

# Women Household Workers Covered by Old-Age, Survivors, and Disability Insurance

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HOUSEHOLD WORK is a major field of gainful employment for women. Its importance is evidenced by data from various sources. The Bureau of Labor Statistics annual survey of the work experience of the population, for example, has shown that in recent years about 3 million women, or almost 11 percent of all women aged 14 and over who were gainfully employed during a year, were employed longer in household work than in any other occupation in the year. The Bureau of the Census reports that during the census week in 1960 about 8 percent of all employed women and 10 percent of the women who were wage and salary workers were in household employment.<sup>1</sup>

Despite its relative importance to American women, household work was a latecomer among the employments covered by old-age, survivors, and disability insurance (OASDI). It was first covered in 1951, but only if certain work and earnings requirements were met. The 1950 legislation stipulated that household services in a calendar quarter were covered if the worker was paid \$50 or more in cash during the quarter for domestic service in the home of an employer and if the worker performed some domestic service for this employer on at least 24 days in the quarter or the preceding quarter. The days-of-work requirement was dropped beginning in 1955, and more household workers were thus brought into the program. Pay of at least \$50 in cash from a single household employer for domestic services during the quarter is now the only test of covered household employment.

The extension of coverage to household employment opened to a sizable group of American

women and their dependents the prospect of benefits that would replace, in part, earnings cut off by disability, retirement, or death. To date, little has been written on the characteristics of the women household workers to whom this protection has been extended.

The Social Security Administration maintains a record of all employee earnings in covered employment, which is the source of the basic data in the present analysis. For household workers this record is derived from the quarterly reports filed by employers on wages paid during the quarter to workers in nonfarm households.<sup>2</sup>

If the \$50 cash-pay test is satisfied, the employer must report the wages he pays to any household worker for services that contribute to the maintenance of the employer's residence or that administer to the personal wants and comforts of the employer, other members of the household, or guests. Workers performing services that qualify under this definition are ordinarily employed as cooks, housekeepers, governesses, maids, companions, nursemaids, housemen, watchmen, valets, janitors, furnacemen, caretakers, handymen, and chauffeurs of automobiles for family use. Services not essentially of a household nature although performed in the home—as a tutor, museum assistant, or librarian, for example—are not covered as domestic service. Such services, however, may be covered as self-employment or as "nonbusiness" employment—that is, work not in the normal course of the employer's trade or business.<sup>3</sup>

Data on covered household employment have been tabulated for various years during the period 1951-61 from the records of employee earn-

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<sup>1</sup> See Bureau of Labor Statistics, *Special Labor Force Report*, No. 38, tables A-2 and A-4, for work experience of the population in 1962; BLS Reports No. 11, 19, and 25, for comparable data for 1959-61; and Bureau of the Census, *U.S. Census of Population, 1960: Detailed Characteristics*, PC(1)-1D, table 214.

<sup>2</sup> Domestic services of employees working in farm households are not covered as household employment but as agricultural labor.

<sup>3</sup> With respect to women workers, nonfarm household employment covered by OASDI differs little, except for the \$50 quarterly cash-pay test, from household employment as defined for purposes of the BLS population surveys and the Census of Population.

TABLE 1.—Household employers and workers and taxable household wages reported under OASDI, 1951–61

Year	Employers during year (in thousands)	Workers during year (in thousands)	Annual taxable household wages (in millions)
1951	795	945	\$715
1952	745	890	695
1953	700	830	675
1954	710	850	695
1955	1,080	1,245	875
1956	1,110	1,275	910
1957	1,110	1,275	925
1958	1,105	1,225	940
1959	1,075	1,210	925
1960	1,140	1,305	995
1961	1,180	1,365	1,030

ings maintained by the Administration.<sup>4</sup> These data will be used in conjunction with other data that also provide some insight regarding women in covered household employment, although they differ somewhat from the OASDI figures in definition and in method and reference date of collection.

