

# Maine Economic Indicators

March 2021



Maine Department of Administrative and Financial Services

Office of the State Economist

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Maine Economic Indicators is a monthly report assembled by the Office of the State Economist that provides a synopsis of current economic trends and indicators for the state in comparison to New England and the United States. The intent of this report is to provide the public with a single document containing data aggregated from different sources typically used to track current economic and demographic conditions in the state.

The appendix provides comprehensive information related to the data presented herein. Data included in this report are assembled from various sources, subject to frequent revision, and provided in this report “as is” at the time of publication. Therefore, data presented in this report are subject to change over time.

**Please note that changes in economic indicators cannot uniquely be interpreted as the impact of COVID-19.**

# 1 Snapshot

Indicators in this section provide a summary of Maine's current economic status. Figures for Maine are compared to New England and the United States. Sources are given in the appendix.

Reference Period		Maine	New England	United States
2019	Total population	1,344,212	14,845,063	328,239,523
2018-2019	Annual population percent change	0.4%	0.1%	0.5%
2010-2019	Cumulative population percent change	1.2%	2.8%	6.3%
2019	Average earnings per job	\$51,980	\$71,826	\$64,180
2018-2019	Average earnings per job percent change	3.6%	2.7%	2.6%
February 2021	Unemployment rate	4.8%	6.7%	6.2%
February 2021	Total private nonfarm employment	509,700	6,055,700	121,602,000
February 2021	Labor Force	672,400	7,743,800	160,211,000
February 2021	Labor Force Participation Rate	60.0%	N/A	61.4%

## Annualized Percent Change from the previous quarter and Compound Annual Growth Rate (CAGR)

<b>Real GDP</b>	2020:Q1	2020:Q2	2020:Q3	2020:Q4	2019:Q4- 2020:Q4
Maine	-6.5	-34.4	37.3	2.8	-3.6
New England	-4.8	-32.3	34.2	4.9	-2.4
United States	-5.0	-31.4	33.4	4.3	-2.4
<b>Total Personal Income</b>	2020:Q1	2020:Q2	2020:Q3	2020:Q4	2019:Q4- 2020:Q4
Maine	5.3	56.0	-22.9	-5.5	4.6
New England	4.6	44.1	-15.4	-9.5	3.7
United States	4.1	35.8	-11.3	-6.8	4.0
<b>Per Capita Personal Income</b>	2020:Q1	2020:Q2	2020:Q3	2020:Q4	2019:Q4- 2020:Q4
Maine	5.0	55.7	-23.1	-5.8	4.3
New England	4.7	44.3	-15.3	-9.3	3.8
United States	3.8	35.5	-11.6	-7.1	3.7
<b>Wages &amp; Salaries</b>	2020:Q1	2020:Q2	2020:Q3	2020:Q4	2019:Q4- 2020:Q4
Maine	5.1	-19.3	19.4	8.3	2.3
New England	5.1	-23.0	15.9	8.7	0.5
United States	4.4	-23.7	21.1	9.1	1.3

## 2 Annual Indicators

Indicators summarized below are updated annually on various release dates and provide a general summary of Maine's demographic and economic status.

Reference Period		Maine	New England	United States
2019	Total population	1,344,212	14,845,063	328,239,523
2018-2019	Annual population percent change	0.4%	0.1%	0.5%
2010-2019	Cumulative population percent change	1.2%	2.8%	6.3%
2019	Births	12,073	145,125	3,791,712
2019	Deaths	14,335	131,609	2,835,038
2019	Net migration	5,039	2,428	595,348
2018-2019	Annual rate of total net migration (Maine ranks 16 <sup>th</sup> in the U.S.)	5.6%	0.00%	1.8%
2019	Median age, years (American Community Survey)	45.1	40.9	38.5
2019	Associate degree: percent of population age 25 and above	10.0%	8.1%	8.6%
2019	Bachelor's degree: percent of population age 25 and above	20.8%	23.2%	20.3%
2019	Graduate or professional degree: percent of population age 25 and above	12.4%	17.8%	12.8%
2019	Percent of population below poverty level	10.9%	9.6%	12.3%
2019	Median family income	\$76,316	\$99,309	\$80,944
2019	Median household income	\$58,924	\$77,482	\$65,712
2019	Per capita personal consumption expenditures	\$47,351	\$53,985	\$42,757
2019	Per capita disposable personal income	\$49,072	\$64,398	\$53,080

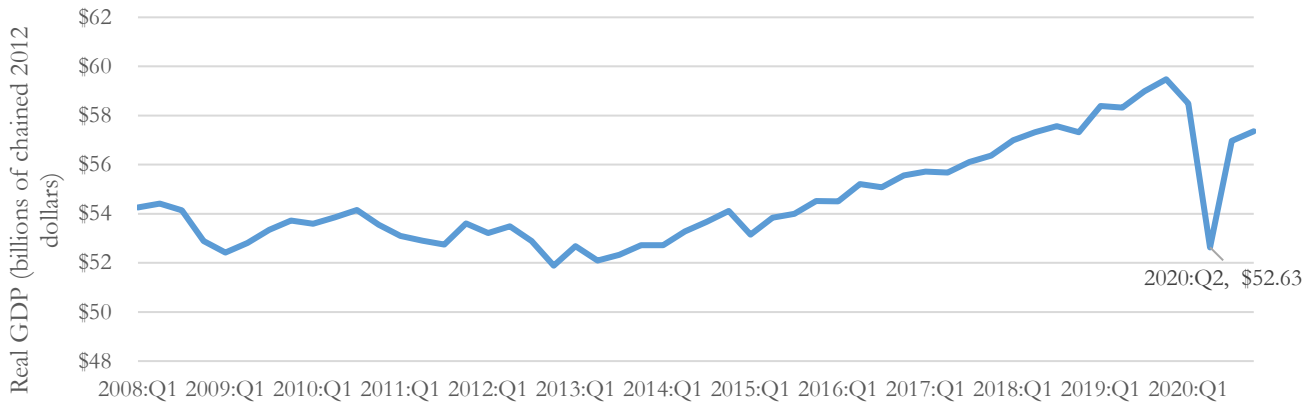
## 3 Quarterly and Monthly Indicators

### 3.1 Gross Domestic Product (GDP)

Real GDP in Maine grew by 2.8 percent from the preceding quarter at an annual rate (2020:Q3 to 2020:Q4), ranking 44<sup>th</sup> in the U.S. and second-to-last in New England. The industries that contributed the largest growth in GDP were Healthcare and Social Assistance (0.66 percentage points) and Professional, Scientific and Technical Services (0.61 percentage points). Maine's real GDP remains 3.5% below a year ago (2019:Q4).

