

In the Matter of OREGON WORSTED COMPANY, A CORPORATION and
UNITED TEXTILE WORKERS OF AMERICA, LOCAL 2435

Case No. C-65.—Decided June 11, 1936

Wool Yarn Industry—Interference, Restraint or Coercion: expressed opposition to labor organization; propaganda against union; denial of right of employees to be represented by non-employees—*Company-Dominated Union:* domination and interference with formation and administration; financial and other support; initiation and sponsorship; discrimination in favor of, in: benefits and privileges, recognizing as representative of employees; disestablished as agency for collective bargaining—*Discrimination:* transfer; discharge—*Reinstatement Ordered—Back Pay:* awarded.

Mr. E. J. Eagen for the Board.

Mr. Abe Eugene Rosenberg, of Portland, Ore., for respondent.

Green, Tanner & Boesen, by *Mr. K. C. Tanner*, of Portland, Ore., for the Union.

Mr. Isaiah S. Dorfman, of counsel to the Board.

DECISION

STATEMENT OF CASE

On November 26, 1935, United Textile Workers of America, Local 2435, hereinafter called the Union, filed with the Regional Director for the Nineteenth Region, a charge that the Oregon Worsted Company, Portland, Oregon, respondent herein, had engaged in and was engaging in unfair labor practices contrary to the National Labor Relations Act, approved July 5, 1935, hereinafter called the Act. On December 18, 1935, the National Labor Relations Board issued a complaint, signed by the said Regional Director, alleging that respondent had engaged in and was engaging in unfair labor practices affecting commerce within the meaning of Section 8, subdivisions (1), (2) and (3), and Section 2, subdivisions (6) and (7) of the Act.

In respect to the unfair labor practices, the complaint in substance alleged that respondent has interfered with and dominated the formation and administration of a labor organization of its employees known as the "Employees' Mutual Council", hereinafter called the Council, and has contributed financial and other support thereto; and that respondent discharged Sidney David Girard, a checker employed by it, on or about November 21, 1935, and has since said date refused to reemploy him, for the reason that he joined and assisted the Union.

The complaint and accompanying notice of hearing were duly served upon the parties. On December 24, 1935, an answer was filed

on behalf of respondent, which denied that respondent was engaged in interstate commerce; denied that its relations with its employees affected or tended to affect commerce; admitted that it had discharged Girard on November 21, 1935, but alleged that it had discharged him for deliberately violating rules of respondent, and not because he had joined and assisted the Union; denied that it had engaged and was engaging in unfair labor practices as alleged in the complaint; and averred that the Act, if construed to apply to it, was unconstitutional, and that particularly Sections 8, 9 and 10 of the Act were unconstitutional.

The notice of hearing fixed January 3, 1936 as the date of hearing. Respondent interposed a motion for a continuance, which the Regional Director, after a hearing, denied. He then reset the hearing for January 2, 1936, with the proviso that, if the hearing was not completed within three days, it should be continued to and proceed further on January 24, 1936. The hearing was had at Portland, Oregon, on January 2, 3, 4, 27, 28, 29, 30 and 31, 1936, before Harry M. Kenin, Trial Examiner designated by the Board, and testimony was taken. Full opportunity to be heard, to examine and cross-examine witnesses, and to introduce evidence bearing upon the issues was afforded to all parties.

Counsel for respondent moved to dismiss the complaint for the reasons that respondent is not engaged in commerce between the several States; that none of its activities are in or affect interstate commerce; that its employees are engaged only in Portland, Oregon, and solely in the manufacturing process; that the Act is totally void and unconstitutional; and that especially Sections 8, 9 and 10 of the Act are unconstitutional. The Trial Examiner reserved ruling upon this motion. Counsel for respondent also moved to strike paragraphs 2, 3, 4 and 5 of the complaint for the reason that said paragraphs were conclusions of law supported by no allegations of fact. The Trial Examiner reserved decision as to this motion also. At the conclusion of the testimony in support of the complaint, counsel for respondent moved to dismiss for failure to prove the facts alleged in the complaint. This motion the Trial Examiner denied. Much testimony and several exhibits were introduced in evidence over the objections of counsel for respondent. Oral argument was heard at the conclusion of the hearing.

