

MAINE STATE LEGISLATURE

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LEGISLATIVE RECORD

OF THE

Ninety-Third Legislature

OF THE

STATE OF MAINE

1947

DAILY KENNEBEC JOURNAL
AUGUSTA, MAINE

SENATE

Tuesday, April 8, 1947.

The Senate was called to order by the President.

Prayer by the Reverend Merle E. Golding of Augusta.
Journal of yesterday read and approved.

House Committee Reports

The Committee on Agriculture on Bill "An Act Relating to Damages to Poultry," (H. P. 1367) (L. D. 989) reported that the same ought to pass.

The Committee on Inland Fisheries and Game on "Resolve Relative to Fishing in Certain Somerset County Waters," (H. P. 1501) (L. D. 1126) reported that the same ought to pass.

The Committee on Sea and Shore Fisheries on Bill "An Act Relating to Open Season for Scallops in Certain Waters," (H. P. 1550) (L. D. 1180) reported that the same ought to pass.

(On motion by Mr. Morrill of Cumberland, tabled pending consideration of the report.)

The same Committee on Bill "An Act Relating to the Definition of the Term 'Sardine,'" (H. P. 984) (L. D. 635) reported that the same ought to pass.

The same Committee on Bill "An Act Relating to Close Time on Scallops," (H. P. 471) (L. D. 276) reported that the same ought to pass.

(On motion by Mr. Morrill of Cumberland, tabled pending consideration of the report.)

Which reports were severally read and adopted in concurrence, the bills and resolve read once and tomorrow assigned for second reading.

At this point, the President designated the Senator from Hancock, Senator Noyes as President pro tem of the Senate, and that Senator was escorted to the rostrum by the Sergeant-at-Arms, the President retiring.

The Committee on Agriculture on Bill "An Act Relating to Seed Potato Board Appropriation," (H. P. 1533) (L. D. 1164) reported the same in a new draft (H. P. 1663) (L. D. 1366) under the same title, and that it ought to pass.

The Committee on Inland Fisheries and Game on "Resolve Providing for a Fish Screen at Outlet of Cobbosseecontee Lake, in the Town of Manchester," (H. P. 1062) (L. D. 694) reported the same in a new draft (H. P. 1664) (L. D. 1367) under the same title, and that it ought to pass.

The Committee on Pensions on "Resolve, Granting a Pension to Mary E. Dunbar, of Portland," (H. P. 871) reported the same in a new draft (H. P. 1665) (L. D. 1365) under the same title, and that it ought to pass.

Which reports were severally read and adopted in concurrence, the bill and resolves in new draft read once, and tomorrow assigned for second reading.

The Committee on Public Utilities on Bill "An Act to Incorporate the Saco Sewerage District," (H. P. 1313) (L. D. 950) reported that the same ought to pass as amended by Committee Amendment "A".

The Committee on Sea and Shore Fisheries on Bill "An Act Relating to Hunting Seals near Green Island," (H. P. 631) (L. D. 391) reported that the same ought to pass as amended by Committee Amendment "A".

Which reports were severally read and adopted in concurrence, and the bills as amended were to-Amendments "A" were severally read and adopted in concurrence, and the bills as amended were tomorrow assigned for second reading.

The Majority of the Committee on Banks and Banking on Bill "An Act Permitting Closing of Banks on Saturday," (H. P. 970) (L. D. 628) reported that the same ought not to pass.

(Signed)

Sensors: EDWARDS of Oxford
MURCHIE of Washington
BLANCHARD of Aroostook

Representatives:

BURGESS of Limestone
STETSON of Dixfield
MORISON of Wilton
ROLLINS of Greenville

The Minority of the same Committee on the same subject matter reported that the same ought to pass.

(Signed)
Representatives:

JALBERT of Lewiston
THOMPSON of Brewer
MELOON of Portland

Comes from the House, the Minority Report read and accepted, and the bill passed to be engrossed as amended by House Amendment "A."

In the Senate, on motion by Mr. Edwards of Hancock, the reports and accompanying papers were laid upon the table pending adoption of either report.

First Reading of Printed Bills

Bill "An Act Defining a Fish Weir." (S. P. 500) (L. D. 1370)

Bill "An Act Relating to Reimbursing Towns for Tuition for Pupils Attending Secondary Schools." (S. P. 501) (L. D. 1369)

Which bills were severally read once and tomorrow assigned for second reading.

Senate Committee Reports

Senators: Dunbar of Washington, Clough of Penobscot, Barnes of Aroostook, and Representatives: Perkins of Boothbay Harbor, Williams of Auburn, Haskell of Portland, Peirce of Augusta, Mills of Farmington, McGlauflin of Portland and Silsby of Aurora, from the Committee on Judiciary on initiative petitions proposing to the Legislature, Bill "An Act to Protect the Right to Work and to Prohibit Secondary Boycotts, Sympathetic Strikes and Jurisdictional Strikes," (I.B.1.) report that said petitions were filed in the office of the Secretary of State. On March 25, 1947 a total number of legal signatures on all petitions that day filed proposing the above-mentioned act is 12,321; and that on March 27, 1947 a total number of legal signatures on all petitions on that day filed proposing the above-mentioned act is 1767, or a total of 14,088, and that, therefore, said petitions are sufficient for the purpose of submitting said act to the voters, for their acceptance or rejection; and the Committee recommends that said act, Bill "An Act to Protect the Right to Work and to Prohibit Secondary Boycotts, Sympathetic Strikes and Jurisdictional Strikes," (I.B.1) be submitted to the voters of the State in accordance with the provisions of the State Constitution for their action thereon.

Which report was read and on motion by Mr. Dunbar of Washington, was laid upon the table pending adoption of the report.

Senate Committee Reports

Mr. Baker from the Committee on Temperance on Bill "An Act Relating to Local Option Provisions Concerning Malt Liquor," (S. P. 352) (L. D. 984) reported the same in a new draft (S. P. 503) under the same title, and that it ought to pass.

