MAINE STATE LEGISLATURE

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LEGISLATIVE RECORD

OF THE

One Hundred and Third Legislature

OF THE

STATE OF MAINE

1967

KENNEBEC JOURNAL AUGUSTA, MAINE

Amend said Bill in the 11th line (9th line in L. D. 1343) by striking out the underlined word "charter and inserting in place thereof the underlined word 'section'

Committee Amendment "A" was adopted, and the Bill, as amended, tomorrow assigned for second reading.

Divided report

The Majority of the Committee on Labor on Bill "An Act Increasing Minimum Wages." (S. P. 48) (L. D. 38)

Reported that the same Ought to Pass As Amended by Committee Amendment "A" (S-68) (Signed)

Senators:

JOHNSON of Somerset GOOD of Cumberland NORRIS of Oxford

Representatives:

EWER of Bangor HOOVER of Phillips DRUMMOND of Sidney DURGIN of Raymond BEDARD of Saco COUTURE of Lewiston

Minority of the same Committee on the same subject matter reported that the same Ought Not to Pass.

(Signed)

Representative:

HUBER of Rockland

The PRESIDENT: The Chair recognizes the Senator from Cumberland, Senator Good.

Mr. GOOD of Cumberland: Mr. President and Members of the Senate: I move that the Senate accept the Majority "Ought to Pass" Report.

The PRESIDENT: The Senator from Cumberland, Senator Good, moves that we accept the "Ought to Pass as Amended" Report of the Committee.

The Chair recognizes the Senator from Cumberland, Senator Good.

Mr. GOOD: Mr. President and Members of the Senate: This L.D. 38 would increase the minimum wage from \$1.25 effective October 15th of this year to \$1.40, and on October 15, 1968 to \$1.50. This would apply to employers having four or more employees. Substan-

tially these provisions are in both political platforms.

The federal law on February 1st of this year increased the minimum wage to \$1.40, and on February 1st of next year, 1968, the federal minimum wage will be increased to \$1.60. The federal law provides for time-and-a-half after 40 hours. Basically, with some exceptions, the Maine law provides for time-and-a-half after 48 hours. Now, the federal law applies to all those businesses engaged in interstate commerce and doing an annual gross business of in excess of \$1,000,000.00. It is interesting to note that under the federal law that students are subject to the minimum wage law. That is not so in Maine as yet. Although there will be a bill before this Legislature, Legislative Document 172, which, if passed, would cover students under the age of 19. For example, in the anti-poverty program of the federal law students working around high schools, and so on and so forth, receive \$1.40 an hour.

The other day I was in a supermarket in Portland and I introduced myself to an employee who appeared to me as a student, and he said that he was at Westbrook High School, and I told him who I was, and he volunteered $\,$ the information that he was receiving \$1.40 an hour. I began to think that over a little bit and then I began to realize that he was in a supermarket that was doing an annual business in excess of a million dollars and, therefore, was entitled to, under the federal law, a minimum wage of \$1.40.

I talked to a boy working in a filling station the other day in Auburn. I introduced myself and told him what my position was in the Legislature, Chairman of the Committee on Labor, and he said that he was 15 years old. And he volunteered that he was being paid at the rate of \$1.30 an hour. Well, he is not subject to any law, neither the federal law or the state law. But a lot of these employers are paying their students anywhere from \$1.25 to \$1.40 an hour, whether they have to pay them or not.

Now, the federal law as enacted as amended in 1966 covered a whole new group of categories, and at different rates. The laundries and dry cleaning establishments. hospitals and nursing homes, retail and other businesses doing a gross business in excess of \$500,000.00. That figure will be reduced to \$250,000.00 on February 1, 1969. And for the first time covered under the federal law are hotels. motels and restaurants. However, under the federal law motels and restaurants were exempt from the overtime provision. Now, that law provides for \$1.00 an hour, effective February 1, 1967. However, on February 1, 1971, after several intervening steps, that will be increased under the federal law to the \$1.60 figure. And it provides for time-and-a-half after 44 hours with the exception, of course, as I said, of hotels, motels and restaurants, which are exempt from the overtime provision.

L. D. 38, the document that is now before you, also has a provision for increasing the minimum wage for those employed in nursing homes and hospitals. For the first time, the last session of the Legislature covered these people under the minimum wage law, and it covered them as a dollar to begin with. Now, on October 15th of this year these employees, under the state law, their minimum will be increased from \$1.15 to \$1.25. And on October 15, 1968, under the present bill now before you, that will be increased to \$1.40. And L.D. 38 on October 15, 1969 will increase the minimum wage for these employees in nursing homes and hospitals to \$1.50.

