

The changing profile of dual-earner families

Raj K. Chawla

In 1967, only one-third of husband-wife families had both spouses reporting earnings (dual-earner families). By 1989, dual-earner families represented 62% of all husband-wife families. The dramatic growth in the number of wives working outside the home has changed society's norm from a typical 1967 husband-wife family, with a husband as the breadwinner and a wife at home, to a dual-earner 1989 family with both spouses working outside the home. In 1989, 3.8 million wives were in dual-earner families compared with only 1.3 million in 1967. This article profiles the evolution of dual-earner families and examines changes in some of the relationships between the labour force participation of wives, the labour market experiences of husbands, and family characteristics such as the presence of children.

Impact of husbands' earnings has diminished

In the late sixties, the proportion of families with both spouses working peaked at 41% for husbands earning between \$20,000 and \$29,999 (all earnings and incomes are in 1989 dollars), and gradually fell to about 15% for those earning \$50,000 and over (see [Data source and definitions](#)). By 1989, although the proportion was highest (at 80%) for husbands in the \$10,000 to \$19,999 earnings group, it declined only slightly (to 74%) for those earning \$50,000 and over. In both years, the proportion of families with both spouses working was lowest for husbands with earnings under \$10,000 - most of these husbands were either too old or too young to be in the labour force full time and/or full year ([Chart A](#)).



Chart A More wives now work outside the home regardless of their husbands' earnings.

Source: *Survey of Consumer Finances*

In terms of family incomes, the proportion of wives working in 1967 peaked (at 51%) in the \$40,000 to \$49,999 group. By 1989, however, the proportion of wives working climbed as family incomes rose (excluding families with incomes under \$10,000). For example, only one-third of families with incomes of \$70,000 and over had wives working in 1967 compared with four-fifths in 1989 ([Table 1](#)).



Table 1 Husband-wife families by selected characteristics, 1967 and 1989.

Source: *Survey of Consumer Finances*
See Data source and definitions

Presence of pre-school age children has less effect

The relationship between a wife's age, the presence of children and her participation in the labour force changed dramatically between 1967 and 1989. In the sixties, most young married women entered the labour market, worked for a few years, and then left to raise families (only 27% of women with at least one child under 6 worked in 1967). Some then re-entered the labour market when their children were either old enough to look after themselves, or had left home. This resulted in a different relationship between age and the proportion of spouses with earnings ([Chart B](#)). By 1989, however, there was only a small difference by sex in the relationship between these two characteristics. Once in the labour force, wives were likely to continue working irrespective of the presence of pre-school age children (71% of these mothers worked in 1989).



Chart B The relationship between age and the proportion of spouses with earnings has become more similar.

Source: *Survey of Consumer Finances*

Changes in profiles of spouses in dual-earner

families

Work patterns

Various aspects of employment such as the percentages of spouses with earnings, work patterns, occupations, and levels of earnings have converged over time. For example, the proportion of dual-earner families with both spouses working year round rose from one-third in 1967 to about one-half in 1989. In each year, only a small fraction (under 4%) of families had both spouses working only part year. The remaining dual-earner families consisted of spouses with work patterns between these two extremes,

Occupations

Although the proportion of families with both spouses in managerial or professional occupations rose from 6% in 1967 to 16% in 1989, the predominant occupational combination for working spouses remained blue-collar husbands with wives in clerical, service or sales occupations (about one-quarter). [\(1\)](#) In both years, only around 7% of families had both spouses employed in blue-collar occupations ([Table 2](#)). On the other hand, the proportion of families with both spouses employed in clerical, service, or sales occupations rose from 11% in 1967 to 14% in 1989. The increase in the proportion of husbands in these white-collar occupations can be traced to the declining number of blue-collar jobs traditionally held by men. The overall shifts in jobs of spouses reflect the changes in the industry-occupation mix that have occurred over the last two decades. For example, the shrinking manufacturing and expanding service sectors have resulted in fewer "goods-producing" but relatively more "service-producing" jobs. [\(2\)](#)



Table 2 **Average earnings and incomes of dual-earner families by occupation of spouse, 1967 and 1989.**

Source: *Survey of Consumer Finances*

Earnings

In 1967, more than a third of all dual-earner families had husbands earning between \$10,000 and \$29,999 and wives earning less than \$10,000; by 1989, this proportion had dropped to one-eighth. With more wives working year round, and increasingly entering managerial or professional occupations, their earnings increased over the period. Consequently, the proportion of dual-earner families with wives earning \$30,000 or more and husbands earning \$40,000 or more rose to 7% in 1989 from almost none in 1967. Overall, 14% of working wives earned \$30,000 or more in 1989 compared with just 1% in 1967.