Reference Period		Maine	United States
2020:Q4	Total GDP (Current dollars)	\$67.8 billion	\$21.5 trillion

## Real GDP (billions of chained 2012 dollars) - Maine



### 3.1.1 GDP Now from the Federal Reserve Bank of Atlanta

GDPNow, which is reported by the Atlanta Fed, is “a running estimate of real GDP growth based on available data for the current quarter.” This model uses a similar methodology to the one used by the U.S. Bureau of Economic Analysis in their official GDP estimates and is revised each time the monthly source data is updated. The latest forecast (March 26, 2021) estimates that national real GDP will **increase by 4.7 percent** at an annual rate in the first quarter of 2021.

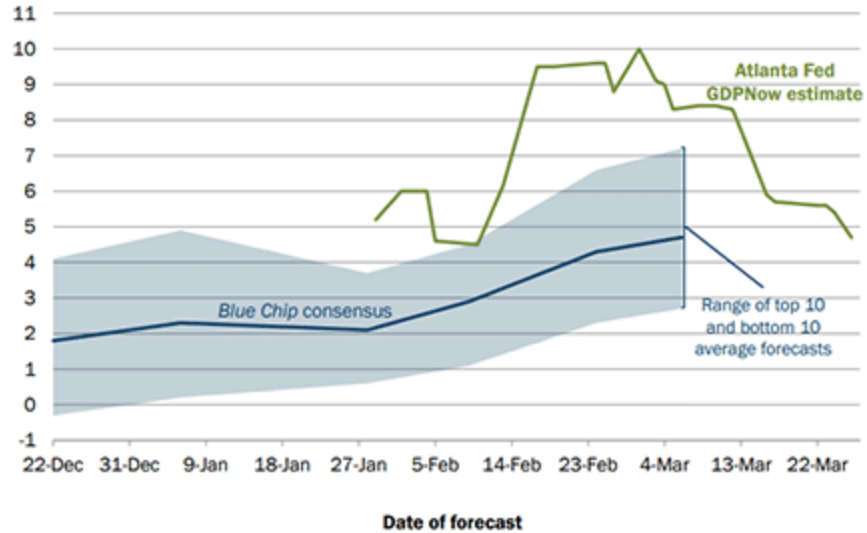


**GDPNow is not an official forecast of the Atlanta Fed.** Rather, it is best viewed as a running estimate of real GDP growth based on available economic data for the current measured quarter. There are no subjective adjustments made to GDPNow—the estimate is based solely on the mathematical results of the model.

In particular, **it does not capture the impact of COVID-19 and social mobility** beyond their impact on GDP source data and relevant economic reports that have already been released. It does not anticipate their impact on forthcoming economic reports beyond the standard internal dynamics of the model.

#### Evolution of Atlanta Fed GDPNow real GDP estimate for 2021: Q1

Quarterly percent change (SAAR)



Sources: Blue Chip Economic Indicators and Blue Chip Financial Forecasts

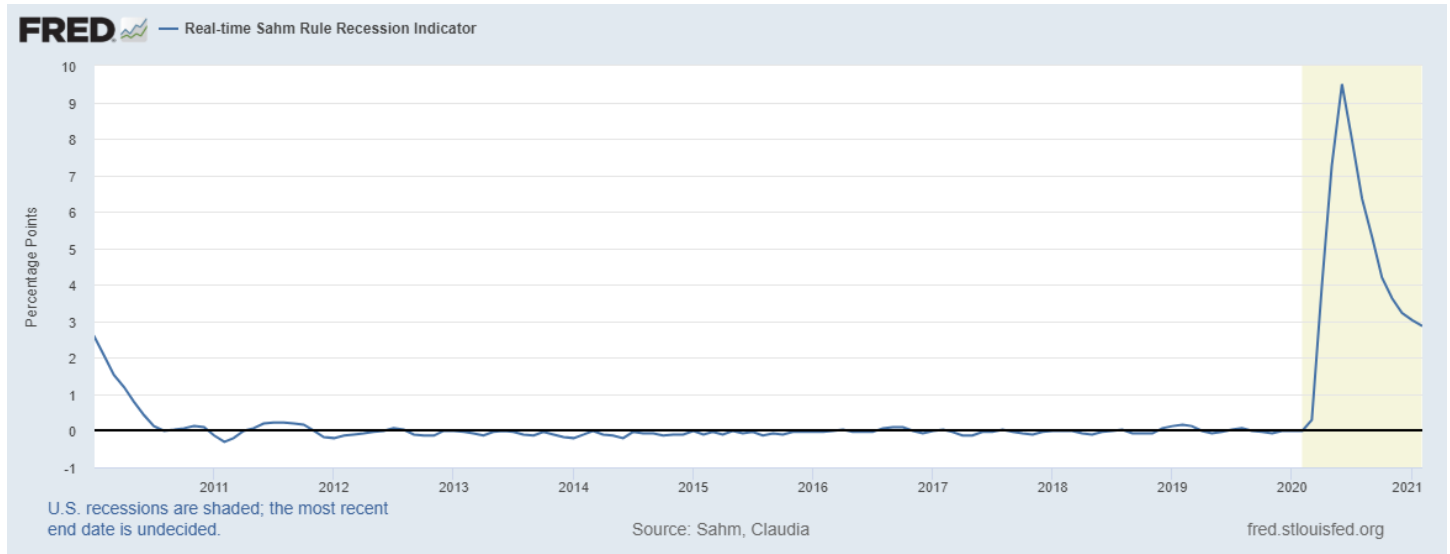
Note: The top (bottom) 10 average forecast is an average of the highest (lowest) 10 forecasts in the Blue Chip survey.

### 3.2 Recession Indicators

On June 8, 2020, the National Bureau of Economic Research (NBER) declared that the United States was officially in recession starting in February.

#### 3.2.1 Real-time Sahn Rule Recession Indicator

The Real-time Sahn Rule Recession Indicator<sup>1</sup> signals a recession when the 3-month moving average of the national unemployment rate (U3) rises by at least 0.5 percentage points relative to its low in the previous 12 months. In February 2021, this indicator showed that the three-month average of national U3 was 2.87 percentage points over its 12-month low. This is lower than the previous month, as the unemployment rate has fallen, however it is a confirmation that the economy likely remains in recession.

