

Supplementary Appendix

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Appendix A. Survey questions regarding key variables

Appendix A.1. Survey questions regarding inheritance receipt

Q. Have you received financial and real assets from your parent(s) during the past year (October 20XX–September 20YY)? If you have, please put the current value of the assets in the blank below.

	Financial assets	Real assets
As inter vivos gifts	1. No, I have not.	1. No, I have not.
	2. Yes, I have.	2. Yes, I have.
	→ the current value of the assets	→ the current value of the assets
	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> ten thousand yen	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> ten thousand yen
	Financial assets	Real assets
As bequests	1. No, I have not.	1. No, I have not.
	2. Yes, I have.	2. Yes, I have.
	→ the current value of the assets	→ the current value of the assets
	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> ten thousand yen	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> ten thousand yen

Notes: The authors translated the survey questions of the JPSC from Japanese to English, referring to the English version of the questionnaire provided by the PDRC. "Ten thousand yen" roughly equaled 92 USD at the 2019 exchange rate.

Appendix A.2. Survey questions regarding labor supply

A.2.1. Hours worked (per day) and time use

Q. Please answer the following questions about your daily time use:

How many hours do you spend in total per weekday and weekends/holidays for each of 6 activities listed below? (Enter the time in hour and in units of 10 minutes.) If you have two or more activities at the same time, please answer with the main one.

	Weekday	Weekends/holidays
1. For commuting to work or school	<input type="checkbox"/> <input type="checkbox"/> hours and <input type="checkbox"/> 0 minutes	<input type="checkbox"/> <input type="checkbox"/> hours and <input type="checkbox"/> 0 minutes
2. For working	<input type="checkbox"/> <input type="checkbox"/> hours and <input type="checkbox"/> 0 minutes	<input type="checkbox"/> <input type="checkbox"/> hours and <input type="checkbox"/> 0 minutes
3. For studies	<input type="checkbox"/> <input type="checkbox"/> hours and <input type="checkbox"/> 0 minutes	<input type="checkbox"/> <input type="checkbox"/> hours and <input type="checkbox"/> 0 minutes
4. For housework and childcare	<input type="checkbox"/> <input type="checkbox"/> hours and <input type="checkbox"/> 0 minutes	<input type="checkbox"/> <input type="checkbox"/> hours and <input type="checkbox"/> 0 minutes
5. For hobbies, entertainment, socializing, etc.	<input type="checkbox"/> <input type="checkbox"/> hours and <input type="checkbox"/> 0 minutes	<input type="checkbox"/> <input type="checkbox"/> hours and <input type="checkbox"/> 0 minutes
6. For others (such as sleeping, meals, taking a bath, and personal errands other than the above)	<input type="checkbox"/> <input type="checkbox"/> hours and <input type="checkbox"/> 0 minutes	<input type="checkbox"/> <input type="checkbox"/> hours and <input type="checkbox"/> 0 minutes
Total	24 hours	24 hours

A.2.2. Hours worked per week

Q. How many hours do you work per week in general?

- | | |
|-----------------------|----------------------|
| 1. Less than 15 hours | 6. 46 to 48 hours |
| 2. 15 to 21 hours | 7. 49 to 54 hours |
| 3. 22 to 34 hours | 8. 55 to 59 hours |
| 4. 35 to 42 hours | 9. 60 to 64 hours |
| 5. 43 to 45 hours | 10. 65 hours or more |

A.2.3. Days worked in the past year

Q. How many days did you actually work in the past year (October 20XX–September 20YY)?

- | | |
|----------------------|----------------------|
| 1. Less than 25 days | 6. 200 to 224 days |
| 2. 50 to 99 days | 7. 225 to 249 days |
| 3. 100 to 149 days | 8. 250 to 274 days |
| 4. 150 to 174 days | 9. 275 to 299 days |
| 5. 175 to 199 days | 10. 300 days or more |

A.2.4. Participation in the labor market

Q. Are you currently (September 20XX) at work?

(The word "work" includes full-time and part-time works, contract work, self-employment and family business, but exclude part-time work while studying as a student.)

1	2	3	4	5
At work	On leave (currently not at work, but is supposed to return to the former workplace)	Student	Full-time homemaker	Not at work for any reason other than 3 or 4

↓

Additional question: Why are you on leave?

1. Childcare 2. Caregiving for parent(s) 3. Illness 4. For other reasons (Specify)

Q. What are you doing now to start working in the future? (Circle all that apply)

- 1 I am looking for a job right now.
- 2 I plan to start looking for a job soon.
- 3 I am receiving job training.
- 4 I plan to start receiving job training soon.
- 5 Nothing specific.

A.2.5. Labor income

Q. How much annual income did you and any other member(s) of your household receive in the past year (January 20XX–December 20XX), including income from property, social security benefits, and remittances from your parents? Please enter the amount of annual income by classifying it into items (1) to (5) below (if the income corresponding to any of the items was not earned, circle the answer option “0 None”).

	Husband’s annual income	Respondent’s annual income	Couple’s common annual income	Annual income of household members other than husband and wife
1. Earnings from employment (Annual income before tax for employee)	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> ten thousand yen 0 None	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> ten thousand yen 0 None	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> ten thousand yen 0 None	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> ten thousand yen 0 None
2. Self-employment income (Annual income before tax for the self-employed)	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> ten thousand yen 0 None	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> ten thousand yen 0 None	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> ten thousand yen 0 None	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> ten thousand yen 0 None
3. Revenue from assets (such as interests on deposits and savings, dividends on shares, rents, etc.)	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> ten thousand yen 0 None	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> ten thousand yen 0 None	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> ten thousand yen 0 None	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> ten thousand yen 0 None
4. Social security benefits (Child allowance, unemployment benefit, pension, etc.)	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> ten thousand yen 0 None	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> ten thousand yen 0 None	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> ten thousand yen 0 None	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> ten thousand yen 0 None
5. Other income (such as remittances from parent(s), etc.)	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> ten thousand yen 0 None	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> ten thousand yen 0 None	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> ten thousand yen 0 None	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> ten thousand yen 0 None
Total	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> ten thousand yen 0 None	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> ten thousand yen 0 None	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> ten thousand yen 0 None	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> ten thousand yen 0 None

Notes: The authors translated the survey questions of the JPSC from Japanese to English, referring to the English version of the questionnaire provided by the PDRC. “Ten thousand yen” roughly equaled 92 USD at the 2019 exchange rate.

Appendix A.3. Survey questions regarding inheritance expectation, caregiving, and liquidity constraints

A.3.1. Inheritance expectation

Q. Do you (and your spouse) expect to receive inheritances from your parent(s) in the future?

- 1 Yes.
- 2 No.
- 3 My parents have passed away.

A.3.2. Caregiving

Q. Do you and/or your spouse intend to take care of your parent(s) (housework, nursing care, visits, etc.) in the future? (Circle only one below.)

- 1 Yes, we are currently taking care of them.
- 2 Yes, we plan to take care of them.
- 3 No, we are not currently taking care and we have no plans to do so.
- 4 My parents have passed away.

A.3.3. Liquidity constraints

Q. Have you (and your spouse) ever had a loan application rejected in the past year (October 20XX–September 20YY)? (Circle all that apply.)

- 1 Yes
- 2 No, but I had the loan amount reduced
- 3 No

Q. Have you (and your spouse) ever given up on a loan in the past year (October 20XX–September 20YY) because you expected your application to be rejected?

- 1 Yes
- 2 No

Notes: The authors translated the survey questions of the JPSC from Japanese to English, referring to the English version of the questionnaire provided by the PDRC.

Appendix B. Sibling information and sample distribution of respondents' age**Appendix Table B. Descriptive statistics of respondents' sibling information**

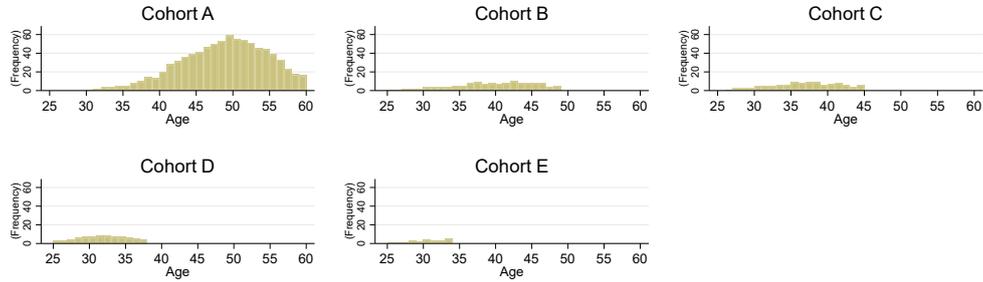
	(i)		(ii)		(iii)	
	Respondents whose parent died with a bequest		Respondents whose parent died without a bequest		Zero	
Inheritance amount	Greater than zero		5 million yen or more		Zero	
	Mean	Std. Dev.	Mean	Std. Dev.	Mean	Std. Dev.
Number of siblings						
Total number of siblings (incl. respondents themselves)	2.381	0.847	2.234	0.698	2.487	0.885
Number of female siblings (incl. respondents themselves)	1.686	0.736	1.638	0.640	1.804	0.811
Number of male siblings	0.695	0.647	0.596	0.648	0.688	0.699
Only daughter	0.110	—	0.128	—	0.064	—
Number of obs.	118		47		281	

Notes: Figures in parentheses show standard deviations. For the “Total number of siblings (incl. respondents themselves),” “Number of male siblings,” and “Only daughter” the number of observations is 300 due to two missing values. “5 million yen” roughly equaled 46,000 USD at the 2019 exchange rate.

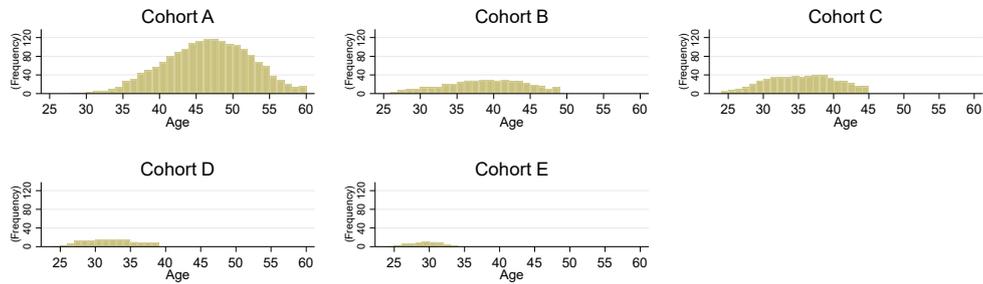
Source: JPSC, own calculations.

Appendix Figure B. Distribution of respondents' age by cohorts

(a) Above zero inheritance recipients



(b) Zero inheritance recipients



Notes: The figures (a) and (b) show the distribution of respondents' age by the following five cohorts from A to E for "above zero inheritance recipients" and "zero inheritance recipients," respectively. Cohort A consists of respondents (born between 1959 and 1969) from the first wave (conducted in 1993). Cohort B consists of respondents (born between 1970 and 1973) newly added at 5th wave (conducted in 1997). Cohort C consists of respondents (born between 1974 and 1979) newly added at 11th wave (conducted in 2003). Cohort D consists of respondents (born between 1980 and 1984) newly added at 16th wave (conducted in 2008). Cohort E consists of respondents (born between 1985 and 1989) newly added at 21th wave (conducted in 2013).

Source: JPSC, own calculations.

Appendix C. Estimation results of event study analysis for labor supply and other variables

Appendix Table C.1. Estimation results for change in labor supply after an inheritance: "Above zero inheritance recipients"

Dependent variable	Respondents whose parent died with a bequest Greater than zero					
	Hours worked		Participating in the labor market	Full-time workers	Part-time workers	Labor income
	Weekdays	Weekends/ holidays				
	Coef.	Coef.	Coef.	Coef.	Coef.	Coef.
Sample	27.466	-8.335	0.062	0.010	-0.004	5.912
Inheritance amount	(21.909)	(8.599)	(0.044)	(0.040)	(0.052)	(14.335)
6 years before	10.021	-9.365	0.036	0.005	0.009	9.991
5 years before	(19.090)	(9.067)	(0.043)	(0.037)	(0.050)	(13.531)
4 years before	20.770	-0.317	0.043	0.026	-0.010	10.579
3 years before	(17.610)	(12.602)	(0.039)	(0.033)	(0.043)	(11.093)
2 years before	9.079	-10.897	0.012	0.022	-0.039	9.502
Year of inheritance receipt	(13.560)	(7.281)	(0.031)	(0.027)	(0.039)	(9.015)
1 year after	9.276	-11.601 *	0.012	0.026	-0.016	-5.820
2 years after	(10.454)	(6.223)	(0.024)	(0.020)	(0.036)	(7.926)
3 years after	-7.822	-6.459	-0.024	-0.047 **	0.012	-8.898
4 years after	(11.662)	(7.596)	(0.025)	(0.021)	(0.034)	(5.579)
5 years after	-14.583	-7.559	-0.012	-0.036	0.008	-17.903 *
6 years after	(14.508)	(8.755)	(0.032)	(0.027)	(0.037)	(10.776)
Age 30-34	-31.956 **	-10.891	-0.068 *	-0.054 *	-0.014	-10.579
Age 35-39	(15.884)	(10.172)	(0.036)	(0.032)	(0.040)	(12.054)
Age 40-44	-45.673 **	-14.403	-0.082 *	-0.054	-0.042	-7.005
Age 45-49	(20.018)	(8.855)	(0.043)	(0.037)	(0.048)	(11.159)
Age 50-54	-49.681 **	-21.477 **	-0.121 **	-0.031	-0.109 *	-20.703
Age 55-59	(21.515)	(10.302)	(0.053)	(0.045)	(0.060)	(14.567)
Married	-28.341	-4.346	-0.060	-0.025	-0.039	-0.357
Number of children	(21.574)	(12.002)	(0.048)	(0.041)	(0.058)	(16.871)
Youngest child has not yet entered elementary school	-8.710	-0.088	-0.011	-0.079 *	0.055	-11.208
Constant	(28.066)	(6.012)	(0.056)	(0.047)	(0.062)	(14.823)
Individual F.E.	18.098	-0.815	0.065	0.023	0.009	15.244
Year F.E.	(33.298)	(6.609)	(0.075)	(0.053)	(0.074)	(15.892)
Number of obs.	15.690	1.494	0.036	0.125	-0.055	34.356
Number of individuals	(40.100)	(7.170)	(0.094)	(0.080)	(0.096)	(25.464)
Within R squared	-1.910	-15.174	0.032	0.100	-0.054	29.391
	(48.541)	(9.417)	(0.105)	(0.094)	(0.103)	(28.970)
	51.417	-19.807	0.152	0.080	0.027	44.441
	(54.345)	(11.273)	(0.113)	(0.102)	(0.110)	(33.281)
	34.362	-19.029	0.124	0.064	-0.023	45.586
	(60.208)	(11.593)	(0.124)	(0.118)	(0.118)	(38.573)
	71.265	-11.676	0.194	0.098	0.022	50.796
	(67.000)	(10.177)	(0.138)	(0.123)	(0.123)	(40.275)
	-63.312	17.674	-0.055	-0.143 **	0.063	-51.895 *
	(46.898)	(13.098)	(0.109)	(0.069)	(0.104)	(29.131)
	-5.303	3.093	-0.005	0.010	-0.009	-9.804
	(11.861)	(3.058)	(0.028)	(0.028)	(0.025)	(11.738)
	-149.601 ***	-21.244 **	-0.323 ***	-0.078 *	-0.255 ***	-56.435 ***
	(30.000)	(8.548)	(0.083)	(0.040)	(0.094)	(18.111)
	372.389 ***	26.632 **	0.737 ***	0.347 ***	0.394 ***	223.760 ***
	(55.500)	(12.152)	(0.113)	(0.101)	(0.118)	(35.333)
Individual F.E.	Yes	Yes	Yes	Yes	Yes	Yes
Year F.E.	No	No	No	No	No	No
Number of obs.	1185	1185	1185	1185	1185	1185
Number of individuals	118	118	118	118	118	118
Within R squared	0.1236	0.0171	0.1082	0.0503	0.0552	0.0691

Notes: All estimations are based on the fixed effects model. Heteroskedasticity robust standard errors are in parentheses. ***, ** and * indicate statistical significance at the 1%, 5%, and 10% levels, respectively.

