THE ECONOMICS AND DEMOGRAPHICS OF MAINE

OneDAFS Quarterly Leadership Team meeting

December 12, 2018

Amanda Rector
Maine State Economist
Department of Administrative and Financial Services
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

Source: U.S. Census Bureau, Population Estimates Program
Median Age

Maine average = 44.7 years

Source: U.S. Census Bureau, 2017 Population Estimates
The Baby Boom Wave

Source: U.S. Census Bureau, Decennial Censuses and State Economist population projections
Births and Deaths per year in Maine

Sources: Maine Office of Data, Research, and Vital Statistics; U.S. Census Bureau Population Estimates Program
Components of Population Change, Maine

Net population change: +5,675

Source: U.S. Census Bureau, Population Estimates Program
Where are people moving to/from?

### 2017 State-to-State Migration Patterns

<table>
<thead>
<tr>
<th>Moved to Maine from:</th>
<th>Moved from Maine to:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Massachusetts</td>
<td>7,567</td>
</tr>
<tr>
<td>New Hampshire</td>
<td>4,099</td>
</tr>
<tr>
<td>Florida</td>
<td>4,274</td>
</tr>
<tr>
<td>New Hampshire</td>
<td>3,950</td>
</tr>
<tr>
<td>Florida</td>
<td>2,960</td>
</tr>
<tr>
<td>New York</td>
<td>2,478</td>
</tr>
<tr>
<td>Connecticut</td>
<td>1,690</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>2,478</td>
</tr>
<tr>
<td>California</td>
<td>1,611</td>
</tr>
<tr>
<td>Georgia</td>
<td>1,578</td>
</tr>
<tr>
<td>Virginia</td>
<td>1,578</td>
</tr>
<tr>
<td>North Carolina</td>
<td>1,014</td>
</tr>
<tr>
<td>Virginia</td>
<td>904</td>
</tr>
<tr>
<td>North Carolina</td>
<td>648</td>
</tr>
</tbody>
</table>

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

Source: U.S. Census Bureau, 2017 American Community Survey 1-year estimates
Educational Attainment of Population Age 25+

Source: U.S. Census Bureau
Monthly Unemployment Rate
(Seasonally Adjusted)

Source: Maine Department of Labor, Center for Workforce Research and Information
Revisions to CEFC Forecast of Total Nonfarm Employment (in thousands)

Source: Consensus Economic Forecasting Commission reports
Industries Projected to Gain the Largest Number of Jobs in Maine Between 2016 and 2026

- Hospitals: 3,453
- Ambulatory health care services: 2,726
- Administrative and support services: 2,009
- Food services and drinking places: 1,506
- Nursing and residential care facilities: 947
- Accommodation: 220
- Beverage and tobacco product manufacturing: 204
- Waste management and remediation services: 202
- Animal production: 200
- Chemical manufacturing: 186

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

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

Source: U.S. Bureau of Economic Analysis
Major Components of Personal Income, 2017

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

<table>
<thead>
<tr>
<th>County</th>
<th>Wages and Salaries</th>
<th>Personal Current Transfer Receipts</th>
<th>Dividends, Interest, and Rent</th>
<th>Supplements to Wages and Salaries</th>
<th>Proprietors' Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Piscataquis</td>
<td>33%</td>
<td>34%</td>
<td>18%</td>
<td>10%</td>
<td>6%</td>
</tr>
<tr>
<td>Lincoln</td>
<td>28%</td>
<td>25%</td>
<td>29%</td>
<td>7%</td>
<td>10%</td>
</tr>
<tr>
<td>Cumberland</td>
<td>51%</td>
<td>13%</td>
<td>18%</td>
<td>11%</td>
<td>7%</td>
</tr>
<tr>
<td>Androscoggin</td>
<td>47%</td>
<td>24%</td>
<td>13%</td>
<td>11%</td>
<td>5%</td>
</tr>
<tr>
<td>Maine</td>
<td>44%</td>
<td>21%</td>
<td>18%</td>
<td>11%</td>
<td>7%</td>
</tr>
</tbody>
</table>

Source: U.S. Bureau of Economic Analysis
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 37\textsuperscript{th}) to 3.8% (ranking 28\textsuperscript{th})

- Preliminary estimate of real GDP growth in 2018:Q2 is 3.4% (ranking 36\textsuperscript{th}) – revisions will be out in January

Source: U.S. Bureau of Economic Analysis
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)!