

B. ECONOMY

1. Purpose

An understanding of the local and regional economy is important in assessing a town's current and future needs. The number of local jobs will affect future growth. If the town attracts large numbers of commuters, this could affect traffic patterns and mean that Orland is becoming more of a "bedroom" community. Specifically, this section aims to:

- a. describe employment trends;
- b. describe the local and regional economy; and
- c. discuss likely future economic activity in Orland.

2. Key Findings and Issues

Orland's economy is strongly linked to the regional economy. More than 27 percent of Orland's labor force is employed in the manufacturing sector, and approximately 19 percent are employed in the retail sector. As seen in Orland's commuting patterns, the majority of these manufacturing jobs are provided by the Champion International paper mill in Bucksport, while the majority of retail jobs are located in Ellsworth. While Orland's unemployment rate rises significantly during the winter months, it shows greater seasonal stability than the economy of Hancock County as a whole. Other major sources of employment for Orland residents include the Maine Maritime Academy, the Orland School District, Craig Brook Fish Hatchery, Robert Wardwell and Sons, Robert Wardwell Construction and Trucking, and seasonally, G.M. Allen and Sons. Although Orland has consistently maintained a higher median income and lower unemployment rate than Hancock County, economic conditions in Orland have moved closer to the Hancock County average since 1992.

3. Public Opinion Survey and Community Workshop Results

About 56 percent of respondents said that "adequate job opportunities" were a problem while 24 percent said that they were not a problem. Fifty-nine percent wanted light manufacturing operations to locate in "designated areas" of town. Only 45 percent, however, favored heavy manufacturing in such places and 32 percent didn't want heavy manufacturing anywhere in town.

4. Recent Employment Trends

a. Employment by Sector

The labor force is comprised of those persons aged 18 to 64 who are able to work. According to 1994 figures from the Maine Department of Labor, approximately 907 people, or about 48 percent of Orland's population was in the labor force. However, in 1990 Orland's labor force was 1,152, or 64 percent of the population (see Table B.1). These figures, compiled by the Maine Department of Labor, only consider

Section B: Economy

persons employed or looking for work. Therefore, these figures do not include self-employed persons or those who are not looking for work. While there are no data on the age distribution for the 1994 population estimate, it is probable that there has been an increase in the number of senior citizens in Orland. Trends in employment and unemployment are discussed in greater detail in Section 4.B of this chapter.

		1989	1990	1991	1992	1993	1994	1995
O r l a n d	labor force	1,065	1,152	1,188	928	933	907	934
	employment	1,037	1,111	1,130	889	857	838	879
	unemployment	28	41	58	39	76	69	55
	unemp. rate	2.62	3.55	4.88	4.2	8.1	7.6	5.9
H a n C o u n c y	labor force	24,970	26,950	27,683	26,090	25,490	25,780	26,410
	employment	23,900	25,620	25,782	24,160	23,330	23,710	24,670
	unemployment	1,070	1,330	1,901	1,940	2,160	2,070	1,740
	unemp. rate	4.3	4.9	6.9	7.4	8.5	8.0	6.6

Source: Maine Dept. of Labor, Bureau of Employment Security

Table B.2 compares employment by industry sector for Orland and Hancock County as reported by the 1990 US Census. The industry sector refers to the type of industry the employer is engaged, not the actual jobs performed by workers. This table refers to all Orland residents who are employed, whether they worked in Orland or commuted elsewhere.

The largest percent of the Orland's labor force, 28 percent, was employed in the manufacturing of durable¹ and non-durable² goods sectors, compared to only 13 percent of the Hancock county labor force as a whole. This is probably due in part to the large number of seasonal blueberry workers employed at G.M. Allen and Sons and the large number of Orland residents who commute to the Champion International paper mill in Bucksport. Commuting patterns are discussed in Section 4.C of this chapter (see Table B.5)

Retail trade was Orland's second largest sector, employing 19 percent of the labor force, and construction was the third largest, employing 11 percent of the labor

¹ Lumber and wood, metals, industrial machinery, etc.

² paper and allied products, food, textiles, etc.

Orland Comprehensive Plan: Inventory and Analysis

force. Both of these industries employ a slightly higher proportion of people than the Hancock County average. Orland's proximity to Ellsworth, a major retail center, the H.O.M.E. Cooperative, which is a retail outlet for Maine crafts based in Orland, and the Orland based Robert Wardwell and Sons construction firm, would account for these numbers. Conversely, Orland had a lower proportion of people employed in both the agriculture, forestry and fisheries sector and the finance, insurance and real estate sector than the county. Overall, employment in most sectors is either roughly the same or slightly less than the county average.

