

WAYPOINTS

COMMUNITY INDICATORS: LIVELIHOODS
ON MAINE'S COAST & ISLANDS



ISLAND
INSTITUTE



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The Island Institute works to sustain Maine’s island and coastal communities, and exchanges ideas and experiences to further the sustainability of communities here and elsewhere.

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Island Institute’s strategic priorities:

STRONG ECONOMIES

Investing in broadband: We support community broadband internet through feasibility studies, negotiations with providers, and convenings. Fifteen islands and 23 coastal communities have received support from the Island Institute to date.

Diverse marine livelihoods: Our Aquaculture Business Development Program helps fishermen get started with kelp and shellfish farming and has provided 68 marine entrepreneurs with business planning and training.

Small business support: More than 430 businesses have received financial or technical assistance, including artists and makers, food and beverage producers, and service providers.

Sustainable, affordable energy: From home weatherization and efficiency retrofits to community energy planning and reduced reliance on fossil fuels, we help communities dramatically shift energy generation and consumption.

Sea level rise: We help communities prepare for future impacts to waterfront infrastructure by providing training, resources, and grants.

EDUCATION AND LEADERSHIP

Support for island and coastal students: We award scholarships and give structured support for students as they transition from high school to college and work.

Effective local leadership: We provide trainings for nonprofits, educators, entrepreneurs, and community volunteers so they can lead local initiatives.

SHARING SOLUTIONS

Community development through fellowships: Since 1999, more than 119 Island Fellows have provided much-needed capacity for priority projects at local schools, community-based nonprofits, and town municipalities.

Community research and partnerships: We support communities with research, data, and communications, including this publication.

What Works Solutions Library: This practical, web-based resource provides proven solutions to common community challenges at all scales:
www.islandinstitute.org/what-works-solutions-library

To learn more about our complete portfolio of programs, visit: www.islandinstitute.org/what-we-do

COMMUNITY INDICATORS: LIVELIHOODS

What does it take to “make it” on Maine’s coast and islands?

Locals and visitors alike recognize the resourceful, mindful blend of independence and interdependence that one must embrace to thrive here. We appreciate that the rewards of a life here are not without challenge.

The first edition of “Waypoints: Community Indicators for Maine’s Coast and Islands”, published in 2017, highlights economic, community, and environmental indicators that are reflective of the priorities of the community partners and trustees we rely on to steer our work as an organization. This second edition is dedicated to quantifying the way coastal Mainers make a living. The following pages present new data and tell a story of how income levels, prevalence of self-employment, impacts of fisheries, and seasonality of the labor force define the economic and cultural landscape of our region.

Read on to learn about:

- **A tale of two coasts:** Population size, income levels, and industries distinguish the greater Portland area and southern Maine from the Midcoast and Downeast regions. For example: two-thirds of coastal residents live in the Portland area and southern coast, and smaller communities are more dependent on resource-extraction jobs.
- **Employment defines the local character of the coast:** Industry sectors distinguish the character of our communities. In some communities, lobstering leads; in others, retail, arts, and tourism distinguish the culture.
- **Self-employment and seasonality:** Economic activity along the coast is distinguished by a self-employed, highly seasonal workforce. About 45% of coastal and island residents work seasonally, 10% more than the U.S. average. And 38% of year-round islanders are self-employed, more than three times the national average.
- **Life on a fixed income:** Almost 40% of island and coastal residents rely on Social Security income, compared to 30% nationally.

We hope these data and stories will inform local leaders as they initiate community-driven change, while helping state and federal leaders understand the unique economic challenges facing Maine island and coastal communities.

- The Island Institute Community Research Team
July 2018

Data on each community are available at www.islandinstitute.org/waypoints, where you can also provide us with feedback and suggestions. We want to know what you think about the information, how you are using the publication, and how we can make future editions as useful as possible.

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DATA NOTES

All Census data are from the U.S. Census Bureau American Community Survey (ACS) 2011-2015 5-year Estimates. It is the only Census product that has data on all communities, regardless of size. (The one-year ACS, for example, has data only for communities larger than 65,000 residents.) For some statistics, like employment rates, a five-year estimate may not accurately represent the current business cycle. However, comparing five-year ACS data over time will provide an accurate description of trends. Data goes back to 2009 and is updated annually.

The geography used for the ACS data is “county subdivisions,” which hews closely to municipalities in Maine and includes 116 island and coastal communities; Peaks, Great Diamond, and Cliff islands are grouped with Portland in these data. Data for small communities and/or for certain variables should be used with caution as the margins of error can be quite large. Communities for which data are not available are shown in black on the maps.

Population and age data are from ACS table S0101.

Labor force data are from ACS tables S2301 and S2302. Labor force participation data are reported for both the

population over ages 16 as well as those age 20-64. The percent of individuals who work full-time, year-round is for those age 16-64.

Industry and occupation data are derived from ACS tables S2403 and S2402, respectively, and B8009.

Data on self-employment are from ACS tables S2408, S2418, S2406, and S2407, as well as a dataset from the Internal Revenue Service, available at the zip code level. The ACS data include two categories of self-employment: those self-employed in an incorporated business; and those self-employed in an unincorporated business. Individuals counted within the unincorporated business may also include unpaid family workers.

Income data are from the ACS tables S1901, S1902, S1903, B20002. Median household income consists of earnings from work, social security, supplemental social security, cash assistance, investment income, and retirement income.

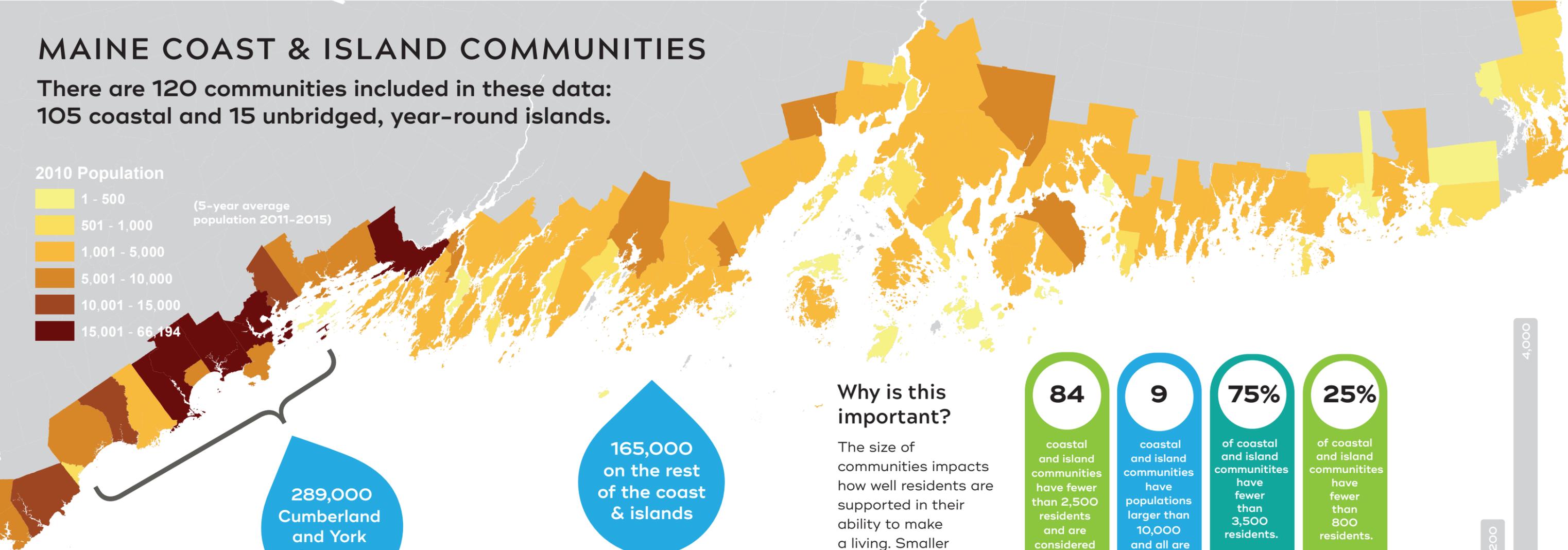
Educational attainment data are from the ACS table S2301, and are reported for the population over age 25.

