



Administered by

**MAINE DEVELOPMENT FOUNDATION**

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## MEASURES OF GROWTH IN FOCUS 2013

### Executive Data Summary

The 19<sup>th</sup> edition of the *Measures of Growth* report includes twenty-six indicators that give readers a comprehensive picture of the Maine economy. Since last year's report, seven indicators moved closer to their benchmarks, seven moved away from their benchmarks, and twelve made no significant movement 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: Eighth Grade Math Scores and Water Quality.

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), High Speed Internet Subscribers, Fourth Grade Reading Scores (repeat), Poverty, and Wellness and Prevention (repeat).

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

- Maine's 2011 per capita income was \$38,299
- Maine's 2011 per capita personal income was 92.2% of U.S. per capita income
- Maine's revised national rank was 29 in 2009, 2010, & 2011
- 2011 rankings of other New England states: CT (1), MA (2), NH (9), RI (15), VT (29)
- **Did not move relative to benchmark**

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

- Maine's real (adjusted for inflation) GDP declined by -0.4% from 2010 to 2011
- New England and U.S. real GDP grew by 1.8% and 1.5%, respectively, from 2010 to 2011
- Maine's real GDP declined by 2.72% from 2006 to 2011; New England up 2.57% and U.S. up 1.81%
- Real Estate, Government, Health Care and Social Assistance, and Manufacturing sectors accounted for 50% of Maine GDP in 2011
- **Moved away from benchmark**

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

- Total Maine employment increased by 400 from 2010 to 2011
- Eight sectors experienced growth: Health Care and Social Assistance (1.1%); Retail Trade (0.7%); Natural Resource and Mining (4.0%); Construction (1.2%); Transportation, Warehousing, and Utilities (1.2%); Professional and Business Services (2.1%); Educational Services (0.5%); Other Services (2.0%)
- Five sectors experienced declines: Manufacturing (-0.8%); Leisure and Hospitality (-0.3%); Government (-2.5%); Wholesale Trade (-0.5%); Information (-5.7%)
- Maine's average annual wage (\$38,020) was just under 80% of the U.S. average (\$48,043) and approximately 79% of the New England average (\$48,686)
- **Did not move relative to benchmark**

#### 4. **Research and Development Expenditures:** 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 2010
- EPSCoR states (1.6%), U.S. (2.6%), and New England (4.1%) in 2010
- Maine R&D share by sector – Industry 53%, Academia 29%, and Non-Profit 17%
- **Did not move relative to benchmark and received red flag again**

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

- Maine exported \$3.06 billion in 2012 (down 10.6% from \$3.42 billion in 2011)
- U.S. exports increased by 4.5% from 2011 to 2012
- Biggest customers: Canada (43%), Malaysia (15%), China (8%), Japan (4%), Republic of Korea (3%)
- **Moved away from benchmark**

**6. 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 (559), New England (697), and the U.S. (662) in 2011
- Gap between Maine and New England increased from 105 in 2010 to 138 in 2011
- **Moved away from benchmark**

**7. 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) increased to 0.36% in 2011, above New England, EPSCoR states, and U.S.
- Maine DOL calculated a new business survival rate of 86% between 2010 and 2011
- Maine microbusinesses (five or fewer employees) shrunk by 0.8% from 2009 to 2010 and accounted for 21.8% of total employment in Maine
- **Moved toward benchmark**

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

- Maine workers produced on average \$84,107 of product in 2011; U.S. workers produced on average \$108,783
- Maine ranked below Connecticut, Massachusetts, Rhode Island, and New Hampshire in 2011
- Gap between Maine and the U.S. at 23% in 2011
- **Moved away from benchmark**

**9. 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 2011 37.3% held a higher degree in Maine, 44.1% in New England and 36.3% in the U.S.
- **Moved toward benchmark**

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

- Biennial test so no new data available
- In 2011, 32% of Maine and U.S. fourth grade students scored proficient or better on the national reading test
- Maine was at 35% in 2009
- Maine has made no progress on this measure since 1994
- **Did not move relative to benchmark and received red flag again**

**11. Eighth Grade Math Scores (NEW INDICATOR):** Maine's share of students scoring proficient and above will reach 50% by 2015

- In 2011, 39% of Maine's eighth grade students scored proficient or better on the national math test, compared to 33% of U.S. students
- This is an improvement over 25% in 1992
- **Moved toward benchmark and received gold star**

**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 108.58 in 2010
- Moody's Analytics index ranks Maine 10<sup>th</sup> highest in Cost of Doing business in 2010 – Massachusetts ranked 2<sup>nd</sup>, Connecticut ranked 4<sup>th</sup>, Vermont ranked 6<sup>th</sup>, and New Hampshire ranked 7<sup>th</sup>
- **Moved toward benchmark**

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

- No updated data available
- Maine health care expenditures were 22.4% of GDP in 2009 (21.4% in 2008)
- U.S. health care expenditures were 14.9% of GDP in 2009 (14.0% in 2008)
- **Did not move relative to benchmark**

