

UNITED STATES DEPARTMENT OF LABOR

FRANCES PERKINS, Secretary

WOMEN'S BUREAU

MARY ANDERSON, Director



CONDITIONS IN THE MILLINERY  
INDUSTRY IN THE  
UNITED STATES

By

BERTHA M. NIENBURG



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LETTER OF TRANSMITTAL

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UNITED STATES DEPARTMENT OF LABOR,  
WOMEN'S BUREAU,  
*Washington, February 14, 1939.*

MADAM: I have the honor to transmit herewith the intensive study of conditions of the millinery industry which you requested the Women's Bureau to make. The wholehearted cooperation of the majority of employers and their association officials, as well as of the employees and their local and international union officials, has made this diagnosis of the ills of the industry a thorough one upon which remedial policies may be based. The Bureau also has had the continued and valued counsel of Dr. Paul F. Brissenden, member of the Millinery Stabilization Commission, and of Joseph Lipshie, its auditor.

The survey was planned and directed by Bertha M. Nienburg, Chief Economist for the Bureau. She has had the valuable assistance of Ethel L. Best in supervising the field investigation and of Isadore Spring in supervising the statistical compilation.

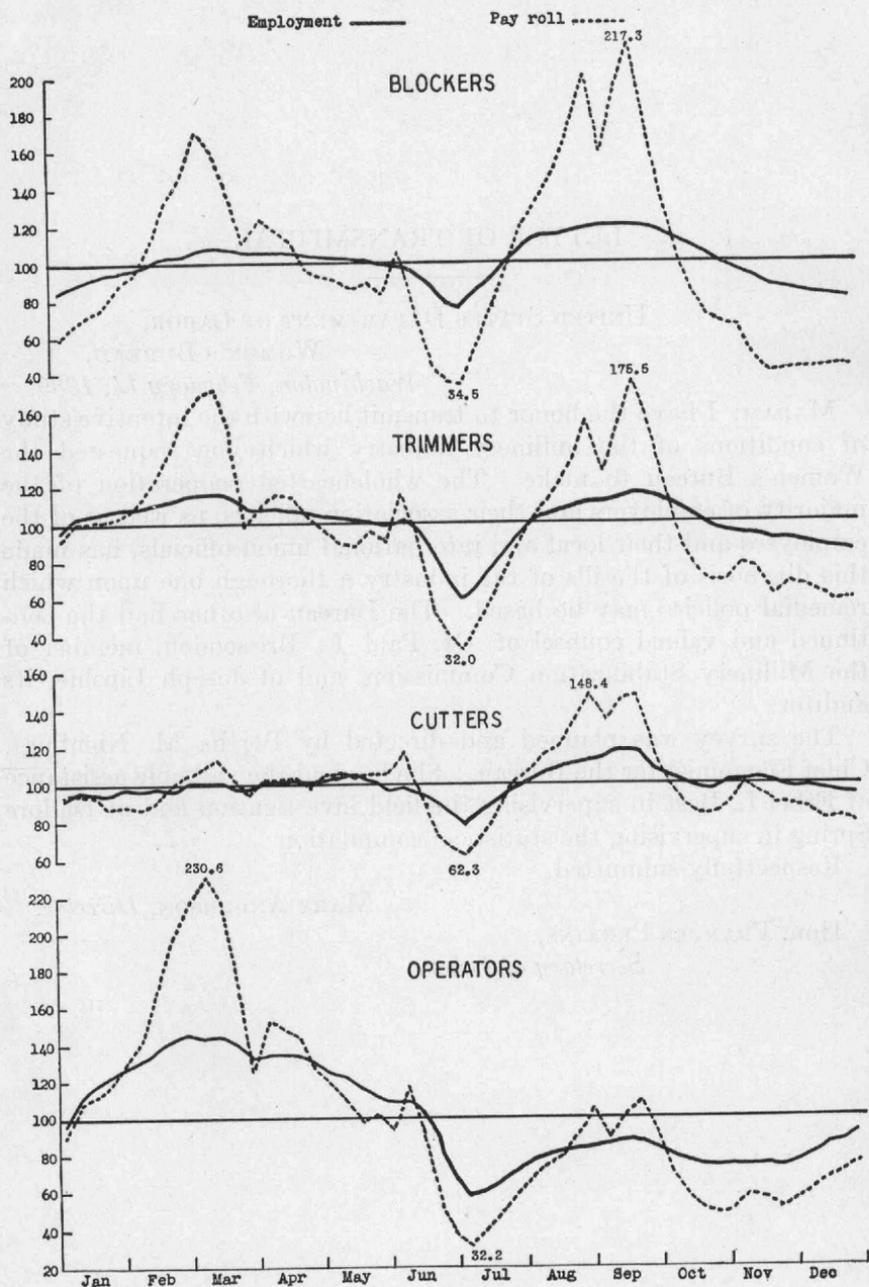
Respectfully submitted.

MARY ANDERSON, *Director.*

HON. FRANCES PERKINS,  
*Secretary of Labor.*

III

CHART 1.—FLUCTUATION IN EMPLOYMENT AND AMOUNT PAID IN MAJOR PRODUCTIVE OCCUPATIONS IN MILLINERY FACTORIES IN 1937—ALL AREAS



# Conditions in the Millinery Industry in the United States

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## FINDINGS

The mutuality of interest of management and labor in the solution of the basic problems of the millinery industry forms the ground work of this study. This measurement of forces at work within and without the industry was brought about, in fact, by the recognition of many within the industry that the welfare of both groups is dependent on such solution, that one group cannot be lifted to a sound economic plane without the other, or regardless of the millions the industry serves.

The millinery industry, in which nine-tenths of the firms operating a full year had net incomes from their manufacture, in which the amounts paid to employees in that year averaged \$1,224 per worker, an industry whose product has a permanent market, presents no problem not susceptible of solution. The degree of success that has been achieved by individuals within the industry even under present conditions, the cooperative efforts toward stabilization already made by unions, manufacturers' associations, and the Millinery Stabilization Commission, lay the ground for confidence that further control may be established over the forces affecting the industry when their importance is more clearly and widely understood.

## THE PROBLEMS OF THE INDUSTRY AS A WHOLE

Millinery is manufactured in 12 major production areas. In 1937 manufacturers numbered in excess of 800, their employees averaged 22,000, their gross sales were over \$91,000,000. Sales, employees, and manufacturers had decreased markedly in the last 10 years.

The problems of the millinery industry today are twofold: Those due to external factors beyond the control of any individual firm, factors that the public imposes; and those of an internal nature relating to the structure of individual business operations.

### I. THE FOREMOST PROBLEMS DUE TO EXTERNAL CAUSES

#### A. *The seasonal factor.*

In 1937 there were 24 weeks in which the millinery manufacturer and his workers were busy—15 prespring and spring weeks and 9 fall

weeks; there were 14 weeks in which production was two-thirds or less of the year's average—5 summer weeks and 9 winter weeks; and there were 14 transition weeks in which firms were preparing for the busy season or lessening production as orders receded.

At its spring peak, production was five-sixths above the year's average; at its fall peak it was nearly two-thirds above the year's average. At its summer low it was about one-third, and at its winter low it was about one-half, of the year's average.

#### **Its effects.**

1. Eighty-four percent more workers were employed during the week of maximum production than were employed during the week of minimum production. The workers employed only during busy periods had to find employment elsewhere or be dependent on others.

2. Those employed in the week of minimum production earned only one-half as much as when employed in the busiest week. The worker employed the full year had to spread his busy-period earnings to make up for his dull-period earnings.

3. The numbers needed in the various crafts shift as the season demands a different kind of hat.

Sewing-machine operators, employed especially on straw-braid or fabric hats in the spring, suffer seasonal irregularity in employment most extensively. Their numbers are two and one-half times as large in the busiest week as in the dullest week.

Trimmers and milliners also suffer more seasonal unemployment than do blockers, cutters, or other factory workers.

#### **B. The style factor.**

Because retail merchants prefer to test each style of hat against women consumers' demand for beauty and change, hat orders tend to be small and call for immediate delivery.

#### **Its effects.**

1. Many milliners pursue a hand-to-mouth policy of purchasing hat materials.

In New York City only 8 percent of the firms reported buy the bulk of their materials in advance of production. Outside New York City over half make purchases in advance.

2. Manufacture remains largely a hand or light-machine operation.

3. Only limited capital resources are necessary to purchase equipment. Men enter the business without adequate business knowledge and the turn-over is large.

Twenty-nine percent of millinery firms operating at least 11 months in 1937 had been organized in 1935, 1936, or 1937. In New York City the proportion was one-third of all in business.

While this survey did not attempt to check the number of millinery firms going out of business in 1937, reports indicate that they approximated 100.

About half the factories had two firm members; less than a fourth had three members. Firm members not only participate actively in the business management but buy, sell, design, and produce.

4. The lack of assets in real estate, machinery, and equipment, in merchandise whether in the raw or the finished state, finds the millinery manufacturer in a weak position from a credit standpoint.

Only 45 percent of the millinery firms reported banking connections that permitted of the procurement of credit.

The dependence for credit on materials-supply houses, reported by one-third of the firms, increases the weakness of the manufacturer's position as a purchaser of hat materials.

5. The wide variation in work requirements calls for continuous determination of piece rates if the yield to the worker is to be the same.

The record of trimmers' earnings by firm during the same week in New York City showed a difference in yielding power of piece rates paid from under 40 cents in 2 firms, through every 5-cent interval, to as much as \$1 in 23 firms, in spite of shop committees whose aim was to fix uniform-yielding piece rates.

### *C. The price factor.*

The demand for cheap hats creates a demand for wholesale prices economically possible only on a volume-production basis, though production remains largely on a unit basis.

The largest volume of sales in 1937 was of hats wholesaling at above \$7.50 and including \$13.50 a dozen; three-eighths of all net sales fell in this group. One-fifth of the net sales were of hats at over \$13.50 and including \$24, and not far from the same proportion of net sales were of hats selling at \$7.50 or less a dozen.

The profit to the manufacturer on hats at over \$7.50 to \$13.50 a dozen was \$0.039 a hat; on hats at \$7.50 and less a dozen it was \$0.03; and on hats at over \$13.50 and including \$24 a dozen it was \$0.047 a hat.

### *Its effects.*

1. Thirty-eight percent of manufacturers' gross sales are now made to syndicates that have millinery departments in department stores or to chain stores with a series of retail outlets.

The growth of these channels of retail distribution has lessened the sales of New York City manufacturers through jobbers to 14 percent.

2. Only when volume of business exceeds \$100,000 does average net income available for firm members exceed materially the earnings of the full-time better-paid employees.

Firms with net sales of \$50,000 and under had an average net income of \$2,284. Firms with net sales of over \$50,000 and including \$100,000 averaged net incomes of \$4,344. As these amounts must cover payment for full-time services usually of two or more firm members, as well as any interest on their investment and any capital reinvested, each firm member receives less than some of the workers he employs full time to block, cut, or sew the hats.

3. Less labor is put on cheap hats than on more expensive ones. Hats wholesaling at \$7.50 and below have labor costs of 26 percent; hats at above \$7.50 and including \$13.50 have costs of 30½ percent; and hats sold at above \$24 a dozen bear labor costs of at least 32 percent.

## II. THE FOREMOST OF THE PROBLEMS DUE TO THE INTERNAL CONDITIONS OF THE MILLINERY ESTABLISHMENTS

### A. *Excess of workers.*

1. Over and above the seasonal difficulties that make the maximum number employed in any week 84 percent higher than the minimum number employed in any week, the industry has many more persons to draw from than are needed at any time. Though the average number employed per firm in the peak week of employment was 35, the number of names on all pay rolls during the year averaged 71 per firm.
2. The heaviest oversupply was among general factory workers and among nonproductive employees whose employment is only indirectly affected by seasons. Trimmers and operators given some employment were twice as many as necessary, blockers and cutters one-half again as many as necessary.

### B. *Excessive competition.*

Ninety percent of all firms state that they market some of their hats to syndicates or chain stores, and 87 percent sell to retailers. As three-fifths of the firms make only one-fourth of the sales, the competition among them must needs be excessive. The extent to which this results in different discount rates will be revealed by the detailed report of trade practices to be made by the Federal Trade Commission.

### C. *Lack of scientific business organization.*

#### 1. *Buying practices.*

Although the cost of hat materials is almost half the expense incurred by millinery manufacturers, purchasing is a specialized function in relatively few firms. Little attention has been given to the differences in material prices asked before and at the height of the season, or to the wide range of cash discounts allowed.

#### 2. *Record keeping and cost accounting.*

While some firms keep a careful accounting of the cost of each item on each hat, the majority do not attempt any analysis of costs.

The itinerant accountant common in New York City is paid a flat sum to audit the books each month. He is paid too little to justify more than the most essential service to a firm, so record keeping is at a minimum in smaller firms.

Twenty-one firms visited kept no records. One-fifth of the firms had no annual record of expenses, or the record was so poorly kept as to be unusable. Only where the system of time payments prevailed were records made of hours worked by employees.

### 3. Factory management.

A careful planning of factory arrangement and operations so that hats can pass from the first through the last operation automatically is lacking in the smaller factory. Much running about, much shouting, take the place of efficiency.

While no attempt was made to record physical conditions of plant operations in this study, the oral reports leave no doubt as to the waste of time and effort of workers and management through lack of production planning.

*The small millinery manufacturer has no bargaining power in the purchase of hat materials, which are supplied by a few well established houses. He has little bargaining power in the sale of his hats to ever-enlarging retail selling outlets. He falls between a seller's market for supply goods and a buyer's market for trimmed hats.*

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## CONDITIONS IN COMPETITIVE MILLINERY-PRODUCTION AREAS

New York City millinery manufacturers sell about 60 percent or more of the hats in each price range but that above \$13.50 and including \$24 a dozen. As their markets are Nation-wide, all other production areas making hats of a specific price in any volume may be considered potential competitors.

On the cheapest hat, wholesaling at \$7.50 and below a dozen, the major areas of competition with New York City are northern New Jersey, Massachusetts, and the area outside New York City in New York State and Connecticut. Minor areas of competition include Texas and Missouri.

On the largest sales-volume number, above \$7.50 and including \$13.50 a dozen, competition with New York City comes chiefly from Illinois, Missouri, Massachusetts, and northern New Jersey.

The hat selling at above \$13.50 and including \$24 a dozen is made chiefly in New York City, Massachusetts, Missouri, and Illinois.

In hats selling at above \$24, Los Angeles becomes an important area of production, as do New York State and Connecticut, the Philadelphia-Trenton area, Illinois, and San Francisco.

**A. Amounts paid to workers.**

1. New York City millinery manufacturers paid more per worker during the year than manufacturers in any other production area.

New York City's weekly average of \$27.18 for all workers was approximately 30 percent higher than the amount paid to all workers by firms outside the city in New York State and Connecticut and in northern New Jersey.

It was 39 percent higher than the amount paid in Illinois, 48 percent higher than that paid by Missouri firms, and 65 percent higher than that paid by Massachusetts firms.

2. New York City millinery manufacturers paid blockers wages that averaged \$43.27 a week in 1937. The area paying the next largest amount was Illinois, where blockers had an average for the year of \$35.37 a week.

3. Sewing-machine operators had a weekly average of \$37.43 in New York City; in the Philadelphia-Trenton area the amount was \$27.65 a week.

4. Trimmers and milliners averaged \$18.55 a week in New York City; milliners in San Francisco firms had the second highest average, \$16.67 a week.

5. General factory workers had their highest earnings in Massachusetts, \$18.37 a week; the second largest amount was paid by San Francisco firms.

6. Nonproductive workers averaged the most for the entire year in the Philadelphia-Trenton area, \$26.14 a week, and their second highest average was in the Cleveland, Detroit, and Milwaukee area, \$25.90.

7. When earnings of employees during the week of March 28, 1938, are reduced to an hourly basis:

Blockers averaged \$1.92 in New York City, \$1.47 in Illinois, \$1.15 in the Philadelphia area, \$1.04 in the Cleveland, Detroit, and Milwaukee area, \$0.92 in Missouri, \$0.87 in San Francisco, \$0.84 in northern New Jersey, and \$0.48 in Texas.

Trimmers averaged \$0.79 in New York City, \$0.62 in Illinois, \$0.60 in northern New Jersey, \$0.56½ in Missouri, \$0.55 in the Philadelphia area, \$0.52 in the Cleveland, Detroit, and Milwaukee area, \$0.48 in San Francisco, and \$0.35 in Texas.

**B. Relative cost of labor.**

The validity of any comparison of productivity from area to area is doubtful because of the wide variation in work done by employees in the same occupation in the same shop during any one week.

A safer measurement of relative labor cost may be found in the cost of labor on hats competing in the same price market.

1. On the cheapest hats, New York City firms had manufacturing labor costs of 28.7 percent of total costs. Such costs include both productive and nonproductive manufacturing labor.

In the New York State and Connecticut area manufacturing labor costs formed 22.4 percent, in northern New Jersey 22.5 percent, and in Massachusetts 19.8 percent of total costs. They formed 17.8 percent of total costs among Texas firms and 24.3 percent among Missouri firms.

2. On the hats having sales in largest amount, those wholesaling at above \$7.50 and including \$13.50 a dozen, New York City firms had manufacturing labor costs of 30.9 percent of total costs.

In Illinois the labor cost formed 36.1 percent, in Missouri 31.3 percent, in Massachusetts 22.9 percent, and in northern New Jersey 28 percent of total expenses.

3. New York City firms making hats wholesaling at above \$13.50 and including \$24 a dozen had manufacturing labor costs of 29 percent of the total costs.

In Illinois and in Massachusetts they were 30.2 percent and in Missouri 27.6 percent of the total.

4. In New York City firms making hats wholesaling at above \$24 and including \$48 a dozen had manufacturing labor costs of 32.4 percent of total costs.

Los Angeles firms had practically the same relative cost as New York City firms, while San Francisco costs were 35.8 percent and Illinois costs 30.3 percent of total expense. In the highest-price brackets New York City firms' labor costs were 36.3 percent, Los Angeles' costs were 33.8 percent, and San Francisco's were 31.9 percent of total expenses.

### *C. Comparison of other cost factors and selling prices.*

#### **1. The hat wholesaling at \$7.50 or below a dozen.**

##### SELLING PRICE

While the gross sales price for all firms reporting was \$0.55 a hat, the New York State and Connecticut area sold its hats gross at \$0.42 a hat, New York City and New Jersey each sold at \$0.56, Massachusetts and Texas at \$0.59, and Missouri at \$0.62 a hat.

Discounts, allowances, and returns per hat were \$0.04 in New York City, \$0.05 in northern New Jersey, \$0.03 in Massachusetts, \$0.02 in New York State and Connecticut, and \$0.06 in Texas and in Missouri.

Net sales price in the regions selling at approximately the same level was \$0.52 in New York City, \$0.51 in northern New Jersey, \$0.55 in Massachusetts, \$0.56 in Missouri, \$0.54 in Texas, and \$0.40 in the New York State and Connecticut area.

## COSTS

Manufacturing costs were approximately the same in the four major competing areas in spite of differences in labor cost. Of the minor competing areas, Texas had the lowest manufacturing cost and Missouri the highest manufacturing cost of all competing areas. These costs were overcome in total expenses by low sales and overhead cost in Missouri firms and by high sales and overhead costs in Texas firms.

**2. The hat wholesaling at above \$7.50 and including \$13.50 a dozen.**

## SELLING PRICE

While New York City firms' hats in this price range average a gross price of \$0.99, Illinois firms' hats of \$1.01, Missouri hats of \$1, and Massachusetts hats of \$1.06, northern New Jersey firms quoted an average gross price of \$0.74, thereby reaching a somewhat different market from that of other major competing areas.

Discounts, allowances, and cost of returns were 9 cents a hat in New York City, 8 cents in Illinois, 10 cents in Missouri and in Massachusetts, and 6 cents in northern New Jersey.

The net selling price per hat was \$0.91 in New York City, \$0.93 in Illinois, \$0.90 in Missouri, \$0.96 in Massachusetts, and \$0.68 in northern New Jersey.

## COSTS

Manufacturing costs were very close in New York City firms, Illinois firms, and Missouri firms. They were lower in northern New Jersey but higher in Massachusetts firms. Massachusetts, however, had the lowest sales and overhead cost.

**3. The hat wholesaling at above \$13.50 and including \$24 a dozen.**

## SELLING PRICE

New York City firms averaged \$1.65 gross for a hat in these brackets, Illinois \$1.24, and Missouri \$1.46.

Discounts, allowances, and costs of returns amounted to \$0.16, \$0.11, and \$0.17, respectively.

The net selling price was \$1.49 in New York City, \$1.13 in Illinois, and \$1.29 in Missouri.

## COSTS

Manufacturing costs per hat varied considerably, from \$0.87 in Illinois to \$1.22 in New York City. Sales and overhead ranged from \$0.18 in Illinois to \$0.28 in Missouri.

**4. The hat wholesaling at above \$24 a dozen.**

## SELLING PRICE

As the hat increases in price there is extended variation in selling price. On hats at above \$24 and including \$48, the average gross

price was from \$2.89 in New York City to \$3.25 in Los Angeles. Net selling prices reported were from \$2.61 to \$3.01 in these areas of production.

On higher-priced hats there is more divergence of price, so that comparison of costs or selling price is not important.

#### COSTS

Manufacturing costs on the hat including the \$48 model varied from \$2.02 in Illinois to \$2.36 in San Francisco. Sales and overhead ranged from \$0.36 in San Francisco to \$0.51 in Los Angeles.

### INCOME FROM MILLINERY MANUFACTURE

#### A. Firm income.

"Income" is the net profit—the total amount available for firm members after all expenses are paid but before firm members pay themselves anything for their services. It is the sum of firm-member withdrawals plus or minus the profit or loss shown on the books.

##### 1. All firms.

Some income was derived from the 1937 millinery business by all but 11 percent of the firms reporting that operated at least 11 months of that year.

Operation at a loss was reported in all areas but the small production areas of New York State and Connecticut, Philadelphia and Trenton, and Cleveland, Detroit, and Milwaukee.

Firms operating without real loss had income of 5.92 percent of net sales.

Income was highest among Texas firms, 10.25 percent, and among Los Angeles firms, 8.15 percent. In the Philadelphia-Trenton area the net profit was 7.6 percent, for Illinois firms it was 6.74 percent, for Massachusetts firms 6.19 percent, and for New York City firms 5.79 percent. Income for firms operating without loss was lowest among northern New Jersey firms, 4.25 percent.

##### 2. Income by price of hat.

Profits and losses were incurred by firms making hats in each price range below \$48 a dozen.

The proportion reporting losses varied from 7 percent among firms making the cheapest hats to 19 percent among firms making hats wholesaling at above \$13.50 and including \$24.

Firms having some income from manufacture made:

\$0.033 on the hats at \$7.50 and below a dozen, or 6½ percent of net sales;

\$0.048 on the hats at above \$7.50 and including \$13.50 a dozen, or 5.3 percent;

\$0.077 on the hats at above \$13.50 and including \$24 a dozen, or 5.8 percent;

\$0.169 on the hats at above \$24 and including \$48 a dozen, or 6.3 percent;

\$0.365 on the hats at over \$48 a dozen, or 6.8 percent of net sales.

### 3. Income by volume of business.

Profits and losses were incurred by firms having different volumes of business.

The proportion that reported losses ranged from 3 percent among firms having net sales of over \$200,000 and including \$300,000 to 12 percent among firms doing a business of \$50,000 or less.

Income of firms having some profit from manufacture was:

Net sales of \$50,000 and under—9.3 percent, or average income of \$2,831;

Net sales of over \$50,000 and including \$100,000—7.3 percent, or average income of \$5,249;

Net sales of over \$100,000 and including \$200,000—6.7 percent, or average income of \$9,120;

Net sales of over \$200,000 and including \$300,000—5 percent, or average income of \$12,077;

Net sales of over \$300,000 and including \$500,000—4.1 percent, or average income of \$15,009;

Net sales of over \$500,000—3.9 percent, or average income of \$33,110.

As the income received usually must be divided by two or more firm members, and as some is needed for reinvestment in the business, it is obvious that even with the elimination of firms operating at a loss, net sales must exceed \$100,000 before employers can earn an amount sufficient for the risks assumed.

### B. Employee's income or earnings.

1. At present rates of pay and under present conditions in the industry, full-time work (46 weeks or more) brings average earnings of:

\$1,927 a year to blockers;

\$1,601 a year to operators;

\$858 a year to trimmers;

\$943 a year to general factory workers;

\$1,514 a year to nonproductive workers.

The proportions working 46 weeks or more in 1937 were 41.5 percent of blockers, 21.1 percent of operators, 25.5 percent of trimmers, 16.5 percent of general factory workers, and 35 percent of nonproductive workers.

2. The amount of net sales available for productive labor was 25.4 percent, for nonproductive labor 5.4 percent, for the sales force 4.9 percent.

Production workers received the largest proportion of firm income when net sales were over \$100,000 and including \$200,000 a year.

Nonproductive workers received the largest proportion of earnings in the largest businesses.

## CONCLUSION

The economic equilibrium between millinery manufacturer, materials supply house, and millinery purchaser can be attained and maintained by hard, intelligent effort and mutual confidence within the manufacturing branch itself. The strength of the manufacturing branch will be built up to equal that of the branches that service it and that it services, however, only when control is gained over the destroying forces *within* the industry. Such control requires effective cooperation and systematic effort of employer and employee. Not only is a strong union of employees, such as exists, necessary to accomplish this end, but a strong association of employers is necessary in order that both may work together through a voluntary, representative organization to promote their common interest in the welfare of the industry.

That such cooperation is possible in the millinery industry is evidenced by the seeds of life shown in the present strengthening of some of the local employers' organizations, in the interest shown in a National Council of Millinery Associations, and in the effective educational work already accomplished by the Millinery Stabilization Commission. The importance of stimulating continued efforts in cooperation until the industry is ready for self-regulation is evidenced throughout the findings of this survey.

Many of the internal ills of the millinery industry arise from attempts to operate without adequate resources and without knowledge of sound business methods or market conditions. It is important that every employer producing today and every employee who may consider investment of his savings in a factory of his own in the future shall realize that continued success in millinery manufacture calls not only for ability to produce millinery but for the exercise of the following functions:

1. To secure credit from legitimate sources at legitimate rates.
2. To interpret price trends and market conditions in order to negotiate to best advantage with raw-materials dealers. As materials are the largest item of expense in millinery, purchasing should be a specialized function and made most efficient.
3. To plan each season's production with the aid of style research agencies.
4. To calculate costs of manufacture, including allotment for factory management, selling, and overhead charges on each type of hat. It is the saving of a fraction of a cent at many points that makes for profit in millinery.
5. To negotiate sales on the basis of preliminary designs as far in advance of delivery as possible.

It is vital to employer and employee alike that they recognize that the very small margin of profit on cheaper hats can be offset only by large volume sales if the manufacture of such hats is to yield sufficient income to make assumption of employer responsibility profitable and employee earnings adequate.

The importance of these facts should be stressed not only in the campaign of education being carried on by the Millinery Stabilization Commission but by employers' organizations and by the union among its members. If jobs are to be held and earnings are to be steady, profit must be reasonably certain.

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When the forces of disorder within the industry are subdued, attempts should be made to enlist the woman consumer's aid in so lengthening seasons and steadying style caprice as to facilitate the industry's efforts to increase sales, plan for changes, lengthen production seasons, and give better values as a consequence of better plans, thus further advancing the industry as an economic and cultural force in our lives.

The largest and best potential millinery market today is among women of 30 to 55 years of age. If the 2,500,000 women of these ages engaged in business and the professions became interested in buying 3 or 4 hats a year, and the home makers of the same ages bought 2 hats a year, the sales of millinery would be materially increased.

Estimates based on sample studies of purchases made by women in different occupations and in different areas leave little doubt that the potential hat market at present prices can be expanded at least 50 percent.

While the numbers of potential hats to be sold to women in the twenties and to women between 30 and 55 years of age differ by only about 2,000,000 the wholesale value of potential sales is materially higher in the case of the older group of women.

To make the contact between the consumer and the manufacturer more direct, with resultant stabilization of production, it is suggested that the millinery-manufacturing industry as a whole adopt organized methods of assessing style trends for itself far enough in advance to permit planning each season's manufacture; and that it invite the cooperation of women with a quickened artistic sense—serious-minded women in every walk of life—to assist in appraising suggested styles for four seasons each year before they are offered to the retailer.

With better management within the millinery industry and a lengthening of seasons, it will be possible to assess the number of new workers to be trained for and introduced into the industry yearly. The oversupply of millinery workers today only abets the existing quick order, peak production, short employment turmoil.

# Conditions in the Millinery Industry in the United States

## I. INTRODUCTION

### CONDITIONS LEADING TO SURVEY

This study was initiated at the request of the Secretary of Labor after a delegation of representatives of employers and employees and the Millinery Stabilization Commission waited upon her and presented the problems of the millinery industry. The written statement left with the Secretary by Max Meyer, chairman of the Millinery Stabilization Commission, which clearly states the problem and the assistance sought, is as follows:

"During the past 3 years, while most of the other manufacturing industries have been showing heartening gains in employment, pay rolls, average labor earnings, salaries, and profits, the millinery manufacturing industry has either marked time or suffered serious losses.

"Between 1935 and 1936 there was no gain in employment; very slight, if any, improvement in average labor earnings (which ran about \$1,100 each year); a decline in average annual salaries of officers and firm members; and a marked decline in average net profits. In both years more than half of the firms in the industry did business at a loss and a larger number were in the red in 1936 than in 1935. In such a situation it is not surprising to find more than one firm out of four going out of business each year. \* \* \*

"A more thorough diagnosis of the ills of the industry with an eye to the development of plans for its rehabilitation depends upon much fuller knowledge of prevailing conditions. It is believed that a comprehensive survey of the labor conditions and business practices prevailing in the industry is desperately needed. The future job security of thousands of millinery workers and the business solvency of hundreds of millinery manufacturers are largely dependent upon the guide posts of remedial policy that can be set up only in the light of full information. We therefore request that such a survey be made."

The Millinery Stabilization Commission is an unofficial, impartial body, whose personnel is agreed upon by representatives of the employers and workers in the industry, and whose purpose is to investigate the evils of the industry and to initiate a campaign of stabilization. Though all organized workers are in one union, the United Hatters, Cap, and Millinery Workers' International Union, manufacturers are not associated in one organization. More than 80 percent of the workers were in this union, but even the 12 employers' organizations in existence in the spring of 1938 did not include all employers.

The principal function of the commission has been the development of fair commercial practices in the industry, the introduction of cost-accounting methods, trade promotion, and the education of manufacturers, raw-materials supply houses, and wholesale and retail distributors to the importance of cooperation in putting the industry on a sound economic basis. It has been supported morally and financially by most of the manufacturers in New York City and New Jersey. The millinery labor leaders, both in the national organization and in the locals serving this area, have recognized fully the importance of a stabilized industry to the worker as well as to the employer. They have given vigorous support to the Millinery Stabilization Commission in its efforts to bring about adoption of fair trade practices and to interest all groups in the industry's welfare.

The commission issues a consumers' protection label, sewed into hats as a notification to the consumer public that the hat has been produced by a manufacturer abiding by fair trade practices and under established labor standards. The label is also a source of financial support.

### SCOPE OF SURVEY

#### Areas covered.

A Nation-wide picture of the millinery industry was necessary for a thorough understanding of its problems. All areas in which firm sales exceeded \$1,000,000 were included. These areas are: New York City; New York State, outside the chief city, and Connecticut; northern New Jersey; Philadelphia and Trenton; Massachusetts; South Atlantic cities, including Richmond, Va., Birmingham, Ala., and Atlanta, Ga.; Texas, including Dallas and Waco; Illinois, including Chicago and De Kalb; Cleveland, Detroit, and Milwaukee; Missouri, including St. Louis and Elvins; Los Angeles; and San Francisco.

#### Extent of millinery business in each area.

The field investigation began in January 1938. A list of firms believed to be manufacturing women's millinery was compiled in cooperation with local trade associations, local trade-unions, and from trade directories. Of 1,091 firms listed, 836 were found to be producing women's millinery on a factory basis in 1938. The other firms could not be located or were custom milliners, jobbers, or manufacturers chiefly of children's hats or novelties. The Ribbon, Silk, and Velvet Association, Inc., a trade organization of importers, jobbers, and manufacturers of millinery supplies, which handles cases for its members against millinery manufacturers unable to meet supply payments, reported that in 1937 as many as 100 firms had made over to it assignments for the benefit of creditors, had gone into bankruptcy, or had discontinued business with unpaid bills.

Not all the 836 firms making women's hats in 1938 had been in business during 1937. Only 659 firms were in business as much as 11 months of 1937 and also in the spring of 1938; the remainder began business under the specific firm name after February 1937, some beginning business late in the year or even in 1938. As the survey covered operations during 1937, firms manufacturing only in 1938 and those operating less than 11 months of 1937 were excluded from the study except from the general statement as to extent and location of the industry in 1937 (table I). Thus the survey proper was confined to manufacturers of women's hats in business at least 11 months of 1937 and in the spring of 1938.

TABLE I.—Extent and location of millinery industry of 1937

Production area	Firms in business part of 1937 and in 1938				Firms in business at least 11 months of 1937 and in 1938				
	Number	Em- ployees <sup>1</sup>	Net sales <sup>2</sup>		Number	Employees <sup>1</sup>		Net sales <sup>2</sup>	
		Average number	Amount	Percent		Average number	Percent	Amount	Percent
Total.....	812	22, 130	\$83, 769, 315	100. 0	659	20, 455	100. 0	\$80, 712, 086	100. 0
New York City.....	521	11, 080	46, 898, 839	56. 0	404	9, 942	48. 6	44, 973, 429	55. 7
Up-State New York and Connecticut.....	11	578	2, 956, 521	3. 5	8	520	2. 5	2, 891, 521	3. 6
Northern New Jersey.....	30	1, 217	3, 821, 701	4. 6	23	926	4. 5	3, 537, 237	4. 4
Philadelphia and Trenton.....	12	589	2, 098, 781	2. 5	10	558	2. 7	2, 073, 381	2. 6
Massachusetts.....	27	1, 581	4, 706, 208	5. 6	25	1, 564	7. 6	4, 690, 708	5. 8
South Atlantic area.....	9	797	2, 856, 659	3. 4	9	797	3. 9	2, 856, 659	3. 5
Texas.....	24	600	2, 367, 648	2. 8	22	561	2. 7	2, 236, 297	2. 8
Illinois.....	75	3, 046	9, 482, 421	11. 3	66	2, 915	14. 3	9, 173, 593	11. 4
Cleveland, Detroit, and Milwaukee.....	13	464	1, 507, 899	1. 8	11	522	2. 6	1, 253, 989	1. 6
Missouri.....	29	1, 099	3, 458, 596	4. 1	29	1, 099	5. 4	3, 458, 596	4. 3
Los Angeles.....	45	730	2, 585, 474	3. 1	37	718	3. 5	2, 545, 246	3. 2
San Francisco.....	16	349	1, 028, 568	1. 2	15	333	1. 6	1, 021, 430	1. 3

<sup>1</sup> Where records of employees for 52 weeks were available, average number for year was used; where records not available, employers reported "usual number." Maximum number employed in any one week and total number given some employment during year far exceed this figure. See tables XII and XV.

<sup>2</sup> Figure represents sales after discounts, allowances, and returns are deducted. Where records not available, firms' oral statements of sales were used.

The 812 firms operating for any part of 1937 and in 1938 together employed an average of 22,130 persons during 1937<sup>1</sup> and did a net business of \$83,770,000. How much the sales of the 100 firms that went out of business in 1937 would have added to this figure is not known; that they could have increased only slightly the New York City and Chicago figures is the general belief. From the data available it would seem that at least 50 percent of the employees were working in New York City proper and that firms in that city did about 56 percent of all the business in 1937. The second largest market was Illinois, chiefly Chicago, where 75 firms employed an average of over 3,000 persons and did 11 percent of the Nation's business. Massachusetts milliners ranked third, with 7 percent of the employees and 5.6 percent of the net sales. Firms in northern New Jersey gave employment to an average of over 1,200 persons and had 4.6 percent of the net sales. Missouri ranked fifth with 5 percent of the employees and 4.1 percent of the net sales. Between 3 percent and 4 percent of total net sales in 1937 were made by firms in Los Angeles, in the South Atlantic area, and in Connecticut and up-State New York; Texas and the Philadelphia-Trenton area each made between 2 percent and 3 percent of all net sales; and San Francisco and the Cleveland, Detroit, and Milwaukee area each made less than 2 percent of the total.

#### **Firms included in analytical survey.**

As has been stated, the analysis of conditions of millinery manufacture was confined to firms in business at least 11 months of 1937 and in 1938. Of these 659 firms, together employing an average of 20,455 persons and doing a net business of approximately \$81,000,000, 21 were without records and 40 refused access to detailed pay-roll and cost records. The 598 firms supplying statistical data employed over 90 percent of the workers of all firms in business and did 90 percent of the net business. While not all the 598 firms had complete records on each subject under consideration in the survey, the volume available is always adequate to outline the problems of the industry and suggest possible solutions.

#### **Data secured.**

Firm information is for the calendar year 1937. Bureau investigators visited each millinery factory and copied necessary data from firm records. The data sought comprised the volume of business in dollars and in hats; the cost of production; the pay roll for each of 52 weeks' production records where obtainable; and individual employment and earnings.

Where available, cost of production and profit and loss data were copied from accountants' statements. Each item entered was analyzed and further broken down when necessary to permit of a uniform assembling of items later in the Bureau's statistical division. Original bookkeeping entries were totaled only when no accountants' records were available.

There were compiled from pay-roll entries, for the employees in each occupation, the total number and the amount of wages paid them each week in 1937. As no record of hours worked is made and generally no weekly record of hat production is kept, the size of the

<sup>1</sup> Maximum number employed for peak week exceeds this and total number given some employment during the year is greatly in excess of maximum. See pp. 40 to 50.

productive staff pay roll becomes the most accurate index available of fluctuation in production during the year.

While such data show the amount of employment available in the industry, the individual's employment and earnings were copied from the accounting of each individual made for Social Security purposes.

An effort was made to secure production from workers' records, in order to compare production rates from firm to firm and region to region. Though women employed in trimming hats kept a book in which they entered the amount they produced, or turned in slips with their production record, the hours worked were not entered and records were, therefore, inadequate for purposes of comparison. For the week beginning with March 28, 1938, through the cooperation of the United Hat, Cap, and Millinery Workers' International Union all workers were asked to keep a daily record of the time worked, the work received, its piece price, and the total amount paid for the week. These records were sent to the Bureau's Washington office for compilation of individual production and hourly earnings.

In addition to data secured from records, firm members were asked questions as to type of business organization and internal set-up, time in business, price and kind of hats manufactured, operating method, purchasing practices, credit facilities, selling methods, discount practices, returns, methods of wage payment, and method of securing new workers.

## II. THE MILLINERY MANUFACTURING BUSINESS

### Size of business.

The organization of the millinery-manufacturing industry can be understood most clearly from the vantage point of its sales volume. Thirty-six percent of the firms in business at least 11 months of 1937 and in 1938 did a business of \$50,000 or less in 1937. Sixty percent did a \$100,000 business or less. Forty percent had over \$100,000 net sales, but only 8 percent had sales in excess of \$300,000. For the most part, in the larger production areas the small producer played as important a part proportionately as he did in the national picture. However, the workers employed by the smallest producers were but 10 percent of the total for the industry, while the comparatively few firms producing over \$300,000 worth of millinery employed a third of the workers.

### Type of organization.

One-sixth of the millinery manufacturers reporting operated as individuals and a similar proportion as partnerships. Sixty-three percent were organized as corporations. Nineteen firms were contractors, that is, firms that received the materials with hat orders from the seller and merely made up the hats.

Regardless of legal structure, about half the factories had 2 members in the firm; less than a fourth had 3 members, and only 26 firms had more than 3. Firms of more than 3 members and of only 1 member were proportionately more numerous outside the New York City area.

Firm members participate actively in the business not only in management and buying but in serving as designers, salesmen, and producers. Sometimes their activities are incidental to those performed by specialists employed to perform these functions, but again the firm member may be the salesman, the designer, or a regular member of the manufacturing staff.

### Kind and price of hats manufactured.

Women's hats are classified as to the material out of which they are made and the price at which they are sold. So-called "felt hats" may be wool felts made of sheep's wool or fur felts made from rabbits' fur, and may be called velours, suede, or soleil to designate the finish to a fine fur body. Straw hats may be made of braid sewed together in the millinery factory; of straws woven into hat bodies in Italy, China, the Philippines, Central and South America, or Java; of synthetic straw bodies or synthetic braids. In addition, hats are made of various kinds of fabrics, such as rayon, taffeta, crepe, linen, and cotton. They are made also of leather and of fur.

The material out of which hats are made has economic importance to the worker for two reasons: First, different numbers of persons are required in the several occupations necessary to produce hats of various materials, and second, the combination of hats of different materials may determine the spread of employment during the year. Both of these factors will be discussed when volume of employment is considered.

TABLE II.—Number of firms included in survey and average number of their employees, by amount of net sales and by area

Production area	All firms		Firms having net sales <sup>1</sup> of—									
	Number of firms	Average number of employees <sup>2</sup>	\$50,000 and under		Over \$50,000, including \$100,000		Over \$100,000, including \$200,000		Over \$200,000, including \$300,000		Over \$300,000	
			Number of firms	Average number of employees	Number of firms	Average number of employees	Number of firms	Average number of employees	Number of firms	Average number of employees	Number of firms	Average number of employees
All areas—total.....	598	18,395	216	1,867	142	2,768	144	4,891	49	2,833	47	6,036
Percent distribution of—												
Number of firms.....	100.0		36.1		23.7		24.1		8.2		7.9	
Average number of employees.....		100.0		10.1		15.0		26.6		15.4		32.8
New York City—total.....	363	8,865	125	980	95	1,752	98	3,025	25	1,287	20	1,821
Percent distribution of—												
Number of firms.....	100.0		34.4		26.2		27.0		6.9		5.5	
Average number of employees.....		100.0		11.1		19.8		34.1		14.5		20.5
Up-State New York and Connecticut.....	7	394	1	12			3	99			3	283
Northern New Jersey.....	21	845	8	66	3	56	2	57	4	229	4	437
Philadelphia and Trenton.....	9	462			4	62			3	155	2	245
Massachusetts.....	23	1,532	12	160	3	46	1	32	3	219	4	1,075
South Atlantic area.....	8	774			2	55	2	106			4	613
Texas.....	16	376	7	98	4	79		138			1	61
Illinois.....	59	2,475	23	193	9	224	15	684	7	501	5	873
Cleveland, Detroit, and Milwaukee.....	11	522	4	19	4	92	1	32			2	379
Missouri.....	29	1,099	8	115	6	133	10	448	4	231	1	172
Los Angeles.....	37	718	20	142	8	177	6	202	2	120	1	77
San Francisco.....	15	333	8	82	4	92	2	68	1	91		

<sup>1</sup> Amount of sales after discounts, allowances, and returns are deducted. Where records not available, firms' oral statements of sales were used.

<sup>2</sup> Where records of employees for 52 weeks were available, average number for year was used; where records not available, employers reported "usual number." Maximum number employed in any one week and total number given some employment during year far exceed this figure. See tables XII and XV.

Forty-six percent of the firms reporting produced felt, straw, and one other type of hat, and their sales constituted 45 percent of total sales. More than a fourth produced felt and straw hats only, their net sales amounting to over one-third of the total. Less than 10 percent confined their production to felt hats and had sales comprising about the same proportion of the total. Firms making straw hats only, fabric hats only, fur hats only, felt and fabric hats only, or some combination other than those listed sold proportionately less in volume than their numbers would indicate.

### Price groups.

Women's hats are wholesaled by the dozen until they reach the upper levels, where the price is on a single-hat basis. As the volume of business done on the single-hat basis is slight, in this report all higher-priced hats are included in the group above \$48 a dozen. The trade has established these lower-priced groups: Hats wholesaling at above \$24 and including \$48 a dozen, hats at above \$13.50 and including \$24, hats at above \$7.50 and including \$13.50, and lastly hats at \$7.50 or less a dozen. (Table III.)

