MEASURES OF GROWTH

1998

Performance Measures and Benchmarks
to Achieve Maine's Long Term Economic Goals

FOURTH
REPORT OF THE MAINE ECONOMIC GROWTH COUNCIL

Prepared by the
MAINE DEVELOPMENT FOUNDATION

Key to Symbols and Graph Colors

GOLD STARS & RED FLAGS

Determining which performance measures receive gold stars and red flags are judgement decisions by members of the Maine Economic Growth Council. These determinations reflect consensus of the group and are based on consideration of the best data available and the experienced perspectives of Growth Council members. Generally, criteria are as follows:

GOLD STAR – Exceptional performance. Very high national standing and/or an established trend towards dramatic improvement.

RED FLAGS – Needs attention. Very low national standing and/or an established trend towards dramatic decline. In some cases there is improvement but it is still viewed as needing attention.

ARROWS

Determining the direction of the arrow for each performance measure is done by objectively reviewing the data. The arrow directions simply reflect movement towards or away from the benchmark since the last time new data was available. Criteria are as follows:

UP ARROW – We have moved toward the benchmark since last available data.

DOWN ARROW – We have moved away from the benchmark since last available data.

HORIZONTAL ARROW – No significant movement either way since last available data (in instances of survey data, "significant" is defined as at least three percentage points).

NO ARROW – No historical data or the data is inconclusive or too old.

ON THE GRAPHS

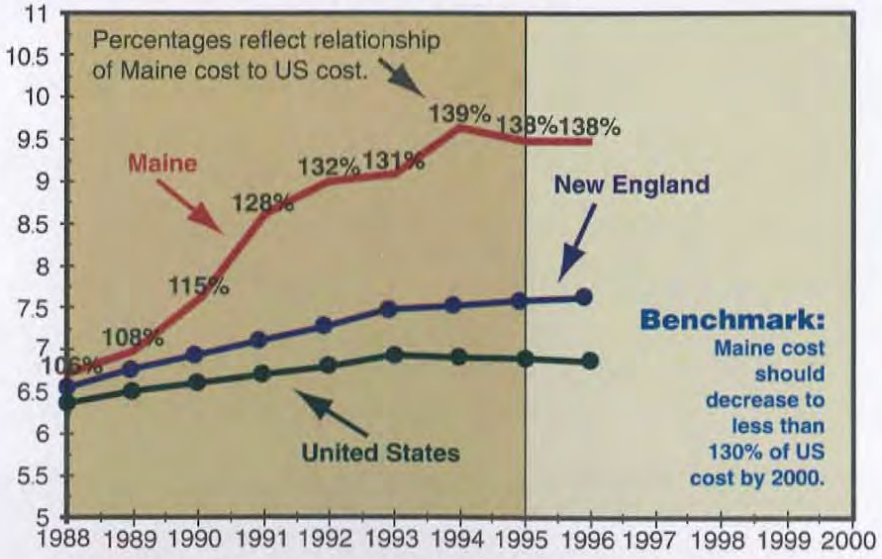
The vertical line separating the two background colors represents the year we started benchmarking. It is the baseline year. Where we have no data prior to the baseline year, those graphs have just one background color.

Maine data is always shown in this color.

New England data is always shown in this color.

United States data is always shown in this color.

(Sample graph)



1998 PERFORMANCE MEASURES OF THE MAINE ECONOMIC GROWTH COUNCIL

VISION

Our vision is a high quality of life for Maine citizens.

Central to this vision is a sustainable economy that offers an opportunity for everyone to have rewarding employment and for businesses to prosper, now and in the future.

The people of Maine bring this vision into reality by working together and building on our tradition of hard work, dedication, and Yankee ingenuity.

GOALS

INNOVATIVE BUSINESSES

Maine businesses will be world leaders in innovating new products, new markets, new companies; and will use innovative approaches for workplace health and safety.

SKILLED AND EDUCATED WORKERS

Maine workers will be among the highest skilled in the U.S., with the best capacity to use existing and emerging technologies and respond to rapidly changing workplaces and markets.

Maine workers will be lifelong learners, with access to integrated education and training opportunities in the public and private sectors.

VITAL COMMUNITIES

Among Maine families and regions, disparities in income and opportunity will be continually reduced.

Maine's civic infrastructure will be continually enhanced by increasing participation in and cooperation among governments, voluntary organizations, and neighborhood groups.

Maine citizens will have ever-increasing and equal opportunity for employment, advancement, and an adequate standard of living.

Maine will be nationally recognized as a healthy and safe place.

EFFICIENT GOVERNMENT

Maine State and local government services will be known for their high quality and reasonable cost. Where regulation is necessary, Maine will be known for the timeliness with which regulatory decisions are made, and the flexibility in achieving public purposes.

Maine's state and local tax systems will be broad-based, generate stable and predictable revenues, yet not impose burdens that place Maine at a competitive disadvantage.

STATE-OF-THE-ART INFRASTRUCTURE

Maine's transportation and telecommunications infrastructure will support economic growth by being modern and continually improved.

All Maine consumers will have access to a wide range of energy sources at prices competitive nationally and regionally.

HEALTHY NATURAL RESOURCES

Maine will continue to improve the quality and optimize the use of its renewable natural resources to promote sustainable economic development.

Maine will increase niche marketing, recreational opportunities, and value-added approaches for better utilization and conservation of natural resources.

HOW ARE WE DOING?

To achieve our vision of long term economic growth, we work toward 13 goals in 6 areas. To measure our progress, we monitor 54 performance measures and set a benchmark for each. Here is a brief overview of Maine's recent progress.

Measures of Growth, 1998 conveys many positive aspects of the Maine economy. Four benchmarks were achieved in 1997. In addition, Maine made positive progress on 24 of the 54 performance measures and held steady on 14 others, since the last available data. And this year the Growth Council has awarded 8 gold stars to performance measures on which we are doing exceptionally well, 2 more gold stars than were awarded last year.

On the other hand, Maine's standing worsened on 16 of the 54 performance measures. Furthermore, the Growth Council this year identified an increased number of areas of concern, having assigned 11 red flags to performance measures that need attention (compared to 9 red flags last year).

FUNDAMENTALLY

The state economy is growing at a moderate pace as evidenced by increases in gross state product and employment, although slower than the New England economy. The wealth of Maine's people, as measured by personal income, has slipped again this year relative to other states and is among the poorest third of all states nationally. In 1996, growth of the Maine economy as a whole slowed but 1997 was stronger and experts predict about 2% growth per year for the next year or two.

INNOVATIVE BUSINESSES

An impressive percentage of Maine businesses launched new products or services this year, which bodes well for the future, but on balance there are some areas of serious concern regarding Maine's business activity. There was no growth in the number of new businesses started and there was no growth in the value of goods exported by Maine businesses. Productivity of Maine businesses is steadily increasing but the state continues to get low marks relative to other states for our technology infrastructure. On the bright side, on-the-job injuries again declined dramatically resulting in the previous benchmark being achieved for this performance measure.

SKILLED AND EDUCATED WORKERS

Many more people have a high school education in Maine than in most other states. However, it is believed that higher degrees will be required for jobs of the future and Maine's population is seriously lacking in attainment of Bachelor's, and Graduate degrees. And recent survey data shows that participation in lifelong learning has decreased this past year. However, business opinion of Maine's universities and colleges increased substantially this year, resulting in another achieved benchmark, which speaks optimistically for the future of higher education in Maine.

VITAL COMMUNITIES

Maine continues to struggle with regional disparities. The wealth of Maine's poorest counties slipped this year relative to the wealth of Maine's wealthiest counties and we are not seeing needed employment gains in most of Maine's poorer counties. Similarly, the quality of jobs throughout Maine is rising only slightly as measured by the number of liveable wage jobs. Other areas of concern include the recent rise in smoking among young people and a slight increase this past year in Maine's crime rate. Also, Maine continues to experience counter-productive disparities in income and employment based on gender, race and disability. On the other hand, voter turnout and other indicators of citizen and business involvement in Maine communities is high relative to other states and is holding steady.

EFFICIENT GOVERNMENT

Citizen perception of the value of state government increased substantially in 1997 although business perception was unchanged. Maine's state and local tax burden decreased relative to the tax burden in other New England states, and the fairness and stability of Maine's overall tax system improved relative to other states across the country.

STATE-OF-THE-ART INFRASTRUCTURE

Maine's roads and bridges are in moderate condition, although they are overburdened. By contrast, Maine's seaports, rail lines, and airports continue to be used less and less relative to conventional trucking, which is a concern. The cost of electricity in Maine is lower than in other New England states although it is high by national standards. Business use of the Internet is rising dramatically.

HEALTHY NATURAL RESOURCES

Shellfish beds are continuing to open at an exceptionally good pace resulting in another achieved benchmark. Other measures of water quality are holding steady. Amount of land in conservation has increased respectably. Although air quality slipped this past summer, industrial toxic pollution from Maine manufacturers is declining. As for Maine's natural resource based industries, commercial fishing continues to be a concern as does employment in the paper and lumber industries. However, value added in forest products industries and in agriculture is on the increase. Another good sign is that employment in the tourist industry increased again for the fourth year in a row with an employment level surpassing the benchmark resulting in another one achieved.

With the publication of our **fourth** annual report, it is very rewarding to reflect on identifiable trends in the Maine economy; and even more rewarding to see such a wide variety of groups across the state rallying around the Growth Council's benchmarks. The Council was established to put some stakes in the ground, hang some banners, and broadcast for all Maine people the issues that are fundamentally important to the state's long term economic growth. With an eye towards results, it seems to be working.

Over a dozen state agencies have formally incorporated goals and benchmarks of the Maine Economic Growth Council into their own strategic plans. Nonprofits have initiated programs directly aimed at accomplishing specific benchmarks. Government officials have waved *Measures of Growth* while speaking of the need to achieve the goals. Teachers have incorporated the substance of the reports into their curricula. Policy development forums have used the benchmarks as springboards for meaningful discussion. Businesses have pledged financial resources and other forms of support to the effort. Furthermore, the Council's work is receiving increasing recognition from community groups and other states as a model for establishing a vision, goals, and measurable objectives. *Measures of Growth, 1997* won an award for excellence from the Northeastern Economic Developers Association.

The Maine Economic Growth Council strives to be accurate, non-partisan, and objective, with a healthy dose of straight forward common sense. The Growth Council does not advocate specific strategies to accomplish the benchmarks. It's mission all along has been to identify what's important to Maine and to say how Maine is performing.

The result is a framework of generally accepted goals and benchmarks which collectively form a blueprint for action, statements of where Maine stands on those issues that are most crucial to our future economic prosperity, and an accurate look at 54 trends that tell us about where Maine is heading.

See page 23 of this report for more discussion of the Growth Council's work.

BENCHMARKS ACHIEVED

In 1997, four benchmarks were achieved! They were *10 - On-the-Job Injuries, 18 - Business Opinion of Universities and Colleges, 46 - Water Quality of Marine Areas* and *54 - Tourism Employment.* In each of these cases, the Growth Council has now revised the benchmarks to call for continuous improvement on each of these performance measures.

CHANGES FROM LAST YEAR

Because last year's format was well-liked, this year's report is very similar. Again, we are providing just the most basic information, graphically and in text, on each performance measure. Minor changes include citing the data sources right along with each performance measure (rather than aggregated at the end of the document), streamlining the names of some of the performance measures, and more creative use of colors and graphics. Also, we re-organized the measures in the Vital Communities section.

We dropped five performance measures this year and replaced two of them with new ones. We dropped a measure related to agriculture, one related to tourism, and one dealing with regional access to various energy sources. We have other measures that touch on each of these issues and concluded that, in light of streamlining, these three were not absolutely necessary. Because it is such a complicated issue, we dropped *Occupational Distribution of Women and Minorities* and replaced it with *21 - Racial Income Disparity.* This new measure looks at per capita income of Minorities compared to per capita income of Whites. Also, we replaced Cost of Energy with *42 - Cost of Electricity.* We did this because the US Department of Energy changed the way in which they assess the cost of energy across all the states to a methodology that simply doesn't work well for Maine's particular combination of energy sources. We are also planning to address costs of other energy sources next year.

We have slightly adjusted some of the benchmarks — the actual targets at which we are aiming. This was done to the four benchmarks that were achieved and also in the case of *2 - Personal Income, 25 - Jobs that Pay a Liveable Wage,* and *33 - Citizen Satisfaction with State Government.* In each case, the adjustment was made because the Growth Council received expert opinions that the previously established benchmarks were simply unreasonable targets to achieve in the prescribed time frames. In the case of measures driven by survey data, (such as *33 - Citizen Satisfaction with State Government*) it was particularly difficult to establish meaningful benchmarks in 1995, the base year, when we only had one year of data.

We have changed the way we measure *26 - Gender Income Disparity.* The new methodology reflects differences in men's and women's wages for equal time worked which we believe to be a more fair way of looking at the issue.

1 GROSS STATE PRODUCT

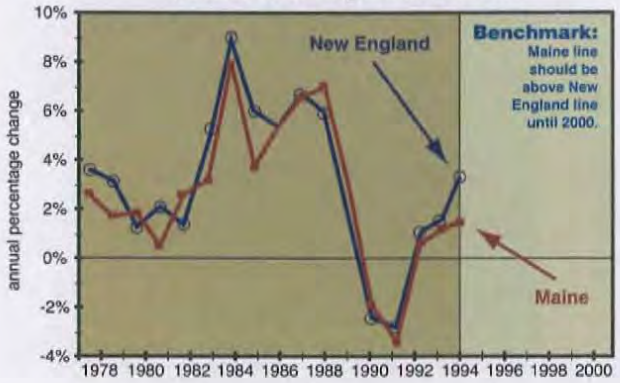
Benchmark: Maine's gross state product will grow faster than New England's, on average, between 1994 and 2000.

Maine Economy Linked to New England In 1994, the most recent year for which we have data, Maine's gross state product was roughly $26.069 billion, up 1.4% (adjusted for inflation) from 1993. This represents about 7% of the total New England economy, which grew 3.3% from 1993 to 1994.

From 1984 to 1994, Maine's gross state product grew 23.6%. During this time, gross state product of private industries grew at nearly four times the rate of government, mainly due to reductions in the size of the federal civilian and military establishments in the state.

Gross state product is the value added in production by labor and property located in a state. It is a fundamental measure of economic health and the primary determinant of the extent to which an economy is growing or in recession. The sum of value added in all industry sectors totals gross state product.

Real Growth in Gross State Product
Maine & New England,1978-1994



Data Source: US Bureau of Economic Analysis, June 1997.

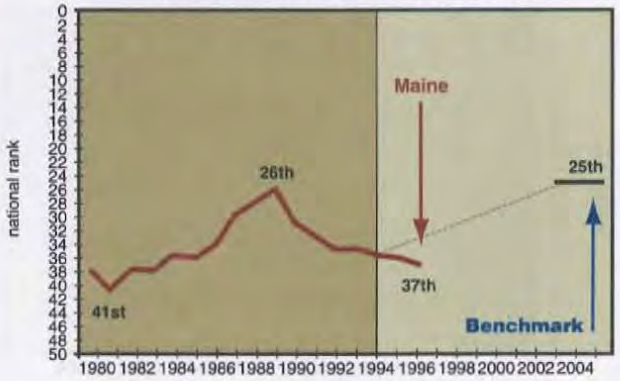
2 PERSONAL INCOME

Benchmark: Maine's national rank among the 50 states on per capita income will improve from 36th in 1994 to 25th by 2005.

