

THE ECONOMICS AND DEMOGRAPHICS OF MAINE

OneDAFS Quarterly Leadership Team meeting

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Overview



- Demographics
- Employment
- Income and State Gross Domestic Product (GDP)

Demographics





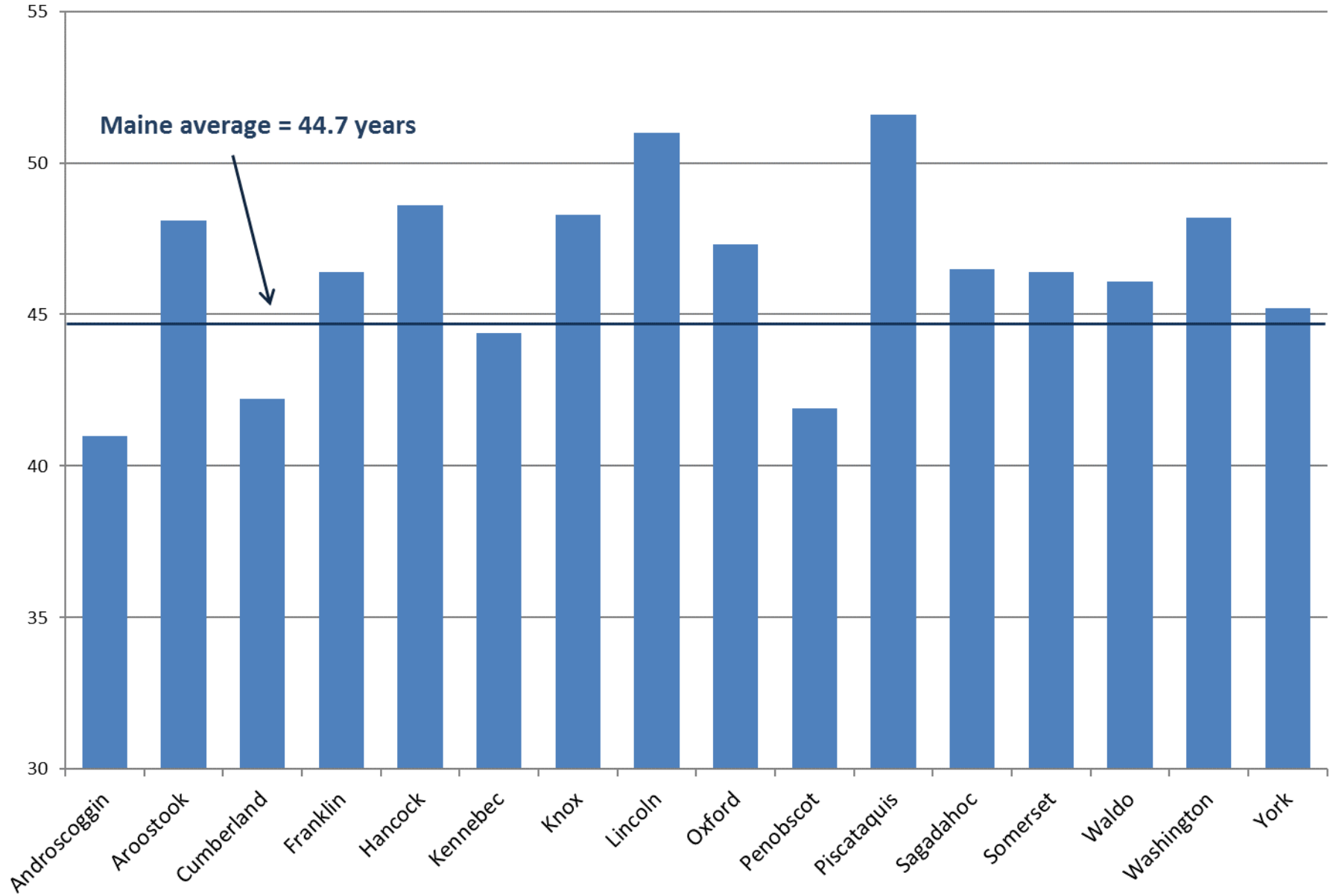
In order to understand the
economy, you have to
understand the **demographics**.

Maine

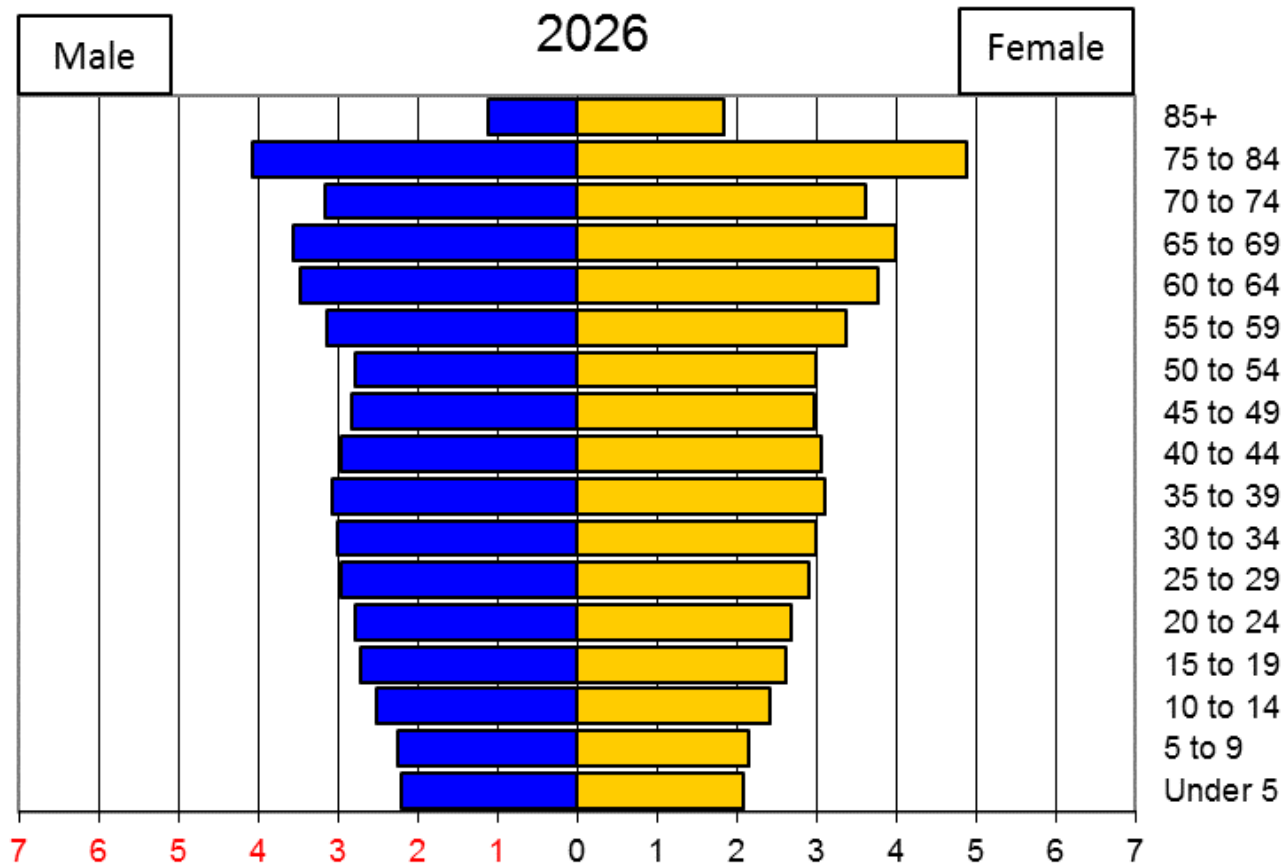
- 2017 Population Estimate: 1,335,907
 - ▣ 42nd largest in US
- 2010 – 2017 Population Change: +0.6%
 - ▣ 45th in US (ahead of WV, VT, IL, CT, and MS)
- 2017 Median age: 44.7 years
 - ▣ Oldest in US
- 93.3% White, Non-Hispanic
 - ▣ Highest percentage in US