The largest volume of sales in 1937 was for hats wholesaling at above \$7.50 and including \$13.50 a dozen. Three-eighths of the net sales fell in this group. Hats at this price constitute the larger part of sales of New York City, of Illinois, of Missouri, and of Cleveland, Detroit, and Milwaukee manufacturers. The cheaper hat, at \$7.50 and less, is a more important item in northern New Jersey and Texas. Massachusetts firms sell about equal amounts of hats at two price levels, the cheapest and those at above \$7.50 and including \$13.50. On the Pacific coast the volume factor is the hat at above \$24 a dozen, which is important also in the Philadelphia and Trenton section.

When considered from the viewpoint of competition on each price hat, New York City produced 58 percent of the cheapest hats, northern New Jersey 15 percent, Massachusetts 12 percent, and New York State and Connecticut 7 percent. Texas and Missouri are minor competitors in this field. In hats wholesaling at over \$7.50 and including \$13.50, New York City sells 63 percent of the total, with Illinois, its closest competitor, selling 11 percent of the total. Other production centers of importance in hats at this price are Missouri, Massachusetts, and northern New Jersey. When the price advances to over \$13.50 and including \$24, New York City sells 47 percent of the total, Massachusetts 15 percent, Missouri 11 percent, and Illinois 9 percent. In hats wholesaling at above \$24, Los Angeles ranks next to New York City.

### Length of time in business.

Only about a third of the firms in millinery manufacture during 1937 and 1938 had been established before 1930, and so had been operating more than 8 years. This does not mean that many individual firm members were without long experience in the industry, but only that a third of the firms had maintained their firm identity for over 8 years. The proportion of these well-established firms is larger in all areas but one—Cleveland, Detroit, and Milwaukee—than in New York City. In such areas more than 35 percent (in all cases but one, over 40 percent) of the firms operating in 1937 and 1938 had this longer experience. (Table IV.)

TABLE III.—Amount of net sales, by kind and prevailing price of hat <sup>1</sup> and by area

Production area and (for total) hat materials	All firms reporting		Prevailing price of hat per dozen <sup>1</sup>															
			\$7.50 and below			Over \$7.50, including \$13.50			Over \$13.50, including \$24		Over \$24, including \$48		Over \$48					
	Number	Net sales		Number of firms	Net sales		Number of firms	Net sales		Number of firms	Net sales		Number of firms	Net sales				
		Amount	Percent		Amount	Percent		Amount	Percent		Amount	Percent		Amount	Percent			
All areas—total	494	\$60,577,714	100.0	126	\$10,923,608	18.0	201	\$22,402,591	37.0	73	\$12,303,660	20.3	68	\$9,620,470	15.9	26	\$5,327,384	8.8
Percent distribution	100.0			25.5			40.7			14.8			13.8			5.3		
Felt only	48	5,666,758	100.0	8	1,079,433	19.0	30	3,328,106	58.7	6	778,125	13.7	4	481,095	8.5			
Felt and straw	134	21,482,105	100.0	28	4,374,620	20.4	53	7,376,211	34.3	29	4,664,649	21.7	23	3,832,687	17.8	(?)		
Felt, straw, 1 other	226	27,200,044	100.0	51	3,582,691	13.2	85	9,281,314	34.1	31	5,745,225	21.1	40	5,121,054	18.8	19	3,469,760	12.8
Other <sup>2</sup>	86	6,228,808	100.0	39	1,886,864	30.3	33	2,416,961	38.8	7	1,115,661	17.9	(?)			6	623,687	10.0
New York City	306	35,516,016	100.0	91	6,357,850	17.9	117	14,088,030	39.7	47	5,802,692	16.3	33	6,032,591	17.0	18	3,234,853	9.1
Percent distribution	100.0			29.7			38.2			15.4			10.8			5.9		
Up-State New York and Connecticut	6	2,067,018	100.0	3	661,725	32.0	(?)						(?)			(?)		
Northern New Jersey	18	3,357,837	100.0	12	1,603,254	47.7	5	1,179,370	35.1	(?)								
Philadelphia and Trenton	7	1,338,839	100.0				3	166,932	12.5	3	512,113	38.3	(?)					
Massachusetts	19	4,485,176	100.0	5	1,302,824	29.0	11	1,366,775	30.5	3	1,815,578	40.5						
South Atlantic area	3	749,360	100.0				(?)			2	561,583	74.9						
Texas	15	1,306,670	100.0	3	419,019	32.1	5	384,392	29.4	(?)			6	382,098	29.2			
Illinois	42	4,666,129	100.0	5	175,502	3.8	25	2,453,249	52.6	4	1,109,494	23.8	7	892,286	19.1	(?)		
Cleveland, Detroit, and Milwaukee	6	313,074	100.0	2	80,438	25.7	4	232,636	74.3									
Missouri	29	3,458,596	100.0	5	322,996	9.3	16	1,777,782	51.4	8	1,357,818	39.3						
Los Angeles	30	2,390,778	100.0				10	330,857	13.8	2	371,519	15.5	14	1,271,992	53.2	4	416,409	17.4
San Francisco	13	928,221	100.0				3	117,710	12.7	2	76,491	8.2	6	333,783	36.0	2	400,238	43.1

<sup>1</sup> Wholesale price per dozen of largest volume of hats produced in each firm.

<sup>2</sup> Number too small to be shown separately in this price classification.

<sup>3</sup> Includes fabric; straw; fur; felt and 1 material other than straw; felt, straw, and more than 1 other; and straw, fabric, and leather.

TABLE IV.—Time in business, by prevailing price of hat and by area

Production area	All firms reporting	Firms in business 3 years or less						Firms in business over 3, including 8 years					Firms in business over 8 years						
		Total firms	Prevailing price of hat					Total firms	Prevailing price of hat					Total firms	Prevailing price of hat				
			\$7.50 and below	Over \$7.50, including \$13.50	Over \$13.50, including \$24	Over \$24, including \$48	Over \$48		\$7.50 and below	Over \$7.50, including \$13.50	Over \$13.50, including \$24	Over \$24, including \$48	Over \$48		\$7.50 and below	Over \$7.50, including \$13.50	Over \$13.50, including \$24	Over \$24, including \$48	Over \$48
All areas—number of firms.....	1 574	164	51	72	22	13	6	214	55	85	26	36	12	196	39	74	34	33	16
Percent distribution by—																			
Time in business.....	100.0	28.6						37.3						34.1					
Price of hat.....	100.0	100.0	31.1	43.9	13.4	7.9	3.7	100.0	25.7	39.7	12.1	16.8	5.6	100.0	19.9	37.8	17.3	16.8	8.2
New York City—number of firms.....	342	113	37	47	17	7	5	132	37	48	19	21	7	97	28	32	15	11	11
Percent distribution by—																			
Time in business.....	100.0	33.0						38.6						28.4					
Price of hat.....	100.0	100.0	32.7	41.6	15.0	6.2	4.4	100.0	28.0	36.4	14.4	15.9	5.3	100.0	28.9	33.0	15.5	11.3	11.3
Up-State New York and Connecticut.....	7	2	2					1	1					4	1	1		1	1
Northern New Jersey.....	21	5	4	1				6	6					10	5	4	1		
Philadelphia and Trenton.....	8	2		1	1			2		2				4		1	2	1	
Massachusetts.....	22	7	3	4				6	2	4				9	1	4	3	1	
South Atlantic area.....	8	1		1				1			1			6		3	3		
Texas.....	15	2	1		1			7	2	2		3		6		3	3		
Illinois.....	59	12	3	5	3	1		23	2	14	1	6		24	3	11	2	6	2
Cleveland, Detroit, and Milwaukee.....	11	4	1	3				4	1	3				3		3			
Missouri.....	29	4		4				12	4	6				13	1	6	6		
Los Angeles.....	37	10		5		4	1	14		6	2	3	3	13		3	1	8	1
San Francisco.....	15	2		1		1		6			1	3	2	7		3	1	2	1

<sup>1</sup> Exclusive of 19 contract firms, 8 in business 3 years or less, 6 over 3 and including 8 years, 5 over 8 years.

A larger proportion of New York City manufacturers were established between 1930 and 1937, as 39 percent dated their establishment within these years. One-third were organized in 1935, 1936, or 1937, as compared with 29 percent for all producing areas. Therefore, even after the business failures of 1937 and the firms beginning business after February 1, 1937, have been eliminated, New York City firms appear to have shorter tenure than those in the Middle West, the South, or the West.

Firms manufacturing for the shortest period of time devote a larger proportion of their production to the cheaper hats than do other groups, though the hats at over \$7.50 and including \$13.50 a dozen are made in largest volume regardless of the length of firm operation. The proportion of firms making hats to wholesale at over \$13.50 increases with length of experience.

While the time in business is no guarantee of the size of the business, over 42 percent of the firms selling more than \$100,000 worth of millinery were in operation prior to 1930, and 39 percent of those doing a business of \$50,000 or less had been engaged in millinery production not more than 3 years.

TABLE V.—Amount of net sales, by time in business—all areas and New York City

Net sales and time in business	All areas			New York City		
	Number of firms	Percent distribution by—		Number of firms	Percent distribution by—	
		Amount of net sales	Time in business		Amount of net sales	Time in business
All firms reporting.....	493	100.0	-----	305	100.0	-----
Net sales of \$50,000 and under—total.....	161	32.7	100.0	93	30.5	100.0
In business—3 years or less.....	62	-----	38.5	44	-----	47.3
Over 3, including 8 years.....	62	-----	38.5	27	-----	29.0
Over 8 years.....	37	-----	23.0	22	-----	23.7
Net sales of over \$50,000, including \$100,000—total.....	129	26.2	100.0	86	28.2	100.0
In business—3 years or less.....	42	-----	32.6	30	-----	34.9
Over 3, including 8 years.....	49	-----	38.0	36	-----	41.9
Over 8 years.....	38	-----	29.5	20	-----	23.3
Net sales of over \$100,000—total.....	203	41.2	100.0	126	41.3	100.0
In business—3 years or less.....	40	-----	19.7	29	-----	23.0
Over 3, including 8 years.....	77	-----	37.9	57	-----	45.2
Over 8 years.....	86	-----	42.4	40	-----	31.7

### Equipment investment.

Stock issuance is rare among millinery firms. Only limited capital resources are necessary for the purchase of equipment. Millinery manufacture is still carried on as a unit process, the work being done by hand or by light machines.

Only a few millinery houses create designs. These original designs are sent to block and die manufacturers as models for the production of wooden, composition, or metal dies and blocks over which hat bodies are shaped. The die manufacturer reproduces these originals for sale to other hat manufacturers; these models are copied by others until the model has passed swiftly through the industry. Because of the constant creation of new models and the belief that many different

shapes of hats are necessary, dies and blocks constitute not an initial but a continuous investment; in fact, they are an item of current expense.

A short description of the processes of millinery manufacture will add to an understanding of the equipment used by the industry. The felt hat body as it comes from the body manufacturer may go to a hand blocker for steaming and pressing, in which case it is pulled down by hand over the particular die until it is well fitted and then is tied with a cord and allowed to stand until it has taken on the desired shape; or when steamed it may go to a stamping press, which can block several hats into rough shape, after which a hydraulic press does the drying necessary to effect final shaping. Both presses are operated by foot pedals, pressure upon which brings the block and the cover containing the dies together and releases them when the felt has been shaped.

Excess material is cut off each shape and, if specific finishes are to be given the felts, they are run against buffing wheels or similar devices.

The hat is now ready to be trimmed and finished according to a sample made up by the factory's designer. These operations consist of sewing on lining, inner band, outer band, and trimming. Sometimes these operations can be done faster on a sewing machine and sometimes faster by hand sewing.

If a straw hat is made from a hat body, the operations are similar except that the body may be sized to give stiffness or finish and the rim may be wired. If the straw hat is made up of braid, the sewing machine is used to sew braid together. Hats usually are retouched with steam irons.

If a fabric hat is manufactured, cutting the design out of cloth is the important operation, followed by sewing it together and then blocking into final shape.

Regardless of the type of hat made, the machines necessary for effective millinery operations are stampers, hydraulic presses, and sewing machines. Other necessary equipment consists of sprayers, sizing vats, steam irons, buffers, hand-blocking jacks, cutters, and tables. With numerous failures in business, such equipment is put up at auction in New York and Chicago at frequent intervals. According to Joseph Lipshie, auditor of the Millinery Stabilization Commission, the capital necessary to operate a \$100,000 business is \$2,000 for equipment purchases and \$8,000 to meet current pay rolls and other current expenses.

### **Credit facilities.**

Not only are the assets of millinery manufacturers in equipment relatively small, but there is little cash tied up in materials or finished hats. New York City milliners usually purchase materials in small amounts as needed and do not keep a stock of materials on hand. In other areas about 52 percent of the firms reporting purchased at least part of their materials in advance of production. As hats are made almost entirely on order, little finished merchandise accumulates.

Another thing: City milliners find most advantageous locations near the retailing sections of cities, so space is rented in loft buildings and the manufacturer acquires no factory site.

This lack of assets in real estate, machinery, or equipment, or in merchandise whether in the raw material or in finished state, leaves the milliner in a weak position from a credit standpoint. His chief assets are customers' accounts receivable. Only 45 percent of the millinery firms reported banking connections for the purpose of procuring credit. By far the largest proportion of these firms with bank connections do more than \$100,000 worth of business. (Table VI.)

A third of the millinery manufacturers depend on supply houses for credit. The material supply houses furnish the raw materials on credit, and extend credit to both small and large producers.

Only 5 percent of the manufacturers admitted using finance companies as factors for financing. Such companies advance cash on the assignment of accounts receivable and exact a high rate of interest for the loan. Whether the firms reporting that they used no source of credit wished to imply that they were amply capitalized or that credit was obtained wherever credit could be got is not known. The fact that a large proportion of these firms did a business of \$50,000 or less would indicate that their credit facilities were uncertain rather than ample.

The fact that less than a fifth of the firms doing a business of \$50,000 or below could secure credit from banks, and about a third of them from supply houses, indicates the uncertain financial position of milliners doing a small amount of business. Even affording credit facilities to this limited number is believed by many to be extending credit too easily, because so large a proportion each year go out of business with debts not paid in full. That such credit extension is not to the advantage of supply houses would seem to be the case, for even if the milliner makes an assignment for the benefit of creditors to the attorneys for the Ribbon, Silk, and Velvet Association of New York, assignees and attorneys' fees must be paid and there is an auctioneer's fee for the sale of assets. Even though handling milliners' liquidations through their own association probably has effected a saving to supply houses, fees consume much of the milliners' assets, and the supply houses, which are the chief creditors, would seem to stand to lose by a too generous extension of credit.

### **Selling facilities.**

Millinery reaches the retail purchaser through many thousands of shops devoted primarily to the sale of millinery, through millinery departments in department, dry-goods, and apparel stores, and through general-merchandise and limited-price stores. The retail channels of distribution, therefore, total very many thousands.

Now, as always, the manufacturer sells some of his hats to the retailer directly or through a commission resident buyer. Almost seven-eighths of the millinery manufacturers reported sales to retailers, but in only a comparatively few cases were all the manufacturers' sales so made. In New York City 40 percent of the firms having this outlet sold one-third or less of their hats through such channels. In California, Texas, and the South, however, the majority of manufacturers sold at least two-thirds of their hats to retailers. The proportion of gross sales so handled for the country as a whole was 45 percent. In San Francisco it was 88 percent, in Los Angeles 72½ percent, in Texas 56 percent.

TABLE VI.—Credit facilities used by firms, by amount of net sales and by area

Production area	Number of firms reporting <sup>1</sup>	Banks				Supply houses				Finance companies				Friends, personal and other loans			No regular credit facilities				
		Total firms	Net sales of—			Total firms	Net sales of—			Total firms	Net sales of—			Total firms	Net sales of—			Total firms	Net sales of—		
			\$50,000 and under	Over \$50,000, including \$100,000	Over \$100,000		\$50,000 and under	Over \$50,000, including \$100,000	Over \$100,000		\$50,000 and under	Over \$50,000, including \$100,000	Over \$100,000		\$50,000 and under	Over \$50,000, including \$100,000	Over \$100,000		\$50,000 and under	Over \$50,000, including \$100,000	Over \$100,000
All areas—total.....	492	223	32	50	141	167	61	41	65	26	15	7	4	32	16	10	6	115	52	36	27
Percent distribution by—																					
Type of facility.....	100.0	45.3				33.9				5.3				6.5				23.4			
Amount of net sales.....	100.0	100.0	14.3	22.4	63.2	100.0	36.5	24.6	38.9	100.0	57.7	26.9	15.4	100.0	50.0	31.2	18.8	100.0	45.2	31.3	23.5
New York City—total.....	306	138	14	34	90	118	40	34	44	10	6	1	3	16	8	6	2	63	30	19	14
Percent distribution <sup>2</sup> by—																					
Type of facility.....	100.0	45.1				38.6				3.3				5.2				20.6			
Amount of net sales.....	100.0	100.0	10.1	24.6	65.2	100.0	33.9	28.8	37.3									100.0	47.6	30.2	22.2
Up-State New York and Connecticut.....	6	4	1		3	3	1		2									4	1	2	1
Northern New Jersey.....	18	7		1	6	7			5	2	2			1		1		2		2	
Philadelphia and Trenton.....	7	4		2	2	1			2									2		2	
Massachusetts.....	19	9		2	7				1		1			2	2			7	5	1	1
South Atlantic area.....	3	1			1													2			2
Texas.....	13	7	1	1	5	4		1	3	1		1						5	3	2	2
Illinois.....	42	10	3	1	6	14	6	2	6	5	2	2	1	7	3	2	2	16	6	3	7
Cleveland, Detroit, and Milwaukee.....	6	1		1										3	2	1		2		2	
Missouri.....	29	20	4	3	13	1			1					3	1		2	6	3	3	
Los Angeles.....	30	13	6	2	5	17	10	4	3	6	4	2						7	3	2	2
San Francisco.....	13	9	3	3	3	2	2			1	1							1	1		

<sup>1</sup> A number of totals are exceeded by details, as some firms used more than 1 facility.<sup>2</sup> Not computed for less than 25.

The second long-established method of distributing millinery is through jobbers. More than half of the millinery manufacturers reported the use of jobbers as an avenue of distribution, but 60 percent of the firms having this outlet reported that not more than one-third of their hats were sold in this way. A larger proportion of firms in Massachusetts and Missouri than in New York City appear to employ jobbers. Forty-three percent of gross sales in Massachusetts were handled by jobbers, 27 percent were so handled in Missouri, and 26 percent in northern New Jersey, whereas in New York City only about 14 percent cleared through jobbers.

The newer method of selling is through syndicates and chain stores, new because these organizations of wholesaling and retailing are relatively new to millinery. The syndicate leases the millinery department in department stores under the trade name of the store. The chain store may be a series of retail outlets operated under the same name or under the same management. As the reporting firms did not distinguish between the syndicate representative and the chain-store representative, these are thrown together in tables VII and VIII. Ninety percent of all manufacturers reported some sales as made through the syndicates or chains, but 45 percent of the firms having this outlet marketed a third or less of their hats, and 39 percent marketed between a third and two-thirds, through these channels. In all, about 38 percent of the gross sales were made through syndicates or chains. The firms selling solely to syndicates or chains numbered only 7 for the entire United States, and these firms manufactured the lower-priced hats.

Sales through syndicates or chains were made in largest volume in New York City. Nineteen percent of the firms selling through these channels disposed of two-thirds or more of their hats, and 43 percent disposed of between one-third and two-thirds, in this way. In all, 44 percent of the gross sales in New York City cleared through syndicates. The cheaper hats were sold in this way, and higher-priced hats were sold only in small amounts to syndicates or chains.

Firms in northern New Jersey also sold through syndicate or chain buyers many of the hats wholesaling at \$7.50 and below. In all, 37 percent of their gross sales were made in this way.

While only two Texas firms made two-thirds or more of their sales through syndicates, 40 percent of the gross sales of Texas manufacturers were through these channels.

Sales to syndicates represented less than one-third of the gross sales in the Philadelphia region, in Massachusetts, Illinois, Missouri, California, and in the South Atlantic area.

Millinery manufacturers throughout the country, therefore, seem ready to sell to retailers or to syndicates or chains without favor. The largest volume of sales, or 45 percent, still goes to retailers, 38 percent clears through the syndicates or chains, and 17 percent goes through jobbers.

In New York City the syndicate has outstripped the retailer in the amount of goods bought, and the jobber has become a negligible factor—14 percent—in the wholesaling of millinery.

TABLE VII.—Distributing channels used and amount of product marketed through each, by prevailing price of hat and by area

Production area and (for total and New York City) prevailing price of hat	Number of firms reporting <sup>1</sup>	Number of firms that distributed through—														
		Syndicates or chain stores					Jobbers					Retailers				
		Total	All hats	Two-thirds of hats and over	Over one-third, less than two-thirds of hats	One-third of hats and less	Total	All hats	Two-thirds of hats and over	Over one-third, less than two-thirds of hats	One-third of hats and less	Total	All hats	Two-thirds of hats and over	Over one-third, less than two-thirds of hats	One-third of hats and less
All areas.....	552	498	7	72	194	225	290	8	35	73	174	475	28	150	138	159
Percent distribution by—																
Type of distributing channel.....	100.0	90.2					52.5					86.1				
Proportion of hats distributed.....		100.0	1.4	14.5	39.0	45.2	100.0	2.8	12.1	25.2	60.0	100.0	5.9	31.6	29.1	33.5
\$7.50 and below.....	142	134	5	39	56	34	106	2	14	29	61	101		6	24	71
Over \$7.50, including \$13.50.....	223	202	2	21	84	95	137	5	18	37	77	192	8	55	62	67
Over \$13.50, including \$24.....	78	72		9	30	33	40		3	5	32	74	3	27	28	16
Over \$24, including \$48.....	76	63		3	20	40	7	1		2	4	75	11	39	20	5
Over \$48.....	33	27			4	23						33	6	23	4	
New York City.....	330	308	5	58	133	112	186	4	23	43	116	280	8	69	90	113
Percent distribution by—																
Type of distributing channel.....	100.0	93.3					56.4					84.8				
Proportion of hats distributed.....		100.0	1.6	18.8	43.2	36.4	100.0	2.2	12.4	23.1	62.4	100.0	2.9	24.6	32.1	40.4
\$7.50 and below.....	100	93	3	30	40	20	75	2	13	18	42	71		3	15	53
Over \$7.50, including \$13.50.....	123	115	2	18	57	38	81	1	9	19	52	105	4	17	42	42
Over \$13.50, including \$24.....	49	46		7	23	16	24		1	4	19	47	1	13	20	13
Over \$24, including \$48.....	36	35		3	11	21	6	1		2	3	35		19	11	5
Over \$48.....	22	19			2	17						22	3	17	2	
Up-State New York and Connecticut.....	7	6	1		3	2	3	1		1	1	5		1	2	2
Northern New Jersey.....	21	20		3	11	6	18		1	7	10	15		2	5	8
Philadelphia and Trenton.....	8	7			4	3	6			2	4	7	1	1	4	1
Massachusetts.....	21	17		3	2	12	17	1	2	5	9	18		5	4	9
South Atlantic area.....	7	7			3	4	6			2	4	6		4	1	1
Texas.....	13	12		2	2	8	1				1	13	1	8	2	2
Illinois.....	58	53	1	4	17	31	23		3	7	13	52	4	24	14	10
Cleveland, Detroit, and Milwaukee.....	11	10		1	4	5	1		1			10		4	4	2
Missouri.....	29	25			7	18	24	1	5	6	12	23	2	7	4	10
Los Angeles.....	33	23		1	8	14	3				3	33	9	15	8	1
San Francisco.....	14	10				10	2	1			1	13	3	10		

<sup>1</sup> Totals are exceeded by details, as most firms used more than 1 channel.

TABLE VIII.—Amount of gross sales, by distributing channels used and by area

Production area	All firms reporting			Sales made directly to—		
	Number of firms <sup>1</sup>	Gross sales		Syndicates or chain stores		
		Amount	Per cent	Number of firms	Gross sales	
				Amount	Per cent	
All areas <sup>2</sup> .....	417	\$54, 873, 712	100. 0	380	\$20, 660, 750	37. 9
Percent distribution.....	100. 0			91. 1		
New York City.....	255	32, 199, 265	100. 0	239	14, 151, 454	43. 9
Percent distribution.....	100. 0			93. 7		
Northern New Jersey.....	15	3, 217, 309	100. 0	14	1, 197, 260	37. 2
Philadelphia and Trenton.....	6	747, 182	100. 0	6	247, 933	33. 2
Massachusetts.....	16	3, 911, 414	100. 0	13	913, 115	23. 3
Texas.....	11	963, 817	100. 0	10	400, 786	40. 3
Illinois.....	38	4, 862, 447	100. 0	35	1, 451, 586	29. 9
Missouri.....	29	3, 882, 773	100. 0	25	907, 508	23. 4
Los Angeles.....	24	2, 319, 139	100. 0	20	635, 349	27. 4
San Francisco.....	13	973, 601	100. 0	9	89, 057	9. 1

Production area	Sales made directly to—					
	Number of firms	Jobbers		Number of firms	Retailers	
		Gross sales			Gross sales	
	Amount	Per cent	Amount	Per cent		
All areas <sup>2</sup> .....	229	\$9, 315, 692	17. 0	362	\$24, 897, 270	45. 4
Percent distribution.....	54. 9			86. 8		
New York City.....	149	4, 357, 690	13. 5	217	13, 690, 121	42. 5
Percent distribution.....	58. 4			85. 1		
Northern New Jersey.....	13	842, 344	26. 2	13	1, 177, 705	36. 6
Philadelphia and Trenton.....	5	85, 996	11. 5	5	413, 253	55. 3
Massachusetts.....	13	1, 688, 299	43. 2	14	1, 310, 000	33. 5
Texas.....	1	33, 544	3. 4	11	559, 436	56. 3
Illinois.....	14	807, 472	16. 6	35	2, 603, 389	53. 5
Missouri.....	24	1, 047, 167	27. 0	23	1, 928, 098	49. 7
Los Angeles.....	2	2, 024	. 1	24	1, 681, 766	72. 5
San Francisco.....	2	28, 681	2. 9	12	855, 863	87. 9

<sup>1</sup> Totals are exceeded by details, as most firms used more than 1 channel.

<sup>2</sup> Totals exceed details, as 3 areas with very few firms are not shown separately.

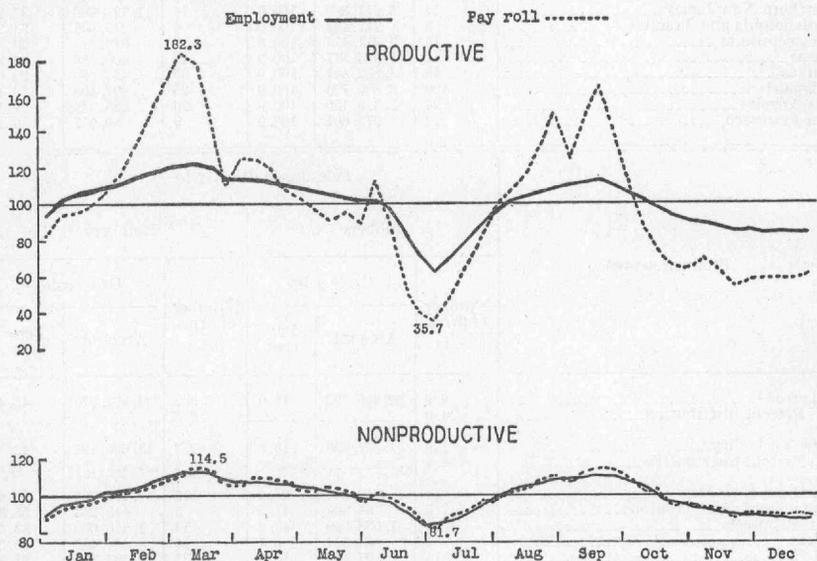
## SEASONALITY OF MILLINERY PRODUCTION

Weekly records of hats produced, either by dozens or value, are seldom kept by millinery manufacturers. While numbers employed indicate general need for service, wherever trade-union contracts are in effect such contracts call for a spread of work among all workers, so that the employment curve is leveled out of close relationship to production. A more accurate measurement of the volume of work done each week is the amount paid out for hat production to the producers of hats, that is, the productive workers' pay roll. Other workers are hired on a weekly or monthly basis and are paid even when production may be slack,

## THE INDUSTRY AS A WHOLE

Viewing the country's millinery production in 1937 as a single unit, spring manufacture was getting under way in the week of January 25 and lasted to the week of May 3, or 15 weeks. There followed 6 weeks of gradually decreasing production, until for a 5-week summer period pay rolls were not more than two-thirds of the average. Production began on its upward spiral the week of July 26. By August 9 production was average, and it continued so or better for 9 weeks. It required only 2 weeks of downward trend to reach the winter dull season, when for 9 weeks pay rolls again were two-thirds or less of the average.

CHART II.—FLUCTUATION IN EMPLOYMENT AND AMOUNT PAID TO PRODUCTIVE AND NONPRODUCTIVE WORKERS IN MILLINERY FACTORIES IN 1937—ALL AREAS



the average. With the first of the year the curve was upward, until after 3 weeks' production it was average again.

In summary, there were 15 weeks in the prespring and spring and 9 weeks in the fall when production was average or better than average, or a total of 24 weeks in which the millinery manufacturer and his workers were busy. There were 5 summer weeks and 9 winter weeks, or a total of 14, in which production as measured by pay rolls was two-thirds or less of the average, and there were 14 transition weeks in which firms were preparing for the busy season or were lessening production as orders receded.

At its spring peak, production was five-sixths above the year's average; at its fall peak it was nearly two-thirds above the year's average; at its summer low it was about one-third of the average; and its winter low was about one-half the year's average. The spring is busier than the fall, but the summer is duller than the winter.

The millinery manufacturer must make enough during the 24 busy weeks to carry himself and his overhead, which is continuous, during 14 very dull weeks and some part of the 14 transition weeks. The

millinery worker, even though he may be employed 52 weeks in the year, must plan so that his earnings of the 24 busy weeks will carry him during the 28 weeks of reduced earning power.

#### FLUCTUATION DIFFERENCES AMONG PRODUCTION AREAS

How did the amount of work available, as measured by the productive pay roll, vary with production area? The longest period in which pay rolls were average or above occurred in northern New Jersey factories. Here pay rolls started upward the third week in January 1937 and continued above average until the second week in June. New York City earnings had dropped by the second week in May, or fully a month earlier. The length of the fall season of full work was the same in New Jersey as in New York, or 9 weeks. These two periods of employment gave to New Jersey manufacturers and workers 31 weeks in which production was average or better. About half of northern New Jersey sales are of the very cheap hats.

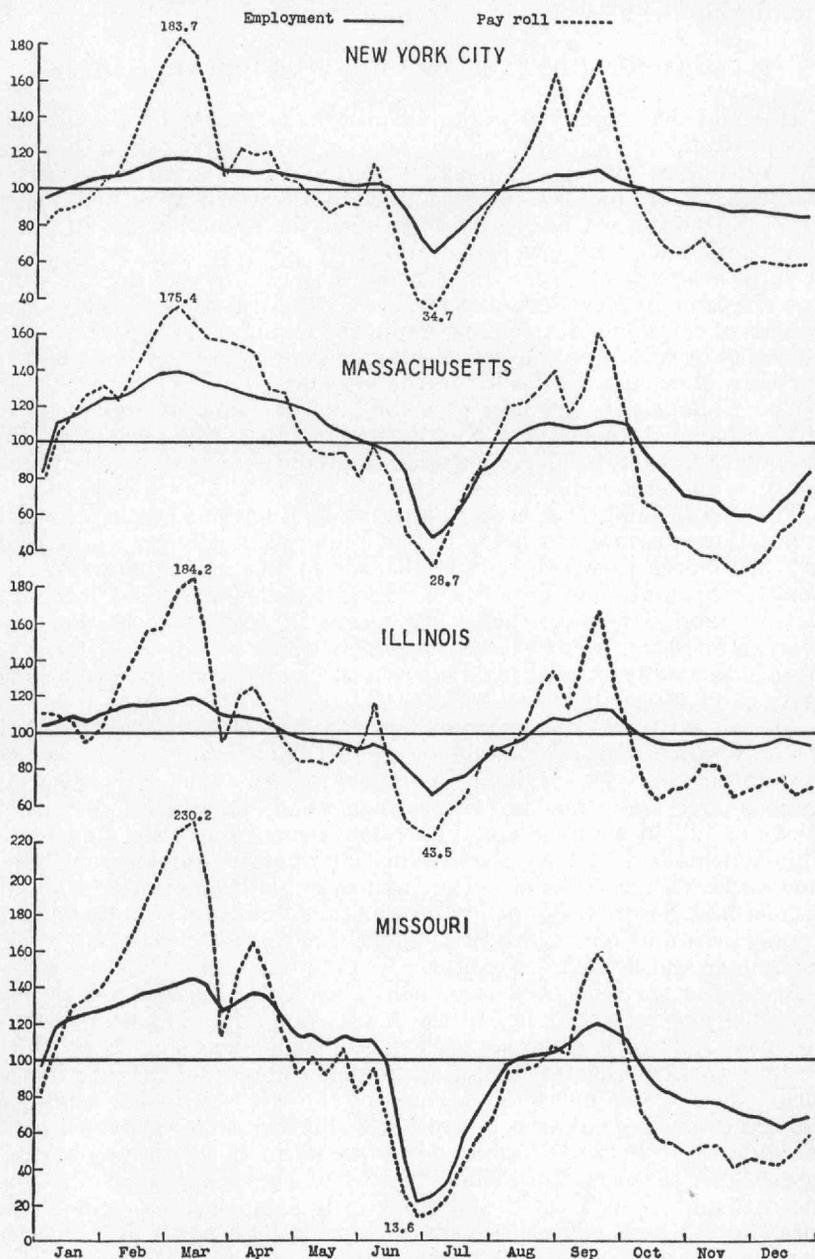
The Philadelphia-Trenton area follows the same general trend of production as does northern New Jersey, but its spring season and fall season are shorter, totaling 26 weeks, and its peak in spring and depression in summer are sharper.

The South Atlantic area and San Francisco have 28 weeks in which production is average or better. San Francisco has fewer weeks than any other area in which it is two-thirds or less of the average. In Connecticut and New York State, Massachusetts, and the Cleveland, Detroit, and Milwaukee area the weeks in which production was average or better were 27; the weeks in which it was two-thirds or less of the average varied from 8 weeks in Connecticut and New York State to 14 weeks in Massachusetts.

The fewest weeks of normal or better pay rolls—as already stated, the only measure of production—were in Illinois and Missouri, where they totaled only 23. Missouri milliners had 18 weeks of good spring and summer operation and 5 weeks of good fall operation, with 7 weeks of lull in summer and 11 weeks of low production in winter. Illinois firms had 14 busy weeks of spring operation and 1 busy summer week, with 8 weeks of better than average production in the fall. Illinois had fewer weeks of low production than any other area but Connecticut and New York State and San Francisco, or only 5 weeks in summer and 3 weeks in winter.

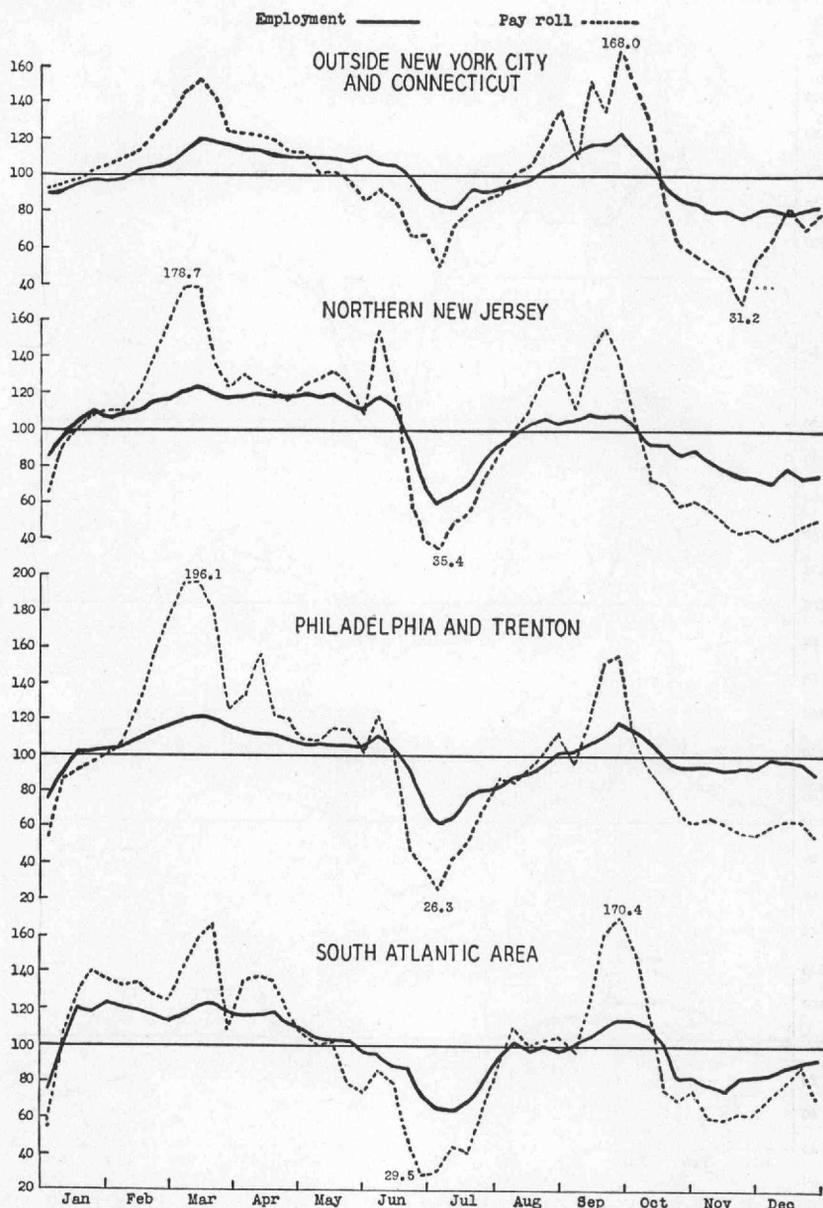
Areas the spring pay rolls of which reach the highest peaks also have the pay rolls that fall to the lowest point in summer. So too, the pay rolls of such areas as Texas, Connecticut and New York State, and Los Angeles, that do not reach abnormal heights in the spring do not fall below 50 percent of the average in the summer. This relation does not exist between fall and winter; for the most part, the differences between high and low points in these seasons are not so great as those in the earlier months of the year. Only in Connecticut and New York State, the South Atlantic area, and Texas does the fall high pay roll exceed the spring high pay roll. Only in Connecticut and New York State, Massachusetts, and Texas is the winter low pay roll less than the summer pay roll.

CHART III.—FLUCTUATION IN EMPLOYMENT AND AMOUNT PAID TO PRODUCTIVE WORKERS IN MILLINERY FACTORIES IN 1937—BY AREA



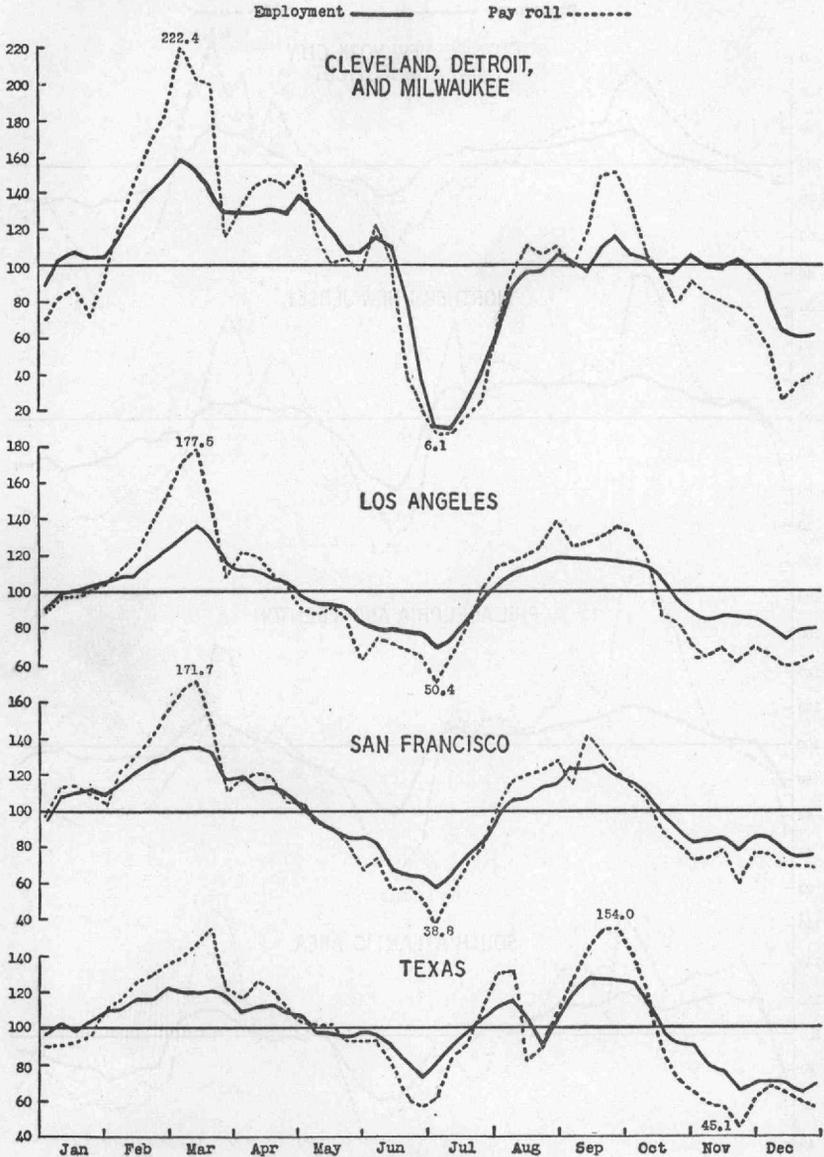
When comparison is made with New York City, it is obvious that areas that have not ironed out their curve in numbers employed by spreading the work have a closer relationship between the earnings

CHART III.—FLUCTUATION IN EMPLOYMENT AND AMOUNT PAID TO PRODUCTIVE WORKERS IN MILLINERY FACTORIES IN 1937—BY AREA—CONTINUED



curve and the employment curve. In New York City the earnings peaks stand out markedly against the fairly steady curve of numbers employed week by week.

CHART III.—FLUCTUATION IN EMPLOYMENT AND AMOUNT PAID TO PRODUCTIVE WORKERS IN MILLINERY FACTORIES IN 1937—BY AREA—CONTINUED



**EFFECT OF KIND OF HAT PRODUCED ON PAY-ROLL FLUCTUATION**

To what extent are the differences in duration of high and low production due to the material used in the making of hats? Segregation was made of pay rolls of all firms making felt hats only, of those producing felt and straw hats only, and of those making hats of felt, straw, and one other material, such as fabric.

The effect of the type of hat produced on spread of production is not obvious, particularly in the number of busy weeks in the spring and the dull weeks in summer, as these periods were about the same length in all three groups of hat manufacture. Its effect can be seen rather in the transition periods and in the winter period.

Where felts only were produced, it was the week of February 15 before the average pay roll was reached, whereas when felt and straw hats both were made production reached the norm in the week of January 25, and when fabric or another material was added, production was normal the week of January 11. Then too, the all-felt and the felt-and-straw manufacturers started the year with pay rolls at just about two-thirds of normal; and the three-material manufacturers at 91 percent of normal.

Pay rolls were at least 50 percent above the average for 4 weeks when straw, fabric, and felt hats were made, for 5 weeks when straw and felt hats were made, and for 3 weeks when felt hats only were produced. The spring peak was highest for the straw and felt combination, being 28 points higher than when felt only was produced.

