

The Economic Status of Single-Mother Households and Social Security

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1 Introduction

The number of single-mother households in Japan reached 1,225,000 as of November 2003 (Ministry of Health, Labour and Welfare [2005]). This means that the number of single-mother households has almost doubled over the last three decades. And the uptrend has been gaining momentum since the 1990s.

In the meantime, social security policy toward single-mother households is undergoing a major change, with the focus of policy shifting from conventional economic support measures to those designed to encourage single mothers' self-reliance through employment. In the August 2002 revision to the child-support allowance system, the ceiling on annual income for eligibility for such allowances was lowered and measures were introduced to reduce allowances in stages based on the annual income of single mothers. In April 2003, a law was enacted to partially revise the Law for the Welfare of Mothers with Dependents and Widows, making it possible for the government to reduce child-support allowances five years after the first receipt of allowances¹. The Expert Panel on the Public Assistance System also considered a review of additional benefits for single-mother households, though the panel stopped short of recommending specific changes this time around.

The developments described above are similar to those seen in the United States and the United Kingdom where the direction of policy is to encourage an exit from welfare dependency by incorporating job incentives in welfare policy for single-mother households. In the United States, for instance, the increase in beneficiaries, mainly single-mother households, of Aid to Families with Dependent Children (AFDC) and long periods of receipts of benefits had become a major issue in the early 1990s. Faced with rising criticism that generous benefits were hampering self-reliance efforts by eroding single mothers' willingness to work, in 1996 the United States replaced AFDC with a new scheme, the Temporary Assistance for Needy Families (TANF), with strict job requirements and limitations on the length of the period during which needy families can receive benefits.

However, it should be noted that circumstances for single-mother households are quite different in Japan compared to the European or North American countries. Firstly, the labor force participation rate for single mothers in Japan is significantly higher than for their counterparts in other industrialized countries. As explained later, the labor force participation rate for mothers (20 to 59 years of age) in single-mother households in Japan stayed at around 85% throughout the 1990s, far higher than in other industrial countries, including the United Kingdom (41% in 1990), Germany (40% in 1992), and Sweden (70% in 1994) (Bradshaw et al. [1996]). Single-mother households in Japan are characterized by relatively poor economic conditions despite the high labor force participation rate of mothers².

Therefore, if we are to review social security policy for single-mother households, it is necessary to at least ascertain whether or not there is a situation that could be said to be

welfare dependency in Japan. However, to the best of this author's knowledge, there has been no empirical analysis done about the relationship between child-support allowances and the employment and income conditions of mothers of single-mother households in Japan.

Thus, this paper attempts to shed light on the economic conditions of single-mother households using individual data collected for the National Livelihood Survey (the Ministry of Health, Labour and Welfare) and analyze the relationship between child-support allowances and employment of single mothers. The National Survey on Single-Mother Households, etc., conducted by the Ministry of Health, Labour and Welfare every five years, is a well-known statistical survey on single-mother households. However, this survey covers only single-mother households and as such the survey data do not allow us to make credible comparisons with general households with children. Besides, since the ministry publishes the spreadsheets only, detailed information on income and other matters pertaining to single-mother households is not readily accessible. On the other hand, the individual data of the National Livelihood Survey we use for this paper allow us to make comparisons between single-mother households and general households with children and gain insight into several characteristics of the income distribution of single-mother households that have not been known until now.

The structure of this paper is as follows. In Section 2 we explain the definition of "single-mother households," the subject of our analysis, and examine the economic conditions of such single-mother households. In Section 3 we make an empirical analysis of the relationship between child-support allowances and the employment and income of single mothers. In Section 4 we examine whether it is possible to more effectively collect child support from fathers by attempting to grasp the profiles of divorced or otherwise parted fathers from data found in the National Livelihood Survey. Section 5 includes the conclusions of this paper and some policy recommendations.

2 Economic Conditions of Single-Mother Households

(1) Definition of and data on single-mother households

First, we explain the definition of "single-mother households" as discussed in this paper. In this paper, we define single-mother households as "households that include unmarried children (or a child) less than 20 years of age, their unmarried, divorced or bereaved mothers and other members of the household"³. The aforementioned "National Survey on Single-Mother Households, etc." (Ministry of Health, Labour and Welfare) defines single-mother households as "households where fatherless children (unmarried and under the age of 20) are raised by their mothers," and such households may include grandparents and other relatives living in the house. The definition in this paper is quite similar to the above definition. Of single-mother households, we call households that have only "single mothers and children (at least one of them unmarried and under the age of 20)" "independent single-mother households," and single-mother households with other household members "single-mother households with others living in the house"⁴.

Data we use in this paper are the individual data collected for the National Livelihood Survey (Ministry of Health, Labour and Welfare) conducted in 1989, 1992, 1995, 1998 and

2001. Since the survey covers all households in survey areas, we can compare single-mother households and general households with children. The survey data also feature detailed information on single-mother households, including the breakdown of household income, tax and social insurance contributions and household members.

