

2024

MEASURES OF GROWTH⁺

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

MEASURES OF
GROWTH⁺ **30**
YEARS

 **MEGC**
Maine Economic
Growth Council

Administered by
mdf

Table of Contents

FUNDAMENTAL PERFORMANCE INDICATORS

PROSPERITY


-0.2% **Wages** **10**
In 2023, Maine's wages fell 0.2% after adjusting for inflation but remained above the EPSCoR average.

-0.3% **Poverty** **11**
In 2022, poverty fell from 11.2% to 10.9%.

+1.5% **Gender Wage Equity** **12**
In 2023, women's wages rose 1.5% compared to men's but remained about 85% of men's earnings.

+4% **Racial/Ethnic Income Equity** **13**
In 2018-2022, the average incomes of BIPOC* and Latino or Hispanic Mainers rose 4% but remained 27% below White, non-Hispanic Mainers, dramatically short of full equity. (*Black, Indigenous, People of Color)

PEOPLE

 **Labor Force** **14**
+1% Maine's labor force grew 1% to 687,000 in 2023 but remains a serious challenge.

+0.2% **Labor Force Participation** **15**
In 2023, 81% of Maine adults ages 25-54 were in the labor force, nearly the same as in 2022.

PRODUCTIVITY

+0.8% **Value Added** **16**
In 2023, value added per worker rose 0.8% and remained 21% below the U.S. average.

+3% **Gross Domestic Product** **17**
In 2023, Maine's GDP rose 3%, outpacing other New England states.



ECONOMY

INNOVATION


+0% **Research & Development** **19**
In 2021, Maine's R&D spending increased but was still 1.1% of GDP, unchanged from 2020.


+20% **International Exports** **20**
In 2021-2023, Maine exports rose 20% from the prior three years, slightly slower than the nation.

-37% **Entrepreneurship** **22**
In 2022, the number of business start-ups exceeded closures by 31%, ahead of goal but down from record 2021 levels.

TALENT

+5% **Prekindergarten Education** **23**
In 2023, the share of Maine four-year-olds enrolled in public pre-K rose 5%.

 **Fourth-Grade Reading** **24**
-7% In 2022, 29% of Maine 4th graders were proficient in reading, a sharp drop from pre-COVID levels.

 **Eighth-Grade Math** **25**
-10% In 2022, 24% of Maine 8th graders were proficient in mathematics, down from 34% before COVID.

+0% **Postsecondary Degrees & Credentials** **26**
In 2022, 55% of Maine adults had a credential of value, the same as in 2021.
























BUSINESS CLIMATE

0% **Cost of Doing Business** **27**
In 2022, Maine's cost of doing business was unchanged.

+0.1% **Cost of Health Care** **28**
Proportional health care expenditures were virtually unchanged in 2023.

* 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.



<div>  Cost of Energy 29 </div> <div>  <p>The price of industrial electricity rose 13% in 2023, in contrast to a decline nationwide.</p> </div> <div>  State & Local Tax Burden 30 </div> <div> <p>In 2021, Maine's tax burden remained unchanged at 11.7%.</p> </div>	<div>  Mental & Behavioral Health 38 </div> <div>  <p>In 2021-2022, the percentage of children with a mental and/or behavioral condition rose 4%.</p> </div> <div>  Health Insurance Coverage 39 </div> <div> <p>Maine's health insurance coverage remains above the U.S. average.</p> </div> <div>  Food Security 40 </div> <div> <p>In 2021-2023, the share of Mainers experiencing food insecurity rose by almost one percentage point.</p> </div>
<div>  COMMUNITY </div> <div> INFRASTRUCTURE </div> <div>  Internet Connectivity 32 </div> <div>  <p>In 2024, 89% of Maine locations have either average or broadband internet, up 3%.</p> </div> <div>  Transportation 33 </div> <div>  <p>In 2023, 72% of Maine roadways were rated good or fair.</p> </div> <div>  Housing Affordability 35 </div> <div>  <p>In 2023, 79% of households were unable to afford the median-priced home, up from 72%.</p> </div> <div> HEALTH & SAFETY </div> <div>  Safety 36 </div> <div> <p>Maine's crime rate rose 6% in 2022 but remains one of the very lowest in the nation.</p> </div> <div>  Physical Wellness 37 </div> <div> <p>About 2/3 of Maine adults are overweight or obese.</p> </div>	<div>  ENVIRONMENT </div> <div>  Air Quality 43 </div> <div> <p>In 2023, there were 39 moderate air quality days, 15 more than in 2022.</p> </div> <div>  Water Quality 44 </div> <div> <p>In 2022, Maine maintained its excellent water quality rating.</p> </div> <div>  Sustainable Forestlands 45 </div> <div>  <p>In 2022, the 10-year growth-to-removal ratio fell 4% to 1.51 but remained above the sustainability goal.</p> </div> <div>  Greenhouse Gas Emissions 46 </div> <div>  <p>From 2020 to 2021, GHG emissions rose 1.4% but still shows major progress toward the long-term goal.</p> </div>

