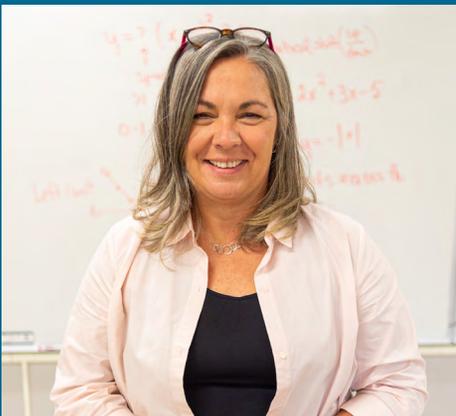


State of Working Maine 2023

Boosting Maine's Workforce

By James Myall, Economic Policy Analyst | November 20, 2023



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Executive Summary

The major challenge facing Maine's economy is the state's plateauing workforce.

In 2003, approximately 3 percent of jobs in Maine were unfilled — today the share has almost doubled to more than 6 percent. Over the past 20 years, the number of Mainers in the workforce has increased by just 6 percent, way below the national workforce growth of 20 percent. Maine Department of Labor projects the workforce will shrink by tens of thousands of people compared to pre-pandemic levels over the next decade.

Without increasing the size of the workforce, it is very difficult to maintain a healthy economy, as there are not enough workers to fill new jobs as they are created.

At the legislative level, this means smaller growth — or even declines — in state tax revenues, and rising costs for services like health care for older Mainers as this group becomes a larger share of the population.

New Mainers who are also immigrants or asylum seekers face specific challenges.

While it continues to petition the federal government for changes to US immigration law, the legislature can help asylum seekers prepare for entry into the labor market.

Maine will not be able to successfully grow its workforce without substantially increasing the supply of housing.

Housing has become one of the largest barriers to economic security for Mainers, and the necessity of expanding the population to maintain a strong economy is even greater cause to solve the state's affordable housing problem.

To avoid an eventual decline in the labor force and the accompanying negative effects, Maine needs to:

Increase the share of traditional “working-age” Mainers who are employed

Support in-migration from other states and overseas, which increases the pool of potential workers

Supporting Maine's existing population requires:

Removing barriers such as access to care for children, people with disabilities, and older adults

Bolstering supports such as higher education and safety-net programs

Addressing discrimination in the labor market faced by some groups of Mainers, such as women, people of color, and older adults

Many policies that would support working Mainers would also make Maine a more attractive place for people to move.

Well-funded, high performing schools and programs that support work-life balance such as Paid Family and Medical Leave are especially important to attract and retain Americans of prime working age. People who move to Maine need to be able to make the most of their existing credentials and skills. Increasing the number of workers through migration means ensuring Maine is a welcoming place to live with strong anti-discrimination laws and publicity campaigns aimed at reaching potential Mainers from all backgrounds.

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Introduction: Maine's need for more workers



Without increasing the size of the workforce, it is very difficult to maintain a healthy economy, as there are not enough workers to fill new jobs as they are created.

The COVID-19 recovery has been remarkable for its speed, with the size of the economy and workforce returning to pre-recession levels within a matter of months. Robust federal fiscal policy combined with state-level investments in Maine people and families hastened Maine's recovery. As of August 2023, the state's GDP was 8.3 percent above pre-pandemic levels,¹ while the number of people working in Maine was 0.9 percent higher.²

The major challenge facing Maine's economy and economic policymakers remains what it was in 2019 and for many years prior — a plateauing workforce. Over the past 20 years, the number of Mainers in the workforce has increased by just 6 percent³, way below the national workforce growth of 20 percent.⁴ More alarmingly, based

on current demographic and migration trends, the Maine Department of Labor projects the workforce will actually shrink by tens of thousands of people compared to pre-pandemic levels over the next decade.⁵

A decreasing or even flat workforce presents serious challenges for the state's economy. **Without increasing the size of the workforce, it is very difficult to maintain a healthy economy, as there are not enough workers to fill new jobs as they are created.** At the legislative level, this means smaller growth — or even declines — in state tax revenues, and rising costs for services like health care for older Mainers as this group becomes a larger share of the population.

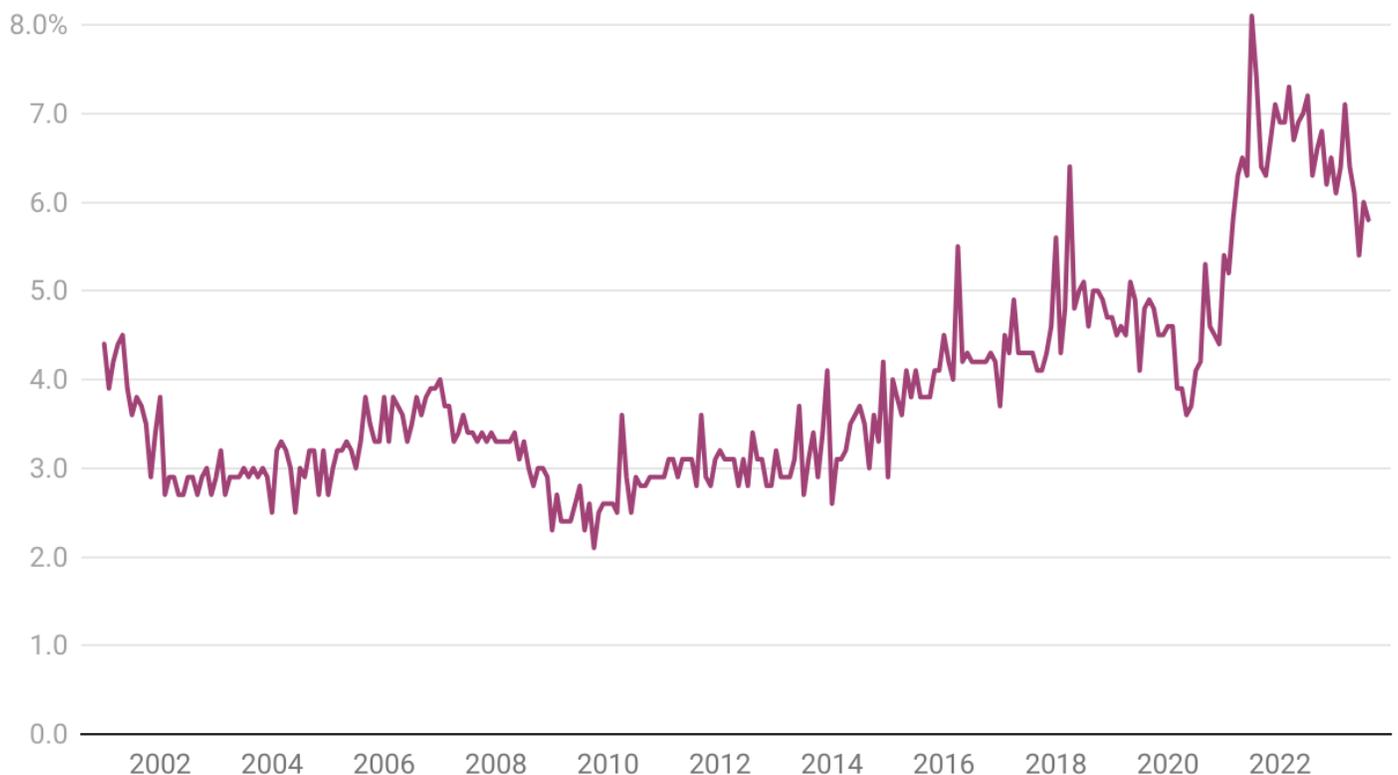
Economic growth does present potential negative consequences. The 19th and 20th centuries saw huge gains in global economic productivity, which led to rising standards of living and life expectancies. However, this was accomplished primarily through the burning of fossil fuels and exploitation of other

natural resources, which has led to the present climate crisis. Workers also experienced the gains of industrialization unequally, with a small share of the population capturing the biggest benefits from growth. In the 21st century, policymakers must balance the benefits of economic growth while ensuring that growth is sustainable and equitable.

In Maine, the eldercare system exemplifies the problem of an aging population and declining workforce. Each year there are more older Mainers requiring care services. Yet at the same time, the number of people available to work as caregivers is not growing fast enough to meet demand. The low pay offered to caregivers, which results in high turnover and difficulty recruiting new workers, exacerbates this worker shortage. In turn, that potentially leads more adults to drop out of the workforce to provide care themselves to family members. Without an increase in the number of available workers, this sector risks being caught in a negative spiral.

Maine's jobs are increasingly going unfilled

— Share of payroll jobs that are open



SOURCE: US Bureau of Labor Statistics, Job Openings and Labor Turnover Statistics data, rate of job openings, annual averages for 2003-2022; 2023 average includes January through July 2023

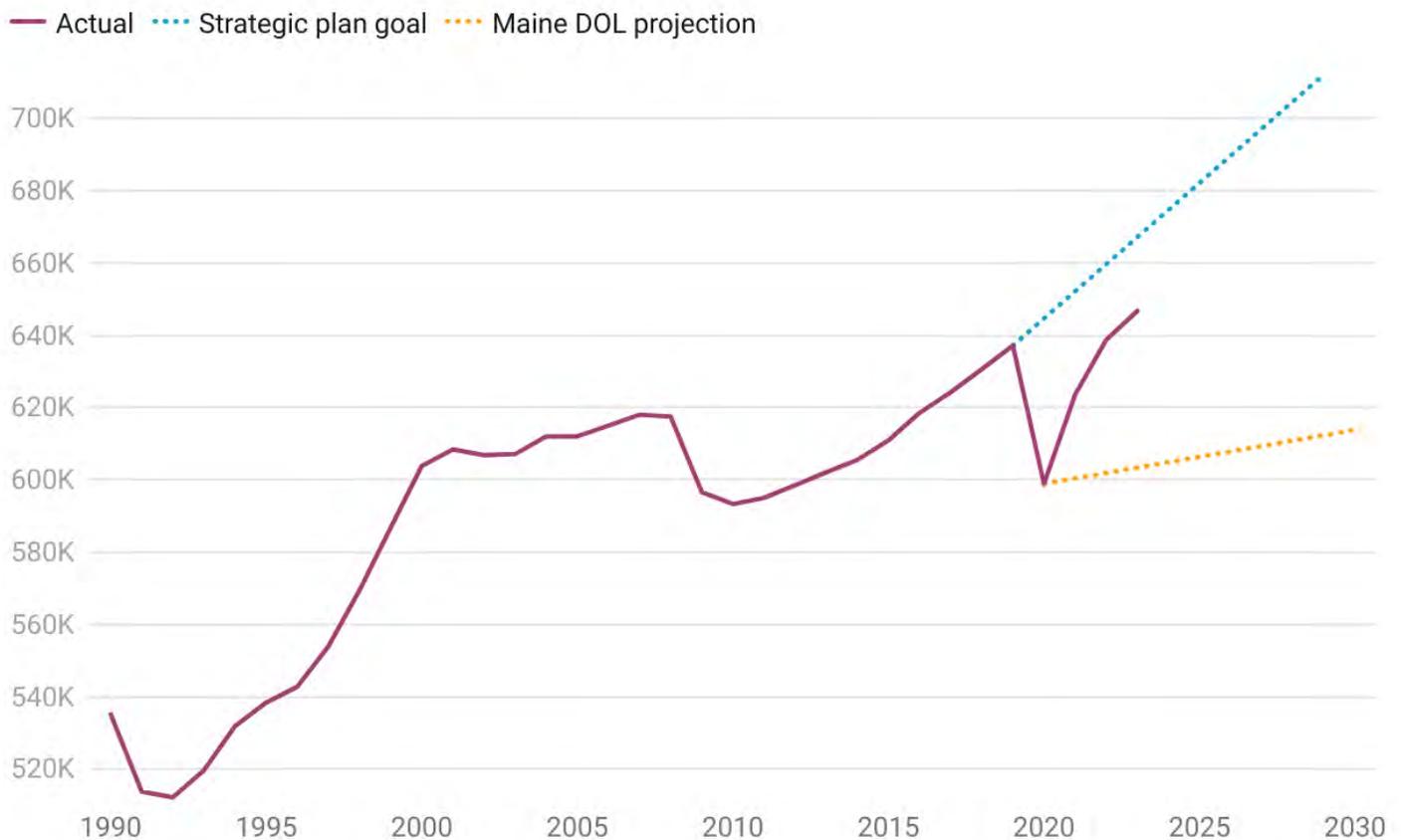
The wider labor market, too, is already experiencing these issues. By one measure, the number of job openings in Maine is currently around 43,000 — lower than 2022, but still significantly higher than the pre-COVID average.⁶ While the number of unfilled jobs is especially acute right now, this trend has been visible for the past two decades. In 2003, approximately 3 percent of jobs in Maine were unfilled — today the share has almost doubled to more than 6 percent.⁷

While there are benefits to a strong labor market, one that has too few workers can have substantial negative consequences. On the one hand, when labor is in high demand, workers can command higher wages from employers. Since 2019, wages for most Mainers have increased faster than inflation and at some of the fastest rates in years.⁸ However, there are limitations to the benefits to workers, and a balance to be struck between a strong labor market and one that creates a drag on the economy. An acute worker shortage could mean excessive hours

or long schedules for workers, a lack of services for Mainers as service workers are hard to find, and could hold back wage growth if employers are unable to fill enough positions to grow their revenues year after year.

