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UNITED STATES DEPARTMENT OF LABOR
WOMEN'S BUREAU
BULLETIN No. 146

A POLICY INSURING VALUE TO THE
WOMAN BUYER
AND
A LIVELIHOOD TO APPAREL MAKERS

UNITED STATES DEPARTMENT OF LABOR

FRANCES PERKINS, Secretary

WOMEN'S BUREAU

MARY ANDERSON, Director



A POLICY INSURING VALUE TO THE
WOMAN BUYER
AND
A LIVELIHOOD TO APPAREL MAKERS

By

BERTHA M. NIENBURG



BULLETIN OF THE WOMEN'S BUREAU, No. 146

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LETTER OF TRANSMITTAL

UNITED STATES DEPARTMENT OF LABOR,
WOMEN'S BUREAU,
Washington, August 26, 1936.

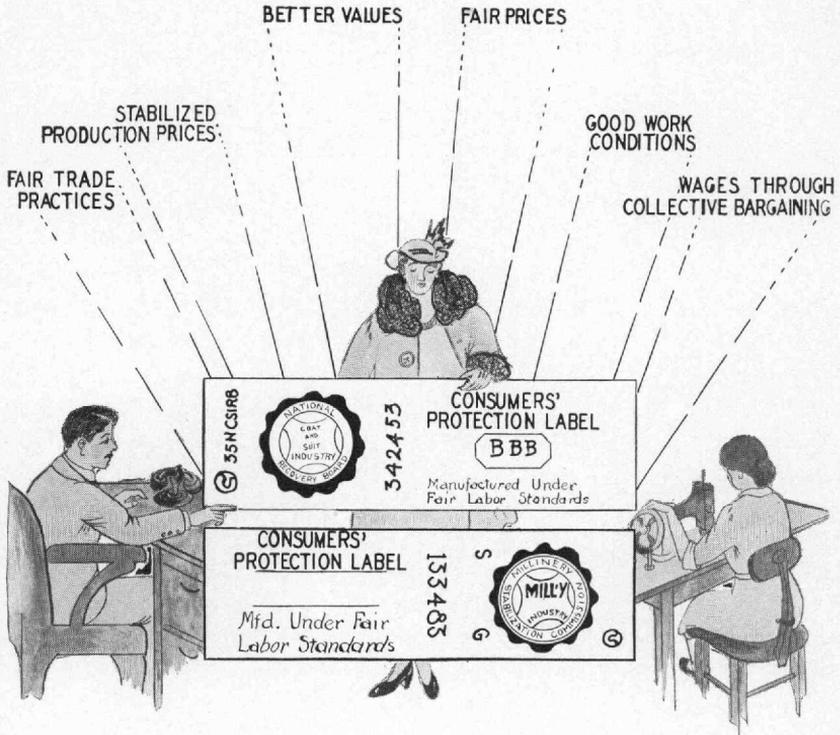
MADAM: This bulletin was prepared at the request of representatives of eight national women's organizations, meeting with the Women's Bureau and a representative of the National Garment Label Council to consider feasible methods of achieving the woman buyer's cooperation in the new movement for industrial stabilization in the coat and suit and millinery industries. It will bring the matter sharply before local women's groups, and it is hoped it will result in effective support of this movement for maintaining high standards of working conditions.

The bulletin was written by Bertha M. Nienburg, Assistant Director of the Bureau.

Respectfully submitted.

MARY ANDERSON, *Director.*

HON. FRANCES PERKINS,
Secretary of Labor.



WE ASK YOUR COOPERATION

A Policy Insuring Value to the Woman Buyer and a Livelihood to Apparel Makers

American women spend from a billion and a half to two billion dollars annually for their own and their children's suits, coats, dresses, hats, and neckwear. They give employment thereby to 300,000 apparel makers, whose earnings in turn, of course, supply a part of this billion and more purchase money. The buying of the American woman affects the earnings of these 300,000 clothing and millinery workers as it affects workers in no other line of manufacture, for her month by month response to fashion marks an instant rise or fall in the plane of their livelihood (1, 2).

The woman purchaser's patronage is a power that carries with it responsibility for conditions in the women's and children's apparel industries. And in meeting this responsibility she is also guarding the interests of herself and her family.

THE WOMAN BUYER'S STAKE IN THE APPAREL INDUSTRY

The woman purchaser of apparel is now as ever interested primarily in securing fair value for money expended. Now as ever she seeks fair value in terms of attractiveness of style and quality of workmanship and materials. Her search for full value for her dollar is thwarted in just the degree in which conditions pervading this industry hamper production of good values. Uneconomical methods of operation in entire branches of manufacture; unsound management; waste of human effort, of materials, and other resources; competitive tactics forcing production costs to too low levels; workrooms overcrowded, badly lighted, lacking ventilation and sanitary facilities; these and other conditions enter into the price the woman purchaser pays for what she gets. The men and women who make the garments or hats feel immediately the effects of organization and management inefficiencies in lowered earnings, longer hours, recurrence of periods without work, fatigue and illness, and lowered morale. The woman purchaser is not usually aware of the factors that determine the prices she pays for her coats or suits or dresses or hats. But whether she pays in lower quality of merchandise or in higher prices, conditions within these industries which,

NOTE.—References indicated by figures are given on p. 22.

