

# Incentives versus Attitudes: Low Take-Up of Paternal Leave Benefits in Germany

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## Problem

Although Germany offers paternal leave benefits, only a portion of fathers take advantage of this benefit – usually only the minimum duration of two months. Why do so many fathers forgo longer parental leave?

## Method

Using the Socio-Economic Panel (SOEP), we analyze fathers' decisions to take paternal leave benefits (extensive margin) and for how long (intensive margin). The panel structure allows us to link income before birth and the take-up in subsequent years

## Results

- Attitudes matter more than income: Highly educated fathers are significantly more likely to take paternal leave benefits – an indication of the role of norms.
- Relative incomes are crucial: If the mother earns well, the likelihood that the father will take paternal leave benefits increases.
- Longer paternal leave benefits depend on financial incentives: Fathers with low income (high replacement level) are more likely to take longer paternal leave, while those with very high income (capped benefits) have shorter durations

## Implication

Policies that rely solely on monetary incentives fall short. A change in societal norms is essential for a more egalitarian distribution of parental leave.

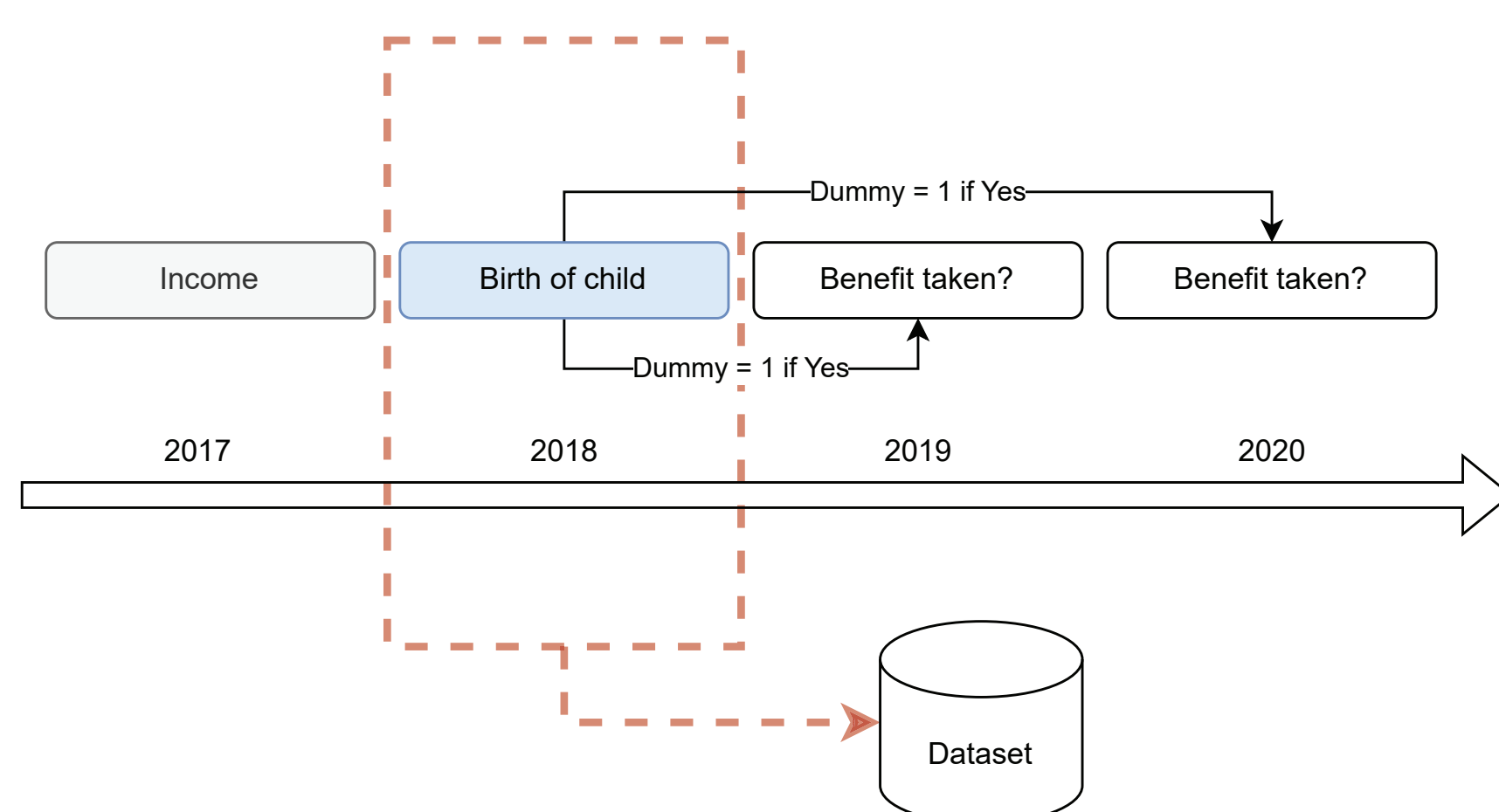


Figure 1: Creation of the sample based on the SOEP data