In the abstract, policymakers in Maine have long understood this problem, and economists have warned of a labor market crunch for decades. Yet the shortage of workers has not always been as bad as predicted. For example, in 2014, the Maine Department of Labor warned the number of payroll jobs in Maine would barely grow over the next decade, projecting just 606,000 employees in 2022.⁹ Even in the wake of the pandemic, the average number of nonfarm payroll employees that year was almost 639,000.¹⁰

Maine needs to reverse a projected labor force decline



SOURCE: Maine Department of Labor, nonfarm payroll estimates; Maine's Economic Development Strategy, 2020-2029; Maine Department of Labor, Employment Outlook to 2030.

Maine has so far avoided the worst of these predictions for a few reasons:

- The Baby Boom generation has not retired at the rate expected.
- A stronger economy has increased the share of traditional “working-age” Mainers who are employed, reversing a multi-year trend of declining workforce participation.
- Maine has seen more in-migration than expected, both from other states and overseas, which has increased the pool of potential workers.

If Maine wishes to avoid an eventual decline in the labor force and the accompanying negative effects, it needs to do even better at defying predictions and build on these recent successes.

Acknowledging this problem, the state’s current strategic economic plan calls for an increase of 75,000 workers by 2030¹¹ — a stark contrast to the predicted decline of a similar magnitude from the Department of Labor. If accomplished, this would be one of the largest increases in the state’s workforce in 30 years.¹²

Unfortunately, while the economic plan and other documents recognize the scale of the problem, there has been less focus on solutions and concrete policies to accomplish the goal. ***State of Working Maine 2023 aims to fill this gap by identifying policies to both boost workforce participation by current Maine residents and policies to increase the size of the state’s working-age population through migration.***

Boosting labor force participation among the existing population



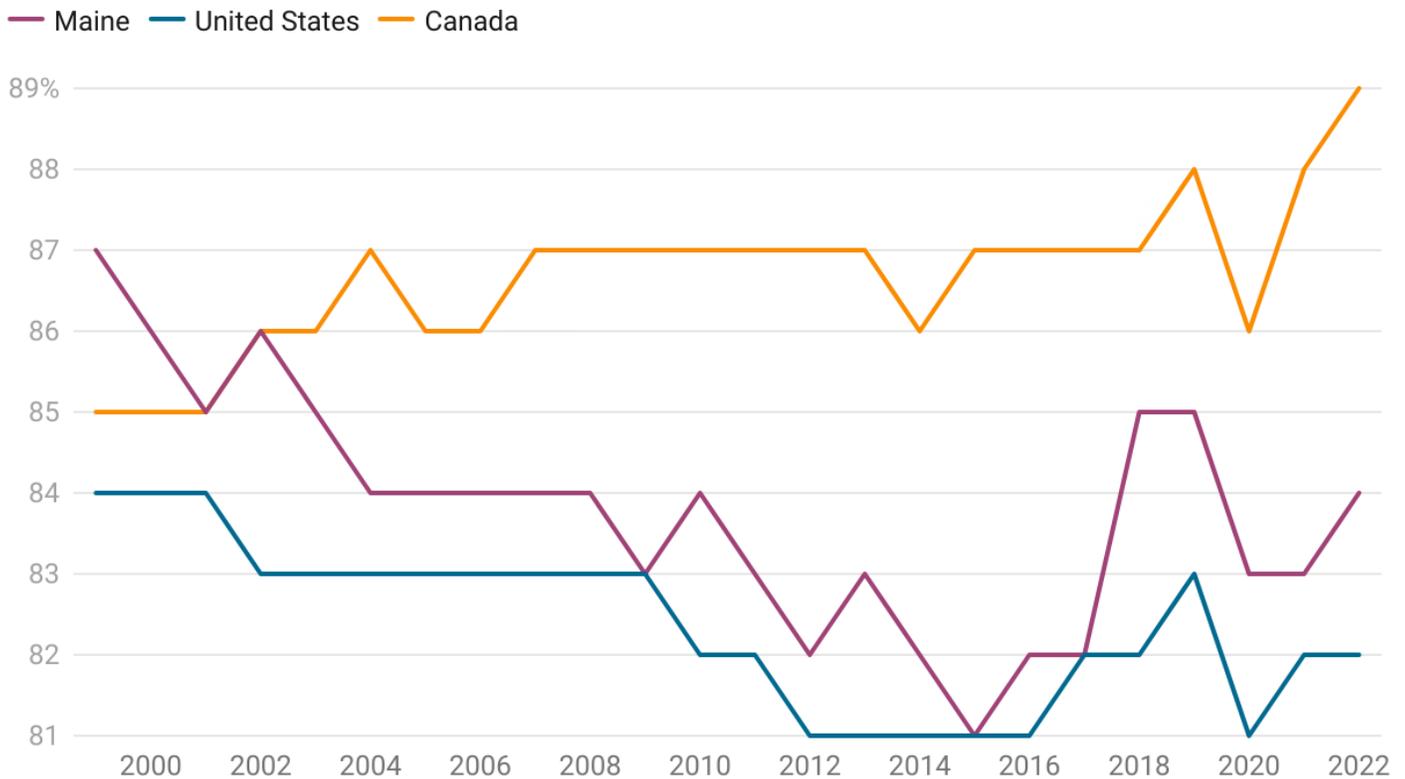
The higher rate of labor force participation in other peer countries than in the US is partly due to the relative lack of employment supports for US workers, especially for women.

Historically, much of the growth in Maine’s workforce has come from increasing the number of existing residents who are working. And while there are limits to the number of Mainers who can be assisted into the workforce, there is still some room for this population to grow.

The share of 25- to 54-year-olds (people considered by economists to be of “prime working age”) who were employed or looking for work in Maine in 2022 was 84 percent, essentially the same rate of labor force participation as before the pandemic, though lower than the historic high of almost 87 percent in 1999. If Maine was able to get its prime-age labor force participation rate to 1999 levels, that would imply the potential for 15,000 more workers over 2022 levels.

Prime-age labor force participation in Canada outpaces Maine and US

Labor force participation rate for 25- to 54-year-olds



SOURCE: Organization for Economic Cooperation and Development (USA and Canada); US Bureau of Labor Statistics, Current Population Survey microdata via the Integrated Public Use Microdata System (IPUMS) (Maine)

However, it may be possible to increase the size of the workforce even above those 1999 levels. While this year was the high-watermark for US labor force participation, in other peer countries, labor force participation rates continued to grow after 1999 instead of declining as they did in the US. For example, in Canada, currently 89 percent of 25- to 54-year-olds are employed. Were the same share of Mainers to be working it would equate to 23,000 workers above 2022 levels.

There are several factors contributing to the higher rate of labor force participation among working-age people in Canada and other peer countries than in the US. **Research suggests some of the most important relate to the relative lack of employment supports for US workers, especially for women.** Since 1999, the share of Canadian prime-age women in the labor force has increased by seven percentage points, while in the US and in Maine the participation rate for prime-age women

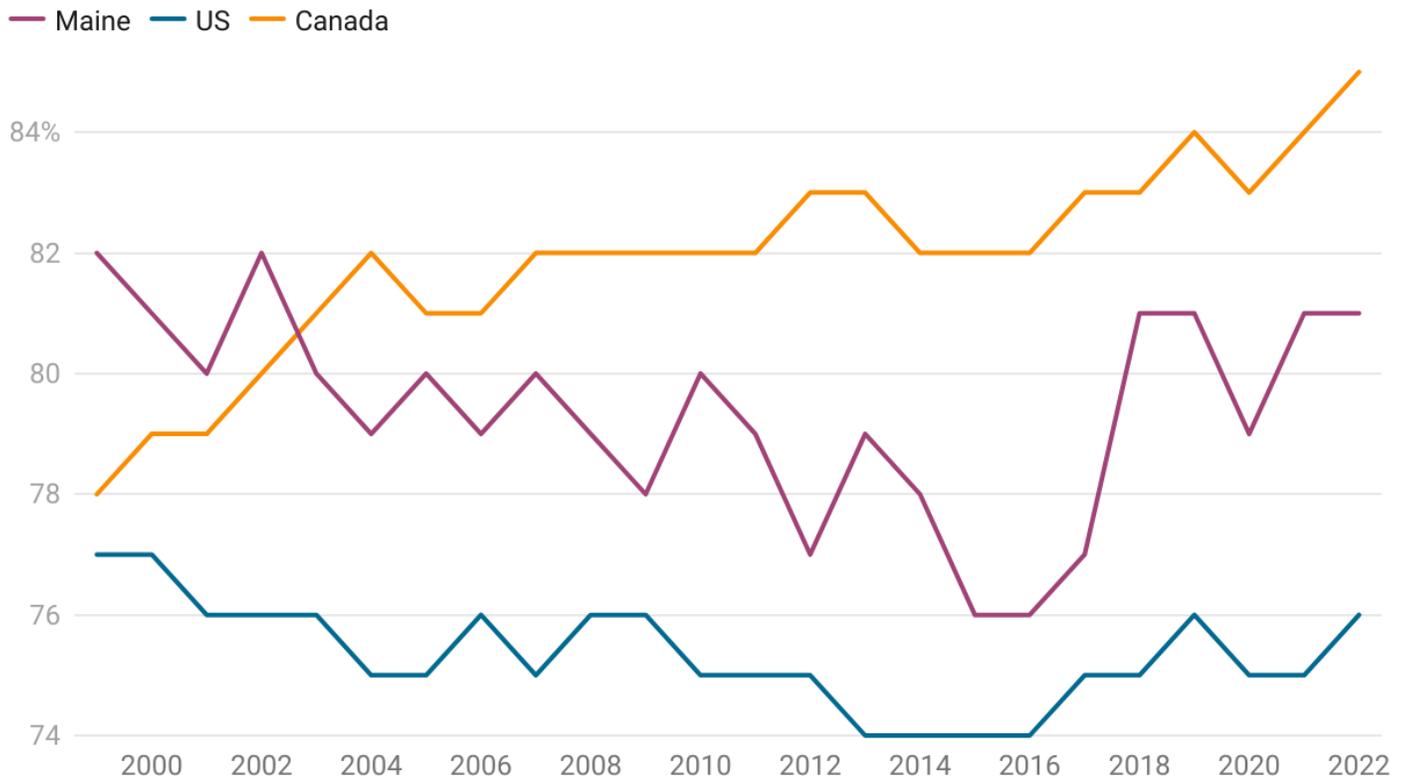
today is essentially the same as it was more than two decades ago. The need to care and provide supports for children, people with disabilities, and older adults is a role that still falls disproportionately on women and, accordingly, women in Maine are far more likely than men to report child care or care for older family members as their primary reason for not working. **Through the year ending October 2, 2023, an average of 19,600 women and 2,500 men each week listed either child care or care for older adults as their main barrier to employment,** meaning that the responsibility of care was almost eight times as likely to fall on women as on men.¹³

Maine's forthcoming Paid Family and Medical Leave (PFML) program, which the governor signed into law this year and will be operational from 2026, will help address this problem.

