

MEASURES OF GROWTH

Performance Measures and Benchmarks to Achieve
a Vibrant and Sustainable Economy for Maine

2022



28TH
REPORT OF
THE MEGC

























MEGC
Maine Economic
Growth Council

Administered by


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Online Report available at:
www.mdf.org/economic-policy-research/measures-of-growth-report

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 **Exceptional Performance**
Very high national standing and/or significant positive progress compared to past performance.

 **Needs Attention**
Very low national standing and/or established trend toward significant decline. The indicator may show improvement but is still viewed as needing attention.

 Favorable movement since the last available data.

 No significant movement since the last available data.

 Unfavorable movement since the last available data or data not available.



AT THE HEART OF IT ALL, IT'S ABOUT OUR PEOPLE.

VISION: A HIGH QUALITY OF LIFE FOR ALL MAINE PEOPLE

The Maine Economic Growth Council is pleased to present *2022 Measures of Growth*. This nonpartisan, data-driven report shows where Maine sits relative to other states and the U.S. as a whole. It is a resource for policy and decision makers at all levels, helping them to focus their efforts and understand the connections between the major issues affecting Maine's economy and the well-being of its people.

In total, this report tracks 31 indicators that represent Maine's enduring assets—including the health of our environment and the relative safety of our communities—and areas of persistent challenge—including workforce development, investments in research and development, maintaining our transportation infrastructure, and health care costs.

Call to Action

This report is also an urgent call to action. It is not enough only to measure our standing. As we look to the future, envisioning a high quality of life for all Maine people, we know progress will require collaboration, disciplined adherence to a long-term strategy, and a renewed commitment to systemic change necessary for equitable, sustainable, shared prosperity.

Maine's Mission-Critical Workforce Challenge

This year, the Council is highlighting the importance of having a vibrant labor market – one where all Maine people can find a rewarding job that supports them and their family, and where businesses can find the talented people they need to succeed and grow. The urgency of Maine's workforce challenge is becoming more and more clear, and understanding their root causes is critical. See page 4 for more detail.

Strength in Community

The Council steadfastly believes that Maine has the potential to build a stronger, better connected, more resilient, and more equitable economy than ever before. We look forward to joining other Maine leaders to realize this vision.

Report Highlights

Taking stock of Maine's economic progress, the Council sees reasons for both celebration and renewed resolve. For 2022, it assigns Gold Stars for progress in Entrepreneurship, Greenhouse Gas Emissions, Safety, Wages, and Water Quality. It assigns Red Flags for needed attention to the Costs of Energy and Health Care, Housing Affordability, Labor Force Participation, Mental and Behavioral Health, and Research and Development.

This year's report includes a new measure: Mental and Behavioral Health, which acknowledges the growing impact of mental wellness challenges. Mental and behavioral health plays an important role in how children learn and grow, and how adults thrive as parents, employees, and community members. Achieving a high quality of life for all Maine people requires acknowledging this growing public health concern.

As always, this report provides a snapshot of Maine's economy at a moment in time (October of 2022). It reflects that 2020 was an unusual year for data collection. The COVID-19 pandemic complicated the process of knocking on doors and gathering at call centers. As a result, the data for several metrics in this report were not updated on their usual schedule. As the data become available, the Council may update the online version of this report.

A comprehensive, user-friendly, digital edition of this report is now available online for desktop, tablet and mobile devices. Visit www.mdf.org/economic-policy-research/measures-of-growth-report

Achieving our vision requires a vibrant and sustainable economy supported by vital communities and a healthy environment.



+



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SUPPORTING MAINE'S ECONOMIC STRATEGIC GOALS

Maine has a promising economic recovery plan¹ that builds on its existing ten-year economic development strategy.² These multi-pronged and potentially deeply impactful roadmaps can guide Maine toward recovery and sustainable, equitable growth for all residents. The state's strategy aims to achieve three goals by 2030.

GOAL 1: Increase wages by 10%

This goal would increase the value of Maine's annual average wage, adjusted for inflation, from \$45,370 in 2018 to \$49,907 by 2030. In 2021, wages remained well above this goal. As employers compete in a tight labor market, average wages were almost 12% above 2018 levels (\$50,638). The Wages metric on page 8 shows how this growth compares to other states.

GOAL 2: Increase the value of what we sell per worker by 10%

Goal 2 seeks to increase value-added per Maine worker from \$88,519 in 2017 to \$97,371 by 2030 (adjusted for inflation). In 2021, value-added reached \$99,832, an increase of 13% compared to 2017. Maine now ranks 43rd by this measure, up from 48th five years ago. For more information, see the Value-Added metric on page 14.

GOAL 3: Attract 75,000 people to Maine's talent pool

The final goal aims to increase Maine's labor force by 75,000 above previous projections for 2030, which showed a 65,000 decline. The result would be a net gain of 10,000 workers, or about 700,000 workers total. COVID dealt a blow to this goal, as many people stopped working or looking for work during the pandemic. As they resumed work in 2021, Maine's labor force grew by about 6,700. The estimated total talent pool is now around 692,000. See the Labor Force metric on page 12 for more details.

¹ State of Maine, Governor's Economic Recovery Committee, "Recommendations to Sustain and Grow Maine's Economy," November 24, 2020.

² State of Maine, "Maine Economic Development Strategy 2020-2029," November 2019.

MAINE'S MISSION-CRITICAL WORKFORCE CHALLENGE

Driving through Maine last summer, there were almost as many “Help Wanted” signs as those for lobster dinners and moose tours. Business leaders recently ranked the availability of entry-level, skilled technical, and professional workers as more concerning than historic issues such as state taxes and the cost of doing business.¹

Maine’s economy cannot flourish, and cannot create the opportunities Maine people desire, unless our workforce is large and skilled enough to support growing businesses. In 2022, as businesses try to regain momentum lost during the COVID-19 pandemic, their ambitions have outpaced the supply of workers.² Workforce participation remains below pre-pandemic levels and the U.S. average.³ The household survey from which participation is derived is small, and these estimates are subject to revision. Nevertheless, this may represent thousands of Maine residents no longer in the workforce.

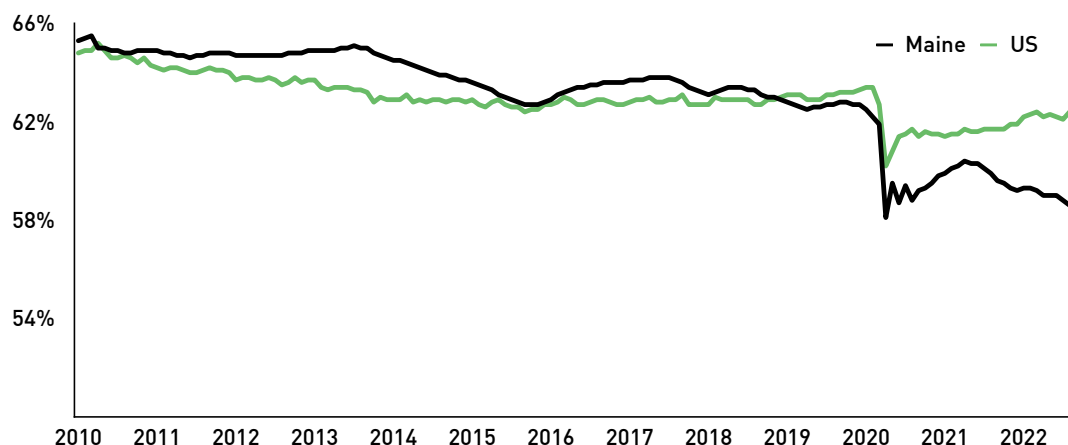
Reliable data on who has left the workforce, and why, are not yet available. Some people may be caring for children, changing careers, or returning to school, but the Maine Department of Labor (MDOL) suggests

that as many as two-thirds may be older workers who have retired.⁴ Nationwide, a high percentage of people who left the workforce during COVID were at or near retirement age. Soaring real estate and financial markets may have enticed them to stop working. Maine’s high percentage of older workers means this phenomenon may have been even more prevalent here than elsewhere in the U.S. It is not yet clear whether these individuals will return to the labor force and, if so, in what capacity.

A Crisis Years in the Making

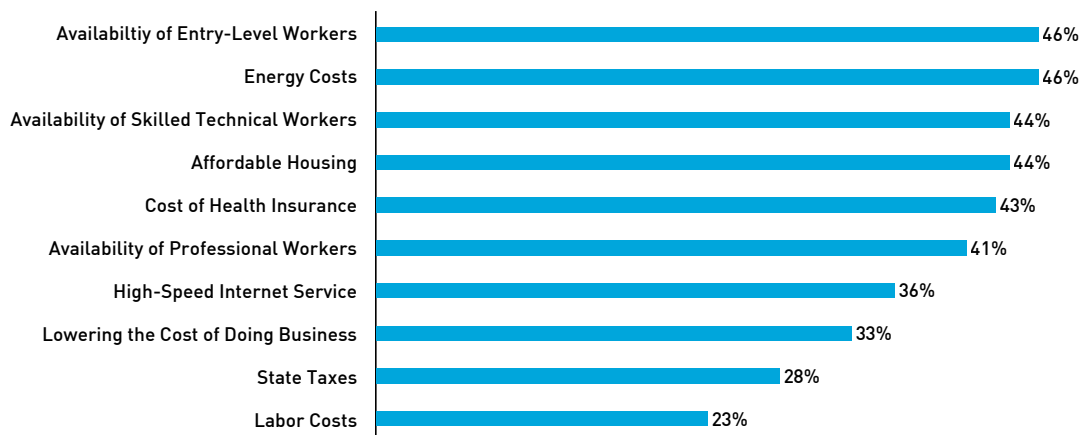
This workforce challenge has been simmering for years. In 2013, Dana Connors, President of the Maine State Chamber of Commerce, said, “There is a real sense of urgency here—Maine’s economy will not have a workforce with diverse skills unless there are enough people of diverse talents to fill the openings.”⁵ COVID-19 turned up the heat on this challenge—sparking a wave of retirements, but also worsening the shortage of child care for working parents, and aggravating mental health and substance use issues. Below are some of the long-term factors that have converged to create today’s very tight labor market.

LABOR FORCE PARTICIPATION RATE (SEASONALLY ADJUSTED)



Source: Maine Department of Labor, Center for Workforce Research and Information

BUSINESS LEADERS' RECOMMENDED TOP PRIORITIES OF NEXT GOVERNOR



Source: 2022 business survey by Maine State Chamber of Commerce, Maine Development Foundation, and Educate Maine

Demographics

The age of Maine's population is a key determinant of workforce size. As the oldest state in the nation, Maine is experiencing a wave of retirements among older workers.⁶ In many other states, Millennials are filling their shoes, but in Maine, for a variety of reasons, there are fewer young people.

More seniors are working into traditional retirement years, either by choice or necessity, but not yet at rates high enough to forestall the approaching wave of retirements.⁷ This will become more of a factor as the percentage of Mainers over age 65 grows—from 13% in 1990, to 21% today, and an estimated 32% in 2038.⁸

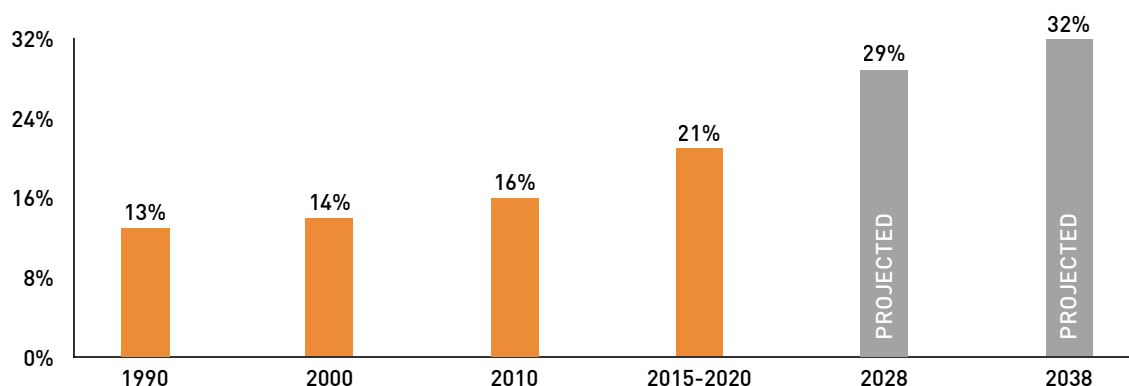
Baby Boomer retirements can have ripple effects throughout an organization. When senior people leave,

younger employees often take their place, sparking a shuffling of personnel that results in entry-level openings.

Younger Workers

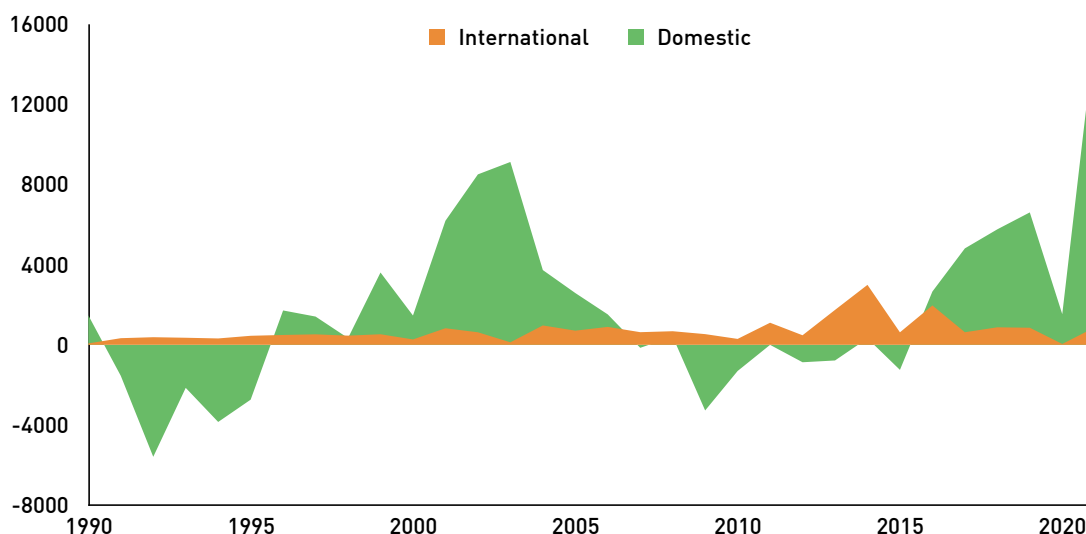
Some Maine industries—especially tourism and hospitality—are struggling with the loss of a different cohort of workers: teens and young adults. This population has historically been an important source of seasonal help. Today, there are fewer young people in the population and the percentage of those who work has declined.⁹ In some cases, teens are opting for internships or¹⁰ some young adults are pursuing post-secondary credentials rather than entering the workforce right after high school; and still others may be taking a circuitous path through work and school. International workers with H-2B visas can sometimes fill the gap, but recent volatility in this program highlighted the frailty of Maine's seasonal workforce.

PERCENTAGE OF MAINE RESIDENTS AGE 65 AND OLDER



Source: U.S. Census Bureau, Maine State Economist

MAINE'S NET LOSS/GAIN OF RESIDENTS FROM MIGRATION



Source: U.S. Census Bureau

Migration

People moving to Maine from other states and countries are another source of workers, but historically Maine has not gained enough in-migrants to replace the aging Baby Boomers. The chart above shows the net flow of residents since 1990. In about one-third of these years, the number of people leaving Maine exceeded the number moving here. The recent spike in domestic migration may foreshadow a welcome shift, but it is not yet large enough to meet the needs of today's employers. Furthermore, it is important to remember that new residents increase the demand for labor as well as supply. Retirees, children, and non-working spouses can increase the demand for goods and services in an area without adding to the workforce.

Housing Affordability

For people on the move, housing availability and affordability is a major determinant of where they will go. In many areas of Maine, rising costs are hindering the ability of workers to live near jobs. On page 31, the Housing metric shows that nearly two-thirds (62%) of Maine households could not afford payments on the median-priced home sold in 2021. Meanwhile, the rise of short-term rentals has reduced the amount of affordable rental housing, especially near tourist communities. Businesses near Portland report losing job candidates because they cannot find affordable housing.¹¹ Along the coast, some employers have begun providing housing to workers who could not otherwise live near the business.¹² Building restrictions, Maine's high percentage of second homes, and the propensity

of Baby Boomers to age in place rather than downsizing like past generations are all pushing prices upward.¹³ In many places, these housing challenges are further straining an already tight labor market.

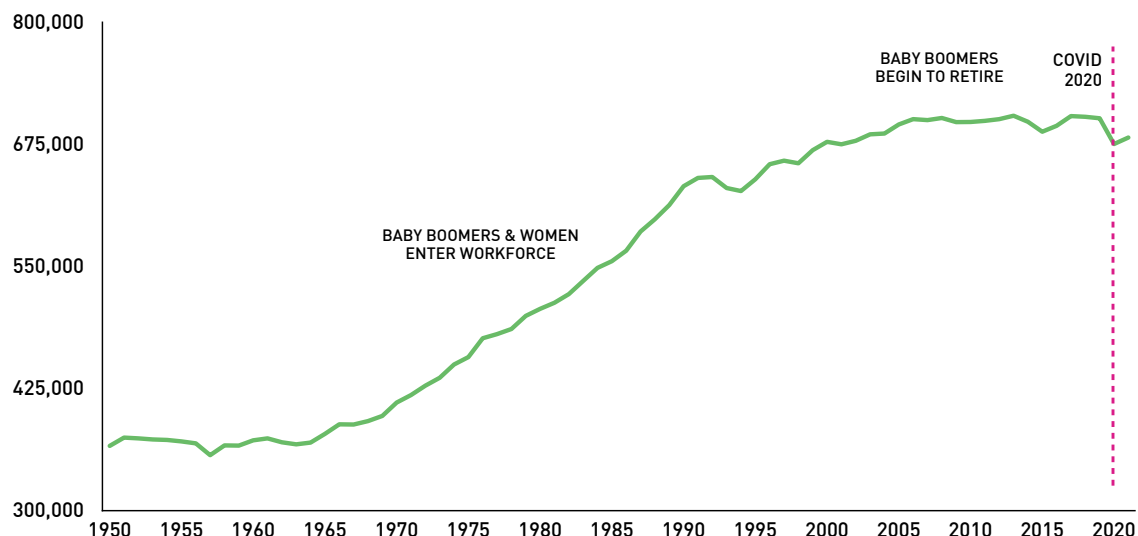
Wages

As the costs of housing and other necessities rise, low wages and lack of benefits are making it difficult for some employers to find help. The pandemic highlighted this challenge for several health and social service industries. In early childhood care and education, for example, there is a fundamental misalignment between families' ability to pay tuition or wages and providers' ability to offer wages high enough to attract and retain qualified staff.¹⁴ In 2021, childcare workers earned just \$14.90 per hour on average—about the same as food preparation workers (\$15.00) and hotel clerks (\$15.24).¹⁵ Given the training requirements and strenuousness of childcare work, increasing compensation is one of the industry's top priorities.¹⁶ Similar difficulties face nursing homes, assisted living facilities, and providers of services such as home health and personal care.¹⁷

Skills

Some tightness in the labor market is not due to lack of people or wages, but to lack of the specific skills needed by today's employers. As the nature of commerce and technology evolves, some businesses need people with skills that are not yet common in the local labor market. Finding them can be a challenge. In 2019, just 53% of Maine adults had a "credential of value," meaning a degree, certificate, or license

MAINE'S WORKFORCE



Source: Maine Department of Labor, Center for Workforce Research and Information

that gives them the knowledge and skills to succeed in today's economy.¹⁸ To address this, MaineSpark (a coalition of business, education, and nonprofit leaders) seeks to increase the share to 60% by 2025.

What Now?

There are no easy solutions to Maine's workforce challenges. They stem from years of demographic, economic, and social changes, compounded by a global pandemic. In the long run, the nature of Maine's workforce will depend on our ability to attract more working-age people from other states and countries, retain more of the young people born here, and help people of all ages, genders, abilities, races, and ethnicities to participate fully in our economy. It will also require helping adults already in the workforce to improve their skills. The Council supports the goal of Maine's 10-Year Economic Strategy, which calls for using these strategies to increase the labor force to about 700,000 by 2030. See page 12 for more detail.

Survey, 2020, Table S0101).

⁷ CWRI, "Employment Outlook to 2028."

⁸ Maine Department of Administrative and Financial Services, Office of the State Economist, "Maine State and County Population Projections to 2038," April 2021.

⁹ CWRI, "Labor Force Participation of Teens and Young Adults Has Declined," February 6, 2015.

¹⁰ Lauren Bauer, Patrick Liu, Emily Moss, Ryan Nunn, and Jay Shambaugh, "All School and No Work Becoming the Norm for American Teens," Brookings Institute, July 2, 2019.

¹¹ Alexis Wells, "The Lack of Workforce Housing in Maine Is Impacting Many Local Businesses and Residents," Scarborough Leader, July 29, 2022.

¹² Peter McGuire, "Some of Maine's Seasonal Businesses Are Going to Extremes to House Workers," Portland Press Herald, May 15, 2022.

¹³ Michael Kolomatsky, "Baby Boomers: Rich With Real Estate and Not Letting Go," New York Times, July 8, 2021.

¹⁴ Lana Cohen, "Child Care Providers Say Industry Needs Consistent Financial Support to Survive," Portland Press Herald, March 14, 2022.

¹⁵ CWRI, Occupational Employment and Wage Estimates, 2021, accessed August 4, 2022.

¹⁶ Maine Association for the Education of Young Children, "2022 Policy and Advocacy Priorities."

¹⁷ Phil Galewitz, "With Workers In Short Supply, Seniors Often Wait Months For Home Health Care," National Public Radio, June 30, 2021; Maine Health Care Association, "Long-Term Care Workforce Shortage Crisis: Who Will Care for ME?" Fall 2021.

¹⁸ MSCC, MDF, EM, "Making Maine Work," 2022.

¹ Maine State Chamber of Commerce (MSCC), Maine Development Foundation (MDF), Educate Maine (EM), "Making Maine Work: Critical Investments for the Maine Economy," July 21, 2022.

² CWRI, "Factors Contributing to Tight Labor Market Conditions," February 24, 2022.

³ CWRI, Local Area Unemployment Statistics, accessed July 26, 2022.

⁴ CWRI, "Two Years In," 2022.

⁵ Dana Connors quoted in "Maine State Chamber and Maine Development Foundation release "Making Maine Work: Growing Maine's Workforce," MSCC press release, November 19, 2013.

⁶ In 2015-2020, an estimated 20.6% of Maine's population was age 65 or older, the highest of any state (U.S. Census Bureau, American Community

FUNDAMENTAL PERFORMANCE INDICATORS

1 - Wages



Maine's annual average wage will exceed the average of EPSCoR* states by 2030

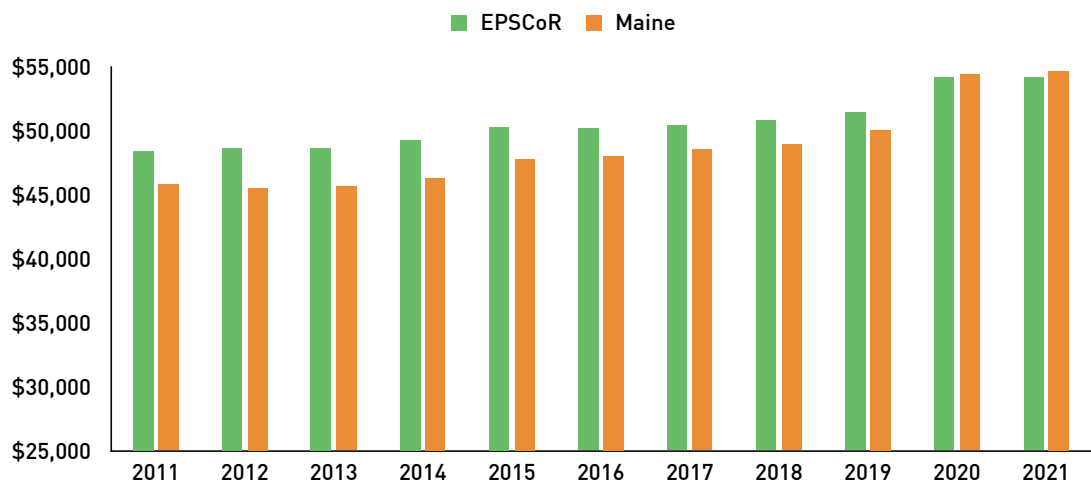
Wages reflect job quality, worker productivity, and the makeup of our economy; they are a primary driver of economic prosperity and quality of life. In 2021, Maine's average annual wage was \$54,651—below the U.S. average of \$67,610 but above the average for EPSCoR* states (\$54,165). In 2021, Maine wages grew 5% as employers responded to a tight labor market. However, inflation absorbed most of these gains. After adjusting for inflation, the purchasing power of the average wage earner rose just 0.5%.

The adequacy of wages to cover workers' basic needs varies by household and region. In 2021, the estimated living wage for a single Mainer was \$37,190; it was \$90,230 for a single person with two children; and for two working adults with two children, it was \$103,084. Regionally, wages exceed the state average in Cumberland County, Maine's most populous and urban county, and trail it elsewhere, with rural Franklin and Piscataquis counties having the lowest wages.

Average Annual Wages By County, 2021

	County	Average Wage
Coastal Counties	Cumberland	\$63,608
	Sagadahoc	\$54,255
	York	\$53,573
	Knox	\$47,647
	Waldo	\$47,148
	Hancock	\$46,945
Central Counties	Lincoln	\$44,306
	Kennebec	\$51,837
	Androscoggin	\$50,456
	Penobscot	\$49,792
Rim Counties	Somerset	\$46,645
	Aroostook	\$45,018
	Oxford	\$43,668
	Washington	\$43,419
	Piscataquis	\$42,463
	Franklin	\$41,647

AVERAGE ANNUAL WAGES (INFLATION-ADJUSTED)



Sources: U.S. Bureau of Labor Statistics, U.S. Bureau of Economic Analysis, Maine Department of Administrative and Financial Services; Massachusetts Institute of Technology

* EPSCoR is the National Science Foundation's Established Program to Stimulate Competitive Research, a program to assist places with historically low levels of funding for research and development. There are 25 states in the program: Alabama, Alaska, Arkansas, Delaware, Hawaii, Idaho, Iowa, Kansas, Kentucky, Louisiana, Maine, Mississippi, Montana, Nebraska, Nevada, New Hampshire, New Mexico, North Dakota, Oklahoma, Rhode Island, South Carolina, South Dakota, Vermont, West Virginia, and Wyoming.

2 - Poverty

-0.3%

Maine's poverty rate will decline and remain below the U.S. rate through 2030

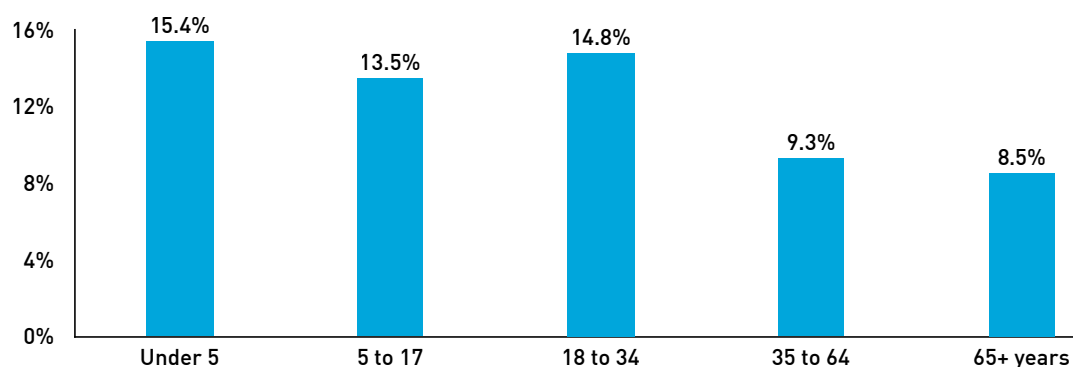
Maine's poverty rate reflects both the overall state of the economy and the experiences of individual residents. COVID had far-reaching ripple effects on vulnerable households, but official poverty rates declined in 2020 thanks to federal stimulus measures. The percentage of Mainers living in poverty fell from 10.9% to 10.6%, but varied greatly by region—from 8.1% in York County to 15.3% in Washington County.

State-level poverty rates also mask stark differences within Maine's populations. From 2016 to 2020,

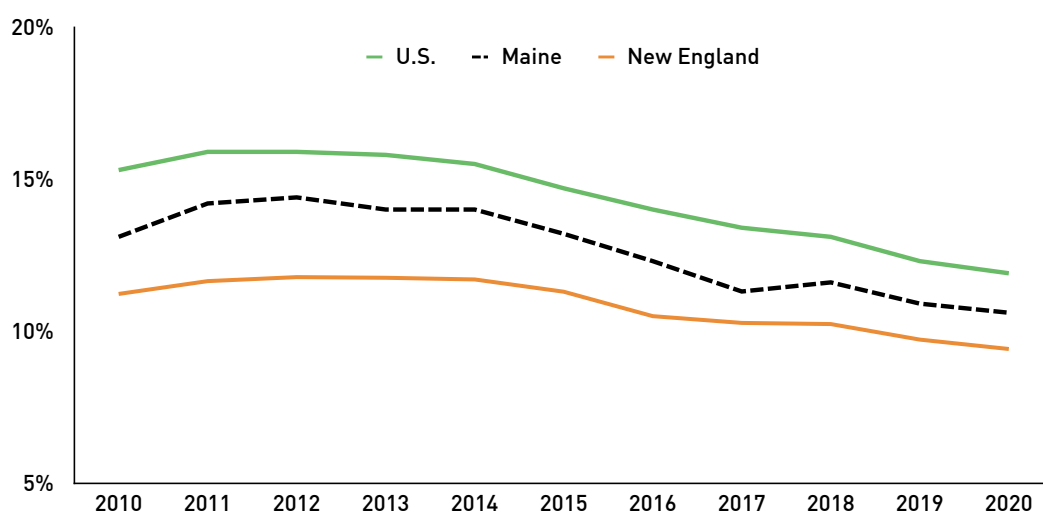
BIPOC* and Latino or Hispanic Mainers were twice as likely to be living in poverty; and 15.4% of Maine children under age 5 were living in poverty, compared to 8.5% of Mainers over age 65. Many poor children are in households headed by single females. From 2016 to 2020, almost 1 in 3 single-mother households were poor (31%), and almost 2 in 5 single-moms with children under age 5 were living in poverty (38%).

**Black, Indigenous, People of Color*

POVERTY RATE BY AGE, 2016-2020



PERCENTAGE OF RESIDENTS IN POVERTY



Source: U.S. Census Bureau

3 - Gender Wage Equity

+1%

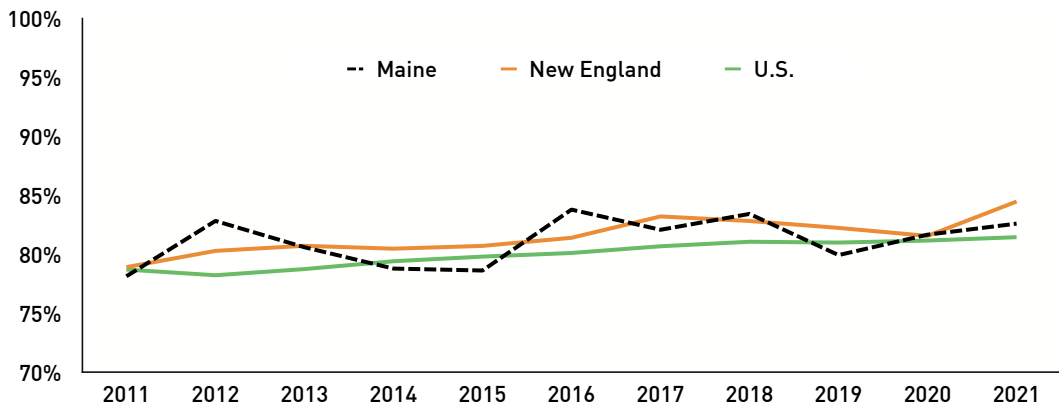
Maine's median annual earnings for women will improve to 100% of men's median annual earnings by 2030

This measure compares the annual wages of men and women working full-time, year-round. In 2021, the median earnings of Maine females was \$47,141—83% of the \$57,039 median earnings of Maine males. In other words, for every \$5 earned by Maine men, Maine women earned just over \$4, even though they were all working full-time. Some of the difference is due to the differing wages in occupations disproportionately filled by women, but this does not explain the entire wage gap. In recent years, women's earnings as a

percentage of men's in Maine have improved, from 76% in the 2000s to 81% in the 2010s.

