

# Fines dropped against 2 logging firms, prompts appeal

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AUGUSTA — Two Ardenwood County lawmakers are appealing a decision by Maine's labor commissioner to rescind hefty fines levied against two companies that ran afoul of state laws regarding Canadian loggers working in the Maine woods.

The appeal — filed Thursday with the state Board of Arbitration — is the latest development in the long-running dispute over some companies' reliance on Canadian workers for jobs often located in remote corners of Maine's commercial forests.

Last fall, Labor Commissioner Robert Winglass handed down fines of \$10,000 against Les Transports Regi and \$15,000 against Pepin Lumber after the companies failed to promptly notify the state that they were employing foreign or "bonded" laborers in Maine.

The federal "bonded labor"

program allows companies to hire foreign workers on a temporary basis when there are not enough American workers available or qualified to fill the jobs. But first, companies must attempt to recruit U.S. workers — a requirement that some Maine loggers contend companies routinely disregard in order to hire lower-cost Canadian workers.

Pepin Lumber and Les Transports Regi were the first two companies targeted by a 2-year-old law enacted during the Baldacci administration that threatened violators with fines of \$10,000 to \$25,000.

But in December, Winglass reversed course and eliminated the fines against Les Transports Regi and Pepin Lumber, after talking with staff at the Department of Labor and meeting with company representatives and their attorney.

In an interview, Winglass said he eventually came to the

conclusion that the fines were overly harsh for the violation.

"That really didn't seem to fit the situation at all," he said. He said he also was concerned about harming wood supply to mills.

Sen. Troy Jackson and Rep. John Martin argue that the commissioner is letting the companies off with a slap on the

issue for more than a decade.

Jackson and Martin, D-Eagle Lake, filed an appeal with the Board of Arbitration claiming that Winglass did not have the authority under the law to waive the fines once the companies had been found guilty. They also claim, among other things, that the companies missed the 15-day appeal window laid out

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wrist and in the process violating a law they wrote to address complaints that loggers from Canada were getting jobs that should go to Maine workers.

"The precedent has been set: just bring in a lawyer and get the fine removed," said Jackson, D-Allagash, a logger by trade who has been active on the bonded labor

in the law.

Charles Einsiedler, the Portland-based attorney who represented the companies at hearings last fall and in discussions with Winglass, said he was "shocked that a fine of that magnitude" had been imposed on his clients.

While the companies admitted to failing to promptly notify

the state, the hearing officer who reviewed the case last fall determined it was not a material violation, meaning they could continue to participate in the bonded labor program.

"The mistake they made is they didn't send in their reports quick enough within the time frame in the statute," Einsiedler said. "As soon as they knew about it, they complied."

This isn't the first time Jackson and Martin have clashed with the Republican LePage administration over the issue of Canadian loggers in Maine. Gitting constitutional concerns, Gov. Paul LePage vetoed one of Jackson's bills last year that expressly prohibited the state from allowing non-American loggers to work on state-owned land. Martin and Jackson also accused the administration of delaying hearings on the two companies.

In an interview, Jackson said he disagreed with the hearing

officer's determination that the two companies did not commit material violations. But he had hoped the \$10,000 and \$15,000 fines on the lesser violations would at least act as a deterrent to other companies.

"There is no deterrent now," Jackson said. He also called any arguments about needing Canadian loggers to keep mills supplied "such a farce."

But Einsiedler said the two companies had incurred significant legal costs during the hearing process because being banned from the bonded labor program would have potentially put them out of business.

Winglass, meanwhile, said the fact that no one has failed to file timely reports to the state since the hearings on Pepin Lumber and Les Transports Regi tells him companies received the message. He also pledged to be tough on any other violators.

"The laws of the state will be enforced," he said.