

Demographic and Economic Trends in Maine

First Federal Savings

September 17, 2026

Amanda Rector

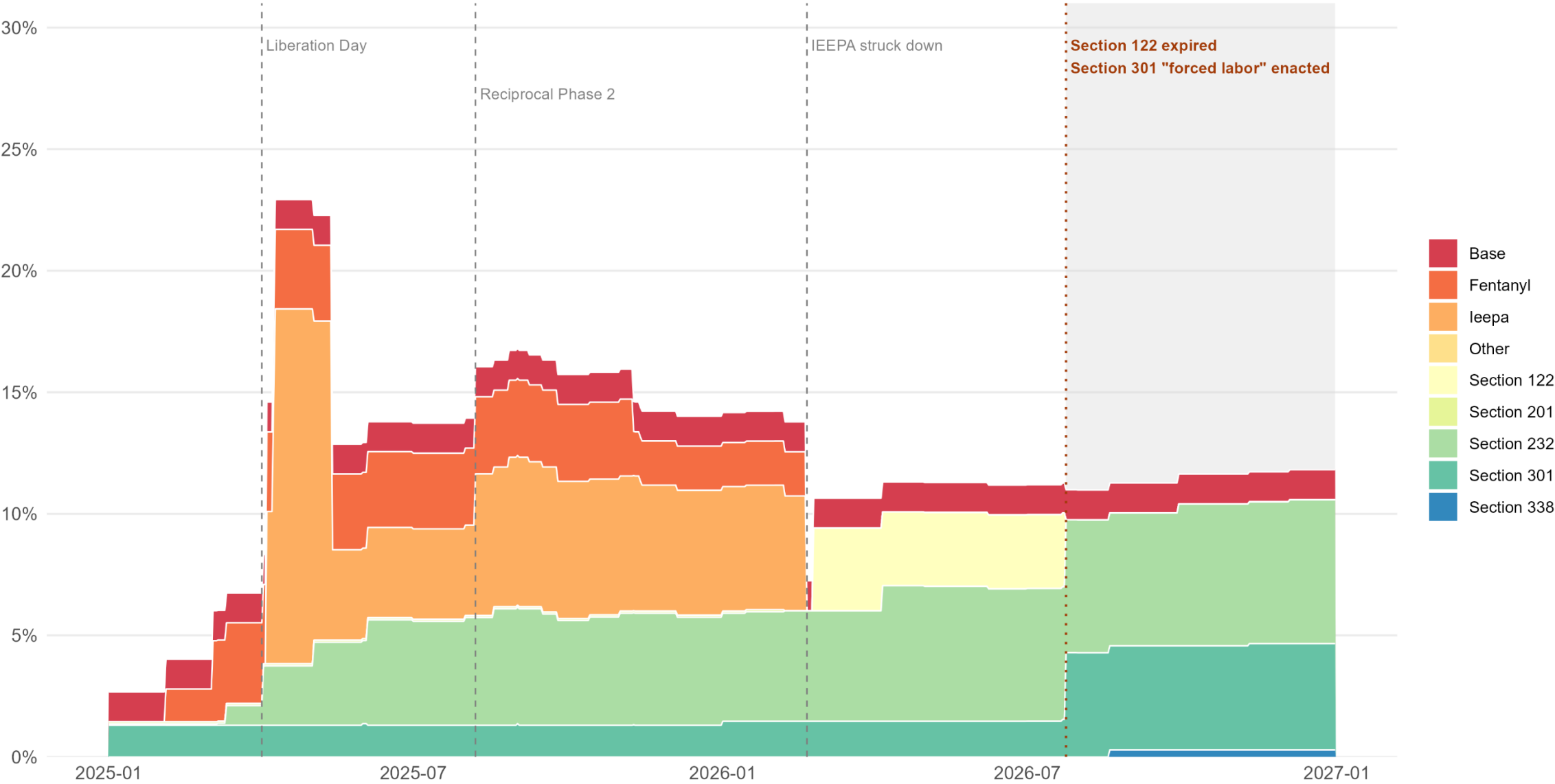
Maine State Economist

Summary of key assumptions in February 2026 Consensus Economic Forecasting Commission report

- Maine is navigating a period of significant uncertainty around economic policy, government spending, geopolitical tensions, and consumer sentiment.
- 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.

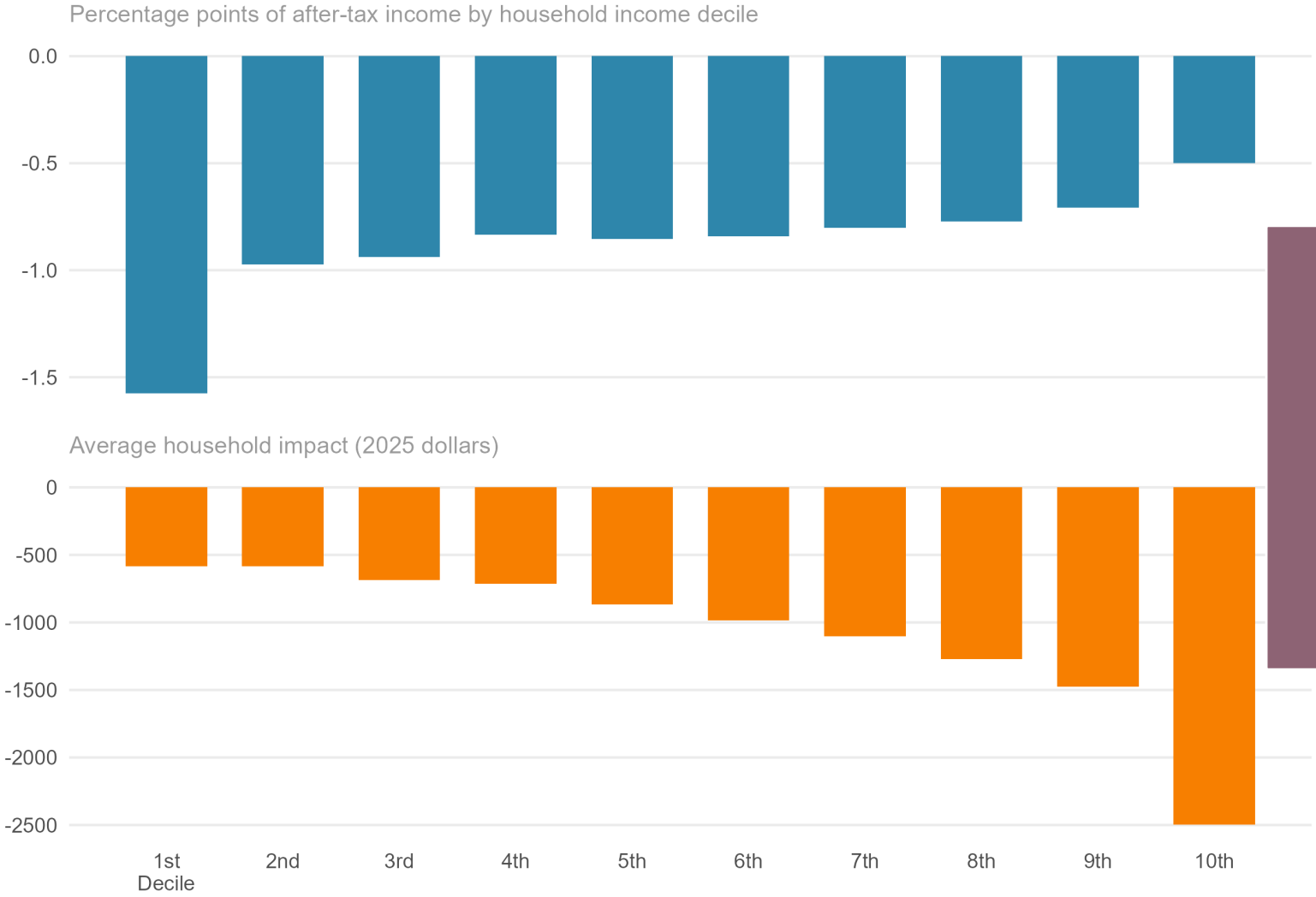
U.S. Average Effective Tariff Rate by Legal Authority

Percentage points, stacked by authority



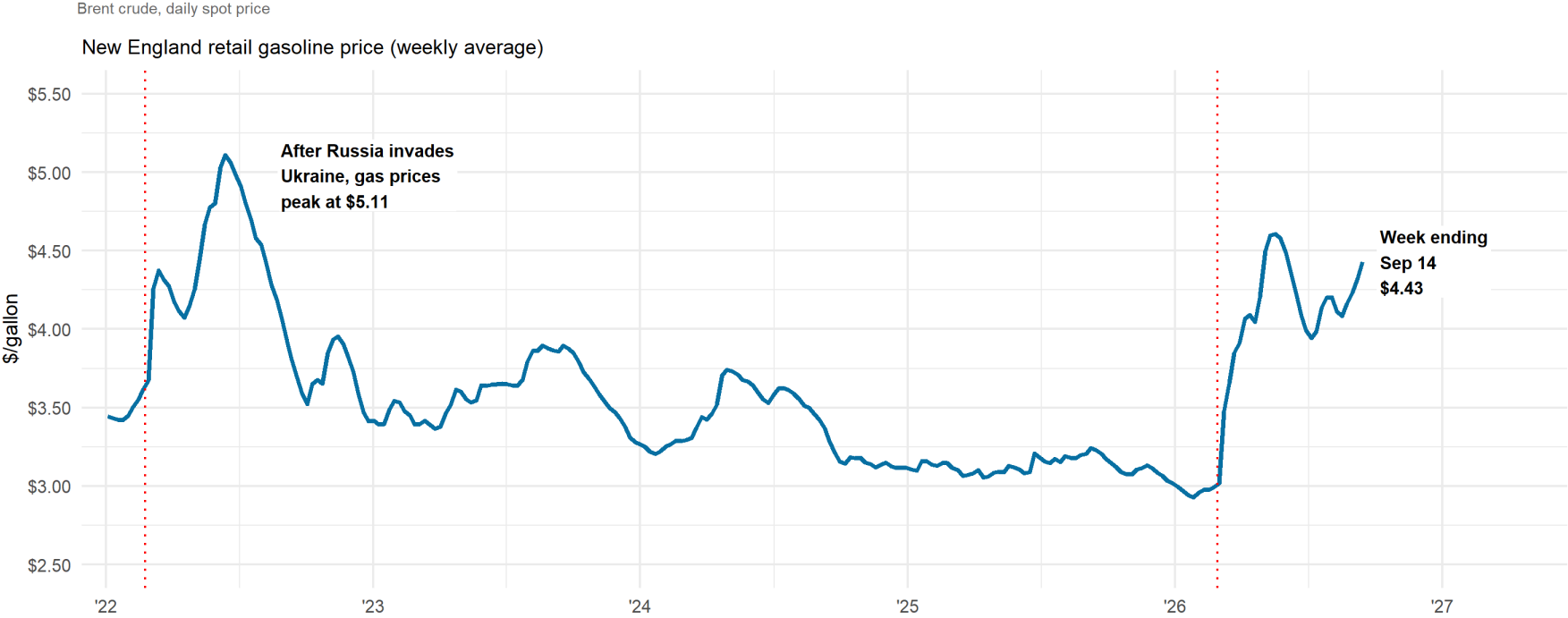
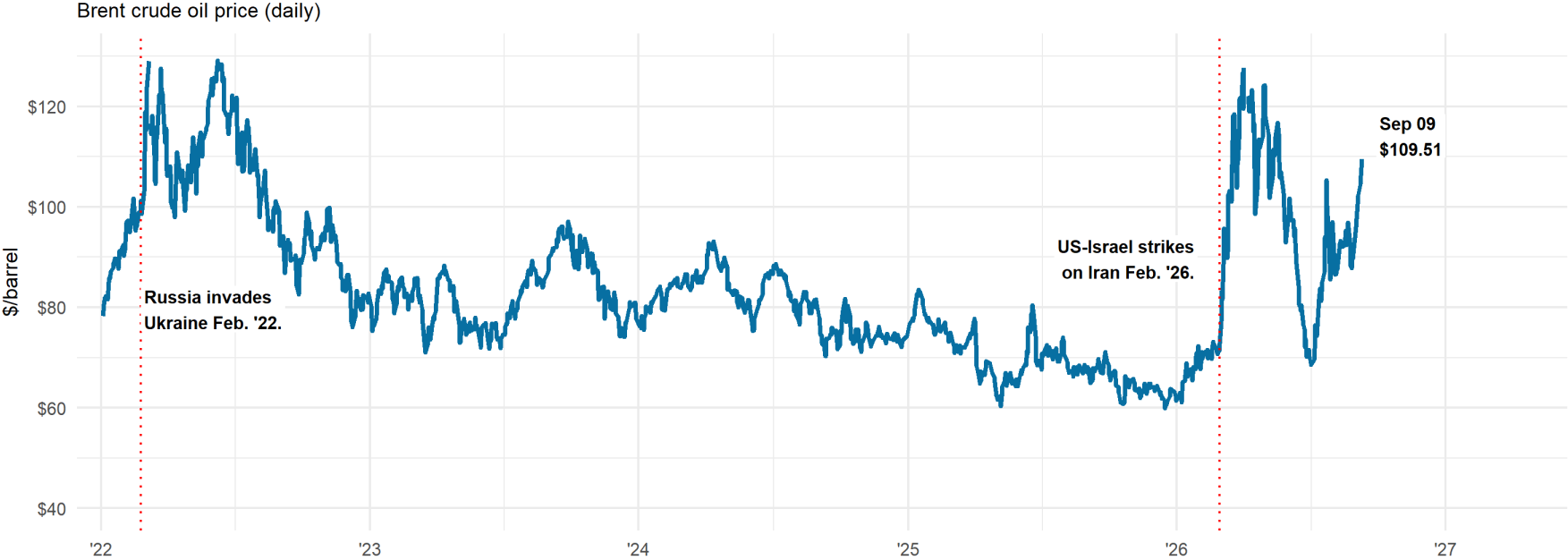
Short-Run Distributional Impact of Current Tariffs

