

THE ECONOMICS AND DEMOGRAPHICS OF MAINE

UMaine Faculty Fellows Opening Session

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Overview

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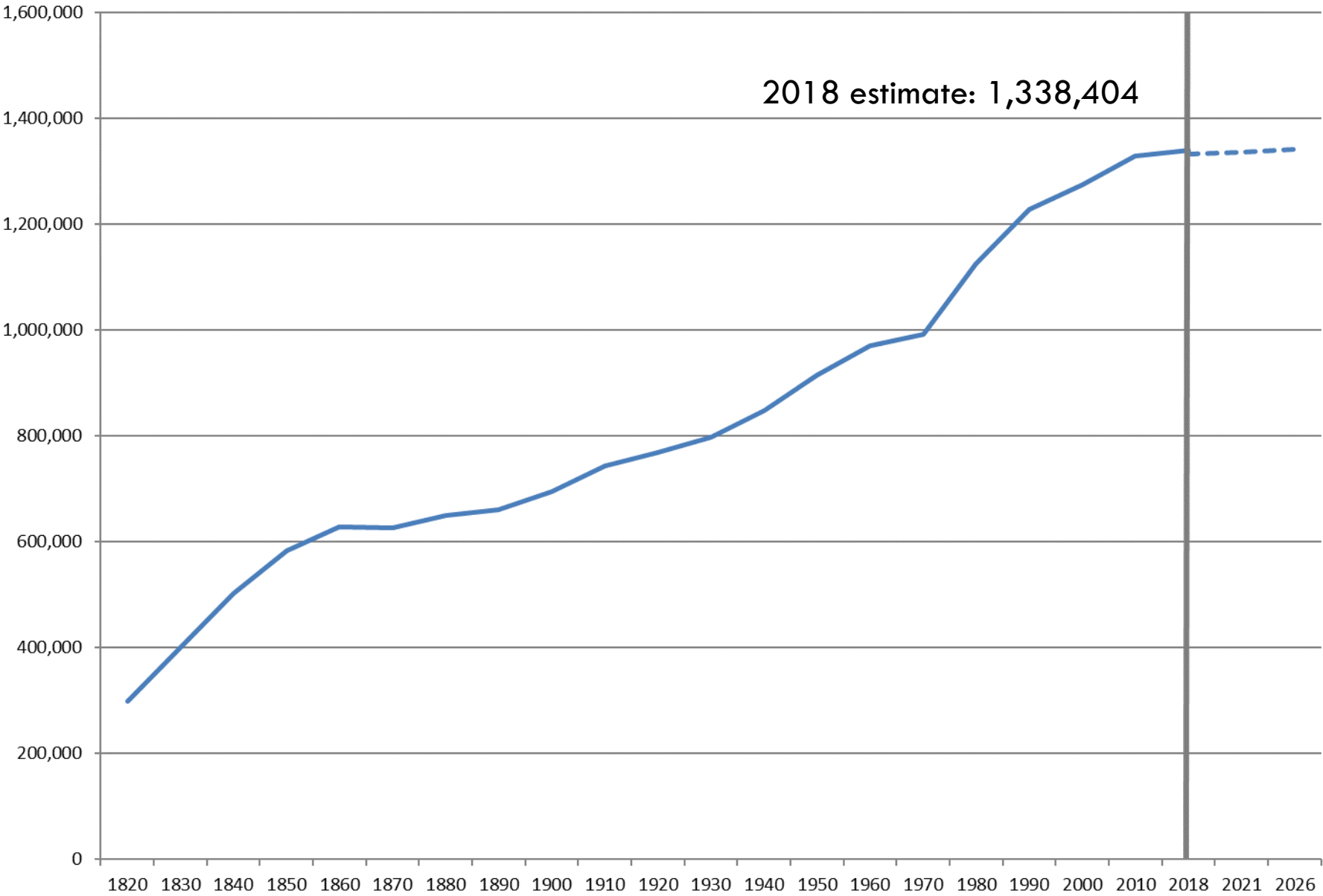
- Demographics
- Employment and GDP
- Wages and Income
- Other Indicators
- 10-Year Economic Strategic Planning

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Demographics

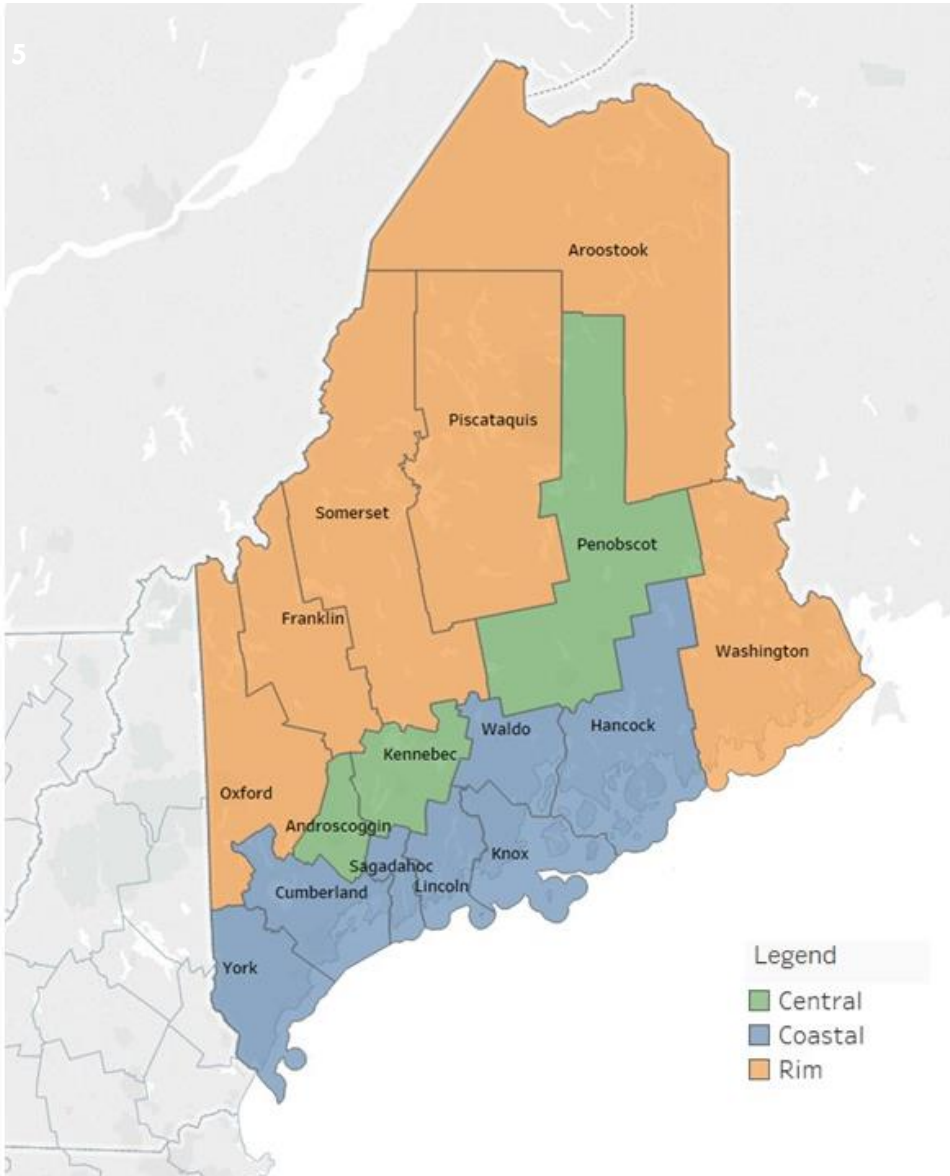


Total Population, Maine



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

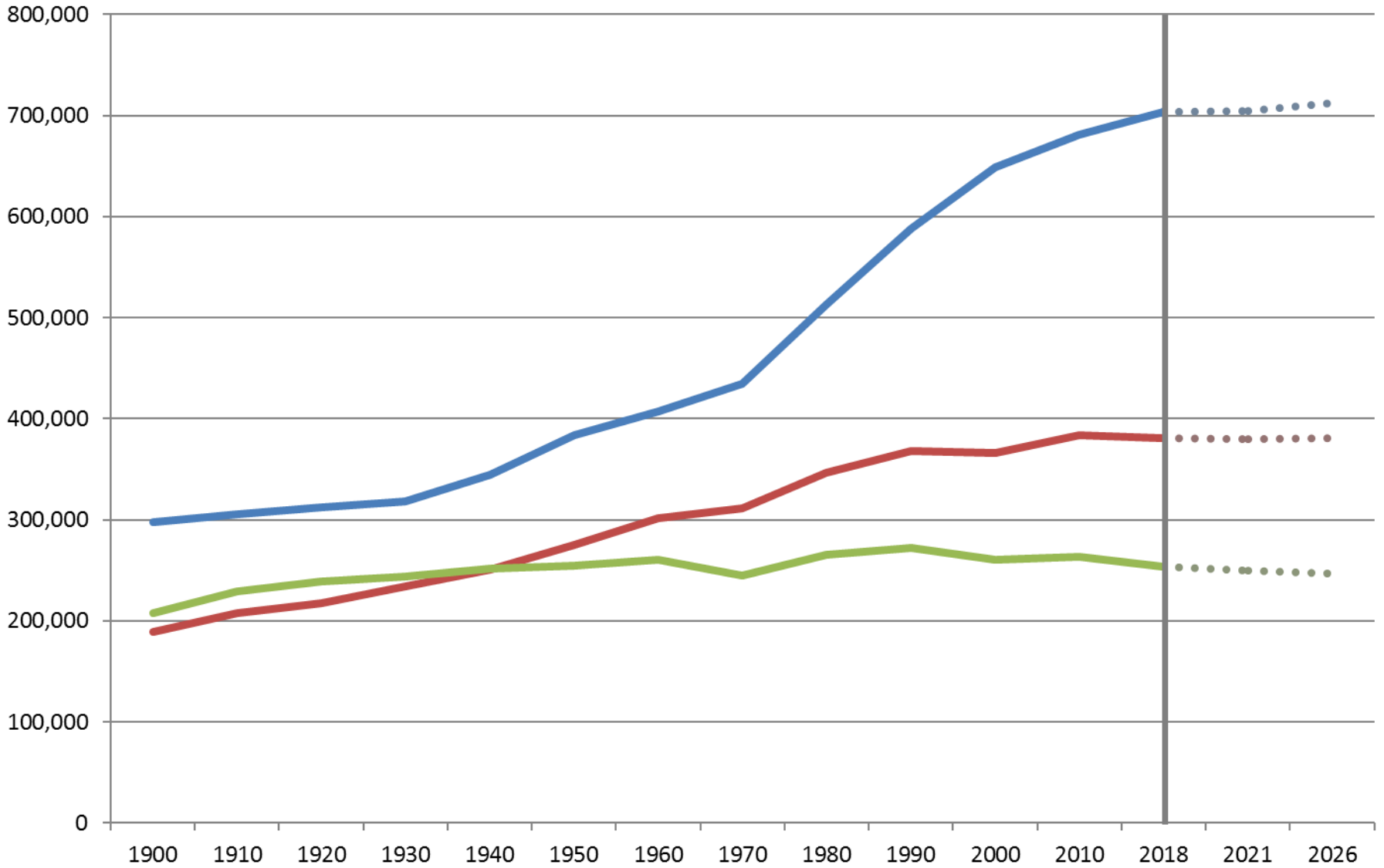
Regions of Maine



- 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

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- 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)
- 2018 Median age: 44.9 years
 - Oldest in US
- 93.1% White, Non-Hispanic
 - Highest percentage in US

