



Weekly family earnings: a quarterly perspective

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Most American families depend on wages and salaries for their livelihood. About 74 percent receive wage or salary earnings while another 7 percent obtain earnings solely from self employment. The rest—18.4 percent—report no earnings whatsoever, living instead on income from public or private pensions, social security, investments, personal savings, public assistance, or other sources.

A statistical series, introduced by the Bureau of Labor Statistics in 1980, provides information on the combined usual weekly wage and salary earnings of families on a quarterly basis.¹ Separate earnings statistics are also published for families with at least one unemployed member. Such information can be of value to policymakers and analysts concerned with how changes in employment, unemployment, and wages affect the economic well-being of American families.

Prior to 1980, the BLS had published statistics on usual weekly earnings by demographic characteristics, but only on an annual basis.² Such once-a-year observations were limited in their capacity to record the impact of economic changes. While an older monthly series on average weekly and hourly earnings from payroll records is more timely and provides detail by industry and geographic area, it does not include demographic or family information.³

This article discusses the newer, family-oriented earnings series, and focuses on the earnings situations of various categories of families at the end of 1981. Also discussed are developments in unemployment and inflation as they relate to family earnings.

Earnings by family type

There were about 60.1 million families in the United States in the fourth quarter of 1981. Of these, a little

over 11 million had no employed members, more than 4.3 million had only self-employed workers, and another 4.2 million had both self-employed and wage and salary workers. The remaining 40.5 million families had only wage and salary workers (table 1). Because information is not collected on the earnings of the self-employed in the Current Population Survey, the following discussion focuses on those families with only wage and salary employment.

More than half of the 40.5 million wage-earning families contained at least two workers (table 2). At \$585, the median weekly earnings of these families were nearly twice the earnings of families with one worker (\$299). The fact that so many families now have two workers or more is directly attributable to the dramatic changes in women's labor force behavior over the past decade or so. During the 1970's—despite two recession periods—the number of working women grew by an average of about a million a year, and more than half of these women were wives. Also accelerating the trend toward two-worker couples was the tendency of couples to either postpone having children or to have fewer of them, and the willingness of mothers to enter or reenter the labor force sooner after childbirth than in the past. In March 1970, for instance, 24 percent of the wives with children under age 2 were in the labor force. Ten years later, the proportion was 39 percent.

Among married-couple families, about 19 million, or 58 percent of those with wage and salary earnings, had at least two workers in the fourth quarter of 1981. The median weekly earnings of such families were \$601, compared with \$336 for the 13.9 million one-worker families. Whether for one-earner or multiple-earner families, earnings were highest when the husband worked. For example, in one-earner families, median earnings were \$383 when the husband worked, but were between \$179 and \$198 when the wife or some other family member was the only person employed. For those with at least two wage and salary workers, where the husband worked, usual median family earnings ranged from \$574 to \$780, depending on which other family members were also employed. In contrast, when the husband was not working, median family earnings were \$380 and a little over \$400.

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As has long been the case, families maintained by women are characterized by very low earnings.⁴ Moreover, the number of such families has grown considerably over the last decade; in March 1970, they numbered 5.6 million and by the end of 1981, they totaled 9.3 million. In the latter year, median weekly earnings of the 5.9 million families maintained by women with wage and salary workers were only about half those of married couples. The low earnings reflect both the small proportion of such families having two workers or more, as well as the generally low earnings of women who maintain their own families. Fewer than 3 out of 10 families maintained by women contained more than one worker.

To a certain extent, the low earnings levels of women maintaining families are a result of fewer years of schooling. A relatively high proportion who were in the labor force—over one-fourth—had not completed high school. And, as is well known, a high school diploma is frequently either the key to higher-paying jobs or to the additional training needed to compete for these occupations. Women maintaining families are also more likely than wives to have preschool children whose presence may restrict not only the mother's job-seeking efforts but her choice of jobs as well.

Race and Hispanic origin. Weekly earnings for black married couples (\$412) were 84 percent of those of whites (\$492), and Hispanic family earnings averaged 80 percent of white family earnings:

	White	Black	Hispanic
Married-couple families	\$492	\$412	\$394
Families maintained by women	252	226	225
Families maintained by men	413	353	263

The earnings of black and Hispanic families that were maintained by women were 90 percent of those of their white counterparts.

