



1914

Five Dollars a Day

The work environment on the assembly line at Ford was tedious, repetitive and tiring. Because of these conditions, many employees did not last long at Ford. In order to slow the turnover rate, Ford introduced job incentives to his employees. He promised a five-day workweek, eight-hour days and five-dollars per day. At the time, this was a very high wage for one day of work in an automobile factory. The new wage and workweek were radical to many other business owners. Productivity among workers increased and employee turnover decreased. An increase in productivity caused a price reduction for Model T's. The reduction in price meant that more people could afford to purchase a vehicle.

As word got out about the five-dollars per day many African Americans and European immigrants traveled to Detroit with hopes of finding work at Ford Motor Company. Because business was thriving and expanding he was able to employ most applicants.

¹ Men and women from all over the country wait outside Ford Motor Company.
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² 12,000 Ford Employees
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Credits:

Myer, Stephen. *The Five Dollar Day: Labor Management and Social Control in the Ford Motor Company, 1908-1921*. State University of New York Press, 1981.

Keywords/Topics:

Work/Jobs

Questions:

1. What conditions made workers quit their jobs?
2. How was boring and repetitive work dangerous for employees?
3. How did workers react to the news of a five-dollar wage?
4. Do you think other business owners liked Ford's decision?

Links to Internet Websites:

http://www.michigan.gov/hal/0,1607,7-160-17451_18670_18793-53441--,00.html

<http://www.worklessparty.org/timework/ford.htm>

http://en.wikipedia.org/wiki/History_of_Ford_Motor_Company

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When Henry Ford announced his five-dollar wage, thousands of people went to the Highland Park plant with hopes of being hired. Most workers of the day made \$1 or \$2.50 a day, which was considered a good wage. People came from around the world to work for Ford Motor Company.

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Thousands of people returned each day, determined to be hired. Police officers were employed to maintain control of the loud and anxious crowd.

The “Gold Rush” Henry Ford created made many other corporations uneasy. Many men left out-of-state jobs to relocate and work for Ford. Other businesses could not afford to pay workers such a high wage.