In 2021, Maine's gender income gap was close to the U.S. average. No U.S. state has eliminated the gender pay gap yet, but in eight states, women's earnings are 85% or more of men's earnings. Vermont has the lowest gender wage gap. There, women earned 93% as much as men in 2021.

WOMEN'S EARNINGS AS PERCENTAGE OF MEN'S



Median Earnings Gap In 2021

U.S. AVERAGE



MAINE AVERAGE



Source: U.S. Census Bureau

4 - Racial/Ethnic Income Equity

+3%

The average per-capita income of Mainers of color will improve to the state average by 2030

The Council strongly believes that Maine will need the contributions of every resident to achieve a vibrant, sustainable economy. Increasing prosperity is not true progress unless it is equitably shared. This will require broad, deep, and long-term systemic change.

From 2016 to 2020, the average per-capita income of BIPOC* and Latino or Hispanic Maine residents (7% of the population) was \$22,851. That is 66% of the \$34,642 average for White, non-Hispanic Maine residents (93% of the state's population). This is a small increase from 63% in 2015-2019, but for every \$3 made by White households, all other racial and ethnic groups made \$2.

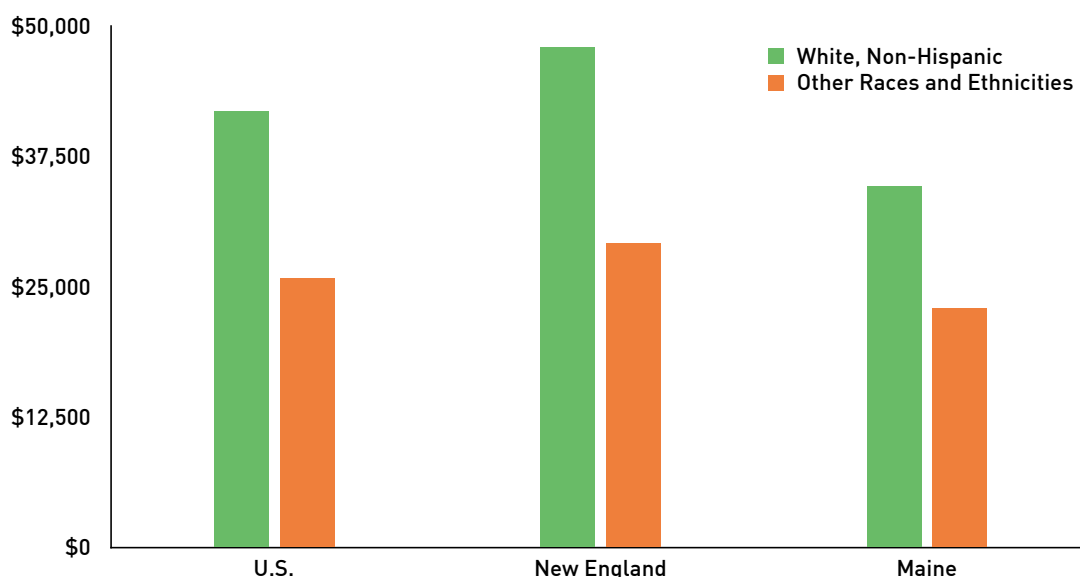
This stark racial/ethnic income disparity is similar to that of New England and the United States. To counter it, Maine must improve access to training and education for residents of color, better support their communities and businesses, and address cultural biases and systemic disadvantages. No U.S. state has eliminated the racial income gap yet, but in Kentucky, New Hampshire, and West Virginia, households of color earn over 70% as much as White households.

*Black, Indigenous, People of Color

Maine Poverty Rate by Race/Ethnicity 2016-2020

Race/Ethnicity	Population	Poverty Rate
White, not Hispanic or Latino	1,211,491	10%
Two or more races	34,869	19%
Hispanic or Latino (of any race)	21,832	17%
Black or African American	17,014	31%
Asian	14,013	13%
American Indian & Alaska Native	8,663	28%
Other	4,658	14%
Native Hawaiian & Pacific Islanders	190	34%

AVERAGE PER-CAPITA INCOME, 2016-2020



Source: U.S. Census Bureau

5 - Labor Force

+1%

Maine's labor force will increase
to 700,000 by 2030

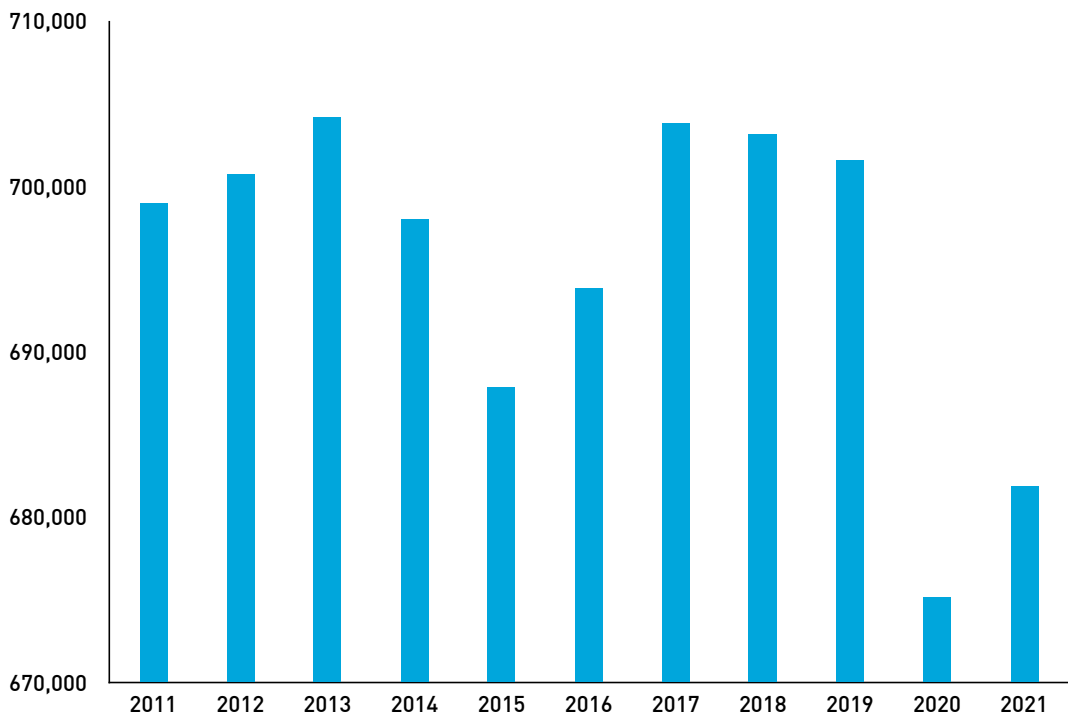
A skilled and educated labor force is essential for a healthy economy. As baby boomers retire, the ranks of working-age Mainers are shrinking. Furthermore, many young people are delaying entering the labor force to pursue education and training opportunities. This has contributed to a slow decline in Maine's labor force, equal to several hundred workers annually since 2010.

In 2020, COVID dealt another blow to Maine's workforce as it shrank by over 25,000. It bounced back in 2021, rising 1% to 680,000, but has yet to return to pre-pandemic levels. While these statistics are subject

to revision, it is clear that businesses in nearly every sector are struggling to find workers. The Council supports the goal of Maine's 10-Year Economic Strategy, which calls for the labor force to increase to about 700,000 by 2030.

To continue growing Maine's workforce, and counter these trends, Maine must attract more working-age people from other states and countries, retain more of the young people born here, and help more Mainers participate in the workforce.

MAINE'S LABOR FORCE



Source: U.S. Bureau of Labor Statistics

6 - Labor Force Participation



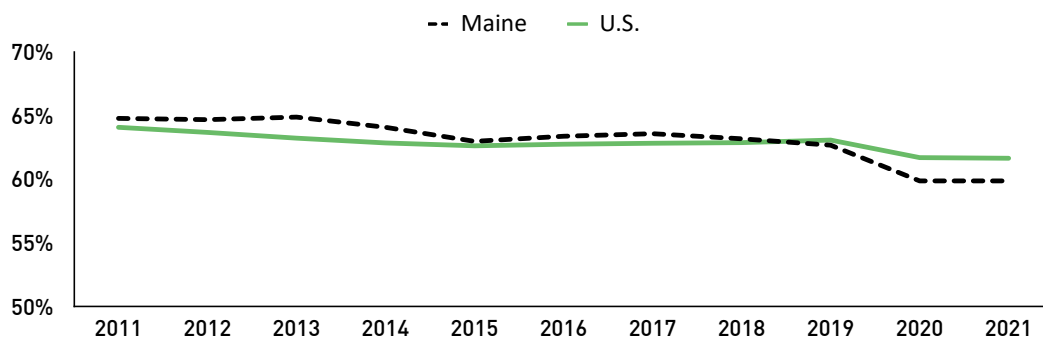
Maine's labor force participation rate will match or exceed the national average

As Maine's population ages, and our labor force shrinks, the economic contribution of every individual becomes more apparent. The labor force participation rate is the percentage of Maine's civilian population over age 15 who are either working or looking for work. It hovered around 63% from 2015 to 2019, but fell to 60% in 2020 due to COVID, and remained low in 2021. According to the Maine Department of Labor (MDOL), the advanced age of our population may explain why. While detailed information is not yet available, and recent data are subject to revision, MDOL speculates that two-thirds of those who have left the labor force since the beginning of the pandemic may have retired. It is not yet clear if they will return.

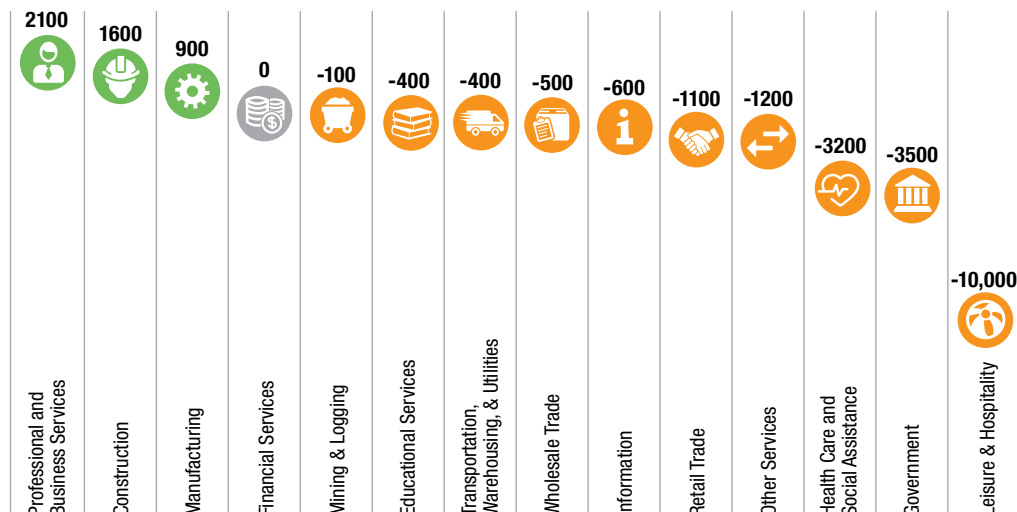
In 2021, the pandemic's disparate impact across Maine's industries continued. Jobs in professional and business services, construction, and manufacturing now exceed 2019 levels, but there are still thousands fewer jobs in leisure and hospitality, government, and health care and social assistance.

Potential measures to increase Maine's labor force participation rate include higher wages, increased childcare access, reduced schedules for older workers, and outreach to new Mainers and people with disabilities, veterans, disengaged youth, and others.

LABOR FORCE PARTICIPATION RATE



Employment Growth in Maine By Selected Sectors, 2019-2021



Sources: U.S. Bureau of Labor Statistics, Maine Department of Labor, Center for Workforce Research and Information

7 - Value-Added

+2%

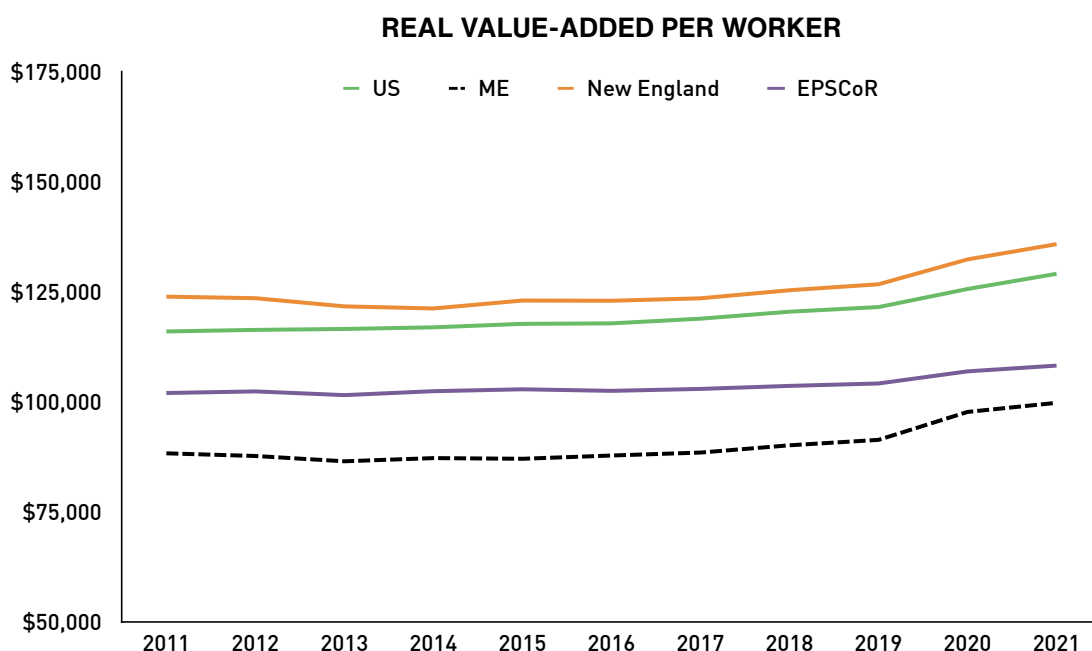
Maine's value-added per worker will improve to within 15% of the U.S. average by 2030

This indicator measures the productivity of workers by dividing gross domestic product by the total number of part- and full-time workers. Maine has a relatively high share of part-time workers, which lowers our value-added per worker. Productivity also reflects skill levels, business costs, and a region's mix of industries.

Worker productivity in Maine is low but increasing. It ranked 43rd among the 50 states in 2021, up from 48th five years earlier. Adjusted for inflation, value-added rose 2% to \$115,000 per worker. This exceeded the

average growth of EPSCoR* states but trailed the U.S. and New England. By this measure, Maine is about 23% behind the national average.

Both the Council and the State's 10-Year Economic Strategy draw attention to the importance of increasing value-added to grow Maine's economy and boost wages. The Council seeks for Maine to be within 15% of the U.S. average by 2030, while the State strives for 10% absolute growth.



Source: U.S. Bureau of Economic Analysis

* EPSCoR is the National Science Foundation's Established Program to Stimulate Competitive Research, a program to assist places with historically low levels of funding for research and development. There are 25 states in the program: Alabama, Alaska, Arkansas, Delaware, Hawaii, Idaho, Iowa, Kansas, Kentucky, Louisiana, Maine, Mississippi, Montana, Nebraska, Nevada, New Hampshire, New Mexico, North Dakota, Oklahoma, Rhode Island, South Carolina, South Dakota, Vermont, West Virginia, and Wyoming.