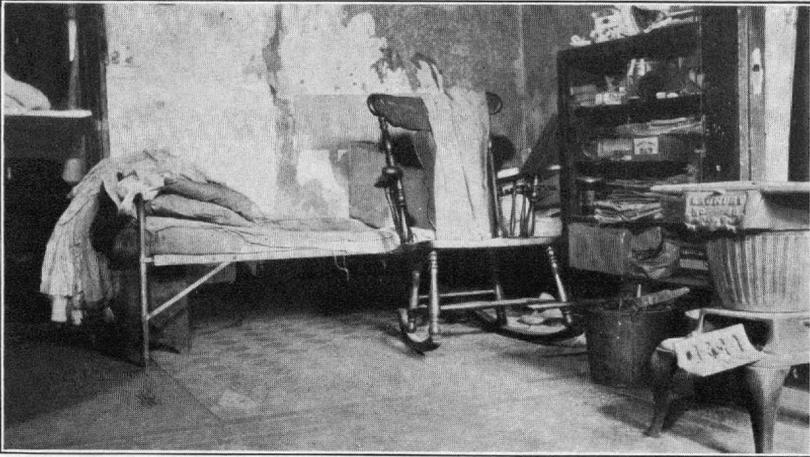
in the main, have grown out of the retailer's efforts to gage her fashion desires correctly are affecting the values she receives for her money.

Today, for the first time in the history of the women's apparel industry, the woman purchaser is able to serve her family's interest intelligently while she serves the collective interest of the workers in this industry. For today over four-fifths of the employers and the employees in two branches of the apparel industry have banded together and are inviting the woman purchaser to join them in a cooperative effort to solve their intricate and essentially common problems.

A PROGRAM OF INDUSTRIAL STABILIZATION

The experience of half a century and the cooperative activities initiated by the National Recovery Administration convinced thoughtful men and women in the women's coat and suit industry and in the millinery industry that "fair and equitable standards of labor" and "standards of fair commercial practice" could be established and maintained permanently only through the cooperation and systematic effort of employer, employee, and consumer. Accordingly, voluntary organizations were formed, representing all groups in each industry, to "promote the common welfare of the industry and the public good." These are called the National Coat and Suit Industry Recovery Board, organized in July 1935, and the Millinery Stabilization Commission, formed later in the year. The creation of these two agencies merged effectively the apparent conflict of group interests; nine-tenths of the member concerns in the coat and suit industry and four-fifths of the firms in the millinery industry agreed to far-reaching objectives and to support effective administrative control. Bringing together over 2,200 members of an industry and representatives of 20,000 women and over 30,000 men employees, in a cooperative effort to eliminate unfair trade practices and to better labor conditions in the coat and suit industry; bringing together over 1,100 firms and representatives of over 25,000 employees in the millinery industry; has been a tremendous task and one worthy of public admiration and support. These group-interest mergers represent a new and fundamental effort at industrial self-regulation in industries made up of many small units. That they have within themselves the seeds of life is shown by their continued growth after the judicial extinction of the N. R. A. under which they were brought into existence.

Shall women's clothing be made under conditions like this?



Or under conditions like this?



The Consumers' Protection Label guarantees sanitary working conditions.

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342453

CONSUMERS' PROTECTION LABEL

BBB

Manufactured Under Fair Labor Standards

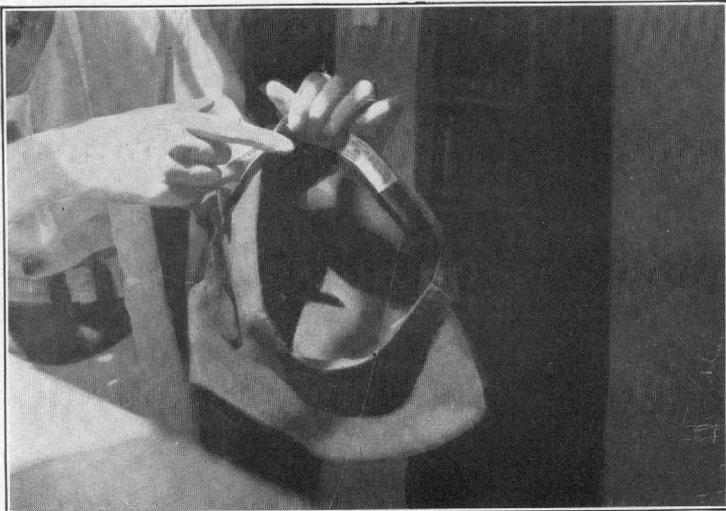


CONSUMERS PROTECTION LABEL

23

Mfd Under Fair Labor Standards

22350

SUPPORT OF THE WOMAN BUYER IN THE PROGRAM OF INDUSTRIAL STABILIZATION

Never before has industrial self-regulation been attempted among so large a number. But the one-tenth and one-fifth minorities that have refused cooperation are a constant menace to the 90 percent and 80 percent majorities in the great forward movement. A temporary undercutting of prices of coats and suits or hats may force the weaker concerns who are cooperating to give way. The woman purchaser can thwart the attempts of these minorities to undermine a movement that bids fair to assure to her, permanently, good merchandise value for her money through the production of such merchandise under adequate wage scales and excellent working conditions. By recognizing these attempts for what they are—a temporary lowering of price to secure eventually a higher profit—and by showing this recognition through purchasing only coats and suits and hats produced by the firms operating under the two boards, the woman buyer will contribute her share to the joint effort to maintain better conditions for worker and employer and to secure better garments at lower prices for herself and her family.

This does not mean that she must pay a higher price today for labeled garments, but rather that from today on a more efficient industry will give her better value for her dollar if today she upholds its initial efforts at industrial stabilization. The new opportunity for the American woman to serve herself, her family, her community, and her country lies in the fact that now she acts with and through an overwhelming majority of the producers and workers, thus assuring her a complete merchandise range, whereas in years gone by the socially minded woman had to work with relatively few firms, and those generally unorganized, against a large number of undercutting concerns. Her choice in the earlier efforts was usually sharply limited. She had really to search for labeled goods. Today it is more a matter of being on her guard lest an unlabeled garment slips into her purchases.

The Consumers' Protection Label.

