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Maine Department of Administrative and Financial Services

October 7, 2021 | Contact: [Kelsey Goldsmith](#)

Maine Service Employees Association Ratifies Labor Contract with Mills Administration

Contract provides a six percent pay raise in total, improves base pay to \$15 per hour, and doubles paid parental leave, among other benefits

Augusta, MAINE – Members of the Maine Service Employees Association Local 1989 (MSEA-SEIU 1989) tonight voted to ratify a labor agreement with the Mills Administration for the 2021-2023 contract period. The approval of the contract follows the ratification of a similar contract by members of the American Federation of State, County and Municipal Employees (AFSCME 93). Together, the contracts will cover more than 9,000 employees within the State’s Executive Branch.

“From public health nurses to child protective services caseworkers to plow truck drivers to corrections officers and many more, State of Maine employees work hard day in and day out to provide essential services to Maine people. I applaud the members of MSEA and AFSCME for approving these agreements, which make further progress toward ensuring that public service jobs are competitive with private sector work and does so while living within our means,” **said Governor Janet Mills**. “My Administration believes deeply in the value of public service and in promoting public sector work as a meaningful career, and we will continue to support State of Maine employees moving forward.”

“Unlike many other states, this Administration ensured that no State worker was laid off, furloughed, or suffered a pay freeze amid the pandemic, and we continue to make significant progress toward resolving the pay-gap that exists both for unionized and non-unionized employees across State government,” **said Kirsten Figueroa, Commissioner for the Department of Administrative and Financial Services**. “This is a mutual and fair deal for State employees that makes steady progress toward closing the pay-gap for public servants while spending within our means by utilizing funds that had already been budgeted and set aside for this purpose.”

Highlights of the Mills Administration’s labor agreements with AFSCME and MSEA for the 2021-2023 period include:

- Raising pay for employees by two percent this December;
- Raising pay for employees by an additional four percent in July 2022;
- Issuing a one-time \$2,000 payment to employees this December (this will be prorated for seasonal, part-time, and/or intermittent employees);
- Increasing base pay to \$15 per hour;
- Improving paid parental leave from two weeks to four weeks; and
- Expanding the eligibility criteria for the childcare reimbursement program.

These are in addition to improvements already made by the Mills Administration for MSEA and AFSCME workers during the 2019-2021 period, which included: raising pay for employees by three percent; raising pay for employees by an additional four percent, on average; eliminating the

bottom salary step, ensuring that no employee will be hired at that minimum rate moving forward; and enhancing employee benefits amid the pandemic, including implementing additional paid leave.

When combined with pay increases previously made by the Mills Administration for the 2019-2021 biennium, the recently ratified agreements for 2021-2023 make considerable progress in bringing State employee salaries to par with private sector counterparts. Preliminary results of an ongoing classification and compensation study of the State government workforce show that, as of 2020, State employees were making 15 percent less than their private sector peers, on average.

These ratified labor agreements, in combination with all other laws and appropriations, maintain the State's balanced budget through Fiscal Year 2023 without raising taxes.

Despite the impacts of the COVID-19 pandemic, the Mills Administration avoided State employee layoffs and prioritized preserving both jobs and critical services – like public health, public safety, education, and health care – for all Maine people.

Moody's Investors Service and S&P Global Ratings has [reaffirmed Maine's strong credit ratings and stable outlooks](#) despite downgrades in at least 22 other states and, under Governor Mills' leadership, the State's Budget Stabilization, or so-called "Rainy Day" Fund, has increased to [an historic high of \\$491.9 million](#).

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