The primary factor underlying the racial or ethnic differentials in earnings among married-couple families

Table 1. Distribution of families by weekly earnings status, fourth quarter 1981

[Not seasonally adjusted]

Weekly earnings status	Number (in thousands)	Percent
Total families	60,077	100.0
No earnings	11,074	18.4
With earnings	49,002	81.6
With self-employed workers only	4,324	7.2
With wage or salary workers	44,678	74.4
Husbands, wives, or householders self-employed	4,166	6.9
All other families with wage or salary workers ¹	40,513	67.4

¹ May include some members (other than husband, wife, or householder) who were self-employed.

NOTE: Due to rounding, sums of individual items may not equal totals.

Table 2. Median weekly earnings by type of family, and number and relationship of workers, fourth quarter 1981

[Not seasonally adjusted]

Type of family and relationship of worker(s)	Number (in thousands)	Percent	Median earnings
Total families with wage or salary workers ¹	40,513	100.0	\$442
One worker	19,304	47.6	299
Two workers or more	21,209	52.4	585
Married-couple families	32,920	100.0	486
One worker	13,949	42.4	336
Husband	11,077	33.6	383
Wife	2,227	6.8	179
Other family member	644	2.0	198
Two workers or more	18,972	57.6	601
Husband and wife only	13,204	40.1	574
Husband, wife, and other(s)	2,895	8.8	780
Husband and other family member(s)	2,318	7.0	603
Wife and other family member(s)	408	1.2	380
Other family members only	146	.4	405
Families maintained by women ²	5,889	100.0	245
One worker	4,274	72.6	204
Householder	3,331	56.6	212
Other family member	943	16.0	176
Two workers or more	1,615	27.4	399
Families maintained by men ²	1,704	100.0	405
One worker	1,082	63.5	327
Householder	857	50.3	368
Other family member	225	13.2	204
Two workers or more	622	36.5	545

¹ Excludes families in which the husband, wife, or householder is self-employed.

² No spouse present.

NOTE: Due to rounding, sums of individual items may not equal totals.

is the level of the husbands' earnings. White husbands working full time had median usual weekly earnings of \$402 in the fourth quarter, compared with around \$300 for black or Hispanic husbands. These earnings differences can be largely attributed to the fact that black and Hispanic husbands tend to work in occupations that are relatively low-paying. In March 1981, for example, about half of the black and Hispanic husbands working full time were operatives, laborers, or service workers, compared with one-fourth of the white husbands. In contrast, 37 percent of the white husbands were in professional or managerial jobs, compared with 17 percent of black or Hispanic husbands.

Inflation. For families with wage and salary earners, there was not as much loss in purchasing power in 1981 as during the year before (table 3). Between the fourth quarters of 1980 and 1981, median weekly earnings of families grew by 6.5 percent, while consumer prices (as measured by the CPI-W)⁵ advanced by 9.4 percent. Families with two or more wage and salary workers nearly kept pace with rising prices but the earnings of one-worker families grew by only 4.5 percent in nominal terms and thus declined considerably in real terms. In the previous year, the increase in earnings (7.0 percent) offset only a little more than half the rise in prices (12.6 percent).

Earnings of married-couple families rose 9.0 percent from a median of \$446 in the fourth quarter of 1980 to \$486 in the fourth quarter of 1981. Weekly earnings of families where there was only one worker advanced by 5.0 percent while the earnings of two-worker families increased by 8.9 percent. In contrast, the usual weekly median earnings of families maintained by women advanced at a slower pace—7.0 percent.

Unemployment and family earnings

Unemployment grew rapidly during the closing months of 1981. The national unemployment rate jumped from 7.3 percent in August (a level which had been maintained throughout most of the calendar year) to 8.8 percent in December 1981. As a result, the number of families with unemployed members rose by about 800,000, or 14 percent, over the year ending in the fourth quarter of 1981. However, this increase was not as steep as the rise during the year ended in the fourth quarter of 1980 when the number of families with unemployed members grew by 27 percent.

In the fourth quarter of 1981, nearly 6.6 million families (over 10 percent of all families) contained at least one unemployed person; 1.8 million of these had no earners (table 4). In 7 out of 10 married-couple families with both wage and salary workers and unemployed members, the wife, son, or daughter (or some other member) was jobless, not the husband. Likewise, in nearly 90 percent of the families maintained by women and 75 percent of those maintained by men, the unemployed member was someone other than the householder.

