

AGE AND SEX DIFFERENTIALS IN TAXABLE WAGES REPORTED FOR 1937

MAX J. WASSERMAN AND KATHERINE D. Wood*

INFORMATION on the age and sex distribution of workers in employment covered by old-age insurance in 1937 and on the differences in their earnings is significant not only from the standpoint of future old-age benefits but also as a partial reflection of conditions in the labor market. Many assumptions are made as to the differences in employment opportunities and in earnings of men as compared with women, and as to similar differences for workers of different ages. The wage records kept by the Bureau of Old-Age Insurance will, as time goes on, provide a statistical check of some of these assumptions.

Two factors, however, limit the usefulness of the present data for such purposes: The number of weeks or months during which the taxable wages were earned is not known nor is the extent to which the reported wages represent total earnings of these individuals for the year. Information on the length of the period of employment which the earnings represent is necessary to differentiate between earnings from full-time employment and those from short-time, part-time, and intermittent employment. Information on earnings from other than covered employment is a prerequisite to a determination of the actual total annual earnings of workers who participate in the old-age insurance system, a fact of great importance in relation to the standard of living which they and their families can maintain. It should also be remembered that the earnings reported are those of individual wage earners and that many families include more than one wage earner.

The 1937 wage reports provide data on the number of persons of each sex and age group who had some employment covered by old-age insurance in 1937 and the total taxable earnings in that year reported for each individual. In considering some of the differences in reported earnings of persons in various age and sex categories, it should be kept in mind that opportunities for noncovered employment differ as between men and women and as between older and younger

workers. Such differences are reflected, for example, in the concentration of older workers ordinarily found among the self-employed and in the concentration of older women in domestic service in private homes.¹

Table 1.—Percentage distribution¹ by sex and color of employees with reported taxable wages, 1937,² of applicants for account numbers, 1937,³ of gainful workers enumerated in the 1930 census, and of persons employed or available for employment, 1937⁴

| Sex and color | Employees with reported taxable wages, 1937 | Applicants for account numbers, 1937 | Gainful workers, 1930 | Employed or available for employment, 1937 |
|-------------------------|---|--------------------------------------|-----------------------|--|
| Total number..... | 29,707,770 | 3,497,811 | 46,167,534 | 52,611,621 |
| Percentage distribution | | | | |
| Total..... | 100.0 | 100.0 | 100.0 | 100.0 |
| Male..... | 72.5 | 72.3 | 77.6 | 72.8 |
| Female..... | 27.5 | 27.7 | 22.4 | 27.2 |
| Total..... | 100.0 | 100.0 | 100.0 | (5) |
| White..... | 92.5 | 91.8 | 87.3 | (5) |
| Negro..... | 6.6 | 7.6 | 11.1 | (5) |
| Other..... | .9 | .6 | 1.6 | (5) |

¹ Based on persons aged 15-64.

² Compilation based on wage items posted by July 9, 1938, relating to 93 percent of total taxable wages reported for 1937 and 96 percent of estimated total number of employees receiving such wages in 1937. These reports comprised \$26.9 billion in taxable wages paid to 39.5 million employees. Of these numbers there are here excluded further 77,632 employees holding railroad retirement account numbers, 267,098 employees whose sex or race is unknown, 114,107 persons aged 65 and over, 46,797 persons under 15, and 285,350 whose age was unknown. Data corrected to Apr. 10, 1938.

³ Based on 10-percent sample of applications filed prior to 1938.

⁴ Based on number estimated to be employed or available for employment in the Census of Partial Employment, Unemployment and Occupations, 1937.

⁵ Not available.

The reports for 1937 also provide data on the race or color of covered workers and on the State in which the covered employment occurred. These factors will be considered in a subsequent article. Workers other than white represent less than 8 percent of the total number of persons for whom reports were made, and their wages comprise less than 4 percent of the reported total. It is believed, therefore, that while their earnings were lower, on the average, than those of white workers,

¹ Among workers aged less than 65 in 1930, approximately 48 percent of the women in domestic service in private families were over 31 whereas only 36 percent of all women gainful workers exceeded that age. See Needleman, Rao, "Domestic Workers in Private Homes," *Social Security Bulletin*, Vol. 2, No. 3 (March 1930), p. 14 (table 2).

*Bureau of Old-Age Insurance, Analysis Division. This article is the third in a series on the 1937 wage reports.

their proportion in the total is too small to affect significantly the analysis of sex and age factors in relation to wages here given on the basis of the reports for all workers.²

Distribution of Workers by Sex and Age

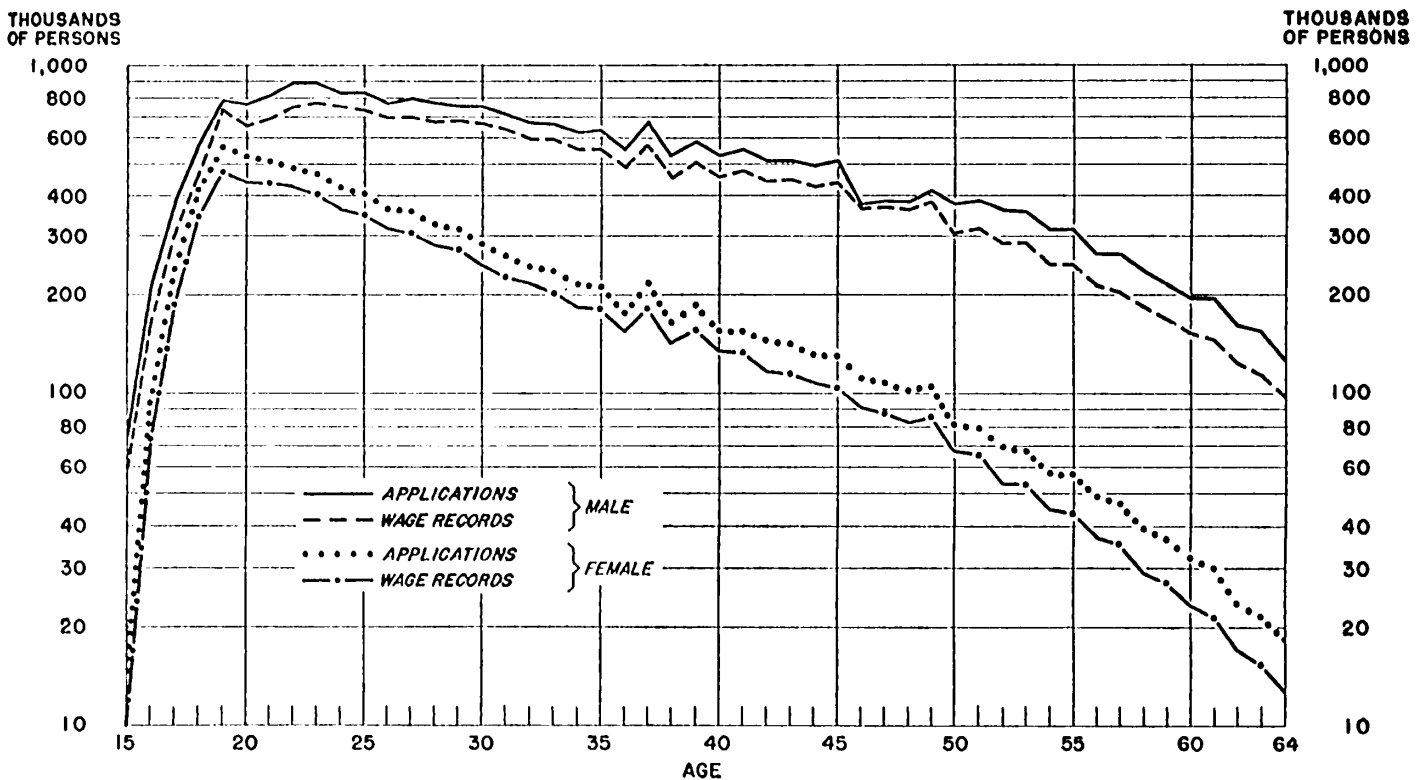
Without some basis for comparison, statistics on the number of men and women of different ages in covered employment in 1937 are of limited value in the general field of economic statistics, though they are essential for charting the course of future benefits. As data from wage records become available for a series of years, year-to-year comparisons will undoubtedly increase their value and lessen the necessity of making comparison with other series. At the present time, however, interpretation of the 1937 reports can be made only by comparison with material from other sources. Since the individuals in covered employment represent selected occupational groups, a comparison with persons in noncovered employ-

