

### RESEARCH PAPER

## **RUNNING FASTER TO STAY IN PLACE: THE GROWTH OF FAMILY WORK HOURS AND INCOMES**

By Jared Bernstein and Karen Kornbluh\*

Trying to make sense of the steady stream of economic news can be frustrating. Is the economy getting better or worse? The news seems to change weekly and, depending on what is measured, can seem bleak or sunny. Wages are stagnant but productivity is up. The unemployment rate declines but so does labor force participation.

We can't even begin to understand how America is faring economically unless we first establish how its families are doing – how much they're earning and how many hours they must work to earn this income.

We have set out here to examine the number of hours worked by families and the link between wage growth and work hours in families of different incomes. In order to illuminate these trends, we present new data on the increase in hours worked by married-couple families and the contribution that wives' income make to real income growth in these families. We put this recent period in the context of the post-War period and explore the implications of the data we present. Finally, we offer some directions for policy consideration.

The data we present here reveal that, for the period 1979-2000, married-couple families with children increased their hours worked by 16 percent, or almost 500 annual hours. Yet the data also demonstrate that without the increase in women's work, middle-quintile families would have experienced an average real income increase of only 5 percent – instead of the actual 24 percent – while families in the bottom two quintiles would have experienced a decrease in real income over that period – by about 14 percent for the bottom quintile and about 5 percent for the second quintile.

These data reveal that the economic engine for middle- and lower-income advancement is in low gear. Remarkably, this is true even when productivity has grown at a healthy clip. These trends represent a departure from those of the post-War years when median family income *doubled* – tracking productivity growth. Today, middle- and lower-income families no longer see increasing returns to their hours worked in the same way that the previous generation did. The only way many of these families can keep their total income growing – or not shrinking – is to work harder and harder.

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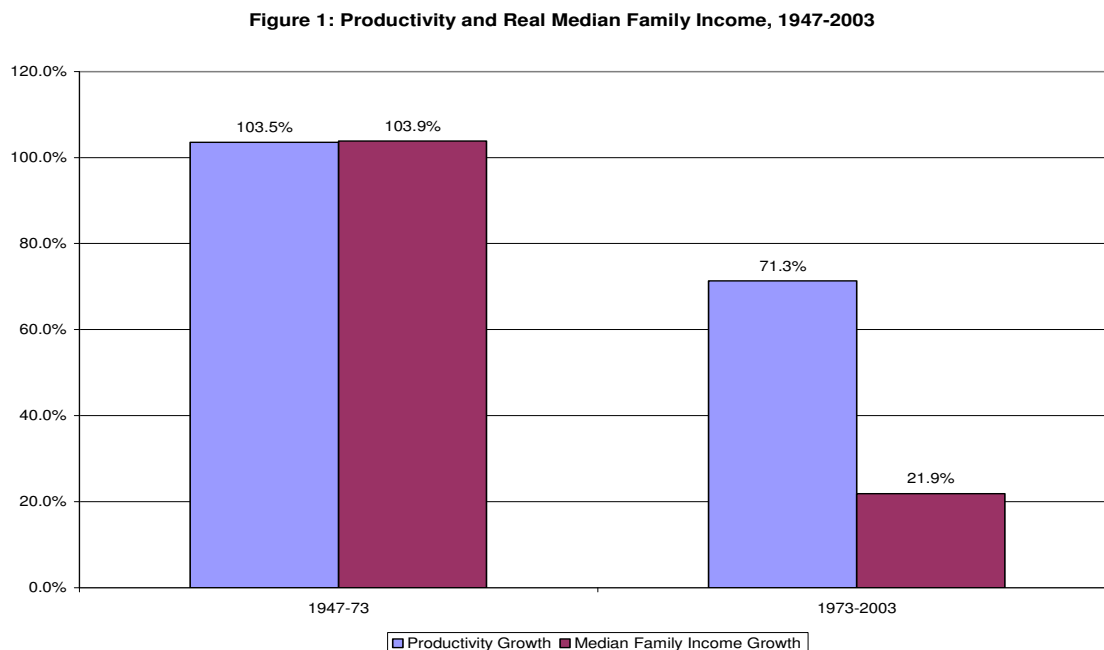


Families across the country understand the implications of the increasing time needed to grow income. They wake up each day to face a zero-sum choice between giving their children more economic opportunity or spending time with those children. In addition, lower-income families face a particular challenge in their attempt to attain middle-class status. These trends appear to threaten basic American values – especially the value that the opportunity to better one’s family is open to all. America has long offered its citizens the hope that if they work hard they can give their children a better life.

## FINDINGS

We begin this section by focusing broadly on the long-term trajectory of middle incomes, and then shift our focus to more recent trends and the experience of working families with children (age 0-17).

One of the most important and under-appreciated problems regarding the living standards of middle-income families is the gap that has evolved between the growth in their income and that of productivity. After all, it is a common mantra among economists that productivity is the main determinant of living standards. But, as **Figure 1** reveals, while the real income of the median family used to grow in lockstep with productivity, that has not been the case over the past generation.