Which report was read and adopted and the bill in new draft laid upon the table for printing under the joint rules.

Passed to be Engrossed

Bill "An Act Relating to County and Local Agricultural Societies." (H. P. 411) (L. D. 243)

"Resolve Closing the Tributaries to Wassoakeag Lake in Dexter in Penobscot County to All Fishing," (H. P. 904) (L. D. 603)

Bill "An Act Repealing Mount Bigelow Game Preserve in Franklin and Somerset Counties." (H. P. 899) (L. D. 598)

"Resolve Opening Pleasant Lake, in Washington County, to Ice Fishing." (H. P. 912) (L. D. 542)

Bill "An Act Relating to Method of Payment of Alimony." (H. P. 917) (L. D. 614)

Bill "An Act Relating to Old Town Game Preserve." (H. P. 1161) (L. D. 841)

"Resolve Regulating Dipping of Smelts in Lake Cobbosseecontee." (H. P. 1594) (L. D. 1250)

Which were severally read a second time and passed to be engrossed in concurrence.

Bill "An Act Relating to the Digging of Clams for Commercial Purposes in the Towns of Waldboro and Bremen." (H. P. 1320) (L. D. 917)

Bill "An Act Relating to Publication of Applications for Liquor Licenses." (H. P. 1567) (L. D. 1196)

Which were severally read a second time and passed to be engrossed, as amended, in concurrence.

Bill "An Act Relating to Permits for Digging into and Opening Streets and Highways." (S. P. 165) (L. D. 404)

Bill "An Act Concerning Agricultural Cooperative Associations." (S. P. 405) (L. D. 1154)

Bill "An Act Relating to Privileges of Club Liquor Licensees." (S. P. 411) (L. D. 1159)

Bill "An Act Relating to Control of the Sale of Alcohol." (S. P. 429) (L. D. 1214)

"Resolve to Continue the Interim Commission to Study Methods to Assure Greater Productivity of the Forest Lands of the State." (S. P. 442) (L. D. 1235)

Bill "An Act Relating to Privately Owned Airports." (S. P. 497) (L. D. 1361)

Which were severally read a second time and passed to be engrossed.

Sent down for concurrence.

"Resolve Authorizing the Forest Commissioner to Convey Certain Interest of the State in Lot and Building in Somerset County to H. S. Lorenz, of Sebocomook." (S. P. 236) (L. D. 646)

Which was read a second time and passed to be engrossed, as amended.

Sent down for concurrence.

Passed to be Enacted

Bill "An Act Relating to Taxation of Insurance Companies." (S. P. 92) (L. D. 143)

At this point the President resumed the Chair, Mr. Noyes of Hancock retiring amidst the applause of the Senate.

Orders of the Day

Mr. Cross of Kennebec was granted unanimous consent to address the Senate.

Mr. CROSS of Kennebec: Mr. President and members of the Senate, I am charged with the duty of telling the Senators that these apples which you find on your desks, which I believe are Northern Spies, are the product of and presented with the compliments of Chick Brothers Orchards of Monmouth, Maine. Thank you.

On motion by Mr. Edwards of Oxford, the Senate voted to take from the table bill, An Act Permitting Closing of Banks on Saturday, (H. P. 970) (L. D. 628) tabled by that Senator earlier in today's session pending adoption of either report.

Mr. EDWARDS of Oxford: Mr. President and members of the Senate, I had hoped I would not consider it necessary to talk on this

bill, or in fact on any bill, because I realize there are so many members in this Senate who are better able to present the arguments for or against any bill that may come before us but since I happen to be Chairman of the Committee before which this bill had its hearing, and since I signed the Majority Report "Ought Not to Pass", together with six others, I think a few words are necessary to explain the reasons why I signed that report.

Now, when I first read this bill I thought it was an innocent bill and as long as the banks were simply asking for permission to close on Saturdays I could see no reason why that permission should not be granted. But after hearing the arguments on both sides I soon decided that where it might benefit a few hundred bank employees—and I understand there are about two thousand of them in the state of Maine—it would cause a hardship to thousands of the citizens of this state and also to those who come in here to spend their vacations with us.

Now it has developed that the large city banks desire this bill and the banks in the rural communities are opposed to it and I will try to give you briefly the arguments on both sides. The large city banks tell us that as long as Massachusetts and New York State have this law they are unable to transact any business with them on a Saturday, but still they claim that this should be permissive and the rural banks should stay open if they see fit but I think you can readily see that it would be imposing that same handicap on our rural banks of which they are complaining, namely that the small banks in the rural communities could not transact any business with the large banks in the city. I don't think that argument carries much weight.

They also tell us they are very much concerned about their employees, there is a lot of dissatisfaction there and they even tell us they are afraid they will become unionized if they are not granted this permission to close. But here again this is simply permissive and I know of no other way that you can cause more dissatisfaction among bank employees than to have a bank on one side of the street close and the bank on the other side of the street remain open. On the other hand, banks in

the rural communities tell us that they feel they are secluded and that they owe it to the public to keep open on Saturdays all day so that the farmers and summer visitors can come in on Saturdays, when they do most of their trading. You can go through any rural community on a Saturday and it is almost impossible to find a place to park your car.

They also tell us that as long as the factories pay off on Friday or Saturday—and those pay checks are quite large nowadays—that they would be unable to carry enough money on hand to cash all those checks. They also point out that they would have to carry their receipts of Saturday over the weekend and you can readily see that where a holiday fell on a Sunday and was observed on a Monday or where a holiday fell on a Monday that they would have to carry over those receipts for three days.

Now I am not going to bore you by reading many letters and newspaper clippings but I would like to read from one letter which I received from a large firm in Rumford Falls because it seems to express my feeling.

"Our board of directors feel that the banks owe a service to the community upon whom they depend for their business and that by Saturday closing, it would curtail considerable service to the public.

