

## MAINE AFL-CIO

A Union of Unions Standing for Maine Workers

21 Gabriel Drive, Augusta, Maine 04330



(207) 622-9675 Visit our website: <u>www.maineaflcio.org</u>

President Cynthia Phinney Vice President Grant Provost Secretary Treasurer **Doug Born** 

Testimony of Adam Goode, Maine AFL-CIO Legislative & Political Director, In Opposition to LD 112, "An Act to Promote Opportunities by Establishing a Student Wage"

Senator Tipping, Representative Roeder and members of the Joint Standing Committee on Labor, 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 opposition to LD 112.

This legislation allows an employer to pay an employee who is in high school a wage that is 50% than the state's minimum wage. This approach is a subminimum wage, which is a policy that perpetuates unfair pay and exploits younger workers. Allowing an employer to pay someone less than an adult who is doing the same job undermines the principle of equal pay for equal work and has negative effects in the workplace. When an employer can hire a younger worker at a lower wage it undermines the wages that adult workers can make, causing a downward spiral on wages for all workers.

The major issue with a subminimum wage for young people is purely economic. 14% of Maine children live in households making less than the federal poverty level. The reality is that there are young people in Maine who contribute to their household incomes through low wage work. Bills like this would cut the income they help provide to their family in half. In addition to contributing to household income, young people who work are often saving for college, which is incredibly expensive and cutting the minimum wage they can earn in half makes that much farther out of reach.

In addition to the economic reality, Maine's young people who are ages 16-24 already participate in the labor force at a much higher rate than the rest of the country.

Young people are injured on the job more than others, partially due to inexperience, partially due to improper training and partially due to being expected to use equipment designed for adults. Subminimum wages can incentivize employers to hire young workers, even if they are not fully capable of performing the job, simply because they can be paid less.

On a pure policy level, we would question the way the legislation would fit alongside Maine law related to child labor. Title 26, Chapter 7, subchapter 4 deals with the employment of children. That statute categorizes children based on their age. LD 112 would have a high school student make 50% of the state minimum wage. We assume the intent would be to have young people have some type of training wage. In reality, how would a young person that is not enrolled in secondary school be treated? Would we be creating a scenario where a high

school student employed in a low wage job might be able to get paid a significantly larger amount if they dropped out of school and were no longer a "secondary student" as defined by state law?

Lastly, we know that we all do better when workers have raised expectations. Young people who enter the workforce at low wages can grow accustomed to low wages and struggle to find better-paying jobs later in life, potentially perpetuating a cycle of poverty.

For these reasons we ask that you vote against LD 112 and any efforts to make a subminimum wage for young people.