

# Demographic and Economic Overview of Maine

University of Southern Maine

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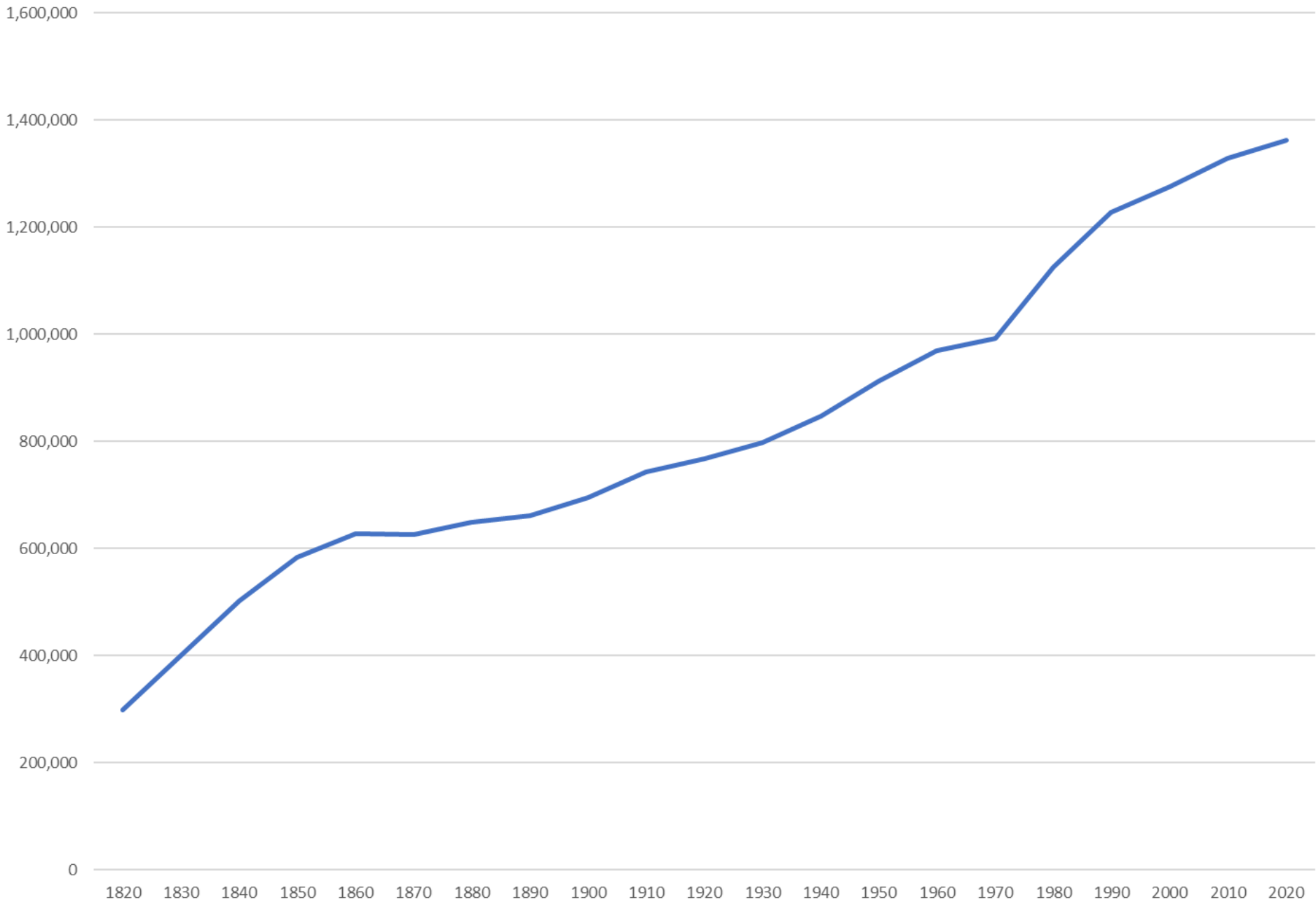
Maine State Economist

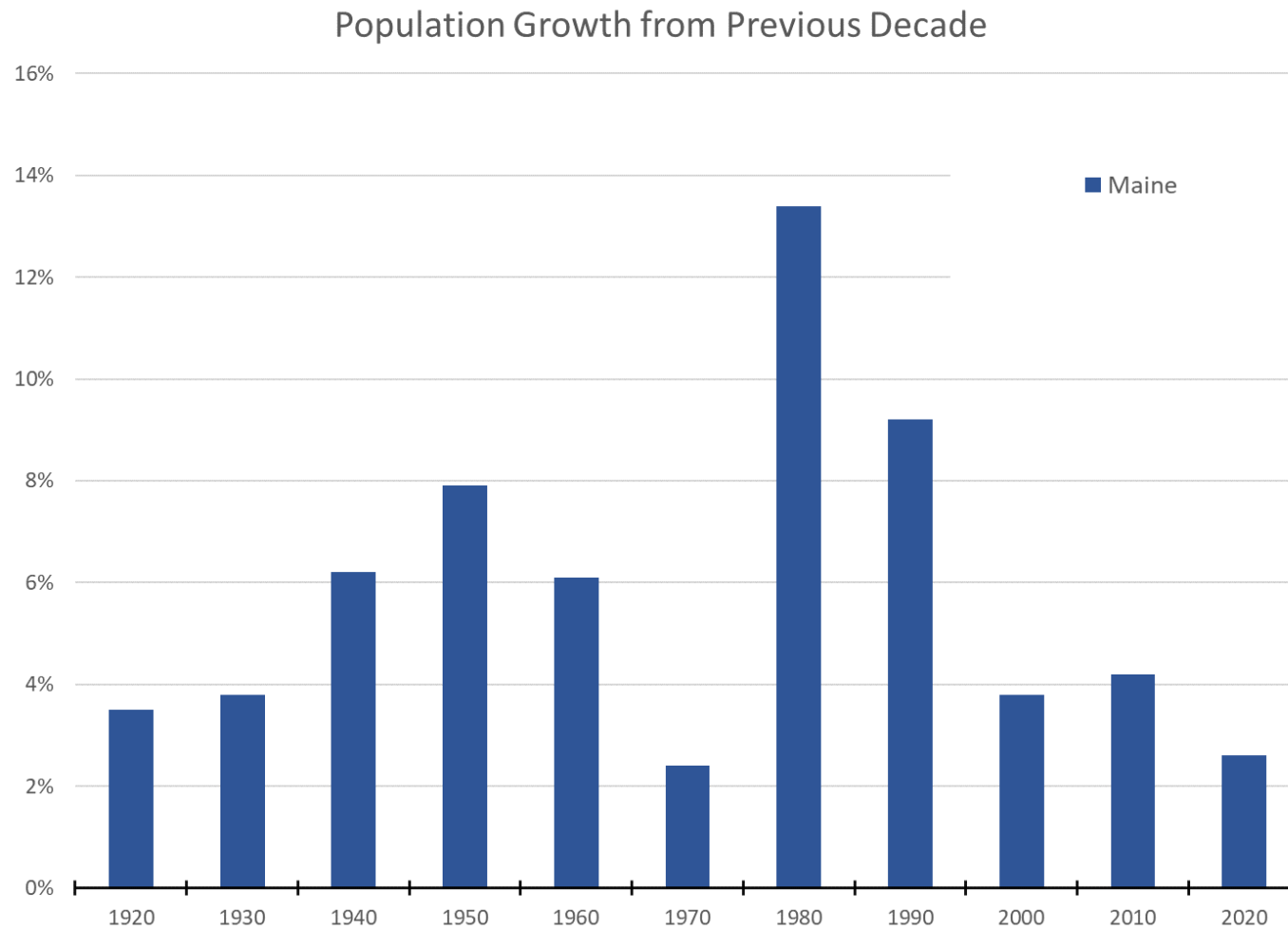
# Overview

- Population change and demographics
- Workforce and employment
- Wages, income, and inflation
- Gross Domestic Product (GDP)

# Population Change

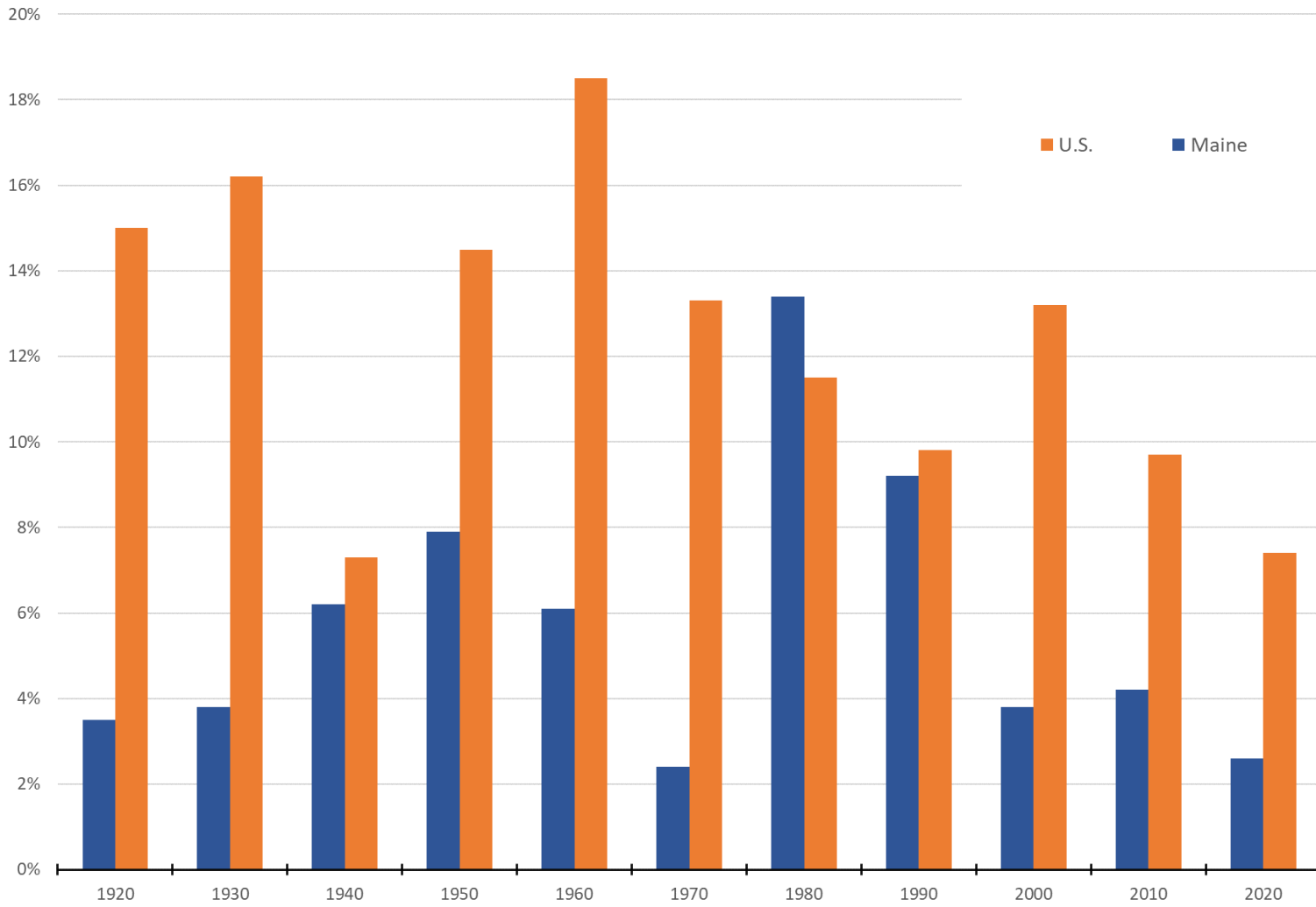
Maine, Total Population





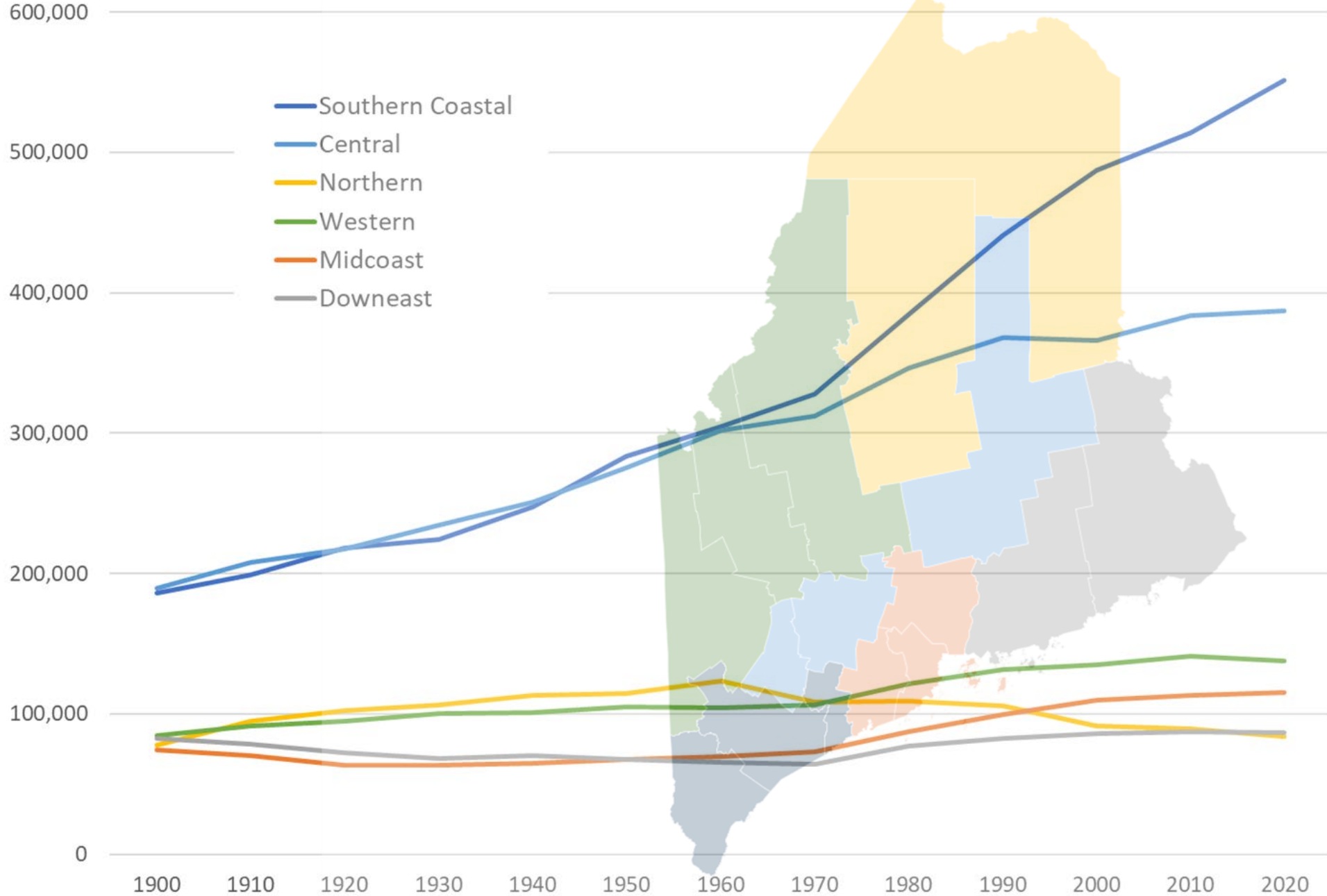
Maine  
population  
growth peaked  
during “back  
to the land”  
movement in  
the 1970s

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.

