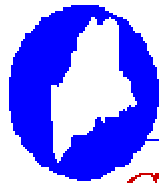
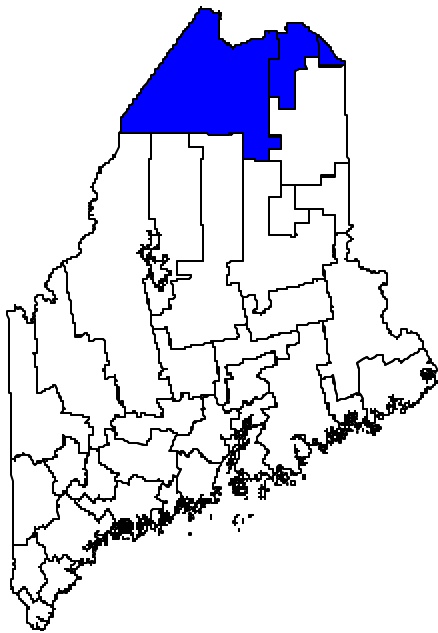


A Profile of the Workforce in Northern Aroostook County



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OVERVIEW

The Department of Economic and Community Development (DECD) has identified the need to develop extensive and up-to-date information about the workforce of Maine as a vital component of a strategy for furthering economic growth in Maine. This report is one of a series of 17 studies of the workforce in Maine conducted for DECD by the Center for Business and Economic Research (CBER) of the University of Southern Maine.

The CBER team, comprised of faculty and students from both the School of Business and the Edmund S. Muskie School of Public Service at USM, undertook to develop a comprehensive analysis of the labor force in the Northern Aroostook region, comprising the communities in the following Labor Market Areas defined by the Maine Department of Labor.

	<u>Household Responses</u>	<u>Employer Responses</u>
Fort Kent-Allagash		62
Madawaska		47
<u>Van Buren</u>		<u>16</u>
TOTAL REGION	394	125

This preliminary report covers five major topics using data from a random sample phone survey of household and employer surveys.

- Employment mobility and recruiting trends
- Unemployment and underemployment
- Employment costs, including both pay and benefits
- Education, training and skills
- Commuting

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DATA INFORMATION

1. Regional Definition

The Northern Aroostook Region, for purposes of this study, is comprised of the Fort Kent-Allagash, Madawaska, and Van Buren Labor Market Areas as defined by the Maine Department of Labor. See Appendix 1 for a list of the towns in each Labor Market Area (LMA).

2. Published Data

An extensive compilation of data from state, federal, local and other resources was compiled for the region, including the labor market area, municipalities, and counties. The data comprises information on demographics, education, employment, and other labor characteristics.

3. Household Survey

A random sample telephone survey of 394 households in this region was conducted in December 1999-January 2000. This survey size permits inference of $\pm 5\%$ statistical accuracy, 95% of the time. It should be noted that this level of sampling accuracy permits an accurate picture of the labor force in the region as a whole, but does not provide the same level of accuracy for sub-populations of each labor market area nor for such groups as the unemployed or those in specific occupations. A copy of the survey questionnaire is available from CBER on request. The respondents selected for interviews were those over 18 who were not in the military and who were not full-time students. People who were retired and were not seeking employment were excluded, as were those who had left the workforce on permanent disability. Retirees actively seeking employment were included in the survey.

4. Employer Survey

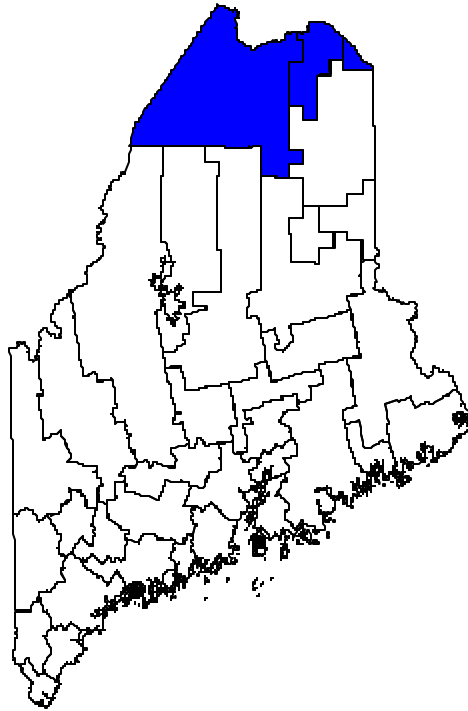
A survey was mailed to 533 employers in the region. The mailing list was drawn from the unemployment insurance records of the Maine Department of Labor. The mailing list was comprised of all employers in the region.

Following the initial mailing, non-respondents were contacted by post card. The Northern Maine Development District assisted by contacting firms to solicit additional responses.

A total of 125 responses were received, a return rate of 23.4%. See page 8 for a comparison of the respondents in the survey with the firms in the region as a whole on the basis of employment size and industry.

5. Survey Instruments

The Household and Employer Survey instruments are available online from www.Mainebusinessworks.com.



Information about Household Survey Respondents

Industry in Which Respondents Work Employment in the region is much more concentrated in the manufacturing industries, particularly because of the forest products industry. The region also has a high proportion of service employment, particularly in the health care industry. The region and sample are somewhat under-represented in trade because of the lack of major urban areas in the region.

	N	Percent
Agriculture, Forestry, Fishing	4	1.4%
Construction	2	0.7%
Manufacturing	93	31.4%
Transportation & Utilities	20	6.8%
Finance, Insurance, Real Estate	9	3.0%
Trade	30	10.1%
Services	118	39.9%
Government	20	6.8%
TOTAL	296	

Industry of Employment- Second Job		
	N	Percent
Agriculture, Forestry, Fishing	1	2.8%
Construction	2	5.6%
Manufacturing	4	11.1%
Transportation & Utilities	2	5.6%
Finance, Insurance, Real Estate	3	8.3%
Services	19	52.8%
Government	4	11.1%
Not Specified	1	2.8%
TOTAL	36	

Industry of Employment- Self Employed		
	N	Percent
Agriculture, Forestry, Fishing	4	5.8%
Construction	15	21.7%
Manufacturing	9	13.0%
Transportation & Utilities	6	8.7%
Finance, Insurance, Real Estate	3	4.3%
Trade	15	21.7%
Services	14	20.3%
Not Specified	3	4.3%
TOTAL	69	

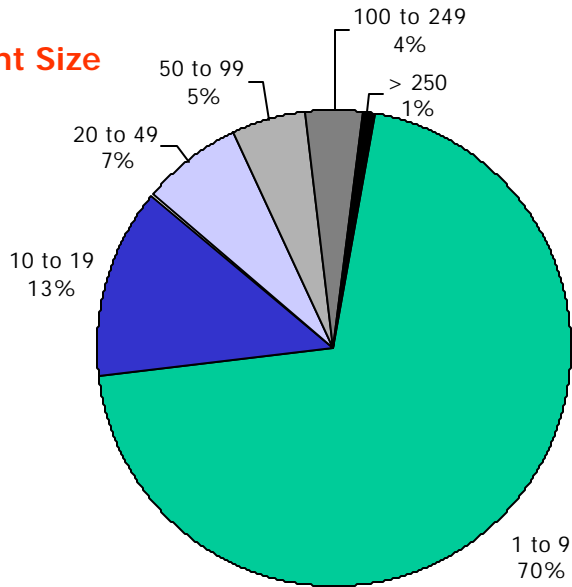
Occupation of Respondents The region has a wide diversity of occupations. The sample shows a high proportion of skilled manufacturing, health services, and skilled trades jobs. Reflecting the forest products and agriculture activities in the region, there is also a high proportion of transportation workers.

OCCUPATION - PRIMARY JOB		
	N	Percent
Professional	27	9.64
Managerial	29	10.36
Supervisors	15	5.36
Sales	3	1.07
Clerical	22	7.86
Retail	6	2.14
Non-health Services	9	3.21
Health Services	36	12.86
Banking-Real Estate	4	1.43
Transportation	36	12.86
Skilled Trades	30	10.71
Skilled Manufacturing	43	15.36
Agriculture	1	0.36
Forestry	3	1.07
Laborer	6	2.14
Food Service	10	3.57
TOTAL	280	

OCCUPATION - SECOND JOB		
	N	Percent
Supervisors	1	3.70
Non-health Services	6	22.22
Health Services	5	18.52
Banking-Real Estate	1	3.70
Transportation	2	7.41
Skilled Trades	4	14.81
Agriculture	1	3.70
Forestry	1	3.70
Laborer	3	11.11
Food Service	3	11.11
TOTAL	27	

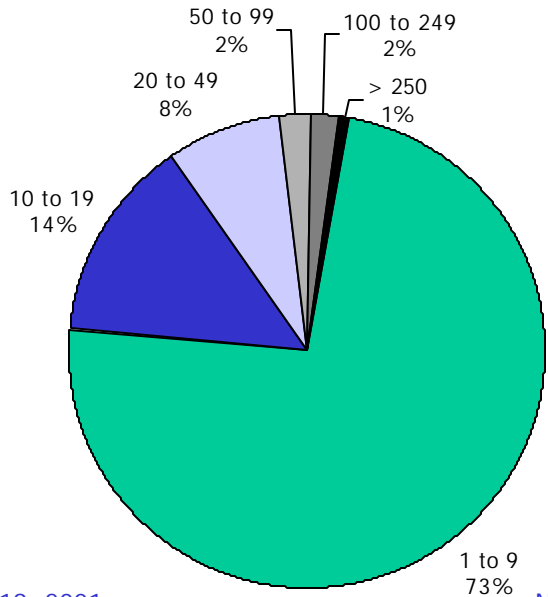
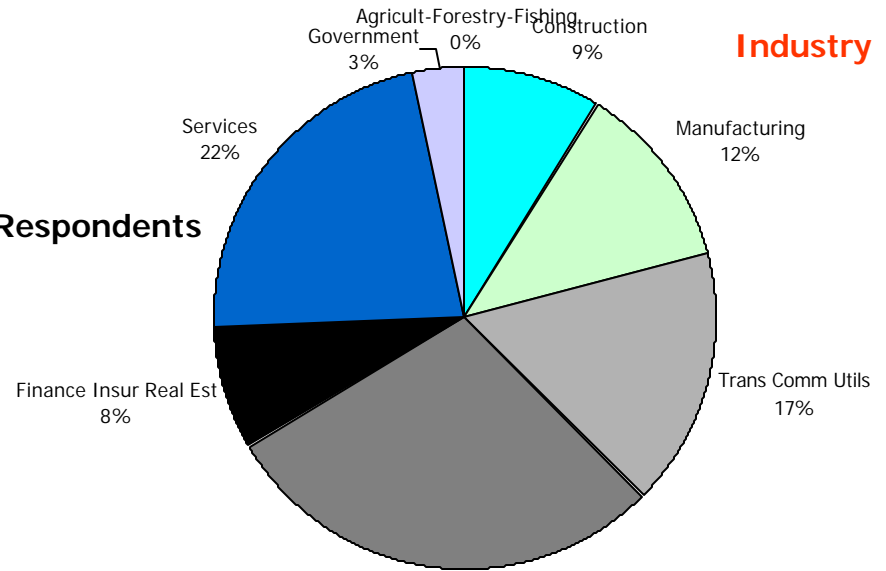
Characteristics of Employer Survey Respondents The employer sample is close to the overall population of employers in the area. But the sample has somewhat more larger firms and none of the firms in the agriculture, forestry, and fishing sector responded to the survey.

Employment Size

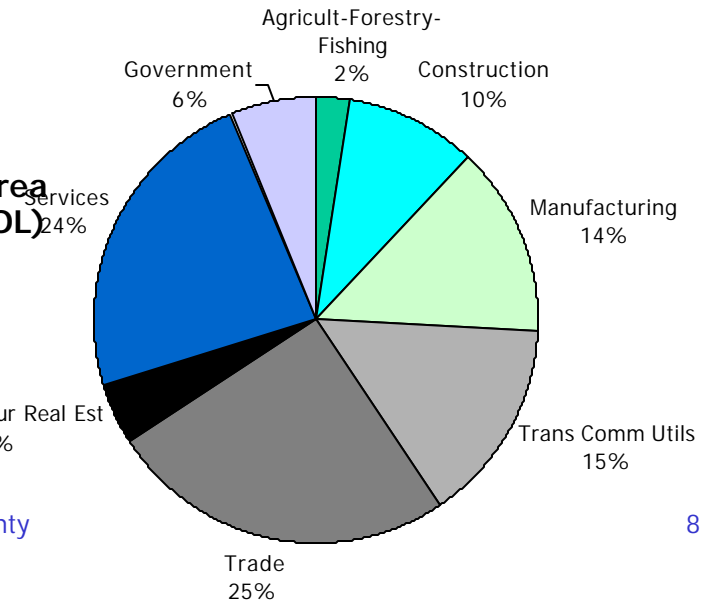


Survey Respondents

Industry

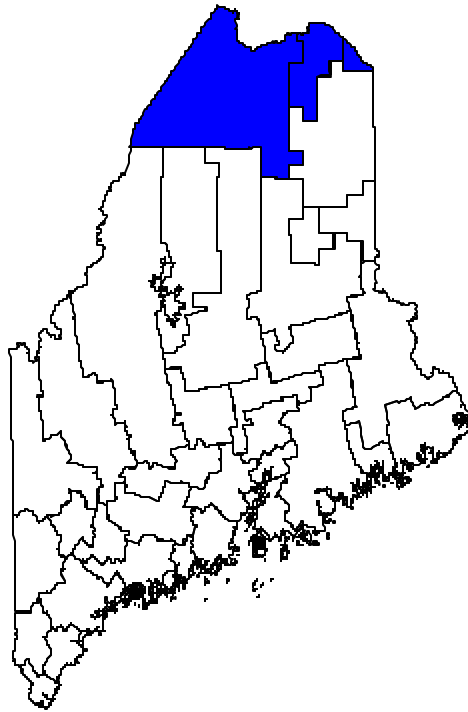


Labor Market Area (from Maine DOL)



October 19, 2001

Northern Aroostook County



Employment Mobility Trends

Length of Employment Employees in the region tend to stay in their positions and with their current employers for long periods. More than half of the respondents indicate that they have been in their current position with the same employer for more than ten years, and nearly a third have been in their primary job and with that employer for fifteen years or more.

Respondents with second jobs are more mobile, with more than half in their current position less than 12 months and about half with their current second employer less than 2 years. However, longevity is also a characteristic for many second job holders. Nearly a quarter have been with their second employer for more than six years.

Length of Employment-Primary Job		
	N	Percent
< 6 months	23	7.9%
6-12 months	6	2.1%
1-2 years	17	5.8%
2-4 years	33	11.3%
4-6 years	32	11.0%
6-10 years	41	14.1%
10-15 years	44	15.1%
>15 years	95	32.6%
TOTAL	291	

Length of Employment-Secondary Job		
	N	Percent
< 6 months	10	25.6%
6-12 months	10	25.6%
1-2 years	4	10.3%
2-4 years	15	38.5%
TOTAL	39	

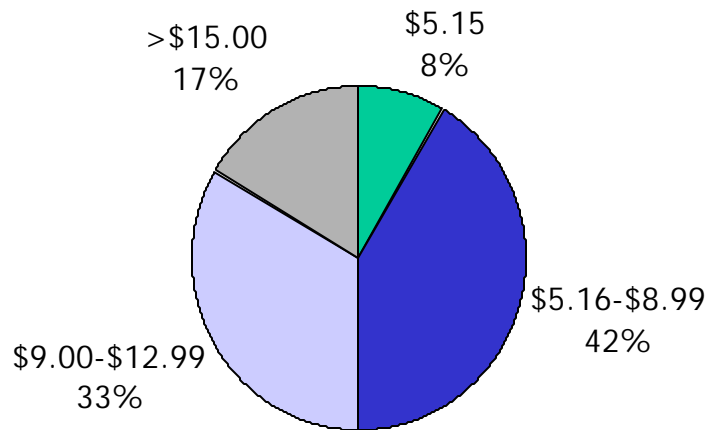
Length with Employer of Primary Job		
	N	Percent
1-2 years	48	16.5%
2-4 years	21	7.2%
4-6 years	33	11.3%
6-10 years	51	17.5%
10-15 years	37	12.7%
>15 years	101	34.7%
TOTAL	291	

Length with Employer of Secondary Job		
	N	Percent
< 6 months	5	12.8%
1-2 years	13	33.3%
2-4 years	7	17.9%
4-6 years	4	10.3%
6-10 years	3	7.7%
10-15 years	4	10.3%
>15 years	3	7.7%
TOTAL	39	

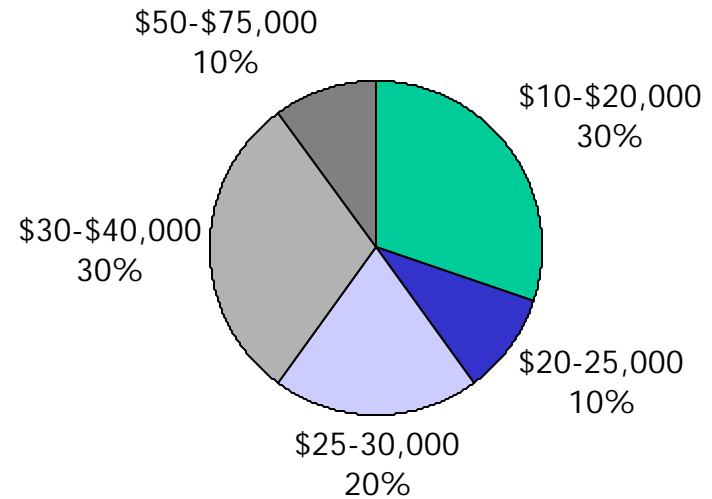
Holding a Second Job 11.7% of respondents indicate that they hold more than one job. Somewhat more women (14%) than men (10%) hold more than one job.