ment should be helpful. In the absence of statistics for noncovered workers, however, the census of population of 1930 and the unemployment census of 1937 are used to show the differences in the age and sex distribution of covered workers and the entire labor force.

Distributions by sex and race of employees with reported taxable wages are rather different from those of all gainful workers in 1930. The proportion of women is higher among the former and the proportion of Negroes and persons of other races is lower. (See table 1.) It should not be assumed, however, that the proportion of women in the total working population increased from 1930 to 1937 to the extent indicated by the percentages shown in table 1, since the difference may be due partly to the rate of turn-over among women in the labor market. A relatively high turn-over among women workers would tend to increase slightly the proportion of women shown in a cumulative total for a year as compared with their proportion for any given day or week, since the women who had dropped out of the labor market or had just come into it might not be reported as working or seeking work on the date of

¹ The earnings of persons under 16 and over 65 years of age are omitted in this analysis because the employment for both of these age groups is likely to represent less than a year, since one group was just entering the labor market and the other leaving covered employment during the year 1937.

Chart I.—Applicants for account numbers¹ and employees with reported taxable wages, for each sex by single year of age, 1937



¹ Based on 10-percent sample of applications filed prior to 1938.

Table 2.—Percentage distribution, for each sex, of employees with reported taxable wages, 1937, of gainful workers enumerated in the 1930 census, of persons employed or available for employment, 1937,¹ and of unemployed workers, 1937,² by age group

| Age group (years) | Male | | | | Female | | | |
|-------------------|---|-----------------------|--|--|---|-----------------------|--|--|
| | Employees with reported taxable wages, 1937 | Gainful workers, 1930 | Employed or available for employment, 1937 | Unemployed and emergency workers, 1937 | Employees with reported taxable wages, 1937 | Gainful workers, 1930 | Employed or available for employment, 1937 | Unemployed and emergency workers, 1937 |
| Total 15-64..... | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| 15-19..... | 7.7 | 7.7 | 7.1 | 15.2 | 13.3 | 14.9 | 13.5 | 22.8 |
| 20-24..... | 16.8 | 13.4 | 13.6 | 17.3 | 25.2 | 22.7 | 21.6 | 21.2 |
| 25-29..... | 16.0 | 13.1 | 13.5 | 11.6 | 18.8 | 14.8 | 16.1 | 12.0 |
| 30-34..... | 14.0 | 12.4 | 12.5 | 9.3 | 13.1 | 10.8 | 12.2 | 9.6 |
| 35-39..... | 12.0 | 12.7 | 11.4 | 8.9 | 9.9 | 10.1 | 10.0 | 9.4 |
| 40-44..... | 10.3 | 11.3 | 10.9 | 8.9 | 7.5 | 8.2 | 8.5 | 7.0 |
| 45-49..... | 8.9 | 10.0 | 10.2 | 8.7 | 5.5 | 6.8 | 6.0 | 6.4 |
| 50-54..... | 6.7 | 8.4 | 8.7 | 8.1 | 3.5 | 5.4 | 5.2 | 4.8 |
| 55-59..... | 4.7 | 6.3 | 7.1 | 6.7 | 2.1 | 3.7 | 3.7 | 3.3 |
| 60-64..... | 2.9 | 4.7 | 5.0 | 5.3 | 1.1 | 2.6 | 2.3 | 2.0 |

¹ Based on number of persons estimated to be employed or available for employment, in the Census of Partial Employment, Unemployment and Occupations, 1937.

² Based on persons registered as totally unemployed or emergency workers, in the Census of Partial Employment, Unemployment and Occupations, 1937.

census enumeration even though they had work at some time during the year.

In the unemployment census of 1937 women constituted 27 percent of the total number of persons employed or available for employment, but this group includes new workers, a group not included in the 1930 census definition of gainful workers. Whether this figure represents a real increase in the proportion of women among the total working force of the country remains to be seen. The fact that the wage records of 1937 show a percentage of women similar to the unemployment census may reflect such a change, or it may reflect the occupational exceptions. Many women are excluded from coverage by such exceptions as domestic service in private homes and certain types of employment in nonprofit organizations, and, in view of the proportion of women in the total group of covered workers, it would seem that these exceptions are counterbalanced by the exception of occupations open chiefly to men—for example, agriculture, maritime employment, self-employment, and railroad employment, which is covered by a separate retirement system. Undoubtedly, the occupational exceptions are also responsible in large part for the lower percentages of persons of Negro and "other" races among workers in covered employment in 1937, although differences in the incidence of unemployment may also be an important factor. The distributions by sex and race of employees with taxable wages in 1937 are similar, in general, to those of applicants for account numbers through 1937.

Among all workers represented in the 1937 wage reports, approximately 25 percent of the men and 39 percent of the women were under 25 years. Women were more heavily concentrated than men in each age group under 30. This difference is reflected in the median age of 28 years for women and of 34 years for men. The differences between the men and women are consistent with those found in the total working population. (See table 2.)

