Report of the
CONSENSUS ECONOMIC FORECASTING COMMISSION
July 1, 2020

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Summary

Given the extraordinary circumstances of the past three months and deterioration of economic conditions caused by the onset of COVID-19, the Maine Consensus Economic Forecasting Commission (CEFC) convened on June 25, 2020, for an off-cycle review and revision of its forecast through 2025. Prior to this meeting the CEFC held an information gathering session on June 22, 2020, a summary of which is available online. The Commission also revised its severe recession scenario for the purposes of producing a stress-test report due October 1, 2020. This report provides a summary of the Commission's findings.

The CEFC emphasizes that current conditions are unprecedented, highly uncertain, and include a large number of unknown variables. This forecast update represents the best the Commission could do with the information available at this time. Several key assumptions had to be made, encompassing both the public health situation and economic conditions, increasing the level of uncertainty associated with this forecast. Unpredictability, while always an element in the forecasting process, is front and center at this time. The CEFC looks forward to revisiting its assumptions in October 2020 to reflect new developments in the local economy.

Maine saw strong employment numbers in the first three months of 2020 before seeing record-setting job loss beginning in April. Total nonfarm employment is projected to decrease by -8.0% in 2020, with recovery of 4.0% and 2.0% in 2021 and 2022, before leveling to 0.0% in 2023-2025. This forecast anticipates employment will decline from around 636,000 in 2019 to a trough of around 585,000 in 2020, recovering to around 621,000 in 2022 before leveling off. This compares to a peak of 639,400 in the previous forecast.

Total personal income was revised down to an annual growth rate of 3.9% in 2020, 0.2 percentage points lower than the February 2020 forecast. The forecast for 2021 was revised down by 5.2 percentage points for an annual decline of -1.2%. This forecast is largely driven by a substantial increase in personal current transfer receipts in 2020 that will have expired by 2021. Changes to minor income lines resulted in upward revisions of 0.1 percentage points in 2024 and 2025.

All components of personal income were significantly revised for 2020 and 2021, while the CEFC opted to leave later years unchanged in most cases until better information about long-term trends becomes available. Growth in wages and salaries, the largest component of personal income, was revised downward to -5.0% in 2020, a 9.1 percentage point reduction from February. The forecast for 2021 was revised down to 2.0% from 3.7% in February. Growth rates for 2022 through 2025 were also revised down to reflect 3.0% growth in each year. Supplements to wages and salaries were forecast at -1.5% in 2020 compared to 4.0% in the February forecast, with the remaining years left unchanged. Nonfarm proprietor's income is forecast to decline by -3.0% in 2020, with all other years again left unchanged. Dividends, interest, and rent was revised for 2020 and 2021 to 0.1% and -1.0%, down from 3.2% and 3.0% in the February 2020 forecast. 2022-2025 were left unchanged. Personal current transfer receipts for 2020 were revised up from 5.5% growth in the February forecast to 30.0% growth, while the forecast for 2021 was revised down to -8.0% from 5.5%. The remaining years were left unchanged.

The CEFC projects that the Consumer Price Index (CPI) will fall below the Federal Reserve Bank's 2.0% inflation goal until 2023, instead growing by 0.9%, 1.5%, and 1.7% in 2020, 2021, and 2022, respectively. Additionally, the forecast for corporate profits was revised down to -30.0% in 2020 from the previous forecast of 3.2%. Growth for 2021 was revised up to 10.0%, and 2022-2026 were left unchanged.

The following table provides the forecast's major indicators.

Calendar Years	2019	2020	2021	2022	2023	2024	2025
Wage & Salary Employment (Annual Percentage Change)							
CEFC Forecast 02/2020	0.9	0.5	0.2	0.1	0.0	0.0	0.0
CEFC Forecast 07/2020	0.9	-8.0	4.0	2.0	0.0	0.0	0.0
Personal Income (Annual Percentage Change)							
CEFC Forecast 02/2020	4.7	4.1	4.0	3.7	3.5	3.5	3.5
CEFC Forecast 07/2020	4.6	3.9	-1.2	3.7	3.5	3.6	3.6
Wage and Salary Income (Annual Percentage Change)							
CEFC Forecast 02/2020	4.5	4.1	3.7	3.4	3.2	3.2	3.2
CEFC Forecast 07/2020	4.6	-5.0	2.0	3.0	3.0	3.0	3.0
CPI (Annual Percentage Change)							
CEFC Forecast 02/2020	1.8	1.9	2.0	2.0	2.0	2.0	2.0
CEFC Forecast 07/2020	1.8	0.9	1.5	1.7	2.0	2.0	2.0

In deliberations leading to consensus, the CEFC considered information presented by the Maine Department of Labor, Maine Revenue Services, and by the Office of the State Economist in the Department of Administrative and Financial Services. The following sections summarize these reports. Additional background materials are available online.

