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THE WORK AND WAGES OF SINGLE WOMEN:
1870 TO 1920

Claudia Goldin

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ABSTRACT

Single women in the U.S. dominated the female labor force from 1870 to 1920. Data on the home life and working conditions of women in 1888 and 1907 enable the estimation of earnings functions. Work in the manufacturing sector for these women was task oriented and payment was frequently by the piece. Earnings rose steeply with experience and peaked early; learning was mainly on-the-job. Sex segregation of employment is seen as a partial product of the method of payment, and the early termination of human capital investment was a function of the life-cycle labor force participation of these women, although the role of the family is also critical.

Claudia Goldin
Department of Economics
Dickinson Hall
Princeton University
Princeton, NJ 08544
609/452-4039

1.0 The Era of Single Women's Work: 1870 to 1920

In preface to a book on working women, a past president of the American Economic Association has stated that:

"The importance of [this] subject. . .cannot well be over-estimated. Our age may properly be called the Era of Woman, because everything which affects her receives consideration quite unknown in past centuries. . .[W]oman is valued as never before. . .and. . .it is perceived that the welfare of the other half of the human race depends more largely upon the position enjoyed by woman than was previously understood."¹

Surprisingly enough, these are not the comments of John Kenneth Galbraith, but those of Richard T. Ely writing in 1893. Generations other than ours have also viewed themselves in the midst of radical change concerning the economic role of women. But Ely and his contemporaries, rather than being concerned with married women's work, were more interested in the status of the young and unmarried working woman. The conditions of industrial work for single women, their health, their morals, and the sufficiency of the pay of those living away from home were the heightened issues of a period witnessing the rise of factory employment and increased immigration to its large cities. The motivation for this regard was not entirely unselfish. Prior to the 1870's women had been employed only in a very restrictive number of industries, but as more became employed in trades previously occupied by men, increased concern was expressed about the relative efficiency of the sexes, the related issue of pay differentials, and the impact of female labor on the economic position of men.

In the history of women's labor market experience in the United States the half century from about 1870 to 1920 was the era of single women.² Fully 75% of the white female labor force in 1890 and 1900 were single and fewer than 10% were married. But by the late 1920's married women comprised over 25% of the female work force. Even though the participation rate of single women continued to rise, they became less a force in the economic history of American women.³ The history of the female labor force from 1870 to 1920 was dominated and formed by single

women, and, correspondingly that from 1920 to 1970 by those who were married. Accompanying these changes in the composition of the labor force was an evolution of occupations, events that were not in the least unrelated. The first period witnessed the peaking of the employment of women in manual, manufacturing occupations and the second the rise of clerical employment.⁴

The concern for single working women in the Progressive Era led to the collection of data on their industrial and social condition, and it is perhaps ironic that these documents were ultimately used to draft legislation effectively limiting their employment.⁵ These reports, whatever their original or eventual purpose, are a remarkable depository of information on work and home life, and it is fortunate that two of the most detailed records span the high-point of single women's work in American history. Carroll Wright's Bureau of Labor document Working Women in Large Cities (1889) and the nineteen volume report of the Secretary of Commerce and Labor, Women and Child Wage Earners (1910), studies of women in 1888 and 1907 respectively, form the basis of this article on women in the midst of the era of single women's work.

1.1 Characteristics of Single Working Women, 1888 to 1907.⁶

Single working women at the turn of this century were historically unique in terms of their home lives and occupations. They worked at a time when there were primarily two positions available to urban women -- manual factory work and service employment -- and their occupations, unlike those in the then nascent clerical sector, did not particularly prepare them to reenter the labor force after marriage.⁷ Their jobs were predominantly task oriented, were frequently paid for by the piece, (between 35% and 47 % of women in manufacturing in 1890 worked on piece-rates),⁸ and were almost uniformly distinct from those occupied by men. They learned their trades on-the-job in the factory, store, or home, and although their educations preceded the rise of vocational schools for women, formal schooling was a clear

advantage to them in the labor market.

