

# Maine Issue Brief

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**2007 Cost of Living Update: First Trimester**

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The ACCRA Cost of Living Index<sup>®</sup> (ACCRA-COLI) is the country's longest running cost of living index, published every quarter since 1968. Used widely by both the private and government sector, ACCRA-COLI is the most respected cost of living index. [1] For the first trimester of 2007, the staff at The Maine Heritage Policy Center performed the survey in Maine for both the Portland and Bangor metro areas.

## Portland

The survey results reveal that Portland has a high cost of living. As shown in Table 1, the cost of living in Portland was 15.6 percent above the U.S. average. Portland ranked 29<sup>th</sup> highest cost of living out of the 215 metropolitan areas represented in the survey. The two categories most responsible for Portland's high ranking are utilities, which ranked 18<sup>th</sup> highest at 26.3 percent above the U.S. average, and housing, which ranked 27<sup>th</sup> highest at 34.5 percent above the U.S. average.

Shown in Table 2 is a comparison of Portland to its 23 peer cities in the survey, cities that are within plus or minus 25 percent of Portland's population. When compared to peer cities, Portland had the highest cost of living. The primary culprits for the high ranking were utilities and housing, which both ranked first.

## Bangor

For Bangor, the survey results reveal a cost of living that is more inline with the U.S. average. Table 1 shows that Bangor was 3.1 percent above the U.S. average. Bangor ranked the 58<sup>th</sup> highest out of the 215 metropolitan areas represented in the survey. While in most categories Bangor was inline with the U.S. average, the area's utilities were considerably higher than the mean. Bangor ranked 13<sup>th</sup> highest for utilities at 28 percent above the U.S. average.

Shown in Table 3 is a comparison of Bangor to its 50 peer cities in the survey, cities that are within plus or minus 25 percent of Bangor's population. When compared to peer cities, Bangor had the eighth highest cost of living. The primary culprits for this high ranking was utilities, which ranked third, and health care, which ranked fourth.

## Important Data Note

The Maine Heritage Policy Center will continue participating in this important survey into the future. However, as more data is collected, users of this data must be aware of one important caution. Since the number of participating cities varies from survey

Table 1  
Portland and Bangor Cost of Living Index and National Ranking  
(215 Metropolitan Statistical Areas Represented)  
First Trimester 2007

Metropolitan Statistical Area	Composite Index	Rank	Grocery Items	Rank	Housing	Rank	Utilities	Rank	Transportation	Rank	Health Care	Rank	Miscellaneous Goods and Services	Rank
	100 Percent		13 Percent		28 Percent		10 Percent		10 Percent		4 Percent		35 Percent	
<b>Highest:</b> San Francisco-San Mateo-Redwood City, CA	172.1	1	148.7	2	273.2	1	88.6	165	131.8	1	126.2	4	140.4	1
Portland-South Portland-Biddeford, ME	115.6	29	105.0	57	134.5	27	126.3	18	101.3	87	105.7	50	106.6	35
Bangor, ME	103.1	58	103.1	69	94.1	82	128.0	13	102.4	77	106.2	46	103.1	62
<b>National Average:</b> Wilmington, NC	99.9	71	107.0	44	94.6	80	93.6	142	102.4	78	108.0	39	101.5	81
<b>Lowest:</b> Kansas City, MO-KS	81.6	215	84.1	210	74.0	200	81.7	204	82.5	215	87.2	207	85.9	215

Source: ACCRA Cost of Living Index.

to survey, the results are not comparable over time. In other words, the ACCRA-COLI survey is designed to be a “snapshot-in-time” of cost of living differentials, rather than a measure of inflation over time.

That being said, many users will be interested in knowing whether the cost of living is increasing or decreasing over time. In response, The Maine Heritage Policy Center created a web application at [www.mainepolicy.org](http://www.mainepolicy.org) that compares the latest survey results with a long-run average. The averaged results will start with these first trimester 2007 results. This methodology should provide a useful and up-to-date way to gauge changes in the cost of living.

#### Notes and Sources:

[1] See ACCRA-COLI website for more information on the index: [www.coli.org](http://www.coli.org).

Metropolitan Statistical Area	Composite Index	Rank	Grocery Items	Rank	Housing	Rank	Utilities	Rank	Transportation	Rank	Health Care	Rank	Miscellaneous Goods and Services	Rank
	100 Percent		13 Percent		28 Percent		10 Percent		10 Percent		4 Percent		35 Percent	
<b>Highest:</b> Portland-South Portland-Biddeford, ME	115.6	1	105.0	2	134.5	1	126.3	1	101.3	7	105.7	5	106.6	2
<b>Lowest:</b> Brownsville-Harlingen, TX	85.1	23	81.9	23	71.2	23	102.7	5	96.9	11	95.7	12	87.9	23

(a) A "peer city" is defined as being within plus or minus 25 percent of Portland's population.  
Source: ACCRA Cost of Living Index.

Metropolitan Statistical Area	Composite Index	Rank	Grocery Items	Rank	Housing	Rank	Utilities	Rank	Transportation	Rank	Health Care	Rank	Miscellaneous Goods and Services	Rank
	100 Percent		13 Percent		28 Percent		10 Percent		10 Percent		4 Percent		35 Percent	
<b>Highest:</b> Bend, OR	116.4	1	122.3	1	130.4	2	81.9	45	115.9	1	114.1	1	113.4	1
Bangor, ME	103.1	8	103.1	11	94.1	12	128.0	3	102.4	13	106.2	4	103.1	11
<b>Lowest:</b> Jonesboro, AR	86.1	50	89.5	42	71.9	47	98.0	21	87.9	50	84.3	46	92.6	46

(a) A "peer city" is defined as being within plus or minus 25 percent of Bangor's population.  
Source: ACCRA Cost of Living Index.

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