### PROPORTION OF WOMEN IN HOUSEHOLD EMPLOYMENT

The Bureau of the Census and BLS estimates, already noted, for the proportion of women house-

<sup>4</sup> Some understatement of reported covered employment of household workers occurs because some employers who use the same report form (IRS Form 941, "Employer's Quarterly Federal Tax Return") for their household workers and their business employees do not enter on the form the required identification of the household workers.

TABLE 2.—Percentage distribution of all women wage workers and women household workers in reported covered employment, by age, 1961

[Based on 1.0-percent sample data]

Age	All women wage workers	Women household workers	Cumulative percentage	
			All women wage workers	Women household workers
Total number (in thousands)	24,100	1,200		
Total percent	100.0	100.0		
Under 20	10.5	2.0	10.5	2.0
20-24	13.8	4.4	24.3	6.4
25-29	9.5	4.3	33.8	10.7
30-34	9.4	5.3	43.2	16.0
35-39	10.9	7.9	54.1	23.9
40-44	11.3	10.3	65.4	34.2
45-49	10.6	12.6	76.0	46.8
50-54	9.3	13.9	85.3	60.7
55-59	6.9	14.0	92.2	74.7
60-64	4.3	11.6	96.5	86.3
65-69	2.2	7.9	98.7	94.2
70-74	.9	3.9	99.6	98.1
75 and over	.4	1.9	100.0	100.0
Median age	38.1	51.2		

TABLE 3.—Comparison of age distributions of women household workers

Age	OASDI (1961)	Census <sup>1</sup> (1960)	BLS <sup>2</sup> (1962)
Total percent	100.0	100.0	100.0
Under 20	2.0	<sup>3</sup> 12.3	<sup>3</sup> 25.7
20-24	4.4	6.3	5.7
25-34	9.6	13.2	10.0
35-44	18.2	18.5	15.0
45-54	26.5	21.4	18.4
55-64	25.6	18.1	16.3
65 and over	13.7	10.2	9.0
Median age, total	51.2	44.8	40.8
Median age, 20 and over	51.5	47.7	48.5

<sup>1</sup> U.S. Census of Population, 1960: Detailed Characteristics, PC(1)-1D, table 204.

<sup>2</sup> Bureau of Labor Statistics, *Special Labor Force Report*, No. 31, table C-8.

<sup>3</sup> Aged 14-19.

hold workers among all gainfully employed women are significantly larger than the proportion of household workers among women reported to have earnings in employment covered by OASDI. Approximately 1.2 million women who were reported to be in covered employment in 1961—4.8 percent of the 24.8 million women workers with covered earnings (including earnings from self-employment) and 5.0 percent of the 24.1 million women with covered wages—were classified as having had covered household employment during the year.

The limited coverage under OASDI and deficiencies in the reporting of covered household employment by employers are chiefly responsible for the large difference between the OASDI proportion and those of the BLS and the Bureau of the Census. The quarterly cash-pay test of \$50 from a single employer, which must be met for household employment to be covered, excludes women who only occasionally work in households. In addition, the requirements for reporting are probably less widely understood by household workers and employers and are less easily enforced for household employment than for most other types of covered employment.

Since household employment was first covered under OASDI the number of workers—both men and women<sup>5</sup>—for whom taxable household wages have been reported has increased about 44 percent—from 945,000 in 1951 to 1,365,000 in 1961 (table 1). Part of this gain can be attributed to a longterm rise in the amount of household employment. Between the 2 Census years 1950 and

<sup>5</sup> Almost 9 in every 10 workers in covered household employment were women.