Appendix Table C.2. Estimation results for change in labor supply after an inheritance: “Large inheritance recipients”

Sample Inheritance amount	Respondents whose parent died with a bequest 5 million yen or more					
	Hours worked		Participating in the labor market	Full-time workers	Part-time workers	Labor income
	Weekdays	Weekends/ holidays				
Dependent variable	Coef.	Coef.	Coef.	Coef.	Coef.	Coef.
6 years before	31.080 (31.837)	-17.720 (10.783)	0.080 (0.074)	-0.025 (0.061)	-0.023 (0.096)	-2.089 (21.109)
5 years before	20.617 (32.377)	-6.514 (17.732)	0.046 (0.077)	-0.032 (0.062)	-0.009 (0.086)	15.759 (20.063)
4 years before	6.047 (28.693)	-1.437 (20.595)	0.052 (0.064)	-0.007 (0.052)	-0.044 (0.063)	5.712 (17.058)
3 years before	-17.506 (29.017)	-13.414 (10.181)	-0.020 (0.064)	-0.032 (0.034)	-0.075 (0.067)	-3.288 (15.204)
2 years before	1.591 (18.107)	-5.223 (7.528)	0.017 (0.048)	0.035 (0.035)	-0.061 (0.066)	-8.487 (15.196)
Year of inheritance receipt	-12.086 (15.801)	9.984 (13.186)	-0.015 (0.036)	-0.048 (0.032)	-0.012 (0.051)	-3.409 (9.388)
1 year after	-34.059 * (18.259)	-7.615 (11.015)	-0.038 (0.045)	-0.059 (0.043)	-0.021 (0.060)	-18.388 (12.985)
2 years after	-47.367 ** (20.870)	-8.461 (20.051)	-0.064 (0.044)	-0.090 * (0.048)	-0.044 (0.060)	-17.452 (12.856)
3 years after	-58.599 ** (21.827)	-16.500 (17.352)	-0.113 * (0.057)	-0.054 (0.057)	-0.091 (0.076)	-23.249 (14.531)
4 years after	-67.768 *** (23.827)	-27.935 (18.340)	-0.124 ** (0.051)	-0.050 (0.072)	-0.129 * (0.073)	-21.626 (19.735)
5 years after	-53.401 * (27.282)	4.122 (24.392)	-0.074 (0.054)	-0.030 (0.078)	-0.121 (0.076)	15.890 (29.095)
6 years after	-55.395 * (31.064)	1.508 (10.043)	-0.004 (0.072)	-0.063 (0.074)	-0.017 (0.085)	-18.110 (17.642)
Age 30-34	9.526 (72.327)	-20.635 ** (9.973)	-0.013 (0.104)	-0.065 (0.062)	0.073 (0.118)	18.275 (21.929)
Age 35-39	-115.787 ** (54.572)	-20.917 (12.630)	-0.250 ** (0.109)	-0.059 (0.075)	-0.164 (0.098)	4.051 (38.246)
Age 40-44	-146.199 ** (56.372)	-34.447 ** (16.785)	-0.341 *** (0.115)	-0.046 (0.102)	-0.258 ** (0.102)	-17.439 (33.309)
Age 45-49	-93.045 * (54.690)	-42.989 * (23.249)	-0.211 * (0.110)	-0.083 (0.112)	-0.229 ** (0.092)	-8.157 (39.539)
Age 50-54	-96.221 ** (46.798)	-38.603 (25.861)	-0.207 ** (0.089)	-0.170 (0.142)	-0.197 ** (0.090)	-29.790 (39.976)
Age 55-59	-39.877 (49.308)	-34.534 (25.201)	-0.123 (0.099)	-0.086 (0.133)	-0.156 (0.099)	-24.936 (44.216)
Married	37.441 (36.484)	13.176 (19.609)	0.114 (0.096)	-0.025 (0.060)	0.143 (0.087)	7.779 (25.546)
Number of children	-8.186 (14.669)	-0.489 (2.987)	-0.034 (0.034)	-0.011 (0.032)	0.015 (0.031)	-20.494 (17.543)
Youngest child has not yet entered elementary school	-179.311 *** (30.470)	-23.627 (15.053)	-0.352 *** (0.111)	-0.075 (0.061)	-0.315 ** (0.138)	-68.055 *** (24.396)
Constant	430.164 *** (57.741)	70.914 *** (24.531)	0.910 *** (0.117)	0.404 *** (0.130)	0.514 *** (0.122)	265.335 *** (39.356)
Individual F.E.	Yes	Yes	Yes	Yes	Yes	Yes
Year F.E.	No	No	No	No	No	No
Number of obs.	491	491	491	491	491	491
Number of individuals	47	47	47	47	47	47
Within R squared	0.2538	0.0251	0.2064	0.0554	0.0982	0.1041

Notes: All estimations are based on the fixed effects model. Heteroskedasticity robust standard errors are in parentheses. ***, ** and * indicate statistical significance at the 1%, 5%, and 10% levels, respectively. “5 million yen” roughly equaled 46,000 USD at the 2019 exchange rate.

Appendix Table C.3. Estimation results for change in time use and household expenditures after an inheritance: "Above zero inheritance recipients"

Sample Inheritance amount	Respondents whose parent died with a bequest Greater than zero								
	Weekdays				Weekends/holidays				
	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(ix)	(x)
Dependent variable	Hours worked	Commuting time to work or school	Housework and childcare	Education, leisure and personal maintenance	Hours worked	Commuting time to work	Housework and childcare	Education, leisure and personal maintenance	Equivalent household expenditure
	Coef.	Coef.	Coef.	Coef.	Coef.	Coef.	Coef.	Coef.	Coef.
6 years before	27.466 (21.909)	-1.157 (4.568)	-6.696 (21.517)	-19.613 (22.270)	-8.335 (8.599)	0.592 (1.742)	-6.795 (19.960)	14.539 (19.945)	-0.601 (0.977)
5 years before	10.021 (19.090)	-2.654 (3.901)	13.248 (19.644)	-20.615 (22.083)	-9.365 (9.067)	0.535 (2.135)	9.322 (21.183)	-0.492 (22.288)	-0.117 (1.043)
4 years before	20.770 (17.610)	-1.491 (3.273)	0.033 (17.148)	-19.312 (17.401)	-0.317 (12.602)	0.682 (1.495)	-8.271 (16.168)	7.905 (17.625)	0.664 (0.924)
3 years before	9.079 (13.560)	-1.364 (3.546)	3.308 (17.900)	-11.022 (17.739)	-10.897 (7.281)	-0.027 (1.556)	4.496 (17.112)	6.429 (18.266)	0.786 (0.846)
2 years before	9.276 (10.454)	-1.344 (3.137)	-14.514 (13.531)	6.582 (14.543)	-11.601 * (6.223)	-2.530 * (1.368)	-0.940 (14.401)	15.070 (18.266)	0.774 (0.926)
Year of inheritance receipt	-7.822 (11.662)	0.916 (4.741)	0.371 (15.516)	6.535 (15.474)	-6.459 (7.596)	-0.944 (1.360)	19.256 (16.651)	-11.853 (16.699)	0.176 (0.812)
1 year after	-14.583 (14.508)	-9.460 *** (3.550)	-5.070 (17.268)	29.113 (17.541)	-7.559 (8.755)	-0.257 (2.014)	27.135 (17.865)	-19.319 (19.038)	-1.994 (1.209)
2 years after	-31.956 ** (15.884)	-6.624 (4.349)	8.791 (18.746)	29.789 * (17.788)	-10.891 (10.172)	-2.255 (1.517)	24.375 (17.680)	-11.228 (17.258)	0.498 (1.080)
3 years after	-45.673 ** (20.018)	-11.669 ** (4.846)	10.518 (19.448)	46.823 ** (21.012)	-14.403 (8.855)	-1.711 (1.878)	25.482 (19.445)	-9.368 (18.445)	0.057 (1.389)
4 years after	-49.681 ** (21.515)	-15.347 *** (4.625)	11.544 (25.754)	53.483 ** (24.008)	-21.477 ** (10.302)	-3.521 ** (1.443)	59.428 ** (24.618)	-34.429 (22.821)	1.089 (1.774)
5 years after	-28.341 (21.574)	-12.238 ** (5.240)	-0.079 (18.882)	40.657 * (24.421)	-4.346 (12.002)	-0.789 (1.982)	33.351 (20.497)	-28.216 (21.672)	0.094 (1.648)
6 years after	-8.710 (28.066)	-7.105 (5.271)	-2.609 (22.927)	18.424 (27.570)	-0.088 (6.012)	-2.589 * (1.358)	32.124 (22.680)	-29.447 (21.417)	0.120 (2.646)
Age 30-34	18.098 (33.298)	-2.082 (5.015)	17.647 (37.773)	-33.664 (32.531)	-0.815 (6.609)	-5.312 (4.221)	53.834 ** (26.080)	-47.707 (30.939)	-2.649 (2.273)
Age 35-39	15.690 (40.100)	-8.401 (6.223)	26.311 (37.133)	-33.599 (39.993)	1.494 (7.170)	-5.080 (3.960)	73.807 ** (31.010)	-70.221 ** (33.902)	-2.076 (2.507)
Age 40-44	-1.910 (48.541)	-9.639 (7.621)	24.535 (37.094)	-12.985 (44.603)	-15.174 (9.417)	-4.713 (3.161)	70.280 ** (31.376)	-50.392 (32.593)	-2.027 (2.371)
Age 45-49	51.417 (54.345)	-1.117 (6.797)	-16.175 (37.510)	-34.124 (47.097)	-19.807 (11.273)	-3.522 (2.845)	30.142 (32.047)	-6.813 (32.560)	-0.911 (2.239)
Age 50-54	34.362 (60.208)	-1.670 (7.334)	-27.419 (40.971)	-5.273 (48.639)	-19.029 (11.593)	-4.165 (2.771)	6.155 (34.011)	17.039 (32.885)	2.617 (2.196)
Age 55-59	71.265 (67.000)	7.263 (8.386)	-56.236 (43.136)	-22.293 (51.828)	-11.676 (10.177)	-0.686 (2.979)	-39.026 (31.860)	51.388 (31.610)	0.639 (2.285)
Married	-63.312 (46.898)	-15.209 (10.138)	148.456 *** (46.147)	-69.935 * (37.494)	17.674 (13.098)	-5.711 (6.611)	126.375 *** (41.764)	-138.338 *** (35.998)	9.607 *** (2.487)
Number of children	-5.303 (11.861)	-0.494 (3.216)	5.381 (13.011)	0.417 (11.842)	3.093 (3.058)	-0.386 (0.859)	15.032 (14.001)	-17.739 (14.485)	-1.098 (1.165)
Youngest child has not yet entered elementary school	-149.601 *** (30.000)	-22.761 *** (8.629)	252.352 *** (120.143)	-79.990 ** (33.094)	-21.244 ** (8.548)	-5.351 ** (2.617)	196.696 *** (29.409)	-170.101 *** (27.686)	-4.361 (3.681)
Constant	372.389 *** (55.500)	60.103 *** (9.193)	120.291 ** (54.718)	887.217 *** (41.421)	26.632 ** (12.152)	11.894 ** (5.627)	133.925 *** (46.037)	1267.549 *** (45.384)	10.564 *** (2.169)
Individual F.E.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Year F.E.	No	No	No	No	No	No	No	No	No
Number of obs.	1185	1185	1185	1185	1185	1185	1185	1185	1107
Number of individuals	118	118	118	118	118	118	118	118	114
Within R squared	0.1236	0.0775	0.2634	0.0799	0.0171	0.0456	0.2010	0.1695	0.0796

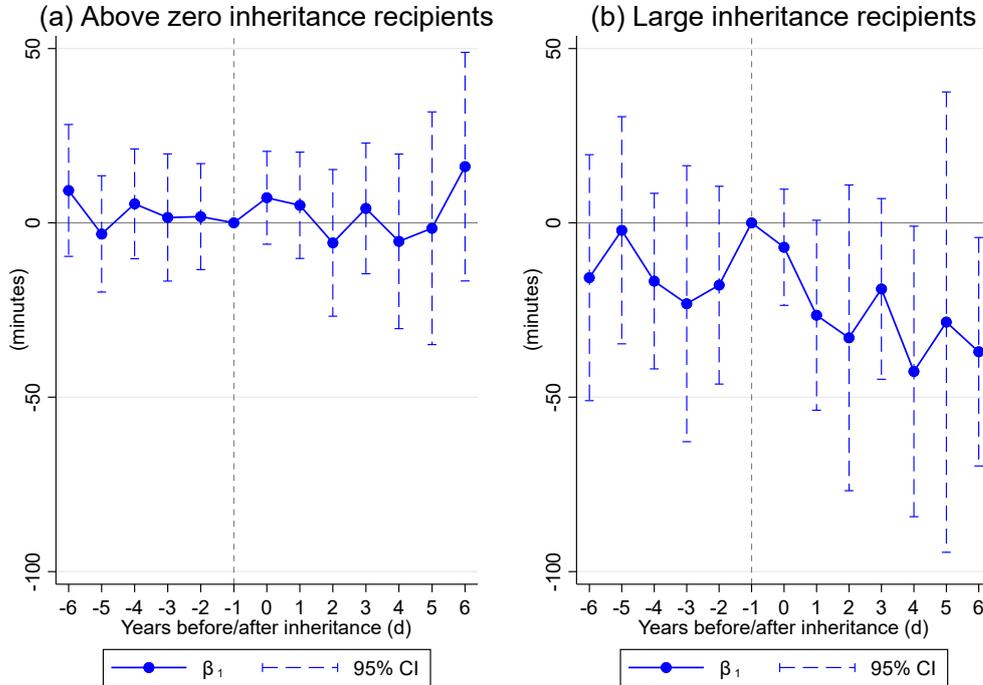
Notes: All estimations are based on the fixed effects model. Heteroskedasticity robust standard errors are in parentheses. ***, ** and * indicate statistical significance at the 1%, 5%, and 10% levels, respectively.

Appendix Table C.4. Descriptive statistics for expenditures of each household member, the amount of housing loan payments and the probability of purchasing securities

Sample	Respondents whose parent died with a bequest Greater than zero		
Inheritance amount	Obs.	Mean	Std. Dev.
A.1 Expenditures (10,000 yen)			
Total	67	30.6	18.1
For respondent	67	2.2	2.7
For respondent's husband	67	3.8	3.5
For child(ren)	67	6.4	12.1
For all of the family members	67	16.7	7.0
For others	67	1.6	3.0
A.2 Equivalent expenditures (10,000 yen)			
Total	67	16.0	9.0
For child(ren)	55	5.4	8.6
For all of the family members	67	8.8	4.0
B. Other variables for housing loan repayments and purchasing securities			
Amount of annual housing loan repayments (10,000 yen, incl. 0)	103	44.2	72.0
Amount of annual housing loan repayments (10,000 yen, for values greater than 0)	35	130.0	63.8
Share of respondents purchasing securities	99	0.051	—

Note: All values are for the year before the inheritance. The amount of mortgage repayments and the expenses associated with a renovation are deflated by the CPI. "10,000 yen" roughly equaled 92 USD at the 2019 exchange rate.

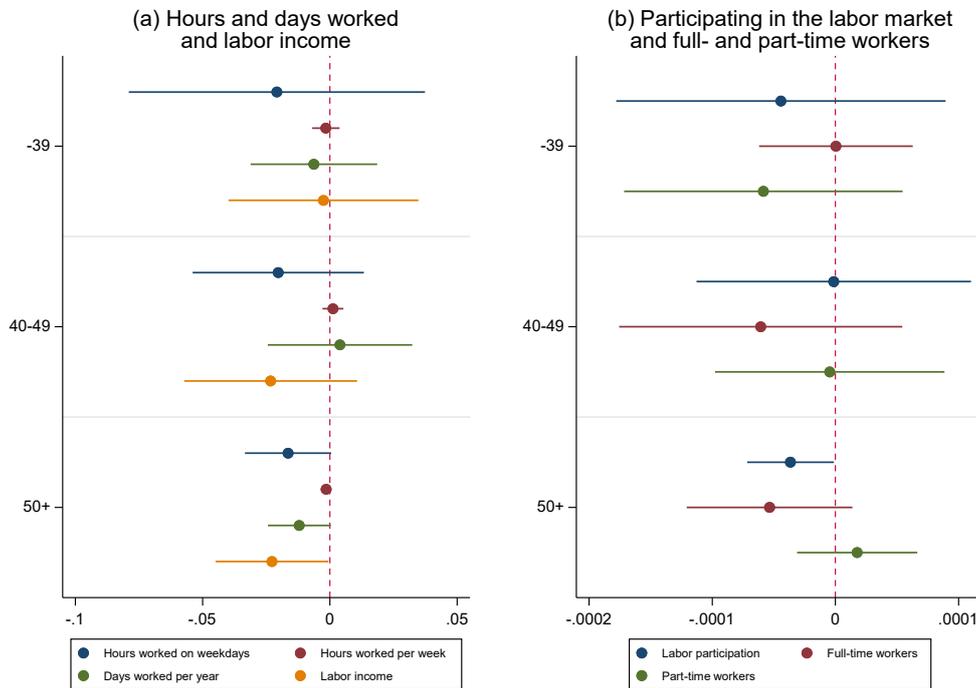
Appendix Figure C.1. Change in hours worked after an inheritance for respondents whose working hours are not zero



Notes: The figure charts the estimated coefficients β_1^d in Eq. (1), with y_i being replaced by hours worked, from a regression for “above zero inheritance recipients” (left figure) and “large inheritance recipients” (right figure) whose working hours are not zero. Each estimate marks the change in hours worked around an inheritance. The sample period ranges from six years before to six years after the year of the inheritance and the indicator for the year before the inheritance year ($\Delta_{it}^I = -1$) is omitted to serve as a benchmark.

Source: JPSC, own calculations.

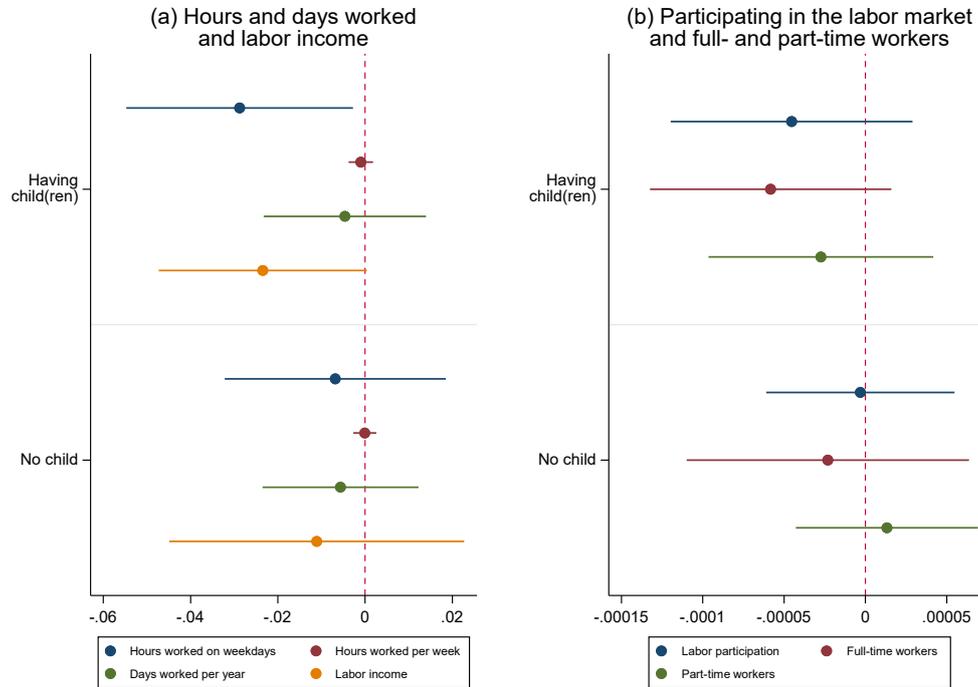
Appendix Figure C.2. Effect of inheritance on labor supply by respondent's age



Notes: The upper, middle, and lower thirds of the figures chart the estimated coefficients of $POST_{it} \times Inheritance_i \times Under40_i$, $POST_{it} \times Inheritance_i \times 40s_i$, $POST_{it} \times Inheritance_i \times Over50_i$, respectively, with being two interaction terms in Eq. (2) replaced with these three terms. In the left figure, the dependent variable of each equation is hours worked on weekdays, hours worked per week, days worked per year, and labor income (in order from top to bottom). In the right figure, the dependent variable of each equation is a dummy indicating whether respondents were participating in the labor market and a dummy indicating whether respondents were working full-time/part-time (in order from top to bottom). Estimates are obtained from four (for the left figure) or three (for the right figure) different regressions for “above zero inheritance recipients.” Each estimate marks the change in those labor supply outcomes around an inheritance. The sample period ranges from six years before to six years after the year of the inheritance. The horizontal whiskers represent 95 percent confidence intervals.

Source: JPSC, own calculations.

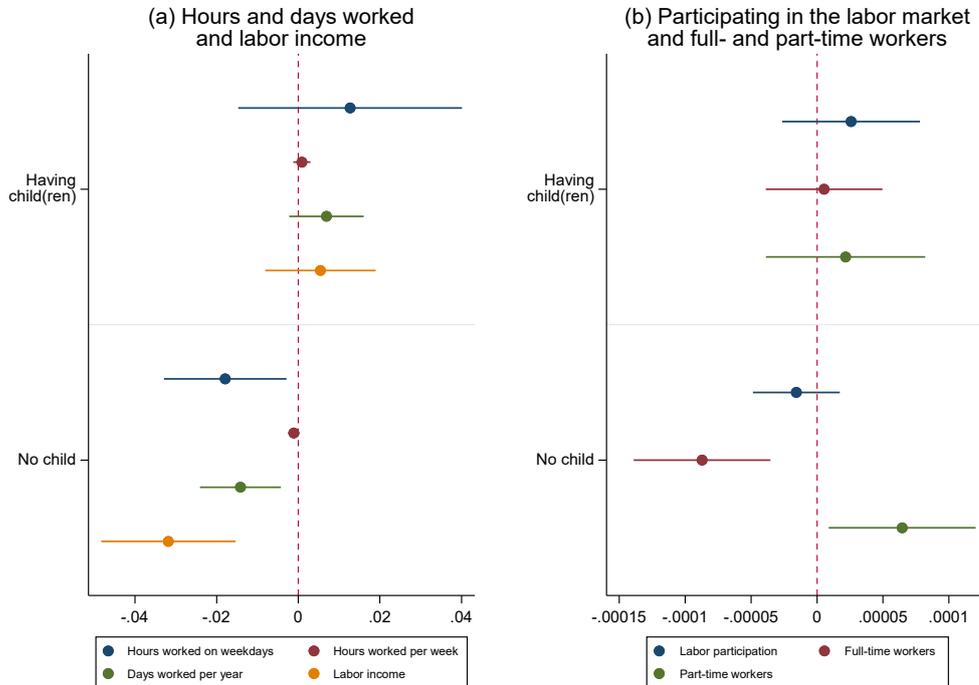
Appendix Figure C.3. Effect of inheritance on labor supply by whether respondents have child(ren)



Notes: The upper and lower halves of the figures chart the estimated coefficients of $POST_{it} \times Inheritance_i \times Child_i$, $POST_{it} \times Inheritance_i \times Childless_i$, respectively, with being two interaction terms in Eq. (2) replaced with these terms. $Child_i$ is a dummy variable indicating respondents who had children at any point during the sample period. $Childless_i$ is a dummy variable indicating respondents who did not have children throughout the sample period. In the left figure, the dependent variable of each equation is hours worked on weekdays, hours worked per week, days worked per year, and labor income (in order from top to bottom). In the right figure, the dependent variable of each equation is a dummy indicating whether respondents were participating in the labor market and a dummy indicating whether respondents were working full-time/part-time (in order from top to bottom). Estimates are obtained from four (for the left figure) or three (for the right figure) different regressions for “above zero inheritance recipients.” Each estimate marks the change in those labor supply outcomes around an inheritance. The sample period ranges from six years before to six years after the year of the inheritance. The horizontal whiskers represent 95 percent confidence intervals.

Source: JPSC, own calculations.

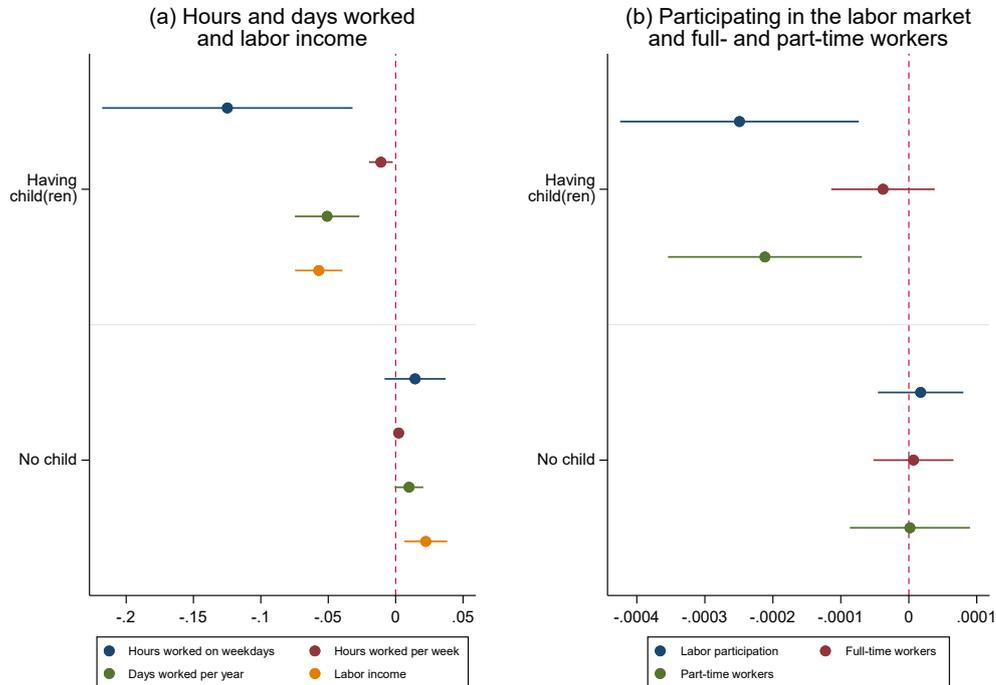
Appendix Figure C.4. Effect of inheritance on labor supply by whether respondents have child(ren) for respondents aged 50 and over



Notes: The upper and lower halves of the figures chart the estimated coefficients of $POST_{it} \times Inheritance_i \times Child_i$, $POST_{it} \times Inheritance_i \times Childless_i$, respectively, with being two interaction terms in Eq. (2) replaced with these terms. $Child_i$ is a dummy variable indicating respondents who had children at any point during the sample period. $Childless_i$ is a dummy variable indicating respondents who did not have children throughout the sample period. In the left figure, the dependent variable of each equation is hours worked on weekdays, hours worked per week, days worked per year, and labor income (in order from top to bottom). In the right figure, the dependent variable of each equation is a dummy indicating whether respondents were participating in the labor market and a dummy indicating whether respondents were working full-time/part-time (in order from top to bottom). Estimates are obtained from four (for the left figure) or three (for the right figure) different regressions for “above zero inheritance recipients” whose age was 50 and over in the year before the inheritance. Each estimate marks the change in those labor supply outcomes around an inheritance. The sample period ranges from six years before to six years after the year of the inheritance. The horizontal whiskers represent 95 percent confidence intervals.