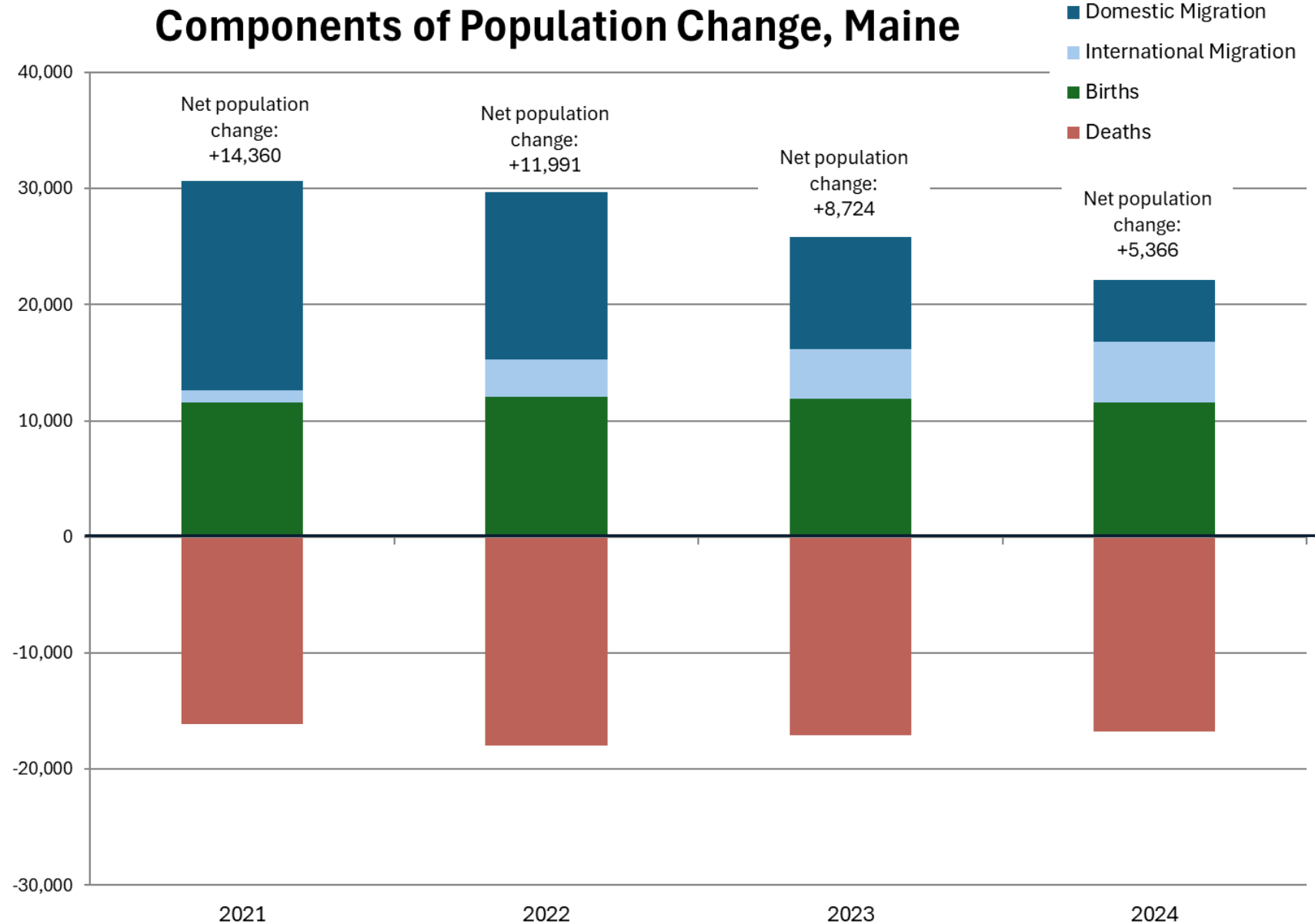
# Population by Region



Population increase of  
2.6% from 2010-2020  
(42<sup>nd</sup> in U.S.)

Population increase of  
3.1% from 2020-2024  
(17<sup>th</sup> in U.S.)

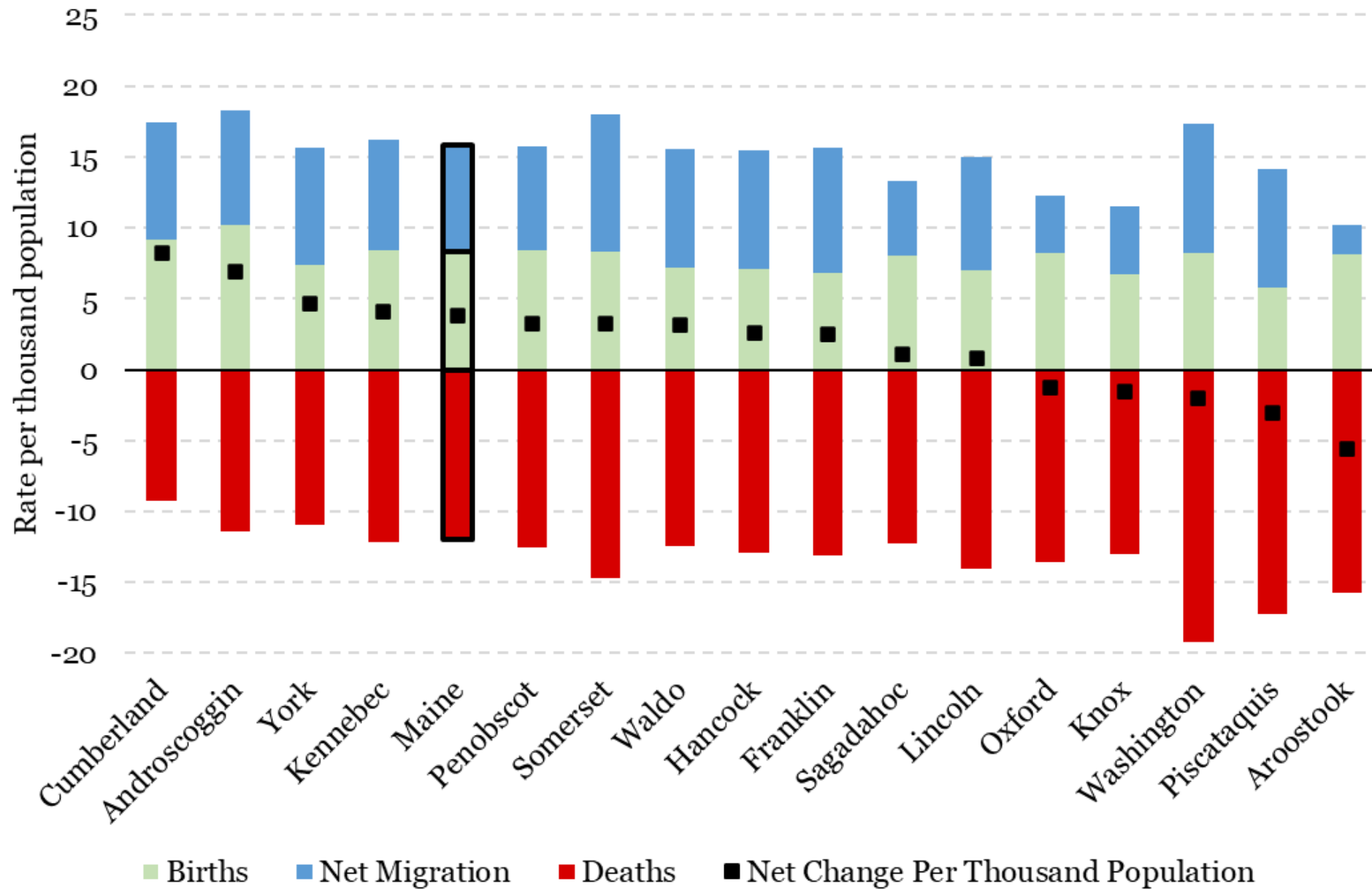
2024 Total Population:  
1,405,012





# Components of Population Change in Maine, 7/1/2023-7/1/2024

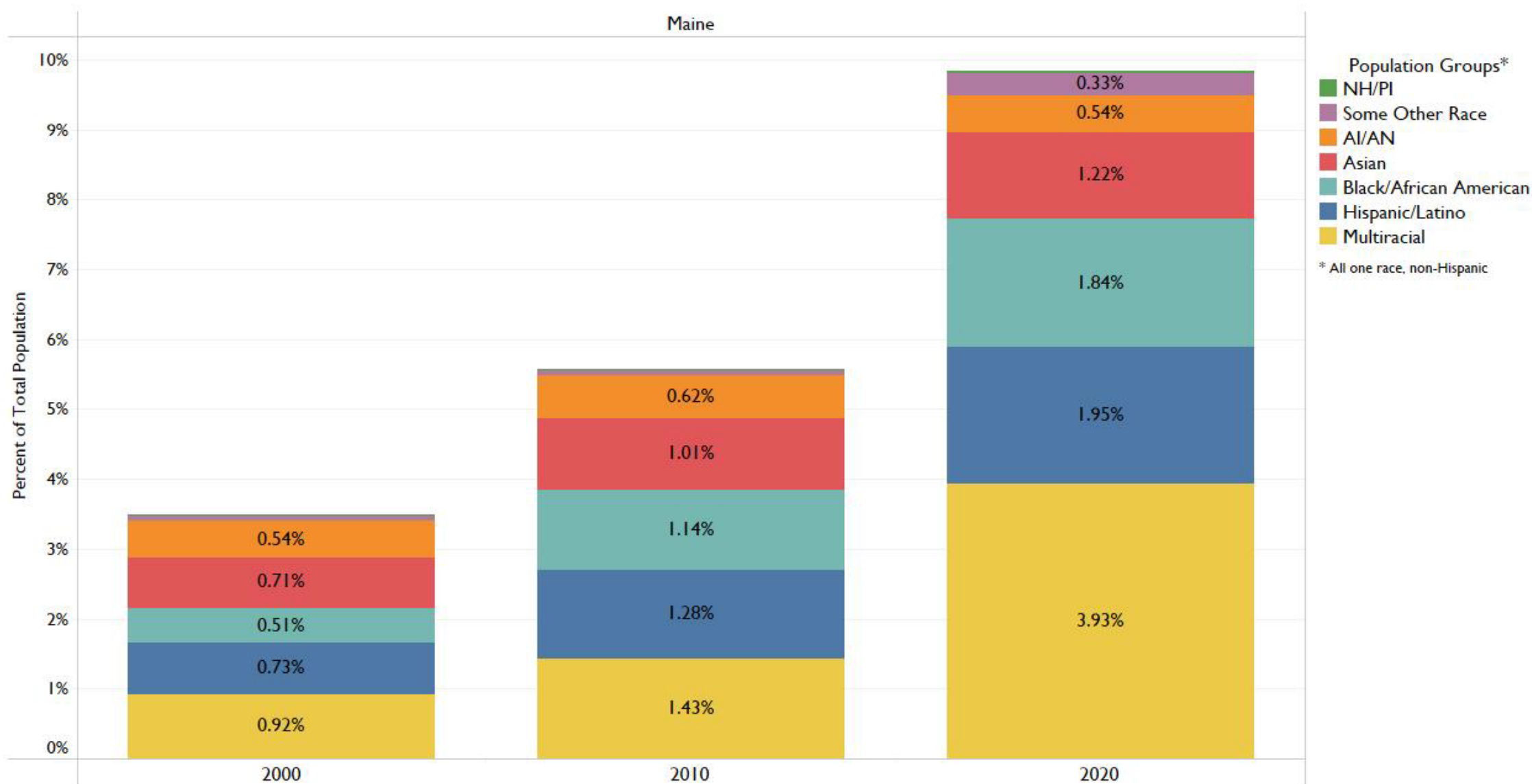
## Rate per thousand population



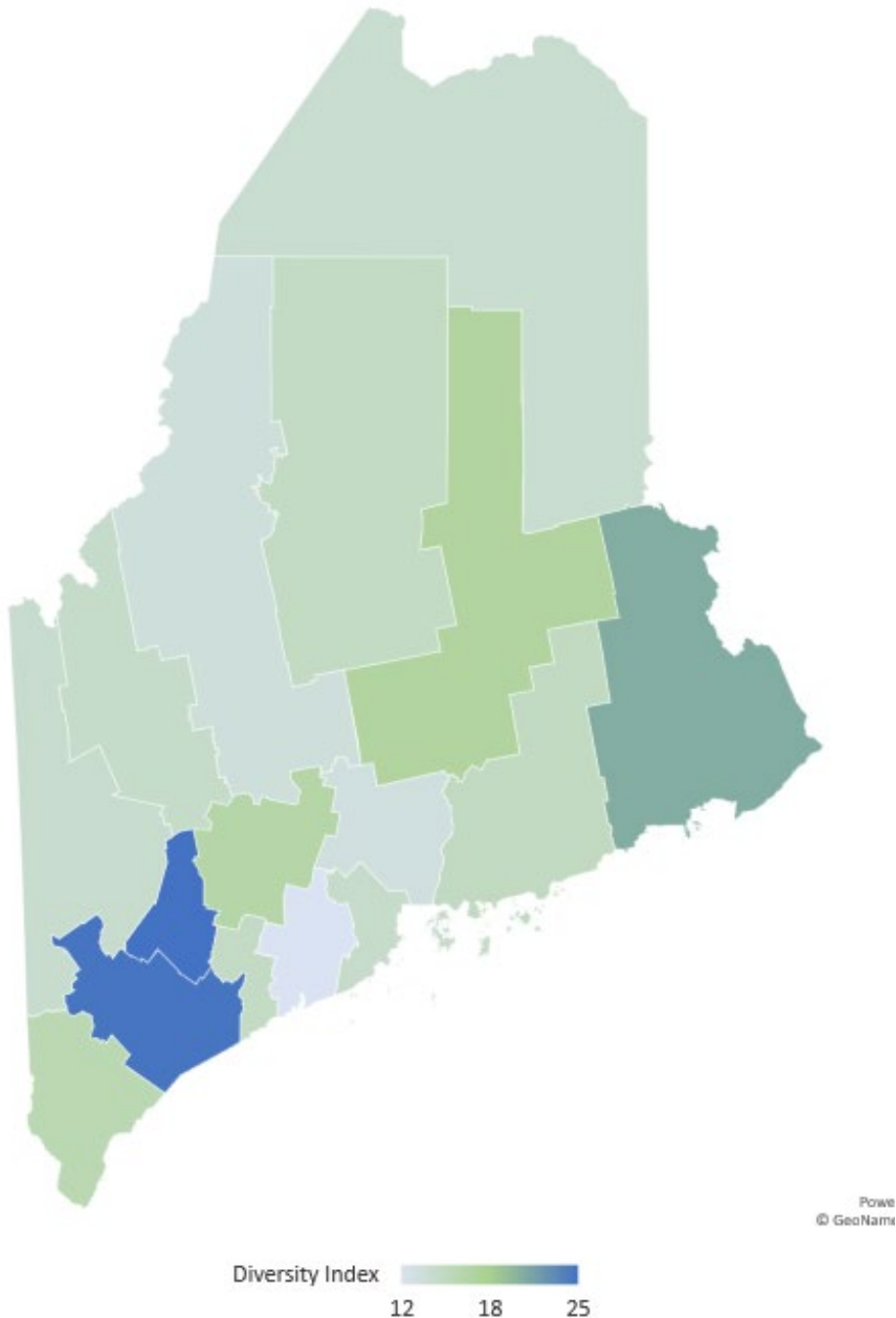
# Demographics

# Share of Total Population by Population Group | Maine

Data source: 2000, 2010, and 2020 U.S. Decennial Census

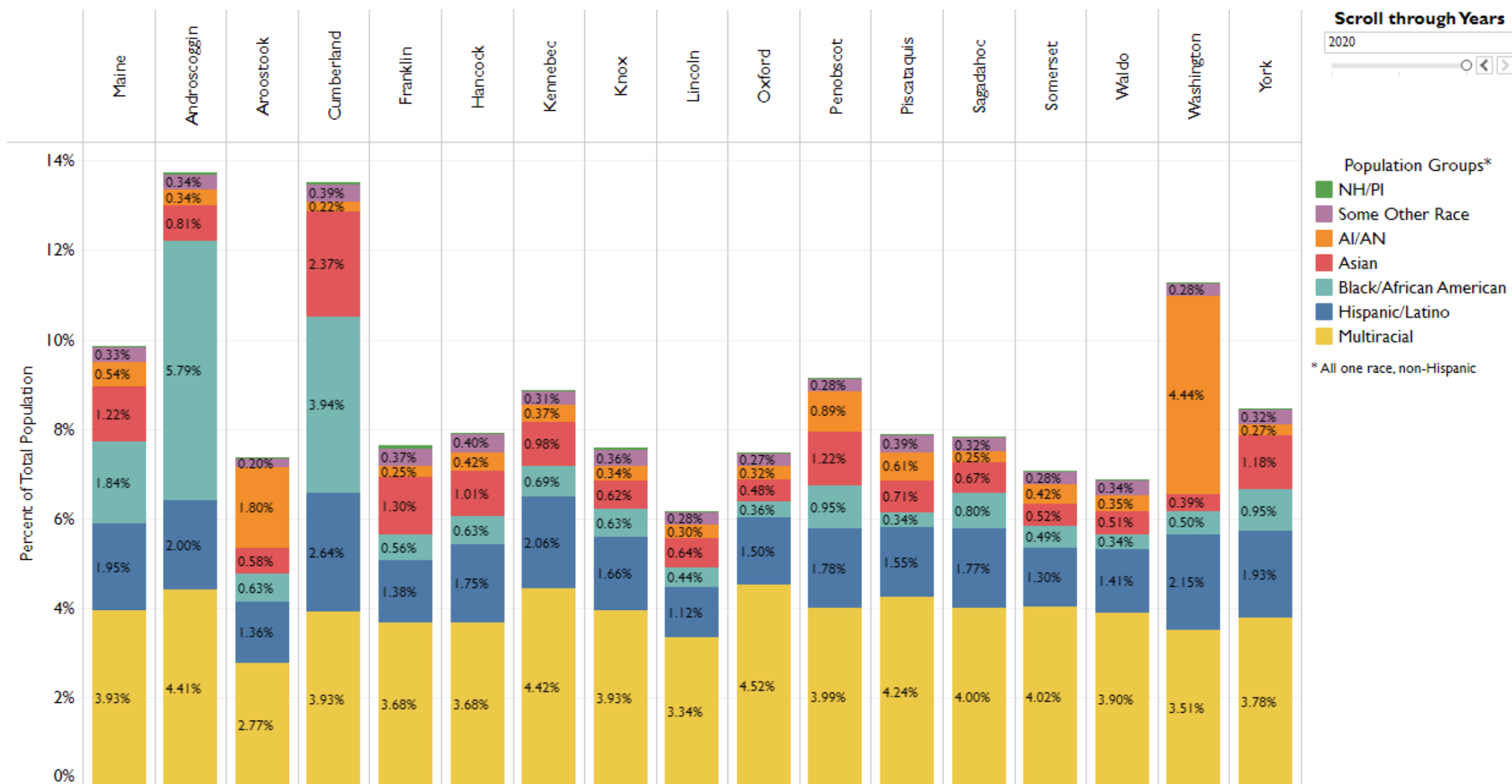


Note: Bars with less than 0.10% are not labeled for clarity and the White population is excluded from this figure because it comprises over 90% of the population.