On February 19, 1936, the Trial Examiner duly filed with the Regional Director an Intermediate Report in accordance with Article II, Section 30 of National Labor Relations Board Rules and Regulations—Series 1, in which he denied the two above-mentioned motions as to which he had reserved decision. The rulings of the Trial Examiner on motions and objections to the introduction of evidence are hereby affirmed. In the Intermediate Report the Trial Examiner

found that respondent had engaged in unfair labor practices within the meaning of Section 8, subdivisions (1), (2) and (3), and Section 2, subdivisions (6) and (7) of the Act. Thereafter, respondent filed a statement of exceptions to the Intermediate Report and to the rulings upon all motions and objections contained therein.

Upon the entire record in the case, the stenographic report of the hearing and all the evidence, including oral testimony and other evidence offered and received, the Board makes the following:

FINDINGS OF FACT

I. RESPONDENT AND ITS BUSINESS

Respondent is a corporation organized and existing under the laws of the State of Oregon. Its principal office and place of business is in Portland, Oregon, where it is engaged in the business of converting wool into yarn, and selling and distributing the yarn. It is the only mill of its kind west of the Mississippi River. There are approximately 100 such mills in the United States, most of them located along the Atlantic Coast. Respondent's mill, which is valued at approximately \$200,000, normally employs about 500 workers.

Wool, the principal raw material used in the manufacture of yarn, is purchased by respondent mainly from dealers in Portland, Oregon, although the points of origin of about 60 per cent of all the wool utilized by it are in States other than Oregon. Part of its wool purchases is made by a buyer who travels in and through the States of Oregon, Washington and Idaho. On occasions, Roy T. Bishop, president of respondent and manager of its mill, purchases wool while in States other than Oregon. The demand for yarn, indicated through orders and anticipated orders, determines the amount and quality of wool purchased. Railroads, trucks and, infrequently, boats are the instrumentalities for delivery of wool to respondent's mill. Fifteen per cent of respondent's wool purchases from States other than Oregon are consigned to respondent, the remainder to dealers, banks and brokers.

At the mill the wool is sorted and cleaned by a series of processes; the fibres are combed, straightened and sorted, and then rolled into balls or tops, some of which are dyed. The tops are stored for use in the manufacture of yarn as needed. Depending on the desired yarn, tops are blended, the fibres are further refined, wound on spools, doubled and redoubled, depending on the desired consistency, drawn fine, and spun into yarn. The single fibres of yarn are twisted and made into two, three and four "ply", reeled into skeins, inspected, bundled and placed in a stock room preparatory to shipment or dyeing and shipment. The three general types of yarn so produced are hand yarn for sale to retailers, and machine and weaving yarn for

the manufacture of fabrics. The total annual production at respondent's mill is valued at about \$1,500,000.

The destination of a portion of the finished yarn is known to respondent in some instances throughout and in others during only a part of the above-described process. "Single 15's, in the oil in tubes", are normally sold by respondent exclusively to the Foundation Worsted Mills, Washougal, Washington, a corporation, of which the aforementioned Roy T. Bishop is president. Likewise, yarn labelled "Department D" is known to be destined for shipment to the Foundation Worsted Mills throughout the said process. The dyeing of wool tops and yarn in colors other than standard is done only upon order. Yarn destined for shipment to the Jantzen Knitting Mills¹ is marked "Jantzen" while in process. Some of the "20's" and "26's" in process are labelled "New York." Ninety-three per cent of respondent's sales are made through its sales agencies operating on a commission or salary basis in New York City, New York, and Los Angeles and San Francisco, California. In San Francisco its sales agency is the Maypole Dye Works, a corporation of which Bishop is president and whose stock is substantially owned by respondent. In the conveyance of yarn to the three sales agencies, and to others, all forms of transportation are used. Respondent, which is consignee on 75 per cent of all such shipments, pays the freight charges. About 98 per cent of the hand yarn, constituting 20 per cent of respondent's total production, is sold to large merchandising concerns such as Woolworth's, Kresge's, and Penney's. Its machine and weaving yarn is sold principally to weaving mills and knitting mills in the North Atlantic States.

