

Schaubert, Marianna; Hänisch, Carsten

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Do Non-Resident Parents with Lower Labor Market Attachment React to Institutional Changes in Child Support Obligations? Evidence from IAB-PASS

Marianna Schaubert and Carsten Hänisch

Fraunhofer Institute for Applied Information Technology

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Abstract

This paper investigates how parents who live apart from their children have responded to changes in the amount of the self-support reserves. Being financially able to pay maintenance is a precondition for the obligation to maintain children in Germany. Parents with incomes below the self-support reserve do not pay child support. In addition, the self-support reserve differs for employed and unemployed parents. The difference between the two is considered to be a bonus for employment by competent courts, which they adjust over time. We exploited PASS panel data and individual fixed-effects models to observe parents' responses to these changes. We did not confirm the Higher Regional Courts' assertion that the increasing difference between the self-support reserves of employed and non-working parents is an incentive to work. Further, we found no evidence of any influence on attitudes towards the labor market or debt behavior.

JEL classification: J08, J16, J18, K36

Key words: Child support; low-income nonresidential fathers; child support guidelines; child support enforcement; labor supply; child support debt

Contact: marianna@schaubert.org (Marianna Schaubert), carsten.haenisch@fit.fraunhofer.de (Carsten Hänisch)
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1. Introduction

“Everyone, even noncustodial parents, have basic self-support needs, including food and shelter that cannot be ignored when determining ability to pay,” Department of Health and Human Services 2016, p. 93534.

In German maintenance law, the self-support reserve (SSR) is the part of the income that the parent liable for child support has the right to keep in order to maintain the own cost of living.¹ For gainfully employed parents, however, an additional amount as a financial incentive to work is granted (Higher Regional Court Oldenburg 2019, p. 12). The Higher Regional Courts consider the different SSR for employed and unemployed liable parents, from now on referred to as SSR^E and SSR^U , as sufficient employment incentives. The present study attempts to clarify this presumption. However, we do not limit our analysis to parents’ labor supply but include two additional aspects: Their attitude towards the labor market and the likelihood of incurring child support debt. Studying parents’ behavior is important for many reasons. For instance, the effect of SSR on liable parents does not only concern these parents and their dependent children but also the taxpayer. In the case of missing or insufficient maintenance, the taxpayer steps in and provides advance payments. It is therefore in the interest of the taxpayer if the non-resident parents increase their labor supply and pay for their children.² Hence, it is of importance whether the so-called employment bonus – the difference amount between SSR^E and SSR^U – is indeed a useful measure to increase the employment of low-income parents.

In general, an SSR is not a German exception in the child support guidelines. Many countries have introduced similar provisions aiming to protect the non-resident parent’s minimum personal need. In the United Kingdom, for example, a parent’s child support is limited to seven pounds per week if the parent is of particularly low income or receives transfers like income support or job seeker’s allowance. In the United States, child support laws vary considerably between states. While already in 2005, a majority guaranteed non-resident parents an SSR (see, e.g., Venohr and Griffith 2005, p. 424), since 2017 the states are required by law to consider the parent’s basic subsistence needs in their maintenance legislation (Department of Health and Human Services 2016, p. 93494; Cancian et al. 2019, p. 4). This reserve is generally based on the federal poverty guideline and is, similar to

¹ This includes an amount for the current life needs, all usual types of insurance, as well as reasonable housing costs. Housing costs include utilities and heating in accordance with the amounts shown in child support tables.

² In the case of separation or divorce, there are two kinds of maintenance regarding (minor) children: One parent provides maintenance in the form of food, provision of housing, etc. (§1606 (3) Civil Code), the other parent compensates in the form of monthly payments (§1612 (1) Civil Code) unless she/he is not able to do so (§1603 (1) Civil Code).

the situation in Germany, in many states adjusted only every couple of years (Judicial Council of California 2017). Therefore, our investigation is important well beyond the German context as it might be informative for other countries with comparable arrangements.

To date, the vast majority of studies in the German context had a mother-centric focus (see, e.g., Federal Ministry for Youth, Family, Women, and Health 1977; Napp-Peters 1985; Postler et al. 1988; Vaskovics et al. 1994; Großmann 1996; Proksch 2001; forsa 2002; Allensbach Institute 2008; Hartmann 2014). Parents who do not live with their children after the separation from the family – predominantly fathers – were usually not considered in empirical studies. One of the exceptions is a study by Schaubert (2018b), who investigated the effect of increasing child support obligations on non-resident parents’ labor supply and other post-separation behavior using SOEP data. In contrast to Schaubert (2018b), we focus primarily on one institutional aspect that influences child support obligation – the SSRs of the liable parent. In line with Schaubert (2018b), we included another institutional variation – the recourse rate of maintenance debt which functions as a proxy for child support enforcement. This rate reflects partly how well the youth welfare agencies and maintenance-advance offices operate on the federal state level. Thus, we investigated the impact of institutional changes on parents’ behavior by using a unique data set – IAB-PASS. Unlike other surveys, this data contains disproportionately many socially disadvantaged parents.³ In fact, it was designed to primarily focus on individuals receiving welfare benefits. One should expect precisely these parents to be affected by changes in the employment bonus because of their lower attachment to the labor market and lower-income profiles.

In this study, we attempted to establish a causal effect of employment bonus and child support enforcement on parents’ labor supply, their attitude towards the labor market, and their likelihood to incur debt. To detect such a causal impact of institutional changes, we exploit exogenous variations over time that are driven by decisions of Higher Regional Courts. These competent courts establish the SSR level in child support tables and adjust them over time. Consequently, the variation of the employment bonus is driven by factors beyond the control of parents liable for child support.

This study employs fixed-effects (FE) models to capture a causal effect of institutional provisions on low-income parents’ behavior. Our results suggest that the investigated regulations might not incentivize parents as intended as we observe no statistically significant impact on labor supply,

³ As suggested or demonstrated by some researchers, young disadvantaged fathers are consistently underrepresented in population surveys (Bryson and McKay 2018; Stykes et al. 2013).

attitude towards the labor market, or likelihood to incur debt.

This paper is structured as follows. Section 2 briefly introduces related literature on this topic. Section 3 explains the German child support system. Section 4 describes the data. The econometric specification is introduced in Section 5. The empirical results are presented in Section 6. Section 7 finally concludes.

2. Related literature on labor supply

The existing evidence on the relationship between the labor supply of fathers and their maintenance obligations is mainly limited to the U.S. setting (see Appendix A.1). There are, however, two notable exceptions: One of these is the recent study by Rossin-Slater and Wüst (2017), who investigated child maintenance in Denmark. Schaubert (2018b), on the other hand, focused on German parents. The results on the dependencies between fathers' labor supply and child maintenance are ambiguous: Klawitter (1994) was unable to show a significant effect of child support on the earnings of divorced noncustodial fathers in the first few years following the award of child support in Wisconsin. Further, Freeman and Waldfogel (1998) detected only weak evidence for the impact of a more stringent child support enforcement on fathers' employment. In an unpublished manuscript, Bitler (1998) found that stronger child support enforcement may lead to an increase of noncustodial parents' working hours. Her results are, however, sensitive to model specification. Rossin-Slater and Wüst (2017) and Schaubert (2018b) also found no significant effects of child support obligations on non-resident fathers' labor market outcomes. In contrast, Holzer et al. (2005) and Cancian et al. (2013) showed a negative impact of child support mandates on fathers' labor supply. However, Holzer et al. (2005) focused on 16-34 year old black men with high school education or less and Cancian et al. (2013) on low-income fathers in Wisconsin. Rich et al. (2007) have shown that stricter child support enforcement is associated with fewer hours of informal employment among fathers who combine work in the formal and informal sector. The authors found little evidence that stronger enforcement is more generally associated with employment or working hours in the regular sector.

We contribute to this strand of literature by focusing on low-income parents in Germany. Since previous research found a behavioral response for parents with a lower attachment to the labor market, this group is a promising study subject. In contrast to Schaubert (2018b), we did not include all institutional factors that affect the maintenance obligation, but rather selectively two aspects: The changes in the so-called employment bonus over time and CSE on the federal state level.

3. The German child support formula

The amount of child support obligations

Child support obligations depend on a range of factors: A parent’s allowable net income, the number of children entitled to child support, their age, the amount of child benefits granted by the state, and other factors established in child support tables and guidelines (Schaubert 2018a, pp. 7 et seqq.). As explained by Schaubert (2018b, p. 9), “[t]he course of the child support payments curve [...] in the given year t is very reminiscent of the income tax rate in Germany. This is also composed of different zones. The “marginal tax rate” of the maintenance curve is zero if the net income of the paying parent is below the [self-support reserve amount]. If the income exceeds the [self-support reserve], any additional euro earned is “taxed” one hundred percent or taken away until the first relevant payment amount is reached. [...] Thereafter, “taxation” is gradual. Accordingly, the [self-support reserve] corresponds to the basic tax exemption of the income tax rate. However, there is only a short linear-progressive zone when the [self-support reserve] is exceeded and many proportional zones with a constant “marginal tax rate”.” See Appendix A.2 for an illustration of child support obligations.

Quasi-random variation in the employment bonus

The SSR^U is the minimum level of income to which a parent is brought down to when he/she is not gainfully employed (anymore). When employed, the parent is allowed to keep at least an additional amount of money – the so-called employment bonus. While the Higher Regional Courts increased the SSR^U over time, the employment bonus was raised more frequently and by higher amounts. Thereby, the competent courts intended to increase parents’ incentive for work. The bonus can be understood as the minimum additional amount of money to be gained as a result of employment. If a parent’s income exceeds the SSR^E , this parent faces higher child support obligations (as described in the preceding paragraph).

Before 2008, the Berlin Tables applied to parents living in East Germany. These child support tables contained different amounts of SSR until July 1, 2007, resulting in different employment bonuses for East Germans.