On every woman's, misses', child's, or infant's coat, jacket, cape, wrap, riding habit, knickers, suit, ensemble, and skirt, in whole or in part of wool, silk, velvet, plush, or purchased knitted materials, made by any firm complying with the labor and trade agreements

set up under the National Coat and Suit Industry Recovery Board, is stitched a Consumers' Protection Label. This blue-lettered label of white satin is sewed where the lining joins the facing at the waist-line or as the sleeve lining is attached. To the lining in every woman's and child's hat made under such an agreement, whether of felt, straw, or cloth, is stitched a white, black-lettered Consumers' Protection Label. Such label is the woman purchaser's guarantee that the garment or hat has been made under sanitary conditions, that the makers of it have received current wage rates, and that her purchase of it in preference to an unlabeled article will lend support to the movement to bring about an efficiency within the coat and suit industry and the millinery trade that will lead to better value for price paid.

The label is found on coats and suits and hats priced from the lowest to the highest levels. If the coat has a label stitched to its lining, a woman may buy a winter coat for \$20 with the same assurance that it is made under sanitary conditions and at standard rates of pay as if she buys a \$150 coat with the label attached. An effort is being made by firms using the label to fix piece-work rates on either garment so that they will yield the worker approximately the same earnings. On the cheaper coats, the orders for which are larger than for the expensive coats and workmanship less fine, the worker can turn out many in the same time that it may take to make one expensive coat. Therefore, while the labor cost on a \$60 coat may be \$9 and on a \$150 coat \$25, the hourly earnings of the workers under the same working conditions will approximate the same amount in firms complying with Consumers' Protection Label agreements.

If there is no label attached to the coat and suit or hat, it matters not how high the retail price, the consumer has no assurance of the conditions under which the garment or millinery was produced.

In years past, when consumer groups have attempted to use a label, the efforts were necessarily impeded by the impossibility of continuous checking up by such groups on a number of manufacturing establishments. Today employees and employers are assuming full responsibility for the inspection within the coat and suit and millinery industries; a label is not sewed on a garment or hat by the employee if there is any question of compliance of the employer with the collective agreements. While in years past a consumer desiring to support the Consumers' League label had difficulty in finding garments that bore it, today she will find approximately nine-tenths of the coats and suits and four-fifths of the hats carrying a label.

Individually and collectively, women purchasers may support this outstanding attempt at cooperative efforts of employer and employee

to put the coat and suit and millinery industries on an efficient basis. Women's local clubs may appoint an industrial committee to assure coat and suit and millinery merchants in the community of the women's decision to buy only goods bearing the Consumers' Protection Label. Real support can also be given to the movement by every woman who goes shopping if she will promptly call the salesperson's attention to any unlabeled coat or suit or hat that she discovers. Reports to the firms' buyers that the absence of labels is quickly noted and goods are rejected are passed on to the 10 and 20 percent recalcitrant manufacturers or contractors who have been unwilling to cooperate with other employers and employees in the solution of the industries' difficulties, and whose undercutting may again bring back the demoralization that has so often affected these industries and their workers. This 10 and 20 percent will respond to the woman purchaser's demand for label goods, as a business necessity.

The influence of label patronage on other apparel industries.

It has taken more than a half century for the coat and suit, the oldest factory trade in the women's outer apparel industry, to effect this organization for its stabilization. Other branches of the industry are not yet ready to solve their intricate problems by such joint effort. The women's and misses' dress industry is making much headway, but it has not achieved the popular acceptance of regulation for common objectives that will warrant issuance of a label giving complete assurance to consumers. The neckwear industry has achieved certain standards within the factory but has not been able to eliminate the home-work evil. And the children's and infants' dress industry has not started to cope with the home-work problem on hand-made dresses.

The concentrated patronage of women purchasers of coats and suits and hats bearing the Consumers' Protection Label will serve as a stimulus to the many concerns in the dress industry to bring about more effective methods of control over the conditions in this industry. Possibly in another year the dress industry will have lessened the degree of conflict within its ranks and will be ready to call for the woman purchaser's support of a dress label.

Outspoken disapproval by mothers of the making of children's and infants' hand-made dresses in homes where conditions cannot be controlled is needed before the children's and infants' dress industry will give serious attention to its elimination.

THE FUTURE POLICY OF WOMEN IN APPAREL BUYING

As indicated, the support of women buyers of coats, suits, and hats bearing the Consumers' Protection Label is an important factor in upholding efforts against the disrupting influence of a minority within these industries. But there is a further responsibility for the common good attached to the power which the American woman wields over the apparel industry. Whether rightly or wrongly, her fashion vagaries stand accused of most of the evils within each of the women's and children's apparel industries. Few women would wilfully demand such a continuing change of styles as would make insecure the earnings and health of some 300,000 other families. But collectively they are blamed for having brought about the serious conditions so difficult to overcome in each of the apparel industries.

Is it not time that organized women's groups examine these charges? That they study the complex conditions within these industries to determine their own responsibility? If they are guilty in only a small degree, does not an intelligent self-interest call for constructive action that will clear women of such an indictment?

The women's outer garment and millinery industries are vital to the country's welfare. Their contribution to the country's wealth through manufacture from raw materials is exceeded by only five other industries. They are exceeded in numbers of persons given employment by only eight other industries (3). Their contribution to national wealth and mass purchasing power is, therefore, of concern to every family in the land, whether the income of such family be derived from farm, mine, factory, store, or office. Efficient functioning in so important a branch of manufacture and adequate earnings and healthful working conditions for so large a number of persons will find their repercussion in purchases of more food and furnishings and homes and in a demand for more and better professional and personal service. All such developments will redound to the welfare of families apparently remote from the women's apparel market.

Many American women are organized in groups for civic betterment and to promote their own and the general welfare. The existing economic problems in the several branches of the women's outer-apparel industry are presented herewith for their consideration so that they may assess woman's responsibility for these difficulties and determine her obligations to work directly with retailer, manufacturer, and worker for their elimination. The common interest of all groups lies in employment relations that will bring about low unit cost of production through a high level of efficiency due to good wages and good working conditions.