Evidence from other states with PFML programs shows being able to take paid leave makes it more likely that women will stay in the labor force when

Women's prime-age labor force participation in Canada has grown as it has stalled in the US and Maine

Labor force participation rate for 25- to 54-year-old women



SOURCE: Organization for Economic Cooperation and Development (USA and Canada); US Bureau of Labor Statistics, Current Population Survey microdata via the Integrated Public Use Microdata System (IPUMS) (Maine)

they welcome a new child or face a caregiving emergency for an adult.¹⁴

However, policymakers need to provide further support to enable more Mainers to balance work with care responsibilities. **In both child and adult care, examples from Canada show state intervention is necessary to support the wider economy.** In Quebec, for example, a broad network of state-subsidized child care networks means that 72 percent of children in the province have access to care, for which parents with low income pay CA\$8.50 per day.¹⁵ As a result, one study estimates the employment rate among Quebecois mothers was seven percentage points higher in 2015 than it would have been without the program.¹⁶ In that year, 80 percent of mothers in Quebec worked, compared to 72 percent of mothers in Maine.¹⁷ Similar studies of the Head Start program in the US show increases

in employment rates for mothers with access to affordable child care.¹⁸

Maine took a big step forward in broadening access to child care this year by funding a bill to extend the existing system of subsidies to allow many more parents to qualify for assistance with child care costs. However, more work remains to be done to ensure care workers are compensated in a way that adequately reflects the cost of care, and to expand the availability of care for parents who need it.

Similarly, previous research by MECEP estimated labor force participation is currently reduced by as many as 8,000 workers due to the shortage of affordable care options for adults.¹⁹ This shortage is primarily due to a shortage of care workers in this sector, which in turn can be attributed to low wages and a lack of benefits. Maine has made some progress in improving wages by increasing the rates

paid by the MaineCare program to care agencies in recent years, but with a strong labor market, these rates are still inadequate. The legislature can consider other supports for care workers, such as vouchers to attend college, to improve hiring and retention. The state should also proactively engage the expertise of direct care workers themselves in the process of identifying solutions to improve their working conditions and grow their workforce.

In addition to needing to care for others, large numbers of Mainers report their own poor health as a reason for not working. During the year ending August 2023, 82,000 Mainers between the ages of 18 and 64 reported ill health or disability as their primary reason for non-employment.²⁰ While a significant portion of these individuals have disabilities that would prevent them from working, just under half reports a health condition but not one that is severe enough to qualify them for a disability benefit.²¹ Supporting these individuals to work, if they wish, could be accomplished through pairing increased access to health care with greater workplace accommodations for illness and disability.

Similarly, empowering older Mainers to work if they want to will require a thoughtful and nuanced approach. **One reason Maine's workforce has not shrunk as much as predicted over the past two decades as the Baby Boom generation reaches traditional retirement age is fewer people are retiring at age 65.** The share of Mainers between the ages of 65 and 74 who are employed has increased significantly between 2003 and 2022, from 19 to 27 percent. Two competing factors contribute to this:

- Mainers are living longer, healthier lives due to advances in health care and extending their working years as a result.
- Decline in economic security for older Mainers due to the increasing inadequacy of Social Security benefits and the reduction in other private pension options for most retirees.

Maine policymakers must therefore balance encouraging older Mainers to work, while not compelling people to work through economic necessity as it may damage their health. This is particularly important to consider for women, who tend to have less savings and lower social security benefits than men due to lower earnings in their working life because of systemic discrimination

In the words of workers:

“As a result of extra workload and lack of pay ... teachers are getting burned out and are leaving the field. Raising the salary would help attract and retain teachers. I have a master’s degree in special education and I’m looking for part-time work because the salary is too low to support the finances. If nothing gets done to remedy these challenges, educators are going to leave the field and there will be no one left to teach students in schools.”

- *Midcoast elementary school special education teacher*

and an expectation that they shoulder the bulk of caregiving responsibilities.²² People of color have similar struggles as wages over their lifetimes have been lower due to discrimination of multiple kinds.²³

Some older Mainers face distinct health challenges to work. Black and Indigenous Mainers on average have worse health outcomes in later life, and lower life expectancies from a lifetime of impaired health care access, environmental injustice, and chronic poverty. Similarly, Mainers from working class backgrounds have worse health outcomes, especially if their careers have been spent engaged in physical labor.

With these caveats in mind, policymakers can improve working conditions for older Mainers by tackling age discrimination and encouraging employers to adopt hiring practices that support older Mainers, and especially their health conditions. For example, Colorado recently passed a law to prohibit employers asking about applicant ages or graduation dates on job applications and resumes.²⁴ Lawmakers should also ensure workforce training programs are welcoming to older Mainers and allow them to account for lived experience in addition to academic credentials. While some older Mainers can benefit from training to adapt to new technologies and work in new sectors, many bring a wealth of prior experience not always reflected in formal credentials.

A final important policy to boost labor force participation is widespread access to affordable adult education. Labor force participation varies greatly by education levels. Mainers with some college education, including an associate degree, are more likely to be in the labor force than people without, and people with at least a bachelor's degree are more likely still.

Maine has recently made some progress opening access to higher education with the provision of free community college to recent high school graduates on a temporary basis. While successful, the program as currently designed has limits that lawmakers should address. As a “last dollar” program, the state only provides funding to cover the costs of tuition and fees *after* federal financial aid has already been provided. This reduces the cost to the state but also limits its impact on students with low income, who may already be receiving federal aid to cover all or most of the cost of tuition. Studies show to have the biggest impact on student enrollment and eventual

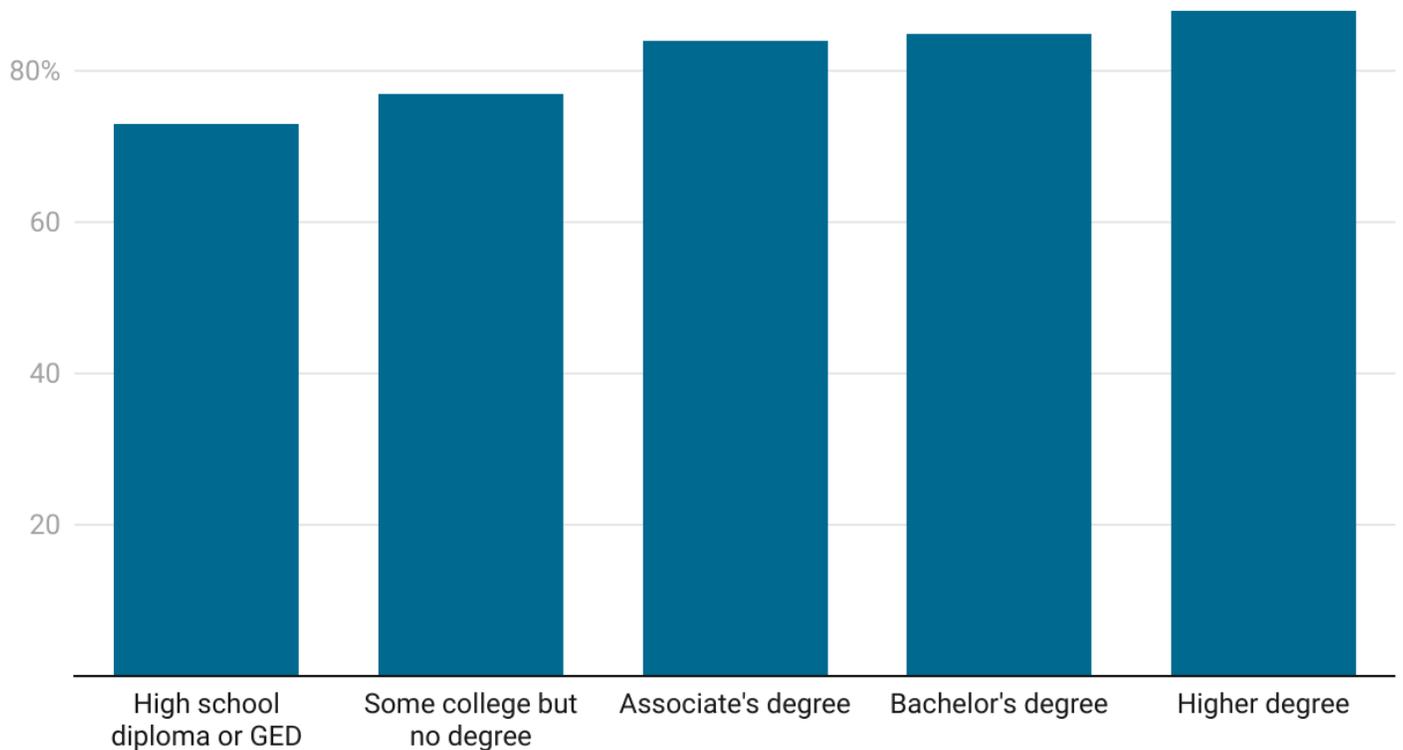
benefit, free college programs should create free enrollment for all students, and allow students to apply federal aid to items such as books, housing, and transportation.²⁵

Currently, Maine’s free community college program only reaches a limited segment of the population. Adults without a college credential or with only some credits but not a full degree are some of the individuals with the most potential for labor force entry, yet the program excludes them. Finally, the program should be expanded to include public four-year universities, where the benefits for the economy would be even greater.

New Mexico implemented an “Opportunity Scholarship” program in 2020, which completely covers tuition and fees at public colleges or universities for all students enrolled in at least six credit hours per semester who maintain a 2.5 GPA. The program allows students to apply any federal aid toward other costs, is available regardless of age, and can be used toward degree completion.²⁶

Labor force participation is highest among college-educated Mainers

Labor force participation rate for 25- to 64-year-olds



SOURCE: MECEP analysis of US Census Bureau, American Community Survey data, 2022

In the words of workers:

“It’s easy to get a **job**. It is the hardest thing in the world to get a **career**. A job is 9:00 to 5:00. A career is something that’s gonna take you and your family that next step, and hopefully carry you **out of poverty**.”

- Father, delivery driver and full-time student in Bangor who recently reached the 60-month limit for support through the Temporary Aid for Needy Families (TANF) program

A broad-based free college program has the potential to increase migration to Maine and provide a new workforce of educated individuals.

One study of a similar program in Georgia (the HOPE scholarship for high school students) found families with high school-aged children were more likely to move to the state as a result of the program.²⁷

Student loan repayment tax credit programs are not as effective as broad-based free college programs to attract and retain college graduates. One study of a program similar to Maine’s Student Loan Repayment Tax Credit found about a 1 percent reduction in out-migration of health professionals. In terms of promoting equity more broadly, these programs tend to benefit graduates who are earning more.²⁸

One trend in labor force participation nationally and in Maine is periods of economic recession are followed by declines in labor force participation as people not only lose their jobs in a downturn but give up looking for work altogether.

Research shows there are ways to avoid this economic shock and make the wider economy more resilient to recessions.²⁹ In general, access to safety net programs is critical to keep people attached to the workforce over the long term. Programs such as Temporary Assistance for Needy Families (TANF), which provides cash assistance, and Supplemental Nutrition Assistance Program (SNAP), which provides food assistance, can provide basic levels of economic security to Mainers in hard times, which makes them better prepared to work when employment is available and accessible.

Access to a health care safety net is especially important, as many Americans get health insurance through their employer. Being laid off can mean losing access to health care that in turn can worsen health conditions and make it harder to get back to work. Expanding access to Medicaid and reducing barriers to enrollment are critical. Research shows expansion of Medicaid under the Affordable Care Act, which Maine implemented in 2019, had a noticeable impact on employment rates for individuals with disabilities or chronic health conditions,³⁰ and further expanding access to health care would bolster employment among other populations.