8 - Gross Domestic Product

+5%

The growth of Maine's GDP will outpace that of New England and the U.S.

Gross domestic product (GDP) provides a sense of Maine's overall economic performance. It reflects the market value of all goods and services produced in the state and some non-market goods and services provided by government agencies and non-profit institutions.

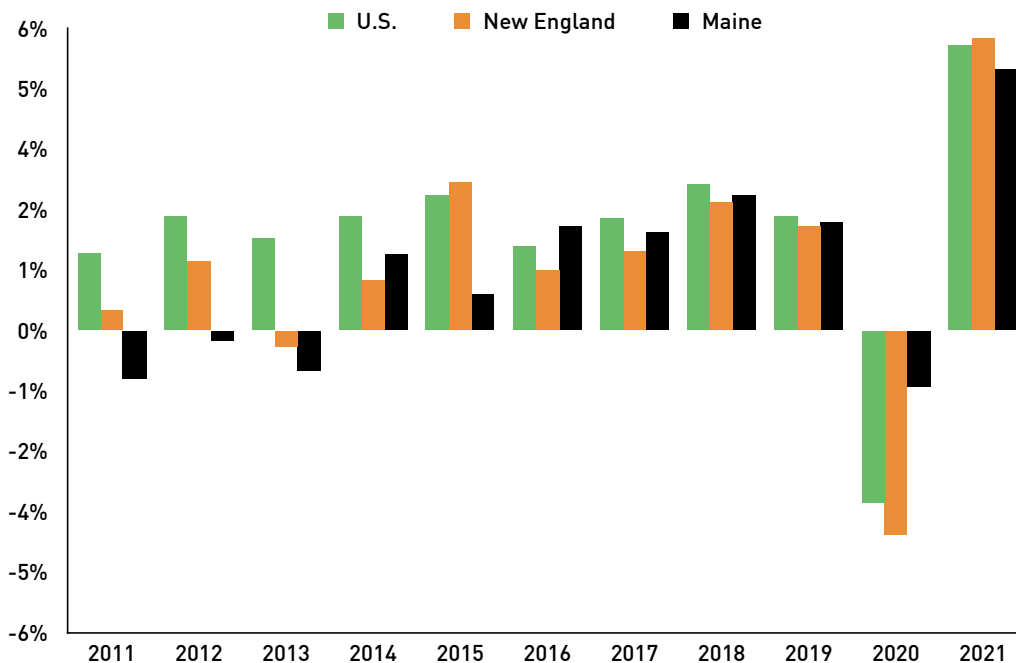
In 2021, Maine's GDP recovered from its pandemic slump, growing 5.2% adjusted for inflation. Maine's growth ranked 24th of the U.S. states and was just shy of the national and New England growth rates of 5.7% and 5.8%. Over the past decade, Maine's GDP growth has kept pace with the New England rate but trailed the U.S.

Real estate, government, professional and business services, and health care and social assistance together made up over one-half of Maine's GDP in 2021.

Maine's Gross Domestic Product By Major Industry Sector 2021

Industry Sector	GDP Millions of Dollars	% of Total	% Change 2020-21
Real Estate	\$9,823	16%	5%
Government	\$7,662	12%	2%
Professional & Business Services	\$7,522	12%	9%
Health Care & Social Assistance	\$7,046	11%	2%
Manufacturing	\$6,349	10%	9%
Retail Trade	\$5,154	8%	1%
Finance & Insurance	\$4,385	7%	12%
Wholesale Trade	\$3,317	5%	4%
Accommodation & Food Services	\$2,197	4%	27%
Construction	\$1,804	3%	4%

REAL GROSS DOMESTIC PRODUCT GROWTH RATE



Source: U.S. Bureau of Economic Analysis



ECONOMY

IN KEEPING WITH THE ENTREPRENEURIAL SPIRIT



Photo used by permission of Rhona Deah, Owner, Rhona Beauty LLC, as photographed by Jessica Paige, JPaige Photography.

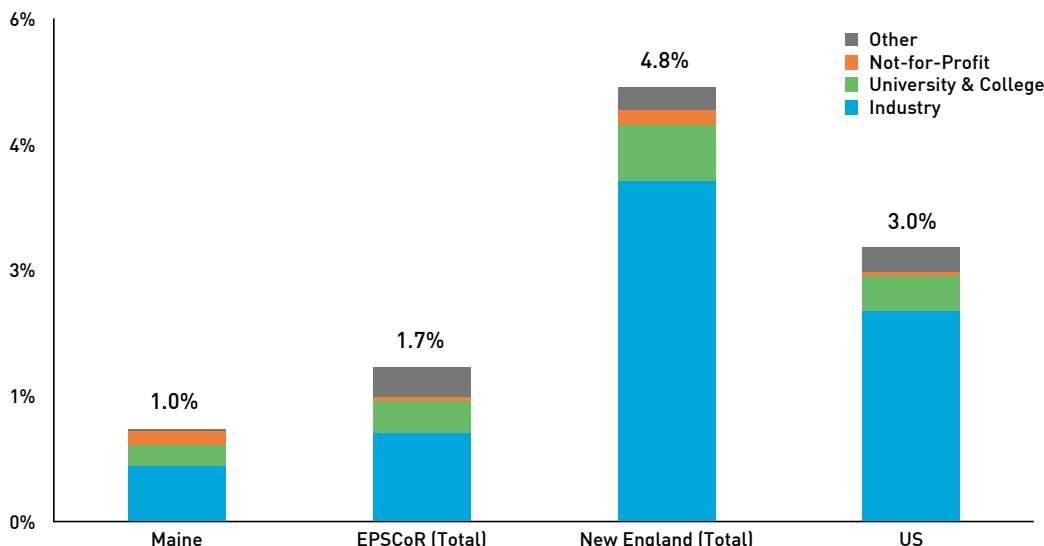
9 - Research and Development



Maine's R&D investments trail the U.S.



TOTAL PERCENT OF GDP TOWARD R&D BY MAJOR PERFORMANCE SECTOR, 2019



Benchmark:
Maine's research and development spending as a proportion of the economy will reach the U.S average by 2030.

Sources:
Camoin Associates, University of Maine

Research and development (R&D) spending is an indicator of the level of innovation in an economy, an important driver of economic growth. In 2019, Maine's total R&D spending was \$685 million, a 30% increase from \$527 million in 2018.

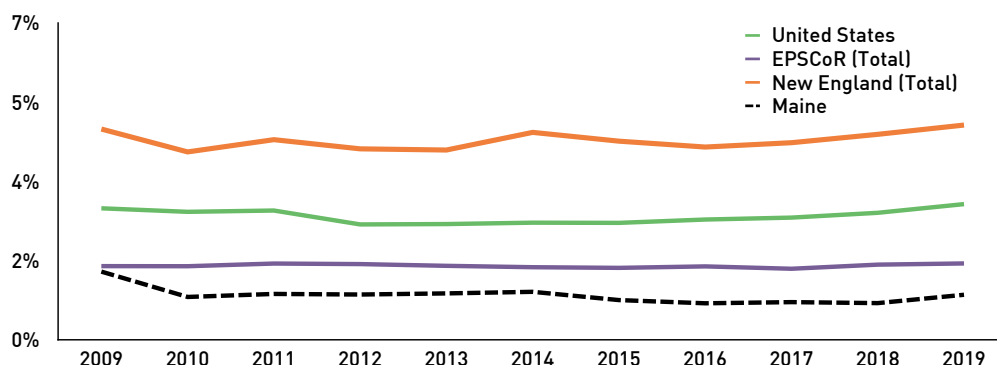
R&D spending in Maine represents 1.0% of total gross domestic product (GDP), compared to 3.0% nationwide. This ranks Maine 44th of the 50 states and is about one-half of the estimated 1.7% average among EPSCoR states. Maine lags other states in private

sector and university R&D investments relative to GDP, while our non-profit sector contributes a relatively high proportion of spending.

The University of Maine System Board of Trustees has prioritized the expansion of R&D across the system. In 2021, the University of Maine's R&D expenditures reached \$179 million, a record high, and in 2022 the University of Maine earned an R1* top-tier research designation. These gains may improve Maine's overall R&D ranking in future years.

*R1 refers to doctoral universities with "very high research activity," as defined by the Carnegie Classification of Institutions of Higher Education.

TOTAL R&D SPENDING AS A PERCENT OF GROSS DOMESTIC PRODUCT



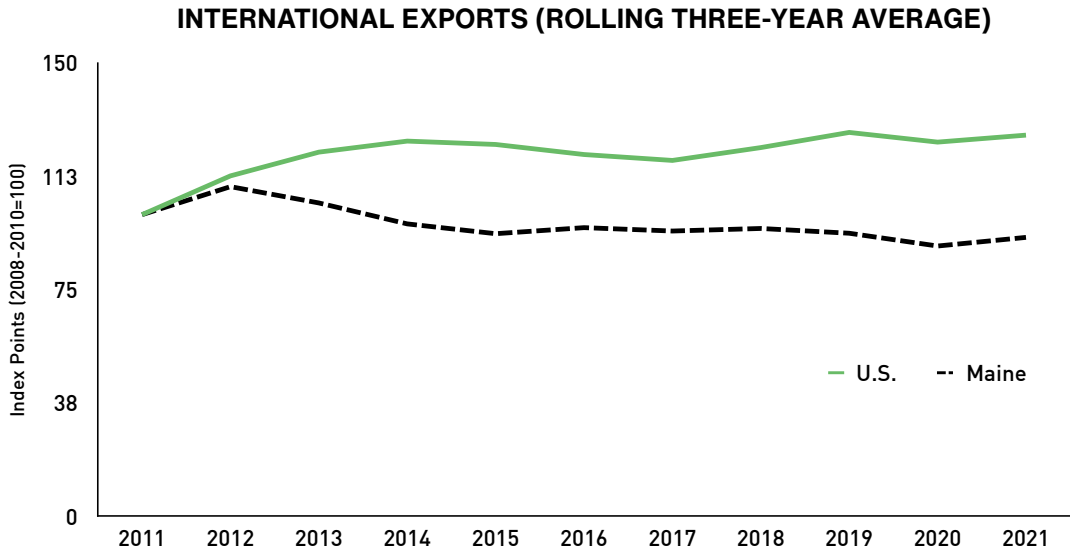


10 - International Exports

+32% Exports rose in 2021

Benchmark:
Maine's international exports will grow at a pace faster than U.S. international exports.

Sources:
Maine International Trade Center, Camoin Associates



Sales to customers in other states and countries provide valuable opportunities for Maine businesses. According to one estimate, exports account for about 1.6% of Maine businesses' total sales (below the national rate of 3.4%). Sales made within Maine to international customers, such as those to foreign tourists and students, provide equivalent injections into the state's economy, but are not tracked.

2020's global pandemic reduced trade worldwide, but it rebounded in 2021. Maine exports jumped 32%, exceeding the 23% national growth rate and reaching \$3.1 billion – their highest level since 2011.

Export gains were widespread across a range of Maine industries. Among Maine's top traded products, sales of seafood, paper, and industrial machinery all rose 49% or more. Canada remains Maine's leading trade partner, with \$1.6 billion in exports in 2021, followed by China, El Salvador, Malaysia, and the Netherlands.

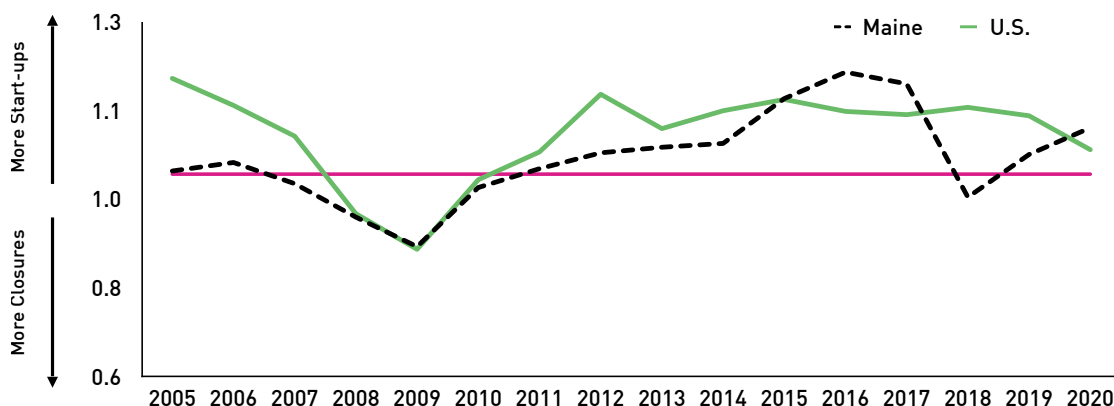
11 - Entrepreneurship



New business starts have exceeded closures for most of the past decade



RATIO OF BUSINESS START-UPS TO CLOSURES



Benchmark: Maine's ratio of business start-ups to closures will be positive and equal to or above the national average.

Source: U.S. Bureau of Labor Statistics

The creation of new businesses is a vital economic activity. Entrepreneurship contributes to innovation, creates jobs, and builds wealth. In a vibrant economy, people have the skills to identify and respond to business opportunities, access to capital, supports for starting and scaling businesses, and connections to human capital.

This entrepreneurship metric compares the number of business establishments that are started in Maine each year with the number that close. It includes any establishment with employees covered by

unemployment insurance. A start-up-to-closure ratio greater than 1 means more businesses are being created than closed each year.

In 2020, Maine's ratio of start-ups to closures was 1.09, meaning 9% more businesses were created (5,104) than closed (4,676). This is an increase from 1.04 in 2019, and above the U.S. ratio of 1.05. There was a spike in business closures in early 2020 coincident with the early days of COVID, but there was an increase in business starts in the second half of the year.



12 - Prekindergarten Education

-2%

Investments in early childhood development are vital to future success

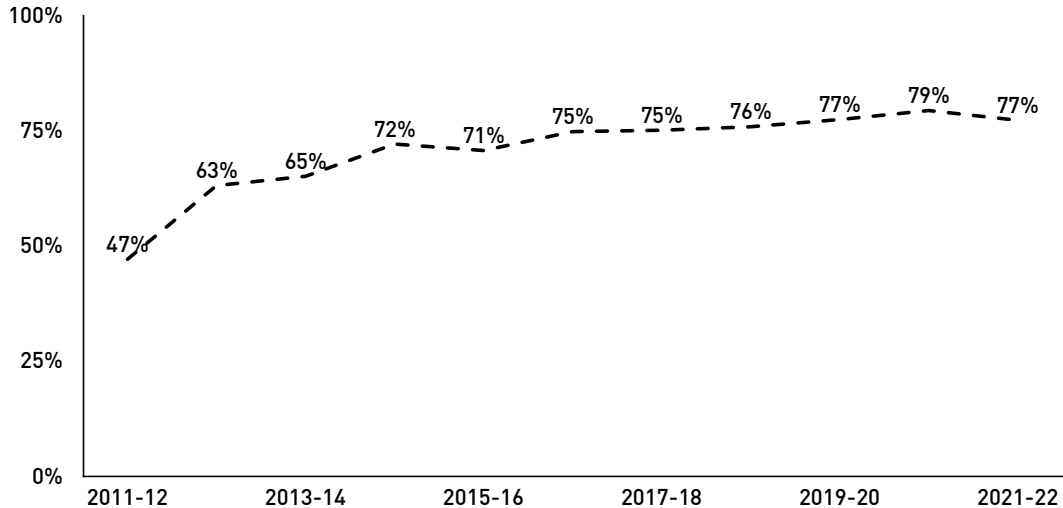
Benchmark:

100% of Maine school districts will have public pre-K for 4-year-olds by 2025.

Source:

Maine Department of Education

MAINE PUBLIC SCHOOL DISTRICTS WITH PRE-K PROGRAMS



High-quality, affordable child care is critical to Maine's economic development. It prepares young Mainers for success in school and supports their parents' full participation in the workforce, a fact highlighted by the COVID pandemic.

