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## CHAPTER V

### Unions Under the Recovery Administration

THE persistent decline in union membership, which began in 1921 and was interrupted only nominally in 1927, ended in 1933. Within the following year the number of union members increased over 600,000. Membership in 1934 was thus restored to almost the level of 1923, in the post-War period, and to above that of 1918, during the War. The recorded gain in this single year almost equalled the total loss in the decade 1923-33, and it exceeded the entire decline during the recent depression. Final membership data for the next year, 1935, are not at this time available; but preliminary figures indicate that the advance has continued, though at a considerably slower rate.

The causes of these recent changes in unionism are, against the background of the history of organized labor in this country, of more than passing interest. Although the downward trend of business activity and employment was unmistakably reversed about the middle of 1933 and the upward movement has continued with brief interruptions since, the gains in union membership cannot be ascribed mainly to the effects of the forces of industrial recovery. In many important industries employment and payrolls remain far below the levels of the pre-depression period. Large reserves of unemployed exist throughout the American labor market, and the proportion of the population on public relief rolls continues at unprecedented heights. Expanding production

and a tight labor market, which historically account for the major spurts in membership and obviously explain much of the growth of trade unionism during the War and the first post-War boom have certainly not been equally influential factors in the present situation. Even if we accept the most extreme estimates of the alleged increase in technological unemployment during the 1920's, the contrast between the steady decline in membership throughout the prosperous period 1923-29 and its considerable rise since 1933 suggests the action of forces other than those of business revival alone, and, in all probability, much more powerful than the lift in employment and wages.

An extensive experiment in governmental control over the competitive practices of business and in labor legislation, not unlike the measures in effect during the World War, became probably the prime factor in union expansion in this latest phase of the history of organized labor in this country. For the second time in a generation the Federal government sought, though for somewhat different ends, to regulate the conduct of labor relations. Whereas the labor policies of 1917-18 were a by-product of the requirements of a national war economy, the recent proposals were dominated by the goal of reform in prevailing economic and social relationships. It is true of course that the encouragement given to collective bargaining was an integral part of the government's program to increase the volume of consumers' purchasing power, and that the achievement of greater equality in bargaining power between employers and employees was regarded as crucial in the application of the administration's theory of an effective program of business recovery. Strong as this motive was, it was joined with the equally strong intention to adjust the traditional grievances of organized labor, to redress

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old wrongs in industrial relations, and to establish a species of partnership in the affairs of the shop between labor and management.

The preponderant influence in furthering the administration's labor policy was the National Industrial Recovery Act and the practices and agencies, directly and indirectly, growing out of its administration. In the now famous Section 7 (a) of this law, effective June 16, 1933, the rights of employees with respect to organization are stated in the following language:

(1) "Employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or of their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection;

(2) "No employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing."

Paragraph (b) of the same section of the law, though less widely cited, is of almost equivalent importance in paving the way for joint collective relations between employers and employees:

"The President shall, so far as practicable, afford every opportunity to employers and employees in any trade or industry or subdivision thereof . . . to establish by mutual agreement the standards as to the maximum hours of labor, minimum rates of pay, and such other conditions of employment as may be necessary in such trade or industry or subdivision thereof to effectuate the policy of this title; and the standards established in such agreements, when approved by the President, shall have the same effect as a code of fair competition . . . "

Again, in the Act's declaration of policy it is declared to be the policy of Congress, among other things:

"To provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among trade groups, to induce and maintain united action of labor and management under adequate governmental sanctions and supervision, . . . (and) to increase the consumption of industrial and agricultural products by increasing purchasing power . . . "

Whatever practical ambiguities these principles may later have been found to contain, their intent to encourage organization and collective action among employees is plain. Their enunciation in an act of Congress furnished the advocates of organized labor with the arguments and sponsorship they had long desired and which they were now quick to use. The terms of this law swiftly became that effective spur to organization which the labor movement had presumably been unable to devise for itself in the years since 1920. If the labor provisions of the Recovery Act produced strikes and lockouts in industry, the conflicts were in the main concerned with the efforts of unions to extend the boundaries of organization.

The impetus given to unionization by the passage of the Act was further strengthened by the composition and procedures of its administration. In the whole process of code making the trade unions played a prominent, and nearly an exclusive, role as representatives of labor. The Labor Advisory Board of the NRA, the chief agent of labor in the Recovery Administration, was composed with two exceptions of officers of the American Federation of Labor and of important national unions affiliated with that organization. The hundreds of labor advisers on individual codes were in the overwhelming majority of cases selected by the

American Federation of Labor and by its constituent unions. In the negotiation of only one code was a representative of a company union or works council appointed labor adviser and in that case he shared the position with the president of a union affiliated with the American Federation of Labor, the Commercial Telegraphers Union. On each of the various boards and committees created to perform the numerous functions which soon developed within the Administration—such as the board empowered to grant exceptions under the President's Reemployment Agreement and the Compliance Board—the organized labor movement was similarly represented. Although the Federation and its friends and supporters frequently complained of the ineffectiveness of the Labor Advisory Board, and although the influence of the Board necessarily varied with the changing problems and situations before it, the amount of prestige gained by trade unionism by reason of its official participation in the proceedings of the NRA may be inferred from the record.

In the later stages of code revision and code administration, organized labor likewise constituted the agent through which grievances were presented, reforms pressed, and the interests of employees emphasized. The proposal of the Labor Advisory Board that unions be permitted to draft and initiate the labor provisions of codes of fair competition and to designate union representatives as full-fledged members of the code authorities was not acceded to by the Recovery Administration. But with the passage of time and the gathering of experience the influence of the Board grew, both in determining the original and revised terms of codes and in affecting the methods and decisions of code authorities.