In the purchase of wool, the conversion of wool into yarn, and the sale and distribution of yarn, respondent's operations thus extend across the country from coast to coast in a closely integrated economic enterprise for the purposes of trade. Respondent is vitally dependent upon interstate transportation facilities and the continuous flow of commerce among the states. In turn, the weaving and knitting industries are in part dependent upon it, approximately 80 per cent of its finished products being utilized by those industries.

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

¹ The Application for Permanent Registration under Section 12 (b) of the Securities Exchange Act of 1934 of Securities Temporarily Registered, filed with the Securities Exchange Commission by Jantzen Knitting Mills on March 30, 1935, although not introduced in evidence, is a public document, and we take notice of the following facts stated therein: that Jantzen Knitting Mills and its French subsidiary, Societe Anonyme "Jantzen", manufacture and sell to retailers swimming suits; that a subsidiary of Jantzen Knitting Mills, Jantzen (Australia) Limited, manufactures and sells swimming suits and sports wear; and that Jantzen Knitting Mills and its subsidiaries sell their products in the principal countries of the world, either directly or through licensees.

II. THE UNFAIR LABOR PRACTICES

The Union, a labor organization, was formed among respondent's employees on May 26, 1934. In June, 1934, a Union committee of six employees, including Mrs. Olive Shaffer, requested a conference with Bishop, president of respondent, for the purpose of obtaining permission to post notices of union activities on respondent's bulletin boards. Carl Scheibert, foreman of the department in which Mrs. Shaffer was employed, saw her among the committee members. That afternoon he said to her, "Don't you know you are putting yourself on the spot by being with the committee? I know you need a job. Your husband is out of work. Your husband and you are friends of mine and I know you need the work. You know it is easy enough to frame anyone. All I would have to do would be to put you on the graveyard shift and then lay the graveyard shift off."

The following morning, when the conference with Bishop took place, Mrs. Shaffer was not present. Bishop denied the Union permission to post notices on the bulletin boards.

On July 19, 1934, a day when all employees received their pay, Bishop, at a meeting called by him, said to them in substance: that he was opposed to the American Federation of Labor union being formed at the mill; that the American Federation of Labor is in the same class as Communism, Fascism and Nazism; that should the employees become members of the Union, the Union would demand a closed shop, which would result in strikes; that in addition thereto employees would be compelled to join in sympathetic strikes; that respondent found it impossible at that time to operate the mill at a profit, but with the cooperation of the employees it would endeavor to continue operations; but that if Communism was to govern the mill, respondent could operate more cheaply in one of the Eastern States. He then held up for inspection of the employees the following sample ballot, which, he stated, he had caused to be printed at his own expense:

No. -----

I desire to express my interest in forming an Employees' Council and Benefit Association composed of employees of the Oregon Worsted Co.

Signed-----

No. -----

Tear Off and Keep This Duplicate Number.

Bishop went on to state that the employees were free to use their own judgment with reference to joining either or any labor organization; that he would prefer the ballots to be signed, but any person who did not care to affix his signature could in lieu thereof write an X; that ballot boxes would be placed in the mill to receive the ballots; and that he would not know how any individual voted. Ballots were then distributed among the employees, in some instances coincident with the pay envelopes. The result of the poll was not made known at the hearing.

One day between July 19 and August 6, 1934, during working hours, Alice Bishopp, an employee, and a member of the Union, was asked by Tillie Engel, head-doffer (or "straw-boss"), to sign a type-written statement which read as follows: "I desire to join the Oregon Worsted Company Employees' Mutual Benefit Association." When Alice Bishopp refused to sign it, Engel said, "You had better sign it." Bishopp again refused. On August 6, 1934, she was discharged, although no complaint was voiced as to her work. From the time that the Union was organized to about September 1, 1934, in addition to Bishopp, respondent discharged the following active members of the Union: Earle Vandermark, Mr. Shields, George Reimer, Charles Reimer and T. D. McCallum, the latter two being respectively the first and second presidents of the Union.