Income Growing Though National Rank Slips This performance measure receives a red flag because Maine's per capita income is low and steadily slipping relative to other states.

In 1996, Maine's income per capita (total income earned in the state divided by the state's population) was $20,826 compared to the New England average of $28,633 and the United States average of $24,231. From 1995 to 1996, per capita income in Maine grew by 3.4% while per capita income for both the US as a whole and the New England region grew 4.5%. Income is derived from wages and salaries but it comes from other sources as well such as returns on investments and transfer payments from government.

National Rank on per Capita
Personal Income, Maine,1980-1996



Data Source: US Bureau of Economic Analysis, April, 1997.

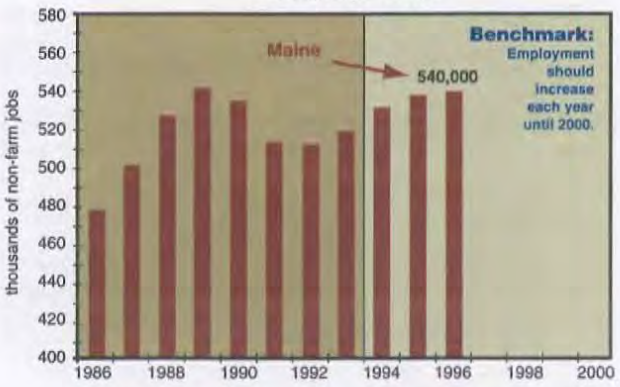
3 EMPLOYMENT

Benchmark: The number of jobs held by Maine people will increase, from 531,600 in 1994, each year until 2000.

Employment Growing Steadily For each of the past four years, the number of non-farm jobs in Maine has increased, growing an average of 1.3% per year. From 1995 to 1996, employment in Maine grew 0.3% while employment in New England as a whole grew 1.7%. In Maine, the health services, social services, and business services sectors have added the most jobs in the past 5 years.

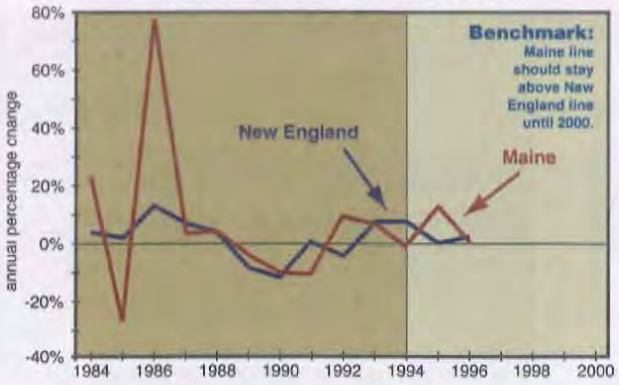
These figures represent all full and part-time employment, but do not include farm workers or self-employed people. This is an indicator of the number of jobs in Maine, unlike the unemployment rate which is an indicator of how many people seeking employment are without jobs. Maine's statewide unemployment rate during 1997 averaged about 4.5%.

Non-Farm Wage and Salary Employment
Maine,1986 -1996



Data Source: Maine Department of Labor, Division of Labor Market Information Services in cooperation with the US Bureau of Labor Statistics.

Annual Change in Number of New Busines Starts
Maine & New England,1984-1996



Data Source: US Small Business Administration, Office of Advocacy.

4 NEW BUSINESS STARTS

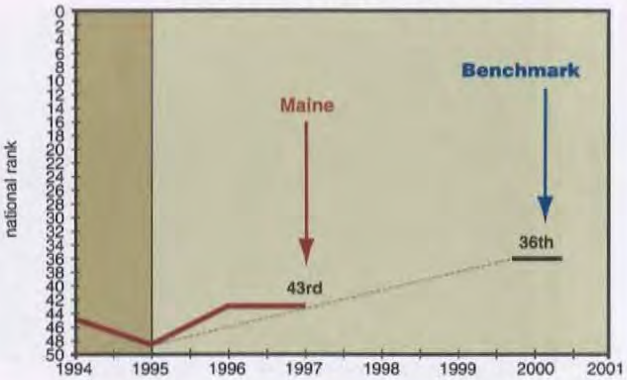
Benchmark: Maine's rate of annual growth in number of new businesses started will outpace the New England rate from 1994 to 2000.

New Business Starts Down Slightly From 1995 to 1996, the number of new businesses started in Maine went from 4,476 to 4,461, a slight decrease of about 0.3%. For the same period, the number of new businesses started throughout New England increased about 2% and nationwide, new business starts increased about 3%.

This performance measure is an indicator of the availability of investment capital and the extent to which people perceive economic opportunities.

The measure itself does not consider number of business failures, acquisitions or mergers. It is the number of businesses each year that are "a new registration" with the state or an applicant for a new account number with the state's department of employment security. Also the data presented here counts only new businesses started that have at least one employee, other than the owner.

Maine's National Rank on Job Growth
Among New Businesses,1994-1997



Data Source: Corporation for Enterprise Development, Development Report Card for the States, 1997.

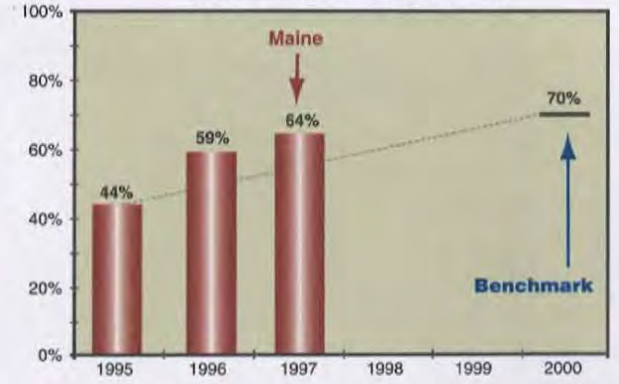
5 JOB GROWTH AMONG NEW BUSINESSES

Benchmark: Maine's national rank among the 50 states on job growth among new businesses will improve from 49th in 1995 to 36th by 2000.

Low Nationally, but Improving This performance measure receives a red flag this year, as it did last year, because Maine is doing so poorly on this measure compared to other states. This measure is a good indicator of the extent to which new businesses are sustaining themselves, growing, and contributing positively to the economy. It is also an indicator of increased financing available from banks and public lenders.

A long term growth economy requires not only that an increasing number of new businesses get started each year but they stay in business and actually add jobs. This measure ranks Maine among the 50 states in terms of the number of jobs added in businesses that are less than five years old.

Number of Maine Companies With New
Products or Services,1995-1997



Data Source: Maine Development Foundation Annual Survey of Maine Businesses, 1995-1997.

6 NEW PRODUCTS OR SERVICES

Benchmark: The percentage of Maine companies that develop new products or services each year will improve from 44% in 1995 to 70% by 2000.

A Positive Trend Continues In 1997, 64% of Maine businesses reported they developed new products or services, a solid increase over last year when 59% reported new products or services. This performance measure receives a gold star because of dramatic improvement over the past three years.

This measure is an important indicator of how well existing Maine businesses are competing and adapting to new customer needs and managing economic pressures.

7 INTERNATIONAL EXPORTS

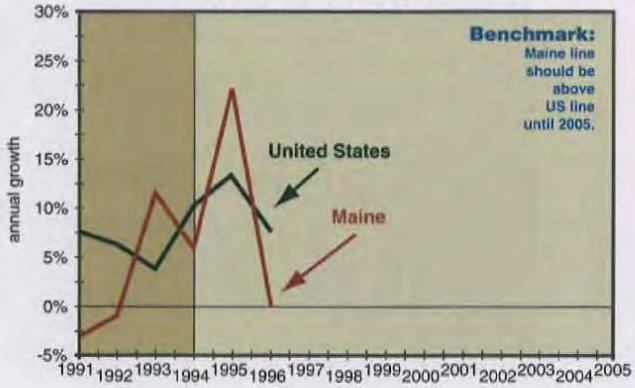
Benchmark: The value of Maine's international exports will grow faster, on average, than the growth in value of US international exports from 1994 to 2005.

Zero Growth from 1995 to 1996 In 1996, Maine companies exported $1.49 billion worth of products, just about the same amount as in 1995 reflecting no increase in total value of goods exported. During the same period, US exports increased by 6.8%.

1995 was a particularly strong year for exports from both Maine and the US as a whole. From 1994 to 1995, US exports grew by 13.8% and Maine exports grew a dramatic 23.4%.

Maine exports for the first quarter of 1997 are up 1.6% from what they were in the first quarter of 1996, although US exports grew 8.6% during the same period. This data represents the value of products exported to other countries, but excludes services.

Annual Growth of International Exports
Maine & United States,1991-1996



Data Source: Maine Center for International Trade.

8 TECHNOLOGY RESOURCES

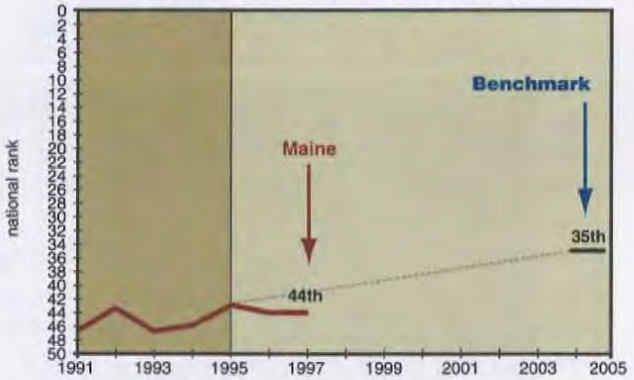
Benchmark: Maine's rank among the 50 states on technology resources will improve from 43rd in 1995 to 35th by 2005.

Low Nationally This performance measure receives a red flag again this year because Maine is typically ranked low among the 50 states. In 1997, Maine was ranked 44th, same as it was in 1996.

This is an indicator of Maine's ability to create and capitalize on high-tech opportunities. In addition to increased technology resources as defined here, to be competitive, Maine must also be able to convert innovation from research and development into production.

This performance measure reflects Maine's national rank on a composite index of 6 technology-related indicators such as number of scientists in the state, number of patents issued, and amount of financial resources put towards research and development.

National Rank on CfED's Technology
Resources Index, Maine,1991-1997



Data Source: Corporation for Enterprise Development, Development Report Card for the States, 1997.

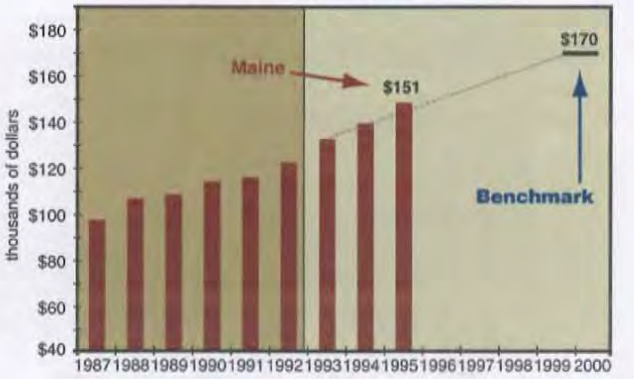
9 MANUFACTURING PRODUCTIVITY

Benchmark: The average value of manufacturing products produced by Maine workers will improve from $132,000 per year in 1993 to $170,000 per year by 2000.

Productivity Steadily Increasing In 1995, about $151,000 worth of product was produced on average by each manufacturing worker; an increase of 8.6% over the average value of product produced per manufacturing worker in 1994.

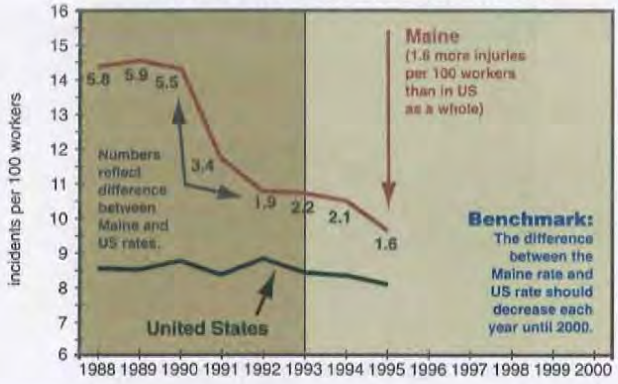
Productivity is calculated in this performance measure by dividing the total number of manufacturing employees into the total value of manufacturing product produced. Productivity as measured in this way does not strictly reflect worker productivity because capital improvements also increase value of product.

Product Value per Manufacturing Worker
Maine,1987-1995



Data Source: Maine Department of Labor, Census of Maine Manufacturers, 1987-1995.

Injuries and Illnesses, Maine and United States
1988-1995 (incidents per 100 workers)



Data Source: Maine Department of Labor, Bureau of Labor Standards, Occupational Injuries & Illnesses in Maine, 1995

10 ON-THE-JOB INJURIES

Benchmark: Maine's rate of on-the-job injuries per 100 full-time workers, 10.7 in 1993, will get closer to the US rate each year from now until 2000.

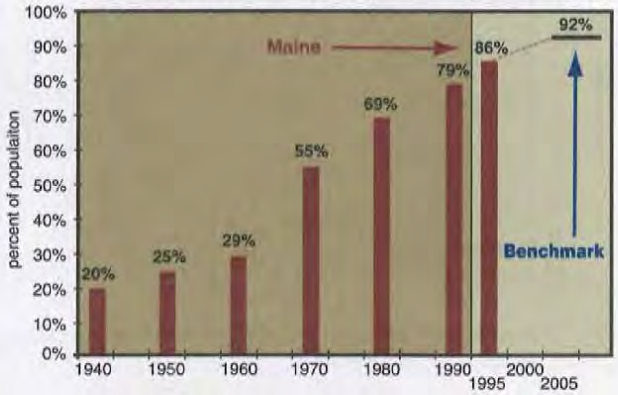
Exceptional Improvement — Previous Benchmark Achieved This performance measure receives a gold star for the second year in a row because there has been a dramatic and steady decrease in on-the-job injuries since 1990.

The Growth Council had previously established a benchmark stating that Maine's rate of on-the-job injuries per 100 full-time workers should decrease to 10.3 by 2000. In 1995, there were just 9.7 injuries for every 100 full-time workers signifying achievement of that benchmark.

This year, the Council revised the benchmark such that we should strive for continuous improvement as measured against the US rate, which in 1995 was 8.1 (Maine is currently 1.6 points away from that). Actually achieving the US rate will be difficult given that the particular mix of industries in Maine is quite different and slightly more dangerous than it is for the nation as a whole.

Workplace safety is an important component of long term economic growth because injuries translate directly into increased costs. The data upon which this measure is based includes all types of work-related injuries and illnesses required to be recorded by the Occupational Safety and Health Administration (OSHA).

Percent of Maine Poplulation over 25 yrs with
High School Diploma or Equivalency,1940 -1995



Data Source: US Census, 1940-1995 (1995 based on Current Population Survey). No new data available since the Growth Council's previous report.

