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by Joel Emes

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Introduction

The Fiscal Performance Index measures the performance of the Canadian provinces and the US states with 14 variables that reflect changes in spending, changes in government revenue, and changes in the structure of taxation. The purpose of the Index is to provide Canadians with information about how their own provincial government taxes and spends their money relative to how other North American jurisdictions spend and tax.

Overall ranking

Alberta out-performed all the provinces and the 46 states that were ranked on the Fiscal Performance Index to end up on top for the third consecutive time. Table 1 gives the fiscal performance ranking, from top score to lowest. Strong spending control yielded the highest possible score of 100 on the spending variables (see tables 2 and 4). Deficit elimination, income tax rate cuts, holding the line on other rate hikes, and decreases in revenue relative to personal income put Alberta seventh on the tax and revenue variables (see tables 3 and 5).

On the other end of the spectrum, British Columbia has the distinction of holding the last spot on the tax and revenue ranking, the 42nd spot on the spending ranking, and having the third worst fiscal performance in North America.

Spending Ranking

The provinces that have had the most success in eliminating and even reversing large deficits (Alberta, Saskatchewan, and Ontario) performed the best on the spending index. In general, the provinces performed well on the spending index; seven are in the top half of the ranking. This is due

to recent spending restraint in Canada and the fact that many states have eased their spending restraint lately. Many state governors recommended budget increases of more than 7 percent this past year, and since 1996, state spending has grown roughly twice as fast as US federal spending. Tables 4 and 5 provide the background information, respectively, for the spending scores and the tax and revenue scores for the provinces.

Tax and Revenue Ranking

The provinces did not perform as well on the tax and revenue ranking as they did on the spending ranking because several states cut tax rates and few increased them, while six provinces cut some rates and seven increased some rates. The states had larger decreases or smaller increases than the provinces on the revenue variables. For the sake of comparison, tables 6 and 7 provide the background information, respectively, for the tax and revenue scores and the spending scores for the states.

This is the first time since The Fraser Institute's Fiscal Performance Index (FPI) began that more than half of the provinces received a score of over 50 out of 100. (Fifty is a passing score.) Only New Brunswick and British Columbia failed.

Methodology

The Fiscal Performance Index is part of The Fraser Institute's on-going program of assessing the tax and expenditure behaviour of governments in Canada. The method of constructing the index is taken from a US study, conducted by the Cato Institute, of the fiscal performance of 46 American

governors.¹ The overall index consists of two sub-indices. The first sub-index examines to what extent the governments have controlled spending

during their term of office. The second sub-index looks at how taxes and revenues have changed over the same period. Since state governments cannot run deficits, provincial deficit amounts are added to provincial revenues to force budget balance.

The Fraser Institute Tax and Revenue Sub-Index is composed of 10 variables:

- average annual change in real per capita tax revenue through 1996/97
- average annual change in tax revenue per \$1,000 personal income through 1996/97
- average annual change in revenue per \$1,000 personal income through 1998/99
- average annual change in real per capita revenue from 1995/96 through 1997/98
- average annual tax changes as a percent of the prior year's spending through 1998/99
- change in top personal income tax rate through 1998/99 (state and provincial portion only)
- change in top corporate income tax rate through 1998/99
- 1998/99 combined top income tax rates (personal plus corporate) (1/2 weight)
- change in sales tax rate through 1998/99
- change in gas tax rate through 1998/99 (1/2 weight)

The Fraser Institute Spending Sub-Index is composed of 4 variables:

- average annual change in real per capita spending through 1995/96

- average annual change in spending per \$1,000 of personal income through 1995/96
- average annual change in real per capita spending through 1998/99
- average annual change in spending per \$1,000 of personal income from 1995/96 through 1997/98

Each variable is standardized such that the lowest score is zero and the highest score is 100. The variables are then assigned a weight and summed across their respective categories. All variables are given a weight of one except for "1998/99 combined top income tax rates (personal plus corporate)" and "change in gas tax rate through 1998/99," which each have a weight of one-half. This is done to maintain consistency with the US study. The index showing state-provincial fiscal performance is obtained by averaging the spending and tax and revenue sub-indices.

Sources

The data for this study come from the Cato Institute, "Report on America's Governors"; Statistics Canada, Public Institutions Division, Financial Management System; Canadian Tax Foundation, *Finances of the Nation* (various issues), *The Nation's Finances* (various issues); provincial budgets and public accounts; and calculations by the author.