Similar increases in earnings, however, did not occur for husbands. Over this 22-year period, the average earnings of husbands grew by 42% compared with a 76% jump for wives. Therefore, the gap in the earnings of working spouses has narrowed: working wives earned 52% as much as their husbands in 1989 compared with 42% in 1967.

Despite women's progress in the labour market, one-third of dual-earner families still had wives earning less than \$10,000 in 1989. In fact, families with both spouses earning under \$10,000 constituted 5% of all dual-earners in 1989 compared with 7% in 1967, implying almost no change at the bottom end of the earnings scale.

The proportion of dual-earner families with husbands earning under \$10,000 remained almost the same between 1967 and 1989, whereas the proportion with husbands earning \$50,000 and over rose eightfold. The proportion of families with husbands earning between \$20,000 and \$39,999, however, dropped from 57% in 1967 to 43% in 1989 ([Table 3](#)). In terms of husbands' earnings, then, dual-earner families became more polarized between 1967 and 1989.



Table 3 **Distribution of dual-earner families by husbands' and wives' earnings, 1967 and 1989.**

Source: Survey of Consumer Finances

Wives' earnings improved over time as the proportion of families with wives earning under \$10,000 dropped from 56% in 1967 to 34% by 1989. In 1989, more than half of all families had wives earning between \$10,000 and \$29,999 ([Table 3](#)). Since the majority of wives remained employed in clerical, service and sales occupations, which provide comparable remuneration, their earnings would show less variation than those of their husbands.

Increasing similarity in characteristics of working spouses

Spouses tend to be close in age and education. Similarity in these demographic characteristics may account for comparable work patterns or choices of occupations, but this does not, however, imply identical earnings. For instance, both spouses may be young, have university degrees, work year round, and be in professional occupations, but one may be a lawyer and the other a teacher - occupations with quite different average earnings.

In 1967, 41% of working spouses had similar work patterns, 21% were in similar occupations, and 21%

received comparable earnings. By 1989, these proportions had grown to 52%, 31%, and 26% respectively. While the work experience and occupations of wives are now more comparable to those of their husbands, their earnings have continued to lag behind ([Chart C](#)).



Chart C The work patterns of spouses are more similar than their earnings.

Source: Survey of Consumer Finances

Working spouses' contributions to family incomes

Husbands' earnings dropped from 63% of dual-earner families' total incomes in 1967, to 56% in 1989. Over the same period, however, the relative share of wives' earnings rose by only 3 percentage points - from 26% to 29%. Despite the growing number of working wives in dual-earner families, the proportion of family income coming from employment fell between 1967 and 1989. On the other hand, the relative shares of transfer payments (such as Unemployment Insurance benefits and various refundable tax credits) and investment income increased over the same period ([Table 4](#)).



Table 4 Composition of income of dual-earner families, 1967 and 1989.

Source: Survey of Consumer Finances

Wives' contributions to dual-earner family incomes tends to depend on how much of the total family income is derived from husbands' earnings. For example, in 1967, wives' earnings accounted for 28% of family incomes when their husbands earned \$10,000 to \$29,999 and 14% when their spouses earned \$50,000 or more ([Table 5](#)). By 1989, the corresponding contributions were 35% and 22%. Indeed, the change in wives' contributions was more pronounced for families with husbands with higher earnings than for families with husbands in the low to middle earnings groups. Most husbands in the upper earnings groups are in managerial or professional occupations and so are their wives.



Table 5 Spousal contributions to family income by selected characteristics, 1967 and 1989.

Source: *Survey of Consumer Finances*

Families with both spouses in managerial or professional occupations are also referred to as "two-career families." American studies have shown that spouses in these families are likely to work year round, have greater job commitment, have children at later ages, and cope better with family and work-related stress.⁽³⁾ ⁽⁴⁾ In addition, these families have higher incomes than other dual-earner families - \$52,500 in 1967 and \$79,600 in 1989 on average, compared with \$36,400 and \$52,300 for families with husbands in blue-collar occupations and wives in clerical, service or sales occupations ([Table 2](#)). In both 1967 and 1989, wives in managerial or professional occupations contributed relatively more to family incomes than wives in clerical, service or sales occupations.

Conclusion

The phenomenal growth of dual-earner families over the 1967 to 1989 period has caused a subtle revolution in society. Almost every sector of the economy has changed in order to accommodate the new dual-earner norm. For instance, flexitime, shiftwork, compressed workweeks, and child care services are becoming more popular.

Commercially, shops and services are open longer, ready-to-serve food is widely available, and household maintenance services are now common. Many of these services did not even exist in 1967.

