

MAINE STATE LEGISLATURE

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Legislative Record

OF THE

Eighty-Seventh Legislature

OF THE

STATE OF MAINE

1935

KENNEBEC JOURNAL COMPANY
AUGUSTA, MAINE

SENATE

Tuesday, March 19, 1935.

Senate called to order by the President

Prayer by the Rev. Edwin Cunningham of Augusta.

Journal of Friday, March 15th, read and approved.

Papers from the House, disposed of in concurrence.

From the House:

The Committee on Judiciary on Bill "An Act Creating a Lien on Potatoes," (H. P. 1134) (L. D. 359) reported the same in a new draft (H. P. 1605) (L. D. 694) under the same title, and that it ought to pass.

In the House, the bill indefinitely postponed.

In the Senate, on motion by Mr. Burns of Aroostook, the report and bill were laid upon the table pending acceptance of the report.

From the House:

Bill "An Act Relating to Licenses for Wholesalers in Malt Beverages," (S. P. 347) (L. D. 397)

In Senate on March 1st, report of Committee "Ought to Pass" read and accepted.

In Senate on March 5th bill passed to be engrossed.

In the House, House Amendment "A" read and adopted, passed to be engrossed as amended by House Amendment "A" in non-concurrence.

In the Senate, on motion by Mr. Blanchard of Franklin, the bill was laid upon the table pending consideration.

From the House:

"Resolve Proposing an Amendment to the Constitution Abolishing the Office of Treasurer of State" (S. P. 330) (L. D. 345).

In the Senate, on March 8th, Majority Report "Ought Not to Pass" accepted.

In the House, resolve and both reports indefinitely postponed in non-concurrence.

In the Senate:

Mr. FERNALD of Waldo: Mr. President, I move that the Senate adhere to its former action.

Mr. BURKETT of Cumberland: Mr. President, I move that the Senate recede and concur with the House in the indefinite postponement of the bill and both reports.

The PRESIDENT: The motion of the Senator from Cumberland,

Senator Burkett, that the Senate recede and concur, takes precedence over the motion of the Senator from Waldo, Senator Fernald.

The motion to recede and concur with the House in the indefinite postponement of the resolve and both reports prevailed.

From the House:

The Committee on Claims on "Resolve in Favor of John H. Simonds of Portland" (H. P. 957) reported that the same ought not to pass.

In the House, the report was read and accepted.

In the Senate, on motion by Mr. Schnurle of Cumberland, the resolve and report were tabled pending acceptance of the report in concurrence.

House Bills in First Reading

(Under suspension of the rules the following bills and resolve were given their second reading and passed to be engrossed in concurrence.)

"An act relating to investments of savings banks." (H. P. 1200) (L. D. 450)

"Resolve relating to ice fishing in Little Sebago Lake." (H. P. 1203) (L. D. 452)

"An act relating to liquor licenses" (H. P. 1606) (L. D. 695)

Communications**STATE OF MAINE****Department of State**

Augusta, March 19, 1935.

To the President of the Senate and the Speaker of the House of Representatives of the Eighty-seventh Legislature:

I have the honor to present herewith a Joint Resolution enacted by the Legislature of New Jersey and transmitted at the request of Honorable Thomas A. Mathias, Secretary of State of New Jersey.

LEWIS O. BARROWS,

Secretary of State.

(S. P. 640)

Which was read and accepted. On motion by Mr. Burkett of Cumberland the communication and resolution were placed on file.

Sent to the House.

The following remonstrance was received and on recommendation by the committee on reference of bills was referred to the following committee:

Legal Affairs

Mr. Bissett from Cumberland presented "Remonstrance of John D. Purdy of Portland and 37 others against the enactment of L. D. 462 relating to professional engineers and land surveyors. (S. P. 639)

Sent down for concurrence.

Orders

On motion by Mr. Harmon of Hancock, it was

ORDERED, that the Pensions Committee be permitted the use of the Senate Chamber this afternoon for the purpose of holding a public hearing.

First Reading of Printed Bills

(Under suspension of the rules the following bills and resolves were given their second reading and passed to be engrossed: Sent down for concurrence.)

Bill An act to enable domestic Mutual Fire Insurance Companies to obtain aid from the Federal Intermediate Credit Bank." (S. P. 95) (L. D. 765)

"Resolve relating to fishing in the Kennebec River." (S. P. 326) (L. D. 758)

Resolve proposing an amendment to the Constitution to provide for longer residence to qualify as a voter." (S. P. 626) (L. D. 757)

Bill An act creating a State Park Commission." (S. P. 629) (L. D. 763)

Bill An act relating to the regulation of eating and lodging places." (S. P. 630) (L. D. 764)

Bill "An act relating to health." (S. P. 631) (L. D. 766)

Reports of Committees

Mr. Burns from the Committee on Judiciary on Bill "An act to define and limit the jurisdiction of courts sitting in equity, and for other purposes." (S. P. 243) (L. D. 216) reported that the same ought not to pass.

(On motion by Mr. Hussey of Kennebec, tabled pending acceptance of the report.)

The same Senator from the same Committee on Bill "An act relative to the tenure of office and removal of chiefs and chief engineers of fire departments." (S. P. 246) (L. D. 208) reported that the same ought not to pass.

Mr. Fernald from the same Committee on Bill "An act appointing a commission on the assessment and

collection of real estate taxes." (S. P. 412) (L. D. 527) reported that the same ought not to pass.

Mr. Burkett from the same Committee on Bill "An act relating to pauper settlement of Indians." (S. P. 381) (L. D. 398) reported that the same ought not to pass.

Mr. Bissett from the Committee on State School for Boys, State School for Girls, and State Reformatories on "Resolve in favor of the State School for Girls." (S. P. 76) reported that the same ought not to pass as legislation thereon is inexpedient.

Which reports were severally read and accepted.

Sent down for concurrence.

Mr. Tompkins from the Committee on Temperance on Bill "An act regulating the purchases of liquor by the State Liquor Commission." (S. P. 449) (L. D. 617) reported that the same ought not to pass.

(On motion by Mr. Burkett of Cumberland, tabled pending acceptance of the report.)