Limitations of the study

The focus of the FPI ranking is on state-provincial comparisons because there are several limitations in the methodology that make the state-provincial comparisons more valuable than province-to-province ones. The main limitations with the province-to-province comparisons are that debts are not considered, local government spending is not incorporated, and that only the

1 Stephen Moore and Dean Stansel, "A Fiscal Policy Report Card on America's Governors: 1998," *Policy Analysis*, No. 315, September 3, 1998, Washington, D.C.: The CATO Institute.

changes and not the absolute level of the spending and revenue variables are used. The possible implications of these limitations for the province-to-province rankings are briefly discussed in the bulleted sections below. These limitations exist because there is less information available for the states, and to use different definitions for the provinces than the states would bias the results. The Fraser Institute plans to release a province-to-province only comparison later this year that will deal with these limitations.

- Debts are excluded because, for the most part, states are not allowed to accumulate debt. Including debt measures would likely decrease the score of all provinces, although less so for low-debt provinces like Alberta and British Columbia, and more so for high-debt provinces like Nova Scotia and Newfoundland.
- Most of these variables measure flows and ignore stocks. Stocks should be taken into account so that, for example, a province that

already has low spending is not penalized for not making further cuts. Adding stock measures would likely have a negative impact on the scores of higher-spending provinces such as Newfoundland and Quebec, and a positive impact on the scores of lower-spending provinces such as Alberta and Ontario.

- Local-provincial consolidated spending and revenue figures may provide a more accurate picture of the relative fiscal performance of the provinces than provincial only data because of the different levels of spending and taxing responsibility held by the local governments. Consolidated data was not used in this study because of a lack of comparable US data. Quebec and British Columbia have a high level of consolidated spending per capita. Therefore, these provinces' scores would probably fall if consolidated data were used, whereas the scores of PEI and Nova Scotia, which have relatively low levels of consolidated spending per capita, would likely rise.

Table 1: Overall Performance Among the Provinces and States

Rank	Overall	Jurisdiction	Score	Rank	Overall	Jurisdiction	Score
1	Ralph Klein (PC)	Alberta	82	31	Angus S. King Jr. (I)	Maine	49
2	John G. Rowland (R)	Connecticut	76	32	**Frank O'Bannon (D)	Indiana	48
3	William J. Janklow (R)	South Dakota	74	33	Marc Racicot (R)	Montana	48
4	George W. Bush (R)	Texas	72	34	**Mike Foster (R)	Louisiana	48
5	George E. Pataki (R)	New York	71	35	Parris Glendening (D)	Maryland	48
6	*Philip E. Batt (R)	Idaho	64	36	**Cecil Underwood (R)	West Virginia	47
7	*Fob James Jr. (R)	Alabama	63	37	*Benjamin Nelson (D)	Nebraska	46
8	Mike Harris (PC)	Ontario	63	38	Tommy Thompson (R)	Wisconsin	46
9	John Engler (R)	Michigan	63	39	James B. Hunt Jr. (D)	Nth. Carolina	46
10	*David M. Beasley (R)	Sth. Carolina	62	40	*Arne H. Carlson (R)	Minnesota	45
11	**Gary Locke (D)	Washington	61	41	Edward T. Schafer (R)	North Dakota	45
12	Gary E. Johnson (R)	New Mexico	60	42	*Roy Romer (D)	Colorado	45
13	Jim Geringer (R)	Wyoming	60	43	*Pete Wilson (R)	California	44
14	Tom Ridge (R)	Pennsylvania	58	44	Camille Thériault (L)	New Brunswick	44
15	Bill Graves (R)	Kansas	58	45	Michael O. Leavitt (R)	Utah	43
16	Don Sundquist (R)	Tennessee	58	46	*George Voinovich (R)	Ohio	42
17	Benjamin Cayetano (D)	Hawaii	57	47	*Zell Miller (D)	Georgia	42
18	Roy Romanow (NDP)	Saskatchewan	56	48	*Jim Edgar (R)	Illinois	40
19	Lucien Bouchard (PQ)	Quebec	55	49	Frank Keating (R)	Oklahoma	39
20	*Bob Miller (D)	Nevada	55	50	*Terry E. Branstad (R)	Iowa	39
21	Christine Whitman (R)	New Jersey	55	51	**Jeanne Shaheen (D)	New Hampshire	38
22	Russell MacLellan (L)	Nova Scotia	54	52	Tom Carper (D)	Delaware	36
23	**Patrick Binns (PC)	PEI	54	53	Mel Carnahan (D)	Missouri	36
24	**Paul E. Patton (D)	Kentucky	54	54	Glen Clark (NDP)	BC	33
25	Gary Filmon (PC)	Manitoba	53	55	*Lawton Chiles (D)	Florida	32
26	**Mike Huckabee (R)	Arkansas	53	56	John A. Kitzhaber (D)	Oregon	24
27	Howard Dean (D)	Vermont	53	*governor defeated in recent gubernatorial election			
28	Brian Tobin (L)	Newfoundland	51	**midterm report			
29	Lincoln Almond (R)	Rhode Island	50	Sources: CATO Institute; Statistics Canada; Canadian Tax Foundation; provincial budgets; calculations by the author.			
30	Kirk Fordice (R)	Mississippi	50				

