

Testimony of Executive Director, Ben Lucas

Testimony in OPPOSITION to LD 1279, "An Act To Increase the Minimum Wage"

April 12th, 2021

Senator Hickman, Representative Sylvester, and members of the Committee on Labor and Housing, my name is Ben Lucas, I live in Portland, and I serve as the Executive Director of the Maine Jobs Council. The Maine Jobs Council is a new, statewide, nonpartisan, member-driven advocacy organization that advances public policies to support the creation and preservation of foundational jobs in Maine. I am here today to testify in opposition of LD 1279.

A recent report from Oxford Economics ranked Maine #1 in the nation for economic vulnerability from the pandemic. The reasons for this are our percentage of small businesses and their limited ability to cope, our aging workforce, and our dependence on tourism and retail. If LD 1279 passes, what appears to be well-intentioned may actually do considerable harm to the people it aims to help.

Other states with similar minimum wages laws are New York, Massachusetts, California, and Illinois. These states are able to do this because they are wealthier states. Everything is more expensive, they have high living costs, and this generates higher wages. Maine's regulatory and business environments already rank among the lowest in the nation. Our overall business environment is #46 and our overall economic ranking is #37, both are the worst in New England. We should be passing legislation that helps make us more competitive in the region, not less.

The MJC supports making workers a top priority. The best way to do that is with a robust economy full of quality jobs that provide choices, career growth, and increasing wages. This law would lead to just the reverse. Supporting working people is critical, but the important word is

working. If our companies cannot compete, if money isn't invested here, if jobs stagnate or leave, then we'll have more and more people who are not working. There is no substitute for a good job and those jobs come from companies that compete successfully to provide goods and services.

Individual pieces of legislation like the ones that have been introduced to this committee today are not the solution to solving our states economic problems. We encourage this committee to take a step back, look at the bigger picture of where Maine ranks compared to the rest of New England, and start taking a more comprehensive look at how taxes, regulations, infrastructure, workforce challenges, and other issues act as a barrier to job creation in our state. Maine needs to develop and follow a long term strategic plan to make us more competitive, and not less.

Thank you.

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