The downward trend started in the same week for felt and straw hats and for felt, straw, and other fabric, but it began later for felts. When the three materials were used, the summer low was nearly 10 points higher than when felts only, or felts and straws, were produced.

For the fall millinery trade the all-felt producer ran pay rolls above average for 11 weeks, reaching a peak double his year's average in the week of September 20. The straw-and-felt factory ran above average for 9 weeks, as did the three-material manufacturers, and in no case did these firms equal the high of their spring season.

When the winter lull came, the manufacturer equipped to produce any of these types of hat had only 1 week when production reached as low as 57, whereas the felt-hat producer was lower than this for 7 weeks and dropped to 44, and the felt-and-straw producer was lower than 57 also for 7 weeks and fell to 42.

While factors other than type of hat unquestionably influence the pay-roll distribution, the producer of hats of felt, straw, and one other type of material would appear to have the advantage over firms specializing in felt or felt and straw hats.

#### EFFECT OF SALES TO SYNDICATES ON PAY-ROLL FLUCTUATION

It is frequently stated that millinery firms seek syndicate or chain orders because they are large and afford steadier employment to workers. To determine the validity of this statement, tabulations of productive-worker pay rolls for each week in 1937 have been made separately for the firms that reported selling two-thirds or more of their hats to syndicates or chain stores and the firms selling less than two-thirds of their hats through these channels. (See table IX.)

There is little difference between the groups in the fluctuation in number of workers employed, primarily because of the general policy of spreading the work during the year. When the amount paid productive workers is used as the measurement of production and earnings fluctuation, the chief difference between firms selling much and those selling little to large units appears to be that the peak of productivity is slightly higher, the slump slightly less, in the syndicate-selling firms. Productive pay rolls were above average for 28 weeks in syndicate-selling firms, compared with 25 weeks in other firms.

They were two-thirds or less of the average for 15 weeks in the syndicate-selling firms compared with 14 weeks in other firms. The intermediate periods lasted 9 weeks for the first group and 13 weeks for the second group of firms.

It would seem, therefore, that while syndicate selling may increase slightly the length of the busy periods, it has as yet done little to lessen the extremes brought about by the seasonal and fashion factors.

TABLE IX.—*Fluctuation in productivity, as measured by pay rolls of productive workers,<sup>1</sup> of firms selling to syndicates or chain stores, by amount of output thus disposed of and by chief occupations*

[Average weekly productive pay roll=100]

Week in 1937	Index of productivity <sup>1</sup>					
	All productive workers: Firms selling to syndicates or chain stores—		Blockers: Firms selling to syndicates or chain stores—		Trimmers: Firms selling to syndicates or chain stores—	
	Two-thirds or more of their hats	Less than two-thirds of their hats	Two-thirds or more of their hats	Less than two-thirds of their hats	Two-thirds or more of their hats	Less than two-thirds of their hats
1.....	78.3	83.5	64.6	59.7	80.8	93.8
2.....	87.6	94.1	67.5	66.6	88.6	102.2
3.....	87.1	98.0	69.5	74.3	93.9	101.5
4.....	90.4	100.0	73.0	79.4	91.6	102.6
5.....	108.5	107.6	101.0	87.8	98.1	106.1
6.....	106.5	115.9	91.6	97.1	99.2	112.0
7.....	109.9	134.3	87.6	116.5	104.4	123.8
8.....	133.3	133.3	116.5	136.5	120.1	138.8
9.....	159.7	168.9	132.8	150.6	141.1	158.5
10.....	186.7	181.6	162.4	172.8	165.3	168.6
11.....	184.4	175.9	156.4	160.1	169.0	172.0
12.....	168.6	147.9	143.9	135.7	166.1	147.2
13.....	121.0	109.0	116.4	109.6	108.1	98.8
14.....	121.9	125.9	115.5	125.2	107.0	110.7
15.....	121.1	125.2	114.2	118.5	111.4	116.3
16.....	118.1	121.1	107.2	112.1	107.4	113.9
17.....	109.5	108.1	99.7	97.3	97.5	103.0
18.....	111.5	101.0	104.0	91.6	102.2	95.3
19.....	116.9	93.6	105.2	88.4	108.5	86.9
20.....	117.4	87.6	116.1	81.1	112.1	84.3
21.....	118.9	92.2	110.1	85.4	118.3	92.6
22.....	116.4	85.0	108.1	78.7	118.3	84.9
23.....	147.4	107.0	135.0	100.6	148.6	112.1
24.....	121.7	80.9	99.3	67.8	123.5	86.0
25.....	77.7	48.7	63.8	40.9	77.0	49.0
26.....	51.1	39.3	33.6	36.4	54.0	37.5
27.....	43.9	34.5	38.6	33.8	40.4	31.0
28.....	49.8	49.5	53.7	54.8	49.7	46.9
29.....	61.1	65.2	70.2	77.7	61.8	62.9
30.....	74.9	81.5	90.6	99.8	76.5	81.3
31.....	91.4	96.6	121.6	119.8	92.0	98.7
32.....	97.3	106.4	125.7	133.8	102.6	108.8
33.....	113.4	114.9	142.0	149.5	120.9	116.5
34.....	128.6	131.5	174.5	173.5	129.3	133.0
35.....	151.2	150.6	199.0	201.4	155.5	153.6
36.....	129.8	124.1	166.9	157.9	128.5	125.8
37.....	153.9	147.4	197.0	194.2	155.7	152.6
38.....	159.0	165.7	216.6	217.4	163.4	177.0
39.....	135.4	139.1	179.1	170.9	150.4	153.1
40.....	113.2	108.6	145.9	132.8	124.0	119.3
41.....	86.3	86.3	106.7	103.9	96.8	90.4
42.....	65.4	73.6	77.1	84.9	77.4	76.0
43.....	58.3	66.4	69.5	71.8	67.1	68.5
44.....	54.8	66.3	60.8	67.1	63.0	69.2
45.....	56.7	71.9	52.5	67.3	74.1	77.9
46.....	49.4	66.2	40.1	50.5	61.0	77.3
47.....	38.6	56.3	29.9	41.0	48.0	62.6
48.....	41.8	61.1	31.3	42.9	53.5	69.7
49.....	41.3	62.2	29.4	44.2	50.5	67.4
50.....	39.1	63.1	24.0	45.8	47.4	63.8
51.....	41.8	61.9	29.1	46.5	43.6	58.8
52.....	52.1	62.7	33.2	45.8	54.6	59.5

<sup>1</sup> The weekly productive pay roll is used as the measure of productivity because no weekly records of production were kept.

### III. THE MILLINERY WORKER

#### THE CRAFTS

A general description of women's hat-making processes has been given. (See 24.) From this it is evident that volume differences in production of hats of particular materials or prices shift the proportion of workers required in any craft. However, as the largest proportion of factories produce hats of felt, straw, and one other type of fabric, the shift in volume in each craft is primarily a seasonal one.

The occupations are classified as follows:

Blockers, men who steam and pull hat bodies over hand blocks, or who operate stampers and hydraulic presses.

Cutters, who cut out parts of fabric hats or who cut off surplus brim or crown material after blocking.

Straw operators, who sew braids into hat shapes. Operators, who operate sewing machines on any other process for which machine sewing can be used.

Trimmers, who put linings, bands, or trimmings on by hand.

Milliners, classed with trimmers, who make hats that are not made by blocking and trimming.

Designers, who plan the trimming of hats and make up samples for the workers to follow. (Only a few firms employ creative designers to make models from which blocks and dies are made.)

Other factory workers include girls who assemble the several materials according to specifications to go with each shape for the trimmers and operators, inspectors, working foremen, and other persons performing various jobs around the workroom.

Other staff members of millinery establishments are shipping clerks, office staff, and messengers.

When the average number employed in each productive craft in 1937 is used as the basis of comparison—omitting only shipping and office employees—trimmers or milliners comprise 48 of every 100 workers. These workers are women. Sewing-machine operators, who may be either men or women, are the second largest group, or 19 of every 100. Blockers, in all cases men, are 15 of every 100 workers. Cutters represent but 2 in every 100, designers the same proportion, and all other factory employees included, 14 of every 100.

The ratio in each craft varies with production area. In every area but New Jersey, trimmers and milliners constitute the largest single proportion, but this proportion ranges from 29 percent in northern New Jersey to 62 percent in Los Angeles. In northern New Jersey about 50 percent of the sales are of hats priced at \$7.50 and less a dozen, which means that as much of the work as possible is done on the sewing machine and trimming is reduced to a minimum. Consequently, in northern New Jersey, machine operators form 30 percent

of the productive staff and trimmers form but 29 percent, while general factory workers and foremen are 23 percent. In Los Angeles and San Francisco the cheapest hats are not made, and the bulk of sales are of hats wholesaling at over \$24 a dozen. Then, too, the Pacific coast factories employ proportionately more designers than do other areas, as they market chiefly through local retailers who call for special designs and copies of originals. Northern New Jersey manufacturers, on the other hand, sell to syndicates and chains to a greater extent than to retailers, and therefore have calls for sales in larger quantities requiring a minimum of designing.

The millinery industry of Illinois and of Cleveland, Detroit, and Milwaukee also employs more than the average number of trimmers, more than half of the employees in each case being trimmers. In these areas, too, a large number of hats are marketed directly to local retailers, which increases the amount of custom service and hand work.

The proportion of sewing-machine operators is greater than the proportion for all areas not only in New Jersey but in Massachusetts and in Missouri. In these two States firms do not make any volume of hats at above \$24, so the higher-priced hat with much hand trimming is not important to their trade. Missouri has long been the center of straw-body manufacture, the craft having begun there over a generation ago.

The ratio of blockers to other crafts varies from only 7 or 8 in every 100 in San Francisco and Chicago to 26 in every 100 in the Connecticut-New York State area. Wherever the good tailored hat is an important item of production, blockers increase in numbers.

TABLE X.—*Distribution of employees in occupations specified, by area*

Production area	Number of firms	Total employees <sup>1</sup> (percent)	Percent of total employees who were—					
			Blockers	Cutters	Operators	Trimmers	Designers	All other factory <sup>2</sup>
All areas.....	516	100.0	15	2	19	48	2	14
New York City.....	330	100.0	16	2	19	47	3	13
Up-State New York and Connecticut.....	7	100.0	26	-----	16	39	1	18
Northern New Jersey.....	18	100.0	15	2	30	29	1	23
Philadelphia and Trenton.....	9	100.0	19	1	19	42	2	17
Massachusetts.....	19	100.0	15	-----	28	43	1	13
South Atlantic area.....	2	100.0	28	1	18	35	3	15
Texas.....	15	100.0	21	1	12	46	3	17
Illinois.....	46	100.0	8	2	18	57	2	13
Cleveland, Detroit, and Milwaukee.....	7	100.0	17	1	19	53	-----	10
Missouri.....	19	100.0	10	2	28	45	1	14
Los Angeles.....	31	100.0	14	1	12	62	5	6
San Francisco.....	13	100.0	7	2	14	61	5	11

<sup>1</sup> Average number is used throughout this table.

<sup>2</sup> General factory and foremen *only*; shipping and all other not included.

### Sex of employees.

Women formed 64 percent of millinery workers employed during 1937. Their principal occupation was hat trimming or making hats by hand. However, sewing-machine operating was done by more women than men in all areas but New York City. Women usually outnumbered men in the miscellaneous jobs around the factory, and they were the largest group in every case among office workers.

TABLE XI.—*Sex of employees in the various occupations, by area*

Production area and number of firms	All employees <sup>1</sup>			Block- ers	Cutters		Operators		Trim- mers	Other factory <sup>2</sup>		Shipping		Office	
	Total	Men	Women	Men	Men	Women	Men	Women	Women	Men	Women	Men	Women	Men	Women
All areas (516 firms)—number.....	14,903	5,537	9,566	2,018	208	10	1,426	1,232	6,482	921	1,284	720	46	44	512
Percent distribution.....	100.0	35.8	64.2	13.5	1.4	0.1	9.6	8.3	43.5	6.2	8.6	4.8	0.3	0.3	3.4
New York City (330 firms)—number.....	8,127	3,539	4,588	1,176	134	3	1,192	178	3,463	525	644	497	5	15	295
Percent distribution.....	100.0	43.5	56.5	14.5	1.6	( <sup>3</sup> )	14.7	2.2	42.6	6.5	7.9	6.1	0.1	0.2	3.6
Up-State New York and Connecticut (7 firms)— number.....	394	159	235	95	1	-----	11	46	144	40	30	11	-----	1	15
Percent distribution.....	100.0	40.4	59.6	24.1	0.3	-----	2.8	11.7	36.5	10.2	7.6	2.8	-----	0.3	3.8
Northern New Jersey (18 firms)—number.....	755	260	495	106	11	-----	51	162	200	61	108	29	-----	2	25
Percent distribution.....	100.0	34.4	65.6	14.0	1.5	-----	6.8	21.5	26.5	8.1	14.3	3.8	-----	0.3	3.3
Philadelphia and Trenton (9 firms)—number.....	463	176	287	79	2	-----	33	48	178	38	45	19	-----	5	16
Percent distribution.....	100.0	38.0	62.0	17.1	0.4	-----	7.1	10.4	38.4	8.2	9.7	4.1	-----	1.1	3.5
Massachusetts (19 firms)—number.....	770	218	552	104	2	-----	7	189	305	76	22	26	14	3	22
Percent distribution.....	100.0	28.3	71.7	13.5	0.3	-----	0.9	24.5	39.6	9.9	2.9	3.4	1.8	0.4	2.9
South Atlantic area (2 firms)—number.....	174	64	110	42	2	-----	1	27	55	12	16	7	3	-----	9
Percent distribution.....	100.0	36.8	63.2	24.1	1.1	-----	0.6	15.5	31.6	6.9	9.2	4.0	1.7	-----	5.2
Texas (15 firms)—number.....	363	102	261	69	4	-----	1	39	154	12	57	12	-----	4	11
Percent distribution.....	100.0	28.1	71.9	19.0	1.1	-----	0.3	10.7	42.4	3.3	15.7	3.3	-----	1.1	3.0
Illinois (46 firms)—number.....	1,852	388	1,464	137	34	-----	69	246	994	82	185	58	-----	8	39
Percent distribution.....	100.0	21.0	79.0	7.4	1.8	-----	3.7	13.3	53.7	4.4	10.0	3.1	-----	0.4	2.1
Cleveland, Detroit, and Milwaukee (7 firms)— number.....	130	36	94	20	1	-----	4	19	63	4	8	6	-----	1	4
Percent distribution.....	100.0	27.7	72.3	15.4	0.8	-----	3.1	14.6	48.5	3.1	6.2	4.6	-----	0.8	3.1
Missouri (19 firms)—number.....	861	175	686	78	9	3	14	201	345	42	80	30	23	2	34
Percent distribution.....	100.0	20.3	79.7	9.1	1.0	0.3	1.6	23.3	40.1	4.9	9.3	3.5	2.7	0.2	3.9
Los Angeles (31 firms)—number.....	699	155	544	90	5	2	24	55	404	17	54	18	1	1	28
Percent distribution.....	100.0	22.2	77.8	12.9	0.7	0.3	3.4	7.9	57.8	2.4	7.7	2.6	0.1	0.1	4.0
San Francisco (13 firms)—number.....	315	65	250	22	3	2	19	22	177	12	35	7	-----	2	14
Percent distribution.....	100.0	20.6	79.4	7.0	1.0	0.6	6.0	7.0	56.2	3.8	11.1	2.2	-----	0.6	4.4

<sup>1</sup> A average number is used throughout this table.<sup>2</sup> Includes general factory, foremen, designers.<sup>3</sup> Less than 0.05 percent.

## NUMBERS EMPLOYED

### Average, minimum, and maximum numbers.

The 598 firms included in the survey employed an average of approximately 18,000 workers. A detailed statement of numbers employed each week of 1937 was secured from 516 millinery firms; their employees averaged 14,837. However, for one week in the year—and one week only—these 516 firms employed 17,883 workers, and in another week they employed but 9,723 workers; that is, the maximum number employed was not far from twice (184 percent) the minimum number employed.

During the dullest week of the year New York City employed 57 percent, and during the busiest week 52 percent, of the millinery workers reported for all areas. Yet in the busy season the staff of workers in New York City was 70 percent larger than in the dullest week. Only in Connecticut and New York State, where firms were few, was a better ratio maintained. Here the maximum employed was only 53 percent higher than the minimum.

In Illinois the situation was similar to that in New York City, for the difference between maximum and minimum was 72 percent. In Missouri, however, the maximum was almost five times the minimum, and in the Cleveland area it was nearly nine times the minimum.

### Differences by craft.

When comparisons between minimum and maximum numbers are made by crafts, sewing-machine operators are shown to suffer unemployment most extensively. In all areas combined there were two and one-half times as many operators employed in the busiest week as in the dullest week of 1937. There was not so large a difference in New York City, but in the Cleveland area, Missouri, and Massachusetts the differences were pronounced. The use of operators in sewing straw braids into hat forms in some areas during the spring accounts for much of this difference in employment.

Trimmers and milliners ranked next in differences in total number employed at various times of the year. Their maximum was about 195 percent of their minimum.

In New York City blockers' employment was more stable than that of any other craft. This is due unquestionably to the "corporation system," under which many union blockers work. Under this system the work is divided among a group of three or four, and even if some in the group do not produce every day, the earnings are divided by the group and each man continues on the pay roll.

The cutters are so few that the small numbers employed usually are kept on the staff.

### Weekly fluctuation in numbers.

A clearer picture of the fluctuation in numbers employed in the several areas and in the several crafts may be got from the charts that show the changes in numbers as they occur week by week. In these charts the average employment for the year, that is, the varying numbers on the weekly pay rolls totaled and then divided by 52, is represented by 100 percent. (Pages 30 and 32 to 34 and frontispiece.)

For all productive workers included in the study, average employment was reached the second week in January. The staff was increased

until it reached its spring maximum (121.8) in the week of March 15, or one week before Easter. There was an immediate reduction in staff from the maximum week until average (100) was again reached toward the end of May. The curve of employment dips sharply at the end of June, reaching its lowest point (62.6) in the first week of July. In the week of August 9 employment was again average, but the numbers employed in the fall season did not reach spring heights; nor did the falling off in employment from the middle of October reach the summer low. It would appear, therefore, that while the curve of employment of all productive workers in the industry is changing continuously, the changes are not so abrupt as the differences between the minimum and maximum numbers would lead one to infer.

The curves of employment for the various crafts are very different. Sewing-machine operators exceeded their average from the second week in January to the third week of June, or during the straw-hat manufacturing season. At no time thereafter did they reach 100. Trimmers had a good spring season of employment and a fall season of shorter duration. Blockers reached their average of employment later in the year than operators or trimmers, and had no such peaks in numbers employed as these crafts had in the spring. Consequently, the summer drop was not so great. However, blockers are employed in largest numbers in the fall, when operators are not used extensively.

The numbers of workers on the nonproductive staff follow the general trend week by week. Office workers are employed more steadily than any other group.

Missouri's curve is illustrative of what happens when straw hats are the specialty. Numbers employed soar to far greater heights than in almost any other production area. The summer slump amounts almost to a shut-down, and the fall season of average or better employment lasts only 8 weeks. Comparison with Illinois shows that while Missouri's number increased above the average by 44 points in the week of March 15, Illinois' number increased by only 19 points. While Missouri's fell to 22 percent of the average in the week of June 28, Illinois' curve fell only to 66.5 in the week following. In the fall season Illinois workers' employment varied from high to low by 21 points, Missouri's by 57 points.

While all production areas follow the same general trend of employment—that is, upward from January to Easter, downward to the lowest point in July, upward to a fall high in late September or October, and downward again to the holiday week—there are differences in the gradations of the rise and fall in each area. In the Illinois area the decrease in employment after Easter is more marked than in New York City, and the fall rise is a little higher, the winter decrease less sharp than in New York. Outside New York City and in Connecticut the decreased employment in summer is markedly less than in New York City, but the fall peak is higher and the winter falling-off much greater than in the city proper, winter employment in this area being less than summer employment. Northern New Jersey has a long spring and an earlier summer season. Its workers suffer more complete unemployment in winter months than do New York workers. Massachusetts firms have a much higher peak of employment in spring and much greater drops in summer and winter than New York City firms. The same situation is true in the Cleveland, Detroit, and Milwaukee area.

TABLE XII.—Average number of persons the millinery industry employed during the year and actual number in the week of maximum and of minimum employment, by occupation and by area

Production area and number of firms	All employ- ees	Occupations						
		Blockers	Cutters	Operators	Trimmers	Other factory	Shipping	Office
All areas (516 firms):								
Minimum.....	9,723	1,509	170	1,522	3,857	1,614	546	492
Maximum.....	17,883	2,402	258	3,855	7,500	2,743	929	600
Average.....	14,837	2,009	218	2,654	6,461	2,195	753	547
Ratio, maximum to minimum.....	183.9	159.2	151.8	253.3	194.5	170.0	170.1	122.0
New York City (330 firms):								
Minimum.....	5,518	893	111	953	2,075	849	361	267
Maximum.....	9,372	1,308	167	1,842	3,909	1,430	602	338
Average.....	8,079	1,168	137	1,368	3,455	1,100	489	302
Ratio, maximum to minimum.....	169.8	146.5	150.5	193.3	188.4	168.4	166.8	126.6
Up-State New York and Connecticut (7 firms):								
Minimum.....	312	75	0	27	112	55	6	13
Maximum.....	478	108	5	76	182	89	15	17
Average.....	394	95	1	57	144	70	11	16
Ratio, maximum to minimum.....	153.2	144.0	-----	281.5	162.5	161.8	250.0	130.8
Northern New Jersey (18 firms):								
Minimum.....	488	77	7	110	130	106	18	22
Maximum.....	931	131	16	302	240	220	43	31
Average.....	755	106	11	213	200	169	29	27
Ratio, maximum to minimum.....	190.8	170.1	228.6	274.5	184.6	207.5	238.9	140.9
Philadelphia and Trenton (9 firms):								
Minimum.....	309	46	2	34	119	62	11	19
Maximum.....	549	105	3	137	230	99	23	23
Average.....	462	79	2	81	178	82	19	21
Ratio, maximum to minimum.....	177.7	228.3	150.0	402.9	193.3	159.7	209.1	121.1
Massachusetts (19 firms):								
Minimum.....	389	60	2	49	162	69	16	19
Maximum.....	1,060	146	2	365	394	125	59	30
Average.....	770	104	2	196	305	98	40	25
Ratio, maximum to minimum.....	272.5	243.3	100.0	744.9	243.2	181.2	368.8	157.9
South Atlantic area (2 firms):								
Minimum.....	121	29	2	14	34	22	7	7
Maximum.....	207	50	2	45	70	33	12	11
Average.....	173	42	2	28	54	28	10	9
Ratio, maximum to minimum.....	171.1	172.4	100.0	321.4	205.9	150.0	171.4	157.1

Texas (15 firms):									
Minimum	240	36	2	22	99	46	8	12	
Maximum	448	92	6	54	203	86	15	18	
Average	363	69	4	40	154	69	12	15	
Ratio, maximum to minimum	186.7	255.6	300.0	245.5	205.1	187.0	187.5	150.0	
Illinois (46 firms):									
Minimum	1,270	105	23	171	660	211	44	41	
Maximum	2,187	186	41	473	1,113	403	84	51	
Average	1,849	137	34	313	994	267	58	46	
Ratio, maximum to minimum	172.2	177.1	178.3	276.6	168.6	191.0	190.9	124.4	
Cleveland, Detroit, and Milwaukee (7 firms):									
Minimum	22	2	0	1	6	3	3	3	
Maximum	196	33	2	55	85	16	9	6	
Average	130	20	1	23	63	12	6	5	
Ratio, maximum to minimum	890.9	1,650.0	-----	5,500.0	1,416.7	533.3	300.0	200.0	
Missouri (19 firms):									
Minimum	253	22	4	27	70	63	33	31	
Maximum	1,203	154	15	403	454	156	66	38	
Average	861	78	12	215	345	122	53	36	
Ratio, maximum to minimum	475.5	700.0	375.0	1,492.6	648.6	247.6	200.0	122.6	
Los Angeles (31 firms):									
Minimum	496	68	5	50	256	56	11	26	
Maximum	907	112	9	107	556	83	24	31	
Average	688	90	7	79	393	71	19	29	
Ratio, maximum to minimum	182.9	164.7	180.0	214.0	217.2	148.2	218.2	119.2	
San Francisco (13 firms):									
Minimum	192	12	2	23	94	29	4	12	
Maximum	413	32	6	52	244	63	9	21	
Average	313	21	5	41	176	47	7	16	
Ratio, maximum to minimum	215.1	266.7	300.0	226.1	259.6	217.2	225.0	175.0	

In the South Atlantic area and in San Francisco the spring season of manufacture begins early in January and is a long season. In Texas and Los Angeles also spring is a season of longer employment than in the New York area. Even so, both the spring and the fall peak of employment are higher in these areas than in New York City.

Save for the summer decrease in numbers employed, which may be accounted as vacations without pay, New York City has achieved a greater degree of stability in numbers employed than has any other center of production. This is unquestionably due to the longer experience of putting into effect the sections of the union contract that read:

At all times there shall be an equal distribution of work among all workers in the shop. Such distribution of work shall be arranged between the shop committee of the workers and the employer, in such a way as not to hinder shipments.

No overtime shall be required unless all workers in the crafts affected are employed full time and unless all available seats and benches are occupied.<sup>2</sup>

Comparison of craft curves of numbers employed in New York City and Illinois reveals clearly the effect of these principles on the numbers of blockers and operators employed during the year.

## THE INDIVIDUAL WORKER'S AMOUNT OF EMPLOYMENT

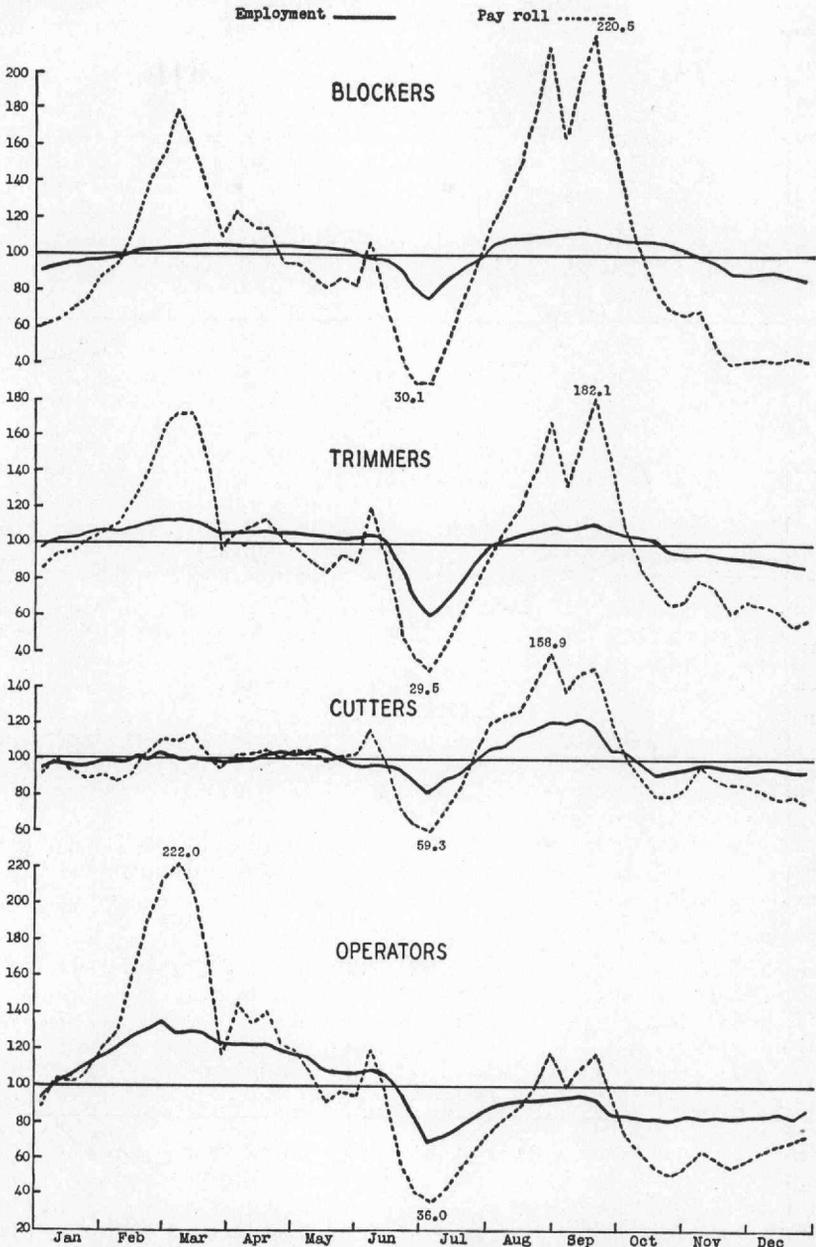
The description of changes in the numbers employed, given in the preceding pages, indicates the numbers the millinery industry had on its pay rolls from week to week. From these charts may be determined the number of weeks in which employment was at certain levels. However, though indicative of the demand for workers, the charts do not show how many weeks of employment each person actually received. From the individual's point of view the number of weeks he may work is of supreme importance, though, of course, he cannot work more weeks than the productive curve of the industry warrants. The Women's Bureau therefore transcribed, from the records of 445 millinery manufacturers, the number of weeks each individual whose name appeared on the pay roll worked for that firm during 1937. Unfortunately, 71 firms that kept a pay roll of total numbers employed week by week did not keep a record of the individual worker's employment.

### Excess of labor.

According to their own detailed records, these 445 millinery firms gave some employment to 31,750 workers, an average of 71 per firm, in 1937. The largest number employed in any 1 week by the 516 firms already discussed was 17,883 workers. Thus an average of 35 workers per firm was the largest number required in any 1 week, but an average of 71 workers per firm was the total out of which those needed were drawn. Even though duplications occurred, obviously many more workers than were really needed were available for millinery work and were given some employment during the year. Over and above the seasonal difficulties that made the maximum number employed in any 1 week 84 percent higher than the minimum number employed in any 1 week, appears this oversupply of labor, giving the industry many more to draw from than are ever needed.

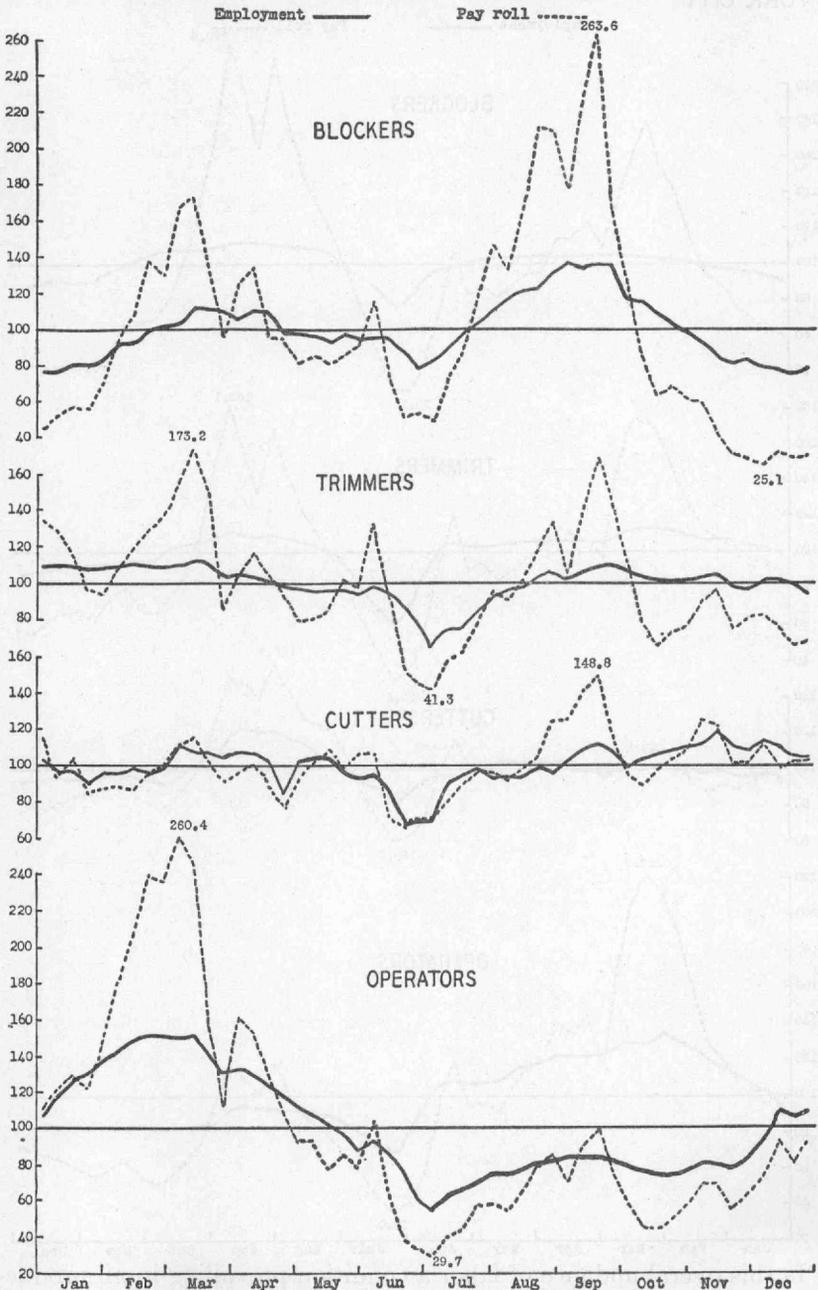
<sup>2</sup> Contract of the Eastern Women's Headwear Association, Inc., and The Cap and Millinery Department of the United Hatters, Cap, and Millinery Workers' International Union and the Joint Board of Millinery Workers Union, Locals 24 and 42 of said union, 1938.

CHART IV.—FLUCTUATION IN EMPLOYMENT AND AMOUNT PAID IN MAJOR PRODUCTIVE OCCUPATIONS IN MILLINERY FACTORIES IN 1937—NEW YORK CITY



Is this overabundance of labor a condition prevailing in all production areas? Apparently it is, for even in the Philadelphia and Trenton area—which shows the least difference between the maximum number employed at any one time and the total number having employment

CHART V.—FLUCTUATION IN EMPLOYMENT AND AMOUNT PAID IN MAJOR PRODUCTIVE OCCUPATIONS IN MILLINERY FACTORIES IN 1937—ILLINOIS



in any firm in 1937, in both cases on the basis of average number per firm—one-half again as many as were needed in the busiest season had been on the pay rolls at some time. In New York City proper,

nearly twice as many had been given some employment as had been needed at the height of the spring season. In northern New Jersey and in Illinois the number having employment at any time during the year was more than twice that in the maximum week, in the California cities it was exactly twice, and in Massachusetts and Texas over two and a half times, the maximum.

Did the oversupply of millinery workers occur in all occupations? Again the answer is yes. However, among blockers and cutters for all States combined the available workers were only one-half again as many as were employed in the week of maximum employment, while among operators and trimmers there were about twice as many as were necessary. Heavy excesses were found also among general factory workers and among the nonproductive workers whose employment is only indirectly affected by season.

In terms of employment of the individual worker, such a situation means that many persons are employed for short periods by individual firms. The analysis of the firms' pay rolls for 1937 shows that 22 percent of the names appeared on the rolls of the employing firm in less than 4 weeks. Because the union contract in New York City provides that any person employed over a week, and in certain other areas over 10 days, 2 weeks, or 3 weeks, is to be considered a regular employee, it is believed that many firms drop persons of doubtful value before such periods expire. Even so, 10 percent were employed 4 but less than 8 weeks, and as many as 40 percent, or two in every five, were employed less than one-fourth of a year. More than half those whose names appeared on millinery firm pay rolls had worked less than half a year for the firm.

Not 1 in 10 employees worked in each of the 52 weeks. If 46 weeks or more may be considered regular employment, that is, a steady job with vacation and occasional absences, only a little more than a fourth of the millinery staff fell within this classification. Thirty-six percent worked three-fourths of a year or more, and 45 percent worked one-half of the year or more. If the employees working 20 but under 26 weeks are added to this 45 percent, it is obvious that 51 percent represents the steadier element among millinery workers and that those employed for less than 20 weeks are extras taken on and put off again without recurrent employment in the same establishment.

#### **Employment of individuals in each production area.**

In the several production areas the proportion of all workers who were employed regularly, that is, who worked in 46 weeks or more of 1937, varied from 14 percent in Texas, 16 percent in Cleveland, Detroit, and Milwaukee, and 18 percent in Massachusetts, to 39 percent in the Connecticut and New York State area. In New York City, 32 percent of the workers were at their benches 46 weeks or more during the year; in northern New Jersey and in Missouri the proportion was but 20 percent, in Illinois it was 27 percent, and in the California cities it was about 25 percent.

New York City factories employed 42 percent of their total available workers three-fourths or more of the year and 50 percent of them for one-half or more of the year. In Illinois only 35 percent of the total were employed three-fourths or more of the year and 41 percent for half or more of the year. Missouri firms employed only 30 percent three-fourths or more of the year and only 43 percent were employed for half or more of the year.

TABLE XIII.—Number of weeks worked by employees in the various firms, by area

Production area	Number of firms reported	Employees		Percent of total employees reported who worked—													
		Total number given some employment	Total number with weeks worked reported	Under 4 weeks	4, under 8 weeks	8, under 13 weeks	13 weeks	14, under 20 weeks	20, under 26 weeks	26 weeks	27, under 33 weeks	33, under 39 weeks	39 weeks	40, under 46 weeks	46, under 52 weeks	52 weeks	
All areas.....	445	31,750	27,262	22.0	10.0	8.1	1.3	7.5	6.1	0.8	3.9	4.5	0.9	8.4	17.0	9.5	
New York City.....	278	14,242	11,558	22.0	8.4	6.9	1.0	6.1	5.2	.6	3.2	4.2	.8	9.9	20.4	11.2	
Up-State New York and Connecticut.....	5	642	638	24.3	8.6	4.4	.6	5.5	5.0	.5	2.8	3.8	.9	4.4	21.3	17.9	
Northern New Jersey.....	14	1,512	1,111	23.7	11.4	10.5	1.5	6.8	4.0	1.4	4.6	7.0	1.0	8.4	11.3	8.6	
Philadelphia and Trenton.....	7	636	636	14.6	12.3	9.6	.8	7.7	7.9	1.7	5.2	3.0	.8	6.0	20.0	10.5	
Massachusetts.....	21	3,282	2,520	20.3	11.1	10.0	1.5	9.4	7.6	1.1	5.5	5.7	1.5	8.6	10.4	7.3	
South Atlantic area.....	7	1,221	955	18.8	11.8	8.2	1.5	10.4	7.6	1.6	5.1	4.9	.7	7.3	12.1	9.8	
Texas.....	14	1,109	1,108	32.3	13.4	12.5	2.3	7.3	4.9	.8	4.2	4.6	.5	3.2	9.7	4.3	
Illinois.....	41	4,205	4,045	25.6	10.9	7.5	1.4	7.8	5.6	.5	2.8	3.5	.7	6.4	17.9	9.5	
Cleveland, Detroit, and Milwaukee.....	9	1,080	1,080	12.1	11.7	12.8	1.6	10.7	12.6	.8	3.6	4.2	1.9	12.2	11.5	4.4	
Missouri.....	15	1,793	1,793	18.4	10.8	7.1	1.6	10.2	8.8	.8	6.3	5.9	1.0	8.8	13.8	6.4	
Los Angeles.....	25	1,454	1,244	22.7	11.5	9.7	2.3	7.6	4.6	1.0	4.4	4.3	.8	6.1	16.6	8.3	
San Francisco.....	9	574	574	20.9	8.9	8.4	1.4	9.9	6.4	.9	4.9	5.6	.3	8.0	19.0	5.4	

TABLE XIV.—Number of weeks worked by employees in the various firms, by occupation—all areas

Occupation	Employees (441 firms)		Percent of total employees reported who worked—												
	Total number	Total number with weeks worked reported	Under 4 weeks	4, under 8 weeks	8, under 13 weeks	13 weeks	14, under 20 weeks	20, under 26 weeks	26 weeks	27, under 33 weeks	33, under 39 weeks	39 weeks	40, under 46 weeks	46, under 52 weeks	52 weeks
All occupations.....	31,020	26,798	22.1	10.0	8.1	1.3	7.4	6.0	0.8	3.8	4.4	0.9	8.5	17.2	9.5
Blockers.....	3,251	2,886	11.4	7.7	7.3	1.2	6.4	4.5	.5	3.8	4.6	.9	10.3	23.4	18.1
Cutters.....	345	310	18.7	11.3	5.8	1.9	4.2	4.8	.3	1.3	1.0	.3	8.1	17.7	24.5
Operators.....	5,902	5,132	16.6	10.1	10.2	1.5	10.6	9.6	1.3	4.9	4.7	1.1	8.3	14.7	6.4
Trimmers.....	13,385	11,501	26.0	8.7	6.3	1.1	6.3	4.9	.6	3.9	4.9	1.1	10.6	19.7	5.8
General factory.....	4,149	3,508	30.0	16.1	11.1	1.7	7.6	5.1	.5	3.2	3.4	.6	4.2	9.7	6.8
All nonproductive.....	3,988	3,461	18.5	10.1	8.6	1.3	7.0	6.8	1.0	3.1	3.7	.5	4.5	14.6	20.4

**Amount of employment of individual workers by occupation.**

The occupation which had the largest proportion of workers on the pay roll 52 weeks was that of cutting, in which about one-fourth of the total were employed 52 weeks. As many firms employ but one or two cutters, this is not surprising. The nonproductive pay roll had one-fifth who were paid the year round, and not far from one-fifth of the blockers were employed 52 weeks. Only 6 of every 100 trimmers and sewing-machine operators, however, were paid for 52 weeks. Considering 46 weeks as regular employment, that is, a period with allowance for several weeks of vacation and other absences, approximately two-fifths of the blockers and of the cutters, one-fourth of the trimmers, one-fifth of the sewing-machine operators, and one-sixth of the general factory workers were employed at least 46 weeks and might be considered, therefore, as having regular employment.

At the opposite end of the scale of employment, a smaller proportion of the blockers than of any other occupational group worked under 4 weeks, their figure being 11 percent in contrast to 26 percent of the trimmers and 30 percent of the general factory workers. Taking less than 20 weeks' employment as a criterion, 34 percent of the blockers, 42 percent of the cutters, 48 percent of the trimmers, 49 percent of the sewing-machine operators, 67 percent of the general factory workers, and 46 percent of the nonproductive workers were on the firm's pay roll in less than 20 weeks of 1937.

Comparing employment conditions in New York City's firms with those throughout the country, blockers had a far more assured position in New York City than elsewhere. In New York City more than three-fifths worked 46 weeks or more, compared with two-fifths for the country as a whole; and only one-eighth in New York City, compared to a third in all areas, worked less than 20 weeks. Trimmers and sewing-machine operators had a somewhat more assured position, for about 31 percent of each craft worked 46 weeks or longer, compared with one-fourth and one-fifth, respectively, throughout the country, and the proportions who worked less than 20 weeks were nearer two-fifths than the 48 percent and 49 percent, respectively, for the country as a whole. There was little difference in amount of employment for the miscellaneous group of general workers, while a smaller proportion of New York City cutters worked 46 weeks and more and a larger proportion worked less than 20 weeks than was the case in all areas combined.

In Illinois, blockers had the same problem of unemployment as is pictured for the country as a whole, that is, only 42 percent worked 46 weeks or more and over a third worked less than 20 weeks. Cutters, on the other hand, fared better in Illinois than in New York City or the rest of the country, as about half of them had at least 46 weeks' employment. More than half the trimmers in Illinois had less than 20 weeks' employment, as was true also of sewing-machine operators.

## IV. EARNINGS OF MILLINERY WORKERS

### AMOUNT THE INDUSTRY PAYS ITS WORKERS

For the week of maximum employment in the millinery industry in 1937, each worker would have received \$32.55 had wages been evenly distributed. The average amount paid blockers in that week was \$60.14, cutters \$48.11, operators \$45.36, trimmers and milliners \$24.34, general factory workers \$17.32, and members of the non-productive staff \$24.23. (Table XV.)