L.D. 38 is also in line with the federal law in that there is an amendment to this bill which would also exempt the hotels, motels and restaurants from the overtime provision. In Maine a great many of these hotels, motels and restaurants run a seasonal business and, for instance, during the months of May and June they have to maintain a staff, and they may work shorter hours, but they have to be paid a full week's wages nevertheless. And then in July and August when they of necessity

must make a great deal of money they have to work longer hours, so it was felt that we would exempt them from the overtime provision. However, they are going to have to pay \$1.40, if this bill is passed, and then they are going to have to go to \$1.50. And when L.D. 172 is passed they will then have to pay their students a certain percentage of the minimum wage law also.

Now, there seemed to be a little opposition, surprisingly, to L. D. 38, increasing the minimum wage from the present \$1.25 to \$1.40 and then to \$1.50. I won't say that we didn't have some opposition, because we did. There are those who would abolish all wage controls. And then I was put in the embarrassing position of having to defend the Democratic platform when someone suggested that we follow the federal law and exempt all those enterprises in the State which were doing a gross annual business of less than \$500,000.00. as does the federal law. Someone said that this apparently was the intention of the platform in the Democratic Party, in that the words were used in there "follow the federal lines." I pointed out to them that I didn't think the Democrats would expect to take out from under the minimum wage all the hotels. motels. business of under \$500,000.00 year. What they meant was to follow the federal lines as far as the minimum wage was concerned to \$1.40 and then to \$1.60.

The Labor Committee has had understanding cooperation from representatives of labor, from representatives of industry, and algood cooperation from the Department of Industry and Labor. I think that one of the greatest duties a legislator can show to his state, to the legislature, and to his constituents back home, at this time of the year, it is his duty to his committee. We have been fortunate on the Labor Committee on having two outstanding Senators, Senator Norris of Oxford and Senator Johnson from Somerset, who have lent great support to this Committee. You would think that perhaps Senator Johnson would have an excuse for not attending the sessions in that he is tied down with his duties as Majority Floor Leader, but he has been there surprisingly often. And Senator Norris, I don't think has ever been absent from a meeting.

Now, you may ask "Why do we have a minimum wage?" But in a free enterprise system of government industry is in intense competition with other industries of a similar nature, and if we did not have a minimum wage there could be an attempt to use labor as a pawn to reduce their of production to meet competition by lowering the wages. We believe there are other ways of meeting competition, such as the efficient use of labor, the efficiency in management, efficiency in buying, modernizing the plant, and efficient methods of marketing, rather than to use labor as a pawn, and that is why we have a minimum wage law below which the minimum wage cannot go.

Also in Maine we are in competition with the other states for labor. and at the present time, under the present law, we are very well situated as far as the rest of New England is concerned. We have a present minimum wage of \$1.25. The other New England States also have a minimum wage of \$1.25, of Massathe exception chusetts, which is \$1.40 and \$1.60. All of the other legislatures in New England have bills before them to increase their minimum wages from \$1.40 to \$1.60, so we must stay in line and compete with these states, as well as with the federal government.

There is another reason for a minimum wage, we hope that it will establish a strong middle class society, without which any state or any government cannot expect to be great. Thank you.

The PRESIDENT: The pending question is on the motion of the Senator from Cumberland, Senator Good, that we accept the "Ought to Pass as Amended" Report of the Committee. As many as are in favor of the motion will say "Yes." Those opposed, "No."

A viva voce vote being taken, the motion prevailed, and the Bill was given its first reading. Committee Amendment "A" read by the Secretary as follows:
COMMITTEE AMENDMENT
"A" to S. P. 48, L. D. 38, Bill, "An Act Increasing Minimum Wages."

Amend said Bill in the last line (same in L. D. 38) by inserting after the word "hospitals" the underlined words and punctuation 'nor to hotels, motels and restaurants'

Committee amendment "A" was adopted and the bill, as amended, tomorrow assigned for second reading.

Second readers

The Committee on Bills in the Second Reading, reported the following:

House

Bill "An Act Relating to Quality of Inspection Stickers for Motor Vehicles." (H. P. 1102) (L. D. 1569)

Bill "An Act Requiring Trucks Carrying Explosive or Inflammable Cargoes to Stop at Railroad Crossings." (H. P. 1101) (L. D. 1568)

Bill "An Act Relating to Definition of Elevator Under Board of Elevator Rules and Regulations." (H. P. 100) (L. D. 1567)

Which were Read a Second time and Passed to be Engrossed in concurrence.

House - As Amended

Resolve to reimburse Wayne Smith of East Dixfield for Loss of Sheep." (H. P. 735) (L. D. 1058) Bill "An Act to Allow the State

Bill "An Act to Allow the State of Maine to Arbitrate Disputes in Contracts." (H. P. 517) (L. D. 804)

Which were Read a second time and Passed to be Engrossed As Amended in concurrence.

Senate

Bill "An Act to Revise Utility Location Permits in Public Highways." (S. P. 594) (L. D. 1572)

Which was Read a second time and Passed to be Engrossed.

Sent down for conucrrence.

Enactors

The Committee on Engrossed Bills reported as truly and strictly engrossed, the following: