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CHAPTER VI

THE SHARE OF THE EMPLOYEES

Absolute Share of Employees in Each Industry.

In Table XIX are recorded figures of the absolute share of the employees in the realized income derived from each of the leading branches of industry. All amounts in this table are recorded in the dollars current in the given year. The reader will note that, although agriculture is one of the most important industries when ranked on the basis of the total value of its products, it is relatively insignificant when considered from the standpoint of the amount disbursed to employees. The reason for this is that the largest part of the work in the agricultural field is performed by farmers and members of their families, hired employees playing but a minor rôle. We see that manufacturing and the unclassified industries are the leading dispensers of wages and salaries, each paying out approximately double the amount disbursed in this form by any other single industry. In the next group are the mercantile, government, and transportation industries, each distributing in wages and salaries some 5 or 6 billions of dollars annually. Railroads pay, in the aggregate, somewhat more to their employees than all of the remaining transportation industries for which records are available.

Percentage of Entire Realized Income Received by Employees.

The figures in the second column of Table XX and the heavy line in Chart 15a show that there has been a marked change in the percentage of the total realized income going to employees. From 1909 to 1917, the trend of this proportionate share was nearly horizontal, the average fraction received by the employees being in the neighborhood of 52 or 53 per cent. Between 1917 and 1920, this percentage moved sharply upward, rising, in the last mentioned year, above the 57 per cent level. Since that date, it has constantly remained in the neighborhood of 57 per cent. The increase taking place between 1917 and 1920 in the proportionate share going to the employees appears to be adequately explained by the inflation of the currency during that period. As we have previously seen, wages were promptly adjusted to allow for the change in value of the dollar, and wages are by far the most important item in the total

share of the employees. When, because of disturbances in industry connected with the World War, the total realized income, as measured in terms of purchasing power, declined, it is obvious that the shares of the salaried employees and entrepreneurs would bear the brunt of the loss. Evidently the shrinkage in the share of the relatively small salaried class was not sufficiently large to offset the gain in the share of the wage workers, hence the total share of the employees increased. The question arises, however, as to why this increase was retained after the disturbances connected with the war had quieted down, and the realized income of the country had therefore risen again. This phenomenon is probably due to complex causes. It is, however, doubtless accounted for in part, at least, by the diminution in the percentage of the population conducting enterprises on their own account.

In general it appears that the proportion of the realized income going to employees varies inversely with the percentage of the work of the industry performed by entrepreneurs and also inversely with the amount of capital invested in the industry. The tendency toward an increase since 1916 in the proportion of the total realized income of the industry going to employees is found in the case of every industry in the list except government. In the case of government, the share of the property owners consists entirely of interest on funded debt. The enormous issues of bonds for war financing tended, of course, to increase the share of the property owners and diminish the share of the employees in the income derived by individuals directly from government.

Since 1922, a tendency toward decline in the proportionate share of the employees in the realized income of the industry, is noticeable in the case of mining, banking, agriculture, construction, electric light and power, railroading, and the telephone industry. Whether this declining tendency will later extend to other industries or whether the share of the employees in general will again move upward, it is, of course, now impossible to say.

Purchasing Power of Absolute Share of Employees by Industries.

In Table XXI the shares of the employees in leading industries are shown in terms of dollars having the same value which they had in 1913. The total column in Table XXI shows that the employees of the United States were able to purchase with their combined wages and salaries nearly twice as many goods in 1927 as they could have bought in 1909. We have here an adequate ex-

TABLE XIX

TOTAL WAGES, SALARIES, PENSIONS,
COMPENSATION FOR INJURIES, ETC.,
RECEIVED BY EMPLOYEES
FROM THE VARIOUS INDUSTRIES^a
(MILLIONS OF CURRENT DOLLARS)

Year	All Industries	Agriculture	Manufacturing	Mines, Quarries and Oil Wells	Construction	Banking	Mercantile	Government	Unclassified
1909	\$15,090	\$ 717	\$4,378	\$ 595	\$1,030	\$115	\$1,637	\$1,412	\$3,563
1910	16,266	715	4,958	656	1,014	123	1,711	1,500	3,792
1911	16,498	751	4,927	670	987	137	1,729	1,570	3,834
1912	17,587	754	5,460	725	1,094	149	1,689	1,661	4,029
1913	18,822	776	5,854	803	1,172	161	1,908	1,766	4,247
1914	18,516	756	5,489	695	876	164	2,087	1,861	4,486
1915	19,361	773	5,877	701	874	183	2,155	1,936	4,725
1916	22,470	828	7,881	881	968	214	2,370	2,025	4,879
1917	25,802	1,029	9,796	1,105	938	230	2,647	2,683	4,526
1918	32,324	1,213	12,244	1,376	1,003	281	2,963	5,741	3,542
1919	35,399	1,491	13,624	1,416	1,451	362	3,482	5,072	3,951
1920	42,283	1,663	17,109	1,848	1,447	429	4,161	4,232	5,428
1921	36,213	1,405	11,052	1,414	1,316	481	4,134	4,564	7,009
1922	37,700	1,203	12,010	1,315	1,682	493	4,387	4,662	7,377
1923	42,893	1,231	14,385	1,832	1,881	528	5,298	4,699	7,946
1924	44,493	1,232	13,947	1,510	2,097	559	5,260	4,923	9,951
1925	46,855	1,253	14,283	1,558	2,539	596	5,649	5,151	10,731
1926	49,767*	1,272*	15,010*	1,768*	2,624*	636	6,095*	5,640*	11,441*
1927	51,360*	1,252*	14,985*	1,646*	2,639*	649*	6,281*	5,927*	12,713*
1928	51,123*	1,279*	14,422*		2,805*		6,535*		

^a The totals in this table are the sums of the amounts received by employees as recorded in Tables XXII and XXIV plus amounts paid out as pensions, compensation for injuries, etc.

* Preliminary estimate.

planation of the remarkable development of those industries depending for their success upon mass production of goods. A study of the totals indicates that the period may well be divided into three parts. From 1909 to 1916, there was a rather rapid rise in the purchasing power of the combined wages and salaries of all employees. From 1918 to 1921, there was a very slight decline, wholly inconsequential in comparison with the great loss suffered by entrepreneurs and other property owners during the same period. Even the industrial depression of 1921 did not force down the total share of the employees to any noticeable extent; all that happened was that it was kept from rising. After 1921, the purchasing power

TABLE XIX—Continued

TOTAL WAGES, SALARIES, PENSIONS,
COMPENSATION FOR INJURIES, ETC.,
RECEIVED BY EMPLOYEES
FROM THE VARIOUS INDUSTRIES^a
(MILLIONS OF CURRENT DOLLARS)

Year	All Following Fields of Transportation	Railroads	Pullman	Express	Transportation by Water	Street Railways	Private Electric Light and Power	Telephones	Telegraphs
1909	\$1,643	\$1,105	\$13	\$ 43	\$172	\$168	\$ 41	\$ 81	\$19
1910	1,798	1,219	14	47	181	179	45	92	21
1911	1,893	1,277	14	51	183	190	51	103	25
1912	2,027	1,367	14	54	196	201	56	113	27
1913	2,136	1,434	17	55	204	210	61	126	28
1914	2,101	1,385	16	52	203	222	66	129	27
1915	2,136	1,397	15	52	223	225	70	128	26
1916	2,423	1,566	16	58	274	243	78	154	36
1917	2,848	1,851	18	74	333	267	86	173	45
1918	3,960	2,766	23	93	417	312	96	194	60
1919	4,550	3,009	28	116	590	376	118	246	69
1920	5,966	3,907	34	162	809	478	159	323	94
1921	4,838	2,933	32	140	666	472	180	334	82
1922	4,569	2,821	27	120	521	446	194	360	80
1923	5,093	3,208	28	125	545	468	229	400	89
1924	5,015	3,031	33	119	587	476	244	434	91
1925	5,094	3,076	34	116	566	475	275	452	99
1926	5,281	3,172	35	117	570	480	313	479	114
1927	5,268*	3,133*	36	117	547	480	342	501	111

of the share of the employees again moved upward at a rate even more rapid than in the first period. Since that date, in fact, the total share of the employees has increased by about 50 per cent. Industries in which the increase since 1920 has been noticeably large are construction, banking, the mercantile field, unclassified industries, private electric light and power plants, and government. The absolute share of the employees has remained approximately constant in the railroad industry, and the same is true in agriculture. In the express industry and transportation by water, there has been some tendency for the absolute share of the employees to decline. In every industrial field mentioned, however, the share of the employees, when measured in purchasing power, was materially greater.

TABLE XX

PER CENTS^a WHICH TOTAL AMOUNTS RECEIVED BY EMPLOYEES AS WAGES, SALARIES, PENSIONS, ETC., CONSTITUTE OF THE ENTIRE REALIZED INCOME DRAWN BY INDIVIDUALS FROM THE VARIOUS INDUSTRIES

Year	All Industries	Agriculture	Manufacturing	Mines, Quarries and Oil Wells	Construction	Banking	Mercantile	Government	Unclassified
1909	51.0	14.4	79.9	71.4	60.8	34.2	44.5	90.9	62.3
1910	51.8	13.7	79.9	71.5	64.2	31.5	45.8	89.4	63.7
1911	51.8	15.6	78.8	73.6	61.4	33.5	42.9	88.8	62.4
1912	51.8	14.3	79.8	72.1	62.8	34.7	41.8	89.2	61.4
1913	52.7	15.1	79.8	69.6	76.8	35.5	42.5	89.1	59.6
1914	51.9	14.9	79.4	71.6	62.0	36.2	43.9	88.9	61.3
1915	52.0	14.1	79.8	71.3	62.7	39.6	44.5	88.3	61.9
1916	51.9	12.5	76.8	60.5	63.8	44.6	44.6	88.2	61.9
1917	50.3	11.2	78.5	61.0	77.8	45.2	41.8	88.1	54.2
1918	53.5	10.8	82.8	67.7	83.1	49.1	43.4	91.4	50.0
1919	53.7	12.2	84.7	75.5	78.6	56.0	43.5	82.7	52.9
1920	57.1	15.0	87.6	78.5	76.4	55.3	47.7	79.7	55.8
1921	57.1	20.2	83.3	76.7	75.6	56.7	49.0	81.1	61.3
1922	57.2	16.5	86.1	76.2	76.5	53.1	50.6	80.5	59.7
1923	57.7	15.3	85.5	76.4	76.3	53.0	49.1	81.3	60.9
1924	57.7	14.8	85.7	74.1	70.5	54.3	47.6	83.5	65.2
1925	57.2	13.8	87.8	71.8	73.4	54.5	47.1	84.0	65.2
1926	58.2	15.5				54.6	49.0		
1927	58.2	15.0					49.2		
1928	57.2	15.8					49.7		

^a Calculated from figures presented in Tables XIV and XIX.

in 1927 than it was in 1909. The most striking increases for the entire 18 year interval were in the banking, telephone, and telegraph industries, in all three of which the share of the employees trebled, and in the electric light and power industry where employees received, in 1927, more than 4 times the total purchasing power they had in 1909.

Wage Totals in Current Dollars by Industries.

We have now considered the share of the employees taken as a whole. The next step will be to treat separately the two main divisions of wages and salaries. Table XXII records the total amount paid in wages by each industrial field, all amounts being expressed in terms of the dollars current in various years. The total

TABLE XX—Continued

PER CENTS^a WHICH TOTAL AMOUNTS RECEIVED BY EMPLOYEES AS WAGES, SALARIES, PENSIONS, ETC., CONSTITUTE OF THE ENTIRE REALIZED INCOME DRAWN BY INDIVIDUALS FROM THE VARIOUS INDUSTRIES

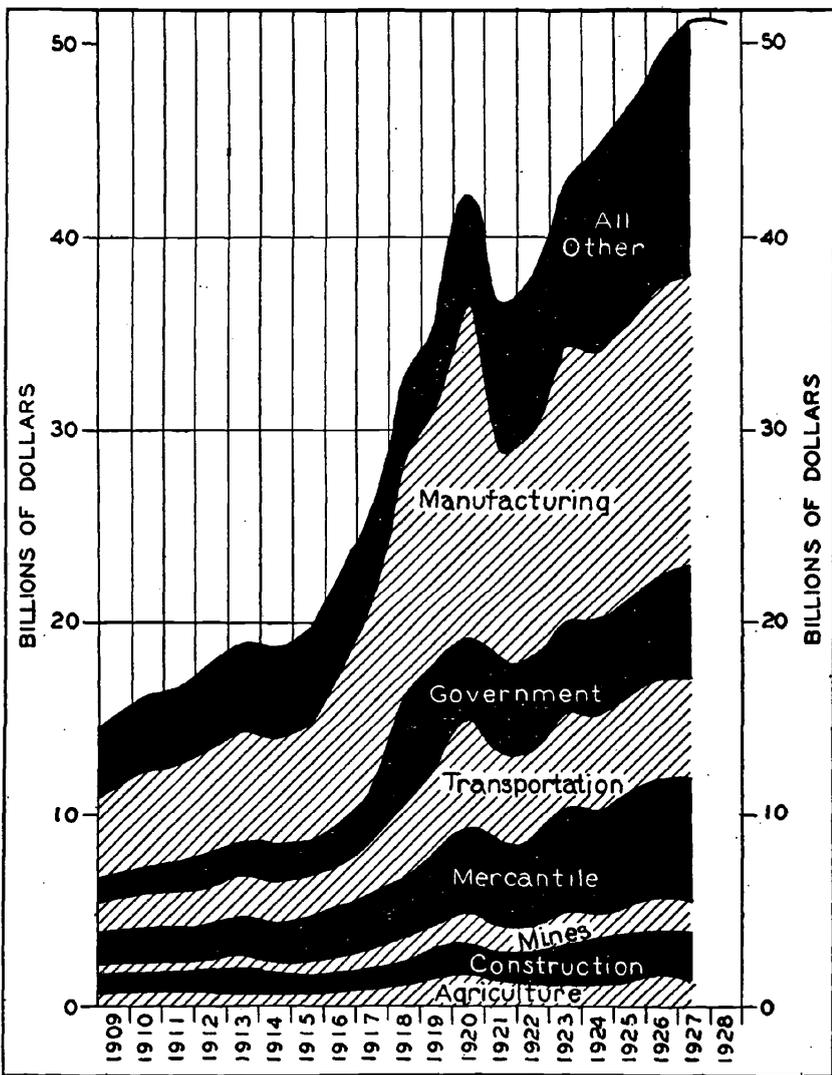
Year	All Following Fields of Transportation	Railroads	Pullman	Express	Transportation by Water	Street Railways	Private Electric Light and Power	Telephones	Telegraphs
1909	63.9	64.3	62.5	69.8	81.4	54.8	43.7	65.4	62.1
1910	64.3	65.1	61.2	68.3	78.1	54.2	45.8	66.8	62.3
1911	65.2	65.9	60.2	85.1	80.0	54.6	43.3	68.1	66.7
1912	66.4	67.4	59.8	90.1	81.1	54.8	44.2	68.1	68.3
1913	66.5	67.5	64.1	90.8	81.7	54.0	44.2	69.2	69.2
1914	66.0	67.2	63.7	92.2	80.4	54.0	43.5	68.9	68.3
1915	65.7	67.0	62.0	90.3	80.8	54.3	42.4	68.1	63.2
1916	67.8	69.6	63.6	79.7	80.7	55.3	42.7	71.0	70.0
1917	70.0	72.2	66.4	95.2	76.4	58.8	42.4	71.7	72.7
1918	76.8	80.0	71.1	96.4	82.7	63.8	41.1	73.0	76.0
1919	78.5	81.3	75.0	97.5	83.1	67.9	44.2	76.5	78.3
1920	82.7	84.7	78.9	97.3	90.2	73.1	49.3	79.3	82.7
1921	79.5	81.1	77.6	95.9	90.0	72.8	49.2	77.6	80.9
1922	77.9	79.9	72.8	95.9	94.0	70.8	47.0	76.9	76.7
1923	78.3	80.9	75.5	96.3	96.8	69.5	45.3	77.0	81.1
1924	76.8	79.0	78.5	92.8	97.5	70.6	42.7	76.4	80.1
1925	75.6	78.6	88.0	95.7	96.3	70.8	40.6	75.0	81.2
1926		78.5	83.3	95.7					
1927				95.7					
1928				95.5					

of nominal wage payments more than trebled between 1909 and 1928, but we cannot attach any particular significance to this difference because of the changing value of the dollar. From the point of view of total wages paid, manufacturing is the industry dominant in the United States. The unclassified industries, the mercantile industry, construction, and transportation rank next in the order named.

