

# Maine's Changing Face

July, 1989

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Prepared for  
**The Commission  
on Maine's Future**



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# MAINE'S CHANGING FACE /

A Demographic Study  
Of Maine's Future Population

Prepared by  
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July, 1989

## FOREWORD

The face of Maine's population is changing — and with those changes come new challenges for Maine's future. Recognizing *how* we are changing as a people can aid us in developing a vision for Maine's 21st Century which anticipates and responds to the shifting priorities, values and expectations of the Mainers of tomorrow.

*Maine's Changing Face* is a study of the state's changing demographics which are destined to have significant impacts on the economy, resources and lifestyles of the future. The Commission on Maine's Future undertook this analysis to assist the state's decision makers in understanding the need for long-term policy initiatives to meet the demands of a changing population. To assist us in our study, the Commission drew upon Census data, independent demographic analysis and original research.

Our study is not a forecast nor prediction of Maine's future. It does, however, identify population forces already in motion and emerging trends which could dramatically change the face of Mainers in the future. The following is a brief summary of our major findings:

- o Maine's population growth is slowing but the number of new households is increasing twice as fast as the population, mostly as a result of *internal* population, *not* immigration of people from outside Maine.
- o This trend — combined with a continuing migration (again mostly internal) to traditionally rural Maine communities, rather than urban centers — will place enormous pressures on housing, infrastructure and environmental quality in the future.
- o Both of these phenomena suggest that Mainers must recognize their *own* contribution to a deteriorating quality of life in our state rather than narrowly focusing on the impacts of people "from away."

- o Maine's population is aging as fewer children are born, as older Mainers live healthier, extended lives and as the bulging baby boom generation matures.
- o A shrinking proportion of young people will affect Maine's expanding economy by slowing growth in the labor force that will be needed to sustain economic prosperity. Business' response to this phenomenon may include greater reliance on technology and recruitment of workers from outside the state.
- o An aging population will affect the state's "consumption profile" of goods and services, shifting the emphasis from youth-oriented markets to health care, affordable housing, mass transit and services for the elderly.
- o Nearly three-quarters of Maine's households will have no children by the year 2010 which will dramatically affect how future Mainers invest their time, energy and money. Children could become the major disadvantaged class of the 21st Century.
- o Baby boomers will be the predominant population force of the future and will continue to place unprecedented demands on public and private institutions and markets as they age.
- o More than a third of future Mainers will be "from away" and will continue to have a major impact on the state's economic, social and cultural life.
- o Mainers of the early 21st Century will most likely have differing value systems and priorities than their predecessors — less traditional, more liberal on social issues and more likely to trust government and to participate in it.
- o Maine will enjoy a 10 to 15 year period of relative calm, economic prosperity and stability before Maine's institutions and consumer markets feel the full impact of the shifting needs and priorities of a large-scale aging population — time in which to prepare for the crunch.

The following report details these findings and others as well as suggests possible future scenarios resulting from the emerging and ongoing demographic forces that are already shaping the face of Maine. The Commission on Maine's Future hopes that this report will serve as a useful tool for policymakers and for all Maine people who must think and act with foresight if we are to choose, rather than inherit, Maine's Future.

**Annette Ross Anderson, Chair**  
**Commission on Maine's Future**

PART 1

**TRENDS IN THE  
MAINE POPULATION**

## SECTION 1 OVERVIEW

Maine has no greater resource than its people and no more important force for change. This study looks at Maine's changing population in the closing years of the 20th Century and in the opening years of the 21st. While these changes also hold implications for life in the state *after* the year 2010, longer term issues are beyond the scope of our study and will be noted only in passing.

Maine's population history has been one of slow growth and long term stability. Growth has been steady since the Great Depression and in recent years there has been a slight acceleration after 1970. Because of the long term stability of this history, recent population growth has appeared rapid from an in-state perspective but the pace of growth in Maine has been slower than the pace experienced in the rest of the United States.

Yet Maine has been closing the gap by which it has traditionally lagged far behind the nation and the New England region, primarily because growth has slowed dramatically in some other parts of the country. Since 1970, growth in Maine has outpaced the rate of change in the urbanized states of southern New England and has drawn to within a few percentage points of the national rate of population growth. Looking ahead, population growth will continue in Maine into the 21st Century, but *at a slower rate* than we have experienced in the recent past.

Maine's population is not only growing in numbers. It is also changing in its demographic characteristics — the mix of age, gender, social and economic backgrounds that both unite — and separate — the people of the state. Demographic change has been

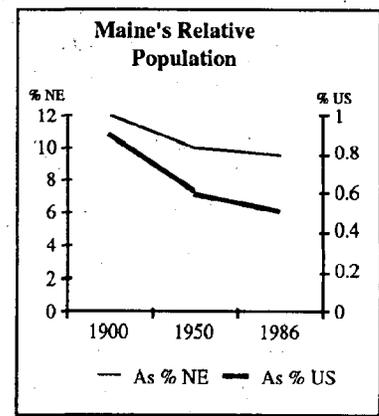


Figure 1

**Maine's population is not growing as rapidly as the populations of New England and the U. S. but the pace has picked up in recent years**

Source: U. S. Census

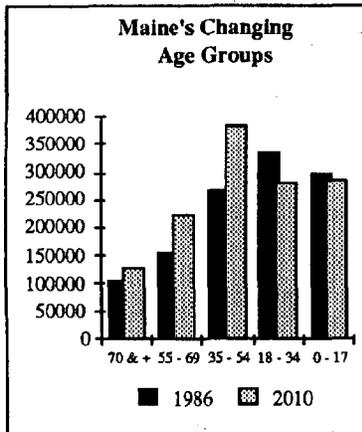


Figure 2

Maine's demographic structure is undergoing a major change as the populous baby boom generation ages.

Source: U. S. Census

in evidence in the state since the close of the Second World War, when an entire generation of returning veterans simultaneously began to rebuild their civilian lives and form homes and families in a tremendous burst of fertility that continues to resonate in Maine life and culture after forty years. The changing characteristics of Maine people resulting from this phenomenon will continue to influence our social, cultural and economic lives for an even longer period into the future.

Maine's changing population is the foundation of the state's future, holding many implications for the quality and vitality of life in the state through the coming twenty years. Three trends will be of particular importance:

- o Population growth will continue to affect Maine's rural character as housing development, urban congestion and an evolving pattern of suburban settlement reshape much of the state.
- o Maine's population is aging — a phenomenon that will significantly affect every aspect of Maine life, as well as shift our public, family and economic priorities.
- o The growing influence of the "baby boom" generation and of recent immigrants to Maine will strongly affect many of the social, political and economic decisions that will shape our state's future in the 21st Century.

Understanding these trends can help us to better anticipate the inevitable changes facing our state, to reduce the potential for conflict and to create a common vision for Maine's future which best reflects the values, priorities and expectations of the people of Maine.

## Population Dynamics and Underlying Trends

Population dynamics are where the past and the future intersect. All population processes reduce to four very simple events. People are born. They mature. They move about geographically. They die.

The events which shaped today's population occurred in the past — some in the quite distant past — while today's events will, in turn, shape events far into the future. Perhaps the most significant example in the 1980s is the "bulge" in the population due to a disproportionate number of people between the ages of 27 and 44. This mirrors the high birth rates of forty years ago following World War II.

Birth rates remained high for seventeen years, from 1945 through 1962. Because the birth rates remained so high for so long, the generations which preceded and followed are much smaller. Today the bulge occurs in the middle years of the population. We can project this bulge will move upward in age as the people who comprise it mature — a trend popularly referred to as the middle aging of America.

The generation born during that seventeen years — the baby boom — has placed extraordinary pressures, from cradle onward, on public institutions and private markets alike. In the Fifties and Sixties, the bulge in young and adolescent baby boomers placed ever more pressure on schools and public education. In the Sixties and Seventies, young adult baby boomers shifted the demand to colleges and the job market. In the Seventies and Eighties, pressure has shifted to the housing market. Beginning about the year 2010, this disproportionately large generation will begin to reach retirement age.

Thus, a population event which took place *twenty to forty years ago* will challenge society *twenty years from now* as it adjusts to an exceptionally large retirement-age population. Ten to twenty years after they retire, the baby boomers will trigger an even more

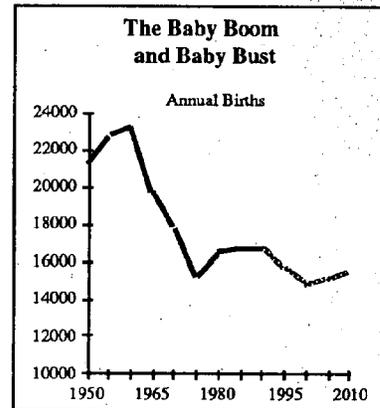


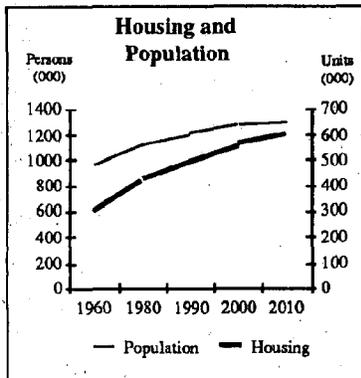
Figure 3

**The Baby Boom of 40 years ago and the decline in birth rates of 25 years ago will continue to set the pattern for demographic change far into the future.**

Source: U. S. Census; Maine Office of Vital Statistics

significant challenge as they begin to put pressure on the systems that provide hospital and geriatric care.

### Other Trends



**Figure 4**

**Fewer people living in each household have created a demand for housing that has been growing twice as fast as the population**

Source: U. S. Census; Maine Dept. of Economic & Community Development

The baby boom represents one of the fundamental trends underlying the population dynamics of the period surrounding the turn of the 21st Century. Five others are of equal significance:

- o A sharp drop in the birth rates during the Great Depression and WWII creating a scarcity today of persons between the ages of 45 to 55.
  - o A sharp decline in fertility over the past twenty five years resulting in fewer total births in the total population, smaller families and a higher proportion of households with no children at all.
- These two phenomena bracket the exceptionally large baby boom with exceptionally *small* generations immediately younger and older.
- o The migration of persons from the urbanized core to the fringe of metropolitan areas -- both into Maine and internally within the state -- over the past twenty years reversing an earlier pattern of economic and population decline in the fringe areas through most of the 20th Century.
  - o A sharp drop over the past twenty years in the average size of households resulting in a growth in the number of housing units twice as fast as that of the population.
  - o A sharp decline in the death rate of elderly persons over the past twenty five years has meant more elderly surviving to very great ages.

None of these six underlying trends is unique to Maine. To take the case of migration as an example, one county in Florida, Palm Beach County, has experienced immigration of 1,800 people per day during the late 1980s and net migration of 900 people per day. Daily immigration to Maine, in contrast, has been less than 100 persons for the whole state and net daily migration has been under 10. Yet immigration has become a major focus of public concern in Maine through the past fifteen years, entering debates over affordable housing, land use, competition for jobs, property taxation and growth management with an emotional charge that is surprising in comparison to the real size of the phenomenon. It may be, therefore, that these common national trends have worked themselves out in Maine in ways that are much more visible against the backdrop of the state's small population base and traditional isolation.

In the projections that follow, these underlying trends, which are based on our understanding of the past, will be used to develop assumptions about the future. In some cases, these assumptions would be difficult to challenge. The baby boom generation is unusually large. It will almost certainly continue to bulge its way through the age cohorts well into the next century. The Depression-WWII generation and the generation born during the Vietnam War are unusually small. They will almost certainly continue to have the opposite effect on the age structure of the population.

In other cases, however, certain assumptions are open to alternative interpretations. Assumptions about behavior are especially problematic and four of the underlying demographic trends describe patterns of behavior, although they are stable patterns that have been in place for the past twenty to thirty years. These include:

**The Fertility Rate.** Will the fertility rate increase in the future? Will women choose to have more children? The Census Bureau projections used in this study assume a slight increase in fertility through the coming decades.

**The Rate of Net Migration.** Will immigration and outmigration continue in the future at the same rate as they have through

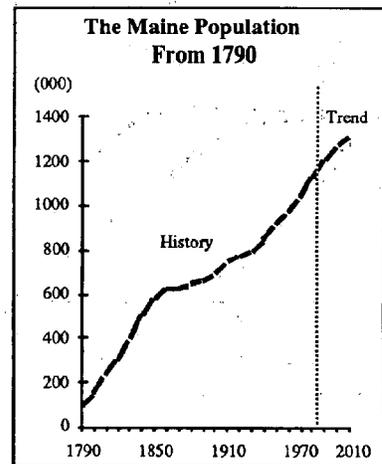


Figure 5

**Our assumptions about change in Maine's future are based on the behavior of trends that extend into our past.**

Source: U. S. Census

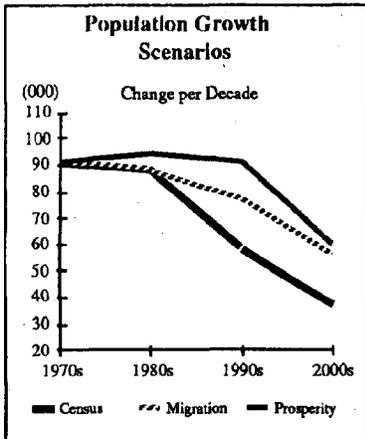


Figure 6

Uncertainty about how population forces will behave in the future generates a range of possible growth scenarios.

Source: U. S. Census; Maine Forecasting and Simulation Model

the past twenty five years? Will immigration increase as America's cities become more crowded? Will outmigration decrease as Maine's economy becomes more prosperous? The base case projections in this study assume that interstate migration of all kinds will slow in the future as the nation's population ages and becomes more stable. But alternative scenarios are also considered, which assume that immigration will continue into Maine at the present rate or will increase.

**The Rate of Internal Migration.** Will Maine residents themselves continue to move from urban areas to suburbs and from built-up centers to the open countryside at the same rate as they have done in the past? This study assumes they will and projects population changes around the state in proportion to the patterns established in the 1980s.

**The Decline in Household Size.** Will the decline in household size and the increase in the number of dwelling units required to house the population continue into the future? Will the factors that influence household organization continue to fragment the population into smaller and smaller units? This study assumes they will, but that the rate of fragmentation will slow from what it has been in the recent past.

As a result of these assumptions, the projections that follow *are not forecasts* but informed guesses. They are presented as such to assist us in anticipating the potential for significant change and impacts on Maine's environment, economy and institutions.

## SECTION 2 POPULATION GROWTH

*In October 1988, the Census Bureau projected the Maine population from 1990 through 2010. These projections, and the Census Bureau's population estimates for 1986, are the sources of the demographic projections which follow.*

Population growth will slow in Maine in the future but the present pace of growth may continue into the middle or late 1990s. Slower growth after the turn of the century will be endemic, not only in Maine but throughout the U.S. By the year 2050, the Census Bureau projects a population *decline* for the first time in the nation's history. For slow growth states like Maine, declining population could begin a generation earlier than in the nation as a whole.

In the 18 years since 1970, 158,000 people have been added to the Maine population which now stands at 1,192,000. Growth throughout the period occurred at the rate of nearly 8,800 people per year or about five-sixths of one percent annually. In the 22 years leading up to the year 2010, about the same number of people are likely to be added to Maine's population but growth is likely to slow to between 7,000 and 8,000 people per year -- a rate of about two-thirds of one percent annually. Total population in 2010 is likely to be around 1,350,000.

Two components drive changes in population — (1) *natural increase* or the number of births minus the number of deaths, and (2) *net migration* or the number of people moving into the state minus the number of people moving out. Natural increase is by far the dominant component in most places, including Maine,

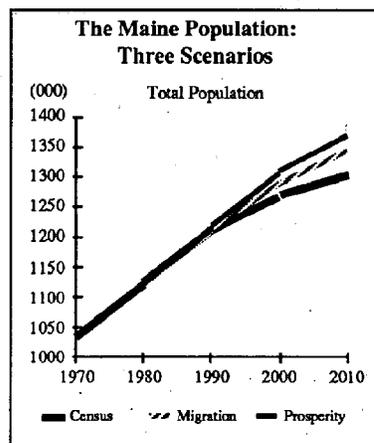


Figure 7

**Maine's population will rise to between 1.3 million and 1.4 million people by the year 2010, depending on migration patterns in the future. Three scenarios outline the different possibilities, each differing by about two percent in total population after 20 years.**

Source: U. S. Census

because the size of the population base far exceeds the number of people moving into or out of the state.

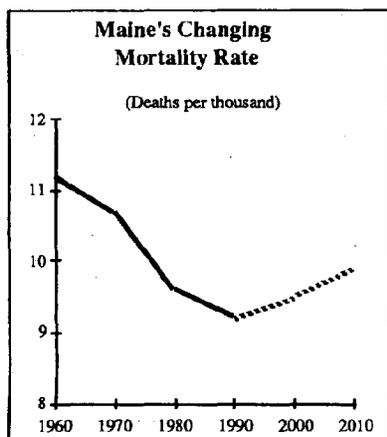


Figure 8

**Maine's elderly population has been living longer, healthier lives in recent years, helping to cut the mortality rate by nearly one fifth in 30 years. In the future, longevity will continue to rise but so will the number of elderly people in the state population. These two trends will push the mortality rate back up again, but not so high as in the past.**

Source: U. S. Census; Maine Office of Vital Statistics

## Growth and Maine's Population Base

The age of the population helps to determine the rate of natural increase. Growth can be expected to slow when there are large numbers of the very old in proportion to the total population, because high death rates among the elderly offset growth arising from births. Growth can be expected to accelerate when there are large numbers of young adults in proportion to the total population, because births most often occur in young families.

Two other factors also influence the rate of natural increase by moderating the number of births and deaths that occur in the different age sectors of the population.

Longer life expectancy, brought on by medical and other improvements, reduces the death rate expected in an elderly population of a given age. Fewer people will die in their seventies, for example, and will live into their eighties. In any given year, there will be *relatively* fewer deaths to subtract from total births, which allows growth to rise through natural increase. The death rate per thousand people has declined by nearly eighteen percent since 1960 and, despite the increasing proportion of elderly people in the overall population in the coming twenty years, will remain nearly twelve percent below the 1960 level in the year 2010.

The second moderating factor is the fertility rate, or how many of the young women in a given population choose to bear children. In the 1970s, there were large numbers of young women in the population, but many declined or limited childbearing. The fertility rate was low and population growth through natural increase was much slower than it might have been. In the 1980s, even fewer women are having children and it is this phenomenon which will have the greatest impact on overall growth in Maine's future.

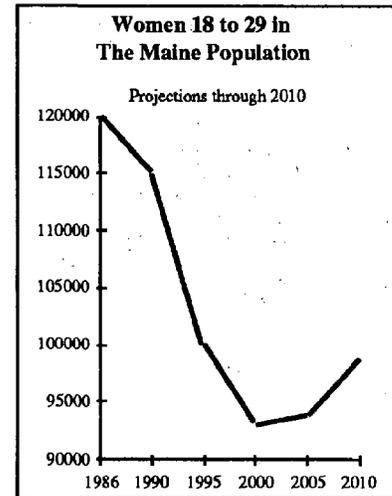
*The key factor behind the slower growth projected for Maine in the 21st Century, therefore, is the continued decline in the fertility rate that began in the early 1960s. In 1960, there were 36 infants for every thousand Maine adults. In 1986 there were 19. As a result of the steep decline in fertility during the Sixties, Seventies and Eighties, there will be 15 percent fewer young women in the prime childbearing age group by the year 2010.*

Although biologically capable of bearing children from ages 15 through 44, most women in American society have their children between the ages of 18 and 29. Three quarters of the births in Maine from 1983 through 1986 were to mothers 18 to 29.

The small Vietnam War generation born between the mid-Sixties and the mid-Seventies is now beginning to enter this prime parenting age group and will continue to dominate birth rates in the state through much of the next twenty years. The small size of this generation assures that there will be relatively few women available to bear children through the period and therefore relatively few children born. If these women, like their predecessors, also choose to have fewer children per family — in other words if the fertility rate continues to remain low — slow population growth could only be overturned by radical changes in immigration or in longevity.

Other marked changes in the age structure of Maine society will also occur by 2010. Much of the growth and change in Maine's population is occurring now. One third of all the growth that will take place in the next two decades will occur by 1990 and one half by 1995. The population under age 40 will decline by 78,000 persons; the population over age 40 will increase by 216,000 persons. *The proportion of the population 40 and older will, as a consequence, increase from 38 percent of the total in 1986 to 50 percent in 2010.* Almost half of the shift over age 40 as well will occur by the end of the present decade.

Maine's oldest citizens will also increase continuously in numbers through the quarter century between 1986 and 2010.



**Figure 9**

**The fall in fertility rates nearly 30 years ago has reduced the population of young women who might become mothers today. This trend combines with the new social standard of low fertility to guarantee a sharp decline in the number of children born in the future.**

Source: U. S. Census

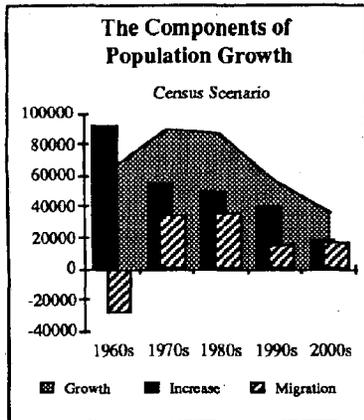


Figure 10

Overall growth results from the combination of migration and the natural increase of the native population. In the future, migration will become the most important factor for sustaining growth in Maine.

Source: U. S. Census

Those age 80 and older will represent a larger share of the state population in 2010 than they did in 1986 — their increasing longevity a reflection of rapid and continuing improvements in medical technology, but also reflecting the fruits of long term social investments in nutrition, in public health and in old age assistance through most of the 20th Century. But the population between the ages of 70 to 79 will make up a smaller share of the state in 2010, reflecting the small size of the Depression era generation, which will reach age 70 at the turn of the century.

### Growth and Migration

Migration has driven about one-third of the growth in Maine over the past quarter century and is likely to become much more important in the future as it begins to account for half and even more than half of the growth in the state's population.

Three kinds of migration affect the rate of population growth in Maine — *immigration* or people moving in from out of state, *outmigration* or Mainers moving out of the state, and *net migration*, which represents the difference between the number of people moving in and the number moving out.

Migration patterns have been quite stable in Maine on average since the middle to late 1960s. Most of the variation — and thus the factor controlling overall growth — has been in outmigration. Most of the people who leave Maine are young and they have tended to leave in the greatest numbers during times of poor economic conditions in the state. Average outmigration through the past quarter century has been about 35,000 people a year. That number could rise to about 37,000 or 38,000 when times are hard or it could fall to about 31,000 or 32,000 when the economy improves.

The pattern of immigration is very similar to outmigration in Maine, but there is less variation in the numbers from year to year. Average immigration through the past quarter century has also been about 35,000 people a year, regardless of economic conditions. The



combined effect of stable immigration and relatively stable outmigration has been a fairly constant population gain from net migration of about 3,600 persons a year on average since the mid-1960s and this stable pattern is continuing in the 1980s, when viewed within the long term trend.

Over shorter periods of time, migration patterns are likely to fluctuate around the long term average. In the 1970s, for example, net migration averaged about 4,000 persons per year before 1975 compared to about 3,100 persons per year after 1975. In the early 1980s, net migration fell to about 1,500 persons per year but rose to about 6,000 per year after 1985. Preliminary figures for 1988 show net immigration soaring to nearly 13,000 in what appears to be a short term aberration principally affecting York County.

In the late Seventies, net migration was below average because immigration was only about 25,000 persons per year. In the early Eighties it was low because large numbers of Mainers left the state during the severe recession. In the late Eighties, high levels of net immigration reflect, in part, the influence of economic prosperity in keeping young Maine adults in the state, and in part, the effect of unprecedented suburban growth in York County, as northern Massachusetts and southern New Hampshire housing markets spill across the state border. Yet over each of the decades, these short term fluctuations averaged out. Net migration for the entire decade of the 1970s was 35,400 or 3540 persons a year. So far during the 1980s, net migration is estimated at 32,650 for an average of 4080 persons a year.

### Three Growth Scenarios

The Census Bureau projections cited at the start of this section provide the baseline growth scenario for this study. The Bureau projects an increase of 116,000 people in the Maine population by the year 2010, with a rate of growth about 5,300 persons

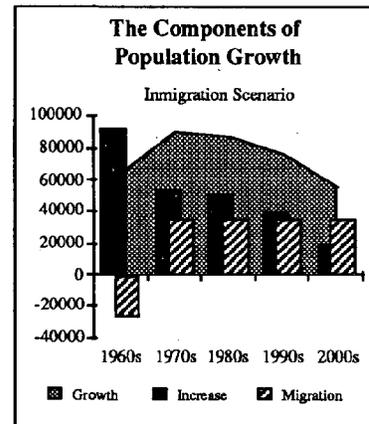


Figure 11

The stable migration patterns of the past twenty five years are projected out for the next twenty to create the Immigration Scenario of growth slowing only slightly from the present rate.

