



# Washington County Council of Governments

PO Box 631 Calais, Maine 04619 (207) 454-0465

Helping Washington County  
Communities Plan for Tomorrow

Judy East  
Executive Director

## Economic Significance of Pier and Boat Launch - Milbridge, Maine

The Town of Milbridge, Maine obtained Shore and Harbor Management funding from the Maine Coastal Program to prepare an analysis of the sources and causes of rapid and excessive sedimentation at its public boat launch and pier. The results of that study, completed by CES Inc, are posted online on the WCCOG web site (<http://www.wccog.net/working-waterfront.htm>).



Shore and Harbor Management funds were also used to document the socio-economic significance of these working waterfront facilities to the local and regional economy.

Two data sets were analyzed:

1. The Economics: National Ocean Watch or ENOW framework<sup>1</sup> that is based on Census Zip Code Business patterns of employment statistics maintained by the Bureau of Labor Statistics for businesses with one or more employees.
2. Activity of self-employed workers using data from the Atlantic Coastal Cooperative Statistics Program (accsp.org)

In addition to the data sets, the analysis of economic activity draws upon local knowledge of economic activity not captured by the NAICS<sup>2</sup> ocean sectors used in the ENOW framework.

**The ENOW framework:** We compared ocean-sector economic activity (businesses, employment) in the area served the Milbridge Pier<sup>3</sup> to the same economic activity in all ocean sector zip codes in Maine.

The first comparison (below) **includes** hotels and restaurants in the *Tourism and Recreation* sector and reveals that the 2 sectors of *Living Resources* and *Ship and Boat Building* are far more significant in the area served by the Milbridge pier than the *Tourism and Recreation* sector is to the entire Maine coast.

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<sup>1</sup> National Oceanic and Atmospheric Administration (NOAA). August 2018. "Estimating the Local Marine Economy: Process Guide Using Zip Code Business Patterns." Charleston, SC: NOAA Office for Coastal Management.

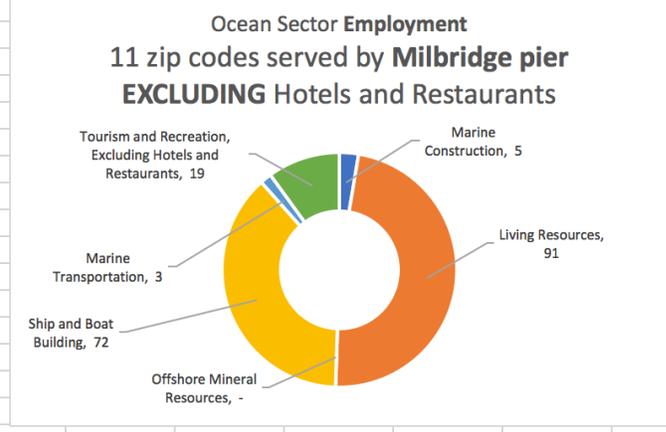
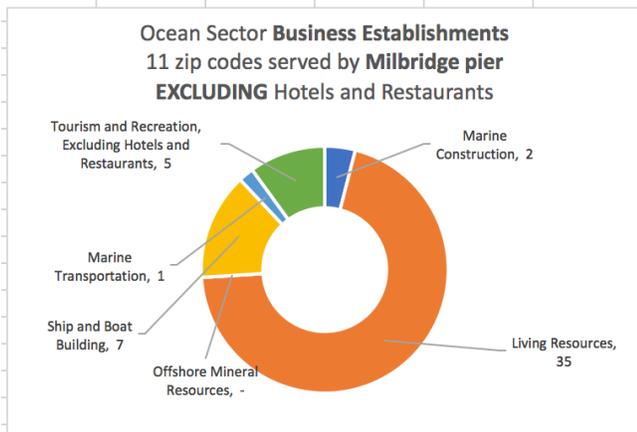
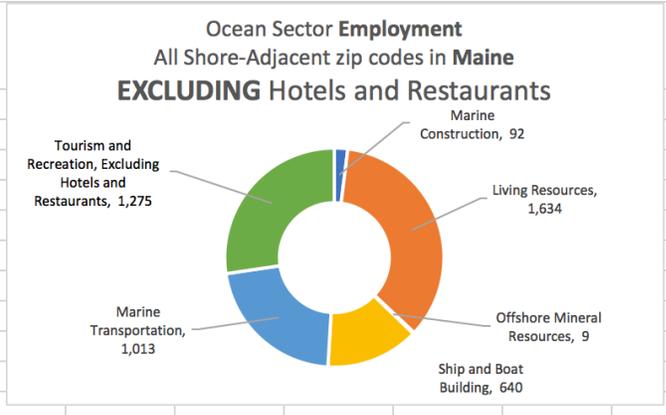
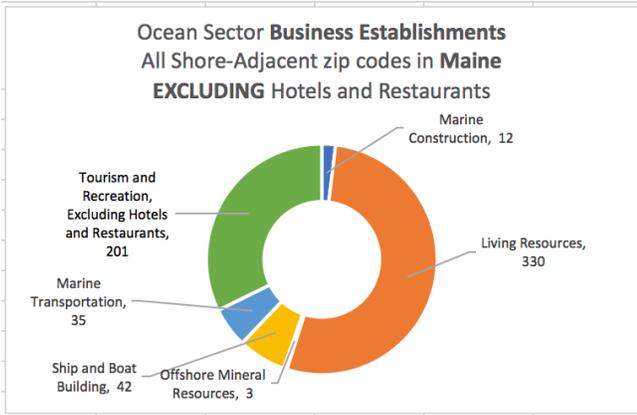
<sup>2</sup> North American Industrial Classification System

