

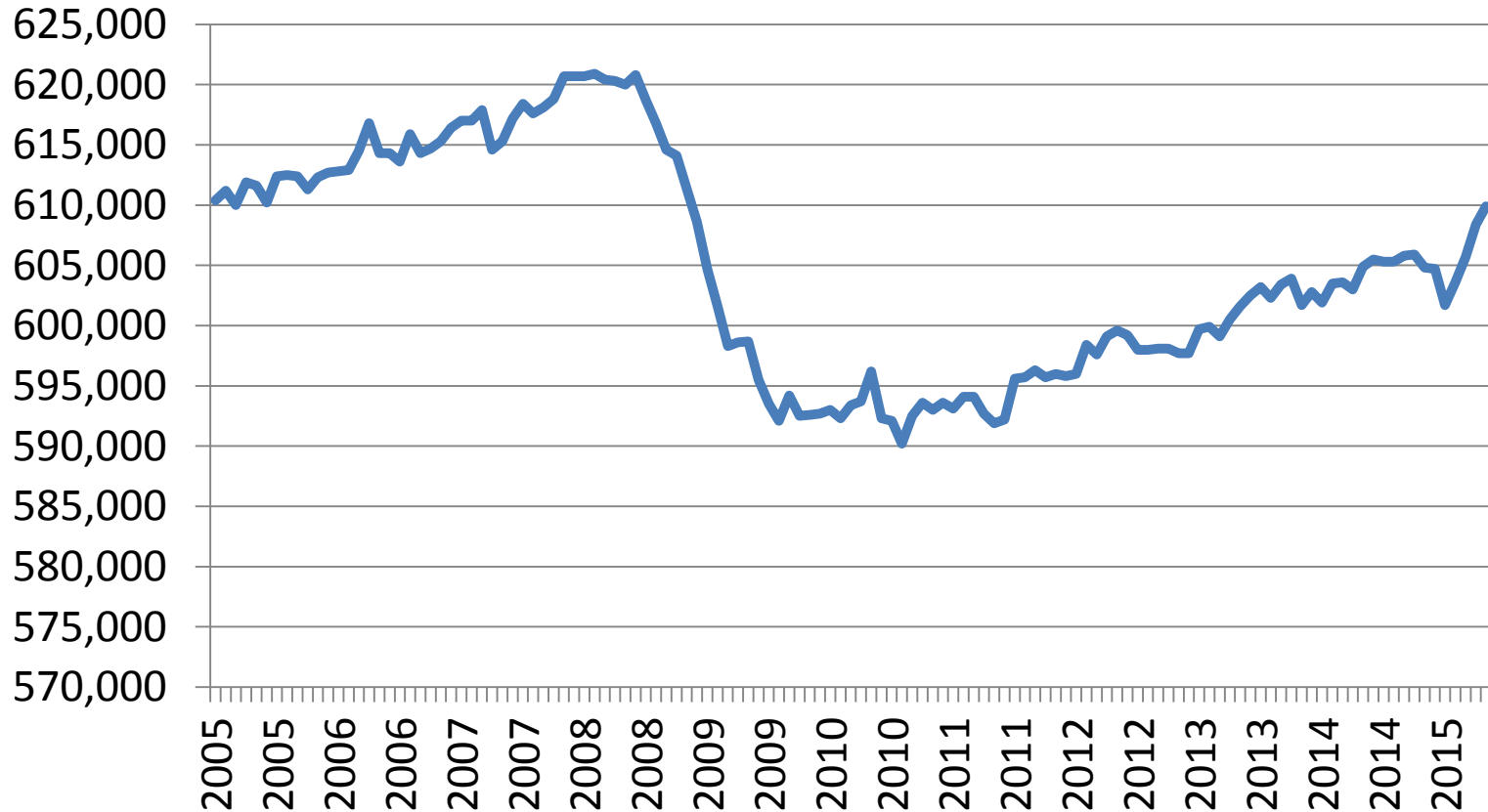
Economic Background to KVCC Strategic Plan

Charles S. Colgan
Director

Maine Center for Business & Economic Research
University of Southern Maine

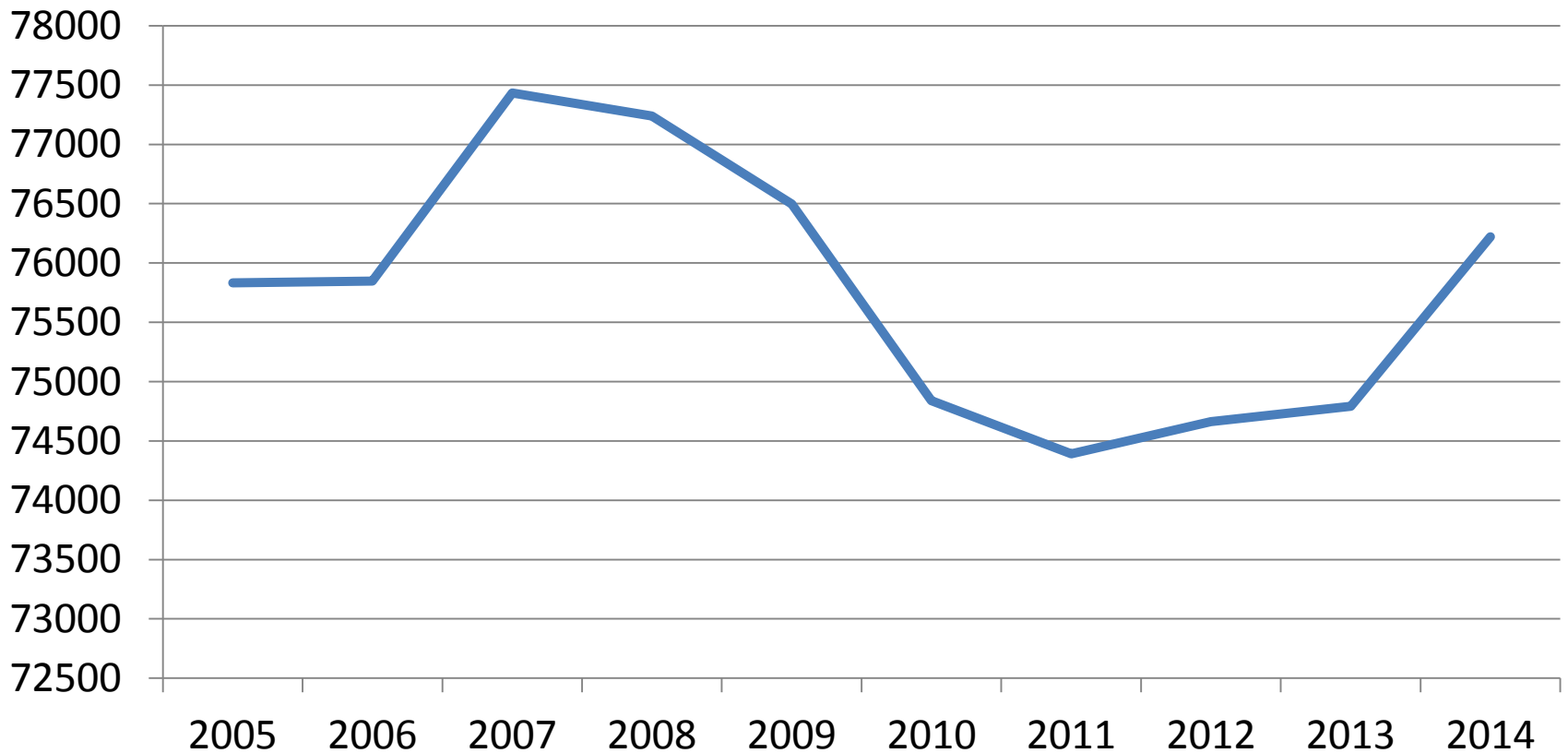
Five years on, Maine is still struggling with recovery from the Recession

