



# Maine Economic Update

June 17, 2016

## Summary

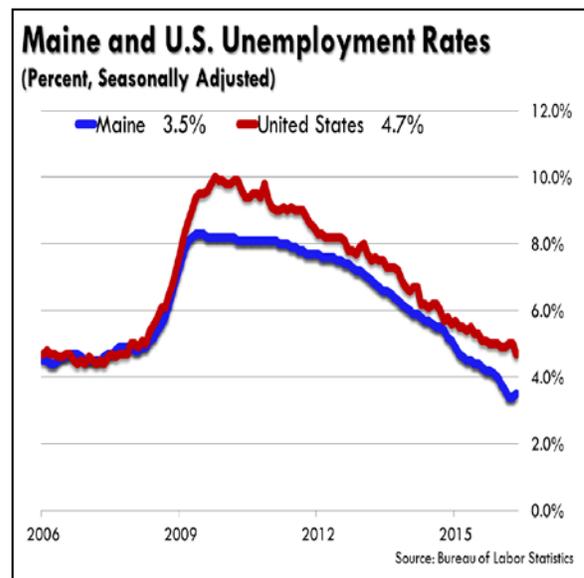
Nonfarm payroll employment in Maine declined by 400 jobs and the unemployment rate rose to 3.5 percent in May according to data released by the Bureau of Labor Statistics (BLS).

## Maine Unemployment Rate

During May, the unemployment rate in Maine increased by 0.1 percentage point to 3.5 percent. The number of people counted as unemployed rose by 918 in May to 23,782, while the labor force grew by 3,228 to 678,735. Among the 50 states and the District of Columbia, 7 posted lower unemployment rates for the month than Maine. A year earlier, the unemployment rate in Maine stood at 4.5 percent.

The 10 year peak for the unemployment rate in Maine was 8.3 percent in July 2009. The series high for the unemployment rate in Maine occurred in January 1977 when the unemployment rate reached 9.0 percent. The 10 year low for the unemployment rate in Maine was 3.4 percent in April 2016. The series low for the unemployment rate in Maine occurred in December 2000 when the unemployment rate reached 3.2 percent. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate declined by 0.3 percentage point to 4.7 percent in May. May's unemployment rate was 0.8 percentage point lower than a year earlier. The 10-year high for the national unemployment rate was 10.0 percent in October 2009. The 10-year low was 4.4 percent in May 2007.



## Maine Payroll Employment

Maine nonfarm payrolls declined by 400 jobs, or 0.07 percent, on a seasonally adjusted basis during May. In the prior month, nonfarm payrolls declined by 2,400. Over the past 12 months nonfarm payrolls in Maine increased by 1,600, or 0.26 percent. Maine nonfarm payroll employment has increased in 5 of the past 12 months.

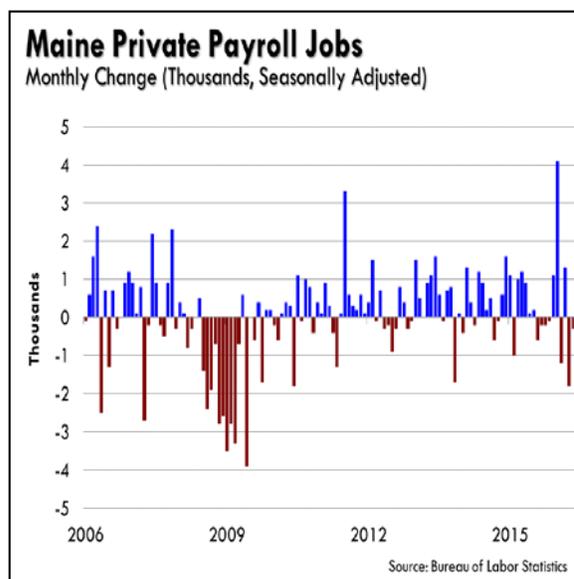
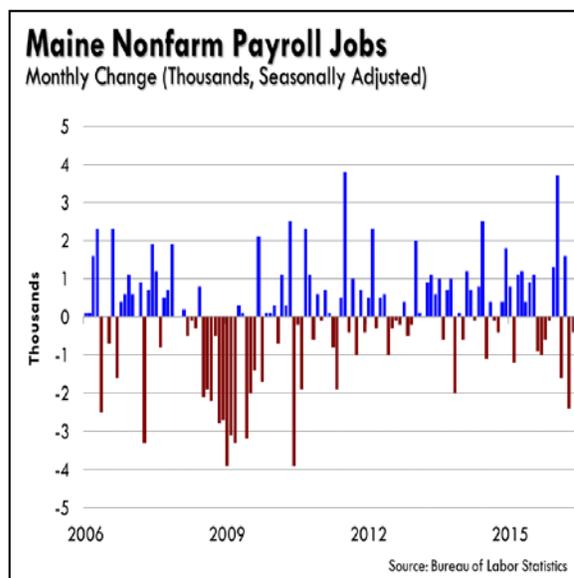
Nationally, nonfarm payrolls increased by 38,000 jobs in May, or 0.03 percent. Over the 12-month period ending May 2016 nonfarm payrolls grew by 2,398,000 jobs, or 1.69 percent. Maine ranks 43rd among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During May, Maine private sector payrolls declined by 300, or 0.06 percent. Private sector payrolls declined by 1,800 jobs in the prior month. Over the past 12 months, private sector payrolls in Maine increased by 2,400, or 0.47 percent. Maine private sector payroll employment has increased in 5 of the past 12 months.

