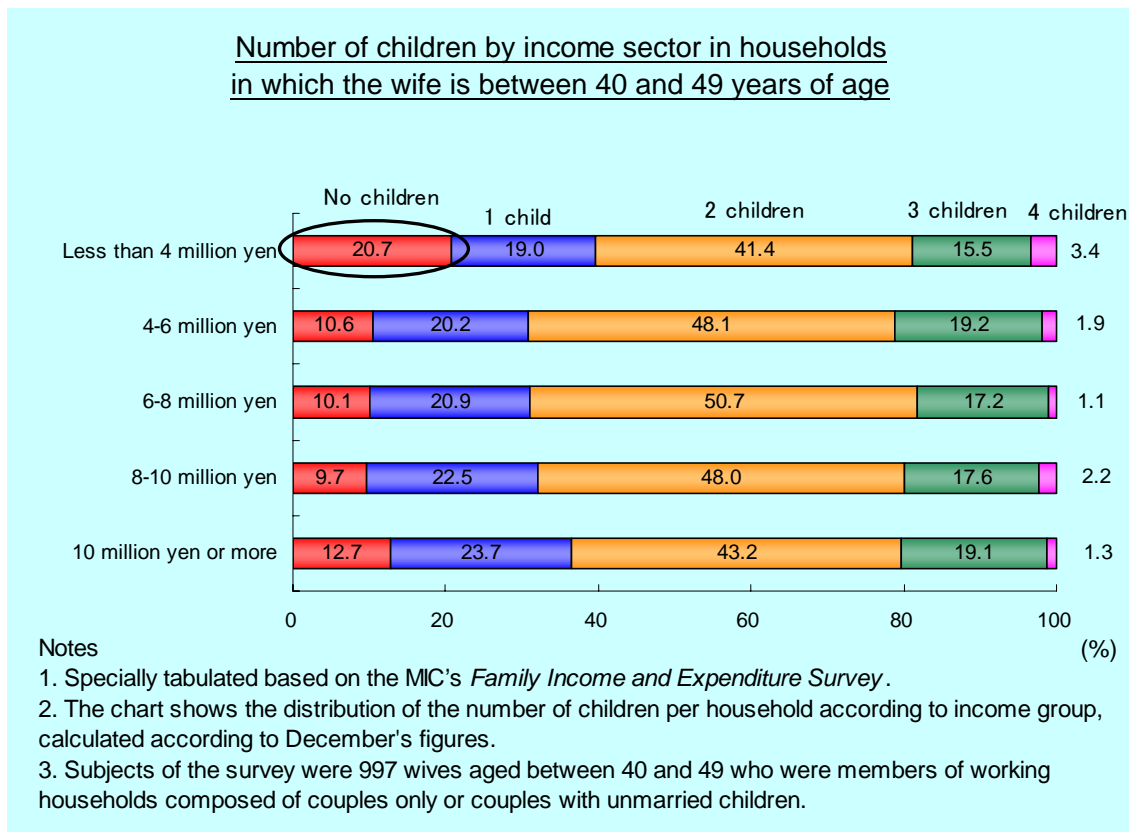


## Chapter 2 The environment surrounding the child-rearing generation's income

### Section 1 The relationship between child-rearing generation's income, and marriage and birth trends

- The real income of people at child rearing age has not increased over the past ten years.
- The relationship between income and number of children is not entirely clear, but a certain minimum household income is needed in order to raise children.