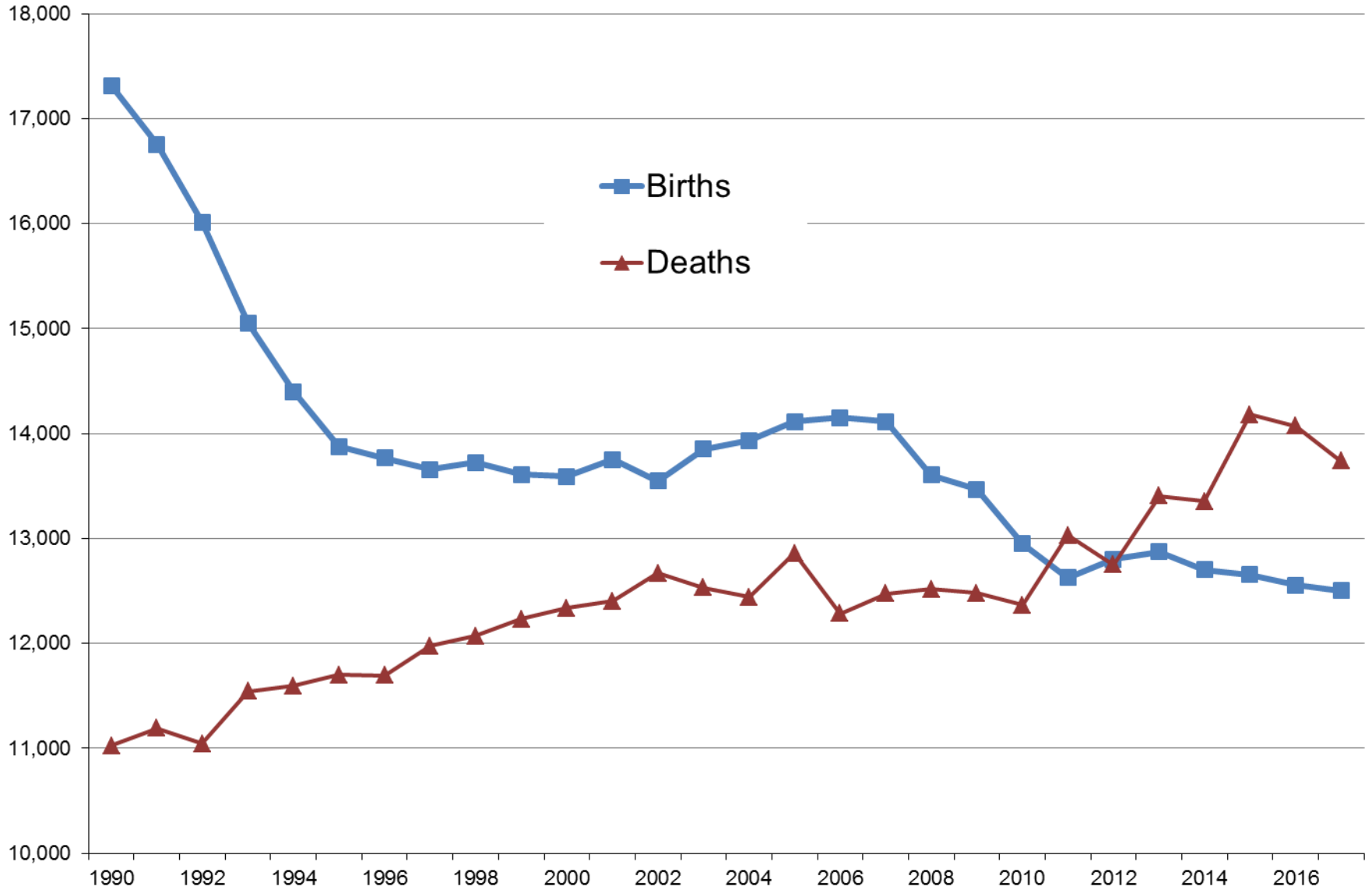
Median Age



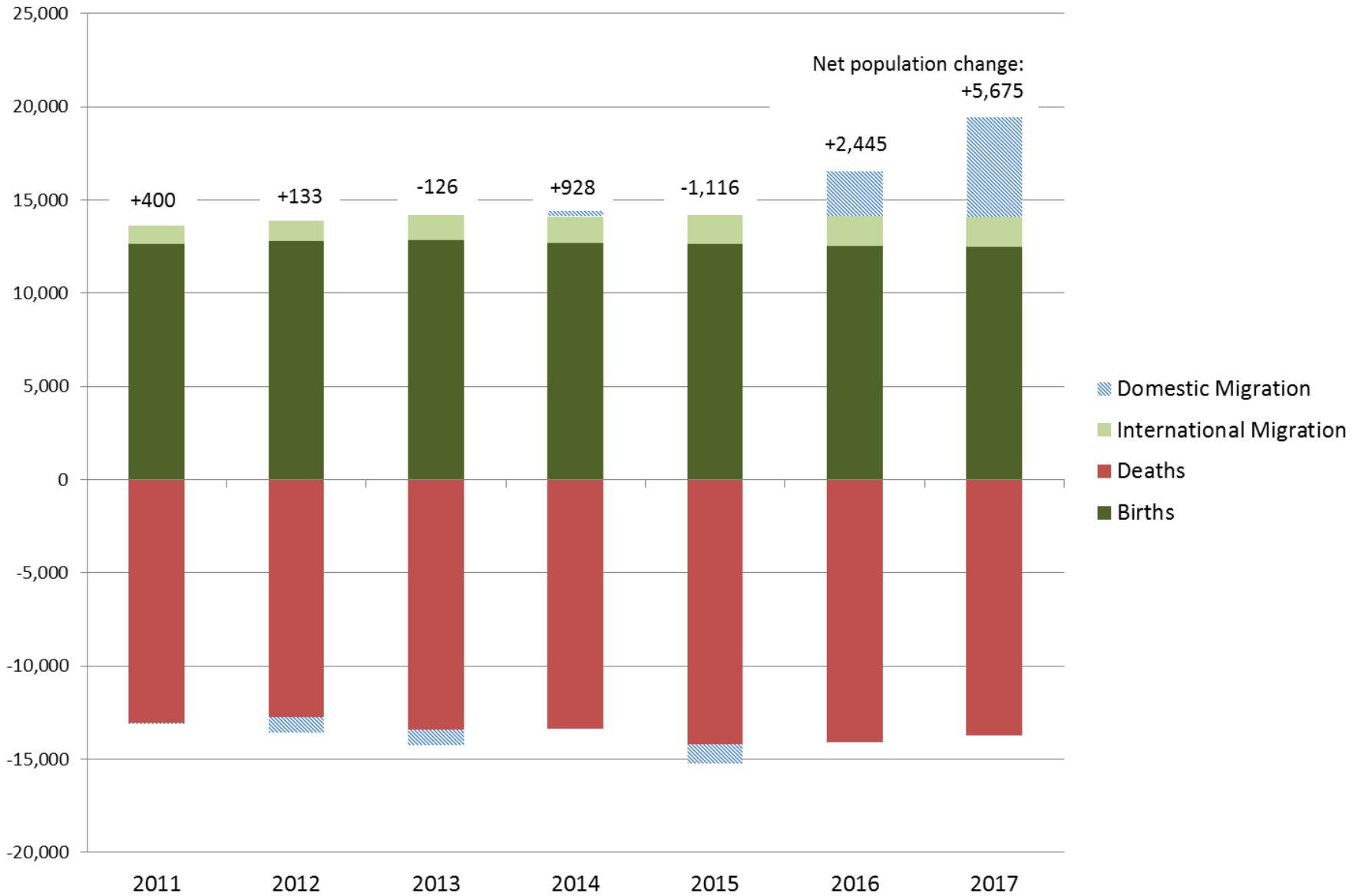
The Baby Boom Wave



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

Who are the people moving to Maine?

□ Age:

- 25-29: net gain of 2,658 (annual migration rate 3.5%)