The age distribution of employees for whom taxable earnings were reported in 1937 shows

Table 3.—Ratio, for each sex, of employees with reported taxable wages, 1937, to gainful workers, 1930, to persons employed or available for employment, 1937,¹ and to applicants for account numbers, 1937,² by age group

| Age group (years) | Ratio (percent) of employees with reported taxable wages, 1937, to— | | | | | |
|-------------------|---|--------|--|--------|--------------------------------------|--------|
| | Gainful workers, 1930 | | Employed or available for employment, 1937 | | Applicants for account numbers, 1937 | |
| | Male | Female | Male | Female | Male | Female |
| Total 15-64..... | 60.1 | 78.9 | 56.2 | 57.0 | 85.1 | 84.4 |
| 15-19..... | 60.4 | 70.3 | 60.8 | 55.9 | 82.2 | 81.8 |
| 20-24..... | 75.3 | 88.0 | 69.4 | 66.4 | 86.6 | 86.0 |
| 25-29..... | 73.2 | 99.0 | 66.4 | 66.5 | 87.7 | 86.8 |
| 30-34..... | 67.7 | 96.4 | 63.0 | 61.5 | 88.0 | 87.0 |
| 35-39..... | 56.2 | 77.7 | 59.3 | 56.8 | 86.7 | 84.7 |
| 40-44..... | 55.2 | 72.2 | 53.1 | 50.7 | 85.7 | 83.1 |
| 45-49..... | 53.5 | 63.8 | 48.8 | 45.7 | 81.2 | 83.3 |
| 50-54..... | 48.3 | 60.2 | 43.3 | 37.4 | 80.8 | 79.2 |
| 55-59..... | 45.0 | 44.9 | 37.6 | 32.8 | 78.6 | 75.7 |
| 60-64..... | 37.3 | 34.0 | 32.7 | 26.9 | 75.4 | 72.3 |

¹ Based on number estimated to be employed or available for employment in the Census of Partial Employment, Unemployment and Occupations, 1937.

² Based on 10-percent sample of applications filed prior to 1938.

Table 4.—Cumulative percentage distribution,¹ for each sex, of employees with reported taxable wages, 1937, by wage interval

[Data corrected to Apr. 10, 1939]

| Wage Interval | Cumulative percent of employees | |
|------------------------|---------------------------------|--------|
| | Male | Female |
| Under \$100..... | 11.5 | 10.9 |
| Under \$200..... | 17.9 | 30.3 |
| Under \$300..... | 23.0 | 38.7 |
| Under \$400..... | 27.5 | 40.0 |
| Under \$500..... | 31.8 | 54.0 |
| Under \$600..... | 30.1 | 61.3 |
| Under \$700..... | 40.4 | 68.6 |
| Under \$800..... | 44.8 | 75.7 |
| Under \$900..... | 49.1 | 81.4 |
| Under \$1,000..... | 53.5 | 86.1 |
| Under \$1,100..... | 57.9 | 89.6 |
| Under \$1,200..... | 62.1 | 92.0 |
| Under \$1,300..... | 66.4 | 94.0 |
| Under \$1,400..... | 70.4 | 95.5 |
| Under \$1,500..... | 74.0 | 96.5 |
| Under \$1,600..... | 77.5 | 97.4 |
| Under \$1,700..... | 80.4 | 97.9 |
| Under \$1,800..... | 83.0 | 98.3 |
| Under \$1,900..... | 85.4 | 98.7 |
| Under \$2,000..... | 87.4 | 98.9 |
| Under \$2,100..... | 89.0 | 99.1 |
| Under \$2,200..... | 90.4 | 99.3 |
| Under \$2,300..... | 91.5 | 99.4 |
| Under \$2,400..... | 92.4 | 99.5 |
| Under \$2,500..... | 93.3 | 99.5 |
| Under \$2,600..... | 94.0 | 99.6 |
| Under \$2,700..... | 94.6 | 99.6 |
| Under \$2,800..... | 95.1 | 99.7 |
| Under \$2,900..... | 95.6 | 99.7 |
| Under \$3,000..... | 96.0 | 99.7 |
| \$3,000 and under..... | 99.1 | 99.9 |
| All intervals..... | 100.0 | 100.0 |

¹ Based on persons aged 15-64.

rather marked differences from the age distributions of gainful workers in 1930 or of persons employed or available for employment as shown by the 1937 unemployment census. Both the men and the women represented in the wage records were more heavily concentrated in the age groups from 20-34 years than was the case for all workers in 1930 or for those employed or seeking work in 1937. The wage records showed correspondingly smaller proportions of men and women in the age groups above 34 years.

If the number of men and of women with taxable earnings in 1937 is taken as a percentage of each age group of total gainful workers in 1930 or of total persons employed or available for employment in 1937, this ratio declines markedly for the men after 20-24 years of age and for the women after 25-29 years of age.

In considering these comparisons it should be remembered, perhaps, that the 1937 unemployment census figures include new workers, whereas the 1930 census did not. Their inclusion probably increases the number of men in the younger age groups, but since new workers are more widely

distributed among the various age groups of women, their inclusion probably influences the age distribution of the women much less.

In the light of these differences in the age characteristics of workers who received taxable wages in 1937 as compared with gainful workers in 1930 and persons employed or available for employment in 1937, it may be questioned whether the wage reports of 1937 show evidence of discrimination against older workers in covered employment. At first glance the answer might be thought to be affirmative, but on closer analysis the qualifications to such a conclusion become clear. In the first place the factor of the occupational exceptions must be considered. In many excepted occupations workers' ages are relatively high; for example, those of proprietors, railroad workers, craftsmen working on their own account, and domestic workers in private homes.³

In the second place, discrimination should be measured not only by the number of persons employed at a given date but by the length of the period of employment. Many young workers obtain or stay on jobs for a short period, creating a large turn-over in employment, whereas there is less turn-over among older workers and they probably have more steady employment. The high

Table 5.—Median and mean reported taxable wages, 1937, for each sex, and ratio of medians and means for females to those for males

[Data corrected to Apr. 10, 1939]

| Age group (years) | Median wage | | | Mean wage | | |
|-------------------|----------------|------------------|---|----------------|------------------|---|
| | Male employees | Female employees | Ratio (percent) of median for females to median for males | Male employees | Female employees | Ratio (percent) of mean for females to mean for males |
| Total 15-64..... | \$920 | \$446 | 48.5 | \$1,040 | \$530 | 51.0 |
| 15-19..... | 172 | 150 | 87.2 | 277 | 242 | 87.4 |
| 20-24..... | 596 | 411 | 68.8 | 656 | 453 | 69.1 |
| 25-29..... | 929 | 531 | 57.2 | 960 | 575 | 59.9 |
| 30-34..... | 1,141 | 608 | 53.3 | 1,188 | 634 | 53.4 |
| 35-39..... | 1,226 | 662 | 53.9 | 1,287 | 649 | 50.4 |
| 40-44..... | 1,282 | 567 | 44.2 | 1,348 | 659 | 48.9 |
| 45-49..... | 1,254 | 558 | 44.5 | 1,334 | 653 | 49.0 |
| 50-54..... | 1,186 | 544 | 45.9 | 1,280 | 646 | 50.5 |
| 55-59..... | 1,103 | 533 | 48.3 | 1,215 | 634 | 52.2 |
| 60-64..... | 1,026 | 521 | 50.8 | 1,154 | 618 | 53.6 |

proportion of young persons in the total workers receiving taxable wages in 1937 may reflect both these factors. Without information on the duration of employment covered by the wage reports and on differences in wage rates as between

³ See footnote 1.

