



# POLICY BRIEF

## The Rise in Dual-Earner Families

By: Anne Winkler,  
Associate Professor, Department  
of Economics and Public Policy  
Administration

**In 25% of dual-earner  
couples, wives outearn  
their husbands.**



8001 Natural Bridge Road  
St. Louis, Missouri 63121-4499

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(314) 516.5273 TEL  
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From 1976 to 1998, dual-earner families emerged as the predominant family structure among married-couples, rising from 50 to 60 percent of all such couples. Even more striking, dual-earner families now comprise 75 percent of all married-couples that have a working husband. In half of these families both spouses work full-time, full-year. As two-earner couples become the norm, this raises new questions about economic decision making and changing gender roles within marriages.

Recent research has focused on gauging the relative economic positions of husbands and wives in dual-earner families, as defined by their paid labor market activity. Using data from the 1993 Current Population Survey, Winkler finds that in 25 percent of dual-earner couples, wives outearn their husbands.\* These figures likely provide an upper-bound estimate of role reversal because, in many families, if a husband earns just a small amount less than his wife, he still may be perceived as the primary earner in the family because of traditional gender roles. Nonetheless, one must keep in mind that women, even those who are equally qualified as men, tend to earn less than their male counterparts. Furthermore, a sizeable proportion of wives, 15 percent, had wages that were 25 percent more than their husbands, and nearly 10 percent of wives had wages that were greater by 50 percent or more.

In joint research with David Rose, associate professor of economics, Winkler and Rose investigate the implications of changes in spouses' relative earnings—as they translate into whose

career takes precedence—on labor market decisions and wages. Winkler and Rose argue that having the secondary career in the family likely imposes a wage “penalty.” In particular, having the secondary career adversely affects mobility and hence wages by reducing one’s ability to take advantage of better paying job offers that require relocation. Moreover, one’s career position in the family may even affect wages without generating a mobility event. For instance, individuals who are known to have the primary career in their families may be able to negotiate a higher wage by being able to make a credible “threat” to leave. This is a bargaining tactic that a spouse with the secondary career would not be able to undertake. Using data from the 1987-88 and 1992-94 waves of the National Survey of Families and Households (NSFH), Winkler and Rose provide some evidence that wives who have the secondary career in the family do tend to have lower wages than wives with the primary career.\*\* Results regarding the relationship between ca-

### REFERENCES

\*Anne E. Winkler, “Relative Earnings of Husbands and Wives in Dual-Earner Families,” *Monthly Labor Review*, Volume 121, number 4, April 1998, pp. 42-48.

\*\*Anne E. Winkler and David C. Rose, “Career Hierarchy in Dual-Earner Families,” forthcoming in *Research in Labor Economics*, Volume 19, Solomon Polachek, editor (Greenwich, Connecticut,