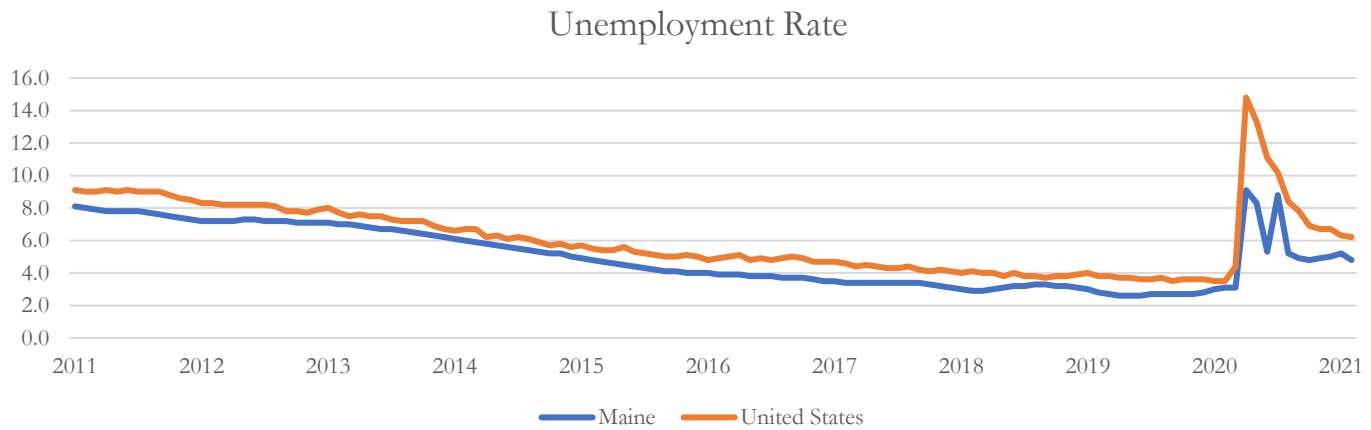


<sup>1</sup> Created by Dr. Claudia Sahm, Federal Reserve Board of Governors  
Maine Economic Indicators – March 2021

### 3.3 Labor Markets<sup>2</sup>

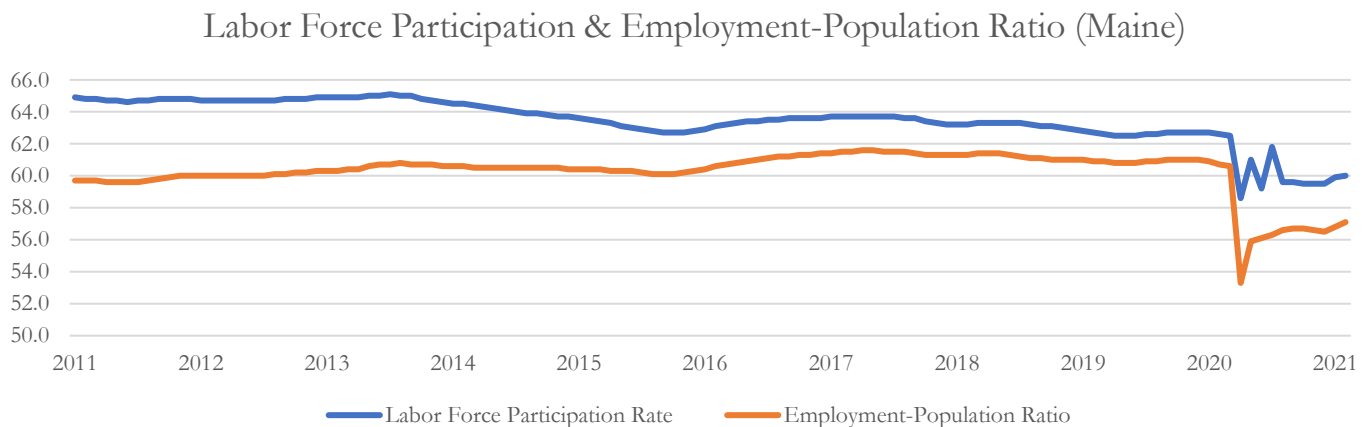
#### 3.3.1 Unemployment Rate: February 2021 = 4.8%

The unemployment rate fell in February in Maine to 4.8%, compared to 6.2% nationally and 6.7% in New England. The Maine Department of Labor notes that there have been significant changes in the labor force since the start of the pandemic, and those not currently searching for work are not considered unemployed. Therefore, MDOL estimates an alternative unemployment rate of 8.8% in February.



#### 3.3.2 Labor Force Participation Rate: February 2021 = 60.0%

Labor force participation ticked up slightly in February, to 60.0 percent, below the nation's 61.4 percent. The employment-population ratio, an alternative measure of labor market activity which measures the total number of employed working-age adults divided by the total working-age population, increased to 57.1. Both measures are well below a year ago, by 2.6 points and 3.6 points, respectively.



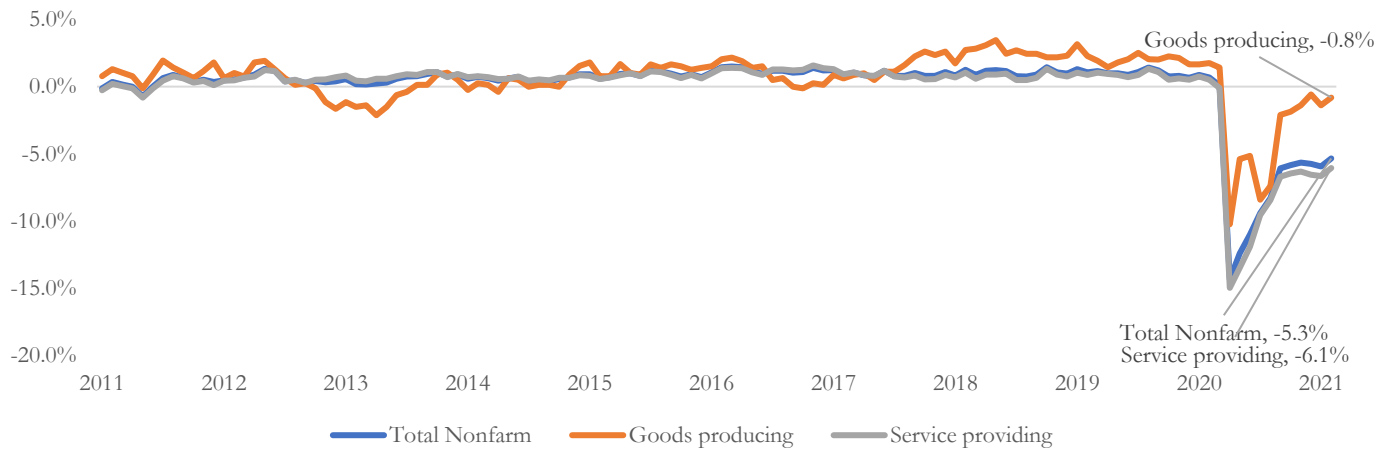
#### 3.3.3 Total Nonfarm Payroll Job Estimates: February 2021 = 588,900

