

Can governments boost voluntary retirement savings via tax incentives and subsidies? A German case study for low-income households

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Abstract. Since 2002 the German government promotes private retirement saving plans by means of special saving subsidies and tax incentives (Riester scheme). Specifically, this policy targets low-income households. Using data from the German Socio-economic Panel, we scrutinize the impact of the Riester scheme on private savings. Our estimation results suggest that the Riester scheme increases neither the fraction of households with positive savings, nor the households' saving rate. Thus, rather than generating new savings, this policy seems to induce people to substitute existing non-subsidized contracts with subsidized saving contracts.

JEL-Classification: D12, D14, H24, H31, I38

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1 Introduction

In many OECD countries, private pension schemes are promoted by means of tax exemptions and other subsidies (see Antolín et al., 2004, and Yoo and de Serres, 2004, for an overview). In Germany, insurance companies can offer such saving contracts, so-called Riester contracts, since year 2002. The typical justification in favor of saving subsidies is that people are myopic, save too little and thus accumulate too little wealth for their old age.¹ However, if subsidies and market entry regulations guarantee surpluses on the side of the suppliers, the functioning of a free-market economy is threatened. However, there might be a second-best argument in favor of a saving subsidy: If, due to population ageing, future contribution rates rise dramatically, an excess burden of taxation could generate disproportional welfare losses. A dominant policy could then encompass two measures: cuts of public pension entitlements together with saving subsidies that allow the generations, most affected by the pension cuts, to smooth out their inter-temporal consumption paths.²

Following this line of reasoning, financial incentives to facilitate private old-age provision, e.g. the Riester scheme, may be seen as a suitable instrument. On the other hand, initiating a subsidy has direct fiscal implications, as its funding imposes a higher tax burden on society. Moreover, inter-temporal decisions of private households are distorted by a higher price of today relative to future consumption. The Riester scheme may also cause significant extra costs, e.g. for conceptualizing, certifying and advertising Riester saving products, for controlling whether people are eligible for the subsidy or not, information costs for private households, etc.³ As outlined above, the Riester reform may also lead to windfall gains for the suppliers of favored saving contracts if they are able to internalize part of the subsidy.

A necessary condition for the economical viability of the Riester scheme is met if it boosts private retirement savings, which again can substitute for public pension entitlement reduction. Our paper confronts this premise with empirical evidence. At a first glance, about 11 million Riester contracts signed until the end of March 2008 (Federal Ministry of Labour and Social Affairs, 2008) seem to be strong evidence that the condition is met. However, the sheer number of contracts is not sufficient evidence in favor of the effectiveness of the

¹ It is even more difficult to find convincing arguments for a policy that extends the capital-based old age provision and reduces the pay-as-you-go scheme if you refer to the criteria for a Pareto improvement. See Breyer (2001) and Corneo/Marquardt (2000).

² In the case of risk aversion, the compensation for the pension cuts should include a risk premium since the rate of return of the payments for the private pension scheme is more volatile than the one for the pay-as-you-go system.

³ Studies on private old-age provision in other countries suggest that these costs are potentially high. For the US see Diamond (2004).

reform: If eligible households replace non-subsidized by subsidized saving contracts,⁴ the number of contracts may simply reflect the level of windfall profits. Evidence from other countries, indeed, suggests that private savings react quite inelastic to tax exemptions or other subsidies, and that such a substitution effect (coined ‘saving diversification’) is present.⁵

In our empirical examination of the impacts of the Riester reform on private savings, we focus on low-income households. This group is particularly interesting for two reasons. First, low-income households enjoy the highest subsidies in relative terms. Second, low-income households’ possibility to substitute non-favored by subsidized contracts is rather low compared to better-off households: be it due to their unfamiliarity with financial products (“financial literacy”), be it that their saving activity is below average. A mobilization effect of the Riester reform on private savings should thus be most pronounced in case of low-income households. To test this hypothesis, we employ data from the German Socio-Economic Panel (GSOEP), and interpret the introduction of the Riester scheme as a *natural experiment* affecting the saving propensity of a treatment group (i.e. low-income households) relative to a control group.⁶ This approach allows for several variations concerning the group composition, the set of conditioning variables, and the estimation method. These variations serve as a device for checking the robustness of our results.

Our central result is that the mobilization effect of the Riester scheme is at best marginal. Especially, there is no empirical evidence in favor of an additional mobilization effect for low-income households compared to better-off households that receive noticeably lower subsidies. On the contrary, our empirical findings indicate substantial windfall gains for private households that are able to substitute non-subsidized by subsidized saving contracts.

The remainder of this paper is organized as follows. Section 2 gives a sketch of the Riester regulations and the financial incentives the scheme creates. Section 3 presents our dataset and the econometric model. Estimation results are presented in Section 4, and Section 5 concludes.

2 Content, justification and effective use of the Riester scheme

The Riester scheme was implemented in 2002. Beneficiaries receive allowances (a basic allowance and child allowances), and can lower their income tax liability via Riester related tax deductions. The allowance is paid when a minimum saving effort is achieved. The

⁴ For evidence on this effect of ‘saving diversion’ see Antolín et al., 2004.

⁵ See Antolín et al. (2004, Annex 2) for an overview of the results. The dominant part of the literature deals with experience from the US.

⁶ See Blundell/Costa Dias (2000) for an overview of the methods.

allowance and the personal saving effort must add up to a total saving amount, which is proportional to the income amount subject to a social insurance contribution.⁷

The main Riester target group is middle and low income households, women, families and people with residence in the New German Laender (Federal Ministry of Labour and Social Affairs, 2006a). However, a good portion of the active population in Germany is eligible, altogether, about 30 to 36 million people (depending on the source of the estimation).⁸ Basically all compulsorily insured persons in the German public pension system are eligible for Riester favored contracts. In addition, public servants, trainees, individuals in the mandatory military or social service, and the recipients of some types of public transfers (e.g., unemployment benefits) may participate. Usually, persons that are not statutorily insured in the mandatory public pension system are not eligible, e.g., marginal employees and students, social welfare recipients, senior citizens receiving a pension, and persons receiving disability benefits.⁹

Apart from the explicit subsidies (allowances and tax reliefs), Riester contracts are advantageous also for other reasons. First, Riester contributions, allowances and interest profits are subject to downstream taxation, so that insurants can benefit from tax deferral. Second, after-retirement income is usually less than pre-retirement income. As the income-tax tariff is progressive, households can benefit from a decline in their personal effective tax rates (Börsch-Supan/Wilke, 2003). Third, there are special beneficial regulations in case of unemployment to protect the saved capital against garnishment.

3 Econometric model and data

We scrutinize the impact of the Riester scheme on households' saving propensities by means of a *treatment analysis*. More precisely, to extract the causal effect of the reform, we compare pre- and post-reform propensities to save for two groups, a treatment group (TG) and a control group (CG).¹⁰ To avoid that people have anticipated the Riester reform and correspondingly adjusted their pre-reform savings, we have selected year 2000 (and not 2001)

⁷ The minimum saving amount is defined as a share of the income subject to social insurance contribution of the previous year including the allowances. This share has increased stepwise from one percent (introduction of the Riester scheme) to four percent (from 2008) (so-called "Riester steps"). Also the allowances and the maximal amount of expenditures have denoted a stepwise increase since the Riester scheme was introduced. Börsch-Supan/Wilke (2003) provide a detailed introduction to the German pension system and its recent reforms, including the Riester scheme.

⁸ Compare the statements made by the Federal Government (Federal Ministry of Finance, 2006) and by Bräuninger (2005). According to Stolz/Rieckhoff (2005), the reason for the deviations lies in the difficulty to identify the number of indirectly eligible persons (spouses).

⁹ However, eligibility regulations are very detailed and include a broad range of exemptions. See the publications by the Federal Ministry of Labour and Social Affairs (2006b, 2007b) for further details.

¹⁰ Baumgartner/Steiner (2006) discuss the limitations of such a treatment analysis.

as the pre-reform point in time. As people might adjust savings only with delays, and also to investigate inter-temporal adjustments, three post-reform years are considered (2004 to 2006). In some sense the 2000/04 comparison is the purest, as 2005 or 2006 savings are likely to be affected by other factors as well, such as the introduction of so-called Rürup pensions in 2005.¹¹

We apply two different criteria to distinguish ‘treated’ and ‘non-treated’ households. They are summarized in Table 1. In the *main approach*, income - our proxy for the *subsidy ratio*, serves as the classification criterion. The subsidy ratio is the public subsidy (allowances and tax deductions) divided by the total savings amount for additional old-age provision. It is a relative measure of the profits that insurants can realize due to the subsidy. Graph 1 shows subsidy ratios subject to wage income of a sole earner. Compared to low incomes, the subsidy ratio is much lower in the middle-income range. Whereas insurants with low incomes especially benefit from direct allowances, high income earners can realize substantial benefits from tax deductions, explaining the U-shaped relationships between earnings and subsidy ratios functions for specific household types displayed in Graph 1.

In our econometric analysis, we assign households with an annual net income level of 25,000 Euros or below (reference year: 2002)¹² to the treatment group (TG1). The control group (CG1) are households with a net income between 35,000 and 45,000 Euros (reference year: 2002) and notably lower subsidy ratios.¹³ We thereby focus on a special type of households, namely on Riester-eligible married couples with two children living in the household.¹⁴ For pre- and post-reform years, for each and every household we check whether an adult household member were or is eligible (if the Riester scheme had existed in that period). All information is aggregated at the household level. In sum, the main approach exploits the fact that subsidy ratios differ widely among rather similar households (apart from

¹¹ So-called “Rürup pensions” are subsidized private retirement saving contracts especially targeting people that are not mandatorily insured in the German pension scheme, e.g. self-employed. Contributions are tax-deductible, and the accumulated capital is repaid as a monthly annuity (Federal Ministry of Finance, no year).

¹² Starting with the reference year 2002, the income level was adjusted to the other points in time according to the average income increase since 1992 by applying a growth rate that is equal to the average annual growth rate of the net income between 1992 and 2002 (2.05%) according to the German Sample Survey of income and expenditure of 2003 (Federal Statistical Office, 2003a).

¹³ The subsidy ratios displayed in Graph 1 refers to households with a sole earner and no further income. Due to the complexity of information that is required to calculate individual subsidy ratios, we take the assumption that households with a lower net income enjoy (*ceteris paribus*) higher subsidy ratios in the lower and middle income range as drafted in Graph 1 for the wage income.

¹⁴ We assume that students do not renounce their right to be exempt from paying social security contributions, so that they are not eligible for the Riester scheme if they earn less than 400 Euros. For some observations, we cannot check for a potential eligibility for the Riester scheme, especially for marginal employed and self-employed without employees. A further problem results from the recipients of public payments for the founders of new businesses since the GSOEP does not contain information on whether such a subsidy was received. Also, the status of non-commercial care persons cannot be observed properly. We exclude households for which we cannot identify the eligibility for the Riester scheme.

income). It quantifies the additional mobilization or incremental effect of higher subsidy ratios in the treated group.

Apart from income, treated and non-treated households in the main approach are similar in most characteristics. In this way, we want to ensure that our estimates are not affected by group-specific shocks. However, focusing on a single household type (married couples with two children) questions the validity of our results, as a majority of households is excluded from the analysis. With an alternative strategy, the *audit approach*, we therefore check for robustness of results. It builds upon the idea that only the saving plans of eligible households are affected by the Riester reform. So, in the audit approach Riester eligibility (or not) serves as the classification criterion. Eligible households with a net income below average¹⁵ and at most two adults form the treatment group in the audit approach (TG2).¹⁶ The control group consists of non-eligible households, again with an income below average and two adults at most. Only households with up to two adults are considered, as saving plans of household units with several adults (e.g., three generation households) might be rather different.

Table 1 approximately here

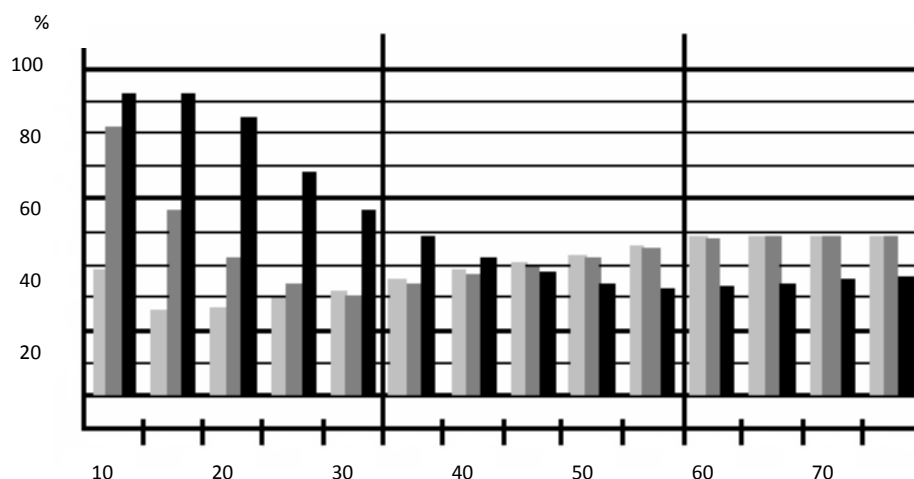
Compared to the main approach, the advantages of the audit approach are twofold: regression estimates are less likely to be affected by income heterogeneity and also the number of observations is substantially higher. On the other hand, average age in the treated and non-treated group is rather different, as many non-eligible households are pensioners. This age difference complicates the interpretation of our empirical results in two respects. First, the age gradient of the saving propensity is large and profoundly non-monotonous, so that sample aging between 2000 and 2004/5/6 might have rather different effects on the saving behavior in the two groups. Then, sample aging may trigger changed saving behavior rather than the Riester reform. Second, the Riester reform was accompanied by cuts of public pension entitlements, and these cuts will widen in future decades. As a consequence,

¹⁵ The average net income is again derived from the German Sample Survey of income and expenditure of 2003.