Table 2: Spending Scores for the Provinces and States

Rank	Spending Index	Jurisdiction	Score	Rank	Spending Index	Jurisdiction	Score
1	Ralph Klein (PC)	Alberta	100.0	31	Edward T. Schafer (R)	North Dakota	45.0
2	John G. Rowland (R)	Connecticut	79.9	32	Marc Racicot (R)	Montana	43.8
3	George W. Bush (R)	Texas	79.5	33	Christine Whitman (R)	New Jersey	43.4
4	Roy Romanow (NDP)	Saskatchewan	76.5	34	Camille Thériault (L)	New Brunswick	42.8
5	William J. Janklow (R)	South Dakota	74.5	35	**Cecil Underwood (R)	West Virginia	42.2
6	George E. Pataki (R)	New York	72.2	36	*Roy Romer (D)	Colorado	41.5
7	*Philip E. Batt (R)	Idaho	71.3	37	*Pete Wilson (R)	California	41.2
8	*Fob James Jr. (R)	Alabama	70.2	38	*George Voinovich (R)	Ohio	41.1
9	**Patrick Binns (PC)	PEI	66.4	39	**Mike Foster (R)	Louisiana	41.0
10	John Engler (R)	Michigan	65.5	40	Parris Glendening (D)	Maryland	40.7
11	Mike Harris (PC)	Ontario	64.4	41	Tommy Thompson (R)	Wisconsin	40.3
12	Don Sundquist (R)	Tennessee	62.8	42	Glen Clark (NDP)	BC	39.3
13	**Gary Locke (D)	Washington	61.7	43	*Arne H. Carlson (R)	Minnesota	38.1
14	*David M. Beasley (R)	Sth. Carolina	61.3	44	James B. Hunt Jr. (D)	Nth. Carolina	37.8
15	Jim Geringer (R)	Wyoming	60.9	45	**Frank O'Bannon (D)	Indiana	37.4
16	Bill Graves (R)	Kansas	60.5	46	*Benjamin Nelson (D)	Nebraska	36.2
17	Benjamin Cayetano (D)	Hawaii	58.6	47	*Jim Edgar (R)	Illinois	34.8
18	Tom Ridge (R)	Pennsylvania	57.6	48	Frank Keating (R)	Oklahoma	33.9
19	Gary Filmon (PC)	Manitoba	57.4	49	Mel Carnahan (D)	Missouri	31.8
20	Howard Dean (D)	Vermont	57.2	50	Michael O. Leavitt (R)	Utah	31.7
21	*Bob Miller (D)	Nevada	55.8	51	*Zell Miller (D)	Georgia	31.1
22	**Paul E. Patton (D)	Kentucky	55.5	52	*Terry E. Branstad (R)	Iowa	29.4
23	Gary E. Johnson (R)	New Mexico	54.5	53	**Jeanne Shaheen (D)	New Hampshire	25.4
24	Lucien Bouchard (PQ)	Quebec	54.0	54	*Lawton Chiles (D)	Florida	23.2
25	Brian Tobin (L)	Newfoundland	52.0	55	Tom Carper (D)	Delaware	22.1
26	Lincoln Almond (R)	Rhode Island	49.9	56	John A. Kitzhaber (D)	Oregon	4.7
27	Angus S. King Jr. (I)	Maine	49.7				
28	**Mike Huckabee (R)	Arkansas	48.6				
29	Russell MacLellan (L)	Nova Scotia	47.1				
30	Kirk Fordice (R)	Mississippi	46.8				

*governor defeated in recent gubernatorial election

**midterm report

Sources: CATO Institute; Statistics Canada; Canadian Tax Foundation; provincial budgets; calculations by the author.