Source: Author’s analysis of Bureau of Labor Statistics and Census Bureau data.

Between 1947 and 1973, a golden age of growth for both variables, productivity and real median family income more than doubled, each growing by almost precisely the same amount. Over this era, there was no doubt that the typical family fully benefited from productivity growth.

Yet in the mid-1970s, this relationship started to break down. From 1973 to 2003 median family income grew at about one-third the rate of productivity (2003 is the most recently available income data). The reasons for this trend relate to greater income inequality during this period, a result of the fact that post-1973 growth disproportionately benefited those at the upper levels of the income scale. At the same time, the quality, wages, and benefits of jobs available to lower- and middle-income families declined.<sup>1</sup> From the perspective of our current analysis, the important point is that in an economic climate where middle-income families face the headwinds of greater inequality and lower hourly wage growth (particularly for male workers), they need to work more hours to continue getting ahead. We now turn to this specific dimension of the problem.

### Family Work Hours

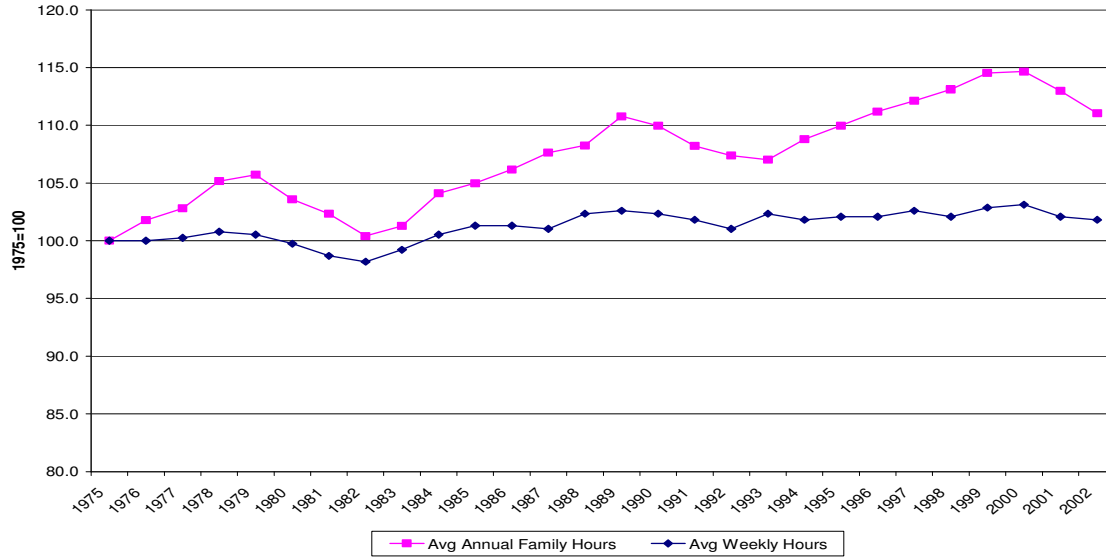
Surveys and media accounts suggest that many working Americans experience significant stress in trying to balance the often countervailing demands of work and family. Many of these families report feeling like they are working more hours than their parents did, and spending less time enjoying their families. Such a dynamic potentially engenders feelings of stress and guilt that can erode the quality of family life, even as incomes rise. We examine the evidence behind this sense of overwork, largely focusing on married-couple families with children.

One very common trend that is marshaled to *disprove* the contention that many Americans are working longer is the trend in average hours worked per week, per worker, shown as the flat line in **Figure 2**.<sup>2</sup> Between 1975 and 2002, the average weekly hours series reveals little trend, up a mere 3 percent at its 2000 peak.

But this trend tells us little about how much families are working, and is even misleading in that regard. For example, the primary factor placing downward pressure on average weekly hours over the period shown in the figure is the entry of more women into the labor force. Since women are more likely to work part-time, this will lower the average of weekly hours despite the fact that family members are clearly spending more time in the paid labor market.<sup>3</sup>

The upward sloping line in **Figure 2** – the average hours worked by all families, summed across the family – captures this trend.<sup>4</sup> This index, up 11 percent since 1975 (these data are only available since 1975), is a more relevant depiction of the time spent in the paid labor market by working families as more family members participate in the job market. As we show below, average annual family work hours are up even more in middle-income families.