Office of the State Economist (Department of Administrative and Financial Services)

Total personal income grew by 3.1% in the first quarter of 2020, partly driven by growth in personal current transfer receipts. First quarter figures reflect only the first two weeks of effects from the COVID-19 pandemic. Wage and salary disbursements fell by 0.5% at an annualized rate, while nationally wages and salaries grew by 0.2%. Second quarter data will likely show much larger losses in wages and salaries as many workers have been furloughed. This will likely be offset at least in part by growth in personal current transfer receipts as stimulus payments and unemployment insurance replace lost employment income.

Consumer sentiment and small business optimism have also declined, most recently coming in at -19.8% and -10.1% year-over-year, respectively. Maine's housing market has similarly taken a hit, with single-family home sales falling by -15% in May and -21% in April. Single-unit housing permits have fallen nationally, and the FHFA house price index rose 8.3% in the first quarter of 2020, signaling upward price pressure in the market, possibly reflecting limited availability of housing stock.

Consumer spending fell drastically in late March and early April as tens of thousands of Mainers lost their jobs and businesses were shuttered. Spending has largely recovered, especially among low- and middle-income consumers, and was spurred by federal stimulus payments to households. New data from the U.S. Census Bureau shows that the lowest-income households spent up to 80% of their stimulus payments on expenditures, while middle- and upper-income households opted to save and pay down debt.

Traffic is the closest to normal levels it has been since the second week of March, as indicated by Vehicle Miles Traveled (VMT) data. VMT in the third week of June was 12% lower than the same time last year, recovering from a trough of -42% in the last week of March.

It is important to remember that the current public health and economic crises are global events – the World Bank notes that we are currently experiencing the highest synchronization of national recessions since 1870, and Moody's Analytics reflects that one of the current challenges for spurring economic growth is the lack of a major economy in a position to be the economic driver. Other global concerns reflected in Maine include the closure of the Canadian border, new immigration restrictions, and the continuing Chinese tariffs. However, IHS Markit's most recent "flash" Purchasing Managers' Index for four major global economies shows that the rate of contraction eased considerably in June, consistent with a return to global GDP growth.

Both IHS Markit and Moody's Analytics note that the recovery will be determined by the course of the pandemic. Currently, it is likely that we see a sharp upturn in the immediate future followed by a much slower recovery. Increasing rates of infection in turn increase the risk of a "W" or double-dip recession. While states with earlier re-openings have generally seen higher employment growth, they are also starting to see increased numbers of infections, which may result in slower recoveries in the long term.

The National Bureau of Economic Research officially declared that the U.S. economy entered a recession in February 2020, ending the longest period of expansion on record. There are indications that April 2020 may have been the trough, with recovery beginning in May, which would make this the shortest recession in history. However, it is a very deep recession, and the recovery trajectory is still unclear. Additionally, this is very different from past recessions in that there was a deliberate curtailing of economic activity to contain a public health crisis; this is largely a service-sector based recession; spending is being buoyed by lower-income households; and urban areas are generally harder-hit than rural areas.

The federal assistance to date has helped avoid even worse consequences from the early effects of the pandemic, however, many programs are facing cliffs and state and local governments have seen only limited support without the ability to use Coronavirus Relief Funds for revenue backfill. Governors have been unanimous in calling for additional federal assistance. While Moody's Analytics assumes another aid package is passed later this year, IHS Markit believes it is too early to know enough about the possible details of such a package to include it in their baseline assumptions.

Full background materials are available at: https://www.maine.gov/dafs/economist/economic-forecasting

Maine Department of Labor

The pandemic has disrupted the labor market with record rates of job loss. It also has disrupted normal operations of the monthly payroll and household surveys, including response rates, and caused problems with classification of the labor force status of many people who recently lost employment.
The number of nonfarm payroll jobs decreased 104,500 in March and April, before rebounding by 14,300 in May. There were 90,200 fewer jobs in May than February, before the pandemic began to appreciably impact the labor market. The May rebound is from a combination of reopening of certain businesses and implementation of the Paycheck Protection Program (PPP).

