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## The Effects of Children on Household Income Packages: A Cross-National Analysis

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**Luxembourg Income Study Working Paper No. 257**

**THE EFFECTS OF CHILDREN ON  
HOUSEHOLD INCOME PACKAGES:  
A CROSS-NATIONAL ANALYSIS**

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A Cross-National Analysis

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# The Effects of Children on Household Income Packages: A Cross-National Analysis

**ABSTRACT.** This paper presents stylized facts about the effect of children on household disposable income and its components (the “income package”) in nine OECD countries, employing data from the Luxembourg Income Study database. We find that cross-national differences in the impact of children on household disposable income are substantial and systematic. Speaking generally, we find that cross-national differences in the impact of children on disposable income are determined largely by the differences in the impact of children on household earnings, particularly women’s earnings. We also find that countries with a generous fiscal treatment of households with children are also countries in which the effect of children on earnings is most negative.

## **I. Introduction.**

What happens to a household’s disposable income when a first child, or an additional child, is added? The most obvious impact is on the earnings of parents. An initial parental leave may or may not affect earnings, depending on the worker’s benefit package and the length of the leave. After that, some parents may substitute childcare for earnings by working fewer hours, or at a job with lower pay but more flexible hours. But parents might also seek to work longer hours at higher wages in order to increase household income to cover the extra expenses associated with a larger family. Some of the opposite effects may occur when children leave the home. In addition, government policies are far from neutral towards households with children. Some countries have universal or targeted child allowances, for example, and the presence of an additional child typically affects a household’s tax liabilities in various ways. Since tax liabilities and means-tested benefits depend in part upon earnings, the household’s labor market response and the fiscal impacts are interactive.

This paper is essentially an effort to display a set of stylized facts about cross-national differences in the effects of children on household disposable income and its components. After examining the effect of children on age-adjusted disposable income in each of nine OECD countries, we decompose the effect in each country into a labor market component, a fiscal (tax/transfer) component, and a residual component, which together constitute the “income package.”

We find that the presence of children in the household affects disposable income differently in different countries, and that these cross-national differences are both substantial and systematic. Speaking generally, we find that cross-national differences in the impact of children on disposable income are determined largely by differences in the impact of children on household earnings, particularly women’s earnings.<sup>1</sup> We also find that countries with a generous fiscal treatment of households with children are also countries in which the effect of children on earnings is most negative. Several qualifications and additional conclusions are discussed below.

The remainder of the paper is organized into four sections. Section II discusses the basic method of the paper. Section III describes the data and data processing in greater detail. Section IV presents and interprets a set of typical results, then discusses the sensitivity of those conclusions to some key assumptions. The final section summarizes our conclusions and calls for additional research.

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<sup>1</sup> In the case of couples, the “woman” in question is the “spouse” of the household “head,” consistently recoded to be male. In the case of a single head household, the reference is to the head, who is usually, but not always, a woman.

## **II. Literature and Method.**

The most recent papers in the cross-national literature on the effects of children have had either of two preoccupations. One is child poverty (for example: Solera, 1998; Smeeding, et.al., 1999; Phipps, 1999; Bradbury and Jantti, 1999; Redmond, 2000), the topic of a recent major conference (Vleminckx and Smeeding, eds., 2001). The other concerns the impact of children on the earnings (both wages and hours) of mothers (for example: Harkness and Waldfogel, 1999; Bardasi and Gornick, 2000; Todd, 2001). The strength of cross-national research is the ability to examine a far wider range of policy environments than is likely to be found in the recent history of any one country, and it is therefore unsurprising that cross-national research has focused particularly on topics like children's poverty and women's earnings that are subjects of intense policy debate. These preoccupations with the welfare of children and their parents (particularly their mothers) mirror those in the literature focused on the United States (for example: Waldfogel, 1998; Cohen and Bianchi, 1999; Millimet, 2000).

The research in this paper approaches the problem of child and parental welfare from a somewhat different direction. We examine the impact of both the presence and the number of children on the household income package (see Rainwater and Smeeding, 1998), which consists of two major components, a labor market component determined

by the parents' earnings<sup>2</sup> (including self-employment) and a fiscal component determined by the tax and transfer systems. In a way, our approach is just a variation on themes of other research. The most important factor in the labor market impact of children is almost certain to be the effect on the earnings of mothers, and an important aspect of the fiscal effect is bound to be the generosity of transfers targeted on children. Perhaps the biggest benefit of our approach is that it deals with these impacts together. By looking at a range of environments over nine countries, we hope to discern patterns in the way that the elements of the income package fit together. Is it true, for example, that families with children fare best in the environment that delivers the most generous tax and transfer advantages? Or are parental earnings the key?

The benefits of looking at the entire income package are, of course, offset by some shortcomings of the approach. One shortcoming is that we are, at this stage of the project, concerned entirely with the “typical”—to be exact, the mean—impact of children on the income package in each country. To the extent that one is concerned primarily with the welfare of *poor* children and their parents, it is the topic of some future paper. The second shortcoming is methodological: we simply are not in the business of estimating “structural” (*ceteris paribus*) behavioral parameters. The empirical effects of children on the income package are the *mutatis mutandis* consequences of interactions of several aspects of the policy environment with labor market institutions and a host of “cultural”

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<sup>2</sup>It is actually very difficult to identify “parents,” or even “parents and step-parents,” in consistent and comparable ways. Given the purpose of our paper, we do not try. What we actually measure are the earnings of the household head and the head's spouse (if present).

factors that represent typical “preferences.” Maybe mothers in Country #1, which provides limited child care options, would have the same work behavior as mothers in Country #2, which has better child care options, if all other economic constraints were the same. But it is also possible that the “culture” in Country #1 does not encourage mothers to work, that the lack of child care options reflects that cultural predilection, and that mothers in Country #1 would not behave at all like those in Country #2 if faced with the latter’s policy environment. More cross-national research on structural response elasticities would be valuable, but it is not what we are doing in this paper.

Our empirical strategy is to begin by regressing household disposable income on the presence and number of children, controlling only for the age of the household head (and spouse if present). We then decompose the regression coefficients into components that measure the impacts of children on the elements of the income package. After normalizing the coefficients we create tables to compare and correlate the impacts of children across countries. Typical tables of this kind are presented and discussed in Section IV, but before getting to that discussion, we need to provide a number of technical details in Section III.

### **III. Tedious Technicalities.**

The basic claim of this paper is that we can learn something useful by comparing empirical results from nine different countries. The credibility of this claim presupposes



that the results are meaningfully comparable in the first place. This section of the paper is devoted to a description of the efforts (and their rationale) that have been made by the Luxembourg Income Study and by us as researchers to ensure the comparability of the results.

The Luxembourg Income Study (hereafter, LIS) is a database of household income surveys for some 25 countries (for further information, visit [www.lis.ceps.lu](http://www.lis.ceps.lu)). LIS has been working to harmonize the data definitions in this database since 1983. The surveys for our study are from LIS Wave 4, for the following countries (in alphabetical order) and years: Australia, 1994; Canada, 1994; Finland, 1995; Germany, 1994; The Netherlands, 1994; Norway, 1995; Sweden, 1995; the United Kingdom, 1995; and the United States, 1997. The actual survey sources are listed at <http://lisweb.ceps.lu/techdoc/surveys.htm>

These surveys differ considerably in their size and character. For example, the U.S. survey is the familiar March Current Population Survey, the Scandinavian surveys are all income distribution surveys of some sort, while the German and Dutch surveys are single years drawn from panel studies. The whole purpose of the Luxembourg Income Study is to provide for these disparate surveys a set of standardized measures of certain major income concepts, and harmonized templates for variables that cannot be standardized.

The income variables we employ are all substantially standardized by LIS. In particular, disposable income is basically what one would suppose: wage and salary income *plus* self-employment income *plus* cash property income *plus* pensions (both public and private) *plus* transfer payments of all sorts *less* income tax and mandatory employee (or

self-employed) payroll taxes. The only elements of the definition that might seem odd are the inclusion of near-cash transfers (such as Food Stamps in the U.S.) and regular private transfers (such as alimony and child support) into income.

A problem that prevents fully comparable income standardization is cross-national variety in conventions for top-codes and bottom-codes. Many income surveys top-code income data to maintain the anonymity of high-income respondents. After experimenting with various income components that are top-coded in various countries, we settled upon a simple, somewhat crude, solution: we have simply deleted the top 1% of the factor income distribution in every country. While this technique does not guarantee the elimination of all top-coded values, it applies a consistent technique for reducing the influence upon the results of very high-income households, including the effect of top-codes. Bottom-coding is a serious problem with only one income component: self-employment income, for which some countries report losses as negative income and some bottom-code reported losses to zero. We have recoded self-employment income, and recalculated disposable income, to treat reported losses as zero. In general our approach has been to err on the side of reducing or eliminating the influence of extreme values in recognition of the potential effect of extreme values in a design focused on the mean values of the income variables.

Let us devote one paragraph to the topic of family definitions. Some of these definitional issues are controversial in cross-national research, and we want to provide full disclosure of our choices. We employ the household rather than the family as unit of account when

the survey gives us the choice (as in Australia, Canada and the U.S.), consistent with the Canberra Group (2001) recommendations. To the extent that the data permit, we call a household a “married couple household” when the household head has a spouse or cohabiting partner present, and a “single head household” otherwise<sup>3</sup>. For purposes of comparability, LIS has recoded all couple household data so that the “head” is male. In summary, we divide households into only two categories, “married couple households” and “single head households,” and the “number of children” in the household refers only to children under the age of 18.

We are going to look at both the entire range of household ages and the sub-sample of households with working-age (25-54) heads. Although we control for the age of the household head (and spouse if present), we remain somewhat suspicious of using elderly childless households as part of the standard for comparison even after that adjustment, so we will primarily discuss the results for households with working-age heads. The results involving heads of all ages are provided as part of Appendix III and also briefly discussed below.

It is now useful to provide an example to illustrate the “income package” concept. Table 1 shows the mean income packages for Swedish and American working-age households with children (Appendix I contains the mean income packages for every country and sub-sample). Although the table is only an example to illustrate the income package concept, one can immediately see the cross-national distinctions that we want to explore. It will

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<sup>3</sup> We have experimented with how to deal with households containing “extra adults,” such as the adult children or parents of the household head, but we do not report any of those results here.

turn out that both Scandinavian and North American countries place emphasis on parental work, and the countries are somewhat similar in that regard. The fiscal system is much more favorable to households with children in Sweden, however, while American households receive a larger proportion of income from self-employment and “other” sources such as property income, alimony and child support.

Table 1 also illustrates the problem that arises because every survey reports results in local currency values. The impacts of children on the income package are likewise measured in local currency. Comparison across countries will require a normalization. We actually employed two. The one that we will discuss most thoroughly normalizes by the median equivalized household income for a household of four in each country.<sup>4</sup> Results for an alternative normalization using the purchasing power parities (PPP) calculated by the OECD are reported in Appendix III and briefly discussed below.<sup>5</sup>

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<sup>4</sup>“Equivalized income for a household of four” is calculated as  $2DI/S^5$ , where DI is disposable income and S is the size of the household. The use of the square root of the household size is common and simple. By doubling DI before employing the equivalence scale we are just centering the normalization on a household with four persons instead of a one-person household. The resulting normalized coefficients are similar in size to those from the alternative normalization (almost identical for the U.S.).

<sup>5</sup> To be exact, we normalize all of the coefficients by the mean household disposable income in the U.S., though the actual base is irrelevant to the *relative* impacts across countries; it’s the decision to convert with PPP that is controversial.

### III. Empirical Strategy and Typical Results.

The first step in our empirical strategy is to regress disposable income on age of head (and of spouse if present), age squared,<sup>6</sup> a dummy variable KIDZ for the presence of children under 18 and a variable KIDN giving the number of children in excess of 1 for households containing more than one child.<sup>7</sup> Because larger families tend to be older families, we need to control for age. We have not controlled for anything except age, because our goal is to show how the (age-adjusted) income package is affected by children, *mutatis mutandis*. One is naturally curious about the summary statistics for these regressions. Actually, summary statistics scarcely matter for our purposes; it is the coefficients on KIDZ and KIDN that count. Of more concern, perhaps, are the ratios of the KIDZ and KIDN coefficients to their standard errors. An occasionally insignificant value is not a problem. After all, there is no reason that the effect of children on disposable income might not be right around zero somewhere in the world. But if it were right around zero in all nine countries, it would hardly be worth analyzing. In fact, the coefficients on KIDZ are almost always statistically significant and sometimes exceed the values of their standard errors by a factor of 5 or more. The KIDN coefficients are usually, but less consistently, significant. For the benefit of the curious, we show some sample results in Tables 2 and 3, and additional results in Appendix II.

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<sup>6</sup>We have experimented with adding cubic and quartic age controls. These are sometimes statistically significant when there are no age restrictions on the sample, and we employ them in the all-ages results reported in Appendix III.

<sup>7</sup> We have experimented with different specifications for the children, ranging from a single parameter (number of children) to a separate dummy for each number of children. The former seemed simplistic and the latter hard to characterize comparatively, so we have settled on the KIDZ/KIDN approach.

The second step is to run the exactly identical regressions for the following income package components: 1) the head's earnings, 2) the spouse's earnings (for married couple households), 3) self-employment income, 4) the sum of the previous three, 4) social transfers net of taxes, and 5) an "other" category defined to make the decomposition exhaustive. The coefficients from regressions 1) through 3) add to the coefficient in regression 4), and the coefficients from regressions 4) through 6) add to the coefficients in the disposable income regression.

Since all of these coefficients are measured in local currency, the third step is to normalize them in some way to make them comparable. As discussed above, we begin by normalizing them by the median equivalized household income for a household of four in each country (and converting to a percentage). The results for KIDZ, the dummy variable for the presence of children in the household (controlling for the number of children) are shown in Tables 4 and 5 (for married couple households) and Tables 6 and 7 (for single head households). The metric for the coefficients is "% of median equivalized household income for a household of four" in each country.

The first column of Table 4, repeated as the first column of Table 5, shows a clear pattern in the effect of the presence of children on the income packages of couples. In the three Scandinavian countries, couples with children have higher age-adjusted disposable incomes than those without children; in the two North American countries, the impact of children is small and positive in the U.S., small and negative in Canada. In the remaining

countries (Germany, the Netherlands, the U.K. and Australia), the impact is negative and substantial, on the order of 20% (of median equivalized income). The question is whether this pattern primarily reflects the pattern of labor market impacts (earnings and self-employment) or the pattern of fiscal impacts (transfers and taxes). Table 4 provides a fairly clear answer. The four countries in which children have a positive impact on disposable income are the four countries in which children have a positive, or the least negative, impact on earnings and self-employment income. Three of these four countries (Norway, Finland and the U.S.) have the *smallest* fiscal effect of children. The three countries with the largest fiscal effects and the smallest labor market effects rank 6<sup>th</sup>, 7<sup>th</sup> and 9<sup>th</sup> in the effect of children on disposable income. The earnings effects and the fiscal effects are negatively correlated. In general, the fiscal effects serve to cushion the impact of negative labor market effects in countries where those negative labor market effects are largest. Sweden sticks out as an exception, with a strong positive effect of children on disposable income delivered by balancing a small negative labor market impact with a larger positive fiscal impact.

Table 5 gives more insight into the labor market impacts. The impact of children on the earnings of wives is negative in all nine countries. The effect of children on disposable income is smallest where the impact is least negative, in Scandinavia and in North America. The relationship of the disposable income impact with the effect on the head's earnings is also rather close, however.

Tables 6 and 7, for single household heads, tell a similar story. The principal differences in pattern are that the impact of the presence of children on the single head's earnings is always negative, and the impact of "other income," which includes alimony and child support, is more important for single head households than for married couple households, especially in the Scandinavian countries and in Canada. One notices some differences in detail. For example, the impact of children on German singles is more dependent on the labor market and less on fiscal impacts than is the case with couples, and Canada and the U.S. switch places in the league table. But the basic story line is the same: countries in which the impact of children on disposable income is least negative are those countries that best minimize the effects of children on the labor market success of parents. Fiscal impacts are negatively correlated with earnings impacts, generally serving to cushion the negative earnings impacts where they are largest.

Tables 8 through 11 look at the effect of the *number* of children, not just their presence, for households with heads age 25-54. For married couple households (Tables 8 and 9), the story is similar to what we have already seen, though subtly different. Children still have positive effects on disposable income in the Scandinavian countries, and negative effects in Australia and the U.K. Additional children have a negative impact on household earnings in all nine countries, though by rather different amounts. The correlation between the effects of children on disposable income and on labor market earnings remains strong, though less consistent in some aspects of the pattern. For example, the impact of additional children on the spouse's earnings (Table 9) is more negative in Norway than in the U.K. The U.S. is an especially interesting case.



Comparing the disposable income impact in Table 4 to that in Table 8, one discovers that the positive impact of the first child is more than offset by the negative impact of the second (no other country “changes sign” in this way). Another contrast between Table 4 and Table 8 is that the fiscal impacts have a smaller range in Table 8, and while still negatively correlated with earnings impacts, they are no longer negatively correlated with the impacts on disposable income.

Tables 10 and 11, which show the impacts for single head households, tell a more complicated story. While the impact of the *presence* of children (in Table 6) on disposable income was negative everywhere but Scandinavia, the impact of the *number* of children (Table 10) is positive everywhere except Australia and the U.S. Social transfers net of taxes, and sometimes also other income (including alimony and child support), seem to matter in determining the effect of the number of children on disposable income of single head households. The impact of additional children on the head’s earnings is negative in all nine countries (Table 11), but these negative impacts are offset in most countries by the fiscal impacts, which are in this case positively correlated with the impacts on disposable income.

One question one might ask is whether these results hold up when the comparison group is expanded to include all age groups (with cubic and quartic age controls in the regressions) and when the results are normalized by the U.S. mean household disposable income converted at Purchasing Power Parity. This question is addressed in Tables 12 and 13, which pull together some of the detailed results found in Appendix III. These

tables present rank correlations among the coefficients for both age group choices (columns (1)/(3) versus (2)/(4)) and for both normalizations (columns (1)/(2) versus (3)/(4)).

Our conclusion from these tables is that the principal cross-country correlations are not particularly sensitive to either the comparison age group or the normalization. For example, the positive correlation between the effect of children on disposable income and the effect on earnings (both of the household as a whole and of the wife among couples) is found in all four columns. The one important sensitivity to the normalization is found in the lower panel of Table 13, dealing with the effect of additional children on single head households. When the normalization is changed to the U.S. mean disposable income, the correlation between the earnings impact of additional children and the impact on disposable income is stronger, but the negative correlation between the earnings impact of additional children and the fiscal impact vanishes. A careful examination of the tables in Appendix III reveals that the major difference is the relative situation of the U.S. Since the U.S. had a higher *per capita* income than the other eight countries (converted at PPP), conversion by the U.S. mean household income converted at PPP generates a decrease in the absolute values of the normalized coefficients for countries other than the U.S. The particular effect here is that the U.S. falls from 4<sup>th</sup> to 9<sup>th</sup> in the earnings impact of additional children when the normalization is changed to the U.S. mean disposable income converted at PPP.

## V. Conclusions.

The discussion in the previous section supports four conclusions:

1. The effect of children on age-adjusted household disposable income differs substantially and systematically across countries. The *presence* of children in the household is correlated with higher disposable income in Scandinavian countries, has relatively small impacts in the North American countries and has a substantial negative impact elsewhere. In general, the impact of the *number* of children on disposable income varies in sign but is relatively small in absolute value for married couple households, and is positive for single head households.
2. Across countries, the impact of children on disposable income is highly correlated with the effect of children on household earnings, especially women's earnings.
3. Across countries, the impact of children on earnings is negatively correlated with the effect of children on the fiscal package.
4. Across countries, the effect of children on "other income," which includes alimony and child support, is positively correlated with the effect on disposable income, though the impact is often small in magnitude relative to the labor market and fiscal impacts, even for single head households.

We would like to focus our concluding discussion on points 2 and 3. We regard point 2 as a validation of the recent focus of cross-national research on the labor market effects of motherhood (see references at the beginning of Section II above). Particularly for households with a small number of children, the relative situation of families with children is determined primarily by whether the negative impact of children on the earnings of their mothers (whether married or single) is large or small. The generosity of the fiscal structure plays a more important role in determining the relative status of households with a larger number of children.

Point 3 is as intriguing as it is difficult to interpret. Some might prefer to emphasize the negative earnings incentives associated with a generous fiscal treatment of families with children. Others might claim that the result is largely a byproduct of income taxation.<sup>8</sup> One could also adduce a sort of public choice argument: in countries where most mothers want to reduce market work after childbearing, there will be strong political pressures for generous child allowances. As we discussed at the beginning of the paper, it is not clear whether the causation runs from behavior (“culture”) to policy environment or from policy environment to behavior. Only by holding tightly to the latter viewpoint can one infer that British households would behave like Swedes, or Canadian households like Germans, if only faced with identical environments.

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<sup>8</sup>In some other work we have further decomposed the fiscal effects. Our conclusion so far is that the resulting distinctions are rather artificial. Why should it really matter for the mean effect whether a child allowance is given as a taxable demogrant or an equivalent tax exemption? The distributive consequences may be quite another matter, of course.

One is nevertheless tempted to interpret these conclusions as having policy implications. For example, a feature of the Swedish system that sticks out (McLanahan and Garfinkle, 1995) is the provision of high-quality subsidized childcare, an important feature for working mothers. The German environment, on the other hand, with subsidies for stay-at-home mothers and the absence of a national system for childcare (*Benefit Systems and Work Incentives*, 1999), may be responsible for the overall negative effect of children on the disposable incomes of small households in Germany. The Canadian child benefit is phased out with income, unlike the ones in Europe (*Social Security Programs Throughout the World*, 1999); for married couples this feature may explain why the impact of children on social transfers (net of taxes) is generally so small in Canada.

