

MAINE STATE LEGISLATURE

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NEW DRAFT

EIGHTY - SEVENTH LEGISLATURE

Legislative Document

No. 936

H. P. 1869

House of Representatives, April 5, 1935.

Reported by Mr. Coolidge from Committee on Claims and laid on table to be printed under Joint Rules.

HARVEY R. PEASE, Clerk.

NEW DRAFT OF H. P. 425

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
THIRTY-FIVE

RESOLVE, in Favor of the Charles H. Cutter Coal Company, of Boston.

Charles H. Cutter Coal Company, compensated. Resolved: That there be, and hereby is, appropriated, the sum of \$2000 to be paid to the Charles H. Cutter Coal Company, of Boston, as a settlement in full and final payment, for loss sustained by it in the sale and delivery of 4000 tons of soft coal to the Augusta state hospital, during the coal strike in the year 1922, said sum to be paid from the general state funds.

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 4000 tons of bituminous or soft coal for the Augusta State Hospital at \$9.70 per gross ton delivered along side the 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 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 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 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 Virginia—from which mines the coal was 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 Charles 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 Charles H. Cutter Coal Company until October 9, 1922, though a conference was held and the matter considered. In the mean time 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 4000 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 to the Augusta State Hospital, and thereby a loss on the coal so shipped, of \$4,449.68, and this resolve is to reimburse them for this loss thus sustained.