For the week of minimum employment, when the maximum number had dropped to almost one-half, earnings also had declined, the average being \$15.60. This earnings drop did not affect the non-productive workers, that is, office, shipping, and supervisory workers, as their weekly earnings remained at over \$24. Blockers' earnings, however, were but \$16.57 for the dulllest week. Operators' earnings dropped to \$17.10, and trimmers and milliners employed in the dulllest week averaged but \$8.74.

If the total amount paid to workers during the year had been evenly distributed among the average number employed, each would have received \$23.54 a week for 52 weeks.

The few cutters employed had the highest average earnings, or \$39.04 a week. The blockers were next with \$36.96. Sewing-machine operators averaged \$30.31, nonproductive workers \$24.20, and trimmers and general factory workers averaged \$16.44 and \$16.11, respectively.

The average amounts paid to all workers combined and to workers in each productive occupation were greater in New York City than elsewhere; general factory workers averaged more in two other cities and nonproductive workers more in three other cities than in New York City. No single production area ranked second in amount paid to each group of productive workers, but the Philadelphia-Trenton area was second in the average for all workers combined. The New York State and Connecticut area ranked third and northern New Jersey fourth in average weekly amount paid to all workers.

The Pacific coast area followed, with San Francisco paying more than Los Angeles to blockers, trimmers, general factory workers, and nonproductive workers. In total amounts paid in the Middle West, Illinois ranked highest; Cleveland, Detroit, and Milwaukee next; and Missouri last, or ninth among all production areas. Massachusetts was tenth in average amount paid to all workers, with the South Atlantic area and Texas following.

### AMOUNTS PAID TO INDIVIDUALS GIVEN ANY EMPLOYMENT IN YEAR

To only 19 percent of the workers whose names appeared on any factory pay rolls in 1937 had the employing firm paid \$1,000 or more. To only a little over one-third had it paid the equivalent of \$50 a month (a total of \$600) or more.

TABLE XV.—Average weekly amount the millinery industry paid its workers during the year and in the week of maximum and of minimum employment, by occupation and by area

Production area, number of firms, and employment	All employees <sup>1</sup>		Blockers		Cutters		Operators		Trimmers		General factory		Non-productive	
	Number	Average week's earnings	Number	Average week's earnings	Number	Average week's earnings	Number	Average week's earnings	Number	Average week's earnings	Number	Average week's earnings	Number	Average week's earnings
All areas (516 firms):														
Employment—Average for year.....	14,837	\$23.54	2,009	\$36.96	218	\$39.04	2,654	\$30.31	6,461	\$16.44	1,411	\$16.11	1,739	\$24.20
Maximum for year.....	17,883	32.55	2,402	60.14	258	48.11	3,855	45.36	7,500	24.34	1,932	17.32	1,980	24.23
Minimum for year.....	9,723	15.60	1,509	16.57	170	31.12	1,522	17.10	3,857	8.74	926	14.69	1,429	24.16
New York City (330 firms):														
Employment—Average for year.....	8,079	27.18	1,168	43.27	137	42.68	1,368	37.43	3,455	18.55	713	17.27	1,034	24.87
Maximum for year.....	9,372	38.29	1,308	77.47	167	51.80	1,842	59.12	3,909	28.32	960	17.87	1,186	24.32
Minimum for year.....	5,518	16.95	893	17.21	111	31.08	953	19.33	2,075	9.05	466	16.56	842	25.02
Up-State New York and Connecticut (7 firms):														
Employment—Average for year.....	394	21.16	95	29.69	1	34.08	57	23.76	144	15.17	52	16.53	40	24.26
Maximum for year.....	478	28.08	108	34.27	5	45.77	76	32.85	182	22.89	72	19.18	47	24.89
Minimum for year.....	312	10.36	75	30.70	0	-----	27	19.17	112	13.60	37	14.85	34	23.63
Northern New Jersey (18 firms):														
Employment—Average for year.....	755	20.92	106	31.10	11	41.12	213	23.45	200	14.17	133	12.79	87	25.65
Maximum for year.....	931	28.68	131	32.13	16	40.51	302	32.21	240	15.78	181	12.17	108	25.81
Minimum for year.....	488	14.45	77	17.54	7	36.67	110	16.13	130	6.23	73	8.82	66	25.81
Philadelphia and Trenton (9 firms):														
Employment—Average for year.....	462	22.55	79	34.91	2	31.58	81	27.65	178	14.17	52	17.06	61	26.14
Maximum for year.....	549	34.26	105	49.07	3	28.81	137	47.27	230	20.92	68	20.62	67	27.42
Minimum for year.....	309	12.62	46	15.58	2	30.00	34	10.31	119	5.91	35	16.25	46	19.89
Massachusetts (19 firms):														
Employment—Average for year.....	770	16.45	104	22.16	2	39.18	196	16.27	305	11.72	57	18.37	99	21.70
Maximum for year.....	1,060	20.33	146	26.99	2	41.00	365	22.24	394	15.61	83	14.51	123	20.86
Minimum for year.....	389	11.52	60	15.87	2	34.63	49	10.07	162	5.84	32	19.64	65	24.75
South Atlantic area (2 firms):														
Employment—Average for year.....	173	15.64	42	16.87	2	25.49	28	16.41	54	9.35	19	13.37	23	23.99
Maximum for year.....	207	19.46	50	26.29	2	34.70	45	18.72	70	14.15	25	14.12	27	23.45
Minimum for year.....	121	13.72	29	5.09	2	13.57	14	9.45	34	5.29	13	14.75	17	23.15
Texas (15 firms):														
Employment—Average for year.....	363	14.15	69	17.45	4	16.97	40	14.14	154	11.40	48	11.59	36	19.15
Maximum for year.....	448	16.68	92	18.64	6	11.50	54	15.75	203	13.94	65	11.40	40	18.42
Minimum for year.....	240	13.72	36	17.09	2	16.70	22	8.91	99	7.84	30	13.12	31	20.10

Illinois (46 firms):														
Employment—Average for year	1,849	19.50	137	35.37	34	36.05	313	24.83	994	14.59	194	15.12	138	24.27
Maximum for year	2,187	28.68	186	68.46	41	36.53	473	40.18	1,113	22.57	332	15.71	170	23.41
Minimum for year	1,270	14.27	105	13.17	23	35.53	171	13.51	660	9.08	143	14.34	121	24.86
Cleveland, Detroit, and Milwaukee (7 firms):														
Employment—Average for year	130	19.02	20	23.19	1	16.56	23	25.96	63	13.66	3	10.86	19	25.90
Maximum for year	196	25.30	33	34.92	2	28.10	55	35.12	85	18.41	8	14.03	23	26.77
Minimum for year	22	17.79	2	11.86	0	-----	1	50.00	6	8.03	0	-----	11	22.59
Missouri (19 firms):														
Employment—Average for year	861	18.29	78	25.57	12	27.82	215	24.63	345	12.29	89	15.25	111	20.24
Maximum for year	1,203	27.90	154	39.39	15	32.32	403	39.75	454	19.33	122	16.28	127	22.59
Minimum for year	253	14.44	22	16.99	4	29.04	27	10.21	70	6.50	38	14.50	81	20.11
Los Angeles (31 firms):														
Employment—Average for year	688	20.19	90	29.55	7	30.27	79	23.11	393	15.85	26	13.83	60	22.50
Maximum for year	907	25.41	112	42.58	9	26.73	107	26.99	556	19.37	35	14.33	67	22.73
Minimum for year	496	16.02	68	20.13	5	28.10	50	16.91	256	11.33	15	14.18	47	21.83
San Francisco (13 firms):														
Employment—Average for year	313	20.52	21	32.06	5	26.56	41	23.04	176	16.67	24	17.46	31	24.08
Maximum for year	413	25.06	32	31.57	6	31.90	52	25.70	244	21.43	38	18.93	38	26.47
Minimum for year	192	15.07	12	32.96	2	19.00	23	20.17	94	10.77	13	15.62	23	21.58

<sup>1</sup> Includes designers, not shown separately.

<sup>2</sup> Includes foremen, shipping, and office.

To 10,000 workers, moreover—practically 1 in 3 of the whole—the firm had given so little employment that total earnings were less than \$100; to 3,000 it had given so little work that earnings were even less than \$10.

From the point of view of earnings the best craft is blocking. The employing firms paid \$1,500 or more to 36 percent of the blockers on their pay rolls, and paid at least \$1,000 to 50 percent of all the blockers employed. Cutters, comparatively few in number, had similar payroll records; but only one-fourth of the sewing-machine operators were paid as much as \$1,000, and for less than one-half was the total as much as \$500.

Trimmers, who are women, had much lower earnings. To only 7 percent of all whose names were found on the firms' books had the employer paid as much as \$1,000, and to less than one-third had he paid as much as \$600.

How many weeks did the persons in each of these groups work? A division of the workers into the productive group directly engaged in manufacturing and the nonproductive group shows only a general relation between weeks worked and earnings. To understand this relation between year's earnings and weeks worked, the figures must be reviewed by craft, the average earnings in which vary greatly.

#### YEAR'S EARNINGS OF BLOCKERS

Tables XVII and XVIII reveal a very direct relation between the amount earned in the year by men who block hats and the number of weeks they worked. The 18 percent who were employed all of 1937 averaged \$2,127; the 23 percent who worked 46 weeks or more but not 52 weeks averaged \$1,772. Some in both of these groups earned \$4,000 and over and none earned less than \$500.

The amount earned drops somewhat for blockers who were on the pay roll 40 but less than 46 weeks, their average earnings being \$1,557. It goes down to \$1,005 for the 5 percent who worked for 33 but under 39 weeks. Only a very few blockers employed a shorter period than 33 weeks could earn as much as \$1,000.

Twenty weeks or more of employment was necessary for the blockers to average \$600 and over. Few blockers employed 13 weeks (one-fourth of the year) or less received as much as \$500; and when employment dropped to less than 8 weeks, the great majority so employed received less than \$100. There were exceptions in every group, indicating that some employed for short periods were experienced, rapid workers.

#### Earnings by production areas.

How do blockers' earnings and length of employment vary in the several production areas?

In New York City proper, 52 weeks' employment for blockers resulted in earnings of \$2,396, the highest in any area. Northern New Jersey blockers averaged \$2,116 for full-time service, Philadelphia and Trenton blockers \$2,080. In Connecticut and New York State, blockers' earnings for 52 weeks were \$1,698.

In the Middle West highest earnings for a year's employment were found among Illinois blockers, the average being \$1,938. In the Cleveland area the average was \$1,746, in Missouri \$1,581.

TABLE XVI.—Distribution of year's earnings of employees, by occupation—all areas

Year's earnings	All occupations		Blockers		Cutters		Operators		Trimmers		General factory		All nonproductive occupations	
	Number of employees <sup>1</sup>	Percent	Number of employees	Percent	Number of employees	Percent	Number of employees	Percent	Number of employees	Percent	Number of employees	Percent	Number of employees	Percent
Total reported.....	31,750	100.0	3,251	100.0	345	100.0	5,902	100.0	13,385	100.0	4,149	100.0	3,988	100.0
Under \$10.....	3,002	9.5	181	4.0	3	.9	233	3.9	1,954	14.6	495	11.9	157	3.9
\$10, under \$25.....	2,519	7.9	109	3.4	22	6.4	288	4.9	1,269	9.5	544	13.1	251	6.3
\$25, under \$50.....	2,104	6.6	122	3.8	22	6.4	311	5.3	889	6.6	460	11.1	258	6.5
\$50, under \$75.....	1,375	4.3	83	2.6	8	2.3	234	4.0	532	4.0	324	7.8	179	4.5
\$75, under \$100.....	1,039	3.3	77	2.4	8	2.3	177	3.0	385	2.9	233	5.6	136	3.4
\$100, under \$200.....	2,794	8.8	195	6.0	28	8.1	473	8.0	1,067	8.0	517	12.5	446	11.2
\$200, under \$300.....	1,984	6.2	140	4.3	16	4.6	439	7.4	759	5.7	297	7.2	274	6.9
\$300, under \$400.....	1,695	5.3	135	4.2	18	5.2	415	7.0	679	5.1	194	4.7	191	4.8
\$400, under \$500.....	1,663	5.2	99	3.0	7	2.0	413	7.0	794	5.9	150	3.6	144	3.6
\$500, under \$600.....	1,639	5.2	99	3.0	10	2.9	380	6.4	823	6.1	119	2.9	151	3.8
\$600, under \$700.....	1,615	5.1	83	2.6	6	1.7	320	5.4	823	6.1	174	4.2	146	3.7
\$700, under \$800.....	1,689	5.3	108	3.3	5	1.4	267	4.5	935	7.0	159	3.8	182	4.6
\$800, under \$1,000.....	2,718	8.6	196	6.0	13	3.8	439	7.4	1,461	10.9	219	5.3	326	8.2
\$1,000, under \$1,500.....	3,016	9.5	502	15.4	53	15.4	691	11.7	914	6.8	198	4.8	587	14.7
\$1,500, under \$2,000.....	1,344	4.2	481	14.8	47	13.6	395	6.7	87	.6	53	1.3	255	6.4
\$2,000, under \$2,500.....	884	2.8	388	11.9	36	10.4	302	5.1	13	( <sup>2</sup> )	8	.2	126	3.2
\$2,500, under \$3,000.....	402	1.3	187	5.8	28	8.1	113	1.9	1	( <sup>2</sup> )	3	.1	66	1.7
\$3,000, under \$3,500.....	134	.4	61	1.9	12	3.5	10	.2			2	( <sup>2</sup> )	42	1.1
\$3,500, under \$4,000.....	75	.2	30	.9	3	.9	2	( <sup>2</sup> )					38	1.0
\$4,000, under \$4,500.....	37	.1	24	.7									13	.3
\$4,500, under \$5,000.....	6	( <sup>2</sup> )											6	.2
\$5,000 and over.....	16	.1	1	( <sup>2</sup> )									14	.4

<sup>1</sup> Includes employees in 4 firms for whom occupation was not reported.

<sup>2</sup> Less than 0.05 percent.

TABLE XVII.—Year's earnings of blockers, by weeks worked—all areas

Year's earnings	Number of blockers reported	Number of blockers who worked—												
		Under 4 weeks	4, under 8 weeks	8, under 13 weeks	13 weeks	14, under 20 weeks	20, under 26 weeks	26 weeks	27, under 33 weeks	33, under 39 weeks	39 weeks	46, under 46 weeks	46, under 52 weeks	52 weeks
Total.....	2, 886	328	222	212	35	185	129	14	111	133	25	296	674	522
Under \$10.....	118	118												
\$10, under \$25.....	97	89	8											
\$25, under \$50.....	114	77	37											
\$50, under \$75.....	76	26	42	8										
\$75, under \$100.....	76	11	47	17		1								
\$100, under \$200.....	182	7	64	88	11	12								
\$200, under \$300.....	120		14	57	5	30	9	1	4					
\$300, under \$400.....	120		6	25	13	46	19		8	2		1		
\$400, under \$500.....	91		3	9	2	41	20	1	7	6				
\$500, under \$600.....	90		1	5		28	19	3	15	5	3	3	7	1
\$600, under \$700.....	80			3		11	17	1	16	10		9	8	3
\$700, under \$800.....	96				2	7	13	2	17	23	4	16	8	4
\$800, under \$1,000.....	178					8	14	3	28	29	7	36	38	15
\$1,000, under \$1,500.....	443					1	17	3	15	46	8	83	214	56
\$1,500, under \$2,000.....	435							1		10	3	75	186	160
\$2,000, under \$2,500.....	314										2	44	122	146
\$2,500, under \$3,000.....	159									1		24	51	83
\$3,000, under \$3,500.....	52											3	25	24
\$3,500, under \$4,000.....	29												2	17
\$4,000, under \$4,500.....	15													13
\$5,000 and over.....	1												1	

TABLE XVIII.—Average year's earnings of blockers, by weeks worked and by area

Production area	All blockers reported	Weeks worked in year												
		Under 4	4, under 8	8, under 13	13	14, under 20	20, under 26	26	27, under 33	33, under 39	39	40, under 46	46, under 52	52
All areas:														
Number of employees.....	2, 886	328	222	212	35	185	129	14	111	133	25	296	674	522
Percent distribution.....	100. 0	11. 4	7. 7	7. 3	1. 2	6. 4	4. 5	0. 5	3. 8	4. 6	0. 9	10. 3	23. 4	18. 1
Average year's earnings.....	\$1, 134	\$25	\$110	\$218	\$329	\$432	\$643	\$740	\$752	\$1, 005	\$1, 025	\$1, 557	\$1, 772	\$2, 127

New York City:														
Number of employees.....	1,113	42	27	33	5	37	44	3	25	43	8	168	374	304
Percent distribution.....	100.0	3.8	2.4	3.0	0.4	3.3	4.0	0.3	2.2	3.9	0.7	15.1	33.6	27.3
Average year's earnings.....	\$1,789	\$37	\$190	\$249	\$509	\$573	\$810	\$938	\$933	\$1,236	\$1,281	\$1,900	\$2,064	\$2,396
Up-State New York and Connecticut:														
Number of employees.....	102	3	2	6	-----	5	5	-----	3	3	1	3	31	40
Percent distribution.....	100.0	2.9	2.0	5.9	-----	4.9	4.9	-----	2.9	2.9	1.0	2.9	30.4	39.2
Average year's earnings.....	\$1,303	\$63	\$84	\$146	-----	\$455	\$509	-----	\$614	\$1,146	\$730	\$1,259	\$1,585	\$1,698
Northern New Jersey:														
Number of employees.....	103	10	7	6	-----	12	6	1	-----	5	3	15	20	18
Percent distribution.....	100.0	9.7	6.8	5.8	-----	11.7	5.8	1.0	-----	4.9	2.9	14.6	19.4	17.5
Average year's earnings.....	\$1,008	\$28	\$229	\$352	-----	\$422	\$568	\$780	-----	\$947	\$957	\$1,200	\$1,346	\$2,116
Philadelphia and Trenton:														
Number of employees.....	72	9	8	10	1	8	3	-----	2	3	-----	4	8	18
Percent distribution.....	100.0	12.5	6.3	13.9	1.4	11.1	4.2	-----	2.8	4.2	-----	5.6	11.1	25.0
Average year's earnings.....	\$974	\$25	\$121	\$270	\$643	\$472	\$508	-----	\$848	\$937	-----	\$1,426	\$1,607	\$2,080
Massachusetts:														
Number of employees.....	373	52	34	44	10	39	19	-----	23	17	5	37	67	26
Percent distribution.....	100.0	13.9	9.1	11.8	2.7	10.5	5.1	-----	6.2	4.6	1.3	9.9	18.0	7.0
Average year's earnings.....	\$614	\$14	\$81	\$174	\$211	\$384	\$437	-----	\$655	\$858	\$926	\$1,007	\$1,250	\$1,431
South Atlantic area:														
Number of employees.....	124	25	20	12	3	11	3	1	-----	4	1	-----	8	22
Percent distribution.....	100.0	20.2	16.1	9.7	2.4	8.9	2.4	0.8	-----	3.2	0.8	-----	6.5	17.7
Average year's earnings.....	\$377	\$15	\$45	\$110	\$181	\$206	\$325	\$264	-----	\$317	\$750	-----	\$668	\$870
Texas:														
Number of employees.....	184	62	29	19	3	9	5	1	-----	13	10	5	5	10
Percent distribution.....	100.0	33.7	15.8	10.3	1.6	4.9	2.7	0.5	-----	7.1	5.4	0.5	2.7	9.2
Average year's earnings.....	\$305	\$12	\$70	\$140	\$247	\$242	\$349	\$569	-----	\$598	\$685	\$554	\$757	\$930
Illinois:														
Number of employees.....	248	29	24	19	3	13	20	1	-----	7	12	2	13	48
Percent distribution.....	100.0	11.7	9.7	7.7	1.2	5.2	8.1	0.4	-----	2.8	4.8	0.8	5.2	19.4
Average year's earnings.....	\$1,048	\$42	\$158	\$334	\$488	\$500	\$697	\$691	-----	\$1,021	\$1,026	\$1,150	\$1,361	\$1,582
Cleveland, Detroit, and Milwaukee:														
Number of employees.....	161	12	27	15	2	11	6	1	-----	9	11	2	19	36
Percent distribution.....	100.0	7.5	16.8	9.3	1.2	6.8	3.7	0.6	-----	5.6	6.8	1.2	11.8	22.4
Average year's earnings.....	\$800	\$37	\$82	\$193	\$366	\$415	\$634	\$1,012	-----	\$700	\$969	\$894	\$1,213	\$1,499
Missouri:														
Number of employees.....	198	38	21	29	5	27	11	3	-----	14	18	-----	10	16
Percent distribution.....	100.0	19.2	10.6	14.6	2.5	13.6	5.6	1.5	-----	7.1	9.1	-----	5.1	8.1
Average year's earnings.....	\$498	\$26	\$110	\$226	\$337	\$445	\$610	\$660	-----	\$707	\$871	-----	\$1,161	\$1,230
Los Angeles:														
Number of employees.....	156	33	20	10	2	11	3	3	-----	6	9	3	12	28
Percent distribution.....	100.0	21.2	12.8	6.4	1.3	7.1	1.9	1.9	-----	3.8	5.8	1.9	7.7	17.9
Average year's earnings.....	\$778	\$30	\$114	\$246	\$321	\$393	\$696	\$749	-----	\$836	\$839	\$873	\$1,050	\$1,595
San Francisco:														
Number of employees.....	52	13	5	9	1	2	4	-----	5	1	-----	2	7	3
Percent distribution.....	100.0	25.0	9.6	17.3	1.9	3.8	7.7	-----	9.6	1.9	-----	3.8	13.5	5.8
Average year's earnings.....	\$642	\$32	\$84	\$260	\$400	\$385	\$560	-----	\$817	\$1,186	-----	\$1,400	\$1,841	\$1,944

On the Pacific coast, though blockers employed 52 weeks were few, their earnings averaged \$2,114 in Los Angeles and \$1,944 in San Francisco. In Texas, earnings for the few blockers employed 52 weeks were \$1,068. While some blockers in each of these areas were employed in 52 weeks, it must not be inferred that the same volume of work was done by those in each production area. Being employed 52 weeks means simply that the blockers were at the shop to do whatever work was required, though the volume may have been small and the earnings for any specific week very little.

The group of blockers who were employed 46 weeks but not so long as 52 weeks averaged as much as \$2,000 only in New York City (\$2,084). The year's average was less than this but as high as \$1,500 in Illinois, the Connecticut and New York State area, Philadelphia and Trenton, Los Angeles, and San Francisco.

If blockers are to average \$1,000 or more a year at prevailing rates paid in each area, they must have a minimum of 33 weeks' employment in New York City and the nearby area of Connecticut and New York State, in Illinois, and in San Francisco. In Massachusetts, northern New Jersey, Philadelphia and Trenton, Missouri, and Los Angeles, only employment for at least 40 weeks will yield to the average worker an income of \$1,000 or over.

#### YEAR'S EARNINGS OF CUTTERS

Cutters who worked 52 weeks in 1937, about one-fourth of the total, averaged \$2,271. Almost one-fifth of all (18 percent) worked 46 and under 52 weeks and averaged \$1,740. Eight percent worked 40 and under 46 weeks and had earnings of \$1,558. Thus one-half the cutters employed worked 40 weeks or more and almost all earned as much as \$1,000, with the majority earning over \$1,500.

The great majority of the cutters were employed either as much as 40 weeks or less than 13 weeks. Those employed less than one-fourth of 1937 averaged less than \$200. It would seem that if there is not enough cutting in an establishment to employ a cutter as a regular staff member, there is too little for the employment of a special person.

In only a few areas were enough cutters employed 52 weeks to warrant a comparison of earnings. In New York City cutters with 52 weeks' employment averaged \$2,455, and in Illinois \$2,173.

#### YEAR'S EARNINGS OF TRIMMERS AND MILLINERS

Of the trimmers and milliners, who are all women and who constitute by far the largest occupational group in the industry, only 7 in every 100 employed in 1937 earned \$1,000 or more. Eleven in every 100 earned \$800 but less than \$1,000, and 13 in every 100 earned \$600 but less than \$800. Thus fewer than one-third averaged as much as \$50 a month for the year. While the vast majority of the trimmers earning \$600 or more had been on the pay rolls at least 39 weeks, a very considerable proportion (over one-fifth) of those employed as long as this earned less than \$600. (Table XIX.)

Trimmers working 52 weeks had average earnings of \$889, those working 46 weeks or more but not the entire year had earnings of \$849.

When employment was 40 but under 46 weeks the 11 percent working these weeks averaged \$714, and the small proportion who worked 39 weeks averaged \$643. While scattered individuals working less than 39 weeks earned \$600 and well above, no group with less than three-fourths of a year's employment averaged as much as \$600.

The appearance of one-fourth of the trimmers on a firm's pay rolls in less than 4 weeks of 1937 unquestionably was a drag on the entire group and of little value to the individuals concerned, whose earnings averaged but \$13. The industry does not need extras to this extent; in fact, the individuals employed 14 weeks and over in a firm were sufficient to meet all the needs of the industry. A smaller number of individuals employed would have resulted in better earnings.

### **Earnings by production area.**

Trimmers' earnings were higher in New York City than in the country as a whole. The three-tenths who worked 46 weeks or more averaged over \$960. In Connecticut and New York State, San Francisco, Los Angeles, northern New Jersey, and the Cleveland area, trimmers employed 52 weeks averaged in excess of \$900, but, with the exception of a negligible group in the area last named, somewhat less than in New York City. However, when employed 46 and under 52 weeks, only in San Francisco and New York City did trimmers earn over \$900. In northern New Jersey the average for trimmers working 46 and under 52 weeks was but \$769, in Philadelphia and Trenton \$713. Trimmers who worked 52 weeks in Massachusetts factories averaged \$784, those who worked 46 but less than 52 weeks \$635. In Texas the full-year workers earned \$735, and those at 46 and less than 52 weeks \$671. Earnings were lower in Missouri, with respectively \$667 and \$627, and in Illinois, with respectively \$771 and \$752.

While New York City trimmers averaged \$600 or more for each time group from 33 weeks to 52 weeks, in a number of other areas trimmers working as many as 40 weeks earned less than \$600. This was due partly to the difference in rates paid but partly to the amount of work to be done.

### **YEAR'S EARNINGS OF SEWING-MACHINE OPERATORS**

Sewing-machine operators are more numerous in millinery than blockers, and fewer are employed 46 weeks or more of the year. The 6 percent who worked 52 weeks in 1937 averaged \$1,793, and those working 46 weeks but less than 52 weeks earned \$1,517; that is, to earn \$1,500 or more at present rates, at least 46 weeks of employment apparently is necessary, as will be seen in table XXII. A very few earned \$1,000 or more in less than 26 weeks of 1937, but for the most part 40 weeks of employment was necessary to attain such earnings under prevailing conditions. Without at least 20 weeks of employment a very small proportion could earn as much as \$600.

TABLE XIX.—Year's earnings of trimmers, by weeks worked—all areas

Year's earnings	Number of trimmers reported	Number of trimmers who worked—												
		Under 4 weeks	4, under 8 weeks	8, under 13 weeks	13 weeks	14, under 20 weeks	20, under 26 weeks	26 weeks	27, under 33 weeks	33, under 39 weeks	39 weeks	40, under 46 weeks	46, under 52 weeks	52 weeks
Total.....	11,501	2,988	1,002	727	127	729	560	74	444	569	123	1,216	2,271	671
Under \$10.....	1,599	1,589	10											
\$10, under \$25.....	1,072	960	109	3										
\$25, under \$50.....	741	366	337	37			1							
\$50, under \$75.....	464	69	272	113	6	4								
\$75, under \$100.....	347	4	146	149	15	30	3							
\$100, under \$200.....	934		118	357	69	298	72	9	9	1		1		
\$200, under \$300.....	661		7	62	31	249	168	11	70	28	3	19	10	3
\$300, under \$400.....	593		2	5	6	101	152	22	109	65	11	60	49	11
\$400, under \$500.....	700					32	104	15	123	152	17	141	91	25
\$500, under \$600.....	744		1	1		12	38	12	70	150	26	205	190	39
\$600, under \$700.....	717					3	14	3	34	86	20	217	306	34
\$700, under \$800.....	819						4	1	19	42	20	194	434	105
\$800, under \$1,000.....	1,237						4	1	9	33	20	221	662	287
\$1,000, under \$1,500.....	793								1	12	6	156	463	155
\$1,500, under \$2,000.....	75											2	62	11
\$2,000, under \$2,500.....	5												4	1

TABLE XX.—Average year's earnings of trimmers, by weeks worked and by area

Production area	All trimmers reported	Weeks worked in year												
		Under 4	4, under 8	8, under 13	13	14, under 20	20, under 26	26	27, under 33	33, under 39	39	40, under 46	46, under 52	52
All areas:														
Number of employees.....	11,501	2,988	1,002	727	127	729	560	74	444	569	123	1,216	2,271	671
Percent distribution.....	100.0	26.0	8.7	6.3	1.1	6.3	4.9	0.6	3.9	4.9	1.1	10.6	19.7	5.8
Average year's earnings.....	\$398	\$13	\$62	\$121	\$171	\$229	\$339	\$383	\$440	\$547	\$643	\$714	\$849	\$889

New York City:														
Number of employees.....	4,743	1,239	264	207	34	241	211	25	186	238	51	591	1,143	313
Percent distribution.....	100.0	26.1	5.6	4.4	0.7	5.1	4.4	0.5	3.9	5.0	1.1	12.5	24.1	6.6
Average year's earnings.....	\$508	\$13	\$80	\$143	\$205	\$284	\$400	\$488	\$516	\$622	\$747	\$823	\$960	\$969
Up-State New York and Connecticut:														
Number of employees.....	231	60	21	7	2	18	9	-----	7	10	1	10	47	39
Percent distribution.....	100.0	26.0	9.1	3.0	0.9	7.8	3.9	-----	3.0	4.3	0.4	4.3	20.3	16.9
Average year's earnings.....	\$437	\$16	\$46	\$100	\$196	\$169	\$278	-----	\$397	\$567	\$382	\$611	\$852	\$960
Northern New Jersey:														
Number of employees.....	277	56	28	24	7	16	13	3	17	34	5	31	31	12
Percent distribution.....	100.0	20.2	10.1	8.7	2.5	5.8	4.7	1.1	6.1	12.3	1.8	11.2	11.2	4.3
Average year's earnings.....	\$341	\$14	\$58	\$112	\$155	\$202	\$359	\$285	\$457	\$470	\$536	\$597	\$769	\$902
Philadelphia and Trenton:														
Number of employees.....	277	42	40	31	2	17	13	2	8	6	3	20	75	18
Percent distribution.....	100.0	15.2	14.4	11.2	0.7	6.1	4.7	0.7	2.9	2.2	1.1	7.2	27.1	6.5
Average year's earnings.....	\$366	\$11	\$41	\$89	\$221	\$160	\$289	\$312	\$363	\$534	\$738	\$581	\$713	\$866
Massachusetts:														
Number of employees.....	1,008	253	114	94	9	85	56	9	49	61	17	100	116	45
Percent distribution.....	100.0	25.1	11.3	9.3	0.9	8.4	5.6	0.9	4.9	6.1	1.7	9.9	11.5	4.5
Average year's earnings.....	\$270	\$9	\$46	\$99	\$126	\$184	\$248	\$260	\$332	\$492	\$596	\$567	\$635	\$784
South Atlantic area:														
Number of employees.....	165	35	30	9	2	9	6	1	9	7	1	19	24	13
Percent distribution.....	100.0	21.2	18.2	5.5	1.2	5.5	3.6	0.6	5.5	4.2	0.6	11.5	14.5	7.9
Average year's earnings.....	\$235	\$9	\$32	\$75	\$107	\$116	\$203	\$144	\$261	\$351	\$207	\$471	\$559	\$529
Texas:														
Number of employees.....	547	204	71	70	8	41	26	5	19	19	4	17	49	14
Percent distribution.....	100.0	37.3	13.0	12.8	1.5	7.5	4.8	0.9	3.5	3.5	0.7	3.1	9.0	2.6
Average year's earnings.....	\$172	\$9	\$36	\$83	\$123	\$163	\$256	\$299	\$325	\$430	\$380	\$531	\$671	\$735
Illinois:														
Number of employees.....	1,999	567	192	101	24	121	96	12	63	74	13	169	428	139
Percent distribution.....	100.0	28.4	9.6	5.1	1.2	6.1	4.8	0.6	3.2	3.7	0.7	8.5	21.4	7.0
Average year's earnings.....	\$350	\$14	\$60	\$111	\$151	\$200	\$320	\$374	\$412	\$499	\$548	\$626	\$752	\$771
Cleveland, Detroit, and Milwaukee:														
Number of employees.....	439	96	46	32	6	31	44	1	8	16	12	89	53	5
Percent distribution.....	100.0	21.9	10.5	7.3	1.4	7.1	10.0	0.2	1.8	3.6	2.7	20.3	12.1	1.1
Average year's earnings.....	\$349	\$13	\$64	\$146	\$203	\$244	\$354	\$424	\$454	\$510	\$571	\$636	\$723	\$1,208
Missouri:														
Number of employees.....	703	166	71	38	6	59	31	4	33	52	10	87	128	18
Percent distribution.....	100.0	23.6	10.1	5.4	0.9	8.4	4.4	0.6	4.7	7.4	1.4	12.4	18.2	2.6
Average year's earnings.....	\$304	\$10	\$52	\$106	\$121	\$191	\$273	\$228	\$361	\$446	\$559	\$576	\$627	\$667
Los Angeles:														
Number of employees.....	776	196	92	86	22	54	36	8	30	33	4	49	121	45
Percent distribution.....	100.0	25.3	11.9	11.1	2.8	7.0	4.6	1.0	3.9	4.3	0.5	6.3	15.6	5.8
Average year's earnings.....	\$341	\$18	\$75	\$140	\$176	\$243	\$316	\$395	\$444	\$545	\$684	\$704	\$826	\$940
San Francisco:														
Number of employees.....	336	74	33	28	5	37	19	4	15	19	2	34	56	10
Percent distribution.....	100.0	22.0	9.8	8.3	1.5	11.0	5.7	1.2	4.5	5.7	0.6	10.1	16.7	3.0
Average year's earnings.....	\$390	\$19	\$75	\$154	\$219	\$271	\$337	\$416	\$421	\$591	\$779	\$690	\$922	\$955

TABLE XXI.—Year's earnings of operators, by weeks worked—all areas

Year's earnings	Number of operators reported	Number of operators who worked—												
		Under 4 weeks	4, under 8 weeks	8, under 13 weeks	13 weeks	14, under 20 weeks	20, under 26 weeks	26 weeks	27, under 33 weeks	33, under 39 weeks	39 weeks	40, under 46 weeks	46, under 52 weeks	52 weeks
Total.....	5,132	850	517	522	79	546	494	66	252	240	54	428	753	331
Under \$10.....	200	200												
\$10, under \$25.....	248	238	10											
\$25, under \$50.....	273	210	61	2										
\$50, under \$75.....	206	101	92	13										
\$75, under \$100.....	159	50	81	27	1									
\$100, under \$200.....	427	50	173	146	13	36	7	2						
\$200, under \$300.....	395	1	74	150	16	100	42	4	5	3				
\$300, under \$400.....	358		20	88	25	119	60	8	18	12	2	6		
\$400, under \$500.....	358		3	47	7	111	106	10	28	23	5	14	3	1
\$500, under \$600.....	322		3	25	11	63	91	11	48	23	6	23	14	4
\$600, under \$700.....	281			15	2	48	62	10	45	33	11	30	23	2
\$700, under \$800.....	229			8	4	32	50	4	29	24	4	31	32	11
\$800, under \$1,000.....	386			1		24	44	7	40	56	9	93	95	17
\$1,000, under \$1,500.....	620					13	31	10	34	49	12	129	260	82
\$1,500, under \$2,000.....	315						1		5	16	5	65	146	77
\$2,000, under \$2,500.....	247									1		30	122	94
\$2,500, under \$3,000.....	96											7	54	35
\$3,000, under \$3,500.....	10												2	8
\$3,500, under \$4,000.....	2												2	

TABLE XXII.—Average year's earnings of operators, by weeks worked and by area

Production area	All operators reported	Weeks worked in year												
		Under 4	4, under 8	8, under 13	13	14, under 20	20, under 26	26	27, under 33	33, under 39	39	40, under 46	46, under 52	52
All areas:														
Number of employees.....	5,132	850	517	522	79	546	494	66	252	240	54	428	753	331
Percent distribution.....	100.0	16.6	10.1	10.2	1.5	10.6	9.6	1.3	4.9	4.7	1.1	8.3	14.7	6.4
Average year's earnings.....	\$685	\$35	\$130	\$276	\$356	\$454	\$575	\$638	\$719	\$851	\$854	\$1,176	\$1,517	\$1,793

New York City:														
Number of employees.....	1,938	330	180	192	22	151	97	15	60	73	18	205	395	200
Percent distribution.....	100.0	17.0	9.3	9.9	1.1	7.8	5.0	0.8	3.1	3.8	0.9	10.6	20.4	10.3
Average year's earnings.....	\$1,005	\$47	\$180	\$383	\$522	\$631	\$785	\$887	\$976	\$1,163	\$1,210	\$1,482	\$1,881	\$2,092
Up-State New York and Connecticut:														
Number of employees.....	113	29	12	5	1	5	5	2	3	10	4	9	17	11
Percent distribution.....	100.0	25.7	10.6	4.4	0.9	4.4	4.4	1.8	2.7	8.8	3.5	8.0	15.0	9.7
Average year's earnings.....	\$593	\$45	\$116	\$157	\$453	\$480	\$1,045	\$1,105	\$599	\$620	\$619	\$786	\$1,250	\$1,308
Northern New Jersey:														
Number of employees.....	278	56	27	35	4	15	10	8	17	19	2	28	43	14
Percent distribution.....	100.0	20.1	9.7	12.6	1.4	5.4	3.6	2.9	6.1	6.8	0.7	10.1	15.5	5.0
Average year's earnings.....	\$535	\$36	\$134	\$244	\$313	\$396	\$549	\$589	\$671	\$787	\$1,254	\$958	\$981	\$1,388
Philadelphia and Trenton:														
Number of employees.....	154	20	18	12	-----	15	25	7	17	6	1	9	19	5
Percent distribution.....	100.0	13.0	11.7	7.8	-----	9.7	16.2	4.5	11.0	3.9	0.6	5.8	12.3	3.2
Average year's earnings.....	\$667	\$32	\$111	\$284	-----	\$478	\$543	\$770	\$810	\$881	\$520	\$1,008	\$1,745	\$1,760
Massachusetts:														
Number of employees.....	678	122	65	62	13	84	97	16	50	38	11	57	43	20
Percent distribution.....	100.0	18.0	9.6	9.1	1.9	12.4	14.3	2.4	7.4	5.6	1.6	8.4	6.3	2.9
Average year's earnings.....	\$346	\$20	\$75	\$128	\$258	\$291	\$395	\$380	\$480	\$582	\$523	\$693	\$823	\$1,003
South Atlantic area:														
Number of employees.....	98	27	13	8	1	4	12	1	-----	4	1	5	16	6
Percent distribution.....	100.0	27.6	13.3	8.2	1.0	4.1	12.2	1.0	-----	4.1	1.0	5.1	16.3	6.1
Average year's earnings.....	\$343	\$22	\$86	\$165	\$183	\$203	\$368	\$557	-----	\$428	\$948	\$618	\$795	\$1,068
Texas:														
Number of employees.....	100	19	14	14	4	7	6	1	6	7	-----	5	16	1
Percent distribution.....	100.0	19.0	14.0	14.0	4.0	7.0	6.0	1.0	6.0	7.0	-----	5.0	16.0	1.0
Average year's earnings.....	\$290	\$14	\$57	\$123	\$204	\$225	\$305	\$149	\$412	\$452	-----	\$610	\$738	\$1,299
Illinois:														
Number of employees.....	699	113	69	71	13	107	57	3	26	33	8	41	113	45
Percent distribution.....	100.0	16.2	9.9	10.2	1.9	15.3	8.2	0.4	3.7	4.7	1.1	5.9	16.2	6.4
Average year's earnings.....	\$601	\$34	\$132	\$267	\$384	\$458	\$604	\$688	\$671	\$793	\$618	\$1,123	\$1,236	\$1,414
Cleveland, Detroit, and Milwaukee:														
Number of employees.....	355	13	41	71	9	67	79	6	18	13	3	18	14	3
Percent distribution.....	100.0	3.7	11.5	20.0	2.5	18.9	22.3	1.7	5.1	-3.7	0.8	5.1	3.9	0.8
Average year's earnings.....	\$441	\$37	\$116	\$236	\$300	\$389	\$531	\$568	\$598	\$812	\$720	\$933	\$1,061	\$1,739
Missouri:														
Number of employees.....	500	92	59	38	11	71	92	6	44	26	6	42	36	7
Percent distribution.....	100.0	17.4	11.1	7.2	2.1	13.4	17.4	1.1	8.3	4.9	1.1	7.9	6.8	1.3
Average year's earnings.....	\$484	\$22	\$97	\$218	\$250	\$389	\$609	\$653	\$778	\$777	\$832	\$966	\$1,142	\$1,322
Los Angeles:														
Number of employees.....	120	17	14	13	-----	10	8	1	6	8	-----	7	21	15
Percent distribution.....	100.0	14.2	11.7	10.8	-----	8.3	6.7	0.8	5.0	6.7	-----	5.8	17.5	12.5
Average year's earnings.....	\$615	\$28	\$105	\$210	-----	\$421	\$534	\$342	\$605	\$845	-----	\$798	\$1,086	\$1,437
San Francisco:														
Number of employees.....	69	12	5	1	1	10	6	-----	5	3	-----	2	20	4
Percent distribution.....	100.0	17.4	7.2	1.4	1.4	14.5	8.7	-----	7.2	4.3	-----	2.9	29.0	5.8
Average year's earnings.....	\$631	\$25	\$60	\$230	\$169	\$323	\$424	-----	\$620	\$738	-----	\$819	\$1,229	\$1,311

TABLE XXIII.—Average year's earnings of general factory workers, by weeks worked and by area

Production area	All general factory workers reported	Weeks worked in year												
		Under 4	4, under 8	8, under 13	13	14, under 20	20, under 26	26	27, under 33	33, under 39	39	40, under 46	46, under 52	52
All areas:														
Number of employees.....	3,508	1,054	565	391	60	268	178	17	111	118	20	147	339	240
Percent distribution.....	100.0	30.0	16.1	11.1	1.7	7.6	5.1	0.5	3.2	3.4	0.6	4.2	9.7	6.8
Average year's earnings.....	\$237	\$16	\$62	\$120	\$159	\$214	\$322	\$386	\$410	\$532	\$637	\$739	\$884	\$1,028
New York City:														
Number of employees.....	1,589	454	254	182	27	120	84	10	51	66	8	90	132	111
Percent distribution.....	100.0	28.6	16.0	11.5	1.7	7.6	5.3	0.6	3.2	4.2	0.5	5.7	8.3	7.0
Average year's earnings.....	\$313	\$19	\$67	\$129	\$178	\$231	\$359	\$420	\$472	\$576	\$617	\$798	\$970	\$1,037
Up-State New York and Connecticut:														
Number of employees.....	122	48	14	7	-----	4	6	-----	2	-----	-----	5	30	6
Percent distribution.....	100.0	39.3	11.5	5.7	-----	3.3	4.9	-----	1.6	-----	-----	4.1	24.6	4.9
Average year's earnings.....	\$344	\$17	\$57	\$111	-----	\$206	\$279	-----	\$328	-----	-----	\$609	\$842	\$1,352
Northern New Jersey:														
Number of employees.....	337	129	56	41	5	27	10	2	13	9	-----	8	20	17
Percent distribution.....	100.0	38.3	16.6	12.2	1.5	8.0	3.0	0.6	3.9	2.7	-----	2.4	5.9	5.0
Average year's earnings.....	\$163	\$10	\$47	\$80	\$149	\$163	\$278	\$200	\$289	\$421	-----	\$540	\$713	\$791
Philadelphia and Trenton:														
Number of employees.....	75	16	11	7	-----	6	5	-----	3	2	1	3	11	10
Percent distribution.....	100.0	21.3	14.7	9.3	-----	8.0	6.7	-----	4.0	2.7	1.3	4.0	14.7	13.3
Average year's earnings.....	\$383	\$15	\$40	\$103	-----	\$193	\$293	-----	\$285	\$351	\$1,021	\$604	\$834	\$1,114
Massachusetts:														
Number of employees.....	178	46	32	22	5	13	8	1	9	9	3	7	15	8
Percent distribution.....	100.0	25.8	18.0	12.4	2.8	7.3	4.5	0.6	5.1	5.1	1.7	3.9	8.4	4.5
Average year's earnings.....	\$293	\$19	\$60	\$127	\$173	\$246	\$273	\$447	\$392	\$614	\$699	\$887	\$872	\$1,181
South Atlantic area:														
Number of employees.....	52	11	11	3	-----	2	4	-----	4	1	-----	2	4	10
Percent distribution.....	100.0	21.2	21.2	5.8	-----	3.8	7.7	-----	7.7	1.9	-----	3.8	7.7	19.2
Average year's earnings.....	\$309	\$15	\$55	\$115	-----	\$141	\$237	-----	\$369	\$538	-----	\$356	\$656	\$835
Texas:														
Number of employees.....	185	63	26	27	9	19	11	-----	4	8	-----	3	10	5
Percent distribution.....	100.0	34.1	14.1	14.6	4.9	10.3	5.9	-----	2.2	4.3	-----	1.6	5.4	2.7
Average year's earnings.....	\$154	\$11	\$40	\$89	\$101	\$133	\$292	-----	\$435	\$404	-----	\$492	\$728	\$810
Illinois:														
Number of employees.....	659	235	110	75	10	46	25	2	8	14	6	13	71	44
Percent distribution.....	100.0	35.7	16.7	11.4	1.5	7.0	3.8	0.3	1.2	2.1	0.9	2.0	10.8	6.7
Average year's earnings.....	\$248	\$16	\$69	\$131	\$169	\$217	\$307	\$281	\$392	\$478	\$563	\$708	\$832	\$932

Cleveland, Detroit, and Milwaukee:														
Number of employees.....	36	7	7	4	2	1	1				2	5	7	
Percent distribution.....	(1)													
Average year's earnings.....	\$670	\$17	\$75	\$153	\$238	\$416	\$647				\$749	\$1,157	\$2,006	
Missouri:														
Number of employees.....	175	21	30	14	3	17	16	1	13	6	1	9	29	15
Percent distribution.....	100.0	12.0	17.1	8.0	1.7	9.7	9.1	0.6	7.4	3.4	0.6	5.1	16.6	8.6
Average year's earnings.....	\$368	\$15	\$55	\$126	\$141	\$206	\$272	\$456	\$342	\$454	\$644	\$695	\$797	\$987
Los Angeles:														
Number of employees.....	59	19	8	7	1	7	4	1	2		1	2	5	2
Percent distribution.....	100.0	32.2	13.6	11.9	1.7	11.9	6.8	1.7	3.4		1.7	3.4	8.5	3.4
Average year's earnings.....	\$254	\$11	\$67	\$117	\$99	\$299	\$339	\$500	\$362		\$671	\$542	\$923	\$1,128
San Francisco:														
Number of employees.....	41	5	6	2	5	4	1	3			3	7	5	
Percent distribution.....	(1)													
Average year's earnings.....	\$454	\$15	\$73	\$50	\$252	\$295	\$481	\$531			\$422	\$1,036	\$991	

<sup>1</sup> Not computed; base less than 50.

