

## ***Measures of Growth 2016: Executive Data Summary***

In this 22<sup>nd</sup> edition of the Maine Economic Growth Council's *Measures of Growth*, three indicators were assigned a plus, eight were assigned a minus, nine were determined to be equal, and five were not assigned grades.

Gold stars signifying exceptional performance were assigned to Cost of Doing Business, Air Quality, and Water Quality. Red flags signifying areas needing particular attention were assigned to Research and Development Expenditures, Postsecondary Educational Attainment, Fourth Grade Reading Scores, Eighth Grade Math Scores, and Transportation Infrastructure.

**1. Gross Domestic Product:** The growth of Maine's gross domestic product will outpace that of New England and the U.S.

- Maine's GDP essentially unchanged (-0.1%) from 2013 to 2014, at \$49,700 million and \$49,655, respectively
- From 2013 to 2014, New England grew by 1.6% and the U.S. by 2.2%
- Real Estate, Government, Health Care and Social Assistance, Manufacturing, and Retail Trade accounted for almost 60% of Maine's GDP in 2014
- Maine, 2013 to 2014: largest growth in Wholesale Trade (+2.7%) and Accommodation and Food Services (+2.1%); largest decline in Finance and Insurance (-5.3%) and Construction (-4.5%)
- **Lost ground relative to benchmark**

### **2. Per Capita Personal Income**

Benchmark: Maine's per capita personal income will exceed the EPSCoR state average by 2020

- 2014 per capita personal income approximately \$42,100 in Maine, \$58,900 in New England, \$44,200 among the EPSCoR states, and \$47,700 in the U.S.
- Maine trailed EPSCoR average by approximately \$2,400 and approximately \$2,150 in 2015
- 2010 to 2015: Maine up 13%; New England, EPSCoR, and U.S. averages up 18%
- **No significant movement relative to benchmark**

**3. Value Added per Worker:** Maine's value added per worker will improve to within 15% of the U.S. value added per worker by 2020

- Maine's 2014 value added per worker (\$87,586) 26% below U.S. average (\$118,935), 29% below New England average (\$124,125)
- 2013 to 2014: Maine up \$1,085, U.S. up \$2,389, New England up \$2,627
- 2009 to 2014: Maine up 7.3%, U.S. up 13.7%
- **Lost ground relative to benchmark**

**4. Employment:** The total number of jobs in Maine will increase each year

- Maine's total nonfarm wage and salary employment grew from 605,200 in 2014 to 609,800 in 2015
- Government, Health Care and Social Assistance, Retail Trade, Leisure and Hospitality, and Manufacturing combined to account for almost two-thirds of Maine's total employment in 2015
- **Made progress relative to benchmark**

**5. Poverty:** Maine's poverty rate will decline and remain below the U.S. rate through 2020

- 2013 to 2014: three-year moving averages essentially unchanged for Maine (14.2% and 14.1%), New England (12.1% in both years), and U.S. (15.9% and 15.7%)
- Maine, 2013 to 2014: poverty rates down in seven counties, essentially even in five, up in four
- Poverty rates, children under 5, 2013 to 2014: Maine 21.2% and 23%, U.S. 24.8% and 23.9%
- Poverty rates, children under 18, 2013 to 2014: Maine 18.2% and 19%, U.S. 22.2% and 21.7%
- **No significant movement relative to benchmark**

**6. R&D Expenditures (No Update):** Maine's total spending on research and development will reach 3% of the state's total GDP by 2020

- Maine's total R&D investment of \$535 million in 2011 was approximately 1% of GDP (ranked 41<sup>st</sup> nationally)
- 2011 averages: EPSCoR states, 1.7%; U.S., 2.9%; New England, 4.4%
- Maine percentages of total, 2011: Industry, 58%; University and College, 27%; Not-for-Profit, 15%
- **No grade**

**7. International Exports:** Maine's international exports will grow at a faster pace than U.S. international exports

- 2014 to 2015: Maine up 0.5% (to \$2.7 billion), U.S. down -7.2%
- Maine exports by sector, 2015: Seafood, \$444 million; Forest Products, \$740 million
- **Made progress relative to benchmark**

**8. Broadband Connectivity:** Maine will meet or exceed the U.S. percentage of households with a broadband internet subscription through 2020

- 2013 to 2014: Maine 72.9% to 74.9%, New England 77.1% to 78.5%, U.S. 73.4% to 75.1%
- **No grade; new data set and benchmark**

**9. Startup Activity:** Maine will meet or exceed the U.S. startup activity rate through 2020

- 2015 indexes: Maine, -0.54; New England, -0.89; EPSCoR states, -0.22; U.S., -0.37
- Maine national ranks, 2015: 23<sup>rd</sup> in Startup Activity Index, 23<sup>rd</sup> on rate of new entrepreneurs, 24<sup>th</sup> on opportunity share of new entrepreneurs, 18<sup>th</sup> on startup density
- **No grade; new data set and benchmark**

**10. Postsecondary Educational Attainment:** The percentage of Maine residents 25 and over with a postsecondary degree will improve to at least the New England average by 2020

- 2013 to 2014: Maine, 37.8% to 39.1%; New England, 45.2% to 45.8%; U.S., 37.7% to 38.3%
- Maine, 2013 to 2014: bachelor's degree, 18.1% and 19.4%; associate's degree, 9.6% and 9.7%; graduate and professional degree, 10.1% and 10%
- On average, additional education translated to additional earnings in Maine in 2014
- **No significant movement relative to benchmark**

**11. Fourth Grade Reading Scores:** The percentage of Maine students scoring proficient and above on the National Assessment of Educational Progress (NAEP) assessment will reach 50% by 2020