¹⁶ Alternatively, we could have formed several treatment groups subject to the share of household members eligible for the Riester scheme. Under the assumption that only households with at most two adults make a joint decision on savings that is observed in the GSOEP household questionnaire, this would lead to two treatment groups with a share of 50 percent and, respectively, 100 percent of eligible household members. However, a comparison of the composition of these treatment groups shows fluctuations for the 50-percent-group so that we only include households in which all adult members are eligible for the Riester scheme in order to assure that the single group compositions can be compared over time. If a mobilization effect on the propensity to save can be observed, it is likely to be strongest among households with a high share of members eligible for the Riester scheme. Therefore, our findings are also valid with some reservations for households in which some members are not eligible for the Riester scheme.

incentives to provide for one's own age privately are likely to be different for treated and non-treated households. Hence, if the saving activity of TG2 households rises faster relative to CG2 households, the difference is likely to be driven by both, eligibility/non-eligibility to Riester subsidies *and* different expected pension cuts. We therefore tend to believe that the main approach is more appropriate for capturing the mobilization effect of the Riester reform.

Graph 1. Subsidy ratios of the Riester scheme



Income subject to contributions in thousands of Euros p.a.

Light grey: single, no children.

Dark grey: single, one child.

Black: married, sole earner, two children.

Public subsidy ratio of the total savings amount for additional old-age provision (illustration from Deutsche Bundesbank, 2002, 29, modified).

In the regression analysis that follows, two variables serve as dependent variables and measures of households' propensities to save: a dummy variable that indicates whether a household saves or not (GSOEP variable "monthly savings"), and the saving ratio (GSOEP variable "monthly amount of savings" divided by "household net income").¹⁷ In addition, we consider further control variables: ownership of special assets such as building loan contract, life insurance, fixed-interest securities, securities (e.g. shares, funds, bond issues, warrants) or business and real estate property. Other control variables include the repaying of mortgage or building loans, credit loans and interests.

¹⁷ The exact wording in the SOEP questionnaire reads as follows: "Do you usually have an amount of money left over at the end of the month that you can save for larger purchases, emergency expenses or to acquire wealth? If yes, how much?" (see SOEP online documentation: http://www.diw.de/deutsch/soep/service__dokumentation/frageboegen/27198.html). So, it explicitly includes a wealth and a "precautionary saving motive" (see Fuchs-Schündeln, 2008).

4 Empirical results

4.1 Impact on the probability to save

We use a binary logit model to explain households' probabilities to save. In period t , each household, i , has a latent probability to save, SP^* , but only its saving decision (yes/no), SP , can be observed directly. Our regression model is,

$$(4.1) \quad SP_{it}^* = \alpha(R_{it} \cdot N_{it}) + \beta R_{it} + \gamma N_{it} + \delta X_{it} + \varepsilon_{it}$$

$$(4.2) \quad \Pr[SP_{it} = 1] = \Pr[SP_{it}^* > 0],$$

where

- R is a dummy variable. It takes a value of one if a household belongs to the treatment group, whereas else it is zero.
- N is a dummy variable. It takes a value of one if the observation refers to a post-reform period, whereas else it is zero.
- X is a vector of control variables, and
- ε is the error term.

Tables 2a and 2b provide the logit estimates pertaining to the main approach. For all three inter-temporal comparisons (2000 vs. 2004, 2000 vs. 2005, and 2000 vs. 2006), estimates of three model specifications are provided. These specifications differ with respect to the sets of control variables. Column A contains the estimates pertaining to a regression specification without any control variables, whereas column B reports estimates of a specification where socio-demographic household characteristics are included.¹⁸ Finally, column C reports estimates for a specification encompassing the full set of conditioning variables.

The additional mobilization effect of the Riester reform on private savings for the treatment group is revealed by the coefficient α referring to the interaction term, $R \cdot N$. The interaction term takes the value 1 in case of post reform observations referring to treated households, whereas else it is zero. Hence, if $\alpha > 0$ and significant would be evidence in favor of the reform to be successful. Instead, irrespective of the regression specification and the chosen observation, the interaction term is statistically insignificant. This finding suggests that high subsidy ratios in the treatment group did not have an additional effect on these households' probabilities to save. Several control variables have a robust influence on the saving probability. The saving probability is increasing in income (at a decreasing rate in

¹⁸ In the main approach, only married couples with two children are considered. For this reason, we do not control for the numbers of adults and children.

2000/2005). A higher probability to save is also associated with ownership of various types of assets, or of real estate ($D_{BOOKS}, D_{SEC}, D_{ESTATE} > 0$). In contrast, unemployment and repayments of real-estate credit have a robust and negative influence on the probability to save ($D_{UN}, D_{REPAY1} < 0$). The same holds if the household head is female ($D_{FEM} < 0$). Other control variables have no robust effect on the probability to save.

Table 3a and Table 3b display the logit estimates in case of the audit approach. Since, in the audit approach, household composition can differ, the number of children and the number of adults are included as additional conditioning variables. Further, to control for heterogeneity of age structures in TG2 and CG2, a fourth degree polynomial for the age variable is included.¹⁹

The central result of the main approach is reconfirmed. Again, the interaction term is insignificant in all nine regressions, indicating that the Riester scheme had no stimulating effect on the probability to save. The results of the main approach concerning the socio-economic variable income are also confirmed in all periods, for the sex only for the periods 2000 vs. 2004 and 2000 vs. 2005. In addition, residence in the New German Laender ($D_{NL} > 0$) now has a robust and positive effect on the saving probability, whereas (in case of 2000 vs. 2004, and 2000 vs. 2005) households with a head being a white-collar worker save more frequently ($D_{WC} > 0$). Foreign workers, unemployed and self-employed individuals save less frequently ($D_{FO}, D_{UN}, D_{SE} < 0$),²⁰ whereas holding different types of assets, or owning real-estate, is usually associated with a higher saving probability ($D_{BOOKS}, D_{LOAN}, D_{LIVE}, D_{SEC}, D_{ESTATE} > 0$). In addition, the saving probability is increasing in household size ($N_{CHILD}, N_{ADULTS} < 0$). Finally, households save less frequently if they have to repay housing loans or credits ($D_{REPAY1}, D_{REPAY2} < 0$).²¹ To check for robustness all logit regressions were re-run using a probit model. Again, the interaction term is always statistically insignificant.

¹⁹ To keep the presentation simple, we abstain from reporting the regression coefficients for $(age)^3$ and $(age)^4$ in the tables. The regression coefficient for $(age)^3$ is significantly positive, significantly negative for $(age)^4$.

²⁰ The fact that self-employed save significantly more rarely may surprise at first. However, this group also includes freelancers who are covered by the statutory social insurance institutions and therefore do not have to rely more strongly on private old-age provision than other compulsorily insured individuals. The so-called "Scheinselbstständige" (self-employed who are effectively dependent of only one client) with a low income also form part of this group.

²¹ Estimates pertaining to the further control variables (i.e., income, unemployment, household size, number of children, existence of different forms of saving in the household, obligations from credits and housing loans) are consistent with other empirical investigations. See e.g. Bedau (1999), Börsch-Supan et al. (2000), Börsch-Supan et al. (2006), Federal Statistical Office (2003b), Freyland (2005).

Tables 2a, 2b, 3a and 3b approximately here

4.2 Impact on the saving ratio

As saving ratios are restricted to the 0-1-interval and are not normally distributed, we use a tobit model for quantifying the mobilization effect of the Riester reform on households' saving ratios. Except for the left-hand variable, the tobit model specification is structurally equivalent to the logit model in the previous section, and is given by,

$$(4.3) \quad \begin{aligned} sp_{it}^* &= \alpha(R_{it} \cdot N_{it}) + \beta R_{it} + \gamma N_{it} + \delta X_{it} + \varepsilon_{it}, \\ \varepsilon_{it} | (R_{it} \cdot N_{it}), R_{it}, N_{it}, X_{it} &\sim N(0, \sigma^2) \end{aligned}$$

$$(4.4) \quad sp_{it} = \max(0, sp_{it}^*)$$

where sp^* denotes the latent saving ratio, and sp the reported saving ratio. We will first comment on the main approach (see Tables 4a and 4b). Consistent with the results presented in the previous section, the interaction terms are always statistically insignificant. In combination with the logit results, this means that the Riester reform has neither a mobilizing effect on the saving probability nor on the saving ratio. The picture is less distinct for the audit approach (Table 5a and Table 5b). Here, the interaction term is small but significantly positive for some regression specifications (spec. C 2000 vs. 2004; spec. B and C in 2000 vs. 2006, and weakly significant in 2000/2005).²² If our control variables are able to capture the effects of the different age structure, these findings suggest that savings increased as a consequence of the pension policy measures introduced during the period 2000-2006. Then, the significance of the interaction term may reflect rather an impact of future pension cuts on households' saving decisions, than an impact of the Riester reform. The effects of the control variables on the saving ratio are widely consistent with those from the logit estimation. We refrain from commenting on the respective coefficients here.

Tables 4a, 4b, 5a and 5b approximately here

4.3 Treatment and control group composition

For the regression results to be valid it should be that the socioeconomic characteristics of the treatment and the control group are inter-temporally stable, or that compositions change similarly. To see whether this is the case, Tables A1 and A2 in the Appendix give summary statistics concerning the socio-economic characteristics of the treated and the control group

²² Again, we account for the different age structure of the two groups by using a fourth degree polynomial for 'age'.

for years 2000, and 2004 to 2006. Overall, the group compositions do not show profound structural changes. However, all groups age slightly over the observation period.

In case of the main approach, socioeconomic characteristics of treated and non-treated households are rather similar and stable over time. Most pronounced are differences pertaining to the income variable, which again depends on the employment status of the household head. In TG1, the share of unemployed household heads is notably higher than in the CG1. Moreover, the share of households with residence in the New German Laender in CG1 is considerably lower in 2005. To avoid potential biases driven by these differences, we reran all regressions pertaining to the main approach, excluding all unemployed and also households from the New German Laender. Again, there is no evidence in favor of a mobilization effect of the Riester reform: The interaction term is insignificant in all but one of the 18 additional specifications, weakly significant in the main approach (spec. B, 2000 vs. 2005) (see Tables A3a, A3b, A4a, and A4b in the Appendix).

In the audit approach, average household size decreases whereas the fraction of pensioner households rises over time. This is true for both the group of treated and non-treated households. Hence, our previous conclusions should not be challenged. Yet, there is one concern. In TG2, the share of unemployed household heads is rather volatile over time, whereas for CG2 it is always zero.²³ As unemployed people usually save less, we cannot rule out that our regression results are downward biased. For this reason, we reran all audit regressions excluding all observations where the household head is unemployed,²⁴ and Tables A5a, A5b, A6a, and A6b in the Appendix summarize the results. Logit estimates contain weak evidence in favor of a slight mobilization effect in 2006. Interaction terms in the tobit regressions are significant for all specifications for the 2000-2006 comparison, and also in spec. C for 2000/2004 (weakly significant in spec. B and C for 2000 vs. 2005).

5 Conclusion

A pivotal criterion for judging the success of the German Riester reform is whether it mobilizes private retirement savings, especially among low-income households. Our empirical analysis suggests that, at best, the mobilization effect is small. More precisely, the share of saving households did not change significant after the reform. And despite high subsidy ratios, low-income households did not increase saving rates. As several million

²³ Apart from macroeconomic reasons, a new classification guideline to distinguish among unemployed and non-unemployed may cause this volatility (see Federal Employment Agency, 2005, for details).

²⁴ Again, we account for the different age structure in the two groups by using a fourth degree polynomial for the age.

Riester contracts have been signed since 2002, our results indicate high windfall gains on the side of private households that can replace non-subsidized with subsidized saving contracts.

Our findings are in line with experiences from other countries where similar reforms have been initiated. However, one cannot rule out the possibility that the time factor works in favor of the reform's effectiveness. If, however, the subsidy does not stimulate additional savings of private households but only drives them to substitute non-subsidized by subsidized saving contracts, the present value of downstream tax revenues is likely to be lower than the current fiscal costs of the Riester scheme – including forgone tax revenues due to tax moratorium effects.²⁵ Empirical simulations of the fiscal costs of publicly subsidized private old-age provision in other countries support this conjecture.²⁶ Then, however, a key goal of the Riester reform - balancing public fiscal budgets - is challenged. Against this background, several policy options may make sense, depending on the individual level of optimism: to raise subsidies especially for low-income households to increase participation; to make participation compulsory, or to abolish the Riester scheme.

