

MAINE STATE LEGISLATURE

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LEGISLATIVE RECORD

OF THE

Ninety-Third Legislature

OF THE

STATE OF MAINE

1947

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was legislated out of a job. It is true that during the last session of the legislature that section of the law governing the Sanitary Water Board which states that the Chief Engineer shall be the secretary of the Board was amended in line with new duties of the Board to read, "The Board shall appoint a technical secretary who shall be a sanitary engineer employed by the bureau of health, department of health and welfare". Now, this job as secretary of the Board is merely an honorary position which carries no compensation with it, as you see, and I submit nothing material has been taken away from the Chief Engineer by the change. I further believe the Sanitary Water Board should have the right to appoint its own secretary, and that the change was proper. I hope the motion to accept the minority report of the committee will not prevail and when we take the vote, may we take it by division?

The PRESIDENT: The question before the Senate is on the motion of the Senator from Penobscot, Senator Williams, to accept the minority report of the committee.

A division of the Senate was had.

One having voted in the affirmative and twenty-six opposed, the motion did not prevail.

Thereupon, on motion by Miss Clough, the majority report, "Ought Not to Pass" was adopted, in non-concurrence.

Sent down for concurrence.

On motion by Mr. Cleaves of Cumberland, the Senate voted to take from the table Senate Report from the Committee on Motor Vehicles on Bill, An Act Relating to Registration of Motor Vehicles; Majority Report, "Ought to Pass"; Minority Report, "Ought Not to Pass" (S. P. 130) (L. D. 283) tabled by that Senator on March 25th pending adoption of either report.

The Secretary read the report of the Committee.

Mr. CLEAVES of Cumberland: Mr. President, I move we accept the majority report of the committee.

Mr. NOYES of Hancock: Mr. President and members of the Senate, I was not aware this bill was coming up for debate today. However, I can see no object in delaying the issue and explaining to the members of the Senate the stand that I take on this measure. As you know, I signed the minority report "Ought Not to Pass". I hoped before the bill was debated I would have fur-

ther information, but I am sure if you accept the majority report, as the motion is made, before the bill reaches the enactment stage I will have information and will beg leave to continue the battle.

Now, I have no quarrel with the proponents of reciprocity. I have no quarrel with the principles for which they stand. The elimination of trade barriers at the State line is an objective which we all wish to reach at the earliest moment. However, it is my belief that we have natural barriers within the State of Maine which should be surmounted before that trade barrier of which we hear so much at the State line is dropped. Everyone within the hearing of my voice has heard the plea of citizens of the State of Maine, of Maine farmers, "Help us get out of the mud."

Meeting in the Senate Chamber, the committee on Ways and Bridges has listened to the pleas of people from one end of this State to the other for a new bridge across this river or that river so that they might be able to join with us in that flow of commerce of which the proponents speak, and I believe that these people should come first. You have before this legislature several bills asking for bridges, two across the Penobscot, I believe one in Calais, a bridge to be repaired, a bridge across the St. John. Those people want an outlet.

At the same time, we have had requests—requests from my own county of Hancock for the repairs of roads. The people of Castine have written letters to their delegation asking that their road be rebuilt, a road that hasn't been repaired for some 20 years, a road that has been destroyed by traffic that the road was not intended to support.

I say this in connection with the present measure under discussion because I feel the question of reciprocity is very closely tied up with your highway program. I think we all realize that in the highway program of today we have not sufficient funds to give to our people the type of road that they so richly deserve. Our action will be known to those people coming here for assistance, because we have not got the money. We will tell the people of Maine one reason why we have not got the money is because the maintenance cost of your highways has risen tremendously — four and a half million dollars — in the last year.

Now, it is my contention that with your increase in heavy truck traffic there necessarily must follow an increase in the cost of highway maintenance and I should think the members of the Senate might well give some thought to the bills before us, one of which in particular increases the weight limit by 10,000 pounds, making the maximum limit 50,000 pounds on the highway. I was interested at the time of the hearing in the remark of the President of the Maine Chamber of Commerce, explaining to the Committee the effect of trucks upon the highway, and it was admitted by him that the base of the highway was the only part affected by heavy traffic, and it is my contention that the most of Maine highways are of a construction inadequate to support that kind of traffic.

Now, this thing that we call "reciprocity" is like the rotten mackerel in the moonlight — it shines and it stinks. (Laughter) You have heard in this State House of the shining qualities. The proponents are good friends of mine. However, it is my feeling that they are not acting for the best interests of the people of the State of Maine. We are telling these people of Maine, living in these isolated communities, that we need to spend our money to improve the highways for this heavy traffic and heavy trucks on the through ways on which the trucks drive for nothing. At the same time these people living in these communities can carry on their commerce in a rowboat or wheelbarrow. I don't think it is right.

As you all know, there is a differential in the registration fees of the State of Maine and the State of Massachusetts, which is the principal State involved with the State of Maine in this reciprocity — I don't know what to call it but for want of a better word I will call it "agreement." I think it is a poor trade to make. A truck registered in Massachusetts buys gasoline in Massachusetts, pays the tax on gasoline in Massachusetts and drives on the Maine highways burning that gasoline and destroying Maine highways. It is a case of Massachusetts getting richer and our highway fund becoming further depleted, and in my way of reasoning that sort of agreement doesn't make sense.