Source: JPSC, own calculations.

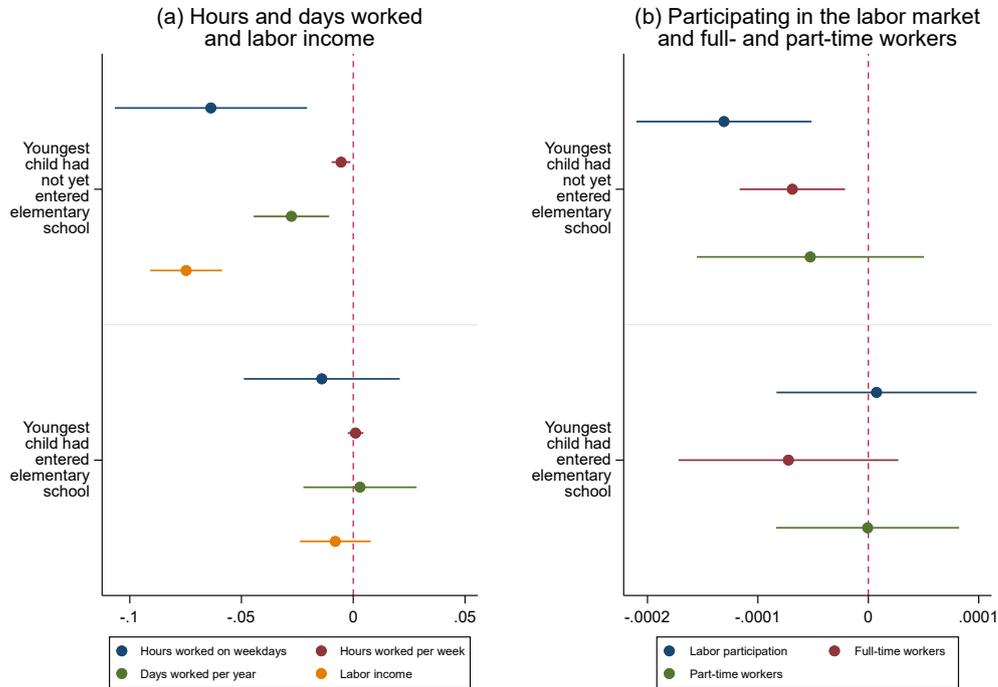
Appendix Figure C.5. Effect of inheritance on labor supply by whether respondents have child(ren) for respondents aged under 40



Notes: The upper and lower halves of the figures chart the estimated coefficients of $POST_{it} \times Inheritance_i \times Child_i$, $POST_{it} \times Inheritance_i \times Childless_i$, respectively, with being two interaction terms in Eq. (2) replaced with these terms. $Child_i$ is a dummy variable indicating respondents who had children at any point during the sample period. $Childless_i$ is a dummy variable indicating respondents who did not have children throughout the sample period. In the left figure, the dependent variable of each equation is hours worked on weekdays, hours worked per week, days worked per year, and labor income (in order from top to bottom). In the right figure, the dependent variable of each equation is a dummy indicating whether respondents were participating in the labor market and a dummy indicating whether respondents were working full-time/part-time (in order from top to bottom). Estimates are obtained from four (for the left figure) or three (for the right figure) different regressions for “above zero inheritance recipients” whose age was 39 and under in the year before the inheritance. Each estimate marks the change in those labor supply outcomes around an inheritance. The sample period ranges from six years before to six years after the year of the inheritance. The horizontal whiskers represent 95 percent confidence intervals.

Source: JPSC, own calculations.

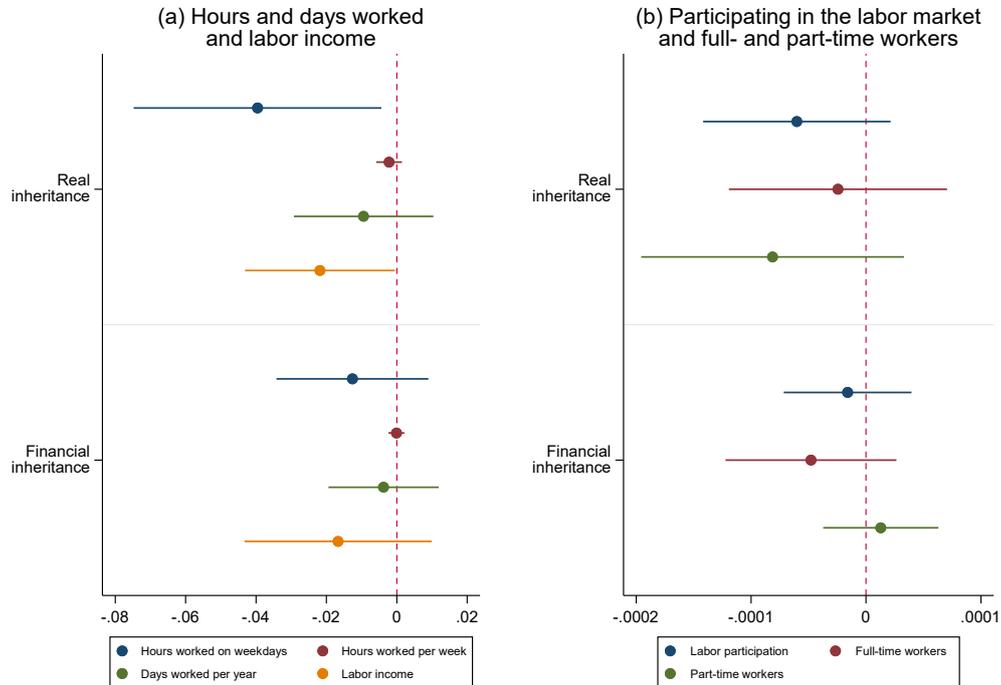
Appendix Figure C.6. Effect of inheritance on labor supply by whether respondents have children whose youngest child has not yet entered elementary school



Notes: The upper and lower halves of the figures chart the estimated coefficients of $POST_{it} \times Inheritance_i \times NotyetSchool_i$, $POST_{it} \times Inheritance_i \times School_i$, respectively, with being two interaction terms in Eq. (2) replaced with these terms. $NotyetSchool_i$ is a dummy variable indicating respondents whose youngest child had not yet entered elementary school in the year of inheritance. $School_i$ is a dummy variable indicating respondents whose youngest child had entered elementary school in the year of inheritance. In the left figure, the dependent variable of each equation is hours worked on weekdays, hours worked per week, days worked per year, and labor income (in order from top to bottom). In the right figure, the dependent variable of each equation is a dummy indicating whether respondents were participating in the labor market and a dummy indicating whether respondents were working full-time/part-time (in order from top to bottom). Estimates are obtained from four (for the left figure) or three (for the right figure) different regressions for “above zero inheritance recipients” who had at least one child during the sample period. Each estimate marks the change in those labor supply outcomes around an inheritance. The sample period ranges from six years before to six years after the year of the inheritance. The horizontal whiskers represent 95 percent confidence intervals.

Source: JPSC, own calculations.

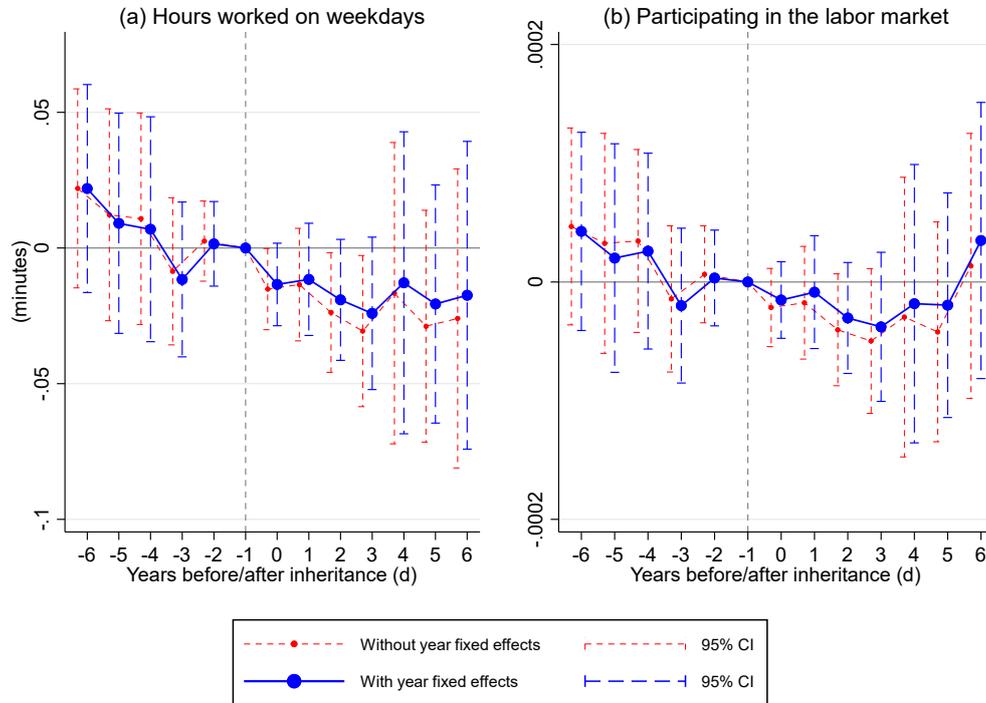
Appendix Figure C.7. Effect of inheritance on labor supply by real and financial asset inheritance



Notes: The upper and lower halves of the figures chart the estimated coefficients of $POST_{it} \times RealInheritance_i$, $POST_{it} \times FinancialInheritance_i$, respectively, with being two interaction terms in Eq. (2) replaced with these terms. In the left figure, the dependent variable of each equation is hours worked on weekdays, hours worked per week, days worked per year, and labor income (in order from top to bottom). In the right figure, the dependent variable of each equation is a dummy indicating whether respondents were participating in the labor market and a dummy indicating whether respondents were working full-time/part-time (in order from top to bottom). Estimates are obtained from four (for the left figure) or three (for the right figure) different regressions for “above zero inheritance recipients.” Each estimate marks the change in those labor supply outcomes around an inheritance. The sample period ranges from six years before to six years after the year of the inheritance. The horizontal whiskers represent 95 percent confidence intervals.

Source: JPSC, own calculations.

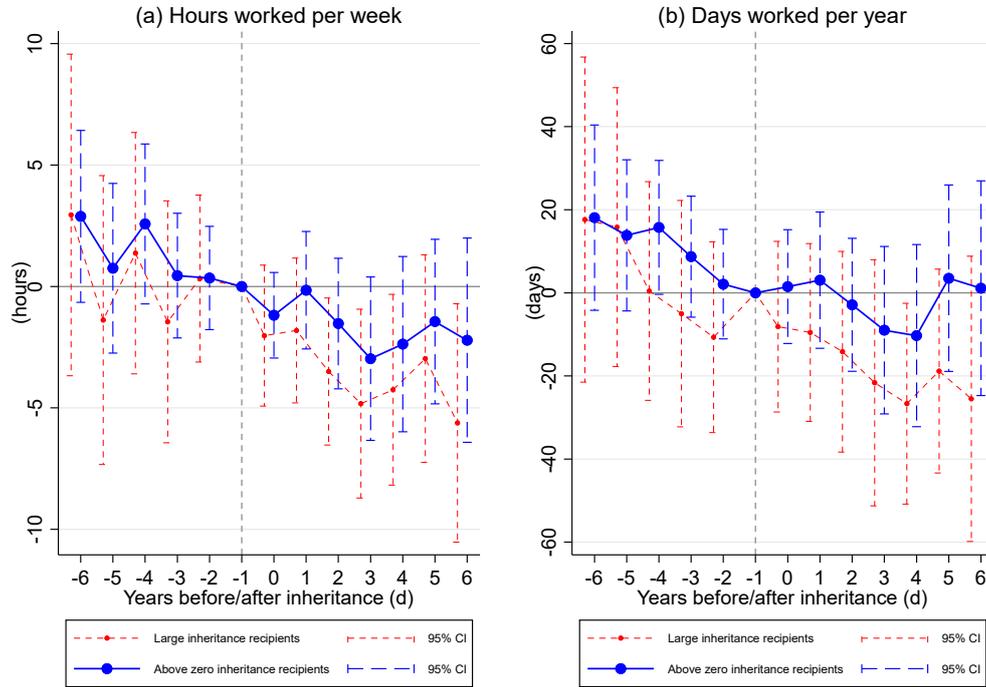
Appendix Figure C.8. Comparison of changes in labor supply after an inheritance with and without year fixed effects



Notes: The figure charts the estimated coefficients β_1^d in the modified Eq. (1) which replaces $1(\Delta_{it}^I = d)$ in Eq. (1) with $1(\Delta_{it}^I = d) \times Inheritance_i$. The dependent variable is hours worked (left figure) or a dummy indicating whether respondent i was participating in the labor market (right figure). We estimate two different specifications of this equations with and without year fixed effects for “Above zero inheritance recipients.” Each estimate marks the change in these dependent variables around an inheritance. The sample period ranges from six years before to six years after the year of the inheritance and the interaction term for the year before the inheritance year ($1(\Delta_{it}^I = 0) \times Inheritance_i$) is omitted to serve as a benchmark.

Source: JPSC, own calculations.

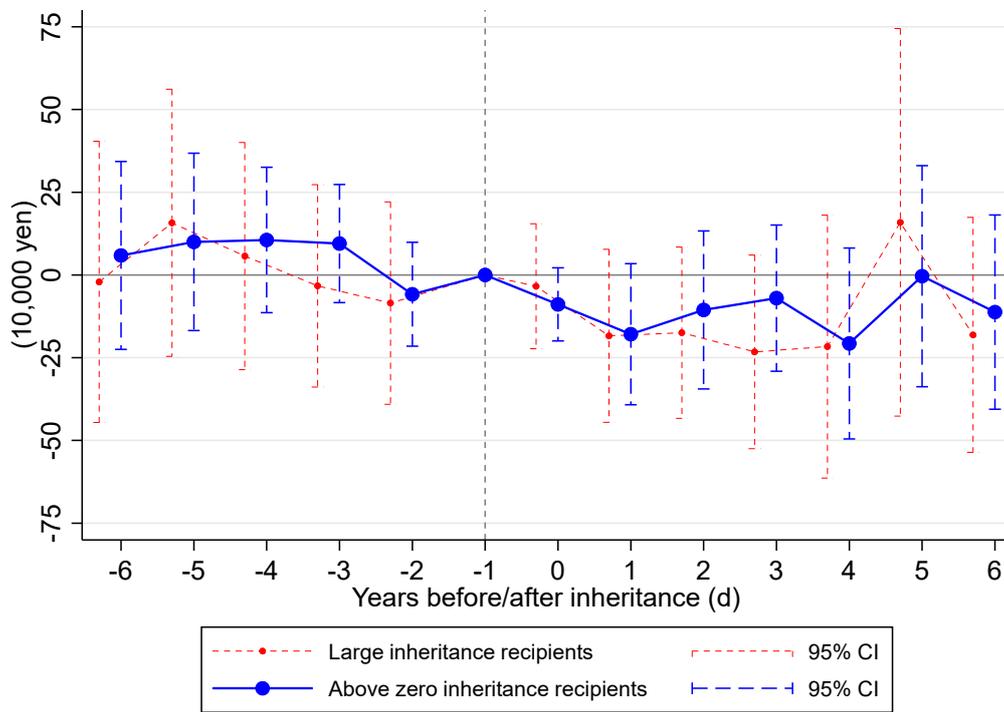
Figure C.9. Change in hours worked per week and days worked per year after an inheritance



Notes: The figures chart the estimated coefficients β_1^d in Eq. (1), with y_i being replaced by hours worked per week (left figure) or days worked per year (right figure), from two different regressions for “large inheritance recipients” and “above zero inheritance recipients.” Each estimate marks the change in hours or days worked around an inheritance. The sample period ranges from six years before to six years after the year of the inheritance and the indicator for the year before the inheritance year ($\Delta_{it}^l = -1$) is omitted to serve as a benchmark.

Source: JPSC, own calculations.

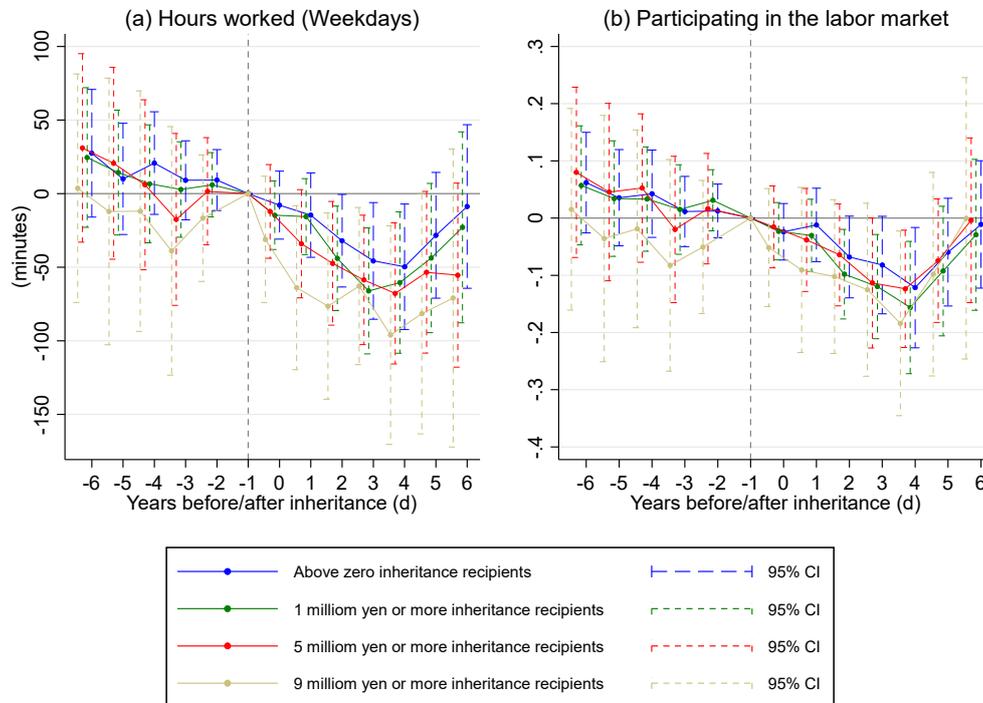
Appendix Figure C.10. Change in labor income after an inheritance



Notes: The figure charts the estimated coefficients β_1^d in Eq. (1), with y_i being replaced by labor income, from two different regressions for “large inheritance recipients” and “above zero inheritance recipients.” Each estimate marks the change in the labor income around an inheritance. The sample period ranges from six years before to six years after the year of the inheritance and the indicator for the year before the inheritance year ($\Delta_{it}^I = -1$) is omitted to serve as a benchmark. “10,000 yen” roughly equaled 92 USD at the 2019 exchange rate.

Source: JPSC, own calculations.

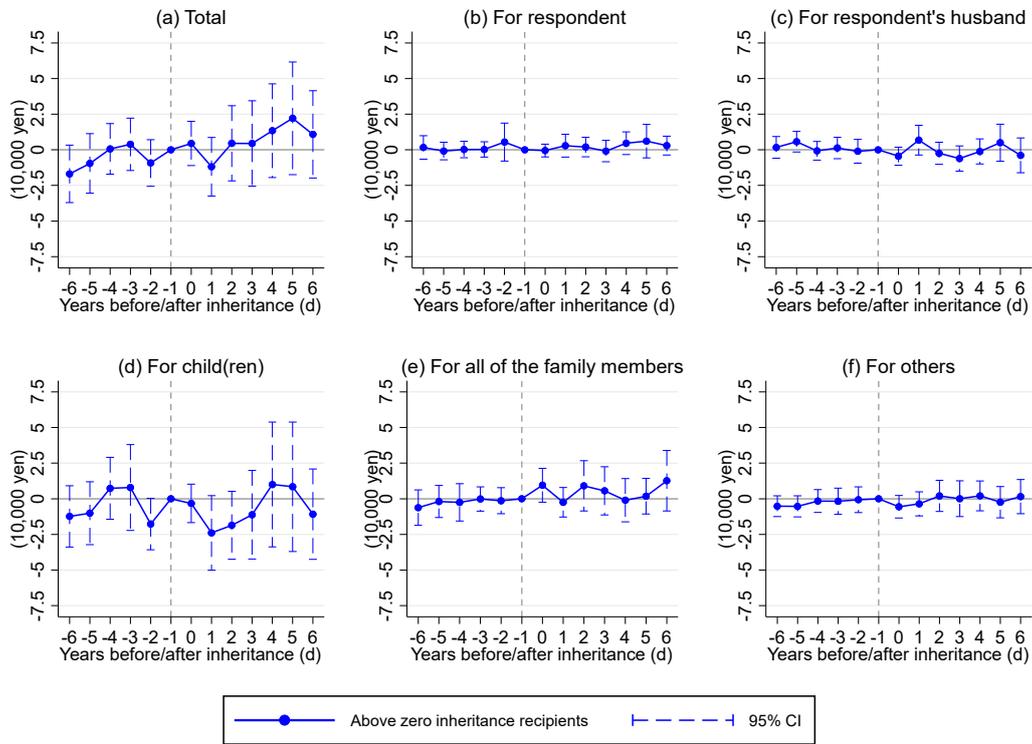
Appendix Figure C.11. Change in hours worked and the labor participation rate after an inheritance by amount received



Notes: The figures chart the estimated coefficients β_1^d in Eq. (1), with y_i being replaced by hours worked (the left figure) or a dummy indicating whether respondent i was participating in the labor market (the right figure), from four different regressions for “above zero inheritance recipients” and those who received an inheritance which is larger than 1 million yen, 5 million yen, and 9 million yen. Each estimate marks the change in hours worked or share of respondents participating in the labor market around an inheritance. The sample period ranges from six years before to six years after the year of the inheritance and the indicator for the year before the inheritance year ($\Delta_{it}^l = -1$) is omitted to serve as a benchmark.

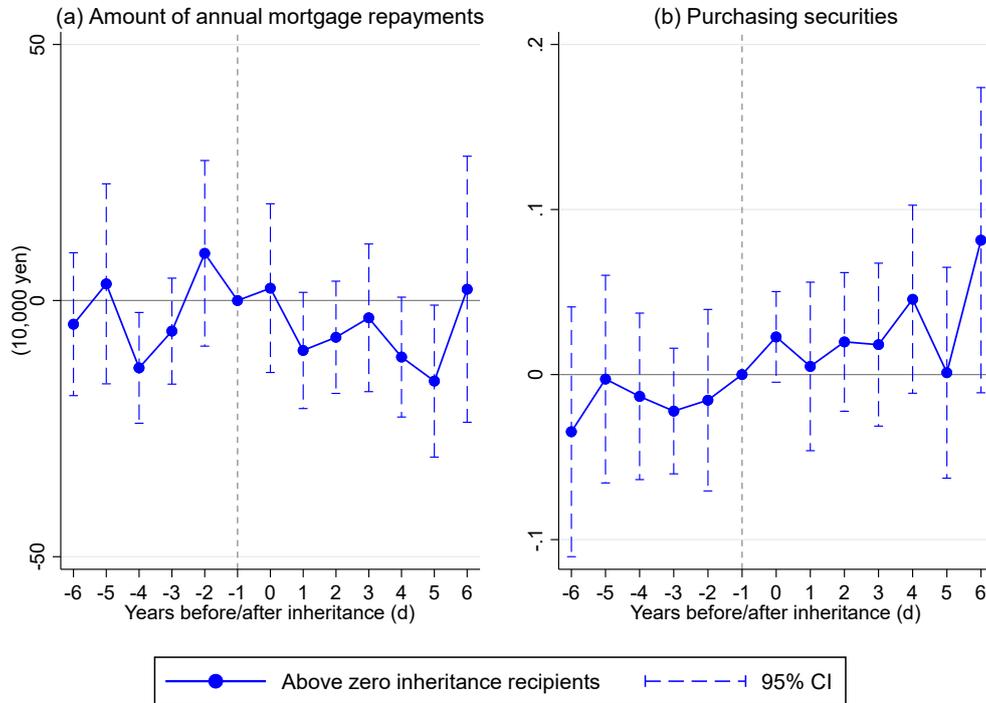
Source: JPSC, own calculations.

Appendix Figure C.12. Change in expenditures of each household member



Notes: The figures chart the estimated coefficients β_1^d in Eq. (1), with y_i being replaced by the expenditures of each household member, from a regression for “above zero inheritance recipients.” The figures (a) to (f) display the estimation results for (a) total expenditures of household members, (b) expenditures for the respondent herself, (c) expenditures for her husband, (d) expenditures for her child(ren), (e) expenditures for all the household members, and (f) expenditures for others, respectively. We divide the expenditures from (3) and (4) by the square root of the number of children and that of the household members, respectively. Each estimate marks the change in the individual expenditures around an inheritance. The sample period ranges from six years before to six years after the year of the inheritance and the indicator for the year before the inheritance year ($\Delta_{it}^I = -1$) is omitted to serve as a benchmark. “10,000 yen” roughly equaled 92 USD at the 2019 exchange rate.
Source: JPSC, own calculations.

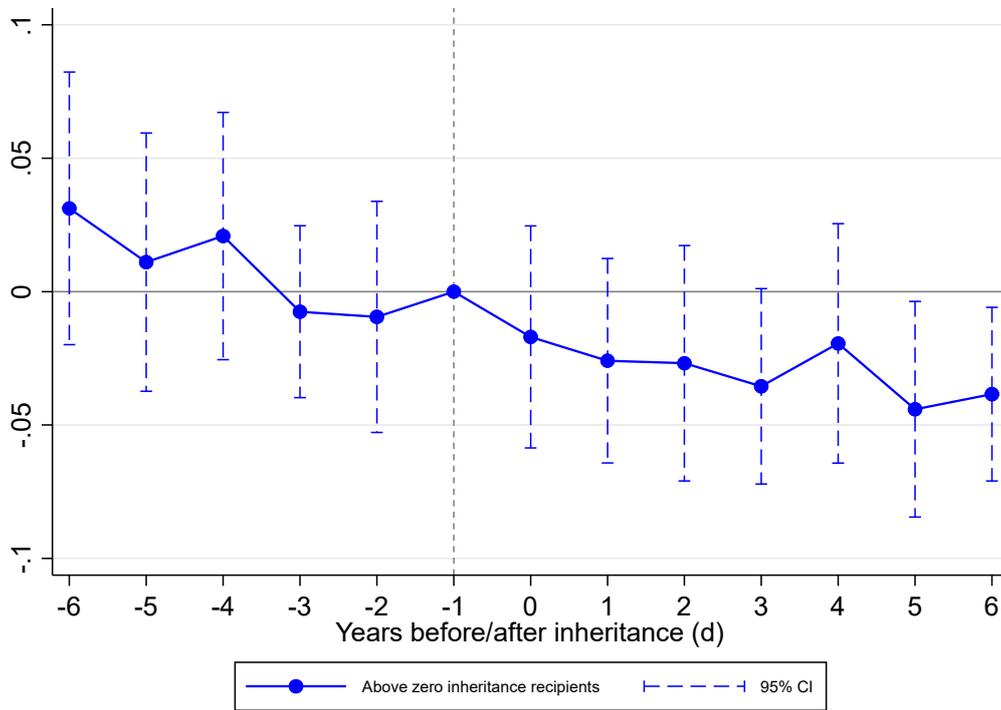
Appendix Figure C.13. Change in the amount of mortgage payments and the probability of purchasing securities



Notes: The figures chart the estimated coefficients β_1^d in Eq. (1), with y_i being replaced by the amount of annual mortgage repayments (left figure) or a dummy indicating whether respondent i purchased marketable securities (right figure), from a regression for “above zero inheritance recipients.” Each estimate marks the change in the amount of annual mortgage repayments or the probability of purchasing the securities around an inheritance. The sample period ranges from six years before to six years after the year of the inheritance and the indicator for the year before the inheritance year ($\Delta_{it}^I = -1$) is omitted to serve as a benchmark. “10,000 yen” roughly equaled 92 USD at the 2019 exchange rate.

Source: JPSC, own calculations.

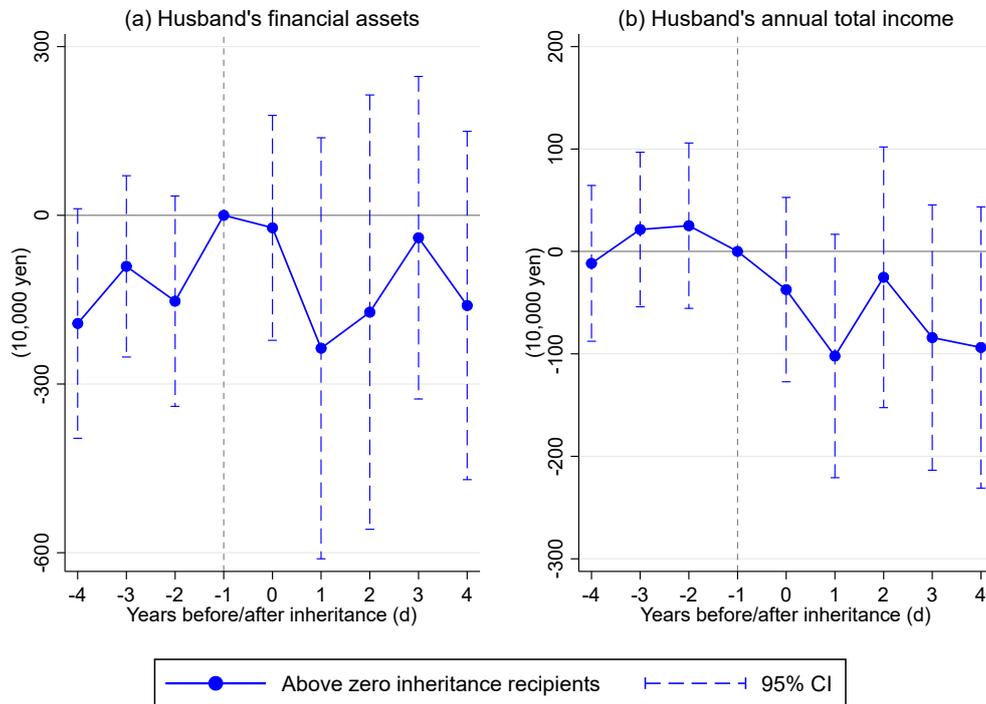
Appendix Figure C.14. Change in the share of respondents who gave birth after an inheritance



Notes: The figure charts the estimated coefficients β_1^d in Eq. (1), with y_i being replaced by a dummy indicating whether respondent i gave birth in the past year, from a regression for “above zero inheritance recipients.” Each estimate marks the change in the probability of experiencing child birth around an inheritance. The sample period ranges from six years before to six years after the year of the inheritance and the indicator for the year before the inheritance year ($\Delta_{it}^1 = -1$) is omitted to serve as a benchmark.

Source: JPSC, own calculations.

Appendix Figure C.15. Change in the husband’s financial assets and his annual total income



Notes: The figures chart the estimated coefficients β_1^d in Eq. (1), with y_i being replaced by the amount of financial assets held by respondent i 's husband (left figure) or the amount of husband's annual total income (right figure), from a regression for "above zero inheritance recipients." Each estimate marks the change in the amount of financial assets or the amount of husband's annual total income around an inheritance. The sample period ranges from six years before to six years after the year of the inheritance and the indicator for the year before the inheritance year ($\Delta_{it}^I = -1$) is omitted to serve as a benchmark. "10,000 yen" roughly equaled 92 USD at the 2019 exchange rate.

Source: JPSC, own calculations.

Appendix D. Effects of inheritance expectations, informal care, and liquidity constraints

Appendix Table D.1. Estimation results for developments in inheritance expectations, informal caregiving, and liquidity constraints

Dependent variable	(i)	(ii)	(iii)
	Expecting to inherit	Caring for parent	Liquidity constrained
	Coef.	Coef.	Coef.
10 years before	-0.303 *** (0.082)	-0.221 *** (0.080)	-
9 years before	-0.204 *** (0.070)	-0.257 *** (0.073)	-
8 years before	-0.125 ** (0.063)	-0.171 ** (0.067)	-
7 years before	-0.142 ** (0.070)	-0.191 *** (0.070)	-
6 years before	-0.184 *** (0.060)	-0.097 (0.064)	-0.009 (0.014)
5 years before	-0.110 ** (0.053)	-0.108 ** (0.054)	0.007 (0.023)
4 years before	-0.104 ** (0.045)	-0.056 (0.055)	0.012 (0.019)
3 years before	-0.078 * (0.043)	-0.115 ** (0.047)	0.020 (0.024)
2 years before	-0.094 ** (0.043)	-0.051 (0.046)	0.017 (0.019)
Year of inheritance receipt	0.015 (0.051)	-0.178 *** (0.054)	-0.003 (0.018)
1 year after	-0.006 (0.065)	-0.127 ** (0.062)	-0.009 (0.016)
2 years after	-0.045 (0.060)	-0.169 *** (0.058)	-0.019 (0.019)
3 years after	-0.020 (0.072)	-0.146 ** (0.064)	-0.032 * (0.018)
4 years after	-0.032 (0.068)	-0.228 *** (0.065)	-0.030 (0.019)
5 years after	0.043 (0.074)	-0.195 *** (0.068)	-0.015 (0.026)
6 years after	0.074 (0.069)	-0.183 ** (0.073)	-0.040 * (0.020)
Age 30-34	0.016 (0.078)	0.020 (0.064)	0.007 (0.037)
Age 35-39	0.026 (0.110)	0.025 (0.093)	-0.030 (0.038)
Age 40-44	-0.004 (0.123)	0.021 (0.101)	-0.010 (0.037)
Age 45-49	-0.009 (0.141)	0.021 (0.097)	-0.001 (0.039)
Age 50-54	0.056 (0.163)	0.126 (0.100)	0.003 (0.035)
Age 55-59	-0.076 (0.167)	0.110 (0.112)	0.003 (0.032)
Married	0.001 (0.108)	0.089 (0.119)	0.094 ** (0.047)
Number of children	-0.053 (0.044)	-0.020 (0.043)	0.008 (0.008)
Youngest child has not yet entered elementary school	-0.060 (0.052)	0.022 (0.069)	0.019 (0.020)
Constant	0.695 *** (0.144)	0.300 ** (0.121)	-0.044 (0.050)
Individual F.E.	Yes	Yes	Yes
Year F.E.	No	No	No
Number of obs.	1289	1360	1172
Number of individuals	118	118	118
Within R squared	0.0746	0.0514	0.0338

Notes: All estimations are based on the fixed effects model. Heteroskedasticity robust standard errors are in parentheses. ***, ** and * indicate statistical significance at the 1%, 5%, and 10% levels, respectively.

Source: JPSC, own calculations.

Appendix Table D.2. Estimation results for the effect of inheritance on labor supply: Inheritance expectations

Dependent variable	Hours worked on weekdays	Hours worked per week	Days worked per year	Participating in the labor market	Full-time workers	Part-time workers	Labor income
	Coef.	Coef.	Coef.	Coef.	Coef.	Coef.	Coef.
POST×Inheritance×Did not expect	-0.068 ** (0.032)	-0.002 (0.002)	-0.032 *** (0.008)	-0.00014 (0.00008)	-0.00013 (0.00013)	-0.00005 (0.00010)	-0.0260 ** (0.012)
POST×Inheritance×Expected	-0.015 (0.009)	-0.001 (0.001)	-0.003 (0.007)	-0.00002 (0.00003)	-0.00003 (0.00002)	-0.00001 (0.00003)	-0.0173 (0.012)
Age 30-34	28.428 (36.882)	1.660 (3.318)	25.161 (15.809)	0.101 (0.077)	-0.002 (0.055)	0.072 (0.073)	12.943 (16.585)
Age 35-39	12.324 (43.428)	2.039 (4.043)	25.203 (18.807)	0.060 (0.098)	0.109 (0.087)	-0.021 (0.105)	27.182 (26.747)
Age 40-44	-16.599 (52.484)	0.613 (4.343)	23.084 (22.372)	0.023 (0.108)	0.092 (0.109)	-0.057 (0.112)	10.361 (31.635)
Age 45-49	44.290 (56.238)	4.931 (4.635)	41.240 * (24.371)	0.145 (0.116)	0.091 (0.117)	0.023 (0.118)	31.152 (34.479)
Age 50-54	29.676 (62.250)	4.430 (5.177)	32.679 (27.653)	0.128 (0.128)	0.073 (0.129)	-0.009 (0.121)	35.472 (39.841)
Age 55-59	73.025 (69.803)	6.538 (5.726)	47.576 (31.234)	0.202 (0.143)	0.086 (0.129)	0.057 (0.121)	45.128 (41.605)
Married	-33.031 (49.821)	-4.190 (3.810)	-27.815 (22.746)	0.012 (0.101)	-0.156 * (0.085)	0.144 * (0.075)	-35.501 (36.278)
Number of children	-5.950 (13.095)	-1.706 (1.222)	-7.322 (7.153)	-0.009 (0.029)	0.023 (0.030)	-0.022 (0.028)	-9.998 (11.135)
Youngest child has not yet entered elementary school	-132.531 *** (39.214)	-8.033 ** (3.047)	-35.983 ** (17.262)	-0.272 *** (0.092)	-0.092 * (0.049)	-0.204 * (0.109)	-37.165 ** (17.759)
Constant	337.578 *** (73.796)	25.636 *** (5.887)	149.791 *** (33.526)	0.647 *** (0.145)	0.341 ** (0.137)	0.323 ** (0.130)	225.610 *** (47.611)
Individual F.E.	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Year F.E.	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Number of obs.	1063	1063	1063	1063	1063	1063	1063
Number of individuals	107	107	107	107	107	107	107
Within R squared	0.1254	0.0877	0.0802	0.0943	0.0745	0.061	0.0807

Notes: All estimations are based on the fixed effects model. Heteroskedasticity robust standard errors are in parentheses. ***, ** and * indicate statistical significance at the 1%, 5%, and 10% levels, respectively.

Source: JPSC, own calculations.

Appendix Table D.3. Estimation results for the effect of inheritance on labor supply: Caregiving for parents

Dependent variable	Hours worked on weekdays	Hours worked per week	Days worked per year	Participating in the labor market	Full-time workers	Part-time workers	Labor income
	Coef.	Coef.	Coef.	Coef.	Coef.	Coef.	Coef.
POST×Inheritance×Provided care	-0.011 (0.009)	0.000 (0.001)	-0.002 (0.011)	-0.00001 (0.00004)	-0.00007 *** (0.00003)	0.00003 (0.00003)	-0.029 ** (0.012)
POST×Inheritance×Did not provide care	-0.032 (0.020)	-0.001 (0.001)	-0.010 (0.009)	-0.00006 (0.00004)	-0.00001 (0.00005)	-0.00007 (0.00005)	-0.003 (0.013)
Age 30-34	28.197 (36.615)	1.653 (3.315)	25.230 (15.667)	0.100 (0.076)	0.004 (0.054)	0.066 (0.072)	14.697 (16.062)
Age 35-39	22.377 (42.082)	2.396 (3.935)	30.107 (18.142)	0.084 (0.095)	0.110 (0.088)	0.003 (0.105)	23.301 (24.619)
Age 40-44	-11.400 (52.003)	0.797 (4.262)	25.343 (22.200)	0.036 (0.106)	0.083 (0.113)	-0.037 (0.110)	5.818 (31.356)
Age 45-49	47.787 (55.786)	5.055 (4.598)	42.688 * (24.450)	0.154 (0.115)	0.083 (0.116)	0.038 (0.116)	27.433 (34.052)
Age 50-54	33.434 (61.682)	4.563 (5.146)	34.460 (27.674)	0.137 (0.127)	0.071 (0.127)	0.002 (0.119)	33.542 (39.343)
Age 55-59	78.594 (69.116)	6.736 (5.678)	50.191 (31.114)	0.216 (0.142)	0.083 (0.128)	0.073 (0.121)	42.048 (40.835)
Married	-24.805 (51.899)	-3.899 (3.835)	-24.690 (23.423)	0.036 (0.109)	-0.183 ** (0.084)	0.188 ** (0.081)	-46.829 (32.705)
Number of children	-6.388 (12.810)	-1.722 (1.206)	-7.558 (7.012)	-0.010 (0.029)	0.022 (0.030)	-0.023 (0.028)	-10.035 (10.553)
Youngest child has not yet entered elementary school	-130.876 *** (38.566)	-7.974 ** (3.023)	-35.258 ** (16.892)	-0.268 *** (0.091)	-0.095 * (0.050)	-0.198 * (0.108)	-38.561 ** (17.747)
Constant	324.648 *** (73.663)	25.178 *** (5.828)	143.957 *** (33.741)	0.614 *** (0.146)	0.355 ** (0.135)	0.279 ** (0.133)	234.939 *** (46.258)
Individual F.E.	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Year F.E.	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Number of obs.	1063	1063	1063	1063	1063	1063	1063
Number of individuals	107	107	107	107	107	107	107
Within R squared	0.1213	0.087	0.0734	0.0918	0.0737	0.0697	0.0905

Notes: All estimations are based on the fixed effects model. Heteroskedasticity robust standard errors are in parentheses. ***, ** and * indicate statistical significance at the 1%, 5%, and 10% levels, respectively.

Source: JPSC, own calculations.