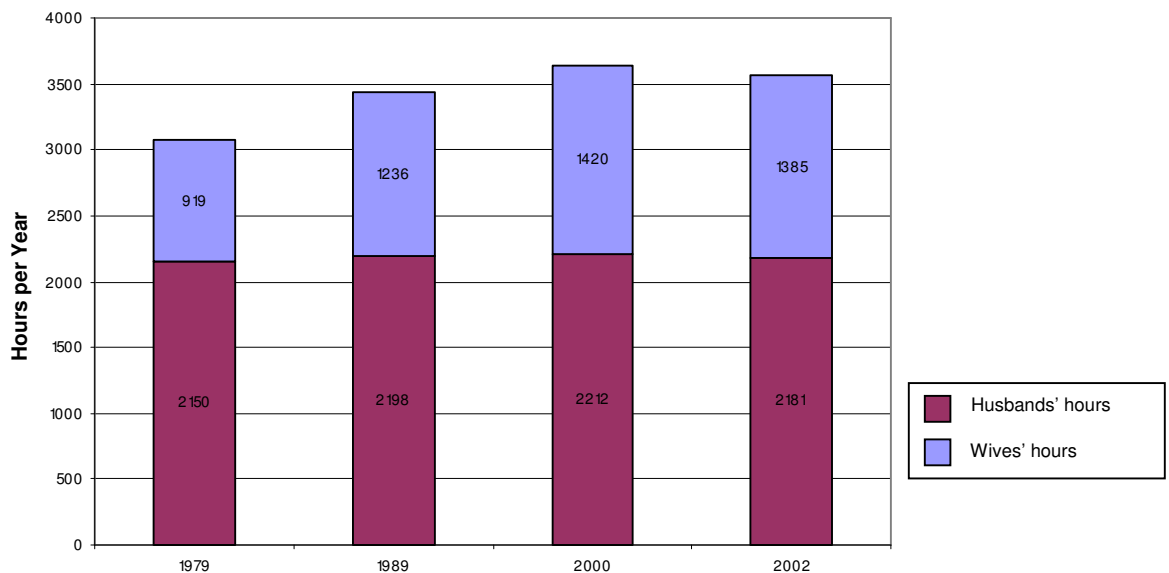
Figure 2: The Growth of Family Work Hours Compared to Avg Wkly Hours



Source: Author's analysis of Bureau of Labor Statistics and Census Bureau data.

For the rest of this analysis, we focus exclusively on a family type that is at the heart of the work/family balance challenge: prime-age, married-couple families with children. We choose to focus on these families, rather than single parents, because married couples represent the best-case scenario when it comes to balancing family responsibilities and work (because they have more of the critical resources – time and earning ability). Among families with children in which the head of the household was between the ages of 25 and 54, married-couple families make up 72 percent of the total.<sup>5</sup> Each spouse in these families is between 25 and 54, a selection criterion that allows us to focus on those most likely to be attached to the labor market, avoiding young families just getting started and retirees. **Figure 3** shows hours worked by husbands and wives in the middle-income quintile of these families in various peak years along with the most recent year for which we have data, 2002.

Figure 3: Hours at Work by Family, Married-Couple Families w/ Children (Hours Worked per Year)



Source: Author's analysis of Bureau of Labor Statistics and Census Bureau data.

The husbands' bars (lower part of each bar) show relatively little variance. As shown in the **Appendix Table**, husbands throughout the income scale in these families tend to work more than full-time, full-year (52 weeks times 40 hours, or 2080 hours), thus there is little room for them to expand (this is known as a "ceiling effect" since the variable under analysis – annual hours – is constrained by the available time in the day). One interesting finding, to which we will return below, is the consistent decline in hours across income quintiles, 2000-02.

Middle-income wives, on the other hand, show marked increases, particularly over the 1980s, but in the 1990s as well. Low- and moderate-income wives (in the first two quintiles) increased their hours of work by between 60 percent and 70 percent between 1979 and 2000 (see **Appendix Table**), while middle-income wives increased their hours by about half.

**Table 1** gives a sense of how much more time these working wives spent in the paid labor market by income. Moderate- and middle-income wives added over three months, while wives from low- and high-income families added over two months. These data provide some sense of why balancing work and family can provide a challenge to married-couple families with children.

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Table 1: Increase in Hours Worked by Wives, 1979-2000

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	Additional Wives' Hours, 1979-2000	Expressed as Full-Time Weeks
First Fifth	319	8.0
Second Fifth	515	12.9
Middle Fifth	501	12.5
Fourth Fifth	367	9.2
Top Fifth	330	8.3
Average	406	10.2

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Source: Authors' analysis of March CPS data.

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### *The Importance of Wives' Contribution to Income*

The importance of wives' labor market contribution to family income is evident in **Table 2** and **Figure 4**. Here we show the average income of these married-couple families, again by income quintile. Real family income grew for each quintile between 1979-2000, with generally stronger income growth in the 1990s relative to the 1980s. The pattern of expanding income inequality, with much larger income growth at the top, can be clearly seen here as well.