As the two charts show, those who hold more than one job are not confined to low paid positions. The wage and salary distribution of the primary job (defined as the one worked the most hours per week) for second job holders are similar to the wage and salary distribution of all workers in this study.

**Second Job Holder's
Primary Job Wages**
N=24



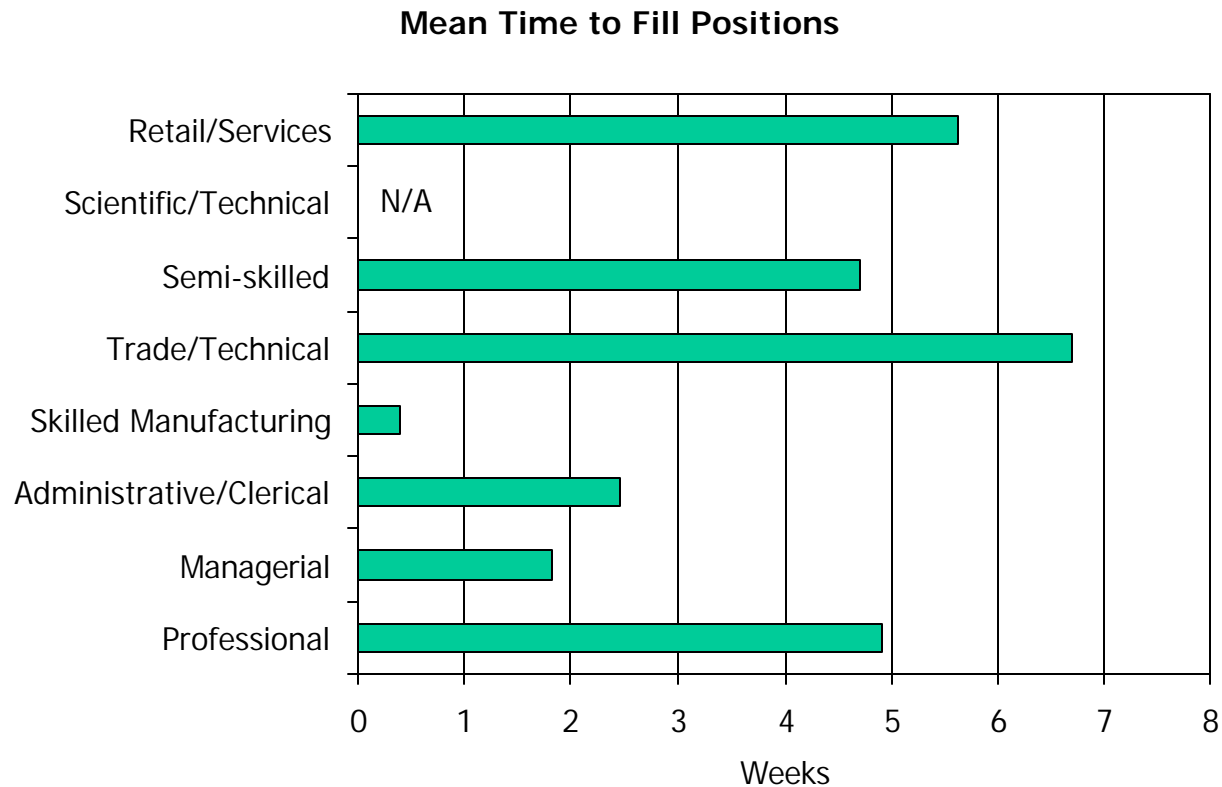
**Second Job Holder's
Primary Job Salary**
N=10



Employee Turnover Rates Employers were asked about the number of workers who left voluntarily or involuntarily during the previous year. On average, a little more than 5 workers per firm* left voluntarily, while only 1 worker per firm was laid off. The highest voluntary leaving rate was in manufacturing, the lowest in construction. Manufacturing also showed the highest lay off rates, resulting in the highest turnover rates in the region. It should be noted that this reflects the small manufacturing firms in the region, rather than the region's major employer Fraser Paper.

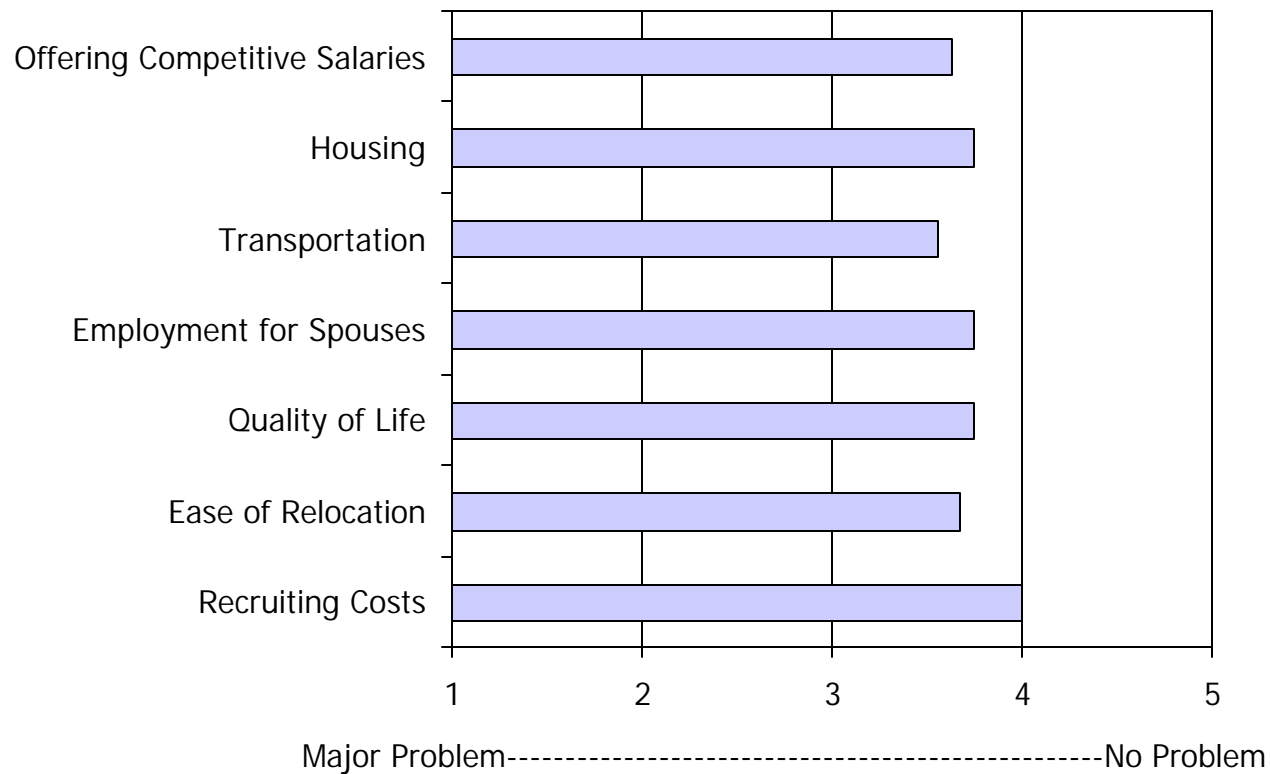
	N of Firms	Mean Employees	Mean Employees	
	Reporting	Voluntarily Left	Laid Off	Turnover Rate*
Construction	8	0.6	1.3	33.5%
Manufacturing	15	5.7	1.7	43.6%
Transportation Communications Utilities	21	0.8	0.1	13.3%
Trade	33	1.3	0.1	19.1%
Finance Insurance Real Estate	9	0.8	0.1	18.2%
Services	26	5.2	0.2	15.9%
Government	4	1.0	0.8	7.0%
All Respondents	116	5.1	1.1	17.9%
* Sum of voluntary and involuntary separations divided by firm employment				

Time to fill positions Employers report the most difficulty filling skilled trade and technician positions, with an average of nearly 7 weeks to fill the positions. Retail and service occupations also took about six weeks to fill, slightly longer than professional positions. The higher than average turnover rates in manufacturing show up here in skilled manufacturing positions having the shortest time to be filled.



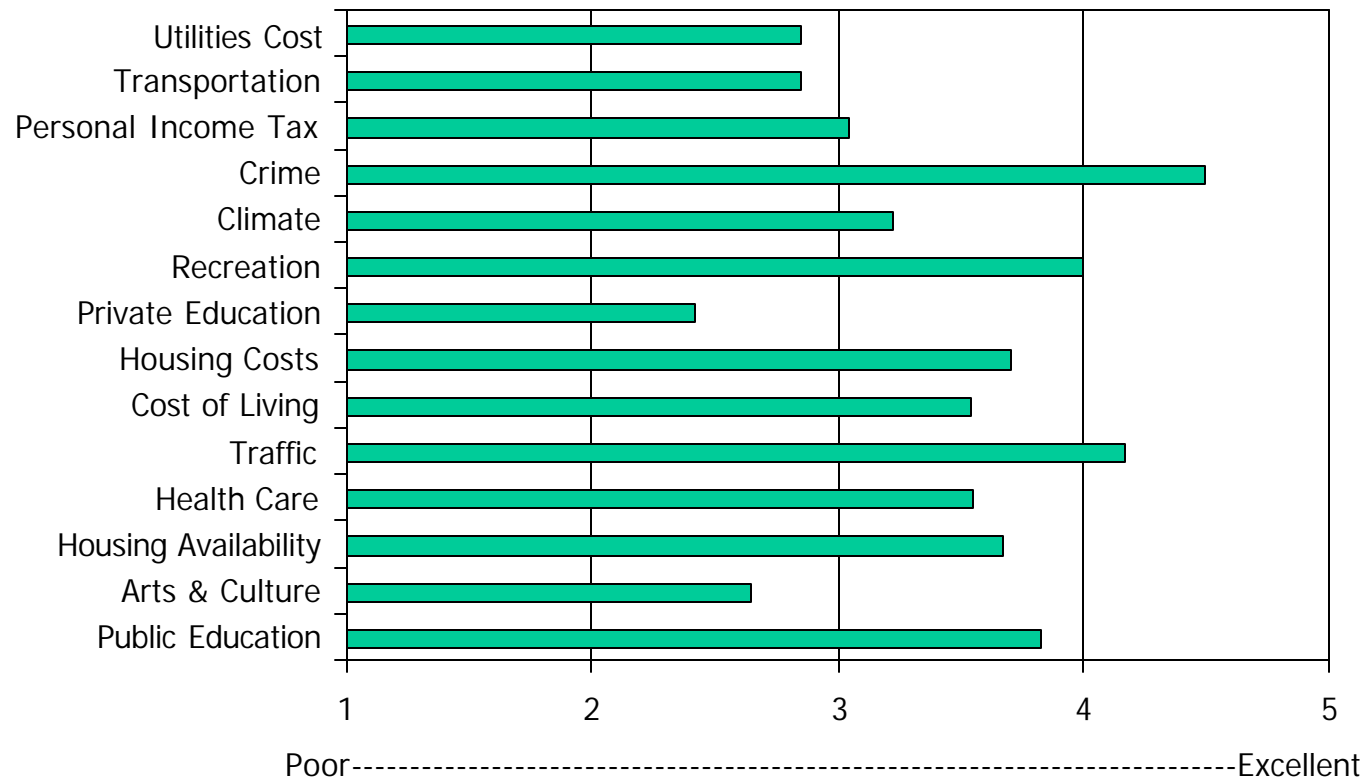
Evaluation of recruiting problems None of the issues surrounding recruiting of employees from outside the region showed up as a major problem for the average firm. Transportation and ease of relocation received the average rating closest to defining a problem, but none of the issues inquired about had a mean rating on a 5 point scale below 2.5 (where 1 indicates a major problem). Although remote, employers in the region do not indicate that recruiting costs or employment for spouses are significant problem.

Mean Evaluation of Recruiting Problems



Rating of Quality of Life Factors Affecting Recruiting More detail on the rating of quality of life factors is shown in this figure. The highest rated factors are low crime, recreational opportunities, no traffic, and good public education. Concern about transportation, the availability of arts & culture, utilities cost, and private education was expressed.

Mean Evaluation of Quality of Life Factors Affecting Recruiting

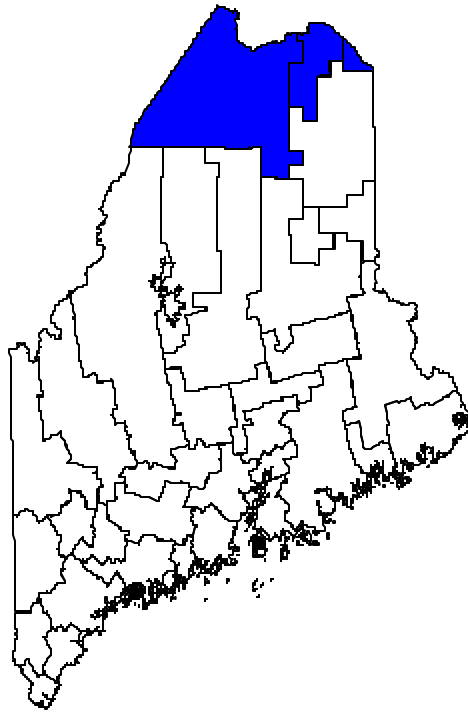


Approaches to Employee Recruiting Local newspaper advertising and a firm's own employees are the most commonly used approaches for recruiting new employees. Walk-ins, and job postings are next most commonly used. Though few firms use it, television advertising is deemed most effective by those who do use it; a similar response was provided for temporary services. The Maine Job Service is also highly rated by those who use it.

	% Currently Using	% Considering Using	Evaluation*
Local News	45.6%	4.0%	2.1
Radio	0.8%	5.6%	3.0
Social Service Agencies	8.8%	1.6%	2.8
Employee Referrals	41.6%	1.6%	2.4
Referral Bonus	3.2%	0.8%	2.3
Employment Agencies	2.4%	0.8%	2.0
Temp Service	2.4%	0.8%	3.7
Regional Newspaper	16.8%	1.6%	2.4
Job Fairs	1.6%	2.4%	2.0
Walk-ins	38.4%	0.8%	2.7
Signing Bonus	1.6%	0.8%	2.5
Job Postings	19.2%	0.0%	2.2
Maine Job Service	8.8%	2.4%	3.6
Television	1.6%	3.2%	4.0
Electronic Media (web)	5.6%	2.4%	2.7
College/University Placement	4.0%	4.8%	2.8
* Scale 1-5 where 1 is very effective and 5 is very ineffective			

Most Important Issues in Building the Firm's Workforce Employers were asked to rate the top three issues they face in building their workforce. The issues cited most frequently (ranked number 1 by more than 50% of respondents) was finding employees in a timely way. The other highly mentioned #1 issue was providing adequate pay to recruit employees. Providing benefits and involving employees were most frequently mentioned as the second biggest issue, while finding employees with basic skills and providing flexibility for employees were mentioned by more than half the respondents as the third largest issue.

