

# Demographic and Economic Overview of Maine

Penobscot Valley Senior College

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Maine State Economist

Population and migration

Housing

Demographics

Workforce and employment

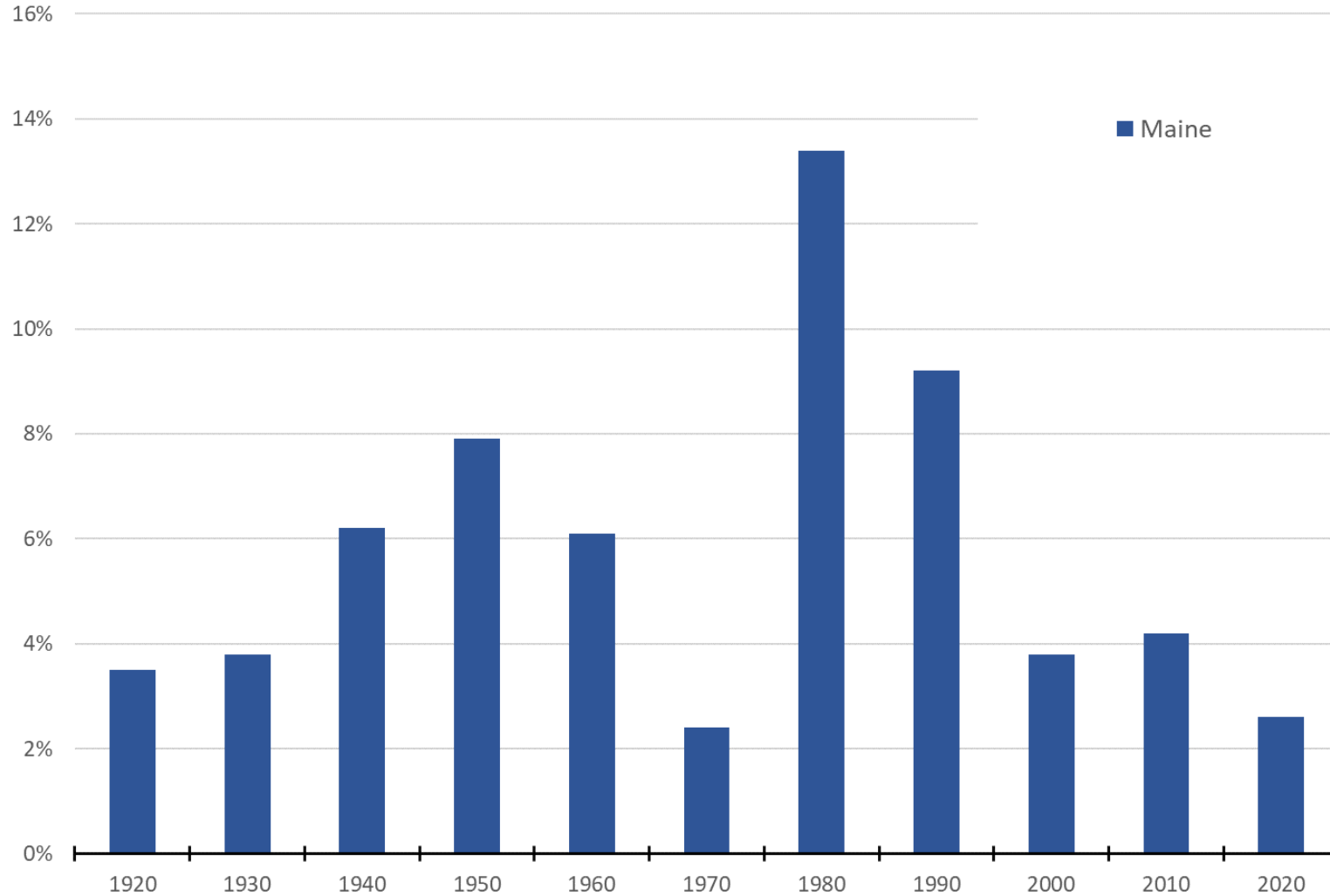
Wages, income, and spending

Gross Domestic Product (GDP)

Macroeconomic conditions

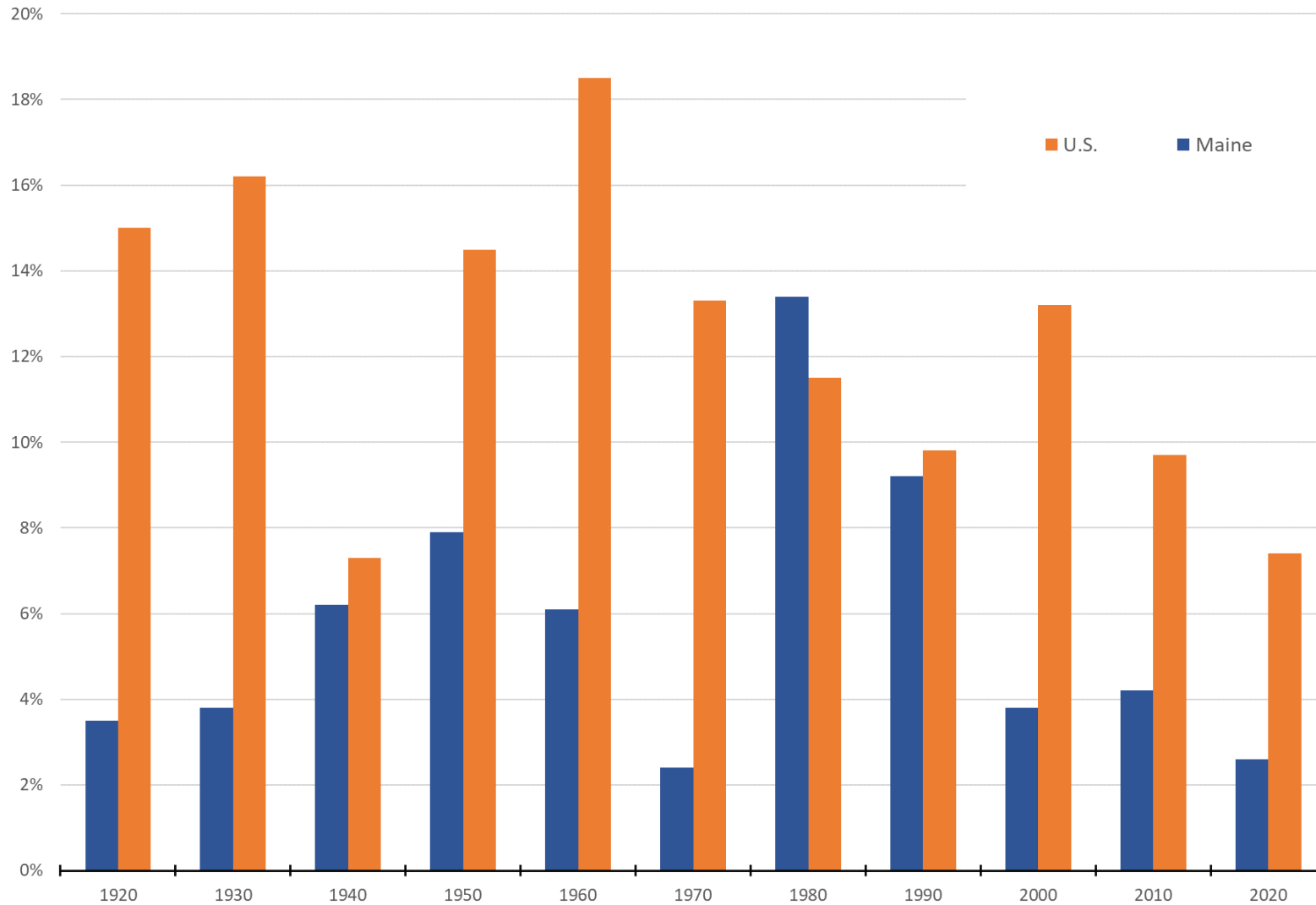
# Population and migration

## Population Growth from Previous Decade



Maine population growth peaked during "back to the land" movement in the 1970s

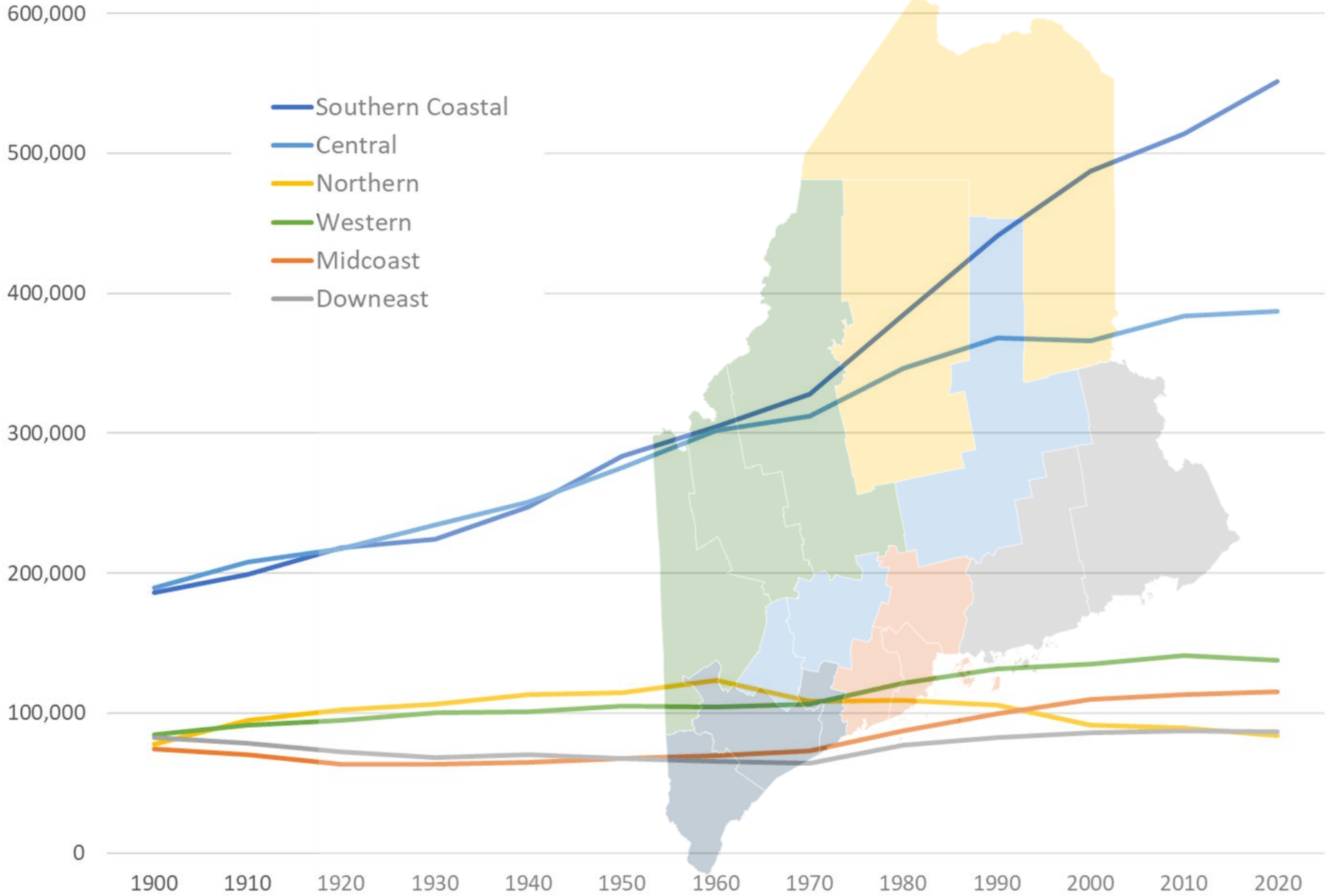
### Population Growth from Previous Decade



U.S. population growth has generally been faster than Maine, apart from 1980, but the growth in 2020 was the slowest since 1940.



# Population by Region

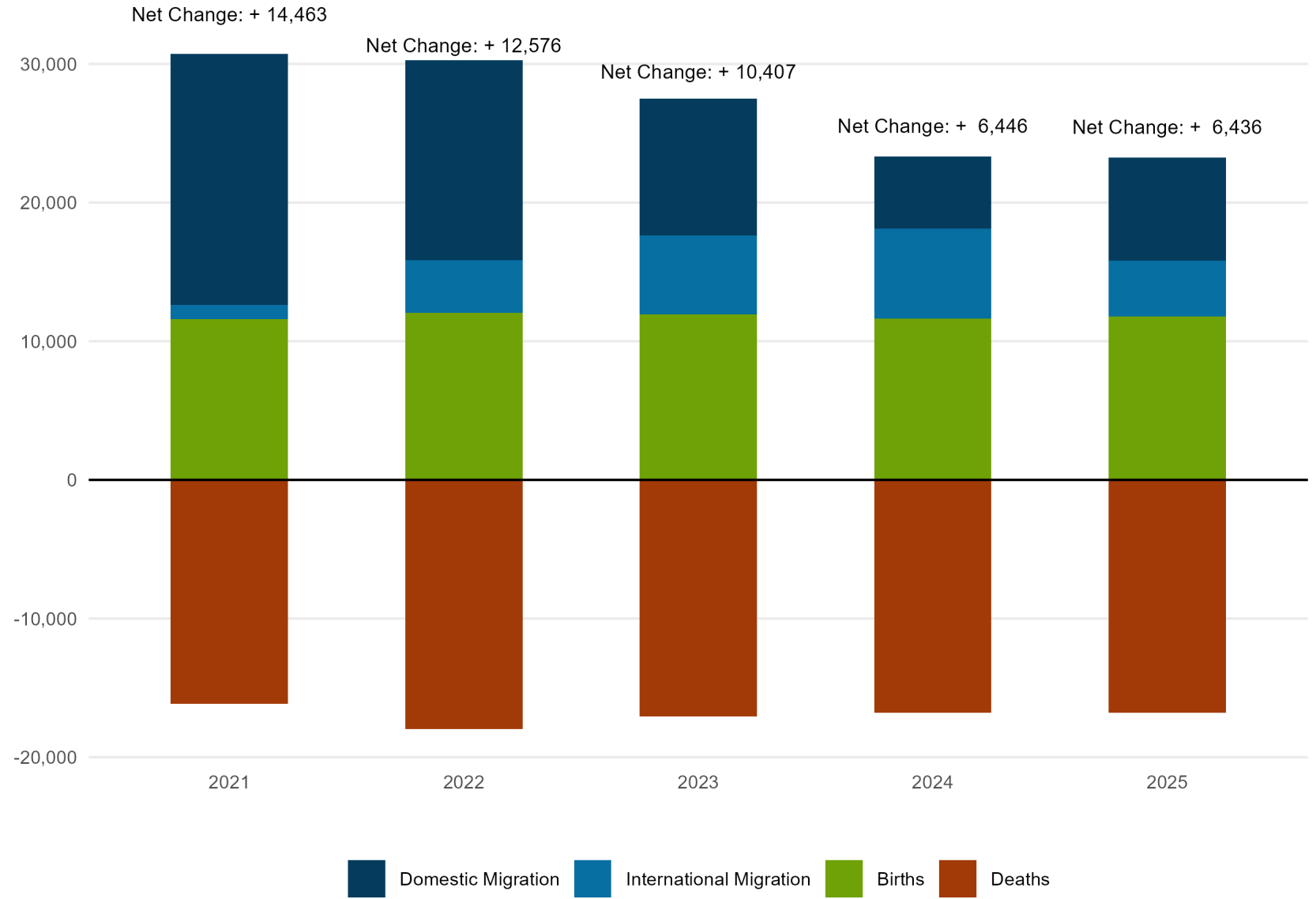


2025 Total Population:  
1,414,874

Population increase of  
3.8% from 2020-2025  
(17<sup>th</sup> in U.S.);  
0.5% from 2024-2025  
(25<sup>th</sup> in U.S.)

7<sup>th</sup> for total net  
migration and net  
domestic migration  
and 25<sup>th</sup> for net  
international migration  
in 2025

### Components of Maine's Population Change

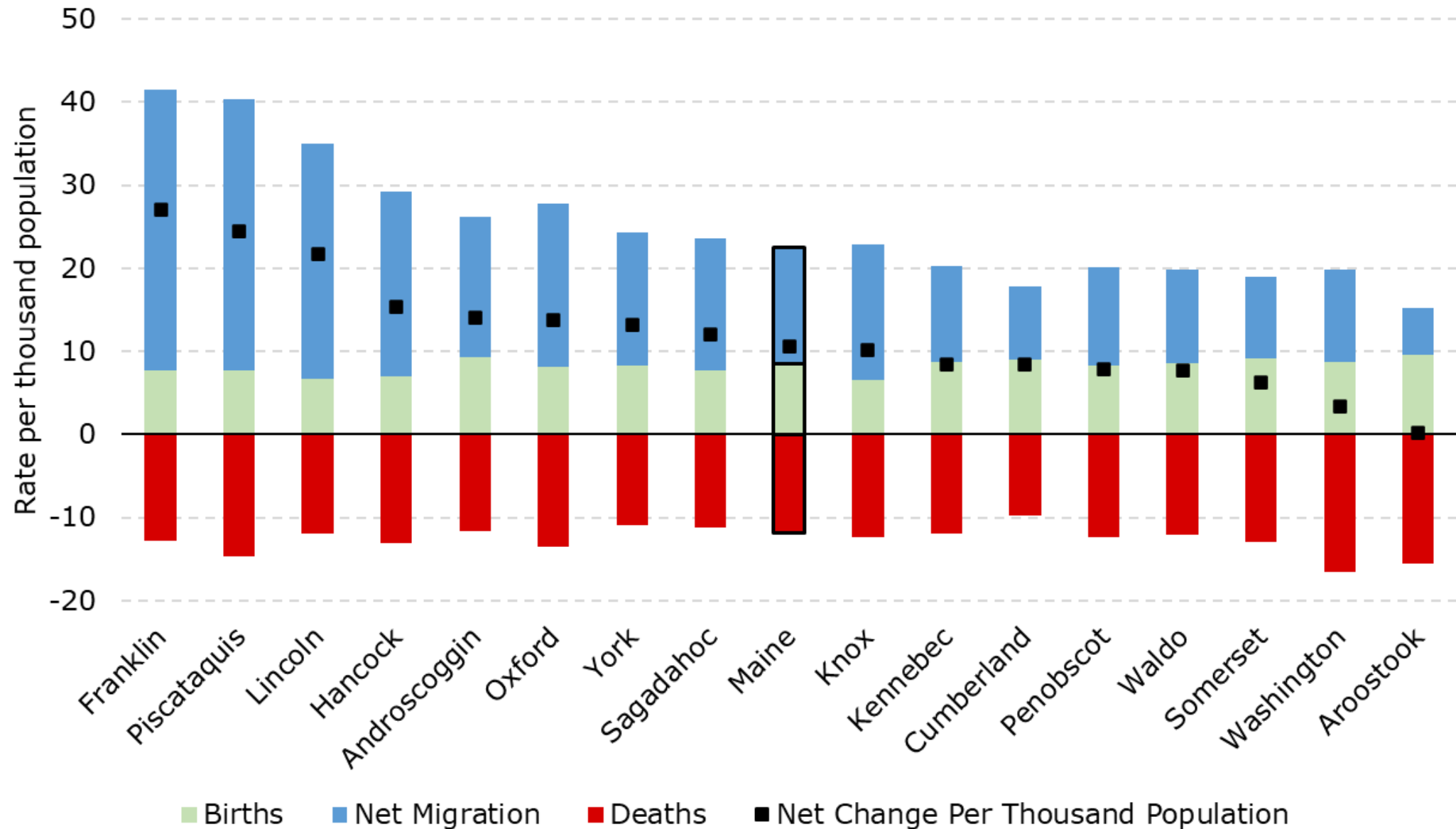


Source: US Census Bureau, Population Estimates Program, 2025 Vintage

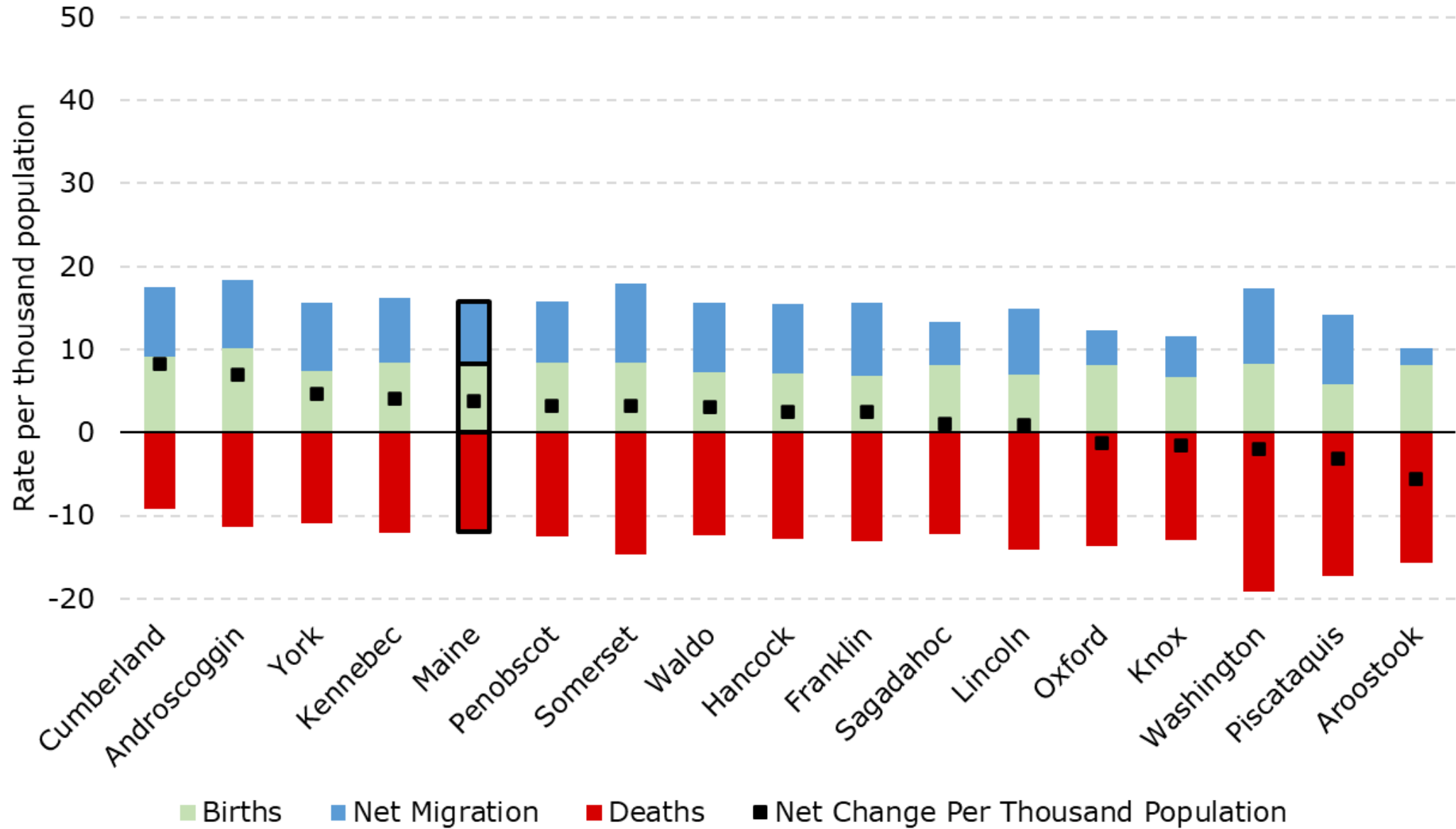
Net international migration  
accounted for 84% of U.S.  
population growth from 2023-2024

Changes to federal policy caused a  
historic drop in international migration  
from 2024-2025

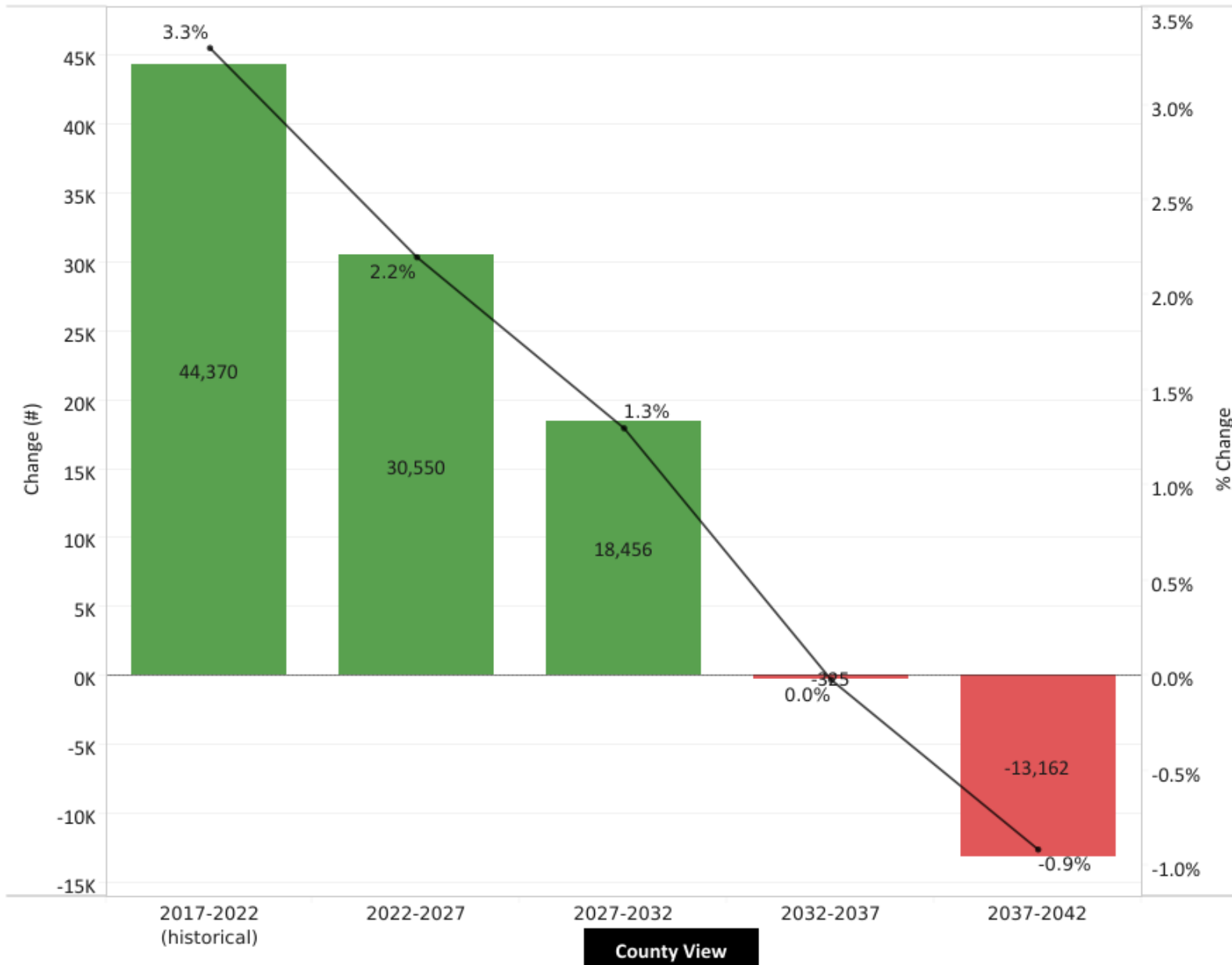
## Components of Population Change, 7/1/2020-7/1/2021 Rate per thousand population



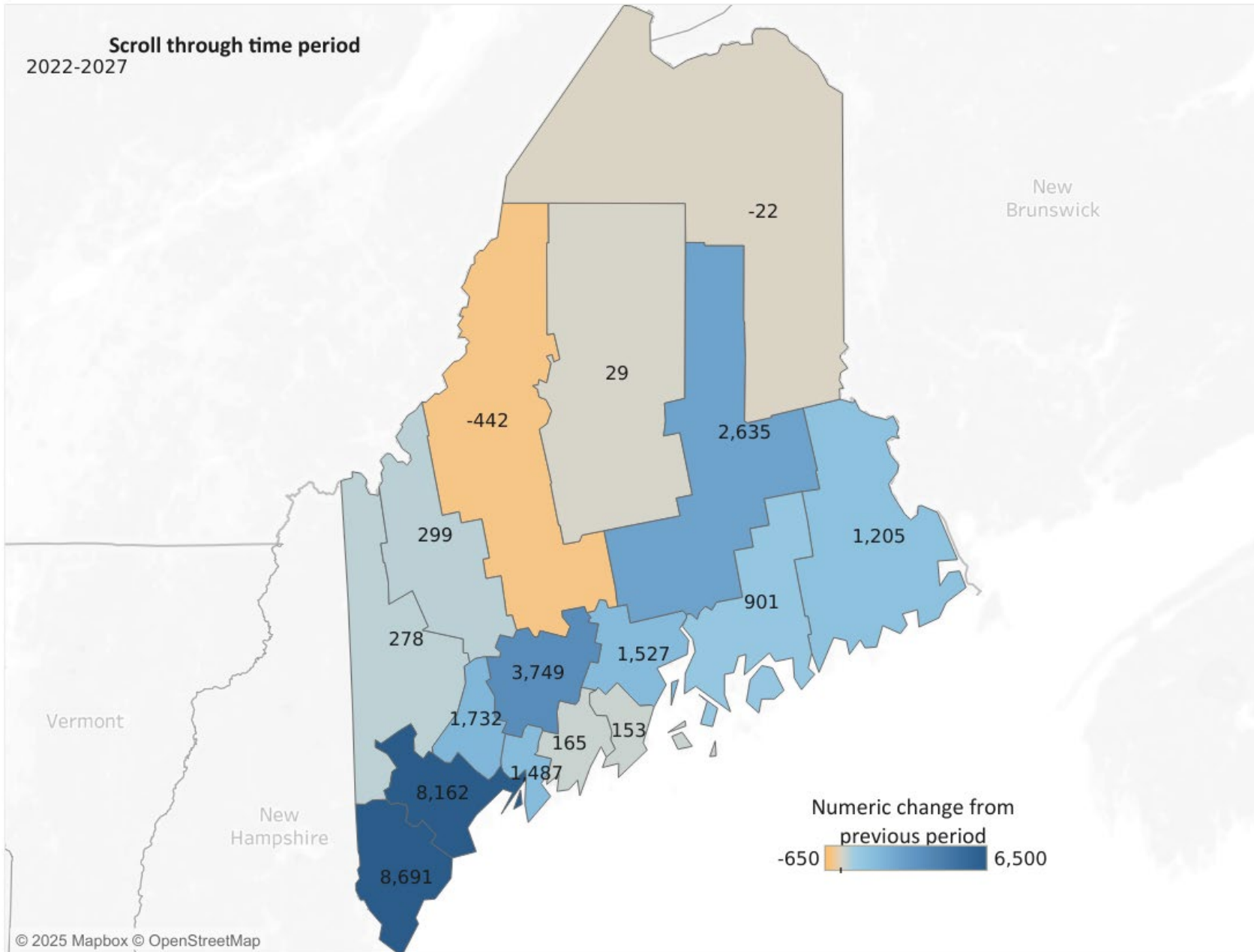
## Components of Population Change, 7/1/2023-7/1/2024 Rate per thousand population



### Statewide Population Change



Source: The Office of the State Economist, Maine State and County Population Projections, 2042. April 2025 release.



