

Abstract submission

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Much Ado About Nothing? The effect of cash-for-childcare on mothers' paid and unpaid work in Germany

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The German cash-for-childcare (CFC) benefit, implemented in 2013 and abolished only two years later, was one of the most controversial issues of Germany's family policy of the last years. Politicians opposing the benefit as well as researchers were concerned that the benefit would hamper mothers' employment and support a traditional distribution of paid work and care between mothers and fathers. And indeed, several studies have identified such effects of the benefit. However, it is not clear whether these effects are caused by the CFC benefit itself or by a self-selection of mothers who choose to receive the benefit.

In this paper I deal with this question by investigating mothers who – based on their child's age – could have received the CFC benefit. To study mothers' behaviour before and after childbirth the 2011–2015 waves of the SOEP are used. Taking mothers' working time in a paid job, time spend with housework and time spend with childcare as dependent variables I estimate quadratic growth curve models for mothers who used the CFC benefit and mothers who did not but could have used it, thereby controlling for mothers' sociodemographic characteristics. With this method I can identify differences between the two groups of mothers for three points in time: before the child was born as well as before and at the time the benefit can be received.

The findings show that already before the period of benefit-receipt there are significant differences between the two groups for mothers' working time and time spend with housework, suggesting mothers' self-selection. Only in the case of mothers' time spend with childcare there is an independent effect of the benefit as significant differences between the two groups appear first at the time the benefit is paid.

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