	Percent Choosing Issues As		
	# 1 Issue	# 2 Issue	#3 Issue
Find Employees in a Timely Way	52.3%	25.0%	22.7%
Providing Adequate Pay	44.9%	36.7%	18.4%
Providing Benefits	12.5%	46.9%	40.6%
Finding Employees with Particular Skills	40.0%	36.0%	24.0%
Finding Employees with Basic Skills	18.8%	31.3%	50.0%
Training Current Employees	21.1%	15.8%	63.2%
Providing Flexibility for Employees	28.6%	19.0%	52.4%
Involving Employees	10.0%	50.0%	40.0%

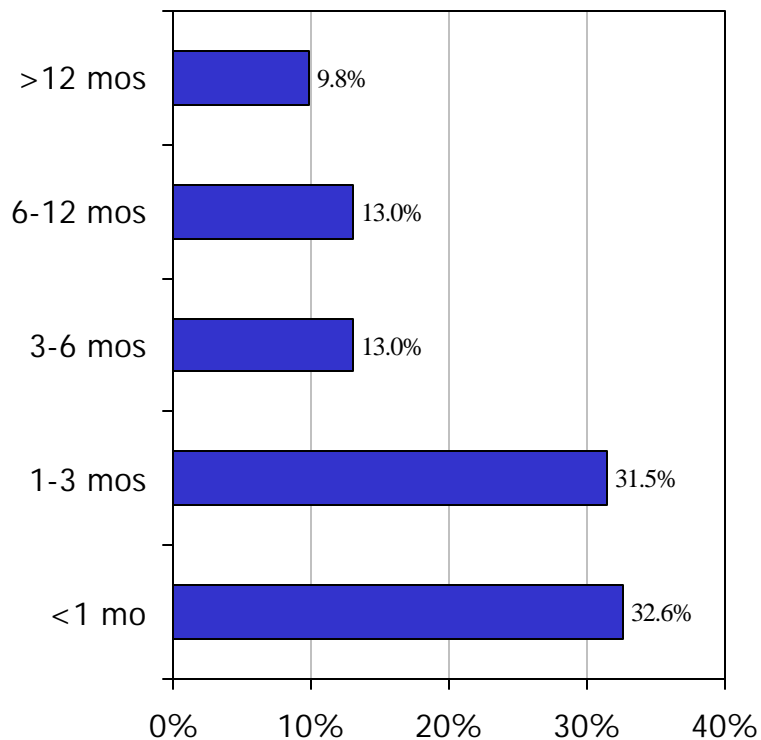


Unemployment and Underemployment

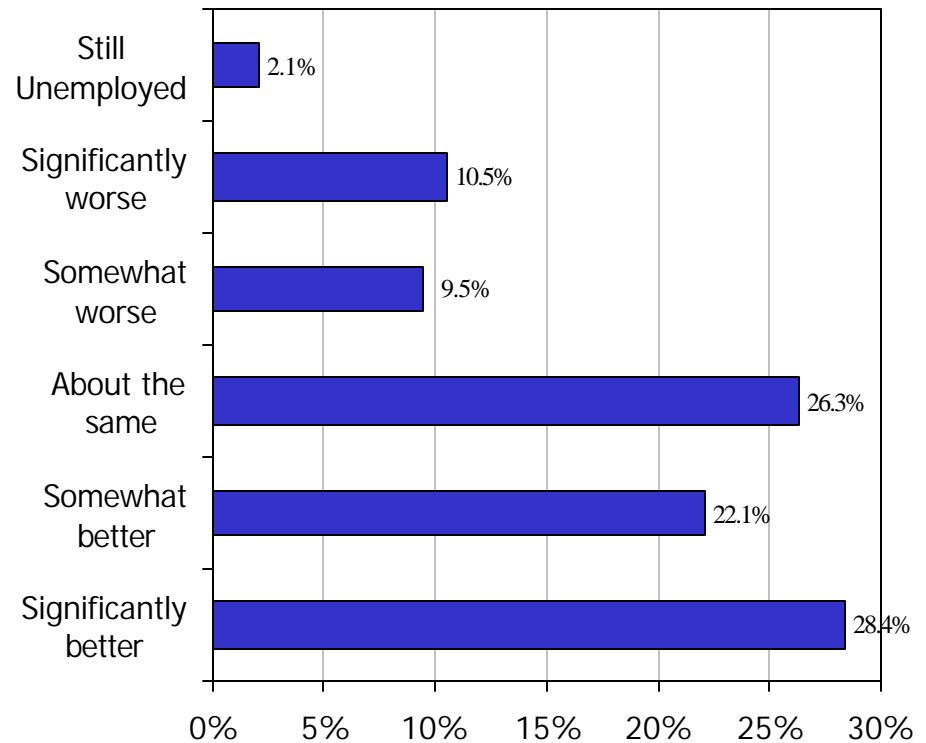
Experience after Permanent Layoff About one-quarter of the household survey respondents indicate that they have lost jobs to permanent layoffs or business closings. Despite the rural nature of this region, those who have lost jobs as a result of permanent layoff or business closing have been relatively successful in finding new employment relatively quickly. Over 60% report that it took less than 3 months after their last layoff to find another job.

Once found, a new job was highly likely to be as good as or better than the job lost in terms of pay and working conditions. Over 75% indicate that the next job was at least as good as or better than the job they lost.

Time to Next Job



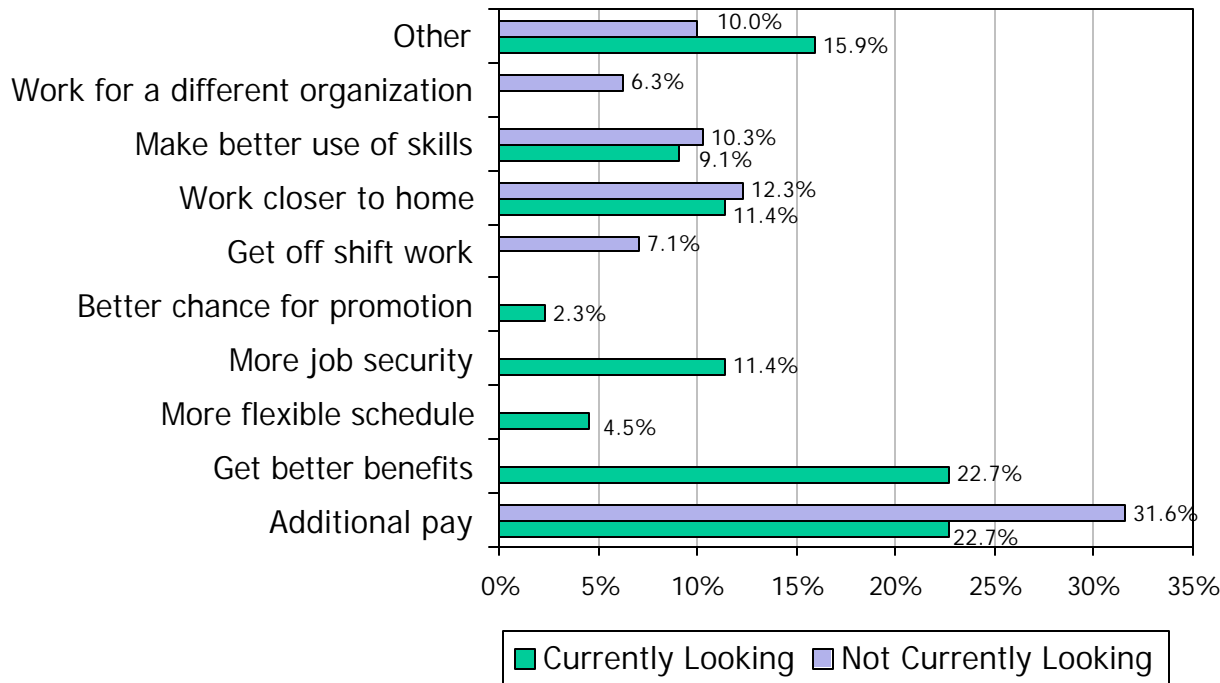
Evaluation of Next Job



Seeking a New Job The relatively high degree of employment stability in the region is reinforced by the fact that nearly 76% of the household survey respondents who are currently employed feel their job has a high degree of security. Fifteen percent indicate that they are actively looking for a different job.

The principal reasons given by those who are actively looking for a different job are better pay and better benefits. Of those who are not currently looking for another job, but indicate they might be willing to consider taking another job, the most important reason is more pay. Other reasons cited include looking for more fulfilling work, finding a better schedule, or getting benefits.

Reason for Looking for a New Job

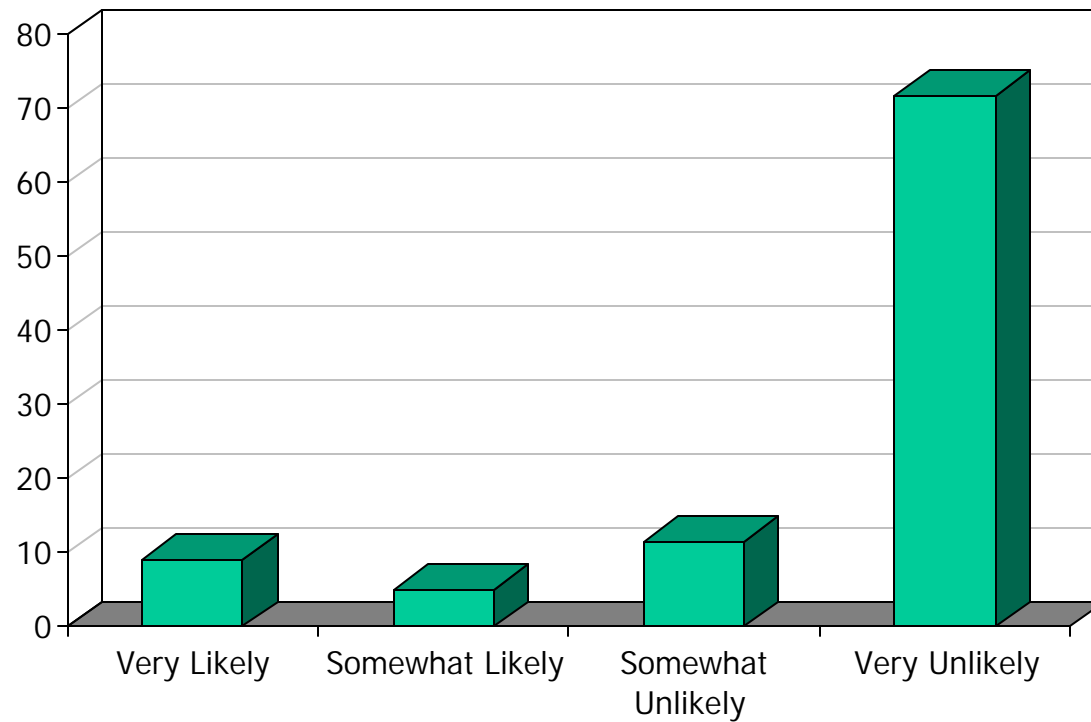


	N	Percent
Strongly Agree	106	35.9%
Somewhat Agree	118	40.0%
Neither Agree/Disagree	20	6.8%
Somewhat Disagree	25	8.5%
Strongly Disagree	26	8.8%
TOTAL	295	

Self Employed About 20% of respondents indicate that they are self employed only, while another 4% indicate that they have self employment as a supplement to regular employment with an organization. Most self employed workers are satisfied and would not seek employment with an organization (more than 80% indicate that it is somewhat to very unlikely that they would give up self employment to work in an organization).

Of those who are self employed who indicate that they are interested in seeking work in an organization, a little more than half indicate that getting benefits or better pay is the primary reason to do so.

Likelihood of Self-Employed to Work in Organization

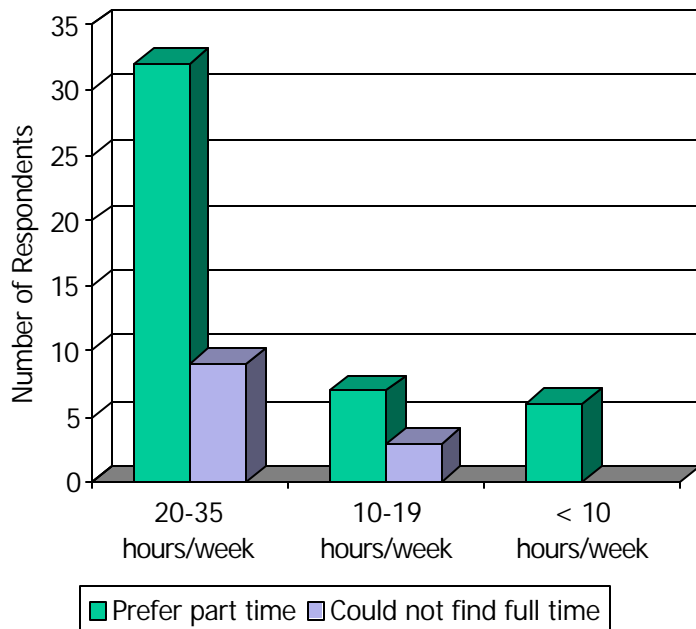


Part Time and Part Year Work More than four-fifths (80%) of primary jobs are full-time, that is, more than 35 hours per week. Almost half, (48%) are 40 hours or more. A high proportion of primary jobs (80%) were held for fifty-two weeks.

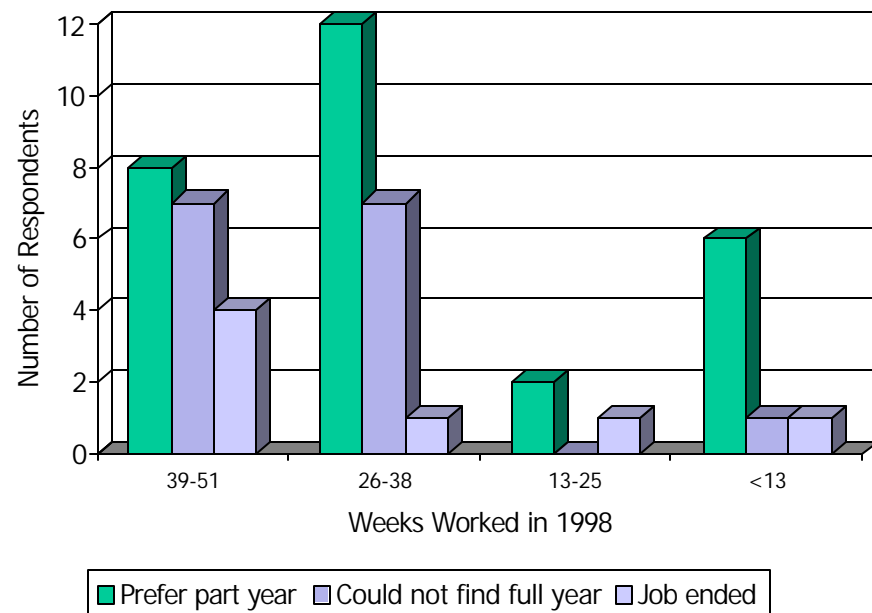
Of those who work between 20 and 35 hours a week, there is a strong preference for part time work. There is a slight preference for part time work rather than full time work for those who work 10-19 hours per week.

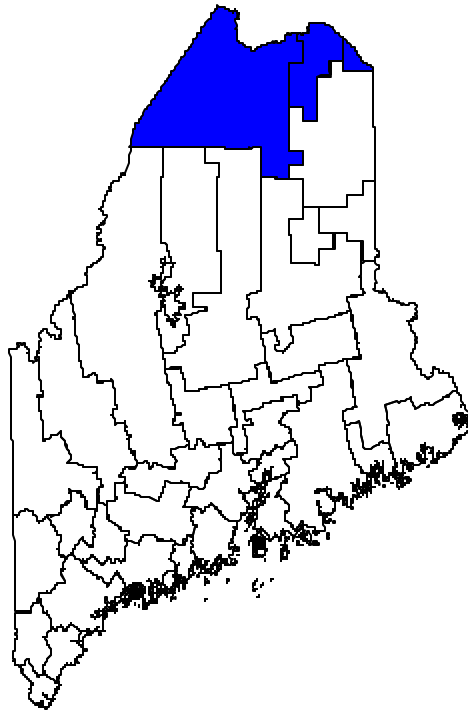
Of those who worked part year in 1998, a high proportion indicated that they couldn't find a full year's work. Nonetheless, a majority of those who worked part year indicated that they preferred part year employment.

Preference for Part Time Work



Preference for Part Year Work





Employment Costs

Wages by Job Classification Less than 3% of the jobs in the region pay minimum wage, but a high proportion of jobs in food service are at the minimum wage. The presence of a large number of Fraser Paper workers in the region (and in the sample) results in a significant distribution of wages above the \$15.00 per hour category. However, even outside of manufacturing occupations a large portion of occupational wages are in the \$10.00 to \$12.99 per hour range.

	Distribution of Reported Hourly Wages by Job Category									N
	Wage Rate Per Hour									
	\$5.15	\$5.15-5.99	\$6.00-\$6.99	\$7.00-7.99	\$8.00-8.99	\$9.00-9.99	\$10.00-12.99	\$13.00-14.99	>\$15.00	
Professional			33.3%		33.3%		33.3%			3
Management		9.1%		9.1%	9.1%	27.3%	45.5%			11
Supervisors						16.7%	16.7%	16.7%	50.0%	1
Sales										0
Clerical	5.3%			15.8%	26.3%	10.5%	26.3%		15.8%	19
Retail		60.0%	40.0%							5
Non-health Services					16.7%	33.3%			50.0%	32
Health Services			9.4%	21.9%	12.5%	15.6%	15.6%	12.5%	12.5%	32
Banking/Real Estate				50.0%			50.0%			2
Transportation	3.5%	3.5%	10.3%	13.8%		20.7%	20.7%	6.9%	20.7%	29
Skilled Trades		3.7%	3.7%	3.7%	3.7%	14.8%	18.5%	3.7%	48.2%	27
Skilled Manufacturing	5.0%	5.0%		2.5%	2.5%	2.5%	5.0%		77.5%	40
Agriculture			100.0%							1
Forestry							33.3%	66.7%		3
Laborer						40.0%			60.0%	5
Food Service	25.0%		25.0%	25.0%	25.0%					8
ALL RESPONDENTS	2.9%	3.9%	6.3%	9.7%	7.8%	12.6%	15.5%	4.9%	32.0%	206

Salary by Job Classification Salaries are not high in the region. More than three quarters of salaried respondents indicated that they earn less than \$40,000 per year. The most common salary range is between \$30,000-\$39,999.