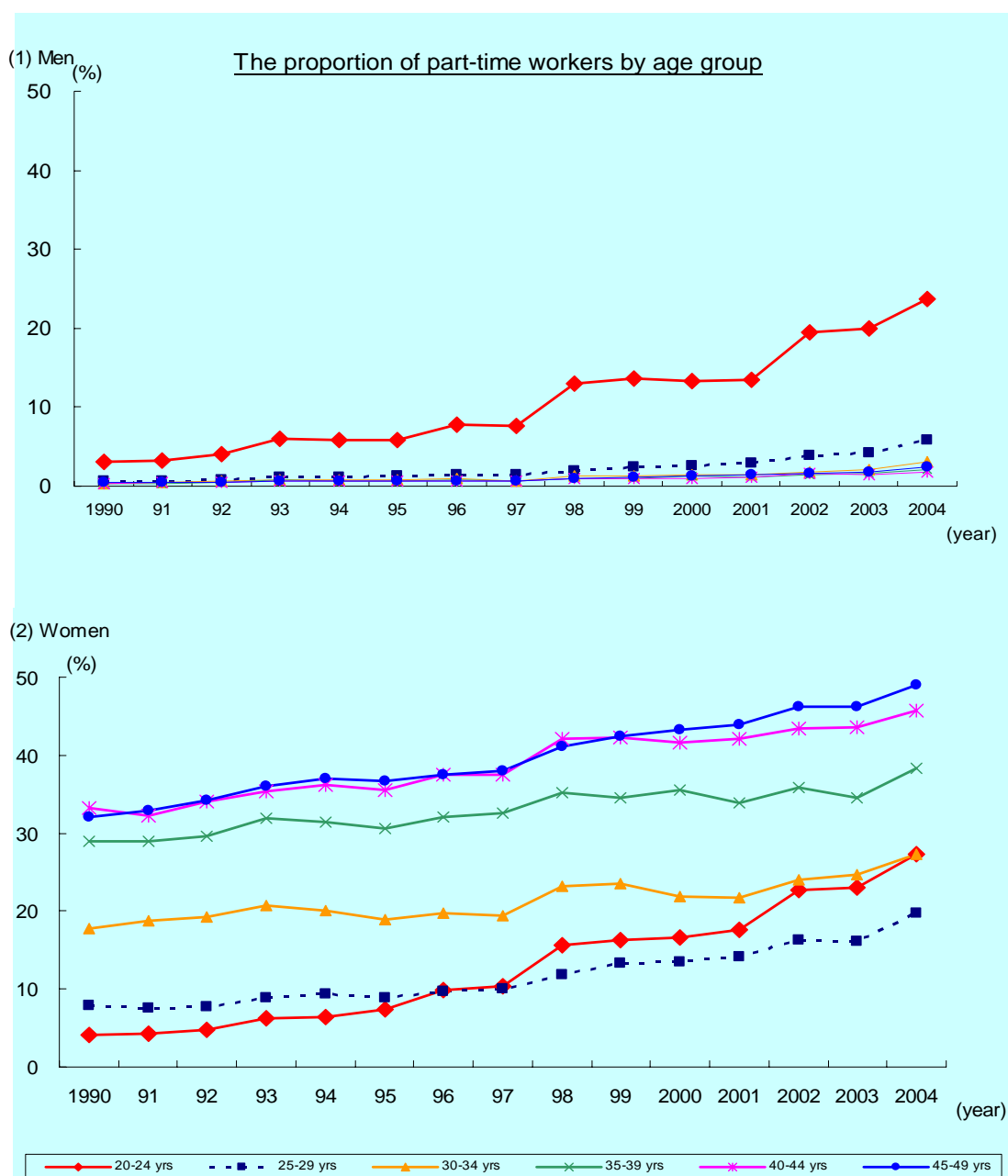
Fig. 2-1-9 Childless households account for a large proportion of those with an annual income under 4 million yen.



## Section 2 The income gap in the child-rearing generation

- The proportion of university graduates following part-time or casual work has reached around 20%; the proportion of young people in part-time or casual work is rising dramatically.

Fig. 2-2-6 There is a sudden increase in the proportion of young people in part-time or casual work

