

In the Matter of JONES & LAUGHLIN STEEL CORPORATION and AMALGAMATED ASSOCIATION OF IRON, STEEL & TIN WORKERS OF NORTH AMERICA, BEAVER VALLEY LODGE No. 200

*Case No. C-57.—Decided April 9, 1936*

*Iron and Steel Industry—Interference, Restraint or Coercion:* surveillance of and questioning regarding organizational activities and meetings; terrorism against union organizers and leaders; questioning employees regarding union affiliation; preventing union meetings; expressed opposition to labor organization; villifying union; intimidation of union members—*Employee Representation Plan:* form and operation—*Discrimination:* allocation of work; demotion, transfer, wage reduction; discharge—*Reinstatement Ordered—Back Pay:* awarded.

*Mr. Robert B. Watts, Mr. Robert H. Kleeb, Mr. Thomas I. Emerson and Mr. A. L. Wirin* for the Board.

*Thorp, Bostwick, Reed & Armstrong,* by *Mr. Earl F. Reed, Mr. John E. Laughlin and Mr. Donald W. Ebberts,* of Pittsburgh, Pa., for respondent.

*Mr. Alexander H. Schullman and Mr. Aaron Sapiro,* of Pittsburgh, Pa., for the Union.

*Mr. Louis L. Jaffe,* of counsel to the Board.

## DECISION

### STATEMENT OF CASE

On January 23, 1936, Beaver Valley Lodge No. 200, of the Amalgamated Association of Iron, Steel and Tin Workers of North America, hereinafter referred to as the Union, filed a charge with the Regional Director for the Sixth Region against the Jones & Laughlin Steel Corporation, Pittsburgh, Pennsylvania, hereinafter referred to as the respondent, charging the respondent with violations of Section 8, subdivisions (1) and (3) of the National Labor Relations Act, approved July 5, 1935, hereinafter referred to as the Act. Thereupon, a complaint and notice of hearing signed by Clinton S. Golden, Regional Director for the Sixth Region, were issued and duly served upon the respondent. The complaint charged the respondent with violations of Section 8, subdivisions (1) and (3) because of the discharge of and refusal to reinstate 12<sup>1</sup> employees

<sup>1</sup> At the hearing the complaint with respect to one of these employees, W. J. Collins was withdrawn at his request. He stated in a letter addressed to the Board that he feared the use of his name would do him harm.

and the demotion of one employee, all at its Aliquippa Works, for the reason that they joined and assisted the Union and engaged in concerted activities with other employees at the Aliquippa Works for the purpose of collective bargaining and other mutual aid and protection.

The respondent filed a special appearance and answer. For answer it admitted the discharges and demotion, but averred that in all cases they were made because of inefficiency and violation of the respondent's rules. The respondent further claimed that the Act violates the Fifth and Seventh Amendments to the Constitution of the United States, that it confers judicial power on the Board in contravention of that Constitution, and that the activities of respondent are intrastate and not subject to regulation by Congress or the Board.

By order of the Board dated February 27, 1936, the proceeding was transferred to and continued before the Board in accordance with Article II, Section 35 of National Labor Relations Board Rules and Regulations—Series 1.

A hearing was held on March 2 and 3, 1936 at Pittsburgh, Pennsylvania, before the Board, at which hearing full opportunity to be heard, to examine and cross-examine witnesses and to introduce evidence bearing on the issues, was afforded to all parties. The Board and the respondent both presented evidence as to the nature of the respondent's business operations. The respondent then moved to dismiss on the ground that on the evidence it conclusively appeared that neither the respondent's operations nor its labor relations were in or affected interstate commerce. The motion to dismiss was denied. Thereupon, the respondent's counsel took no further part in the hearing and withdrew. A further hearing was held in Washington, D. C., April 2 to April 8, 1936.

Upon the evidence adduced at the hearing and from the entire record now before it, including the transcript of the hearing and exhibits introduced, the Board makes the following:

#### FINDINGS OF FACT

##### I. THE RESPONDENT

The Jones & Laughlin Steel Corporation is a Pennsylvania corporation which, together with its subsidiaries—19 in number—manufactures and distributes a widely diversified line of steel and pig-iron. The respondent is the fourth largest producer of steel in the United States. It has an annual capacity of 3,189,700 N.T. coke; 3,000,000 G.T. pig-iron; 3,660,000 G.T. steel ingots; and 2,837,600 G.T. of finished steel hot rolled products. In the year 1934 the respondent shipped 880,031 N.T. of steel products, valued (together with certain other gross receipts) at \$47,957,338.36. It has two

plants, one in Pittsburgh and one nearby in Aliquippa. The assets of it and its consolidated companies were valued, as of December 31, 1934, at \$181,532,641.36. It employs over 22,000 persons, about 10,000 of them at its Aliquippa plant.