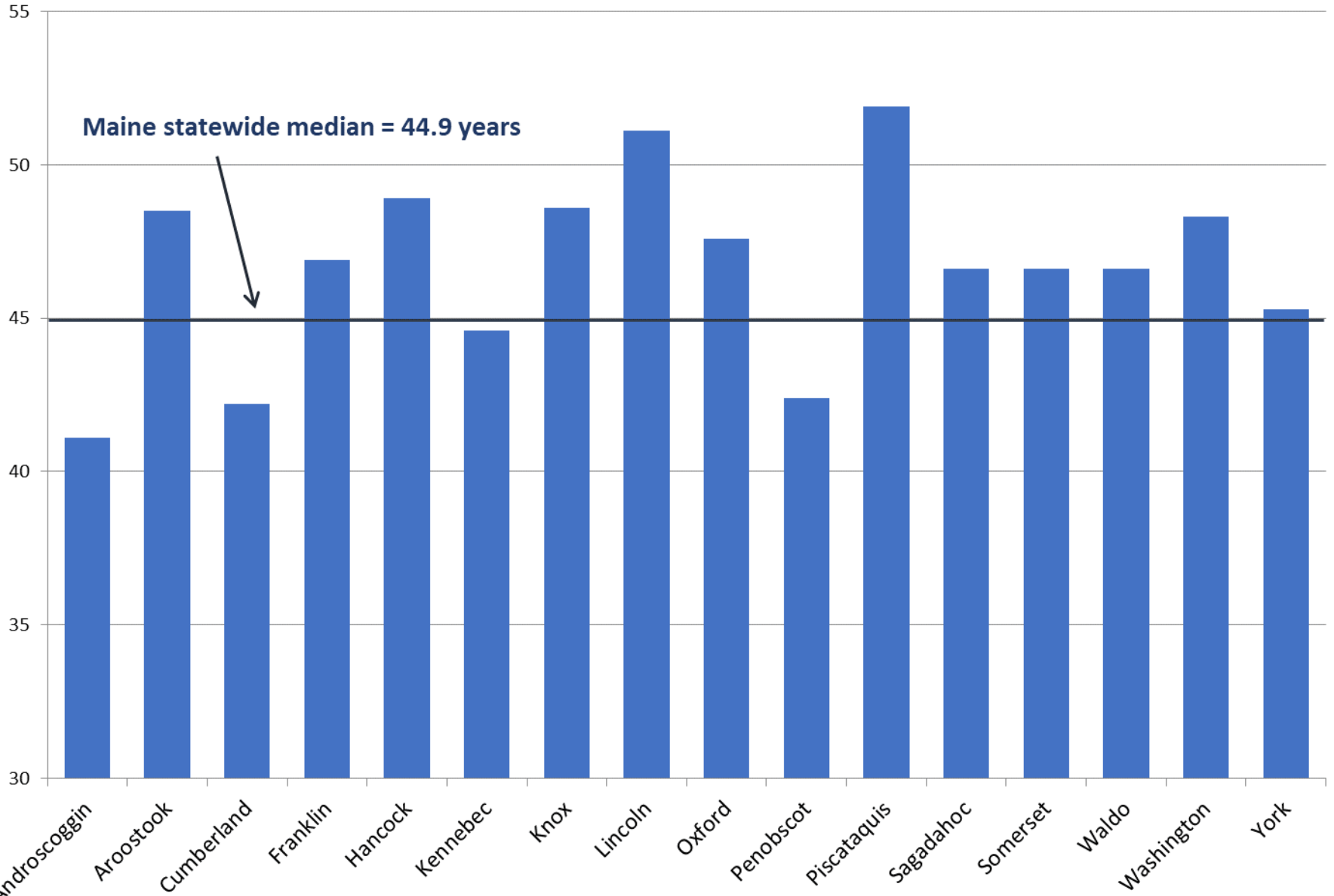


Improving Population Growth

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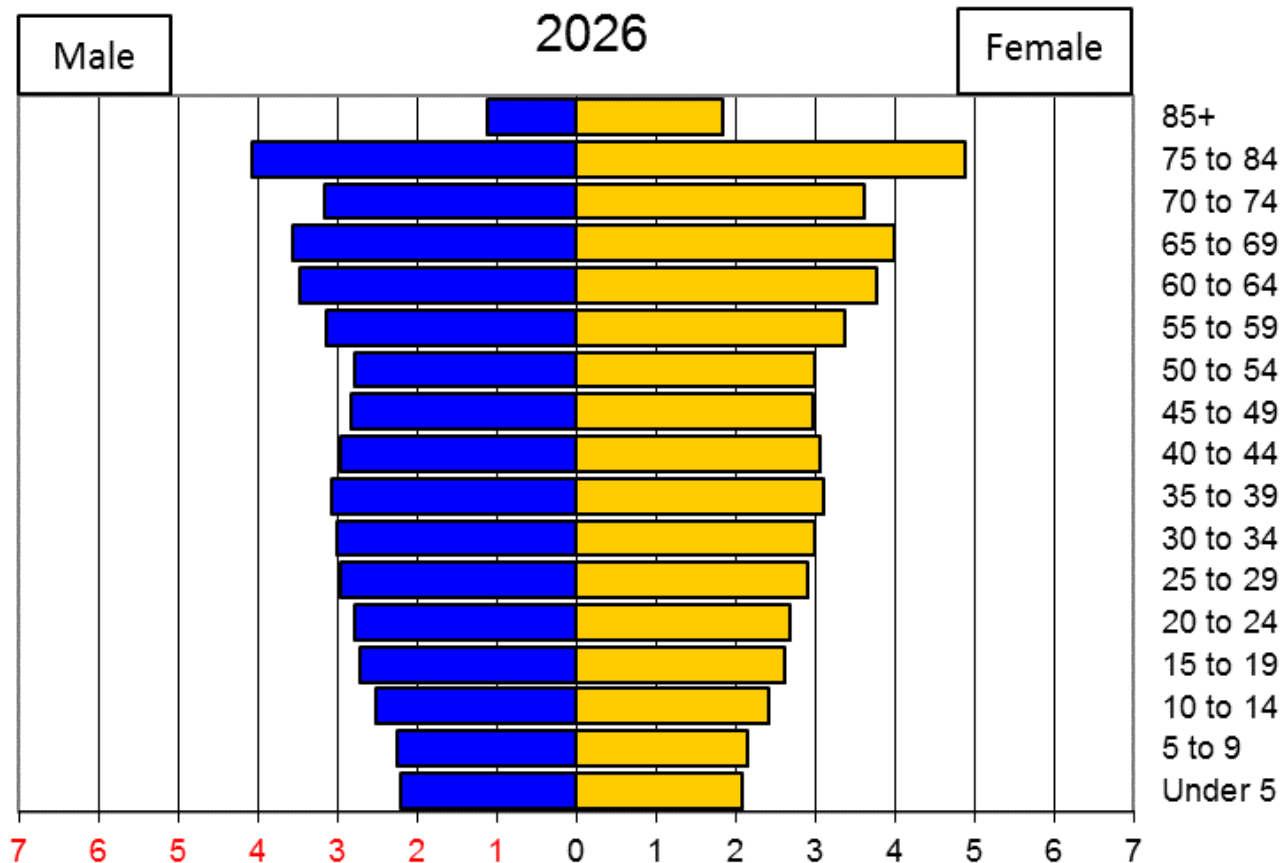
- In 2018, Maine's rate of total population increase ranked 34th and the rate of total net migration ranked 19th in the U.S.
- Other states in the U.S. are starting to see their populations age and in-migration slow
- Maine has been at the leading edge and now other states are catching up

Median Age

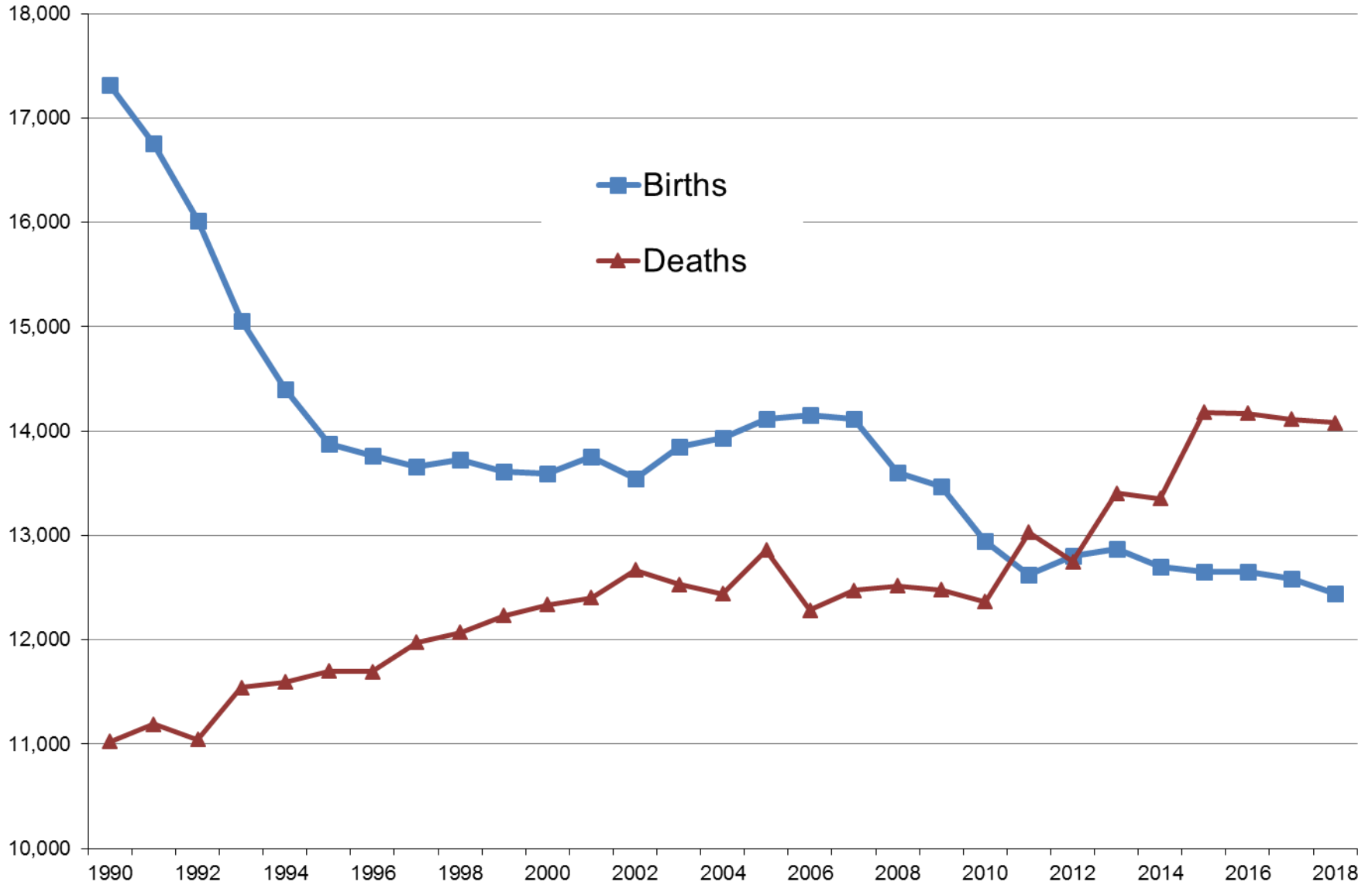


The Baby Boom Wave

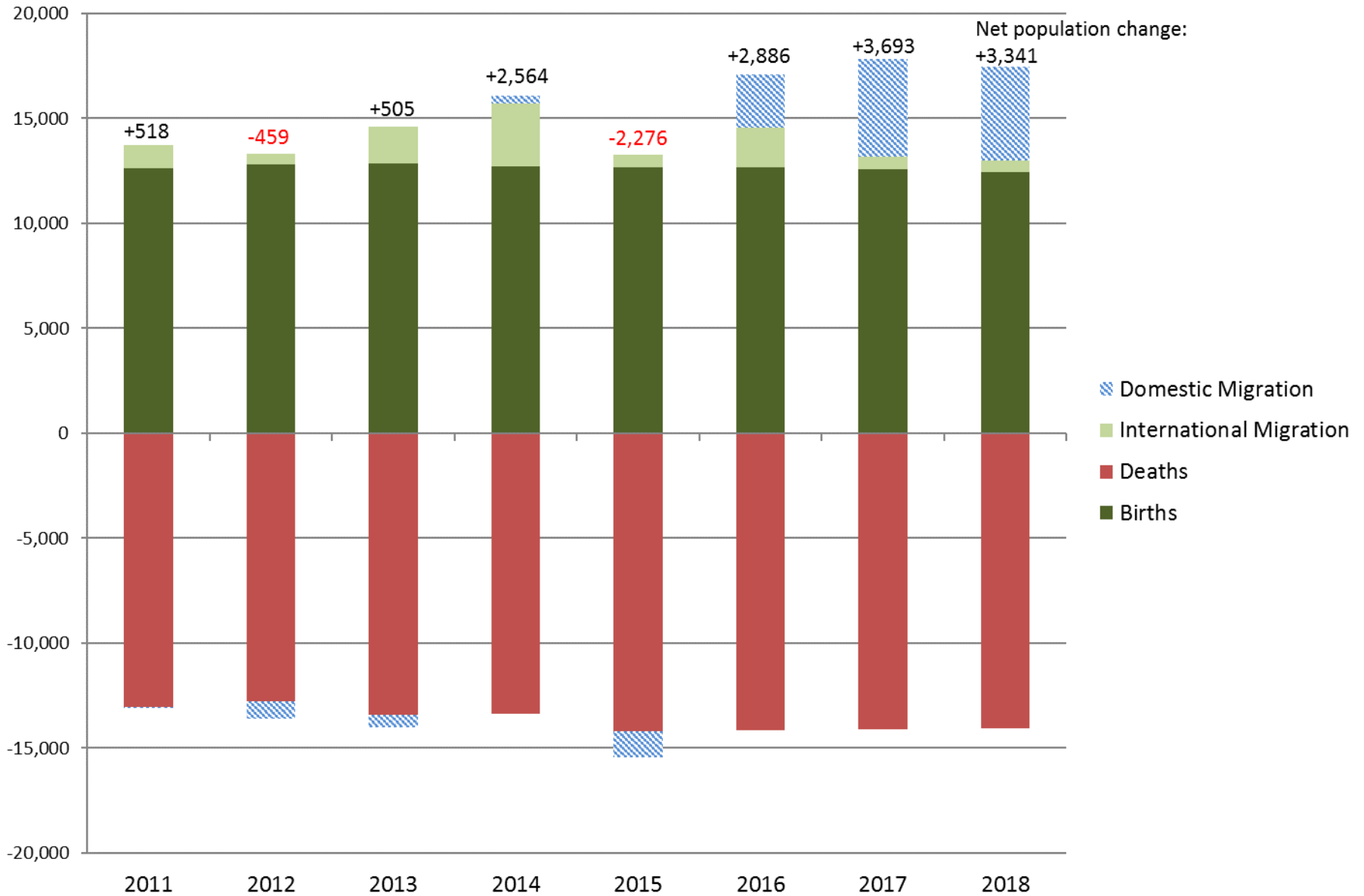
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Births and Deaths per year in Maine



Components of Population Change, Maine

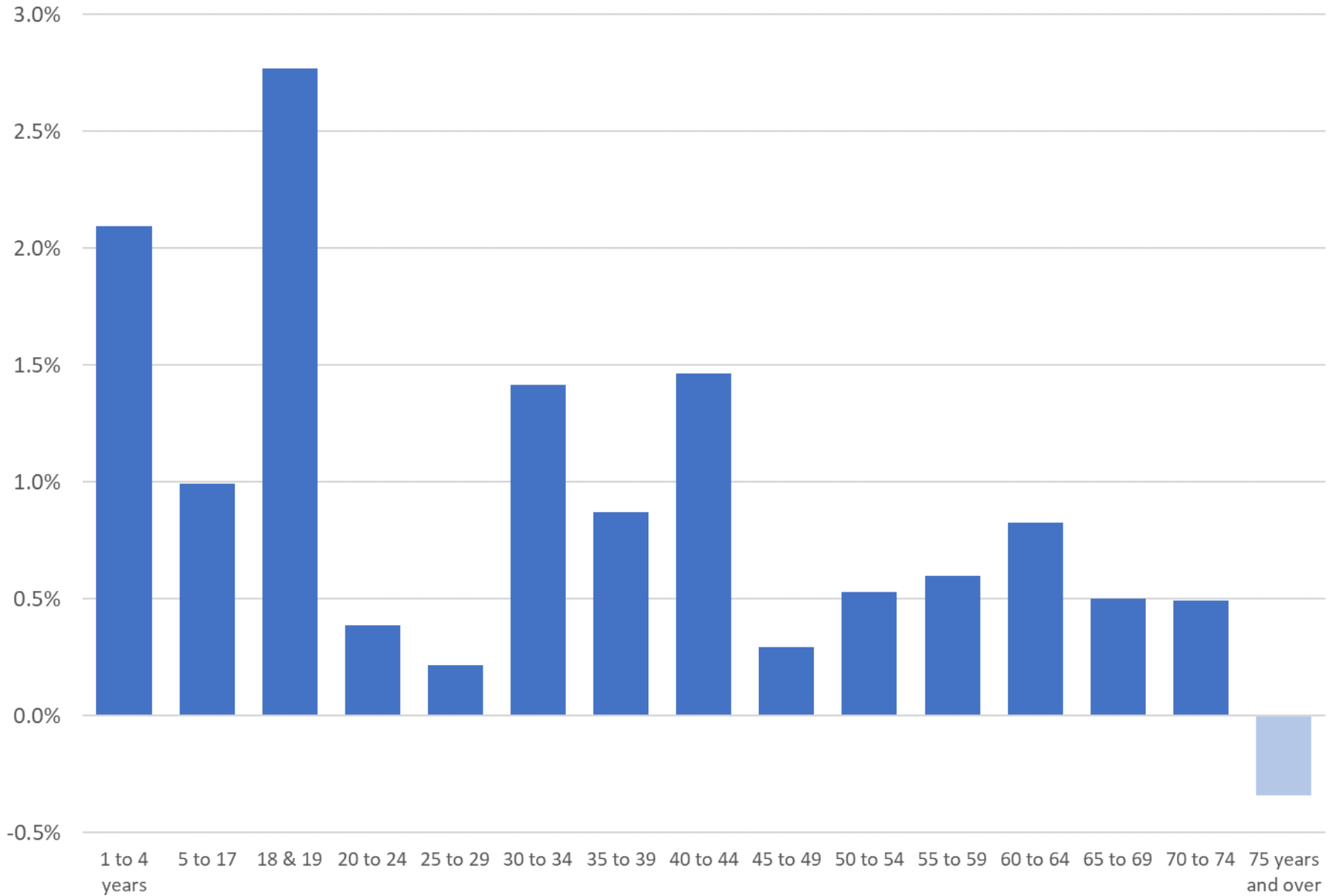


Where are people moving to/from?

