

MAINE'S AG ECONOMY

Maine Farm Bureau
Annual Meeting

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Demographics



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

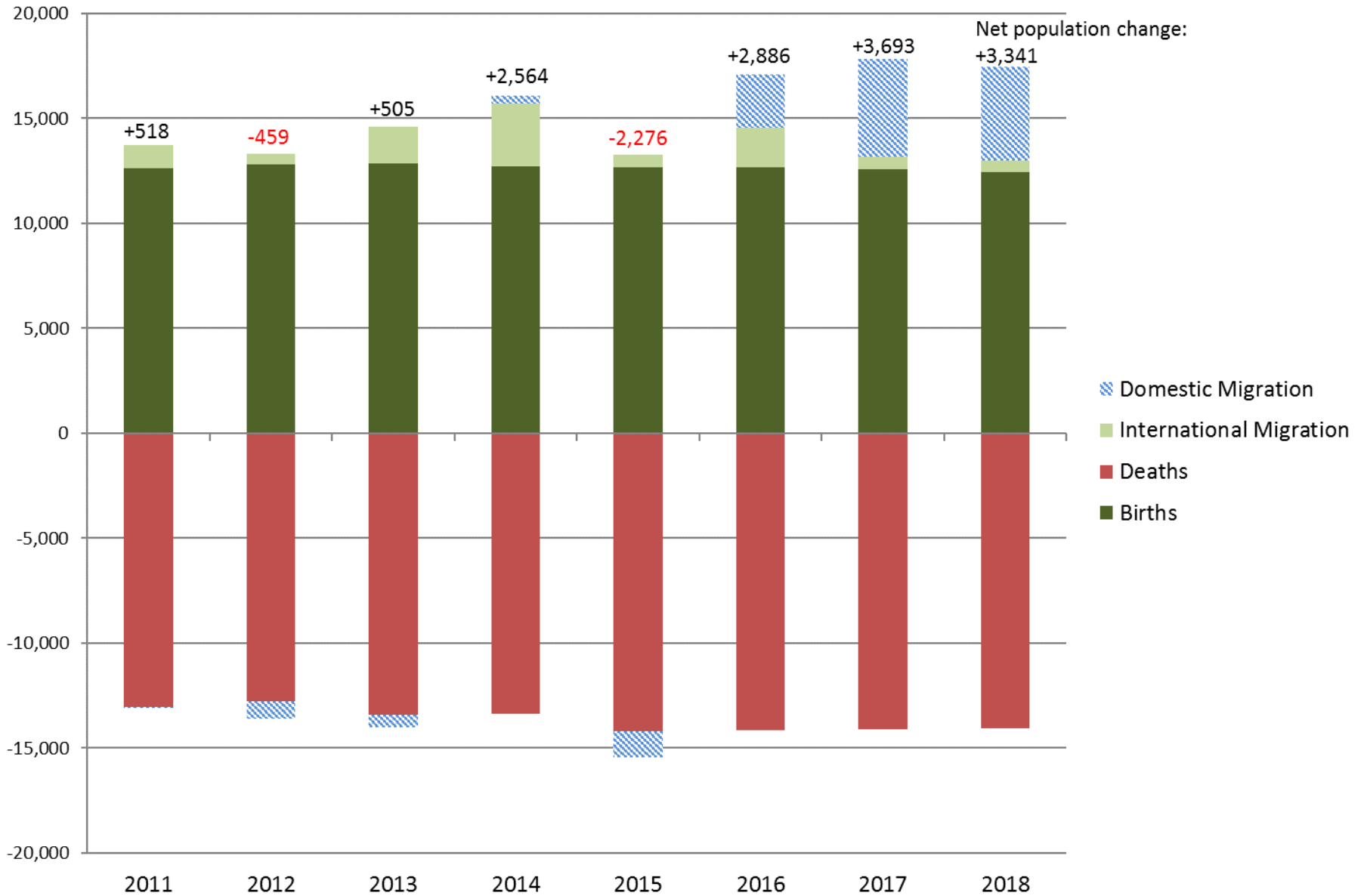


Improving Population Growth

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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