Mr. Fernald from the Committee on Judiciary on Bill "An Act to Amend Section 14 of Chapter 147 of the Revised Statutes Relating to Violation of Terms of Probation." (S. P. 242) (L. D. 214) reported the same in a new draft (S. P. 633) under the same title and that it ought to pass.

(On motion by Mr. Burns of Aroostook, tabled pending acceptance of the report; and five hundred copies of the bill were ordered printed under the joint rules.)

Mr. Tompkins from the Committee on Library on "Resolve for the Purchase of One Hundred Copies of the 'Financial History of Maine, 1820 to 1934'" (S. P. 179) reported that the same ought to pass.

Mr. Bodge from the same Committee on "Resolve for the Purchase of Two Hundred Copies of 'A History of Banking in Maine, 1799-1930'" (S. P. 226) reported the same in a new draft (S. P. 634) under a new title, "Resolve for the Purchase of One Hundred Copies of 'A History of Banking in Maine 1799-1930'" and that it ought to pass

Mr. Jackson from the same Committee on "Resolve for the Purchase of Two Hundred Copies of a 'Bibliography of the State of Maine, 1892-1933'" (S. P. 116) reported the same in a new draft (S. P. 635) under a new title, "Resolve for the Purchase of One Hundred Copies of 'A Bibliography of the State of

Maine," and that it ought to pass.

Which reports were severally read and accepted and the resolves laid upon the table for printing under the joint rules.

Mr. Hathaway from the Committee on Public Health on Bill "An Act Relating to Beauty Culture," (S. P. 199) (L. D. 149) Reported the same in a new draft (S. P. 636) under the same title and that it ought to pass.

(On motion by Mr. Bissett of Cumberland, tabled pending acceptance of the report).

Mr. Burkett from the Committee on Judiciary on Bill "An Act Relating to Secret Ballot at Town Meetings" (S. P. 414) (L. D. 535) reported that the same ought to pass.

Which report was read and accepted and the bill given its several readings and passed to be engrossed under suspension of the rules.

Sent down for concurrence.

Mr. Fernald from the Committee on Judiciary on Bill "An Act Relating to Optometry" (S. P. 162) (L. D. 93) reported that the same ought to pass.

The report of the Committee was read and accepted.

Mr. Burkett of Cumberland offered Senate Amendment "A" and moved its adoption.

The Secretary read Senate Amendment "A" as follows: "Senate Amendment 'A' to Senate Paper 162, Legislative Document 93, An Act Relating to Optometry. Amend said bill by striking out in the seventh line of Section 58 as amended after the word 'statement', the word 'price'."

Thereupon, the rules were suspended and the bill was given its several readings and passed to be engrossed.

Sent down for concurrence.

Mr. Bissett from the Committee on Public Utilities on Bill "An Act Relative to the Operation by Railroad Corporations of Certain Auxiliary Services" (S. P. 395) (L. D. 421) reported that the same ought to pass.

Which report was read and accepted and the bill given its several readings and passed to be engrossed under suspension of the rules.

Sent down for concurrence.

The majority of the Committee on Judiciary on Bill "An Act Cre-

ating the Portland Public Improvement Commission," (S. P. 331) (L. D. 340) reported the same in a new draft (S. P. 637) under the same title and that it ought to pass.

(Signed) Burns of Aroostook
Burkett of Cumberland
Hill of South Portland
Vaughan of South
Berwick
Philbrick of Cape
Elizabeth
Weatherbee of Lincoln
Gray of Presque Isle
Jacobson of Portland

The minority of the same Committee on the same subject reported that the same ought not to pass.

(Signed) Fernald of Waldo
Willey of Falmouth

On motion by Mr. Burkett of Cumberland, the Majority Report of the Committee "Ought to Pass" was accepted; and the bill was laid upon the table pending printing under the joint rules.

The majority of the Committee on Judiciary on Bill "An Act Relating to Facsimile Signatures of Clerks of Courts," (S. P. 94) (L. D. 17) reported the same in a new draft (S. P. 638) under the same title and that it ought to pass.

(Signed) Burkett of Cumberland
Hill of South Portland
Jacobson of Portland
Philbrick of Cape
Elizabeth
Gray of Presque Isle
Vaughan of South
Berwick
Weatherbee of Lincoln

The minority of the same Committee on the same subject reported that the same ought not to pass.

(Signed) Burns of Aroostook
Fernald of Waldo
Willey of Falmouth

On motion by Mr. Burkett of Cumberland the Majority Report of the Committee "Ought to Pass" was accepted; and the bill was laid upon the table pending printing under the joint rules.

Additional paper from the House, disposed of in concurrence.

Orders of the Day

On motion by Mr. Friend of Somerset, the Senate voted to take from the table, House Report from the Committee on Pensions that Resolve Providing for the Support of Mrs. James P. Young and Children

of Blaine (H. P. 469) be referred to the Committee on Claims; tabled by that Senator on March 15th pending acceptance of the report.

Mr. FRIEND of Somerset: Mr. President, I yield to the Senator from Hancock, Senator Harmon.

Mr. HARMON of Hancock: Mr. President your committee felt that this resolve should properly come in as a claim, but we find that as the bill is drawn it was properly placed before the Committee on Pensions. I now beg leave to withdraw the motion made by me that this resolve be referred to the Committee on Claims.

The PRESIDENT: The pending question, as the Chair understands it, is not upon the motion the Senator from Hancock, Senator Harmon, thinks he may have made, but upon the acceptance of the report. No motion having been made, the House recommitted the matter to the Committee on Pensions. Does the Senator from Hancock, Senator Harmon, care to make a motion to refer this resolve to the Committee on Claims?

Mr. HARMON: Mr. President, My recollection was that I made a motion to refer to the Committee on Claims; but I now move this resolve be recommitted to the Committee on Pensions.

Thereupon, the resolve was recommitted to the Committee on Pensions in concurrence.

On motion by Mr. Bissett of Cumberland, the Senate voted to take from the table, Senate Report "Ought to pass in new draft" from the Committee on Public Health on Bill An Act Relating to Beauty Culture, (S. P. 199, L. D. 149, S. P. 636) tabled by that Senator earlier in today's session pending acceptance of the report; and upon further motion by the same Senator the report of the committee was accepted, and the bill was laid upon the table for printing under the joint rules.

