



THE CUTLER PLAN TO GROW MAINE

Eliot believes that growing the agriculture, fisheries and food sectors of the Maine economy will be a key driver in bringing more jobs and higher incomes to Maine people.

The high quality products grown and produced by Maine's hardworking farm families are one of the state's most important competitive advantages, and we should expect the value of our products and the demand for them to increase.

The Cutler administration will make agriculture a strategic economic priority because he believes Maine's future will come to rely on agriculture more and more over time. He's written about it in his book, *A State of Opportunity*, and he's talked to farmers across the state about how farming is both central to our Maine heritage and can leverage big competitive advantages – plenty of water and arable land and proximity to affluent markets.

Moreover, the more farms we have and the more local food we produce, the more good restaurants they supply and the more attractive a place Maine is for tourists to visit, will help to build Maine's brand.

Maine has terrific resources in terms of arable land, access to nearly unlimited quantities of water, and a brand that is coming to define quality and wholesomeness to consumers.

As the climate changes, it is almost certain that our growing season will grow longer and the amount of crops able to grow here should increase. At the same time many of the most productive agricultural areas in the country likely will face declining productivity as drought stresses their water supply. The west's agriculture is facing a catastrophic decline because of drought that many predict will become the new norm.

With the right leadership, Maine will once again be the northeast region's breadbasket.



GREAT POTENTIAL, BUT WE NEED A PLAN & A STRATEGY FOR AGRICULTURE

In the 1800s, Maine was the breadbasket of the Northeastern United States. According to the Maine Farmland Trust, small farms accounted for 6.5 million acres under cultivation in 1880. Today there are only 1.3 million cultivated acres – merely 20% of what we once had – even though transportation and technology have brought the northeastern markets much closer to Maine than they were 135 years ago.

In the 1950s, we had 51,000 herds of dairy cattle; today we have around 300. According to production reports from the Maine Milk Commission, that number shrinks monthly as Maine's small dairy farms sell off their herds in the face of stiff competition from large farms in California, Texas and Idaho. Maine's dairy industry represents more than 4,000 jobs and generates half a billion dollars in economic activity. These jobs, essential to many rural Maine towns, while generating economic activity for the state, are at risk if we do not act to protect them.

Despite the many challenges faced by those in the farming community, Eliot believes Maine's future growth will be driven by agriculture as Maine leverages its natural advantages.

While agriculture offers a compelling picture of a sector of the Maine economy -- there is great potential and no plan. Eliot recognizes that the diversity and scale within the agriculture sector means there is no single model that fits all farms. Acreage under cultivation in Maine is slowly growing again, generating jobs and incomes, but agriculture is not growing nearly as rapidly as it could if Maine were following a strategy to encourage it and put in place the right policies to make it happen.

PREMIUM PRICES FOR LOCALLY SOURCED FOOD

Maine's image as a beautiful, rock solid, safe and altogether genuine location is a marketer's dream. Maine needs to develop an umbrella brand that motivates people to place a higher value on what our citizens harvest, make and sell.

In a world where food that is sustainably grown with traceable origins is increasingly prized, the products of Maine's farms can command premium prices.

As governor, Eliot will work with business to strategically seek markets – a worldwide audience – for products that are authentically and indisputably made, grown or produced in Maine.



Conventional grocery stores are rushing to catch up on the local premium trend as farmers markets continue to gain popularity and local co-ops, such as the one opening on Congress Street in Portland, and Whole Foods expand markets for our small farms locally and regionally.

The next governor must grow demand for Maine products by developing a recognizable and consistent umbrella brand that builds on the many unique qualities associated with our state. Products from our natural resources will command higher prices because they possess unique qualities that can't be duplicated elsewhere.

Once a sound capital budgeting process is in place, a plan for Maine will include a schedule of investments in public assets, including the Maine brand, that will most help to leverage our competitive advantages.