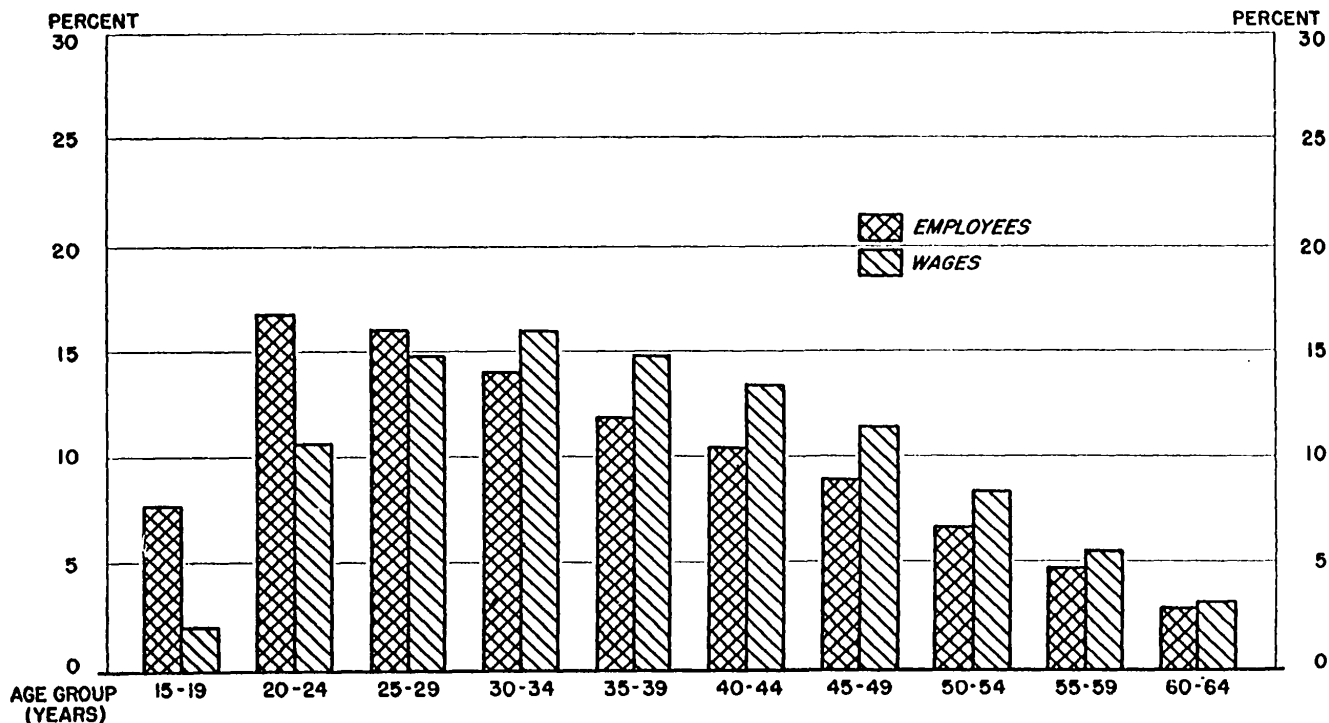
younger and older workers, only indirect evidence of possible differences in the amount of employment for different age groups lies in the reported wages, which will be discussed subsequently.

The question whether or not there is discrimination against older workers must be considered also in terms of the labor supply, i. e., the relative numbers of persons of different ages who are unemployed and seeking work. It is therefore in point to compare the age distribution of workers with taxable wages with that of persons reported in the 1937 census of unemployment as totally unemployed or engaged on work projects. Again the comparison is limited by lack of knowledge as to the effect of occupational exceptions and by the fact that a census as of a given date (November 16-20, 1937) is compared with a cumulative count for the year 1937. Both the unemployed men and the unemployed women are more heavily concentrated in the first age group, 15-19 years, than are the men and women in covered employment in 1937; unemployed men are also more concentrated in each age group above 49 years, and unemployed women in each age group above 39 years. Thus, by comparison with the unemployed

there appear to be relatively large numbers of workers in covered employment in the middle age groups. The inference from these data would seem to be that both very young workers and older workers have difficulty in obtaining covered employment. In considering the factor of age in relation to employment it should be remembered that opportunities for employment are influenced not by age alone but by age in conjunction with race and sex as well as with occupation, length of experience, and the available employment opportunities.

A comparison may also be made of the age distribution of workers who had some covered employment in 1937 and that of persons who had obtained account numbers by the end of 1937. These two distributions are shown for men and women by single years of age in chart I. This chart shows for the first time the extent to which, in 1937, account numbers had been obtained, at different ages, by persons who failed to enter covered employment. On the whole there is no marked difference for any year of age in the number of persons for whom accounts were opened and the number of those who received taxable wages in 1937. A comparison of the ratios, by

Chart II.—Percentage distribution of male employees and their reported taxable wages, by age group, 1937



age groups, of persons in covered employment to account holders (table 3) shows a gradual rise for each group up to the years 30-34 for both men and women, and a steady decline thereafter.

It is not surprising that for the age group 15-19 the ratio of persons in covered employment to account holders is relatively low, since many of these young persons were just entering the labor market and had probably not yet found their first jobs. For other age groups there may be several explanations of the differences. Many persons who were engaged on work projects or were unemployed obtained account numbers, possibly with the expectation that they would be of assistance in obtaining jobs. Account numbers are used in connection with the administration of State unemployment compensation laws for some persons who are not covered by old-age insurance. Among older persons there may have been a greater consciousness of need for old-age insurance and consequently greater interest in obtaining an account number even when the chance of covered employment was relatively slight. It is also possible that some persons may have obtained account numbers in the belief that they were necessary for old-age assistance. Whatever the rea-

sons, it is clear that at the end of 1937 proportionately more persons over 50 than under that age held account numbers without having been in covered employment in that year.

Comparisons of the ages of account holders and of persons in covered employment in a later year may be expected to show greater differences because of the fact that persons who have once obtained account numbers continue to hold them, whether or not they are currently in covered employment. At the same time the differences between the age distributions for men and for women who hold account numbers should diminish, since more women than men withdraw from the labor market but continue to be potential claimants to benefits.

