

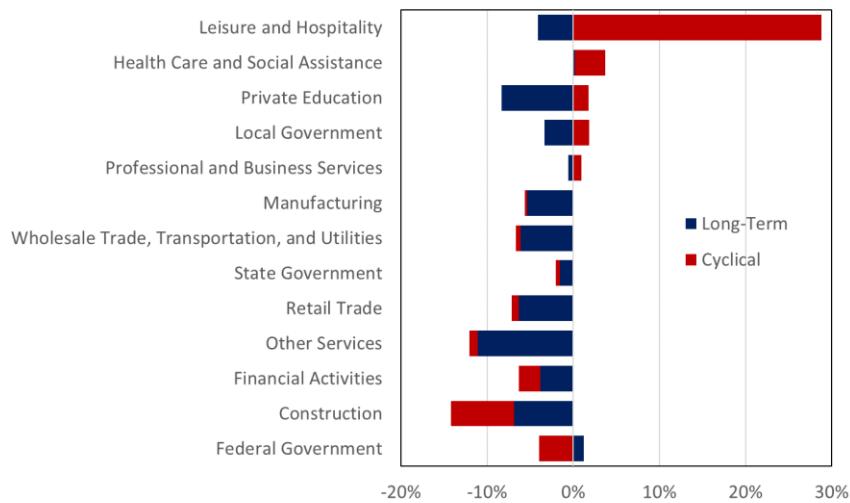
## Industry Employment Outlook to 2030

A range of factors cause the composition of jobs to shift across industries and occupations over time, with some affected more than others. These dynamics generally fall into two categories. Structural changes observed over long periods stem from fundamental changes in demand and work processes. Cyclical changes stem from short-term disruptions to supply or demand that eventually pass, giving way to structural trends. All industries are subject to long-term structural changes. Some tend to be more impacted by cyclical changes than others. Downturns in the economy usually cause more job displacement in construction, manufacturing, and food services, than in legal or healthcare services, for example, though some very different patterns played out in the aftermath of the pandemic.

[Employment Outlook to 2030](#) highlighted that the forecast for the period from 2020 to 2030 is complicated by the onset of the pandemic, which caused sharp job losses in the spring of 2020. Now, in the middle of 2022, the jobs recovery is nearly complete. As such, the cyclical aspects of change between 2020 and 2030 mostly have already occurred, so long-term structural aspects of change have returned as the dominant factors impacting employment levels from now through 2030.

The pandemic impacted some industries more than others. Most restaurants, lodging places, ski resorts, casinos, and other recreation and hospitality businesses, as well as public schools, closed for some period-of-time, and, for many, the recovery is not yet complete. Others, such as construction, professional and business services, and manufacturing businesses recovered more quickly and now exceed pre-pandemic levels.

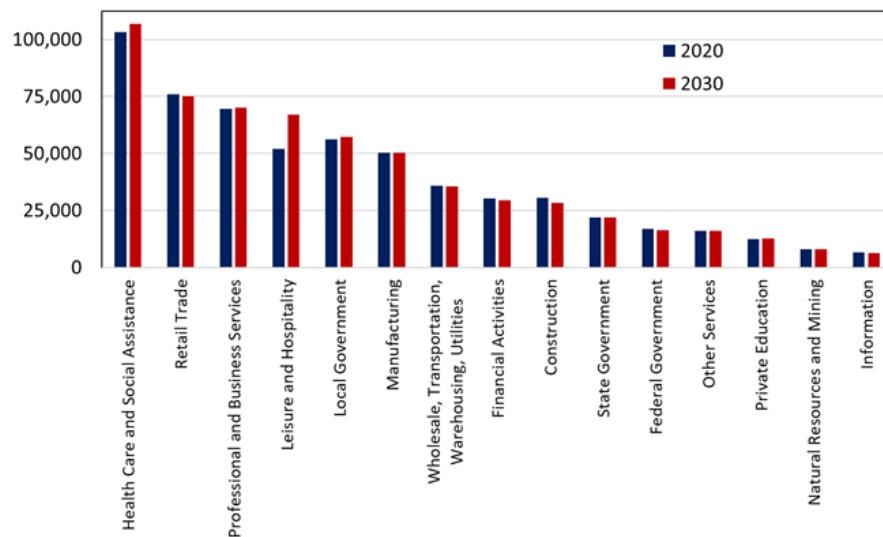
**Projected Cyclical and Long-Term Change in Jobs by Sector in Maine, 2020 to 2030**