Unemployment compensation is another important program for labor market attachment.

Designed correctly, unemployment compensation programs help maintain labor market attachments through the requirement to engage in work searches and training while collecting payments. Research shows longer eligibility periods for unemployment compensation keep beneficiaries attached to the labor force for more time³¹ and help them to find jobs that better match their skillsets and other needs, which in turn reduces the chances they will be unemployed in the future.³²

Increases to the maximum length of unemployment benefits should be paired with increases to the wage replacement rates and reforms of work search requirements to replace the current reliance on paperwork with active support in job seeking. Doing so would make the overall program more effective and accessible.³³

Increasing the working-age population



Many policies that would support working Mainers would also make Maine a more attractive place for people to move.

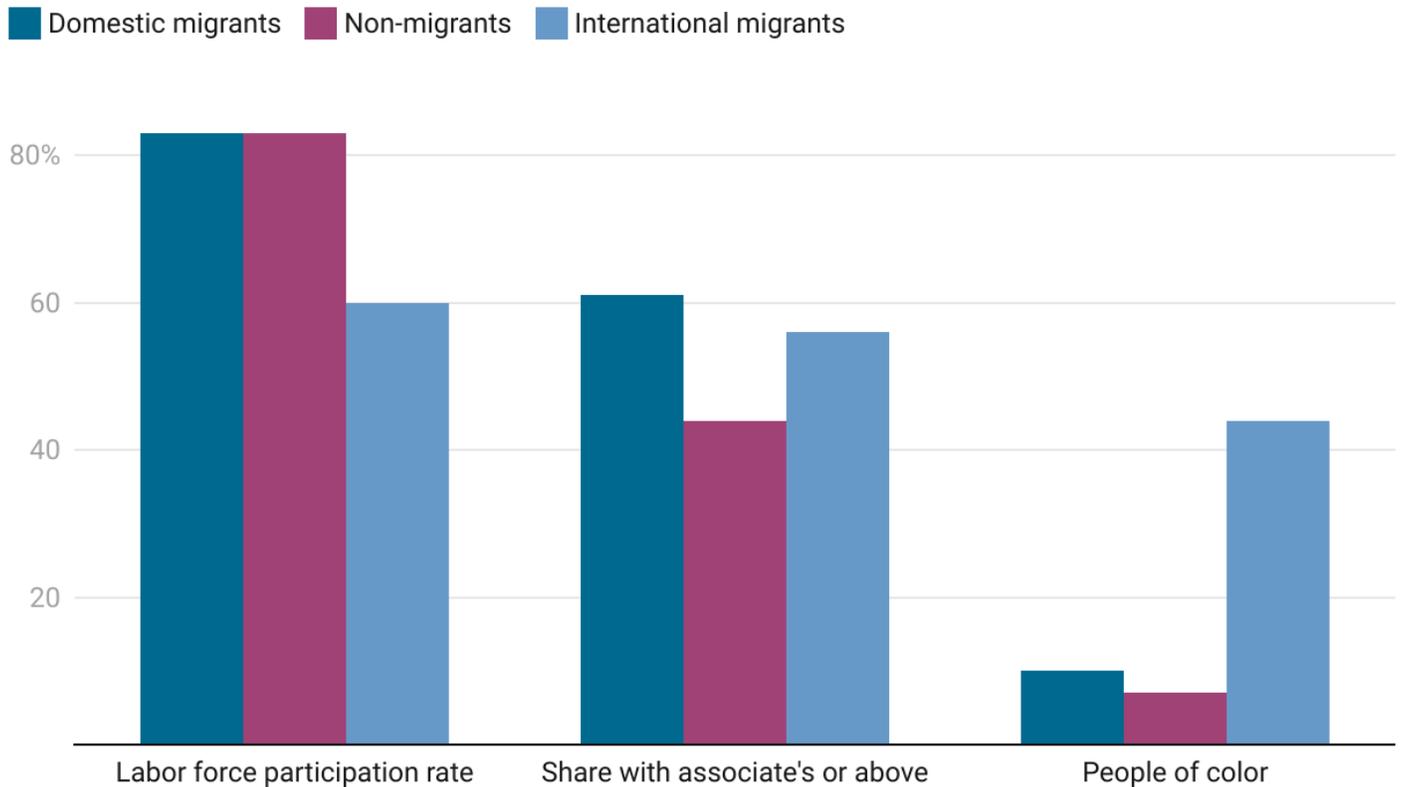
Important as it is to boost labor force participation among existing Mainers, mathematical and demographic realities mean there is only so much potential among this population. **For long-term growth, especially to reach the goals laid out in its strategic plan, Maine will need to attract new residents from out of state and from abroad.**

New arrivals tend to be younger and with higher levels of education than the existing population — which will contribute to a stronger workforce.

In 2021 and 2022 a significant number of Americans moved to Maine from other states. In a typical year between 2010-2019, Maine's population through net migration increased by 5,400 people.³⁴ In 2021, that number jumped to 26,700, and preliminary data for 2022 suggests a similarly high number of

In-migrants to Maine strengthen and diversify the workforce

Share of population age 25-54



SOURCE: MECEP analysis of US Census Bureau, American Community Survey data, 2012-2021, via the Integrated Public Use Microdata System

net new residents.³⁵ Some of that increase is due to Maine's low COVID-19 case numbers and a general movement of Americans from urban areas with high transmission rates to more rural ones. It is unclear how much that rate will be sustained in future years.

Research on why people make interstate moves suggests migration is driven by a few key factors — job availability, family presence, and housing affordability. Over the past decade, Maine's major advantage has been in affordable housing, relative to the rest of the country, while its main disadvantages have been the state's climate and the availability of good paying jobs.³⁶

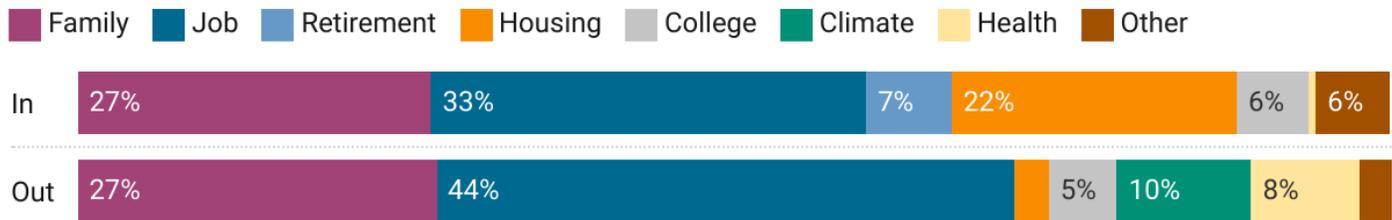
Many policies that would support working Mainers would also make Maine a more attractive place for people to move. Well-funded, high performing schools and programs that support work-life balance such as PFML are especially important to attract and retain Americans of prime working age, who are likely to be parents as well.

Approximately one-third of prime-age migrants to Maine each year are parents of kids under age 18.³⁷

People who move to Maine need to be able to make the most of their existing credentials and skills. To help them do so, lawmakers should ensure Maine's professional licensing requirements are as flexible as possible. This is especially important for immigrants from overseas, who are more likely to have credentials that aren't recognized in the US, but it can also apply to Americans moving from other states, which do not have reciprocal licensing arrangements with Maine.

Maine also needs to be a welcoming place for all who want to call it home. This is not only a moral imperative but also an economic reality. Currently, white non-Hispanic Americans are six times as likely to move to Maine as Black Americans, and seven times as likely as Latino Americans.³⁸ Mainers of color are also more likely to leave the state than white counterparts.³⁹ If people of color

Reasons for migrating to and from Maine



SOURCE: US Census Bureau, Current Population Survey, Annual Social and Economic Supplement, 2014-2023 via the Integrated Public-Use Microdata System (IPUMS)

were moving to, and leaving, Maine at the same rate as white non-Hispanic Americans, Maine could see an increase in net working-age migration of almost 15,000 people each year.⁴⁰

Some of the disparity in migration rates comes from network effects — people of color living outside the state are less likely to have friends, relatives, or colleagues with connections to Maine than white Americans. To some extent, this network effect is unavoidable. However, Maine policymakers could make efforts to counteract it — for example, by ensuring efforts that advertise to potential in-migrants like “Live and Work in Maine” reach diverse communities across the US.

At the same time, Maine must ensure Mainers of color feel secure and welcome to live in the state. In addition to lower in-migration rates, Mainers of color have higher out-migration rates than white non-Hispanic Mainers. This means they are not only less likely to choose Maine as a place to live but more likely to leave after having arrived here. Again, network effects play a role, but discrimination also drives some people away. Over the past few years, hate crimes have been on the rise in Maine, and incidents of bullying and discrimination in schools have been prevalent.⁴¹ A 2019 MECEP survey found 19 percent of workers of color faced workplace discrimination of some kind.⁴² Some white nationalist groups have even attempted to establish themselves in Maine and encourage a reputation that Maine is a “white state” where others are not welcome.

Lawmakers have been quick to denounce these racist groups and their aims, but they also need to work to make the state more welcoming and supportive of people of color in other ways. One key change would be to greatly increase the

capacity of the Maine Human Rights Commission.

The state could establish an Office of Civil Rights at the Attorney General’s office to aid in investigating and prosecuting hate crimes. The Department of Labor needs more capacity to enforce existing workplace protections, including those that protect whistleblowers and prevent employer retaliation. The state could also refuse to issue contracts or offer tax incentives to corporations or individuals that recently violated human rights and equal opportunity laws.

New Mainers arriving from overseas, especially those seeking asylum, face unique challenges in entering the workforce. Like all new arrivals in the state, they have the potential to increase Maine’s workforce and contribute to Maine’s economic health. Yet federal law prohibits asylum seekers from working for six months from filing initial paperwork after their arrival in the US. In many instances, the wait is even longer, with multiple asylum cases delayed as immigration judges work through a backlog of applications. In 2023 the Maine legislature passed a bipartisan resolution to ask the federal government to waive this work restriction for Maine.⁴³ While this is a good goal, it’s unlikely federal law allows for this kind of waiver. Ultimately, changes to federal immigration law are required to support both immigrants and the states they choose to call home. Meanwhile, lawmakers should look to other policies to support work among recent immigrants.

For new Mainers who are unable to work due to legal restrictions, the state should support their ability to work in the future and establish a foundation of economic security. This means ensuring new Mainers have access to the same safety net programs as other Mainers — programs that support access to food, health care, and affordable housing. As with all people,

In the words of workers:

“New Mainers have double the dose of challenges. They have it worse than [people who came to the US in previous years] had. It’s the housing. It’s not having child care. It’s not having a work permit. Some people have to live on the street. There is no space in the shelter.”

- New Mainer in Westbrook who emigrated two years ago from Angola and now supports other new Mainers at the Greater Portland Immigrant Welcome Center

New Mainers are best able to work when they are healthy, have stable housing, and can meet their basic needs. Maine has made some progress on this situation, removing immigration status restrictions on the MaineCare program for children and pregnant people, but many working-age immigrants still face exclusion based on their immigration status.

Maine also needs to help new Mainers who are barred from working make the most of the restricted period, including subsidizing access to education such as English language proficiency courses and workplace readiness programs. The state could accomplish this through traditional avenues such as the community college and adult education system, and also through supporting institutions that work specifically with immigrant communities. As noted above, the ability to transfer existing credentials and licenses to practice in Maine would allow New Mainers to fill critical shortages in areas such as the health care industry. Immigrants already play a significant role in the health care sector, but many are either sidelined completely, or working in roles below their skill level because their foreign credentials aren’t fully recognized in Maine.⁴⁴

Similarly, it is in Maine’s broad-based interest to facilitate permanent residency and citizenship status for New Mainers. Again, the ideal solution would be for Congress to adequately fund the US Citizenship and Immigration Services to reduce their reliance on hefty filing fees — but in the interim, state loans, grants, or scholarships to help cover the costs of

immigration applications would help ensure New Mainers are participating fully and faster in society and the economy.