Industries naturally differed widely in respect of the degree of union participation in the many stages of code procedure. In in-

dustries accustomed to union labor relations, such as some of the clothing industries, the bituminous coal industry and the theatrical industry, union representatives played a large, and occasionally a determining, part in drafting the labor terms of the codes and succeeded also in being selected as members of the code authorities. But where labor relations had been traditionally non-union no equivalent provision for labor membership on code authorities was made. Labor participation in the administration of such codes was in some instances gained indirectly by putting pressure on the Recovery Administration, and in others, as in the cotton textile industry, directly through the appointment by the Administrator of one public representative to the code authority selected because of his labor affiliation. The distinction between these two classes of industry—an old one in American industrial relations—accounts for the striking differences among unions in the course of membership in 1933 and 1934 and helps to explain the unusual gains of some.

The part of public policy in furthering unionization is suggested in the official documents relating to certain codes and at times in the terms of the codes themselves. Thus in the letter transmitting the code for the bituminous coal industry to the Administrator for National Recovery, the deputy Administrator writes (September 17, 1933):

“This industry also presented the unique problem of one in which there was far-reaching organization of labor on an industrial basis, the United Mine Workers of America having contracts with many operators in many fields and claiming organization of workers in many other fields where no contractual relations existed.

The difficulty of reconciling all the conflicting elements in this situation can hardly be overemphasized. During the progress of the discussion following the public hearings, representatives of the Appala-

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chian Associations requested the aid of the Administration in facilitating the negotiations of a contract between these associations and the United Mine Workers of America, and it was evident to the Administration that this step having been taken a successful conclusion to these negotiations was of the utmost importance in bringing about the submission of a code for the industry as a whole."

In the body of the bituminous coal code, Article VII, Section 5, it is provided that "any controversy concerning hours, wages and conditions of employment . . . *between employers and employees who are organized or associated for collective action* shall, if possible, be adjusted by conference and negotiation between duly designated representatives of employers and such employees . . ." (italics are the author's).

The letter of October 31, 1933 from the Administrator to the President, accompanying the code for the dress industry, begins by stating:

"This Code is a conspicuous example of the effectiveness of the National Industrial Recovery Act in rehabilitating a disorganized and demoralized industry. So pressing was the need for some such helpful influence that the Act and the forces released by the Act met with no great opposition. The Code herewith presented, while embodying some compromise, represents a remarkable reconciliation of interests widely divergent and hitherto in bitter opposition."

Among the Code's outstanding features is the

"establishment of minimum wage scales which increase the purchasing power not only of the unskilled but also the skilled labor throughout the industry. They are satisfactory to organized labor and will make impossible the operations of exploiters of labor and 'sweat shops'.

Article VI (of the Code) establishes a Code Authority representative of the organized interests in the industry including organized labor. This Authority is clothed with ample powers to administer and enforce the Code, subject always to the approval of the Administrator."

These are, of course, extreme illustrations of the results of the active participation by organized labor in code making and code administration. But they reflect an atmosphere and a point of view that sooner or later inevitably permeates public experiments of the type of the National Industrial Recovery Act. That these and other circumstances connected with the administration of the Recovery Act powerfully affected the fortunes of trade unionism generally will be made clear later in the consideration of the sources and character of trade union growth during the life of the NRA.

Particularly in the group of clothing industries the various code provisions creating the NRA label were probably the greatest single influence in stimulating the increase of membership among the employees engaged in the manufacture of numerous articles of men's and women's apparel. Among the trades and industries in this category, special characteristics of the business account for prevailing attitudes towards unionism and for the part played by unions in drafting the provisions of the codes and in their administration. In nearly all sections of the apparel industry, business and industrial units are numerous and small; especially during severe and prolonged depression competition in all forms is extraordinarily vigorous and competitive practices are hard to condone. Under the circumstances the larger and more reputable concerns are forced to yield to the less responsible businesses which survive through the drastic reduction of all labor standards. Where these are the conditions many leaders of the industry have shown themselves willing to join with unions in preventing excessive competition in labor costs and even to depend upon the power of labor organizations to impose appropriate standards upon their competitors. For these reasons a label, issued under governmental

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sanction and distributed under quasi-public control, proved a powerful factor not only in maintaining code standards but also, in view of the methods of label administration, in promoting the unionization of unorganized sections of the industry.

The code provisions governing the issuance and management of NRA labels are worth citing for their novelty and for the light they may throw on the relation of the use of the label to the position of unions. Article VIII of the Code of Fair Competition for the Dress Manufacturing Industry, approved October 1, 1933, gives the regulations for the use of the label as follows:

“All garments manufactured or distributed subject to the provisions of this Code shall bear an NRA label to symbolize to purchasers of said garments the conditions under which they were manufactured . . . The Code Authority shall have the exclusive right in the industry to issue and furnish said labels to the members thereof. Each label shall bear a registration number especially assigned to each employer by the Code Authority and remain attached to such garment when sold to the retail distributor . . . The Code Authority, subject to approval by the Administrator, shall establish rules and regulations and appropriate machinery for the issuance of labels and the inspection, examination, and supervision of the practices of employers using such labels in observing the provisions of the codes for the purpose of ascertaining the right of said employer to the continued use of said labels . . .”

To ensure further the effectiveness of the label, the Code of Fair Competition for the Retail Trade, approved October 21, 1933, contained these provisions (Art. IX, Sec. 2):

“No retailer shall purchase, sell, or exchange any merchandise manufactured under a Code of Fair Competition which requires such merchandise to bear an NRA label, unless such merchandise bears such label. Any retailer rightfully possessing the insignia of the NRA who has in stock or purchases similar merchandise which has been

manufactured before the effective date of the Code of Fair Competition requiring such merchandise to bear an NRA label, may attach thereto the NRA insignia."