Seasonally adjusted total nonfarm jobs grew by 2,800 after several months of stagnation in February. Total nonfarm employment grew by 22,000 in New England and 379,000 in the United States. Industries that saw the greatest

<sup>2</sup> The data for unemployment rates and labor force are derived from the Local Area Unemployment Statistics (LAUS) program and data for nonfarm payroll jobs are derived from the Current Employment Statistics (CES) program. The numbers presented below are estimates which vary month to month in either direction and are subject to substantial revision. The Maine Department of Labor cautions users to analyze general trends over several months as opposed to making conclusions based on changes month to month.

gains were professional and business services (1,300), retail trade (1,000) and trade, transportation, and utilities (800).

Total Nonfarm Employment, % Change Year-over-year (Maine)



### 3.4 Housing

#### 3.4.1 Sales

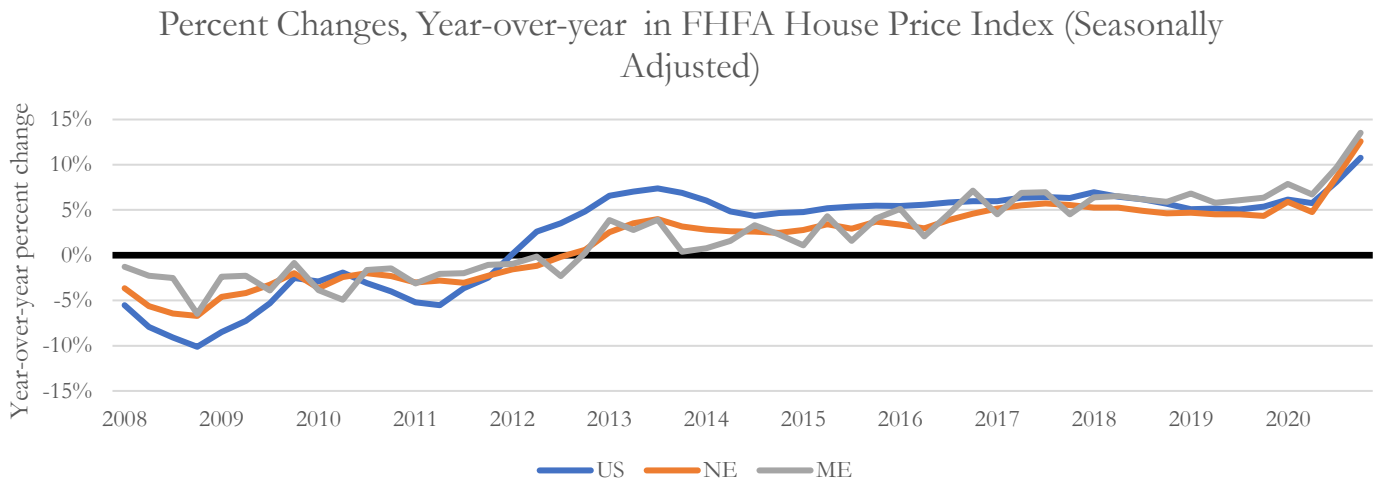
February 2021 saw continued growth in the number of units sold: 1,062 homes were sold, 23% higher year-over-year. Meanwhile the median sale price of \$244,900 was 12.9% up compared to last year. There were seven counties that saw growth in the number of sales of at least 50%, and all except Penobscot saw year-over-year increases in the median sale price over 10%.

Geography	No. of Units Sold	One Year Change (units)	Median Sale Price	One Year Change (Price)
Androscoggin	65	2%	\$198,000	20.0%
Aroostook	48	17%	\$102,750	22.3%
Cumberland	182	-2%	\$372,500	20.9%
Franklin	29	12%	\$218,000	21.2%
Hancock	60	76%	\$279,250	40.5%
Kennebec	106	49%	\$199,500	20.9%
Knox	50	92%	\$295,000	40.3%
Lincoln	43	79%	\$350,000	65.1%
Oxford	56	40%	\$218,750	44.4%
Penobscot	101	2%	\$160,000	8.8%
Piscataquis	27	50%	\$135,000	29.2%
Sagadahoc	23	-21%	\$289,000	21.7%
Somerset	53	83%	\$155,000	34.8%
Waldo	38	111%	\$233,875	51.6%
Washington	41	105%	\$150,000	26.1%
York	140	0%	\$349,777	21.2%
<b>Maine</b>	<b>1,062</b>	<b>23%</b>	<b>\$244,900</b>	<b>12.9%</b>