I have been advised by the Chairman of the Merchants Association of the Rumford Chamber of Commerce that a poll has been taken among the merchants of this community and that they are very much opposed to the Saturday closing and feel that if this bill is allowed to pass the legislature and the banks close, that it will mean the closing of the mercantile establishments in this locality. As the local mercantile establishments and ourselves serve a radius of twenty-five miles, most of which is farming community, Saturday is the one particular day that most of the people in these outside communities take away from their labors to come in town to shop and do their banking.

We must bear in mind that Maine is situated entirely different than the states of Massachusetts and New York. If the state of Maine is going to continue to advertise itself as the vacationland of America and we invite out of state peo-

ple to spend their time in this state, we should have our doors wide open for business while they are in this state especially during the summer months as our local people depend upon the dollars which they spend to make their living and banks in turn must receive, as we do, some benefit from this recreation business.

To me Portland is the financial center for the state of Maine as Boston and New York are the financial centers for Portland and the rest of New England states and as we are now restricted from doing business in both Boston and New York on Saturdays, I do not feel that the Portland banks that are in favor of Saturday closing are giving us in the remote sections of the state the service that is fully deserved if they should close on the Saturdays allowable under the present bill under discussion. Where the majority of the banks are situated in sections that pertain to manufacturing and farming as the chief industries and where those sections feel that Saturday closing is a detriment to their business, I think the banks in Portland should give consideration to the conditions and feelings of the communities comprising the larger portion of the population of the state.

It is my hope that the committee on banks and banking will look upon this bill from a broad view rather than narrowing it down to one or two local communities."

Here are some clippings I received taken from a banking paper—I forget which one it was. But of course you know that Vermont turned down a similar bill and I feel we have been thinking along the same lines as Vermont for the last few years. Here is a clipping where Saturday closing was deferred in New Mexico. And here is one where Wilkes Barre merchants say Saturday closing would make bankers of them. Here is another clipping, "Chicago Banks Oppose Summer Saturday Closing. The principal opposition to Saturday closing in Illinois comes from downstate banks and outlying institutions in Chicago, some of which describe it as their most active day."

Here is one more I would like to read. This is from Washington, D. C. It says, "Washington Police To 'Bank' Merchants' Cash Week-ends, in Saturday Closings," and I quote

from this clipping: "The police department is going to open a 'bank' with Chief Detective Inspector Robert J. Barrett as 'President'. His Bureau will install a large safe so merchants can store week-end receipts until regular banks open on Monday morning, he announced. The operations can start as soon as the safe, for which requisition has been made, is obtained."

Mr. President and members of the Senate, I do not feel that the time has arrived for a bill of this kind. I think the people should be educated up to this program before it is accepted and I therefore move that we accept the Majority "Ought Not to Pass" Report of the committee, and when the vote is taken I ask for a division.

Mr. BLANCHARD of Aroostook: Mr. President and members of the Senate, as a member of the Committee on Banks and Banking who voted on this bill "Ought Not to Pass" along with the other Senate members of the committee, Senator Edwards and Senator Murchie, I wish to state why I voted "Ought Not to Pass."

First, let us analyze the reasons given by the proponents for the passage of this bill. In the emergency preamble which was originally in this bill it stated, "Whereas it will interfere with the orderly transaction of business by Maine banks, if required to keep open for business, on the aforesaid Saturday." Now in reply to that argument in favor of the permissive closing on Saturday as necessary for the orderly business of banks, it seems to me that that would apply to all the banks in the state of Maine and would apply to the entire year instead of the four summer months mentioned in the bill.

It is my understanding that many of the large banks in New York and Boston not only will be closed on Saturday during the summer months, but are already closed and will be closed on Saturdays during the entire year.

If it is good legislation to close our Maine banks on Saturday let us make the bill mandatory and close all the banks rather than leaving it to the discretion of each local bank, which would cause confusion and dissatisfaction among the employees where banks in an adjoining town or a bank across the street would be closed while another bank might remain open.

The second reason advanced by the proponents at our hearing was that in some of the large city banks the employee-employer relationship was not in too good condition at the present time. Again it seems that this situation will not be improved if part of the banks close and part of them remain open. I believe that the banks in the state of Maine can well handle this employee relationship, if the employees are dissatisfied or underpaid at the present time, by increasing their wages and possibly adding a few employees so that during the summer months vacations may be arranged satisfactorily.

Now I assume that the proponents of this bill are going to emphasize that at the hearing no opposition was made against this bill, but I feel confident that the members of this Senate know that often the public interest is not represented at a hearing. You may have a minority pressure group who present some bill and appear for it but the general public, the ordinary citizen on the street, whom I believe we were elected to represent and protect at our committee hearings and here in the Senate, does not appear.

This bill was originally sponsored by the savings banks of the State of Maine, and I wish to distinguish definitely between the effect that closing of the savings banks on Saturdays would have as compared with the closing of the trust companies and national banks, or the "commercial" banks as we commonly call them. The savings banks undoubtedly could close Saturday without causing undue inconvenience to the public but the commercial banks are the life blood of business and industry and until we do arrive at a five day week in our other business in the State of Maine, I feel that the banks which are especially chartered for the convenience of the public, often a monopoly in any given community, should be open for business, for the convenience of business and the public at large.

It seems to me that if we vote that this bill should pass we are delegating legislative authority to each and every bank in the State of Maine according to the discretion and whim of that particular bank.

I wish to read the proposed bill so that we may analyze it somewhat further: "Saturday closing permitted. Any savings bank, trust company, industrial bank, loan and

building association, savings and loan association or credit union organized under the laws of the State of Maine, also any national banking association, federal savings and loan association, federal credit union or licensed small loan agency doing business in the State of Maine, may remain closed on any or all Saturdays in the months of June, July, August and September as it may determine from time to time; and any Saturday on which such institution remains closed shall be, with respect to such institution, a holiday and not a business day.