Source: U. S. Census; State Planning Office

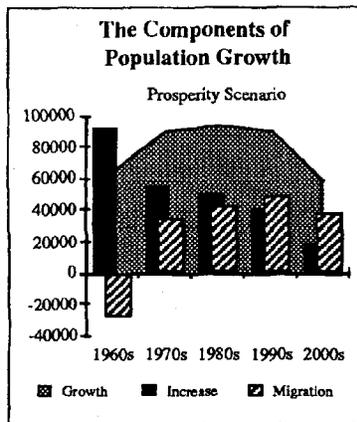


Figure 12

**Under the Prosperity Scenario, growth slows only after the turn of the century as Maine's expanding economy keeps young adults in the state to meet the demand for labor.**

Source: U. S. Census; Maine Foresighting and Simulation Model

per year. Total population would rise to 1,308,000 at an annual rate only half that of the past two decades.

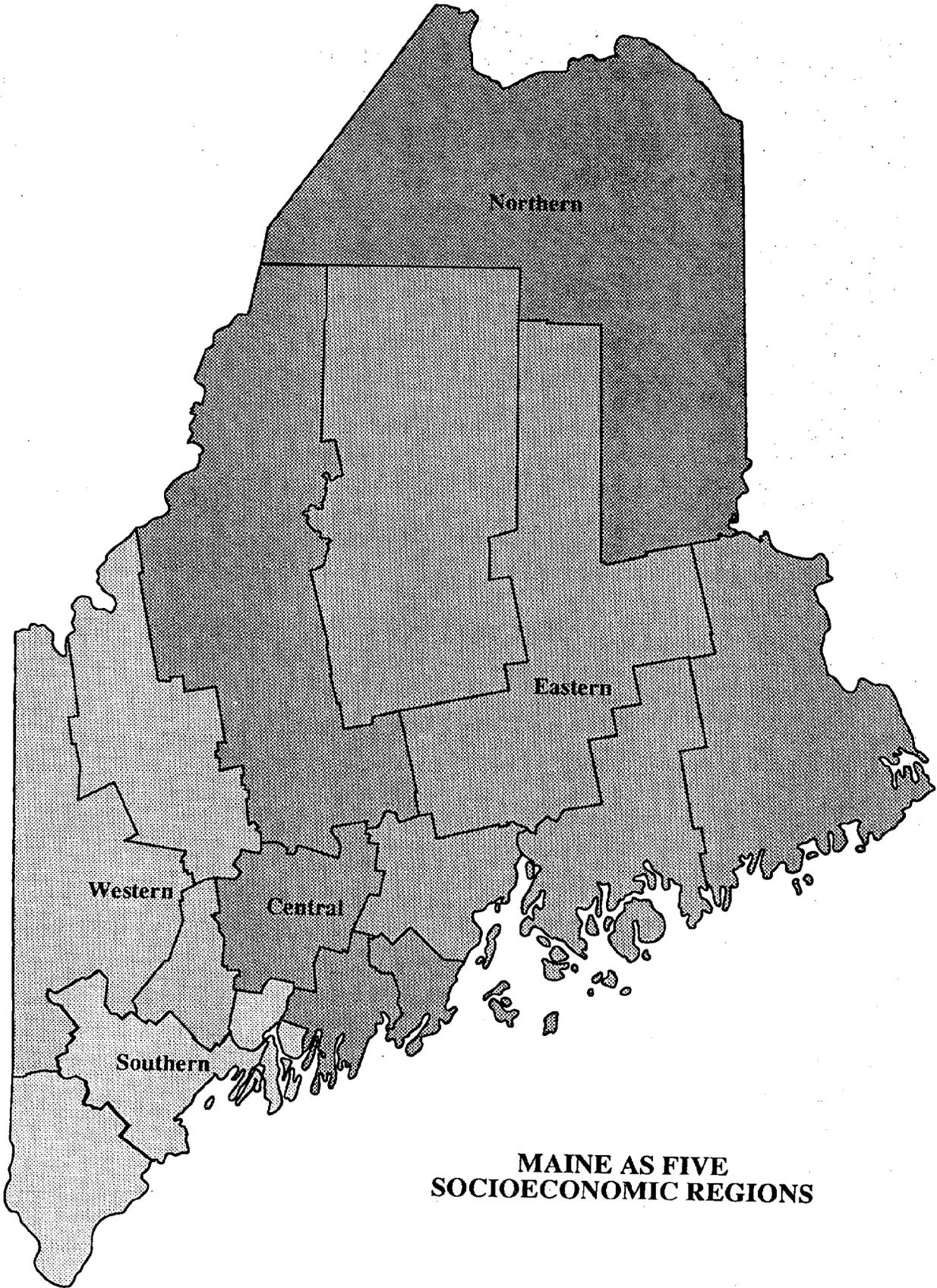
This scenario rests on the assumption that the baby boom generation will become more geographically stable as its members pass age 40 between 1986 and 2002. Traditionally, residential and geographic mobility tend to fall off sharply after age 40 as individuals strengthen home, family, career and community bonds. Thus, the Census Bureau projects net migration into the state to slow to about half the levels experienced during the 1970s and 1980s. As a result of this slowdown in immigration, the *Census Scenario* projects the lowest level of growth considered in this study — just under 10 percent over more than two decades. Despite this slowdown, however, immigration will become the largest component of growth in Maine in the opening years of the next century.

Our *Inmigration Scenario* projects additional growth by assuming that migration patterns will continue to be stable in the future. This scenario adds the long term average of 3600 immigrants to the Maine population each year to produce a total population of 1,346,000 in the year 2010 — 38,000 higher than the *Census Scenario* total. Maine would add 154,000 persons by 2010 pushing the growth rate up to almost 13 percent, compared with the 15 percent growth experienced since 1970. The *Inmigration Scenario* projects an intermediate level of growth, under which immigration would overtake natural increase as the largest component of growth by the mid-1990s.

Despite the lessening of geographic mobility associated with an aging population and the long term stability of migration patterns in Maine (the assumptions that underlie our first two scenarios) a third scenario, projecting increased migration, incorporates the high net migration pattern of the late 1980s into its long-term assumptions. This high growth scenario is based on Maine's potential for job and economic growth, and the recognition that the labor demand of Maine's emerging economy would require a larger population than the state, at long term levels of immigration, could supply. The *Prosperity Scenario* assumes a 40 percent increase in

the long term migration pattern to supply this needed labor. This scenario generates a total population 1,369,000 in 2010, 61,000 higher than the baseline projections. Maine would gain an additional 177,000 people and would grow at nearly the 15 percent rate of the past eighteen years.

The difference between these scenarios is ultimately a problem of timing the slowdown in Maine's population growth that is made inevitable by the underlying changes in our demographic structure. Under the Census Scenario, the slowdown would occur in the early to middle 1990s -- a prospect made unlikely by the current level of net migration. Under the Immigration Scenario, the slowdown would occur around the year 1995 -- earlier if there is a severe recession in the early 1990s; later if York County housing prices lag behind those of northern Massachusetts and southern New Hampshire. Under the Prosperity Scenario, the slowdown would be held off until the turn of the century. The longevity of the late 1980s pattern of net immigration is the key to which of these scenarios actually develops.



**MAINE AS FIVE  
SOCIOECONOMIC REGIONS**

## SECTION 3 PATTERNS OF SETTLEMENT

Maine is the least-densely populated state east of the Mississippi and its settlement pattern is severely skewed to the southern part of the state in general and to a transportation corridor extending 15 miles to either side of the Interstate 95 highway system. The population is settled at the rate of 39 persons per square mile in the state as a whole, 54 persons per square mile in the I-95 Corridor and 209 persons per square mile in the three counties — York, Cumberland and Sagadahoc — that make up Southern Maine.

Land use in the state reflects these densities. Only two percent of Maine's land area is developed in the sense of being actually built upon, of being physically covered by houses, roads, stores, cities, parking lots. Only eleven percent is clear of forest cover. About half is "organized" into communities and the other half (home to barely 12,000 people) constitutes Maine's vast unorganized territories whose forests physically dominate the northern and western parts of the state. Maine's most fundamental pattern of settlement, then, is this split into communities and wildlands.

### Households and Housing

The fundamental unit of settlement is the household — often households of families, but also households of single individuals and of unrelated groups. A sharp decline in household size in the past two decades has been one of the most important demographic trends taking place in Maine and in the nation. The size of the average household in Maine dropped from 3.3 persons in

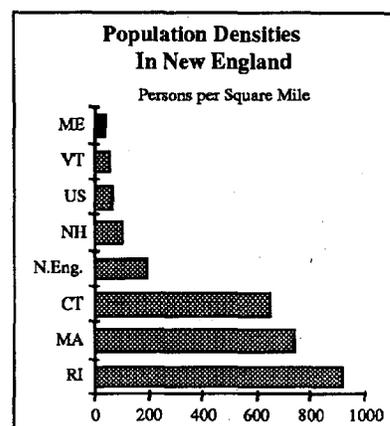


Figure 13

Maine is sparsely populated by regional and even national standards, due to the huge size of its forested resource base. But even in the settled parts of the state, densities approximate only the New England average in Southern Maine and the U.S. average in the I-95 Corridor

Source: *Statistical Abstract of The United States*

1960 to 2.6 persons in 1987. Further decline is projected by the Census Bureau to 2.55 persons by 1990 and 2.26 by 2010.

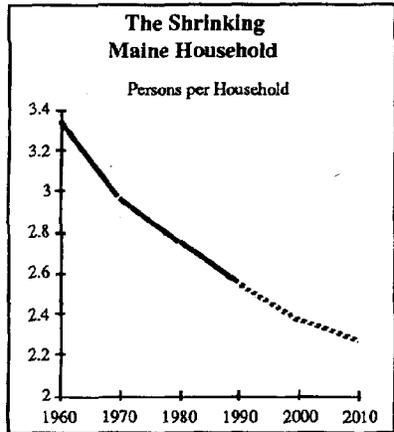


Figure 14

**Smaller households combine with the larger population to increase the pressure of growth on land use, traffic and the environment.**

Source: U.S. Census

As households grow smaller, more houses are needed to provide shelter for a constant level of population. When population grows as households shrink in size, the demand for housing is pushed upward by both forces. In 1960, it required 300 dwelling units to house one thousand persons in Maine. By 1980, it required 380 units to house the same one thousand persons; by 1990, it will take nearly 400.

The rapid decline in household size results primarily from three factors — growth in the elderly population, growth in the rate of divorce and family break-up, and growth in the number of young people living alone.

Maine's elderly population is up by more than two-fifths since 1960 and the single elderly population is up by one-fifth. These changes mean that there are more one and two person households in the general population.

Maine's divorce rate doubled between 1960 and 1986 and the number of divorces in the state nearly tripled. One marriage in two in the 1980s ends in divorce and one family in 50 breaks up every year. When such a breakup occurs, it requires two dwelling units to house the same number of persons who occupied one unit before. By 1970, the number of divorces roughly matched immigration in Maine: by 1980, the divorce numbers were more than double net migration numbers, implying the potential for four times the impact in housing markets.

Between 1960 and 1980, Maine's household population increased by one sixth but the number of households nearly doubled. A similar pattern has continued in the 1980s. Between 1980 and 1987, the household population grew by 5.5 percent while the number of households grew *twice as fast* at more than 11 percent. As a result, even though annual population growth has averaged only about five-sixths of one percent for nearly three decades, the

impact of this steady growth on the demand for housing has been radically higher.

At the same time that Maine households have been growing smaller, the baby boom has been moving through its prime household formation years — the ages between 18 and 44. This age group increased by 53 percent — from 320,000 to 490,000 population — between 1960 and 1987, while the number of housing units increased by 57 percent, from 304,000 to 477,000 units. Little of the growth in Maine households is due to immigration from out of state. *Over 90 percent of the increase is solely the result of the internal population dynamics of shrinking household size and large numbers of baby boomers in the housing market.*

As a result of these combined forces, the number of permanent, year-around dwelling units has increased in Maine at an average rate of more than two percent per year for the past 27 years. An estimated 173,000 new units have been added to the state's housing stock for an increase in household population of 212,000 persons — *meaning that four new units were built for every five additional people.* The shrinking American household, then, has lent powerful impetus to Maine's housing boom. Yet despite radical differences in housing markets, subsidization and speculative building through the past three decades, Maine's housing economy demonstrates a structural pattern of long term stability, reflected in a consistent eight percent rate of "overbuilding" or vacancies in new housing units. These vacancies reflect a constant level of market friction stemming from the normal movements of housing consumers as they relocate from home to home or town to town.

Despite the internal source of Maine's rapid housing growth, many consequences remain for land use and prices, for environmental impacts and for traffic. When the decline in household size is coupled with the internal migration of Maine residents from one town to another, the pattern of rapid development and suburbanization that has so alarmed many observers in recent years becomes evident.

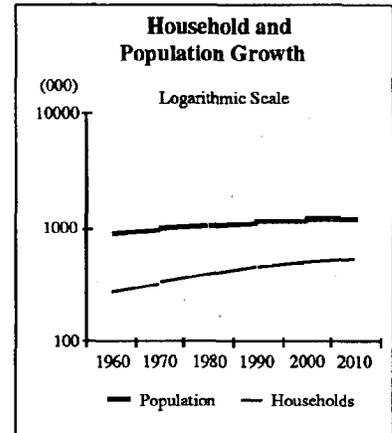


Figure 15

**The number of households in Maine is growing faster than the number of people living in households, as the number of elderly people and of divorces increases.**

Source: U.S. Census; Maine Office of Vital Statistics

Between 1980 and 1986, there was a net flow of 26,000 Maine residents from one town to another — generally from larger to smaller places. This flow around the state of Maine residents — internal migration — was two and one quarter times the net migration of out of staters into Maine. *More than two-thirds of the total migration into Maine towns consists of Maine residents moving around.* At the same time, increasing numbers of families with two earners in the workforce has meant greater reliance on commuting and increasing traffic on rural and suburban roads.

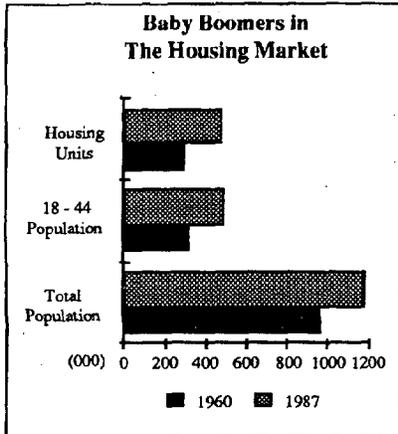


Figure 16

**The concentration of baby boomers in the age of young adulthood during the recent past accounts for much of the pressure on Maine housing markets — similar to the pressure they placed on local school systems in the 1950s and 1960s.**

Source: U.S. Census; State Planning Office

The combined influence on Maine municipalities of the trends toward declining household size and internal migration within the state has added 50,000 dwelling units statewide between 1980 and 1987 — with nearly two in five of those units added in towns of between 2,500 and 10,000 residents. One third of the housing growth has occurred in cities of greater than 10,000 population and just under one third has occurred in Maine’s smallest villages. In the future, the pace of development is likely to slow by about a third, from near two percent annual growth to near one percent annual growth through the coming twenty years and the location of new construction is likely to be fairly evenly distributed through municipalities of different size. The effective impact of housing development in the future is likely to be most evident, as it has been in the past, in Maine’s suburban communities, particularly those within the I-95 transportation corridor.

The regional impact of new housing development should continue to be heavily concentrated in southern counties, which are likely to absorb nearly half of the new housing units through 2010. Another third of new construction is likely to be concentrated in central and eastern regions near the I-95 corridor, but with one new unit in five in these regions located in coastal Hancock, Lincoln and Knox counties. By 2010, an estimated 130,000 new units will be built statewide at the rate of about 5,600 per year. Comparable figures for the period 1960 to 1980 were 173,000 new units added at about 6,400 per year. More than 50,000 of those new units are likely to be built in Maine’s mid-size and suburban communities, about 45,000 in the cities and about 30,000 in the rural villages.

Housing prices, however, more than suburban growth pressure or traffic, have been the bellweather of intensive housing development in Maine. An analysis of new housing starts and aggregate residential investment in Maine reveals that, between 1970 and 1988, the price of an average new dwelling unit in Maine more than doubled, from \$33,900 to \$69,700. Yet virtually all of this run-up — nearly 93 percent — occurred between 1970 and 1980, long before a crisis in affordable housing was apparent to the average Maine resident.

The unprecedented demand for housing created by the baby boom and the decline in household size represents only one dimension of the acceleration of prices that occurred during the 1970s. At the same time, consumer tastes and public regulatory and incentive programs lead to considerable improvement in housing quality in Maine. In 1950, for example, half of Maine homes lacked complete plumbing facilities, while fewer than one in ten had more than one bathroom. By 1970, nearly one in six homes remained unplumbed and another one in six had more than a single bathroom. By 1980, only about one home in twenty lacked plumbing, while one in five had multiple bathrooms. Part of the increase in housing costs in the 1970s, then, resulted from a shift in the housing stock to deliver more house for the money.

During the 1980s, the *unit price* of new housing in Maine has been virtually static, up only about seven percent, despite the well-publicized and unprecedented increases in the prices of homes at the top of the market into the six and even seven figure range. The unit price figure includes not only these high-priced homes, but all residential investment in the state arising from single and multi-family homes, manufactured homes, condominiums, seasonal homes and rental apartments.

Behind the apparent anomaly of this finding, a number of forces have been at work on housing in Maine through the past two decades. A major factor is an apparent change in the mix of housing products being built and sold in Maine during the 1980s. While the single-family house is the standard product in the housing market,

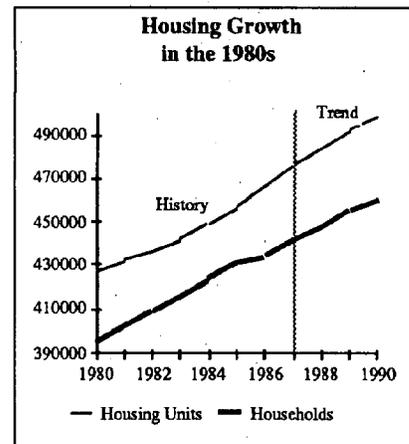
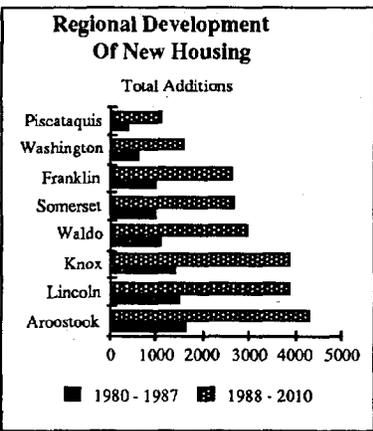
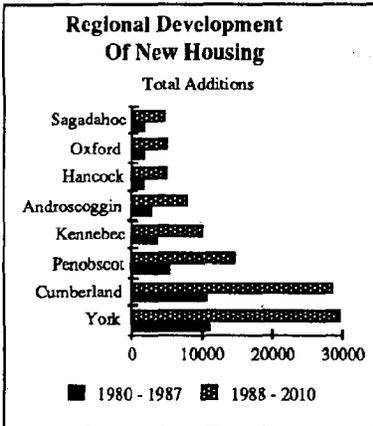


Figure 17

**New housing development slowed in Maine during the recession of the early 1980s and accelerated again with returning prosperity. But the construction trend closely follows underlying growth in the number of households, despite the short term influence of economic conditions.**

Source: U.S. Census; Maine Dept. of Economic and Community Development



**Figure 18**

The volume of new housing construction in Maine is concentrated near the major urban centers and in the suburban counties adjacent to those centers (top chart). In rural Maine, Aroostook County continues to outpace coastal development.

Source: Maine Dept. of Economic and Community Development; State Planning Office; U.S. Census

many alternatives exist and the market for all these alternatives operates as a single entity. As the price of conventional single-family new construction doubled during the 1970s, consumers have apparently shifted to substitutes, including manufactured homes, condominiums, existing and rehabilitated homes and homes in less expensive parts of the state. Indeed, physical relocation has been much in evidence in Maine during the past two decades and much of the pressure driving Maine residents to suburban and rural towns — and driving immigrants into Maine — is the relatively lower cost of housing outside metropolitan areas.

These substitution strategies have been operating in Maine to keep the average price of new housing units actually bought and sold on the market virtually immobile in the 1980s. The slowdown of real estate markets in southern Maine, price erosion in the Portland market, and the movement of sales and development activity north into Lewiston-Auburn and Bangor have all worked to undercut average new housing prices, just as the preponderance of market activity in southern Maine in the 1970s worked to push average prices rapidly higher. An increasing reliance on manufactured housing, self-contracting and owner-building, and an increasing concentration of professional and speculative building in the limited but lucrative custom home market similarly push the unit price of new dwellings toward a lower level.

While the average price of new housing has been held stable during the 1980s, the prices of existing homes have continued to rise. Between 1977 and 1987, municipal valuations estimated by the Maine Bureau of Taxation have more than doubled. These valuations include both new and existing homes as well as commercial and industrial real estate and personal property used in business. In part, this rise in the 1980s reflects a lag period during which assessed valuations caught up with market prices, but the remainder of the rise must logically reflect increases in the prices of existing homes and business properties.

Regional variation in assessed valuations is also considerable, with York County properties more than tripling in value,

Cumberland County nearly tripling, while Aroostook County properties rose by only half-again and Kennebec and Piscataquis Counties less than doubled.

### Regional Growth

The differences in regional valuations reflect underlying differences in regional growth patterns. Growth in Maine has been strongly regional during the 1970s and the 1980s, with the greatest emphasis on just three counties in southern Maine. Growth rates have been high in localized pockets of development along the coast — particularly in Lincoln, Knox and Hancock counties — but these rates measure growth from relatively small population bases, and coastal growth east of the Kennebec River has had relatively little impact on the size of the statewide population relative to the impact generated by southern Maine. Since 1985, growth has begun to accelerate in the central Maine counties along the I-95 Corridor, but even with growth moving northward, southern Maine is projected to continue to drive statewide population gains in the future.

The largest share of Maine's population will continue to be concentrated in the southern region, rising from 34 percent in 1980 to 36 percent in 1990 and into the 21st Century. The total population of the region will increase by nearly 100,000 persons and, by the year 2010, nearly half a million people will live in the three counties — Cumberland, York and Sagadahoc — that make up Maine's metropolitan core. More than half of this population will live in Cumberland County, but more than half of the growth will occur in York County.

The central region, comprising the length of the Kennebec Valley and the Midcoast, will grow steadily from 19 percent of the state population in 1980 to 20 percent in 2010. The total population of the region will increase by 50,000 persons to a four county total of just over a quarter million people. Half of the total will live in Kennebec County, which, like its regional neighbors Somerset and Knox counties, will grow by about 10,000 persons through the

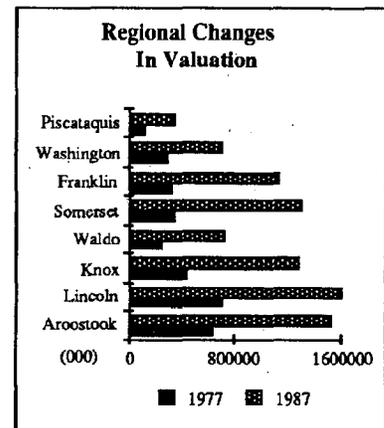
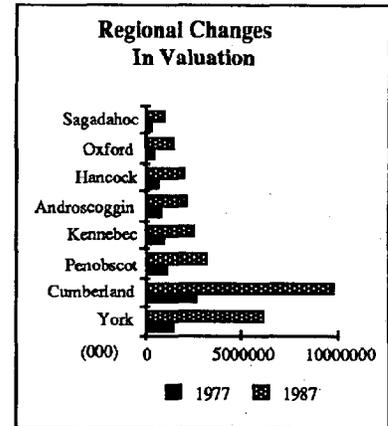


Figure 19

**Increases in property valuations have tracked growth in urban parts of the state but appear to have outpaced development in rural Maine.**

Source: Maine Bureau of Taxation

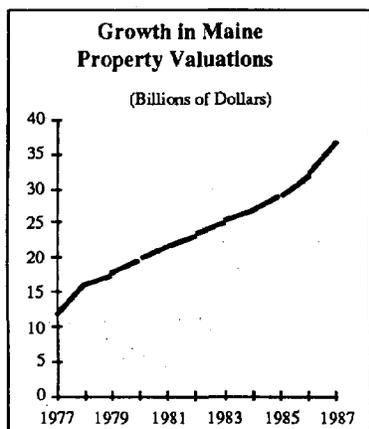


Figure 20

**Assessed values of real and personal property in Maine have virtually tripled in ten years, principally because of rising market values.**

Source: *Maine Bureau of Taxation*

period. The highest increase and the fastest growth will occur in Lincoln County.

The eastern region, despite an increase of 40,000 persons, will maintain the 23 percent share of the state population that it held in 1980. Nevertheless, with 300,000 people in 2010, the five-county region will remain the state's second largest. Half of the regional total will live in Penobscot County, which will gain 10,000 persons through the period. But Hancock County will gain twice that number to lead the pace of growth in the region.

The western region will also hold steady at about 15 percent of the state population with the addition of about 20,000 persons. Androscoggin will hold half of the nearly 200,000 regional total in 2010 and will, with its regional neighbors Oxford and Franklin counties, gain between 5,000 and 10,000 persons through the period. Within this range, Androscoggin County will add the fewest and Franklin County the greatest number of people.

The northern region, which contains only Aroostook County, is projected to lose population, dropping from about 8 percent to about 6 percent of the state total. Nevertheless The County will remain Maine's sixth-largest with a population of 75,000 in the year 2010. It should be noted, however, that this projection is likely to be the least reliable of this series, since indicators of economic growth in the Presque Isle-Caribou area during late 1988 and 1989 were simply too premature to be captured in the trend adjustments on which these projections are based.

