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Labor Law - Labor-Management Relations Act - Availability of Injunctive Relief Under Section 301

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LABOR LAW—LABOR-MANAGEMENT RELATIONS ACT—AVAILABILITY OF INJUNCTIVE RELIEF UNDER SECTION 301—Plaintiff union brought suit in a federal district court under section 301 of the LMRA[1] to enjoin defendant employer from violating a collective bargaining agreement by refusing to give effect to an arbitration award directing the reinstatement of certain employees. On appeal from an order of the district court dismissing the complaint on the ground that the Norris-LaGuardia Act[2] prevented the court from issuing an injunction, *held*, reversed. Section 301(a) of the LMRA authorizes federal courts to enjoin violations of collective agreements, and the Norris-LaGuardia Act does not forbid the granting of such relief. *Milk and Ice Cream Drivers and Dairy Employees Union, Local No. 98 v. Gillespie Milk Products Corp.*, (6th Cir. 1953) 203 F.(2d) 650.

Section 301 of the LMRA represents an attempt by Congress to make collective bargaining agreements equally binding on employers and unions by providing a more effective means for their enforcement than was available under the laws of many states.[3] To this end the federal courts were opened to "suits for violation of" labor contracts in industries affecting commerce without regard to the normal jurisdictional prerequisites of diversity of citizenship and amount in controversy.[4] An examination of the cases considering the

[1] Labor-Management Relations Act, 1947, 61 Stat. L. 156, §301(a) (1947), as amended, 29 U.S.C. (Supp. V, 1952) §185(a). Sec. 301(a) provides: "Suits for violation of contracts between an employer and a labor organization representing employees in an industry affecting commerce . . . may be brought in any district court of the United States having jurisdiction of the parties, without respect to the amount in controversy or without regard to the citizenship of the parties."

[2] 47 Stat. L. 70 (1932), 29 U.S.C. (1946) §101-115.

[3] See S. Rep. No. 105, 80th Cong., 1st sess., p. 15 et seq. (1947).

[4] For a discussion of the constitutional basis for section 301 and the problem of whether federal or state law is to be applied thereunder see Wallace, "The Contract Cause of Action Under the Taft-Hartley Act," 16 BROOKLYN L. REV. 1 (1949).

problem of whether section 301(a) authorizes injunctive relief as well as a damage remedy discloses that approximately two-thirds of the courts faced with this question have indicated that they lacked authority to issue injunctions,[5] while the remaining one-third have been willing to grant equitable relief.[6] However, it appears that the conflicting results stem not so much from any disagreement over the proper interpretation to be accorded section 301(a) as from the perennial problem of what constitutes a "labor dispute" within the meaning of the Norris-LaGuardia Act. Almost without exception those courts which have refused injunctive relief have based their decisions on the applicability of the Norris Act;[7] and, at least prior to the principal case, the courts which have granted injunctions have done so only after finding that no "labor dispute" was involved,[8] or upon determining that the procedural requirements and other limitations[9] of the Norris Act had been met.[10] Thus there seems to be little dissent from two basic propositions: (1) section 301 of the LMRA did not accomplish an implied repeal pro tanto of the Norris Act; (2) when the Norris Act is inapplicable or its procedural and other requirements are satisfied, injunctive relief is authorized by section 301.[11] These propositions appear to represent a reasonable construction of section 301(a), and both find support in its legislative history. That Congress did not intend by section 301(a) to remove any of the Norris Act's restrictions upon the equitable powers of federal courts seems to follow as a matter of construction from the fact that the Norris Act was specifically made inapplicable to suits under several other sections of the LMRA.[12] The same conclusion is indicated by the legislative history of section 301, for a provision in the House bill[13] explicitly exempting suits for breach of contract from the operation of the Norris Act was rejected by the

[5] See cases cited in note 7 infra.

[6] See cases cited in notes 8 and 10 infra.

