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Central Maine economy charging forward: Challenges of examining & documenting the market

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Economic developers have many different responsibilities. Of course, one of their primary ones is to collaboratively work with different factions within the community to grow the economy. A secondary responsibility of the economic developer is to gauge the overall health and vibrancy of the local economy.

Our organization, the Central Maine Growth Council, together with the Mid-Maine Chamber of Commerce recently completed our 2006-07 Annual Economic Review. The publication is designed to provide a broad overview, and context for, the economic health and vibrancy of our region. Both organizations are committed to business and economic development and the review provides us with an assessment of "how we're doing."

One of the challenges of examining a local economy is that often times, the speed and level to which we want good things to happen seems to fall below expectations. Transforming and growing a local economy is long, slow-moving, arduous process-an economic development cliché is that it is like "turning around an ocean luxury liner." It seems to take forever and if you are looking right at it, nothing seems to be happening.

Another challenge is that many different types of statistics and data can be reviewed when measuring the economic health of a region, including both hard, statistical data and anecdotal information. Also, in gathering and analyzing diverse data, the geography and timeliness of what is available is very different.

Overall, we feel the economic health of central Maine is faring well. Economic indicators show signs of growth and good news, success stories, and economic activity abounds throughout our region.

One of the primary statistical pieces of information that is looked at to determine growth is population. It is difficult for an area to grow if its population is not increasing. The central Maine region experienced modest population growth since 2000 and forecasts indicate that the next eight years, a more substantial increase will occur. Between 2000 and 2007, the 14-town central Maine region experienced a population increase of approximately 4%. Forecasts estimate that between 2007 and 2015 our population will increase by over 6%. While these numbers don't exhibit rapid, high-level growth, they fare very favorable to numerous locations in Maine and New England.

While the per capita income in Maine and central Maine lags behind New England and the U.S., recent percentage increases in Maine have been strong. Between 2005 and 2006, Maine's per capita income increased by about 4%-similar to the U.S. increase and slightly higher than New England's increases.

Central Maine's unemployment rate is also an indicator of a strong, vibrant economy. Recent (July, 2007) figures report an unemployment rate of 4.2% in central Maine, equal to the state average and below the U.S. figure. In conjunction with a relatively low unemployment rate, the region is

experiencing a healthy increase in the size of its workforce.

One of the strongest sectors of our economy is a burgeoning retail sector. Over the past five years, significant retail development has occurred in the region and total taxable sales have increased over 30%-one of the highest increases in Maine. In addition, several, new projects are slated for completion in the new year or two.

We've found that one of the best ways to determine if our local economy is strong is to ask the business community. Through a formal business visitation program conducted by the growth council and the chamber, more than half (about 60%) of the businesses visited report greater employment than 3 years ago and an even greater percentage (65%) indicate they anticipate employment growth to increase over the next three years.

A final way to assess our local economy is just to step back and take a look at some of the projects that happened recently or are underway. Scores of local businesses have completed expansions in the past year, new construction activity (both commercial and residential) remains strong, new retail options are cropping up, and most importantly, optimism and enthusiasm is rampant throughout the region.

While the 1990 s were economically challenging for central Maine and tested our mettle, the new century has gotten off to a great start. We are all excited and bullish on the economic future of central Maine.

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