### Growth in the Towns

Maine's settlement pattern is also affected by the size of the municipalities in which people choose to live. In this study, we have used three broad categories of municipal size — cities of 10,000 persons or more, towns of between 2,500 and 10,000 persons, and

villages of fewer than 2,500 persons. At this small level of size, trend projections have no statistical reliability, and no attempt has been made to distribute population by town.

In 1960, virtually half of Maine's population lived in villages and another third lived in cities. The village population of the time amounted to close to half a million people spread through the whole state — about the same number as are expected to live in the southern region alone by 2010.

Through the following twenty years, urban to rural migration had an important impact on these villages, which, ironically, shows up in the 1980 Census as a loss of nearly a third of the village population. The population of the cities grew by about 50,000 but remained at the 1960 share of about one third of the statewide total. The population of the towns, meanwhile, positively boomed, more than doubling in population and climbing from a scant one fifth of the statewide total in 1960 to nearly two fifths in 1980.

Some of the growth in the towns reflects the effects of classic post-war suburbanization on places like Hampden and Cumberland. But an important part of that growth after 1970 reflects the new phenomenon of urban to rural migration, or "exurbanization," that has transformed places like Monmouth and New Gloucester through the past two decades. As these villages grew in size, they grew up in size category and, by the 1980 Census, had become towns of greater than 2,500 population. Yet even by the mid Eighties, after a period of substantial growth, villages like Lamoine, Whitefield, Deer Isle, Jefferson, Castine, Mt. Desert, Blue Hill, Litchfield, Manchester, Appleton, Damariscotta, Bethel, Bowdoinham, Lincolnville, Arundel and Ogunquit remained below 2,500 population and many even below 1,000.

Even as the effects of exurbanization were transforming some villages into towns, others lost population between 1960 and 1980 as the persistence of rural poverty in the northerly part of the state took its toll. Indeed, structural poverty remains untouched in Maine even by the unprecedented prosperity of the 1980s.

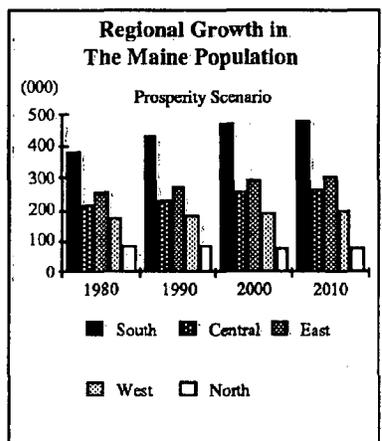
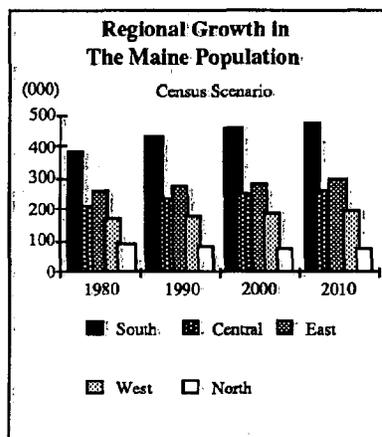


Figure 21

Population growth statewide is dominated by Southern Maine, under both our lowest and highest growth scenarios, but future growth in Bangor and its suburban counties will also be considerable. The emphasis on Southern Maine is even more pronounced under the high end or Prosperity scenario.

Source: U.S. Census; Maine Office of Vital Statistics

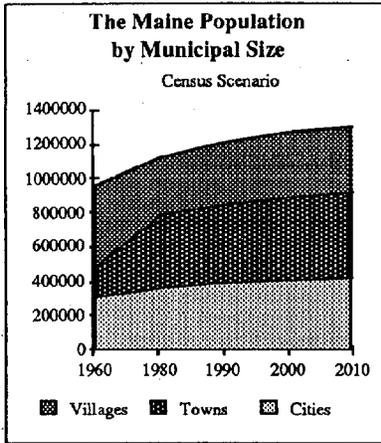


Figure 22

**Maine's suburban towns have become the residential location of choice for more than a third of the population, but all municipal size groups are projected to gain population in the future.**

Source: U.S. Census; Maine Office of Vital Statistics

The state's poverty population remained near 13 percent — more than one person in seven — in 1987, precisely the same percentage as in the 1970 and 1980 Census counts. Another 10,000 persons were added to the poverty rolls between 1980 and 1987, the same number as were added through the entire 1970s. While regional breakdowns were not available in the 1987 data, the presence of significant numbers of two-earner working poor families below the poverty level suggests an important geographical component may relate structural poverty in Maine to the location of the state's low-wage, natural resource industries.

By 1980, the population of Maine was divided in rough thirds between the state's cities, villages and towns. When the same proportions are projected out to the population in 2010, the cities gain about 60,000 people — another Portland by comparison — the towns share a population of virtually half a million and the villages remain nearly 100,000 persons below the population they held in 1960.

Yet this distribution by municipal size does not tell the whole story of urban to rural migration.

### The Suburban Pattern

Besides compiling population counts for municipalities, the Census Bureau also compiles counts for central places — village and town centers — as distinct from outlying rural areas that are politically part of the municipality but physically part of the open countryside. Because of these central place counts, it is possible to distinguish the populations of a Fort Kent center or a Winthrop center or a Sanford center from the exurban populations of those same towns.

In addition to defining three categories of municipal size, therefore, we have also examined three categories of local *place* that are also based on population sizes: Rural with under 2,500;

Suburban with between 2,500 and 10,000, and Urban with more than 10,000 residents. In this analysis, however, neighborhood rather than political boundaries define the limits of population size.

In contrast to the apparent loss in population experienced by the smallest *municipalities* through 1980, the smallest *places* in Maine have experienced tremendous growth. More than two-thirds of Maine's population growth between 1940 and 1980 took place in rural neighborhoods. Only one seventh of the growth occurred in the built-up suburbs and one sixth occurred in urban neighborhoods. Unlike the pattern showed by the municipal counts, the neighborhood counts show that the largest places in Maine actually lost population between 1960 and 1980. This pattern is continuing in the 1980s.

The settlement pattern by size of place in the coming century may be heavily unbalanced toward the open countryside. By 1980, more than half of the Maine population lived outside the state's village and town centers. By the year 2010, another 100,000 persons may choose to move onto the state's rural landscapes. The town and city centers, in contrast, gain only about 25,000 population and the village centers only slightly less.

Yet, as has been made clear by the experience of the 1970s and 1980s, the jobs in Maine's economy remain largely in or near the fringes of the larger central places, despite the movement of the population ever farther out into the countryside and of some businesses into the suburban fringe. The result has been long commutes for Maine workers — more and more often at the rate of two per household, each sometimes commuting in different directions — and increasing levels of traffic and congestion on Maine roads.

In the most extreme cases, powerful employment centers like Portland or Bath can triple in population every morning and empty out again every night — generating peak load pressures on roads, parking, waste disposal systems and on air quality. In effect, the real populations of these employment centers are hidden, the stresses on their infrastructures distorted and the revenues available

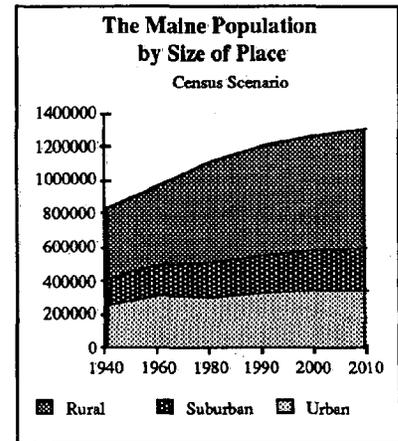


Figure 23

**Rural neighborhoods in cities and towns of all sizes have absorbed almost all of the population growth in Maine since the 1960s.**

Source: U.S. Census; Maine Office of Vital Statistics

to them through the property tax inequitably depressed. Additional growth through the next twenty years of about 15 percent in the exurban population would suggest that regional approaches to traffic and financing issues will move increasingly higher on the public agenda.

## SECTION 4 MAINE'S INMIGRANTS

Inmigration was a major area of interest for the first Commission on Maine's Future during the late 1970s, at a time when the phenomenon was new to Maine and poorly documented. The first Commission sponsored its own groundbreaking research in the area and granted seed money for a long term University of Maine study that continues to provide the most comprehensive analysis available of Maine's immigrants. These efforts stimulated additional study by state, private and academic researchers substantially improving our understanding of inmigration and its effects on Maine.

Despite popular concern about "people from away," inmigration represents the smallest share of the population growth pressures facing the state in the 1980s — about a third of the percentage change and adding just over 2.5 percent of the overall population through the decade so far.

A more important role played by immigrants has been their influence on the state's demographic characteristics — levels of income and education, occupations, age, family and employment patterns — and on the social, political and cultural environment of the state. Immigration has brought more than just additional numbers of people to Maine. Immigrants have been on average younger, more financially secure and better educated than Maine residents; they typically hold better jobs, are more active politically and differ somewhat in their values and belief systems.

Yet in other ways, immigrants — who represent nearly a third of our population — share many similarities with their native Maine neighbors. They are preponderantly New Englanders, imbued

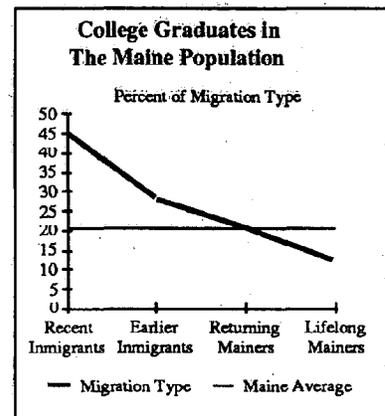
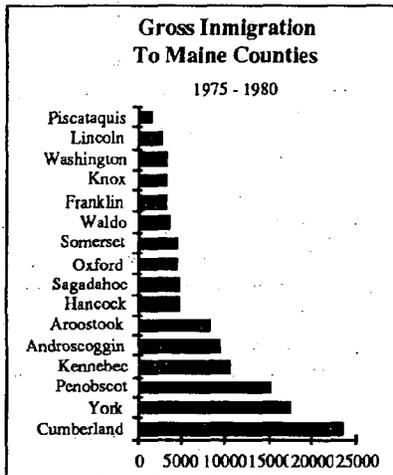
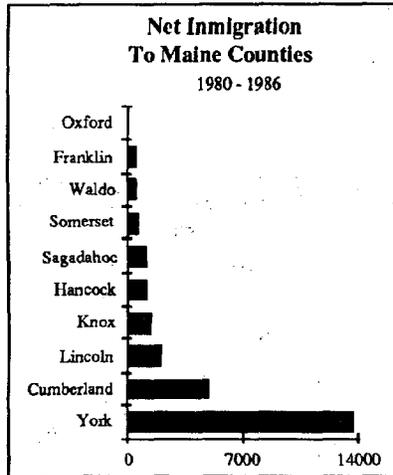


Figure 24

**Immigrants, in general, and recent immigrants, in particular, have higher levels of education than the overall Maine population, and higher levels than the immigrants who moved to Maine before 1978.**

Source: Northeast Research, Inc.

with the same sense of history and the same sense of place. They value the state's natural environment and share a concern for its future. They gravitate toward small towns and rural places; they do their part in making their communities work.



**Figure 25**  
Immigration to Maine from out of state is strongly weighted to urban counties (bottom chart) but when the effect of Mainers moving around the state or away from Maine is taken into account, southern and coastal counties experience the greatest gains (top chart).

Source: Maine Office of Vital Statistics; U.S. Census

### The Impact of Immigration

Maine, in 1989, has experienced a full generation of immigration and has become home to a sizable immigrant community. Some of those who moved to Maine during that generation have remained here and become part of their communities, while others moved away again after a period of years. About 18 percent of Maine's immigrants have been found to leave the state again within five years. Others came here temporarily as college students, or assigned to military bases or in temporary career moves to corporate divisions in the state. Still others — about 20 percent — were returning Maine natives who left to attend school or to accept employment in another state.

In 1980, 255,000 of the 1.1 million people living in Maine were born out of state and an additional 50,000 people were born in another country — a total of 305,000 resident immigrants representing 27 percent of the population. The evidence of previous Census counts and of tracking studies in the 1980s suggests that between half and three quarters of a million people have moved to Maine through the past twenty five years and that about 350,000 of those people continue to reside in the state in 1989 — a rough third of the total population. Nearly two-thirds of these immigrants have moved to Maine from the industrialized Northeast — New England, the Middle Atlantic states and the upper Midwest — and nearly half from the neighboring New England states. More than one in five come from Massachusetts alone.

While the primary motivation bringing people to Maine has to do with quality of life rather than economic factors, the distribution of immigrants around the state, nevertheless, suggests a

strong economic component may be present as well. During the 1975-1980 period, 46 percent of the gross immigration occurred in Cumberland, York and Penobscot counties, and another 16 percent occurred in Androscoggin and Kennebec counties. These five counties are the state's most urbanized and contain the highest concentrations of employment opportunities available in Maine.

The pattern of net migration may have an even stronger urban-county component, especially in the 1980s. Between 1970 and 1980, 47 percent of the net immigration occurred in York and Cumberland counties alone. Between 1980 and 1986, that figure had risen to 70 percent. York County absorbed 51 percent of the net immigration of the early 1980s, adding nearly 14,000 people through the six years.

### Waves of Migration

The demographic differences between immigrants and long-time Mainers can be striking. Even more striking — because it is unexpected — is the appearance of similar differences between different groups of immigrants. Results of the Commission's research suggest that immigrants differ as often among themselves as they do from native Mainers — so much so that there appears to have been two distinct waves of migration to Maine, each corresponding roughly to the decades of the 1970s and the 1980s and the first about half again larger than the second. Between these waves, differences in education, in income, in values and in attitudes are often as pronounced as the differences between those who have moved to Maine and those who have lived here all their lives.

For example, Seventies immigrants were two and one half times more likely to be employed in professional, executive and managerial positions than was typical in the Maine population; they were more than three times more likely to have a college degree; they were one and one half times more likely to be young adults between the ages of 20 and 34. Native Mainers, in the same studies,

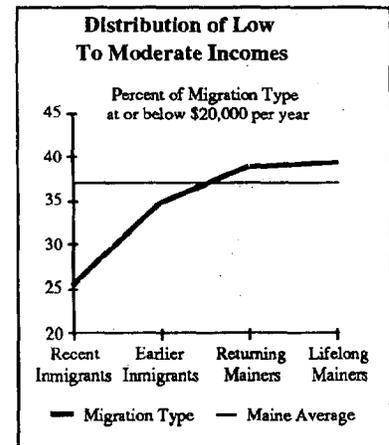
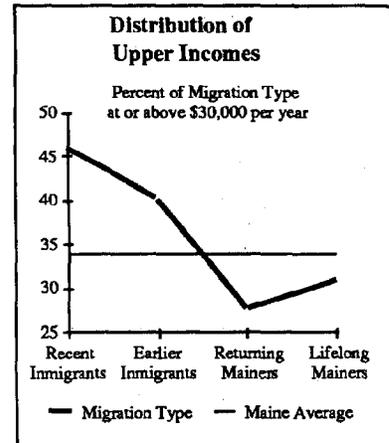


Figure 26

**Maine's newest immigrants are more likely to earn high incomes and less likely to earn low incomes than other groups in the Maine population. Earlier immigrants are more like natives at the low end and more like newcomers at the high end of the income scale.**

Source: Northeast Research, Inc.

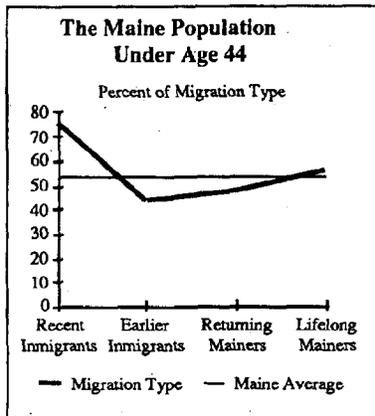


Figure 27

**Migration to Maine is predominantly a function of youth, not one of retirement. More than three in four of the immigrants of the past ten years are still under age 44 and more than half are still under age 34.**

Source: *Northeast Research, Inc.*

were nearly twice as likely to be employed in blue collar, natural resource and service occupations than were immigrants and one and one half times more likely to be over age 65.

Later immigrants, however, are even younger and better educated than their predecessors to Maine. Those who have arrived in Maine in the past ten years continued to be three times more likely to be college graduates than Mainers but also one and one half times more likely than those who arrived more than ten years ago. Nearly one newcomer in two had graduated from college in 1988, compared with one in three of those who moved to Maine more than ten years ago and one in five of those who were born in Maine.

Other demographic differences between Mainers and immigrants have also persisted during the 1980s, with the greatest gap existing between long-time Mainers and the newest immigrants, while earlier immigrants hold an intermediate position between the other groups. Immigrants, in general, continue to command higher incomes than is typical for the Maine population, with those who have arrived in the last ten years even better off than those who arrived in the 1970s. Nearly half of the most recent arrivals earn annual incomes over \$30,000, and only one in four earn less than \$20,000. Only two in five of the longer-term immigrants earn more than \$30,000 a year and nearly the same number earn less than \$20,000. Among lifelong Mainers, only one in three earns more than \$30,000 a year and two in five earns less than \$20,000.

The young adults who moved to Maine in the 1960s and 1970s and who have remained here have inevitably grown older, weakening the tendency for immigrants to be younger than the general population of the state. Taking both waves of immigrants together, for example, one in five immigrants is 65 years old or older, compared to one in six native Mainers. Mainers and immigrants are equally likely to be either under age 34 or under age 50. But when only the immigrants of the last ten years are considered, more than half are between the ages of 18 and 34 and fewer than one in five is older than 50. When the earlier wave of migrants was studied in 1980 — that is, within ten years of having moved to Maine — 41

percent were between 18 and 34, while 53 percent of the current generation of immigrants are within that age range.

### Value Systems of Immigrants

To some extent, these demographic differences appear to carry through to core values and attitudes as well, although *the differences among Mainers, regardless of their place of birth, on most questions rarely result in wide variations or diametrically opposed positions.*

It would be a mistake, therefore, to overemphasize these differences, either between groups of immigrants or between immigrants and Maine natives. Where divisions exist, they are almost always slight, reflecting at best slight shifts in the direction of variation — that is in the size of the *minority* within groups — away from a clearly dominant central tendency that seems to be common to all Mainers regardless of birthplace.

Indeed, the starkest divisions occur most often between two groups of immigrants. The following discussion draws upon data gathered in two random polls of opinions and value systems completed by the Commission in early 1989. Specific poll results are found at the end of this section.

At the core of the first wave of migration — the wave that came to Maine seeking a quality of life embracing personal autonomy and an environmental ethic — an unusual group of newcomers moved to the state between 1972 and 1977. In so far as there ever was a “back to the land” movement in Maine, it would have been heavily represented in this group. Motivated by strongly-held ideals in the 1970s, this group in 1988 is consistently more liberal than any other group of Mainers, holding a high level of trust in government and an expectation that the resources of government be used to curb excesses in business, to protect the environment and to address human need.

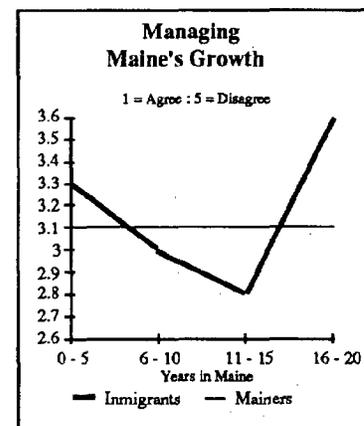
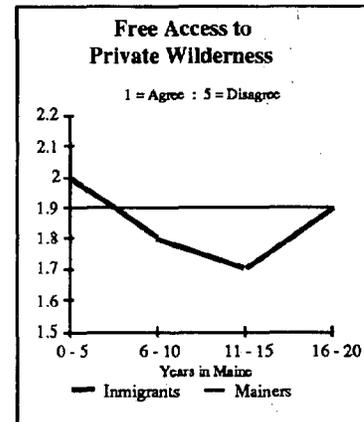


Figure 28

When asked if “The people of Maine should have the continued right to use private wilderness and forest land at no cost,” the shortest and longest term immigrants held views the closest to long time Mainers on average. The immigrants of the middle 1970s showed the strongest degree of concern when asked if “Managing growth in Maine may very well disrupt private business and undercut prosperity.”

Source: Market Decisions, Inc.

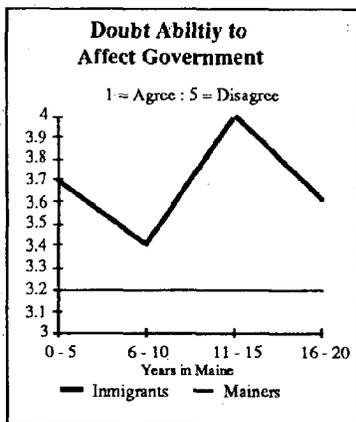
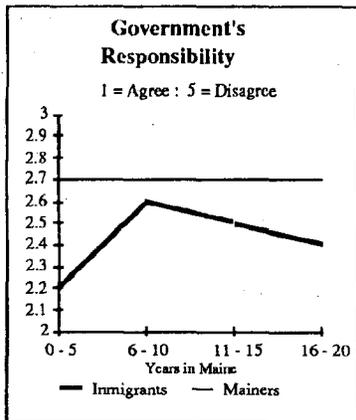


Figure 29

When asked if "It's government's responsibility to assure such basics as housing and health care" or "People like me are unable to affect or change the policies of government," the immigrants of the early 1980s tend to be more like long-time Mainers than they are like other immigrants on average.

Source: *Market Decisions, Inc.*

In contrast to the immigrants of the mid-seventies, a second group of immigrants is unusual for being consistently more conservative than any other group and often more conservative than Maine natives. This group arrived in Maine between 1978 and 1982, a time of gasoline lines and Iranian hostages, of dying manufacturing industries and the deepest recession since the 1930s. Their arrival appears to have inaugurated the second wave of migration to Maine — a wave characterized by more education, higher incomes and more conservative values. Faced with a world vastly changed from the generation of prosperity and social experimentation that had gone before, the immigrants of 1978 - 82 tended, in 1988, to have neoconservative, or perhaps more accurately neotraditionalist attitudes — suspicious of government and social spending, somewhat favorable toward economic development and property rights, split on the environment and social change.

The second wave of immigrants appears to have come to Maine not only for environmental quality but also for the opportunities the state provides for traditional family life. Housing costs, although rising when they arrived, were still relatively low compared to those in other states, holding open the possibility of a lifestyle centered on a home of one's own, a backyard, children. In 1988, nearly half of immigrants to the state during the previous ten years lived in homes with another adult and children, compared to less than two in five of all Maine adults who share that traditional lifestyle. They were less likely than natives or earlier immigrants to live alone, to live in families without children or to be single parents. Family values tend to be quite strong among the immigrants of the 1980s and they tend to resemble native Mainers in this area more than they resemble the earlier immigrants.

Yet neither of these generally consistent philosophies is untempered. The usually liberal and environmentalist immigrants of the 1972-77 period, for example, are the most concerned of all Mainers that growth management may threaten economic prosperity and are the least threatened by the recent pace of change in the state. Similarly, the usually conservative immigrants of the 1978-82 period are the least willing of all Mainers to trade environmental for

economic quality and find the pace of change nearly as threatening as do long-time Mainers

Between natives and immigrants in general, what differences in attitude exist tend to fall into two types. On some issues — education and the “special” character of life in Maine are particularly good examples — immigrants’ attitudes often tend to become more like those of long-time Mainers, the longer they have lived in the state. On other issues — economics, government and moral values, for example — a strong “U”-shaped trend is often evident as years of residency in the state increase. When this pattern is present, the most recent immigrants tend to most closely resemble long-time Mainers, while the immigrants of the 1972-1977 period tend to display the greatest differences. Where these differences can be generalized, they are strongest and occur most often in the sphere of moral values. Immigrants generally tend to be more tolerant than natives of gays, of cohabitation, of working women, of freedom of information and of the decline of religious influence on social customs. However, there is a tendency toward the re-emergence of traditional values among the second wave of immigrants.

Mainers and immigrants generally tend to be closest together on their environmental attitudes, although native Mainers tend to place a higher priority on job creation than on the preservation of natural conditions. Yet they are less inclined than immigrants to tolerate degradation of air or water quality for the sake of business expansion. Mainers place a greater emphasis on the natural environment in defining quality of life than do immigrants, while immigrants place more emphasis on Maine’s rural and undeveloped character. Mainers are less inclined than are immigrants to recognize a right to post private land at the expense of recreational access, yet they also extend greater recognition to the property rights of beach and wilderness owners.

Mainers and immigrants are also relatively close in their attitudes toward education. Immigrants tend to be slightly more financially supportive of the schools, but both groups place the same relative emphasis on increased school spending in their scales of

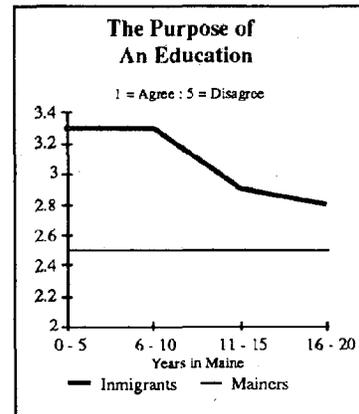
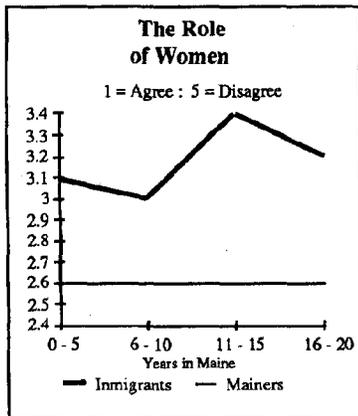


Figure 30

When asked if “The most important purpose of an education is to prepare a person to get a job,” immigrants tend to come closer to the native attitude, the longer they live in Maine.