<sup>3</sup> 11 zip codes 04606, 04607, 04611, 04622, 04623, 04643, 04648, 04649, 04658, 04680, 04693 encompassing the municipalities of Addison, Beals, Cheryfield, Columbia Falls, Gouldsboro, Harrington, Jonesboro, Jonesport, Milbridge, Steuben and Winter Harbor



The second comparison (below) **excludes** hotels and restaurants in the *Tourism and Recreation* sector and reveals 3 things:

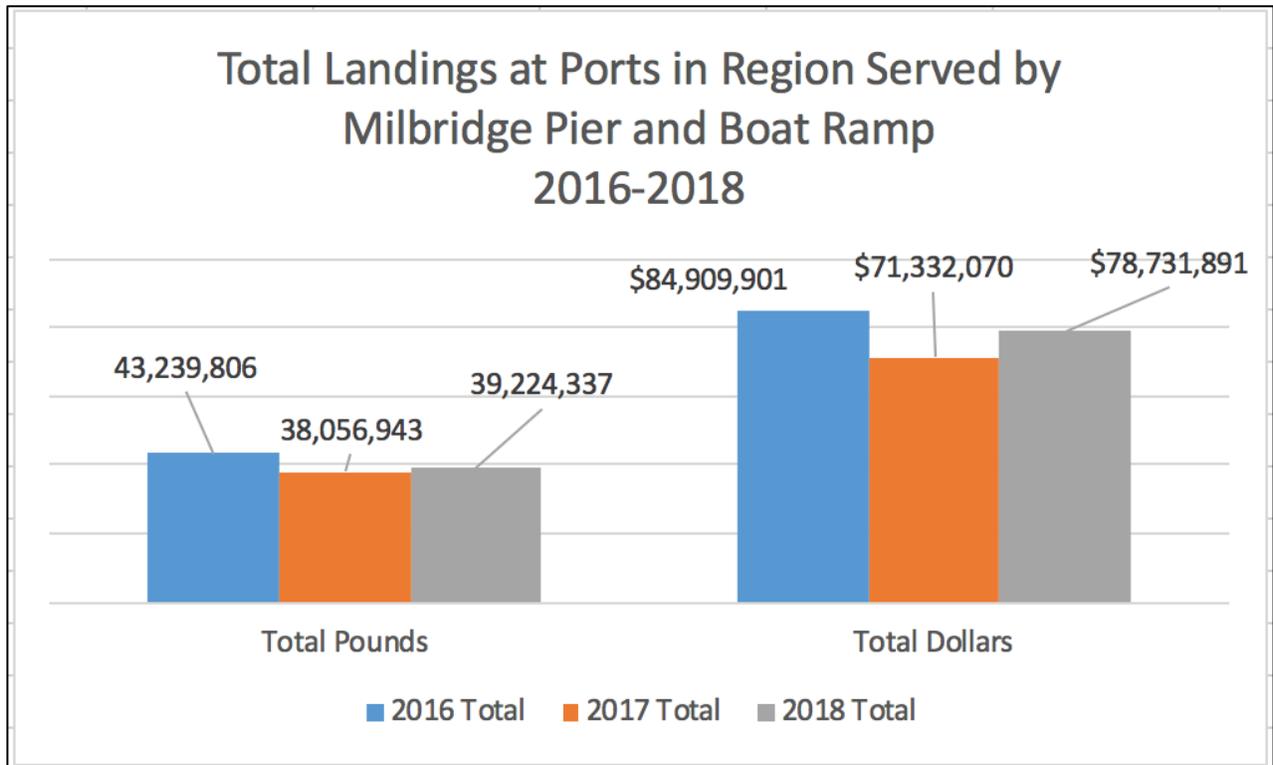
1. When hotels and restaurants are excluded from the coast-wide summary of ocean-sector economic activity, the significance of the *Living Resources* sector is far greater and more closely resembles the area surrounding the Milbridge pier.
2. When hotels and restaurants are excluded from the area served by the Milbridge pier the significance of the *Living Resources* and the *Ship and Boat Building* sector is even more pronounced but the change is nowhere near as dramatic as the difference observed coast-wide.
3. Not only are the *Living Resources* and the *Ship and Boat Building* sectors very significant to the area served by the Milbridge pier, these sectors are also highly dependent on the Milbridge pier for their continued viability.