Adjustments in child support tables altering the employment bonus were justified as follows: When increasing the SSR for employed parents in 2007, it was pointed out that the amount of SSR for parents who were not gainfully employed was “at the time more generously calculated than the SSR for gainfully employed parents” (Soyka 2007, p. 1362; Breithaupt 2012, pp. 267 et seq.). Yet,

decisive for the design of the SSR is that, firstly, the SSR must be above the subsistence level and, secondly, it takes into account an employment bonus adjusted to the increased employment obligation (Klinkhammer 2007, p. 87; Seiler 2015, p. 795). Thus, the second aspect was considered when adjusting the employment bonus in 2007.

The change of the SSR^E in 2011 was a consequence of the Federal Constitutional Court's ruling on February 9, 2010.⁴ The Court recognized the importance of a sufficient employment incentive when determining the SSR. As a consequence, the appropriate amount of SSR – including life needs, housing costs, and the employment bonus – was discussed by legal experts. The final adjustment of the SSR^E in 2011 was, however, lower than recommended by some experts and is, thus, considered by those to be ineffective as an additional employment incentive (Hanesch 2010, accessed on 09.09.2019).

In line with social security law, the SSR^U and the employment bonus were further adjusted in 2013 and 2015 (Seiler 2015, pp. 796 et seq.). Taken all together, these institutional changes are not driven by parents' behavior. Thus, they represent an exogenous variation from the parents' perspective. The (inflation-adjusted) changes in the employment bonus may seem small at first glance (Appendix Table A.2). However, one should not disregard the fact that the parents considered here are willing to work for about €9 per hour on average. Furthermore, just about 37% of the sample works more than 30 hours a week and only 31% more than 36 hours a week. These numbers suggest that the parents considered in this study are socially weak and, therefore, belong to the targeted group of the investigated legal changes.

4. Data

4.1. Data source and restrictions

We used the Panel Study Labor Market and Social Security – a longitudinal household study with a focus on individuals who receive or received welfare benefits.⁵ It was introduced in the same year as unemployment benefit II in order to study the causes and consequences of benefit receipt, particularly focusing on the dynamics of low-income households. This provides us with a unique opportunity to investigate the behavior of low-income parents. Additionally, attitudes towards work

⁴ It was decided that the provisions of the Code of Social Law II, which concern the standard benefit for adults and children, do not ensure a decent subsistence level and are, therefore, unconstitutional. Thereupon it was examined whether the SSR allows parents to cover their basic life needs.

⁵ The data are based on the factually anonymized data of the Panel Study Labor Market and Social Security, wave 11. Data were accessed via a scientific use file, which is available from the Research Data Center of the Federal Employment Agency at the Institute for Employment Research (DOI: 10.5164/ IAB.PASS-SUF0617.de.en.v1). For more information see Berg et al. 2018.

and re-integration into the labor market are measured in detail – this is especially useful for our study (Trappmann et al. 2013, p. 276).

A general problem of population surveys is the under-representation of non-resident parents. As demonstrated by Bryson and McKay (2018, p. 1) for the UK Household Longitudinal Study, only a proportion of non-resident parents self-identifies as such. Moreover, those who do are not representative for the entirety of non-resident parents. One of the explanations for this phenomenon is the fact “that younger men of lower socio-economic backgrounds are less likely to participate in surveys.” In this study, we used a survey specifically designed to capture individuals with lower incomes. However, we cannot rule out the possibility of reticence among these young parents to self-identify. A fertility history approach that seems to be better at ensuring the representatives of non-resident parents (Bryson and McKay 2018, p. 18) was not possible in our study. We used the following survey questions to identify non-resident parents:

- “Do you have any children who do not live here in the household? This concerns, for example, older children, who have already left the house, or children who reside with your former partner.”
- “And how many children not living here in the household do you have?”

We included only parents who reported having children living outside the household. Further, we used parents’ age to construct our analysis sample. Information on the number of children potentially entitled to child support was used in our main specifications as well.

Since we are interested in parents with children meeting the criteria defined in child support tables and guidelines and not in those with adult children who left the house, we used the likelihood of having a child at different ages to identify our analysis sample. According to information provided by the German Federal Statistical Office, the likelihood of being a father by the age of 22 was constantly below 5% between 2006 and 2017 (see Appendix A.3). Therefore, a man’s likelihood to have an 18-year-old child at age 40 is also below 5%. Following the same approach for women, we restricted our sample to fathers younger than 40 and mothers younger than 37 years of age. As a robustness check, we subsequently altered sample characteristics by choosing lower age ranges and applying other meaningful limitations. For example, we excluded individuals with a migration background since they might follow a different fertility pattern.

Note, both alimony and child support obligations can be consequences of a divorce. However, as explained by Schaubert (2018b), alimony can be considered time-invariant. Only in specific cases, alimony directly interferes with the amount of child support. There are good reasons to believe

that alimony is less important in our study: First, our sample includes only two waves before the 2008 alimony reform which limited post-divorce maintenance to a minimum.⁶ Second, only about 23% of our sample is divorced and about 5% married and separated. Given the fact that we look at young individuals, on average they may have been married for a short time, such that as a result, they probably have no legal claim to alimony (Schaubert 2018b, p. 12). Third, there is the possibility of tax deducting spousal maintenance (as an extraordinary charge or as a special issue). This is only possible with child support if there is no child benefit or child allowance for the child, which is highly unlikely in this study. Thus, the financial burdens of child support differ from those of spousal maintenance. Taking all these reasons into account, we can safely disregard alimony payments.

4.2. Dependent variables

Full-time employment

We defined working hours exceeding 30 hours per week as full-time employment. For the construction of this dummy, the contractual total working time was used. Alternatively, we used 36 hours as threshold.

Current employment situation

An employment was defined as gainful if earnings were higher than €400/450 a month – the maximum wage in mini-jobs (marginal employments). The reverse case was defined as non-employment.

Attitudes towards the labor market

The expected hourly wage and expected working hours per week serve as measures of attitudes towards the labor market. Respondents are all those who are looking or have at some time searched for a job. Students are excluded. Expected net income was measured by the questions:

- For jobseekers: “What income do you expect to earn? What is realistic: What do you expect to earn monthly?”
- For those who are not currently looking for a job: “Let’s assume you are looking for a job, what is a realistic expectation: What monthly net income do you expect?”

Expected working hours were measured by the question: “Let’s assume you would earn the expected net income (XXXXX Euro), how many hours a week would you have to work for it?” The expected

⁶ See Schaubert 2018b for an explanation of the 2008 alimony reform.

hourly wage was calculated on the basis of a 4-week month. Alternatively, we used a 4.33-week month although it is unlikely that individuals think in these terms. We present the corresponding results only in the case of significantly divergent findings or conclusions.

Debt due to child support obligations

As stated by Schaubert (2018b), the SSR might have an impact on incurring maintenance debt. German parents below a certain income are protected from maintenance obligation and hence from possible financial hardship. It is important to understand whether changes in the SSR have an impact on the likelihood to incur debt (Schaubert 2018a, p. 99). The recourse rate (our proxy for the enforcement of child support obligations) is crucial in this context as it reflects how well the parents' maintenance debt is collected by the federal states. The activities of the maintenance-advancement agencies include, but are not limited to, creating maintenance titles, regularly reviewing the financial capacity of these parents, and making payment arrangements with liable parents. Such recourse activities might increase the maintenance debt of non-paying parents.

In the IAB-PASS survey, the household questionnaire asks for various kinds of debt in great detail: "For financing larger purchases, people in Germany tend to take up loans. Sometimes it might also be necessary to sustain your living through loans or through making debts.

- A. Have you recently made purchases such as furniture or a car on credit, or do you hold a leasing contract or a contract for payment in installments, at the moment? Please do not indicate loans for real estate here.
- B. Do you hold any business loans or debts from private insolvency or from earlier self-employment at the moment?
- C. Do you hold any other bank loans or private debts with family members or friends at the moment?
- D. Is an account of one or more household members down by more than €1,000, or have you used an overdraft credit?
- E. Do you have any other debts or loans? Please do not indicate any loans for an apartment or a house that you use yourself."

There is, however, no question concerning maintenance debt. Nevertheless, it is reasonable to assume that the question regarding "other debts or loans" is a reasonable proxy for maintenance debt given the detailed questions concerning other forms of debt.

4.3. Explanatory variables

Employment bonus

Following the courts' definition (e.g., Higher Regional Court Oldenburg 2019, p. 12), the employment bonus was calculated as the difference between SSR^E and SSR^U .

Child support enforcement

The recourse rate can be understood as a measure of institutional maintenance enforcement (Bremische Bürgerschaft 2008, p. 64). Alternatively, it can be interpreted as the non-paying parent's repayment risk. Unfortunately, the recourse rate is not publicly available for counties which would be preferable for our purpose. For this reason, we were forced to use the publicly available information on the federal state level (Schaubert 2018a, p. 19).

5. Identification strategy

Fixed-effects models

The main focus of this study is on the effect of the employment bonus on non-resident parents' labor supply, their attitude towards the labor market, and their likelihood to incur debt. As explained by Schaubert (2018b, p. 10), a cross-sectional analysis – a comparison between parents – is likely to produce unreliable results. Therefore, we focused on within-parent variation and, thus, eliminated time-invariant confounding variables like parents' systematical differences in personality.

Running FE regressions, we clustered all standard errors at individual level (Angrist and Pischke 2015). The resulting specification is

$$Y_{it} = \beta_0 + \beta_1 \cdot EB_{it} + \beta_2 \cdot SSR_{it}^U + \beta_3 \cdot CSE_{it} + \beta_4 \cdot X_{it} + \delta_t + \epsilon_i + u_{it} \quad (1)$$

where Y_i is the outcome variable on which the treatment effect is estimated. The coefficient β_1 is the employment bonus' effect and β_2 is the effect of SSR^U on the outcome variable Y . CSE stands for child support enforcement on federal state level. X_i is a vector of time-varying characteristics of the spouse i . Including year fixed effects δ_t in Equation (1) captures the influence of aggregate trends. ϵ_i captures the time-invariant factors (Greene 2012, p. 400). Idiosyncratic disturbances were denoted as u_{it} (Wooldridge 2002, p. 251).