Women frequently began their labor market experience when young, working continuously until they married. But their age at first marriage was late, indeed it was the latest of all birth cohorts of American women, and the percentage of these women who never married was correspondingly high. These women worked in the labor market when it was common as well for a young girl to have worked instead full-time in her parent's home. About 35% of all urban, single women 16 to 24 years old were neither at school nor working outside their homes in 1900, although only about 5% were by 1930. Therefore a large fraction of these women were still attached to their parent's homes, working in them, or, if they worked outside, giving their entire salaries to their families. But fully 38% of all single urban women over 16 years old in 1900 lived away from their parents with their employers or in the homes of others. Even though part of this rather large figure is accounted for by servants, housekeepers, teachers, and cottonmill towns, the nature of employment alone did not determine residence. And, as a footnote to this attempt at generalization, a hallmark of this group was its cultural heterogeneity.

1.2 Issues and Sources

Questions on both the demand and supply sides of the labor market are suggested by the unique position of single women during this period of American history. I have concentrated here almost exclusively on the supply side to give answers to the following: (Numbers in parentheses refer to sections of this article.)

- (1) What was the nature of work and of skill formation? What were the functions of piece work and task oriented jobs? (2.1)
- (2) What governed the choice of occupation for a single women among jobs in manufacturing, in a store, or as a servant? (2.1)
- (3) What were the payoffs to women (or their families) from entering the labor force when young and remaining at work until marriage, and what were the gains to parents from having their daughters specialize in home or market work? (2.1, 2.2)

- (4) Why were occupations segregated by sex? (2.2)
- (5) What determined whether working women lived at home with their families or in boarding houses? (2.2)
- (6) What roles did education and ethnicity play? (2.3)

Data from two federal studies enable the estimation of a relationship between earnings, experience on-the-job, and other variables which will provide insights to these issues.

Carroll Wright's Working Women in Large Cities (hereafter the 1888 study), the first federal report on working women, investigated the conditions of women "who work in great city manufactories upon light manual or mechanical labor and in stores (p. 9)." The study included 343 industries in 22 cities and contained information on 17,427 women, of whom 88% were single.⁹ It was not until the Secretary of Commerce and Labor's multi-industry report Women and Child Wage Earners, (1907 study), that women were again a direct concern of a federal agency.¹⁰ Only city-industry averages can be used in the 1888 study, the original surveys having never been located, but the 1907 study contains most of the raw data collected for 6 industries, in various locations, (in total information on about 10,000 single girls). This article is based on all the observations for men's clothing in Chicago, and for cotton textiles in Massachusetts and North Carolina, 1785 observations on single women of all ages. The 1888 study includes women living away from home; the observations used for the 1907 study are only for those living at home.

2.0 Earnings Functions: Theory and Results

The earnings equations estimated are variants of a general form implied by a model of human capital formation with a linearly declining investment ratio. The simplest statement of such an earnings function is:

$$(1) \quad \ln Y_t = \beta_0 + \beta_1 s + \beta_2 e + \beta_3 e^2 + v,$$

where $\ln Y_t$ = log of earnings at time t , e = total work experience, and s = schooling. The coefficient on schooling, β_1 can be interpreted as its rate of return, and one can also derive the rate of return to experience and the initial investment ratio from β_2 and β_3 .¹¹ The data used in the estimation procedure are weighted city-industry averages for 1888 and micro-level observations for 1907. The following summarizes the major findings of the results given in Table 1.

2.1 The Nature of Work, Skill Formation, and Occupational Choice

Earnings data for women doing manual work in both 1888 and 1907 indicate that there were large gains to remaining in the labor force. Earnings rose steeply with experience on the job, peaking or leveling off early, (vars. 1 and 2, cols. 1 - 4, Table 2). The occupations women held during this time may be colloquially termed unskilled or, at best, semiskilled, but they involved substantial learning-by-doing and only after several years of job training did individuals become proficient. In various industries (e.g. men's clothing) moving up on the earnings function involved job mobility. "Occupational promotion in coat making necessitates changes in the character of the work done and involves a period of reduced productivity and reduced wages (1907 study, Vol. 2, p. 477)." In others it involved supervising more machines (e.g. weaving), or making more and better pieces (e.g. shoes).

Learning on the job was considerable for individuals entering at any age. Although maturity was a factor in the earnings-experience function, it was not an overriding one. Delaying entry into the labor force for one year added less than 3% to earnings, but working for that year would have added over 9%, (var. 10, col. 5).¹² In other words, a 14 year old working for 2 years would earn at a maximum 6% less than a 16 year old working for 2 years, but the 14 year old working for 2 years would earn 12% more than a 16 year old just entering the labor force.