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2018 State-to-State Migration Patterns			
<i>Moved to Maine from:</i>		<i>Moved from Maine to:</i>	
Massachusetts	5,775	New Hampshire	4,016
New Hampshire	4,731	Massachusetts	3,188
New York	2,909	Florida	2,783
Texas	2,386	Connecticut	1,342
Florida	2,082	California	1,294
Connecticut	1,734	North Carolina	1,235
Pennsylvania	1,393	Maryland	990
Michigan	1,320	Pennsylvania	916
North Carolina	1,049	Colorado	912
Vermont	997	Texas	815

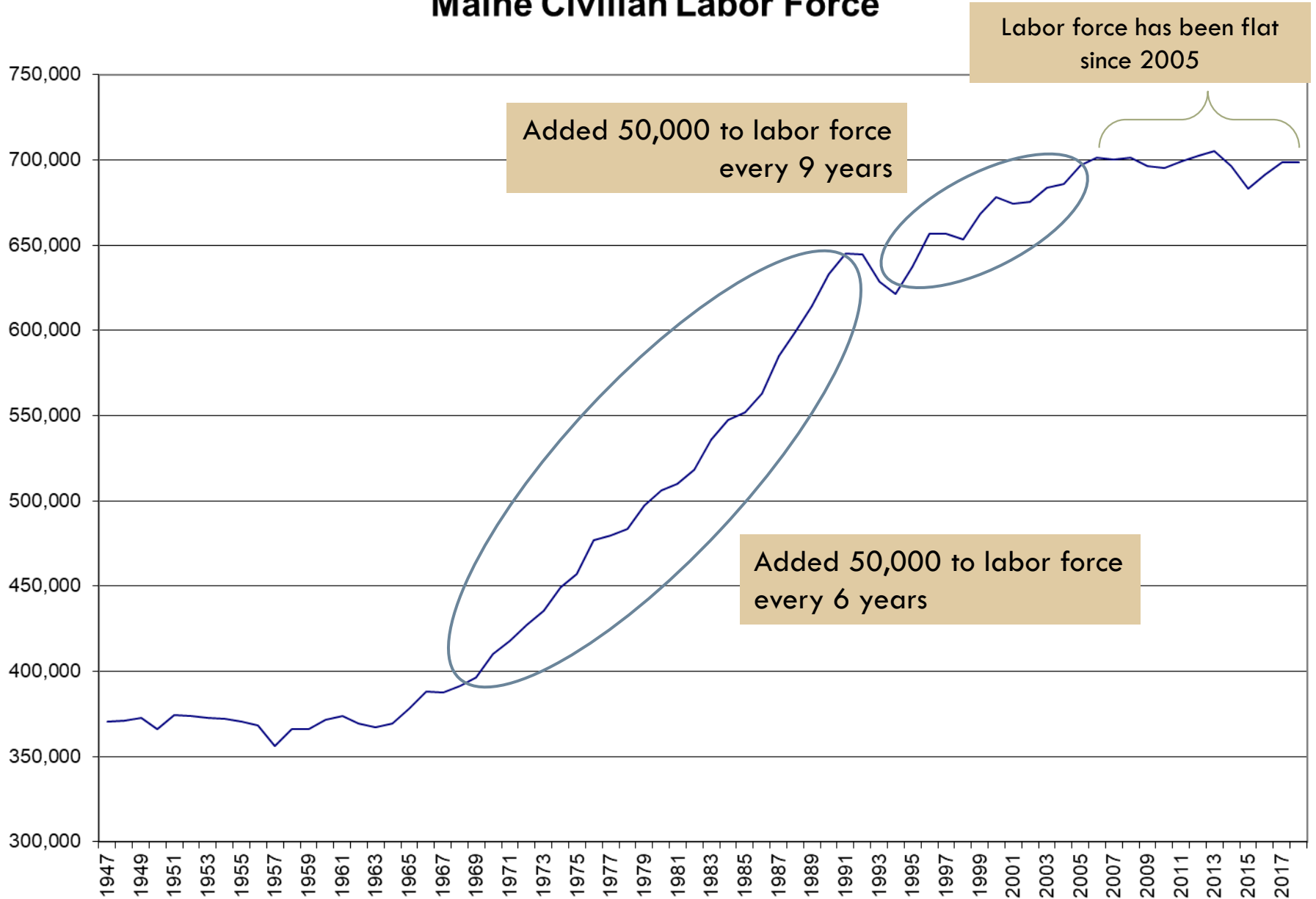
Annual Domestic Migration Rate by Age, 2018



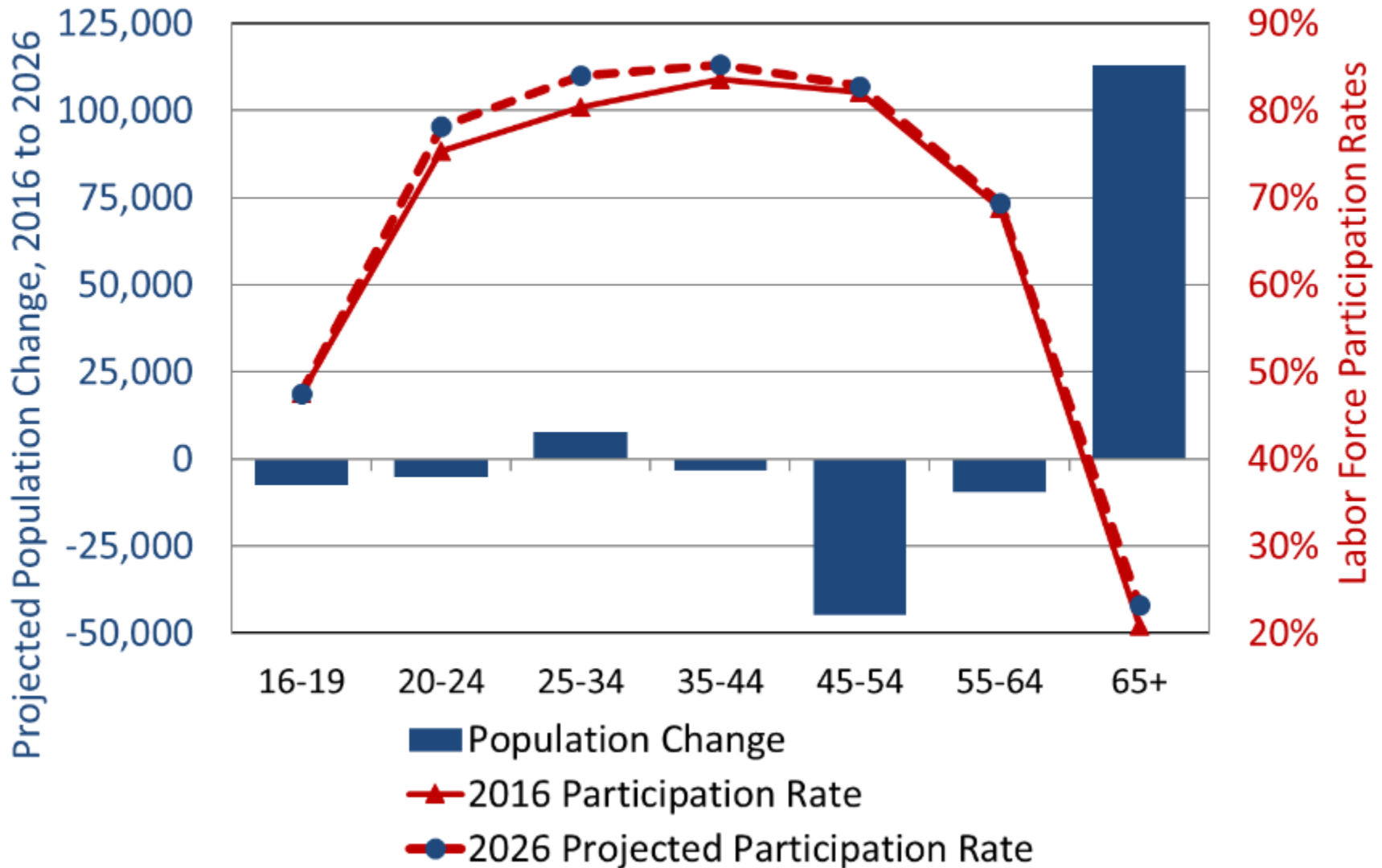
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Labor Force and Employment

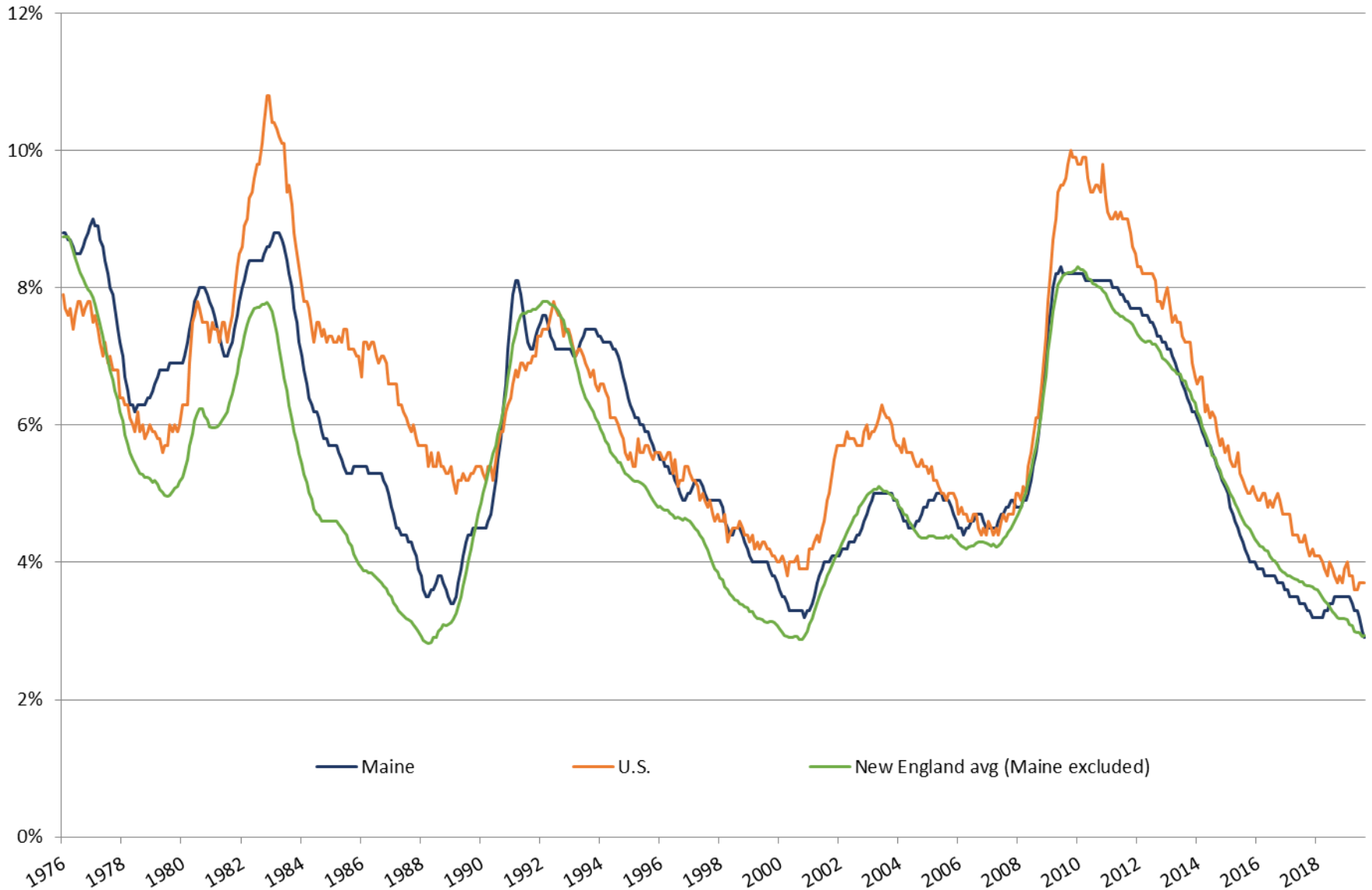
Maine Civilian Labor Force



Projected Population Change and Participation Rates by Age Group in Maine



Monthly Unemployment Rate (Seasonally Adjusted)



Regional variations persist in unemployment rates, although all are lower than one year prior

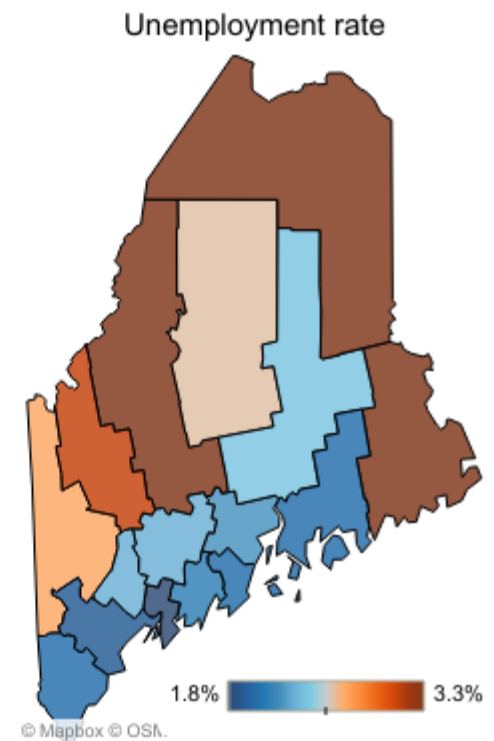
County Rates (not seasonally adjusted)