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²⁵ The Deutsche Bundesbank (2002) assumes tax losses of the remarkable amount of 12.5 billions of Euros from the year 2009 due to the subsidized old-age provision (according to estimations by the Federal Government), in addition to losses in social security contributions.

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Tables

Table 1. Treatment and control group definition

Main approach				
Treatment group				
Name	Adults	Children	Income*	Eligibility for the Riester scheme **
TG1	Two	Two	< Euro 25,000	100 percent
Control group				
Name	Adults	Children	Income*	Eligibility for the Riester scheme **
CG1	Two	Two	Euro 35,000–45,000	100 percent
Audit approach				
Treatment group				
Name	Adults	Children	Income *	Eligibility for the Riester scheme **
TG2	Two or less	All	Below average	100 percent
Control group				
Name	Adults	Children	Income *	Eligibility for the Riester scheme **
CG2	Two or less	All	Below average	0 percent
* Reference year: 2002.				
**Potential eligibility for the Riester scheme of the adult household members.				

Table 2a. Probability to save – logit estimation, main approach

		2000/2004			2000/2005		
		A	B	C	A	B	C
<i>Constant</i>	D_{Const}	1.593*** 0.219	-9.860*** 3.033	-9.472*** 3.274	1.593*** 0.219	-12.617*** 3.266	-12.748*** 3.609
<i>Observation point after the reform (dummy)</i>	D_{PR}	-0.137 0.315	-0.530 0.376	-0.534 0.399	-0.046 0.330	-0.207 0.392	-0.305 0.418
<i>Belonging to treatment group 1 (dummy)</i>	D_{T1}	-1.807*** 0.251	1.678** 0.702	1.559** 0.746	-1.807*** 0.251	1.212* 0.697	1.121 0.729
<i>Interaction term</i>	$D_{PR} \cdot D_{T1}$	0.168 0.373	0.216 0.437	0.199 0.462	-0.142 0.383	-0.508 0.454	-0.429 0.484
<i>Household income in thousand Euro</i>	$y/1000$		2.779** 1.140	2.571** 1.219		4.468*** 1.194	4.242*** 1.271
<i>Household income in thousand Euro, squared</i>	$[y/1000]^2$		-0.161 0.252	-0.138 0.266		-0.563** 0.257	-0.542** 0.270
<i>Head of the household is unemployed (dummy)</i>	D_{UN}		-1.379*** 0.392	-1.154*** 0.411		-0.992*** 0.365	-0.840** 0.396
<i>Head of the household is self-employed (dummy)</i>	D_{SE}		-0.443 0.370	-0.179 0.416		-0.093 0.413	0.081 0.466
<i>Head of the household is public servant (dummy)</i>	D_{PS}		0.765 0.556	0.513 0.574		1.082* 0.577	1.025* 0.611
<i>Head of the household is pensioner (dummy)</i>	D_{PE}		-0.302 1.264	-0.077 1.671		-1.229 1.633	-0.733 2.305
<i>Head of the household is white-collar (dummy)</i>	D_{WC}		0.165 0.250	-0.002 0.270		0.380 0.247	0.265 0.268
<i>Head of the household is student (dummy)</i>	D_{ST}		-2.560** 1.290	-2.496** 1.271		-0.736 1.031	-0.655 1.002
<i>Head of the household with other employment type</i>	D_{OE}		-0.104 0.353	-0.170 0.383		0.120 0.353	0.128 0.387
<i>Head of the household is foreigner (dummy)</i>	D_{FO}		-0.556** 0.258	-0.369 0.285		-0.583** 0.259	-0.267 0.295
<i>Head of the household has univ. entrance qualific.</i>	D_{UEQ}		0.290 0.305	0.0212 0.320		-0.218 0.298	-0.205 0.316
<i>Head of household has university degree (dummy)</i>	D_{UD}		-0.058 0.313	0.096 0.332		0.287 0.316	0.380 0.337
<i>Head of household is female (dummy)</i>	D_{FEM}		-0.573** 0.238	-0.608** 0.254		-0.658** 0.240	-0.830** 0.259
<i>Age of the head of the household</i>	Age		0.242* 0.131	0.213 0.143		0.337* 0.142	0.314* 0.158
<i>Age of the head of the household, squared</i>	$[Age]^2$		-0.003** 0.002	-0.003* 0.002		-0.005*** 0.002	-0.005** 0.002
<i>Household from New Laender (dummy)</i>	D_{NL}		0.143 0.246	0.047 0.260		0.117 0.253	-0.076 0.272
<i>Household has a savings book (dummy)</i>	D_{BOOKS}			0.947*** 0.257			1.379*** 0.271
<i>Household has a building loan contract (dummy)</i>	D_{LOAN}			0.192 0.212			0.316 0.216
<i>Household has a life insurance (dummy)</i>	D_{LIVE}			0.043 0.242			-0.054 0.244
<i>Household owns securities (dummy)</i>	D_{SEC}			0.915*** 0.234			0.865*** 0.232
<i>Household owns business property/shares (dummy)</i>	D_{BPS}			-0.853** 0.389			-0.357 0.433
<i>Household has to repay building loans/mortgages</i>	D_{REPAY1}			-1.355*** 0.379			-1.416*** 0.376
<i>Household has to repay credit loans (dummy)</i>	D_{REPAY2}			-0.414** 0.201			-0.130 0.211
<i>Household owns real-estate (dummy)</i>	D_{ESTATE}			1.175*** 0.371			1.273*** 0.370
<i>Number of observations</i>		713	713	713	717	717	717
<i>Log Likelihood</i>		-430.15	-375.85	-340.29	-430.41	-373.95	-331.45
<i>Pseudo R²</i>		0.11	0.22	0.29	0.12	0.24	0.32

Remarks. Logit estimation. Endogenous variable: Saving decision (dummy : 1=yes ; 0=no). *** ** * / Significance on the 1/5/10-%-level.

Table 2b. Probability to save – logit estimation, main approach

		2000/2006		
		A	B	C
<i>Constant</i>	D_{Const}	1.585*** 0.220	-8.331*** 2.735	-7.119** 2.893
<i>Observation point after the reform (dummy)</i>	D_{PR}	-0.386 0.287	-0.257 0.313	-0.406 0.336
<i>Belonging to treatment group 1 (dummy)</i>	D_{T1}	-1.792*** 0.251	0.238 0.467	-0.036 0.496
<i>Interaction term</i>	$D_{PR} \cdot D_{T1}$	0.055 0.352	-0.292 0.404	-0.157 0.432
<i>Household income in thousand Euro</i>	$y/1000$		3.015*** 0.958	2.591** 1.020
<i>Household income in thousand Euro, squared</i>	$[y/1000]^2$		-0.375** 0.179	-0.314* 0.189
<i>Head of the household is unemployed (dummy)</i>	D_{UN}		-1.370*** 0.371	-1.134*** 0.392
<i>Head of the household is self-employed (dummy)</i>	D_{SE}		-0.409 0.364	-0.655 0.439
<i>Head of the household is public servant (dummy)</i>	D_{PS}		0.552 0.501	0.380 0.524
<i>Head of the household is pensioner (dummy)</i>	D_{PE}		-0.403 1.107	-0.118 1.305
<i>Head of the household is white-collar (dummy)</i>	D_{WC}		0.053 0.237	-0.046 0.256
<i>Head of the household is student (dummy)</i>	D_{ST}		-1.453 1.328	-1.585 1.287
<i>Head of the household with other employment type</i>	D_{OE}		0.092 0.333	0.117 0.361
<i>Head of the household is foreigner (dummy)</i>	D_{FO}		-0.326 0.250	-0.195 0.278
<i>Head of the household has univ. entrance qualific.</i>	D_{UEQ}		-0.312 0.307	-0.370 0.325
<i>Head of household has university degree (dummy)</i>	D_{UD}		0.262 0.319	0.399 0.339
<i>Head of household is female (dummy)</i>	D_{FEM}		-0.412* 0.234	-0.612** 0.252
<i>Age of the head of the household</i>	Age		0.239** 0.118	0.177 0.124
<i>Age of the head of the household, squared</i>	$[Age]^2$		-0.003** 0.001	-0.003* 0.002
<i>Household from New Laender (dummy)</i>	D_{NL}		0.142 0.240	0.093 0.256
<i>Household has a savings book (dummy)</i>	D_{BOOKS}			1.201*** 0.246
<i>Household has a building loan contract (dummy)</i>	D_{LOAN}			0.223 0.201
<i>Household has a life insurance (dummy)</i>	D_{LIVE}			0.050 0.232
<i>Household owns securities (dummy)</i>	D_{SEC}			0.785*** 0.219
<i>Household owns business property/shares (dummy)</i>	D_{BPS}			-0.049 0.434
<i>Household has to repay building loans/mortgages</i>	D_{REPAY1}			-1.611*** 0.362
<i>Household has to repay credit loans (dummy)</i>	D_{REPAY2}			-0.135 0.202
<i>Household owns real-estate (dummy)</i>	D_{ESTATE}			1.211*** 0.358
<i>Number of observations</i>		743	743	743
<i>Log Likelihood</i>		-448.23	-405.46	-363.18
<i>Pseudo R²</i>		0.11	0,20	0,28

Table 3a. Probability to save – logit estimation, audit approach

		2000/2004			2000/2005		
		A	B	C	A	B	C
<i>Constant</i>	<i>Const</i>	0.513*** 0.039	-3.456*** 1.193	-4.427*** 1.252	0.513*** 0.039	-4.479*** 1.212	-5.318*** 1.273
<i>Observation point after the reform (dummy)</i>	<i>D_{PR}</i>	-0.130** 0.056	-0.423*** 0.063	-0.438*** 0.066	-0.048 0.057	-0.357*** 0.064	-0.352*** 0.068
<i>Belonging to treatment group 2 (dummy)</i>	<i>D_{T2}</i>	-0.204*** 0.049	0.0005 0.088	0.004 0.093	-0.204*** 0.049	0.115 0.089	0.139 0.094
<i>Interaction term</i>	<i>D_{PR} · D_{T2}</i>	-0.115 0.072	0.033 0.080	0.075 0.085	-0.117 0.073	0.058 0.083	0.044 0.087
<i>Household income in thousand Euro</i>	<i>y/1000</i>		3.781*** 0.202	3.609*** 0.213		3.695*** 0.199	3.562*** 0.209
<i>Household income in thousand Euro, squared</i>	<i>[y/1000]²</i>		-0.681*** 0.060	-0.661*** 0.064		-0.642*** 0.059	-0.627*** 0.062
<i>Head of the household is unemployed (dummy)</i>	<i>D_{UN}</i>		-0.843*** 0.089	-0.870*** 0.095		-0.838*** 0.089	-0.887*** 0.096
<i>Head of the household is self-employed (dummy)</i>	<i>D_{SE}</i>		-0.525*** 0.113	-0.376*** 0.129		-0.581*** 0.116	-0.505*** 0.133
<i>Head of the household is public servant (dummy)</i>	<i>D_{PS}</i>		0.077 0.149	-0.013 0.157		0.140 0.152	0.054 0.160
<i>Head of the household is pensioner (dummy)</i>	<i>D_{PE}</i>		0.043 0.095	-0.032 0.101		0.099 0.098	0.030 0.103
<i>Head of the household is white-collar (dummy)</i>	<i>D_{WC}</i>		0.236*** 0.062	0.135** 0.066		0.253*** 0.064	0.133** 0.068
<i>Head of the household is student (dummy)</i>	<i>D_{ST}</i>		-0.212 0.143	-0.458*** 0.149		0.128 0.144	-0.084 0.149
<i>Head of the household with other employment type</i>	<i>D_{OE}</i>		-0.196** 0.094	-0.235** 0.102		-0.048 0.097	-0.092 0.104
<i>Head of the household is foreigner (dummy)</i>	<i>D_{FO}</i>		-0.462*** 0.076	-0.247*** 0.082		-0.460*** 0.077	-0.242*** 0.083
<i>Head of the household has univ. entrance qualification</i>	<i>D_{UEQ}</i>		0.099 0.068	-0.019 0.071		0.076 0.069	-0.042 0.073
<i>Head of household has university degree (dummy)</i>	<i>D_{UD}</i>		0.013 0.068	-0.009 0.072		0.010 0.070	-0.024 0.074
<i>Head of household is female (dummy)</i>	<i>D_{FEM}</i>		-0.089* 0.045	-0.088* 0.048		-0.117** 0.046	-0.110* 0.048
<i>Age of the head of the household</i>	<i>Age</i>		0.143 0.101	0.171 0.106		0.236** 0.103	0.247** 0.108
<i>Age of the head of the household, squared</i>	<i>[Age]²</i>		-0.007** 0.003	-0.007** 0.003		-0.010*** 0.003	-0.010*** 0.003
<i>Household from New Laender (dummy)</i>	<i>D_{NL}</i>		0.453*** 0.047	0.507*** 0.050		0.464*** 0.048	0.504*** 0.051
<i>Household has a savings book (dummy)</i>	<i>D_{BOOKS}</i>			1.156*** 0.050			1.147*** 0.050
<i>Household has a building loan contract (dummy)</i>	<i>D_{LOAN}</i>			0.399*** 0.050			0.291*** 0.051
<i>Household has a life insurance (dummy)</i>	<i>D_{LIVE}</i>			0.123*** 0.048			0.077 0.049
<i>Household owns securities (dummy)</i>	<i>D_{SEC}</i>			0.504*** 0.052			0.526*** 0.054
<i>Household owns business property/shares (dummy)</i>	<i>D_{BPS}</i>			-0.237* 0.142			-0.078 0.150
<i>Household has to repay building loans/mortgages</i>	<i>D_{REPAY1}</i>			-0.585*** 0.077			-0.705*** 0.079
<i>Household has to repay credit loans (dummy)</i>	<i>D_{REPAY2}</i>			-0.776*** 0.053			-0.738*** 0.056
<i>Household owns real-estate (dummy)</i>	<i>D_{ESTATE}</i>			0.251*** 0.059			0.308*** 0.061
<i>Number of children in the household</i>	<i>N_{CHILDS}</i>		-0.367*** 0.031	-0.340*** 0.034		-0.400*** 0.033	-0.379*** 0.035
<i>Number of adults in the household</i>	<i>N_{ADULTS}</i>		-0.501*** 0.055	-0.569*** 0.059		-0.501*** 0.056	-0.561*** 0.060
<i>Number of observations</i>		13,593	13,593	13,593	13,268	13,268	13,268
<i>Log Likelihood</i>		-9,228.29	-7,816.90	-7,139.94	-8,978.29	-7,529.41	-6,899.26
<i>Pseudo R²</i>		0.01	0.16	0.23	0.00	0.16	0.23