MORE DATA ARE AVAILABLE ONLINE: ISLANDINSTITUTE.ORG/WAYPOINTS

MAINE COAST & ISLAND COMMUNITIES

There are 120 communities included in these data:
105 coastal and 15 unbridged, year-round islands.

2010 Population



289,000
Cumberland
and York
Counties

165,000
on the rest
of the coast
& islands

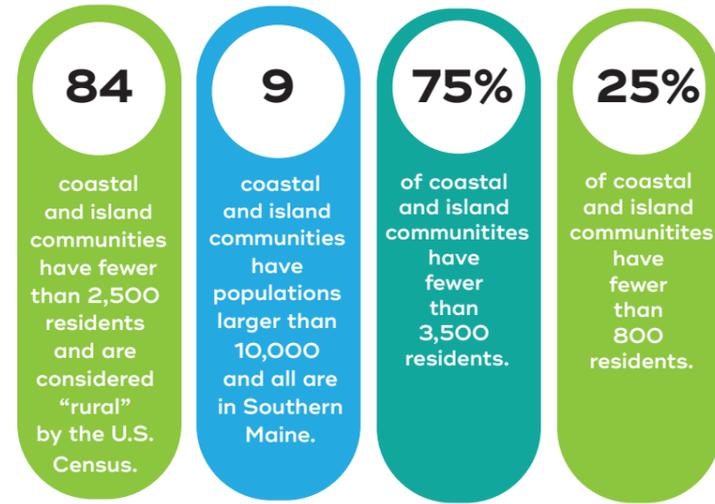
454,000
Total population
of the 105 coastal
and 15 island
communities
in Maine

A Tale of Two Coasts

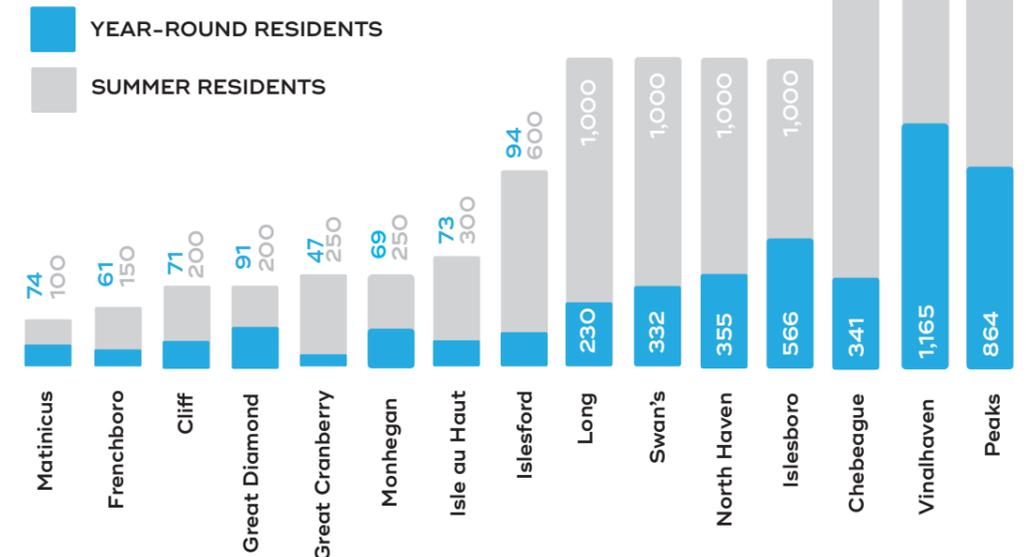
With more than 3,500 miles of coastline there is broad variability in the size of communities. Two-thirds of the coastal population lives around the Portland region and south; the other third is spread sparsely along the rest of the coast, down long peninsulas and on islands. The varying distances to service-center hubs prove costly for many residents. The smaller communities often have difficulty supporting quality essential services like childcare, eldercare, healthcare, and local economic development.

Why is this important?

The size of communities impacts how well residents are supported in their ability to make a living. Smaller communities have human and financial challenges that can limit investments in local infrastructure or economic development projects. It can be difficult for small communities to change these dynamics themselves and challenging for private sector companies that provide economic development services (e.g., broadband internet) to construct business models that work in small, remote locations.



ISLAND POPULATION AT A GLANCE



INDUSTRIES



A look at three industries that distinguish our coast.



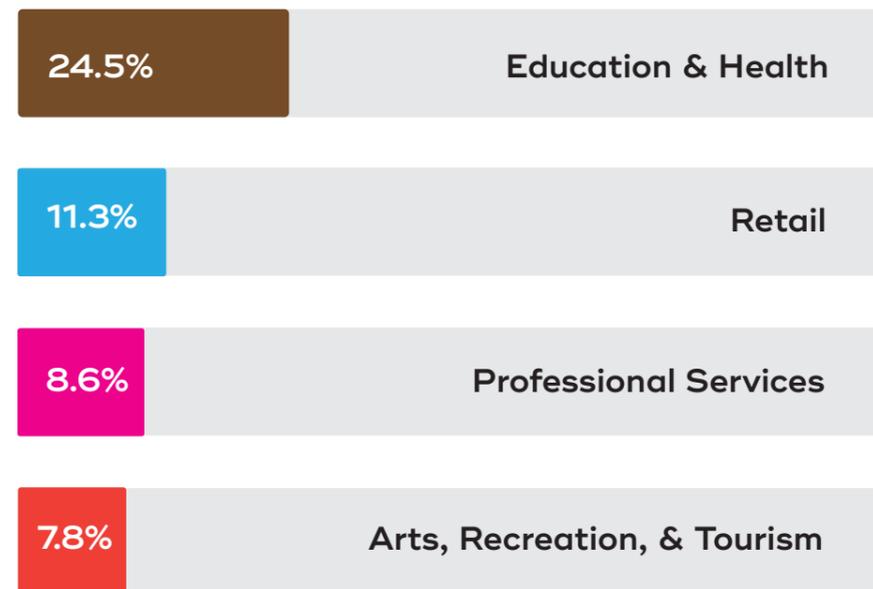
Color mix represents more than 10% employment in an industry group.

The map identifies the occupational variability along the coast: retail, arts, and tourism tend to lead in western areas (blue/purple), while retail and resource extraction occupations are more common Downeast (yellow/green).

Almost a quarter of coastal Mainers work in education or healthcare, about the same as the national average. Beyond this cluster, coastal Mainers are primarily drawn to retail, manufacturing, arts, recreation, tourism or professional service jobs.

Coastal culture is often defined by fishing and tourism economies, but retail plays a big role coastwide.