Chart 17 shows that, in practically all industries, the nominal amount paid in wages rose sharply to a peak in 1920 and declined thereafter. The unclassified industries, the telephone industry, and private electric light and power plants furnished exceptions to this general rule, in each of these fields the total wage bill being higher in 1921 than in 1920.

CHART 14

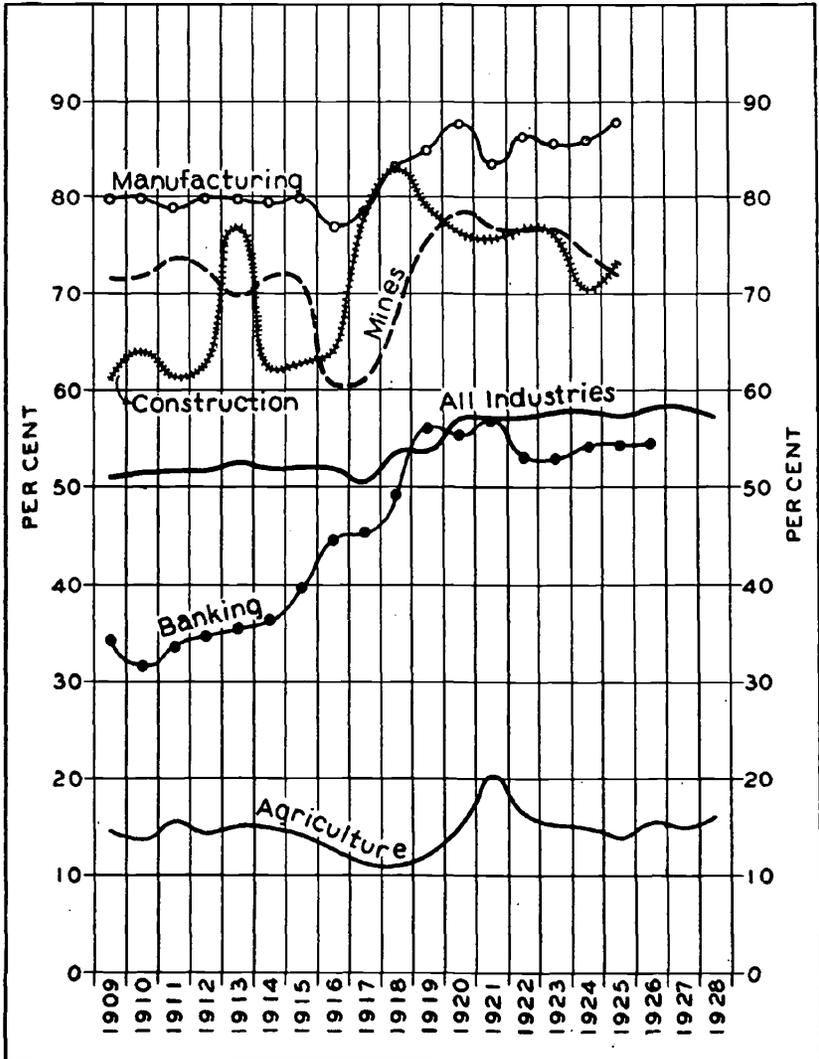
TOTAL WAGES, SALARIES, PENSIONS,
 COMPENSATION FOR INJURIES, ETC., RECEIVED
 BY EMPLOYEES FROM THE VARIOUS INDUSTRIES*



* For data, see Table XIX.

CHART 15a

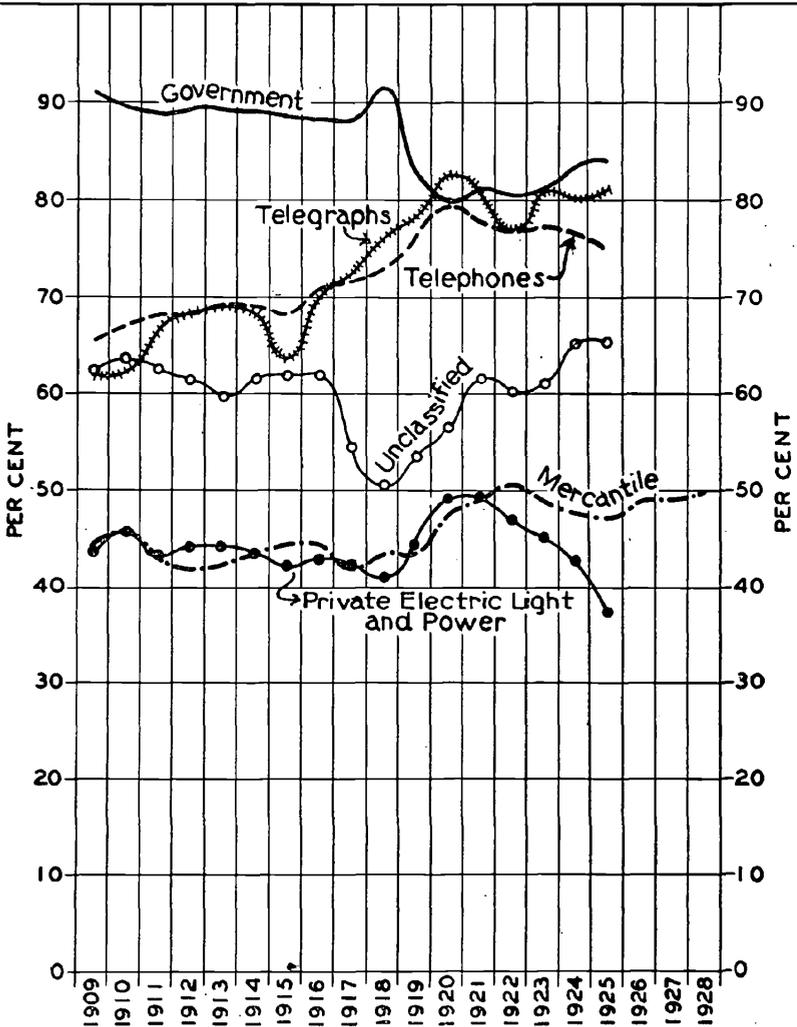
PER CENTS WHICH TOTAL AMOUNTS RECEIVED BY EMPLOYEES AS WAGES, SALARIES, PENSIONS, ETC., CONSTITUTE OF THE ENTIRE REALIZED INCOME DRAWN BY INDIVIDUALS FROM THE RESPECTIVE INDUSTRIES^a



^a For data, see Table XX.

CHART 15b

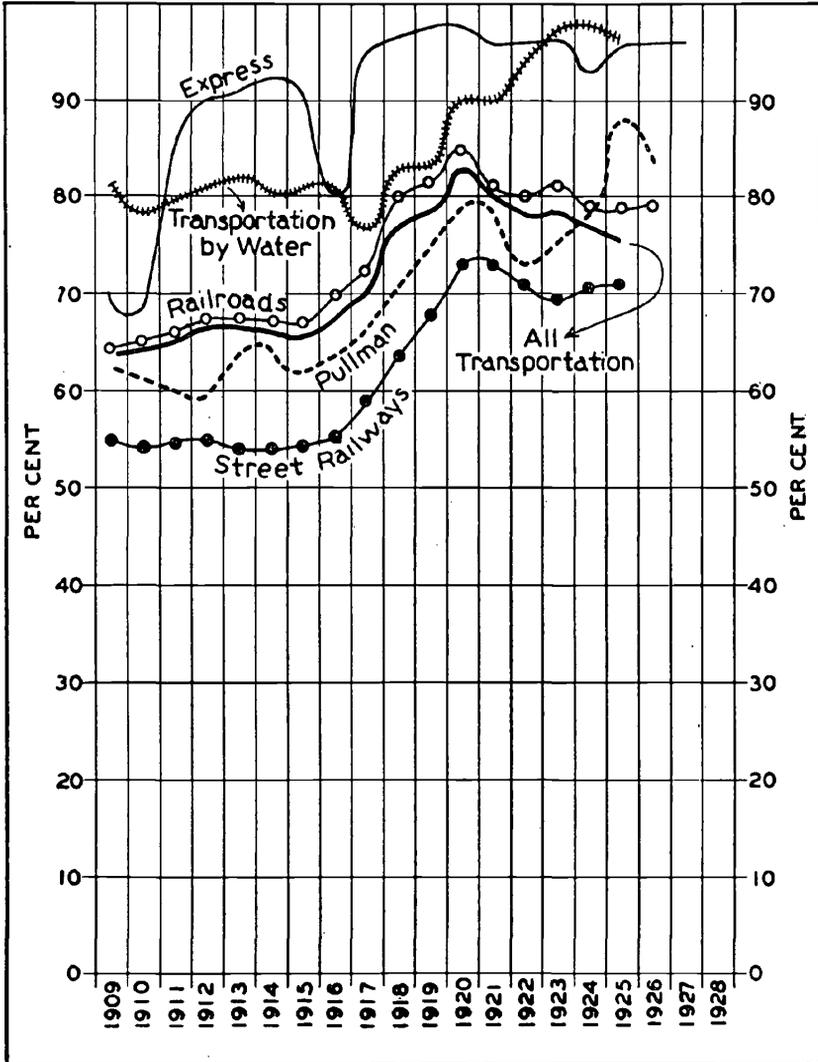
PER CENTS WHICH TOTAL AMOUNTS RECEIVED BY EMPLOYEES AS WAGES, SALARIES, PENSIONS, ETC., CONSTITUTE OF THE ENTIRE REALIZED INCOME DRAWN BY INDIVIDUALS FROM THE RESPECTIVE INDUSTRIES^a



^a For data, see Table XX.

CHART 15c

PER CENTS WHICH TOTAL AMOUNTS RECEIVED BY EMPLOYEES AS WAGES, SALARIES, PENSIONS, ETC., CONSTITUTE OF THE ENTIRE REALIZED INCOME DRAWN BY INDIVIDUALS FROM THE RESPECTIVE INDUSTRIES^a



^a For data, see Table XX.

TABLE XXI

PURCHASING POWER, IN 1913 DOLLARS,^a
OF TOTAL WAGES, SALARIES, PENSIONS,
COMPENSATION FOR INJURIES, ETC., RECEIVED BY
EMPLOYEES FROM THE VARIOUS INDUSTRIES
(MILLIONS OF 1913 DOLLARS)^b

Year	All Industries	Agriculture	Manufacturing	Mines, Quarries and Oil Wells	Construction	Banking	Merchandise	Government	Unclassified
1909	\$15,946	\$726	\$4,640	\$ 630	\$1,090	\$122	\$1,733	\$1,495	\$3,771
1910	16,766	711	5,121	677	1,046	127	1,766	1,548	3,914
1911	17,019	769	5,086	692	1,018	141	1,784	1,620	3,956
1912	17,913	775	5,560	738	1,113	152	1,720	1,691	4,101
1913	18,822	776	5,854	803	1,172	161	1,908	1,766	4,247
1914	18,238	773	5,403	683	861	161	2,051	1,830	4,410
1915	18,786	802	5,702	678	845	177	2,083	1,871	4,565
1916	20,214	794	7,090	790	867	192	2,124	1,814	4,371
1917	19,897	851	7,559	847	719	177	2,030	2,058	3,471
1918	20,688	821	7,865	875	638	179	1,885	3,652	2,253
1919	19,453	848	7,527	773	792	197	1,901	2,770	2,157
1920	20,385	847	8,278	885	693	205	1,992	2,027	2,599
1921	20,282	888	6,191	786	731	267	2,297	2,536	3,895
1922	22,682	858	7,213	785	1,004	294	2,618	2,782	4,402
1923	25,325	856	8,487	1,073	1,102	309	3,104	2,753	4,655
1924	26,267	844	8,236	886	1,229	328	3,084	2,886	5,834
1925	27,072	861	8,250	893	1,456	342	3,240	2,954	6,154
1926	28,577*	880*	8,618*	1,007*	1,495*	362	3,473*	3,213*	6,519*
1927	30,059*	882*	8,776*	956*	1,533*	377*	3,648*	3,443*	7,384*
1928	29,967*	910*							

^a "1913 Dollars" is an abbreviation for the phrase "dollars having purchasing power equivalent to that which they had in 1913."

^b Computed from corresponding items in Table XIX by dividing the sub-items pertaining to the various columns by the appropriate price indices recorded in Table VII.

* Preliminary estimate.

Wage Totals in 1913 Dollars by Industries.

The record of total wages in terms of 1913 dollars appears in Table XXIII. This table makes it clear that the wage earners of the nation, *in toto*, were able to buy, in 1927, somewhat less than twice the quantity of goods which they could have purchased in 1909. In general, the purchasing power of the aggregate wage bill of the nation rose along a line somewhat irregular but having a steady upward trend between 1909 and 1921. Since 1921, the total has risen very sharply, the increase since that date being approximately 50 per cent.

TABLE XXI—Continued

PURCHASING POWER, IN 1913 DOLLARS,^a
OF TOTAL WAGES, SALARIES, PENSIONS,
COMPENSATION FOR INJURIES, ETC., RECEIVED BY
EMPLOYEES FROM THE VARIOUS INDUSTRIES
(MILLIONS OF 1913 DOLLARS)^b

Year	All Following Fields of Transportation	Rail-roads ^c	Pull-man	Ex-press	Trans- portation by Water	Street Rail-ways	Private Electric Light and Power	Tele-phones	Tele-graphs
1909	\$1,739	\$1,169	\$14	\$46	\$182	\$178	\$ 43	\$ 86	\$20
1910	1,856	1,258	14	49	187	185	47	95	21
1911	1,953	1,317	14	52	189	196	52	106	26
1912	2,063	1,391	14	55	199	205	57	115	28
1913	2,136	1,434	17	55	204	210	61	126	28
1914	2,065	1,362	16	51	199	218	65	127	27
1915	2,064	1,350	15	51	215	218	68	123	25
1916	2,172	1,403	15	52	245	218	70	138	32
1917	2,185	1,419	14	57	255	206	66	132	35
1918	2,520	1,759	14	59	265	200	61	124	38
1919	2,486	1,643	15	63	322	207	64	134	38
1920	2,858	1,871	16	78	387	230	76	155	45
1921	2,690	1,630	18	78	370	263	100	186	45
1922	2,727	1,683	16	72	311	267	116	215	48
1923	2,985	1,879	17	73	319	275	134	234	52
1924	2,941	1,777	19	70	344	280	143	255	54
1925	2,922	1,764	20	67	324	273	158	259	57
1926	3,010	1,807	20	67	325	275	179	273	65
1927	3,059*	1,820*	21	68	318	280*	197	291	65

^c Includes switching and terminal companies.