Maine W&S Employment



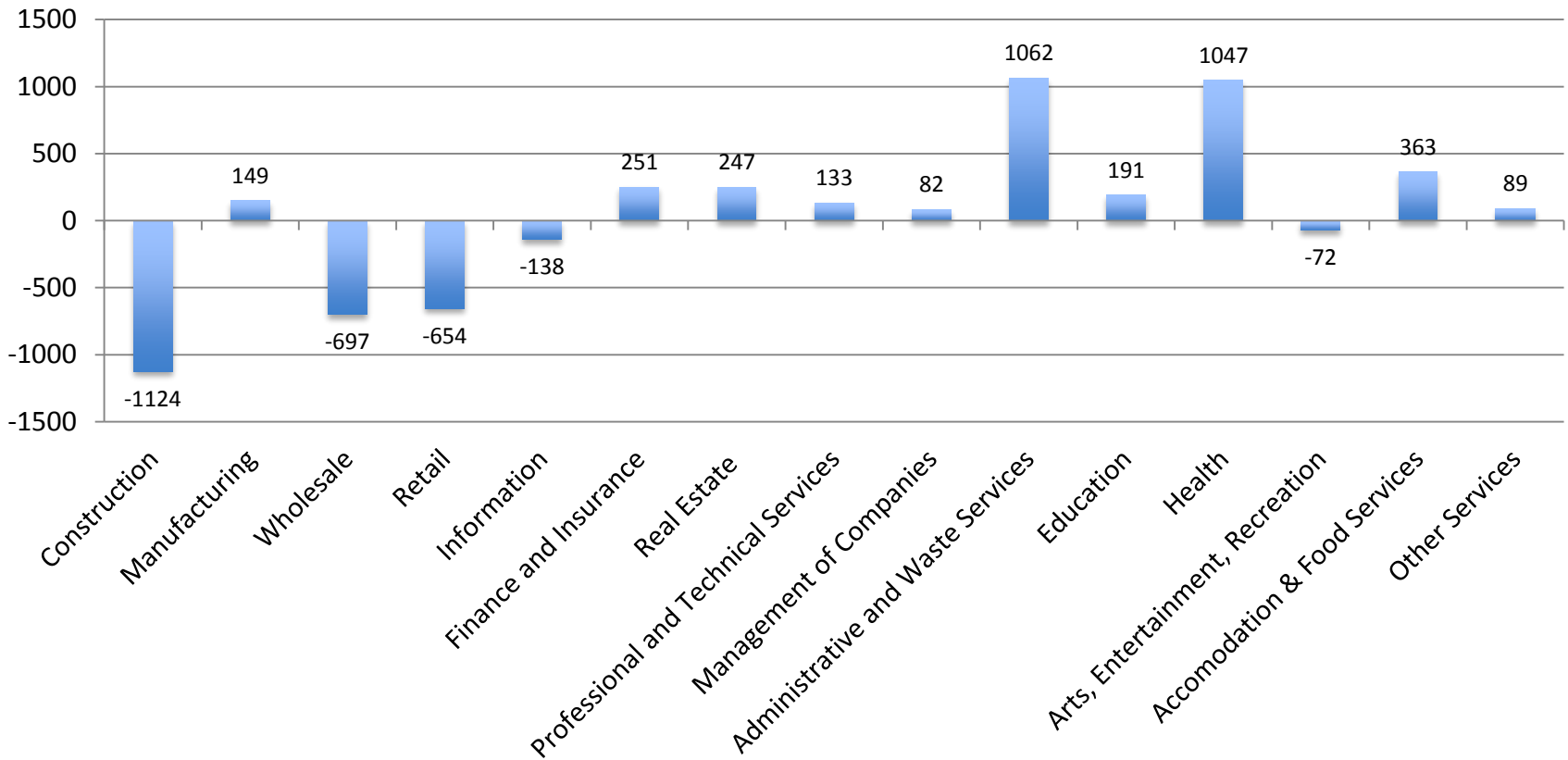
Augusta and Waterville have also lagged in recovery from peak but are above 10 years ago.