TABLE XXIV.—Average year's earnings of nonproductive workers, by weeks worked and by area

Production area	All nonproductive workers reported	Weeks worked in year												
		Under 4	4, under 8	8, under 13	13	14, under 20	20, under 26	26	27, under 33	33, under 39	39	40, under 46	46, under 52	52
All areas:														
Number of employees.....	3,461	639	349	299	44	241	235	34	107	128	17	156	507	705
Percent distribution.....	100.0	18.5	10.1	8.6	1.3	7.0	6.8	1.0	3.1	3.7	0.5	4.5	14.6	20.4
Average year's earnings.....	\$746	\$32	\$115	\$200	\$303	\$350	\$575	\$893	\$699	\$821	\$942	\$1,061	\$1,394	\$1,601
New York City:														
Number of employees.....	1,986	430	224	173	25	151	154	20	51	64	9	80	280	325
Percent distribution.....	100.0	21.7	11.3	8.7	1.3	7.6	7.8	1.0	2.6	3.2	0.5	4.0	14.1	16.4
Average year's earnings.....	\$710	\$35	\$126	\$220	\$306	\$374	\$641	\$957	\$754	\$900	\$999	\$1,172	\$1,502	\$1,622
Up-State New York and Connecticut:														
Number of employees.....	65	12	5	3	1	3	7	1	3	1			11	18
Percent distribution.....	100.0	18.5	7.7	4.6	1.5	4.6	10.8	1.5	4.6	1.5			16.9	27.7
Average year's earnings.....	\$793	\$20	\$79	\$217	\$192	\$306	\$409	\$376	\$703	\$696			\$1,303	\$1,597
Northern New Jersey:														
Number of employees.....	100	11	8	8		3	5	1	4	11	1	11	10	27
Percent distribution.....	100.0	11.0	8.0	8.0		3.0	5.0	1.0	4.0	11.0	1.0	11.0	10.0	27.0
Average year's earnings.....	\$972	\$38	\$64	\$131		\$331	\$394	\$259	\$499	\$729	\$2,560	\$939	\$1,203	\$2,114
Philadelphia and Trenton:														
Number of employees.....	56	6	3	1	2	3	4	2	3	2		2	14	14
Percent distribution.....	100.0	10.7	5.4	1.8	3.6	5.4	7.1	3.6	5.4	3.6		3.6	25.0	25.0
Average year's earnings.....	\$885	\$47	\$162	\$297	\$137	\$593	\$318	\$837	\$1,080	\$532		\$706	\$1,369	\$1,316
Massachusetts:														
Number of employees.....	280	38	34	31	2	15	12	2	8	18	1	15	20	84
Percent distribution.....	100.0	13.6	12.1	11.1	0.7	5.4	4.3	0.7	2.9	6.4	0.4	5.4	7.1	30.0
Average year's earnings.....	\$711	\$27	\$74	\$169	\$170	\$206	\$371	\$552	\$427	\$553	\$384	\$792	\$991	\$1,617
South Atlantic area:														
Number of employees.....	50	5	2	3		3	1	1	3	1		2	12	17
Percent distribution.....	100.0	10.0	4.0	6.0		6.0	2.0	2.0	6.0	2.0		4.0	24.0	34.0
Average year's earnings.....	\$802	\$8	\$43	\$98		\$434	\$30	\$2,000	\$849	\$2,890		\$530	\$821	\$1,177
Texas:														
Number of employees.....	85	10	6	9	2	5	5	2	3	7		5	13	18
Percent distribution.....	100.0	11.8	7.1	10.6	2.4	5.9	5.9	2.4	3.5	8.2		5.9	15.3	21.2
Average year's earnings.....	\$595	\$29	\$112	\$112	\$176	\$239	\$416	\$681	\$611	\$617		\$430	\$1,278	\$1,039

<b>Illinois:</b>														
Number of employees.....	385	81	40	35	4	28	24	2	8	7	1	20	53	82
Percent distribution.....	100.0	21.0	10.4	9.1	1.0	7.3	6.2	0.5	2.1	1.8	0.3	5.2	13.8	21.3
Average year's earnings.....	\$719	\$26	\$112	\$173	\$244	\$330	\$572	\$504	\$648	\$799	\$628	\$1,106	\$1,415	\$1,593
<b>Cleveland, Detroit, and Milwaukee:</b>														
Number of employees.....	85	3	5	15	5	6	1	3	5	2	3	16	21	
Percent distribution.....	100.0	3.5	5.9	17.6	5.9	7.1	1.2	3.5	5.9	2.4	3.5	18.8	24.7	
Average year's earnings.....	\$888	\$27	\$107	\$209	\$304	\$461	\$1,699	\$661	\$856	\$765	\$1,045	\$1,287	\$1,630	
<b>Missouri:</b>														
Number of employees.....	172	11	12	9	3	9	7	1	9	3	1	7	32	68
Percent distribution.....	100.0	6.4	7.0	5.2	1.7	5.2	4.1	0.6	5.2	1.7	0.6	4.1	18.6	39.5
Average year's earnings.....	\$917	\$28	\$111	\$142	\$620	\$197	\$303	\$523	\$583	\$689	\$524	\$675	\$925	\$1,563
<b>Los Angeles:</b>														
Number of employees.....	124	16	8	5	4	13	6	10	3	2	6	29	22	
Percent distribution.....	100.0	12.9	6.5	4.0	3.2	10.5	4.8	8.1	2.4	1.6	4.8	23.4	17.7	
Average year's earnings.....	\$922	\$32	\$104	\$175	\$308	\$347	\$592	\$726	\$712	\$696	\$1,334	\$1,581	\$1,734	
<b>San Francisco:</b>														
Number of employees.....	73	16	2	7	1	3	4	1	2	6	5	17	9	
Percent distribution.....	100.0	21.9	2.7	9.6	1.4	4.1	5.5	1.4	2.7	8.2	6.8	23.3	12.3	
Average year's earnings.....	\$810	\$20	\$107	\$280	\$455	\$473	\$399	\$1,024	\$735	\$1,090	\$1,392	\$1,380	\$1,520	

### Earnings by production area.

In New York City, sewing-machine operators employed 52 weeks averaged \$2,092, those working 46 and under 52 weeks \$1,881. In no other area did earnings even approximate these amounts. These New York City operators were chiefly men. The Philadelphia area paid to its operators for a year's service \$1,760, and the Cleveland area \$1,739. In northern New Jersey, however, operators employed 52 weeks earned but \$1,388, those employed 46 and under 52 weeks \$981. In the New Jersey area, operators are largely women. Massachusetts operators, also largely women, averaged \$1,003 and \$823 for the respective periods of service. In Illinois 52 weeks' work netted operators \$1,414 and work for 46 but less than 52 weeks \$1,236. In Missouri the average earnings for these periods of employment were \$1,322 and \$1,142.

### YEAR'S EARNINGS OF GENERAL FACTORY LABORERS

As employees classed under the heading of general factory labor may be doing widely varying jobs, comparison of earnings has little value. However, as the number employed in this group is the third largest in the industry, the earnings are of importance to the workers and to the industry. In New York City \$1,037 was the average amount earned by those working 52 weeks, \$970 being the average for 46 but less than 52 weeks. In the Cleveland area, where only a few were employed in general capacities the year round, earnings were exceptionally high. In Massachusetts 52-week workers earned \$1,181, and those at 46 and under 52 weeks \$872. In Illinois the general worker received \$932 for full time and \$832 for a few weeks less of work. (Table XXIII.)

### YEAR'S EARNINGS OF NONPRODUCTIVE STAFF

While a few of the higher-paid workers are included in this group—fourth largest in size—the chief groups are office workers and shipping clerks. Twenty percent were paid for full time and averaged \$1,601. A large number, however, earned \$1,000 but less than \$1,500 as a salary. The group on the pay roll 46 but under 52 weeks also had a majority earning within this range, the average being \$1,394.

New York City paid the 52-week workers in this group \$1,622, those working 46 and under 52 weeks \$1,502. In Massachusetts factories earnings for 52 weeks were \$1,617, but for the shorter period only \$991. Office and other nonproductive workers in Illinois averaged \$1,593 for 52 weeks' work and \$1,415 for work for 46 and under 52 weeks. In Missouri the earnings were \$1,563 for the group of full-time workers and \$925 for those of somewhat less employment. Earnings on the Pacific coast for the 52-week period were \$1,520 in San Francisco and \$1,734 in Los Angeles. (Table XXIV.)

The comparison of a year's earnings in the several production areas for all crafts combined, and considering as a year's employment work for 46 weeks and more, reveals that New York City craftsmen had higher earnings on the whole than those employed anywhere else. No area ranks second in amount earned in the case of every craft, though the two Pacific coast cities always rank to the fore in each craft's earnings. In the Middle West, earnings usually are higher in Illinois

than in Missouri. The Cleveland, Milwaukee, and Detroit area yields earnings to workers for 46 weeks or more that at times are higher than those in the Missouri area. Massachusetts craftsmen usually earn less than others in the same crafts on the Atlantic coast, the Pacific coast, or in the Middle West.

#### DIFFERENCES IN HOURLY EARNINGS OF MILLINERY WORKERS

After consideration is given to the difficulty of fixing piece rates to yield the same earnings to individual craftsmen for services rendered from week to week, the problem of attaining a similar ratio between the earnings of workers and the value of their services to employers from firm to firm and from area to area will be understood.

#### Problem of fixing piece rates for workers.

As women's millinery is produced on an order basis, and as many firms order only a few of any given hat and then reorder as the hat meets with public approval, the different types of hat worked on in any one week may be very many. Each hat may require somewhat different handling, and whenever work is paid on a piece-rate basis, piece rates must be set for each operation on each hat. Wherever there is a union contract, the basic hourly rates for "an average good worker" are stated in the contract and the piece rates for each operation on each hat are set to yield these amounts.

In each shop elected representatives of the workers and the shop chairmen of the employers constitute a price committee to adjust prices on each operation at a specific time each week. If this committee does not reach a satisfactory decision on the piece rates for each craft on each pattern of hat, the matter is reported to the employers' association and to the union, whose representatives attempt to settle the matter. If these representatives fail, the impartial chairman is called in; he is aided by one expert named by the employers' association and one expert designated by the union.

Complaints from trimmers are to the effect that the time necessarily elapsing before a major dispute is settled redounds to the advantage of the employer. They argue that when they first work on a new style they are slow, and that speed is attained only when they have made many hats of a given style. The organization committees or impartial chairman consider the problem after they have attained their speed, throwing the cost of acquiring speed upon them instead of upon the employer. When trimmers in the same shop, in the same week, work on hats for which they are paid as much as \$6.92 a dozen and as little as 15 cents a dozen, the variety of the work to be done and the possibilities for errors of judgment in piece-rate fixing are obvious.

A minimum scale of week wages also is stated in contracts between millinery associations and the United Hatters, Cap, and Millinery Workers' International Union. In San Francisco, all workers are paid a weekly rate because the character and volume of the work are largely on a fill-in basis and do not permit of attainment of speed. In other localities cutters and general factory workers frequently are paid on a time basis. Blockers usually work as a "corporation," that is, two, three, or four blockers pool their earnings, each getting a specified amount for the week. Occasionally, where fabric hats are an item of production, sewing-machine operators work as a "corporation."

TABLE XXV.—Average hourly output and earnings of trimmers, week of Mar. 28, 1938, by prevailing price of hat and by area

[Data reported by trimmers themselves]

Production area	Prevailing price of hat														
	\$7.50 and below			Over \$7.50, including \$13.50			Over \$13.50, including \$24			Over \$24, including \$48			Over \$48		
	Number of employees	Average hourly—		Number of employees	Average hourly—		Number of employees	Average hourly—		Number of employees	Average hourly—		Number of employees	Average hourly—	
		Output (hats)	Earnings		Output (hats)	Earnings		Output (hats)	Earnings		Output (hats)	Earnings		Output (hats)	Earnings
All areas.....	265	20.42	\$0.71	1,506	9.55	\$0.68	611	7.19	\$0.68	1,076	3.14	\$0.77	471	1.20	\$0.78
New York City.....	162	22.15	.76	771	11.39	.77	306	6.85	.80	748	3.37	.81	471	1.20	.78
Up-State New York and Connecticut.....	13	22.87	.48	35	11.49	.52	35	7.69	.54	31	4.12	.58			
Northern New Jersey.....	48	20.14	.72	29	10.13	.54	22	4.77	.61						
Philadelphia and Trenton.....	11	2.17	.45				28	13.40	.39						
South Atlantic area.....	13	3.86	.42	404	6.20	.59	140	6.18	.62	297	2.28	.65			
Illinois.....	14	10.33	.47	134	7.95	.53									
Cleveland, Detroit, and Milwaukee.....	4	20.49	.68	133	8.21	.55	80	7.53	.57						
Missouri.....															

### Production variations.

It is not a usual practice among millinery firms to keep a record of the number of each pattern of hat produced per employee in any given period, nor to determine scientifically the labor cost on different hats. In its efforts, therefore, to compare production rates of each craft from firm to firm and from area to area, the Women's Bureau requested employees to keep a record for one week of the number of hours worked each day, the number of hats made each day, the price paid for each pattern of hat, and their total earnings for the week.

The week for which workers kept records was a busy one in the spring of 1938—in most cases the week ending March 28—a week in which the volume of work everywhere permitted of full application of each worker to hat blocking, cutting, trimming, or sewing. Even though all hats were being produced for the spring season, they varied greatly in style and in the work involved in producing them. It was not possible to secure a description of each hat produced. The price range of hats was used as a general measurement of the probable work on the hat, but in any price range the work done by any craftsman may vary widely. This condition coupled with the situation that made it necessary to have each worker keep his or her own record throws doubt about the validity of comparison of output either from firm to firm or from area to area. It must be viewed as different in character from other material secured for this study.

Of the total number of workers who sent in production cards, 5,408 piece workers reported hours worked each day, amount produced and amount earned. Others were paid on a time basis or did not give complete information on volume of goods made.

Over 3,900 trimmers reported their production during this spring week. The largest number were employed on hats wholesaling at over \$7.50 and including \$13.50 a dozen. The average output in New York City was 11½ hats of this price an hour. It was a fraction higher in northern New Jersey but fell to 6.2 hats in Illinois. Missouri trimmers trimmed 8.2 such hats an hour and in the Cleveland area the output was about 8 hats an hour.

In general, the cheaper the hat the greater the trimmers' output, the more expensive the hat the smaller the output. However, when trimmers in the South Atlantic area report practically twice as many hats trimmed of the over \$13.50 and including \$24 grade as are done in New York City or Illinois, unquestionably the trimming involved in that area must be very different from that elsewhere. When Illinois trimmers of hats at \$7.50 and below report only 3.86 hats trimmed an hour, as compared with almost 23 an hour in the New York State and Connecticut area, the figures must be indicative largely of differences in the tasks.

That the large differences in output in the several areas indicate only the wide variation in work done is borne out also by the variation in volume produced by trimmers from firm to firm in the same city. On the hats at over \$7.50 and including \$13.50 New York City trimmer production is under 4 hats an hour in 12 firms and ranges up to nearly 30 hats in 2 firms. In Illinois and Missouri the range on this price of hat per firm is from less than 4 to nearly 12 hats per hour.

TABLE XXVI.—Differences by firm in average hourly output and earnings of trimmers, week of Mar. 28, 1938, by prevailing price of hat and by area

[Data reported by trimmers themselves]

Production area and prevailing price of hat	Number of firms reporting	Number of firms whose trimmers had average hourly output of—											
		Under 4 hats	4, under 5 hats	5, under 6 hats	6, under 7 hats	7, under 8 hats	8, under 9 hats	9, under 10 hats	10, under 11 hats	11, under 12 hats	12, under 18 hats	18, under 24 hats	24 hats and over
All areas—total.....	314	108	15	18	14	14	9	16	11	7	54	29	19
\$7.50 and below.....	47	2	1	1	1	1	1	1	1	1	5	19	16
Over \$7.50, including \$13.50.....	130	21	3	6	6	8	4	13	7	6	44	10	2
Over \$13.50, including \$24.....	45	9	7	5	5	6	4	1	2	5	5	1	1
Over \$24, including \$48.....	64	48	5	6	3	6	1	1	1	1	1	1	1
Over \$48.....	28	28											
New York City.....	231	79	10	12	10	7	6	7	4	4	51	23	18
\$7.50 and below.....	35			1			1				5	13	15
Over \$7.50, including \$13.50.....	89	12	1	2	2	5	2	6	1	4	42	10	2
Over \$13.50, including \$24.....	31	5	5	4	5	2	3		2	4	4		1
Over \$24, including \$48.....	48	34	4	5	3				1	1			
Over \$48.....	28	28											
Northern New Jersey.....	9					1							
\$7.50 and below.....	5									1	2	4	
Over \$7.50, including \$13.50.....	3									1	2	4	
Philadelphia and Trenton.....	6	2	1	1					1	1			
Over \$7.50, including \$13.50.....	2								1	1			
Over \$13.50, including \$24.....	2	1		1									
Illinois.....	42	23	3	3	2	3		4	3	1			
Over \$7.50, including \$13.50.....	21	7	1	2	2	1		4	3	1			
Over \$13.50, including \$24.....	5	1	2			2							
Over \$24, including \$48.....	15	14		1									
Cleveland, Detroit, and Milwaukee.....	7		1	1	1			1	1	2			
\$7.50 and below.....	2								1	1			
Over \$7.50, including \$13.50.....	5		1	1	1			1		1			
Missouri.....	16	4		1	1	3	2	2	1	1		1	
Over \$7.50, including \$13.50.....	10	2		1	1	2	1	1	1	1			
Over \$13.50, including \$24.....	5	2				1	1	1					

Production area and prevailing price of hat	Number of firms whose trimmers had average hourly earnings of—												\$1 and over
	Under 40 cents	40, under 45 cents	45, under 50 cents	50, under 55 cents	55, under 60 cents	60, under 65 cents	65, under 75 cents	75, under 80 cents	80, under 85 cents	85, under 90 cents	90, under 95 cents	95 cents, under \$1	
All areas—total <sup>1</sup> .....	9	9	12	25	22	34	57	35	33	28	15	12	23
\$7.50 and below.....	1	3	4	3	1	7	9	5	4	5	-----	2	3
Over \$7.50, including \$13.50.....	5	4	8	15	9	10	20	15	10	12	9	6	7
Over \$13.50, including \$24.....	2	1	-----	4	5	6	7	3	5	4	3	2	3
Over \$24, including \$48.....	1	1	-----	2	4	9	15	9	8	4	3	1	7
Over \$48.....	-----	-----	-----	1	3	2	6	3	6	3	-----	1	3
New York City.....	2	3	3	6	10	30	42	30	28	28	14	12	23
\$7.50 and below.....	-----	1	1	2	-----	7	7	4	3	5	-----	2	3
Over \$7.50, including \$13.50.....	1	1	2	3	4	9	15	13	8	12	8	6	7
Over \$13.50, including \$24.....	-----	-----	-----	-----	3	4	5	2	5	4	3	2	3
Over \$24, including \$48.....	1	1	-----	-----	8	9	8	8	6	4	3	1	7
Over \$48.....	-----	-----	-----	1	3	2	6	3	6	3	-----	1	3
Northern New Jersey.....	-----	1	1	2	2	-----	1	1	1	-----	-----	-----	-----
\$7.50 and below.....	-----	1	-----	-----	1	-----	1	1	1	-----	-----	-----	-----
Over \$7.50, including \$13.50.....	-----	-----	1	1	1	-----	-----	-----	-----	-----	-----	-----	-----
Philadelphia and Trenton.....	1	-----	1	1	2	-----	1	-----	-----	-----	-----	-----	-----
Over \$7.50, including \$13.50.....	-----	-----	-----	1	1	-----	-----	-----	-----	-----	-----	-----	-----
Over \$13.50, including \$24.....	1	-----	-----	-----	-----	-----	1	-----	-----	-----	-----	-----	-----
Illinois.....	2	1	4	8	5	3	11	3	4	-----	1	-----	-----
Over \$7.50, including \$13.50.....	-----	-----	4	4	2	-----	5	1	2	-----	1	-----	-----
Over \$13.50, including \$24.....	2	-----	-----	2	-----	2	-----	1	-----	-----	-----	-----	-----
Over \$24, including \$48.....	-----	-----	-----	2	3	1	6	1	2	-----	-----	-----	-----
Cleveland, Detroit, and Milwaukee.....	1	-----	3	2	-----	1	-----	-----	-----	-----	-----	-----	-----
\$7.50 and below.....	-----	-----	-----	2	-----	-----	-----	-----	-----	-----	-----	-----	-----
Over \$7.50, including \$13.50.....	1	-----	1	2	-----	1	-----	-----	-----	-----	-----	-----	-----
Missouri.....	1	4	-----	5	3	-----	2	1	-----	-----	-----	-----	-----
Over \$7.50, including \$13.50.....	1	3	-----	4	1	-----	-----	1	-----	-----	-----	-----	-----
Over \$13.50, including \$24.....	-----	1	-----	1	2	-----	1	-----	-----	-----	-----	-----	-----

<sup>1</sup> Some totals exceed details because, if only 1 firm reported, data are not shown separately.

Comparison of blockers' productivity cannot be attempted from blockers' cards, as the differences indicate clearly that some must have been helpers doing very minor operations, that others pressed finished hats, and that others did the complete blocking operation. It is believed that some reported "corporation" output as individual output.

From this attempt to compare craft productivity in millinery through individual production records, it is obvious that the hats produced in the spring of 1938 were too varied to make such comparison valid. Comparison can only be valid when operations on the same hats are timed from firm to firm and from area to area. Such a condition did not exist, so timing would have to be done under conditions purposely created for the experiment.

#### **Earnings on hats of different prices.**

It is important to note that in New York City efforts to give to the average worker the same earning power regardless of the amount of work on any hat achieved some success. Earnings of trimmers on the cheapest hats averaged 76 cents an hour; on the hats next in price 77 cents; and on the hats at over \$48, 78 cents an hour. Hats wholesaling at over \$13.50 and including \$24 a dozen, and at over \$24 and including \$48 a dozen, brought hourly earnings of 80 and 81 cents, respectively. (See Table XXV.) Such a degree of uniformity in average earnings was not achieved by trimmers elsewhere. In Illinois the few reporting on the cheapest hats made 42 cents an hour; the mass reporting on trimming hats to sell at over \$7.50 and including \$13.50 earned 59 cents an hour; on the hats at above \$13.50 and including \$24 earnings were 62 cents and on those in the next price range they were 65 cents an hour. In Missouri the average earnings on different-priced hats ranged from 55 to 68 cents an hour. In San Francisco, where trimmers were paid an hourly rate, earnings averaged 47 cents an hour.

#### **Hourly earnings by production area.**

As has been said, every effort is exerted in most of the organized millinery shops to fix piece rates so that the yield to the worker will be approximately the same regardless of the wide variation in work. As records of hours worked are kept only in shops where the time-work system prevails, an accounting of hourly earnings can be got for piece workers only for the spring week in which these workers kept a record of time worked each day. Consequently, hourly earnings are based on the individual's record rather than the firm's record, the only exception being Texas, where firm records of hours were obtainable and the individuals' records were not secured. Workers' records showed for each day the hour of beginning work, the hour of stopping for lunch and of beginning again, and the quitting hour. From these records total hours worked during the week by each worker were computed in the Women's Bureau office. Total hours were divided into the total earnings the worker reported that he or she received, except when overtime had been worked and an overtime rate was paid. In such cases overtime and overtime pay

were deducted, in order that hourly earnings might represent the period worked at regular rates. (Tables XXVII and XXVIII.)

Hourly earnings in a week in March 1938 were available for 7,525 workers in 434 millinery factories. These factories were situated in all production areas but Los Angeles and Massachusetts. The representation is adequate for all areas but the New York State and Connecticut area, where wages are relatively high, and the South Atlantic area, where wages are lower. Hourly earnings data from these two areas are shown in the total distribution but not by occupation.

Table XXVII shows the distribution of hourly earnings for all workers by production area. Only 1 percent of the workers earned less than 25 cents an hour; 2 percent earned under 30 cents an hour, 4 percent under 35 cents, and 6 percent under 40 cents an hour during a week in March 1938. The largest proportion of workers earning under 40 cents were concentrated in Texas factories; here over three-fifths earned less than 40 cents, one-fifth earned less than 25 cents. As Texas records of hours and earnings were copied from firm pay rolls, the record is not subject to the doubt that may be cast on any individual employee's record-keeping. The spring week was not an especially busy one in Texas, as much short-time employment was recorded during the week.

The area with the second largest group earning under 40 cents an hour was the South Atlantic area. While the number reporting is too small to be considered representative of the region, the earnings are indicative of the same conditions as are found in records of year's earnings and labor costs in other sections of the report. About one-tenth of the employees earned less than 25 cents an hour and approximately one-third earned less than 40 cents. The other areas had only small proportions earning less than 35 cents an hour, and had from one-half of 1 percent to about 5 percent earning 35 and under 40 cents an hour.

The effect of time rates is clearly seen in the San Francisco distribution of earnings. Here over half of the workers earned between 45 and 50 cents, which includes the union rate for trimmers and milliners in this area, and 15 percent were paid between 60 and 65 cents, which includes the union rate for sewing-machine operators.

Table XXVIII shows distribution for the three principal occupations. Only in Texas, the South Atlantic area, and Missouri did any proportion of blockers, or blockers' helpers, earn under 75 cents an hour.

Trimmers' hourly earnings were widely spread, but there were marked concentrations in Missouri at 50 and under 60 cents, in Illinois at 50 and under 65 cents, in the New Jersey area at 55 and under 65 cents, and in New York City at 60 cents and over. Operators' earnings differed more in the several regions, though everywhere but in Texas they were relatively high in this spring week.

TABLE XXVII.—Hourly earnings of individual employees, week of Mar. 28, 1938, by area—all occupations

[Data reported by employees themselves]

Hourly earnings	All areas		New York City	Up-State New York and Connecticut	Northern New Jersey	Philadel- phia and Trenton	South At- lantic area	Texas	Illinois	Cleveland, Detroit, and Mil- waukee	Missouri	San Fran- cisco
	Number of employees	Percent										
Total number of employees.....	17,525	100.0	4,162	71	285	211	76	349	1,232	367	570	202
Average hourly earnings—												
Mean.....	\$0.909		\$1.08	\$0.726	\$0.718	\$0.783	\$0.524	\$0.368	\$0.784	\$0.670	\$0.732	\$0.538
Median.....	.778		.896	.592	.688	.719	.506	.356	.680	.652	.715	.485
	Percent of total employees											
Under 25 cents.....	85	1.1	( <sup>2</sup> )		0.4	0.5	9.2	19.8	0.2	0.8		
25, under 30 cents.....	66	.9	0.2		.4	.9	10.5	10.3	.4	.5	0.4	0.5
30, under 35 cents.....	135	1.8	.4	5.6	2.5	1.9	7.9	18.1	1.8	1.4	1.1	.5
35, under 40 cents.....	165	2.2	.6		1.4	3.8	5.3	14.6	3.2	4.6	2.3	.5
40, under 45 cents.....	270	3.6	1.2		2.8	3.3	6.6	17.2	4.4	7.1	6.1	11.9
45, under 50 cents.....	378	5.0	1.5		8.1	4.7	9.2	5.2	6.4	9.5	6.1	53.0
50, under 55 cents.....	419	5.6	3.3	12.7	6.0	9.5	11.8	4.9	8.7	8.4	10.7	4.5
55, under 60 cents.....	502	6.7	4.8	38.0	12.3	5.2	7.9	3.7	9.7	9.5	8.9	2.0
60, under 65 cents.....	561	7.5	6.1	7.0	12.6	11.8	7.9	1.4	10.8	7.6	7.2	14.9
65, under 70 cents.....	462	6.1	6.0	2.8	4.9	6.2	5.3	4.0	7.4	11.7	4.7	1.5
70, under 75 cents.....	455	6.0	6.4	4.2	5.3	5.7	2.6	.9	6.1	8.4	8.4	.5
75, under 80 cents.....	479	6.4	7.0		11.6	6.6	5.3		4.8	5.4	9.6	2.0
80, under 85 cents.....	428	5.7	6.8		4.6	5.7	1.3		4.5	8.2	4.9	4.0
85, under 90 cents.....	416	5.5		8.5	9.8	3.3	2.6		4.6	6.0	5.8	2.5
90 cents, under \$1.00.....	538	7.8		7.0	8.1	7.1	1.3		6.4	5.4	10.7	1.0
\$1.00, under \$1.25.....	795	10.6	12.9		8.1	15.6	5.3		10.7	2.7	11.2	1.0
\$1.25, under \$1.50.....	353	4.7	6.2	5.6		1.4			4.6	1.6	1.8	
\$1.50, under \$1.75.....	441	5.9	9.8	2.8					2.3			
\$1.75, under \$2.00.....	239	3.2	4.8						2.9			
\$2.00, under \$2.50.....	214	2.8	5.1						.1	.8		
\$2.50, under \$3.00.....	53	.7	1.3									
\$3.00, under \$3.50.....	19	.3	.5									
\$3.50 and over.....	2	( <sup>2</sup> )	( <sup>2</sup> )									

<sup>1</sup> General factory included in total.<sup>2</sup> Less than 0.05 percent.

TABLE XXVIII.—Hourly earnings of individual employees, week of Mar. 28, 1938, by area—blockers, trimmers, operators

[Data reported by employees themselves]

Hourly earnings	All areas <sup>1</sup>		New York City	Northern New Jersey	Philadelphia and Trenton	Texas	Illinois	Cleveland, Detroit, and Milwaukee	Missouri	San Francisco
	Number of employees	Percent								
<b>BLOCKERS</b>										
Total number of employees.....	983	100.0	585	23	40	75	134	41	47	17
Average hourly earnings—										
Mean.....	\$1.56		\$1.92	\$0.838	\$1.15	\$0.482	\$1.47	\$1.04	\$0.923	\$0.869
Median.....	1.49		1.95	( <sup>2</sup> )	( <sup>2</sup> )	.469	1.46	( <sup>2</sup> )	.931	( <sup>2</sup> )
<i>Percent of total employees</i>										
Under 25 cents.....	3	0.3					4.0			
25, under 30 cents.....	5	.5					6.7			
30, under 35 cents.....	9	.9					12.0			
35, under 40 cents.....	10	1.0					10.7			
40, under 45 cents.....	10	1.0					12.0			
45, under 50 cents.....	14	1.4		4.3			8.0		2.1	
50, under 55 cents.....	10	1.0					8.0		2.1	
55, under 60 cents.....	11	1.1	0.3				8.0		4.3	
60, under 65 cents.....	7	.7					4.0		2.1	
65, under 70 cents.....	18	1.8	.2				18.7		2.1	
70, under 75 cents.....	8	.8		8.7			4.0			
75 cents, under \$1.00.....	122	12.4	1.3	78.3	30.0		6.7	4.9	68.1	94.1
\$1.00, under \$1.25.....	152	15.5	15.4	8.7	40.0		22.4	12.2	12.8	5.9
\$1.25, under \$1.50.....	115	11.7	10.8		25.0		24.6	14.6	6.4	
\$1.50, under \$1.75.....	95	9.7	11.5		5.0		19.4			
\$1.75, under \$2.00.....	116	11.8	13.3				26.1	7.3		
\$2.00, under \$2.50.....	204	20.8	34.7				.7			
\$2.50, under \$3.00.....	53	5.4	9.1							
\$3.00, under \$3.50.....	19	1.9	3.2							
\$3.50 and over.....	32	.2	.3							

See footnotes at end of table.

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EARNINGS OF WORKERS

TABLE XXVIII.—Hourly earnings of individual employees, week of Mar. 28, 1938, by area—blockers, trimmers, operators—Continued

[Data reported by employees themselves]

Hourly earnings	All areas <sup>1</sup>		New York City	Northern New Jersey	Philadel- phia and Trenton	Texas	Illinois	Cleveland, Detroit, and Mil- waukee	Missouri	San Francisco
	Number of employees	Percent								
TRIMMERS										
Total number of employees.....	4,723	100.0	2,837	159	95	157	871	160	224	151
Average hourly earnings—										
Mean.....	\$0.700		\$0.794	\$0.596	\$0.553	\$0.347	\$0.618	\$0.515	\$0.565	\$0.477
Median.....	.673		.777	.591	.541	.352	.603	.500	.550	.473
Percent of total employees										
Under 25 cents.....	42	0.9	( <sup>4</sup> )	0.6	1.1	18.5	0.3	1.9		
25, under 30 cents.....	48	1.0	0.3	.6	2.1	13.4	.6	1.3	0.9	0.7
30, under 35 cents.....	97	2.1	.6	4.4	4.2	17.2	2.5	3.1	2.2	.7
35, under 40 cents.....	140	3.0	1.0	2.5	8.4	21.0	4.6	10.0	4.5	.7
40, under 45 cents.....	222	4.7	1.8	5.0	7.4	19.1	6.1	14.4	10.3	15.9
45, under 50 cents.....	347	7.3	2.3	13.8	9.5	3.2	9.1	19.4	12.1	70.9
50, under 55 cents.....	375	7.9	4.9	8.2	21.1	4.5	12.3	13.8	20.1	6.0
55, under 60 cents.....	451	9.5	6.9	18.2	9.5	2.5	13.5	15.6	17.4	1.3
60, under 65 cents.....	468	9.9	8.8	18.9	15.8	.6	14.8	7.5	11.2	2.0
65, under 70 cents.....	371	7.9	8.7	6.9	6.3		9.8	5.6	5.4	
70, under 75 cents.....	358	7.6	9.1	5.0	6.3		7.6	3.1	5.8	.7
75 cents, under \$1.00.....	1,372	29.1	41.1	14.5	8.4		16.6	4.3	10.3	1.3
\$1.00, under \$1.25.....	368	7.8	12.3	1.3			2.1			
\$1.25, under \$1.50.....	50	1.1	1.7				1			
\$1.50, under \$1.75.....	14	.3	.5							

OPERATORS

Total number of employees-----	1,757	100.0	735	103	76	64	227	166	295	34
Average hourly earnings—										
Mean-----	\$1.12		\$1.54	\$0.879	\$0.879	\$0.377	\$1.02	\$0.727	\$0.827	\$0.646
Median-----	1.04		1.57	.871	.807	.370	.993	.713	.792	( <sup>3</sup> )
<i>Percent of total employees</i>										
Under 25 cents-----	11	0.6				12.5				
25, under 30 cents-----	5	.3				3.1				
30, under 35 cents-----	22	1.3				31.3			0.3	
35, under 40 cents-----	9	.5				7.8			.7	
40, under 45 cents-----	35	2.0				28.1	0.4	0.6	3.7	
45, under 50 cents-----	17	1.0			1.3	6.3		1.8	2.4	
50, under 55 cents-----	34	1.9		3.9		6.3		2.4	4.7	
55, under 60 cents-----	40	2.3				4.7		5.4	3.7	
60, under 65 cents-----	85	4.8	0.3	5.8	2.6			6.0	5.1	5.9
65, under 70 cents-----	73	4.2	.1	5.8	13.2		1.8	9.6	5.1	79.4
70, under 75 cents-----	88	5.0	.4	2.9	9.2		2.6	20.5	5.1	8.8
75 cents, under \$1.00-----	414	23.6	.7	4.9	7.9		4.0	14.5	11.9	
\$1.00, under \$1.25-----	271	15.4	5.2	54.4	33.8		42.3	36.0	40.4	2.9
\$1.25, under \$1.50-----	188	10.7	11.0	18.4	22.4		37.0	3.0	19.7	2.9
\$1.50, under \$1.75-----	332	18.9	19.9	3.9	5.3		10.1		2.4	
\$1.75, under \$2.00-----	123	7.0	44.5		1.3		.9			
\$2.00, under \$2.50-----	10	.6	16.6				.4			
			1.4							

<sup>1</sup> Includes Up-State New York and Connecticut, and South Atlantic area, not shown separately.  
<sup>2</sup> Not computed; base too small.

<sup>3</sup> Actually, \$3.51 and \$3.64.  
<sup>4</sup> Less than 0.05 percent.