FASHION EFFECTS UPON CONDITIONS IN THE COAT AND SUIT AND DRESS INDUSTRIES

Students of fashion state that basic style changes follow closely general economic, political, and social changes and that general style trends spread over several years. However this may be, the retail women's clothing department buyer believes that the responses of women purchasers to new fall or spring styles cannot be prophesied with sufficient accuracy to risk stocking a supply of garments of any one fashion. Rather, he prefers to display a large variety of styles before placing even substantial orders. After initial seasonal buying has indicated trends, he places orders with the manufacturer for quick delivery. Then, too, the retailer insists that continuous style changes are necessary to command women's attention from month to month. The manufacturer, therefore, is called upon for garments of great variety made up in small quantity for quick sale. He is afforded little opportunity for planning his work ahead of orders.

The jobber-contractor system of manufacture.

These merchandising ideas have lead to a development within the manufacturing branch of the women's outer apparel industry that is distinct from that known in other industries. Instead of a centralization of manufacturing in relatively few large factories, in line with the development of modern American industry, large-unit selling agencies have been combined with many small-scale manufacturing plants. Retail store buyers from all sections of the country go to New York to look over the coming season's offerings. For their convenience, "jobbers" display many styles in their showrooms. It is from "jobbers", in large measure, that the retail buyers order and reorder.

The jobber is not a mere wholesaler of manufacturer's products. At the beginning of each manufacturing season he makes or buys designs for garments and purchases the materials he wishes made up. He then calls in "submanufacturers" to quote prices on making up different designs in specific materials. The jobbers have insisted hitherto that bids from many submanufacturers were necessary because each experimented with many styles. As the retailer pressed him for low wholesale prices, the jobber kept his manufacturing costs down by competitive bids from a large number of submanufacturers. Men who were employees yesterday thus managed easily to enter the ranks of submanufacturers, for little capital was required to rent a room and some sewing machines. Knowing little of price determination or cost accounting they accepted work at

impossible prices and in turn were forced to reintroduce sweatshop conditions to keep operating.

Employers who have tried to operate large factories and sell their own garments have been compelled repeatedly, by this continuous price-cutting tendency, to turn over part of their sewing to contractors who produced garments for less than the cost of making them in the manufacturer's own factories. Then too, the short seasonal periods of peak load of demand were handled more cheaply by sending part of the work out to those contractors who close up shop when there is no work than by maintaining a plant equipped to handle the peak production of 2 months over a 12-month period.

Specific conditions in the New York metropolitan area.

The dress and coat and suit industries are concentrated in and about New York City; within the metropolitan area, which includes the region within a radius of 75 miles of New York City, in New York State, New Jersey, and Connecticut, are produced 87 percent of the Nation's street and formal dresses and 85 percent of women's coats and suits (4). In 1935 there were only 250 regular manufacturers of dresses within this region, that is, firms who purchased their materials, cut out garments, and sewed at least some of the garments on their own premises. These 250 firms are estimated to have employed 12,000 workers. There were 800 jobbers who did the purchasing of materials, designing and selling of finished garments, and thereby gave employment to as many persons as did the manufacturers. And there were 2,250 submanufacturers or contractors, employing 82,000 persons to cut and sew dresses. The wages and conditions of work of over three-fourths of the actual producers of women's dresses are dependent, therefore, upon the price level to which 800 jobbers have been able to force 2,250 contractors (5).

Out of 1,906 firms in the coat and suit industry in the metropolitan area, 622 were regular manufacturers, 360 were jobbers, and 924 were submanufacturers or contractors. The larger number of regular manufacturers in this branch increased the proportion of workers in so-called "inside shops" or in regular factories; a smaller number than in dresses, 24,700 out of an average of 45,500 employees on coats and suits, were employed by contractors or submanufacturers. But even so, a very large proportion of the firms employed fewer than 20 workers (6).

Competition among many weak firms disastrous.—Such an industrial organization growing out of cyclical fashion trends carried in its wake untold possibilities of disaster for employee, employer, and the public. Even in the year of increasing business ending February 1935, 298 coat and suit firms went out of business in the New York

area and 353 new firms entered business (7). The turnover was believed to be even greater in the dress industry.

Each little shop a potential sweatshop.—The State of New York has struggled since 1880 to take the work out of the tenement home, to eliminate insanitary and unsafe shop conditions. But after its first 30 years of battling the coming and going of little shops from one New York street to another, the Joint Board of Sanitary Control, set up by employee-employer action, stated "all shops from the poorest in the attic or cellar of some old converted tenement to the richest and biggest in loft buildings of the most modern type suffered from various sanitary defects", that is, there was a startling inadequacy of protection against "fire dangers", "dirty floors, ceilings, and walls", "defective plumbing", "accumulation of rubbish", "lack of adequate water closets, washing facilities, and adequate means of ventilation" (8). Conditions have been vastly improved, but even in 1935 the industry considered it necessary to maintain the Joint Board of Sanitary Control at the expense of all organized groups in the trade to prevent any recurrence of these conditions. Its work has now been taken over by the Union Health Center.

Wage difficulties.—In years now past, workers had to buy their own sewing machines, their needles and thread, and pay for the electricity they used. A difficulty that has not yet been relegated to the past is securing payment for services at regular intervals from the small contractor. But the most fundamental wage problem growing out of fashion vagaries was and is the fixing of prices to the contractor on thousands of different models so that they will yield to worker and to contractor and to jobber each a fair income.

SEASONAL DIFFICULTIES OF THE COAT AND SUIT AND DRESS INDUSTRIES

The seasonal factor creates still another very real problem. The seasonal range of production is greater in the women's apparel industry than in any other industry save only fruit and vegetable canning and cottonseed oil. And the employment extremes are exceeded only by industries dependent on growing seasons and by ice cream and butter manufacturing (9).