This metric focuses on one component of early childhood education: prekindergarten. In Maine, the percentage of school districts with public pre-Ks has increased dramatically, from 24% in the late 2000s to 77% last year. The drop from 79% in 2020-2021 reflects the impact of COVID and anomalous enrollment declines at some very small districts. It is expected

to reverse next year. The Council supports the Maine Children's Cabinet's goal of all districts offering these programs by 2025.

According to the National Institute for Early Education Research, the percentage of Maine four-year-olds enrolled in public pre-K dropped from 44% in 2019-2020 to 33% in 2020-2021. This followed national trends, as many parents kept their young children at home by choice or necessity during the pandemic. Still, Maine's share of publicly educated four-year-olds exceeds the U.S. and New England averages of 26% and 29%, respectively.

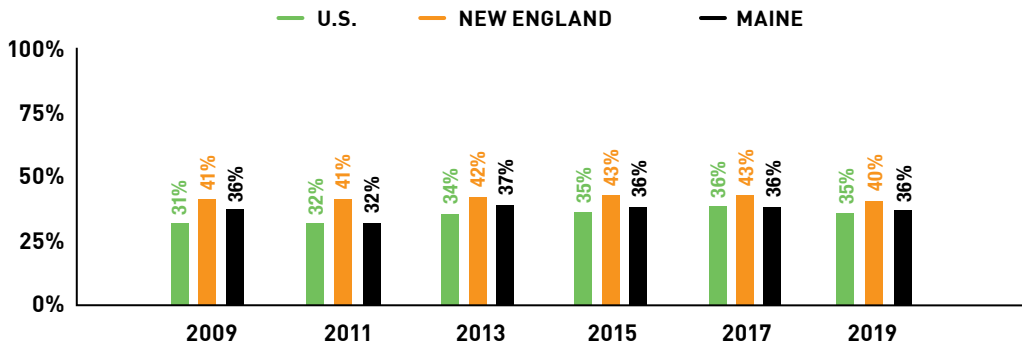
13 - Fourth-Grade Reading

NA

Early school performance has remained unchanged for years



PERCENTAGE OF 4th GRADERS SCORING PROFICIENT OR ABOVE



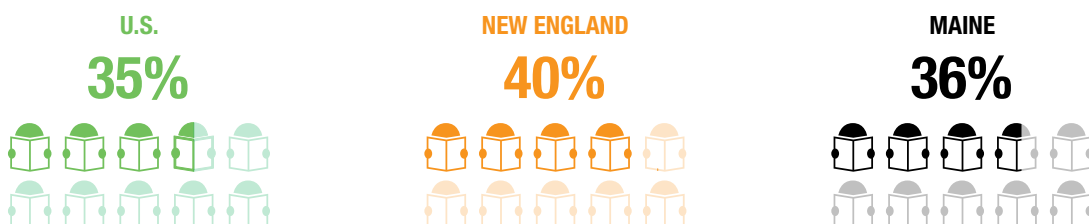
Benchmark:
The percentage of Maine students scoring proficient and above on NAEP will reach 50% by 2030.

Source:
National Center for Education Statistics, National Assessment of Educational Progress (NAEP); New England average is unweighted

Fourth-grade reading scores are an indicator of future outcomes like educational attainment, employment, and earnings. Fourth-grade reading proficiency is defined as solid academic performance and competency over challenging subject matter, application to real-world problems, and appropriate analytical skills. The National Assessment of Educational Progress (NAEP) tests representative samples of fourth and eighth graders every other year to allow national and state comparisons.

The proportion of Maine fourth graders meeting NAEP's proficiency benchmark in reading has not improved over the past decade. In 2019, 36% of Maine fourth graders were proficient in reading, the same proportion as in 2015 and 2017. Maine fourth-grade reading performance was one percentage point above the national average and trails the New England average by four points. Due to COVID, testing was delayed in 2021. As of publication, the results were not yet available.

4th GRADERS SCORING PROFICIENT OR ABOVE IN 2019





14 - Eighth-Grade Math

NA

Performance improvements are needed to help students and the economy

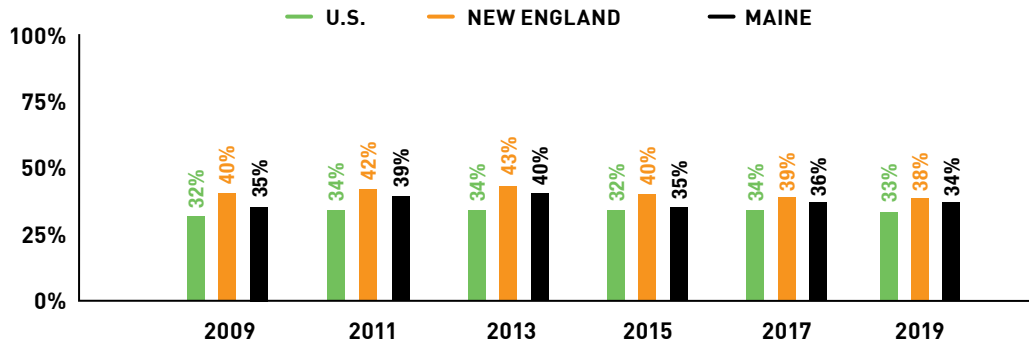
Benchmark:

The percentage of Maine students scoring proficient and above on NAEP will reach 50% by 2030.

Source:

National Center for Education Statistics, National Assessment of Educational Progress (NAEP); New England average is unweighted

PERCENTAGE OF 8th GRADERS SCORING PROFICIENT OR ABOVE



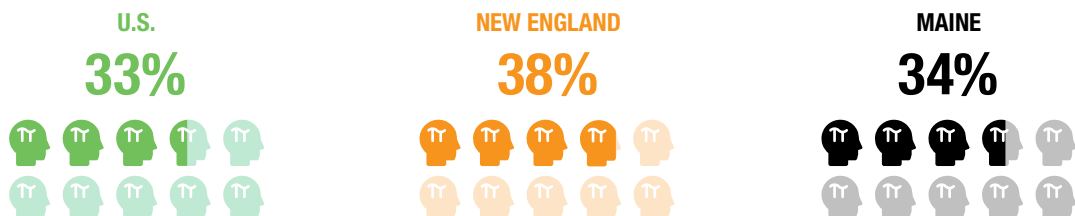
Eighth-grade math scores reflect foundational skills and indicate whether students are on track for college and career readiness. Math is a cornerstone of the STEM (science, technology, engineering, and math) disciplines, which can lead to in-demand job skills and well-paid careers in growing fields. Math addresses knowledge and skills to solve problems, make sense of information, and accurately gather and evaluate evidence to make decisions.

Eighth-grade math proficiency is defined as solid academic performance and competency over challenging subject matter, application to real-world problems, and

appropriate analytical skills. The National Assessment of Educational Progress (NAEP) tests representative samples of fourth and eighth graders every other year to allow national and state comparisons.

The proportion of Maine eighth graders meeting the NAEP math proficiency benchmark increased from 34% in 2007 to 40% in 2013 but then slid back to 34% in 2019. Maine eighth-grade math proficiency was one percentage point above the national average of 33% but trailed the New England rate of 38% by four points. Due to COVID, testing was delayed in 2021. As of publication, the results were not yet available.

8th GRADERS SCORING PROFICIENT OR ABOVE IN 2019



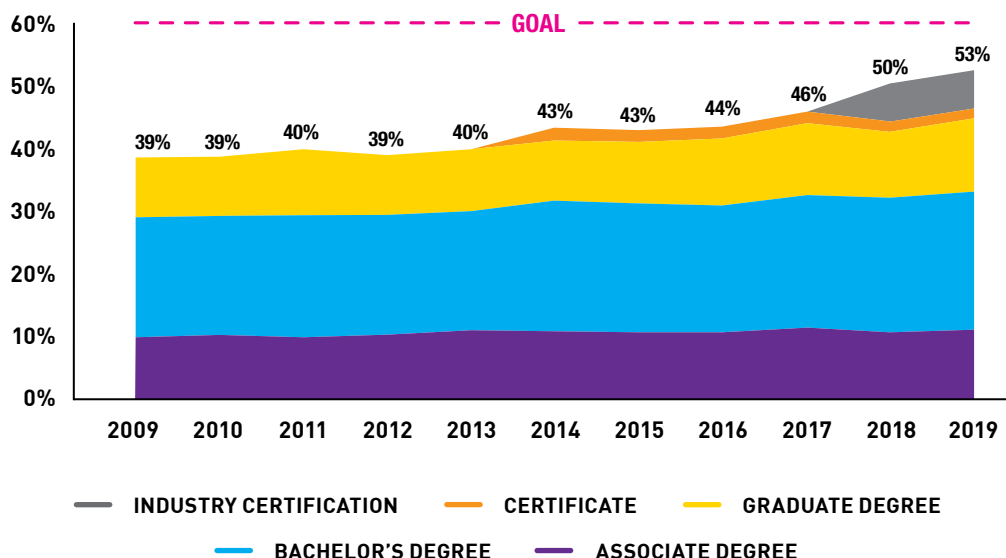
15 - Postsecondary Degrees and Credentials

NA

Improving postsecondary educational attainment is a top priority



POSTSECONDARY ATTAINMENT OF MAINE ADULTS



Benchmark:
By 2025,
60% of Maine
adults will
have a degree
or non-degree
credential of
value.

Source:
Lumina
Foundation

Last year, the Council adopted a postsecondary goal that includes non-degree credentials of value. These certificates and certifications offer valuable pathways to opportunity in today's economy. This benchmark aligns with Maine's statutory goal of 60% of adults ages 25-64 holding a degree or a non-degree credential of value by 2025 – a goal promoted by MaineSpark, a coalition of education institutions, nonprofits, foundations, government agencies, and businesses.

The Council recognizes the growing importance of non-degree career paths, including professional

certifications, licenses, digital badges, and military service. The Lumina Foundation reports that in 2019, the most recent year for which data are available, 7.8% of Maine adults ages 25-64 who lacked postsecondary degrees held occupational credentials. That is above the New England average of 6.4% and just below the national average of 8.1%. In all, an estimated 52.6% of Maine adults ages 25-64 held an associate, bachelor's, graduate, or professional degree, or a non-degree credential of value in 2019. This is up from 50.5% in 2018.

Adult Ages 25-64 Degree Attainment Rates, 2019

	Associate Degree	Bachelor's Degree	Graduate or Professional Degree	Credential or Certificate	Total
Maine	11.1%	22.2%	11.5%	7.8%	52.6%
New England	8.3%	25.2%	18.0%	6.4%	58.0%
United States	9.2%	21.8%	12.7%	8.1%	51.9%

Source: Lumina Foundation



16 - Cost of Doing Business

0%

Business costs remain above national and regional averages

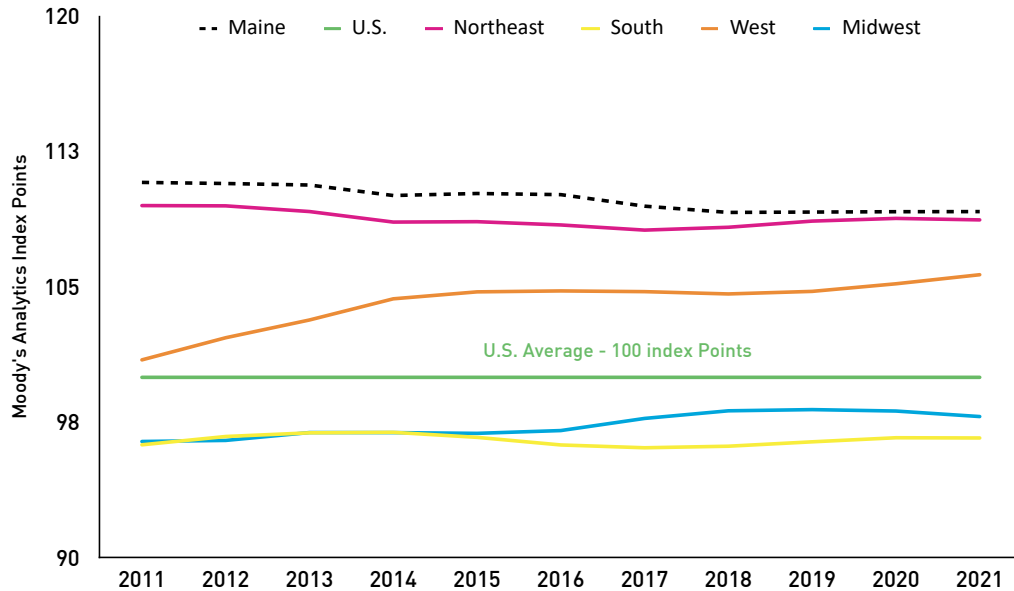
Benchmark:

Maine's cost of business will decline to the U.S. average by 2030.

Source:

Moody's Analytics

COST OF DOING BUSINESS



Moody's Analytics' cost of doing business index is a weighted scale of labor costs (wages, benefits, and productivity), commercial and industrial electricity costs, and state and local tax burden. A value of 100 equals the U.S. average.

Maine's cost of doing business index value was 115 in 2008-2009 and has been stable at about 110 since 2014. In 2021, Maine's cost of doing business ranked 10th highest in the U.S., but second lowest of the New England states. In the U.S., the Northeast has higher business costs than other regions of the country, and Maine's cost of doing business has been consistently above the Northeast average for the past decade.

2021 New England State Ranks: Business Costs (1 is highest cost)

	Overall	Labor	Energy	Tax Burden
MA	2	6	5	26
VT	4	12	8	5
RI	7	14	3	21
NH	8	8	7	49
ME	10	18	10	4
CT	11	45	6	3

17 - Cost of Health Care

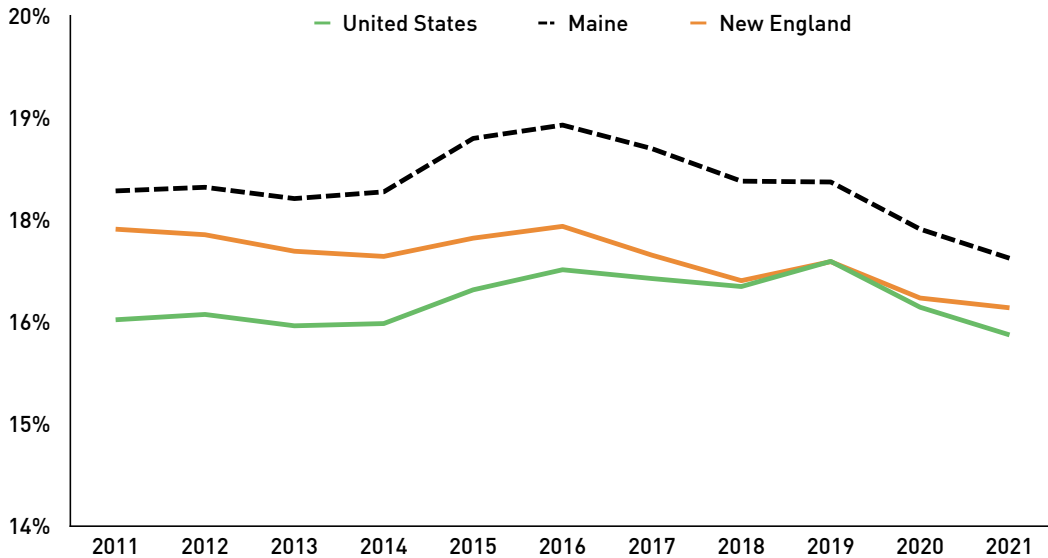


-0.4%

Above average health care costs are a continuing challenge



HEALTH CARE EXPENDITURES AS PERCENTAGE OF TOTAL PERSONAL EXPENDITURES



Benchmark: Maine's health care spending as a percentage of total personal expenditures will decline to the New England average by 2030.

Sources: U.S. Bureau of Economic Analysis, U.S. Department of Health and Human Services

Our measure of health care costs tracks the percentage of total personal expenditures that are devoted to health care. Maine people and businesses consistently identify the high cost of health care as a major concern.