Reported Wages of Men and of Women

That the 1937 reports showed lower taxable earnings for women than for men was indicated in earlier articles in the Bulletin. Although women comprised 27.4 percent of all persons for whom wage reports were made, they received only 16.2 percent of the total reported wages.⁴ A cumula-

⁴ See *Social Security Bulletin*, Vol. 2, No. 3 (March 1939), pp. 3-9; Vol. 2, No. 4 (April 1939), pp. 3-8.

Chart III.—Percentage distribution of female employees and their reported taxable wages, by age group, 1937

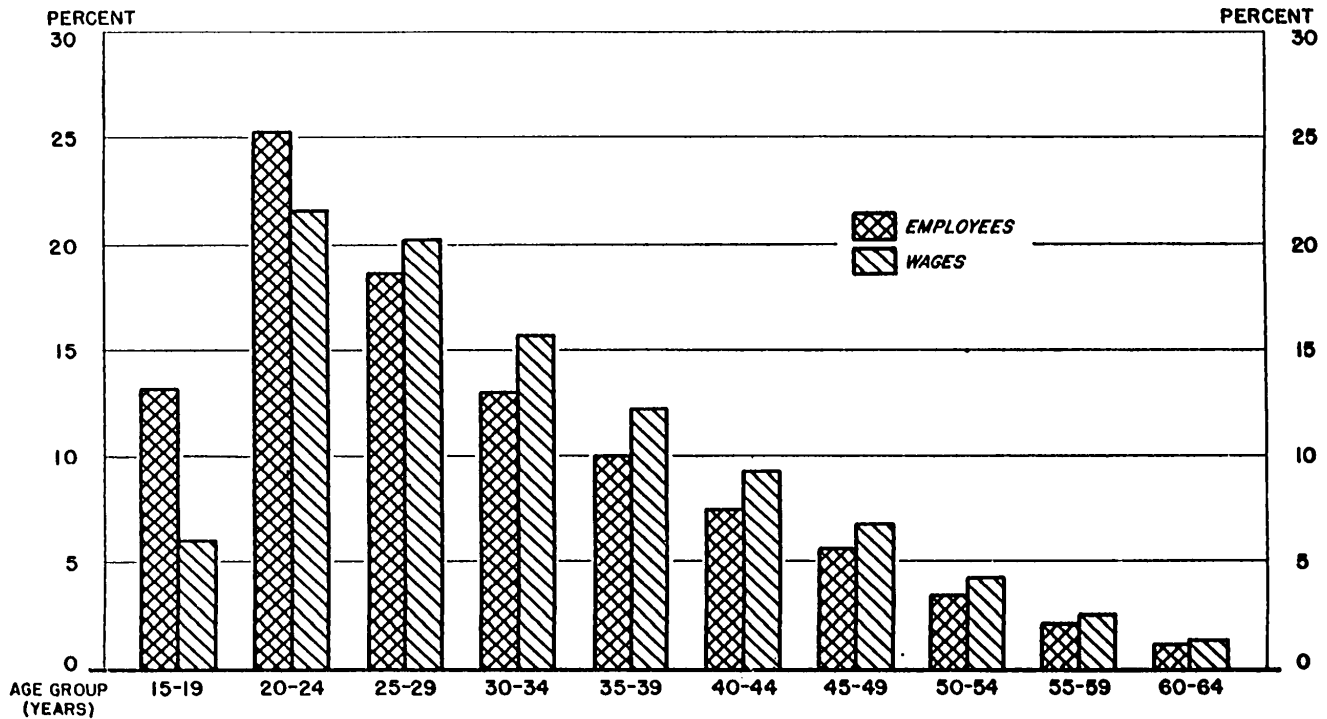


Table 6.—Distribution of male employees with reported taxable wages, 1937, by wage interval within each age group

[Data corrected to Apr. 10, 1939]