As of 2026-08-12



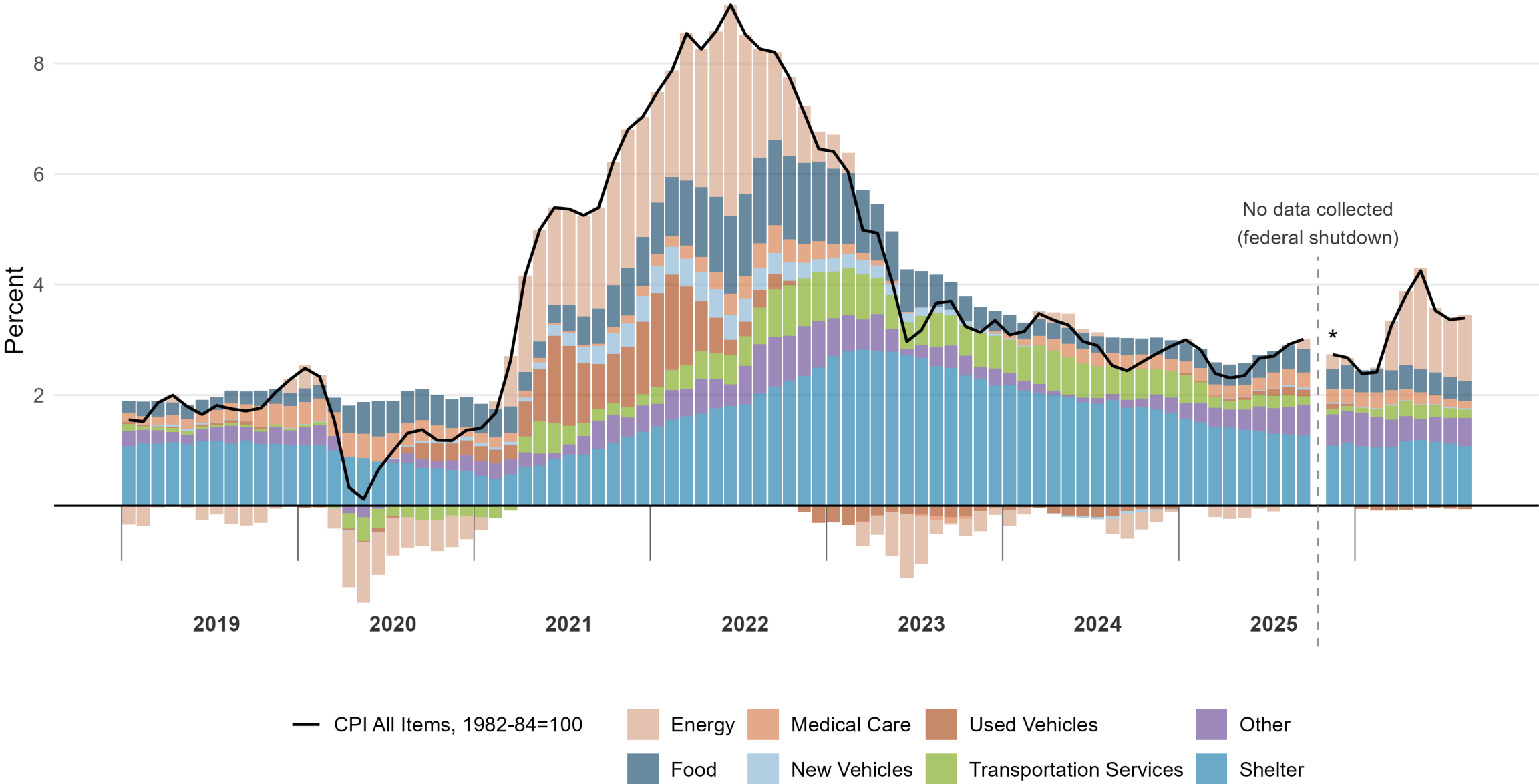
As of August 24, the Yale Budget Lab estimates average cost to households due to tariffs is \$1,100 annually

Daily Brent Crude and Weekly New England Gasoline Prices



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

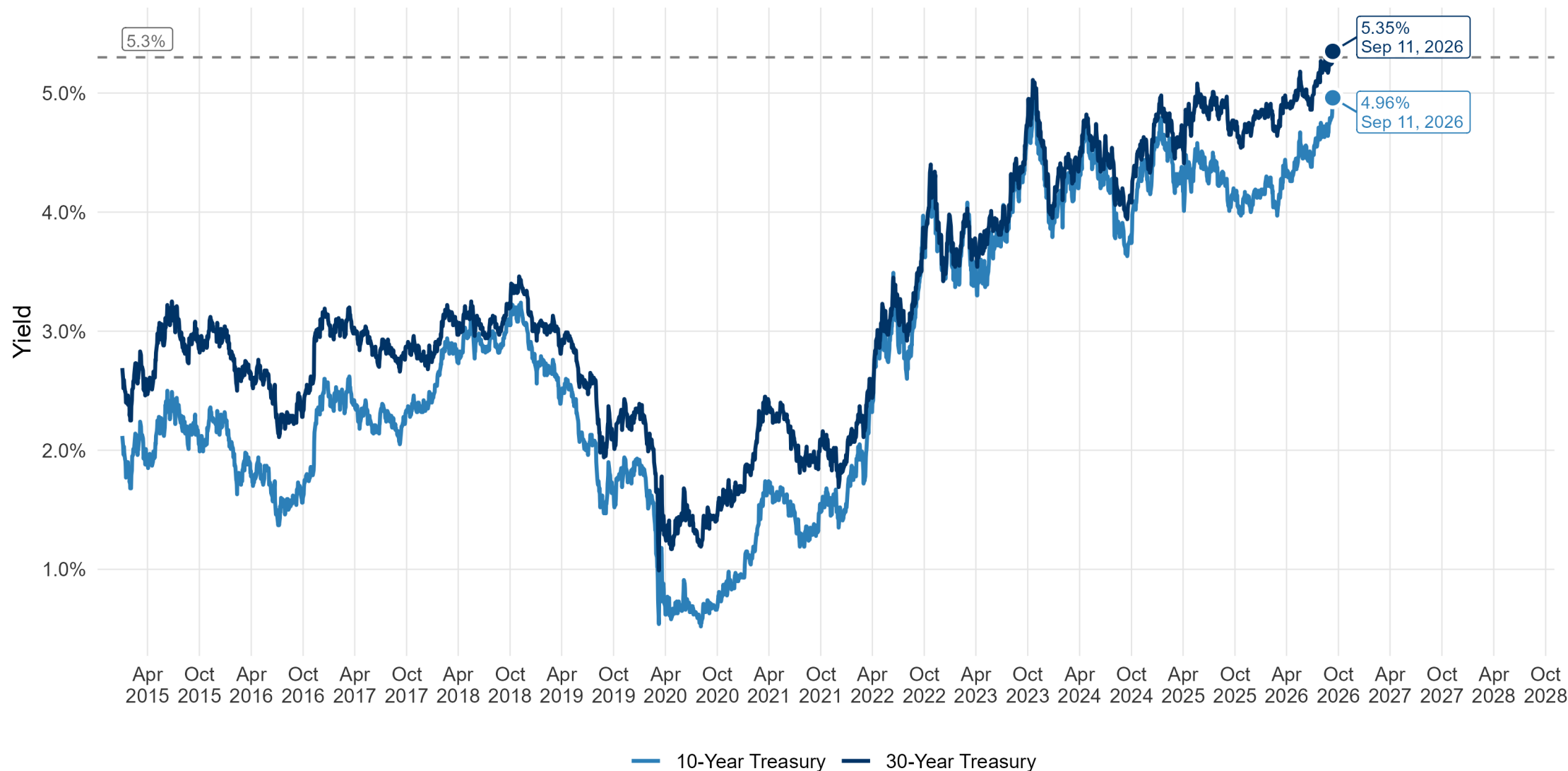
Percentage Point Contribution to Year-Over-Year Percent Change in CPI



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

Long-Term Treasury Yields Have Surged

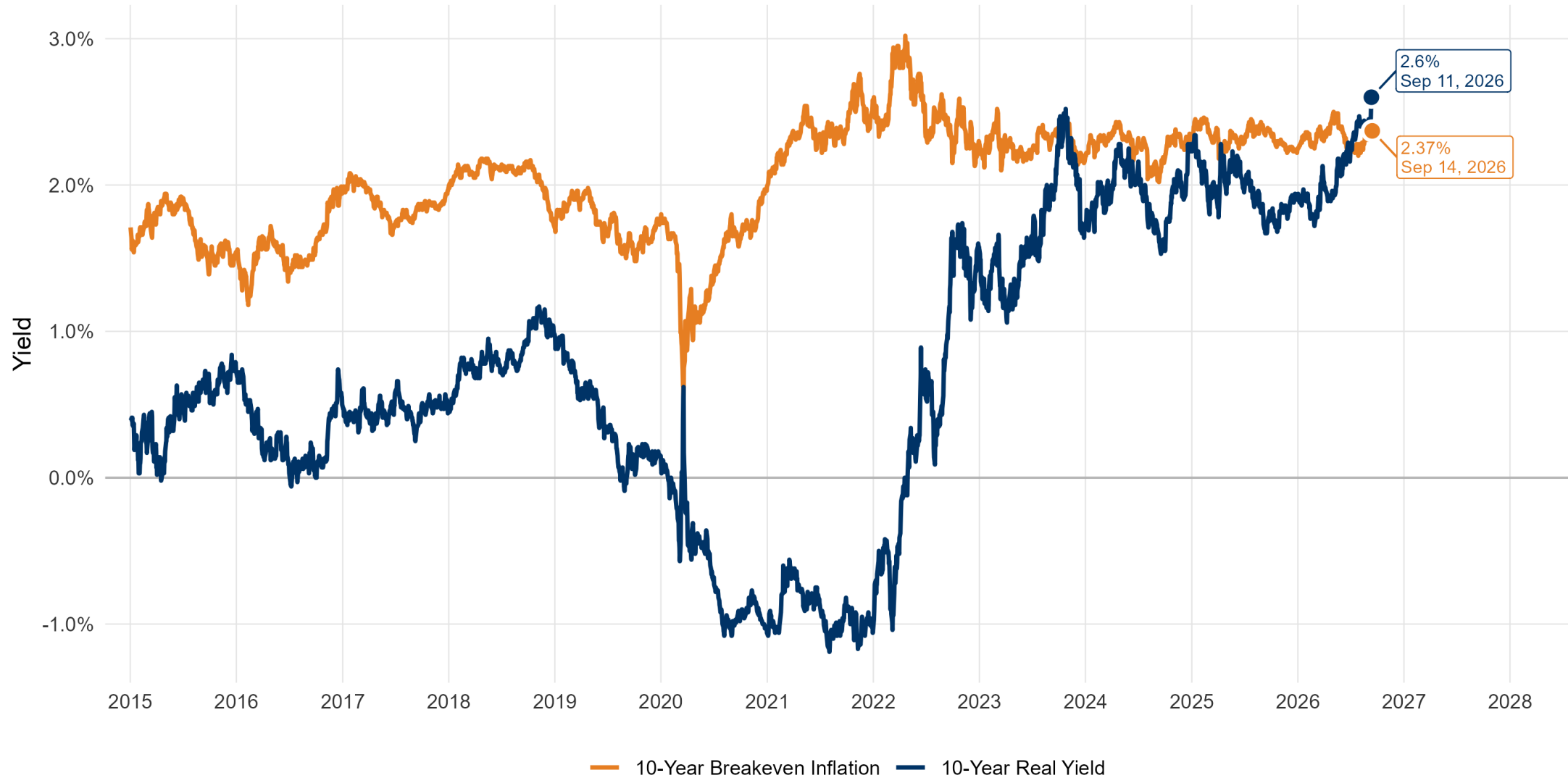
The 30-year yield rose above 5.3% on August 18, 2026 — the highest level since 2007



Source: FRED (Federal Reserve Bank of St. Louis).

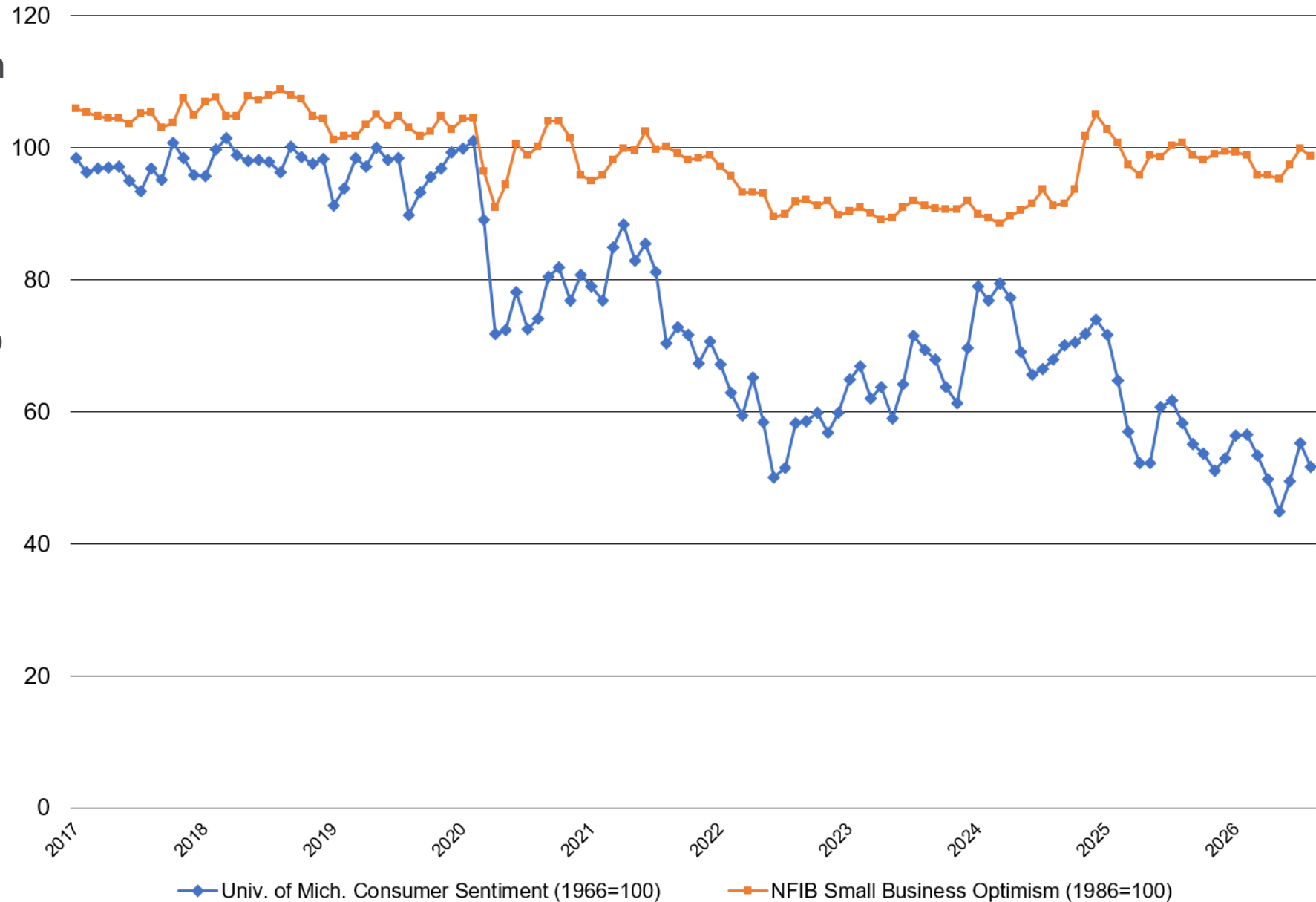
Higher Treasury Yields Are Not Just an Inflation Story

10-year real Treasury yield versus market-implied inflation expectations



Source: FRED (Federal Reserve Bank of St. Louis). Series: DFII10 and T10YIE.

