



Maine Forest Products Council

The voice of Maine's forest economy

Companies represented on the MFPC Board

A & A Brochu Logging
American Forest Mgmt.
Baskahegan Co.
BBC Land, LLC
Columbia Forest Prod.
Cross Insurance
Family Forestry
Farm Credit East
Fontaine Inc.
H.C. Haynes
Huber Resources
INRS
J.D. Irving
Katahdin Forest Mgmt.
Key Bank
Kennebec Lumber
LandVest Inc.
Louisiana Pacific
Maibec Logging
ND Paper
Nicols Brothers
Pingree Associates
Prentiss & Carlisle
ReEnergy
Richard Wing & Son
Robbins Lumber
Sappi North America
Southern Maine Forestry
Stead Timberlands
St. Croix Tissue
St. Croix Chipping
TD Bank
Timber Resource Group
Timberstate G.
Wadsworth Woodlands
Wagner Forest Mgt.
Weyerhaeuser
Woodland Pulp

Testimony in Opposition to LD 1794

"An Act to Enhance the Predictability of Mandated Overtime for Pulp or Paper Manufacturing Facility Employees"

May 17, 2023

Senator Tipping, Representative Roeder, and distinguished members of the Labor and Housing Committee, my name is Ryan McAvoy, and I am here to represent the Maine Forest Products Council. I am the President of the MFPC and the Wood Procurement Manager for Sappi North America's Northeast Region.

I am here to express our deep reservations regarding LD 1794.

First, this bill targets a single industry, the forestry industry, which has been identified as critical to the State's 10-year Economic Plan. It is puzzling why this industry, which has lost so many companies and jobs over the last several decades, is being held to an unreasonable operating standard when other 24/7 manufacturing operations within the state have the same staffing issues and overtime pressures.

In addition, the vast majority of the employees in the pulp and paper sector are represented by labor unions. The committee should carefully consider whether this proposed bill is preempted by the National Labor Relations Act. Further, we work closely with our organized partners and respect their right to negotiate labor agreements. The items brought forth in this bill are routinely negotiated across the bargaining table. That is where these issues belong, where both sides understand the operational needs of the business. Bringing these negotiations into the legislative arena can actually limit beneficial worker arrangements.

This bill would make Maine pulp and paper manufacturers less competitive in an already competitive market. Our competitors already operate in significantly lower cost regions of the country. The State of Maine continues to lose pulp and paper manufacturers, with cost competitiveness as a key reason for closure. LD 1794 would only exacerbate this industry crisis. At Sappi's Somerset Mill, if the bill became law, for any given shift, the lack of a highly trained operator could cause one of Somerset's production lines to halt for a 12-hour shift, impacting a crew of 10. In other words, nine additional employees could be impacted to accommodate one operator. The halting of a production line could also cost the business in excess of \$100,000, not including the time required to take down and start up the equipment. Multiply that by a number of shifts, and the bill could cost Sappi millions in lost revenue. The alternative would be to staff up for the "what if" situations, which would both increase costs and unnecessarily require sending employees home without pay when not needed.

When candidates apply for employment at mills like Sappi's, they are aware of the nature of the work: 12-hour shifts, rotating shifts, and requirements for overtime. While this can sometimes create inconveniences for the employees, it also provides an extremely competitive benefit package and pay that is near the top of manufacturing jobs within the State.

In closing, this is a bad bill for the employees within our industry, and it is a bad bill for the pulp and paper companies trying to operate within the state. We urge members of the committee to vote against it.