The number of dependent children and the presence of a partner in the household are potentially

endogenous variables.⁷ However, since the number of these children influences the amount of maintenance obligation, we still have this variable in some specifications. We analyzed to what extent these variables influence the magnitude of the effect. Additionally, we considered only parents with one child entitled to child support as a robustness check.

Expected outcomes

No economic theory clearly predicts the effects of the relevant institutional changes on our outcomes. Nevertheless, we expect β_1 to be positive when analyzing parents' labor supply if this measure is indeed working as alleged by Higher Regional Courts. However, the employment bonus should have a lesser effect or no impact at all in the case of heavily indebted individuals or parents who have not finished school yet. As a robustness check, we conducted corresponding subgroup analyses.

When looking at the attitude towards the labor market, it is not clear what effect the bonus might have: On the one hand, it could be argued that the sign of β_1 should be negative because working parents have a bit more money in their pockets as the bonus increases and are therefore willing to work for lower hourly wages. On the other hand, it is conceivable that the increasing bonus raises own expectations. The parents may want to take advantage of the full bonus such that their income is above the SSR^E . The third possibility is that they will not adjust their expected hourly wage as a result of institutional changes. The consideration of parents' attitudes is especially interesting since – at least theoretically – their position can change quickly, whereas actual labor supply adjustments are not always (immediately) possible.

It is important to control for SSR^U to capture the bonus' effect. Leaving out SSR^U is equivalent to omitting a time-varying variable that is correlated with the bonus and potentially with the outcome at the same time. For example, considering parents' labor supply β_2 can be expected to be negative if child support obligations are considered to be a financial burden by parents.

Previous evidence for the U.S. did not provide a clear picture of the impact of child support enforcement (e.g., Bitler 1998; Rich et al. 2007; Cancian et al. 2013). Here, CSE matters only in situations when a parent is able but not willing to (fully) pay his/her child support obligations. Accordingly, the three explanatory variables incentivize parents in a different way.

Potential threats to identification

There are several potential threats to our identification, e.g.:

⁷ Schaubert (2018b), for example, found a reduction in fertility due to increasing maintenance obligations, especially among less educated parents.

1. The misidentification as a liable parent of minor children although there is no liability to maintain;
2. Missing information on children's age which directly influences the amount of child support obligations;
3. Parents' lacking knowledge of institutional regulations.

We addressed the first concern by two measures: First, we excluded single parents in some specifications since in the case of separated parents with joint care of children (these parents use the so-called "Wechselmodell") maintenance obligations are difficult to specify. These parents are likely to have private agreements regarding child support. Additionally, we reduced the age of the parents in our sample to decrease the risk of capturing adult children who have left the parental home.

Since we do not know the age of the children living outside the household, but child maintenance tables distinguish between three age groups of children (0-5, 6-11, 12-17 years of age), it is important to consider whether and to what extent this lack of this information could influence our results. The discussed institutional changes exist regardless of children's number or age. Their variation is exogenous and does not depend on child characteristics. However, if a parent's income exceeds SSR^E , the maintenance obligation is slightly higher if the child moves from one age group to the next. This means that the higher the parent's age, the higher the potential maintenance obligations. One would have to consider parents under the age of 23 to make sure that their children have not reached the age of six. However, this is not possible given our sample size.

It might be argued that parents are lacking knowledge regarding the exact current amounts of SSRs. This is, however, highly unlikely for various reasons. First, child support tables and guidelines are publicly available. Google web search interest for "Düsseldorf table" across all federal states underlines its relevance when determining maintenance obligations. Second, a maintenance claim is usually officially titled which regulates child support. A dynamic maintenance title leads to an automatic adjustment in child support obligations as soon as basic conditions change. For example, any changes in the Düsseldorf table including the SSRs are taken into account and the payment amount automatically adjusts. Third, youth welfare offices provide assistance to the children by regularly checking their parent's capability to pay child support. Parents liable for child support have to provide all the necessary information including their incomes. Therefore, it is highly unlikely that parents are not aware of the fact that their employment decisions will influence their maintenance payments and to what extent.

6. Empirical results

6.1. Descriptive statistics

Based on 1,662 parent-year observations, our sample is, on average, predominantly male, 33 years old, and has about 11 years of education. The low level of attachment to the labor market is reflected in high unemployment: About 57% of the sample earns less than €400/450 per month. About 37% work longer than 30 hours a week, 31% less than 36 hours. On average, 1.4 children are entitled to child support. The expected hourly wage is about €9 on average. Approximately 47% of the sample members live with a partner, the average household size is 2.4. About 28% of the sample was ever married, implying the majority of children were born out-of-wedlock. This might be explained by the age restriction of our sample and possibly due to the low labor market attachment. About 70% of the sample resides in West Germany.

6.2. FE-regression results

Full-time employment

The analysis of the likelihood of working more than 30 hours a week produced a positive coefficient for the employment bonus. However, this coefficient was not statistically significant in all specifications. Furthermore, the magnitude varied considerably between the various estimations. When restricting our sample to parents living alone, the estimated effect was very small. This sub-sample is particularly interesting as the influence of a new partner or children in the household on the labor supply is not present. In the subgroup analysis of indebted households and parents under 33 years of age, the coefficient was again not statistically significant.⁸

The other potentially relevant explanatory variables were not statistically significant. Only when considering fathers under 35 years of age, the number of children entitled to child support was statistically significant at a 0.05 level.^{9,10} Note, the number of children entitled to child support is potentially endogenous, as is the dummy for a partner in the household. This might raise concerns that the above estimates could be biased. To address this issue, we restricted the sample to fathers with only one child and found the estimate for β_1 to be statistically insignificant and even smaller than in previous specifications.

⁸ However, all interpretations of subgroup results should be very cautious given the small sample size.

⁹ An additional dependent child results in an 11.2 percentage point decrease in the likelihood of working full-time.

¹⁰ A robust negative effect of an increasing number of children would be a plausible outcome because maintenance payments increase with the number of children if the income exceeds the SSR^E. This would have been an indication that child-support obligation might be perceived as an additional financial burden.

The results for the likelihood of working more than 36 hours a week were weaker compared to the results for a 30-hour week, but similar in conclusions. All estimations for the labor supply are available in Appendix A.4.

Current employment situation

The results for the current employment situation as the dependent variable, i.e. for an indicator of an employment income lower than the mini-job boundary, or, respectively, for no employment at all mirrored the findings for full-time employment discussed above. Consistently through the specifications, we found no evidence for an impact of the employment bonus on parents' likelihood of little or no employment. Again, we did not find empirical support for the claim of a positive labor supply effect of the employment bonus.

Considering labor supply outcomes, it might be argued that the lack of significant results is due to a delayed behavioral response to changes in the employment bonus, SSR^U or child support enforcement rate. To test this hypothesis, all previous regressions were repeated using the first lags of the central dependent variables. As a result, our previous estimations were not significantly altered. The conclusion remains that there is no verifiable effect of the difference between working and non-working parents' SSR on employment. This also suggests that our results are robust to specification changes.

Attitudes towards the labor market

When determining the effect of the employment bonus on the expected hourly wage, we observed that the estimated coefficients are, with the exception of single households, consistently positive. However, the coefficients were generally not statistically significant, including in our basic estimations. Regarding fathers with one child, we again did not observe statistically significant effects of the earning bonus (as well as of the enforcement rate of maintenance claims). Moreover, the coefficient of the employment bonus was now negative. We consistently saw negative coefficients for the number of dependent children. This might indicate that potentially increasing child support obligations lead to the acceptance of lower hourly wages in order to financially maintain own children. However, this result should not be interpreted as causal. The number of children is a potentially endogenous variable.

Except in the case of indebted households, there was a positive relationship between the number of dependent children and the expected working hours. However, this effect was statistically significant

for only a few sub-groups: Men, single households, and those with at least a vocational qualification. Nevertheless, a positive coefficient might be a “good” finding as it reflects parents’ willingness to work more when potential child support obligations increase. As discussed before, the number of dependent children is, however, potentially endogenous. Coefficients for child support enforcement do not follow a clear pattern, whereas parameters for the employment bonus are almost always negative.

Again, we conclude that we are unable to find firm evidence that institutional changes influence parents’ attitude towards the labor market. All corresponding estimates are contained in Appendix A.5.

Likelihood of incurring debt

The descriptive statistics suggest that the chosen variable for child maintenance debt is a sensible one: A comparison of father-year observations with and without this debt showed that there are no statistically significant differences for other debts. These include debt to due purchases, business/private loans, bank loans, and overdraft credit. Further, the former have lower levels of full-time employment, are more likely to be unemployed, and have, on average, more children entitled to child support.^{11,12}

Stricter maintenance enforcement has a positive impact on the likelihood of debt in all estimates.¹³ The estimates in our base specifications were statistically significant at a 0.10 level.¹⁴ Except for one specification, all remaining estimates for enforcement were, however, not statistically significant. Furthermore, we observed that the number of children increases the likelihood of getting into debt. When restricting the analysis to fathers younger than 35 years, we found the following result: An additional child, i.e. a higher potential maintenance obligation, is associated with a 12.9 percent increase in the likelihood of being indebted. This result is statistically significant at a 0.05 level. However, a causal relationship cannot be established in our framework due to the endogeneity of the number of children.