Job losses were widespread across industries and areas of the state. Between February and May the number of jobs decreased 15 percent in the private sector and nine percent in the public sector. Nearly two-thirds of the three-month job losses were in the leisure and hospitality, healthcare and social assistance, and retail trade sectors. Those sectors also had the largest rebound in May, along with manufacturing. Much of the job loss in the public sector is from earlier than normal end to the school year (public schools, University of Maine System, and Maine Community Colleges).

Job losses have been sharper in the Portland metro area than in the Lewiston-Auburn or Bangor metros or non-metro areas. This is due to a combination of factors including concentration of the most impacted industries, higher rates of infection from the virus in the most densely populated part of the state, and later reopening in Cumberland and York counties.

Unemployment rates surged in April and subsided modestly in May to 9.3 percent for Maine and 13.3 percent for the nation. The number of unemployed people is up less than half as much as net job loss reported by the payroll survey. Two issues are causing unemployment estimates to understate the level of job displacement. The first is a sharp decline in labor force participation. In May there were 30,000 fewer people in the labor force than in February. This is because safety concerns and stay at home orders prevented many people who lost a job from engaging in normal work search activities. To be counted as unemployed, a person must have engaged in work search; retired and other jobless people who did not search for work are considered to be out of the labor force.

The second issue is misclassification of people who were laid off and expect to be recalled to their job. Those people should be counted as "temporarily unemployed," but more than 32,000 were classified by survey interviewers as "employed, not at work," a category that normally includes people on vacation or sick leave. The combined effect of these two issues is that there were close to 125,000 unemployed people in May, double the official estimate. Accounting for these factors, the unofficial but more realistic unemployment rate for Maine is 18 percent and the national rate is 19.7 percent.

Future workforce conditions in Maine will depend on many factors including business re-openings or closures, the share of layoffs that are permanent versus temporary, and changes in labor force participation. Two recent nationwide projections from the Federal Open Market Committee (FOMC) and the Congressional Budget Office (CBO) suggest a slow recovery in the second half of 2020 and continuing through 2022. The median unemployment rate projection from the FOMC is 9.3 percent in the fourth quarter of 2020, 6.5 percent in the fourth quarter of 2021, and 5.5 percent in the fourth quarter of 2022. The CBO projects the U.S. labor force will decrease by 3 million by the fourth quarter of 2021.

The 14.2 percent rate of nonfarm payroll job loss in Maine from February to May was higher than the national 12.8 percent decline. Compared to the nation, Maine has a similar share of jobs in two of the three sectors experiencing the most substantial job loss during the pandemic: 11 percent in the leisure and hospitality and 8.4 percent of jobs in manufacturing, and a higher share in retail trade (12.7 percent). Maine's leisure and hospitality sector has a larger seasonal increase in the summer than the nation due to tourism, which is likely to be more modest in 2020 than usual. Overall, dependence on summer tourism and a slightly higher share of jobs in high risk industries puts the labor market in a more vulnerable position in Maine than nationally.

Projecting future labor market conditions is challenging for four reasons. The first is the public health situation: the length of time physical distancing is necessary, uncertainty over a second wave, and when a vaccine will be available are not yet known. The second is the public policy response: whether schools will reopen in the fall, availability of child care, and whether expanded unemployment compensation, the PPP, and other initiatives will be extended or added. The third is from data collection issues outlined above. The fourth is uncertainty about the extent to which consumers will return to normal activities and workers will feel safe returning to work. The pandemic is likely to significantly moderate summer tourism this year, curtailing usual seasonal hiring. Lack of child care availability or continued school closures are likely to suppress labor force participation.

