

## **MOTHERS RETURNING TO WORK: Evidence from Germany of the impact of parental leave, job quality and childcare availability**

The number of new mothers who return to work in a part-time capacity or have a second child before returning to the labour market has increased. That is one of the findings of research by **Melanie Arntz, Stephan Dlugosz and Ralf Wilke**, to be presented at the annual congress of the European Economic Association in Mannheim in August 2015,

Their study finds that the decisions made by women in this context are greatly dependent on their own productivity, but also on the conditions and the quality of employment provided by their previous employer. In particular, suitable conditions of employment offered by an employer, as well as the way of working before the birth of a child, make it more likely that a woman will return to work.

The researchers analyse data on over 19,000 mothers in Germany aged between 18 and 45 who had their first child between 1985 and 2005. They find that around 38% of women return to their previous employer after taking maternity leave (18% go full-time, 20% go part-time) and around 13% switch jobs. Over a quarter of women have their second child while still on maternity leave, and 15% stay unemployed.

Importantly, the women who can return to part-time work tend to be those who were earning above-average salaries and can afford to work less than they did beforehand. Ultimately, encouraging women to return to work in the first place has more to do with the access they have to childcare and the legal framework around maternity leave.

### **More...**

Becoming a mother represents a critical point in the career of many women. After maternity leave, many women who were previously full-time employed move to work part-time or even give up working altogether.

Researchers at the Mannheim Centre for European Economic Research (ZEW) have investigated the factors that influence a woman's decision as to whether or not she returns to work, following the birth of a child and a period of maternity leave.

The study considers a wide range of factors that affect the career decisions taken by women subsequent to the birth of a first child. It finds that the mother's personal characteristics as well as those of her former employer, the nature of the employment itself, labour market conditions and the availability of childcare determine the length of maternity leave periods. Legal regulations pertaining to the protection of mothers and to parental leave also play a role.

The study considers a total of 19,535 mothers living in Germany aged between 18 and 45 who gave birth to their first child between 1985 and 2005 and who had worked full-time prior to giving birth. The analysis is based on a combination of biographical data from the BASiD database (biographical data of selected insurance agencies in Germany), which links administrative records from the German statutory pension insurance scheme and records from the Federal Employment Agency.

The data suggest that approximately 38% of the women return to their previous employer (18% in a full-time capacity and 20% in a part-time capacity), and approximately 13% change to a new employer.

It is, however, primarily women earning above average who are able to afford reducing their working hours following their return to work. Women who earn less show a greater tendency to return to full-time employment. More than a quarter of women deliver their second child while still being on maternity leave, and 15% register as unemployed. Only 7% of women opt for vocational or further training, or freelance work.

### Strong influence of the professional environment

Over the course of the study, however, the tendencies observed in terms of women's decisions to return to work have changed (see graph). The number of women who return to work in a part-time capacity or have a second child before returning to the labour market has increased.

The decisions made by women in this context are greatly dependent on their own productivity, but also on the conditions and the quality of employment provided by their previous employer. In particular, suitable conditions of employment offered by an employer, as well as the way of working before the birth of a child, make it more likely that a woman will return to work.

The duration and exit route from maternity leave are driven by features of the legal parental leave framework and by the availability of childcare. In this respect, the results of the study shed critical light on a number of key elements of German family policy.

The study only presents evidence for the availability of childcare to produce the desired effect of accelerating new mothers' return to the workplace and to reduce inactivity periods.

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The study is available for download at: [www.zew.de/en/publications/7759](http://www.zew.de/en/publications/7759)

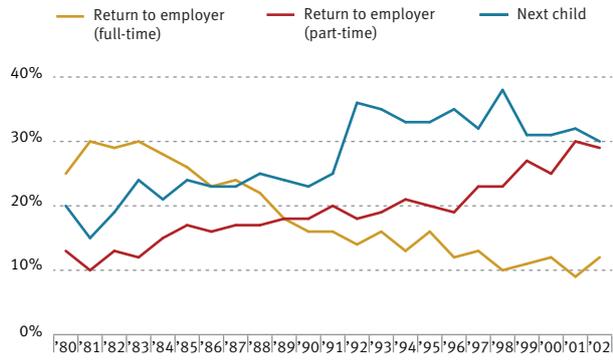
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DEVELOPMENT OF THE DISTRIBUTION OF  
POST MATERNITY LEAVE STATES OVER TIME



Source: ZEW