### 3.4.2 House Price Index

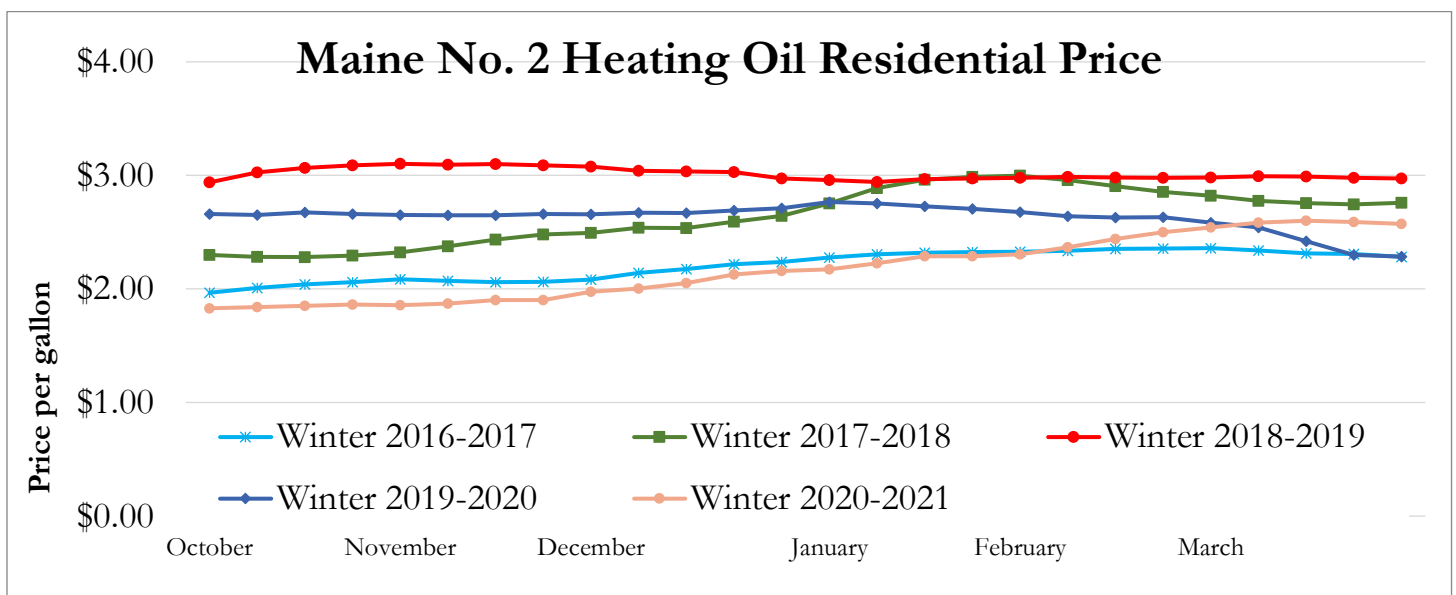
In the fourth quarter of 2020, the housing price index (HPI) in Maine, New England, and the U.S. continued to rise rapidly. According to the Federal Housing Finance Agency (FHFA), the HPI “measures average price changes in repeat sales or refinancing on the same properties.” Maine’s year-over-year HPI growth rate was higher than both the regional growth rate and the national growth rate at 13.5% compared to 12.6% in New England and 10.8% in the U.S. This is the highest growth rate for both Maine and the U.S. since the index has been recorded, and the highest for the New England since 2001:Q1.

Reference Period		Maine	New England	United States
2019:Q4-2020:Q4	HPI percent change from previous quarter	13.5%	12.6%	10.8%



### 3.4.3 Home Heating Oil

The Energy Information Agency collects residential heating oil price data during the heating oil season, October-March. The 2020-2021 heating oil season began with its lowest prices in the last five years, though prices have steadily increased throughout the season and are nearing last season’s levels. On March 29, 2021, the average weekly price for residential heating oil in Maine was \$2.57 per gallon, about \$0.29 more than the same week last year.

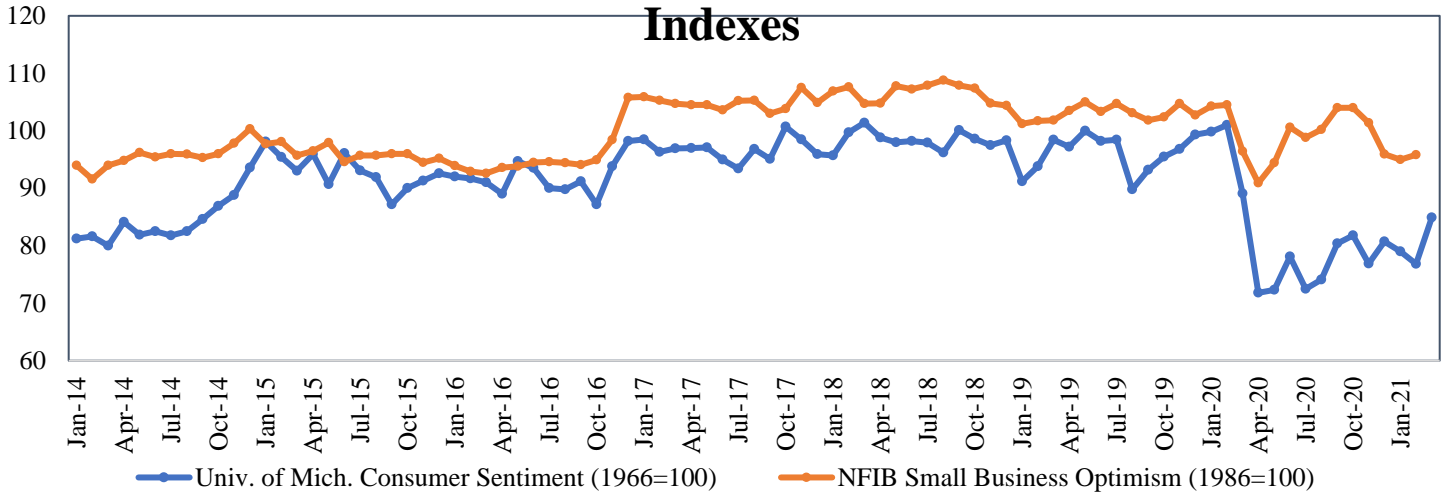




## 4 Sentiment

The Michigan Survey of Consumers indicates some renewed optimism as its Consumer Sentiment Index bounced 10.5% month-over-month in March, bringing it to -4.7% year-over-year, the smallest gap since the pandemic started. The National Federation of Independent Business's Small Business Optimism index grew slightly in February, at 0.8% month-over-month, remaining 8.3% down year and by -8.9% year-over-year.