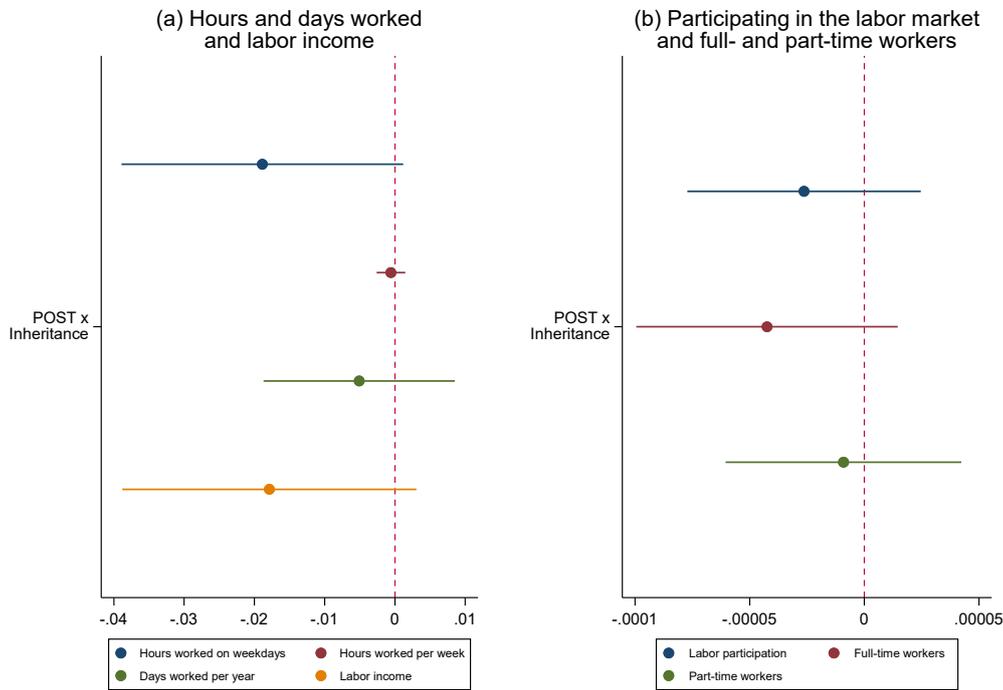
Appendix Table D.4. Estimation results for the effect of inheritance on labor supply: Liquidity constraints

Dependent variable	Hours worked on weekdays	Hours worked per week	Days worked per year	Participating in the labor market	Full-time workers	Part-time workers	Labor income
	Coef.	Coef.	Coef.	Coef.	Coef.	Coef.	Coef.
POST×Inheritance×Liquidity constrained	-0.015 (0.067)	-0.004 (0.005)	-0.004 (0.032)	-0.00017 (0.000)	-0.00011 (0.000)	0.00001 (0.000)	-0.047 (0.036)
POST×Inheritance×Not constrained	-0.017 * (0.009)	0.000 (0.001)	-0.004 (0.007)	-0.00002 (0.000)	-0.00003 (0.000)	-0.00001 (0.000)	-0.020 * (0.011)
Age 30-34	18.468 (44.543)	1.077 (4.121)	13.676 (16.745)	0.040 (0.092)	0.071 (0.069)	-0.012 (0.089)	10.452 (21.125)
Age 35-39	8.056 (62.103)	1.323 (5.729)	14.509 (25.431)	0.004 (0.124)	0.275 ** (0.134)	-0.214 * (0.128)	45.016 (39.806)
Age 40-44	52.667 (78.452)	6.606 (6.710)	42.658 (30.950)	0.106 (0.142)	0.371 ** (0.159)	-0.204 (0.133)	72.356 (47.459)
Age 45-49	102.156 (97.283)	12.213 (7.917)	60.682 (38.147)	0.211 (0.174)	0.404 ** (0.188)	-0.185 (0.134)	99.417 * (57.259)
Age 50-54	91.044 (116.598)	12.008 (9.360)	51.059 (45.647)	0.194 (0.206)	0.412 * (0.214)	-0.230 (0.144)	99.610 (70.762)
Age 55-59	123.126 (137.081)	12.664 (11.018)	61.443 (53.996)	0.259 (0.244)	0.373 (0.232)	-0.173 (0.138)	106.474 (76.455)
Married	-52.695 (63.804)	-9.317 * (5.286)	-37.014 (27.245)	-0.041 (0.146)	-0.040 (0.080)	-0.053 (0.164)	-36.755 (37.045)
Number of children	-15.447 (16.171)	-3.119 ** (1.396)	-13.547 (8.355)	-0.048 (0.032)	-0.019 (0.033)	0.003 (0.031)	-20.375 (15.965)
Youngest child has not yet entered elementary school	-109.494 *** (40.166)	-4.530 (2.846)	-28.834 (17.310)	-0.232 ** (0.091)	-0.089 (0.057)	-0.163 (0.111)	-26.063 (16.758)
Constant	321.298 ** (128.590)	24.977 ** (10.168)	150.477 *** (52.140)	0.669 *** (0.241)	0.028 (0.204)	0.637 *** (0.170)	204.432 ** (80.896)
Individual F.E.	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Year F.E.	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Number of obs.	694	694	694	694	694	694	694
Number of individuals	68	68	68	68	68	68	68
Within R squared	0.1424	0.1375	0.1039	0.128	0.1106	0.0727	0.1072

Notes: All estimations are based on the fixed effects model. Heteroskedasticity robust standard errors are in parentheses. ***, ** and * indicate statistical significance at the 1%, 5%, and 10% levels, respectively.

Source: JPSC, own calculations.

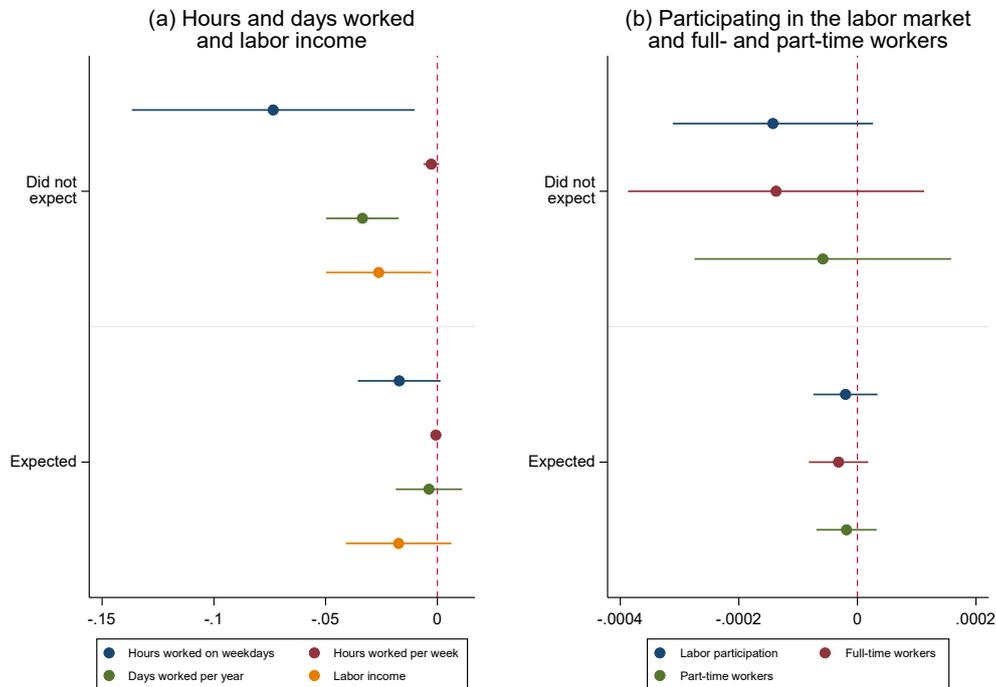
Appendix Figure D.1. Effect of inheritance on labor supply



Notes: This figure shows the estimation results of a modified Eq. (2), with the interaction terms of the post-inheritance dummy ($POST_{it}$) and the dummies for inheritance expectations or informal care giving (Z_i) being excluded but only an interaction term of the post-inheritance dummy and the inheritance amount ($Inheritance_i$) being included. The figures chart the estimated coefficients of the interaction term of Z_i and $Inheritance_i$. In the left figure, the dependent variable of each equation is hours worked on weekdays, hours worked per week, days worked per year, and labor income (in order from top to bottom). In the right figure, the dependent variable of each equation is a dummy indicating whether respondents were participating in the labor market and a dummy indicating whether respondents were working full-time/part-time (in order from top to bottom). Estimates are obtained from four (for the left figure) or three (for the right figure) different regressions for “above zero inheritance recipients.” Each estimate marks the change in those labor supply outcomes around an inheritance. The sample period ranges from six years before to six years after the year of the inheritance. The horizontal whiskers represent 95 percent confidence intervals.

Source: JPSC, own calculations.

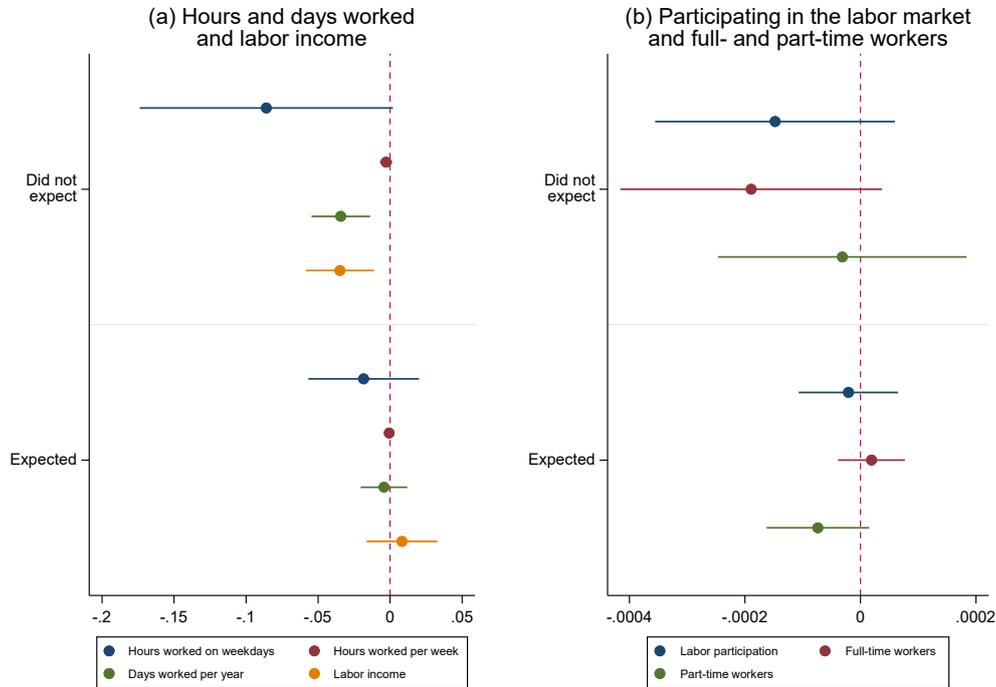
Appendix Figure D.2. Effect of inheritance on labor supply: Inheritance expectations (liquidity-constrained respondents excluded)



Notes: This figure shows the estimation results obtained from a regression focusing on respondents who was not liquidity constrained in all the three years before an inheritance. The upper and lower halves of the figures chart the estimated coefficients β_1 and β_2 in Eq. (2) respectively, with Z_i being replaced by a dummy variable that takes 1 when respondent i did not expect to receive an inheritance from the respondent's parent(s) in the year before the inheritance. In the left figure, the dependent variable of each equation is hours worked on weekdays, hours worked per week, days worked per year, and labor income (in order from top to bottom). In the right figure, the dependent variable of each equation is a dummy indicating whether respondents were participating in the labor market and a dummy indicating whether respondents were working full-time/part-time (in order from top to bottom). Estimates are obtained from four (for the left figure) or three (for the right figure) different regressions for "above zero inheritance recipients." Each estimate marks the change in those labor supply outcomes around an inheritance. The sample period ranges from six years before to six years after the year of the inheritance. The horizontal whiskers represent 95 percent confidence intervals.

Source: JPSC, own calculations.

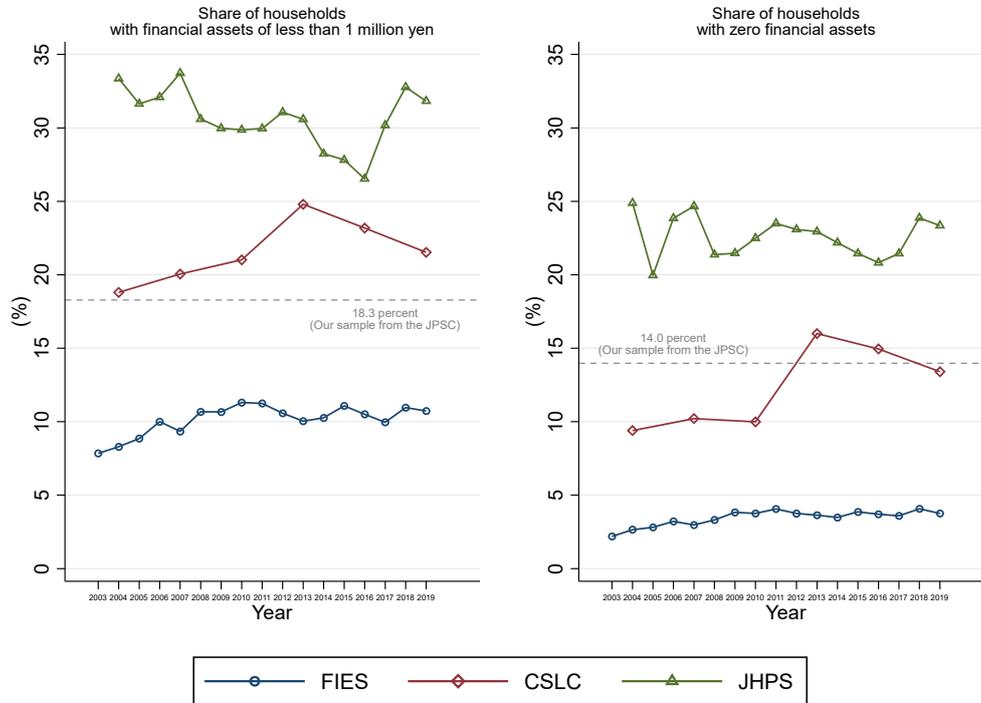
Appendix Figure D.3. Effect of inheritance on labor supply: Inheritance expectations (restricting the sample to those who did not provide care before their inheritance)



Notes: This figure shows the estimation results obtained from a regression restricting the sample to those who did not provide care before their inheritance. for the respondent’s parent(s) in the year before the inheritance. The upper and lower halves of the figures chart the estimated coefficients β_1 and β_2 in Eq. (2) respectively, with Z_i being replaced by a dummy variable that takes 1 when respondent i did not expect to receive an inheritance from the respondent’s parent(s) in the year before the inheritance. In the left figure, the dependent variable of each equation is hours worked on weekdays, hours worked per week, days worked per year, and labor income (in order from top to bottom). In the right figure, the dependent variable of each equation is a dummy indicating whether respondents were participating in the labor market and a dummy indicating whether respondents were working full-time/part-time (in order from top to bottom). Estimates are obtained from four (for the left figure) or three (for the right figure) different regressions for “above zero inheritance recipients.” Each estimate marks the change in those labor supply outcomes around an inheritance. The sample period ranges from six years before to six years after the year of the inheritance. The horizontal whiskers represent 95 percent confidence intervals.

Source: JPSC, own calculations.

