



5 Facts to Remember about Unemployment and Jobs in Maine

While Maine's unemployment rate has fallen substantially in recent months, our state's recovery from the recession is nowhere near complete. More than four-and-a-half years since the official end of the Great Recession, the drop in unemployment- to 6.4% in November from 7% in August -is encouraging news. But the monthly unemployment rate has significant limitations as a measure of the labor market's health and is only one of many important indicators. The bottom line is that over 100,000 unemployed and part-time workers can't find the employment they need, poverty is rising, wages for typical families remain depressed, and their prospects for economic opportunity and prosperity are uncertain.



On the eve of tomorrow's release of monthly state unemployment figures from the Bureau of Labor Statistics, here are five facts we encourage the media to keep in mind as they cover this story.

1. Maine's improvement in the unemployment rate ranks in the middle of the pack among states.

After peaking at 8.4% in 2010, Maine's return to the pre-recession unemployment rate of 4.5% is only halfway complete, ranking 27th among states.

2. A more comprehensive measure of unemployment shows less progress.

Since the unemployment rate only counts workers who are in the labor force-employed part-time or full-time or unemployed but actively searching for work-it paints an incomplete picture. Most important, approximately 42,600 part-time workers want more work but can't find it. These workers represent 6.5% of the state's employed population, which is 6th highest in the nation. Since 2009, Maine's growth in the ranks of "involuntary" part-time workers ranks 3rd in the nation. In addition, Maine currently has 9,400 workers who have stopped looking for work and don't show up in the official unemployment count.

Maine's "[U6" unemployment rate](#), which includes those with part-time jobs who want more work and can't find it and unemployed workers who have recently stopped looking for work, is 14.1%, which ranks 39th among states. After peaking at 15.6% in the second half of 2010 and first half of 2011, Maine's return to the pre-recession rate of 8.5% is only 21% complete, which ranks 44th in the nation.

3. Older Mainers are driving the state's employment recovery.

From 2010 to 2012, the employment rate for Maine adults in their prime working years (age 25-54) fell, while the US rate increased. Meanwhile, Maine's exceptionally large 55-and-older population is [increasingly likely to be employed or looking for work](#), driving Maine's overall increase in employment as a percent of population. In part, this is likely caused by many of Maine's older workers having very little savings and low incomes, requiring them to stay on the job well past their prime working years.

4. The statewide unemployment rate masks a large divide between urban and rural areas.

The unemployment rate in Maine's three metropolitan areas averaged 6.1% in the first 11 months of 2013, compared to a statewide average rate of 6.9%. The unemployment rate in Maine's seven highest-unemployment counties was 8.8% over the same period. Among states where unemployment is higher in rural areas than in urban areas, the difference in Maine is one of the largest in the nation.

5. By any measure, job growth in Maine is slow.

Maine has only recovered one-third of the jobs it lost as a result of the recession, which ranks 3rd-worst among states. After accounting for population growth, Maine has recovered only 15% of the jobs needed to get back to pre-recession levels, ranking 37th in the nation.

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