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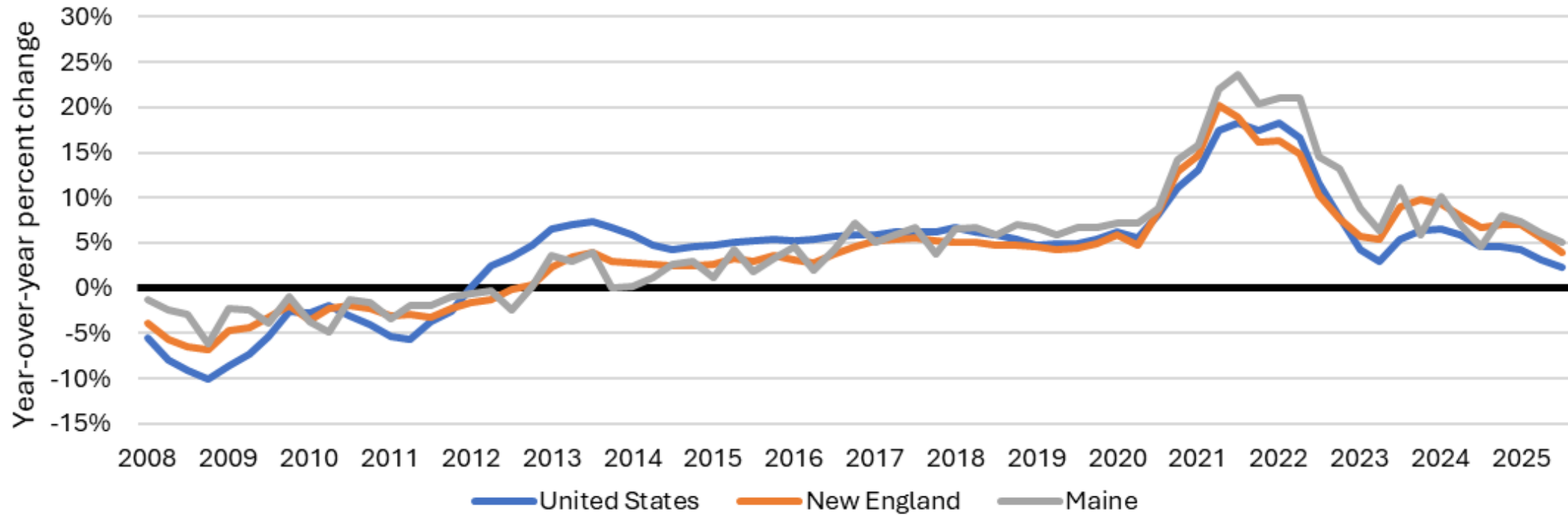


# Housing

Housing inventory is slowly improving (Feb. 2026 about 20% higher than Feb. 2025), but remains below pre-pandemic levels



## Percent Changes, Year-over-year in FHFA House Price Index (Seasonally Adjusted)



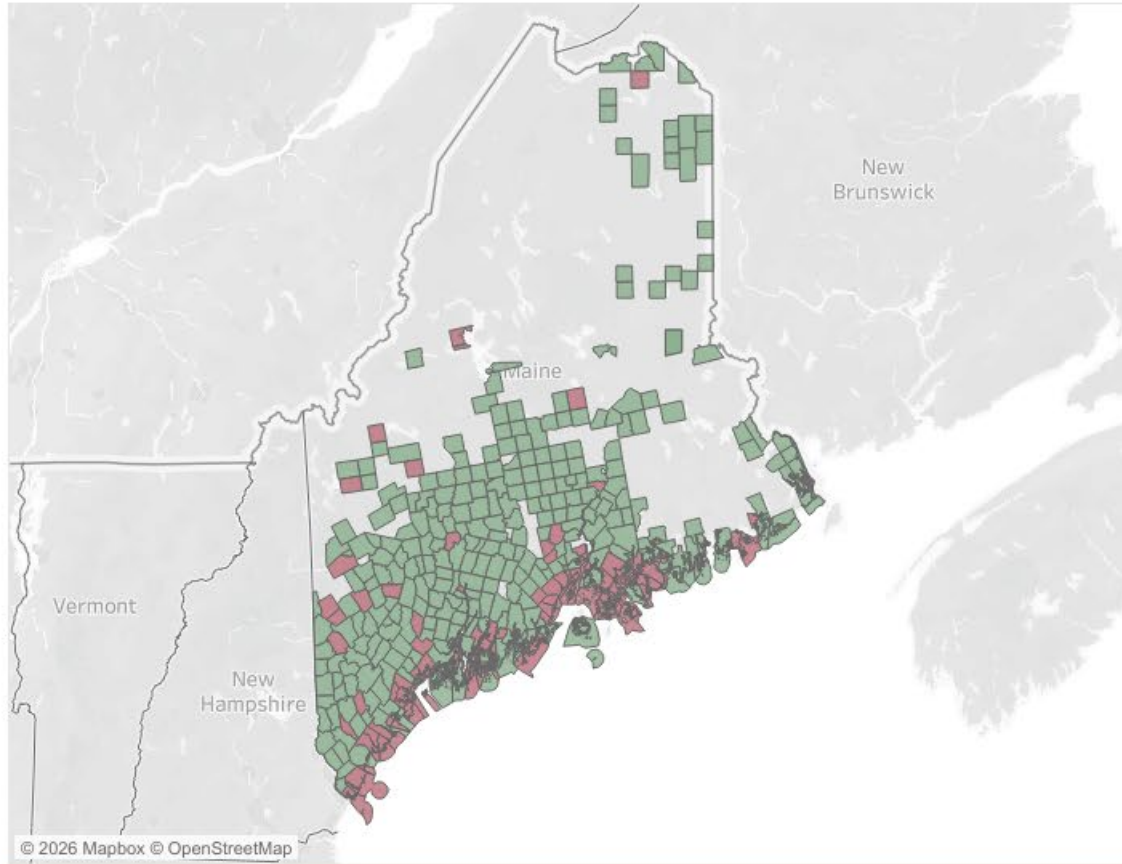
## Homeownership Affordability Maps

Year

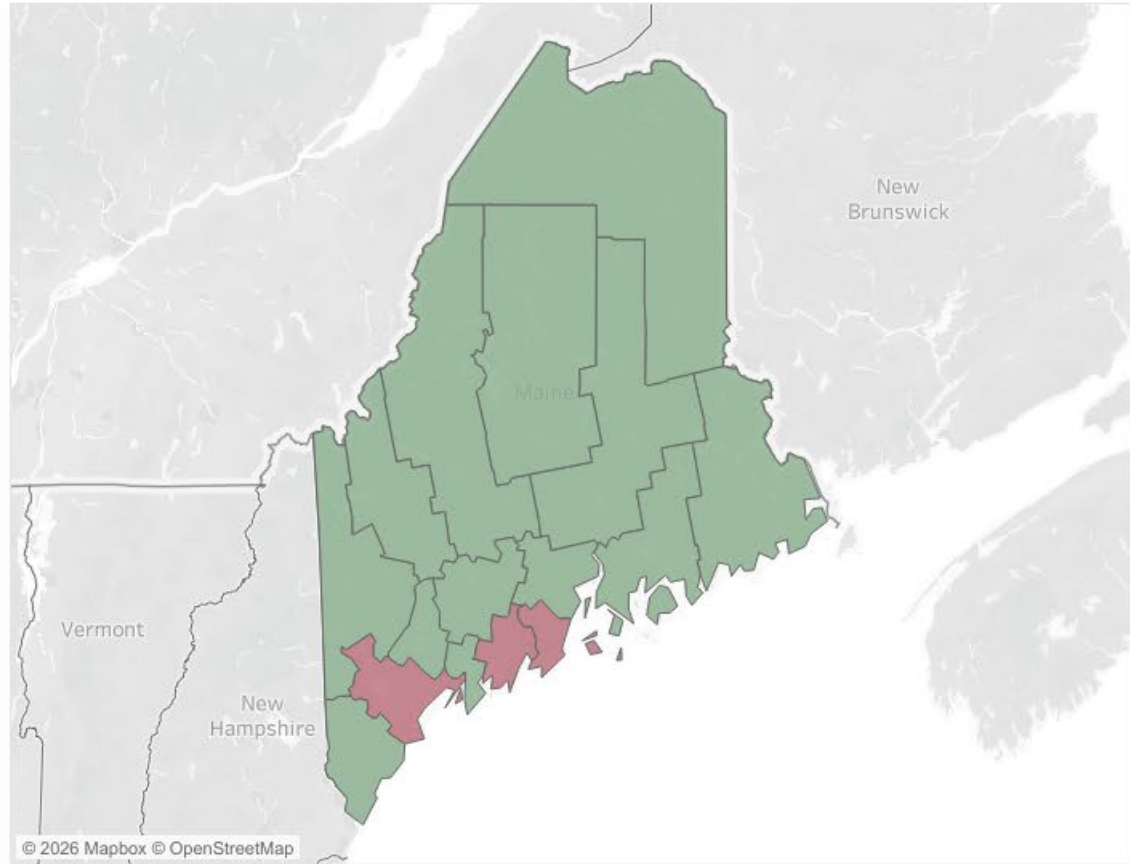
2020

Show history

### Affordability By Town - 2020



### Affordability By County - 2020



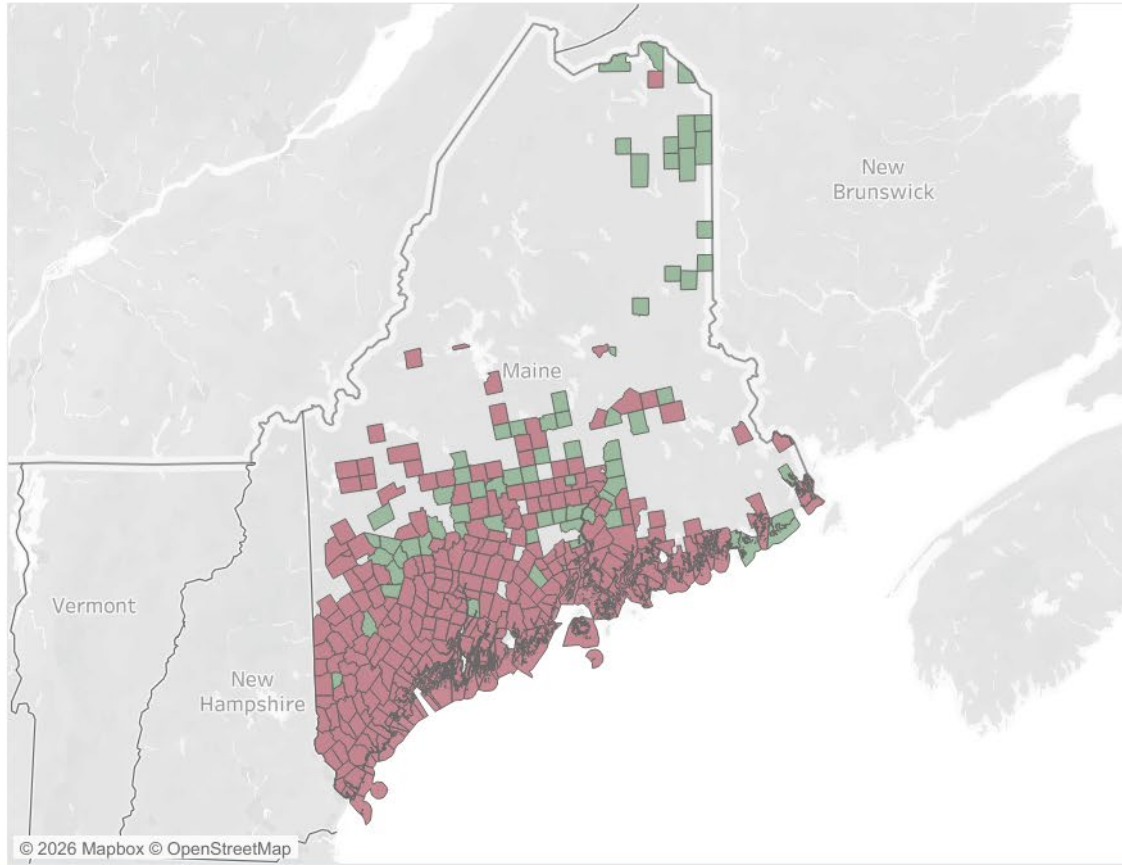
# Homeownership Affordability Maps

Year

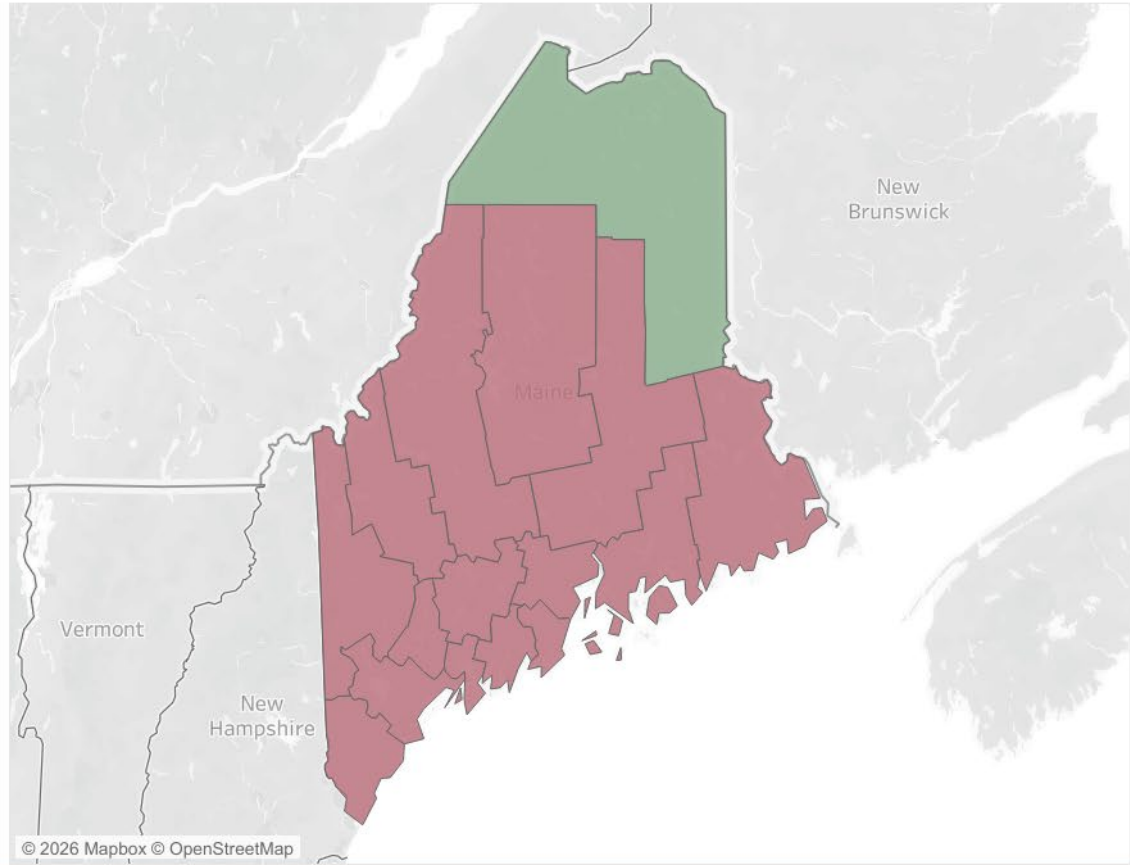
2025

Show history

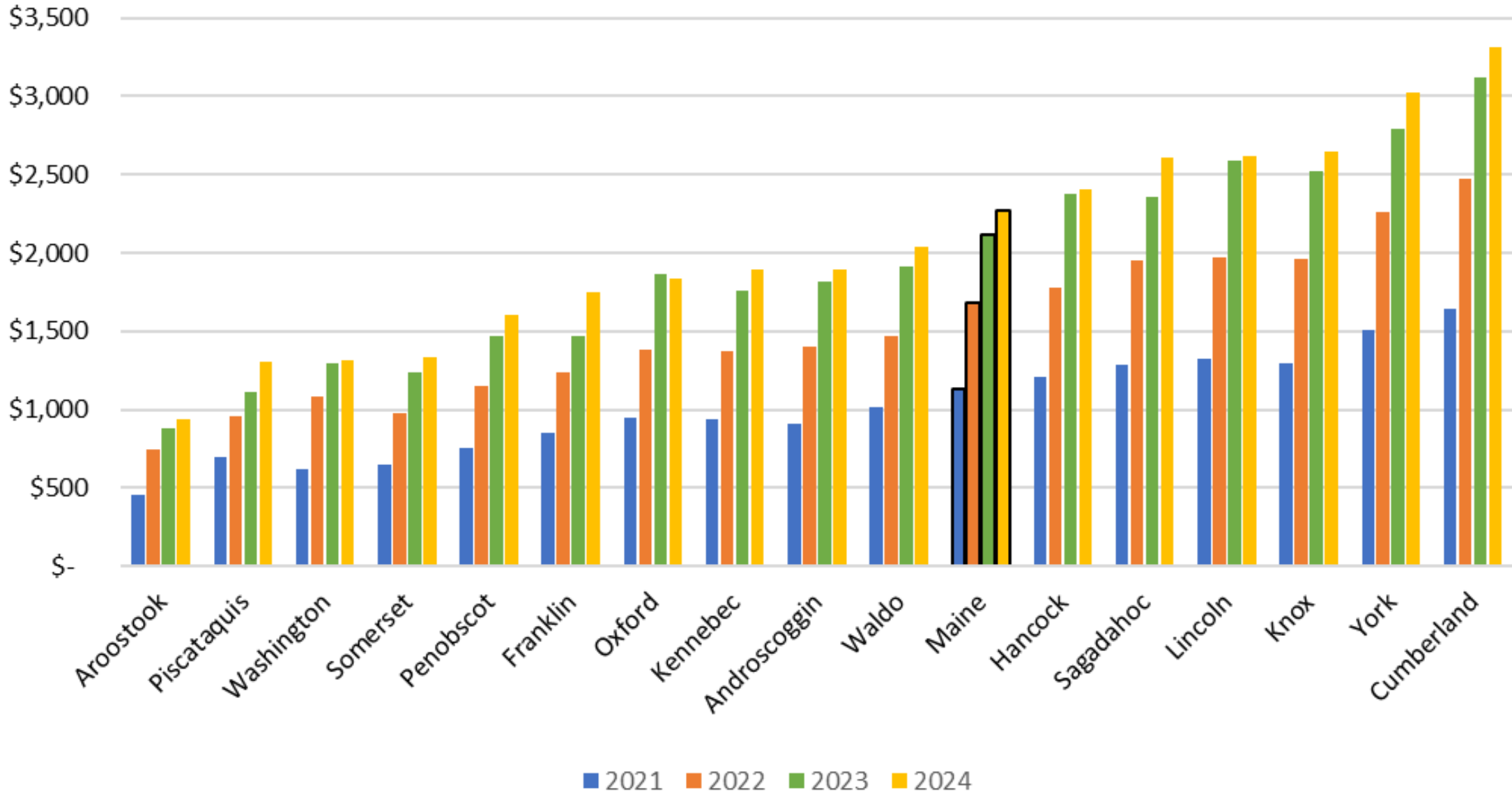
## Affordability By Town - 2025



## Affordability By County - 2025

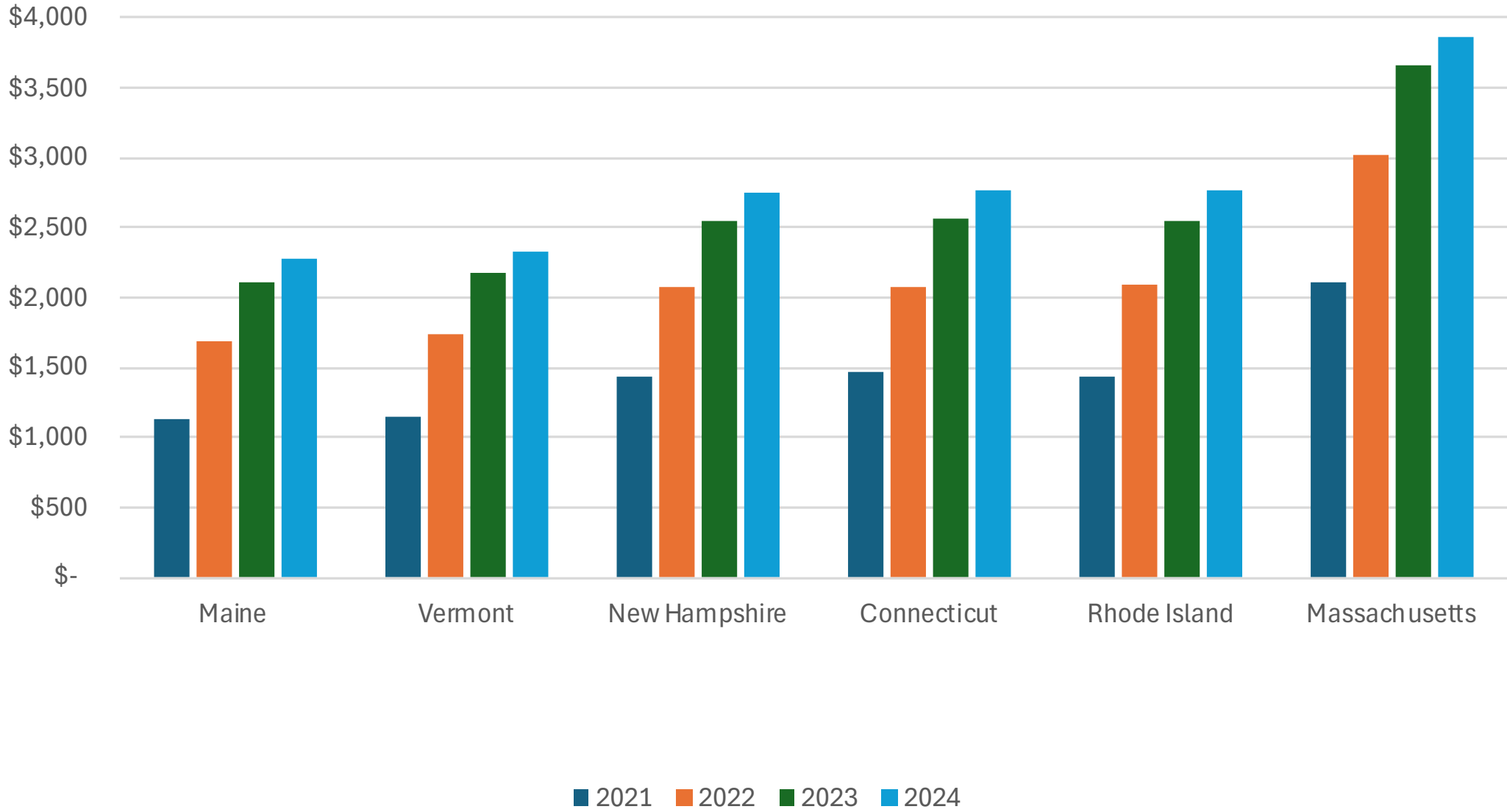


# Monthly Mortgage Payment at the Median Sales Price 2021-2024



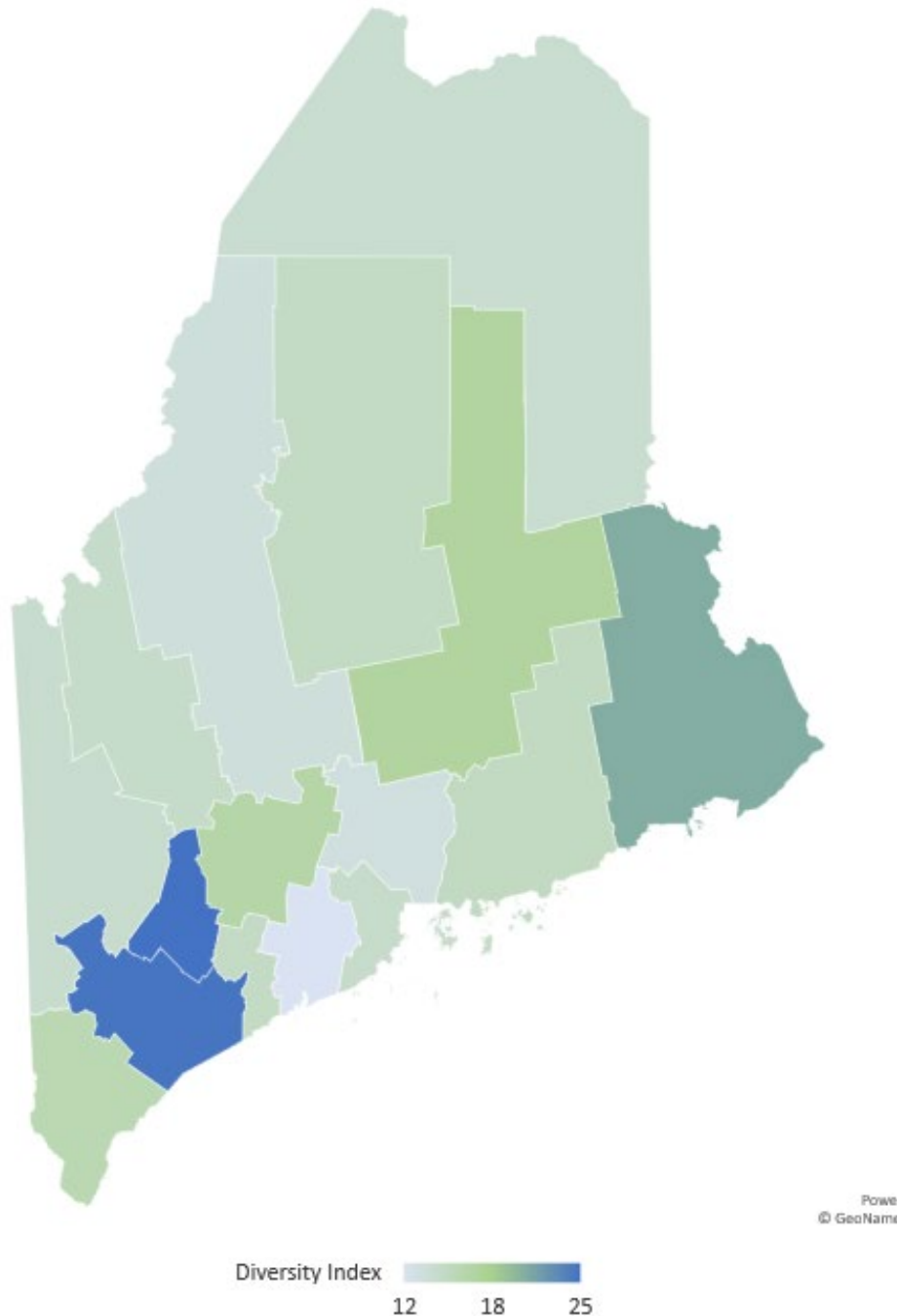
Sources: Maine Association of Realtors (median sale prices), FRED 30-year fixed rate mortgage rates, weekly (average of all weeks in the year). Assumes 30-year fixed rate mortgage and 10% down payment on a home at the median sales price.