Consumer Sentiment and Small Business Optimism Indexes



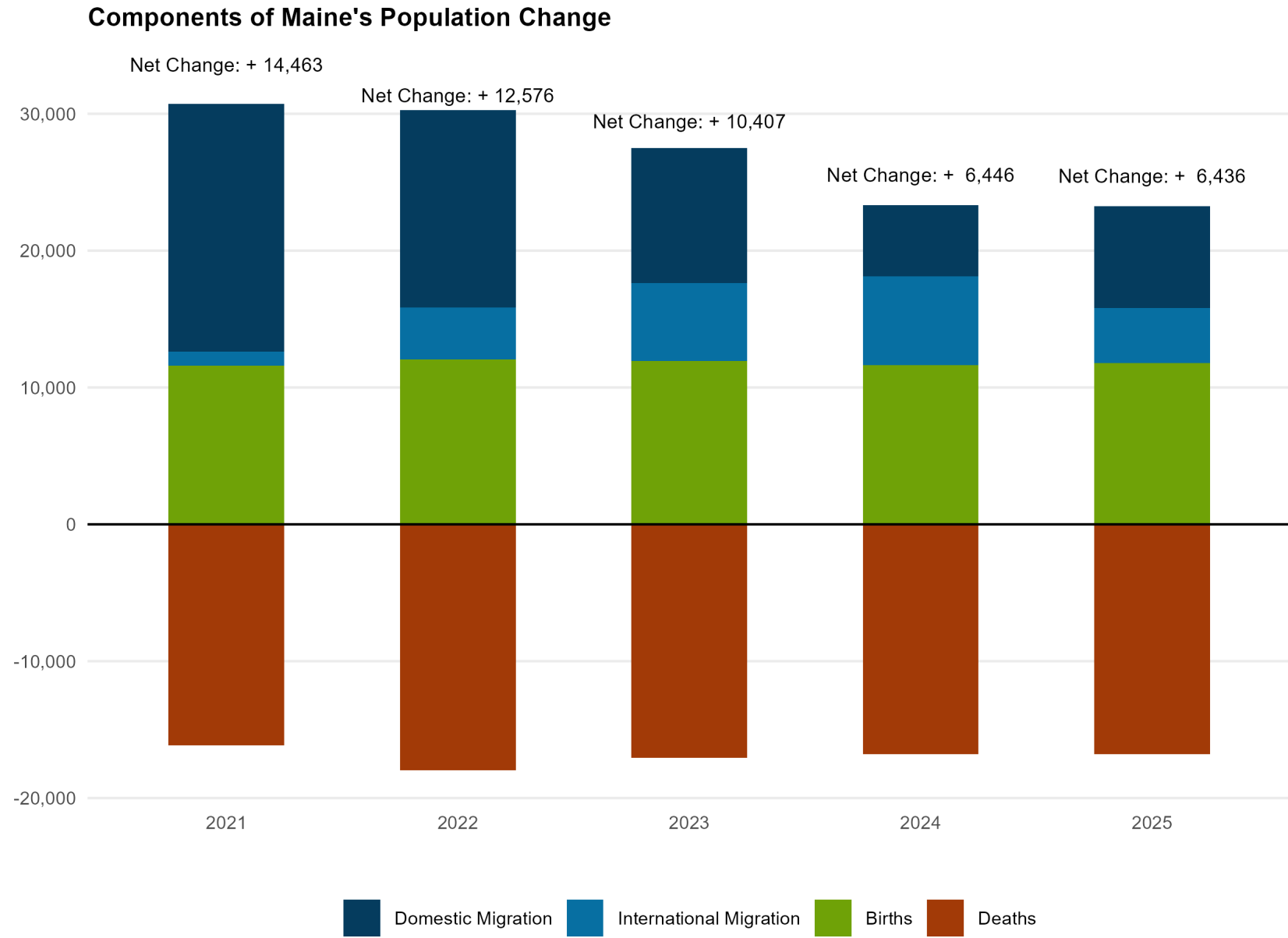
Sources: University of Michigan Survey of Consumers and
NFIB Small Business Optimism Index

Population and migration

2025 Total Population:
1,414,874

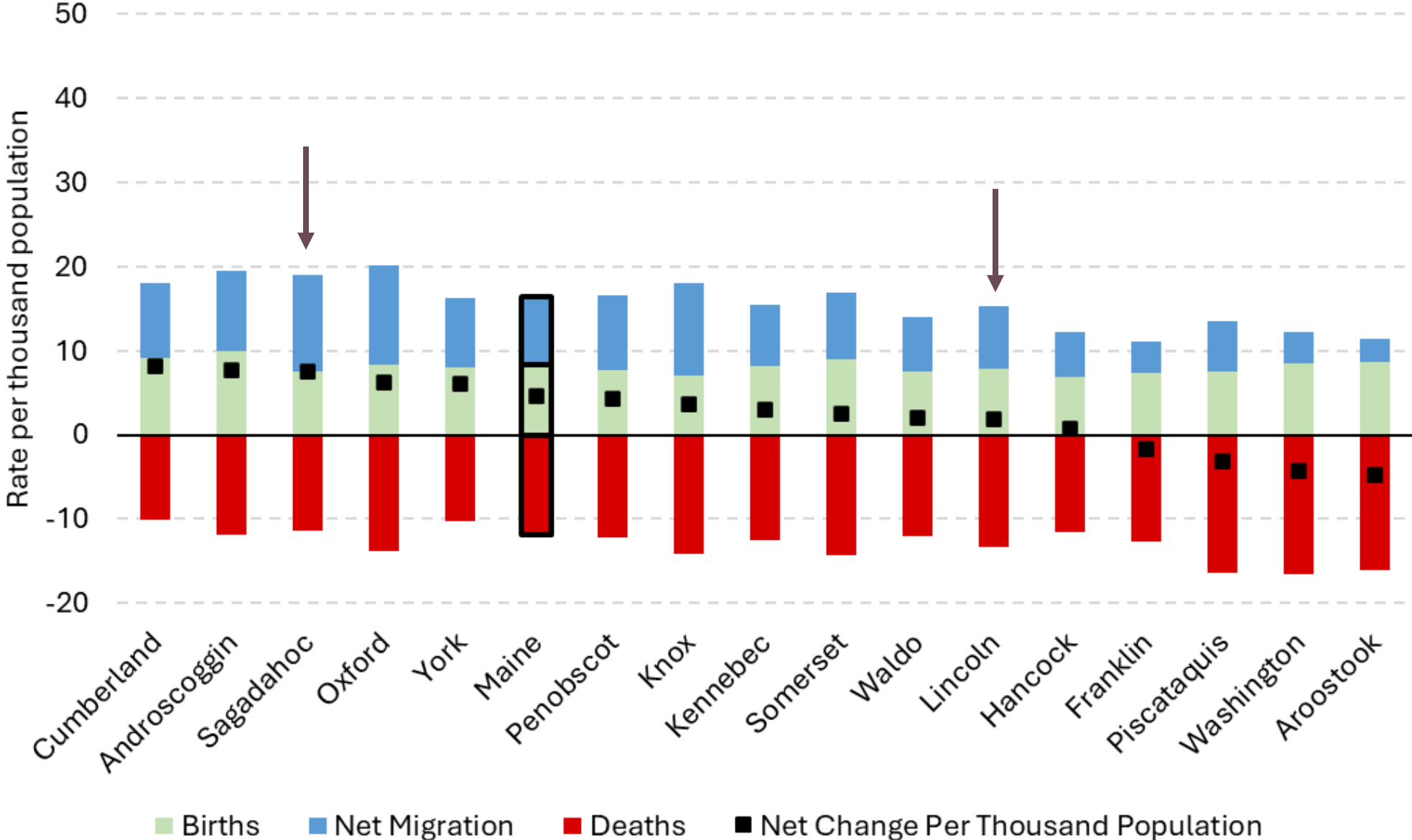
Population increase of
3.8% from 2020-2025
(17th in U.S.);
0.5% from 2024-2025
(25th in U.S.)

7th for total net
migration and net
domestic migration
and 25th for net
international migration
in 2025

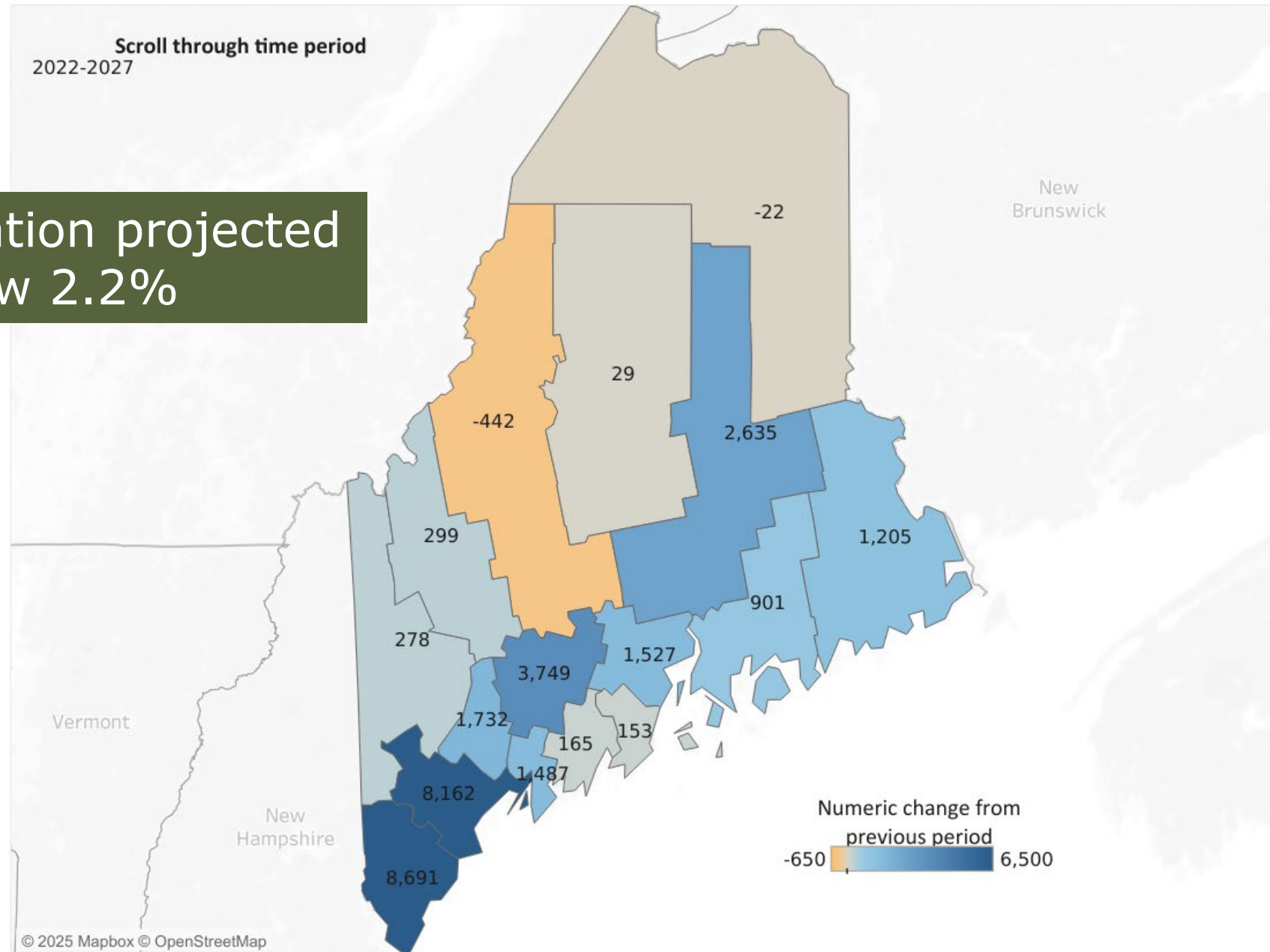


Source: US Census Bureau, Population Estimates Program, 2025 Vintage

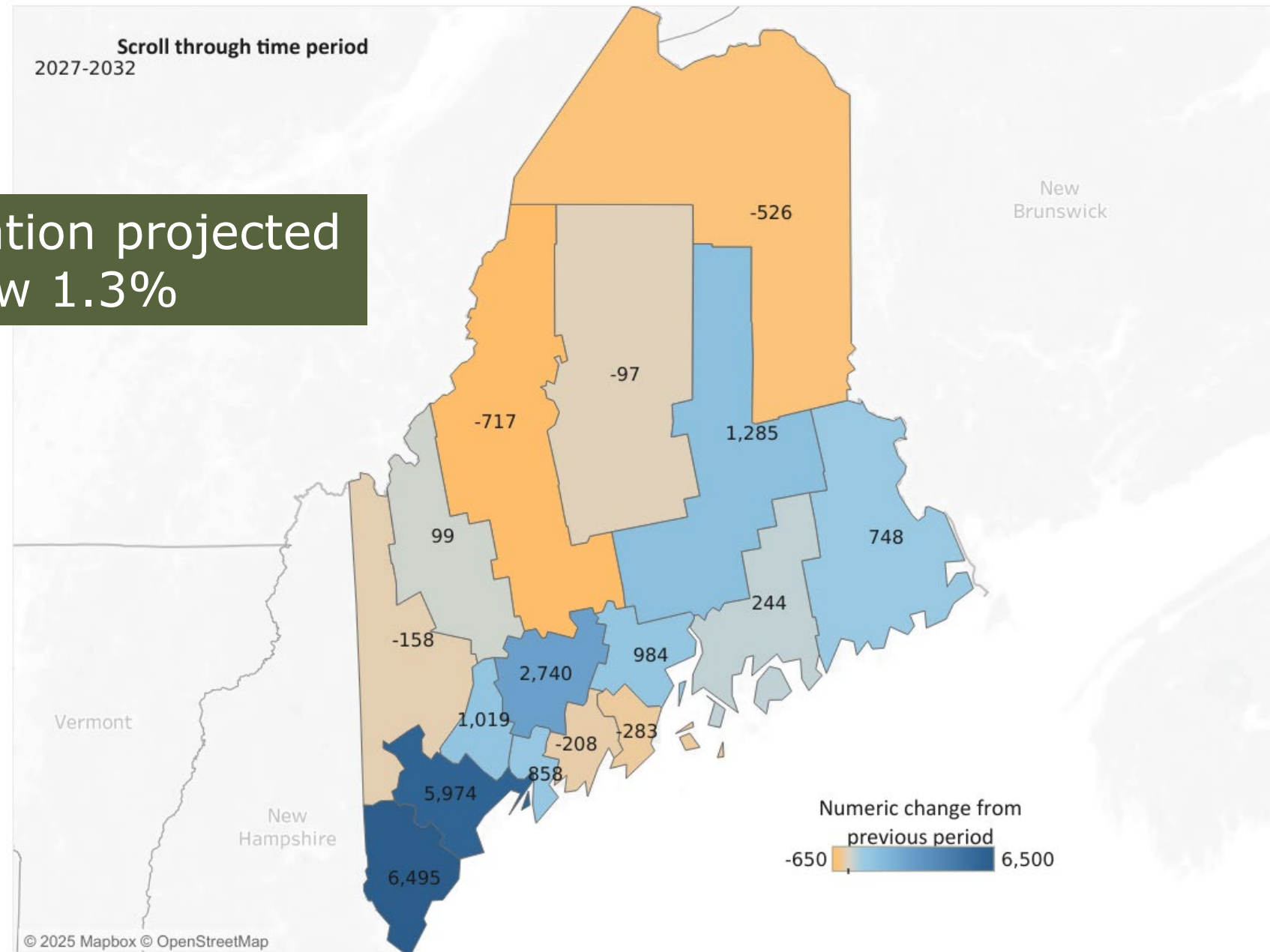
Components of Population Change in Maine, 7/1/2024 - 7/1/2025
Rate per thousand population

