



Department of Economic  
& Community Development

# Maine Forest Products Council Annual Meeting

Heather Johnson, Commissioner  
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT  
September 18, 2023



# Progress to Goals



**OUR 10 YEAR VISION**

By 2030, Maine will be an international leader with a vibrant, sustainable, environmentally-responsible economy. All across the state, the people of Maine will have access to an unmatched quality of life and good-paying jobs.

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**OUR 10 YEAR STRATEGIC GOALS**

TO ACHIEVE OUR VISION,  
WE HAVE ESTABLISHED THREE GOALS.

grow the average annual wage by <b>+10%</b> <sup>5</sup> to the benefit of workers at all income levels	increase the value of what we sell per worker by <b>+10%</b> <sup>6</sup>
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Attract  
**75,000**  
people to Maine's talent pool

both by increasing participation among Maine's existing population, and attracting new people from out of state — thus turning a potential labor force shrinkage into a gain.

## Grow wages by 10%

- Baseline (2019), \$45,370
- Actual (2021), \$50,644
- Difference Made **↑** 11.6%

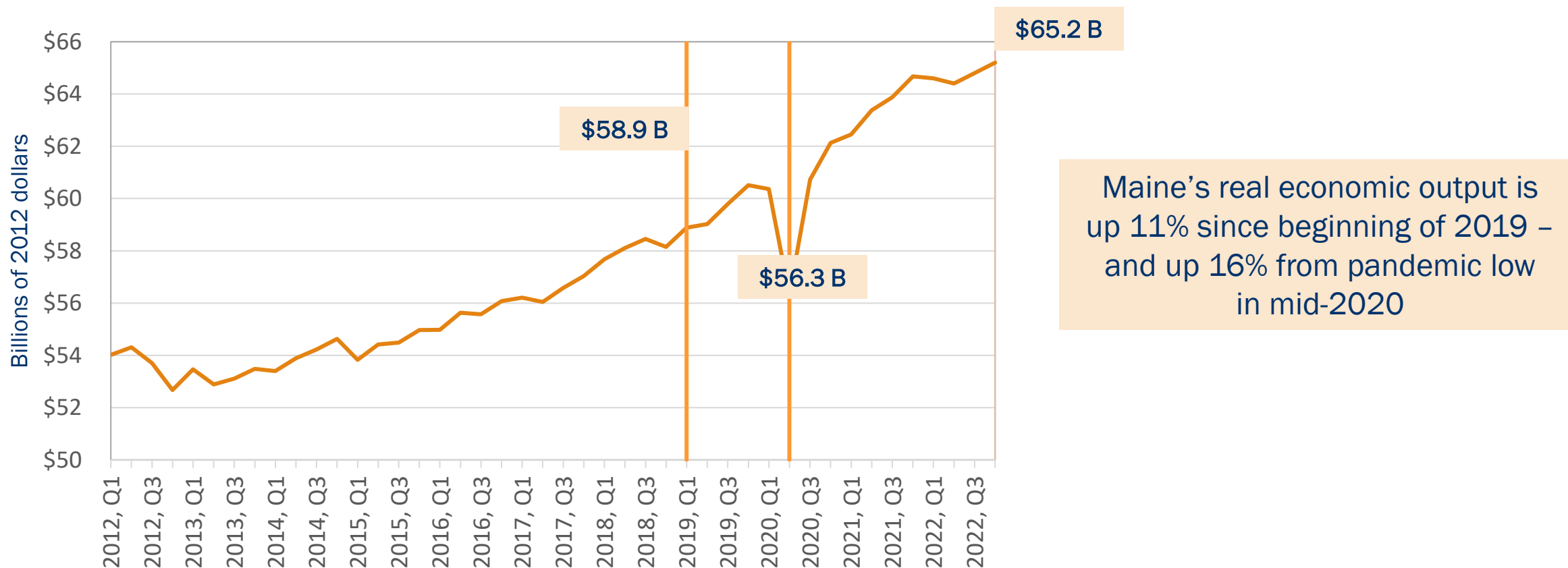
## Increase productivity by 10%

- Baseline (2017), \$88,804
- Actual (2020), \$97,759
- Difference Made **↑** 8%

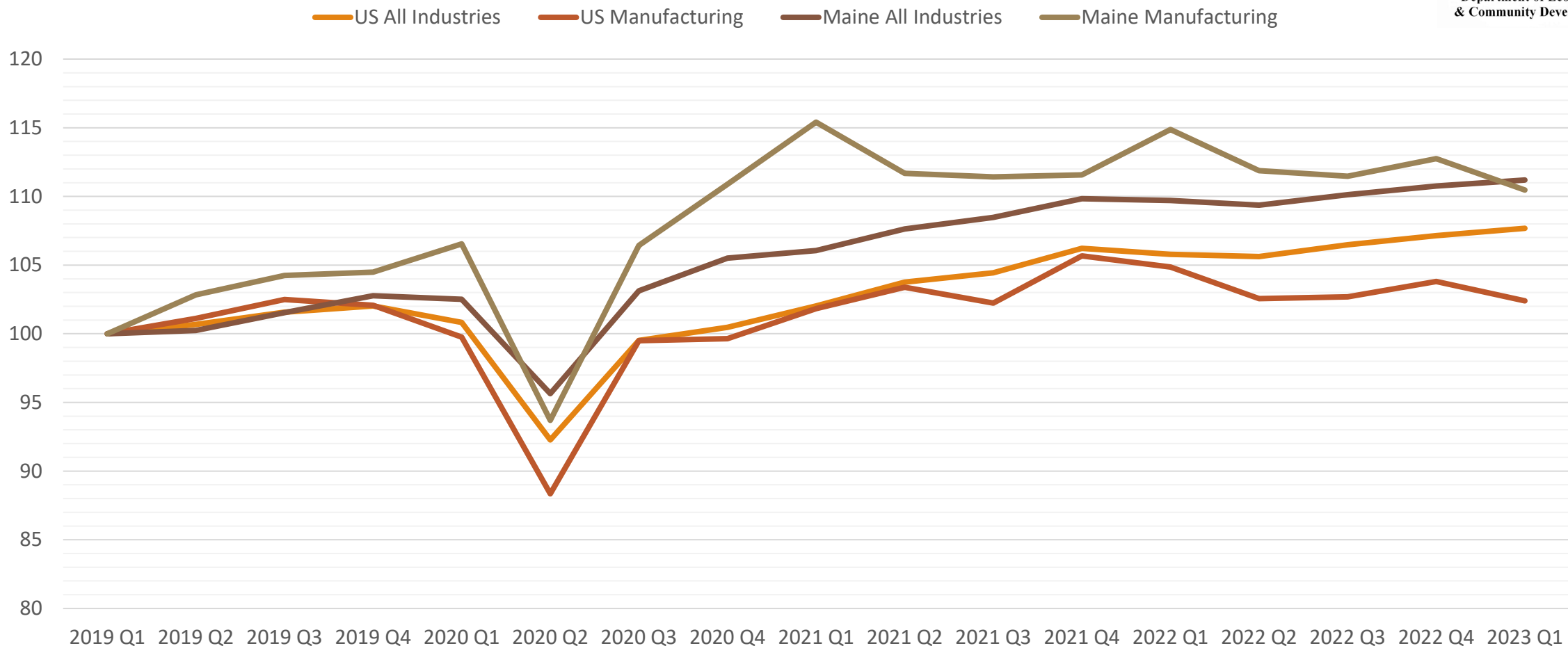
## Attract 75,000 to Maine's Talent Pool

- 2019 Projections: 65,000 labor force decline
- Net migration Actual (2022): 21,200
- Difference Made: 700,000 (Goal), 692,000 (2022 Actual)