Median usual weekly earnings for the 4.3 million families with both unemployed members and wage and salary workers in the fourth quarter were \$312. Married-couple families reported median earnings of \$335 a

Table 4. Families with unemployment by presence and relationship of worker(s) to unemployed members, total weekly wage and salary earnings, and family type, fourth quarter 1981

[Not seasonally adjusted]

Type of family and relationship of worker(s) to unemployed	Number (in thousands)	Percent	Median earnings
Total families	6,588	100.0	
No one employed ¹	1,843	28.0	
Some employed, no wage or salary workers	290	54.4	
With wage or salary workers	4,455	67.6	
Husband, wife, or householder self-employed	191	2.9	
All other families	4,265	64.7	\$312
Married-couple families	3,326	100.0	335
Husband unemployed	961	28.9	193
Wife only worker	785	23.6	185
Wife and other worker(s)	105	3.2	332
Other worker(s) only	71	2.1	(²)
Wife unemployed	1,095	32.9	338
Husband only worker	933	28.1	319
Husband and other worker(s)	147	4.4	520
Other worker(s) only	14	.4	(²)
Other member(s) unemployed	1,271	38.2	493
Husband or wife worker	599	18.0	408
Husband and wife workers	613	18.4	619
Other combinations of workers	59	1.8	(²)
Families maintained by women ³	731	100.0	231
Householder unemployed	88	12.0	(²)
Other member(s) unemployed	643	88.0	236
Families maintained by men ³	208	100.0	282
Householder unemployed	51	24.5	(²)
Other member(s) unemployed	157	75.5	330

¹ May include small number of families in which the only worker is an unpaid family worker.

² Median not shown where base is less than 100,000.

³ No spouse present.

NOTE: Due to rounding, sums of individual items may not equal totals.

week—about 45 percent higher than the earnings of families maintained by women (\$231) and 19 percent more than those of families maintained by men (\$282).

For the most part, the earnings of families with unemployment depend on which family member is jobless. In married-couple families with an unemployed husband, earnings averaged \$193 a week in the fourth quarter of 1981, compared with \$338 for families with a jobless wife, and \$493 when some member other than the husband or wife was unemployed. Furthermore, these medians varied considerably depending on which family members were working. For instance, in families with an unemployed husband and a working wife, earnings totaled \$185 a week; but, when the wife was joined by other family workers, earnings were \$332.⁶

INCREASINGLY, POLICY-ORIENTED ANALYSES and interpretations of the family earnings data will involve consideration of long-term demographic trends. For instance, as the population ages, growing numbers of families will contain persons past retirement age. Also, divorce and separation may continue to raise the proportion of families that are not married couples. Moreover, because of these trends as well as others related to family formation and dissolution, the number of mar-

Table 3. Total weekly wage and salary earnings of families by number of workers and family type, quarterly averages, 1979-81

[Not seasonally adjusted]

Type of family and number of workers	Median earnings			Percent change	
	1979 IV	1980 IV	1981 IV	1979 IV to 1980 IV	1980 IV to 1981 IV
Total families with wage or salary workers ¹	\$388	\$415	\$442	7.0	6.5
One worker	271	286	299	5.5	4.5
Two workers or more	495	539	585	8.9	8.5
Married-couple families	419	446	486	6.4	9.0
One worker	305	320	336	4.9	5.0
Two workers or more	509	552	601	8.4	8.9
Families maintained by women ²	217	229	245	5.5	7.0
Families maintained by men ²	349	385	405	10.3	5.2
Consumer Price Index ³	—	—	—	12.6	9.4

¹ Excludes families in which the husband, wife, or householder is self-employed.

² No spouse present.

³ For Urban Wage Earners and Clerical Workers.

ried couples is projected to increase more slowly in coming years. Such changes will undoubtedly have some impact on the family earnings profile. Thus, to understand the significance of changes in family earnings, analysts will need to examine the many demographic trends relating to families. □

— FOOTNOTES —

¹ The Bureau of Labor Statistics first released quarterly family earnings data in a press release entitled "New Data Relate Workers' Earnings to the Families in Which They Live," USDL 80-188, Mar. 27, 1980. The data continue to be published on a quarterly basis.