In agriculture, the total amount of purchasing power paid to wage earners increased steadily from 1909 to 1917, then remained roughly on a level until 1924, when an upward movement again began. There was a slow upward trend in manufacturing between 1909 and 1915, with a sharp rise from 1915 to 1920, a heavy break in 1921, recovery during the next two years, and, since then, a trend which is nearly horizontal. In mining, the purchasing power of the total wage bill has fluctuated greatly, but the general trend was apparently upward between 1909 and 1923. Since that date, there has been a slight downward drift. The trend of aggregate real wages in the construction industry was approximately horizontal between 1909 and 1913; there was a marked decline from 1914 to

TABLE XXII

TOTAL WAGES DRAWN BY EMPLOYEES
FROM THE VARIOUS INDUSTRIES^a

(MILLIONS OF CURRENT DOLLARS)

Year	All Industries	Agriculture ^b	Manufacturing ^c	Mines, Quarries and Oil Wells ^d	Construction ^e	Mercantile ^f	Unclassified ^g
1909	\$10,529	\$ 680	\$ 3,417	\$ 544	\$ 943	\$1,204	\$2,539
1910	11,330	678	3,822	605	919	1,263	2,717
1911	11,325	713	3,714	616	884	1,277	2,732
1912	12,112	715	4,173	667	983	1,240	2,845
1913	13,017	736	4,502	740	1,045	1,442	2,983
1914	12,396	715	4,130	631	742	1,562	3,121
1915	13,117	731	4,574	636	751	1,602	3,278
1916	15,660	783	6,315	807	858	1,749	3,385
1917	17,741	977	7,815	1,002	816	1,957	3,093
1918	20,414	1,146	9,710	1,240	887	2,247	2,202
1919	23,029	1,416	10,559	1,265	1,271	2,708	2,476
1920	29,540	1,581	13,628	1,672	1,282	3,273	3,722
1921	23,353	1,324	8,318	1,249	1,150	3,167	4,768
1922	24,553	1,129	9,301	1,147	1,486	3,367	4,962
1923	28,691	1,165	11,151	1,675	1,669	4,086	5,335
1924	29,051	1,177	10,502	1,346	1,857	4,053	6,623
1925	30,762	1,204	10,898	1,389	2,251	4,358	7,117
1926	32,604*	1,228	11,466*	1,599*	2,323*	4,777*	7,529*
1927	32,884*	1,213	11,063*	1,475*	2,337*	4,860*	8,288*
1928	32,235*	1,243*	10,366*		2,484*	5,057*	

^a The few wage workers employed in *Banking* and *Government* are included with salaried employees.

^b Based upon *Census of Agriculture* and reports of the U. S. Dept. of Agriculture.

^c Based upon *Census of Manufactures* and various State reports.

^d Based upon *Census of Mines and Quarries*, and reports of U. S. Bureau of Mines and of the Pennsylvania Dept. of Internal Affairs.

^e Based upon volume of construction reported by F. W. Dodge Co. and upon ratios derived from Pennsylvania and Ohio reports.

^f Based upon various State reports.

^g Based upon large sample of average wages taken from reports throughout the country.

* Preliminary estimate.

1918; but a year or two later an upward trend began which has continued until 1927. In the mercantile industry, the trend has been upward throughout the entire period, although there was a temporary drop in the total real value of wage payments in the years 1917-1918. The course of aggregate real wages among the unclassified industries has been much the same as in the mercantile industry, but the depression in the years 1917 to 1919 inclusive was very marked. The total purchasing power of wages paid by rail-

TABLE XXII—Continued

TOTAL WAGES DRAWN BY EMPLOYEES
FROM THE VARIOUS INDUSTRIES^a

(MILLIONS OF CURRENT DOLLARS)

Year	All Following Fields of Transportation	Railroads ^b	Pullman ⁱ	Express ⁱ	Transportation by Water ^j	Street Railways ^k	Private Electric Light and Power ^l	Telephones ^m	Telegraphs ⁿ
1909	\$1,202	\$ 844	\$ 7	\$16	\$ 87	\$149	\$ 26	\$ 61	\$12
1910	1,326	942	7	17	92	158	28	70	13
1911	1,388	982	7	19	93	166	30	76	16
1912	1,488	1,057	6	20	100	175	33	79	18
1913	1,569	1,108	9	20	104	183	36	89	19
1914	1,496	1,025	9	19	103	193	38	92	18
1915	1,544	1,066	7	18	113	196	39	91	15
1916	1,761	1,210	8	20	138	211	45	107	22
1917	2,082	1,447	9	24	166	233	52	123	28
1918	2,981	2,226	12	28	207	272	59	139	37
1919	3,334	2,369	15	37	292	325	74	180	42
1920	4,381	3,091	20	53	401	417	100	238	61
1921	3,376	2,162	19	48	332	411	108	244	52
1922	3,161	2,035	15	41	260	388	113	261	48
1923	3,610	2,386	15	43	272	409	133	296	55
1924	3,495	2,204	19	42	294	416	140	325	56
1925	3,545	2,234	20	41	283	414	157	337	59
1926	3,680	2,310	21	41	285	417	177	356	74
1927	3,649*	2,265*	21	40	273	416	191	370	72
1928		2,159*							

^b Based upon *Statistics of Railways*, published by the Interstate Commerce Commission. Includes switching and terminal companies.

ⁱ Based upon *Preliminary Abstracts of Statistics of Common Carriers*, published by the Interstate Commerce Commission.

^j Based upon *Census of Transportation by Water, Merchant Marine Statistics*, and U. S. Bureau of Labor Statistics.

^k Based upon *Census of Electric Railways* and upon index of wage rates given in *Moody's Rating Book of Public Utilities*.

^l Based upon *Census of Electric Light and Power* and various State reports.

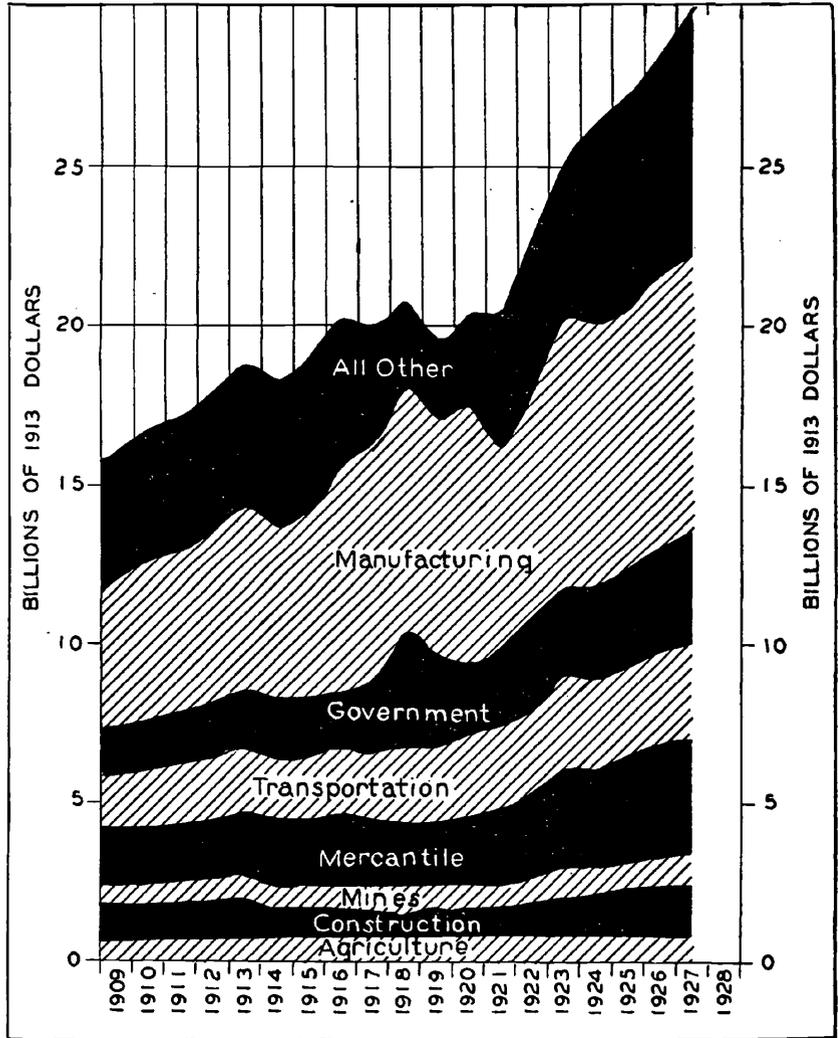
^m Based upon *Census of Telephones* and upon reports of Bell Telephone Companies.

ⁿ Based upon *Census of Telegraphs* and upon reports of Western Union Telegraph Company.

ways rose from 1909 to 1911, remained on a plateau until 1916, went higher during the war years, fell off in 1921, recovered somewhat in the next year or two, and has since remained on a practically horizontal plane. The course of total real wages in the express industry has closely paralleled the movements in the railway industry. In the Pullman industry, the trend of the total has been rather

CHART 16

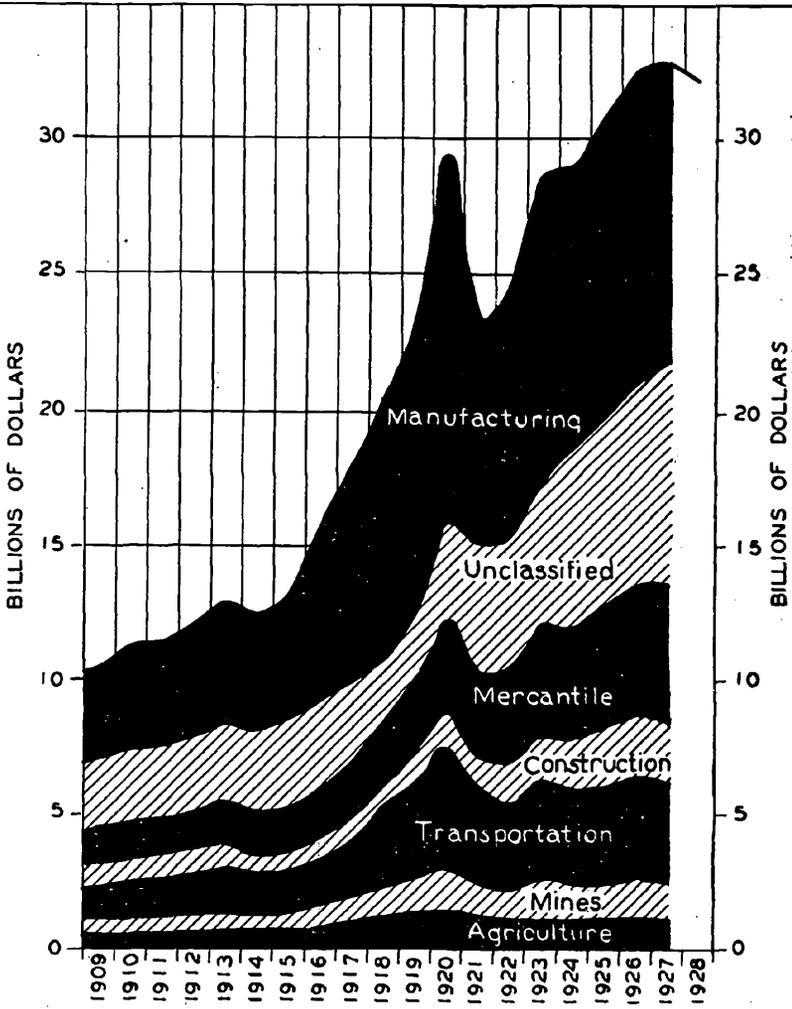
PURCHASING POWER, IN 1913 DOLLARS,
 OF TOTAL WAGES, SALARIES, PENSIONS,
 COMPENSATION FOR INJURIES, ETC., RECEIVED
 BY EMPLOYEES FROM THE VARIOUS INDUSTRIES*



* For data, see Table XXI.

CHART 17

TOTAL WAGES DRAWN BY EMPLOYEES
FROM THE VARIOUS INDUSTRIES*



* For data, see Table XXII.

TABLE XXIII

PURCHASING POWER, IN 1913 DOLLARS,^a
OF TOTAL WAGES DRAWN BY EMPLOYEES
FROM THE VARIOUS INDUSTRIES
(MILLIONS OF 1913 DOLLARS)^b

Year	All Industries	Agriculture	Manufacturing	Mines, Quarries and Oil Wells	Construction	Mercantile	Unclassified
1909	\$11,113	\$687	\$3,617	\$576	\$ 998	\$1,274	\$2,688
1910	11,668	673	3,945	624	949	1,303	2,804
1911	11,679	730	3,832	636	913	1,318	2,819
1912	12,336	736	4,248	679	1,000	1,263	2,896
1913	13,017	736	4,502	740	1,045	1,442	2,983
1914	12,216	732	4,060	620	729	1,536	3,068
1915	12,728	759	4,420	615	726	1,548	3,168
1916	14,081	754	5,658	723	769	1,567	3,033
1917	13,671	813	5,993	768	626	1,501	2,372
1918	13,036	779	6,177	789	564	1,429	1,401
1919	12,610	807	5,766	691	694	1,479	1,352
1920	14,194	805	6,526	801	614	1,568	1,782
1921	13,077	836	4,622	694	639	1,760	2,650
1922	14,785	808	5,550	684	887	2,009	2,961
1923	16,938	811	6,533	981	978	2,394	3,126
1924	17,148	806	6,157	789	1,089	2,376	3,883
1925	17,781	830	6,250	797	1,291	2,499	4,082
1926	18,729*	853	6,533*	911*	1,324*	2,722*	4,289*
1927	19,251*	857*	6,426*	857*	1,357*	2,823*	4,814*
1928	18,895*	886*					

^a "1913 Dollars" is an abbreviation for the phrase "dollars having purchasing power equivalent to that which they had in 1913."

^b Computed from corresponding items in Table XXII by dividing by the appropriate price indices recorded in Table VII.

* Preliminary estimate.

steadily upward. In transportation by water, the purchasing power of the total wage bill rose rather steadily from 1909 to 1920, more than doubling during this period. There followed a sharp decline until 1922, and since then slow recovery. The tendency in the street railway field was upward between 1909 and 1914, slightly downward between 1914 and 1918, and upward between 1918 and 1924, since which time the trend has been approximately horizontal. Wage payments of private electric light and power plants have grown steadily larger each year. In 1927, the combined wage earners in this field could buy with their wages about 4 times as

TABLE XXIII—Continued

PURCHASING POWER, IN 1913 DOLLARS,^a
OF TOTAL WAGES DRAWN BY EMPLOYEES
FROM THE VARIOUS INDUSTRIES

(MILLIONS OF 1913 DOLLARS)^b

Year	All Following Fields of Transportation	Railroads ^c	Pull-man	Ex-press	Trans-portion by Water	Street Rail-ways	Private Electric Light and Power	Tele-phones	Tele-graphs
1909	\$1,273	\$ 894	\$ 7	\$17	\$ 92	\$158	\$ 27	\$ 65	\$13
1910	1,369	972	7	18	95	163	28	73	13
1911	1,432	1,013	7	19	96	171	31	79	16
1912	1,515	1,076	6	21	102	178	34	81	18
1913	1,569	1,108	9	20	104	183	36	89	19
1914	1,470	1,007	8	18	101	190	37	91	17
1915	1,492	1,030	7	17	109	189	38	88	15
1916	1,578	1,084	7	18	123	189	40	96	20
1917	1,597	1,110	7	18	127	179	40	95	22
1918	1,896	1,416	8	18	132	173	38	88	23
1919	1,821	1,294	8	20	159	178	40	98	23
1920	2,098	1,480	10	26	192	200	48	114	29
1921	1,876	1,202	10	26	185	229	60	136	29
1922	1,886	1,214	9	24	155	232	67	156	29
1923	2,115	1,398	9	25	160	240	78	174	32
1924	2,049	1,292	11	25	172	244	82	191	33
1925	2,033	1,281	11	24	162	237	90	193	34
1926	2,097	1,316	12	23	162	237	101	203	42
1927	2,117*	1,316*	12	23	158	242	109	215	42

* Includes switching and terminal companies.

much as they could have done in 1909. The courses of total real wages in the telephone and telegraph industries have also been marked by this same steady upward trend, the wage bill in both fields slightly more than trebling during the same period.

Salary Totals Compared with Wage Totals.

A comparison of the figures in Table XXIV with those in Table XXII shows that, in 1928, the salary bill of the nation was slightly more than half as large as the wage bill. Between 1909 and 1928, the wage bill trebled, while the salary bill quadrupled.