TABLE 4.—Percentage distribution of women reported with covered household employment, by age and race, 1961

[Based on 1.0-percent sample data]

Age	Total		White <sup>1</sup>		Negro		
	Total	Cumulative	Total	Cumulative	Total	Cumulative	Percent of all women
Total number (in thousands).....	1,200		550		650		
Total percent.....	100.0		100.0		100.0		53.9
Under 20.....	2.0	2.0	2.9	2.9	1.3	1.3	35.3
20-29.....	8.7	10.7	6.2	9.1	10.9	12.2	67.2
30-39.....	13.2	23.9	7.9	17.0	17.7	29.9	72.5
40-49.....	22.9	46.8	15.1	32.1	29.5	59.5	69.5
50-59.....	27.8	74.6	29.4	61.5	26.5	85.9	51.2
60-69.....	19.5		28.5		11.8		32.5
60-64.....	11.6	86.2	16.4	77.9	7.5	93.4	34.8
65-69.....	7.9	94.2	12.1	90.0	4.3	97.7	29.2
70 and over.....	5.8	100.0	10.0	100.0	2.3	100.0	21.1
Median age.....	51.2		56.1		46.8		

<sup>1</sup> Includes all races other than Negro.

1960 there was about a 24-percent increase in household employment as reported by the Bureau of the Census.<sup>6</sup> The remainder of the increase may reflect the extension of coverage resulting when the days-of-work requirement was eliminated beginning in 1955<sup>7</sup> and probably also some improvement in the reporting of household workers in legally covered employment.

### AGE OF HOUSEHOLD WORKERS

Women workers for whom household earnings reports are filed are older, as a rule, than women engaged in other covered employment. The median age of women wage workers reported in covered household employment in 1961 was 51.2, in contrast to a median age of 38.1 for all women wage workers in covered employment (table 2). About two-thirds of the women reported as household workers were aged 45 and over, and more than one-fourth were aged 60 and over. These proportions are almost double or treble the proportions in these age groups among all women in covered employment in 1961.

The much older age of the women reported in covered household employment may raise questions, because labor-force data do not show such large differences. The BLS labor-force data for

<sup>6</sup> U.S. Census of Population, 1960: General Social and Economic Characteristics, PC(1)-1C, table 89.

<sup>7</sup> There was an increase of 395,000 during 1955 in the number of household workers reported.

1962 show the median age of women household workers as 40.8 and that of all women workers as 40.4.<sup>8</sup> The 1960 Census data indicate a median age of 44.8 for women employed as household workers and 40.4 for all women workers.<sup>9</sup>

TABLE 5.—Percentage distribution of employed women household workers in the Census week, by age and race, 1960

Age	Total	White	Negro	
			Number	Percent of total
Total number (in thousands).....	1 1,665	764	888	
Total percent.....	100.0	100.0	100.0	53.4
14-19.....	12.3	21.2	4.6	20.0
20-24.....	6.3	5.0	7.4	62.7
25-34.....	13.2	7.2	18.2	74.0
35-44.....	18.5	10.9	25.0	72.0
45-64.....	39.5	39.3	39.7	53.7
65 and over.....	10.2	16.4	5.0	26.2
Median age, total.....	44.8	47.9	42.9	
Median age, 20 and over.....	47.7	53.8	43.8	

<sup>1</sup> Includes 12,698 nonwhite women household workers other than Negro. Source: U.S. Census of Population, 1960: Detailed Characteristics, PC(1)-1D, tables 204, 205; and Nonwhite Population by Race, PC(2)-1C, table 37.

The reason for the comparatively high median age of women household workers reported in covered employment becomes apparent when the age distribution of these women is compared with that of all women workers in household employment as shown by BLS and Census data (table 3). Only 2 percent of the women household workers reported in covered employment in 1961 were under age 20, but the 1960 Census showed 12 percent of all women household workers in this age group and a 1962 BLS study showed 26 percent.<sup>10</sup> Apparently, OASDI reported coverage is much more extensive among older women household workers than among the very young. On a priori grounds this situation is not surprising because the quarterly cash-pay test is less likely to be met among the very young group

<sup>8</sup> Bureau of Labor Statistics, Special Labor Force Report, No. 31, table C-8.

<sup>9</sup> U.S. Census of Population, 1960: Detailed Characteristics, PC(1)-1D, table 204.