The only test that has been made to my knowledge was that which was made last September down in

Wells by the Gasoline Tax Division of the Bureau of Taxation. That test was made on September 25th, beginning at eleven o'clock in the forenoon and continued until after midnight. They stopped all trucks going and coming. A total of 104 trucks were stopped. Their registrations were checked to see where each truck belonged, and out of the 104 trucks which were stopped, six carried a Maine registration and 98 were foreign trucks. Of the 98, 72 of them were Massachusetts vehicles. That would not be so bad if those trucks were buying gasoline in the State of Maine. However, from their own admission, the majority of the trucks stated that they bought gasoline in the State of Maine only in case of emergency. To try to point out to this Senate when an emergency might arise, I will say to you that they are carrying auxiliary tanks on the trucks, some carrying gasoline to the tune of more than 150 gallons.

We have measures before this legislature for further increases in the gasoline tax which would raise the differential in Maine and Massachusetts to four cents a gallon, and it is my contention if we enact that tax measure, which the highways of Maine so badly need, that those auxiliary tanks on those foreign vehicles will become bigger and better than ever.

I can stand here and perhaps talk all day on this measure. I hope I won't find it necessary but I sincerely believe that this thing is not for the best interest of the people of the State of Maine. The proponents will argue that Maine has gained in highway revenue, increase in gas tax and increase in registration fees. That increase, ladies and gentlemen, is due almost entirely to the close of the war and the ending of gas rationing. Don't be fooled by those arguments. Actually last year, the year of 1946, those trucks belonging to the common contract carrier group which registered with the Public Utilities Commission, if they had paid a Maine registration, the State would have received more than \$200,000 in revenue. It is admitted by everyone that in addition to those contract carriers, we have private carriers. A conservative estimate would indicate there are three times as many. Three times \$200,000 is another \$600,000 which makes over \$800,000 lost in revenue plus your

increase in cost in maintenance, which could easily make the total figure a million dollars. It is my contention that the State of Maine cannot afford it, and until such time as the proponents of reciprocity will bring to this legislature a proposition whereby the trucks will pay for part of the cost of the highways which they use, I will still continue to vote against reciprocity.

Mr. CLEAVES of Cumberland: Mr. President and members of the Senate, during the last 12 months it has been my pleasure to visit by automobile every State in the United States. While my mission on this trip over the country was primarily business, yet as President of the Maine State Chamber of Commerce, I was tremendously interested to study the economic aspects of the states I went through and compare them with the State of Maine. I talked with a great many business and professional men and when I returned to Maine I came back filled with enthusiasm on the advantages and possibilities that we have here in this State. Only a few states in the Union, gentlemen, have got the possibilities we have for industrial and commercial expansion and it is up to us to take advantage of it. We cannot do it when we have a trade barrier.

As an example of that, before the Motor Vehicles Committee the General Sea Foods of Rockland, by their own testimony, stated that they had a \$20,000,000 expansion, development program, that they were going to inaugurate as soon as this reciprocity bill was assured. They, as you know, are in the fish business. They, as you know, will take advantage of the through roads to New York and the middle West on fish, lobsters et cetera.

When I returned to Portland after this trip I was sufficiently enthused to send out a thousand inquiries to all of the leading industries of the State of Maine. I wanted their fair reaction to what reciprocity was doing for them. I wanted to find out what they thought of it. Out of the 1000 letters we got 585 replies and only one of those replies was against reciprocity and it was a small trucking concern whom we all know.

Before that committee we had some of the leading business men

of the State of Maine, various types of business and if the Senate will bear with me for a moment, I would like to read who appeared and why. The first was Claud H. Hultzen, Executive Manager of the Maine State Chamber of Commerce. We had Senator Ralph Leavitt who was representing at that time the Maine Independent Grocers Association. From there we went to the Sea and Shore Fisheries industry. We had Richard Reed, Commissioner of the Department of Sea and Shore Fisheries. We had Russell Yelton, President of the Mid-Central Fish Company of Portland and Boothbay Harbor Freezer, Inc. We had Fred Gatcombe, Manager of the General Seafoods Corporation, Rockland. Then we went to the field of Manufacturing. We had Axel H. Erlandson of the Goodall-Sanford Mills. We had Warren Saunders, Secretary of the Saunders Brothers, of Westbrook. We had Winfield Towne, attorney for the Saco-Lowell Shops, Biddeford. From there we went to Cannery. Senator Morrill represented the cannery of the State and gave us a very fine talk. We had Chester G. Abbott of the First Portland National Bank. From there we went to the field of Agriculture. We had Albert K. Gardner, Commissioner of Agriculture. We had E. Carroll Bean, Master of the Maine State Grange; Representative Sherwood Prout of Lubec; Harry Umphrey of the Aroostook Potato Growers; Senator Harley A. Welch of the Maine Potato Growers Association, of Presque Isle. Then we introduced George A. Myhaver who was chairman of the Transportation Committee for the State of New Hampshire, who gave us New Hampshire's experience with reciprocity. From there we went to the field of lumber. We had Kenneth Hancock of M. S. Hancock & Son of Casco. We had A. L. Gendron of the Lumber Dealers Association of Sanford. From there we went to the field of Truckers themselves. We had Harry A. Harmon of Hunnewell Trucking Company, Paul Merrill of Merrill Transportation Company; Border Express of Bangor, Douglas Motors of Auburn, Curley Demelle of Sanford and Lynn Porter of Freeport. Then we went to Vacation Travel business and had Frank McKenzie, representative of the Maine Hotel Association, who gave us a lengthy dis-