In 2021, health care spending in Maine stood at 17.1% of all personal expenditures, down from its peak of 18.7% in 2016. While health care expenditures in Maine are higher than the U.S. and New England rates, they are trending downward. They fell sharply in 2020, largely

due to the decline of noncritical services during COVID. Still, in Maine and across the nation, about 1 in 6 dollars generated in the economy goes to medical expenses.

In 2021, the median contribution for family health insurance coverage of a Maine employee was \$5,800. By this measure, Maine ranked 10th highest of the 50 states. For employers, the median contribution was \$15,000—28th highest. These estimates come from a relatively small survey and should be interpreted with caution.

MEDIAN CONTRIBUTION FOR FAMILY COVERAGE, 2021

EMPLOYER



EMPLOYEE



MAINE
U.S.



18 - Cost of Energy



+10%

High electricity prices hinder some industries

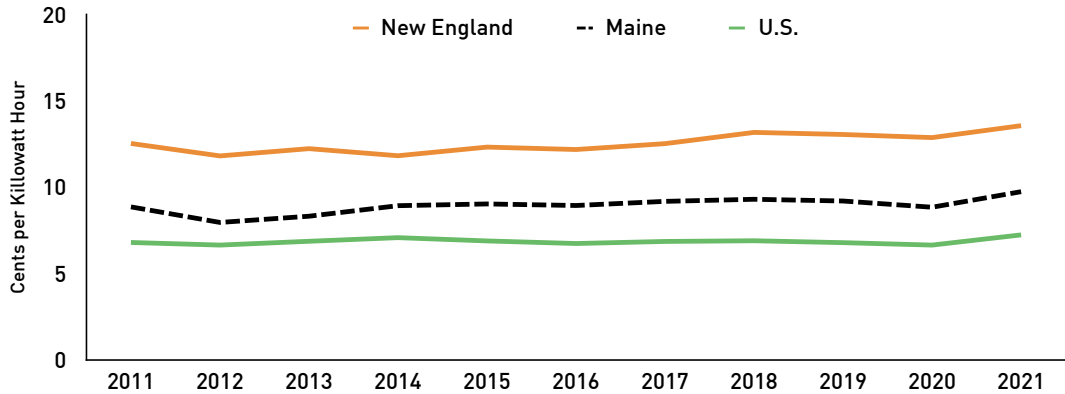
Benchmark:

The cost of electricity in Maine will decline to the U.S. average by 2030.

Source:

U.S. Energy Information Administration

INDUSTRIAL RETAIL ELECTRICITY PRICE



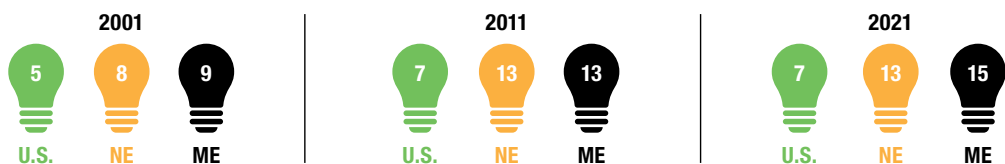
Electricity is a significant cost for many businesses, especially those in energy-intensive industries such as manufacturing. The energy intensity of Maine's economy is about average for the U.S. (ranking 22nd of the 50 states in 2019) but the highest in New England.

The average industrial retail price of electricity in Maine rose 10% in 2021, from 8.86 to 9.76 cents per kilowatt hour. This was double the national growth rate but similar to the rest of New England. Maine's

industrial electricity rates are still the lowest in New England, and 28% below the regional average, but they exceed the national average by 34%.

New renewable energy sources could help reduce costs and lower emissions, but they require increased investment in Maine's strained transmission system. A coordinated transmission anticipation process could help address this issue.

INDUSTRIAL RETAIL ELECTRICITY PRICE TREND (cents/kWh)



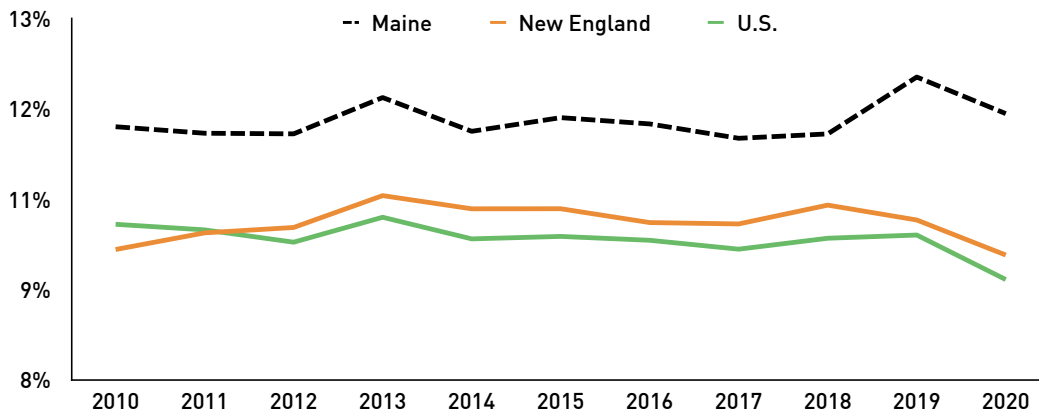
19 - State and Local Tax Burden

-0.5%

Tax burden remains above average



STATE AND LOCAL TAXES AS A PERCENT OF INCOME



Benchmark: Maine's tax burden will decline and move toward the New England average each year through 2030.

Source: U.S. Census Bureau and U.S. Bureau of Economic Analysis

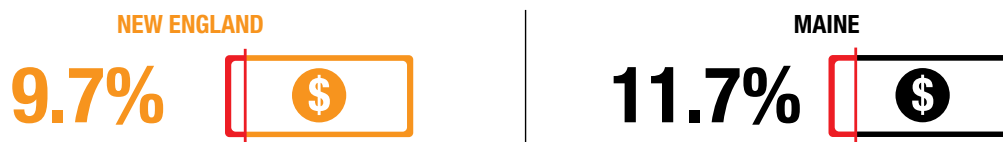
The percentage of total personal income paid in state and local taxes (property, sales, income, corporate, motor vehicle, and other taxes) is our tax burden measure. While taxes impose costs on individuals and businesses, they generate revenue for public services and investments. This measure compares tax levels and ability to pay; it can be reduced by lowering tax rates and by increasing income.

Since 2010, Maine's state and local tax burden has remained at or below 12%, above the New England and U.S. averages. This figure does not account for sales and property taxes paid by out-of-state visitors and second-home owners. From 2019 to 2020, Maine's tax burden fell 0.5% to 11.7%. The New England and U.S. rates fell, too. This is likely due to the economic slowdown caused by COVID reducing income and sales tax revenues. Maine ranks 4th highest of the 50 states in state and local taxes as a percentage of income and 11th highest in tax collections per capita.

State and Local Tax Burden Rank 2020 (1 is highest)

	% of Income	Rank	Per Capita	Rank
U.S.	9.4%	N/A	\$5,616	N/A
NE	9.7%	N/A	\$6,574	N/A
ME	11.7%	4	\$6,420	11
VT	10.9%	5	\$6,450	10
CT	10.8%	6	\$8,448	2
RI	9.6%	16	\$5,732	15
MA	9.3%	21	\$7,265	6
NH	7.5%	46	\$5,131	25

STATE AND LOCAL TAXES AS A PERCENT OF INCOME IN 2020





COMMUNITY

LIVING, WORKING AND MOVING FORWARD, TOGETHER



Photo of the 2019 Skowhegan Craft
Brew Festival by Johnathan Wheaton
Photography and used by permission
of Main Street Skowhegan.

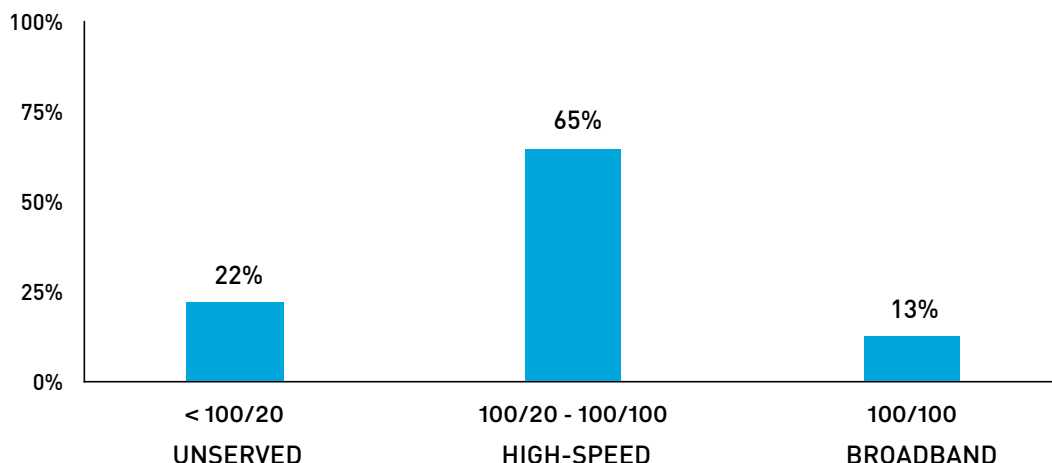
20 - Internet Connectivity

NA

Internet service has improved,
but further investments are critical



PERCENTAGE OF MAINE LOCATIONS WITH INTERNET ACCESS BY SPEED OF INTERNET



Benchmark:
Anyone in Maine who wants a high-speed internet connection can have one by 2025.

Source:
Maine Connectivity Authority

High-speed internet is vital to participation in the global economy and modern society, and critical for communities seeking to attract and retain businesses and residents. COVID reinforced this in stark terms. Having reliable, fast internet became essential for professionals and students working and learning from home, often at the same time.

The Maine Connectivity Authority (MCA) is working to build internet infrastructure with growth capacity for high performance standards. In 2022, its target is 100 Mbps download and 100 Mbps upload. Evolving measurement and reporting practices make year-to-year comparisons difficult. In 2022, MCA estimates that 13% of Maine locations have access to 100/100 (“broadband internet”). Sixty-five percent have access to speeds of 100/20 or better (“high-speed internet”) but less than 100/100, and 22% can only access internet below 100/20 (defined as “unserved”).

Access varies greatly across Maine. Over 20% of locations in Knox, Penobscot, and Waldo counties have access to 100/100, compared to 2% or less in Androscoggin, Franklin, Piscataquis, Sagadahoc, and Somerset.

Broadband Internet Service by County (100 Mbps download/100 Mbps upload)

Coastal Counties	% of locations
Knox	32%
Waldo	20%
Cumberland	19%
Hancock	16%
Lincoln	15%
York	8%
Sagadahoc	2%
Central Counties	
Penobscot	23%
Kennebec	13%
Androscoggin	2%
Rim Counties	
Washington	13%
Oxford	12%
Aroostook	4%
Piscataquis	2%
Franklin	0%
Somerset	0%



21 - Transportation

+7%

Significant improvement is needed to meet Maine's transportation needs

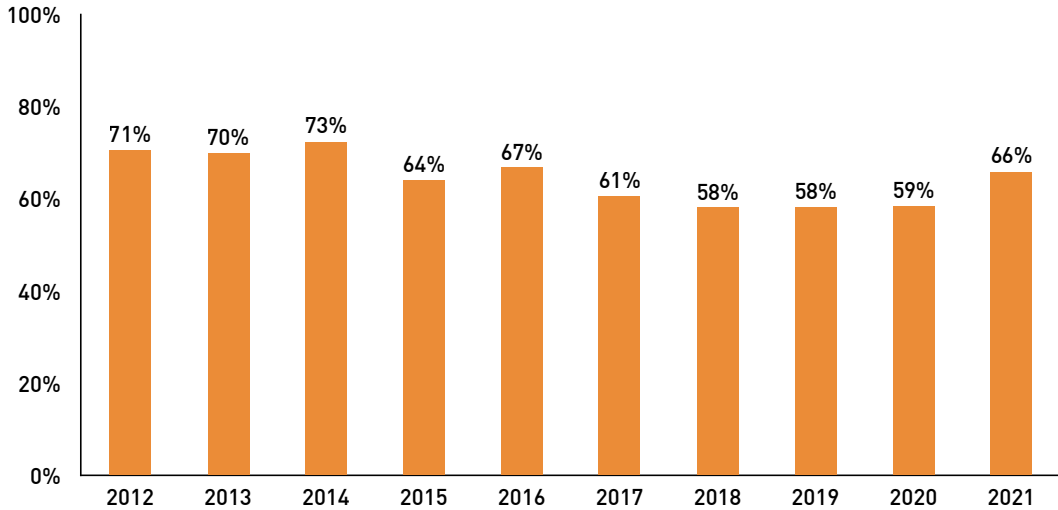
Benchmark:

At least 85% of highway corridor Priority 1, 2 and 3 miles will be rated Excellent, Good, or Fair.

Source:

Maine Department of Transportation

HIGHWAY MILES RATED EXCELLENT, GOOD, OR FAIR



Maine's transportation network connects us to each other and to the world. Together roads, rails, airports, and seaports can support an integrated transportation system that promotes economic activity by getting goods and people to their destinations efficiently and affordably. Public transportation is a critical component of this system, allowing people to access employment and services without a car, and reducing congestion and pollution.

Our roadways carry the vast majority of passengers and freight. Poor road conditions can lead to personal

injury, property damage, and extended commute times. The Maine Department of Transportation grades roadways from A (excellent) to F (unacceptable). This measure shows grades for the most-traveled and economically significant ("Priority 1") roadways.

In 2021, 982 miles (66%) of Priority 1 highways were graded A, B or C, and 504 miles (34%) received grades of D or F. This was a notable (7%) improvement from 2020, although the proportion of Maine highways receiving top grades is still below past levels.

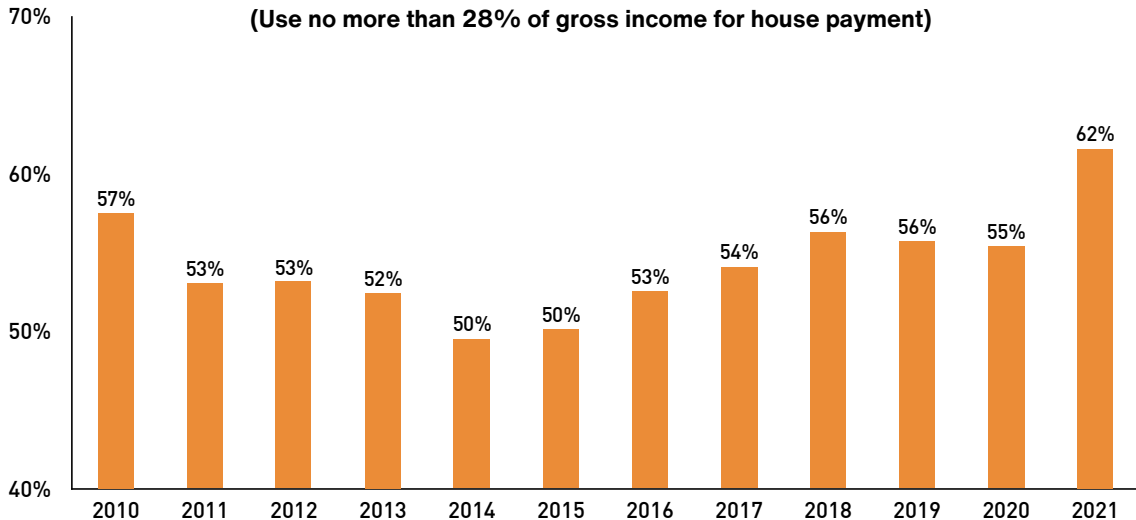
22 - Housing Affordability



Maine's better-than-average housing affordability has declined



MAINE HOUSEHOLDS UNABLE TO AFFORD MEDIAN-PRICED HOME (Use no more than 28% of gross income for house payment)



Benchmark: Maine's housing affordability index will reach and maintain a level around one through 2030.

Source: MaineHousing

Housing is a significant portion of household budgets, and housing costs reflect everything from the supply of housing stock, to public policies regarding planning and new construction, to lending practices and interest rates. Regions with affordable housing are better able to attract and retain workers. Affordable housing also has broad positive impacts on health and childhood development, which benefit individuals and communities alike.