# Maine's economic output



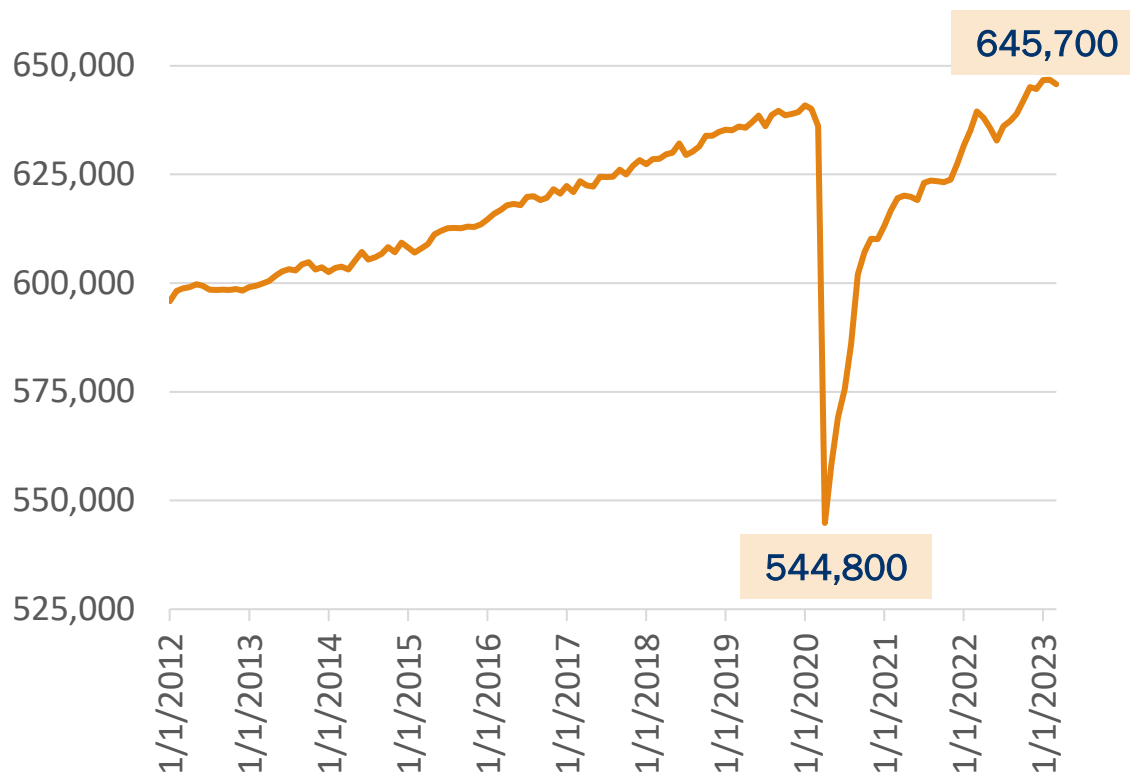
## Indexed Manufacturing and Total GDP Growth (2019 Q1 = 100)



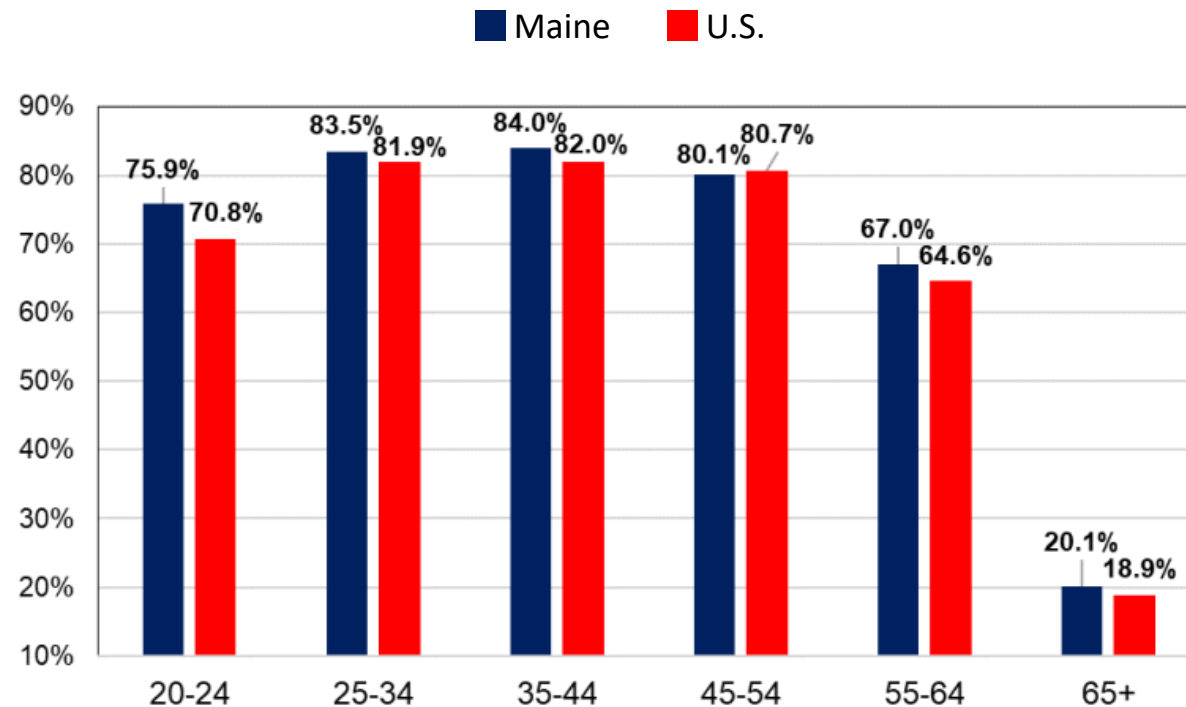


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### Total Nonfarm Employment Maine (Seasonally Adjusted)