Augusta-Waterville W&S Employment

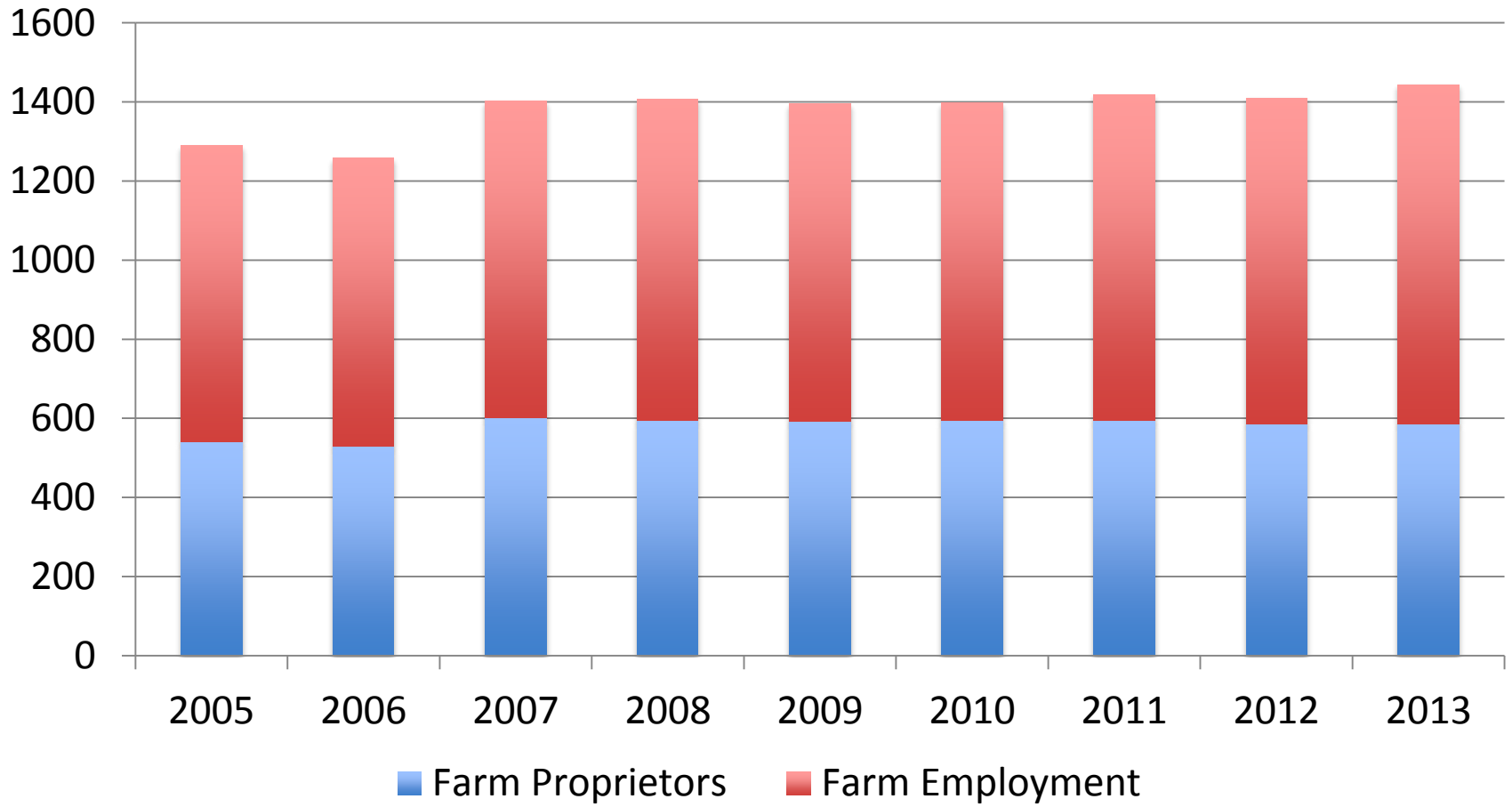


Health, and Admin/Waste Services the major growth industries. Accommodation & Food Service third