Category	Orland		Hancock County	
	Numbers	Percent	Numbers	Percent
Agriculture, Forestry, & Fisheries	8	1.0%	1,108	5.3%
Mining	0	0.0%	22	0.1%
Construction	87	11.1%	2,297	10.9%
Manufacturing, Nondurable Goods	163	20.8%	1,406	6.7%
Manufacturing, Durable Goods	52	6.7%	1,254	6.0%
Transportation	36	4.6%	681	3.2%
Communications and Utilities	6	0.8%	399	1.9%
Wholesale Trade	9	1.2%	636	3.0%
Retail Trade	148	18.9%	3,799	18.1%
Finance, Insurance & Real Estate	13	1.7%	913	4.3%
Business & Repair Services	26	3.3%	801	3.8%
Personal Services	24	3.1%	1,089	5.2%
Entertainment/Recreation Services	7	0.9%	175	0.8%
Health Services	68	8.7%	1,958	9.3%
Educational Services	60	7.7%	1,993	9.5%
Other Professional/Retail Services	48	6.1%	1,653	7.9%
Public Administration	27	3.5%	816	3.9%
Total	782	100%	21,000	100%

Source: 1990 U.S. Census: CPH-L-83 Table 2 and CPH-L-81 Table 2

In 1990, more than three-quarters of Orland's labor force worked in the private sector, compared to only two-thirds for Hancock County (see Table B.3). This may be due in part to Orland's proximity to the Champion International paper mill in Bucksport, a major source of private sector employment. Orland is relatively close to the county average for public sector employment which includes those working for the federal, state and local government. These jobs accounted for 13 percent of local jobs, compared to about 14 percent for Hancock County. The Orland School District and the Craig Brook Fish Hatchery in Orland, and the Maine Maritime Academy in Castine

Section B: Economy

provide local sources of public sector employment.

	Orland		Hancock County	
	number	percent	number	percent
Private Wage & Salary	615	78.6%	14,604	69.5%
Fed/State/Local Govn'ts	103	13.2%	2,998	14.3%
Self-Employed	61	7.8%	3,325	15.8%
Unpaid Family Member	3	0.4%	73	0.3%
Total	782	100%	21,000	100%
Source: U.S. Census				

Self-employed persons often own a small businesses in town, work at home, or work in a natural resource based industry. Only 8 percent of Orland's labor force was self-employed in 1990 compared to 16 percent for the county. This may be partly due to the small number of Orland residents (1 percent) who reported working in a natural resource based industry compared to 5 percent for Hancock County as a whole. It may also be due to the employment opportunities available in both the public and private sectors as described above. Some comprehensive planning committee members, however, believe that the official rate of self-employment is too low. Unpaid family members account for a fractional proportion of the labor force.

b. Employment and Unemployment

Employment rates for Orland residents are compared to those of Hancock County in Table B.1. Throughout the 1990's, unemployment in Orland has remained below the county average. However, while Orland's unemployment rate ranged between approximately 1.5 and 3 percentage points below the county average from 1989 to 1992, it remained constant at only .4 points below the county average in 1993 and 1994, and dropped to 0.7 points below the county average in 1995. As mentioned in Section 4A, these figures only consider persons employed or looking for work.

Unemployment nearly doubled, rising from 4.2 percent in 1992 to 8.1 percent in 1993, but declined by more than 2 percentage points in 1995, dropping from 8 percent to 6 percent. The overall size of the labor force in Orland decreased during this same period, with fluctuations from year to year. Hancock County's labor force increased slightly during this same period, also exhibiting fluctuations from year to year. Orland's labor force decline may be related to the overall slowdown in Maine's economy, causing people to either stop looking for work or, in some cases, become self-employed.

Table B.4 Maine, Hancock County & Orland Seasonal Unemployment Rates: 1994 & 1995						
	1994			1995		
	unemployment rates			unemployment rates		
	Maine	Hancock County	Orland	Maine	Hancock County	Orland
January	9.7	15.0	11.3	7.6	12.1	9.0
February	10.0	15.4	11.3	7.5	11.8	9.3
March	9.7	14.6	10.1	7.2	11.2	7.7
April	8.7	10.4	10.1	6.4	8.1	5.8
May	6.9	6.4	6.2	5.6	5.6	4.0
June	6.9	5.2	5.6	5.6	4.5	5.3
July	5.8	3.8	3.9	4.5	3.3	4.3
August	5.8	3.9	4.5	4.7	3.2	4.5
September	5.8	4.2	7.3	4.7	3.6	5.4
October	6.0	4.7	5.1	4.7	3.7	4.2
November	6.8	7.8	9.7	5.7	7.3	5.6
December	6.2	8.0	6.8	5.1	7.3	6.2
Year Avg	7.4	8.0	7.6	5.7	6.6	5.9
Source: Maine Dept of Labor						

Table B.4 lists the unemployment rates for Maine, Hancock County, and Orland for each month during 1994 and 1995. While each show seasonal fluctuations, Hancock County experiences the greatest fluctuation in seasonal unemployment rates. This reflects the county's reliance on both tourism related and natural resource-based industries.