Table 3: Tax and Revenue Index for the Provinces and States

Rank	Tax & Revenue Index	Jurisdiction	Score	Rank	Tax & Revenue Index	Jurisdiction	Score
1	William J. Janklow (R)	South Dakota	74.2	32	Marc Racicot (R)	Montana	52.4
2	John G. Rowland (R)	Connecticut	71.2	33	**Cecil Underwood (R)	West Virginia	52.3
3	George E. Pataki (R)	New York	69.0	34	**Paul E. Patton (D)	Kentucky	51.9
4	Christine Whitman (R)	New Jersey	66.0	35	Tommy Thompson (R)	Wisconsin	51.2
5	Gary E. Johnson (R)	New Mexico	65.2	36	**Jeanne Shaheen (D)	New Hampshire	51.0
6	George W. Bush (R)	Texas	64.2	37	Tom Carper (D)	Delaware	50.5
7	Ralph Klein (PC)	Alberta	63.7	38	Lincoln Almond (R)	Rhode Island	49.9
8	*David M. Beasley (R)	Sth. Carolina	62.0	39	Brian Tobin (L)	Newfoundland	49.9
9	Mike Harris (PC)	Ontario	61.8	40	*Terry E. Branstad (R)	Iowa	48.4
10	Russell MacLellan (L)	Nova Scotia	61.3	41	*Roy Romer (D)	Colorado	48.3
11	**Gary Locke (D)	Washington	60.4	42	Gary Filmon (PC)	Manitoba	48.1
12	John Engler (R)	Michigan	60.0	43	Howard Dean (D)	Vermont	47.9
13	**Frank O'Bannon (D)	Indiana	59.6	44	Angus S. King Jr. (I)	Maine	47.7
14	Tom Ridge (R)	Pennsylvania	58.5	45	*Pete Wilson (R)	California	46.2
15	Jim Geringer (R)	Wyoming	58.4	46	Edward T. Schafer (R)	North Dakota	45.3
16	*Philip E. Batt (R)	Idaho	56.8	47	*Jim Edgar (R)	Illinois	44.9
17	**Mike Huckabee (R)	Arkansa	56.6	48	Frank Keating (R)	Oklahoma	44.7
18	Lucien Bouchard (PQ)	Quebec	56.6	49	Camille Thériault (L)	New Brunswick	44.3
19	*Fob James Jr. (R)	Alabama	56.1	50	John A. Kitzhaber (D)	Oregon	43.9
20	*Benjamin Nelson (D)	Nebraska	56.0	51	*George Voinovich (R)	Ohio	43.4
21	Benjamin Cayetano (D)	Hawaii	55.7	52	**Patrick Binns (PC)	PEI	41.7
22	Bill Graves (R)	Kansas	55.3	53	*Lawton Chiles (D)	Florida	40.4
23	Parris Glendening (D)	Maryland	54.9	54	Mel Carnahan (D)	Missouri	39.7
24	**Mike Foster (R)	Louisiana	54.9	55	Roy Romanow (NDP)	Saskatchewan	34.7
25	*Bob Miller (D)	Nevada	53.9	56	Glen Clark (NDP)	BC	27.4
26	Michael O. Leavitt (R)	Utah	53.7	*governor defeated in recent gubanatorial election. **midterm report. Sources: CATO Institute; Statistics Canada; Canadian Tax Foundation; provincial budgets; calculations by the author.			
27	*Zell Miller (D)	Georgia	53.5				
28	James B. Hunt Jr. (D)	Nth. Carolina	53.4				
29	Kirk Fordice (R)	Mississippi	53.0				
30	Don Sundquist (R)	Tennessee	52.7				
31	*Arne H. Carlson (R)	Minnesota	52.5				

Table 4: Provincial Spending Scores

Premier	Date elected	Score	Average annual change in real per capita spending through 1995/96 (%)	Average annual change in spending per \$1,000 of personal income through 1995/96 (%)	Average annual change in real per capita spending through 1998/99 (%)	Average annual change in spending per \$1,000 of personal income from 1995/96 through 1997/98 (%)
Ralph Klein (PC), Alberta	Dec.'92	100	-5.4	-5.3	-3.4	-5.1
Roy Romanow (NDP), Saskatchewan	Nov. '91	76	-2.7	-2.3	-1.6	-4.0
**Patrick Binns (PC), Prince Edward Island	Nov. '96	66	n/a	n/a	-2.2	-0.6
Mike Harris (PC), Ontario	June '95	64	-0.7	-0.7	-2.2	-2.5
Gary Filmon (PC), Manitoba	May '88	57	-0.5	-0.6	-0.5	-2.1
Lucien Bouchard (PQ), Quebec	Sep. '94	54	1.6	-0.1	-0.8	-2.6
Brian Tobin (L), Newfoundland	May '89	52	0.4	-0.9	0.0	-1.1
Russell MacLellan (L), Nova Scotia	June '93	47	0.0	0.5	-0.6	0.1
Camille Thériault (L), New Brunswick	Oct. '87	43	1.8	0.2	1.3	-1.4
Glen Clark (NDP), British Columbia	Oct. '91	39	1.6	2.8	0.3	-1.8
**midterm report. Sources: Statistics Canada; Canadian Tax Foundation; provincial budgets; calculations by the author.						