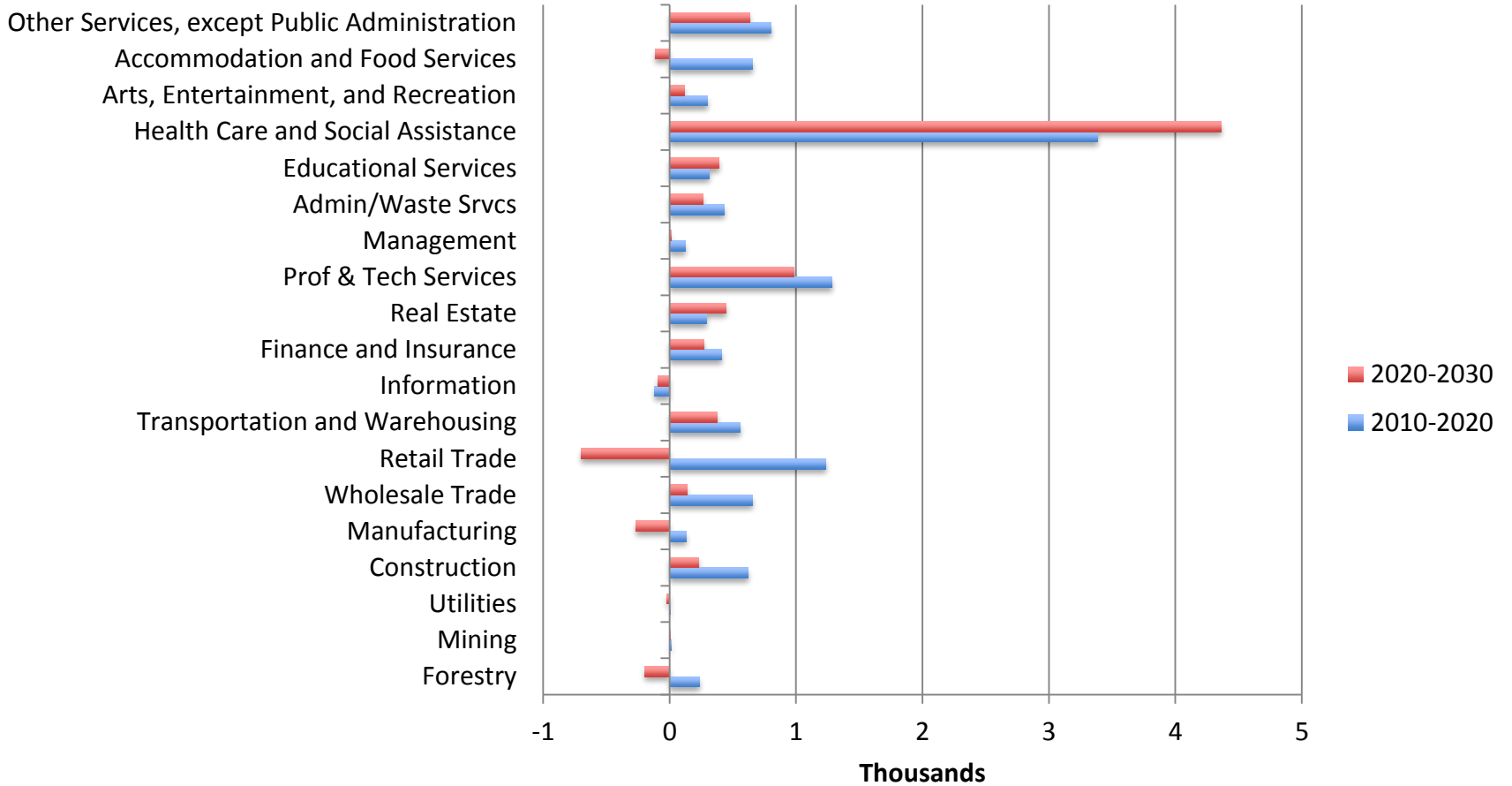
Employment Change 2005-2013



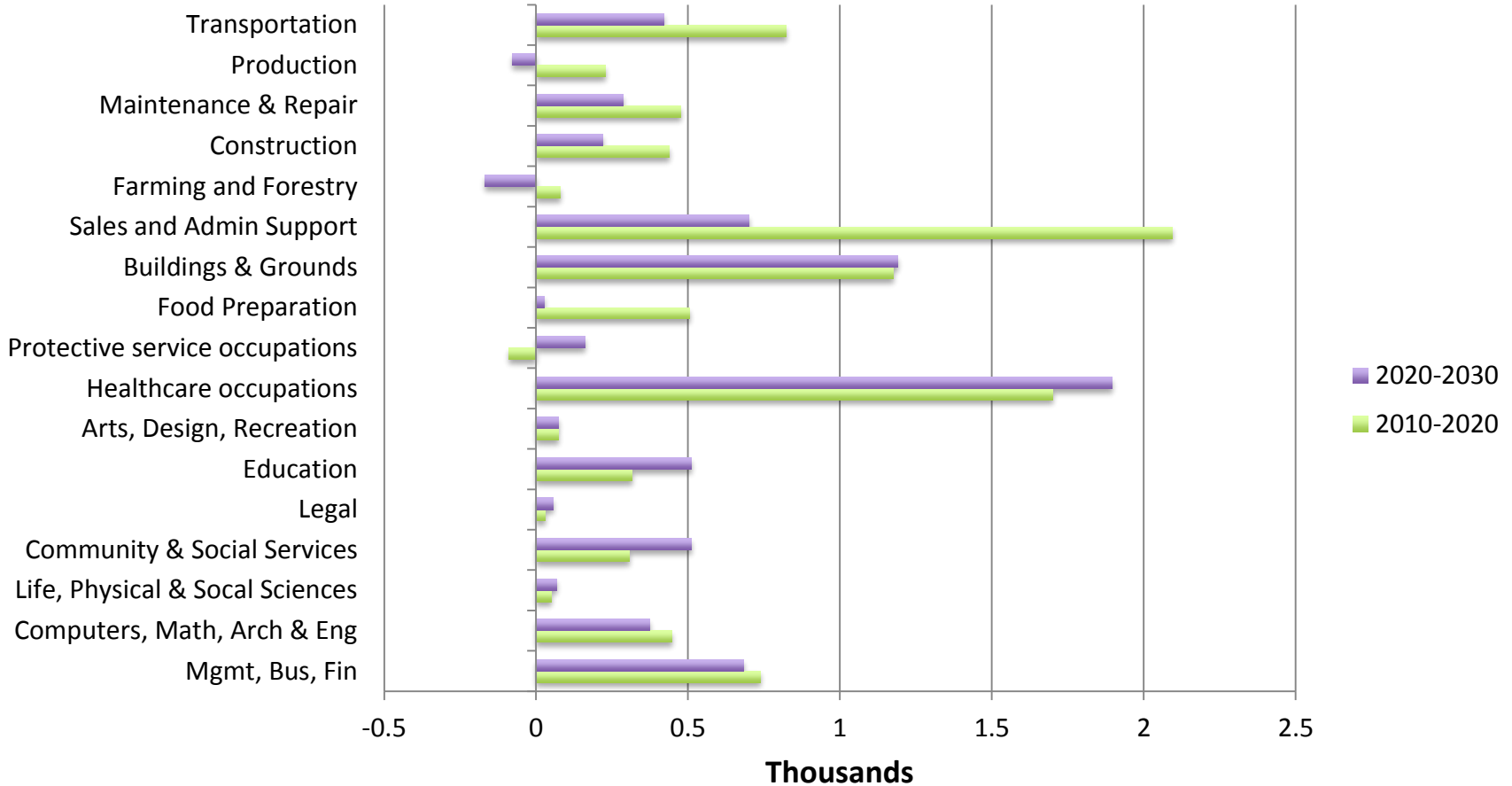