Gold Stars and Red Flags are determined by consensus of the Growth Council based on consideration of the data and the experienced perspective of Council members. The general criteria are:



Exceptional Performance

Very high national standing and/or established trend toward significant improvement.



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.

Progress Symbols reflect movement from year to year and/or recent trends toward or away from the benchmarks established by the Council. The general criteria are:



Movement toward the benchmark since the last available data.



No significant movement relative to the benchmark since the last available data, or no new data.



Movement away from the benchmark since the last available data.

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 the 30th anniversary edition of the *Measures of Growth* report. This nonpartisan, data-driven report shows where Maine sits relative to other states and the United States as a whole. It tracks 31 indicators that capture the health of our economy and our communities, revealing both challenges and enduring assets. 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 facing Maine's businesses and citizens.

Measures of Growth Turns 30

When *Measures of Growth* debuted in 1995, the internet was in its infancy, houses were cheap, and Maine was home to numerous paper mills and military bases. The years since have been a time of remarkable change. Economic energy has shifted from manufacturing to services, from physical capital to human capital, and from rural to urban areas. Maine has changed, too. Our population is older and more urban, jobs have become more service oriented, and seismic environmental and industrial shifts impact our forest and marine resources and industries, sharply challenging some of our rural communities. We also face two significant challenges that were little known 30 years ago and have roots in actions taken (or not taken) at that time: climate change and PFAS (per- and polyfluoroalkyl substances or "forever chemicals").

In this report, we highlight four communities and businesses that are meeting these changes head on. Bucksport is diversifying its economic base, Bath is expanding affordable housing opportunities, Dover-Foxcroft is addressing climate change, and MEMIC is embracing the talents of an older workforce.

Strength in Community

As we envision 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 the systemic change necessary for equitable, sustainable, and shared prosperity.

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 all Mainers to realize this vision.

Report Highlights

Taking stock of Maine's economic progress, the Council sees reasons both for celebration and renewed resolve. For 2024, it assigns Gold Stars for progress in Internet Connectivity, Transportation, Sustainable Forests, and Greenhouse Gas Emissions. It assigns Red Flags for needed attention to Labor Force, 4th and 8th Grade Test Scores, Cost of Energy, Housing Affordability, and Mental & Behavioral Health.

Supporting Maine's economic strategic goals

Maine has a ten-year economic development strategy to achieve sustainable, equitable growth for all residents.¹ It promotes talent and innovation as drivers of economic opportunity across the state.

The strategy has three goals:

GOAL 1: Increase wages by 10%

Status: Wages are up 10%

This goal seeks to increase the value of Maine's annual average wage, adjusted for inflation, from \$45,370 in 2018 to \$49,907 by 2030. In 2023, wages were nearly there (\$49,763) and would have exceeded the goal if not for high inflation. The Wages metric on page 10 shows how this growth compares to other states.