Components of Population Change, Maine



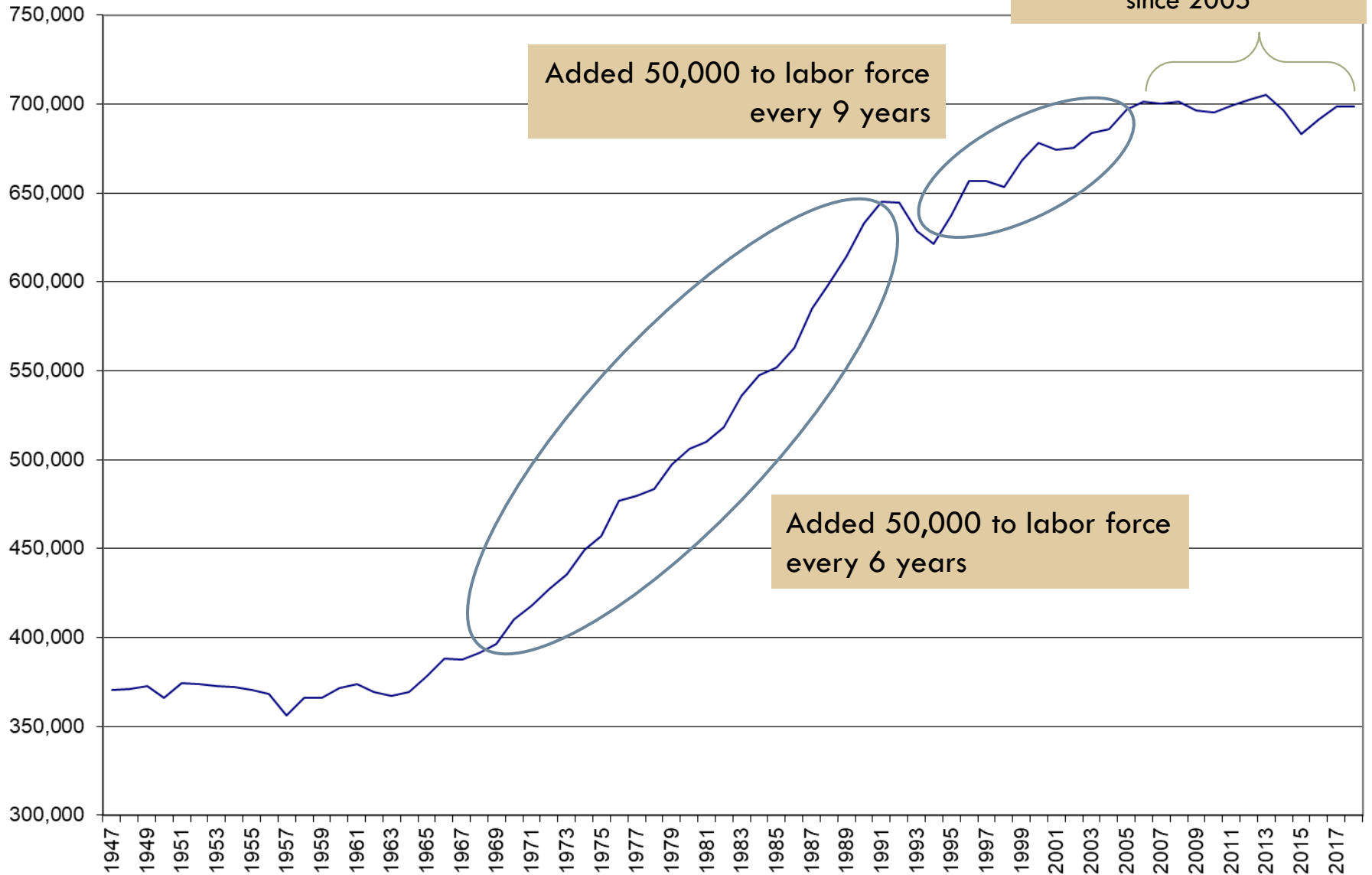
6 Labor Force and Employment

Younger ag workers

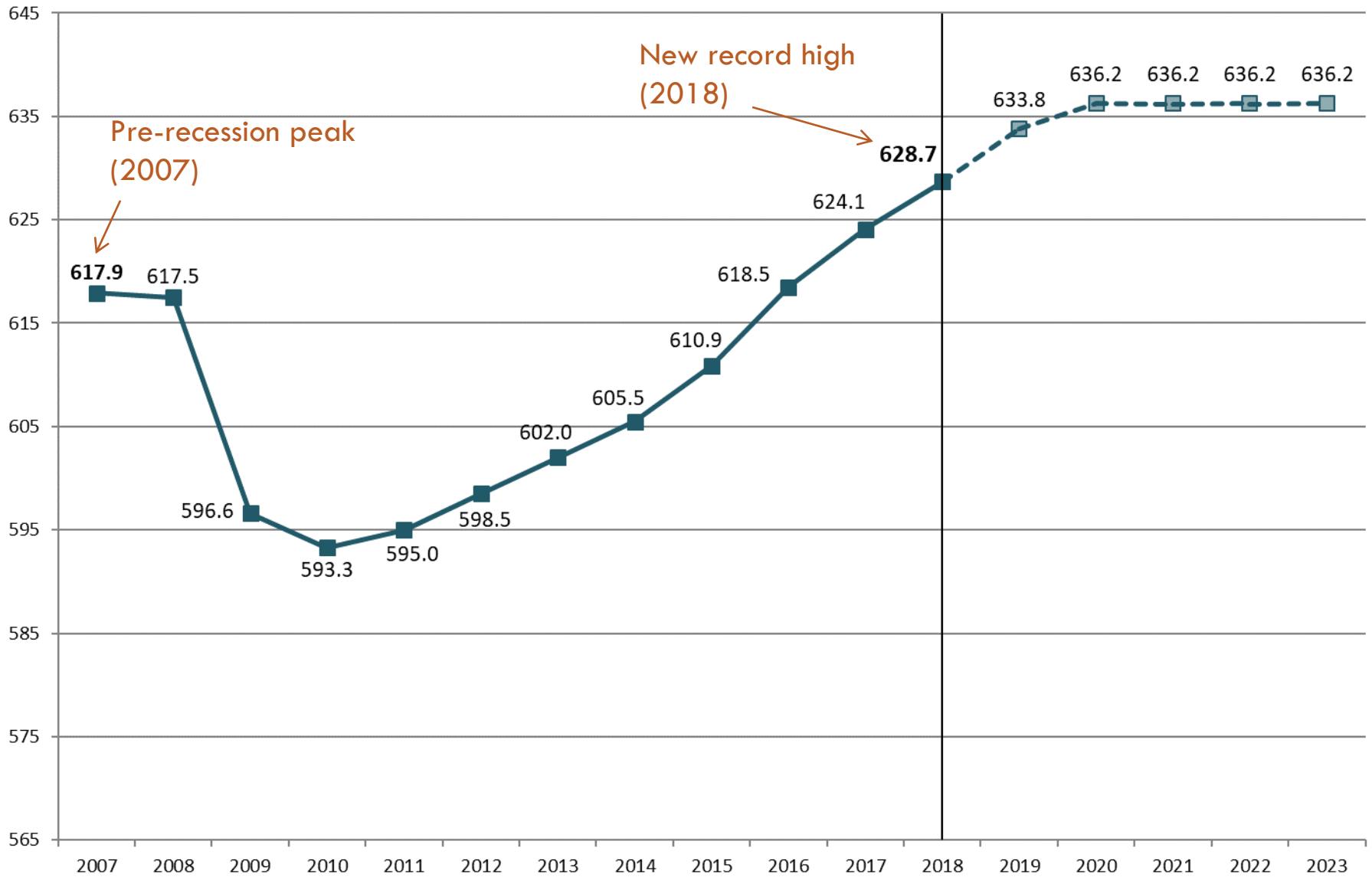
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According to the U.S. Bureau of Labor Statistics, the number of **25-34 year olds** working in the agriculture industry has increased by **55%** since **2010**.