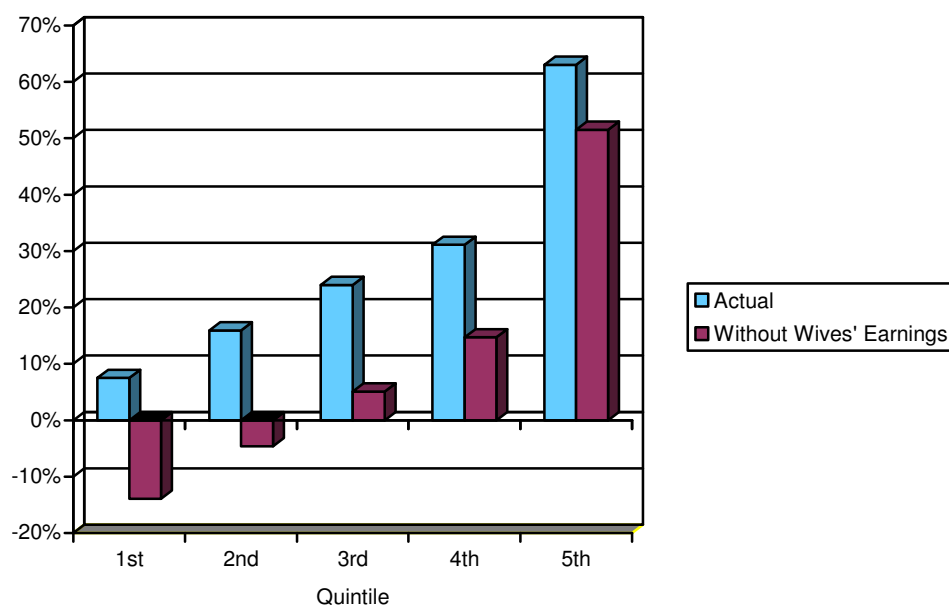
**Table 2: Average Income by Quintile, Prime-Age Married Couple Families with Children (2002 \$'s)**

	1	2	3	4	5
1979	24,389	43,541	56,612	72,171	118,134
1989	23,951	45,036	61,362	81,263	142,219
2000	26,221	50,473	70,220	94,651	192,517
2002	24,537	48,848	69,082	93,457	184,746
1979-89	-1.8%	3.4%	8.4%	12.6%	20.4%
1989-2000	9.5%	12.1%	14.4%	16.5%	35.4%
2000-02	-6.4%	-3.2%	-1.6%	-1.3%	-4.0%
1979-2000	7.5%	15.9%	24.0%	31.1%	63.0%

Source: Author's analysis of Bureau of Labor Statistics and Census Bureau data.

The question, however, is what role did wives' contributions to family income play in these income trends? This is shown in **Figure 4** by examining family income growth without wives' earnings. The first bar for each income group shows the actual trajectory in real family income on the left, while the other bar shows the real change, from 1979 to 2000, without wives' earnings. Real family income would have fallen steeply over this period – by 13.9 percent – in the lowest quintile, and by 4.6 percent in the second quintile, had wives not contributed. Instead of increasing by 24 percent between 1979 and 2000, middle-income married-couple families with children would have seen an increase in their average income of only 5.1 percent.

Figure 4: Contribution of Wives' Earnings to Family Income, Percent Change in Inflation-Adjusted Income, by Quintile, 1979-2000



Source: Author's analysis of Bureau of Labor Statistics and Census Bureau data.

The difference between the actual and simulated income results gives the percent contribution made by wives. For the bottom 60 percent, wives' income contributions raised real family income by about one-fifth. Note that wives' contributions added less to family income at the top of the income scale, a result that suggests that wives' income had an equalizing effect on family income growth over this period. That is, in the absence of wives' extra earnings, the income distribution of these families would have been even more unequal than was actually the case.

The next table (**Table 3**) looks at wives' annual earnings (inflation-adjusted) over the 1979-2002 period, and decomposes the growth in earnings due to an increase in annual hours versus growth due to higher hourly wages. We further break out the growth in annual hours to understand what portion is attributed to more wives working, what portion was driven by wives working more weeks per year, and what portion was due to wives working more hours per week.

Table 3: Annual Hours, Wages, and Earnings, Prime-Age Wives w/ Children, 1979-2002					
Annual Earnings (2002 Dollars)	1	2	3	4	5
1979	\$3,264	\$ 6,226	\$ 9,312	\$13,169	\$16,361
2000	\$7,701	\$14,797	\$20,411	\$26,891	\$38,718
2002	\$7,073	\$14,024	\$20,484	\$26,137	\$39,251
Annual Hours					
1979	523	741	919	1,109	1,071
2000	842	1,256	1,420	1,475	1,401
2002	758	1,206	1,385	1,439	1,385
Hourly Wages					
1979	\$ 6.25	\$ 8.40	\$ 10.13	\$ 11.88	\$ 15.28
2000	\$ 9.15	\$ 11.79	\$ 14.37	\$ 18.23	\$ 27.64
2002	\$ 9.33	\$ 11.63	\$ 14.79	\$ 18.16	\$ 28.34
Growth in Annual Earnings, 1979-2000	85.8%	86.6%	78.5%	71.4%	86.1%
Due to More Annual Hours	47.7%	52.7%	43.5%	28.6%	26.9%
More Wives Working	16.7%	25.2%	19.2%	11.9%	12.4%
More Weeks per Year	22.1%	20.3%	16.1%	10.7%	7.7%
More Hours per Week	8.9%	7.3%	8.2%	6.0%	6.7%
Due to Higher Wages	38.1%	33.8%	35.0%	42.8%	59.3%
Growth in Annual Earnings, 2000-2002	-8.5%	-5.4%	0.4%	-2.8%	1.4%
Due to Fewer Annual Hours	-10.5%	-4.0%	-2.5%	-2.5%	-1.1%
Fewer Wives Working	-9.9%	-2.2%	-2.6%	-1.8%	-0.8%
More or Fewer Weeks per Year	1.3%	0.2%	0.5%	-0.1%	0.1%
Fewer Hours per Week	-1.8%	-2.0%	-0.3%	-0.6%	-0.4%
Due to Higher or Lower Wages	2.0%	-1.3%	2.8%	-0.4%	2.5%