[7] Alcoa Steamship Co. v. McMahon, (D.C. N.Y. 1948) 81 F. Supp. 541, affd. (2d Cir. 1949) 173 F. (2d) 567, cert. den. 338 U.S. 821, 70 S.Ct. 65 (1949); Castle & Cooke Terminals v. Local 137, International Longshoremen's and Warehousemen's Union, (D.C. Hawaii 1953) 110 F. Supp. 247; Textile Workers Union of America v. Berryton Mills, (D.C. Ga. 1951) 20 CCH Lab. Cas. ¶66,519; Local 937 of International Union United Automobile, Aircraft and Agricultural Implement Workers of America v. Royal Typewriter Co., (D.C. Conn. 1949) 88 F. Supp. 669; Duris v. Phelps Dodge Copper Products Corp., (D.C. N.J. 1949) 87 F. Supp. 229. An exception is United Packing House Workers of America v. Wilson and Co., (D.C. Ill. 1948) 80 F. Supp. 563, where the decision seems to be based both on the applicability of the Norris Act and on the lack of equitable jurisdiction under §301. The fact that the activity sought to be enjoined constitutes an unfair labor practice as well as a breach of contract may result in a denial of injunctive relief. See Levinson, "Breach of Contract Under the Taft-Hartley Act," 2 LAB. L.J. 279 (1951).

[8] Textile Workers Union of America v. American Thread Co., (D.C. Mass. 1953) 113 F. Supp. 137; Mountain States Division No. 17, Communication Workers of America v. Mountain States Telephone & Telegraph Co., (D.C. Colo. 1948) 81 F. Supp. 397.

[9] I.e., those contained in 47 Stat. L. 70-71, §4 (1932), 29 U.S.C. (1946) §104.

[10] Textile Workers Union of America v. Aleo Manufacturing Co., (D.C. N.C. 1950) 94 F. Supp. 626.

[11] For a contrary view as to the latter statement see TELLER, THE LAW GOVERNING LABOR DISPUTES AND COLLECTIVE BARGAINING §398.163 (1950 Supp.).

[12] See §§10(h), 208(b), and 302(e).

[13] H.R. 3020, §302(e), 80th Cong., 1st sess. (1947).

Senate-House conference committee.[14] This congressional recognition that a Norris Act problem existed in connection with section 301(a), coupled with the lack of any attempt specifically to restrict the operation of that section to suits for damages, would also seem to indicate an understanding that, subject to Norris Act limitations, equity jurisdiction was being conferred on the federal courts. Consequently, to most courts presented with an application for injunctive relief for breach of contract the crucial inquiry has been, does such a suit grow out of a "labor dispute," as defined in section 13 of the Norris Act?[15] To this question there is no obviously correct answer. According to the letter of section 13 there is no doubt that a labor dispute is involved, but considerations of congressional intent and public policy perhaps militate against a literal application of this extremely broad definition to breach of contract cases.[16] Although the rationale of the decision in the instant case is far from clear, there is almost nothing in the opinion to indicate that the court intended to embrace the theory of repeal by implication.[17] Yet, on the other hand, there was no clear statement of whether or not the court felt that a labor dispute was involved, and if not, why not.[18] In fact, the court seemingly relied heavily on one of its previous decisions[19] which it was admitted did not even mention the Norris Act. Thus the instant case is significant, not for an especially clear or persuasive exposition of the view that injunctive relief is available under section 301 despite the Norris Act, but simply because it represents the decision of the highest federal court to have thus far indicated that such relief may properly be granted.

George B. Berridge, S.Ed.

[14] Unfortunately, however, the conference committee report does not state specifically why this provision was removed. See H. Rep. No. 510, 80th Cong., 1st sess., p. 66 (1947).

[15] Sec. 13(a): "A case shall be held to involve or to grow out of a labor dispute when the case involves persons who are engaged in the same industry, trade, craft, or occupation; or have direct or indirect interests therein. . . ." See also §§13(b), 13(c).

[16] For a discussion of the problem see 37 VA. L. REV. 739 (1951).

[17] The rather ambiguous statement, "We think the unqualified use of the word 'suits' in the Labor Management Relations Act authorizes injunctive process for the full enforcement of the substantive rights created by Section 301(a) . . . ," is about as close as the court comes to indicating approval of this theory. Principal case at 651.

[18] Thus the opinion seems to be equally susceptible of either of two interpretations: (1) it was taken for granted that no labor dispute was involved; (2) it was felt that although a labor dispute might be involved plaintiff could perhaps satisfy the procedural requirements of the Norris Act.

[19] A.F.L. v. Western Union Telegraph Co., (6th Cir. 1950) 179 F. (2d) 535.