TABLE XXIX.—*Week's earnings of individual employees, week of Mar. 28, 1938, by occupation and by area*<sup>1</sup>

## A. BLOCKERS

Week's earnings	Number and percent of blockers reporting hours worked																	
	Total <sup>2</sup>		Under 35 hours		35 hours		Over 35, under 40 hours		40 hours		Over 40, under 44 hours		44 hours		Over 44, under 50 hours		50 hours and over	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<i>New York City (117 firms)</i>																		
Total number of blockers <sup>2</sup> .....	585	100.0	88	100.0	201	100.0	14	-----	25	-----	45	100.0	10	-----	74	100.0	128	100.0
Percent distribution, by hours.....	100.0	-----	15.0	-----	34.4	-----	2.4	-----	4.3	-----	7.7	-----	1.7	-----	12.6	-----	21.9	-----
Average <sup>3</sup> —Mean.....	\$77.15	-----	\$48.60	-----	\$62.95	-----	\$67.85	-----	\$100.35	-----	\$83.05	-----	\$87.00	-----	\$93.35	-----	\$103.45	-----
Median.....	75.90	-----	45.60	-----	60.15	-----	-----	-----	-----	-----	81.75	-----	-----	-----	91.45	-----	107.35	-----
\$10, under \$15.....	2	.3	2	2.3	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
\$15, under \$20.....	4	.7	4	4.5	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
\$20, under \$25.....	1	.2	1	1.1	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
\$25, under \$30.....	13	2.2	12	13.6	1	.5	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
\$30, under \$35.....	3	.5	3	3.4	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
\$35, under \$40.....	15	2.6	7	8.0	8	4.0	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
\$40, under \$45.....	82	14.0	12	13.6	67	33.3	3	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
\$45, under \$50.....	17	2.9	9	10.2	7	3.5	-----	-----	-----	-----	-----	1	-----	-----	-----	-----	-----	-----
\$50, under \$55.....	22	3.8	9	10.2	13	6.5	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
\$55, under \$60.....	11	1.9	4	4.5	4	2.0	-----	-----	-----	-----	3	6.7	-----	-----	-----	-----	-----	-----
\$60, under \$65.....	25	4.3	2	2.3	13	6.5	3	-----	-----	-----	1	2.2	-----	6	8.1	-----	-----	-----
\$65, under \$70.....	33	5.6	7	8.0	6	3.0	1	-----	-----	-----	9	20.0	2	-----	-----	8	6.3	-----
\$70, under \$75.....	37	6.3	11	12.5	10	5.0	-----	-----	-----	-----	2	4.4	-----	10	13.5	4	3.1	-----
\$75, under \$80.....	40	6.8	-----	-----	17	8.5	1	-----	-----	-----	6	13.3	-----	1	1.4	15	11.7	-----
\$80, under \$85.....	47	8.0	5	5.7	13	6.5	6	-----	11	6	13.3	-----	-----	3	4.1	3	2.3	-----
\$85, under \$90.....	24	4.1	-----	-----	12	6.0	-----	-----	5	4	8.9	-----	-----	3	4.1	-----	-----	-----
\$90, under \$95.....	53	9.1	-----	-----	11	5.5	-----	-----	-----	2	4.4	-----	-----	23	31.1	17	13.3	-----
\$95, under \$100.....	21	3.6	-----	-----	2	1.0	-----	-----	2	5	11.1	7	-----	4	5.4	1	8	-----
\$100, under \$105.....	33	5.6	-----	-----	10	5.0	-----	-----	-----	-----	-----	-----	-----	9	12.2	14	10.9	-----
\$105, under \$110.....	18	3.1	-----	-----	2	1.0	-----	-----	-----	6	13.3	-----	-----	4	5.4	6	4.7	-----
\$110, under \$115.....	19	3.2	-----	-----	3	1.5	-----	-----	-----	-----	-----	-----	-----	-----	-----	6	4.7	-----
\$115, under \$120.....	21	3.6	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	8	10.8	12	9.4	-----
\$120, under \$125.....	20	3.4	-----	-----	1	.5	-----	-----	7	-----	-----	-----	-----	-----	-----	19	14.8	-----
\$125, under \$165.....	24	4.1	-----	-----	1	.5	-----	-----	-----	-----	-----	-----	-----	3	4.1	13	10.2	-----
<i>Texas (16 firms)</i>																		
Total number of blockers <sup>2</sup> .....	75	100.0	25	-----	-----	-----	14	-----	1	-----	1	-----	-----	-----	14	-----	20	-----
Percent distribution, by hours.....	100.0	-----	33.3	-----	-----	-----	18.7	-----	1.3	-----	1.3	-----	-----	-----	18.7	-----	26.7	-----
Average <sup>3</sup> —Mean.....	\$19.10	-----	\$11.30	-----	-----	-----	\$20.45	-----	-----	-----	-----	-----	-----	-----	\$21.50	-----	\$26.30	-----
Median.....	18.50	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----



TABLE XXIX.—*Week's earnings of individual employees, week of Mar. 28, 1938, by occupation and by area—Continued*

## B. OPERATORS

Week's earnings	Number and percent of operators reporting hours worked																	
	Total <sup>1</sup>		Under 35 hours		35 hours		Over 35, under 40 hours		40 hours		Over 40, under 44 hours		44 hours		Over 44, under 50 hours		50 hours and over	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<i>New York City (138 firms)</i>																		
Total number of operators <sup>2</sup> .....	735	100.0	137	100.0	188	100.0	30	-----	8	-----	63	100.0	7	-----	99	100.0	203	100.0
Percent distribution, by hours.....	100.0	-----	18.6	-----	25.6	-----	4.1	-----	1.1	-----	8.6	-----	1.0	-----	13.5	-----	27.6	-----
Average <sup>3</sup> —Mean.....	\$62.30	-----	\$31.80	-----	\$50.50	-----	\$47.10	-----	-----	-----	\$62.95	-----	-----	-----	\$77.20	-----	\$89.20	-----
Median.....	56.50	-----	31.20	-----	55.20	-----	-----	-----	-----	-----	67.40	-----	-----	-----	80.50	-----	90.30	-----
Under \$10.....	1	.1	1	.7	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
\$10, under \$15.....	12	1.6	12	8.8	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
\$15, under \$20.....	6	.8	6	4.4	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
\$20, under \$25.....	15	2.0	12	8.8	3	1.6	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
\$25, under \$30.....	33	4.5	30	21.9	2	1.1	1	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
\$30, under \$35.....	44	6.0	28	20.4	9	4.8	5	-----	-----	2	3.2	-----	-----	-----	-----	-----	-----	-----
\$35, under \$40.....	34	4.6	13	9.5	11	5.9	2	1	-----	4	6.3	2	-----	-----	-----	-----	1	.5
\$40, under \$45.....	37	5.0	21	15.3	12	6.4	3	-----	-----	-----	-----	-----	-----	-----	-----	-----	1	.5
\$45, under \$50.....	41	5.6	6	4.4	24	12.8	6	-----	-----	3	4.8	1	-----	1	1.0	-----	-----	-----
\$50, under \$55.....	33	4.5	8	5.8	15	8.0	3	4	-----	1	1.6	-----	2	2.0	-----	-----	-----	-----
\$55, under \$60.....	124	16.9	-----	-----	102	54.3	8	-----	-----	6	9.5	-----	8	8.1	-----	-----	-----	-----
\$60, under \$65.....	30	4.1	-----	-----	6	3.2	2	-----	1	9	14.3	-----	5	5.1	-----	6	3.0	-----
\$65, under \$70.....	50	6.8	-----	-----	2	1.1	-----	-----	1	14	22.2	3	-----	7	7.1	23	11.3	-----
\$70, under \$75.....	42	5.7	-----	-----	2	1.1	-----	-----	1	23	36.5	-----	-----	11	11.1	5	2.5	-----
\$75, under \$80.....	31	4.2	-----	-----	-----	-----	-----	-----	-----	-----	1.6	-----	-----	14	14.1	16	7.9	-----
\$80, under \$85.....	55	7.5	-----	-----	-----	-----	-----	-----	-----	1	1.6	-----	-----	20	20.2	35	17.2	-----
\$85, under \$90.....	39	5.3	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	29	29.3	10	4.9	-----
\$90, under \$95.....	29	3.9	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	2	2.0	27	13.3	-----
\$95, under \$100.....	23	3.1	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	23	11.3	-----
\$100, under \$105.....	24	3.3	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	24	11.8	-----
\$105, under \$125.....	32	4.4	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	32	15.8	-----
<i>Texas (15 firms)</i>																		
Total number of operators <sup>2</sup> .....	64	100.0	9	-----	-----	-----	5	-----	-----	7	-----	3	-----	13	-----	-----	27	-----
Percent distribution, by hours.....	100.0	-----	14.1	-----	-----	-----	7.8	-----	-----	-----	-----	-----	-----	20.3	-----	-----	42.2	-----
Average <sup>3</sup> —Mean.....	\$17.00	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	\$18.65	-----	-----	\$19.60	-----
Median.....	16.55	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----

Under \$10.....	6	9.4	5						1										
\$10, under \$15.....	16	25.0	4					3						2					4
\$15, under \$20.....	26	40.6					2							4					12
\$20, under \$25.....	10	15.6												1					7
\$25, under \$35.....	6	9.4												1					4

## Illinois (24 firms)

Total number of operators <sup>1</sup> .....	227	100.0	29		11		36		10		13		8		120	100.0			
Percent distribution, by hours.....	100.0		12.8		4.8		15.9		4.4		5.7		3.5		52.9				
Average <sup>2</sup> —Mean.....	\$41.80		\$24.55		\$31.05		\$37.25		\$34.20		\$37.50				\$49.45				
Median.....	41.30														48.65				
\$10, under \$15.....	2	.9	2																
\$15, under \$20.....	3	1.3	2						1										
\$20, under \$25.....	17	7.5	16		1														
\$25, under \$30.....	20	8.8	4		2		8		1		3		1		1	.8			
\$30, under \$35.....	24	10.6	3		7		8		1				1		4	3.3			
\$35, under \$40.....	36	15.9	1		1		9		1		5		3		10	8.3			
\$40, under \$45.....	35	15.4	1				4		7		3				27	22.5			
\$45, under \$50.....	25	11.0					1				1				23	19.2			
\$50, under \$55.....	20	8.8					5								13	10.8			
\$55, under \$60.....	36	15.9					1				1		2		33	27.5			
\$60, under \$65.....	6	2.6											1		6	5.0			
\$65, under \$90.....	3	1.3													3	2.5			

## Missouri (19 firms)

Total number of operators <sup>2</sup> .....	295	100.0	10		24		7		2		11		1		40		200	100.0	
Percent distribution, by hours.....	100.0		3.4		8.1		2.4		0.7		3.7		0.3		13.6		67.8		
Average <sup>2</sup> —Mean.....	\$40.05		\$14.80		\$30.20						\$26.50				\$37.70		\$44.55		
Median.....	40.55																42.65		
Under \$10.....	3	1.0	3																
\$10, under \$15.....	1	.3	1																
\$15, under \$20.....	16	5.4	3																
\$20, under \$25.....	14	4.7	2		2		5		1		4								
\$25, under \$30.....	27	9.2	1		8		1				3				3				
\$30, under \$35.....	37	12.5			6		1		1						5				
\$35, under \$40.....	43	14.6			5						1				11				
\$40, under \$45.....	54	18.3									1				6				
\$45, under \$50.....	34	11.5			1						1		1		5				
\$50, under \$55.....	27	9.2													3				
\$55, under \$60.....	26	8.8													2				
\$60, under \$65.....	7	2.4																	
\$65, under \$80.....	6	2.0																	

<sup>1</sup> Percents and medians not computed on very small numbers.<sup>2</sup> Means and medians computed on unpublished data (\$1 intervals).

TABLE XXIX.—Week's earnings of individual employees, week of Mar. 28, 1938, by occupation and by area—Continued  
C. TRIMMERS

Week's earnings	Number and percent of trimmers reporting hours worked																	
	Total <sup>2</sup>		Under 35 hours		35 hours		Over 35, under 40 hours		40 hours		Over 40, under 44 hours		44 hours		Over 44, under 50 hours		50 hours and over	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<i>New York City (253 firms)</i>																		
Total number of trimmers <sup>2</sup> .....	2,837	100.0	1,087	100.0	299	100.0	373	100.0	43	100.0	323	100.0	65	100.0	440	100.0	207	100.0
Percent distribution, by hours.....	100.0	-----	38.3	-----	10.5	-----	13.1	-----	1.5	-----	11.4	-----	2.3	-----	15.5	-----	7.3	-----
Average <sup>3</sup> —Mean.....	\$29.35	-----	\$20.35	-----	\$28.30	-----	\$32.75	-----	\$33.40	-----	\$34.45	-----	\$46.00	-----	\$37.85	-----	\$39.95	-----
Median.....	28.55	-----	19.75	-----	28.10	-----	32.45	-----	31.65	-----	34.00	-----	52.20	-----	37.30	-----	40.25	-----
Under \$5.....	7	.2	7	.6	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
\$5, under \$10.....	48	1.7	45	4.1	1	.3	1	.3	-----	-----	1	.3	-----	-----	-----	-----	-----	-----
\$10, under \$15.....	214	7.5	203	18.7	5	1.7	-----	-----	-----	-----	4	1.2	-----	-----	2	.5	-----	-----
\$15, under \$20.....	354	12.5	305	28.1	22	7.4	11	2.9	-----	-----	9	2.8	-----	-----	6	1.4	1	.5
\$20, under \$25.....	448	15.8	267	24.6	65	21.7	41	11.0	5	11.6	24	7.4	4	6.2	26	5.9	16	7.7
\$25, under \$30.....	497	17.5	154	14.2	92	30.8	90	24.1	10	23.3	61	18.9	4	6.2	68	15.5	18	8.7
\$30, under \$35.....	433	15.3	86	7.9	68	22.7	88	23.6	15	34.9	73	22.6	4	6.2	69	15.7	30	14.5
\$35, under \$40.....	328	11.6	11	1.0	34	11.4	83	22.3	8	18.6	50	15.5	7	10.8	100	22.7	35	16.9
\$40, under \$45.....	243	8.6	3	.3	10	3.3	36	9.7	1	2.3	76	23.5	1	1.5	77	17.5	39	18.8
\$45, under \$50.....	125	4.4	5	.5	-----	-----	14	3.8	2	4.7	13	4.0	3	4.6	52	11.8	36	17.4
\$50, under \$55.....	92	3.2	1	.1	1	.3	7	1.9	1	2.3	9	2.8	41	63.1	15	3.4	17	8.2
\$55, under \$80.....	48	1.7	-----	-----	1	.3	2	.5	1	2.3	3	.9	1	1.5	25	5.7	15	7.2
<i>Northern New Jersey (11 firms)</i>																		
Total number of trimmers <sup>2</sup> .....	159	100.0	20	-----	14	-----	35	-----	3	-----	35	-----	3	-----	22	-----	27	-----
Percent distribution, by hours.....	100.0	-----	12.6	-----	8.8	-----	22.0	-----	1.9	-----	22.0	-----	1.9	-----	13.8	-----	17.0	-----
Average <sup>3</sup> —Mean.....	\$24.55	-----	\$16.50	-----	\$22.95	-----	\$22.55	-----	-----	-----	\$23.20	-----	-----	-----	\$33.25	-----	\$28.95	-----
Median.....	23.80	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
\$5, under \$10.....	1	.6	1	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
\$10, under \$15.....	15	9.4	7	-----	2	-----	2	-----	-----	-----	4	-----	-----	-----	-----	-----	-----	-----
\$15, under \$20.....	25	15.7	7	-----	2	-----	-----	-----	2	-----	2	-----	1	-----	2	-----	1	-----
\$20, under \$25.....	52	32.7	3	-----	4	-----	16	-----	1	-----	19	-----	1	-----	3	-----	5	-----
\$25, under \$30.....	31	19.5	2	-----	5	-----	4	-----	-----	-----	7	-----	-----	3	-----	10	-----	
\$30, under \$35.....	20	12.6	-----	-----	1	-----	5	-----	-----	-----	3	-----	1	-----	3	-----	7	-----
\$35, under \$40.....	11	6.9	-----	-----	-----	-----	-----	-----	-----	-----	3	-----	-----	7	-----	3	-----	4
\$40, under \$55.....	4	2.5	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	4	-----	-----	-----	-----
<i>Philadelphia and Trenton (6 firms)</i>																		
Total number of trimmers <sup>2</sup> .....	95	100.0	50	100.0	-----	-----	19	-----	1	-----	3	-----	1	-----	15	-----	6	-----
Percent distribution, by hours.....	100.0	-----	52.6	-----	-----	-----	20.0	-----	1.1	-----	3.2	-----	1.1	-----	15.8	-----	6.3	-----
Average <sup>3</sup> —Mean.....	\$19.65	-----	\$13.95	-----	-----	-----	\$20.50	-----	-----	-----	-----	-----	-----	-----	\$33.95	-----	-----	-----
Median.....	18.25	-----	15.50	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----

Under \$5.	6	6.3	6	12.0															
\$5, under \$10.	8	8.4	8	16.0															
\$10, under \$15.	14	14.7	9	18.0			3			2									
\$15, under \$20.	32	33.7	23	46.0			7					1							1
\$20, under \$25.	9	9.5	3	6.0			5			1									
\$25, under \$30.	10	10.5	1	2.0			3		1										2
\$30, under \$35.	9	9.5					1												2
\$35, under \$40.	5	5.3																	1
\$40, under \$50.	2	2.1																	

## Texas (15 firms)

Total number of trimmers <sup>2</sup>	157	100.0	34				18					17		5			48	100.0	35
Percent distribution, by hours	100.0		21.7				11.5					10.8		3.2			30.6		22.3
Average <sup>3</sup> —Mean	\$14.15		\$6.55				\$12.90					\$15.75					\$17.50		\$16.95
Median	14.65																18.35		
Under \$5.	10	6.4	9									1							
\$5, under \$10.	31	19.7	21				2					3		1			1	2.1	3
\$10, under \$15.	45	28.7	4				15					2		3			10	20.8	11
\$15, under \$20.	44	28.0					1					8		1			25	52.1	9
\$20, under \$25.	24	15.3										3					11	22.9	10
\$25, under \$35.	3	1.9															1	2.1	2

## Illinois (42 firms)

Total number of trimmers <sup>2</sup>	871	100.0	698	100.0	55	100.0	69	100.0	4			23						22	
Percent distribution, by hours	100.0		80.1		6.3		7.9		0.5			2.6						2.5	
Average <sup>3</sup> —Mean	\$18.25		\$16.65		\$24.55		\$25.10					\$22.60						\$28.40	
Median	17.90		16.50		23.20		23.90												
Under \$5.	4	.5	4	.6															
\$5, under \$10.	67	7.7	67	9.6															
\$10, under \$15.	215	24.7	208	29.8	2	3.6	3	4.3	1									1	
\$15, under \$20.	261	30.0	227	32.5	7	12.7	16	23.2	2									2	
\$20, under \$25.	214	24.6	149	21.3	25	45.5	22	31.9	1									7	
\$25, under \$30.	63	7.2	32	4.6	9	16.4	15	21.7	1									9	
\$30, under \$35.	31	3.6	10	1.4	10	18.2	5	7.2										4	
\$35, under \$40.	8	.9	1	.1	2	3.6	3	4.3										3	
\$40, under \$45.	3	.3					1	1.4										2	
\$45, under \$55.	5	.6					4	5.7										2	

## Cleveland, Detroit, and Milwaukee (7 firms)

Total number of trimmers <sup>2</sup>	160	100.0	146	100.0			3		7			1						3	
Percent distribution, by hours	100.0		91.3				1.9		4.4			0.6						1.9	
Average <sup>3</sup> —Mean	\$15.30		\$15.05																
Median	14.30		14.05																

<sup>2</sup> Percents and medians not computed on very small numbers.<sup>3</sup> Means and medians computed on unpublished data (\$1 intervals).

TABLE XXIX.—Weeks earnings of individual employees, week of Mar. 28, 1938, by occupation and by area—Continued

## C. TRIMMERS—Continued

Week's earnings	Number and percent of trimmers reporting hours worked																	
	Total <sup>2</sup>		Under 35 hours		35 hours		Over 35, under 40 hours		40 hours		Over 40, under 44 hours		44 hours		Over 44, under 50 hours		50 hours and over	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<i>Cleveland, Detroit, and Milwaukee (7 firms)—Continued</i>																		
Under \$5.....	1	.6	1	.7														
\$5, under \$10.....	19	11.9	18	12.3			1											
\$10, under \$15.....	76	47.5	73	50.0			1		2									
\$15, under \$20.....	33	20.6	29	19.9					3									
\$20, under \$25.....	21	13.1	15	10.3			1		2					1				
\$25, under \$35.....	10	6.3	10	6.8							1			2				
<i>Missouri (18 firms)</i>																		
Total number of trimmers <sup>2</sup> .....	224	100.0	63	100.0			34		5		49	100.0	14		23		36	
Percent distribution, by hours.....	100.0		28.1				15.2		2.2		21.9		6.3		10.3		16.1	
Average <sup>3</sup> —Mean.....	\$21.80		\$15.45				\$24.75				\$21.20		\$23.35		\$25.40		\$28.35	
Median.....	22.10		15.05								21.70							
Under \$5.....	1	.4	1	1.6														
\$5, under \$10.....	5	2.2	5	7.9														
\$10, under \$15.....	27	12.1	25	39.7							2	4.1						
\$15, under \$20.....	55	24.6	21	33.3			9		4		15	30.6	3		3			
\$20, under \$25.....	58	25.9	7	11.1			6				26	53.1	6		6		7	
\$25, under \$30.....	59	26.3	4	6.3			14		1		6	12.2	4		12		18	
\$30, under \$45.....	19	8.5					5						1		2		11	
<i>San Francisco (12 firms)</i>																		
Total number of trimmers <sup>2</sup> .....	151	100.0	27				3		106	100.0	2				13			
Percent distribution, by hours.....	100.0		17.9				2.0		70.2		1.3				8.6			
Average <sup>3</sup> —Mean.....	\$17.85		\$12.60						\$18.65						\$22.25			
Median.....	18.75								18.75									
Under \$5.....	1	.7	1															
\$5, under \$10.....	8	5.3	8															
\$10, under \$15.....	10	6.6	7				1		2	1.9								
\$15, under \$20.....	111	73.5	11				2		97	91.5					1			
\$20, under \$30.....	21	13.9							7	6.6					12			

<sup>2</sup> Percents and medians not computed on very small numbers.<sup>3</sup> Means and medians computed on unpublished data (\$1 intervals).

## V. OPERATING COSTS OF MILLINERY MANUFACTURE

Under what conditions is millinery produced most advantageously today? How are costs distributed under different producing conditions, on differently priced hats, and with different volume? Answers to these questions are sought in the analysis of costs distribution contained in tables XXX to XXXVII.

The factory accountant or the traveling auditor employed was consulted in the case of each firm and his statement of 1937 operating costs was secured. His allotments under each item were discussed and broken down into component parts to clarify costs when necessary. Only when this statement was not obtainable were all cost compilations made from firms' books by Women's Bureau agents. When there were no books, no attempt was made to secure data from firm members' check- or notebooks, as these contained personal as well as firm expenditures.

As the executive duties in a millinery establishment usually are carried by firm members, administrative withdrawals of firm members are not shown in tables on operating costs but appear separately on employers' earnings tables. The earnings of firm members who undertook regularly specific manufacturing or sales functions have been allotted, however, to the cost of the specific work done.

### Major departmental costs.

Operating costs are divided into manufacturing costs, selling costs, office and shipping and administrative costs exclusive of employers' withdrawals, financial expenses, and depreciation.

Manufacturing costs comprise the cost of labor entering into hat production, including designers, foremen, production workers, and general helpers; all hat materials bought during the year plus or minus inventory differences at beginning and end of 1937, purchasing discounts, and express on incoming goods; block and die costs and cost of other equipment adjustment and repair; cost of electricity, gas, water, steam; rent; and workmen's compensation and fire insurance. In only two cases did a millinery factory own its building; as these were too few to warrant separate tabulation, they have been included with the group and notation made of any effect on rentals, repairs, taxes, insurance, and maintenance labor. In several cases millinery firms have a block-and-die foundry; the entire cost of blocks and dies made is charged against blocks and dies, as is the cost of these articles when they are purchased.

Selling costs comprise salaries or drawing accounts of salesmen; commissions paid to salesmen, to resident buyers, and others; costs of entertaining and traveling; costs of model displays, showroom, and advertising.

Financial expenses comprise interest on loans, bank charges, credit service charges (often included in association dues), cost of collections,

debts written off in 1937, insurance carried for the business by firm members, and taxes of all kinds.

Office, shipping, and miscellaneous costs include the labor costs of these departments, packing supplies, outgoing shipping costs and delivery, carfares, telephone and telegraph charges, postage, and office supplies and sundries. Depreciation is the amount allotted for depreciation on the firm's 1937 income-tax returns.

The cost of manufacturing millinery as reported in detail by 451 firms in all production areas covered by the survey appears in table XXX. These firms had businesses in 1937 varying in sales from less than \$50,000 to over \$500,000. Manufacturing costs were 84.3 percent of the total; selling costs 6.8 percent; office, shipping, and sundry expenses 6.7 percent; and financial expenses about 2 percent.

TABLE XXX.—Operating costs of millinery manufacture, according to services rendered by firm members—all areas

Classification of accounts	Total expense of all firms		Total expense of firms employing persons in all major capacities except administrative		Total expense of firms whose members served as foremen, sales, or office workers	
	Amount	Percent	Amount	Percent	Amount	Percent
Total costs.....	\$51,206,771	100.0	\$15,281,150	100.0	\$35,925,621	100.0
Manufacturing costs—total.....	43,150,062	84.3	12,979,953	84.9	30,170,109	83.7
All labor.....	15,300,440	29.9	4,592,729	30.1	10,707,711	29.7
Hat materials.....	24,914,089	48.7	7,515,551	49.2	17,398,539	48.3
Special material buying costs.....	43,183	.1			43,183	.1
Blocks and dies.....	781,007	1.5	238,667	1.6	542,340	1.5
Other factory supplies and equipment repairs.....	364,553	.7	142,410	.9	222,143	.6
Electricity, gas, water, steam.....	460,715	.9	130,116	.9	330,599	.9
Rent.....	1,087,737	2.1	304,252	2.0	783,485	2.2
Factory and supply insurance.....	198,338	.4	56,229	.4	142,109	.4
Selling costs—total.....	3,466,804	6.8	921,857	6.0	2,544,947	7.1
Salaries and commissions.....	2,640,337	5.2	693,803	4.5	1,946,534	5.4
Advertising.....	216,969	.4	75,798	.5	141,171	.4
Traveling and entertaining.....	609,498	1.2	152,256	1.0	457,242	1.3
Office, shipping, and miscellaneous costs—total.....	3,437,011	6.7	1,058,518	6.9	2,378,493	6.6
Salaries.....	1,287,996	2.5	398,417	2.6	889,578	2.5
Legal, audit, and other special services.....	152,626	.3	35,347	.2	117,279	.3
Office, packing supplies, printing.....	1,078,800	2.1	382,204	2.6	696,596	1.9
Telephone and telegraph.....	191,944	.4	49,464	.3	142,481	.4
Expressage, parcel post, and carfare.....	327,289	.6	91,862	.6	235,427	.7
Sundries.....	398,356	.8	101,224	.7	297,131	.8
Financial expenses—total.....	974,561	1.9	279,225	1.8	695,336	1.9
Credit service and association dues.....	75,568	.1	15,671	.1	59,896	.2
Collections.....	3,796	( <sup>1</sup> )	1,742	( <sup>1</sup> )	2,054	( <sup>1</sup> )
Interest.....	98,361	.2	25,739	.2	72,622	.2
Bad debts.....	144,293	.3	41,470	.3	102,824	.3
Taxes:						
Old age.....	195,361	.4	56,725	.4	138,636	.4
Unemployment.....	370,630	.7	110,688	.7	259,942	.7
Other State, city, Federal.....	76,207	.1	23,224	.2	52,984	.1
Life and accident insurance.....	10,345	( <sup>1</sup> )	3,966	( <sup>1</sup> )	6,379	( <sup>1</sup> )
Depreciation.....	178,334	.3	41,598	.3	136,736	.4

<sup>1</sup> Less than 0.05 percent.

The major item in manufacturing costs, in fact, in all costs, is hat materials, which include not only bodies, braids, fabrics, trimmings, thread, elastic, varnish, sizing, wire, and labels, but expressage and special material-buying costs. These formed 48.7 percent of the entire costs for all firms reporting. Direct and indirect manufacturing

labor costs ranked second, being 29.9 percent of the total costs. These two items, materials and labor, comprised 78.7 percent of the total cost of manufacturing hats. Other items chargeable to manufacturing cost totaled 5.6 percent, of which rent was much the largest amount, and blocks and dies the second largest amount.

In selling costs, the service of selling was the largest item, or 5.2 percent of all operating costs. Traveling and entertaining were 1.2 percent and advertising was less than one-half of 1 percent.

Under office, shipping, and miscellaneous costs, salaries again were the major expense. The salaries to employees, plus amounts paid to auditors or accountants, and for legal or other intermittent service, comprised 2.8 percent of total production costs. Miscellaneous supplies followed with 2.1 percent.

The principal financial expense was taxes, the amount paid to city, county, State, and Federal governments being 1.2 percent of total costs. Under interest, apparently only bank or personal loans were included, as the amount is slight—but 0.2 percent—compared to the use of other credit facilities. Depreciation was charged off at 0.3 percent of total cost.

### LABOR COSTS

How did the cost of labor in relation to total costs of production vary under different conditions? In determining total labor costs, withdrawals of employers who helped in various sections of the factory from time to time have not been included, as it is impossible to allot such divided services with any accuracy. However, when an employer spent his entire time on one function, regardless of what that function was, and his withdrawals for such services were recorded, these sums have been allotted to the cost of the particular service. All other firm-member withdrawals are considered as a part of administrative costs. To gauge the importance of employers' services not capable of division, separate cost tabulations have been made of firms employing persons for all purposes other than administrative duties and for those whose officers served as foremen, salesmen, or office workers.

For 451 millinery factories reporting detailed costs of operation, all labor costs chargeable against manufacturing, including cost of designing and direct supervision, represented 29.9 percent. Selling costs, paid on a salary or a commission basis or on both, formed 5.2 percent of costs. Office and shipping clerks' salaries were 2.5 percent of the total, with 0.3 percent being paid out for auditing of books, legal service, or other special services. In all, therefore, about 38 percent of the millinery industry's expenditure is made for service of some kind other than administrative.

Except in selling, labor costs were affected little by the policy of hiring persons for all services but administrative, or by the policy of using firm members in selling, in office work, or as foremen and designers. This may be seen in table XXX. When members sold goods regularly, firms raised the proportionate cost of this service to themselves by nine-tenths of a point. Consequently, a separation of costs by firm-member participation or lack of participation in operating functions was not continued in the tabulation of costs in the several areas.

TABLE XXXI.—Operating costs of millinery manufacture, according to prevailing price of hat—all areas

Classification of accounts	Prevailing price of hat									
	\$7.50 and below		Above \$7.50, including \$13.50		Above \$13.50, including \$24		Above \$24, including \$48		Above \$48	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Total costs	\$9,046,493	100.0	\$21,017,257	100.0	\$11,154,557	100.0	\$7,313,145	100.0	\$2,675,319	100.0
Manufacturing costs—total	7,719,901	85.3	17,793,744	84.7	9,292,067	83.3	6,177,358	84.5	2,166,992	81.0
Direct:										
Labor	2,243,613	24.8	5,777,799	27.5	2,822,023	25.3	2,061,297	28.2	773,616	28.9
Hat materials	4,870,830	53.8	10,216,953	48.6	5,412,010	48.5	3,381,831	46.2	1,032,464	38.6
Special material buying costs	5,302	.1	2,046	( <sup>1</sup> )	6,111	( <sup>1</sup> )	9,757	.1	19,966	.7
Indirect:										
Labor	142,706	1.6	626,571	3.0	384,321	3.4	297,875	4.1	170,619	6.4
Blocks and dies	131,734	1.5	300,005	1.4	194,684	1.7	119,656	1.6	34,327	1.3
Other factory supplies and equipment repairs	47,471	.5	179,651	.9	80,379	.7	38,783	.5	18,270	.7
Electricity, gas, water, steam	73,280	.8	209,920	1.0	94,282	.8	60,299	.8	22,934	.9
Rent	163,678	1.8	402,207	1.9	259,422	2.3	178,314	2.4	84,117	3.1
Factory and supply insurance	41,287	.5	77,991	.4	38,836	.3	29,546	.4	10,678	.4
Selling costs—total	472,862	5.2	1,380,370	6.6	797,749	7.2	554,648	7.6	261,175	9.8
Salaries and commissions	398,865	4.4	1,146,328	5.5	589,796	5.3	331,284	4.5	174,064	6.5
Advertising	9,414	.1	41,252	.2	83,501	.7	62,006	.8	20,796	.8
Traveling and entertaining	64,583	.7	192,790	.9	124,453	1.1	161,357	2.2	66,315	2.5
Office, shipping, and miscellaneous costs—total	677,353	7.5	1,372,549	6.5	797,755	7.2	418,551	5.7	170,804	6.4
Salaries	198,515	2.2	515,886	2.5	323,153	2.9	172,861	2.4	77,581	2.9
Legal, audit, and other special services	34,586	.4	63,598	.3	26,561	.2	19,881	.3	8,001	.3
Office, packing supplies, printing	252,751	2.8	443,314	2.1	246,457	2.2	100,678	1.4	35,001	1.3
Telephone and telegraph	33,327	.4	73,021	.3	38,383	.3	33,292	.5	14,920	.6
Expressage, parcel post, and cartage	63,245	.7	124,828	.6	81,516	.7	41,084	.6	16,617	.6
Sundries	94,929	1.0	152,901	.7	81,685	.7	50,756	.7	18,084	.7
Financial expenses—total	145,207	1.6	404,028	1.9	216,550	1.9	140,437	1.9	68,338	2.6
Credit service and association dues	12,639	.1	28,211	.1	15,273	.1	12,052	.2	7,392	.3
Collections	1,161	( <sup>1</sup> )	1,231	( <sup>1</sup> )	1,165	( <sup>1</sup> )	122	( <sup>1</sup> )	117	( <sup>1</sup> )
Interest	14,427	.2	33,381	.2	23,558	.2	15,998	.2	10,997	.4
Bad debts	22,341	.2	67,743	.3	29,520	.3	16,556	.2	8,133	.3
Taxes:										
Old age	28,754	.3	86,124	.4	41,392	.4	27,702	.4	11,389	.4
Unemployment	55,391	.6	156,091	.7	77,663	.7	57,796	.8	23,689	.9
Other State, city, Federal	10,494	.1	28,718	.1	22,569	.2	9,417	.1	5,009	.2
Life and accident insurance			2,529	( <sup>1</sup> )	5,410	( <sup>1</sup> )	793	( <sup>1</sup> )	1,613	.1
Depreciation	31,170	.3	66,566	.3	50,435	.5	22,152	.3	8,010	.3

<sup>1</sup> Less than 0.05 percent.

**Differences by price of hat.**

The price at which hats are sold was found to have a very direct bearing on service costs. Hats wholesaling at \$7.50 and less a dozen bore a manufacturing labor cost of 26.4 percent, whereas hats wholesaling at above \$48 bore a manufacturing labor cost of 35.3 percent. Selling services on the cheapest hats were 4.4 percent of total costs, and those on the most expensive hats 6.5 percent. Even shipping and office salaries formed a higher percent of total costs for the most expensive hats than for the cheapest hats. All services combined, with the exception of administrative, cost the manufacturers of hats wholesaling at above \$48 an even 45 percent of total costs; and they cost the manufacturer of hats wholesaling at \$7.50 and under 33.4 percent of total costs.

The direct labor costs, that is, manufacturing labor costs minus cost of designers and foremen, comprised rising proportions of the total with each rise in price of hat excepting only the line priced at above \$13.50 and including \$24. While direct labor costs on the hat priced at above \$7.50 and including \$13.50 were 27.5 percent, and on hats wholesaling at above \$24 and including \$48 were 28.2 percent, the group between had direct labor costs of but 25.3 percent. As a consequence, all service costs combined were 37.1 percent of the total in this group in contrast to 39.5 percent in the group immediately above it and 38.8 percent in the group immediately below it.

**Differences by volume of business.**

When labor costs are compared by volume of sales, little direct relationship is established between volume of sales and labor costs. Manufacturing labor costs are lowest in the smallest businesses, where firm members may perform some production in the rush season. But they are only 1 point higher in firms doing at least 10 times the business. Sales service costs are lowest in firms doing the largest volume of business, but firms selling over \$50,000 and including \$100,000 worth of hats had a 6-percent selling service cost as compared with 5.6 percent in the smaller businesses. (See table XXXII.)

In considering office and shipping costs, auditing and legal services must be added, for small firms frequently employ a young girl to make simple journal entries and have the books posted each month by a traveling auditor. However, even with these services office and shipping salary expense formed but 2.7 percent of total costs when business was \$50,000 and less, and 3.1 percent when business was double such volume.

In considering the variation in labor costs by region, therefore, the important consideration is price of hat, rather than firm members' participation in services or volume of business.

**OTHER COSTS OF MANUFACTURE****Differences by price of hat.**

While hats in different price ranges frequently enter the same retail markets, the lower-priced hats and the higher-priced hats usually seek distinct sales outlets, a fact clearly registered in the proportionate distribution of expenses of millinery manufacture. Selling costs increase as the milliner seeks a higher-priced market, and, for the most

TABLE XXXII.—Operating costs of millinery manufacture, according to volume of sales—all areas

Classification of accounts	Volume of net sales											
	\$50,000 and under		Over \$50,000, including \$100,000		Over \$100,000, including \$200,000		Over \$200,000, including \$300,000		Over \$300,000, including \$500,000		Over \$500,000	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Total costs.....	\$4,152,392	100.0	\$8,349,261	100.0	\$14,903,136	100.0	\$8,254,912	100.0	\$7,748,435	100.0	\$7,798,635	100.0
Manufacturing costs—total.....	3,485,416	83.9	6,975,458	83.5	12,537,932	84.1	6,987,530	84.6	6,539,162	84.4	6,624,564	84.9
All labor.....	1,183,857	28.5	2,538,294	30.4	4,565,337	30.6	2,458,304	29.8	2,254,305	29.1	2,300,343	29.5
Hat materials.....	2,023,034	48.7	3,961,415	47.4	7,125,572	47.8	4,094,085	49.6	3,843,247	49.6	3,866,737	49.6
Special material buying costs.....	100	(1)	1,141	(1)	13,800	.1	15,408	.2	11,542	.1	1,102	(1)
Blocks and dies.....	47,685	1.1	113,758	1.4	232,116	1.6	129,462	1.6	138,678	1.8	119,309	1.5
Other factory supplies and equipment repairs.....	21,360	.5	39,518	.5	91,191	.6	45,666	.6	56,074	.7	110,744	1.4
Electricity, gas, water, steam.....	45,886	1.1	85,134	1.0	134,494	.9	70,961	.9	65,685	.8	58,615	.8
Rent.....	143,095	3.4	201,169	2.4	314,918	2.1	142,671	1.7	140,277	1.8	145,607	1.9
Factory and supply insurance.....	20,400	.5	35,028	.4	60,414	.4	31,034	.4	29,354	.4	22,109	.3
Selling costs—total.....	275,585	6.6	591,426	7.1	1,052,435	7.1	562,753	6.8	525,835	6.8	458,770	5.9
Salaries and commissions.....	233,161	5.6	499,832	6.0	818,854	5.5	439,081	5.3	326,604	4.2	322,804	4.1
Advertising.....	6,699	.2	12,160	.1	37,795	.3	26,243	.3	52,625	.7	81,446	1.0
Traveling and entertaining.....	35,725	.9	79,434	1.0	195,785	1.3	97,429	1.2	146,606	1.9	54,520	.7
Office, shipping, and miscellaneous costs—total.....	271,548	6.5	569,020	6.8	987,587	6.6	520,461	6.3	529,114	6.8	559,281	7.2
Salaries.....	81,820	2.0	222,581	2.7	383,209	2.6	200,077	2.4	183,076	2.4	217,232	2.8
Legal, audit, and other special services.....	29,298	.7	31,090	.4	45,457	.3	17,618	.2	19,002	.2	10,160	.1
Office, packing supplies, printing.....	62,767	1.5	150,994	1.8	273,585	1.8	167,112	2.0	205,003	2.6	219,339	2.8
Telephone and telegraph.....	20,429	.5	33,501	.4	59,254	.4	30,201	.4	28,297	.4	20,262	.3
Expressage, parcel post, and carfare.....	19,407	.5	40,685	.5	110,278	.7	52,302	.6	46,168	.6	58,450	.7
Sundries.....	57,827	1.4	90,168	1.1	115,803	.8	53,151	.6	47,568	.6	33,839	.4
Financial expenses—total.....	93,680	2.3	179,082	2.1	282,473	1.9	162,311	2.0	131,832	1.7	125,182	1.6
Credit service and association dues.....	8,719	.2	18,530	.2	24,777	.2	12,524	.2	8,122	.1	2,896	(1)
Collections.....	172	(1)	759	(1)	1,161	(1)	784	(1)	919	(1)		
Interest.....	16,435	.4	15,929	.2	26,797	.2	13,429	.2	16,738	.2	9,033	.1
Bad debts.....	18,802	.5	34,536	.4	38,219	.3	27,557	.3	16,651	.2	8,529	.1
Taxes:												
Old age.....	16,492	.4	34,650	.4	57,036	.4	29,158	.4	27,539	.4	30,486	.4
Unemployment.....	27,677	.7	62,913	.8	111,399	.7	62,220	.8	53,609	.7	52,812	.7
Other State, city, Federal.....	5,140	.1	11,607	.1	19,833	.1	14,434	.2	7,814	.1	17,380	.2
Life and accident insurance.....	244	(1)	158	(1)	3,251	(1)	2,205	(1)	440	(1)	4,047	.1
Depreciation.....	26,163	.6	34,275	.4	42,710	.3	21,857	.3	22,491	.3	30,839	.4

<sup>1</sup> Less than 0.05 percent.

part, with such increase manufacturing costs decrease. Though selling costs on the hat at \$7.50 a dozen and below are but 5.2 percent of operating costs, manufacturing costs are 85.3 percent. On the hat at above \$48 a dozen selling costs are almost 10 percent and manufacturing costs are 81 percent.

As the labor on these cheapest hats is relatively small, the material costs are proportionately high. The lowest-priced hat takes materials that form 53.8 percent of total expenses; the hat wholesaling at above \$7.50 and including \$13.50 a dozen calls for hat materials costing 48.6 percent of the total. The hat at above \$24 and including \$48 a dozen has a materials cost of 46.2 percent; and the hat wholesaling at above \$48 has a materials cost that forms but 38.6 percent of the total. On the highest-priced hats the labor of making the hats a distinct model almost equals the cost of the material. When the hat is of the cheapest grade, the labor cost is only half as much as the cost of the material.

Because more attention is given to the fabrication of the higher-priced hat, there is little difference in the cost of blocks and dies and other equipment in the several price ranges or in the amount of water, gas, or electricity consumed. Rents, however, become a more important item as the proportion of retailers to whom goods are sold increases in comparison with the proportion sold to jobbers or syndicates. The higher-priced hat seeking the retailer's attention is made in a shop close to the retailing district. It seeks to attract, as the retailer usually comes to the manufacturing shop to place his order. If hats are marketed through jobbers or syndicates, the location of the factory is of less importance. Rent is, therefore, only 1.8 percent of total operating costs on the cheapest hats but advances to 3.1 percent on hats sold at above \$48 a dozen.

Every item entering into selling costs usually increases as the price of hat increases. The selling services advance from 4.4 percent to 6.5 percent, advertising from 0.1 percent to 0.8 percent, and traveling and entertaining from 0.7 to 2.5 percent. The total difference in selling is, therefore, 4.6 points, or the difference between 5.2 percent and 9.8 percent on lowest-price and highest-price hats, respectively.

While the amount spent on office and shipping salaries by the firms producing cheaper hats is less than that spent by firms manufacturing in the higher brackets, their expense for office, shipping, and miscellaneous supplies is proportionately more than double that of firms making hats at above \$24 a dozen.

The greater financial expense of firms producing the highest-priced hats is due in part to the fact that association dues and taxes are more important items, and while interest on loans is entered here for firms reporting interest, the cost of loans to firms using factors does not appear under financial expenses. In fact, when the loan is based on turning over accounts receivable, the firm often is unaware of the rate of interest it is paying.

### Differences by volume of business.

The volume of business varies among firms whose prevailing production of hats is in the same price range. This is true even though the average sales of firms increase with the increase in price of hats. Consequently, the influence of the hat price on distribution of costs is lost when the tabulations are made by volume of sales.

The proportionate cost of labor varies little whether the volume is small or large, primarily because hats are handled singly and not in volume. The proportionate cost of hat materials varies little, as only a relatively few firms buy materials in volume in advance of hat orders. Block and die and equipment cost increases somewhat as the volume increases, though together they do not exceed 2.9 percent even in the largest factories. The relative cost of rent, electricity, gas, water, and factory insurance, however, tends to be disproportionate for the smaller producers of millinery.

Nor is there any direct relation between selling costs and volume sold. The larger manufacturers do some advertising and often more entertaining than the small firms. The latter, in turn, pay a somewhat higher percentage of commissions for selling service.

Even in office and miscellaneous expenses the higher relative costs of services in one group are offset by higher relative miscellaneous costs in the other groups. Financial expenses other than taxes naturally are higher when plants are small, even though much of such expense is not listed under this item.

### COSTS IN THE SEVERAL PRODUCTION AREAS

The differences in allotment of expenditures for all areas were related most consistently to the prevailing price of hat made. Therefore, comparisons of cost allotments by production area must take such price into consideration. Each table that compares operating costs in various production areas is based on hats in one price group.

#### **Millinery wholesaling at \$7.50 a dozen and below.**

The cheapest hat, that is, the hat wholesaling at \$7.50 and less a dozen, in almost all cases carried the lowest relative labor cost in each area as it did for all areas combined. Even so, there were wide differences from area to area. In Illinois, where sales of firms specializing in this cheap hat were less than 6 percent of total sales, 30.9 cents of every dollar spent went for direct labor, that is, manufacturing labor minus supervisory and designing labor. In New York City, out of every dollar of cost 27.3 cents was for direct labor. In all other production areas, labor costs formed a smaller part of the expense. In northern New Jersey, where firms whose prevailing price of hat was in this range had almost half the sales, labor expense was 20.3 cents of every dollar. It was lowest in Texas and Massachusetts, in both cases less than 19 cents per dollar of expense.

Hat-materials cost on the hats at \$7.50 and less a dozen ranged from 47.8 cents to 60.4 cents of every dollar spent in the several production areas. When materials cost was high, the hats made for this low price were of felt or straw; when materials cost was low, the fabric and novelty-material hat may have been a factor. This type distinction is borne out further by the differences in cost of blocks and dies in the several areas.

The gain in having the factory located in the market for this price of hat is found in the lack of expense for travel and entertainment. This item is insignificant in and around New York and Chicago, but when firms in other production areas extend their sales beyond their locality, travel and entertainment become an item in the sale of the cheap hats.

While the relative cost of other items of firms making the cheapest hat in largest volume varies, sometimes enough to account for a profit or loss, the actual cost of any item is small in comparison with manufacturing costs.