The foregoing provisions speak for themselves. Compared to the traditional union label, the NRA label proved in practice to be an infinitely more effective instrument for the enforcement of labor standards within competitive industry. The bearing of this device on the position of unions in industries using the NRA label is not hard to discern. In practically all the industries that use the label, union representatives were members of the code authorities. In this capacity it was one of their functions to participate officially in the enforcement of the standards of working conditions embodied in the codes and, hence, in the establishment of "rules and regulations and appropriate machinery for the issuance of labels and the inspection, examination, and supervision of the practices of employers using such labels". To the growth of organization the strategic significance of union participation in the administration of the label cannot be overestimated, and it is attested by the fact that, since the dissolution of the Recovery Administration and the code authorities, employers and unions in parts of the women's clothing industry have attempted by voluntary arrangements to provide for the continued use of labels on much the same terms, though without the same legal force.

To these numerous agencies engaged in code making and administration were added the various boards of labor adjustment created after June 1933 to interpret Section 7(a) and to prevent and settle strikes and lockouts. The first and most important of these was the National Labor Board created by order of the President late in the summer of 1933. Before long similar boards, limited in jurisdiction to disputes affecting labor relations in single

industries, were established in the cotton textile, printing, iron and steel, petroleum, automobile and other industries. In June 1934 the sole national agency for the adjustment of labor disputes, the National Labor Board, was replaced by the National Labor Relations Board, a statutory body created by a joint Congressional resolution.<sup>1</sup> This Board was empowered to "investigate issues, facts, practices or activities of employers or employees in any controversies arising under Section 7(a) of the Recovery Act" and to order and conduct elections for the choice of employee representatives for the purpose of collective bargaining.

With their regional and local machinery of investigation and enforcement these boards constituted an imposing governmental undertaking for translating into practical arrangements the general principles of collective bargaining embodied in the Recovery Act, in executive orders issued by the President, and in the Joint Resolution creating the National Labor Relations Board. To this preoccupation of the Federal government with the form and content of labor relations in all industry there is no parallel in American history, except the similar developments during the World War and the control exercised by Congress in recent years over industrial relations on the railroads.

The Recovery Administration and all the labor boards were alike swept away by the decision of the United States Supreme Court on May 27, 1935, in the case of *Schechter v. United States*. Section 7(a) and the administrative agencies set up to interpret and enforce the law had lasted just short of two years. The reception that this decision met from the spokesmen for organized labor, their anxiety to devise another NRA that should be consti-

<sup>1</sup> Public Resolution No. 44, 73d Cong., H.J. Res. 375.

tutional, and the pressure put behind the Guffey Bill, creating the so-called 'little NRA' of the bituminous coal industry, are strong evidence of the high esteem in which the policies and procedure of the Recovery Administration and collateral agencies were in reality held by the labor movement of this country. While during the life of the NRA the trade unions appear to have stressed its shortcomings and weaknesses, after its demise they began more frankly to admit how great an impetus it had given to union growth.

Experiments with this type of labor legislation did not, however, end with the dissolution of the labor boards and code authorities. On July 5, 1935 the President signed the National Labor Relations Act <sup>2</sup> and, on August 30, 1935, the Guffey Act. <sup>3</sup> Although these measures differ in many details, they have in common the purpose of encouraging the use of collective bargaining in the labor relations of industry. The National Labor Relations Act follows and strengthens the pattern of labor law embodied in the first two clauses of Section 7 (a) of the Recovery Act and thereby furnishes the basis for the powers of regulation over the discharge of employees, the choice of employee representatives, and the procedures of collective bargaining. The Act lists as unfair labor practices (Section 8) on the part of the employer, (a) interference with the right of employees to organize, (b) domination or interference "with the formation or administration of any labor organization" or the contribution of "financial or other support to it", and (c) discrimination "in regard to hire or tenure of employment or any term or condition of employment to encourage or discourage membership in any labor organization". It provides

<sup>2</sup> Public No. 198, 74th Cong., S. 1958.

<sup>3</sup> Public No. 402, 74th Cong., H.R. 9100.

for the appointment of a National Labor Relations Board (Sections 3 and 4) which is empowered to assist employees in choosing their representatives, by election or other methods (Section 9) and in general to administer the provisions of the law.

◦ The intent of Congress to promote collective bargaining and the organization of labor is disclosed in the following excerpts from the Act's statement of policy:

“The inequality of bargaining power between employees who do not possess full freedom of association or actual liberty of contract, and employers who are organized in the corporate or other forms of ownership association . . . tends to aggravate recurrent business depressions, by depressing wage rates and the purchasing power of wage earners in industry and by preventing the stabilization of competitive wage rates and working conditions within and between industries.

It is . . . declared to be the policy of the United States to eliminate the causes of certain substantial obstructions to the free flow of commerce and to mitigate and eliminate these obstructions when they have occurred by encouraging the practice and procedure of collective bargaining and by protecting the exercise by workers of full freedom of association, self-organization, and designation of representatives of their own choosing, for the purpose of negotiating the terms and conditions of their employment or other mutual aid or protection.”

The provisions of the Bituminous Coal Conservation Act—the Guffey Act—went beyond the regulation of collective bargaining to control over production and prices. In so competitive an industry as bituminous coal mining, in which the union has long suffered from the shift of business from high to low cost areas, regulation of prices was expected to contribute to maintaining prevailing wage rates and labor costs and hence to fortifying the position of organized labor. The Guffey Act was held unconstitutional by the United States Supreme Court on May 18, 1936. A substitute measure, limited to control over prices and output, was

introduced in the last session of the 74th Congress. In spite of the support of the United Mine Workers the bill failed to be brought to a vote before Congress adjourned on June 20, 1936.