While the services of 60,319 men and women were required during the week of October 13 to produce coats and suits for the fall and winter season of 1934, only 29,524 were employed by December 8, and in the week of June 2, 1935, only 19,416 persons; that is, three times as many people are given employment at the high tide of demand as at its low ebb. Nor does employment mean full days of work with full pay envelopes. The amount paid workers varied

even more widely than the numbers employed; it was over five times as great during the week of March 24 as in the week ending June 2.

In an industry that gave some employment to over 60,000 people, only from 19,000 to 20,000 could count on some income during 52 weeks; another 20,000 had to earn in 29 weeks an income to support families for 52 weeks; and some 10,000 to 20,000 others received pay during only 17 weeks of the year ending February 2, 1935 (10).

Every homemaker will appreciate the difficulties of the wives and mothers who must budget such irregular earnings over an entire year. Every effort to lessen style changes so that orders can be filled over a longer period before the fall or spring season is an easement of many family worries and an important step in industrial stabilization.

NEW METHODS OF CONTROL IN THE COAT AND SUIT INDUSTRY

As has been stated earlier, the inside manufacturers, the jobbers, the submanufacturers or contractors, and the employees in the coat and suit industry have severally merged their interests to "promote the common welfare of the industry" by the formation of the National Coat and Suit Industry Recovery Board. This administrative body is governed by an executive board selected from the four regional boards that administer the industry's affairs in the four coat and suit manufacturing regions of the United States. In the metropolitan area, where 85 percent of all the coats and suits are produced, the membership of the Metropolitan Regional Board is elected from the International Ladies' Garment Workers' Union representing the employees, from the Industrial Council of Cloak, Suit, and Skirt Manufacturers, Inc., representing the inside manufacturers, from the Merchants' Ladies' Garment Association, Inc., the association of jobbers, from the American Cloak and Suit Manufacturers' Association, Inc., representing the contractors, and from the Infants' and Children's Coat Association. In the other regions, employees and employers from different cities are elected to the regional boards.

Control of the jobber-contractor relationships.

The problem of jobber-contractor relationship is vigorously attacked by this organization. In an amendment to the board's constitution, all members of the body who employ or deal with contractors or submanufacturers must list those actually required to produce their garments. While these may be changed from time to time as business warrants after a hearing before the local compliance board, the number of contractors is limited fairly closely to the seasonal requirements of the market.

Competition among contractors is sharply curtailed.—Member concerns employing contractors or submanufacturers agree to pay producers, for overhead, a minimum percentage of the direct labor cost in the production of garments. They also agree to pay an amount for labor cost sufficient to enable the contractor to pay workers the prevailing wage rates and earnings set up in collective agreements within the region, or the actual rates of earnings fixed by specific collective or individual contractual agreements.

Scientific attempts at wage and price determination.

To determine what the productive labor costs on any style of coat or suit should be to yield specific earnings to the worker of average skill, a labor bureau has been set up in the metropolitan area. This bureau is ascertaining the time required in manufacturers' and contractors' shops for workers to produce standard types and grades of garments, so that a scientific basis may be available for determining prices of production and piece rates for the various crafts in place of the competitive price system existing in the industry. Today the various persons concerned in the price the jobber makes to the contractor adjust piece rates together; that is, the representative of the workers, the contractors, and the jobbers, as well as a representative of the labor bureau, work out equitable rates. Instead of continuous undermining of one member of the trade by another, all members are working together for their mutual benefit.

Maintenance of present standards of working conditions.

The constitution of the National Coat and Suit Industry Recovery Board provides for the maintenance of present standards of working conditions in the following terms:

ARTICLE V.—HOURS AND WAGES AND OTHER STANDARDS OF WORKING CONDITIONS

1. If a member concern of this body is in collective or individual contractual agreement with labor, said member concern agrees to maintain the standards and provisions of said agreement.

2. If a member concern of this body is not in collective or individual contractual agreement with labor, said member concern agrees to establish and/or maintain at least the minimum standard of wages and hours and working conditions established through collective bargaining between employers and workers in the region in which said member concern is located.

a. If for any reason these standards cannot be determined, then the standards of wages and hours and working conditions provided by the Code of Fair Competition for the Coat and Suit Industry applicable to the member concern in question as of May 1, 1935, shall be deemed the minimum standards to be established and/or maintained by said member concern.

Labor standards in the New York metropolitan area.

Collective agreements in the New York metropolitan area under employers' organizations and employees' unions call for the following conditions:

Cash wages shall be paid regularly each week. A minimum wage scale is set up for each craft that is paid by the week. Workers in crafts paid by the piece are guaranteed a minimum hourly rate, lower than the basic rates used in fixing piece rates for each craft on each garment design. The week's work consists of 35 hours in the first 5 days of the week, a regulation which is intended to spread the work over more weeks in the year. When an employer cannot provide full-time work to all his employees, the work shall be equally divided among all who are competent to do the work.

For the year ending February 1935, operating under approximately the same terms as are given in this agreement, the average earnings of men coat and suit workers in the New York area were \$1,243, and those of women were \$758. The workers in the inside shops had average earnings of \$1,305, and those working for contractors of submanufacturers in the New York area had average earnings of \$880 (11).

During the life of the agreement there shall be no strike or lock-out. All disagreement shall be settled by an impartial chairman approved by all parties.

The conditions of employment reached through collective agreement in the several regions vary as the character of work and type of organizations within the industry vary. Year's earnings are slightly lower for both men and women than in the metropolitan area.

Compliance.

Any member who violates a wage provision must make up the difference; if other provisions are violated, the concern is liable for damages and cost of investigation and hearings. Expulsion results from intentional failure to abide by the constitution, bylaws, and regulations of the National Coat and Suit Recovery Board.