Table 5: Provincial Tax and Revenue Scores

Premier	Date elected	Score	Average annual change in real per capita tax revenue through 1996/97 (%)	Average annual change in revenue per \$1,000 personal income through 1996/97 (%)	Average annual change in revenue per \$1,000 personal income through 1998/99 (%)	Average annual change in real per capita revenue from 1995/96 through 1997/98 (%)	Average annual tax changes as a percent of the prior year's spending through 1998/99 (%)	Change in top personal come tax rate through 1998/99 (state & provincial portion only) (% point)	Change in top corporate tax rate through 1998/99 (% point)	Change in combined top income tax rates (personal plus corporate) (1/2 weight) (%)	Change in sales tax rate through 1998/99 (% point)	Change in gas tax rate through 1998/99 (1/2 weight) (cents/litre)
Ralph Klein (PC), Alberta	Dec. '92	64	-3.1	-3.0	-3.5	-1.9	1.3	-0.6	0.0	29.8	0.0	0.0
Mike Harris (PC), Ontario	June '95	62	-1.4	-1.0	-2.5	-2.9	1.1	-2.9	0.0	34.5	0.0	0.0
Russell MacLellan (L), Nova Scotia	June '93	61	-2.7	-2.0	-0.6	-0.4	0.0	-0.6	0.0	34.3	-3.0	1.3
Lucien Bouchard (PQ), Quebec	Sep. '94	57	-0.3	-1.3	-1.8	-2.6	0.9	-0.4	0.0	42.3	-0.5	0.0
Brian Tobin (L), Newfoundland	May '89	50	1.9	0.9	-0.8	-1.4	1.4	4.3	-2.5	36.0	-4.0	5.8
Gary Filmon (PC), Manitoba	May '88	48	-0.6	-0.8	-0.4	-1.8	1.6	1.1	0.0	35.8	0.0	3.5
Camille Thériault (L), New Brunswick	Oct. '87	44	1.5	0.2	-0.2	-1.0	2.0	-0.6	2.0	36.1	-3.0	2.4
**Patrick Binns (PC), Prince Edward Island	Nov. '96	42	3.9	4.5	-2.2	-2.0	1.1	0.0	1.0	35.0	0.0	1.0
Roy Romanow (NDP), Saskatchewan	Nov. '91	35	3.2	3.0	-1.2	-3.4	2.6	1.3	2.0	37.3	0.0	5.0
Glen Clark (NDP), British Columbia	Oct. '91	27	1.4	2.5	1.0	-1.6	3.6	6.4	1.5	39.3	1.0	0.3

** midterm report.

Sources: Statistics Canada; Canadian Tax Foundation; provincial budgets; calculations by the author.

Table 6: US Tax and Revenue Variables

Governor	State	Date took office	Revenue & Tax Rate Score	Average Annual Change in Real Per Capita Tax Revenue through 1996/97 (%)	Average Annual Change in Tax Revenue Per \$1,000 Personal Income through 1996/97 (%)	Average Annual Recommended Change in General Fund Revenue /\$1,000 Personal Income through 1998/99 (%)	Average Annual Change in Real Per Capita General Fund Revenue 1995/96 - 1997/98 (%)	Average Annual Recommended Tax Changes as % of Prior Year's Spending through 1998/99 (%)	Change in Top Personal Income Tax Rate through 1998/99 (state portion only) (%)	Change in top corporate income tax rate through 1998/99 (1/2 weight) (%)	Combined top income tax rates (personal plus corporate rate) (1/2 weight) (%)	Change in sales tax rate through 1998/99 (%)	Change in gas tax rate through 1998/99 (cents per litre) (1/2 weight)
William J. Janklow (R)	South Dakota	Jan. '95	74	-3.4	-6.3	-3.4	-0.5	-1.5	0	0	0	0	1.0
John G. Rowland (R)	Connecticut	Jan. '95	71	1.7	-1.3	-5.2	-1.1	-1.3	0	-3	14	0	0.0
George E. Pataki (R)	New York	Jan. '95	69	-1.7	-4.1	-3.6	0.5	-1.3	-1.025	-0.5	15.85	0	0.0
Christine Whitman (R)	New Jersey	Jan. '94	66	-1.3	-2.6	-3.7	-1.1	-0.8	-0.63	-0.375	15.37	0	2.3
Gary E. Johnson (R)	New Mexico	Jan. '95	65	0.5	-1.7	-3.9	-0.9	-0.9	-0.5	0	15.8	0	-1.9
George W. Bush (R)	Texas	Jan. '95	64	1.9	-0.2	-5.0	-1.9	-0.9	0	0	4.5	0	0.0
*David M. Beasley (R)	Sth. Carolina	Jan. '95	62	0.6	-1.4	-3.8	0.0	-1.0	0	0	12	0	0.0
**Gary Locke (D)	Washington	Jan. '97	60	n/a	n/a	-3.5	1.2	-0.7	0	0	3.45	0	1.6
John Engler (R)	Michigan	Jan. '91	60	1.8	-0.1	-3.4	-3.5	-0.6	-0.2	-0.05	6.7	2	1.3
**Frank O'Bannon (D)	Indiana	Jan. '97	60	n/a	n/a	-0.8	-1.4	-0.4	0	0	11.3	0	0.0
Tom Ridge (R)	Pennsylvania	Jan. '95	59	0.5	-2.0	-3.3	0.4	-0.1	0	0	12.79	0	1.1
Jim Geringer (R)	Wyoming	Jan. '95	58	-1.5	-3.0	-0.9	0.4	0.0	0	0	0	1	1.6
*Philip E. Batt (R)	Idaho	Jan. '95	57	0.6	-1.3	-1.4	-1.3	-0.1	0	0	16.2	0	1.3
**Mike Huckabee (R)	Arkansas	July '96	57	n/a	n/a	0.0	-0.4	-0.8	0	0	13.5	0.125	0.0
*Fob James Jr. (R)	Alabama	Jan. '95	56	0.6	-1.4	-2.0	1.0	0.0	0	0	10	0	0.0
*E. Benjamin Nelson (D)	Nebraska	Jan. '91	56	2.7	0.9	-1.6	-1.2	-0.7	-0.24	0	14.49	-0.5	-0.6
Benjamin Cayetano (D)	Hawaii	Dec. '94	56	0.6	0.8	-0.3	-2.6	0.1	-1.5	0	16.4	0.75	0.0