The agencies set up under these more recent Acts were designed to take the place of those dissolved in consequence of the Schechter decision and to afford facilities for promoting collective bargaining and the organization of labor. The National Labor Relations Board, like its predecessors, has appointed subordinate regional agencies throughout the country. These have become in practice a far-flung machinery before which union officials may present their complaints and keep alive the issue of union recognition.

The Federal Social Security Act,<sup>4</sup> approved August 14, 1935, may, though to a considerably less degree, be expected to confer analogous opportunities upon the American labor movement and, therefore, to produce similar results in organization. This measure, providing among other things the beginning of a nation-wide system of compulsory unemployment insurance, will require for its administration the setting-up of innumerable local joint committees and courts of appeal to hear and adjust complaints of beneficiaries under the Act. The task of representing the employee litigants in these important proceedings has in many foreign countries become the voluntary function of alert officials of trade unions. Where this function is intelligently, forcefully, and unselfishly performed its exercise may well redound to the advantage of organized labor and result in increasing union membership.

The significance of this structure of labor legislation and its administration to the growth and decline of unions is manifold.

<sup>4</sup>Public No. 271, 74th Cong., H.R. 7260.

In this country, where the relations of Federal and local governments to organized labor have for long periods not been particularly sympathetic, the firm assertion of the rights and privileges of labor contained in the Recovery Act was bound to act as an effective stimulus to union organization. The labor terms of the law were at once accepted by the unions as an expression of the policy of the Administration and, hence, as a mandate to organize the unorganized. Coming as the law did after a lengthy period of union decline, it supplied the incentive which until then had appeared lacking, and the rebound was greater than it might otherwise have been. The extensive machinery for interpretation, administration, review and appeal set up all over the United States, afforded unions the opportunity they needed to represent actual and potential members on questions of immediate concern to practically all classes of American employees. The deeds performed by union officials in labor's interest in Washington and elsewhere, and the policies of the labor movement on wages, hours, overtime, collective bargaining and the like were broadcast to the shops and factories of the country. The reputation and prestige of organized labor gained immeasurably thereby, with the result that the task of proselytizing and organizing became easier than it had been in a very long time. The unions, in short, confronted with a radical transformation in the American political and social climate, and accorded numerous opportunities to share in defining a new labor policy and in applying it, found themselves in a position to utilize their organizing equipment more forcefully and effectively than at any time since the World War.

American organized labor had at its disposal, at the turn of business in 1933 and on the eve of these far-reaching social and

political developments, an elaborate organizing machinery. Not counting the facilities for this purpose of the independent unions, whose average membership from 1929 to 1933 was approximately 20 per cent of total membership in this country, the national and local unions affiliated with the American Federation of Labor, its geographical and trade confederations, and its staff of organizers constituted a far-flung foundation for extending unionism into unorganized industries, trades, and areas. The number of each type of constituent element of the Federation in 1933 is given below.<sup>5</sup>

National and international unions	108
National departments	4
Local department councils	710
State federations	49
City central bodies	618
Local unions	29,988
'Local trade and federal labor unions'	673

There were, accordingly, in 1933, 30,661 local unions throughout the United States to serve as the nuclei for the organizing activities of the American Federation of Labor. The Executive Council reported also to the 53rd Convention of the Federation (pp. 5, 8) that "the Federation has 1,468 general and district organizers, as well as 33 paid organizers and the officers of 618 city central bodies that are ready at all times to respond to a call to assist the members of directly affiliated unions in the case of strike or lockout". To this number of organizers should be added the members of the organizing staffs of 108 affiliated national and

<sup>5</sup> *Report of the A. F. of L. Executive Council to the 53rd Annual Convention, October 2, 1933, p. 8.*

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international unions, and of the 28 national and international unions independent of the American Federation of Labor.

The organizing campaigns launched during this period were carried on simultaneously by the affiliated and independent national unions themselves and by the American Federation of Labor. Even before the passage of the Recovery Act, the United Mine Workers, several of the clothing unions, and a few others had begun their organization drives to repair the disastrous damage wreaked by the depression. And in the next years, under the stimulus of new hopes, practically all national organizations mobilized their organizing forces within the fields over which they claimed jurisdiction. The American Federation of Labor, historically the source of union charters in totally unorganized places, was at the outset faced with the knotty problem of penetrating the non-union industries without conflicting with the jurisdictional claims of its constituent national organizations. In the great unorganized fields of agriculture, public utilities, services, and distribution, this problem raised no insuperable difficulty because there were few national unions of importance to reckon with. But in the traditionally unorganized manufacturing industries, where the strongest of the affiliated national craft unions held specific and long-standing jurisdictional rights and were at the same time avid for more members, the activities of the Federation precipitated the jurisdiction question anew. And as in the past, the solution of the problem involved the discovery of an adjustment between the jurisdictional claims of established craft unions and the counter claims of the newly-organized local unions among the employees in mass production industries.

In the first stages of its organizing activities during this period, the American Federation of Labor did what it had done on many

similar occasions in the past. It rapidly set up in many industries a type of local union technically known as 'local trade and federal labor unions'. These unions, as long as they exist in their original form, are directly affiliated with the Federation and are not related to it indirectly, as other local unions are, through their affiliation with national unions. Historically, local unions of this type have served as simple and reasonably effective devices for organizing the unorganized, and have pursued a characteristic course. Usually initiated in unorganized trades and industries in the midst of organizing campaigns, their membership is later distributed among the appropriate existing national craft unions. Where there is no established national organization with clearly defined jurisdictional rights, directly affiliated local unions among related groups of workers may combine into a national union and receive a charter as such from the Federation, or may continue as locals directly affiliated with the Federation.