- 30-34: +1,565 (2.0%)

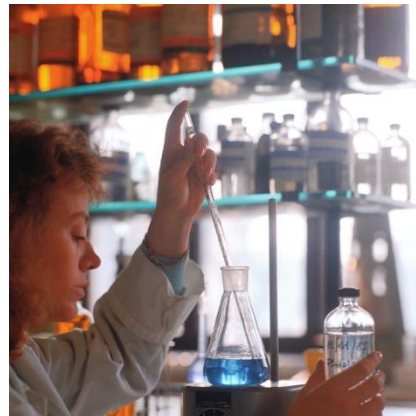
□ Educational attainment:

- Bachelor's Degree: net gain of 2,966
- Graduate or Professional Degree: +1,896

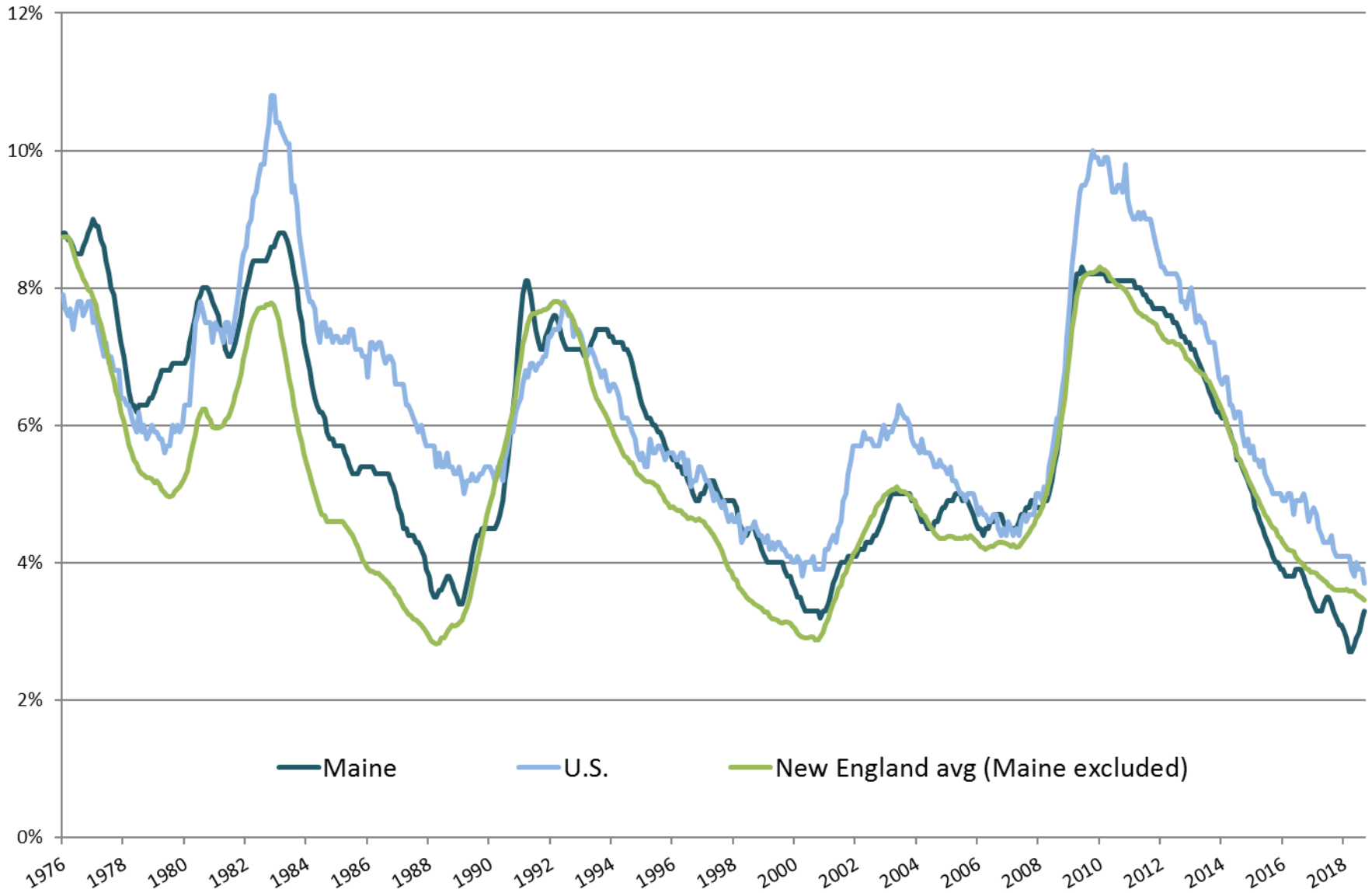
Educational Attainment of Population Age 25+