As set out in our Property Tax Relief plan, the Cutler Administration will commit to an annual increase of \$10 million in the state's promotion budget, to be spent leveraging our competitive strengths through the development and propagation of a strong Maine brand and wider promotion of our state.

INFRASTRUCTURE MATTERS

In a world where more and more goods are shipped between continents by ocean freight, the opening of the Inside Passage to commercial shipping will make Eastport the deep water U.S. port (without the need for expensive dredging) with the shortest combined distances to America's largest trans-ocean trading partners – China, Japan, Korea and the European Union.

Maine needs to invest in the infrastructure that will support growth and a system that makes capital more accessible, sustainability means having enough money to farm, and a robust Department of Agriculture and extension service through our public university will encourage growth. Moreover, Maine must implement solutions that will retain value for the grower and farmer.

ENCOURAGING YOUNG FARMERS

Many of Maine's new farmers are young and educated; indeed, in a state that is the oldest in America and is aging faster than any other state, some have suggested that Maine's population of farmers is among the youngest in America. Creative young farmers are using newly local-conscious shoppers and creating small premium brands of commodities such as cheeses.



Helping these small Maine family farms helps support the rural quality of life we all cherish. These young farmers are a perfect opportunity to combat Maine's looming demographic difficulties as well. Convincing our young people to stay in the state relies on jobs – healthy, interesting and fulfilling jobs that can't be found in a cubicle in Boston. If we can get young Mainers to stay and help stabilize the state, it will make the state that much more attractive to other young people from across the nation seeking a balance of career with quality of life.

Here's a place where inventive public policies – focused on attracting young people to Maine to farm and helping them finance their entrepreneurial efforts – should both leverage competitive advantages and help turn around Maine's demographic disadvantage.

INVEST IN YOUNG PEOPLE WHO INVEST IN MAINE

We may not be able to compete with some of America's bigger and richer states to attract big auto and aircraft assembly plants; the table stakes – the price of the incentives – in those competitions are measured in the hundreds of millions of dollars. But Maine could compete in keeping at home and attracting from other areas both young people who want to start farms (and businesses) and the talent that current Maine employers need and that will help attract additional employers. Maine can offer an opportunity to be innovative and creative in surroundings that no other state can match.

Outstanding student loan balances in America now exceed \$1 trillion, and graduating seniors leave college with average debt loads of more than \$25,000. Maine now offers incentives for some graduates of Maine colleges – teachers, for example – to stay in Maine, but we can and should vastly broaden this program.

If a graduate between the ages of, say, 21 and 28 from *any* accredited two-year or four-year post-secondary school program stays in Maine or comes to Maine to work and to live or to start a farm (or a business) the state should forgive Maine income tax liability on a dollar for dollar basis for payments against student debt for so long as the graduate is living and working in Maine. We should be willing to bet that once they're here, have put down roots and experience life in Maine, they won't want to leave.

By offering to assist with repayments in graduates' early years, Maine could begin to rebalance our population. Over time a program like this would pay for itself, as active and employed young workers raise families, buy homes, pay taxes – and even start their own farms and businesses. It would be one step out of the downward vicious population cycle in which we are now trapped and towards a more virtuous cycle, one step toward a more competitive Maine.



RIGHT TO KNOW, FOOD LABELING

As consumers continue to pay more attention to the source of their food, Maine should lead the nation in the transparency of our food labeling.

Eliot always has believed that Maine consumers deserve to know what's in the milk and food they buy, and that they have a right to know whether the milk they drink is free from artificial growth hormones and whether the food they eat is free of genetically modified organisms (GMOs).

Maine consumers should have the information they need to make informed choices about the food they buy – and which agricultural practices they support.

Eliot always has supported labeling food and seed stock containing GMOs and has opposed efforts to limit transparency.

UNBOUGHT AND UNBOSSSED

Eliot has refused all money from special interest PACs, including from Monsanto, one of the world's leading producers of artificial growth hormones and GMOs. As governor, he will be unbought and unbossed, free to lead Maine forward.