Any act authorized, required or permitted to be performed at or by, or with respect to, any such institution on a Saturday in June, July, August, or September may be so performed on the next succeeding business day and no liability or loss of rights of any kind shall result from such delay."

According to this bill it would be possible during the four summer months mentioned, if any small bank wished to be open for business on each and every other Saturday during any part of these four months, that another bank adjoining this bank might pick out another Saturday and it seems that it would add confusion to the ordinary routine business done during these summer months. A man might come into a bank and find that bank had been closed during the month of June and by a vote of the Board of Directors they could decide to stay open during the month of July.

As you all know, at the present time bank holidays mean something. They are more or less synonymous with school holidays and holidays established by the legislature. I feel that we are delegating our legislative authority here to the whim of each bank and it will only add to confusion instead of giving a more orderly business as stated in the emergency preamble of the bill. This permissive feature appears to me to be somewhat misleading. If this is good legislation for part of the banks, I believe it is good for all of the banks in the State of Maine and I would prefer, if I felt the time were ripe to close banks on Saturday, that the bill be mandatory rather than to straddle the issue and make it permissive. When we vote on this bill we should carefully consider whether we are voting in the best interest of the peo-

ple of the State of Maine whom we represent here, or for a small pressure group of city bankers. I hope the motion of the Senator from Oxford, Senator Edwards will prevail.

Mr. CLEAVES of Cumberland: Mr. President and members of the Senate, had this bill come before us a year ago I would have been positively and aggressively against it. Today my opinion is reversed. I am absolutely for it. A year ago my employees came to me—a year ago this month—and asked if I would consider putting them on a five day week for the rest of the summer. I was brought up, like the majority of the members of this Senate, to work six days a week and to turn out a day's work every one of those six days. The idea of the five day week was repulsive. I just couldn't conceive of it but anyway I said, "All right, we will try it for one month and if it works out we will continue it for the rest of the summer." That was a year ago and we are still on a five day week. Why? I found that we could produce more work, that efficiency was greatly improved and morale was excellent and that on Monday mornings the employees were fresh and eager to go.

Now I have taken my own small business as an example of what I think is the condition for all business. Generally today we are facing a five day week in all business. It is coming, just as sure as can be. So I say let us not postpone the inevitable. I have talked with a good many bankers who are in opposition to this bill and they have told me, "Yes, we realize that the time is coming when we must go on a five day week but let us put it off for another couple of years." Somehow or other that seems to be the standard here. I commend our integrity, our stability and our individuality but why not do what we know is right, not only on this but on any other issue. For instance I have a telegram here to Homer E. Robinson, Bank Commissioner, which reads as follows: "Saturday closing law signed January 30, 1947 and became effective immediately. Legislation is permissive. Signed Daniel J. O'Connor, Deputy Bank Commissioner of Massachusetts.

Another telegram is from Alexander Chmielewski of Providence, Rhode Island: "On Saturday closing law signed by Governor, January 31 effective March 8."

Another telegram from the Bank Commissioner of Connecticut, Richard Rapport: "Governor signed bill March 7, effective March 22. All banks will close Saturdays except four."

Here is another telegram from Eliot V. Bell, Superintendent of Banking, New York: "Saturday closing law signed February 24, effective same date. Law is permissive and banks are not required to close."

Another telegram from Bank Commissioner Clyde M. Davis of New Hampshire: "Saturday closing law signed March 13, effective same date."

This morning I talked with one of our leading bankers of the state who is a member of the Bank and Banking Committee. He told me he was sorry he signed the Majority Report, that he had been doing a lot of thinking since he signed that report and is now satisfied that we will eventually come to the five day week and he feels that his bank and other banks throughout the state should begin to realize that the people must adjust themselves to that and that we should not put it off to some future date but do it now.

Now, our bank employees are not the easy working type of people some of us think. They have to work long hours. Forty-four to fifty-four hours a week is the average all throughout the state. They are there early in the morning and after the bank is closed at three o'clock in the afternoon, they are sometimes there three or four or five hours afterwards. The bankers tell me they are having a great deal of difficulty in hiring efficient help. The first two questions asked are: 1. What is the salary? 2. Do you work Saturdays? And when they find they have to work on Saturday they just don't care to take the job because they can get other positions with other companies that work five days a week.

Several weeks ago the Maine Bankers met at Poland Spring and they unanimously approved of this five day week law. Some three months before that there was a great deal of discrepancy in their thoughts and in their desires. One thing that interested me a great deal at that banquet was Harold Randall of the First National Bank in Boston was one of the principal

speakers and in speaking, he said that their experience had been that since they had tried out the five day week their employees were not only happier and had better morale but were far more efficient and were willing to work later nights if necessary to complete the business at hand and still have that privilege of Saturday off.

Mr. President, I hope the motion of the Senator from Oxford, Senator Edwards will not prevail.

Mr. MORRILL of Cumberland: Mr. President and Members of the Senate, I believe that in last week's issue of Time Magazine it said that Maine, of all the states, was the first state to ratify the amendment to the Federal Constitution, limiting the tenure of office of the President to two terms.

It has been some time, I believe, since Maine had a first. It is my feeling, along with Senator Cleaves, that the five-day week is coming inevitably, and whether or not we should wait around for a number of years and always fight it, I am not sure, but I don't believe we should.

In any case, I think we should take into consideration what the other states in New England are doing, and I would like to read from my notes some of the things that are taking place in regard to similar bills in other states around New England.

In the states of New York, Connecticut and New Jersey where Saturday closing has been in effect for some time, about one-third of the banks are staying open on Saturday and about two-thirds are closing at the present time. I have obtained these figures from a recent survey made in cooperation with the Federal Reserve Bank of New York and they are as of March 11, 1947. Massachusetts, Rhode Island and New Hampshire have already passed legislation permitting banks to close on Saturdays and in general the same situation in regard to some banks closing and some staying open prevails in those states. Therefore it is apparent that the small town bank which wishes to stay open may do so without any adverse effect upon it merely because some other banks in the State may find it to their advantage to close. A bank is a semi-public institution and its purpose primarily is to render the best possible service to the people in the com-

munity in which it is located. Within reasonable limits it should adapt its hours of doing business to the convenience of the people who live in the community. Now if banks in some of the smaller towns can best serve the people who live in those areas by staying open on Saturday then by the same token other banks located in industrial and commercial areas can best serve their communities by closing on Saturday and staying open at other hours during the week which will better serve the people in those areas than they could by being open on Saturdays.

