

Decision Excerpts

To accompany *How Interpretation of the Commerce Power Has Changed Over Time*

National Labor Relations Board v. Jones & Laughlin Steel Corp. (1937)

. . . The act [Wagner Act] is challenged in its entirety as an attempt to regulate all industry, thus invading the reserved powers of the States over their local concerns. It is asserted that . . . the Act is not a true regulation of such commerce or of matters which directly affect it, but on the contrary has the fundamental object of placing under the compulsory supervision of the federal government all industrial labor relations within the nation.

We think it clear that the National Labor Relations Act [Wagner Act] may be construed so as to operate within the sphere of constitutional authority.

. . . It [Wagner Act] purports to reach only what may be deemed to burden or obstruct commerce and, thus qualified, it must be construed as contemplating the exercise of control within constitutional bounds. It is a familiar principle that acts which directly burden or obstruct interstate or foreign commerce, or its free flow, are within the reach of the congressional power. Acts having that effect are not rendered immune because they grow out of labor disputes.

. . . Undoubtedly the scope of this power must be considered in the light of our dual system of government and may not be extended so as to embrace effects upon interstate commerce so indirect and remote that to embrace them, in view of our complex society, would effectually obliterate the distinction between what is national and what is local and create a completely centralized government. . . . The question is necessarily one of degree.

Our conclusion is that the order of the [National Labor Relations] Board was within its competency and that the act [Wagner Act] is valid as here applied.

Has the Court's decision in this case increased Congress's power or held it in check?