In a registration statement filed with the Securities and Exchange Commission by the respondent, it characterized itself as "completely integrated, owning and operating ore, coal, and limestone properties, lake and river transportation facilities and terminal railroads located at its manufacturing plants, at Pittsburgh and Aliquippa, Pennsylvania". The respondent owns or controls mines in Michigan and Minnesota estimated to contain approximately 60,000,000 tons of iron ore. It operates four ore steamships on the Great Lakes, used in transportation of ore to its factories. It owns coal mines in Pennsylvania estimated to contain 600,000,000 tons of recoverable coal. Much of this coal is located adjacent to the Monongahela River. The respondent owns and operates ten tow boats and 165 steel barges used in carrying coal from the mines to its factories. The respondent owns limestone properties in various places in Pennsylvania and West Virginia. Iron ore, coal, and limestone are the three important materials used in producing pig-iron and steel.

The respondent owns and operates the Monongahela Connecting Railroad—40.99 miles of standard gauge track—which connects the plants of the Pittsburgh works and forms an interconnection with the Pennsylvania, New York Central and Baltimore and Ohio railroad systems at Pittsburgh, Pennsylvania. This line has 30 locomotives and 713 freight cars. It owns the Aliquippa and Southern Railroad Company—43.20 miles of standard gauge track—which connects the Aliquippa Works with the Pittsburgh and Lake Erie (part of the New York Central System). The Aliquippa line has 19 locomotives and 614 freight cars. It reports to the Interstate Commerce Commission as a common carrier. Thus, by means of its own railroads, the respondent ships its raw materials into its works and ships out the finished and semi-finished products. The cars of the Aliquippa line, for example, are carried to the point of loading or unloading and there are handled by the respondent's employees with the help of the respondent's cranes and loading equipment. A system of tracks connects all parts of the works, buildings, and yards with each other and with the rails of the Aliquippa line and from that to the New York Central line. The respondent is the largest shipper over the Pittsburgh and Lake Erie. More than 97% of the shipments originating at Aliquippa are made by the respondent. If operations at the Aliquippa Works were interrupted by labor difficulties or otherwise the business of the Pittsburgh & Lake Erie—an interstate carrier—would be seriously crippled.

The respondent has far-flung properties and many employees engaged in the distribution of its products. Much of the product is shipped to its warehouses in Chicago, Detroit, Cincinnati, and Memphis—to the last two places by means of its own barges and transportation equipment. In Long Island City, New York and in New Orleans it operates structural steel fabricating shops in connection with the warehousing of semi-finished materials sent from its Works. Through one of its wholly-owned subsidiaries it owns, leases and operates stores, warehouses, and yards for the distribution of equipment and supplies for drilling and operating oil and gas mills and for pipe lines, refineries, and pumping stations. It has sales offices in 20 cities in the United States and a wholly-owned subsidiary devoted exclusively to distributing its product in Canada. It advertises in newspapers and magazines. Approximately 75 per cent of its product is shipped out of Pennsylvania.<sup>2</sup>

The ramifications of the Jones & Laughlin Steel Corporation are thus as broadly extended as the nation itself. It is impossible to isolate the operations of the Works in Pittsburgh and Aliquippa or to consider them as detached, separate—"local"—phenomena. These Works might be likened to a heart of a self-contained, highly integrated body. They draw in the raw materials from Michigan, Minnesota, West Virginia, Pennsylvania in part through arteries and by means controlled by the respondent; they transform the materials and then pump them out to all parts of the nation through the vast mechanism which the respondent has elaborated.

In these and many other respects the respondent shows the characteristics of the steel industry as a whole. This industry had, as

<sup>2</sup> The following are the figures for railroad shipments into and out of the Aliquippa Works in July, 1935—a characteristic month.