(2) Increasing number of single-mother households

The long-term trend of the number of single-mother households in Japan, as revealed in the National Survey on Single-Mother Households, etc. (the Ministry of Health, Labour and Welfare) shows that the number of single-mother households hit a trough in 1967 but then began to increase, reaching 1,225,000 in 2003, the highest number since the survey began⁵. The pace of increase has been particularly rapid since the 1990s: the number of single-mother households in the latest survey registered a substantial increase of 28.3% over the 1998 survey five years earlier. For a certain period after the end of the war, bereavement, or husbands dying early to leave mothers and dependent children behind, was the reason for the majority of single-mother households. From around 1973, the year of the first oil shock, the ratio of divorces began to increase, and at present, as many as 80% of single-mother households result from divorces (Figure 1).

While the total number of households with children has been declining as a result of the falling birthrate, the number of single-mother households is increasing. This means the ratio of single-mother households to the total number of households with children is rising. In order to confirm this trend, we estimated the ratio of single-mother households to the total number of households with children under the age of 20 (the single-mother household ratio), based on individual data provided by the National Livelihood Survey. Our calculation shows that the ratio rose from 4.8% in 1989 to 5.5% in 1998 and further to 6.5% in 2001 (Table 1). The ratio of children in single-mother households to the total number of children under the age of 20 also increased from 4.2% in 1989 to 5.8% in 2001, showing that one out of 17 children is being raised in single-mother households. What these data tell us is that single-mother households are no longer exceptional.

(3) Characteristics of independent single-mother households and single-mother households with others living in the house

Next, we attempt to extract some characteristics of independent single-mother households and single-mother households with others living in the house from the data in Table 1. In recent years single-mother households with others living in the house have accounted for a growing proportion of single-mother households. Compared with independent single-mother households, a higher proportion of single-mother households with others living in the house have young mothers, very young children, and a lower labor force participation rate. It may be that young single mothers tend to live together with relatives because it is harder for them to go out to work as they have very young children or because they need relatives to look after their children.

Another big advantage of living in the same house with relatives is lower housing expenses. As Table 2 shows, there is the big gap in the home ownership rate between independent single-mother households and single-mother households with others living in the house. While over 80% of single-mother households with others living in the house live

in their own houses, the home ownership rate is only 25% (in 2001) for independent single-mother households, with a high proportion of them living in private-sector or state-run rental housing. It is likely that many single-mother households with others living in the house live in houses owned by their parents or other relatives.

However, this does not mean that single-mother households with others living in the house do not have economic problems. The middle of Table 2 shows the equivalent household income, obtained by dividing household income by the equivalent measure (here the square root of the number of household members) to factor out the differences in the size of households. It is considered that the equivalent household income shows the standard of living for household members belonging to different forms of household. Setting the equivalent household income of non-single-mother households to 100, the equivalent household income of independent single-mother households averages only 47 and that for single-mother households with others living in the house is no more than 72. In other words, the standard of living of children in single-mother households, even when they live together with relatives, is much lower than that of children in other households. Household income for single-mother households here includes child-support allowances and other social security benefits that are explained later. This wide gap in household income, even when social security benefits are included, merits attention.

The same can be said about financial assets. Half of independent single-mother households have savings of only ¥500,000 or less, and 31% of such households do not have any savings at all. Single-mother households with others living in the house tend to have more financial assets than independent single-mother households just because they have more household members. Still, half of single-mother households with others living in the house only have savings of ¥2.5 million or less, while 21% of such families do not have any savings at all. Of non-single-mother households, the ratio of households with no savings is only 11%. Thus, it can be said safely that single-mother households, whether independent or with others living in the house, tend to have few financial assets.

(4) Income from work

Income earned by working mothers accounts for 70% to 80% of the total household income of single-mother households. The labor force participation rate of mothers (20 to 59 years of age) in single-mother households in Japan, whether independent or with others living in the house, stayed at around 85% throughout the 1990s, over 30 percentage points higher than the labor force participation rate of mothers in non-single-mother households (51.3% in 2001).

As for the status of employment of single mothers, the ratio of non-regular employment has been rising in recent years (Figure 2). While the rise in non-regular employment is observed for female workers in general, not only mothers in single-mother households, compared to permanent employees a higher proportion of mothers in single-mother households were temporary workers and part-timers in 2003.

Consequently, the levels of income from work for mothers in single-mother households are low and have been declining further since the mid-1990s. Table 3 shows the median value of income from work for mothers in single-family households. The income from work for mothers in independent single-mother households declined by ¥260,000 from

¥1.94 million in 1995 to ¥1.68 million in 2001, in real terms, while that for mothers in single-mother households with others living in the house dropped by ¥340,000 from ¥2.23 million to ¥1.89 million during the same period.

Since the median value does not provide an overall distribution, we used kernel density estimation to understand the distribution of income from work since 1995 (Figure 3). Kernel density estimation is a method of smoothing, allowing us to understand the shape of data under relaxed assumptions (Simonov [2003]). Developments that can be observed from Figure 3 include, firstly, a reduction in the number of middle-income households with annual income from work of between ¥3 million and ¥6 million for both independent single-mother households and single-mother households with others living in the house. Secondly, there were high-income single-mother households with others living in the house with annual income from work in excess of ¥6 million in 1995, but they were almost gone entirely by 2001. Thirdly, among independent single-mother households, households with annual income from work of ¥1.3 million to less than ¥3 million and households with annual income from work of less than ¥1.3 million are increasing. Meanwhile, among single-mother households with others living in the house, households with annual income from work of less than ¥500,000 are increasing remarkably. These developments indicate that while the decline in income from work for independent single-mother households is stemming from the reduced number of middle-income households and their growing shift to the low-income category, the falling income from work for single-mother households with others living in the house is resulting from the reduced number of middle-income households and the increase in households with no income from work.