September, 2019

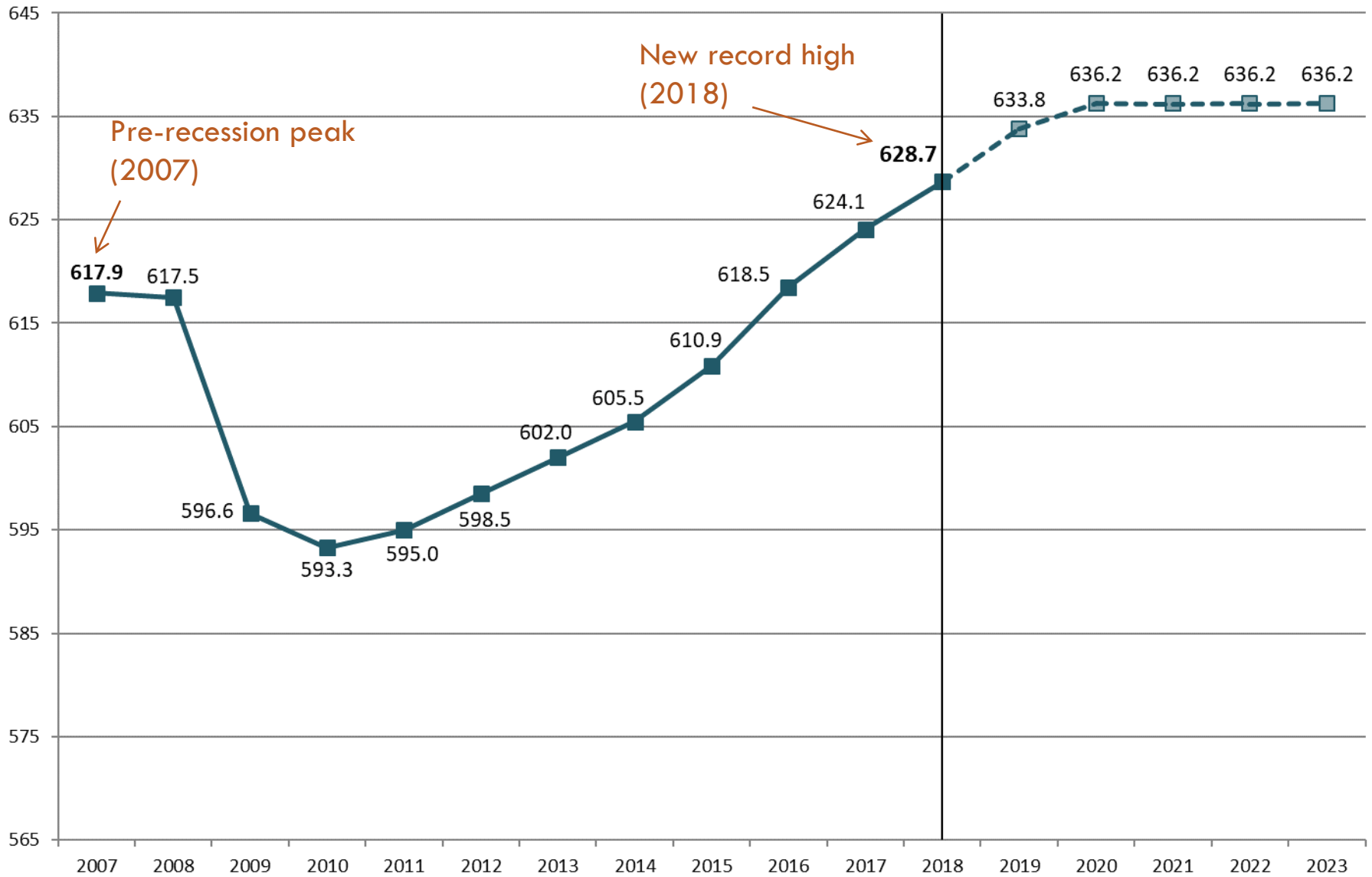
Table
 Graph

Map/Graph Display
 Unemployment rate
 One-year change

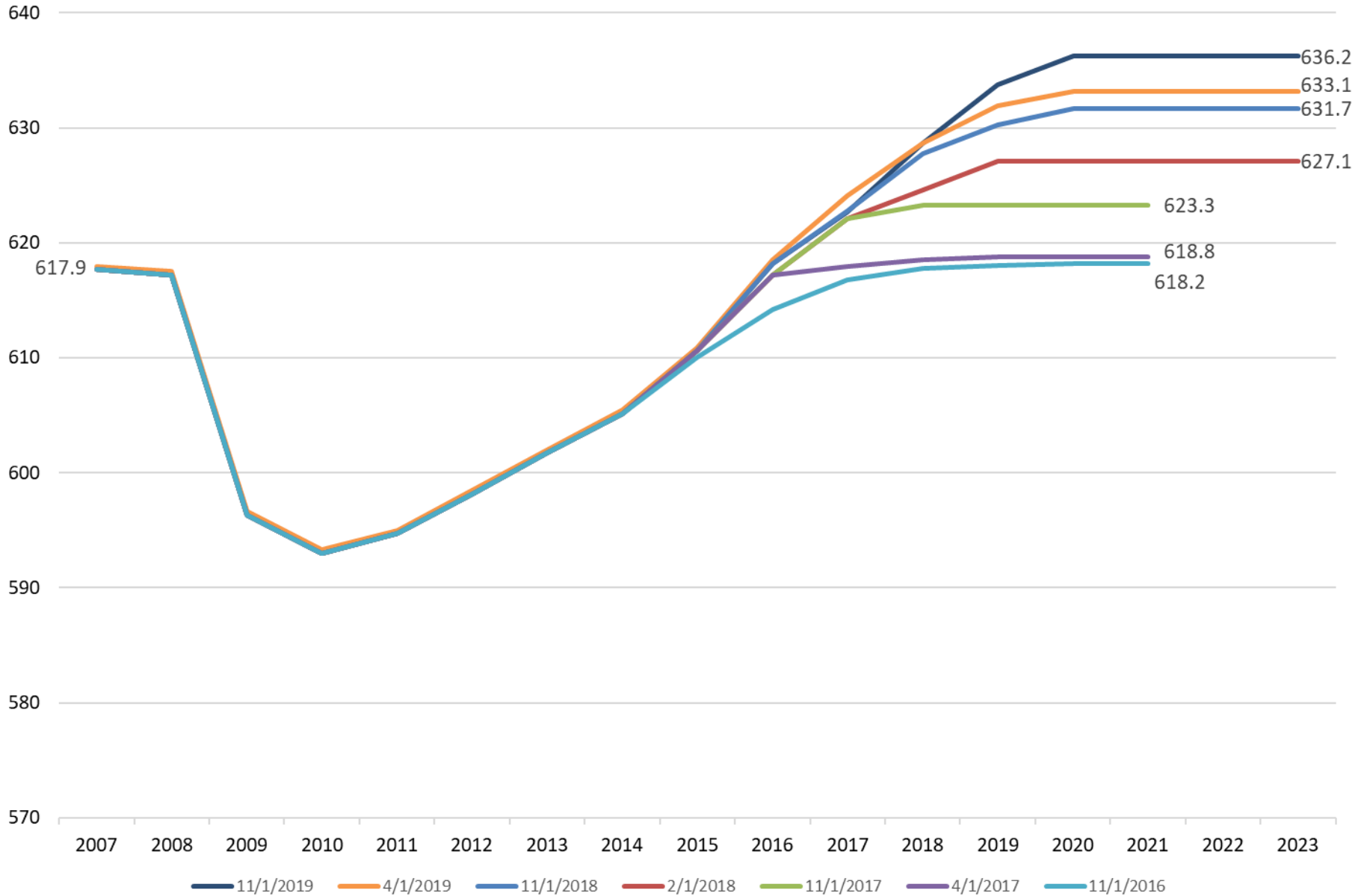
County	Rate	Year ago	One-yr change
Maine	2.3%	2.8%	-0.5
Androscoggin Cty	2.3%	3.0%	-0.7
Aroostook Cty	3.3%	3.9%	-0.6
Cumberland Cty	1.9%	2.4%	-0.5
Franklin Cty	3.1%	3.2%	-0.1
Hancock Cty	2.0%	2.3%	-0.3
Kennebec Cty	2.3%	2.8%	-0.5
Knox Cty	2.0%	2.6%	-0.6
Lincoln Cty	2.1%	2.4%	-0.3
Oxford Cty	2.7%	3.7%	-1.0
Penobscot Cty	2.4%	3.3%	-0.9
Piscataquis Cty	2.6%	3.1%	-0.5
Sagadahoc Cty	1.8%	2.3%	-0.5
Somerset Cty	3.3%	4.1%	-0.8
Waldo Cty	2.2%	2.9%	-0.7
Washington Cty	3.3%	4.0%	-0.7
York Cty	2.0%	2.5%	-0.5



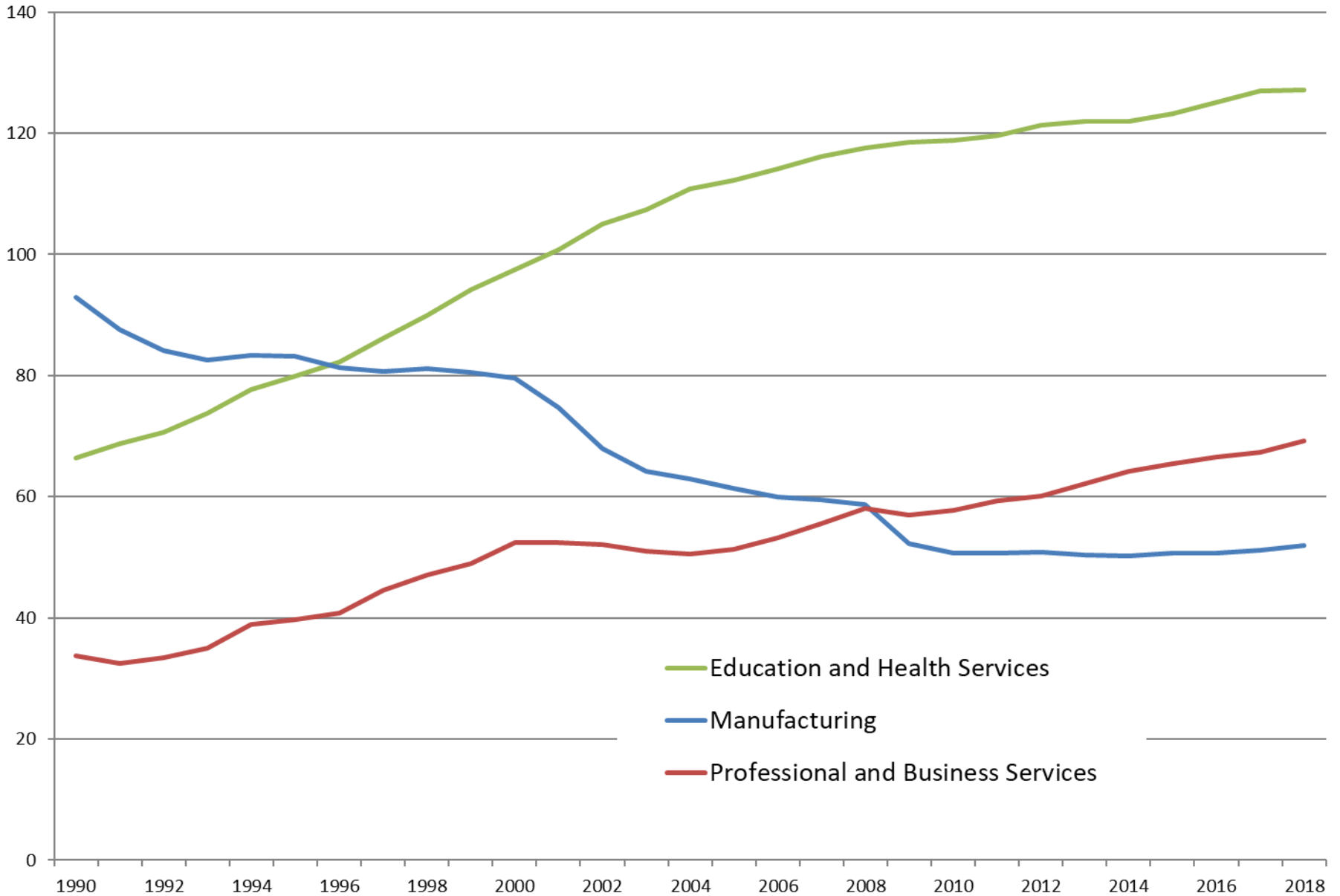
Total Nonfarm Employment (in thousands) History and CEFC forecast



