Chapter I.

Origins

When President Chester A. Arthur signed the bill creating the Bureau of Labor in the Department of the Interior on June 27, 1884, it was the culmination of almost two decades of advocacy by labor organizations that wanted government help in publicizing and improving the status of the growing industrial labor force.

Those two decades had seen vast changes in the American economy and society. A truly national economy was developing, epitomized by the transcontinental railroads. Industry was attracting increasing numbers of unskilled workers, recruited from among immigrants, freedmen, women, and children, into the urban centers. And, with the emergence of the industrial worker, unemployment, slum conditions, and labor unrest were on the rise.

The altruistic concerns of social reformers, largely directed against slavery in the pre-Civil War period, increasingly focused on ameliorating the conditions of American workers—men, women, and children. Some of these reformers supported the emerging national unions as aids to such amelioration. Further, they challenged the prevailing view that the primary role of government was to preserve order and protect property and that control of the economy was to be left to the captains of industry. They believed that the state should have an ethical and educational role, one that was indispensable to human progress.

It was in this era of ferment and demands for reform that the Bureau of Labor was born.

The campaign for a national labor agency

The campaign for a national labor agency had begun with the call for a Department of Labor at the 1867 convention of the short-lived National Labor Union.[1] In 1869, in response to the growing strength of a labor reform party in the State, Massachusetts established the first State bureau of labor statistics. But, under the leadership of labor activists, the new agency stirred controversy which almost destroyed it. In 1873, the governor appointed as chief Carroll D. Wright, a former State legislator who was not associated with the labor reformers, and Wright soon put the bureau on solid ground. Other States followed suit, and, within 10 years, 12 more States had established labor bureaus.

On the national scene, the Industrial Congress, later renamed the Industrial Brotherhood, carried on the fight but did not survive the depression years of the mid-1870's. Then, in 1878, the Knights of Labor adopted the preamble of the Brotherhood almost verbatim, calling for "the establishment of Bureaus of Labor Statistics" at the various levels of government.[2] That same year, a Select Committee of the U.S. House of Representatives held hearings on the causes of the general depression. In their testimony, Hugh McGregor, later a leader in the American Federation of Labor, and George E. McNeill, former Deputy Chief of the Massachusetts agency, called for a Federal Bureau of Statistics or Ministry of Labor to gather facts and figures.[3]

From its founding in 1881, the Federation of Organized Trades and Labor Unions, later reorganized as the AFL, joined the drive. At its first convention, the Federation urged the passage of an act establishing a national Bureau of Labor Statistics. The 1883 convention endorsed the creation of a Department of Industry and Statistics to collect "such facts as will tend to bring before the United States Congress each year the true condition of industry in all its departments."[4]

In Senate hearings on the relationship of capital and labor in 1883, union leaders testified in favor of a national Bureau of Labor Statistics. Samuel Gompers, chairman of the legislative committee of the Federation, felt that Congress should no longer be able to justify its inaction on labor matters by pleading ignorance of workers' conditions. A national Bureau "would give our legislators an opportunity to know, not from mere conjecture, but actually, the condition of our industries, our production, and our consumption, and what could be done by law to improve both [sic]." He cited the useful role of existing State statistical agencies as exemplified by a recent investigation of factory working conditions by the Massachusetts Bureau of Statistics of Labor under the direction of Carroll D. Wright.[5]

Wright appeared as an expert witness. He administered the Massachusetts Bureau, in his words, "as a scientific office, not as a Bureau of agitation or propaganda, but I always take the opportunity to make such recommendations and draw such conclusions from our investigations as the facts warrant." He stressed that the agency should be free of political influence. There was need for Federal "investigations into all conditions which affect the people, whether in a moral, sanitary, educational, or economic sense," thus adding "to the educational forces of the country a sure and efficient auxiliary." The resultant statistical progress of the Nation would indicate "its great progress in all other matters."[6]

In 1884, backed by the powerful Knights of Labor and the Federation, the establishment of a national Bureau was included in the platforms of both parties. In the same year, the House passed a bill establishing a Bureau of Labor, but in the Senate, Nelson W. Aldrich of Rhode Island secured an amendment putting the Bureau under the Department of the Interior. Attempts to ensure that the head of the agency would be identified with workers failed.

