

**Work/Family Reconciliation and
Family Policy Reforms in Germany:
Towards Sustainable Family Policy?**

Timo Fleckenstein

Department of Social Policy

T.Fleckenstein@lse.ac.uk

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Reform Context (I)

- Key policy objective of **Sustainable Family Policy**, especially with a view to increase fertility rates in the context of an ageing society
 - Fertility rate of 1.3 in early 2000s (compared to 1.9/2.0 in France, and 1.7-1.9 in Sweden)
 - Explicit “pro-natalist turn” across the party-political spectrum, despite Germany’s historical background
 - Note: Employers’ associations, key supporters of family policy “modernisation” were less concerned about fertility but cared about the immediate skills needs of their members – and thus supported measures supporting work/family reconciliation.

Reform Context (II)

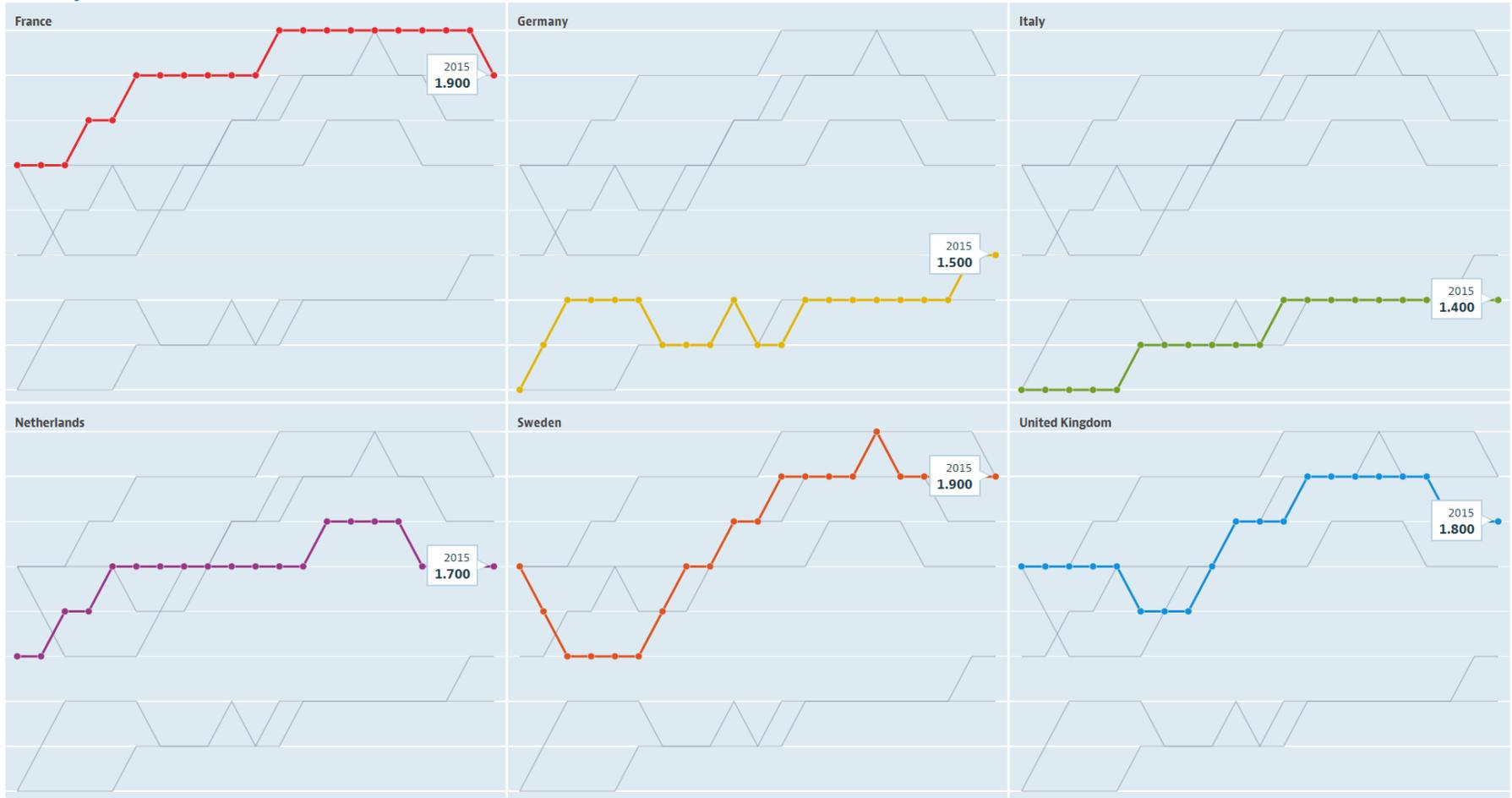
- Sociological and economic knowledge informing family policy “modernisation” in Germany
 - To a considerable extent based on research by Hans Bertram (Humboldt University Berlin) – key academic advisor (also leading 7th Family Report)
 - Assumption that the vast majority of young women and men in Germany want to live in families (the family is not dead!), but they also want to combine careers with the raising of children
 - Argument that low fertility is caused by high opportunity costs (supported by a number of reports that were commissioned)
 - Conclusion that work/family reconciliation needed to be improved for raising fertility.

