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**Testimony of Dillon Murray,
Legislative Liaison, Maine Department of Labor
In Opposition to
LD 1267, Resolve, Directing the Department of Labor to Convene a Task Force to Examine
and Study Issues Relating to the Gap Between the Economic Output and Wages of
Workers in the State
To the Joint Standing Committee on Labor
Hearing, April 8, 2025**

Good afternoon Senator Tipping, Representative Roeder and members of the Joint Standing Committee on Labor. My name is Dillon Murray, Legislative Liaison for the Maine Department of Labor (Department). I am here today to speak on behalf of the Department in respectful opposition to LD 1267, "Resolve, Directing the Department of Labor to Convene a Task Force to Examine and Study Issues Relating to the Gap Between the Economic Output and Wages of Workers in the State."

First, I'd like to thank the sponsor for reaching out while crafting this bill. Speaking to him ahead of time allowed us to conduct more extensive research into this matter, both trying to identify helpful data at the state level, and more broadly at the national and global levels. We will happily provide some of this data, ahead of the work session.

While we appreciate the intent behind this proposal and share the interest in understanding wage dynamics, the Department has concerns about the likely effectiveness of creating a state-specific task force for this issue. A significant body of research already exists, much of it conducted by leading national and international economists, which attributes the widening gap between economic output and wages to large-scale structural forces—such as automation, globalization, declining worker bargaining power, and increasing market concentration.

Because these drivers are primarily global or national in nature, they do not lend themselves easily to state-level analysis. At this time, the Department does not have access to data or resources that would allow us to produce findings that go beyond what has already been well-documented in the academic literature.

Given these limitations, we would respectfully suggest that the state's resources may be more effectively used by focusing on policies and programs that directly support Maine workers and improve job quality—building on the insights already available from the broader research community.

Thank you for your time and consideration. I would be happy to answer any questions you may have now or at a future work session.

The Maine Department of Labor is committed to serving Maine workers and businesses by helping employers recruit and train a talented workforce, providing workers with skills needed to compete in our economy, assisting individuals when jobs are lost, aiding people with disabilities reach career goals, ensuring safe and fair workplaces for people on the job and providing research and analysis of employment data to support job growth.