Governments have also been affected. Although they receive more income (direct and indirect taxes from additional workers), they must provide more in public pensions, transfers and services.

Data source and definitions

This article is based on data from the Survey of Consumer Finances of April 1968 and April 1990. The survey (annual since 1972) collects data on sources and amounts of incomes received in the preceding calendar year by persons aged 15 or older living in almost all private households in Canada (excluding the Yukon and Northwest Territories, Indian reserves, and institutions). Excluded from this study are families where military pay and allowances are the major source of income. For background details about the survey, see *Income distributions by size in Canada, 1989* (Statistics Canada: Catalogue 13-207).

Family: A family consists of two or more persons related by blood, marriage, or adoption, sharing a common dwelling unit. Thus, all relatives living together at the time of a survey are considered one family, whatever the degree of relationship. The article focuses on "dual-earner husband-wife" families (including common-law relationships) in which both spouses report some earnings (or losses from self-employment) during the reference year. Although the earnings status of other family members is not taken into account, their earnings are treated as part of the family's total income.

Earnings: Consists of income from wages and salaries, or net income from self-employment.

Total income: A family's total income is the sum of incomes received by all members aged 15 (14 in 1967) and over during the reference year. Income consists of earnings, cash transfers from all levels of government, investment income, benefits from private and employer-sponsored pension plans, alimony, and so on.

Excluded are gambling gains or losses, capital gains or losses, lump-sum settlements of insurance policies, tax rebates and all income in kind.

Investment income: Includes bond interest, dividends, bank interest, net rents and other investment income.

Transfer payments: Includes all social welfare payments received from federal, provincial and municipal governments.

Other money income: Includes retirement pensions, annuities, superannuation, alimony, and so on.

Note: All earnings and income are in 1989 dollars.

Occupation: Occupational classifications for 1989 are based on the 1980 Standard Occupational Classification (SOC) whereas for 1967 they are based on the 1961 classification. Therefore, some changes in the distributions of families by spouses' occupations may be attributable to changes in the SOC systems.

As well, working spouses are classified by their occupations at the time of the survey, which may not necessarily be the same as during the calendar year for which income data are shown.

Blue-collar occupations: Includes mining and quarrying; processing; machining; product fabricating, assembling and repairing; construction trades; transport equipment operating; material handling; and other crafts and equipment operating.

Full-year, full-time worker: A person who worked 30 hours or more a week (35 in 1967) for 49 to 52 weeks in 1989 (50 to 52 weeks in 1967) is considered a year-round worker in this article.

Notes

Note 1

Spouses have been classified by their occupations at the time of the survey, which may not be the same as for the previous calendar year for which earnings and family income data are shown. Although only three main occupational groups were used (managerial and professional; clerical, service, sales; and blue-collar - production, processing, fabrication, construction, transportation, etc.), data by ten occupational groups are available.

Some changes over time in the occupation-mix of working spouses can be due to changes in the Standard Occupational Classification (SOC) system used, that is, 1961 SOC for the 1967 data, and 1980 SOC for the 1989 data. The 1980 SOC, for example, categorized persons performing managerial functions in the agriculture, retail trade, insurance industries, and so on, as managers, whereas previously they were coded to occupations such as farmers, sales, service, and so forth. For more details about the effect of changes in occupational/industrial classification systems, see *The labour force* (Statistics Canada, Catalogue 71-001, January 1984 issue).

Note 2

Such structural changes in the Canadian economy have affected men more than women as the number of blue-collar jobs traditionally held by men declined with the shrinkage of the manufacturing industries.

Note 3

See [Bird and Bird](#), 1987; [Schnittger and Bird](#), 1990; [Skinner](#), 1980; [Soloway and Smith](#), 1987; and [Rachlin](#), 1987.

Note 4

According to [Hiller and Dyehouse](#) (1987), the dual-career marriage "is a new prototype that reflects the increasing educational and career aspirations of women When dual-career is differentiated from dual-earner, the definitions and/or the operationalizations of career are extremely varied." [Rachlin](#) (1987) noted that "within this marital situation are two career-committed individuals, neither automatically assuming that he/she will subordinate career interests to those of a partner and both of whom are committed to combining professional and family roles."

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Author

Raj Chawla is with the Labour and Household Surveys Analysis Division of Statistics Canada.

Source

Perspectives on Labour and Income, Summer 1992, Vol. 4, No. 2 (Statistics Canada, Catalogue 75-001E). This is the second of five articles in the issue.

