

MAINE AFL-CIO

A Union of Unions Standing for Maine Workers 21 Gabriel Drive, Augusta, Maine 04330



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Testimony of Maine AFL-CIO Legislative & Political Director, Adam Goode in Opposition to LD 1403, "An Act to Promote Minimum Wage Consistency by Limiting the Authority of Municipalities Regarding Minimum Hourly Pay" and in Support of LD 1376, "An Act to Create a Livable Wage by Increasing the Minimum Hourly Wage"

Senator Tipping, Representative Roeder and members of the Joint Standing Committee on Labor & Housing, my name is Adam Goode. I'm the Legislative and Political Director of the Maine AFL-CIO. We represent 40,000 working people in the state of Maine. We work to improve the lives and working conditions of our members and all working people. We testify in support of LD 1376 and in opposition to LD 1403.

LD 1376 increases the minimum wage from the current \$13.80 to \$15 per hour in 2024 and in increments of \$1 each year until 2033.

Since working families earned wage increases at the ballot box in November of 2016, wage increases have helped with basic "food on the table" survival issues. Prior to the COVID pandemic, it was clear the increases in wages gave the economy a boost through increased consumer spending. This has been good for all working people, whether black, brown or white, has helped small businesses and everyone in Maine.

Low wage workers get the most direct gains from a higher minimum wage. Workers in the lowest paid industries experience the biggest proportional wage gains. People who work in the lowest paid industries will be harmed the most through a cut to their wages and stand the most to gain when wages to up.

We would remind the committee that while unionized workers who are employed under collective bargaining agreements largely make more than minimum wage, there are many very modestly paid union members whose wages are treated in relation to the minimum wage. The loss of a cost-of-living increase could mean lower wages for a firefighter or a cook in a rural nursing home.

We've heard the stories of workers who have a few ounces more dignity in their lives as a result of these wages increases - an extra \$30 a week means they can buy windshield wipers for their car or take their grandchildren out to Denny's. And we've heard countless stories of the positive impacts of wage compression from these wage increases, especially in the public sector. Workers who were making \$12 or \$13 an hour after five or ten years saw meaningful wage increases as the minimum wage went from \$7.50 to \$9 to \$11 to \$12.15 an hour due to the win at the ballot box in 2016. The approach in LD 1376 would have same result.

We are opposed to any efforts to lower, weaken, slow or in any way undermine the Minimum Wage. Prohibiting a municipality from enacting an ordinance regulating the minimum hourly wage that an employer must pay an employee limits the options of working people to use their local government to raise wages, plain and simple.

This committee has heard over and over again how wages vary across the state. The option for working people or elected officials who live in an extraordinarily high cost of living municipality to raise wages is of specific