Another policy to support New Mainers’ economic security and preparedness to work is to ensure access to driver’s licenses regardless of immigration status. Nineteen states (including most New England states) and the District of Columbia already follow this policy,⁴⁵ which not only allows immigrants of all backgrounds to participate more fully in economic and civic life but also results in more state revenues and improved traffic safety.⁴⁶

No policy to attract new residents can succeed without improving housing affordability. Housing has become one of the largest barriers to economic security for Mainers, and the necessity of expanding the population to maintain a strong economy is even greater cause to solve the state’s affordable housing problem. Current projections estimate Maine needs to build up to 84,000 additional housing units by 2030 to make up for historic underproduction and to account for future population growth.⁴⁷ This will alone require increasing current housing production by between 77 and 94 percent. What’s more, the future population growth in this calculation is only 35,000 additional people by 2030, which may be short of the number needed to maintain a healthy economy, in which case even more units would be required.

Broadly speaking, housing policy requires a comprehensive strategy in Maine. Policymakers should make it easier to build new housing by amending local zoning restrictions that discourage density and ultimately make housing more expensive. They should ensure programs like general assistance provide enough support to residents struggling to afford housing, and consider supplementing federal housing vouchers with a state housing assistance program. The passage of a bill to create a “housing first” model is promising for addressing record levels of homelessness in Maine but must be accompanied by adequate ongoing funding to be successful.

The state has already invested \$280 million in housing since 2019 but more is required, particularly ongoing funding that is not dependent on budget surpluses. This investment can take many forms. In recent years, Maine has focused on providing tax incentives and direct subsidies to private developers. There are also proposals for the state to invest directly in publicly-owned social housing; an

approach that has had some success in places like Montgomery County, MD, as well as in Europe.⁴⁸

Finally, lawmakers need to build on existing efforts to increase and diversify Maine's construction workforce so housing projects can be completed on time and at cost instead of facing costly delays. For example, Maine's construction workforce is 90 percent male.⁴⁹ This task will require addressing the toxic culture that can dissuade women, LGBTQ people, and people of color from joining or staying in the workforce. A recent report by the US Equal Employment Opportunity Commission finds members of these groups face pervasive harassment and discrimination on many job sites.⁵⁰ Existing apprenticeship and pre-apprenticeship programs in Maine that are tailored and directed at underrepresented demographics in the industry have shown that it is possible to broaden the labor force while providing good-paying union jobs.⁵¹

In the words of workers:

"After the height of COVID we've been left with a **much-reduced staff** as well as **fewer patients**. We never know how many patients are going to come in, and the **uncertainty** translates directly to the staff, because they don't know if they're going to be told to stay home, or if they're going to be floated to another department they don't have as much experience in."

- Surgical nurse in Washington County with 28 years of experience, currently working in two rural hospitals

Conclusion: Public policy can boost Maine's workforce



The policy tools to increase Maine's workforce and strengthen its economy are within lawmakers' grasp.

A workforce shortage has potentially harmful long-term impacts for Maine's economy and people. An increasing number of unfilled jobs could lead to crucial needs like medical care going unmet and declining tax revenues to pay for the things communities need such as schools, roads, and clean water. Lawmakers need to take a deliberate and multi-faceted approach to reverse this trend. Several policy levers can be pulled to support existing Mainers in their ability to work and to attract newcomers to the state and Maine's workforce.

Supporting Maine's existing population requires removing barriers such as access to care for children, people with disabilities, and older adults, as well as bolstering supports such as higher education and safety-net programs, which help stabilize potential workers in times of crisis. Some groups of Mainers,

such as women, people of color, and older adults, face particular obstacles, including discrimination in the labor market, which need to be intentionally addressed.

Increasing the number of workers through migration means ensuring Maine is a welcoming place to live with strong anti-discrimination laws and publicity campaigns aimed at reaching potential Mainers from all backgrounds. It should be easy for new residents to transfer existing experience and credentials to the labor market. Maine also needs to build on some of its existing strengths such as good schools and a strong work-life balance, which are already attractive to newcomers.

Lawmakers must be aware of the specific challenges facing New Mainers who are also immigrants or asylum seekers. While it continues to petition the federal government for changes to US immigration law, the legislature can help asylum seekers prepare for entry into the labor market by supporting equitable access to education, immigration services, health care, and driver's licenses.

Above all, Maine will not be able to successfully grow its workforce without substantially increasing the supply of housing. Lawmakers should build on recent successes with further investments in affordable housing as well as bolstering the construction workforce by removing barriers to entry for women and people of color.

The policy tools to increase Maine's workforce and strengthen its economy are within lawmakers' grasp. *State of Working Maine 2023* provides concrete solutions to this decades-old problem. State officials should act on these recommendations if they are to maintain a future of shared prosperity for Maine and its people.

In the words of workers: Armando



Armando came to Maine in April as an asylum seeker from Angola. He studied finance, banking, and insurance in Angola and is waiting to be able to apply for a work permit. He currently lives in crowded housing in Portland.

"I came to the USA in January and waited in detention for two months before coming to Maine. I have a bachelor's degree in economics and law. I was working in customer service in Angola because I speak a lot of languages: French, Portuguese, and Lingala.

I have a lot of things to do, but I know that life is step by step. I filed my asylum case. The process to get a work permit is the same for everybody. It takes a long time. One hundred-eighty days is too much for all of us. I have waited sixty days already. Lawmakers should change the number of days we have to wait to apply for a work permit. You could do two months. Sixty days would be okay! If I had my work permit now, I could work and pay my taxes and give my contribution in this country. I am living in a place with many members of my community.

I am still looking for housing. It is very, very difficult. People need privacy in their life. Because your privacy is your education. Your mind must be free. I will be happy and free when I get my place. I'm doing a lot of applications for housing. But they don't like General Assistance. I'm praying to God to help me find something. I'm ready! If you told me you have a room for me in Biddeford, oh, I can be happy! I want to meet new people. I want to make American friends.

Portland is the key for a lot of us, but Maine has a lot of cities. Maine has Biddeford, Saco, Sanford, Lewiston, Augusta, Presque Isle. People should change their mentality. Everything that's in Portland should be in Saco, in Biddeford.

"I speak French, Portuguese, and today I'm trying to speak English. I could work in a hospital. I'd love to work in a bank. Maine has a lot of immigrants, and I can talk to them. We need more teachers in school who speak our languages. I'm a benefit for you, Maine."

In the words of workers: Armando

Maine is a safe state. We love Maine. We need to give something for this country, for this city, for this state. We speak many languages. I speak French, Portuguese, and today I'm trying to speak English. Maybe tomorrow I'll learn Mandarin! I could work in a hospital. I'd love to work in a bank. Maine has a lot of immigrants, and I can talk to them. We need more teachers in school who speak our languages. We can help facilitate English comprehension for students who don't understand it. I'm a benefit for you, Maine.

We need unity in Maine. White people and Black people must be together because the USA is the freedom country. For me, the USA is like a mother. The mother loves all her children, all her kids. I love the USA and I am ready to give something for this country and for this state."



Armando stands in downtown Portland, looking across Congress Street.



Erin is a nurse with 22 years of experience in hospital units. For the last 10 years she has worked as a labor and delivery nurse at a central Maine hospital.

“Our labor and delivery unit serves two-thirds of the state. We’ve always taken the higher risk patients because we have a neonatal intensive care unit, but in the last few years we’ve also started taking patients who would have gone to their community hospital before those labor and delivery units closed down. Many of our patients travel more than two hours for both prenatal care and their actual delivery.

What we found out during COVID was that we were understaffed. We had this just-in-time model for staffing and supplies. I thought they would really learn from that, but they didn’t. What they learned is that nurses could do more with the same — or even less. “That’s good enough for them, and that’s how we’ll continue.” I love my job. I don’t love the conditions. It feels morally injurious to have been called health care heroes for two years, and then change nothing to make things better.

We still don’t staff for an influx of patients. We have a set number of nurses scheduled. A lot of times that works, but there are plenty of times when it doesn’t. They should have learned that we can no longer staff for an “average day” or an “average load” or what the computer metrics tell them. When you’re delivering terrible news to someone, you’re going to sit with them for as much time as it takes. Computer metrics can’t reflect that human need. Hospitals are constantly rolling out different charting requirements and different technology that measures risks and monitors patients from another state. We don’t need more technology. Technology does not care for people. We need more nurses.

My daughter is going to be 18 next week. She’s decided to go to nursing school, and I’m scared for her. What will it be like to work under these conditions at 22 years old? It’s hard for me, even with lots of experience and lots of tools in my kit, and I struggle some days. If things were like this when I got out of nursing school, I don’t think I would have lasted more than five years.

In the words of workers: Erin

And that's what we're seeing right now: new grads leaving after two to five years. They're using their nursing license, but they're not using it at the bedside because being by the bedside is untenable. Here in Maine, the number of registered nurses has increased in the last five years. We're graduating more nurses than we've ever had, and we still don't have enough at the bedside, which says that the problem is not the number of nurses who are licensed. It's the number of nurses who are willing to work in these conditions. For nurses who want to work bedside, I would encourage them to work in a union hospital in a state with patient ratio laws.

Nurse-patient ratios are a safety issue. Many studies show that for every additional patient a nurse has, there is increased risk of patient injury or death. States with nurse-patient ratio laws have also seen nurses return to the bedside. Nurses are scientists. It's hard when the research says that this is the best practice and the hospital industry says, "No, that's not how we're going to make the most profit." Labor is a big cost, but patients being injured and dying is a higher cost.

We want to help people. We're not complainers, we're problem solvers, and no one wants to speak badly of the situation and how awful it is. But it's just gotten to the point where we can't stay silent anymore. I love my job. I love my patients. I think I would be really unhappy if I weren't doing this work. But there are more days than ever where I've thought, "Wow, this is not good." I just hope that we can make some real, meaningful policy changes."

"I love my job. I don't love the conditions. It feels morally injurious to have been called health care heroes for two years, and then change nothing to make things better."



Grace is an Ed Tech 3 with 15 years' experience as an educator. She currently works primarily with 1st graders at a Cumberland County school serving students in Pre-K through 2nd grade.

"We have a lot of new staff this year, and it feels like we are always looking for more people. We still have an opening for an ed tech. We have one custodian assigned to our building, and he's the full-time bus driver as well. Another custodian is coming back from retirement to work three nights a week. Food service people from other schools sometimes come over to help, and our kitchen manager stays late to help with the vacuuming. Last year we had a single person in our school's kitchen, serving hundreds of meals all by herself.

Whenever we find somebody, it always comes down to wages and health insurance as the reasons they don't take the job with us. A lot of people don't realize that it takes 25 years for educational support personnel to get to the top of their pay scale. If you're a van driver in our district, your starting pay is \$20.81 per hour. After 25 years, you can work all the way up to \$24.57. That's less than a \$4 raise, after 25 years!

It's unfair that you can only take these important jobs that require so much skill and care if you have a spouse and a dual family income. While I was in this position, I became a single mom, and it has been a huge struggle to support three kids. Thankfully, I was chosen for a Habitat for Humanity home, and my kids have benefitted from Pell grants and Maine's free community college program. I've had to work two and sometimes three jobs. I was delivering pizzas for almost two years. I'd finish my job at school and then rush over and deliver pizzas until 9 o'clock, and then go back to school first thing in the morning. It was exhausting. I'm now earning extra money by riding in the school van with kids who need extra support, and also tutoring during the summer.

Our district's educational support personnel are unionized. Ed techs, bus drivers, custodians, secretaries, food service, maintenance, and mechanics are all included. I think a strong union comes from strong numbers. We just signed our collective bargaining agreement today. It took quite a while. With all that's gone

In the words of workers: Grace

on with inflation and the pandemic and unemployment being so low, we all thought they would see the value in raising our wages to keep skilled staff and attract good people. But negotiations came to a sticking point over money. We weren't asking for the moon. We were asking to be paid fairly for the work we do.

