

NEW DRAFT

EIGHTY-FOURTH LEGISLATURE

House Document

No. 642

H. P. 1624 House of Representatives, March 8, 1929.Reported by Mr. Rounds of Portland from Committee on Claims and laid on table to be printed under joint rules.

CLYDE R. CHAPMAN, Clerk.

STATE OF MAINE

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

RESOLVE, in Favor of the Charles H. Cutter Coal Co. 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 dollars be and 2 hereby is appropriated to be paid to the Charles H. Cutter 3 Coal Company to reimburse it for loss sustained by it in 4 the sale and delivery of four thousand tons of soft coal 5 to the Augusta state hospital, during the coal strike in the 6 year nineteen hundred and twenty-two.

HOUSE-No. 642

2

STATEMENT OF FACTS

During the year 1922 and under date of July 17th, the Charles H. Cutter Coal Co. 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 or confirmation, which was received by the Charles H. Cutter Coal Co. under date of Aug. 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 promptly.

From August 16, 1922, to Sept. 1st, 1922, the Chas. H. Cutter Coal Co. 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 Sept. 1st, 1922, the coal strike was settled in the bituminous and anthracite mines of Pennsylvania, and as a result of this settlement, the government interference and regulation, the wages of the miners were increased—not only in the unionized mines, but also in the non-union mines of West Va.—from which mines the coal was to be shipped to the Augusta state hospital by the Chas. H. Cutter Coal Co.

On Sept. 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 Chas. H. Cutter Coal Co. 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 Sept. 1st, 1922, the C. H. Cutter Coal Co. 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 Sept. 1st, 1922, above referred to, no reply was received by C. H. Cutter Coal Co. 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 Oct. 12, 1922, completing the contract for approximately four thousand tons. The Chas. 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 four hundred forty-nine dollars and sixtyeight cents, and this resolve is to reimburse them for this loss thus sustained.