course on the advantage this was to the hotels in general in the State. From there we went to the field of Distribution. We had Mortier Harris of Portland; Leroy T. Snowden, Executive Secretary of the Maine Petroleum Industries Committee; Donald MacLeod of the Maine Automobile Dealers Association. From there we went to the field of Economics. We had Representative Louis Jalbert who spoke for truckers in his area, and Frank Davis, representative of the Maine State Chamber of Commerce.

Transportation is indeed the life blood of New England's economy and because the State of Maine is geographically farthest removed of the New England States, transportation may be considered the most vital factor in Maine's economy.

Transportation, as such, is not an industry. It is not productive in the sense of directly creating wealth and its usefulness is limited to the demands of our economy. In other words, transportation is only the servant of agriculture, industry and commerce and, finally, of the individual. It is the wealth created through the efforts of agriculture, industry and commerce that is taxable and that pays the public bill. To attempt to divorce transportation from the factors that are its masters and set it up as a taxable industry in itself is a false conception, and conversely, to assume that transportation as such pays any part of the cost of the public needs, is ridiculous. These costs must fall directly and indirectly upon the economic factors and the individuals of whom transportation is the servant.

We may only use transportation as a measuring stick to tax our various economies and an attempt thereby to develop an equalization in the distribution of the cost of maintenance of our highways and other facilities pertinent to transportation.

Because transportation is our very life blood, we should treat it considerably and encourage in every possible way the development of transportation both as to public and private operation.

It follows that it is basically unsound to tolerate any barriers to the freest possible movement of transportation.

As of October 1, 1946, 42 States and the District of Columbia gave full reciprocity to all motor trucks.

Fifteen of these 42 States required Public Utility Commission plates or the equivalent. Five states had conditional reciprocity, while one State, Arizona, had no provisions for truck reciprocity.

The definition of reciprocity is "mutual interchange."

The State of Maine was the last of the Northeastern States to adopt truck reciprocity which we did on a trial basis, the period of which is from July 21, 1945 to December 31, 1947. Prior to Maine's trial reciprocity, our State felt keenly the material disadvantages caused by this transportation trade barrier. Costly transfers of freight and resultant delays handicapped Maine's manufacturers and farmers and the distributors of our products, and threatened to place them in an untenable position in a competitive market. With surrounding States in full reciprocal accord, Maine truckers, private and public, faced a prohibitive cost of licensing, while those of neighboring States were free to move amongst each other.

This condition reflected unfavorably to all Maine interests excepting, possibly, a few transportation monopolies. Certainly it was not conducive to the development and expansion of Maine's productive economies.

In the slightly more than 18 months that Maine's industry, agriculture, and commerce have moved with the freedom afforded with truck reciprocity, vast strides have been made in providing an increase and expansion of our business and our markets. The demands of competitive markets require the facilitation of transportation quite as insistently as do the emergencies of war. Maine's geographical situation in relation to the domestic market surely calls for the finest and most rapid transportation possible.

Now in the 93rd Legislature we are confronted with the necessity of making Maine's reciprocal truck licensing law permanent.

Interstate trade barriers are detrimental to any State such as Maine which depends almost entirely upon other States for a market for its products and for much of its raw material. Geographically Maine is in an unfavorable position in relation to its market and, therefore, rapid, reasonable, adequate, and unhampered transportation is vital to our economical welfare.

I do not know as many of us rea-

lize that 65% of the communities of the State of Maine rely almost entirely on trucks for transportation. They are away from railroads. Over 80% of manufactured products in the State of Maine must find markets outside the State. After all, we are in the United States and not a separate nation, and trade barriers breed disfavor and bad public relations with individuals and with all other States.

The effect of truck reciprocity upon Sea and Shore Fisheries: Motor truck reciprocity has been directly responsible for extending the market for Maine's sea and shore fisheries as far west as Kansas City and perhaps farther. The savings in shipping by through-refrigerated trucks have meant many thousands of dollars to the industry and, therefore, to the State of Maine. One dealer reports a saving of \$14,000 in one year. In addition to these savings, Maine sea and shore fisheries have developed an entirely new business as a result of motor truck reciprocity. This is the hot, summer months' shipment of fish to the middle west. Prior to truck reciprocity, western buyers would not accept fish due to the high percentage of spoilage in the hot summer months occasioned by delays, rehandling and re-icing of shipments. Now, with through-refrigerated trucks, shipments may be made the year round.