It is conventional to conclude papers with a call for further research, and we are eager to follow that convention. First, we would like to invite others to explore the potential of the Luxembourg Income Study for analyses of research designs that are variants or improvements of the one we have presented here. We ourselves are particularly interested in exploring the effects of children on income inequality, with particular focus on low-income populations. Second, we regard our results both as a context that justifies the growing interest in the labor market situation of mothers and a challenge to ground analysis of the labor market situation of mothers in a broader context such as the “income package.” Third, there is a need for additional cross-national policy analysis to identify the principal policy features that correlate with outcomes for children and their parents (Gornick, et.al., 1998, is an outstanding example). Fourth, for policy analyses to generate credible policy proposals, there need to be more studies of cross-national variation in the

responses of households to policy incentives. Fifth, we urge that databases of comparable panel studies be exploited for deeper analysis of the income package problem; for example, there is no reason why the responses to the addition of a child through childbirth and the departure of a child for university should have effects that are symmetrical either in size or in timing, but only with cross-nationally comparable panels can one explore the cross-national aspects of this distinction.

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**Table 1****Income Packages for Households with Children**

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|                                      | <u>Means for Married Couple Households<br/>with head age 25 - 54 (local currency)</u> |                           | <u>Means for Single Head Households<br/>with head age 25 - 54 (local currency)</u> |                           |
|--------------------------------------|---|---------------------------|--|---------------------------|
|                                      | <u>Sweden 1995</u>  | <u>United States 1997</u> | <u>Sweden 1995</u>   | <u>United States 1997</u> |
| <b>Household Disposable Income</b>   | 276,376   | 48,205                    | 179,540  | 25,765                    |
| <b>Head's Earnings</b>               | 185,886   | 36,474                    | 104,655  | 17,910                    |
| <b>Spouse's Earnings</b>             | 96,925  | 15,341                    | N/A  | N/A                       |
| <b>Self-Employment Income</b>        | 9,627   | 3,504                     | 2,003  | 918                       |
| <b>Social Transfers net of Taxes</b> | -24,763   | -11,803                   | 48,797   | -4                        |
| <b>Other</b>                         | 8,701   | 4,689                     | 24,085   | 6,941                     |

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**Table 2**

**Disposable Income Regression Coefficients and Standard Errors  
Married Couple Households, Age 25 - 54**

|                            | <u>KIDZ<br/>Coefficient</u> | <u>KIDZ<br/>Std. Error</u> | <u>KIDN<br/>Coefficient</u> | <u>KIDN<br/>Std. Error</u> | <u>Adjusted<br/>R-squared</u> | <u>Regression<br/>F-value</u> |
|----------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|-------------------------------|-------------------------------|
| <b>Australia 1994</b>      |                             |                            |                             |                            |                               |                               |
| Disposable Income          | -5110.2                     | 862.7                      | -2036.8                     | 440.1                      | 0.076                         | 37.94                         |
| <b>Canada 1994</b>         |                             |                            |                             |                            |                               |                               |
| Disposable Income          | -1641.7                     | 401.2                      | -928.9                      | 220.3                      | 0.066                         | 185.88                        |
| <b>Finland 1995</b>        |                             |                            |                             |                            |                               |                               |
| Disposable Income          | 6066.8                      | 1978.6                     | 6552.4                      | 1151.5                     | 0.123                         | 106.62                        |
| <b>Germany 1994</b>        |                             |                            |                             |                            |                               |                               |
| Disposable Income          | -5084.0                     | 1061.6                     | -538.2                      | 621.1                      | 0.101                         | 50.93                         |
| <b>Netherlands 1994</b>    |                             |                            |                             |                            |                               |                               |
| Disposable Income          | -6029.9                     | 1543.99                    | 99.1                        | 889.3                      | 0.012                         | 5.21                          |
| <b>Norway 1995</b>         |                             |                            |                             |                            |                               |                               |
| Disposable Income          | 9952.1                      | 4083.0                     | 1244.9                      | 2147.1                     | 0.072                         | 53.89                         |
| <b>Sweden 1995</b>         |                             |                            |                             |                            |                               |                               |
| Disposable Income          | 12484.0                     | 2455.67                    | 9861.0                      | 1331.2                     | 0.095                         | 95.72                         |
| <b>United Kingdom 1995</b> |                             |                            |                             |                            |                               |                               |
| Disposable Income          | -2450.6                     | 557.95                     | -708.5                      | 294.2                      | 0.055                         | 25.82                         |
| <b>United States 1997</b>  |                             |                            |                             |                            |                               |                               |
| Disposable Income          | 910.4                       | 482.2                      | -1803.8                     | 238.3                      | 0.066                         | 219.44                        |

Values estimated from regressions of disposable income on ages of head and spouse, and their squares.

**Table 3**

**Disposable Income Regression Coefficients and Standard Errors  
Single Household Heads, Age 25 - 54**

|                            | <u>KIDZ<br/>Coefficient</u> | <u>KIDZ<br/>Std. Error</u> | <u>KIDN<br/>Coefficient</u> | <u>KIDN<br/>Std. Error</u> | <u>Adjusted<br/>R-squared</u> | <u>Regression<br/>F-value</u> |
|----------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|-------------------------------|-------------------------------|
| <b>Australia 1994</b>      |                             |                            |                             |                            |                               |                               |
| Disposable Income          | -3476.1                     | 1059.515                   | -518.2                      | 876.5                      | 0.020                         | 8.24                          |
| <b>Canada 1994</b>         |                             |                            |                             |                            |                               |                               |
| Disposable Income          | -295.2                      | 470.03                     | 645.3                       | 409.6                      | 0.021                         | 40.98                         |
| <b>Finland 1995</b>        |                             |                            |                             |                            |                               |                               |
| Disposable Income          | 19134.0                     | 3577.9                     | 25309.0                     | 3989.7                     | 0.106                         | 45.17                         |
| <b>Germany 1994</b>        |                             |                            |                             |                            |                               |                               |
| Disposable Income          | -5593.2                     | 1581.1                     | 5844.7                      | 1719.7                     | 0.089                         | 20.94                         |
| <b>Netherlands 1994</b>    |                             |                            |                             |                            |                               |                               |
| Disposable Income          | -4663.0                     | 1773.31                    | 1667.6                      | 1810.7                     | 0.062                         | 12.28                         |
| <b>Norway 1995</b>         |                             |                            |                             |                            |                               |                               |
| Disposable Income          | 30077.0                     | 5512.4                     | 16931.0                     | 5970.2                     | 0.113                         | 45.50                         |
| <b>Sweden 1995</b>         |                             |                            |                             |                            |                               |                               |
| Disposable Income          | 37199.0                     | 2856.07                    | 29047.0                     | 2557.8                     | 0.235                         | 208.54                        |
| <b>United Kingdom 1995</b> |                             |                            |                             |                            |                               |                               |
| Disposable Income          | -2201.8                     | 536.49                     | 431.4                       | 376.7                      | 0.016                         | 5.71                          |
| <b>United States 1997</b>  |                             |                            |                             |                            |                               |                               |
| Disposable Income          | -1765.3                     | 500.1                      | -1355.1                     | 311.4                      | 0.011                         | 33.67                         |

Values estimated from regressions of disposable income on age of head and its square.

**Table 4**

**Decomposition of the Effects of the Presence of Children on Disposable Income  
( KIDZ )  
Married Households, Head Age 25 - 54**

|                       | <b>Disposable<br/>Income</b>                                   | <b>(Rank)</b> | <b>Earnings +<br/>Self-emp. Income</b> | <b>(Rank)</b> | <b>Social Transfers<br/>Net of Taxes</b> | <b>(Rank)</b> | <b>Other<br/>Income</b> | <b>(Rank)</b> |
|-----------------------|--|---------------|--|---------------|--|---------------|-------------------------|---------------|
| <b>Finland</b>        | 4.1  | 2             | 6.8                                    | 1             | -2.2                                     | 9             | -0.5                    | 3             |
| <b>Norway</b>         | 3.5  | 3             | 1.3                                    | 2             | 4.2                                      | 7             | -2.0                    | 7             |
| <b>Sweden</b>         | 5.2  | 1             | -6.2                                   | 4             | 10.4                                     | 4             | 1.0                     | 1             |
| <b>Germany</b>        | -9.1   | 6             | -24.6                                  | 9             | 17.5                                     | 1             | -2.0                    | 6             |
| <b>Netherlands</b>    | -11.0  | 7             | -20.5                                  | 7             | 10.4                                     | 3             | -0.9                    | 5             |
| <b>Australia</b>      | -14.7  | 8             | -16.1                                  | 6             | 5.2                                      | 5             | -3.8                    | 9             |
| <b>United Kingdom</b> | -14.7  | 9             | -23.6                                  | 8             | 12.3                                     | 2             | -3.4                    | 8             |
| <b>Canada</b>         | -3.8   | 5             | -7.4                                   | 5             | 4.4                                      | 6             | -0.8                    | 4             |
| <b>United States</b>  | 2.2  | 4             | -1.6                                   | 3             | 3.2                                      | 8             | 0.7                     | 3             |
|                       | <b>Correlation with DPI:</b>                                   |               | 0.8796                                 | 0.7833        | -0.5183                                  | -0.9333       | 0.7691                  | 0.7841        |
|                       | <b>Correlation with Earnings +<br/>Self-employment Income:</b> |               |  |               | -0.8556                                  | -0.9333       | 0.5344                  | 0.4705        |

Values estimated from regressions on ages of head and spouse, and their squares.

All values reported are normalized by national median equivalent income for a family of four.

Rank is from most positive or least negative (1) to most negative or least positive (9).

**Table 5**  
**Effects of the Presence of Children on Disposable Income and Earnings**  
**( KIDZ )**  
**Married Households, Head Age 25 - 54**

|                              | <b>Disposable<br/>Income</b> | <b>(Rank)</b> | <b>Head's<br/>Earnings</b> | <b>(Rank)</b> | <b>Spouse's<br/>Earnings</b> | <b>(Rank)</b> | <b>Earnings +<br/>Self-emp. Income</b> | <b>(Rank)</b> |
|------------------------------|------------------------------|---------------|----------------------------|---------------|------------------------------|---------------|--|---------------|
| <b>Finland</b>               | 4.1                          | 2             | 5.9                        | 1             | -1.4                         | 1             | 6.8                                    | 1             |
| <b>Norway</b>                | 3.5                          | 3             | 5.7                        | 3             | -3.1                         | 2             | 1.3                                    | 2             |
| <b>Sweden</b>                | 5.2                          | 1             | 3.0                        | 5             | -9.5                         | 4             | -6.2                                   | 4             |
| <b>Germany</b>               | -9.1                         | 6             | 3.6                        | 4             | -26.5                        | 9             | -24.6                                  | 9             |
| <b>Netherlands</b>           | -11.0                        | 7             | 2.2                        | 7             | -22.1                        | 7             | -20.5                                  | 7             |
| <b>Australia</b>             | -14.7                        | 8             | -0.8                       | 9             | -15.5                        | 6             | -16.1                                  | 6             |
| <b>United Kingdom</b>        | -14.7                        | 9             | 2.4                        | 6             | -25.8                        | 8             | -23.6                                  | 8             |
| <b>Canada</b>                | -3.8                         | 5             | 2.0                        | 8             | -9.5                         | 5             | -7.4                                   | 5             |
| <b>United States</b>         | 2.2                          | 4             | 5.9                        | 2             | -7.7                         | 3             | -1.6                                   | 3             |
| <b>Correlation with DPI:</b> |                              |               | 0.7579                     | 0.6333        | 0.8427                       | 0.7833        | 0.8796                                 | 0.7833        |

Values estimated from regressions on ages of head and spouse, and their squares.

All values reported are normalized by national median equivalent income for a family of four.

Rank is from most positive or least negative (1) to most negative or least positive (9).

**Table 6**

**Decomposition of the Effects of the Presence of Children on Disposable Income  
( KIDZ )  
Single Household Heads, Ages 25 - 54**

|                       | <b>Disposable<br/>Income</b>                                   | <b>(Rank)</b> | <b>Earnings +<br/>Self-emp. Income</b> | <b>(Rank)</b> | <b>Social Transfers<br/>Net of Taxes</b> | <b>(Rank)</b> | <b>Other<br/>Income</b> | <b>(Rank)</b> |
|-----------------------|--|---------------|--|---------------|--|---------------|-------------------------|---------------|
| <b>Finland</b>        | 12.9   | 2             | -2.9                                   | 1             | 11.7                                     | 9             | 4.2                     | 4             |
| <b>Norway</b>         | 10.6   | 3             | -13.9                                  | 3             | 18.5                                     | 4             | 6.0                     | 1             |
| <b>Sweden</b>         | 15.4   | 1             | -6.3                                   | 2             | 17.1                                     | 6             | 4.6                     | 2             |
| <b>Germany</b>        | -10.0  | 7             | -29.4                                  | 6             | 18.3                                     | 5             | 1.1                     | 6             |
| <b>Netherlands</b>    | -8.5   | 6             | -48.0                                  | 9             | 40.7                                     | 1             | -1.2                    | 9             |
| <b>Australia</b>      | -10.0  | 8             | -43.0                                  | 8             | 29.7                                     | 3             | 3.3                     | 5             |
| <b>United Kingdom</b> | -13.2  | 9             | -42.9                                  | 7             | 30.3                                     | 2             | -0.5                    | 8             |
| <b>Canada</b>         | -0.7   | 4             | -20.1                                  | 5             | 15.2                                     | 7             | 4.2                     | 3             |
| <b>United States</b>  | -4.3   | 5             | -18.2                                  | 4             | 13.0                                     | 8             | 0.9                     | 7             |
|                       | <b>Correlation with DPI:</b>                                   |               | 0.8929                                 | 0.8500        | -0.5973                                  | -0.6333       | 0.7856                  | 0.7167        |
|                       | <b>Correlation with Earnings +<br/>Self-employment Income:</b> |               |  |               | -0.8873                                  | -0.8000       | 0.7281                  | 0.7000        |

Values estimated from regressions on age of head, and its square.

All values reported are normalized by national median equivalent income for a family of four.

Rank is from most positive or least negative (1) to most negative or least positive (9).

**Table 7**  
**Effects of the Presence of Children on Disposable Income and Earnings**  
**( KIDZ )**  
**Single Household Heads, Ages 25 - 54**

|                       | <b>Disposable<br/>Income</b> | <b>(Rank)</b> | <b>Head's<br/>Earnings</b> | <b>(Rank)</b> | <b>Earnings +<br/>Self-emp. Income</b> | <b>(Rank)</b> |
|-----------------------|------------------------------|---------------|----------------------------|---------------|--|---------------|
| <b>Finland</b>        | 12.9                         | 2             | -2.9                       | 1             | -2.9                                   | 1             |
| <b>Norway</b>         | 10.6                         | 3             | -11.7                      | 3             | -13.9                                  | 3             |
| <b>Sweden</b>         | 15.4                         | 1             | -5.4                       | 2             | -6.3                                   | 2             |
| <b>Germany</b>        | -10.0                        | 7             | -23.7                      | 6             | -29.4                                  | 6             |
| <b>Netherlands</b>    | -8.5                         | 6             | -45.7                      | 9             | -48.0                                  | 9             |
| <b>Australia</b>      | -10.0                        | 8             | -38.0                      | 7             | -43.0                                  | 8             |
| <b>United Kingdom</b> | -13.2                        | 9             | -38.1                      | 8             | -42.9                                  | 7             |
| <b>Canada</b>         | -0.7                         | 4             | -18.6                      | 5             | -20.1                                  | 5             |
| <b>United States</b>  | -4.3                         | 5             | -16.6                      | 4             | -18.2                                  | 4             |
|                       | <b>Correlation with DPI:</b> |               | 0.8709                     | 0.8667        | 0.8929                                 | 0.8500        |

Values estimated from regressions on age of head and its square.

All values reported are normalized by national median equivalent income for a family of four.

Rank is from most positive or least negative (1) to most negative or least positive (9).

**Table 8**

**Decomposition of the Effects of the Number of Children on Disposable Income  
( KIDN )  
Married Households, Head Age 25 - 54**

|                       | <b>Disposable<br/>Income</b>                                   | <b>(Rank)</b> | <b>Earnings +<br/>Self-emp. Income</b> | <b>(Rank)</b> | <b>Social Transfers<br/>Net of Taxes</b> | <b>(Rank)</b> | <b>Other<br/>Income</b> | <b>(Rank)</b> |
|-----------------------|--|---------------|--|---------------|--|---------------|-------------------------|---------------|
| <b>Finland</b>        | 4.4  | 1             | -4.5                                   | 2             | 9.2                                      | 3             | -0.3                    | 3             |
| <b>Norway</b>         | 0.4  | 3             | -5.8                                   | 3             | 7.1                                      | 6             | -0.9                    | 6             |
| <b>Sweden</b>         | 4.1  | 2             | -9.1                                   | 6             | 12.8                                     | 1             | 0.4                     | 1             |
| <b>Germany</b>        | -1.0   | 5             | -7.9                                   | 5             | 9.0                                      | 4             | -2.0                    | 8             |
| <b>Netherlands</b>    | 0.2  | 4             | -3.5                                   | 1             | 4.3                                      | 9             | -0.7                    | 5             |
| <b>Australia</b>      | -5.9   | 9             | -10.9                                  | 8             | 8.0                                      | 5             | -3.1                    | 9             |
| <b>United Kingdom</b> | -4.3   | 7             | -15.5                                  | 9             | 12.5                                     | 2             | -1.2                    | 7             |
| <b>Canada</b>         | -2.2   | 6             | -6.1                                   | 4             | 4.5                                      | 8             | -0.6                    | 4             |
| <b>United States</b>  | -4.4   | 8             | -9.3                                   | 7             | 5.0                                      | 7             | 0.0                     | 2             |
|                       | <b>Correlation with DPI:</b>                                   |               | 0.5838                                 | 0.7000        | 0.2648                                   | 0.2833        | 0.5984                  | 0.4667        |
|                       | <b>Correlation with Earnings +<br/>Self-employment Income:</b> |               |  |               | -0.5978                                  | -0.4500       | 0.3010                  | 0.2500        |

Values estimated from regressions on ages of head and spouse, and their squares.

All values reported are normalized by national median equivalent income for a family of four.

Rank is from most positive or least negative (1) to most negative or least positive (9).



**Table 9**  
**Effects of the Number of Children on Disposable Income and Earnings**  
**( KIDN )**  
**Married Households, Head Age 25 - 54**

|                              | <b>Disposable<br/>Income</b> | <b>(Rank)</b> | <b>Head's<br/>Earnings</b> | <b>(Rank)</b> | <b>Spouse's<br/>Earnings</b> | <b>(Rank)</b> | <b>Earnings +<br/>Self-emp. Income</b> | <b>(Rank)</b> |
|------------------------------|------------------------------|---------------|----------------------------|---------------|------------------------------|---------------|--|---------------|
| <b>Finland</b>               | 4.4                          | 1             | 0.2                        | 3             | -6.3                         | 2             | -4.5                                   | 2             |
| <b>Norway</b>                | 0.4                          | 3             | 0.0                        | 4             | -8.1                         | 6             | -5.8                                   | 3             |
| <b>Sweden</b>                | 4.1                          | 2             | -3.1                       | 8             | -6.0                         | 1             | -9.1                                   | 6             |
| <b>Germany</b>               | -1.0                         | 5             | 3.3                        | 1             | -8.9                         | 8             | -7.9                                   | 5             |
| <b>Netherlands</b>           | 0.2                          | 4             | 3.2                        | 2             | -8.8                         | 7             | -3.5                                   | 1             |
| <b>Australia</b>             | -5.9                         | 9             | -1.7                       | 6             | -9.7                         | 9             | -10.9                                  | 8             |
| <b>United Kingdom</b>        | -4.3                         | 7             | -9.7                       | 9             | -7.4                         | 5             | -15.5                                  | 9             |
| <b>Canada</b>                | -2.2                         | 6             | -0.4                       | 5             | -6.8                         | 3             | -6.1                                   | 4             |
| <b>United States</b>         | -4.4                         | 8             | -2.4                       | 7             | -7.3                         | 4             | -9.3                                   | 7             |
| <b>Correlation with DPI:</b> |                              |               | 0.3420                     | 0.3667        | 0.5536                       | 0.5167        | 0.5838                                 | 0.7000        |

Values estimated from regressions on ages of head and spouse, and their squares.

All values reported are normalized by national median equivalent income for a family of four.

Rank is from most positive or least negative (1) to most negative or least positive (9).

**Table 10**

**Decomposition of the Effects of the Number of Children on Disposable Income  
( KIDN )  
Single Household Heads, Ages 25 - 54**

|                       | <b>Disposable<br/>Income</b>                                   | <b>(Rank)</b> | <b>Earnings +<br/>Self-emp. Income</b> | <b>(Rank)</b> | <b>Social Transfers<br/>Net of Taxes</b> | <b>(Rank)</b> | <b>Other<br/>Income</b> | <b>(Rank)</b> |
|-----------------------|--|---------------|--|---------------|--|---------------|-------------------------|---------------|
| <b>Finland</b>        | 17.0   | 1             | 1.7                                    | 1             | 10.4                                     | 4             | 4.9                     | 2             |
| <b>Norway</b>         | 6.0  | 4             | -6.2                                   | 3             | 8.8                                      | 5             | 3.4                     | 5             |
| <b>Sweden</b>         | 12.0   | 2             | -8.3                                   | 6             | 14.6                                     | 2             | 5.8                     | 1             |
| <b>Germany</b>        | 10.4   | 3             | -8.7                                   | 7             | 15.0                                     | 1             | 4.2                     | 4             |
| <b>Netherlands</b>    | 3.0  | 5             | -10.3                                  | 9             | 8.7                                      | 6             | 4.6                     | 3             |
| <b>Australia</b>      | -1.5   | 8             | -7.7                                   | 5             | 7.1                                      | 8             | -0.9                    | 8             |
| <b>United Kingdom</b> | 2.6  | 6             | -9.3                                   | 8             | 12.5                                     | 3             | -0.6                    | 7             |
| <b>Canada</b>         | 1.5  | 7             | -5.8                                   | 2             | 7.2                                      | 7             | 0.1                     | 6             |
| <b>United States</b>  | -3.3   | 9             | -7.4                                   | 4             | 5.9                                      | 9             | -1.8                    | 9             |
|                       | <b>Correlation with DPI:</b>                                   |               | 0.5418                                 | 0.0667        | 0.6868                                   | 0.8000        | 0.8449                  | 0.9167        |
|                       | <b>Correlation with Earnings +<br/>Self-employment Income:</b> |               |  |               | -0.1459                                  | -0.3167       | 0.1987                  | -0.0500       |

Values estimated from regressions on age of head and its square.