Table 6: US Tax and Revenue Variables

Governor	State	Date took office	Revenue & Tax Rate Score	Average Annual Change in Real Tax Revenue through 1996/97 (%)	Average Annual Change in Tax Revenue Per \$1,000 Personal Income through 1996/97 (%)	Average Annual Recommended Change in General Fund Revenue /\$1,000 Personal Income through 1998/99 (%)	Average Annual Change in Real Per Capita General Fund Revenue 1995/96 - 1997/98 (%)	Average Annual Recommended Tax Changes as % of Prior Year's Spending through 1998/99 (%)	Change in Top Personal Income Tax Rate through 1998/99 (state portion only) (%)	Change in top corporate income tax rate through 1998/99 (%)	Combined top income tax rates (personal plus corporate) (1/2 weight) (%)	Change in sales tax rate through 1998/99 (%)	Change in gas tax rate through 1998/99 (cents per litre) (1/2 weight)
Bill Graves (R)	Kansas	Jan. '95	55	2.6	-0.2	-2.5	0.9	-1.2	0	0	13.8	0	0.0
Parris Glendening (D)	Maryland	Jan. '95	55	0.0	-1.6	0.1	0.1	0.1	-0.25	0	11.875	0	0.0
**Mike Foster (R)	Louisiana	Jan. '96	55	n/a	n/a	-2.3	1.1	0.0	0	0	14	0	1.3
*Bob Miller (D)	Nevada	Jan. '89	54	2.2	0.4	-3.4	-1.7	1.2	0	0	0	0	2.5
Michael O. Leavitt (R)	Utah	Jan. '93	54	2.8	-0.3	-2.7	0.3	-0.2	-0.2	0	12	-0.25	1.8
*Zell Miller (D)	Georgia	Jan. '91	53	2.3	0.4	0.1	-1.4	-0.5	0	0	12	0	0.0
James B. Hunt Jr. (D)	Nth. Carolina	Jan. '93	53	2.2	-0.1	-2.2	2.0	-0.4	0	-0.75	15	0	0.1
Kirk Fordice (R)	Mississippi	Jan. '92	53	5.0	2.2	-4.8	0.1	-0.4	0	0	10	0	0.0
Don Sundquist (R)	Tennessee	Jan. '95	53	1.8	-0.2	-1.5	1.2	0.0	0	0	6	0	0.0
*Arne H. Carlson (R)	Minnesota	Jan. '91	52	4.2	2.1	-4.1	-1.4	-0.1	0.5	0	18.3	0.5	0.0
Marc Racicot (R)	Montana	Jan. '93	52	-1.0	-2.6	-3.0	-0.7	1.1	0	0	17.75	4	2.3
**Cecil Underwood (R)	West Virginia	Jan. '97	52	n/a	n/a	-0.6	1.2	0.0	0	0	15.5	0	0.0
**Paul E. Patton (D)	Kentucky	Dec. '95	52	n/a	n/a	-0.9	2.1	-0.1	0	0	14.25	0	0.0
Tommy Thompson (R)	Wisconsin	Jan. '87	51	1.4	-0.1	-0.9	1.5	-0.6	-1.03	0	14.77	0	2.5
**Jeanne Shaheen (D)	New Hampshire	Jan. '97	51	n/a	n/a	-0.6	0.3	1.6	0	0	7	0	0.0