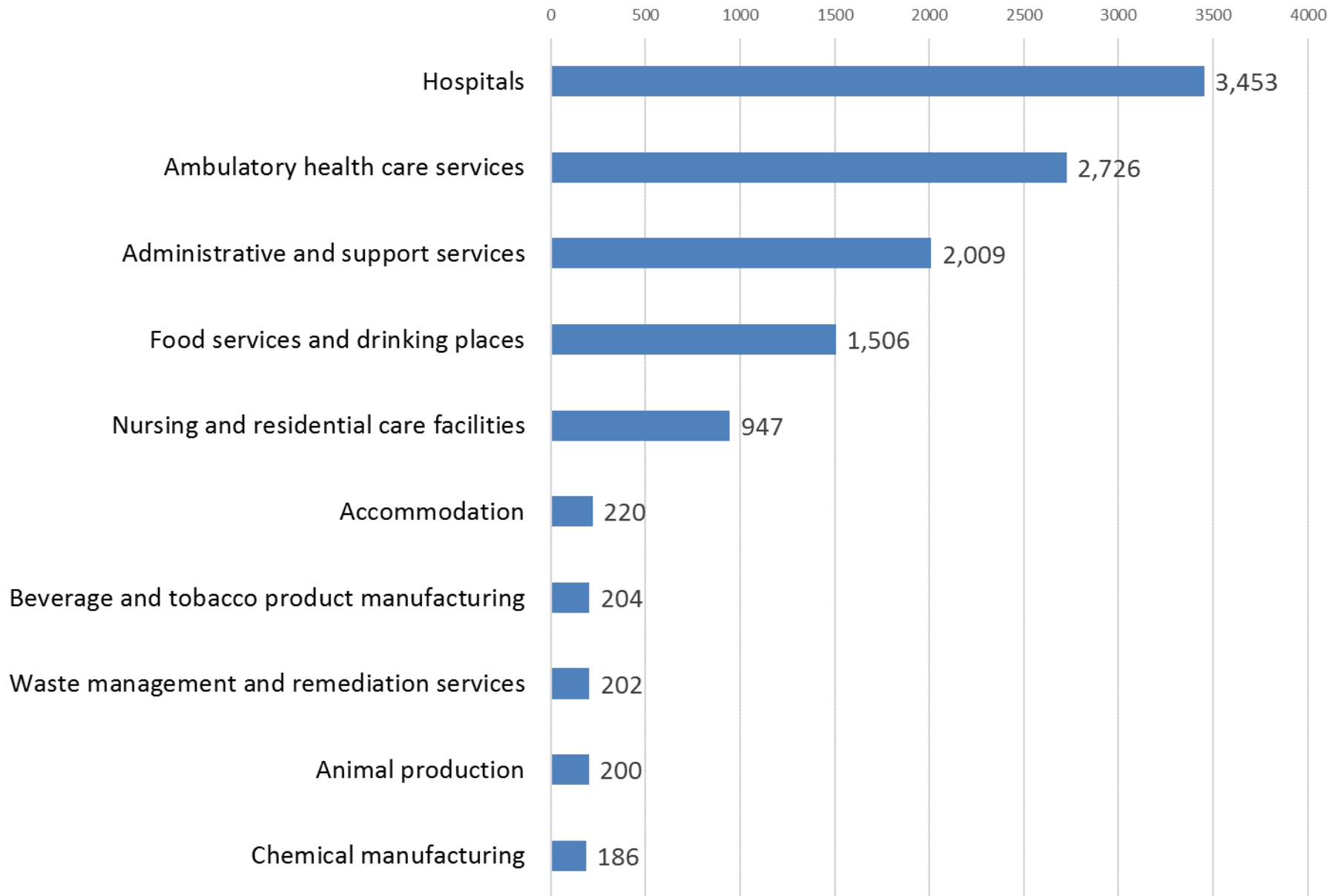
Maine Civilian Labor Force



Total Nonfarm Employment (in thousands) History and CEFC forecast



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



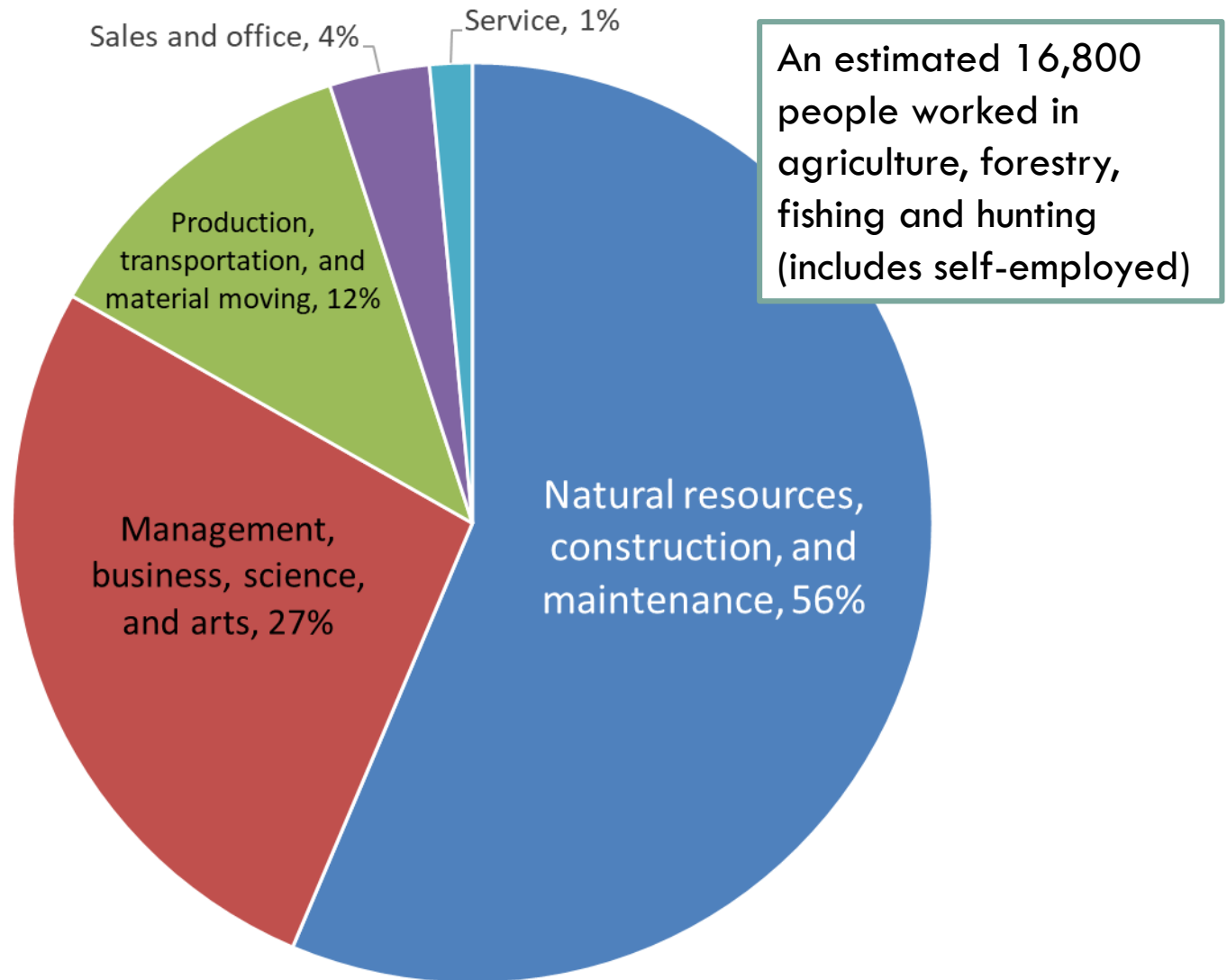
Covered employment (QCEW)

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- Average covered employment in agriculture, forestry, fishing and hunting was about 7,000 people in 2018, accounting for around \$280 million in wages
 - ▣ 2,600 in crop production (\$76 million in wages)
 - ▣ 1,000 in animal production (\$34 million in wages)

- But... there are a LOT of self-employed and small family farms not covered here

Occupations within Agriculture, Forestry, Fishing and Hunting Industry



Location Quotients (LQs)

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- A way of measuring the amount of specialization in a particular geography's economy
- An LQ of more than 1 means higher specialization than the U.S. as a whole

Crop Production Employment LQs

- Maine is somewhat more specialized in crop production employment than the U.S. (LQ of 1.1)
 - ▣ Aroostook County has highest specialization (7.4)
 - ▣ Penobscot County has lowest specialization (0.3)

- Vegetable and melon farming is even more specialized in Maine (LQ of 2.85)
 - ▣ Aroostook County reaches **42.2**
 - ▣ Also high in Oxford (6.7), Lincoln (4.9), and Sagadahoc (3.6)

