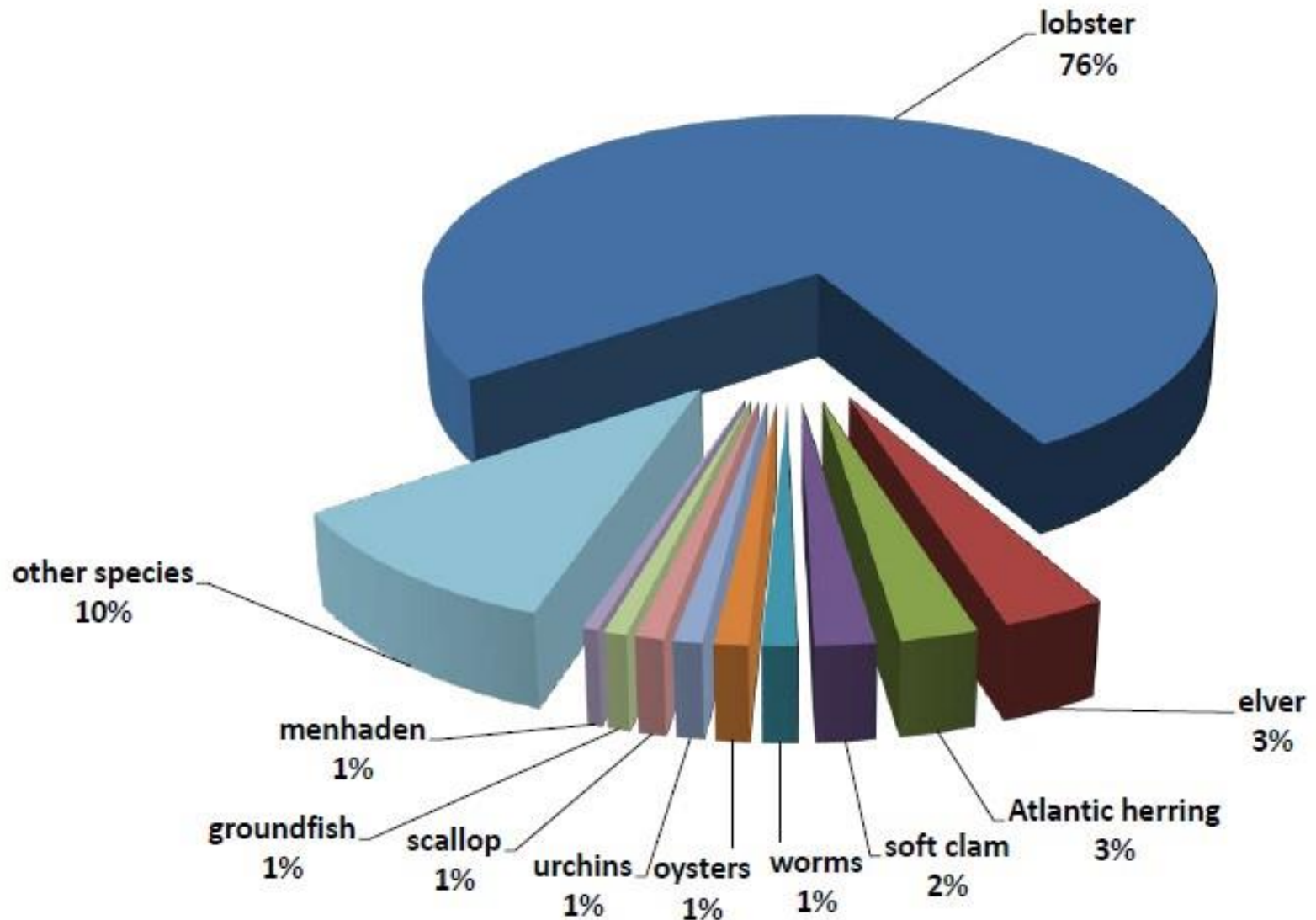


In 2017, Maine ranked third in the U.S. for the percent of beginning farmers (33% compared to 27% for the U.S.)

The average age of farmers in Maine is 56.5 years, younger than the U.S. average of 57.5 years