Note: Changes are in logs and thus do not match up exactly with the percent changes in earlier tables.

Source: Author's analysis of Bureau of Labor Statistics and Census Bureau data.

Real annual earnings growth was quite strong for each quintile between 1979 and 2000, with gains close to or above 80 percent for each quintile except the fourth (71.4 percent). In fact, over this period, middle-income wives' earnings as a share of family income almost doubled, rising from 16 percent to 29 percent. While hourly wage gains explained most of the earnings growth for the top two quintiles, for those in the bottom 60 percent, more annual hours worked was a bigger factor. For example, among families in the second fifth, increased hours of work explained 52.7 percent of their 86.8 percent gain in annual earnings. Of that increase in annual hours, about half came from more wives in the workforce, slightly less than half from more weeks per year, and the

remainder from more hours worked per week. Clearly, more work and higher wages of wives have been a key determinant of family income growth over the last few decades.

### Recent Trends

Further insight into this observation comes from the most recent trends in work and income over the recession and jobless recovery. Between 2000 and 2002, both husbands' and wives' hours fell, with wives' hours in the lowest quintile down 9.9 percent, or 84 hours (see **Appendix Table**). **Table 2** shows that these losses led to a 6.4 percent income decline in just two years for this bottom group, reversing most of the 7.5 percent gain made in the full 1979-2000 period.

The bottom panel of **Table 3** shows that real annual earnings fell 8.5 percent for wives in the lowest income fifth and 5.4 percent for wives in the second fifth. Note that the decline in wives hours is largely explained by fewer wives working (higher unemployment and less labor force participation) and less so by cutbacks in hours worked. Moreover, related indicators show continued deterioration in the employment trends of married persons through 2004. Employment rates – the share of a group at work in the paid job market and a measure of labor demand – in 2004 were still significantly below their peak levels in 2000 for married spouses with children. For men, the decline, between 2000 and 2004, was 1.5 percentage points; for women, the decline was 2.5 points.<sup>6</sup>

The significant income losses in **Table 2** should belie any notion that this was a particularly mild recession. From the perspective of prime-age married-couple families with children, it led to significant losses of labor market opportunity and income; in particular, it set low-income families' earnings back to 1979 levels. For many working families with children, economic well-being is closely linked to spending more hours in the labor market than in past generations. Our social policy landscape, however, has yet to evolve to a point that incorporates this new reality.

## **THE CHALLENGE POSED**

### Absence of Response to Increasing Hours Worked by Wives

The entry of women into the workforce has been commented on as a great demographic shift of the late 20<sup>th</sup> Century. And in fact, between 1970 and 2000, the percentage of mothers in the workforce rose from 38 to 67 percent.<sup>7</sup>

What is less commented on is how few adjustments have been made to accommodate this demographic shift – and how this lack of adjustment has affected families. Fathers worked no fewer hours over this period, on average, while mothers significantly increased their hours. As a result, hours worked by families grew. We know from other research that too many workplaces deny workers flexibility over their hours, precluding easy juggling of work responsibility with caregiving. Fifty-seven percent of workers have no control over start and end times.<sup>8</sup>



Fifty-four percent of wage and salaried workers with children report that they have no time off to care for sick children without losing pay, having to use vacation days, or fabricating an excuse.<sup>9</sup> Additionally, flexible work arrangements and benefits are more likely to be available in larger and more profitable firms and to the most valued professional and managerial workers. Research reveals that low-income workers are the least likely to be working in jobs that offer flexibility.<sup>10</sup> These low-income workers may face a more substantial penalty for their lack of job flexibility. Staying home with a sick child could terminate employment or reduce much-needed income.