Agriculture is a surprising bright spot



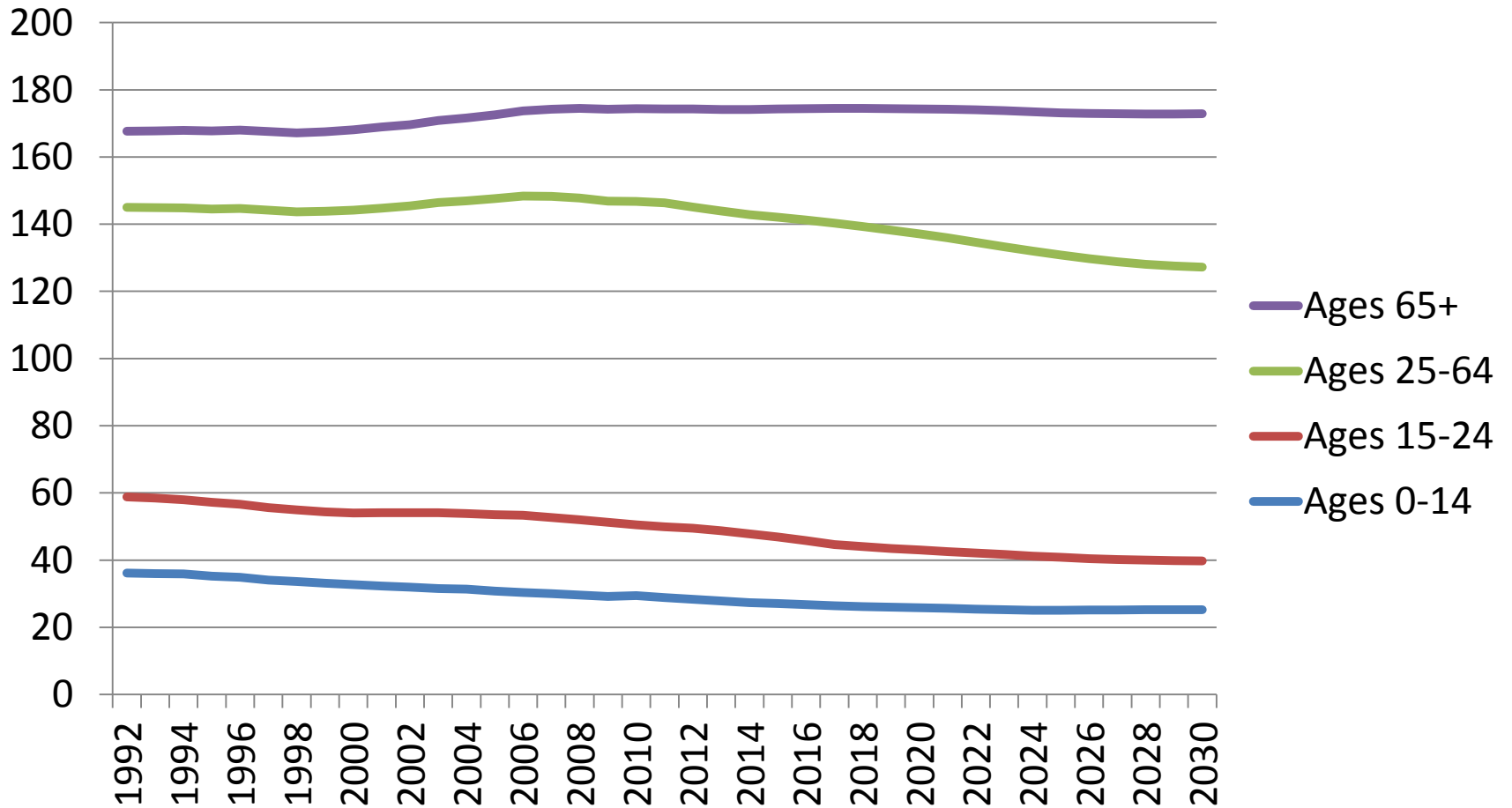
Industrial Outlook



Occupational Outlook

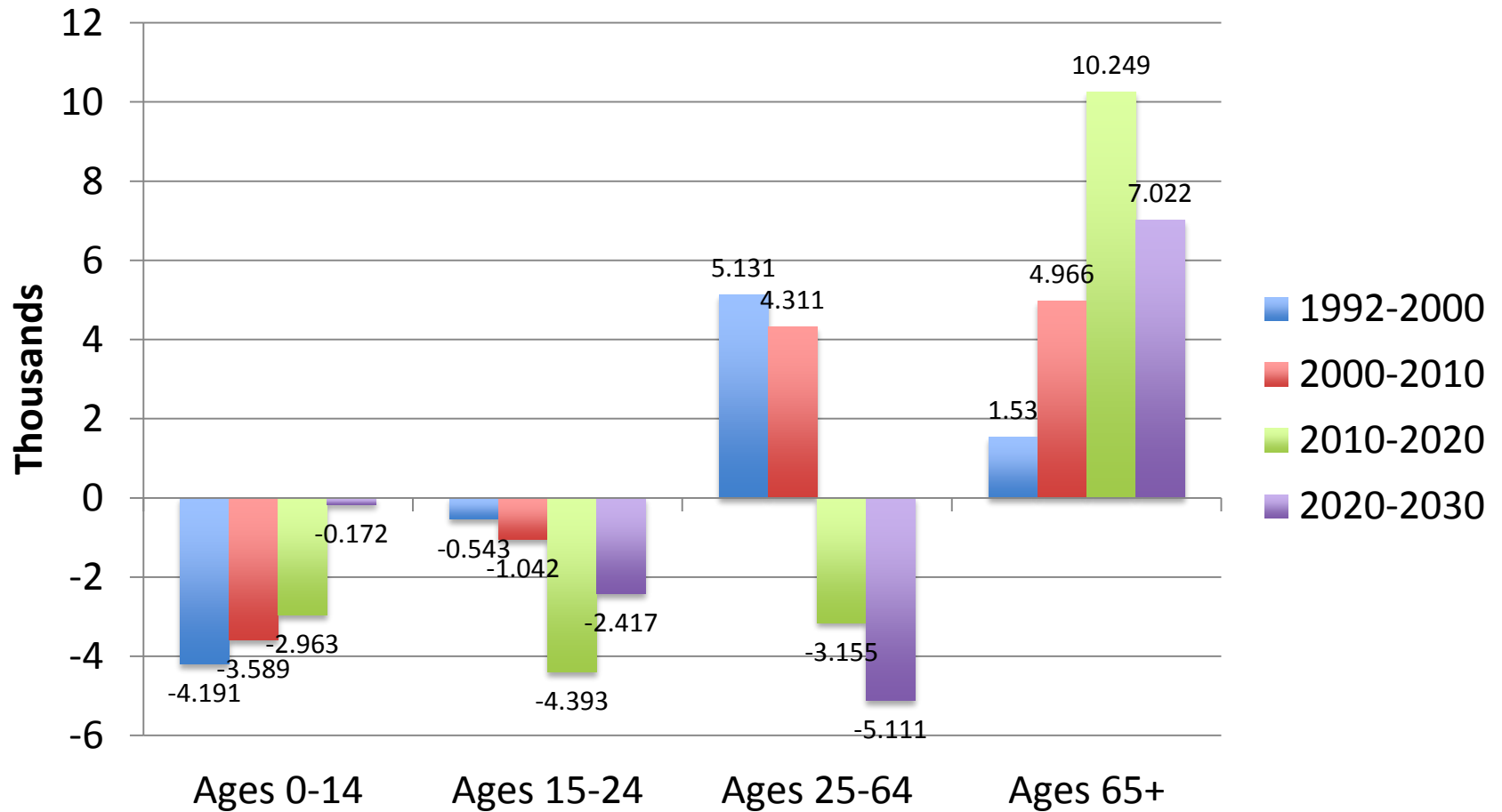