Preliminary 2018 Commercial Maine Landings By Ex-vessel Value

Total: \$637,174,944 as of 2/19/2019



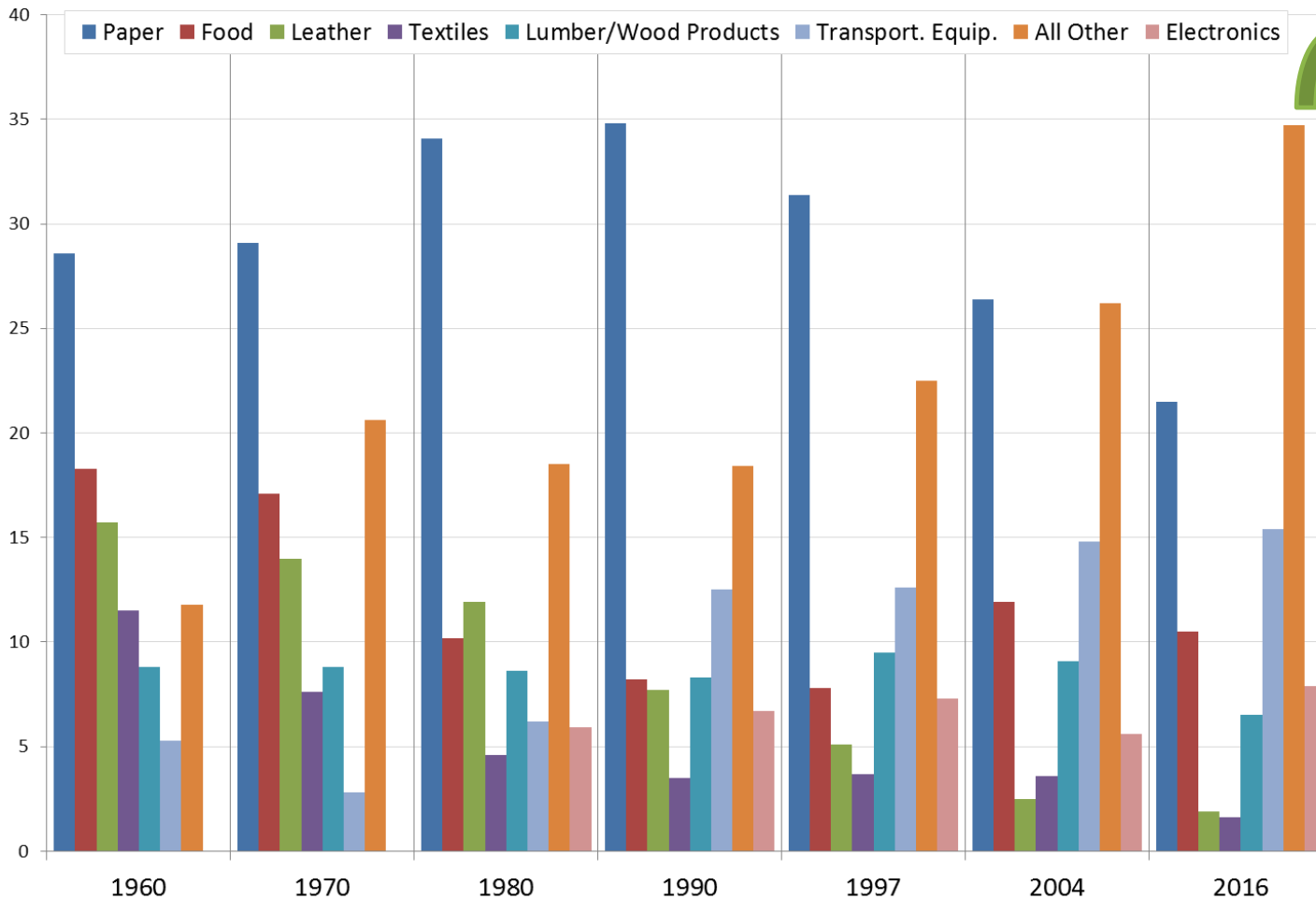
*Other species include confidential species and other species that make up less than 1% of total catch.

NATURAL RESOURCES

- Where is there potential for growth?
 - Aquaculture (including land-based fish farms)
 - Integration with manufacturing and value-added
 - Farm-to-table/ocean-to-table movement
 - Increased interest in organic/sustainable/local
 - Renewed interest in farming among younger generations
 - Different uses for wood, such as cross-laminated timber