TABLE 1
EARNINGS FUNCTIONS FOR WOMEN IN 1888 AND 1907,
Dependent variable = log annual earnings

Variables for {1888 Study} {1907 Study}	1888 Study		1907 Study	
	Mean of dependent variable: 5.52		Mean of dependent variable: 5.30	
	(1)	(2)	(3)	(4)
Constant	4.7837* (0.1202)	5.4805* (0.1247)	-1.5350*	-2.0140*
(1) Experience	0.0855* (0.0089)	0.0778* (0.0082)	0.0890* (0.0043)	0.0936* (0.0042)
(2) Exp. ² × 10 ⁻²	-0.4387* (0.0007)	-0.4386* (0.0006)	-0.2809* (0.0002)	-0.2929* (0.0002)
(3) Schooling	0.1553* (0.0014)	0.1249* (0.0232)	0.0564* (0.0133)	0.0446* (0.0130)
(4) Sch. ² × 10 ⁻²	-0.7148* (0.0014)	-0.6249* (0.0013)	-0.3609* (0.0017)	-0.2792* (0.0016)
(5) log days lost } log days worked }	-0.0731* (0.0108)	-0.0793* (0.0100)	1.2133* (0.0169)	1.2189* (0.0165)
(6) %Born in State } Nat. born, Nat. par. }		-0.1557* (0.0441)	-0.0225* (0.0506)	-0.0036 (0.0495)
(7) %Born out of State } Foreign Born }		0.1872* (0.0622)	-0.0910* (0.0456)	-0.0216 (0.0452)
(8) % Native Mom } For. Born × Yrs in US }		-0.1627* (0.0334)	0.0006 (0.0015)	-0.0011 (0.0014)
(9) % Live at Home } Presence of Mom }		-0.3325* (0.0567)	-0.0763* (0.0300)	-0.0419 (0.0296)
(10) % Assist at Home } Age Began Work }		-0.1124* (0.0316)		0.0295* (0.0032)
(11) Store × Schooling	0.0347* (0.0154)	0.0251** (0.0141)		
(12) % 1 prior occup.	0.0112 (0.0458)	-0.0793** (0.0424)		
(13) % 2 prior occup.	0.2421* (0.0663)	0.1239* (0.0615)		
(14) % ≥ 3 prior occup.	0.2930* (0.1150)	0.0675 (0.1072)		
Number of Observations:	1107	1107	1785	1785
R ² :	0.996; 0.667	0.996;	0.836	0.845
s.e.e.:	0.762	0.697	0.313	0.306

NOTES: 1888 - All variables weighted by \sqrt{n} , where n = number of women in each industry-city category. Two measures of R^2 are given: the first is for the weighted OLS regression and the second applies the OLS coefficients to the unweighted data. Other variables entered: three regional dummies (see fn. 9), percent in bad health and % married, widowed, separated or divorced.

1907 - Other variables entered: State or city dummies.

Standard errors are in parentheses under coefficients. All starred coefficients (*) are significant at least at the 5% level; those with (**) are significant at least at the 10% level.

SOURCES: See text.

The shape of the earnings profile was, in addition, not merely a function of some screening mechanism used to identify fast quitters from slow quitters. Various economic theorists have posited that employers having fixed hiring costs and heterogeneous labor with not easily identifiable characteristics will maximize profits by having two types of earnings functions, one flat and one rising. This screening mechanism ensures the self-selection of laborers, with the slow quitters opting for the rising function. The widespread use of piece rates for women is of critical importance in this regard.¹³ Piece work rates may have been used by firms to screen workers initially and then to maintain employment by continuously rewarding effort. Employers desiring to attract female labor may have altered work organization to include more task oriented and incentive pay jobs to reward effort where occupational mobility was excluded by the limited nature of job attachment. But the use of piece rates implies that differences in earnings were a direct function of productivity and not a mere construct. Furthermore, there was an alternative occupation that had a relatively high but flat earnings profile that may have served to attract the casual worker. Lucy Salmon, in summarizing her 1889 survey of domestic service, indicated precisely these market forces in determining the allocation of women among occupations.¹⁴