	Carloads	Percent
<b>INBOUND</b>		
Interstate.....	3,627	81.1
Intrastate.....	846	18.9
	<b>L. C. L.</b>	<b>Percent</b>
Interstate.....	114	60.4
Intrastate.....	75	39.6
	<b>Carloads</b>	<b>Percent</b>
<b>OUTBOUND</b>		
Interstate.....	1,341	67.3
Intrastate.....	651	32.7
	<b>L. C. L.</b>	<b>Percent</b>
Interstate.....	222	72.3
Intrastate.....	85	27.7

of 1934, an investment of \$4,705,976,350. To support its activity 33,000 men mine ore, 44,000 men mine coal, 4,000 men quarry limestone, 16,000 men manufacture coke, 343,000 men manufacture steel, and 83,000 men transport its product. The conception of the industry as a conduit through which materials pass in a continuous stream from mine to consumer, undergoing transformations en route, at the mine, at the mill, at the fabricating plant, until they are delivered to the consumer becomes, for technical and economic reasons, more and more exact.

The steel industry involves enormous movements of materials back and forth across the length and breadth of the nation. Of approximately 25,000,000 tons of ore mined in the United States in 1934, 15,000,000 were mined in Minnesota, 5,000,000 in Michigan, and 2,000,000 in Alabama. These states, on the other hand, accounted for less than 2,000,000 of the 15,686,442 tons of pig-iron manufactured in that year. In Pennsylvania, Ohio, Illinois, and Indiana, producing 11,285,014 tons of pig iron, only 524,657 tons of ore were mined. Additional iron ore is imported from Cuba and Chile. States producing 9,429,305 tons of pig iron, 55.7% of the total, import all the coal used by them in the manufacture of coke. Of the approximately 114,000 tons of manganese used in the industry, 95,000 tons are imported from Brazil, India, and Russia; the remainder is mined in states of the United States producing little or no pig iron or steel. A great steel company will, for example, dig out and pick up its materials in one state, carry them to its plant in another, there melt them down and fashion them into shapes, transport them out of its plant, itself initiating the rail shipment—sometimes performing all of a water shipment—, further fabricate them at the conclusion of this shipment in still another state, and then deliver them to the customer. This vertical integration of the entire process through the medium of a single company is typical of the few giant corporations which control the bulk of the steel production in this country. Two corporations, the United States Steel Corporation and the Bethlehem Steel Corporation, have over 50% of the steel capacity of the country. Add to this eight more companies, among them the respondent, and 91% of the nation's capacity is accounted for. This great size is in part an outgrowth of technical forces. It has been estimated that the investment required for the most efficient blast furnace operation is in the neighborhood of \$100,000,000. Vertical integration, a further source of economy, may increase capital requirements. The great capacities thus built up, whatever their causes, require large markets and have molded the steel industry as a whole and in its most important units into a nationwide system. The device of the "transit rate" for steel products—"transit rates" on numerous products are permitted by the Interstate Commerce

Commission—which is used by the respondent illustrates in particular that processing and fabrication are simply transformations of materials en route in the stream of commerce. Under the transit rate a steel fabricator who buys steel forms from a steel producer at point A, performs on them certain limited work at point B and then ships the product to point C, receives from the railroads the privilege of the through rate from A to C (point B being considered only as a temporary stopping place where service is performed in transit). The respondent has availed itself of the transit rate to fabricate steel thus in transit for delivery in states other than Pennsylvania. The great importance of transportation to the steel industry and of the steel industry to the railroads is shown by the fact that 12% of the railroads' freight is attributable to the activity of the steel industry.

An increasingly large part of this activity does not consist in processing goods in the expectation of future sales but is a direct response to the customer's order. The steel industry is becoming predominantly a special order business. It has been estimated that the industry must be prepared to produce no less than 100,000 variations of the approximately 500 different kinds of steel products. Though no one plant will meet all these needs, it will seek—particularly where it is large—to fill all the demands possible for a plant of its type; it will be ready to provide variations on its staple products. But to carry sufficient inventories of such varieties becomes an increasing burden. Thus, the consumer's order directly initiates particular plant activity and conversely, a breakdown in this activity makes likely stoppage of shipment. This is true of the Aliquippa Works, where most of the product is manufactured on special order.

The significance of the special order system, and the ramifying effect of stoppage, are made clearer by an inquiry into the uses of basic steel products. Steel, of course, is used to a great extent in operations involving further manufacture and transportation. Recent estimates show that about 20% of all steel products are used by the automobile industry. The railroads take nearly 12% of the steel output. Other important uses are food packing—9%; agricultural implements—5%; building and fabrication of materials for building—12%. Furthermore, a large pig-iron and ingot plant such as Aliquippa will produce semi-finished products to the order of special steel fabricators. About 30% of Aliquippa's sales are of semi-finished materials. A stoppage of steel production hinders the progress of and normal operations in these many industries which depend on steel.