Employment-Oriented Family Policy “Modernisation” in the 2000s

- Childcare Expansion (from early 2000s)
 - Especially for the under-3s, and including a legal entitlement to childcare provision from Age 1 (2013)
 - Participation rate of 0 to 2-year-olds: from 13.6% in 2006 to 32.3% in 2014
- Parental Leave Reform (2007)
 - “Elterngeld”: Earning-related parental leave benefit (14 months, including 2 “daddy” months) – replacing 2-year flat-rate benefit
 - From 2015: “Elterngeld Plus” (24 months) to facilitate part-time employment, and 4 additional months if both parents work part-time (25-30 hours)
- Paradigm shift in German family policy for better work-family reconciliation.
 - Especially to promote female employment participation -- but also attempts to facilitate active fathers

Fertility – a Success Story? Not Quite.

Fertility rates Total, Children/woman, 1995 – 2015



Maternal Employment (Prognos Report, 2014)

- Increase of maternal employment from 60.6% in 2006 to 66.4% in 2012.
- Greatest increase among mothers with young children
 - 41% among mothers of one-year-olds (+8pp), and 54% among mothers with two-year-olds (+12pp) – also increasingly working greater number of hours in part-time work (but still low by international standards).
 - Increase in maternal employment estimated to have increase GDP by 4.7 billion Euro
- At the same time, lower employment of mothers with a child before year one
 - Drop from 17 to 10%, suggesting that improved parental leave generosity reduced the pressure to return to work early.

Maternal Employment (Prognos Report, 2014)

- Two thirds of mothers (with a job interruption of more than 6 months) would have like to return to work earlier
 - Average parental leave duration of 19 months
 - Main reasons for not returning earlier: lack of childcare, lack of flexible working, and unsupportive partners.
- 60% of parents with children between the ages of 1 and 3 express their preference for equal sharing of paid and unpaid work, but only 14% report that they can realise this ideal.

Why No Greater “Progress”: Lack of After-School Care?

- Nearly half of children in elementary schools (44% or 550,000 children) have no access to after-school care in the afternoon
 - An additional 275,000 have access to some after-school care, but parents report additional care needs.
- Considerable care “gap” when children transition from all-day childcare into “half-day” elementary school – argued to prevent greater maternal employment and fertility.
- 65% of parents identify all-day elementary schooling as a family policy priority
- Both Christian and Social Democracy included all-day school in their election manifesto (estimated cost of 700 million Euros per year)

A Brief French/German Comparison

- France with a fertility rate of 1.9/2.0 setting the “gold standard” in Europe – compared to Germany’s current rate of 1.5.
- Only a third of Germans considered their country “family-friendly” – compared to 82% in France.
- 63% of Germans believe that families with 4 children are “disapproved” by society – compared to 18% in France
 - Martin Bujard (Federal Institute for Population Research) argues that the low number of large families in Germany is the main reason for the country’s demographic “gap”
- Greater family support in France with increasing number of children
 - Most notably, tax relief determined by number of children rather than married status
- All-day schooling in France, compared to poor school infrastructure in Germany (see previous slide)
- Mix of policy and attitudes “holding back” fertility in Germany?

Fathers' Use of Parental Leave

- Strong increase from 5% in 2006 to 26% in 2014 of all benefit recipients; and in 2014 more than one third of father received parental leave benefit (very similar to Swedish take-up!)
- However, fathers' parental leave is short -- about 60% only take up to 2 months.
- Highly-educated fathers have seen the greatest increase in take-up (especially when better educated than their female partners) – take-up also facilitated by public sector employment
- Low take-up among the self-employed and those in temporary employment
- Some significant behavioural changes among German fathers, but still very gendered care pattern.