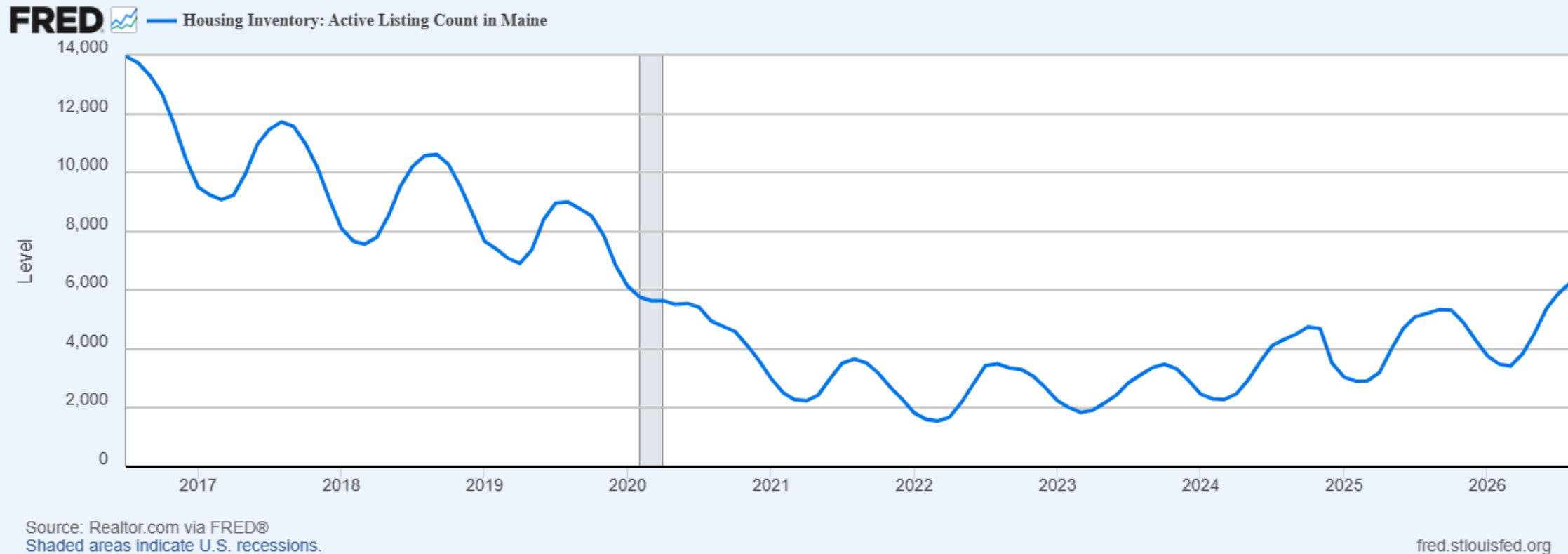


Maine population projected
to grow 2.2%



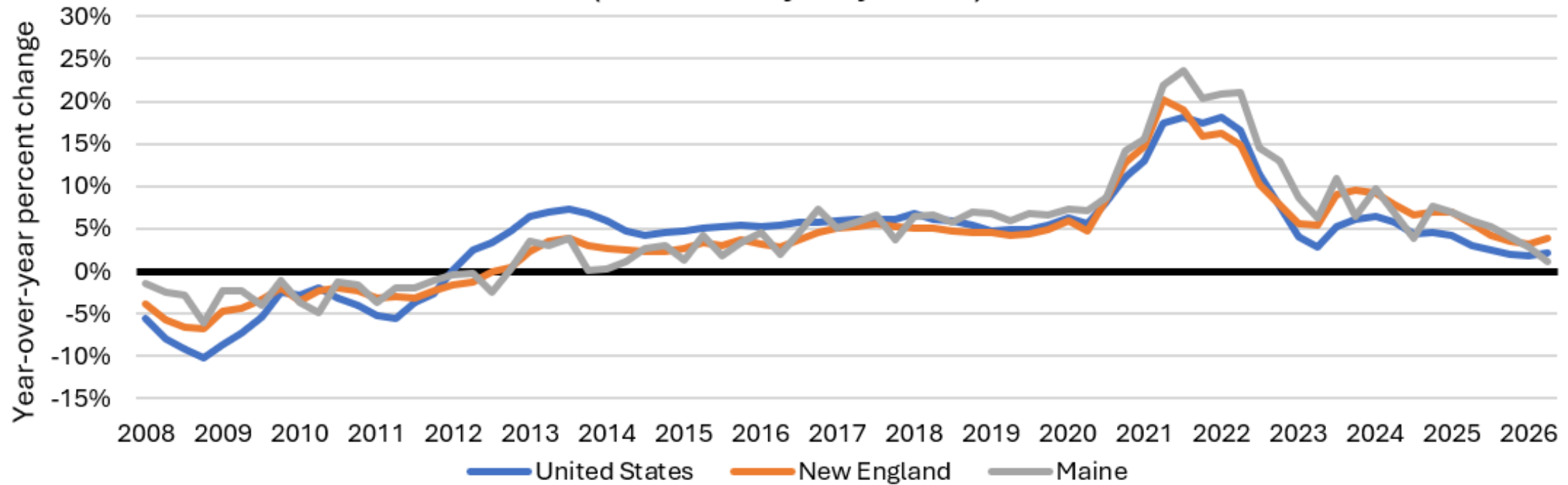
Maine population projected
to grow 1.3%





Migration into the state drove up demand for housing and further reduced the available supply while high mortgage rates locked people into existing homes – but there's been some improvement (August 2026 about 20% higher than August 2025 and 100% higher than August 2023)

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

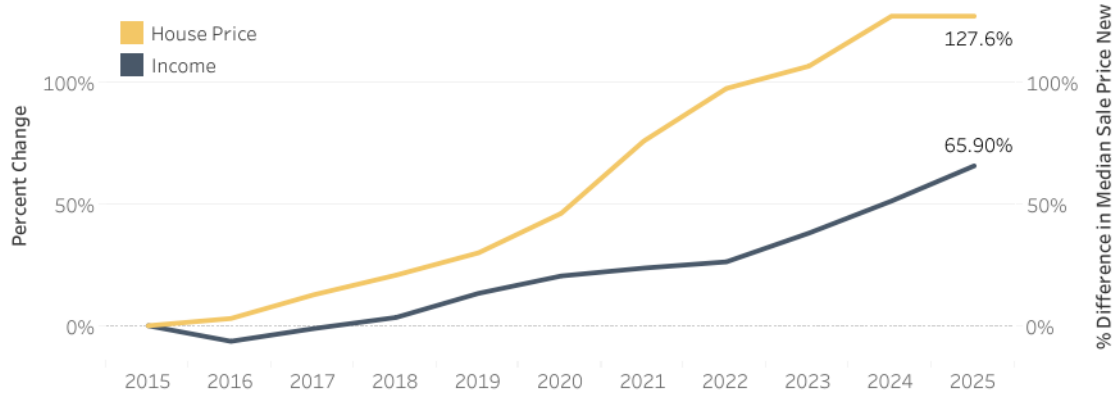


Historical Trends in Homeownership Affordability

Year
All

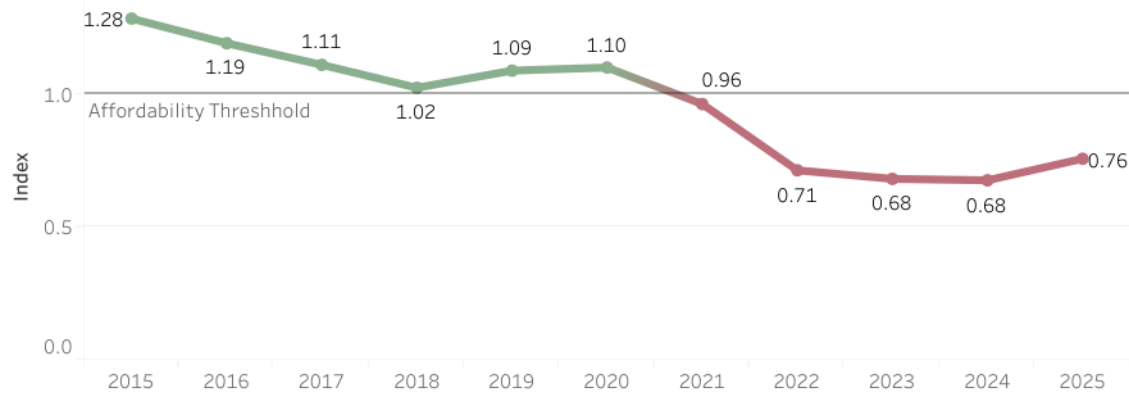
County
Sagadahoc

Relative Change in Income and House Price

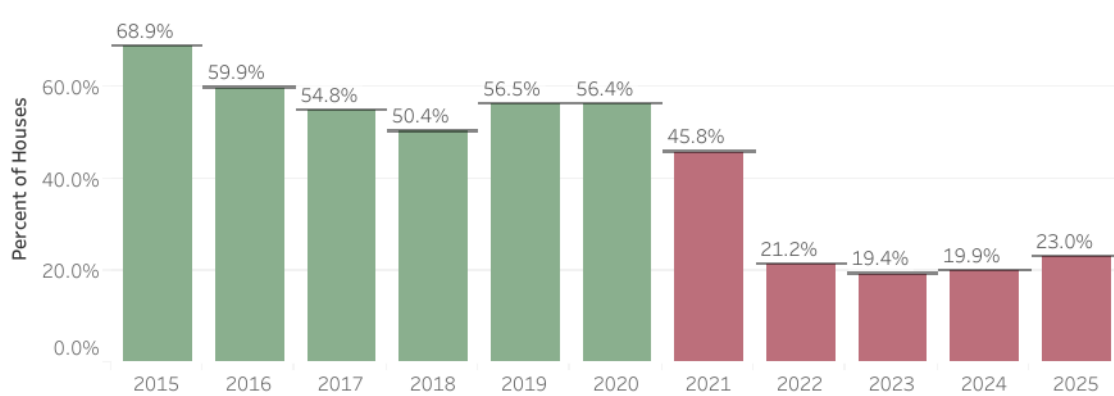


Town
All

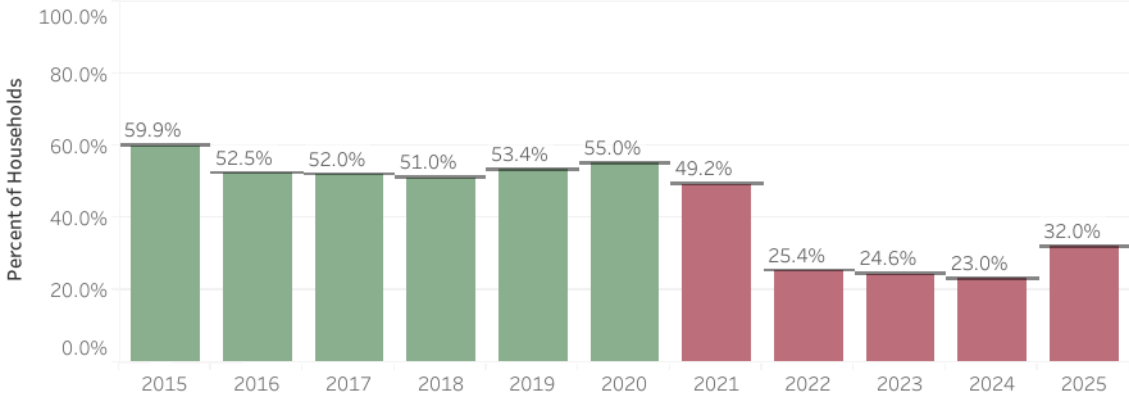
Ratio of Affordable House Price to Median House Price



Affordable Houses Sold



Households Able to Afford the Median House Price



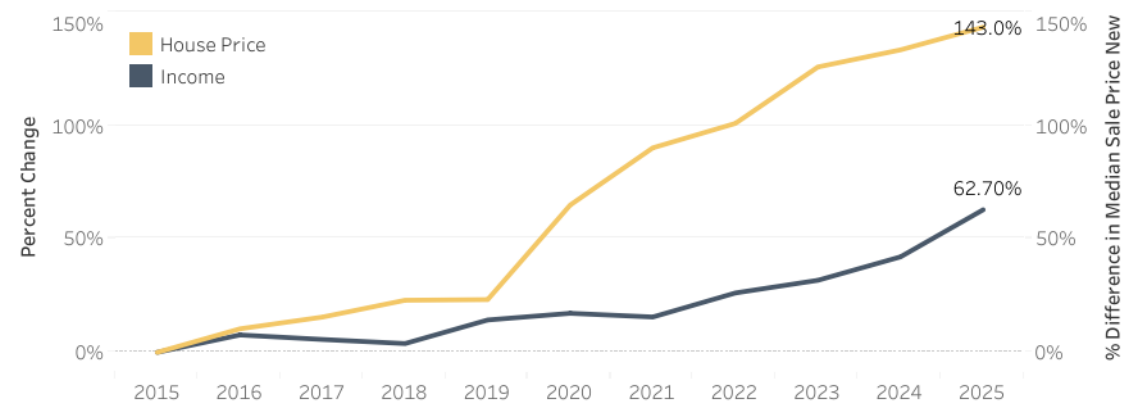
Historical Trends in Homeownership Affordability

Year
All

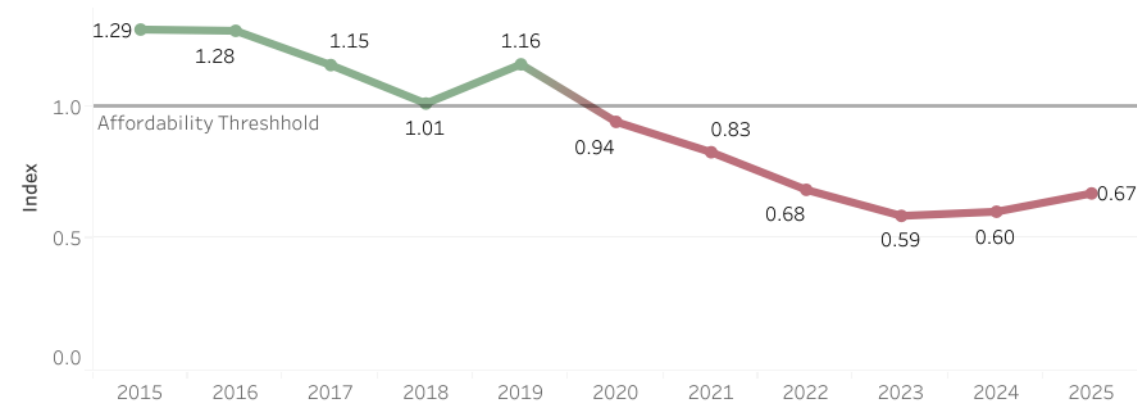
County
Lincoln

Town
All

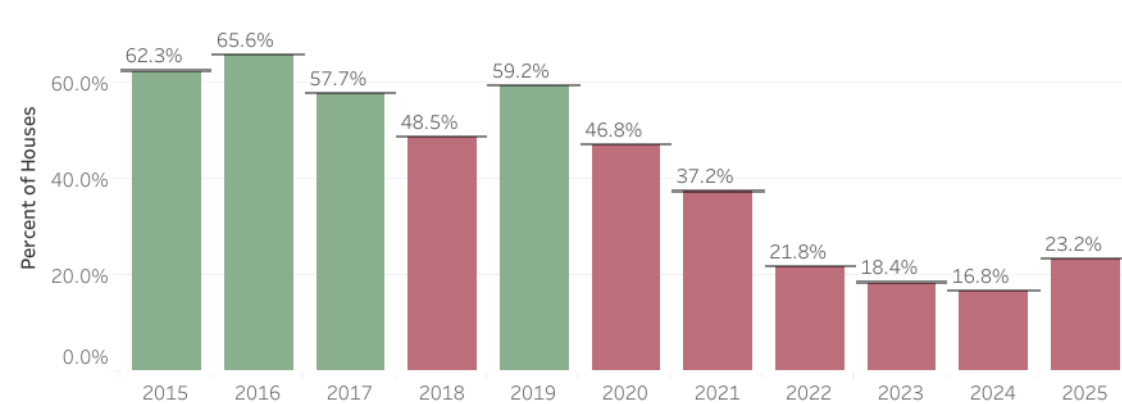
Relative Change in Income and House Price



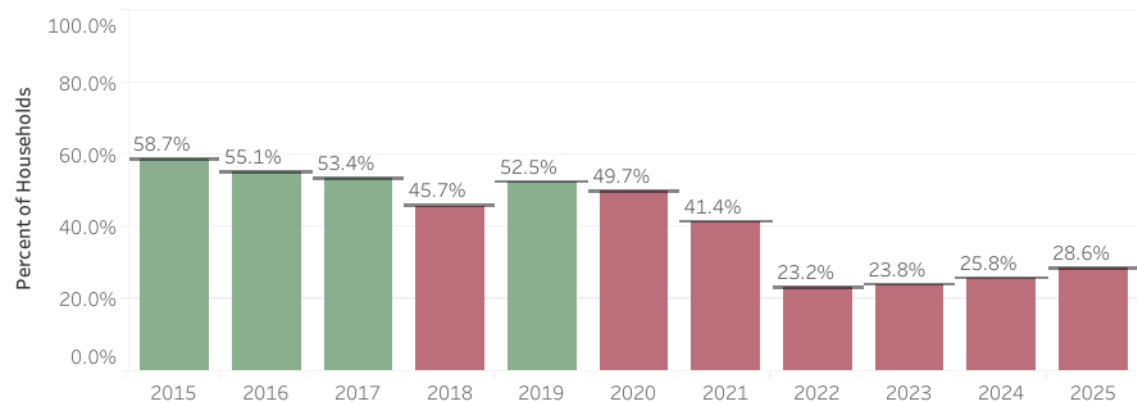
Ratio of Affordable House Price to Median House Price