The presentation is available at https://www.maine.gov/labor/cwri/publications/pdf/CEFCJune2020.pdf

Maine Revenue Services - Office of Tax Policy

In its March 1, 2020, update the Revenue Forecasting Committee (RFC) revised General Fund (GF) revenue estimates upward by $40.0 million for FY20 and by $34.1 million for FY21, for a combined increase of $74.1 million for the 2020-2021 biennium. The net increase in GF revenue during the forecast period was primarily from individual income and sales and use taxes. In both cases the strong underlying Maine economy was producing equally strong revenue growth through the first eight months of FY20. The forecasted overall rate of growth for GF revenue for FY20 was 3.9% over FY19 final revenue amounts, followed by a 1.9% rate of growth for FY21. The forecast for the 2022-2023 biennium was revised upward by $31.6 million for FY22 and by $33.3 million for FY23 (an increase of $65.0 million for the biennium). FY22 GF revenues were projected to grow at an overall rate of 2.5% and FY23 at a rate of 3.4%.

Within days of the March 1 release of the new revenue forecast it became apparent that the COVID-19 pandemic had spread to the United States and the economy was in the process of being deliberately shut down to prevent the spread of the virus. To assist the Administration and Legislature in understanding the potential impact of the emerging economic crisis on FY2020-21 revenues, the Office of Tax Policy (OTP) applied the severe recession scenario from the 2018 stress-test to the current RFC GF forecast. (https://www.maine.gov/dafs/economist/sites/maine.gov.dafs.economist/files/inline-files/Stress-Testing_Maine_General_Fund_Revenues_and_Reserves_FY19-FY23.pdf)

Rescinding the March 1 forecast changes and applying the stress-test results to the December 1, 2019, revenue forecast resulted in the projection of a $200 million GF revenue shortfall in FY20 (-5 percent) and a $450-$525 million shortfall in FY21 (-11 to -15 percent). Focusing on the immediate concern of FY20, the 2018 stress-test projected a combined sales and use tax and service provider tax shortfall of $100 million over the final quarter of FY20, and a combined individual and corporate income tax shortfall of $100 million during the same time period. To meet these estimated shortfalls, sales and service provider taxes were forecasted to be below budget by 25 percent over the three-month period (down 20 percent compared to the final quarter of FY19). Individual income tax receipts were estimated to be $89 million below budget during the final quarter of FY20, with withholding comprising $30 million of that shortfall (6 percent below the same quarter a year ago), and April and June estimated payments comprising the remaining $59 million (53 percent below a year ago). Corporate income tax April and June estimated payments represented the remaining $11 million income tax shortfall (21 percent below 2019 April and June payments). In all these cases the year-over-year percentage reductions were nearly double what was experienced during the depths of the 2007-09 recession.

With actual revenues through May and less than a week of processing left in June, it appears that the FY20 GF revenue shortfall will be closer to $135 million: $65 million from sales and use and service provider taxes and $70 million from individual and corporate income taxes. For the final quarter of the fiscal year, sales and use and service provider taxes are projected to be approximately 16 percent below budget and 10 percent below FY19. While April taxable sales (May revenue) were consistent with the 25 percent variance from forecast using the stress-test, March (April revenue) and May (June revenue) taxable sales performed better than expected. April receipts were under budget by 13 percent as the shutdown of many businesses sectors was not imposed until the second half of March. All indications are that consumer spending during the first two weeks of March were consistent with the robust growth during January and February. Taxable sales plunged during the final two weeks of March but were partially offset by a “stocking up” effect as Maine households prepared to shelter in place. April taxable sales reflected the height of the shutdown with most business sectors reporting year-over-years declines in excess of 25 percent. Restaurants and lodging were impacted the hardest in April with year-over-year declines of 58 percent and 80 percent, respectively. Preliminary May taxable sales data shows the reopening of many business sectors and federal stimulus dollars resulted in a year-over-year decline like March.

The $30 million difference in the expected FY20 shortfall for income taxes is entirely from withholding receipts. OTP now expects withholding receipts to be slightly over budget at the end of the fiscal year. While the unemployment rate in Maine has spiked in April and May, most of the job losses have been concentrated in the leisure and hospitality and retail sales sectors. These sectors tend to pay lower than average wages and the enhanced unemployment benefits implemented as part of the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act has in many cases resulted in taxable unemployment benefits equal to more than the lost wage income. These enhanced unemployment benefits have resulted in withholding receipts during the final quarter of the fiscal year to be consistent with the March 1 revenue forecast.