	Annual Salary								N
	<\$10k	\$10-19.999k	\$20-24.999k	\$25-29.999k	\$30-39.999k	\$40-49.999k	\$50-74.999k	>\$75k	
Professional	4.5%	4.5%		22.7%	50.0%	4.5%	13.6%		22
Management		15.4%		23.1%	38.5%	7.7%	15.4%		13
Supervisors		12.5%		12.5%	12.5%	12.5%	37.5%	12.5%	8
Sales	33.3%	33.3%			33.3%				3
Retail			100.0%						1
Non-health Services		50.0%		50.0%					2
Health Services				33.3%	66.7%				3
Banking/Real Estate		50.0%		50.0%					2
Transportation				42.9%	28.6%	28.6%			7
Skilled Trades		33.3%		33.3%			33.3%		3
Skilled Manufacturing							100.0%		1
Laborer	100.0%								1
Food Service		100.0%							1
ALL RESPONDENTS	3.8%	11.4%	1.3%	20.3%	27.9%	6.3%	12.7%	1.3%	74

Wages and Salaries by Time on Job In the sample, starting wages are shown as being generally between \$5.15 and \$10.00 per hour, and most minimum wage jobs are held by people with substantially longer terms of service. It is also noteworthy that relatively high wages (more than \$15.00 per hour) are earned with relatively short (1-2 years) terms of service. Salaried employees indicate relatively low salaries (less than \$20,000), despite long years of service.

Hourly Wage by Time on Job										
	\$5.15	\$5.15-5.99	\$6.00-6.99	\$7.00-7.99	\$8.00-8.99	\$9.00-9.99	\$10.00-12.99	\$13.00-14.99	>\$15.00	N
< 6 Months		11.8%	23.5%	17.7%		23.5%	17.7%		5.9%	17
6 -12 Months					50.0%		25.0%	25.0%		4
1-2 Years		16.7%	8.3%	16.7%		25.0%	8.3%	8.3%	16.7%	12
2-4 Years	3.7%	3.7%	11.1%	18.5%	11.1%	14.8%	11.1%	7.4%	18.5%	27
4-6 Years	5.0%	5.0%	5.0%	5.0%	25.0%	5.0%	10.0%		40.0%	20
6-10 Years	3.4%	3.4%	13.8%	17.2%	6.9%	20.7%	20.7%	3.4%	10.3%	29
10-15 Years	10.0%		6.7%	10.0%	3.3%	13.3%	13.3%	10.0%	33.3%	30
>15 Years	1.6%	1.6%		1.6%	7.8%	7.8%	18.8%	3.1%	57.8%	64
Annual Salary by Time on Job										
	<\$10k	\$10-19.999k	\$20-24.999k	\$25-29.999k	\$30-39.999k	\$40-49.999k	\$50-74.999k	>\$75k		N
< 6 Months	40.0%	40.0%					20.0%			5
6 -12 Months		50.0%			50.0%					2
1-2 Years		40.0%			60.0%					5
2-4 Years		16.7%		50.0%			16.7%	16.7%		6
4-6 Years	11.1%	11.1%	11.1%	11.1%	33.3%	11.1%	11.1%			9
6-10 Years		12.5%		50.0%	12.5%		25.0%			8
10-15 Years				36.4%	27.3%	18.2%	18.2%			11
>15 Years		11.5%	3.8%	15.4%	46.2%	11.5%	11.5%			26

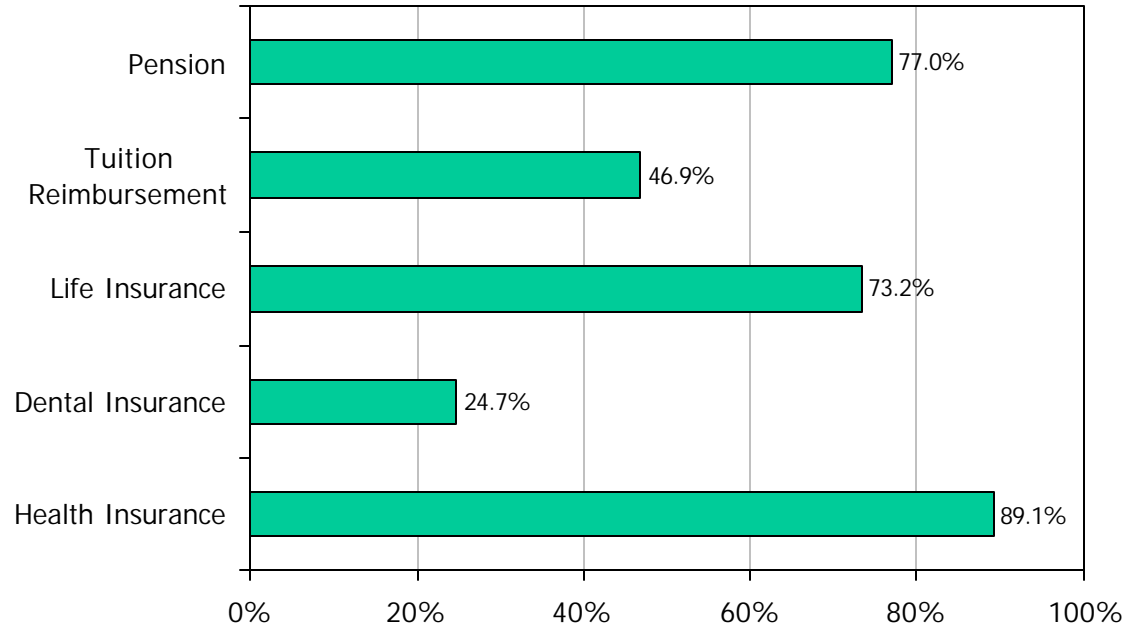
Starting Wages and Salaries by Occupation

	Mean Starting Wages/Hour	N	Mean Starting Salary/Year	N
Professional	\$15.59	19	\$33,283	23
Managerial	\$11.78	23	\$30,827	31
Administrative/Clerical	\$8.27	49	\$21,266	20
Skilled Manufacturing	\$10.19	8	\$24,250	4
Skilled Trades	\$11.10	33	\$26,636	11
Semi-skilled	\$7.86	31	\$19,750	10
Scientific/Technical	\$10.69	8	\$29,417	6
Retail/Services	\$6.68	31	\$21,800	5

Percent of Respondents Indicating They Receive Benefits

Benefits Health insurance is reported as the most common benefit received, followed by pension, life insurance, tuition reimbursement and dental insurance.

The principal determinant of whether someone receives benefits is the hours worked per week. Those who work more than 35 hours per week are more likely to get the major benefits. Those who work more than 20 hours per week are more likely to receive health insurance.

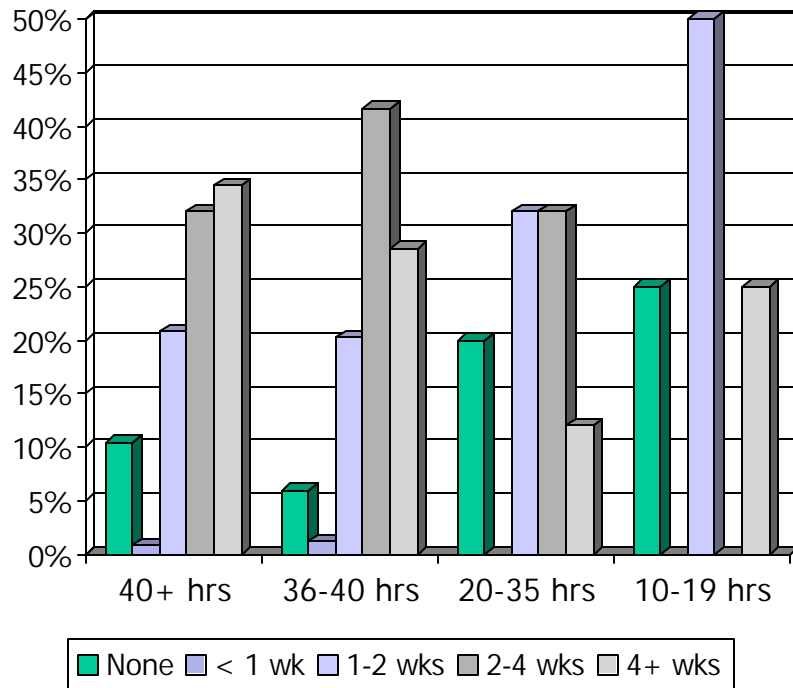


Percent Receiving Benefits by Hours Worked Per Week					
	40+	35-40	20-35	10-20	< 10
Health Insurance	94%	94%	60%	50%	0%
Dental Insurance	24%	29%	20%	0%	0%
Life Insurance	79%	76%	44%	25%	0%
Tuition Reimbursement	45%	57%	28%	25%	0%
Pension	80%	80%	64%	25%	0%

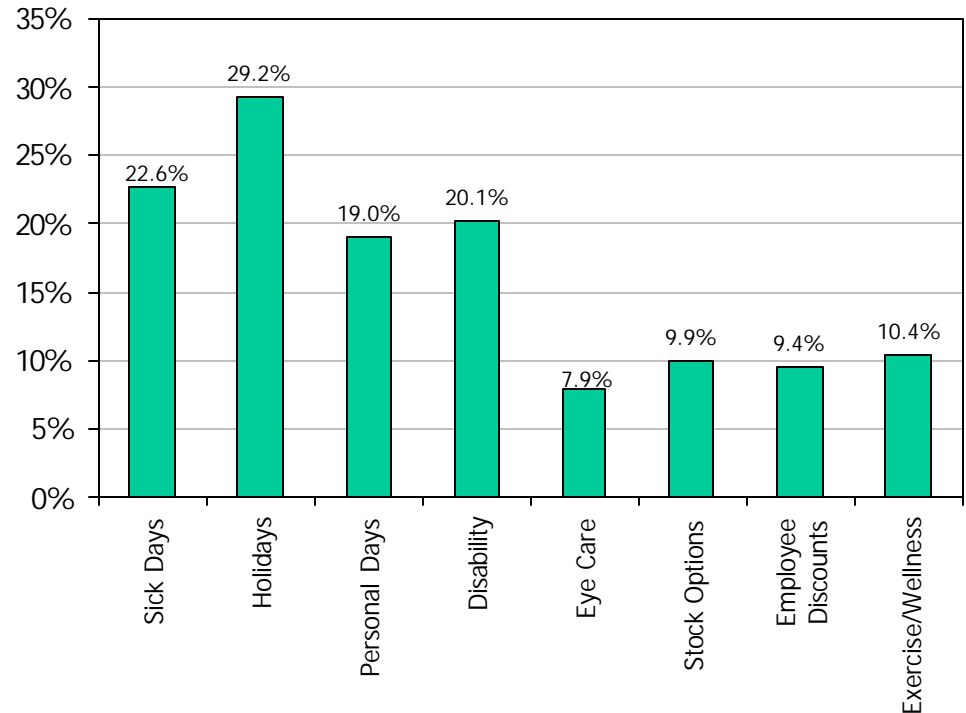
Vacation and Other Benefits For those working forty or more hours per week, the majority get two or more weeks of vacation per year, with a majority of these getting four or more weeks of vacation. For those working between 35 and 40 hours per week, the norm is 2-4 weeks vacation. Below 35 hours, vacations are somewhat less common, with 1-2 weeks being most common.

There are three other groups of benefits offered with varying degrees of frequency. Holidays and sick days are offered to around a quarter of employees. Personal days and disability insurance are offered to about one fifth, and eye care, stock options, employee discounts, and exercise/wellness programs to 10% or less.

Weeks of Vacation by Hours Worked per Week-Primary Job



Other Benefits Offered- Primary Job

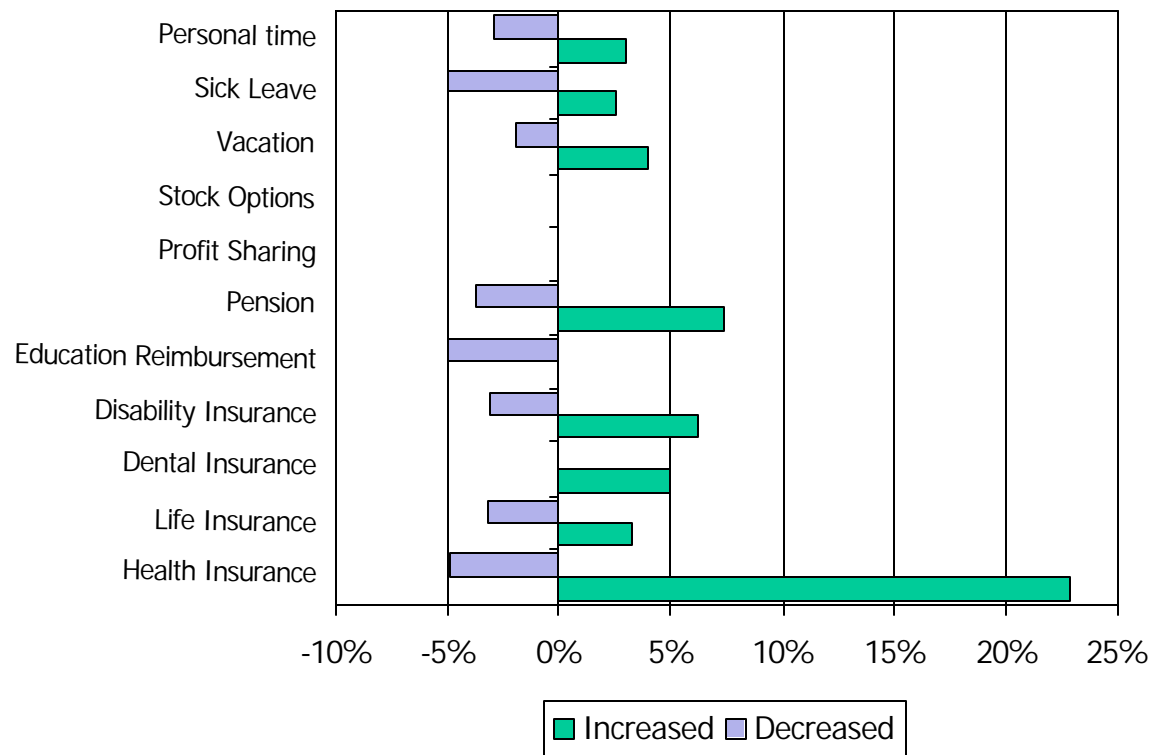


Benefits Reported in the Employer Survey The most common benefit for full time employees is vacation. Next is health insurance, offered by just over half of the respondents. Health insurance and vacation are also under reported by employers to be under consideration for full time employees, but by less than 10% of employers. Part time employees are less likely to get benefits, with vacation and sick leave more common. Few part time employees get health insurance..

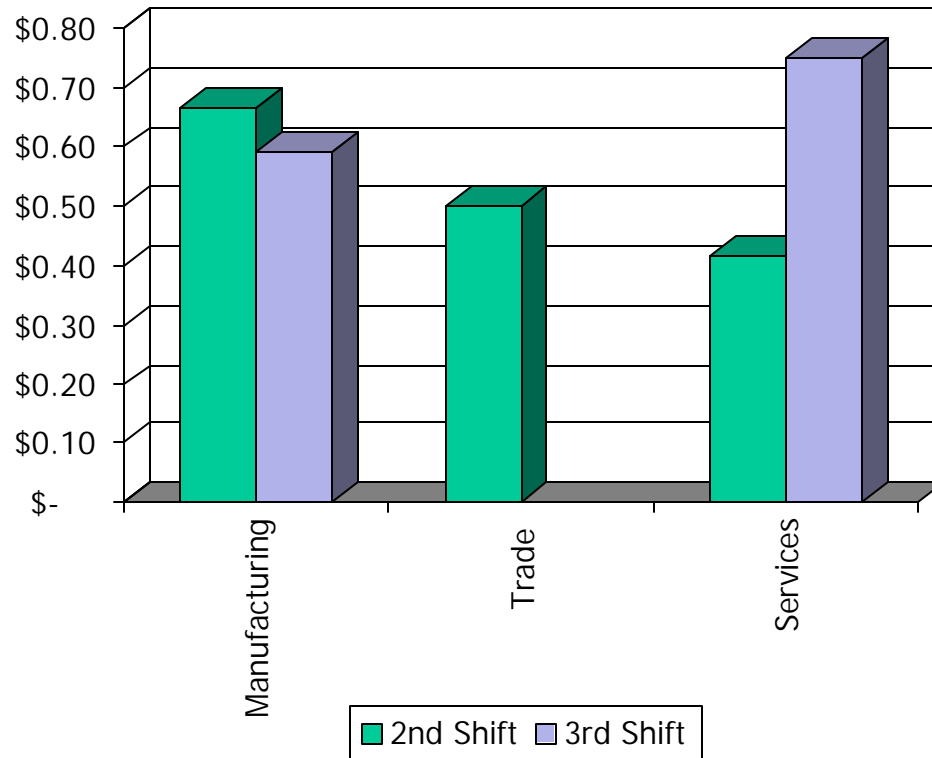
	Percent Reporting Benefits For			
	Current Employees		Under Consideration for	
	Full Time	Part Time	Full Time	Part Time
Health Insurance	51.2%	7.2%	6.9%	2.7%
Life Insurance	24.0%	4.8%	3.3%	1.7%
Dental Insurance	10.4%	3.2%	2.8%	1.7%
Disability Insurance	24.0%	4.0%	3.3%	1.7%
Education Reimbursement	16.0%	5.6%	2.0%	1.7%
Pension	22.4%	6.4%	4.3%	2.6%
Profit Sharing	4.0%	0.0%	3.4%	1.6%
Stock Options	2.4%	1.6%	2.5%	1.7%
Vacation	62.4%	24.0%	6.8%	2.2%
Sick Leave	42.4%	16.8%	1.4%	2.0%
Personal time	32.0%	14.4%	3.7%	1.9%

Changes in benefits A larger number of firms report that they are increasing benefits (defined as increasing the amount of benefits or the number of employees covered) than are decreasing benefits. However, a number of employers have reduced benefits such as health insurance, sick leave, and educational reimbursement. Health Insurance is the most commonly increased *and* decreased, though more employers are reporting an increase in health insurance than a decrease.