On August 28, 1934, pursuant to a petition filed by the Union, the Textile Labor Relations Board conducted an election among respondent's employees to ascertain the representative for purposes of collective bargaining. A majority of the employees voted in favor of the Council, represented by C. B. Wilson, Floyd Falkenberg, Agnes Dickerson, Jake Eberle and Alice Artadeus. The Textile Labor Relations Board did not, however, certify the Council as the representative of the employees for purposes of collective bargaining for the reason that the Union protested the conduct of the election.

Effective September 1, 1934, the Union called a strike which continued for about two months. The mill continued to operate, but on a considerably curtailed basis. During the course of the strike, movement of goods to and from the mill was 50 per cent less than normal.

On or about September 15, 1934, while the strike was in progress, one representative of the non-striking employees of each department of the mill met at the home of Zelma Dale, an employee, formally organized the Council, and nominated its officers. As thus organized the Council was a labor organization. The president of the Council testified that he did not know how the representatives were selected. At a meeting held in the mill about a week later, while

the strike was still in force, officers were elected as follows: Grafton Smith, president, Mr. Harris, vice-president, and Miss Wahl, secretary-treasurer. During the formative period, prior to the formal organization of the Council, its typing was done in the offices of respondent by respondent's stenographers. A letter signed by the Council dated October 5, 1934, and introduced in evidence, was admittedly so typed; this fact leads us to believe that the practice continued after the formal organization of the Council.

The strike was settled about November 1, 1934, through the offices of the Seattle Regional Labor Board of the old National Labor Relations Board. Thereafter, when respondent refused to reemploy a number of the striking employees, among them, Charles Meagher, president of the Union at that time, the Union filed a complaint with the Textile Labor Relations Board. A decision of that Board held that certain named employees should be reinstated. That decision was not complied with or enforced. The Council filed a bill in a United States District Court to enjoin respondent from complying with the decision. The bill was subsequently withdrawn, but was followed shortly by the Schechter decision² declaring the National Industrial Recovery Act, under which the ruling of the Board had been rendered, unconstitutional.

On June 18, 1935, a written agreement was entered into between respondent and a so-called "bargaining committee", consisting of the five employees who represented the Council on the ballot in the election of August 28, 1934. The agreement set forth in substance that respondent recognized the Council as a duly organized association of its employees; that it recognized the "bargaining committee" as the representative of the Council and of all its employees for the purpose of collective bargaining; and that all disputes between respondent and its employees would be "taken up" through the "bargaining committee." No provision was made for wages, hours, working conditions or duration of contract. Floyd Falkenberg, chairman of the "bargaining committee" and "straw-boss" in the hand yarn shipping department, testified that he told Bishop "the employees were going to draw up an agreement, and wanted to know if he thought we could agree on the recognition of the bargaining committee for the organization in the mill;" and that Bishop replied he "thought it would be agreeable, but of course he wanted to see the agreement." Bishop's cooperative attitude toward the Council thus appears in sharp contrast to his conduct in relation to the Union. The anaemic contract, although avowedly drawn by lawyers in the pay of the Council, could hardly have been more adroitly drafted on behalf of respondent. Thus the Council exchanged one favor for another.

² *Schechter v. United States*, 295 U. S. 495 (1935).

Respondent's relations with the Council and the Union did not change with the enactment of the Act on July 5, 1935. After that date a representative of the Union again asked permission to post notices of Union activities on respondent's bulletin boards, and was again refused; this in contrast to the regular posting of notices on respondent's clocks and bulletin boards announcing the activities of the Council.

On or about July 29, 1935, a committee of five Union members, consisting of three employees and two non-employees, requested respondent to confer concerning the reinstatement of the striking employees not reemployed since the strike. Bishop refused to permit the two non-employees to participate in the conference and insisted on meeting them separately. Respondent did not reinstate any employees as a result of the conference, but about three days later did transfer two of the three employee committeemen to the "graveyard shift", an undesirable shift from 11 P.M. to 6 A.M. This transfer was particularly ominous in the light of Scheibert's warning to Mrs. Shaffer above described. Bishop's insistence upon dividing the committee into employee and non-employee groups constituted an arbitrary and flagrant violation of the employees' right to self-organization. It is not for the employer to dictate the form of representation the employees shall have. By the same conduct, and by the transfer of the two committeemen, respondent clearly indicated to the employees its dislike for outside representation and preference for dealing directly with its own employees.