Affordable Houses Sold



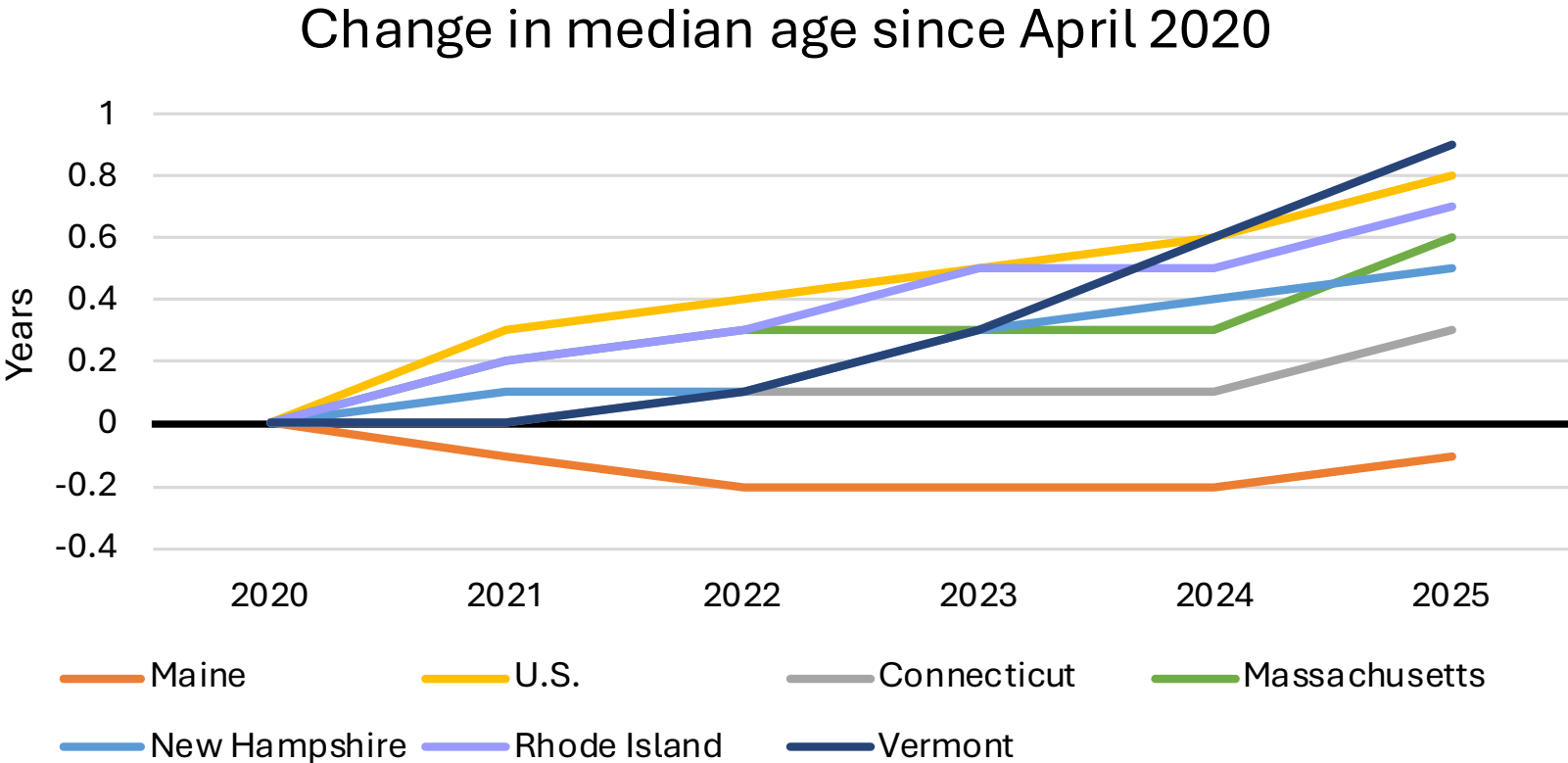
Households Able to Afford the Median House Price



Demographics

Maine's median age in 2025 is 0.1 years younger than 2020, while the U.S. median age has increased 0.8 years

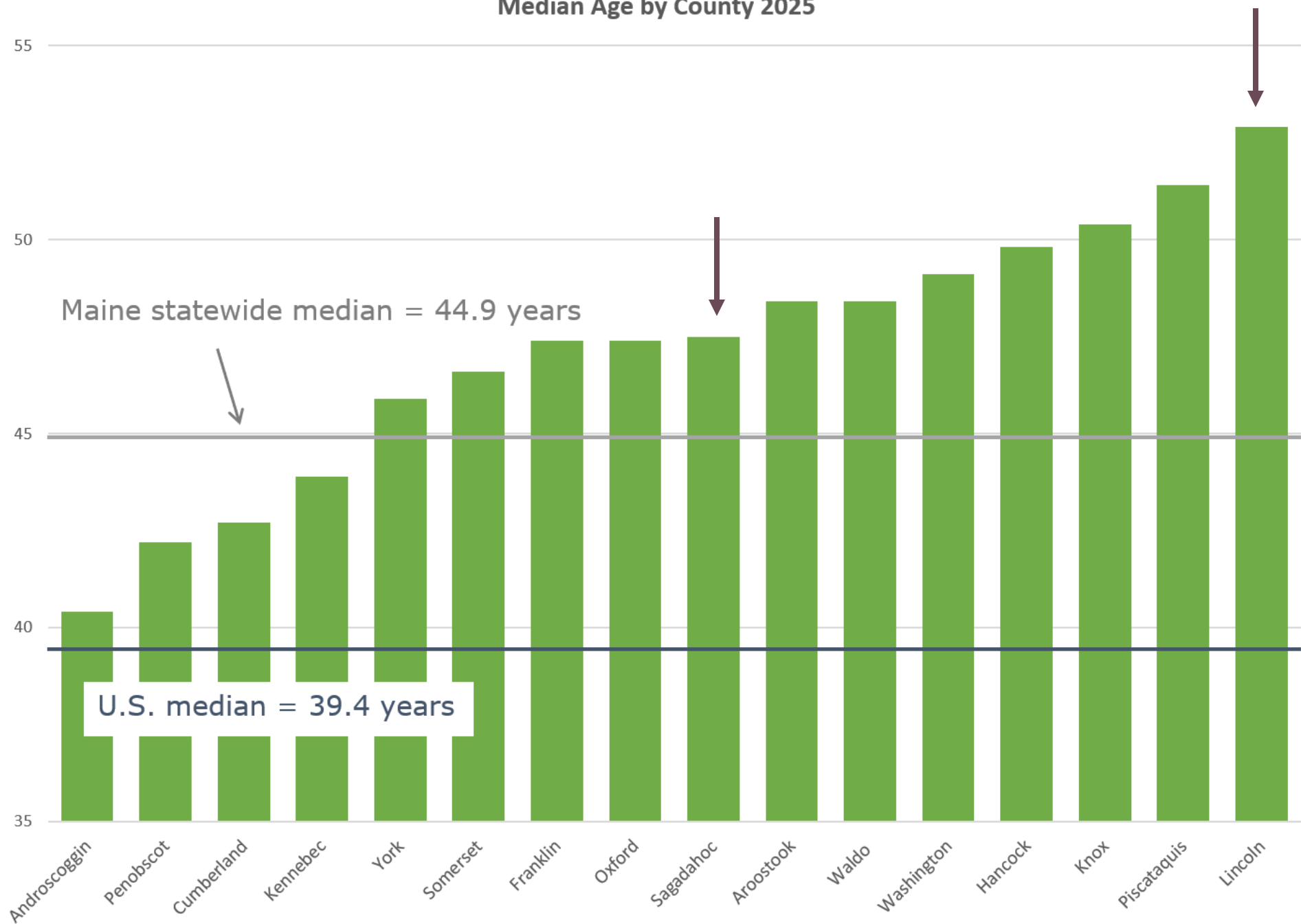
Maine still has the highest median age in the nation at 44.9 years; Vermont is second at 44.4 years



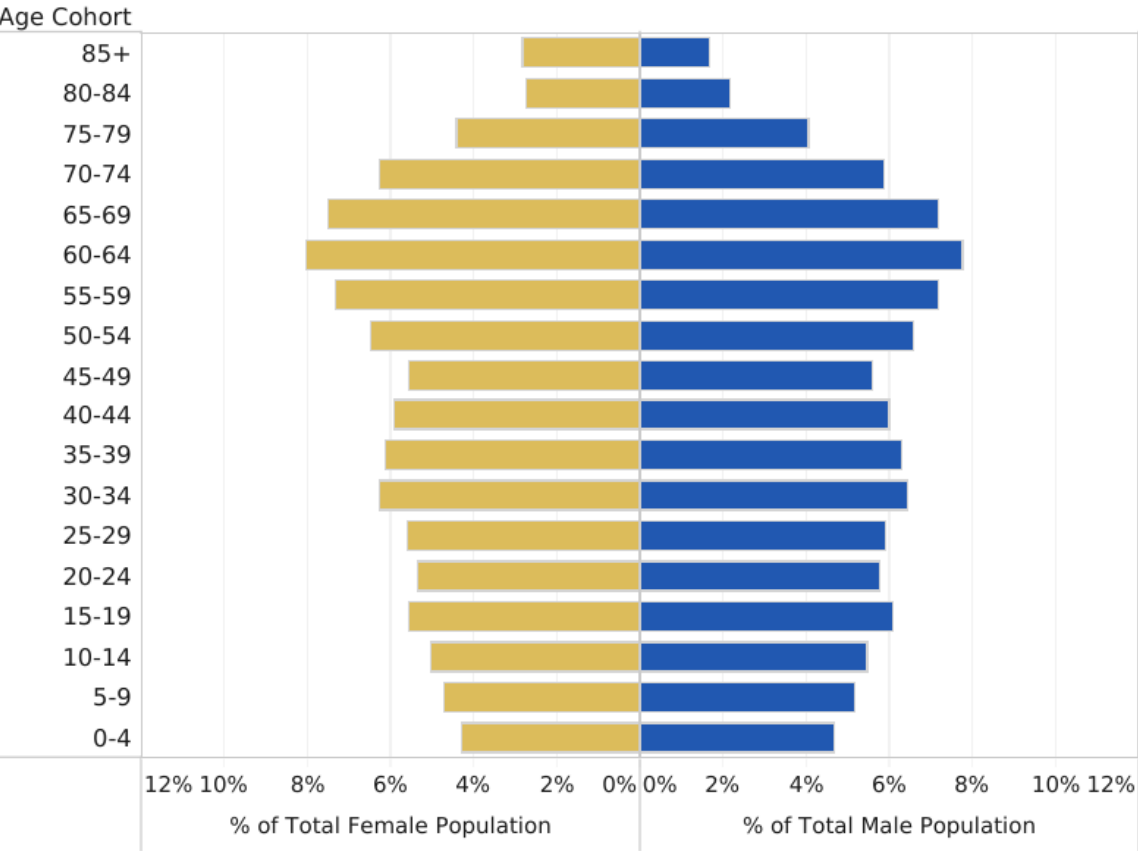
Median age of recent movers to Maine is 33 (domestic) and 29 (international)

Sources: U.S. Census Bureau, 2025 Population Estimates; 2024 American Community Survey 5-year Estimates