As of publication, the housing affordability index usually presented in this report was unavailable due to pandemic-related data collection issues. However, data on homeownership affordability show a troubling development. The pandemic sparked a surge in homebuying that pushed up sale prices. As a result, the estimated percentage of Maine households that cannot afford the median-priced home jumped to 62% in 2021. This number may be inflated due to the large number of sales of high-priced homes during the pandemic. Nevertheless, the need for affordable housing is a recurring theme across the state. In 2021, homeownership costs met or exceeded the affordability threshold in just two of Maine's 16 counties (Aroostook and Washington).

Housing Affordability Index 2021

(an index value of 1.0 or higher is considered affordable)

	County	Homeownership
Coastal Counties	Lincoln	.67
	Knox	.72
	York	.72
	Cumberland	.73
	Hancock	.76
	Sagadahoc	.79
	Waldo	.80
Central Counties	Androscoggin	.84
	Kennebec	.84
	Penobscot	.94
Rim Counties	Oxford	.80
	Franklin	.85
	Piscataquis	.97
	Somerset	.98
	Washington	1.00
	Aroostook	1.24
	Maine	.80



23 - Safety



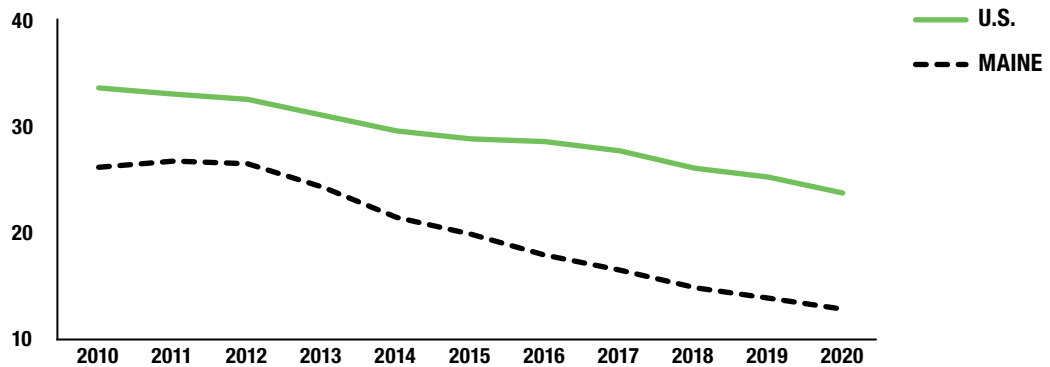
NA

Maine's reported crime rate is among the lowest in the country

Benchmark:
Maine's crime rate will remain 33% or more below the U.S. rate through 2030.

Source:
Federal Bureau of Investigation

REPORTED CRIMES PER 1,000 PEOPLE



Crime rates are our measure of physical safety, an important aspect of quality of life. Crime is costly to communities because it depresses property values, discourages investment, and increases insurance premiums. The crime rate includes data on larceny, burglary, aggravated assault, motor vehicle theft, rape, robbery, arson, and murder.

Maine's crime rate in 2020, 12.6 per 1,000 residents, was 46% below the national rate of 23.6 and the second lowest of the 50 states. This is likely due in part to the age of Maine's population, since criminal offenses decline with age. Property crime in Maine has dropped 53% since 2010, compared to a 34% decline nationwide, while violent crime dropped 11% in Maine and 1% in the U.S.

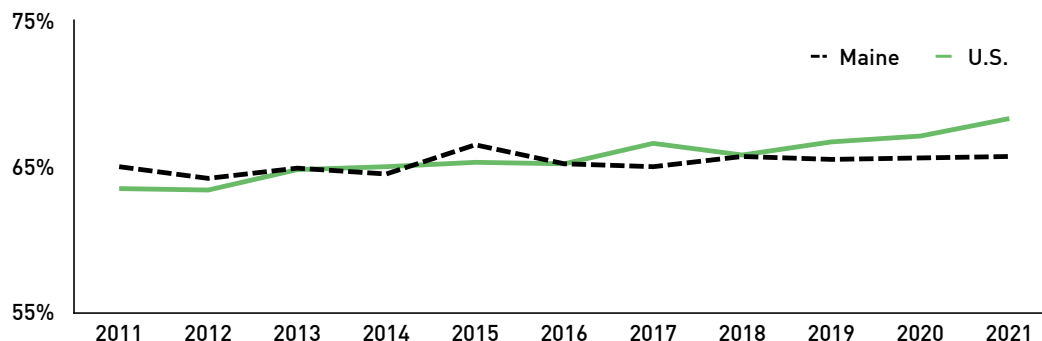
24 - Physical Wellness

+0.1%

Overweight and obesity rates are rising slowly



PERCENTAGE OF OVERWEIGHT AND OBESE ADULTS



Benchmark:
The combined percentage of overweight and obese adults in Maine will decline to 50% by 2030.

Source:
U.S. Centers for Disease Control and Prevention, Center for Child and Adolescent Health Measurement Initiative

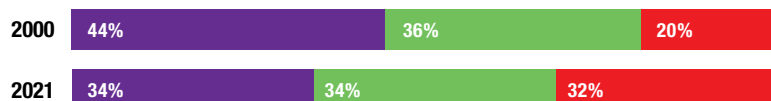
This indicator measures the proportion of adults who are overweight or obese. Excess body weight increases the risk of chronic diseases like diabetes, heart disease, stroke, asthma, arthritis, and some cancers. These conditions negatively affect quality of life and workplace productivity, and increase medical expenses. In 2021, 2 out of 3 Maine adults (66%) were overweight (body mass index of 25 to 29.9) or obese (body mass index of 30 or greater), just below the

national average. Maine's rate has steadily risen, up from 56% in 2000.

In 2019-2020, more than 1 in 4 Maine youth ages 10-17 (27%) was overweight or obese. This was below the national rate of almost 1 in 3 (32%), but childhood obesity is a serious, widespread problem that can cause long-term health challenges.

COMPARING MAINE ADULTS: 2000 & 2021

■ Normal/underweight ■ Overweight ■ Obese





25 - Mental & Behavioral Health



Mental health needs are rising

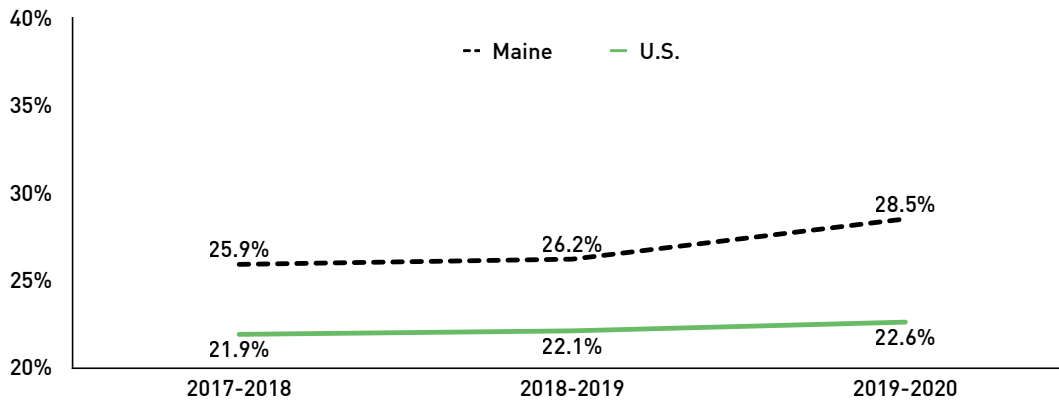
Benchmark:

The share of Maine children with a diagnosed mental and/or behavioral condition will decline over time.

Sources:

National Children's Health Survey, U.S. Centers for Disease Control and Prevention, Maine Integrated Youth Health Survey, U.S. Census Bureau Household Pulse Survey

CHILDREN WITH A MENTAL AND/OR BEHAVIORAL CONDITION



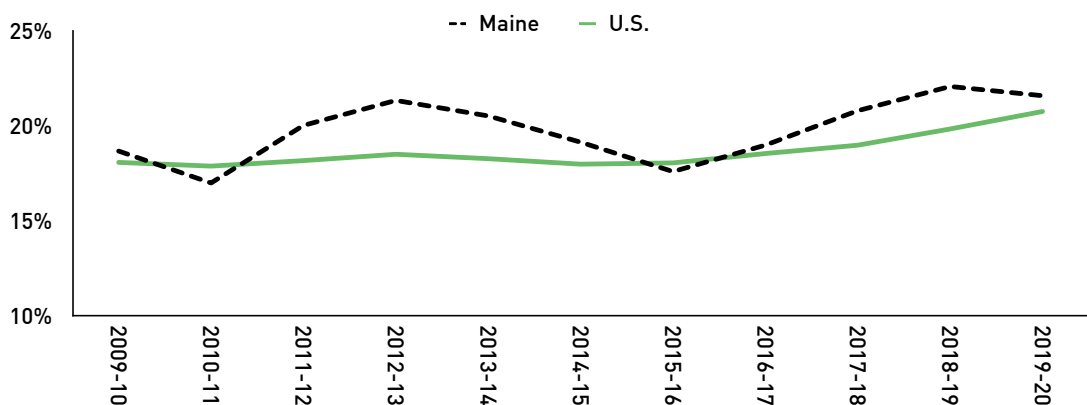
Mental and behavioral health plays an important role in how children learn, grow, form relationships, and handle stress. It influences their overall health and well-being, and their future conduct as employees, parents, and community members.

In 2019-2020, an estimated 28.5% of Maine children had a diagnosed mental, emotional, and/or behavioral condition such as anxiety, depression, a learning disability, or autism.* This was up from 26.2% in 2018-2019 and significantly higher than the U.S. average of 22.6%. In 2021, 36% of Maine high schoolers reported feeling sad or hopeless every day for two weeks or

more. Early evidence suggests that COVID-19 dealt an additional blow to children's mental health.

Many older Mainers are also experiencing challenges. Mental wellness impacts individuals' quality of life and their activities at home, at work, and within their communities. In September 2022, approximately 35% of Maine adults had symptoms of anxiety or depression. By comparison, in 2019, about 11% of adults nationwide reported these symptoms. Maine is seeing record high drug-related deaths, and the impacts of substance use ripple through households, schools, and communities.

ADULTS WITH ANY MENTAL ILLNESS IN THE PAST YEAR



* Diagnoses are reported by parents and include anxiety, depression, behavior and conduct problems, developmental delay, intellectual disability, speech or language disorder, learning disability, Autism, Attention Deficit Disorder or Attention Deficit/Hyperactivity Disorder, and Tourette Syndrome.

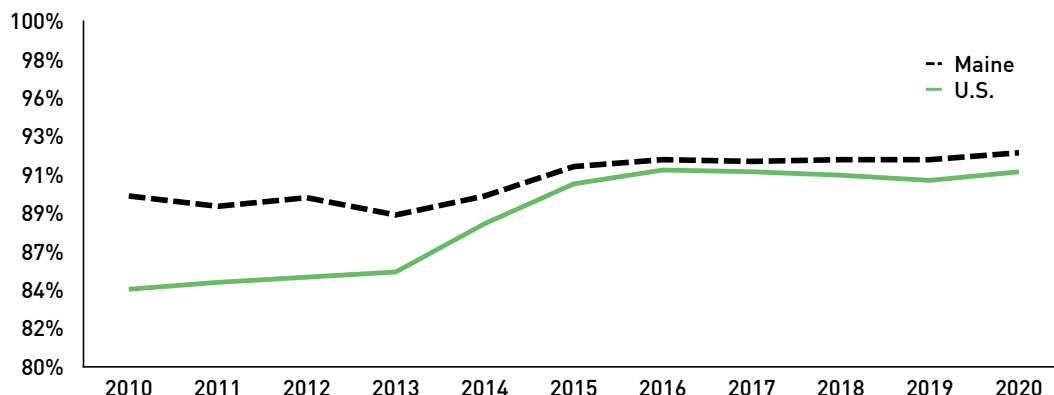
26 - Health Insurance Coverage

+0.4%

Health insurance coverage is stable and above the U.S. average



POPULATION WITH HEALTH INSURANCE COVERAGE



Benchmark:

The percentage of Maine's population with health insurance coverage will rise and remain above the U.S. rate.

Source:

U.S. Census Bureau

This measure tracks the proportion of the population with health insurance coverage. Higher health insurance coverage rates improve access to health care services, support local health care systems, and boost families' ability to pay for necessities.

The proportion of Maine residents with health insurance coverage has remained constant at about 92% since 2015. In 2020, this placed Maine one percentage point higher than the national average of 91%. An estimated 101,000 people in Maine do not have health insurance coverage. Regionally, health insurance coverage rates for people under age 65 range from 86.7% in Washington County to 92.5% in Cumberland County.

The Census Bureau's Small Area Health Insurance Estimates offer data on racial differences in health insurance coverage in Maine, although only in three categories: White alone, Black alone, and Hispanic (any race). In 2020, 91% of White Mainers under age 65 had health insurance coverage, compared with 89% of Black Mainers and only 81% of Hispanic Mainers.

Population Under Age 65 with Health Insurance Coverage, 2020

	County	Rate
Coastal Counties	Cumberland	92.5%
	York	91.6%
	Sagadahoc	91.1%
	Knox	89.9%
	Hancock	88.8%
	Lincoln	87.8%
Central Counties	Waldo	87.5%
	Kennebec	91.2%
	Androscoggin	91.1%
	Penobscot	90.4%
Rim Counties	Oxford	90.2%
	Franklin	90.0%
	Somerset	89.1%
	Piscataquis	88.8%
	Aroostook	88.4%
	Washington	86.7%



27 - Food Security

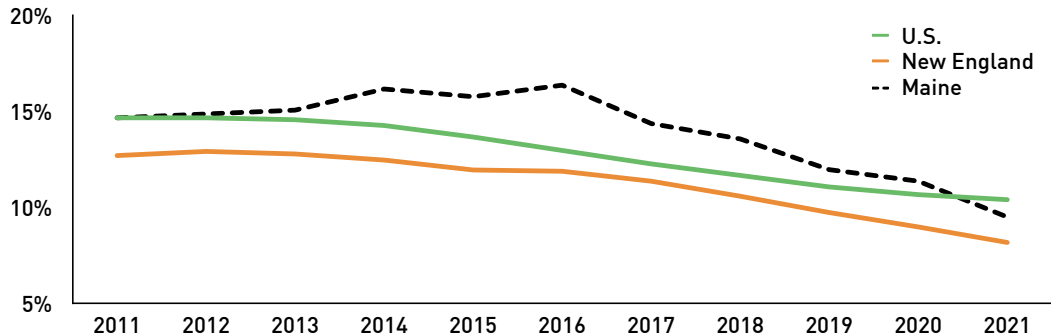
-2%

Access to healthy food is slowly improving

Benchmark:
Maine's percentage of food insecure households will decline to the U.S. average by 2030.

Sources:
U.S. Department of Agriculture, Feeding America

FOOD INSECURE HOUSEHOLDS (THREE-YEAR AVERAGE)



Food insecurity has broad negative impacts on health, child development, education outcomes, and productivity. Food-insecure households have disrupted eating patterns, reduced food intake, and reduced quality or variety of diet.

According to the U.S. Department of Agriculture, about 1 in 10 Maine households (9.5%) was food insecure in 2019-2021, down from 11.4% in 2018-2020. This may reflect expanded access to government programs and the hard work of Maine organizations focused on hunger reduction. However, the change is within the margin of error for the estimates, meaning the trend is likely positive but the magnitude may be overstated. Keeping this uncertainty in mind, Maine's rate of food insecurity appears to be below the national average of 10.4% and above the New England unweighted average of 8.2%.

County-level data are from a different source with a slightly higher estimate of food insecurity (10.4% for Maine in 2020). According to Feeding America, 2020 food insecurity ranged from 9.2% in Cumberland County to over 15% in Piscataquis, Somerset, and Washington counties.