Remarks. Endogeneous variable: Saving decision (dummy : 1=yes ; 0=no). ***/**/* Significance on the 1/5/10-%-level.

Table 3b. Probability to save – logit estimation, audit approach

		2000/2006		
		A	B	C
<i>Constant</i>	<i>Const</i>	0.557***	-3.038**	-3.925***
		0.039	1.220	1.286
<i>Observation point after the reform (dummy)</i>	D_{PR}	-0.202***	-0.560***	-0.555***
		0.055	0.062	0.066
<i>Belonging to treatment group 2 (dummy)</i>	D_{T2}	-0.239***	0.052	0.081
		0.049	0.089	0.094
<i>Interaction term</i>	$D_{PR} \cdot D_{T2}$	-0.056	0.130	0.129
		0.070	0.080	0.085
<i>Household income in thousand Euro</i>	$y/1000$		3.955***	3.759***
			0.193	0.204
<i>Household income in thousand Euro, squared</i>	$[y/1000]^2$		-0.707***	-0.673***
			0.056	0.059
<i>Head of the household is unemployed (dummy)</i>	D_{UN}		-0.972***	-0.991***
			0.089	0.096
<i>Head of the household is self-employed (dummy)</i>	D_{SE}		-0.569***	-0.466***
			0.110	0.125
<i>Head of the household is public servant (dummy)</i>	D_{PS}		0.142	0.037
			0.152	0.159
<i>Head of the household is pensioner (dummy)</i>	D_{PE}		-0.033	-0.104
			0.096	0.102
<i>Head of the household is white-collar (dummy)</i>	D_{WC}		0.161**	0.049
			0.062	0.066
<i>Head of the household is student (dummy)</i>	D_{ST}		-0.394**	-0.592***
			0.153	0.159
<i>Head of the household with other employment type</i>	D_{OE}		-0.159*	-0.166
			0.094	0.101
<i>Head of the household is foreigner (dummy)</i>	D_{FO}		-0.445***	-0.230***
			0.077	0.083
<i>Head of the household has univ. entrance qualification</i>	D_{UEQ}		0.171**	0.031
			0.068	0.072
<i>Head of household has university degree (dummy)</i>	D_{UD}		0.033	-0.016
			0.072	0.076
<i>Head of household is female (dummy)</i>	D_{FEM}		-0.062	-0.063
			0.045	0.047
<i>Age of the head of the household</i>	<i>Age</i>		0.102	0.120
			0.104	0.109
<i>Age of the head of the household, squared</i>	$[Age]^2$		-0.006*	-0.006*
			0.003	0.003
<i>Household from New Laender (dummy)</i>	D_{NL}		0.533***	0.584***
			0.047	0.050
<i>Household has a savings book (dummy)</i>	D_{BOOKS}			1.145***
				0.049
<i>Household has a building loan contract (dummy)</i>	D_{LOAN}			0.361***
				0.049
<i>Household has a life insurance (dummy)</i>	D_{LIVE}			0.118**
				0.048
<i>Household owns securities (dummy)</i>	D_{SEC}			0.536***
				0.052
<i>Household owns business property/shares (dummy)</i>	D_{BPS}			-0.208
				0.142
<i>Household has to repay building loans/mortgages</i>	D_{REPAY1}			-0.788***
				0.075
<i>Household has to repay credit loans (dummy)</i>	D_{REPAY2}			-0.655***
				0.054
<i>Household owns real-estate (dummy)</i>	D_{ESTATE}			0.341***
				0.058
<i>Number of children in the household</i>	N_{CHILDS}		-0.400***	-0.378***
			0.032	0.034
<i>Number of adults in the household</i>	N_{ADULTS}		-0.548***	-0.629***
			0.054	0.058
<i>Number of observations</i>		14,012	14,012	14,012
<i>Log Likelihood</i>		-9,504.59	-7,906.60	-7,230.53
<i>Pseudo R²</i>		0.01	0.17	0.24

Table 4a. Saving ratios– tobit estimation, main approach

		2000/2004			2000/2005		
		A	B	C	A	B	C
<i>Constant</i>	$Const$	0.098*** 0.010	-0.526*** 0.175	-0.415** 0.162	0.098*** 0.010	-0.709*** 0.191	-0.576*** 0.175
<i>Observation point after the reform (dummy)</i>	D_{PR}	-0.016 0.015	-0.031** 0.015	-0.031** 0.014	-0.014 0.015	-0.022 0.016	-0.029** 0.014
<i>Belonging to treatment group 1 (dummy)</i>	D_{T1}	-0.106*** 0.013	0.077** 0.033	0.067** 0.031	-0.108*** 0.013	0.083** 0.034	0.074** 0.030
<i>Interaction term</i>	$D_{PR} \cdot D_{T1}$	0.007 0.020	0.004 0.020	0.003 0.018	0.001 0.020	-0.023 0.021	-0.015 0.019
<i>Household income in thousand Euro</i>	$y/1000$		0.192*** 0.059	0.155*** 0.054		0.321*** 0.064	0.265*** 0.057
<i>Household income in thousand Euro, squared</i>	$[y/1000]^2$		-0.018 0.011	-0.012 0.010		-0.042*** 0.012	-0.033*** 0.011
<i>Head of the household is unemployed (dummy)</i>	D_{UN}		-0.080*** 0.023	-0.058** 0.021		-0.061*** 0.022	-0.040** 0.020
<i>Head of the household is self-employed (dummy)</i>	D_{SE}		-0.033* 0.020	-0.026 0.019		-0.026 0.023	-0.027 0.022
<i>Head of the household is public servant (dummy)</i>	D_{PS}		-0.014 0.021	-0.016 0.019		-0.010 0.020	-0.015 0.018
<i>Head of the household is pensioner (dummy)</i>	D_{PE}		0.004 0.059	0.003 0.054		-0.029 0.090	-0.004 0.085
<i>Head of the household is white-collar (dummy)</i>	D_{WC}		0.003 0.013	-0.007 0.012		0.011 0.013	0.001 0.012
<i>Head of the household is student (dummy)</i>	D_{ST}		-0.152** 0.077	-0.139** 0.069		-0.092 0.063	-0.078 0.055
<i>Head of the household with other employment</i>	D_{OE}		0.005 0.020	-0.001 0.018		0.011 0.020	0.009 0.018
<i>Head of the household is foreigner (dummy)</i>	D_{FO}		-0.031** 0.015	-0.020 0.014		-0.037** 0.015	-0.016 0.014
<i>Head of the household has univ. entrance qualific.</i>	D_{UEQ}		0.016 0.015	0.014 0.013		-0.005 0.015	-0.004 0.013
<i>Head of household has university degree</i>	D_{UD}		0.005 0.015	0.004 0.014		0.020 0.015	0.019 0.014
<i>Head of household is female (dummy)</i>	D_{FEM}		-0.040*** 0.013	-0.037*** 0.012		-0.037*** 0.013	-0.041*** 0.012
<i>Age of the head of the household</i>	Age		0.012 0.008	0.008 0.007		0.014* 0.008	0.009 0.008
<i>Age of the head of the household, squared</i>	$[Age]^2$		-0.000* 0.000	-0.000 0.000		-0.000** 0.000	-0.000* 0.000
<i>Household from New Laender (dummy)</i>	D_{NL}		0.013 0.013	0.013 0.011		0.014 0.014	0.007 0.012
<i>Household has a savings book (dummy)</i>	D_{BOOKS}			0.044*** 0.012			0.065*** 0.013
<i>Household has a building loan contract (dummy)</i>	D_{LOAN}			0.011 0.009			0.019* 0.010
<i>Household has a life insurance (dummy)</i>	D_{LIVE}			0.002 0.011			-0.006 0.011
<i>Household owns securities (dummy)</i>	D_{SEC}			0.044*** 0.010			0.047*** 0.009
<i>Household owns business property/shares (dummy)</i>	D_{BPS}			-0.012 0.017			0.020 0.018
<i>Household has to repay building loans/mortgages</i>	D_{REPAY1}			-0.093*** 0.014			-0.093*** 0.014
<i>Household has to repay credit loans (dummy)</i>	D_{REPAY2}			-0.043*** 0.009			-0.031*** 0.009
<i>Household owns real-estate (dummy)</i>	D_{ESTATE}			0.076*** 0.014			0.083*** 0.014
<i>Number of observations</i>		713	713	713	717	717	717
<i>Log Likelihood</i>		96.16	151.25	217.49	72.50	131.29	206.76
<i>Pseudo R²</i>		-1.32	-2.64	-4.24	-3.31	-6.80	-11.29

Remarks. Endogeneous: Saving ratio. *** ** * / / / Significance on the 1/5/10-%-level.

Table 4b. Saving ratios– tobit estimation. main approach

		2000/2006		
		A	B	C
<i>Constant</i>	$Const$	0.097*** 0.010	-0.492*** 0.160	-0.345** 0.142
<i>Observation point after the reform (dummy)</i>	D_{PR}	-0.027* 0.014	-0.022 0.015	-0.031** 0.013
<i>Belonging to treatment group 1 (dummy)</i>	D_{T1}	-0.107*** 0.013	0.014 0.026	0.000 0.023
<i>Interaction term</i>	$D_{PR} \cdot D_{T1}$	0.002 0.020	-0.013 0.021	-0.003 0.019
<i>Household income in thousand Euro</i>	$y/1000$		0.206*** 0.056	0.171*** 0.051
<i>Household income in thousand Euro. squared</i>	$[y/1000]^2$		-0.027*** 0.010	-0.022** 0.009
<i>Head of the household is unemployed (dummy)</i>	D_{UN}		-0.090*** 0.023	-0.057*** 0.020
<i>Head of the household is self-employed (dummy)</i>	D_{SE}		-0.038* 0.021	-0.058*** 0.020
<i>Head of the household is public servant (dummy)</i>	D_{PS}		-0.014 0.021	-0.019 0.018
<i>Head of the household is pensioner (dummy)</i>	D_{PE}		-0.013 0.058	0.001 0.052
<i>Head of the household is white-collar (dummy)</i>	D_{WC}		-0.001 0.013	-0.006 0.012
<i>Head of the household is student (dummy)</i>	D_{ST}		-0.123 0.084	-0.117 0.071
<i>Head of the household with other employment</i>	D_{OE}		0.001 0.020	-0.001 0.018
<i>Head of the household is foreigner (dummy)</i>	D_{FO}		-0.021 0.015	-0.013 0.014
<i>Head of the household has univ. entrance qualific.</i>	D_{UEQ}		-0.016 0.016	-0.015 0.014
<i>Head of household has university degree</i>	D_{UD}		0.020 0.016	0.018 0.014
<i>Head of household is female (dummy)</i>	D_{FEM}		-0.011 0.014	-0.018 0.012
<i>Age of the head of the household</i>	Age		0.012* 0.007	0.007 0.006
<i>Age of the head of the household. squared</i>	$[Age]^2$		0.000** 0.000	0.000 0.000
<i>Household from New Laender (dummy)</i>	D_{NL}		0.014 0.013	0.013 0.012
<i>Household has a savings book (dummy)</i>	D_{BOOKS}			0.057*** 0.012
<i>Household has a building loan contract (dummy)</i>	D_{LOAN}			0.016* 0.009
<i>Household has a life insurance (dummy)</i>	D_{LIVE}			-0.001 0.011
<i>Household owns securities (dummy)</i>	D_{SEC}			0.050*** 0.009
<i>Household owns business property/shares (dummy)</i>	D_{BPS}			0.023 0.018
<i>Household has to repay building loans/mortgages</i>	D_{REPAY1}			-0.112*** 0.013
<i>Household has to repay credit loans (dummy)</i>	D_{REPAY2}			-0.032*** 0.009
<i>Household owns real-estate (dummy)</i>	D_{ESTATE}			0.083*** 0.014
<i>Number of observations</i>		743	743	743
<i>Log Likelihood</i>		74.27	114.61	199.76
<i>Pseudo R²</i>		-3.03	-5.22	-9.84