The upcoming revenue forecast for FY21 and the FY22-23 biennium will be highly influenced by the new economic forecast and the assumptions behind it. Other important factors that will be considered by the RFC will be: (1) volatile capital gains realizations for the 2020 tax year, (2) whether the enhanced unemployment benefits extend beyond July 2020, (3) to what extent tourism-related taxable sales are affected during July-October when tourism activity becomes a larger percentage of our sales tax base, and (4) whether the recent spike in the savings rate continues, further reducing sales tax receipts.

Macroeconomic Assumptions

Two different baseline economic forecasts were examined at the meeting: the Moody's Analytics baseline scenario for June 2020 and the IHS Markit baseline scenario for June 2020. Each forecast was based on a different set of national macroeconomic assumptions. These forecasts were then compared to the CEFC's February 2020 forecast. Given the unprecedented and highly uncertain events of the COVID-19 pandemic and the recently-declared economic recession that began in February 2020, the CEFC was compelled to make major revisions to its short-term forecast. The CEFC also noted that it will consider further revisions to the out-years of its forecast (2023-2025) in its regularly-scheduled meeting in October, when more data are available. The key assumptions made by the CEFC are as follows:

- A protracted and slow recovery from the current recession
- No subsequent outbreaks of COVID-19 in Maine requiring a full lockdown
- Any COVID-19 "hot spots" within the state are effectively managed and contained through risk stratification, testing, contact tracing, and isolation
- Further federal stimulus will follow later this year that includes support for state and local governments, the unemployed, and lower-income households
- Long-term structural changes will occur as certain firms need to adapt to new methods of operations due to public health conditions
- The widespread availability and distribution of a vaccine is uncertain at this point
- The Commission was optimistic that there is an opportunity for Maine to see increased in-migration in the coming years as telework becomes part of the "new normal" and people look for less densely-population places to live

Consensus Forecast

Maine saw strong employment numbers in the first three months of 2020 before seeing unprecedented job loss beginning in April. Total nonfarm employment is projected to decrease by 8.0% in 2020, with recovery of 4.0% and 2.0% in 2021 and 2022, before leveling to 0.0% in 2023-2025. The February 2020 forecast placed 2020, 2021, and 2022 at 0.5%, 0.2%, and 0.1% growth, respectively, and 0.0% in 2023-2025. This revised forecast anticipates employment will decline from 636.0 thousand in 2019 to 585.1 thousand in 2020, reaching a peak of 620.8 thousand in 2022 before stagnating. The February 2020 forecast projected a peak of 639.4 thousand. Construction jobs appear to have held up reasonably well for the time being and the CEFC recognized that there is potential for education and health services to rebound as new public health measures become widely implemented. Manufacturing presents a mixed picture, with firms in the pandemic response field potentially seeing sizeable gains in the near future. A concern is the possible lack of seasonal hiring in the retail and hospitality sectors.

Total personal income was revised down to 3.9% in 2020, 0.2 percentage points lower than the February 2020 forecast. 2020 was revised down by 5.2 percentage points, while 2024 and 2025 were revised slightly up by 0.1 percentage point. Total personal income growth is now forecast at 3.9%, -1.2%, 3.7%, 3.5%, 3.6% and 3.6% from 2020-2025, chronologically.

All components of personal income were revised substantially for 2020 and 2021, while the CEFC opted to leave most components unchanged for 2022-2025, with plans to consider revisions for these years during its next regularly-scheduled meeting in October when more information is available.

Growth in wages and salaries, the largest component of personal income, was revised down to -5.0% in 2020 from 4.1% in February. 2021 was revised down to 2.0% from 3.7%. 2022-2025 were also revised down to reflect 3.0% growth in each year. Much of the employment impact in the past few months has been to lower-wage workers. Some support has come from the Paycheck Protection Program, which is scheduled to expire at the end of 2020. This forecast assumes a return to the “normal” trend in the out-years, but at a slightly lower rate.

Growth in supplements to wages and salaries was revised down to -1.5% in 2020 compared to 4.0% in the February forecast. 2021-2025 were left unchanged.

Nonfarm proprietors’ income is forecast to fall by 3.0% in 2020. All other years were left unchanged, reflecting growth of 3.2% in 2021, 3.3% in 2022, and 2.5% from 2023-2025. Funds from the Paycheck Protection Program will be reflected partially in this line.