 HIGHLIGHTS

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 FRANÇAIS

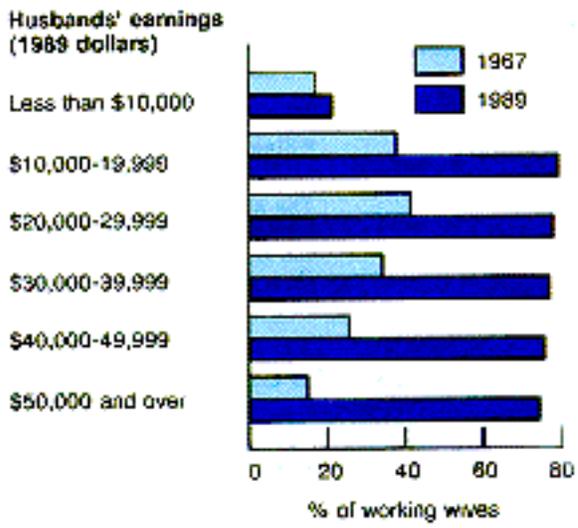
 HELP

 HOME



Chart A

More wives now work outside the home regardless of their husbands' earnings.



Source: *Survey of Consumer Finances*

Table 1

Husband-wife families by selected characteristics, 1967 and 1989

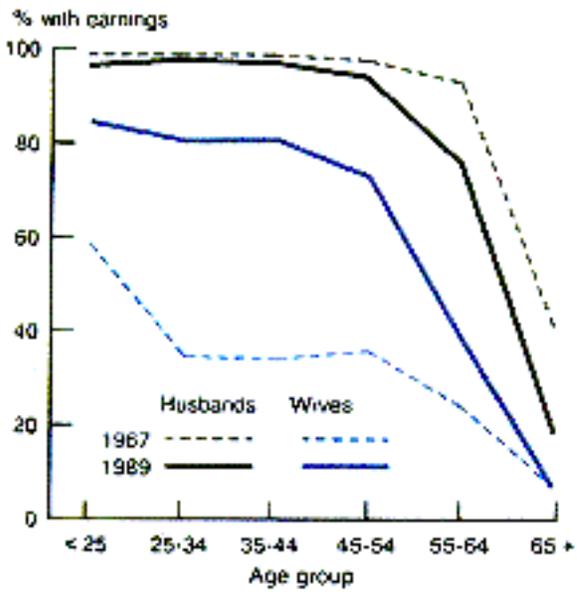
	All families		Families with both spouses working		Other families		Proportion of families with both spouses working	
	1967	1989	1967	1989	1967	1989	1967	1989
	‘000							
All families	4,077	6,104	1,333	3,802	2,744	2,302	...	...
	%							
Total	100	100	100	100	100	100	33	62
Family income								
Under \$10,000	7	1	2	1	9	3	10	25
\$10,000 - \$19,999	19	10	9	3	24	20	16	20
\$20,000 - \$29,999	27	12	23	8	28	19	28	41
\$30,000 - \$39,999	22	15	29	14	18	17	43	58
\$40,000 - \$49,999	13	16	20	17	9	14	51	66
\$50,000 - \$59,999	6	13	9	16	5	9	50	74
\$60,000 - \$69,999	3	10	4	13	3	6	43	79
\$70,000 and over	4	22	4	28	4	11	33	81
Husbands' earnings								
Under \$10,000	20	26	10	9	24	55	17	22
\$10,000 - \$19,999	23	13	26	16	21	7	38	80
\$20,000 - \$29,999	33	17	42	21	29	10	41	78
\$30,000 - \$39,999	14	18	15	22	14	11	35	77
\$40,000 - \$49,999	5	13	4	16	6	8	26	76
\$50,000 and over	5	13	2	16	6	9	15	74
Presence of children								
None	26	37	32	30	24	49	39	50
At least one child under 6	38	23	31	26	41	18	27	71
Children 6 years and over	36	40	38	44	35	33	34	69

Source: Survey of Consumer Finances

See Data source and definitions.

Chart 6

The relationship between age and the proportion of spouses with earnings has become more similar.



Source: Survey of Consumer Finances

Table 2

Average earnings and incomes of dual-earner families by occupation of spouse, 1967 and 1989