In addition, the availability of support services – subsidized child care, after-school care – has failed to grow sufficiently to replace a significant portion of the hours once devoted to family care that are now devoted to market work. Securing quality, affordable child care is a challenge for most families. Child care can cost a family from \$4,000 to \$10,000 per year, per child.<sup>11</sup> In addition, quality after-school options for school-age children are scarce. Estimates determine that in 2002 only about 20 percent of demand for after-school programs was met in some urban areas.<sup>12</sup> Only about 11 percent of school-age children who need after-school care were able to access it, according to another national estimate.<sup>13</sup>

Women, and mothers in particular, pay a significant “part-time penalty” as they try to navigate work and family responsibilities. For instance, women are more likely to work part-time and nonstandard jobs than men. Thirty-one percent of employed women work in nonstandard arrangements (including part-time, temp, free-lance, and self-employed positions), compared to only 22 percent of men. Nonstandard jobs pay less on average and even regular part-time workers earn \$3.97 less per hour than regular full-time workers.<sup>14</sup> In addition, researchers find that when comparing women, women with children make a full 10 to 15 percent less than women without children.<sup>15</sup>

### *Consequences for Families*

The result of increased work hours for families in the absence of policy responses can be significant for many families.<sup>16</sup> In 2002, 45 percent of employees reported that work and family responsibilities interfered with each other “a lot” or “some”.<sup>17</sup> A full 67 percent of employed parents today say they do not have enough time with their children, while 63 percent of married employees say they do not have enough time with their spouses. Over half of all employees say they do not have enough time for themselves.<sup>18</sup>

Research has demonstrated that parents feel the stress of longer work hours. Working parents with school-age children who work in inflexible workplaces and have children in unsupervised settings are 4.5 times more likely to report low psychological well-being than their counterparts with more workplace flexibility and better after-school options.<sup>19</sup> Mothers reported spending an average of 5.5 hours a day caring for children in 1998, which is about the same amount of time as mothers in 1965.<sup>20</sup> They accomplished this largely by cutting back on activities

such as sleep, housework, leisure pursuits, and personal care. In fact, working mothers lose the equivalent of one night of sleep a week compared to mothers who are not in the paid labor force.<sup>21</sup> Research has also linked depression among women with the lack of workplace flexibility.<sup>22</sup>

Increased parental work hours also has implications for children, often through their caregiving accommodations. In 1999, over 3.3 million children age 6-12 were in self-care during after-school hours as their primary caregiving arrangement.<sup>23</sup> Millions of children are left in unlicensed child care each day. A study by Jody Heymann at Harvard University found that children with poor educational outcomes were more likely to have parents with working conditions that made it difficult or impossible to help their children. Parents with children who scored in the bottom quartile in reading or math were likely to work nights or evenings or to lack paid leave from their jobs (such as vacation, sick leave, or other flexibility). Even when controlling for factors such as family income, parental education, marital status, and the total number of hours a parent worked, Heymann concludes that the more parents were away in the afternoons and evenings, the more likely it was that their children fell to the bottom on achievement tests.<sup>24</sup>

Many parents today work irregular hours, largely due either to job availability or as an attempt to share child care. Only a minority of parents say that they are working these nonstandard hours to help facilitate child care.<sup>25</sup> One-fifth of all employed people in the US work most of their hours in the evenings, during nights, on weekends, on a rotating schedule, or have highly variable hours. One-third of dual-income, married couples with children include at least one spouse who works a job with nonstandard hours.<sup>26</sup>

Working a nonstandard schedule has consequences for both children and families. Nonstandard hourly work increases the difficulty of finding quality child care arrangements for parents since most regulated settings do not provide child care during nonstandard hours. Studies estimate that only 10 percent of centers and 6 percent of regulated family child care homes offer weekend care, and only 3 percent of centers and 13 percent of family child care homes offer evening care for children.<sup>27</sup> Parents working night and rotating shifts have increased marital instability. Separation or divorce is about six times higher among couples in which fathers work at night, and three times higher when mothers work nights.<sup>28</sup>

While increased work hours involve a variety of consequences for parents and children, families cannot easily forgo the income of the two parents. Benefit coverage – health, pension, and unemployment insurance – is shrinking while costs – of housing, college, health care, and child care – have increased.

## INCREASING CHALLENGES AHEAD

Looking to the future, these problems will only continue to grow. There is certainly a ceiling for how many hours families can work. Husbands appear to be at that ceiling. Families as a whole may be there as well. At the same time, the wage picture may be deteriorating further. Average wages largely stagnated between 1973 and 1995, growing only 0.4 percent annually. However, the late 1990s saw a break in this trend for some workers. After 1995 and through 2000, wage growth accelerated again, growing at 2.2 percent per year.<sup>29</sup>

Yet those latter-1990s wage gains have proved to be largely a function of the full employment conditions that temporarily prevailed during those years. With the recession of 2001 and the ensuing weak recovery, those conditions, and the wage growth they promoted, are behind us.

As this report goes to press, we see that the persistently weak recovery has led once again to real wage losses for many workers, especially those in the middle and low end of the wage scale. Recent data from the Bureau of Labor Statistics show that the wage growth for blue collar manufacturing and non-managerial service workers (who make up about 80 percent of the workforce) was 2.1 percent for 2004, which is about 1 percentage point below inflation in addition to being the lowest growth rate in the history of this data series.<sup>30</sup>

## POLICY IMPLICATIONS

What then can be done to respond to these challenges? This paper does not lay out detailed prescriptions but points out general directions for policymakers to consider as part of a comprehensive approach to this entrenched problem.