Kennebec Valley Population by Age Group 1992-2030

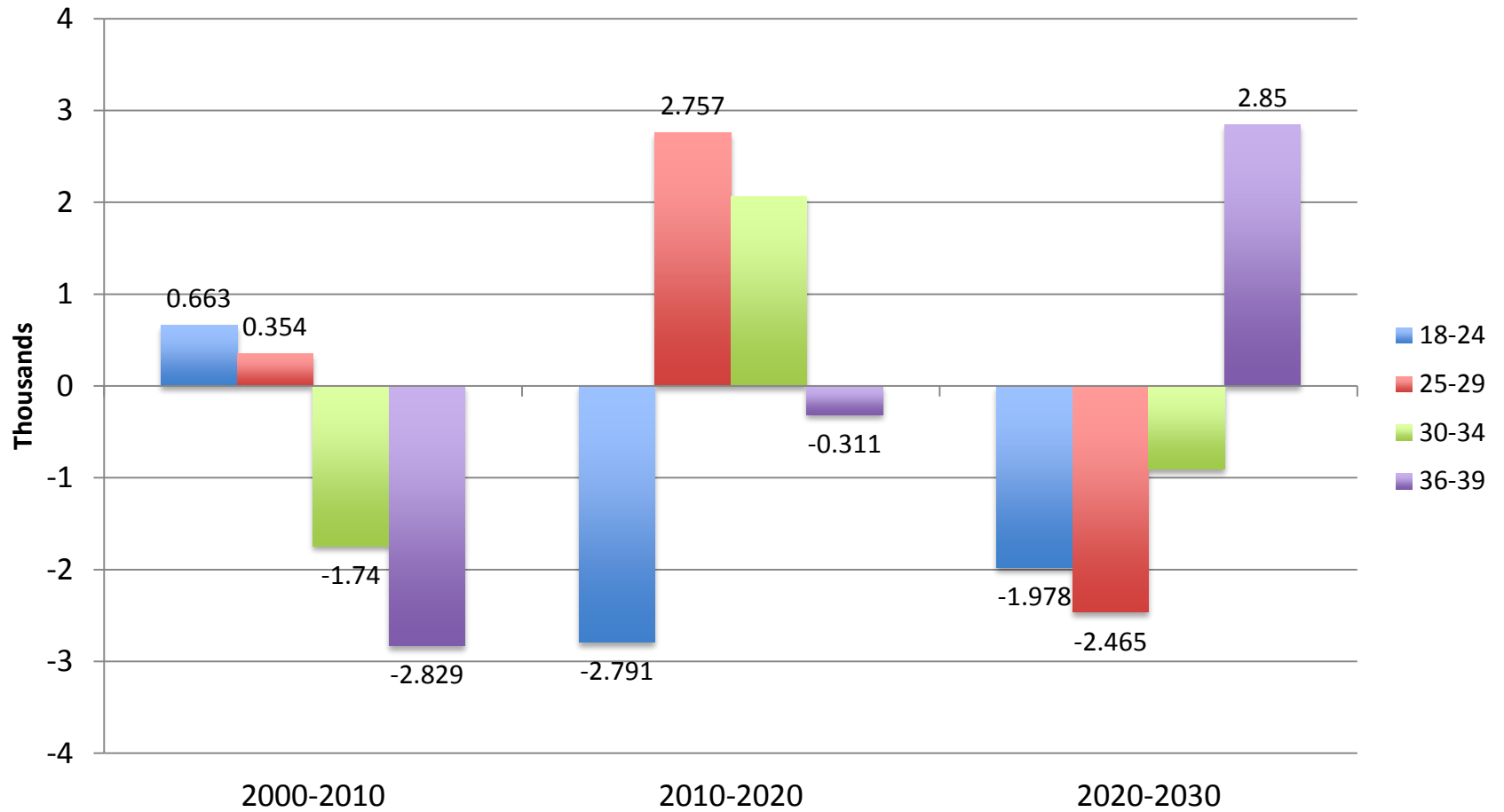


The Central Issue:

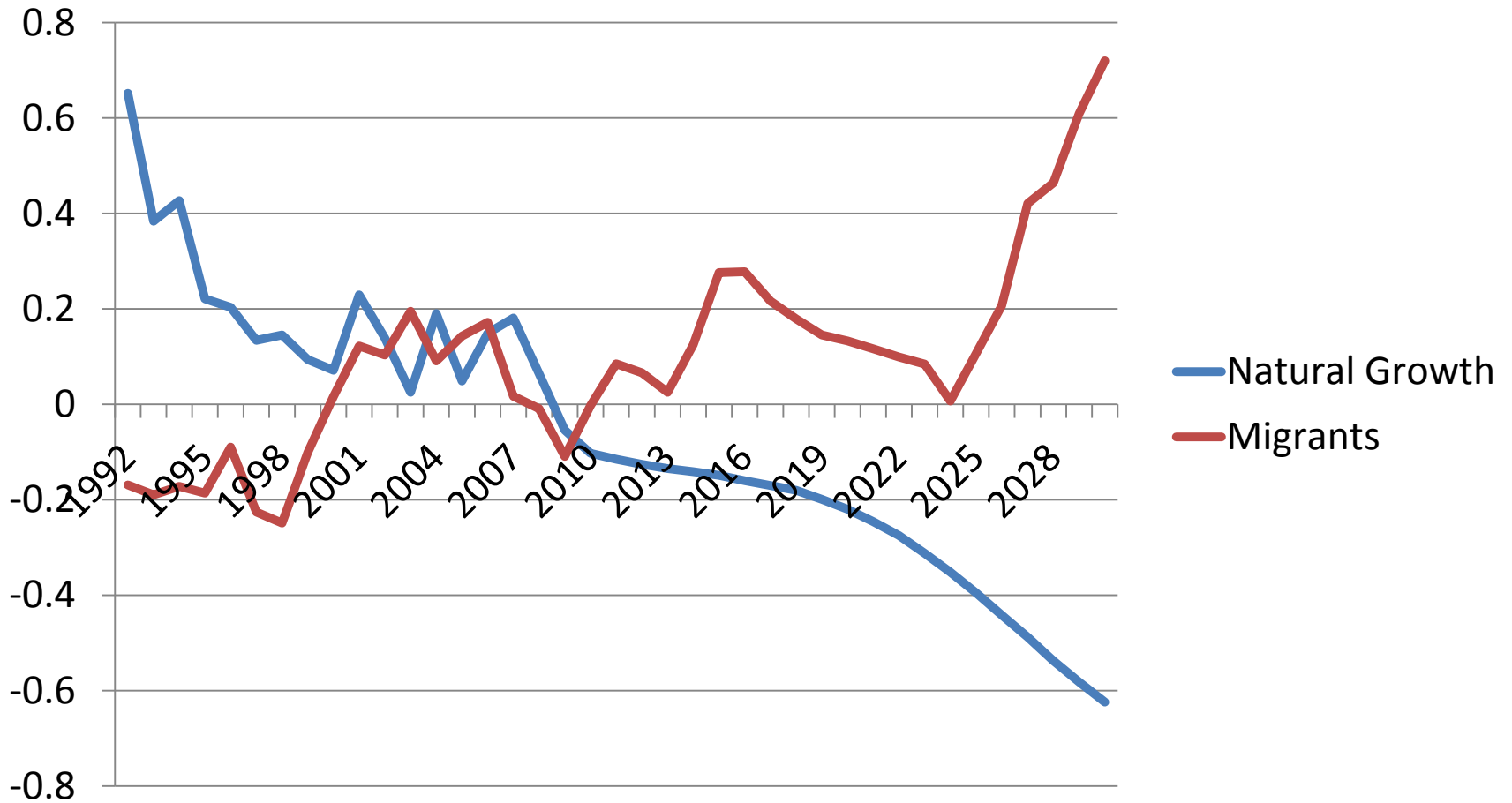
A Fall of 8,200 in prime “working age” population offset accompanied by 7,500 in fall in youth



College Age Population in the Kennebec Valley



1. Migrants

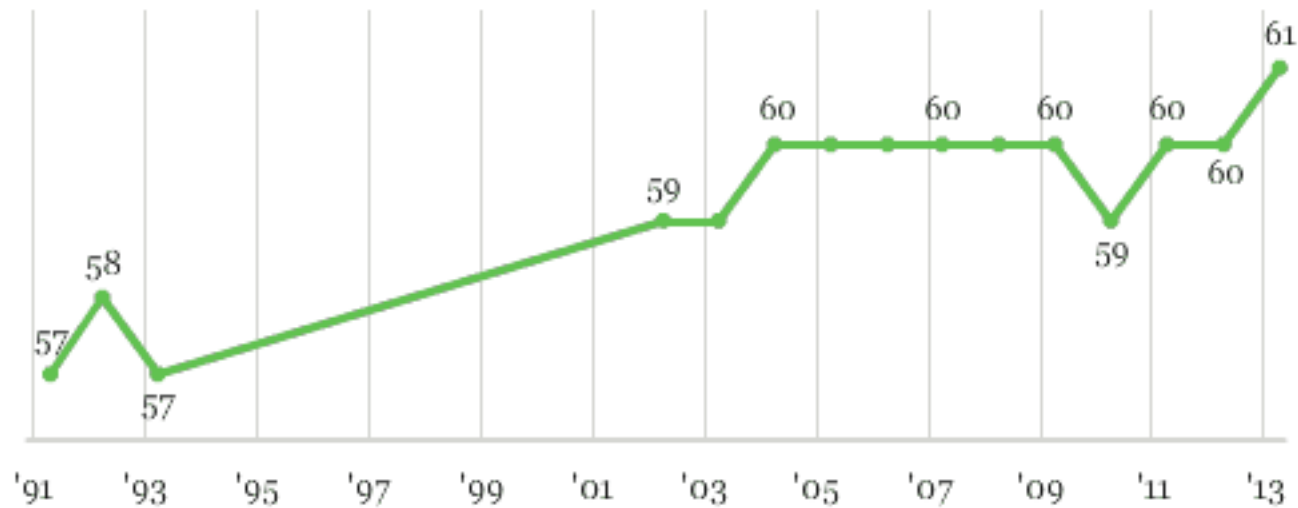


2. Increasing Use of the Older Workforce

At what age did you retire?