¹¹These differences suggest that the investigated outcome could indeed be a debt due to the maintenance obligation. If this was not the case and it would be a different kind of debt, the interpretation of our findings would be different: By increasing the potential maintenance obligation, the fathers choose to become indebted in order to avoid child support payments. However, there is some evidence that this might be indeed child support debt. The very fact that the considered variable excludes debt based on real estate, consumer credit, bank, and personal loans, business loans and overdrafts does not offer many other options.

¹²Also worth mentioning are the differences between the samples with one versus more than one child entitled to child support. On average, the former have higher educational attainment, full-time employment, and residency in West Germany. Further, the one-child sample is, on average, younger.

¹³A positive effect on the likelihood to incur debt might simply mean that effectively performing maintenance-advance or youth-welfare offices lead to a higher number of enforceable child maintenance titles.

¹⁴This statistical significance is no longer given when we additionally control for the federal states.

7. Conclusions and discussion

Setting child support regulations “involves tradeoffs in the allocation of finite resources among [] three private parties: the two parents, and their [] children” (Ellman et al. 2009, p. 69). The child support tables and guidelines are (and have been) subject to repeated adjustment by courts, thus leading to inconsistent changes in mandated financial payments to children over time (Schaubert 2018a, pp. 11 et seq.). Here, we focus primarily on SSRs which are a part of child support regulations designed to shield parents from financial hardship by protecting their basic existence minimum. On the other hand, these measures lead to non-payment of child maintenance if a parent’s income is below the SSR. The competent courts changed the SSR^U and employment bonus over the years with the intention of incentivizing parents’ employment. However, their interventions into child support obligations are not footed on robust evidence.

In this paper, we explore parents’ behavioral reactions to an increased employment bonus and variation in child support enforcement. In conclusion, these institutional changes do not seem to incentivize parents to work (more). Although we expected – if at all – a labor-supply adjustment of low-income parents included in our study. This finding is in line with Schaubert (2018b) who investigated the impact of child support obligations on parents’ labor supply using SOEP data. Our study also validates the results for U.S. fathers presented by Freeman (1998), Bitler (1998), and Rich et al. (2007), and for Danish fathers by Rossin-Slater and Wüst (2018). Nonetheless, regarding the generality of our findings, researchers must continue to examine the behavioral responses of German parents using other data sets.

Further, both – more rigorous enforcement of child obligations and a higher employment bonus – do not seem to change parents’ attitude towards the labor market. Households’ inclination to incur debt seem also be unchanged by these institutional changes.

Our study has some shortcomings, one of those is the low number of observations. However, if one intends to carry out such an explorative study for German low-income fathers, the IAB-PASS is probably the only suitable data source. It is the main data set for labor market, poverty, and unemployment benefit research in Germany. Another problem is our approach to find non-resident parents in the data. We rely on self-identification – the admission of having children outside the household. This poses a problem if parents do not self-identify because of a poor relation to their children or non-fulfillment of their financial obligation. Note, there are no publicly available administrative data sets providing representative statistics on non-resident parents.

Our general recommendation to designers of child support tables and guidelines is to base their

decisions on empirical findings and evaluate the effects of proposed interventions before they are actually implemented. Future research should investigate non-resident parents' behavior using administrative data – once available – which eliminates problems of panel attrition, self-identification, and self-reports. Experiments seem to be an appropriate method for finding an effective employment bonus.

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A. Appendix

A.1. Related literature

Table A.1: Literature overview: Relationship between child support (enforcement) and non-resident fathers' labor supply

Ref.	Ctry.	Source of variation	Outcome	Method	Results
Klawitter 1994	U.S.	changes in child support policy in Wisconsin	earnings of divorced noncustodial fathers with support awards	OLS, probit analysis	no significant effects of child support on the earnings of divorced noncustodial fathers in the first few years following the award of child support
Freeman and Waldfogel 1998	U.S.	state-level child support enforcement policy	noncustodial 18-55 years old fathers' LFP and working hours	DiD	little positive effect of more stringent enforcement policy on noncustodial fathers' employment (few statistically significant results); never-married noncustodial fathers: less likely to be working in casual or self-employment
Holzer et al. 2005	U.S.	state-level child support enforcement activities	employment rates and LFP of 16-34 years old black men with high school education and less and who are not enrolled in school	OLS, DiD	a negative relationship between child support mandates and labor supply of 25-34 years old black men (mainly statistically insignificant at 0.10 level) ; positive and statistically significant effects on labor supply of black men aged 16-24
Rich et al. 2007	U.S.	city-level child support enforcement strength	unmarried fathers' formal and informal (shadow economy) employment and hours	OLS, DiD	among fathers combining work in the regular and underground sectors: stricter child support enforcement is associated with fewer hours of underground employment; little evidence that stronger enforcement is more generally associated with employment or hours in the regular sector
Cancian et al. 2013	U.S.	varying childbirth costs charged in unmarried mothers' Medicaid-covered childbirths across counties as exogenous source of variation in fathers' child support debt	low-income fathers' labor supply	OLS, GLM, IV	greater debt (through birth costs charges) has a negative effect on fathers' formal earnings
Rossin-Slater and Wüst 2017	DK.	changes in Danish child support formula	labor market responses of fathers	simulated IV	no significant effects of child support obligations on non-resident fathers' labor market outcomes
Schaubert 2018a	DE.	changes in CS obligations regulated by courts	labor supply adjustments of non-resident parents	time-varying simulated IV	no impact on working hours, LFP and full-time employment

Notes: In an unpublished manuscript, Bitler (1998) finds that stronger child support enforcement may lead to an increase of noncustodial parents' working hours. However, the results were sensitive to model specification (U.S. setting; Bitler 1998).

Source: Schaubert 2018a, p. 180

A.2. Institutional environment

Table A.2: Changes in the Düsseldorf Tables and Guidelines from 2005-2017

	Relevant amount of child benefit: 1. child / 2. child	Minimum standard (100% in the Düsseldorf Table)	SSR: Employed/ unemployed	Income groups thresholds	Number of income groups	Occupational expenditures: Minimum [‡] / maximum
07/2005	€ 77/77	change	€ 890/770		13	€ 50/150
07/2007	€ 77/77 € 154/154*	change	€ 900/770		13	€ 50/150
01/2008	Law to Modify Alimony Regulations					
	€ 77/77 € 154/154*	change	€ 900/770	change	10	€ 50/150
01/2009	€ 82 /82 € 164/164*	change	€ 900/770		10	€ 50/150
01/2010	€ 92 /92 € 184/184*	change	€ 900/770		10	€ 50/150
01/2011	€ 92 /92 € 184/184*		€ 950/770		10	€ 50/150
01/2013	€ 92 /92 € 184/184*		€ 1,000/800		10	€ 50/150
03/2013	Reform of alimony law (concerning long marriages)					
01/2015	€ 94/94 € 188/188*		€ 1,080/880		10	€ 50/150
08/2015	€ 94/94 € 188/188*	change	€ 1,080/880		10	€ 50/150
01/2016	€ 95/95 € 190/190*	change	€ 1,080/880		10	€ 50/150
01/2017	€ 96/96 € 192/192*	change	€ 1,080/880		10	€ 50/150

Notes: * if older than 17 years of age (age group 4 in the Düsseldorf Tables); [‡] if part-time employed also less. The number of income groups does not include the last group with the highest incomes. After the reunification, the courts in East Germany used so-called Berlin Tables until January 1, 2008 (Vossenkämper 2007). The Düsseldorf Tables and guidelines apply nationally since 2008. The Düsseldorf Tables and comments are based on the coordination agreement between the judges of the Family Senate of the Higher Regional Courts of Düsseldorf, Cologne, and Hamm, and the maintenance commission of the German Family Court Day. Additionally, the results of the survey of all Higher Regional Courts are taken into account (Breithaupt 2012, p. 162).

Source: Schaubert 2018a, p. 76.

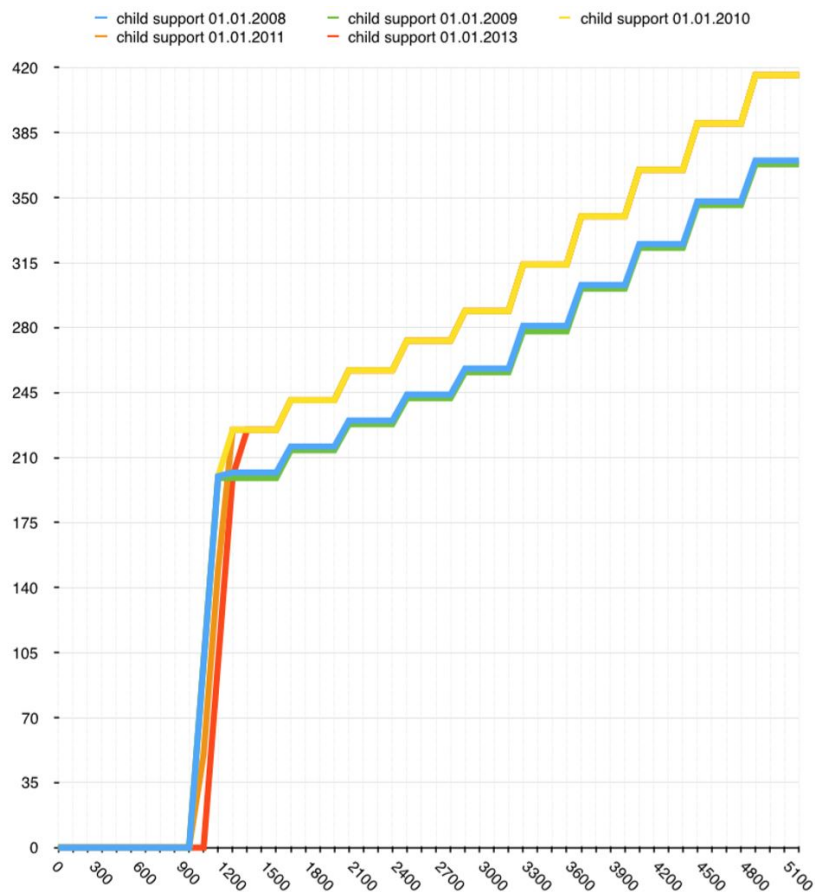
Düsseldorf Table (01/2008): 1-2 children, child benefit taken into account

	Net income of liable person	Age groups (in years)				%	Control value
		0-5	6-11	12-17	≥ 18		
1.	< 1,500	202	245	288	254	100	900/770
2.	1,501-1,900	216	262	307	275	105	1,000
3.	1,901-2,300	230	278	325	295	110	1,100
4.	2,301-2,700	244	294	343	316	115	1,200
5.	2,701-3,100	258	310	361	336	120	1,300
6.	3,101-3,500	281	336	391	369	128	1,400
7.	3,501-3,900	303	361	420	401	136	1,500
8.	3,901-4,300	325	387	449	434	144	1,600
9.	4,301-4,700	348	413	478	467	152	1,700
10.	4,701-5,100	370	439	507	499	160	1,800
	≥ 5,101	according to the circumstances of the case					

Notes: Money values are not inflation-adjusted. Depicted are obligations applying for one age group of children.