TABLE XXXIII.—Relative cost of millinery manufacture, by area—hats wholesaling at \$7.50 a dozen and below

Classification of accounts	Percent each expense item was of total operating expenses in—							
	New York City	Up-State New York and Connecticut	Northern New Jersey	Massachusetts	Texas	Illinois	Cleveland, Detroit, and Milwaukee	Missouri
Total costs.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Manufacturing costs—total.....	85.5	86.2	84.5	86.1	83.8	85.3	78.2	88.1
Direct:								
Labor.....	27.3	21.1	20.3	18.1	15.3	30.9	19.9	23.8
Hat materials.....	52.0	59.3	55.8	60.4	59.0	47.8	48.7	58.6
Special material buying costs.....			.3		( <sup>1</sup> )			
Indirect:								
Labor.....	1.4	1.3	2.1	1.7	2.5	1.1	5.0	.5
Blocks and dies.....	1.2	1.6	1.8	1.7	3.7	.2	1.6	1.3
Other factory supplies and equipment repairs.....	.4	.4	.8	.9	.6	1.0	.1	1.2
Electricity, gas, water, steam.....	.8	.7	.9	.8	1.2	.9	.8	1.1
Rent.....	1.9	1.2	1.9	2.0	1.3	2.9	1.9	1.1
Factory and supply insurance.....	.4	.7	.5	.5	.3	.4	.2	.5
Selling costs—total.....	5.2	4.3	5.4	4.7	7.7	6.0	12.8	2.4
Salaries and commissions.....	4.6	3.5	4.7	3.4	3.0	5.8	6.6	1.4
Advertising.....		.2	.2		.1	( <sup>1</sup> )	( <sup>1</sup> )	.1
Traveling and entertaining.....	.5	.6	.5	1.3	4.6	.2	6.2	1.0
Office, shipping, and miscellaneous costs—total.....	7.4	8.0	8.2	7.5	6.5	6.0	6.3	6.9
Salaries.....	2.2	1.6	2.5	2.1	1.5	2.0	1.9	2.4
Legal, audit, and other special services.....	.4	.2	.3	.4	.5	.5	.7	.2
Office, packing supplies, printing.....	2.4	3.9	3.8	3.0	3.7	1.4	1.1	2.7
Telephone and telegraph.....	.4	.3	.4	.4	.4	.4	.4	.4
Expressage, parcel post, and cartage.....	.7	1.0	.8	.6	.2	.8	1.6	1.0
Sundries.....	1.3	1.0	.4	.9	.1	.9	.4	.2
Financial expenses—total.....	1.7	1.2	1.5	1.4	1.8	2.2	1.7	1.9
Credit service and association dues.....	.2	.1	.1	.1	.2		.1	.1
Collections.....					.3		( <sup>1</sup> )	.1
Interest.....	.1	( <sup>1</sup> )	.2	.2	.3	.3	.3	.2
Bad debts.....	.2	.2	.3	.1	.3	.6	.4	.5
Taxes:								
Old age.....	.4	.3	.2	.2	.2	.4	.3	.3
Unemployment.....	.6	.5	.5	.6	.4	.9	.5	.6
Other State, city, Federal.....	.1	.1	.1	.2	.2	( <sup>1</sup> )	.1	.2
Depreciation.....	.3	.3	.5	.3	.2	.4	1.0	.7

<sup>1</sup> Less than 0.05 percent.

### Millinery wholesaling at above \$7.50 and including \$13.50 a dozen.

Firms whose prevailing type of hat wholesaled at above \$7.50 and including \$13.50 a dozen had net sales totaling 37 percent of all sales. Hats at this price comprised the largest volume of production in all areas combined, in New York City, Illinois, the Cleveland area, and Missouri. They were made up in all the principal hat materials.

TABLE XXXIV.—Relative cost of millinery manufacture, by area—hats wholesaling at above \$7.50 and including \$13.50 a dozen

Classification of accounts	Percent each expense item was of total operating expenses in—											
	New York City	Up-State New York and Connecticut	Northern New Jersey	Philadelphia and Trenton	Massachusetts	South Atlantic area	Texas	Illinois	Cleveland, Detroit, and Milwaukee	Missouri	Los Angeles	San Francisco
Total costs.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Manufacturing costs—total.....	84.5	85.5	82.5	84.7	88.1	81.4	81.8	84.7	81.7	85.9	82.7	81.4
Direct:												
Labor.....	27.9	19.4	25.1	25.9	20.3	17.4	19.3	33.0	24.5	28.9	27.0	23.7
Hat materials.....	47.9	57.9	49.4	52.1	59.2	54.8	53.8	43.4	49.7	49.6	48.9	46.3
Special material buying costs.....	( <sup>1</sup> )						.3			( <sup>1</sup> )		
Indirect:												
Labor.....	3.1	2.4	2.9	2.2	2.6	2.3	3.1	3.1	3.1	2.5	2.2	6.6
Blocks and dies.....	1.4	1.9	1.7	1.5	2.4	3.7	.6	.8	1.3	1.3	.5	.9
Other factory supplies and equipment repairs.....	.9	.5	.8	.2	1.0	.8	.7	.6	.1	.8	.8	.2
Electricity, gas, water, steam.....	1.0	.5	1.0	1.1	1.1	1.0	1.4	1.0	.3	.9	.7	.4
Rent.....	2.0	2.8	1.1	1.6	1.3	1.1	2.7	2.4	2.5	1.6	2.3	2.9
Factory and supply insurance.....	.4	.1	.4	.2	.3	.2	.1	.3	.1	.3	.3	.3
Selling costs—total.....	6.5	5.7	8.2	5.8	5.1	8.7	8.5	6.8	10.0	6.0	6.8	8.5
Salaries and commissions.....	5.5	4.4	7.8	4.8	3.4	8.4	7.9	5.5	7.5	4.1	5.7	7.8
Advertising.....	.2		.3		.2		.2	.3	( <sup>1</sup> )	( <sup>1</sup> )	.3	.6
Traveling and entertaining.....	.8	1.3	.1	1.0	1.4	.3	.5	1.1	2.5	1.9	.8	.1
Office, shipping, and miscellaneous costs—total.....	6.8	7.2	7.3	6.3	5.2	7.3	5.5	6.1	6.3	5.2	6.0	6.4
Salaries.....	2.6	1.8	2.2	2.3	1.7	2.3	2.5	2.3	3.3	2.0	1.9	2.7
Legal, audit, and other special services.....	.3	.8	.2	.2	.3	.5	.4	.3	.4	.3	1.0	.2
Office, packing supplies, printing.....	2.2	3.0	3.2	1.4	1.4	3.3	.6	1.7	1.3	1.9	1.3	1.2
Telephone and telegraph.....	.3	.6	.2	.4	.5	.2	.1	.3	.3	.3	.5	.5
Expressage, parcel post, and cartage.....	.6	.9	1.0	.4	.9	.5	.3	.6	.3	.3	.6	.7
Sundries.....	.8	.1	.5	1.6	.4	.6	1.6	.9	.6	.3	.7	1.1
Financial expenses—total.....	1.8	1.3	1.6	2.6	1.3	2.4	3.9	2.1	1.8	2.5	3.5	2.5
Credit service and association dues.....	.1	.2	.1	.1	( <sup>1</sup> )	.1	.4	.1	( <sup>1</sup> )	.2	.1	.1
Collections.....	( <sup>1</sup> )		( <sup>1</sup> )		( <sup>1</sup> )			( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	
Interest.....	.1	( <sup>1</sup> )	.2	( <sup>1</sup> )	.2		.6	.2	.3	.2	1.4	.3
Bad debts.....	.3	( <sup>1</sup> )	.1	1.3	.3	.9	1.2	.4	.7	.4	.3	.9
Taxes:												
Old age.....	.4	.3	.4	.4	.3	.3	.4	.4	.2	.5	.6	.3
Unemployment.....	.8	.7	.7	.7	.4	.6	.8	.9	.5	.8	1.0	.3
Other State, city, Federal.....	.1	.1	.2	( <sup>1</sup> )	.1	.3	.5	( <sup>1</sup> )	( <sup>1</sup> )	.3	.1	.2
Life and accident insurance.....					( <sup>1</sup> )		.2			.1		
Depreciation.....	.3	.3	.4	.6	.4	.3	.3	.3	.2	.4	1.0	1.2

<sup>1</sup> Less than 0.05 percent.

Direct labor costs again were relatively high in Illinois, where they constituted 33 cents of every dollar spent by firms making this hat in largest volume. In New York City direct labor costs were 27.9 cents in the dollar, in northern New Jersey 25.1 cents, in Missouri 28.9 cents, and in the Cleveland, Detroit, and Milwaukee area 24.5 cents. The areas of lowest labor costs were the South, the Southwest, Massachusetts, and the Connecticut and New York State area. And again these areas of low labor cost paid relatively more for hat materials than did the areas of high labor cost.

Hats at this price are marketed through the several distribution channels and they bear, on the whole, a higher relative cost for salaries and commissions than do the cheaper hats. Firms situated away from the largest marketing centers have the higher selling costs, northern New Jersey affording an exception to this, possibly because much of its output at this price is sold through jobbers and commission resident buyers.

In every area, manufacturing costs and selling costs amount to approximately 90 cents of every dollar of total costs on hats at this price, the variation being from 89.5 cents of a dollar in Los Angeles and in Texas to 93.2 cents of a dollar in Massachusetts.

#### **Millinery wholesaling at above \$13.50 and including \$24 a dozen.**

Firms making millinery to sell at above \$13.50 and including \$24 a dozen had net sales amounting to 20 percent of all sales. This hat is less important than the cheaper hats as a product of New York City and northern New Jersey, though production in New York City far exceeds that in any other area. It is a volume seller for firms in the Philadelphia area, Massachusetts, Missouri, and the South Atlantic area.

In New York City, direct labor cost on the hat wholesaling at above \$13.50 and including \$24 a dozen was but 25.4 percent, or a smaller proportion than on lower-priced hats. In the Philadelphia area labor costs were but 20.2 cents in the dollar, but hat materials cost 63.1 cents of every dollar spent. Selling costs were exceptionally low. Massachusetts firms for which this price of hat was a prevailing line had higher relative direct labor costs than other eastern producers, northern New Jersey excepted, and the labor cost was materially higher than on the cheaper hats produced in the Massachusetts area. Twenty-six cents of every dollar was used for labor, a figure exceeded only by Illinois. Hat-material costs are a very variable factor from area to area. (Table XXXV.)

#### **Millinery wholesaling at above \$24 and including \$48 a dozen.**

Hats at above \$24 and including \$48 are the most important item in Pacific coast manufacture. They are important also in the Philadelphia area, in Texas, and in Illinois. While firms producing them as a major type sold only 17 percent of New York City's millinery, such firms wholesaled far more than any other area of this price of hat.

Labor costs formed practically the same part of total costs in New York City and Los Angeles—28.3 and 28.4 percent, respectively—but they were higher in San Francisco. Such costs were relatively lower in all other regions. Relative material costs were somewhat similar except that they consumed a higher proportion of the total in Texas, though not higher than did the cheaper Texas models.

TABLE XXXV.—Relative cost of millinery manufacture, by area—hats wholesaling at above \$13.50 and including \$24 a dozen

Classification of accounts	Percent each expense item was of total operating expenses in—									
	New York City	Northern New Jersey	Philadel- phia and Trenton	Massachu- setts	South Atlantic area	Texas	Illinois	Missouri	Los Angeles	San Fran- cisco
Total costs.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Manufacturing costs—total</b> .....	<b>85.2</b>	<b>82.1</b>	<b>89.9</b>	<b>82.4</b>	<b>79.6</b>	<b>86.4</b>	<b>83.2</b>	<b>77.0</b>	<b>83.5</b>	<b>82.7</b>
Direct:										
Labor.....	25.4	30.1	20.2	26.2	18.9	17.3	27.4	24.8	23.8	25.3
Hat materials.....	50.2	42.9	63.1	45.7	49.7	59.4	47.5	43.4	53.1	44.2
Special material buying costs.....					.6	1.4		.1		
Indirect:										
Labor.....	3.6	3.0	2.0	4.0	3.7	1.6	2.9	2.9	2.4	7.4
Blocks and dies.....	1.8	1.7	1.9	1.6	2.1	4.0	1.6	1.7	1.6	1.1
Other factory supplies and equipment repairs.....	.5	.4	.2	1.5	1.7		.4	.9	.4	.7
Electricity, gas, water, steam.....	1.0	.6	.7	.6	.7	.7	.7	1.0	.7	.9
Rent.....	2.4	3.1	1.6	2.6	1.4	1.8	2.5	2.0	1.4	2.7
Factory and supply insurance.....	.4	.4	.2	.3	.7	.2	.2	.4	.1	.4
<b>Selling costs—total</b> .....	<b>6.1</b>	<b>9.4</b>	<b>3.7</b>	<b>8.5</b>	<b>9.7</b>	<b>5.8</b>	<b>7.1</b>	<b>8.1</b>	<b>8.4</b>	<b>7.4</b>
Salaries and commissions.....	4.6	8.4	3.4	6.0	7.1	5.7	4.7	5.3	7.0	6.6
Advertising.....	.1	.5	.1	2.1	.4	.1	.7	2.0	.5	.3
Traveling and entertaining.....	1.4	.6	.3	.3	2.2	(1)	1.8	.8	.9	.6
<b>Office, shipping, and miscellaneous costs—total</b> .....	<b>6.5</b>	<b>6.0</b>	<b>5.0</b>	<b>7.1</b>	<b>8.4</b>	<b>6.1</b>	<b>7.3</b>	<b>11.6</b>	<b>4.1</b>	<b>5.3</b>
Salaries.....	2.5	2.8	1.5	2.8	3.2	2.2	3.0	5.3	1.5	2.4
Legal, audit, and other special services.....	.3	.1	.1	.1	.2	.3	.2	.2	.2	.3
Office, packing supplies, printing.....	1.7	2.4	2.0	3.1	2.5	1.9	2.4	3.0	1.7	1.1
Telephone and telegraph.....	.4	.3	.3	.2	.2	.6	.3	.3	.4	.5
Expressage, parcel post, and carfare.....	.6	.4	.7	.4	1.2	.3	.6	2.3	.1	.7
Sundries.....	1.0	.1	.4	.5	1.0	.8	.7	.6	.1	.3
<b>Financial expenses—total</b> .....	<b>1.9</b>	<b>1.9</b>	<b>.9</b>	<b>1.7</b>	<b>1.9</b>	<b>1.5</b>	<b>2.0</b>	<b>2.3</b>	<b>3.0</b>	<b>4.5</b>
Credit service and association dues.....	.2	(1)	.1	(1)	.1	.3	.1	.1	(1)	.1
Collections.....	(1)		(1)		(1)			.1		(1)
Interest.....	.1	(1)	(1)	.1	.1	(1)	.1	.4	1.5	2.4
Bad debts.....	.3		(1)	.2	.2	.3	.2	.3	.4	.8
Taxes:										
Old age.....	.4	.4	.2	.3	.3	.2	.4	.5	.3	.3
Unemployment.....	.7	.8	.5	.8	.6	.4	.8	.5	.6	.9
Other State, city, Federal.....	.1	.6	(1)	.2	.4	.3	.2	.3	.1	.1
Life and accident insurance.....				.1	.1		.1	.1		
<b>Depreciation</b> .....	<b>.3</b>	<b>.5</b>	<b>.5</b>	<b>.4</b>	<b>.5</b>	<b>.3</b>	<b>.5</b>	<b>1.0</b>	<b>1.1</b>	<b>.1</b>

<sup>1</sup> Less than 0.05 percent.

Selling costs are relatively low in San Francisco, where much work is done directly for retailers. Illinois also sells these hats largely to retailers, and yet selling costs are 10.4 percent of total costs as compared with 6.6 percent in San Francisco. (Table XXXVI.)

TABLE XXXVI.—*Relative cost of millinery manufacture, by area—hats wholesaling at above \$24 and including \$48 a dozen*

Classification of accounts	Percent each expense item was of total operating expenses in—					
	New York City	Up-State New York and Connecticut	Texas	Illinois	Los Angeles	San Francisco
Total costs.....	100.0	100.0	100.0	100.0	100.0	100.0
Manufacturing costs—total.....	85.1	80.6	84.2	82.0	82.2	86.8
Direct:						
Labor.....	28.3	24.1	18.5	26.4	28.4	31.8
Hat materials.....	46.7	48.8	56.9	44.8	44.3	44.5
Special material buying costs.....	( <sup>1</sup> )			1.4		.3
Indirect:						
Labor.....	4.1	.1	3.6	3.9	4.1	4.0
Blocks and dies.....	1.7	1.1	.9	1.4	1.6	1.2
Other factory supplies and equipment repairs.....	.3	.7	.2	.1	.5	1.5
Electricity, gas, water, steam.....	.8	1.4	.7	.9	.7	.7
Rent.....	2.5	3.1	3.4	2.6	2.2	2.4
Factory and supply insurance.....	.4	.4	.1	.3	.4	.3
Selling costs—total.....	7.1	9.5	8.6	10.4	8.9	6.6
Salaries and commissions.....	3.6	9.5	2.6	8.8	6.8	4.9
Advertising.....	.9		.3	.8	.8	.5
Traveling and entertaining.....	2.6		5.7	.7	1.4	1.1
Office, shipping, and miscellaneous costs—total.....	5.8	7.0	3.8	5.9	5.5	4.5
Salaries.....	2.4	2.0	2.0	2.6	2.4	1.5
Legal, audit, and other special services.....	.3	.6	.4	( <sup>1</sup> )	.2	.6
Office, packing supplies, printing.....	1.4	1.8	.1	1.0	1.6	.8
Telephone and telegraph.....	.5	.5	.5	.3	.5	.4
Expressage, parcel post, and carfare.....	.6	1.8	.2	1.0	.3	.2
Sundries.....	.7	.3	.5	.9	.5	.9
Financial expenses—total.....	1.8	2.3	2.6	1.6	2.7	1.9
Credit service and association dues.....	.2	.2	.1	.1	.2	.2
Collections.....	( <sup>1</sup> )				( <sup>1</sup> )	( <sup>1</sup> )
Interest.....	.2	.3	.3	.1	.4	.2
Bad debts.....	.2	.5	1.2	.2	.5	.3
Taxes:						
Old age.....	.4	.4	.4	.3	.4	.3
Unemployment.....	.8	.7	.5	.8	.8	.8
Other State, city, Federal.....	.1	.2	.2	( <sup>1</sup> )	.3	.1
Life and accident insurance.....					( <sup>1</sup> )	
Depreciation.....	.2	.7	.8	.2	.7	.3

<sup>1</sup> Less than 0.05 percent.

### Millinery wholesaling at above \$48 a dozen.

Again in the most expensive millinery field New York City and the Pacific coast areas have a similar distribution of major costs. Rents are noticeably higher in New York City for this price of hat and selling costs are higher in San Francisco.

TABLE XXXVII.—*Relative cost of millinery manufacture, by area—hats wholesaling at above \$48 a dozen*

Classification of accounts	Percent each expense item was of total operating expenses in—		
	New York City	Los Angeles	San Francisco
Total costs .....	100.0	100.0	100.0
Manufacturing costs—total .....	81.5	81.9	77.4
Direct:			
Labor .....	29.4	27.7	27.9
Hat materials .....	38.4	42.8	35.7
Special material buying costs .....	.5	.2	2.3
Indirect:			
Labor .....	6.9	6.1	3.9
Blocks and dies .....	1.1	1.7	1.7
Other factory supplies and equipment repairs .....	.5	.4	2.0
Electricity, gas, water, steam .....	.9	.6	1.0
Rent .....	3.5	2.2	2.5
Factory and supply insurance .....	.4	.4	.3
Selling costs—total .....	9.3	9.1	12.6
Salaries and commissions .....	6.0	6.5	9.2
Advertising .....	.8	.8	.5
Traveling and entertaining .....	2.5	1.8	2.9
Office, shipping, and miscellaneous costs—total .....	6.6	6.2	5.7
Salaries .....	2.8	2.7	3.5
Legal, audit, and other special services .....	.4	.1	.1
Office, packing supplies, printing .....	1.4	1.4	.8
Telephone and telegraph .....	.6	.4	.4
Expressage, parcel post, and carfare .....	.5	1.2	.8
Sundries .....	.8	.5	.1
Financial expenses—total .....	2.4	2.4	3.7
Credit service and association dues .....	.2	.4	.6
Collections .....	(1)	(1)	
Interest .....	.3	(1)	1.2
Bad debts .....	.4	.2	.1
Taxes:			
Old age .....	.4	.6	.4
Unemployment .....	.9	1.0	.9
Other State, city, Federal .....	.2	.3	.2
Life and accident insurance .....			.4
Depreciation .....	.2	.3	.6

<sup>1</sup>Loss than 0.05 percent.

## VI. GROSS AND NET SALES AND NET RETURNS

Net sales are the actual amount that the millinery manufacturer receives from sales of hats after the deduction from gross sales of trade discounts, allowances, and losses on returns. Both gross and net sales were secured, when obtainable, from the firms' records. Each manufacturer was questioned also as to the regular discounts allowed on sales to various buyers, the special concessions or extra services rendered for customers, and the amount of returns and the losses due to such returns. While the replies were merely the employers' statements and were not checked, they are interesting in view of the detailed survey made later by the Federal Trade Commission.<sup>4</sup>

### TRADE PRACTICES

The Millinery Stabilization Commission, operating as an unofficial body created by employers and employees, has set up certain trade practice provisions in its efforts to stabilize the industry. In such provisions are these sections:

Terms of sale shall not include any discount in excess of 7 percent 10 days E. O. M. except that merchandise shipped on or after the 25th of the month may be dated as the first of the following month. Anticipation shall not be allowed at a rate in excess of 6 percent per annum.

A reasonable charge in addition to the ordinary selling price must be made for furnishing or attaching labels, tags, or special linings which bear the customer's name, trade-mark, factory number, or identification mark.

For purposes of tabulation these conditions have been termed "established trade and anticipation discounts" and adherence or variance in firm practice is listed in table XXXVIII.

One-third of the millinery manufacturers stated that they followed the established trade and anticipation discount practices; 56 percent employed the established trade discount but gave no anticipation discount; and only 36 firms allowed as a regular practice more than either the established trade or the anticipation discount. Three-tenths reported special discounts under special circumstances and a third reported extra services.

In spite of these statements of adherence or nonadherence to the supposedly established trade discount practices, when it was possible to obtain the actual discounts from firm records it was found that total discounts were but 6 percent of gross sales. In New York City, Connecticut and New York State, northern New Jersey, and the South Atlantic area the percent was less than 6. The highest amount paid was 6.7 percent, in the Middle West. Obviously, the discount rates employed by the trade are somewhat more conservative than those believed to prevail.

<sup>4</sup> United States Federal Trade Commission. Distribution Methods in the Millinery Industry. 1939.

TABLE XXXVIII.—Cash and service discounts, reported by the various firms, by area

Production area	Firms reporting usual practice <sup>1</sup>							Firms reporting extra service <sup>2</sup>		Amount of actual cash discounts		
	Total reporting	Established trade and anticipation		Established trade, no anticipation		Trade or anticipation more than established		Number	Percent of total <sup>3</sup>	Firms reporting	Amount	Percent of gross sales
		No special discounts	Some special discounts	No special discounts	Some special discounts	No special discounts	Some special discounts					
All areas.....	4 569	136	61	224	92	18	18	195	34.3	376	\$2,954,396	6.0
New York City.....	5 341	65	21	162	55	14	11	117	34.3	228	1,695,079	5.9
Up-State New York and Connecticut.....	6 7	1		3	1			2		4	25,278	3.1
Northern New Jersey.....	7 21	4	1	6	7		1	6		14	153,507	5.2
Philadelphia and Trenton.....	8			5	3			4		5	33,221	6.5
Massachusetts.....	21	1	7	6	7			1		13	244,586	6.6
South Atlantic area.....	8 8	1	2	1	3			1		3	49,788	5.8
Texas.....	15	11		2				2		12	68,327	6.4
Illinois.....	9 58	33	13	4	2	3	1	31	53.4	31	269,412	6.7
Cleveland, Detroit, and Milwaukee.....	11	9		1	1			2		2	2,471	6.7
Missouri.....	29	5	10	4	4	1	5	19		25	190,987	6.7
Los Angeles.....	35	4		19	8			7		26	157,063	6.5
San Francisco.....	10 15	1	1	11	1			3		13	64,677	6.5

<sup>1</sup> These data are based on statements of manufacturers; for data from invoices see report of Federal Trade Commission.

<sup>2</sup> Sewing on labels.

<sup>3</sup> Not computed for less than 30.

<sup>4</sup> Details aggregate less than total; see footnotes 5 to 10.

<sup>5</sup> Includes 12 firms reporting no discounts.

<sup>6</sup> Includes 1 firm that sells net and ½ of 1 percent discount, and 1 that sells net and no anticipation.

<sup>7</sup> Includes 2 firms that sell net.

<sup>8</sup> Includes 1 firm reporting 6 percent discount.

<sup>9</sup> Includes 1 firm that sells net and ½ of 1 percent anticipation, 1 that sells only ½ of 1 percent anticipation.

<sup>10</sup> Includes 1 firm reporting no discounts.

TABLE XXXIX.—Extent of returns of millinery from wholesalers or retailers, by prevailing price of hat and by area

Production area and (for total and New York) prevailing price of hat	All firms reporting	Firms reporting some returns	Firms reporting amount of returns		Firms reporting percent returns were of gross sales made to—														
			Number	Percent of gross sales	Syndicates or chain stores					Jobbers					Retailers				
					Total reporting	No returns	1 percent or under	Over 1 percent, including 2 percent	Over 2 percent	Total reporting	No returns	1 percent or under	Over 1 percent, including 2 percent	Over 2 percent	Total reporting	No returns	1 percent or under	Over 1 percent, including 2 percent	Over 2 percent
All areas.....	562	503	285	3.0	400	117	185	48	50	226	72	104	24	26	380	58	134	89	99
Percent distribution by—																			
Type of distributing channel.....		100.0	56.7		79.5					44.9					75.5				
Percent returns were of gross sales.....					100.0	29.3	46.3	12.0	12.5	100.0	31.9	46.0	10.6	11.5	100.0	15.3	35.3	23.4	26.1
\$7.50 and below.....	143	135	74	3.0	114	18	72	13	11	90	17	49	11	13	89	9	44	16	20
Over \$7.50, including \$13.50.....	228	203	112	2.8	147	56	60	15	16	96	40	39	8	9	136	24	45	33	34
Over \$13.50, including \$24.....	82	77	47	3.3	61	14	20	14	13	35	13	13	5	4	62	5	15	23	19
Over \$24, including \$48.....	78	62	35	3.3	56	23	21	3	9	5	2	3			65	15	20	11	19
Over \$48.....	31	26	17	2.9	22	6	12	3	1						28	5	10	6	7
New York City.....	332	318	194	3.1	249	48	131	38	32	146	46	68	16	16	223	19	92	57	55
Percent distribution by—																			
Type of distributing channel.....		100.0	61.0		78.3					45.9					70.1				
Percent returns were of gross sales.....					100.0	19.3	52.6	15.3	12.9	100.0	31.5	46.6	11.0	11.0	100.0	8.5	41.3	25.6	24.7
\$7.50 and below.....	100	94	47	2.9	81	13	52	11	5	65	12	36	10	7	64	8	33	13	10
Over \$7.50, including \$13.50.....	124	119	79	2.9	78	21	35	11	11	53	24	21	2	6	66	6	25	17	18
Over \$13.50, including \$24.....	51	50	35	3.2	45	7	16	12	10	23	8	8	4	3	45	2	13	18	12
Over \$24, including \$48.....	37	36	21	3.3	31	5	19	2	5	5	2	3			31	1	14	6	10
Over \$48.....	20	19	12	3.1	14	2	9	2	1						17	2	7	3	5
Up-State New York and Connecticut.....	7	7	4	1.7	5		2	1	2	2		2							
Northern New Jersey.....	21	21	14	4.1	15		13	1	1	16		11	1	2	13		3		1
Philadelphia and Trenton.....	8	8	6	2.3	2		1			2		2			4		1		4
Massachusetts.....	21	17	10	2.4	17	4	7	2	4	17	2	9	3	3	18	4	7	3	4
South Atlantic area.....	8	7			2		2			1		1			1				1
Texas.....	15	15	12	3.5	4	4									4				4
Illinois.....	58	45	14	2.2	42	27	9	1	5	16	8	4	2	2	41	12	7	10	12
Cleveland, Detroit, and Milwaukee.....	11	11	3	6.7	10	7	2		1	2	1				10	1	4	3	2
Missouri.....	29	27	14	3.2	18	4	10	1	3	18	8		1	2	15		3	2	10
Los Angeles.....	37	21	10	3.2	25	15	7	2	1	4	3				35	13	8	8	6
San Francisco.....	15	6	4	1.4	11	8	1	2		2	2				14	9	2	3	

GROSS AND NET SALES AND NET RETURNS

## RETURNED GOODS

In a highly styled industry, returned merchandise may have lost much of its value in the period between initial shipment and return shipment. Though 90 percent of the millinery firms reported some returns, only 57 percent kept any record of the volume of goods returned, the others saying that it was insignificant. For all areas combined, the total firms having records of returns showed that they represented 3 percent of gross sales. This figure includes allowances for goods damaged on arrival at destination. The proportion varied greatly with production area: In New York City it was 3.1 percent, in northern New Jersey 4.1 percent, in Illinois only 2.2 percent, and in the Cleveland area 6.7 percent. San Francisco reported the smallest proportion of firms with returns and the smallest volume of returns.

Retailers are responsible for more returns, proportionately, than either jobbers or syndicates, for 85 percent of the firms selling to retailers reported returned merchandise and 26 percent reported that it amounted to over 2 percent of gross sales. Syndicates or chain stores returned over 2 percent of the sales in only 12.5 percent of the cases, and jobbers returned over 2 percent to only 11.5 percent of the firms selling to them.

While millinery in every price range was returned, in specific cities the proportion was the greatest among hats wholesaling at over \$7.50 and including \$13.50 and among those at above \$48.

When returns and allowances and discounts, for whatever reason given, are deducted from gross sales, net sales for all firms combined represent 91 percent of gross. Missouri firms have a greater difference, or 89 percent net of gross, due both to high discount payment and to a large percent of returns. San Francisco shows the least difference, due to the small volume of returns.

An examination of the differences between gross and net sales of hats in different price ranges reveals that the differences were least on the lowest-priced hats in New York City, northern New Jersey, Illinois, Massachusetts, and Missouri, greatest on hats at above \$24 in Texas, New York City, and San Francisco.

## SELLING PRICES, COSTS, AND NET RETURNS IN THE SEVERAL PRODUCTION AREAS

The millinery price ranges referred to throughout this report are those in common usage in the industry. Within each there may be wide variations, and a firm classed according to the prevailing price of its millinery may produce hats at lower and higher prices. The discussion following indicates for the production areas the differences in prices within each price range and relates to the average selling price, the average cost of manufacture, and other average cost items.

TABLE XL.—Comparison of gross and net sales, returns and allowances, and discounts, by area

Production area	Total reporting gross and net sales				Total reporting returns and allowances and discounts							
	Number of firms	Gross sales	Net sales		Number of firms	Gross sales	Net sales		Returns and allowances		Discounts	
		Amount	Amount	Percent of gross		Amount	Amount	Percent of gross	Amount	Percent of gross	Amount	Percent of gross
Total <sup>1</sup> .....	422	\$55,319,126	\$50,427,489	91.2	381	\$49,414,935	\$45,016,622	91.1	\$1,443,917	2.9	\$2,954,396	6.0
New York City.....	258	32,453,506	29,632,485	91.3	232	29,104,762	26,553,516	91.2	856,167	2.9	1,695,079	5.8
Northern New Jersey.....	15	3,217,309	2,930,729	91.1	14	2,952,345	2,679,234	90.7	119,604	4.1	153,507	5.2
Philadelphia and Trenton.....	6	747,182	679,044	90.9	5	507,406	464,433	91.5	9,753	1.9	33,221	6.5
Massachusetts.....	15	3,892,474	3,535,527	90.8	13	3,728,686	3,381,267	90.7	102,834	2.8	244,586	6.6
Texas.....	12	1,069,315	963,366	90.1	12	1,069,315	963,366	90.1	37,622	3.5	68,327	6.4
Chicago.....	38	4,862,447	4,450,268	91.5	31	4,000,812	3,649,062	91.2	82,338	2.1	269,412	6.7
Cleveland, Detroit, and Milwaukee.....	3	96,989	88,031	90.8	3	96,989	88,031	90.8	6,487	6.7	2,471	2.5
Missouri.....	29	3,882,773	3,458,596	89.1	25	2,857,490	2,548,270	89.2	118,233	4.1	190,987	6.7
Los Angeles.....	26	2,426,749	2,233,058	92.0	26	2,426,749	2,233,058	92.0	36,628	1.5	157,063	6.5
San Francisco.....	13	1,000,606	928,221	92.8	13	1,000,606	928,221	92.8	7,708	.8	64,677	6.5

<sup>1</sup> Totals exceed details, as 2 areas with very few firms are not shown separately.

**Millinery priced at \$7.50 and below a dozen.**

The gross sales price for millinery within this lowest range in 1937, for all firms reported, was \$6.60 a dozen, or 55 cents a hat. This gross sales price varied from 41.9 cents a hat in Connecticut and New York State to 62.5 cents a hat in the Cleveland, Detroit, and Milwaukee area. After discounts and allowances and returns were deducted, the net sales price per hat still was lowest in Connecticut and New York State, or 40.1 cents. It was similar in New York City and northern New Jersey, with respectively 52.3 and 51.4 cents a hat. In Texas the net on this hat was 53.7 cents, while in the middle western areas it was approximately 56 cents. The manufacturing costs, including equipment, rent, heat, and light as well as labor and materials, totaled the same per hat in northern New Jersey and New York City, 42.1 cents, and manufacturing costs in Massachusetts, Illinois, and the Cleveland area were very close to this amount. In Texas, however, manufacturing costs were but 39.2 cents a hat.

This left a gross margin of 10.2 cents a hat for manufacturers in New York City, a figure similar to that in Missouri, 10.7 cents. A better margin remained in Massachusetts, in Illinois, in the Cleveland area, and in Texas, where gross sales prices were higher than in New York City. A smaller margin on a per-hat basis remained in northern New Jersey and in Connecticut and New York State.

When selling costs and other costs of operation were deducted, there was an average of 3 cents a hat in this price range out of which firm members had to get their payment for services rendered and their profit. Texas firms had the most profitable net returns, or 6.9 cents a hat. Illinois manufacturers had the second highest returns, or 5.9 cents a hat, and Missouri firms were third with 4.5 cents a hat. Among New York City producers the net returns out of which firm members' services had to be reimbursed as well as profits taken, were 3.2 cents a hat. Only the surrounding areas had lower returns, northern New Jersey having the lowest, with only 1.6 cents a hat, or but 3 percent of the net selling price. As this price of hat is the chief product of the industry in northern New Jersey, the larger discounts given and the slightly larger percentages paid for a number of minor items than in New York City become of importance if this millinery price line is to survive.

**Millinery priced at above \$7.50 and including \$13.50 a dozen.**

The average price charged for this millinery was \$11.83 a dozen, or 98.6 cents a hat. The gross sales price was much lower than this in New Jersey, or 73.6 cents a hat, and in the Philadelphia and Trenton area, where it was 90 cents a hat. Hats were sold gross at a little less than a dollar by Missouri and Texas firms and at a little more than a dollar by firms in Massachusetts, in Illinois, and on the Pacific coast. These figures are the averages of all hats sold in this price range.

TABLE XLI.—Average amount per hat of selling price, costs, and net returns to firm members, by prevailing price of hat and by area

Production area	Gross selling price per hat	Discounts, allowances, and returns per hat	Net selling price per hat	Manufacturing costs per hat	Gross margin per hat	Sales, operating, financial expenses per hat	Net returns to firm per hat
\$7.50 AND BELOW (98 FIRMS REPORTING)							
All areas.....	\$0.550	\$0.038	\$0.512	\$0.411	\$0.101	\$0.071	+\$0.030
New York City.....	.559	.036	.523	.421	.102	.070	+.032
Up-State New York and Connecticut.....	.419	.018	.401	.326	.075	.052	+.023
Northern New Jersey.....	.561	.047	.514	.421	.093	.077	+.016
Massachusetts.....	.585	.032	.553	.416	.137	.100	+.037
Texas.....	.593	.056	.537	.392	.145	.076	+.069
Illinois.....	.605	.049	.556	.423	.133	.074	+.059
Cleveland, Detroit, and Milwaukee.....	.625	.059	.566	.415	.151	.116	+.035
Missouri.....	.622	.060	.562	.455	.107	.062	+.045
ABOVE \$7.50 AND INCLUDING \$13.50 (163 FIRMS REPORTING)							
All areas.....	\$0.986	\$0.088	\$0.898	\$0.728	\$0.170	\$0.131	+\$0.039
New York City.....	.994	.088	.906	.736	.170	.134	+.036
Northern New Jersey.....	.736	.056	.680	.532	.148	.118	+.030
Philadelphia and Trenton.....	.900	.082	.818	.615	.213	.109	+.104
Massachusetts.....	1.061	.102	.959	.794	.165	.106	+.059
Texas.....	.995	.092	.903	.712	.191	.161	+.030
Illinois.....	1.010	.081	.929	.753	.176	.135	+.041
Missouri.....	.997	.100	.897	.746	.151	.122	+.029
Los Angeles.....	1.063	.082	.981	.694	.287	.127	+.160
San Francisco.....	1.092	.066	1.026	.760	.266	.173	+.093
ABOVE \$13.50 AND INCLUDING \$24 (57 FIRMS REPORTING)							
All areas.....	\$1.520	\$0.152	\$1.368	\$1.097	\$0.271	\$0.224	+\$0.047
New York City.....	1.654	.160	1.494	1.224	.270	.208	+.062
Northern New Jersey.....	1.430	.165	1.262	.964	.298	.210	+.088
Philadelphia and Trenton.....	1.226	.124	1.102	.947	.155	.106	+.049
South Atlantic area.....	1.218	.132	1.086	.823	.263	.211	+.052
Texas.....	2.000	.178	1.822	1.514	.308	.239	+.069
Illinois.....	1.239	.109	1.130	.871	.259	.176	+.083
Missouri.....	1.461	.174	1.287	.952	.335	.284	+.051
Los Angeles.....	1.441	.141	1.300	1.044	.256	.207	+.049
San Francisco.....	1.720	.115	1.605	1.439	.166	.301	-.135
ABOVE \$24 AND INCLUDING \$48 (48 FIRMS REPORTING)							
All areas.....	\$2.969	\$0.270	\$2.699	\$2.136	\$0.563	\$0.405	+\$0.158
New York City.....	2.890	.280	2.610	2.096	.514	.380	+.134
Texas.....	3.000	.344	2.656	2.163	.493	.405	+.088
Illinois.....	2.935	.262	2.673	2.024	.649	.445	+.204
Los Angeles.....	3.250	.238	3.012	2.295	.717	.507	+.210
San Francisco.....	3.206	.226	2.980	2.359	.621	.360	+.261
ABOVE \$48 (20 FIRMS REPORTING)							
All areas.....	\$5.919	\$0.531	\$5.388	\$4.049	\$1.339	\$0.974	+\$0.365
New York City.....	6.560	.616	5.944	4.493	1.451	1.042	+.409
Los Angeles.....	4.908	.422	4.486	3.292	1.194	.725	+.469
San Francisco.....	5.161	.404	4.757	3.587	1.170	1.048	+.122

The net selling price for hats in this price range was 90.6 cents a hat in New York City. It was approximately the same in Texas and was 1 cent less in Missouri. Northern New Jersey firms sold their hats net at 68 cents a hat, the Philadelphia and Trenton area at 81.8 cents a hat. All other production areas sold goods at higher net prices than New York City, reaching \$1.026 in San Francisco. After manufacturing costs were deducted, the gross margin was 17 cents in New York City firms. It was higher in the Philadelphia area, in Texas, in Illinois, and on the Pacific coast, but lower in northern New Jersey, Massachusetts, and Missouri. After costs of selling, shipping, office, and miscellaneous overhead were deducted, the margin left for firm members was 3.6 cents a hat in New York City, or less than 4 percent of the net selling price. It was even less per hat among northern New Jersey firms and Texas firms. And Missouri firms in this price bracket had but 2.9 cents a hat for their services and profit. Pacific coast and Philadelphia and Trenton firms were most successful on hats at this price, as there was a margin of 16 cents in Los Angeles, of 9.3 cents in San Francisco, and of 10.4 cents in the Philadelphia and Trenton area.

As this price of hat is the largest volume number and is made in every production area, its successful manufacture is of great importance to the firms and to the employees in the industry.

#### **Millinery priced at above \$13.50 and including \$24 a dozen.**

The average gross price at which millinery in this price range was sold was \$18.24 a dozen, or \$1.52 a hat. The range in such price from was \$2 a hat in Texas to \$1.218 in the South Atlantic area. The net selling price ranged from \$1.822 in Texas to \$1.086 in the South Atlantic area. For this class of millinery New York City's average net price was \$1.494 a hat; that of Illinois was \$1.13.

After all costs chargeable to manufacturing were deducted, the gross margin in New York City was 27 cents. It was about the same in the South Atlantic area, Illinois, and Los Angeles, it was higher in Missouri and Texas, and was much lower in the Philadelphia area and San Francisco. When all other expenses of operation were subtracted, the net return to New York City employers was 6.2 cents a hat, or over 4 percent of the net selling price. Net returns to firm members were better in northern New Jersey, with 8.8 cents a hat, and in Illinois, with 8.3 cents. In the Philadelphia area, the South Atlantic area, Los Angeles, and Missouri, the net returns were approximately 5 cents a hat. San Francisco firms failed to meet operating expenses on these hats.

#### **Millinery in higher price ranges.**

Millinery in the price range above \$24 and including \$48 was sold at a gross price of \$35.63 a dozen, or \$2.969 a hat. The net selling price on these hats was \$2.699 apiece. The net price averaged \$3.012 in Los Angeles, \$2.98 in San Francisco, and \$2.61 in New York City.

After all manufacturing costs were deducted, the gross margin was 51.4 cents a hat among New York City producers, in Texas it was 49.3 cents, and in Los Angeles it was 71.7 cents. And after all other expenses were deducted, New York City firms had net returns of 13.4 cents a hat, Illinois firms made 20.4 cents, Los Angeles firms 21 cents

and San Francisco firms 26.1 cents. Texas firms made operating expenses with but 8.8 cents net on these hats.

Hats in the price range of above \$48 bore an average gross sales price of \$71 a dozen or \$5.919 a hat, and a net price of \$5.388 a hat. Hats made by New York City manufacturers were sold at materially higher prices than those made on the Pacific coast. The manufacturing costs were correspondingly higher in New York City, leaving a gross margin per hat of \$1.451 in New York City, of \$1.194 in Los Angeles, and of \$1.17 in San Francisco. After all other expenses were deducted, New York City employers had 40.9 cents a hat for their own use, Los Angeles employers had 46.9 cents, and San Francisco firms had but 12.2 cents.

A summary of what millinery firms' returns were under 1937 conditions—returns for their own services as well as any profit on investment or for reinvestment in the business—gives the following: On hats in the lowest price group, they made 3 cents a hat; on those at above \$7.50 and including \$13.50 a dozen, 3.9 cents; on those at above \$13.50 and including \$24, 4.7 cents; on those at above \$24 and including \$48, 15.8 cents; and on those at above \$48, 36.5 cents. The ratio to the net sales price was highest on hats at above \$48, for which there is least reported demand; these brought a net return of 6.77 percent of the net selling price. Hats in the price group next lower and the lowest-priced hat had about the same ratio to net selling price (5.88 percent), while on the volume number above \$7.50 and including \$13.50 the ratio was but 4.34 percent.

## VII. INCOME ACCOUNTS OF MILLINERY FIRMS

### "NET PROFITS" AND "BOOK PROFIT OR LOSS"

As has been stated, millinery firm members are active participants in the management of the business and often perform other functions. Consequently, they make cash withdrawals with some regularity during the year. These withdrawals may well be considered as payment for services rendered, but they constitute income of the millinery business as much as do profits that accrue at the end of the year. Under such operating conditions the showing of profits on the books at the end of the year may depend on the size of firm-member withdrawals during the year rather than the profitableness of the business. If withdrawals are sufficiently limited in relation to the condition of the business, additional profit may be available for withdrawal or reinvestment as the books are closed; but if withdrawals are out of line with the business done, the result may be a book or a real loss. Throughout the following tables and discussion, "net profit" is the net return before firm members' withdrawals, and "book profit or loss" is the bookkeeping entry after firm members' withdrawals have been deducted.

Of 458 firms reporting details on sales, costs, and withdrawals, 49, or 11 percent, made no net profit in 1937; that is to say, their costs of carrying on the manufacture exceeded the revenues therefrom without any payments to firm members. It must be remembered that these 49 firms with actual losses in 1937 were still operating in the spring of 1938 and that firms going out of business in 1937 are not included in this income accounting. There were, therefore, 409 firms that had a net profit before firm-member withdrawals had been deducted. Of this number 144, or 31 percent of the 458 firms reporting, also showed a book profit after firm members' withdrawals. While this condition may indicate only that among the 144 firms were some with a more conservative attitude toward monthly withdrawals, it is significant that for this group as a whole the net profits were 7.67 percent as compared with 5.92 percent for the entire 409 firms.