Table 5a. Saving ratios– tobit estimation. audit approach

		2000/2004			2000/2005		
		A	B	C	A	B	C
<i>Constant</i>	<i>Const</i>	0.063*** 0.003	-0.093 0.086	-0.166** 0.082	0.063*** 0.003	-0.152* 0.087	-0.217*** 0.082
<i>Observation point after the reform (dummy)</i>	<i>D_{PR}</i>	-0.019*** 0.005	-0.039*** 0.004	-0.039*** 0.004	-0.010** 0.005	-0.033*** 0.004	-0.033*** 0.004
<i>Belonging to treatment group 2 (dummy)</i>	<i>D_{T2}</i>	-0.040*** 0.004	-0.002 0.006	-0.001 0.006	-0.040*** 0.004	0.001 0.006	0.002 0.006
<i>Interaction term</i>	<i>D_{PR} · D_{T2}</i>	-0.002 0.006	0.009 0.006	0.012** 0.005	-0.002 0.006	0.010* 0.006	0.009* 0.005
<i>Household income in thousand Euro</i>	<i>y/1000</i>		0.306*** 0.014	0.263*** 0.014		0.291*** 0.014	0.253*** 0.013
<i>Household income in thousand Euro. squared</i>	<i>[y/1000]²</i>		-0.058*** 0.004	-0.051*** 0.004		-0.053*** 0.004	-0.047*** 0.004
<i>Head of the household is unemployed (dummy)</i>	<i>D_{UN}</i>		-0.068*** 0.007	-0.063** 0.007		-0.066*** 0.007	-0.063** 0.007
<i>Head of the household is self-employed (dummy)</i>	<i>D_{SE}</i>		-0.013 0.008	-0.008 0.009		-0.023*** 0.009	-0.022** 0.009
<i>Head of the household is public servant (dummy)</i>	<i>D_{PS}</i>		-0.003 0.010	-0.010 0.009		-0.005 0.010	-0.010 0.009
<i>Head of the household is pensioner (dummy)</i>	<i>D_{PE}</i>		0.006 0.007	-0.000 0.006		0.012* 0.007	0.005 0.007
<i>Head of the household is white-collar (dummy)</i>	<i>D_{WC}</i>		0.011** 0.004	0.002 0.004		0.012** 0.005	0.001 0.004
<i>Head of the household is student (dummy)</i>	<i>D_{ST}</i>		-0.005 0.010	-0.023** 0.010		0.009 0.010	-0.007 0.010
<i>Head of the household with other employment type</i>	<i>D_{OE}</i>		-0.010 0.007	-0.013* 0.007		-0.002 0.007	-0.006 0.007
<i>Head of the household is foreigner (dummy)</i>	<i>D_{FO}</i>		-0.032*** 0.006	-0.008 0.006		-0.035*** 0.006	-0.011** 0.006
<i>Head of the household has univ. entrance qualification</i>	<i>D_{UEQ}</i>		0.009* 0.005	0.001 0.004		0.010* 0.005	0.002 0.004
<i>Head of household has university degree (dummy)</i>	<i>D_{UD}</i>		0.003 0.005	0.002 0.004		0.002 0.005	-0.001 0.004
<i>Head of household is female (dummy)</i>	<i>D_{FEM}</i>		-0.015*** 0.003	-0.013*** 0.003		-0.016*** 0.003	-0.014*** 0.003
<i>Age of the head of the household</i>	<i>Age</i>		-0.002 0.007	0.003 0.007		0.004*** 0.007	0.008*** 0.007
<i>Age of the head of the household. squared</i>	<i>[Age]²</i>		-0.000 0.000	-0.000 0.000		-0.000 0.000	-0.000* 0.000
<i>Household from New Laender (dummy)</i>	<i>D_{NL}</i>		0.039*** 0.003	0.045*** 0.003		0.038*** 0.003	0.043*** 0.003
<i>Household has a savings book (dummy)</i>	<i>D_{BOOKS}</i>			0.074*** 0.004			0.073*** 0.004
<i>Household has a building loan contract (dummy)</i>	<i>D_{LOAN}</i>			0.023*** 0.003			0.020*** 0.003
<i>Household has a life insurance (dummy)</i>	<i>D_{LIVE}</i>			0.009*** 0.003			0.005* 0.003
<i>Household owns securities (dummy)</i>	<i>D_{SEC}</i>			0.040*** 0.003			0.042*** 0.003
<i>Household owns business property/shares (dummy)</i>	<i>D_{BPS}</i>			-0.001 0.009			0.008 0.009
<i>Household has to repay building loans/mortgages</i>	<i>D_{REPAY1}</i>			-0.060*** 0.005			-0.065*** 0.005
<i>Household has to repay credit loans (dummy)</i>	<i>D_{REPAY2}</i>			-0.063*** 0.004			-0.063*** 0.004
<i>Household owns real-estate (dummy)</i>	<i>D_{ESTATE}</i>			0.045*** 0.004			0.047*** 0.004
<i>Number of children in the household</i>	<i>N_{CHILDS}</i>		-0.032*** 0.002	-0.028*** 0.002		-0.035*** 0.002	-0.031*** 0.002
<i>Number of adults in the household</i>	<i>N_{ADULTS}</i>		-0.054*** 0.004	-0.056*** 0.004		-0.055*** 0.004	-0.057*** 0.004
<i>Number of observations</i>		13.593	13.593	13.593	13.268	13.268	13.268
<i>Log Likelihood</i>		-1,244.43	180.80	1,007.83	-1,152.48	297.85	1,101.16
<i>Pseudo R²</i>		0.08	1.13	1.74	0.07	1.24	1.88

Remarks. Endogeneous: Saving ratio. *** / ** / * Significance on the 1/5/10-%-level.

Table 5b. Saving ratios– tobit estimation. audit approach

		2000/2006		
		A	B	C
<i>Constant</i>	C_{const}	0.066*** 0.003	-0.108 0.087	-0.187** 0.082
<i>Observation point after the reform (dummy)</i>	D_{PR}	-0.023*** 0.005	-0.047*** 0.004	-0.046*** 0.004
<i>Belonging to treatment group 2 (dummy)</i>	D_{T2}	-0.043*** 0.004	-0.003 0.006	-0.001 0.006
<i>Interaction term</i>	$D_{PR} \cdot D_{T2}$	0.004 0.006	0.016*** 0.006	0.015*** 0.005
<i>Household income in thousand Euro</i>	$y/1000$		0.300*** 0.014	0.258*** 0.013
<i>Household income in thousand Euro. squared</i>	$[y/1000]^2$		-0.055*** 0.004	-0.047*** 0.004
<i>Head of the household is unemployed (dummy)</i>	D_{UN}		-0.076*** 0.007	-0.071*** 0.006
<i>Head of the household is self-employed (dummy)</i>	D_{SE}		-0.024*** 0.008	-0.022*** 0.008
<i>Head of the household is public servant (dummy)</i>	D_{PS}		-0.006 0.009	-0.013 0.009
<i>Head of the household is pensioner (dummy)</i>	D_{PE}		0.001 0.007	-0.004 0.006
<i>Head of the household is white-collar (dummy)</i>	D_{WC}		0.008* 0.004	0.000 0.004
<i>Head of the household is student (dummy)</i>	D_{ST}		-0.029** 0.011	-0.041*** 0.011
<i>Head of the household with other employment type</i>	D_{OE}		-0.006 0.007	-0.007 0.007
<i>Head of the household is foreigner (dummy)</i>	D_{FO}		-0.034*** 0.006	-0.011* 0.006
<i>Head of the household has univ. entrance qualification</i>	D_{UEQ}		0.012*** 0.005	0.002 0.004
<i>Head of household has university degree (dummy)</i>	D_{UD}		0.007 0.005	0.004 0.004
<i>Head of household is female (dummy)</i>	D_{FEM}		-0.012*** 0.003	-0.010*** 0.003
<i>Age of the head of the household</i>	Age		0.000 0.007	0.005 0.007
<i>Age of the head of the household. squared</i>	$[Age]^2$		0.000 0.000	0.000 0.000
<i>Household from New Laender (dummy)</i>	D_{NL}		0.040*** 0.003	0.046*** 0.003
<i>Household has a savings book (dummy)</i>	D_{BOOKS}			0.071*** 0.003
<i>Household has a building loan contract (dummy)</i>	D_{LOAN}			0.020*** 0.003
<i>Household has a life insurance (dummy)</i>	D_{LIVE}			0.006* 0.003
<i>Household owns securities (dummy)</i>	D_{SEC}			0.042*** 0.003
<i>Household owns business property/shares (dummy)</i>	D_{BPS}			0.006 0.009
<i>Household has to repay building loans/mortgages</i>	D_{REPAY1}			-0.071*** 0.005
<i>Household has to repay credit loans (dummy)</i>	D_{REPAY2}			-0.057*** 0.004
<i>Household owns real-estate (dummy)</i>	D_{ESTATE}			0.050*** 0.003
<i>Number of children in the household</i>	N_{CHILDS}		-0.034*** 0.002	-0.031*** 0.002
<i>Number of adults in the household</i>	N_{ADULTS}		-0.055*** 0.004	-0.058*** 0.004
<i>Number of observations</i>		14,012	14,012	14,012
<i>Log Likelihood</i>		-1,290.17	325.50	1,165.14
<i>Pseudo R²</i>		0.08	1.23	1.83

Annex

Table A1. Composition of the treatment and the control group – main approach

Treatment group 1				
Wave [year]	Q [2000]	U [2004]	V [2005]	W [2006]
Observations	273	165	182	188
Savings: yes	0.447	0.455	0.401	0.410
Saving amount	81	72	81	81
Income	1.629	1.815	1.862	1.858
Head of the household: unemployed	0.136	0.170	0.181	0.191
Head of the household: self-employed	0.048	0.073	0.049	0.080
Head of the household: public servant	0.007	0.006	0.011	0.011
Head of the household: pensioner	0.004	0	0	0.005
Head of the household: white-collar	0.179	0.176	0.198	0.213
Head of the household: blue-collar	0.454	0.442	0.423	0.367
Head of the household: student	0.007	0.006	0.016	0.011
Head of the household: other employment type	0.176	0.145	0.137	0.149
Head of the household: foreigner	0.249	0.200	0.198	0.154
Head of the household with univ. entrance qualification	0.062	0.103	0.115	0.122
Head of the household with university degree	0.077	0.079	0.066	0.085
Head of the household: female	0.300	0.388	0.407	0.372
Age of the head of the household	35.9	36.2	36.6	37.1
Household from New Laender	0.216	0.218	0.198	0.207
Household has a savings book	0.725	0.709	0.676	0.697
Household has a building loan contract	0.487	0.515	0.555	0.548
Household has a life insurance	0.604	0.606	0.582	0.617
Household has securities	0.172	0.248	0.280	0.271
Household owns business property	0.059	0.067	0.044	0.043
Repayments for building loans/mortgages	0.271	0.279	0.286	0.319
Repayments for credit loans	0.363	0.388	0.346	0.330
Household owns real-estate	0.385	0.400	0.401	0.447
<i>Observations in millions (weighted)</i>	<i>0.47</i>	<i>0.38</i>	<i>0.45</i>	<i>0.47</i>

Continuation of Table A1

Control group 1				
Wave [year]	Q [2000]	U [2004]	V [2005]	W [2006]
Observations	148	127	114	136
Savings: yes	0.831	0.811	0.825	0.794
Saving amount	357	334	333	327
Income	3.217	3.449	3.462	3.597
Head of the household: unemployed	0.007	0.008	0.009	0.015
Head of the household: self-employed	0.122	0.110	0.026	0.059
Head of the household: public servant	0.182	0.134	0.167	0.162
Head of the household: pensioner	0.007	0.016	0	0.022
Head of the household: white-collar	0.500	0.559	0.561	0.544
Head of the household: blue-collar	0.142	0.134	0.175	0.132
Head of the household: student	0.007	0.008	0	0
Head of the household: other employment type	0.047	0.055	0.061	0.066
Head of the household: foreigner	0.041	0.047	0.044	0.059
Head of the household with univ. entrance qualification	0.493	0.457	0.456	0.515
Head of the household with university degree	0.405	0.354	0.342	0.419
Head of the household: female	0.216	0.283	0.263	0.272
Age of the head of the household	39.4	39.5	40.2	40.9
Household from New Laender	0.128	0.134	0.053	0.110
Household has a savings book	0.899	0.827	0.904	0.875
Household has a building loan contract	0.682	0.661	0.737	0.684
Household has a life insurance	0.878	0.858	0.895	0.904
Household has securities	0.534	0.638	0.596	0.669
Household owns business property	0.101	0.094	0.044	0.059
Repayments for building loans/mortgages	0.655	0.685	0.693	0.669
Repayments for credit loans	0.372	0.378	0.219	0.235
Household owns real-estate	0.757	0.787	0.798	0.809
<i>Number of observations in millions (weighted)</i>	<i>0.30</i>	<i>0.34</i>	<i>0.35</i>	<i>0.32</i>
<i>Remarks.</i> All values are unweighted (exception: last row).				