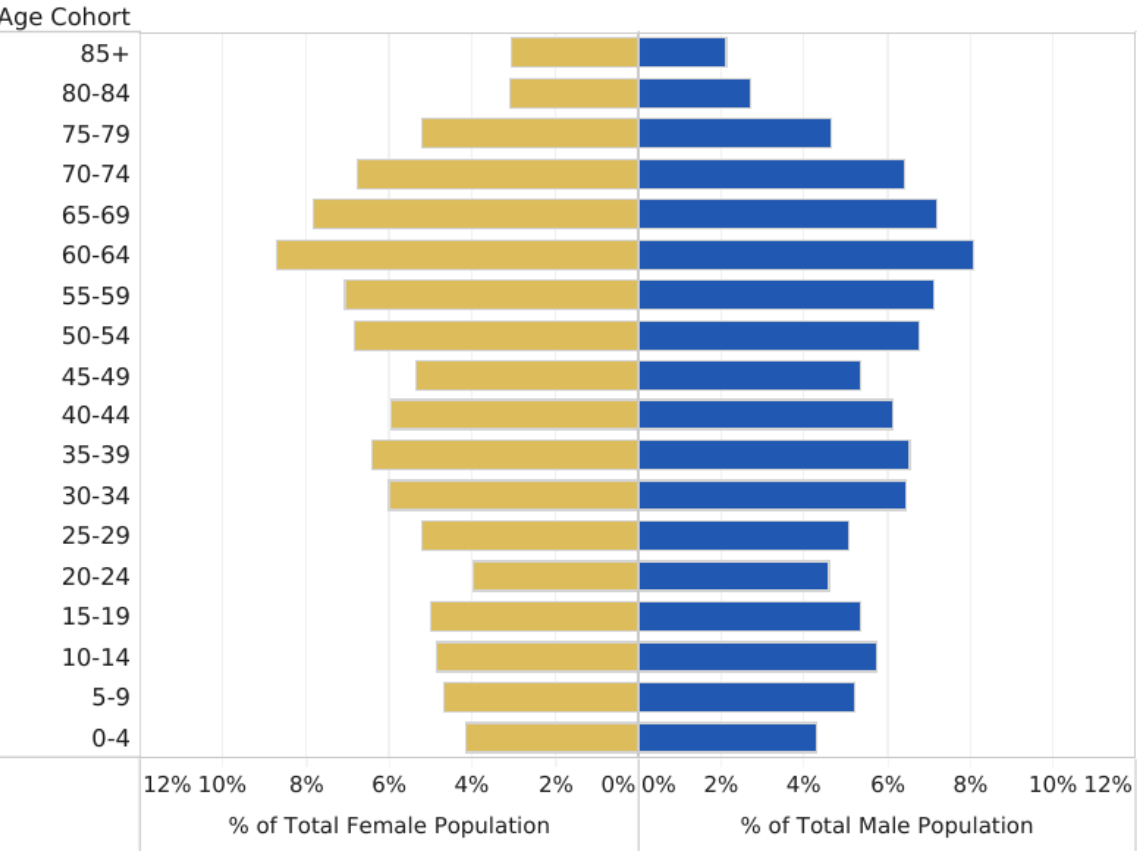
Median Age by County 2025



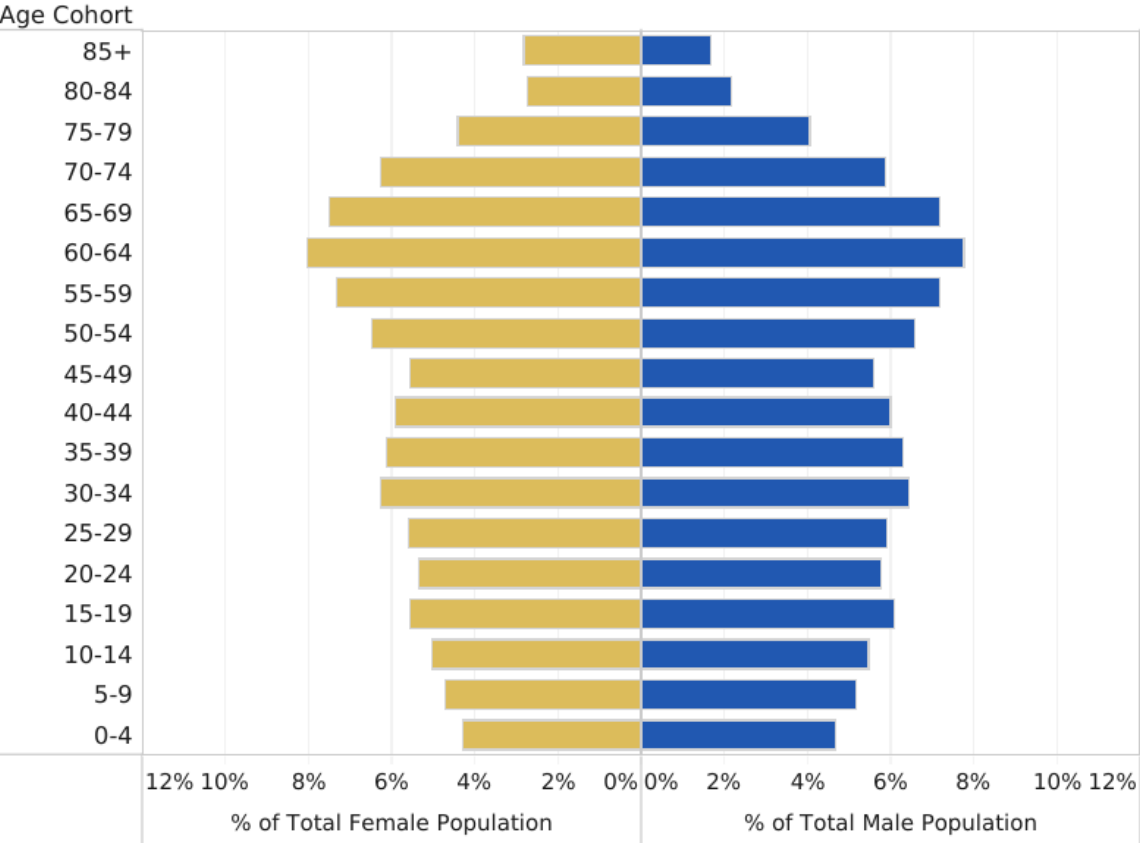
Maine | 2022, Historical population



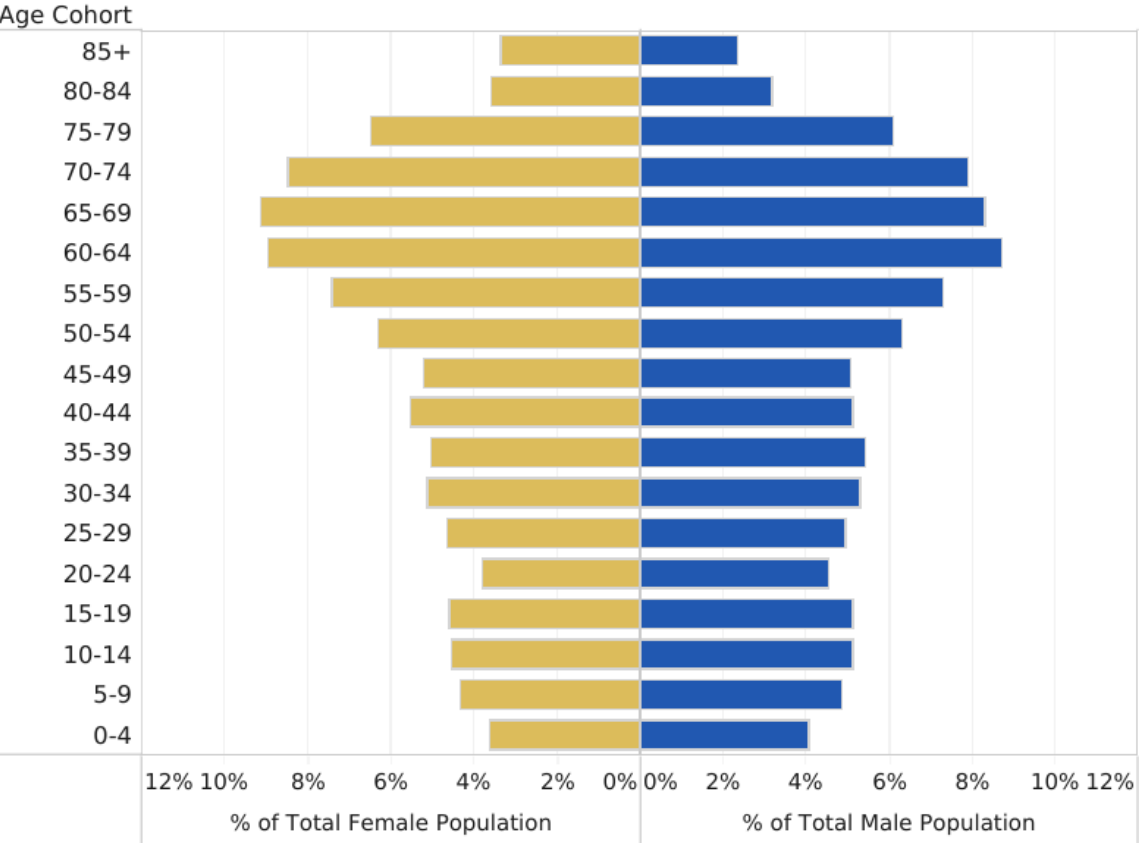
Sagadahoc | 2022, Historical population



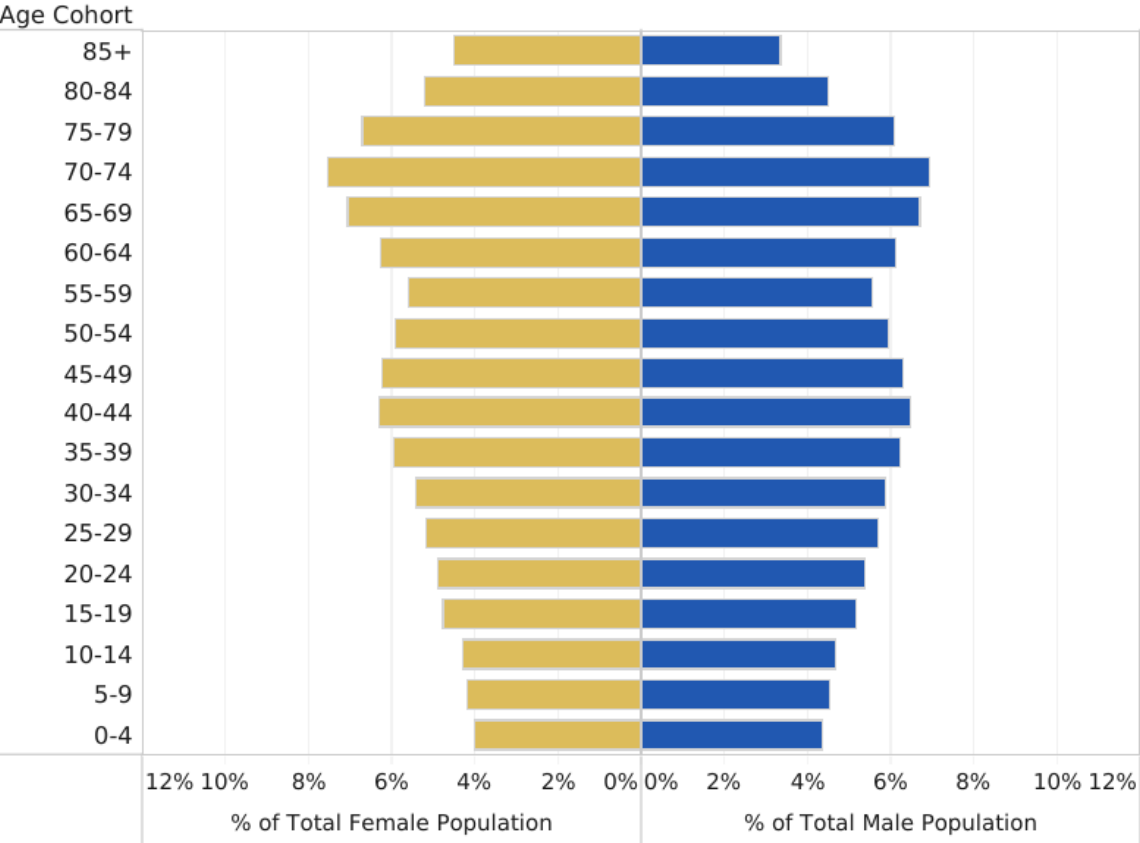
Maine | 2022, Historical population



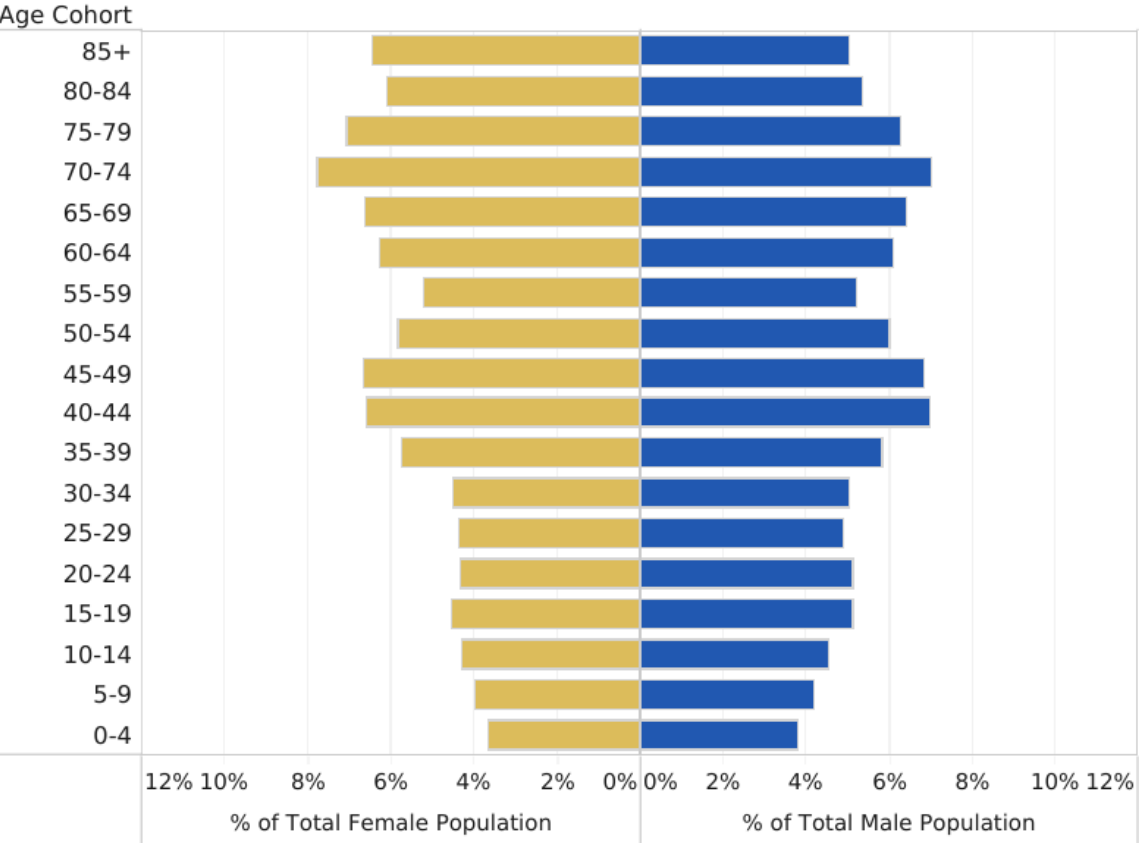
Lincoln | 2022, Historical population



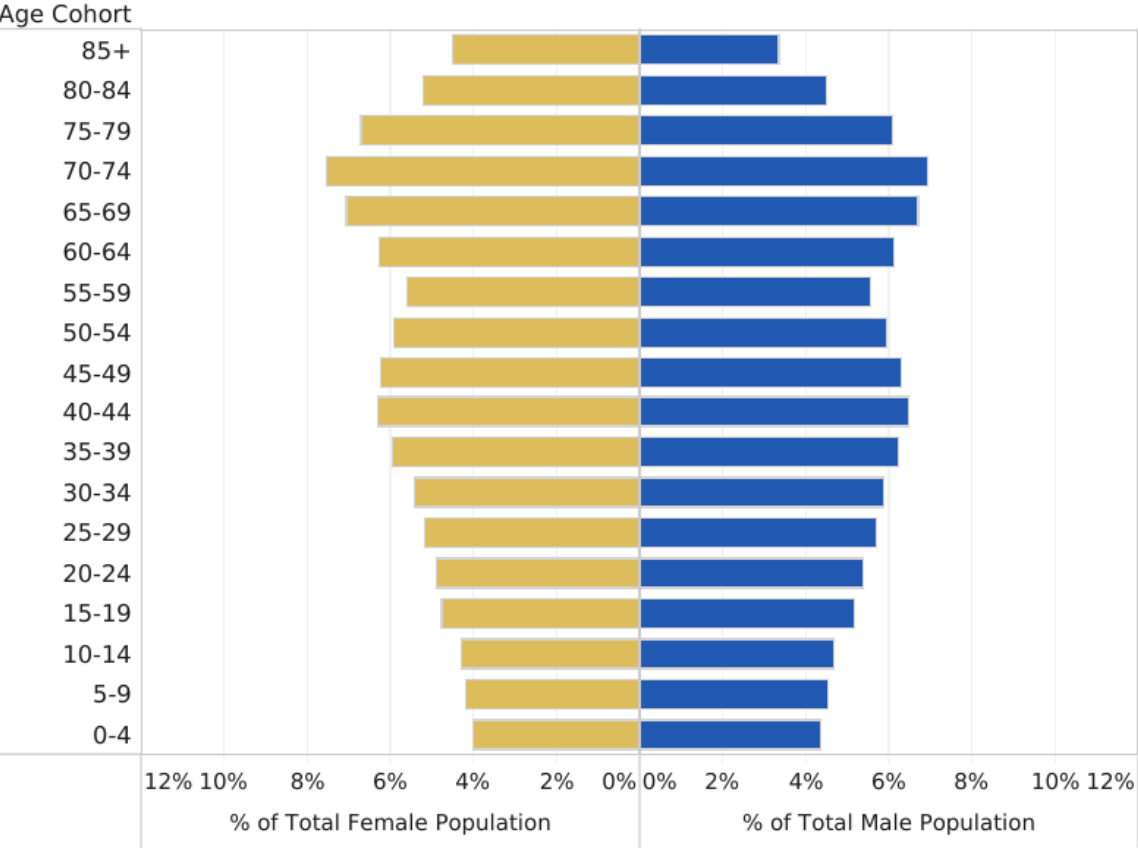
Maine | 2032, Projected population



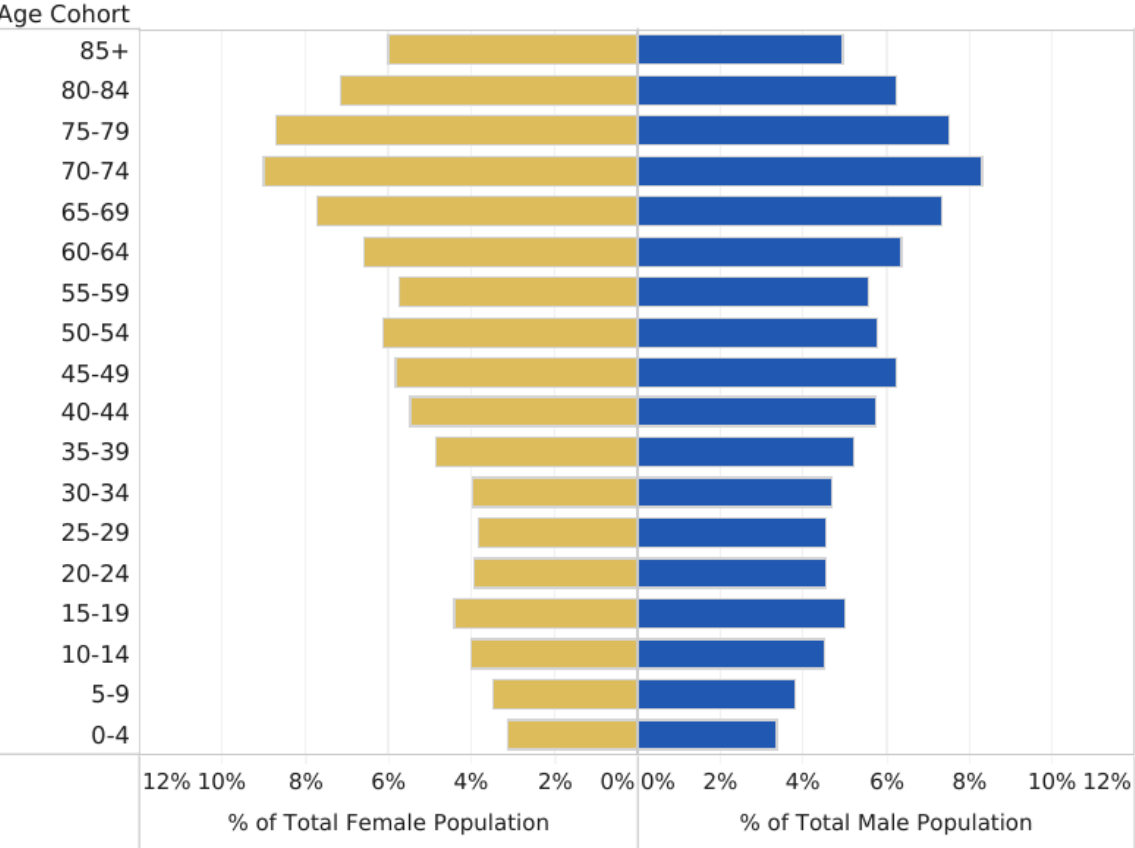