TABLE XXIV

**TOTAL SALARIES DRAWN BY EMPLOYEES
FROM THE VARIOUS INDUSTRIES**
(MILLIONS OF CURRENT DOLLARS)

Year	All Industries	Agriculture ^a	Manufacturing ^a	Mines, Quarries and Oil Wells ^a	Construction ^a	Banking ^{a,b}	Merchandise ^a	Government ^{a,b}	Unclassified ^a
1909	\$4,316	\$37	\$ 926	\$ 51	\$ 87	\$115	\$ 434	\$1,226	\$1,023
1910	4,682	37	1,093	51	95	123	448	1,314	1,075
1911	4,918	38	1,171	54	103	137	452	1,384	1,102
1912	5,203	39	1,239	58	111	149	449	1,465	1,184
1913	5,503	40	1,289	62	127	161	466	1,558	1,265
1914	5,809	41	1,287	64	134	164	525	1,656	1,365
1915	5,926	42	1,220	65	123	183	553	1,734	1,447
1916	6,376	45	1,377	74	109	214	621	1,821	1,493
1917	7,665	53	1,846	103	122	230	690	2,464	1,433
1918	11,232	67	2,368	136	116	281	716	5,272	1,340
1919	11,576	75	2,904	151	180	362	774	4,489	1,475
1920	11,727	82	3,243	176	165	429	887	3,519	1,706
1921	11,855	81	2,591	165	166	481	967	3,751	2,240
1922	12,050	74	2,550	169	196	493	1,020	3,775	2,416
1923	13,156	66	3,046	157	212	528	1,212	3,898	2,611
1924	14,200	56	3,130	165	240	559	1,207	4,053	3,328
1925	15,008	49	3,180	169	289	596	1,292	4,338	3,614
1926	15,991*	44*	3,332*	169	300*	636	1,318*	4,750*	3,913*
1927	17,248*	39*	3,700*	172*	302*	649*	1,421*	4,992*	4,425*
1928	17,823*	36*			321*		1,478*		

^a Sources of information are same as those referred to in Table XXII.

^b Includes all wage workers in this field.

* Preliminary estimate.

Salary Totals in Current Dollars by Industries.

While in 1927 the manufacturing industry had by far the largest wage bill, government led in the salary bill. Attention should, however, be called to the fact that the figures for salaries entered under the heading "government" include an unknown amount which ought to be counted as wages. Lack of information as to the facts has prevented the division of the amount paid to employees into the two usual categories. It is believed, however, that, even if the wage item were isolated, the total of salaries proper paid by government would still exceed the total for any other field of industry. Unclassified industries come next in importance, with manufacturing slightly lower. In the same year, the government salary bill made

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TABLE XXIV—Continued

TOTAL SALARIES DRAWN BY EMPLOYEES FROM THE VARIOUS INDUSTRIES (MILLIONS OF CURRENT DOLLARS)

Year	All Following Fields of Transportation	Rail-roads**	Pull-man*	Ex-press*	Trans- portation by Water*	Street Rail- ways*	Private Electric Light and Power*	Tele- phones*	Tele- graphs*
1909	\$ 417	\$248	\$3	\$20	\$ 85	\$19	\$ 15	\$ 20	\$ 7
1910	446	263	3	22	89	22	18	21	7
1911	477	279	4	24	90	24	20	26	9
1912	508	293	4	26	96	26	23	33	9
1913	535	308	4	26	100	27	26	36	9
1914	574	342	4	26	99	29	28	36	9
1915	560	313	4	27	110	30	31	35	10
1916	621	337	4	28	136	31	33	39	13
1917	724	381	5	41	167	34	34	47	16
1918	936	517	5	54	210	40	36	51	22
1919	1,167	614	6	66	298	51	44	62	25
1920	1,521	780	8	93	408	61	59	81	32
1921	1,413	746	8	79	334	60	72	86	28
1922	1,357	759	7	67	261	57	81	94	30
1923	1,426	790	7	69	273	59	96	99	32
1924	1,462	794	8	65	293	60	104	105	33
1925	1,482	801	9	63	282	61	118	110	38
1926	1,529	816	9	65	285	63	137	118	38
1927	1,548*	822*	9	65	274	64	151	125	37
1928		820*							

* Includes switching and terminal companies.

up slightly less than one-third of the total for all industries, while the unclassified industries and manufacturing industries each accounted for about one-fourth of the total. Salaries in the mercantile field ranked next in importance, but their total was well below that for either unclassified industries or manufacturing.

Salary Totals in 1913 Dollars by Industries.

The total column of Table XXV shows that the salaried employees of the nation could buy with their aggregate income more than twice as many goods in 1927 as in 1909. The total purchasing power of salaries in the mercantile, transportation, and manufacturing fields respectively, all climbed steadily upward through-

TABLE XXV

PURCHASING POWER, IN 1913 DOLLARS,^a
OF TOTAL SALARIES DRAWN BY EMPLOYEES
FROM THE VARIOUS INDUSTRIES
(MILLIONS OF 1913 DOLLARS)^b

Year	All Industries	Agriculture	Manufacturing	Mines, Quarries and Oil Wells	Construction	Banking	Mercantile	Government	Unclassified
1909	\$ 4,573	\$38	\$ 985	\$54	\$ 92	\$122	\$459	\$1,298	\$1,083
1910	4,836	37	1,132	53	98	127	462	1,356	1,110
1911	5,076	39	1,210	56	106	141	466	1,428	1,137
1912	5,299	40	1,264	59	113	152	457	1,491	1,205
1913	5,503	40	1,289	62	127	161	466	1,558	1,265
1914	5,717	41	1,272	63	132	161	516	1,627	1,342
1915	5,751	43	1,200	63	119	177	534	1,675	1,398
1916	5,742	41	1,262	67	98	192	557	1,632	1,338
1917	5,922	37	1,461	79	93	177	529	1,890	1,099
1918	7,220	42	1,581	86	74	179	455	3,354	853
1919	6,409	41	1,672	83	98	197	423	2,451	805
1920	5,703	41	1,637	84	79	205	425	1,685	817
1921	6,645	52	1,488	92	92	267	537	2,084	1,245
1922	7,242	50	1,567	101	117	294	609	2,252	1,441
1923	7,774	45	1,843	92	124	309	710	2,284	1,530
1924	8,389	38	1,893	97	141	328	708	2,376	1,951
1925	8,668	31	1,880	97	166	342	741	2,488	2,073
1926	9,179*	27*	1,963*	96	171*	362	751*	2,706*	2,229*
1927	10,093*	26*	2,220*	100*	175*	377*	825*	2,899*	2,570*
1928	10,447*	24*							

^a "1913 Dollars" is an abbreviation for the phrase "dollars having purchasing power equivalent to that which they had in 1913."

^b Computed from corresponding items in Table XXIV by dividing by the appropriate price indices recorded in Table VII.

* Preliminary estimate.

out the period 1909 to 1927, though the rise has been much more marked since 1920 than before. Because of the inclusion of the pay of the Army in the total salary bill of the government, there was, of course, an enormous increase in this figure during the period 1918 and 1919. By 1920, however, the aggregate purchasing power of government salaries dropped back to its usual trend, and, if the war period be omitted, we could say that, from 1909 to 1927, the tendency of the purchasing power of aggregate government salaries has been steadily upward along a reasonably smooth line. The purchasing power of the amounts estimated to have been paid out

TABLE XXV—Continued

PURCHASING POWER, IN 1913 DOLLARS,^a
OF TOTAL SALARIES DRAWN BY EMPLOYEES
FROM THE VARIOUS INDUSTRIES

(MILLIONS OF 1913 DOLLARS)^b

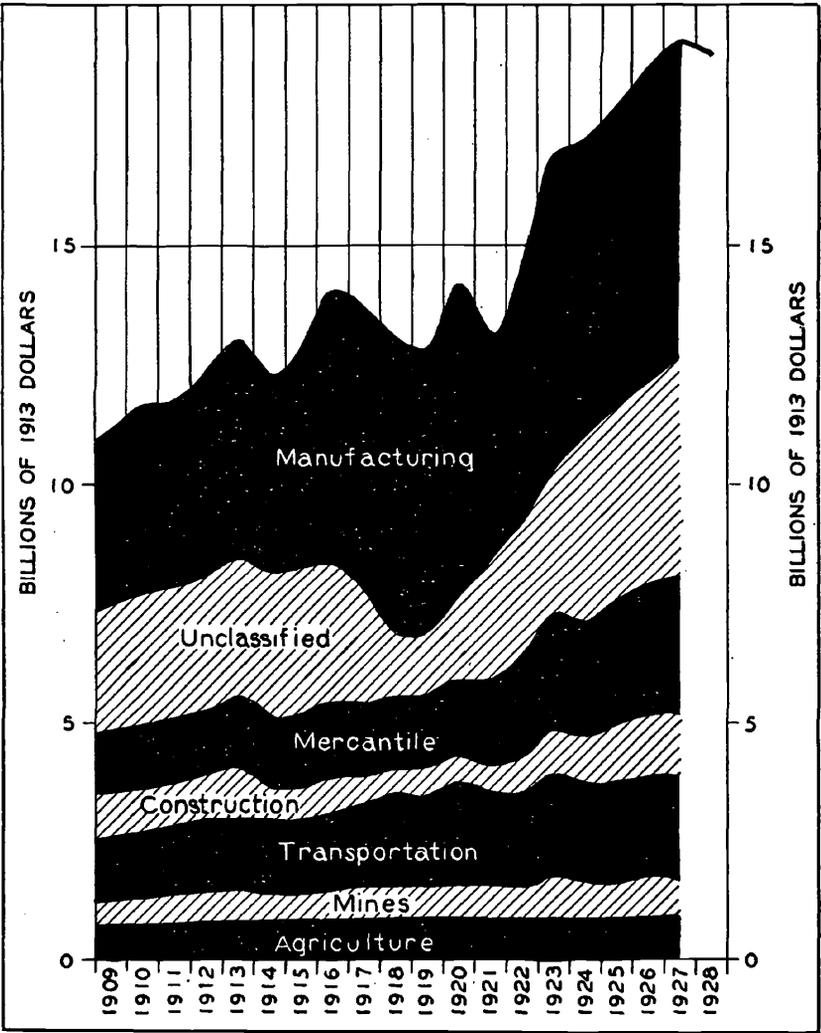
Year	All Following Fields of Transportation	Railroads ^a	Pull-man	Ex-press	Trans- portation by Water	Street Rail- ways	Private Electric Light and Power	Tele- phones	Tele- graphs
1909	\$441	\$262	\$4	\$21	\$ 90	\$20	\$16	\$21	\$ 7
1910	460	271	4	23	92	23	18	21	8
1911	492	288	4	24	93	25	21	27	9
1912	517	298	4	26	98	27	23	33	9
1913	535	308	4	26	100	27	26	36	9
1914	564	336	4	25	98	29	28	35	9
1915	542	303	4	26	106	29	30	34	10
1916	557	302	4	25	122	29	30	35	11
1917	556	292	3	31	128	27	26	36	12
1918	597	329	3	34	133	27	23	33	14
1919	639	336	3	36	163	29	24	34	14
1920	730	374	4	44	196	31	28	39	15
1921	787	415	4	44	186	35	40	48	16
1922	811	453	4	40	156	35	49	56	18
1923	837	463	4	41	160	36	56	58	19
1924	858	465	5	38	172	36	61	61	19
1925	851	459	5	36	162	36	68	63	22
1926	873	465	5	37	162	37	78	67	22
1927	901*	478*	5	38	159	39*	88	73	21

^a Includes switching and terminal companies.

by unclassified industries in the form of salaries increased regularly from 1909 to 1916, but then declined abruptly until 1919, the shrinkage being due to the fact that so many of the salaried employees in this field were pressed into government service. From 1919 to date, on the other hand, there has been a very rapid increase, the total trebling during this eight year period. In the various branches of transportation, there has, in general, been a steady increase in the purchasing power of total salaries, the trend being very steeply upward in the case of private electric light and power plants and telephone and telegraph companies. The banking industry has likewise had a remarkable increase in the total salary bill, its purchasing power trebling between 1909 and 1927.

CHART 18

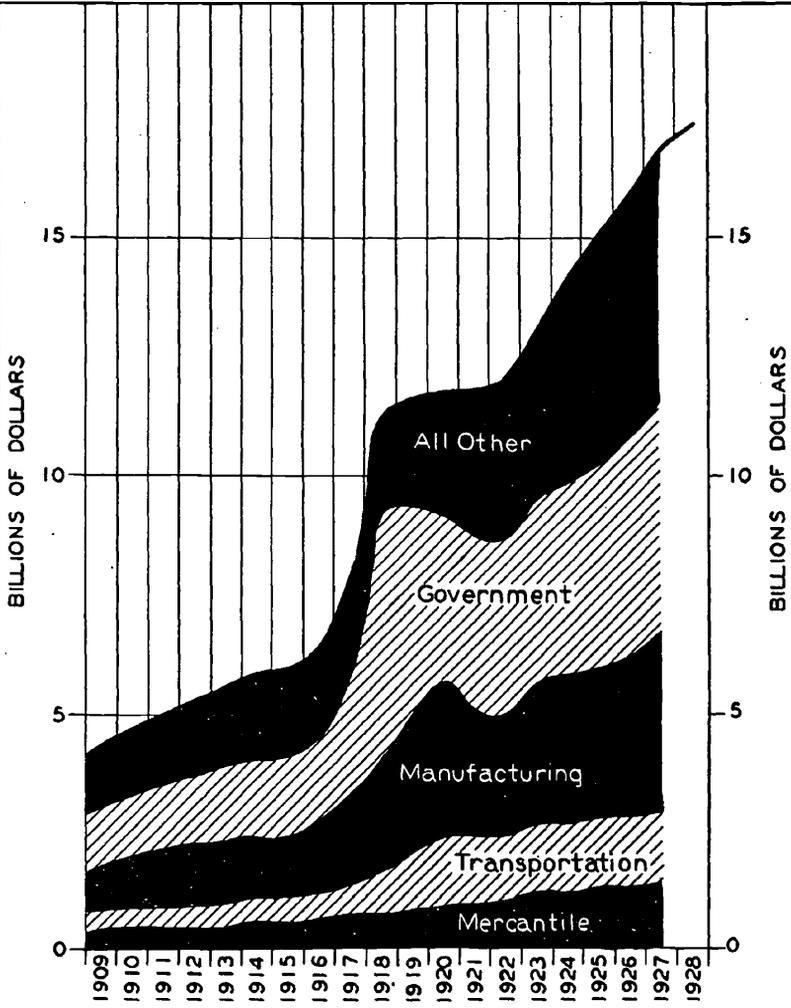
PURCHASING POWER, IN 1913 DOLLARS,
OF TOTAL WAGES DRAWN BY EMPLOYEES
FROM THE VARIOUS INDUSTRIES*



* For data, see Table XXIII.

CHART 19

TOTAL SALARIES DRAWN BY EMPLOYEES
FROM THE VARIOUS INDUSTRIES*



* For data, see Table XXIV.

Average Earnings of Employees Attached to Industry.