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



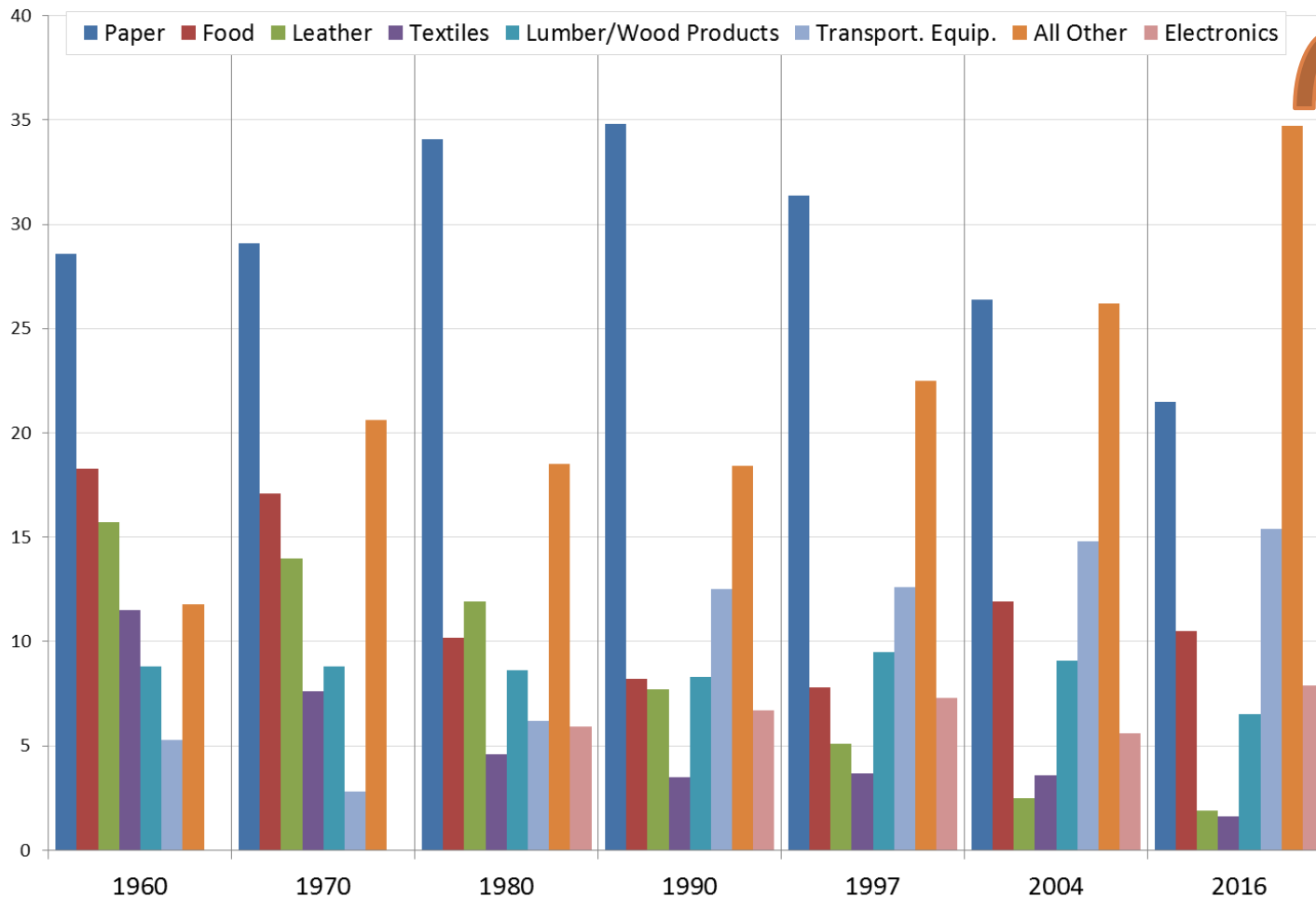
Maine Wage and Salary Employment by Industry (in thousands)



Manufacturing has changed over time

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Share of Value of Manufactured Product by Selected Industry Groups



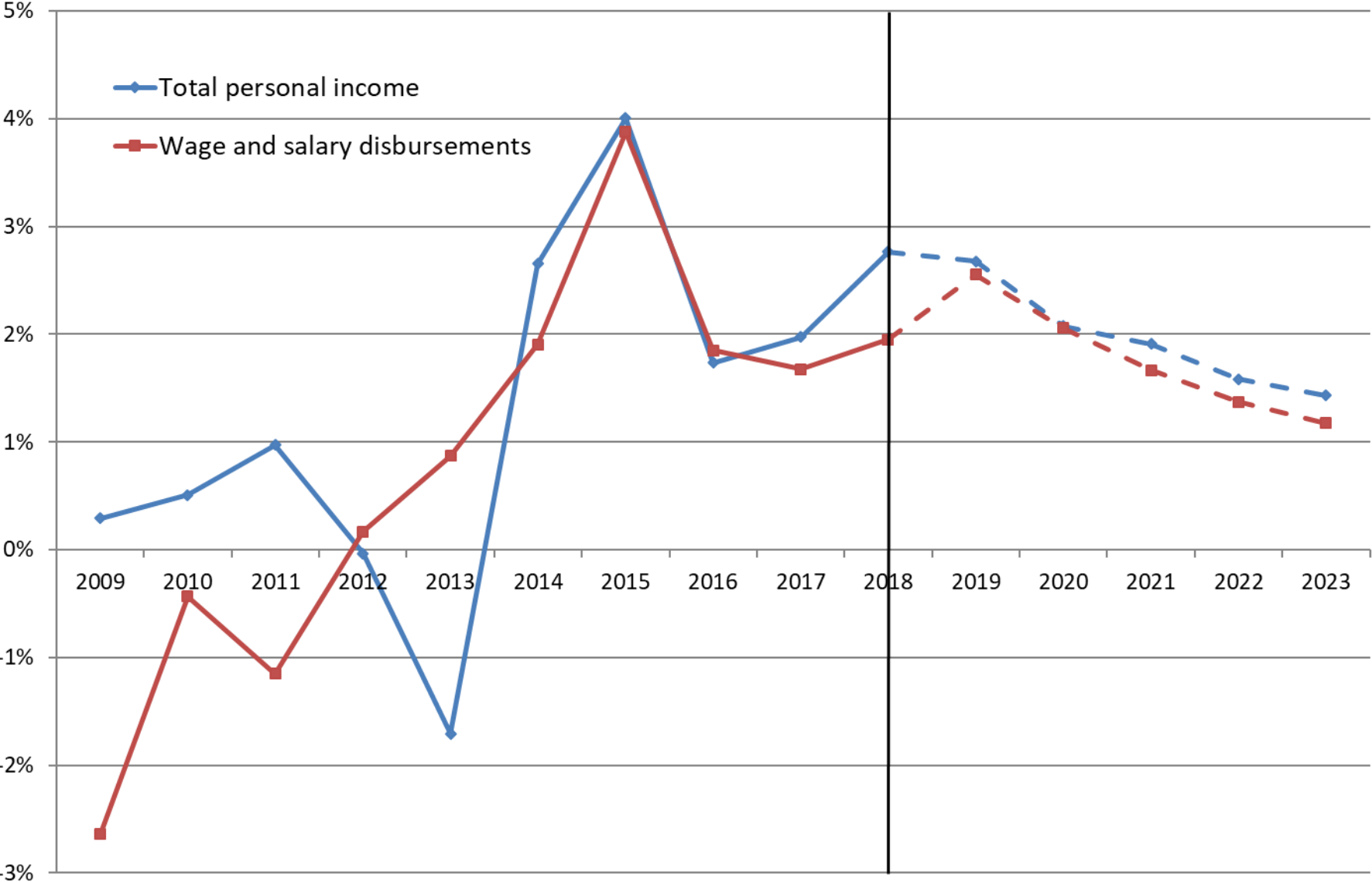
“All Other” in 2016:

- 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!

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Income and GDP

Percent Change in Real Personal Income, Maine 2009-2018 and forecast to 2023



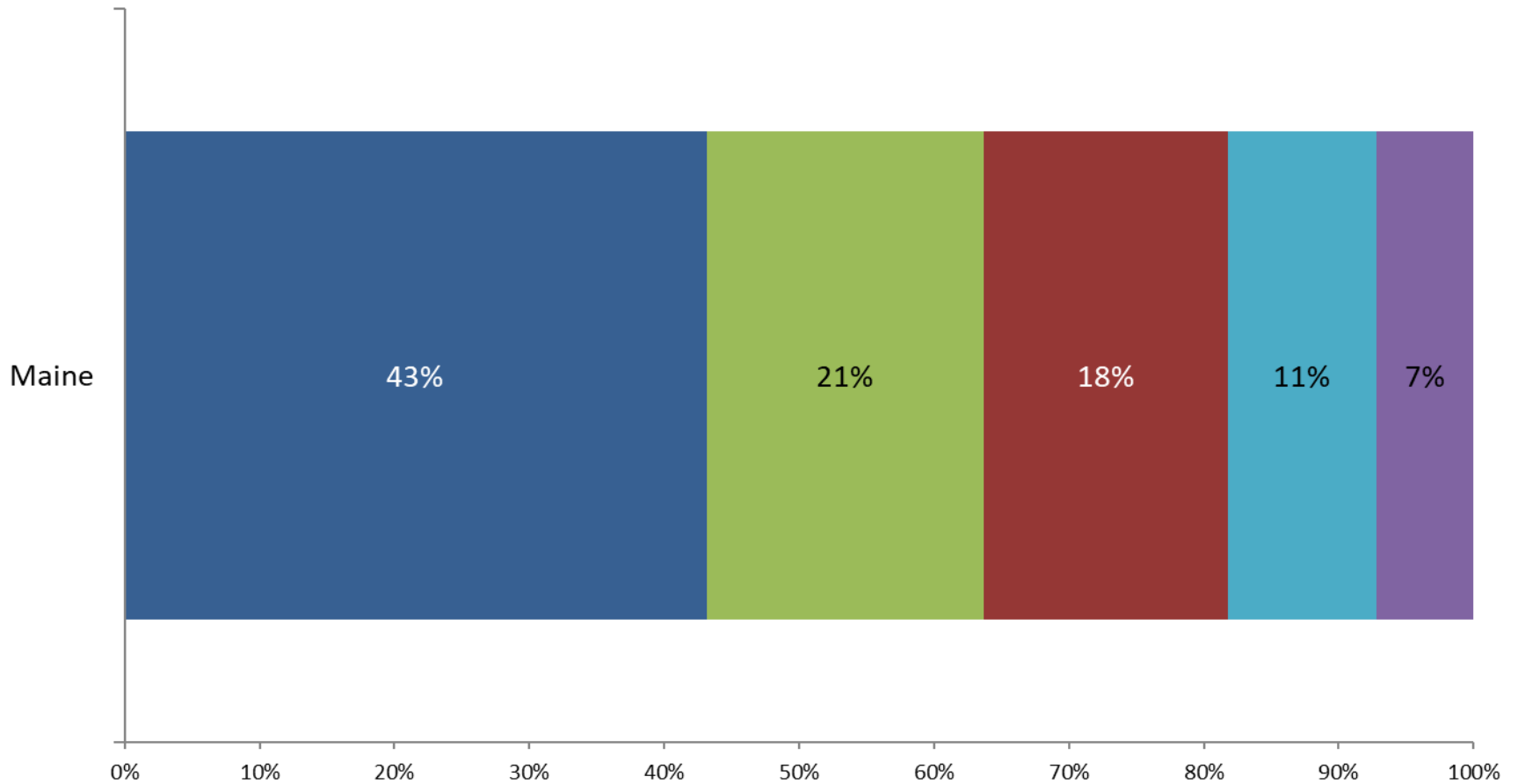
Latest Personal Income Release

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- Total personal income growth for Maine in 2018 was revised up from 4.0% (ranking 27th) to 5.3% (ranking 30th)
- Estimate of annualized growth for 2019:Q1 was revised up from 5.4% (ranking 3rd) to 7.9% (ranking 8th)

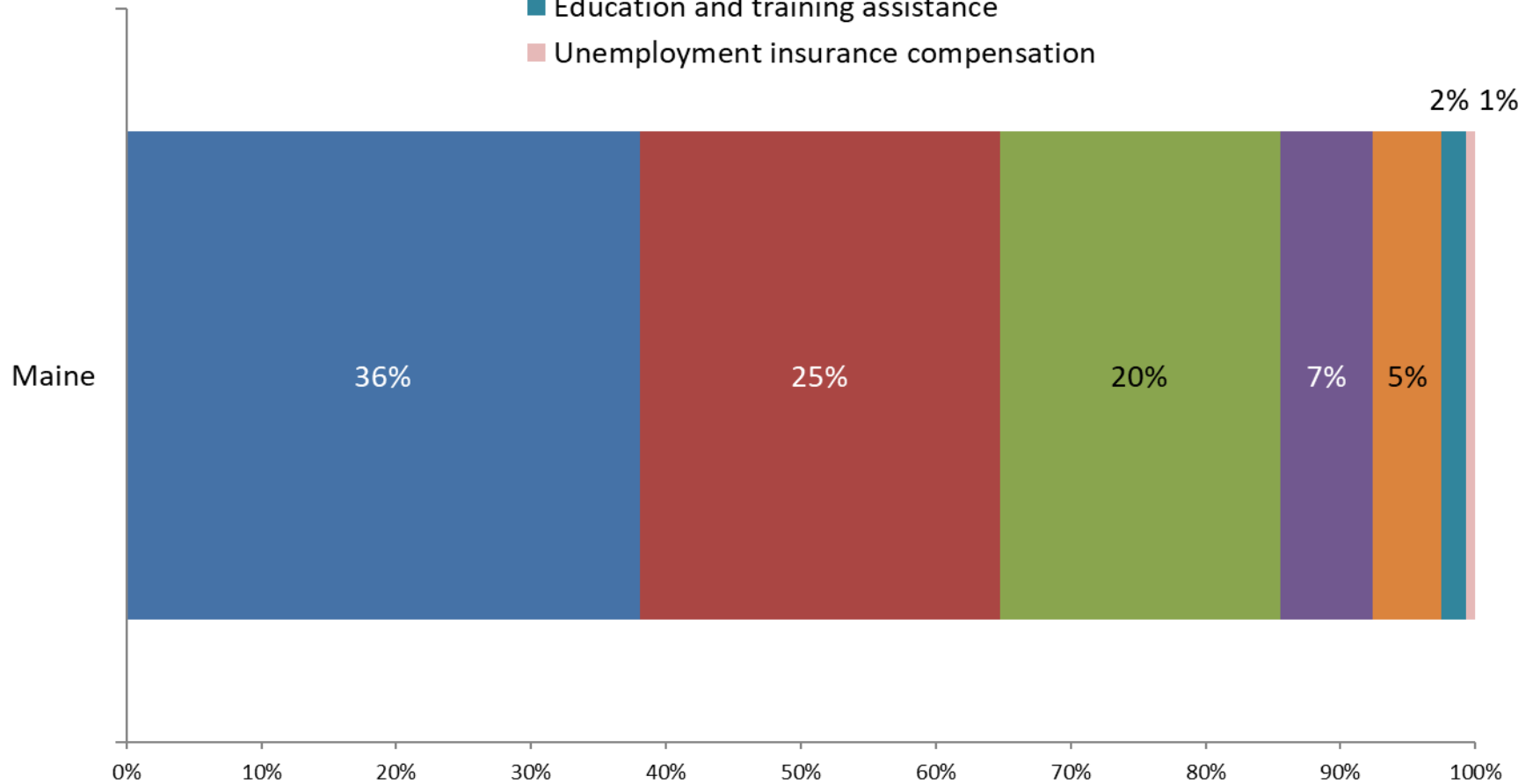
Major Components of Personal Income, 2018