Nationally private-sector payroll jobs increased by 25,000 jobs in 1.69, or 0.02 percent. Over the past 12 months, the nation's economy has added 2,297,000 jobs in the private sector, an increase of 1.92 percent.

Maine ranks 42nd among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

During May, total government payroll employment in Maine declined by 100, or 0.10 percent. Federal government payroll employment increased by 200, or 1.36 percent. State government payroll employment declined by 600, or 2.38 percent, while local government payroll employment increased by 300, or 0.51 percent.



Over the past year, total government payroll employment declined by 800, or 0.81 percent. State government payroll employment declined by 1,100, or 4.28 percent. Local government payroll employment declined by 300, or 0.51 percent.

The best performing sectors on a seasonally adjusted basis during May were Trade, Transportation & Utilities (+1,200) and Professional & Business Services (+500). The poorest performing sectors during the month were Leisure & Hospitality (-1,300) and Construction (-600).

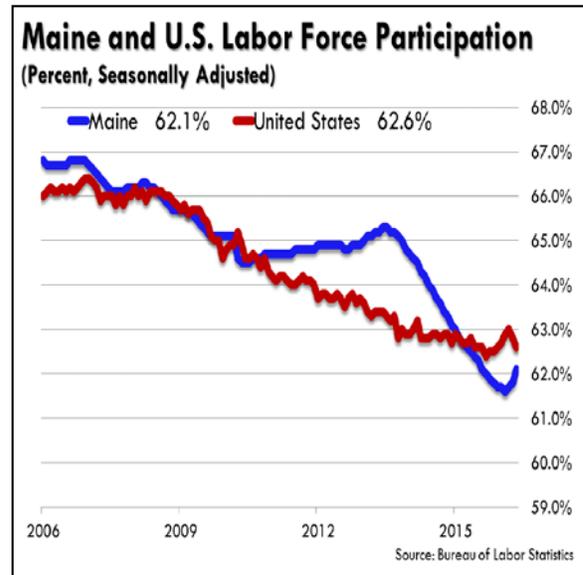
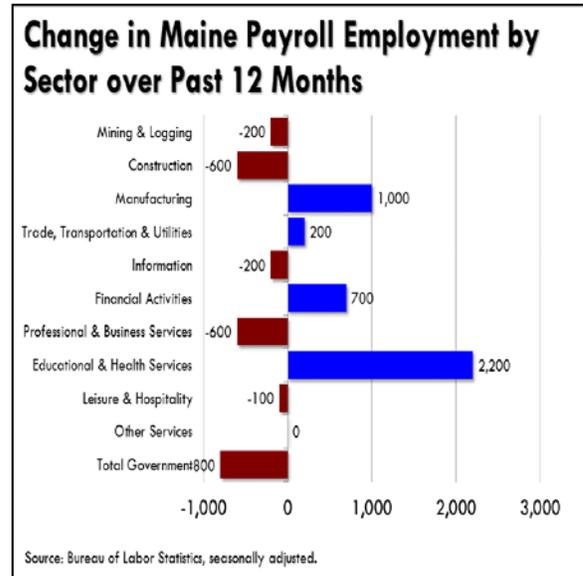
The best performing sectors during the last twelve months were Educational & Health Services (+2,200) and Manufacturing (+1,000). The poorest performing sectors for the year were Total Government (-800) and Construction (-600).

#### Other Maine Labor Force Statistics

The labor force participation rate in Maine rose to 62.1 percent in May from 61.8 percent the prior month. Among the 50 states and the District of Columbia, 33 have a higher labor force participation rate than Maine. The labor force participation rate in Maine is unchanged from a year earlier. The labor force participation rate is the percentage of the civilian noninstitutionalized population age 16 and older who are employed or actively looking for work.

The 10 year high for the labor force participation rate in Maine was 66.8 percent in December 2006. The series high for the labor force participation rate in Maine occurred in March 1991 when the labor force participation rate hit 68.9 percent. The 10 year low for the labor force participation rate was 61.6 percent in February 2016. The series low for the labor force participation rate occurred in March 1978 when the labor force participation rate hit 59.7 percent.

The national labor force participation rate declined by 0.2 percentage point to 62.6 percent in May 2016, but remains near its 38-year low of 62.4 percent.



The employment-to-population ratio, or the percentage of the Maine civilian noninstitutionalized population 16 years and older counted as employed, rose to 59.9 percent in May from 59.7 percent the prior month. Among the 50 states and the District of Columbia, 31 have higher employment-to-population ratios than Maine. The employment-to-population ratio in Maine is 0.2 percentage point higher than a year earlier.

The 10 year high for the employment-to-population ratio in Maine was 63.8 percent in January 2007. The series high for the employment-to-population ratio in Maine occurred in April 2000 when the employment-to-population ratio hit 66.4 percent. The 10 year low for the employment-to-population ratio was 59.2 percent in December 2015. The series low for the employment-to-population ratio occurred in December 1977 when the employment-to-population ratio hit 55.5 percent.

The national employment-to-population ratio held steady at 59.7 percent in May. That rate was 0.3 percentage point higher than a year earlier. The all-time high for the employment-to-population ratio was 64.7 in April 2000. The 10-year high for the employment-to-population ratio was 63.4 percent in December 2006. The recent low occurred in October 2013 when the employment-to-population ratio dipped to 58.2 percent. The last time the employment-to-population ratio posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for June is scheduled for release on July 22, 2016. The national employment situation report for June will be released on Friday, July 8, 2016.