The PRESIDENT: Under Orders of the Day, the Chair will state that there has come back to the Senate the bill which was on March 15th recalled from the Committee on Interior Waters, entitled "An Act to Confer Additional Rights and Powers upon East Branch Improvement Company," (S. P. 285; L. D. 316).

Mr. THATCHER of Penobscot:

Mr. President, the proponents of this bill having decided that legislation on this bill at this time is unnecessary, I move this matter be indefinitely postponed.

The motion to indefinitely postpone in non-concurrence prevailed.

Sent down for concurrence.

On motion by Mr. Blaisdell of Hancock, the Senate voted to take from the table, House Report from the Committee on Legal Affairs, "ought not to pass" on an Act Relating to the Use of Materials in Construction of Public Projects (H. F. 598, L. D. 174) tabled by that Senator on March 15th pending acceptance of the report.

Mr. BLAISDELL of Hancock: Mr. President, again after a hearing before the Committee on Legal Affairs and after due deliberation on the part of the committee in executive session, the committee has unanimously reported that this bill ought not to pass, and I shall take only a moment or two of your time to give you reasons why the bill ought not to pass. I think the most salient and important reason is the fact that there is a distinct and very definite ruling on the part of the federal government to the effect that no state shall be permitted to set up barriers against the use of any material of any state or in any other state. I want to read the ruling of the Federal government relative to the use of material: "All contracts for the construction of highways under this act shall require the contractor to furnish all materials entering into the work and no requirement shall be contained in any contract in any state providing price differentials for, or restricting the use of materials to those used within the state."

I am sure that you are all aware that under the present conditions, from the depression, and so forth, that 90% of the work being done on the highways in the State of Maine and upon other projects of any of the state's political subdivisions, has in it federal funds, and that is the important feature of the whole thing. It has in it federal funds and the federal government does not permit us to set up any restrictions of any kind as to designating materials of any kind by any state in this union; and there is a strong feeling that if we were to show preference to Maine materials

it would result in the with-holding of federal funds from the state to use on public projects.

The second reason I would like to set before you is that if we should pass this preferential bill in the use of materials, dealers in certain communities, of certain types of commodities, men having lived in these communities all their lives and having paid taxes in the community, would be absolutely forbidden from selling to the town or city certain types of commodities to the people in authority, and the town officials or otherwise would have to go outside of their own communities and could not deal with their own residents and taxpayers.

The committee felt very positive of the fact that it would result in lessening federal aid and federal allotments for the carrying on of federal projects under their very strict ruling that such preference is forbidden, and for that reason the committee has reported unanimously "ought not to pass" and I move the acceptance of the committee's report.

Mr. BURKETT of Knox: Mr. President, I dislike very much to be in opposition to the committee's report and I also dislike very much to be in opposition to the Senator from Hancock, Senator Blaisdell, a Senator whom I admire very much and I know all the other people here do, and I consider him a very valuable addition and a very valuable friend to this Senate; but I am inclined to think that Senator Blaisdell has enlarged a little and has attempted to throw a little scare into this organization. I feel that I would be remiss in my duty if I did not rise in defense of an industry which we have in our county and one we very much want to welcome with open arms. I move, Mr. President, that we concur with the House in substituting the bill for the report.

Mr. FERNALD of Waldo: Mr. President, we are taking up today Legislative Document No. 174 which says that, "Whenever the construction, improvement, repair or maintenance of any highway, bridge, public building, or other public construction project in the state is to be put up for bidding thereon or contracted therefor, the public officials of the state or any political subdivision thereof in charge of the proposals for the bids or the contracting shall stipulate

in the proposals for the bid or in the contract that the raw materials to be used, such as sand, gravel, rock, stone, granite, wood, and lumber be purchased in the state; and that products of Maine industries manufactured from materials that are available in this state shall be used whenever they may be obtained at the same or lower cost." I would like to have you note the language, "whenever they may be obtained at the same or lower cost."

"Whenever they may be obtained at the same or lower cost" means that when products of Maine industries manufactured from materials available in this state can be used, they shall be used when they can be obtained at the same or lower cost.

Well now, if we, in the State of Maine, don't favor the industries of Maine, the people in Maine who have paid taxes in Maine, the people in Maine who hire Maine labor, the people in Maine who invest their money in Maine industries, I do not believe in Massachusetts or New York or Pennsylvania they are going to do it. It is just a question right now of whether we are going to look out for ourselves or look out for somebody else. We are not putting any premium on this proposition. It is just a pure, straightforward business proposition that whenever you can obtain products of Maine industries, manufactured from materials available in Maine, when you can obtain them for the same price or lower prices, you shall use them.

I didn't think for a minute it was necessary in a state like Maine, composed as it is of shrewd, conservative people, that an act of the legislature would be necessary to get an agreement of the people as to that principle.

Well now, let's look at the record. I just noticed this morning that we tabled a bill here that was introduced by the Senator from Cumberland, Senator Burkett, that gives preference in purchases in connection with liquor. That is preference. Here is Legislative Document No. 529 introduced by the distinguished Senator from Hancock, Senator Blaisdell, and referred to the Committee on Legal Affairs, that whenever any public building—and that is very much like the bill we are considering—"Whenever any public building is to be erected or repaired, not under contract by the state, or any county, city, or town,

on which concrete may be used therefor," and I believe concrete is a mixture of sand, cement and water, "the officials of the state, county, city or town shall investigate and consider the use of Maine granite." Now, that doesn't say you shall use Maine granite when you can buy it at the same or lower cost, but it says that you shall consider the use of Maine granite. It is an altogether different proposition, but it aims to give a preference. Well, here is one that is a resolve in favor of the Maine Guides' Association, that talks a lot about Maine. Here is an act relative to mines and mining which tries to give a preference to Maine. Here is an advertisement of Maine agricultural commodities. Here is a memorial regarding the Maine coast scenic highway—everything helping Maine.

Why is it that a proposition like this in Legislative Document 174 stirs up all this fuss? Of course, the point is that this is the bill that will do some good. These other things are just idle gestures, like the old age pension passed in 1933 to make people think we are over here working for Maine and the people of Maine. Now Legislative Document 174 will do us some good. I do not know as it will do anyone in Waldo County any direct good, but I do not care if every member of the House is opposed to it, and I do not care if every member of the Senate is against it, I am for it. I am for it because I am for the Maine industrialist, for the Maine gravel men, for the cement workers in Thomaston, for the shoe factories in Auburn. I am for anybody using Maine labor, paying taxes in Maine, trying to maintain an economic order in Maine separate and apart from the industrial control in New York, Boston and elsewhere.