| Wage interval | Number of male employees within each age group | | | | | | | | | | | |
|-----------------------|--|----------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | All ages | Under 15 years | 15-19 years | 20-24 years | 25-29 years | 30-34 years | 35-39 years | 40-44 years | 45-49 years | 50-54 years | 55-59 years | 60-64 years |
| Total..... | 21,680,153 | 41,817 | 1,661,915 | 3,613,600 | 3,448,604 | 3,017,522 | 2,569,101 | 2,227,150 | 1,009,817 | 1,445,906 | 1,016,102 | 628,430 |
| \$1-\$99..... | 2,518,523 | 37,500 | 618,166 | 520,880 | 328,893 | 232,727 | 199,392 | 160,540 | 144,840 | 115,078 | 87,540 | 57,361 |
| \$100-\$199..... | 1,370,317 | 3,438 | 294,484 | 314,100 | 191,476 | 135,156 | 110,240 | 91,828 | 80,073 | 65,450 | 50,852 | 33,211 |
| \$200-\$299..... | 1,096,260 | 473 | 188,384 | 270,106 | 163,013 | 115,643 | 93,105 | 70,070 | 60,511 | 54,063 | 41,141 | 27,746 |
| \$300-\$399..... | 982,405 | 143 | 132,299 | 244,014 | 157,129 | 111,137 | 87,227 | 71,307 | 62,959 | 50,539 | 39,211 | 26,440 |
| \$400-\$499..... | 927,977 | 50 | 101,495 | 231,442 | 156,174 | 100,787 | 86,114 | 69,792 | 61,024 | 49,698 | 37,306 | 24,996 |
| \$500-\$599..... | 916,713 | 30 | 82,362 | 225,805 | 160,444 | 113,150 | 87,438 | 71,546 | 62,411 | 49,943 | 38,001 | 25,605 |
| \$600-\$699..... | 933,080 | 27 | 66,165 | 224,098 | 167,449 | 119,750 | 92,891 | 75,779 | 66,708 | 53,309 | 40,102 | 29,712 |
| \$700-\$799..... | 953,761 | 21 | 55,071 | 230,752 | 174,440 | 126,817 | 95,806 | 78,262 | 68,378 | 55,439 | 41,781 | 27,994 |
| \$800-\$899..... | 919,054 | 14 | 40,985 | 222,083 | 172,508 | 122,755 | 94,192 | 70,852 | 67,825 | 54,457 | 40,553 | 26,800 |
| \$900-\$999..... | 949,798 | 14 | 28,022 | 215,631 | 184,171 | 130,844 | 100,602 | 82,426 | 74,476 | 59,272 | 44,377 | 29,464 |
| \$1,000-\$1,499..... | 4,404,658 | 31 | 48,936 | 703,782 | 890,640 | 693,748 | 535,295 | 457,887 | 399,020 | 312,067 | 223,765 | 138,601 |
| \$1,500-\$1,999..... | 2,883,035 | 15 | 4,320 | 170,952 | 486,317 | 551,350 | 464,374 | 402,587 | 333,484 | 234,792 | 150,477 | 84,361 |
| \$2,000-\$2,499..... | 1,282,709 | 8 | 387 | 23,424 | 143,707 | 250,695 | 245,947 | 218,455 | 174,065 | 116,681 | 71,315 | 37,935 |
| \$2,500-\$2,999..... | 580,378 | 8 | 95 | 4,455 | 43,070 | 103,008 | 119,515 | 112,071 | 89,671 | 58,968 | 36,763 | 18,974 |
| \$3,000 and over..... | 855,479 | 22 | 138 | 3,205 | 20,083 | 101,040 | 156,954 | 175,742 | 188,467 | 114,630 | 73,868 | 42,330 |
| Total..... | Percentage distribution | | | | | | | | | | | |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| \$1-\$99..... | 11.7 | 89.7 | 37.2 | 14.7 | 9.5 | 7.7 | 7.8 | 7.5 | 7.6 | 8.0 | 8.6 | 9.1 |
| \$100-\$199..... | 6.3 | 8.2 | 17.7 | 8.7 | 5.6 | 4.5 | 4.3 | 4.1 | 4.2 | 4.5 | 5.0 | 5.3 |
| \$200-\$299..... | 5.1 | 1.2 | 11.3 | 7.6 | 4.7 | 3.8 | 3.6 | 3.4 | 3.5 | 3.7 | 4.1 | 4.4 |
| \$300-\$399..... | 4.6 | .3 | 8.0 | 6.8 | 4.6 | 3.7 | 3.4 | 3.2 | 3.3 | 3.5 | 3.9 | 4.2 |
| \$400-\$499..... | 4.3 | .1 | 6.1 | 6.4 | 4.5 | 3.6 | 3.3 | 3.1 | 3.2 | 3.4 | 3.7 | 4.0 |
| \$500-\$599..... | 4.2 | .1 | 5.0 | 6.2 | 4.7 | 3.8 | 3.4 | 3.2 | 3.3 | 3.5 | 3.7 | 4.1 |
| \$600-\$699..... | 4.3 | .1 | 4.0 | 6.2 | 4.9 | 4.0 | 3.6 | 3.4 | 3.5 | 3.7 | 3.9 | 4.2 |
| \$700-\$799..... | 4.4 | .1 | 3.3 | 6.4 | 5.1 | 4.2 | 3.7 | 3.5 | 3.6 | 3.8 | 4.1 | 4.5 |
| \$800-\$899..... | 4.3 | (1) | 2.5 | 6.1 | 5.0 | 4.1 | 3.7 | 3.5 | 3.5 | 3.8 | 4.0 | 4.3 |
| \$900-\$999..... | 4.4 | (2) | 1.7 | 6.0 | 5.3 | 4.3 | 3.9 | 3.7 | 3.9 | 4.1 | 4.4 | 4.7 |
| \$1,000-\$1,499..... | 20.4 | .1 | 2.9 | 19.5 | 25.8 | 23.0 | 20.8 | 20.6 | 20.9 | 21.7 | 22.0 | 22.1 |
| \$1,500-\$1,999..... | 13.4 | (1) | .3 | 4.7 | 14.1 | 18.3 | 18.1 | 18.1 | 17.4 | 16.2 | 14.8 | 13.4 |
| \$2,000-\$2,499..... | 5.9 | (1) | (1) | .6 | 4.2 | 8.3 | 9.0 | 9.8 | 9.1 | 8.1 | 7.0 | 6.0 |
| \$2,500-\$2,999..... | 2.7 | (1) | (1) | .1 | 1.2 | 3.4 | 4.7 | 5.0 | 4.7 | 4.1 | 3.5 | 3.0 |
| \$3,000 and over..... | 4.0 | .1 | (1) | .1 | .8 | 3.3 | 6.1 | 7.9 | 8.3 | 7.9 | 7.3 | 6.7 |

¹ Less than 0.05 percent.

tive percentage distribution (table 4) shows that 86 percent of the women in covered employment earned less than \$1,000 in taxable wages in 1937, as compared with 54 percent of the men. Seventy-four percent of the men and 97 percent of the women had less than \$1,500 in reported taxable wages. The proportion of men or of women with reported earnings of \$3,000 or more was exceedingly small—4 percent and .3 percent, respectively.

Several factors are doubtless responsible for the fact that women's reported wages were lower than those of men: Women may have had more part-time or seasonal employment than men, which means that their earnings in covered employment were for less than full employment; a large proportion of the women probably worked in occupations and industries where the wage scales are relatively low; in some instances women may have received lower pay than men for the same type of work. No measurement of the relative importance of each of these factors is possible

from the present data, since employers are not now required to report the number of weeks of work represented by the wages reported or the occupation in which the person was engaged. Both the occupational status and the earnings of women are influenced in some lines of work by the brief duration or intermittency of their participation in the labor market.

The Relation of Age to Reported Earnings

The percentage distribution, by age groups, of employees and of their reported taxable wages is shown for men in chart II and for women in chart III. Though the women in covered employment are more heavily concentrated in the age group under 30 years than are the men—57.3 percent as compared to 40.5 percent (see table 2)—the average earnings for both men and women are nevertheless heavily weighted with earnings for the younger age groups. That earnings for both men and women increase with age may be seen

Table 7.—Distribution of female employees with reported taxable wages, 1937, by wage interval within each age group

[Data corrected to Apr. 10, 1939]