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

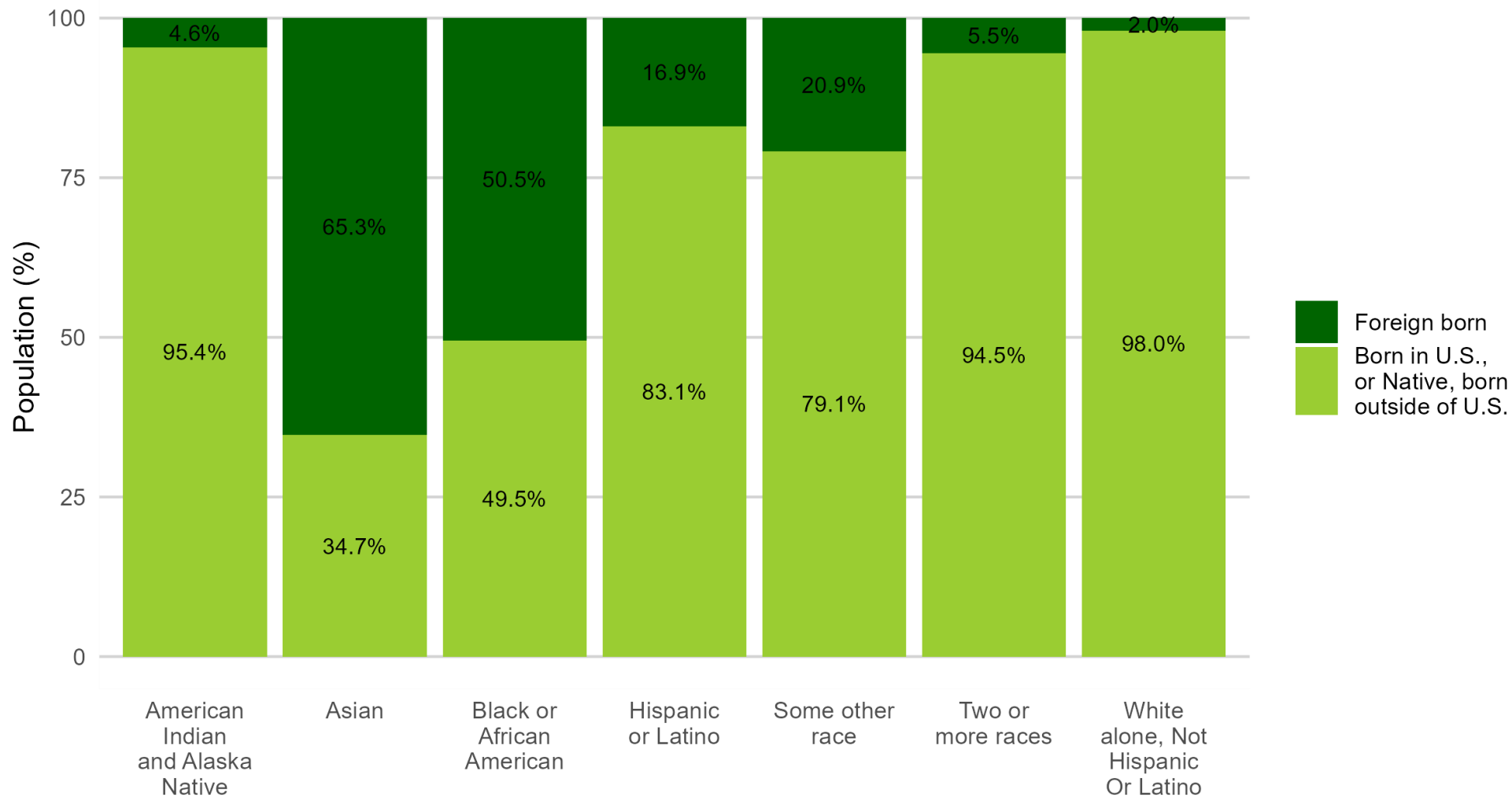
- In 2020, Maine ranked as the least diverse state in the U.S.
  - ME index = 18.5
  - U.S. index = 61.1
- But there is regional variation: Cumberland, Androscoggin, and Washington counties are more diverse



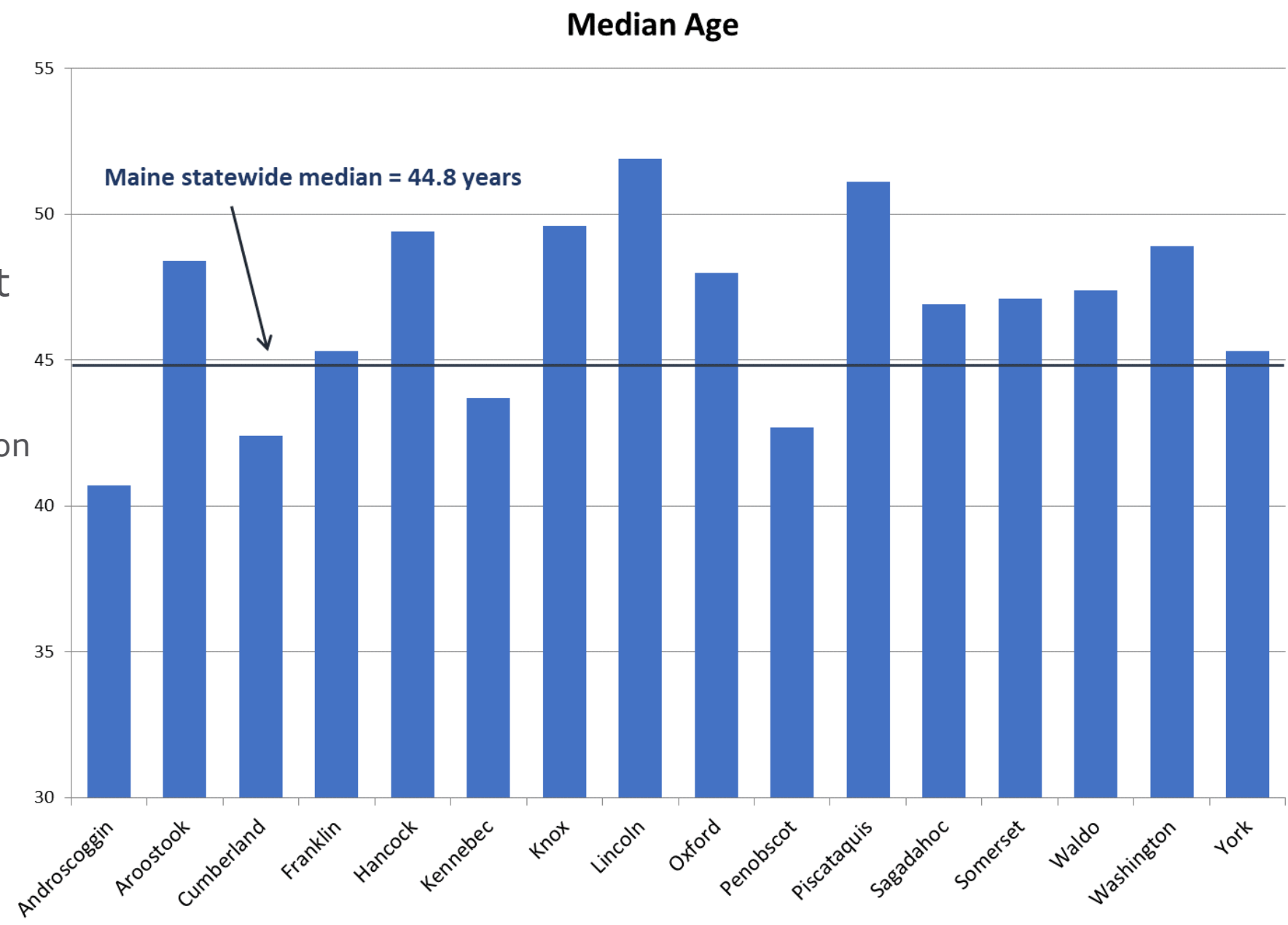
Race and/or ethnicity is not the same as place of birth

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

*Foreign born statewide, 3.8%*

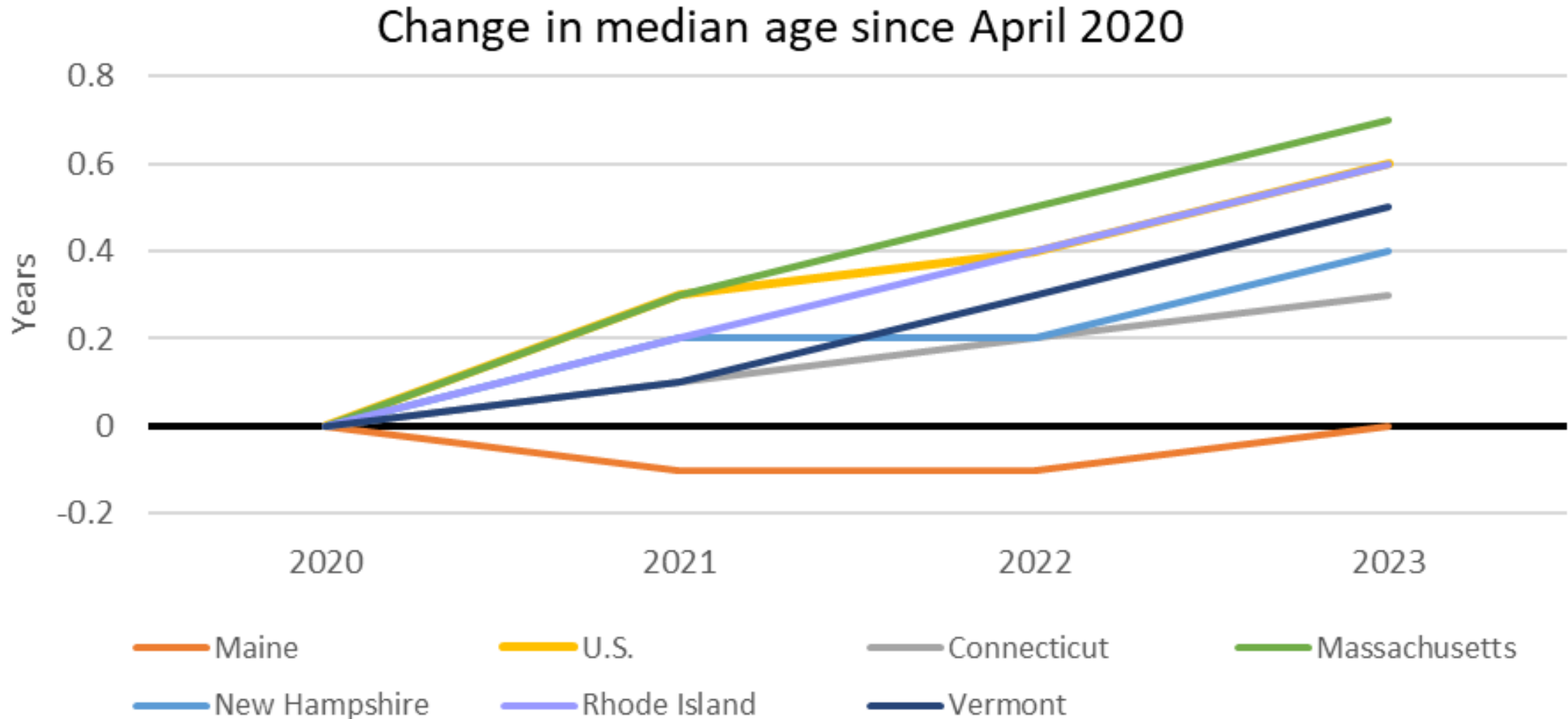


Maine has the oldest population...  
...by median age  
(44.8 years)  
...and by % of population  
age 65+ (23.0%)



## Migration has made a difference

Maine's median age in 2023 is unchanged from 2020, while the U.S. median age has increased 0.6 years