# Monthly Mortgage Payment at the Median Sales Price 2021-2024



Sources: Moody's Analytics (median sale prices), FRED 30-year fixed rate mortgage rates, weekly (average of all weeks in the year). Assumes 30-year fixed rate mortgage and 10% down payment on a home at the median sales price.

# Demographics



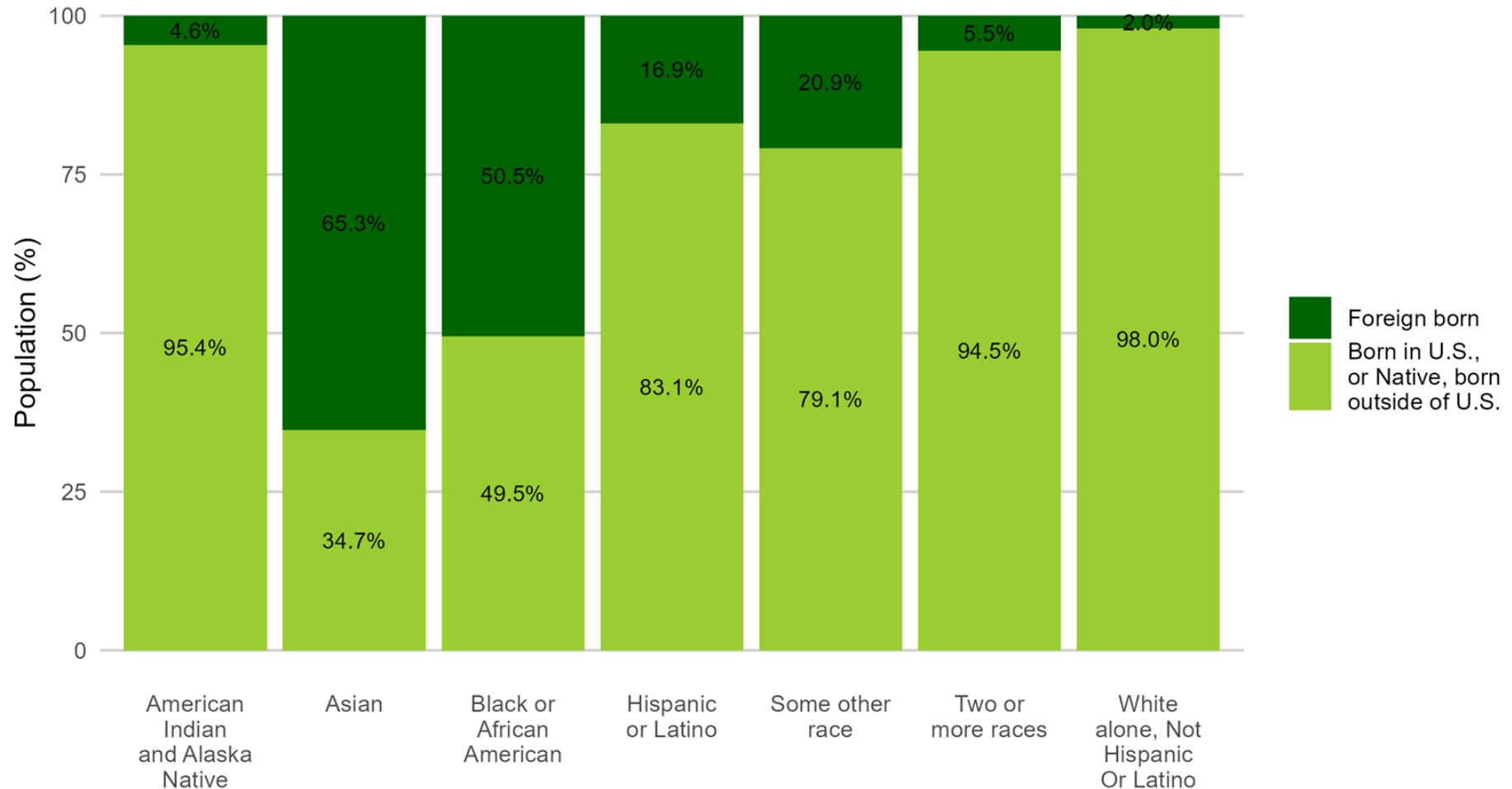
The diversity index tells us the chance that two people selected at random will be from different race or ethnicity groups

- In 2020, Maine ranked as the least diverse state in the U.S.
  - ME index = 18.5
  - U.S. index = 61.1
- But there is regional variation: Cumberland, Androscoggin, and Washington counties are more diverse

# Race and/or ethnicity is not the same as place of birth

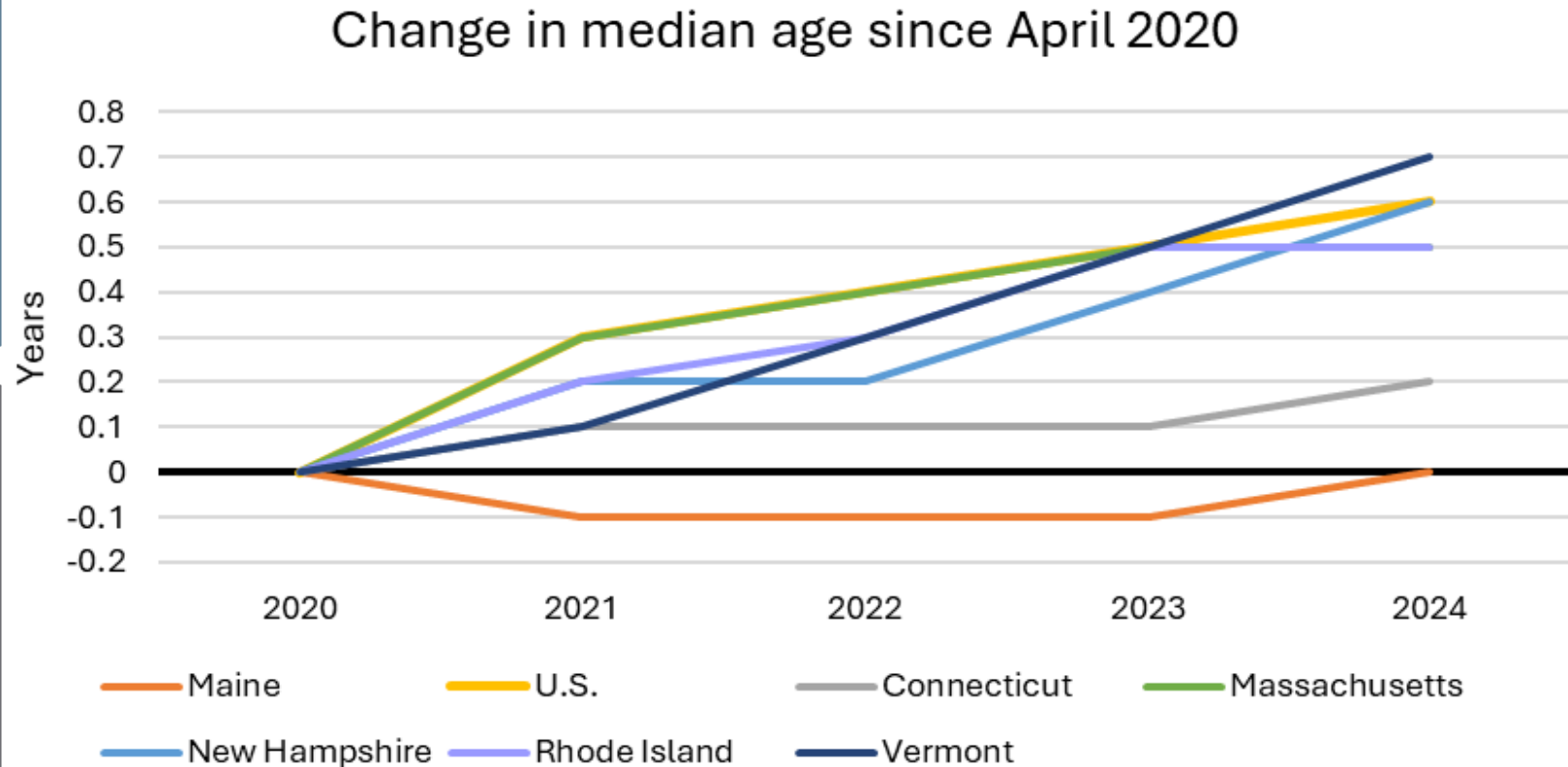
Share of Maine Population by Region of Birth by Race/Ethnicity, 2023

*Foreign born statewide, 3.8%*



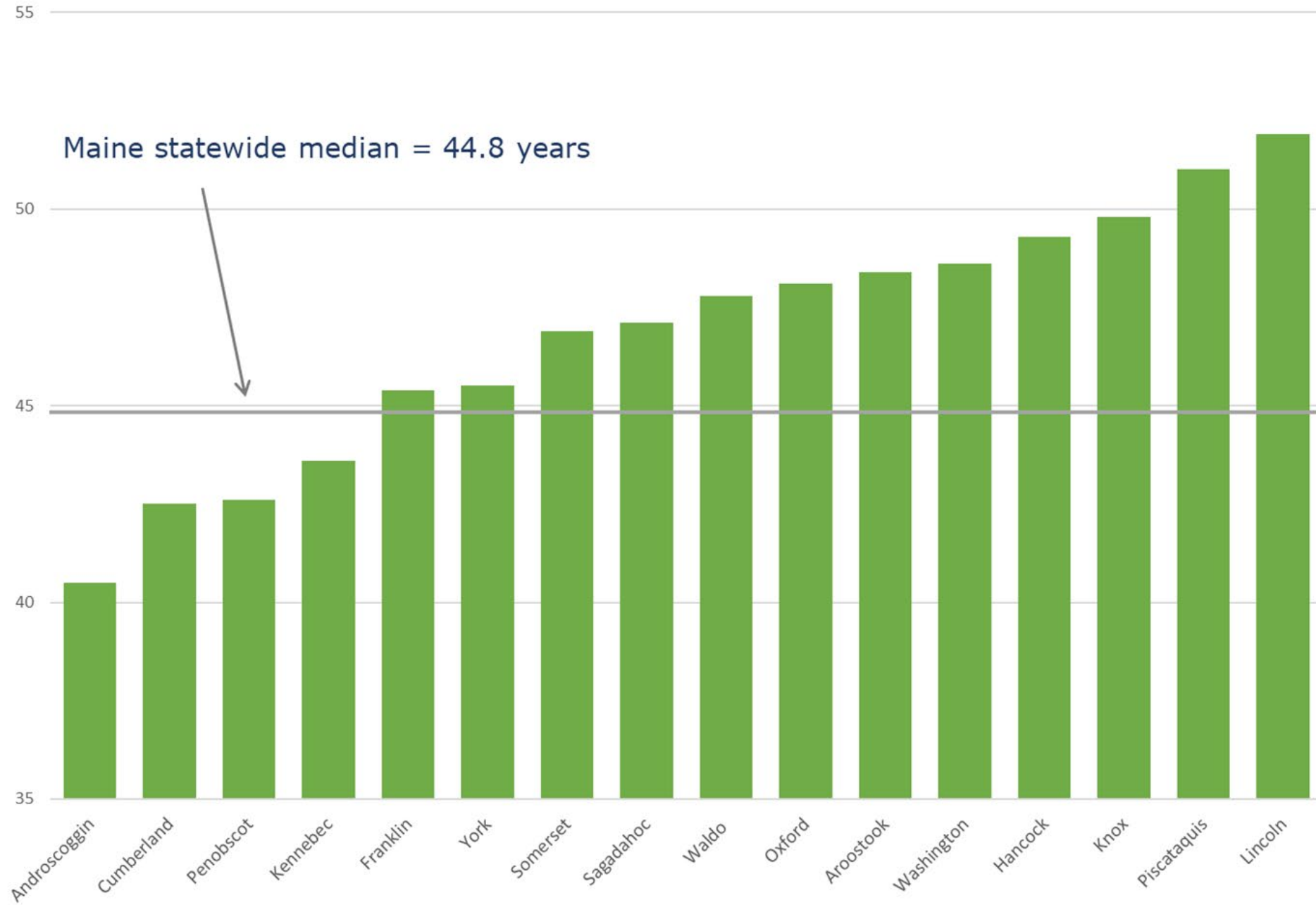
Maine's median age in 2024 is unchanged from 2020, while the U.S. median age has increased 0.6 years

Maine still has the highest median age in the nation at 44.8 years; Vermont and New Hampshire are tied for second at 43.6 years

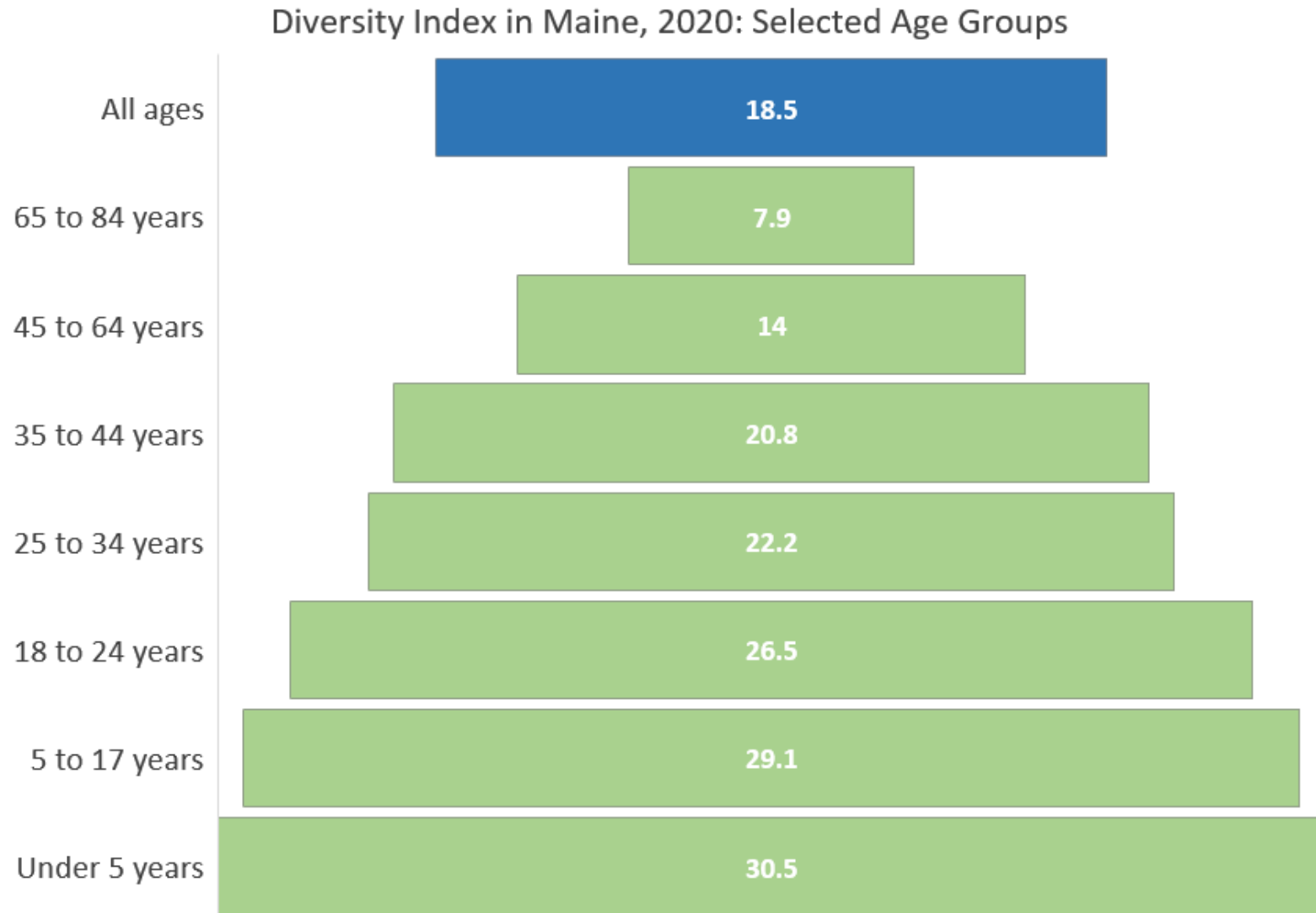


**Median age of recent movers to Maine is 31**

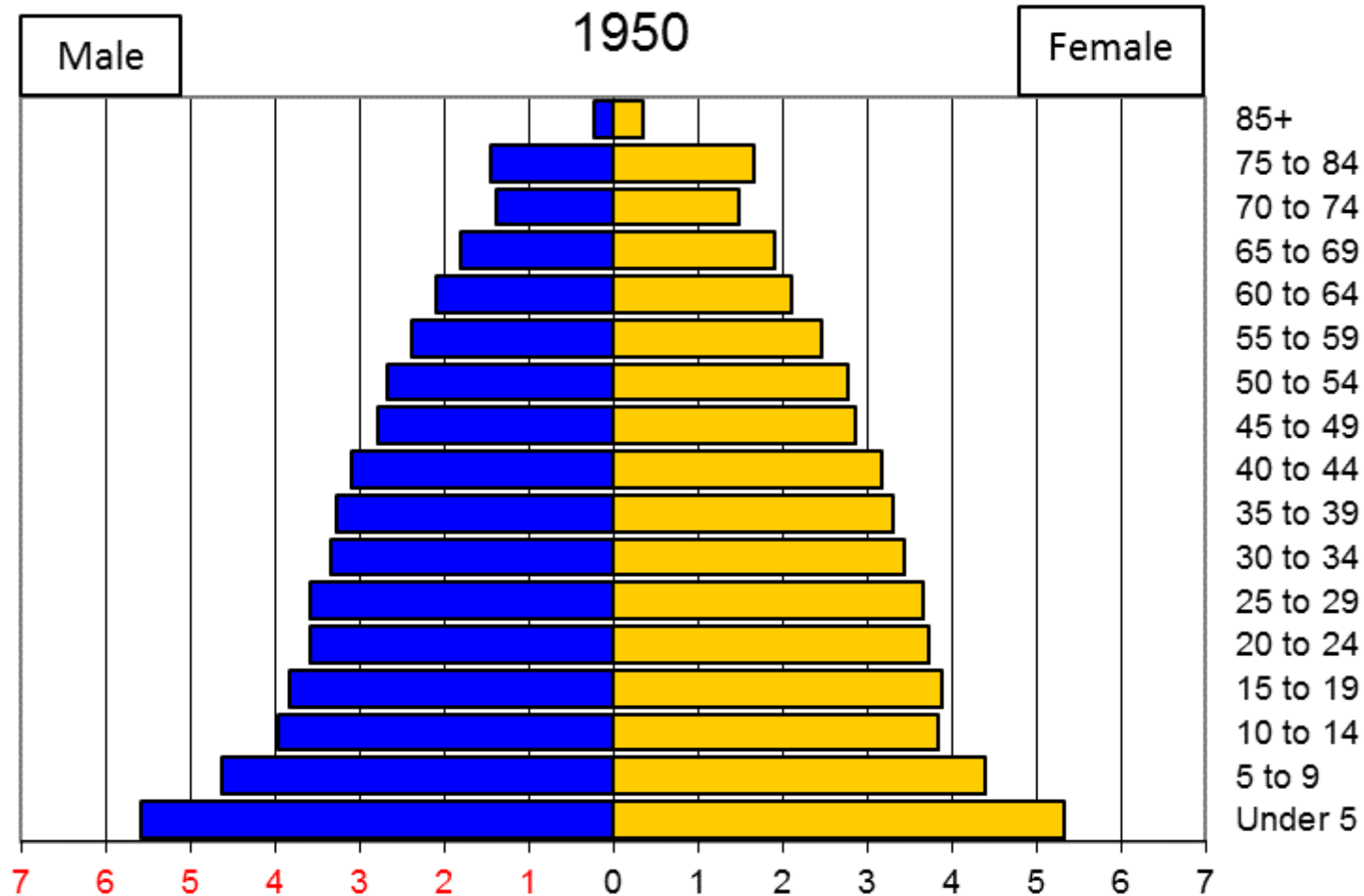
## Median Age by County 2024



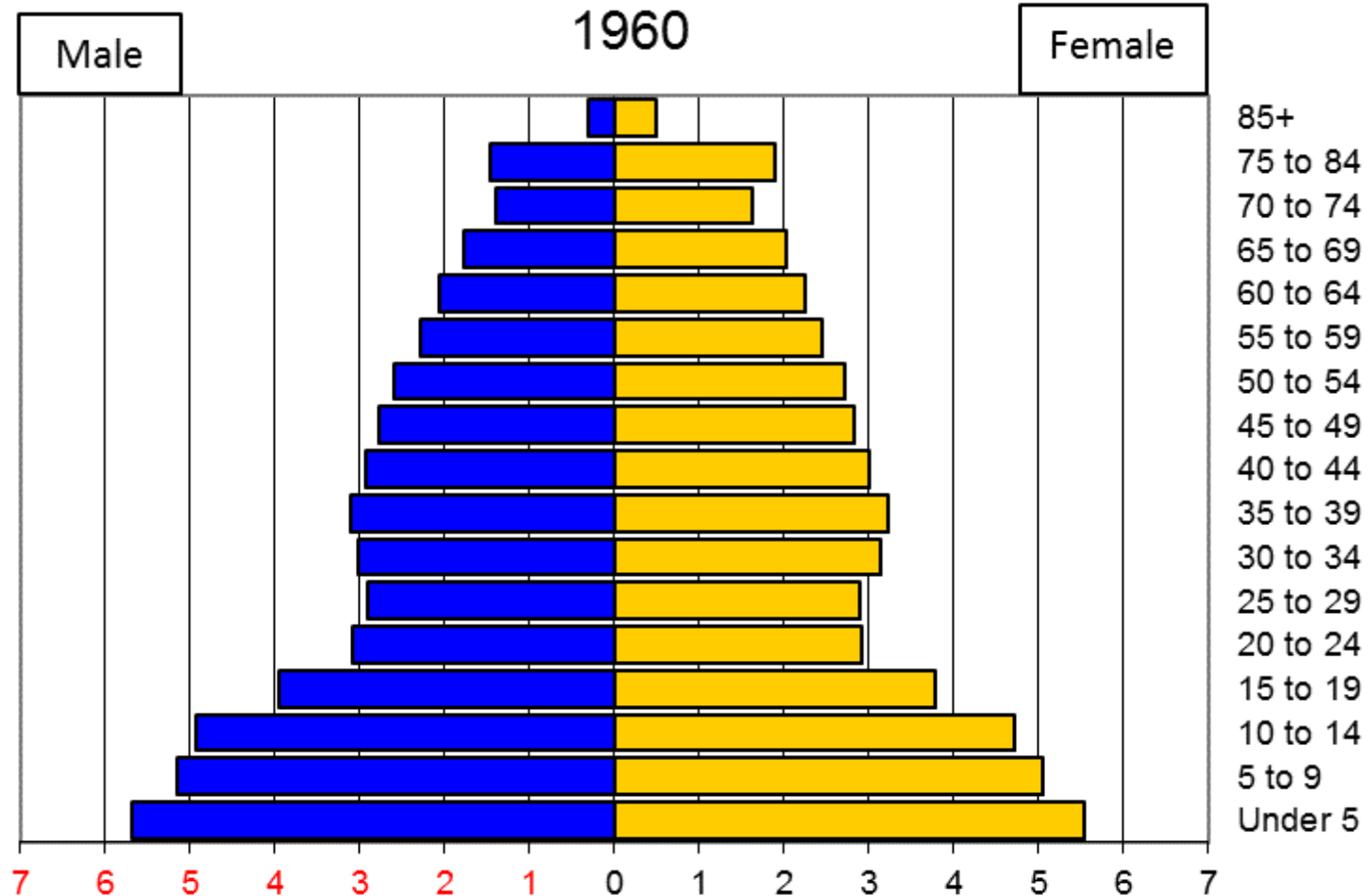
# Younger generations in Maine are more diverse than older generations



