International Symposium
November 6th and 7th, 2008 at the Center for the Advancement of Working Women (CAWW)

Fertility and Social Stratification
Germany and Japan in Comparison

Friday, November 7th, 2008
Section 6: Policy

“Family Policy in Germany and its Implications for Social Inequality”

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Family Policy in Germany and its Implications for Social Inequality

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International Symposium: Fertility and Social Stratification
Germany and Japan in Comparison

DIJ Tokyo – November 6th, 2008
I. Overview: The ‘old’ paradigm in German Family Policy

The Interplay of (De)Familialisation, (De)Commodification and Stratification

II. Research Questions and Hypotheses

III. Current Reforms: The new Parenting Time / Benefit

1. Situation before the Reform
2. Contents
3. Objectives
4. Consequences

IV. A new Paradigm in German Family Policy?

V. Implications in Terms of Social Inequality
I. The 'old' Paradigm in German Family Policy

Social and Family Policy

Care Work
Men: Defamilialisation
Women: Familialisation

Labour Market
Men: (De)Commodification
Women: incomplete (De)Commodation

Stratification / Inequality
- by Employment Status
- by Marital/Parental Status
I. The ‘old’ Paradigm: Stratification Effects

- Social rights based on motherhood/parenthood
  - 1955 Child allowance and child tax credits
  - 1979 paid maternity leave for working mothers
  - 1986 parental leave scheme: means-tested, low benefit provided incentives esp. for working-class women to withdraw from the labor market
I. The ‘old’ Paradigm: Stratification Effects

- Social rights derived from marital status
  - 1958 Joint taxation and tax splitting for married couples leads to tax penalties for a secondary income
  - 1950s family based claims in the social security system

- ‘service poor’ welfare state
  - insufficient pre-school care, esp. for infants (enrollment rate in 2007: 15.5%)
  - half-day care and schooling
Schaubild A1:
Betreuungsquoten der Kinder im Alter von 0 bis unter 3 Jahren in den Kreisen am 15.03.2006

1) Kinder in Kindertageseinrichtungen und Kinder in öffentlich geförderten Kindertagespflege, die nicht zusätzlich eine Kindertageseinrichtung oder eine Grundschule besuchen, je 100 Kinder in dieser Altersgruppe.

Quelle der Verwaltungsgrenzen:
VG1000 zum Stand 31.12.2005
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I. The ‘old’ Paradigm: Stratification Effects

worse position of women, esp. mothers

➤ on the labor market:
  - labor market segregation and gender wage gap
  - female employment rate is rising (59% in 2004), but still relatively low, esp. for mothers
  - problems for mothers returning to the labor market
  - predominance of part-time work

➤ in the social security system

➤ low fertility rate (1.33 in 2006)
II. Research Questions and Hypotheses (1)

1. How does the interplay of (de-)familialisation, (de-)commodification and stratification in German family policy change in the current reforms of parenting time and benefits?

Hyp 1: The reforms signal a paradigm shift in family policy due to
- a stronger emphasis on the commodification of mothers
- a new policy objective: raising the birth rate
II. Research Questions and Hypotheses (2)

2. What are the implications of the reforms in terms of social inequality?

Hyp 2: The reforms leads to increasing inequalities between parents / mothers according to their position on the labor market
III. Current Reforms of German Family Policy: The new Parenting Time / Benefit

1. Situation before the Reform (2001-2006):

- Maximum of three years parenting time
- two years 300 € (39,000 ¥) or one year 450 € (58,500 ¥) monthly
- Income ceiling for couples: 30,000 / 16,500 € p.a. (3,900,000/2,145,000 ¥)
III. Current Reforms of German Family Policy: The new Parenting Time / Benefit

2. Contents of the 2007 Reform

- Conversion of benefit from transfer payment into earnings-replacement benefit (67 % of net income)
- Two additional partner months Restriction of duration of receipt from 24 to 12 months
- Ceiling of benefit: 1.800 € (234,000 ¥)
- Basic allowance: 300 € (39,000 ¥)
III. Current Reforms of German Family Policy: The new Parenting Time / Benefit

2. Objectives of the 2007 Reform

1. Social Policy:
   to safeguard the economic existence of parents without social security benefits

2. Gender Policy:
   - to promote the employment of mothers
   - to promote the participation of fathers in care work

3. Demographic:
   to rise the birth rate
3. **Consequences**

1. **To safeguard the economic existence of parents**

   as of earnings replacement and restriction of duration:
   - middle / high mothers respectively parents win
   - low / no income mothers respectively parents lose

**Statistics for 2007:**

56 % of all recipients got only up to 500 € (65,000 ¥); women overrepresented
only 5.8 % got 1,500 € (195,000 ¥) or more; men overrepresented
3. Consequences

1. To safeguard the economic existence of parents

“In contrast to social assistance or unemployment benefit II, parenting benefit is not a state welfare benefit. (…) It is more the case that the necessary minimum gaps to earned income are maintained and positive incentives to take up gainful employment are created” (BMFSFJ 2006).

→ workfare instead of safeguarding the existence of low-wage parents
3. Consequences

2. a) To rise the care work of fathers
   increase from 3.5 % male in 2006 to 10.5 % in 2007

   BUT: 61.1 % of them took only up to 2 months
   men + 12 month: 1.9 % of all
   men + more than 1.500 €: 0.2 % of all

b) To rise the employment of mothers
   according to the ‘adult worker model’
   → still problems of reconciliation:
   childcare, working conditions
3. Consequences

3. To rise the birth rate

- aims obviously especially at highly qualified mothers
- increase from 1.33 in 2006 to 1.37 in 2007

BUT questionable as of
- uncertain stability of this trend
- parenting benefit might not be the (only) cause

→ goal attainment uncertain because of multiple dimensions of fertility decisions
IV. A new Paradigm in Family Policy?

Social and Family Policy

Care Work
Men: Defamilialisation
Women: incomplete Defamilialisation

Labour Market
- Activation
Men: (De)Commodification
Women: incomplete (De)Commodification

Generativity
- Activation
Raising the Birth Rate

Stratification / Inequality
- by Employment Status
- by Marital/Parental Status

Men: Defamilialisation
Women: incomplete Defamilialisation
V. Implications in Terms of Social Inequality

- Increasing inequalities between parents / mothers according to their chances on the labor market

- ‘Exclusive Emancipation’ for highly qualified mothers rather than gender equality
Thank you for your attention!

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‘Love‘, Work, Recognition – Recognition and Inequality in Dual Career Couples

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