| Wage interval | Number of female employees within each age group | | | | | | | | | | | |
|-------------------------|--|----------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | All ages | Under 15 years | 15-19 years | 20-24 years | 25-29 years | 30-34 years | 35-39 years | 40-44 years | 45-49 years | 50-54 years | 55-59 years | 60-64 years |
| Total..... | 8,174,414 | 4,080 | 1,085,245 | 2,066,768 | 1,526,475 | 1,073,112 | 813,606 | 609,985 | 450,068 | 280,881 | 172,168 | 90,246 |
| \$1-\$99..... | 1,632,147 | 4,438 | 443,538 | 404,349 | 242,098 | 164,611 | 127,372 | 91,292 | 68,187 | 44,564 | 27,213 | 14,485 |
| \$100-\$199..... | 844,487 | 337 | 175,023 | 226,753 | 139,385 | 92,214 | 71,230 | 51,898 | 38,556 | 24,653 | 15,559 | 8,279 |
| \$200-\$299..... | 680,711 | 76 | 117,083 | 193,845 | 118,630 | 78,353 | 59,651 | 44,752 | 32,909 | 21,190 | 13,127 | 6,999 |
| \$300-\$399..... | 640,726 | 33 | 91,476 | 189,672 | 115,231 | 70,246 | 57,547 | 43,529 | 32,603 | 20,314 | 13,040 | 6,975 |
| \$400-\$499..... | 600,482 | 22 | 72,093 | 175,497 | 113,273 | 74,017 | 55,707 | 42,889 | 32,897 | 20,395 | 12,771 | 6,861 |
| \$500-\$599..... | 594,000 | 11 | 58,900 | 169,630 | 112,043 | 75,206 | 57,105 | 45,442 | 34,787 | 21,245 | 13,899 | 7,231 |
| \$600-\$699..... | 598,307 | 12 | 50,165 | 168,217 | 115,071 | 77,131 | 59,096 | 47,302 | 36,456 | 22,585 | 14,197 | 7,595 |
| \$700-\$799..... | 578,020 | 5 | 38,129 | 176,050 | 115,261 | 76,410 | 56,728 | 45,562 | 33,000 | 21,204 | 13,404 | 7,301 |
| \$800-\$899..... | 469,540 | 6 | 10,914 | 137,685 | 102,967 | 66,050 | 47,218 | 36,741 | 27,127 | 16,457 | 10,142 | 5,203 |
| \$900-\$999..... | 381,496 | 5 | 10,836 | 100,050 | 91,942 | 58,876 | 41,422 | 30,681 | 22,148 | 13,383 | 8,116 | 4,031 |
| \$1,000-\$1,499..... | 840,759 | 12 | 7,145 | 124,533 | 224,986 | 175,092 | 120,544 | 81,513 | 55,532 | 32,732 | 18,463 | 9,207 |
| \$1,500-\$1,999..... | 198,162 | 3 | 201 | 5,341 | 30,046 | 45,735 | 41,817 | 30,911 | 21,489 | 12,005 | 6,901 | 3,114 |
| \$2,000-\$2,499..... | 49,255 | ----- | 52 | 617 | 3,677 | 8,497 | 10,622 | 9,745 | 7,358 | 4,631 | 2,774 | 1,282 |
| \$2,500-\$2,999..... | 17,327 | 3 | 11 | 218 | 911 | 2,364 | 3,389 | 2,948 | 2,069 | 1,224 | 627 | 277 |
| \$3,000 and over..... | 20,990 | 17 | 49 | 299 | 949 | 2,310 | 3,518 | 4,195 | 3,861 | 2,824 | 1,918 | 1,056 |
| Percentage distribution | | | | | | | | | | | | |
| Total..... | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| \$1-\$99..... | 20.0 | 89.1 | 40.9 | 19.6 | 15.9 | 15.3 | 15.7 | 15.0 | 15.1 | 15.9 | 15.8 | 16.0 |
| \$100-\$199..... | 10.3 | 6.8 | 16.2 | 11.0 | 9.1 | 8.6 | 8.8 | 8.5 | 8.6 | 8.8 | 9.1 | 9.2 |
| \$200-\$299..... | 8.4 | 1.5 | 10.8 | 9.4 | 7.8 | 7.3 | 7.3 | 7.3 | 7.3 | 7.5 | 7.6 | 7.8 |
| \$300-\$399..... | 7.9 | .7 | 8.4 | 9.2 | 7.6 | 7.1 | 7.1 | 7.2 | 7.2 | 7.2 | 7.6 | 7.7 |
| \$400-\$499..... | 7.4 | .5 | 6.7 | 8.5 | 7.4 | 6.9 | 6.9 | 7.0 | 7.3 | 7.3 | 7.4 | 7.6 |
| \$500-\$599..... | 7.3 | .2 | 5.4 | 8.2 | 7.3 | 7.0 | 7.0 | 7.4 | 7.7 | 7.6 | 7.7 | 8.0 |
| \$600-\$699..... | 7.3 | .2 | 4.6 | 8.1 | 7.5 | 7.2 | 7.3 | 7.8 | 8.1 | 8.0 | 8.3 | 8.4 |
| \$700-\$799..... | 7.1 | .1 | 3.5 | 8.2 | 7.6 | 7.1 | 7.0 | 7.5 | 7.5 | 7.5 | 7.8 | 8.1 |
| \$800-\$899..... | 5.7 | .1 | 1.8 | 6.7 | 6.7 | 6.2 | 5.8 | 6.0 | 6.0 | 5.9 | 5.9 | 5.8 |
| \$900-\$999..... | 4.7 | .1 | 1.0 | 4.8 | 6.0 | 5.5 | 5.1 | 5.0 | 4.9 | 4.8 | 4.7 | 4.5 |
| \$1,000-\$1,499..... | 10.4 | .2 | .7 | 6.0 | 14.7 | 16.3 | 14.8 | 13.4 | 12.3 | 11.7 | 10.7 | 10.2 |
| \$1,500-\$1,999..... | 2.4 | .1 | () | .3 | 2.0 | 4.3 | 5.1 | 5.1 | 4.8 | 4.5 | 4.0 | 3.4 |
| \$2,000-\$2,499..... | .6 | ----- | () | () | .2 | .8 | 1.3 | 1.6 | 1.6 | 1.6 | 1.6 | 1.4 |
| \$2,500-\$2,999..... | .2 | .1 | () | () | .1 | .2 | .4 | .6 | .7 | .7 | .7 | .7 |
| \$3,000 and over..... | .3 | .3 | () | () | .1 | .2 | .4 | .7 | .9 | 1.0 | 1.1 | 1.2 |

¹ Less than 0.05 percent.

from the median and mean earnings shown in table 5. The rate of increase in earnings for the women is, however, much less than for the men. For the age group 15-19, as is shown in chart IV, the earnings of both sexes are almost equal as indicated by the medians of \$172 and \$156, respectively. For this age group the median earnings of the women are 90.7 percent of the median for the men. The medians of both sexes increase in general with the increase in age up to the 40-44 year group, but the proportionately smaller increase in the earnings of women is clearly indicated by the decline in the ratio of women's to men's median earnings with the increase in age. After 40-44 years the median earnings of both men and women decline slightly up to 60-64 years of age, but the ratio of women's earnings shows a slight increase. Although the mean earnings for each age group are slightly higher than the median, in general the same age differentials are indicated as well as a similar relationship between the earn-

ings of women as compared with men of different ages.

When measured by the mean, the highest per capita taxable earnings for total wage earners are for persons in the age group 45-49. The averages for men and women considered separately, however, show both the highest mean and the highest median earnings for the age group 40-44. This difference arises from differences in the relative number of women in each age group and from the proportionate weight of their earnings. The higher earnings are of greater weight in influencing the mean than the median.

The variations in the earnings of wage earners of different age groups may be seen in greater detail in tables 6 and 7, which give the percentage distribution of the earnings of men and women separately for each age group. For the men, the percentages with low earnings, under \$500 for example, decline markedly with the increase in age. The percentages of men with higher earn-

ings increase correspondingly with age. For the women, changes for the various age groups in the relative number with low earnings are much smaller than for the men.