Among independent single-mother households, those with particularly low income from work presumably include a significant number of households receiving public assistance. According to a report compiled by the Public Assistance Trends Editorial Board (2004), the number of single-mother households that received public assistance (equivalent to independent single-mother households)⁶ stood at 75,097 in 2002, with the ratio of households receiving such assistance to all single-mother households coming to 11.2%. In other words approximately one in every ten independent single-mother households was receiving public assistance. But 48% of single-mother households receiving assistance had some income from work in 2002. Thus, presumably, they received public assistance to fill the gap between their minimum living expenses and what the mothers earned from work.

3 Social Security Benefits and Employment of Single Mothers

(1) Outline of child-support allowances

There are various forms of public support for single-mother households through social security, including child-support allowances, bereaved family pension benefits after the deaths of fathers that were supporting the household, and public assistance to needy households. However, child-support allowances can be described as most important because they are provided to the largest number of beneficiaries.

Child-support allowances are cash benefits paid to single-mother households (or guardians) with income below an officially-set income limit. Benefits vary according to the level of household income, determined in stages up to a maximum of ¥41,800 per child per

month (for FY2004. Benefits are increased by ¥5,000 for the second dependent child and by ¥3,000 each for third and other children). The history of the child-support allowance system shows the gradual tightening of income limits. When the system was first established, child-support allowances were provided in fixed amounts under a uniform income limit. Under the 1985 legal revision, two levels of income limits were introduced and accordingly benefits were also categorized into two types: full payment and partial payment benefits. The two-level system continued until 2002 and during the entire 17 years it was in operation, the income ceiling for full benefits was basically left intact. On the other hand, the income limit for partial benefits was lowered substantially in 1997 (the eligible income level of the previous year was lowered from ¥4.078 million to ¥3 million for a household of two—a single mother and a child) (Figure 4).

The 2002 legal revision introduced a measure to reduce child-support benefits in stages according to income levels, with the annual income ceiling for full benefits lowered from ¥2.048 million to ¥1.3 million (for a household of two—a single mother and a child)⁷ (Figure 5). The revision also tightened other beneficiary qualifications, with up to 80% of child support from fathers counted as income of single-mother households and deductions for widows and special additions for widows excluded from deductions from taxable income. Further, in April 2003, a new measure was put in place making it possible to reduce benefits when the period of receipt of child-support allowances exceeds five years. As seen above, the public child-support allowance system is becoming more selective and limited.

As of January 2004, 890,000 single mothers were receiving child-support allowances across Japan, with 560,000 (63% of the total) getting full benefits. Single mothers receiving full benefits reached 640,000 in 2001 but the number dropped to 520,000 in 2002 because of the lowering of the income limit. However the number began to increase again in 2004.

(2) Framework of the empirical analysis

The Charter for Measures to Support the Self-Reliance of Single-Mother Households (Ministry of Health, Labour and Welfare) of 2002 marked a major shift in policies for the welfare of single-mother households. More specifically, the changes included the shift of policy focus from traditional open-ended economic support, centering on child-support allowances, to support for self-reliance through employment, tougher steps to facilitate the collection of child support from fathers, and the basic policy orientation to limit public monetary support, including child-support allowances, to the several years immediately after households become single-mother households.

These new policy initiatives have much in common with welfare reforms undertaken in the United States and the United Kingdom in the 1990s under the banner of “From Welfare to Jobs.” As we pointed out earlier, however, the labor force participation rate of mothers in single-mother households in Japan is quite high even by international standards, and as such, whether the new policy initiatives will prove to be effective under such circumstances would be predominantly an empirical issue. Therefore in this section we attempt to analyze the relationship between child-support allowances and the employment and income from work of single mothers in an effort to ascertain whether there had been a phenomenon in Japan prior to the 2002 legal revision that can be likened to the welfare dependency seen in

Europe and North America.

The data used in this analysis are individual income data from the National Livelihood Survey (Ministry of Health, Labour and Welfare) conducted in 1995, 1998 and 2001⁸. We prepared a data set from individual data from the surveys conducted at the three different points of time and did an analysis of a sample of 1,834 mothers in single-mother households (both independent and with others living in the house) included in the data set. The sample breaks down into 640 mothers from the 1995 survey, 567 from 1998 and 627 from 2001. As all the three surveys took place prior to the 2002 legal revision, the two-level child-support allowance system of full and partial benefits was in place and the income limits on full benefits stayed largely unchanged during the period covering the three surveys. On the other hand, the income limit on partial benefits was lowered substantially in 1997. The purpose of our analysis is to examine whether the 1997 revision had any impact on work behaviors and income from work of single mothers.

If lax requirements for welfare benefits are indeed helping discourage single mothers from finding jobs, as claimed in the United States and the United Kingdom, there presumably should be a negative correlation between the income limits applicable to child-support allowances and the labor force participation rate and levels of income from work of single mothers. Our analysis attempts to examine this hypothesis by using the data set from the three different points of time that span over the period when some conditions for payments of benefits were altered.

Specifically, we posit two different models. Under the first model, we create a dummy variable with value 1 for single mothers who have jobs and value 0 for single mothers without jobs. With this as the explained variable, we use the Probit model to examine the impact of child-support allowances on the work behaviors of single mothers. Explanatory variables include the income limits for child-support allowances, multiplication of income limits by dummy variables for the year, attributes of single mothers and the supply and demand conditions of the labor market (the rate of total unemployment).