All values reported are normalized by national median equivalent income for a family of four.

Rank is from most positive or least negative (1) to most negative or least positive (9).

**Table 11**

**Effects of the Number of Children on Disposable Income and Earnings  
( KIDN )  
Single Household Heads, Ages 25 - 54**

|                       | <b>Disposable<br/>Income</b> | <b>(Rank)</b> | <b>Head's<br/>Earnings</b> | <b>(Rank)</b> | <b>Earnings +<br/>Self-emp. Income</b> | <b>(Rank)</b> |
|-----------------------|------------------------------|---------------|----------------------------|---------------|--|---------------|
| <b>Finland</b>        | 17.0                         | 1             | -1.5                       | 1             | 1.7                                    | 1             |
| <b>Norway</b>         | 6.0                          | 4             | -5.1                       | 2             | -6.2                                   | 3             |
| <b>Sweden</b>         | 12.0                         | 2             | -8.5                       | 6             | -8.3                                   | 6             |
| <b>Germany</b>        | 10.4                         | 3             | -14.4                      | 9             | -8.7                                   | 7             |
| <b>Netherlands</b>    | 3.0                          | 5             | -11.5                      | 8             | -10.3                                  | 9             |
| <b>Australia</b>      | -1.5                         | 8             | -7.2                       | 5             | -7.7                                   | 5             |
| <b>United Kingdom</b> | 2.6                          | 6             | -9.6                       | 7             | -9.3                                   | 8             |
| <b>Canada</b>         | 1.5                          | 7             | -5.3                       | 3             | -5.8                                   | 2             |
| <b>United States</b>  | -3.3                         | 9             | -7.1                       | 4             | -7.4                                   | 4             |
|                       | <b>Correlation with DPI:</b> |               | 0.1563                     | 0.0333        | 0.5418                                 | 0.0667        |

Values estimated from regressions on ages of head and its square.

All values reported are normalized by national median equivalent income for a family of four.

Rank is from most positive or least negative (1) to most negative or least positive (9).

Table 12

## Rank Correlations for Married Couple Households

| KIDZ Coefficients*   |   |   |   |                                   |
|--|---|---|---|-----------------------------------|
| Rank Correlations  | (1)<br>Head Age 25 - 54<br>(Median Equivalent DI) | (2)<br>All Ages<br>(Median Equivalent DI) | (3)<br>Head Age 25 - 54<br>(U.S. Mean DI) | (4)<br>All Ages<br>(U.S. Mean DI) |
| DPI with column (1) DPI  | -----   | 0.93                                      | 0.97                                      | 0.93                              |
| DPI with Earnings and Self-emp. Income                         | 0.78  | 0.72                                      | 0.73                                      | 0.75                              |
| DPI with Social Transfers net of Taxes                         | -0.58   | -0.48                                     | -0.47                                     | -0.43                             |
| Earnings + Self-emp. Income with Social Transfers net of Taxes | -0.93   | -0.93                                     | -0.93                                     | -0.83                             |
| DPI with Other Income  | 0.78  | 0.63                                      | 0.63                                      | 0.60                              |
| DPI with Spouse Earnings                                       | 0.78  | 0.72                                      | 0.78                                      | 0.78                              |

| KIDN Coefficients*   |   |   |   |                                   |
|--|---|---|---|-----------------------------------|
| Rank Correlations  | (1)<br>Head Age 25 - 54<br>(Median Equivalent DI) | (2)<br>All Ages<br>(Median Equivalent DI) | (3)<br>Head Age 25 - 54<br>(U.S. Mean DI) | (4)<br>All Ages<br>(U.S. Mean DI) |
| DPI with column (1) DPI  | -----   | 0.98                                      | 1.00                                      | 1.00                              |
| DPI with Earnings and Self-emp. Income                         | 0.70  | 0.57                                      | 0.72                                      | 0.73                              |
| DPI with Social Transfers net of Taxes                         | 0.28  | 0.13                                      | 0.25                                      | 0.00                              |
| Earnings + Self-emp. Income with Social Transfers net of Taxes | -0.45   | -0.70                                     | -0.37                                     | -0.58                             |
| DPI with Other Income  | 0.47  | 0.60                                      | 0.38                                      | 0.43                              |
| DPI with Spouse Earnings                                       | 0.52  | 0.53                                      | 0.70                                      | 0.65                              |

\* Coefficients from regressions of DI on ages of head and spouse, their squares, and for All Ages their cubes and quartics.

Columns 1 and 3 restricted to households with Head age 25 - 54.

Columns 1 and 2 coefficients normalized by national median equivalent income for a family of four.

Columns 3 and 4 coefficients normalized by U.S. mean disposable income at PPP.

Table 13

## Rank Correlations for Single Household Heads

| KIDZ Coefficients*   |   |   |   |                                   |
|--|---|---|---|-----------------------------------|
| Rank Correlations  | (1)<br>Head Age 25 - 54<br>(Median Equivalent DI) | (2)<br>All Ages<br>(Median Equivalent DI) | (3)<br>Head Age 25 - 54<br>(U.S. Mean DI) | (4)<br>All Ages<br>(U.S. Mean DI) |
| DPI with column (1) DPI  | -----   | 0.97                                      | .97                                       | 0.92                              |
| DPI with Earnings + Self-emp. Income                           | 0.85  | 0.93                                      | 0.80                                      | 0.87                              |
| DPI with Social Transfers net of Taxes                         | -0.63   | -0.62                                     | -0.48                                     | -0.62                             |
| Earnings + Self-emp. Income with Social Transfers net of Taxes | -0.80   | -0.70                                     | -0.83                                     | -0.85                             |
| DPI with Other Income  | 0.72  | 0.68                                      | 0.78                                      | 0.77                              |
| KIDN Coefficients*   |   |   |   |                                   |
| Rank Correlations  | (1)<br>Head Age 25 - 54<br>(Median Equivalent DI) | (2)<br>All Ages<br>(Median Equivalent DI) | (3)<br>Head Age 25 - 54<br>(U.S. Mean DI) | (4)<br>All Ages<br>(U.S. Mean DI) |
| DPI with column (1) DPI  | -----   | 0.93                                      | 1.00                                      | 0.93                              |
| DPI with Earnings and Self-emp. Income                         | 0.07  | 0.27                                      | 0.58                                      | 0.67                              |
| DPI with Social Transfers net of Taxes                         | 0.80  | 0.62                                      | 0.53                                      | 0.53                              |
| Earnings + Self-emp. Income with Social Transfers net of Taxes | -0.32   | -0.57                                     | 0.13                                      | -0.02                             |
| DPI with Other Income  | 0.92  | 0.77                                      | 0.85                                      | 0.85                              |

\* Coefficients from regressions of DI on age of head and its square, and for All Ages its cube and quartic.

Columns 1 and 3 restricted to households with Head age 25 - 54.

Columns 1 and 2 coefficients normalized by national median equivalent income for a family of four.

Columns 3 and 4 coefficients normalized by U.S. mean disposable income at PPP.

**Appendix I**  
**Table A**

**Mean Income Packages in Local Currency**  
**Married Couple Households**

|                                      | Working Age<br>With Children | All Ages<br>With Children | Working Age<br>No Children | All Ages<br>No Children |
|--------------------------------------|------------------------------|---------------------------|----------------------------|-------------------------|
| <b>AUSTRALIA 1994</b>                |                              |                           |                            |                         |
| <b>Disposable Income</b>             | 39049                        | 38643                     | 45345                      | 34874                   |
| <b>Head's Earnings</b>               | 28036                        | 27412                     | 28054                      | 16517                   |
| <b>Spouse's Earnings</b>             | 10665                        | 10377                     | 17023                      | 9610                    |
| <b>Self-employment Income</b>        | 4710                         | 4647                      | 3951                       | 3093                    |
| <b>Social Transfers net of Taxes</b> | -6660                        | -6132                     | -10176                     | -2800                   |
| <b>Other Income</b>                  | 2298                         | 2339                      | 6494                       | 8454                    |
| <b>CANADA 1994</b>                   |                              |                           |                            |                         |
| <b>Disposable Income</b>             | 46910                        | 46684                     | 49638                      | 43185                   |
| <b>Head's Earnings</b>               | 33212                        | 32479                     | 32024                      | 20025                   |
| <b>Spouse's Earnings</b>             | 14065                        | 13694                     | 18919                      | 11566                   |
| <b>Self-employment Income</b>        | 3583                         | 3543                      | 3029                       | 2601                    |
| <b>Social Transfers net of Taxes</b> | -7038                        | -6662                     | -9888                      | -1995                   |
| <b>Other Income</b>                  | 3087                         | 3630                      | 5554                       | 10988                   |
| <b>FINLAND 1995</b>                  |                              |                           |                            |                         |
| <b>Disposable Income</b>             | 170812                       | 169650                    | 154260                     | 139070                  |
| <b>Head's Earnings</b>               | 105638                       | 102948                    | 91915                      | 54660                   |
| <b>Spouse's Earnings</b>             | 66650                        | 65784                     | 69852                      | 46278                   |
| <b>Self-employment Income</b>        | 21871                        | 21791                     | 16107                      | 13443                   |
| <b>Social Transfers net of Taxes</b> | -34570                       | -33648                    | -40587                     | -26542                  |
| <b>Other Income</b>                  | 11223                        | 12775                     | 16973                      | 51231                   |
| <b>GERMANY 1994</b>                  |                              |                           |                            |                         |
| <b>Disposable Income</b>             | 57997                        | 57949                     | 61621                      | 53840                   |
| <b>Head's Earnings</b>               | 51261                        | 50645                     | 46695                      | 27904                   |
| <b>Spouse's Earnings</b>             | 13942                        | 13681                     | 28234                      | 14415                   |
| <b>Self-employment Income</b>        | 5629                         | 5725                      | 5509                       | 3122                    |
| <b>Social Transfers net of Taxes</b> | -16463                       | -15790                    | -26676                     | -2242                   |
| <b>Other Income</b>                  | 3627                         | 3689                      | 7859                       | 10641                   |

|                               | Working Age<br>With Children | All Ages<br>With Children | Working Age<br>No Children | All Ages<br>No Children |
|-------------------------------|------------------------------|---------------------------|----------------------------|-------------------------|
| <b>NETHERLANDS 1994</b>       |                              |                           |                            |                         |
| Disposable Income             | 54364                        | 54446                     | 56816                      | 48444                   |
| Head's Earnings               | 49213                        | 48184                     | 43346                      | 25428                   |
| Spouse's Earnings             | 14423                        | 14270                     | 26298                      | 14531                   |
| Self-employment Income        | 3171                         | 3110                      | 3914                       | 2319                    |
| Social Transfers net of Taxes | -14520                       | -13554                    | -19939                     | -9050                   |
| Other Income                  | 2077                         | 2436                      | 3197                       | 15216                   |

|                               |        |        |        |        |
|-------------------------------|--------|--------|--------|--------|
| <b>NORWAY 1995</b>            |        |        |        |        |
| Disposable Income             | 333227 | 328459 | 330911 | 269365 |
| Head's Earnings               | 226663 | 221734 | 211274 | 119544 |
| Spouse's Earnings             | 114992 | 111862 | 134717 | 79829  |
| Self-employment Income        | 38814  | 37941  | 40678  | 29072  |
| Social Transfers net of Taxes | -67208 | -63722 | -97853 | -13025 |
| Other Income                  | 19966  | 20644  | 42094  | 53945  |

|                               |        |        |        |        |
|-------------------------------|--------|--------|--------|--------|
| <b>SWEDEN 1995</b>            |        |        |        |        |
| Disposable Income             | 276377 | 274524 | 255519 | 228470 |
| Head's Earnings               | 185886 | 182928 | 183734 | 100071 |
| Spouse's Earnings             | 96925  | 96039  | 128769 | 77567  |
| Self-employment Income        | 9627   | 9440   | 9158   | 6966   |
| Social Transfers net of Taxes | -24763 | -23290 | -73925 | 4352   |
| Other Income                  | 8701   | 9407   | 7783   | 39514  |

|                               |       |       |       |       |
|-------------------------------|-------|-------|-------|-------|
| <b>UNITED KINGDOM 1995</b>    |       |       |       |       |
| Disposable Income             | 19847 | 19605 | 22038 | 17512 |
| Head's Earnings               | 13877 | 13433 | 13231 | 7074  |
| Spouse's Earnings             | 4660  | 4534  | 8682  | 4627  |
| Self-employment Income        | 3849  | 3789  | 3527  | 2229  |
| Social Transfers net of Taxes | -3947 | -3651 | -6601 | -1841 |
| Other Income                  | 1408  | 1500  | 3199  | 5422  |

|                               |        |        |        |       |
|-------------------------------|--------|--------|--------|-------|
| <b>UNITED STATES 1997</b>     |        |        |        |       |
| Disposable Income             | 48205  | 47448  | 50473  | 45304 |
| Head's Earnings               | 36474  | 34972  | 34909  | 22625 |
| Spouse's Earnings             | 15341  | 14780  | 20276  | 13113 |
| Self-employment Income        | 3504   | 3474   | 3654   | 3174  |
| Social Transfers net of Taxes | -11803 | -11083 | -15005 | -6139 |
| Other Income                  | 4689   | 5305   | 6639   | 12531 |

**Appendix I**  
**Table B**

**Mean Income Packages in Local Currency**  
**Single Household Heads**

|                                      | Working Age<br>With Children | All Ages<br>With Children | Working Age<br>No Children | All Ages<br>No Children |
|--------------------------------------|------------------------------|---------------------------|----------------------------|-------------------------|
| <b>AUSTRALIA 1994</b>                |                              |                           |                            |                         |
| <b>Disposable Income</b>             | 19834                        | 13720                     | 23202                      | 13185                   |
| <b>Head's Earnings</b>               | 9737                         | 3403                      | 23551                      | 5959                    |
| <b>Self-employment Income</b>        | 353                          | 2099                      | 1963                       | 366                     |
| <b>Social Transfers net of Taxes</b> | 6899                         | 7782                      | -4764                      | 3290                    |
| <b>Other Income</b>                  | 2845                         | 435                       | 2452                       | 3569                    |
| <b>CANADA 1994</b>                   |                              |                           |                            |                         |
| <b>Disposable Income</b>             | 25064                        | 21029                     | 24958                      | 19091                   |
| <b>Head's Earnings</b>               | 14985                        | 3955                      | 23820                      | 47446                   |
| <b>Self-employment Income</b>        | 1222                         | 813                       | 1930                       | 564                     |
| <b>Social Transfers net of Taxes</b> | 4614                         | 8571                      | -3625                      | 6300                    |
| <b>Other Income</b>                  | 4243                         | 7691                      | 2833                       | 7482                    |
| <b>FINLAND 1995</b>                  |                              |                           |                            |                         |
| <b>Disposable Income</b>             | 116523                       | 86496                     | 84071                      | 603890                  |
| <b>Head's Earnings</b>               | 75005                        | 17131                     | 78100                      | 11875                   |
| <b>Self-employment Income</b>        | 9619                         | 3002                      | 7132                       | 3049                    |
| <b>Social Transfers net of Taxes</b> | 9341                         | 37358                     | -15099                     | 6082                    |
| <b>Other Income</b>                  | 22558                        | 29005                     | 13938                      | 39383                   |
| <b>GERMANY 1994</b>                  |                              |                           |                            |                         |
| <b>Disposable Income</b>             | 28535                        | 38496                     | 31101                      | 26717                   |
| <b>Head's Earnings</b>               | 18931                        | 10899                     | 35064                      | 6502                    |
| <b>Self-employment Income</b>        | 2279                         | 305                       | 3692                       | 448                     |
| <b>Social Transfers net of Taxes</b> | 2150                         | 3499                      | -11668                     | 12918                   |
| <b>Other Income</b>                  | 4847                         | 23794                     | 3649                       | 6839                    |



|                               | Working Age<br>With Children | All Ages<br>With Children | Working Age<br>No Children | All Ages<br>No Children |
|-------------------------------|------------------------------|---------------------------|----------------------------|-------------------------|
| <b>NETHERLANDS 1994</b>       |                              |                           |                            |                         |
| Disposable Income             | 31407                        | 31782                     | 32384                      | 26743                   |
| Head's Earnings               | 10523                        | 10270                     | 38170                      | 18089                   |
| Self-employment Income        | 78                           | 76                        | 1011                       | 464                     |
| Social Transfers net of Taxes | 16930                        | 16799                     | -8837                      | 1900                    |
| Other Income                  | 3875                         | 4637                      | 2041                       | 6291                    |
| <b>NORWAY 1995</b>            |                              |                           |                            |                         |
| Disposable Income             | 189707                       | 129334                    | 151141                     | 109451                  |
| Head's Earnings               | 118738                       | 44821                     | 154994                     | 35627                   |
| Self-employment Income        | 6949                         | 826                       | 13155                      | 3544                    |
| Social Transfers net of Taxes | 33561                        | 63247                     | -28029                     | 41309                   |
| Other Income                  | 30459                        | 20441                     | 11020                      | 28971                   |
| <b>SWEDEN 1995</b>            |                              |                           |                            |                         |
| Disposable Income             | 179540                       | 114801                    | 123631                     | 92800                   |
| Head's Earnings               | 104655                       | 60841                     | 127990                     | 34717                   |
| Self-employment Income        | 2003                         | 0                         | 3864                       | 791                     |
| Social Transfers net of Taxes | 48797                        | 38479                     | -12832                     | 40793                   |
| Other Income                  | 24085                        | 15481                     | 4610                       | 16498                   |
| <b>UNITED KINGDOM 1995</b>    |                              |                           |                            |                         |
| Disposable Income             | 9838                         | 8277                      | 11802                      | 7713                    |
| Head's Earnings               | 3749                         | 786                       | 10742                      | 1279                    |
| Self-employment Income        | 269                          | 0                         | 1098                       | 230                     |
| Social Transfers net of Taxes | 4166                         | 5762                      | -2331                      | 2923                    |
| Other Income                  | 1653                         | 1729                      | 2292                       | 3281                    |
| <b>UNITED STATES 1997</b>     |                              |                           |                            |                         |
| Disposable Income             | 25765                        | 24696                     | 28998                      | 20963                   |
| Head's Earnings               | 17910                        | 7529                      | 27042                      | 6754                    |
| Self-employment Income        | 918                          | 680                       | 1711                       | 586                     |
| Social Transfers net of Taxes | -4                           | 2975                      | -7368                      | 3100                    |
| Other Income                  | 6941                         | 13512                     | 7614                       | 10523                   |

## Appendix II

### Table A

#### Disposable Income Regression Coefficients and Standard Errors Married Couple Households, Age 25 - 54

| <b>Australia 1994</b>         | <u>KIDZ</u><br><u>Coefficient</u> | <u>KIDZ</u><br><u>Std. Error</u> | <u>KIDN</u><br><u>Coefficient</u> | <u>KIDN</u><br><u>Std. Error</u> | <u>Adjusted</u><br><u>R-squared</u> | <u>Regression</u><br><u>F-value</u> |
|-------------------------------|-----------------------------------|----------------------------------|-----------------------------------|----------------------------------|-------------------------------------|-------------------------------------|
| Disposable Income             | -5110.2                           | 862.7                            | -2036.8                           | 440.1                            | 0.076                               | 37.94                               |
| Head's Earnings               | -282.4                            | 1065.0                           | -606.1                            | 543.2                            | 0.004                               | 2.87                                |
| Spouse's Earnings             | -5378.9                           | 691.8                            | -3382.7                           | 352.9                            | 0.088                               | 44.84                               |
| Self-employment Income        | 62.3                              | 682.7                            | 216.0                             | 348.3                            | 0.002                               | 1.99                                |
| Social Transfers net of Taxes | 1807.7                            | 612.3                            | 2795.3                            | 312.3                            | 0.054                               | 26.78                               |
| Other                         | -1319.0                           | 515.1                            | -1059.3                           | 262.7                            | 0.119                               | 61.82                               |

  

| <b>Canada 1994</b>            | <u>KIDZ</u><br><u>Coefficient</u> | <u>KIDZ</u><br><u>Std. Error</u> | <u>KIDN</u><br><u>Coefficient</u> | <u>KIDN</u><br><u>Std. Error</u> | <u>Adjusted</u><br><u>R-squared</u> | <u>Regression</u><br><u>F-value</u> |
|-------------------------------|-----------------------------------|----------------------------------|-----------------------------------|----------------------------------|-------------------------------------|-------------------------------------|
| Disposable Income             | -1641.7                           | 401.2                            | -928.9                            | 220.3                            | 0.066                               | 185.88                              |
| Head's Earnings               | 836.8                             | 477.7                            | -167.8                            | 262.3                            | 0.015                               | 40.31                               |
| Spouse's Earnings             | -4043.4                           | 313.1                            | -2889.6                           | 171.9                            | 0.061                               | 168.89                              |
| Self-employment Income        | 28.9                              | 237.3                            | 441.4                             | 130.3                            | 0.004                               | 11.65                               |
| Social Transfers net of Taxes | 1887.5                            | 260.6                            | 1942.9                            | 143.1                            | 0.046                               | 126.59                              |
| Other                         | -351.5                            | 200.1                            | -255.8                            | 109.9                            | 0.092                               | 264.72                              |

  

| <b>Finland 1995</b>           | <u>KIDZ</u><br><u>Coefficient</u> | <u>KIDZ</u><br><u>Std. Error</u> | <u>KIDN</u><br><u>Coefficient</u> | <u>KIDN</u><br><u>Std. Error</u> | <u>Adjusted</u><br><u>R-squared</u> | <u>Regression</u><br><u>F-value</u> |
|-------------------------------|-----------------------------------|----------------------------------|-----------------------------------|----------------------------------|-------------------------------------|-------------------------------------|
| Disposable Income             | 6066.8                            | 1978.6                           | 6552.4                            | 1151.5                           | 0.123                               | 106.62                              |
| Head's Earnings               | 8794.6                            | 2883.2                           | 367.8                             | 1678.0                           | 0.020                               | 15.89                               |
| Spouse's Earnings             | -2085.8                           | 1993.0                           | -9388.5                           | 1159.9                           | 0.082                               | 67.78                               |
| Self-employment Income        | 3357.6                            | 2039.4                           | 2396.6                            | 1186.9                           | 0.008                               | 7.05                                |
| Social Transfers net of Taxes | -3221.3                           | 2206.0                           | 13659.0                           | 1283.9                           | 0.087                               | 72.51                               |
| Other                         | -778.2                            | 1222.6                           | -482.7                            | 711.6                            | 0.079                               | 65.42                               |