The organizing strategy adopted by the Federation in 1933 continued this established practice. By August 1934 consequently, the number of 'local trade and federal labor unions' had increased almost six-fold from the low of the depression. But accompanying the expansion in this direction, which left potential jurisdictional conflicts unsettled, was a mounting tide of dissatisfaction with the method and its anticipated results. Probably the most fertile source of opposition to the prevailing policy was the young organizers, fresh from the shop and unfamiliar with the principles and practices of the American Federation of Labor, who envisioned effective labor organization only in the form of industrial unionism. In support of their view they pointed to the inability of the established national craft unions to make material headway in organizing the employees of the mass production in-

dustries of the country and to the alleged indifference of the craft unions to the conditions of the semi-skilled and unskilled workers. To them the craft unions, whatever their achievements in the past, bore the stigma of failure.

In the automobile, rubber, aluminum, and other industries, the organizers proceeded to admit all employees into the new unions with the evident intention of keeping them there regardless of the existence of acknowledged jurisdiction. In the iron and steel industry, where the national organization affiliated with the American Federation of Labor—the Amalgamated Association of Iron, Steel and Tin Workers—is itself an industrial union, the allèged ineffectiveness of the union led to vigorous efforts to persuade the Federation to sanction the granting of charters to new 'local trade and federal labor unions'. Acceptance of this view would have involved a radical departure from previous practice and would have been considered by the affiliated national craft unions an illegal as well as a disruptive act.

The national craft unions on their part were skeptical of the superiority of industrial unions and doubted the relevancy of the relatively limited experience with industrial unionism in this country to the problems in hand. They foresaw and deplored the hasty rise of new and impermanent organizations whose survival power they regarded as slight and whose final effect they considered would be to retard and not to stimulate the spread of organization. Adoption of the industrial form of labor organization would, they believed, weaken if not destroy the foundations of union autonomy on which their own strength as well as that of the Federation had, in their estimation, rested.

This issue has been widely and vigorously debated for the last several years. The annual convention of the American Federation

of Labor in October 1934 took action which many then accepted as the approach to a satisfactory solution. The Committee on Resolutions of the 1934 convention reported as follows (*Proceedings*, 1934, p. 586) on the numerous proposals for granting industrial union charters:

"These Resolutions deal with a question that affects the interest of many of the organizations affiliated with and holding charters issued by the American Federation of Labor . . .

The evidence presented . . . conclusively indicates that to deal effectively with the question of organization . . . there should be a clear and definite policy outlined by this convention that will adequately meet the new and growing condition with which our American labor movement is confronted.

During recent years there have developed new methods. This has brought about a change in the nature of the work performed by millions of workers in industries which it has been most difficult or impossible to organize into craft unions. The systems of mass production are comparatively new and are under the control of great corporations and aggregations of capital which have resisted all efforts at organization. The provision of the National Industrial Recovery Act protecting the right of employees to organize and select representatives of their own choice without interference on the part of employers, or their agents, has had the effect of freeing the flood of organization sentiment in the breasts of millions of workers who have been prevented by employer opposition from satisfying their desire for organization.

The American Federation of Labor is desirous of meeting this demand. We consider it our duty to formulate policies which will fully protect the jurisdictional rights of all trade unions organized upon craft lines and afford every opportunity for development and accession of those workers engaged upon work over which these organizations exercise jurisdiction. Experience has shown that craft organization is most effective . . . in advancing the interests of workers where the nature of the industry is such that the lines of demarcation between crafts are distinguishable.

However, it is also realized that in many of the industries in which

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thousands of workers are employed a new condition exists requiring organization upon a different basis to be most effective.

To meet this new condition the Executive Council is directed to issue charters for National or International Unions in the automotive, cement, aluminum, and such other mass production and miscellaneous industries as in the judgment of the Executive Council may be necessary to meet the situation.

That the Executive Council shall at the earliest practical date inaugurate, manage, promote and conduct a campaign of organization in the iron and steel industry.

That in order to protect and safeguard the members of such National and International Unions as are chartered, the American Federation of Labor shall for a provisional period direct the policies, administer the business and designate the administrative and financial officers of such newly organized unions."

In the discussion of this report the officers of several large craft unions sought assurance that the provisions of the Federation's constitution, protecting the jurisdictional rights of existing organizations, would not be violated. Such assurances were freely given by all members of the Committee who participated in the debate. And the Chairman of the Resolutions Committee characterized the report as "a clear-cut statement and guarantee of the rights of jurisdiction of existing organizations. . ." (p. 593). The motion to adopt the report was carried by unanimous vote and with enthusiastic applause.

The first charters under the terms of this action by the Federation convention were issued in the autumn of 1935 to unions of automobile and rubber workers, thus uniting into national unions the directly affiliated local unions organized in those industries since 1933. In defining the jurisdiction of the automobile employees union, the officers of the Federation observed the following principles (*Proceedings*, 1935, p. 95):

"1. That a charter for a national or international union of automobile workers be issued at once to embrace all employees directly engaged in the manufacture of parts (not including tools, dies, and machinery) and assembling of those parts into completed automobiles but not including job or contract shops manufacturing parts or any other employee engaged in said automobile production plants.

2. That for a temporary period determined by the Executive Council the officers to function under the charter thus issued to be designated by the officers of the American Federation of Labor.

3. That an active organizing campaign be inaugurated by this international union in the automobile industry under the direction of the President of the American Federation of Labor.