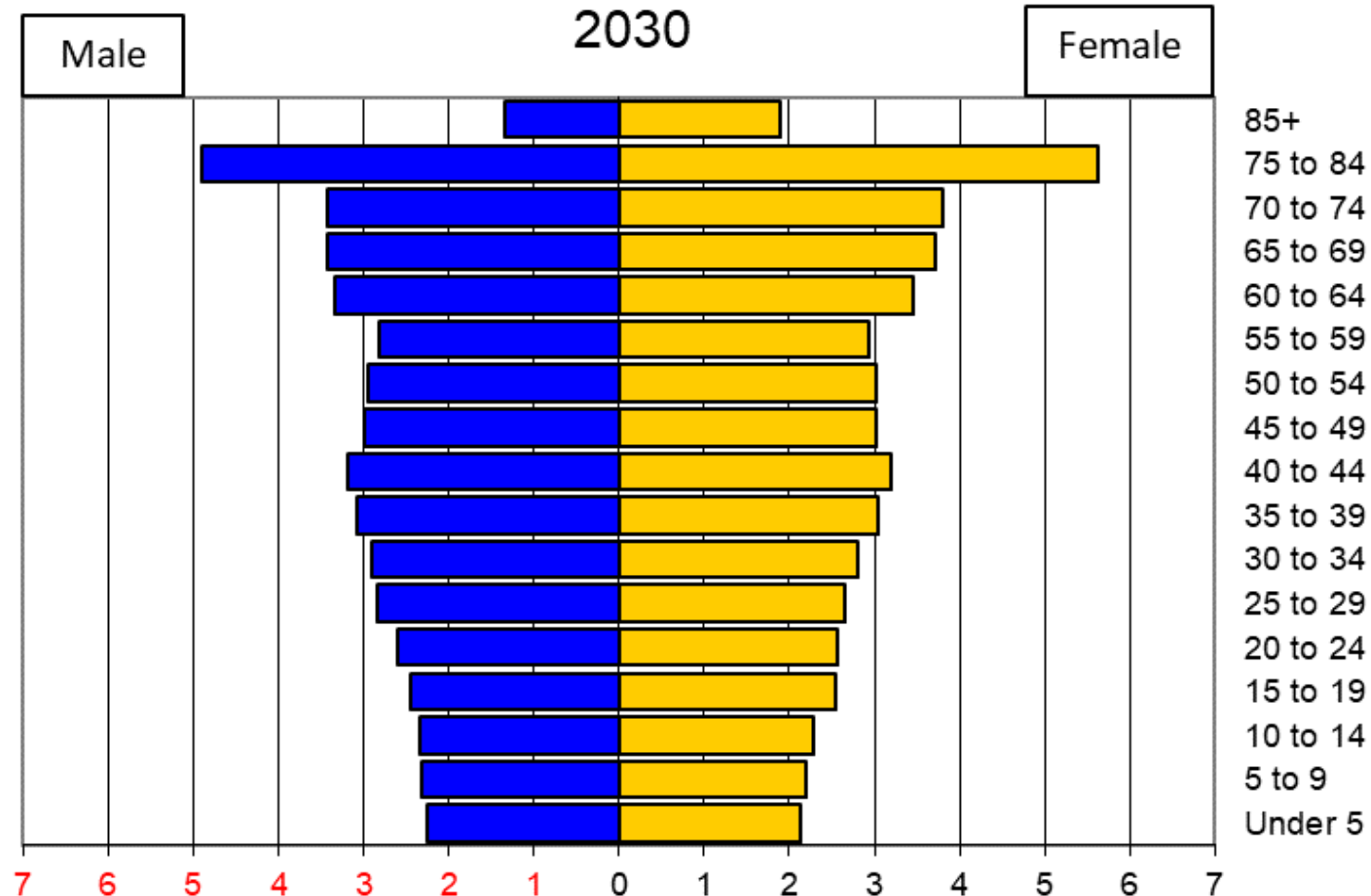




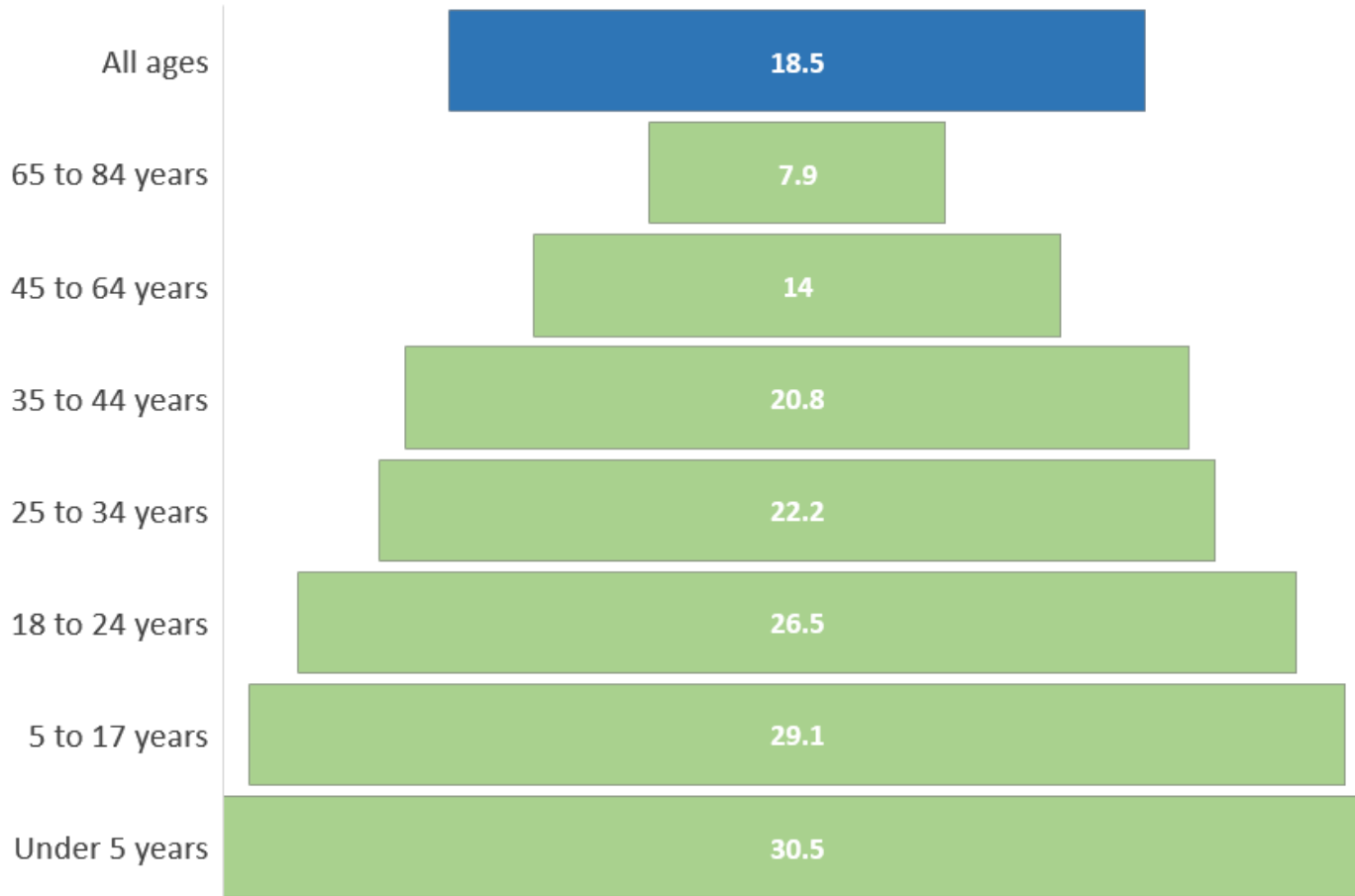
# The Baby Boom: 1946-1964

Baby Boom  
generation in  
2030: age 66-84

Baby Boom  
generation in  
2023: age 59-77



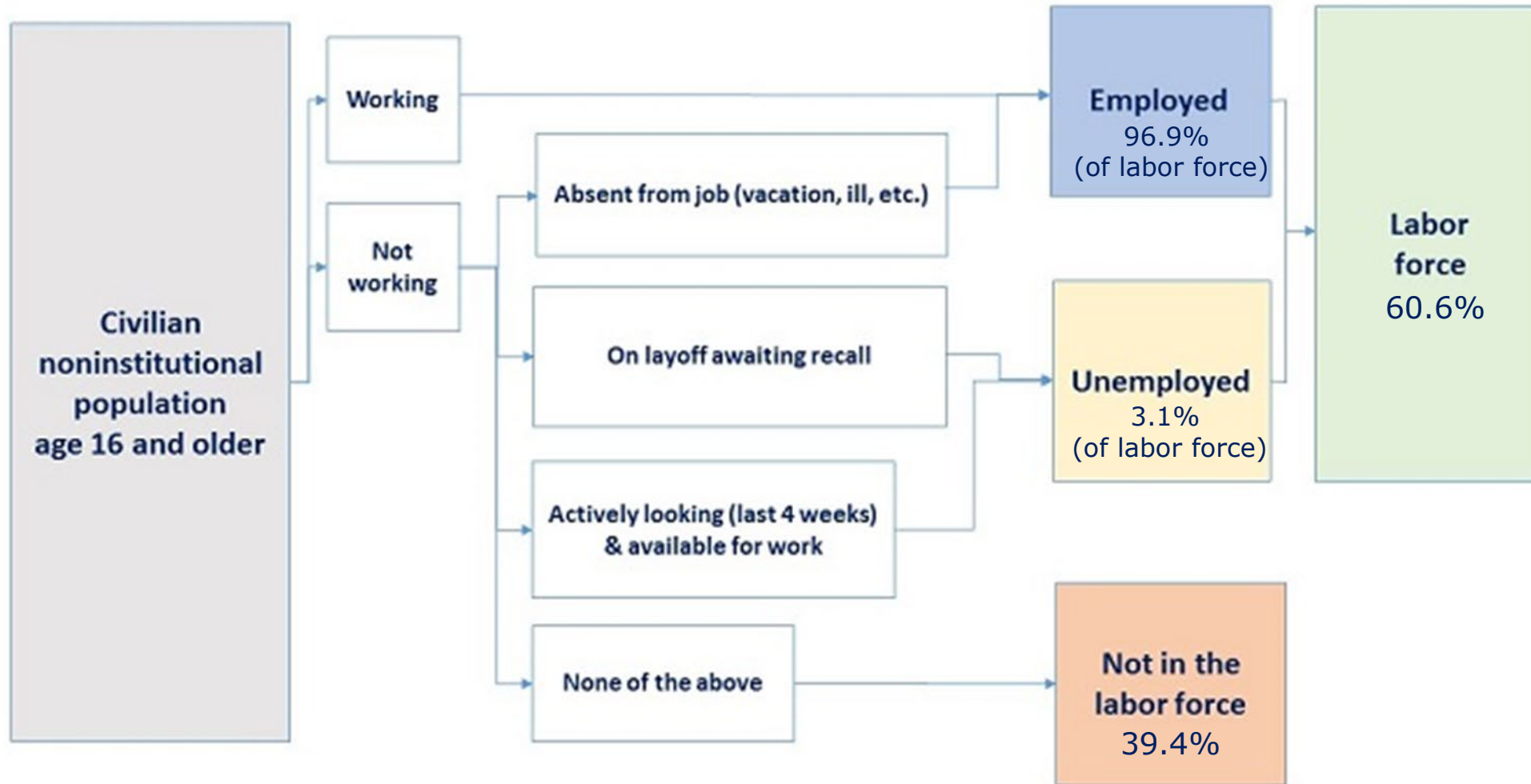
Diversity Index in Maine, 2020: Selected Age Groups



Younger generations in Maine are more diverse than older generations

# 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

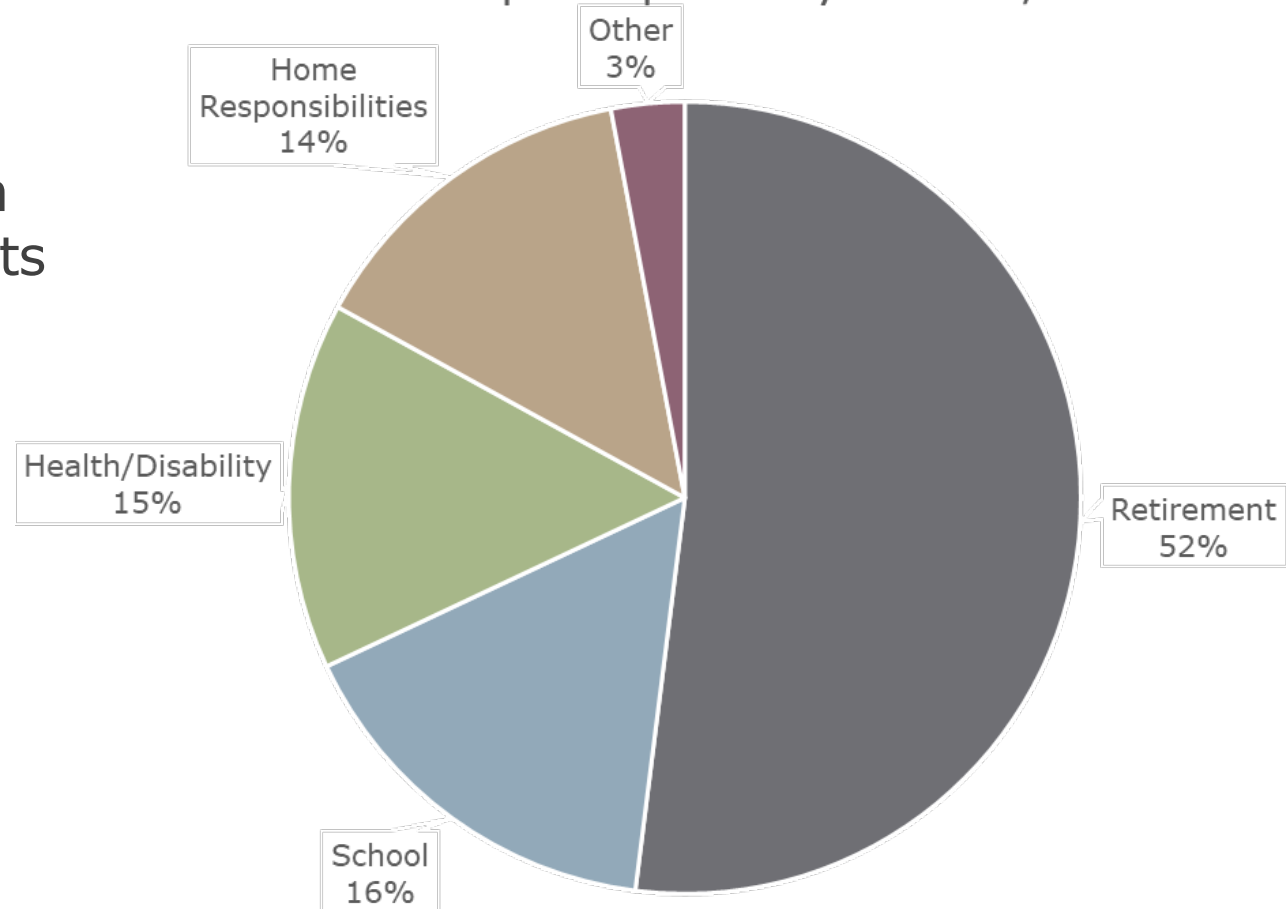
School attendance

Health/disability

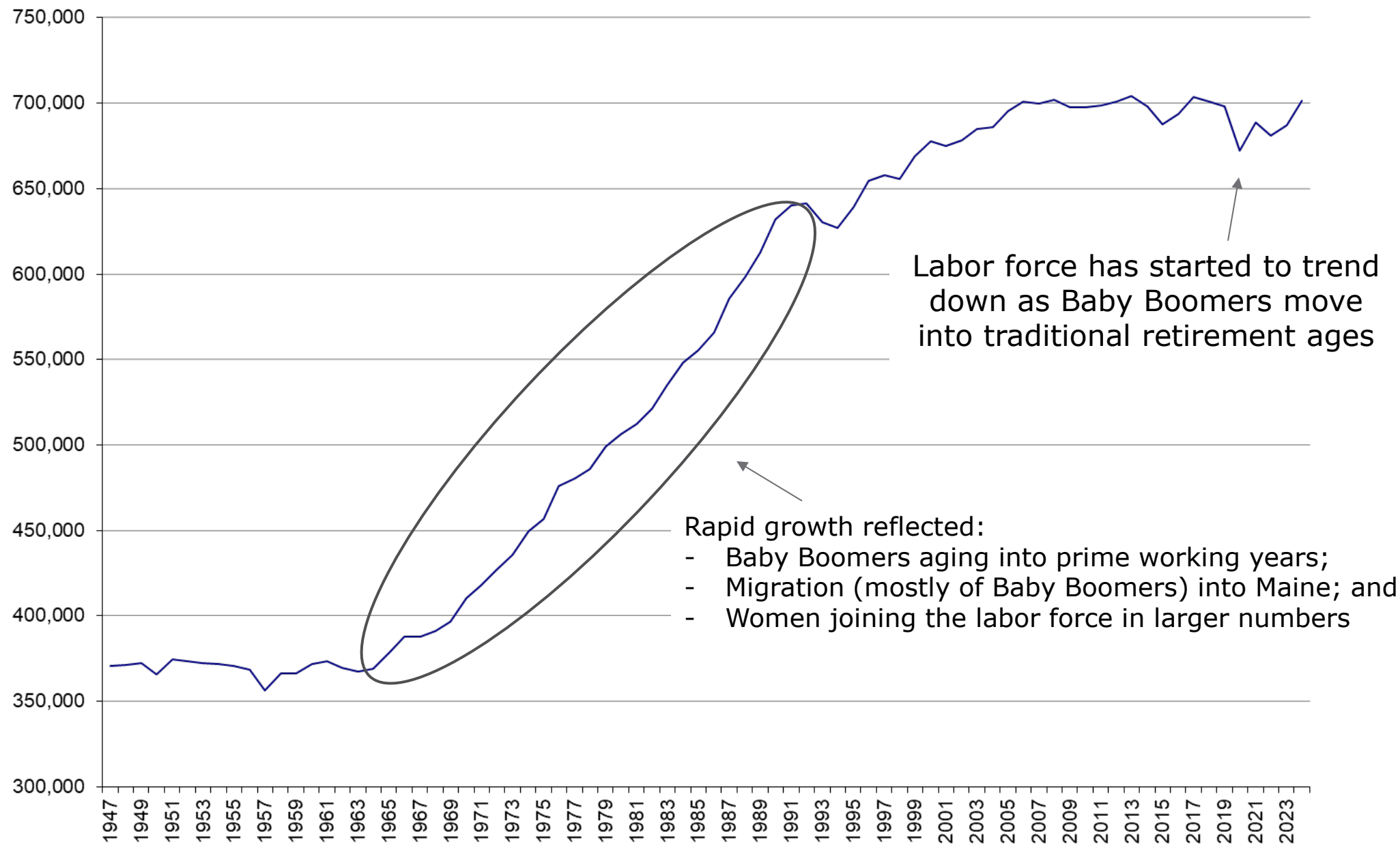
Home responsibilities

Other reasons

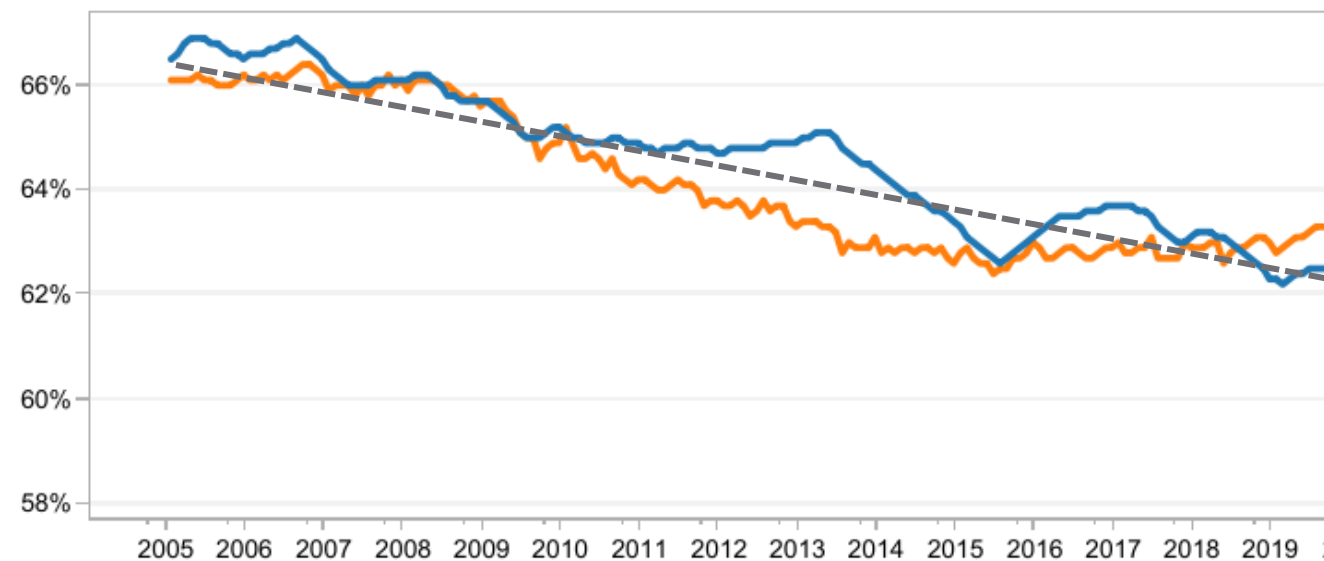
Share of Nonparticipants by Reason, 2022