Source: Market Decisions, Inc.



**Figure 31**

**When asked if "We would be better off if more women stayed at home to raise their children," long time Mainers take a much more traditional view than immigrants on average.**

*Source: Market Decisions, Inc.*

priorities. Both groups also tend slightly toward the belief that the schools are failing to prepare the present generation of children for the future. Immigrants are somewhat more inclined to see the importance of lifelong learning than are Mainers, but both groups strongly agree on that importance. Mainers are more likely to consider jobs, rather than education for its own sake, as the purpose of the schools, but immigrants' attitudes about the vocational outcome of education tend to become much more like those of Mainers, the longer they have lived in the state.

Mainers are considerably more chauvinistic about the special qualities of the state than are immigrants and hold to considerably more traditional social, moral and religious customs. Mainers see life in their state as simpler than life elsewhere in the country, they believe their children will be happier in life if they remain in Maine, and they wouldn't leave themselves for better homes, jobs or opportunities. But they fear this uniqueness may be at risk and that Maine may become more like the rest of the nation. Immigrants, no matter how long they have lived in the state, tend to place considerably less emphasis on Maine's uniqueness and consequently see less of a threat. Immigrants do tend to become more committed to Maine with length of residency, however, and to believe their children will be better off if they also adopt that commitment as adults.

The widest divergence between native Mainers and immigrants occurs in the sphere of social, moral and religious values followed by a similar, but somewhat less wide divergence in attitudes toward government. The immigrants of the 1978-82 period are significantly out of step with other immigrants on these issues and much more like long-time Mainers. Yet even compared with these conservative immigrants, Mainers hold distinctly different values. Native Mainers do not approve of a "gay lifestyle," of gay teachers or of heterosexual cohabitation; believe society would be better off if women remained in the home, that children need two-parent families and that young people have "too much" freedom in present-day society. They do not strongly object to community censorship of libraries; they believe society would be better off if

religion were more prominent in daily life; they seek support for their decisions in prayer. Inmigrants tend to be more tolerant of homosexuality and cohabitation, embrace expanding roles for women, strongly object to censorship and assign a minor role to religion in private and public life.

Mainers tend to see corporate and bureaucratic power as compelling in governmental decision-making and their own influence consequently reduced. They strongly espouse a philosophy of self-reliance and only mildly support government provision of "basics" like housing and health care. They tend to place a lower priority on government spending generally, regardless of category, than do inmigrants. Inmigrants display a strong faith in their ability to influence government decisions, discount the power of corporations and bureaucracies and see government's job, in part, as providing basic social services. In each of these instances, the 1978-82 inmigrants show substantially less faith in government and less commitment to its social role than do other groups, but they do not diverge as widely from the inmigrant norm as do long-time Mainers.

Inmigrants tend to place higher priorities than do long-time Mainers on public spending of all kinds, but tend to place the same *relative* emphasis on spending options as they rank their priorities. On only two options — job training at the bottom and health care at the top — do inmigrants place a lower relative priority than do long-time Mainers.

Health care is the top spending priority among native Mainers, but ranks second among inmigrants, after Elderly Services and the VTI System, which share their first place priority. Inmigrants place job training programs at the bottom of their priority list, while native Mainers group Job Training, Roads, Housing and the University of Maine System together as the lowest priorities.

Both groups place the K-12 School System, Environmental Quality and Waste Management in the middle range of their priority rankings, but nearly one inmigrant in four considers the K-12 System to be the single top priority for public spending. The closest native

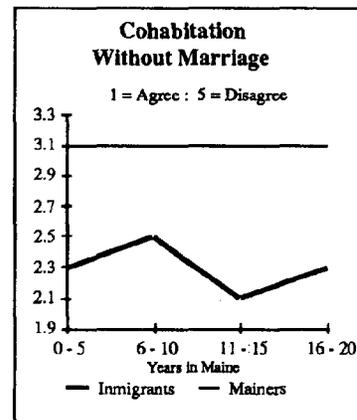
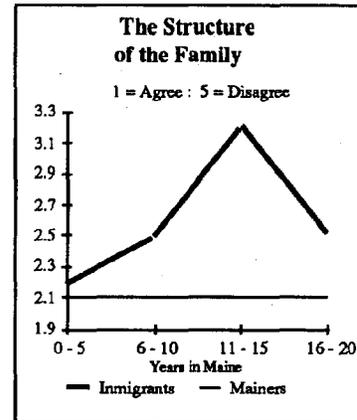


Figure 32

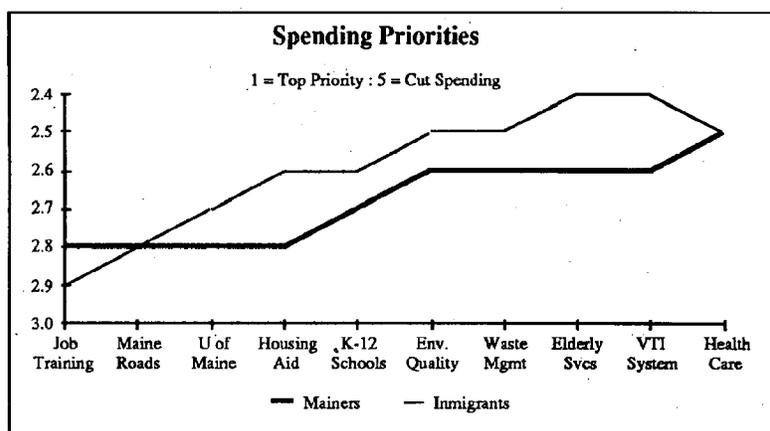
When asked if "Children need both a mother and a father at home in order to be properly raised," the inmigrants of the 1980s are on average more like long time Mainers than they are like the inmigrants of the 1970s. When asked if "It can be healthy for people to live together before marriage," the inmigrants of the 1970s and the 1980s differ among themselves, on average, but differ even more from long time Mainers.

Source: Market Decisions, Inc.

Figure 33

When asked to pick a top priority from a list of ten options, and to rank the others for more, same or less spending, Mainers and immigrants reveal a close similarity in how they rank their priorities but immigrants look for slightly higher spending across the board.

Source: Northeast Research, Inc.



Mainers come to that level of consistency is the choice by nearly one in five of Elderly Services as the top priority, while another one in five place Environmental Quality alone at the top. Both groups tend to be somewhat favorable to increased spending on their lowest priorities and quite favorable to spending increases for their top priorities. But nearly a fifth of the immigrants and a tenth of the natives would cut job training funds, while another tenth of each group would do the same to the University.

## SECTION 5 THE BABY BOOMERS

Baby boomers account for more than one-third of the total Maine population and number more than two in five of all adults, but the full weight of the adult baby boom has *only begun to be felt* in Maine society. The youngest members of this generation reached voting age only in 1980. Some remained college students until the mid-1980s. Only since 1987 has the entire generation been fully invested in adulthood, beyond the age of post-adolescence and set on a direction for their lives.

Yet the generation is still not yet fully cohesive and remains split between an older group, over age 35 and into middle age, and a younger group still between 25 and 34 and in their prime family, household and career formation years. Different preoccupations are still likely to concern the two parts of this generation and their differences in lifestyle are likely to be reflected in differences of political interest. *But by the mid-1990s, the baby boom will be consolidated in the common outlooks and attitudes of middle age, representing a concentration of power — political, economic, social and cultural—in keeping with their disproportionately large share of the whole population.*

By 1995, more than 350,000 Mainers will be between the ages of 35 and 54; in the first decade of the coming century the population of this age group will rise to and remain near 400,000. At the turn of the 21st Century, the influence of the baby boom on public policy will be certain, overwhelming and unprecedented.

The baby boomers share a number of demographic similarities with Maine's immigrants. Indeed, more than one third of

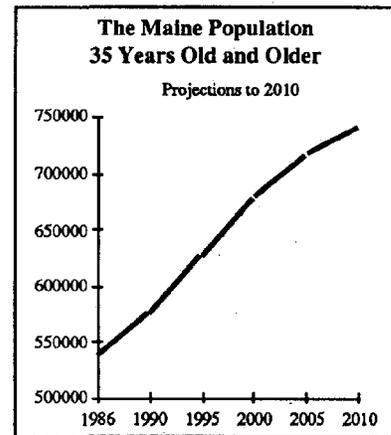


Figure 34

**The movement of the baby boom generation into middle age will continue through the 1990s, resulting in a concentration of political, social and economic power at a single stage of the life cycle.**

Source: U.S. Census

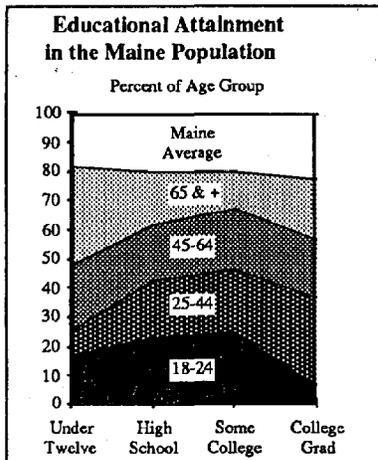


Figure 35

**Educational attainment rates improved at both ends of the spectrum in the baby boom generation, with fewer students leaving school before graduating from high school and more staying on through college graduation. Younger generations are likely to improve these rates still further, but many were still in school when this poll was conducted.**

Source: Northeast Research, Inc.

Maine's baby boomers *are* immigrants, and half of those moved here within the past ten years. Nearly half of Maine's baby boomers have lived in the state all their lives, and another one in five have returned to Maine after having lived out of state for part of their lives.

Despite the rise in divorce rates and decline in fertility that has been continuous throughout the baby boom generation's movement into adulthood, only one in three baby boom households are childless and only seven percent are single parent. More than three in five boomer households consist of two adults and at least one child. One in four are childless couples.

Like the immigrants, baby boomers are relatively highly educated — only seven percent have not completed high school, compared with twice that number among Mainers of all ages — and nearly half have had at least some college. More than one in four have obtained a college degree compared with one in five of all Maine adults. Yet the baby boomers are somewhat less well educated than are immigrants, among whom more than half have attended college and one in three hold college degrees.

In keeping with their higher than average levels of educational attainment, the baby boomers also command higher than average incomes. Two in five earn household incomes over \$30,000 a year and nearly three in four earn over \$20,000. No other age group matches these earnings, and only the most recent immigrants exceed them, with nearly half earning more than \$30,000 a year.

The baby boomers' earnings levels reflect their unusually high rates of participation in the labor force — by far the highest among all Mainers. A key to this high participation level is the unusually large percentage of women between 25 and 44 in the workforce. More than nine in ten of the men and nearly eight in ten of the women in the baby boom generation were working in 1988, three in four of them full-time. Barely more than half of all Maine adults work full time, and only seven in ten work at all.

With nearly two-thirds of the baby boomers already over age 35 and into middle age, a preview of the direction their influence will take Maine can be estimated from the values, priorities and political judgements they make today. The following discussion draws upon data gathered in two random polls of opinions and value systems completed by the Commission in early 1989. Specific poll results are found at the end of this section.

### Age and Value Systems

Like immigrants, baby boomers differ most from the larger Maine population in their moral values and in their attitudes toward social and family structure. Moreover, these differences are typically reflected in the attitudes of the generations younger than the baby boom as well. Thus, with respect to religion and to social and sexual customs, a strong break with the past is evident between populations older than and younger than age 44. The generations under 44 tend to be less religious than their elders, with the baby boomers the least churched, but with their juniors even less likely to be oriented toward prayer, toward the primacy of spiritual values or to the positive influence of religion on society..

Opposition to library censorship, to limiting new roles for women and to limiting the freedoms of modern children are also stronger among those younger than 44 than it is among those older than 44, but the level of opposition can tend to weaken somewhat with age. Baby boomers hold substantially different views on these questions than do older generations, but they are not as "socially progressive" in these areas as are the generations even younger than themselves. The moral split between old and young is most evident on the question of cohabitation, which younger generations believe to be healthy and which older generations oppose.

Baby boomers are the least committed generation to the two-parent lifestyle, where the split between young and old is also

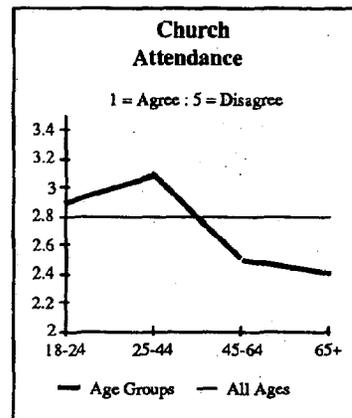


Figure 36

**When asked about their social, moral and religious values, in questions like "I usually attend a place of worship at least once a month," the generations younger and older than age 44 reveal diverging attitudes.**

Source: Market Decisions, Inc.

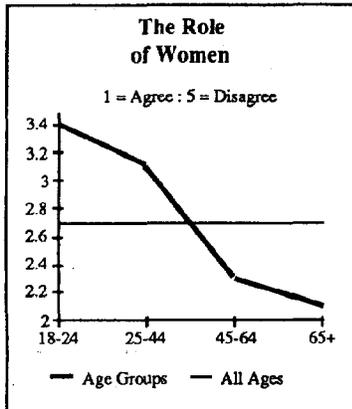


Figure 37

When asked if “We would be better off if more women stayed at home to raise their children,” a wide gap is revealed between the generations and that gap may be widening.

Source: Market Decisions, Inc.

evident, but the generations younger than the baby boom may be moving back to a more traditional position. All age groups are deeply divided within each generation over tolerance of the gay lifestyle, with a consistent two fifths of persons of any age in favor of tolerance and an equally consistent two fifths opposed. Younger generations tend to be slightly more tolerant than older generations of gay teachers and the baby boomers the most tolerant of all.

The split between the generations is also evident in other attitudes, but the differences between Mainers of different ages is seldom as pronounced as in their moral attitudes. The split tends to take two forms.

The most common pattern occurs when the baby boomers and the generation that follows them hold exactly the same values on average, while the generations older than age 44 tend to become more different with age. This pattern occurs repeatedly on attitudes toward education, government and the environment, as well as in a more extreme form on moral and cultural attitudes.

Thus, Mainers younger than age 44 tend to be less committed to the philosophy of self-reliance, to be less suspicious of the power of big business in government and to be more confident of their own ability to influence public policy. They are less likely than their elders to be dissatisfied with school performance, more likely to value the environment over economic interests and less likely to be threatened by the economic and population growth that has been changing Maine in recent years.

A second pattern also occurs repeatedly, in which the split between the generations is moderated by a tendency for values to change with age. When this pattern is present, attitudes tend to change evenly with age with the baby boomers holding values somewhere between the values held by persons younger and persons older than themselves.

This pattern affects Mainers sense of family responsibility for their aged parents; attitudes toward Maine’s simple lifestyle and

toward the risk that the state is becoming just like everywhere else; attitudes toward the need for a college education; attitudes toward the value of immigration to the state; levels of commitment to stay in Maine and attitudes toward a neighbor's private property rights. This pattern also influences moral and social attitudes, some of which also tend to moderate with age, but even where attitudes moderate, the social gap between the generations is wide.

Each of these common patterns provides conflicting evidence toward the resolution of one of the most significant uncertainties affecting Maine's and the nation's future in virtually all areas of human activity from government to business; from technology to social policy.

The unanswered question is How will the baby boomers react to age? Will they remain committed to the political idealism and social revolution, to the innovation and unconventionality of their youth? Or will they follow earlier generations and become more politically and socially conservative as they age? How the baby boomers answer this question can change our assumptions about the rate of immigration, the level of social spending, the future of environmental preservation, the global competitiveness of our national economy, the size of the labor force and the way schools will be restructured.

The evidence of the first pattern suggests that the baby boomers are maintaining their youthful ideals and that the "generation gap" of the 1960s represented a basic change in cultural values that will continue into the future. The utter lack of difference between the baby boomers and very young adults between 18 and 24 that characterizes this pattern provides evidence of a level of continuity that is in itself a fundamental break with the past.

The evidence of the second pattern, however, suggests that the baby boomers are indeed changing with age, making a smooth transition from the preoccupations of youth to those of parents, of breadwinners and eventually of retirees. The strong presence of both patterns may suggest that the baby boomers will indeed modify

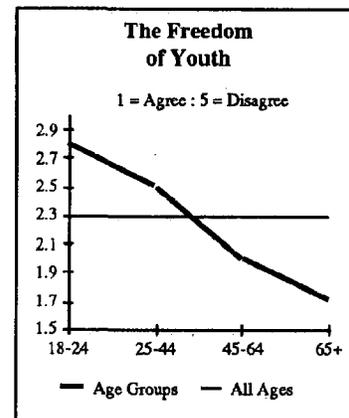
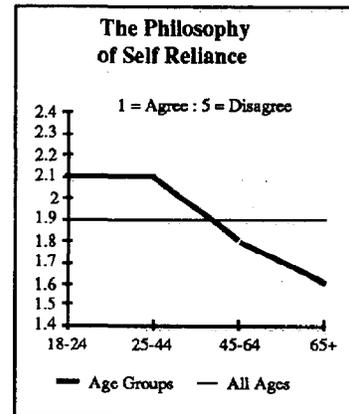


Figure 38

When asked if "People should rely more on themselves rather than ask the government to do so much" or "Young people have too much freedom today," generational differences are sometimes very pronounced (top chart) and sometimes moderate with increasing age (bottom chart).

Source: Market Decisions, Inc.

their attitudes as they grow older, but that they will make those modifications in ways fundamentally different than did the members of previous generations.

In a number of their attitudes, the baby boomers differ from all other age groups, although the intensity of these differences is rarely great.

Of all age groups in Maine, baby boomers are the most opposed to private beach ownership, the least likely to see job preparation as the purpose of education, the most committed to lifelong learning, the most satisfied (of those young enough to have children in the schools) with the way schools teach creativity, the least likely to object to gay teachers, the least likely to see the need for the traditional two-parent family structure, the least likely to attend church, the least likely to mistrust bureaucracy, and the most likely to look forward to the future.

There are few generational differences among Maine people in how they define quality of life. People over 50 place slightly higher stress on the state's natural environment, while baby boomers place slightly higher stress on Maine's rural, undeveloped character. Baby boomers also place a bit more emphasis on low crime rates and the small size of the drug culture, and place less emphasis on economic climate than other people under age 65.

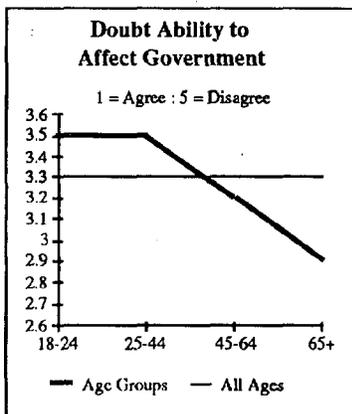
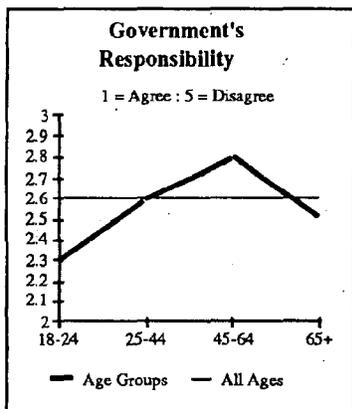


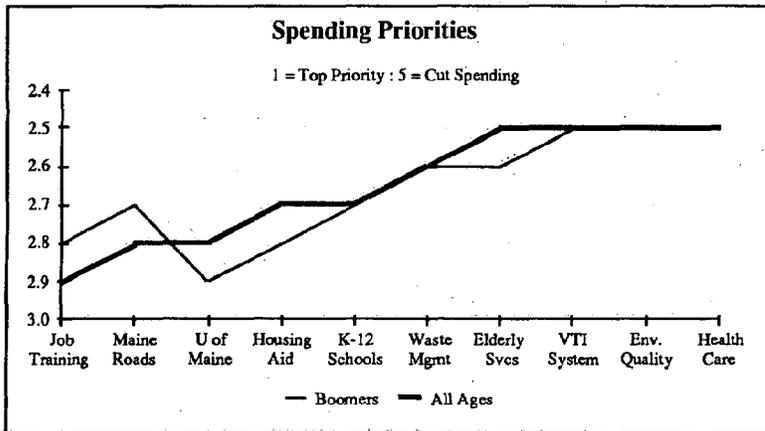
Figure 39

When asked if "It's government's responsibility to assure such basics as housing and health care" or "People like me are unable to affect or change the policies of government," Mainers sometimes show a pattern of changing attitudes with age and sometimes show a gap between the generations.

Source: Market Decisions, Inc.

Baby boomers tend to have different spending priorities than does the Maine population as a whole. While Mainers in general as well as the baby boomers tend to favor somewhat higher government spending on all of the ten public priority areas measured in the Commission's polling, baby boomers place a higher than average priority on only two of those items — Roads and Job Training. They place a lower than average priority on the University of Maine, Housing Assistance and Elderly Services, with the University their lowest priority of all.

On other spending items, the baby boomers place identical priorities to Mainers in general on the K-12 School System and



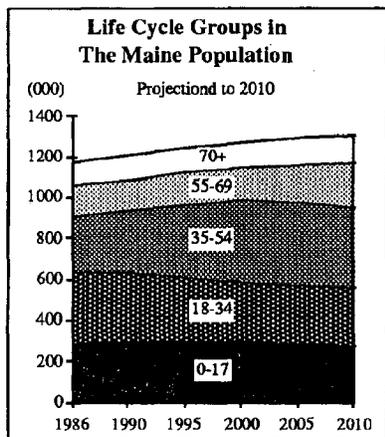
**Figure 40**

When asked to pick a top priority from a list of ten options, and to rank the others for more, same or less spending, baby boomers reveal a somewhat different ranking and pattern of priorities than do Maine people generally, while their willingness to spend tends to be near or slightly below the average for all ages.

Source: Northeast Research, Inc.

Waste Management as mid-level priorities, and on the VTI System, Environmental Quality and Health Care as a three-way tie for top priority.

## SECTION 6 THE CHANGING AGE STRUCTURE



**Figure 41**

**The changing age structure of Maine society will be reflected in a greater emphasis on the concerns of the latter half of the life cycle**

*Source: U.S. Census*

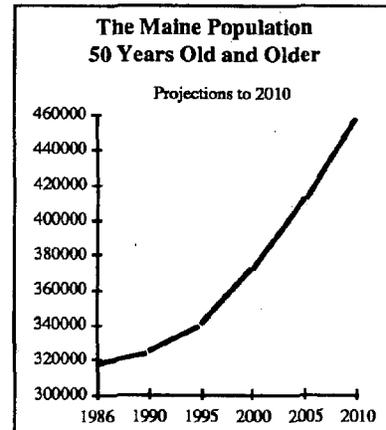
Societies can differ greatly in the age structures of their populations. Frontier societies, for example, usually have young populations while more settled societies have older populations. Thus, New England, one of the oldest settled regions of North America, has a population in which one person in three is over age forty-five while Alaska, a frontier society, has only one person in six as old as age forty-five.

Human biology and psychology, together with cultural norms specifying what activities are appropriate for different ages, make the age structure of a society an important determinant of its character.

- o A younger population will be more fecund than an older one. The character of a younger society, therefore, will be shaped more by the needs and activities of children than will an older society.
- o Death and sickness will be more prevalent in an older society than in a younger one. Death and sickness, therefore, will have a greater effect on the character of an older society than they will on the character of a younger society.
- o Younger people tend to take more and greater risks than do older people. Risk-taking behavior can have both negative and positive results: highway accidents, alcohol and drug use and criminal activity among the negative outcomes;

business formations and geographical mobility among the positive. Both types of results will, consequently, be more prevalent in a younger than an older society.

- o The cultural norms of modern, industrial societies encourage young people to attend school for twelve to twenty years and encourage workers to retire at age sixty or sixty five. The culture, organization and activities of the school, therefore, will influence the character of a young society more while the culture, organization and activities of retirement will influence an older society more.



The age structure of Maine society will change over the next few decades as the population becomes older. Much of that change will produce predictable effects in patterns that have been established for generations. Some of that change will be unpredictable as the circumstances of a new century impose themselves on the character of our society. But even when change is unpredictable, it does not have to be unexpected.

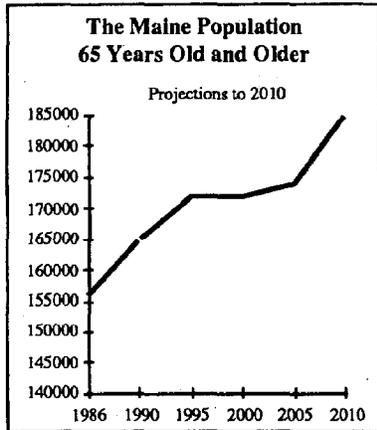
Figure 42

**About an eighth of the Maine population is shifting from under age 40 to over age 40 and the population between 45 and 54 will double by 2010.**

Source: U.S. Census

The major structural change in Maine society between 1986 and 2010 will be the shift of roughly an eighth of the population from under age 40 to over age 40 — that is, the “middle aging” of the baby boom. There will also be an “old aging” trend in Maine as the number of persons over age 80 increases by 20,000, rising from one percent of the state population in 1986 to two percent in 2010. Within these two broad trends, continuous increases are projected for only two more-tightly defined age groups — one between 45 and 54, which will nearly double from 109,000 to 210,000, and one over age 85, which will also nearly double from 17,000 to 32,000. The populations of all other age groups will decline during some periods and increase during others.