4. That facilities be provided the new union for necessary publicity and even the publication of a paper if it is deemed desirable.

5. That organizing assistance and finances within proper limitations of the American Federation of Labor be provided.

6. That every effort be made to expedite the complete organization of the automobile industry at the earliest possible date.

7. That all questions of overlapping jurisdiction in the automobile parts and special crafts organizations encountered in the administration of this policy is referred to the Executive Council for consideration at such time as the Council may elect to give these questions consideration."

A charter on these terms was granted the organized automobile employees at their convention in Detroit during the week of August 26, 1935. At a convention of rubber workers, convened September 12, 1935, a charter for the Rubber Workers International Union was similarly issued. The jurisdiction of this union was defined to cover

"... all those in that industry who are engaged in the mass production of rubber products, same not to cover or include such workers who construct buildings, manufacturing or installing of machinery, or engage in maintenance work or in work outside of the plants or factories."

The receipt of these charters precipitated, particularly among

the automobile workers, a storm of protest against the limits placed on the jurisdiction of the new national unions and the designation by the President of the American Federation of Labor of the principal officers of the organizations. The issue of industrial unionism, believed settled at the San Francisco convention in 1934, was raised anew by the submission to the convention held in October 1935 of an avalanche of resolutions in support of the industrial form of organization. The resolutions committee split on the question, with officers of the United Mine Workers and Typographical Unions presenting a minority report strongly urging the granting of practically unrestricted jurisdiction to the unions of employees working in mass production industries. After a bitter debate the minority report failed of adoption by a vote of 10,933 to 18,024.<sup>6</sup>

This action, however, failed to conclude the conflict. Several weeks after the convention a group of eight national unions<sup>7</sup> affiliated with the Federation, led by the United Mine Workers, announced that they had organized themselves into a Committee for Industrial Organization to promote the unionization of the unorganized, above all in the steel, automobile and rubber industries, by means of industrial unions. With this declaration it would appear that the American Federation of Labor faces a long and bitter conflict within its ranks.

Developments in policy and practice during these eventful years are partly reflected in the available data on the number and membership of the local unions directly affiliated with the Ameri-

<sup>6</sup> *Proceedings*, 1935, pp. 521-74.

<sup>7</sup> United Mine Workers; Amalgamated Clothing Workers; International Ladies Garment Workers; United Hatters, Cap and Millinery Workers; United Textile Workers; International Typographical Union; Oil Field, Gas Well and Refinery Workers; and Mine, Mill and Smelter Workers.

can Federation of Labor (Table 15). The fortunes of these local unions clearly parallel the movements in total membership and are an interesting gauge of the organizing activities of the American Federation of Labor. From 1914 to 1920 when unions were growing at a very rapid rate and organizers were prosecuting vigorous campaigns among the unorganized, the number of these

TABLE 15  
 'LOCAL TRADE AND FEDERAL LABOR UNIONS'  
 DIRECTLY AFFILIATED WITH THE A. F. OF L.,  
 NUMBER AND MEMBERSHIP, 1914-1935 <sup>1</sup>

FISCAL PERIOD ENDING	NUMBER OF UNIONS AT END OF FISCAL PERIOD	AVERAGE MEMBERSHIP DURING FISCAL PERIOD
September 30, 1914	570	27,194
“ 30, 1915	489	23,763
“ 30, 1916	705	35,163
“ 30, 1917	845	58,416
April 30, 1918	854	66,453 <sup>2</sup>
“ 30, 1919	884	65,227
“ 30, 1920	1,286	86,784
“ 30, 1921	941	68,165
“ 30, 1922	666	31,258
August 31, 1923	523	23,426 <sup>3</sup>
“ 31, 1924	458	22,755
“ 31, 1925	436	21,150
“ 31, 1926	380	22,317
“ 31, 1927	365	24,237
“ 31, 1928	373	25,286
“ 31, 1929	388	21,704
“ 31, 1930	348	18,150
“ 31, 1931	334	14,531
“ 31, 1932	307	11,368
“ 31, 1933	673	10,396
“ 31, 1934	1,788	89,083
“ 31, 1935	1,354	111,489

<sup>1</sup> Annual reports of the A. F. of L. Executive Council to annual conventions.

<sup>2</sup> Average for 7 months.

<sup>3</sup> Average for 16 months.

unions more than doubled and their membership tripled. The adverse conditions of 1921 were immediately reflected in the decline of the directly affiliated local unions. One of the features of the barren decade of the 1920's was the relatively small number and slight membership of these unions. The resumption of campaigns for organization in 1933 resulted first in a considerable rise in the number of 'local trade and federal labor unions' without a corresponding increase in their membership. But in the next year, 1934, both number and membership advanced until they exceeded the levels of 1920. Although the number of these unions declined in 1935, their membership increased and was in that year the highest on record.

These local unions are distributed over a great range of industry and over an extensive geographical area, and vary widely in the size of membership. Accurate statistics of the number of members are impossible to obtain. These unions are all new, and the membership they record is considerably influenced by sporadic events such as new organizing drives, strikes and arbitration awards. There is always a wide disparity between the number of members claimed and the number paying initiation fees and dues. In the absence of any superior record, the average dues-paying membership reported by the American Federation of Labor (Table 15) still remains the safest figure to use. In the summer of 1935 the American Federation of Labor claimed that 'local federal labor unions' in the automobile and automotive parts industries had 35,000 members; and in October 1934 it estimated<sup>8</sup> the membership of similar unions in the rubber tire and rubber manufacturing industries at from 60,000 to 70,000. The

<sup>8</sup> Report of the A. F. of L. Executive Council to the 54th Annual Convention, October 1, 1934, p. 19.