In the debate on the issue, Representative James H. Hopkins of Pennsylvania pointed out, "A great deal of public attention in and out of Congress has been given to the American hog and the American steer. I submit, Mr. Chairman, that it is time to give more attention to the American man."[7] Hopkins and Senators Henry W. Blair of New Hampshire and George F. Hoar of Massachusetts emphasized that the primary function of the new agency would be to collect information.

Southerners provided the main opposition. Senator Morgan of Alabama attacked "the disposition to pry into the affairs of the people" that had given rise to the desire to mount an "inquisition" on labor conditions.[8] Criticism was also forthcoming in editorials of *The New York Times*, which viewed the proposed new agency as "a fine bit of Congressional witlessness," arguing that the work could and should be done in some existing agency.[9]

Overwhelming majorities in both houses approved the establishment of the Bureau of Labor in the Department of the Interior, and the bill was signed by President Arthur on June 27. The statute provided for a Commissioner of Labor to be appointed by the President for a 4-year term, whose mission was to "collect information upon the subject of labor, its relation to capital, the hours of labor and the earnings of laboring men and women, and the means of promoting their material, social, intellectual and moral prosperity."

The new Bureau was a compromise arrangement, providing only factfinding authority and limited funds. Labor organizations had sought more; opponents had wanted less.

Appointing the first Commissioner

Activation of the new Bureau took an additional 6 months, however, as candidates for Commissioner presented themselves and others were offered. The process stirred considerable controversy, and the results set a permanent stamp on the Bureau.[10]

Initially, the candidates came from labor organizations. Terence V. Powderly, Grand Master Workman of the Knights of Labor, applied to Arthur for the position, arguing that the Knights were "the first and the only national organization" pressing for the Federal agency and the group primarily responsible for the establishment of the various State bureaus.[11] Through the Knights' *Journal of United Labor*, Powderly urged passage of resolutions supporting his candidacy. At a meeting with the President, he presented more than 1,500 petitions requesting his appointment.

Considering Powderly too controversial, Arthur looked for other candidates associated with labor. He turned to John Jarrett of the Iron and Steel Workers but dropped him because of the labor leader's political statements. Then he considered others, such as Miles S. Humphreys, a steel puddler who served in the Pennsylvania legislature and as Chief of the Pennsylvania Bureau of Statistics. Apparently the President even wrote nomination papers for John Fehrenbatch, former General Chief Engineer of the Brotherhood of Locomotive Engineers and, at the time, Supervising Inspector of Steamboats for the Ohio River District, only to withdraw his name because the Tenure of Office Act prohibited the holding of two Federal offices at one time.[12]

In the meantime, at its 1884 convention, the AFL passed a resolution to "respectfully but earnestly protest against the attitude assumed by President Chester A. Arthur in refusing to appoint a chief of the Labor Bureau of Statistics."[13]

The New York Times declared that the work "ought to be in the hands of some man of a judicial turn of mind who has no interest in the results to be shown other than that of presenting the absolute truth and such conclusions as spring naturally from the facts and figures."[14] The St. Louis *Globe Democrat* offered a more specific suggestion: "A Bureau of Labor Statistics which the new national institution would do well to take for a model has existed in Massachusetts for several years. . . . President Arthur, by the way, might have wisely put Colonel Wright in charge of the National Labor Bureau, with these inquiries in view on a broad scale."[15]

Wright's name had been presented to Arthur from several sources. One report to the President described Wright as "Chief of the Bureau of Labor Statistics. Not a labor man. Excellent statistician, but will not especially gratify Labor. Moderate Republican. No political aspirations."[16]

Finally, in January 1885, Arthur named Wright. *The New York Times* editorialized, "No better appointment could be made, and Mr. Wright's selection in the first place would have been much better than the attempt to win the favor of the labor organizations of the country by naming for the place someone prominently identified with them."[17]