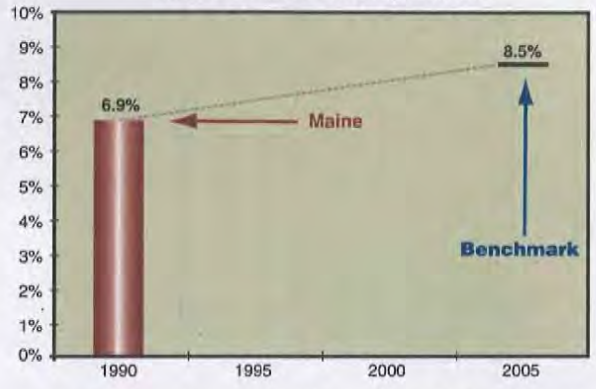
11 HIGH SCHOOL DIPLOMAS

Benchmark: The percentage of Maine people 25 years and older who have attained a High School diploma or beyond will improve from 86.2% in 1995 to 92% by 2005.

Maine Consistently Above National and New England Averages This performance measure receives a gold star because Maine exceeds New England and the nation in the percentage of people with a high school diploma or equivalent. In 1995, 86.2% of Maine people over the age of 25 had completed high school. Among the fifty states, Maine was ranked 13th in 1995. Nationally, the percent of people over 25 years old with a high school diploma or equivalency averaged 82%, and the New England average rate was 85%. Since 1970, Maine has out-paced the national average on this performance measure.

An educated workforce is fundamental to long term economic growth, and a high school diploma is considered a basic credential for obtaining meaningful employment.

Percent of Maine Poplulation over 25 yrs
with an Associate's Degree,1990



Data Source: US Census, 1990. No new data available since the Growth Council's previous report.

12 ASSOCIATE'S DEGREES

Benchmark: The percentage of Maine people 25 years and older who have attained an Associate's Degree will improve from 6.9% in 1990 to 8.5% by 2005.

Maine Rates Relatively Good, but Need Improving In 1990, the most recent year for which we have data, 6.9% of Maine people over age 25 had an Associate's Degree, compared with 6.5% of New England people and 6.2 % of the nation as a whole. This data includes both academic and occupational disciplines.

In order to compete for skilled work, Maine workers require an educational attainment level beyond high school. The labor market must have a well-trained and educated workforce that is flexible, adaptable, and poised for the world of global competition, and product and service innovations.

We don't have very good historic data because the census changed the data methodology in 1980 and this is only reported every 10 years, hence there is no arrow for this performance measure.

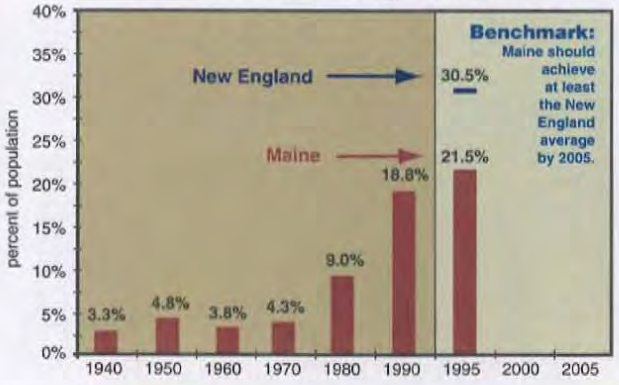
13 BACHELOR'S DEGREES

Benchmark: The percentage of Maine people 25 years and older who have attained at least a Bachelor's Degree will improve from 21.5% in 1995 to the New England percentage by 2005.

Maine is Lagging Behind New England and the Nation This performance measure receives a red flag because a relatively low percentage of people have Bachelor's Degrees. In 1995, 21.5% of Maine people over the age of 25 had at least a Bachelor's Degree (175,225 people), compared with a national rate of 23%. For the New England states as a whole, the rate is an impressive 30.5% for 1995, reflecting this region's reputation for leading the nation in higher learning. In 1995, the national rate for this measure was 23%.

The level of educational attainment of Maine citizens is critically important to quality of life and economic well being. The long term economic competitiveness of Maine is directly linked to the skill and education level of its workforce.

Percent of Maine Population over 25 yrs with at least a Bachelor's Degree,1940 -1995



Data Source: US Census, 1940-1995 (1995 based on Current Population Survey). No new data available since the Growth Council's previous report.

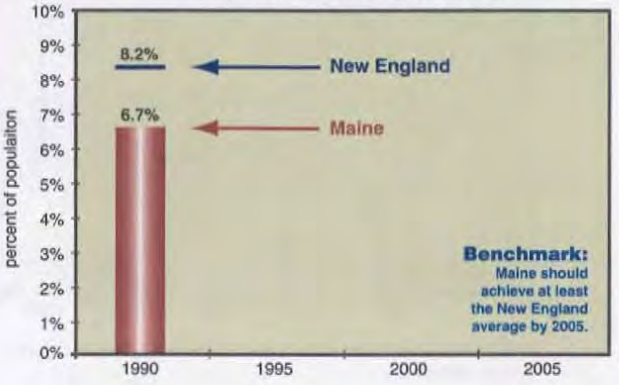
14 GRADUATE DEGREES

Benchmark: The percentage of Maine people 25 years and older who have attained a Graduate Degree will improve from 6.7% in 1990 to the New England percentage by 2005.

Maine is Lagging Behind the Nation and New England In 1990, 6.7% of Maine people over the age of 25 had either a Master's Degree or Ph.D. (known collectively as graduate degrees). This amounted to 53,306 people. Throughout New England, the rate was 8.2%. Nationally in 1990, 7.2% of the population over age 25 had graduate degrees in 1990.

Graduate degrees are important to many high-tech areas of the economy and fundamental to business innovation.

Percent of Maine Poplulation over 25 yrs with a Graduate Degree,1990



Data Source: US Census, 1990. No new data available since the Growth Council's previous report.

15 LIFELONG LEARNING

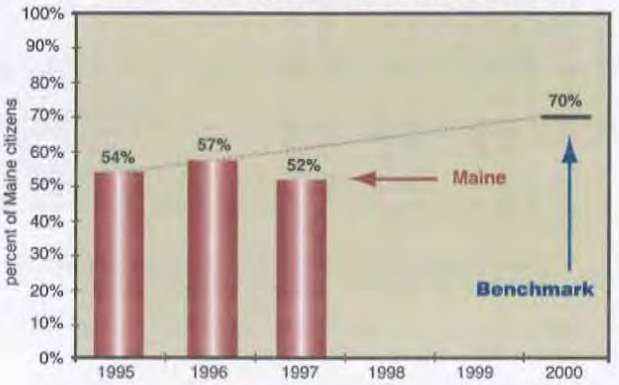
Benchmark: The percentage of Maine people who attended an educational seminar, program, or course in the past year will improve from 54% in 1995 to 70% by 2000.

Participation Decreasing In 1997, 52% of Maine citizens said that they participated in some form of educational seminar, program, or course. This is down 5 percentage points from last year's participation rate of 57%.

Maine citizens were asked if they had attended an educational seminar, program, or course in the past 12 months. The percentage includes people enrolled in for-credit courses, adult education courses (primarily high school level courses), continuing education courses (primarily post-secondary level), courses through their workplaces, and all other types of educational seminars and programs.

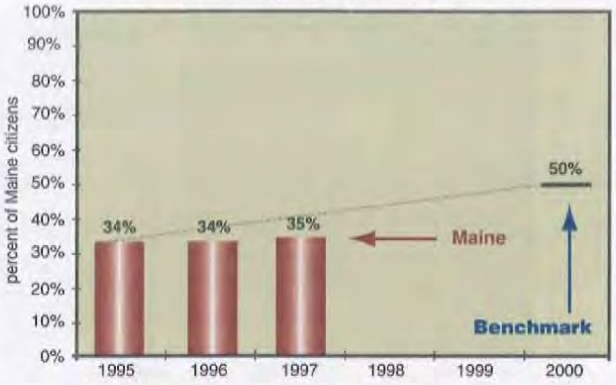
This is essentially a measure of lifelong learning, regarded as essential to a workforce capable of responding to changing needs of employers.

Percent of Citizens Attending Educational Seminars, Programs or Courses,1995-1997



Data Source: Maine Development Foundation Annual Survey of Maine Citizens, 1995-1997.

Percent of Citizens Saying Adequate Education and Training is Available, 1995-1997



Data Source: Maine Development Foundation Annual Survey of Maine Citizens, 1995-1997.

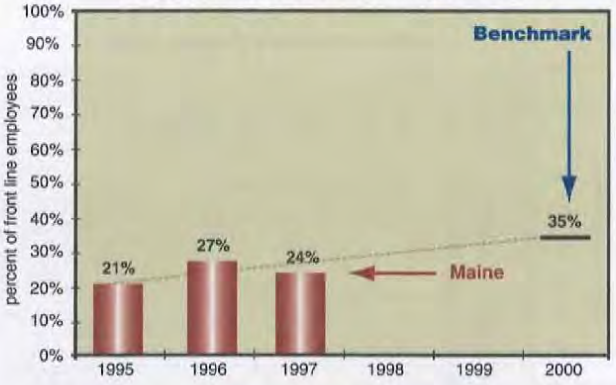
16 CITIZEN OPINION OF EDUCATIONAL OPPORTUNITIES

Benchmark: The number of citizens who agree that there are adequate public and private programs available to Maine people who want to train for new jobs or acquire new skills will improve from 34%, the 1995 figure, to 50% by the year 2000.

No Change in Perception of Adequacy of Training Programs In 1997, 35% of Maine people agreed that there are adequate public and private programs available to Maine people who want to train for new jobs or acquire new skills. Roughly the same number of people responded the same way last year and the year before.

Maine people need adequate training and education to prepare them for the jobs that they desire. This performance measure reflects the perceived availability and adequacy of such programs.

Percent of Front Line Employees Who Attended Employer Sponsored Training, 1995-1997



Data Source: Maine Development Foundation Annual Survey of Maine Citizens, 1995-1997.

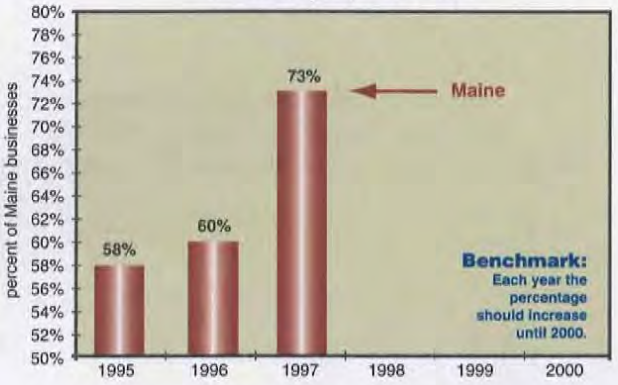
17 EMPLOYER-SPONSORED TRAINING

Benchmark: The percentage of front line Maine employees who attended an educational seminar, program, or course through their place of work will improve from 21% in 1995 to 35% by 2000.

Slight Decrease in Employer-Sponsored Training In 1997, 24% of Maine workers earning less than $35,000 reported that they participated in training that was paid for by their employers, down from the 1995 figure of 27%. Citizens were asked if they had personally attended an educational seminar, program, or course through their place of work in the past 12 months.

There is a growing concern that Maine workers must engage in lifelong learning to respond to the evolving needs of business. A related concern is that training should be provided to front line workers (roughly defined as those earning less than $35,000 per year), not just managers and other salaried employees.

Business Ratings of Universities and Colleges, 1995-1997



Data Source: Maine Development Foundation Annual Survey of Maine Businesses, 1995-1997.

18 BUSINESS OPINION OF UNIVERSITIES AND COLLEGES

Benchmark: The percentage of Maine businesses who think Maine universities and colleges are doing a good job at meeting the continuous education needs of their employees, 58% in 1995, will improve each year until 2000.

Dramatic Improvement - Previous Benchmark Achieved This performance measure receives a gold star because of such a dramatic improvement in business opinion of Maine colleges and universities. In 1995, a benchmark had been established at 65% approval rating and in 1997, 73% of Maine businesses rated Maine's colleges and universities as good, very good, or excellent at meeting the continuous education needs of their employees. Thus, the previously established benchmark has been achieved and a new benchmark has been established calling for continuous improvement.

There is a growing concern that many good quality jobs are being filled by people recruited from out-of-state colleges and universities which is expensive and sometimes impractical for employers. Long term economic growth will be facilitated by having responsive, effective colleges and universities in Maine.

19 HOUSEHOLD INCOME DISPARITY

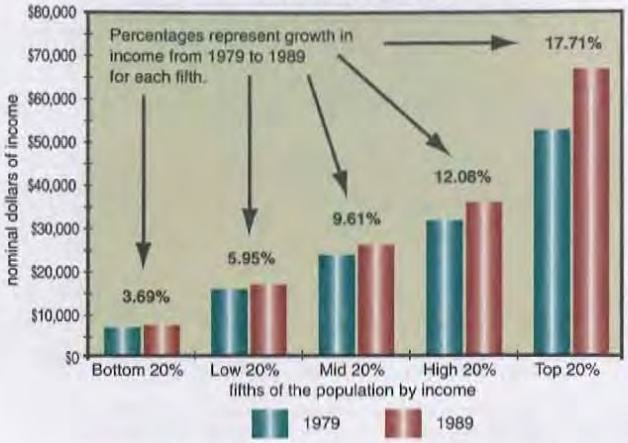
Benchmark: The 10-year growth rate in income for the poorest fifth of Maine households will be greater than the 10-year growth rate in income for the wealthiest fifth of households.

Income Disparity Increasing, at Last Look at Census Data This performance measure receives a red flag because income disparity between Maine's wealthiest and poorest people, as measured by amount of household income earned, has been steadily increasing over the past few decades. During the 1980s, the last time period for which we have census data, average income of the fifth of Maine people with the highest incomes grew dramatically faster than average income of the bottom fifth.

The graph shows the population divided into fifths by income and the growth in income of the top-earning fifth relative to the growth in income of the bottom-earning fifth. The disparity will only be reduced if incomes of the bottom fifth rise faster than incomes of the top fifth.

Disparities in income and opportunity threaten the long-term stability of the economy.

Growth in Household Income
Maine, 1979-1989



Data Source: US Census, 1980, 1990. No new data available since the Growth Council's previous report.

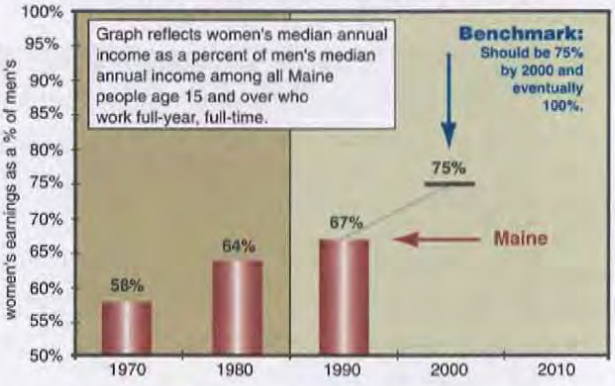
20 GENDER INCOME DISPARITY

Benchmark: The median annual income of full-time, full-year working women will improve from 64% of the median annual income of full-time, full-year working men in 1980, to 75% by 2000, and eventually to 100%.