total membership of the local unions of agricultural workers and those engaged in the processing of agricultural products was early in 1935 approximately 1,489.<sup>9</sup>

Although the organizing activities of these last years have been carried on in all classes of employment, even among agricultural workers hitherto relatively immune to such efforts, there has been a great concentration of organizers in the large manufacturing industries and it is here that organization of 'local federal labor unions' has been most common. Unfortunately no complete data are available on the industrial distribution of these local unions. But a compilation based on scattered information in the report of the Executive Council of the Federation and covering more than 40 per cent of the 1,788 local unions throws some light on their location and the changes in their number from 1933 to 1934 (see Table 16). The directly affiliated local unions of the Federation are found in many different industries and trades, but they are concentrated, so far as manufacturing is concerned, in the rubber, automobile and lumber industries and, outside of manufacturing, in the personal service and distributive trades of cleaning and dyeing, gasoline filling stations, and the theatre.<sup>10</sup>

<sup>9</sup> Computed from data furnished by the U. S. Bureau of Labor Statistics.

<sup>10</sup> In addition to the industries and occupations included in Table 16 the same report of the Executive Council (pp. 36-7) presents the following list of federal unions: suspender workers, tar products workers, slag mill workers, sausage seasoning and spice workers, sail makers, paste makers, marking device employees, wire workers, aeronautical workers, lock and hardware workers, match workers, music autographers, pen and pencil workers, spring and wire workers, umbrella workers, waste material sorters, fertilizer workers, fish handlers, trappers, harbor workers, municipal employees, film exchange employees, librarians, egg inspectors, paper box makers, smoking pipe workers, cork workers, divers and tenders, oyster openers, funeral supply workers, athletic goods workers, button workers, neckwear workers, dental technicians workers, retail store employees other than clerks, and employees in the toys and plaything, merchandise warehouse, salt, and electrical storage and wet primary battery industries.

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TABLE 16

'LOCAL TRADE AND FEDERAL LABOR UNIONS' DIRECTLY  
AFFILIATED WITH THE A. F. OF L., BY INDUSTRY OR  
OCCUPATION, NUMBER, 1933 AND 1934<sup>1</sup>

INDUSTRY OR OCCUPATION	NUMBER OF UNIONS	
	1933	AUGUST 1934
Rubber tires and rubber	.. <sup>2</sup>	75
Automobile and automotive parts	0	106
Aluminum	1	20
Lumber and sawmills	4	130
Coke and gas	.. <sup>2</sup>	30
Cement	.. <sup>2</sup>	30
Flour, feed and cereal	.. <sup>2</sup>	30
Cleaning and dyeing	5	91
Office workers	12	32
Soap and glycerine	.. <sup>2</sup>	9
Canning	.. <sup>2</sup>	15
Agricultural workers	.. <sup>2</sup>	40
Gasoline filling stations	.. <sup>2</sup>	56
Wholesale industries	.. <sup>2</sup>	15
Theatre ushers, ticket sellers, etc.	.. <sup>2</sup>	50
Dairy Products	.. <sup>2</sup>	18

<sup>1</sup> Report of the A. F. of L. Executive Council to the 54th Annual Convention, October 1, 1934, pp. 18-37.

<sup>2</sup> Number not given but small.

The average membership of the directly affiliated local unions is small, amounting for the fiscal year ending August 31, 1934 to something less than 50. Among the thousand or more of such local unions organized since 1932 there are many with only a nominal membership and the prospects of a transient existence. Thus in 1934-35, 110 were disbanded and 510 suspended from the Federation. In a few industries, however, where organizing has been more successful, groups of local unions in the same industry or in allied occupations have attempted to achieve perma-

nence and unity by combining into loose confederations, known as national councils, usually under the auspices of the American Federation of Labor. In the first quarter of 1935, the available records disclose eight such councils under the following names:

National Council of Aluminum Workers  
United Match Workers Council  
National Council of Optical Technicians and Workers  
Gasoline Station Operators National Council  
National Council of United Automobile Workers Unions  
United Rubber Workers Council  
Ocean Pearl Button Workers National Council  
National Radio and Allied Trades

These councils apparently represent an intermediate stage in the conversion of 'local federal labor unions' into national unions, for the councils of automobile and rubber employees received national charters from the American Federation of Labor in August and September 1935.

The council of radio workers, the National Radio and Allied Trades, voted at its convention in Pittsburgh, December 1935, to apply to the American Federation of Labor for a national charter. Since jurisdiction over radio and allied workers was claimed at the same time by the Brotherhood of Electrical Workers, affiliated with the Federation, this application was denied by the A. F. of L. Executive Council at its meeting in Miami, Florida, January 1936, and full jurisdiction over the trades in question was granted to the electrical workers union. This action precipitated a jurisdictional dispute. The New York local of radio workers joined the Brotherhood of Electrical Workers. The rest merged with an independent union of electrical workers and became members of the United Electrical and Radio Workers of America, an organization for the present independent of the A. F. of L.

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In addition to the various affiliated unions, many national and local unions independent of the Federation have been organized in recent years. Unfortunately no single source of information concerning these organizations exists, and although every effort has been made to track down unions to which some reference is available, it is altogether probable that many have been missed. Their number and total membership is not likely to be large. The majority of the new independent national unions are included in the Appendix, Table I.