Again we do not have to guess about this matter as we can look to some of the other states that have had this legislation in effect, to see what has actually happened there. In Rochester, New York, where the Eastman Kodak and a number of other industrial plants pay off on Thursday and Friday, the banks stay open until six o'clock Friday afternoons. In Poughkeepsie, another industrial city, the banks stay open from five to seven o'clock on Thursday and Friday nights. In Syracuse the banks propose to open up earlier in the morning and stay open later in the afternoon on the five days of the week which they are open. In Troy where there are big textile manufacturing companies, the banks will stay open on Friday until six o'clock. Utica stays open longer hours every day than formerly, and Monday evenings as long as the local stores are open. And so on and on I could continue to cite instances for you to show that this legislation which we are considering merely permits banks to adapt the times when the banks will stay open in each community to the needs of that community.

Those, members of the Senate, are the states in New England where we live, and adjacent to New England. I have heard my good friend, the Senator from Oxford, Senator Edwards, say what New Mexico is doing and the District of Columbia, and I believe that we should be guided more by what the states around us are doing, rather than some state way off in the other part of the country. I can't see any relationship there.

I have also heard the argument that banks are really a business, and that they should come under

and remain under the guidance of the legislature, regarding the number of days a week they can stay open, and the legislature should not delegate that power to them. In my estimation, not because I am in the canning business, but because I eat, food to me is as important as banking. And I have found, sometimes to my inconvenience, that I will go into a town and find all restaurants closed one day of the week, and I believe it may be we ought to control the restaurants, so that they have to stay open so many days a week. Maybe the OPA did that, I can't remember.

I can't see any reason why this bill should not pass. I have heard a great deal of argument on the word "permissive". I think legally it is permissive. I think what the banks wish to do is another thing. But it is a trend, gentlemen, that is coming our way, and I am not one to stand up and try to stem a flood. I hope the motion of the Senator from Oxford, Senator Edwards, will not prevail.

Mr. BATCHELDER of York: Mr. President and Members of the Senate, it is a generally recognized fact that we are coming more to realize that many of our mills and various businesses are operating on a five-day week. But now, in this particular case, we are asking that a few people who are employed in the banks and have to work six days a week should not have to work on Saturdays.

I think it is a generally recognized fact that they are some of the poorest paid employes of a great many businesses, having to work a great many hours. I think that they should be given some consideration and have some time off over the weekend. Now, there is some reason why they have to have this legislation in order to close, so as to operate only on a five-day week.

National banks are required to keep open, except when there is a holiday, or when it is permissive for other banks to close in the State, also for the purpose of presenting negotiable instruments.

It is necessary that some legislation be enacted in order to protect them, or anybody that might have any checks or notes falling due that should be presented at the banks. For that reason, the banks have to keep open. Now, it has

been said that we are enacting legislation here for the purpose of certain pressure groups representing some of our citizens. I do not think that any of us want to think that that is actually the case here.

I am from a small rural district. We have a National Bank there, and they would like to see this legislation enacted. I have had letters from a great many bankers along that same line. I believe that it is not only the cities, but I believe that in a good many of the rural districts, if the employees were given an opportunity to pass or this, they would ask that the banks close.

This is a permissive bill. It isn't mandatory, and I see no reason why this legislation should not pass.

As I understand, it has been mentioned here that there was a meeting at Poland Spring a short time ago. I believe that was attended not only by members of the city banks, but also by a great many from the smaller, rural districts. I have a clipping under date of March 27. It says, "A unanimous vote in favor of Saturday closing of banks in the months of June, July August and September was taken Wednesday at the closing session of Maine bankers' study conference at the Mansion House, Poland Spring, with about 150 bankers from all parts of the state attending.

"The committee on banks and banking of the Maine Legislature has recently reported seven to three against a Saturday closing bill."

Now, I think that in view of all this, we should consider different points that should be given consideration. There are the people who operate the banks; there are the employees, and there is the public. I don't see where anybody is going to be hurt. The fact has been mentioned that by these banks closing a great many people couldn't cash checks. It is true that a great many of our mills pay by check. I don't know just what hardship that might make on them. It has also been mentioned that there might be a lot of inconvenience as a result of business having to carry money over the weekend. I believe in some instances, and I think a great many of our banks would be willing to arrange so that people who are doing business could come to the bank late in the evening.

Therefore, I hope that the motion of the Senator from Oxford, Senator Edwards, does not prevail.

Mr. CROSBY of Franklin: Mr. President and members of the Senate, banks come under government control mainly because with the exceptional power that they have due to the money in their hands, they should be operated for the benefit of the public and not for personal gain to any one person or to any one thing. That seems to be the reason for government control of banks.

Now this bill before us is sponsored by a small group of bank employees for their own personal benefit and, it seems to me, forgetting the needs of the public. In the rural areas of which our state is largely composed most industries and most businesses pay off by check and that on Friday or Saturday. If the banks are not open to take care of those checks either the people are not going to have any money to do business with over the week-end, take any pleasure trips or what-not, or else the merchants of those areas have got to assume the duties of a bank. I think perhaps the merchants could do that but not too easily. They have to go to the banks Friday noon or shortly thereafter, and obtain money enough to last them over the week-end. Last night I heard one canner in my section say that if the bank closed in Farmington he would have to have at least five thousand dollars additional cash on hand Friday night. Every merchant is in the same predicament and it seems to me it is a wonderful opportunity for the criminal element. They will soon be wise that a visit on Friday night to those rural areas might net them some good hauls, as much as three to five thousand dollars. I think it is a risk that small merchants should not assume.