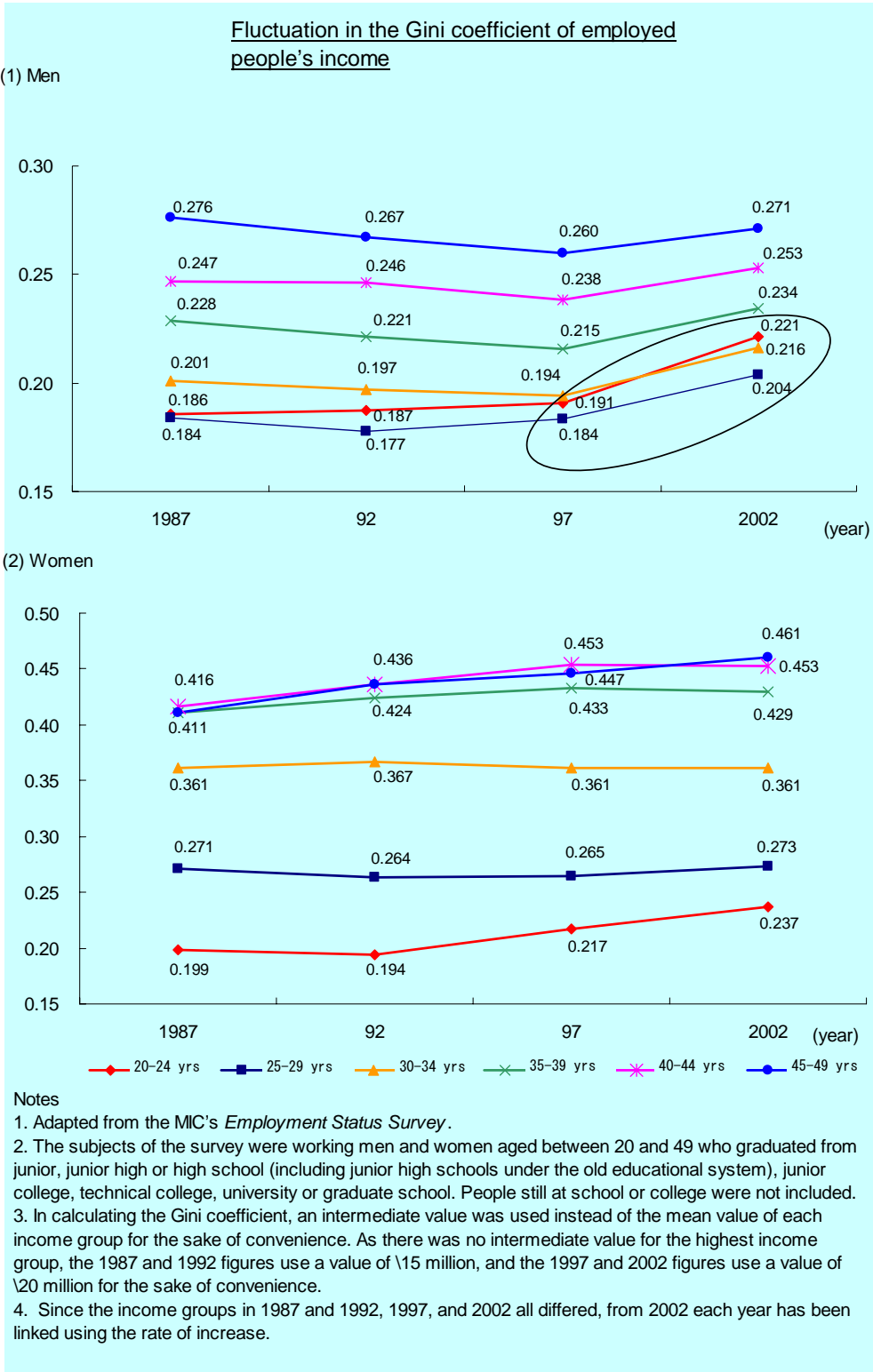


### Notes

- Adapted from the MHLW's *Basic Survey on Wage Structure*.
- The graphs show the proportion of the labour force that is in part-time employment.
- The subjects of the survey were working men and women aged between 20 and 49.