TOP 4 INDUSTRIES OF THE COAST AND ISLANDS

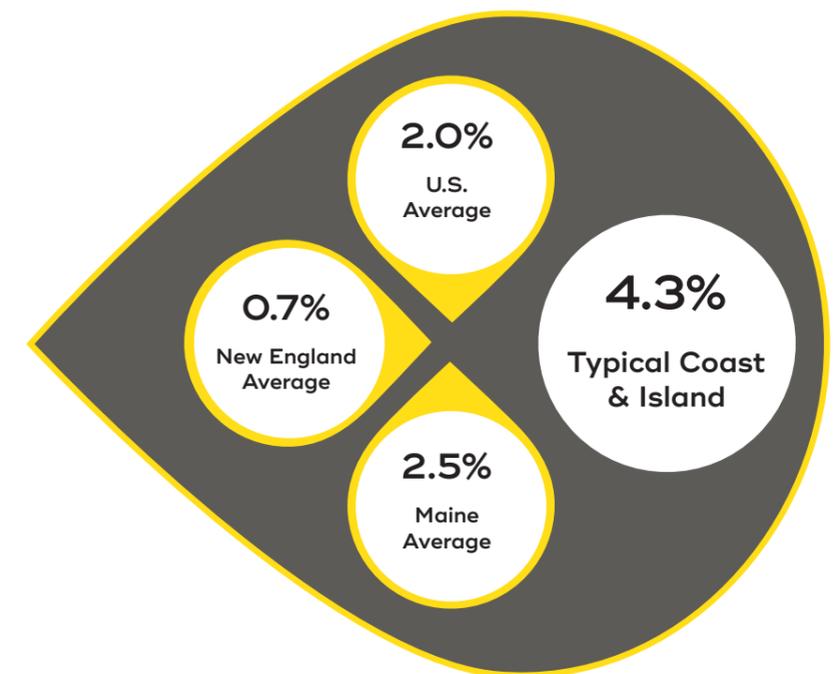


The coast and islands have twice the national average of workers involved in resource extraction industries.

This is highly variable along the coast, with the highest percentage of participation falling in the Downeast region, on islands, and on Midcoast peninsulas.

Many coastal towns are economically buoyed by the tightly coupled segments of finance, retail, arts, and tourism. Although the boost is typically seasonal, these segments are anchors for service-area hubs.

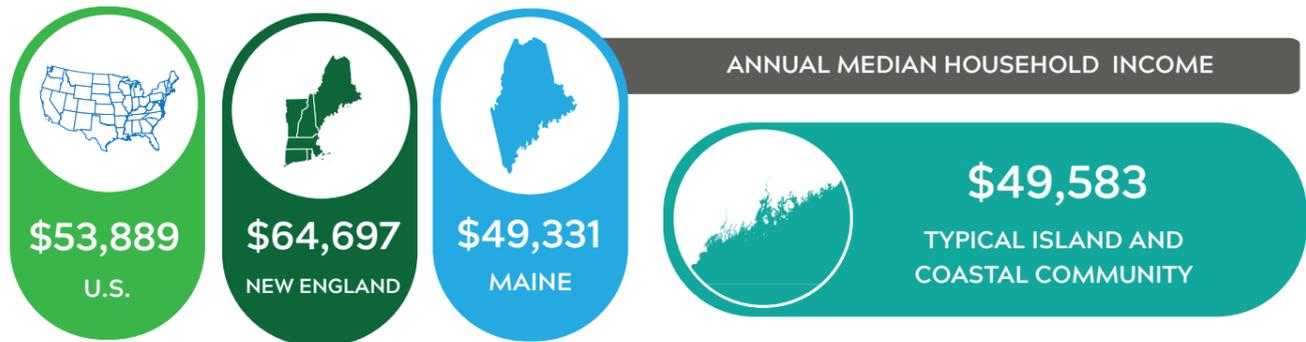
RESOURCE EXTRACTION INDUSTRIES: FISHING, FARMING, FORESTRY*



*Along the coast, resource extraction is mostly fishing and farming. Nationwide, this sector also includes forestry and mining.

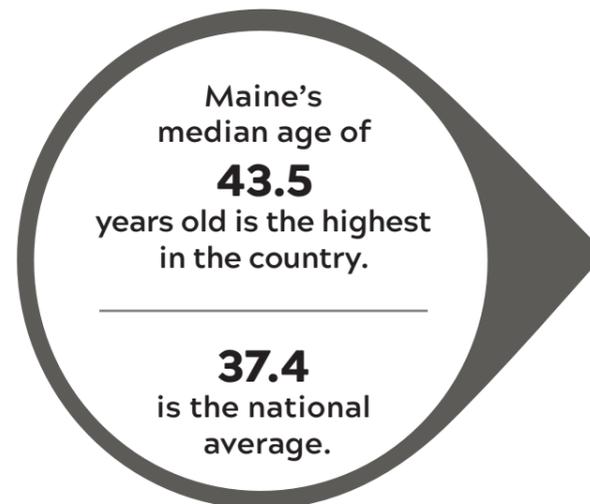
INCOME AND AFFORDABILITY

On average, incomes are similar to state levels, although highly variable along the coast.

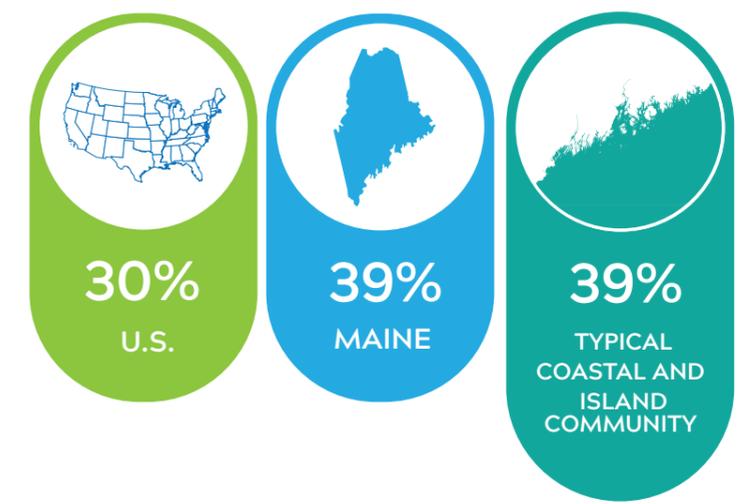


Variability in Income

In coastal communities, there is a difference of **\$80,000** between the community with the highest annual median household income and the community with the lowest.



PERCENT OF RESIDENTS WITH SOCIAL SECURITY INCOME



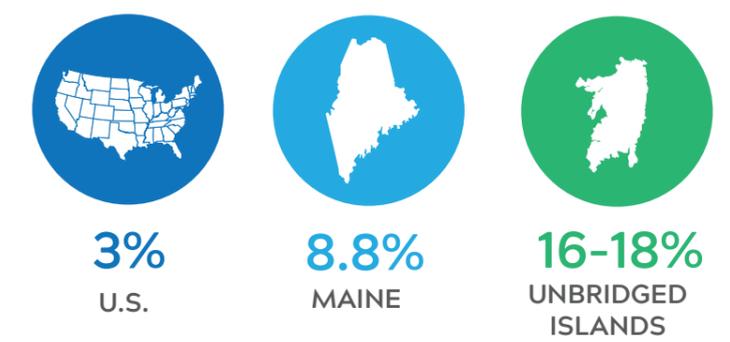
A high percentage of residents living on fixed incomes, coupled with higher costs of living, makes it challenging to turn income into livelihoods.

Affordability

On North Haven, 65% of housing is owned by seasonal residents, and the "typical" family (the family earning median household income) can afford only 39% of the average home sale price.

Swan's Island is another example: 71% of the housing is owned by seasonal residents, and the typical family can afford only 47% of the average home price.

PERCENT OF MEDIAN HOUSEHOLD INCOME THAT GOES TO HOME HEATING AND ELECTRICITY





THE ISLAND RETAILERS

Swan’s Island store owners reach beyond the shelves to make a profit.

Brian and Kathy Krafjack own The Island Market & Supply on Swan’s Island. Like many island retail operations, TIMS—as islanders call it—is much more than a store.

The Krafjacks oversee the food truck parked adjacent to the store and handle freight delivery for Swan’s Island residents, as well as delivering groceries, freight, and mail for the neighboring island of Frenchboro. They place orders to mainland providers that come in from around the island via text, phone, and social media, and sell scallops and other seafood for the island’s fishermen.

