



President Trump's Jobs Plan for Maine: All Job Creation is Local

**A Report from the White House
Office of Trade and Manufacturing Policy**

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Introduction

When it comes to growing an economy and raising wages for American workers, past Presidents have relied primarily on top down *macroeconomic* tools such as fiscal and monetary policy. What truly sets President Trump apart is that he also pursues a bottom up, *microeconomic* approach by focusing on job creation at the local and state levels.

President Trump's unique "all job creation is local" strategy relies on fair trade to protect American jobs; deregulation to make our businesses more competitive; tax cuts and opportunity zones to stimulate investment; a relentless expansion and strengthening of Buy American and Hire American policies; and increased defense spending and foreign military sales. Let's look now at how President Trump's twin macroeconomic and microeconomic approach is working to create jobs and increase wages in the Great State of Maine.

Trump Trade Policy and Tariffs

On the Trump fair trade front, there is great news for sectors ranging from aircraft manufacturers and blueberry, dairy and potato producers to loggers and commercial fishermen. For example, President Trump promptly renegotiated NAFTA – one of the worst trade deals in American history. Under the new U.S.-Mexico-Canada Agreement (USMCA), Canada has greatly expanded its market access for American dairy farmers and eliminated an unfair pricing system that disadvantages American dairy exports. So Maine's dairy farmers in communities like St. Albans, Corinna, and Windham will be able to sell more to Canadian markets than they ever have before.¹

Maine loggers in communities like Avon, Portage, and Skowhegan should similarly benefit from strong environmental provisions in the USMCA designed to combat trade in illegal logging by foreign competitors now poaching in the world's rain forests.

Canada has also historically punished Maine's loggers in communities like Lincoln, Porter, and Fort Kent by sending subsidized timber into American markets. The Trump administration's Department of Commerce took immediate action by imposing significant antidumping and countervailing duties on softwood lumber from Canada.²

Note that a healthy Maine timber industry supports the state's robust pulp and paper industry, which in 2016 accounted for 4,000 jobs statewide³ and six operational mills in communities from Madawaska and Baileyville to Rumford and Westbrook.⁴

President Trump's strong trade actions have also been invaluable in protecting another of Maine's most treasured industries: aviation. Largely clustered around Portland, Maine's aerospace industry includes a range of high-tech manufacturers with expertise in metalworking, machine tooling, and other skill sets that are essential to a strong manufacturing base.

For decades, these companies have been challenged by European countries unfairly subsidizing their aerospace industry. Under President Trump's leadership, the United States Trade Representative has imposed 15% tariffs on European aircraft to defend our workers in the aerospace industry and in communities like Portland.⁵

President Trump has also pulled off the near impossible in getting Europe to eliminate its eight to twelve percent tariffs on one of Maine's most important products – the delicious and beautiful lobster.⁶ Increased sales to Europe should be great news for lobster fishermen from Eastport, Cutler, and Jonesport, to Stonington, Friendship, and Casco Bay.

And let's not forget President Trump's 2019 trade deal with Japan. This deal is expected to add over \$150 million in exports for potato farmers in communities like Caribou, Bridgewater, and Mapleton in the northern part of the state.⁷

In September 2020, the Department of Agriculture (USDA) also announced a \$527 million relief fund for commercial fishermen impacted by retaliatory tariffs from a brutal Communist China regime.⁸ Maine fishermen and lobstermen are eligible for up to \$250,000 each from the USDA and Maine commercial fishermen have already submitted over 1,200 applications for relief funding totaling over \$26 million.⁹

On the deregulation front, Maine's 18,000 licensed commercial fishermen are also benefitting.¹⁰ On May 7th, 2020, President Trump issued an Executive Order that removes unnecessary regulations on commercial fishermen,¹¹ and a month later he issued a proclamation to reopen a 5,000 square-mile area off the Georges Bank to commercial fishing that had been shut down by the Obama administration in 2016 – an area more than TWICE the size of Delaware.¹²

Most recently on the trade front, to support the more than 500 wild blueberry farms spread across Maine,¹³ the Trump administration has initiated a Section 201 investigation to protect against surges in blueberry imports.¹⁴

It should be clear that on the issue of fair trade, President Trump will always have the backs of American workers.

TAX CUTS AND OPPORTUNITY ZONES

Now, what about the impact of the Trump tax cuts and opportunity zones on the state of Maine?

Critics of President Trump's historic Tax Cuts and Jobs Act of 2017 have tried to fool the American people into thinking that these were tax cuts for the rich. But nothing could be further from the truth as the data directly from states like Maine tell a completely different story.