The small Depression-era generation will keep the age group between 70 and 79 virtually unchanged in 2010 and will



**Figure 43**

**Growth in Maine's retired population will virtually stop after 1995 and then begin to grow again even more rapidly ten years later. This growth will continue to accelerate for much of the following two decades.**

*Source: U.S. Census*

trigger a five percent decline among persons in their sixties — the population of new retirees — during the 1990s. The small Vietnam War generation and the Recession-era generation born in the late 1970s and early 1980s will trigger a similar five-percent reduction in the population of young adults between 25 and 44 — the present age of the baby boom. By 2005, when these “baby bust” generations begin to turn 40, the middle-aging trend will begin to slow by 3,000 to 5,000 persons a year.

The pattern of structural change in the Maine population can be seen more clearly by considering the whole population of the state within five basic stages of the life cycle — that is, in the lifestyles characteristic of children (birth to 17), young adults (18 to 34), middle age adults (35-54), retirement-oriented adults (55-69) and senior citizens (70 and older).

The middle age population of about 400,000 persons will be more or less constant after the turn of the century following a period of rapid acceleration toward a peak around 2005 that has already begun. This group will represent the largest single age group in the overall population. The fastest growing population will be the group between 55 and 69 years old, the ages just before and just after retirement. These middle age lifestyles hold the primary benefits of the aging trend — the benefits of peak lifetime earnings, greater family and social stability, and higher productivity in the jobs which they will continue to hold through most of the years between 1990 and 2010. If the average retirement age remains near 65 — neither falling as has been occurring during the recent past nor rising as may occur if severe labor shortages mark the coming decades — actual retirements should not begin to accelerate until around 2011. The share of the retirement-oriented population between 65 and 69 will grow only from 49,000 in 1986 to 55,000 in 2010 — an increase of about twelve percent over 25 years.

A preview of the costs associated with the aging trend in the years following 2010 will be in evidence in a roughly 20,000-person increase in the population most genuinely at risk of failing health, reduced independence and eroding wealth — those over age 70,

who will increase as a group by 21 percent by 2010. The most rapid increase in this age group, however, is occurring now and will begin to moderate after 1995. Slow growth in the senior citizen population will continue through about 2015, when the influence of the septuagenarian baby boom will begin to be felt.

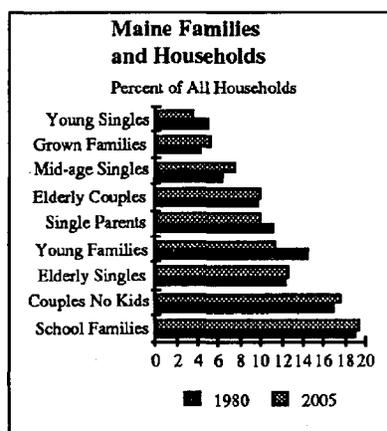
The population of children and adolescents will vary by only about four percent above and below a 300,000 person baseline throughout the period. By 2010 the number of children under age 17 — that is, those born after 1990 — will have fallen to near the numbers born during the Depression and Second World War, and will represent a much smaller share of a much larger population than was living in the state between 1930 and 1945. The decline in the childhood population reflects the continuing decline in the number of young adults available to be their parents. As the youngest baby boomers move into middle age through the mid-1990s, the 18-34 year old population will tumble by 15 percent through 2010.

While Maine's population is aging, then — both in the number of people over age 40 and in the number over age 70 — the younger group is expanding twice as rapidly as is the older group. Both trends will slow after the 1990s and growth in the over 70 population will accelerate again around the year 2020 when the baby boom begins to reach advanced age. The stresses of that generational event are virtually certain to reverberate through society in unprecedented challenges to long-established systems of medicine and health care, social service, government, economics, ethics and family relationships. But during the period 1990 through 2010, Maine is likely to reap the benefits of the structural shift toward an older population, leaving the costs to come due during the following period from 2010 to 2040 and beyond.

PART 2

**THE EFFECTS  
OF DEMOGRAPHIC CHANGE  
ON MAINE'S FUTURE**

## SECTION 1 LIFESTYLES



**Figure 44**

**Maine's aging population is reflected in the changing family structure, which shows relative losses in younger household types — Young Singles, Single Parents and Couples with Preschoolers — and gains in the older types.**

Source: U.S. Census; Office of Technology Assessment

Much of the change in Maine's size, its age structure and its economy will be experienced at the household level. As with the population in general, age and fertility will have the greatest impact on household structure through the coming twenty years. But changing levels of income, spending patterns and use of time will also affect life and lifestyles at the household level in Maine's future.

Maine's households can be classified on the basis of age and marital status and of whether children are present in the household. The total household population of the state can be accounted for, without overlap, by nine basic household types.

The nine household types are divided into three age ranges — *Young* (15 to 34), *Middle Age* (35 to 64) and *Elderly* (over 65). Within these age ranges, households are grouped by marital status — *Single* and *Couples* — and by the presence or age of children — *No Children*, *Single Parents*, *Preschool Children* (under 6), *School-age Children* (6 to 17) and *Grown Children* (over 17).

*Couples with school age children* account for the largest proportion of all Maine households — nearly one in five — followed closely by *Couples without children* — about one in six. Eight of the nine household types are likely to increase in numbers in the 21st Century, while one — *Young Singles* — is projected to fall by about 1,000. Two others — *Couples with preschool Children* and *Single Parents* — are projected to increase slightly in numbers but to decline as a proportion of all households.

With these three exceptions, little structural change is projected for Maine's households — the remaining six types are projected to gain relative strength in the household mix, but by between only one-half and one percent.

Household incomes are also projected to rise, by the greatest amount for young and middle-age couples, and by the smallest amount for single people of all ages. *Elderly Couples* and *Single Parents* are projected to experience intermediate income gains.

Time, like money, is also an important household resource and changes in the use of time are likely to have a major impact on future lifestyles. While projections of future time use are not available, significant changes have occurred nationally in the past decade, which provide a useful look at the role of time in personal life.

Americans spent more time working and commuting to and from work between the mid-1970s and the mid-1980s, and spent less time on most forms of leisure, civic and educational activity. Men spent an extra hour a week on housework, while women cut back by nearly four hours. Even after these adjustments, women did twice as much housework as men and overall time spent on housework fell.

Both men and women spent less time on child care, but time spent on shopping increased slightly. Time spent eating declined — both at home and eating out — but twice the amount of time saved on “fast food” was committed to personal care — sleep, personal hygiene and physical exercise.

Television watching and other electronic diversions received less attention in the 1980s, while books, newspapers, magazines and other media received a slight boost. Leisure travel gained importance as a recreational activity at the expense of most other uses of free time.

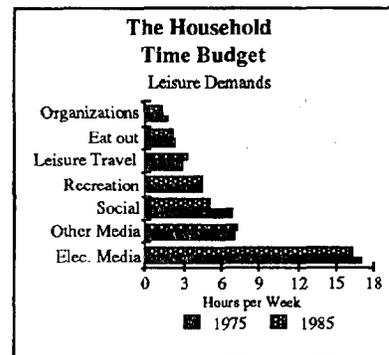
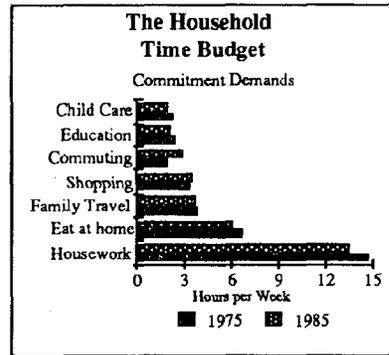
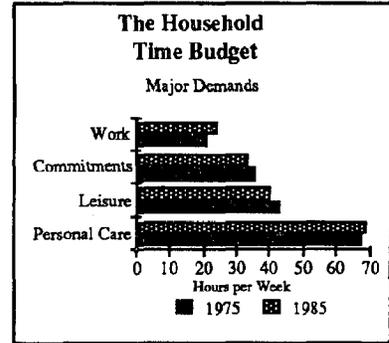
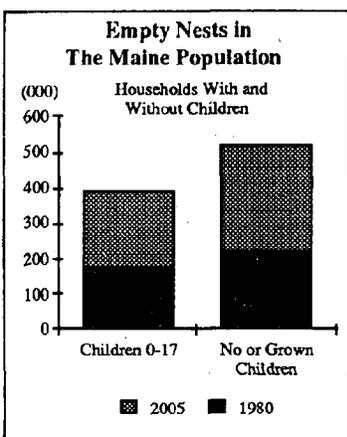


Figure 45

**Americans are putting more time into work and into taking care of themselves, and cutting back on their leisure time and routine jobs around the house.**

Source: U.S. Census; Office of Technology Assessment

## Empty Nests



**Figure 46**

**The smaller proportion of Maine households with children present will affect public and private priorities for the use of time and money**

*Source: U.S. Census*

Almost three quarters of Maine households will have no children in the home in 2010. Although half of Maine households in 1960 had children living at home, this share had declined by 1988 to 35 percent and will continue to decline to below 30 percent by 2010. Associated with this change will be an additional decline in mean household size from 3.3 persons in 1960 and 2.6 in 1987 to 2.3 in 2010.

The presence of children in the home requires substantial investments of time, energy and money for their care and socialization. The increasing proportion of households without children will, therefore, free substantial household resources for other uses.

Children in the home link adults to the other children and the youth cultures of their communities. As the proportion of households with children declines, therefore, fewer households will have contacts with children and children's activities in their communities.

The result will be increased segregation of the worlds of adults and the worlds of children. It will become more difficult to recruit adults to supervise and participate in youth activities, such as scouting, Little League, Sunday school and others, and to obtain voter support for public expenditures for education and youth services. This prospect poses a major challenge to state and local policy makers in the coming two decades.

The projected decline in the proportion of households with children between 1988 and 2010 reflects two changes in the age structure of the Maine population — an increase in the proportion of adults whose children have grown up and left home and a decline in the number of women in the principal child-bearing years.

The Census Bureau's population projections assume a slight increase in fertility — the average lifetime number of children born per woman — over the next quarter century. If the Bureau is wrong

and fertility continues to decline as it has for the past two decades, then the proportion of households without children in 2010 will be even larger than is projected here.

Most children turn 18 before their parents turn 50. Consequently, few adults over age 50 still have children under age 18 living at home. In Maine in 1988, for example, two-thirds of the householders age 50 to 54 and ninety percent of those age 55 to 60 had no children under age 18. The population age 50 and older is projected to grow by 140,000 persons, accounting for nearly half of all adults by 2010. This trend will mean a substantial increase in the number of households with no young children in the home.

### Financial Well-being

More Maine households will be financially better off in 2010 relative to their lifetime earnings and accumulation of assets. In an economy similar to that of the 1980s, they would be absolutely better off, as well. In an economy crippled by doubled or quadrupled energy prices, or one in which U.S. industrial power were in eclipse on the world stage, they would probably be worse off in real terms, but still better off than they would be under the same poor economic conditions but at an earlier stage of the life cycle.

This *relative* improvement will result from an increase in the population ages 55 to 64, a group at the peak of its earning power and base of personal assets. This age group is the one that occupies the senior executive, professional and craft positions in society and which supplies the savings for capital investment. Its children have left home, reducing household expenses. It has built up assets in housing, in durable goods and in cash savings.

Younger age groups are net borrowers as they use credit to buy and furnish homes and get started in life. Older age groups begin spending their capital for retirement. The income per household member between 55 and 64 is 25 percent higher and its net

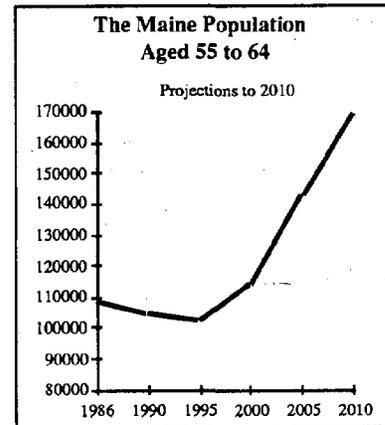


Figure 47

**A sharp increase in the number of Mainers at the peaks of their careers and personal wealth in the late 1990s will fuel discretionary spending and open a short period of relative prosperity.**

Source: U.S. Census

worth two and a half times larger than the overall averages for the general population.

Growth in this key population, however, will not begin until after the turn of the century. From 1986 to 1995, there will be a decline in the 55 to 64 year old population as the Depression era generation passes through this stage of the life cycle. A 61,000 person increase is projected for this age group by 2010 — 56,000 of which will occur *after* the turn of the century.

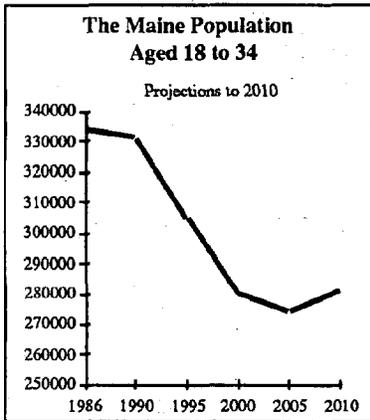


Figure 48

**The dominance of the baby bust generations in the years of young adulthood will have repercussions on immigration and birth rates, labor and housing markets.**

Source: U.S. Census

### Geographic Mobility

Residential mobility will decline sharply between 1986 and 2010. This will mean more stability, less turnover and fewer newcomers in Maine communities. It will also mean slower rates of housing turnover and residential development, which can be expected to dampen the pressure of demand on real estate markets.

Since demand is only one element driving housing prices upward, it is uncertain whether a slowdown in residential mobility will be accompanied by improvements in housing affordability. The share of household incomes spent on housing is not projected to increase, however, but the dollar cost of the average *new* housing unit is projected to rise from near \$70,000 in 1988 to \$87,000 in the mid-1990s and to \$117,000 at the turn of the century.

The slowing of residential mobility will result from a decline in the population age 18 to 34. Persons of this age are highly mobile, with one in three moving each year. The older population is much more stable, with only one in ten moving each year. As the 18 to 34 year old population declines, therefore, and the population over 35 increases, the geographic mobility of the population as a whole will decline. The population age 18 to 34 is projected to decrease by 53,000 persons between 1986 and 2010, a 16 percent decline.

## Crime

Murder, manslaughter, rape, assault, robbery, burglary, larceny, auto theft and arson rates are likely to decline between 1986 and 1995 and then level off near their 1990 levels after the turn of the century. This reflects the changes in the population of young males who tend to commit most of these crimes. Males ages 15 to 24, for example, are arrested for these crimes five times more often than are women or older men. The rates for these crimes, therefore, are likely to mirror the changes in the 15 to 24 year old male population.

A low point in the adolescent male population is projected for the period between 1995 and 2000, with a decline by about 15 percent from the 1986 level, but half of that loss is projected to be regained after the turn of the century when the baby boomlet reaches its mid teens and early twenties. About 8,000 fewer young males are projected for the year 2010.

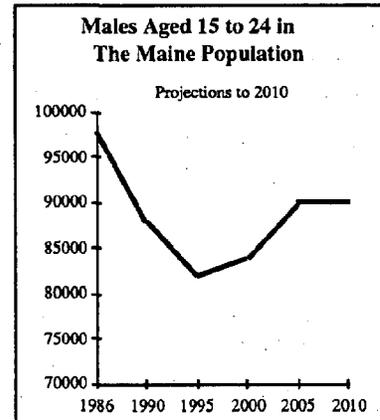


Figure 49

**A steep decline in the number of young males will bottom out in the mid-1990s and stabilize after the turn of the century. Crime is likely to fall with this specialized population and to remain somewhat lower than the present rates well into the 21st Century.**

Source: U.S. Census

## SECTION 2 CONSUMER MARKETS

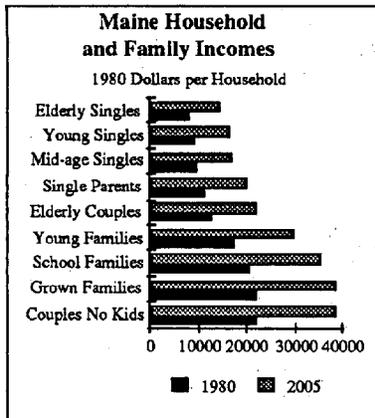


Figure 50

**The presence of a second earner or a second pension in a household is probably reflected in the income advantage held by Maine couples over Maine singles of all ages.**

*Source: U.S. Census; Maine Forecasting and Simulation Model; Office of Technology Assessment*

Age and the preoccupations of people at different stages of the life cycle shape decisions made throughout the economy — decisions that range from the kinds and numbers of goods that are produced to the types and locations of stores and service businesses that populate downtowns and suburban shopping malls across the country. The exceptionally large size of the baby boom generation has been a major influence on the shape of consumer markets for more than 40 years as the group has passed from infancy to middle age. Through the remainder of this generation’s lifetime, it can be expected to remain a dominant feature of the landscape of consumption.

Other changes in the age structure of Maine society will similarly influence the pattern of spending and consumption that accounts for about two-thirds of all economic activity in the state. This influence is exerted through the role of age in determining the nine household types, each of which tends to conform, on average, to a characteristic consumption profile.

Different types of households tend to divide their budgets in different ways, depending on their age and relative level of health, their marital status and whether there are children present, and on the ages of those children. Thus, elderly households will tend to spend a greater share of their incomes on prescription drugs and medical care; families with teenage children will tend to spend more on food; young single people will tend to spend more on recreation.

Household incomes, as well, tend to vary with family type, with the youngest and oldest householders tending to earn the

lowest incomes (reflecting career-entry wage levels in the first instance and pension levels in the other) and middle age couples tending to earn the highest incomes (reflecting longer experience in the workforce and the greater likelihood that two earners are present).

Because these central tendencies in household, income and consumption patterns have been well defined, and because the size and age structure of the population can be reliably projected, a broad view of consumer markets in the early years of the 21st Century can be constructed to suggest areas of emerging growth and decline; of threat and opportunity for the Maine economy. Our model of household consumption is based on national trends in household spending patterns, adjusted to reflect Maine trends in population, households, income levels and economic growth. Shares of household budgets spent in major consumption categories, dollar spending per household and total value of household spending are all considered in the analysis

Nine household types and eight broad areas of consumer spending are considered. Three of the spending areas — *Housing, Transportation and Health* — hold important implications for the future demand for public services and receive additional consideration in the following section. The five remaining spending areas — *Food, Clothing and Personal Care, Education, Communication and Personal Business and Recreation* — are discussed in this section.

For all types of households, food, housing and transportation absorb between three quarters and four fifths of all household spending, with housing costs representing the largest single spending item — between one quarter and two fifths of the household budget. *Middle Age Singles* and *Couples with preschool children* spend the largest shares of their budgets on these three necessities — 79 percent — followed by *Couples with no children.*, 77 percent. *Single Elderly* households spend the smallest share in the three combined categories, 73 percent, but the largest share on housing at 40 percent of their household budgets.

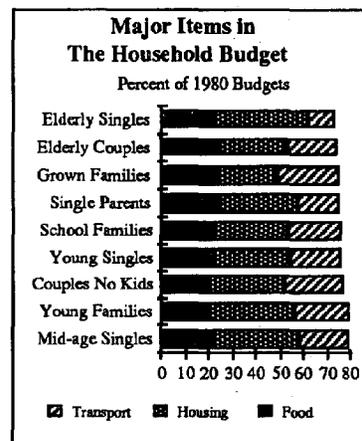


Figure 51

**Maine people spend three quarters or more of their household budgets on just three items — Food, Housing and Transportation.**

Source: U.S. Census; Maine Forecasting and Simulation Model; Office of Technology Assessment

Different consumer choices and income pressures, however, are reflected in these spending patterns.

*Middle Age Singles*, for example, have the third-lowest average incomes of all household types in Maine, probably reflecting the disadvantage to households with only one income in the present economy. The high relative cost of necessities to these households is likely to reflect severe financial limits on their freedom to choose in the marketplace. The dollar spending levels by these households suggests that they place a premium on housing quality, since they spend more on housing than do other household types in their income range, and make up for that premium by purchasing economy-model cars, since they spend the second lowest amount on transportation. Their somewhat high per capita spending on food suggests that they may eat out more often than other household types.

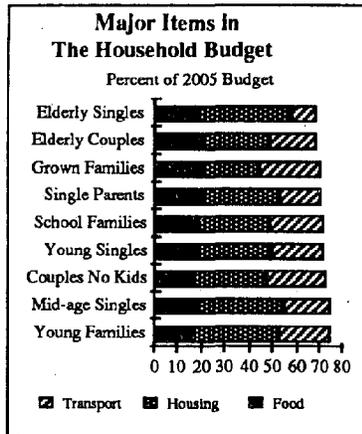


Figure 52

Maine families in the future are likely to find little more flexibility in their household budgets than do Mainers today, as housing, transportation and energy prices rise to absorb a constant portion of future income gains.

Source: U.S. Census; Maine Forecasting and Simulation Model; Office of Technology Assessment

*Couples with preschool children*, on the other hand, tend to have higher than average incomes but also require higher-cost family housing. The age of their children suggests that these are among the youngest families in Maine and are likely to have purchased homes in the high-priced real estate markets of the 1980s. Families with preschoolers spend the second-highest share of their budgets on housing, the same as *Middle Age Singles*, but they spend nearly twice as many dollars — second only to *Couples with no children*, Maine's highest income households. These young families appear to afford their high housing costs by cutting back on food and transportation expenditures — spending in both categories the lowest shares and the fewest dollars of all couples.

Spending on necessities is projected to decline relative to total household spending, dropping to between two thirds and three quarters of consumer budgets by the year 2005. Virtually all of this decline will be accounted for by food prices, which are projected to increase more slowly than household incomes. Housing and transportation costs are expected to keep pace with rising incomes, suggesting that little relief is in store for consumers already coping with historically high prices for homes, cars and energy. Neverthe-

less, a reduction in overall spending on necessities will allow for more discretionary spending by consumers — much of which is expected to be absorbed by health care and recreation.

## Food

Spending on food absorbed between one fifth and one quarter of household budgets in 1980 and is projected to decrease by 2005 to between one sixth and one fifth. *Elderly Couples* and *Single Parents* spend the largest portions of their incomes on food; *Couples with preschool children* and *Couples with no children* spend the smallest shares. *Elderly Singles* spend the fewest dollars on food, while *Couples with grown children* spend the most. — over \$100 a week in 1980 rising to about \$140 in the coming century. Household food consumption circulated nearly \$1.4-billion through Maine's economy in 1980 and will rise to nearly \$2.6-billion after the turn of the century.

## Housing

Housing is the largest component of spending for all types of households, absorbing between one quarter and two fifths of household budgets. *Elderly Couples* spend the smallest part of their budgets on housing — about a quarter, followed closely by *Couples with grown children..* These groups are among Maine's oldest families, who were likely to have purchased their first homes before the period of rapid price increases. Single people and young families bear the greatest relative burden of housing costs and many of these households share a high probability of being renters.

At the bottom of the housing market, young single people pay average market rents of about \$380 a month, which take one third of their incomes. Below these market rates, single parents also pay out one third of their income for housing but the availability of rental assistance to these families reduces the average monthly cost to about \$260. High spending on housing rises to about \$850 a

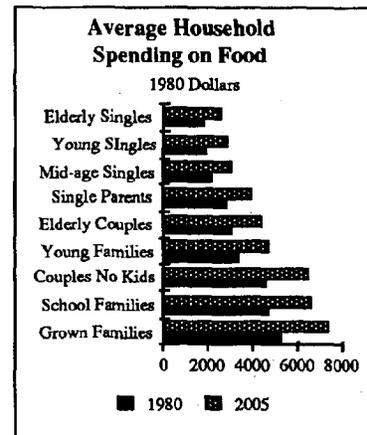
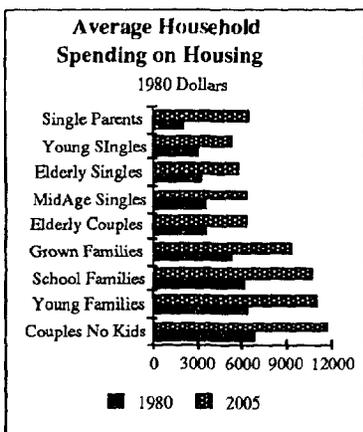


Figure 53

The dollar cost of food is likely to rise through the coming decades, but not as rapidly as household incomes.

Source: U.S. Census; Maine Forecasting and Simulation Model; Office of Technology Assessment

month for *Couples with no children*, who commit nearly two fifths of their budgets to cover housing costs.. These costs are projected to rise by about one fifth through the next fifteen years. Total spending on housing by households was nearly \$2-billion in 1980 in Maine and is projected to rise to more than \$4.6-billion in 2005.