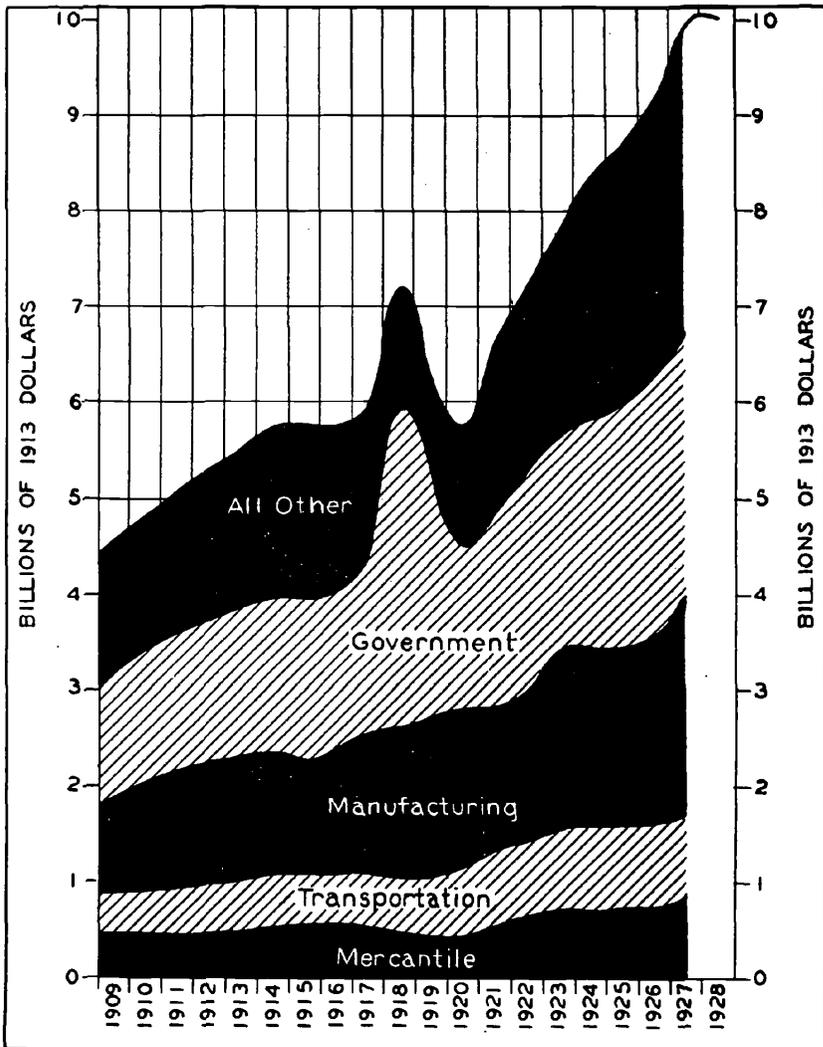
The estimated amount received in wages during the year by the average wage worker is shown in Table XXVI. In considering these figures, one should always bear in mind the fact that these averages apply to workers *attached to the industry*, and not to those *actually at work*. For this reason, the averages appearing in Table XXVI are much lower in years of depression, like 1921, than are the averages for persons actually at work, the reason being, of course, that the number of persons idle, being included in the divisor, pulls down the size of the quotient. The figures in Table XXVI, however, throw much more light on the question of the welfare of the average working family than do figures showing average full time pay, for, in general, it is true that the workers attached to an industry and also their families are dependent, in the main, upon the pay received from that industry. Hence, if part of the workers are unemployed, the average welfare of the workers in that field and also the welfare of their dependents obviously tends to decline.

Average Earnings in Current Dollars of Wage Workers Attached to Industry.

For some industries the estimates of average wages rest on insecure statistical foundations. We have, for example, no information, in most years, concerning the amount of unemployment in agriculture, and hence it is probable that the actual fluctuations in the averages are somewhat greater than are those shown in Table XXVI. It is believed, however, that both the general level of agricultural wages and the trend are reasonably accurate. Data concerning wages in the field of mines, quarries, and oil wells are reasonably adequate in the case of coal mining which, fortunately for our purposes, constitutes the most important phase of mining. Data for metal mining are much more scanty and for oil wells are practically non-existent, except in the census years. The averages for all mineral extraction are therefore subject to a moderate error. The averages for the construction industry have been built up largely from data on wage rates used in connection with estimates of the value of the total volume of construction in the United States and are probably much less reliable than are those for the mining industry. The figures for the mercantile industry are based upon data extracted from a limited number of state reports, and these state reports may or may not be representative of the nation as a

CHART 20

PURCHASING POWER, IN 1913 DOLLARS,
OF TOTAL SALARIES DRAWN BY EMPLOYEES
FROM THE VARIOUS INDUSTRIES*



* For data, see Table XXV.

TABLE XXVI

**AVERAGE ANNUAL EARNINGS^a OF WAGE WORKERS
ATTACHED TO THE VARIOUS INDUSTRIES^b**

(ESTIMATES TAKE ACCOUNT OF UNEMPLOYMENT)

Year	All Industries	Agriculture	Manufacturing	Mines, Quarries and Oil Wells	Construction	Mercantile	Unclassified
1909	\$ 527	\$285	\$ 497	\$ 544	\$ 669	\$ 592	\$ 586
1910	552	277	545	591	667	596	610
1911	540	290	519	565	644	585	598
1912	568	298	566	608	706	551	615
1913	594	306	597	645	699	624	634
1914	552	301	536	561	497	658	615
1915	582	304	586	563	580	659	634
1916	679	331	723	735	779	706	679
1917	771	407	832	892	790	781	731
1918	940	474	1,001	1,129	1,118	893	802
1919	1,029	567	1,076	1,141	1,180	1,044	918
1920	1,273	653	1,400	1,464	1,510	1,216	1,026
1921	983	551	892	1,077	1,355	1,159	1,041
1922	1,012	489	996	976	1,362	1,099	1,078
1923	1,150	513	1,195	1,408	1,437	1,159	1,121
1924	1,134	516	1,152	1,193	1,510	1,214	1,133
1925	1,176	526	1,195	1,250	1,534	1,219	1,180
1926	1,217*	535	1,234*	1,324*	1,603*	1,299*	1,198*
1927	1,205*	533	1,216*	1,224*	1,644*	1,262*	1,202*
1928		530*	1,140*		1,645*	1,276*	

^a Derived from Tables IV and XXII.

^b Figures derived by dividing total pay of all wage workers in industry by total number of persons depending upon this industry for wages.

* Preliminary estimate.

whole. In this industry, therefore, the averages are not such as to be thoroughly dependable. The averages for transportation by water are likewise constructed from very scanty data and may be materially in error. Except in census years, the same is true of the averages for private electric light and power plants. The fact, however, that we have census figures for 1907, 1912, 1917, and 1922 probably eliminates the chance of any serious errors in this field for years previous to 1923. In general, it is felt that the figures for the manufacturing, steam railway, street railway, Pullman, express, telephone, and telegraph industries are reasonably satisfactory, the errors not being large enough to be of much consequence. It is believed also that the figures for unclassified industries are ap-

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TABLE XXVI—Continued

AVERAGE ANNUAL EARNINGS^a OF WAGE WORKERS ATTACHED TO THE VARIOUS INDUSTRIES^b

(ESTIMATES TAKE ACCOUNT OF UNEMPLOYMENT)

Year	All Following Fields of Transportation	Rail- roads	Pull- man	Ex- press	Trans- por- tation by Water	Street Rail- ways	Private Electric Light and Power	Tele- phones	Tele- graphs
1909	\$ 616	\$ 642	\$ 720	\$ 518	\$ 572	\$ 642	\$ 666	\$ 490	\$440
1910	629	656	722	536	595	643	663	506	449
1911	646	684	734	584	580	646	676	499	456
1912	682	735	711	590	598	661	688	482	524
1913	678	718	759	636	608	683	696	511	567
1914	643	664	750	576	598	715	692	508	534
1915	666	698	699	562	647	719	687	488	443
1916	764	814	764	662	778	774	738	558	568
1917	895	977	894	792	947	851	825	561	627
1918	1,222	1,410	1,144	1,142	1,137	989	888	603	767
1919	1,284	1,417	1,396	1,338	1,296	1,171	1,052	737	886
1920	1,597	1,787	1,490	1,692	1,406	1,501	1,337	935	1,219
1921	1,248	1,280	1,350	1,567	1,185	1,480	1,338	943	1,046
1922	1,179	1,224	1,246	1,433	937	1,401	1,287	1,001	972
1923	1,333	1,452	1,254	1,575	994	1,421	1,310	1,035	1,106
1924	1,303	1,372	1,219	1,768	1,130	1,451	1,325	1,068	1,111
1925	1,387	1,524	1,243	1,640	1,134	1,449	1,341	1,088	1,045
1926	1,428	1,568	1,248	1,646	1,146	1,457	1,380	1,142	1,311
1927	1,436*	1,580*	1,258	1,649	1,138	1,445	1,398	1,180	1,274
1928		1,597*							

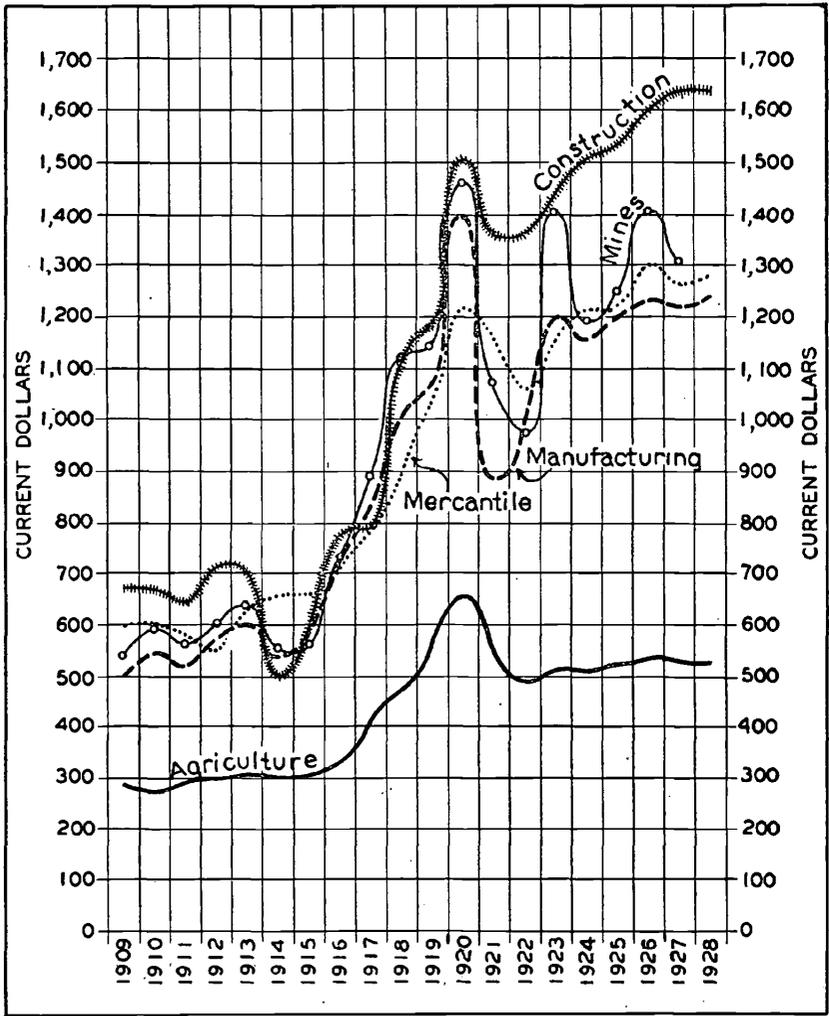
proximately correct as to trend and general level, though the fluctuations due to cyclical movements in this field are perhaps not portrayed with any near approach to accuracy.

In 1927, the construction and express industries paid higher wages than any other industry. The fact should, however, be kept in mind that in these industries employees are largely male; and men everywhere receive higher pay than women.

According to our estimates for 1909, industries in which the average wage was materially lower than the average for all industries were agriculture, manufacturing, the telegraph, and telephone industries, and the express business. In 1927, wages in the manufacturing industry had risen until they equalled the average for all industries, but telephone and agricultural wage workers still ranked

CHART 21a

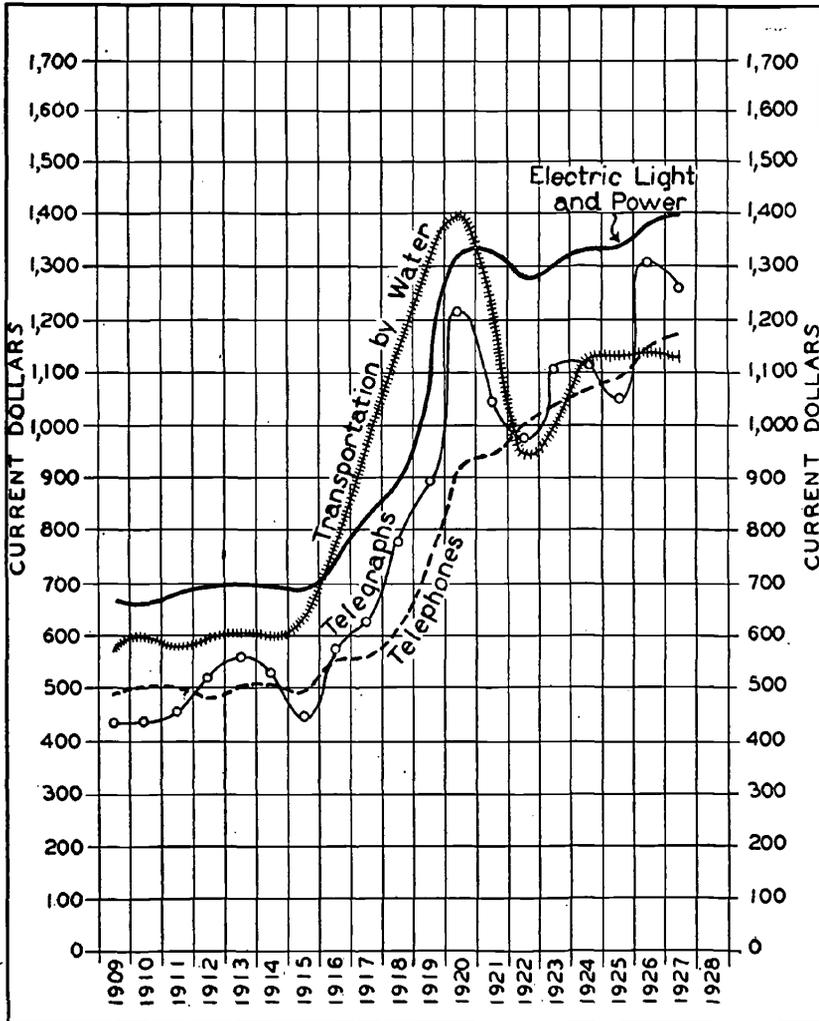
AVERAGE ANNUAL EARNINGS OF WAGE WORKERS
ATTACHED TO THE VARIOUS INDUSTRIES^a



^a For data, see Table XXVI.

CHART 21b

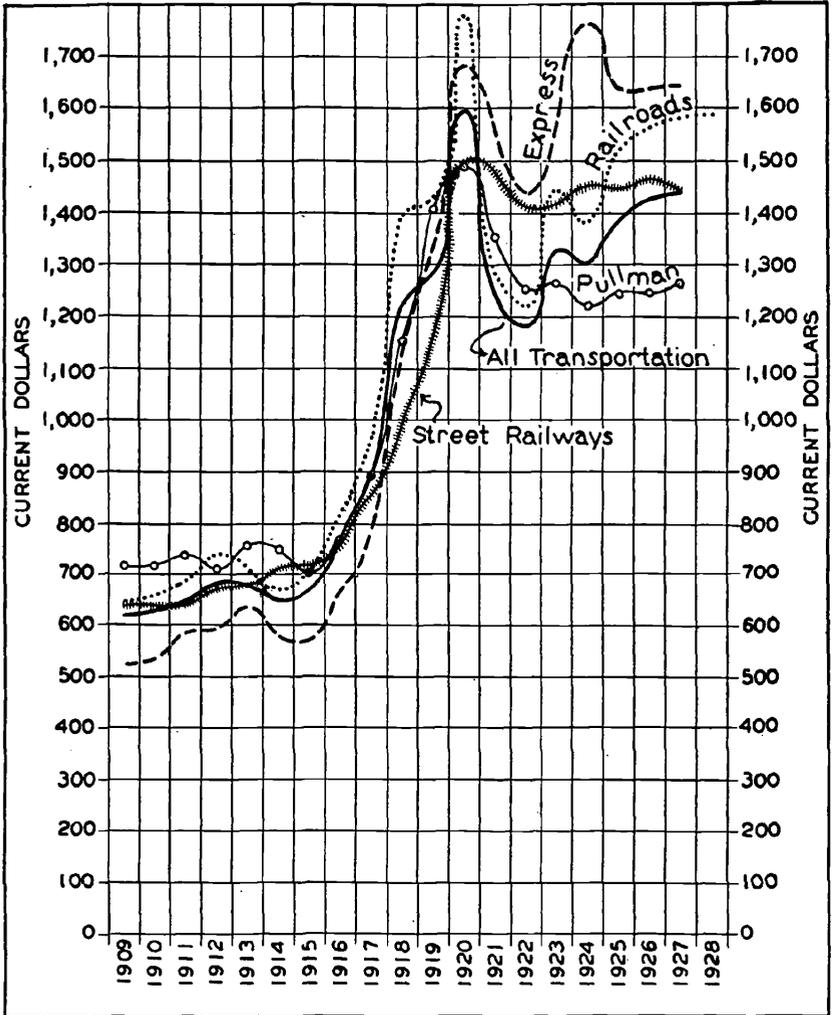
AVERAGE ANNUAL EARNINGS OF WAGE WORKERS
ATTACHED TO THE VARIOUS INDUSTRIES^a



^a For data, see Table XXVI.