***Increase Income.*** Wages are clearly the core of the challenge. There are a number of views as to how to increase earned income. Three approaches bear consideration: macroeconomic and other measures to help workers regain a more equitable share of their productivity increases; measures to create and keep high-wage jobs in the US; and tax measures.

In terms of macroeconomic measures, the data we present here underscore the critical nature of addressing wage stagnation. There are a number of views as to how to respond. As was evident in the latter-1990s, the most effective "program" for ensuring that the real wages of most workers track productivity growth is full employment. The question is: what can policymakers do to tighten job markets? The tools of monetary and fiscal policy are obvious levers here. While a full discussion of their use is beyond our scope in this context, we do recommend that full employment – which for our purposes means unemployment closer to 4 percent than 5 percent – once again becomes an explicit goal of the Federal Reserve. One potential mechanism to enshrine this message in public policy might be to strengthen aspects of the Humphrey-Hawkins Act, which states the

responsibility of the Federal Reserve to balance the trade-off between tight job markets and inflation. Given the importance of full employment to working families, revitalized legislation could require that when the unemployment rate is above 4 percent, the Federal Reserve Board Chairman must provide Congressional testimony explaining what actions he or she will take to bring the economy to full employment. Other measures to help workers claim a greater share of productivity gains include labor law reform, minimum wage increases and changes in health and pension policies.

Keeping high-wage jobs in the US will require new investments in education and training so that all Americans have the opportunity to gain the skills they need for the global economy. Investments in research and development, especially in promising technologies such as environmental technology or medical technology, and investments in infrastructure, such as broadband, in combination with the reform of health care and pensions so that costs to employers are reduced without reducing benefits to employees would further this goal.

In addition, tax reform can increase the after-tax income of families. Proposals for tax relief for lower-and middle-income families include: increasing the Earned Income Tax Credit (EITC); increasing the size and refundability of the child tax credit; creating an integrated, expanded, refundable child tax credit that integrates the dependent care credit, the EITC and the child credits; reducing payroll taxes; increasing and making refundable the child and dependent care tax credit; as well as creating a new Parent Account vehicle for parents to save, tax-preferred, for the costs of raising children (as proposed in a forthcoming New America Foundation report).

***Make Jobs Flexible.*** It is critical to increase workplace flexibility when both parents – or a single parent – are working. The US should give parents the right to request a part-time or flexible schedule from their employers as the UK does (see forthcoming New America Foundation policy proposal “Win-Win Flexibility”). This flexibility can be encouraged by creating cultural change within business –for example, by highlighting best practices of flexible companies or providing technical assistance to businesses interested in implementing flexibility. Paid family and medical leave is critical so that parents can take time off for a new child, their own serious illness, or a family member’s serious illness. A minimum number of sick days is also necessary so parents can take a child to a doctor. Part-time workers also need access to leave, health insurance, pensions, unemployment, and disability benefits.

***Reduce the Costs of Being Middle-Class.*** In the immediate post-War period, policies addressed the economic security of families through a variety of mechanisms: jobs programs, social income insurance, and policies designed to reduce the costs of middle-class life, such as the 30-year mortgage, the GI Bill, and taxpayer subsidies for employer-provided health insurance. Today housing, college, and health costs all cry out for attention. Universal and affordable child care, pre-K, and after-school programs are also essential now that parents are working more.

## Conclusion

America has long offered its citizens the hope that if they work hard they can offer their children a better life. As shown in **Table 1**, throughout the first decades of the post-War period, the growing economy provided a fast-moving escalator to the middle class, as real median incomes grew in lockstep with productivity. In those years, entering the middle class was an attainable goal that offered security and time to enjoy life. Families saw their incomes climb dramatically, and health insurance and pensions were broadly available.

Today, however, the economic engine for middle- and lower-income advancement has downshifted. For much of the last few decades, the norm for many middle- and lower-income families has been stagnant returns to their hours worked. As a result, in many cases, the only way to keep incomes growing – or not shrinking – is to work harder and harder.

Public policy has yet to embrace the challenge of these realities. To the contrary, as we write, health coverage is eroding and pension plans place more risk on workers. Despite the best productivity performance in 30 years, middle-incomes are falling in real terms. We offer a bare-bones outline of a policy framework to begin the discussion, one that is already taking place among a small group of concerned policymakers and analysts. Our hope is that, given the urgency of these issues, this discussion is taken up by far more of those invested in addressing the challenges facing American families.