The projected change in jobs is uneven across sectors. Much of expected growth is in sectors that experienced the sharpest job losses in 2020, including leisure and hospitality, healthcare and social assistance, and education. Construction jobs tend to move up and down with the business cycle and were at a high point in 2020, partly driven by an influx of people to the state from more congested areas. These differences – the jobs recovery in leisure and hospitality and the return to a more moderate level of construction – are cyclical fluctuations, that are not representative of long-term trends.

Though the rate of change is expected to differ by sector, the general distribution of jobs is not expected to change greatly. The sectors with the most jobs – healthcare and social assistance, retail trade, professional and business services, and leisure and hospitality – are expected to continue as the largest employers.

### Jobs by Sector in Maine, 2020 and Projected 2030



In the following narrative, three sectors are highlighted to illustrate the differing cyclical and long-term dynamics they are expected through 2030.

### Leisure and Hospitality

The leisure and hospitality sector includes lodging places, restaurants and pubs, and arts, entertainment, and recreation facilities. These businesses experienced the sharpest job losses at the onset of the pandemic as most closed for a period. As they reopened, many workers were recalled and others were hired. By the middle of 2022, 15,000 jobs had been regained and employment was close to pre-pandemic levels.

With the cyclical aspect of expected change mostly complete, the long-term trend will be the primary aspect of change from the middle of 2022 to 2030. Over time, changes in the composition of the workforce and altered work processes are expected to improve productivity in this sector. This is expected to result in a decrease of 2,800 jobs through the remainder of the decade. Though the number of jobs is expected to modestly contract, there should be large numbers of job openings throughout the period to replace others who move on to jobs in other sectors or who leave the labor force.

### Health Care and Social Assistance

Hospitals, offices of physicians, dentists, and other practitioners, nursing and residential care facilities, labs, childcare, counseling, and other care and assistance providers experienced significant job losses in the spring of 2020, when elective procedures and other in-person services were suspended. Little cyclical recovery has occurred through the middle of 2022. Nursing and residential care facilities have been the most challenged to recover, currently with 2,000 fewer staff than before the pandemic. The projected gain of 4,000 healthcare and social assistance jobs from 2020 to 2030 entirely reflects long-term aspects of change.

Industries in this sector are expected to experience a mix of job growth and decline due to structural factors. Maine's elder population is increasing, while the number of children is decreasing, so demand for staff in

nursing and residential facilities and home health care services is expected to rise, while demand for child daycare services is expected to decrease. Throughout the sector, including in childcare, large numbers of job openings are expected, most to replace workers who shift to a job in another sector or who retire or otherwise leave the labor force.

## Professional and Business Services

This sector did not experience the sharp job loss most others did in 2020. Law offices, advertising and communications agencies, accounting and consulting firms, and similar businesses were more able to shift to remote work than many other types businesses. In the middle of 2022 there are about seven percent more jobs than before the pandemic. Much of that gain has been in temporary help services jobs, especially those supplying nurses and others to healthcare providers. From 2022 to 2030 the change in jobs is expected to be relatively small, partly because many now working in temporary help roles are likely to gain permanent employment in another industry.

## The Industry Employment Outlook in Context

Much of the expected job growth for the decade through 2020 had already occurred by the middle of 2022. Long-term trends in the population, in productivity, and in demand will continue to gradually shift the structure of jobs by industry. Though some industries are expected to add jobs and others are expected to shed jobs, job openings will occur in every industry. The overall job structure in 2030 is only expected to be marginally different than it is today.