CHART 21c

AVERAGE ANNUAL EARNINGS OF WAGE WORKERS
ATTACHED TO THE VARIOUS INDUSTRIES*



* For data see Table XXVI.

below the average in pay, and those in transportation by water now were added to this low paid group. The low average of pay in the telephone industry is explained primarily by the fact that such a large proportion of its wage workers are female, all telephone operators being classified as wage workers. The most striking fact as regards comparative wage levels brought out by Table XXVI is, however, the fact that agricultural wage workers received in 1927 less than half the pay of wage workers in any other field of industry. Even in 1909, their pay was not much more than half of that in the other lower-paid industries. In a country in which movement from place to place is so easy, this striking discrepancy in wages is somewhat difficult to explain. At the present time, when other industries flourish in nearly all sections of the country, when travel is extremely common so that the average farm hand is presumably familiar either directly or through hearsay with the conditions of city life, and in fact when a large proportion of agricultural laborers own automobiles and visit towns and cities frequently, it can scarcely be said that the farm hand remains on the farm merely because he is not familiar with conditions in other industries, or even that he stays there purely through inertia. Among the true reasons why agricultural laborers receive pay so markedly lower than that obtained by employees in other fields, the following are probably the major ones:—

1. Although the averages for agricultural labor include an allowance for board and room, agricultural laborers frequently receive other perquisites, as for example, pasturage for their horses, garage room for their automobiles, and garden plots in which to raise vegetables.
2. Because the very high costs involved in transportation and selling are eliminated, foodstuffs are far cheaper on the farm than in the city, and hence every dollar of the employee's earnings goes further when spent for sustenance. House rent is also cheaper in the country, and, in many instances, the same may be said of fuel.
3. Rural customs are such that the farm hand is not required to spend as many dollars per annum for clothing and other costs connected with the maintenance of personal appearance as is the case with the city worker.
4. To a considerable fraction of the population, the spaciousness and sense of freedom associated with rural life possess high value.

TABLE XXVII

**PURCHASING POWER, IN 1913 DOLLARS,
OF AVERAGE ANNUAL EARNINGS^a OF WAGE WORKERS
ATTACHED TO THE VARIOUS INDUSTRIES^b**

(COMMAND OVER CONSUMERS' GOODS AT PRICES OF 1913)

Year	All Industries	Agriculture	Manufacturing	Mines, Quarries and Oil Wells	Construction	Mercantile	Unclassified
1909	\$556	\$288	\$526	\$576	\$708	\$627	\$620
1910	568	275	563	610	688	615	630
1911	557	297	535	583	665	603	617
1912	578	306	576	619	719	561	626
1913	594	306	597	645	699	624	634
1914	544	308	527	552	489	647	605
1915	564	315	567	544	560	637	613
1916	610	318	648	659	698	633	608
1917	594	339	638	684	662	599	561
1918	601	322	637	718	711	568	510
1919	563	323	588	623	644	570	501
1920	612	333	670	701	723	582	492
1921	550	348	495	599	753	644	579
1922	610	350	595	582	813	655	644
1923	679	357	700	825	842	679	657
1924	669	353	676	699	885	712	664
1925	680	362	686	627	880	699	677
1926	699*	372	703*	754*	913*	740*	682*
1927	705*	376*	706*	711*	955*	733*	698*
1928		378*	668*		964*	748*	

^a Derived from Tables IV and XXIII by division.

^b Figures derived by dividing total pay of all wage workers in industry by total number of persons depending upon this industry for wages.

* Preliminary estimate.

The fact that wages have advanced in all fields is so well known as to require no comment. Much of this advance represents merely changes in the purchasing power of the dollar. Charts 21a, 21b and 21c show that, in practically all fields of industry, average nominal wages were approximately stationary from 1909 to 1915, inclusive, rose sharply during the inflation period covering 1916 to 1920, fell with other prices from 1920 to 1921, or, in some cases, to 1922, and, since then, again moved upward until, in some instances, the averages in 1925 were above the 1920 level. In the construction, mercantile, electric light and power, telephone, express, and street railway industries, the depression of 1921 and 1922 was either small

TABLE XXVII—Continued

PURCHASING POWER, IN 1913 DOLLARS,
OF AVERAGE ANNUAL EARNINGS^a OF WAGE WORKERS
ATTACHED TO THE VARIOUS INDUSTRIES^b

(COMMAND OVER CONSUMERS' GOODS AT PRICES OF 1913)

Year	All Following Fields of Transportation	Railroads	Pullman	Express	Transportation by Water	Street Railways	Private Electric Light and Power	Telephones	Telegraphs
1909	652	679	762	548	606	680	705	519	465
1910	649	677	746	554	614	663	684	523	463
1911	666	706	758	603	598	666	698	514	470
1912	694	749	724	601	609	673	700	491	533
1913	678	718	759	636	608	683	696	511	567
1914	632	653	737	567	587	703	680	499	525
1915	643	675	675	543	625	695	664	471	428
1916	684	729	685	593	697	694	661	500	509
1917	686	749	686	608	726	653	633	431	481
1918	777	897	728	726	723	629	565	384	488
1919	701	774	762	731	708	640	575	402	484
1920	765	856	714	810	673	719	640	448	584
1921	694	711	750	871	658	822	743	524	581
1922	704	730	744	855	559	836	768	597	580
1923	781	851	735	923	582	832	767	607	648
1924	764	804	715	1,036	663	851	777	626	651
1925	796	874	713	940	650	831	769	624	599
1926	814	894	711	938	653	830	786	651	747
1927	834*	918*	731	958	661	839	812	685	740
1928		936*							

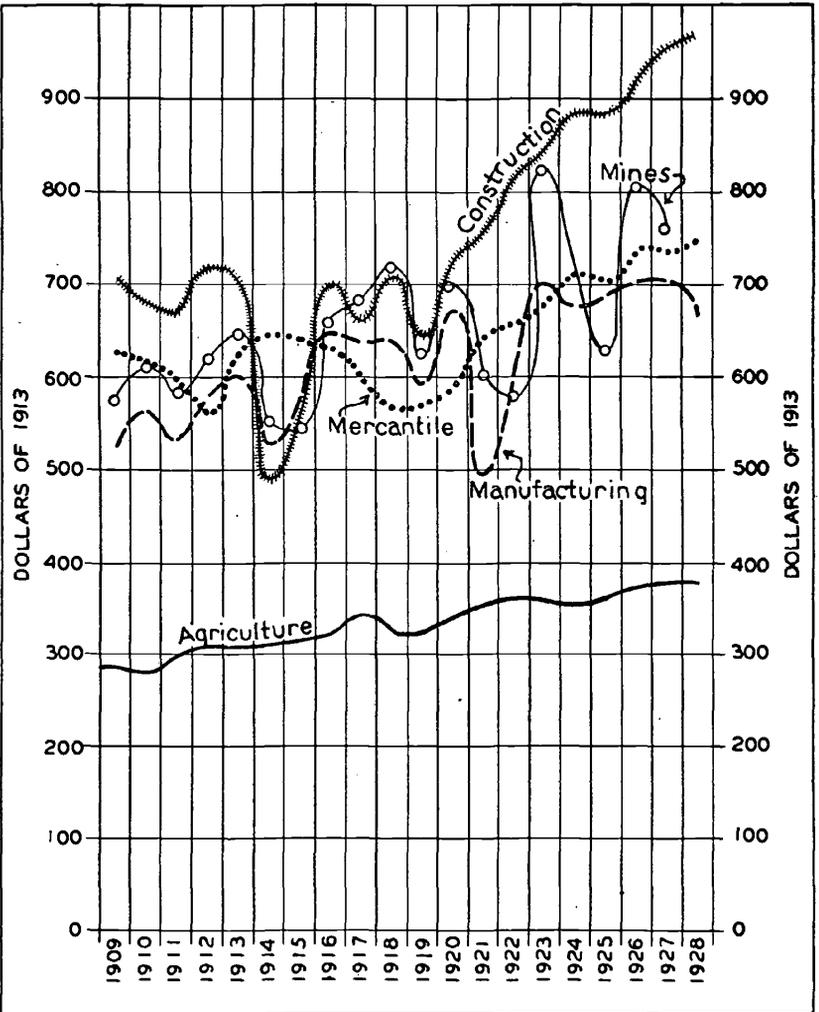
in amplitude or brief in its influence, though in the last-mentioned field wages have advanced very slowly since 1922. On the other hand, in mining, manufacturing, agriculture, transportation by water, telegraphs, railroads, and the Pullman industry, the decline in wages between 1920 and 1922 was severe. The Pullman wage workers have not had any material increase in earnings since 1922, and the earnings of agricultural laborers and street railway employees have also remained nearly on a level. In all other fields, the trend of wages since 1922 has been sharply upward.

Average Earnings in 1913 Dollars of Wage Workers Attached to Industry.

The figures for wages of agricultural employees in Table XXVII have been deflated by use of a special index of the prices of goods

CHART 22a

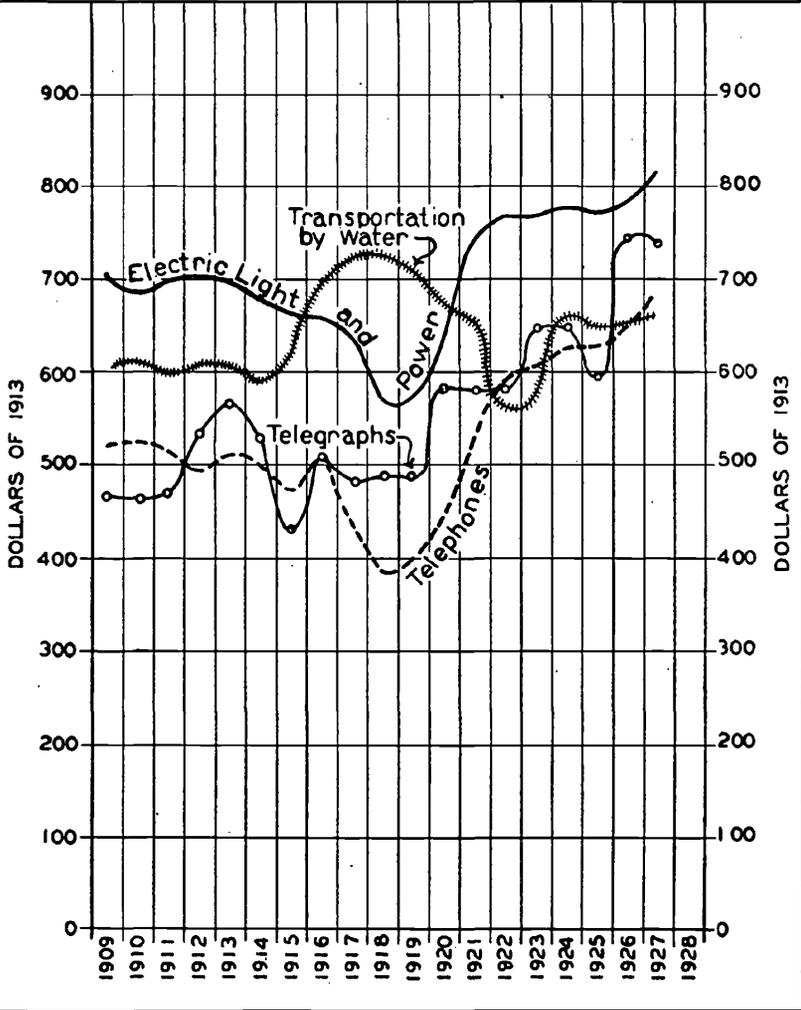
PURCHASING POWER, IN 1913 DOLLARS,
 OF AVERAGE ANNUAL EARNINGS OF WAGE
 WORKERS ATTACHED TO THE VARIOUS
 INDUSTRIES^a



^a For data, see Table XXVII.

CHART 22b

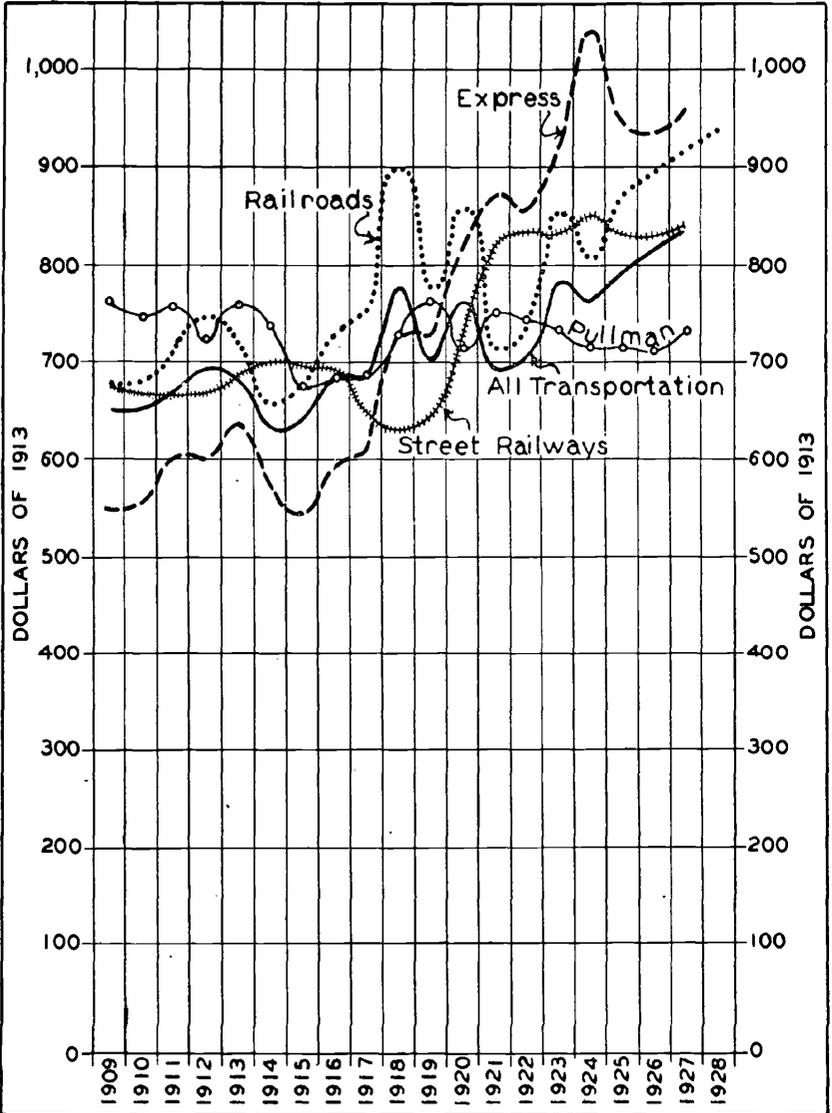
PURCHASING POWER, IN 1913 DOLLARS,
OF AVERAGE ANNUAL EARNINGS OF WAGE
WORKERS ATTACHED TO THE VARIOUS
INDUSTRIES^a



^a For data, see Table XXVII.

CHART 22c

PURCHASING POWER, IN 1913 DOLLARS, OF
 AVERAGE ANNUAL EARNINGS OF WAGE WORKERS
 ATTACHED TO THE VARIOUS INDUSTRIES^a



^a For data, see Table XXVII.

used by agricultural employees. In the deflation of all other average wage figures, a common index has been used, namely, the United States Bureau of Labor index of the "cost of living," extended back from 1913 to 1909 by the National Bureau of Economic Research. The reader will note that the figures given in Table XXVII take into account all workers attached to the industry, whether or not they were actually working in the industry at the date specified. In interpreting these figures, one should remember also that wage workers receive some income from investments, the keeping of boarders and lodgers, gardening, cow-keeping, and the performance of odd jobs, and that none of this income enters into the average wage.