Consider that real median household income in Maine soared following the passage of the Trump tax cuts and implementation of other Trump policies, jumping over \$13,230 or an astonishing 25% in just two years.¹⁵ Compare that to a decline of \$2,000 during the entire eight years of the higher-tax regime of the Obama administration.¹⁶

In addition, the Trump tax cuts are extremely family-friendly. Nearly 88,000 Maine households are benefitting from the doubling of the child tax credit¹⁷

A key provision in the Trump tax bill related to mortgage eligibility likewise has driven up the rate of homeownership in Maine to its highest level since 1999.¹⁸ In the 10 quarters following the passage of the Trump tax cuts, the homeownership rate in Maine increased by nearly 6 percent.¹⁹

That's compared to the eight years of the Obama-Biden administration where the homeownership rate *contracted* by 1.1 percent.²⁰

On the opportunity zone front, Maine has 32 such zones, which have already seen investments totaling \$130 million. These zones are concentrated in the northern and central coastline areas where the average poverty rate is 21 percent and that poverty rate can range from as high as 29 to 30 percent in communities like Lewiston and the communities surrounding Portland. The Trump opportunity zones will literally provide great new opportunities to create good, high-paying jobs.²¹

Defense Spending and Foreign Military Sales

President Trump's dramatic increase in defense spending has likewise been a boon to a number of production facilities in Maine. At the top of the list is Bath Iron Works, which makes two of the most important ships in the United States Navy – the Arleigh Burke-class destroyer and the Zumwalt-class guided-missile destroyer.²²

Bath Iron Works employs over 6,400 workers²³ and the average wage at the yard is \$49,480,²⁴ which would be equivalent to earning \$84,400 in San Francisco.²⁵ This is well above the Maine average for production workers of \$40,414²⁶ and the national average for production workers of \$34,490.²⁷

As an example of how President Trump has earned the trust of American workers with his pro-growth policies, the White House was able to work with both management and union negotiators to quickly settle a strike at Bath Iron Works that had dragged on for more than a month this last summer.²⁸ And just 85 miles south of the Bath Iron Works, the Department of Defense has invested over \$80 million in the Portsmouth Naval Shipyard and its 8,000 civilian employees.²⁹

As for increased foreign military sales to our allies and partners – this is a key part of the Trump-Pence maxim that “economic security is national security.” Increased foreign military sales bolster our alliances, lessen the need for American boots on the ground in foreign lands, and strengthen our defense industrial base. That's national security.

Increased foreign military sales also create good-paying jobs and strengthen our manufacturing base. That's economic security.

Maine, for example, is benefitting from increased sales of the F-35 Joint Strike Fighter to countries ranging from Belgium, Israel, and Poland to Japan and South Korea.³⁰ In North Berwick, Pratt & Whitney operates a one-million square foot facility where workers make critical parts for the F-35 engines³¹ – so these increased foreign military sales are helping to pump millions of additional dollars into the economy of southern Maine.³²

The Defense Production Act

Let's turn now to a final driver in President Trump's “all job creation is local” strategy – the strategic use of the Defense Production Act, and DPA-related actions, to simultaneously defend the American people from the deadly Chinese Communist Party virus, onshore the production of our essential medicines, and create good paying jobs.

Consider, for example, the communities of Scarborough and Westbrook, home to facilities of one of the most important companies in America now fighting the China virus on the testing front – Abbott Laboratories.

In April, Abbott was awarded a \$760 million contract to distribute 150 million rapid point-of-care BinaxNOW diagnostic tests.³³ Employment at the two sites has grown from 325 to 2,000 employees.³⁴ Today, the proud workers of Scarborough and Westbrook are already producing 50 million tests a month.³⁵

A similar success story is playing out in Guilford, Maine where Puritan – a 96-year-old family-run company – was awarded over \$126 million in funds under the DPA and CARES Act to produce the swabs we need for rapid testing.³⁶ As it rapidly expanded, the number of jobs at Puritan doubled, growing from 550 employees before the deadly Chinese Communist Party virus hit, to 1,100 employees today.³⁷

It should also be noted here that just as the auto plants of Michigan during World War II were repurposed to make tanks and airplanes, a portion of Bath Iron Works has been repurposed to quickly build the machines needed to keep Puritan swabs sterile.³⁸

You can see, then, from this tour of the Maine economy just how productive President Trump’s “all economic growth is local” strategy has been. While the deadly virus from Communist China has hit America and the American economy hard, we at the Trump economic team, led by the greatest jobs President and trade negotiator in history, are doing all we can to bring prosperity back to great states like Maine and to the American people.

So, as we fight this Communist China Virus together, please always remember this: By January of 2020 – before the plague from Communist China attacked our shores – the success of President Trump’s worker-focused strategy was undeniable. We had strong economic growth, historically low unemployment, and rising wages, particularly for Blue Collar America and our black and brown communities.

Together, we WILL get back to that pinnacle of Trump success as we pursue the twin missions of building a strong economy and defeating the deadly Chinese Communist Party virus.

ENDNOTES

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