Employment

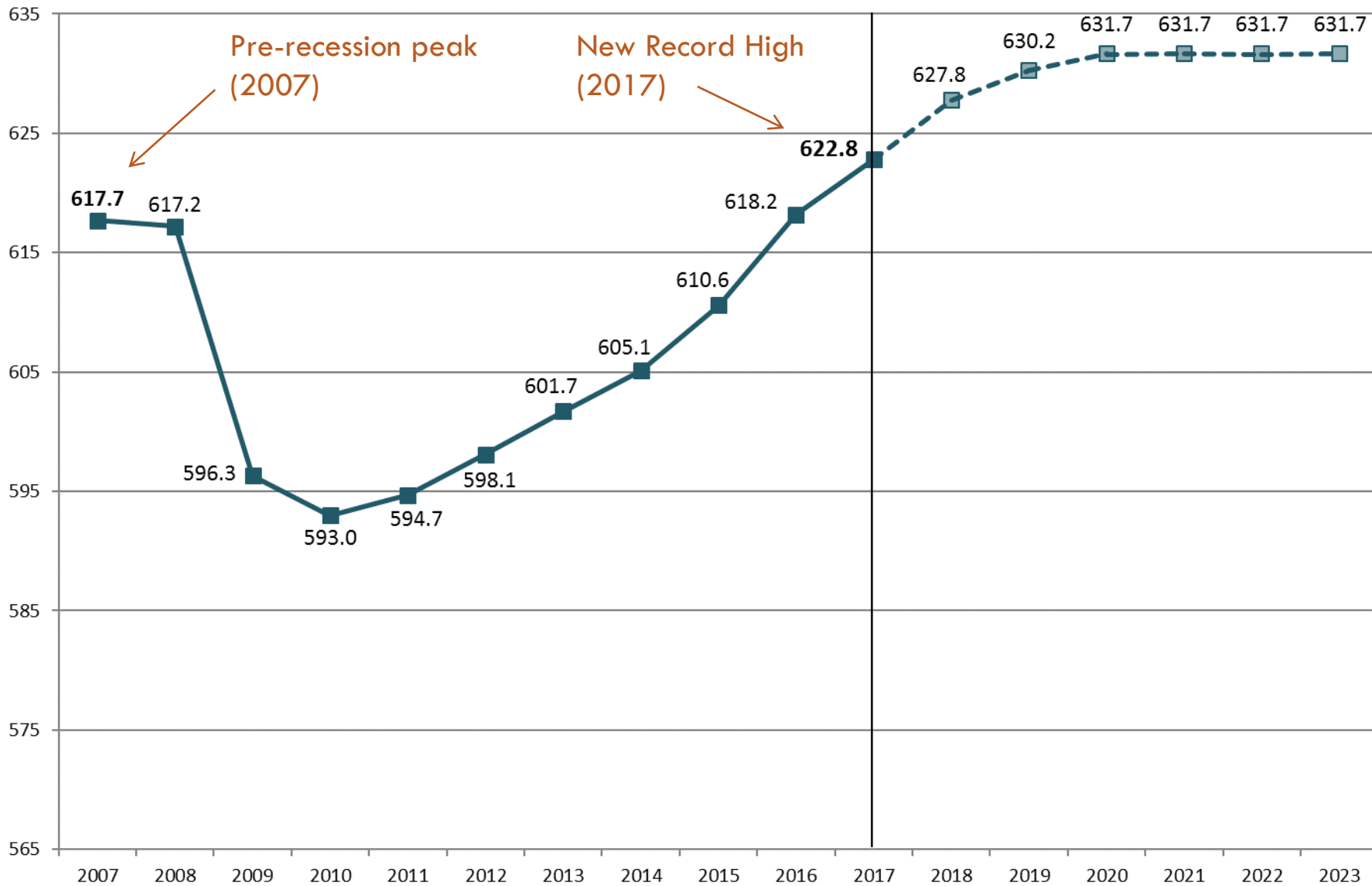


Monthly Unemployment Rate (Seasonally Adjusted)



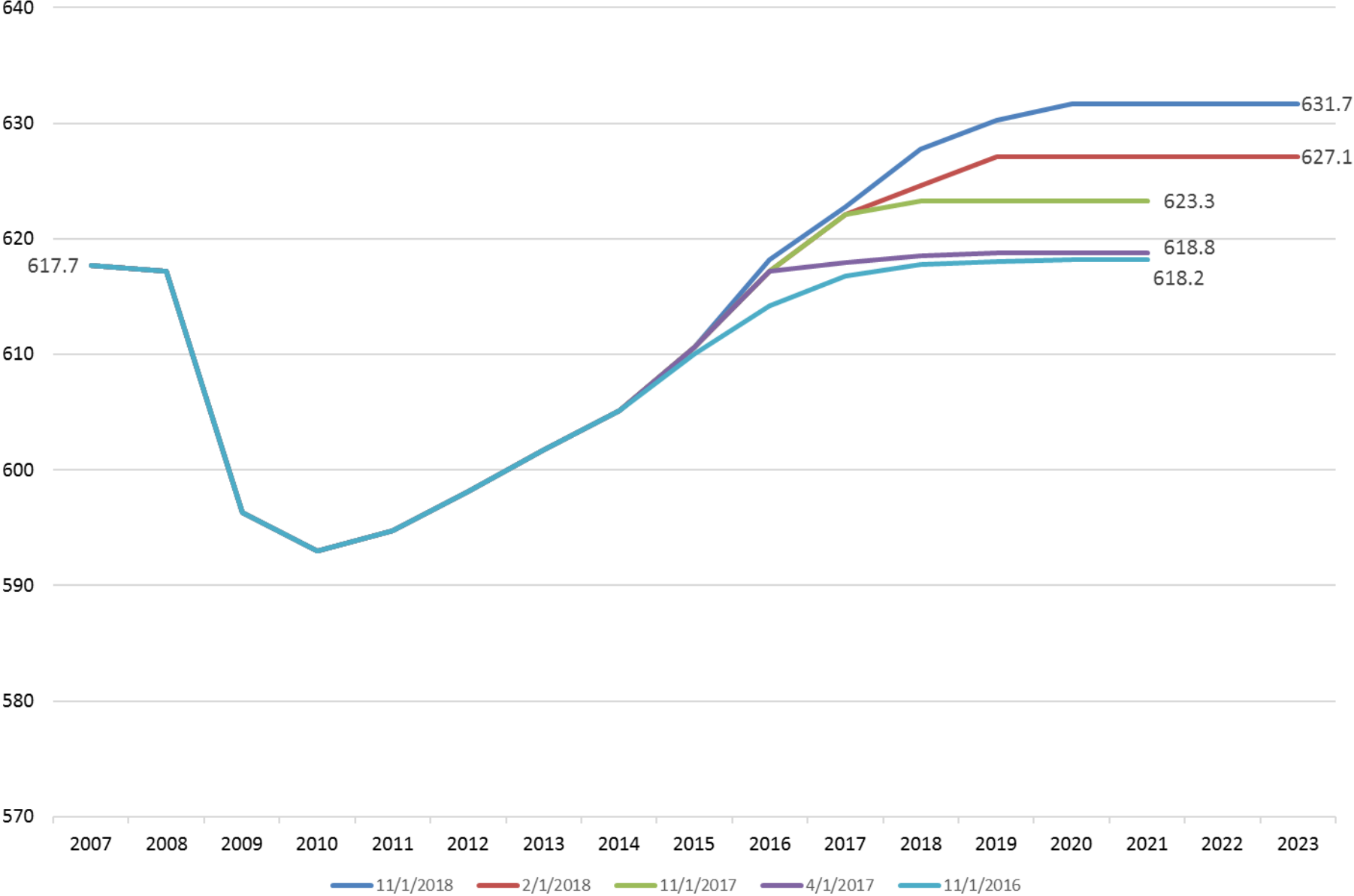
— Maine — U.S. — New England avg (Maine excluded)