Source: Higher Regional Court Düsseldorf 2008; Schaubert 2018a

Figure A.1: Extract from the 2008 Düsseldorf Table

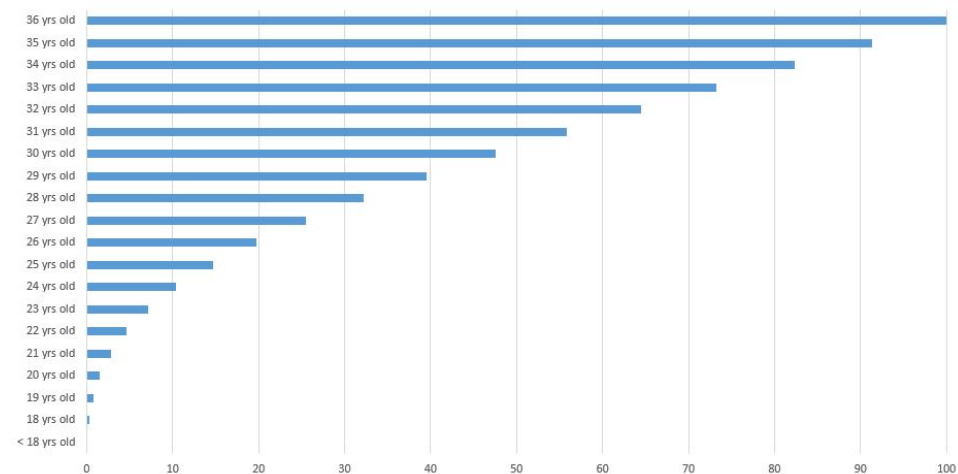


Notes: Money values are not inflation-adjusted. The SSR^U is not depicted.

Source: Schaubert 2018c

Figure A.2: Examples for the course of the child support payment curve for a 0-5 years old child

A.3. Analysis sample



Source: Statistisches Bundesamt 2019, accessed on 05.15.2019

Figure A.3: Men's likelihood of having a child before the age of 36 (in 2006)

A.4. Labor supply

Table A.3: Descriptive statistics

Variable	Mean	Std.Dev.	Std.Dev. (within)	Min	Max	Obs
Sex (0=female;1=male)	0.809	0.393	0.000	0	1	1,662
Age	33.476	4.722	1.430	18	40	1,662
Age at entry [†]	31.749	4.618	0.000	17	40	1,662
Yrs in education	10.644	2.143	2.215	7	18	1,662
Education (CASMIN)	3.546	1.845	0.181	1	9	1,657
Religious affiliation (0=no;1=yes)	0.505	0.500	0.173	0	1	771
West Germany	0.698	0.459	0.064	0	1	1,662
Survey year	2012.312	2.769	1.431	2006	2017	1,662
Survey month	4.301	1.752	1.377	1	12	1,662
Full-time employment (≥ 30 hrs per week)	0.369	0.483	0.268	0	1	1,662
Full-time employment (≥ 36 hrs per week)	0.307	0.462	0.255	0	1	1,662
Not employed (≤ €400/450)	0.569	0.495	0.272	0	1	1,588
Monthly net income	1,288.38	509.34	180.33	0.00	3,101.29	528
Monthly gross income	1,846.43	853.20	295.35	0.00	5316.49	529
Household income	1,466.82	1,032.22	530.22	0.00	1,9007.49	1,662
Work experience in yrs	10.295	5.722	0.290	1	29	305
Mini-job (0=no;1=yes)	0.110	0.313	0.219	0	1	1,592
Exp. weekl. working hrs	39.013	7.584	4.683	3	80	1,359
Expected hourly net wage	8.96	3.57	2.39	1.87	63.02	1,328
Household: No savings	0.495	0.500	0.328	0	1	1,643
Missing: the amount of debt (indication at the household level)	0.347	0.476	0.316	0	1	1,662
Household size	2.351	1.496	0.460	1	10	1,662
No. of children outside hh	1.428	0.694	0.221	1	5	1,650
No. of children in hh (0=no;1=yes)	0.680	1.069	0.308	0	6	1,654
Child 6-14 yrs old in hh (0=no;1=yes)	0.197	0.398	0.172	0	1	1,662
Child 15-17 yrs old in hh (0=no;1=yes)	0.037	0.188	0.111	0	1	1,662
Child younger than 18 yrs old in hh (0=no;1=yes)	0.381	0.486	0.184	0	1	1,662
Partner living in the hh	0.469	0.499	0.184	0	1	1,662
Partner: not employed (≤ €400/450)	0.558	0.497	0.223	0	1	649
Partner: gross income	1634.91	792.80	265.05	0.00	5364.39	236
Partner outside the hh	0.378	0.485	0.317	0	1	876
SSR, employed	933.39	32.58	22.23	840.91	1,190.20	1,662
SSR, unemployed	766.82	22.31	18.38	728.11	1,029.72	1,662
Bonus in gainful employment (EB)	166.57	24.10	13.94	112.81	190.07	1,662
Proxy for CSE	0.208	0.060	0.022	0.070	0.360	1,662

Notes: Children in the household are not necessary own biological children. Person's sample weights are not used here. All money values are given in €2009. [†] stands for the age at first indication in the working sample.

Source: IAB-PASS wave 11

Table A.4: FE-regressions: Likelihood to work full-time (≥ 30 hrs per week)

Sample restriction	Working full-time (1=yes; 0=no)														
	none	none	none	Without single parents	Indebted hh	Without children in hh	1-per- son hh	At least voc. educ.	Without migrants	≤ 35	Age at 1st indication: child entitled to CS				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	≤ 34	≤ 33	≤ 35 (male)	≤ 34 (male)	≤ 33 (male)
Bonus (EB)	0.018*** (0.006)	0.019** (0.008)	0.019** (0.007)	0.022** (0.008)	0.010 (0.011)	0.015 (0.014)	0.002 (0.020)	0.024 (0.015)	0.030** (0.013)	0.020** (0.010)	0.026** (0.011)	0.013 (0.012)	0.025** (0.013)	0.031* (0.018)	0.024 (0.020)
SSR for unempl.	-0.002 (0.003)	-0.003 (0.003)	-0.003 (0.003)	-0.003 (0.003)	-0.001 (0.004)	-0.001 (0.005)	0.000 (0.003)	-0.002 (0.005)	-0.004 (0.004)	-0.002 (0.004)	-0.000 (0.006)	0.004 (0.006)	-0.004 (0.005)	-0.002 (0.007)	0.002 (0.007)
Proxy for CSE	-0.111 (0.411)	0.130 (0.497)	0.170 (0.494)	0.033 (0.533)	0.482 (0.663)	0.424 (0.706)	-0.038 (0.934)	0.069 (0.768)	0.102 (0.678)	0.320 (0.604)	0.094 (0.627)	-0.099 (0.665)	0.049 (0.723)	-0.158 (0.748)	-0.341 (0.801)
No. of children entitled to CS		-0.033 (0.041)	-0.027 (0.044)	-0.028 (0.049)	-0.039 (0.052)	-0.054 (0.072)	0.022 (0.079)	-0.047 (0.070)	-0.074 (0.057)	-0.077 (0.050)	-0.053 (0.053)	-0.018 (0.065)	-0.112** (0.053)	-0.082 (0.059)	-0.048 (0.076)
Survey month	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Federal states	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Region size	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Partner	no	no	yes	yes	yes	yes	no	yes	yes	yes	yes	yes	yes	yes	yes
Children in hh	no	no	yes	yes	yes	no	no	yes	yes	yes	yes	yes	yes	yes	yes
Amount of debt	no	no	no	no	yes	no	no	no	no	no	no	no	no	no	no
Obs.	1,662	1,646	1,646	1,508	891	897	640	902	1,060	1,141	1,022	881	929	828	718
Av. obs.	3.3	3.3	3.3	3.3	3.1	3.2	3.2	3.3	3.4	3.5	3.5	3.6	3.6	3.7	3.7
Parents	508	503	503	460	289	281	198	276	314	325	289	246	255	226	195
Adj. R-square	0.066	0.088	0.095	0.083	0.106	0.095	0.121	0.101	0.124	0.090	0.094	0.100	0.108	0.115	0.123

Notes: Standard errors are clustered at individual level. Singletons are excluded. All money values are given in €2009. Individual's age as a second order polynomial, year fixed effects, and education in years are always included. Indicators for survey months, German federal states, and region sizes (BIK-classification) are included in specifications (2)-(15). The region categories are: < 2,000, 2,000-4,999, 5,000-19,000, 20,000-49,999, 50,000-99,999, 100,000-499,999, $\geq 500,000$. Indicator for partner is zero when parent has no partner in the household; 1 otherwise. "Children in the household" includes the number of biological or step/adopted children of any age. Additionally, indicators for their ages are included: 6-14, 15-17, and under 18 years of age. Amount of total debt at the household level includes debt indicators in €1,000 increments. Single parents are excluded in columns (4)-(15). The dependent variable was generated based on the current total contractual working time (excluding mini-jobs) and other information on the employment status.