**Figure 54**

**Housing costs are projected to rise with incomes, pushing annual mortgage payments to extraordinary levels**

Source: U.S. Census; Maine Forecasting and Simulation Model; Office of Technology Assessment

## Transportation

Transportation absorbed just about the same share of household spending in 1980 as did food, ranging from just over a tenth of all spending by *Elderly Singles* to a high of more than a quarter of the budgets of *Couples with grown children* and *Couples with no children*. Transportation will become relatively more expensive than food in the next century, because food is projected to become relatively cheaper, while relative transportation costs are projected to remain constant. For most other household types, transportation requires about one fifth of their budgets. At the high end of the transportation spending pattern, the greater mobility and personal freedom afforded to older teen agers and young adults in the household is likely to be reflected in the budgets of *Couples with grown children*.. The prevalence of two-earner, two-commuter families and higher-value cars among *Couples with no children* is likely to be reflected in the high transportation spending by these households.

*Elderly Singles* spend the fewest dollars on transportation — just over \$900 in 1980 — while *Couples with grown children*. spent more than \$5,800 in that year. Transportation costs are projected to rise by three quarters of their 1980 levels by the year 2005. Transportation spending accounted for nearly \$1.4-billion in Maine's 1980 economy and is projected to exceed \$3.2-billion after the turn of the century.

## Health

Household spending in the health category includes costs incurred both for direct health care and for preventative spending on

physical fitness. Health costs are projected to be the fastest-growing consumer expense through the next two decades. Health spending is the most strongly influenced by age, with both types of elderly households spending more than a tenth of their budgets on health in 1980, while no other household type spent more than one twentieth. Health costs are projected to consume between one fifth and one sixth of elderly incomes within the next two decades. *Young Singles* spend the least on health of all households. Total Health spending in 1980 was estimated at more than \$320-million and is projected to rise to more than \$1.1-billion by 2005.

### Education

Spending on education reflects most strongly the presence of school age children in the household and *especially* the presence of college age young adults. *Elderly Singles* spend less than one percent of their budgets on education, while *Couples with grown children* spend more than three percent. *Young Singles* also spend about three percent of their budgets on education. Education costs are projected to fall by about one fifth through the next fifteen years. Total education spending by all households was more than \$101-million in 1980 and is projected to exceed \$186-million by 2005.

### Clothing and Personal Care

Clothing and Personal Care expenditures are most significant in the budgets of households where young adults are present, but *Single Parents* commit the highest portions of their budgets to clothing expenses — more than eight percent. The lowest portions are spent by *Elderly Singles* at just under six percent. Clothing and personal care expenses are expected to fall relative to total spending to between about five and seven percent of average household budgets. Dollars spent in this category volume are highest among families with children, which typically spent more than \$1,000 a year in 1980. Dollar spending is projected to rise to between \$1,500 and \$2,500 by families with children after the turn of the century.

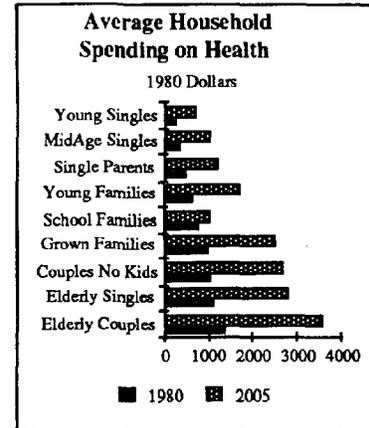


Figure 55

**Rapidly rising health costs are likely to become more significant in every segment of society but especially among elderly households.**

Source: U.S. Census; Maine Forecasting and Simulation Model; Office of Technology Assessment

Total spending on Clothing and Personal Care in 1980 was above \$450-million and is projected to rise above \$840-million by 2005.

### Communication and Personal Business

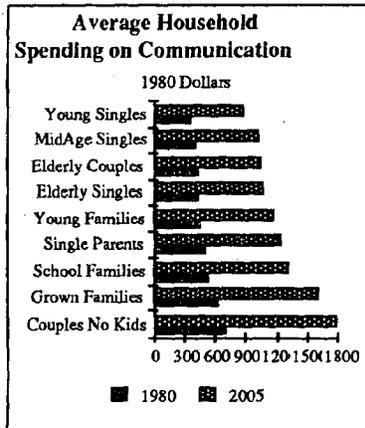


Figure 56

**Communication is a relatively small spending item for the average household but both the cost and the amount purchased are projected to rise in the future. The Communication category also includes various items of personal business, such as legal fees.**

Source: U.S. Census; Maine Forecasting and Simulation Model; Office of Technology Assessment

Spending on communication and personal business — which includes telephone and correspondence costs as well as professional fees charged by bankers, brokers, lawyers, insurance agents and funeral directors — absorbs the smallest shares of household budgets among couples with children and the largest shares among *Elderly Singles*, who spend more than five percent of their budgets in this category. Spending is projected to rise considerably by 2005, to between four and seven percent of household costs. *Couples without children* spend the highest dollar levels most on communication and personal business — over \$700 in 1980 and nearly \$1,800 after the turn of the century — followed closely by *Couples with grown children*. Total household spending in 1980 was estimated to be more than \$200-million and is projected to approach \$675-million by 2005.

### Recreation

Spending on recreation — which includes expenditures for lodging and recreational vehicles, media and sporting events, gardening supplies and sports equipment, travel and toys, and for cultural, fraternal and religious activities — represents an important and increasing part of household budgets, except for *Elderly Singles*, who spend only about three percent of their budgets in this category. *Couples with school age children* devote the largest portions of their household spending to recreation — eight percent in 1980 — followed by *Young Singles* at just over seven percent. *Single Parents*, *Elderly Couples* and *Middle Age Singles* spend relatively small portions of their budgets on recreation; *Couples with school age children* are expected to increase recreational spending to a tenth of their budgets in the coming century. Other than the necessities — food, housing and transportation — recrea-

tional spending will absorb the largest single share of spending by non-elderly households in the year 2005.

Couples under age 65 spent more than \$1,000 on recreation in 1980 and are projected to increase this spending to between \$2,000 and \$3,600 in the coming decades. Families with school age children are expected to be the high spenders in the next century. *Young Singles* are likely to be the highest per capita spenders on recreation — about \$700 in 1980 and up to \$1,500 after the turn of the century. Total household spending on recreation was above \$400-million in 1980 and is projected to climb to nearly \$1.2-billion in 2005 — an increase second only to that projected for health spending through the period.

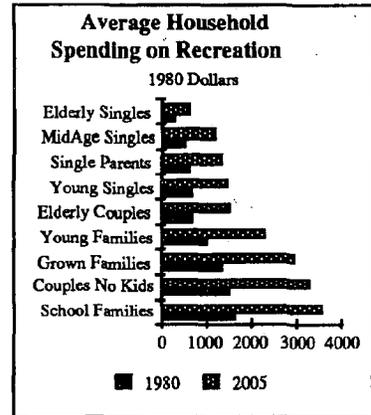


Figure 57

**Households are projected to commit more dollars and larger proportions of their budgets to recreation in the future. Families with children are likely to spend the largest amounts in general but single people and childless couples will tend to have high per capita recreational spending.**

Source: U.S. Census; Maine Forecasting and Simulation Model; Office of Technology Assessment

## SECTION 3 DEMAND FOR SERVICES

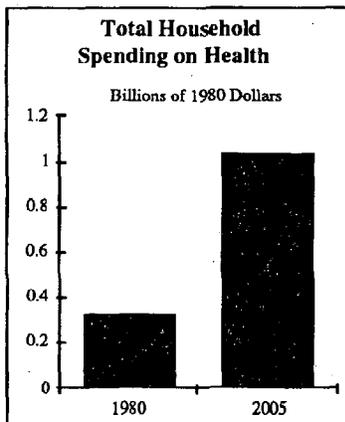


Figure 58

**The aging population together with rising costs of health care and insurance are projected to triple total health spending in Maine after the turn of the century.**

*Source: U.S. Census; Maine Forecasting and Simulation Model; Office of Technology Assessment*

In addition to affecting consumer markets in the future, the changing age structure of the Maine population is likely to have a substantial impact on the pattern and priorities of government spending on basic services. While our study can offer little in the way of specific guidance to strategic budget planners in state government, key demographic trends can suggest emerging broad areas of pressure that will repay early attention.

### Sickness and Infirmary

As a birth cohort ages, an increasing proportion of its members suffers illness and with increasing frequency. The age group 65 and older suffers particularly high rates of illness. Persons age 45 to 64 spend an average 1.3 days per year in hospitals. Persons 65 and older spend an average of 3.8 days. Chronic illness limits the activities of 25 percent of the cohort 45 to 64 and 41 percent of the cohort 65 and older.

Persons under age 65 spend three percent of their income for medical care. Persons 65 and older spend 10 percent. By the early years of the 21st Century, elderly health care spending may rise to 20 percent of income. Elderly households spent between \$1,100 and \$1,400 on average for health care expenses in 1980 and are projected to spend between \$2,800 and \$3,600 per household within two decades. Maine's total health care bill is projected to be two and one half times higher in the year 2005 than it was in 1980, accounting for more than \$1.1-billion of private spending.

The number of persons 65 and older will have a substantial effect on the prevalence of illness in Maine society and on the need for, and expenditures on, medical care. The population 65 and older is projected to increase by 10 percent between 1986 to 1995 and then to remain constant for a decade until 2005. After 2005, the population over age 65 will begin to increase again and this increase can be expected to accelerate after 2011 when the oldest baby boomers turn 65. During the quarter century between 1986 and 2010, the comparatively slow growth in the over 65 population suggests that the aging of the Maine population will have only a moderate effect on the prevalence of illness and medical care expenditures.

The very old frequently need professional nursing care. This is reflected in the proportion of people living in nursing homes and homes for the aged. While only four percent of Maine people 65 and older were living in these institutional settings in 1980, 26 percent of those age 85 and older were living in residential care facilities. The latter number, moreover, does not include those living at home who required frequent visits by nurses and other medical professionals. The number of persons in the population age 85 and older, therefore, is an indicator of the prevalence in society of long term illnesses and infirmities requiring frequent treatment and assistance.

The population 85 and older is projected to nearly double between 1986 and 2010, increasing by 15,000 persons, from 17,000 at the beginning of the period to 32,000 at the close. Persons 85 and older made up 1 percent of the 1986 population of Maine; they will account for two percent in 2010. This suggests that the number of people in Maine society requiring frequent, often daily, medical treatment will increase sharply over the coming quarter century.

### Alcohol and Drug Abuse

Alcohol and drug abuse are likely to decline from 1986 to 2000 and then increase again through 2010. This pattern reflects

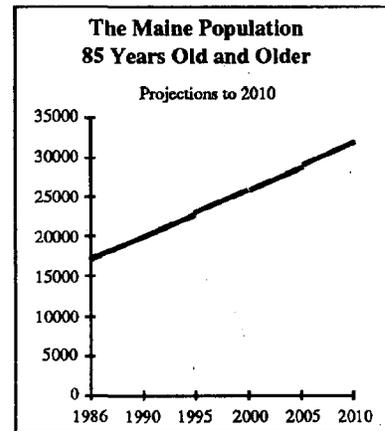


Figure 59

**The population 85 years old and older is projected to nearly double in 20 years and to increase from 1 percent to 2 percent of the Maine population. This group is the most likely of all Maine people to need both critical and long term health care.**

Source: U.S. Census

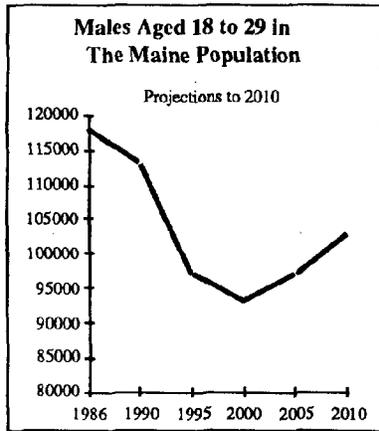


Figure 60

**A decrease in substance abuse through the rest of the century is projected on the basis of declining numbers of young adult men. This group is more likely to be arrested for substance abuse than the rest of the Maine population.**

Source: U.S. Census

projected changes in the population most likely to abuse drugs and alcohol — males between the ages of 18 and 29. Males in this age range, for example, are two and a half times more likely than women and older men to be arrested for drug use, drunkenness and drunk driving. However, whether arrest rates reflect abuse rates remains an open question. Young males may also be more public than other groups in their drug and alcohol use or may display other lifestyle attributes that raise the likelihood of arrest. Similarly, the possibility that alcohol and prescription drug abuse among the elderly, suggested in some recent national research, may become more prominent in an aging population must also be left open for consideration. The 18 to 29 year old male population is projected to fall through the turn of the century to about seven percent of the total population, followed by a return to an eight percent share in 2010 when there will be about 15,000 fewer males in this age group than in 1986.

### Housing

Changes in the housing market through the past two decades have left some Maine families at a severe disadvantage, while other Maine families have received the principal benefits of rising prices and the changing construction mix. Only about 50,000 of the state's estimated 450,000 households have been able to hold their housing costs to the traditional standard of one quarter of income. For more than 200,000 Maine families, housing now requires nearly one third of their incomes. And for another 100,000 to 150,000 of Maine's youngest or poorest families, housing costs are at or nearing 40 percent of the budgets they have to spend.

Housing assistance is already the top spending priority for one in eight Mainers between the ages of 18 and 34 and for one in five of those over age 65. About two in five Maine people of all ages would like to see more public spending on housing assistance, but about the same number would like to see spending remain where it is today. Fewer than one in ten of all Mainers place housing

assistance at the top of their spending priorities, including only three in 100 of the politically important baby boomers. Nearly one in ten would like to see housing assistance reduced. The problem facing policy makers in the future, therefore, will encompass both tight targeting and restricted program design. Maine can neither afford to ignore the burden of housing affordability on those who need assistance, nor to undercut the political will to ease that burden with overly-broad or excessively costly programs.

### Transportation

Transportation is a necessity in a large, rural state like Maine and the increasing cost of energy and vehicles since the 1970s has pushed transportation spending to become a relatively large part of the average household budget — about a fifth on average for most Maine families. At the low end of transportation spending, single parents and single elderly people appear to attempt to control their transportation costs by relying on public transportation, by the conscious limitation of unnecessary travel and by the purchase of older cars. These lifestyle choices suggest that future public transportation budgets and inevitable restrictions on vehicular air emissions are likely to place these two types of households at substantial risk of limited mobility beyond the urban centers of the state.

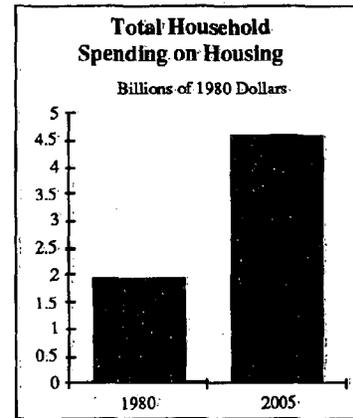


Figure 61

**Total spending on housing is projected to remain at nearly one third of all consumption in Maine, rising by more than \$2-billion in the coming decades. Without public intervention, affordable housing is likely to remain a problem.**

*Source: U.S. Census; Maine Forecasting and Simulation Model; Office of Technology Assessment*

## SECTION 4 CIVIC LIFE

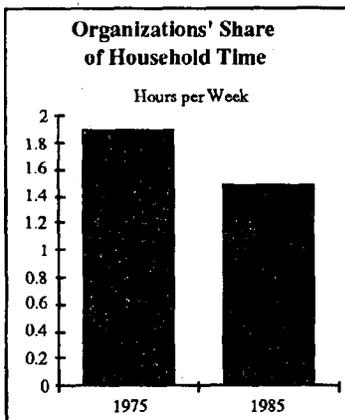


Figure 62

**The eroding amount of free time available to Americans has resulted in a trend toward reducing commitments to voluntary and public service organizations.**

*Source: Office of Technology Assessment*

Participation in politics, community affairs, religion and in civic and social associations are all likely to increase through the coming quarter century. While this will make public life more vibrant, it will also increase levels of dissension and disagreement as more people become active in their communities. Elected officials and community leaders are likely to find it more difficult to obtain agreement on policies and decisions.

The projected increase in public participation will result from the aging of the population. Older adults are more active in civic life than are younger ones. Three quarters of Americans over age 35, but only half of those between 18 and 34, registered to vote in 1986. Americans over age 35 gave an average \$750 (or three percent of income) to charity in 1984. Adults under age 35 gave only \$400 (or 1.5 percent of income). The population age 35 and older is projected to increase by more than 200,000 persons between 1986 and 2010, climbing 11 percent in proportionate share of the total population.

### Voluntarism

Voluntary participation represents a key dimension of public life in Maine, where state government relies heavily on a citizen Legislature, citizen advisory boards and regulatory panels, where town governments tap local volunteers for essential planning and decision-making functions and where community life, especially in rural areas, depends on public-spirited individuals for services and

amenities that would otherwise lie beyond financial reach. But with far-reaching structural changes already underway in Maine's population, economy and patterns of settlement, the role of voluntarism in the state's future is likewise subject to considerable change.

Advancing urbanization and expanding prosperity are bringing a faster pace and greater complexity to life in Maine and each of these forces for change is placing increased pressure on the critical voluntary resource — time.

Long distance commuting, two-earner family structures and the continuing expansion of cultural and recreational opportunities in the state combine to erode the free time available to even the most public spirited of citizens, limiting the time available for voluntary contributions to their communities. An explosion in small business entrepreneurship in the 1980s has contributed vitality to Maine's economy but at the risk of undercutting the vitality of Maine communities, as entrepreneurs find the long hours and extended work-weeks demanded by young and growing businesses in the pool of hours that might have been devoted to public service on school or planning boards, as Little League coaches or Scout leaders, as church supper organizers or fire and rescue volunteers.

Even when the time for service to others is available, Maine's volunteers may find the productivity of that time severely challenged by the complexity of the decisions they are asked to make as the costs of poor decisions and missed opportunities rise, as the competing interests with stakes in those decisions become more numerous and less compatible, and as the technical dimensions of those decisions tap expanding information resources and demand increasing study and expertise.

Not only the volume of development applications, for example, but also the difficulty of evaluating those applications as they impact on traffic patterns, water quality, wildlife habitat, air emissions, waste capacity, visual and recreational quality, school enrollments, housing affordability and local property taxes, each combine to drive planning boards into midnight sessions and

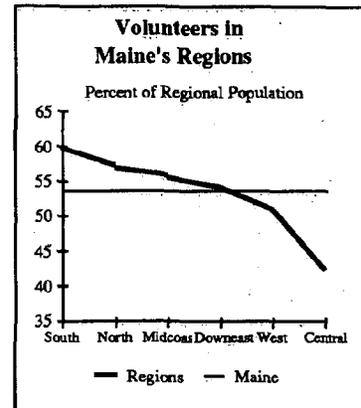
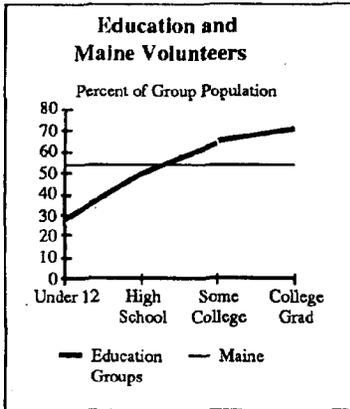


Figure 63

**More than half of Maine adults volunteer their time without pay to help others. Volunteer service is particularly strong in Southern Maine and in Aroostook County.**

Source: Northeast Research, Inc.

communities to development moratoriums. Even as the time available to volunteer at all becomes scarce, the time demanded of those who do volunteer is increasing.



**Figure 64**

**Volunteering is strongly related to education, rising with the level of schooling. But high school graduates make up just over half of all volunteers in Maine**

*Source: Northeast Research, Inc.*

Nationally, changing patterns of time use reflect a broad decrease in the time available to Americans for non-working activities. In only a handful of these activities has the commitment of time increased since the 1970s. Even time spent watching television has slipped by nearly three-quarters of an hour per week, while the time devoted to organizational activities has fallen by 21 percent.

Despite the decrease in available time, Maine's voluntary sector remains healthy, and the characteristics of present day volunteers suggest that voluntary service will increase, rather than decrease in the future. More than half of the Maine people polled by the Commission said they had personally done volunteer work — actual work helping others, outside the family and without pay — during 1988. Among the groups most likely to volunteer, participation rates can reach 60 and even 70 percent. And even among the groups least likely to volunteer, 30 to 40 percent are nevertheless active in service to others.

Maine's volunteers appear to recognize an obligation to return to their communities something of what they have themselves received. Education, for example, is the paradigmatic public good, made universally available by the community and almost impossible to acquire without the assistance and cooperation of others. Thus, voluntarism in Maine rises with the level of education and those who have received the most from society tend to give the most back in return. Half of the state's high school graduates perform volunteer work, as do two in three of those who have attended college and nearly three in four of those who graduated from college.

But even among those with the least education, more than one in four volunteer to help others and more than half of all volunteers in Maine have a 12th grade education or less. Among this

slight majority of volunteers with no more than a high school education, income tends to be the driving characteristic of voluntary activity as, again, those who have gained the most from their communities return the most in service. Among those with no more than a high school education, one in three earning less than \$10,000 a year volunteer while one in two of those earning \$30,000 or more volunteer. Thus, the pattern of those who have received the most tending to return the most is again evident.

Curiously, the relationship between income and voluntarism does not affect the service rates of those who have attended or graduated from college, where high rates of volunteering occur regardless of income levels but where those rates do not rise with incomes.

Differences between educational groups are also evident in a comparison of the regional pattern of voluntarism around Maine.

Volunteer rates approach 60 percent in Aroostook County and in Southern Maine and fall to between 40 and 50 percent in Central and Western Maine. But among those who have attended or graduated from college, these regional differences disappear and those with the highest levels of education, regardless of where they live, tend to volunteer at the same high rate. Among those with no more than a high school education, however, regional differences are intensified. In Southern Maine and Aroostook County, between 50 and 55 percent of persons with up to a 12th grade education volunteer while only 30 to 40 percent of this educational group volunteer in Central and Western Maine.

In a number of cases, education also appears to be the driving force behind apparent relationships between voluntarism and other demographic characteristics. Immigrants, for example, tend to be much more likely to volunteer than native Mainers, and this relationship appears to change smoothly with the length of residency in Maine. Thus, 68.2 percent of the most recent immigrants say they volunteer, compared with 59.5 percent of the longer-term immigrants, 52.7 percent of Mainers who moved out of state

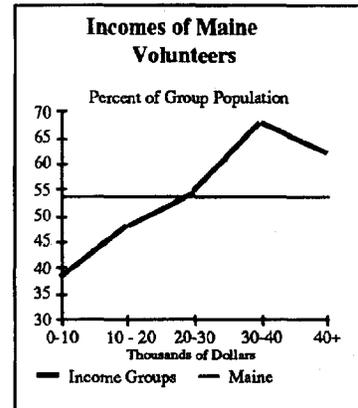


Figure 65

**Volunteering also appears to be strongly related to household income but, because income levels tend to rise with education levels, education appears to be the factor the best explains volunteering.**

Source: Northeast Research, Inc.

and later returned, and 48.4 percent of lifelong Mainers. Hidden in this pattern, however, is the tendency of immigrants to be more highly educated than Maine natives, and for the newest immigrants to be the most highly educated of all. Controlled for education, the relationship disappears.

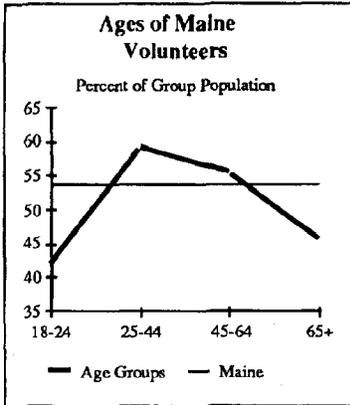


Figure 66

**Volunteering appears to decline with age after rising from the low levels of young adulthood but the real explanation may be the concentration of children in households headed by 25 to 44 year old and the higher education levels of this age group.**

Source: Northeast Research, Inc.

Similarly misleading patterns occur in connection with income and with property ownership. Renters appear to be the least likely and landowners the most likely to volunteer; persons with \$20,000 or lower incomes appear to be the least likely and persons with \$30,000 or higher incomes the most likely to volunteer. But when the relationship between high education and high incomes and property ownership is taken into account, neither income nor property tends to be related to voluntarism; instead, education appears to explain the tendency to volunteer.

The relationship between voluntarism and age presents the most complex pattern of interacting forces. Here, age, education and the presence of children in the household all interact to generate high rates of voluntary service — nearly four in five — among highly educated parents, while neither children nor age define a pattern for those with no more than a high school education.

Voluntarism, then, appears to be most strongly related to education and educational levels are rising in Maine as baby boomers age and as immigrants continue to arrive and as the generations under age 25 exceed the educational attainment rates of previous generations. Despite the pressures of time and complexity, therefore, the future of public service in Maine is likely to be positive by this broadest of indicators.

But among the most educated Mainers, the presence of children in the household tends to push volunteer rates to near 80 percent and the absence of children tends drive volunteer rates to near 60 percent. The trend toward fewer children in the society of the future — based on the smaller numbers of young adults available for parenthood — would suggest a dampening of the rate of voluntarism may be possible in the future.

## Citizen Participation

A second dimension of public life in Maine is participation in the political process. Voting represents the fundamental political act in the American system, and presidential elections tend to draw the greatest numbers of voters to the polls nationwide. National estimates of voter turnout in the presidential elections of the 1980s average around 53 percent of voting age adults, while in Maine the three presidential elections of the decade have drawn an average 65 percent of the age-eligible population — an average that has been fairly consistent through more than three decades.