Well, here is something here, the Portland Evening News says "Moran for Maine". Before referring to that, though, we read in the paper today that the Governor is quite incensed over certain circumstances which have arisen over low tariff rates. He has finally awakened to the situation. It is time we woke up. The House woke up last week. Now, under this heading "Moran for Maine" it says, "Representative Edward C. Moran, Jr., of the Second Maine District has won his long fight for the use of

granite for the addition to the Rockland postoffice building." That granite is going to come from Clark's Island down in Knox County. "He also has won another equally long drawn out battle to obtain the use of Maine material in the new buildings at the Togus Soldiers' Home." As I understand it the new buildings at the Togus Soldiers' Home are not being built by the County of Kennebec or by people in Togus or even by the State of Maine. They will be built by federal money appropriated by Congress. "In connection with the Soldiers' Home more than 20,000 bags of cement will be used from the Portland-Lawrence Cement Company, whose business has languished for some months while cement was bought of an out of the state concern"—We won't go into any personalities and we will jump over that. "Nor are these the only two incidents in which Moran has stood staunchly by Maine interests. He now is found opposing reciprocal tariff proposals of his own administration that he believes would be detrimental to our state. A few days ago Moran wrote to Thomas Walker Page, chairman of the committee on reciprocal tariff information as follows: "I take this opportunity to express my extreme concern for the State of Maine over the proposed reciprocal tariff with Canada. It appears to me that there is no possibility of avoiding harm to Maine by such an agreement. Reference to the record of the steadily increasing relief load in Maine and stagnation of important Maine industries leads me to the conclusion that the breaking point has practically been reached. Lumber, fisheries and paper mean much to Maine; they are important items in the present controversies between the two countries."

But the point is that the Congressman from the Second District insists on the floor of Congress that we should favor Maine industries and I will wager, and I think you will agree with me that Maine granite for the Rockland postoffice will cost more than some outside or out of state material, but we are not asking that proposition in Legislative Document 174. We are asking that products of Maine industries be used whenever they may be obtained at the same or lower cost. We are just asking a good business proposition. I think the picture is clear enough. I do not

think I need to repeat that proposition. I believe we all saw the splendid arguments presented in the House. We all know what the public reaction to the proposition is. Let's stop this fooling around just closing and opening brooks and streams, and do something for the economic, industrial and social structure of our state, that commodities of our state may be obtained and sold on public projects when they can be obtained at the same or lower prices.

Mr. SCHNURLE of Cumberland: Mr. President and members of the Senate, this is my second term here and it is probably also my last. I do not intend to run for this office again. In the two years that I have been here I have made many friends. I have tried to do those things for the state of Maine that I thought were for her best interests. Two years ago, and again this year, certain legislation has been introduced that I have opposed. I opposed it for reasons that were not selfish. I opposed it for reasons that I believed were for the best interests of the state of Maine. And unfortunately the position that I occupy in civil life has led some people to believe that perhaps I am selfish, perhaps I am even dishonest in business.

I don't believe that any man who knows me well, believes that nor that any men with whom I have done business in the state of Maine, believe it.

As regards the proposed legislation which we are discussing I have tried to keep away from personalities but the proponents of this measure, and another measure, have seen fit to deal in personalities. However, I must compliment the Senator from Waldo (Senator Fernald) this morning for refraining from mentioning my name, although he might just as well have done so because everybody, of course, knows whom he has been talking about.

I think perhaps it is time that the members of the Senate and the people of the state of Maine should know something about this business which has been causing so much discussion. And before I launch into the details of the business I think I might give you a little idea of what this material is. I doubt if there are many men in this room who know how Portland Cement came to get its name, and I think perhaps you would like to know

that. Some think it refers to Portland, Maine, and others that it refers to Portland, Oregon, and so forth, but I would like to tell you that it got its name because of the fact that the inventor of the process, an Englishman by the name of Joseph Aspdin who in 1824 produced a material which when mixed with sand, stone and water, produced a material which he thought closely resembled Portland stone which came from a quarry on the island of Portland and from which Westminster Abbey was built; and therefore he called it Portland cement. I mention this because many people have wondered where the name came from.

Now, to come down to Portland cement in Maine—and actually, gentlemen, that is all this bill refers to—I can see one contractor in this room and there may be others here and when one talks about sand, gravel, rock, stone, granite, wood, lumber, and so forth, that doesn't mean much of anything because everyone knows that the contractor purchases those materials within ten feet of his job if he can because the cost of moving them is very high and if he can get them within a few rods of his job of course he does. But when you get down to the proposition that such materials shall be used only if they can be obtained at a lower cost you are talking about just one thing and that particular thing happens to be cement.

Now, I have maintained from the start that there is no necessity for such legislation, that preference has been, is being, and will continue to be given to Maine products and I offer as proof of the contention the purchases of cement by the Highway Department, from the time the plant was built at Thomaston until 1934 inclusive. I will give you actual figures taken from the records of the Highway Department and then I will give you some other figures later.

In 1928, the year that plant started running—and mind you, prior to the opening of this plant in Maine the contractors were buying their own materials from whoever they desired and there were four or five such contractors and I guess perhaps even more than that participating in the business down here—but immediately that plant was built the State took over the buying of cement for highway construc-

tion at bids upon the quantities that were necessary to carry out the program, and all bids being equal—and they always were equal—preference was given to the plant in Maine. And to what extent, I will tell you. In 1928 the Highway Department bought and used 82,420 barrels of cement. Bids were taken and every pound was bought from the Thomaston plant. In 1929, there were purchased 61,864½ barrels of cement, all from the plant at Thomaston. Bids were taken, all bids were equal and the business was given to the Maine concern. In 1930, 104,106 barrels of cement were bought from the Maine concern and in 1931, from the same Maine concern, 96,286 barrels were bought. In 1933, 87,046 barrels of cement were purchased, all from the Maine concern. In 1934, when the Highway Department ceased its regular program and the Federal money came into existence the State of Maine purchased only 450 barrels of cement because under the provisions of the Federal act the contractors bought their own material and could not be restricted as to where it came from and so they bought only 450 barrels from the Maine concern.