Recent Changes in Benefits

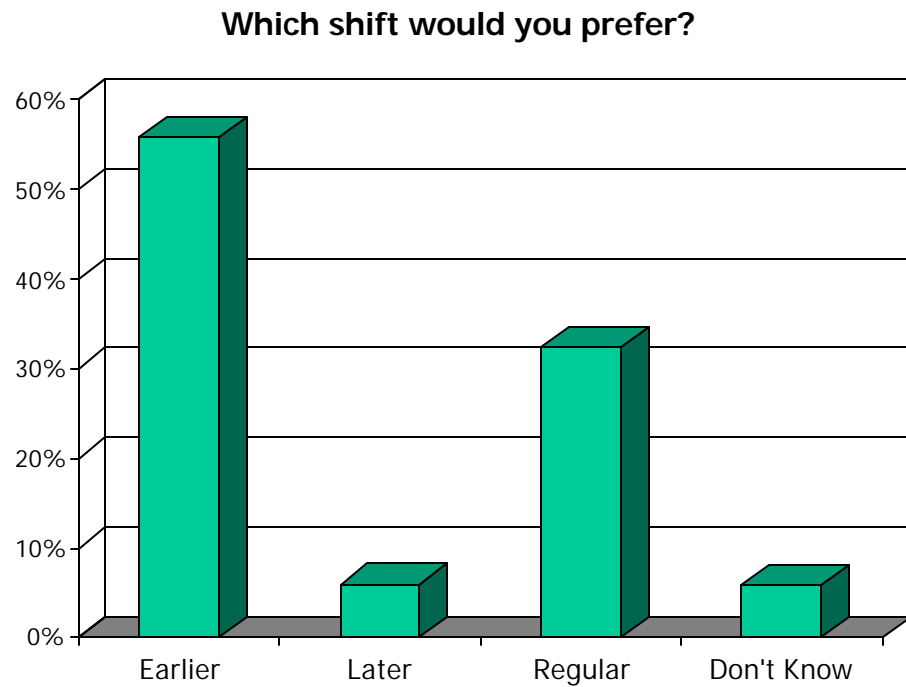
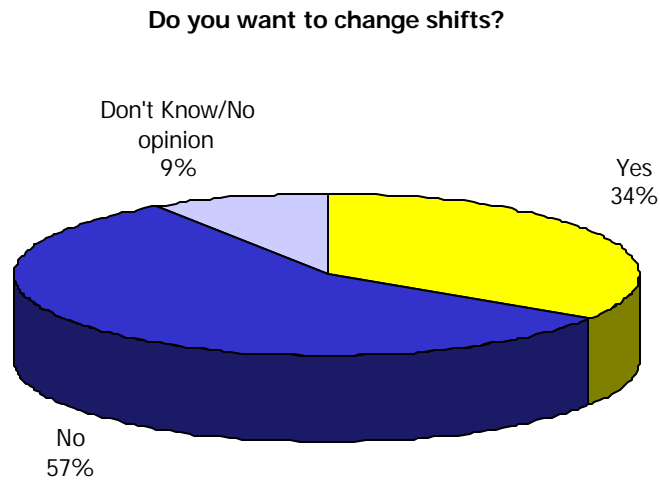


Shift Premiums The average second shift premium paid by firms in the Northern Aroostook area is \$0.53 per hour. The average third shift premium is \$2.35 per hour. The largest difference between second and third shift premiums is in the service industries.

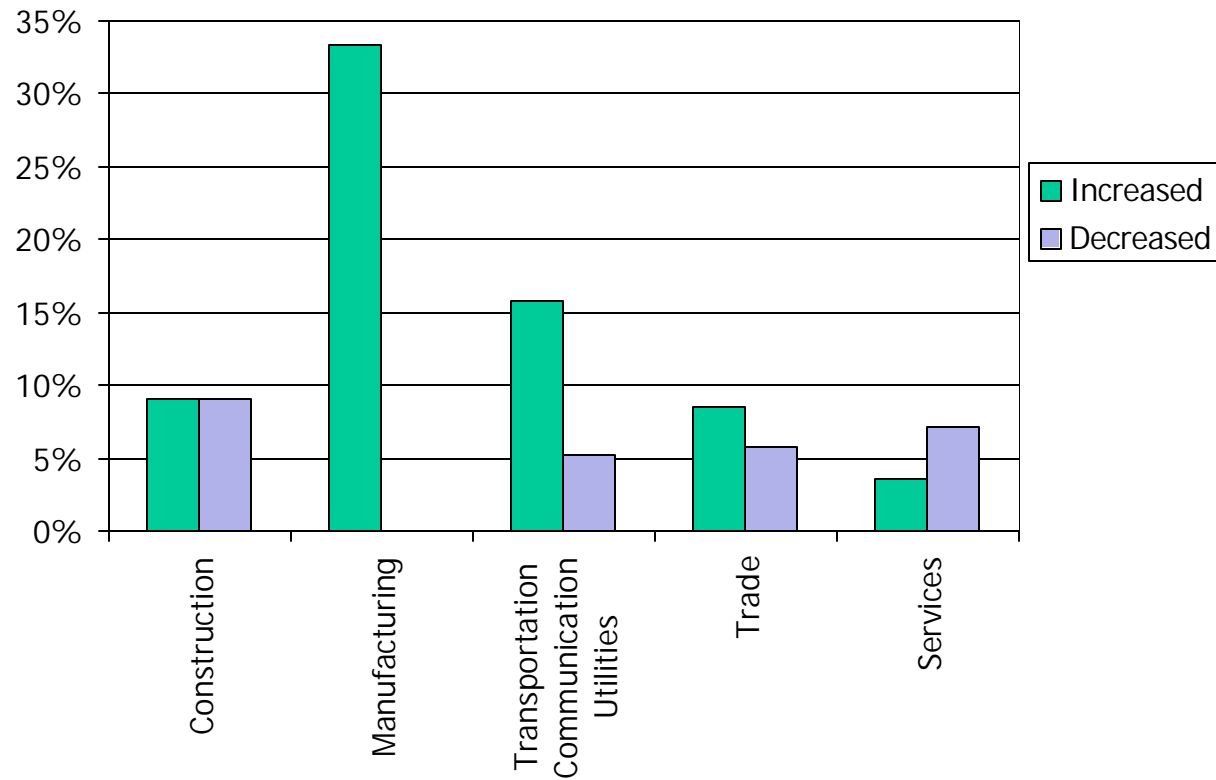


Number of Firms Reporting		
	2nd Shift	3rd Shift
Manufacturing	3	4
Trade	2	
Services	3	3
TOTAL	8	7

Willingness to Change Shifts Of those who do shift work, most (57%) indicate that they are satisfied with their current shift assignments. Only 34% indicate that they would like to change shifts. Of these, the majority (56%) would like an earlier shift, while about 33% would prefer a more regular shift assignment.

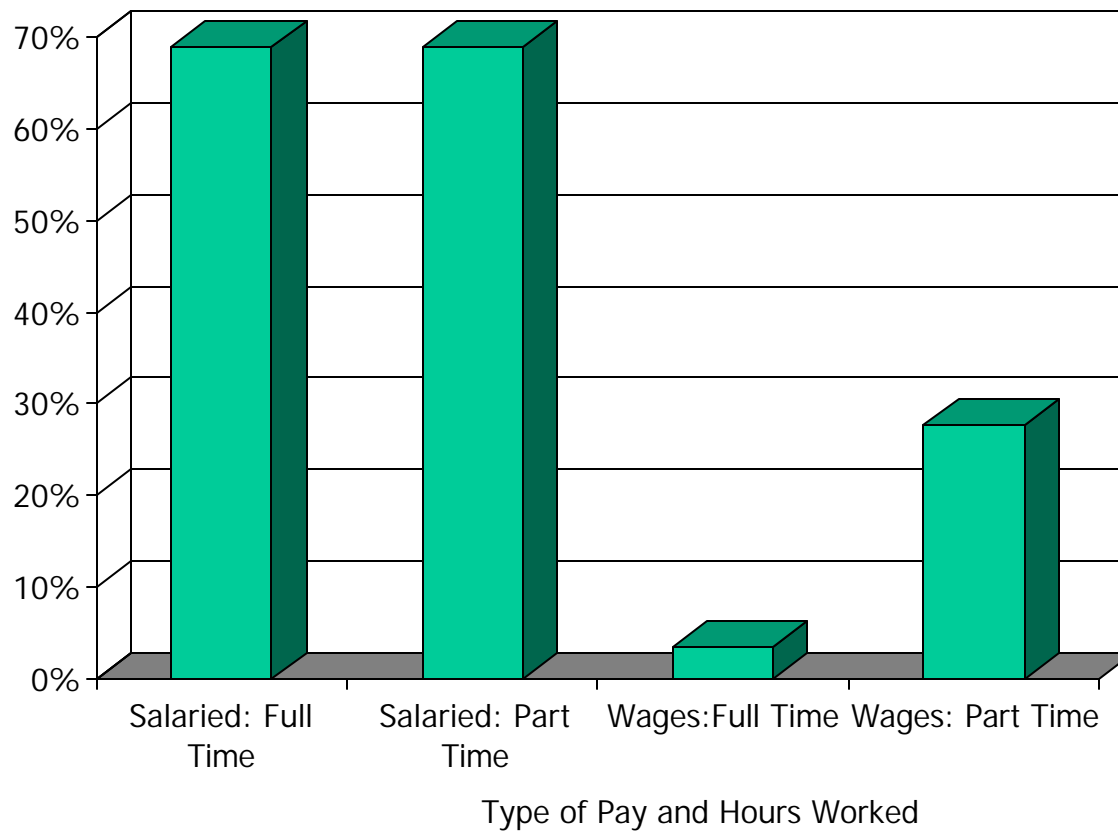


Overtime Use Of those firms which use overtime, 18% indicate that overtime has recently increased, while 8% indicate that it has decreased. The largest increases in overtime use have come in manufacturing. Only in services companies have more employers reported a decrease in overtime than reported an increase.



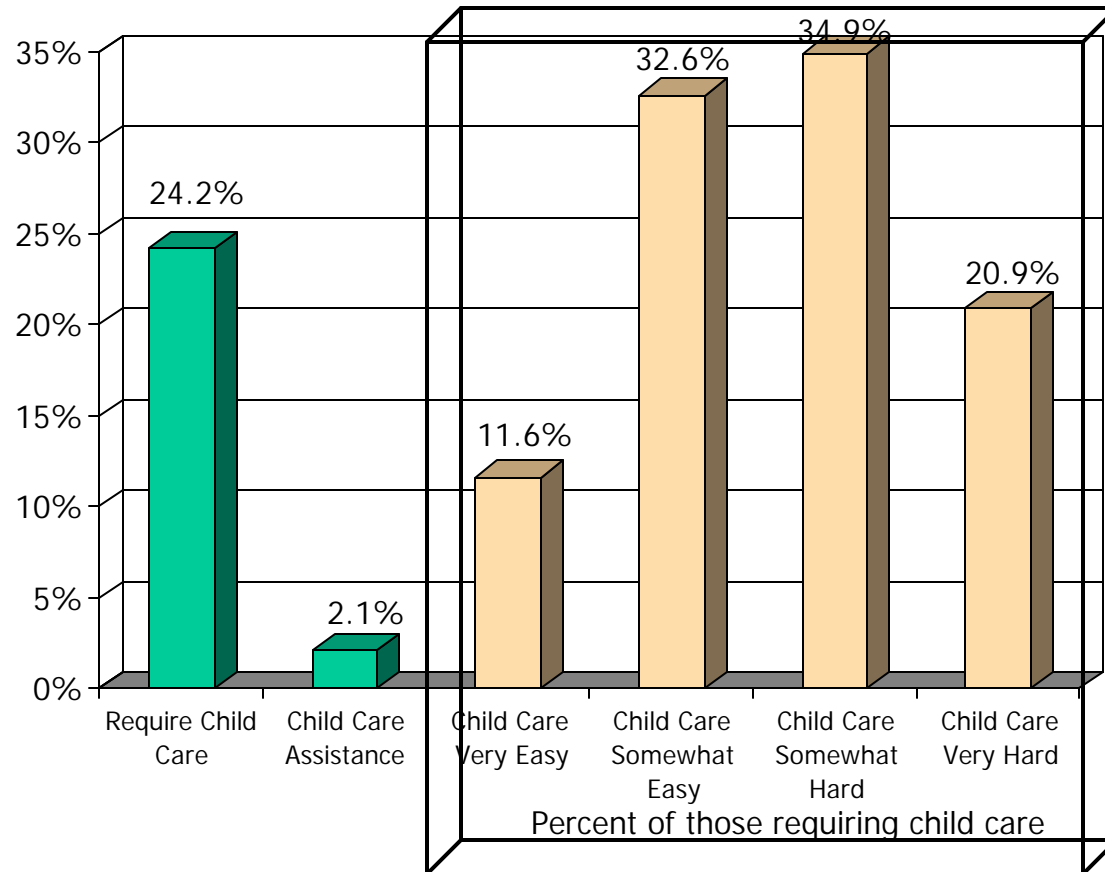
Pay for Performance Most firms report that performance payment options such as merit pay, bonuses, profit sharing, and stock options are available to salaried workers, while such options are relatively infrequently available to workers paid by an hourly wage. Somewhat more firms report pay for performance for part time workers than full time workers.

Percent of Employees Eligible for Performance Pay



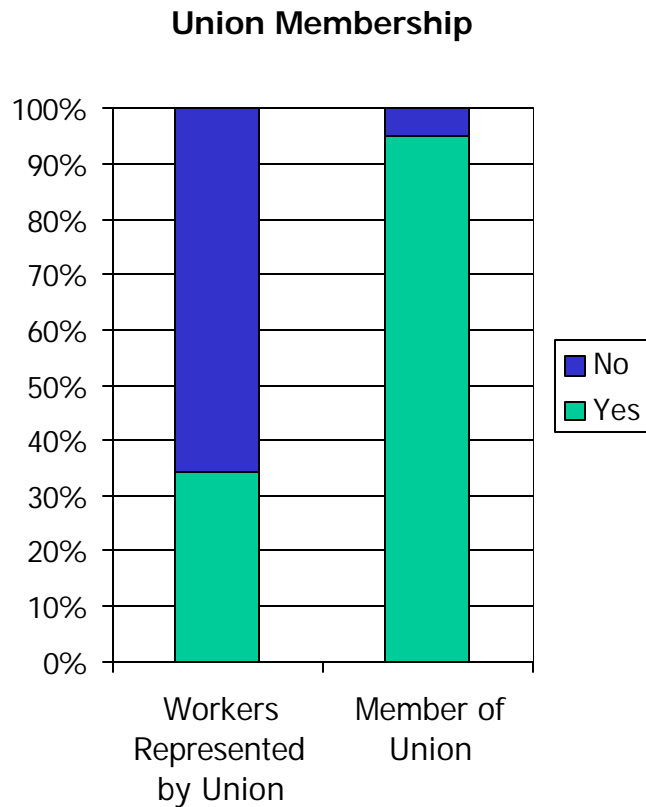
Child Care About 24% of respondents indicate that they require child care in order to be able to work, but only 3% indicate that their employers provide financial assistance for child care.

Of those who do require child care, most (54%) indicate that it is somewhat to very hard to find adequate child care.



Union Membership About one-third of respondents are represented by a union in their primary job, and of these, just under 95% are also union members.

Union members are strongly supportive of unions, with more than 85% indicating that they believe unions improve pay and working conditions. Non-union members consider it unlikely (56%) that they would vote to join a union if given a chance.