This analysis demonstrates a dramatic difference between the significance of infrastructure like the Milbridge pier and boat ramp to the economic viability of the predominant ocean-sector economic activity of this region. The significance of this difference is even more dramatic when you consider that the ENOW analysis does not include self-employed employment activity.

According to the ENOW methodology, the *Living Resources* sector is almost evenly split between employed and self-employed workers at the national level. Thus, the charts on the previous pages may only capture half of the economic activity in the living resources sector.

**Atlantic Coastal Cooperative Statistics Program (ACCSP):** The ACCSP data set serves in part to complete our understanding of the range and extent of ocean-sector economic activity for self-employment activity.



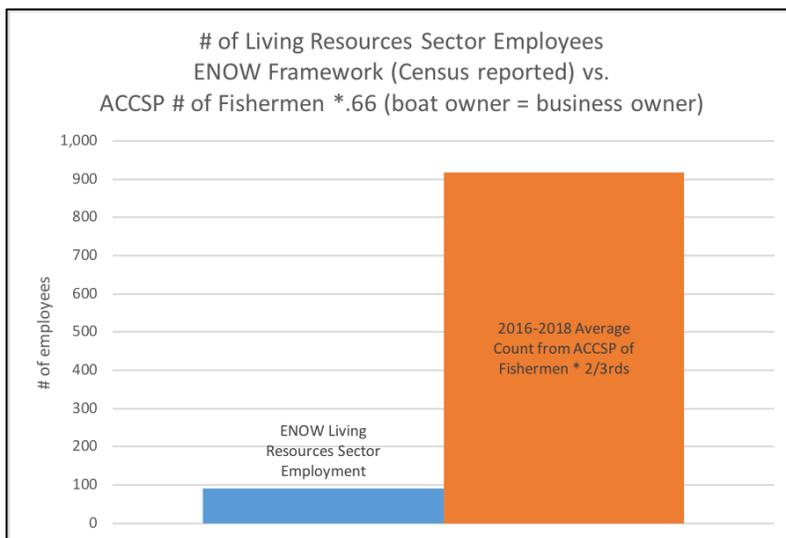
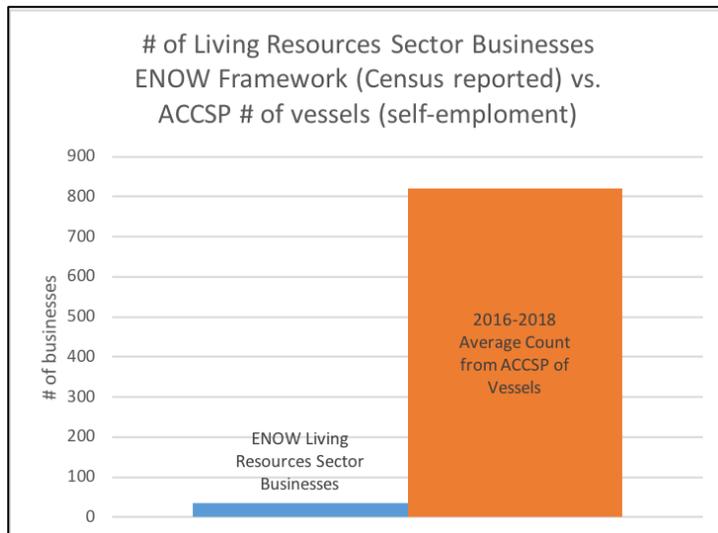
The chart above describes the value of the landings (pounds and dollars) for the 2016-2018 period for the same geographic area as was used in the ENOW zip code analysis above. In order to identify comparable gaps in the different data sets we are using the same geographic region in both the ENOW zip-code analysis of ocean-sector economic activity as the ports included in the ACCSP data set that summarizes landings and use by vessels, dealers and fishermen.