They also pick up, fill, and deliver 100-pound propane tanks. Amid all the work for their store, Kathy creates and exhibits her own artwork, and Brian volunteers as a firefighter, is an architect and photographer, and publishes weekly social media essays that have become a popular read.

The Krafjacks’ days are a whirlwind of activity—sometimes not ending until midnight or later, surging in the summer, and fading back a bit in the winter.

It’s all worth it. In the three years since moving to the island and opening their store, they and the community have embraced each other.

TIMS is a vital center of community life for this unbridged island, with a year-round population of 350 and a summer population of 1,200 to 1,500. It’s not easy to get to the mainland and back. The ferry is expensive, schedule- and weather-dependent, and time-consuming. Island stores are one of several pillars that help ensure the community’s life, health, and safety.

In 2014, the Krafjacks uprooted themselves from prosperous careers in Stonington, Connecticut to buy The Carrying Place. The Krafjacks wanted to live on an island and running the store seemed like a great way to achieve that goal. They renamed it, inherited a core group of employees, and were off.

Island culture, though, means not having to figure things out alone. Kathy notes that folks want a store, so they help the storekeepers make it successful. “They go out of their way to help you out,” she said. “That’s been an eye-opener.”

– Excerpted from the 2017 *Island Journal*, story by Laurie Schreiber

The Krafjacks bought a boat to take on the Frenchboro mail subcontract, and also became the Swan’s Island propane dealer.



Households that operate their own businesses

IN 7 COMMUNITIES, more than half of households operate their own businesses.



Maine average: 23%

U.S. average: 22%

LABOR FORCE AND SEASONALITY

The coast and islands generally have a high level of workforce participation, but it is heavily part-time and seasonal.



More people work seasonally in fishing communities and in the smaller communities.

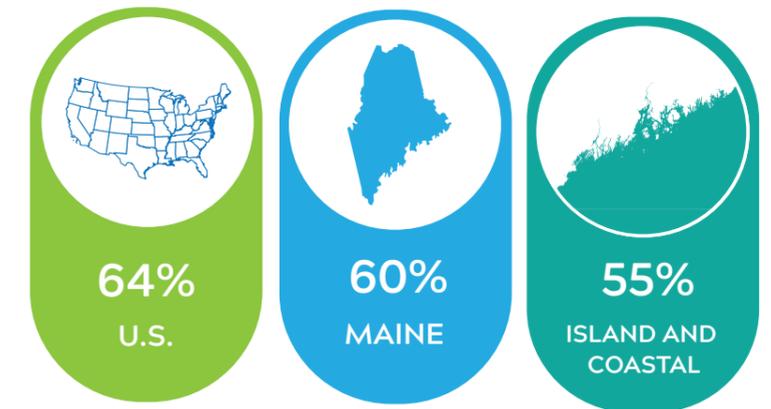


Why is this important?

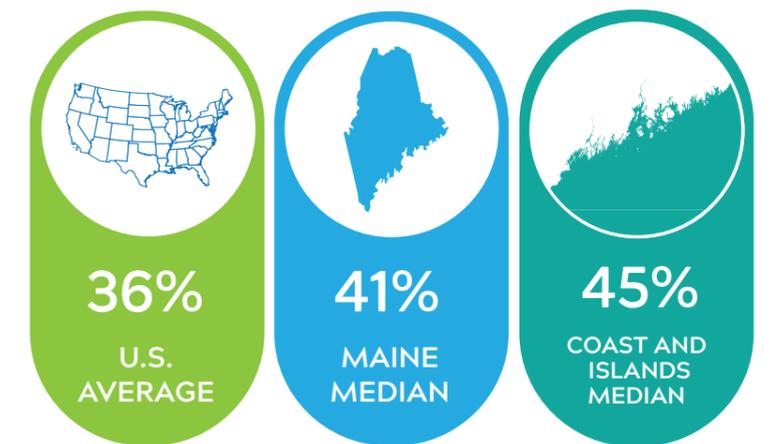
Self-employed, seasonal workers are the key drivers of Maine's coastal economic activity. Individuals and families often lack the financial stability offered by full-time employment benefits and are more likely challenged with healthcare and insurance needs.

The income variability in fishing and other natural resource-dependent jobs, and the high cost of living on the islands, can greatly impact a family's ability to make a living.

AVERAGE % EMPLOYED FULL-TIME, YEAR-ROUND



AVERAGE PART-TIME OR SEASONAL WORK

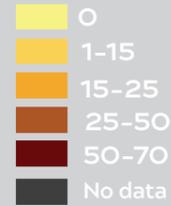


Fewer people have health insurance in communities with high self-employment and in fishing communities.



SELF-EMPLOYMENT

Percent Paying Self-Employment Tax



“There is a strange paradox about living here. Despite limitations, I get the sense anything is possible.”

— KAITLYN DUGGAN

Kaitlyn Duggan creates pottery in the majolica style from her studio on Little Cranberry Island. Like its European antecedents, her pottery is earthenware clay decorated with lively colors and designs from nature.



“I love getting out in the woods, in the garden, to the beach, and on the water,” she says. “The rich colors and patterned designs I use on my pottery are inspired by the plants, vegetables, and flowers that draw my attention in these places.” Bode, her four-year-old son, sometimes works on art projects alongside her; other times, he is part of a childcare-swapping arrangement with a few other island families.

Getting supplies, like heavy blocks of clay, is perhaps her most grueling challenge. She has to drive to Portland to pick materials up, then “schlep things from car on the mainland, to boat, to car on the island, to studio.” There are no ferries that carry vehicles to and from Little Cranberry.

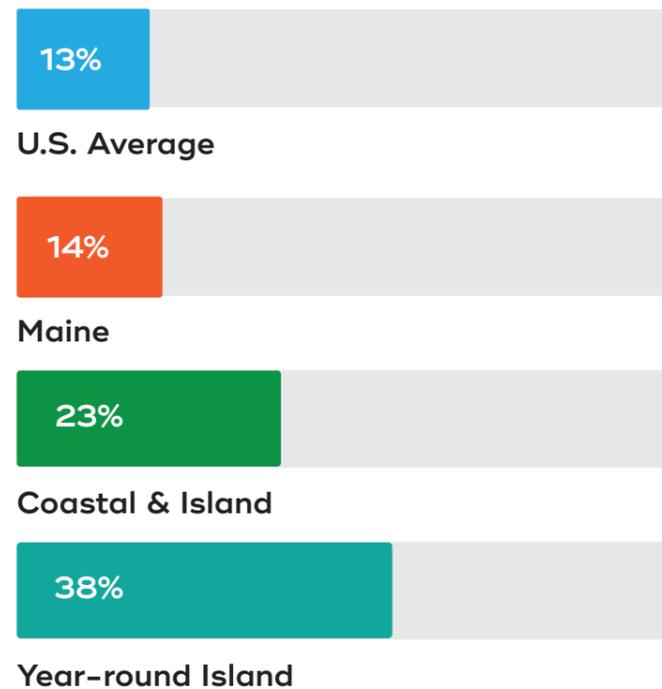
Duggan sells her work in the summer at Islesford

Pottery, which generates about 85 percent of her annual sales, and year-round through Etsy, Instagram, Facebook, and at Archipelago, the Island Institute’s store in Rockland. A shaky internet connection makes for communication challenges. “Doing updates to my web pages and social media becomes a practice in patience.” In spite of the challenges, Duggan sees her life on Little Cranberry Island as a seamless proposition. In exchange for the challenges of living and running a business on an island, she receives from that place an energetic zest that runs through all aspects of her life.