Table A2. Composition of the treatment and the control group – audit approach

Treatment group 2				
Wave [year]	Q [2000]	U [2004]	V [2005]	W [2006]
Observations	4.723	3.474	3.268	3.713
Savings: yes	0.577	0.516	0.536	0.515
Saving amount	133	119	129	128
Income	1.650	1.689	1.671	1.710
Household size	2.29	2.16	2.05	2.08
Number of children	0.668	0.583	0.526	0.540
Head of the household: unemployed	0.126	0.166	0.176	0.182
Head of the household: self-employed	0.038	0.032	0.032	0.040
Head of the household: public servant	0.035	0.035	0.040	0.037
Head of the household: pensioner	0.077	0.091	0.092	0.089
Head of the household: white-collar	0.355	0.372	0.371	0.377
Head of the household: blue-collar	0.340	0.291	0.278	0.275
Head of the household: student	0.022	0.024	0.024	0.023
Head of the household: other employment type	0.073	0.072	0.069	0.066
Head of the household: foreigner	0.109	0.083	0.078	0.072
Head of the household with univ. entrance qualification	0.189	0.210	0.216	0.228
Head of the household with university degree	0.149	0.161	0.165	0.161
Head of the household: female	0.375	0.431	0.440	0.433
Age of the head of the household	40.4	41.5	41.3	41.8
Household from New Laender	0.249	0.271	0.278	0.267
Household has a savings book	0.735	0.668	0.667	0.656
Household has a building loan contract	0.436	0.427	0.435	0.434
Household has a life insurance	0.584	0.533	0.526	0.535
Household has securities	0.247	0.309	0.290	0.289
Household owns business property	0.033	0.022	0.021	0.022
Repayments for building loans/mortgages	0.191	0.178	0.172	0.181
Repayments for credit loans	0.322	0.314	0.238	0.235
Household owns real-estate	0.300	0.288	0.282	0.301
Share of household members eligible for the Riester scheme	1	1	1	1
<i>Number of observations in millions (weighted)</i>	<i>12.93</i>	<i>12.25</i>	<i>11.94</i>	<i>12.25</i>

Continuation: Table A2

Control group 2				
Wave [year]	Q [2000]	U [2004]	V [2005]	W [2006]
Observations	2.859	2.537	2.418	2.854
Savings: yes	0.625	0.594	0.614	0.588
Saving amount	159	149	158	154
Income	1.339	1.453	1.458	1.504
Household size	1.54	1.52	1.50	1.56
Number of children	0.057	0.040	0.035	0.056
Head of the household: unemployed	0	0	0	0
Head of the household: self-employed	0.030	0.025	0.023	0.026
Head of the household: public servant	0	0	0	0
Head of the household: pensioner	0.881	0.913	0.919	0.916
Head of the household: white-collar	0	0	0	0
Head of the household: blue-collar	0	0	0	0
Head of the household: student	0.038	0.038	0.039	0.030
Head of the household: other employment type	0.058	0.037	0.030	0.040
Head of the household: foreigner	0.051	0.040	0.040	0.037
Head of the household with univ. entrance qualification	0.126	0.134	0.133	0.137
Head of the household with university degree	0.111	0.138	0.137	0.130
Head of the household: female	0.474	0.478	0.489	0.467
Age of the head of the household	66.9	68.5	68.9	68.8
Household from New Laender	0.276	0.301	0.297	0.289
Household has a savings book	0.807	0.778	0.768	0.748
Household has a building loan contract	0.155	0.203	0.211	0.226
Household has a life insurance	0.249	0.219	0.224	0.222
Household has securities	0.198	0.270	0.261	0.282
Household owns business property	0.021	0.013	0.012	0.019
Repayments for building loans/mortgages	0.066	0.068	0.066	0.078
Repayments for credit loans	0.077	0.073	0.050	0.050
Household owns real-estate	0.417	0.434	0.432	0.454
Share of household members eligible for the Riester scheme	0	0	0	0
<i>Number of observations in millions (weighted)</i>	<i>10.34</i>	<i>10.20</i>	<i>9.80</i>	<i>9.99</i>
<i>Remarks. All values are unweighted (exception: last row).</i>				

Table A3a. Probability to save – Logit-estimation. main approach (without unemployed and East German observations)

		2000/2004			2000/2005		
		A	B	C	A	B	C
<i>Constant</i>	<i>Const</i>	1.466*** 0.226	-10.891*** 3.362	-11.337*** 3.737	1.466*** 0.226	-14.339*** 3.696	-15.853*** 4.208
<i>Observation point after the reform (dummy)</i>	<i>D_{PR}</i>	0.004 0.336	-0.406 0.400	-0.388 0.431	0.004 0.336	-0.162 0.395	-0.147 0.433
<i>Belonging to treatment group 1 (dummy)</i>	<i>D_{T1}</i>	-1.423*** 0.270	2.115*** 0.775	1.907** 0.839	-1.423*** 0.270	1.683** 0.774	1.384* 0.821
<i>Interaction term</i>	<i>D_{PR} · D_{T1}</i>	-0.065 0.411	-0.146 0.482	-0.110 0.518	-0.320 0.411	-0.937* 0.492	-0.783 0.538
<i>Household income in thousand Euro</i>	<i>y/1000</i>		3.436*** 1.332	3.226** 1.473		5.130*** 1.418	4.669*** 1.540
<i>Household income in thousand Euro. Squared</i>	<i>[y/1000]²</i>		-0.274 0.278	-0.244 0.301		-0.684** 0.284	-0.627** 0.305
<i>Head of the household is self-employed (dummy)</i>	<i>D_{SE}</i>		-0.723* 0.411	-0.431 0.471		-0.127 0.451	-0.097 0.518
<i>Head of the household is public servant (dummy)</i>	<i>D_{PS}</i>		0.720 0.597	0.356 0.620		1.084* 0.585	0.988 0.630
<i>Head of the household is white-collar (dummy)</i>	<i>D_{AN}</i>		0.079 0.280	-0.211 0.311		0.363 0.275	0.230 0.305
<i>Head of the household has other employment type (dummy)</i>	<i>D_{OE}</i>		-0.416 0.398	-0.462 0.441		-0.178 0.400	-0.025 0.441
<i>Head of the household is foreigner (dummy)</i>	<i>D_{FO}</i>		-0.637** 0.270	-0.544* 0.310		-0.631** 0.272	-0.372 0.319
<i>Head of the household has univ. entrance qualification</i>	<i>D_{UEQ}</i>		0.203 0.348	0.188 0.368		-0.357 0.343	-0.271 0.366
<i>Head of household has university degree (dummy) (Dummy)</i>	<i>D_{UD}</i>		0.142 0.376	0.239 0.403		0.660* 0.382	0.744* 0.411
<i>Head of household is female (dummy)</i>	<i>D_{FEM}</i>		-0.411 0.286	-0.551* 0.313		-0.393 0.287	-0.764** 0.316
<i>Age of the head of the household</i>	<i>Age</i>		0.237* 0.141	0.257 0.161		0.365** 0.156	0.437** 0.182
<i>Age of the head of the household. Squared</i>	<i>[Age]²</i>		-0.003* 0.002	-0.004* 0.002		-0.005*** 0.002	-0.007*** 0.002
<i>Household has a savings book (dummy)</i>	<i>D_{BOOKS}</i>			1.404** 0.304			1.795*** 0.321
<i>Household has a building loan contract (dummy)</i>	<i>D_{LOAN}</i>			0.074 0.250			0.290 0.258
<i>Household has a life insurance (dummy)</i>	<i>D_{LIVE}</i>			-0.169 0.292			-0.343 0.304
<i>Household owns securities (dummy)</i>	<i>D_{SEC}</i>			0.846*** 0.275			0.803*** 0.274
<i>Household owns business property/shares (dummy)</i>	<i>D_{BPS}</i>			-0.892* 0.463			-0.096 0.516
<i>Household has to repay building loans/mortgages obilien (Dummy)</i>	<i>D_{REPAY1}</i>			-1.866*** 0.483			-1.646*** 0.460
<i>Household has to repay credit loans (dummy)</i>	<i>D_{REPAY2}</i>			-0.226 0.237			0.173 0.251
<i>Household owns real-estate (dummy)</i>	<i>D_{ESTATE}</i>			1.632*** 0.476			1.511*** 0.456
<i>Number of observations</i>		534	534	534	537	537	537
<i>Log Likelihood</i>		-320.52	-286.33	-252.30	-321.51	-284.97	-246.28
<i>Pseudo R²</i>		0.08	0.18	0.28	0.09	0.20	0.31
<i>Remarks.</i> Endogeneous: Saving decision (dummy : 1=yes; 0=no). ***/**/* Significance on the 1/5/10%-level. Pensioners and studentes were excluded due to a low number of observations.							

Table A3b. Probability to save – Logit-estimation. main approach (without unemployed and East German observations)

		2000/2006		
		A	B	C
<i>Constant</i>	<i>Const</i>	1.457*** 0.227	-11.895*** 3.348	-12.216*** 3.734
<i>Observation point after the reform (dummy)</i>	<i>D_{PR}</i>	0.305 -0.620	-0.086 0.336	-0.228 0.369
<i>Belonging to treatment group 1 (dummy)</i>	<i>D_{T1}</i>	-1.402*** 0.271	0.778 0.536	0.426 0.581
<i>Interaction term</i>	<i>D_{PR} · D_{T1}</i>	-0.140 0.397	-0.730 0.464	-0.557 0.507
<i>Household income in thousand Euro</i>	<i>y/1000</i>		3.514*** 1.211	3.185** 1.329
<i>Household income in thousand Euro. squared</i>	<i>[y/1000]²</i>		-0.435** 0.220	-0.385 0.239
<i>Head of the household is self-employed (dummy)</i>	<i>D_{SE}</i>		-0.360 0.424	-0.779 0.522
<i>Head of the household is public servant (dummy)</i>	<i>D_{PS}</i>		0.775 0.551	0.490 0.587
<i>Head of the household is white-collar (dummy)</i>	<i>D_{AN}</i>		0.068 0.270	-0.060 0.300
<i>Head of the household has other employment type (dummy)</i>	<i>D_{OE}</i>		-0.048 0.387	0.192 0.429
<i>Head of the household is foreigner (dummy)</i>	<i>D_{FO}</i>		-0.316 0.264	-0.282 0.306
<i>Head of the household has univ. entrance qualification</i>	<i>D_{UEQ}</i>		-0.386 0.361	-0.469 0.386
<i>Head of household has university degree (dummy) (Dummy)</i>	<i>D_{UD}</i>		0.266 0.392	0.564 0.423
<i>Head of household is female (dummy)</i>	<i>D_{FEM}</i>		-0.451 0.293	-0.894*** 0.326
<i>Age of the head of the household</i>	<i>Age</i>		0.384*** 0.146	0.397** 0.166
<i>Age of the head of the household. squared</i>	<i>[Age]²</i>		-0.005*** 0.002	-0.006*** 0.002
<i>Household has a savings book (dummy)</i>	<i>D_{BOOKS}</i>			1.722*** 0.306
<i>Household has a building loan contract (dummy)</i>	<i>D_{LOAN}</i>			0.112 0.238
<i>Household has a life insurance (dummy)</i>	<i>D_{LIVE}</i>			-0.273 0.285
<i>Household owns securities (dummy)</i>	<i>D_{SEC}</i>			0.701*** 0.260
<i>Household owns business property/shares (dummy)</i>	<i>D_{BPS}</i>			-0.054 0.533
<i>Household has to repay building loans/mortgages (dummy)</i>	<i>D_{REPAY1}</i>			-2.176*** 0.466
<i>Household has to repay credit loans (dummy)</i>	<i>D_{REPAY2}</i>			0.221 0.249
<i>Household owns real-estate (dummy)</i>	<i>D_{ESTATE}</i>			1.825*** 0.463
<i>Number of observations</i>		546	546	546
<i>Log Likelihood</i>		-327.56	-301.29	-260.06
<i>Pseudo R²</i>		0.08	0.16	0.27

Table A4a. Saving ratios – tobit estimation. main approach (without unemployed and East German observations)