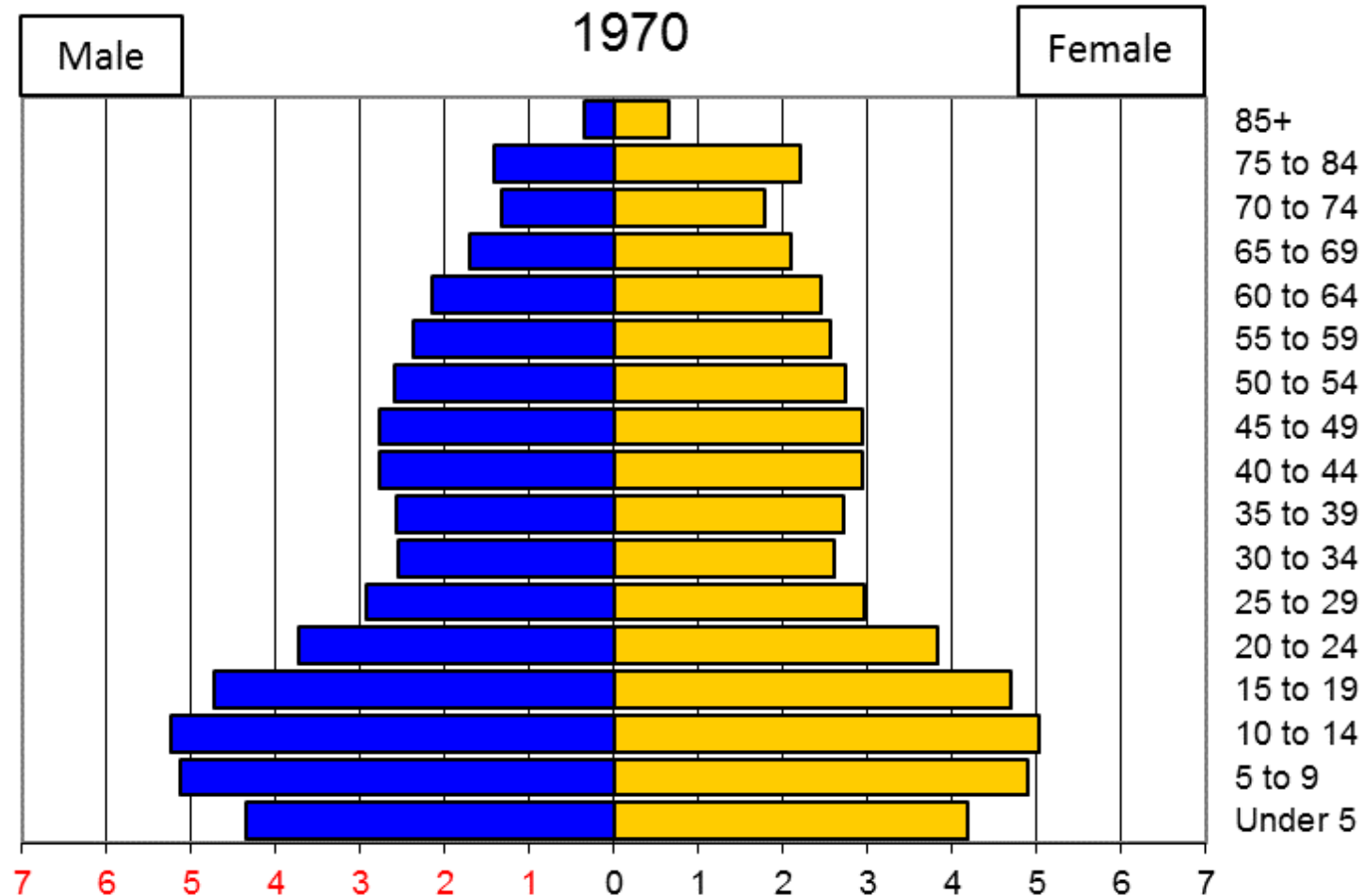
# The Baby Boom: 1946-1964



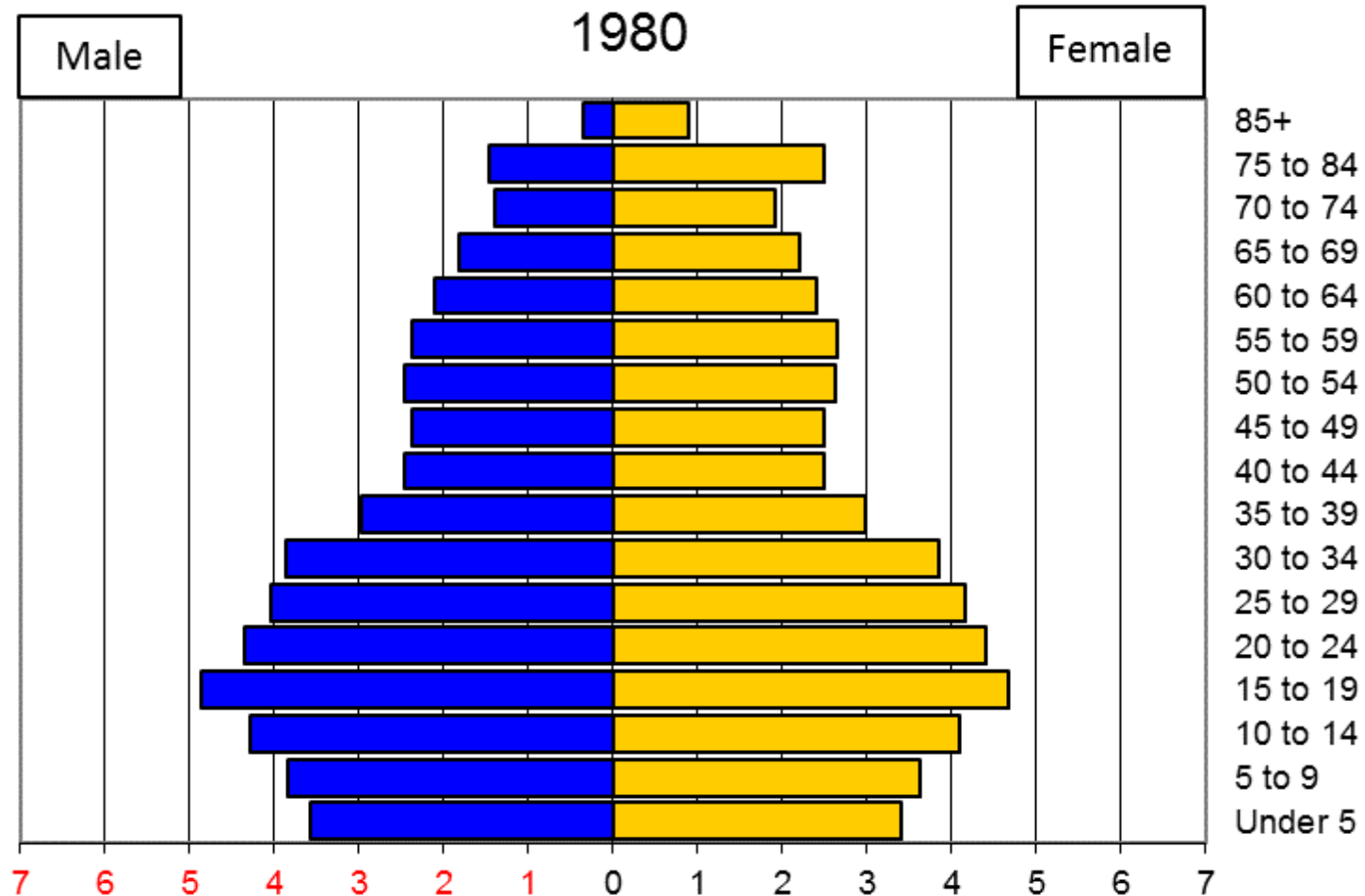
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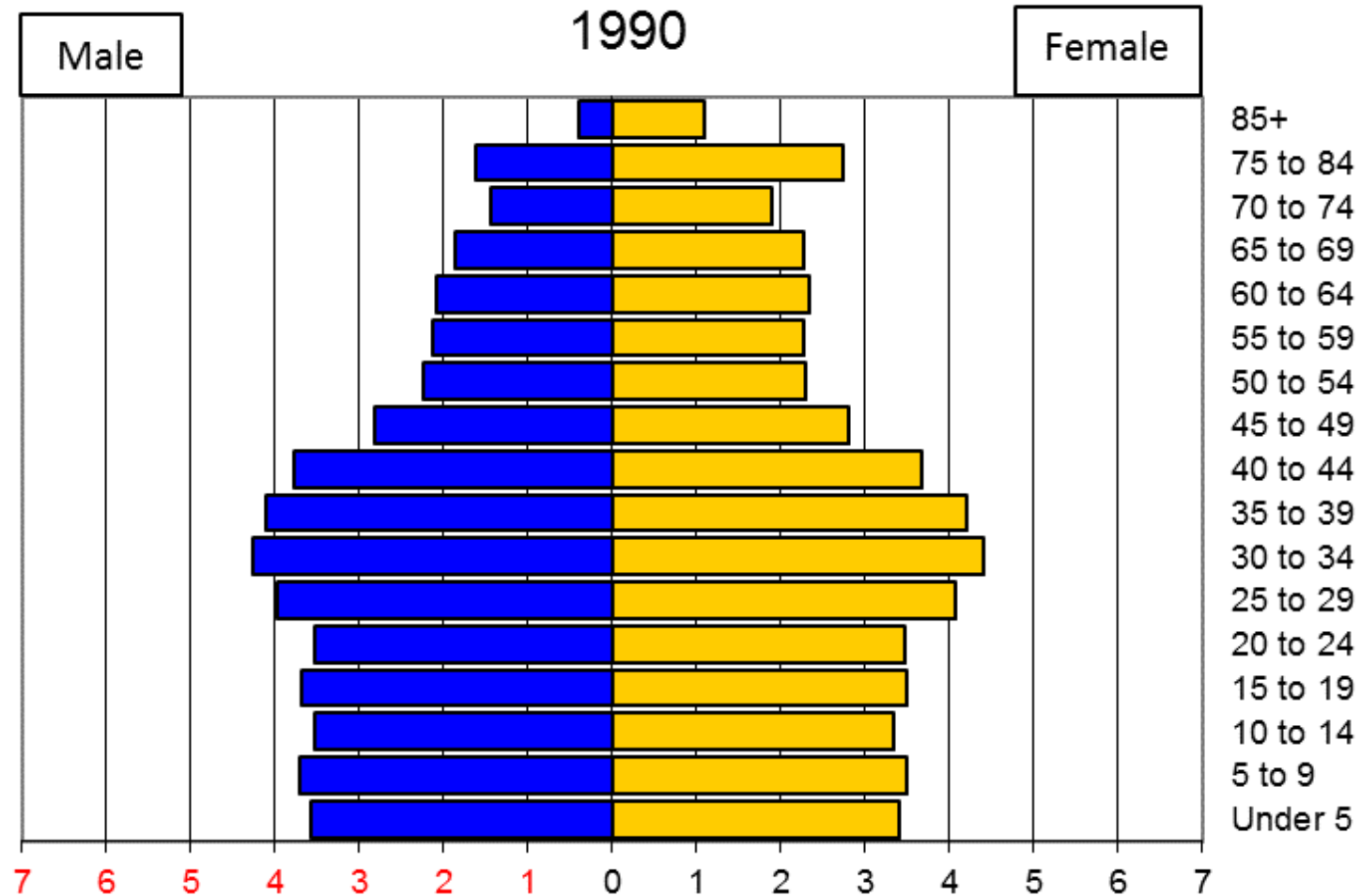
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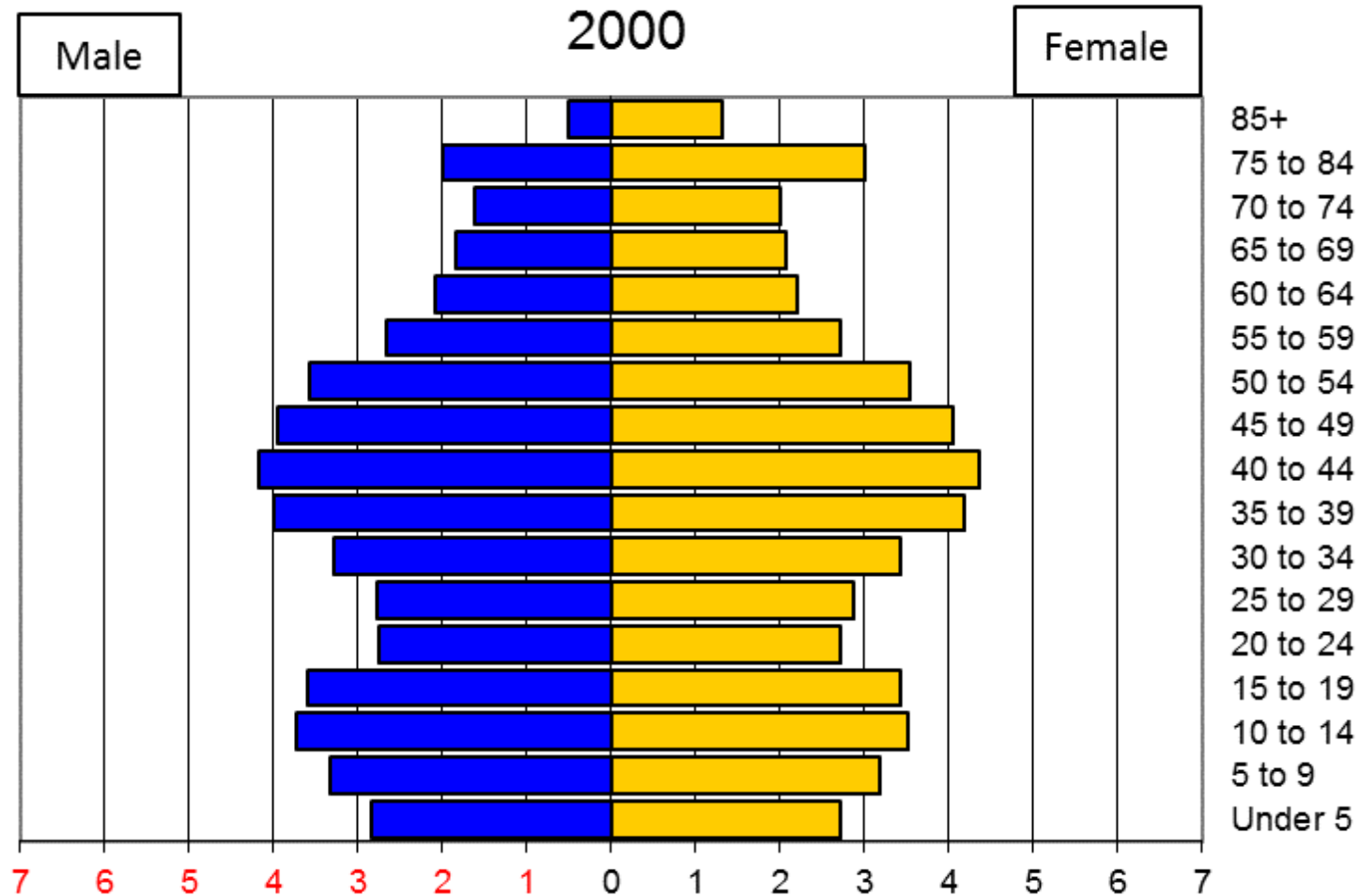
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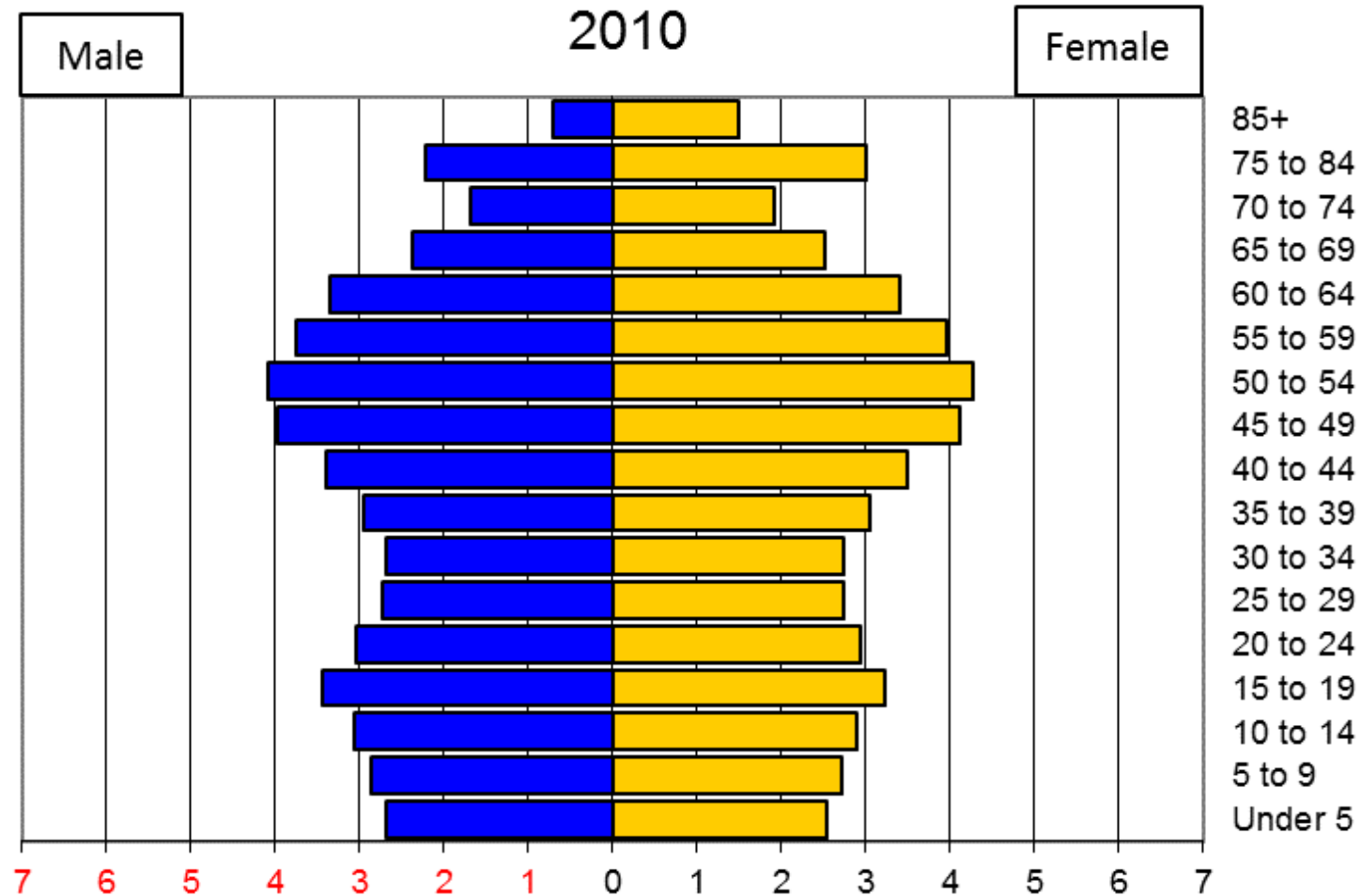
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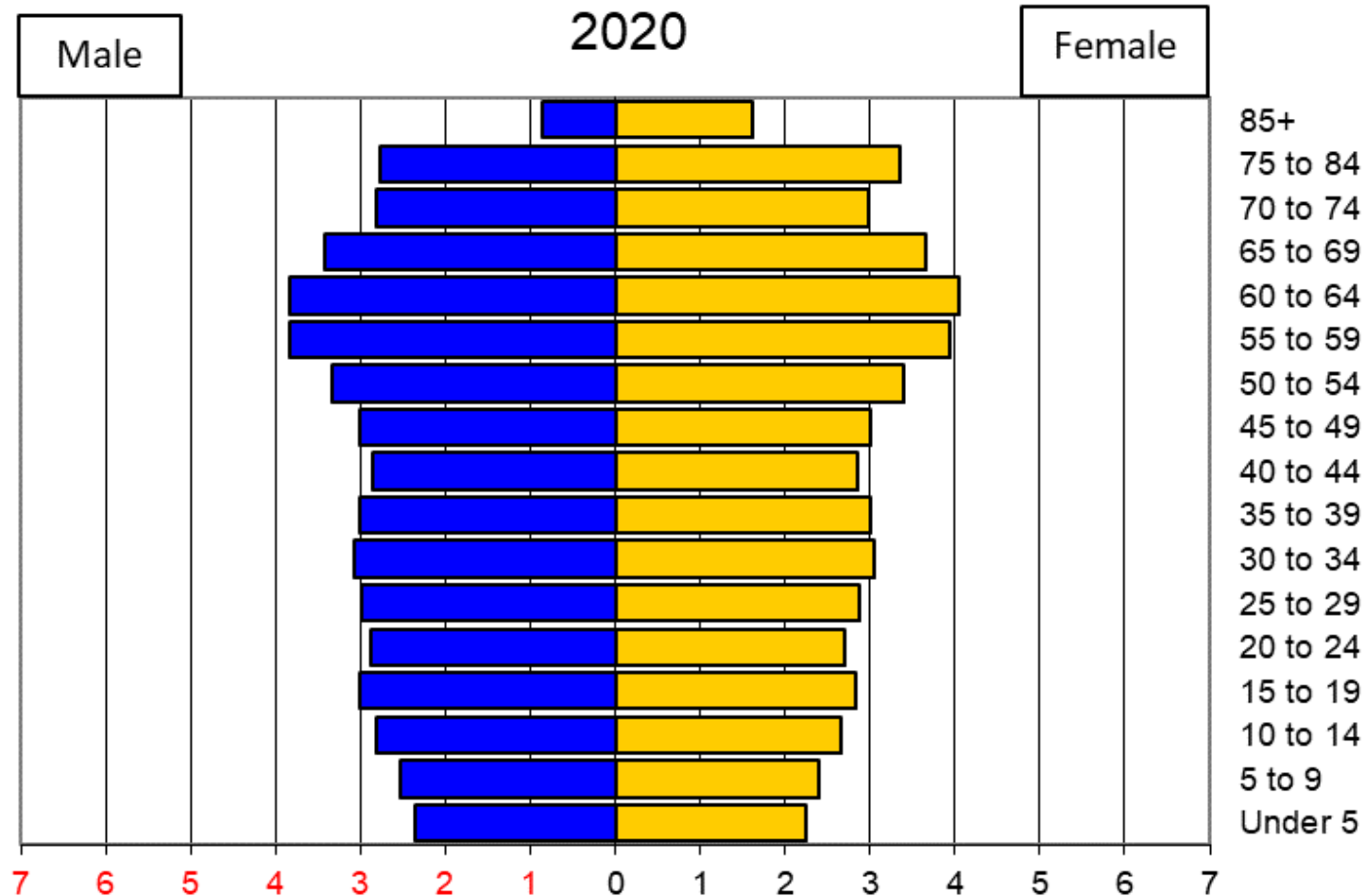
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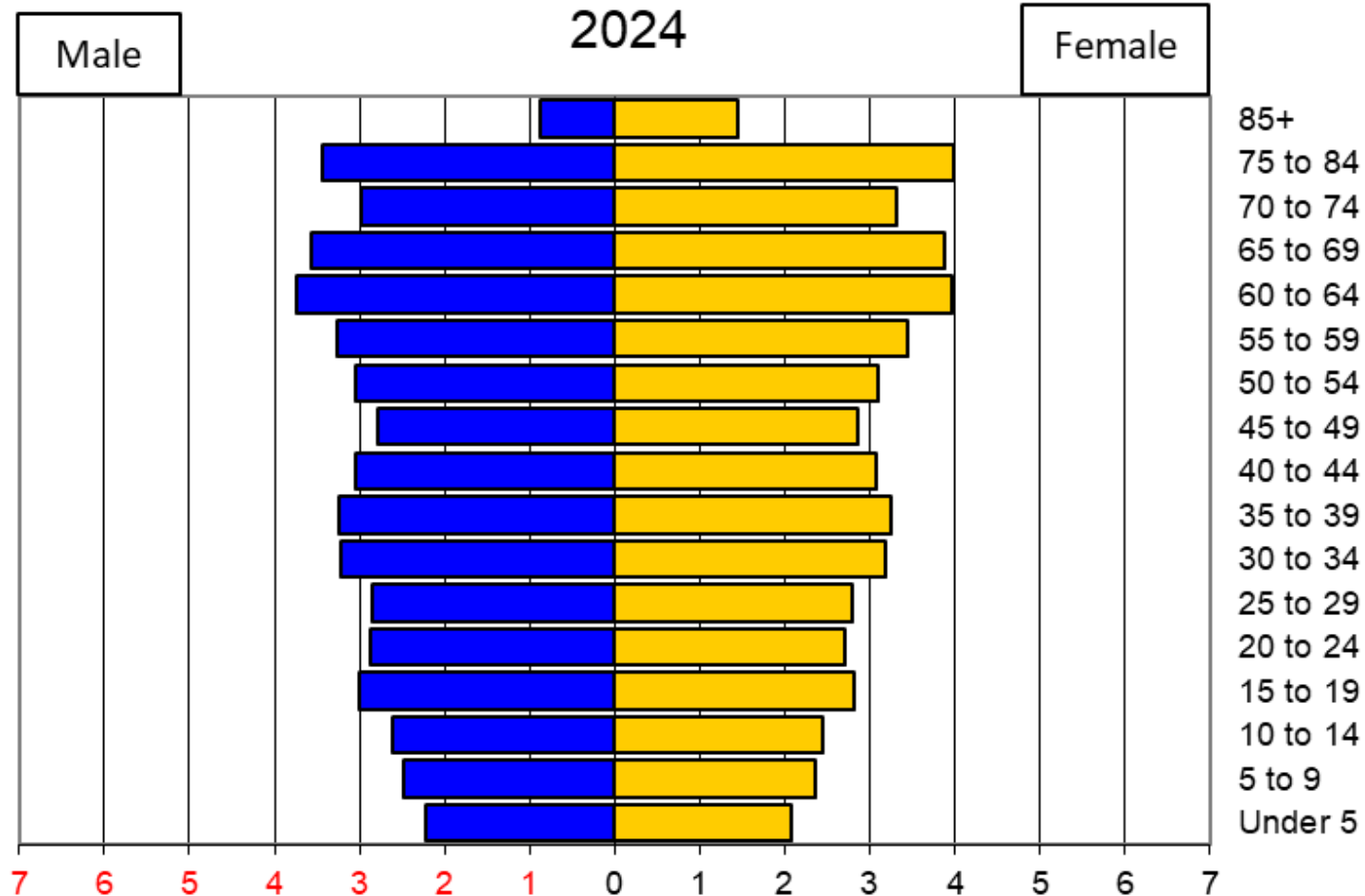


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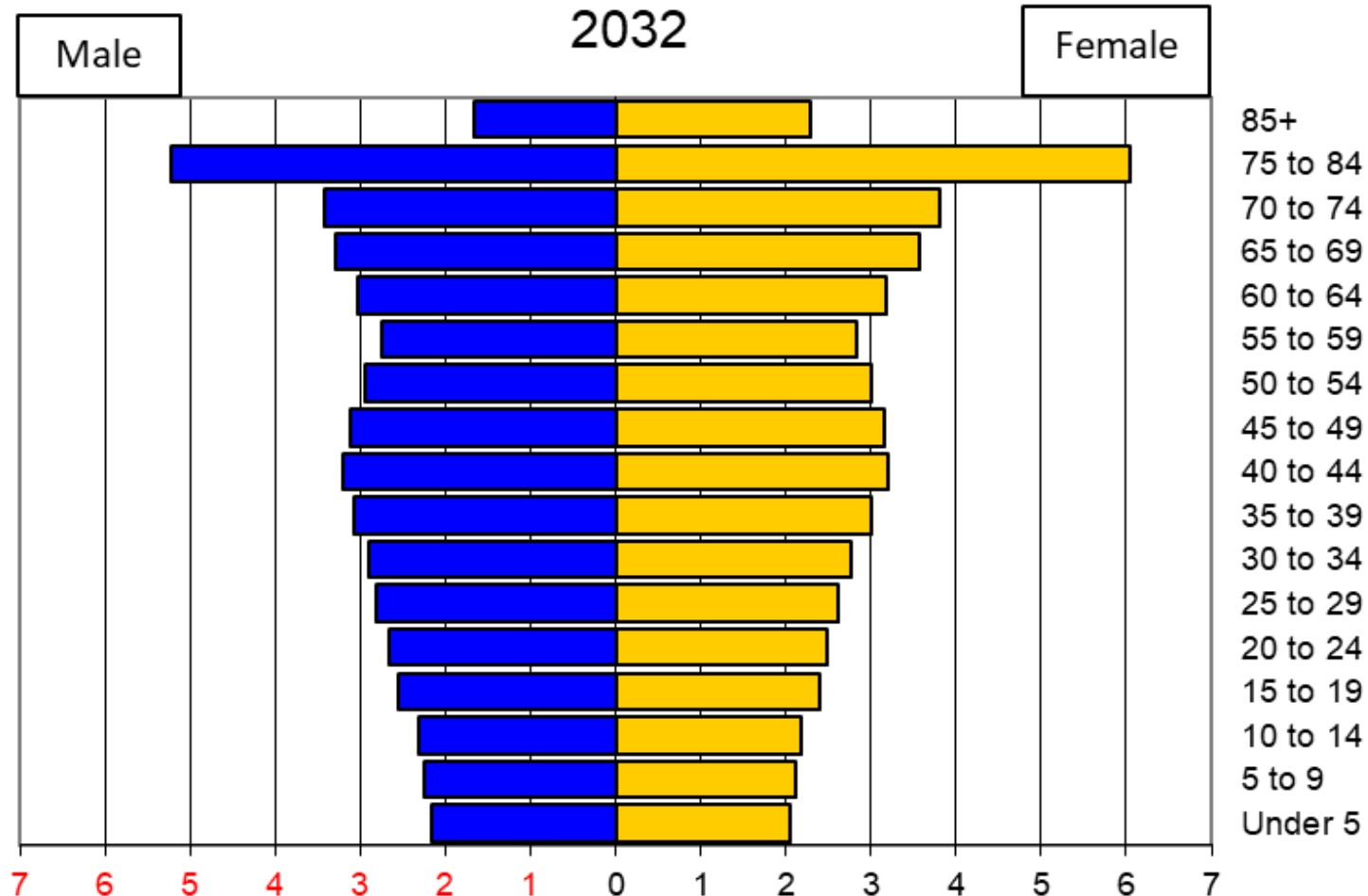
Baby Boom generation in 2024: age 60-78



# The Baby Boom: 1946-1964

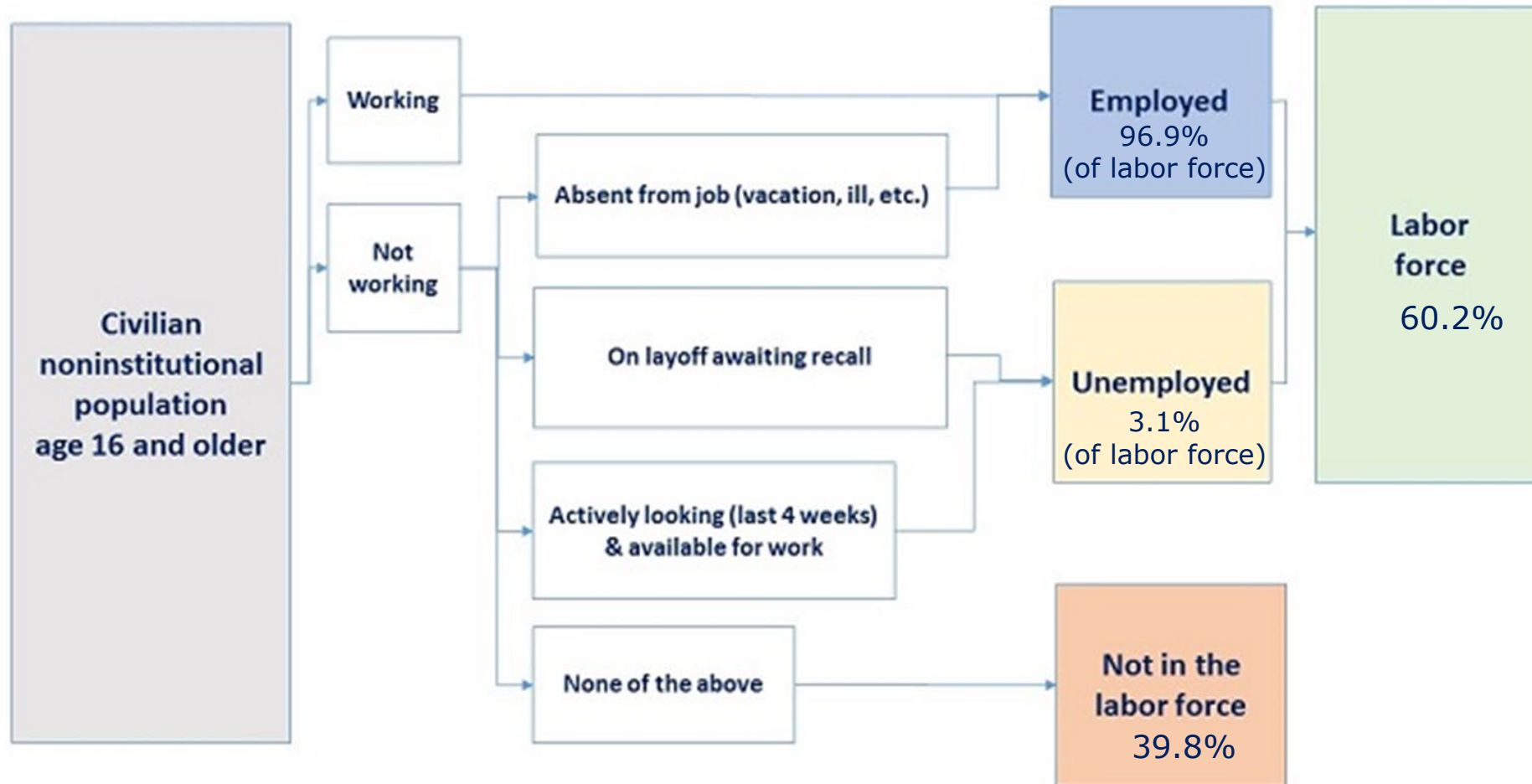
Baby Boom generation in 2032: age 68-86

Prime working-age population (20-64 years) projected to decrease by 4.6% from 2022-2032