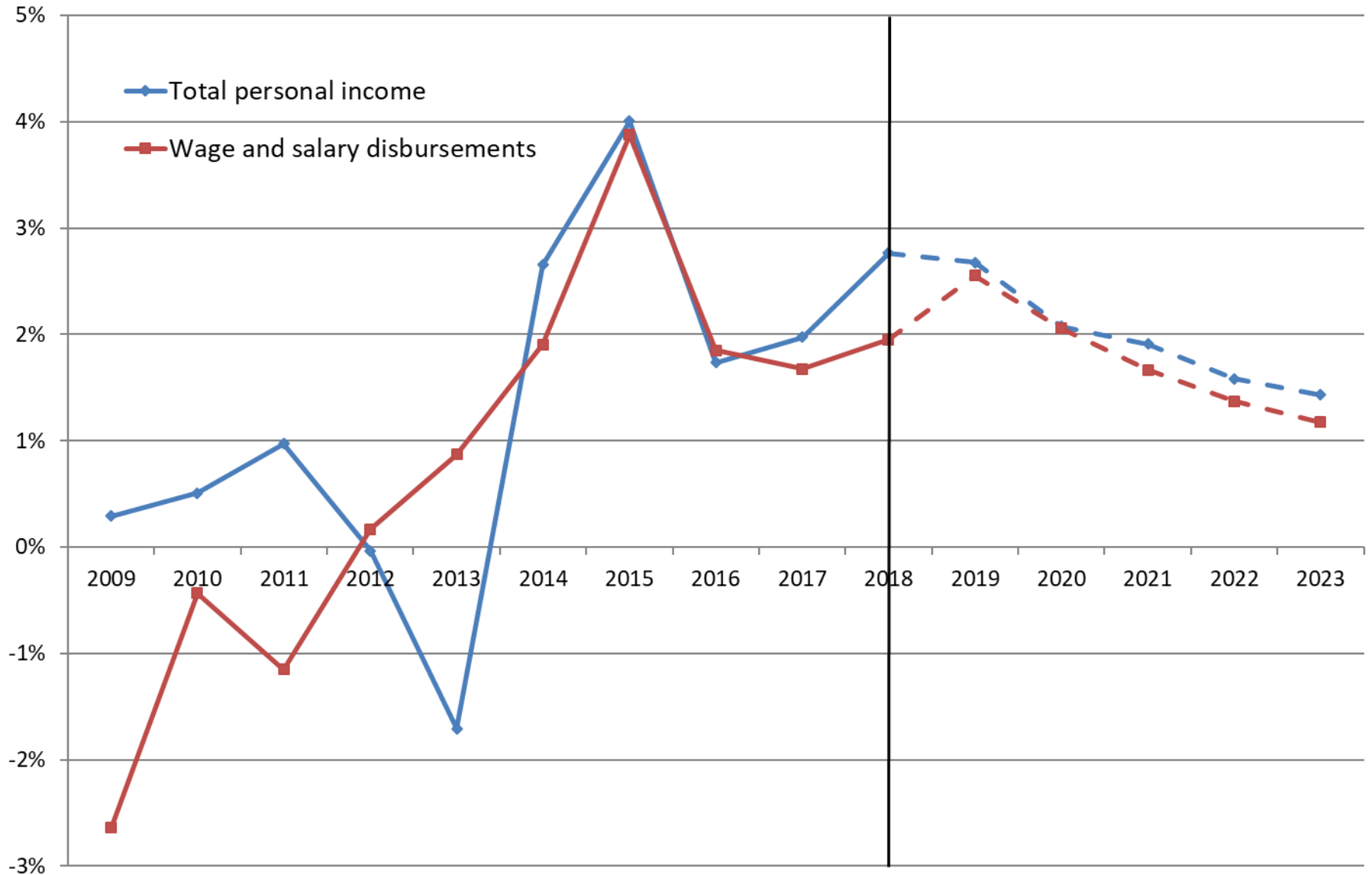
Animal Production Employment LQs

- Animal production has lower LQs, with only 0.9 statewide (less specialized than the U.S.)
 - ▣ Lincoln (3.4) and Somerset (3.4) counties are more specialized
- Aquaculture is an outlier within animal production
 - ▣ LQ of 9.1 statewide
 - ▣ 47.0 in Hancock
 - ▣ **112.2** in Lincoln