I might say that in the years I have been in business here I have never sold the Highway Department of the State of Maine one pound of cement; not one.

Now, some total figures from the Controller's Department. These were obtained by the Senator from Waldo (Senator Fernald) and I was fortunate enough to obtain a copy. In the period from 1930 to 1934 inclusive—I won't go into detail but will simply give you the total figures—the State of Maine purchased 405,385½ barrels of cement at a total value of \$930,204.80—almost a million dollars. The company that I represent sold to the State of Maine in all departments, the Highway not being included, 11,083 barrels of cement, and this includes the amount of cement purchased from local dealers in lots other than carload lots, at a value of \$17,086.28, as compared to the purchase of almost a million dollars from the plant in Maine. And if this was figured on the basis of percentage you would find that the plant in Thomaston had received preference to the extent of 93.4% of all the State business. The balance of 6.6% was divided among five or six concerns. And as near as I can

figure it I think perhaps I might have received one per cent of the total business. I simply mention these figures to try to prove to you that we already have laws on the statute books that apparently allow the various departments to give preference if they so desire, and they have desired to do so.

Now I wish to speak about another phase of this bill. I would like to explain the system of distributing cement other than state cement. Every company which operates in this State—and when I say "operates" there are only four companies that maintain men who live in Maine—the system of distribution is to establish if possible dealers in all towns. I try to get a dealer in every town in the State of Maine to sell my cement and I have dealers in this State who have been handling our cement long before I ever went with the Company, as long as forty years. Houlton, Me., the Almon H. Fogg Co. Under the provisions of this bill if the town of Houlton were to erect a building with its own money, no State or Federal money involved, the town of Houlton, Maine could not buy material from the Almon H. Fogg Company because they do not carry a brand which is made from raw materials obtained in this State. In Portland there are five dealers handling cement of different brands and they built up their business on those particular brands, referring to Charles S. Chase Company, for one, who have handled the same brand of cement for over forty years and built up a fine business. It is customary in Portland to divide up the business among the tax-payers, all prices being equal, but under the provisions of this act Portland could buy only from the one concern which is handling material that is produced from raw materials in this State. I don't know how you gentlemen feel about it or just how many of those dealers there are in the State but I am going to say that there are hundreds of them.

This bill would cover less than carload lots. Many times there is only one cement dealer in a town, particularly in the smaller towns and they have been carrying some particular brand of cement for many years and unless those men carry the particular brand of cement manufactured from raw materials produced in the State they cannot even sell their own town.

The towns would have to go to out-of-town dealers, and I might say that those dealers who use less than carload lots cannot afford to stock three or four brands; they can only stock one brand, and these small dealers have seen fit to stock some other brand of cement years ago and have continued to carry it year in and year out.

Now, I am asking you whether or not it is fair to build up a monopoly—and that is exactly what you would be doing—you would be favoring an absolute monopoly when it comes to this type of business because, as everyone knows, the prices of cement are all the same and the retail dealers are operating under a retail code and therefore their prices are the same.

Now, as to the Federal government. Last year the entire highway program, everything in the State of Maine, was done with so-called Federal money and I have here a letter from the State Highway Commission saying, under date of March 15, 1935, that the new rules and regulations of the United States Secretary of Agriculture for carrying out the Federal Highway Act have just been received. This same thing was already in effect but they have issued a new set of rules approved by the Secretary of Agriculture on February 27, 1935: "Section 2. All contracts for the construction of highways under this Act shall require the contractor to furnish all materials entering into the work, except that with the prior approval of the Chief of the Bureau of Public Roads materials may be purchased and stored by a State during the off-construction season. No requirement shall be contained in any such contract entered into by any state providing price differentials for, or restricting the use of materials to, those produced within the state."

Now I might tell you first that the State of New Jersey at one time attempted to pass a very similar law. This concern which maintains a plant here also has one down in Pennsylvania. They did not have a plant in New Jersey but this same concern fought very hard to do away with this legislation and finally it was done away with. I believe under the administration of Gov. Harry Moore of New Jersey. He said that they would no longer restrict the use of materials to those produced within the state.

Now I might state for the edification of the Senate that there is a reason why this plant in Thomaston has been forced to shut down during the winter months. I might say that in our own company we sold but twenty-five per cent of our capacity simply because there was no business. Now let me give you shipments from the State of Maine of all companies, including the company here so that you may have an idea of what has happened to this business and why the company is in such dire distress. In 1929 the State of Maine used 600,571 barrels of cement. In 1930, 835,838 barrels—this is on public and private work, the total amount of cement used. That was the peak year in the State of Maine, the year that we built so much concrete road. In the records you will find that in that year the plant at Thomaston received every pound of cement purchased. In 1931, 531,000 barrels of cement was used. In 1932 it dropped to 409,000 and in 1933 to 312,000. In 1934 the figure was 261,000 barrels of cement which was all that was used on private and public work in Maine. Now the business is divided up on private work among several companies, and always will be, and therefore this plant has been forced to suffer proportionately with all the others. I will not go on with these details. If anyone desires more figures I have them on every job that has been done in the State of Maine whether it is contract or private work.

But I do ask the members of the Senate to take these figures to heart because it seems to me that it is about time that my position as a member of this Senate and as a citizen of this State was understood. I think I have offered sufficient proof to the committee. I have appeared before two different committees on two different bills and I have offered proof that by political influence or otherwise I have never secured anything from the State of Maine or anyone else. I have been in this game for about twelve years and I propose to stay in it and I trust that this Senate will see a vindication of my position in these statements.

Mr. BURNS of Aroostook: Mr. President, this question has been so thoroughly and ably discussed that I question if what I have to say will contribute a great deal to the debate. The underlying principle, as

I view the matter is that we are indirectly undertaking to set up tariff barriers between the several states. The founders of this government in their infinite wisdom decided that one state could not establish a tariff against the products of another state. In other words, we should have free intercourse, commercial intercourse between the various states of the nation. It seems to me the purpose of this bill is more or less an idle gesture. It seems to me the records of the purchasing department of the State of Maine and various subdivisions thereof will show that when occasion demands it and when an opportunity presents itself, the purchasing department will give preference to Maine bidders. I think that they will continue to do it. I think we are taking unnecessary steps when we incorporate in our statute books anything that gives notice to the entire world that we are undertaking to set up tariff barriers between the states. We can go further and say five, ten or fifty percent preference shall be given to Maine bidders and I think that would set up an insidious doctrine.