Operations at a loss were reported in every production area but the small ones of Connecticut and New York State, Philadelphia and Trenton, and Cleveland, Detroit, and Milwaukee. While the number of firm losses was small except in New York City, the proportion was large enough to affect the total showing of net profits and must be taken into consideration when reviewing the total profits for all 458 firms. For all firms combined, the net profit of the 1937 millinery business was 4.9 percent of net sales. The profit was highest in Texas and Los Angeles, with over 8 percent, and next highest in the Philadelphia and Trenton area, with 7.6 percent.

Although individual New York City firms made higher profits than elsewhere, when areas are considered as units, Texas and Los Angeles show the most profitable millinery business operations. When firms operating at a loss were eliminated, the net profit was 10.25 percent in Texas and 8.15 percent in Los Angeles, and firms with best operations made respectively 11.23 percent and 10.87 percent as net profit.

As there were no losses reported in the Philadelphia-Trenton area and only one firm did not show a book profit after firm withdrawals,

there is a uniform net profit shown here of over 7 percent. The Connecticut and New York State area, also small, reported 6.27 percent net profit on net sales; firms in this area made smaller firm withdrawals than those in other regions, so they had a considerable book profit.

The Illinois area, with two firms operating at a loss, had a net profit of 6.03 percent. With these firms eliminated, the net profit was 6.74 percent. When only those showing book profit after firm members' withdrawals are considered, Illinois firms had approximately 9 percent net profit. The Cleveland area follows Illinois closely, the net for all being 5.23 percent and for those with best business 8.87 percent.

San Francisco's profit statement for all manufacturers reveals the effect of losses by two firms, for while the net profit for all firms was 4.7 percent, it was 6 percent when these were eliminated, and it was 14.12 percent for the firms having the most lucrative business in 1937. Massachusetts figures for all firms also reflect heavy losses in the total. When the losing firms were eliminated the net profit for Massachusetts was 6.19 percent of the net sales. The South Atlantic area's total also was influenced unduly by firm losses; the firms reporting on costs represent only a part of the area, and their condition may not be indicative of the business in this section.

When consideration is given to firms that were able to meet all expenses, it is found that the lowest net profit was among northern New Jersey firms, with but 4.25 percent. Among larger areas Missouri came next, with but 5.12 percent, and New York City firms were third, with 5.79 percent. When only those firms are considered that showed a book profit after firm members' withdrawals, the Massachusetts area has a smaller profit than New Jersey. Other areas, however, follow in the same order as in the larger groups.

### INCOME RELATED TO SALES

The percentage of net profit decreases as the volume of sales increases. Firms doing a business of \$50,000 and under had net profits—that is, profits before firm members' withdrawals were made—of 7.47 percent; in the next business-volume group, net profits were 6.06 percent. When sales were over \$100,000 and including \$200,000, net profits were 5.61 percent; when over \$200,000 and including \$300,000, they were 4.86 percent; when over \$300,000 and including \$500,000, they were 3.09 percent; and when over \$500,000, they were 2.46 percent.

#### Net sales of \$50,000 and under.

When the average net profit per firm is shown in dollars, the order of actual gain is reversed. Firms doing the smallest volume of business averaged but \$2,284 for the year, to be divided usually between two members as their year's income. Actually the withdrawals of firm members exceeded this amount, as a loss of 2.7 percent was shown on the firm books. This loss was more than a book loss in 18 of the 151 firms in this business-volume group, but 133 firms that averaged withdrawals of \$3,255 sustained only book losses, for their net profit was \$2,831. Twenty-two percent of the firms with businesses of \$50,000 and less made a profit over and above firm members' withdrawals. For these firms the net profits were 13.8 percent, or \$4,321 per firm. When it is realized that most firms have two members, the actual net profits yielded them by these small businesses seem inconsiderable, to say the least.

TABLE XLII.—Income accounts in relation to net sales of millinery firms according to book profit shown, by area

Production area	All firms reporting					Firms showing profit before firm members' withdrawals					Firms showing profit after firm members' withdrawals				
	Number of firms	Percent of net sales that were—				Number of firms	Percent of net sales that were—				Number of firms	Percent of net sales that were—			
		Cost of doing business	Net profit	Firm members' withdrawals	Book profit (+) or loss (—)		Cost of doing business	Net profit	Firm members' withdrawals	Book profit (+) or loss (—)		Cost of doing business	Net profit	Firm members' withdrawals	Book profit (+) or loss (—)
All areas.....	458	95.1	4.90	5.6	-0.74	409	94.1	5.92	5.9	+0.05	144	92.3	7.67	5.8	+1.87
New York City.....	292	95.1	4.91	5.9	- .95	281	94.2	5.79	6.0	- .25	86	92.3	7.70	6.1	+1.59
Up-State New York and Connecticut.....	5	93.7	6.27	3.6	+2.66	5	93.7	6.27	3.6	+2.66	3	92.9	7.11	2.7	+4.39
Northern New Jersey.....	17	95.9	4.07	4.3	- .23	15	95.7	4.25	4.2	+ .04	4	94.0	5.96	5.1	+ .91
Philadelphia and Trenton.....	5	92.4	7.60	6.1	+1.51	5	92.4	7.60	6.1	+1.51	4	92.6	7.37	5.6	+1.80
Massachusetts.....	17	97.8	2.22	4.3	-2.06	14	93.8	6.19	5.7	+ .53	7	94.2	5.80	5.2	+ .65
South Atlantic area.....	3	97.1	2.94	5.1	-2.18	2	95.2	4.81	5.2	- .41	(1)				
Texas.....	8	91.5	8.46	9.7	-1.24	6	89.7	10.25	10.8	- .58	2	88.8	11.23	7.7	+3.50
Illinois.....	39	94.0	6.03	5.8	+ .22	37	93.3	6.74	6.0	+ .68	9	91.0	8.96	6.3	+2.69
Cleveland, Detroit, and Milwaukee.....	6	94.8	5.23	5.9	- .69	6	94.8	5.23	5.9	- .69	2	91.1	8.87	7.2	+1.71
Missouri.....	25	96.1	3.89	5.3	-1.44	20	94.9	5.12	5.3	- .23	11	93.0	7.04	5.5	+1.47
Los Angeles.....	28	92.0	8.02	6.3	+1.75	27	91.8	8.15	6.3	+1.92	12	89.1	10.87	6.4	+4.51
San Francisco.....	13	95.3	4.70	5.4	- .69	11	94.0	6.00	5.3	+ .71	3	85.9	14.12	5.8	+8.32

<sup>1</sup> Represents too small a part of area.

TABLE XLIII.—Income accounts of firms by amount of net sales—all areas

Income accounts	All firms		Firms doing business of—											
			\$50,000 and under		Over \$50,000, including \$100,000		Over \$100,000, including \$200,000		Over \$200,000, including \$300,000		Over \$300,000, including \$500,000		Over \$500,000	
	Average amount	Percent of net sales	Average amount	Percent of net sales	Average amount	Percent of net sales	Average amount	Percent of net sales	Average amount	Percent of net sales	Average amount	Percent of net sales	Average amount	Percent of net sales
ALL FIRMS														
	(458 firms)		(151 firms)		(124 firms)		(117 firms)		(36 firms)		(21 firms)		(9 firms)	
Net sales.....	\$117,602	100.0	\$30,552	100.0	\$71,676	100.0	\$137,100	100.0	\$241,021	100.0	\$364,162	100.0	\$888,379	100.0
Cost of doing business.....	111,838	95.1	28,268	92.5	67,333	93.9	129,403	94.4	229,303	95.1	352,880	96.9	866,515	97.5
Net profit <sup>1</sup> .....	5,763	4.90	2,284	7.47	4,344	6.06	7,697	5.61	11,718	4.86	11,282	3.09	21,864	2.46
Firm members' withdrawals.....	6,644	5.6	3,111	10.2	5,297	7.4	8,466	6.2	11,107	4.6	14,030	3.9	25,684	2.9
Book profit (+) or loss (-).....	-880	-7.74	-827	-2.70	-953	-1.32	-769	-5.66	+611	+2.25	-2,748	-7.5	-3,820	-4.3
FIRMS SHOWING PROFIT BEFORE FIRM WITHDRAWALS														
	(409 firms)		(133 firms)		(110 firms)		(104 firms)		(35 firms)		(19 firms)		(8 firms)	
Net sales.....	\$118,609	100.0	\$30,446	100.0	\$71,904	100.0	\$137,063	100.0	\$242,012	100.0	\$368,061	100.0	\$854,251	100.0
Cost of doing business.....	111,579	94.1	27,615	90.7	66,655	92.7	127,943	93.3	229,934	95.0	353,052	95.9	821,141	96.1
Net profit <sup>1</sup> .....	7,030	5.92	2,831	9.29	5,249	7.29	9,120	6.65	12,077	4.99	15,009	4.07	33,110	3.87
Firm members' withdrawals.....	6,965	5.9	3,255	10.7	5,507	7.7	8,936	6.5	11,242	4.7	14,436	3.9	26,595	3.1
Book profit (+) or loss (-).....	+65	+0.5	-424	-1.39	-258	-3.5	+185	+1.3	+835	+3.4	+573	+1.5	+6,514	+7.6
FIRMS SHOWING PROFIT AFTER FIRM WITHDRAWALS														
	(144 firms)		(33 firms)		(36 firms)		(42 firms)		(22 firms)		(6 firms)		(5 firms)	
Net sales.....	\$144,771	100.0	\$31,351	100.0	\$72,764	100.0	\$139,920	100.0	\$238,224	100.0	\$382,042	100.0	\$756,615	100.0
Cost of doing business.....	133,654	92.3	27,030	86.2	65,807	90.4	127,338	91.0	223,560	93.8	363,500	95.1	707,519	93.5
Net profit <sup>1</sup> .....	11,117	7.7	4,321	13.78	6,957	9.56	12,582	8.99	14,664	6.15	18,542	4.85	49,095	6.48
Firm members' withdrawals.....	8,406	5.8	3,412	10.9	5,607	7.7	9,842	7.0	11,418	4.8	12,492	3.3	31,282	4.1
Book profit (+) or loss (-).....	+2,711	+1.87	+909	+2.89	+1,349	+1.85	+2,740	+1.95	+3,246	+1.36	+6,050	+1.58	+17,814	+2.35

<sup>1</sup> Firm income before firm members' withdrawals.

**Net sales of over \$50,000 and including \$100,000.**

One hundred and twenty-four firms reported net sales of over \$50,000 and including \$100,000 in 1937. The average amount available for firm members after all expenses were met was \$4,344. As in the case of smaller businesses, firm members' withdrawals exceeded this amount, leaving a book loss of 1.3 percent. Actual loss before firm members' withdrawals was sustained by 14 of the 124 firms, or 11 percent. The remaining firms had an average net profit of \$5,249. About 30 percent of the firms had average net profits of about \$7,000. These reported smaller firm-member withdrawals and a book profit.

**Net sales of over \$100,000.**

When sales exceeded \$100,000 and included \$200,000, the average net profit of all firms combined, before firm members' withdrawals, was \$7,697. In this group 13 of 117 firms, or 11 percent, operated at a real loss, while about 36 percent averaged net profits of \$12,582 and book profits of \$2,740.

The numbers of firms decrease markedly when volume of net sales exceeds \$200,000. For firms selling over \$200,000 and including \$300,000, the average net profit was \$11,718; for those selling over \$300,000 and including \$500,000, the average was \$11,282; and for those doing a business of over \$500,000, net profits were \$21,864. In each of these groups doing a large business, however, there were one or two firms that operated at a real loss in 1937.

While real losses occurred in both large and small businesses, they were more numerous in firms doing a business of \$50,000 or less; and while net profits were made in both large and small businesses, not until the business is over \$200,000 is the average yield per firm as much as \$10,000.

**Production areas.**

What were the differences in income by volume of business in the several production areas?

Firms in Los Angeles doing a business of \$50,000 or less had net profits of 11.68 percent of sales, though the average firm earnings were but \$3,106. New York City firms of this size had net profits of 8.06 percent, an average of but \$2,534 each for the 90 firms reporting. Northern New Jersey firms made so little over expenses that withdrawals by firm members left some bills unpaid. However, 1 New Jersey firm in this group made 8 and under 10 percent profits.

Firms whose volume of sales was over \$50,000 and including \$100,000 had their largest net profits, 12.76 percent, in the Philadelphia and Trenton area, where business yielded an average of \$7,032 to each firm. In Illinois the net profits were 9.16 percent, the average amount being \$6,625. In New York City firms earned 5.55 percent, net profits averaging \$4,083 for firm members.

When all firms having net sales of over \$100,000 are considered together, Texas shows the largest relative net profits, for firms' earnings were 11.01 percent of sales. In Los Angeles they were 7.10 percent, in Connecticut and New York State 6.05 percent, in Illinois and San Francisco between 5 and 6 percent, and in New York City 4.38 percent. The percentage was lowest in Massachusetts and next lowest in the South Atlantic area. The average amount available

for firm members' services and interest on investment ranged from \$7,349 to \$23,513 in the various production areas. For firms doing a business of over \$100,000 total earnings were from approximately \$11,500 to \$13,000 in Illinois, Los Angeles, Connecticut and New York State, and northern New Jersey. In San Francisco the average for all firms with these larger businesses was \$9,307, in New York City it was \$9,081, in Massachusetts \$8,222, and in Missouri \$7,788. The figures cited are net profits before any firm withdrawals were made.

TABLE XLIV.—*Distribution of net profits before firm members' withdrawals, by volume of sales and principal production area*<sup>1</sup>

Production area	Number of firms reporting	Net profit before firm members' withdrawals		Percent of firms operating at a loss	Percent of firms operating at a net profit of—					
		Average amount	Percent of net sales		Under 4 percent	4 percent, under 6 percent	6 percent, under 8 percent	8 percent, under 10 percent	10 percent, under 12 percent	12 percent and over
FIRMS DOING BUSINESS OF \$50,000 AND UNDER										
Total .....	151	\$2,284	7.47	11.9	17.9	9.9	10.6	13.2	8.6	27.8
New York City .....	90	2,534	8.06	10.0	14.4	10.0	11.1	16.7	8.9	28.9
Northern New Jersey .....	4	49	.14	50.0	25.0	-----	-----	25.0	-----	-----
Massachusetts .....	8	2,302	7.51	25.0	37.5	-----	-----	-----	12.5	25.0
Texas .....	4	2,433	5.83	25.0	-----	-----	25.0	-----	25.0	-----
Illinois .....	17	1,591	6.19	-----	47.1	11.8	11.8	11.8	-----	17.6
Missouri .....	6	1,905	5.93	16.7	-----	33.3	16.7	-----	16.7	-----
Los Angeles .....	12	3,106	11.68	8.3	8.3	8.3	-----	8.3	16.7	41.7
San Francisco .....	7	756	2.65	28.6	14.3	-----	14.3	-----	-----	42.9
FIRMS DOING BUSINESS OF OVER \$50,000 AND INCLUDING \$100,000										
Total .....	124	\$4,344	6.06	11.3	18.5	15.3	22.6	12.1	6.5	13.7
New York City .....	85	4,083	5.55	12.9	22.4	15.3	22.4	8.2	7.1	11.8
Northern New Jersey .....	3	6,672	9.79	-----	-----	33.3	33.3	-----	-----	33.3
Philadelphia and Trenton .....	4	7,032	12.76	-----	-----	-----	-----	50.0	-----	50.0
Massachusetts .....	3	4,443	7.70	-----	-----	33.3	-----	66.7	-----	-----
Illinois .....	8	6,625	9.16	-----	12.5	-----	25.0	25.0	12.5	25.0
Cleveland, Detroit, and Milwaukee .....	4	3,495	4.99	-----	50.0	-----	25.0	25.0	-----	-----
Missouri .....	4	53	.07	50.0	-----	-----	25.0	-----	-----	25.0
Los Angeles .....	8	5,956	8.31	-----	-----	37.5	25.0	12.5	12.5	12.5
San Francisco .....	3	3,497	5.19	-----	33.3	33.3	33.3	-----	-----	-----
FIRMS DOING BUSINESS OF OVER \$100,000										
Total .....	183	\$9,596	4.35	9.3	31.1	22.4	13.1	9.8	7.1	7.1
New York City .....	117	9,081	4.38	9.4	26.5	27.4	10.3	12.0	10.3	4.3
Up-State New York and Connecticut .....	4	11,791	6.05	-----	25.0	25.0	25.0	25.0	-----	-----
Northern New Jersey .....	10	11,530	3.86	-----	60.0	20.0	20.0	-----	-----	-----
Massachusetts .....	6	8,222	1.53	16.7	16.7	33.3	16.7	16.7	-----	-----
South Atlantic area .....	3	7,349	2.94	33.3	33.3	-----	33.3	-----	-----	-----
Illinois .....	14	11,438	5.39	14.3	35.7	-----	35.7	7.1	-----	7.1
Missouri .....	15	7,787	4.12	13.3	33.3	20.0	13.3	6.7	-----	13.3
Los Angeles .....	8	12,868	7.10	-----	50.0	-----	-----	-----	12.5	37.5
San Francisco .....	3	9,307	5.29	-----	33.3	33.3	-----	-----	-----	33.3

<sup>1</sup> Record not shown for areas where fewer than 3 firms reported.

## VIII. DISTRIBUTION OF INCOME OF MILLINERY BUSINESS AMONG EMPLOYEES AND EMPLOYERS

Forty-one percent of the net sales figure of all millinery manufacturers combined was available for service of employers and employees after costs of materials, supplies, and overhead were deducted. How was this amount divided? The productive labor force—blockers, cutters, operators, trimmers, and general factory service—was paid 25.4 percent of the net-sales figure; the nonproductive labor force, including foremen, designers, shipping, and office workers, received 5.4 percent; the sales force was paid 4.9 percent in salaries and commissions; and there was left for firm members or for reinvestment in the business, 4.86 percent. As a matter of fact, however, firm members withdrew more than the earnings warranted, or 5.6 percent.

In shops doing a business in 1937 of \$50,000 or less the proportions of net sales that went to the productive and the nonproductive workers were slightly smaller than those for all firms combined, and the amount withdrawn by employers was 10.3 percent though the business warranted but 7.53 percent. It would appear that in businesses of this size, even when employers take out only what is earned, the productive workers' earnings are but  $3\frac{1}{2}$  times the employers' earnings.

The proportion going to productive employees was 25.5 percent for businesses of over \$50,000 and including \$100,000, or  $4\frac{1}{2}$  times what the employers earned. In firms doing a business of more than \$100,000 and including \$200,000, productive workers received the largest proportion, or 26 percent, which was  $4\frac{1}{2}$  times the amount the employers earned. In businesses larger than this the proportion received by productive workers was but little above 25 percent. This figure is, however, increasingly large in its relation to employers' earnings; in businesses of over \$500,000 it is 10 times as great.

The proportion of the net sales received by the nonproductive staff was lowest in the smallest establishments and highest in the largest. Between these, however, the proportion decreased as size of business increased. The amount paid the sales force was proportionately lower in the larger businesses and reached its maximum in those of over \$50,000 and including \$100,000.

The amounts available for services of all kinds, after deduction of expenses for materials, equipment and supplies, and overhead, varied with production area. In New York City's smallest firms, 41.2 percent of net sales was left, in those of Illinois 43.6 percent, and of Los Angeles 47.3 percent, but in Massachusetts only 35.1 percent of net sales was available, and in Texas only 32.4 percent. Naturally, the proportion that could be made available to any group of workers would vary accordingly.

TABLE XLV.—*Distribution of income to employees and employers from millinery business, by amount of net sales and by area*

Area and amount of net sales per firm	Number of firms	Percent of net sales that went to—				
		Productive workers <sup>1</sup>	Nonproductive workers <sup>2</sup>	Sales force	Withdrawals of firm members	Profit (+) or loss (—)
All areas—total.....	451	25.4	5.4	4.9	5.6	-0.74
\$50,000 and under.....	146	24.0	4.2	5.2	10.3	-2.77
Over \$50,000, including \$100,000.....	123	25.5	5.6	5.6	7.4	-1.33
Over \$100,000, including \$200,000.....	116	26.0	5.4	5.2	6.2	- .53
Over \$200,000, including \$300,000.....	36	25.3	5.3	5.1	4.6	+ .25
Over \$300,000, including \$500,000.....	21	25.2	5.1	4.1	3.9	- .75
Over \$500,000.....	9	25.3	6.2	4.0	2.9	- .43
New York City—total.....	292	26.2	5.5	4.7	5.9	- .95
\$50,000 and under.....	90	23.7	4.1	5.3	10.9	-2.83
Over \$50,000, including \$100,000.....	85	25.8	5.7	5.7	7.2	-1.63
Over \$100,000.....	117	26.6	5.6	4.4	4.9	- .55
Up-State New York and Connecticut—total <sup>3</sup> .....	5	19.7	2.9	3.7	3.6	+2.66
Over \$100,000.....	4	19.6	2.9	3.4	2.8	+3.25
Northern New Jersey—total.....	17	22.7	4.8	6.1	4.3	- .23
\$50,000 and under.....	4	24.4	4.4	6.3	7.7	-7.58
Over \$50,000, including \$100,000.....	3	20.6	4.8	6.3	9.1	+ .73
Over \$100,000.....	10	22.8	4.8	6.1	3.8	+ .04
Philadelphia and Trenton—total <sup>3</sup> .....	5	20.5	3.6	3.6	6.1	+1.51
Over \$50,000, including \$100,000.....	4	19.8	3.8	5.0	10.5	+2.23
Massachusetts—total.....	16	22.6	5.4	4.6	4.3	-2.07
\$50,000 and under.....	7	17.7	3.3	6.2	8.7	- .84
Over \$50,000, including \$100,000.....	3	22.3	3.7	4.3	6.7	+ .97
Over \$100,000.....	6	23.0	5.7	4.6	3.9	-2.32
South Atlantic area—total—over \$100,000.....	3	18.0	6.1	7.2	5.1	-2.18
Texas—total.....	8	15.6	4.2	4.3	9.7	-1.24
\$50,000 and under.....	4	18.4	5.9	2.3	8.9	-3.08
Over \$50,000, including \$100,000.....	2	18.9	3.6	9.1	4.8	-1.13
Over \$100,000.....	2	13.4	3.6	3.5	11.6	- .54
Illinois—total.....	35	28.4	5.4	5.3	5.9	+ .22
\$50,000 and under.....	13	27.5	3.5	5.8	8.3	-1.50
Over \$50,000, including \$100,000.....	8	26.9	4.4	5.7	9.1	+ .02
Over \$100,000.....	14	28.8	5.8	5.2	4.9	+ .47
Cleveland, Detroit, and Milwaukee—total.....	6	22.1	6.2	6.9	5.9	- .69
\$50,000 and under.....	2	15.2	8.0	7.4	9.4	-2.22
Over \$50,000, including \$100,000.....	4	22.9	6.0	6.8	5.5	- .51
Missouri—total.....	25	25.9	5.6	4.2	5.3	-1.44
\$50,000 and under.....	6	28.7	2.7	1.4	7.9	-1.96
Over \$50,000, including \$100,000.....	4	30.1	4.1	3.3	8.0	-7.93
Over \$100,000.....	15	25.3	5.9	4.5	4.9	- .78
Los Angeles—total.....	26	25.0	5.8	6.1	6.2	+2.09
\$50,000 and under.....	12	25.4	4.7	5.5	12.4	- .73
Over \$50,000, including \$100,000.....	7	25.8	7.4	4.0	7.7	+ .18
Over \$100,000.....	7	24.5	5.4	7.1	4.1	+3.49
San Francisco—total.....	13	27.2	6.9	7.0	5.4	- .69
\$50,000 and under.....	7	27.7	8.2	5.2	8.4	-5.79
Over \$50,000, including \$100,000.....	3	27.4	7.7	7.1	5.5	- .26
Over \$100,000.....	3	26.9	6.1	7.6	4.2	+1.06

<sup>1</sup> Blockers, cutters, operators, trimmers, general.<sup>2</sup> Foremen, designers, shipping, office.<sup>3</sup> Total exceeds details because data not shown separately where too few firms reported.

Among firms doing a business of over \$100,000, the four areas with 10 or more such firms had proportions of net sales available for services and profits that varied from 37.5 percent in northern New Jersey to 45.2 percent in Illinois. Missouri and New York City firms fell between, with respectively 39.8 percent and 40.9 percent left for these needs.

The States ranked in the same order as this in the proportion paid out for productive labor and in the final residual amount available for employers' withdrawals and reinvestments, these two items, for the four States, being as follows: Northern New Jersey, 22.8 percent and 3.8 percent; Missouri, 25.3 percent and 4.1 percent; New York City, 26.6 percent and 4.4 percent; and Illinois, 28.8 percent and 5.4 percent.

# Appendix A—SCHEDULE FORMS <sup>1</sup>

## SCHEDULE I

UNITED STATES DEPARTMENT OF LABOR  
WOMEN'S BUREAU  
WASHINGTON

### MILLINERY FIRM SCHEDULE

[Sheet 1]

Date.....

Agent.....

City.....

1. Firm name ..... 2. Address .....
3. Persons interviewed and title .....
4. Corporation ..... Partnership ..... Individual ..... Contract firm.....
5. Number of firm members ..... 6. Work done by firm members.....
7. Firm in business since ..... In city since ..... Came from.....
8. Price range of hats: Lowest ..... Highest ..... Largest volume .....
9. Operating methods: Own designer ..... Manufactured from submitted samples ..... Other .....
10. Selling methods:
 

Firm's salesman.....	Salary .....	Sell in shop.....
	Commission.....	Sell on road.....
	Salary and commission.....	Both .....
Group commission salesman .....	Resident buyer .....	Other .....
11. Percent sales to jobbers ..... Syndicate or chain store ..... Retailers.....
- Main price of hat .....
12. Discount on sales .....
 

Special .....		
Extra service .....		
13. Percent returns from .....
14. Purchasing practices (materials) .....
15. Credit facilities: Bank ..... Finance company ..... Supply houses .....
- Other .....
16. Production 1937:
 

Type hat	Price range	Dozens produced	Gross sales
.....	.....	.....	.....
.....	.....	.....	.....
.....	.....	.....	.....
.....	.....	.....	.....
- Returns ..... Net sales .....
17. Employees: 1937 (From sheet 2 if taken).
 

Employer's statement:	Total	Cutters	Blockers	Operators	Trimmers	General factory	All other
Usual number.....	.....	.....	.....	.....	.....	.....	.....
18. Method of pay.....
 

Standard overtime .....	
Remarks.....	
19. Usual weekly schedule of hours ..... Daily .....
20. New workers: Trained in shop ..... Trade school ..... Other .....

<sup>1</sup> For instructions to agents, see p. 124.



[Sheet 3]

**FIRM PRODUCTION**

*Firm name*----- *Address*-----

Dates	Number of workers	Type hat	Price range	Production	Value	Total earnings
					\$	\$
[Data obtainable were insufficient for inclusion]						

[Sheet 4]

**INDIVIDUAL PRODUCTION**

[Schedule II substituted for this; see p. 123]

[Sheet 5]

**INDIVIDUAL ANNUAL EARNINGS**

*Firm name*-----

Occupation	Sex	Weeks worked	Annual earnings	Occupation	Sex	Weeks worked	Annual earnings
[Space allowed for each employee's earnings]							

[Sheet 6]

**TOTAL OPERATING COSTS: 1937**

Firm name ----- City -----

**1. Manufacturing costs:**

- (a) Labor:
  - Productive..... \$.....
  - General factory.....
  - Foremen or women.....
  - Designing.....
- (b) Materials:
  - Ind. bodies, yardage.....
  - Linings, labels, sweat bands, ribbons, ornaments.....
- (c) Other:
  - Equipment adjustment and repairs.....
  - Blocks and dies.....
  - Electricity.....
  - Gas or steam.....
  - Rent.....
  - Insurance.....

*When factory is owned by firm, state building upkeep and repairs, and building insurance, taxes, other building ownership costs.*

TOTAL.....

**2. Selling costs:**

- Salaries or commission.....
- Advertising.....
- Traveling and entertaining.....
- TOTAL.....

**3. Shipping costs:**

- Labor costs.....
- Packing supplies.....
- Expressage, parcel post, and carfares.....
- TOTAL.....

**4. Office:**

- Salaries.....
- Supplies and printing.....
- Telephone and telegraph.....
- Postage.....
- Credit service.....
- Association dues.....
- TOTAL.....

**5. Administrative:**

- Officers' salaries.....
- Legal, auditing, and other special services.....
- Interest.....

**6. Taxes:**

- Corporate.....
- Old age.....
- Unemployment.....

**7. Bad debts**.....

**8. Depreciation\***.....

**9. Sundries**.....

**Number of machines:**

-----  
 -----  
 -----  
 -----

\*State value of equipment upon which depreciation is based. If new machinery is purchased and listed on books, state amount.

SCHEDULE II  
INDIVIDUAL EMPLOYEE'S CARD

[Front]

Name or number of employee... Male  || Firm.....

Female

Occupation..... || City.....

Earnings week ended March \_\_, 1938 .....

	HOURS WORKED				NUMBER OF HATS			
	Begin	End	Lunch period	Total time worked	Single	Piece price	Dozen	Piece price
Monday								
Tuesday								
Wednesday								
Thursday								
Friday								
Saturday								

[Back]

**INSTRUCTIONS**

Mark down your time, production, and earnings record for one week.  
Give exact hour you began and ended work each day and time out for lunch.

EXAMPLE:

<i>Begin</i>	<i>End</i>	<i>Lunch period</i>
9:10	3:40	12 to 1

Give hats handled at different prices each day.

EXAMPLE:

<i>Single</i>		<i>Piece price</i>
20	@	20¢
3	@	40¢

Be sure your occupation and total earnings for this week are given.

(The confidential information asked on the face of this card is to determine differences in output and earnings per hour in millinery occupations in different cities.)

## Appendix B—INSTRUCTIONS TO AGENTS

WOMEN'S BUREAU

UNITED STATES DEPARTMENT OF LABOR

WASHINGTON

### MILLINERY INDUSTRY STUDY

#### Background.

The Millinery Stabilization Commission, formed at the suggestion of the Mayor of New York in 1935, placed before the Secretary of Labor the continued unhealthy condition of the millinery industry during 1936 and 1937 and requested assistance. The Secretary of Labor instructed the Women's Bureau to undertake the study of manufacturing conditions and ordered that part of the funds necessary for the study be allotted to it by other bureaus in the Department.

#### Purpose.

To diagnose the ills of the industry with a view to the development of plans for its rehabilitation, insofar as those ills can be considered from a study of manufacturing practices and employee and employer relationships.

Major problems to be studied are:

1. Fluctuations in employment, in hours, in earnings, and in production during 1937.
2. Variations in labor productivity by product, by plants, and by areas.
3. Variations in cost of production and receipts.
4. Methods of selling factory products.

It is recognized that such a survey will reveal only a part of the story and that a further survey must be made by another Government department of wholesaling and retailing millinery practices.

#### Scope.

The factory millinery industry throughout the United States. In addition, the major men's hat factories that produce women's tailored hats will be visited to determine competitive labor practices and marketing practices.

(The infants' and children's wear industry, the cap and cloth hat industry, and the millinery supply industry will *not* be included.)

All information will be taken for the year 1937.

### MILLINERY FIRM SCHEDULE

[To be used in millinery factories only]

This schedule is to be secured from all millinery factories operating in 1937. It is recognized that firms out of business when the survey is being made cannot be scheduled, but their number and relative size will be known from records of the supply-distribution association.

All questions but 16, 17, and 18 will be answered by interview with firm members. Questions 16, 17, and 18 will be secured from firm records, details of which will appear on sheets 2 or 3 of schedule. If no records are available, question firm member on subjects and mark source of answers.

[Sheet 1]

#### DETAILED INSTRUCTIONS

3. A member of firm or general manager should be interviewed. If more than one person is interviewed, give both names and their titles.

4. Check type of firm organization. Contract firm is a firm that makes hats from materials cut and furnished by another.

6. Specify carefully part each firm member takes in firm activities.

## EXAMPLE:

First member	{	Manages factory, 80 percent.
		Buys supplies, 20 percent.
Second member	{	Office manager, 25 percent.
		Sells hats, 75 percent.

7. The first question refers to length of time this firm has been in business under this firm name. The second question is to discover if the firm has always been in this city or has moved from some other locality. If from another locality, write name of city and State after "Came from." If the I. P. gives the reason for his moving, ✓ and write "over" and give reason on back of sheet.

8. This refers to the selling price of the hat by the manufacturers. In the less expensive hat it is usually given in dozens, as \$12, \$13.50, \$24, etc., but in the more expensive group this price is given on the individual hat, as \$4, \$6.50, etc. Note after the price whether it is for a dozen or a piece. The range is the least expensive or lowest-priced hat and the most expensive or the highest-priced hat. The largest volume, or greatest production, may be in the lowest- or highest-priced hat or in one between the lowest and highest.

9. If an officer of the company does designing, write "Officer" after "Other." If there is no original designing and hats are not made up from samples, state method under "Other."

10. Does the firm have its own salesmen and, if so, are they paid a straight salary by the week or month or are they paid a commission on their sales or a mixture of the two methods—check under the proper heading. If the salesman deals with his customers on the premises, check after "Sell in shop." If he travels and visits his customers, check after "Sell on road." Sometimes a salesman may do both, and then the check should be after "Both." If a number of manufacturers sell through a commission merchant and this firm uses this method, check after "Group commission salesman." Check "Resident buyer" when contact is with representative of retail trade. Under "Other" state different method of selling and describe the method. If an officer of the company does selling, write "Officer" after "Other."

11. After the word "Jobbers," "Syndicate," "Retailers," give the percent of sales to these different agencies. Underneath these headings and on line with main price range, note the principal price hat sold to each agency. Chain store is to be grouped with Syndicate. If sales to syndicates and chain stores can be divided, give percent to syndicates above and to chain stores below.

12. It is customary to give a discount on sales according to the promptness of the payment or sometimes the volume of the sales. If there is a special discount allowed for some special reason, give reason and amount allowed. Under Extra service should be placed such service as customer's label (if thrown in and not paid for), free advertising, and so forth. Show whether special discount or service is given to jobber, syndicate, or retailer.

13. After hats are delivered to the buyer, frequently part or all of the hats are returned for such reasons as late delivery, not up to specification, or because the buyer fears he cannot sell. Note, if obtainable, the proportions of such returns to gross sales; the percent of sales to jobbers returned, percent of sales to syndicates returned, and percent of sales to retailers returned.

14. Are domestic or imported materials bought? From wholesale house, jobbers, or importers? Is a discount allowed if payment is previous to a certain day of the month, and so forth? Are large stocks bought in advance or is buying only on orders? If not sufficient room on front sheet, write on back and mark (over) on front; on back give number of question.

15. Check whether credit is obtained from banks, finance company, or from supply house—the latter is the house or houses that supply the material for the hats. Other may include friends or relatives.

16. The type of hat refers to whether it is made of felt, of straw, or of braid. The price range is the selling price of the manufacturer; that is, the lowest and highest price. Dozens produced refers to yearly production of hats. Gross sales is the total sales in dollars. Returns can be given either in dollars, in dozens, or in percent of dozens produced or of gross sales. Net sales need not be filled in in the field. If data cannot be secured by type of hat, get total production, and so forth. State how the number of dozens produced is obtained—if verbally given, how was figure arrived at? if from books, how figured? If gross sales are for all types of hats, as is usually the case, give figure on last line under "Gross sales"

and just above "Net sales". Give sales discounts under "Returns." If anticipation discount is given separately, put amount and mark "A. D." above "Returns." Sales discount is not deducted from net sales unless specified.

17. Do not fill in this question if sheet 2 is taken. If no record of numbers, take employer's statement of normal number employed.

18. Under each occupation give method of pay, putting T. for time work, P. for piece work, P. G. for group piece work, T. and P. for time and piece, O. for other and describe other in note on back of schedule. Guaranteed minimum is an hourly or weekly minimum wage guaranteed to a piece worker. If the guaranteed sum is greater than the actual earnings, the difference is made up by the employer. Unless the piece worker earns additional earnings, under "Remarks" should be given any description of minimum rates, such as learners' pay or bonus given.

19. This refers to the usual or regular weekly hours. If the schedule varies in different seasons of the year give changes, but if the variation is from week to week give only the most usual or customary hours. Give daily hours exclusive of meal time. If daily hours vary in different seasons, give variation.

20. Check if new workers are taken without experience under "Trained in shop." If hired from trade school, check under "Trade school." If hired from union, write "Union" after "Other." If there is variation in method for different occupations, write (over) and give details on back of sheet.

[Sheet 2]

**The Purpose** of these data is to determine the fluctuations in employment of each occupational group as shown by earnings of that group, numbers employed, and hours wherever kept.

This record is taken directly from the pay-roll books. Each week is recorded separately, and the date of the week ending is recorded. Unless the total pay roll is given in the pay-roll books, the first two columns under "The pay roll" can be added later from the details that follow.

In this table the number of workers in each group, their total earnings, and total hours worked, are recorded.

The number of cutters recorded as working each week, the total amount earned by all of them, and if available, the total hours worked by all of them should be listed for each week or pay period. This same information should be given for workers in each class listed. For operators the same information should be recorded, but in addition the number of women should be noted. That is, if there are 10 operators and 2 are women, under "Sex" should be recorded 2 W. It is not necessary to give the number of men and if no women are employed leave the space under "Sex" blank.

The blockers are always men and the milliners and trimmers are women, so no space is left for "Sex" under these two occupations. The shipping employees are men. For all other occupations, follow the directions for recording men and women workers given for operators.

If other occupations are listed that cannot come under any one of the headings, write the type of work on line with other headings at right hand side of sheet and below it list the same information—number of workers, sex, amount earned, and hours worked if recorded—as under the other headings.

#### Details.

Lump sum for make-up should be noted. Will the agent please specify over what period and occupations it should be spread. The same method should be employed for vacations.

If total hours are given each week, put them under "Week ending" at right of date.

Under "Total pay roll" write "Firms' totals" if taken from pay-roll book, "Agent's totals" if computed by agent.

Shoppers are included under "General."

If there is a pattern cutter, give his earnings above regular cutter and mark with a "P."

**Operators.**—Fill in under "Sex" only if women are employed and state number of females; for example, 5 employed, 2 women—put "5" under "Number" and "2" under "Sex."

Set-up usually done by operators.

**Blockers.**—If the blocking operation is broken down, workers on the following operations should go under "Blocking": Pulling, pouncing, hydraulizing.

Under "General" are stemmers, strikers, and finishers, floor girls, errand boys, helpers.

[Sheet 3. Insufficient information obtainable for inclusion]

**The Purpose** of this sheet is to obtain gross production of firm and production fluctuations during year. Many firms block all hats, in which case blockers' record will give necessary data. If some hats are not blocked but record of hat production is kept, take this record plus that of blockers to give total production. If no such record is obtainable, take record of 2 weeks in busy season (without overtime).

When year's records are taken, check the two periods regarded as indicative of normal blocker production.

Under "Dates," give the date of week ending, but the year need not be repeated after first week; example, 1-9-37, 1-16, 1-23, and so forth. If periods are in months, give January, February, and so forth.

**Type hat.**—Material of which made, whether of wool (W), silk (S), straw (St.), braid (B). If hat of more than one material is made in a single period, give initials as above for each type.

**Hats produced.**—Give number in each period of dozens or individual hats produced by the total number of blockers.

**Value.**—If this is obtainable, give value in dollars of hats produced in each period. If not, give dollar value for year. This means the value of the finished hats, not the value after blocking only.

**Earnings.**—Give group earnings.

[Sheet 4]

**The Purpose** is to compare production rates from firm to firm and from region to region. If individual card is given out with satisfactory results, this sheet is not necessary.

[Schedule II was substituted for this sheet (see p. 123)].

[Sheet 5]

If firm keeps card records of individual's employment for Social Security purposes, fill in this sheet to show the annual earnings of individual millinery workers. If such an individual record is *not* kept, do *not* compile it for pay rolls.

This record, if taken, should be for each worker employed, regardless of number of weeks worked.

List "Occupations" as occupations appear on sheet 2.

Weeks worked are number of weeks in which worker earned any amount, regardless of hours worked.

[Sheet 6]

**The Purpose** of sheet 6 is to determine the variations in cost of production from firm to firm and from region to region.

As accounting methods differ, it is essential to have groupings broken down into component parts so that they can be reassembled uniformly by Bureau's statistical division. Copy accountant's statement wherever obtainable. Go back to original records only when necessary.

### Detailed Instructions.

1a. **Labor.**—If accountant has assembled labor costs, copy his statement. If not, these data will be assembled from sheet 2 in office.

1b. **Materials.**—This includes all materials from which hats are made, all bodies of hats, trimmings, and thread. Needles and oil for the machines should be kept under "Equipment" but should be listed separately under "Equipment supplies," writing this on second line under equipment. Put "Purchase discount" on separate line as "P. D." Inventory should be listed after this entry. Commission labels put under supplies.

1c. **Other.**—This item includes repairs to machines, moving and rearranging machinery, belts, and so forth, but does not include initial cost nor needles and oil unless they cannot be separated from other repairs and upkeep.

**Blocks and dies.**—This item refers to all blocks and dies bought during the year of 1937.

**Electricity.**—This includes light, power if electrical, and all electricity charges.

**Gas or steam.**—Gas or steam is frequently used in blocking and the cost should be given here.

*Rent.*—Of loft or building (if firm owns their building, leave this item blank). If water is not included in rent, place under rent.

*Insurance.*—This refers to the insurance paid during 1937 on the machinery, equipment, and stock (does not include insurance on building, if owned by firm). If the firm owns its building, all items of expense thereto should be listed and amounts recorded in space below "When factory is owned, and so forth."

2. *Selling costs.*—Salaries or commissions can be obtained from sheet 2. Advertising should include all forms of advertising, but if advertising is given to some special retailer who sells their product, list this item separately if possible to do so.

*Traveling and entertaining.*—This includes all items of travel and entertaining that are charged to firm's expenses or paid by firm to individuals. "Models and showroom" costs are entered on extra line.

3. Labor costs can be obtained from sheet 2. Packaging supplies include such items as paper boxes and twine to be used to wrap and pack goods shipped out.

*Expressage, parcel post, and carfares.*—The last named covers the expense incurred when packages are sent by messenger, and under this heading would be placed also the cost of messenger if from an outside agency as well as his carfare.

4. Salaries can be obtained from sheet 2.

Supplies and printing would cover all office supplies and books and printing letter heads, circulars under advertising, and so forth.

*Credit service.*—May not be included in association dues. Be sure to ask what is included as "Cost of collection" if accounts should be listed separately under "5."

5. Officers' salaries from sheet 2. If they do selling, supervising work in factory, or work in office, if possible ascertain amount of time spent on such duties and note, as half the time spent selling, or three-fourths of time supervising in plant, and so forth.

*Legal, auditing, and other special service.*—This would include lawyer fees, court fees, court costs, bookkeeping if done by an outside firm, or any other special service of this type performed by outside people or organizations.

"Credit service" for "4," as well as "Collection service and Bank charges," is listed here.

"Bank charges" are also listed separately under "5."

*Interest.*—This refers to interest on loans or credits but does not include interest on mortgages or loans on buildings.

*Taxes.*—Corporate tax includes the regular tax and surplus tax as well as State or city taxes, all taxes on corporations or business. If possible break down into Federal, State, and city.

*Bad debts.*—This includes only such debts as have been written off the books during 1937.

*Depreciation.*—Take sum that firm gives for depreciation in income-tax returns. Get value of equipment and number of machines. If any new equipment and machines during 1937, note cost and ask how this cost is distributed.

*Sundries.*—This may be the term used or such items may be listed under "Petty cash." If possible ascertain what items are included. Put "Cleaning" under "Sundries."

At end of sheet give profit or loss statement of auditor.

