

Senator Michael Tipping, Representative Roeder and distinguished members of the Committee on Labor and Housing,

Based on questions and feedback from the Labor Committee at the Public Hearing on LD 1794 below are Sappi's responses:

**1. Safety at the pulp and paper mills in Maine is a concern**

- See the attached safety performance statistics from the American Forest and Paper Association. Relevant data is on pages 5, 6, and 11. Note the excellent safety performance of Sappi, which has two mills in Maine.

**2. Employees have their vacations cancelled due to demand to fill vacancies**

- The following language was added to Sappi's most recent contract (2021) – "No employee shall be required to report to work on vacation"

**3. Employees should not work 24 hour shifts**

- During the 2021 contract negotiations, Sappi offered the following language to our USW bargaining unit: "During the negotiation of the 2021 labor agreement, the parties agreed to work together to reduce the number of 24 hour shifts, and that as of January 1, 2023 no employee shall work more than 18 consecutive hours". This language was rejected by the union.
- If the supporters of LD 1794 were truly concerned about safety in connection with long shifts, they would be lobbying for a bill that prohibits long shifts. They aren't doing that because they want the ability to volunteer for overtime at an overtime pay rate, including on long shifts. They want long shifts, but only on their terms, regardless of the potentially devastating operational consequences for the mills.

**4. If these issues should be covered during the collective bargaining process, why haven't manufacturers addressed this issue during collective bargaining?**

- See points 2 and 3 above. Sappi addressed the vacation issue during collective bargaining and attempted to address the long shift issue, but the unions did not agree.

**5. Pulp and Paper Companies should hire more people to cover vacancies**

- Starting about four years ago, Sappi started staffing such that it employs 40 incremental employees beyond its regular staffing for the purpose of covering call-ins and vacancies.

**6. Facilities should provide employees with 7 days notice before mandatory overtime or changes in work schedules**

- "Mandatory" overtime generally happens when an employee calls hours before their shift begins to say they are not coming in to work. The vast majority of these absences are "same day". The current bill language requires the schedule to be firmed up 7 days ahead. We cannot predict 7 days in advance of an employee calling off work. This portion of the bill isn't just disadvantageous to the industry – it is unworkable.

**7. Facilities need to train more people**

- We are training more than we ever have before. Qualifying employees for many of our jobs require rigorous technical training which can take up to 6 months, and most employees are only qualified for a handful of our dozens of job classifications. Identifying qualified employees to cover absences can be challenging. Contrary to what some have suggested, we can't just pull in members off the cleaning crew to cover call in absences.

**8. Concern about mandatory overtime are far broader than just the pulp and paper industry.**

- The pulp and paper industry is a capital intensive low margin business that competes internationally. Adding unworkable operational barriers will significantly increase the competitive disadvantage that Maine based mills in the industry already face. Why is this legislation focused on just one segment of the many 24/7 operations in Maine, including other manufacturers and hospitals?

**Recommendation**

Conduct a comprehensive study of 24 shifts in Maine for both manufacturing and other 24/7 operations, including hospitals, to better understand the nature of the issue and to propose alternatives. Employers are also searching for solutions that address the issue and still allow them to operate their facilities safely and cost effectively.

We look forward to working together at the work session scheduled Wednesday morning.

Sincerely,

Donna Cassese  
Sappi Government Affairs