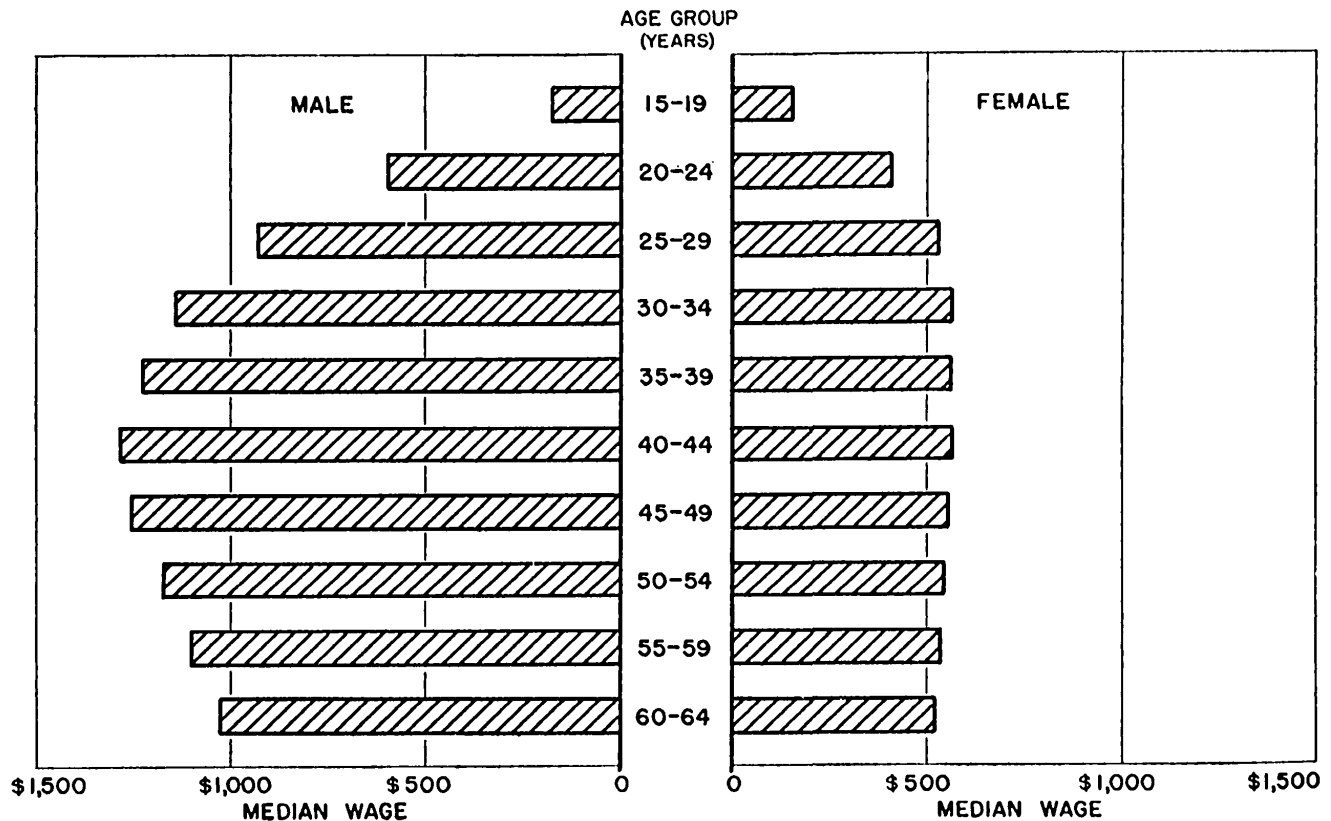
It may be observed both from the averages and from the percentage distribution that the average taxable wages of men were higher than those of women for each age group. To some extent these variations reflect occupational differences. This factor is probably less important for young than for older workers. If it were possible to determine the extent to which the women in each age group were actually available for and seeking full-time employment and the extent to which they did or did not obtain such employment, it would then be possible to draw some conclusions as to relative earning capacity of men and women of different ages in terms of taxable wages. The fact that, as age advances, women's earnings fail to show an increase proportionate to that of men may reflect their briefer participation in the labor market, terminated or limited by family responsibilities and resulting in little if any advancement on the

score of continued service, less regular full-time employment, or lower wage rates in women's occupations in general. As in all evaluation of data concerning the economic position of women, it is necessary to take account of two factors which represent a constant interplay in their effect upon women's employment: (1) conditions in the labor market in terms of type of jobs available to women and the wage rates of those jobs; and (2) the effect of personal factors upon the work history of individual women.

In considering the relation of age, per se, to taxable wages, the data for men are the more useful, since it may be considered that most men will have been in the labor market more continuously than is the case with women.

The low earnings of boys aged 15-19 probably arise from the fact that many have had part-time employment while in school or have but recently obtained first jobs—i. e., irregular employment and only brief experience undoubtedly are important factors. Beginning with the age group 20-24, earnings should be more representative of

Chart IV.—Median reported taxable wages for each sex, by age group, 1937



those individuals who seek work for the entire year though it must not be assumed that all persons of these or other ages were in covered employment throughout the year. The median wage reported for this age group of men (20-24 years) is a little less than \$600. The median for the next group, 25-29, shows a substantial increase to \$929. There is a proportionately smaller increase in the median for each age group up to ages 40-44, when the highest median, \$1,282, is reached. For the succeeding age groups the median declines slightly until it reaches \$1,026 for men 60-64 years of age. Thus the maximum earnings as indicated by the medians were for the group 40-44 years of age, the age at which opportunities for employment are probably best not only in terms of regularity of employment but also in terms of wage rates. Above this age, earnings, as measured by the median, appear to decline gradually to the ages 60-64. These age differentials remain the same whether measured by the mean or the median.

It should be remembered that even for men the total taxable earnings conceal the important factor of the period during which such wages are earned, which, in turn, is affected by both age and occupation. The occupational factor in itself is of great weight in relation to the earnings of persons of different ages. Obviously, the proportion of skilled workers whose wages are relatively high and whose employment is

likely to be more steady will be low among the younger age groups. On the other hand, loss of earnings from illness may be increasingly important for the age groups over 44.

Data on the taxable earnings of workers covered by old-age insurance in 1937 show a rather high concentration of individuals in the lower earning classes. Misinterpretation of the extent of low taxable earnings for an entire year is possible unless account is taken of the fact that both part-time and short-time employment are included as well as full-time employment. No wage rates can be calculated on the basis of the reported earnings. It must be emphasized also that a worker's reported wages from covered employment do not necessarily represent his total earnings for that year, though it is probable that, for the majority of these covered workers, reported wages constituted total annual earnings. Even in these cases it must be remembered, however, that such earnings were not necessarily the total earnings of a family. Although the tabulations by age and by sex leave many questions unanswered, they are of great assistance in analysis of these wage data, in that they show the extent to which the lower amounts of reported earnings are associated with groups in which employment during a year may be of relatively brief duration or intermittent, i. e., young persons of both sexes and women at all ages.