  

| <b>Germany 1994</b>           | <u>KIDZ</u><br><u>Coefficient</u> | <u>KIDZ</u><br><u>Std. Error</u> | <u>KIDN</u><br><u>Coefficient</u> | <u>KIDN</u><br><u>Std. Error</u> | <u>Adjusted</u><br><u>R-squared</u> | <u>Regression</u><br><u>F-value</u> |
|-------------------------------|-----------------------------------|----------------------------------|-----------------------------------|----------------------------------|-------------------------------------|-------------------------------------|
| Disposable Income             | -5084.0                           | 1061.6                           | -538.2                            | 621.1                            | 0.101                               | 50.93                               |
| Head's Earnings               | 1988.6                            | 1542.4                           | 1833.2                            | 902.5                            | 0.032                               | 15.47                               |
| Spouse's Earnings             | -14822.0                          | 961.2                            | -4984.5                           | 562.4                            | 0.154                               | 81.87                               |
| Self-employment Income        | -933.1                            | 1026.1                           | -1292.1                           | 600.4                            | 0.017                               | 8.46                                |
| Social Transfers net of Taxes | 9796.4                            | 873.5                            | 5038.0                            | 511.1                            | 0.139                               | 72.86                               |
| Other                         | -1113.6                           | 531.3                            | -1132.7                           | 310.9                            | 0.142                               | 74.58                               |

| Netherlands 1994              | <u>KIDZ</u>        | <u>KIDZ</u>       | <u>KIDN</u>        | <u>KIDN</u>       | <u>Adjusted</u>  | <u>Regression</u> |
|-------------------------------|--------------------|-------------------|--------------------|-------------------|------------------|-------------------|
|                               | <u>Coefficient</u> | <u>Std. Error</u> | <u>Coefficient</u> | <u>Std. Error</u> | <u>R-squared</u> | <u>F-value</u>    |
| Disposable Income             | -6029.9            | 1543.99           | 99.1               | 889.3             | 0.012            | 5.21              |
| Head's Earnings               | 1220.8             | 1621.978          | 1743.7             | 934.3             | 0.026            | 10.55             |
| Spouse's Earnings             | -12131.0           | 998.457           | -4820.4            | 575.1             | 0.223            | 104.68            |
| Self-employment Income        | -343.7             | 825.71            | 1163.0             | 475.6             | 0.007            | 3.36              |
| Social Transfers net of Taxes | 5715.4             | 1412.8            | 2387.4             | 813.8             | 0.020            | 8.35              |
| Other                         | -491.8             | 432.03            | -374.6             | 248.9             | 0.114            | 47.47             |

| Norway 1995                   | <u>KIDZ</u>        | <u>KIDZ</u>       | <u>KIDN</u>        | <u>KIDN</u>       | <u>Adjusted</u>  | <u>Regression</u> |
|-------------------------------|--------------------|-------------------|--------------------|-------------------|------------------|-------------------|
|                               | <u>Coefficient</u> | <u>Std. Error</u> | <u>Coefficient</u> | <u>Std. Error</u> | <u>R-squared</u> | <u>F-value</u>    |
| Disposable Income             | 9952.1             | 4083.0            | 1244.9             | 2147.1            | 0.072            | 53.89             |
| Head's Earnings               | 16259.0            | 5823.2            | -116.6             | 3062.1            | 0.015            | 11.65             |
| Spouse's Earnings             | -8735.7            | 3697.82           | -22986.0           | 1944.5            | 0.051            | 37.40             |
| Self-employment Income        | -3722.6            | 4720.6            | 6642.4             | 2482.3            | 0.009            | 7.16              |
| Social Transfers net of Taxes | 11952.0            | 3754.5            | 20218.0            | 1974.3            | 0.076            | 56.83             |
| Other                         | -5801.1            | 2383.82           | -2512.8            | 1253.5            | 0.104            | 79.57             |

| Sweden 1995                   | <u>KIDZ</u>        | <u>KIDZ</u>       | <u>KIDN</u>        | <u>KIDN</u>       | <u>Adjusted</u>  | <u>Regression</u> |
|-------------------------------|--------------------|-------------------|--------------------|-------------------|------------------|-------------------|
|                               | <u>Coefficient</u> | <u>Std. Error</u> | <u>Coefficient</u> | <u>Std. Error</u> | <u>R-squared</u> | <u>F-value</u>    |
| Disposable Income             | 12484.0            | 2455.67           | 9861.0             | 1331.2            | 0.095            | 95.72             |
| Head's Earnings               | 7301.4             | 4077.63           | -7422.3            | 2210.4            | 0.028            | 26.83             |
| Spouse's Earnings             | -22842.0           | 2605.73           | -14580.0           | 1412.5            | 0.133            | 139.47            |
| Self-employment Income        | 535.7              | 1382.31           | -14.2              | 749.3             | 0.005            | 5.81              |
| Social Transfers net of Taxes | 25060.0            | 3631.91           | 30807.0            | 1968.7            | 0.142            | 150.09            |
| Other                         | 2429.4             | 1557.2            | 1070.6             | 844.1             | 0.004            | 4.67              |

| United Kingdom 1995           | <u>KIDZ</u>        | <u>KIDZ</u>       | <u>KIDN</u>        | <u>KIDN</u>       | <u>Adjusted</u>  | <u>Regression</u> |
|-------------------------------|--------------------|-------------------|--------------------|-------------------|------------------|-------------------|
|                               | <u>Coefficient</u> | <u>Std. Error</u> | <u>Coefficient</u> | <u>Std. Error</u> | <u>R-squared</u> | <u>F-value</u>    |
| Disposable Income             | -2450.6            | 557.95            | -708.5             | 294.2             | 0.055            | 25.82             |
| Head's Earnings               | 402.6              | 628.72            | -1606.4            | 331.5             | 0.031            | 14.92             |
| Spouse's Earnings             | -4297.1            | 346.01            | -1225.6            | 182.5             | 0.118            | 58.57             |
| Self-employment Income        | -26.0              | 211.65            | 244.7              | 269.8             | 0.000            | 1.00              |
| Social Transfers net of Taxes | 2040.8             | 371.441           | 2080.9             | 195.9             | 0.098            | 47.84             |
| Other                         | -571.0             | 236.27            | -202.2             | 124.6             | 0.138            | 69.51             |

| United States 1997            | <u>KIDZ</u>        | <u>KIDZ</u>       | <u>KIDN</u>        | <u>KIDN</u>       | <u>Adjusted</u>  | <u>Regression</u> |
|-------------------------------|--------------------|-------------------|--------------------|-------------------|------------------|-------------------|
|                               | <u>Coefficient</u> | <u>Std. Error</u> | <u>Coefficient</u> | <u>Std. Error</u> | <u>R-squared</u> | <u>F-value</u>    |
| Disposable Income             | 910.4              | 482.2             | -1803.8            | 238.3             | 0.066            | 219.44            |
| Head's Earnings               | 2419.5             | 532.9             | -975.1             | 263.4             | 0.024            | 75.80             |
| Spouse's Earnings             | -3188.5            | 349.8             | -2991.2            | 172.9             | 0.044            | 141.95            |
| Self-employment Income        | 97.5               | 276.1             | 130.2              | 136.5             | 0.006            | 20.68             |
| Social Transfers net of Taxes | 1310.9             | 291.4             | 2050.5             | 144.0             | 0.016            | 151.48            |
| Other                         | 271.0              | 245.3             | -18.2              | 121.2             | 0.059            | 194.32            |

**Appendix II**  
**Table B**

**Disposable Income Regression Coefficients and Standard Errors**  
**Single Household Heads, Age 25 - 54**

| <b>Australia 1994</b>         | <u>KIDZ</u><br><u>Coefficient</u> | <u>KIDZ</u><br><u>Std. Error</u> | <u>KIDN</u><br><u>Coefficient</u> | <u>KIDN</u><br><u>Std. Error</u> | <u>Adjusted</u><br><u>R-squared</u> | <u>Regression</u><br><u>F-value</u> |
|-------------------------------|-----------------------------------|----------------------------------|-----------------------------------|----------------------------------|-------------------------------------|-------------------------------------|
| Disposable Income             | -3476.1                           | 1059.515                         | -518.2                            | 876.5                            | 0.020                               | 8.24                                |
| Head's Earnings               | -13209.0                          | 1464.85                          | -2496.8                           | 1211.8                           | 0.108                               | 44.54                               |
| Self-employment Income        | -1725.9                           | 680.24                           | -186.5                            | 562.7                            | 0.007                               | 3.49                                |
| Social Transfers net of Taxes | 10300.0                           | 769.624                          | 2481.5                            | 636.7                            | 0.220                               | 102.10                              |
| Other                         | 1158.6                            | 824.16087                        | -316.2                            | 681.8                            | 0.036                               | 14.26                               |

  

| <b>Canada 1994</b>            | <u>KIDZ</u><br><u>Coefficient</u> | <u>KIDZ</u><br><u>Std. Error</u> | <u>KIDN</u><br><u>Coefficient</u> | <u>KIDN</u><br><u>Std. Error</u> | <u>Adjusted</u><br><u>R-squared</u> | <u>Regression</u><br><u>F-value</u> |
|-------------------------------|-----------------------------------|----------------------------------|-----------------------------------|----------------------------------|-------------------------------------|-------------------------------------|
| Disposable Income             | -295.2                            | 470.03                           | 645.3                             | 409.6                            | 0.021                               | 40.98                               |
| Head's Earnings               | -7957.1                           | 639.99                           | -2277.6                           | 557.7                            | 0.047                               | 91.64                               |
| Self-employment Income        | -633.2                            | 294.016                          | -202.4                            | 256.2                            | 0.001                               | 3.59                                |
| Social Transfers net of Taxes | 6498.1                            | 310.365                          | 3081.7                            | 270.4                            | 0.140                               | 300.74                              |
| Other                         | 1797.0                            | 279.74                           | 43.6                              | 243.8                            | 0.037                               | 71.16                               |

  

| <b>Finland 1995</b>           | <u>KIDZ</u><br><u>Coefficient</u> | <u>KIDZ</u><br><u>Std. Error</u> | <u>KIDN</u><br><u>Coefficient</u> | <u>KIDN</u><br><u>Std. Error</u> | <u>Adjusted</u><br><u>R-squared</u> | <u>Regression</u><br><u>F-value</u> |
|-------------------------------|-----------------------------------|----------------------------------|-----------------------------------|----------------------------------|-------------------------------------|-------------------------------------|
| Disposable Income             | 19134.0                           | 3577.9                           | 25309.0                           | 3989.7                           | 0.106                               | 45.17                               |
| Head's Earnings               | -4282.6                           | 5355.3                           | -2234.2                           | 5971.6                           | 0.006                               | 3.06                                |
| Self-employment Income        | -99.8                             | 2772.7                           | 4737.3                            | 3091.8                           | 0.000                               | 1.10                                |
| Social Transfers net of Taxes | 17319.0                           | 3579.9                           | 15461.0                           | 3991.9                           | 0.062                               | 25.42                               |
| Other                         | 6197.4                            | 2429.7                           | 7345.0                            | 2709.3                           | 0.043                               | 17.63                               |

  

| <b>Germany 1994</b>           | <u>KIDZ</u><br><u>Coefficient</u> | <u>KIDZ</u><br><u>Std. Error</u> | <u>KIDN</u><br><u>Coefficient</u> | <u>KIDN</u><br><u>Std. Error</u> | <u>Adjusted</u><br><u>R-squared</u> | <u>Regression</u><br><u>F-value</u> |
|-------------------------------|-----------------------------------|----------------------------------|-----------------------------------|----------------------------------|-------------------------------------|-------------------------------------|
| Disposable Income             | -5593.2                           | 1581.1                           | 5844.7                            | 1719.7                           | 0.089                               | 20.94                               |
| Head's Earnings               | -13275.0                          | 2680.4                           | -8038.5                           | 2915.5                           | 0.070                               | 16.43                               |
| Self-employment Income        | -3190.0                           | 1420.3                           | 3144.0                            | 1544.8                           | 0.018                               | 4.74                                |
| Social Transfers net of Taxes | 10260.0                           | 1505.3                           | 8411.9                            | 1637.4                           | 0.141                               | 34.54                               |
| Other                         | 611.6                             | 1193.6                           | 2327.3                            | 1298.3                           | 0.032                               | 7.74                                |

| <b>Netherlands 1994</b>       | <b>KIDZ</b>        | <b>KIDZ</b>       | <b>KIDN</b>        | <b>KIDN</b>       | <b>Adjusted</b>  | <b>Regression</b> |
|-------------------------------|--------------------|-------------------|--------------------|-------------------|------------------|-------------------|
|                               | <u>Coefficient</u> | <u>Std. Error</u> | <u>Coefficient</u> | <u>Std. Error</u> | <u>R-squared</u> | <u>F-value</u>    |
| Disposable Income             | -4663.0            | 1773.31           | 1667.6             | 1810.7            | 0.062            | 12.28             |
| Head's Earnings               | -25136.0           | 3313.07           | -6347.0            | 3383.0            | 0.164            | 34.41             |
| Self-employment Income        | -1238.3            | 940.06            | 688.2              | 959.9             | -0.001           | 0.79              |
| Social Transfers net of Taxes | 22370.0            | 2153.19           | 4794.2             | 2198.6            | 0.269            | 63.71             |
| Other                         | -659.4             | 1002.32           | 2532.5             | 1023.5            | 0.046            | 9.20              |

| <b>Norway 1995</b>            | <b>KIDZ</b>        | <b>KIDZ</b>       | <b>KIDN</b>        | <b>KIDN</b>       | <b>Adjusted</b>  | <b>Regression</b> |
|-------------------------------|--------------------|-------------------|--------------------|-------------------|------------------|-------------------|
|                               | <u>Coefficient</u> | <u>Std. Error</u> | <u>Coefficient</u> | <u>Std. Error</u> | <u>R-squared</u> | <u>F-value</u>    |
| Disposable Income             | 30077.0            | 5512.4            | 16931.0            | 5970.2            | 0.113            | 45.50             |
| Head's Earnings               | -33327.0           | 9004.58           | -14595.0           | 9752.4            | 0.033            | 12.94             |
| Self-employment Income        | -6124.4            | 4228.58           | -2962.0            | 4579.8            | 0.004            | 2.44              |
| Social Transfers net of Taxes | 52578.0            | 5480.42           | 24951.0            | 5935.6            | 0.123            | 50.03             |
| Other                         | 16949.0            | 2993.26           | 9538.0             | 3241.9            | 0.087            | 34.06             |

| <b>Sweden 1995</b>            | <b>KIDZ</b>        | <b>KIDZ</b>       | <b>KIDN</b>        | <b>KIDN</b>       | <b>Adjusted</b>  | <b>Regression</b> |
|-------------------------------|--------------------|-------------------|--------------------|-------------------|------------------|-------------------|
|                               | <u>Coefficient</u> | <u>Std. Error</u> | <u>Coefficient</u> | <u>Std. Error</u> | <u>R-squared</u> | <u>F-value</u>    |
| Disposable Income             | 37199.0            | 2856.07           | 29047.0            | 2557.8            | 0.235            | 208.54            |
| Head's Earnings               | -13006.0           | 5981.74           | -20499.0           | 5357.1            | 0.022            | 16.31             |
| Self-employment Income        | -2283.3            | 1438.52           | 405.4              | 1288.3            | 0.005            | 4.10              |
| Social Transfers net of Taxes | 41296.0            | 4241.58           | 35232.0            | 3798.7            | 0.133            | 104.70            |
| Other                         | 11193.0            | 1066.73           | 13910.0            | 955.3             | 0.222            | 194.13            |

| <b>United Kingdom 1995</b>    | <b>KIDZ</b>        | <b>KIDZ</b>       | <b>KIDN</b>        | <b>KIDN</b>       | <b>Adjusted</b>  | <b>Regression</b> |
|-------------------------------|--------------------|-------------------|--------------------|-------------------|------------------|-------------------|
|                               | <u>Coefficient</u> | <u>Std. Error</u> | <u>Coefficient</u> | <u>Std. Error</u> | <u>R-squared</u> | <u>F-value</u>    |
| Disposable Income             | -2201.8            | 536.49            | 431.4              | 376.7             | 0.016            | 5.71              |
| Head's Earnings               | -6340.5            | 678.72            | -1601.4            | 476.6             | 0.141            | 49.40             |
| Self-employment Income        | -807.5             | 311.6168          | 49.3               | 218.8             | 0.007            | 3.07              |
| Social Transfers net of Taxes | 5034.9             | 391.607           | 2080.5             | 275.0             | 0.292            | 123.03            |
| Other                         | -88.6              | 418.67            | -96.9              | 294.0             | 0.030            | 9.97              |

| <b>United States 1997</b>     | <b>KIDZ</b>        | <b>KIDZ</b>       | <b>KIDN</b>        | <b>KIDN</b>       | <b>Adjusted</b>  | <b>Regression</b> |
|-------------------------------|--------------------|-------------------|--------------------|-------------------|------------------|-------------------|
|                               | <u>Coefficient</u> | <u>Std. Error</u> | <u>Coefficient</u> | <u>Std. Error</u> | <u>R-squared</u> | <u>F-value</u>    |
| Disposable Income             | -1765.3            | 500.1             | -1355.1            | 311.4             | 0.011            | 33.67             |
| Head's Earnings               | -6855.7            | 550.5             | -2940.8            | 343.8             | 0.042            | 129.47            |
| Self-employment Income        | -658.0             | 210.1             | -90.0              | 130.8             | 0.003            | 9.17              |
| Social Transfers net of Taxes | 5369.3             | 259.2             | 2416.8             | 161.4             | 0.103            | 346.61            |
| Other                         | 379.2              | 395.4             | -741.2             | 246.2             | 0.006            | 17.07             |

## Appendix II

### Table C

#### Disposable Income Regression Coefficients and Standard Errors Married Couple Households, All Ages

| <b>Australia 1994</b>         | <u>KIDZ</u><br><u>Coefficient</u> | <u>KIDZ</u><br><u>Std. Error</u> | <u>KIDN</u><br><u>Coefficient</u> | <u>KIDN</u><br><u>Std. Error</u> | <u>Adjusted</u><br><u>R-squared</u> | <u>Regression</u><br><u>F-value</u> |
|-------------------------------|-----------------------------------|----------------------------------|-----------------------------------|----------------------------------|-------------------------------------|-------------------------------------|
| Disposable Income             | -5095.4                           | 806.94                           | -2318.7                           | 428.7                            | 0.207                               | 106.19                              |
| Head's Earnings               | -923.0                            | 898.69                           | -1030.9                           | 477.4                            | 0.230                               | 121.48                              |
| Spouse's Earnings             | -5371.0                           | 579.88                           | -3366.6                           | 308.1                            | 0.188                               | 94.12                               |
| Self-employment Income        | 201.7                             | 583.94                           | 242.6                             | 310.2                            | 0.011                               | 5.50                                |
| Social Transfers net of Taxes | 2495.9                            | 571.88                           | 3090.1                            | 303.8                            | 0.222                               | 116.29                              |
| Other                         | -1498.9                           | 606.38                           | -1253.9                           | 322.1                            | 0.103                               | 47.47                               |

  

| <b>Canada 1994</b>            | <u>KIDZ</u><br><u>Coefficient</u> | <u>KIDZ</u><br><u>Std. Error</u> | <u>KIDN</u><br><u>Coefficient</u> | <u>KIDN</u><br><u>Std. Error</u> | <u>Adjusted</u><br><u>R-squared</u> | <u>Regression</u><br><u>F-value</u> |
|-------------------------------|-----------------------------------|----------------------------------|-----------------------------------|----------------------------------|-------------------------------------|-------------------------------------|
| Disposable Income             | -1097.6                           | 372.00                           | -1090.4                           | 216.5                            | 0.113                               | 296.23                              |
| Head's Earnings               | 409.2                             | 405.46                           | -326.3                            | 236.0                            | 0.235                               | 709.74                              |
| Spouse's Earnings             | -3971.5                           | 261.39                           | -2907.8                           | 152.1                            | 0.176                               | 493.32                              |
| Self-employment Income        | 8.5                               | 207.41                           | 423.8                             | 120.7                            | 0.010                               | 24.59                               |
| Social Transfers net of Taxes | 2293.8                            | 232.87                           | 1914.3                            | 135.5                            | 0.290                               | 943.96                              |
| Other                         | 162.3                             | 267.17                           | -194.4                            | 155.5                            | 0.168                               | 468.42                              |

  

| <b>Finland 1995</b>           | <u>KIDZ</u><br><u>Coefficient</u> | <u>KIDZ</u><br><u>Std. Error</u> | <u>KIDN</u><br><u>Coefficient</u> | <u>KIDN</u><br><u>Std. Error</u> | <u>Adjusted</u><br><u>R-squared</u> | <u>Regression</u><br><u>F-value</u> |
|-------------------------------|-----------------------------------|----------------------------------|-----------------------------------|----------------------------------|-------------------------------------|-------------------------------------|
| Disposable Income             | 5263.0                            | 1852.24                          | 6097.6                            | 1135.1                           | 0.216                               | 177.32                              |
| Head's Earnings               | 7572.2                            | 2476.64                          | -976.3                            | 1517.7                           | 0.239                               | 201.50                              |
| Spouse's Earnings             | -2911.1                           | 1757.17                          | -1005.0                           | 1076.8                           | 0.240                               | 230.23                              |
| Self-employment Income        | 3073.7                            | 1791.32                          | 2521.6                            | 109.7                            | 0.019                               | 13.68                               |
| Social Transfers net of Taxes | -1391.5                           | 2049.28                          | 13965.0                           | 1255.8                           | 0.129                               | 96.08                               |
| Other                         | -1080.2                           | 1776.02                          | 592.0                             | 1088.4                           | 0.358                               | 357.49                              |