Looking at the matter from a purely local standpoint. Aroostook County, as you all know, is dependent upon selling Aroostook potatoes to the various states of the country. We appeal to them for aid. We could not survive if the other states of the country undertook to give preference to their local potato growers. We are inviting business from them and are dependent upon these states, and it doesn't seem to me it is wise to set up this barrier because they will retaliate and set up barriers against us. The same is true of our recreational business. It seems to me we are acting unfairly when we invite people to come to the State and we benefit from them and at the same time set up tariff barriers against the states from which they come.

Mr. FERNALD: Mr. President, accepting the figures as a matter of argument; it doesn't make any difference what the figures are, but accepting the figures offered by the Senator from Cumberland, Senator Schnurle, that 83% of a certain commodity has been purchased locally and that approximately 7% is purchased elsewhere, regardless of what that commodity is, the fact remains that 7% bought outside of the state could be bought inside the

state, it could be manufactured in Maine. My argument is this, that if we can keep 7% more business in Maine it is going to help our relief rolls in Maine so much.

As to the hypothetical case of the town of Houlton, the assumption is made that under this law if Houlton was going to build a town hall or schoolhouse they would have to purchase their commodities manufactured and made in Maine with the result that since nobody in Houlton now sells Maine cement or Maine "what have you" they could not build the building. It is my idea as a practical business proposition, if and when the town of Houlton or any other town gets ready to construct a public building and there is a need in Houlton or Portland or wherever you want to place this public building, for some commodity manufactured in Maine, I believe that the business men of Aroostook County or Cumberland county are versatile enough to get in touch with Maine manufacturers, and say, "I would like to have a little of your stuff for a local situation here." I guess they could get it because I do not know of any Maine manufacturing concern which refuses to sell any of its commodities to anybody who has money to pay for them.

On this particular commodity, cement, we know that these birds get together and determine that the price of cement shall be so much. If it is a question of choosing between members of the combine, all selling at the same price, I prefer to deal with people who leave most of their money in Maine. But price doesn't enter into it, it is a question of helping people who do the most to help us. There is no price differential. The gentlemen have argued this bill so much and argued another bill so much and have heard them both argued so much that they get the bills confused. Let me repeat, "products of Maine industries manufactured from materials that are available in this state shall be used whenever they may be obtained at the same or lower cost."

Now, my genial seat-mate, the Senator from Aroostook, Senator Burns, says we are setting up a tariff, tariff barriers. Now, as I understand the political philosophy, that is the trouble with Aroostook County, they haven't any tariff and they are going down to Washington if I read the Kennebec Journal

right, seeking higher tariff laws and objecting to the breaking down of tariff walls, which as we all know is in opposition to the belief and policy of the President.

Now, this isn't a tariff, "whenever they may be obtained at the same or lower cost." As far as cement is concerned, cement is the same price to the people of Maine whether you buy in Thomaston, New York or Skowhegan. It is the indirect benefit that we, in Maine, obtain from this. I do not care whether it is cement, ice, or pretzels; the point is we want to favor the fellow in Maine who is paying taxes and hiring Maine labor. We are not setting up a barrier but looking out for ourselves and our industries and our business men and it is just good business because you and I know right here that we live in a community and when we have an opportunity to buy our commodities,—and this is true of politicians more than other people—when we have an opportunity to buy a commodity, whether it is a Ford car or a suit or clothes, we buy in our own locality, even if we have to pay a little more than we would if we bought in another place, but when the price is the same we favor our own locality; and there isn't a politician here who would get up and say that when the price is the same or lower, he would go outside to get the commodity. He would not dare to say it. The same principle is true here. We are arguing the whole thing for the State of Maine; no tariff and no restrictions, just fair play with the people who are playing ball with us.

Mr. SCHNURLE: Mr. President. I would like to correct the gentleman, Senator Fernald, in one respect in reference to the town of Houlton situation. The statement I made was that there was more than one cement dealer. Maybe one cement dealer handles this particular brand and maybe the others do not. I think under this bill the concern handling one particular brand could be patronized, everything else, price and quality being equal. The gentleman speaks about tariff in the Aroostook County situation. The situation they are talking about is not tariff for the state of Maine but they are trying to take care of the situation by tariff barriers to outside countries. I do not think this has any bearing on this bill we are discussing. The

Senator, Senator Fernald, would have us believe we are a self-contained state and that we can live within ourselves and are not dependent upon other states. Yet, I have in another file proof of the fact that out of our six basic commodities in this state, pulp and paper, cotton, woolen, boots and shoes, and canning, better than 70% is sold outside the State of Maine. I do not believe we could live within ourselves. I do not believe the day will come when we will want to. I have before me a copy of a contract received for granite, a very sizeable order. Whom did it come from? From the highway department of the State of New York. I wonder just how our granite men would feel if they were discriminated against. At the hearing on the bill not a single person was there representing the dealers of lumber or other building materials; not a soul. I do not think it is necessary for me to go into further detail, but I would be glad to if anyone desires.

Mr. BODGE of Kennebec: Mr. President, listening to these arguments it seems to me that we are fighting a windmill. You are setting up a straw man and trying to beat it down. I believe that we in Maine are here and now giving preference to our Maine manufacturers, and that there is no need of putting up, as has already been said, a barrier between Maine and some other state. The proposition between Maine and Canada is altogether different than the proposition between Maine potatoes and those that come from Idaho. Only the other day I was talking with a group of men from Idaho and they said that if it was not for our Maine potatoes they could sell theirs for any price they pleased almost anywhere in the United States, but we are a little nearer the market than Idaho and I think Maine can take care of itself in competition there. I believe the people in Maine will take care of the situation here when it comes to dealing with our own people and going across the line. As the Senator from Waldo just said, we are pretty likely to trade with our neighbors. Other things being equal, I believe we do not go to any distance to trade, and I believe here in Maine when it comes to building roads, other things being equal, Maine products will receive the preference every time so long as

we deal squarely with the men who are purchasing from us. I cannot see where we would gain anything by enacting this law. I think it is already in operation and why should we try to put a law in our statute books when it is not required and would be of no benefit whatever and possibly might restrict in some point where we would not wish it to.