— Excerpted from the 2017 *Island Journal*, story by Tina Cohen

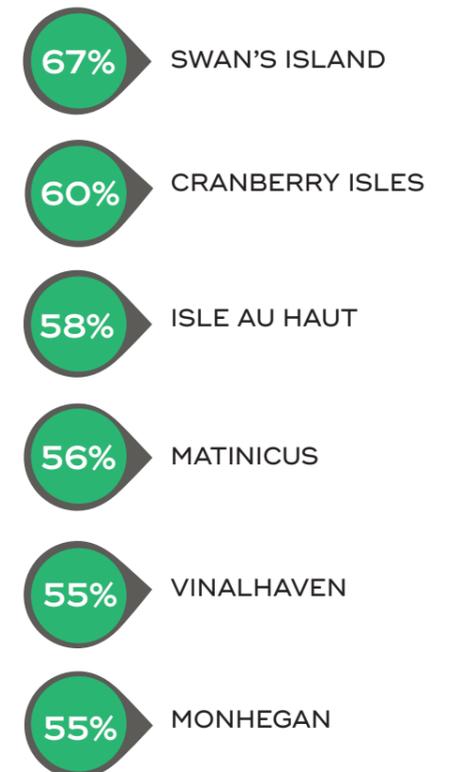
The smallest communities on the coast and islands have extraordinarily high levels of self-employment compared to the state and nation.

SELF-EMPLOYED RESIDENTS PAYING SELF-EMPLOYMENT TAX



THE 6 COMMUNITIES with highest rates of self-employment are all unbridged islands.

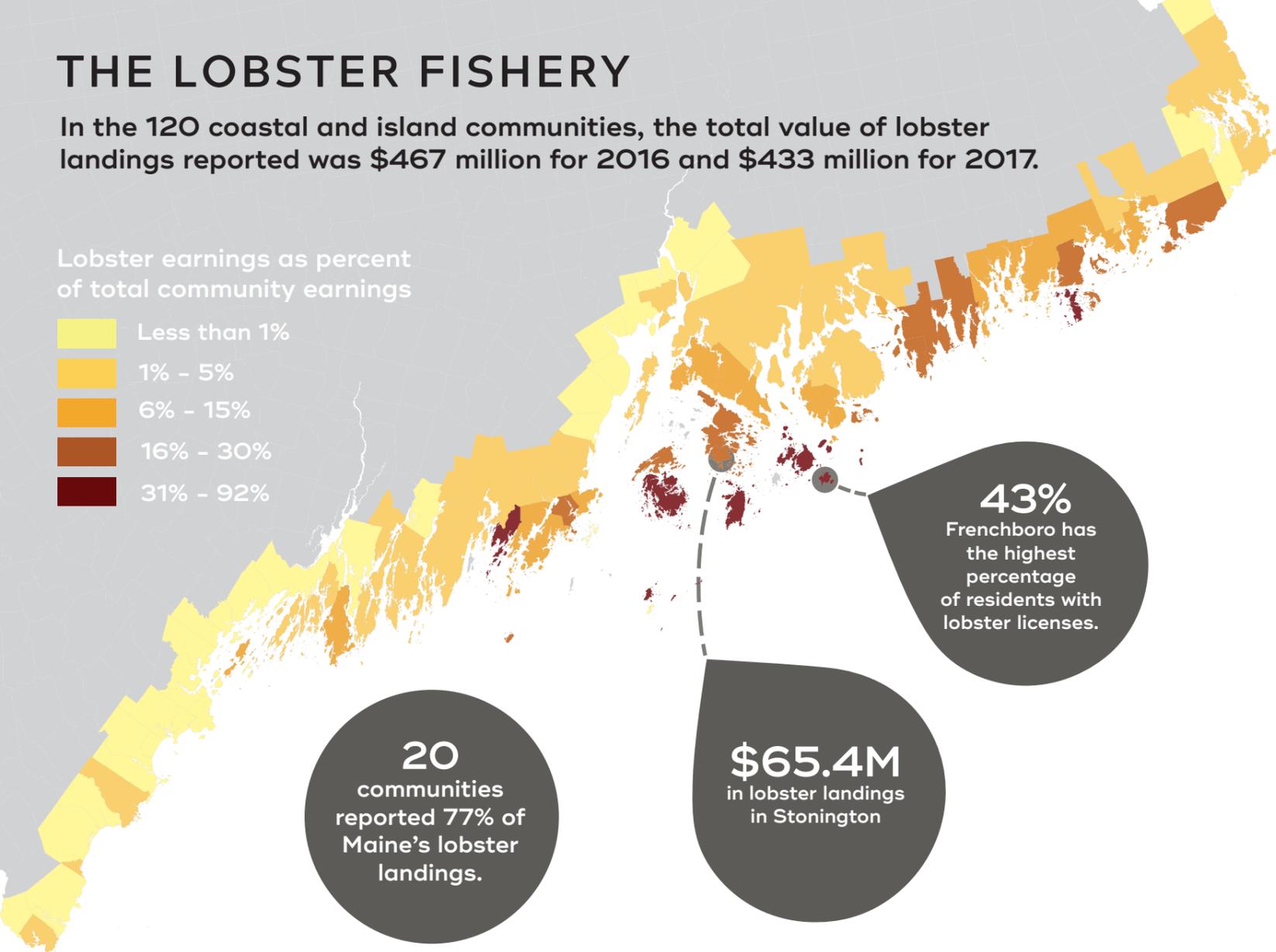
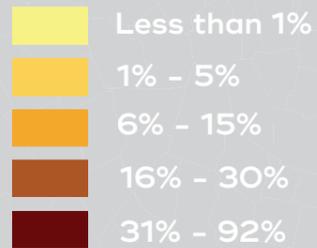
Self-Employed Residents



THE LOBSTER FISHERY

In the 120 coastal and island communities, the total value of lobster landings reported was \$467 million for 2016 and \$433 million for 2017.

Lobster earnings as percent of total community earnings



20 communities reported 77% of Maine's lobster landings.

\$65.4M in lobster landings in Stonington

43% Frenchboro has the highest percentage of residents with lobster licenses.

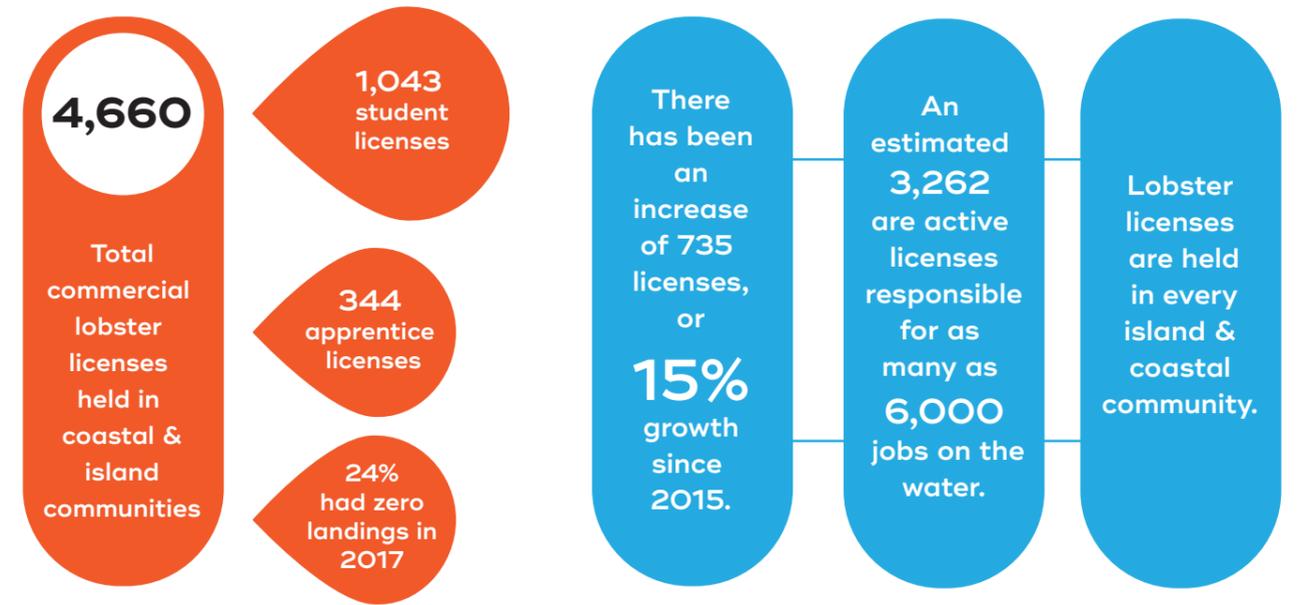
The lobster supply chain contributes **\$1 billion** to the Maine economy each year producing **4,000+** associated jobs on land, and **6,000** jobs on the water.