Now I realize that some banks have a good deal of trouble in obtaining efficient help. I don't believe that is caused by the hours they work so much as it is by the salaries they are paid because I can't conceive of any young woman who would want to go into a bank and work for \$15 or \$20 a week, as a lot of beginners are now paid, and I don't believe that they would be any better satisfied with their job even though they worked four or five days a week.

Now, in our particular section, we found that on Wednesday afternoon all business closes. We didn't have any business in the bank Wednesday afternoons so we closed. But business is open on Saturday and we feel it necessary to keep open on some part of Saturday. That gives our employees a five day week. I see no reason why the city banks, even though they do not feel like closing on a Wednesday afternoon, couldn't have a small skeleton crew that would take care of the necessary business they might have on Saturday. As I understand, that is their smallest day. They have very little business. Therefore that is one of the reasons they would like to close. We feel in our section that until industry and business in that area go on a five day week, our bank should be open a part of every day of that week. As soon as that is done by industry and business we will be more than glad to close on Saturdays and have a five day week. I hope the motion of the Senator from Oxford, Senator Edwards will prevail.

Mr. MORRILL: Mr. President, there is one more thing I would like to point out. I wish I had the figures here so that I could give you an accurate statement on this but I haven't. I am under a very strong impression that in the case of manufacturing and industrial companies a great many of them pay off in the middle of the week. I don't think that Saturday closing of the banks was in the minds of management when they adopted that course but I think if the records were available you would find that in the case of industries, or a very large proportion of them, would pay off in the middle of the week rather than on Friday.

Mr. BISHOP of Sagadahoc: Mr. President and members of the Senate, a great deal of mention has been made of the fact that we are drifting into a trend of a five day week and the fact that the people of Maine should be in on the ground floor. I remember very vividly that back ten or twelve or fourteen years ago this whole nation drifted into a period known as the "New Deal." The State of Maine and our sister state of Vermont were two obstinate states that stood out and did not join with the popular trend and because of that fact, the states of Maine and Vermont have been rec-

ognized as the leaders in the field of better government. I think perhaps we are frightened of trends or new eras and let our better judgment run away with us.

I am thoroughly convinced that this bill is purely a measure proposed by banking associations. Some have tried to advance the argument that it was started by the employees of these various banking institutions. That is not so. It is not a labor movement and we need not be afraid of it. There are some two thousand employees in the banking industries in the state of Maine. They are serving 850,000 state of Maine people. The movement or the pressure behind this is from the bankers themselves. They do not want to pay time-and-a-half for excess of forty hours a week and the question of salaries is the reason they are having difficulty in getting employees in their banks.

I have never yet seen or met a destitute banker so I feel that perhaps they are getting a fair share of the income and the revenue of those 850,000 State of Maine people. I think perhaps they can increase salaries a little bit and I believe that if they do work their employees more than forty hours a week they should pay time-and-a-half for overtime. Hannibal Hamlin once said that he tried always to represent the will of the majority when the majority was right.

In my district there are six banks. Five of them have approached me to support this measure. The other one is not in favor of it. I think that one represents the majority of the people in my district.

I have here a letter: "Dear Senator Bishop, I feel very seriously that to pass the legislation called for in this bill would work a distinct hardship to the customers, farmers and merchants, and would be a very serious mistake. The Vermont legislature, as you doubtless know, declined to pass a similar measure although its committee on Banks and Banking made a favorable report on the bill.

Sincerely yours,
Rupert H. Baxter, President
Bath Trust Company."

The commercial banks are very much divided on this question. I believe there is no urgent demand that we pass this legislation just to keep in the popular trend of the times.

Mention has also been made of the pressure from various savings banks associations. I have heard of none, however, from the public. Banks are a semi public institution and they could continue to serve the public. I have a clipping here from Chicago. This is a bit out of our New England states but perhaps the bankers in Chicago know something about the banking industry and I think perhaps they are in the center of these shifting popular eras:

"Indication that Illinois banks are indisposed to follow Saturday closing program adopted in other states is evident in the fact that the Council of Administration of the Illinois Bankers Association has voted not to support the permissive bill for closing in summer months pending in the state legislature. Some of the Chicago bankers feel that summer closing would inevitably be followed by a year-round program and want to face the issue squarely. Principal opposition to Saturday closing in Illinois comes from down-State banks and outlying institutions in Chicago, some of which describe it as their most active day. While it is traditional that the farmer goes to town on Saturday night, in the city the outlying banks have found that employees with a five day week go to the bank on Saturday. Even the Chicago Loop bankers are not wholeheartedly behind Saturday closing. They explain that in New York business closes down more generally on Saturday than here, including many of the large department stores. One outlying banker explained that if Saturday closing of business is to become an accepted practice in Chicago it is up to the local merchants' association to take the lead, as the bankers are not going to jeopardize the goodwill of their customers through an unpopular Saturday closing policy."

Now, personally I have little or no interest in this measure. As far as I am concerned the banks can close all the week but I hope they stay open Saturdays.

Mr. LEAVITT of Cumberland: Mr. President and Members of the Senate, Portland is speaking in to-to pretty nearly. I thought I might as well get my word in. I think we are being altogether too serious about this thing. I think we are having an awful time about it. I

don't think we are developing any definite trend.

I don't think we are going to develop a five-day week by what we do here. I don't think we are going to inconvenience the public, and we are certainly not going to force the banks to close.

There are certain bankers who come to us, certain employees that come to us, and they say, "We would like to close on Saturday morning. We have talked it over with our customers, and they apparently have no objection to it, at least down around through our part of the world, anyway."

And Portland isn't a great city. You go down to Boston and New York and return to Portland, and you know you are in a little country town, just the same as if you are in Lewiston or Skowhegan, or any other town. We are not big city bankers in Portland. We serve a lot of farmers who come to Portland to do their banking, and they aren't apparently concerned or excited about it.