Total Nonfarm Employment (in thousands) History and CEFC forecast



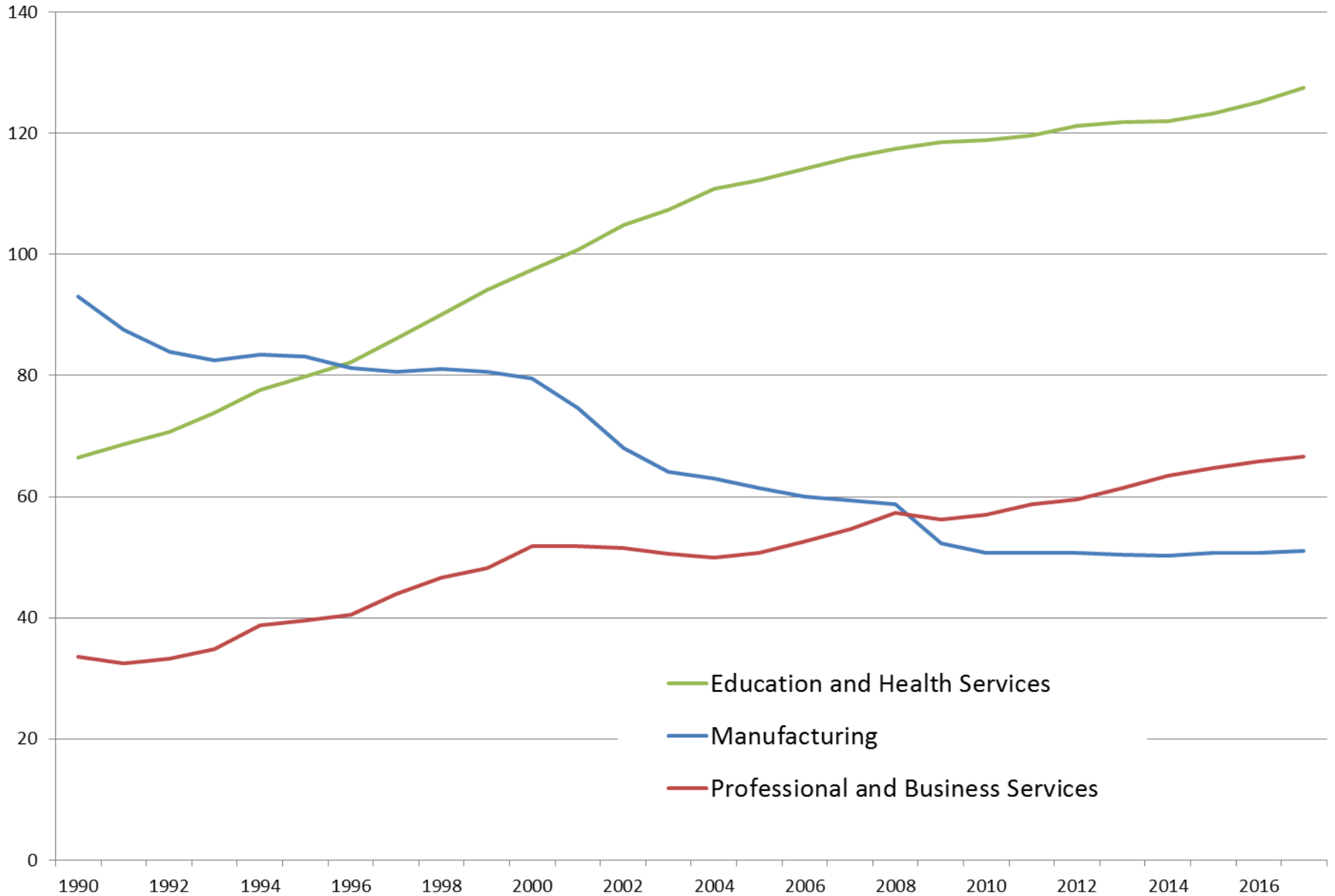
Sources: Maine Department of Labor; Consensus Economic Forecasting Commission report, November 1, 2018