The price system of the steel industry emphasizes the close relation between shipment and manufacture of the product. We refer to the famous basing point system of quoting prices. "The essence

of the multiple basing point system in the steel industry," says the Federal Trade Commission<sup>3</sup> of the price system now in use, "is to be found in its use of a device of calculation whereby buyers of a commodity located at any given point are charged by the industry a definite uniform price for delivery at that point, regardless of the point of shipment. . . ." This system enlarges the market in which many companies can compete, since it neutralizes transportation differentials based on differing distances between the plants of competitors and a given customer. It no doubt assists many of the companies in maintaining their great size, their broad structures of distribution, and their high degree of integration. It reveals fully the fact that transportation of the product is not only the final stage of that integration, but one which conditions the extent and nature of the earlier stages. The mining of materials, their transportation to and collection at a point, their transformation there into pig-iron, into steel shapes in all stages of finish, their reshipment for further fabrication, for use in railways, automobiles, buildings: all this is one giant, indivisible economic process: it is commerce among the states.

We conclude that the operations of the respondent constitute a continuous flow of trade, traffic, and commerce among the several states.

## II. ORGANIZATION OF THE UNION IN ALIQUIPPA

Aliquippa is a city of about 30,000 inhabitants, 10,000 of whom are employed by the respondent. Thus, one in every three is dependent upon the respondent for employment. Assuming that an average proportion of persons have families this means that nearly every one looks to the respondent for his livelihood. The respondent owns in Aliquippa a street railway system, a motor coach system, and the water supply system. It owns 128 acres of improved and unimproved property, approximately 1,174 acres of farm land, and 674 dwellings occupied by employees all located in and about Aliquippa. The respondent has its own police force—the "J & L Police."

On August 4, 1934, the Amalgamated Association of Iron, Steel and Tin Workers chartered the Beaver Valley Lodge, a labor organization, with the following officers and charter members: Harry V. Phillips, president; Angelo Volpe, vice president; B. S. McDonald, recording secretary; Martin Gerstner, financial secretary; James A. Dunn, treasurer; Andrew Smith, guide; Allen James, inside guard; E. L. Ponder, outside guard.

The union sought, thereafter, to organize the men in the Aliquippa Works. Their efforts were countered by systematic terror. Officers

<sup>3</sup> Report of Federal Trade Commission to the President with Respect to the Basing Point System, p. 2., November 1934.

of the union and organizers who came into Aliquippa were followed about by the private police of the respondent—the “J & L Police”. The more important union officers were honored by the respondent with permanent shadows and were followed even into the neighboring town of Ambridge where they carried on their activities because of the difficult situation in Aliquippa. The house of Gerstner, the financial secretary, at which an organization meeting had been held, was surrounded day and night by the J & L Police, and the employment agent of the respondent sat near Gerstner’s doorway noting down the names of those who entered the house. Persons coming out of the house were questioned. Some were mysteriously beaten and hit on the head while walking in the streets. A year earlier in August, 1933, a union organizer, John S. Moyer, had come to Aliquippa and distributed union pamphlets. As he went along the street he was set upon by two persons who beat him severely. He was then taken before a Justice of Police, fined \$5, and refused a transcript of record for purposes of appeal. Until he left town he was trailed by automobiles owned by the respondent.

The officers and organizers found it impossible, in August and September of 1934, to secure a public place in Aliquippa for a union meeting. They were refused the Italian Hall, the Slovak Hall, the Serbian Hall; they were refused the use of open lots. They held their meetings in an open lot in Ambridge, a town across the river from Aliquippa. In October, union officers complained of the Aliquippa situation to the Governor of the State. State police were sent to Aliquippa. On October 14, 1934 the first open meeting of the union was held in Aliquippa. It was addressed by Mrs. Pinchot, the wife of the Governor of the State.

In June, 1933 the respondent installed at Aliquippa a so-called “Plan of Employees’ Representation”. The plan provides for the number and qualification of representatives under the plan. Under the original plan a representative must have been in the employ of the respondent for a period of at least one year immediately prior to the day of his nomination. As amended in May 18, 1935 the requirement that the representative be an employee was suspended during the period that the National Industrial Recovery Act (NIRA) was in force. The plan provides for the election of officers, for meetings, and for settlement of grievances.

The question of adopting this plan was not, apparently, ever put to a vote of the employees. They were invited simply to elect employee representatives. In the elections in June, 1935 (after the NIRA had been declared unconstitutional) many employees—practically all concerned in this complaint—were urged two and three times by the respondent’s foremen and supervisors to vote in the election, which was being held on the respondent’s premises.

