



State of Working Maine 2024

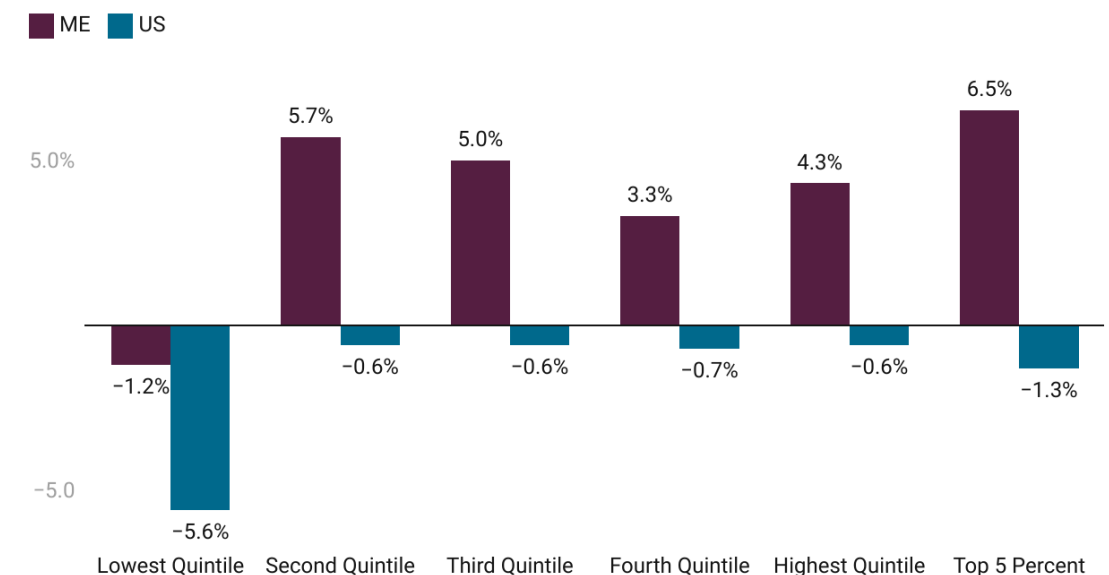
A strong economy — but continued hardship for many

October, 2024

A strong labor market for all Mainers

A strong labor market defines the post-pandemic economy. Workers are in demand across the United States as baby boomers retire from the workforce. This is especially true in Maine, which has the oldest population in the country. The pandemic also led to a mass reevaluation of employment, particularly for “essential workers” who endured dangerous conditions for relatively little pay. Consequently, employers have been offering higher wages to attract and retain workers and hiring a broader range of people who might have less experience or require more accommodations.

Changes in inflation-adjusted household income in Maine and the US



Wage growth has reduced inequality

Wage growth has generally been strong over the last five years, leading to robust income growth. For most Mainers, income growth has outpaced inflation since before the pandemic — on average, prices increased nationally by 19% between 2019 and 2023 — while median household income in Maine rose 25%. Maine stands out from the rest of the US, where inflation has slightly outpaced income growth for most households.

Maine wage growth by the numbers

For the typical Maine worker, wage growth outpaced inflation by 4% between 2019 and 2023

Since 2019, average weekly wages in Maine’s private sector increased 15% — but just 11% for state workers

Compared to the period before the pandemic, the unemployment rate has more than halved for both Black and Latino Mainers — but median earnings for Mainers of color are just 83% of white non-Hispanic Mainers

Between 2019 and 2023, real median earnings rose 0.8% for men working full-time and year-round in Maine, while rising 9% for women — but women’s wages were still just 85% of men’s



Read *State of Working Maine 2024* to learn more about the experiences of the Maine workers pictured. From left to right: Mary Kate O'Sullivan, nurse; Lori Eschholz, restaurant owner; Kevin Russell, state worker; Rebekah Koroski, state worker.

Key costs are still troubling Mainers

Despite this generally positive outlook, **rising costs continue to undermine Mainers across income levels**. Around 20% of Mainers in the households with the lowest incomes remain behind in real terms relative to 2019. This includes people who aren't able to work or people who haven't changed jobs or received significant raises in the past five years. Even for Mainers with higher incomes, key costs remain a burden:

- **Housing and food costs** have risen more than most in the past five years.
- **Health care costs** remain high, despite improved access to insurance.
- **Child and vulnerable adult care costs** are prohibitive, even as workers in these industries are severely underpaid — these costs not only cause economic pain to individuals and families, but they weaken the overall economy by restricting employment mobility, reducing children's academic success, and limiting participation in the workforce.

Policy solutions

State of Working Maine 2024 provides lawmakers with an overview of these issues and points to policies that can build on the labor market's success while tackling the rising costs many Maine families face.

Some of the ways lawmakers can help Mainers include:

- expanding access to affordable child care and health care
- strengthening safety net programs for people temporarily or permanently unable to work
- allowing more workers to receive minimum wage
- building more housing and continuing Maine's rental assistance program
- cracking down on corporate power

This fact sheet is based on a report by MECEP economic policy analyst James Myall. For the full report and citations, visit mecep.org/sowm2024.