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



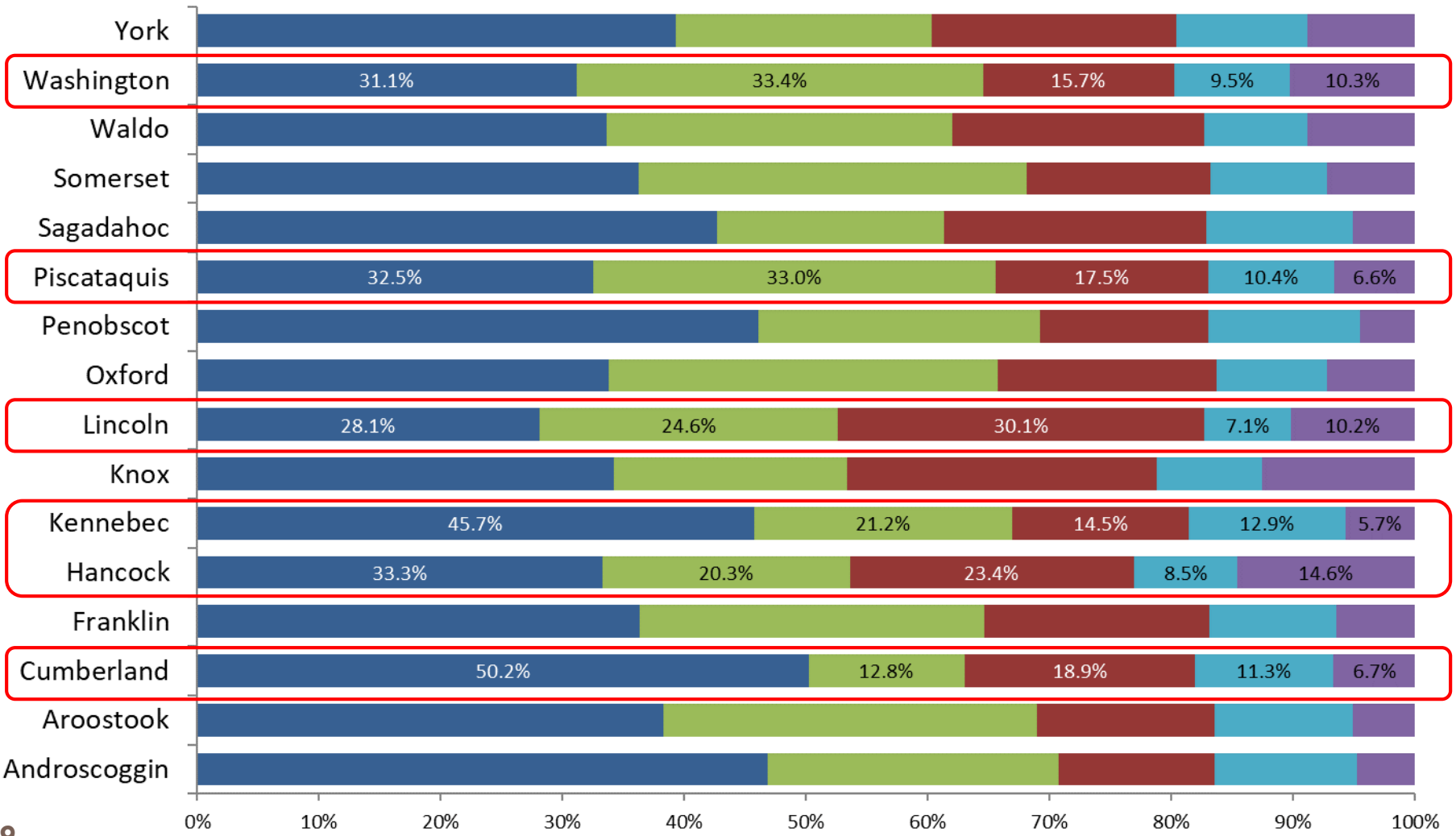
Components of Personal Current Transfer Receipts, 2018

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

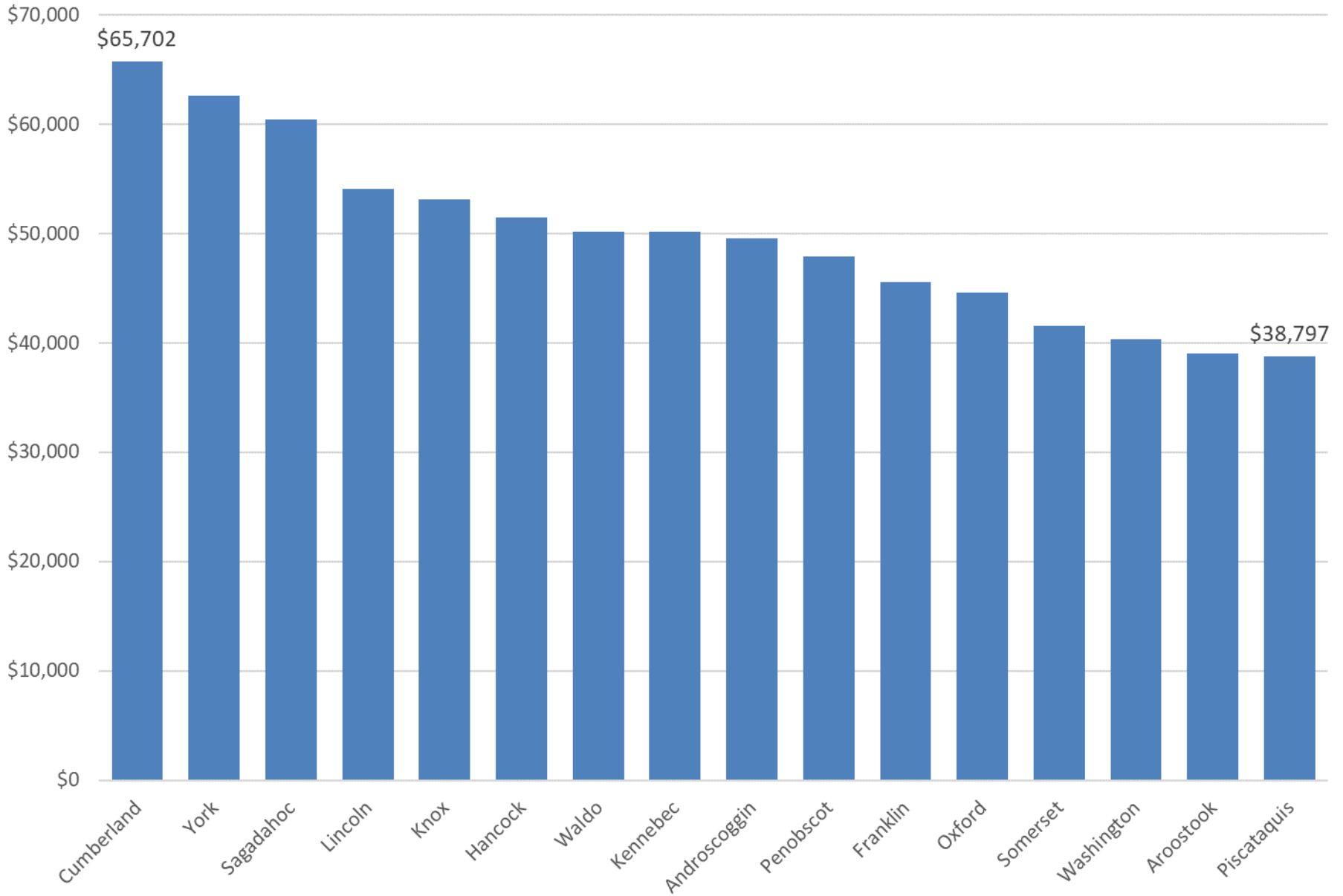


Major Components of Personal Income, 2018

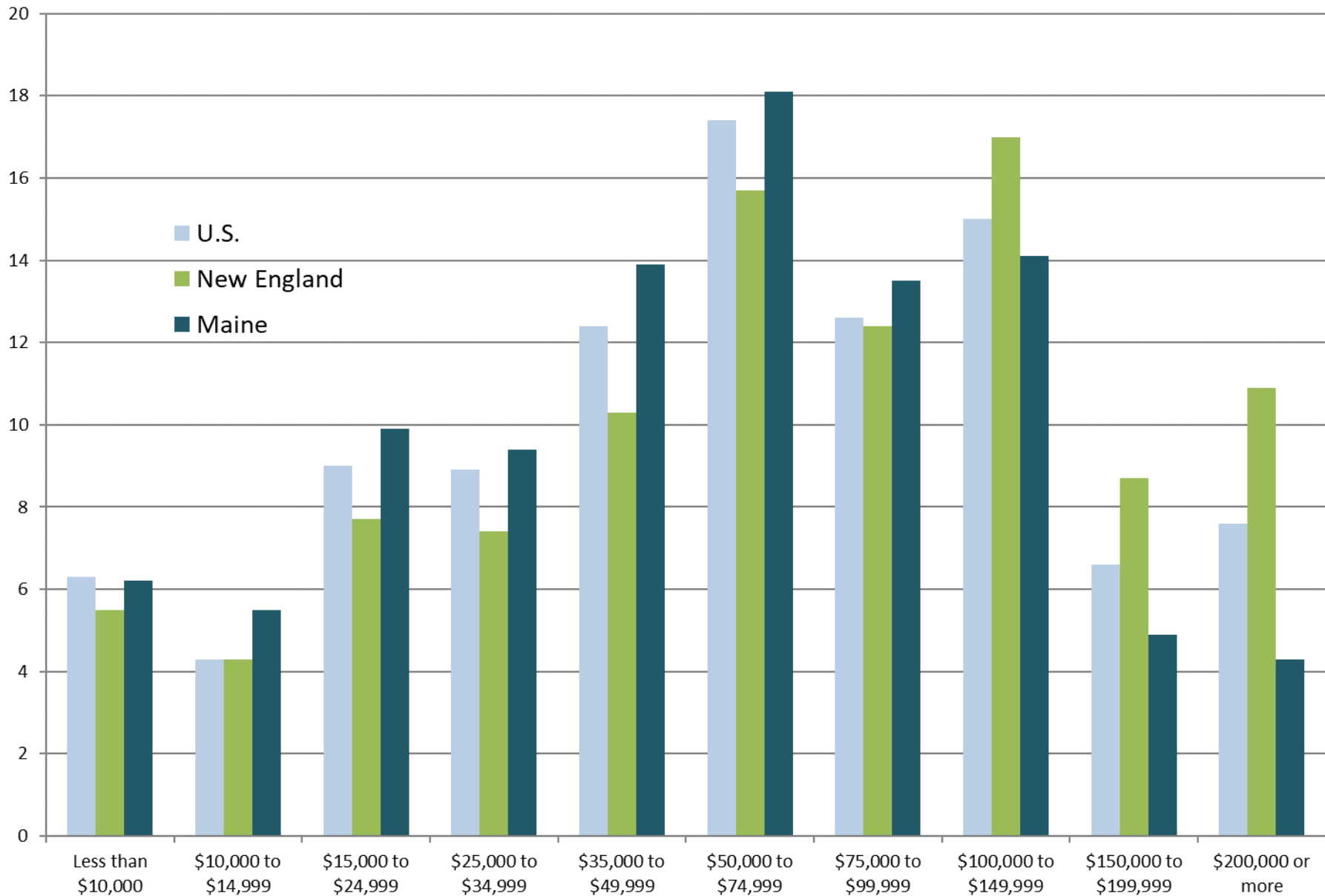
■ Wages and salaries
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 ■ Proprietors' income