Although the earnings functions for both years display similar characteristics that for 1907 rises more steeply and peaks later than that for 1888. This finding suggests the evolution and expansion of jobs in terms of training possibilities for single women during these 20 years. A third type of occupation, that of store work, also existed for single women during this period, and work in stores in 1888 also appears to have differed substantially from that in 1907. Although in 1888 there was a bonus to store workers with more schooling (var. 11, cols. 1 and 2), earnings did not differ by experience, that is, the profiles had the same shape

but that for store work was about 3% greater. By 1907 there was more room for advancement in store work. Earnings were initially lower by 8% but rose by 1.8% with each year of experience over and above the same gradient in the factory, (eq. 2).

$$(2) \text{ Ln(av. wkly. earn.)} = 1.506 + 0.0996 \text{ Exp.} - 0.0038 \text{ Exp.}^2 - 0.0758 \text{ StoreDummy} + 0.0181 \text{ Exp*Store}$$

$$(0.0058) \quad (0.0004) \quad (0.0277) \quad (0.0063)$$

Source: 1907 Study, Vol. V, pp. 268-298 $R^2=0.316$ $N=1319$

All of New York City sample used, "women living at home"

2.2 A Comparison of Male and Female Earnings Functions and the Role of the Family

The scant information that presently exists on the earnings of men with similar characteristics during the same time period suggests that their earnings rose less rapidly but peaked later than did those for women.¹⁵ Earnings were somewhat higher for young girls than for young boys, but young boys received a higher return on their education. Boys invested more in training, or should I say had more invested in them, than did girls, and given their respective life-cycle labor force participation rates, these may have been optimal strategies. But the implicit investment choice was made more by parents than by youngsters. Parents were a large factor in the intergenerational transmission of cultural norms, and the earnings functions are suggestive in this regard. Young women who lived at home earned less than did those who boarded (var. 9, cols. 1 and 2), and, understandably, those who assisted at home earned even less (var. 10). Those who lived away from home may have been a biased sample of all young women in terms of their differences with their parents' decisions and in terms of their innate ability. Those whose mothers were alive earned less than did those without mothers at home (vars. 9, cols. 3 and 4), an indication that girls worked at home part-time and either worked fewer hours in the factory or worked less intensively.

Occupations and industries were often highly segregated by sex, and it is likely that these divisions were less a reflection of inherent differences in ability than they were a by-product of segregation by method of payment and the specialized

nature of work. Men were infrequently found in the tedious, task oriented jobs that women held. Because of their greater expected attachment to the labor force they had a greater incentive to perform efficiently in non-piece rate work and stood a higher probability of eventually receiving 'prizes' in the form of promotions and monetary rewards.

2.3 Education and Ethnicity

Education had a smaller impact on earnings than is observed for contemporary data but was, nonetheless, an important factor. Although the results in col. 3 indicate that the foreign born (var. 7) earned 9% less than did native born with native or foreign born parents, this differential disappears when relative maturity is considered. The foreign born began work younger, and therefore given their level of experience earned somewhat less.

3.0 Summary Remarks

In summary, work in the labor market for women from 1870 to 1920 was the realm of the unmarried whose occupations involved much on-the-job-training but little long ranged advancement. The estimated earnings functions are consistent with the life-cycle labor force participation of these women. But the comment by one astute observer that in "most cases, probably, woman's expectation of marriage is responsible for her lack of skill, but in some instances, doubtless, her enforced lack of skill is responsible for her longing for marriage as a relief from intolerable drudgery" (1907 Study, Vol. 9, H. Sumner, p. 32)

indicates that this harmony need not have been universally felt or long lived.

FOOTNOTES

1. Helen Campbell, Women Wage Earners: Their Past, Their Present and Their Future (Boston: 1893), p. 1.
2. There is little at present known about the labor force participation of women prior to 1870, but evidence that does exist suggests that the percentage of married women at work was higher in large cities prior to that time.
3. See Table 4 of Goldin, "Women in the American Labor Experience," paper presented at the 1979 Cliometrics meetings. Labor force participation rates for single women by age, nativity, and race are given below for the entire U.S. and for cities of over 100,000 in 1890, and it can be seen that part of the rise in the labor force participation of single women after 1890 was probably a function of the movement of population to the cities.