Women Continuing to Earn Less then Men In 1990, the median annual income of all women in Maine who worked full-time for the entire year was $17,406, compared to a median income of $26,024 earned by men who worked full-time, full-year. This is not a job for job comparison but does compare wages earned based on equal time worked (on average, women work fewer hours per week and fewer weeks per year resulting in an even greater disparity in the total amount of annual income earned by men and women). In 1990, the gender disparity was slightly less in Maine than it was for the nation as a whole.

Disparities in the amount of money that women make compared to men provide disincentives for women to contribute to the labor force and impair economic growth by not fully realizing the benefit of having productive, economic contributions from all people. Gender disparities are even greater in some particular occupations than for the state as a whole.

Women's Income as a percent of Men's for
Full-Year, Full-Time Work, 1970-1990



Data Source: US Census, 1970, 1980, 1990.

21 RACIAL INCOME DISPARITY

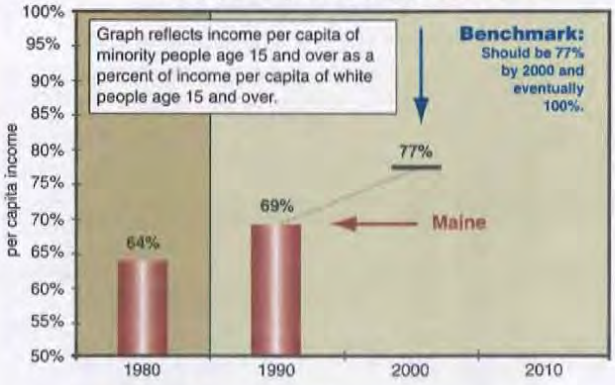
Benchmark: The income per capita of Minorities will improve from 69% of per capita income of Whites in 1990 to 77% by 2000 and eventually to 100%.

Minority Incomes Improving Slightly On average in 1990, Minorities in Maine (including Blacks, American Indians, Eskimos, Aluets, Asians, Pacific Islanders, and Others) received about two-thirds (67%) the amount of income per capita that White people received. We calculate this by looking at all income received by minority people in Maine age 15 and over and dividing that by the number of minority people, and comparing that to all income received by white people age 15 and over and dividing that by the number of Whites. By this calculation, 1990 per capita income of Whites was $13,019 and per capita income of minorities was $8,997. In Maine, racial income disparity is not as large as it is for the nation as a whole where minority people received, on average, about 61% of what white people received in 1990.

In Maine in 1990, 98.6% of the 15 and over population were White; four-tenths of one percent were Black; about half of one percent were American Indian, Eskimo, or Aluet; about half of one percent were Asian or Pacific Islander; and one-tenth of one percent were other races.

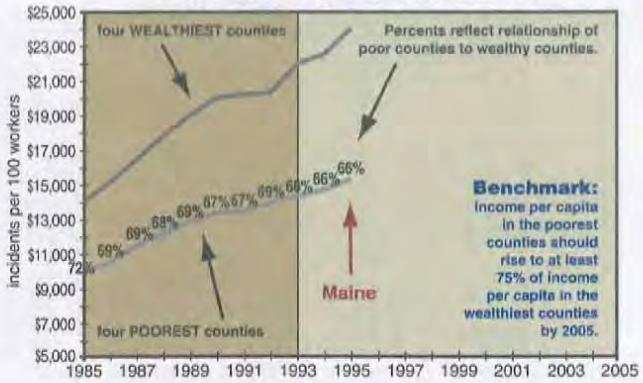
Disparities in amount of income received by various races of people is detrimental to long term economic growth because it acts as a disincentive for all races of people to participate in the labor force to their full potential.

Minority per capita income as a percent of
White per capita income, 1980-1990



Data Source: US Census, 1980, 1990.

Income per Capita of Maine Counties
Poorest vs. Wealthiest, 1985-1995



Data Source: US Bureau of Economic Analysis and the Maine Department of Labor, Division of Labor Market Information, November, 1997.

22 INCOME DISPARITY BY COUNTY

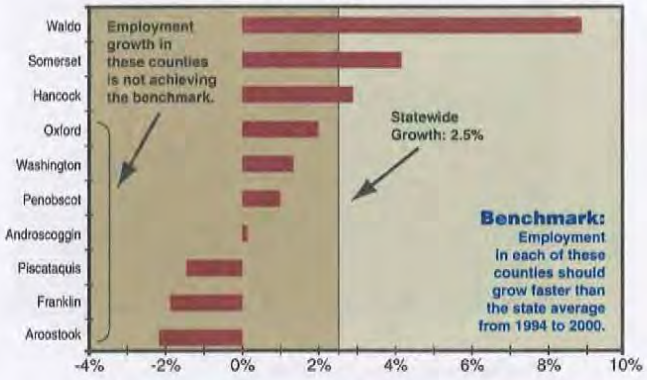
Benchmark: Average per capita income in Maine's poorest counties will improve from 66% in 1993 to 75% of per capita income of the wealthiest counties by 2005.

Disparity Steadily Increasing This performance measure receives a red flag because the income gap between Maine's wealthiest and poorest counties has steadily increased since the 1970s. Geographic disparities in the wealth of Maine people are detrimental to the economy. To minimize the disparity, per capita income in the poorest counties should be raised.

In 1995, the average per capita income in Maine's four poorest counties (Piscataquis, Somerset, Waldo, and Aroostook) was $15,812, about 66% of what it was in the four wealthiest counties (Cumberland, Lincoln, Knox, and Hancock) where income per capita was $24,081.

That there is regional disparity in income per capita does not imply that Maine people receive different pay for the same type of job, depending on which county they live in. Recognizing that there is also disparity among counties with regard to cost of living, the benchmark has been established at 75% rather than 100%. Income per capita is calculated by adding up all income earned in a given year by a group of people (in this case all those residing in the four wealthiest and four poorest counties) and then dividing that number by the number of people in the group.

Employment Growth in At-Risk
Counties,1994 -1996



Data Source: Maine Department of Labor, Division of Labor Market Information, Maine Employment Statistical Handbook, 1996.

23 EMPLOYMENT DISPARITY BY COUNTY

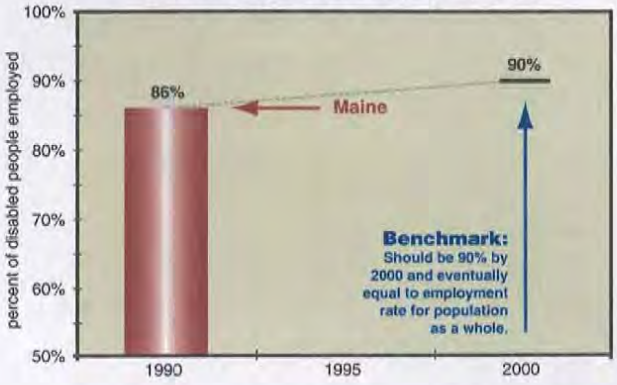
Benchmark: Maine counties that had higher-than-average unemployment rates in 1994, will have better-than-average employment growth from 1994 to 2000.

Job Growth Lacking Where It's Needed Most Measures of Growth, 1996 began tracking the following counties that had 1994 unemployment rates higher than the state average: Washington, Aroostook, Somerset, Piscataquis, Oxford, Waldo, Franklin, Hancock, Penobscot, and Androscoggin. The benchmark calls for employment in these specific counties to increase at rates higher than statewide employment growth during the period 1994 to 2000.

Among these 10 counties, only three of them (Waldo, Somerset, and Hancock) experienced job growth from 1994 to 1996 at a better rate than the state average (which was 2.5%). Last year also, just three of the at-risk counties experienced above average job growth. However, the state overall experienced slightly greater job growth during 1996 than in 1995.

To reduce disparities among counties, we must increase employment in those counties where it's most difficult to get a job. This data represents the number of people employed who are covered by the Maine Employment Security Law.

Employment Rate Among
Maine People with Disabilities, 1990



Data Source: US Census, 1990. No new data available since the Growth Council s previous report.

24 EMPLOYMENT OF THE DISABLED

Benchmark: Among Maine people with disabilities, the percent employed will improve from 86% in 1990 to 90% by 2000, and eventually to the same employment rate as the population as a whole.

Employment Lagging Among People with Disabilities Among people with disabilities in the labor force in 1990, 86% were actually employed whereas among people in the labor force with no disabilities, 94% were employed.

This is a performance measure because a strong economy requires the contributions that we ALL have to offer. If a class of people are under-represented in the labor force, the economy is missing out on valuable skills, abilities, and assets of some of our people. This performance measure does not consider people whose disabilities actually prevent them from being able to work, but only those who are in the labor force, and thus willing and able to work. For these purposes, someone with a disability is defined as having a work limitation of some sort, including having been out of work for six of the previous twelve months due to disability.

Although this performance measure focuses on people with disabilities who are in the labor force, there is a significant number of people with disabilities who are not in the labor force, and many who have dropped out of the labor force because of the difficulties they face in gaining meaningful and rewarding employment, even though they may be capable.

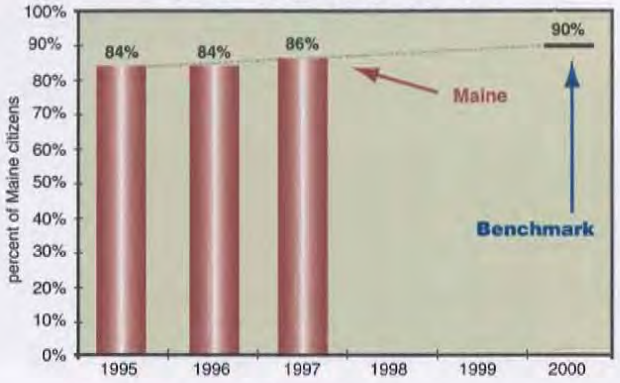
25 DISCRIMINATION IN THE WORKPLACE

Benchmark: The percentage of Maine people who believe that their employers maintain an equal opportunity environment where traits such as gender, race, or ethnicity do not impact their ability to grow and succeed, will improve from 84% in 1995 to 90% by 2000, and eventually to 100%.

Perceived Discrimination Unchanged In 1997, 86% of Maine citizens agreed or strongly agreed that traits such as a person's gender, race, and ethnicity have no impact on a person's ability to grow and succeed. This was a slight increase over the percent of people who agreed with the statement in 1995 and 1996, though not a statistically significant increase, given the sample size.

Fundamental to long term economic growth are work environments that afford equal opportunity for employment and advancement.

Percent of Citizens who Perceive Workplace Equal Opportunity, 1995-1997



Data Source: Maine Development Foundation Annual Survey of Maine Citizens, 1995-1997.

26 JOBS THAT PAY A LIVEABLE WAGE

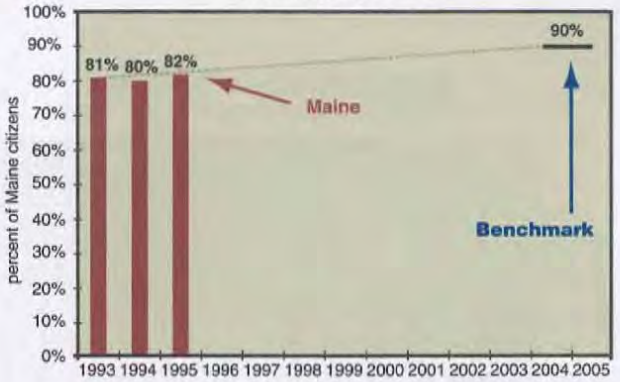
Benchmark: The percentage of jobs that pay a liveable wage will improve from 81% in 1994 to 90% by 2005.

Number of Liveable Wage Jobs Increases This performance measure receives a red flag because in 1995, 18% of all jobs in Maine did not pay what the Growth Council considers to be a liveable wage for that year; $18,376 for a family of two. This is a slight increase from the 1994 figure of 80%.

If people are not earning a high enough wage to support themselves and their non-income earning dependents (such as children, spouses, or elders), they are forced either to live without some basic necessities or they must depend on some type of public assistance. Each has a negative impact on the economy. Jobs that pay below a liveable wage, on balance, are not likely contributing to economic growth. In fact, they ultimately result in higher taxes for Maine businesses and citizens.

This performance measure considers a liveable wage to be 85% above the poverty line (established by the U.S. Department of Labor) wage for a family of two. In this way, it is directly related to the number of Maine people living in poverty. The family size of two was chosen because roughly half of all Maine people are employed (each job in Maine supports roughly two people). The number of jobs is calculated by summing the total of all jobs in all occupations where the average wages paid exceed a liveable wage.

Number of Liveable Wage Jobs in Maine, 1993-1995



Data Source: Maine Development Foundation analysis based on Maine Department of Labor, Division of Labor Market Information Services, Maine Occupational Wages, 1995.

27 VOTER TURNOUT

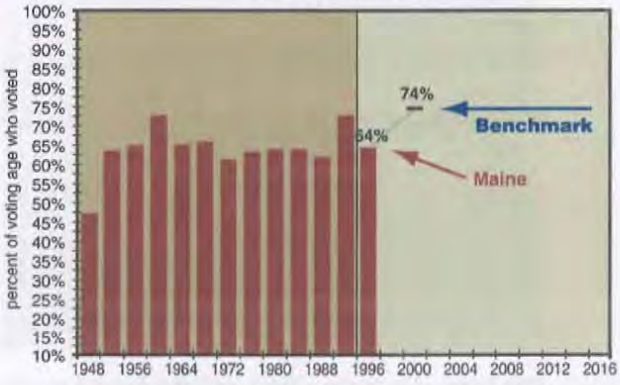
Benchmark: The Maine voter turnout rate in the presidential election will improve from 64% in 1996 to 74% in 2000.

Maine Consistently High Nationally This performance measure receives a gold star because Maine typically leads the nation in voter turnout. In the 1996 election, an estimated 64% of Maine people over age 18 actually voted for the office of President of the United States. This mark placed Maine a full 15 percentage points above the national average of 49%. In 1992, Maine voter turnout was 73%.

The Washington DC based Center for Voting and Democracy estimates that in 1996, Maine had the number one turnout in the nation. They estimate that Maine was first in 1992 also, while polls conducted by the US Census Bureau suggest that Maine was 3rd in 1992.

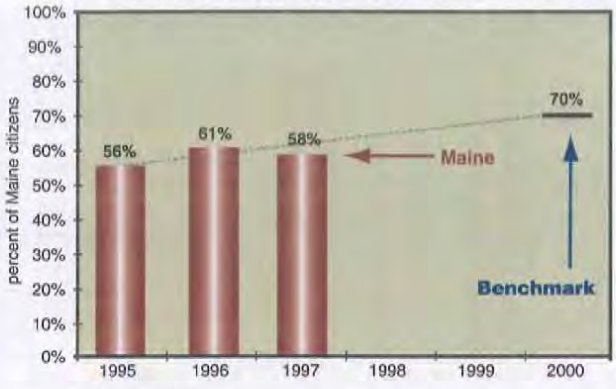
Voter turn-out is a fairly good indicator of participation in democracy and has been very slowly, but steadily rising for the past few decades.