All coats and suits that are manufactured under the terms of the board bear a Consumers' Protection Label. This label is public notification that the garment has been made under sanitary conditions and by employees and employers whose cooperative effort is bringing much needed stabilization to the industry.



Every effort is being made by the dress industry to prevent a return of sewing to the back rooms of private homes as shown in the picture.

ATTEMPTS TO REMEDY CONDITIONS WITHIN THE DRESS INDUSTRY

While the dress industry has the same structural weaknesses as the coat and suit industry and consequently the same general problems to overcome, complicating factors have increased the obstacles in the way of cooperative study and regulation.

Intensified problems.

In the first place there is no clear demarcation between the dresses made by this so-called dress industry and the cotton wash dress made in the cotton-garment industry. Originally the cotton wash dress was a cheap house dress produced in large volume by the sectional method, requiring only semiskilled operatives. Today some of the cotton wash dresses made under these conditions have been carefully styled for street or afternoon wear, and consequently compete with the cheaper dresses made by skilled operatives in the dress industry. In its lower price levels, therefore, there is competition which is not under the control of the dress industry today.

Secondly, the numbers as well as the proportions of jobbers and contractors in the dress industry are much larger than those in the coat and suit industry. In the New York metropolitan area, about 70 percent of the firms in the dress industry are contractors or submanufacturers and about 24 percent are jobbers, whereas less than half of the coat and suit concerns are contractors and less than 20 percent are jobbers. While there are 3,300 separate concerns in the New York metropolitan area alone to bring into agreement in the dress industry, there are but 1,906 in the coat and suit industry in this area.

And then again, the greater rapidity of style turnover in the dress industry has necessitated heavy mark-downs in the dress departments of retail stores. In 1935 women's dress departments had mark-downs of 16.6 percent, popular-priced dresses of 12 percent, and junior and misses' dresses of 13.5 percent (12). Dress department buyers have counted on a high purchase discount rate from jobbers to reduce the loss due to these sharp mark-downs. But even so, dress departments of department stores operated at a loss in 1935, while coat and suit departments were profitable. Consequently the pressure of lower prices or higher discount rates is great, and competition among jobbers is sharper than in coats and suits.

A reason, and probably a very vital reason, given for the rapid turn-over of dress styles is "style piracy." An originator of designs no sooner has his or her dresses appear on the market than they are copied in cheaper models. Once appearing in cheaper-priced dresses,

the design has no value in the high-priced dress field and new designs must be introduced.

The larger number and greater turn-over of styles in the dress industry also make it more difficult to reach any scientific basis of determining equitable piece rates for production. In fact, the competition on low-priced dresses is such that even the union has agreed to lower minimum wages on dresses wholesaling for less than \$3.75.

These factors have prevented the degree of cooperation among the various elements in the dress industry that is such an outstanding achievement in the coat and suit industry. In metropolitan New York, the dress industry has two contractors' associations, two jobbers' associations, as well as an organization of the inside manufacturers and one of employees; that is, there are five employer groups to bring together instead of the three that would represent each element in the industry.

Beginnings of cooperative effort.

These five associations and the International Ladies' Garment Workers' Union have agreed to representation on one administrative board, which interprets the various agreements each has entered into through collective bargaining. An impartial chairman enforces the agreements. In the metropolitan area attempt has been made through collective bargaining to solve the problems of the industry in much the same way as is done under the coat and suit industry where firms have entered into relationship with the International Ladies' Garment Workers' Union; that is, excessive competition is limited by requiring a designation of needed contractors by each jobber and limiting the use of contractors to those entering into agreement with the union as to minimum wage rates, hours of work, and other labor conditions.

Price floors are established, where prices on different styles of dresses are determined by representatives of the jobber, the contractor, and the workers involved, and a price adjustment bureau has been established. The enormity of the task of attempting to determine the labor involved on different styles of dresses and the piece rates necessary to yield the same earnings to workers and approximately the same profit to contractors is indicated by the fact that from March 20 to May 15 of this year the price adjustment bureau had to settle disagreements on 20,841 different dress styles (13).

While these efforts at solution of the dress industry's problems are forward looking, the conflict among the several groups within the industry is still too great to have resulted in the submergence of individual viewpoints and the acceptance of plans for the general welfare. The administrative machinery is not sufficiently strong to be sure it can control individual units without a greater degree of

popular support. The dress industry is not yet in a position, therefore, to attach labels to garments as the consumer's assurance of good conditions in the shops in which dresses are made.

Encouragement needed from women purchasers.

But the woman purchaser can help to bring about a greater spirit of cooperation within the dress industry, can help to bring about a more continuous flow of work, and avert the constant danger of re-introduction of the sweatshop. Her patronage of the Coat and Suit Consumers' Protection Label will be assessed by the dress industry. If it facilitates that industry's cooperative efforts toward general betterment, it will serve to persuade the various elements in the dress industry that the advantage to all lies in a willingness to support individually and collectively regulations leading to general welfare.

The price of rapid restyling to the retail store, the contractor, and the worker has been discussed. The woman purchaser pays for it, too, in high retail mark-ups on new dresses to help to sustain the mark-down after garments have been in stock, and in the outmoding of dresses before they are worn. Do the majority of women purchasers really demand the vast number of differently styled dresses now to be seen in any dress department? Do they insist on a new array of dresses whenever they shop? These are subjects to be discussed by women's clubs in the light of the sinister consequences of rapid style changes to so many families. Can women purchasers themselves help to stabilize the dress industry by insisting upon better design, quality, and workmanship and less emphasis on difference? Is it to their own interest as family income managers to steady the style changes?