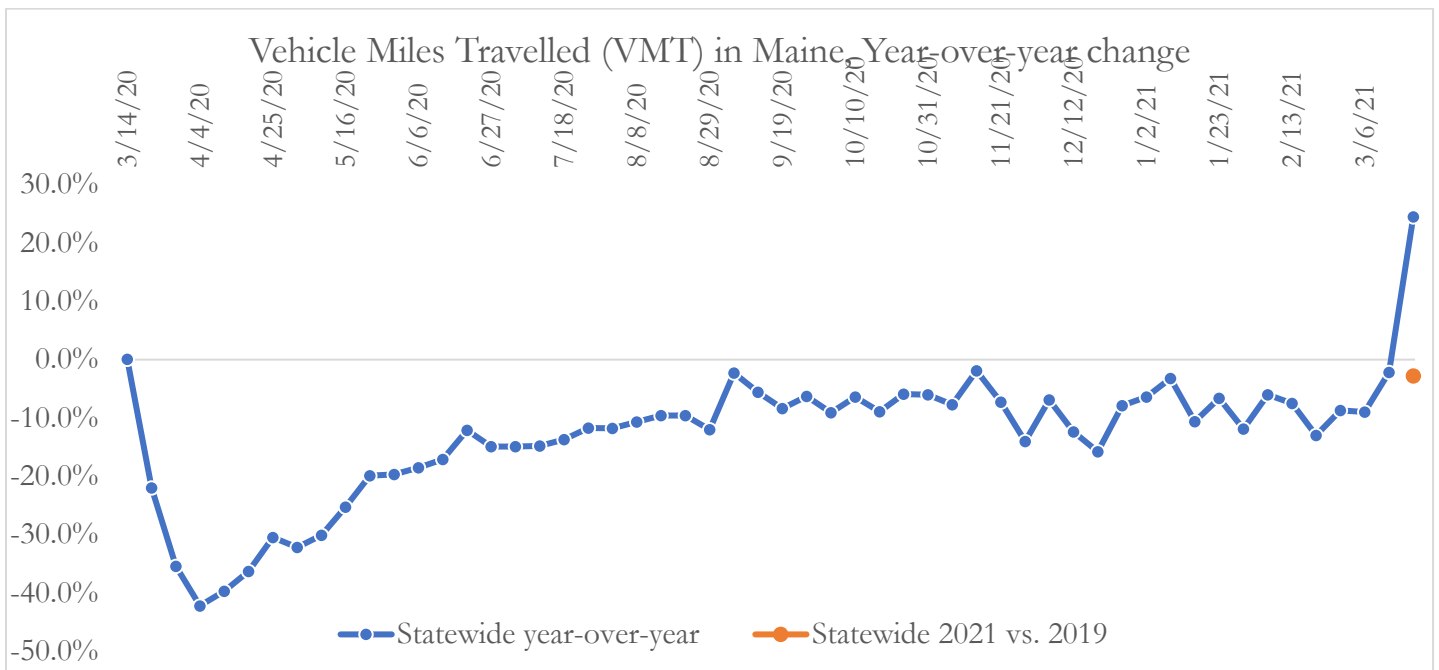
### Consumer Sentiment and Small Business Optimism Indexes



## 5 COVID-19 Indicators

### 5.1 Traffic changes

Vehicle miles traveled (VMT) measures the amount of travel that has taken place for all vehicles throughout the state and can be interpreted as the sum of miles traveled across all vehicles. In the third week of March, statewide VMT was 24.5% higher than it was in the same week of 2020, when COVID-19 caused a dramatic decline in traffic. The gap compared to the same week in 2019, the most recent pre-pandemic baseline, was only -2.8%.

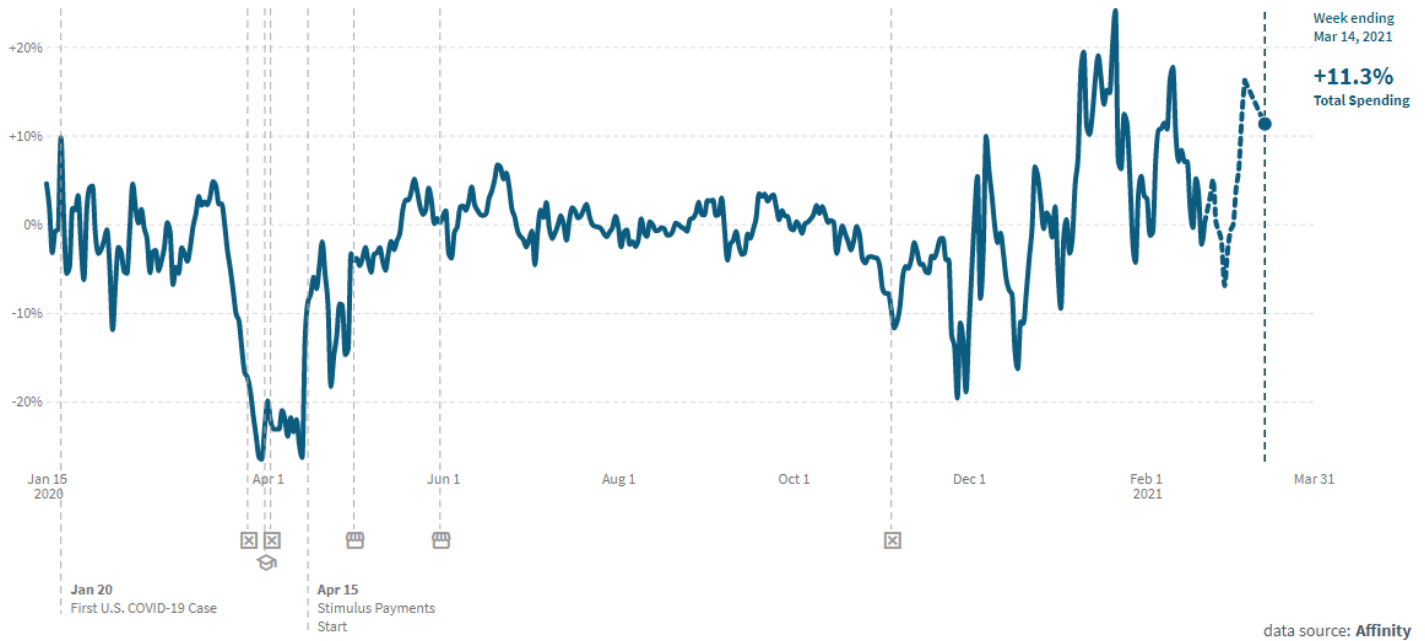


## 5.2 Consumer Spending

Credit and debit transactions data<sup>3</sup> shows that consumer spending by Mainers got a significant boost in the first few weeks of March, potentially due to the new round of federal stimulus was disbursed. Total spending was up 11.3% as of March 14, 2021 in Maine.

In **Maine**, as of March 14, 2021, total spending by all consumers increased by **11.3%** compared to January 2020.