Voter Turnout, Presidential Elections Maine,1948 -1996



tData Source: Maine Office of Secretary of State. No new data available since the Growth Council's previous report.

Percent of Citizens Who Have Devoted Time to Community Organizations, 1995-1997



Data Source: Maine Development Foundation Annual Survey of Maine Citizens, 1995-1997.

28 CITIZEN PARTICIPATION IN COMMUNITY ACTIVITIES

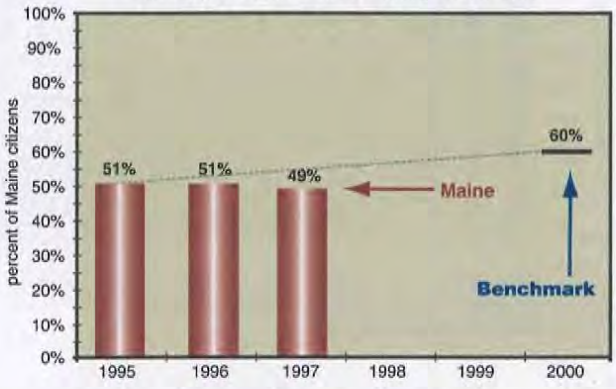
Benchmark: The percentage of Maine people who devoted time outside regular family and work activities to community organizations in the past year will improve from 56% in 1995 to 70% by 2000.

Over Half of Citizens Involved in Community Organizations Although in 1997, 58% of Maine citizens reportedly devoted time to community organizations, the decrease from the 1996 rate of 61% is not statistically significant, given the survey sample.

Participation in community projects is an excellent indicator of community vitality and it bodes well for long term economic growth.

Citizens were asked if, in the previous 12 months, they had devoted time out of their regular family and work schedule to helping out in the public schools with academic or other related school activities (27% said yes); community organizations which help young people such as Little League, Big Brothers and Sisters and Scouting (27% said yes); organizations which assist the needy or under-privileged (20% said yes); organizations which assist the elderly, homebound, and people in poor health such as Meals on Wheels and home health/hospital volunteers (16% said yes); and/or activities sponsored by an environmental organization (8% said yes). The graph reflects the percentage of people each year who reported devoting time to at least one of these types of organizations.

Business Interest and Involvement In School and Civic Events, 1995-1997



Data Source: Maine Development Foundation Annual Survey of Maine Businesses, 1995-1997.

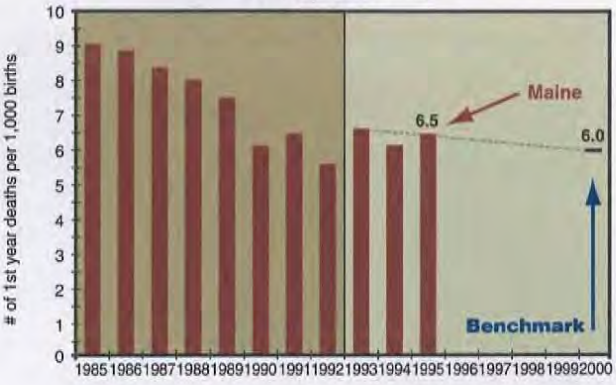
29 BUSINESS INVOLVEMENT IN COMMUNITIES AND SCHOOLS

Benchmark: The percentage of Maine businesses who took an interest and got involved in school and civic events in the past year will improve from 51% in 1995 to 60% by 2000.

Business Involvement About Fifty Percent In 1997, 49% of Maine businesses took an interest and got involved in local school and civic events. Although there was a slight decrease in the percent of businesses who reported involvement this year from the 1996 involvement rate, the decrease is not statistically significant given the survey sample size.

Partnerships between businesses and schools or other community groups often result in benefits for the community and the business. It is a sound avenue towards long-term economic growth. Maine businesses were asked the extent to which they do well at taking an interest and getting involved in local school and civic events. The data for this performance measure represents those businesses that responded very well or well.

Infant Mortalities per 1,000 Births Maine, 1985-1995



Data Source: US Department of Health and Human Services, Center for Disease Control, National Center for Health Statistics, Monthly Vital Statistics Reports.

30 INFANT MORTALITY

Benchmark: Maine's infant mortality rate will improve from 6.8 per 1,000 births in 1993 to less than 6, on average, for the period 1993 to 2000.

Very Good Relative to Other States In 1995, Maine's infant mortality rate was 6.5, meaning that 6.5 out of every 1,000 infants died before their first birthday, for various reasons. This rate was the 12th lowest among the 50 states.

In 1994, Maine had the 3rd best rate in the nation among the 50 states (at that time, 6.1) and Maine has consistently had one of the best rates in the nation.

Infant mortality is a good indicator of social conditions such as poverty and an unhealthy environment. The rate taken for the state as a whole is a reflection of the extent to which pregnant women and babies under a year old are subjected to negative conditions; and these are two of our most vulnerable populations. The social conditions impacting a human at this early stage of life are a good indicator of expected social conditions throughout the individual's life.

Infant mortality is most meaningful when looked at over decades. Over time it is a good but rough measure of a state's or a nation's health but experts caution against drawing conclusions from year to year fluctuations.

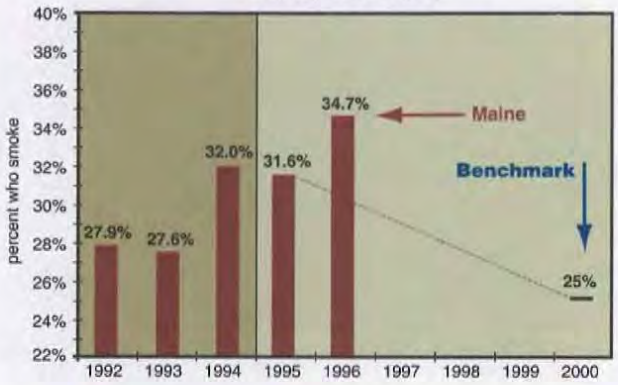
31 CIGARETTE SMOKING

Benchmark: The number of Maine people aged 18-34 who smoke cigarettes will improve from 31.6% in 1995 to less than 25% by 2000.

Over A Third of Young Adults Smoking, and Increasing This performance measure receives a red flag again this year because among 18-34 year-olds in 1995, Maine had the highest rate of smoking in the nation (1996 national rank unavailable). In 1996, 34.7% of all Maine people aged 18-34 reportedly smoked cigarettes, a considerable increase over the1995 rate of 31.6%.

This is a performance measure because cigarette smoking is the leading cause of preventable death in Maine. Smoking among 18-34 year-olds is particularly relevant because people of this age are most likely to be passing detrimental effects of smoking onto children. This age group will also be part of the labor force for years to come, and it has been shown that workers who smoke are more costly to employers. Smoking is known to cause heart disease, emphysema, and several types of cancer.

Cigarette Smoking Among 18-34 yr Olds
Maine, 1992-1996



Data Source: Maine Department of Human Services, Bureau of Health.

32 CRIME

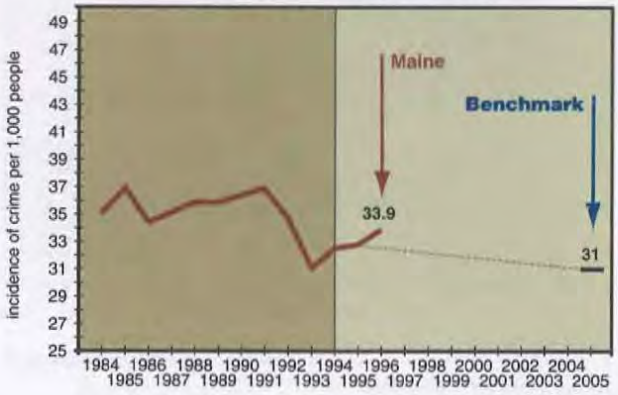
Benchmark: Maine's crime rate will improve from 32.7 incidents per 1000 people per year in 1994 to below 31 incidents per 1,000 people per year by 2005.

Slight Increase This Year In 1996, there were 33.9 incidences of crime per 1,000 people, whereas in the US as a whole, the crime rate was 50 incidences per 1,000 people. With the eighth lowest crime rate in the nation, Maine is a relatively safe place to live.

From 1995 to 1996, Maine's crime rate worsened by about 3%. Although the state experienced a 4.9% decrease in the instances of violent crime, there was a 3.7% percent increase in the number of property crimes, which are much more numerous. By comparison, national rates and New England rates of both property and violent crimes decreased from 1995 to 1996.

Crime is an important performance measure because it adds to the cost of conducting business and to the tax burden for prosecution and incarceration of criminals. In addition, lower crime rates mean Maine offers individuals and businesses a safe environment in which to live, raise children, and do business.

Crime Rate, Maine 1984-1996
(incidents/1,000 inhabitants)



Data Source: Federal Bureau of Investigation, Crime in the United States, 1996.

33 CITIZEN SATISFACTION WITH STATE GOVERNMENT

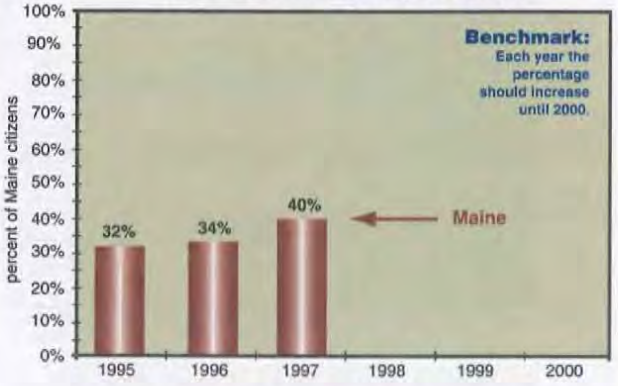
Benchmark: The percentage of Maine people who regard the value of state services as good or excellent for the taxes they pay, 32% in 1995, will improve each year until 2000.

Respectable Improvement Maine citizens were asked "How would you rate the value of state services that you get for the taxes you pay to the state?" In 1997, 40% of those surveyed rated state services as good or excellent, whereas in 1995, just 32% of citizens surveyed responded that way resulting in achievement of the Council's previously established benchmark.

Value of services for amount of money paid (in this case taxes) is a good measure of efficiency. People's perception of the efficiency of state government is an important component of their satisfaction with government, and satisfaction with government is important to foster economic growth.

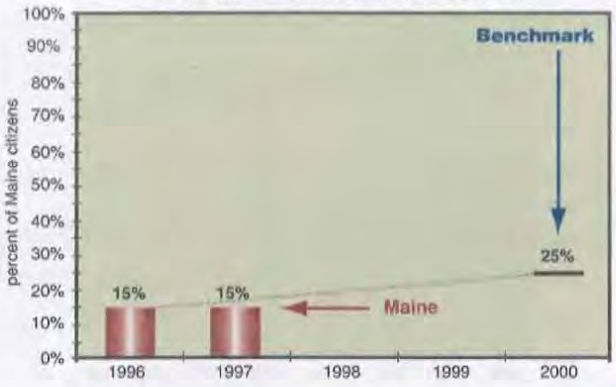
This year the Council revised the benchmark to call for continuous improvement in the perceived value of state services by citizens. In 1995, a benchmark of 40% was established but upon review of three years of data, the Council has concluded that initially, the benchmark was set unreasonably low.

Citizen Opinion of Value of State
Services for Taxes Paid, 1995-1997



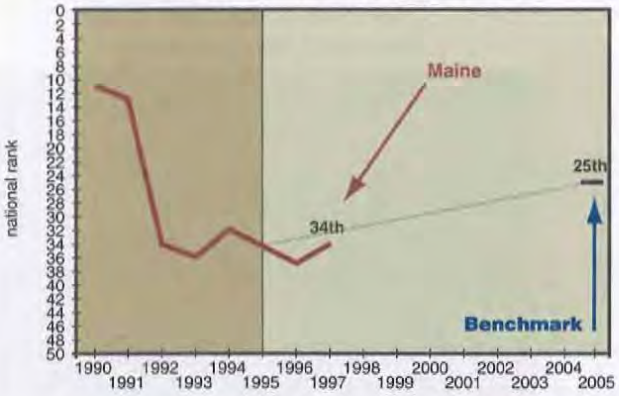
Data Source: Maine Development Foundation Annual Survey of Maine Citizens, 1995-1997.

Business Opinion of Value of State Services for Taxes Paid, 1996-1997



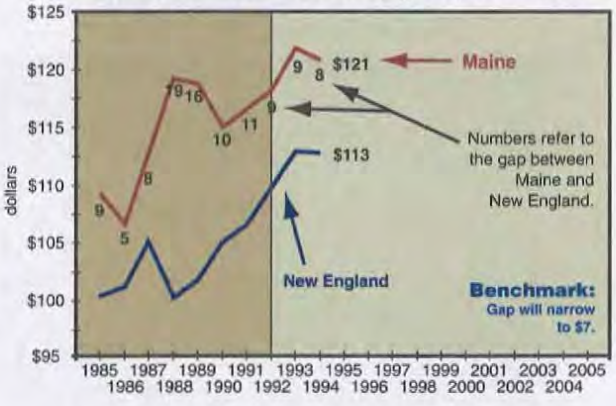
Data Source: Maine Development Foundation Annual Survey of Maine Businesses, 1996, 1997.

Fiscal Stability and Balanced Revenue Maine's Rank Nationally, 1990-1997



Data Source: Corporation for Enterprise Development, Development Report Card for the States, 1997.

Individual Tax Burden/$1,000 Income All Taxes - Maine & New England, 1985-1994



Data Source: US Census, State and Local Government Finance Estimates.

34 BUSINESS SATISFACTION WITH STATE GOVERNMENT

Benchmark: The percentage of Maine businesses who regard the value of state services that they receive for the taxes they pay to the state as good or excellent will improve from 15% in 1996 to 25% by 2000.

Businesses Remain Cool on State Government In 1997, 15% of businesses surveyed responded good or excellent to this question: "How would you rate the value of state services that you get for the taxes you pay to the state?" The same percentage of businesses responded the same way last year.

This is a measure of perceived government efficiency because it asks about value in light of amount of taxes paid.

35 FISCAL STABILITY AND BALANCED REVENUE

Benchmark: Maine's rank among the 50 states on fiscal stability and balanced revenue will improve from 34th in 1995 to 25th by 2005.

Relative Standing Improves In 1997, Maine ranked 34th in the nation on a national index of fiscal stability and balanced revenue, an improvement over last year's rank of 36th. Maine tax policies which are considered as part of this index have remained relatively unchanged in recent years. Maine's fluctuating rank is due mostly to changing policies in other states.

This composite index examines balance among the four major taxes (corporate, income, property, sales) and fiscal stability by the size of the state's rainy day fund, whether it allows net operating carrybacks in the corporate income tax, and the breadth of its sales tax. Maine scores well with regard to the balance of state tax collections, although points are deducted because the property tax accounts for 38.5% of revenues which is relatively high. The primary reason for Maine's low standing nationally has to do with lack of stability of the taxation system. In particular, Maine is penalized for allowing operating loss carrybacks.

This index is important for businesses and others who are concerned with the predictability of taxes and stability of the state economy. This performance measure must be looked at in conjunction with 36 - State and Local Tax Burden, and 37 - Tax Fairness.