Congressman Michaud took thousands of dollars in campaign contributions from Monsanto and voted for a Monsanto-supported bill that would have overturned state labeling laws, like the one we have in Maine enabling Oakhurst Dairy to label its milk as containing “No Artificial Growth Hormones”. Governor LePage has vetoed bills to protect consumers.

PROTECT MAINE FARMLAND

We need to protect land from development with the help of land trusts such as the Maine Farmland Trust. Some 400,000 acres of farmland will be up for sale in the next few years as the current generation of farmers ages. Making sure we balance the temptation to develop this land with a vision to protect Maine's rural character, farm jobs and the Maine brand upon which they will increasingly come to represent and rely, is imperative to the future of Maine.



SUPPORT & PRESERVE WORKERS' COMP REFORMS

We all want a competitive Maine economy that will be a source of jobs and opportunity. To reach that goal Maine needs a stable Workers' Compensation system that is both fair to Maine employers and to workers, and that places a primary focus on safety and preventing workplace injuries. The Cutler Administration will work to ensure the containment of employer costs, improve worker safety, and reduce spiking health care costs.

Workers' Compensation is the primary source of health and wage replacement benefits for injured Maine workers. It is provided by insurance companies and self-insured employers in exchange for employees relinquishing the right to sue their employers for workplace injuries. It is a cost of doing business in Maine, as it is in all states, and the expense can be significant. State laws establish the terms for workers' compensation insurance and benefits – ultimately impacting costs.

When workers' compensation costs escalate, it weakens the ability of Maine businesses to compete in the regional and global economy, and the result is that Maine consumers pay a higher price for goods and services and our economy suffers.

Neither Maine employers nor employees and their families win in a broken system.

Even after the dramatic reforms in 1992 – indeed, in 2012 – Maine's workers' compensation premium rates remain too high. We are still in the top 10 nationally in terms of comp costs, so to relax our vigilance, particularly in light of the fact that Maine's productivity is 23% below the U.S. average and lags behind almost every state in New England, would be a huge mistake.

The situation was much, much worse before the 1992 reforms: Maine had the nation's highest workers' compensation costs by far – with rates twice as high as the next lowest State.

Maine's economy faces more than enough challenges without going back to the days of higher lost-time injury rates and spiraling workers' compensation costs.

Eliot supports and will preserve the reforms that have made Maine's system of workers' compensation less litigious, less costly and more predictable, and will veto any attempt to reverse these hard-won victories.



REAL WORLD EXPERIENCE

As an active entrepreneur, businessman and investor, Eliot has helped start and manage successful businesses, served on the boards of directors of private and public companies and advised and managed private and public philanthropic organizations.

Since his 2010 campaign for governor, he has partnered in the creation of three new businesses. Two of these businesses involve the Maine brand: First, Maine Seafood Ventures successfully opened the China market to exports of whole frozen Maine lobsters. Ready Seafood in Portland now owns the company. MaineAsia represents Maine boat builders and other Maine companies that want to export their products to Asian markets. Eliot's colleagues are bringing together technologies developed in Maine and China to produce integrated solar greenhouses and other structures that will help make possible more year-round agriculture in Maine and other northern climates.

Everything that Eliot has achieved in business has come from working very hard, from understanding the importance of competitive advantage, and from intelligent investing and informed risk-taking.

When Angus King endorsed Eliot last week, he said: "We need a 21st century governor for a 21st century economy."

He went on to talk about how every twenty years Maine voters – tired of partisan bickering and gridlock – have elected an independent with business experience to be the CEO of the largest, most complex enterprise in the State of Maine. He's right. Our world is changing. We need independent leadership with the vision, plan and know-how to invest in our competitive advantages, open new markets for our products, and create good paying jobs and opportunities for Maine people to succeed.

For more on the differences between Eliot and his opponents, please visit:

www.eliotcutler.com/foodsafety