



MEASURES OF GROWTH IN FOCUS 2012

Executive Data Summary

In this 18th edition of the *Measures of Growth* report, twenty-five indicators were chosen to give the reader a comprehensive picture of the Maine economy. Since the previous year's report, six indicators moved away from their benchmarks, four indicators moved closer to their benchmarks, and fifteen indicators made no movement either way in relation to their benchmarks.

Two indicators were assigned gold stars in this year's report meaning that the Growth Council felt they exhibited exceptional performance in moving toward their benchmarks. They are: International Exports and Cost of Energy.

Five indicators were assigned red flags in this year's report meaning that the Growth Council felt they need particular attention in order to improve. They are: Research and Development Expenditures (repeat), Fourth Grade Reading Scores (repeat), Transportation Infrastructure, Cost of Health Care (repeat), and Wellness and Prevention (repeat).

1. **Per Capita Personal Income:** Maine's national rank among the 50 states on per capita income will reach 25th by 2015

- Maine's 2010 per capita personal income was \$36,717
- Maine's 2010 per capita personal income was 91.9% of U.S. per capita personal income
- Maine's national rank moved down one notch to 31
- 2010 rankings of other New England states: CT(1), MA(2), NH(9), RI(15), and VT(19)
- **Moved away from benchmark**

2. **Gross Domestic Product:** Maine's Gross Domestic Product growth will outpace New England and U.S. growth

- Maine GDP experienced 2.1% of real (inflation adjusted) growth between 2009-2010
- New England and the U.S. GDP experienced 3.4% and 2.6% of real growth, respectively for that same time
- Maine GDP experienced 0.8% of real growth between 2005-2010
- New England and the U.S. GDP experienced 5.0% and 4.3% of real growth, respectively for that same time
- Real Estate, Government, Health Care and Social Assistance, and Manufacturing sectors accounted for 50% of Maine GDP in 2010
- **Moved away from benchmark**

3. **Employment:** Employment measured by the number of total jobs will increase each year

- Total Maine employment decreased by 3,300 jobs or -0.6% between 2009-2010
- Five sectors experienced growth: Leisure and Hospitality (0.8%), Government (0.2%), Natural Resources and Mining (4.2%), Professional and Business Services (1.1%), and Educational Services (3.1%)
- The three biggest individual sector losses include: Construction (-3.2%), Transportation, Warehousing, and Utilities (-2.9%), and Manufacturing (-2.9%)
- **Moved away from benchmark**

4. **Multiple Job Holding:** Maine's multiple job holding rate will decline to the U.S. rate

- Workers holding multiple jobs in Maine was 7.0% in 2010, a decrease from 7.7% in 2009
- Workers holding multiple jobs in U.S. was 4.9% in 2010
- **Moved toward benchmark**

5. Maine Research and Development Expenditures as percent of GDP: Total research and development spending as a percent of GDP in Maine will increase to 3% by 2015

- Maine R&D expenditures were 1.0% of GDP in 2008, the same as 2007
- EPSCoR states (1.4%), U.S. (2.6%), and New England (4.7%) in 2008
- Maine R&D share by sector – no update for this report: Industry 55%, Academia 29%, and Non-Profit 16% (2007)
- **Did not move relative to benchmark and received red flag again**

6. International Exports: Maine's international exports will grow faster than U.S. international exports

- Maine exported almost \$3.6 billion in commodities in 2011 – an increase of 13% from 2010
- U.S. exports increased by 15.1% between 2010-2011
- Biggest customers: Canada, Malaysia, China, South Korea, and United Kingdom
- **Did not move relative to benchmark and received gold star again**

7. High Speed Internet Subscribers: Maine will reach the New England level of high speed internet subscribers by 2015

- Number of subscribers per 1000 people grew in Maine (481), New England (577), and the U.S. (542) in 2010
- Gap between Maine and New England increased slightly
- **Moved away from benchmark**

8. New Business Starts: The entrepreneurial index in Maine will reach 0.50% by 2015

- Entrepreneurial activity in Maine (businesses started by those who have not previously owned one) decreased and was lower than New England, EPSCoR states, and U.S. in 2010
- Maine DOL calculated a new business survival rate of 90% between 2009 and 2010
- Maine micro businesses (five or fewer employees) shrunk by -3.1% from 2008-2009 and accounted for 21.6% of total employment in Maine
- **Moved away from benchmark**

9. Manufacturing Productivity: The value added per manufacturing worker in Maine will increase to within 15% of the value added per manufacturing worker in the U.S. by 2015

- Maine workers produced on average \$115,621 of product in 2010, a 13.9% increase from 2009
- U.S. workers produced on average \$149,026 of product in 2010, a 11.4% increase from 2009
- Maine ranks higher than Rhode Island, New Hampshire, and Vermont on this indicator in 2010
- Gap between Maine and the U.S. decreased from 23% to 22%
- **Moved toward benchmark**

10. Higher Degree Attainment: The percentage of Maine residents age 25 and over with a higher education degree will increase to at least the New England average by 2020

- In 2010 35.8% held a higher degree in Maine, 43.4% in New England and 35.7% in the U.S.
- **Did not move relative to the benchmark**

11. Fourth Grade Reading Scores: Maine's share of students scoring proficient and above will reach 50% by 2015

- In 2011, 32% of Maine fourth grade students scored proficient or better in the national reading test, the same as the U.S. average of 32% - this was a decrease from 2009
- Maine has made no progress on this measure since 1994
- **Moved away from benchmark and received red flag again**