Mr. FERNALD: Mr. President, in regard to the granite suggestion by the Senator from Cumberland, Senator Schnurle, the reason the New York people are interested in Maine granite is this: They can buy it very much cheaper in Maine. Why is that? First, because the labor laws and labor restrictions in New York state in the manufacturing of granite are so much stricter in New York than they are in Maine; and secondly, the wage scale in New York is 50% higher in the industry than in the state of Maine, and when we understand that the labor end of the proposition is 50% different, you can see that the cost is a great deal different. It is a question of a very great difference in the cost of the product. That answers the granite proposition.

Now, with my good friend from Kennebec, Senator Bodge: On January 3, 1935, in the inaugural address of Louis J. Brann to the Eighty-seventh Legislature, — you will all admit that the Governor knows Maine because he has been around and he knows what the situation is because he has been there. He says,—this is on Page 12 if you wish to follow it,—“The State should purchase, so far as possible, Maine products for the benefit and protection of our farmers and producers.” A little further on he says, “I recommend the passage of legislation authorizing the Purchasing Department to purchase Maine products”. I want to stop there a minute, “to purchase Maine products” to the exclusion of others. Now, he doesn't say what this bill here, Legislative Document 174 says. He doesn't say whenever they can be obtained at the same or lower cost. He doesn't use that language that we find in this bill. This is what the Governor says, “when the differential upon the bid is not greater than two per cent”. The governor gives two percent better. Now, I assume that the Governor is familiar with the situation. A little further on the Governor says, “State

competition with Maine producers and manufacturers should be prohibited by Statute.” There it is, gentlemen.

Mr. BODGE: Just in answer to the argument, if you wish, of the Senator from Waldo (Senator Fernald), I would say that perhaps it may be a surprise to some but I have a right to differ with even the governor of the state of Maine.

Mr. BURNS: Mr. President, if there has not already been a division called for I ask for a division.

The PRESIDENT: Is the Senate ready for the question? The question is on the motion of the Senator from Knox, Senator Burkett, that bill, An Act Relating to the Use of Materials in Construction of Public Property (L. D. 174) be substituted for the report of the Committee “ought not to pass,” the Chair believing that that motion has precedence over the motion of the Senator from Hancock, Senator Blaisdell, for the acceptance of the report.

A division of the Senate was had. Five having voted in the affirmative and twenty opposed, the motion to substitute the bill for the report did not prevail.

The PRESIDENT: The question is now on the motion of the Senator from Hancock, Senator Blaisdell, that the report of the Committee, “ought not to pass” be accepted, in non-concurrence.

A viva voce vote being had. The motion prevailed and the report of the Committee, “ought not to pass” was accepted in non-concurrence.

Sent down for concurrence.

Mr. BLAISDELL of Hancock: Mr. President, the hour is getting late but tomorrow is another busy day. I move that we take from the table the second unassigned matter on today's calendar.

Thereupon, the Senate voted to take from the table, Bill, An Act relating to licenses for retail stores (S. P. 251) (L. D. 210), tabled by Mr. Blaisdell of Hancock on March 13th pending first reading.

Mr. BLAISDELL: Mr. President, I move that this bill be indefinitely postponed. This bill has to do with changing the present law to such an extent as will classify the gasoline stations as being chain stores and bring them under the same category as the commonly accepted chain stores. This matter was up

before the Committee on Legal Affairs and after due hearing and careful consideration in executive session the Committee came to the conclusion that it was not a matter which we should legislate upon at this time and therefore rendered a report to this Senate and to the Legislature unanimously that it ought not to pass. It is a bill which according to its proponents is for the purpose of developing revenue.

Now, the oil companies of the United States pay over a thousand million dollars in taxes and the small, single, independent gas stores pay a dollar and a half each. These independent gas stations can absorb this tax and sell the gasoline at the same rate but the big oil companies, the big national companies, have their experts and within twenty-four hours after the passage of this bill or after it became a law their experts would sit down and figure out just how much of the tax could be passed on to the consumer and I haven't the least doubt in the world but that in no time at all this additional tax which would be imposed by classifying them as chain stores would be passed on to the people and we would be paying more than we are now. The automobile owner now starts out by buying a driver's license, paying his excise tax and paying for a license on his automobile and he ends up by paying a gas tax and there isn't a single purchaser of any commodity that is used who has to bear the burden that the automobile owner does. We think that he's paying enough now and that he should not be required to pay more.

The oil companies throughout the State of Maine collect the tax at practically no cost to the State and turn it in. They will find some other means of making it more difficult for our tax department to handle this one. The motorists of Maine are paying a gas tax of \$4.-600,000. They are paying in license fees \$3,135,000. There is no injustice between the independent store and the chain gasoline station. They should be allowed to go along as they are now and any further tax would certainly be passed on to the motorist as a result of setting up these large dealers as chain stores. And so, Mr. President, I move the indefinite postponement of the bill.

Mr. FERNALD of Waldo: Mr. President, being a member of the

Senate one has to have a certain sense of—I don't know what you would call it—but it seems to me that the proponents of this measure are figuring out that the Senator from Waldo (Senator Fernald) is batting very poorly today and consequently it is a good chance to slip this measure through.

Looking at the merits of this proposition, two years ago we were all in accord that the chain store was an evil. We all felt that it should be curbed. We all felt that they were evading their just proportion of taxation and we proposed the Indiana tax law because that law had been held to be constitutional, and we brought it in and in the closing days of the Legislature when things were in more or less of an uproar we had to accept a compromise in order to assure ourselves that we would get at least half legislation and consequently we accepted the last three lines of this bill, the lines that we are now proposing to strike out and that strike the very life out of the bill. Those three lines are costing the people of Maine sixty thousand dollars a year, sixty thousand dollars a year that should be paid into the Treasury of the State of Maine. And why? Because the chain gas stations are no better than the chain grocery stores or the chain drug stores or the chain clothing stores. What inherent right do they have to exemption? You will say that they have to pay taxes. Well who doesn't pay taxes? And I say to you now that if you put a tax on the chain gasoline stations they won't pass it on because they can't pass it on. I agree that they would pass it on if they could but they can't do it. And why can't they? Well, now, let us look at the situation. Let us go right up here on the Bangor Road and as we turn the corner, on the left there is a Gulf filling station which is run by the gentleman from Augusta, Senator Hussey, and under this law he would pay a dollar and a half on that station, and they make \$0.0146 a gallon on their gasoline, or at least they all agree that they make that. And that would mean that his forenoon's business on New Year's day would be given to the State of Maine, assuming that he doesn't sell over a hundred gallons. But right across the street the fellow over there would be paying fifty dollars.

