solely on the basis of federal incorporation in 1882,[791] deprived railroads holding federal charters of this right in 1915,[792] and finally in 1925 removed from federal jurisdiction all suits brought by federally chartered corporations on the sole basis of such incorporation, except where the United States holds at least half of the stock.[793]

Federal Questions Resulting from Special Jurisdictional Grants.—In the Labor-Management Relations Act of 1947, Congress authorized federal courts to entertain suits for violation of collective bargaining agreements without respect to the amount in controversy or the citizenship of the parties.[794] Although it is likely that Congress meant no more than that labor unions could be suable in law or equity, in distinction from the usual rule, the Court construed the grant of jurisdiction to be more than procedural and to empower federal courts to apply substantive federal law, divined and fashioned from the policy of national labor laws, in such suits.[795] State courts are not disabled from hearing actions brought under the section,[796] but they must apply federal law.[797] Developments under this section illustrate the substantive importance of many jurisdictional grants and indicate how the workload of the federal courts may be increased by unexpected interpretations of such grants.[798]

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[791] § 4, 22 Stat. 162.

[792] § 5, 38 Stat. 803.

[793] *See* 28 U.S.C. § 1349.

[794] § 301, 61 Stat. 156 (1947), 29 U.S.C. § 185.

[795] Textile Workers of America v. Lincoln Mills, 353 U.S. 448 (1957). Earlier the Court had given the section a restricted reading in Association of Employees v. Westinghouse Electric Corp., 348 U.S. 437 (1955), at least in part because of constitutional doubts that § 301 cases in the absence of diversity of citizenship presented a federal question sufficient for federal jurisdiction. Id. at 449–52, 459–61 (opinion of Justice Frankfurter). In *Lincoln Mills*, the Court resolved this difficulty by ruling that federal law was at issue in § 301 suits and thus cases arising under § 301 presented federal questions. 353 U.S. at 457. The particular holding of *Westinghouse*, that no jurisdiction exists under § 301 for suits to enforce personal rights of employees claiming unpaid wages, was overturned in Smith v. Evening News Ass'n, 371 U.S. 195 (1962).

[796] Charles Dowd Box Co. v. Courtney, 368 U.S. 502 (1962).

[797] Teamsters v. Lucas Flour Co., 369 U.S. 95 (1962). State law is not, however, to be totally disregarded. "State law, if compatible with the purpose of § 301, may be resorted to in order to find the rule that will best effectuate the federal policy . . . . Any state law applied, however, will be absorbed as federal law and will not be an independent source of private rights." Textile Workers Union v. Lincoln Mills, 353 U.S. 448, 457 (1957).

[798] For example, when federal regulatory statutes create new duties without explicitly creating private federal remedies for their violation, the readiness or unreadiness of the federal courts to infer private causes of action is highly significant. Although inference is an acceptable means of judicial enforcement of statutes, *e.g.*, Texas & Pacific Ry. v. Rigsby, 241 U.S. 33 (1916), the Court began broadly to construe statutes to infer private actions only with J. I. Case Co. v. Borak, 377 U.S. 426 (1964). *See* Cort v. Ash, 422 U.S. 66 (1975). More recently, influenced by a separation of powers critique of implication by Justice Powell, the Court drew back and asserted