

# The Effect of familial care-giving on Labor Market Outcomes in Japan

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## **Abstract**

This paper estimates causal-relationship between familial care-giving and labor outcomes. We use labor outcomes as labor participation rate and hours of work. Usually, these relationship have endogeneity by simultaneous problem. We use instrument variables for familial care-giving and estimate result using Japanese Panel data set, Japanese Study of Aging and Retirement (JSTAR). Then we found the statistically significant relationship between familial-care giving and labor outcomes. we found 15% decrease in full sample and female hours of work decreases 37% due to familial care-giving.