

# WEALTH CREATION AND WORKFORCE DEVELOPMENT IN NORTHERN MAINE

Northern Maine has an abundance of timber and opportunities to market forest products, but a coming workforce crisis as too few woods workers enter the field. The Northern Maine Development Commission (NMDC), a U.S. Economic Development Administration-designated Economic Development District (EDD), serves as a facilitator for a host of partners seeking to advance timber as an economic sector.

Since 2009, NMDC has worked with communities and industry leaders to develop and implement a regional asset-based economic development plan known as Mobilize Northern Maine. This process was implemented at the regional level across the entire state, with initial funding support from FairPoint Communications. In Northern Maine, the process involved extensive outreach, analysis of regional data and assets, identifying goals and target sectors, and forming industry cluster teams to implement the plan's recommendations. Two industries emerged as opportunities: information technology, and renewable energy based on the availability of biomass in the region's forests.

However, as the focus on forest products grew, so did recognition of a major workforce challenge for the industry: the average age of woods workers in Maine is 56, and the workforce feeder system is inadequate to meet demand for workers caused by retirements and future industry needs.

## CAPITALIZING ON EXISTING NETWORKS AND FORMING NEW PARTNERSHIPS

The Northern Maine region benefits from having an active and broad-based network of organizations and enterprises invested in economic development. Aroostook Partnership conducts regional research and coordinates efforts to influence business and government issues that impact economic growth and development. A nonprofit receiving staff support from NMDC, Aroostook Partnership is funded through investments made by over 100 private businesses. The region has seen success in initially approaching private sector actors within an industry to establish working relationships and trust in this and other economic development efforts. The region has formed the Forest Products Industry Cluster, facilitating communication and relationships among enterprises from the region's value chain before bringing in support partners from the government and nonprofit sectors. This two-phase effort at building the value chain has paid off. The region sees buy-in from diverse players as an important asset to growing the forest products value chain, as well as the valuable connections among industry groups, educational institutions, and workforce development officials.

Together, these partners have identified workforce development gaps and strategies to train workers and combat an assumption commonly held throughout the region: that woods workers are unskilled and low paid.

NMDC Director of Investor and Community Relations Jon Gulliver says, "It is no longer just a hard hat and chainsaw. Operators are now using high-tech equipment costing hundreds of thousands of dollars

and requiring a high level of technical skill. The pay range is also well above average for the region, but unfortunately the perception doesn't match the reality for many, especially educators in the area high schools."



The Forest Products Industry Cluster has already made important gains, including a \$5 million investment from the Maine legislature to support a new 12-week training program at Northern Maine Community College, Eastern Maine Community College, and Washington County Community College. By working together to use its political capital, the industry cluster has a pathway for mechanized harvest training, an important specialized job skill for incoming woods workers.

In addition, the Forest Products Industry Cluster has begun initial talks with neighboring New Brunswick Community College about developing off-road trucker training, another workforce need, and the value chain has developed promotional items to increase awareness of jobs in the forest sector and combat negative impressions of industry jobs.

## FOCUS ON BUILDING REGIONAL WEALTH

NMDC and its partners have employed the WealthWorks rural wealth creation approach as they have explored solutions to the workforce challenge. By examining not just the impact of projects and initiatives on jobs and economic measures, the region has expanded its impact to also include intellectual, individual, social, political, environmental, built, and cultural capital. According to NMDC Executive Director Bob Clark, analyzing the stock of each wealth also helps the forest products industry cluster to understand potential negative impacts of proposed strategies on the region's assets.

As a result of this new analysis, NMDC places new emphasis on the wealth-building activities of its partners. For example, Aroostook County Action Program, a community action agency, has long been an institutional partner of NMDC, as the region's economic development and workforce agency. Analyzing the wealth-related outcomes of community action programs has led to a new level of relationships between the two organizations and to more focused attention on the involvement of and benefits for community action clients, who are often at the economic margins, in regional economic development initiatives such as forest products and related efforts.

This initiative was begun in the hopes of increasing economic opportunity for the region's residents, but its impacts are far broader than simply counting jobs. The workforce development efforts of the Forest Products Industry Cluster are focused on developing the individual wealth of the region's residents by providing a marketable skillset in operating mechanized harvester training, and potentially also in off-road trucking. Financial capital is increased by opening up new opportunities for employment and

business ownership in forest products and related industries. By working together in new and effective ways, the members of the value chain are increasing their social capital. To garner support for the mechanized harvester training, the industry group built and made use of its political capital, educating legislators and members of the governor’s advisory team on the economic importance of the program for the region. Managed forests that are productive are an environmental asset, and as the forested land is maintained and reused over time, it remains an environmental asset as open space and a financial asset for the value of the timber.

A recent strategic planning initiative is helping to streamline the work of the value chain. With new leadership roles for value chain members and a process to narrow program priorities from five areas to just three, the Forest Products Industry Cluster expects even more progress in improving wealth within Northern Maine, the lowest density region of the state, in coming months and years.

Beyond their work with the Forest Products Industry Cluster, Clark says rural wealth creation has become institutionalized in the region’s economic development work. “Rural wealth creation is built into everything we do. We’ve trained NMDC staff and addressed the NMDC and Aroostook Partnership boards on the forms of wealth. It’s built into the way we set meeting agendas, and how we have moved to implement Mobilize Northern Maine,” he continues.

For more information, visit [www.nmdc.org](http://www.nmdc.org) and [www.appme.org](http://www.appme.org). To learn more about wealth creation as an economic development strategy, visit [www.wealthworks.org](http://www.wealthworks.org).

## ABOUT THE NADO RESEARCH FOUNDATION

Founded in 1988, the NADO Research Foundation is the nonprofit research affiliate of the National Association of Development Organizations (NADO). The NADO Research Foundation identifies, studies, and promotes regional solutions and approaches to improving local prosperity and services through the nationwide network of regional development organizations. The Research Foundation shares best practices, offers professional development training, analyzes the impact of federal policies and programs on regional development organizations, and examines the latest developments and trends in small metropolitan and rural America. Most importantly, the Research Foundation is helping bridge the communications gap among practitioners, researchers, and policymakers.

This report was primarily authored by NADO Associate Director Carrie Kissel. We thank all the individuals who provided information and consented to be interviewed. Images are used courtesy of Northern Maine Development Commission.

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