Maine's most perishable product, the lobster, has found an entirely new business or market due to motor truck reciprocity, especially among the smaller handlers who have not the facility for maintaining contact with the larger markets. This new market comes in the form of buyers who make their purchases along the Maine coast and relieve the lobster men of all responsibility with reference to marketing and shipping their produce. This has made possible a higher price to Maine's smaller lobster men.

Thus, with speed, new markets, year-round outlets, reduction in costs of shipping and coastwise pick-ups, Maine's truck reciprocity has been a real boon to our fishing industry.

The effect on Maine Manufacturers: Maine manufacturers in large numbers have testified to the advantages of motor truck reciprocity. Not only has this reciprocal arrangement benefited the long haul receipt and delivery of Maine manu-

factured products but it has been an important factor in the entire operation of our manufacturing plants located along the New Hampshire border.

Manufacturers all the way from woolen fabricators to ship builders have reported material benefits to their operation as the result of reciprocity.

Huge shipments of raw wool enter Maine and equally large shipments of finished woolen materials are exported from Maine rapidly, economically, and otherwise efficiently by motor truck. This is also true in the wood turning, lumber, and shoe industry and others.

Manufacturers have reported a step-up in delivery time in their products between Maine and New York of four to seven days since truck reciprocity became effective in 1945.

The prompt and timely delivery of machinery and parts in emergencies as the result of the rapid movement of truck transportation under the reciprocal arrangement has been the means of keeping many Maine mills in production at all times thus maintaining payrolls in operation efficiency. Maine plants which are either the home plant or one of the branch plants connected with other similar industries in neighboring States report that the convenience and facility of motor truck reciprocity as among the various plants operating under the same management, has had a marked influence upon the efficiency of operation and has been the means of keeping all of their plants in production and the maintenance of a high level of employment.

All of these factors have had a tendency to expand the market for Maine's manufactured products and to place Maine manufacturers in a tenable position in the competitive markets.

Many Maine manufacturers point to the good will aspects of truck reciprocity pointing out that deliveries of raw materials, supplies, and equipment are much more rapid and that shippers and carriers are much more cooperative since motor truck reciprocity came into being.

Effect on Commerce: Receipt and shipment of truckload lots, the increase of speed in shipments and door to door delivery features, and the cutting down of loss of perishables in shipment, are among the principal advantages that Maine's

commercial houses find in motor truck reciprocity.

Many Maine distributors and retailers under reciprocal truck arrangement are able to purchase at advantageous prices truckload lot shipments whereas they have neither the storage capacity nor the financing ability to handle rail carload lots. This type of saving under reciprocal trucking arrangement is well illustrated by such items as automotive parts coming from distant mid-western cities which, without truck reciprocity, would be prohibited from shipment by this method. There are many other commodities which are purchases to the favor of Maine business and Maine consumers only because we have motor truck reciprocity.

Another distinct saving, both in cost of shipment and in time, is the door to door through shipment possible under truck reciprocity which does away with the necessity of long delays and costly transfers of cargo from one truck to another. These delays and transfers, of course, in the case of perishables for our food distributors are doubly important.

The speed of shipment has been very materially increased, according to testimony of Maine commercial interests, especially with reference to incoming stocks of merchandise.

Dealers in oil, lumber, building supplies, contracting services and other fields have found new markets in adjacent New Hampshire as the result of motor truck reciprocity and the freedom of movement which this permits.

Effect to the lumber business: Motor truck reciprocity has had an overall very beneficial effect upon Maine's lumber industry both in the production and distribution phases of operation. New markets have been opened for several reasons as follows: Many industries and business houses in Southern New England and New York using lumber for boxing and maintenance, and general construction, do not have facilities for handling rail carload lots, demand their lumber in truckload lots. Prior to motor truck reciprocity, this business which amounts to a considerable volume, went to New Hampshire and Vermont dealers who could operate their trucks on a reciprocal basis with Massachusetts and other States involved. Since reciprocity,

Maine, with its vast lumbering facility, has been able to capture much of this market. The result has been an increased volume of business as well as a much more favorable price than that prevailing in the Maine market.

In that connection, I want to bring up my reaction, which is entirely different from that of the Senator (Senator Noyes) who spoke before me, on trucks on the New Hampshire line. I was sufficiently interested to find out whether this reciprocity we had for trial one year should be continued, and find out how it affected the business I am in, and that is lumber. I went on two occasions to the New Hampshire bridges and stood there an hour and a half. There was a steady stream of trucks that went through from Boston and New Hampshire, hauling lumber first thing in the morning. It was absolute conclusive evidence to me that what I said in the Senate two years ago, that could the lumber interests embrace the opportunities that the southern New England States have, they would double their business, and not only that, they would have higher prices and better markets.

Many industries in southern New England are unable to buy lumber except in truck-load lots because they have not the space to put it in. Until two years ago the bulk of the business was going to New Hampshire and Vermont. They all admitted our lumber was better than that of New Hampshire and Vermont. They all admitted our lumber was better than that of New Hampshire and Vermont but they could not buy because of the trade barrier. It is now amazing to see the orders that are coming through for lumber by truck.