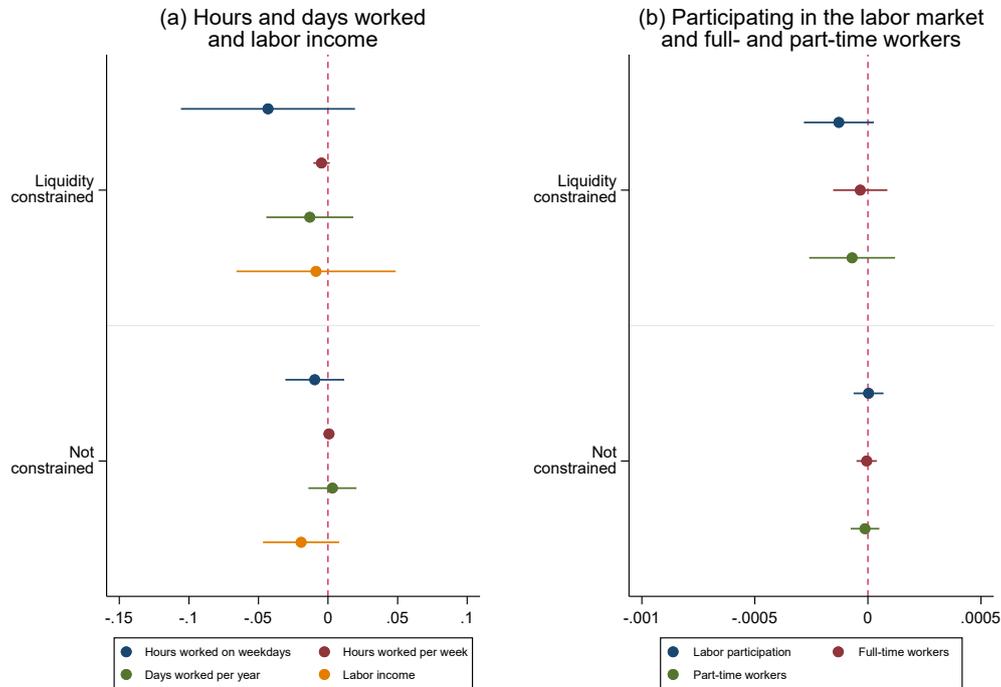
Appendix Figure D.4. Comparison in the share of liquidity-constrained households across surveys



Notes: This figure shows the share of households whose amount of the household-level financial assets was less than 1 million yen (in the left figure) and was zero (in the right figure) from three surveys other than the JPSC. The shares from the FIES are calculated for households with two or more persons. These from the CSLC and the JHPS are both calculated for all households. The grey dashed lines indicate the share for the respondents used in our analysis. The sample period ranges from 2003 to 2019.

Sources: Annual Report on the Family Income and Expenditure Survey (FIES), Comprehensive Survey on the Living Conditions (CSLC), Japan Household Panel Survey (JHPS).

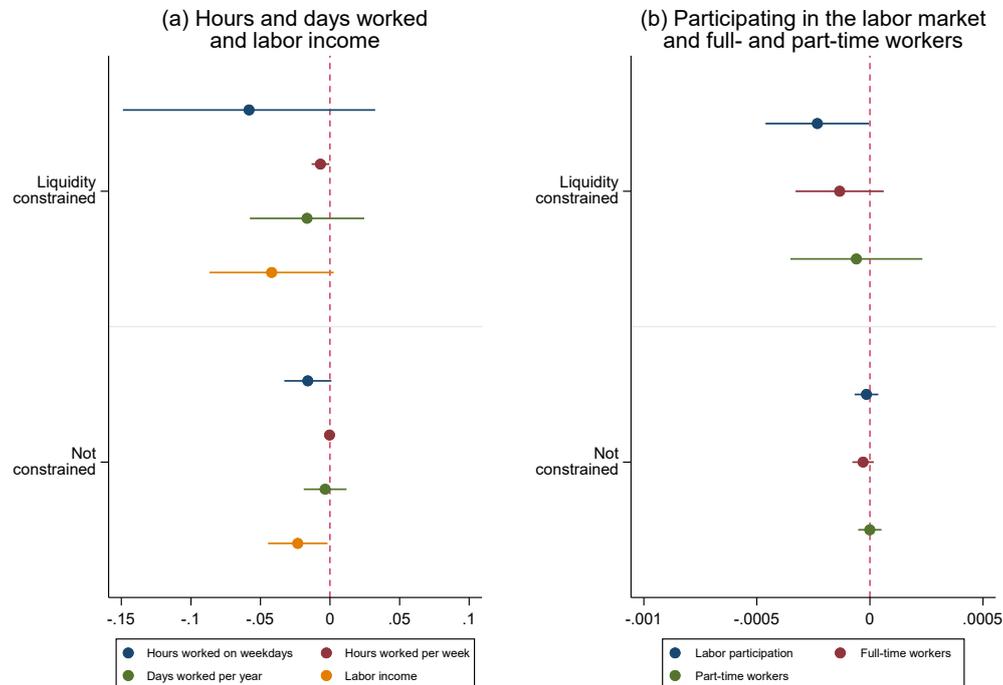
Appendix Figure D.5. Effect of inheritance on labor supply: Liquidity constraints measured by whether the amount of household financial assets amounted to less than 20 percent of annual income



Notes: The upper and lower halves of the figures chart the estimated coefficients β_1 and β_2 in Eq. (2) respectively, with Z_i being replaced by a dummy variable that takes 1 when the amount of respondent i 's household financial assets amounted to less than 20 percent of their annual income (i.e., liquidity constrained) in the year before receiving the inheritance. In the left figure, the dependent variable of each equation is hours worked on weekdays, hours worked per week, days worked per year, and labor income (in order from top to bottom). In the right figure, the dependent variable of each equation is a dummy indicating whether respondents were participating in the labor market and a dummy indicating whether respondents were working full-time/part-time (in order from top to bottom). Estimates are obtained from four (for the left figure) or three (for the right figure) different regressions for "above zero inheritance recipients" that had anticipated their inheritance in the year before the inheritance. Each estimate marks the change in those labor supply outcomes around an inheritance. The sample period ranges from six years before to six years after the year of the inheritance. The horizontal whiskers represent 95 percent confidence intervals.

Source: JPSC, own calculations.

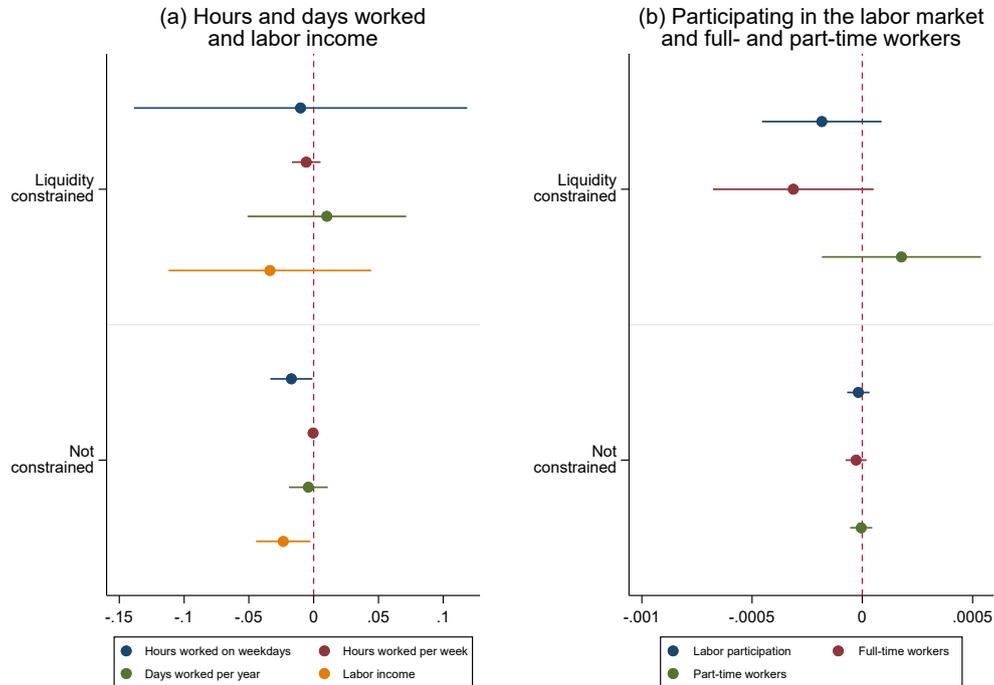
Appendix Figure D.6. Effect of inheritance on labor supply: Liquidity constraints measured by whether the amount of household financial assets worth less than 1 million yen



Notes: The upper and lower halves of the figures chart the estimated coefficients β_1 and β_2 in Eq. (2) respectively, with Z_i being replaced by a dummy variable that takes 1 when the amount of respondent i 's household financial assets was worth less than 1 million yen (i.e., liquidity constrained) in the year before receiving the inheritance. In the left figure, the dependent variable of each equation is hours worked on weekdays, hours worked per week, days worked per year, and labor income (in order from top to bottom). In the right figure, the dependent variable of each equation is a dummy indicating whether respondents were participating in the labor market and a dummy indicating whether respondents were working full-time/part-time (in order from top to bottom). Estimates are obtained from four (for the left figure) or three (for the right figure) different regressions for "above zero inheritance recipients" that had anticipated their inheritance in the year before the inheritance. Each estimate marks the change in those labor supply outcomes around an inheritance. The sample period ranges from six years before to six years after the year of the inheritance. The horizontal whiskers represent 95 percent confidence intervals.

Source: JPSC, own calculations.

Appendix Figure D.7. Effect of inheritance on labor supply: Liquidity constraints measured by whether the amount of household financial assets was zero



Notes: The upper and lower halves of the figures chart the estimated coefficients β_1 and β_2 in Eq. (2) respectively, with Z_i being replaced by a dummy variable that takes 1 when the amount of respondent i 's household financial assets was zero (i.e., liquidity constrained) in the year before receiving the inheritance. In the left figure, the dependent variable of each equation is hours worked on weekdays, hours worked per week, days worked per year, and labor income (in order from top to bottom). In the right figure, the dependent variable of each equation is a dummy indicating whether respondents were participating in the labor market and a dummy indicating whether respondents were working full-time/part-time (in order from top to bottom). Estimates are obtained from four (for the left figure) or three (for the right figure) different regressions for "above zero inheritance recipients" that had anticipated their inheritance in the year before the inheritance. Each estimate marks the change in those labor supply outcomes around an inheritance. The sample period ranges from six years before to six years after the year of the inheritance. The horizontal whiskers represent 95 percent confidence intervals.

Source: JPSC, own calculations.

Appendix E. Potential bias caused by health problems due to informal care giving

In this Appendix, we examine whether a deterioration in health status due to caregiving may lead to an overestimation of the inheritance wealth effect on labor supply. That is, if caregiving for parents is detrimental to the caregiver's health, such individuals are more likely to reduce their labor supply during and after providing care.

Systematic reviews and meta-analyses have found the adverse effect of care provision on family caregivers' health. For example, Sallim et al. (2015) and Loh et al. (2016) performed a meta-analysis of caregivers of patients with Alzheimer's disease and stroke, respectively, and found a positive association between caregiving and the likelihood of suffering from mental health disorders. Moreover, another meta-analysis by del-Pino-Casado et al. (2021) also confirmed that a higher caregiver burden is a risk factor for anxiety disorders in informal caregivers.

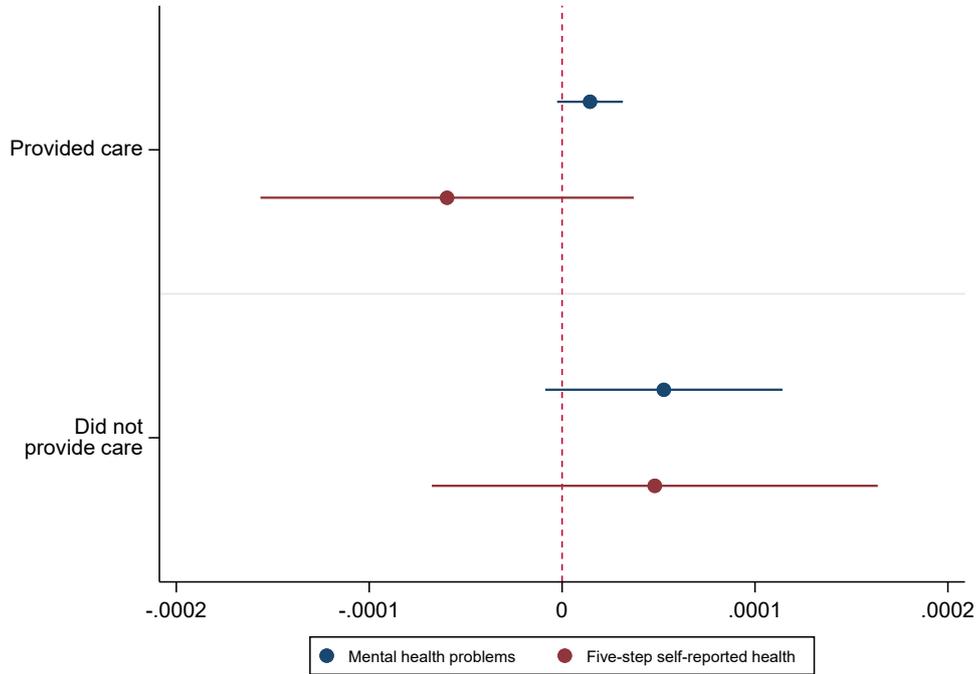
To the authors' knowledge, no study has examined the causal effect of health deterioration due to the informal care on labor supply. However, some studies have shown that the health deterioration persists after patient's death. For example, Breen et al. (2020) found that grief and deterioration in quality of life and general health of family caregivers continued for nearly a year after the patient's death. This suggests that the health problems caused by the informal care may result in a decrease in the post-inheritance labor supply.

In the following, we empirically investigate whether informal caregiving leads to a deterioration in caregivers' health. To gauge changes in health after inheritance receipt, we used questions in the survey that ask respondents about their health, including whether they had mental health problems like depression in the past year. Specifically, we constructed a health indicator based on the following question in the survey: "Generally speaking, how good is your health?" Respondents were asked to choose among the following five options: "1. Excellent," "2. Good," "3. Fair," "4. Poor," and "5. Extremely poor." Therefore, "1" represents the best health status, while "5" represents the worst. Turning to mental health problems, we used a dummy variable that takes a value of 1 for respondents who, to the question "In the past year, did you experience one of the following?" responded with "I had mental health problems such as depression." We conducted an event study analysis in which these health indicators are used as the dependent variable of Eq. (2) in the main text, with Z_i being replaced by a dummy variable that takes 1 when respondent i and/or her husband provided care for the respondent's parent(s) in the year before receiving an inheritance. We found that all coefficients are insignificant (at the 5 percent level) and virtually no difference in the coefficients between those that did and those that did not provide informal care can be seen, as shown in Appendix Figure E. This suggests that when we divide respondents into these two groups, no significant difference in developments in individuals' health status during the period from six years before to six years after inheritance receipt can be observed between the households that had and had not provided care for their parents.

References for Appendix E

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Appendix Figure E. Change in health status after an inheritance, by whether they provided informal care



Notes: The upper and lower halves of the figure chart the estimated coefficients β_1 and β_2 in Eq. (2) respectively, with Z_i being replaced by a dummy variable that takes 1 when respondent i and/or her husband provided care for the respondent's parent(s) in the year before the inheritance. Estimates are obtained from two different regressions, according to the respondents' health indicators used as the dependent variable of Eq. (2), for "above zero inheritance recipients." Each estimate marks the change in the health indicators around an inheritance. The sample period ranges from six years before to six years after the year of the inheritance. The horizontal whiskers represent 95 percent confidence intervals.

Source: JPSC, own calculations.