In 2017, the total value of lobster landings decreased to \$433 million, representing an **18.6% drop in value from 2016**.

Although landings have increased for the last decade, year to year variability of the fishery has broad economic impacts across the state.

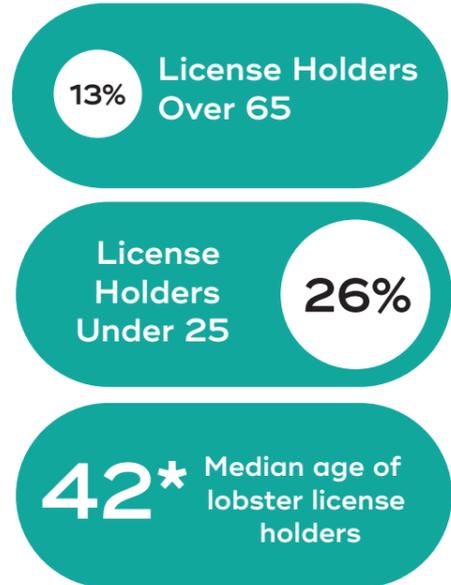
Map of estimated earnings from lobster is based on number of licenses in each community, landings per license in 2016 by county, and estimate of profitability (for captain), plus wages paid to sternman.

LOBSTER LICENSES



AGE OF LOBSTER LICENSE HOLDERS

Young people are still entering the lobster fishery despite volatility in landings and value.

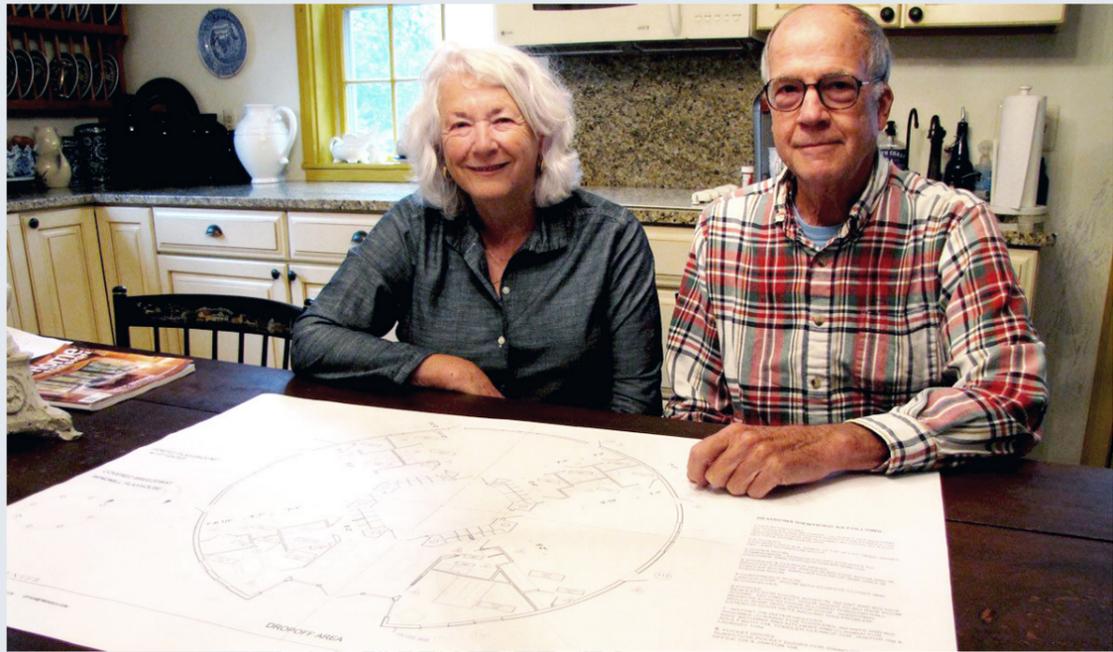


*48 if student licenses aren't included

PERCENTAGE OF RESIDENTS HOLDING LOBSTER LICENSES

In almost half of coastal communities, at least **5%** of residents hold commercial lobster licenses.





Retirees Nancy and W.G. Sayre with blueprints for the new childcare center they are shepherding with many community volunteers in Castine.

CHILDCARE FACILITY COULD HELP SUSTAIN DECLINING YEAR-ROUND POPULATION

For a century, a stone and mortar, wooden-roofed tank on the outskirts of town provided Castine with a necessary resource—water. Today, the remains of the structure and the site are being repurposed to serve the town in a new way.

The municipal water tank is gone and in its place a childcare center is being built. The nonprofit group leading the effort believes the center will help sustain Castine as a vibrant, year-round community.

The work is being led by a couple who retired to the picturesque coastal town in 2007. Nancy and W.G. Sayre, both 74, had been college professors in Pennsylvania—she in early childhood development at Clarion College and he in chemistry and physics at Slippery Rock College. In a conversation around the kitchen table, the couple’s enthusiasm for the challenge emerges. So does their willingness to dive into the details and grunt work of the project.

“I became an independent contractor,” W.G. joked about the work, as he paused to cut out large timbers and dimensional lumber for reuse.

“We’ve had a good life, and we figure it’s time to give back,” explained Nancy, whose quick smile puts an exclamation point on her assertions that the project will come to fruition. But it’s not a random endeavor

just to keep busy. The couple, who have been married for 52 years, say Castine is at risk of becoming a retiree enclave.

Increasingly, locals commute to the community for jobs at Maine Maritime Academy or to do work on the historic houses. If these working people can have a place to leave their children that is safe and engaging—and affordable—they are more likely to live in Castine or in neighboring Penobscot and Orland.

“I don’t want to walk down the street and see myself,” Nancy said. “I want to hear children laughing and giggling.”

“It’s a town out of balance,” agreed W.G., with retirees dominating the demographics.

“It’s cheaper to invest in childcare than it is to invest in welfare,” he added, citing studies that show dropout,

drug use, and incarceration rates lower for those who had adequate childcare in their early years.

“Healthcare costs drop,” both for the children and their parents, and employment rates for both rise with reliable childcare, he said. A survey of the area found just one licensed childcare center with 20 slots, yet 190 children of kindergarten or preschool age, Nancy said.

After determining the need, the Community Childhood Learning Place was established as a tax-exempt

“It’s cheaper to invest in childcare than it is to invest in welfare.”

nonprofit in 2014. A pilot childcare program ran out of the Episcopal church in 2015–16, “and within five months, we were at capacity,” Nancy said, serving 11 children from four months to five-years-old.

The goal is “to draw from a 20- to 30-mile radius,” W.G. said, and include older students as well.

Earlier in 2017, residents at a town meeting endorsed the project by a 3-to-1 ratio, agreeing to lease the town property to the nonprofit.

W.G. was especially excited about the art and workshop room, envisioning projects to engage the older students.

“Kids need space to really move around,” he said.

As an early childhood expert, Nancy wants the programming to be top notch and is aiming to have it accredited by the National Association of the Education of Young Children.