<sup>10</sup> The OASDI data include all women with any reported household employment during the year; and the Census data are for employed persons by major occupation in the calendar week preceding the 1960 Census enumeration. The BLS data are for major occupation group and are the 12-month average derived from the sample survey of the population conducted each month by the Bureau of the Census and tabulated for the BLS; the survey week is the calendar week containing the 12th of the month.

**TABLE 6.**—Percentage distribution of women workers reported with covered household employment, by quarters of coverage, age, and race, 1957

[Based on 1.0-percent sample data]

Age and race	Total percent	Number of quarters of coverage <sup>1</sup>			
		1	2	3	4
White, <sup>2</sup> total.....	100.0	15.1	16.4	18.4	50.1
Under 25.....	100.0	25.9	27.9	21.5	24.7
25-54.....	100.0	14.1	14.7	18.8	52.4
55-61.....	100.0	13.6	14.8	17.8	53.8
62 and over.....	100.0	15.6	17.3	18.0	49.1
Negro, total.....	100.0	13.7	13.9	17.1	55.2
Under 25.....	100.0	30.1	23.7	20.7	25.4
25-54.....	100.0	14.0	14.3	16.5	55.2
55-61.....	100.0	7.8	9.7	20.6	62.0
62 and over.....	100.0	9.9	10.3	14.6	65.1

<sup>1</sup> Quarters of coverage are calendar quarters in which a worker has been credited with wages of \$50 or more, except farm wages after 1954, or they are calendar quarters that have been deemed to be quarters of coverage because the worker (1) received the maximum annual taxable earnings in a calendar year, (2) had self-employment net earnings of at least \$400, or (3) received \$100 or more in farm wages from 1 employer after 1954. Under the \$50 quarterly cash-pay test, every quarter in covered household employment is a quarter of coverage.

<sup>2</sup> Includes all races other than Negro.

(which includes many teenage baby sitters) than among the older women. In addition, failure to report household employment is probably more frequent when the employee is a teenager than when she is an older woman.

## RACIAL CHARACTERISTICS

Slightly more than half (54 percent) of the women reported as having had covered household employment during 1961 were Negro (table 4). In contrast, only one-tenth of the 24.1 million women wage workers in all covered employment in that year were Negro. The 54-percent figure is close to that of the 1960 Census, which shows that 53 percent of all employed women household workers were Negro.<sup>11</sup> This simple comparison suggests that the extent of reported coverage among Negro and white women in household employment is fairly similar.

The Census data show, however, that the white women in household employment are more heavily concentrated than Negroes in the youngest age group (table 5). The percentages are 21 for white women and 5 for Negro women, a striking difference. Because coverage and the

<sup>11</sup> *U.S. Census of Population, 1960: Detailed Characteristics*, PC(1)-1D, table 205.

reporting of coverage of household workers are probably less extensive for the very young than for other age groups, it might have been expected that the percentage of Negroes among women reported to have earnings in covered household employment would be considerably larger than the Census figure for all household employment.

When the under-20 age group is omitted from consideration, it is found that 58 percent of all women aged 20 and over employed in household work were Negro, according to the 1960 Census, but that Negroes made up 54 percent of the women aged 20 and over reported in household employment covered by OASDI during 1961. Although the difference between the Census figure and the OASDI figure is thus widened, it does not appear to be large enough to warrant a firm conclusion that the extent of reported coverage for similar periods would be larger for white than for Negro women household workers.

## EMPLOYMENT CHARACTERISTICS

There could be some difference between white and Negro women household workers in the extent of reported coverage because of differences in the employment characteristics that affect legal coverage. If one racial group had, for example, a more casual attachment to household employment than the other, or a lower level of earnings in such employment, the legal requirements for coverage would be less likely to be met by that group.