# Workforce and Employment

# Who is in the labor force?



# What are the reasons people nationally are not in the labor force?

## Retirement (primarily age 55+)

$\frac{3}{4}$  of difference in nonparticipation from 1999-2022 due to retirements

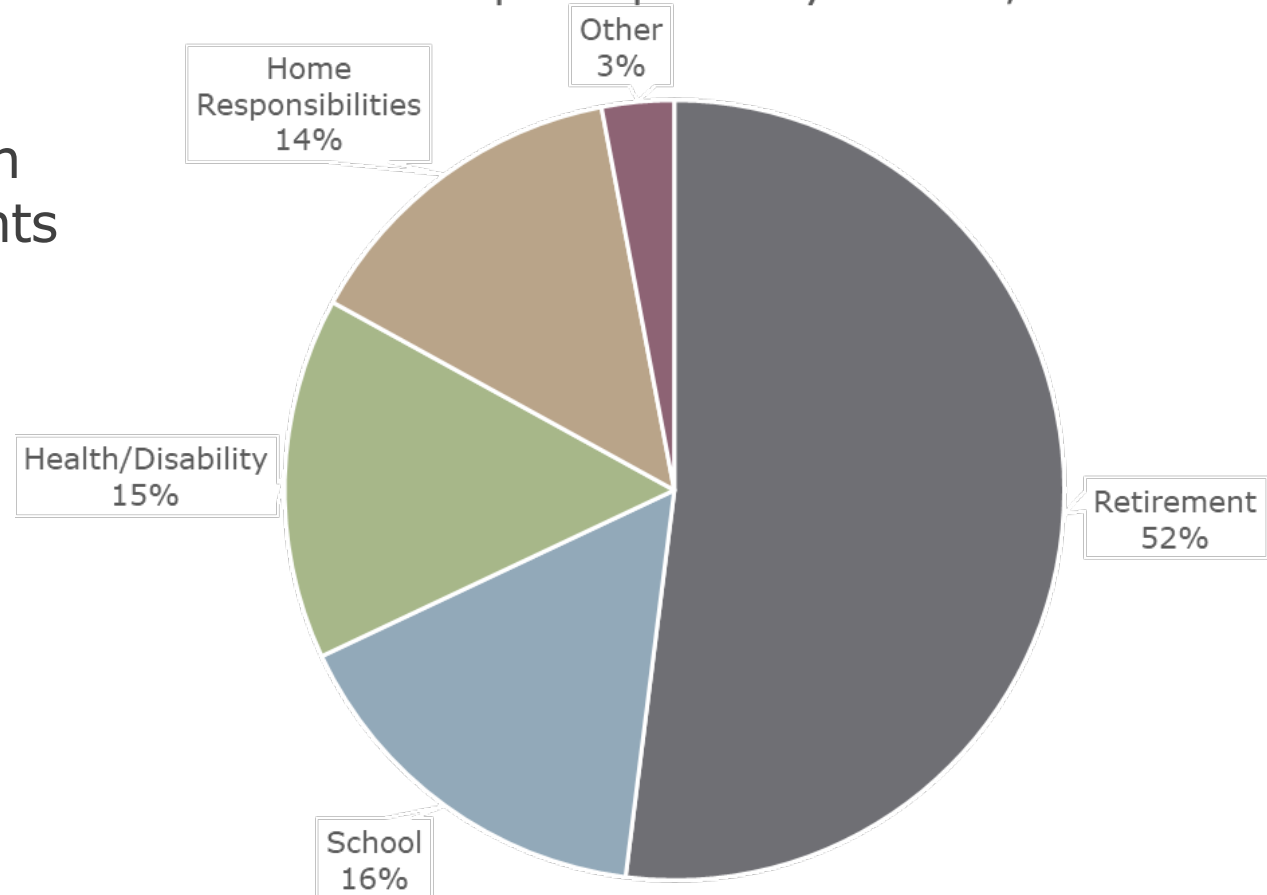
School attendance

Health/disability

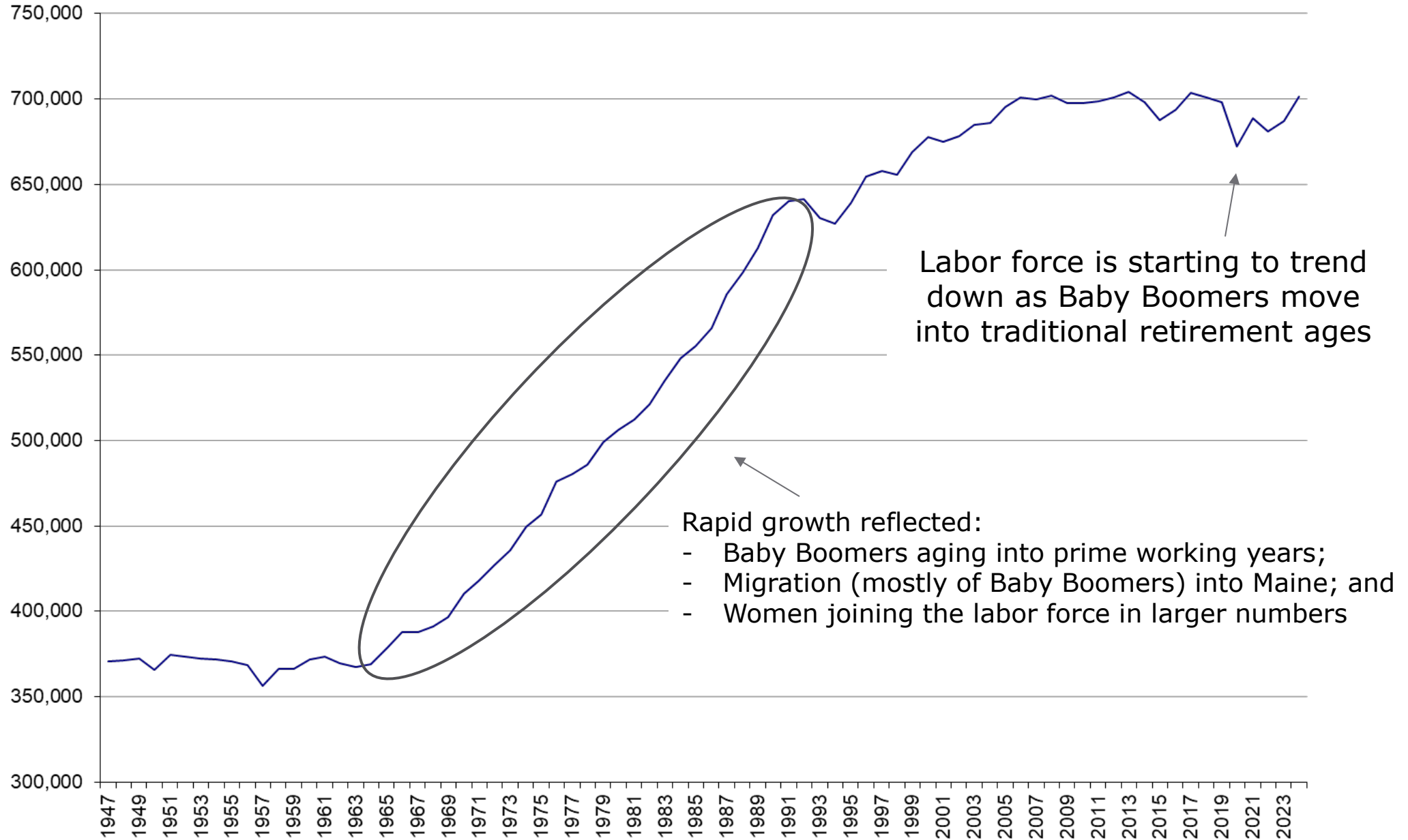
Home responsibilities

Other reasons

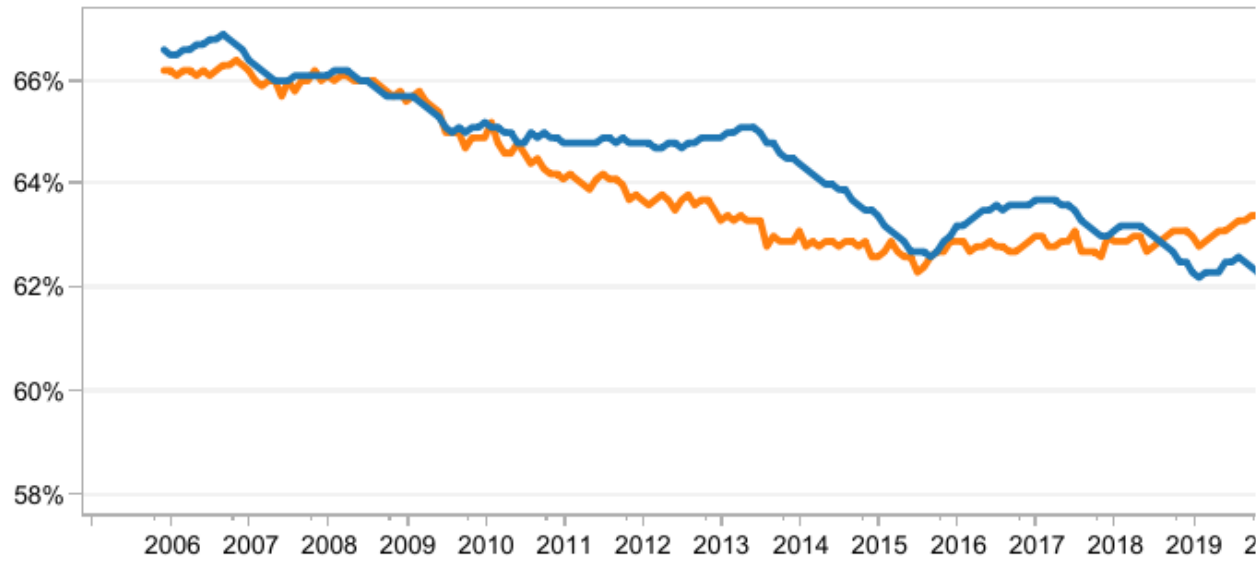
Share of Nonparticipants by Reason, 2022



# Maine Civilian Labor Force



### Labor Force Participation Rate (seasonally adjusted)

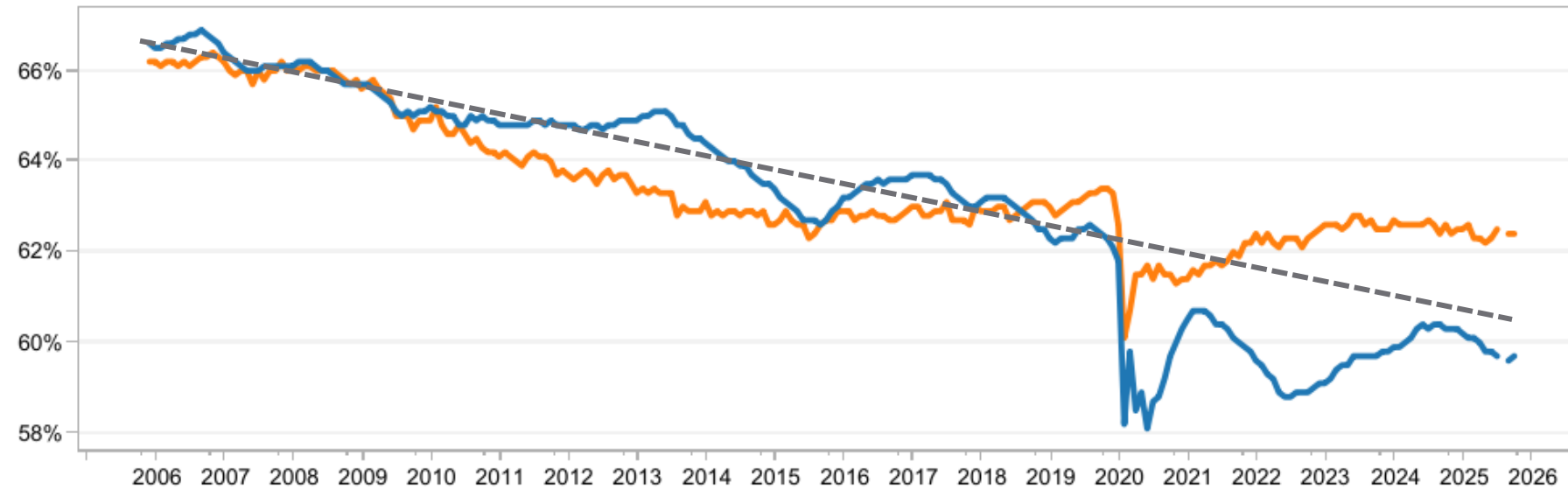


Jan, 2006 to Dec, 2025

- Unemployment Rate
- Labor Force & Employment
- Unemployment
- Labor Force Participation Rate
- Employment to Population Ratio

■ Maine  
■ United States

## Labor Force Participation Rate (seasonally adjusted)

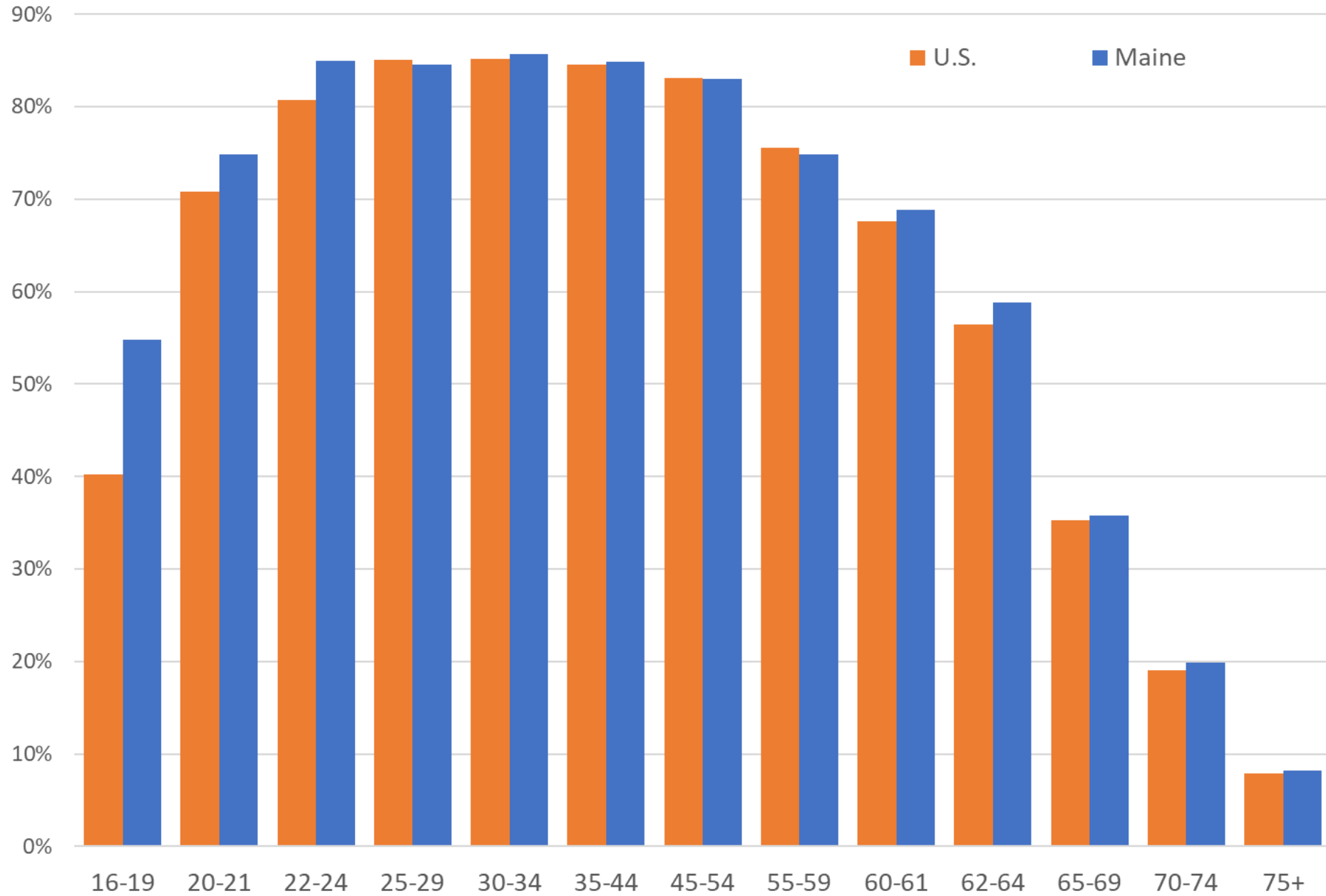


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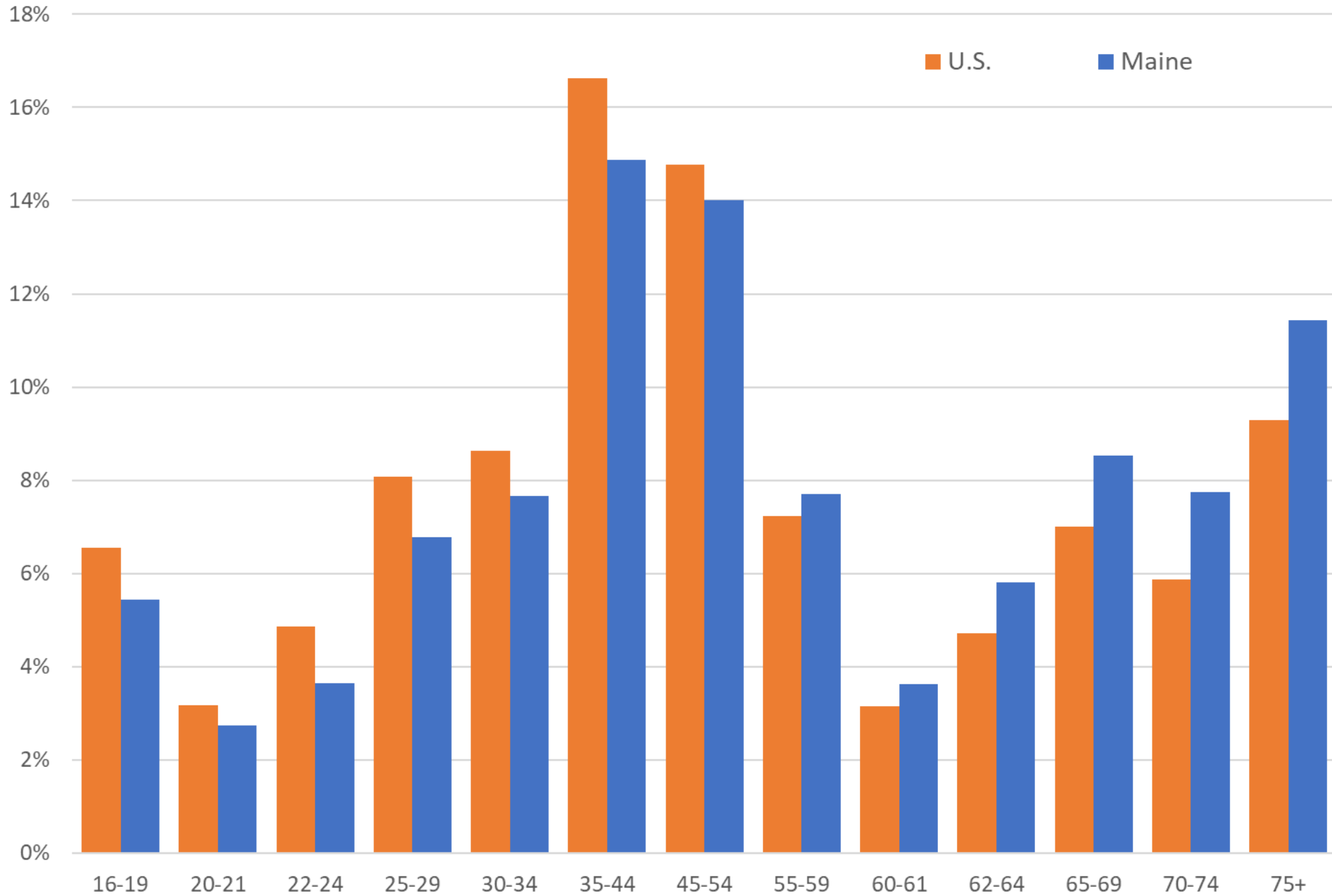
- Unemployment Rate
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■ Maine  
■ United States

# 2024 Labor Force Participation Rate



# Share of 16+ Population by Age, 2024



# Maine's seasonally-adjusted unemployment rate of 3.2% in December 2025 was unchanged through the second half of the year

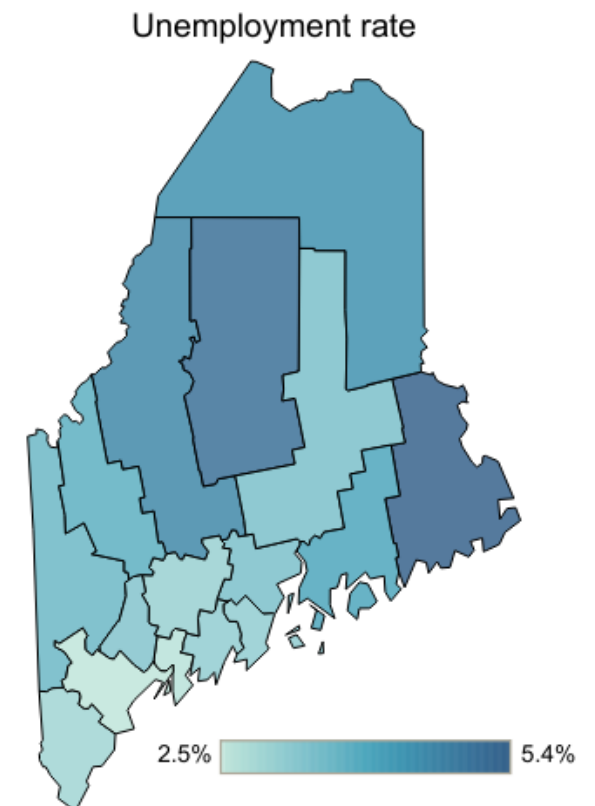
## County Rates (not seasonally adjusted)

December, 2025

Table  
 Graph

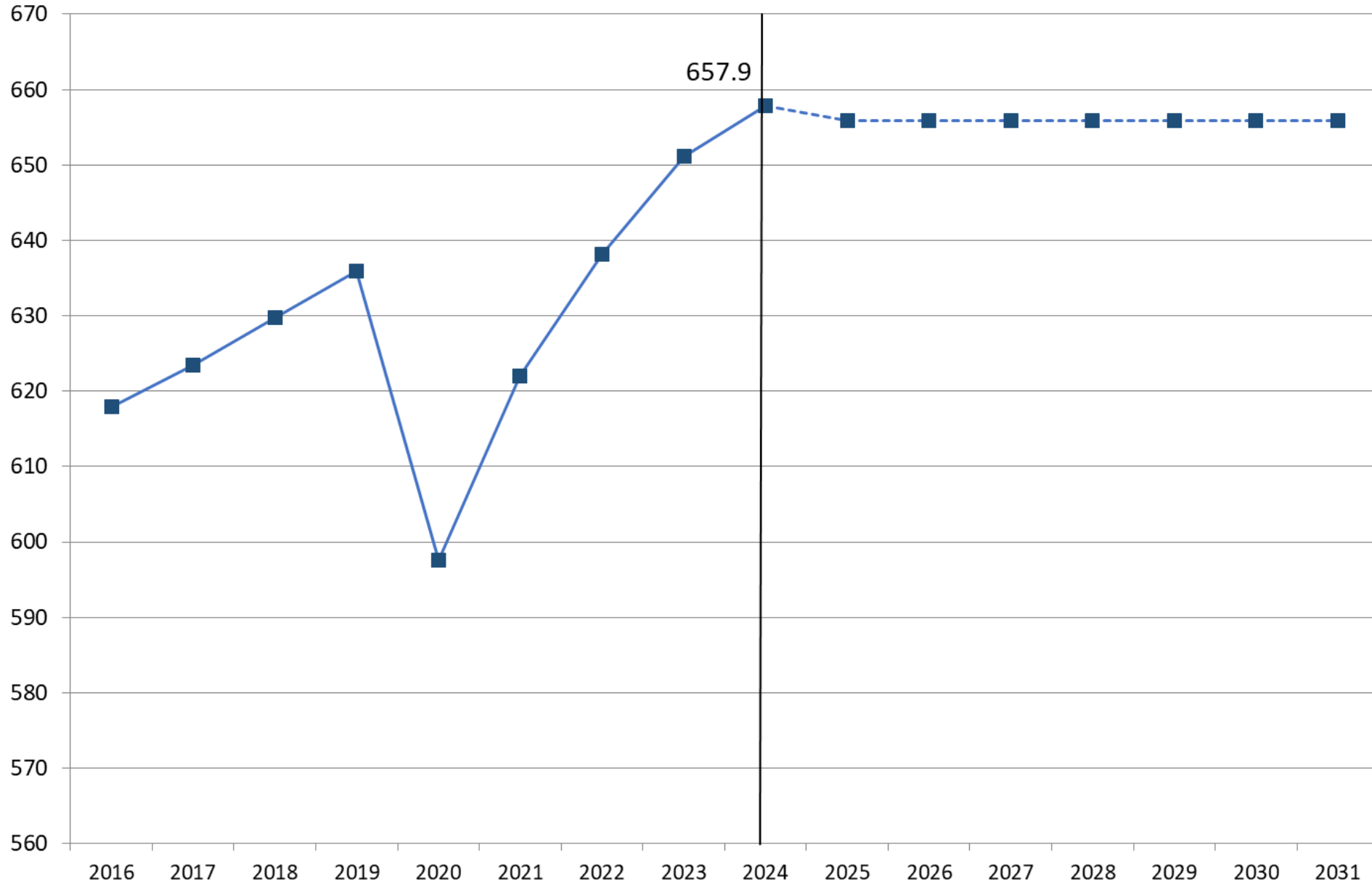
**Map/Graph Display**  
 Unemployment rate  
 One-year change

County	Rate	Year ago	One-yr change
Maine	3.2%	3.5%	-0.3
Androscoggin	3.3%	3.5%	-0.2
Aroostook	4.4%	4.7%	-0.3
Cumberland	2.5%	2.9%	-0.4
Franklin	3.8%	4.2%	-0.4
Hancock	4.0%	4.3%	-0.3
Kennebec	3.0%	3.3%	-0.3
Knox	3.1%	4.1%	-1.0
Lincoln	3.1%	3.9%	-0.8
Oxford	3.6%	4.0%	-0.4
Penobscot	3.4%	3.8%	-0.4
Piscataquis	5.1%	5.6%	-0.5
Sagadahoc	2.6%	3.0%	-0.4
Somerset	4.6%	4.9%	-0.3
Waldo	3.4%	3.9%	-0.5
Washington	5.4%	4.8%	0.6
York	2.9%	3.1%	-0.2