The budget for the building is \$500,000, although there are hopes to cut that to \$360,000 with volunteer labor.

When the roof was dismantled, W.G. was joined by a retired medical doctor, a retired engineer, and a restaurant manager in pulling nails from the salvaged lumber.

“We saved 80 percent of the wood,” said Nancy. A local handyman donated sinks and desks; others have loaned generators, staging and ladders; the golf club held a fundraiser; a woman hosted a benefit fashion show; a woman who makes and sells dog biscuits raised \$200 through a special promotion; and Maine Maritime Academy students helped clear trees on the site.

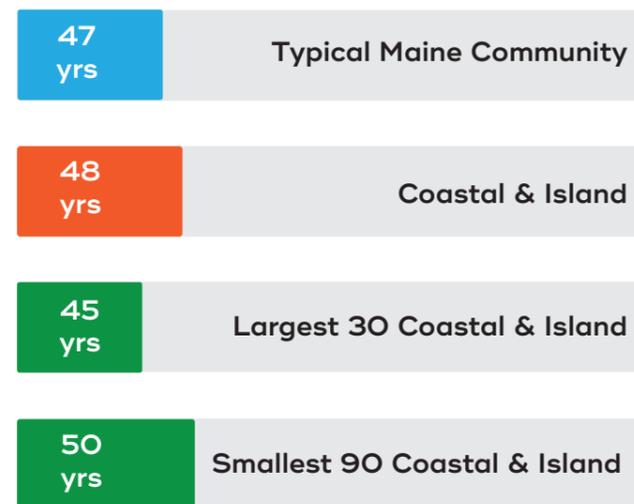
“I can’t tell you the number of hours they’ve put into this,” Nancy said of her neighbors. “The community has been so open, because they know we need it.”

AGE AND EDUCATION

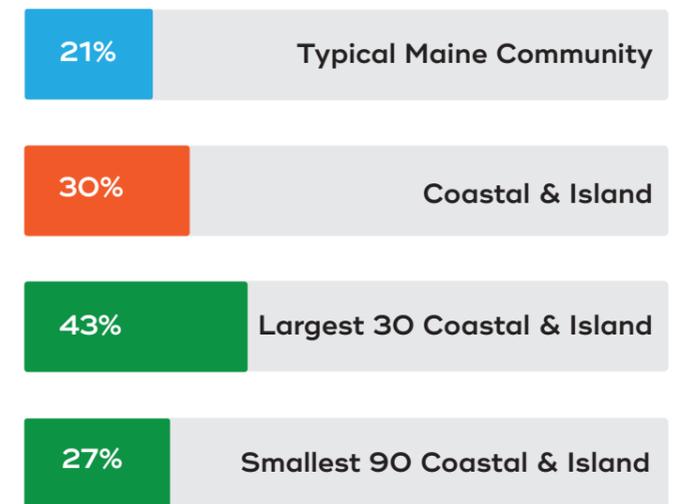
Populations on the coast and islands skew slightly older than the state overall and have higher educational levels, but there is much variability along the coast. The largest coastal communities, which are almost all in southern Maine, are younger and have higher educational levels than the rest of the island and coastal communities.

MEDIAN AGE FOR TYPICAL MAINE COMMUNITY

THE MEDIAN AGE FOR THE U.S. IS 38 YEARS OLD.

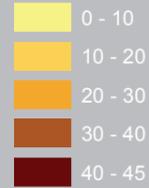


RESIDENTS HOLDING BACHELOR DEGREES



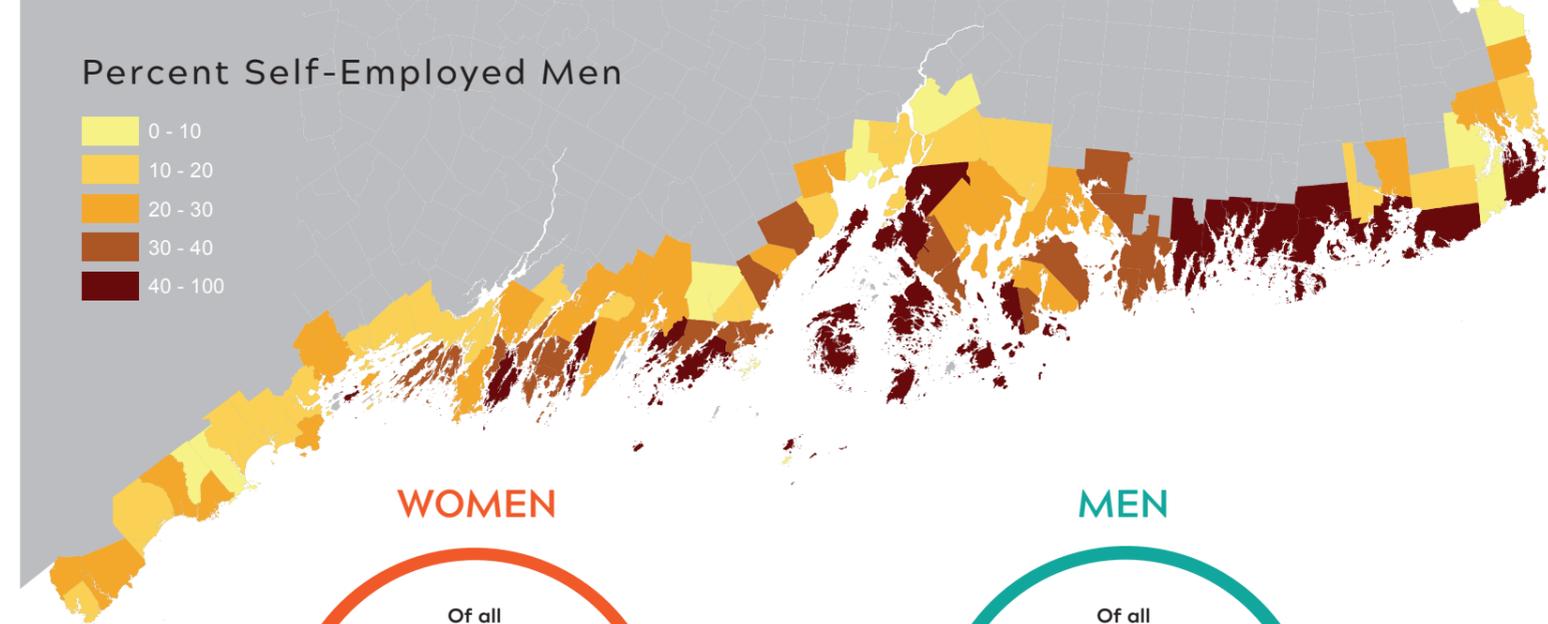
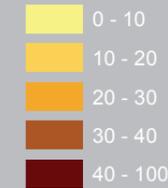
GENDER IN THE WORKFORCE

Percent Self-Employed Women



Coastal and island communities often define their identities based on the industry in which the highest percentage of men work: e.g., fishing, farming, and forestry. In these same communities, the highest percentage of women work in healthcare, education, and social assistance, consistent with trends across the country. Self-employment is high for both men and women.

Percent Self-Employed Men



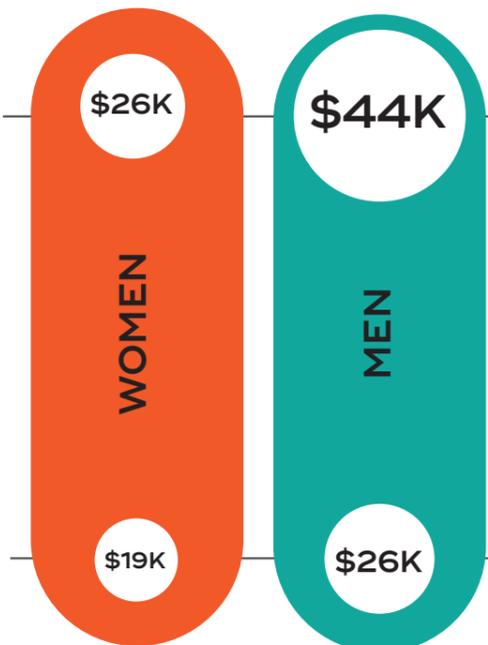
WOMEN

Of all island and coastal communities, the 3 with highest rates of self-employed women are all year-round islands (Cranberry Isles 45%, Swan's Island 44%, Matinicus 39%).