		2000/2004			2000/2005		
		A	B	C	A	B	C
<i>Constant</i>	<i>Const</i>	0.095*** 0.010	-0.574*** 0.186	-0.470*** 0.173	0.094*** 0.010	-0.760*** 0.207	-0.653*** 0.188
<i>Observation point after the reform (dummy)</i>	<i>D_{PR}</i>	-0.009 0.015	-0.025 0.016	-0.023 0.015	-0.011 0.016	-0.019 0.017	-0.021 0.015
<i>Belonging to treatment group 1 (dummy)</i>	<i>D_{T1}</i>	-0.090*** 0.014	0.081** 0.037	0.057* 0.033	-0.091*** 0.014	0.088** 0.037	0.064* 0.033
<i>Interaction term</i>	<i>D_{PR} · D_{T1}</i>	0.002 0.021	-0.004 0.022	-0.001 0.020	-0.002 0.022	-0.035 0.023	-0.017 0.021
<i>Household income in thousand Euro</i>	<i>y/1000</i>		0.198*** 0.066	0.147** 0.061		0.322*** 0.073	0.243*** 0.065
<i>Household income in thousand Euro. squared</i>	<i>[y/1000]²</i>		-0.020 0.012	-0.012 0.011		-0.044*** 0.013	-0.032*** 0.012
<i>Head of the household is self-employed (dummy)</i>	<i>D_{SE}</i>		-0.043* 0.022	-0.031 0.021		-0.023 0.024	-0.027 0.023
<i>Head of the household is public servant (dummy)</i>	<i>D_{PS}</i>		-0.010 0.022	-0.018 0.020		-0.005 0.021	-0.014 0.019
<i>Head of the household is white-collar (dummy)</i>	<i>D_{AN}</i>		-0.000 0.014	-0.013 0.013		0.012 0.014	0.003 0.013
<i>Head of the household has other employment type (dummy)</i>	<i>D_{OE}</i>		-0.000 0.022	-0.004 0.020		-0.001 0.022	0.006 0.020
<i>Head of the household is foreigner (dummy)</i>	<i>D_{FO}</i>		-0.034** 0.015	-0.028* 0.014		-0.039** 0.016	-0.022 0.015
<i>Head of the household has univ. entrance qualification (dummy)</i>	<i>D_{UEQ}</i>		0.013 0.016	0.015 0.015		-0.009 0.017	-0.003 0.015
<i>Head of household has university degree (dummy) (Dummy)</i>	<i>D_{UD}</i>		0.018 0.017	0.010 0.015		0.038** 0.017	0.032** 0.016
<i>Head of household is female (dummy)</i>	<i>D_{FEM}</i>		-0.039*** 0.015	-0.038*** 0.013		-0.026* 0.015	-0.036*** 0.014
<i>Age of the head of the household</i>	<i>Age</i>		0.013* 0.008	0.012 0.007		0.016* 0.009	0.015* 0.008
<i>Age of the head of the household. squared</i>	<i>[Age]²</i>		-0.000* 0.000	-0.000** 0.000		-0.000** 0.000	-0.000** 0.000
<i>Household has a savings book (dummy)</i>	<i>D_{BOOKS}</i>			0.062*** 0.014			0.080*** 0.015
<i>Household has a building loan contract (dummy)</i>	<i>D_{LOAN}</i>			0.006 0.010			0.014 0.011
<i>Household has a life insurance (dummy)</i>	<i>D_{LIVE}</i>			-0.009 0.013			-0.020 0.013
<i>Household owns securities (dummy)</i>	<i>D_{SEC}</i>			0.038** 0.011			0.042** 0.010
<i>Household owns business property/shares (dummy)</i>	<i>D_{BPS}</i>			-0.010 0.019			0.034* 0.020
<i>Household has to repay building loans/mortgages obilien (Dummy)</i>	<i>D_{REPAY1}</i>			-0.103*** 0.015			-0.098*** 0.015
<i>Household has to repay credit loans (dummy)</i>	<i>D_{REPAY2}</i>			-0.033*** 0.010			-0.017 0.010
<i>Household owns real-estate (dummy)</i>	<i>D_{ESTATE}</i>			0.083*** 0.015			0.087*** 0.015
<i>Number of observations</i>		534	534	534	537	537	537
<i>Log Likelihood</i>		111.12	143.62	199.76	95.88	130.96	195.70
<i>Pseudo R²</i>		-0.46	-0.89	-1.62	-0.59	-1.17	-2.25

Remarks. Endogeneous: Saving ratio. *** / ** / * Significance on the 1/5/10-%-Niveau. Pensioners and students were excluded due to a low number of observations.

Table A4b. Saving ratios – tobit estimation. main approach (without unemployed and East German observations)

		2000/2006		
		A	B	C
<i>Constant</i>	<i>Const</i>	0.094*** 0.011	-0.644*** 0.191	-0.524*** 0.169
<i>Observation point after the reform (dummy)</i>	<i>D_{PR}</i>	-0.021 0.015	-0.020 0.015	-0.027** 0.013
<i>Belonging to treatment group 1 (dummy)</i>	<i>D_{T1}</i>	-0.090*** 0.014	0.029 0.028	0.006 0.025
<i>Interaction term</i>	<i>D_{PR} · D_{T1}</i>	0.007 0.022	-0.017 0.024	-0.003 0.020
<i>Household income in thousand Euro</i>	<i>y/1000</i>		0.197*** 0.064	0.156*** 0.058
<i>Household income in thousand Euro. squared</i>	<i>[y/1000]²</i>		-0.025** 0.011	-0.020* 0.010
<i>Head of the household is self-employed (dummy)</i>	<i>D_{SE}</i>		-0.033 0.023	-0.060*** 0.022
<i>Head of the household is public servant (dummy)</i>	<i>D_{PS}</i>		-0.005 0.022	-0.016 0.018
<i>Head of the household is white-collar (dummy)</i>	<i>D_{AN}</i>		0.001 0.015	-0.004 0.013
<i>Head of the household has other employment type (dummy)</i>	<i>D_{OE}</i>		-0.009 0.022	0.002 0.019
<i>Head of the household is foreigner (dummy)</i>	<i>D_{FO}</i>		-0.019 0.015	-0.016 0.014
<i>Head of the household has univ. entrance qualification (dummy)</i>	<i>D_{UEQ}</i>		-0.020 0.018	-0.016 0.015
<i>Head of household has university degree (dummy) (Dummy)</i>	<i>D_{UD}</i>		0.025 0.019	0.022 0.016
<i>Head of household is female (dummy)</i>	<i>D_{FEM}</i>		-0.008 0.016	-0.026* 0.014
<i>Age of the head of the household</i>	<i>Age</i>		0.020** 0.008	0.017** 0.008
<i>Age of the head of the household. squared</i>	<i>[Age]²</i>		0.000** 0.000	0.000*** 0.000
<i>Household has a savings book (dummy)</i>	<i>D_{BOOKS}</i>			0.078*** 0.014
<i>Household has a building loan contract (dummy)</i>	<i>D_{LOAN}</i>			0.007 0.010
<i>Household has a life insurance (dummy)</i>	<i>D_{LIVE}</i>			-0.015 0.012
<i>Household owns securities (dummy)</i>	<i>D_{SEC}</i>			0.043*** 0.010
<i>Household owns business property/shares (dummy)</i>	<i>D_{BPS}</i>			0.032 0.020
<i>Household has to repay building loans/mortgages obilien (Dummy)</i>	<i>D_{REPAY1}</i>			-0.124*** 0.014
<i>Household has to repay credit loans (dummy)</i>	<i>D_{REPAY2}</i>			-0.016 0.010
<i>Household owns real-estate (dummy)</i>	<i>D_{ESTATE}</i>			0.100*** 0.015
<i>Number of observations</i>		546	546	546
<i>Log Likelihood</i>		102.86	123.87	203.61
<i>Pseudo R²</i>		-0.44	-0.74	-1.85

Table A5a. Probability to save – logit estimation. audit approach (without unemployed)

		2000/2004			2000/2005		
		A	B	C	A	B	C
<i>Constant</i>	<i>Const</i>	0.513*** 0.039	-3.821*** 1.231	-4.766*** 1.292	0.513*** 0.039	-4.897*** 1.260	-5.881*** 1.320
<i>Observation point after the reform (dummy)</i>	<i>D_{PR}</i>	-0.130** 0.056	-0.414*** 0.063	-0.429*** 0.066	-0.048 0.057	-0.349*** 0.064	-0.346*** 0.067
<i>Belonging to treatment group 2 (dummy)</i>	<i>D_{T2}</i>	-0.013 0.050	-0.035 0.089	-0.025 0.094	-0.013 0.050	0.086 0.091	0.114 0.096
<i>Interaction term</i>	<i>D_{PR} · D_{T2}</i>	-0.052 0.075	0.037 0.082	0.072 0.087	-0.007 0.076	0.072 0.084	0.054 0.089
<i>Household income in thousand Euro</i>	<i>y/1000</i>		3.602*** 0.211	3.443*** 0.223		3.667*** 0.210	3.574*** 0.220
<i>Household income in thousand Euro. squared</i>	<i>[y/1000]²</i>		-0.640*** 0.063	-0.620*** 0.066		-0.646*** 0.062	-0.639*** 0.065
<i>Head of the household is self-employed (dummy)</i>	<i>D_{SE}</i>		-0.534*** 0.114	-0.402*** 0.131		-0.560*** 0.117	-0.472*** 0.135
<i>Head of the household is public servant (dummy)</i>	<i>D_{PS}</i>		0.081 0.150	-0.020 0.157		0.162 0.152	0.071 0.160
<i>Head of the household is pensioner (dummy)</i>	<i>D_{PE}</i>		0.010 0.099	-0.085 0.106		0.113 0.103	0.024 0.109
<i>Head of the household is white-collar (dummy)</i>	<i>D_{WC}</i>		0.234*** 0.063	0.128** 0.076		0.267*** 0.065	0.143** 0.069
<i>Head of the household is student (dummy)</i>	<i>D_{ST}</i>		-0.265 0.144	-0.509*** 0.151		0.138 0.145	-0.063 0.151
<i>Head of the household has other employment type (dummy)</i>	<i>D_{OE}</i>		-0.206** 0.095	-0.241** 0.102		-0.033 0.098	-0.066 0.105
<i>Head of household is foreigner (dummy)</i>	<i>D_{FO}</i>		-0.484 0.078	-0.263** 0.085		-0.474*** 0.080	-0.252*** 0.086
<i>Head of the household has univ. entrance qualification (dummy)</i>	<i>D_{UEQ}</i>		0.102 0.070	-0.008 0.074		0.052 0.071	-0.059 0.075
<i>Head of household has university degree (dummy)</i>	<i>D_{UD}</i>		0.022 0.071	-0.001 0.075		0.009 0.072	-0.030 0.076
<i>Head of household is female (dummy)</i>	<i>D_{FEM}</i>		-0.125*** 0.047	-0.121** 0.050		-0.153*** 0.048	-0.147*** 0.050
<i>Age of the head of the household</i>	<i>Age</i>		0.190* 0.104	0.213* 0.109		0.273** 0.107	0.292*** 0.112
<i>Age of the head of the household. squared</i>	<i>[Age]²</i>		-0.008*** 0.003	-0.008** 0.003		-0.011*** 0.003	-0.011*** 0.003
<i>Household from New Laender (dummy)</i>	<i>D_{NL}</i>		0.448*** 0.049	0.515*** 0.052		0.442*** 0.050	0.492*** 0.053
<i>Household has a savings book (dummy)</i>	<i>D_{BOOKS}</i>			1.156*** 0.051			1.141*** 0.052
<i>Household has a building loan contract (dummy)</i>	<i>D_{LOAN}</i>			0.385** 0.051			0.278** 0.053
<i>Household has a life insurance (dummy)</i>	<i>D_{LIVE}</i>			0.118* 0.050			0.077 0.051
<i>Household owns securities (dummy)</i>	<i>D_{SEC}</i>			0.502*** 0.054			0.535*** 0.056
<i>Household owns business property/shares (dummy)</i>	<i>D_{BPS}</i>			-0.225 0.146			-0.131 0.153
<i>Household has to repay building loans/mortgages obilien (Dummy)</i>	<i>D_{REPAY1}</i>			-0.574** 0.080			-0.693** 0.081
<i>Household has to repay credit loans (dummy)</i>	<i>D_{REPAY2}</i>			-0.773*** 0.055			-0.727*** 0.057
<i>Household owns real-estate (dummy)</i>	<i>D_{ESTATE}</i>			0.254*** 0.060			0.294*** 0.062
<i>Number of children in the household</i>	<i>N_{CHILDS}</i>		-0.357*** 0.033	-0.340*** 0.036		-0.385*** 0.034	-0.377*** 0.037
<i>Number of adults in the household</i>	<i>N_{ADULTS}</i>		-0.500*** 0.057	-0.568*** 0.061		-0.507*** 0.057	-0.561*** 0.062
<i>Number of observations</i>		12,424	12,424	12,424	12,100	12,100	12,100
<i>Log Likelihood</i>		-8,314.08	-7,305.44	-6,677.47	-8,042.47	-7,023.60	-6,441.17
<i>Pseudo R²</i>		0.00	0.12	0.20	0.00	0.13	0.20
<i>Remarks. Endogeneous: Saving decision (dummy: 1=yes ; 0=no). *** / ** / * Significance on the 1/5/10-%-level.</i>							