Food Insecurity Rate 2020

	County	Rate
Coastal Counties	Cumberland	9.2%
	Sagadahoc	9.5%
	York	9.5%
	Knox	9.9%
	Hancock	10.5%
	Lincoln	10.7%
Central Counties	Waldo	11.2%
	Kennebec	11.6%
	Androscoggin	12.0%
	Penobscot	12.2%
Rim Counties	Franklin	11.2%
	Oxford	12.7%
	Aroostook	13.5%
	Washington	15.0%
	Piscataquis	15.2%
	Somerset	15.5%



ENVIRONMENT BY LAND, LAKE, SEA AND STREAM



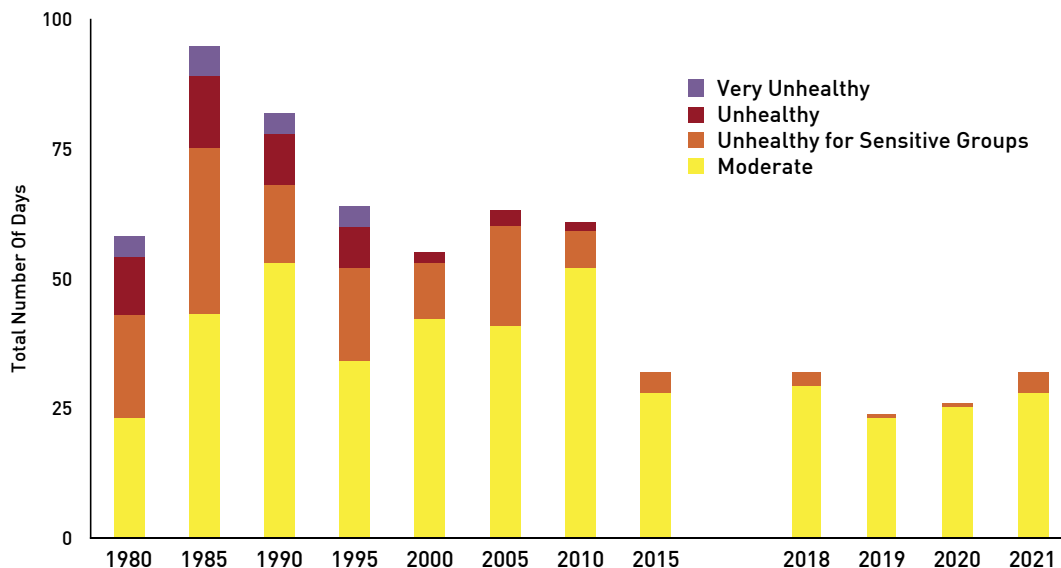
28 - Air Quality

+3
DAYS

Unhealthy air days remain
low compared to past decades



MAINE AIR QUALITY INDEX



Benchmark:
The overall number of days classified as a health risk and the severity of risks will be maintained through 2030.

Source:
Maine Department of Environmental Protection

Maine's air quality index is based on ozone levels, and reflects the number of days each year when the maximum ozone level recorded in the state reaches moderate or unhealthy levels. Maine's air quality contributes to health and wellness, and makes it an attractive place to live, do business, and visit. Air quality is subject to factors both within and beyond our borders.

In 2021, there were 28 moderate air quality days, and 4 days rated unhealthy for sensitive groups. After declining in the 1980s and 1990s, air quality in Maine has improved substantially, and is better than other Northeastern states.



29 - Water Quality



0%

Water quality far exceeds
the national average

Benchmark:

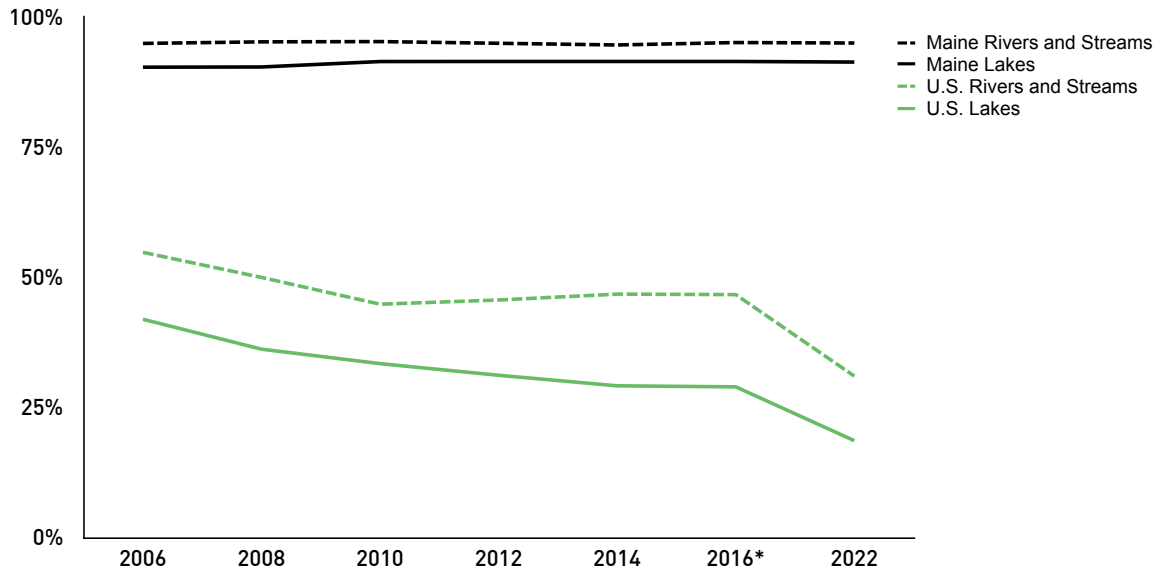
The percentage of Maine's assessed water bodies classified as Categories 1 or 2 will be maintained over time.

Source:

Maine Department of Environmental Protection.

*U.S. ratings for 2016 reflect multiple years between 2014 and 2022.

WATER BODIES RATED CATEGORY 1 OR 2 (GOOD), 2006-2022



This measure is based on reports by the Maine Department of Environmental Protection and U.S. Environmental Protection Agency (EPA) on the water quality of Maine rivers, streams, and lakes. The proportion of water bodies achieving Category 1 and 2 (“good”) classifications are compared to the rest of the U.S. Maine’s rivers, lakes, and streams provide drinking water and support ecosystems. They are part of the natural environment that supports tourism.

Since 2006, Maine’s water quality has been very high, with 95% of rivers and streams and 91% of lakes achieving Category 1 or 2 in 2022. Nationally, just 31% of U.S. rivers and streams, and 19% of the lakes, were rated “good.” The sharp recent drop in U.S. quality has many causes, including a significant increase in the amount of assessed water bodies, differing methods across states, and actual declines in water quality.

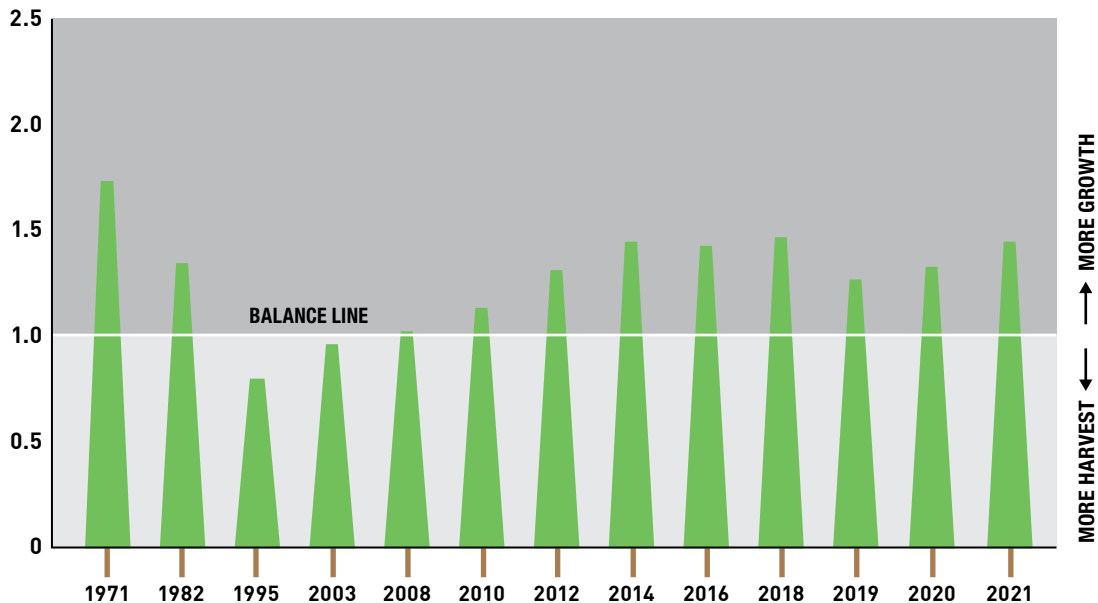
30 - Sustainable Forest Lands

+8%

Maine's growth-to-harvest ratio has increased for the past two years



TIMBERLAND GROWTH-TO-REMOVAL RATIO



Benchmark:
A net growth-to-removal ratio of approximately 1:1 will be maintained over time.

Source:
Maine Department of Agriculture, Conservation, and Forestry, Maine Forest Service

The sustainable management of Maine's forests is measured by the growth-to-harvest ratio. A net growth value above one means growth exceeds harvest, and a value below one means harvest exceeds growth. Forests cover nearly 90% of Maine's land area. Private landowners manage 94% of forested acreage, with much of it accessible to the public. Forests provide habitat for wildlife, help protect air and water quality, offer recreational opportunities, and supply

raw materials for products ranging from paper to alternative fuels. Sustainable forestry supports Maine's economy, environment, and quality of life.

Since 2010, Maine has seen slightly more growth than harvesting. In 2021, the growth-to-harvest ratio rose 8% to 1.43. This is within range of the sustainability goal, but harvesting is necessary to maintain the health of Maine's forests.



31 - Greenhouse Gas Emissions



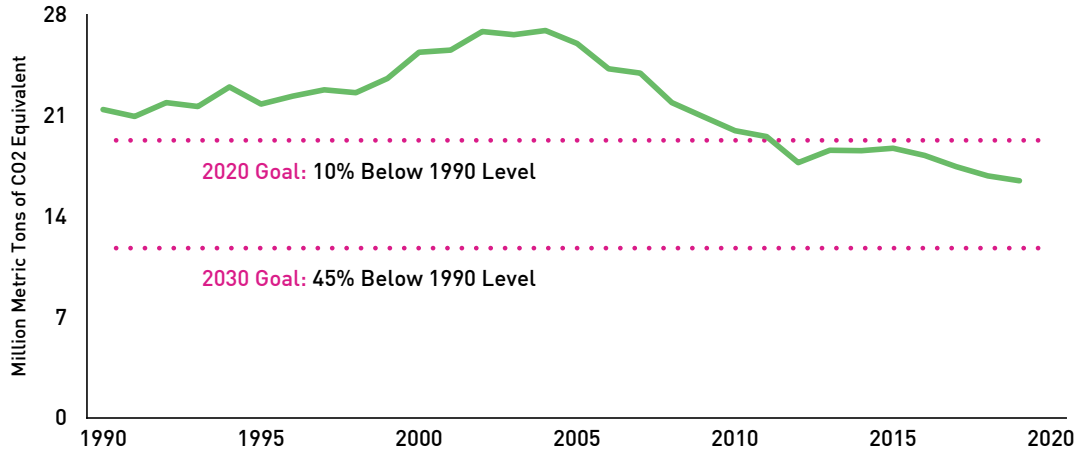
-2%

Maine is meeting its statutory goal to reduce greenhouse gas emissions

Benchmark:
Greenhouse gas emissions will fall 45% below 1990 levels by 2030.

Sources:
National Council of State Legislatures, Maine Department of Environmental Protection

MAINE GREENHOUSE GAS EMISSIONS



In 2003, Maine became the first U.S. state to enact a statutory target for greenhouse gas (GHG) emissions, which it met when emissions fell to 10% below 1990 levels in 2012. In 2019, further legislation set the goal of reducing emissions 45% below 1990 levels by 2030 and 80% by 2050. Emissions are calculated biennially by the Maine Department of Environmental Protection (MDEP) based on computer models developed by the U.S. Environmental Protection Agency.

From 2018 to 2019, GHG emissions fell 2%, from 16.8 to 16.4 million metric tons of carbon dioxide. In 2019, emissions were 23% below 1990 levels, meaning Maine is continuing to progress toward its 2030 goal.

According to DEP, about 91% of Maine's emissions are from energy consumption, mostly from the combustion of petroleum products. The other 9% is from agriculture, industrial processes, and waste management. Movement toward renewable energy sources and lower carbon fuels such as natural gas have contributed to reduced emissions.

BACKGROUND

The Maine Economic Growth Council was established by statute in 1993 to develop, maintain, and evaluate a long-term economic plan for Maine. Its members represent a broad cross-section of Maine's key constituencies. Members are jointly appointed by the Governor, Senate President, and Speaker of the House. The Council is chaired by Steve Von Vogt, President and CEO of Maine Marine Composites. The annual *Measures of Growth* report is a widely used and respected report on Maine's economy. The report is revised from time to time to provide the most current and meaningful assessment of Maine's progress toward long-term economic growth and a high quality of life for all Maine people.

The Council is administered by Maine Development Foundation (MDF), a public-private, non-partisan membership organization created in statute in 1978 that drives sustainable, long-term economic growth for Maine. The work of the Growth Council is financed by a state appropriation through the Maine Department of Economic and Community Development, with additional support provided by the membership of MDF.

ACKNOWLEDGEMENTS

The Maine Economic Growth Council and MDF extend their sincere appreciation to the individuals and organizations that generously provided data and guidance in the development of this report. Special thanks to Jim Damicis of Camoin Associates, Donald Mansius of the Maine Forest Service, Wade Merritt of the Maine International Trade Center, Ryan Neale of the Maine Department of Transportation, Meghan Grabill of the Maine Connectivity Authority, Glenn Mills of the Maine Department of Labor, Timothy Diomede of the and Stacy Knapp, Susanne Meidel, and Martha Webster of the Maine Department of Environmental Protection. This year's report was written by Catherine deLutio. The print version was designed by Pica and printed by J.S. McCarthy. The web version was designed by VONT.

THE NATURE OF DATA

The Growth Council strives to provide the most accurate, timely, and consistent data available. Some source data are regularly revised as methodologies improve and more information becomes available. As a result, the data presented here may differ slightly from that of past reports. The Council accounts for these limitations in identifying overall trends and policy implications.

MAINE ECONOMIC GROWTH COUNCIL MEMBERS 2022

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Implementation Director, State of Maine Economic Development Plan. Maine Dept. of Economic and Community Development

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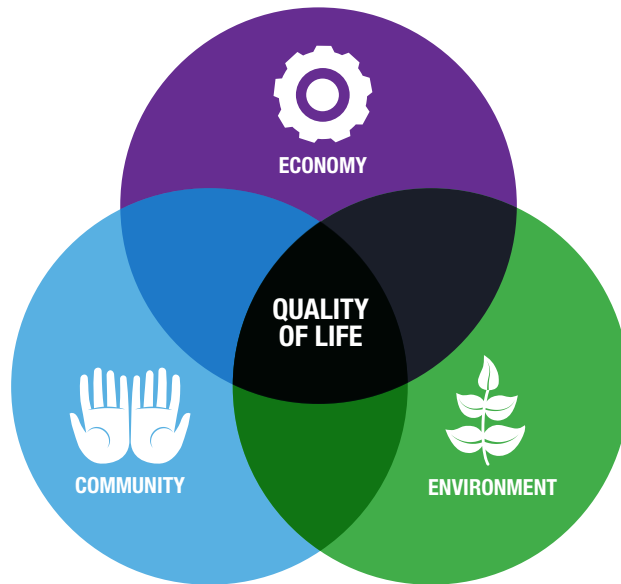
Page 37: Photo used with permission by Sutherland & Weston Marketing Communications and Molly London, Forester, William W. London & Sons, who is pictured with her infant child on a job site in Solon, ME.



Online Report available at:
www.mdf.org/economic-policy-research/measures-of-growth-report

VISION

A HIGH QUALITY OF LIFE
FOR ALL MAINE PEOPLE



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