Sidney David Girard was employed by respondent on September 30, 1935, to pack hand and machine yarn, and to bale, weigh and check it. Mr. Long, then respondent's personnel manager, asked him whether he "intends to join a labor union." Girard expressed ignorance of unions. Long then said: "Well, you will have a lot better chance of keeping in the good graces of the company if you do not have any affiliation with the Union." On or about October 13, 1935, Girard became a member of the Union. Although a new member, he was asked to and did accept the presidency of the Union for the reason that he was unmarried and could therefore more readily risk the wrath of respondent than most of the members who had dependents.

On November 21, 1935, Girard was due to report for work at 2:30 P. M. He arrived at the mill at 1:53 P. M. with about 200 leaflets announcing a mass meeting of respondent's employees to be held on November 23. He proceeded through the mill, posting a notice on each of about ten departmental bulletin boards, and distributing some 15 or 25 leaflets to employees in the mill. Because of the area covered by the mill, about two and a quarter city blocks,

Girard hurried and did not tarry to speak to anyone, except to say a few words in passing to two foremen and the president of the Council. He then distributed some leaflets near the entrance to the mill to employees about to report for work on the afternoon shift, and finally, placed leaflets in cars parked near the mill. At 2:25 P. M. he reported for work.

When F. Van Landingham, personnel manager, saw one of the leaflets posted on a bulletin board he immediately informed Bishop of that fact. Van Landingham had previously seen notices of the Council posted on the bulletin boards, but had done nothing about it. Later, that afternoon, a meeting of all the foremen was called to determine what departments Girard had visited, whether he had violated the rules of respondent, and if he had, what the punishment should be. There was some division of opinion among the foremen, the precise nature of which is not disclosed by the record, due largely to the reluctance of respondent's witnesses to divulge that information. In any event, a majority of the foremen expressed the opinion that Girard ought to be dismissed. About 5 P. M. that afternoon he was discharged, allegedly for violating a rule of the mill prohibiting employees from visiting departments other than their own and talking to the employees at work. At the time of his discharge he was earning 37½ cents per hour, working eight hours per day, five days per week, and averaging \$14.60 per week.

The testimony showed that there were no written rules governing the conduct of the employees, except that forbidding smoking, and that rules were not orally conveyed to new employees, except by chance through those longer in respondent's employ or by admonition of foremen upon specific transgressions. Girard admitted that his foreman had on one occasion admonished him against excessive talking, and on another occasion against wandering to a department other than his own while on duty, but denied that he had ever heard of the latter rule in relation to employees off duty. The evidence as to this alleged rule is very confusing, and falls far short of proving that such a rule was in effect at the time of Girard's discharge. Respondent's admission that this was the first time any employee had ever committed such an offence throws further doubt on the existence of the rule. Rules, in ordinary human experience, are made to fit known patterns of behaviour.

Be that as it may, there is ample testimony that ordinarily respondent's rules were not rigidly adhered to: (a) It was customary for relatives to bring lunch baskets and messages to employees on duty; (b) Grafton Smith, president of the Council, spent considerable time while on duty conversing with employees in departments to which he was assigned, and also in departments in which he had

no duties; (c) Tillie Engel, who was active in the work of the Council, while on duty, almost every day delivered money and a list of names to the secretary of the Council. She also conversed with employees in her own and other departments. It will be noted that both Smith and Engel committed offences while on duty, which ordinarily would be considered a greater offence than similar activity while not on duty; (d) Leona Mathews, secretary of the Council, regularly arrived at the mill five minutes before her scheduled working time, walked through the main aisles of the twisting, spinning, dandy and drawing departments, on the way to her department, and collected dues for the Council from employees in the aisle. This is almost on all fours with Girard's alleged offence except that Mathews' pre-work activity was on behalf of the Council rather than the Union.