Motor truck reciprocity has made it possible for Maine's lumber dealers to compete with those of other States in the general market.

Maine lumber operators along the New Hampshire border who depend to a considerable degree upon New Hampshire for lumber supplies have been able to purchase much more economically as the result of truck reciprocity.

Shipment of raw lumber and woodcraft products by truck to New York and other eastern markets has speeded up to less than one-half the time required prior to reciprocity, savings of four to seven

days having been effected, thus placing Maine in a tenable position in a competitive lumber market.

The shipment of lumber by truck has made possible direct mill to warehouse or mill to job deliveries which not only means a speed-up in time but also obviates expensive handling costs of trans-shipment.

Now, the benefits to the Canning industry: Motor truck reciprocity has benefited the canning industry in many ways. Those canneries lying in the hinterlands have opened a new source of raw materials from the fields of New Hampshire made possible through the New Hampshire farmer's truck entering Maine without additional license costs.

While Maine's canning industry generally ships by rail, there is a great deal of special order and emergency shipment which, since reciprocity, has been done by trucks whereas, before reciprocity, this type of business went almost entirely without the State. Since reciprocity, the motor truck has played a large part in the supplying of Maine's canners with machinery and equipment for their various processes. The motor truck has played an important and sometimes a dramatic part in rushing supplies, equipment, machinery, etc., in a battle against the time feature in the canning of perishables.

As in all Maine's industry, truck reciprocity has been an important factor in inter-plant exchange among the units in different States operating under a common management.

Effect on Agriculture: Motor truck reciprocity has had an important effect upon every phase of Maine's agriculture.

In the handling of Maine's huge potato crop, supplies, machinery, equipment and personnel have been carried by motor vehicle on an interstate basis. Recognized representatives of the potato growers have expressed a satisfaction with Maine's reciprocal trucking law.

The Maine blueberries, our second largest agricultural crop, have moved to a large extent by interstate truck transportation since motor truck reciprocity came into being. Blueberry growers state that they are well satisfied with truck reciprocity and that it has been the means of placing them in a much more advantageous position in relation to potential markets and has cut down

the cost of delivery, reflecting a financial benefit to the growers.

The fruit and general truck garden products of Maine's agricultural economy have found new and much more lucrative markets through motor truck reciprocity. Prior to reciprocal trucking arrangement, Maine farmers were required to dump their produce upon the Maine markets at a price which would permit the commercial merchant or wholesaler to assume the gamble of eventual disposition of the product. With truck reciprocity in force, Maine's fruit growers and vegetable producers may load their trucks and without additional franchise costs, continue on through State after State along the eastern seaboard until they find a favorable market for their goods.

In that connection I may say several weeks ago I was going up Belfast way to make a speech and I had with me the representative of one of the largest wholesale houses in the State. Knowing this gentleman used a great many trucks, I asked him what effect reciprocity had upon his business in the year it had been in action. He immediately advised me he checked up only the day before on that very thing and he had saved \$4500 in registrations. I was greatly enthused. I said, "That is fine. I would like to have you come up to the legislature and appear before the Motor Vehicles Committee and tell them that. I know they would be interested." He shut up like a clam. So a little later on I asked the question again and got the same answer. I finally began to dig under the surface and I got an answer. He said, "To put it plainly, Cleaves, reciprocity is good for my trucks but it is not good for my business. I control the Portland market and when I have a glutted market I can buy at my own price. With reciprocity the trucks come to me and I tell them the price on that particular commodity and if they don't like it they leave me and they drive two hours to the Portsmouth market and Dover market or outside markets and receive a higher price." He would rather see reciprocity kept out of the picture so he could control the market.

Another benefit of truck reciprocity to the small farm operator has been the fact that buyers from the metropolitan markets of Boston and other New England cities, as

well as New York, have been free to come to Maine, buy the produce at the site of the farm at a price which has made a profit for the farmer.

One of the most important advantages of truck reciprocity to agriculture is the speed and facility with which perishable produce is moved. Prior to reciprocity, transshipments and resultant delays oftentimes took the profit out of the shipment.

While generally we think of our \$100,000,000 vacation travel business as being more interested in private automobile reciprocity, it is none the less vitally concerned with truck reciprocity because, in order to provide the facility, the food products, and other equipment and materials entering into the maintenance of the vacation travel business, truck transportation is quite as essential as it is in any other phase of our economy.

Conservatively, Maine has spent more than five million dollars in advertising the industrial, agricultural, and recreational advantages of our State in the last 25 years. It spends vast sums of money to educate tourists, industry and commerce, and then it sets up trade barrier agencies in the transportation field, which would certainly serve to nullify much of the expenditure and to create ill-will and part special relations with individuals and businesses in other states.

Transportation is the servant of industry, agriculture, and commerce. Any factor which affects transportation, therefore, makes its final impression, good or bad, upon every person in the community from industrial, agricultural and commercial ownership to the last person on the payroll.