### Labor Force Participation by Age, 2021



Jobs have surpassed pre-pandemic high of 640,900 in January 2020

Among core working age population, Maine outperforms US

**3925+**

Students enrolled in the JMG  
Maine Career Exploration  
Badge to date.

**1321+**

Students enrolled in Extended  
Learning Opportunities last  
semester.

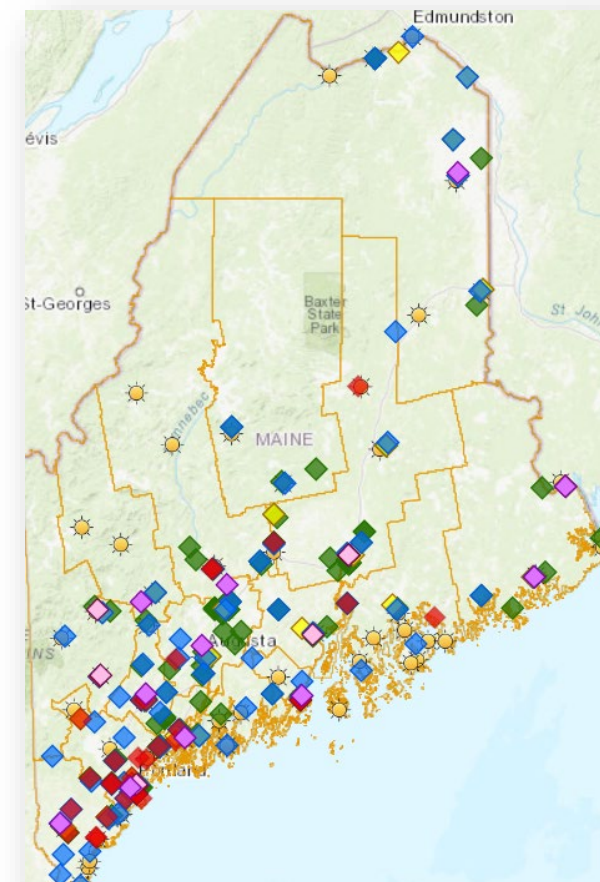
**1270+**

Business & Organizations  
providing ELO's and Paid  
Work Experiences.



**MAINE**  
**CAREER**  
EXPLORATION

Growing our workforce. For Maine. In Maine.





# Maine Invests in Workforce

**NEW Maine Workforce Development Compact:** Grants for employers up to \$1,200 per employee

College graduates who live and work in Maine may be eligible for up to \$2,500/year through the **Student Loan Repayment Program**, up to \$25,000 lifetime.

**Apprenticeship Support.** \$500-\$2,500 reimbursement per worker accepted to apprenticeship program.

**On The Job Training.** Reimbursement of up to 50% of wages per worker for up to 480 hours in OTJ training support.



# Opportunities

New Markets

TimberHP

Tanbark Molded Fiber Products

Emerging Industries

- Biofuels
- Mass Timber
- Biochar
- Biomass Combined Heat and Power



# Dirigo Business Incentives

## BENEFIT

- ✓ 10% capital investment tax credit  
\*Limited to 5% in Cumberland, Sagadahoc, and York
- ✓ \$2,000 tax credit per worker trained

## ELIGIBILITY

- ✓ For-profit businesses in Maine
- ✓ Sector limited, including manufacturing, agriculture, fishing, logging/forestry, freight, software, certain professional services like scientific research—DECD approves eligibility
- ✓ Community college, university, DOL trainings, approved private trainings

## RESTRICTIONS

- ✓ Credit capped at \$2,000,000 per business per year, can take up to five years. Up to \$500,000 of the credit would be refundable per year
- ✓ Credit not allowed following/during major workforce reductions
- ✓ Companies with ongoing PTDZ, ETIF, or certain special tax credit certification would not receive this credit at the same time



# Current Challenges

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# Thank you & questions

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