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

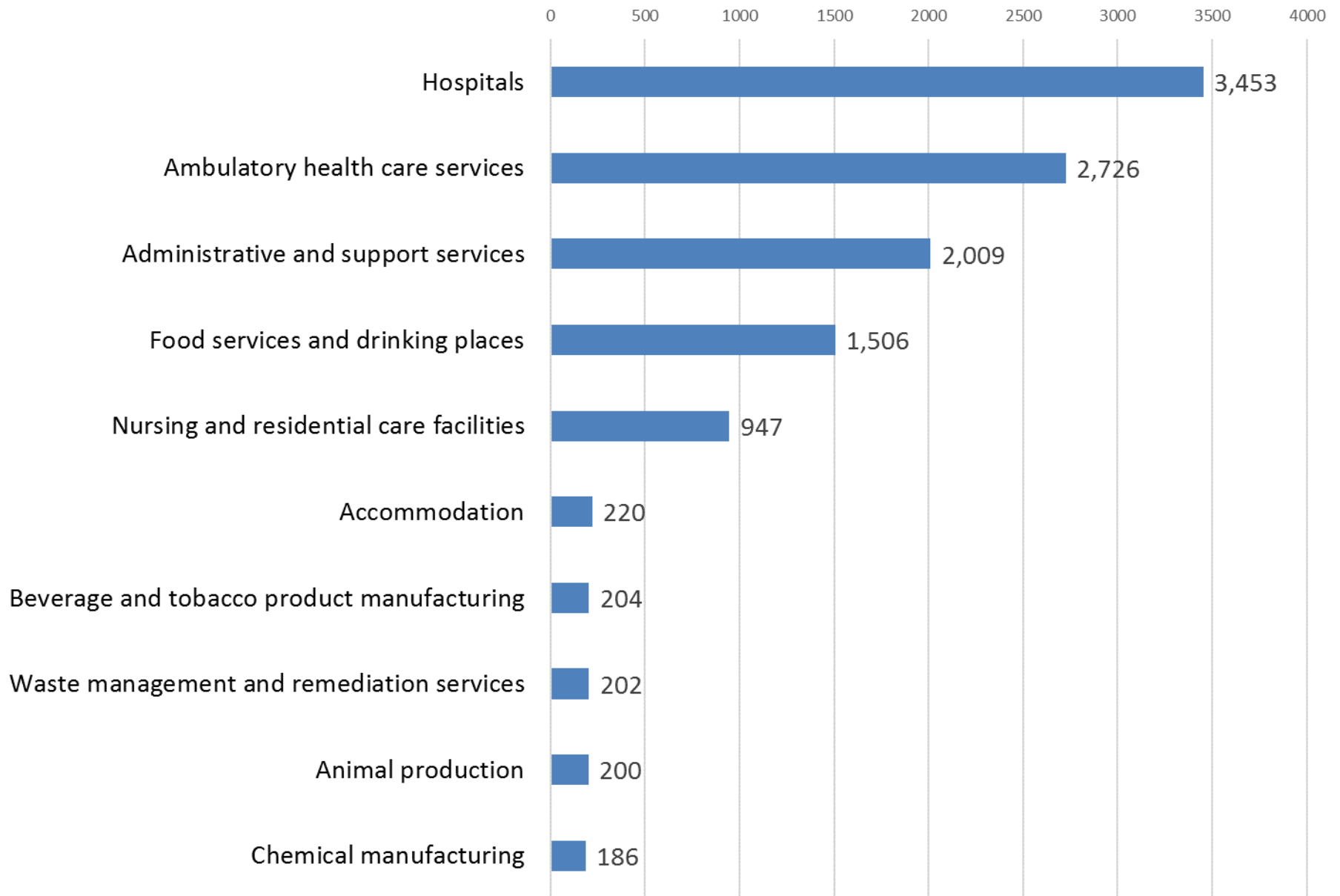


Source: Consensus Economic Forecasting Commission reports

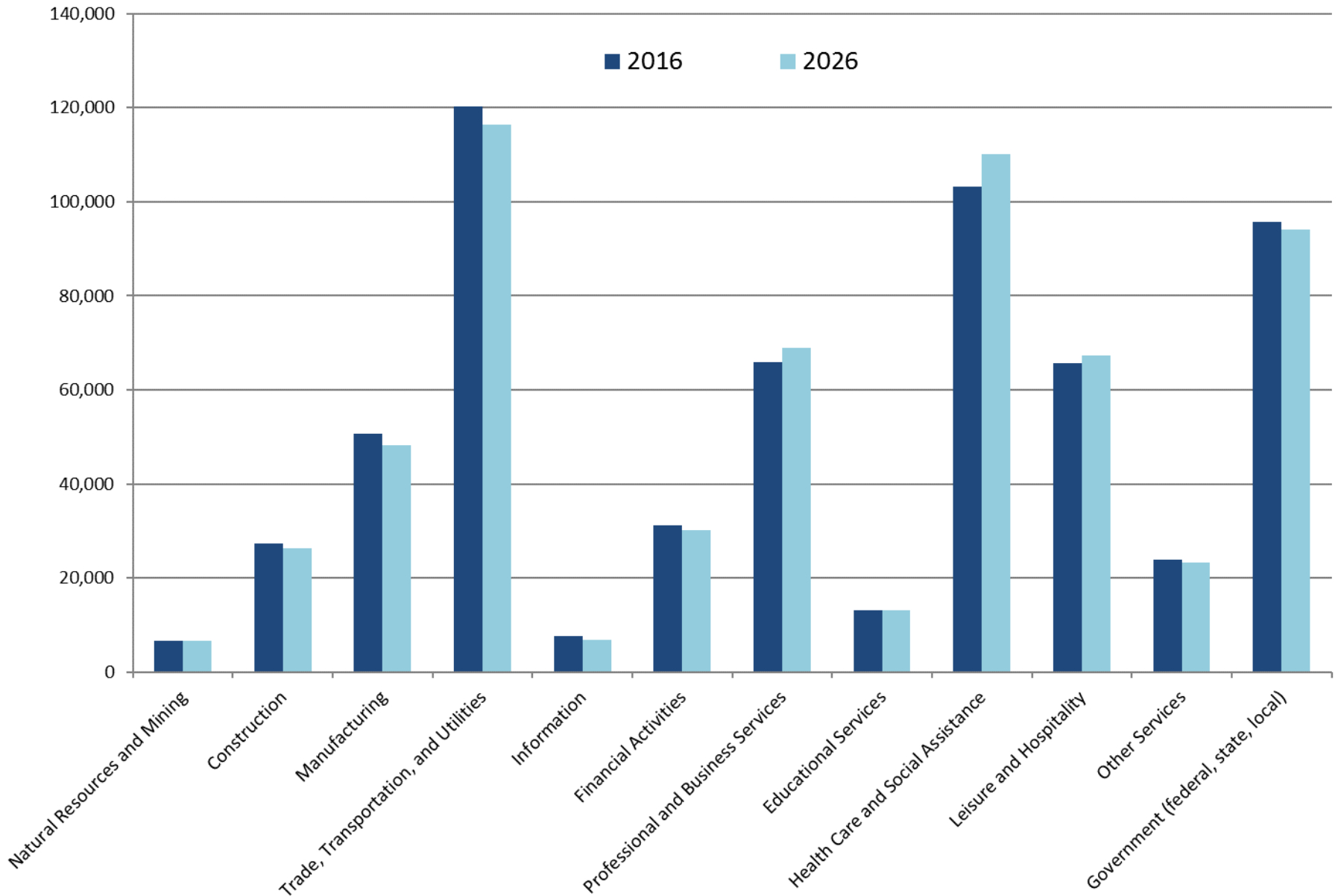
Maine Wage and Salary Employment by Industry (in thousands)



Industries Projected to Gain the Largest Number of Jobs in Maine Between 2016 and 2026



Maine Wage and Salary Employment by Industry



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

Income and State GDP



Percent Change in Real Personal Income, Maine 2008-2017 and forecast to 2023



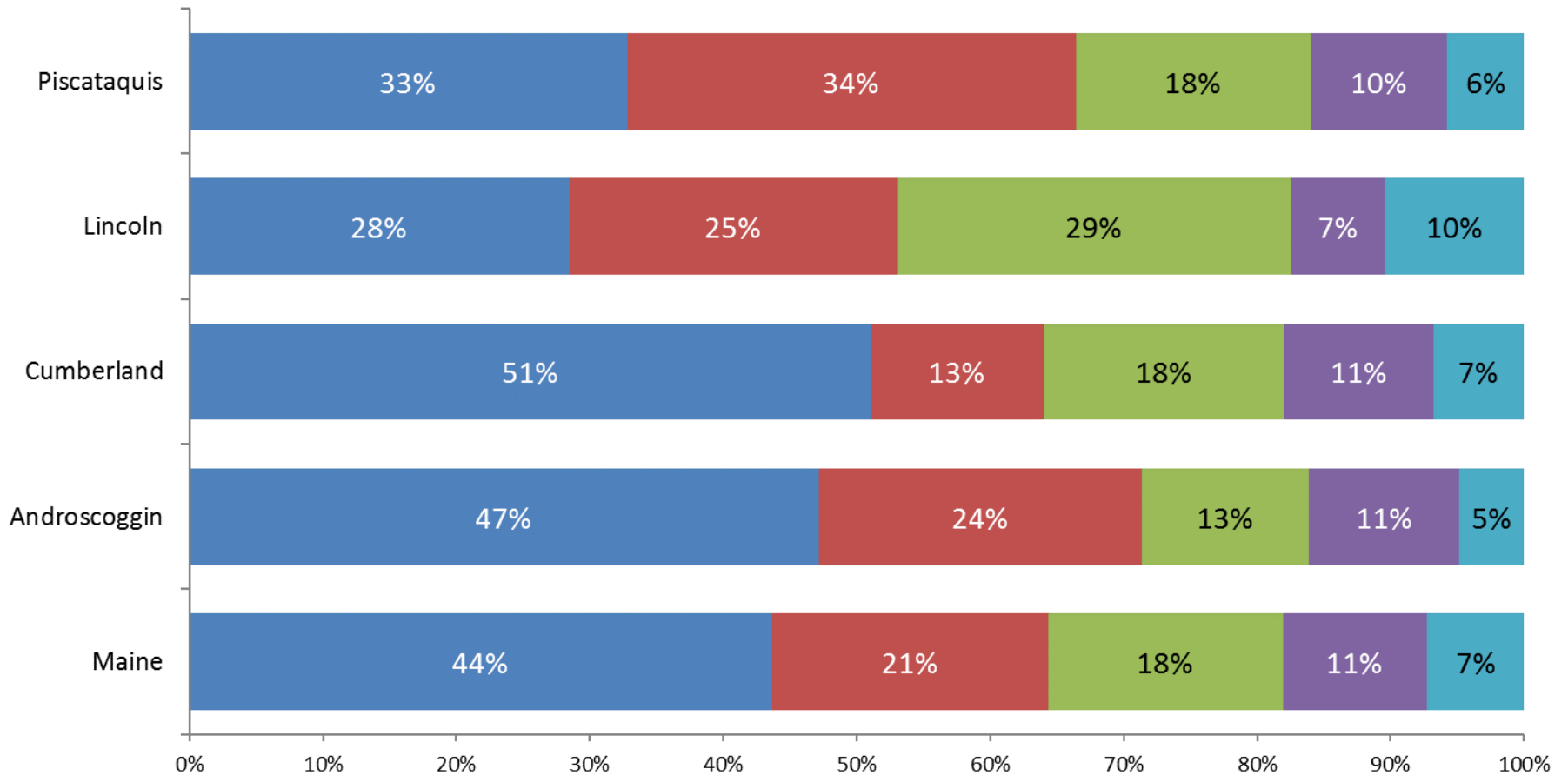
Sources: U.S. Bureau of Labor Statistics, U.S. Bureau of Economic Analysis, and Consensus Economic Forecasting Commission report, November 1, 2018