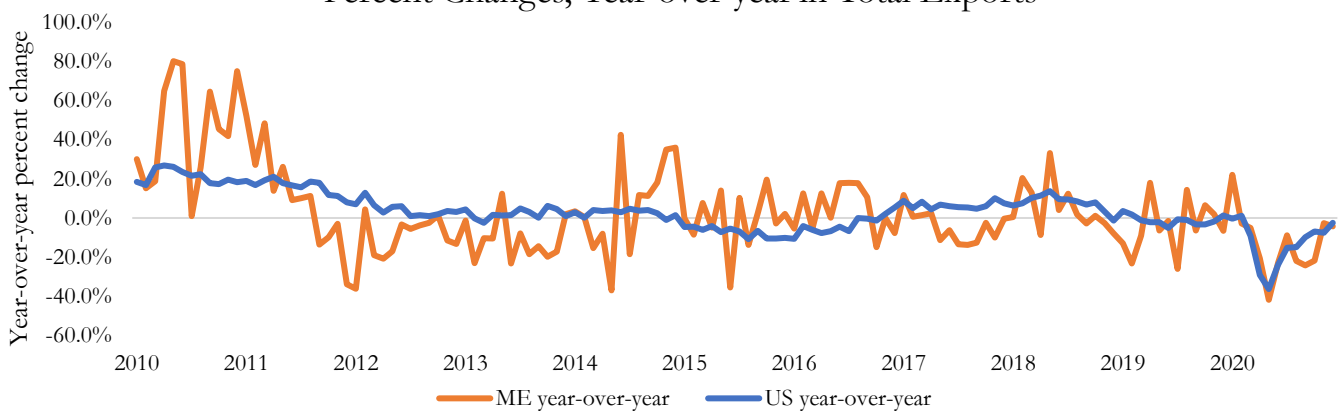
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## 6 Trade Outlook

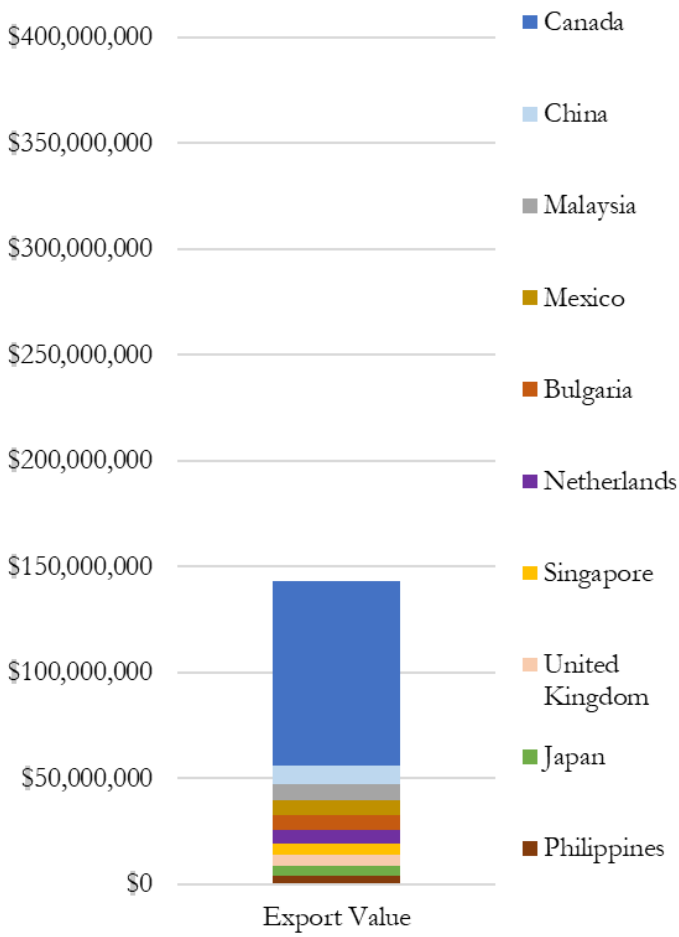
In January 2021, total exports were down 21.1% in Maine and 1.1% nationwide compared to January 2020. Maine's top trade partner was Canada, which accounted for 60.6% of imports and 47.8% of exports. Total imports to Maine were valued at \$510,028,380 while exports totaled \$181,830,141.

Percent Changes, Year-over-year in Total Exports

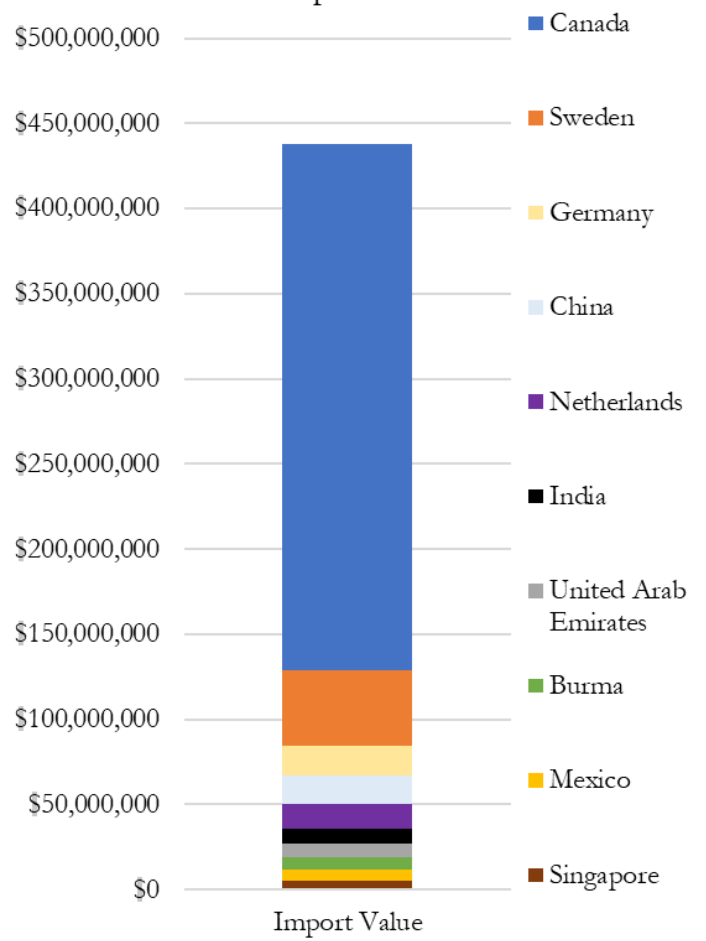


<sup>3</sup> The Opportunity Insights Economic Tracker compiles credit and debit card spending to measure overall consumer spending in all states in the U.S. Note that this data collates spending by cardholders based in Maine, not by location of the transaction.

