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Labor Law - LMRA - Injunctive Relief for Breach of No-Strike Agreement

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LABOR LAW—LMRA—INJUNCTIVE RELIEF FOR BREACH OF NO-STRIKE AGREEMENT—The collective bargaining agreement between the employer and union contained a no-strike provision. While the contract remained in effect, the union sought wage renegotiations. The discussions were unsuccessful and the union called a strike. Claiming a breach of the no-strike clause, the employer requested an injunction against continuance of the peaceful strike. The district court held that under section 301 of the Labor-Management Relations Act of 1947, which provides that "Suits for violation of contracts between an employer and a labor organization . . . may be brought in any district court . . .,"¹ it had authority to enjoin the strike.² On appeal, *held*, reversed. Because the strike constitutes a "labor dispute" under the Norris-LaGuardia Act,³ section 4 of that act⁴ prohibits

¹ 61 Stat. 136, §301 (1947), 29 U.S.C. (1952) §185.

² *A. H. Bull Steamship Co. v. Seafarers' Intl. Union of North America, Atlantic and Gulf District, AFL-CIO*, (E.D. N.Y. 1957) 155 F. Supp. 739.

³ 47 Stat. 73, §13(c) (1932), 29 U.S.C. (1952) §113(c): "The term 'labor dispute' includes any controversy concerning terms or conditions of employment, or concerning the association or representation of persons in negotiating, fixing, maintaining, changing, or seeking to arrange terms or conditions of employment. . . ."

⁴ 47 Stat. 70-71 (1932), 29 U.S.C. (1952) §104: "No court of the United States shall have jurisdiction to issue any . . . injunction in . . . any labor dispute to prohibit any person or persons . . . from . . . (a) Ceasing or refusing to perform any work or to remain in any relation of employment. . . ."

the court from granting the injunction. Section 301 of the LMRA does not impliedly repeal the anti-injunction provisions of the Norris-LaGuardia Act. *A. H. Bull Steamship Co. v. Seafarers' International Union of North America, Atlantic and Gulf District, AFL-CIO*, (2d Cir. 1957) 250 F. (2d) 326, cert. den. 355 U.S. 932 (1958).

The purpose of the Norris-LaGuardia Act was to remedy what Congress regarded as the unjust practice of some federal courts in freely enjoining strike activity, thereby depriving labor of its most powerful economic weapon in disputes with management.⁵ Pursuant to a declared public policy favoring promotion of employee self-organization and collective bargaining between management and labor,⁶ certain activities specified in section 4 were placed beyond the injunctive power of federal courts. Congress was cognizant of this restriction on equity jurisdiction when it enacted section 301 of the LMRA.⁷ This provision was recently construed by the Supreme Court in *Textile Workers Union of America v. Lincoln Mills of Alabama*⁸ to authorize a decree of specific performance of an arbitration clause in a collective bargaining agreement.⁹ The Court reasoned that the congressional policy favored enforcement of arbitration provisions and that injunctions compelling arbitration were not included within the practices the Norris-LaGuardia Act attempted to eliminate.¹⁰ Distinguishing the *Lincoln Mills* case on the basis that it did not involve

⁵ S. Rep. 163, 72d Cong., 1st sess., pp. 11, 25 (1932); FRANKFURTER AND GREEN, *THE LABOR INJUNCTION* 52, 81, 200, 205 (1930); Witte, "The Federal Anti-Injunction Act," 16 MINN. L. REV. 638 (1932).

⁶ 47 Stat. 70, §2 (1932), 29 U.S.C. (1952) §102.

⁷ Section 302(e) of H.R. 3020, 80th Cong., 1st sess. (1947), stated that the Norris-LaGuardia Act would be inapplicable in private actions for violations of collective bargaining agreements. See also 93 CONG. REC. 3656-3657 (1947). This provision, however, was omitted by the House-Senate Committee, H.R. 510, 80th Cong., 1st sess., p. 66 (1947). Moreover, the bar of the Norris-LaGuardia was specifically lifted in permitting the attorney-general to prevent national emergency strikes. 61 Stat. 136, §208(b) (1947), 29 U.S.C. (1952) §178(b).

⁸ 353 U.S. 448 (1957). The decision is extensively discussed in Bickel and Wellington, "Legislative Purpose and the Judicial Process: The Lincoln Mills Case," 71 HARV. L. REV. 1 (1957); 57 COL. L. REV. 1123 (1957).

⁹ Prior to this case, the lower federal courts generally enforced these arbitration agreements. See, e.g., *Local 205, United Electrical, Radio and Machine Workers of America (UE) v. General Electric Co.*, (1st Cir. 1956) 233 F. (2d) 85, affd. 353 U.S. 547 (1957); *The Evening Star Newspaper Co. v. Columbia Typographical Union No. 101*, (D.C. D.C. 1954) 124 F. Supp. 322; *Milk and Ice Cream Drivers and Dairy Employees Union Local No. 98 v. Gillespie Milk Products Corp.*, (6th Cir. 1953) 203 F. (2d) 650; *Textile Workers Union of America (CIO) v. American Thread Co.*, (D.C. Mass. 1953) 113 F. Supp. 137. *Contra*, *Local 937 of International Union United Automobile, Aircraft and Agricultural Implement Workers of America, CIO v. Royal Typewriter Co.*, (D.C. Conn. 1949) 88 F. Supp. 669 (dictum).