MEN

Of all island and coastal communities, the 4 with the highest rates of self-employed men are all year-round islands (Monhegan 100%, Swan's Island 83%, Cranberry Isles 75%, Isle au Haut 75%).

MEDIAN EARNINGS

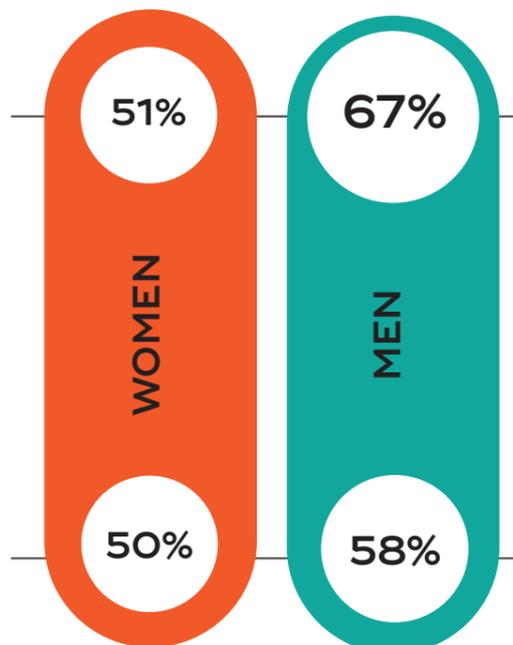


HIGHEST-INCOME COMMUNITIES

Men earned more than women across all communities, although the gap was smaller in lower-income communities. Communities with higher incomes had higher percentages of men who worked full-time, year-round, but this relationship did not hold for women.

LOWEST-INCOME COMMUNITIES

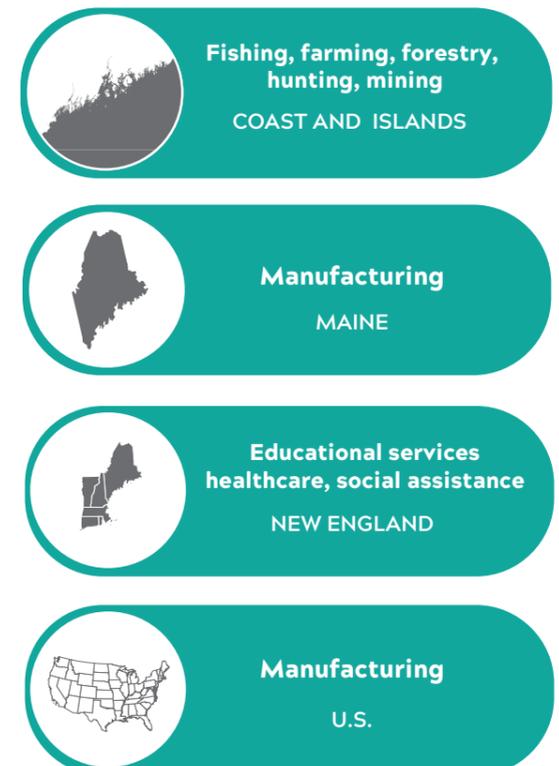
WORKFORCE PARTICIPATION

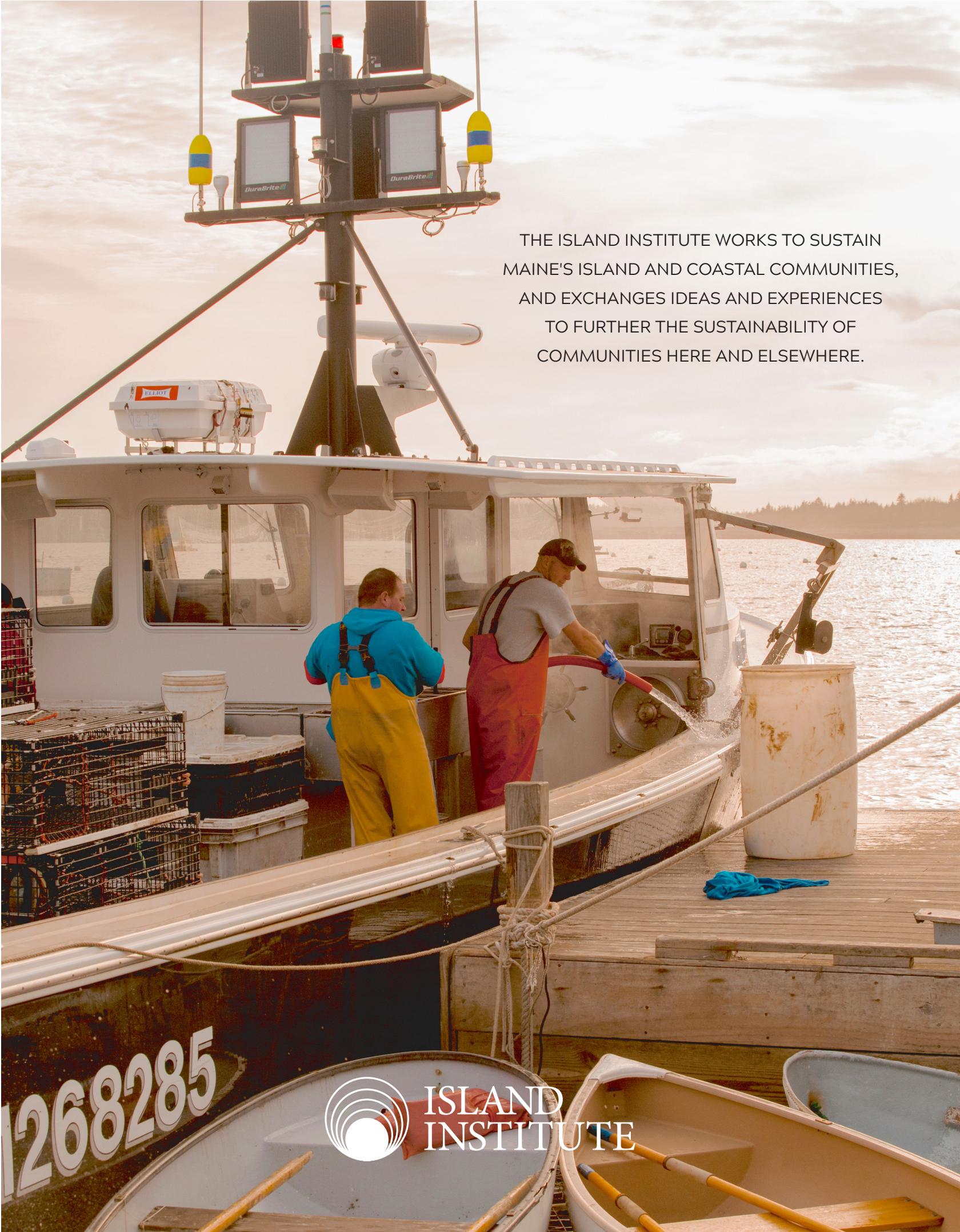


MOST COMMON INDUSTRIES:



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THE ISLAND INSTITUTE WORKS TO SUSTAIN
MAINE'S ISLAND AND COASTAL COMMUNITIES,
AND EXCHANGES IDEAS AND EXPERIENCES
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