## III. THE UNFAIR LABOR PRACTICES

1. *Martin Gerstner*. Gerstner was employed by the respondent in 1930 and worked regularly until his discharge on December 14, 1935. He had worked previously for 15 years with the American Rolling Mill Company. He was first employed by the respondent as a wire man. He was transferred to the blooming mill, where, as a motor inspector, he was working at the time of his discharge. Gerstner was one of the charter members of the union; was financial secretary; and was extremely active in organization. The first meeting of the union in Aliquippa was held outside of his house. His house was watched by J & L Police; he was followed by them. In the summer of 1935 he was given less work than the other motor inspectors on the job, though some were junior to him in employment. The reason given for his discharge was that a nut had fallen off a crane which it had been his duty to inspect. Shortly before that a certain crane operator had operated a crane while intoxicated; another operated a crane without the required safety lock. Neither was disciplined. A third man who had mishandled a crane had been given one week off.

2. *Harry V. Phillips*. Phillips was a motor inspector in the soaking pits until his discharge on July 20, 1935. He was a charter member of the union and its first president. The day after he, with some others, applied for the union charter he was approached by the J & L Police and offered a job on the police force, at an increased wage. At the same time, he was questioned as to his visits to Ambridge. While distributing union literature and selling the union newspaper in the streets, he was questioned as to this activity by the J & L Police. Shortly after, on his way to work (at night) he was followed by a J & L Police car. He lost sight of the car. Passing an alley, he was stopped and was struck. He asked for police protection at the station. He was told, "Get the hell out of here. You don't deserve protection." In June, 1935, he spoke at three large meetings urging employees not to vote at the forthcoming employee representation election. He asked permission to attend a picnic of the Democratic Social Club. This was refused. His foreman told him, "If you want off for that picnic, you will have time to go to a lot of picnics in the future." The reason given for his discharge was a failure to answer certain whistles calling him to the scene of a breakdown. He had failed to answer two whistles. He had been working hard and had gone to the wash room. Because of this he had not heard the first whistle; the second he heard, but he saw a millwright go to answer it. His foreman reprimanded him, "You fellows coming out at night always want the millwrights to do all the work around here. You can get to hell out of here. You are going to have plenty of time to sell papers from now on." Shortly after Phillips' discharge, Gerst-

ner noted and called to the management's attention the failure of another inspector to answer a whistle. No action was taken against this inspector.

3. *Angelo Volpe*. Volpe was first employed by the respondent in 1914 as a laborer in the cold roll department. He was promoted in 1916 to the job of greaser at the rolls; two years later to the job of rougher. He quit in 1918 and returned in 1919. From 1919 to 1921 he was weigh master. From 1921 to 1930 he was foreman in the cold roll department. He was returned to common labor in 1930, because of his refusal to work on Easter Sunday. Shortly after he secured a job as crane operator and worked at that until his discharge on July 31, 1935. Volpe was a charter member of the union and its first vice-president. He distributed and sold union literature on the streets. He testified at the hearing held in 1934 by the National Steel Labor Board on complaint against the respondent. Shortly after he began to receive less regular employment. He was followed in the streets by J & L Police. He was told by them not to join the union. He was called into the office and told by the supervisor of his department, "At J & L we don't want no union in this town. This is a company town." He was told that the American Federation of Labor could do the workers no good and was crooked. On June 12, 1935, his foreman three times requested him to vote at the Employee's Representation election and threatened him with loss of his job if he did not. The foreman later apologized for this pressure. He said, "Angelo, if you want to make an affidavit outside go ahead, but I was forced to do it."

During all his 21 years with the respondent, Volpe was never, until April 29, 1935, criticized or laid off for cause. At this time he was laid off for 15 days, because he operated his crane on a head signal from his helper rather than on the formally required hand signal. The head signal, though not absolutely proper, is not unusual, the helper often having his arms engaged by his work. When he was discharged he was told that he had hit a man in the stomach with his crane. He was not asked if this were true; he was given no chance to defend himself. Volpe knows of nothing of this sort that happened on that day in connection with the operation of the crane. Shortly after his discharge, a craneman, John Pizak, spilled a load and endangered many lives. No action was taken against him.