- Percentage scoring proficient and above, 2015: Maine 36%, U.S. 35%, New England 43%
- **No significant movement relative to benchmark**

**12. Eighth Grade Math Scores:** The percentage of Maine students scoring proficient and above on the National Assessment of Educational Progress (NAEP) assessment will reach 50% by 2020

- Percentage scoring proficient and above, 2015: Maine 35%, U.S. 32%, New England 40%
- **Lost ground relative to benchmark**

**13. Workforce:** Maine's workforce will grow to 771,000 by 2020

- 2014 to 2015: Maine's workforce from 696,600 to 679,800 (-16,800)
- 2010 to 2015: Maine's workforce declined -15,400
- **Lost ground relative to benchmark**

**14. Cost of Doing Business:** Maine's cost of doing business will decline to the U.S. average by 2020

- Maine essentially even from 2012 (109.8) to 2013 (109.5)
- 2013 ranking: Maine 9<sup>th</sup>, MA 2<sup>nd</sup>, NH 3<sup>rd</sup>, VT 5<sup>th</sup>, CT 8<sup>th</sup>, RI 13<sup>th</sup>
- Maine component indexes, 2013: tax burden 114.1 (ranked 5<sup>th</sup> nationally), unit labor 106.3 (8<sup>th</sup>), energy 120.5 (11<sup>th</sup>)
- **No significant movement relative to benchmark**

**15. Cost of Health Care:** Maine's health care spending as a percentage of total personal expenditures will decline to the New England average by 2020

- Health care percentages, 2014: Maine 17.7%, New England 17.4%, U.S. 16.5%
- 2009 to 2014: Maine +0.5 percentage points, New England +0.2 percentage points, U.S. -0.1 percentage points
- **No significant movement relative to benchmark**

**16. Cost of Energy:** The cost of electricity in Maine will decline to the U.S. average through 2020

- Industrial retail electricity prices, 2014: Maine 9 cents/kWh, New England 11.8 cents/kWh, U.S. 7.1 cents/kWh
- 2009 to 2014: Maine -1.1 cents/kWh, New England -1.6 cents/kWh, U.S. +0.3 cents/kWh
- **No grade; new data set and benchmark**

**17. State and Local Tax Burden:** Maine's tax burden will decline and move toward the New England average each year through 2020

- 2013 tax burden: Maine 12.2% (6<sup>th</sup> highest nationally), New England 10.7%
- Maine's tax burden approximately 12%, New England's between 10.5% and 11%, in recent years
- Maine per capita taxes of \$4,819 in 2013 ranked 15<sup>th</sup> highest nationally
- **No significant movement relative to benchmark**

**18. Transportation Infrastructure:** 95% of priority one and two roads and 85% of priority three roads will meet a rating of fair or better by 2020

- 66% of priority 1 & 2 roads were rated fair or better in 2014 (target was 78%); 295 miles below target
- 55% of priority 3 roads were rated fair or better in 2014 (target was 72%); 308 miles below target
- **Lost ground relative to benchmark**

**19. Housing Affordability:** Maine's housing affordability index will reach and maintain a level around 1 by 2020

- 2014 housing affordability indexes (1 or above considered affordable): Maine 0.98, Northeast 0.82, U.S. 0.88
- Housing generally more affordable in Maine's central and rim counties than in southern and coastal counties
- **Made progress relative to benchmark**

**20. Gender Income Disparity:** Maine's median annual income for women working full-time will improve to 100% of the median annual income for men working full-time by 2020

- Women's earnings percentage, 2013 to 2014: Maine 80.6% and 78.8%, U.S. 78.8% and 79.5%
- Maine, 2013 to 2014: women's earnings up \$727 (\$35,426 to \$36,153), men's earnings up \$1,929 (\$43,927 to \$45,856)
- **Lost ground relative to benchmark**

**21. Wellness and Prevention:** The combined percentage of overweight and obese adults in Maine will decline to 50% by 2020

- Combined overweight and obesity rate, 2012 to 2013: Maine 64.2% to 64.9%, U.S. 63.4% to 64.8%
- 2014 obesity rates: Maine 28.2%, U.S. 28.9%
- **No significant movement relative to benchmark**

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

- Three-year moving average, 2013 to 2014: Maine 89.8% and 89.7%, U.S. 84.8% and 86.1%
- Maine coverage, 2014: Employer 47%; Other Private 5%; Medicaid 20%; Medicare 16%; Other Public 2%; Uninsured 9%
- **No significant movement relative to benchmark**

**23. Food Insecurity:** Maine's percentage of food insecure households will decline to the New England average by 2020

- 2013 to 2014: Maine 15.1% to 16.2%, New England 12.8% to 12.5%, U.S. 14.6% to 14.3%
- 2008 rates: Maine 13.7%, New England 10.9%, U.S. 12.2%
- **Lost ground relative to benchmark**

**24. Air Quality:** Maine's overall number of listed days and the severity of the health risk categories for listed days will continue to decline through 2020

- 2014: 17 days listed as moderate, 0 in other health categories
- 2015: 21 days listed as moderate, 2 as unhealthy for sensitive groups
- Down from a high of 85 total days in 1985
- **Lost ground relative to benchmark**

**25. Water Quality:** The percentage of Maine's assessed water bodies classified as Categories 1 and 2 will be maintained over time

- Maine rivers and streams continues at about 95% (94.9% in 2012), lakes continue at about 91% (91.4% in 2012)
- 2012: U.S. rivers and streams 46%, U.S. lakes 31%
- **No grade**