Value of exports to top 10 export partners



Value of imports from top 10 import partners



## 7 Appendix

### 7.1 Data Sources

Indicator	Source	Reference Period	Release Date
<a href="#">Population: estimates and percent change</a>	Census Bureau – Pop. Ests.	2019	December 30, 2019
<a href="#">Net migration: total and percent change</a>	Census Bureau – Pop. Ests.	2019	December 30, 2019
<a href="#">Median age</a>	American Community Survey 1 year	2019	September 17, 2020
<a href="#">Educational attainment</a>	Census Bureau – ACS 1-year	2019	September 17, 2020
<a href="#">Poverty level</a>	Census Bureau – ACS 1-year	2019	September 17, 2020
<a href="#">Income</a>	Census Bureau – ACS 1-year	2019	September 17, 2020
<a href="#">Per capita personal consumption expenditure</a>	U.S. Bureau of Economic Analysis	2019	October 8, 2020
<a href="#">Per capita personal income</a>	U.S. Bureau of Economic Analysis	2020:Q4	March 24, 2021
<a href="#">Average earnings per job</a>	U.S. Bureau of Economic Analysis	2019	September 24, 2020
<a href="#">Gross domestic product</a>	U.S. Bureau of Economic Analysis	2020:Q4	March 26, 2021
<a href="#">GDPNow</a>	Atlanta Fed	2021:Q1	March 26, 2021
<a href="#">Real-time Sahm Rule Recession Indicator</a>	Sahm, Claudia/FRED	February 2021	March 5, 2021
<a href="#">Personal income: total, per capita, and wages and salaries</a>	U.S. Bureau of Economic Analysis	2020:Q4	March 24, 2021
<a href="#">Unemployment rate</a>	U.S. Bureau of Labor Statistics	February 2021	March 26, 2021
<a href="#">Labor force participation</a>	U.S. Bureau of Labor Statistics	February 2021	March 26, 2021
<a href="#">Nonfarm payroll job estimates</a>	U.S. Bureau of Labor Statistics	February 2021	March 26, 2021
<a href="#">Housing price index</a>	Federal Housing Finance Agency	2021:Q4	February 23, 2021
<a href="#">Housing: Units and Median Sale Price</a>	Maine Association of REALTORS®	February 2021	March 22, 2021
<a href="#">Home Heating Oil</a>	Energy Information Association	March 29, 2021	March 2021
<a href="#">Index of Consumer Sentiment</a>	Michigan Survey of Consumers	March 2021	March 2021
<a href="#">Small Business Optimism Index</a>	National Federation of Independent Businesses	February 2021	March 2021
Vehicle Miles Traveled	Maine Department of Transportation	March 20, 2021	March 24, 2021
<a href="#">Consumer Spending</a>	Affinity Solutions & Opportunity Insights	January 14, 2021	Accessed March 31, 2021
<a href="#">Imports &amp; Exports</a>	USA Trade Online	January 2021	March 5, 2021

## 7.2 Glossary

**Average earnings per job:** Total earnings, which is the sum of wages and salaries, supplements to wages and salaries, and proprietors' income, divided by total full-time and part-time employment.

$$\text{Compound Annual Growth Rate:} = \left( \frac{\text{Final Value}}{\text{Initial Value}} \right)^{\frac{1}{\text{No. of Periods}}} - 1$$

**Gross Domestic Product:** The measure of the market value of all final goods and services produced within a state in a particular period of time. GDP by state differs from national GDP for the following reasons: GDP by state excludes and national GDP includes the compensation of federal civilian and military personnel stationed abroad and government consumption of fixed capital for military structures located abroad and for military equipment, except office equipment. ***Real GDP:*** Real GDP by state is an inflation-adjusted measure of each state's gross product that is based on national prices for the goods and services produced within the state. The real estimates of gross domestic product (GDP) by state are measured in chained (2012) dollars.

**Housing Price Index:** A weighted, repeat-sales index, meaning that it measures average price changes in repeat sales or refinancing on the same properties.

**Labor Force Participation Rate:** The labor force as a percent of the civilian noninstitutional population ages 16 years and older.

**Net Migration Rate:** The U.S. Census Bureau defines the net migration rate as the difference between the number of migrants entering and those leaving an area in a year, per 1,000 midyear population. May also be expressed in percent. A positive figure is known as a net immigration rate and a negative figure as a net emigration rate.

**Personal Consumption Expenditures by State:** A measure of spending on goods and services purchased by, and on behalf of, households based on households' state of residence divided by the resident population of the area.

**Personal Income:** Income that persons residing in the area receive in return for their provision of labor, land, and capital used in current production as well as other income, such as personal current transfer receipts. *Per capita personal income:* The personal income of a given area divided by the resident population of the area. *Per capita disposable personal income:* The income available to persons for spending or saving (personal income less personal current taxes) of a given area divided by the resident population of the area.

**Poverty Level:** The U.S. Census Bureau uses a set of money income thresholds that vary by family size and composition to determine who is in poverty. If a family's total income is less than the family's threshold, then that family and every individual in it is considered in poverty.

**Real Trade Weighted Value of the Dollar:** An index that calculates the inflation-adjusted value of the U.S. dollar against the currencies of countries with which the state trades.

**Total merchandise exports:** Total exports are calculated by adding domestic exports (goods that are grown, produced, or manufactured in the United States) to foreign exports (foreign-origin goods that have previously entered the United States, Puerto Rico, or the U.S. Virgin Islands for consumption, entry into a CBP bonded warehouse, or a U.S. **Foreign Trade Zone (FTZ)**, and at the time of exportation, have undergone no change in form or condition or enhancement in value by further manufacturing).

[Total Private nonfarm employment](#): Each month Current Employment Statistics (CES) surveys a sample of about 2,700 nonfarm private employers (plus federal, state, and local government employers) in Maine asking them to report the number of jobs, hours, and earnings of workers on their payroll during the week including the 12th day of each month. The sample accounts for just 7% of employers, but 34% of nonfarm jobs in the state because a high share of large employers are surveyed.

[Unemployment Rate](#): Number of unemployed as a percent of the labor force. To be classified as unemployed, persons must be aged 16 years and older with no employment during the reference week, were available for work, except for temporary illness, and had made specific efforts to find employment sometime during the 4-week period ending with the reference week.

[Wages and Salaries](#): Remuneration receivable by employees (including corporate officers) from employers for the provision of labor services, measured before deductions such as social security contributions, union dues, and voluntary employee contributions to defined contribution pension plans.