Significance levels: * 10%; ** 5%; * 1%; Data: IAB-PASS wave 11

Table A.5: FE-regressions: Likelihood to work full-time (≥ 30 hrs per week), parents with one child entitled to child support

Sample restriction	Working full-time (1=yes; 0=no)														
	none	none	none	Without single parents	Indebted hh	Without children in hh	1-per- son hh	At least voc. educ.	Without migrants	≤ 35	Age at 1st indication: child entitled to CS				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	≤ 34	≤ 33	≤ 35 (male)	≤ 34 (male)	≤ 33 (male)
Bonus (EB)	0.017** (0.007)	0.009 (0.010)	0.010 (0.010)	0.017* (0.009)	-0.001 (0.020)	0.003 (0.018)	-0.011 (0.037)	0.064*** (0.024)	0.033** (0.016)	0.018 (0.011)	0.023* (0.012)	0.014 (0.008)	0.028 (0.030)	0.033 (0.032)	0.034 (0.030)
SSR for unempl.	-0.002 (0.004)	0.000 (0.004)	0.000 (0.004)	-0.001 (0.005)	0.004 (0.006)	0.005 (0.006)	0.002 (0.004)	-0.000 (0.002)	-0.001 (0.005)	-0.000 (0.006)	0.001 (0.006)	0.003 (0.006)	-0.002 (0.003)	-0.001 (0.003)	-0.000 (0.003)
Proxy for CSE	0.053 (0.507)	0.071 (0.660)	0.151 (0.665)	0.095 (0.719)	1.027 (0.937)	1.152 (0.952)	0.002 (1.185)	0.992 (1.059)	0.453 (0.908)	0.476 (0.786)	-0.119 (0.799)	-0.575 (0.824)	0.493 (0.898)	-0.035 (0.907)	-0.427 (0.957)
Survey month	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Federal states	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Region size	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Partner	no	no	yes	yes	yes	yes	no	yes	yes	yes	yes	yes	yes	yes	yes
Children in hh	no	no	yes	yes	yes	no	no	yes	yes	yes	yes	yes	yes	yes	yes
Amount of debt	no	no	no	no	yes	no	no	no	no	no	no	no	no	no	no
Obs.	1066	1066	1066	976	534	573	400	575	671	779	714	622	646	596	520
Av. obs.	3.2	3.2	3.2	3.2	3.0	3.1	3.2	3.3	3.4	3.4	3.4	3.4	3.5	3.5	3.5
Parents	332	332	332	302	180	185	124	176	200	230	209	182	184	169	148
Adj. R-square	0.052	0.078	0.082	0.078	0.105	0.058	0.093	0.105	0.121	0.077	0.074	0.088	0.089	0.087	0.102

Notes: Standard errors are clustered at individual level. Singletons are excluded. All money values are given in €2009. Individual's age as a second order polynomial, year fixed effects, and education in years are always included. Indicators for survey months, German federal states, and region sizes (BIK-classification) are included in specifications (2)-(15). The region categories are: < 2,000, 2,000-4,999, 5,000-19,000, 20,000-49,999, 50,000-99,999, 100,000-499,999, $\geq 500,000$. Indicator for partner is zero when parent has no partner in the household; 1 otherwise. "Children in the household" includes the number of biological or step/adopted children of any age. Additionally, indicators for their ages are included: 6-14, 15-17, and under 18 years of age. Amount of total debt at the household level includes debt indicators in €1,000 increments. Single parents are excluded in columns (4)-(15). The dependent variable was generated based on the current total contractual working time (excluding mini-jobs) and other information on the employment status.

Significance levels: * 10%; ** 5%; * 1%; Data: IAB-PASS wave 11

Table A.6: FE-regressions: Likelihood to work full-time (≥ 30 hrs per week), fathers with one child entitled to child support

	Working full-time (1=yes; 0=no)																	
Age restriction	≤ 23	≤ 24	≤ 25	≤ 26	≤ 27	≤ 28	≤ 29	≤ 30	≤ 31	≤ 32	≤ 33	≤ 34	≤ 35	≤ 36	≤ 37	≤ 38	≤ 39	≤ 40
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
Bonus (EB)	0.093 (0.271)	0.001 (0.067)	-0.022 (0.027)	-0.117** (0.048)	-0.042* (0.025)	-0.027 (0.022)	-0.038* (0.020)	-0.032 (0.020)	-0.020 (0.015)	-0.017 (0.014)	-0.010 (0.014)	0.004 (0.031)	0.007 (0.031)	0.019 (0.030)	0.013 (0.025)	0.012 (0.025)	0.019 (0.024)	0.016 (0.021)
SSR for unempl.	0.019 (0.026)	0.037 (0.083)	0.012 (0.031)	0.061* (0.033)	-0.001 (0.006)	-0.004 (0.004)	-0.004 (0.005)	0.007 (0.009)	0.007 (0.009)	0.002 (0.010)	-0.002 (0.010)	0.002 (0.003)	0.002 (0.003)	-0.000 (0.002)	-0.001 (0.002)	-0.001 (0.002)	-0.001 (0.002)	-0.001 (0.002)
Proxy for CSE	-5.071 (10.129)	-4.763 (8.553)	0.051 (3.407)	1.529 (1.916)	3.374* (1.738)	3.558** (1.429)	2.143 (1.579)	1.098 (1.530)	1.415 (1.368)	1.382 (1.274)	0.917 (1.184)	0.427 (1.009)	0.221 (0.874)	-0.060 (0.813)	-0.029 (0.735)	0.096 (0.731)	0.120 (0.677)	-0.022 (0.615)
Mean, dep. var.	0.188	0.209	0.259	0.253	0.246	0.291	0.290	0.319	0.340	0.356	0.396	0.415	0.436	0.444	0.447	0.454	0.450	0.448
Obs.	32	43	58	79	114	141	186	226	259	298	359	419	488	541	593	668	751	821
Av. obs.	2.1	2.2	2.2	2.3	2.4	2.4	2.5	2.6	2.8	2.8	2.8	2.9	3.0	3.1	3.2	3.2	3.3	3.4
Fathers	15	20	26	35	48	58	75	87	92	106	127	144	162	173	184	207	230	245
Adj. R-square	0.333	0.242	0.318	0.156	0.171	0.229	0.145	0.091	0.058	0.046	0.067	0.072	0.073	0.073	0.072	0.058	0.057	0.061

Notes: Standard errors are clustered at individual level. Singletons are excluded. All money values are given in €2009. Individual's age as a second order polynomial, year fixed effects, and education in years are always included. Single fathers are always excluded.

Significance levels: * 10%; ** 5%; * 1%; Data: IAB-PASS wave 11

Table A.7: FE-regressions: Likelihood to work full-time (≥ 36 hrs per week)

Sample restriction	Working full-time (1=yes; 0=no)														
	none	none	none	Without single parents	Indebted hh	Without children in hh	1-per- son hh	At least voc. educ.	Without migrants	≤ 35	Age at 1st indication: child entitled to CS				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	≤ 34	≤ 33	≤ 35 (male)	≤ 34 (male)	≤ 33 (male)
Bonus (EB)	0.013*** (0.005)	0.007 (0.007)	0.008 (0.008)	0.014* (0.008)	0.006 (0.012)	0.006 (0.012)	0.005 (0.020)	0.014 (0.015)	0.023* (0.013)	0.016* (0.009)	0.020* (0.011)	0.009 (0.012)	0.024** (0.012)	0.028 (0.017)	0.023 (0.019)
SSR for unempl.	-0.001 (0.002)	-0.000 (0.003)	-0.000 (0.003)	-0.001 (0.003)	0.002 (0.004)	0.002 (0.004)	0.001 (0.003)	0.001 (0.004)	-0.001 (0.004)	-0.000 (0.004)	0.001 (0.005)	0.005 (0.006)	-0.002 (0.005)	-0.000 (0.007)	0.003 (0.007)
Proxy for CSE	0.254 (0.406)	0.399 (0.490)	0.427 (0.493)	0.309 (0.534)	0.528 (0.628)	0.929 (0.719)	0.850 (0.929)	0.634 (0.798)	0.140 (0.647)	0.739 (0.614)	0.613 (0.657)	0.634 (0.738)	0.632 (0.734)	0.525 (0.782)	0.588 (0.882)
No. of children entitled to CS		-0.006 (0.041)	-0.006 (0.043)	0.002 (0.048)	-0.026 (0.050)	-0.033 (0.074)	0.019 (0.080)	-0.023 (0.070)	-0.042 (0.055)	-0.053 (0.049)	-0.040 (0.053)	0.010 (0.064)	-0.100* (0.055)	-0.089 (0.061)	-0.046 (0.077)
Survey month	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Federal states	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Region size	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Partner	no	no	yes	yes	yes	yes	no	yes	yes	yes	yes	yes	yes	yes	yes
Children in hh	no	no	yes	yes	yes	no	no	yes	yes	yes	yes	yes	yes	yes	yes
Amount of debt	no	no	no	no	yes	no	no	no	no	no	no	no	no	no	no
Obs.	1,662	1,646	1,646	1,508	891	897	640	902	1,060	1,141	1,022	881	929	828	718
Av. obs.	3.3	3.3	3.3	3.3	3.1	3.2	3.2	3.3	3.4	3.5	3.5	3.6	3.6	3.7	3.7
Parents	508	503	503	460	289	281	198	276	314	325	289	246	255	226	195
Adj. R-square	0.051	0.062	0.067	0.061	0.077	0.083	0.086	0.059	0.085	0.078	0.078	0.085	0.092	0.093	0.101

Notes: Standard errors are clustered at individual level. Singletons are excluded. All money values are given in €2009. Individual's age as a second order polynomial, year fixed effects, and education in years are always included. Indicators for survey months, German federal states, and region sizes (BIK-classification) are included in specifications (2)-(15). The region categories are: < 2,000, 2,000-4,999, 5,000-19,000, 20,000-49,999, 50,000-99,999, 100,000-499,999, $\geq 500,000$. Indicator for partner is zero when parent has no partner in the household; 1 otherwise. "Children in the household" includes the number of biological or step/adopted children of any age. Additionally, indicators for their ages are included: 6-14, 15-17, and under 18 years of age. Amount of total debt at the household level includes debt indicators in €1,000 increments. Single parents are excluded in columns (4)-(15). The dependent variable was generated based on the current total contractual working time (excluding mini-jobs) and other information on the employment status.