Among the independent unions for which there are less reliable data are the four unions of automobile employees—the Associated Automobile Workers, the Automobile Industrial Workers Association, the Mechanics Educational Society, and the Society of Automotive Engineers—the Industrial Association of Aircraft Workers, the United Licensed Officers of the United States, the National Federation of Post Office Motor Vehicle Employees, and the Brotherhood of Railroad Shop Crafts of America. In the elections held by the Automobile Labor Board the Associated Automobile Workers polled 6,083 votes. The Automobile Industrial Workers Association claimed 21,000 workers in 1935.<sup>11</sup> These two automobile unions together with the Mechanics Educational Society agreed on November 3, 1935 to amalgamate into a single organization under the name of the Industrial Automobile and Metal Workers Union. An independent union of anthracite coal miners—the United Anthracite Workers—was disbanded late in October 1935.<sup>12</sup> The merger of the independent automobile unions was not consummated. But at the convention of the union of automobile workers affiliated with the A. F. of L., held in South Bend,

<sup>11</sup> *New York Herald-Tribune*, September 2, 1935.

<sup>12</sup> *New York Times*, October 27, 1935.

Indiana, May 1936, steps were taken to unite all automobile unions into a single organization affiliated with the Federation. Within several months the Associated Automobile Workers, the Automobile Industrial Workers Association and several locals of the Mechanics Educational Society surrendered their independent existence and merged with the Federation union.

According to the estimates prepared for this study after careful examination of conflicting claims wherever there was considerable divergence in the available materials, unions gained 600,000 members in 1934. The figures on which this conclusion is based are doubtless, particularly during a period of the establishment of numerous new unions, subject to some margin of error, and there are those who believe that the advance was considerably greater. Membership claims of new unions are difficult to check. Where unions compete for members in the same industry, as they do in coal mining, automobiles, railroads and shipbuilding, it is a fair inference that the data furnished contain an indeterminate degree of duplication and that each union tends to exaggerate its strength. But judging by comparisons among the whole list of more than 100 national unions included in the tables of this monograph it would appear that in the data finally chosen a degree of overestimate remains which more than compensates for omissions or underestimates concerning new unions.

As in previous periods of sharp fluctuation in the number of union workers, the rise of considerably more than one-half million in 1934 did not take the form of a general increase spread evenly over all classes of labor organization. It was noted in Chapter IV that, but for the continued and large decline of the building and transportation groups, the upturn in total membership would have begun in 1933; for in that year the two groups

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of clothing and leather and shoe unions together gained almost 175,000 members. In the next year, 1934, the large gains were also highly concentrated in relatively few groups of unions. Table 17 shows that 4 of the 18 groups of unions accounted for 60 per cent of the entire increase from 1933 to 1934. Combining the record of the two years, 1933 and 1934, the clothing unions show an amazing growth of close to 200,000 members. The leather and shoe unions, likewise, increased in these two years nearly 100,000 and had in 1934 more members than in 1920. Because of the union's methods of reporting its unemployed, or exonerated membership, the turn in the United Mine Workers began in 1931. From that year to 1934, the total membership of the unions in the mining, quarrying and oil group increased, by this method of reckoning from 309,200 to 579,100, or 269,900.

TABLE 17

MINING, METAL, LEATHER AND SHOE, AND CLOTHING  
UNIONS, CHANGES IN MEMBERSHIP, 1933-1934

UNION GROUP	AVERAGE ANNUAL MEMBERSHIP		INCREASE IN MEMBERSHIP, 1933-1934
	1933	1934	
Mining, quarrying and oil	354,600	579,100	224,500
Metals, machinery and shipbuilding	179,600	221,800	42,200
Leather and shoes	76,000	117,200	41,200
Clothing	336,100	404,700	68,600
Total, above groups	946,300	1,322,800	376,500
Total, all unions	2,973,000	3,608,600	635,600

Within all groups of unions there has been the diversity of movement so typical of the history of American organized labor. Nearly half, for example, of the entire increase in the metals, machinery and shipbuilding group is due to the gain of 15,000 members by the machinists union. In the developments among clothing workers unions since 1932 the expansion of the Inter-

national Ladies Garment Workers was by all odds the outstanding phenomenon. Its recorded gain in these two years was in excess of 150,000 members and was due mainly to the expansion of organization in the hitherto unorganized dress and waist industry. Even in the groups which participated only nominally in the recovery of 1934, single unions, affected by factors peculiar to each, deviated from the general course. While the large group of building trades unions showed a net gain of less than 22,000 members from 1933 to 1934, the Electrical Workers Union alone increased 37,400. Most of the organizations in transportation and communication failed to gather any new members in 1934, but the union of teamsters and chauffeurs gained 24,200. In this latest period of union recovery, the revivals staged by two unions, the United Mine Workers and the International Ladies Garment Workers, were the dominating factor in the whole situation. These organizations together gained 247,200 members, or more than one-third of the net increase of all unions.

Data on the distribution by sex and skill of the present membership of American unions and of the new members collected in the last several years are sparse and unreliable. The female membership of unions in this country has always been small. In 1920 a fairly exhaustive count showed less than 400,000 women members, or not quite 8 per cent of the total membership.<sup>13</sup> It is doubtful that this ratio has changed perceptibly in recent years in spite of the growth of the clothing and shoe unions, all of which have a large female membership. If the ratio has risen to 10 per cent, the number of women members would now be 360,000. The general character of the occupations and skills of

<sup>13</sup> Leo Wolman, *op. cit.*, p. 98.

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union members has, likewise, probably not undergone much change. While the disproportionate increase in the membership of the mining, clothing, and shoe unions has disturbed somewhat the traditional balance between the number of skilled craftsmen and of semi-skilled and unskilled workmen in unions, the majority of the labor movement remains essentially craft in form. Whether this balance is destined to be restored or still further disturbed depends upon the future fortunes of the recently organized directly affiliated 'local trade and federal labor unions' and the two national unions of automobile and rubber workers chartered in 1935 by the American Federation of Labor, and upon the achievements of the Committee for Industrial Organization in the steel and textile industries.