But we do say this. This bill simply says that if the banks want to close, certain legal restrictions on the banks are removed. In other words, if I have a note that is due on a Saturday morning, I have got to pay that note if the bank is open and the bank has got to stay open so that I can pay that note.

This simply says, it is all right to pay it on Monday instead of paying it on Saturday. It is about the only legal complication in the matter. Perhaps there are some other negotiable things that are involved.

If these people want to close the banks on Saturday during the summer, why should we up here in our omnipotence stand up and say, "You can't close." I certainly hope that we will allow banks to close if they want to. One thing I would like to bring up. You say that the banks must close, or that we should make it mandatory for all banks. We are not dictators up here. We don't want to force banks to close. They haven't asked us to force them to close. They are just asking us to permit them to close. That is all this bill is for. Just say "Sure, you can if you want to. The customers are satisfied, go ahead and do it."

Mr. BISHOP: Mr. President and Members of the Senate, I apologize for rising the second time, but I wish to state a little something that

is confidential. Last week in Executive Session in our Committee on Education, the question of "may" was discussed at length, and the Senator from Cumberland, Senator Leavitt, stressed the fact very strenuously, and quoted Judge Merrill, who lectured him for an hour at one time, stating that "may" means "must."

Mr. MURCHIE of Washington: Mr President and Members of the Senate, I approach this situation from a little different angle than some of the other gentlemen who have preceded me.

I think Senator Crosby hit the nail on the head when he said that this is a contest between a very small group and a great majority. That is what he implied. Now the question this morning is, are we a democracy? There isn't a man or woman within the sound of my voice this morning but who knows that if this could be put to a referendum of the people, there would be 99 percent vote against the closing of the banks on Saturday.

I approach this thing first from the viewpoint of my own local community, but before I am finished I am going to touch the conditions in larger communities. We have two banks, one reasonably large, and the other small, employing a total of about 20 employees.

The bank employees are thoroughly justified in their desire to close banks, because it does save them a certain amount of work, but I'll confess, and you know, that if they are called upon to close Saturday, they have to work much longer hours on Friday night.

Now, in my town, which is a rural community, 20 employees are justified, with about a thousand to fifteen hundred farmers, and other people, coming into town from the surrounding towns and country on Saturday morning to cash their orders or their checks.

That is the viewpoint of my town, and if you go over and view the situation in the whole of the State of Maine, I am satisfied that situation is true of the entire State. They tell us that there are 155 banks in the State of Maine, and some of the Gentlemen have stated that there are two thousand employees.

Now, taking Portland, for instance. We'll agree, perhaps, that there are five hundred or six hundred bank employees or whatever

the amount may be in the City of Portland. The balance of the group from Portland is made up of a few leading, sound, honest, upright business men. But there are just a few, and you couldn't build it up more than an extra thousand if you tried. So, in the beginning, there it is. The same thing applies to Lewiston with five or six hundred bank employees.

The Gentlemen from Lewiston who have been asked by their bankers to come and vote a certain way this morning, they know in their hearts that it is only just a few bankers, but because they are dealing with these men and having to do with them from day to day, they feel justified in going along with their desires.

Now then, how I am getting at the one percent. The census of 1940, I think, stated that there were 847,000 people in the State of Maine. I don't know how many there are today. But cut it in two, and throw half of them away and give us 450,000, and you can't in any way figure how you can gather together bank employees, plus the good, sound men who want to close banks—you can't in any way figure it up so that there are going to be more than 4,000. That is where my one per cent comes in.

All I have to say in closing, Gentlemen, is that, personally, I am like the Senator from Androscoggin, Senator Bishop. I don't believe that I give a tinker's damn how this vote goes, but I can promise that if you vote for this, you are voting against, and failing to comprehend and appreciate, the desire of a very large majority of the people of the State of Maine.

Mr. DUNBAR of Washington: Mr. President and Members of the Senate, I promise to be brief. And I seriously doubt if I would have spoken on this bill if my colleague and friend, the Senator from Washington, Senator Murchie, had not spoken.

As I understand the situation, your stock exchange closes Saturday, all your Federal Reserve Banks throughout the country close on Saturday, and all this bill is asking for, or asking you to do, is to give to the banks of Maine, as has been said here many times over this morning, the permissive right, as the directors or trustees of those banks see fit to do, to close their institutions on Saturday.

I don't belong to any pressure group, although I have the honor of being a trustee of the Machias Savings Bank. And none of the officers, none of the employees of that bank have approached me and asked me to vote in favor of this bill. But if the time should come, and we should think it was necessary to close that institution on Saturday, which we can't do now without legislative authority, it would seem to me that this Legislature ought to give to our Board the right to so close.

I think the Senator from Cumberland, Senator Morrill, is correct. I made a note at the time that the Senator from Franklin, Senator Crosby, made the remark that it would be a hardship because of the payroll being, in his community at least—the one place that he mentioned—being made on Saturday. I think most of the industrial places throughout the State, and even our sardine factories in Washington County, pay in the middle of the week. And it would be very easy if you had a situation where industry, or a concern had their payroll on Saturday, it would be very easy to shift the payroll and pay on Friday or Thursday, or even on Monday. So that doesn't appear to me to be a very serious proposition.

Now, you have discussed here, and I have heard it about the halls of the House of the Legislature — you have talked here in regard to Saturday closing. Why, Senators, you all know that all you are asking to do in this bill is to make it permissive to close for three hours on Saturday, because you are already closed now Saturday afternoon. And we are asking in this bill for the right to close from nine o'clock to twelve on Saturday, three hours for only four months during the summer season. Is that very much of a hardship on the public? It doesn't seem to me that it is.

It isn't a Saturday closing. It is a closing of a half day on Saturday, or a mere three hours, and if you figure it out, it is three hours and if every bank accepts it the situation is that you have it during the four-months' period, and the matter, to my mind, becomes picayune.