From Charts 22a, 22b and 22c it is seen that wages in terms of constant purchasing power show, in most industries, a marked upward trend throughout the period under consideration. In the construction industry, there was a notable depression in the purchasing power of the average wage during the years 1913 to 1915, inclusive, but, since 1919, the gains of the average wage worker in that field have been 50 per cent larger than those of the average wage worker in any other line. Our figures indicate that the purchasing power of the wages of the average worker tended downward between 1909 and 1918 in the case of the mercantile, telephone, and electric light and power industries. Since 1919, however, the condition of the wage workers in all three of these fields has shown rapid improvement. For wage earners in the field of transportation by water, the period 1915 to 1921 constituted an era of prosperity. The years 1922 and 1923 were, however, bad and, though there has since been considerable recovery, the purchasing power of their average pay was still approximately the same in 1927 as in 1921. Street railway employees could buy less for their wages in 1918 than they could in 1909, but, between 1918 and 1922, their condition improved markedly. Since the latter date, their wage level has been approximately stationary. Only the employees of the Pullman industry are, at present, no better off than they were in 1909. The trend of the wages of agricultural employees has come nearer to approximating a straight line during the score of years covered by our study than has the trend in any other industry.

Average Earnings in Current Dollars of Salaried Employees Attached to Industry.

The salaried employees covered in Table XXVIII include executives, officials, managers, and clerks. Persons in these callings

TABLE XXVIII

AVERAGE ANNUAL EARNINGS OF SALARIED EMPLOYEES
ATTACHED TO THE VARIOUS INDUSTRIES^a

(ESTIMATES TAKE ACCOUNT OF UNEMPLOYMENT)

Year	All Industries	Agriculture	Manufacturing	Mines, Quarries and Oil Wells	Construction	Banking	Mercantile	Government	Unclassified
1909	\$ 976	\$ 616	\$1,172	\$1,177	\$ 965	\$ 766	\$1,088	\$ 746	\$1,289
1910	1,002	621	1,208	1,173	987	793	1,092	769	1,318
1911	1,022	626	1,260	1,198	1,008	839	1,072	784	1,334
1912	1,045	640	1,270	1,239	1,030	883	1,049	805	1,394
1913	1,066	645	1,281	1,235	1,053	925	1,029	829	1,445
1914	1,088	650	1,278	1,232	1,074	917	1,115	850	1,438
1915	1,096	655	1,241	1,215	1,096	1,012	1,149	861	1,499
1916	1,148	679	1,315	1,314	1,116	1,164	1,234	874	1,564
1917	1,204	776	1,520	1,688	1,285	1,232	1,312	898	1,632
1918	1,265	970	1,737	1,985	1,559	1,454	1,410	1,012	1,757
1919	1,453	1,067	1,977	1,964	1,751	1,726	1,521	1,111	1,798
1920	1,740	1,164	2,240	2,343	2,006	1,879	1,698	1,294	2,001
1921	1,696	1,164	1,820	2,244	1,992	1,980	1,713	1,395	2,033
1922	1,715	1,174	1,818	2,257	1,821	1,985	1,622	1,442	2,132
1923	1,831	1,188	2,199	2,414	1,839	2,018	1,701	1,480	2,181
1924	1,896	1,213	2,277	2,437	1,962	2,092	1,784	1,516	2,213
1925	1,950	1,237	2,321	2,400	1,973	2,179	1,787	1,585	2,277
1926	2,025*	1,251*	2,402*	2,404	2,068*	2,239	1,792*	1,706*	2,317*
1927	2,084*	1,242*	2,470*	2,454*	2,129*	2,259*	1,844*	1,771*	2,339*
1928		1,232*			2,123*		1,862*		

^a Derived from Tables V and XXIV by division.

* Preliminary estimate.

are, as a rule, hired by the year or at least by the month, and hence they are affected less than wage workers by cyclical fluctuations in industry and materially less by the minor irregular and seasonal swings. The figures in Table XXVIII, then, are much closer to full-time earnings than are those in Table XXVI, but allowance has been made in every case for a certain amount of unemployment. A comparison of the total columns of Tables XXVI and XXVIII shows that the average salaried employee normally receives from 70 to 85 per cent more pay per annum than does the average wage worker.

On the whole, the data upon which our estimates of average salaries are based are less reliable than are those underlying the estimates of average wages. The figures for agriculture are nothing

TABLE XXVIII—Continued

AVERAGE ANNUAL EARNINGS OF SALARIED EMPLOYEES
ATTACHED TO THE VARIOUS INDUSTRIES^a

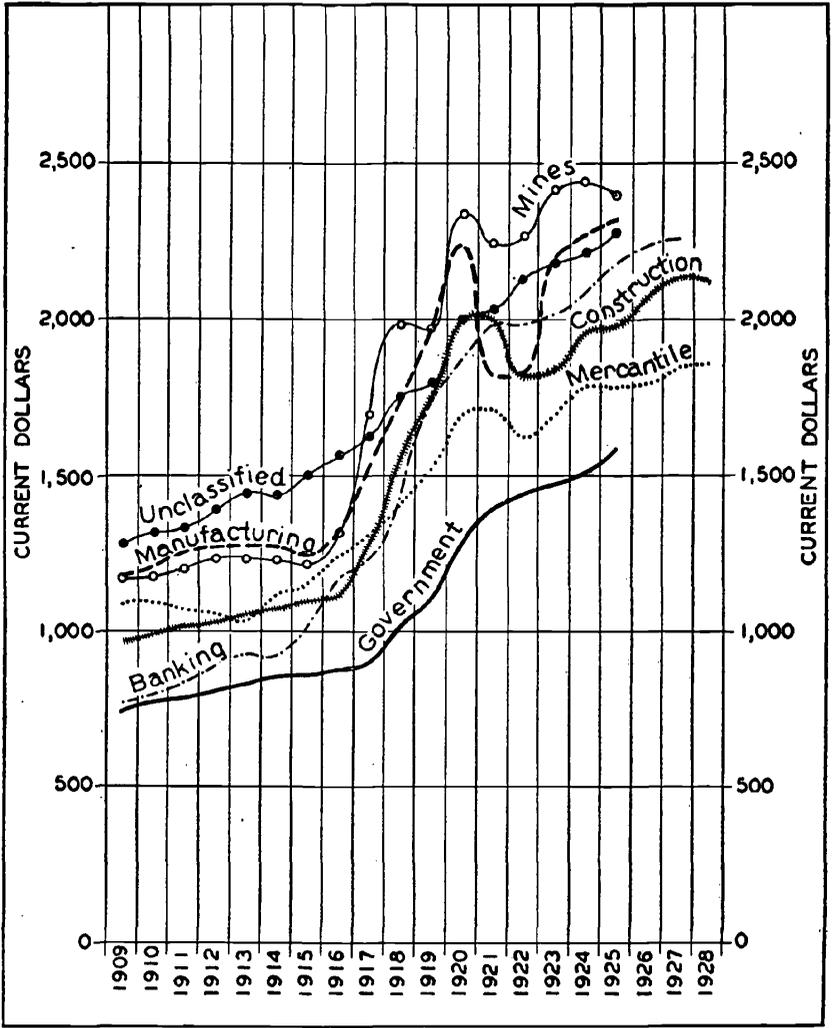
(ESTIMATES TAKE ACCOUNT OF UNEMPLOYMENT)

Year	All Following Fields of Transportation	Railroads	Pullman	Express	Transportation by Water	Street Railways	Private Electric Light and Power	Telephones	Telegraphs
1909	\$ 916	\$ 892	\$ 826	\$ 733	\$1,317	\$1,099	\$ 899	\$ 815	\$ 604
1910	930	897	822	777	1,382	1,105	911	830	606
1911	956	938	839	825	1,363	1,109	928	838	639
1912	974	956	860	841	1,423	1,112	939	844	635
1913	989	967	875	848	1,467	1,109	985	850	652
1914	1,048	1,058	854	843	1,478	1,136	1,020	855	653
1915	1,012	964	915	834	1,639	1,134	1,034	858	709
1916	1,107	1,034	975	875	2,014	1,162	1,057	966	723
1917	1,219	1,122	1,070	932	2,494	1,237	1,046	1,054	771
1918	1,487	1,408	1,298	1,209	2,987	1,419	1,034	1,114	1,008
1919	1,744	1,623	1,349	1,357	3,382	1,770	1,168	1,279	1,145
1920	2,050	1,920	1,623	1,602	3,570	2,071	1,427	1,544	1,339
1921	1,901	1,830	1,587	1,561	2,920	2,012	1,575	1,558	1,195
1922	1,812	1,863	1,425	1,402	2,280	1,882	1,589	1,641	1,284
1923	1,875	1,929	1,523	1,492	2,399	1,892	1,618	1,673	1,334
1924	1,935	1,957	1,581	1,485	2,698	1,893	1,652	1,710	1,355
1925	1,973	2,033	1,590	1,511	2,700	1,892	1,688	1,740	1,365
1926	1,998	2,057	1,599	1,532	2,722	1,917	1,745	1,815	1,365
1927	2,028*	2,104*	1,614	1,606	2,705	1,914	1,795	1,880	1,335
1928		2,177*							

more than guesses. For the construction industry and transportation by water, the data are so scanty as to preclude the possibility of securing results that inspire confidence. The data for street railways, private electric light and power plants, and telephone and telegraph concerns, are presumably fairly accurate in the census years 1907, 1912, 1917, and 1922. The chances are, also, that the figures for the other years in these fields are not widely in error. Supplementary data make the intercensal estimates for the telephone and telegraph industries more trustworthy than are those for street railways and electric light and power plants. The figures for the banking industry are subject to a wide margin of error. In manufacturing, mining, merchandising, government, railroading, and the Pullman, express, and unclassified industries, the figures

CHART 23a

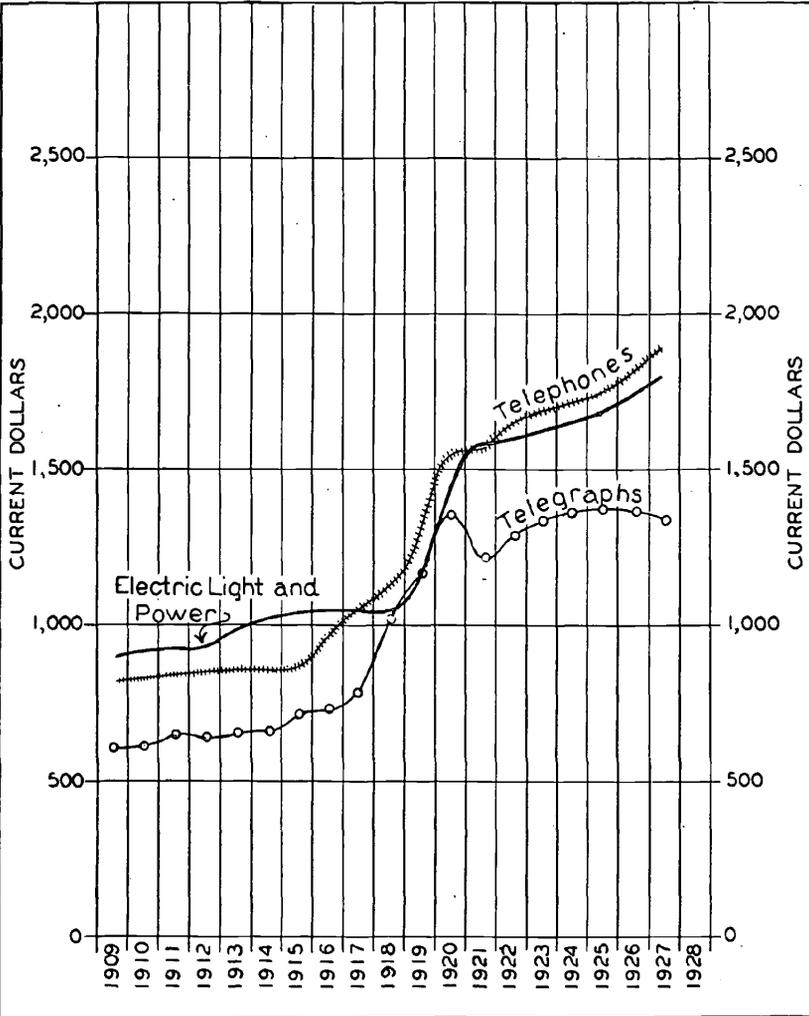
AVERAGE ANNUAL EARNINGS OF SALARIED
EMPLOYEES ATTACHED TO THE VARIOUS
INDUSTRIES^a



^a For data, see Table XXVIII.

CHART 23b

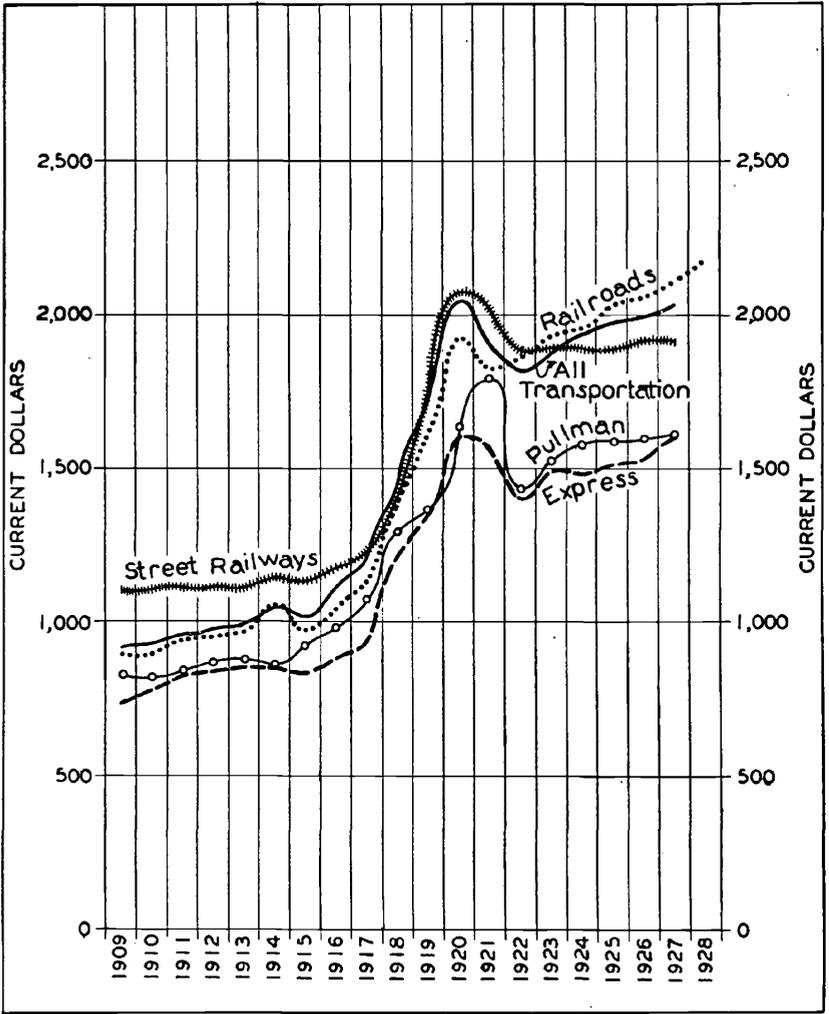
AVERAGE ANNUAL EARNINGS OF SALARIED
EMPLOYEES ATTACHED TO THE VARIOUS
INDUSTRIES^a



^a For data, see Table XXVIII.

CHART 23c

AVERAGE ANNUAL EARNINGS OF SALARIED
EMPLOYEES ATTACHED TO THE VARIOUS
INDUSTRIES^a



^a For data see Table XXVIII.

given in Table XXVIII are believed to be essentially correct, though in the case of mining there may be errors of consequence in some years because the Census of Mines and Quarries is taken but once in ten years.