(Employed = 1, unemployed = 0) = Probit (ceiling income, 1998 dummy x ceiling income, 2001 dummy x ceiling income, 1998 dummy, 2001 dummy, dummy for age brackets of mothers, the rate of total unemployment, dummy for single-mother family with others living in the house, dummy for marital status, income of other household members, number of preschool children)

The income ceiling included as one of the explanatory variables here is the limit of income (gross of tax) under which single mothers are eligible to receive either full or partial child-support allowances. Note that the income limits for child-support allowances are set as amounts after various deductions from single mothers' income. In this paper, we calculated the ceiling income that falls within the income limits by estimating, based on the surveys' individual data, support obligations, amounts of deductions, and amounts of other income (remittances, child support from fathers, etc.).

Under the second model, with income from work of single mothers as the explained variable, we attempt to assess the impact of the income limits on income from work in much the same way as with the first model. However, individual income data in the

National Livelihood Survey covers income from work one year before the survey year, and does not provide information on income from work of single mothers who did not have jobs one year before each of the survey years. In this kind of case, it is well known that if we apply the ordinary least squares method only using samples for which income from work can be observed, the estimated coefficient thus obtained is biased. Thus, we use the same explanatory variables as used in the first model to estimate the status of employment (with jobs or without jobs) in the years one year prior to the survey years with the probit model, and include selection items thus obtained (the Inverse Mills Ratio) as an explanatory variable of the method of least squares. Thus, we are applying the Heckman (1976) two-step estimation procedure in this case.

(3) Estimation results

The results of the estimation are summarized in Table 4. Firstly looking at the relationship between the status of employment of single mothers and child-support allowances, the multiplication of the income ceiling and its 1998 dummy is not statistically significant. Furthermore, the coefficient of the income ceiling and the 2001 multiplied variable is significantly positive. These suggest that in Japan, welfare and employment of single mothers are not in the either-or relationship of substitution in Japan but that child-support allowances and jobs for single mothers are complementary. However, levels of child-support benefits affect employment only to a limited extent, with the raising (lowering) of the ceiling income of partial benefits by ¥100,000 pushing up (pulling down) the labor force participation rate of single mothers only by 0.7 percentage points. It is likely that since mothers in single-mother households inherently have strong incentives to have jobs, changes in the income limits for child-support benefits would impact single mothers' willingness to work for income only slightly.

Looking at the other variables, we can say that the older single mothers are, or the higher the number of preschool children, the lower the labor force participation rate of mothers. These results seem convincing given the difficulty middle-aged women or mothers with infants face in finding jobs. The 1 percentage point rise in the rate of total unemployment has a quite large impact. For example it reduces the labor force participation rate of single mothers by as much as 3 percentage points. Concerning marital status, the labor force participation rate is about 8 percentage points higher for divorced mothers than for single mothers whose husbands died early. This probably reflects the greater income needs of households of divorced single mothers which are generally in a more unfavorable situation in terms of assets and other economic conditions than bereaved single-mother households. There is no statistically significant difference in the labor force participation rate between single-mother households with others living in the house and independent single-mother households.

We might add that the estimate obtained by using the income limits for partial benefits instead of the income limits for full benefits did not yield results that are much different from the results of the above estimation.

Next, looking at the estimated results of the income from work function, we used a model that includes the status of employment as an explanatory variable and another model that does not, and found that the income ceiling does not have any statistically significant

impact on income from work (Table 5). The level of income from work primarily depends on the age and the status of employment of single mothers. In other words, this means that how much mothers in single-mother households can earn from their jobs is almost totally determined by the form of employment, i.e. whether they are permanent employees or hired under short-term contracts of less than one year, and by the size of employing companies. Our analysis does not show that single mothers are trying to adjust employment terms or levels of income from work so that their overall income stays within a range that ensures they remain entitled to receive child-support allowances.

In sum, the results of our analysis do not support the hypothesis that child-support allowances are undermining single mothers' willingness to have jobs. Since the labor force participation rate of single mothers is influenced significantly by the overall unemployment rate, imposing stricter eligibility criteria for the receipt of child-support allowances and imposing restrictions on the duration of benefits do not help promote the "self-reliance" of single-mother households as long as the macroeconomic employment situation does not improve. On the contrary there is a danger such policies could further worsen the economic condition of children in single-mother households.

4 Profiles of Parted Fathers

The 2002 reform focused on ways to more effectively collect child support from parted fathers. Only 17.7% of divorced single-mother households in Japan receive child support from parted fathers (the Ministry of Health, Labor and Welfare [2005]). Measures to ensure that fathers meet their obligations to support their children are important for improving the economic condition of single-mother households. What kinds of attributes do these fathers have?

The characteristics of parted males are summarized in Table 6, using individual data from the 2001 National Livelihood Survey. But it should be noted that the survey data do not provide information on whether these males have children left in fatherless families and that parted males are classified as "married" when they are remarried to other women. Thus, parted males do not necessarily fully match the profiles of fathers of children in single-mother households.