Significance levels: * 10%; ** 5%; * 1%; Data: IAB-PASS wave 11

Table A.8: FE-regressions: Likelihood to to be unemployed

Sample restriction	Likelihood to be unemployed (1=yes (\leq €400/450); 0=no)														
	none	none	none	Without single parents	Indebted hh	Without children in hh	1-per- son hh	At least voc. educ.	Without migrants	≤ 35	Age at 1st indication: ≤ 34	≤ 33	child entitled to CS ≤ 35 (male)	≤ 34 (male)	≤ 33 (male)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Bonus (EB)	0.011** (0.005)	0.008 (0.006)	0.007 (0.006)	0.007 (0.006)	0.010* (0.006)	0.003 (0.014)	0.005 (0.019)	0.016 (0.013)	0.005 (0.005)	-0.002 (0.010)	-0.003 (0.011)	-0.001 (0.011)	-0.009 (0.011)	-0.007 (0.012)	-0.002 (0.012)
SSR for unempl.	-0.004 (0.005)	-0.001 (0.005)	-0.000 (0.005)	-0.001 (0.005)	-0.005 (0.007)	0.008 (0.010)	0.003 (0.014)	-0.010 (0.010)	0.001 (0.006)	0.008 (0.008)	0.006 (0.008)	0.005 (0.008)	0.011 (0.008)	0.009 (0.009)	0.005 (0.009)
Proxy for CSE	-0.027 (0.435)	-0.220 (0.490)	-0.255 (0.490)	0.003 (0.531)	-0.267 (0.601)	-0.373 (0.692)	-0.134 (0.850)	0.395 (0.772)	0.081 (0.671)	-0.343 (0.612)	-0.071 (0.602)	-0.256 (0.626)	-0.355 (0.675)	-0.045 (0.650)	-0.093 (0.706)
No. of children entitled to CS		0.061 (0.040)	0.051 (0.043)	0.047 (0.047)	0.044 (0.058)	0.059 (0.070)	-0.031 (0.080)	0.037 (0.068)	0.093* (0.053)	0.082 (0.051)	0.064 (0.053)	0.058 (0.060)	0.090 (0.064)	0.065 (0.069)	0.054 (0.088)
Survey month	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Federal states	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Region size	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Partner	no	no	yes	yes	yes	yes	no	yes	yes	yes	yes	yes	yes	yes	yes
Children in hh	no	no	yes	yes	yes	no	no	yes	yes	yes	yes	yes	yes	yes	yes
Amount of debt	no	no	no	no	yes	no	no	no	no	no	no	no	no	no	no
Obs.	1,657	1,645	1,645	1,521	899	904	665	939	1,073	1,145	1,022	880	944	839	727
Av. obs.	3.3	3.3	3.3	3.3	3.1	3.3	3.3	3.3	3.4	3.6	3.6	3.6	3.7	3.7	3.7
Parents	501	499	499	462	293	275	204	286	318	322	286	245	255	226	197
Adj. R-square	0.047	0.080	0.086	0.076	0.095	0.100	0.124	0.096	0.116	0.086	0.104	0.110	0.094	0.118	0.129

Notes: Standard errors are clustered at individual level. Singletons are excluded. All money values are given in €2009. Individual's age as a second order polynomial, year fixed effects, and education in years are always included. Indicators for survey months, German federal states, and region sizes (BIK-classification) are included in specifications (2)-(15). The region categories are: < 2,000, 2,000-4,999, 5,000-19,000, 20,000-49,999, 50,000-99,999, 100,000-499,999, \geq 500,000. Indicator for partner is zero when parent has no partner in the household; 1 otherwise. "Children in the household" includes the number of biological or step/adopted children of any age. Additionally, indicators for their ages are included: 6-14, 15-17, and under 18 years of age. Amount of total debt at the household level includes debt indicators in €1,000 increments. Single parents are excluded in columns (4)-(15).

Significance levels: * 10%; ** 5%; * 1%; Data: IAB-PASS wave 11

Table A.9: FE-regressions: Likelihood to be unemployed, parents with one child entitled to child support

Sample restriction	Likelihood to be unemployed (1=yes (\leq €400/450); 0=no)														
	none	none	none	Without single parents	Indebted hh	Without children in hh	1-per- son hh	At least voc. educ.	Without migrants	≤ 35	Age at 1st indication: ≤ 34	≤ 33	≤ 35 (male)	≤ 34 (male)	≤ 33 (male)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Bonus (EB)	0.012 (0.008)	0.005 (0.010)	0.004 (0.010)	0.003 (0.011)	0.011 (0.018)	0.013 (0.019)	0.022 (0.027)	0.031* (0.017)	0.009 (0.013)	0.003 (0.012)	0.001 (0.013)	-0.001 (0.013)	-0.008 (0.014)	-0.009 (0.015)	-0.004 (0.016)
SSR for unempl.	-0.003 (0.007)	0.001 (0.008)	0.002 (0.008)	0.003 (0.009)	-0.002 (0.015)	0.002 (0.014)	-0.012 (0.020)	-0.018 (0.013)	0.002 (0.010)	0.006 (0.009)	0.002 (0.010)	0.003 (0.010)	0.012 (0.010)	0.009 (0.011)	0.006 (0.011)
Proxy for CSE	0.158 (0.493)	0.218 (0.616)	0.118 (0.623)	0.202 (0.669)	-0.202 (0.825)	-0.309 (0.908)	0.548 (1.141)	0.325 (0.999)	-0.035 (0.793)	-0.392 (0.731)	0.296 (0.697)	0.253 (0.736)	-0.147 (0.791)	0.576 (0.752)	0.521 (0.816)
Survey month	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Federal states	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Region size	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Partner	no	no	yes	yes	yes	yes	no	yes	yes	yes	yes	yes	yes	yes	yes
Children in hh	no	no	yes	yes	yes	no	no	yes	yes	yes	yes	yes	yes	yes	yes
Amount of debt	no	no	no	no	yes	no	no	no	no	no	no	no	no	no	no
Obs.	1,057	1,057	1,057	977	538	564	408	593	668	776	706	615	649	594	518
Av. obs.	3.3	3.3	3.3	3.3	3.0	3.2	3.3	3.3	3.3	3.4	3.4	3.4	3.6	3.6	3.5
Parents	323	323	323	298	181	175	125	178	198	225	205	179	181	167	147
Adj. R-square	0.025	0.055	0.065	0.059	0.094	0.051	0.083	0.086	0.104	0.071	0.089	0.094	0.077	0.091	0.097

Notes: Standard errors are clustered at individual level. Singletons are excluded. All money values are given in €2009. Individual's age as a second order polynomial, year fixed effects, and education in years are always included. Indicators for survey months, German federal states, and region sizes (BIK-classification) are included in specifications (2)-(15). The region categories are: < 2,000, 2,000-4,999, 5,000-19,000, 20,000-49,999, 50,000-99,999, 100,000-499,999, \geq 500,000. Indicator for partner is zero when parent has no partner in the household; 1 otherwise. "Children in the household" includes the number of biological or step/adopted children of any age. Additionally, indicators for their ages are included: 6-14, 15-17, and under 18 years of age. Amount of total debt at the household level includes debt indicators in €1,000 increments. Single parents are excluded in columns (4)-(15).

Significance levels: * 10%; ** 5%; * 1%; Data: IAB-PASS wave 11

Table A.10: FE-regressions: Likelihood to be unemployed, fathers with one child entitled to child support

	Likelihood to be unemployed (1=yes (\leq €400/450); 0=no)																	
Age restriction	≤ 23	≤ 24	≤ 25	≤ 26	≤ 27	≤ 28	≤ 29	≤ 30	≤ 31	≤ 32	≤ 33	≤ 34	≤ 35	≤ 36	≤ 37	≤ 38	≤ 39	≤ 40
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
Bonus (EB)	-0.093 (0.270)	-0.013 (0.066)	0.026 (0.030)	0.078** (0.032)	0.045 (0.027)	0.025 (0.026)	0.015 (0.029)	0.017 (0.027)	0.008 (0.020)	0.006 (0.019)	0.006 (0.017)	-0.004 (0.015)	-0.003 (0.013)	-0.000 (0.012)	0.002 (0.012)	0.007 (0.012)	0.003 (0.011)	0.004 (0.011)
SSR for unempl.	-0.019 (0.026)	-0.032 (0.083)	-0.022 (0.032)	-0.045* (0.022)	-0.010 (0.020)	0.026 (0.029)	0.028 (0.031)	0.003 (0.024)	0.011 (0.017)	0.007 (0.016)	0.006 (0.015)	0.014 (0.013)	0.009 (0.012)	0.005 (0.011)	0.003 (0.010)	-0.000 (0.010)	0.001 (0.010)	0.001 (0.009)
Proxy for CSE	5.071 (10.091)	4.630 (8.567)	0.710 (3.922)	-1.753 (1.981)	-3.830** (1.722)	-3.443** (1.410)	-2.000 (1.414)	-1.084 (1.316)	-1.160 (1.133)	-0.800 (1.061)	-0.311 (0.982)	-0.044 (0.861)	0.462 (0.745)	0.424 (0.688)	0.308 (0.630)	-0.004 (0.639)	0.089 (0.620)	0.437 (0.581)
Mean, dep. var.	0.833	0.795	0.745	0.730	0.708	0.654	0.639	0.604	0.584	0.575	0.541	0.522	0.501	0.491	0.472	0.462	0.463	0.459
Obs.	30	39	55	74	106	136	180	222	257	294	355	410	475	534	595	667	754	826
Av. obs.	2.1	2.2	2.2	2.2	2.4	2.4	2.5	2.6	2.9	2.9	2.9	2.9	3.0	3.1	3.2	3.3	3.3	3.4
Fathers	14	18	25	33	45	57	72	84	90	103	124	140	156	170	184	204	227	242
Adj. R-square	0.218	0.116	0.234	0.169	0.172	0.180	0.083	0.053	0.024	0.010	0.035	0.043	0.040	0.043	0.035	0.023	0.021	0.025