## Maine Civilian Labor Force



## Labor Force Participation Rate (seasonally adjusted)

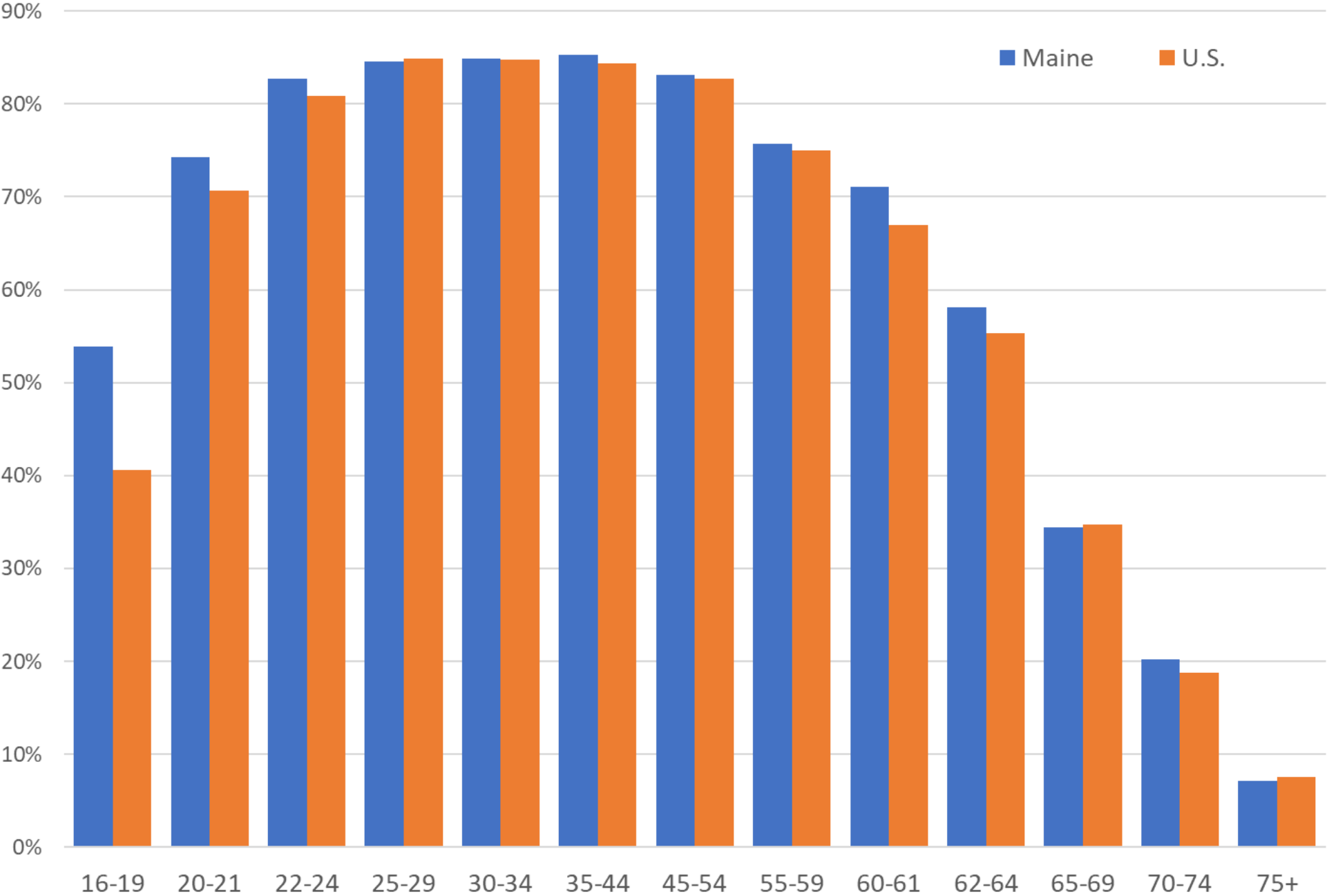


Mar, 2005 to Jan, 2025

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

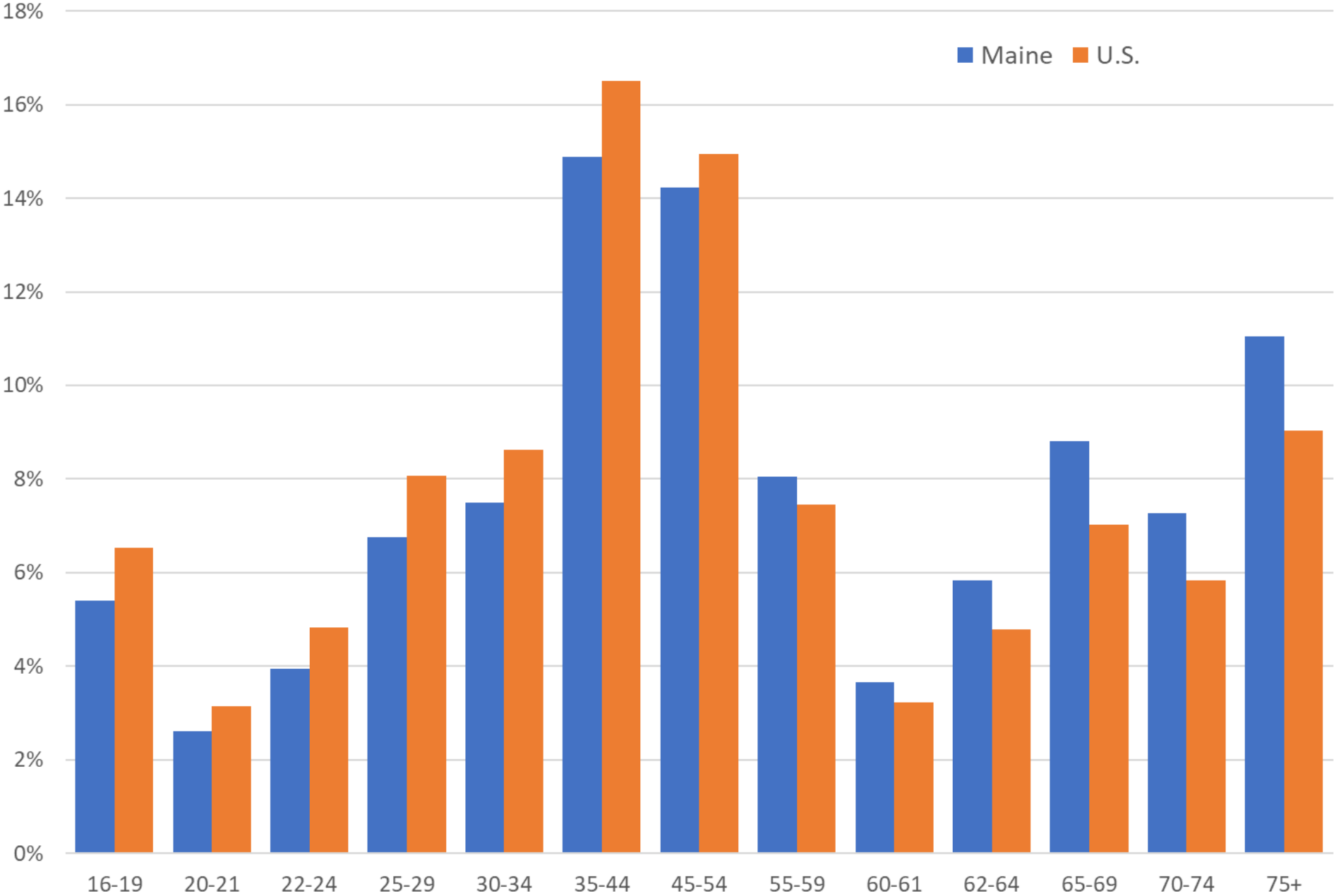
■ Maine  
■ United States

# 2023 Labor Force Participation Rate





# Share of 16+ Population by Age, 2023



## County Rates (not seasonally adjusted)

January, 2025

☒ Table

☐ Graph

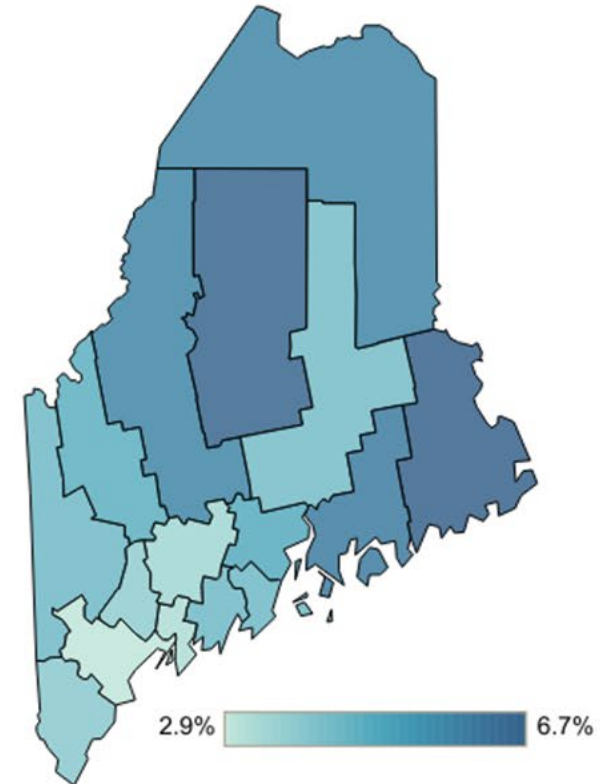
### Map/Graph Display

☒ Unemployment rate

☐ One-year change

County	Rate	Year ago	One-yr change	
Maine	3.9%	3.3%	0.6	↑
Androscoggin	3.7%	3.1%	0.6	↑
Aroostook	5.7%	4.6%	1.1	↑
Cumberland	2.9%	2.5%	0.4	↑
Franklin	4.6%	3.7%	0.9	↑
Hancock	6.0%	5.4%	0.6	↑
Kennebec	3.4%	3.1%	0.3	↑
Knox	4.3%	3.6%	0.7	↑
Lincoln	4.3%	3.6%	0.7	↑
Oxford	4.3%	3.4%	0.9	↑
Penobscot	4.2%	3.5%	0.7	↑
Piscataquis	6.6%	5.2%	1.4	↑
Sagadahoc	3.2%	2.4%	0.8	↑
Somerset	5.7%	4.7%	1.0	↑
Waldo	4.7%	4.1%	0.6	↑
Washington	6.7%	6.0%	0.7	↑
York	3.8%	3.3%	0.5	↑

## Unemployment rate

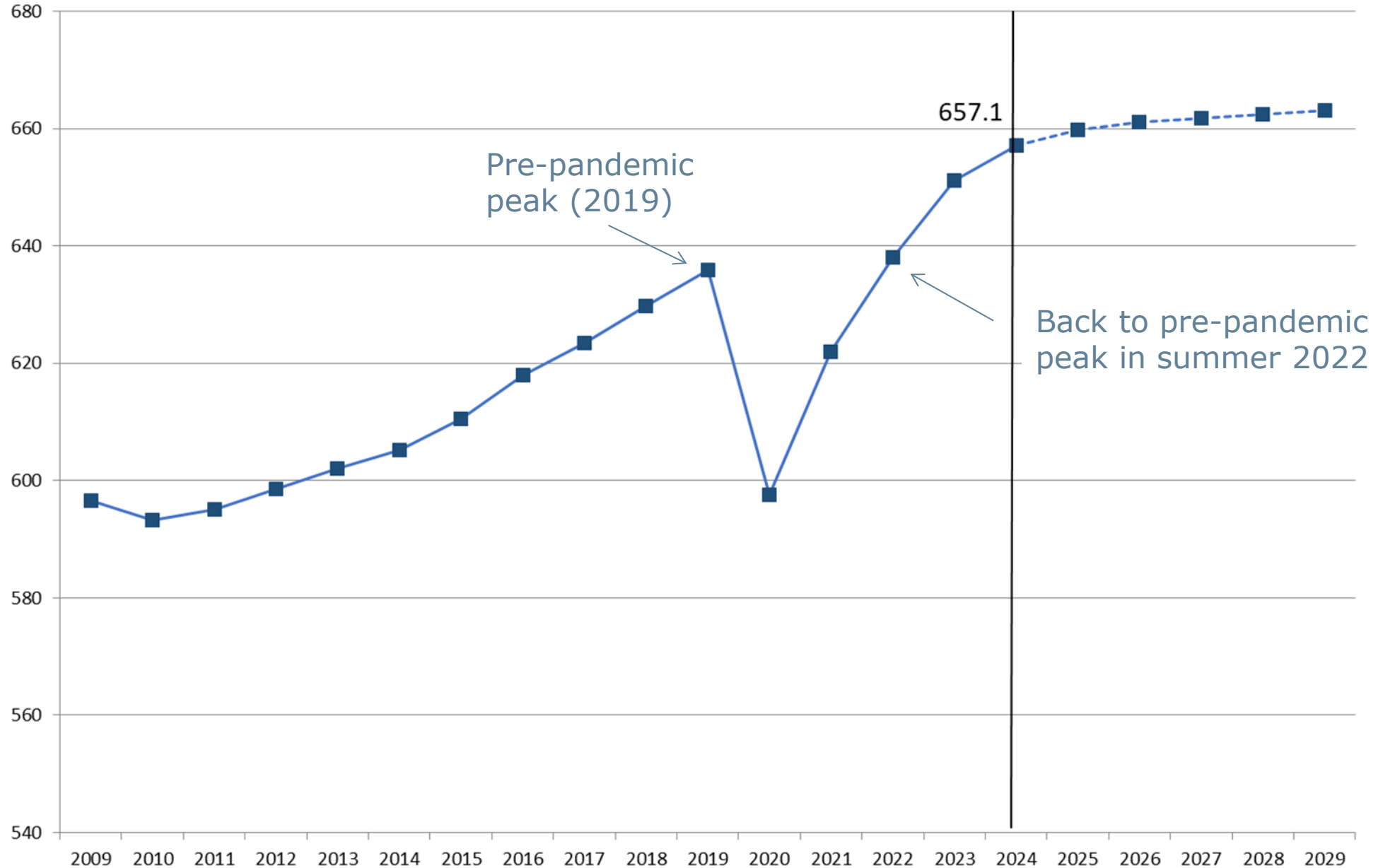


Maine Department of Labor, Center for Workforce Research and Information

Maine's seasonally-adjusted 3.5% unemployment rate in January 2025 is below both the U.S. and New England rates