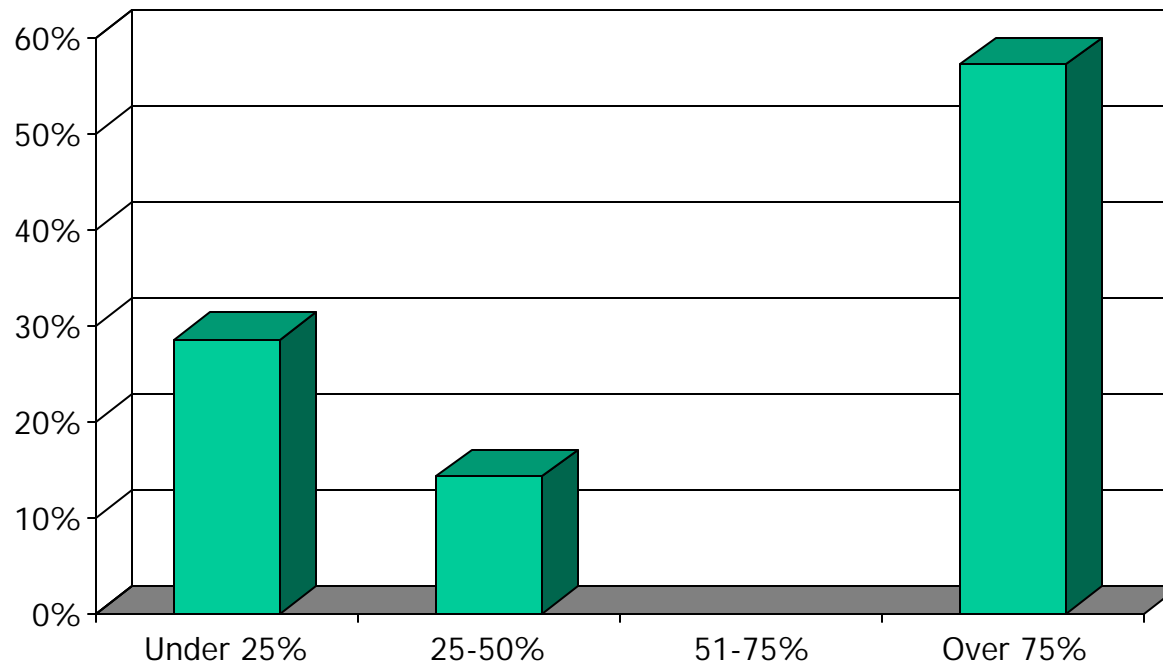


	N	Percent
Strongly improves	46	45.1%
Somewhat improves	41	40.2%
Has no effect	7	6.9%
Makes somewhat worse	4	3.9%
Makes significantly worse	1	1.0%
No opinion	2	2.0%

	N	Percent
Very likely	32	16.4%
Somewhat likely	39	20.0%
Somewhat unlikely	36	18.5%
Very unlikely	74	37.9%
No opinion	1	0.5%

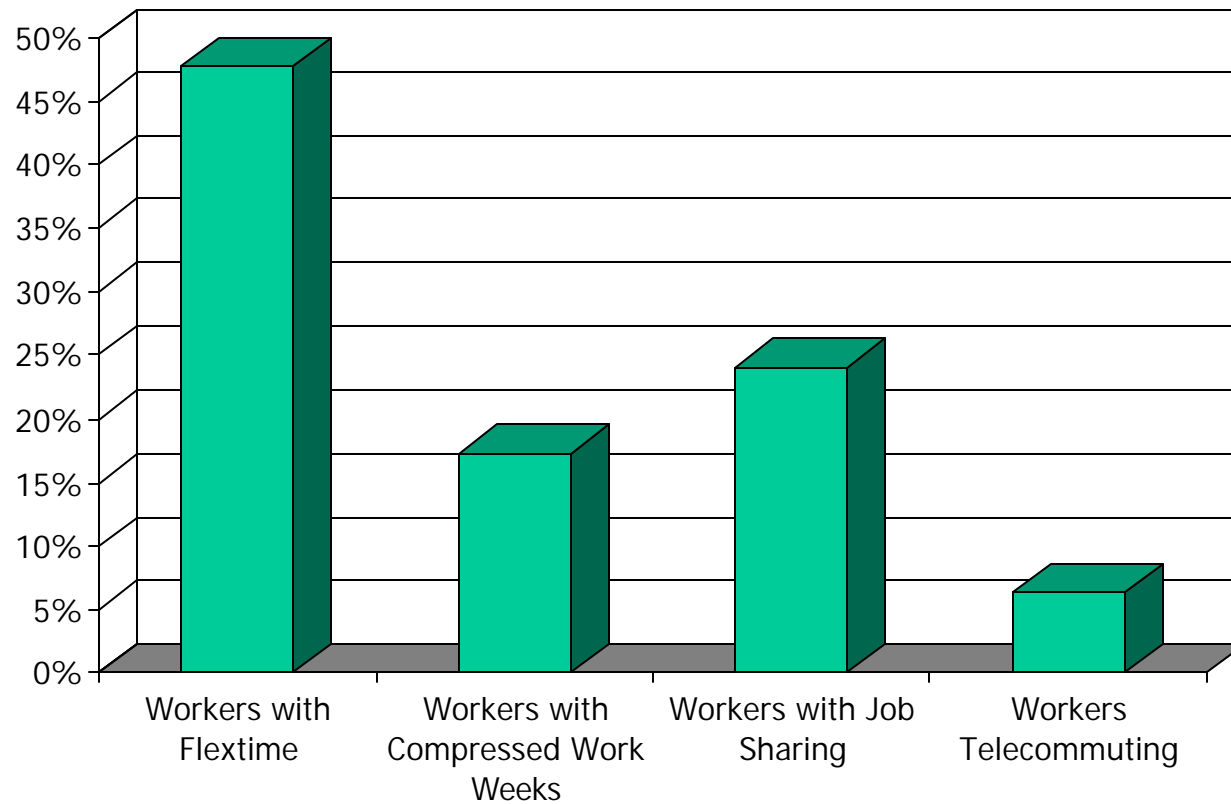
Employer-Union Relationships Seven firms (5.8%) in the survey indicated that they had unions associated with their organization. Half of the firms have more than 75% of their employees in unions, and employers report between 1 and 12 unions in their organization. About half (46%) of the firms with unions have only one union. About 90% of respondents with unions report their relationships are somewhat to very cooperative. Only 1 respondent thought union organization was likely in the future.

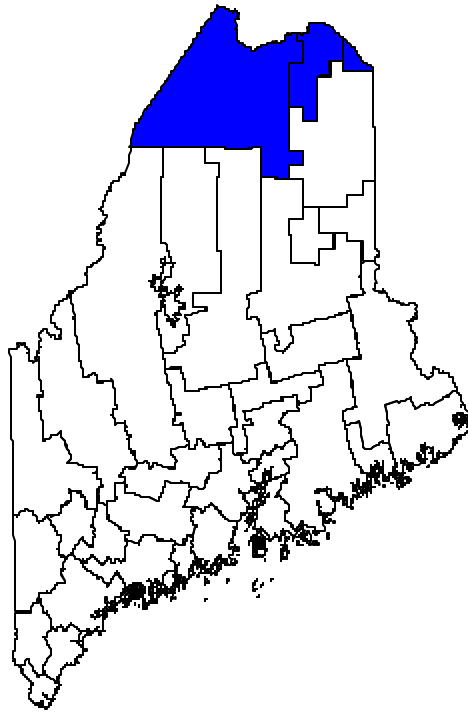
**Percent of Employees Covered by Unions
(in firms with Unions)**



Use of Alternative Schedules Almost half of the employers report that they offer some form of flexible time for their employees. Other forms of alternative schedules are used by less than a quarter of firms. Job sharing is the most common of these other alternatives, while job sharing is offered by about a quarter of respondents. Telecommuting is used by only 5% of employers.

Alternative Schedule Use

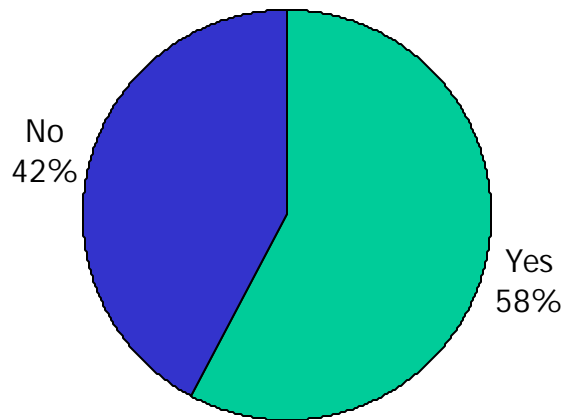




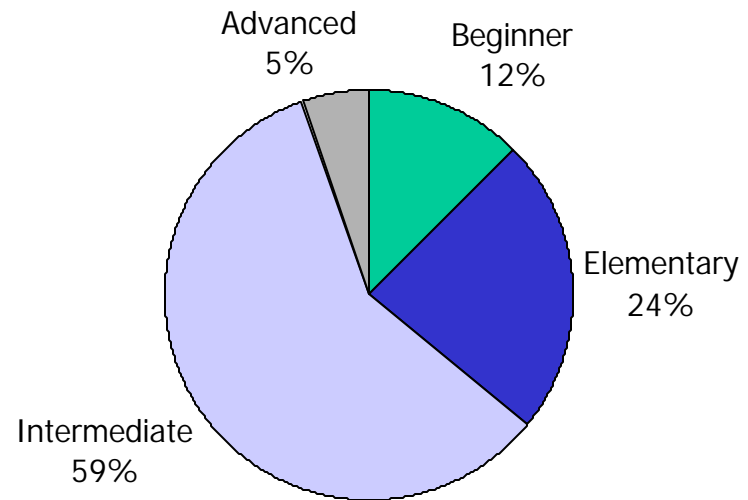
Skills, Education, & Training

Computer Use Computer use and skills are widespread. Fifty eight percent of respondents indicate that they use a computer at work, and about two-thirds indicate that they have intermediate level skills (defined as the ability to use many different kinds of programs) or advanced (ability to write programs) skills.

Do you use a computer at work?

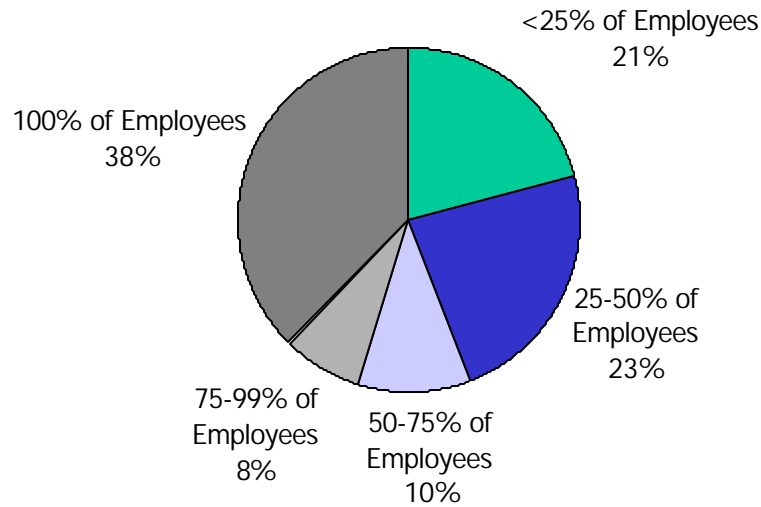


How would rate your computer skills?

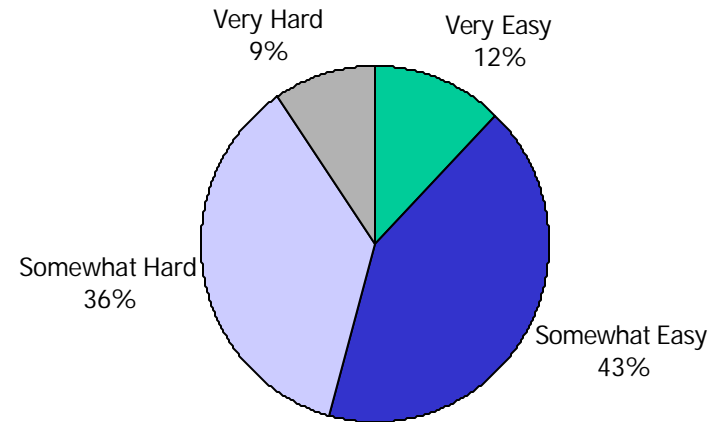


Computer Use: Employer Survey Firms tend to be divided into two groups in the proportion of employees required to use a computer in their work. The largest group (38%) are those where 100% of employees use computers regularly. At the other extreme, less than a quarter of firms (21%) indicate that less than a quarter of employees use computers. The majority of employer respondents indicated that getting employees with required computer skills is neither very easy nor very hard, with a slight majority indicating it is at least somewhat easy.

Percent of employees using computers



How easy is it find employees with the requisite computer skills?

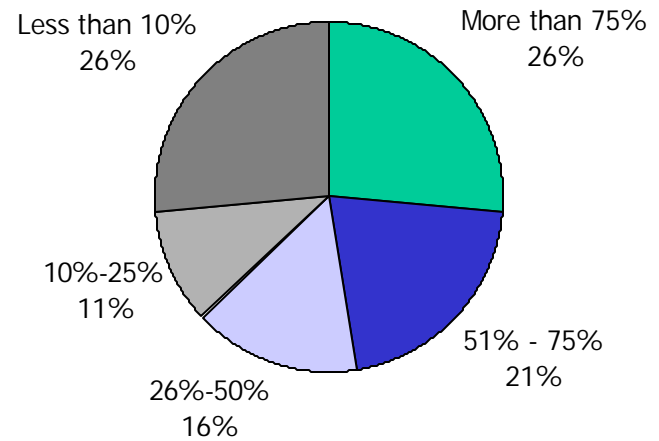


Skills of New Hires Getting employees with adequate basic skills is often a concern. Northern Aroostook employers indicate that getting basic skilled employees is relatively easy, although there is concern about mathematical/analytic skills and writing skills, and computer skills. However, 15% of respondents indicate that they still have to do some remedial training for new hires. Of these respondents, a little less than half (47%) indicate that they must do remedial training for more than half of new hires.

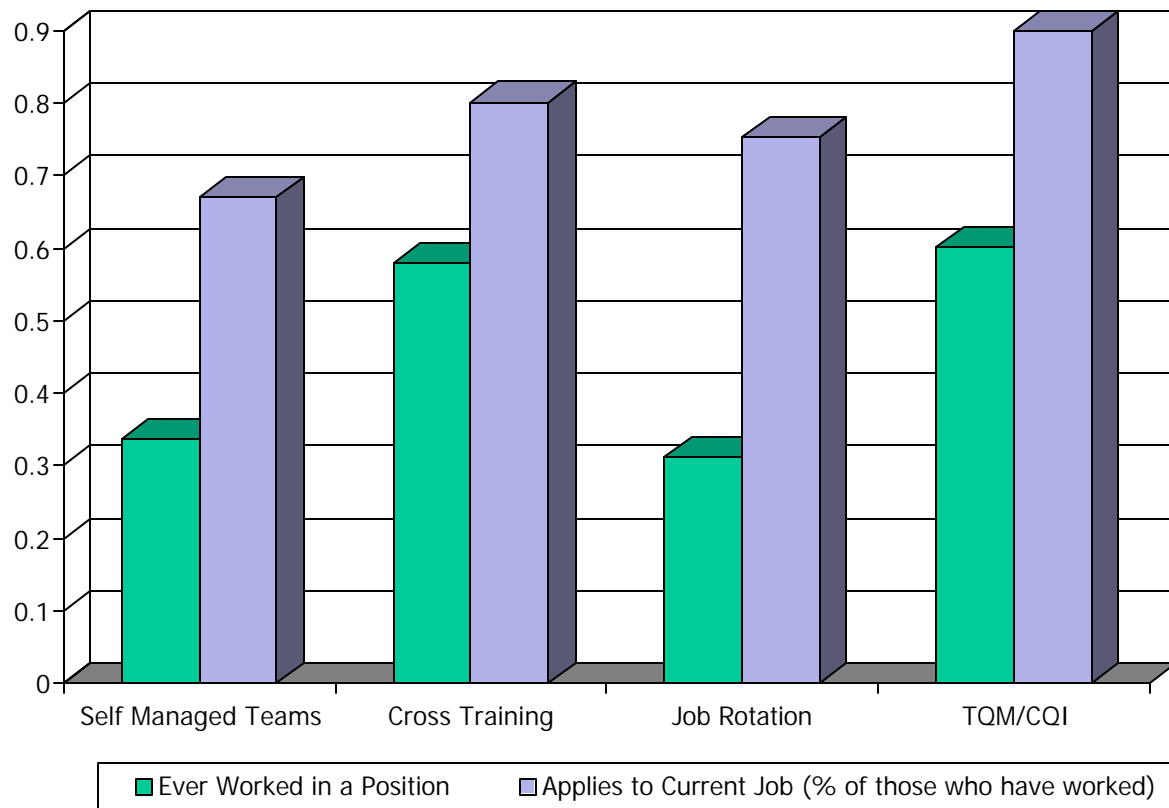
How Easy Is it to Get Employees with Requisite Skills



Proportion of New Hires Requiring Remediation in Basic Skills Reported by Respondents who Identify Employees needing basic skills

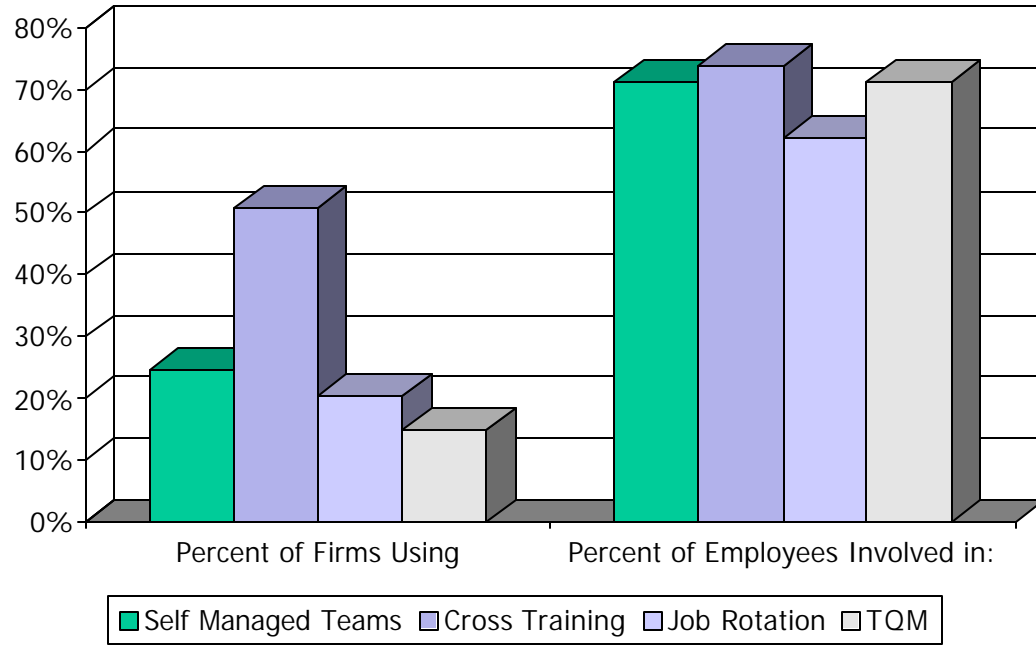


Experience with Contemporary Workplace Practices Respondents indicate a fairly high degree of familiarity with contemporary workplace practices. More than half have been in positions where they were cross-trained to do several types of jobs, and which employed total quality management/continuous quality improvement practices (TQM/CQI). In both of these cases, a very high proportion of respondents indicate that these practices are employed in their current job. It is noteworthy also that there is a higher proportion of respondents who indicate that they have been cross-trained than that they actually rotate jobs.