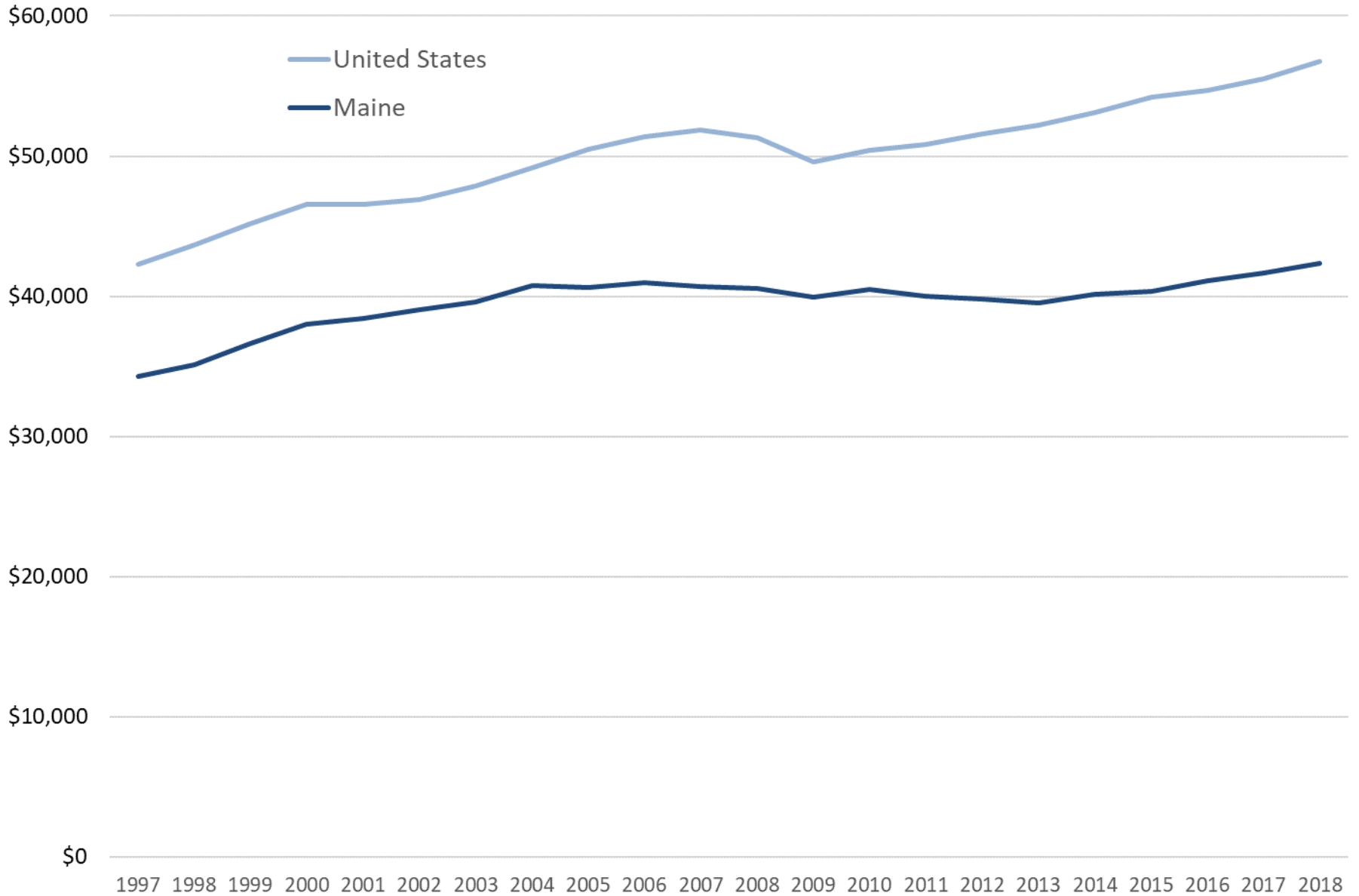
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Income and GDP