Smith and Engel, despite the repeated violations of rules, and Mathews in the face of regular and recurrent transgressions of the alleged rule invoked against Girard, were still employed by respondent on the date of the hearing. Finally, it must be said that respondent could have disciplined Girard in the usual manner by reprimanding or laying him off temporarily, but chose instead to apply the most severe penalty at its command. We conclude that had Girard distributed leaflets dealing with any subject other than the Union, if he had been disciplined at all, it would not have been by loss of his job.

It is clear, therefore, that Girard was discharged because of his activity on behalf of the Union and not for violating any rule of respondent. Long's prophecy had been fulfilled. That the employees so interpreted respondent's conduct is readily discernible from the following figures: On November 20, 1935, a day before Girard's discharge, there were 79 members in the Union, 17 of whom were delinquent in the payment of dues. On January 3, 1936, the date of the hearing, there were 81 members, 67 of whom were delinquent in the payment of dues.

We find that respondent has discriminated in regard to the hire and tenure of employment of Girard for the purpose of discouraging membership in the Union, and that by such act, respondent has interfered with, restrained and coerced its employees in the exercise of the rights guaranteed in Section 7 of the Act.

The discharge of Girard is the last of a long series of steps taken by respondent, the purpose of which now stands out in clear relief. Two major objectives are patent: (1) to destroy the Union; and (2) to foster the Council. In the first category may be listed: Bishop's expressed hostility against the Union on July 19, 1934; Scheibert's intimidation of Mrs. Shaffer in connection with her presence on the

Union committee; the denying of permission to post notices of Union activities on respondent's bulletin boards; Bishop's refusal to meet with a Union committee consisting of employees and non-employees; Long's warning against Union affiliation; and the discharge of Alice Bishopp, Vandermark, Shields, George Reimer, Charles Reimer, T. D. McCallum and Girard, the latter three presidents of, and the others otherwise active in the Union.

In the second category are the following: Bishop's introduction and sponsorship of the Council plan; the holding of the meeting at which officers of the Council were elected in the mill; the stenographic aid given by respondent to the Council prior to and after the formal organization of the Council; the ready signing of an agreement by respondent recognizing the Council as the collective bargaining agency of its employees; permitting the Council to post its notices on respondent's clocks and bulletin boards; and the special privileges permitted Smith, Engel and Mathews, active Council members.

From the accumulation of the evidence, we conclude that the Council is an organization superimposed by respondent on its employees, and that the Council owes its creation and continued existence to the encouragement and affirmative acts of respondent.

We find that respondent has dominated and interfered with the formation and administration of the Council and has continued support to it, and that by said acts, respondent has interfered with, restrained and coerced its employees in the exercise of the rights guaranteed in Section 7 of the Act.

III. EFFECT OF UNFAIR LABOR PRACTICES ON COMMERCE

We found above that respondent's mill was merely one point in the stream of interstate commerce; wool being brought and conveyed to it from States other than Oregon, as well as from Oregon, and almost all of the finished yarn being sold and transported to States other than Oregon for further manufacture or for sale to wholesalers and retailers; all of which constitute intercourse among the several states for purposes of trade.

We found further that during the course of the strike at respondent's mill in September, and October, 1934, the flow of goods to and from the mill was 50 per cent less than normal. In the woolen and worsted goods industry, of which respondent's mill is a part, in the year 1934, there were 27 strikes and lockouts, involving 75,876 workers and causing 874,500 man-days of idleness. Of these strikes and lockouts, 16 grew out of disputes relating to organization of employees for purposes of collective bargaining, involving 72,890 workers, and resulting in 833,598 man-days of idleness. Of the 16 strikes, seven were directly traceable to disputes arising out of discrimination

against employees for Union affiliation, involving 4,715 workers and causing 42,008 man-days of idleness. In the first six months of 1935, in the same industry, there were 11 strikes and lockouts, involving 5,718 workers and resulting in 183,896 man-days of idleness. The 11 strikes and lockouts included two which arose out of discrimination against employees for union affiliation, involving 240 workers and causing 11,580 man-days of idleness.