In its polling, the Commission took a broader view of political participation as including voting in federal, state or local elections, attending local government meetings, membership in politically-interested organizations and correspondence with newspapers or elected officials. Like the political process itself, polling on public policy questions tends to miss nonparticipators — nearly a fifth of those contacted refused to participate in the poll — and the findings consequently tend to overstate the level of public activism in the Maine population. Nevertheless, the results do provide a useful perspective on those who do participate — who they are, where they live, what demographic characteristics they have in common.

In contrast to the better than 60 percent turnout of all voters measured in any single presidential election, more than 80 percent of the “participators” captured in the Commission’s polling said they voted in at least one election — federal, state or local — during the previous year. The source of this distinction — whether characteristic of the sample itself or a result of the more plentiful opportunities to vote allowed by the phrasing of the question — is less important than dominance of voting in the hierarchy of political acts, even among the more activist population that responded to the poll.

While four in five respondents said they voted, only about one in two physically attended a local government meeting, one in

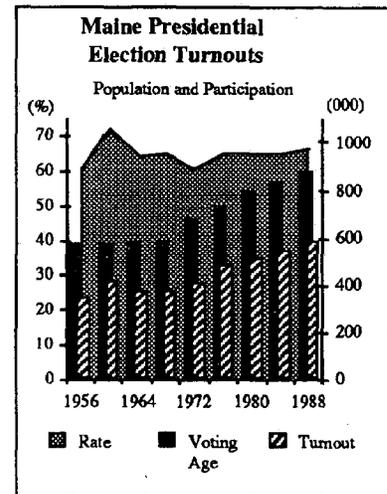
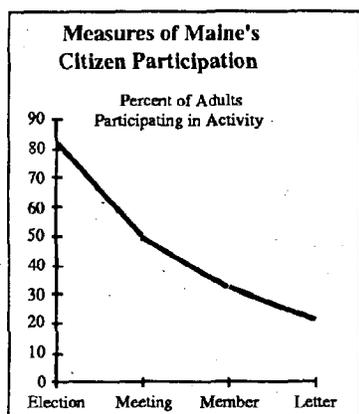


Figure 67

**Maine's voter participation rates have been relatively steady in recent history around 65 percent of voting age adults.**

Source: U.S. Census

three belongs to a politically-interested organization and only one in five expressed their opinions publicly through letters to the editor or to elected officials.



**Figure 68**

**When asked if they voted in a federal, state or local *Election*; attended a *Meeting* of their local government; paid *Membership* dues to a group that takes stands on issues; or wrote a *Letter* to a newspaper or elected official, four in five of our sample did the first, but only one in five did the last.**

*Source: Northeast Research, Inc.*

Taking all four forms of political activity together, the poll found that 10 percent of Mainers sampled do not participate in the process at all, 40 percent engage in only one of the activities and nearly 75 percent engage in no more than two political activities during the course of a year. Nearly twenty percent of the sample participated in three of the political activities defined in the poll and seven percent participated in all four. On average across the entire sample, Mainers participate in 1.8 of the four activities — voting, attending local meetings, belonging to politically-interested organizations and corresponding with newspapers or elected officials.

Like voluntarism, political participation is strongly influenced by education, with the most highly educated Mainers tending to participate in twice as many activities as do the least educated — 2.5 activities per college graduate vs. 1.2 activities per person with less than a 12th grade education. But unlike voluntarism, political participation is also influenced by other demographic characteristics independent of education, as well.

Income levels and property ownership are among the most strongly related of these characteristics to political participation, with property owners and those with the highest incomes between a third and a half more active than renters and those with the lowest incomes. In contrast to the case of voluntarism, in which volunteers were disproportionately the parents of children in the household, political activity tends to be related to households that contain more than one adult — whether or not children are present as well. Yet political participation is also strongly related to voluntarism itself, with volunteers about a third more active than non-volunteers.

Age is also related to the degree of political participation, most strongly in the tendency of the youngest adults — those 18 to 24 — to have low levels of participation. Political activity then rises with age to a peak in the 45-64 year old age group and then drops

back slightly among the elderly to the same level as among those 25 to 44.

Political participation is related to other demographic characteristics as well, but the relationships are more complex and involve educational levels as well as the individual characteristics. Thus, among those with no more than a high school education, participation is higher in small rural towns of less than 5000 population than it is in the cities and suburbs of metropolitan areas. Among those with higher educational levels, participation rates tend to be the same regardless of the size of the town in which they live. A similar relationship exists between participation and gender, where women with lower levels of education tend to be less active than men with lower educational levels, but both men and women with higher educational levels tend to participate with the same degree of activism. Apparent differences between regional participation rates and between natives and immigrants are also explained by the educational differences between these groups, with higher participation rates in coastal regions and among immigrants disappearing when education level is controlled.

As is the case with voluntarism, the prospects for increasing levels of political participation appear to be strong in the context of the demographic trends shaping Maine's future. Rising incomes and increasing levels of education would bring more Mainers into the demographic groups most likely to be politically active. The middle-aging of the population will place the largest number of Mainers in the 45 to 64 year old age group that is the most politically active, while the severe decline in the 18 to 24 year old age group that will prove so disruptive to labor markets will also drain population from the least politically active segment of the overall population.

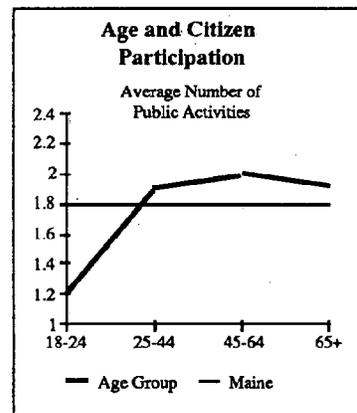
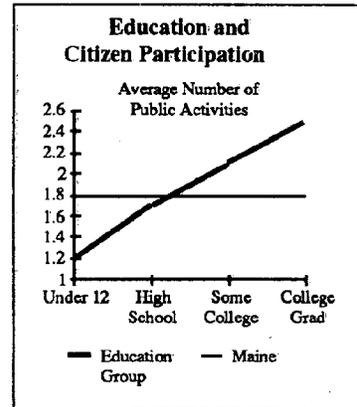


Figure 69

In the four public activities measured in our poll, participation rises with education levels — college graduates participate in an average of two to three of the activities; people with less than 12 years of schooling participate in just over one. Maine people over age 24 tend to participate in nearly 2 of the four public activities measured on average, with only a small variation in participation levels after age 25.

Source: Northeast Research, Inc.

## SECTION 5 THE LABOR POOL

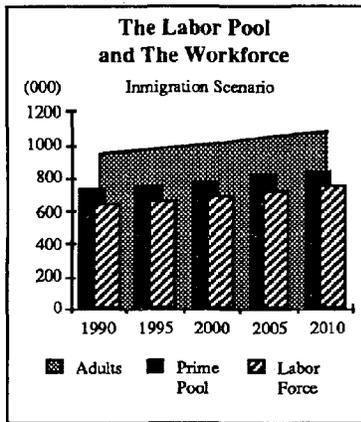


Figure 70

**Maine's labor supply is drawn from the population of all adults over age 15. Its prime labor pool, however, is the smaller population between the ages of high school graduation and retirement. Both of these populations are projected to increase in the future, as is the labor force — the proportion of all adults ready and willing to work. Despite this growth, the number of jobs in Maine's economy has the potential to grow even faster.**

*Source: U.S. Census; Maine Simulation and Forecasting Model*

Economic growth in the 1980s has changed Maine from a labor surplus area to one of tight labor markets and rising wages. While pockets of high unemployment have persisted in some of the more isolated, rural parts of the state, the problem of finding enough workers to fill the available jobs has replaced — at least for a time — the state's historic preoccupation with ensuring the creation of enough jobs to employ the available workforce. Whether this reversal of the historic pattern will continue into the future is uncertain and will depend on the interaction of economic, demographic, technological and behavioral trends that will determine both the supply of and the demand for labor.

### Labor Supply

Maine's prime labor pool — the population of the state between the ages of 18 and 64 — is projected to increase by seventeen percent between 1986 and 2010, rising from 714,000 persons to 838,000. Under the assumption of constant immigration, the prime labor pool would increase by nearly 19 percent to 849,000 persons. How many of these potential workers actually participate in the labor market, however, will be a matter of personal choice.

During the past twenty years, women have entered the labor force in unprecedented numbers. In 1970, two fifths of adult women were in the labor force, while by 1985 that number was more than half. Seven in ten adult women under age 65 polled by the Commission were in the labor force in 1988; among women over

age 65, more than one sixth continued to be active in the workforce. More than seven working women in ten work full time, and nearly eight in ten of those under age 65. These findings suggest that the labor force participation rate for all adult women has continued to increase at the rapid pace set in the early 1980s and may be nearing 60 percent.

At the same time that women have been moving into the labor force, an unprecedented proportion of men have opted for early retirement. Our polling identified nearly one man in five between the ages of 50 and 64 to be retired and out of the workforce in 1988 and the Census Bureau's annual population survey reached a similar conclusion in 1987. Only three quarters of the men in this age group work, while an extraordinary 97 percent of those 35-49 do so, and nearly 90 percent of those 18-34. Among men over age 65, one in ten continue to work full time and one in six keep active with part-time work.

The prosperous economic conditions of the late 1980s appear to have had a strong influence on the choices Maine people have made about working. The movement of women into the labor market appears to have accelerated since 1985 to the fastest rate since World War Two. The return of the elderly to the workforce in the late 1980s appears to have reversed a precipitous 25-year decline and returned the participation rate of those over 65 to the 1960 level. The overall participation rate of all adults over 18 in the labor force appears also to have accelerated in 1988, even from the rising trend established between 1985 and 1987.

Plentiful jobs, rising wages and incomes appear to be drawing Maine people into the workforce at an unprecedented rate, but Maine continues to have the smallest proportion of its population in the labor force of all the New England states. Since the mid-1980s, however, the improvement in Maine's participation rate has been double that of the rest of the region and second only to Vermont among the New England states.

Recent workforce improvements, however, are almost wholly

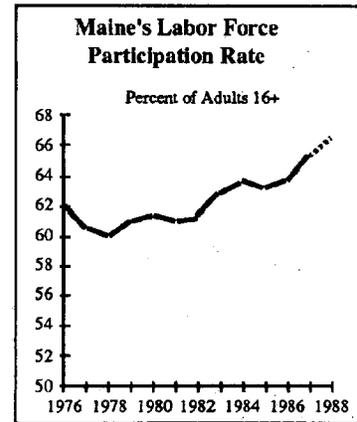
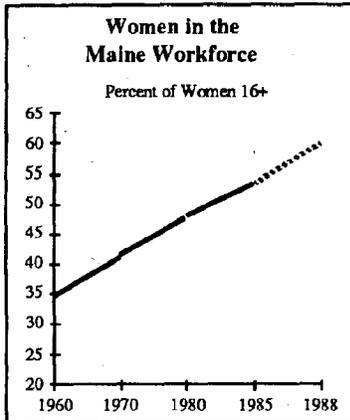


Figure 71

**Mainers have been quite active in the labor force during the 1980s and the state's participation has reached historic highs in the prosperous middle and late years of the decade.**

*Source: U.S. Census; Maine Dept. of Labor; Northeast Research, Inc.*



**Figure 72**

**Most of the improvement in Maine's labor force participation rate during the prosperity of the middle 1980s has resulted from the continuing strong movement of women into the workforce.**

*Source: U.S. Census; Maine Dept. of Labor; Northeast Research, Inc.*

accounted for by the increasing numbers of working women in the state, and, to a lesser extent, by the return of elderly people to the job market for the first time in a quarter century. Women's participation has improved by up to ten percent in the late 1980s and elderly participation has doubled. The participation of Maine men in the job market in almost unchanged at about three in four. By considering the different participation rates for Maine men and women at different stages of the life cycle, emerging limits are suggested for Maine's labor supply

Among adults between the ages of 18 to 34, for example, four in five are already working. At the lower end of this age group, post-secondary education is a common preoccupation and one that is likely to only increase with time. Nearly one person in five in this age group is, in fact, a full time student. For women, this is the age of child bearing and child care. Yet seven women in ten of this age are already in the workforce, another one in ten is a student, and only about one in five is a full-time homemaker. Among men of this age, nine in ten are already in the workforce, and nearly eight of the remaining ten percent are in school full time. Whether the relative handful of full time students and homemakers in this group, who remain out of the work force by obvious and understandable choice, can be enticed to work at any wage is questionable.

Among adults between 35 and 50 years old, nearly nine in ten are already at work, including virtually all of the men and four in five of the women. The younger half of this group includes the oldest and largest part of the baby boom, whose female members have been a driving force behind the trend toward rising numbers of women in the labor force. As more baby boomers age into this group and as the World War II generation passes age 50, it is likely that the one woman in six, who describes herself as a full time homemaker, will decline. Yet even allowing for this possibility, so few persons in this age group remain out of the workforce that the resulting additions to the supply of labor are likely to be small.

Among persons over age 65, one in five continue to be active in the labor market, including twenty five percent of the men and

sixteen percent of the women. This cohort breaks into two subgroups, those between 65 and 74 years old and those over 75. Only the younger of these subgroups holds any real prospect for increased participation in the labor force, but it is the older of the two groups that will be growing through the next twenty years. The population 65-74 will remain nearly flat or decline slightly through fifteen of those twenty years and will begin a period acceleration only after 2005. It is likely that most of the working population over age 65 are among this younger group, which would, therefore, result in a participation rate of more than one in three for persons 65-74. Whether a significant share of the remaining 60,000 full time retirees in this age group can be enticed back into the labor market after a lifetime of work will be an important determinant of the future size of the workforce.

The only clear opportunity for substantial improvements in workforce participation in the future comes in the 50-64 year old age group. Only about two members of this group in three are employed, including three-quarters of the men and 57 percent of the women. More than one in five women in this group describes herself as a full time homemaker, the largest proportion of any age group. Nearly twenty percent of the men and 16 percent of the women between 50 and 64 have taken early retirement, shares that are most likely to be concentrated at the upper end of the group or between the ages of 58 and 64. While some increase in the participation rate is possible, this age group is presently dominated by the Depression era generation and, from the mid-1990s to the middle of the following decade, will be dominated by the Second World War generation — the two generations together making up the smallest birth groups in modern history. Even with increased participation rates, therefore, the numbers of additional workers to be drawn from this group will be small.

Older teenagers between 15 and 17 years of age also contribute to the overall size of the labor force, most often by accepting part time work after school or during vacations. To the extent that the members of this group are available for full time work, their contribution to the labor force is more than offset by the

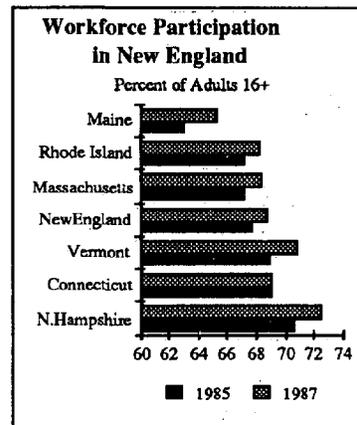


Figure 73

**Fewer Mainers have participated historically in the workforce than is typical of the New England region but Maine appears to have narrowed the gap since 1985**

Source: U.S. Census; Maine Dept. of Labor; Northeast Research, Inc.

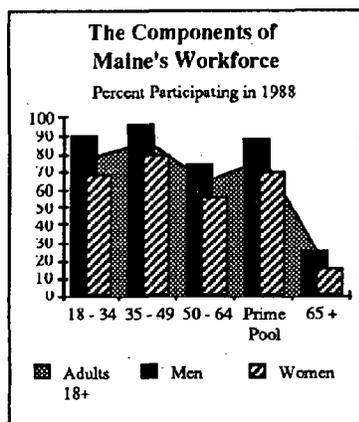


Figure 74

Most age groups in Maine appear to be working at or near their maximum levels, except for the 50 to 64 year old age group in which early retirements have pulled people out of the workforce. Limits on future growth in the Maine labor force may become apparent in the 1990s.

Source: Northeast Research, Inc.

negative social impact of their having dropped out of school. While the Commission developed no new information on the participation rate of 15 to 17 year olds — just under half worked in 1985 — the overall size of this group will reach a long term low in 1990 and will climb only slowly through the following 15 years to the numbers that existed in the mid-1980s.

### Labor Demand

Whether the lessening in the historical slack in Maine's labor supply will result in labor shortages or constraints on economic growth in the future will depend as well on the levels of demand for labor that emerge in the coming twenty years. A key trend determining labor demand will be the future performance of Maine's economy.

Maine in the 1980s has reached a new level of economic prosperity, unmatched since the middle of the 19th Century. While this prosperity is certainly influenced by the presence of fortuitous circumstances like the hot real estate markets of the mid 1980s, its foundation appears to be a fundamental restructuring of the state's manufacturing sector.

The role of manufacturing in generating just under one-third of all economic activity in Maine is almost unchanged since 1969, but the kinds of products Maine produces are undergoing a historic shift. By the early 1990s, most of the state's manufacturing jobs will be in the durable goods industries — electronic equipment and fabricated metal products, for example — and a shrinking share will be in the traditional nondurables sector that created Maine's past reputation as shoemaker, weaver and papermaker to the nation.

As the 1980s began, only two manufacturing jobs in five were in the durables sector; by the end of the decade, the ratio had become nearly one in two. At the end of the century, the transfor-

mation of Maine's manufacturing economy will have come nearly full circle, with the durables sector contributing nearly three manufacturing jobs in five — an almost complete reversal of the situation in 1980.

Maine's economy has also become more diversified in the past twenty years as the mill town syndrome of single large employers has been replaced by a growing mix of light industry, of business services tapping a regional market, and of consumer services that have expanded to meet the demand created under the new regime of prosperity.

Since 1982, Maine has maintained a lower unemployment rate than the nation for the first time in a generation. During the same period, personal income has increased faster in Maine than in the nation for the first time in fifty years. More than 100,000 new jobs were created in Maine between 1980 and 1988, a 35 percent annual increase over the previous decade.

Maine in the 1980s has joined the New England region in the difficult process of industrial restructuring in the face of new global competition in manufacturing and the emerging dominance of the service sector in the domestic economy. During the 1970s, this regional process translated into the nation's highest rates of unemployment and worker dislocation as wave after wave of shoe, textile and durable goods manufacturers succumbed to the pressures of high unit costs for energy and intense market competition from lower cost imported products.

Yet by 1983, following the devastating impact of two severe recessions, most of New England's marginal production capacity had been eliminated, leaving the surviving economy among the nation's best prepared for the period of sustained growth that has characterized the remainder of the decade. This paradoxical process — what the economist Joseph Schumpeter called the "creative destruction" at the heart of the capitalist system — is now taking place throughout the American economy as obsolete producers go under and free up the resources they controlled for new uses.

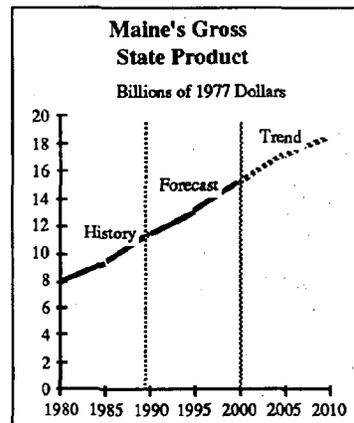
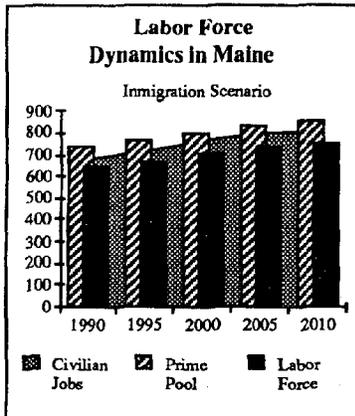


Figure 75

**The restructured Maine economy of the 1980s is projected to continue on a moderate growth path through the turn of the century, generating new jobs faster than the internal population is adding people.**

*Source: Maine Simulation and Forecasting Model*



**Figure 76**

**Labor markets are likely to be tight in Maine in the 1990s but improvements in participation rates and productivity could be sufficient to preserve the market balance.**

*Source: Maine Simulation and Forecasting Model*

The New England economies — perhaps the hardest hit in the 1970s — were the first to emerge from the 1982 recession. The strong performance that has followed reflects the region's lead position. By 1985-86, the generalized regional prosperity had reached Maine from southern New England, generating a surge in job creation in the state that is pushing Maine's share of all private nonfarm jobs in the U.S. from a range around 0.48 percent that characterized the 1970-1985 period to a range around 0.52 percent at the end of the 1980s. In terms of the internal strength of the Maine economy and its competitive position relative to the rest of the nation, the potential exists for this stronger employment share to be preserved for the next twenty years. While this gain on the nation of roughly one twentieth of one percent appears small in percentage terms, it represents in actuality the creation of nearly a quarter of a million jobs in Maine in the past 15 years, with the sharpest gains experienced since 1985. The tight labor markets of the late 1980s are directly related to this substantial and accelerating level of job creation.

Yet this very front-running status invites new domestic competition from imitators in the private sector and from economic developers in the public sector who face a shorter and less costly learning curve that benefits from the New England experience. As other regions of the country begin to reproduce the New England performance of the 1980s, Maine's and the region's share of all U.S. jobs may return to more long term historical levels.

Maine's job creation potential — particularly through the 1990s — may well exceed the potential for growth in the labor force, except under the optimistic assumption that immigration will increase from present levels by about 40 percent. The potential shortfall of labor is particularly acute among Maine's youngest workers, those 18 to 24 who typically fill newly created jobs at the entry level. This age group is projected to experience an absolute decline through 2010 of 19,000 persons, a drop of nearly 14 percent. This loss, occurring in a strategic component of the labor force, can be expected to exacerbate whatever tight conditions do emerge in the labor market through the coming years.

Maine's economy has the potential to double over 1985 levels by the year 2010, as measured either by the real dollar value of output or by the broader measure of real Gross Regional Product. Employment gains associated with this level of growth could be on the order of nearly a quarter-million jobs through the same period — an increase of nearly 40 percent. Growth in the labor force, however, through the same period is likely to be closer to 20 percent. The key to continued economic growth without continued job growth will be the rate of technology adoption and productivity improvement achieved by Maine employers. Maine's manufacturing sector has improved productivity on a par with the rest of the nation during the 1980s. During the 1990s, the challenge of improving productivity will confront the service sector, which has absorbed successive waves of women, baby boomers and dislocated industrial workers but has not yet faced a serious economic challenge from global competition or from human resource limits.

The increasing role of technology in the workplace represents the uncertainty factor in the future demand for labor in Maine. Technology typically moderates the demand for labor as machines are substituted for human employees. This effect is visible in the recent performance of a number of Maine's manufacturing industries, but is nowhere more visible than in the performance of the paper industry in which the trends in investment, employment and output are clear to even casual observation. Industry modernization has absorbed more than a billion dollars in new investment in the 1980s and about \$3.5-billion since World War II. Through more than four decades, the number of jobs in the paper industry has rarely varied from a range of 17,000 to 18,000, while output has increased steadily since 1970 at a rate of about three percent per year. In the coming twenty years, the industry is projected to achieve similar production gains with even fewer workers and paper industry employment is projected to drop by nearly 4,000 jobs through 2010.

The difficulty with projecting an overall decline in employment as jobs are automated, however, stems from two countervailing effects that may also follow technology investment. In a study of the employment effects of technology investment on a regional

economy, the Federal Reserve Bank of Kansas City found that the direct job losses arising from automation in some industries tend to be offset by job growth in other industries. The net effect, therefore, may be neutral in terms of overall employment, although the industries experiencing job creation may be located at a distance from those experiencing losses, may require different skills than those possessed by the workers displaced by automation, or may pay substantially lower wages than did the jobs that were lost. A more positive result was identified in a Japanese Labor Ministry study, which found that one-half of the firms that automated production ended by *adding* new jobs to keep up with increased orders and expanding market shares.

Whether the demand for labor increases or decreases in response to future investments in technology in Maine, then, would appear to depend on how well Maine firms compete in the global economy of the future. Investment in technology allows productivity to improve and can enhance a firm's competitive position. The result may be a loss in jobs if the firm's management uses its improved position simply to hold on to its existing markets, or job gains if management responds aggressively to the new opportunity. Failure to invest in new technology, however, would appear to guarantee both job and business losses as firms lose their ability to compete in a changing marketplace.

Technology may hold an additional benefit on the supply side of the labor market as well by expanding the pool of potentially productive workers to include those with limited skills, with physical handicaps and those who may be home-bound through family responsibilities or lack of mobility. While the expansion of home work opportunities has been most evident for high-level knowledge workers capable of "telecommuting" via computer linkages with markets anywhere in the world, the expansion of production-based cottage industries and piece work opportunities has also been evident in Maine in the 1980s. With the exception of the expanding use of TTY systems to provide telecommunications access to the hearing impaired, the adoption of specialized technology that expands the opportunities for Maine's 68,000 handicapped population has not been particularly evident in the state. Nevertheless, substantial gains are being made nationally in the field of enabling technologies, which will certainly begin to impact Maine as these products move from the innovation stage into broader markets.

## CONCLUSION

# THE DIRECTION OF CHANGE

The demographic, economic and attitudinal trends identified in this paper do not determine the shape of Maine's future but they do contribute strongly to the direction of change. They can be altered or overcome but only with conscious effort and considerable difficulty. For trends that are long established, the effort required for change will often be extreme and will be made at substantial risk of failure. For trends that are now emerging, action taken quickly will require the least cost and offer the greatest chance of success. Thus, effective action in shaping the future of Maine will require the careful concentration of effort, resources and political will on the limited number of options that offer the greatest opportunity or hold the greatest threat *and* that provide the greatest reasonable chance of success.