In 1995, unemployment in Hancock County ranged from a low of 3 percent in August and nearly quadrupled to a peak of 12 percent in January. The county's unemployment rate was at or below the state average from May through October. While Orland also shows some seasonal fluctuations in its unemployment rate, the fluctuations are less severe. Orland's lowest unemployment rate in 1995 occurred during May at 4 percent, and more than doubled to reach its highest point of 9.3 percent in February. The seasonality of jobs in the tourism, construction, and blueberry industries explains Orland's relatively low unemployment rate during the summer and fall months.

Unemployment rates during the winter months declined between 1994 and 1995

Sect i on B: Economy

for the state of Maine, Hancock County, and Orland. Despite a slight decrease in the severity of the seasonal fluctuations between 1994 and 1995, Hancock County is still in need of more non-seasonal industries to create stable employment opportunities and avoid economic hardships during the winter months.

c. Commuting Patterns

The employment data cited above refer to the entire civilian labor force in Orland, regardless of where they work. Many Orland residents commute to jobs out of town while residents from other towns commute to work in Orland. The 1990 U.S. Census reported 728 commuting trips by Orland residents to a variety of destinations throughout Hancock County and Maine (including 119 residents who work in Orland), and 178 persons from towns other than Orland commuting to work in Orland (see Table B.5).

Of the 728 Orland residents who commute to work, the most common destination was Bucksport, which accounted for 270 trips, or 37 percent of commuters. The town of Orland was the second most common destination with 119 trips, or 16 percent, followed by Ellsworth, Bangor, and Castine. Bangor with 67 trips or 9 percent of the total commutes, was the most common destination outside of Hancock County. In Table B.5, the category "Other Towns" refers to those towns with five or fewer trips from Orland. These included other destinations in Hancock County as well as Orono, Augusta, Portland, Searsport, and Rockland areas.

Table B.5		
Town	Number of Trips	Percent
Blue Hill	23	3%
Bucksport	270	37%
Castine	28	4%
Deer Isle	14	2%
Ellsworth	93	13%
Orland	119	16%
Penobscot	14	2%
Stonington	6	0.5%
Bangor	67	9%
Brewer	28	4%
Other Towns	66	9.5%
Total	728	100%
Source: 1990 U.S. Census		

While 609 Orland residents commute to work outside the town of Orland, 178 persons from other towns commute to work in Orland. Of these workers, 132 persons

or 74 percent commute from within Hancock County.

d. Major Employers

Typical of most rural communities, Orland does not have a large employment base. The major employers in Orland include Laidlaw Transit, Robert Wardwell and Sons, Robert Wardwell Construction and Trucking, G.M. Allen and Sons, the H.O.M.E. Cooperative, and the Orland School District. Other employers include the Craig Brook Fish Hatchery and other small-scale operations including home occupations and "mom and pop" type stores. These businesses and are summarized on Table B.6.

<p>Table B.6 Businesses in Orland</p>
<p>G.M. Allen and Sons Bucksport True Value Craig Brook Fish Hatchery Ellsworth Builders Supply Freshwater Brick H.O.M.E. Cooperative Laidlaw Transit Orland School District Robert Wardwell and Sons Robert Wardwell Construction and Trucking</p>
<p>Source: Orland Comprehensive Planning Committee</p>

5. Projected Future Employment and Regional Issues

The town of Orland is located along US Routes 1 and 3 between Ellsworth, the region's major retail area, and Bucksport, the location of one of the region's largest industries. Orland possesses a wealth of natural resources, which provide many recreational opportunities and support a significant seasonal population. Although Orland's limited road access indicates that it is unlikely to become a major employment center when compared to Bucksport or Ellsworth, it may be subject to the pressures of strip development along the Route 1/3 Corridor. However, it seems likely that the majority of future job increases are likely to occur as a result of gradual expansions of existing employers or the opening of new, small businesses. Such changes are not likely to result in dramatic increases in employment.

The town, however, could develop policies to attract more employers. This could involve establishing a business park that was well served by utilities such as water, sewer and three-phase power. Such parks require substantial time to plan and market. The first step in such a process would be to create an economic development committee.

Orland's future prosperity is inextricably linked to the health of the regional

Section B: Economy

economy. Therefore, it is important that Orland become an active participant in any regional economic development efforts. One specific regional trend is expansion of the information superhighway. As professionals with high skill levels seek rural areas to live in, telecommuting³ is likely to increase. Orland may want to plan for this trend by assuring that any zoning regulations anticipate the needs of telecommuters. It is important that home occupation standards allow for such uses. Business support services such as copy centers and computer support centers may be needed. These services should be allowed in some zoning districts.

³ commuting to jobs via computers, facsimile machines, and telephones