Sagadahoc | 2032, Projected population



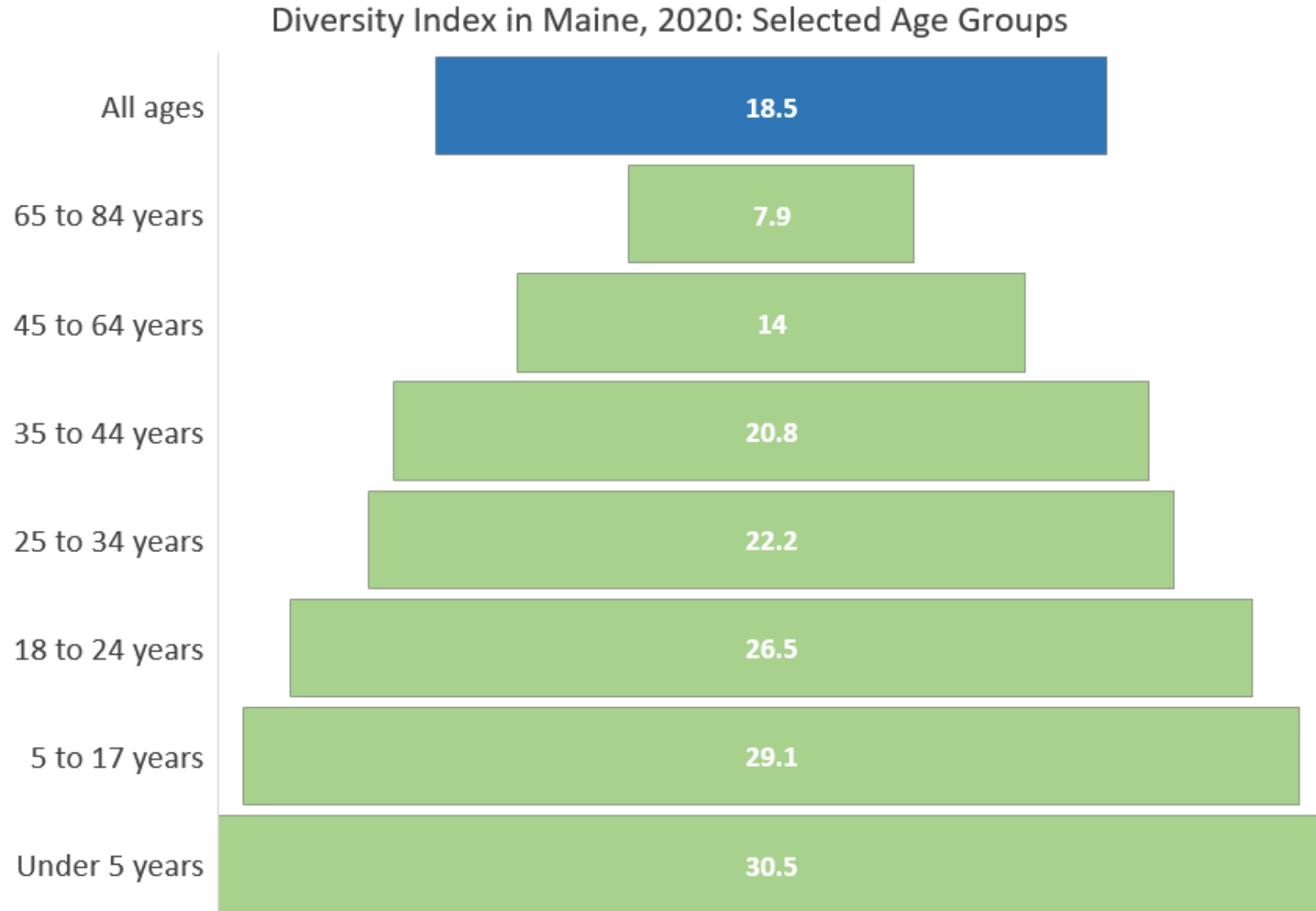
Maine | 2032, Projected population



Lincoln | 2032, Projected population

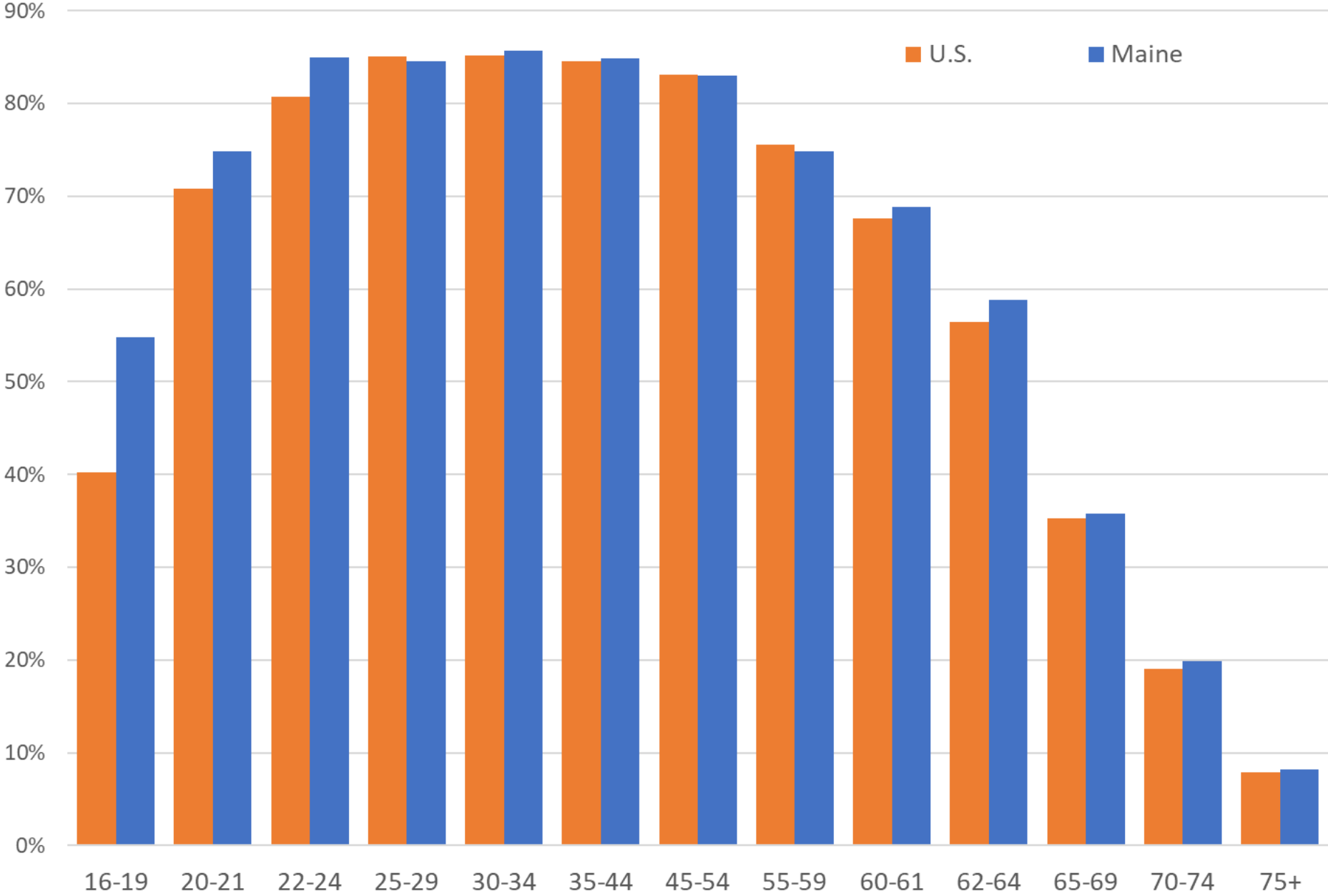


Younger generations in Maine are more diverse than older generations

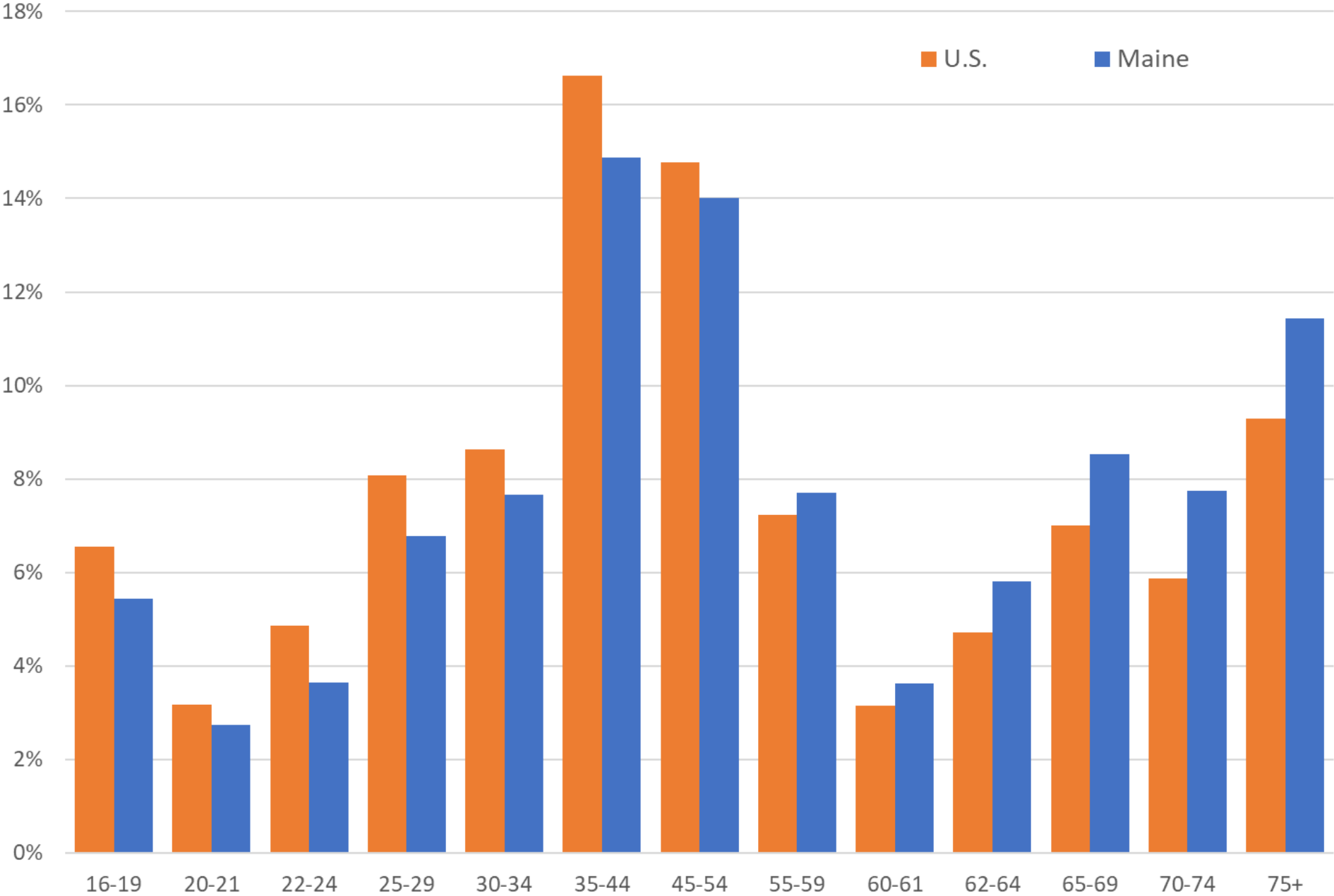


Workforce and Employment

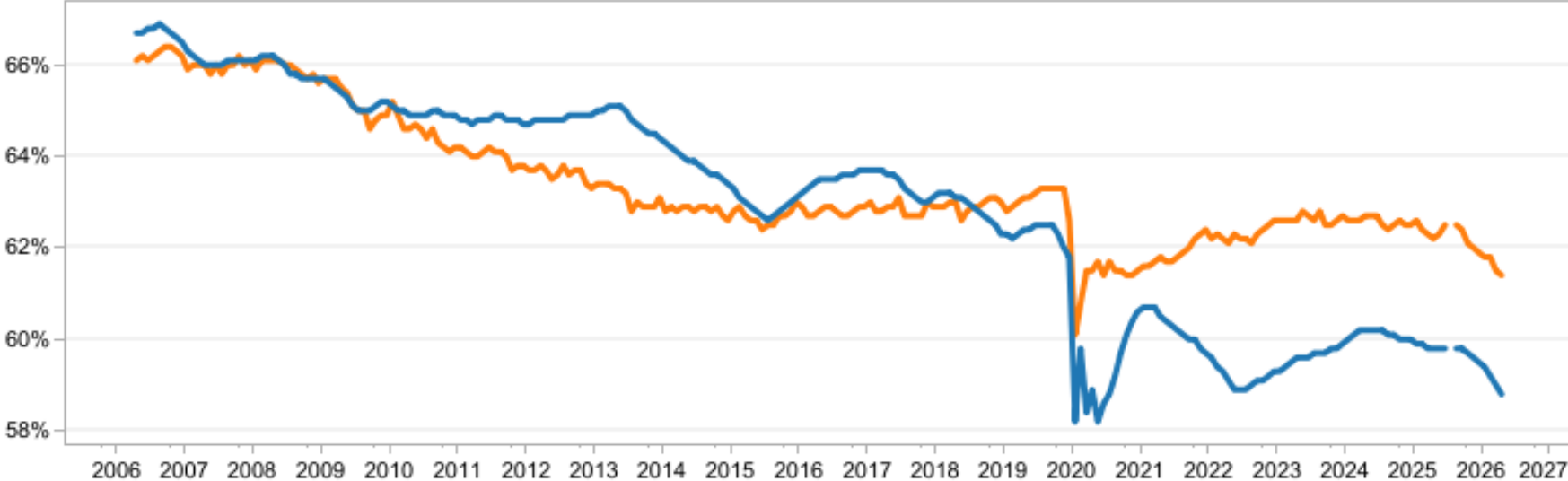
2024 Labor Force Participation Rate



Share of 16+ Population by Age, 2024



Labor Force Participation Rate (seasonally adjusted)