While there has been some opposition to truck reciprocity on the part of a few individual trucking concerns, perhaps one of the basic reasons for this is that these concerns fear that under reciprocity, these various phases of our economy have greater tendency to develop their own private truck transportation facilities. This, of course, is a selfish attitude and does not speak for the welfare of the State as a whole. Truck reciprocity is for the benefit of the people of Maine and their entire economy. It benefits the farmer, the forest products industry, the merchant, the manu-

facturer or processor of food products, both agricultural and seafood, and has a major part in promoting the agricultural, industrial and commercial expansion of the State. It is such expansion, and that only, that finally results in prosperity for all.

Now gentlemen, the Senator from Hancock, Senator Noyes, spoke a few minutes ago relative to the auxiliary tanks on these big trucks entering Maine. I really don't like to speak about it in a way because I think the over-all picture of industrial advantage to the state is the thing we should consider more than anything else. These auxiliary tanks, it would appear poor business for you or me or anybody else who was limited to a certain poundage in their freight coming from outside into Maine with valuable freight at high prices. It doesn't seem reasonable to add a lot of weight in gasoline when that weight should be distributed in goods to be carried into the state. I have checked that up very thoroughly and found out it amounted to very little and had nothing to do with the case.

Mr. McKUSICK of Piscataquis: Mr. President and members of the Senate I can state my position on this matter in a very few words. The word "reciprocity" to me is a beautiful word. To me it means a quality of give and take but in this situation as concerns the highways of Maine, I think we are doing all the giving and getting very little of the taking end of it. One thing the sponsor spoke about the number of states that have full reciprocity. He neglected to state that many of those states have also a special tax on trucks which tends to replace the revenue they lose through registration, and I would call your attention again to the fact you all know of the inequality of the distance which a truck travels in Maine as compared with the distances in New Hampshire and Massachusetts in traveling between cities.

I would also call your attention to the difficulties that we have in maintaining our highways. The State of Maine has magnificent distances and has very few people. I noticed that especially on a recent trip to Connecticut. Where we have little hamlets four or five miles apart they have large cities and towns and their highway proposition is entirely different. I would

also call your attention to the fact that the sponsor of this measure has approached it entirely from an industrial standpoint. He speaks of the industries and we will grant it has been of benefit to the industries and it would be. He has read us a long and imposing list of representatives of industry who appeared before the committee and I don't wonder they appeared because it is to their benefit, but he has carefully avoided the condition and upkeep of our highways.

Senator Noyes has given you the figures which show on a spot check of the heavy truck transportation at the border on out of state trucks and those trucks are coming in here and not paying a cent toward the maintenance of our highways. The question to my mind is, can we afford to subsidize that truck transportation and allow them free use of the highways? I feel that we cannot, and I am not willing to vote for that reciprocity until I am sure we can replace the revenue we lose through registration and loss of gas tax.

Mr. CLEAVES of Cumberland: Mr. President and members of the Senate, I would like to call your attention to a fact that you well know, that the State of Maine is in the Northeast corner of the United States. The only way that Maine can progress is to embrace the market outside of the State of Maine. I made the statement in the early part of the session that 80% of our manufactured products found a market outside the state. Now then, we welcome heartily any trucks that come into Maine, and we should, because they must bring into Maine, materials and raw products that we need for further fabrication of our own business here in this state, to go out.

I neglected to speak on the effect of reciprocity on labor. Motor truck reciprocity in many ways reflects a distinct advantage to Maine labor. The vast increase in private truck registrations has created many substantial jobs. The general improvement in distribution and manufacturing has resulted in additional payroll and much more stable employment. Some Maine manufacturers have testified that truck reciprocity has made it possible for them to maintain a high level of production and resultant, constant, payrolls. The operation of 12,000

more trucks in Maine since reciprocity went into effect may be interpreted into terms of payrolls, employment, in a wide field of services. Among these, to mention a few, are gasoline and oil distribution, sales and services to motor trucks, mechanics jobs and many others. Reciprocity has created business and business creates payrolls.

Since reciprocity, according to the Secretary of State, the number of motor truck registrations has increased from 44,529 in 1944 to 56,075 in 1946 with a truck registration revenue of \$1,210,144 in 1944 and \$1,448,663 in 1946, or a gain during reciprocity of 11,546 registrations and a dollars gain of \$238,519.

1944 was the last year completely without reciprocity; 1946 was the first calendar year completed under the reciprocal arrangement.

In 1941, the last peace year, there were 45,235 trucks registered, producing a registration revenue of \$1,155,848, showing a gain in the first post war year, 1946, of 10,840 truck registrations with a dollars gain of \$292,815.

We admit that we lose in truck registration from out of state. But we also claim that that loss is far ahead in comparison with the profit we have made on it. It is like a hotel whose kitchen and dining room always lose money but they run them just the same. Why? Because the over-all income shows them in the black. Just a few weeks ago, I had a discussion with two members of our State Highway Commission on this reciprocity bill. The Chairman is neutral. He made this statement—and if there was ever a statement that in my opinion was true, it is this—he claims, "I don't know whether we have lost money in reciprocity or not but I am going to tell you that I have made up my mind that truck reciprocity is the best thing for the state of Maine even though it should lose our business in the agricultural and commercial interests."