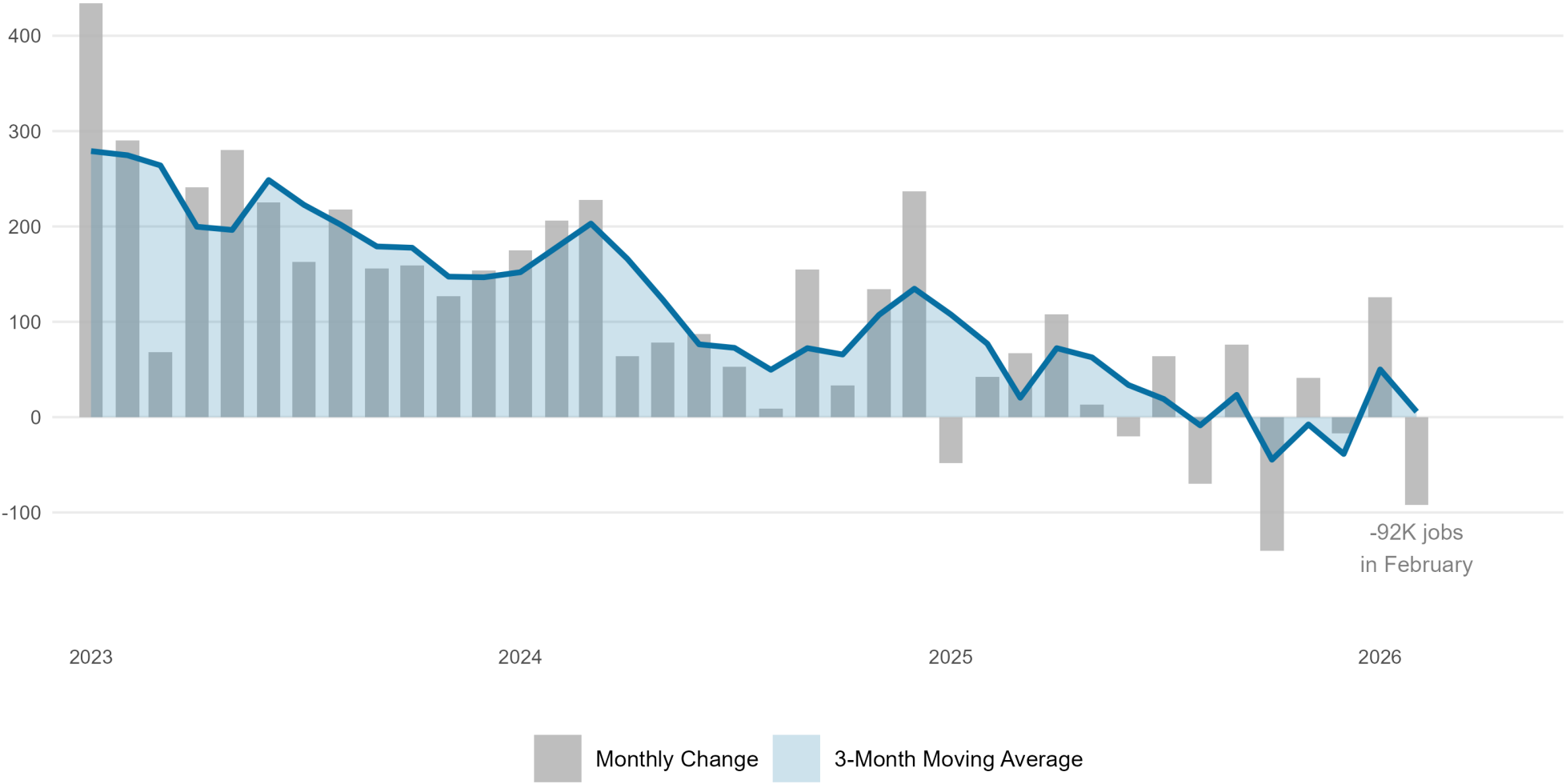
# Total Nonfarm Employment (in thousands)

## History and Consensus Economic Forecasting Commission forecast



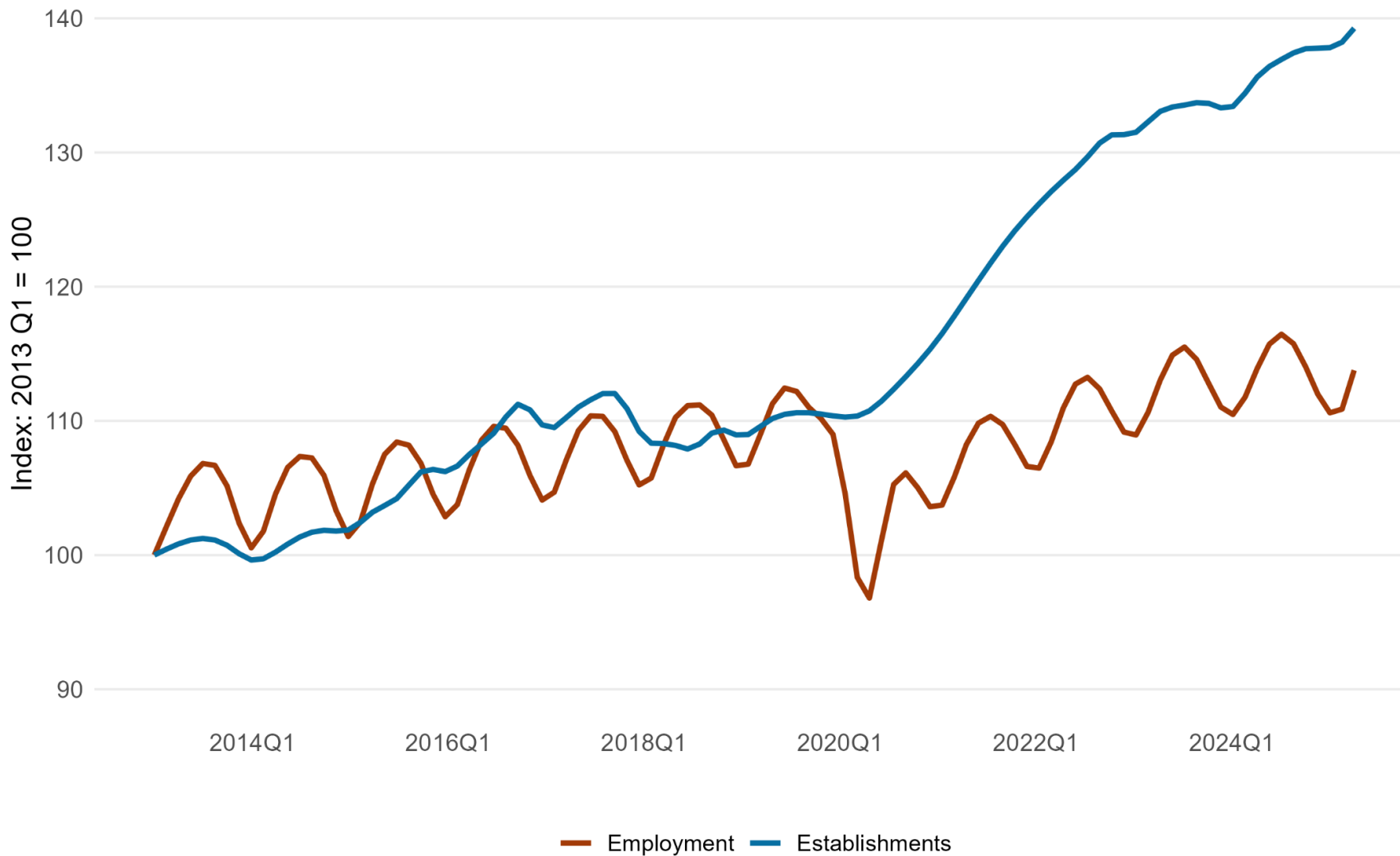
# US Nonfarm Payroll Employment (Seasonally Adjusted)

Monthly Change in Jobs (in thousands)



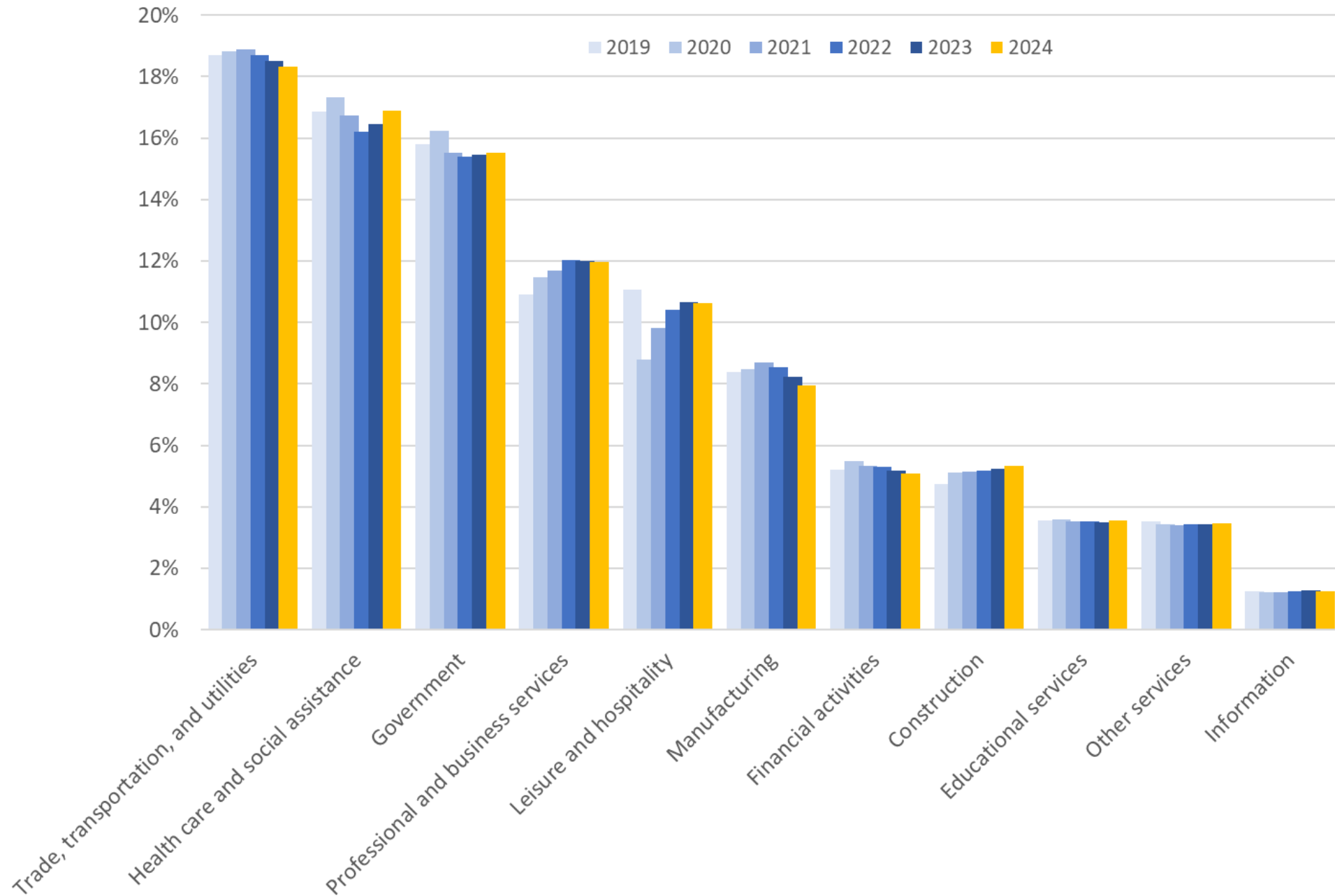
Source: U.S. Bureau of Labor Statistics

### Maine Wage and Salary Employment & Private Employer Establishments

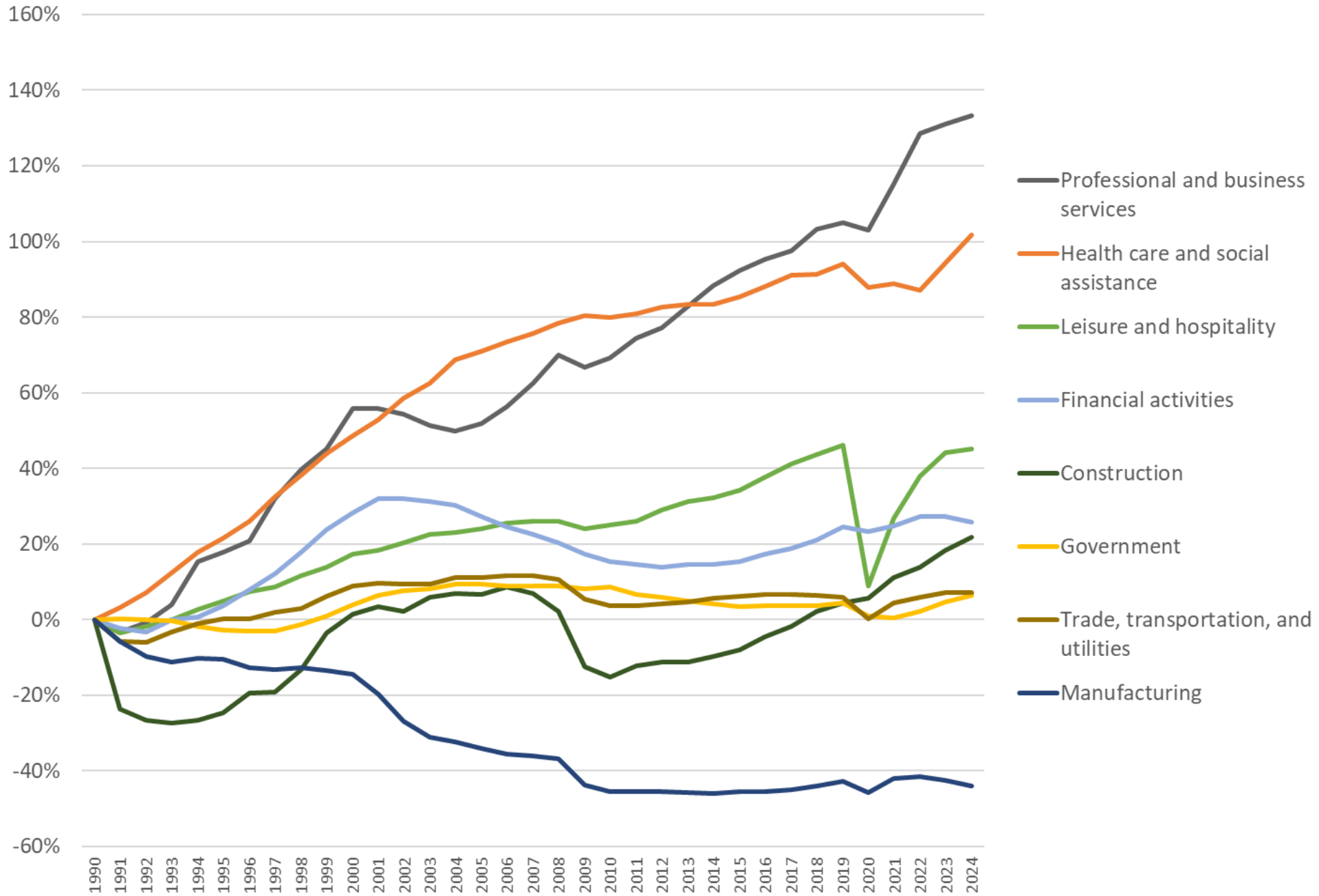


As remote work grew during the pandemic, Maine saw employer establishments grow at a faster rate than jobs as out-of-state firms reported small numbers of workers now in Maine.

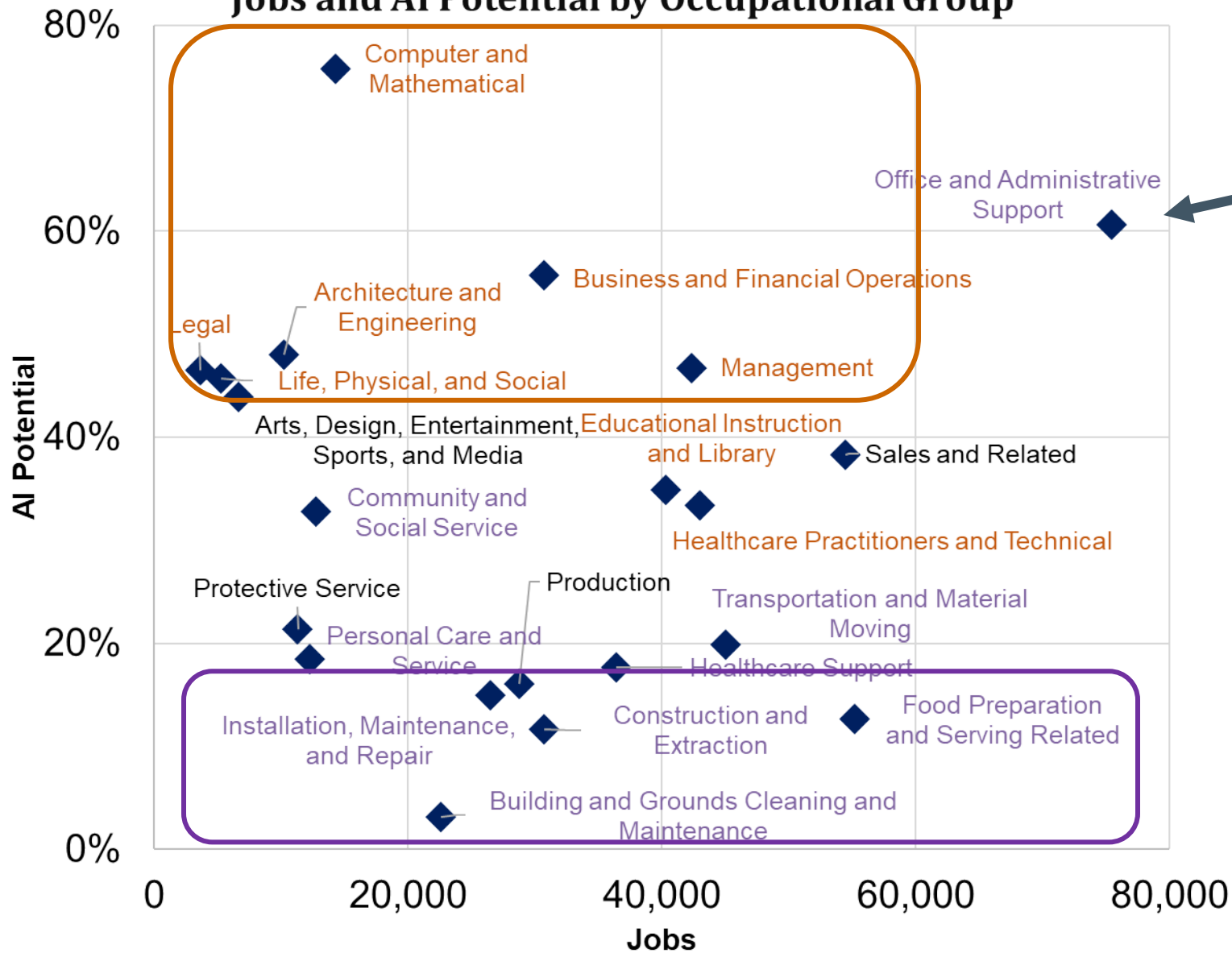
## Share of Maine Nonfarm Employment by Industry



## Percent change in select Maine employment sectors since 1990



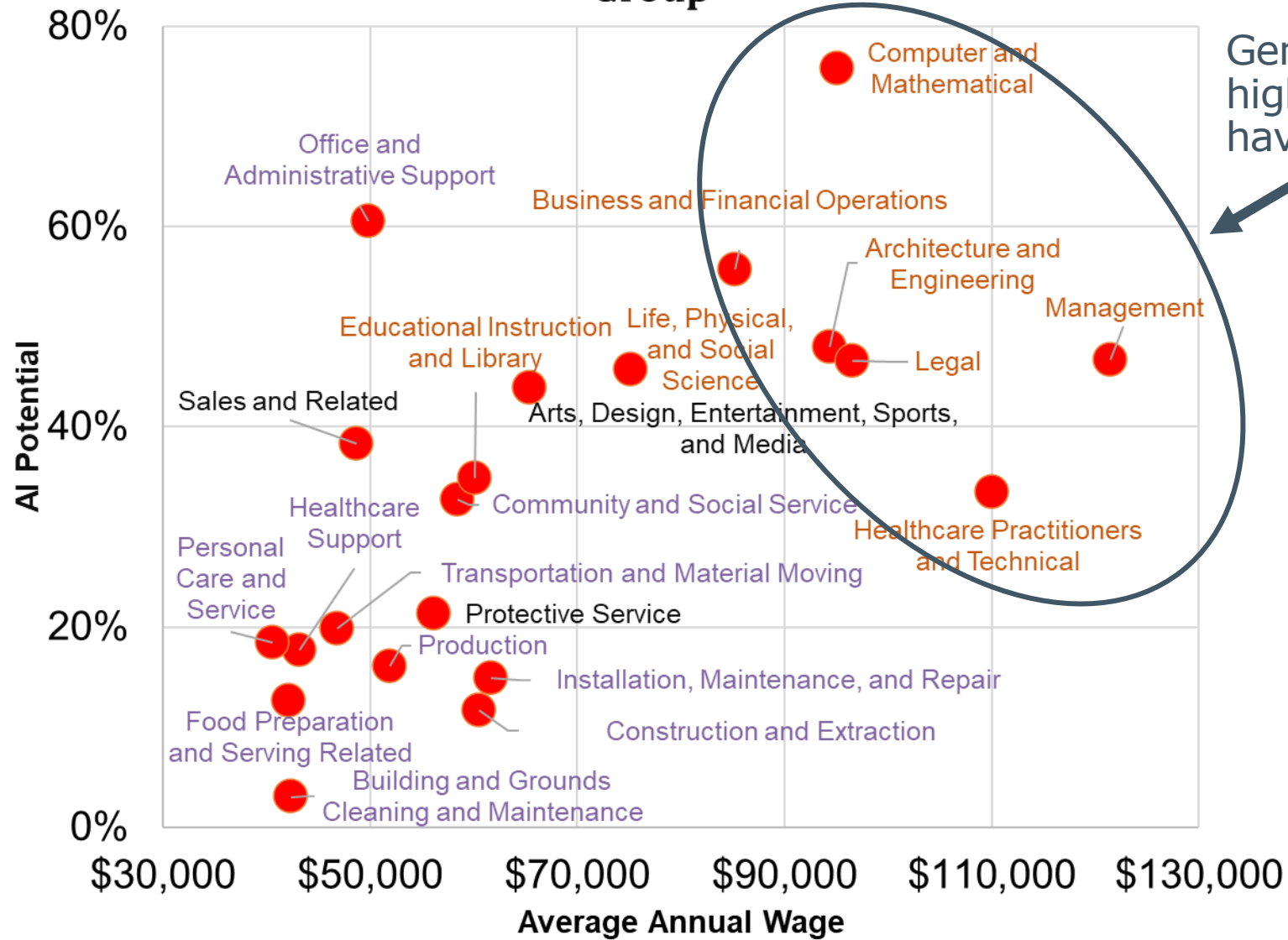
## Jobs and AI Potential by Occupational Group



The most job impact is expected in administrative support jobs

*Most jobs in these occupations require post-secondary education*  
*Most jobs in these occupations do not require post-secondary education*  
*Educational requirements in these occupations vary*

## Average Annual Wage and AI Potential by Occupational Group

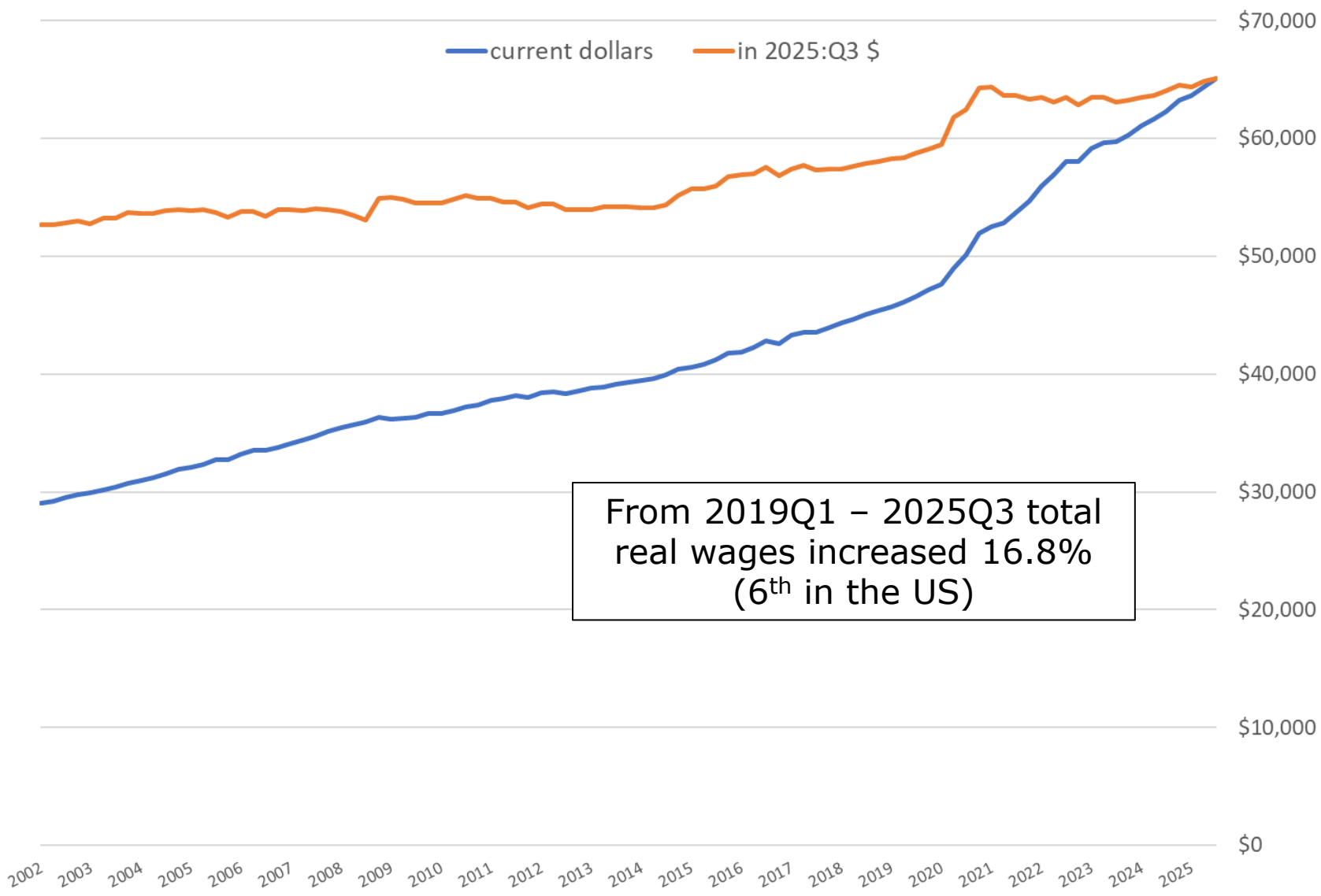


Generally, jobs with the highest potential AI impact have high average wages

*Most jobs in these occupations require post-secondary education*  
*Most jobs in these occupations do not require post-secondary education*  
*Educational requirements in these occupations vary*