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

Status: Value added is up 13.7%

Goal 2 seeks to increase value added per Maine worker from \$103,403 in 2017 to \$113,744 by 2030 (adjusted for inflation). In 2023, value added was \$117,549, an increase of 13.7% compared to 2017. For more information, see the Value Added metric on page 16.

GOAL 3: Attract 75,000 people to Maine's talent pool, to reach 710,000

Status: Maine's labor force grew by 6,000 in 2023, reaching 687,000

In 2019, Maine's labor force was projected to shrink by 65,000 through 2030, mainly due to the aging of the population. This goal aims to reverse that by attracting 75,000 people to Maine's workforce, replacing the 65,000 lost and adding another 10,000 to reach 710,000. Maine's labor force fell to 672,000 following COVID, but it has grown steadily since then. In 2023, we gained 6,000 participants to hit 687,000. See the Labor Force metric on page 14 for more details.

¹ <https://www.maine.gov/decd/strategic-plan>

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 co-chaired by Steve Von Vogt, President and CEO of Maine Marine Composites, and State Representative James Dill (D-Old Town). 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 equitable, 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 Andrew Butcher and Meghan Grabill of the Maine Connectivity Authority, Andrew Bickmore of the Maine Department of Transportation, Jim Damicis of Camoin Associates, Wade Merritt of the Maine International Trade Center, Morten Moesswilde of the Maine Forest Service, and Stacy Knapp, Megan Sims, and Martha Webster of the Maine Department of Environmental Protection. This year's report was written by Catherine Reilly deLutio with contributions by MDF's Kathleen Shannon Nichols and Anne Schlitt. The print version was designed by Cassidy Parmley of Pica and printed by Edison Press. The web version was designed by Josh Emerson of 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.

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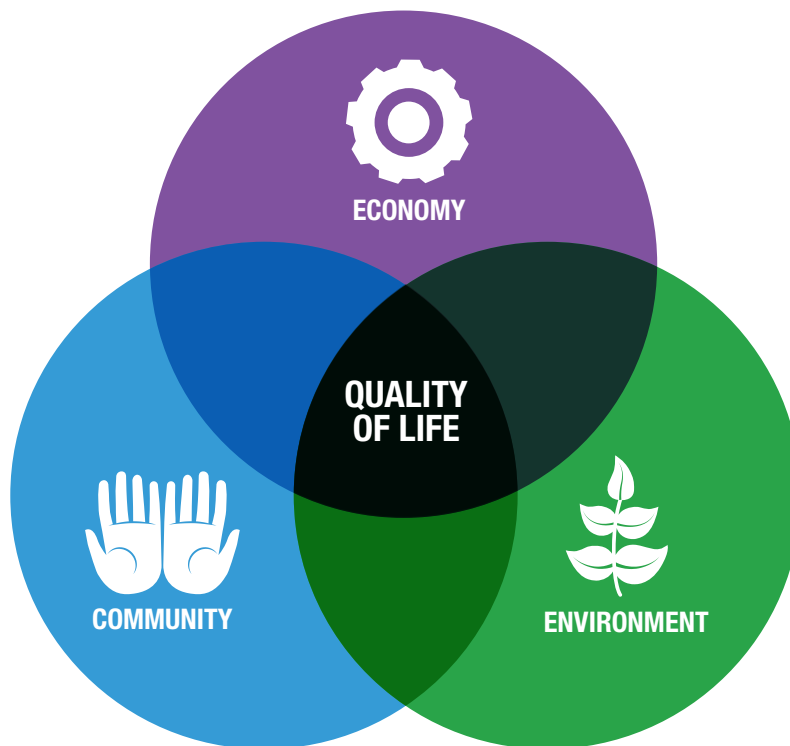
Phoenix McLaughlin

(Commissioner's Designee)
Director of Strategy Implementation,
Maine Department of Economic and
Community Development



VISION

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