MANUFACTURING

Share of Value of Manufactured Product by Selected Industry Groups

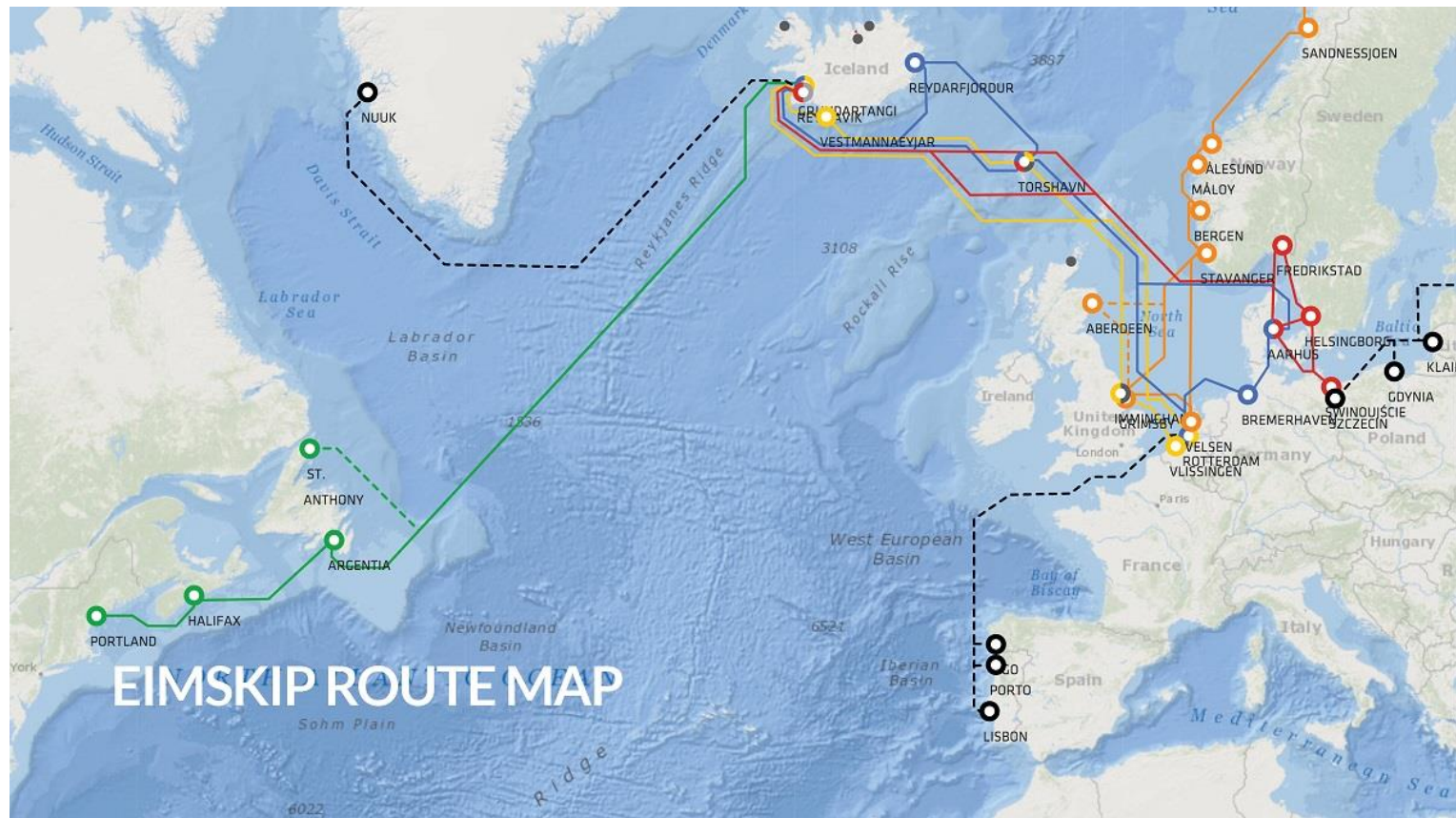


“All Other” in 2016:

- Fabricated metal product (7.7%)
- Beverage and tobacco product (5.2%)
- Plastics and rubber products (4.7%)
- Chemical (4.2%)
- Machinery (4.2%)
- And more!

TRANSPORTATION

- International Marine Terminal in Portland connects Maine to the rest of the world



TOURISM

- Hard to measure: there is no tourism industry code because tourism cuts across many different industries
- September is an increasingly important month for tourism in Maine
 - There are more cruise ship visits in September than any other month
- Broadening what people think about when they think about visiting Maine
 - Maine Art Museum Trail, Maine Beer Trail, Maine Cheese Festival, Maine Huts and Trails

ARTS AND ENTERTAINMENT

- Maine has a long history in the visual arts; recently there have been new investments e.g. CMCA
- Concert scene has expanded substantially in recent years with Bangor and Portland leading the way (Westbrook has joined the party, too)



HEALTH CARE

- 7 of the 15 largest private employers in Maine are hospitals
- Maine Medical Center in Portland is undergoing a massive modernization and expansion (\$534M)



Rendering of East Tower
Expansion; source:
MaineHealth

THE NEAR-UNIVERSAL CHALLENGE: WORKFORCE

Existing workforce is aging, population growth has been slow (although starting to accelerate), and unemployment is at historic lows

Solution: need to continue attracting new workers and utilizing all the potential workers we already have

How do we make sure workers know there are jobs in Maine?



***MAINE'S ECONOMY HAS BEEN
CHANGING OVER TIME AND
WILL CONTINUE TO CHANGE.***

**ADDRESSING THE CHALLENGES AND EMBRACING
THE OPPORTUNITIES WILL ALLOW MAINE TO
THRIVE INTO THE FUTURE.**

CONTACT INFORMATION

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