¹⁰ The Court agreed with Judge Magruder's interpretation in *Local 205, United Electrical, Radio and Machine Workers of America (UE) v. General Electric Co.*, note 9 supra, that arbitration was not subject to certain restrictions on the equitable power of the federal courts, for one of the general purposes of the act was to encourage collective bargaining.

a strike situation, the court in the principal case refuses to interpret that decision to include specific enforcement of a no-strike agreement.¹¹ The court recognizes that granting an injunction would be tantamount to a holding that section 301 impliedly repeals section 4 of the Norris-LaGuardia Act and maintains that Congress, not the judiciary, is the proper body to change the national policy expressed in the Norris-LaGuardia Act. Section 301, thus interpreted, allows employers only monetary compensation for a union's breach of a no-strike agreement.¹² It is, nevertheless, apparent that, despite the broad scope of the Norris-LaGuardia Act, the federal courts will grant injunctive relief under section 301 of LMRA if the dispute differs from the situations presented by the traditional labor injunction. To date, the "exceptions" to the Norris-LaGuardia Act created by section 301 include only the specific enforcement of arbitration clauses and wage renegotiation provisions.¹³ It is likely, however, that the federal courts will continue to regard the Norris-LaGuardia Act as inapplicable to suits brought under section 301 where the older act's restrictions are impracticable in enforcing contractual obligations in the present era of labor relations.¹⁴ This possibility receives impetus from the holding of the *Lincoln Mills* case that section 301 permits federal courts to fashion a body of substantive federal law for enforcement of collective bargaining agreements. The "federal law" concerning the scope of arbitration agreements and their relation to no-strike clauses remains largely undefined, leaving the federal courts with extensive leeway in establishing the national policy.¹⁵ The interpretation of the Norris-LaGuardia Act in the

¹¹ Before the *Lincoln Mills* case, some federal courts refused to enjoin strikes violating the no-strike agreement. See, e.g., *Mead v. Intl. Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, Local Union No. 25*, (1st Cir. 1954) 217 F. (2d) 6, (1st Cir. 1956) 230 F. (2d) 576, app. dismissed 352 U.S. 802 (1956); *Alcoa S.S. Co. v. McMahon*, (S.D. N.Y. 1948) 81 F. Supp. 541, affd. per curiam (2d Cir. 1949) 173 F. (2d) 567, cert. den. 338 U.S. 821 (1950).

¹² Employers seek injunctive relief because of alleged inadequacy of the legal remedy, so it is doubtful that the remedy authorized by the court would be effective in many strike situations. But see *Mead v. Intl. Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, Local Union No. 25*, note 11 supra.

¹³ *Independent Petroleum Workers of New Jersey v. Esso Standard Oil Co.*, (3d Cir. 1956) 235 F. (2d) 401.

¹⁴ Another possible exception covers relief against racial discrimination in collective bargaining contracts, as evidenced by *Syres v. Oil Workers Intl. Union, Local 23*, 350 U.S. 892 (1955), a per curiam opinion, rehearing den. 350 U.S. 943 (1956). This case did not arise under §301 of LMRA, however.

¹⁵ *McCarroll v. Los Angeles County District Council of Carpenters*, (Cal. 1957) 315 P. (2d) 322, held that state courts have concurrent jurisdiction with federal courts in actions brought under §301. Until a substantive federal law is established, the court assumed that it did not differ from state law. In this case the court enjoined a strike violating the no-strike provision, holding that state courts enforcing federal rights need not comply with the Norris-LaGuardia Act. This doctrine, if followed by other states, may hinder formulation of a truly national policy. The federal courts may ignore state courts' interpretations, however. *Textile Workers Union of America v. Lincoln Mills of Alabama*, note 8 supra.

principal case represents a basic premise of the federal policy. Neither the *Lincoln Mills* decision nor the principal case, however, concerned a strike in breach of a no-strike clause that represents the *quid pro quo* for an arbitration provision. If the strike violates the no-strike and arbitration clauses, the national policy should emphasize the encouragement of arbitration agreements and provide that in suits under section 301 of LMRA the strike is unprotected by section 4 of the Norris-LaGuardia Act.¹⁶ Despite the injunction the dispute may be resolved through the arbitration process, in contrast to the principal case where an injunction would deprive the union of its primary economic weapon without substitution of a contractual procedure for settlement of the disagreement. A national labor policy that recognizes the inapplicability of the holding of the principal case if arbitration provisions encompass the disputed issues would encourage the mutual responsibility of employers and unions in performing obligations of collective bargaining contracts.

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¹⁶ This approach is somewhat similar to the reasoning of the Supreme Court in the *Lincoln Mills* case. Prior to the *Lincoln Mills* decision, however, several decisions stated that orders to arbitrate could not be accompanied by injunctions against the strike. *Mead v. Intl. Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, Local Union No. 25*, note 11 *supra*; *Local 205, United Electrical, Radio and Machine Workers of America (UE) v. General Electric Company*, note 9 *supra* (dictum).