Latest Personal Income Release

- Total personal income growth for Maine in 2017 was revised up from 2.7% (ranking 31st) to 4.2% (ranking 20th)
- Preliminary estimate of growth in 2018:Q2 is 4.2% (ranking 25th)
 - Largest contributor was net earnings, which saw growth of 5.1%, highest in New England and 15th nationally

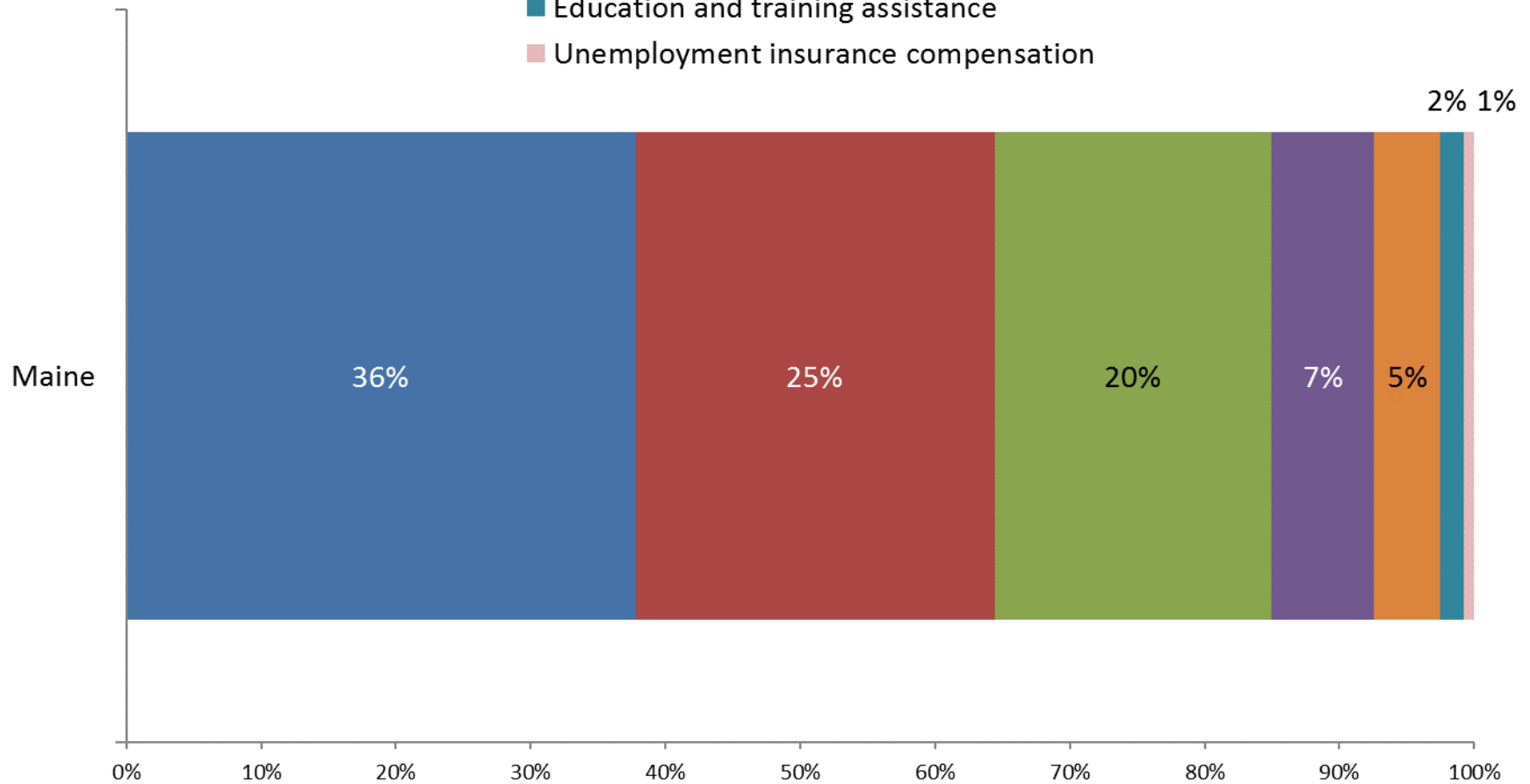
Major Components of Personal Income, 2017

- Wages and salaries
- Personal current transfer receipts
- Dividends, interest, and rent
- Supplements to wages and salaries
- Proprietors' income