Among adults who are retired

■ Average age



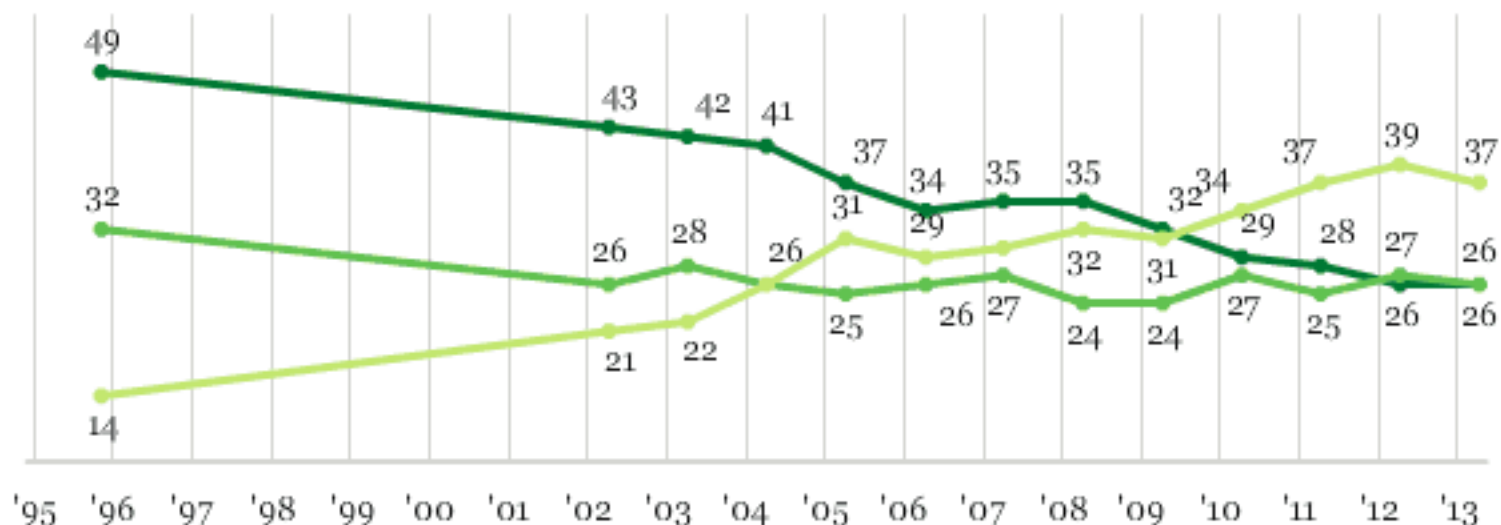
GALLUP®

And People Expect to Work Longer

At what age do you expect to retire?

Asked of nonretirees

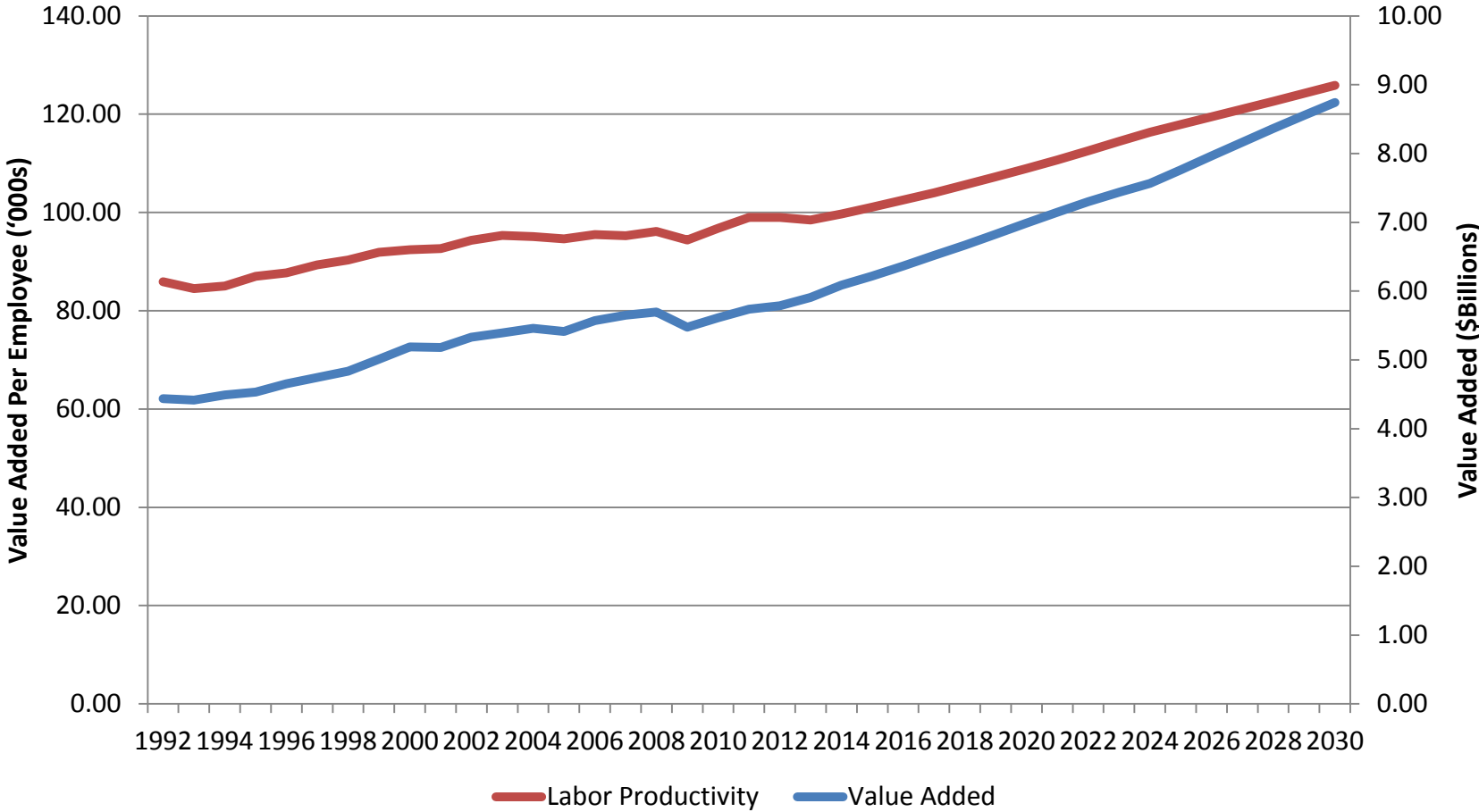
■ Under 65 ■ 65 ■ Over 65



Late 1995 result reflects an average of November and December polls.

GALLUP®

Increased Productivity



Major Challenges

- Demographics
 - Bad for Maine
 - Worse for KV
 - Replacement, not growth
- No major driver industries
- Productivity must increase at much faster rates than historically

Strategic Outlook for KVCC Programs

Sustainable Agriculture & Culinary Arts	Food Systems Modest growth Economic Development Priority
Allied Health, Mental Health, Nursing	Significant growth, but major industry restructuring increases uncertainty
Education	Significant Declines- Replacement Only
Business Administration	Slight Growth
Trades & Technology	Old Industries: Replacement Only New Industries: Growth, but unpredictable
Liberal Studies	Emphasis on much higher quality