36 STATE AND LOCAL TAX BURDEN

Benchmark: The gap between Maine and New England in state and local tax burden per $1,000 of income generated will improve from $8.70 in 1992 to less than $7.00 by 2005.

Gap Narrows In 1994, Maine people earned a total of just over $24 billion in income and paid a total of almost $3 billion in state and local taxes. For every $1,000 earned as income in Maine, about $121 was paid in state and local taxes. The average tax burden per $1,000 of income for New England was about $113. In 1994, the gap between Maine and New England was $7.76, whereas in 1993 the gap was $8.75. State and local taxes paid per $1,000 of income nationwide was about $117 in 1994.

People and businesses making decisions about where to locate look at the amount of taxes they will have to pay as part of that decision. Given that Maine competes with other New England states to attract people and businesses, we are concerned with our comparative tax burden.

There are several ways to measure tax burden. This measure was chosen because it considers ALL taxes paid to state and local governments, not just income taxes or any other specific type of taxes. Also, unlike per capita measures, this measure relates taxes to the state's relative wealth, not size of population. It is calculated by adding the total amount of income, sales, property, corporate income, and other taxes collected (does not include transfers from the federal government or other revenue sources such as liquor or lottery sales) and dividing that by the total amount of income earned by individuals (as a proxy for wealth of the state). The same calculation is made for Maine and for New England as a whole. 1994 is the most recent year for which we have data that is comparable with all other states.

This performance measure must be looked at in conjunction with 35 -Fiscal Stability and Balanced Revenue and 37 - Tax Fairness.

37 TAX FAIRNESS

Benchmark: Maine's national rank among the 50 states on tax fairness will remain at least 5th or better each year from 1996 to 2000.

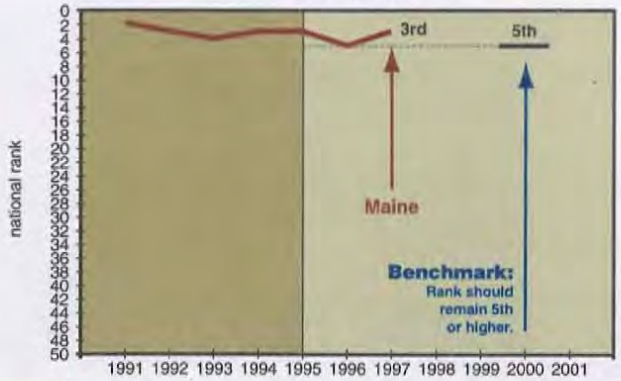
Maine Excellent Relative to Other States This performance measure receives a gold star again this year because Maine has the 3rd most fair state tax system in the nation, according to this particular method of assessment.

This performance measure is a composite index based on sales and excise tax burden on poor families, progressivity of the income tax, the income level at which people begin paying income taxes, the property tax circuit breaker (which provides property tax relief in instances where an individual's property tax burden is unreasonable relative to earned income), extent to which corporate reporting is shared with other states, and accuracy of revenue reporting.

Maine's high ranking is due in large part to the fact Maine has a property tax circuit breaker program, combined reporting (shared with other states), and openly reports lost revenue due to tax incentive programs. Also, Maine's income tax threshold, the level of income at which a family of three begins to pay income taxes ($12,300), is relatively high. Maine gets penalized primarily because of the regressivity of the sales tax (poorer people pay a higher percentage of their income in sales tax than do wealthier people).

This performance measure must be looked at in conjunction with 35 - Fiscal Stability and Balanced Revenue and 36 - State and Local Tax Burden.

Maine's National Rank on Tax Fairness
1991-1997



Data Source: Corporation for Enterprise Development, Development Report Card for the States, 1997.

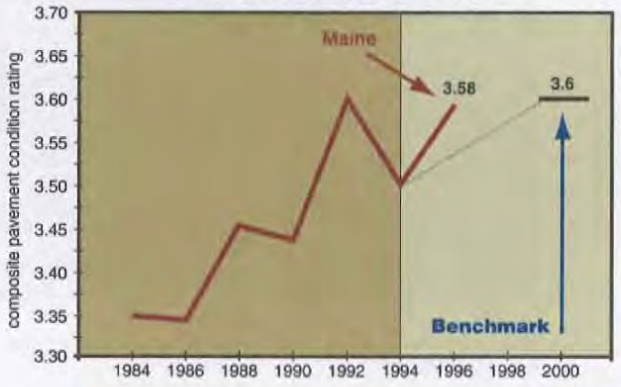
38 CONDITION OF ROADS

Benchmark: The average condition rating of National Highway System roads in Maine, weighted by use, will improve from a rating of 3.51 in 1994 to 3.6 by 2000.

Pavement Condition Improving In 1996, the condition of Maine roads on the National Highway System was rated 3.58 on a scale of 1 - 5 with 5 being perfect and 0 being out of service. This is a slight improvement over the 1994 rating of 3.51. In 1997, vehicles traveled an estimated 12,920,228 miles on Maine's National Highway System roads and bridges which are fundamental to moving the state's commerce.

This data rests on a composite of the pavement condition ratings of all the following roads, each weighted according to amount of road use: I-95, I-195, I-295 , I-395, I-495, and other major roads in the state such as Routes 1, 3, 201, and 302, among others. A large percentage of Maine's commerce travels these roads but there are also minor arterials and major collectors which are not considered as part of this performance measure.

Condition of National Highway System
Roads in Maine, 1984-1996



Data Source: Maine Department of Transportation; Bureau of Planning, Research and Community Service. No new data available since the Growth Council's previous report.

39 CONDITION OF BRIDGES

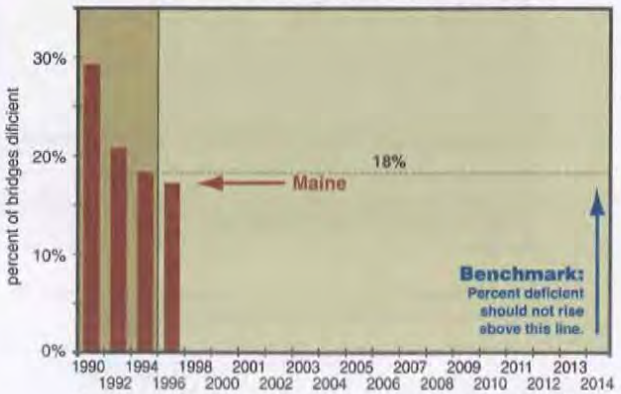
Benchmark: The percent of Maine's bridges on the National Highway System that are deficient will not exceed 18% from 1994 to 2014.

Condition of Maine Bridges on the National Highway System Improving In 1996, 17% of Maine's highway bridges on the National Highway System were considered deficient in some way; that is, they have a Federal Sufficiency Rating of 80 or less and are structurally deficient or functionally obsolete. This is a considerable improvement from 1990 when 29% of Maine's National Highway System bridges were considered deficient.

Bridges represent a significant infrastructure investment on behalf of the government. Maintaining that investment and facilitating the flow of commerce is fundamental to long term economic growth. This measure looks at all bridges in the National Highway System in Maine that are at least 20 feet long and carry highway traffic.

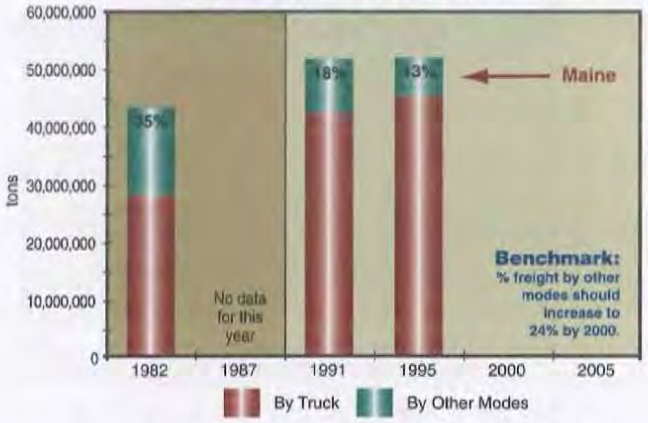
There are approximately 3,600 bridges in Maine, 500 of which are on the National Highway System which includes I-95, I-195, I-295 , I-395, I-495, the Maine Turnpike, and other major roads in the state such as Routes 1, 3, 201, and 302, among others. A large percentage of Maine's commerce travels these roads but there are also minor arterials and major collectors which are not considered as part of this performance measure.

Percent of Maine Bridges on the National Highway
System Classified Deficient, 1990-1996



Data Source: Maine Department of Transportation; Bureau of Planning, Research and Community Service. No new data available since the Growth Council's previous report.

Manufacturing Freight by Truck and Other Modes, Maine, 1982-1995



Data Source: Maine Department of Transportation, Office of Freight Transportation.

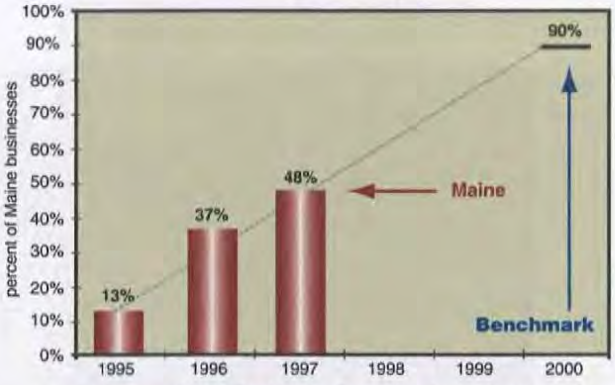
40 MODES OF FREIGHT TRANSPORT

Benchmark: The percent of all manufacturing freight shipped in the state that goes by rail, water, or air will improve from 18% in 1991 to 24% by 2000.

Trucking on the Increase This performance measure receives a red flag because there has been a dramatic, steady decrease in the percent of manufacturing freight shipped by air, rail, and water. In 1995, Maine manufacturers shipped about 53.6 million tons of freight, 87% of it by truck and the rest by other modes. From 1991 to 1995, manufacturing freight shipped over the road increased 7.8% from 43.3 million tons to 46.7 million tons while in the same time period, manufacturing freight shipped via other modes (rail, water, air) decreased 26.9% from 9.5 million tons to 7 million tons. The shift towards trucking is due in part to the demand for precise inventory control.

Improving the balance among transport modes will result in increased modal choice. Maine has a number of underutilized transport modes, other than roads, in the form of railroads, airports, and seaports. Maine's collector roads are deemed to be overburdened with conventional vehicular transportation and require large capital investments to maintain and upgrade. Greater utilization of air, rail, and seaports would relieve the dependency on the traditional collector-road system and result in greater efficiencies and economies of scale.

Business Use of Internet 1995-1997



Data Source: Maine Development Foundation Annual Survey of Maine Businesses, 1995-1997.

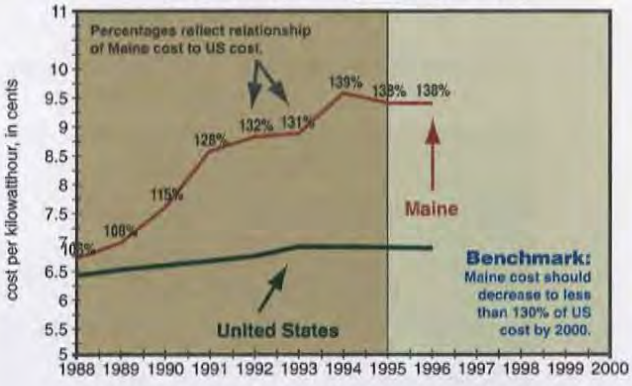
41 TELECOMMUNICATIONS

Benchmark: The percentage of Maine businesses using the Internet will improve from 13% in 1995 to 90% by 2000.

Business Use of the Internet Increasing Dramatically In the past three years, the percent of Maine businesses using the Internet has increased almost four-fold. In 1997, 48% of Maine businesses surveyed reported that they used the Internet (e-mail, www, etc.) when they were asked what telecommunications systems and services they currently use.

This is a performance measure because use of telecommunications reduces the geographic barriers to economic development that Maine has traditionally experienced. Economic growth depends on our transition to a more global marketplace, linked by advanced telecommunications. Although numerous other communications technologies could be measured, e.g. data transmission capability and video conferencing, Internet use is representative of an advanced technology most useful to most Maine businesses, large and small.

Cost of Electricity, Maine and United States 1988-1996 (cents per kilowatthour)



Data Source: US Department of Energy, Energy Information Administration, Annual Electric Utility Reports, 1988 - 1996.

42 COST OF ELECTRICITY

Benchmark: The cost of electricity in Maine will decrease to less than 130% of the average US cost of electricity by the year 2000.

Maine Electricity More Expensive than US but Very Competitive in the Region In 1996, electricity in Maine cost an average of 9.46 cents per killowatthour whereas across the nation as a whole, it averaged 6.86 cents per killowatthour. In New England, electricity averaged 10.28 cents per killowatthour. So while Maine costs were 38% higher than average US costs, they were 8% less than average New England costs.

This performance measure reflects an aggregate of all revenue generated by electric utility companies from residential, commercial, industrial and other sectors divided by total number of killowatthours produced (the 1996 figures are preliminary). Previously, the Growth Council tracked Maine's cost per BTU of all types of energy compared to US costs but recently the US Department of Energy changed the way in which they calculate these costs rendering such a comparison invalid because they started including a cost estimate for biomass (wood burning) which we know to be suspect.

The cost of electricity is a fundamental cost of doing business and so it is important that it be competitively low in order to attract and retain businesses. Three recent developments will likely affect the cost of electricity in Maine: deregulation of the electric utility industry, the closing of Maine Yankee Atomic Power Plant, and the prospect of a natural gas pipeline through Maine.

Other performance measures being considered. The Growth Council is considering adding cost of home heating oil and cost of motor gasoline. In Maine, we currently pay about 4% more for gasoline than in other states and about 2% less for home heating oil. During 1998, the Growth Council will be seeking advice on the addition of these measures.

43 AIR QUALITY

Benchmark: The number of days that Maine violates federal air quality standards due to ground-level ozone will improve from 4 days in 1995 to a consistent standard of zero through 2000.

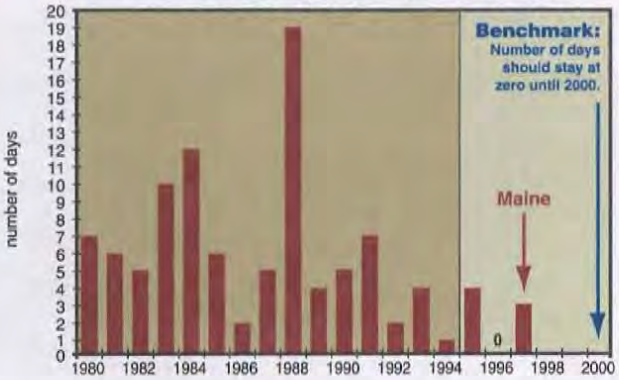
Number of Days Recently Increased In 1997 there were 3 days that Maine's ground-level ozone was higher than the federal standard. This is an increase from the previous summer that had zero days in excess of the federal standard.