The ENOW analysis indicates there are 35 businesses employing 91 individuals in the *Living Resources* sector and 1 business employing 3 individuals in the *Marine Transportation* sector in the area defined by the 11 zip codes surrounding the Milbridge pier and boat ramp. We compare the number of dealers to the number of employees in the *Marine Transportation* sector because the NAICS codes describe “Refrigerated Warehousing and Storage” within the *Marine Transportation* sector.

By comparison, the ACCSP data reveal that for the period of 2016-2018 there are an average of 84 dealers and 1390 fishermen operating from 821 vessels in this same region. *Note that this ACCSP data is based on a specific request to eliminate double counting of these parameters to be sure we are not counting the same vessel at different ports in the region.*

If one considers that each fishing boat is a business it appears that less than 5% of businesses are represented by the *Living Resources* sector of the Census Zip Code Business patterns. Likewise, if one considers 2 out of 3 fishermen as employees (the third being the business owner) it appears that less than 10% of employment is represented by the *Living Resources* sector of the Census Zip Code Business patterns.

Finally, if dealers are captured by the *Marine Transportation* sector, the ENOW analysis indicates there is only one dealer employing 3 individuals. By contrast the ACCSP data the indicates there are 84 dealers in the same geographic region.



Thus, the ENOW zip code patterns may represent half of the economic activity at the national level but in the area around the Milbridge pier the ENOW analysis only represents about 3-5% of the economic activity contributed by the *Living Resources* and *Marine Transportation* sectors.

**Insights from Marine Committee and Local Knowledge**

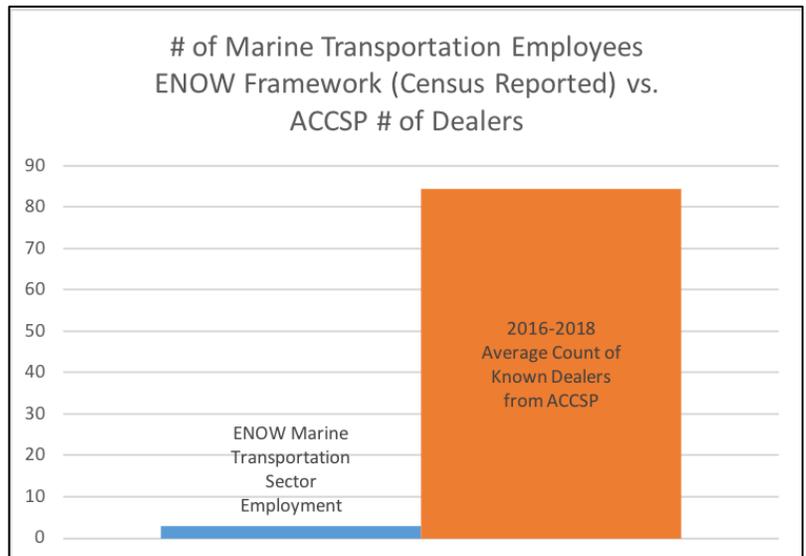
The ENOW methodology cautions against double counting but also recognizes that it can miss several areas of activity. For instance, the ENOW data from *Marine Transportation* sector yields only one business and 3 employees.

