

# Household saving in different family types: evidence from Japanese micro data

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## **Abstract**

This paper uses micro data from the National Survey of Family Income and Expenditure and estimates the effect from different family arrangements on age-saving profiles of Japanese households. The life-cycle profiles across different family types were estimated as separate nonparametric effects in the varying-coefficient regression model. In addition, the paper differentiated households by the number of aged and unemployed household members, and examined whether their presence had negative impact on the level of household savings. The paper found that households without children start to run down their savings much earlier than postulated by the life-cycle theory of saving, and this pattern was evident both for single households, and for couples. Couples with children showed a distinctive hump-shaped profile of savings, and a similar profile was estimated for single parents with children. When households were differentiated by the number of aged and unemployed members, saving profiles changed little, indicating that dissaving in the old age may be small among Japanese households.