Air quality is important to long term economic growth for three reasons. First, high levels of ground-level ozone are unhealthy for Maine people, causing lost work days and other costs associated with ill health. Second, clean air is more valuable than dirty air because the dirtier the air is, the more we must reduce allowable additional pollution, and pollution reduction is costly. Third, Maine benefits economically from its reputation for being pristine. Gaining a reputation for poor air qaulity would work against economic growth.

The great strides that have been made in reducing unhealthful ozone levels in Maine and the New England region are due to pollution control requirements on new automobiles and industrial emissions, and through the use of cleaner burning fuels. However, strong scientific evidence indicates that a significant portion of Maine's ozone (and other) pollution comes from other, upwind states.

The federal standard is that the air should not contain more than .12 parts per million of ground-level ozone as measured by looking at maximum hourly concentrations.

Number of Days Maine Violated Federal Air Quality Standards, 1980-1997



Data Source: Maine Department of Environmental Protection, Bureau of Air Quality Control.

44 WATER QUALITY OF LAKES

Benchmark: The percentage area of significant Maine lakes that are fully suitable for swimming will be at least 94.6% from 1994 through 2004.

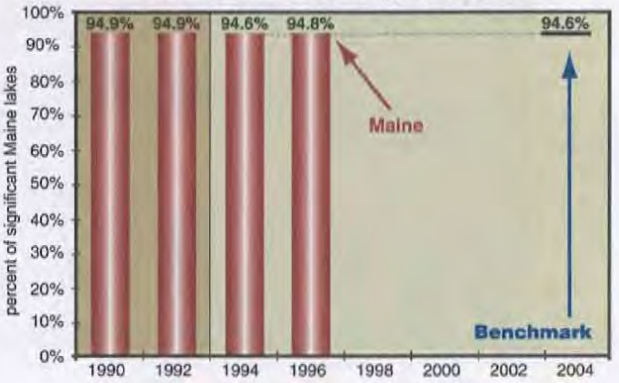
Percentage Holding Steady, but Threatened Maine has 958,886 acres of significant lakes. Of Maine's 5,785 lakes, 2,314 are deemed significant; these are the lakes that are regularly evaluated by the Maine Department of Environmental Protection. These lakes make up 97% of the state's total lake area.

Of these 2,314 significant lakes, 52 were considered only partially suitable for swimming in 1996 totaling 49,969 acres. This amounts to 5.2% of the total acres of significant lakes. Over the past six years, this percentage has remained fairly constant but increased land development suggests that maintaining this percentage will be difficult.

The primary determinant of a lake's suitability for swimming is the extent to which it has algal blooms. When a lake experiences a bloom, it appears green and is quite unattractive and unsuitable for swimming. The most common cause of algal blooms is storm water run-off entering the lake directly, carrying non-point source pollution, particularly the nutrient phosphorus. Lake water quality is affected by land use development decisions.

This is a performance measure because lake waters provide nurseries and feeding grounds for an untold number of plant and animal species, and they provide drinking water and valuable recreational opportunities for Mainers and visitors. Maine is one of a handful of states in the nation that is endowed with this quantity and quality of natural inland waters, most of which were formed when the glaciers retreated 12,000 years ago.

Percent of Significant Maine Lakes Suitable for Swimming, 1990-1996



Data Source: Maine Department of Environmental Protection, State of Maine Water Quality Assessment, 1996. No new data available since the Growth Council's previous report.

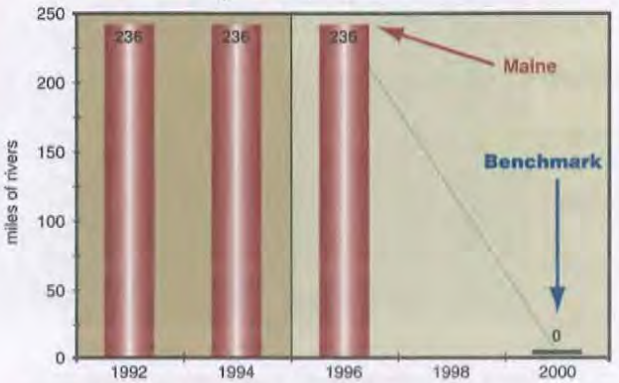
45 WATER QUALITY OF RIVERS

Benchmark: The number of miles of Maine rivers not suitable for fish consumption due to dioxin will improve from 236 miles in 1996 to 0 miles by 2000.

236 Miles Unsuitable for Eating Fish Due to Dioxin Due to unsafe levels of dioxin, people are advised not to eat unlimited quantities of fish caught from the Penobscot below Lincoln, from the Kennebec below Skowhegan, and from the entire Maine length of the Androscoggin. These stretches of river total 236 linear miles and amount to some of the largest and most significant expanses of river area in Maine. The number of miles unsuitable for fish consumption due to dioxin has remained constant since 1992. Other stretches of Maine rivers are unsuitable for fish consumption for other reasons.

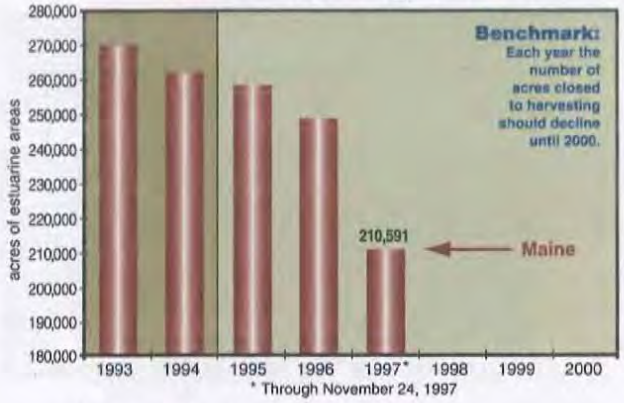
Dioxin is a by-product of the bleaching process used in the making of kraft paper. The effects of dioxin include cancer, chloracne, and immunotoxic, reproductive, and developmental disorders.

Miles of Rivers Unsuitable for Fish Consumption Due to Dioxin, 1992-1996



Data Source: Maine Department of Environmental Protection, Bureau of Land and Water Quality. No new data available since the Growth Council's previous report.

Acres of Flats and Waters Closed to Shellfish Harvesting, 1993-1997



Data Source: Maine Department of Marine Resources.

46 WATER QUALITY OF MARINE AREAS

Benchmark: The number of acres of estuarine areas not suitable for shellfish harvesting, 257,908 acres in 1995, will decrease each year until 2000.

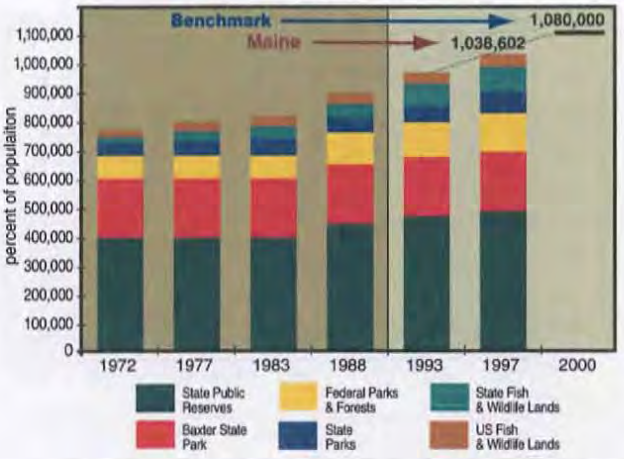
Dramatic Improvement - Previous Benchmark Achieved This performance measure receives a gold star because the acreage of closed shellfish beds has decreased by 18% since 1995, dramatically achieving the benchmark that was set in 1995 of 10% reduction.

In November, 1997, the amount of area closed to shellfish harvesting along the Maine coast was 220,591 acres, representing just over 12% of all shellfish beds. Each year since 1993, additional areas of shellfish beds have been opened representing an improvement in marine water quality.

Area of shellfish beds open to harvesting is important not only because it has a direct effect on the shellfishing industry ($15.6 million gross sales in 1996), but also because it is an indicator of overall marine and estuarine water quality which is important to commercial fishing activity and the ecological integrity of the marine environment. Shellfish beds are typically closed off to harvesting due to sewage discharge, non-point source pollution, and marine biotoxin.

Because the previous benchmark has been achieved, a new benchmark has been established calling for continuous improvement.

Land in Conservation for Public Use, 1972-1997



Data Source: Maine Department of Conservation, Bureau of Parks and Lands; Maine Department of Inland Fisheries and Wildlife; Baxter State Park Authority; Acadia National Park; White Mountain National Forest; Appalachian Trail Commission; US Fish and Wildlife Service; all 1997.

47 CONSERVATION LANDS

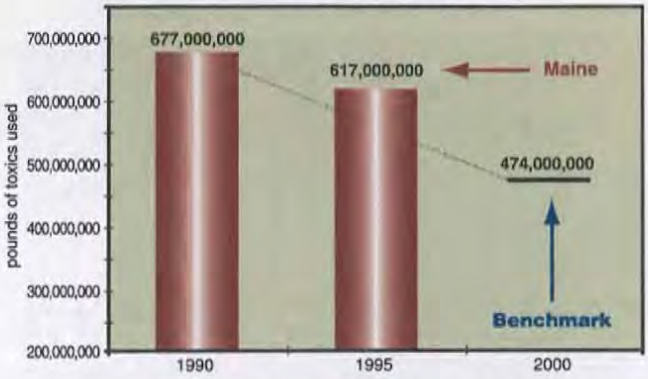
Benchmark: The amount of Maine conservation land intended for public use will improve by 10%, from 977,869 acres in 1993 to 1,080,000 acres by 2000.

Good Progress Towards an Ambitious Benchmark Since 1993, the amount of land in conservation (just the types of land counted in this performance measure) has increased by 6%. Much of this land was acquired via the Land For Maine's Future program which has since spent its $35 million from a voter approved bond issue. State Fish and Wildlife lands increased by 28%; State Parks increased by 24%; and, US Fish and Wildlife Lands increased by 15%. There were no decreases in any category.

Given that Maine has so few acres of land in public ownership compared to other states, vast areas of land conservation have always been a challenge. However, land in conservation where use is encouraged is very important to long term economic growth because so many people visit Maine and live in Maine because of the availability of these lands.

The amount of land reflected in the graph is an indicator of land conservation trends but does not accurately reflect the magnitude of all lands in the state which are actually in conservation (for instance, this data excludes all land in conservation easements held in private trust, and municipal parks). Federal Parks and Forests include Acadia National Park, the White Mountain National Forest, and the Appalachian Trail Corridor.

Pounds of Toxics Used in Manufacturing Maine, 1990-1995



Data Source: Maine Department of Environmental Protection, Office of Pollution Prevention. No new data available since the Growth Council's previous report.

48 INDUSTRIAL USE OF TOXIC CHEMICALS

Benchmark: Industrial use of toxics in Maine will be reduced by 30%, from 677 million pounds in 1990 to 474 million pounds by 2000.

Use of Toxics Steadily Decreasing In 1995, Maine businesses used about 617,000,000 pounds of toxic materials, mostly in manufacturing. This represented a 9% decrease from the amount of toxic materials used in 1990.

Toxic substances or toxics (also known as extremely hazardous substances) are defined by the federal government and include such things as phenol, chlorine, propylene oxide, and hydrogen chloride. There are 124 companies or facilities in Maine that use such chemicals in amounts that require reporting. Toxics are typically found in textile mills, tanners, electronic plants, and metal finishing plants, among others.

49 PAPER AND LUMBER VALUE ADDED

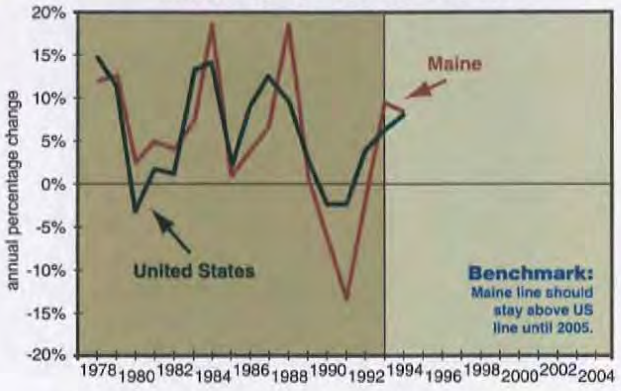
Benchmark: Maine's growth in value added in the forest products industries will be better than US growth rates, on average, from 1993 to 2005.

Maine Growth Keeping Pace with the Nation From 1993 to 1994 (the most recent data available), value added in Maine's paper and lumber industries grew 8.58%, compared with national growth in these industries of 8.57%. The graph charts annual growth, each year compared to the previous, for Maine and the US.

Given that Maine forest products account for a sizeable portion of the US market, it is not surprising to see similarities in the two growth rates, although Maine's growth has been more volatile. In 1996, Maine mills produced about 1.1 billion board feet of lumber, just over 2% of all lumber produced in the US. In 1994, Maine produced about 3.9 million tons of paper, about 9% of all paper products made in the US. Maine is the second largest paper making state next to Wisconsin. In 1994, over 1 million tons of recycled fiber went into making paper in Maine.

For the purposes of this performance measure, forest products include all establishments that manufacture paper, lumber, and other wood products. Such products accounted directly for about 5% of Maine's gross state product in 1994, and their manufacture contributed indirectly to a host of other industries.

Forest Products Value Added Annual % Change, Maine & United States, 1978-1994



Data Source: US Bureau of Economic Analysis, June 1997.

50 PAPER AND LUMBER EMPLOYMENT

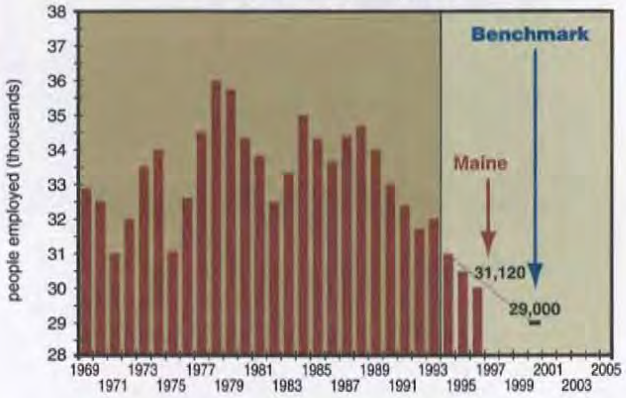
Benchmark: Employment in Maine's forest products industry will not drop below 29,000, a 6% decrease from the 1994 level of 30,813, between now and the year 2000.

Employment Declining This performance receives a red flag because employment in the forest products industry (paper and lumber) continues a slow decline, and employment in this industry is expected to decline further. However, total value of output in the paper and lumber industries continues to grow steadily. Decline in employment is primarily attributable to increased mechanization. In the late 1980's and early 1990's, there was considerable capital investment in Maine paper mills.

Although employment is generally expected to decline in those mills that are manufacturing paper and lumber, the benchmark of holding overall industry employment at 29,000 jobs may be accomplished by adding jobs in those sub-industries that manufacture products made out of wood, such as flooring and cabinets.

This data represents all workers who are employed by a business whose primary activities include making paper, lumber, and other wood products.