  

| <b>Germany 1994</b>           | <u>KIDZ</u><br><u>Coefficient</u> | <u>KIDZ</u><br><u>Std. Error</u> | <u>KIDN</u><br><u>Coefficient</u> | <u>KIDN</u><br><u>Std. Error</u> | <u>Adjusted</u><br><u>R-squared</u> | <u>Regression</u><br><u>F-value</u> |
|-------------------------------|-----------------------------------|----------------------------------|-----------------------------------|----------------------------------|-------------------------------------|-------------------------------------|
| Disposable Income             | -3528.9                           | 1056.55                          | -820.8                            | 657.5                            | 0.113                               | 52.17                               |
| Head's Earnings               | 478.3                             | 1403.62                          | 1256.9                            | 873.5                            | 0.298                               | 171.99                              |
| Spouse's Earnings             | -13845.0                          | 823.96                           | -5334.5                           | 512.8                            | 0.243                               | 130.60                              |
| Self-employment Income        | 105.1                             | 822.93                           | -1175.0                           | 512.1                            | 0.023                               | 10.63                               |
| Social Transfers net of Taxes | 10155.0                           | 921.97                           | 5470.5                            | 573.8                            | 0.518                               | 434.39                              |
| Other                         | -422.0                            | 759.71                           | -1038.8                           | 472.8                            | 0.099                               | 45.23                               |

| Netherlands 1994              | <u>KIDZ</u>        | <u>KIDZ</u>       | <u>KIDN</u>        | <u>KIDN</u>       | <u>Adjusted</u>  | <u>Regression</u> |
|-------------------------------|--------------------|-------------------|--------------------|-------------------|------------------|-------------------|
|                               | <u>Coefficient</u> | <u>Std. Error</u> | <u>Coefficient</u> | <u>Std. Error</u> | <u>R-squared</u> | <u>F-value</u>    |
| Disposable Income             | -4563.1            | 1759.5            | -221.4             | 1045.8            | 0.052            | 18.55             |
| Head's Earnings               | 241.1              | 1481.2            | 1043.7             | 880.4             | 0.349            | 171.39            |
| Spouse's Earnings             | -10437.0           | 874.1             | -4666.5            | 519.6             | 0.287            | 128.50            |
| Self-employment Income        | -698.2             | 702.5             | 953.5              | 417.6             | 0.007            | 3.25              |
| Social Transfers net of Taxes | 6479.0             | 1681.2            | 2307.1             | 999.3             | 0.108            | 39.30             |
| Other                         | -147.7             | 1064.7            | 140.8              | 632.8             | 0.231            | 0.96              |

| Norway 1995                   | <u>KIDZ</u>        | <u>KIDZ</u>       | <u>KIDN</u>        | <u>KIDN</u>       | <u>Adjusted</u>  | <u>Regression</u> |
|-------------------------------|--------------------|-------------------|--------------------|-------------------|------------------|-------------------|
|                               | <u>Coefficient</u> | <u>Std. Error</u> | <u>Coefficient</u> | <u>Std. Error</u> | <u>R-squared</u> | <u>F-value</u>    |
| Disposable Income             | 11573.0            | 3575.2            | -722.0             | 2071.8            | 0.283            | 266.33            |
| Head's Earnings               | 11501.0            | 4390.9            | -2829.3            | 2718.4            | 0.319            | 315.84            |
| Spouse's Earnings             | -11403.0           | 3005.2            | -23472.0           | 1741.5            | 0.246            | 220.14            |
| Self-employment Income        | -3279.3            | 3736.3            | 7388.0             | 2162.2            | 0.025            | 18.09             |
| Social Transfers net of Taxes | 15650.0            | 3235.1            | 20773.0            | 1874.8            | 0.414            | 474.21            |
| Other                         | -895.5             | 2585.4            | -2581.8            | 1498.3            | 0.122            | 94.05             |

| Sweden 1995                   | <u>KIDZ</u>        | <u>KIDZ</u>       | <u>KIDN</u>        | <u>KIDN</u>       | <u>Adjusted</u>  | <u>Regression</u> |
|-------------------------------|--------------------|-------------------|--------------------|-------------------|------------------|-------------------|
|                               | <u>Coefficient</u> | <u>Std. Error</u> | <u>Coefficient</u> | <u>Std. Error</u> | <u>R-squared</u> | <u>F-value</u>    |
| Disposable Income             | 9365.2             | 2383.3            | 9202.9             | 1368.8            | 0.218            | 256.63            |
| Head's Earnings               | 3197.1             | 3378.1            | -9747.2            | 1940.1            | 0.352            | 500.32            |
| Spouse's Earnings             | -24161.0           | 229.3             | -14653.0           | 1280.3            | 0.323            | 439.28            |
| Self-employment Income        | -139.4             | 1152.1            | 50.8               | 661.7             | 0.012            | 11.72             |
| Social Transfers net of Taxes | 27846.0            | 3159.1            | 30940.0            | 1814.3            | 0.347            | 488.99            |
| Other                         | 2622.2             | 2457.1            | 2611.9             | 1411.1            | 0.105            | 109.13            |

| United Kingdom 1995           | <u>KIDZ</u>        | <u>KIDZ</u>       | <u>KIDN</u>        | <u>KIDN</u>       | <u>Adjusted</u>  | <u>Regression</u> |
|-------------------------------|--------------------|-------------------|--------------------|-------------------|------------------|-------------------|
|                               | <u>Coefficient</u> | <u>Std. Error</u> | <u>Coefficient</u> | <u>Std. Error</u> | <u>R-squared</u> | <u>F-value</u>    |
| Disposable Income             | -2016.4            | 482.6             | -711.2             | 268.9             | 0.123            | 57.88             |
| Head's Earnings               | 376.2              | 496.1             | -1586.9            | 276.4             | 0.222            | 116.78            |
| Spouse's Earnings             | -4004.5            | 282.4             | -1254.2            | 157.3             | 0.206            | 106.61            |
| Self-employment Income        | 140.5              | 415.6             | 181.5              | 234.6             | 0.019            | 8.68              |
| Social Transfers net of Taxes | 2144.2             | 309.8             | 2093.0             | 172.6             | 0.271            | 152.14            |
| Other                         | -672.8             | 305.8             | -144.5             | 170.4             | 0.163            | 80.21             |

| United States 1997            | <u>KIDZ</u>        | <u>KIDZ</u>       | <u>KIDN</u>        | <u>KIDN</u>       | <u>Adjusted</u>  | <u>Regression</u> |
|-------------------------------|--------------------|-------------------|--------------------|-------------------|------------------|-------------------|
|                               | <u>Coefficient</u> | <u>Std. Error</u> | <u>Coefficient</u> | <u>Std. Error</u> | <u>R-squared</u> | <u>F-value</u>    |
| Disposable Income             | 505.8              | 438.7             | -1698.6            | 235.0             | 0.091            | 282.50            |
| Head's Earnings               | 1471.2             | 445.3             | -982.1             | 238.5             | 0.183            | 635.72            |
| Spouse's Earnings             | -3382.9            | 286.0             | -2966.6            | 153.2             | 0.125            | 403.27            |
| Self-employment Income        | 16.9               | 238.5             | 116.8              | 127.7             | 0.010            | 30.17             |
| Social Transfers net of Taxes | 2042.1             | 270.6             | 2020.7             | 144.9             | 0.237            | 879.48            |
| Other                         | 358.5              | 309.2             | 112.5              | 165.6             | 0.108            | 345.66            |

**Appendix II**  
**Table D**

**Disposable Income Regression Coefficients and Standard Errors**  
**Single Household Heads, All Ages**

| <b>Australia 1994</b>         | <u>KIDZ</u><br><u>Coefficient</u> | <u>KIDZ</u><br><u>Std. Error</u> | <u>KIDN</u><br><u>Coefficient</u> | <u>KIDN</u><br><u>Std. Error</u> | <u>Adjusted</u><br><u>R-squared</u> | <u>Regression</u><br><u>F-value</u> |
|-------------------------------|-----------------------------------|----------------------------------|-----------------------------------|----------------------------------|-------------------------------------|-------------------------------------|
| Disposable Income             | -2865.8                           | 839.2                            | -1119.2                           | 741.3                            | 0.180                               | 107.9                               |
| Head's Earnings               | -12186.0                          | 1050.6                           | -3188.8                           | 928.0                            | 0.333                               | 243.6                               |
| Self-employment Income        | -924.6                            | 468.8                            | -512.4                            | 414.1                            | 0.015                               | 8.5                                 |
| Social Transfers net of Taxes | 9761.9                            | 587.5                            | 2852.6                            | 519.0                            | 0.300                               | 209.4                               |
| Other                         | 482.7                             | 710.3                            | -270.6                            | 627.4                            | 0.033                               | 0.2                                 |

  

| <b>Canada 1994</b>            | <u>KIDZ</u><br><u>Coefficient</u> | <u>KIDZ</u><br><u>Std. Error</u> | <u>KIDN</u><br><u>Coefficient</u> | <u>KIDN</u><br><u>Std. Error</u> | <u>Adjusted</u><br><u>R-squared</u> | <u>Regression</u><br><u>F-value</u> |
|-------------------------------|-----------------------------------|----------------------------------|-----------------------------------|----------------------------------|-------------------------------------|-------------------------------------|
| Disposable Income             | 345.1                             | 400.9                            | 523.6                             | 367.6                            | 0.074                               | 186.9                               |
| Head's Earnings               | -7496.0                           | 468.1                            | -2430.3                           | 429.3                            | 0.263                               | 837.1                               |
| Self-employment Income        | -481.7                            | 212.0                            | -200.0                            | 194.4                            | 0.008                               | 20.8                                |
| Social Transfers net of Taxes | 6546.2                            | 252.9                            | 3010.8                            | 231.9                            | 0.298                               | 998.2                               |
| Other                         | 1776.5                            | 340.4                            | 143.1                             | 312.1                            | 0.056                               | 140.8                               |

  

| <b>Finland 1995</b>           | <u>KIDZ</u><br><u>Coefficient</u> | <u>KIDZ</u><br><u>Std. Error</u> | <u>KIDN</u><br><u>Coefficient</u> | <u>KIDN</u><br><u>Std. Error</u> | <u>Adjusted</u><br><u>R-squared</u> | <u>Regression</u><br><u>F-value</u> |
|-------------------------------|-----------------------------------|----------------------------------|-----------------------------------|----------------------------------|-------------------------------------|-------------------------------------|
| Disposable Income             | 19868.0                           | 3065.5                           | 24521.0                           | 3572.2                           | 0.200                               | 113.3                               |
| Head's Earnings               | -5493.7                           | 4166.8                           | -3726.3                           | 4855.6                           | 0.301                               | 193.9                               |
| Self-employment Income        | 31.0                              | 2184.6                           | 4604.6                            | 2545.8                           | 0.008                               | 4.6                                 |
| Social Transfers net of Taxes | 18871.0                           | 3160.6                           | 15094.0                           | 3683.1                           | 0.101                               | 51423.0                             |
| Other                         | 6460.0                            | 2936.6                           | 8548.4                            | 3422.0                           | 0.178                               | 98.2                                |

  

| <b>Germany 1994</b>           | <u>KIDZ</u><br><u>Coefficient</u> | <u>KIDZ</u><br><u>Std. Error</u> | <u>KIDN</u><br><u>Coefficient</u> | <u>KIDN</u><br><u>Std. Error</u> | <u>Adjusted</u><br><u>R-squared</u> | <u>Regression</u><br><u>F-value</u> |
|-------------------------------|-----------------------------------|----------------------------------|-----------------------------------|----------------------------------|-------------------------------------|-------------------------------------|
| Disposable Income             | -2621.6                           | 1541.1                           | 4312.7                            | 1730.7                           | 0.083                               | 27.5                                |
| Head's Earnings               | -12325.0                          | 2105.9                           | -8911.8                           | 2365.0                           | 0.332                               | 146.2                               |
| Self-employment Income        | -2674.6                           | 979.8                            | 2937.9                            | 1100.3                           | 0.032                               | 10.8                                |
| Social Transfers net of Taxes | 9052.6                            | 1444.3                           | 9023.7                            | 1622.0                           | 0.428                               | 219.4                               |
| Other                         | 3325.7                            | 1453.3                           | 1262.9                            | 1632.1                           | 0.032                               | 10.7                                |



| <b>Netherlands 1994</b>       | <b>KIDZ</b>        | <b>KIDZ</b>       | <b>KIDN</b>        | <b>KIDN</b>       | <b>Adjusted</b>  | <b>Regression</b> |
|-------------------------------|--------------------|-------------------|--------------------|-------------------|------------------|-------------------|
|                               | <b>Coefficient</b> | <b>Std. Error</b> | <b>Coefficient</b> | <b>Std. Error</b> | <b>R-squared</b> | <b>F-value</b>    |
| Disposable Income             | -3501.9            | 1644.0            | 645.9              | 1725.1            | 0.183            | 58.0              |
| Head's Earnings               | -22987.0           | 2453.3            | -7697.0            | 2574.4            | 0.412            | 180.2             |
| Self-employment Income        | -1104.4            | 719.2             | 669.5              | 754.6             | 0.003            | 1.7               |
| Social Transfers net of Taxes | 20842.0            | 1846.4            | 5593.8             | 1937.5            | 0.304            | 112.2             |
| Other                         | -252.4             | 1811.9            | 2079.6             | 1901.3            | 0.100            | 29.4              |

| <b>Norway 1995</b>            | <b>KIDZ</b>        | <b>KIDZ</b>       | <b>KIDN</b>        | <b>KIDN</b>       | <b>Adjusted</b>  | <b>Regression</b> |
|-------------------------------|--------------------|-------------------|--------------------|-------------------|------------------|-------------------|
|                               | <b>Coefficient</b> | <b>Std. Error</b> | <b>Coefficient</b> | <b>Std. Error</b> | <b>R-squared</b> | <b>F-value</b>    |
| Disposable Income             | 31334.0            | 4197.7            | 17012.0            | 4857.3            | 0.2              | 170.2             |
| Head's Earnings               | -32620.0           | 6023.3            | -18270.0           | 6969.7            | 0.3              | 255.9             |
| Self-employment Income        | -4734.4            | 2705.7            | -3109.9            | 3130.8            | 0.0              | 9.3               |
| Social Transfers net of Taxes | 53005.0            | 3859.1            | 28548.0            | 4465.5            | 0.3              | 246.6             |
| Other                         | 15684.0            | 3222.8            | 9843.6             | 3729.2            | 0.1              | 47.4              |

| <b>Sweden 1995</b>            | <b>KIDZ</b>        | <b>KIDZ</b>       | <b>KIDN</b>        | <b>KIDN</b>       | <b>Adjusted</b>  | <b>Regression</b> |
|-------------------------------|--------------------|-------------------|--------------------|-------------------|------------------|-------------------|
|                               | <b>Coefficient</b> | <b>Std. Error</b> | <b>Coefficient</b> | <b>Std. Error</b> | <b>R-squared</b> | <b>F-value</b>    |
| Disposable Income             | 32001.0            | 2180.0            | 28165.0            | 2045.2            | 0.4              | 804.1             |
| Head's Earnings               | -15982.0           | 4113.0            | -23441.0           | 3858.7            | 0.3              | 512.4             |
| Self-employment Income        | -2026.9            | 905.2             | 354.2              | 849.2             | 0.0              | 14.5              |
| Social Transfers net of Taxes | 39714.0            | 3053.3            | 36700.0            | 2864.5            | 2921.0           | 468.8             |
| Other                         | 10296.0            | 1499.0            | 14552.0            | 1406.3            | 0.1              | 162.0             |

| <b>United Kingdom 1995</b>    | <b>KIDZ</b>        | <b>KIDZ</b>       | <b>KIDN</b>        | <b>KIDN</b>       | <b>Adjusted</b>  | <b>Regression</b> |
|-------------------------------|--------------------|-------------------|--------------------|-------------------|------------------|-------------------|
|                               | <b>Coefficient</b> | <b>Std. Error</b> | <b>Coefficient</b> | <b>Std. Error</b> | <b>R-squared</b> | <b>F-value</b>    |
| Disposable Income             | -1983.6            | 416.6             | 259.1              | 313.2             | 0.1              | 40.2              |
| Head's Earnings               | -5658.9            | 436.6             | -1796.8            | 328.2             | 0.3              | 196.8             |
| Self-employment Income        | -725.4             | 207.6             | -6.7               | 156.1             | 0.0              | 7.6               |
| Social Transfers net of Taxes | 4818.2             | 280.7             | 2120.1             | 211.0             | 0.3              | 197.7             |
| Other                         | -417.6             | 399.2             | -57.6              | 300.2             | 0.0              | 11.9              |

| <b>United States 1997</b>     | <b>KIDZ</b>        | <b>KIDZ</b>       | <b>KIDN</b>        | <b>KIDN</b>       | <b>Adjusted</b>  | <b>Regression</b> |
|-------------------------------|--------------------|-------------------|--------------------|-------------------|------------------|-------------------|
|                               | <b>Coefficient</b> | <b>Std. Error</b> | <b>Coefficient</b> | <b>Std. Error</b> | <b>R-squared</b> | <b>F-value</b>    |
| Disposable Income             | -852.6             | 414.9             | -1037.0            | 271.4             | 0.0              | 147.2             |
| Head's Earnings               | -6015.4            | 404.0             | -2856.2            | 264.2             | 0.2              | 970.2             |
| Self-employment Income        | -485.0             | 150.5             | -111.5             | 98.4              | 0.0              | 25.0              |
| Social Transfers net of Taxes | 5021.1             | 219.9             | 2341.8             | 143.8             | 0.2              | 1080.6            |
| Other                         | 626.7              | 382.2             | -411.0             | 250.0             | 0.0              | 46.4              |

## APPENDIX III TABLES:

The Tables in this Appendix are arranged in 16 sets of two, as follows:

| <u>Sheets</u> | <u>KIDZ or KIDN?</u> | <u>Married or Single?</u> | <u>Working Ages or All Ages?</u> | <u>Normalization</u> |
|---------------|----------------------|---------------------------|----------------------------------|----------------------|
| 1,2           | KIDZ                 | Married                   | Working                          | Equivalent Median    |
| 3,4           | KIDZ                 | Married                   | Working                          | US mean at PPP       |
| 5,6           | KIDN                 | Married                   | Working                          | Equivalent Median    |
| 7,8           | KIDN                 | Married                   | Working                          | US mean at PPP       |
| 9,10          | KIDZ                 | Single                    | Working                          | Equivalent Median    |
| 11,12         | KIDZ                 | Single                    | Working                          | US mean at PPP       |
| 13,14         | KIDN                 | Single                    | Working                          | Equivalent Median    |
| 15,16         | KIDN                 | Single                    | Working                          | US mean at PPP       |
| 17,18         | KIDZ                 | Married                   | All                              | Equivalent Median    |
| 19,20         | KIDZ                 | Married                   | All                              | US mean at PPP       |
| 21,22         | KIDN                 | Married                   | All                              | Equivalent Median    |
| 23,24         | KIDN                 | Married                   | All                              | US mean at PPP       |
| 25,26         | KIDZ                 | Single                    | All                              | Equivalent Median    |
| 27,28         | KIDZ                 | Single                    | All                              | US mean at PPP       |
| 29,30         | KIDN                 | Single                    | All                              | Equivalent Median    |
| 31,32         | KIDN                 | Single                    | All                              | US mean at PPP       |

**Decomposition of the Effects of the Presence of Children on Disposable Income  
( KIDZ )  
Married Households, Head Age 25 - 54**

|                       | <b>Disposable<br/>Income</b>                                   | <b>(Rank)</b> | <b>Earnings +<br/>Self-emp. Income</b> | <b>(Rank)</b> | <b>Social Transfers<br/>Net of Taxes</b> | <b>(Rank)</b> | <b>Other<br/>Income</b> | <b>(Rank)</b> |
|-----------------------|--|---------------|--|---------------|--|---------------|-------------------------|---------------|
| <b>Finland</b>        | 4.1  | 2             | 6.8                                    | 1             | -2.2                                     | 9             | -0.5                    | 3             |
| <b>Norway</b>         | 3.5  | 3             | 1.3                                    | 2             | 4.2                                      | 7             | -2.0                    | 7             |
| <b>Sweden</b>         | 5.2  | 1             | -6.2                                   | 4             | 10.4                                     | 4             | 1.0                     | 1             |
| <b>Germany</b>        | -9.1   | 6             | -24.6                                  | 9             | 17.5                                     | 1             | -2.0                    | 6             |
| <b>Netherlands</b>    | -11.0  | 7             | -20.5                                  | 7             | 10.4                                     | 3             | -0.9                    | 5             |
| <b>Australia</b>      | -14.7  | 8             | -16.1                                  | 6             | 5.2                                      | 5             | -3.8                    | 9             |
| <b>United Kingdom</b> | -14.7  | 9             | -23.6                                  | 8             | 12.3                                     | 2             | -3.4                    | 8             |
| <b>Canada</b>         | -3.8   | 5             | -7.4                                   | 5             | 4.4                                      | 6             | -0.8                    | 4             |
| <b>United States</b>  | 2.2  | 4             | -1.6                                   | 3             | 3.2                                      | 8             | 0.7                     | 3             |
|                       | <b>Correlation with DPI:</b>                                   |               | 0.8796                                 | 0.7833        | -0.5183                                  | -0.5833       | 0.7691                  | 0.7841        |
|                       | <b>Correlation with Earnings +<br/>Self-employment Income:</b> |               |  |               | -0.8556                                  | -0.9333       | 0.5344                  | 0.4705        |

Values estimated from regressions on ages of head and spouse, and their squares.  
All values reported are normalized by national median equivalent income for a family of four.  
Rank is from most positive or least negative (1) to most negative or least positive (9).