Our previous contract had a 25-year pay scale with wage increases every five years. So, we didn't get more than a tiny 25 cent cost of living increase until we had worked for five years, and we couldn't get another raise until we hit the 10, 15, 20, or 25 year marks. How long does it take anybody to become proficient at their job? Not 25 years! Shortening the pay scale to get people to the top faster was the main issue we were pushing for. Now we will get a wage increase and a cost of living increase every year, and within three years we'll have reduced the number of steps from 25 to 20. We also won critical wage increases for some classifications that were extremely underpaid before.

I don't think parents and lawmakers see the actual wages our workers are getting paid or understand that there are full-time ed techs like me that are still on MaineCare. I would like them to recognize how little we pay these employees who do so much for our kids. The people I work with — the bus drivers, the food service, the custodians — they're some of the most amazing people. People ask why we do it and why we stay. It's the kids. It's about helping the most kids that we can."

"Whenever we find somebody, it always comes down to wages and health insurance as the reasons they don't take the job with us. A lot of people don't realize that it takes 25 years for educational support personnel to get to the top of their pay scale."

In the words of workers: Jenn



Jenn has 28 years of teaching experience and currently teaches math at a Downeast high school.

“Our island school is pretty small, with only about 90 students total. It’s a tight-knit community. We have a lot of families that have been here for generations. My family has been here for many generations, too, and I was the first to go to college. I moved back during the pandemic. The timing was great because my grandmother was at the nursing home that shut down, and she needed a lot of care. We took shifts caring for her at my mom’s house before she died.

Along with the pandemic, we’ve also had a really hard opioid crisis here in the Downeast area; probably worse here than in other parts of Maine. We’re very open to talking about things. We have an Opiate-Free Island Partnership which provides support. We’ve had presentations from people who have pulled themselves out of it. We’ve done Narcan training for the staff and students. We try to talk about it, because if it’s not talked about, it’s not dealt with.

Teaching through the pandemic was challenging and it was hard. There are now so many kids with so many gaps. In Algebra I, we don’t start where we’ve normally started, and we don’t get through what we normally get through. And it’s going to be a while before we get to the point where that’s not the case. We’ve had to deal with a lot of immature behaviors. Last year they decided to move the 8th grade back to the middle school because the kids just weren’t mature enough. The kids don’t want to participate in sports or events. We haven’t had a soccer team for at least four years. We don’t have a baseball team. Last year we finally pulled a softball team together. But the students just aren’t coming out to participate. It’s sad.

We only have 12 teachers here at our school, so if you take just one out of the mix it’s a big deal. We don’t have a Phys Ed teacher right now, so we

“I always tell my kids that I get paid in my heart, not in my pocket. But I don’t know a lot of people that can live on their heart when they need to feed themselves and pay for heat.”

In the words of workers: Jenn

can't offer Phys Ed. We've been working without substitutes until just recently. We finally have one sub who is being shared between the high school and the elementary school. We've been hopping around, covering other people's classes. We're down an ed tech. We're down a special education teacher. The special ed department has had to get very creative and work extremely hard and extremely long hours to cover what needs to be done.

We've had people leave because of the pay. If you're a brand-new teacher, fresh out of school, you're starting at \$40,000 a year. When you live on an island that's expensive to live on, you can barely pay your bills. I am so worried about the new teachers starting at the bottom of the pay scale, because housing on this island is just so hard to find. We put together a workforce housing group in our community, and we have some new income-based apartments that were recently built. That's been a godsend for us. Three of our district's new teachers are living there. I'm not sure they would have taken the positions if those apartments weren't there.

Our pay is published in the newspaper — it even puts our names in there! I make \$66,000 a year, after 28 years of teaching. Our pay scale has 20 steps, which means that you have to work 20 years to get to the top of the pay scale. When you get to the top, the view is not great. I always tell my kids that I get paid in my heart, not in my pocket. But I don't know a lot of people that can live on their heart when they need to feed themselves and pay for heat."



Jenn stands at the whiteboard in her classroom, writing out the day's lesson.

In the words of workers: Jess



Jess is a special education professional with six years of experience supporting children with a diverse range of needs in residential, substantially separate, and public-school settings. She is currently working as a resource room teacher in a Midcoast elementary school where she has 23 students on her caseload.

"I've always been drawn to special education and have been eager to help students with disabilities navigate the world and advocate for themselves to the best of their ability. I've taught multi-handicapped and life skills, vocational, behavioral, and students with learning disabilities ranging from grades K-12.

When the pandemic first hit, I was working with nonverbal and handicapped students. It was very challenging trying to help them remotely, keeping them engaged and following the lessons. The students benefit from hands-on learning, and when you're teaching remotely, you're really leaning on parent support. It was a challenge for parents, students, and teachers.

When the pandemic came to an end, it was challenging for everyone to transition back to the school setting. Educators are still struggling to help students fill in the educational gaps missed during the pandemic and reintroducing them to social interactions and expectations.

My school doesn't currently have a special education director, so the requirements that were previously performed by the director are being pushed on the special education teachers with little to no training and no additional compensation for the extra work.

As a result of extra workload and lack of pay, special education teachers are getting burned out and are leaving the field. Raising the salary would help attract and retain teachers. I have a master's degree in special education and I'm looking for additional part-time work because the salary is too low to support the finances. If nothing gets done to remedy these challenges, educators are going to leave the field and there will be no one left to teach students in schools."

In the words of workers: John



A married father of two living in Bangor, John has had different jobs over the years, working in restaurants, at gas stations, as a technician at a psychiatric hospital, and as a manager of a call center. John is currently working part-time as a delivery driver and enrolled as a full-time student seeking a bachelor's degree in psychology, which he hopes will help him become a substance abuse counselor. John recently reached the 60-month limit for support through the Temporary Aid for Needy Families (TANF) program.

"Eight years ago, we were living in a transitional housing program, paying \$750 a month for rent. We were pretty self-sufficient for a little over a year until things started to go downhill. We said, "We need to do something. We can't keep paying this amount of rent and not having anything to fall back on." I didn't want us to lose a stable place to live. So, we applied for TANF and we applied for income-based housing in Bangor, which is administered by Fedcap.

At Fedcap you meet with a career specialist and make a plan to get a career or full-time employment. We met some great people there that were amazing at helping build resumes and making connections. My wife and I started Second Chance Recovery Fitness Program at the Bangor Housing gym. The idea was we would work with people dealing with addiction and help them come up with fitness plans.

Unfortunately, it was hard to attract people because they thought it would put their housing at risk. I knew this is what I wanted to do with my life. But I realized that if I can't do it in this manner, I needed to go back to school. I need to have the degree, so I can say, "Hey, not only am I certified, but I've been there. I've walked in your shoes, and I want to help."

For the first 75% of the way through, TANF has done an amazing job. Where they drop the ball is three-quarters into the game. The problem is a lot of the career specialists go in and out like a revolving door. You'd get comfortable with one person, and then all of a sudden you'd come in the next day and they were gone. It's time to start all over again with somebody else who doesn't know your case.

In the words of workers: John

It's easy to get a job. It is the hardest thing in the world to get a career. A job is 9:00 to 5:00. A career is something that's gonna take you and your family that next step, and hopefully carry you out of poverty.

I have a little less than a year left of school, but TANF is getting completely shut off. I feel stressed out. Optimistic, though, and anxious. But I also feel let down, because along the way of doing exactly what was asked and being told, "We'll make sure you have the safety net until you finish your education because you're doing what we're asking." And then at the end, just say, "Hey, I'm sorry. We thought we were going to be able to help you. But we can't help you anymore."

You know, school's stressful enough. Especially full-time education where you're paying almost \$70,000 by the end of everything, to get a degree that instantly sets you up for failure. Because the minute I start working I have to start repaying those loans.

There are times that the system almost makes you feel like if you go to work, and you scrape by, and work the hardest you can, they'll drop your food stamps. They'll take away your TANF. They'll lower this and lower that. Your kids won't have their MaineCare. It almost makes you feel like, by going out and doing what you're supposed to do, the normal, the right thing, that you're gonna lose out.

It's not that we won't survive or we won't make it, because we'll do everything in our power to continue to excel and rise above and finish my education so that I can get that career. But it certainly would have been nice along the way to continue to have that safety net."

"It's easy to get a job. It is the hardest thing in the world to get a career. A job is 9:00 to 5:00. A career is something that's gonna take you and your family that next step, and hopefully carry you out of poverty."

In the words of workers: Kennedy



Kennedy is a 4th grade teacher at a Lewiston area school. She has a master's in educational leadership with a concentration in English language learning and six years' experience teaching in Maine elementary schools. We spoke to her just days after Maine's deadliest mass shooting took place in her community.

"I'm from Auburn and I'm a first-generation college student. I'm currently working in a new elementary school that merged two smaller schools. It's been really tricky to navigate. We're bringing two staff and two student populations together in a huge building. We have about 700 students, and many of them have really high needs.

There's a lot of trauma here. I have students in my classroom who fled countries where active wars are being fought. I have students whose family members are incarcerated or using drugs. I have students who are homeless. I have students who have never been in a school before. All the things that make working in this diverse community so great are also what makes working here so incredibly difficult. It's this beautiful chaos that in some moments comes together and is amazing, and in other moments is incredibly unsustainable and heartbreaking.

Fourteen languages are spoken at our school, including Dari, Pashto, Lingala, Swahili, Arabic, and Portuguese. But we only have one staff member considered an interpreter. We've got all this linguistic diversity and it's impossible to meet all their needs. How can we get more multilingual people working in our schools? How can we get them as counselors and social workers? How can we get them as language learning specialists?

My current 4th graders were kindergarteners when the pandemic hit. The next year we reopened hybrid, where we only had seven or eight kids in each classroom. It was glorious! That hybrid year should have

"I went into this year optimistic that things were going to be better. But then came the staffing crisis. Our school is so understaffed that we are constantly underwater. We have huge classes. I have 25 students, and 75% of them have significant needs."

In the words of workers: Kennedy

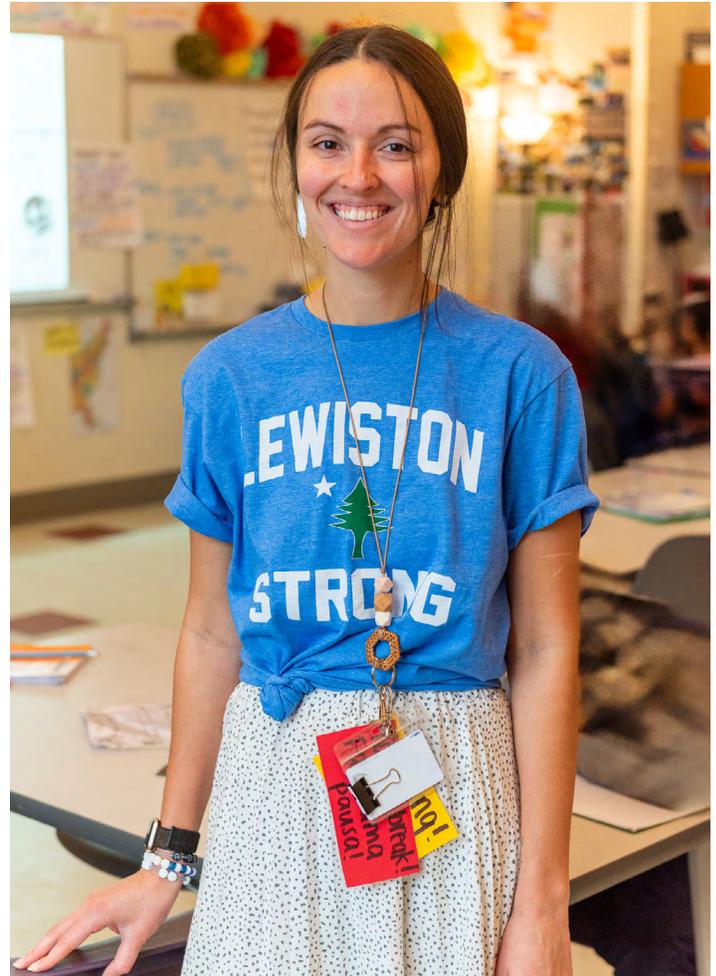
been the chance for people to look around and go, "Wow! The difference when you have a class of 10 versus a class of 20! How can we get class sizes down?" Because the behaviors were so minimal, and they were so manageable. Instead, we went right back to business as usual.