## Total Nonfarm Employment (in thousands)

### History and Consensus Economic Forecasting Commission forecast



# How do we find enough workforce in the future?

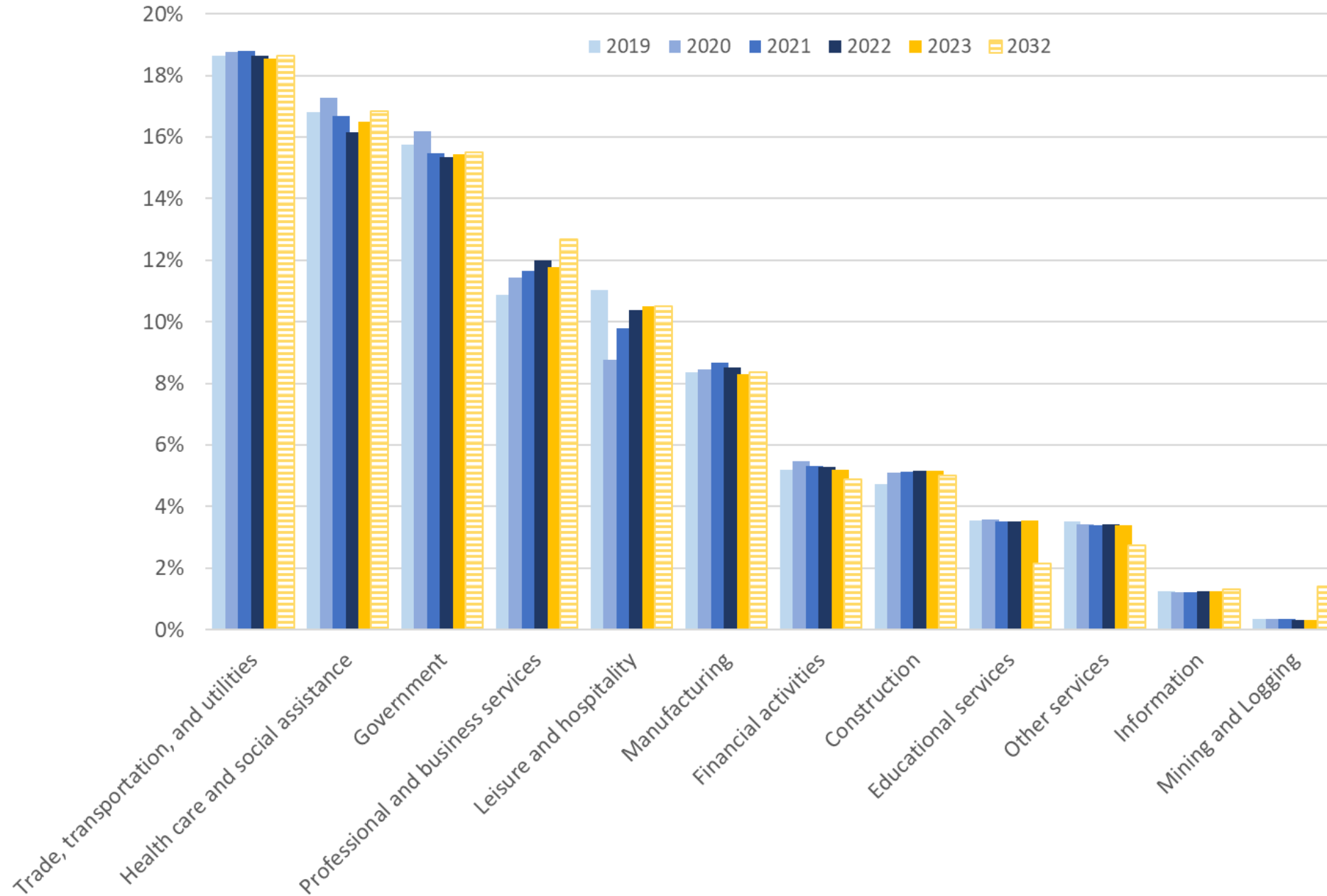
Migration: continue to attract workers to Maine; housing is currently a constraint

Retirements: find creative ways to keep older adults engaged in the workforce

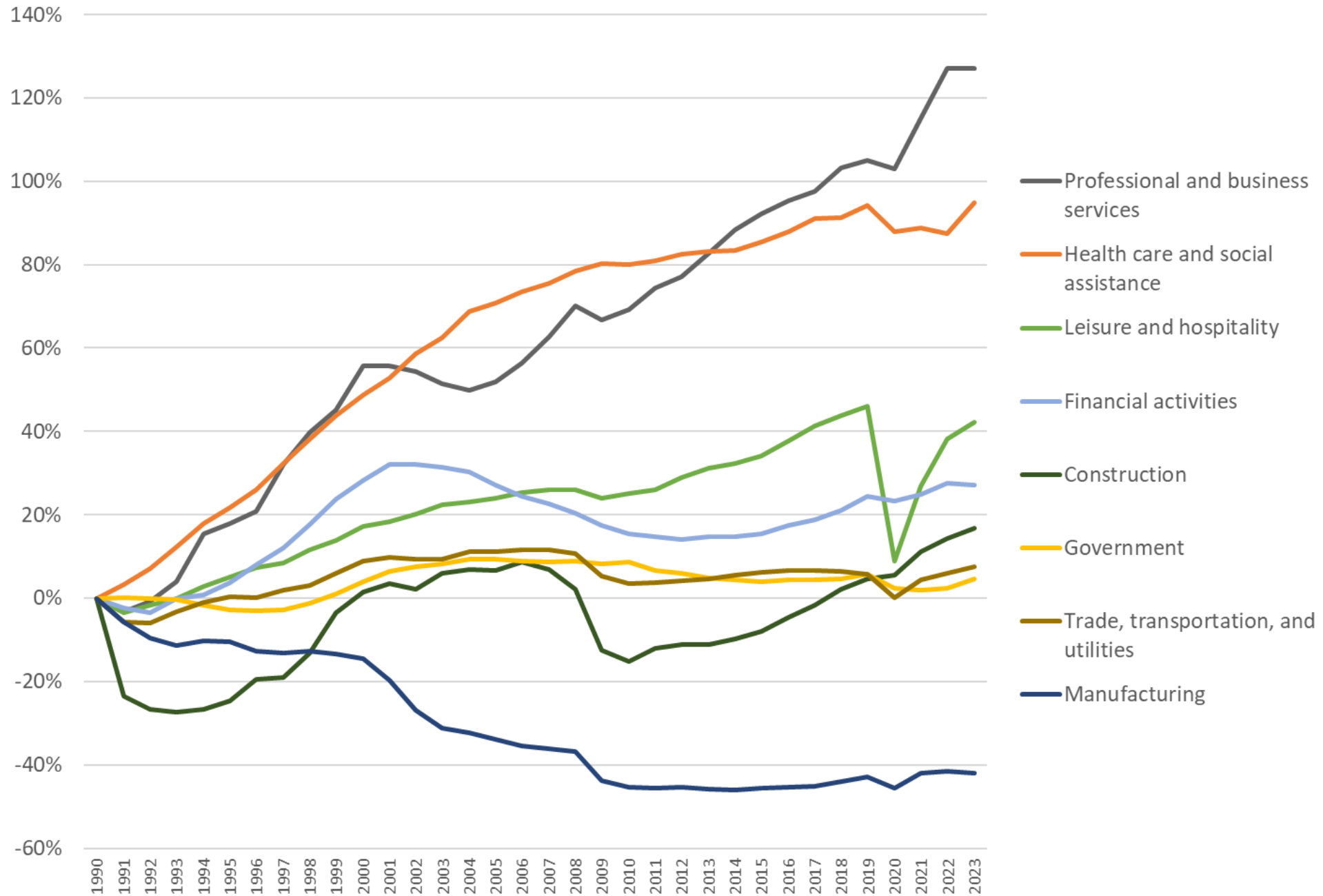
Labor Force Participation: remove roadblocks for historically underemployed populations

Automation: use technology to substitute for labor

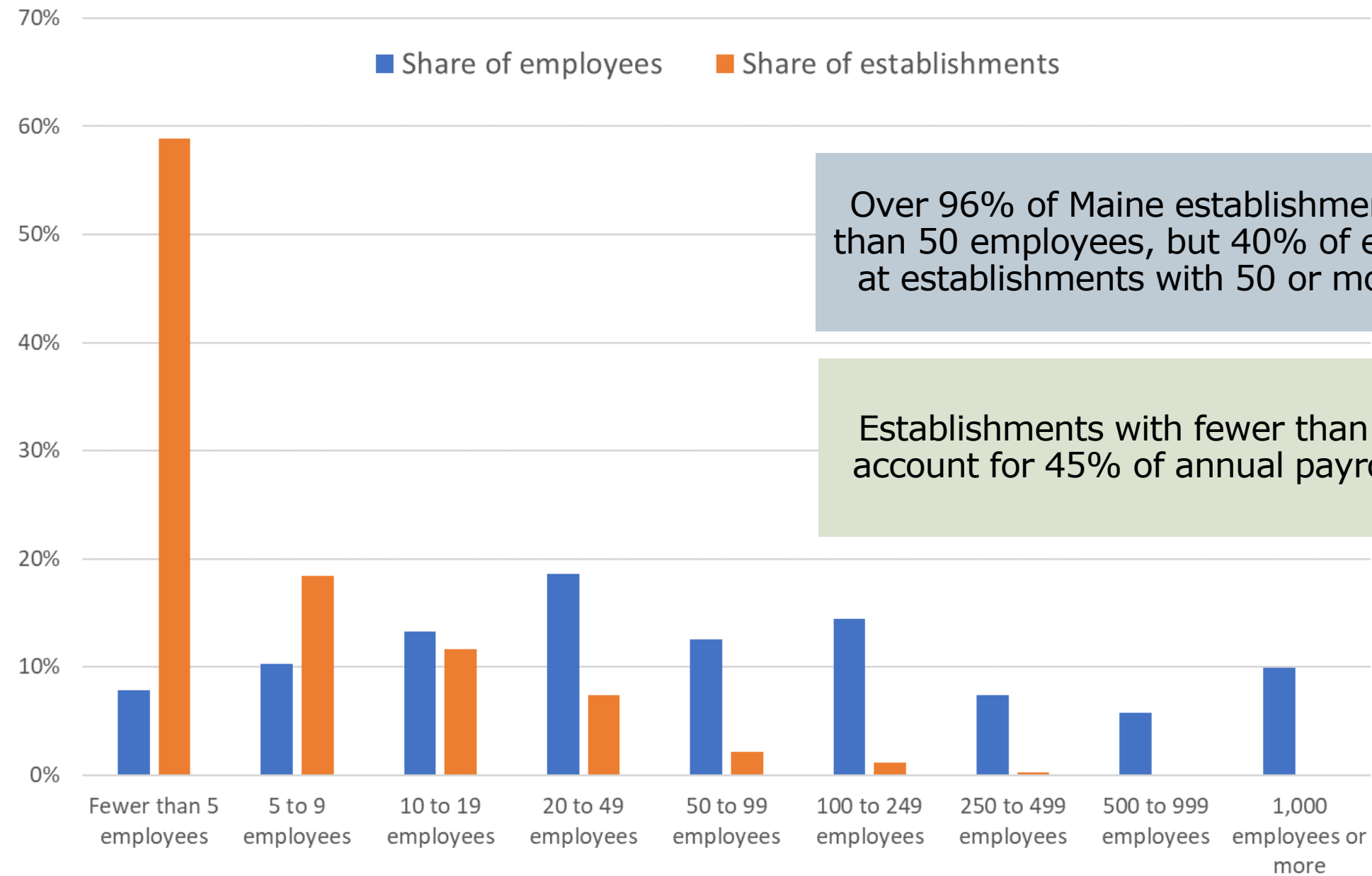
## Share of Maine Nonfarm Employment by Industry



Percent change in select Maine employment sectors since 1990



# Share of establishments and employees by establishment size class Maine, 2021



Over 96% of Maine establishments have fewer than 50 employees, but 40% of employees work at establishments with 50 or more employees

Establishments with fewer than 50 employees account for 45% of annual payroll (\$12 billion)

**Display:** ☒ Bar Graph ☐ Table ☐ Bubble Graph

**Occupation:** All

**SOC Code:** All

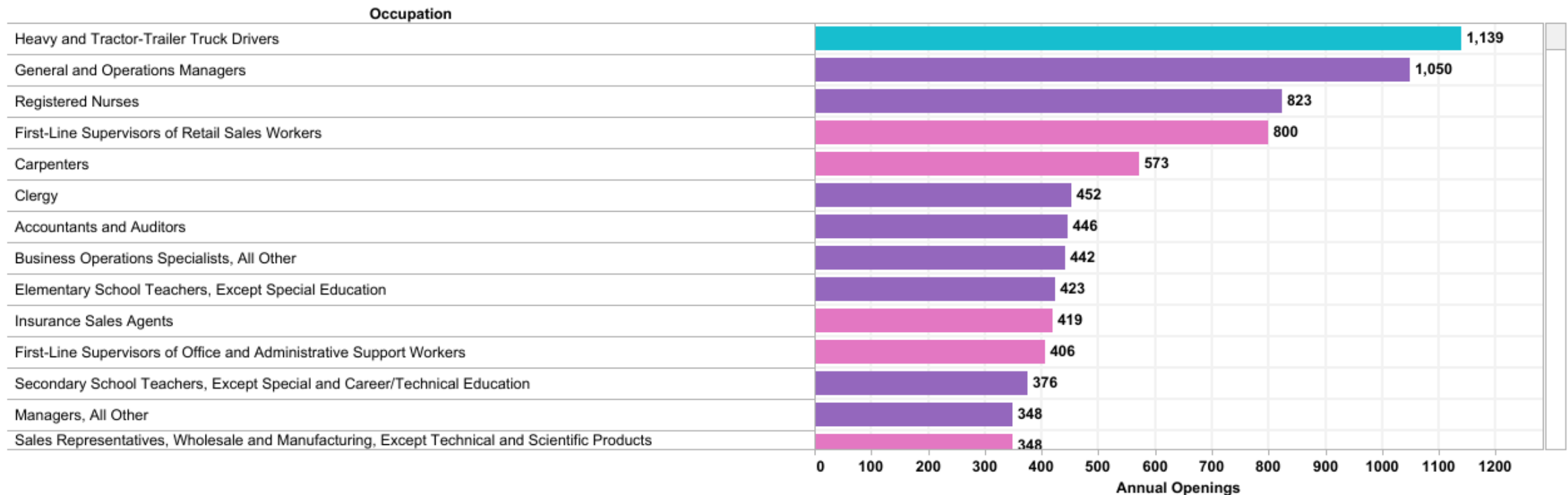
**Typical Education Required:** All

**Typical Education Level Required (Graphs Only)**

- Associate's degree
- Bachelor's degree
- Doctoral or professional degree
- High school diploma or equivalent
- Master's degree
- No formal educational credential
- Postsecondary non-degree award
- Some college, no degree

## Maine High-Wage, In-Demand Jobs by Education

**Education Requirement:** **All**

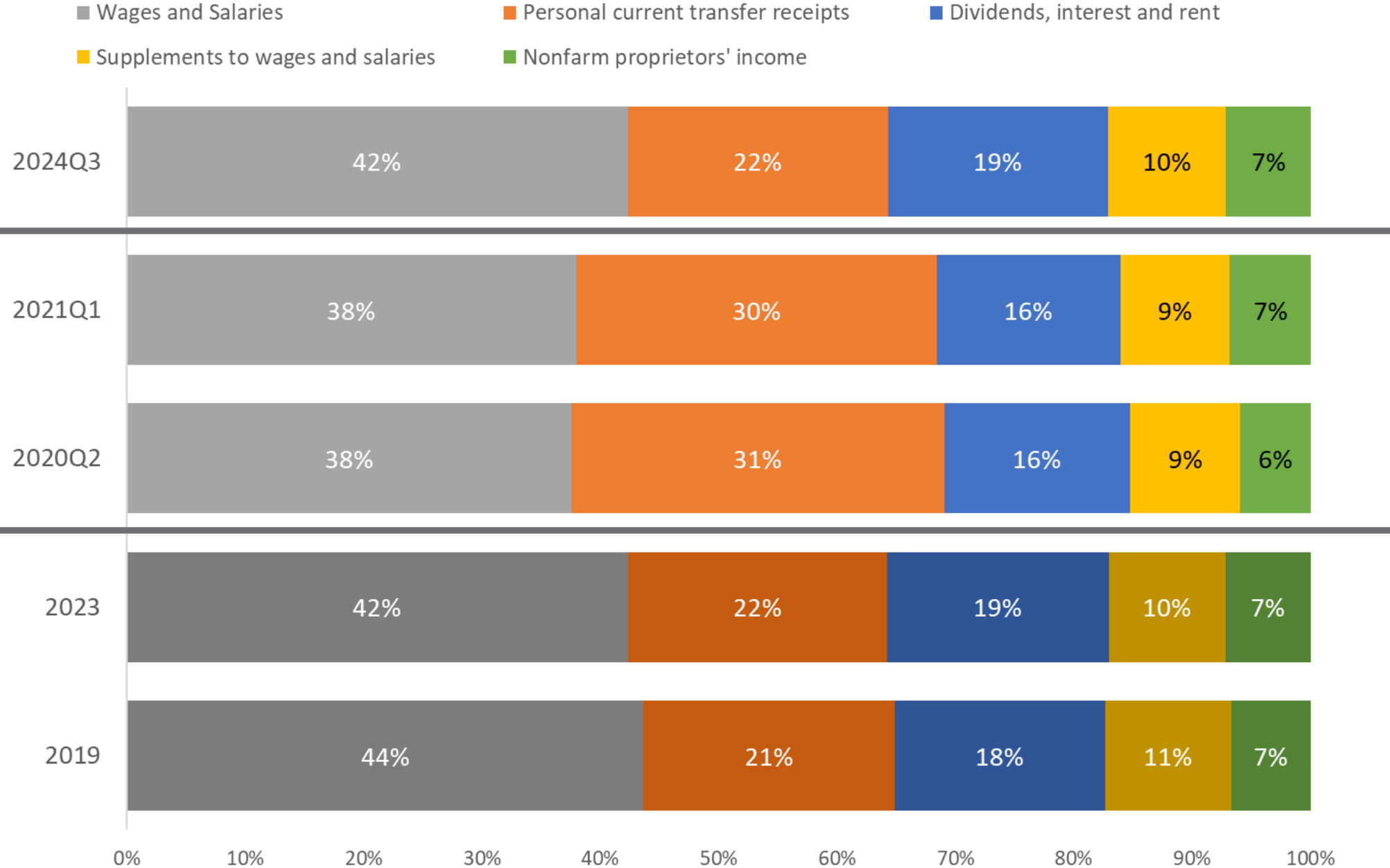


Source: Maine Department of Labor, Center for Workforce Research and Information, 2022-2032 Occupational Employment Projections and 2023 Occupational Employment and Wage Estimates for Maine.