The forecast for dividends, interest, and rent was revised down for 2020 and 2021 to 0.1% and -1.0%, respectively, from 3.2% and 3.0% in the February 2020 forecast. The forecasts for 2022-2025 were left unchanged. The rent component may put some downward pressure on this line, and the Commission recognized that the interest rate forecast from IHS Markit, reflecting an accommodative monetary stance and low long-term interest rates, seemed more appropriate in the near term.

Growth in personal current transfer receipts was revised upward to 30.0% in 2020, from 5.5%, and downwards to -8.0% in 2021, again from 5.5%. The forecast for 2022-2025 was left unchanged. This reflects changes of +24.5 percentage points in 2020 and -13.5 percentage points in 2021. The substantial increase in this line includes increases to Medicaid and unemployment insurance as well as recognition of the stimulus checks from the federal government.

The CEFC projects that the Consumer Price Index (CPI) will fall below the Federal Reserve Bank's 2.0% inflation goal until 2023, instead growing by 0.9%, 1.5%, and 1.7% in 2020, 2021, and 2022, respectively. Additionally, the forecast for corporate profits was revised down to -30.0% in 2020 from a previous forecast of 3.2%. Growth for 2021 was revised up to 10.0% and 2022-2025 were left unchanged.

Some of the largest risk factors considered by the CEFC were related to public health. While the CEFC's assumption for this forecast is that any future hot spots of COVID-19 in Maine are appropriately responded to by the state to avoid a widespread outbreak that would require lockdown, the Commission acknowledges that there is uncertainty regarding the possibility of a second wave and the severity thereof. It also remains uncertain on the availability and acceptance of a vaccine in calendar year 2021. Overall, the commission maintains that the success and speed of the economic recovery are dependent on public health outcomes.

In addition to revising its February 2020 forecast, the CEFC revised its severe recession scenario to be used in the revenue stress-testing report due October 1, 2020. The Commission opted to replace the previous severe recession scenario with the above-described July 2020 off-cycle forecast.

The following page provides the full forecast.