Employment: Forest Products Industries 1969-1996, in 1,000's



Data Source: US Bureau of Economic Analysis, September 1997.

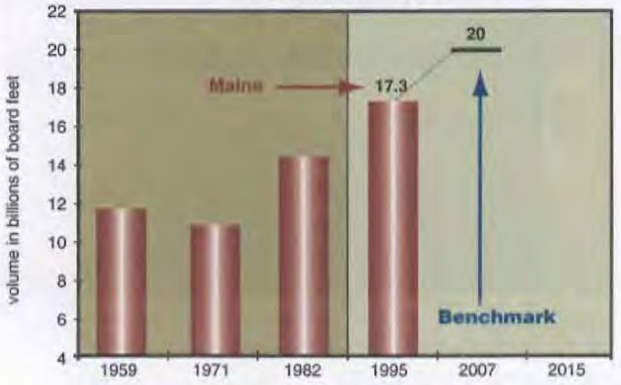
51 VOLUME OF LARGE SAWTIMBER TREES

Benchmark: The volume of large sawtimber trees in Maine will improve from 17.3 billion board feet in 1995 to at least 20 billion board feet by 2007.

Volume of Large Trees Increasing In 1995, there were 17.3 million board feet (a measure of volume) of standing timber in Maine's forests of sawtimber quality over 15 inches in diameter. Although steadily increasing, the benchmark of increasing the volume to 20 billion board feet of standing large sawtimber trees is ambitious.

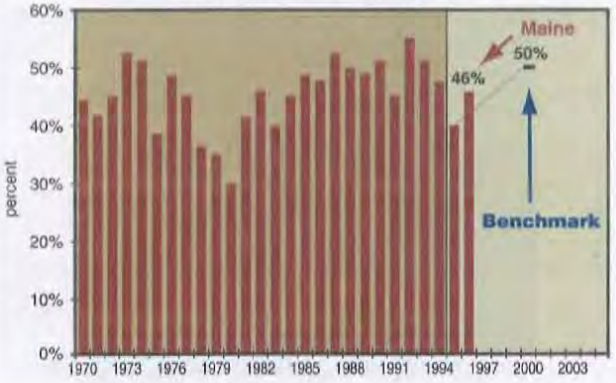
To maintain a large volume of this size of tree over time requires that we have a good balance among age classes in the forest. Having a good balance of age classes addresses many other issues of sustainability and biodiversity. Also, forests of mature trees are more appealing to people for recreation. And sawtimber trees represent a wider variety of sales options for the landowner. They can be used for sawtimber, veneer, pulp, and other products.

Volume of Large Sawtimber Trees Maine, 1959-1995



Data Source: Maine Department of Conservation. No new data available since the Growth Council's previous report.

Agriculture Value Added As Percent of Gross Sales, Maine, 1970-1996



Data Source: US Department of Agriculture, Economic Research Service, July 1997.

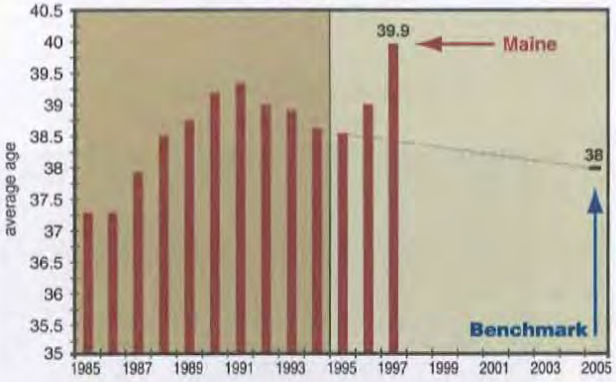
52 AGRICULTURE VALUE ADDED

Benchmark: Agriculture value added as a percent of gross sales will improve from 42% in 1995 to an average of 50% by 2000.

Agriculture Value Added Improving In 1996, gross sales of Maine agricultural products totaled $548.9 million, $253 million of which is characterized as value added. This figure, value added, reflects agriculture's contribution to the Maine and national economy and is the sum of the income from production earned by all factors-of-production. It includes the sum of all net income to farmers and all wages paid to farm workers.

Even though gross sales from Maine agricultural products are not expected to substantially increase over the next few years, direct economic benefits to Maine from agricultural activity can be increased by adding value. Total output of the Maine agriculture industry has been steadily increasing over the past twenty years, while total amount of land in farms has been slowly decreasing.

Average Age of Commercial Fishers Maine, 1985-1997



Data Source: Maine Department of Marine Resources.

53 COMMERCIAL FISHING

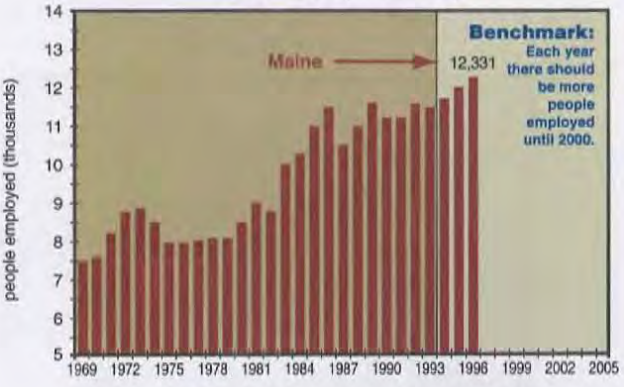
Benchmark: The average age of Maine's commercial fishers will decrease from 38.8 years old in 1995 to 38 by 2005.

Average Age on the Increase This performance measure receives a red flag because of the recent dramatic increase in the average age of Maine fishers. The average age had been going down since 1991, but in recent years the trend has reversed. In 1997, the average age of Maine fishers was 39.9. The recent increase is due in some part to a freeze on issuing new licenses for two of Maine's fisheries, lobsters (actually, a very limited number of new licenses available through grandfathering and apprenticeships) and urchins.

This measure is a proxy for perceived opportunities in the fishing industry. If there is a belief among fishers that the industry holds promise, young people will enter its workforce and drive the average age down. Otherwise, or if there are regulations prohibiting entry into the workforce, the average age of fishers will rise. By either account, a rise in average age is not a good sign for the industry. This performance measure does not suggest that more people should enter the fishing industry, only that if the average age of people in the industry went down, that would be a good sign.

The average age is determined by looking at ages reported on all applications for Maine commercial fishing licenses. The 1997 average age is based on all applications issued through the end of September 1997, which totaled 17,108 licenses issued to 11,620 fishers. In 1996, a total of 19,525 Maine licenses were issued to 12,655 fishers.

Employment: Hotel and Lodging in Maine 1969-1996 (in 1,000's)



Data Source: US Bureau of Economic Analysis, September 1997.

54 TOURISM EMPLOYMENT

Benchmark: Employment in Maine's hotel and lodging industry, 11,481 jobs in 1993, will improve each year until 2000.

Employment Increasing — Previous Benchmark Achieved This performance measure receives a gold star because in 1996, 12,331 people were employed in Maine businesses principally engaged in the hotel and lodging industry, more than the benchmark which was set at 12,000 jobs.

Employment trends in this industry is an indicator of tourist activity, given that hotels and other lodging establishments are used almost exclusively by tourists.

In reality, many more people are working in businesses that cater to tourists than these numbers reflect; however, this measure serves as a proxy for employment trends in the tourism industry overall. It is estimated that in 1996, tourists spent $3.2 billion in Maine. Tourism activity is very important to the health of the state economy because it positively affects so many other industries and because it is a net importer of revenue into our economy.

Given that the previous benchmark was achieved, the Growth Council has revised this benchmark such that it now calls for continual, yearly increases in the number of people employed in hotels and other lodging establishments.

The Council began its work in 1993, established in statute by the governor and legislature, by setting forth a vision and goals for the state's long term economic growth. Hundreds of people were involved from government, education, business, labor, the environment and economic development. From a vast array of recommendations, the council chose 13 goals and 54 performance measures by which to continually assess the state's progress towards achieving those goals. The Council has held workshops, focus groups, and has solicited advice from experts and the state's leaders from all walks. Following are some guiding principles of the Growth Council's work:

LONG VIEW - BROAD DEFINITION OF THE ECONOMY

In keeping with its legislative mandate, the report takes the long view, 8-15 years, and defines the economy broadly: *Innovative Business, Skilled and Educated Workers, Vital Communities, Efficient Government, State-of-the-Art Infrastructure,* and *Healthy Natural Resources.*

MULTI-STAKEHOLDER APPROACH

This report is not just a business agenda, an environmental agenda, or a state government agenda. Rather, it is a broad-based agenda for economic growth. The Growth Council has tried hard to reach out to numerous organizations that have a stake in Maine's economic future, and their opinions are reflected in this work.

ALL GOALS AND BENCHMARKS INTER-RELATED

Individual performance measures do not stand alone. It is erroneous to judge progress toward a goal based on any single performance measure in isolation, or progress toward the vision based on any one goal. The Maine economy is incredibly complex; no single indicator can adequately measure its entire health. One needs to step back and make a summary judgment viewing the big picture of all goals and measures.

ONE OF SEVERAL MAINE INITIATIVES

There are other significant Maine initiatives to guide economic growth, although *Measures of Growth, 1998* is one of the most comprehensive. The work of the Maine Chamber and Business Alliance, the Maine Science and Technology Foundation, and the state of Maine's Economic Development Strategy are closely linked to the Growth Council's work, as are several other efforts in the state.

WORK IN PROGRESS

Although four years old, the work of the Growth Council is, in many respects, still in its beginning stages. What we really want is to be able to look at long term trends on issues critically important to Maine. We are beginning to assemble data now so that in future years we will be able to see those long term trends. The work of the Growth Council is a work in progress because the economy is dynamic, and we are always attempting to better understand changing trends.

USING THE REPORT

State legislators may use the report to guide their policy decisions; economic development leaders may use this report to focus special attention on local priorities; business leaders may use this report to set priorities. All Maine people may look to the benchmarks as a way to evaluate how we are doing as a whole at improving the economy and moving towards our long term vision.

VISION, GOALS, PERFORMANCE MEASURES, AND BENCHMARKS

The **vision** statement is the focus of all the work. Achieving it is the reason for economic growth and development. In order to give the vision meaning, **goals** have been developed for six key areas of the economy. One or more **performance measures** have been developed for each goal. These measures are specifically defined data sets that are used to measure progress towards achieving the goals. They are not perfect measures, but they are indicators of progress. We can look at them and see where Maine is today relative to the goals. For each performance measure, there are **benchmarks**: targets of where we would like to be on each measure at a specific time in the future.

THE DATA

Unlike many other efforts of this type, the Growth Council has not prescribed a strict format to which all our measures and benchmarks must adhere. Some of our measures compare Maine with New England, some rank Maine nationally. Most look at Maine's own history on an issue with no other comparisons. In almost every case, however, there is something to which the reader can compare this year's mark.

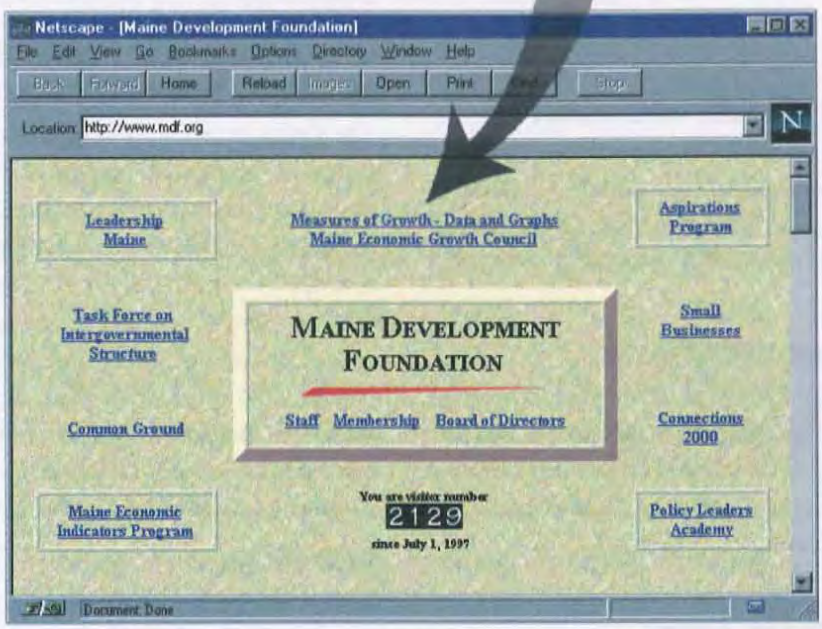
The data in this report comes from a wide variety of sources; primarily (1) federal agencies (a fair amount via the world wide web - see the Maine Development Foundation website for links), (2) state agencies, and (3) our own surveys. The timeliness of the data varies considerably, but in each case we have tried to present the most recent data available.

Eleven of the performance measures rely entirely on data generated by the Maine Development Foundation Annual Surveys of Maine Businesses and Citizens. These surveys are statewide and were conducted in October, 1995, 1996, and 1997. The citizen survey was done via telephone interviews with 600 randomly selected citizens and has a sampling error of +/- 4% with 95% confidence. The business survey was a written instrument sent to a stratified random sample of Maine businesses, completed by 447 of them, and has a sampling error of +/- 10%.

MEASURES OF GROWTH
is on the World Wide Web,
including data files and links
to related web sites.

Go to **http://www.mdf.org**

and **click here**



RELATED PUBLICATIONS AVAILABLE FROM THE MAINE DEVELOPMENT FOUNDATION

1997 Newsletter Series: Measuring Maine's Economic Performance

Collected together into a bound, summary edition, the 57 weekly newsletters published in 1997 contain data, articles, and summaries of activities related to each of the Growth Council's performance measures (each issue focuses on a specific measure) — a great resource for learning more about the performance measures.

Data from Citizen and Business Surveys

In tabular format, three years of data is available from the annual citizen and business surveys (used for several of the performance measures) — citizen and business perceptions of a wide variety of issues related to the Maine economy.

Special Interest Reports

The Maine Development Foundation has also published reports on topics such as the education achievement of Maine citizens and the role of manufacturing in the Maine economy.

There is a modest charge for some of these publications — contact the Maine Development Foundation for details.

ACKNOWLEDGMENTS

The Maine Economic Growth Council chalked up another successful year under the leadership of Co-Chairs Chellie Pingree and Kevin Gildart. The Council published a weekly newsletter, maintained a continually updated website, received a biennial appropriation from the Maine State Legislature, and seated five new members. *Measures of Growth, 1997* won an Award for Excellence from the Northeast Economic Developers Association. Council members participated in policy-setting meetings and public forums around the state at which *Measures of Growth, 1997* was presented and discussed.

The Maine Economic Growth Council is administered by the Maine Development Foundation. Henry Bourgeois facilitated meetings and directed the content of this report. Craig Freshley researched and authored the report. Candy Wells and other staff at the Maine Development Foundation worked on various aspects of producing the report. Greg Bishop and Nicole Hunt were interns on the project. Market Decisions, Inc. performed the statewide surveys of citizens and businesses. J.S. McCarthy printed the report.

The Maine Development Foundation and the Maine Economic Growth Council extend sincere appreciation to all those people and organizations who generously provided data and guidance.

MAINE DEVELOPMENT FOUNDATION

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