4. *Angelo Razzano*. Razzano had been employed by the respondent as a tractor driver from 1928 until his discharge on January 13, 1936. He has been an active union member since the organization of the union. He signed 1,500 persons to membership; he has sold and distributed union literature in public places. He was called to the office of one of the plant superintendents and asked why he had

attended an organization meeting at Ambridge. The company, he was told, would not "stand for" the union. He was told that the union was corrupt, and "no damned good." The foreman told Razzano that he had special orders to keep Razzano busy and when asked why this was, the foreman said, "Do you know you are on the spot?" Razzano was discharged because it was claimed that while operating his tractor, he failed to close a door separating a part of the plant from a yard. To forget to close this door was a common occurrence. All tractor drivers have been guilty of it. Razzano had been told by the tractor foreman he was the best tractor driver that he had. One of the foremen later admitted to one of Razzano's fellow workers that Razzano's discharge was "more for his union activity, but that is what the slip called for, an open door."

5. *Royal Boyer*. Boyer, a Negro, was first employed by the respondent in 1924 as a common laborer. He was transferred to the nail department as a machine operator in 1932 and worked on the nail machine until his discharge on December 9, 1935. Boyer was an active union member from the beginning. He was a leader among the Negroes of whom there were about 800 in the plant. He signed about 250 to membership. He distributed union literature. He served on committees. One of the nail inspectors warned Boyer to pay more attention to work and leave the union alone and not attend the meetings. The same inspector told this to Boyer's wife. The first suspension Boyer had ever had as a nail cutter was in October, 1935; this was either because he was charged with making bad nails or had mixed good with bad. His final discharge was laid to his supposed making of bad nails. The container—"buggy"—into which he threw his finished nails was shared by another operator. Bad nails were found in the buggy. Four days later he was discharged. The other operator had often been charged with the production of bad nails. No action was taken against him.

6. *Eli Bozich*. Bozich was first employed by the respondent from 1921-1923. He was again employed in 1928 until his discharge on January 16, 1936. Until June, 1935 he was a swinger earning 60¢ an hour. He was asked twice by his foreman to vote at the election under the employee representation plan. Though he was not at work on the day of the election, someone was sent to fetch him to the plant to vote. He said he would not vote. Shortly after he was placed at common labor at 47¢ per hour. Bozich was an active union member from the beginning. He distributed union literature. He was disciplined by the respondent in September, 1934 for quitting work before time. He was disciplined again for not reporting to work. At this time he had been working only part time and it had been customary to call him when needed. He was discharged be-

cause he was found standing idle waiting to be instructed as to his next job.

7. *Martin Dunn*. Dunn had been employed by the respondent for 15 years as a crane operator when he was discharged on July 9, 1935. He has been a member of the union from the beginning. He has distributed and sold union literature. He is a half-brother of Harry Phillips, the president of the union. In early July he was questioned closely by his foreman as to whether he was a union member and as to whether the union's charter had not been revoked because certain of its papers had been lost or stolen. Dunn denied his membership and purported to know nothing about union affairs. He was then called into the office of an assistant superintendent and questioned again. He was told that "nothing but a bunch of cut-throats" would belong to the union. Four days before he was discharged Dunn left the key to his crane on a bench while he went up on it to grease it. When a craneman is away from his crane he must lock it and take the key with him so that no one else can operate it. It was not, however, unusual for a craneman to overlook or forget this duty. His foreman immediately followed him up the 300 steps of the crane to where he was working and pointed out the oversight. When discharged he asked, "What for?" "Nothing personal," his foreman replied.

8. *George Maroll*. Maroll was first employed by the respondent in 1921 as a crane operator. From 1921-1925 he was a millwright; from 1926 to his discharge on December 5, 1935 he was a machinist's helper. He has been a member of the union from the beginning. He has signed about 300 persons to membership. He has sold and distributed union literature. His foreman told him that he had a report of these activities; he asked Maroll as a personal favor not to join the union nor to carry union literature. He was urged to vote at the elections for employee representatives. Shortly before his discharge he was assigned to operate a drill press, work for which he had no training and for which he was not being paid. He protested. He was told that he must do the best he could. He spoiled some work. A few days later he was discharged. His discharge slip classified him as a "fitter," one who does highly skilled and highly paid work which he had never done.

9. *Domenic Brandy*. Brandy was employed by the respondent in 1910. For 14 years preceding his discharge on November 28, 1935 he was a "jig man" or coal washer. He was an active union member. He was a trustee of the union. A leader among the Italian workers, he has signed 665 employees to union membership. He has sold and distributed handbills and newspapers. He testified at the hearing before the Steel Board and soon found himself being given less work.