PROBLEMS OF THE NECKWEAR AND SCARF INDUSTRY

Just as the dress industry presents more intensive problems than the coat and suit industry, so the neckwear and scarf industry has even greater difficulties to overcome than those in the dress industry. Today women may be wearing elaborate lace and embroidered neckwear, tomorrow a simple scarf, and a few months later no neckwear of any kind. To attempt to bring stability to an industry and good employment conditions to its employees under such style variations is a herculean task. Yet about 4,000 persons are dependent upon, and a business of \$25,000,000 has been built up about, such style uncertainties (14).

The link between this industry, which has its own association of employers and its own union of employees, and the dress industry further confuses the situation. Some dress manufacturers produce the neckwear for their own dresses. Others buy it of neckwear manufacturers who work for them. Then there are the regular manufacturers who design, manufacture, and sell at wholesale and retail and the jobber and the contractor as in the dress industry. But each of these elements in the industry sends sewing out to the home, as was done in the dress and coat and suit industry in years now happily past. Thus the jobber or manufacturer wishing to avoid payment of contractors' overhead may send work direct to the home worker. The contractor and his employees cannot survive under such a system nor can any standard of sanitation or wages or hours be maintained in scattered homes. Then, too, the sweatshop of earlier days is revived as a home worker accepts more work than she can do and distributes it among her neighbors.

The agreements entered into between the Ladies' Neckwear Workers Union of Greater New York and members of the National Women's Neckwear and Scarf Association attempt to control home work by requiring the same rates of wages in the home as are paid for the same type of work performed in the factory. No home work is to be given out unless one-half the articles of each type are produced in the factory or contractor's shop. Even if a force of inspectors were adequate to enforce such measures of control, difficulties would arise. While some shops pay a piece rate that could be applied to home work, others operate on a time basis, specific rates being paid to each craft. A time rate is not a feasible method of paying home workers, as the time put in by the home worker is beyond the control



Attempts to maintain wage standards in neckwear factories are almost impossible while home work continues in the industry.

of the employer. Consequently it is not possible to determine whether home workers working at a piece rate are receiving the same amount that shop workers get who are paid in rates of from 40 cents for trimming to 60 an hour for sewing-machine operating.

Then, too, New York firms scatter home work through New Jersey and Pennsylvania, so it is not easy to follow up and check.

The difference in earnings of factory workers and home workers is pronounced. A woman sewing collars by hand in an inside shop makes $42\frac{1}{2}$ cents an hour. An experienced factory worker sewing with her daughter at home is paid 20 cents for a collar that requires sewing piping to a paper pattern and fagoting it to the main piece; sometimes they can produce two collars an hour or make 20 cents apiece—less than half the factory woman's wage. Other experienced collar makers who embroider collars at \$2.65 for a bundle of 50 average 21 cents an hour. Less experienced workers paid 11 cents and 9 cents for forming and sewing piping decorations on jabots have earned 7 and 5 cents an hour (15).

The attempt to maintain standard wage rates in shops that can be visited is well-nigh impossible while home work remains in the industry.

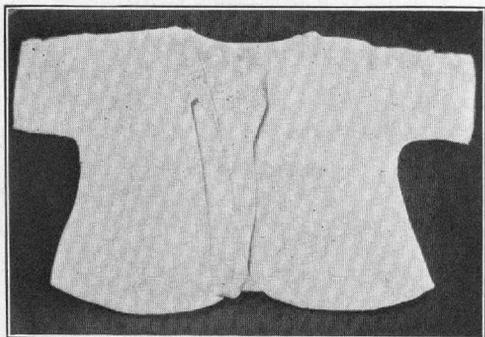
HOME WORK ON INFANTS' AND CHILDREN'S HAND-MADE DRESSES

But exceeding all other woven apparel branches in its failure to eliminate the home-work evil is the infants' and children's hand-made garment industry. Children's tailored coats are made by the coat and suit industry and will bear a label if made under good conditions. But not so the little hand-made dresses or sacques that look so dainty. While many of these are made in China, Puerto Rico, and the Philippines, New York, Pennsylvania, and New Jersey are large producers of this apparel. Scattered groups of home workers are found as far away from the New York market as Texas.

These are some of the rates and earnings of individual women who worked on children's garments in Pennsylvania or New Jersey in the spring of 1936 (15):

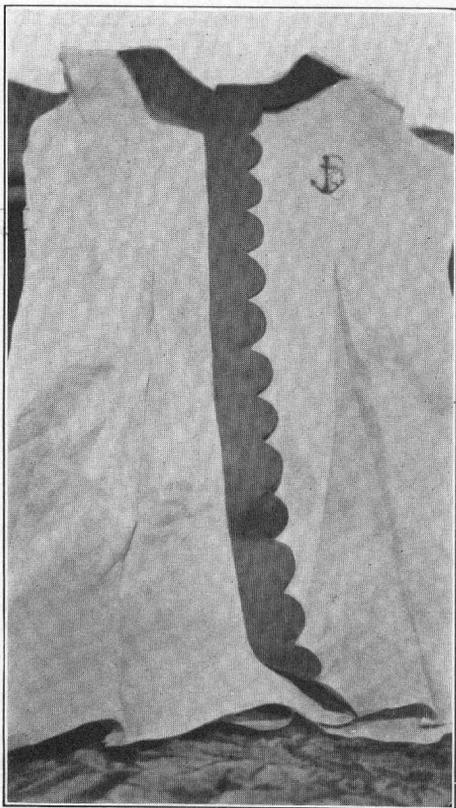
Work	Price paid per dozen dresses	Earnings per hour
9 rows of diamond smocking on dress fronts, size 4-----	\$0. 60	\$0. 10
5 rows smocking on dress fronts, size 12-----	. 35	. 06
Turning under collar edges and fagoting on lace edge; inserting fagoted squares in collar-----	1. 30	. 06
Cutting and turning scallops on child's dress-----	. 60	. 075
Cross stitch, French knots, and lazy daisy design on child's dress-----	. 25	. 08
Cable stitch, gathering front of child's dress-----	. 23	. 18
Lazy daisy leaf and rose design on each side of dress collar-----	. 24	. 05
Lace stitching to two sides of collar, and collar turned-----	. 09	. 04
Buttonholing 3 small pieces of applique to skirt in 3 colors-----	. 90	. 04
Hand hemmed and buttons attached-----	. 56	. 14
Whipping collar edge-----	. 14	. 07
Sewing pieces of braided thread to sides of dress and making loops for belt-----	. 40	. 11
Sewing pieces of braid to form loops-----	. 04	. 10
Embroidering rayon baby caps and sacques-----	. 80	. 13
Embroidering baby's crepe jacket; sewing lining and jacket together and crocheting outer edges-----	2. 75	. 08

