



Testimony of

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Before the Committee on Education and in Support of LD 144 – An Act to Fund Capital Improvements to Career and Technical Education Centers and Regions to Bolster Maine’s Future Workforce

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Senator Rafferty, Representative Brennan and members of the Joint Standing Committee on Education and Cultural Affairs, my name is Dana Doran, and I am the Executive Director of the Professional Logging Contractors of Maine. The Professional Logging Contractors of Maine (PLC) is a trade association that represents logging and associated trucking contractors throughout the state of Maine. The PLC was formed in 1995 to give independent contractors a voice in a rapidly changing forest industry.

As of 2017, logging and trucking contractors in Maine employed over 3,900 people directly and were indirectly responsible for the creation of an additional 5,400 jobs. This employment and the investments that contractors make contributed \$620 million to the state’s economy. Our membership, which includes 200 contractor members and an additional 100 associate members, employs over half of the individuals who work in this industry and is also responsible for 80% of Maine’s annual timber harvest.

Thank you for providing me the opportunity to testify on behalf of our membership in support of LD 144 – An Act to Fund Capital Improvements to Career and Technical Education Centers and Regions to Bolster Maine’s Future Workforce. I would also like to thank Speaker Fecteau for his unwavering support over the last six years for trade-based education and training at Maine’s CTE Centers.

The forest products industry in Maine is in the midst of a reinvention process. From 2011 to 2016, Maine experienced the closure of five pulp and paper mills and the periodic idling of two wood energy electric facilities. As a result, Maine lost 50 percent of its softwood pulp market and has also seen a two-million-ton reduction of biomass utilization. Between 2014 and 2016, the total economic impact of the forest products industry fell from \$9.8 billion to \$8.5 billion, and more than 5,000 jobs were lost.

Forest Products Industry

	2011	2014	2016
Total Economic Impact	\$8.5 billion	\$9.8 billion	\$8.5 billion
Total Jobs	38,789	38,956	33,538

In the spring of 2016, members of Maine’s Congressional delegation convened a working group of the forest products industry, affected communities, and other stakeholders to develop shared strategies to strengthen and diversify Maine’s forest industry and rural economies. Together, this group, which is now called the Forest Opportunity Roadmap for Maine (FOR Maine), has prioritized a path forward to achieve prosperity for the state.

Goal 1 of the FOR Maine effort is to sustain and grow the forest products economy from \$8.5 billion to \$12.5 billion by 2025. I'm pleased to report that we are on our way to achieving this goal. Since 2017, over \$1 billion of new investment in manufacturing upgrades had been announced with new markets for cross laminated timber, insulation made out of wood and new mill acquisitions in Rumford and Old Town. However, to achieve this goal, our industry needs a workforce that is prepared and excited to make a career in the new forest economy.

Remaining with the FOR Maine theme, Goal 3 is focused on workforce development. "Maine needs to provide the skilled workforce employers need in order to attract new forest products opportunities. This includes providing incumbent workers with new skills as well as attracting new workers to replace retirees and to fill new jobs created in emerging products manufacturing." Desperate times require desperate measures, and I can assure you that the Career and Technical Education Centers (CTE) in Maine are in desperate need of the resources that this bill may provide.

Adding further context to the dilemma faced by the CTE's is the fact that the Maine logging workforce is aging and there are many young workers seeking employment in this industry despite market reductions in the last decade. However, qualified applicants for open logging positions are limited, and only a handful of programs are currently available to provide training to create entry-level logging skills and help ensure there is a future workforce available to ensure market success.

With your help in 2015, funding was provided in the state budget to help the PLC, in conjunction with the three institutions in the Maine Community College System, start a new entry-level mechanized forest operations certificate program, which began operation in June 2017 to help train the next generation of logging operators. This is helping to fill a large void for our industry. However, this will not solve the entire labor shortage that currently exists both now and in the future and we need a pathway approach from our CTE's and the Community College System to achieve our goals.

Our industry casts a wide net and we rely heavily upon the CTE's in the state that provide training which is relevant to our member companies. More specifically, the five CTE's in the state that offer logger training as well as any/all of the CTE's that provide training in automotive, welding, diesel hydraulics, heavy equipment operations and electronics are critical to our member companies. The last opportunity that these programs had to procure modern equipment was in 1999, when a bond process was utilized to assist with capacity issues. That influx of funding was a lifeline for these programs, and it helped move them into the 21st century. However, the logging industry of today is a very different animal than it was over twenty years ago and the funds in this bill that can be used toward equipment at the CTE's are vital.

Thank you for the opportunity to provide the opinion of our membership before you today and I urge you to vote ought to pass. I would be happy to answer any questions you may have.