Employers' Experience with Workplace Practices Employers report a somewhat lower level of use of contemporary workplace practices than employees. The most commonly reported approach is cross training, reported by more than half of firms. For those firms that do use these approaches, the average proportion of employees involved exceeds 60%, with cross training also engaging the highest proportion of employees. Firms using these approaches indicate they are successful in improving organizational performance, with self managed teams the highest rated, though the differences in evaluations were not great.

Use of Workplace Practices

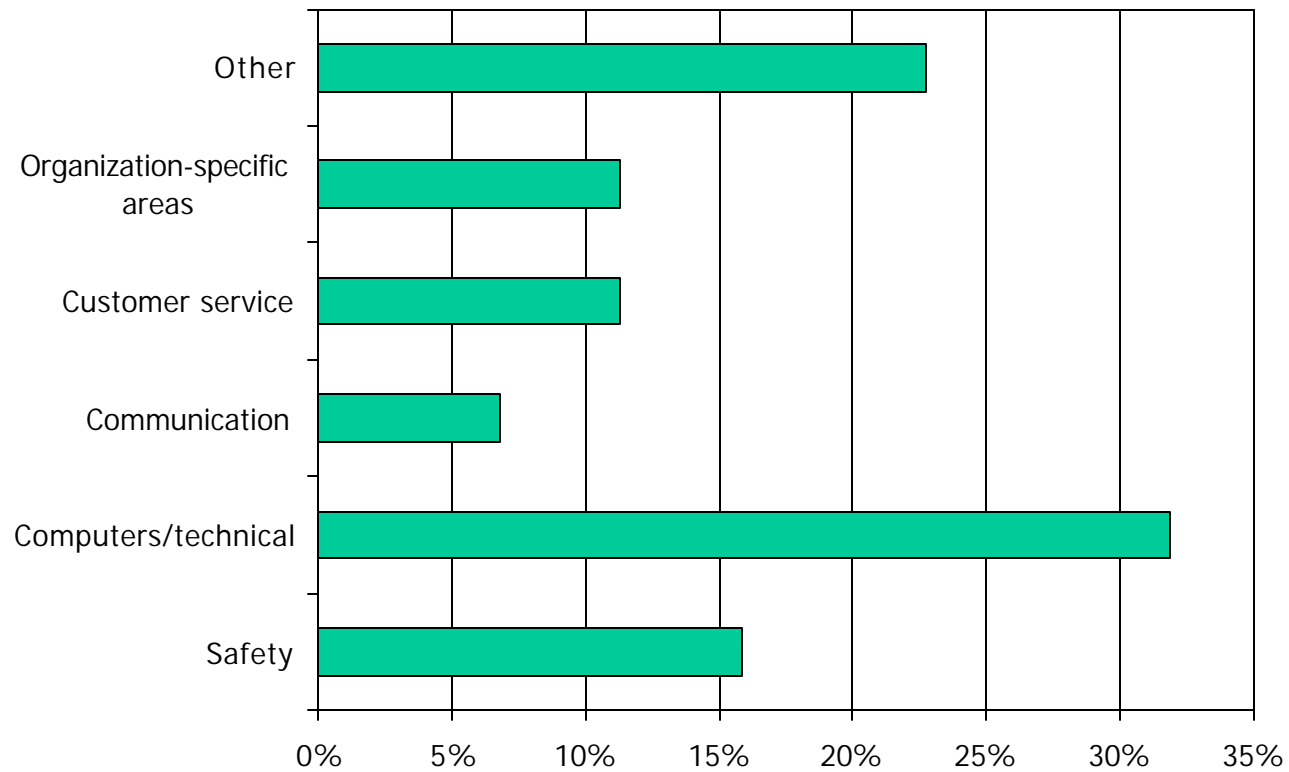


Success in Improving Performance



Training by Employers Nearly half (46%) of respondents indicate they run their own internal training programs. By far the most common area of training is in computer and technical subjects, with, safety company- specific operations and information and customer service the next most common areas.

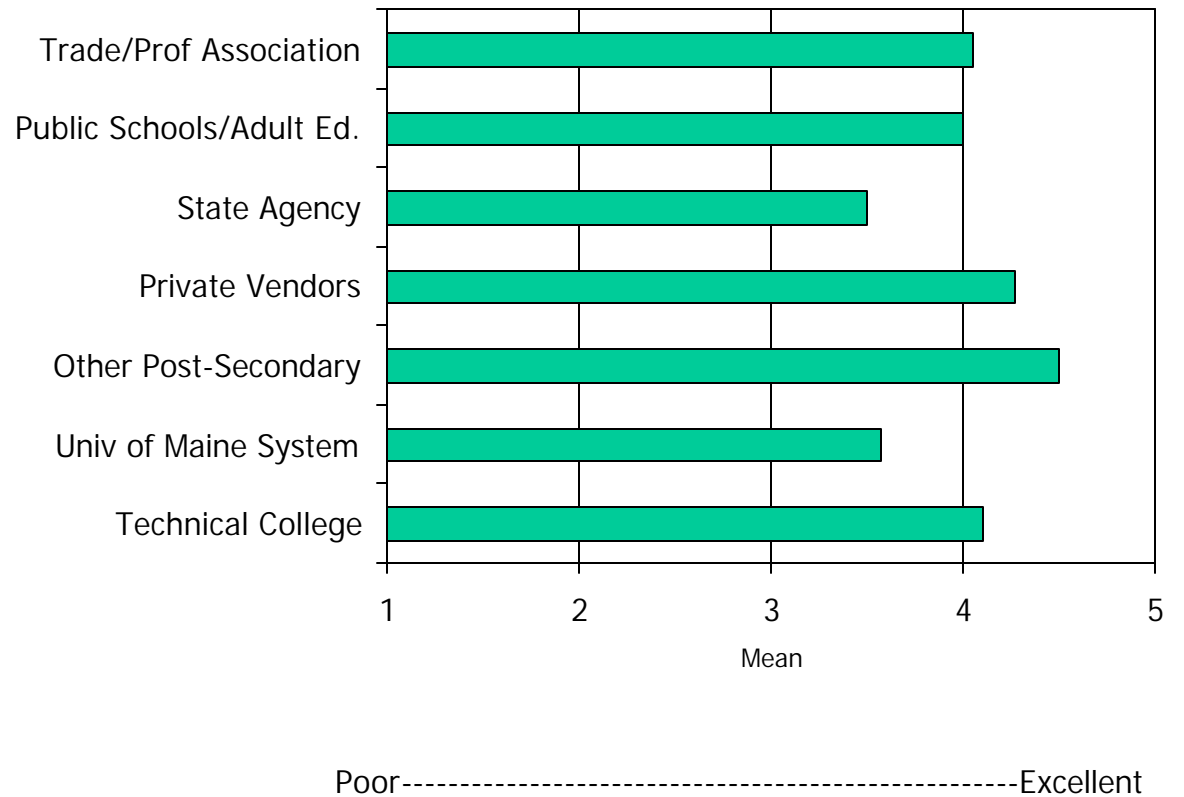
Areas In-House Training



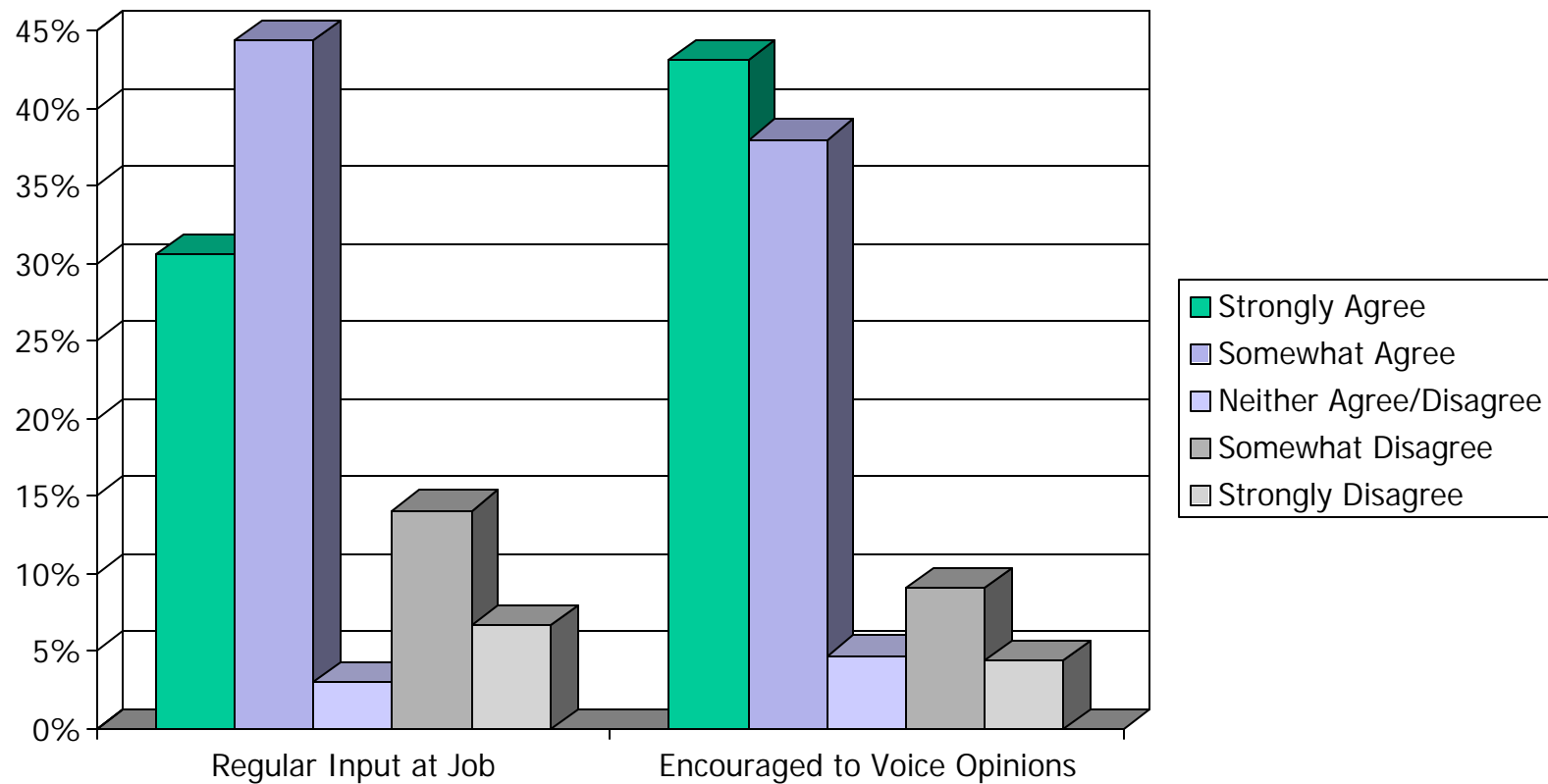
External Training Organizations Used and Evaluation The most commonly used external training organizations are trade and professional associations. Such organizations often provide training in specialized areas appropriate to each organization. Private vendors are second most commonly used. Post-secondary institutions other than the University of Maine System and Maine Technical Colleges were used by only a few employers, but they were highly rated. State agencies were used by about 6% of employers, but were the lowest rated.

Evaluation of External Training Organizations

	Percent Using
Technical College	8.2%
Univ of Maine System	6.6%
Other Post-Secondary	1.6%
Private Vendors	9.8%
State Agency	5.7%
Public Schools/Adult Ed	8.2%
Trade/Prof. Association	16.4%
Other Educational Sources	3.3%

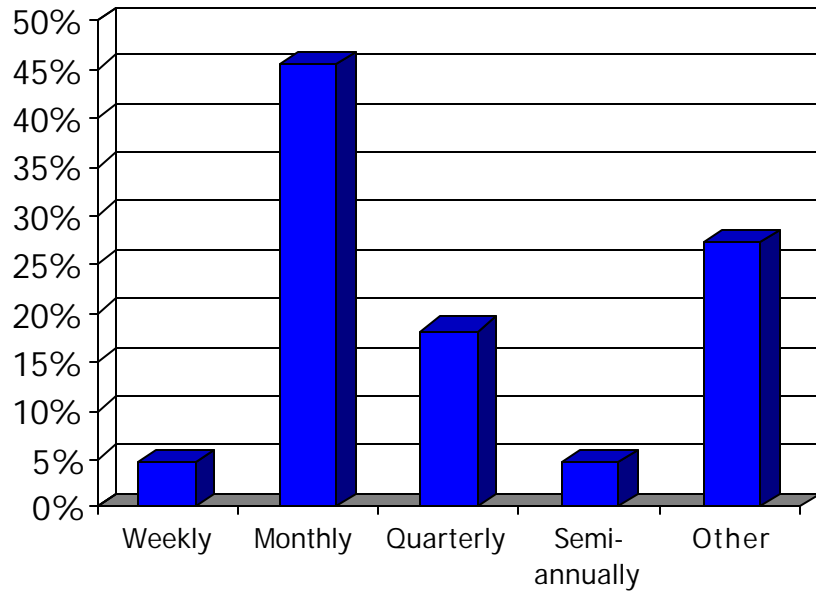


Employee Voice Employees in the region feel they have regular input to their jobs. About 75% agree that they have regular input although the proportion indicating milder agreement with the statement that they have regular input is noticeably higher than those who strongly agree. While a similar proportion indicate that they are encouraged to voice their opinions on the job, respondents are more likely to strongly agree that they are encouraged to voice their opinions.

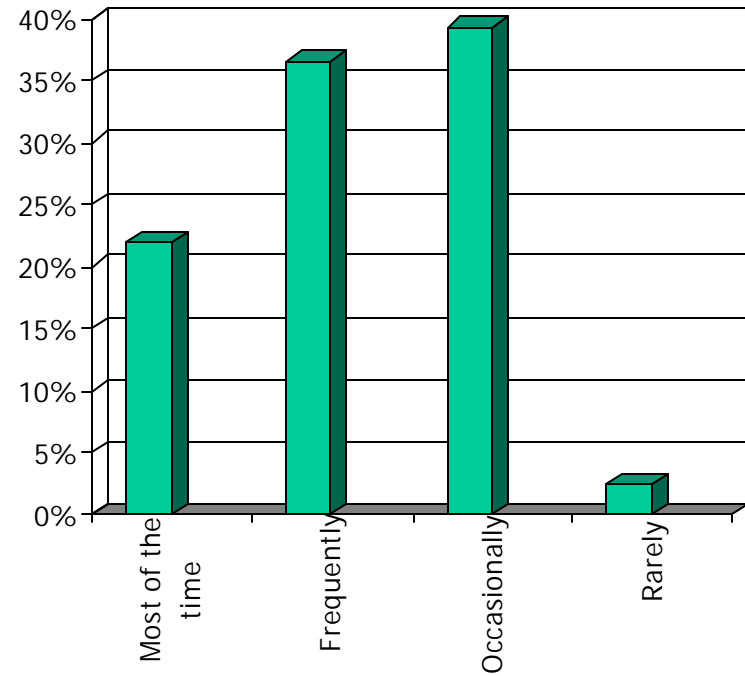


Employee Involvement 15% of employee survey respondents indicate that they have some form of employee council, and the majority of these meet monthly. Employers report that employee councils do make a difference but mostly “occasionally”. A majority of firms also indicate that they do not often share financial information with employees.

How Often Does Employee Council Meet?