Women like their children's dresses to be hand-made or have hand-work touches. There is no adequate reason why this desire should not be met by production in sanitary shops in which standard wages are paid to skilled workers. It is not so done only because it is far cheaper to throw the burden of overhead and low wages on the woman home worker.



The home worker is paid \$2.75 a dozen sacques for embroidering them in 5 colors, sewing linings to jackets and crocheting outer edges.

The home worker is paid 60 cents a dozen for cutting the scalloped edge, turning it and other faced edges, and creasing same.





About half the workers on millinery are women trimmers and one-tenth are men blockers.

STABILIZATION OF THE MILLINERY INDUSTRY

In spite of the fact that millinery has been produced on a custom basis much longer than other apparel and that demands for individuality and style change are even greater than in the dress industry, four-fifths of the firms engaged in this production have joined with their employees in the establishment of a millinery stabilization commission to regulate the affairs of the industry. This represents an intelligent recognition of the interdependence of the welfare of employee and employer by New York, Philadelphia, and Middle Western cities' firms. It represents a heroic effort to hold the gains made by the year of cooperation under N. R. A. and to prevent a return to the disastrous conditions which had prevailed for many years before.

Season and fashion effects upon millinery workers.

While women will recall the change from the ornate hat of 10 years ago to the simple hat of today, few realize that this shift threw thousands of persons out of work and caused many firms to close up shop. In 1927 there were over 33,000 craftspersons making and trimming women's and children's hats; by 1929 more than a thousand could find no employment in the industry and by 1931 almost 6,000 others were unemployed (16).

Nor do women recognize that seeking trimmed straw hats in spring and tailored felt hats in the fall results in unemployment, for some of the trimmers and sewers who worked on straw hats cannot be placed in the fall and some blockers required for fall hats can find no positions in the spring. Twice a year almost half the workers in the industry are laid off. Some women seeks jobs in other fields—usually unskilled jobs; and they return to the industry in which they are skilled, season after season. Many millinery workers have no particular employer but move about from one shop to another, certain of their craft skill but not of an employer.

The instability of the worker is almost equaled by that of the employer. Prior to 1933, the popular-priced hat sold at wholesale for \$24 a dozen; in 1934, 60 percent had to be sold at \$12 a dozen wholesale. In 1934, 20 percent of the millinery manufacturers failed (17). These manufacturers are bona fide producers; that is, they buy their own materials, manufacture hats, and sell them at wholesale. But small shops are made necessary by the rapidity of style changes and the sharp seasonal rises and falls. Flexibility is of vital importance to the millinery industry.

As the industry is organized, a few houses originate hat designs by employing skilled designers who keep close touch with Paris fashions. The larger number of manufacturers are copyists; they watch fashion shows and openings and make up what they believe to be popular designs, or they reproduce hats, which a wholesaler or retailer brings them to copy, in cheaper models. This style piracy is regarded as one cause of rapid turn-over in styles, but efforts to stop it have had limited scope; only the high-priced hat has original design, and such hats represent a very small part of the total business.

The manufacturer buys his raw materials from large dealers, frequently importers, and he sells to large wholesalers or retailers. Sixty percent of all finished hats are handled by syndicates that rent the millinery departments in stores scattered all over the United States. These syndicates are large and buy in quantity, while manufacturers are small concerns. Singly the manufacturer has no bargaining power. Being primarily a technician, usually he has not been a keen businessman. He has given discounts and other concessions to the buyers that have been ruinous to himself and his employees.

Methods of control.

The Millinery Stabilization Commission is governed by a board of three members not connected with the millinery business. Firms controlling 80 percent of the production have entered into agreement to abide by the trade-practice provisions of the former National Recovery Administration code. They have agreed to maintain the collective agreements entered into with the United Hatters, Cap, and Millinery Workers' Industrial Union. They hope, by developing a spirit of cooperation in the industry, to bring individual employees and employers together for common council.

The agreements covering working conditions aim to give employment to as many workers as possible. Weekly hours are fixed at 35, with the understanding that overtime cannot be worked unless all workers in the crafts affected are employed full time and unless all available seats and benches are occupied. Sanitary working conditions are required.

A minimum scale of wages is set up for each craft, a scale placed high enough to make up for some of the irregularity of employment. A higher scale is used as a basis for settlement of piece rates for the average good worker. The piece-work prices are settled by employee and employer price committees. If agreement cannot be reached, the matter is submitted to millinery adjustment boards made up of representatives of employees and employers and an impartial chairman; decisions of these boards are binding.

While the Millinery Stabilization Commission counts on the unions to police these labor agreements, they in turn throw their force behind

the union agreements, by preventing price undercutting and by strengthening the manufacturers' position in dealing with the wholesale syndicate and retail merchant.

The industry has no contractors and no home work. Its label is a guarantee that the hat is made under sanitary conditions, at the best wage rates the industry can now afford, and that the firms whose goods carry the label are earnestly seeking to find a way out of difficulties imposed upon them by a too seasonal and a too rapid fashion demand.

Women buyers help by buying labeled hats. Can they spread the making of hats over a longer period by spreading their buying? Can they help to set up counseling groups which will determine style demands months before retail buying has begun?

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