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UNEMPLOYMENT COMPENSATION

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Members of the United Mine Workers of America were working under a contract between the union and the Indiana Coal Operators

Association which contract expired on March 31, 1941. Negotiations for new working contracts were in progress, but, because labor and management had been unable to agree on a temporary working contract, the employees stopped work on March 31, 1941. For the period of their unemployment, these workers claim benefits under the Unemployment Compensation Act. The Review Board granted the claim and the employer brought an action to question the decision. Held, claim denied. Walter Bledsoe Coal Co. et al. v. Review Board of Employment Security Division of Department of Treasury et al., —— Ind. ——, 46 N.E. (2d) 477 (1943).

The instant case presented for the first time in Indiana the question of whether employees engaged in a "labor dispute" can recover benefit payments under the Unemployment Compensation Act. In rejecting the argument that the unemployment was due solely to the expiration of the labor contract and holding the facts of this case to constitute a "labor dispute" within the disqualifying provision of the statute, the Indiana court followed the clear weight of authority among the states having substantially identical statutes. Most of the cases on this point involve the same labor union and the expiration of similar labor contracts. Ex parte Pesnell, 240 Ala. 457, 199 So. 726 (1940); Department of Industrial Relations v. Pesnell, 29 Ala. App. 528, 199 So. 720 (1940), cert. denied, 313 U.S. 590 (1941); Dallas Fuel Co. v. Horne et al., 230 Iowa 1148, 300 N.W. 303 (1941); Deshler Broom Factory v. Kinney et al. v. —— Neb. ——, 2 N.W. (2d) 332 (1942); Miners in General Group et al. v. Hix et al., 123 W. Va. 637, 17 S.E. (2d) 810 (1941); Note (1941) 135 A.L.R. 920. Although the court in the instant case found a strike existed, it is suggested in Ex parte Pesnell, supra, that a strike or lockout need not be involved to constitute a "labor dispute" as such is not required by definition or by statute.

The Indiana Supreme Court ignored the question of whether federal statutory definitions of "labor dispute" would be applicable. Norris-LaGuardia Act, 47 Stat. 73 (1932), 29 U.S.C.A. §113 (c) (1940); National Labor Relations Act, 49 Stat. 450 (1935), 29 U.S.C.A. §152 (9) (1940). The Appellate Court definitely rejected these definitions, instant case, 43 N.E. (2d) at 1021 (Ind. App. 1942), but most of the cases on this question utilize this source as illustrative, even if not binding. Ex parte Pesnell, supra; Department of Industrial Relations v. Pesnell, supra; Dallas Fuel Co. v. Horne, supra; Miners in General Group et al. v. Hix et al., supra. Contra, Department of Industrial Relations v. Drummond, —— Ala. App. ——, 1 So. (2d) 395 (1941).

The court fortified its decision by reference to the statutory declaration of the purpose of this act which includes payment of benefits "to persons unemployed through no fault of their own . . . . " Ind. Stat. Ann. (Burns, 1933) §52-1501. The word "fault" was construed to mean failure to work or volitional unemployment without regard to the legality of such conduct. The court concluded that the purpose of the act was "to provide benefits to those who were involuntarily out of employment and not to finance those who were willingly and deliberately refusing to work because of a failure of their employer to accede to demands for higher wages."