## Appendix Table

Annual Hours Worked by Husbands and Wives, 25-54, with Children								
	1979	1989	2000	2002	1979-89	1989-2000	1979-2000	2000-02
Husbands								
1	1722	1722	1827	1732	0.0%	6.1%	6.1%	-5.2%
2	2069	2137	2117	2070	3.3%	-0.9%	2.3%	-2.2%
3	2150	2198	2212	2181	2.2%	0.7%	2.9%	-1.4%
4	2194	2257	2291	2241	2.9%	1.5%	4.4%	-2.2%
5	2314	2387	2379	2332	3.2%	-0.3%	2.8%	-2.0%
Wives								
1	523	712	842	758	36.2%	18.3%	61.1%	-9.9%
2	741	1042	1256	1206	40.7%	20.4%	69.5%	-3.9%
3	919	1236	1420	1385	34.5%	14.8%	54.5%	-2.5%
4	1109	1363	1475	1439	22.9%	8.3%	33.1%	-2.5%
5	1071	1310	1401	1385	22.4%	6.9%	30.8%	-1.1%
Combined								
1	2245	2434	2669	2490	8.4%	9.7%	18.9%	-6.7%
2	2810	3179	3372	3276	13.2%	6.1%	20.0%	-2.9%
3	3069	3434	3632	3566	11.9%	5.8%	18.4%	-1.8%
4	3303	3620	3766	3680	9.6%	4.0%	14.0%	-2.3%
5	3384	3697	3780	3717	9.2%	2.2%	11.7%	-1.7%

Source: Author's analysis of Bureau of Labor Statistics and Census Bureau data.

## Note on Data

**Data source for annual family work hours:** The source for the data on annual hours worked is the March Current Population Survey. The analysis focuses on married-couple families with children (age 0-17), spouse present, where both spouses were between 25 and 54 years of age. The distributional analysis places 20% of families, not persons, in each fifth.

The annual hours variable in the March data is the product of two variables: weeks worked per year, and usual hours per week. Since allowable values on the latter variable go up to 99, this product can be over 5,000. Such values are clearly outliers, and we decided to exclude cases with annual hours greater than 3,500, which led to the exclusion of between 2% and 5% of cases over the years of our analysis.

<sup>1</sup> Other lesser factors are demographic changes, including immigration and the formation of fewer two-parent families, and a technical factor regarding the fact that output deflators used in productivity calculations have grown more slowly than income deflators.

<sup>2</sup> The sources for these data are BLS for the average weekly hours (from the Current Population Survey, inclusive of all wage and salary workers, part- and full-time) and authors' analysis of March CPS data for the family work hours.

<sup>3</sup> According to the Bureau of Labor Statistics, in 2003 28 percent of women worked part-time, compared with 13 percent of men.

<sup>4</sup> When summing hours across families, we include those with no work as contributing zero hours, i.e., the calculations are not conditional on positive hours. Thus we capture both the effect of more wives working, along with the effect of wives working more weeks per year and hours per week. A later table decomposes the contribution of each of these factors.

<sup>5</sup> The increase in annual work hours by single mothers, particularly over the 1990s, has also been widely documented. See Mishel et al. (2004) *State of Working America 2003/2004*. Economic Policy Institute. Ithaca, NY: Cornell University Press, Chapter 5.

<sup>6</sup> See Table 5 <http://www.bls.gov/news.release/pdf/famee.pdf>, 2000 and 2004.

<sup>7</sup> National Research Council and Institute of Medicine. (2003) *Working Families and Growing Kids: Caring for Children and Adolescents*. E. Smolensky and J. A. Gootman, eds. Washington, DC: The National Academies Press.

<sup>8</sup> Families and Work Institute. (2004) *Workplace Flexibility: What is it? Who has it? Who Wants it? Does it Make a Difference?* New York: Families and Work Institute.

<sup>9</sup> Ibid.

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- <sup>10</sup> Golden, L. (2000) *The Time Bandit: What U.S. workers surrender to get greater flexibility in work schedules*. Washington, DC: Economic Policy Institute. See also, Glass, J. and Fujimoto, T. (1995) "Employer Characteristics and the Provision of Family Responsive Policies." *Work and Occupations*, 22 (4).
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- <sup>18</sup> Ibid.
- <sup>19</sup> Barnett, R. C. and Gareis, K. (2004) *Parental After-School Stress Project*. Community, Families & Work Program, Brandeis University, Summary available at [http://www.bcfwp.org/PASS\\_Findings.pdf](http://www.bcfwp.org/PASS_Findings.pdf)
- <sup>20</sup> Note: time spent with children includes both care provided as a primary activity as well as care reported as a secondary activity (e.g. the mother was also doing something else, like cooking, etc.). Care includes child and baby care, helping/teaching children, talking/reading to children, indoor/outdoor play with children, medical/travel/other child-related care. Source: Bianchi, S. (2000) "Maternal Employment and Time with Children: Dramatic Change or Surprising Continuity?" *Demography*, 37 (4).
- <sup>21</sup> Bianchi, S. (2000) "Maternal Employment and Time with Children: Dramatic Change or Surprising Continuity?" *Demography*, 37(4).
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