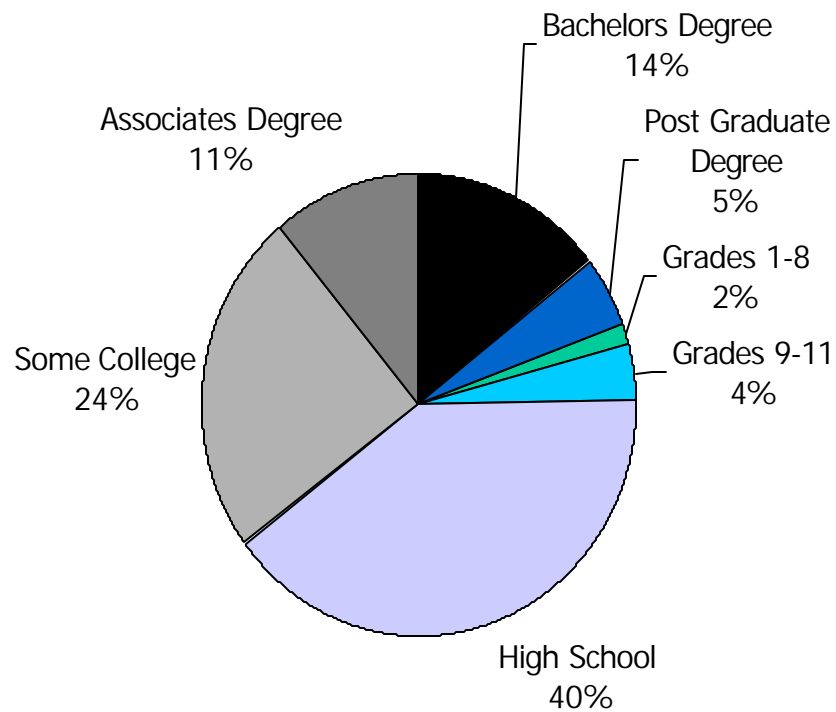
Changes in Response to Employee Council



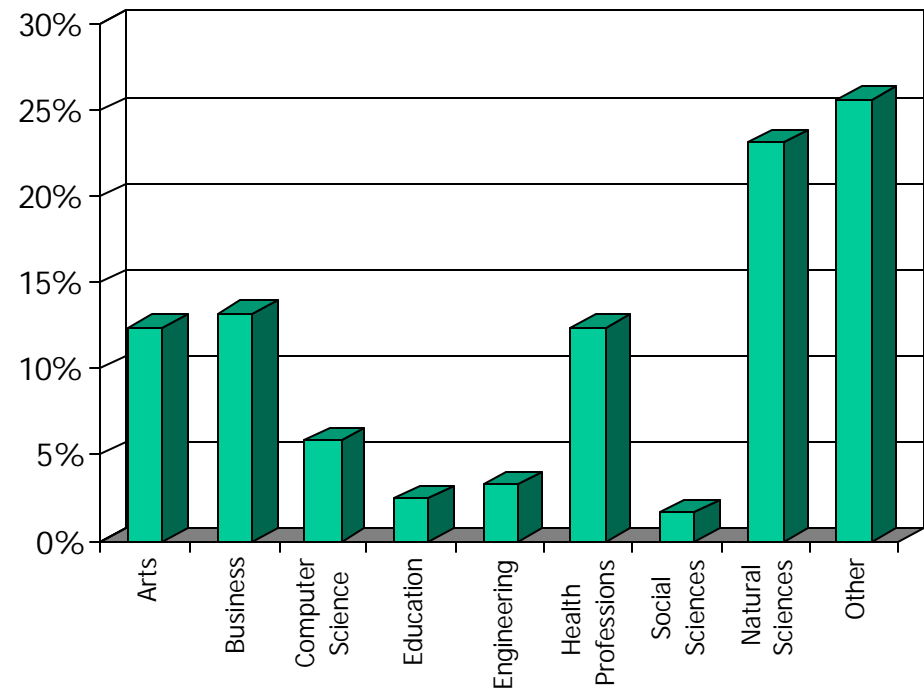
Do you share financial information with employees?	
Never	26.1%
Rarely	24.4%
Sometimes	18.5%
At least once a year	8.4%
Quarterly or monthly	22.7%

Educational Attainment The workforce in the region is highly educated. More than 94% of the respondents indicate that they have completed high school or more. However, the proportion of bachelors and post-graduate degree holders is lower than the state average. Education in the health professions, business, arts and the natural sciences are the four major fields of degrees, but there are a wide variety of other degree fields as well.

Educational Attainment



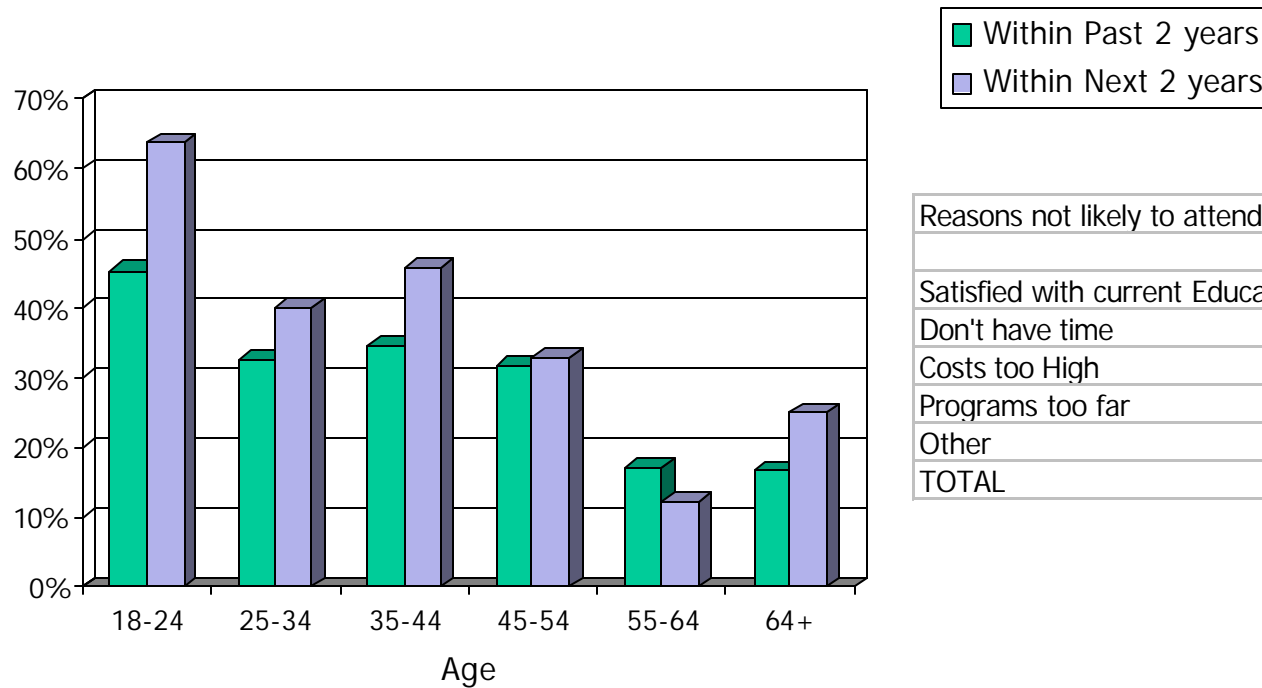
Field of Highest Degree



Going Back to School Slightly less than one-third (30%) of respondents indicate that they have gone back to school within the past two years, and slightly more than one-third (35%) indicate that they plan to go back to school within the next few years. There is a definite relationship between age and likelihood of going to school, with likelihood inversely related to age. However, even for age groups well beyond the traditional school-going years, there are strong inclinations towards further schooling.

Of those who report that they do not plan to return for additional schooling, most (42%) say that they are satisfied with their current level of education. Only 19% indicate that costs are too high or programs are too far away.

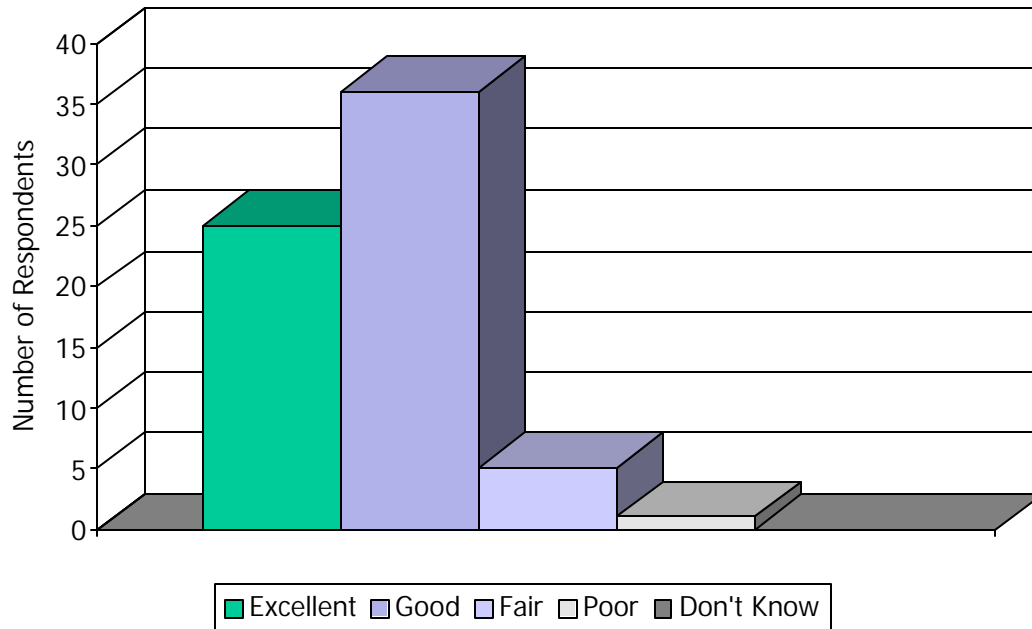
Going Back to School?



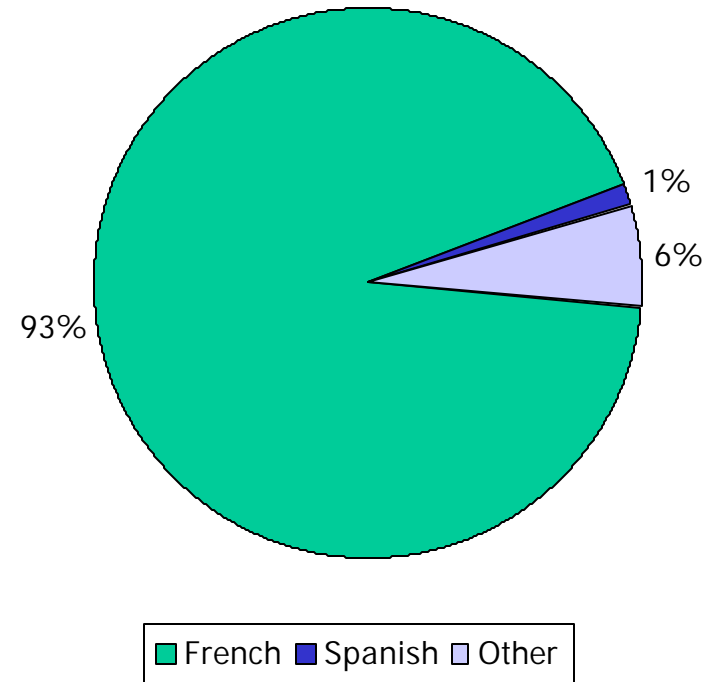
	N	Percent
Satisfied with current Education	76	41.8%
Don't have time	43	23.6%
Costs too High	25	13.7%
Programs too far	9	4.9%
Other	28	15.4%
TOTAL	181	

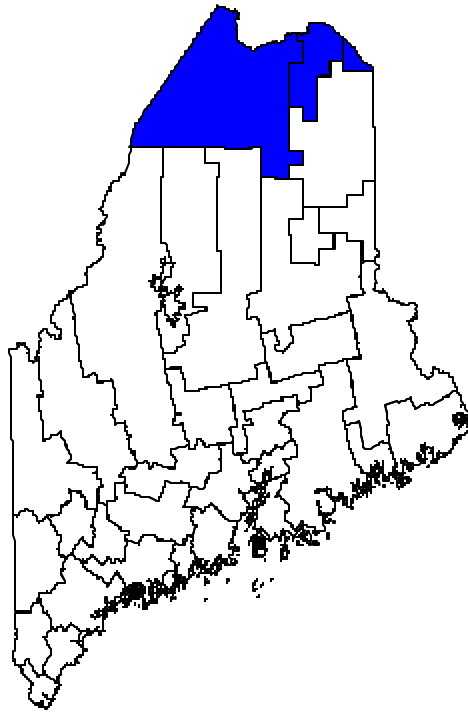
Language Skills Over 65% of firms indicate that they require workers with a second language skill. This high rate is related to the fact that over 95% of respondents in the Northern Aroostook region speak French as a second language, making this region the most bilingual in the state.

Availability of Workers with Language Skills



Second Language Required
N Responding=69



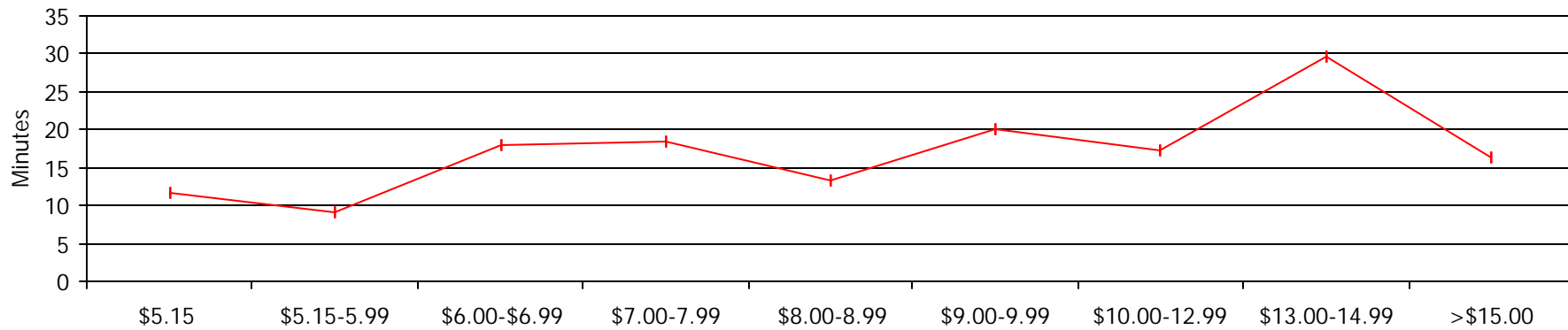


Commuting

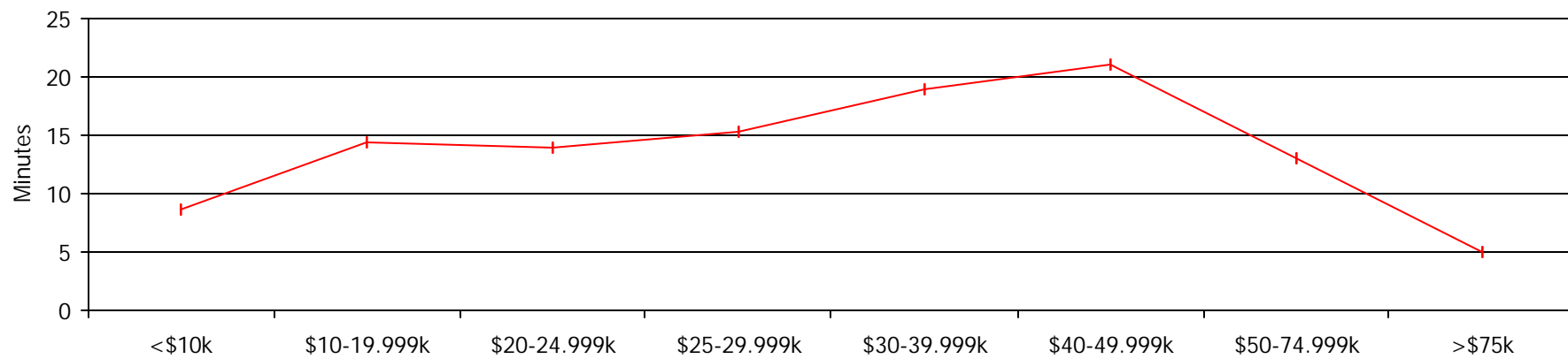
Commuting The mean commute time is 16 minutes. The majority of commute times are less than 10 minutes, a sign of the close relationship between home and job in the region. As a consequence, there is only a small direct relationship between commute times and pay.

Commute Time to Primary Job		
	N	Percent
<10 Minutes	223	55.3%
10-19 Minutes	75	21.1%
20-29 Minutes	39	10.5%
> 30 Minutes	57	13.2%
TOTAL	394	

Mean Commute Time by Hourly Wage



Mean Commute Time by Annual Salary



Appendix

Towns in the Northern Aroostook Region

Madawaska	Fort Kent	Van Buren
Frenchville	Allagash Plt	Cyr Plt
Grand Isle	Back Settlement	Hamlin Plt
Guerette	Belanger Settlement	Keegan
Lille	Big Twenty Twp	Martins Siding
Madawaska	Bradbury	Parent
Oullette	Bradburys	Van Buren
Sinclair	Clayton Lake	Violette
St. Agatha	Cross Rock	
St. David	Dickey	
	Dry Town	
	Eagle Lake	
	Estcourt	
	Estcourt Station	
	Fort Kent	
	Fort Kent Plt	
	Labby	
	Ledges	
	McNally	
	New Canada	
	Plaisted	
	Plourde Mill	
	Quimby	
	Seven Islands	
	Soldier Pond	
	St. Francis	
	St. John Plt	
	Wallagrass Plt	
	Winterville Plt	