**Effects of the Presence of Children on Disposable Income and Earnings  
( KIDZ )  
Married Households, Head Age 25 - 54**

|                              | <b>Disposable<br/>Income</b> | <b>(Rank)</b> | <b>Head's<br/>Earnings</b> | <b>(Rank)</b> | <b>Spouse's<br/>Earnings</b> | <b>(Rank)</b> | <b>Earnings +<br/>Self-emp. Income</b> | <b>(Rank)</b> |
|------------------------------|------------------------------|---------------|----------------------------|---------------|------------------------------|---------------|--|---------------|
| <b>Finland</b>               | 4.1                          | 2             | 5.9                        | 1             | -1.4                         | 1             | 6.8                                    | 1             |
| <b>Norway</b>                | 3.5                          | 3             | 5.7                        | 3             | -3.1                         | 2             | 1.3                                    | 2             |
| <b>Sweden</b>                | 5.2                          | 1             | 3.0                        | 5             | -9.5                         | 4             | -6.2                                   | 4             |
| <b>Germany</b>               | -9.1                         | 6             | 3.6                        | 4             | -26.5                        | 9             | -24.6                                  | 9             |
| <b>Netherlands</b>           | -11.0                        | 7             | 2.2                        | 7             | -22.1                        | 7             | -20.5                                  | 7             |
| <b>Australia</b>             | -14.7                        | 8             | -0.8                       | 9             | -15.5                        | 6             | -16.1                                  | 6             |
| <b>United Kingdom</b>        | -14.7                        | 9             | 2.4                        | 6             | -25.8                        | 8             | -23.6                                  | 8             |
| <b>Canada</b>                | -3.8                         | 5             | 2.0                        | 8             | -9.5                         | 5             | -7.4                                   | 5             |
| <b>United States</b>         | 2.2                          | 4             | 5.9                        | 2             | -7.7                         | 3             | -1.6                                   | 3             |
| <b>Correlation with DPI:</b> |                              |               | 0.7579                     | 0.6333        | 0.8427                       | 0.7833        | 0.8796                                 | 0.7833        |

Values estimated from regressions on ages of head and spouse, and their squares.  
All values reported are normalized by national median equivalent income for a family of four.  
Rank is from most positive or least negative (1) to most negative or least positive (9).

**Decomposition of the Effects of the Presence of Children on Disposable Income  
( KIDZ )  
Married Households, Head Age 25 - 54**

|                       | <b>Disposable<br/>Income</b>                                   | <b>(Rank)</b> | <b>Earnings +<br/>Self-emp. Income</b> | <b>(Rank)</b> | <b>Social Transfers<br/>Net of Taxes</b> | <b>(Rank)</b> | <b>Other<br/>Income</b> | <b>(Rank)</b> |
|-----------------------|--|---------------|--|---------------|--|---------------|-------------------------|---------------|
| <b>Finland</b>        | 2.6  | 3             | 4.3                                    | 1             | -1.4                                     | 9             | -0.3                    | 3             |
| <b>Norway</b>         | 2.8  | 2             | 1.1                                    | 2             | 3.3                                      | 8             | -1.6                    | 7             |
| <b>Sweden</b>         | 3.3  | 1             | -3.9                                   | 4             | 6.6                                      | 4             | 0.6                     | 2             |
| <b>Germany</b>        | -6.4   | 6             | -17.4                                  | 9             | 12.4                                     | 1             | -1.4                    | 6             |
| <b>Netherlands</b>    | -7.6   | 7             | -14.2                                  | 7             | 7.2                                      | 3             | -0.6                    | 4             |
| <b>Australia</b>      | -10.1  | 9             | -11.1                                  | 6             | 3.6                                      | 6             | -2.6                    | 9             |
| <b>United Kingdom</b> | -9.6   | 8             | -15.3                                  | 8             | 8.0                                      | 2             | -2.2                    | 8             |
| <b>Canada</b>         | -3.6   | 5             | -6.9                                   | 5             | 4.1                                      | 5             | -0.8                    | 5             |
| <b>United States</b>  | 2.3  | 4             | -1.7                                   | 3             | 3.4                                      | 7             | 0.7                     | 1             |
|                       | <b>Correlation with DPI:</b>                                   |               | 0.8819                                 | 0.7333        | -0.5041                                  | -0.4667       | 0.7265                  | 0.6333        |
|                       | <b>Correlation with Earnings +<br/>Self-employment Income:</b> |               |  |               | -0.8425                                  | -0.9333       | 0.4890                  | 0.4667        |

Values estimated from regressions on ages of head and spouse, and their squares.  
All values reported are normalized by U.S. national mean disposable income at PPP.  
Rank is from most positive or least negative (1) to most negative or least positive (9).

**Effects of the Presence of Children on Disposable Income and Earnings  
( KIDZ )  
Married Households, Head Age 25 - 54**

|                              | <b>Disposable<br/>Income</b> | <b>(Rank)</b> | <b>Head's<br/>Earnings</b> | <b>(Rank)</b> | <b>Spouse's<br/>Earnings</b> | <b>(Rank)</b> | <b>Earnings +<br/>Self-emp. Income</b> | <b>(Rank)</b> |
|------------------------------|------------------------------|---------------|----------------------------|---------------|------------------------------|---------------|--|---------------|
| <b>Finland</b>               | 2.6                          | 3             | 3.8                        | 3             | -0.9                         | 1             | 4.3                                    | 1             |
| <b>Norway</b>                | 2.8                          | 2             | 4.5                        | 2             | -2.4                         | 2             | 1.1                                    | 2             |
| <b>Sweden</b>                | 3.3                          | 1             | 1.9                        | 5             | -6.0                         | 3             | -3.9                                   | 4             |
| <b>Germany</b>               | -6.4                         | 6             | 2.5                        | 4             | -18.8                        | 9             | -17.4                                  | 9             |
| <b>Netherlands</b>           | -7.6                         | 7             | 1.5                        | 8             | -15.3                        | 7             | -14.2                                  | 7             |
| <b>Australia</b>             | -10.1                        | 9             | -0.6                       | 9             | -10.7                        | 6             | -11.1                                  | 6             |
| <b>United Kingdom</b>        | -9.6                         | 8             | 1.6                        | 7             | -16.8                        | 8             | -15.3                                  | 8             |
| <b>Canada</b>                | -3.6                         | 5             | 1.8                        | 6             | -8.8                         | 5             | -6.9                                   | 5             |
| <b>United States</b>         | 2.3                          | 4             | 6.2                        | 1             | -8.2                         | 4             | -1.7                                   | 3             |
| <b>Correlation with DPI:</b> |                              |               | 0.7491                     | 0.7333        | 0.8172                       | 0.7833        | 0.8819                                 | 0.7333        |

Values estimated from regressions on ages of head and spouse, and their squares.  
All values reported are normalized by U.S. national mean disposable income at PPP.  
Rank is from most positive or least negative (1) to most negative or least positive (9).

**Decomposition of the Effects of the Number of Children on Disposable Income  
( KIDN )  
Married Households, Head Age 25 - 54**

|                       | <b>Disposable<br/>Income</b>                                   | <b>(Rank)</b> | <b>Earnings +<br/>Self-emp. Income</b> | <b>(Rank)</b> | <b>Social Transfers<br/>Net of Taxes</b> | <b>(Rank)</b> | <b>Other<br/>Income</b> | <b>(Rank)</b> |
|-----------------------|--|---------------|--|---------------|--|---------------|-------------------------|---------------|
| <b>Finland</b>        | 4.4  | 1             | -4.5                                   | 2             | 9.2                                      | 3             | -0.3                    | 3             |
| <b>Norway</b>         | 0.4  | 3             | -5.8                                   | 3             | 7.1                                      | 6             | -0.9                    | 6             |
| <b>Sweden</b>         | 4.1  | 2             | -9.1                                   | 6             | 12.8                                     | 1             | 0.4                     | 1             |
| <b>Germany</b>        | -1.0   | 5             | -7.9                                   | 5             | 9.0                                      | 4             | -2.0                    | 8             |
| <b>Netherlands</b>    | 0.2  | 4             | -3.5                                   | 1             | 4.3                                      | 9             | -0.7                    | 5             |
| <b>Australia</b>      | -5.9   | 9             | -10.9                                  | 8             | 8.0                                      | 5             | -3.1                    | 9             |
| <b>United Kingdom</b> | -4.3   | 7             | -15.5                                  | 9             | 12.5                                     | 2             | -1.2                    | 7             |
| <b>Canada</b>         | -2.2   | 6             | -6.1                                   | 4             | 4.5                                      | 8             | -0.6                    | 4             |
| <b>United States</b>  | -4.4   | 8             | -9.3                                   | 7             | 5.0                                      | 7             | 0.0                     | 2             |
|                       | <b>Correlation with DPI:</b>                                   |               | 0.5838                                 | 0.7000        | 0.2648                                   | 0.2833        | 0.5984                  | 0.4667        |
|                       | <b>Correlation with Earnings +<br/>Self-employment Income:</b> |               |  |               | -0.5978                                  | -0.4500       | 0.3010                  | 0.2500        |

Values estimated from regressions on ages of head and spouse, and their squares.  
All values reported are normalized by national median equivalent income for a family of four.  
Rank is from most positive or least negative (1) to most negative or least positive (9).

**Effects of the Number of Children on Disposable Income and Earnings  
( KIDN )  
Married Households, Head Age 25 - 54**

|                              | <b>Disposable<br/>Income</b> | <b>(Rank)</b> | <b>Head's<br/>Earnings</b> | <b>(Rank)</b> | <b>Spouse's<br/>Earnings</b> | <b>(Rank)</b> | <b>Earnings +<br/>Self-emp. Income</b> | <b>(Rank)</b> |
|------------------------------|------------------------------|---------------|----------------------------|---------------|------------------------------|---------------|--|---------------|
| <b>Finland</b>               | 4.4                          | 1             | 0.2                        | 3             | -6.3                         | 2             | -4.5                                   | 2             |
| <b>Norway</b>                | 0.4                          | 3             | 0.0                        | 4             | -8.1                         | 6             | -5.8                                   | 3             |
| <b>Sweden</b>                | 4.1                          | 2             | -3.1                       | 8             | -6.0                         | 1             | -9.1                                   | 6             |
| <b>Germany</b>               | -1.0                         | 5             | 3.3                        | 1             | -8.9                         | 8             | -7.9                                   | 5             |
| <b>Netherlands</b>           | 0.2                          | 4             | 3.2                        | 2             | -8.8                         | 7             | -3.5                                   | 1             |
| <b>Australia</b>             | -5.9                         | 9             | -1.7                       | 6             | -9.7                         | 9             | -10.9                                  | 8             |
| <b>United Kingdom</b>        | -4.3                         | 7             | -9.7                       | 9             | -7.4                         | 5             | -15.5                                  | 9             |
| <b>Canada</b>                | -2.2                         | 6             | -0.4                       | 5             | -6.8                         | 3             | -6.1                                   | 4             |
| <b>United States</b>         | -4.4                         | 8             | -2.4                       | 7             | -7.3                         | 4             | -9.3                                   | 7             |
| <b>Correlation with DPI:</b> |                              |               | 0.3420                     | 0.3667        | 0.5536                       | 0.5167        | 0.5838                                 | 0.7000        |

Values estimated from regressions on ages of head and spouse, and their squares.  
All values reported are normalized by national median equivalent income for a family of four.  
Rank is from most positive or least negative (1) to most negative or least positive (9).



**Decomposition of the Effects of the Number of Children on Disposable Income  
( KIDN )  
Married Households, Head Age 25 - 54**

|                       | <b>Disposable<br/>Income</b>                                   | <b>(Rank)</b> | <b>Earnings +<br/>Self-emp. Income</b> | <b>(Rank)</b> | <b>Social Transfers<br/>Net of Taxes</b> | <b>(Rank)</b> | <b>Other<br/>Income</b> | <b>(Rank)</b> |
|-----------------------|--|---------------|--|---------------|--|---------------|-------------------------|---------------|
| <b>Finland</b>        | 2.8  | 1             | -2.8                                   | 2             | 5.9                                      | 4             | -0.2                    | 3             |
| <b>Norway</b>         | 0.3  | 3             | -4.6                                   | 3             | 5.7                                      | 5             | -0.7                    | 6             |
| <b>Sweden</b>         | 2.6  | 2             | -5.8                                   | 6             | 8.1                                      | 2             | 0.3                     | 1             |
| <b>Germany</b>        | -0.7   | 5             | -5.6                                   | 4             | 6.4                                      | 3             | -1.4                    | 8             |
| <b>Netherlands</b>    | 0.1  | 4             | -2.4                                   | 1             | 3.0                                      | 9             | -0.5                    | 4             |
| <b>Australia</b>      | -4.0   | 8             | -7.5                                   | 7             | 5.5                                      | 6             | -2.1                    | 9             |
| <b>United Kingdom</b> | -2.8   | 7             | -10.1                                  | 9             | 8.1                                      | 1             | -0.8                    | 7             |
| <b>Canada</b>         | -2.0   | 6             | -5.7                                   | 5             | 4.2                                      | 8             | -0.6                    | 5             |
| <b>United States</b>  | -4.6   | 9             | -9.8                                   | 8             | 5.2                                      | 7             | 0.0                     | 2             |
|                       | <b>Correlation with DPI:</b>                                   |               | 0.7619                                 | 0.7167        | 0.1590                                   | 0.2500        | 0.4718                  | 0.3833        |
|                       | <b>Correlation with Earnings +<br/>Self-employment Income:</b> |               |  |               | -0.4743                                  | -0.3667       | 0.1475                  | 0.1333        |

Values estimated from regressions on ages of head and spouse, and their squares.  
All values reported are normalized by U.S. national mean disposable income at PPP.  
Rank is from most positive or least negative (1) to most negative or least positive (9).

**Effects of the Number of Children on Disposable Income and Earnings  
( KIDN )  
Married Households, Head Age 25 - 54**

|                       | <b>Disposable<br/>Income</b> | <b>(Rank)</b> | <b>Head's<br/>Earnings</b> | <b>(Rank)</b> | <b>Spouse's<br/>Earnings</b> | <b>(Rank)</b> | <b>Earnings +<br/>Self-emp. Income</b> | <b>(Rank)</b> |
|-----------------------|------------------------------|---------------|----------------------------|---------------|------------------------------|---------------|--|---------------|
| <b>Finland</b>        | 2.8                          | 1             | 0.2                        | 3             | -4.0                         | 2             | -2.8                                   | 2             |
| <b>Norway</b>         | 0.3                          | 3             | 0.0                        | 4             | -6.4                         | 7             | -4.6                                   | 3             |
| <b>Sweden</b>         | 2.6                          | 2             | -2.0                       | 7             | -3.8                         | 1             | -5.8                                   | 6             |
| <b>Germany</b>        | -0.7                         | 5             | 2.3                        | 1             | -6.3                         | 6             | -5.6                                   | 4             |
| <b>Netherlands</b>    | 0.1                          | 4             | 2.2                        | 2             | -6.1                         | 4             | -2.4                                   | 1             |
| <b>Australia</b>      | -4.0                         | 8             | -1.2                       | 6             | -6.7                         | 8             | -7.5                                   | 7             |
| <b>United Kingdom</b> | -2.8                         | 7             | -6.3                       | 9             | -4.8                         | 3             | -10.1                                  | 9             |
| <b>Canada</b>         | -2.0                         | 6             | -0.4                       | 5             | -6.3                         | 5             | -5.7                                   | 5             |
| <b>United States</b>  | -4.6                         | 9             | -2.5                       | 8             | -7.6                         | 9             | -9.8                                   | 8             |
|                       | <b>Correlation with DPI:</b> |               | 0.3858                     | 0.5000        | 0.7510                       | 0.7000        | 0.7619                                 | 0.7167        |

Values estimated from regressions on ages of head and spouse, and their squares.  
All values reported are normalized by U.S. national mean disposable income at PPP.  
Rank is from most positive or least negative (1) to most negative or least positive (9).

**Decomposition of the Effects of the Presence of Children on Disposable Income  
( KIDZ )  
Single Household Heads, Ages 25 - 54**

|                       | <b>Disposable<br/>Income</b>                                   | <b>(Rank)</b> | <b>Earnings +<br/>Self-emp. Income</b> | <b>(Rank)</b> | <b>Social Transfers<br/>Net of Taxes</b> | <b>(Rank)</b> | <b>Other<br/>Income</b> | <b>(Rank)</b> |
|-----------------------|--|---------------|--|---------------|--|---------------|-------------------------|---------------|
| <b>Finland</b>        | 12.9   | 2             | -2.9                                   | 1             | 11.7                                     | 9             | 4.2                     | 4             |
| <b>Norway</b>         | 10.6   | 3             | -13.9                                  | 3             | 18.5                                     | 4             | 6.0                     | 1             |
| <b>Sweden</b>         | 15.4   | 1             | -6.3                                   | 2             | 17.1                                     | 6             | 4.6                     | 2             |
| <b>Germany</b>        | -10.0  | 7             | -29.4                                  | 6             | 18.3                                     | 5             | 1.1                     | 6             |
| <b>Netherlands</b>    | -8.5   | 6             | -48.0                                  | 9             | 40.7                                     | 1             | -1.2                    | 9             |
| <b>Australia</b>      | -10.0  | 8             | -43.0                                  | 8             | 29.7                                     | 3             | 3.3                     | 5             |
| <b>United Kingdom</b> | -13.2  | 9             | -42.9                                  | 7             | 30.3                                     | 2             | -0.5                    | 8             |
| <b>Canada</b>         | -0.7   | 4             | -20.1                                  | 5             | 15.2                                     | 7             | 4.2                     | 3             |
| <b>United States</b>  | -4.3   | 5             | -18.2                                  | 4             | 13.0                                     | 8             | 0.9                     | 7             |
|                       | <b>Correlation with DPI:</b>                                   |               | 0.8929                                 | 0.8500        | -0.5973                                  | -0.6333       | 0.7856                  | 0.7167        |
|                       | <b>Correlation with Earnings +<br/>Self-employment Income:</b> |               |  |               | -0.8873                                  | -0.8000       | 0.7281                  | 0.7000        |

Values estimated from regressions on age of head, and its square.

All values reported are normalized by national median equivalent income for a family of four.

Rank is from most positive or least negative (1) to most negative or least positive (9).

**Effects of the Presence of Children on Disposable Income and Earnings  
( KIDZ )  
Single Household Heads, Ages 25 - 54**

|                       | <b>Disposable<br/>Income</b> | <b>(Rank)</b> | <b>Head's<br/>Earnings</b> | <b>(Rank)</b> | <b>Earnings +<br/>Self-emp. Income</b> | <b>(Rank)</b> |
|-----------------------|------------------------------|---------------|----------------------------|---------------|--|---------------|
| <b>Finland</b>        | 12.9                         | 2             | -2.9                       | 1             | -2.9                                   | 1             |
| <b>Norway</b>         | 10.6                         | 3             | -11.7                      | 3             | -13.9                                  | 3             |
| <b>Sweden</b>         | 15.4                         | 1             | -5.4                       | 2             | -6.3                                   | 2             |
| <b>Germany</b>        | -10.0                        | 7             | -23.7                      | 6             | -29.4                                  | 6             |
| <b>Netherlands</b>    | -8.5                         | 6             | -45.7                      | 9             | -48.0                                  | 9             |
| <b>Australia</b>      | -10.0                        | 8             | -38.0                      | 7             | -43.0                                  | 8             |
| <b>United Kingdom</b> | -13.2                        | 9             | -38.1                      | 8             | -42.9                                  | 7             |
| <b>Canada</b>         | -0.7                         | 4             | -18.6                      | 5             | -20.1                                  | 5             |
| <b>United States</b>  | -4.3                         | 5             | -16.6                      | 4             | -18.2                                  | 4             |
|                       | <b>Correlation with DPI:</b> |               | 0.8709                     | 0.8667        | 0.8929                                 | 0.8500        |

Values estimated from regressions on age of head, and its square.

All values reported are normalized by national median equivalent income for a family of four.

Rank is from most positive or least negative (1) to most negative or least positive (9).

**Decomposition of the Effects of the Presence of Children on Disposable Income  
( KIDZ )  
Single Household Heads, Ages 25 - 54**

|                       | <b>Disposable<br/>Income</b>                                   | <b>(Rank)</b> | <b>Earnings +<br/>Self-emp. Income</b> | <b>(Rank)</b> | <b>Social Transfers<br/>Net of Taxes</b> | <b>(Rank)</b> | <b>Other<br/>Income</b> | <b>(Rank)</b> |
|-----------------------|--|---------------|--|---------------|--|---------------|-------------------------|---------------|
| <b>Finland</b>        | 8.2  | 3             | -1.9                                   | 1             | 7.4                                      | 9             | 2.7                     | 4             |
| <b>Norway</b>         | 8.4  | 2             | -11.0                                  | 3             | 14.7                                     | 4             | 4.7                     | 1             |
| <b>Sweden</b>         | 9.8  | 1             | -4.0                                   | 2             | 10.9                                     | 8             | 2.9                     | 3             |
| <b>Germany</b>        | -7.1   | 8             | -20.8                                  | 6             | 13.0                                     | 7             | 0.8                     | 7             |
| <b>Netherlands</b>    | -5.9   | 6             | -33.2                                  | 9             | 28.2                                     | 1             | -0.8                    | 9             |
| <b>Australia</b>      | -6.9   | 7             | -29.6                                  | 8             | 20.4                                     | 2             | 2.3                     | 5             |
| <b>United Kingdom</b> | -8.6   | 9             | -28.0                                  | 7             | 19.7                                     | 3             | -0.3                    | 8             |
| <b>Canada</b>         | -0.6   | 4             | -18.6                                  | 4             | 14.1                                     | 5             | 3.9                     | 2             |
| <b>United States</b>  | -4.5   | 5             | -19.2                                  | 5             | 13.7                                     | 6             | 1.0                     | 6             |
|                       | <b>Correlation with DPI:</b>                                   |               | 0.9076                                 | 0.8000        | -0.6327                                  | -0.4833       | 0.7364                  | 0.7833        |
|                       | <b>Correlation with Earnings +<br/>Self-employment Income:</b> |               |  |               | -0.8874                                  | -0.8333       | 0.6531                  | 0.7500        |

Values estimated from regressions on age of head, and its square.  
All values reported are normalized by U.S. national mean disposable income at PPP.  
Rank is from most positive or least negative (1) to most negative or least positive (9).