Some crude indications of whether Negro

**TABLE 7.**—Percent of women household workers reported with covered household employment only and percent reported with employment also in specified industry divisions, 1957

[Based on 1.0-percent sample data]

Industry division	Percent
Total.....	100.0
Private households only.....	83.5
Private households and other industries <sup>1</sup> .....	16.5
Service industries except households.....	8.1
Wholesale and retail trade.....	5.4
Manufacturing.....	2.3
Finance, insurance, and real estate.....	1.2
All other industries <sup>2</sup> .....	2.4

<sup>1</sup> Since some workers were employed in more than one other industry, the percentages by industry exceed the total percentage with multi-industry employment.

<sup>2</sup> Less than 1 percent were employed in any one industry division.

women are more casually attached to household employment than their white counterparts can be obtained from data showing the quarters of coverage received by women who were reported as having had covered household employment during a year. Data are shown for 1957 in table 6 for four different age groups. In all four age categories the percentage with 4 quarters of coverage in the year is larger for Negro women than for white women, and the difference grows larger with age. The data do not indicate that these Negro women are more casually attached to household employment than the white women; if anything, they indicate the reverse. It is possible, of course, that the legal coverage requirements or underreporting, or both, may affect disproportionately the Negro women who have irregular attachment to household employment.

Most of the women reported in covered household employment in a year do not have covered employment in any other industry during the year (table 7). Of all the women reported as having had covered household employment in 1957, only 17 percent had other covered employment in that year, primarily in service industries or in wholesale and retail trade. Women with other covered employment made up 17 percent of all women with reported covered household employment; the proportion for white women was 21 percent, and for Negro women it was 13 percent.

## WAGE PATTERNS

The average annual taxable wages reported for women workers whose principal employment is in domestic service are substantially less than the average for all women working for wages in

TABLE 8.—Mean annual taxable wages for all women workers and for women with major job in reported covered household employment, selected years, 1951-61

[Based on 1.0-percent sample data]

Year	Mean taxable wages			
	All women	Household workers	Mean for household workers as percent of mean for all women	
1951.....	\$1,317	\$695		52.8
1953.....	1,489	783		52.6
1957.....	1,732	788		45.5
1959.....	1,892	823		43.5
1961.....	2,007	857		42.7

TABLE 9.—Average annual wage credits of women workers with reported covered household employment, by race and age, 1957

[Based on 1.0-percent sample data]

Age	Total	White <sup>1</sup>	Negro
Total.....	\$820	\$878	\$766
Under 20.....	467	464	472
20-24.....	646	821	557
25-29.....	707	954	630
30-34.....	774	897	737
35-39.....	798	983	739
40-44.....	837	857	829
45-49.....	907	1,009	850
50-54.....	878	958	813
55-59.....	923	1,002	812
60-64.....	852	879	781
65-69.....	759	790	655
70 and over.....	685	679	716

<sup>1</sup> Includes all races other than Negro.

covered employment. From 1951 to 1961 the ratio of the mean taxable wages of household workers to the comparable average for all women workers declined from 53 percent to 43 percent (table 8). Decennial Census data, however, show that the ratio of median earnings of women household workers to the median for all women workers declined by only 4 percentage points (from 34 to 30) from 1949 to 1959.<sup>12</sup>

The sharp drop in average household taxable wages in relation to the average taxable wages of all women workers probably reflects both the elimination of the days-of-work requirement for household workers and some improvement in reporting. Both changes have had the effect of bringing into reported coverage an increasing proportion of the lower-paid household workers.

The Negro women household workers reported in covered employment have lower mean annual wage credits than the white women (table 9). For the Negro women the mean reported in 1957 was \$766; for the white women it was \$878. At first glance these figures are somewhat surprising, because data from the 1960 Decennial Census indicate that in 1959 nonwhite women household workers had median earnings somewhat higher than those for all women household workers (\$704 compared with \$684).<sup>13</sup>

<sup>12</sup> U.S. Census of Population, 1960: Detailed Characteristics, PC(1)-1D, table 208; U.S. Census of Population, 1950: Occupational Characteristics, P-E, No. 1B, table 22.