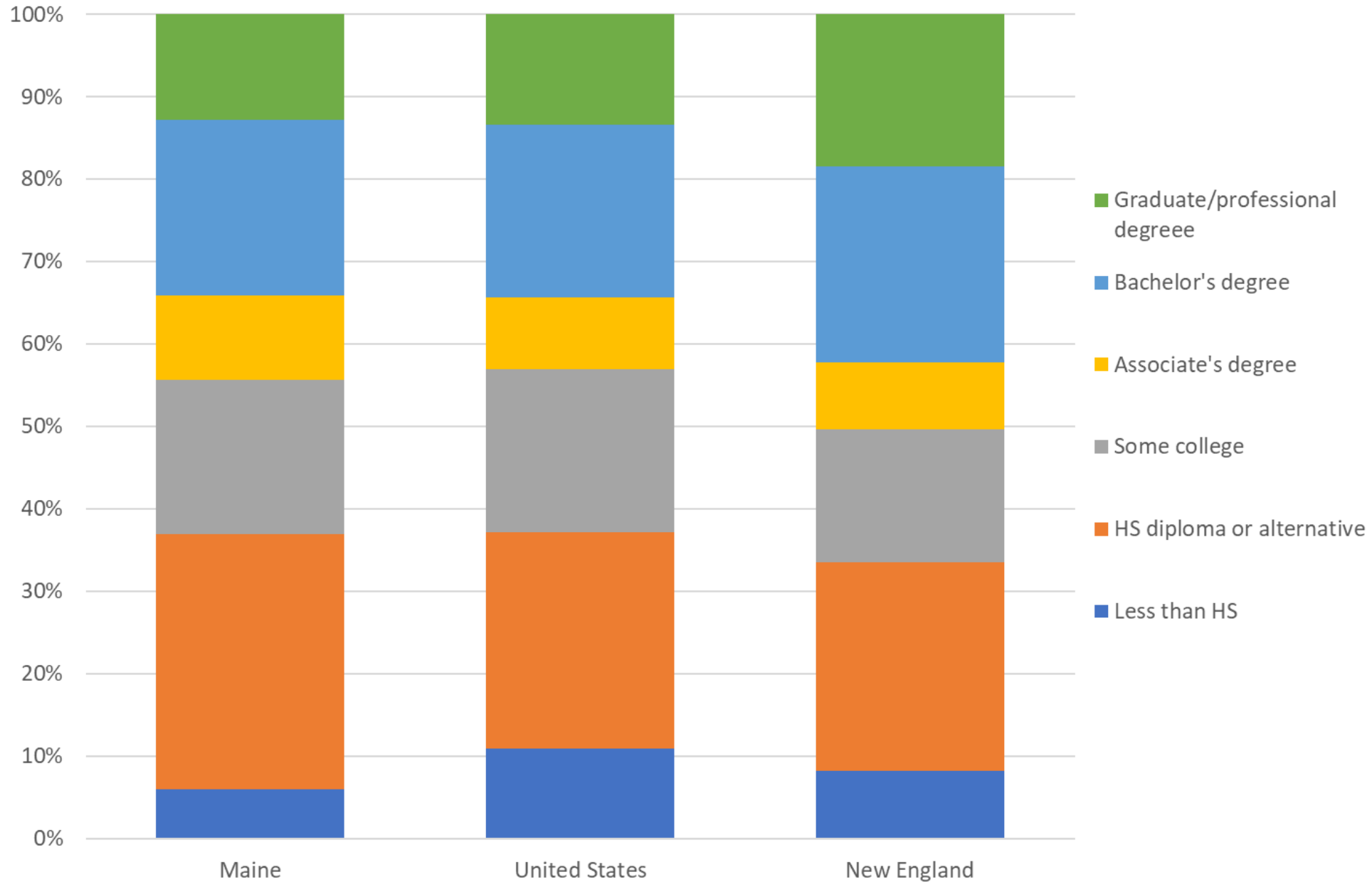
# Wages, Income, and Spending

## Moving Four Quarter Average Wage Per Job

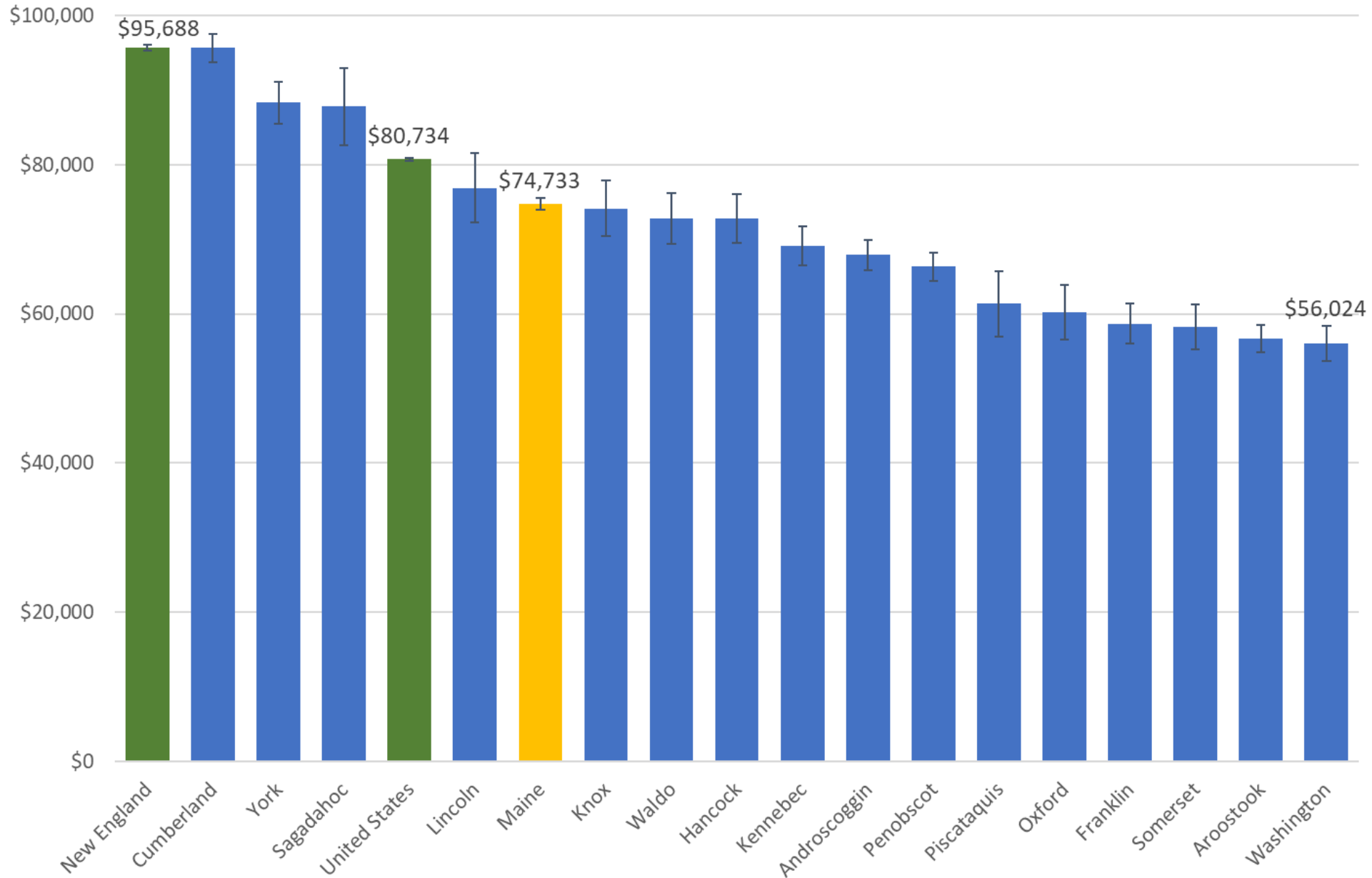


Wages increased sharply during the first part of the pandemic; since then, increases have kept pace with inflation

## Educational Attainment of Population Age 25+



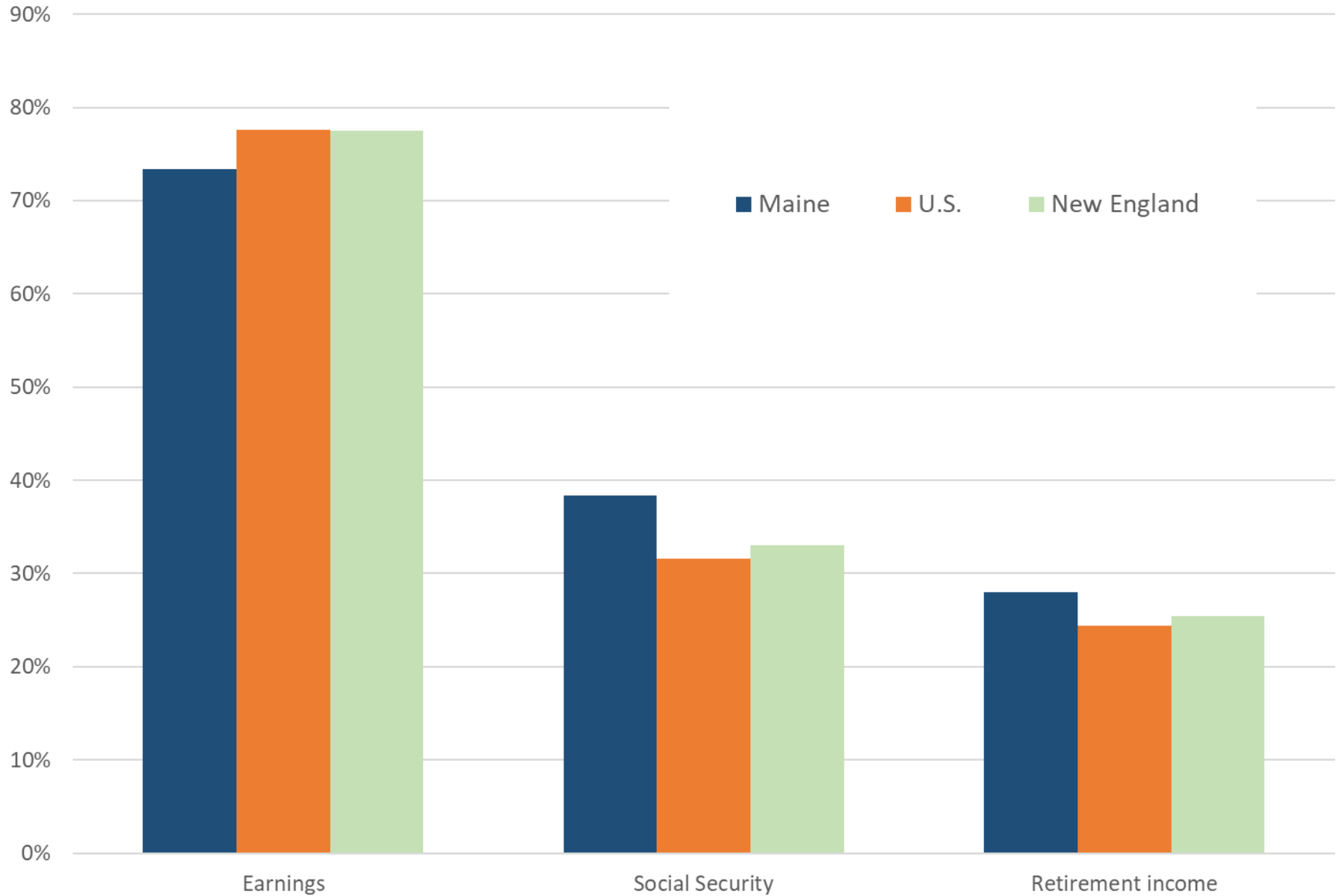
# Median Household Income



# Maine has relatively fewer households at the highest income brackets

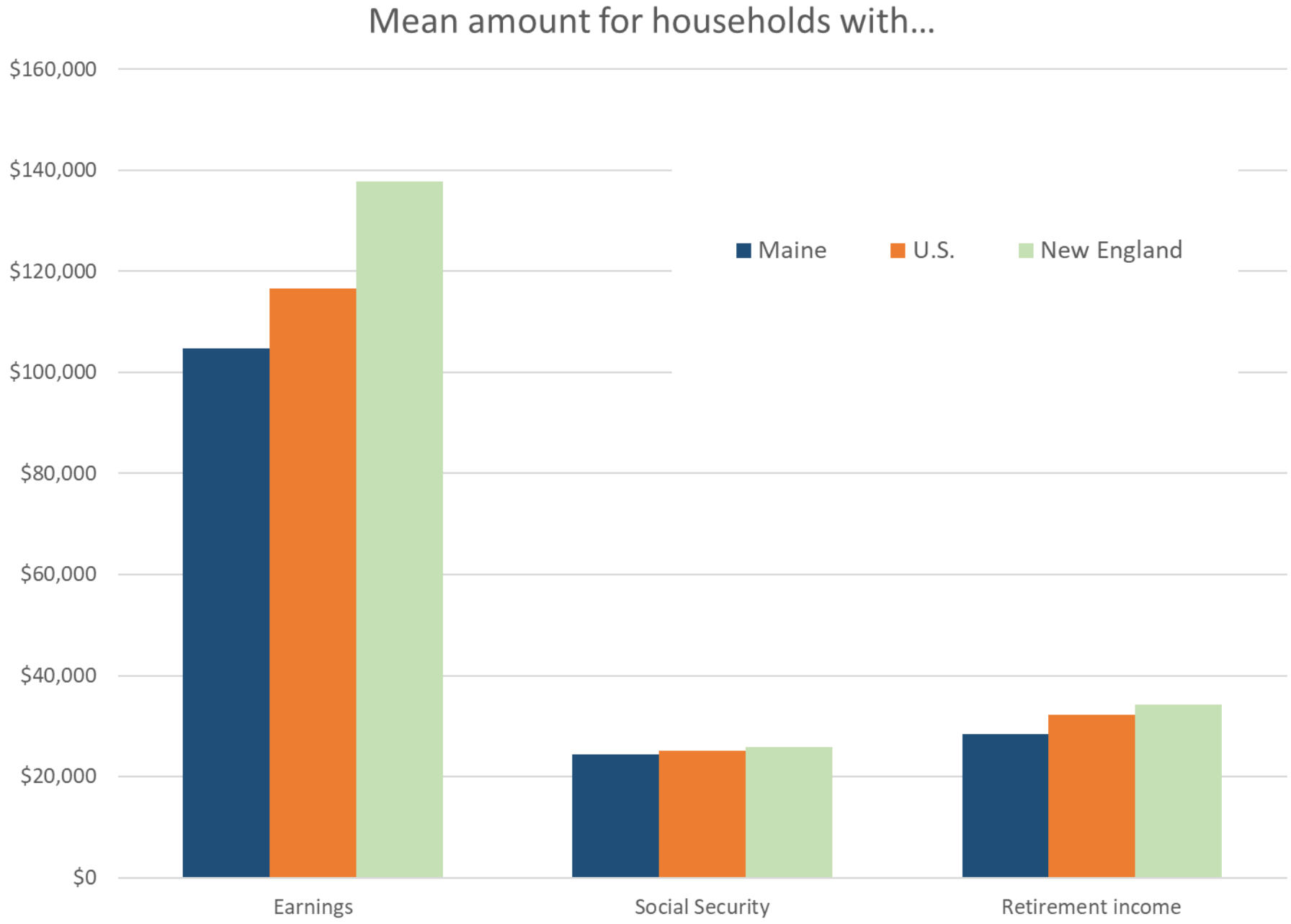


## Percent of households with...



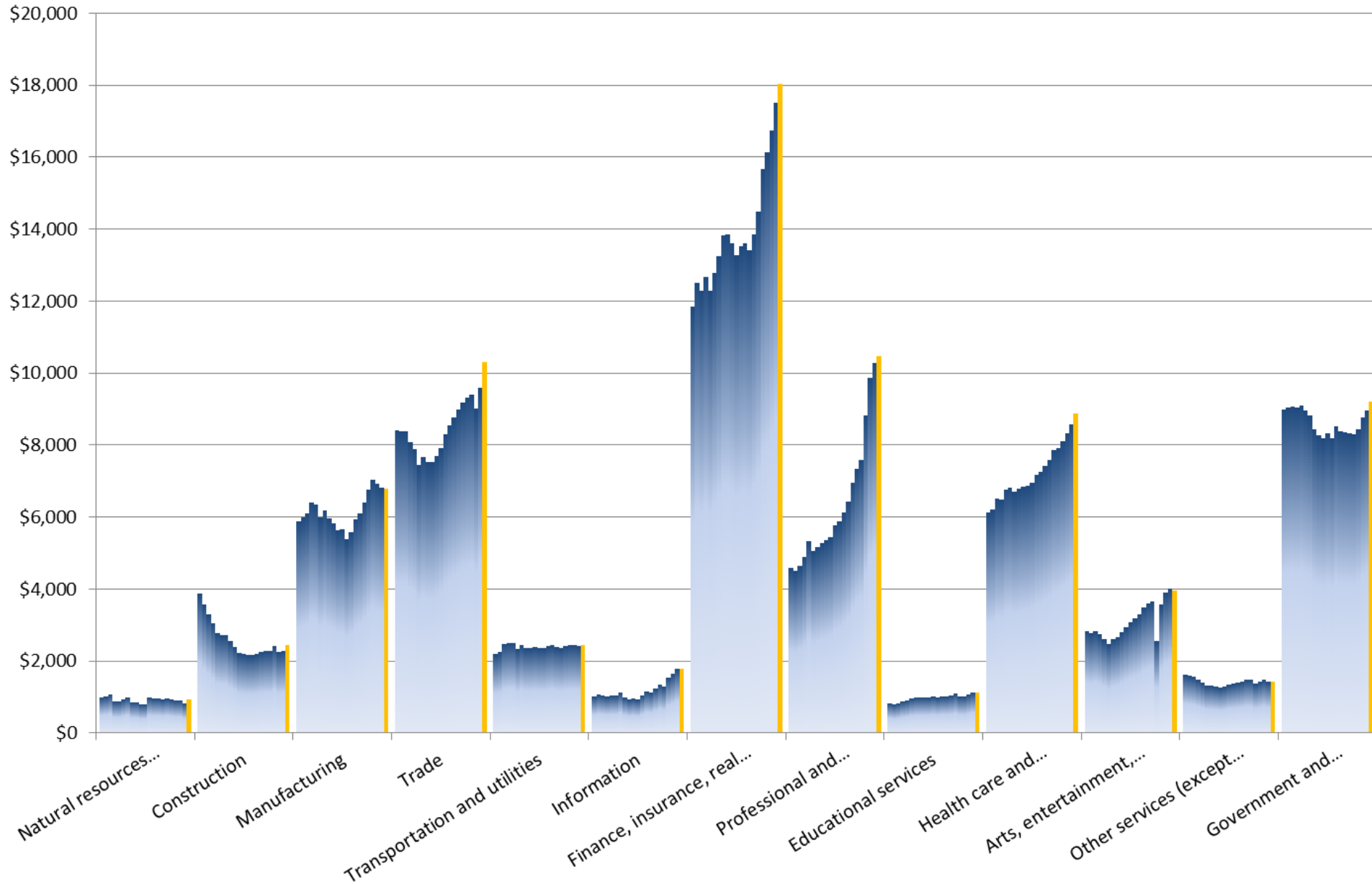
Maine has a higher share of households with Social Security and retirement income and a lower share of households with earnings

The amount of income from earnings is much higher than Social Security or retirement

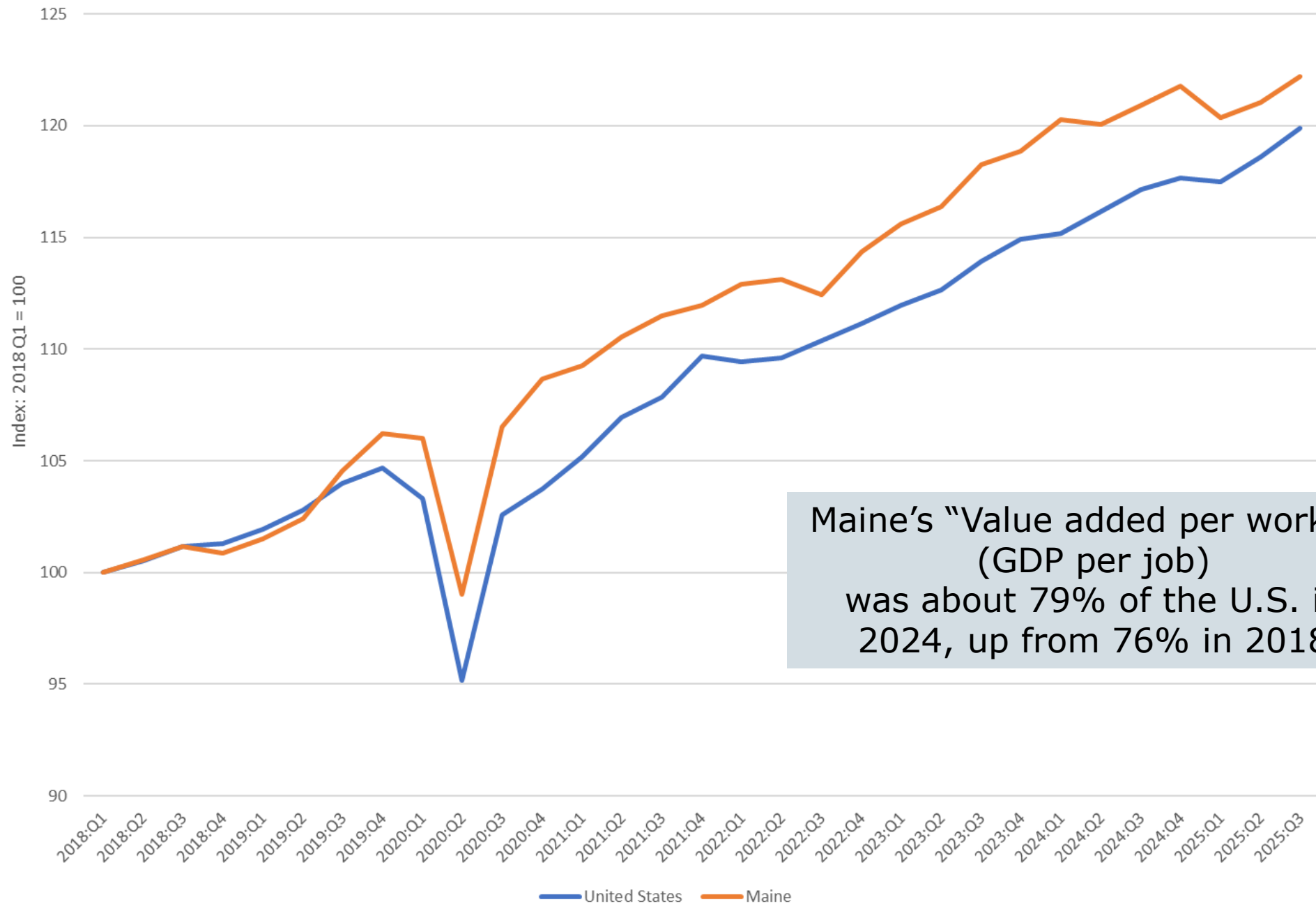


# Gross Domestic Product (GDP)

## Maine Real GDP by Industry, 2004-2024 (in millions of chained 2017 dollars)

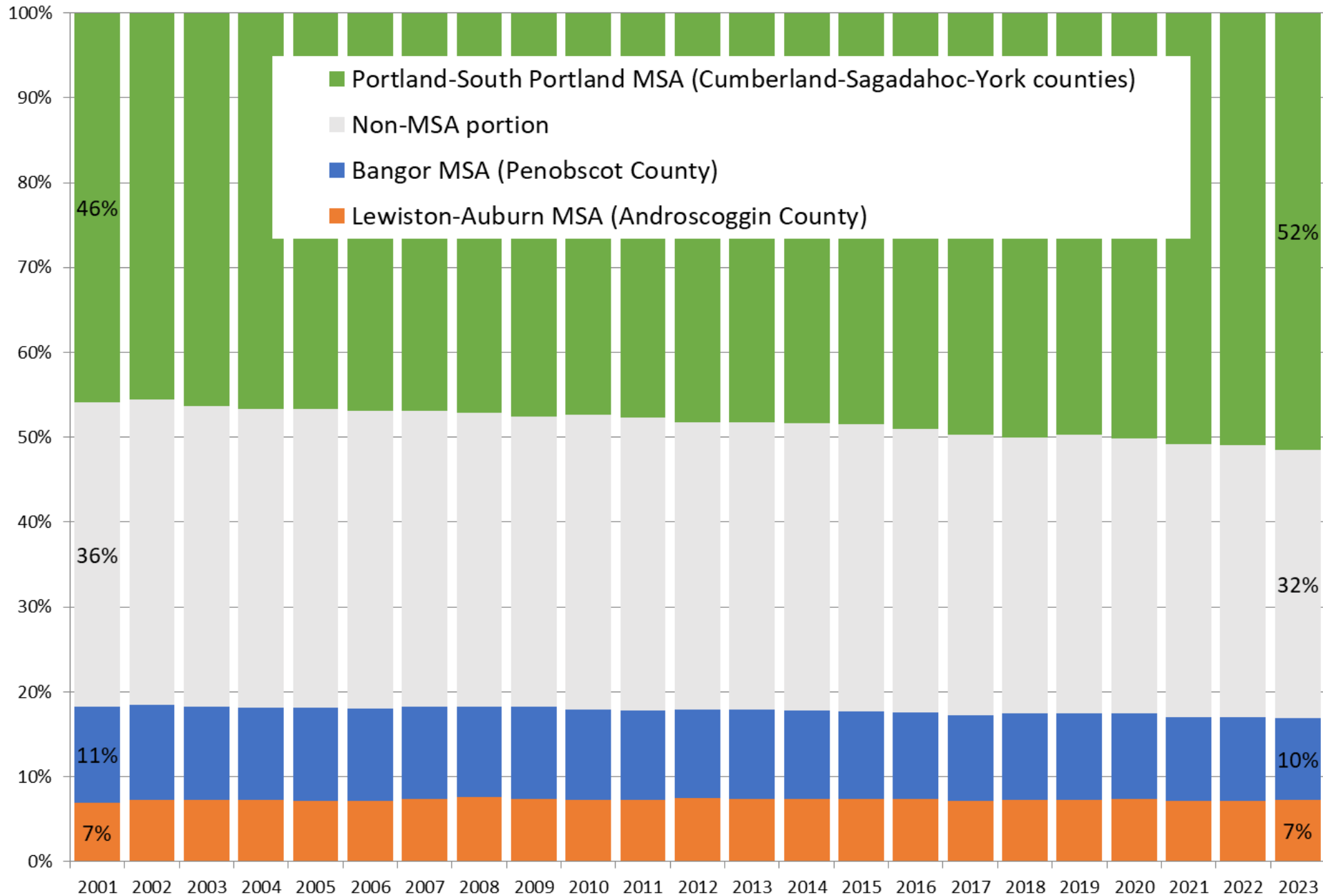


Quarterly Real GDP (in millions of chained 2017 dollars)



Maine's "Value added per worker"  
(GDP per job)  
was about 79% of the U.S. in  
2024, up from 76% in 2018

## Share of Maine GDP by Metropolitan Area



# Macroeconomic Conditions

# Summary of key assumptions in February 2026 CEFC report

- Maine is navigating a period of significant uncertainty around economic policy, government spending, geopolitical tensions, and consumer sentiment.
- The economy seems to be experiencing K-shaped dynamics, with spending by wealthier households helping to keep the economy growing in the face of tariffs and uncertainty around other federal policies.
- The federal government has entered into a period of significant fiscal re-prioritization.
- Inflation remains elevated above target levels while consumer sentiment has weakened.
- Because of our state's demographics and close relationship with Canada, Maine may be particularly vulnerable to changes in federal funding and tariff policy.
- In the short term, net migration will be hampered by federal immigration policies and the housing market.

