

MAINE

ECONOMIC OVERVIEW

Known for its ragged coastline, cold weather, potatoes and seafood industry, Maine has been one of the least affected states in the northeast by the economic slowdown which started in the late 1980's.

Maine never experienced the growth of aerospace/defence or computer companies in the 1970's and 80's. This has "somewhat" been a blessing in disguise since Maine has not had to bear the pain of companies pulling out or displacing large numbers of people through transfer or unemployment. The flip side is that Maine could have used any shot in the arm to its economy, however temporary, as its unemployment hovers around 8% , the highest in New England and higher than most other states with the exception of West Virginia, Louisiana, and for a short time, (in 1993) California.

Long recognized for its beauty and attraction as a tourist destination, the state has always been off the path of economic growth or identification with any growth industry.

BUSINESSES OVERVIEW

Other than the tourist industry, Maine relies on a thin list of industries including shoes (Dexter, Bass), paper (Great Northern, International, James River), food products (McCain, Poland Spring Bottling), and a variety of other seafood and agricultural products (including blueberries).

Of major importance to the state is the Bath Iron Works which employs nearly 7,000 and still maintains the capacity of producing naval and commercial ships. Other defence/aerospace companies include Saco Defense System (guns) and Pratt and Whitney. Pratt's status in Maine is strong and the division and parent (UTC) have a long term commitment to maintaining or increasing the manufacturing level of this plant. Unlike other New England states, Maine has very few machine shops devoted to grinding, milling or working metal aerospace parts.

The state still relies and is influenced by the seafood and lumber/wood products industries and devotes a significant amount of its time promoting and protecting these industries.