**Effects of the Presence of Children on Disposable Income and Earnings  
( KIDZ )  
Single Household Heads, Ages 25 - 54**

|                       | <b>Disposable<br/>Income</b> | <b>(Rank)</b> | <b>Head's<br/>Earnings</b> | <b>(Rank)</b> | <b>Earnings +<br/>Self-emp. Income</b> | <b>(Rank)</b> |
|-----------------------|------------------------------|---------------|----------------------------|---------------|--|---------------|
| <b>Finland</b>        | 8.2                          | 3             | -1.8                       | 1             | -1.9                                   | 1             |
| <b>Norway</b>         | 8.4                          | 2             | -9.3                       | 3             | -11.0                                  | 3             |
| <b>Sweden</b>         | 9.8                          | 1             | -3.4                       | 2             | -4.0                                   | 2             |
| <b>Germany</b>        | -7.1                         | 8             | -16.8                      | 4             | -20.8                                  | 6             |
| <b>Netherlands</b>    | -5.9                         | 6             | -31.7                      | 9             | -33.2                                  | 9             |
| <b>Australia</b>      | -6.9                         | 7             | -26.2                      | 8             | -29.6                                  | 8             |
| <b>United Kingdom</b> | -8.6                         | 9             | -24.8                      | 7             | -28.0                                  | 7             |
| <b>Canada</b>         | -0.6                         | 4             | -17.2                      | 5             | -18.6                                  | 4             |
| <b>United States</b>  | -4.5                         | 5             | -17.5                      | 6             | -19.2                                  | 5             |
|                       | <b>Correlation with DPI:</b> |               | 0.8824                     | 0.6833        | 0.9076                                 | 0.8000        |

Values estimated from regressions on age of head and its square.  
All values reported are normalized by U.S. national mean disposable income at PPP.  
Rank is from most positive or least negative (1) to most negative or least positive (9).

**Decomposition of the Effects of the Number of Children on Disposable Income  
( KIDN )  
Single Household Heads, Ages 25 - 54**

|                       | <b>Disposable<br/>Income</b>                                   | <b>(Rank)</b> | <b>Earnings and<br/>Self-emp.Income</b> | <b>(Rank)</b> | <b>Social Transfers<br/>Net of Taxes</b> | <b>(Rank)</b> | <b>Other<br/>Income</b> | <b>(Rank)</b> |
|-----------------------|--|---------------|---|---------------|--|---------------|-------------------------|---------------|
| <b>Finland</b>        | 17.0   | 1             | 1.7                                     | 1             | 10.4                                     | 4             | 4.9                     | 2             |
| <b>Norway</b>         | 6.0  | 4             | -6.2                                    | 3             | 8.8                                      | 5             | 3.4                     | 5             |
| <b>Sweden</b>         | 12.0   | 2             | -8.3                                    | 6             | 14.6                                     | 2             | 5.8                     | 1             |
| <b>Germany</b>        | 10.4   | 3             | -8.7                                    | 7             | 15.0                                     | 1             | 4.2                     | 4             |
| <b>Netherlands</b>    | 3.0  | 5             | -10.3                                   | 9             | 8.7                                      | 6             | 4.6                     | 3             |
| <b>Australia</b>      | -1.5   | 8             | -7.7                                    | 5             | 7.1                                      | 8             | -0.9                    | 8             |
| <b>United Kingdom</b> | 2.6  | 6             | -9.3                                    | 8             | 12.5                                     | 3             | -0.6                    | 7             |
| <b>Canada</b>         | 1.5  | 7             | -5.8                                    | 2             | 7.2                                      | 7             | 0.1                     | 6             |
| <b>United States</b>  | -3.3   | 9             | -7.4                                    | 4             | 5.9                                      | 9             | -1.8                    | 9             |
|                       | <b>Correlation with DPI:</b>                                   |               | 0.5418                                  | 0.0667        | 0.6868                                   | 0.8000        | 0.8449                  | 0.9167        |
|                       | <b>Correlation with Earnings +<br/>Self-employment Income:</b> |               |   |               | -0.1459                                  | -0.3167       | 0.1987                  | -0.0500       |

Values estimated from regressions on age of head and its square.

All values reported are normalized by national median equivalent income for a family of four.

Rank is from most positive or least negative (1) to most negative or least positive (9).

**Effects of the Number of Children on Disposable Income and Earnings  
( KIDN )  
Single Household Heads, Ages 25 - 54**

|                       | <b>Disposable<br/>Income</b> | <b>(Rank)</b> | <b>Head's<br/>Earnings</b> | <b>(Rank)</b> | <b>Earnings +<br/>Self-emp. Income</b> | <b>(Rank)</b> |
|-----------------------|------------------------------|---------------|----------------------------|---------------|--|---------------|
| <b>Finland</b>        | 17.0                         | 1             | -1.5                       | 1             | 1.7                                    | 1             |
| <b>Norway</b>         | 6.0                          | 4             | -5.1                       | 2             | -6.2                                   | 3             |
| <b>Sweden</b>         | 12.0                         | 2             | -8.5                       | 6             | -8.3                                   | 6             |
| <b>Germany</b>        | 10.4                         | 3             | -14.4                      | 9             | -8.7                                   | 7             |
| <b>Netherlands</b>    | 3.0                          | 5             | -11.5                      | 8             | -10.3                                  | 9             |
| <b>Australia</b>      | -1.5                         | 8             | -7.2                       | 5             | -7.7                                   | 5             |
| <b>United Kingdom</b> | 2.6                          | 6             | -9.6                       | 7             | -9.3                                   | 8             |
| <b>Canada</b>         | 1.5                          | 7             | -5.3                       | 3             | -5.8                                   | 2             |
| <b>United States</b>  | -3.3                         | 9             | -7.1                       | 4             | -7.4                                   | 4             |
|                       | <b>Correlation with DPI:</b> |               | 0.1563                     | 0.0333        | 0.5418                                 | 0.0667        |

Values estimated from regressions on age of head and its square.

All values reported are normalized by national median equivalent income for a family of four.

Rank is from most positive or least negative (1) to most negative or least positive (9).



**Decomposition of the Effects of the Number of Children on Disposable Income  
( KIDN )  
Single Household Heads, Ages 25 - 54**

|                       | <b>Disposable<br/>Income</b>                                   | <b>(Rank)</b> | <b>Earnings +<br/>Self-emp. Income</b> | <b>(Rank)</b> | <b>Social Transfers<br/>Net of Taxes</b> | <b>(Rank)</b> | <b>Other<br/>Income</b> | <b>(Rank)</b> |
|-----------------------|--|---------------|--|---------------|--|---------------|-------------------------|---------------|
| <b>Finland</b>        | 10.9   | 1             | 1.1                                    | 1             | 6.6                                      | 6             | 3.2                     | 3             |
| <b>Norway</b>         | 4.7  | 4             | -4.9                                   | 2             | 7.0                                      | 4             | 2.7                     | 5             |
| <b>Sweden</b>         | 7.6  | 2             | -5.3                                   | 3             | 9.3                                      | 2             | 3.7                     | 1             |
| <b>Germany</b>        | 7.4  | 3             | -6.2                                   | 7             | 10.7                                     | 1             | 2.9                     | 4             |
| <b>Netherlands</b>    | 2.1  | 5             | -7.1                                   | 8             | 6.0                                      | 8             | 3.2                     | 2             |
| <b>Australia</b>      | -1.0   | 8             | -5.3                                   | 4             | 4.9                                      | 9             | -0.6                    | 8             |
| <b>United Kingdom</b> | 1.7  | 6             | -6.1                                   | 6             | 8.1                                      | 3             | -0.4                    | 7             |
| <b>Canada</b>         | 1.4  | 7             | -5.4                                   | 5             | 6.7                                      | 5             | 0.1                     | 6             |
| <b>United States</b>  | -3.5   | 9             | -7.8                                   | 9             | 6.2                                      | 7             | -1.9                    | 9             |
|                       | <b>Correlation with DPI:</b>                                   |               | 0.7045                                 | 0.5833        | 0.5555                                   | 0.5333        | 0.8541                  | 0.8500        |
|                       | <b>Correlation with Earnings +<br/>Self-employment Income:</b> |               |  |               | -0.0783                                  | 0.1333        | 0.3901                  | 0.3333        |

Values estimated from regressions on age of head and its square.  
All values reported are normalized by U.S. national mean disposable income at PPP.  
Rank is from most positive or least negative (1) to most negative or least positive (9).

**Effects of the Number of Children on Disposable Income and Earnings  
( KIDN )  
Single Household Heads, Ages 25 - 54**

|                              | <b>Disposable<br/>Income</b> | <b>(Rank)</b> | <b>Head's<br/>Earnings</b> | <b>(Rank)</b> | <b>Earnings +<br/>Self-emp. Income</b> | <b>(Rank)</b> |
|------------------------------|------------------------------|---------------|----------------------------|---------------|--|---------------|
| <b>Finland</b>               | 10.9                         | 1             | -1.0                       | 1             | 1.1                                    | 1             |
| <b>Norway</b>                | 4.7                          | 4             | -4.1                       | 2             | -4.9                                   | 2             |
| <b>Sweden</b>                | 7.6                          | 2             | -5.4                       | 5             | -5.3                                   | 3             |
| <b>Germany</b>               | 7.4                          | 3             | -10.2                      | 9             | -6.2                                   | 7             |
| <b>Netherlands</b>           | 2.1                          | 5             | -8.0                       | 8             | -7.1                                   | 8             |
| <b>Australia</b>             | -1.0                         | 8             | -4.9                       | 4             | -5.3                                   | 4             |
| <b>United Kingdom</b>        | 1.7                          | 6             | -6.3                       | 6             | -6.1                                   | 6             |
| <b>Canada</b>                | 1.4                          | 7             | -4.9                       | 3             | -5.4                                   | 5             |
| <b>United States</b>         | -3.5                         | 9             | -7.5                       | 7             | -7.8                                   | 9             |
| <b>Correlation with DPI:</b> |                              |               | 0.3402                     | 0.2167        | 0.7045                                 | 0.5833        |

Values estimated from regressions on ages of head and its square.  
All values reported are normalized by U.S. national mean disposable income at PPP.  
Rank is from most positive or least negative (1) to most negative or least positive (9).

**Decomposition of the Effects of the Presence of Children on Disposable Income  
( KIDZ )  
Married Households, All Ages**

|                       | <b>Disposable<br/>Income</b>                                   | <b>(Rank)</b> | <b>Earnings +<br/>Self-emp. Income</b> | <b>(Rank)</b> | <b>Social Transfers<br/>Net of Taxes</b> | <b>(Rank)</b> | <b>Other<br/>Income</b> | <b>(Rank)</b> |
|-----------------------|--|---------------|--|---------------|--|---------------|-------------------------|---------------|
| <b>Finland</b>        | 3.5  | 3             | 5.2                                    | 1             | -0.9                                     | 9             | -0.7                    | 6             |
| <b>Norway</b>         | 4.1  | 1             | -1.1                                   | 2             | 5.5                                      | 6             | -0.3                    | 5             |
| <b>Sweden</b>         | 3.9  | 2             | -8.7                                   | 5             | 11.5                                     | 4             | 1.1                     | 1             |
| <b>Germany</b>        | -6.3   | 6             | -23.7                                  | 9             | 18.1                                     | 1             | -0.8                    | 7             |
| <b>Netherlands</b>    | -8.3   | 7             | -19.8                                  | 7             | 11.8                                     | 3             | -0.3                    | 4             |
| <b>Australia</b>      | -14.7  | 9             | -17.5                                  | 6             | 7.2                                      | 5             | -4.3                    | 9             |
| <b>United Kingdom</b> | -12.1  | 8             | -21.0                                  | 8             | 12.9                                     | 2             | -4.0                    | 8             |
| <b>Canada</b>         | -2.6   | 5             | -8.3                                   | 4             | 5.4                                      | 7             | 0.4                     | 3             |
| <b>United States</b>  | 1.2  | 4             | -4.6                                   | 3             | 5.0                                      | 8             | 0.9                     | 2             |
|                       | <b>Correlation with DPI:</b>                                   |               | 0.8282                                 | 0.7167        | -0.4690                                  | -0.4833       | 0.8079                  | 0.6333        |
|                       | <b>Correlation with Earnings +<br/>Self-employment Income:</b> |               |  |               | -0.8747                                  | -0.9333       | 0.4717                  | 0.3833        |

Values estimated from regressions on ages of head and spouse and their squares, cubes and quartics.  
All values reported are normalized by national median equivalent income for a family of four.  
Rank is from most positive or least negative (1) to most negative or least positive (9).

**Effects of the Presence of Children on Disposable Income and Earnings  
( KIDZ )  
Married Households, All Ages**

|                       | <b>Disposable<br/>Income</b> | <b>(Rank)</b> | <b>Head's<br/>Earnings</b> | <b>(Rank)</b> | <b>Spouse's<br/>Earnings</b> | <b>(Rank)</b> | <b>Earnings +<br/>Self-emp. Income</b> | <b>(Rank)</b> |
|-----------------------|------------------------------|---------------|----------------------------|---------------|------------------------------|---------------|--|---------------|
| <b>Finland</b>        | 3.5                          | 3             | 5.1                        | 1             | -2.0                         | 1             | 5.2                                    | 1             |
| <b>Norway</b>         | 4.1                          | 1             | 4.0                        | 2             | -4.0                         | 2             | -1.1                                   | 2             |
| <b>Sweden</b>         | 3.9                          | 2             | 1.3                        | 5             | -10.0                        | 5             | -8.7                                   | 5             |
| <b>Germany</b>        | -6.3                         | 6             | 0.9                        | 7             | -24.7                        | 9             | -23.7                                  | 9             |
| <b>Netherlands</b>    | -8.3                         | 7             | 0.4                        | 8             | -19.0                        | 7             | -19.8                                  | 7             |
| <b>Australia</b>      | -14.7                        | 9             | -2.7                       | 9             | -15.5                        | 6             | -17.5                                  | 6             |
| <b>United Kingdom</b> | -12.1                        | 8             | 2.3                        | 4             | -24.1                        | 8             | -21.0                                  | 8             |
| <b>Canada</b>         | -2.6                         | 5             | 1.0                        | 6             | -9.3                         | 4             | -8.3                                   | 4             |
| <b>United States</b>  | 1.2                          | 4             | 3.6                        | 3             | -8.2                         | 3             | -4.6                                   | 3             |
|                       | <b>Correlation with DPI:</b> |               | 0.7457                     | 0.7167        | 0.7925                       | 0.7167        | 0.8282                                 | 0.7167        |

Values estimated from regressions on ages of head and spouse and their squares, cubes and quartics.  
All values reported are normalized by national median equivalent income for a family of four.  
Rank is from most positive or least negative (1) to most negative or least positive (9).

**Decomposition of the Effects of the Presence of Children on Disposable Income  
( KIDZ )  
Married Households, All Ages**

|                       | <b>Disposable<br/>Income</b>                                   | <b>(Rank)</b> | <b>Earnings +<br/>Self-emp. Income</b> | <b>(Rank)</b> | <b>Social Transfers<br/>Net of Taxes</b> | <b>(Rank)</b> | <b>Other<br/>Income</b> | <b>(Rank)</b> |
|-----------------------|--|---------------|--|---------------|--|---------------|-------------------------|---------------|
| <b>Finland</b>        | 2.3  | 3             | 3.3                                    | 1             | -0.6                                     | 9             | -0.5                    | 6             |
| <b>Norway</b>         | 3.2  | 1             | -0.9                                   | 2             | 4.4                                      | 8             | -0.3                    | 5             |
| <b>Sweden</b>         | 2.5  | 2             | -5.5                                   | 4             | 7.3                                      | 4             | 0.7                     | 2             |
| <b>Germany</b>        | -4.5   | 6             | -16.8                                  | 9             | 12.9                                     | 1             | -0.5                    | 7             |
| <b>Netherlands</b>    | -5.7   | 7             | -13.7                                  | 8             | 8.2                                      | 3             | -0.2                    | 4             |
| <b>Australia</b>      | -10.1  | 9             | -12.1                                  | 6             | 4.9                                      | 7             | -3.0                    | 9             |
| <b>United Kingdom</b> | -7.9   | 8             | -13.6                                  | 7             | 8.4                                      | 2             | -2.6                    | 8             |
| <b>Canada</b>         | -2.4   | 5             | -7.7                                   | 5             | 5.0                                      | 6             | 0.4                     | 3             |
| <b>United States</b>  | 1.3  | 4             | -4.8                                   | 3             | 5.2                                      | 5             | 0.9                     | 1             |
|                       | <b>Correlation with DPI:</b>                                   |               | 0.8220                                 | 0.7500        | -0.4326                                  | -0.4333       | 0.7841                  | 0.6000        |
|                       | <b>Correlation with Earnings +<br/>Self-employment Income:</b> |               |  |               | -0.8589                                  | -0.8333       | 0.4192                  | 0.3667        |

Values estimated from regressions on ages of head and spouse and their squares, cubes and quartics.  
All values reported are normalized by U.S. national mean disposable income at PPP.  
Rank is from most positive or least negative (1) to most negative or least positive (9).

**Effects of the Presence of Children on Disposable Income and Earnings  
( KIDZ )  
Married Households, All Ages**

|                       | <b>Disposable<br/>Income</b> | <b>(Rank)</b> | <b>Head's<br/>Earnings</b> | <b>(Rank)</b> | <b>Spouse's<br/>Earnings</b> | <b>(Rank)</b> | <b>Earnings +<br/>Self-emp. Income</b> | <b>(Rank)</b> |
|-----------------------|------------------------------|---------------|----------------------------|---------------|------------------------------|---------------|--|---------------|
| <b>Finland</b>        | 2.3                          | 3             | 3.2                        | 2             | -1.2                         | 1             | 3.3                                    | 1             |
| <b>Norway</b>         | 3.2                          | 1             | 3.2                        | 3             | -3.2                         | 2             | -0.9                                   | 2             |
| <b>Sweden</b>         | 2.5                          | 2             | 0.8                        | 6             | -6.4                         | 3             | -5.5                                   | 4             |
| <b>Germany</b>        | -4.5                         | 6             | 0.6                        | 7             | -17.5                        | 9             | -16.8                                  | 9             |
| <b>Netherlands</b>    | -5.7                         | 7             | 0.3                        | 8             | -13.1                        | 7             | -13.7                                  | 8             |
| <b>Australia</b>      | -10.1                        | 9             | -1.8                       | 9             | -10.6                        | 6             | -12.1                                  | 6             |
| <b>United Kingdom</b> | -7.9                         | 8             | 1.5                        | 4             | -15.7                        | 8             | -13.6                                  | 7             |
| <b>Canada</b>         | -2.4                         | 5             | 0.9                        | 5             | -8.6                         | 4             | -7.7                                   | 5             |
| <b>United States</b>  | 1.3                          | 4             | 3.8                        | 1             | -8.7                         | 5             | -4.8                                   | 3             |
|                       | <b>Correlation with DPI:</b> |               | 0.7792                     | 0.6000        | 0.7623                       | 0.7833        | 0.8220                                 | 0.7500        |

Values estimated from regressions on ages of head and spouse and their squares, cubes and quartics.  
All values reported are normalized by U.S. national mean disposable income at PPP.  
Rank is from most positive or least negative (1) to most negative or least positive (9).

**Decomposition of the Effects of the Number of Children on Disposable Income  
( KIDN )  
Married Households, All Ages**

|                       | <b>Disposable<br/>Income</b>                                   | <b>(Rank)</b> | <b>Earnings +<br/>Self-emp. Income</b> | <b>(Rank)</b> | <b>Social Transfers<br/>Net of Taxes</b> | <b>(Rank)</b> | <b>Other<br/>Income</b> | <b>(Rank)</b> |
|-----------------------|--|---------------|--|---------------|--|---------------|-------------------------|---------------|
| <b>Finland</b>        | 4.1  | 1             | -5.7                                   | 2             | 9.4                                      | 4             | 0.4                     | 2             |
| <b>Norway</b>         | -0.3   | 3             | -6.7                                   | 4             | 7.3                                      | 6             | -0.9                    | 7             |
| <b>Sweden</b>         | 3.8  | 2             | -10.1                                  | 7             | 12.8                                     | 1             | 1.1                     | 1             |
| <b>Germany</b>        | -1.5   | 5             | -9.4                                   | 6             | 9.8                                      | 3             | -1.9                    | 8             |
| <b>Netherlands</b>    | -0.4   | 4             | -4.9                                   | 1             | 4.2                                      | 9             | 0.3                     | 4             |
| <b>Australia</b>      | -6.7   | 9             | -12.0                                  | 8             | 8.9                                      | 5             | -3.6                    | 9             |
| <b>United Kingdom</b> | -4.3   | 8             | -16.0                                  | 9             | 12.6                                     | 2             | -0.9                    | 6             |
| <b>Canada</b>         | -2.6   | 6             | -6.6                                   | 3             | 4.5                                      | 8             | -0.5                    | 5             |
| <b>United States</b>  | -4.1   | 7             | -9.3                                   | 5             | 4.9                                      | 7             | 0.3                     | 3             |
|                       | <b>Correlation with DPI:</b>                                   |               | 0.5234                                 | 0.5667        | 0.2367                                   | 0.1333        | 0.7054                  | 0.6000        |
|                       | <b>Correlation with Earnings +<br/>Self-employment Income:</b> |               |  |               | -0.6617                                  | -0.7000       | 0.3934                  | 0.3667        |

Values estimated from regressions on ages of head and spouse and their squares, cubes and quartics.  
All values reported are normalized by national median equivalent income for a family of four.  
Rank is from most positive or least negative (1) to most negative or least positive (9).

**Effects of the Number of Children on Disposable Income and Earnings  
( KIDN )  
Married Households, All Ages**

|                              | <b>Disposable<br/>Income</b> | <b>(Rank)</b> | <b>Head's<br/>Earnings</b> | <b>(Rank)</b> | <b>Spouse's<br/>Earnings</b> | <b>(Rank)</b> | <b>Earnings +<br/>Self-emp. Income</b> | <b>(Rank)</b> |
|------------------------------|------------------------------|---------------|----------------------------|---------------|------------------------------|---------------|--|---------------|
| <b>Finland</b>               | 4.1                          | 1             | -0.7                       | 3             | -6.7                         | 2             | -5.7                                   | 2             |
| <b>Norway</b>                | -0.3                         | 3             | -1.0                       | 5             | -8.3                         | 6             | -6.7                                   | 4             |
| <b>Sweden</b>                | 3.8                          | 2             | -4.0                       | 8             | -6.1                         | 1             | -10.1                                  | 7             |
| <b>Germany</b>               | -1.5                         | 5             | 2.2                        | 1             | -9.5                         | 8             | -9.4                                   | 6             |
| <b>Netherlands</b>           | -0.4                         | 4             | 1.9                        | 2             | -8.5                         | 7             | -4.9                                   | 1             |
| <b>Australia</b>             | -6.7                         | 9             | -3.0                       | 7             | -9.7                         | 9             | -12.0                                  | 8             |
| <b>United Kingdom</b>        | -4.3                         | 8             | -9.5                       | 9             | -7.5                         | 5             | -16.0                                  | 9             |
| <b>Canada</b>                | -2.6                         | 6             | -0.8                       | 4             | -6.8                         | 3             | -6.6                                   | 3             |
| <b>United States</b>         | -4.1                         | 7             | -2.4                       | 6             | -7.2                         | 4             | -9.3                                   | 5             |
| <b>Correlation with DPI:</b> |                              |               | 0.2731                     | 0.3833        | 0.5542                       | 0.5333        | 0.5234                                 | 0.5667        |

Values estimated from regressions on ages of head and spouse and their squares, cubes and quartics.  
All values reported are normalized by national median equivalent income for a family of four.  
Rank is from most positive or least negative (1) to most negative or least positive (9).