The supervisors and foremen talked to him continuously of the union, telling him how "rotten" it was, questioning him as to his union activities. He was laid off August 5, 1935, for a "bad sample", i. e., a sample of coal washed by him which was claimed to have been badly washed. This was the first time in his 14 years in this work that he had ever been so disciplined. He was discharged on Thursday, November 28, for the same reason. He asked when the sample had been taken. "Tuesday night," was the reply. "I guess that sample ain't mine," said Brandy, "because Tuesday nobody takes any sample." He was told to get out.

10. *Ronald Cox.* Cox had been employed 3½ years when he was discharged on January 7, 1936, the last 2½ years as a hoisting crane man. He has been a member of the union since its inception, has solicited members, has sold and distributed literature. In 1934 he was called into the office of the general manager and told that the union was a racket; that he was just paying his money to a bunch of big fat guys that sat back and smoked cigars; that if he persisted in affiliating himself with the union, the company could not tolerate his back rents, and would have to put him out of the house; that the local merchants would not extend any credit; that Jones & Laughlin would close the plant down and throw the key in the river before they would recognize an outside union. While he was being told this, the general manager wrote something on a paper. "Cox," he said, "any time you change your mind, come in and tell me, and I will tear this up." Cox was given less time. His immediate foreman would not talk to him. He had received safety awards for his work; he had never violated any of the rules for proper crane operation. He was placed on one of the cranes most difficult to operate. When he was discharged, it was necessary to secure a man from another department to operate it. On January 6, 1936 he came to work and went over to his crane. His foreman was present watching him. Cox mounted his crane and began to work the hooks to make a lift. The foreman came over and signaled him down. "Did you inspect the crane?" "Yes," replied Cox. "Did you try your limit stops?" "No," replied Cox. "Go back," said the foreman, "and get your check and go home." This foreman had once suggested to Cox that he "try the limit stops" in a certain way. Cox considered this not only unnecessary, but dangerous and pointed that out to the foreman, who had replied, "There is a whole lot in that." The foreman was not a crane man. Cox in his operating procedure followed the man who had instructed him. When Cox went for his check he heard his foreman talking over the phone. The foreman said, "He didn't try his limit stops. Is that enough?" Then he looked up and saw Cox, and said, "I can't talk to you now."

It is clear that the respondent discharged these ten men because of their union activity and for the purpose of discouraging membership in the union. The initial attempts of the union to organize in 1934 were met by violent terroristic action. The coming of the State Police made such action more difficult. The advent of NIRA gave a fillip to organization. But immediately after the invalidation of NIRA the respondent began anew its campaign, this time in a more subtle form. Great pressure was brought to bear on union members to make them vote under the employee representation plan. This was relatively unsuccessful. Foremen and supervisors of the respondent vilified the union, made the union leaders continuously conscious of the respondent's active hostility.

Then in July, 1935, scarcely a month after the invalidation of NIRA and just shortly after the employee representation elections, the president of the union, his half-brother, and the vice president were discharged. There followed a series of discharges, all of men active and vigorous in pursuit of the union's aims. Three of them were officers, others had special qualities as leaders of particular groups—Brandy, the Italian; Boyer, the Negro. In nearly every case the pattern is the same. The victim is an old employee—the least length of service seems to have been six years, the longest 26 years. During his entire employment he has served to the apparent satisfaction of the respondent. Then suddenly with seeming caprice he is discharged for a routine fault or omission, to which, normally, slight penalty or no penalty attaches. Some cases are clearer than others. Razzano, for eight years a top-notch tractor driver, is discharged for leaving open a door. Dunn, for 15 years a crane operator, is discharged for leaving a key on a bench. But the cases taken together reinforce each other, reveal the plan, the persistent attack from which each springs. We find that the respondent has discriminated with respect to hire and tenure of employment against the persons named in the complaint as amended, except Gulio Yacobucci and Marko Lukich, as to whom there is no evidence, for the purpose of discouraging membership in the union, and that by such acts, the respondent has interfered with, restrained, and coerced its employees in the exercise of the rights guaranteed in Section 7 of the Act.

In the past, disputes relating to the organizational activities of labor have seriously disrupted operations in the steel industry. There was the great steel strike of 1919 in which it is said more than 360,000 employees went out on strike because the steel companies refused to meet any union representatives whatsoever for the purposes of collective bargaining. Judge Gary of the United States Steel Corporation said at that time that it is "the policy of our corporation not to deal with union labor leaders." Coming to more recent times,

in 1934, 9,844 men suffered a loss of 264,810 man-days of work with consequent serious injury to industry and commerce. We find that the aforesaid acts of the respondent tend to labor disputes burdening and obstructing commerce and the free flow of commerce.