For the attributes of parted males, first of all, we can cite the markedly high unemployment rate of 10.2% among them. Even among males in employment, a relatively high proportion of them are employed under short-term contracts of less than one year or work for small businesses, and a low proportion of them are employed by large businesses or have jobs with government and other public offices. Secondly, 12% of them are not covered by any public pension schemes. Even when covered, a low proportion of them are the second insured person relative to married males and a higher proportion of them are the first insured person. Thirdly, parted males have a relatively low home ownership rate and a high percentage of them live in private-sector or public rental housing. Considered together, these characteristics of parted males suggest that couples in difficult economic circumstances tend to get divorced more than those in relatively favorable economic circumstances (the Japan Institute for Labour Policy and Training [2003]).

Therefore, while it is important to make sure that parted fathers with obligations

provide support for children in single-mother households, support measures for single-mother households should be developed with the assumption that there are a certain percentage of cases where it may be difficult to collect child support from parted fathers. While it will be possible to split public pension benefits between divorced husbands and wives from 2007, it should be noted that single-mother households do not benefit from this change if parted fathers are not covered by the Employees' Pension.

5 Future Social Security Policy Toward Single-Mother Households

Based on the individual data from the National Livelihood Survey, we attempted in this paper to examine the economic circumstances of single-mother households and also analyzed the relationship between child-support allowances and the employment of single mothers. Our analysis revealed a wide discrepancy in income, assets and other economic conditions between single-mother households and other households with children. The empirical analysis of the relationship between the employment of single mothers and child-support allowances did not confirm the phenomenon of welfare benefits sapping single mothers' willingness to find jobs, as claimed in the United States and the United Kingdom. Rather, the results of the analysis showed that child-support allowances and single mothers' employment are complementary and that single mothers' income from work is largely determined by the status of employment, i.e. whether they are non-regular employees or permanent employees. Finally, an analysis of the profiles of parted males suggested that couples in unfavorable economic circumstances are prone to become divorced and that the collection of child support from parted fathers may prove difficult in some cases due to their low income levels.

Based on these findings, the following suggestions can be made regarding the future direction of social security policy toward single-mother households.

First, given the fact that most mothers in single-mother households have jobs, publicly provided cash benefits to single-mother households in Japan are not an alternative to single mothers' employment. They should rather be positioned as something that compensates for single-mother households' low income from work and helps ease the economic plight of single-mother households.

Second, the introduction of measures to limit the period of child-support benefits is not desirable under current circumstances since the economic difficulties of single-mother households are not necessarily temporary ones that exist only for a short time immediately after they become single-mother households. As the empirical analysis in this paper indicates, the low levels of income from work for single-mother households in Japan stem not from welfare dependency but from the fact that job opportunities for women in general, including mothers in single-mother households, are limited to those jobs that "offer low wages despite long hours of work and provide only a low level of income from labor" (Japan Institute for Labour Policy and Training [2003] p.14)⁹. Since most of these jobs do not offer wage increases even after long years of service, it is quite doubtful whether penalties such as reduction or even discontinuation of child-support allowances will lead to promotion of the economic self-reliance of single-mother households.

Third, it is necessary to develop policy measures to support single-mother households

from the standpoint of ensuring the children receive an adequate upbringing. Both an economic foundation and appropriate care are necessary to ensure the healthy development of children. Though it is important to seek to ensure the economic footing of single-mother households through the employment of mothers, it is equally important to enable mothers to spend enough time with children and socially provide systems under which children are appropriately taken care of in the absence of mothers. Nurseries have thus far played a major role in taking care of preschool children. But we also need to take good care of school-age children by improving measures to look after children during the after-school hours and by making more efficient use of family support centers.

Finally, we would like to touch on future challenges. As the analysis in this paper did not go any further than 2001 due to the limited data available, we could not examine the 2002 legal reform's impact, if any, on employment of single mothers. It is necessary to grasp the effects of the gradual reduction formula for child-support allowances on the employment of single mothers by comparing data from before and after the reform. Recent research points to the possibility that educational background of the parents and a low level of income in the childhood homes of the parents are factors that contribute to the occurrence of divorced single-mother households (Japan Institute for Labour Policy and Training [2003]). At a time when concerns are mounting over widening income gaps and the perceived stratification of society, it may be advisable to study whether or not poverty is being reproduced in this way.

Notes:

1. After the child-support allowance has been received for a period of five years it is possible to reduce the amount by no more than one half. That proportion was determined taking into account the state of progress of employment support policies and will be applied beginning in FY2008.
2. Refer to Kido (1985, 1993), Shinozuka (1992), Shimoebisu (1993), Ministry of Health, Labour and Welfare (2005), the Japan Institute for Labour Policy and Training (2003), Tokoro (2003).
3. In the Population Census and the National Livelihood Survey single-mother households are defined as households consisting of a mother and unmarried children only.
4. Furthermore, there are government-published statistics which do not define households with a single mother, all unmarried children, and no other household members as "single-mother households" if at least one of the children is 20 years of age or older. However in this paper if at least one of the children is under 20 years of age we consider a household to be a "single-mother household" even if there are other children (unmarried) within the same household. In this case households made up of only a single mother and children become "independent single-mother households."
5. According to the survey there were 174,000 single-father households in 2003.
6. In the statistics collected for the Public Assistance, a single-mother household is defined as "a household consisting of only a woman without a spouse aged between 18 and 60 and children aged under 18." So the applicable age of the children is narrower than for an "independent single-mother household" as defined in this paper and single-mother households with others living in the house are not included. Single-mother households with

others living in the house are classified as “other households” in the statistics so we do not know the number of such households from government-published statistics. The public assistance rate among single-mother households is a ratio calculated with the total number of single-mother households (estimate of the number of single-mother households in the National Livelihood Survey (Ministry of Health, Labour and Welfare)) as the denominator and the number of households classified as single-mother households in the statistics as the numerator.