This bill, gentlemen, is for the State of Maine. It is to give them a chance to do business and the state a chance to broaden out its business.

Mr. HOPKINS of Kennebec: Mr. President and members of the Senate, the Senator from Cumberland (Senator Cleaves) has said that transportation is the life blood of

our economy. It is truly one of the most important factors in the economy of our state. He also said that the over-all picture of these bills as they affect Maine is the matter which we should take under consideration, and is a matter of importance. In that, of course, he is absolutely correct.

Transportation, as it applies to public carriers, is important to every person whether he be a shipper or whether he is not a shipper, because we all have to pay for transportation, directly or indirectly, and it must be evident to all of us that the interests of the State of Maine and the interests of all the people of the State of Maine are predicated, so far as transportation is concerned, in an effort to hold each public carrier to that type of traffic which that particular carrier is best able to supply, after giving consideration to the cost and also the convenience of that transportation.

Now, if there were no such thing in transportation as taxation or subsidy and every type of carrier had to stand on its own feet where its costs were concerned, and if its costs were necessarily under those conditions reflected in its rates, we would have competition in the field of transportation and we would not be faced with this bill which we have here before us this morning. Unfortunately, however, that is not the situation. There is a wide difference in the amount of taxation paid by the different types of carriers, and some types of carriers receive public subsidy of one sort or another. You know, I am sure, all of you, that there is some service that every carrier can perform better than any other carrier, when measured in terms of service and cost. The Senator from Cumberland County has stated that industries not on the main railroad lines must have truck transportation. Of course all of our agricultural districts could not exist without truck transportation today, but still we will never get this problem solved unless we can get back to that basic principle which I have stated, and that principle is to so conduct ourselves in the regulation of all phases of public transportation that with taxation and subsidy out of the picture, we can get the true comparison and put each carrier in the field where it best can serve.

Late in the last legislative session, I introduced an order, which met with approval, directing the Public

Utilities Commission and the Highway Commission to attempt to make a study of the basic costs of transportation with taxation and subsidies eliminated. Now I knew, and I am sure you are aware, that such a study as that cannot be brought down to definite and accurate figures. But a study of that sort would bring out some information which would be of value in pointing out what we are doing and should do in the field of transportation. Early in this session the report submitted by those commissions came to the legislature and I have had it available for my perusal. It fits very nicely with the description of the Senator from Hancock, Senator Noyes, relative to the mackerel in the moonlight. It shines because it has a beautiful black cover and all of the Senators may have it available and you can see that it fits the description he gave. I could have taken a wheelbarrow load of Interstate Commerce Commission reports and a few text books on transportation and turned them over to any good secretary and she could probably have prepared a similar report in about two days. There was no effort made to supply the information requested. I was not surprised. In fact, I thought when the Order was put in it was about an even bet whether anything would be done about it, and nothing has been done. But we cannot face this problem as it is and see what we are doing until we have such a study and know the basic cost of transportation in the various categories without subsidies and taxation being eliminated from the picture. That is the only thing that will ever give us an opportunity to look at it intelligently.

Now, it is my opinion that the amount of heavy freight traffic, coming on to the highways—and this is a personal opinion and one which some of you may not share, is throwing a burden on our highway system, which if it is allowed to continue, will eventually so congest our highways and so add to the cost of maintenance of our highways that the financial burden on the state will be very great. I think that financial burden on the state is already tremendous from this type of traffic and I can foresee a time when we will have to have a duplicate highway system to take care of freight hauling if we continue to increase the size and weight capacities and the num-

ber of heavy freight carriers which we put on the highway.

If we have to find some way eventually to separate our highway system and build a system for freight carriers and assess the cost of it to these freight carriers, you will probably find that they will not be on the highways because that cost will be prohibitive and will to a great extent put them out of the field of transportation. It will largely do that. It would not entirely to it. In short hauls cases where speed is a great factor and where the delivery point is not accessible to rail, truck hauling always has had a place and always will have a place, but we have gone beyond that type of hauling in the State of Maine.

We haul from points which are accessible to rail to points which are accessible to rail and we haul distances which demonstrate to me at least, that the hauling is uneconomical.

Just one more point. The cost of uneconomic freight transportation, although it may be hidden, is nevertheless present in so far as the public paying the bills is concerned. Every time we haul something by any method when it could be hauled by some other method cheaper and equally convenient someone pays the difference in cost. It is my opinion that the State of Maine at the present time, through highway expenditures, is paying tremendous costs which really are wasteful because of an uneconomic transportation policies.

As far as this legislature is concerned, I shall oppose increasing weight capacities on the highway, the increase size in size of vehicles, and also reciprocity, until and unless we can find out what the costs of the various types of hauling may be, and can so regulate our carrying as to place all types of transportation on the carriers which are best able to handle particular types of transportation. That is the only way I know of that we can solve this problem in the interests of the State of Maine.

