



President Roosevelt signs National Industrial Recovery Act, June 1933. Senator Robert F. Wagner of New York is second from left.

NATIONAL INDUSTRIAL RECOVERY ACT

PRESIDENT FRANKLIN Delano Roosevelt's New Deal Administration committed the nation to an unprecedented program of government-industry cooperation. Typifying this approach was the National Industrial Recovery Act (NIRA) of 1933.

The NIRA suspended the antitrust laws to permit employers within a single industry to form trade associations that set production quotas or fixed prices under "Codes of Fair Competition."

In return, employers stipulated that the Codes would establish minimum wages, maximum hours and other conditions of employment. To encourage participation by unions, Section 7(a) of the NIRA guaranteed employees "the

right to organize and bargain collectively through representatives of their own choosing" without employer interference or coercion.

Additionally, it provided that employers should not require employees to join company unions or prohibit them from joining unions of their choice.

While lacking the enforcement machinery, the declaration of labor policy set forth in Section 7(a) had a profound impact on the course of labor relations. The provision heightened organizing activity. Unions used it as a basis for telling unorganized workers in organizing campaigns that President Roosevelt wanted them to join unions.

NATIONAL LABOR BOARD

1. Charles T. Coiner of Philadelphia, Pa., displays NRA Eagle, the insignia he created, July 1933.



THE RENEWED interest in organizing, together with the refusal of many employers to recognize the unions their employees wanted, triggered strikes in support of the organizing drives. By August 1933, the situation had become so severe that President Roosevelt created a National Labor Board to bring about compliance with Section 7(a) and to mediate labor disputes.

He made Senator Robert F. Wagner of New York its chairman. Three industry representatives were selected for the NLB by the National Recovery Administration's Industry Advisory Board, and three labor members were picked by the NRA's Labor Advisory Board.

In December 1933, the President formalized the powers of the NLB with an executive order. Two months later he signed Executive

Order 6580 authorizing the NLB to conduct union representation elections and handle violations of the NIRA codes.

The NLB, however, lacked any real power. The authority of the National Recovery Administration, which administered the Act, was limited to withdrawing an employer's privilege of displaying the Blue Eagle, emblematic of NLRA participation.

By June 1934, when the NLB's authority expired, only four employers had been deprived of the Blue Eagle for violations of Section 7(a). Despite its problems in achieving voluntary compliance with Section 7(a), the NLB managed to settle 1,019 strikes, avert 498 others, and settle 1,800 other types of labor disputes.

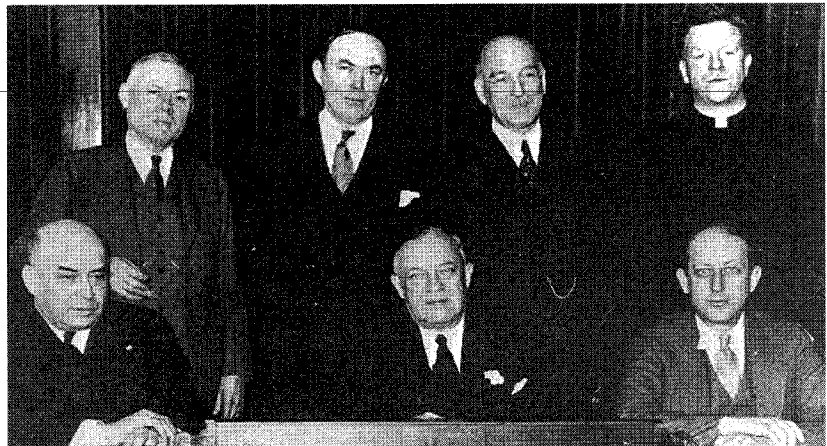
STRONGER AGENCY SOUGHT

FRUSTRATED by the NLB's failure to achieve voluntary compliance with Section 7(a), Senator Wagner introduced a bill in February 1934 to set up a permanent tripartite agency that would mediate labor disputes. The new board would be empowered to conduct representation elections and to prevent "unfair labor practices" by issuing cease-and-desist orders. The bill encouraged collective bargaining and prohibited employers from interfering with the right of employees to organize.

Management groups attacked the proposed measure as pro-union and unconstitutional, and it failed to gain enough support for passage. However, the doomed bill set the stage for Congressional approval for a compromise.

2. National Labor Board after six months, January 1934.

Seated (from left): Louis E. Kirstein, Chairman Wagner, Leo Wolman. Standing (from left): William Green, George Berry, Pierre S. DuPont, Father Francis J. Haas.