7. Refer to Chapter 3 for the formula used to calculate the amount of child-support allowances after the FY2002 legal revisions.

8. The National Livelihood Survey used in this paper has received the authorization of the Director-General of the Statistics Bureau, the Ministry of Internal Affairs and Communications (authorization No. 31). Aya Abe did the recounting of the statistics.

9. The government is also placing the emphasis on support enabling single-mother households to obtain “better employment” in its basic policies.

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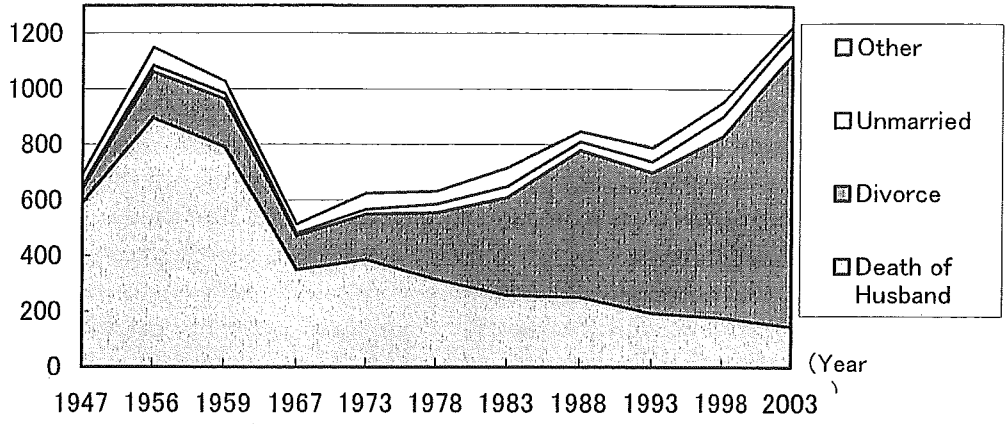
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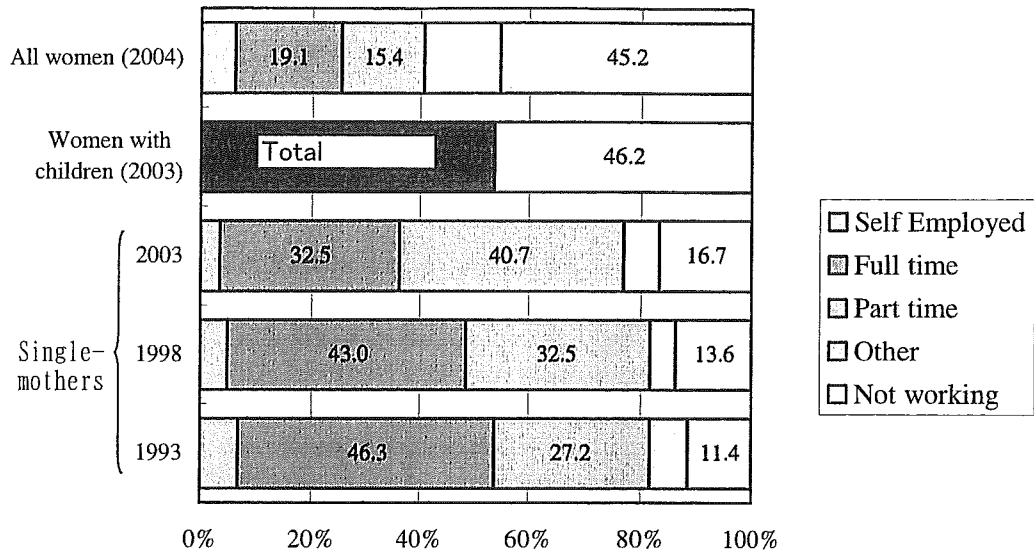
Figure 1 Number of Single-mother Households by Reason of becoming

(thousand households)