**Decomposition of the Effects of the Number of Children on Disposable Income  
( KIDN )  
Married Households, All Ages**

|                       | <b>Disposable<br/>Income</b>                                   | <b>(Rank)</b> | <b>Earnings +<br/>Self-emp. Income</b> | <b>(Rank)</b> | <b>Social Transfers<br/>Net of Taxes</b> | <b>(Rank)</b> | <b>Other<br/>Income</b> | <b>(Rank)</b> |
|-----------------------|--|---------------|--|---------------|--|---------------|-------------------------|---------------|
| <b>Finland</b>        | 2.6  | 1             | -3.6                                   | 2             | 6.0                                      | 5             | 0.3                     | 3             |
| <b>Norway</b>         | -0.2   | 3             | -5.3                                   | 3             | 5.8                                      | 6             | -0.7                    | 7             |
| <b>Sweden</b>         | 2.4  | 2             | -6.4                                   | 5             | 8.1                                      | 2             | 0.7                     | 1             |
| <b>Germany</b>        | -1.0   | 5             | -6.6                                   | 6             | 6.9                                      | 3             | -1.3                    | 8             |
| <b>Netherlands</b>    | -0.3   | 4             | -3.4                                   | 1             | 2.9                                      | 9             | 0.2                     | 4             |
| <b>Australia</b>      | -4.6   | 9             | -8.2                                   | 7             | 6.1                                      | 4             | -2.5                    | 9             |
| <b>United Kingdom</b> | -2.8   | 7             | -10.4                                  | 9             | 8.2                                      | 1             | -0.6                    | 6             |
| <b>Canada</b>         | -2.4   | 6             | -6.1                                   | 4             | 4.1                                      | 8             | -0.4                    | 5             |
| <b>United States</b>  | -4.3   | 8             | -9.8                                   | 8             | 5.2                                      | 7             | 0.3                     | 2             |
|                       | <b>Correlation with DPI:</b>                                   |               | 0.7241                                 | 0.7333        | 0.1577                                   | 0.0000        | 0.5700                  | 0.4333        |
|                       | <b>Correlation with Earnings +<br/>Self-employment Income:</b> |               |  |               | -0.4906                                  | -0.5833       | 0.2819                  | 0.2000        |

Values estimated from regressions on ages of head and spouse and their squares, cubes and quartics.  
All values reported are normalized by U.S. national mean disposable income at PPP.  
Rank is from most positive or least negative (1) to most negative or least positive (9).

**Effects of the Number of Children on Disposable Income and Earnings  
( KIDN )  
Married Households, All Ages**

|                              | <b>Disposable<br/>Income</b> | <b>(Rank)</b> | <b>Head's<br/>Earnings</b> | <b>(Rank)</b> | <b>Spouse's<br/>Earnings</b> | <b>(Rank)</b> | <b>Earnings +<br/>Self-emp. Income</b> | <b>(Rank)</b> |
|------------------------------|------------------------------|---------------|----------------------------|---------------|------------------------------|---------------|--|---------------|
| <b>Finland</b>               | 2.6                          | 1             | -0.4                       | 3             | -4.3                         | 2             | -3.6                                   | 2             |
| <b>Norway</b>                | -0.2                         | 3             | -0.8                       | 5             | -6.6                         | 6             | -5.3                                   | 3             |
| <b>Sweden</b>                | 2.4                          | 2             | -2.6                       | 8             | -3.9                         | 1             | -6.4                                   | 5             |
| <b>Germany</b>               | -1.0                         | 5             | 1.6                        | 1             | -6.8                         | 8             | -6.6                                   | 6             |
| <b>Netherlands</b>           | -0.3                         | 4             | 1.3                        | 2             | -5.9                         | 4             | -3.4                                   | 1             |
| <b>Australia</b>             | -4.6                         | 9             | -2.0                       | 6             | -6.7                         | 7             | -8.2                                   | 7             |
| <b>United Kingdom</b>        | -2.8                         | 7             | -6.2                       | 9             | -4.9                         | 3             | -10.4                                  | 9             |
| <b>Canada</b>                | -2.4                         | 6             | -0.7                       | 4             | -6.3                         | 5             | -6.1                                   | 4             |
| <b>United States</b>         | -4.3                         | 8             | -2.5                       | 7             | -7.6                         | 9             | -9.8                                   | 8             |
| <b>Correlation with DPI:</b> |                              |               | 0.3168                     | 0.3167        | 0.7469                       | 0.6500        | 0.7241                                 | 0.7333        |

Values estimated from regressions on ages of head and spouse and their squares, cubes and quartics.  
All values reported are normalized by U.S. national mean disposable income at PPP.  
Rank is from most positive or least negative (1) to most negative or least positive (9).

**Decomposition of the Effects of the Presence of Children on Disposable Income  
( KIDZ )  
Single Household Heads, All Ages**

|                       | <b>Disposable<br/>Income</b>                                   | <b>(Rank)</b> | <b>Earnings +<br/>Self-emp.<br/>Income</b> | <b>(Rank)</b> | <b>Social Transfers<br/>Net of Taxes</b> | <b>(Rank)</b> | <b>Other<br/>Income</b> | <b>(Rank)</b> |
|-----------------------|--|---------------|--|---------------|--|---------------|-------------------------|---------------|
| <b>Finland</b>        | 13.4   | 1             | -3.7                                       | 1             | 12.7                                     | 8             | 4.3                     | 3             |
| <b>Norway</b>         | 11.0   | 3             | -13.2                                      | 3             | 18.7                                     | 4             | 5.5                     | 2             |
| <b>Sweden</b>         | 13.3   | 2             | -7.5                                       | 2             | 16.4                                     | 5             | 4.3                     | 4             |
| <b>Germany</b>        | -4.7   | 6             | -26.8                                      | 6             | 16.2                                     | 6             | 5.9                     | 1             |
| <b>Netherlands</b>    | -6.4   | 7             | -43.8                                      | 9             | 37.9                                     | 1             | -0.5                    | 8             |
| <b>Australia</b>      | -8.3   | 8             | -37.7                                      | 7             | 28.1                                     | 3             | 1.4                     | 7             |
| <b>United Kingdom</b> | -11.9  | 9             | -38.4                                      | 8             | 29.0                                     | 2             | -2.5                    | 9             |
| <b>Canada</b>         | 0.8  | 4             | -18.7                                      | 5             | 15.3                                     | 7             | 4.2                     | 5             |
| <b>United States</b>  | -2.1   | 5             | -15.8                                      | 4             | 12.2                                     | 9             | 1.5                     | 6             |
|                       | <b>Correlation with DPI:</b>                                   |               | 0.9036                                     | 0.9333        | -0.6129                                  | -0.6167       | 0.6985                  | 0.6833        |
|                       | <b>Correlation with Earnings +<br/>Self-employment Income:</b> |               |  |               | -0.8782                                  | -0.7000       | 0.7040                  | 0.6667        |

Values estimated from regressions on age of head and its square, cube and quartic.  
All values reported are normalized by national median equivalent income for a family of four.  
Rank is from most positive or least negative (1) to most negative or least positive (9).

**Effects of the Presence of Children on Disposable Income and Earnings  
( KIDZ )  
Single Household Heads, All Ages**

|                       | <b>Disposable<br/>Income</b> | <b>(Rank)</b> | <b>Head's<br/>Earnings</b> | <b>(Rank)</b> | <b>Earnings +<br/>Self-emp. Income</b> | <b>(Rank)</b> |
|-----------------------|------------------------------|---------------|----------------------------|---------------|--|---------------|
| <b>Finland</b>        | 13.4                         | 1             | -3.7                       | 1             | -3.7                                   | 1             |
| <b>Norway</b>         | 11.0                         | 3             | -11.5                      | 3             | -13.2                                  | 3             |
| <b>Sweden</b>         | 13.3                         | 2             | -6.6                       | 2             | -7.5                                   | 2             |
| <b>Germany</b>        | -4.7                         | 6             | -22.0                      | 6             | -26.8                                  | 6             |
| <b>Netherlands</b>    | -6.4                         | 7             | -41.8                      | 9             | -43.8                                  | 9             |
| <b>Australia</b>      | -8.3                         | 8             | -35.1                      | 8             | -37.7                                  | 7             |
| <b>United Kingdom</b> | -11.9                        | 9             | -34.0                      | 7             | -38.4                                  | 8             |
| <b>Canada</b>         | 0.8                          | 4             | -17.5                      | 5             | -18.7                                  | 5             |
| <b>United States</b>  | -2.1                         | 5             | -14.6                      | 4             | -15.8                                  | 4             |
|                       | <b>Correlation with DPI:</b> |               | 0.8852                     | 0.9167        | 0.9036                                 | 0.9333        |

Values estimated from regressions on age of head and its square, cube and quartic.  
All values reported are normalized by national median equivalent income for a family of four.  
Rank is from most positive or least negative (1) to most negative or least positive (9).

**Decomposition of the Effects of the Presence of Children on Disposable Income  
( KIDZ )  
Single Household Heads, All Ages**

|                       | <b>Disposable<br/>Income</b>                                   | <b>(Rank)</b> | <b>Earnings +<br/>Self-emp. Income</b> | <b>(Rank)</b> | <b>Social Transfers<br/>Net of Taxes</b> | <b>(Rank)</b> | <b>Other<br/>Income</b> | <b>(Rank)</b> |
|-----------------------|--|---------------|--|---------------|--|---------------|-------------------------|---------------|
| <b>Finland</b>        | 8.5  | 2             | -2.3                                   | 1             | 8.1                                      | 9             | 2.8                     | 4             |
| <b>Norway</b>         | 8.8  | 1             | -10.5                                  | 3             | 14.8                                     | 4             | 4.4                     | 1             |
| <b>Sweden</b>         | 8.4  | 3             | -4.7                                   | 2             | 10.4                                     | 8             | 2.7                     | 5             |
| <b>Germany</b>        | -3.3   | 6             | -19.0                                  | 6             | 11.5                                     | 7             | 4.2                     | 2             |
| <b>Netherlands</b>    | -4.4   | 7             | -30.4                                  | 9             | 26.3                                     | 1             | -0.3                    | 8             |
| <b>Australia</b>      | -5.7   | 8             | -26.0                                  | 8             | 19.4                                     | 2             | 1.0                     | 7             |
| <b>United Kingdom</b> | -7.8   | 9             | -25.0                                  | 7             | 18.8                                     | 3             | -1.6                    | 9             |
| <b>Canada</b>         | 0.7  | 4             | -17.3                                  | 5             | 14.2                                     | 5             | 3.9                     | 3             |
| <b>United States</b>  | -2.2   | 5             | -16.6                                  | 4             | 12.8                                     | 6             | 1.6                     | 6             |
|                       | <b>Correlation with DPI:</b>                                   |               | 0.9153                                 | 0.8667        | -0.6406                                  | -0.6167       | 0.6586                  | 0.7667        |
|                       | <b>Correlation with Earnings +<br/>Self-employment Income:</b> |               |  |               | -0.8739                                  | -0.8500       | 0.6228                  | 0.5667        |

Values estimated from regressions on age of head and its square, cube and quartic.  
All values reported are normalized by U.S. national mean disposable income at PPP.  
Rank is from most positive or least negative (1) to most negative or least positive (9).

**Effects of the Presence of Children on Disposable Income and Earnings  
( KIDZ )  
Single Household Heads, All Ages**

|                       | <b>Disposable<br/>Income</b> | <b>(Rank)</b> | <b>Head's<br/>Earnings</b> | <b>(Rank)</b> | <b>Earnings +<br/>Self-emp. Income</b> | <b>(Rank)</b> |
|-----------------------|------------------------------|---------------|----------------------------|---------------|--|---------------|
| <b>Finland</b>        | 8.5                          | 2             | -2.4                       | 1             | -2.3                                   | 1             |
| <b>Norway</b>         | 8.8                          | 1             | -9.1                       | 3             | -10.5                                  | 3             |
| <b>Sweden</b>         | 8.4                          | 3             | -4.2                       | 2             | -4.7                                   | 2             |
| <b>Germany</b>        | -3.3                         | 6             | -15.6                      | 5             | -19.0                                  | 6             |
| <b>Netherlands</b>    | -4.4                         | 7             | -29.0                      | 9             | -30.4                                  | 9             |
| <b>Australia</b>      | -5.7                         | 8             | -24.2                      | 8             | -26.0                                  | 8             |
| <b>United Kingdom</b> | -7.8                         | 9             | -22.1                      | 7             | -25.0                                  | 7             |
| <b>Canada</b>         | 0.7                          | 4             | -16.2                      | 6             | -17.3                                  | 5             |
| <b>United States</b>  | -2.2                         | 5             | -15.4                      | 4             | -16.6                                  | 4             |
|                       | <b>Correlation with DPI:</b> |               | 0.8939                     | 0.8333        | 0.9153                                 | 0.8667        |

Values estimated from regressions on age of head and its square, cube and quartic.  
All values reported are normalized by U.S. national mean disposable income at PPP.  
Rank is from most positive or least negative (1) to most negative or least positive (9).

**Decomposition of the Effects of the Number of Children on Disposable Income  
( KIDN )  
Single Household Heads, All Ages**

|                       | <b>Disposable<br/>Income</b>                                   | <b>(Rank)</b> | <b>Earnings +<br/>Self-emp. Income</b> | <b>(Rank)</b> | <b>Social Transfers<br/>Net of Taxes</b> | <b>(Rank)</b> | <b>Other<br/>Income</b> | <b>(Rank)</b> |
|-----------------------|--|---------------|--|---------------|--|---------------|-------------------------|---------------|
| <b>Finland</b>        | 16.5   | 1             | 0.6                                    | 1             | 10.2                                     | 5             | 5.8                     | 2             |
| <b>Norway</b>         | 6.0  | 4             | -7.5                                   | 4             | 10.1                                     | 6             | 3.5                     | 4             |
| <b>Sweden</b>         | 11.7   | 2             | -9.6                                   | 5             | 15.2                                     | 2             | 6.0                     | 1             |
| <b>Germany</b>        | 7.7  | 3             | -10.7                                  | 7             | 16.1                                     | 1             | 2.3                     | 5             |
| <b>Netherlands</b>    | 1.2  | 7             | -12.8                                  | 9             | 10.2                                     | 4             | 3.8                     | 3             |
| <b>Australia</b>      | -3.2   | 9             | -10.7                                  | 6             | 8.2                                      | 7             | -0.8                    | 8             |
| <b>United Kingdom</b> | 1.6  | 5             | -10.8                                  | 8             | 12.7                                     | 3             | -0.3                    | 7             |
| <b>Canada</b>         | 1.2  | 6             | -6.2                                   | 2             | 7.0                                      | 8             | 0.3                     | 6             |
| <b>United States</b>  | -2.5   | 8             | -7.2                                   | 3             | 5.7                                      | 9             | -1.0                    | 9             |
|                       | <b>Correlation with DPI:</b>                                   |               | 0.5626                                 | 0.2667        | 0.5614                                   | 0.6167        | 0.8691                  | 0.7667        |
|                       | <b>Correlation with Earnings +<br/>Self-employment Income:</b> |               |  |               | -0.3064                                  | -0.5667       | 0.3054                  | 0.0500        |

Values estimated from regressions on age of head and its square, cube and quartic.  
All values reported are normalized by national median equivalent income for a family of four.  
Rank is from most positive or least negative (1) to most negative or least positive (9).

**Effects of the Number of Children on Disposable Income and Earnings  
( KIDN )  
Single Household Heads, All Ages**

|                       | <b>Disposable<br/>Income</b> | <b>(Rank)</b> | <b>Head's<br/>Earnings</b> | <b>(Rank)</b> | <b>Earnings +<br/>Self-emp. Income</b> | <b>(Rank)</b> |
|-----------------------|------------------------------|---------------|----------------------------|---------------|--|---------------|
| <b>Finland</b>        | 16.5                         | 1             | -2.5                       | 1             | 0.6                                    | 1             |
| <b>Norway</b>         | 6.0                          | 4             | -6.4                       | 3             | -7.5                                   | 4             |
| <b>Sweden</b>         | 11.7                         | 2             | -9.7                       | 6             | -9.6                                   | 5             |
| <b>Germany</b>        | 7.7                          | 3             | -15.9                      | 9             | -10.7                                  | 7             |
| <b>Netherlands</b>    | 1.2                          | 7             | -14.0                      | 8             | -12.8                                  | 9             |
| <b>Australia</b>      | -3.2                         | 9             | -9.2                       | 5             | -10.7                                  | 6             |
| <b>United Kingdom</b> | 1.6                          | 5             | -10.8                      | 7             | -10.8                                  | 8             |
| <b>Canada</b>         | 1.2                          | 6             | -5.7                       | 2             | -6.2                                   | 2             |
| <b>United States</b>  | -2.5                         | 8             | -6.9                       | 4             | -7.2                                   | 3             |
|                       | <b>Correlation with DPI:</b> |               | 0.2372                     | 0.1167        | 0.5626                                 | 0.2667        |

Values estimated from regressions on age of head and its square, cube and quartic.  
All values reported are normalized by national median equivalent income for a family of four.  
Rank is from most positive or least negative (1) to most negative or least positive (9).



**Decomposition of the Effects of the Number of Children on Disposable Income  
( KIDN )  
Single Household Heads, All Ages**

|                       | <b>Disposable<br/>Income</b>                                   | <b>(Rank)</b> | <b>Earnings +<br/>Self-emp. Income</b> | <b>(Rank)</b> | <b>Social Transfers<br/>Net of Taxes</b> | <b>(Rank)</b> | <b>Other<br/>Income</b> | <b>(Rank)</b> |
|-----------------------|--|---------------|--|---------------|--|---------------|-------------------------|---------------|
| <b>Finland</b>        | 10.5   | 1             | 0.4                                    | 1             | 6.5                                      | 7             | 3.7                     | 2             |
| <b>Norway</b>         | 4.8  | 4             | -6.0                                   | 3             | 8.0                                      | 4             | 2.8                     | 3             |
| <b>Sweden</b>         | 7.4  | 2             | -6.1                                   | 4             | 9.6                                      | 2             | 3.8                     | 1             |
| <b>Germany</b>        | 5.5  | 3             | -7.6                                   | 7             | 11.4                                     | 1             | 1.6                     | 5             |
| <b>Netherlands</b>    | 0.8  | 7             | -8.9                                   | 9             | 7.0                                      | 5             | 2.6                     | 4             |
| <b>Australia</b>      | -2.2   | 8             | -7.3                                   | 6             | 5.7                                      | 9             | -0.5                    | 8             |
| <b>United Kingdom</b> | 1.0  | 6             | -7.1                                   | 5             | 8.3                                      | 3             | -0.2                    | 7             |
| <b>Canada</b>         | 1.1  | 5             | -5.7                                   | 2             | 6.5                                      | 6             | 0.3                     | 6             |
| <b>United States</b>  | -2.7   | 9             | -7.6                                   | 8             | 6.0                                      | 8             | -1.1                    | 9             |
|                       | <b>Correlation with DPI:</b>                                   |               | 0.7175                                 | 0.6667        | 0.4769                                   | 0.5333        | 0.8647                  | 0.8500        |
|                       | <b>Correlation with Earnings +<br/>Self-employment Income:</b> |               |  |               | -0.1859                                  | -0.0167       | 0.4651                  | 0.4667        |

Values estimated from regressions on age of head and its square, cube and quartic.  
All values reported are normalized by U.S. national mean disposable income at PPP.  
Rank is from most positive or least negative (1) to most negative or least positive (9).

**Effects of the Number of Children on Disposable Income and Earnings  
( KIDN )  
Single Household Heads, All Ages**

|                       | <b>Disposable<br/>Income</b> | <b>(Rank)</b> | <b>Head's<br/>Earnings</b> | <b>(Rank)</b> | <b>Earnings +<br/>Self-emp. Income</b> | <b>(Rank)</b> |
|-----------------------|------------------------------|---------------|----------------------------|---------------|--|---------------|
| <b>Finland</b>        | 10.5                         | 1             | -1.6                       | 1             | 0.4                                    | 1             |
| <b>Norway</b>         | 4.8                          | 4             | -5.1                       | 2             | -6.0                                   | 3             |
| <b>Sweden</b>         | 7.4                          | 2             | -6.2                       | 4             | -6.1                                   | 4             |
| <b>Germany</b>        | 5.5                          | 3             | -11.3                      | 9             | -7.6                                   | 7             |
| <b>Netherlands</b>    | 0.8                          | 7             | -9.7                       | 8             | -8.9                                   | 9             |
| <b>Australia</b>      | -2.2                         | 8             | -6.3                       | 5             | -7.3                                   | 6             |
| <b>United Kingdom</b> | 1.0                          | 6             | -7.0                       | 6             | -7.1                                   | 5             |
| <b>Canada</b>         | 1.1                          | 5             | -5.3                       | 3             | -5.7                                   | 2             |
| <b>United States</b>  | -2.7                         | 9             | -7.3                       | 7             | -7.6                                   | 8             |
|                       | <b>Correlation with DPI:</b> |               | 0.3898                     | 0.4833        | 0.7175                                 | 0.6667        |

Values estimated from regressions on age of head and its square, cubic and quartic.  
All values reported are normalized by U.S. national mean disposable income at PPP.  
Rank is from most positive or least negative (1) to most negative or least positive (9).