	1967				1989			
	Distribution of families	Family income	Husbands' earnings	Wives' earnings	Distribution of families	Family income	Husbands' earnings	Wives' earnings
	%	\$	\$	\$	%	\$	\$	\$
Total*	100	37,400	23,600	9,800	100	59,800	33,500	17,200
Wife managerial/professional								
Husband managerial/professional	6	52,500	30,800	18,200	16	79,600	45,400	26,400
Husband clerical/sales/service	3	44,000	23,400	17,600	6	63,500	32,600	23,900
Husband blue-collar	5	42,200	23,800	15,200	9	60,000	31,700	20,700
Wife clerical/sales/service								
Husband managerial/professional	10	44,800	29,600	11,400	13	67,800	42,400	15,800
Husband clerical/sales/service	11	36,700	21,900	11,100	14	54,400	29,300	15,300
Husband blue-collar	22	36,400	23,000	9,400	25	52,300	30,600	13,100
Wife blue-collar								
Husband managerial/professional	1	43,800	30,200	10,600	1	58,700	36,000	12,400
Husband clerical/sales/service	2	36,800	19,000	10,800	2	51,900	25,500	15,000
Husband blue-collar	8	36,900	20,800	10,800	7	51,900	27,400	14,500

Source: Survey of Consumer Finances

* Includes agriculture, fishing and trapping, forestry and logging, persons who could not ascertain their occupations, and persons who last worked more than five years ago.

Table 3

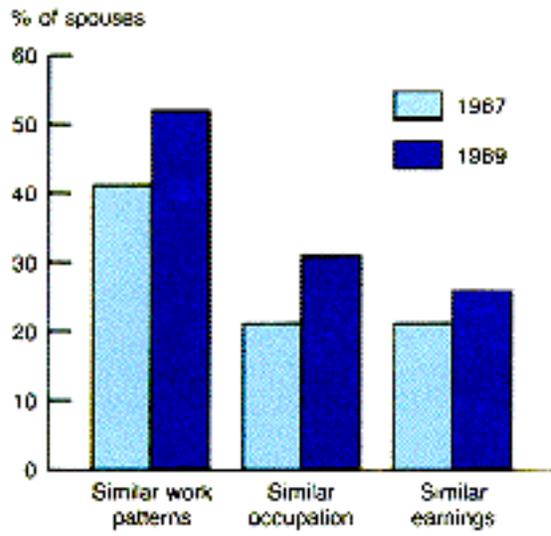
Distribution of dual-earner families by husbands' and wives' earnings, 1967 and 1989

	Husbands' earnings		Wives' earnings	
	1967	1989	1967	1989
Total	100	100	100	100
Under \$10,000	10	9	56	34
\$10,000-\$19,999	26	16	34	30
\$20,000-\$29,999	42	21	9	22
\$30,000-\$39,999	15	22	1	9
\$40,000-\$49,999	4	16	-	3
\$50,000 and over	2	16	-	3

Source: Survey of Consumer Finances

Chart C

The work patterns of spouses are more similar than their earnings.



Source: *Survey of Consumer Finances*

Table 4

Composition of income of dual-earner families, 1967 and 1989

	1967	1989	Change
	\$		%
Average family income	37,400	59,800	60
	%		in percentage points
Total income	100	100	...
Earnings	95	91	-4
Husbands	63	56	-7
Wives	26	29	3
Other family members	6	6	-
Investment income	1	3	2
Transfer payments	3	5	2
Other money income	1	1	-

Source: Survey of Consumer Finances

Table 5

Spousal contributions to family income by selected characteristics, 1967 and 1989

	1967			1989		
	Average family income	Earnings as % of family income		Average family income	Earnings as % of family income	
		Husbands'	Wives'		Husbands'	Wives'
	\$	%	%	\$	%	%
All dual-earner families	37,400	63	26	59,800	56	29
Family income						
Under \$10,000*	...	...	...	...	...	...
\$10,000-\$29,999	22,700	68	23	23,000	48	28
\$30,000-\$49,999	38,800	65	27	40,600	58	29
\$50,000 and over	64,300	57	26	78,200	56	29
Husbands' earnings						
Under \$10,000*	...	...	...	...	...	...
\$10,000-\$29,999	34,900	61	28	44,400	46	35
\$30,000-\$49,999	50,700	72	21	64,800	60	28
\$50,000 and over	85,200	81	14	101,700	68	22
Husbands' age						
Under 25	29,900	64	34	36,800	57	34
25 - 34	36,100	67	28	50,100	59	31
35 - 44	39,100	66	25	62,800	59	30
45 - 54	41,500	61	23	69,700	54	26
55 - 64	37,800	55	25	64,300	47	25
65 and over	28,600	...	...	68,100	...	...
Wives' age						
Under 25	31,700	66	32	38,900	59	31
25 - 34	36,500	68	27	52,600	60	31

35 - 44	40,600	64	24	65,400	58	29
45 - 54	40,700	58	25	70,600	51	26
55 - 64	36,100	53	27	61,400	46	25
65 and over	35,300	...	...	68,600	...	...

Source: Survey of Consumer Finances

** Includes families with husbands who were self-employed or in farming occupations and who reported negative or no net earnings.*