Maine Consensus Economic Forecasting Commission

July 2020 Off-Cycle Forecast Update	History	Forecast					
	2019	2020	2021	2022	2023	2024	2025
CPI-U* (Annual Change)	1.8%	0.9%	1.5%	1.7%	2.0%	2.0%	2.0%
CPI for Energy Prices** (Annual Change)	-2.1%	-10.1%	8.8%	6.5%	1.3%	2.1%	2.9%
CPI for New Vehicles** (Annual Change)	0.4%	-1.3%	0.3%	0.1%	0.3%	0.2%	0.1%
New Vehicle Registrations** (Annual Change)	-3.8%	-27.9%	13.1%	3.5%	0.5%	-0.9%	0.7%
Personal Savings Rate**	7.9%	15.4%	8.7%	7.3%	7.1%	6.8%	6.5%
Maine Unemployment Rate**	3.0%	8.0%	5.7%	4.3%	3.7%	3.5%	3.4%
3-Month Treasury Bill Rate**	2.06%	0.37%	0.10%	0.09%	0.10%	0.11%	0.11%
10-Year Treasury Note Yield**	2.14%	0.98%	0.89%	1.03%	1.26%	1.49%	1.78%
Before-Tax Corporate Profits* (Annual Change)	0.2%	-30.0%	10.0%	3.7%	2.7%	2.7%	2.7%
Maine Wage & Salary Employment* (thousands)	636.0	585.1	608.6	620.8	620.7	620.7	620.7
Natural Resources	2.2	2.0	2.1	2.2	2.2	2.2	2.2
Construction	29.8	29.0	27.4	27.5	27.1	27.1	27.4
Manufacturing	53.3	49.9	48.8	50.2	50.3	50.4	50.5
Trade/Trans./Public Utils.	118.7	110.7	117.0	115.7	106.4	106.1	106.1
Information	7.2	6.4	6.5	6.8	6.8	6.8	6.7
Financial Activities	33.0	32.3	31.2	32.1	32.0	31.9	31.8
Prof. & Business Services	69.4	64.0	66.1	71.0	73.0	73.1	73.7
Education & Health Services	129.3	121.6	127.9	129.5	134.2	135.4	135.8
Leisure & Hospitality Services	69.5	50.1	63.1	64.9	67.9	67.2	66.2
Other Services	22.4	21.4	20.3	20.7	20.5	20.2	20.0
Government	101.3	97.8	98.2	100.2	100.4	100.3	100.3
Maine Wage & Salary Employment* (Annual Change)	0.9%	-8.0%	4.0%	2.0%	0.0%	0.0%	0.0%
Natural Resources	-1.5%	-9.4%	5.0%	5.5%	0.0%	-0.1%	-0.7%
Construction	1.5%	-2.8%	-5.3%	0.2%	-1.5%	0.2%	1.0%
Manufacturing	2.3%	-6.3%	-2.4%	3.0%	0.1%	0.2%	0.2%
Trade/Trans./Public Utils.	-0.4%	-6.7%	5.7%	-1.1%	-8.0%	-0.3%	0.0%
Information	-3.1%	-11.9%	3.0%	3.4%	-0.2%	0.3%	-0.8%
Financial Activities	2.7%	-2.0%	-3.5%	2.9%	-0.2%	-0.4%	-0.3%
Prof. & Business Services	0.0%	-7.9%	3.3%	7.4%	2.8%	0.2%	0.9%
Education & Health Services	1.8%	-5.9%	5.1%	1.3%	3.6%	0.9%	0.3%
Leisure & Hospitality Services	0.7%	-27.8%	25.9%	2.9%	4.6%	-1.0%	-1.6%
Other Services	0.6%	-4.4%	-5.0%	1.8%	-1.0%	-1.5%	-1.1%
Government	1.0%	-3.5%	0.5%	2.0%	0.2%	-0.1%	0.0%
	2019	2020	2021	2022	2023	2024	2025
Personal Income* ($ million)	68,487	71,126	70,252	72,861	75,442	78,158	80,988
Wages & Salaries*	31,363	29,795	30,391	31,302	32,241	33,209	34,205
Supplements to Wages & Salaries*	7,984	7,864	8,147	8,424	8,710	9,007	9,313
Nonfarm Proprietors' Income*	5,140	4,986	5,145	5,315	5,448	5,584	5,724
Farm Proprietors' Income**	66	26	57	88	73	58	57
Dividends, Interest, & Rent*	12,866	12,879	12,750	13,043	13,330	13,624	13,923
Dividends	3,937	4,070	4,029	4,009	4,060	4,114	4,313
Interest	6,100	5,860	5,598	5,667	5,665	5,701	5,653
Rent	2,841	2,957	3,124	3,369	3,599	3,801	3,946
Personal Current Transfer Receipts*	15,281	19,866	18,277	19,282	20,342	21,481	22,706
Less: Contributions for Social Ins.**	5,304	5,291	5,597	5,746	5,901	6,047	6,231
Adjustment for Residence**	1,092	1,002	1,083	1,152	1,198	1,243	1,291
Personal Income* (Annual Change)	4.6%	3.9%	-1.2%	3.7%	3.5%	3.6%	3.6%
Wages & Salaries*	4.6%	-5.0%	2.0%	3.0%	3.0%	3.0%	3.0%
Supplements to Wages & Salaries*	4.4%	-1.5%	3.6%	3.4%	3.4%	3.4%	3.4%
Nonfarm Proprietors' Income*	3.9%	-3.0%	3.2%	3.3%	2.5%	2.5%	2.5%
Farm Proprietors' Income**	55.3%	-60.2%	116.1%	55.0%	-17.5%	-20.1%	-1.8%
Dividends, Interest, & Rent*	2.4%	0.1%	-1.0%	2.3%	2.2%	2.2%	2.2%
Dividends	4.2%	3.4%	-1.0%	-0.5%	1.3%	1.3%	4.8%
Interest	1.1%	-3.9%	-4.5%	1.2%	0.0%	0.6%	-0.8%
Rent	2.9%	4.1%	5.6%	7.8%	6.8%	5.6%	3.8%
Personal Current Transfer Receipts*	7.1%	30.0%	-8.0%	5.5%	5.5%	5.6%	5.7%
Less: Contributions for Social Ins.**	4.9%	-0.2%	5.8%	2.7%	2.7%	2.5%	3.0%
Adjustment for Residence**	4.8%	-8.2%	8.1%	6.4%	4.0%	3.8%	3.9%

*CEFC Forecast

**From IHS Markit and Moody's Analytics baselines (Jun. 2020)

Remaining lines derived from CEFC forecast by CEFC staff and reviewed by CEFC