Now, as to these experts that they are going to bring in could find out how they are going to pass that fifty dollars on to the consumer. Roy Hussey is going to sell his gasoline for twenty cents, we will say as a matter of argument. He doesn't do enough business to figure out the passing on to the public of a dollar and a half on a sale of from fifteen to twenty thousand gallons a year. It can't be figured. So he is still going to continue to sell his gas for twenty cents. Now these experts of the Standard Oil Company who are coming down are going to figure that fifty dollars on the gasoline sales in that station would mean that the price on that gas from that station would be \$0.202 a gallon, which would mean that if you went to the Standard Oil Station and asked for five gallons of gas they would put it in and then you would ask them how much and they would say \$1.01 and you would give them a dollar and get out of your car and unbutton your coat and fumble around to find the other cent and you would look over to Roy Hussey's place and see that his gas was only 20 cents a gallon and finally you would find the other cent and pay it and the next time you bought gas in that neighborhood you wouldn't go to that dealer again, you would drive over to Roy Hussey's place and say, "Give me five gallons of gas." They can't pass it on, as a matter of common sense they can't do it.

Now there might be something to their argument if all they sold was gas. But they sell oil, and you know the racket that the oil industry is. You know the velvet that there is in oil. And they sell other things, such as tires and sandwiches and tubes and everything you want, and lots of things you don't want. I maintain that it is no further tax on the motorist but it is a tax upon the chain stores that are coming down here and grabbing up our oil industry, and in five or ten years, under the system they are building up here in the State of Maine, every profitable place for the sale of oil and gasoline in Maine will be controlled by the Standard Oil Company or some other chain store.

My argument is this: Here is a chance to get sixty thousand dollars for the State of Maine without increasing the tax burden upon anybody. And secondly, we will be

doing the independent gas station or the person who wants to go into the independent gas business in Maine, a great service because we will permit the man who has money enough to have only a couple of pumps to stay in business and we won't permit the big chain company to squeeze him out and drive him out of business. And that is the kind of business we want. We want business by the individual in Maine and that is what I stand for.

Mr. HARMON of Hancock: Mr. President, if I may be permitted to differ with my esteemed colleague from Hancock (Senator Blaisdell), I wish to say that for more than twenty years I have been buying gasoline from these stations throughout the State of Maine and through all those years I have seen the independent, small dealer doing a good, thrifty, thriving business, and through all those years I have seen these big competitors come in and put up large stations, perhaps with a great many pumps to furnish gasoline, and also carrying tires and accessories for automobiles running into a great many thousands of dollars, and yet their principal business is gasoline. And I have seen those big companies come along and gradually swallow up all the business in a town and the independent dealer has been gradually driven out.

I recall within the last year in my own town that two of those large concerns have come in, put in expensive stations and I don't question but what they are going to put out of business six or seven independent gasoline dealers in that town. And through all those years, if you will permit me to refer to the State of Florida where I have had the privilege of spending some winters, in the city of St. Petersburg, where they were originally all independent dealers doing a good business, these big companies have come in and put in big stores with tires and all other accessories and are gradually driving out the independent dealers.

I am of the opinion that even though you put on a fifty dollar tax on those stations they will still continue to come in. I don't believe that the fifty dollar tax could or would be passed along to the motorist because it is so small an amount and they cannot differ in price with the independent dealers. On first thinking over this bill I thought that we had thrashed it

out in previous session but when I came to think of these big companies coming in and driving out the little fellow it seemed to me that there is no good reason why these big stations should not pay a tax the same as the other stores.

Mr. BURNS of Aroostook: Mr. President, I think the answer to the argument of the Senator from Waldo (Senator Fernald) that in one case where one store alone is engaged in the gasoline business that he should pay only a dollar and a half tax whereas across the road another station is a chain store and would have to pay fifty dollars, is that the man with one station is of course only a retailer whereas generally these chain stores are operated by large producers and distributors and they are the ones who dictate the price of gasoline in Maine, and I don't know of anything in any code to the contrary, but if there is, they would soon get around it. I don't think for a minute that these large corporations are going to assume this tax. They are going to pass it along. Why should we who are already paying twenty-five per cent of the value in gas taxes be further burdened? I don't doubt for a minute that the automobilists using the highways of the State of Maine will be the ones obliged to pay this tax.

There is another objection to this bill as I see it and it is a vital one. I know for a fact that in northern Maine there is a large independent distributor who has approximately two hundred stations. Under this

bill they would be obliged to pay a tax that would be so great that it would drive them out of business. The owners of this concern have informed me that it would mean fifty thousand dollars to them each year. This is a private enterprise. It is not a large corporation organized and controlled outside the State of Maine. It is a local corporation with headquarters in Houlton. They are distributors of Gulf gasoline for Maine north of Bangor and have a hundred and fifty or two hundred stations and if this bill goes through it will mean that these people will be eliminated from a business they have built up in the last decade or two through Yankee ingenuity and thrift. I don't believe that the bill is a proper one and I think it should be defeated.

The PRESIDENT: Is the Senate ready for the question?

Mr. BLAISDELL: Mr. President, I ask for a division.

The PRESIDENT: The question is on the motion of the Senator from Hancock, Senator Blaisdell, that bill. An Act relating to licenses for retail stores (S. P. 251, L. D. 210) be indefinitely postponed and the same Senator asks for a division.

A division of the Senate was had.

Fifteen having voted in the affirmative and nine opposed the motion prevailed and the bill was indefinitely postponed.

Sent down for concurrence.

On motion by Mr. Burkett of Knox.

Adjourned, until tomorrow morning at ten o'clock.