# Global uncertainty has increased, with high volatility in energy prices

Around 1/5 of world's oil supply typically passes through Strait of Hormuz; has been essentially shut down since March 1

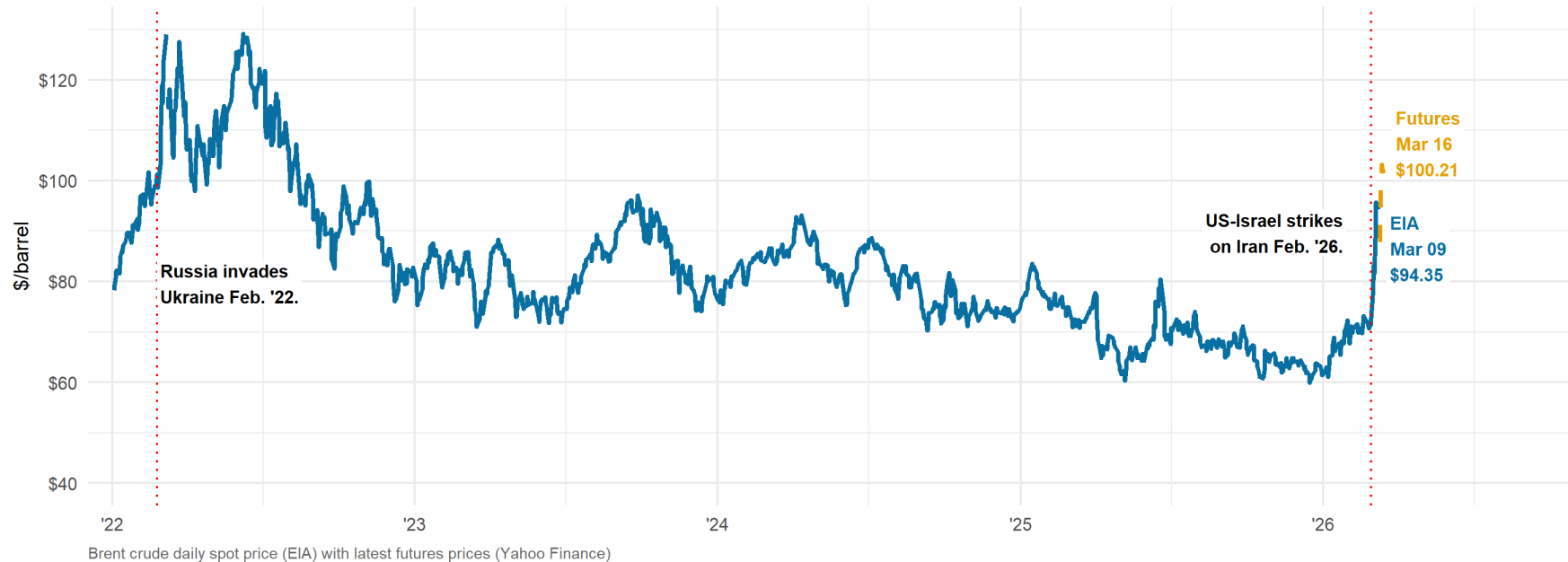
Crude oil prices surged to \$120/barrel (highest since 2022 and largest weekly gain in oil futures trading history tracking back to 1983) before dropping below \$100/barrel

Increases inflationary pressures at the same time employment is softening

Crude oil prices flow through to gasoline, heating oil, diesel, etc.; Maine's economy is highly responsive to oil prices

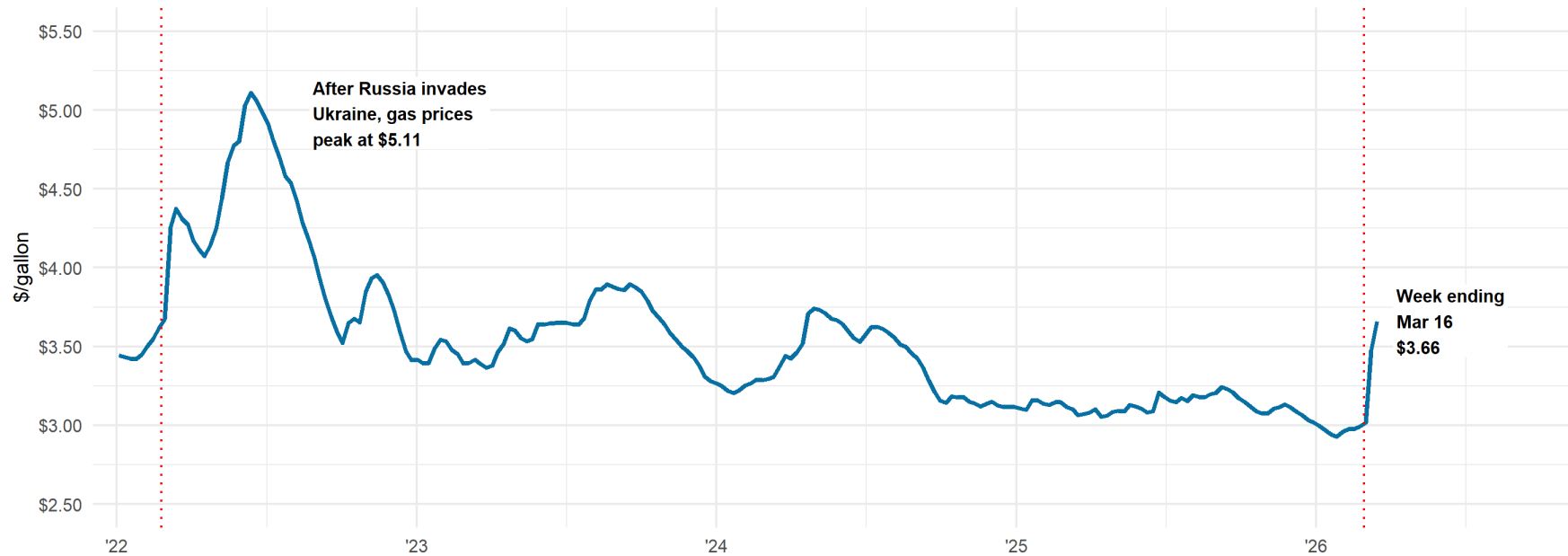
# Brent Crude and New England Gasoline Prices

Brent crude oil price (daily spot through Mar 09, futures Mar 10-Mar 16)



Brent crude daily spot price (EIA) with latest futures prices (Yahoo Finance)

New England retail gasoline price (weekly average, all grades)



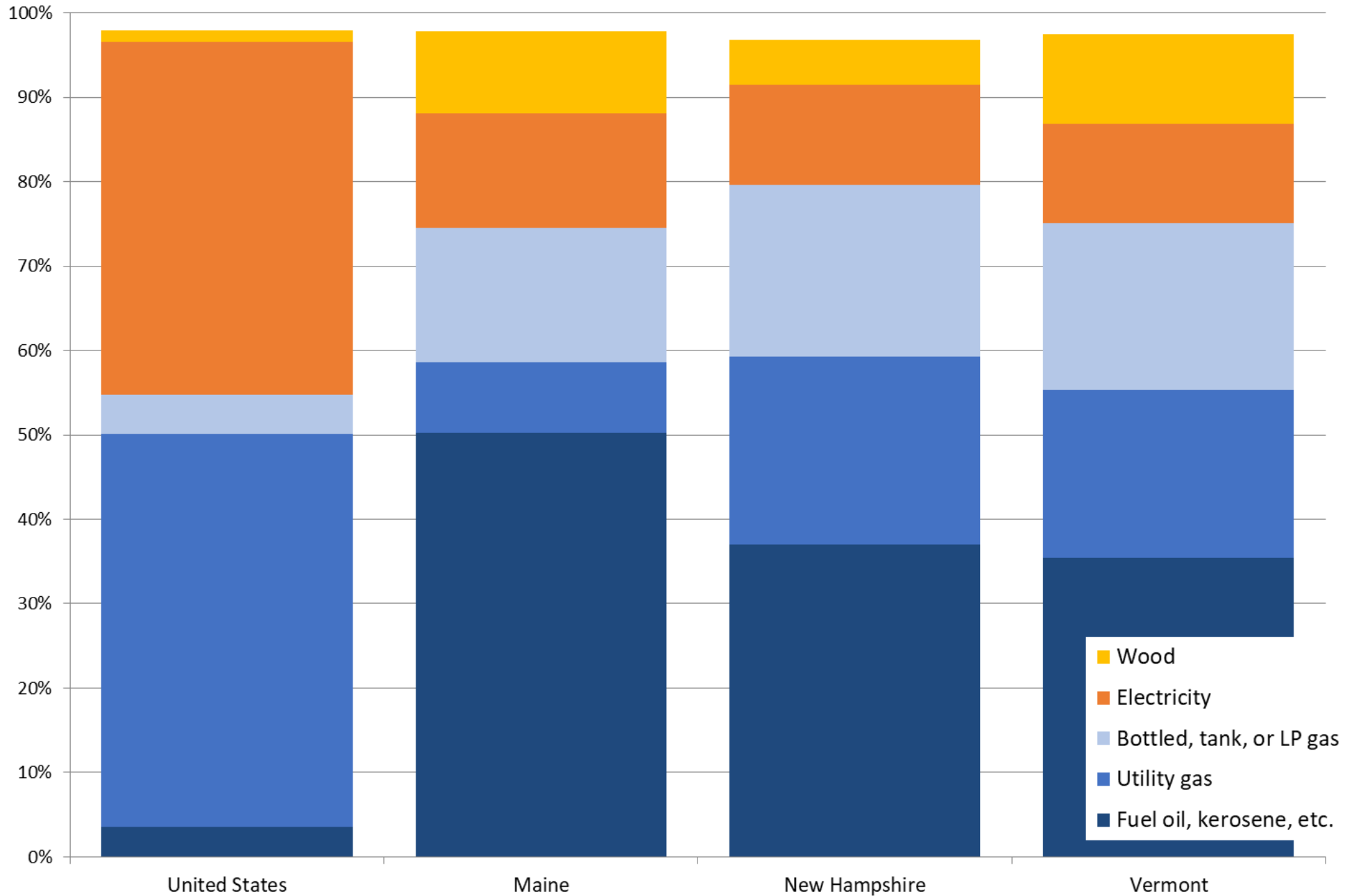
EIA weekly New England retail gasoline price (all grades)  
Weekly data shown; retail prices update more slowly than crude oil

# Heating oil at \$4.778 week ending 3/9/26 (up \$0.877 from week prior)

Weekly Heating Oil and Propane Prices



# Percent of Housing Units by Type of Primary Heating Fuel



# Tariffs have been a rollercoaster ride, with more twists and turns this year

International Emergency Economic Powers Act (IEEPA) tariffs overturned by the U.S. Supreme Court; replaced with 10% tariff on most goods (15% threatened) for 150 days from Feb. 22, 2026, under Section 122

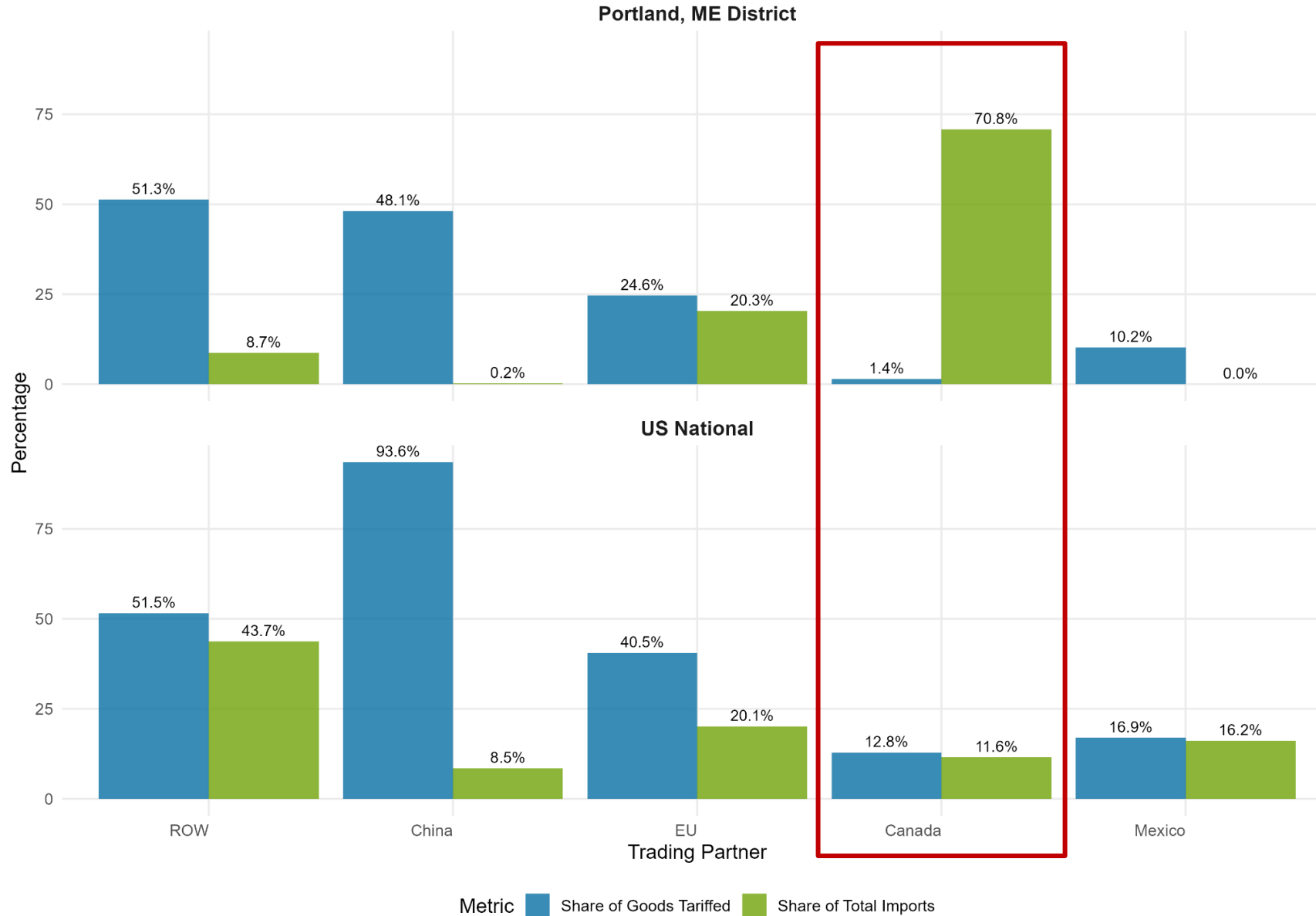
U.S.-Mexico-Canada Agreement (USMCA) compliant imports have remained exempt (around 85% from Canada, 86% from Mexico exempt)  
USMCA up for review this year (July)

Process for IEEPA tariff refunds to importers still being determined

The Budget Lab at Yale estimates loss of \$450-\$570 per household if Section 122 tariffs expire and \$770-\$940 if made permanent

## Comparing Tariff Share vs Import Volume

Latest Period: September 2025

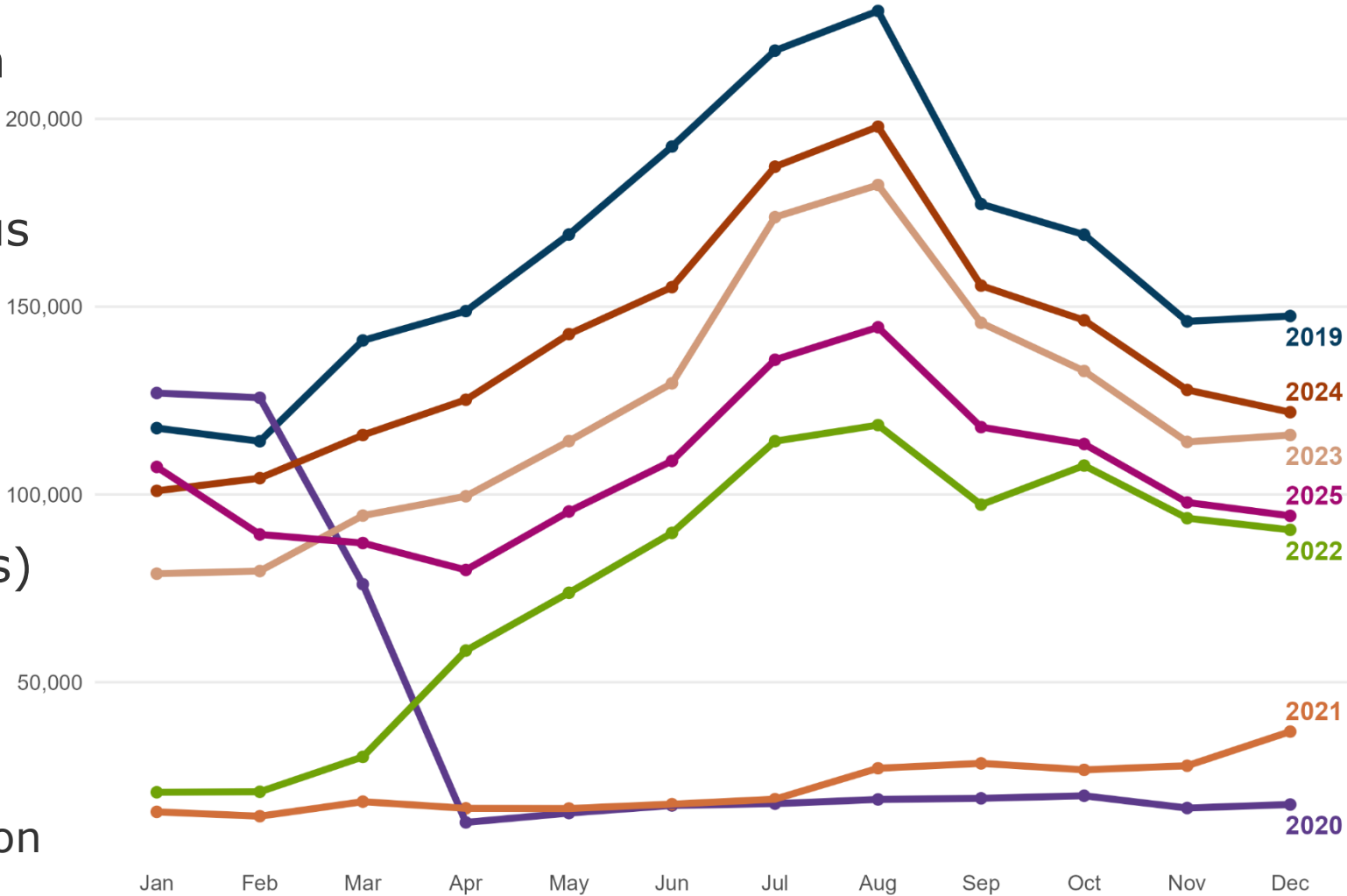


Portland, ME District includes all ports of entry in ME as well as Portsmouth, NH, Lebanon Airport, NH, and Manchester, NH  
 Data: U.S. Census Bureau

# Summer tourism season:

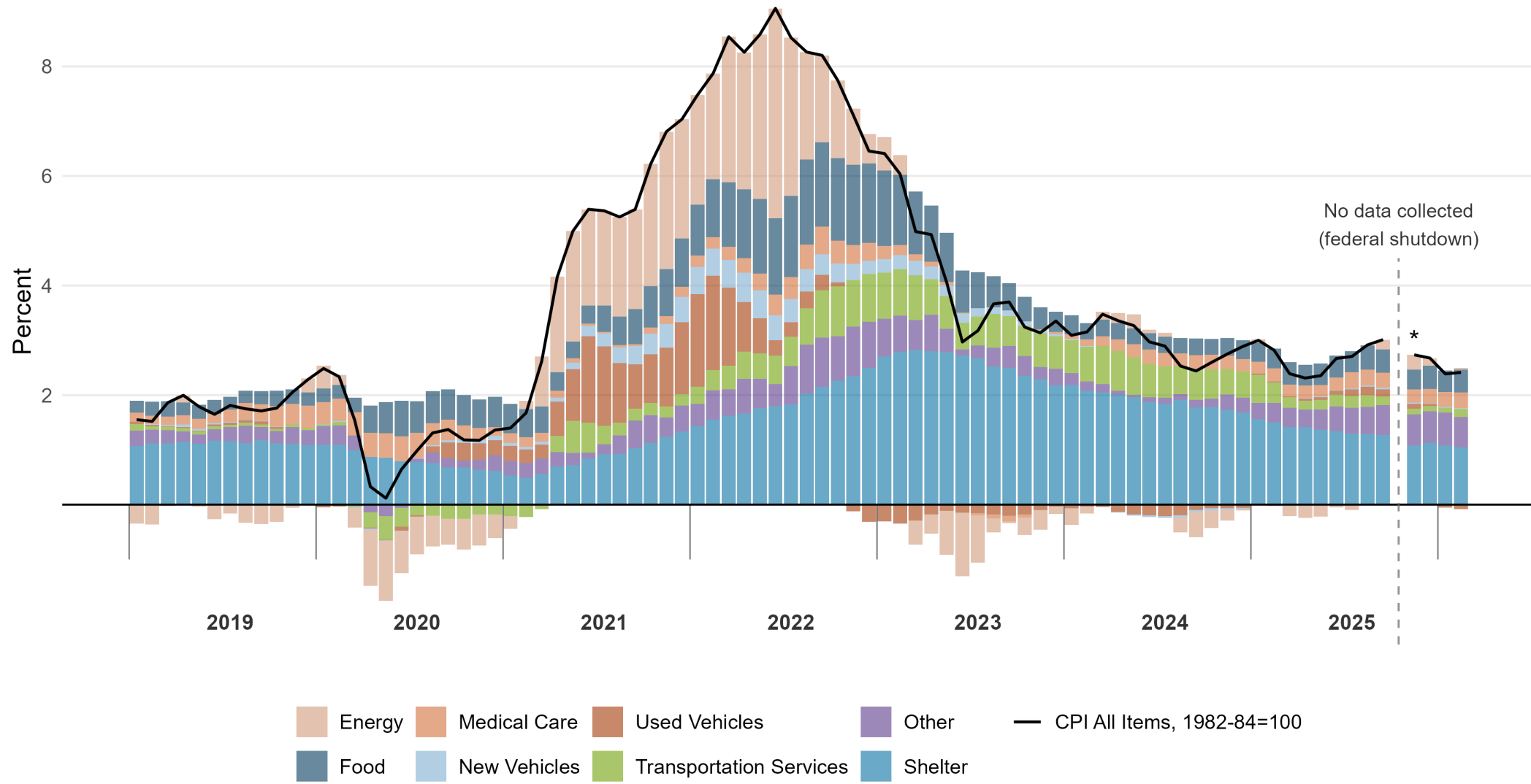
- Direct spending was down 3.5%, reflecting the national trend of visitors being more price conscious
- Decrease in overall visitation was primarily from day trippers (who typically don't spend as much as overnight visitors)
- Fewer Canadian visitors than last year
  - 3pp lower (4% vs 7%) share of summer visitation

Passenger Vehicles Entering Maine from Canada



Source: U.S. Department of Transportation, Bureau of Transportation Statistics

# Percentage Point Contribution to Year-Over-Year Percent Change in CPI

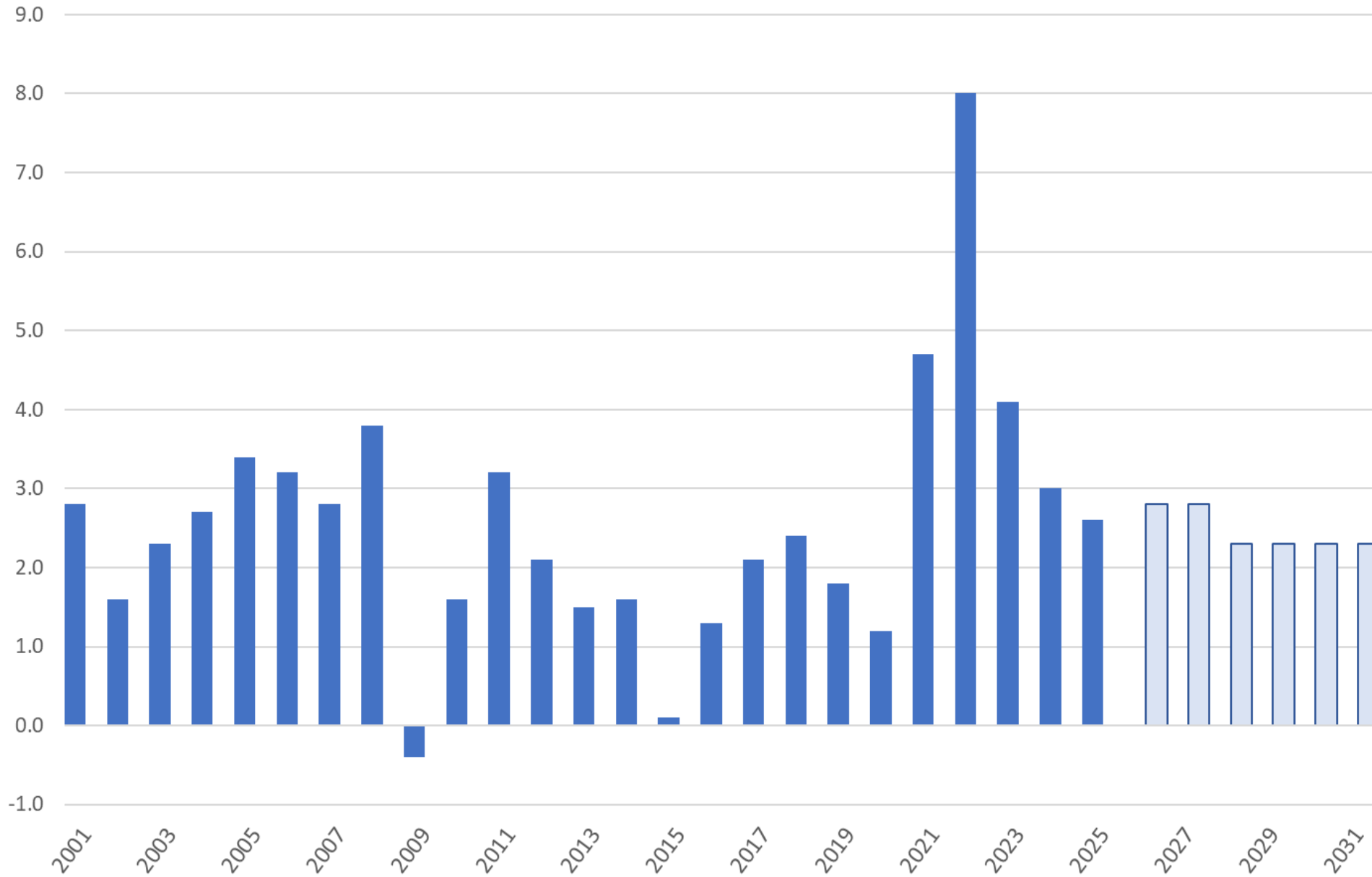


Source: US Bureau of Labor Statistics & Calculations by OSE Staff

\*November 2025: Shutdown not resolved until Nov 12; BLS operated on truncated schedule. Second half of November (Black Friday, holiday shopping) may have distorting effect

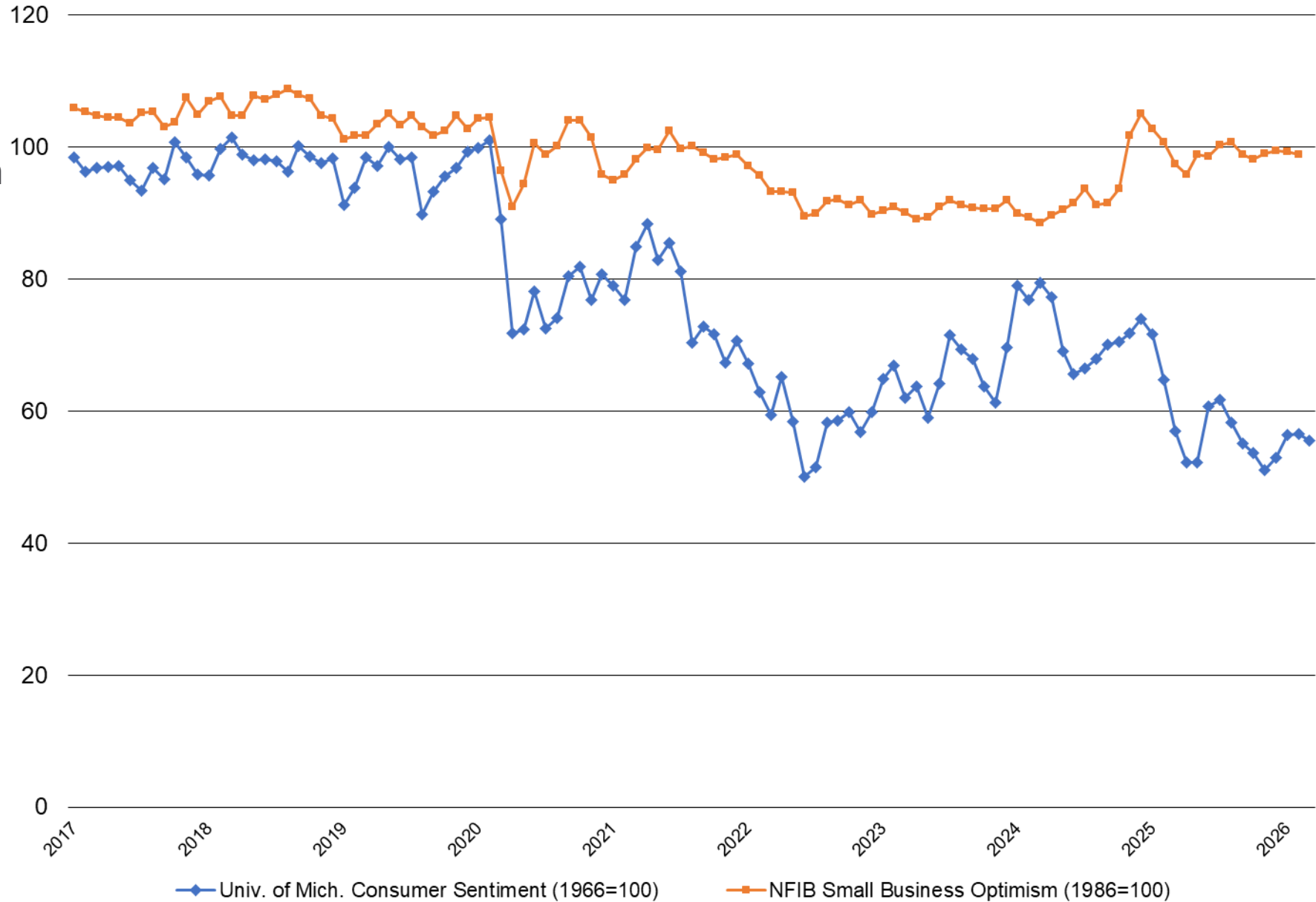
Source: U.S. Bureau of Labor Statistics (CPI-U, 1982-84=100, not seasonally adjusted)

## Year-over-year percent change in Consumer Price Index; 2001-2025 historical and 2026-2031 forecast



Sources: U.S. Bureau of Labor Statistics (CPI-U, 1982-84=100, seasonally adjusted); Consensus Economic Forecasting Commission report, Feb. 1, 2026

### Consumer Sentiment and Small Business Optimism Indexes



Small business optimism saw a significant decrease in uncertainty in February 2026.

Consumer sentiment was highly responsive to inflation expectations in 2025; March interview responses from after Feb. 28 were down from those completed before military action in Iran.

# Things to keep in mind:

- Migration picked up during the pandemic, but the continuation of this trend has been challenged by housing availability/affordability
- Employment growth is largely limited by labor force availability; increased labor force participation, continued in-migration of younger populations, and increased productivity can help, but demand is softening nationally
- Economic uncertainty is extremely high, particularly related to military action in Iran/Middle East, energy prices, and tariffs

# Contact Information

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