Now, perhaps more facetiously, I look to another class of people. I look to the class of people who borrow, who may have a note coming

due on Saturday. If that note falls due on Saturday, and we have this permissive right, and the bank is closed he has a breathing spell on Saturday, and because of Sunday being a holiday, he has a breathing spell on Sunday, and if by chance Armistice Day falls on a Monday, he would have a breathing spell Monday. And you don't know how much he might be able to accomplish in getting together the necessary money so that he could walk into the bank on Monday morning and pay his note.

I hope, Gentlemen, that the motion of the Senator from Oxford does not prevail.

Mr. SPEAR of Cumberland: Mr. President, I want to go on record as favoring this bill now.

Mr. McKUSICK of Piscataquis: Mr. President and Members of the Senate, I, too, am one of those people who are so old-fashioned as to believe that if a corporation is chartered to render service to the public, they owe a duty to the public, and it seems to me that this bill is introduced to serve the advantage of a small group of bank officials and bank employees, and totally disregard the other ninety-odd per cent of the population of the State.

We have heard a lot said about a five-day week, and I would like to call your attention to the fact that has been pointed out here that our population is largely rural. And until a dairy cow is developed that will go on a five-day week, or until the potato bugs and other pests agree to join and go on a five-day week, then the time when our farm families can go on a five-day week is far, far in the future, and I am opposed from the standpoint of our own local bank which serves a rural community.

It is a strong bank, a conservative bank, and we are proud of it. That bank opens at nine o'clock on five days of the week and closes at half past 11. It opens again at half past 12 and closes at three. On Saturday it opens at nine and closes at half past 11. That gives us 27 hours and a half to do business with that bank.

And now they want to take away two hours and a half and leave only 25. You say it is permissive. It is true, but through competition, they would be driven to follow the example of other banks. And that will work a real hardship for the reason that has been brought out here —

many of our manufacturers pay off on Friday. And you will find that Saturday forenoon is one of the busy periods in that bank.

Now, the stores are able to deposit their take from three o'clock Friday afternoon until half past 11 Saturday at the bank, bringing down their cash reserves. If this went into effect, they would be left with their intake from three o'clock Friday, through Saturday, which is their heaviest period of the week, and Saturday evening. Why carry that over Sunday?

Another thing that was brought to my attention by one of our merchants was that the cashing of checks from our factories would be thrown on our retail merchants. And they said they were not in any position to handle it.

So, from my own standpoint, and from the standpoint of the people of my locality, and from the standpoint of the banking official and employees, I sincerely hope that the motion of the Senator from Oxford, Senator Edwards, will prevail.

Mr. DUNBAR of Washington: Mr. President and Members of the Senate, there is just one other thought that I overlooked, and that is, as you undoubtedly all know, that this State House is run on a five-day week. It closes all day Saturday.

The PRESIDENT: The question before the Senate is on the motion of the Senator from Oxford, Senator Edwards, that the Senate adopt the Majority "Ought Not to Pass" report of the committee and that Senator has asked for a division. Is the Senate ready for the question?

A division of the Senate was had.

Fifteen having voted in the affirmative and sixteen opposed, the motion did not prevail.

Thereupon, on motion by Mr. Batchelder of York, the Minority Report "Ought to Pass" was adopted in concurrence and the bill was given its first reading; House Amendment A was read and adopted in concurrence and the bill as so amended was tomorrow assigned for second reading.

On motion by Mr. Hopkins of Kennebec, the Senate voted to take from the table (H. P. 62) (L. D. 61, New Draft (H. P. 1631) (L. D. 1306)—House Report "Ought to Pass in New Draft" from the Committee on Mercantile Affairs and Insurance on bill, An Act Relating to

Reciprocal Contracts of Indemnity, tabled by that Senator on March 21 pending adoption of the report.

Mr. HOPKINS of Kennebec: Mr. President, this measure was tabled in order that there would be an opportunity for considering the possibility of amending it. I move that the Senate adopt the report and if the action of the Senate is favorable, I shall present an amendment.

The motion prevailed and the report of the committee was adopted and the bill was given its first reading.

Mr. HOPKINS: Mr. President and Members of the Senate, in considering this bill before the committee, we were told that the so-called reciprocals were different legal entities than insurance companies. The reciprocals asked to be included in the general insurance legislation which will be before the Senate shortly and they also asked that their special entity as distinct from that of insurance companies be maintained. The committee, as you will notice in the bill in new draft, decided that the reciprocals are doing insurance and the bill so states. At the same time even though you might agree that the business of these reciprocals which write these contract of indemnity is insurance under the broad terms of the meaning as we understand it, nevertheless they cannot be well included under all laws governing insurance within the state.

Generally they do not sell their contracts through agents and there are other ways in which their actions are different than those of all insurance companies.

I have an amendment which recognizes the distinction of reciprocals from insurance companies and I present that amendment and move its adoption.

The Secretary read the amendment:

"Senate Amendment A to H. P. 1631, L. D. 1306, bill, An Act Relating to Reciprocal Contracts of Indemnity. Amend said bill by adding at the end of the 1st sentence of that part designated 'Sec. 210' the following underlined words: 'provided, however, that the provisions of subsection III of section 41, requiring companies to do insurance business in this state by constituted agents resident herein subject to its laws, and the provisions of sections 249 to 256 inclusive, relating to insurance agents and brokers, shall

not apply to the attorney-in-fact of a reciprocal or inter-insurance exchange nor to the traveling salaried home office representatives of such exchanges operating on a salary basis and receiving no commissions, but any reciprocal or inter-insurance exchange that operates under the agency system in this state and appoints agents on a commission basis shall be subject to and conform to the provisions of the sections hereinabove mentioned."

Which amendment was adopted and the bill as so amended was tomorrow assigned for second reading.

The PRESIDENT: The Senate is proceeding under Orders of the Day.

On motion by Mr. Blanchard of Aroostook

Adjourned until tomorrow morning at ten o'clock.