Jul, 2006 to Jul, 2026

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

■ Maine
■ United States

Maine's unemployment rate has been below 4.0% for 55 months as of July 2026 (3.1%), the longest stretch on record

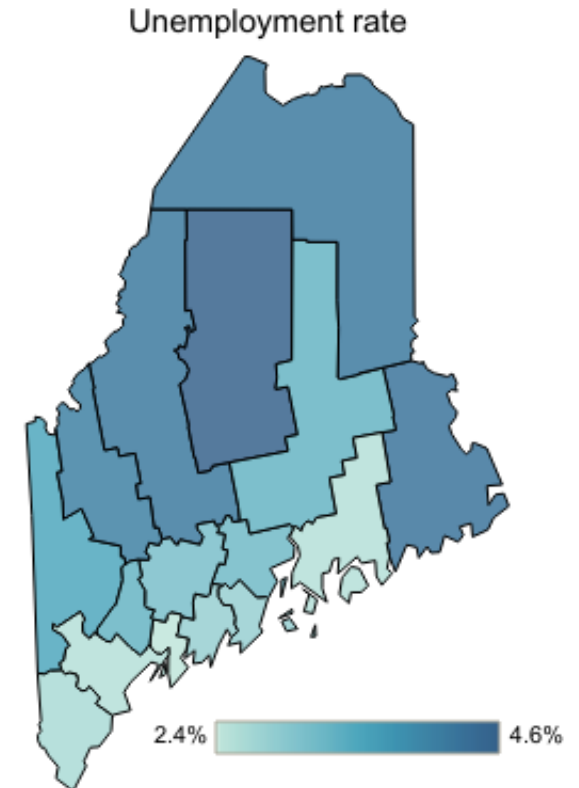
County Rates (not seasonally adjusted)

July, 2026

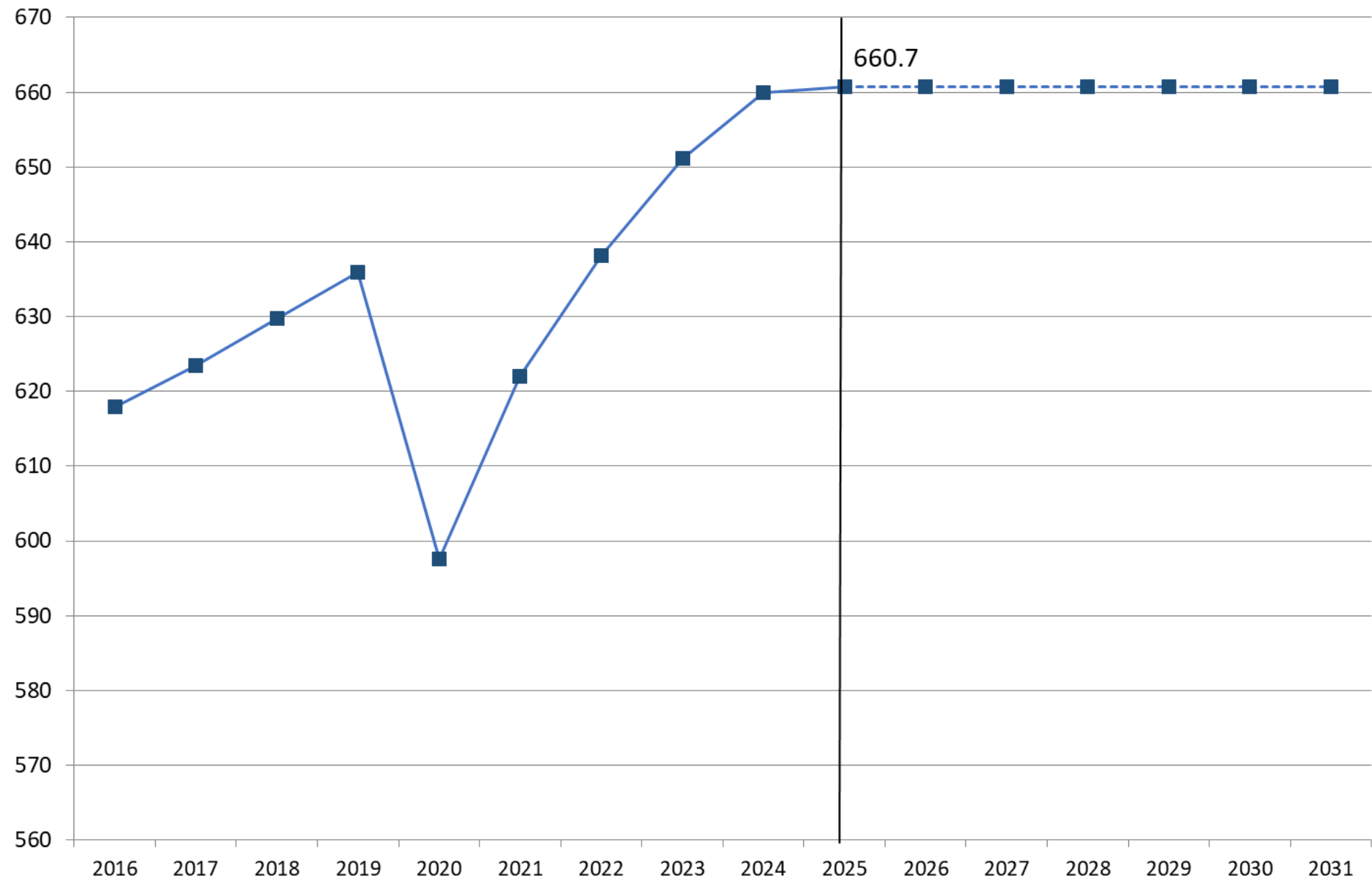
☒ Table
☐ Graph

Map/Graph Display
☒ Unemployment rate
☐ One-year change

County	Rate	Year ago	One-yr change
Maine	3.0%	3.0%	0.0
Androscoggin	3.3%	3.4%	-0.1
Aroostook	4.2%	4.3%	-0.1
Cumberland	2.5%	2.4%	0.1
Franklin	4.1%	3.8%	0.3
Hancock	2.5%	2.6%	-0.1
Kennebec	3.1%	3.0%	0.1
Knox	2.8%	3.0%	-0.2
Lincoln	2.8%	2.6%	0.2
Oxford	3.5%	3.5%	0.0
Penobscot	3.3%	3.5%	-0.2
Piscataquis	4.6%	4.2%	0.4
Sagadahoc	2.4%	2.4%	0.0
Somerset	4.2%	4.2%	0.0
Waldo	3.2%	3.4%	-0.2
Washington	4.3%	4.5%	-0.2
York	2.6%	2.6%	0.0

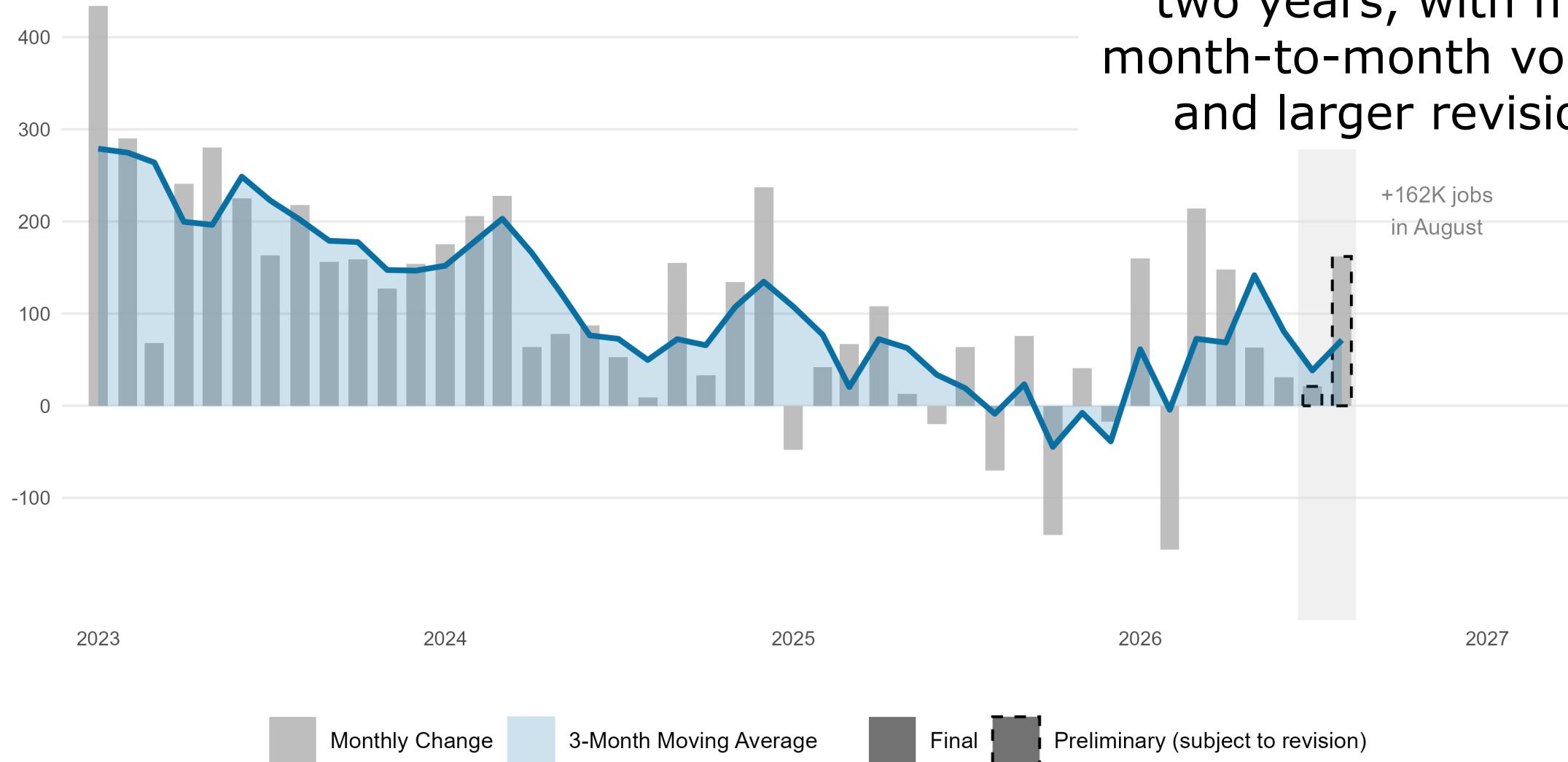


Total Nonfarm Employment (in thousands)
History and Consensus Economic Forecasting Commission forecast



US Nonfarm Payroll Employment (Seasonally Adjusted)

Monthly Change in Jobs (in thousands)

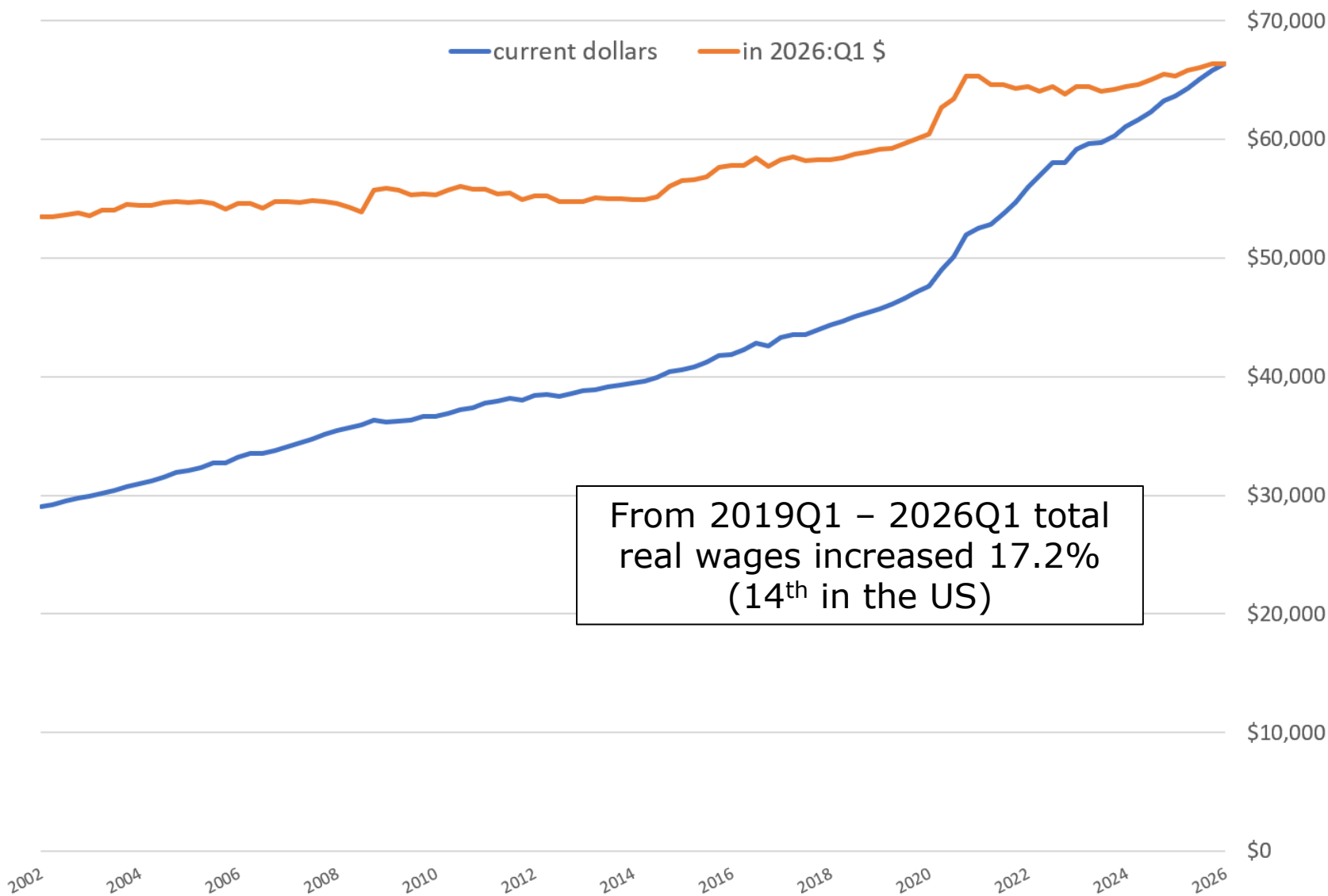


The national labor market has slowed over the past two years, with more month-to-month volatility and larger revisions

Source: U.S. Bureau of Labor Statistics

Dashed outline / shaded band = data not yet final; BLS revises the two most recent months in subsequent releases.

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

Wrapping up:

- Population growth in Maine comes from migration, which picked up during the pandemic but has been challenged by housing availability/affordability
 - The Sagadahoc/Lincoln region tends to be older than the statewide average, with housing affordability posing a particular challenge
- Employment growth is largely limited by labor force availability, but there has been some softening in the national labor market
- Maine's economy is impacted both by its demographics and by larger national and global trends

Contact Information

Amanda Rector

Maine State Economist

Department of Administrative and Financial Services

www.maine.gov/dafs/economist

amanda.rector@maine.gov