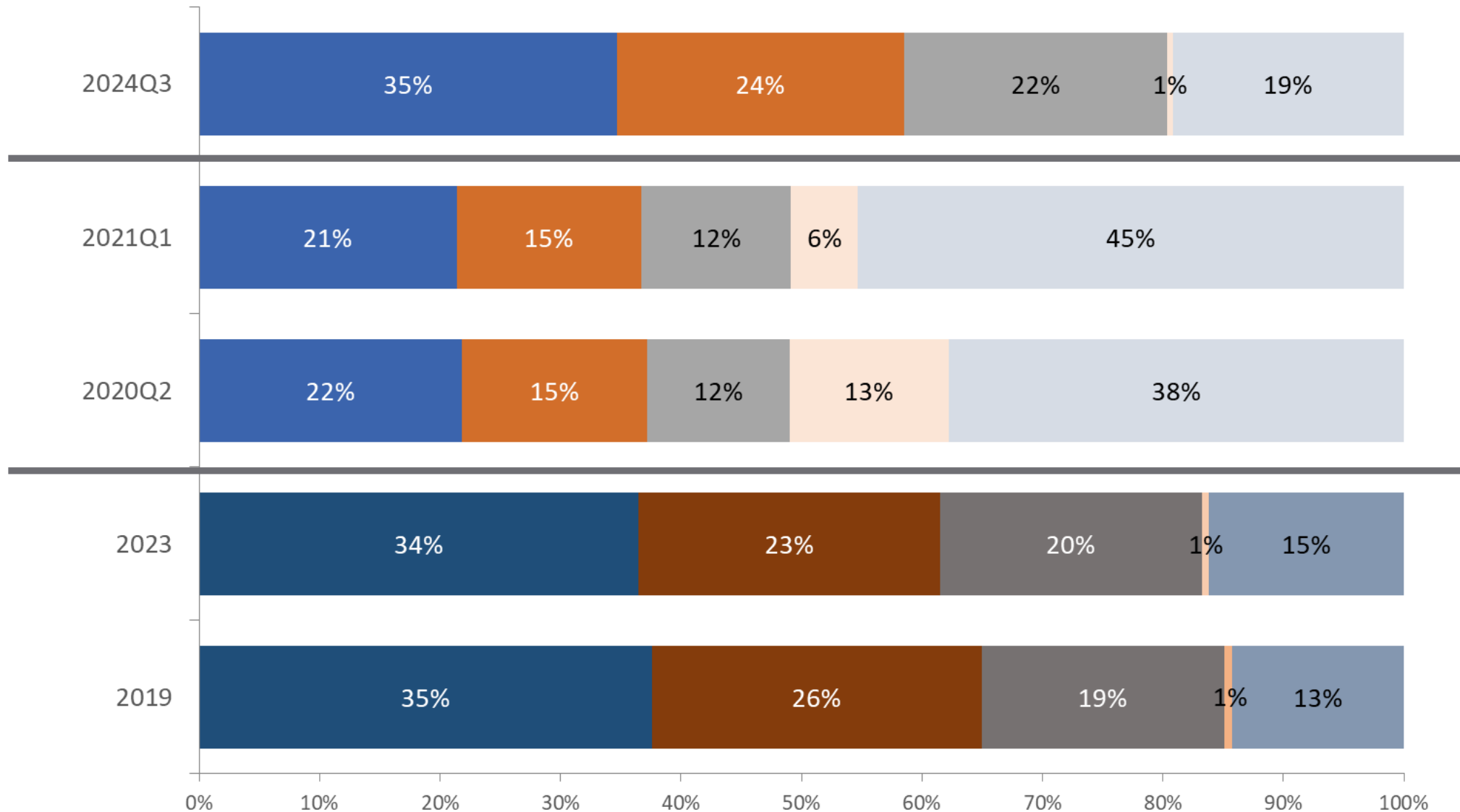
# Wages, Income, and Inflation

# Major Components of Personal Income, Maine

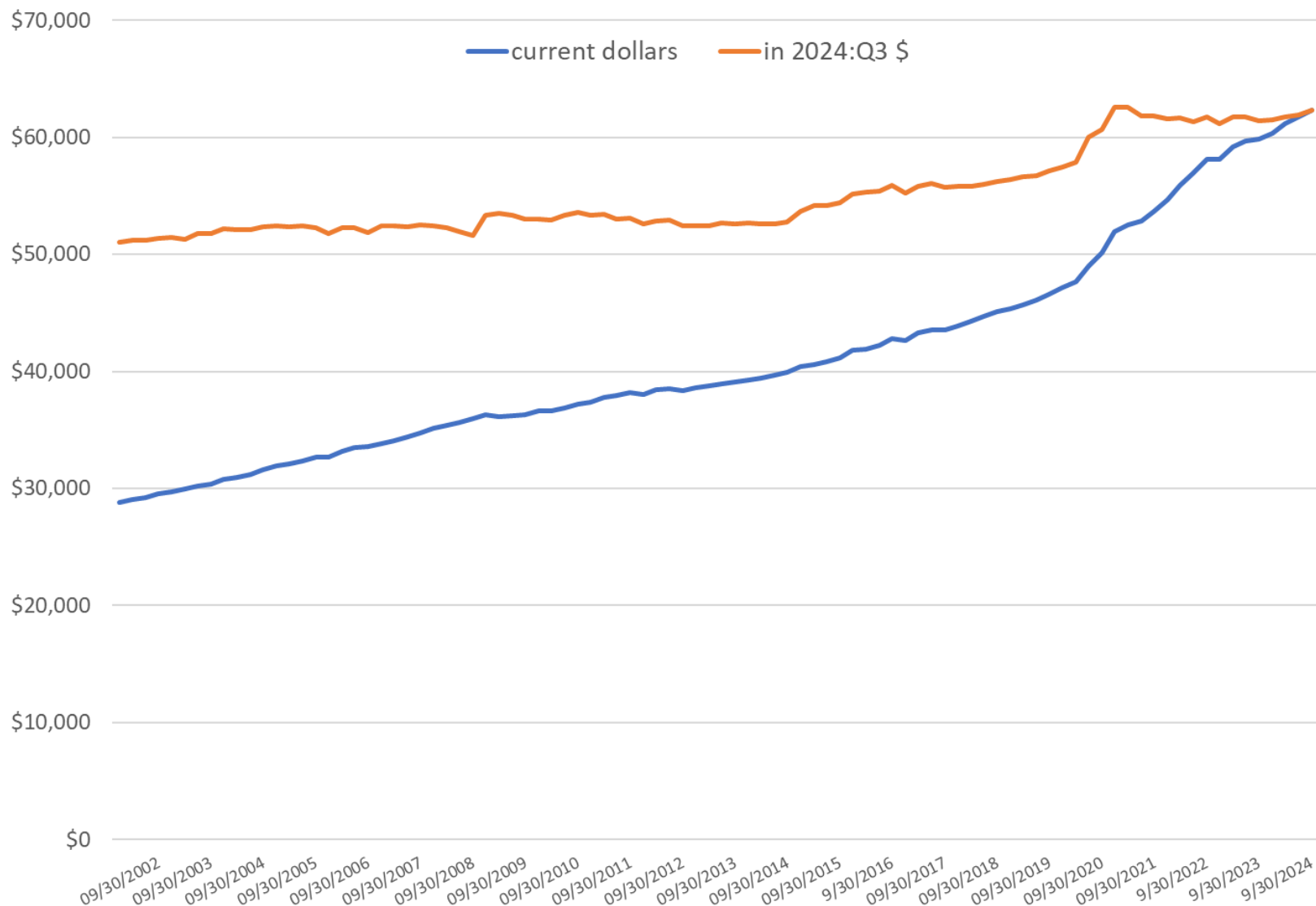


# Components of Personal Current Transfer Receipts,

- Social Security benefits
- Medicare benefits
- Medicaid
- Unemployment insurance compensation
- All other personal current transfer receipts

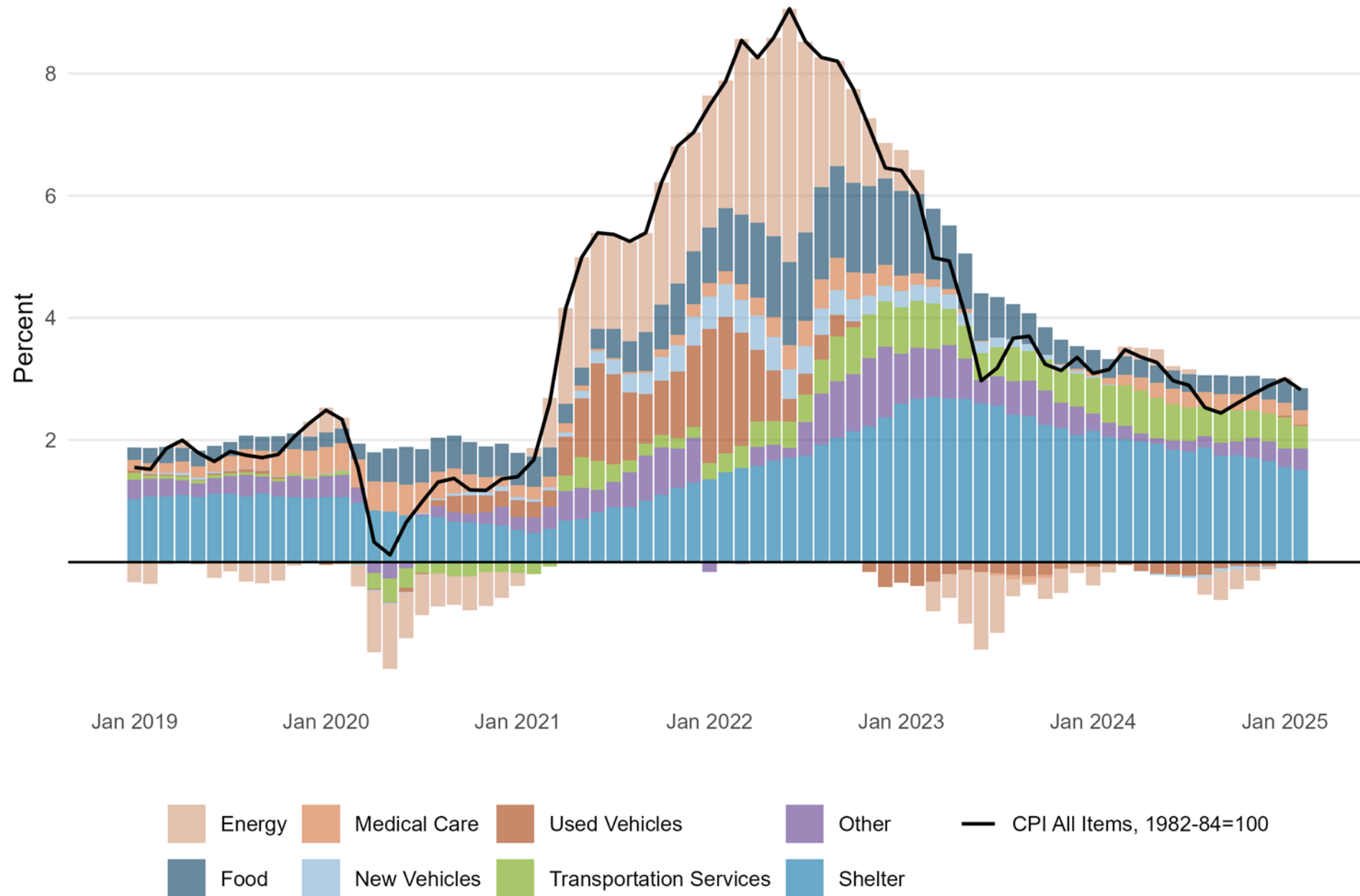


## Moving Four Quarter Average Wage Per Job



Wages increased sharply during the first part of the pandemic; when inflation picked up, wage gains kept pace

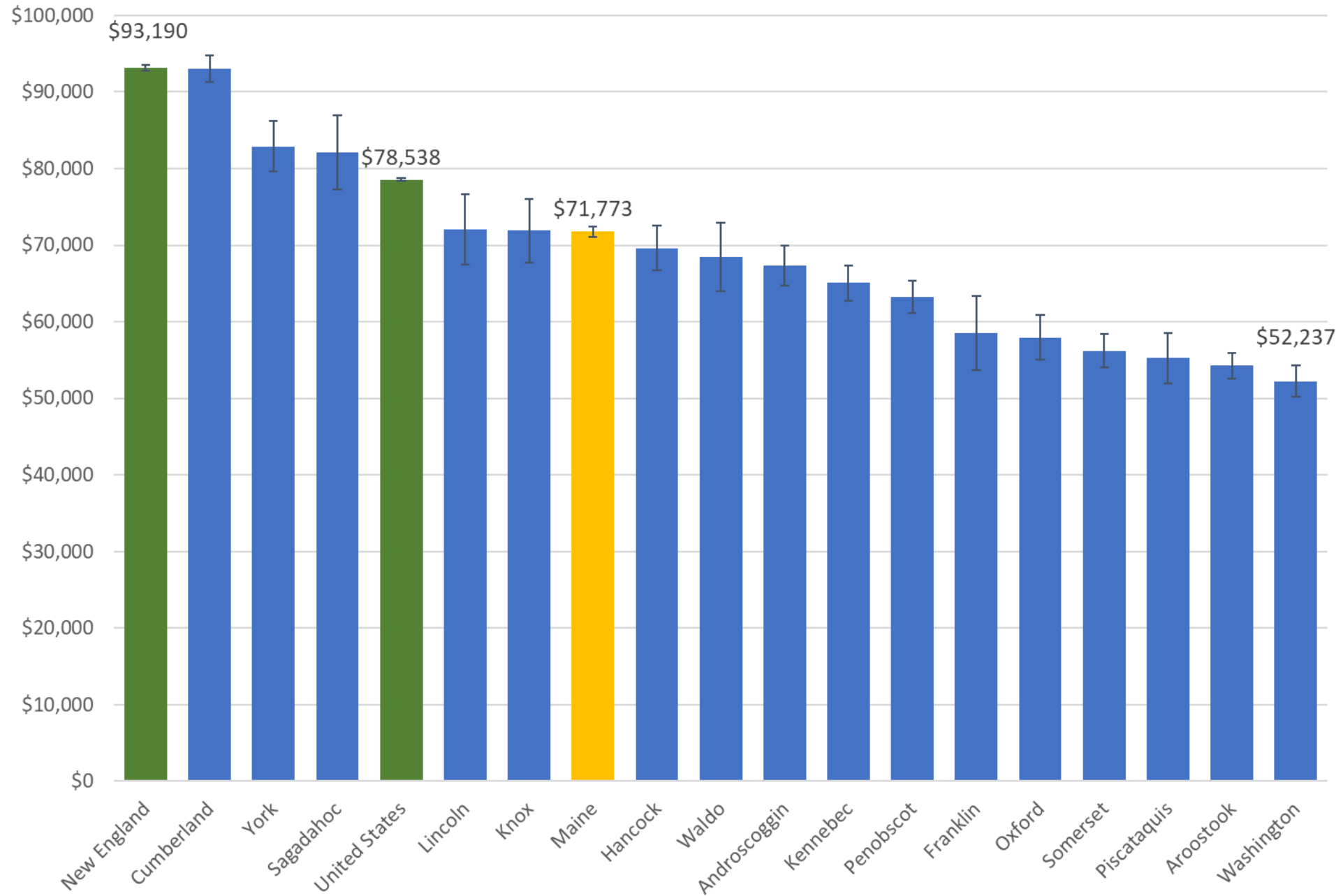
# Percentage Point Contribution to YoY Percent Change in CPI