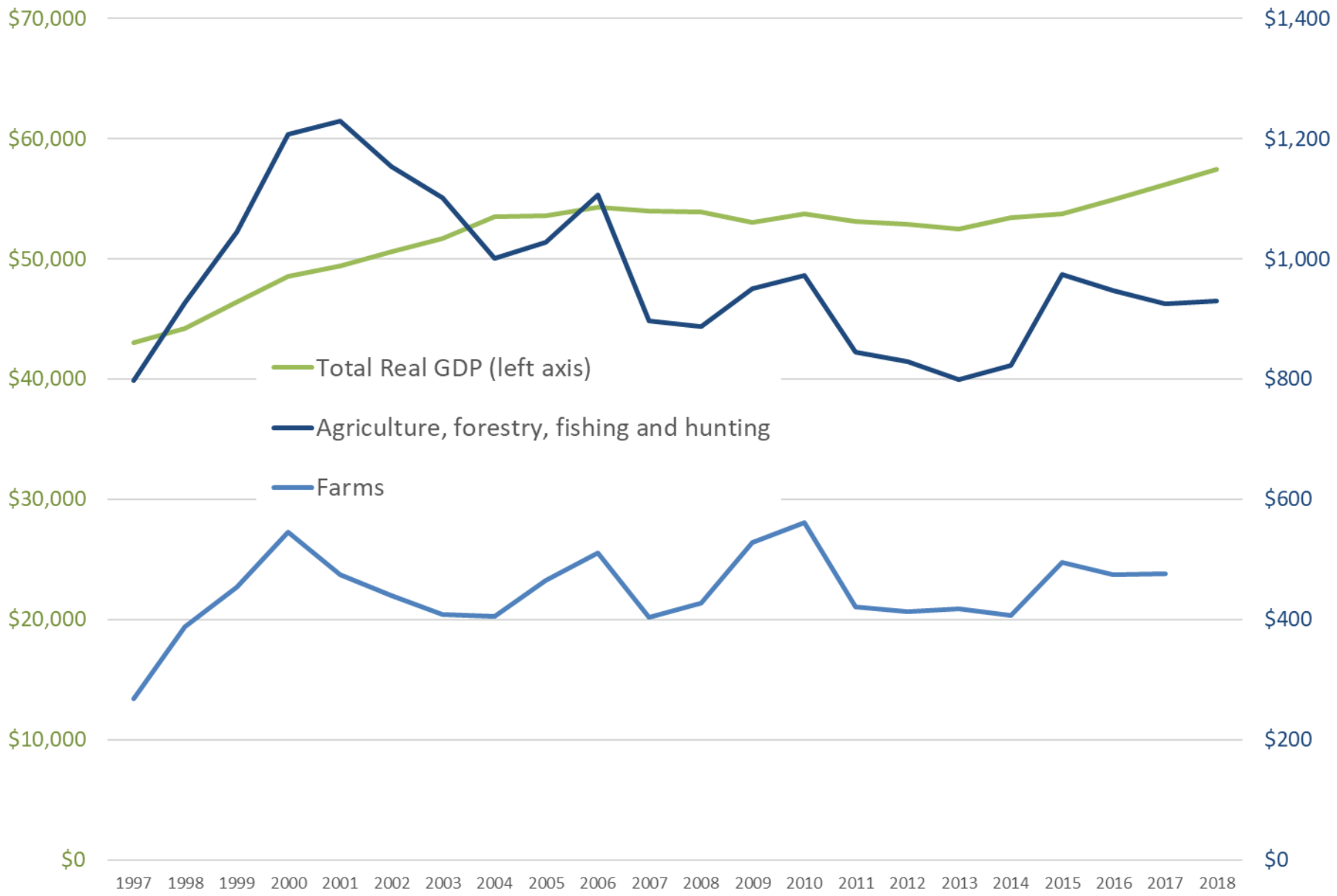
Percent Change in Real Personal Income, Maine 2009-2018 and forecast to 2023



Per Capita Real Total GDP



Maine Real Gross Domestic Product (millions of chained 2012\$)



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 from \$45,370 to \$49,900 (10.0%) by investing in long-term talent development.

Drive the real dollar value added¹ contribution per job from \$87,160 to \$95,876 (10.0%) 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.

Agriculture shows up as a key sector in identifying areas of promise for Maine

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Both directly:

- ▣ Blueberry farming
- ▣ Potato farming
- ▣ Greenhouse farming
- ▣ Aquaculture

And indirectly:

- ▣ Fruit and vegetable preserving
- ▣ Specialty food manufacturing
- ▣ Breweries and distilleries
- ▣ Full-service restaurants

Contact Information

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