**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) down from \$38.36 to \$37.63/million Btu from 2009 to 2010
- U.S. retail price of electricity (all sectors) essentially unchanged at \$28.92/million Btu from 2009 to 2010
- Maine's cost of industrial electricity down from \$29.16 to \$26.87/million Btu from 2009 to 2010
- U.S. cost of industrial electricity essentially unchanged at \$19.89/million Btu from 2009 to 2010
- The gap narrowed for both categories
- **Moved toward benchmark**

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

- Maine's 2010 state and local tax burden 12.2% according to U.S. Census or 10.3% according to Tax Foundation
- New England's 2010 state and local tax burden 10.8% according to U.S. Census or 10.7% according to Tax Foundation
- Maine's tax burden 12.2% (ranked 6<sup>th</sup>) by U.S. Census and 10.3% (ranked 9<sup>th</sup>) by Tax Foundation in 2010
- Maine's per capita tax \$4,398 (ranked 14<sup>th</sup>) by U.S. Census and \$3,807 (ranked 18<sup>th</sup>) by Tax Foundation in 2010
- **Moved away from benchmark**

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

- 70% (1638 miles) of Priority 1 and 2 roads rated at fair or better in 2011; 59 miles above target
- 62% (1213 miles) of Priority 3 roads rated at fair or better in 2011; 17 miles below target
- **Moved toward benchmark**

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

- Maine at 5.7 incidents per 100 workers in 2011 after 5.6 in 2010
- U.S. unchanged at 3.5 incidents per 100 workers in 2011
- **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 improved from 0.89 in 2010 to 0.92 in 2011 (affordable is = or > 1)
- U.S. index at 0.99, Northeast at 0.83 in 2011
- Affordability varies widely by county – southern and coastal counties less affordable than in-land and northern
- **Moved toward benchmark**

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

- Maine's poverty rate rose from 12.8% in 2010 to 13.3% in 2011 (rolling 3-year average)
- U.S. poverty rate rose from 14.3% in 2010 to 15.2% in 2011 (rolling 3-year average)
- New England poverty rate rose from 10.9% to 11.5% from 2010 to 2011 (rolling 3-year average)
- Maine and U.S. 200% poverty rate at approximately 35% in 2011
- 11 counties had higher rates in 2011 than 2010, 4 lower rates, and 1 even
- Poverty rate varies widely by county – Washington at 21.7% and York at 10.2% in 2011
- Maine child poverty rate ages 0-5 at 24.2% and 19.3% for all children under 18 in 2011
- **Moved away from benchmark and received red flag**

**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 \$34,606 compared to \$44,260 for men in 2011
- This represents an earning-ratio of 78.2% in 2011; was 78.5% in 2010
- The disparity varies by occupation
- **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

- 65% of adults in Maine were overweight or obese in 2011 – in 1995 the share was 51.7%
- Maine's obesity rate rose from 27.4% in 2010 to 27.8% in 2011
- Maine's overweight rate rose from 36.3% in 2010 to 37.2% in 2011
- **Did not move relative to 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

- Maine (90.0% to 90.1%) and U.S. (83.9% to 83.8%) essentially unchanged from 2010 to 2011
- Maine coverage in 2011: 48% employer, 4% direct purchase, 22% MaineCare (Medicaid), 14% Medicare, 2% Other Public, and 10% uninsured
- **Did not move relative to benchmark**

**23. 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 1:1.19 was in the desired range in 2011
- **Did not move relative to benchmark**

**24. Population of Service Center Communities (NEW DATA SET):** The percentage of Maine people who reside in service center municipalities will reach 50 percent by 2010

- List of service center communities updated in January 2012
- 16 communities added to list and 11 communities removed
- 52.1% of Maine people lived in service centers in 2011; increase due to redefinition
- **Did not move relative to benchmark**

**25. Air Quality (NEW INDICATOR):** Maine's overall number of days that fall into one of the listed categories and the severity of the health categories will continue to decline through 2015

- 28 days fell into one of the listed categories in Maine in 2012 compared to a high of 70 days in 1983
- In 2012, 24 days classified as "moderate", 4 classified as "unhealthy for sensitive groups", 0 as "unhealthy" or "very unhealthy"
- **Did not move relative to benchmark**

**26. Water Quality (NEW INDICATOR):** The percentage of Maine's assessed water bodies classified as categories 1 and 2 will increase each year through 2015

- Approximately 95% of Maine rivers and streams classified as category 1 and 2 (all or some designated uses and water quality standards are attained) from 2002 to 2010; 95.2% in 2010
- Between 85% and 90% of Maine lakes classified as category 1 and 2 from 2002 to 2010; 91.4% in 2010
- Between 45% and 55% of U.S. rivers and streams and between 33% and 48% of U.S. lakes classified as "good" from 2002 to 2010
- Between 13% and 75% of New England rivers and streams and between 21% and 72% of New England lakes classified as "good" between 2002 and 2010
- **Moved toward benchmark and received gold star**