Table 6: US Tax and Revenue Variables

Governor	State	Date took office	Revenue & Tax Rate Score	Average Annual Change in Real Per Capita Revenue through 1996/97 (%)	Average Annual Change in Tax Revenue Per \$1,000 Personal Income through 1996/97 (%)	Average Annual Recommended Change in General Fund Revenue /\$1,000 Personal Income through 1998/99 (%)	Average Annual Change in Real Per Capita General Fund Revenue 1995/96 - 1997/98 (%)	Average Annual Recommended Tax Changes as % of Prior Year's Spending through 1998/99 (%)	Change in Top Personal Income Tax Rate through 1998/99 (state portion only) (%)	Change in top corporate tax rate through 1998/99 (%)	Combined top income tax rates (personal plus corporate) (1/2 weight) (%)	Change in sales tax rate through 1998/99 (%)	Change in gas tax rate through 1998/99 (cents per litre) (1/2 weight)
Tom Carper (D)	Delaware	Jan. '93	51	2.8	0.9	-3.2	2.5	-0.6	-1.3	0	15.6	0	2.6
Lincoln Almond (R)	Rhode Island	Jan. '95	50	2.5	0.6	-3.0	1.7	0.9	-0.396	0	19.692	-0.5	0.0
*Terry E. Branstad (R)	Iowa	Jan. '83	48	2.5	0.9	-1.9	2.8	-0.5	-4.52	0	20.98	2	2.3
*Roy Romer (D)	Colorado	Jan. '87	48	2.0	0.6	-3.3	4.2	0.0	1	-1	10	1	1.3
Howard Dean (D)	Vermont	Aug. '91	48	-0.1	-1.9	-3.5	-0.7	2.1	1.754	1.5	19.65	1	2.6
Angus S. King Jr. (I)	Maine	Jan. '95	48	2.5	0.9	-1.7	1.7	0.6	0	0	17.43	0	0.0
*Pete Wilson (R)	California	Jan. '91	46	1.6	1.4	-0.5	4.1	0.1	-1.4	-1.395	18.14	1.25	1.0
Edward T. Schafer (R)	Nth. Dakota	Dec. '92	45	2.1	-0.2	0.8	1.1	0.4	1.204	0	16.044	0	1.0
*Jim Edgar (R)	Illinois	Jan. '91	45	2.3	0.5	-0.9	1.4	1.3	1	0.4	10.3	0	0.0
Frank Keating (R)	Oklahoma	Jan. '95	45	3.6	2.1	-0.7	3.6	-0.7	-0.5	0	13	0	0.0
John A. Kitzhaber (D)	Oregon	Jan. '95	44	3.0	-0.3	0.1	0.0	1.9	0	0	15.6	0	1.9
*George Voinovich (R)	Ohio	Jan. '91	43	2.8	1.1	0.0	0.9	0.8	0.301	0	16.101	1	0.6
*Lawton Chiles (D)	Florida	Jan. '91	40	2.8	1.5	2.5	1.4	1.5	0	0	5.5	0	0.4
Mel Carnahan (D)	Missouri	Jan. '93	40	5.6	3.7	-1.5	1.9	-0.1	0	1.25	12.25	0	0.0

*governor defeated in recent gubernatorial election. **midterm report.

Source: The CATO Institute, "A Fiscal Policy Report Card on America's Governors: 1998," *Policy Analysis*, no. 315.

Table 7: US Spending Variables

Governor	State	Date took office	Spend-ing Score	Average Annual Change in Real Per Capita Direct General Spending through 1995/96 (%)	Average Annual Change in Direct General Spending Personal Income through 1995/96 (%)	Average Annual Recommended Change in Real Per Capita General Fund Spending through 1998/99 (%)	Average Annual Change in General Fund Spending Personal Income 1995/96-1997/98 (%)
John G. Rowland (R)	Connecticut	Jan. '95	80	-1.7	-5.2	-1.8	-2.7
George W. Bush (R)	Texas	Jan. '95	79	-3.1	-5.0	-1.5	-2.0
William J. Janklow (R)	Sth. Dakota	Jan. '95	74	-2.4	-1.9	-1.5	-4.1
George E. Pataki (R)	New York	Jan. '95	72	-1.4	-3.8	-1.5	-2.1
*Philip E. Batt (R)	Idaho	Jan. '95	71	-1.6	-4.2	-0.6	-2.0
*Fob James Jr. (R)	Alabama	Jan. '95	70	-2.9	-5.2	-0.1	-0.2
John Engler (R)	Michigan	Jan. '91	66	1.2	-0.8	-1.5	-4.8
Don Sundquist (R)	Tennessee	Jan. '95	63	-1.7	-4.5	0.7	-0.1
**Gary Locke (D)	Washington	Jan. '97	62	n/a	n/a	0.5	-2.4
*David M. Beasley (R)	Sth. Carolina	Jan. '95	61	-0.6	-2.9	-3.4	2.0
Jim Geringer (R)	Wyoming	Jan. '95	61	-3.0	-4.9	1.4	1.3
Bill Graves (R)	Kansas	Jan. '95	61	0.3	-2.2	-0.4	-2.1
Benjamin J. Cayetano (D)	Hawaii	Dec. '94	59	-0.4	-1.0	-2.3	-0.4
Tom Ridge (R)	Pennsylvania	Jan. '95	58	0.7	-1.5	-0.3	-2.3
Howard Dean (D)	Vermont	Aug. '91	57	0.1	-1.6	-0.7	-1.1
*Bob Miller (D)	Nevada	Jan. '89	56	1.3	-0.3	-2.7	-1.0
**Paul E. Patton (D)	Kentucky	Dec. '95	56	n/a	n/a	-1.9	0.9
Gary E. Johnson (R)	New Mexico	Jan. '95	54	2.2	-1.0	-2.3	-0.9
Lincoln Almond (R)	Rhode Island	Jan. '95	50	1.6	-1.1	-1.1	0.0
Angus S. King Jr. (I)	Maine	Jan. '95	50	-0.6	-1.8	1.1	0.4
**Mike Huckabee (R)	Arkansas	July '96	49	n/a	n/a	1.2	-0.9
Kirk Fordice (R)	Mississippi	Jan. '92	47	4.2	1.4	-2.2	-2.4
Edward T. Schafer (R)	Nth. Dakota	Dec. '92	45	-0.8	-1.1	2.4	0.1
Marc Racicot (R)	Montana	Jan. '93	44	3.3	1.9	-0.6	-2.7