Whether the average salary in a given field is high or low depends primarily upon the proportion which managers and executives constitute of the total number of salaried employees. Our figures for 1927 indicate that salaries were well above the average in manufacturing, mining, banking, transportation by water, and unclassified industries, while salaries were relatively low in agriculture, merchandising, government, and the Pullman, express, electric light and power, and telegraph fields.

Charts 23a, 23b, and 23c show clearly that the fluctuations in average salaries have been much less marked during the last two decades than have the fluctuations in average wages. Just as in the case of wages, the rise in average salaries was accentuated by inflation, but not to the same extent. In most cases, salaries declined somewhat between 1920 and 1922, but, in some, the decline was too small to be of consequence. The fall at that time was most marked in the case of manufacturing, telegraphs, street railways, the express industry, and the Pullman business. Banking, government, telephones, electric light and power, and unclassified industries registered no decline in salaries during the deflation period. Since 1922, salaries have had a marked upward trend in all industries except street railways. The charts just mentioned make it evident that, when salaries and wages are both measured in current dollars, salary trends have much greater stability than wage trends, for they were rising in the period 1909 to 1915 when wages were approximately stationary; the hump in 1920 was less marked in the case of salaries; and the increases since 1922 tend to be similar to those during the period 1909 to 1916.

Average Earnings in 1913 Dollars of Salaried Employees Attached to Industry.

The figures in Table XXIX do not include income from investments. In the case of clerical workers, and even with executive and managerial employees, it is, however, probably true that the figures in Table XXIX represent the major portions of their incomes, and hence it is reasonable to assume that the trends in their income are not widely different from the trends in their average salaries. In so far as salaried employees have recently been receiving a larger

TABLE XXIX

**PURCHASING POWER, IN 1913 DOLLARS, OF
AVERAGE ANNUAL EARNINGS OF SALARIED EMPLOYEES
ATTACHED TO THE VARIOUS INDUSTRIES^a**
(COMMAND OVER CONSUMERS' GOODS AT PRICES OF 1913)

Year	All Industries	Agriculture	Manufacturing	Mines, Quarries and Oil Wells	Construction	Banking	Mercantile	Government	Unclassified
1909	\$1,034	\$ 637	\$1,247	\$1,246	\$1,022	\$ 811	\$1,152	\$ 790	\$1,365
1910	1,035	624	1,252	1,210	1,019	819	1,127	794	1,361
1911	1,055	643	1,301	1,236	1,040	866	1,106	809	1,377
1912	1,064	649	1,296	1,262	1,048	899	1,068	819	1,419
1913	1,066	645	1,281	1,235	1,053	925	1,029	829	1,445
1914	1,071	644	1,263	1,211	1,056	901	1,096	836	1,414
1915	1,064	665	1,221	1,174	1,059	978	1,110	832	1,448
1916	1,034	613	1,206	1,177	1,000	1,043	1,106	783	1,401
1917	930	551	1,203	1,295	986	945	1,006	689	1,252
1918	813	601	1,160	1,262	992	925	897	644	1,118
1919	804	578	1,139	1,072	956	943	831	606	982
1920	846	582	1,131	1,122	961	900	813	620	958
1921	950	747	1,046	1,247	1,107	1,100	952	775	1,130
1922	1,031	792	1,117	1,347	1,087	1,184	968	860	1,272
1923	1,082	819	1,330	1,414	1,077	1,182	997	867	1,278
1924	1,120	827	1,377	1,429	1,150	1,227	1,046	889	1,297
1925	1,126	779	1,373	1,376	1,131	1,250	1,025	909	1,306
1926	1,162*	772*	1,415*	1,370	1,168*	1,275	1,021*	972*	1,320*
1927	1,220*	812*	1,482*	1,425*	1,232*	1,312*	1,071*	1,029*	1,358*
1928		820*			1,244*		1,091*		

^a Derived from Tables V and XXV by division.

* Preliminary estimate.

proportion of their income from investments than was formerly the case, the actual trends of their incomes would be somewhat steeper than the trends of the salaries here indicated.

Charts 24a, 24b, and 24c show how salaried employees in general suffered severely from the inflation of the period 1917 to 1920. In nearly every case the curve representing the purchasing power of the average salaried employee's stipend shows a sharp dip between 1915 and 1920. This decline is especially marked in the case of the salaries of employees in mercantile, manufacturing, electric light and power, and the street railway and unclassified industries. This means that, in these fields, salaried employees were unable to get their normal salaries raised rapidly enough to offset the increases in

TABLE XXIX—Continued

PURCHASING POWER, IN 1913 DOLLARS, OF
AVERAGE ANNUAL EARNINGS OF SALARIED EMPLOYEES
ATTACHED TO THE VARIOUS INDUSTRIES*
(COMMAND OVER CONSUMERS' GOODS AT PRICES OF 1913)

Year	All Following Fields of Transportation	Railroads	Pullman	Express	Transportation by Water	Street Railways	Private Electric Light and Power	Telephones	Telegraphs
1909	\$ 970	\$ 946	\$874	\$776	\$1,395	\$1,169	\$ 951	\$ 863	\$639
1910	960	926	848	802	1,426	1,144	940	857	626
1911	986	968	865	851	1,406	1,146	958	865	659
1912	992	973	876	856	1,448	1,134	955	859	646
1913	989	967	875	848	1,467	1,109	985	850	652
1914	1,031	1,042	840	829	1,452	1,122	1,003	840	641
1915	979	937	884	805	1,583	1,116	999	829	685
1916	993	934	874	784	1,805	1,066	947	865	648
1917	936	869	821	714	1,913	979	802	808	591
1918	948	907	826	769	1,900	948	658	709	641
1919	955	898	737	741	1,847	1,019	638	698	625
1920	984	1,026	777	767	1,710	1,046	683	739	641
1921	1,058	1,089	882	868	1,623	1,156	875	866	664
1922	1,083	1,120	850	837	1,360	1,157	948	979	766
1923	1,100	1,140	892	874	1,405	1,145	948	980	782
1924	1,136	1,158	927	870	1,582	1,145	969	1,002	794
1925	1,133	1,178	912	867	1,549	1,119	968	998	783
1926	1,140	1,184	911	873	1,551	1,130	994	1,034	778
1927	1,180*	1,235*	937	933	1,571	1,149*	1,043	1,092	776
1928		1,226*							

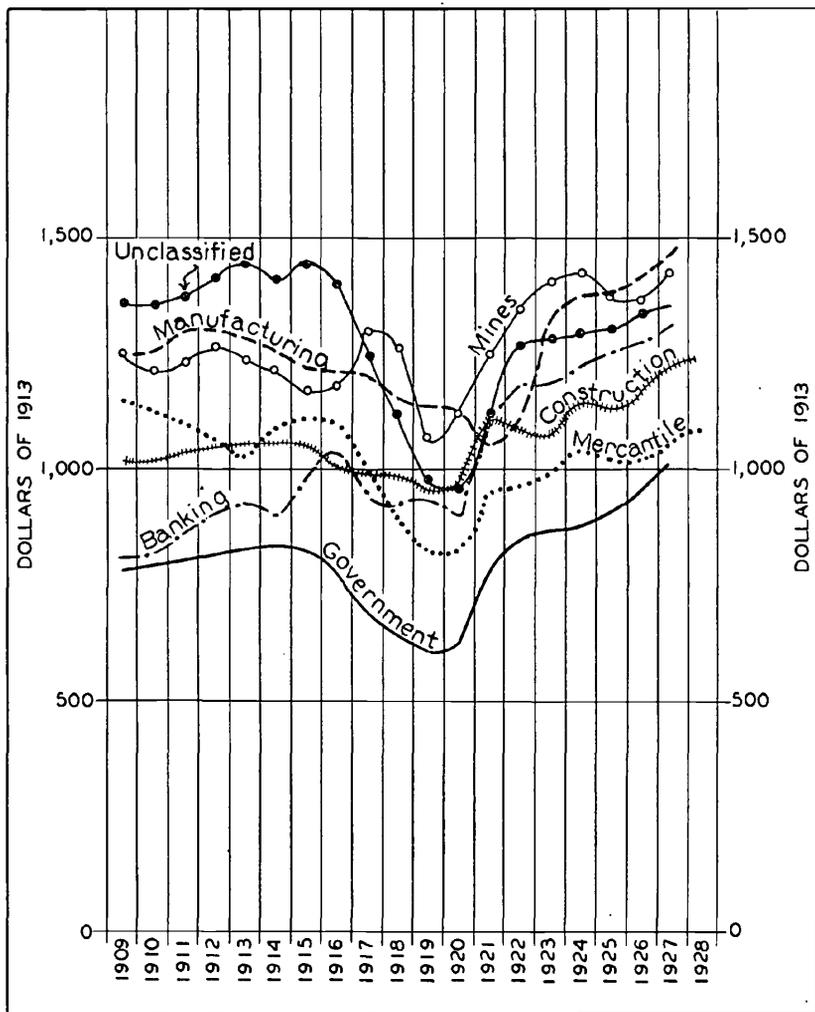
the prices of the commodities they purchased. Even before 1916, the salaried employees in some industries were finding it difficult to secure salary increases sufficient to offset the shrinkage in the purchasing power of the dollar. This was notably true in the case of those employed in factories, mines, merchandising, telephone and telegraph concerns, street railways, and the Pullman and express fields. In all of these, a tendency toward decline appeared as early as 1911. In some industries, the fall in the purchasing power was stopped as early as 1918 and 1919, but, in most instances, it continued until 1920. In manufacturing, the buying power of the average salary did not improve until after 1921.

Although salaries, measured in current dollars, increased materially between 1909 and 1925, measured in terms of dollars of con-

stant purchasing power, the average salaried employee in some industries was receiving less in 1925 than he was before the World War. This is the case in the mercantile and unclassified industries. Only very recently, in the electric light and power, street railway, Pullman, and express industries, have salaried employees been able to buy as much with their salaries as they could in pre-war days. In all of these four industries, the increases over the pre-war level have been too small to be of much significance. But in the banking, telegraph, railway, mining, and construction industries the salaried employees are much better off than they were before 1916. Government employees have also shown some gain.

CHART 24a

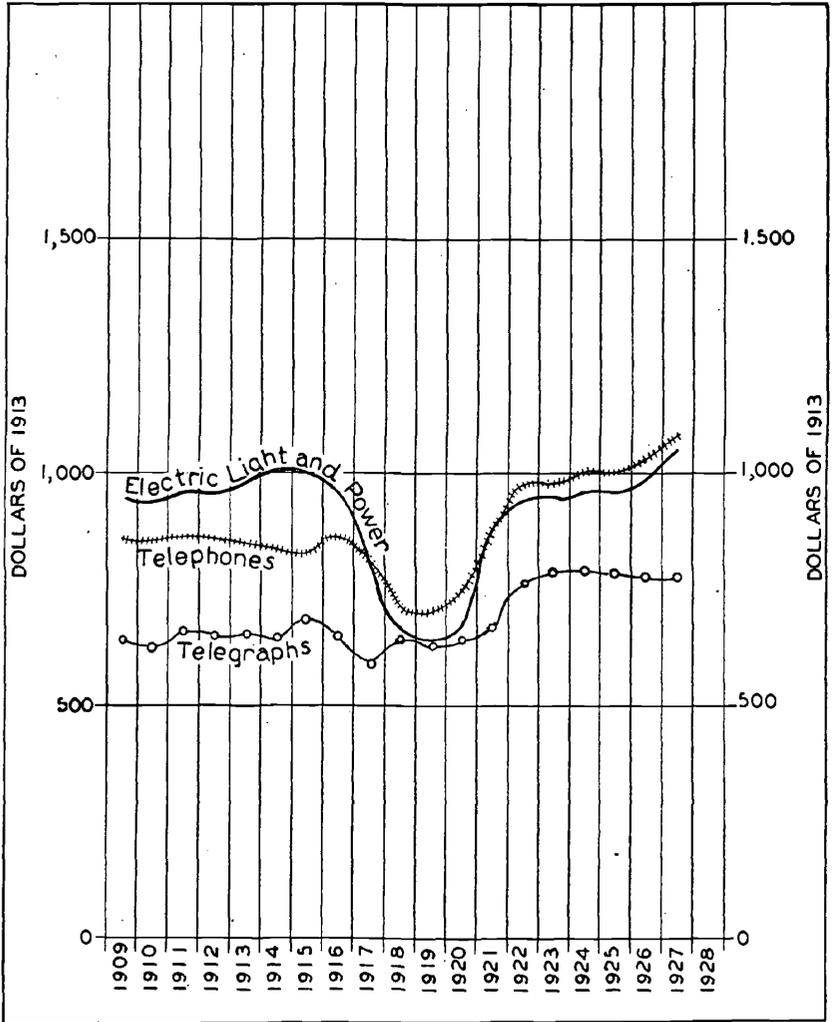
PURCHASING POWER, IN 1913 DOLLARS, OF
 AVERAGE ANNUAL EARNINGS OF SALARIED
 EMPLOYEES ATTACHED TO THE VARIOUS
 INDUSTRIES^a



^a For data, see Table XXIX.

CHART 24b

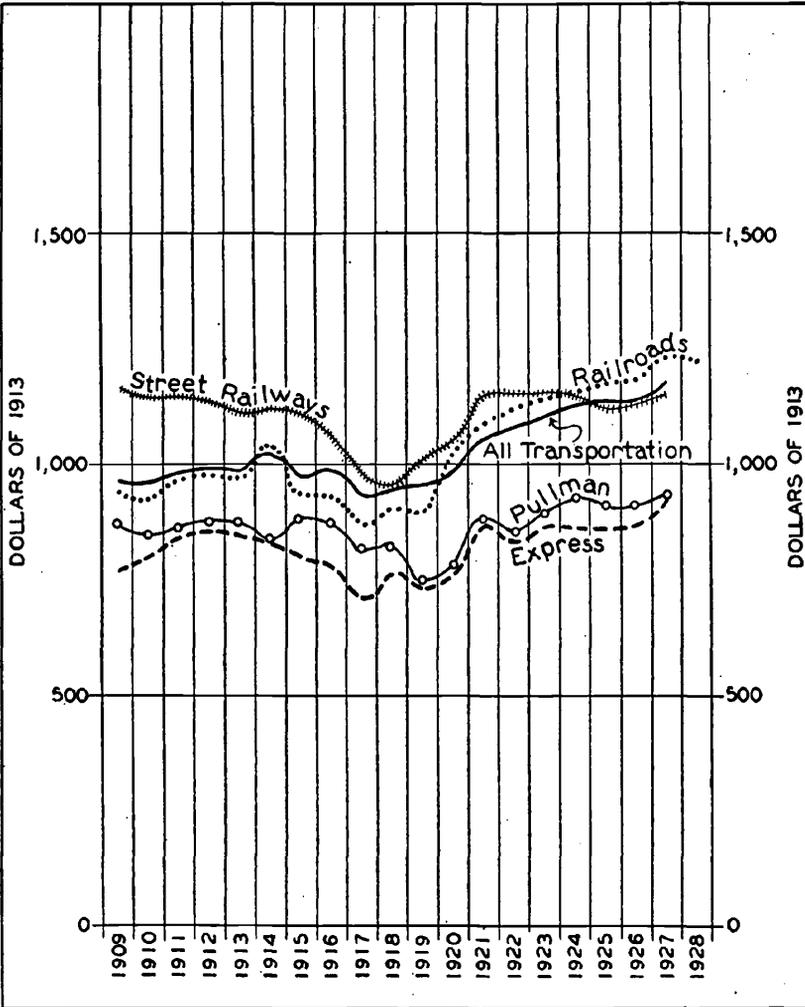
PURCHASING POWER, IN 1913 DOLLARS,
OF AVERAGE ANNUAL EARNINGS OF SALARIED
EMPLOYEES ATTACHED TO THE VARIOUS
INDUSTRIES*



* For data, see Table XXIX.

CHART 24c

PURCHASING POWER, IN 1913 DOLLARS,
OF AVERAGE ANNUAL EARNINGS OF SALARIED
EMPLOYEES ATTACHED TO THE VARIOUS
INDUSTRIES^a



^a For data, see Table XXIX.