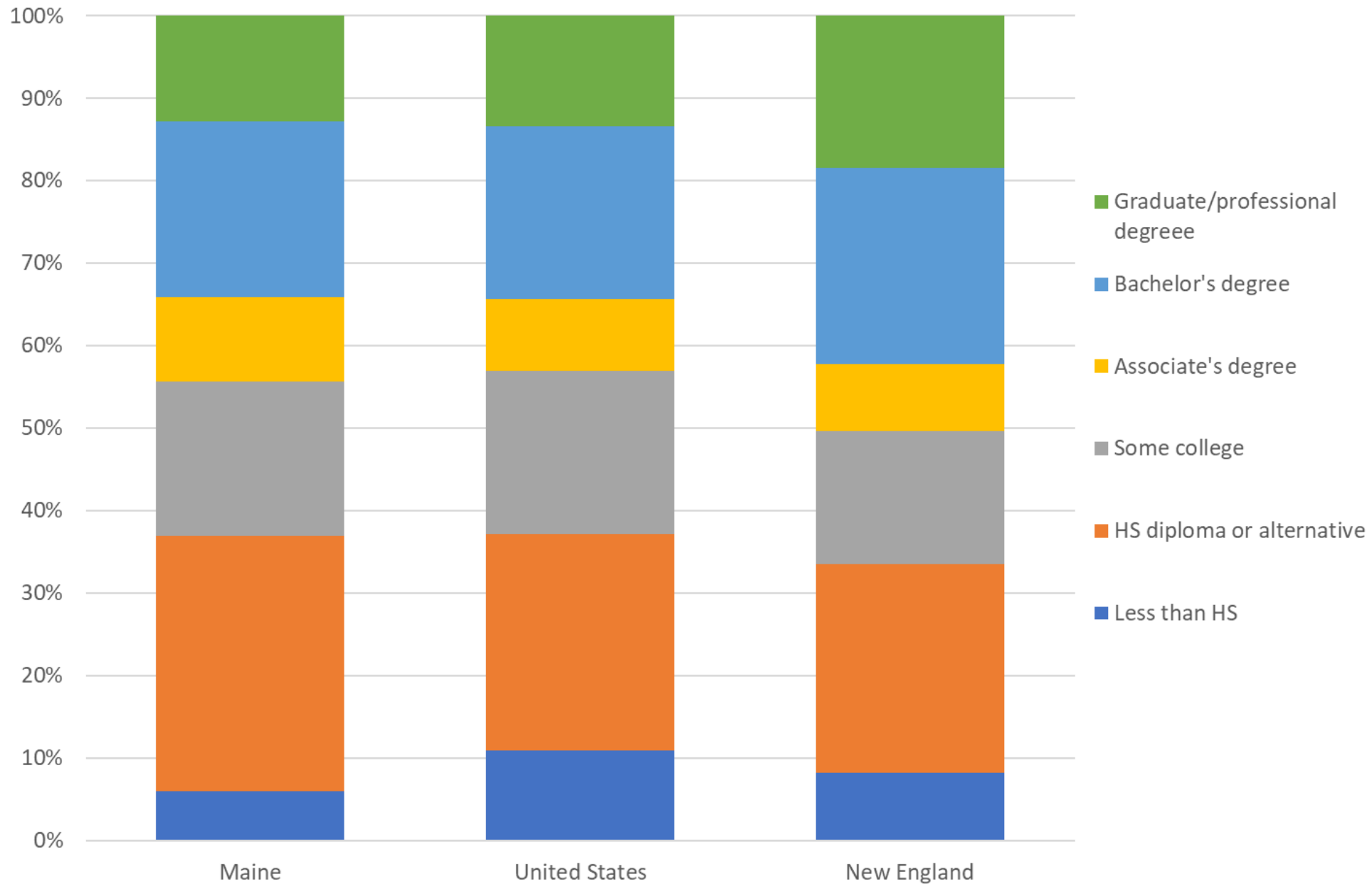
Source: US Bureau of Labor Statistics & Calculations by OSE Staff

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

## Median Household Income



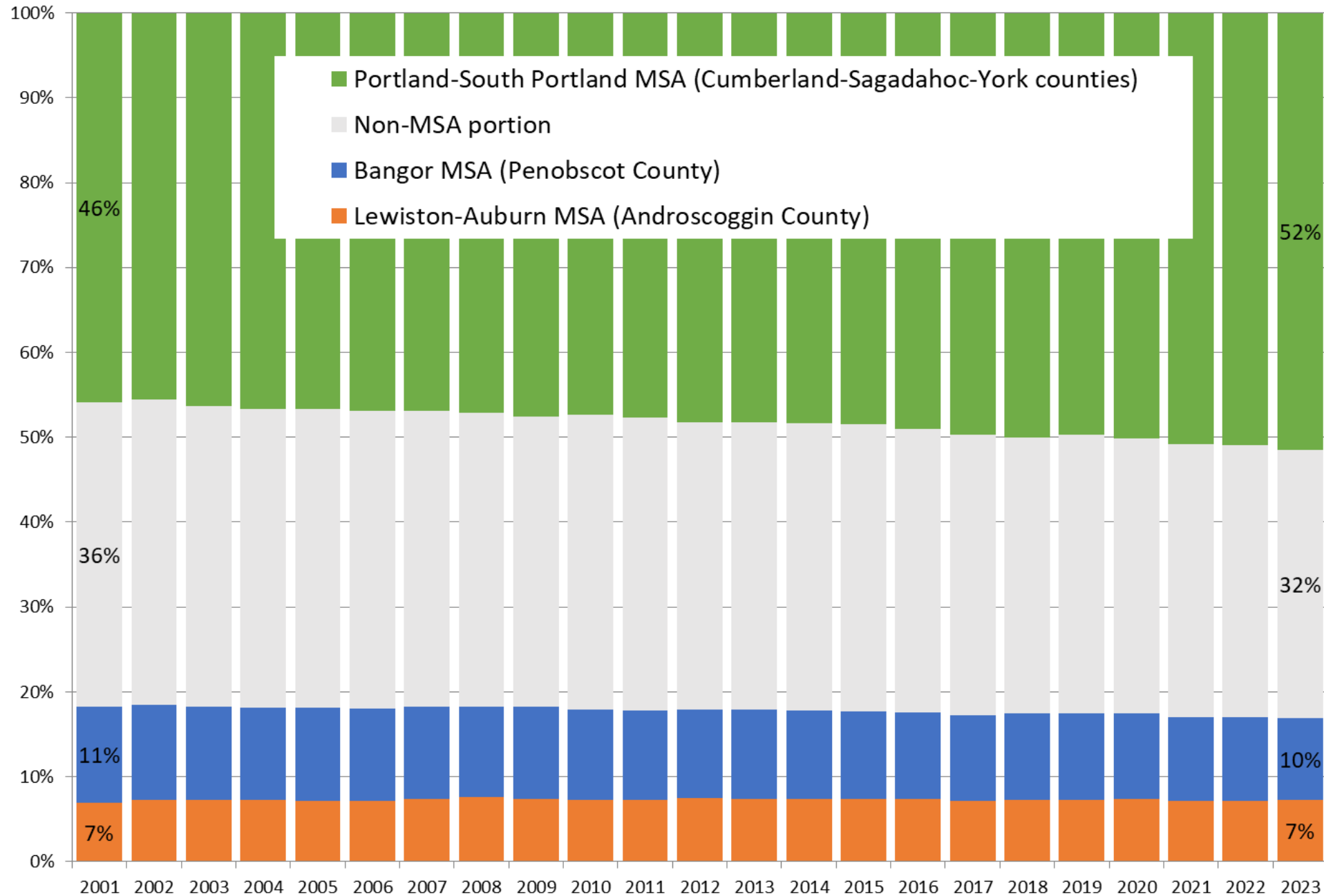
## Educational Attainment of Population Age 25+



# Gross Domestic Product (GDP)

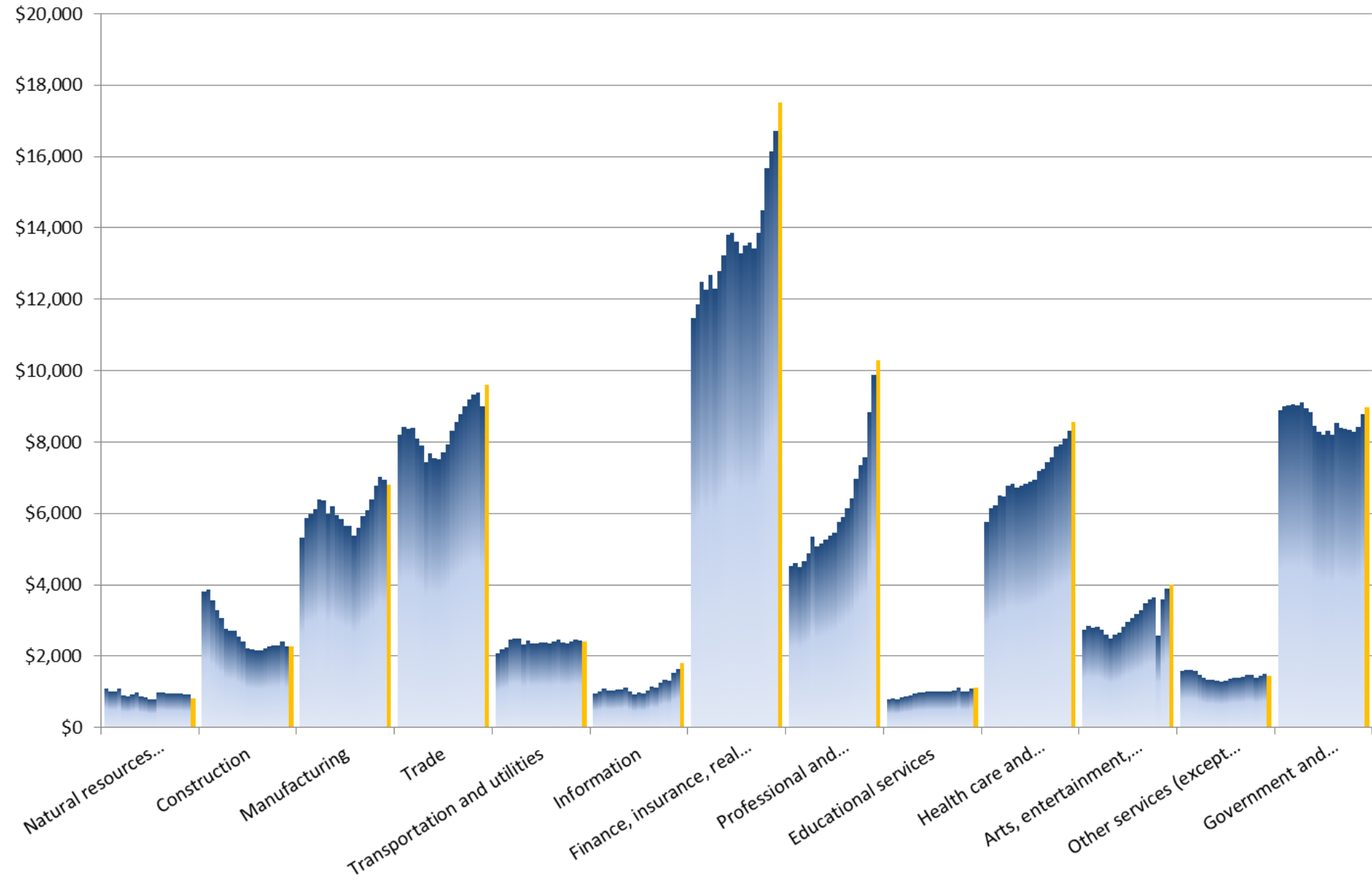


## Share of Maine GDP by Metropolitan Area

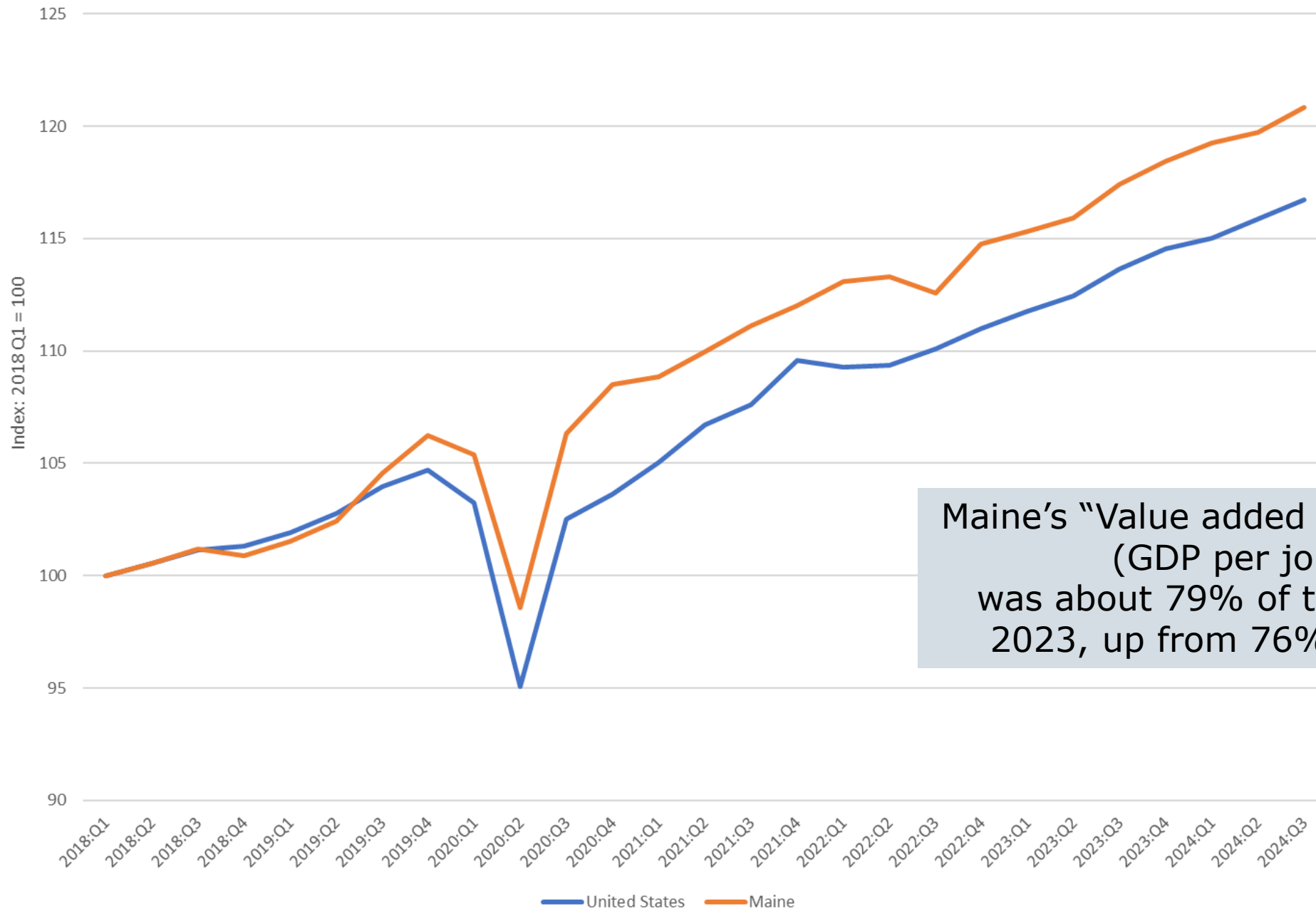


# Maine Real GDP by Industry, 2003-2023

(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  
2023, up from 76% in 2018

# Wrapping up:

- Maine has a relatively small population that is both older and less diverse than the nation
- Migration picked up during the pandemic, but the continuation of this trend has been challenged by housing availability/affordability - additional supply and lower prices/mortgage rates will be key
- Employment growth is limited by labor force availability; increased labor force participation, continued in-migration of younger populations, and increased productivity can help
- There has been a shift in Maine's industry sectors over time, with professional and business services playing an increasingly important role in the economy

# Contact Information

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