Mr. CROSS of Kennebec: Mr. President and members of the Senate, I feel that as the sole signer of the majority report "Ought to Pass" in the Senate, I should give you a certain idea of why I believe this bill should pass. I would like also to point out that I was also the sole representative on the Motor Vehicles Committee of the Ways and

Bridges Committee and I think it is quite significant that, as far as I know, the Senate members of the Ways and Bridges Committee are in favor of this bill. We have discussed this thoroughly and we realize that there is no question that we will lose the registration costs of the trucks which come from out of state. We will not lose any gasoline tax because they are not paying it now and did not pay it before reciprocity. Those auxiliary tanks are no new addition to the truck equipment. That has been going on for some time and while it disturbs me personally and any member of the legislature who locks for highway revenue from a gasoline tax, I do not think we can approach it through this bill.

There is pending in the Taxation Committee a bill which would attempt, I believe, to answer some of these problems. There are also other methods which might be enforced of laws already on our books to correct this inequality.

Now, insofar as the statement of the Senator from Hancock, Senator Noyes, is concerned, that we might lose one million dollars in revenue, I think if I were firmly convinced that we would lose it I would oppose this bill, but I would like to point out to you the very obvious fact that the revenue over the past two years from gas tax and registration have risen beyond two million dollars and I don't think we should conceal within that increase a loss of a million dollars. I do not doubt that we can find within those figures a loss of possibly a quarter of a million dollars and that is a loss which I trust will be offset by added registration of trucks within the state. There is already a trend of increase of new trucks registered within the state. We will not know for another two years, when new trucks are completely available, just what the true picture as to that situation may be.

Now, regarding the increase in truck loads to fifty thousand pounds which has been brought up here, that is a matter of another bill and will be discussed in due time but there is this fact in connection with reciprocity, that these truck loads have been on our highway all through the war when the fifty thousand pounds was there by executive order. I do not think our roads have shown any marked increase in depreciation, that we

could very readily lay to that fifty thousand pounds. They certainly have deteriorated but I don't think we can specifically say that the increase in loads has done so, because I think you should realize that this increase in actual loads is offset by a complicated formula of spreading the load between the axles. In other words, the fifty thousand pounds can only be on where trucks are so constructed as to properly distribute the load.

Now, no one in this Senate would believe there is anyone more interested in roads and bridges than myself. I have been a member of the Roads and Bridges Committee for six years and the problems of the Highway Department are very complex and very definite. We never have yet had, and I don't believe we ever will have, sufficient revenue to accomplish all the things that the State of Maine needs with regard to roads and bridges but the amount of loss, if any, which will be incurred under this bill, will be more than offset by the broad, general advantages to the people of the State of Maine. I myself think that there should be a lowering of rates to the consumer all over the State of Maine.

Competition makes for cheaper rates. That is true in any business. And if we have competition in the truck industry, no doubt someone will be hurt but the people of the State of Maine will benefit. I think that outweighs the temporary loss which we will sustain. I do think, however, that the question of trucks riding free on our highways will be taken care of in some other bill, if not in this session then in the session to come, because that is an intolerable situation and one which must be corrected.

Now as to the wear on highways, we have had some complicated testimony in the Motor Vehicles Committee by experts in that field and we have yet to receive any testimony there which would convince me that the larger, or more heavily loaded trucks of proper construction wear out the roads more than some of the smaller trucks. All of these trucks are constructed for heavy loads. They are properly distributed and they are kept up to a maximum of efficiency. We have many trucks on the highways today belonging to private carriers which are under no public utilities restriction and which carry loads

far in excess of what they should carry and which damage our roads much more than any of those so-called out of state trucks.

This is a situation which we are attempting to correct through another bill which will be before you and which will attempt to change our registration costs from a carrying capacity to a gross weight where these trucks will be compelled to register in relation to the amount that they carry and will eliminate a great deal of the road damage.

I don't think, considering the lateness of the hour, that I shall debate this any further but I did want you to realize the other side of the picture as regards the Motor Vehicles Committee, and I trust that the motion of the Senator from Cumberland (Senator Cleaves) will prevail.

The PRESIDENT: The question before the Senate is on the motion of the Senator from Cumberland, Senator Cleaves, that the Senate adopt the Majority Report "Ought to Pass" of the Committee.

Mr. NOYES of Hancock: Mr. President, I ask for a division.

A division of the Senate was had. Twenty-one having voted in the affirmative and nine opposed, the Majority Report was adopted and the bill was given its first reading and tomorrow assigned for second reading.

On motion by Mr. Barnes of Aroostook the Senate voted to take from the table bill, An Act Relating to Deposit of Potatoes into Waters of the State (H. P. 1537) (L. D. 1167) tabled by that Senator on March 26 pending passage to be engrossed.

Thereupon, on motion by the same Senator, the Senate voted to reconsider its former action whereby Committee Amendment A as amended by House Amendment A thereto was adopted, in concurrence.

Mr. Barnes of Aroostook presented Senate Amendment A to Committee Amendment A and moved its adoption.

The Secretary read the amendment:

"Senate Amendment A to Committee Amendment A to House Paper 1537, Legislative Document 1157, bill, An Act Relating to Deposits of Potatoes in Waters of the State.

Amend said bill by striking out in the 3rd and 4th lines of that part designated Section 9 thereof the