Earnings information is obtained from the Current Population Survey (CPS) only for families with wage or salary workers. The CPS is a sample survey of some 60,000 households (65,000 prior to May 1981) conducted monthly for the Bureau of Labor Statistics by the Bureau of the Census, with coverage in all 50 States and the District of Columbia. The survey provides basic information on the labor force, employment, and unemployment. The earnings information is collected each month from only a quarter of the sample and cumulated to provide quarterly and annual estimates. For a description of the procedures used to develop the weekly earnings data, see *Technical Description of the Quarterly Data on Weekly Earnings from the Current Population Survey*, Bulletin 2113 (Bureau of Labor Statistics, 1982).

² For an extensive discussion of these data, see *Weekly and Hourly Earnings Data from the Current Population Survey*, Special Labor Force Report 195 (Bureau of Labor Statistics, 1977).

³ For a description of these data, see "Explanatory Note" in *Employment and Earnings*, January 1981, pp. 228-35.

⁴ See Beverly L. Johnson, *Women Who Head Families*, Special Labor Force Report 213 (Bureau of Labor Statistics, 1978).

⁵ The CPI-W refers to the Consumer Price Index for Urban Wage Earners and Clerical Workers. For a discussion of the general method of computing the Consumer Price Index, see *The Consumer Price Index: Concepts and Contents over the Years*, Report 517 (Bureau of Labor Statistics, 1978).

⁶ It should also be noted that in 1981, on average, about 2.9 million people a week received unemployment insurance benefits which averaged a little over \$100. Data on unemployment insurance recipients and amounts can be obtained from the U.S. Department of Labor, Employment and Training Administration, Unemployment Insurance Service, Division of Actuarial Services.

⁷ For a discussion of demographic trends and how they will affect families by the end of the century, see George Masnick and Mary Jo Bane, *The Nation's Families: 1960-1990* (Joint Center for Urban Studies of MIT and Harvard University, 1980).

Analysis of work stoppages in the Federal sector, 1962-81

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Since 1962, 39 work stoppages by Federal Government workers have been recorded by the Bureau of Labor Statistics and the Office of Personnel Management.¹ These

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stoppages occurred despite legislation explicitly prohibiting any type of strike activity by Federal workers.

The statutory prohibition began with the Lloyd-LaFollette Act of 1912. This act gave postal workers the right to organize, as long as they did not join unions asserting the right to strike.² Later, the strike ban was extended to cover other Federal workers and was codified in section 305 of the Labor-Management Relations Act of 1947, which read, in part:³

It shall be unlawful for any individual employee of the United States or any agency thereof including wholly owned government corporations to participate in any strike. Any individual employed by the United States or any such agency who strikes shall be discharged immediately from his employment, and shall forfeit his civil-service status, if any, and shall not be eligible for reemployment for three years by the United States or any such agency.

Criminal penalties were added to the body of antistrike legislation in 1955.⁴ In 1966, strike activity by Federal workers was further proscribed in the U.S. Code relating to Federal employment. The statutes prohibited the holding of a Federal job by persons who (1) participate in a strike, (2) assert the right to strike, or (3) belong to an organization that asserts the right to strike against the U.S. Government. The penalties for noncompliance were a fine of not more than \$1,000, or a jail sentence of up to a year and a day. More recently, the ban on Federal strike activity has been codified in Title VII of the Civil Service Reform Act of 1978, which states that, for a Federal employee, ". . . it shall be an unfair labor practice . . . to call, or participate in, a strike, work stoppage or slowdown, or picketing of an agency in a labor-management dispute if such picketing interferes with an agency's operations, or . . . to condone any activity described in this paragraph by failing to take action to prevent or stop such activity . . ."⁵

In 1971, the United Federation of Postal Clerks challenged the constitutionality of the laws proscribing strike activity by U.S. Government employees.⁶ Among other complaints, the union contended that terms such as "strike" and "participates in a strike," language common to all the laws in question, are so vague as to be unconstitutional. However, the court held that there was no vagueness in the two terms, and that, indeed, they "occupy central positions in our labor statutes and accompanying case laws . . ." Subsequently, the U.S. Supreme Court affirmed the ruling of the lower court that the laws under attack were constitutional.⁷

Work stoppages by Federal employees occurred as far back as 1835, when civilian blue-collar yard workers of the Navy Department in Washington, D.C., struck over working hours and for a "general redress of grievances."⁸ After appealing to the Secretary of the Navy, but gaining little satisfaction, the workers returned to