Yet, according to the Milbridge Marine Committee there are marine transport services operating from the Milbridge pier provided by the Pond Island Association, the Berwick Foundation, and a sailing school that likely account for 8-10 working transportation vessels and about the same number of employees. An additional 20-30 recreational boats also operate from the sailing school and use the Milbridge pier. None of this activity appears to be captured by the ENOW analysis.

Prock Marine out of Rockport Maine is a regular contractor in the area served by the Milbridge pier. This firm is in these waters building docks, piers and wharfs but their activity is not captured by the ENOW analysis.

Other areas of activity are not counted at all by the NAICS ocean sectors used in the Census Zip Code Business patterns. These include the following government agencies with notes on their level of activity provided by the Milbridge Marine Committee.

- Petit Manan National Wildlife Refuge; operates 2 boats daily from May-Sept; 2-10 NWR personnel; conduct and move research, students and educator personnel every day ~12 students
- US Coast Guard; use Milbridge pier ~2 times/season for training of groups of fishermen; sometimes only 15, other times 30-40 people; all fishermen need to take the training (soon will be mandatory annually) and all kids must take it by 17 years of age and before getting their license;
- Marine Patrol – periodic use ~ 25-30 times/year; park and pick up people going offshore;
- Milbridge Marina is a port of refuge in bad weather; boats are pulled in and trailered over land to Jonesport (USCG and Marine Patrol)
- Army Corps of Engineers – seek services in Milbridge; launch from Milbridge to do their surveys in the region
- NOAA uses Milbridge marina to track/stock salmon 2-3 times/year



Finally, the Milbridge Marine Committee noted a likely missed sector in the NAICS ocean sector analysis: lobster trap manufacturers and the sawmills that contribute wood to build them and other marine equipment. In the Milbridge area we estimate these to include:

- Trap Manufacturers
  - Jonesboro – Brooks Trap 7 employees
  - Columbia Falls – Friendship Trap ~7 employees
  - Steuben – Door Trap ~ 2 employees
- Sawmills contributing wood to build traps and other marine equipment.

### **Conclusions**

The ENOW analysis provides a vivid description of the significance of the working waterfront to the Milbridge area economy. The relative importance of the two sectors of *Living Resources* and *Ship and Boat Building* are far more significant in the area served by the Milbridge pier than they are in the rest of the Maine coast. The proportional significance of the *Tourism and Recreation* sector is significantly higher in the rest of the Maine coast.

With the addition of the insights provided by the ACCSP data and the Milbridge Marine Committee, the ENOW analysis may only capture less than 5% of the actual working waterfront economy. The ENOW zip code patterns may represent half of the economic activity at the national level but in the area around the Milbridge pier the ENOW analysis only represents about 3-5% of the economic activity contributed by the *Living Resources* and *Marine Transportation* sectors.

Clearly not all of the ~\$80 million dollars' worth of annual landings compiled by the ACCSP in this region are entirely dependent on the Milbridge pier and boat ramp. However, the Milbridge pier and boat ramp do provide a location for landings and a foul weather safe harbor for vessels, fishermen, and emergency response personnel. The Milbridge pier and boat ramp is also used by and served by the *Marine Transportation* and *Marine Construction* sectors included in the regional aggregation of ocean-sector economic activity.

The ENOW methodology cautions against double counting but also recognizes that it can miss several areas of activity. When the activities of government agencies, educational institutions, and some associated manufacturing is added using local knowledge from the Milbridge Marine Committee there appears to be another 60-100 employees from another 15-20 businesses that use the Milbridge pier and are not captured by the Census Zip Code Business patterns. These are in addition to the businesses and employees that are under-counted *Living Resources* by about 90-95% of actual activity.