Four trends appear to be compelling, both as the inevitable results of changes now taking place and as the driving forces for additional change in the future.

- o **Slower growth** was built into Maine's future nearly thirty years ago when fertility rates began to decline after the great surge in birth rates that followed World War II. The slowdown will give the state the opportunity to adjust to the rapid changes of the past two decades and to plan for the physical direction of future development and for the preservation of the state's resources. But immigration will become increasingly important to the state's future growth, its character and its vitality. Maine will become more dependent on an imported labor force and will have to compete with other states to attract young workers. And in time the non-native share of the population may climb from 30 to 40 percent.
- o **An aging population** will stabilize society and strengthen its basic institutions. Leisure time and spending will climb; prosperity will increase at the household level. Medical expenses will climb toward a coming explosion of demand pressure and costs; medical technology and scientific advance are likely to be stimulated into a period of rapid achievement. Health insurance and pension access will continue to

rise on the public agenda. Labor markets will tighten but school populations will stabilize, bringing comprehensive education reform within financial and logistic reach. But school constituencies will decline and budget fights become tougher. Recreational, cultural and educational opportunities for children will become scarcer at the community level, and with them, children's quality of life.

- o **Metropolitanization** will change southern Maine, as the region absorbs most of what growth is still to come. A critical mass of population and economic activity will trigger self-sustaining urban development, but will also bring crowding, congestion, fractured communities, recreational resource losses and a regional immigrant majority. Extensive suburbanization will keep pressure on the region's villages and towns fostering rising infrastructure costs and property taxes. Urban employment centers and suburban growth centers will forge regional revenue solutions as their common interest emerges. Steady growth will flow up the I-95 Corridor as southern prosperity expands to the north but urbanization will be localized. Commuting and traffic will continue to grow but, without an early consensus to boost highway spending, congestion will increase. Rural preservation will gain political support, but land posting will become increasingly common.
  
- o **The dominance of the baby boom** and the immigrant population will push income and educational levels higher and will raise the level of trust in government. Resistance to growth and change will erode, but sharp divisions will emerge over access, development, urbanization and land use controls. Policy will be directed toward a real balance between the economy and the environment; tradeoffs will be rejected in the search for "sustainable growth." Constraints on bureaucratic expansion will ease but government activism will remain a source of political difference; broad rhetoric will be tested against effectiveness and accountability. Elderly entitlements will be expanded; schools will gain status; women will fully participate in public and economic life.

In addition to these major trends, others lie parallel to or flow from them. A period of relative calm is coming to Maine, arising in the combination of social stability in the aging population and of

prosperity in the continued strength of the restructured state and regional economies; in the more balanced development of slower growth and in the more balanced distribution of opportunity in tight labor markets.

Coincidental with the period of calm and prosperity, a resurgence of the classic suburban lifestyle — home and family centered — is emerging among immigrants and young adults. These accoutrements of the Fifties, however, will not bring the return of the full-time homemaker as well. Beyond the two incomes that will be needed to sustain a neosuburban lifestyle, the young mothers of the Nineties will expect the same career achievements as do their husbands, and in the tight labor markets of the future they will get them. Western Maine and The County are off the growth path for this suburban lifestyle; southern Maine, the I-95 Corridor and the coast east of Bath are likely to absorb what will come.

Despite the general slowdown in population growth, housing growth will only slow by about half as much. Real estate markets will accordingly experience a correction in the early 1990s, ratcheting down to a more moderate pace of price and volume growth, but the land and housing booms of the 1980s are not yet over. Yet Mainers of all ages and immigrants as well remain ambivalent about growth management and seem to view existing legislation as an experiment. There is a growing constituency for rural preservation, but a suspicion that growth management could hold prosperity hostage. If continued development at a slower pace allows towns to meet these two objectives, the “experiment” may be judged a success.

Increasing numbers of the very old — the population over age 80 will double — and the tripling of total household spending on health care — in part from rising costs and in part from the aging of householders — will keep the medical and geriatric care systems near the top of the political agenda. But this attention and the increased flow of private as well as public money into those systems will help the entire society prepare for the final stage of the baby boom as it grows into advanced age three decades into the coming century. Even though the emerging population over age 80 will be small in comparison to that long term future event, its doubling will strain the existing system and force investment now and reveal lessons for the future. Similarly, the demand on retirees by labor-hungry employers may, by pioneering the extension of the normal working life, ease the rollback of the retirement age to 70 before the flood of baby boomers begins to draw down pension and Social Security funds.

But neither the elderly, nor the mothers of young children, will ease the coming pressure on labor markets in the 1990s. Employers will turn increasingly to productivity enhancement to moderate their need for labor, stimulating technology investment and turning public attention and funding to technology assessment and transfer programs to speed the pace of adoption in a state unused to capital-intensive production. The service sector, its rapid growth to dominance force fed on seemingly unlimited labor supplies, will face the challenge of productivity improvement and constraints on labor supplies. For

workers, the future holds higher wages and the democratization of jobs and skills, with higher levels of educational attainment the price of admission.

At home, those higher wages will be absorbed by already high-priced houses, high-priced cars and high-priced fuel. For the young, health insurance premiums will continue higher; for the old, direct care will cost more. In an increasingly "uplinked" society, telecommunications costs will rise as well. For the poor, for the elderly and for single parents, who spend the largest shares of their budgets on the necessities of life, the rising costs of traditional and emerging necessities promises new trials. The single elderly are often linked to the world by telephone and risk increasing isolation as their costs of communication rise. The elderly in general and single parents tend to balance their budgets by limiting transportation in quantity or quality and risk increasing loss of mobility when their incomes fall behind the pace of economic expansion. But other necessities — food and clothing — will become cheaper in the future generating needed slack in the budgets of the poor and freeing discretionary income in the budgets of the more prosperous.

That new discretionary income will be spent most often on recreation and entertainment, often at home but increasingly in travel. But the emerging travel mode will be concentrated — shorter, more frequent, more intense. Annual vacations are giving way to long seasonal weekends and spending is on the rise. Recreational spending by Maine households will triple through the coming decades, and much of that spending will be committed in their home state. A similar increase will be experienced in the higher income households of neighboring states, but much of that spending will will be brought to Maine. The labor shortages already evident in this service industry will remain a concern but increasing prosperity in the tourism industry may push low wage levels higher to stabilize labor supplies. But the increasing pressure on Maine's roads and resources will keep recreational development high on the public agenda.

### **The Emerging Opportunity**

The demographic picture that emerges for the future of Maine is one of a ten to fifteen year period of relative stability in Maine society when compared to the rapid growth period the preceded it and to the period of intensive demands on institutions, programs and services that will follow. This period is likely to begin sometime in the mid 1990s and will close around again the year 2010 when the baby boom begins to reach retirement age.

This period of demographic calm is likely to be marked (1) by greater stability in households, reflected in slower job and housing turnover and by higher (relative) incomes and assets, (2) by greater stability in society, reflected in lower rates of criminal activity, highway accidents and substance abuse, and (3) by greater availability of leisure time. The economy is likely to benefit from the greater productivity of more experienced workers; civic life is likely to benefit from higher levels of citizen participation.

The period is also likely to be marked by greater balance in overall growth and a broader distribution of economic prosperity. A number of trends come together to support these expectations.

- o A basic trend is the greater diversification of the Maine economy, which produces a much wider range of goods and services today than it did in the past. This means the economy is better able to withstand recessions and is more resilient in the face of catastrophic changes in individual industrial sectors. The Maine economy is also adding value more rapidly and efficiently than it did in the past, bringing a larger share of the national pool of wealth into the state. Finally, the location as well as the content of Maine's economy is becoming more diversified as well. The prosperity that has marked the southern Maine economy since the early 1980s has begun to spread up the I-95 Corridor to Lewiston-Auburn, Augusta-Waterville and Bangor in the late Eighties as businesses are formed or relocate near the land and labor pools more readily available in these cities.
- o A second basic trend is the contraction in the population of the state between the ages of 18 and 34 — the age group which provides entry level labor for the jobs created by a prosperous economy. This group will decline by 50,000 persons between 1986 and 2010, leading employers to turn increasingly to populations who have been neglected in the past and whom prosperity has consequently passed by.
- o The same group — those 18 to 34 — also form the core market for housing development and the decline in their numbers will amplify the effects of an overall slowdown in population growth in easing the pressure on land use, housing markets and public infrastructures that has so severely unbalanced life in Maine during the 1980s. It is difficult to say whether housing will become more affordable; it is likely that housing will become more available and that development will proceed in the future in a more orderly fashion.

In contrast with this period of calm — of social and household stability, relative (and perhaps absolute) prosperity and the greater balance of steady, moderate growth — the pressure of the young baby boom in the previous era forced disruptive public investment in schools, roads, prisons, police, recreation, welfare, housing, waste disposal and other infrastructure at a rapid and reactive pace. Similarly, the pressure of the elderly baby boom in the subsequent era will trigger a new round of investment in pension fund bailouts, health care facilities, elderly housing, nursing homes and public transit systems at a pace that will be more predictable but no less rapid.

The opportunity offered by this demographic window, therefore, is both temporary and critical to the state's ability to plan for the long term and to invest strategically in the human and capital resources that will allow us to get out in front of events and to stay there. This demographic stability is particularly crucial because it coincides with a period of economic and technological transition as fundamental as the adoption of steam power, railroads, electrification and the automobile. The challenge posed by this transition — to a global economy driven by computerized tools and information at the instantaneous speed of telecommunications — will bring sufficient turmoil even to a society that is not overrun by runaway development or burgeoning human needs.

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The Commission on Maine's Future was established by the Maine Legislature in 1987 to "recommend a desirable and feasible description of the state's future," under bipartisan legislation originated by Senate President Charles P. Pray and cosponsored by Speaker of the House John L. Martin, Sen. Thomas R. Perkins and Rep. Donnell Carroll. Forty members were appointed by the Governor, President of the Senate and Speaker of the House to represent diverse viewpoints, backgrounds and regions of the state. The Commission's publications program is one part of a coordinated response to our legislative mandate. Reports in the series explore various aspects of Maine and its future and are intended to provide useful information, to provoke discussion and disseminate the Commission's findings as broadly as possible to the people of Maine.

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**DATA TABLES**

**TABLE 1  
THE MAINE POPULATION**

**Three Growth Scenarios**

History and Projections  
1950 - 2010

	<b>Census Scenario</b>	<b>Immigration Scenario</b>	<b>Prosperity Scenario</b>
<b>TOTAL POPULATION</b>			
1950	914,000	914,000	914,000
1960	969,000	969,000	969,000
1970	1,034,000	1,034,000	1,034,000
1980	1,125,000	1,125,000	1,125,000
1990	1,213,000	1,213,000	1,219,000
2000	1,271,000	1,290,000	1,310,000
2010	1,308,000	1,346,000	1,369,000

<b>POPULATION CHANGE</b>			
1950 - 1960	55,000	55,000	55,000
1960 - 1970	65,000	65,000	65,000
1970 - 1980	91,000	91,000	91,000
1980 - 1990	88,000	88,000	94,000
1990 - 2000	58,000	77,000	91,000
2000 - 2010	37,000	56,000	59,000

<b>GROWTH RATE</b>			
1950 - 1960	6.02%	6.02%	6.02%
1960 - 1970	6.71%	6.71%	6.71%
1970 - 1980	8.80%	8.80%	8.80%
1980 - 1990	7.82%	7.82%	8.36%
1990 - 2000	4.78%	6.35%	7.47%
2000 - 2010	2.91%	4.34%	4.50%

**TABLE 2  
GROWTH AND MIGRATION**

History and Projections  
1960 - 2010

**Census Scenario  
Declining Immigration**

	1960-70	1970-80	1980-90	1990-00	2000-10
Natural Increase	93,000	56,000	51,000	41,000	20,000
Net Migration	-28,000	35,000	37,000	16,000	17,000
Net Change	65,000	91,000	88,000	57,000	37,000

**Inmigration Scenario  
Constant Immigration**

	1960-70	1970-80	1980-90	1990-00	2000-10
Natural Increase	93,000	56,000	51,000	41,000	20,000
Net Migration	-28,000	35,000	37,000	36,000	36,000
Net Change	65,000	91,000	88,000	77,000	56,000

**Prosperity Scenario  
Increasing Immigration**

	1960-70	1970-80	1980-90	1990-00	2000-10
Natural Increase	93,000	56,000	51,000	41,000	20,000
Net Migration	-28,000	35,000	43,000	50,000	39,000
Net Change	65,000	91,000	94,000	91,000	59,000

**TABLE 3**  
**THE MAINE POPULATION BY HOUSEHOLD**

History and Projections  
1960 - 2010

**Census Scenario**

	Total Population	Population in Households	Total Households	Persons per Household
1960	969,000	936,000	280,000	3.34
1980	1,125,000	1,088,000	395,000	2.75
1990	1,213,000	1,173,000	461,000	2.55
2000	1,271,000	1,229,000	519,000	2.37
2010	1,308,000	1,265,000	561,000	2.26

**Inmigration Scenario**

	Total Population	Population in Households	Total Households	Persons per Household
1960	969,000	936,000	280,000	3.34
1980	1,125,000	1,088,000	395,000	2.75
1990	1,213,000	1,173,000	461,000	2.55
2000	1,290,000	1,247,000	527,000	2.37
2010	1,346,000	1,302,000	577,000	2.26

**Prosperity Scenario**

	Total Population	Population in Households	Total Households	Persons per Household
1960	969,000	936,000	280,000	3.34
1980	1,125,000	1,088,000	395,000	2.75
1990	1,219,000	1,179,000	463,000	2.55
2000	1,310,000	1,267,000	535,000	2.37
2010	1,369,000	1,324,000	587,000	2.26

**TABLE 4**  
**HOUSEHOLDS AND HOUSING**

History and Projections  
1960 - 2010

**Census Scenario**

	Housing Units	Total Households	Units per Household
1960	304,000	280,000	1.0857
1980	427,000	395,000	1.0821
1985	457,000	431,000	1.0603
1986	467,000	434,000	1.0765
1987	477,000	441,000	1.0822
1990	499,000	461,000	1.0822
2000	562,000	519,000	1.0829
2010	607,000	561,000	1.0829

**Immigration Scenario**

	Housing Units	Total Households	Units per Household
1960	304,000	280,000	1.0857
1980	427,000	395,000	1.0821
1985	457,000	431,000	1.0603
1986	467,000	434,000	1.0765
1987	477,000	441,000	1.0822
1990	499,000	461,000	1.0822
2000	571,000	527,000	1.0829
2010	625,000	577,000	1.0829

**Prosperity Scenario**

	Housing Units	Total Households	Units per Household
1960	304,000	280,000	1.0857
1980	427,000	395,000	1.0821
1985	457,000	431,000	1.0603
1986	467,000	434,000	1.0765
1987	477,000	441,000	1.0822
1990	501,000	463,000	1.0822
2000	579,000	535,000	1.0829
2010	636,000	587,000	1.0829

Table 5A  
**COUNTY POPULATIONS**

1980 with Projections to 2010

**CENSUS SCENARIO**

	1980	1990	2000	2010
Southern	385000	433000	458000	473000
York	140000	170000	183000	193000
Cumberland	216000	232000	243000	247000
Sagadahoc	29000	31000	32000	33000
Central	214000	234000	251000	264000
Kennebec	110000	115000	121000	123000
Somerset	45000	49000	52000	55000
Lincoln	26000	33000	37000	42000
Knox	33000	37000	41000	44000
Eastern	260000	275000	289000	300000
Penobscot	137000	142000	145000	147000
Piscataquis	18000	19000	20000	22000
Waldo	28000	31000	34000	36000
Hancock	42000	48000	55000	61000
Washington	35000	35000	35000	34000
Western	176000	185000	193000	197000
Androscoggin	100000	103000	105000	106000
Oxford	49000	52000	54000	56000
Franklin	27000	30000	34000	35000
Northern	91000	86000	81000	75000
Aroostook	91000	86000	81000	75000

Table 5B  
**COUNTY POPULATIONS**

1980 with Projections to 2010

**INMIGRATION SCENARIO**

	1980	1990	2000	2010
Southern	385000	433000	460900	482000
York	140000	170000	184500	199400
Cumberland	216000	232000	244100	249000
Sagadahoc	29000	31000	32300	33600
Central	214000	234000	252500	266600
Kennebec	110000	115000	121000	123000
Somerset	45000	49000	52300	55500
Lincoln	26000	33000	37700	43200
Knox	33000	37000	41500	44900
Eastern	260000	275000	290100	303800
Penobscot	137000	142000	145400	147800
Piscataquis	18000	19000	20300	22500
Waldo	28000	31000	34500	36900
Hancock	42000	48000	55900	62600
Washington	35000	35000	34000	34000
Western	176000	185000	193300	197500
Androscoggin	100000	103000	105000	106000
Oxford	49000	52000	54100	56200
Franklin	27000	30000	34200	35300
Northern	91000	86000	81000	75000
Aroostook	91000	86000	81000	75000

Table 5C  
**COUNTY POPULATIONS**

1980 with Projections to 2010

**PROSPERITY SCENARIO**

	1980	1990	2000	2010
Southern	385000	436500	473200	485800
York	140000	172500	196100	202000
Cumberland	216000	232800	243800	249900
Sagadahoc	29000	31200	33300	33900
Central	214000	235100	256500	267800
Kennebec	110000	115000	121000	123000
Somerset	45000	49200	53000	55700
Lincoln	26000	33500	39600	43800
Knox	33000	37400	42900	45300
Eastern	260000	276500	296700	305300
Penobscot	137000	142300	146600	148100
Piscataquis	18000	19200	21000	22700
Waldo	28000	31400	35900	37300
Hancock	42000	48600	58200	63200
Washington	35000	35000	35000	34000
Western	176000	185200	193900	197600
Androscoggin	100000	103000	105000	106000
Oxford	49000	52100	54300	56200
Franklin	27000	30100	34600	35400
Northern	91000	86000	81000	75000
Aroostook	91000	86000	81000	75000

TABLE 6A  
HOUSING GROWTH

Total Additions by County

1980 to 2010

Census Scenario

	History 1980 - 1987	Projection 1988 - 2010	Total 1980 - 2010
<b>Statewide</b>	<b>49,313</b>	<b>130,013</b>	<b>179,326</b>
Southern	24,122	63,596	87,718
York	11,325	29,861	41,186
Cumberland	10,973	28,925	39,898
Sagadahoc	1,824	4,810	6,634
Central	7,830	20,644	28,474
Kennebec	3,868	10,192	14,060
Somerset	1,024	2,704	3,728
Lincoln	1,472	3,887	5,359
Knox	1,466	3,861	5,327
Eastern	9,795	25,818	35,613
Penobscot	5,631	14,846	20,477
Piscataquis	421	1,105	1,526
Waldo	1,116	2,938	4,054
Hancock	2,020	5,330	7,350
Washington	607	1,599	2,206
Western	5,929	15,639	21,568
Androscoggin	3,032	7,995	11,027
Oxford	1,906	5,031	6,937
Franklin	991	2,613	3,604
Northern	1,637	4,316	5,953
Aroostook	1,637	4,316	5,953

*Note: Includes new units only;*

*Includes single, multi-family, manufactured, seasonal and unoccupied units*

TABLE 6B  
ANNUAL HOUSING GROWTH

Annual Additions by County

1980 to 2010

Census Scenario

	Annual Rate 1980 - 1987	Annual Rate 1988 - 2010
<b>Statewide</b>	<b>7,045</b>	<b>5,653</b>
Southern	3,446	2,765
York	1,618	1,298
Cumberland	1,568	1,258
Sagadahoc	261	209
Central	1,119	898
Kennebec	553	443
Somerset	146	118
Lincoln	210	169
Knox	209	168
Eastern	1,399	1,123
Penobscot	804	645
Piscataquis	60	48
Waldo	159	128
Hancock	289	232
Washington	87	70
Western	847	681
Androscoggin	433	348
Oxford	272	219
Franklin	142	114
Northern	234	188
Aroostook	234	188

*Note: Includes new units only;*

*Includes single, multi-family, manufactured, seasonal and unoccupied units*

**TABLE 7  
THE MAINE POPULATION**

1986 and 2000

Census Scenario

Age Cohort	1986 Population	1986-2010 Change	2010 Population
85 & +	17,000	15,000	32,000
80 - 84	20,000	5,000	25,000
75 - 79	30,000	2,000	32,000
70 - 74	40,000	0	40,000
65 - 69	49,000	7,000	56,000
60 - 64	53,000	25,000	78,000
55 - 59	56,000	36,000	92,000
50 - 54	53,000	50,000	103,000
45 - 49	56,000	51,000	107,000
40 - 44	69,000	25,000	94,000
35 - 39	93,000	-10,000	83,000
30 - 34	96,000	-16,000	80,000
25 - 29	100,000	-18,000	82,000
20 - 24	100,000	-16,000	84,000
18 - 19	38,000	-3,000	35,000
15 - 17	56,000	-2,000	54,000
10 - 14	82,000	1,000	83,000
5 - 9	81,000	-5,000	76,000
0 - 4	82,000	-9,000	73,000
<b>Total</b>	<b>1,171,000</b>	<b>138,000</b>	<b>1,308,000</b>

*Note: Cohort populations do not sum to projected total due to rounding*

**TABLE 8  
THE MAINE POPULATION**

**Projected Change  
1986 - 2010**

Census Scenario

Age Cohort	1986 - 1990 Change	1990 - 1995 Change	1995 - 2000 Change	2000 - 2005 Change	2005 - 2010 Change
85 & +	3,000	3,000	3,000	3,000	3,000
80 - 84	1,000	2,000	1,000	2,000	-1,000
75 - 79	2,000	2,000	1,000	-1,000	-2,000
70 - 74	2,000	1,000	-1,000	-3,000	1,000
65 - 69	1,000	-1,000	-4,000	1,000	10,000
60 - 64	0	-4,000	1,000	10,000	18,000
55 - 59	-4,000	1,000	11,000	19,000	9,000
50 - 54	2,000	11,000	20,000	9,000	8,000
45 - 49	11,000	20,000	9,000	8,000	3,000
40 - 44	19,000	9,000	8,000	4,000	-15,000
35 - 39	4,000	8,000	4,000	-15,000	-11,000
30 - 34	7,000	5,000	-15,000	-11,000	-2,000
25 - 29	4,000	-15,000	-11,000	-2,000	6,000
20 - 24	-12,000	-11,000	-2,000	6,000	3,000
18 - 19	-2,000	-5,000	3,000	1,000	0
15 - 17	-9,000	2,000	3,000	3,000	-3,000
10 - 14	1,000	6,000	4,000	-4,000	-6,000
5 - 9	5,000	4,000	-3,000	-7,000	-4,000
0 - 4	5,000	-3,000	-4,000	-4,000	1,000
<b>Total Change</b>	<b>42,000</b>	<b>35,000</b>	<b>24,000</b>	<b>19,000</b>	<b>18,000</b>

**TABLE 9A  
MAINE HOUSEHOLDS**

**Population**

History and Projections  
1980 and 2005

<b>Household Type</b>	<b>1980 Number of Households</b>	<b>2005 Number of Households</b>
<b>Single</b>	<b>45,226</b>	<b>60,430</b>
15-34	19,465	18,880
35-64	25,761	41,550
<b>Elderly</b>	<b>87,121</b>	<b>121,400</b>
Single	48,648	67,950
Couples	38,473	53,450
<b>Couples</b>	<b>214,572</b>	<b>285,610</b>
No Children	66,293	93,760
Preschoolers	56,743	60,750
K-12 Children	74,155	103,150
Children ≥17	17,381	27,950
<b>Single Parent</b>	<b>43,878</b>	<b>53,550</b>

**TABLE 9B  
MAINE HOUSEHOLDS**

**Structure**

History and Projections  
1980 and 2005

<b>Household Type</b>	<b>1980 Percent of all Households</b>	<b>2005 Percent of all Households</b>
<b>Single</b>	<b>11.6%</b>	<b>11.3%</b>
15-34	5.0%	3.5%
35-64	6.6%	7.8%
<b>Elderly</b>	<b>22.3%</b>	<b>22.8%</b>
Single	12.5%	12.7%
Couples	9.9%	10.0%
<b>Couples</b>	<b>54.9%</b>	<b>53.6%</b>
No Children	17.0%	17.6%
Preschoolers	14.5%	11.4%
K-12 Children	19.0%	19.3%
Children >17	4.5%	5.2%
<b>Single Parent</b>	<b>11.2%</b>	<b>10.0%</b>

**TABLE 9C  
MAINE HOUSEHOLDS**

**Income**

History and Projections  
1980 and 2005

Household Type	1980 Average Disposable Income	2005 Average Disposable Income
<b>Single</b>	<b>9,702</b>	<b>16,924</b>
15-34	9,476	16,450
35-64	9,872	17,140
<b>Elderly</b>	<b>10,382</b>	<b>18,018</b>
Single	8,500	14,760
Couples	12,762	22,160
<b>Couples</b>	<b>20,347</b>	<b>35,718</b>
No Children	22,275	38,675
Preschoolers	17,334	30,100
K-12 Children	20,517	35,620
Children >17	22,099	38,370
<b>Single Parent</b>	<b>11,541</b>	<b>20,040</b>