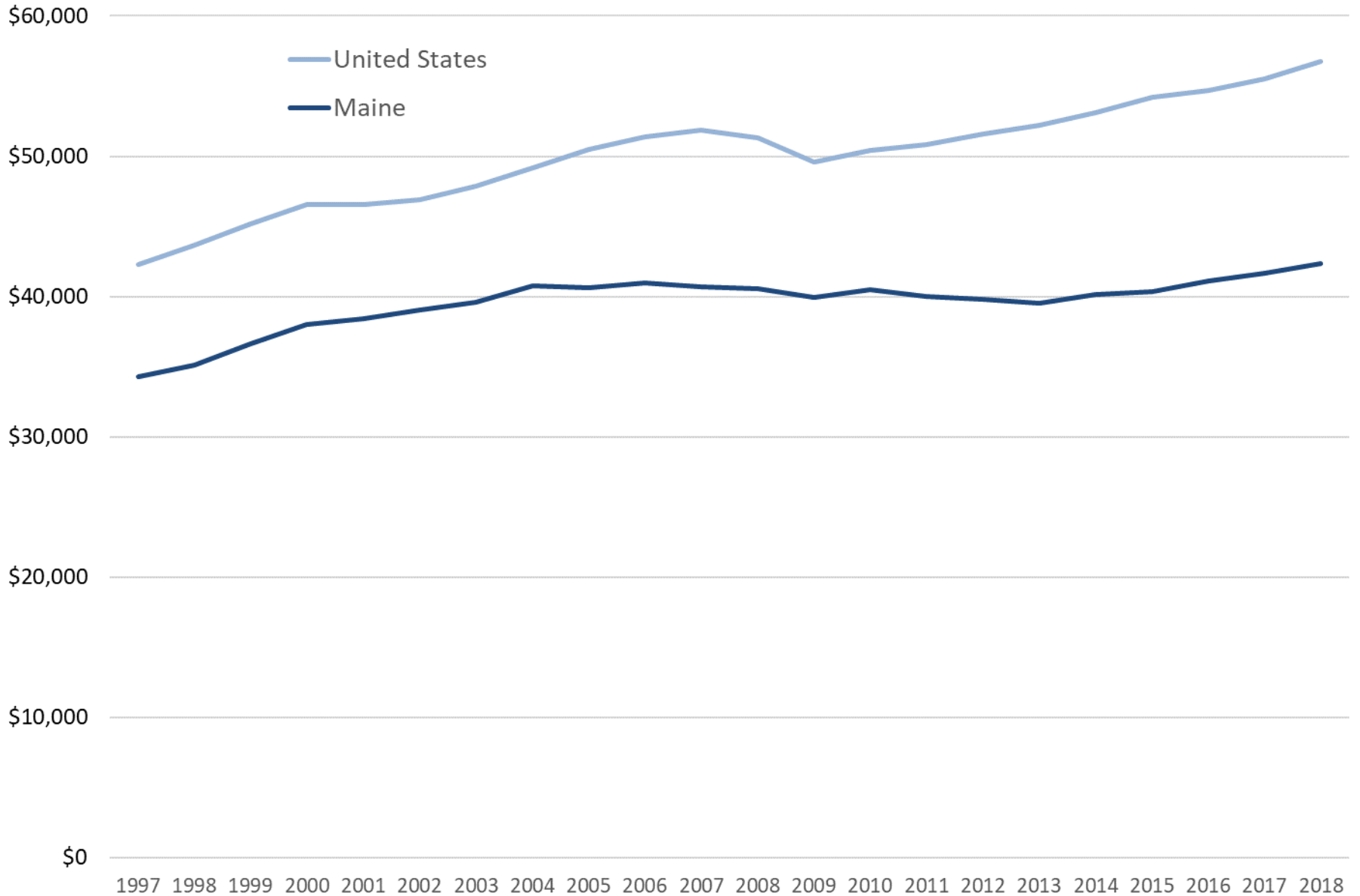
Median Household Income



Household Income and Benefits, 2018



Per Capita Real Total GDP

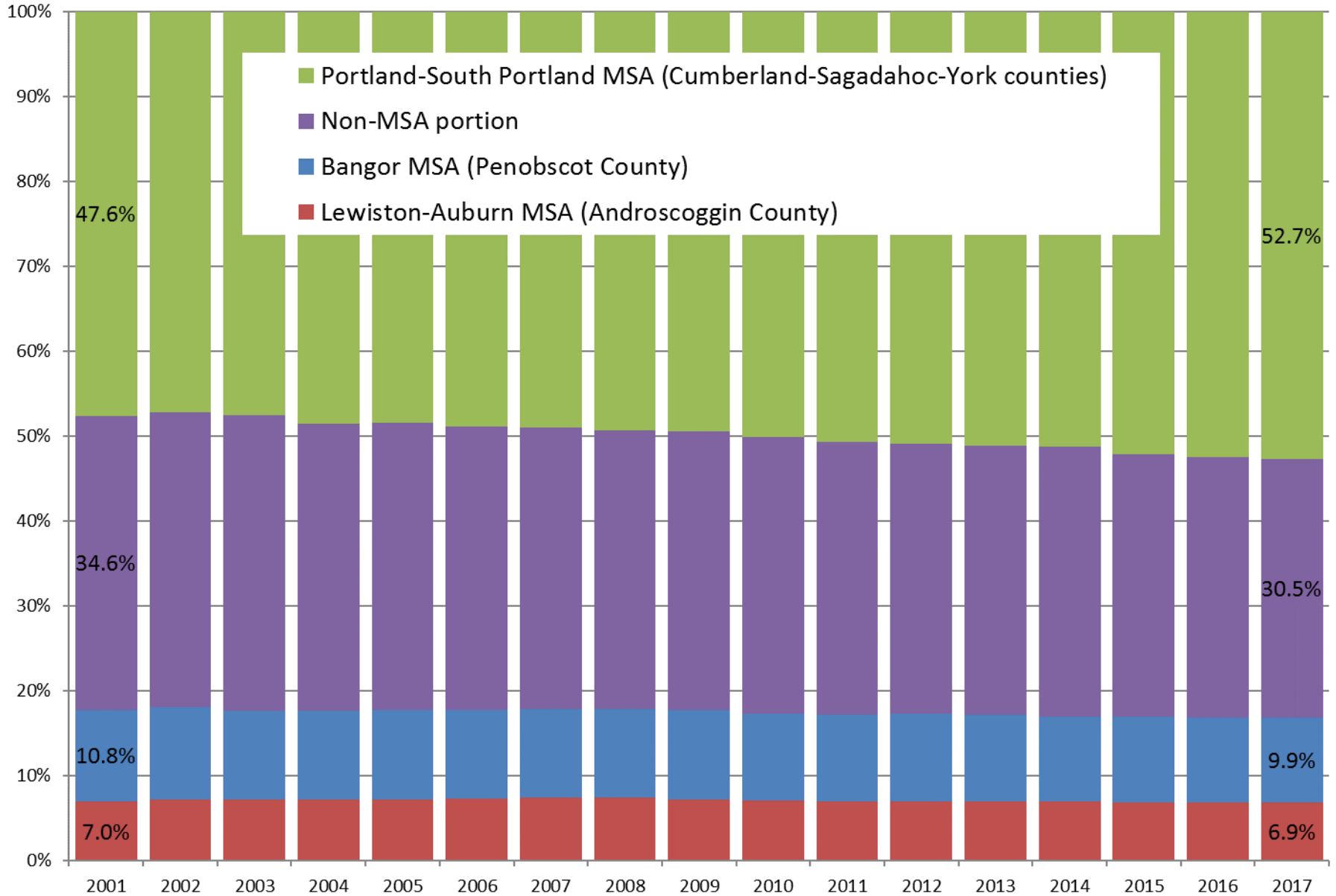


Latest GDP Release

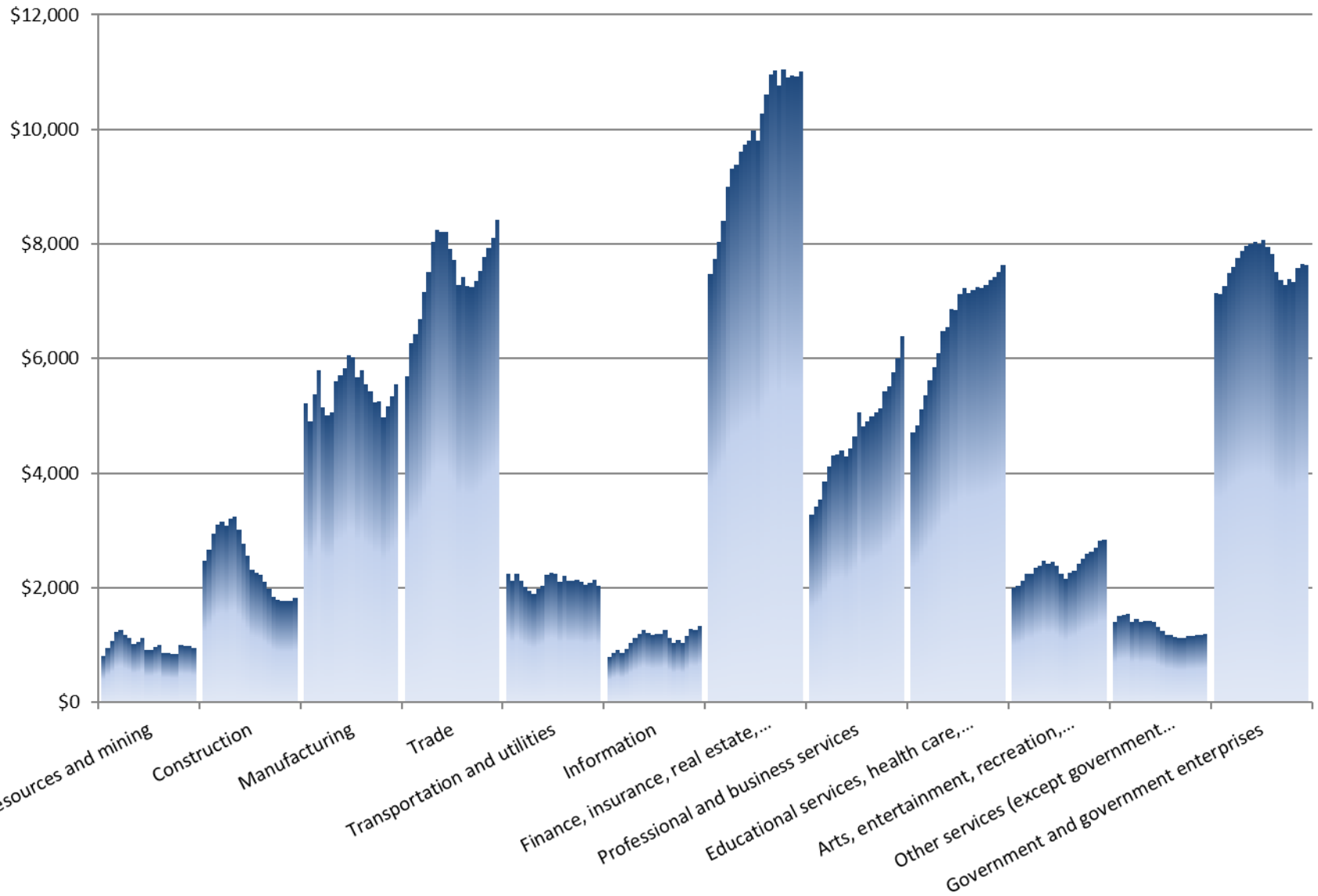
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- Real GDP growth for Maine in 2018 was revised up from 1.9% (ranking 28th) to 2.2% (ranking 33rd)
- Estimate of growth for 2019:Q1 was revised up from 2.6% (ranking 34th) to 4.8% (ranking 9th)

Share of Maine Real GDP by Metropolitan Area



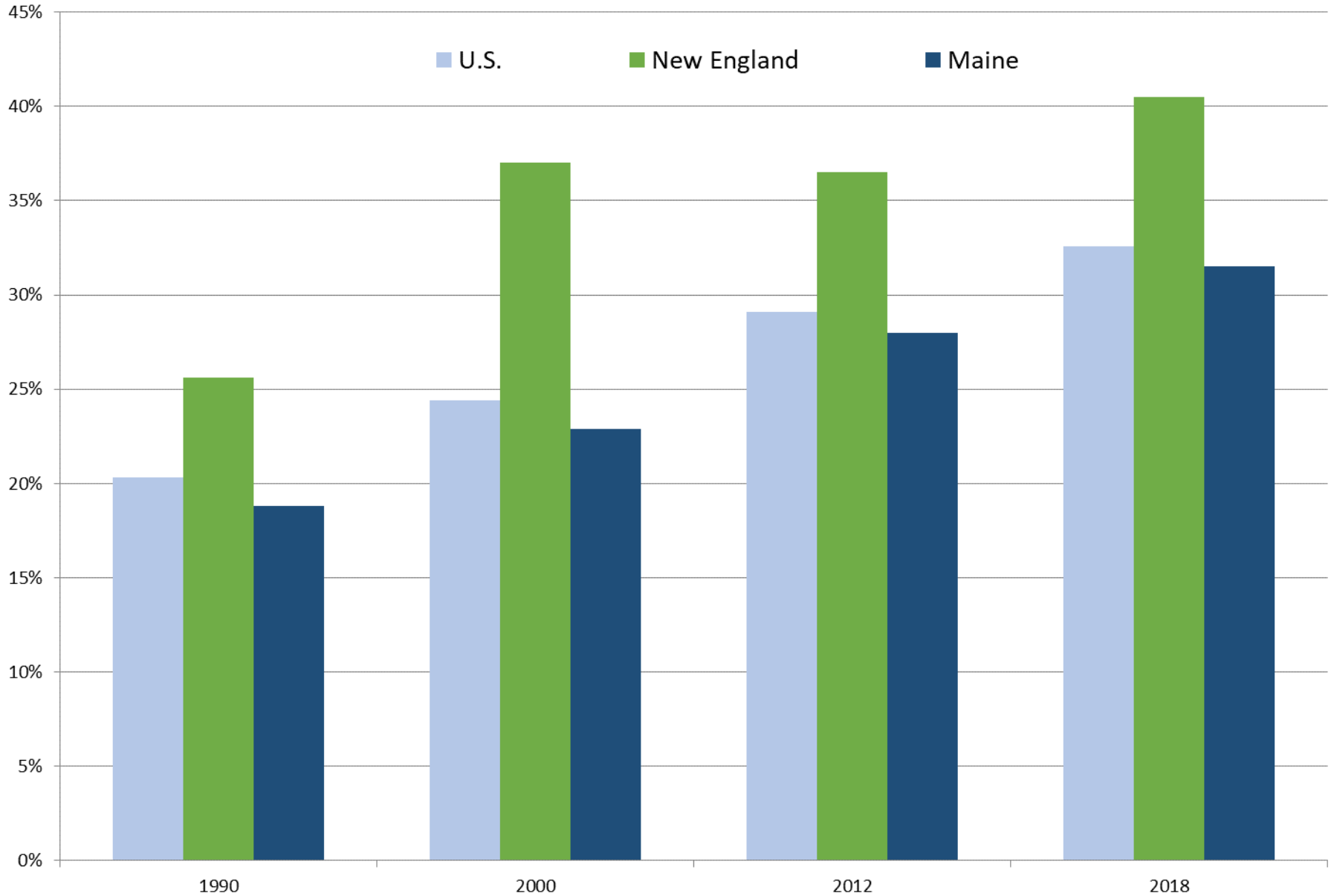
Maine Real GDP by Industry, 1997-2018 (in millions of chained 2012 dollars)



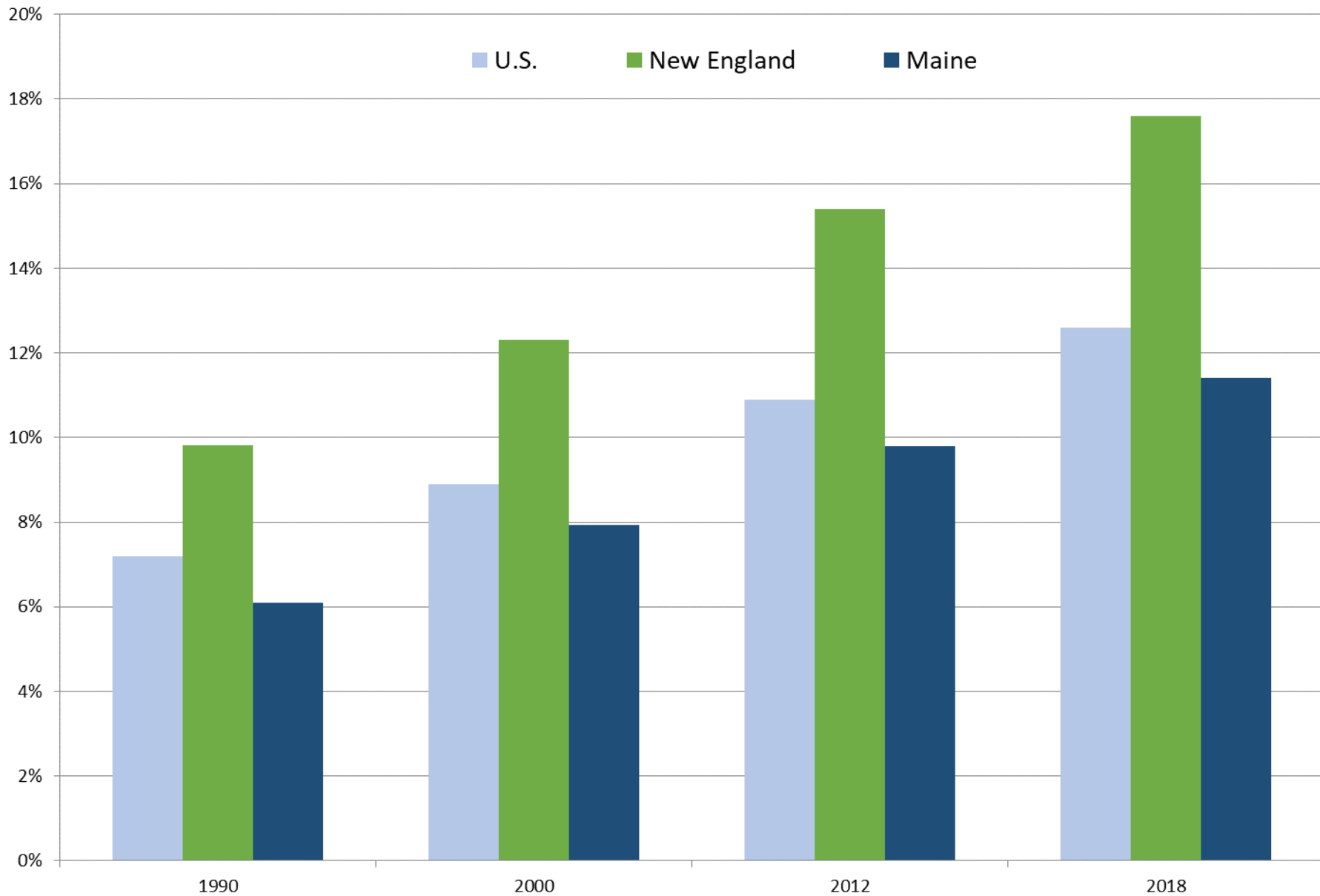
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Other Indicators