Labor Force Participation Rates of Single Women, 1890

	<i>Entire U.S.</i>		<i>Urban U.S.</i>	
	15-24	25-34	15-24	25-34
<i>Native Born, Nat. parents</i>	24.0	42.3	42.9	48.0
<i>Native Born, For. Parents</i>	41.9	55.7	54.0	62.8
<i>Foreign Born</i>	71.1	78.9	82.2	79.0
<i>White</i>	35.0	53.3	58.0	64.1
<i>Black</i>	55.5	78.8	82.5	67.8

SOURCE: Federal Census of Population, 1890, Vol. I, parts 1 and 2.

4. See Elyce Rotella, "Women's Labor Force Participation and the Growth of Clerical Employment in the U.S., 1870-1930" (unpublished doctoral dissertation, University of Pennsylvania, 1977).
5. On the effectiveness of legislation, see Elisabeth M. Landes, "The Impact of State Maximum Hours Laws on the Growth in Employment of Women, 1910-1920" (mimeo, University of Chicago, Feb. 1978).
6. This section is a highly condensed version of material in Goldin, "Women in the American Labor Experience," and Feminine Economy (in progress).
7. Among all white working women in the U.S. in 1890, approximately 1/3 were employed in domestic and personal service, 1/3 in manufacturing and mechanical trades, 1/10 in trade and transportation, 1/10 in professional jobs, and the rest in agriculture. Only a trivial fraction were clerical workers.
8. The lower bound is from the Federal Census of Manufactures, 1890, Part I, Table 5, pp. 92-114, and the upper bound adjusts this figure for the understatement of pieceworkers in cotton and other textile mills. The figure for men is about 11%.
9. The cities included, with the regional divisions used to estimate the earnings functions in Table 1, are: South Atlanta, Baltimore, Charleston, New Orleans,

Richmond, Savannah; North Boston, Brooklyn, Buffalo, Newark, New York, Philadelphia, Providence; MidWest Chicago, Cincinnati, Cleveland, Indianapolis, Louisville, St. Louis, St. Paul; West San Francisco, San Jose.

10. This statement excludes reports using census materials, in particular, Statistics of Women at Work (Washington: 1907) based on the 1900 Census.

11. See, in particular, Jacob Mincer, Schooling, Experience and Earnings, (New York: 1974). Under a particular set of assumptions, Mincer (p. 91) has shown that:

$$\beta_2 = [r_t k_0 + \frac{k_0}{T} (1+k_0)] \quad \text{and} \quad \beta_3 = - [\frac{r_t k_0}{2T} + \frac{(k_0)^2}{2T^2}],$$

where r_t = rate of return to experience; $k_0 = (C_0/E_0)$ = the initial investment ratio which is assumed to decline linearly with time, $k_t = k_0 - k_0(t/T)$.

A time T , investment is zero. If $T=10$, the results in Table 1, col. 3 yield $k_0 = 0.33$ and $r_t = 0.14$; if $T=7$, $k_0 = 0.35$, $r_t = 0.06$.

12. The 3% figure is a maximum because the 1907 study does not include information on prior occupations. To the extent that there was a return to experience on other jobs (see vars. 12, 13, and 14, cols. 1 and 2) the coefficient on the age at beginning work would include it.

13. See, for example, Joanne Salop and Steven Salop, "Self-Selection and Turnover in the Labor Market," Quarterly Journal of Economics (Nov. 1976), pp. 619-627, who state that "the firm could pay for piecework, thereby allowing the worker to receive the full value of his own marginal product and eliminating the firm's interest in this information [viz. turnover costs] (p. 627)."

14. Lucy M. Salmon, Domestic Service (New York: 1972; reprinted from 1897 edition), stated that:

"In the two occupations the wages in which have been compared with those in domestic service [teaching and factory work] while the general average wages are low, it is possible to reach through promotion a comparatively high point. The fact that the wage plane is a high one is one inducement for women of average ability to enter the occupation [servant]. On the other hand, the fact that the wage limit, high as it is, is soon reached must act as a barrier in the case of others (pp. 103-4)."

15. See Joan Hannon, "The Immigrant in the Promised Land: Human Capital and Ethnic Discrimination in the Michigan Labor Market" (unpublished doctoral dissertation, University of Wisconsin, 1977), Table 3.5 for male earnings equations in 1889.