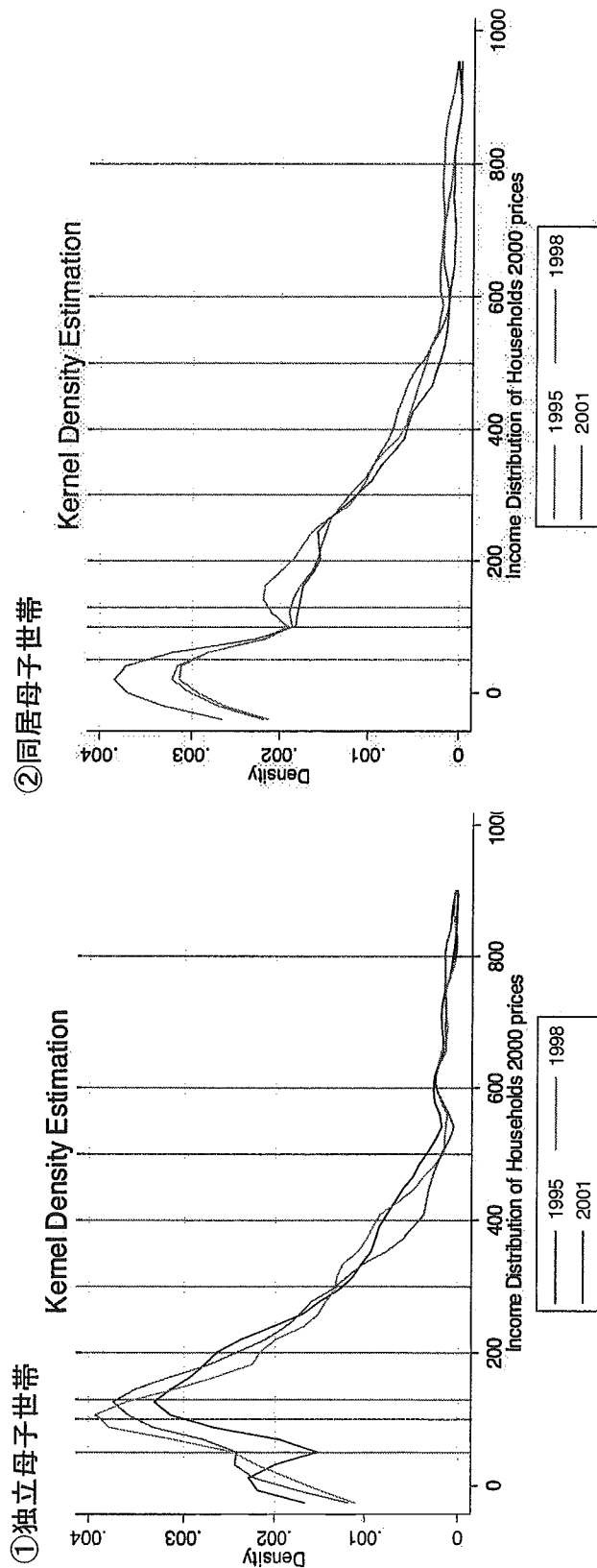
Source: MHLW 「全国母子世帯等調査(National survey on Single-mother and other Households)」.

Figure 2 Working Status of Single Mothers



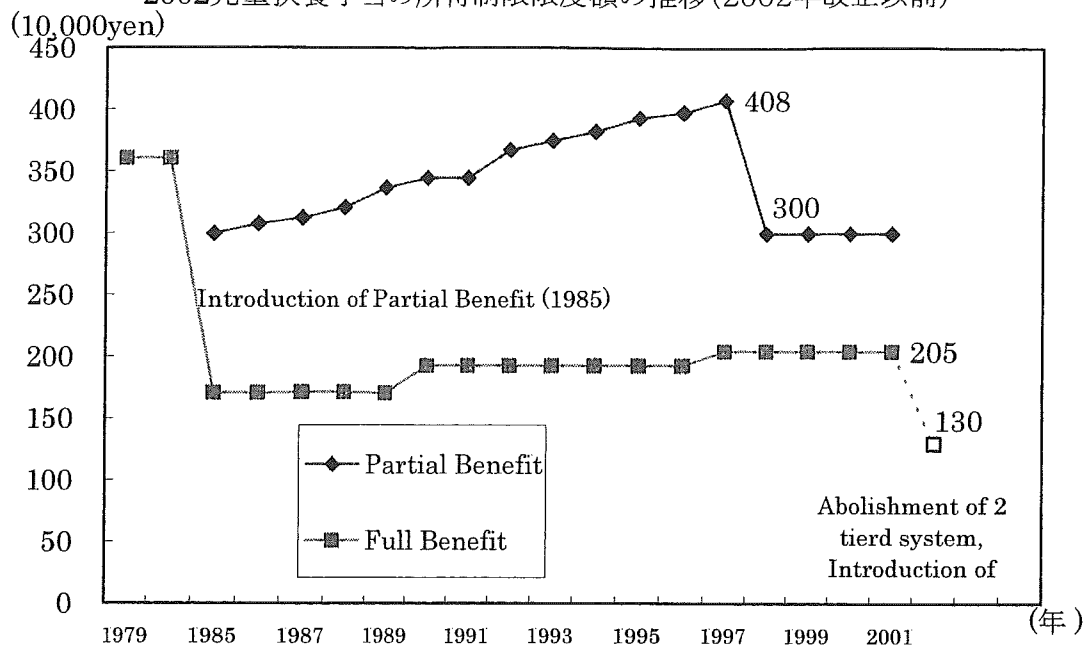
Source: MHLW, Statistics Bureau *Labor Force Survey*.

図3 母親の稼働収入カーネル密度推定



注：稼働収入は消費者物価指数で2000年価格に実質化している。
 出所：「国民生活基礎調査」(厚生労働省)から筆者作成。

Figure 4 The Income Threshold of Child Rearing Allowance up to 2002
 2002児童扶養手当の所得制限限度額の推移(2002年改正以前)



Note: Example of Mother and One child household (Previous year's income)