“OLD NLRB”

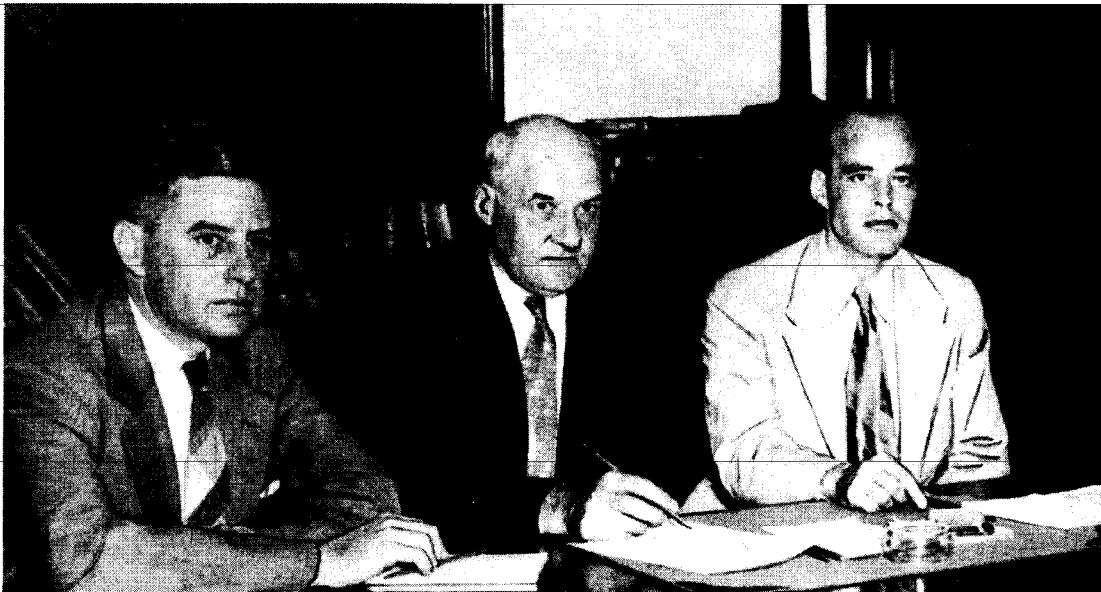
FACED WITH mounting labor disputes, Congress in 1934 passed joint Public Resolution No. 44, authorizing the President to establish a new board as part of the NIRA. The board, called the National Labor Relations Board, would later be known as the “Old NLRB.”

Unlike the tripartite NLB, this “Old NLRB” was composed of three public members. President Roosevelt named as its first chairman the dean of the University of Wisconsin Law School, Lloyd K. Garrison. After several months, Garrison resigned and was replaced by Francis Biddle, a corporate attorney from Philadelphia who later was to become the U.S. Attorney General.

The other members were Harry A. Millis, a labor economist from the University of Chicago, and Edwin S. Smith, former Commissioner of Labor and Industries for the state of Massachusetts.

The “Old NLRB” was powerless to enforce Section 7(a), just as the NLB had been, but it was able to achieve compliance from many cooperative employers in the public spirit of the era, which looked to the NIRA to restore the economy to better times. Its decisions also provided a foundation for an emerging national labor policy of collective bargaining.

The “Old NLRB” was first housed at the former NLB offices in the Department of Commerce building and later relocated to the



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1. Above, first meeting of the “Old NLRB” in July 1934. From left: Edwin S. Smith, Harry A. Millis, and Chairman Lloyd Garrison.

2. At left, Sen. Wagner, AFL President William Green, and Secretary of Labor Frances Perkins at Senate Labor Committee hearing on Wagner bill, March 1935.

Department of Labor building. Secretary of Labor Frances Perkins tried unsuccessfully to have the "Old NLRB" placed under the Labor Department's control.

During the 1933-35 period of the NIRA boards, the labor movement grew at an unprecedented pace. It also became more militant. Strikes were widespread and the economy remained depressed.

The voluntary codes of the NIRA collapsed in May 1935, when the Supreme Court ruled that the NIRA was unconstitutional. Meanwhile, however, plans were unfolding in Congress for a new law.



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1. Home of the "Old NLRB," Department of Commerce building, Washington, D.C., 1934.

2. Benedict Wolf, Executive Secretary of the National Labor Board (1933-1934) and of the "Old" NLRB (1934-1935). He was the first Secretary of the Board after the Wagner Act. At the same time he also served as the first Chief Trial Examiner.

3. *San Francisco Examiner*, May 28, 1935.