Table A5b. Probability to save – logit estimation. audit approach (without unemployed)

		2000/2006		
		A	B	C
<i>Constant</i>	D_{CONST}	0.557*** 0.039	-3.366*** 1.265	-4.233*** 1.332
<i>Observation point after the reform (dummy)</i>	D_{PR}	-0.202*** 0.055	-0.552*** 0.062	-0.548*** 0.066
<i>Belonging to treatment group 2 (dummy)</i>	D_{T2}	-0.048 0.051	-0.014 0.090	0.020 0.095
<i>Interaction term</i>	$D_{PR} \cdot D_{T2}$	0.076 0.074	0.166** 0.082	0.156* 0.087
<i>Household income in thousand Euro</i>	$y/1000$		3.865*** 0.203	3.676*** 0.213
<i>Household income in thousand Euro. squared</i>	$[y/1000]^2$		-0.691*** 0.058	-0.656*** 0.062
<i>Head of the household is self-employed (dummy)</i>	D_{SE}		-0.569*** 0.111	-0.478*** 0.127
<i>Head of the household is public servant (dummy)</i>	D_{PS}		0.166 0.152	0.057 0.160
<i>Head of the household is pensioner (dummy)</i>	D_{PE}		-0.076 0.101	-0.181* 0.107
<i>Head of the household is white-collar (dummy)</i>	D_{WC}		0.177*** 0.063	0.065 0.067
<i>Head of the household is student (dummy)</i>	D_{ST}		-0.414*** 0.154	-0.608*** 0.160
<i>Head of the household has other employment type (dummy)</i>	D_{OE}		-0.170* 0.095	-0.173* 0.102
<i>Head of household is foreigner (dummy)</i>	D_{FO}		-0.452*** 0.080	-0.239*** 0.086
<i>Head of the household has univ. entrance qualification (dummy)</i>	D_{UEQ}		0.155** 0.070	0.022 0.074
<i>Head of household has university degree (dummy)</i>	D_{UD}		0.023 0.074	-0.024 0.079
<i>Head of household is female (dummy)</i>	D_{FEM}		-0.100** 0.047	-0.103** 0.049
<i>Age of the head of the household</i>	Age		0.143 0.107	0.158 0.113
<i>Age of the head of the household. squared</i>	$[Age]^2$		-0.007** 0.003	-0.007** 0.003
<i>Household from New Laender (dummy)</i>	D_{NL}		0.510*** 0.049	0.573*** 0.052
<i>Household has a savings book (dummy)</i>	D_{BOOKS}			1.151*** 0.050
<i>Household has a building loan contract (dummy)</i>	D_{LOAN}			0.340*** 0.051
<i>Household has a life insurance (dummy)</i>	D_{LIVE}			0.123** 0.049
<i>Household owns securities (dummy)</i>	D_{SEC}			0.539*** 0.054
<i>Household owns business property/shares (dummy)</i>	D_{BPS}			-0.198 0.144
<i>Household has to repay building loans/mortgages obilien (Dummy)</i>	D_{REPAY1}			-0.780*** 0.077
<i>Household has to repay credit loans (dummy)</i>	D_{REPAY2}			-0.633*** 0.056
<i>Household owns real-estate (dummy)</i>	D_{ESTATE}			0.335*** 0.060
<i>Number of children in the household</i>	N_{CHILDS}		-0.380*** 0.033	-0.367*** 0.036
<i>Number of adults in the household</i>	N_{ADULTS}		-0.541*** 0.056	-0.615*** 0.060
<i>Number of observations</i>		12,571	12,571	12,751
<i>Log Likelihood</i>		-8,507.74	-7,395.13	-6,769.00
<i>Pseudo R²</i>		0.00	0.13	0.21

Table A6a. Saving ratios– tobit estimations. audit approach (without unemployed)

		2000/2004			2000/2005		
		A	B	C	A	B	C
<i>Constant</i>	<i>Const</i>	0.065*** 0.004	-0.121*** 0.089	-0.192*** 0.084	0.065*** 0.003	-0.194*** 0.090	-0.267*** 0.085
<i>Observation point after the reform (dummy)</i>	<i>D_{PR}</i>	-0.019*** 0.005	-0.038*** 0.004	-0.038*** 0.004	-0.010** 0.005	-0.032*** 0.004	-0.032*** 0.004
<i>Belonging to treatment group 2 (dummy)</i>	<i>D_{T2}</i>	-0.027*** 0.004	-0.004 0.006	-0.002 0.006	-0.027** 0.004	0.000 0.006	0.002 0.006
<i>Interaction term</i>	<i>D_{PR} · D_{T2}</i>	0.003 0.006	0.009 0.006	0.012** 0.005	0.007 0.006	0.011* 0.006	0.009* 0.006
<i>Household income in thousand Euro</i>	<i>y/1000</i>		0.288*** 0.015	0.249*** 0.014		0.285*** 0.015	0.251*** 0.014
<i>Household income in thousand Euro. squared</i>	<i>[y/1000]²</i>		-0.054*** 0.004	-0.047*** 0.004		-0.052*** 0.004	-0.047*** 0.004
<i>Head of the household is self-employed (dummy)</i>	<i>D_{SE}</i>		-0.013 0.008	-0.008 0.009		-0.021** 0.009	-0.019 0.009
<i>Head of the household is public servant (dummy)</i>	<i>D_{PS}</i>		-0.002 0.010	-0.010 0.009		-0.003 0.010	-0.009 0.009
<i>Head of the household is pensioner (dummy)</i>	<i>D_{PE}</i>		0.005 0.007	-0.002 0.007		0.015** 0.007	0.007 0.007
<i>Head of the household is white-collar (dummy)</i>	<i>D_{WC}</i>		0.011** 0.005	0.002 0.004		0.013*** 0.005	0.002 0.004
<i>Head of the household is student (dummy)</i>	<i>D_{ST}</i>		-0.010 0.011	-0.028*** 0.010		0.009 0.010	-0.006 0.010
<i>Head of the household has other employment type (dummy)</i>	<i>D_{OE}</i>		-0.010 0.007	-0.013* 0.007		-0.000 0.007	-0.003 0.007
<i>Head of household is foreigner (dummy)</i>	<i>D_{FO}</i>		-0.034*** 0.006	-0.010* 0.006		-0.037*** 0.006	-0.012** 0.006
<i>Head of the household has univ. entrance qualification (dummy)</i>	<i>D_{UEQ}</i>		0.009* 0.005	0.001 0.004		0.008* 0.006	0.001 0.005
<i>Head of household has university degree (dummy)</i>	<i>D_{UD}</i>		0.004 0.005	0.002 0.004		0.002 0.005	-0.001 0.005
<i>Head of household is female (dummy)</i>	<i>D_{FEM}</i>		-0.018*** 0.003	-0.015*** 0.003		-0.019*** 0.003	-0.016*** 0.003
<i>Age of the head of the household</i>	<i>Age</i>		0.002 0.007	0.006 0.007		0.008 0.000	0.012* 0.007
<i>Age of the head of the household. squared</i>	<i>[Age]²</i>		-0.000 0.000	-0.000 0.000		-0.000* 0.000	-0.000** 0.000
<i>Household from New Laender (dummy)</i>	<i>D_{NL}</i>		0.039*** 0.003	0.046*** 0.003		0.037*** 0.003	0.044*** 0.003
<i>Household has a savings book (dummy)</i>	<i>D_{BOOKS}</i>			0.074*** 0.004			0.071*** 0.004
<i>Household has a building loan contract (dummy)</i>	<i>D_{LOAN}</i>			0.023*** 0.003			0.020*** 0.003
<i>Household has a life insurance (dummy)</i>	<i>D_{LIVE}</i>			0.009*** 0.003			0.005 0.00
<i>Household owns securities (dummy)</i>	<i>D_{SEC}</i>			0.040*** 0.003			0.042*** 0.003
<i>Household owns business property/shares (dummy)</i>	<i>D_{BPS}</i>			-0.002 0.009			0.004 0.010
<i>Household has to repay building loans/mortgages (dummy)</i>	<i>D_{REPAY1}</i>			-0.060*** 0.005			-0.064*** 0.005
<i>Household has to repay credit loans (dummy)</i>	<i>D_{REPAY2}</i>			-0.063*** 0.004			-0.064*** 0.005
<i>Household owns real-estate (dummy)</i>	<i>D_{ESTATE}</i>			0.046*** 0.004			0.047*** 0.004
<i>Number of children in the household</i>	<i>N_{CHILDS}</i>		-0.031*** 0.002	-0.028*** 0.002		-0.033*** 0.003	-0.030*** 0.002
<i>Number of adults in the household</i>	<i>N_{ADULTS}</i>		-0.054*** 0.004	-0.056*** 0.004		-0.056*** 0.004	-0.057*** 0.004
<i>Number of observations</i>		12,424	12,424	12,424	12,100	12,100	12,100
<i>Log Likelihood</i>		-671.49	390.85	1,166.26	-537.43	535.12	1,285.39
<i>Pseudo R²</i>		0.07	1.54	2.62	0.06	1.94	3.26
<i>Remarks.</i> Endogeneous: Saving ratio. *** ** * / / / Significance on the 1/5/10-%-level.							

Table A6b. Saving ratios– tobit estimations. audit approach (without unemployed)

		2000/2006		
		A	B	C
<i>Constant</i>	<i>Const</i>	0.068***	-0.145	-0.218**
		0.003	0.089	0.084
<i>Observation point after the reform (dummy)</i>	<i>D_{PR}</i>	-0.023***	-0.046***	-0.045***
		0.004	0.004	0.004
<i>Belonging to treatment group 2 (dummy)</i>	<i>D_{T2}</i>	-0.030***	-0.007	-0.004
		0.004	0.006	0.006
<i>Interaction term</i>	<i>D_{PR} · D_{T2}</i>	0.015**	0.018***	0.017***
		0.006	0.006	0.005
<i>Household income in thousand Euro</i>	<i>y/1000</i>		0.289***	0.249***
			0.014	0.013
<i>Household income in thousand Euro. squared</i>	<i>[y/1000]²</i>		-0.052***	-0.045***
			0.004	0.004
<i>Head of the household is self-employed (dummy)</i>	<i>D_{SE}</i>		-0.024***	-0.022***
			0.008	0.008
<i>Head of the household is public servant (dummy)</i>	<i>D_{PS}</i>		-0.004	-0.011
			0.009	0.009
<i>Head of the household is pensioner (dummy)</i>	<i>D_{PE}</i>		0.000	-0.007***
			0.007	0.007
<i>Head of the household is white-collar (dummy)</i>	<i>D_{WC}</i>		0.009**	0.001
			0.004	0.004
<i>Head of the household is student (dummy)</i>	<i>D_{ST}</i>		-0.030***	-0.041***
			0.011	0.011
<i>Head of the household has other employment type (dummy)</i>	<i>D_{OE}</i>		-0.006	-0.007
			0.007	0.007
<i>Head of household is foreigner (dummy)</i>	<i>D_{FO}</i>		-0.034***	-0.011*
			0.006	0.006
<i>Head of the household has univ. entrance qualification (dummy)</i>	<i>D_{UEQ}</i>		0.011**	0.001
			0.005	0.004
<i>Head of household has university degree (dummy)</i>	<i>D_{UD}</i>		0.007	0.004
			0.005	0.005
<i>Head of household is female (dummy)</i>	<i>D_{FEM}</i>		-0.016***	-0.013***
			0.003	0.003
<i>Age of the head of the household</i>	<i>Age</i>		0.004	0.008
			0.008	0.007
<i>Age of the head of the household. squared</i>	<i>[Age]²</i>		0.000	0.000*
			0.000	0.000
<i>Household from New Laender (dummy)</i>	<i>D_{NL}</i>		0.040***	0.046***
			0.003	0.003
<i>Household has a savings book (dummy)</i>	<i>D_{BOOKS}</i>			0.070***
				0.003
<i>Household has a building loan contract (dummy)</i>	<i>D_{LOAN}</i>			0.018***
				0.003
<i>Household has a life insurance (dummy)</i>	<i>D_{LIVE}</i>			0.006*
				0.003
<i>Household owns securities (dummy)</i>	<i>D_{SEC}</i>			0.042***
				0.003
<i>Household owns business property/shares (dummy)</i>	<i>D_{BPS}</i>			0.006
				0.009
<i>Household has to repay building loans/mortgages (dummy)</i>	<i>D_{REPAY1}</i>			-0.070***
				0.005
<i>Household has to repay credit loans (dummy)</i>	<i>D_{REPAY2}</i>			-0.055***
				0.004
<i>Household owns real-estate (dummy)</i>	<i>D_{ESTATE}</i>			0.050***
				0.003
<i>Number of children in the household</i>	<i>N_{CHILDS}</i>		-0.033***	-0.030***
			0.002	0.002
<i>Number of adults in the household</i>	<i>N_{ADULTS}</i>		-0.055***	-0.057***
			0.004	0.004
<i>Number of observations</i>		12,751	12,751	12,751
<i>Log Likelihood</i>		-614.03	561.83	1,346.62
<i>Pseudo R²</i>		0.06	1.86	3.05