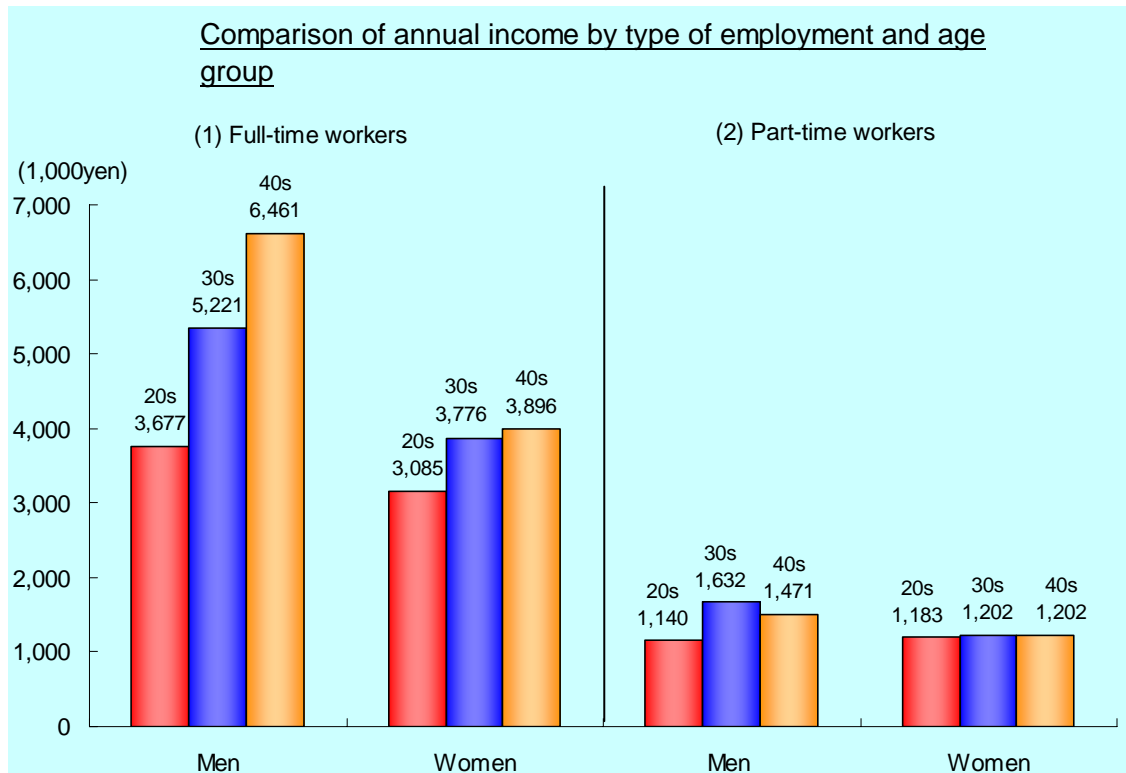
- The income of young people in part-time or casual work is only around 30% of their fully employed contemporaries' income. This increase in low-paid young people is leading to an expanding income gap in that age group.

Fig. 2-2-1 The income gap amongst young people is widening



- Since the wages of part-time or casual workers are unlikely to rise and they find it difficult to gain full-time employment, there is a real concern that the income gap may become entrenched.

Fig. 2-2-9 There is little prospect of part-time or casual workers earning more



Notes

1. Adapted from the MHLW's *Basic Survey on Wage Structure*, 2004.
2. The survey covered working men and women aged between 20 and 49.
3. The annual income of full-time workers was calculated by adding scheduled wages and overtime, multiplying the figure obtained by twelve and adding bonuses and other wages.
4. The annual income of part-time workers was calculated by multiplying actual scheduled annual working hours by the scheduled hourly wage and adding bonus and other wages to the figure obtained. The actual scheduled annual working hours were calculated by multiplying the actual number of days worked by the scheduled daily working hours, and then multiplying the figure obtained by twelve.

- The proportion of couples in the younger age group who are both in part-time or casual employment is gradually rising. Households such as these cannot afford to raise children as the prospects for their future income are uncertain.

Fig. 2-2-11 Though the proportion of households in which both partners work full-time is falling, the proportion of couples both in part-time work is gradually increasing



Notes

1. Adapted from MIC's *Special Survey of the Labour Force Survey* (1990-2001) and the detailed results of the 2002-2004 *Special Survey of the Labour Force Survey*.
2. The *Special Survey of the Labour Force Survey* details the results for February of each year.
3. The detailed results of the *Special Survey of the Labour Force Survey* are annual average values.
4. The graph shows the type of employment of couples in which the wife's age is between 25 and 34 from households both working in occupations other than agriculture or forestry.
5. 'Full-time' is defined as working for 35 or more hours per week in an occupation other than agriculture or forestry.
6. 'Part-time' is defined as working for 34 or fewer hours per week in an occupation other than agriculture or forestry.

### Section 3 Private transfer of income to the child-rearing generation

- The length of time for which parents are willing to look after their children’s financial needs is increasing.
- Private transfer of income to children continues after marriage, and even extends to assistance for grandchildren. Major generational transfers are also taking place in the form of inheritances.

Fig. 2-3-3 Parents are prepared to look after their children’s financial needs for longer periods