<sup>13</sup> U. S. Census of Population, 1960: Detailed Characteristics, PC(1)-1D, tables 204, 205, 208. See also Herman P. Miller, *Rich Man, Poor Man* (Thomas Y. Crowell Company, 1964), table VI-4, page 96, in which median earnings for household workers in 1959 are shown to be \$661 for white and \$704 for nonwhite workers.

TABLE 10.—Percentage distribution and average annual taxable wages of women workers with reported covered household employment, by region and race, 1961

[Based on 1.0-percent sample data]

Region	Workers			Average annual wage credits		
	Total	White <sup>1</sup>	Negro	Total	White <sup>1</sup>	Negro
All workers (in thousands).....	1,200	550	650	\$900	\$953	\$855
Total percent.....	100.0	100.0	100.0	-----	-----	-----
Northeast.....	25.9	32.9	19.9	1,156	1,165	1,145
New England.....	5.4	9.8	1.6	1,118	1,124	1,089
Middle Atlantic.....	20.5	23.1	18.3	1,167	1,182	1,150
North Central.....	20.3	27.8	13.8	884	852	940
East North Central.....	14.5	18.7	10.9	912	882	956
West North Central.....	5.7	9.1	2.9	815	792	878
South.....	41.3	19.9	59.7	716	727	712
South Atlantic.....	21.8	8.4	33.2	752	817	738
East South Central.....	8.6	4.4	12.2	620	619	621
West South Central.....	10.9	7.1	14.2	718	687	732
West.....	12.5	19.4	6.6	1,004	970	1,091
Mountain.....	2.2	4.0	.6	823	775	1,081
Pacific.....	10.3	15.4	5.9	1,042	1,020	1,092

<sup>1</sup> Includes all races other than Negro.

One explanation of this disparity can be found in the difference between the Census and OASDI age distributions of white and Negro women household workers. The larger proportion of the very young with relatively low earnings among white household workers in the Census data tends to reduce the median earnings of the white workers to the observed level. The difference in age distribution between white and Negro household workers shown by the Census is not present in reported coverage under OASDI.

The average wage credits of the Negro women were comparatively low for almost all age groups. Only at the extremes of the age distribution was there any deviation from this pattern. For the white and Negro household workers in the youngest group, average annual wage credits were almost identical; for women aged 70 and over the difference was in favor of Negro household workers.

The lower average wage credits of the Negro women household workers in reported coverage reflect for the most part, however, the difference in the regional distribution of white and Negro women household workers. Negro workers are heavily concentrated in the Southern States, which have traditionally lower wage rates. Among women reported in covered household employment in 1961, 60 percent of the Negro workers but only 20 percent of the white

workers were employed in the South (table 10).<sup>14</sup>

Average annual taxable wages of the women household workers in 1961 were only \$716 in the Southern region—\$727 for the white women and \$712 for the Negro women—in contrast to the national average of \$900. In the North Central region and in the West, the averages in reported household employment were higher for the Negro women than for the white women. In the Northeast as in the South, the average was only a little lower for Negro women than for white women.

## SUMMARY

The chief conclusions from this study of women in covered household employment can be summarized as follows:

—There are relatively fewer household workers among all women with reported covered employment than among all gainfully employed women.

—Those with reported covered household employment are in general older than all women in household employment. Comparatively few of the very young household workers have their wages reported for OASDI purposes, either because they do not meet the coverage requirements or because their employers fail to report their covered wages.

—Somewhat more than half of those with reported covered household employment have such employment in all 4 calendar quarters of the year, and the proportion with 4 quarters in employment is larger for Negro women than for white women.

—Most of the women reported in covered household employment have no covered employment in any other industry.

—Women in reported covered household employment have relatively low average annual taxable wages. Although, on the whole, the Negro women have lower annual wages than the white women, this difference results largely from differences in the regional distribution of white and Negro women household workers.

<sup>14</sup> According to the 1960 Census, 72 percent of all employed Negro household workers, compared with only 21 percent of the white workers, were in the South. *U.S. Census of Population, 1960: Detailed Characteristics, PC(1)-1D, tables 205 and 207.*