

Making Maine Work 2022

This *Making Maine Work* report is a collaboration of the Maine State Chamber of Commerce, the Maine Development Foundation, and Educate Maine. It is a critical public-private collaboration we are undertaking to improve the economic health and quality of life in Maine.

The document is modeled on two prior *Making Maine Work* reports from 2010 and 2018, both released in anticipation of critical gubernatorial elections, like the one upcoming in November.

The format in 2022 is unchanged. We began with an extensive survey of business and nonprofit leaders. Having identified the pressing issues and suggested promising lines for solutions, we then worked, through the guidance of a small committee of business leaders, staff consults, experts, and studies, to identify the most important short-term actions that the next governor and legislature should take.

Today's world is far different from 2010 and 2018. The pandemic forced employers to adapt quickly, and it appears that many of those changes will become permanent. Though the world has changed, the issues identified by Maine's business and nonprofit leaders show continuity from 2018. The **workforce shortage**, **health care costs**, **broadband**, **innovation**, and **energy costs** remain high on the list for action. However, there are also new issues, such as **affordable workforce housing** and **workplace diversity and inclusion**. We hope our recommendations stimulate discussion and action on these urgent issues.

We want to thank everyone who helped in this report: the nearly 500 business leaders who responded to our survey; the dozens of experts who gave us sound advice and guidance; and, our advisory committee members who gave us wise counsel – **LuAnn Ballesteros** of The Jackson Laboratory; **Paul Bolin** of Northern Light Health; **Ed Cervone** of the University of New England; **Anthony DiMarco** of IDEXX; **Clif Greim** of Frosty Hill Consulting; **Rick Leonard** of Cianbro; **Bob Montgomery-Rice** of Bangor Savings Bank; **Barry Sheff** of Woodard & Curran; and, **Catherine Wygant Fossett** of the Institute for Family-Owned Business.

Few places in the world have Maine's combination of talent, resources, and natural beauty. Few have a civic culture like ours, where people come together across ideological and geographic lines to find common ground for action. For these reasons, **we are upbeat about Maine's future**. We hope this report spurs dialogue about how best to get there – and the necessary actions to achieve these goals.

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We would like to thank our advisory committee for their valuable contributions to this report:

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The views expressed in this document, and any errors, are those of the partnering organizations.



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The complete *Making Maine Work* report is available online at www.mainechamber.org/making-maine-work

MAKING MAINE WORK

Critical Investments for the Maine Economy



EXECUTIVE SUMMARY

2022

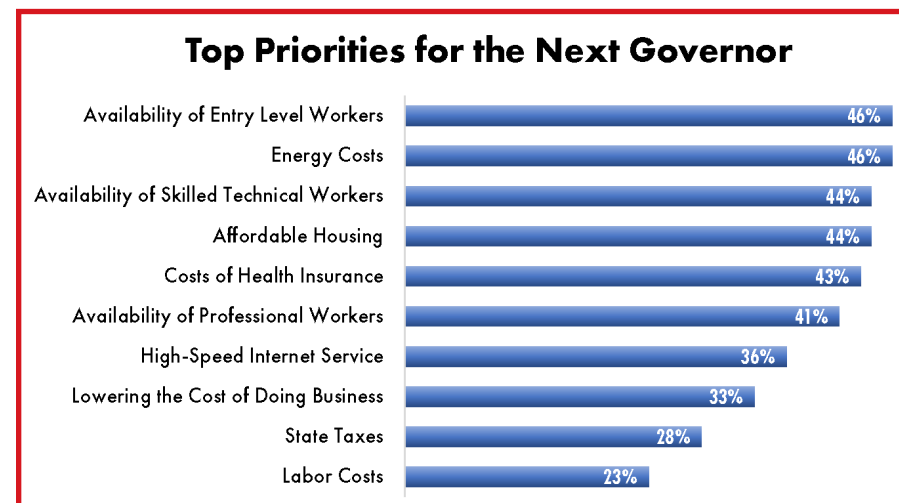
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Executive Summary

Making Maine Work is a series of reports designed to highlight the insights of Maine’s business leaders on economic development issues in Maine. This document is modeled on two prior *Making Maine Work* reports from 2010 and 2018, both released in anticipation of critical gubernatorial elections, like the one upcoming in November. Our intent is that the 2022 business survey and set of recommendations will play an equally constructive role as past reports in helping the next governor and legislature address our state’s pressing issues.

Business Leaders’ Priorities for the Next Governor

Through a “snowball sample” method of Maine business and non-profit organization leaders, the 2022 survey generated approximately 500 responses from a broad swath of the Maine economy: manufacturers, retail, health care, professional services, hospitality, and education.



Workforce availability and skill levels were the top priorities for business survey respondents in 2018. They remain at the top of concerns in 2022, but with a special emphasis this year on the **availability of entry level workers**.

The second broad set of priorities this year has to do with costs – the **cost of energy**, the **cost of health insurance**, and the **cost of housing**. Energy and health insurance costs are perennial business issues dating back to the 2010 survey. Housing is a new concern, especially the lack of affordable workforce housing – making worker attraction and retention more difficult.

Issues of **diversity, equity, and inclusion** also generated discussion in this year’s comments. Business leaders acknowledge the need to diversify their workforces, and some desired help with training and employer education.

Business leaders also continue to call for **innovation** in the economy, not just in research and development investment, but in improving processes and technologies in businesses of all sizes.

THE GOALS AND RECOMMENDATIONS

GOAL A:

Implement the existing state economic plan.

- 1 Implement the *Maine Economic Development Strategy 2020-2029*, with annual progress reporting and appropriate ongoing updates to the plan.

GOAL B:

Expand the Maine workforce and its capabilities at all levels.

- 2 Increase the participation in the labor force of the existing population.
- 3 Help existing workers to upskill.
- 4 Create more diverse, welcoming workplaces.
- 5 Attract new talent to live and work in Maine.

GOAL C:

Champion investments in innovation.

- 6 Grow R & D spending.
- 7 Promote high value-added industry growth.
- 8 Support business efforts to streamline processes and create higher-paying jobs.
- 9 Continue to invest in broadband.

GOAL D:

Improve health outcomes to limit health cost inflation.

- 10 Improve the public health of Maine citizens.
- 11 Grow the health care workforce.
- 12 Invest in community mental health residential beds and services.
- 13 Promote efficiencies and manage cost shifts.

GOAL E:

Create an energy strategy and investment plan.

- 14 Establish a high-level commission to create an energy investment and affordability plan for the next 30 years and implement its recommendations.

GOAL F:

Expand the housing stock to meet demand.

- 15 Establish goals for the construction of new housing at every price level and vigorously implement supportive policies and incentives.

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