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



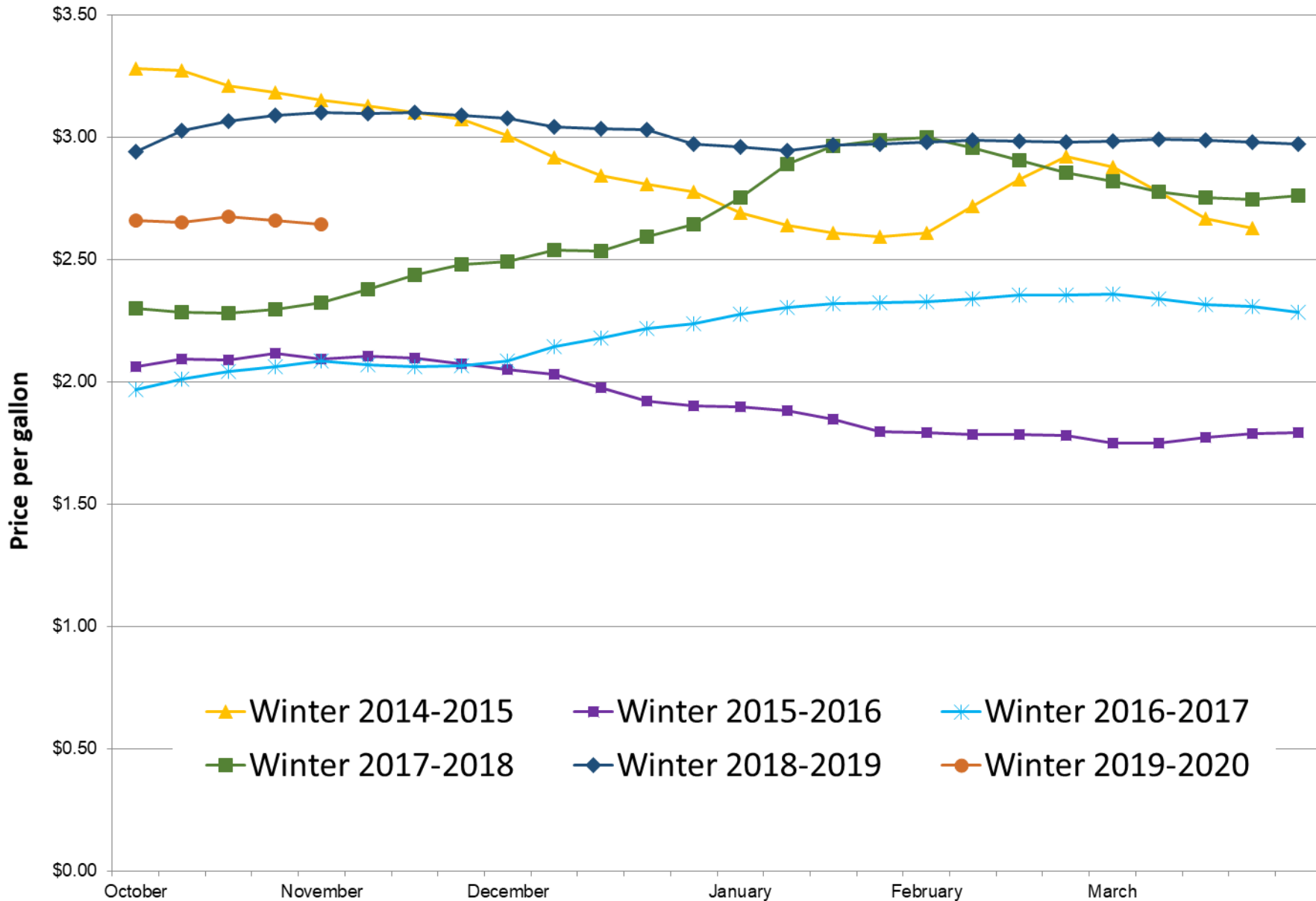
Percent of Population Age 25+ with a Graduate or Professional Degree



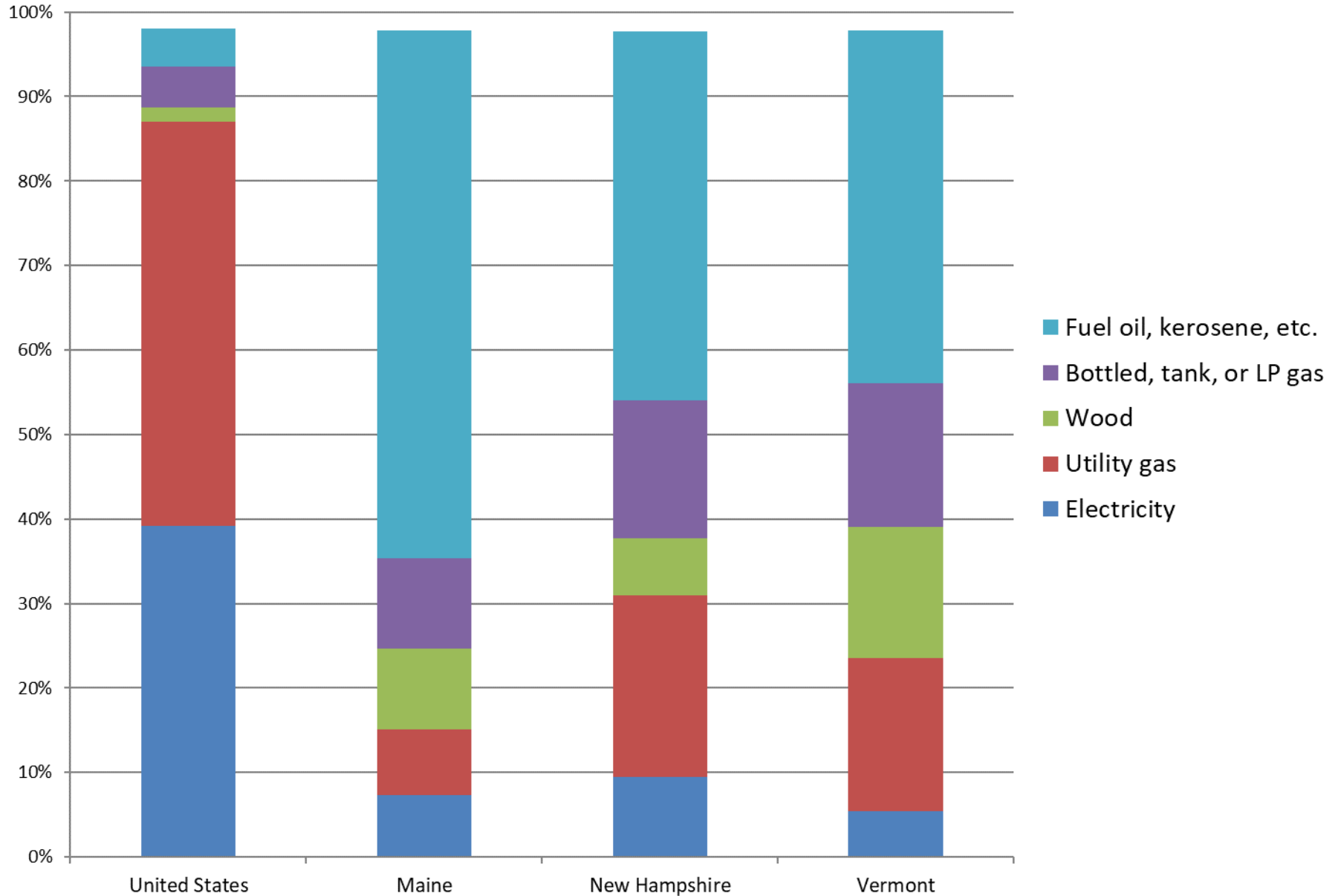
Taxable Retail Sales for Maine

Maine Retail Sales	% Change from August 2018 to August 2019	% Change last three months / same 3 month period one year ago
Building Supply	-0.7%	1.7%
Food Store	-6.5%	-7.7%
General Merchandise	4.4%	10.3%
Other Retail	10.5%	10.1%
Restaurant	5.8%	4.8%
Lodging	17.5%	16.1%
Auto Transportation	2.2%	5.8%
Total	4.3%	5.3%
Business Operating	4.3%	2.9%
Personal Consumption	4.3%	5.6%

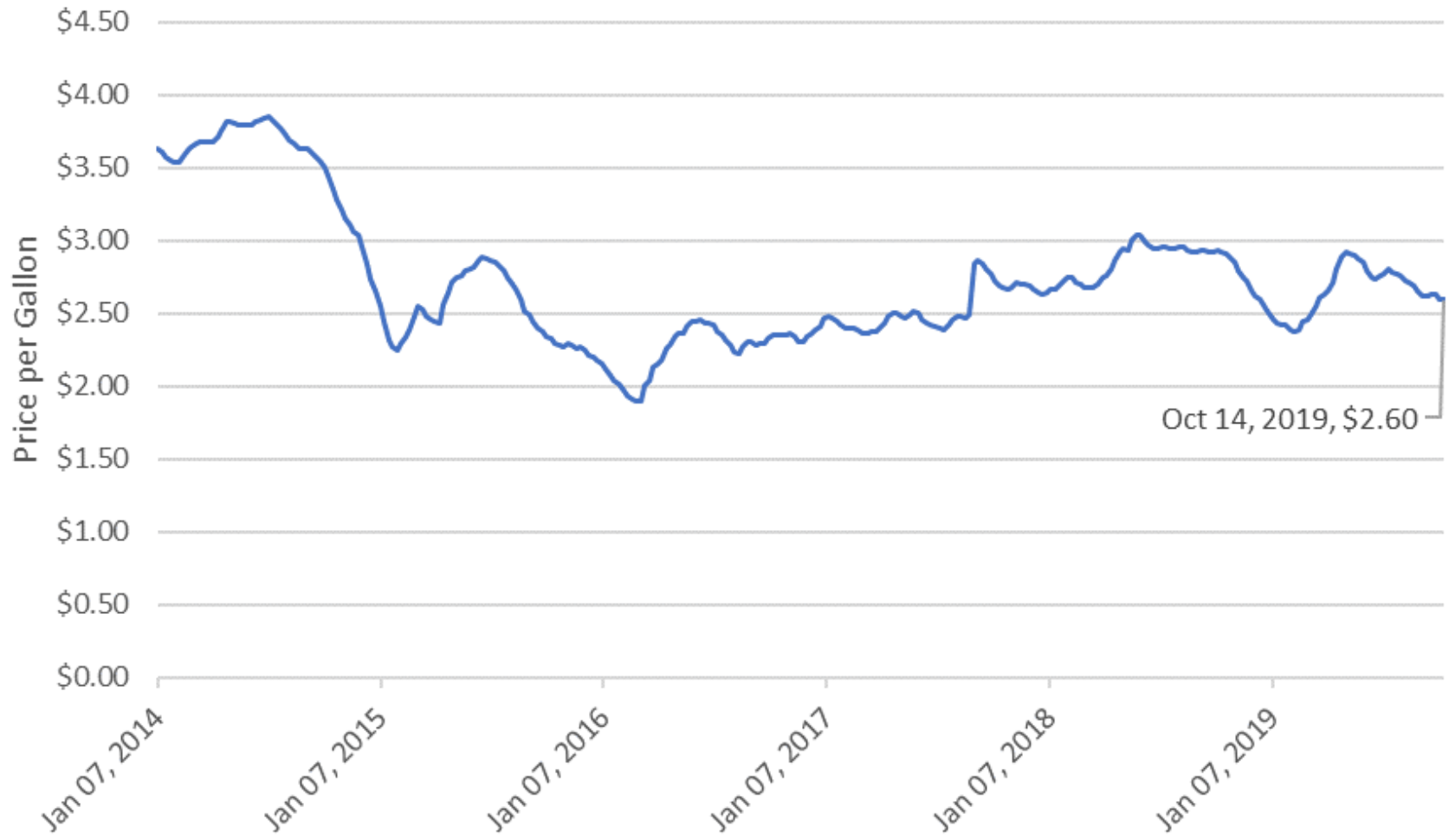
Maine No. 2 Heating Oil Residential Price



Percent of Housing Units by Type of Primary Heating Fuel (2018)



Weekly New England Retail Gasoline Prices (Dollars per Gallon)



10-Year Economic Strategic Plan



Department of Economic
& Community Development

Strategic Planning

Process Flow



Strategic Goals



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Equitably grow the real average annual wage 10% by investing in long-term talent development.

Drive the real dollar value added¹ contribution per job by 10% while protecting Maine's quality of life by focusing on sectors of promise in each region of the state.

Attract 75,000 people to Maine's workforce. The target addresses the increase in people entering retirement age and the current shortage.

¹ Value added is GDP/employment

Key Themes

- Talent is the economic driver at the heart of the plan.
- Maine must grow its workforce to grow the economy.
- Business climate must be stable and predictable to grow GDP
- Innovation is key for growth
- Ubiquitous connectivity enables access for economic growth and is required to attract talent.
- Modern infrastructure needed for business to thrive and to retain and attract talent.

Contact Information

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