

MAINE STATE LEGISLATURE

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EIGHTY-THIRD LEGISLATURE

House Document

No. 56

H. P. 217

House of Representatives, Feb. 2, 1927.

Referred to Committee on Claims and 500 copies ordered printed. Sent up for concurrence.

CLYDE R. CHAPMAN, Clerk.

Presented by Mr. Kinsman of Augusta.

STATE OF MAINE

IN THE YEAR OF OUR LORD ONE THOUSAND NINE
HUNDRED AND TWENTY-SEVEN

RESOLVE, in Ravor of the Charles H. Cutter Coal Company of Boston for loss incurred by said Company in the sale and delivery of four thousand tons of bituminous coal to the Augusta State Hospital during the strike in the year of nineteen hundred and twenty-two, which was settled by government regulation and interference.

Resolved: That the sum of four thousand four hundred 2 and forty-nine dollars and sixty-eight cents be and hereby 3 is appropriated to be paid to the C. H. Cutter Coal Com- 4 pany to reimburse it for loss sustained by it in the sale 5 and delivery of four thousand tons of soft coal to the Au- 6 gusta State Hospital, during the coal strike in the year nine- 7 teen hundred and twenty-two.

STATEMENT OF FACTS

During the year 1922 and under date of July 17th, the Charles H. Cutter Coal Company of Boston submitted to the governor and council of Maine, a bid for approximately four thousand tons of bituminous or soft coal for the Augusta State Hospital at \$9.70 per gross ton—delivered alongside the hospital wharf at Augusta, Maine. This coal was to be New River or Pocahontas coal and was to be shipped from the non-union mines in West Virginia. This bid, as above specified, was accepted by the governor and council of Maine under date of August 10th, 1922, subject to order of confirmation, which was received by the Charles H. Cutter Coal Company under date of August 16, 1922.

During the year 1922 a strike of the coal miners occurred in the bituminous and anthracite mines in Pennsylvania, beginning in April of that year. This strike in the unionized mines of Pennsylvania presented a very serious situation. A National Fuel Administrator was appointed by the Federal Government and a State Fuel Administrator was chosen in the various states of the Union, such was the chaotic condition in the sale and delivery of coal throughout the country. The Federal Government regulated the routing and shipment of coal under a system of priority orders, state institutions being given a preference in shipment from non-union mines, where no strike had taken place.

Everything was being done by A. P. Lane, State Fuel Commissioner for Maine, in conjunction with wholesale coal dealers who had contracts for delivery of coal to State of Maine institutions, to get delivery of coal to Maine institutions promptly.

From August 16, 1922, to September 1st, 1922, the Charles H. Cutter Coal Company of Boston, in conjunction with A. P. Lane, Fuel Commissioner for Maine, did everything possible to procure coal for the Augusta State Hospital, under the bid price of the Coal Company, but were unable to do so on account of the Federal Government interference in the delivery of coal and the inability to secure cars.

On September 1st, 1922, the coal strike was settled in the bituminous and anthracite mines of Pennsylvania, and as a result of the settlement of the strike, and government inter-

ference and regulation, the wages of the miners were increased—not only in the unionized mines, but also in the non-union mines of West Virginia—from which mines the coal was to be shipped to the Augusta State Hospital by the Charles H. Cutter Coal Company.

On September 1st, 1922, Dexter and Carpenter, Inc., mine operators in the West Virginia mines, from which the soft coal was to be shipped to the Augusta State Hospital, notified the Charles H. Cutter Coal Company by letter that on account of the increased cost of mining coal, resulting from the wage increase granted to the miners by government regulation and interference, in the settlement of the coal strike, the price of soft coal would be increased \$1.12 per gross ton. Under date of September 1st, 1922, the C. H. Cutter Coal Company notified S. N. Tobey, Treasurer of the Augusta State Hospital, that the increased wages allowed the non-union field miners necessitated adding to all contracts for coal \$1.12, per gross ton, government interference having made it impossible for operators to complete shipments before wages were advanced.

To this letter of September 1st, 1922, above referred to, no reply was received by C. H. Cutter Coal Company until October 9, 1922, though a conference was held and the matter considered. In the meantime three cargoes of soft coal were shipped to the Augusta State Hospital and final shipment was made to the hospital on October 12, 1922, completing the contract for approximately four thousand tons. The Charles H. Cutter Coal Company paid to the mine operators the increased price of \$1.12 per gross ton for the soft coal shipped to the Augusta State Hospital, and thereby suffered a loss on the coal so shipped, of four thousand and forty-nine dollars and sixty-eight cents, and this resolve is to reimburse them for this loss thus sustained.