That first back-to-normal year was hard. We saw huge, huge behaviors. No kid knew how to school. We were having a lot of fights between students. Kids weren't doing their work; they weren't listening to adults. We didn't have a lot of supports in place. We didn't preemptively make sure teachers had the right training. Even now, I can pretty much count on having six or seven students who are going to have really high needs. And that might look like kids who are going to flip their lid and storm out of the classroom, or yell, or push and shove. Or it might look like kids who just completely shut down and become unresponsive.

I went into this year optimistic that things were going to be better. But then came the staffing crisis. Our school is so understaffed that we are constantly underwater. We have huge classes. I have 25 students, and 75% of them have significant needs. We started the year short teachers in 3rd, 4th, 5th, and 6th grades. Our special education department is short teachers, too. Our 3rd and 4th grades have no ed techs at all. We have one counselor for all 700 students. People are so overworked and so exhausted all the time.

This could be the year that breaks me. What are we going to do when there are no teachers left and nobody wants to do this job anymore?

So many people leave this profession because they can make equivalent money in a less stressful way. The salary issue is huge. We had support for a \$50K minimum salary for teachers, but it never made it into the budget. I get it, it's costly. But if you invest in schools and you invest in teachers, that is an investment in Maine's future. We are the people shaping the next generation. Money isn't everything, but it is something. I love this town, and I love my students. I want these kids to be able to reach their full potential, and I believe everyone who works in education wants that.



Kennedy stands at a desk in her classroom. She wears a "Lewiston Strong" t-shirt.

Because of the mass shooting, supports are streaming into our school. But I worry that it's just part of a cycle where we send counselors, we send therapy dogs, we send this, we send that, and then, as those things start to go away, we just go back to how it was before. If there's going to be any kind of light that comes out of this, then let's make real change. Let's be better."

In the words of workers: Kim



Kim is an Ed Tech 3 with 21 years of experience working in elementary and middle schools in Oxford County. She is currently working with middle school students across four grades and coaches Special Olympics track, skiing, and basketball.

"A lot of people think an ed tech is just a classroom aide, that we're there to tie shoes and make copies for teachers. That's not what we are. An ed tech is essentially an underpaid teaching position. Some of us are even certified teachers. Probably 50% of the ed techs in Maine are either retired teachers or they're waiting to become teachers.

Right now, we don't have enough support staff to go around. We're legally covering the Individualized Education Plans, but that doesn't mean we're doing all we used to be able to do for kids. We used to have one or two ed techs per grade. Now I cover grades 5, 6, 7, and 8, so I never end up being where I need to be at the right time. I don't like abandoning a child when they're struggling with something because, "sorry, I've got to go to another grade!" And if a teacher is absent, they'll call an ed tech because there are no substitutes to call. When that happens, it means students aren't being supported correctly.

We're experiencing these staffing shortages because it's a tough job and it doesn't pay enough. Ed techs are hourly workers, and ours is one of the lowest paid jobs in the state. In my district, if you're an Ed Tech 1, your starting pay is four cents above minimum wage. They tried to pass a minimum starting wage for ed techs that would have brought it to \$16 an hour, but that got shot down. \$16 an hour isn't a lot, either.

My daughter started as an ed tech in our district. She did five years with us and then switched to a coastal district where they pay \$5 more per hour. She's being paid more than me even

"Some of our high school students work at Walmart. They don't have their high school degrees yet, but they make \$20 an hour. It's hard to justify staying here when I could go work part time at Walmart for \$20 an hour. We lost ten ed techs over the summer."

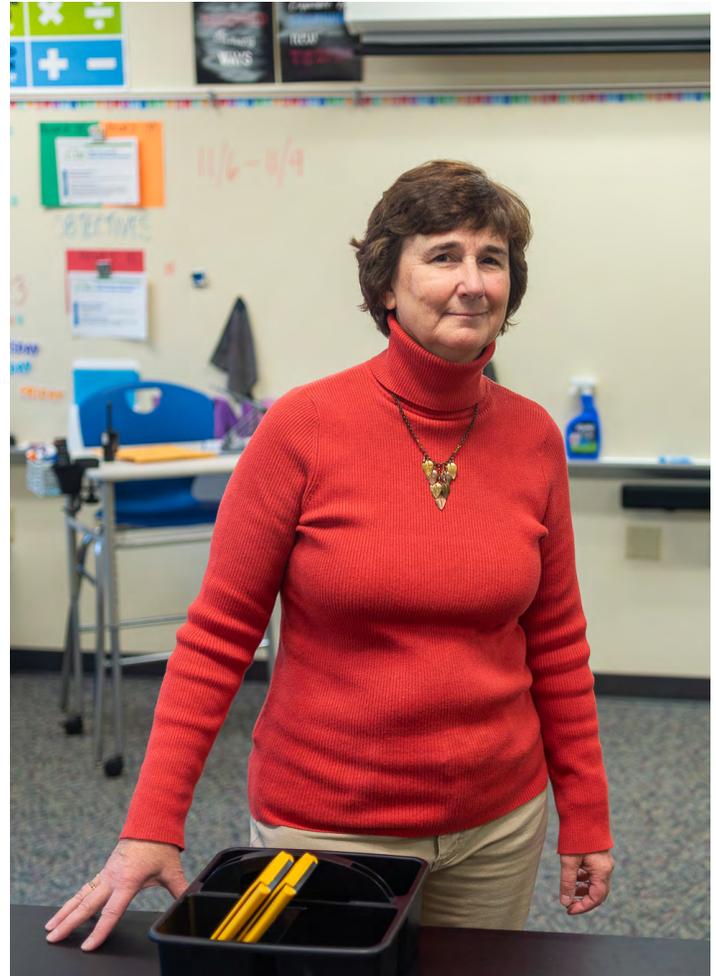
In the words of workers: Kim

though she's in her seventh year and I'm in my twenty first. She's making close to \$24 an hour, and I make \$19.83. Some of our high school students work at Walmart. They don't have their high school degrees yet, but they make \$20 an hour. It's hard to justify staying here when I could go work part time at Walmart for \$20 an hour. We lost ten ed techs over the summer.

I was the driving force behind starting an ed tech union in this district eight years ago. Before that, whenever the budget got tight, they took things away from us. We couldn't bank as many sick days, and then we had to make up hours if school started late or ended early due to bad weather. Then they tried to take away our health insurance. That's when we said, "Okay, we really need a union." It took us two years to get that first contract. We got a \$2 per hour raise across the board. We won our sick days back. We won some of our health insurance back. Back then we asked for proper pay. I kept saying, "If you don't pay us well, you're not going to have us." And now this year we're short.

I like the people I work with. We're all here for the right reasons. I'm hoping to get better gains on our contract so we can stay here. But I'm worried. The only things we're unhappy with in our contract right now are our health insurance and our pay scale, and those are the two hardest things to negotiate. Educators can't strike in the state of Maine. So, the biggest leverage we have is to point out the fact that they're not going to be able to keep us. There will be no retention. Because who's going to want to stay?

I think what a lot of parents and outside people don't understand is that we are not here for the money. The money should be appropriate. But we're here because we love what we do. We love the kids."



Kim stands in a classroom, her hand resting on a table next to a tub of class supplies.

In the words of workers: Marcella



Marcella came to Maine two years ago from Angola and lives with her husband and children in Westbrook. She worked in customer relations at an oil and gas firm back in Angola, and now works as a client coordinator at the Greater Portland Immigrant Welcome Center, supporting integration for new Mainers. Note: We are using a pseudonym to protect the storyteller's privacy.

"My family and I came to Maine in 2021. We lived in a hotel for nine months. It was such a struggle to get an apartment. If you didn't understand English, you would just give up. We got help from an organization called Greater Portland Family Promise. They helped us get a guarantor and helped us get housing. Once in our home I was able to help other New Mainers. I'd serve as a translator; I'd interpret for them. I still volunteer in churches and nonprofit organizations, making sure that people who are like me, who sound like me, and who are from my country are being taken care of. The way I was received when I first got here, I want to make sure I give back the same way to somebody else who needs it.

When I first arrived, there was help everywhere you turned. The progression between then and now – things have totally changed. Yes, there is still help available, but there aren't as many resources as we had back then. New Mainers have double the dose of challenges now. It's the housing. It's not having childcare. It's not having a work permit. Some people have to live on the street. There is no space in the shelter. It feels like you've been thrown into a fire. And even when you are allowed to work, it takes a toll on you because your benefits are cut off and there are bills piling up. You're not really making enough money to make ends meet. You find yourself back in the same position when you weren't able to provide for yourself.

The biggest problem for me right now is not being able to afford childcare. How do you pay \$380 every week? That's not affordable. I don't even

"New Mainers have double the dose of challenges now. It's the housing. It's not having childcare. It's not having a work permit. Some people have to live on the street. There is no space in the shelter. It feels like you've been thrown into a fire."

In the words of workers: Marcella

think any normal Mainer can afford it. I've got a 7-year-old, my son is turning 6 soon, and I've got an 8-month-old. It's a lot. I'm trying to juggle having a successful career and being a mom.

The work permit situation needs to change. People are tired of being dependent on General Assistance. They want to work. They came from a background where they were workers. They made money. General Assistance is under so much stress because every other person here needs assistance. So how do we help them? We help them by minimizing the time they must wait to work and making sure that all these people who are willing to work are working.

If your English is good, you can work anywhere in Maine. We need to spread out the resources to other cities in Maine, making sure that whatever benefits we are offering here in Portland are being multiplied in other cities. The problem is that some cities don't offer the same benefits that we do here in Portland. That's the biggest hurdle. The second is that people don't know what's out there besides Portland. If we could reach out to the city counselors and mayors and say, "Listen, we have several new Mainers here that we would love to send to you. How can we make the transition easier for them and for you?" They have never given them the opportunity to discover other cities besides Portland. If that opportunity presents itself and there are resources in place to help them integrate, they will go.

The economy in Maine is going to thrive because there's a need for this manpower. We have so many open jobs here in Maine, and we have people to fill them who don't have work permits. Let's find a way to solve that. Let's find a way to say, "You know what? You're here to support yourself. Here's your work permit. Go and make your life." People want a sense that financial stability means freedom. And right now, these people don't have it."



Marcella sits in the lobby at the Greater Portland Immigrant Welcome Center, a hub of collaboration for New Mainers.

In the words of workers: Shirley



Shirley is a surgical nurse with 28 years of experience, currently working in two rural hospitals in Washington County.

“The financial crisis in 2008 hit my hospital very hard. Where we had been a very robust hospital, things just gradually got quieter and quieter and quieter. Over the next decade we started having cutbacks. “We don’t need this. We’re getting rid of that person. We’re not doing this service anymore.” And every few years the CEO leaves and the CFO leaves, and then the nursing director leaves, and you get a whole change of staff at the upper levels. And every time that happened, things just seemed to get worse and more depressed. It became “how do we save money?” instead of “how do we make money and provide more services?”

And then COVID hit, and everybody stopped going to the hospital. I can’t overemphasize how odd it was, when you’re used to seeing a waiting room full of people getting lab work and X-rays, and then it’s just crickets. You’d walk out and be like, “Where are all the people?” Well, they they’d been going away anyway because the hospital was not offering what they had traditionally. And then COVID just took all the rest of them.

After the height of COVID we’ve been left with a much-reduced staff as well as fewer patients. We never know how many patients are going to come in, and the uncertainty translates directly to the staff, because they don’t know if they’re going to be told to stay home, or if they’re going to be floated to another department they don’t have as much experience in.