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Table 7: US Spending Variables

Governor	State	Date took office	Spend-ing Score	Average Annual Change in Real Per Capita Direct General Spending through 1995/96 (%)	Average Annual Change in Direct General Spending Per \$1,000 Personal Income through 1995/96 (%)	Average Annual Recommended Change in Real Per Capita General Fund Spending through 1998/99 (%)	Average Annual Change in General Fund Spending Per \$1,000 Personal Income 1995/96-1997/98 (%)
Christine T. Whitman (R)	New Jersey	Jan. '94	43	2.4	1.3	-0.3	-1.6
**Cecil Underwood (R)	West Virginia	Jan. '97	42	n/a	n/a	1.9	-0.5
*Roy Romer (D)	Colorado	Jan. '87	41	1.8	0.5	-0.2	0.2
*Pete Wilson (R)	California	Jan. '91	41	1.4	1.6	-2.7	1.9
*George V. Voinovich (R)	Ohio	Jan. '91	41	1.5	-0.1	2.0	-0.9
**Mike Foster (R)	Louisiana	Jan. '96	41	n/a	n/a	0.7	0.9
Parris N. Glendening (D)	Maryland	Jan. '95	41	1.4	-0.1	2.3	-1.1
Tommy G. Thompson (R)	Wisconsin	Jan. '87	40	1.2	-0.1	0.0	1.5
*Arne H. Carlson (R)	Minnesota	Jan. '91	38	3.3	1.7	-1.3	0.0
James B. Hunt Jr. (D)	Nth. Carolina	Jan. '93	38	3.5	1.2	-1.1	0.3
**Frank O'Bannon (D)	Indiana	Jan. '97	37	n/a	n/a	0.8	1.4
*E. Benjamin Nelson (D)	Nebraska	Jan. '91	36	2.7	1.6	0.0	-0.1
*Jim Edgar (R)	Illinois	Jan. '91	35	3.0	1.4	0.8	-0.3
Frank Keating (R)	Oklahoma	Jan. '95	34	1.2	0.5	1.8	1.3
Mel Carnahan (D)	Missouri	Jan. '93	32	2.3	0.5	3.0	0.0
Michael O. Leavitt (R)	Utah	Jan. '93	32	3.9	0.9	1.1	0.2
*Zell Miller (D)	Georgia	Jan. '91	31	4.1	2.3	-0.2	0.1
*Terry E. Branstad (R)	Iowa	Jan. '83	29	3.0	1.7	1.5	0.5
**Jeanne Shaheen (D)	New Hampshire	Jan. '97	25	n/a	n/a	0.9	3.4
*Lawton Chiles (D)	Florida	Jan. '91	23	3.2	2.2	3.0	0.4
Tom Carper (D)	Delaware	Jan. '93	22	4.0	2.5	1.0	1.9
John A. Kitzhaber (D)	Oregon	Jan. '95	5	6.1	2.7	5.3	1.8

*governor defeated in recent gubernatorial election.

**midterm report.

Source: The CATO Institute, "A Fiscal Policy Report Card on America's Governors: 1998," *Policy Analysis*, no. 315.

About the Author

Joel Emes is a research economist at The Fraser Institute. He is a regular contributor to the Fraser Institute's monthly magazine *Fraser Forum*, and co-author of *Tax Facts 10* and *Tax Facts 11*, and *Canada's All Government Debt (1996 and 1998 editions)*. His articles have appeared in the *Globe and Mail*, the *Calgary Herald*, and the *London Free Press*. Mr. Emes is also the primary researcher for Tax Freedom Day and the Institute's Provincial fiscal comparison, the Budget Performance Index. He received his M.A. in Economics from Simon Fraser University in 1995.