

Testimony of Simon West for The Maine State Chamber of Commerce In Support of
L.D. 1517 An Act To Establish the Maine Workforce, Research, Development and Student
Achievement Institute
April 27, 2021

Senator Curry, Representative Roberts, and esteemed members of the Committee On
Innovation, Development, Economic Advancement and Business.

My name is Simon West from Gardiner and I represent the Maine State Chamber of
Commerce, a statewide business association made up of both large and small businesses, here to
provide you with our written testimony in support of L.D. 1517, An Act To Establish the Maine
Workforce, Research, Development and Student Achievement Institute

The State Chamber is a member of the MaineSpark coalition and supportive of Maine's
goal to have 60% of adults in the workforce hold a postsecondary degree or credential of value,
with demand by Maine employers, by 2025. This level of education increases individual wages,
increases worker skills and productivity, and shows employers that these individuals are
motivated. The result is a workforce that both generates and consumes greater quantities of
goods and services. As we continue to discuss ways to face workforce shortages, we believe that
the creation of a Maine Workforce Research, Development, and Student Achievement Institute
will generate significant benefits that work to improve future economic possibilities.

The creation of a Maine Workforce Research, Development, and Student Achievement
Institute will increase relevant information available to policymakers in the areas of research and
development, economic and workforce development, student debt, and a variety of other areas
that impact our valuable stakeholders. The Maine State Chamber supports this bill's efforts to
provide economic advancements for Maine and its citizens.

When discussing Maine's labor force issues, we often see two distinct categories. First
the size of the labor force and second the appropriateness of the available labor force's skills,
abilities, and education. The information provided from the creation of the Maine Workforce
Research, Development, and Student Achievement Institute will have an impact on both. By
having a better understanding of the appropriate mix of education and skills for Maine's
workforce we will be able to reduce the cyclical excess and insufficiency in the numbers of
different types of education and skills in our workforce. With a greater level of education, and a
more appropriate mix of skills, Maine's labor force will become more productive.

It is often seen that increased productivity by a labor force leads to greater productivity by the economy. This is caused through a greater number of goods and services produced and consumed, reduced costs per unit of output, and increased wages from cost savings and increased demand. Following these effects, the available labor force is likely to grow. Increased investments in education, innovation, and other institutions that benefit from economic activity, coupled with rising wages will make our state more attractive to workers from other states. This type of emphasis on labor education will propel us into a more robust economy characterized by rising wages, a growing labor force, and an infusion of new workers and employers looking to benefit from Maine's opportunities.

Thank you for the opportunity to provide you with our written testimony.