Figure 5 Child Rearing

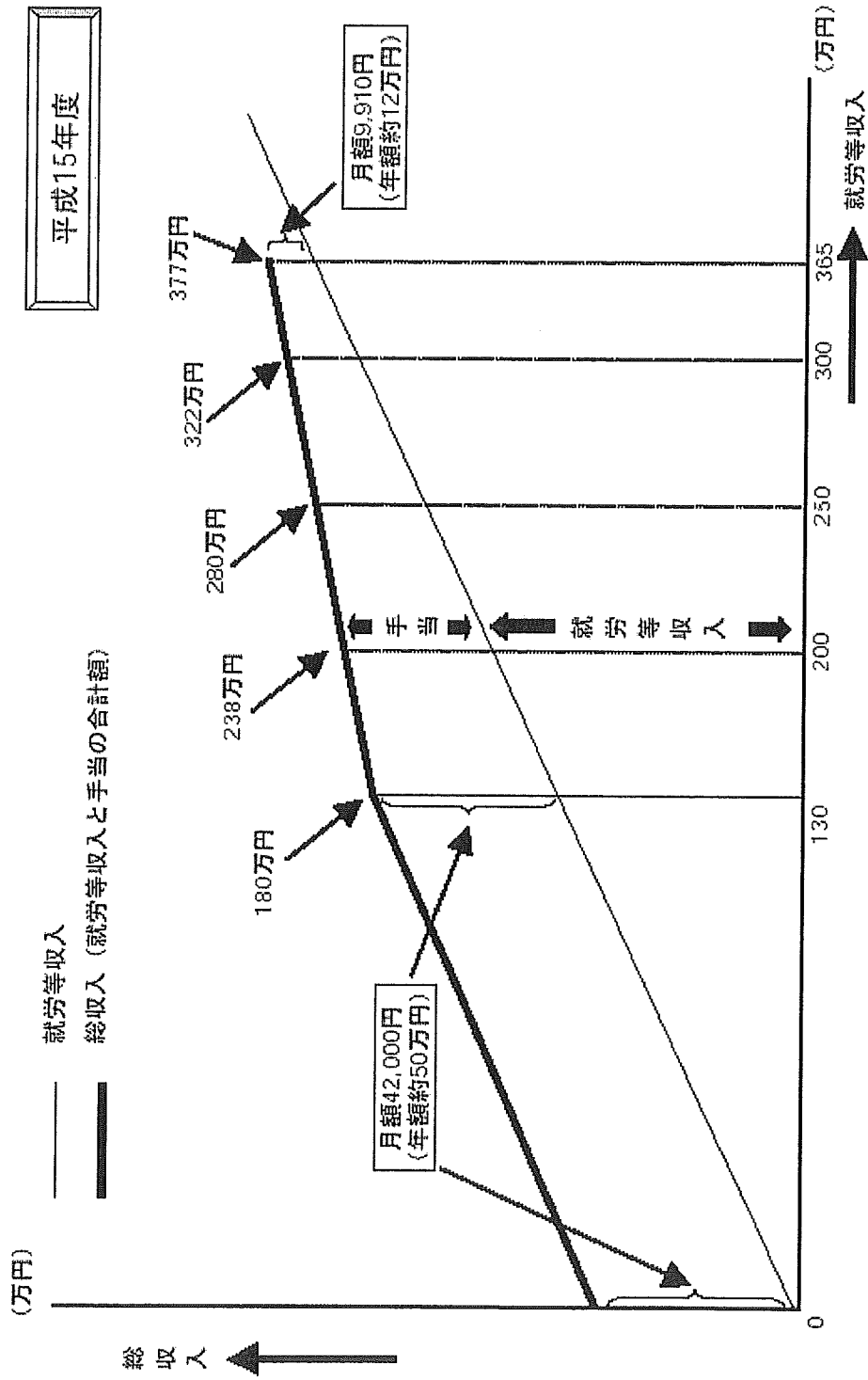


Table 1 Characteristics of Single-mother Households

	1989	1992	1995	1998	2001
Ratio of Single-mother households					
by households	4.8%	4.6%	5.1%	5.5%	6.5%
by number of children	4.2%	3.9%	4.3%	4.8%	5.8%
Ratio of co-habiting among Single-mother households	25.4%	27.6%	28.4%	30.1%	31.4%
Age of Mother	40.6	40.9	40.2	39.7	39.4
Independent S-M households	41.4	41.9	41.1	40.7	40.3
Cohabiting S-M households	38.5	38.4	38.0	37.6	37.3
Ratio of households with child < 6	21%	20%	24%	29%	32%
Independent S-M households	18%	17%	21%	25%	28%
Cohabiting S-M households	30%	28%	33%	36%	39%
Labor Force Participation rate					
Independent S-M households	90.2%	89.5%	88.3%	86.5%	86.3%
Cohabiting S-M households	87.0%	86.1%	81.7%	83.9%	83.1%

Source: calculation by the authors

Table 2 Assets and Income of Single-Mother households

	Independent single-mothers	Cohabiting single-mothers	(reference) Households with children (non S-M)
Type of Housing (%)			
Owned House or flat	24.9	82.3	42.9
Privately rented	39.5	9.7	30.1
Provided by work	1.1	0.2	0.8
Public Housing	27.9	6.2	21.1
Renting a room, other	6.7	1.5	5.1
Equivalentized Household Income (10,000 yen)			
Median	125	227	314
Average	165	252	349
Std. Dev.	(151.1)	(214.5)	(223.4)
Savings (10,000 yen)			
Median	50	250	300
Average	337	708	640
Std. Dev.	(899.5)	(1213.3)	(1231.6)
No savings (%)	30.6%	20.0%	10.8%

Note: Equivalent scale used is the square root of the household size

Source: calculation by the authors