12. Cost of Doing Business: The cost of doing business in Maine will decrease to the U.S. average by 2015

- Maine's Economy.com index at 110.1 (100 = U.S. average) in 2009
- Economy.com index ranks Maine 8th highest in Cost of Doing business in 2009 – Massachusetts ranked 1st, Connecticut ranked 4th, and New Hampshire ranked 7th
- **Did not move relative to benchmark**

13. Cost of Health Care: Maine Health Care costs as a percent of GDP will decline to U.S. average by 2015

- Maine health care expenditures were 22.4% of GDP in 2009 – they were 21.4% in 2008
- U.S. health care expenditures were 14.9% of GDP in 2009 – it was 14.0% in 2008
- **Moved away from benchmark and received red flag again**

14. Cost of Energy: Maine's cost of electricity will decrease to the U.S. average by 2015

- Maine retail price of electricity (all sectors) fell from \$40.54 to \$38.36/million Btu from 2008 to 2009
- U.S. retail price of electricity (all sectors) remained essentially the same at \$28.90/million Btu from 2008 to 2009
- Maine's cost of industrial electricity fell from \$34.30 to \$29.16/million Btu from 2008 to 2009
- U.S. cost of industrial electricity remained essentially the same at \$20/million Btu from 2008 to 2009
- The gap narrowed for both categories
- **Moved toward benchmark and received gold star**

15. State and Local Tax Burden: Maine's tax burden will decline and move toward the New England average each year through 2015

- Maine state and local tax burden in 2009 was 11.7% as measured by the U.S. Census or 10.1% as measured by the Tax Foundation
- New England state and local tax burden in 2009 was 11.1% as measured by the U.S. Census or 10.6% as measured by the Tax Foundation
- Maine's national tax burden ranking in 2009 was 6 (U.S. Census) or 9 (Tax Foundation)
- Maine's per capita tax in 2009 was \$4,287 ranking 15 in the nation according to the U.S. Census and \$3,832 ranking 23 according to the Tax Foundation
- **Moved toward the benchmark**

16. Transportation Infrastructure (NEW MEASUREMENT): 81% of priority 1 & 2 roads and 70% or priority 3 roads will meet a rating of fair or better by 2015

- **Brand New Measurement – No Trend Data Yet**

17. On-the-Job Injuries: Maine's reported on-the-job injury rate will move closer to the U.S. rate each year through 2015

- Maine stayed the same at 5.6 per 100 workers in 2010
- U.S. went from 3.6 to 3.5 per 100 workers between 2009-2010
- **Did not move relative to benchmark**

18. Affordable Housing: The housing affordability index in Maine will reach 1 by 2015

- Maine's housing affordability index remained the same at 0.89 in 2010 (affordable = or > 1)
- U.S. index was at 0.88, Northeast was at 0.76 in 2010
- Affordability varies widely by county – southern and coastal counties less affordable than in-land and northern counties
- **Did not move relative to the benchmark**

19. Poverty: Maine's poverty rate will decline and remain below the U.S. through 2015

- Maine's poverty rate rose to 12.8% in 2010 (rolling 3-year average)
- U.S. poverty rate went from 13.5% to 14.3% from 2009 to 2010 (rolling 3-year average)
- New England poverty rate went from 10.3% to 10.9% from 2009 to 2010 (rolling 3-year average)
- Maine and U.S. 200% poverty rate at approximately 33% in 2010
- Poverty rate varies widely by county – Washington at 19.4% and York and Cumberland at 10.3% in 2010
- Maine child poverty rate ages 0-5 at 23.5% and 18.2% for all children under 18 in 2010
- **Did not move relative to benchmark**

20. Gender Income Disparity: The median annual income of women working full-time will improve to 100 percent of the median annual income of men working full-time by 2015

- Maine's median annual income for women was \$33,959 compared to \$43,257 for men in 2010
- This represents an earning-ratio of 78.5% in 2010 – not much movement from previous year
- By occupation disparity varies
- **Did not move relative to benchmark**

21. Wellness and Prevention: The percent of overweight and obese adults in Maine will decrease to 50% by 2015

- 63.7% of adults in Maine were overweight or obese in 2010 – in 1995 the share was 51.7%
- This follows national trends
- **Did not move relative to the benchmark and received red flag again**

22. Health Insurance Coverage: The percentage of Maine's population with health insurance coverage will continually rise and remain above the U.S. rate

- 90.6% of Maine population covered by health insurance in 2010
- 83.7% of U.S. population covered by health insurance in 2010
- Maine coverage in 2010: 48% employer, 4% direct purchase, 22% MaineCare (Medicaid), 14% Medicare, 2% Other Public, and 10% uninsured
- **Did not move relative to benchmark**

23. Conservation Lands: The amount of Maine conservation land intended for public use will increase from 1,300,710 acres in 2000 to 1,800,000 acres by 2010

- The total acreage of conservation land in Maine was at 3.5 million acres in 2010
- **Benchmark completed**

24. Sustainable Forest Lands: The balance of net growth to removals will be maintained over time near a 1:1 net growth to removals ratio

- Net growth to removal ratio at 1:1.13 was in the desired zone in 2010
- **Did not move relative to the benchmark**

25. Population of Service Center Communities: The percentage of Maine people who reside in service center municipalities will reach 50 percent by 2010

- Percentage of Maine people living outside a service center was 52.3% in 2010
- **Did not move relative to the benchmark**