We find that the aforesaid acts of respondent have led and tend to lead to labor disputes burdening and obstructing commerce and the free flow of commerce.

THE REMEDY

Having found that respondent caused the Council to come into being, dominated and interfered with its administration, and contributed support to it, it follows indubitably that the Council cannot serve the employees as a genuine collective bargaining agency, and should be disestablished. We so provide in our order.

Respondent urges the Board not to order reinstatement of Girard for two reasons. First, because the work he formerly performed for respondent has diminished and is now divided up among a number of girls, who also perform other tasks; and second, because since Girard's discharge respondent has learned that in November, 1934, in the State of Washington, he was convicted of the crime of malicious destruction of property in the sum of \$500, growing out of intoxication. As to the first ground, the record indicates that Girard was employed by respondent as an inexperienced worker, and that he learned his work well, and was complimented by his foreman on the thoroughness of his sheets. In all likelihood, therefore, it will not be difficult for him to adapt himself to new work. Considering all the facts, therefore, we shall not order respondent to reinstate Girard to his former position, but merely to one that is substantially equivalent, in wages and in type of work, to his former position.

As to the second ground, respondent pleads that if reinstated Girard will be in a position to sabotage the work of the mill. The conclusive answer to this contention is that Girard worked for respondent almost two months to its entire satisfaction. We believe respondent's fears to be unwarranted.

CONCLUSIONS OF LAW

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

(1) United Textile Workers of America, Local 2435, is a labor organization, within the meaning of Section 2, subdivision (5) of the Act.

(2) The Employees' Mutual Council is a labor organization, within the meaning of Section 2, subdivision (5) of the Act.

(3) By its domination and interference with the administration of the Employees' Mutual Council, and by contributing support thereto, respondent has engaged in and is engaging in unfair labor practices, within the meaning of Section 8, subdivision (2) of the Act.

(4) By discriminating in regard to the hire and tenure of employment of Sidney David Girard, respondent has engaged in and is engaging in unfair labor practices, within the meaning of Section 8, subdivision (3) of the Act.

(5) By interfering with, restraining and coercing its employees in the exercise of the rights guaranteed in Section 7 of the Act, respondent has engaged in and is engaging in unfair labor practices, within the meaning of Section 8, subdivision (1) of the Act.

(6) The unfair labor practices in which respondent has engaged and is engaging are unfair labor practices affecting commerce, within the meaning of Section 2, subdivisions (6) and (7) of the 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 respondent, Oregon Worsted Company, and its officers and agents, shall:

(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 Act;

(2) Cease and desist from encouraging membership in the Employees' Mutual Council or any other labor organization of its employees, or from discouraging membership in the United Textile Workers of America, Local 2435, or any other labor organization of its employees, by discrimination in regard to the hire and tenure of employment or any term or condition of employment, or by threats of such discrimination;

(3) Cease and desist from in any manner dominating or interfering with the administration of the Employees' Mutual Council, or any other labor organization of its employees and from contributing support to such council or any other labor organization of its employees, except that nothing in this paragraph shall prohibit respondent from permitting its employees to confer with it during working hours without loss of time or pay;

(4) Take the following affirmative action, which the Board finds will effectuate the policies of the Act:

(a) Offer to Sidney David Girard immediate reinstatement to a position substantially equivalent, in wages and in type of work, to that which he held prior to his discharge;

(b) Make whole said Sidney David Girard for any loss of pay he has suffered by reason of his discharge by payment of a sum of money equal to that which he would have normally earned as wages during the period from the date of his discharge to the date of such offer of reinstatement, less any amounts earned by him during such period;

(c) Withdraw all recognition from the Employees' Mutual Council as representative of its employees for the purpose of dealing with respondent concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work; and

(d) Post notices in conspicuous places on each of the bulletin boards of its mill at Portland, Oregon, stating: (1) That the Employees' Mutual Council is disestablished, and that respondent will refrain from any recognition thereof; (2) That respondent will cease and desist in the manner aforesaid; and (3) That such notices will remain posted for a period of at least thirty (30) consecutive days from the date of posting.