Providing enough staff is important, so that people don’t walk into every shift and say, “Where am I going to be? Who am I going to be working with? What am I going to be doing?” That is a huge challenge right now. But if you remunerate people properly, that helps. You can go to Walmart five minutes away and earn more starting pay than you can as support

“You need to make the conditions of the job decent enough that people can have self-respect and are not constantly looking around and going, “You know, we’re the lowest paid site in the state of Maine.” If they don’t value you, you don’t get to value yourself.”

In the words of workers: Shirley

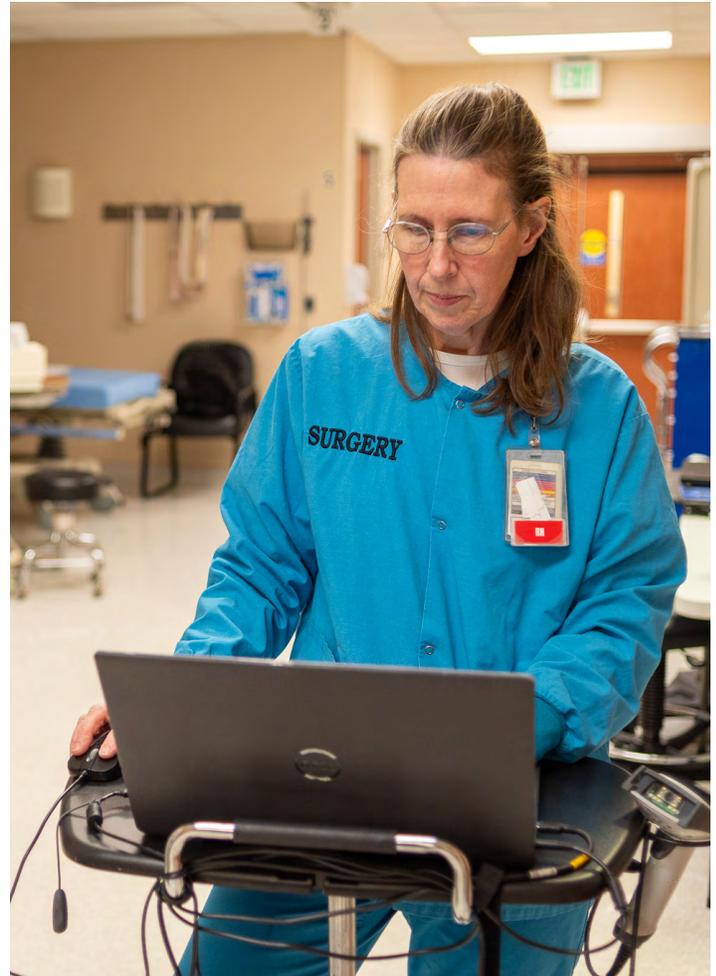
staff at the hospital. And a shift at Walmart is a lot less stressful and a lot less dangerous.

We have no pension. We have a retirement plan, but the hospital hasn't contributed to it for about 20 years. That's important to a lot of people. That's a retention issue. Somewhere else, they'll give me a sign-on bonus, they'll match 3 percent of my salary. That's a big deal. That's a direct reflection on valuing a person.

If you have a nurse who is just out of school, or they don't have a spouse with a local job, or if their family doesn't live locally, how are you going to keep that person? You have to pay competitively. It's a hard thing, but you have to spend a certain amount of money to keep people who you've just invested six months or a year of training in. You've got to show them that there's a competitive salary and that there is a road to salary increases.

If you can provide good jobs, you'll get some of these people that you would call a super employee — people who are fiscally loyal to that job and who stick around. You cannot overestimate the value of institutional knowledge. **A good workplace is a place where there is strong, positive, open leadership and people who actually know how to lead. You need to make the conditions of the job decent enough that people can have self-respect and are not constantly looking around and going, "You know, we're the lowest paid site in the state of Maine." If they don't value you, you don't get to value yourself. You feel bad about your workplace, and you don't necessarily feel a lot of loyalty to it.**

I've been around long enough to know that leadership that actually leads is crucial. You can't have a placeholder. You have to put the right people with the right mindset and skills in the leadership positions in a small rural hospital to have a chance. Without good leadership, you're not getting led, and you're not going anywhere."



Shirley stands in an exam room wearing surgical scrubs, working at a laptop on a rolling station.



Silvio came to Maine in July as an asylum seeker from Angola. Unable to find housing, he is currently living in a Portland church while waiting to receive his work permit. His field of expertise is business administration. Note: We are using a pseudonym to protect the storyteller's privacy.

"I am currently living in a church. That's the hardest part for me. Housing is the most difficult thing here in Maine. For somebody who is new and has no resources for finding a house, it is really hard. The system for applying for housing is difficult to navigate if you don't understand how it works, and applying is difficult. I've applied on numerous housing sites and portals but there isn't housing available. At the church, it's just a big open space with many other people like me who don't have housing. They feed us there and we have a place to sleep. I would be on the street if I didn't have a place there at the church.

In Angola I went to university and worked for 20 years in logistics and business administration. My area of expertise was import and export. As an asylum seeker, I have to wait at least 180 days to get a work permit, so that's a long process. But I have applied for it. I am taking English classes at the Greater Portland Immigrant Welcome Center. I'd like to get a job in banking or logistics, but my first goal is improving my language skills, which will be key to getting a better job.

Reducing the time that people have to wait for a work permit is key, because when we're depending on General Assistance we feel like it's more money taken away from the government. What would work better is if they reduced the wait for the work permit to 45 or 60 days. That would help us be more independent. Depending on the government is not such a great thing because in the long run it's more expensive. Reducing the waiting period will help us stabilize and get into the workforce.

In the beginning it was tough. I'm not going to lie; it was hard for me to navigate. But now I'm able to survive. I'm able to manage it because I've found a place to stay in the church, although the most difficult part is not having housing. But if I could put that part aside, Maine is a great place to live."

In the words of workers: Tasha



Tasha is a single mom living in Old Town. She has an associate degree in criminal justice, has owned and managed a salon, and most recently worked as an ed tech and behavioral health specialist for children. Currently living in income-based housing and receiving assistance through Temporary Assistance for Needy Families (TANF), Tasha is seeking part-time employment and preparing to return to school to complete a bachelor's degree that will help her get a job in human resources.

"I grew up in southern Maine, went out west for college, worked in Arizona, and came back to Maine six years ago. I have over 125 college credits with an associate degree in criminal justice. My plan was to finish and receive a bachelor's degree, but when I moved to Arizona my career path shifted, and I worked as a manager and later co-owner of a salon. There was no support for small businesses during the recession and we really struggled. After we lost the salon, I moved back to my parents' one-bedroom home to start over.

I went to DHHS when I first moved back, and they were able to help me with cash assistance, MaineCare, and food stamps. I also got help from career specialists. The main barrier for me at that time was housing. I applied for every type of housing all the way from southern Maine to northern Maine, and finally found income-based housing here in Old Town.

It's been a real challenge to align my educational experience with my work experience in a way that results in good job prospects. My degree was in criminal justice, but my work experience was in salon management and HR. I could do any type of receptionist position or customer service position, but those kinds of leads just aren't there.

My 60-month TANF limit ends in December. So, I'm looking at either going back to school or looking for a different kind of job. I've decided to do both. I just enrolled in online classes at Husson University, hoping to get

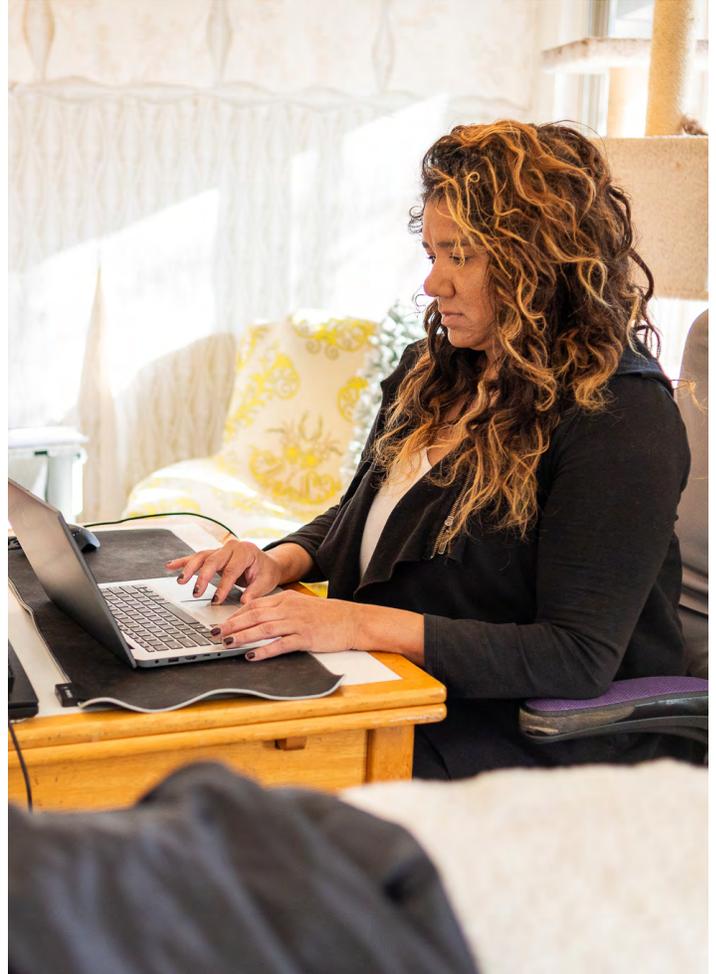
"I wonder financially how I'm going to make it as a single mom. The TANF amount is not enough. If I get a part time job, I may still get medical insurance, but my food stamps will be cut in half or the TANF will be gone."

In the words of workers: Tasha

my bachelor's degree in business management and HR. I'm also looking for a part-time job. Being a full-time student, I might be eligible for the Scholars for Parents program, which will give me some benefits while I'm in school. They're not enough to live off, so I need a schedule where I can go to school and work part-time.

It's hard to find anything that pays enough. As a single mom, I just can't make it on minimum wage. The cost of housing and transportation are major issues. I don't have a car, so I need to find a job close enough for me to walk to. And my income-based housing is switching to market value in March, so we have to find a new place to live or get on a five-year waitlist. I have a USDA housing voucher, but I can't find any landlord who will take it. Having income-based housing was one of the first things in my life that was secure. Now it's being taken away.

I wonder financially how I'm going to make it as a single mom. The TANF amount is not enough. If I get a part time job, I may still get medical insurance, but my food stamps will be cut in half or the TANF will be gone. I'm literally more scared going into this Parents as Scholars program than being out of it. Going in the school direction, I'll have all those hoops to go through and will have to continuously prove and stay on top of all the requirements, regardless of what happens. If I'm not a full-time student, they'll take my assistance away. And in December I hit my lifetime max. I feel like I'm still at square one. Honestly, it makes me extremely nervous."



Tasha sits at a desk in her home, job searching on her laptop.

About MECEP

Maine Center for Economic Policy (MECEP) is a nonpartisan research and policy organization dedicated to improving the economic wellbeing of Mainers with low and moderate income. Since 1994, MECEP has helped secure improved economic opportunity for Mainers throughout their lives by advocating for fairer tax policies; access to education, health care, and livable wage jobs; and critical investment in government programs and services on which Maine people rely.

About the author

James Myall is MECEP's lead on labor and workforce issues and education, health care, and immigration policy. He conducts research and impact analyses, writes educational materials, and collaborates with partners. James is skilled in data collection, research, and statistical and policy analysis. He has a master's degree in public policy and management from the University of Southern Maine and a master's degree in ancient history and archaeology from the University of St. Andrews in Scotland.

Myall is a member of Maine's Permanent Commission on the Status of Racial, Indigenous, and Maine Tribal Populations and was a member of the Governor's Economic Recovery Committee.

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Correction: The originally published version of State of Working Maine 2023 (page 2) stated Maine Department of Labor projects the workforce will shrink by almost 78,000 people over the next decade. This figure as well as the chart on page 3 has been updated to reflect uncertainty in the DOL projections.

Notes

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