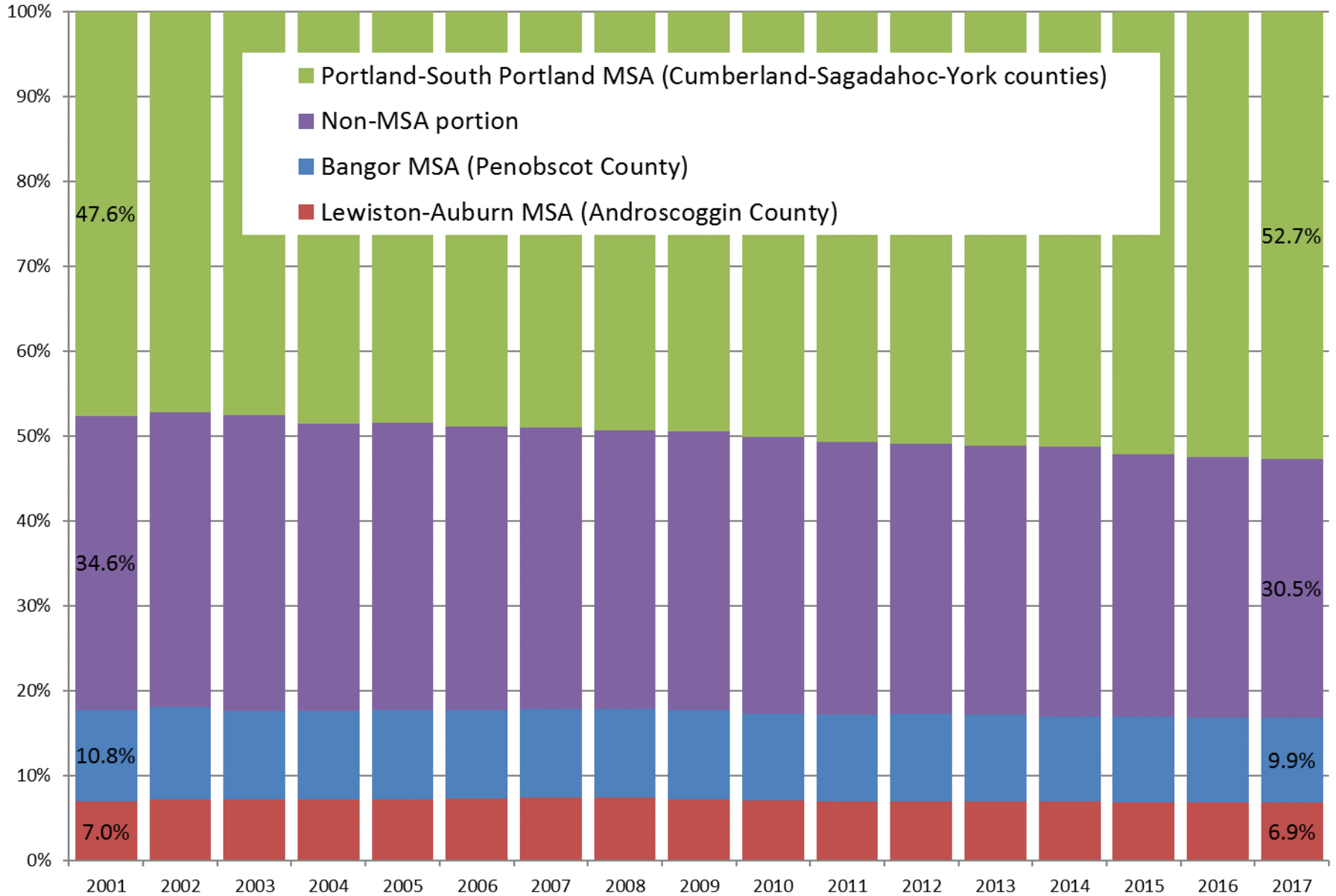


Components of Personal Current Transfer Receipts, 2017

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

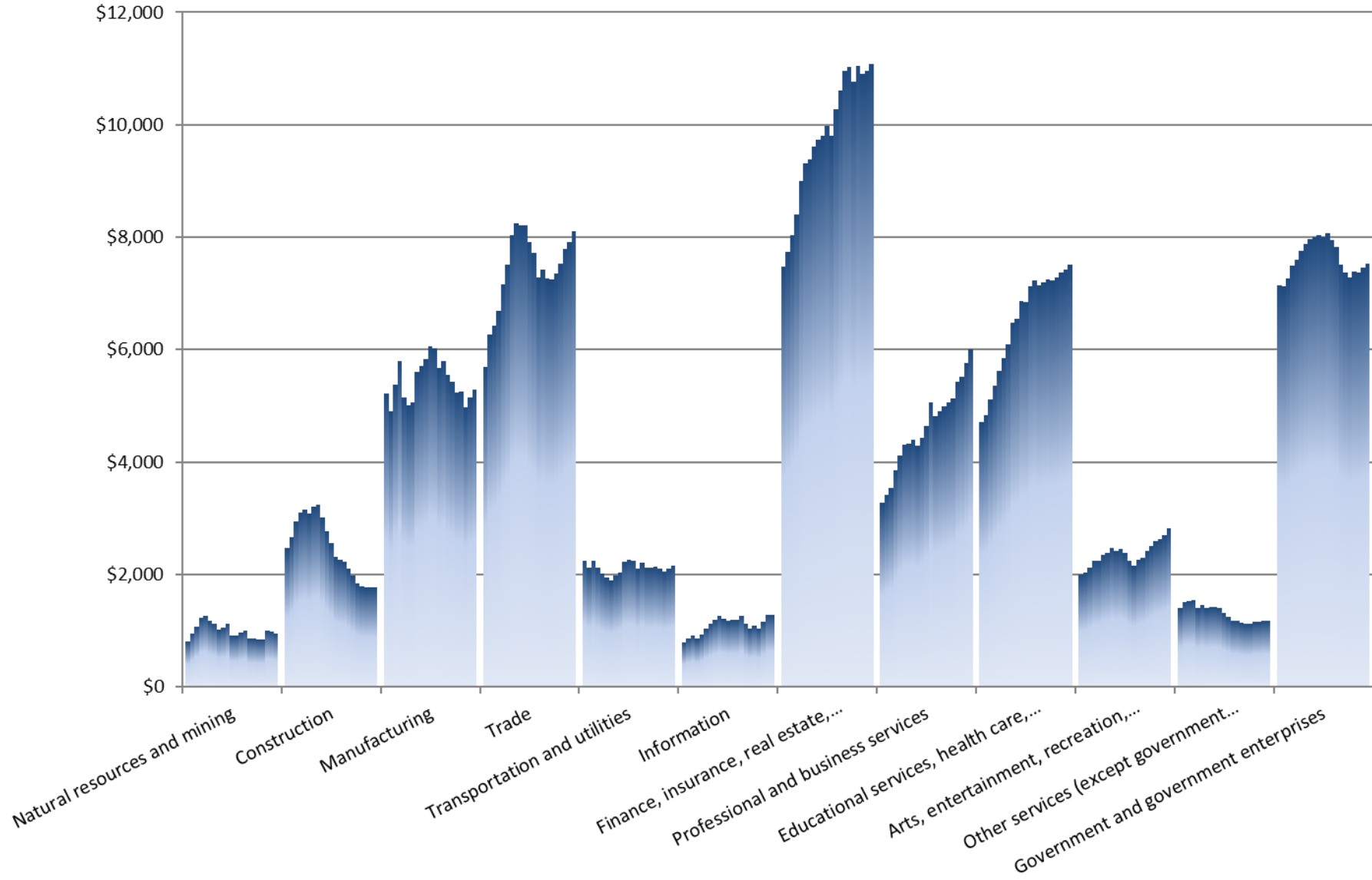


Share of Maine Real GDP by Metropolitan Area



Maine Real GDP by Industry, 1997-2017

(in millions of chained 2012 dollars)



Source: U.S. Bureau of Economic Analysis

Latest State GDP release

- Total current-dollar GDP growth for Maine in 2017 was revised up from 3.2% (ranking 37th) to 3.8% (ranking 28th)
- Preliminary estimate of real GDP growth in 2018:Q2 is 3.4% (ranking 36th) – revisions will be out in January

To sum up

- Maine has seen increased in-migration and population growth recently
 - Need this trend to continue to keep up with aging
- Employment reached a new record high, unemployment reached a new record low
- Income and GDP growth have improved (especially following recent revisions)

Thank you (and happy holidays)!