### CONCLUSIONS OF LAW

Upon the basis of the foregoing findings of fact the Board makes the following conclusions of law:

1. Beaver Valley Lodge No. 200, Amalgamated Association of Iron, Steel & Tin Workers of North America, is a labor organization, within the meaning of Section 2, subdivision (5) of the Act.

2. By its discharge of Domenic Brandy, Angelo Volpe, Harry V. Phillips, Martin Dunn, George Maroll, Royal Boyer, Martin Gerstner, Angelo Razzano, Eli Bozich, and Ronald B. Cox, and each of them, for the reason that they and each of them joined and assisted the union, the respondent did interfere with, restrain, and coerce, and is interfering with, restraining, and coercing its employees in the exercise of the rights guaranteed in Section 7 of the Act, and by all of said acts and each of them did thereby engage in and is thereby engaging in unfair labor practices, within the meaning of Section 8, subdivision (1) of the Act.

3. By its discharges of the persons aforesaid, as set forth in paragraph 2 hereof, and each of them, the respondent did discriminate and is discriminating in regard to the hire and tenure of employment of said persons and each of them, and did thus discourage and is thus discouraging membership in the union, and by all of said acts and each of them did thereby engage in and is thereby engaging in unfair labor practices, within the meaning of Section 8, subdivision (3) of said Act.

4. The unfair labor practices in which the respondent has engaged and is engaging are unfair labor practices affecting commerce, within the meaning of Section 2, subdivisions (6) and (7) of said Act.

### ORDER

On the basis of the findings and conclusions of law, and pursuant to Section 10, subdivision (c) of the National Labor Relations Act, the National Labor Relations Board hereby orders that the respondent, Jones & Laughlin Steel Corporation:

1. Cease and desist from in any manner interfering with, restraining or coercing its employees in the exercise of their rights to self-organization, to form, join or assist labor organizations, to bargain collectively through representatives of their own choosing, and to engage in concerted activities for the purpose of collective bargaining

or other mutual aid or protection, as guaranteed in Section 7 of the National Labor Relations Act;

2. Cease and desist from discouraging membership in the union or any other labor organization of its employees, by discrimination in regard to hire or tenure of employment or any term or condition of employment;

3. Take the following affirmative action which the Board finds will effectuate the policies of the Act:

(a) Offer to Domenic Brandy, Angelo Volpe, Harry V. Phillips, Martin Dunn, George Maroll, Royal Boyer, Martin Gerstner, Angelo Razzano, Eli Bozich, and Ronald B. Cox employment in the respective positions formerly held by them with all rights and privileges previously enjoyed; and

(b) Make whole said Domenic Brandy, Angelo Volpe, Harry V. Phillips, Martin Dunn, George Maroll, Royal Boyer, Martin Gerstner, Angelo Razzano, Eli Bozich, and Ronald B. Cox for any losses of pay they have suffered by reason of their discharge, by payment to each of them, respectively, of a sum equal to that which each would normally have earned as wages, at the rate set out in the appendix, during the period from the date of his discharge to the date of offer of employment as ordered hereunder, less amounts earned by each during such period;

(c) Post immediately notices to its employees in conspicuous places in each shop and yard of the Aliquippa Works stating (1) that the respondent will not discharge or in any manner discriminate against members of, or those desiring to become members of, Beaver Valley Lodge No. 200, Amalgamated Association of Iron, Steel & Tin Workers of North America, or persons assisting said organization or otherwise engaging in union activity, and (2) that such notices will be posted for a period of at least thirty (30) consecutive days from the date of posting.

And it is further ordered that the complaint be, and is hereby dismissed, without prejudice, with respect to Gulio Yacobucci and Marko Lukich.

#### APPENDIX

Name	Date of discharge	Rate of weekly pay (5-day week)
Domenic Brandy.....	November 28, 1935.....	\$26 00
Angelo Volpe.....	July 31, 1935.....	22 00
Harry Phillips.....	July 20, 1935.....	27 50
Martin Dunn.....	July 9, 1935.....	1 5 16
George Maroll.....	December 5, 1935.....	24 00
Royal Boyer.....	December 9, 1935.....	30 00
Martin Gerstner.....	December 16, 1935.....	27 50
Angelo Razzano.....	January 13, 1936.....	1 4 80
Eli Bozich.....	January 13, 1936.....	15 00
Ronald Cox.....	January 6, 1936.....	24 00

<sup>1</sup> Per day.