



## How to Meet the Urgent Challenge of Workforce Development in Maine

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Maine's labor market currently has more jobs than workers, but the shortage varies greatly by region. In 2016 the Millinocket area in northern Maine had an unemployment rate of 9.6%, at a time when unemployment was just 3% in Portland, below the state average of 3.7%. Economic centers are dispersed in the state; although there have been some efforts to build "clusters" in sectors such as aquaculture, boatbuilding, and advanced materials, they are not well developed.

Industry's needs are changing and employers are having difficulty finding skilled labor. Maine needs to retain and attract younger people as its population and workforce age. Almost a fifth of the state's population is 65 or older, compared with 15.2% for the United States as a whole, and Maine's elderly ranks have grown much faster than elsewhere in the nation.

The goal should be to leverage state spending to create incentives for public-private partnerships. The core partners should be educational institutions, employers, and government, but partnerships should also include labor unions, think tanks, industry associations, and civic groups. Ideally, the state government should serve as a catalyst, with the governor as facilitator. Successful public-private partnerships typically require an intermediary organization to coordinate and monitor the activities of the stakeholders and ensure their cooperation.

### Maine's Past and Current Efforts

Maine took valuable steps in the past. The North Star Alliance was a consortium of three industry associations formed in 2006 at the initiative of then-governor Baldacci. It stressed private-public cooperation for workforce training, research and development, market expansions, and capitalization and infrastructure. The Alliance won a four-year \$14.4 million federal grant for training and infrastructure, but ended after the grant closed in 2011, leaving an important legacy of infrastructure and training standards. Now Maine has limited projects under way:

**Apprenticeships.** The Department of Labor in Maine has a small apprenticeship system. Apprentices are hired full-time by companies meeting state and federal guidelines that ensure fair wages and on-the-job training. They also get instruction as required by their company, with part of the cost of tuition paid by the state. In many states, labor unions are the main sponsors of apprenticeships in partnership with employer associations and governments. Apprenticeships are an alternative to college that allows individuals to obtain college credits as well as licensing.

**Community college collaborations with business.** A program called "Maine Quality Centers" seeks to create jobs and provide training tailored to the needs of local companies. The program gives grants to companies to pay half the cost of workforce training projects, either at the firm or at a community college; and it also has a \$500,000 program called "Put ME to Work" to encourage community colleges to develop new curricular programs to serve the needs of businesses, which cover half the costs.

### Workforce Development in Other States

Other states offer a variety of workforce models:

**Rhode Island.** Governor Gina Raimondo launched an infrastructure spending plan (RhodeWorks); an education plan ("Skills that Matter"); and "Real Jobs RI." These aim to match employees to employers, raise

worker skill levels, and stock the workforce pipeline for the future.

**California.** Operating primarily in low-income districts, “Linked Learning” uses a “career academy” approach to prepare high school students for both college and work. It requires at least three career-readiness courses plus college-level credits, and matches participants to employers for internships and job shadowing.

**South Carolina.** County-based technical colleges provide vocational education and training for economic development. The counties coordinate with the state and each other to attract, retain, and develop business. To work with jobs programs, the state has a Board of Technical and Comprehensive Education made up of the state secretaries of commerce and education, plus members from each congressional district; and the state also offers a \$1000 tax credit to firms that create apprenticeships, contingent on the firm training and hiring the individual. Investment in training that serves business development is a non-partisan goal, partly because labor unions are so weak in South Carolina and the state strongly supports high-wage, high-tech foreign manufacturing.

## Recommendations for Maine’s Next Steps

The governor should create new consultative mechanisms on partnerships for workforce development, such as a governor’s advisory board, which could pursue various initiatives:

**Apprenticeships.** Much could be done to improve current apprenticeship programs, including raising the ceiling on subsidies for firms that create them, expanding “pre-apprenticeships” and providing state grants for on-the-job trainers. Maine should also give grants to industry associations to establish industry-wide apprenticeship programs linked to the Quality Center program with participation by community colleges.

**Public-private partnerships.** Business-education-government partnerships should be encouraged through a competitive grant program, with industry associations setting training standards to be incorporated into school curricula. These partnerships should be targeted at emerging industries and place a priority on developing lagging regions and serving less privileged workers.

**Career and technical education linkages.** Set proficiency standards and engage business to ensure that students graduating from career pathway programs leave with useful credentials.

As new and expanded workforce development efforts are undertaken, Maine officials must welcome experimentation and pilot projects. They must void lock-in, review results and make improvements, and use sunset grants that phase out over time to allow successful programs to stand on their own in the business sector. Maine could also establish an annual Governor’s Prize for most effective private-public partnership in workforce development.

Read more in Thomas F. Remington “**Public-Private Partnerships in TVET: Adapting the Dual System in the United States,**” *Journal of Vocational Education & Training* (2018).