Notes: Standard errors are clustered at individual level. Singletons are excluded. All money values are given in €2009. Individual's age as a second order polynomial, year fixed effects, and education in years are always included. Single fathers are always excluded. Significance levels: * 10%; ** 5%; * 1%; Data: IAB-PASS wave 11

A.5. Attitudes towards the labor market

Table A.11: Descriptive statistics

Variable	Mean	Std.Dev.	Std.Dev. (within)	Min	Max	Obs
Sex (0=female;1=male)	0.855	0.352	0	0	1	1,452
Age	33.516	4.613	1.381	19	40	1,452
Age at entry [†]	31.839	4.551	0	18	40	1,452
Yrs in education	10.759	2.233	0.214	7	18	1,452
Education (CASMIN)	3.634	1.906	0.170	1	9	1,452
Religious affiliation (0=no;1=yes)	0.482	0.500	0.164	0	1	705
West Germany	0.672	0.470	0.068	0	1	1,452
Survey year	2012.229	2.855	1.388	2006	2017	1,452
Survey month	4.294	1.761	1.376	1	12	1,452
Full-time employment (≥ 30 hrs per week)	0.365	0.482	0.270	0	1	1,332
Full-time employment (≥ 36 hrs per week)	0.301	0.459	0.259	0	1	1,332
Not employed (≤ €400/450)	0.542	0.498	0.274	0	1	1,355
Monthly net income	1273.46	557.89	214.05	0.00	4751.87	503
Monthly gross income	1826.65	942.60	338.76	0.00	7603.00	507
Household income	1448.53	1560.39	964.86	0.00	45798.20	1,413
Work experience in yrs	10.461	5.674	0.326	1	29	284
Mini-job (0=no;1=yes)	0.107	0.309	0.210	0	1	1,357
Exp. weekl. working hrs	39.295	7.348	4.648	3	80	1,452
Expected hourly net wage	8.99	3.50	2.36	1.87	63.02	1,421
Household: No savings	0.501	0.500	0.334	0	1	1,439
Missing: the amount of debt (indication at the household level)	0.329	0.470	0.308	0	1	1,452
Household size	2.269	1.475	0.437	1	10	1,452
No. of children outside hh	1.438	0.701	0.226	1	5	1,444
No. of children in hh	0.645	1.055	0.304	0	6	1,446
Child 6-14 yrs old in hh (0=no;1=yes)	0.182	0.386	0.159	0	1	1,452
Child 15-17 yrs old in hh (0=no;1=yes)	0.034	0.182	0.101	0	1	1,452
Child younger than 18 yrs old in hh (0=no;1=yes)	0.359	0.480	0.171	0	1	1,452
Partner living in the hh	0.455	0.498	0.179	0	1	1,452
Partner: not employed (≤ €400/450)	0.585	0.493	0.215	0	1	528
Partner: gross income	1670.18	782.45	262.68	157.18	598.80	193
Partner outside the hh	0.396	0.489	0.320	0	1	785
SSR, employed	933.44	33.68	22.98	840.91	1190.20	1,452
SSR, unemployed	767.47	23.88	19.25	728.11	1029.72	1,452
Bonus in gainful employment (EB)	165.97	24.62	13.57	112.81	190.07	1,452
Proxy for CSE	0.208	0.060	0.022	0.070	0.360	1,452

Notes: Children in the household are not necessary own biological children. Person's sample weights are not used here. All money values are given in €2009. [†] stands for the age at first indication in the working sample.

Source: IAB-PASS wave 11

Table A.12: FE-regressions: Estimated working hours for an expected net income

Sample restriction	Weekly working hours (a parent is willing to work)														
	none	none	none	Without single parents	Indebted hh	Without children in hh	1-per- son hh	At least voc. educ.	Without migrants	≤35	Age at 1st indication: ≤34	child entitled to CS ≤33	≤35 (male)	≤34 (male)	≤33 (male)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Bonus (EB)	-0.276** (0.127)	-0.343** (0.160)	-0.335** (0.164)	-0.327* (0.185)	-0.517** (0.234)	-0.206 (0.211)	0.134 (0.252)	-0.404 (0.271)	-0.171 (0.198)	-0.184 (0.213)	-0.077 (0.243)	-0.167 (0.241)	-0.397** (0.196)	-0.424* (0.227)	-0.397* (0.232)
SSR for unempl.	0.063* (0.035)	0.084** (0.041)	0.087** (0.042)	0.082* (0.045)	0.080 (0.055)	0.061 (0.057)	0.012 (0.038)	0.110 (0.070)	0.041 (0.048)	0.031 (0.054)	0.027 (0.067)	0.028 (0.072)	0.082 (0.051)	0.112* (0.065)	0.086 (0.070)
Proxy for CSE	6.782 (8.432)	7.087 (9.916)	7.555 (9.963)	2.267 (10.579)	-5.287 (13.810)	21.802* (13.032)	15.696 (15.784)	2.763 (11.646)	-10.639 (14.652)	1.468 (12.516)	-8.754 (13.574)	-3.444 (14.783)	-11.422 (11.597)	-20.216 (12.508)	-15.144 (13.208)
No. of children entitled to CS		0.858 (0.669)	1.033 (0.697)	1.112 (0.724)	-0.264 (0.491)	0.958 (1.081)	1.198* (0.617)	2.226** (0.981)	1.147 (0.826)	0.915 (0.812)	0.896 (0.691)	0.528 (0.625)	1.807* (0.970)	1.923** (0.812)	1.721** (0.676)
Survey month	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Federal states	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Region size	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Partner	no	no	yes	yes	yes	yes	no	yes	yes	yes	yes	yes	yes	yes	yes
Children in hh	no	no	yes	yes	yes	no	no	yes	yes	yes	yes	yes	yes	yes	yes
Amount of debt	no	no	no	no	yes	no	no	no	no	no	no	no	no	no	no
Obs.	1,452	1,442	1,442	1,340	812	818	605	830	931	1013	894	780	863	758	664
Av. obs.	3.1	3.1	3.1	3.1	2.9	3.1	3.1	3.1	3.2	3.3	3.3	3.4	3.5	3.5	3.5
Parents	469	467	467	433	281	266	196	264	292	305	268	232	248	217	189
Adj. R-square	-0.000	0.006	0.006	0.011	0.007	0.005	0.002	0.039	0.020	0.009	0.023	0.029	0.033	0.050	0.050

Notes: Standard errors are clustered at individual level. Singletons are excluded. All money values are given in €2009. Individual's age as a second order polynomial, year fixed effects, and education in years are always included. Indicators for survey months, German federal states, and region sizes (BIK-classification) are included in specifications (2)-(15). The region categories are: < 2,000, 2,000-4,999, 5,000-19,000, 20,000-49,999, 50,000-99,999, 100,000-499,999, ≥ 500,000. Indicator for partner is zero when parent has no partner in the household; 1 otherwise. "Children in the household" includes the number of biological or step/adopted children of any age. Additionally, indicators for their ages are included: 6-14, 15-17, and under 18 years of age. Amount of total debt at the household level includes debt indicators in €1,000 increments. Single parents are excluded in columns (4)-(15). Respondents are all those who are looking or have at some time searched for a job position and have given their expected net income. Students are excluded. The question is: "Let's assume you would earn the expected net income (XXXXXX Euro), how many hours a week would you have to work for it?" Answer to this question is a two-digit number of hours per week.

Significance levels: * 10%; ** 5%; * 1%; Data: IAB-PASS 2006-2017

Table A.13: FE-regressions: Estimated working hours for an expected net income, fathers with one child entitled to child support

Age restriction	Weekly working hours (a parent is willing to work)																	
	≤ 23	≤ 24	≤ 25	≤ 26	≤ 27	≤ 28	≤ 29	≤ 30	≤ 31	≤ 32	≤ 33	≤ 34	≤ 35	≤ 36	≤ 37	≤ 38	≤ 39	≤ 40
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
Bonus (EB)	-2.024*** (0.118)	-1.805*** (0.321)	-0.133 (0.466)	-0.222 (0.321)	0.305 (0.224)	-0.005 (0.230)	0.011 (0.176)	0.176 (0.224)	0.099 (0.200)	0.115 (0.187)	-0.016 (0.180)	0.190 (0.203)	0.125 (0.182)	0.251 (0.178)	0.136 (0.173)	0.011 (0.180)	0.014 (0.144)	0.227 (0.206)
SSR for unempl.	0.019*** (0.003)	-0.001 (0.010)	-0.000 (0.234)	0.334 (0.363)	-0.328* (0.181)	-0.351 (1.674)	-0.115 (1.685)	-0.006 (0.060)	-0.004 (0.059)	-0.024 (0.058)	-0.018 (0.053)	-0.013 (0.031)	0.015 (0.028)	-0.007 (0.020)	0.001 (0.021)	-0.002 (0.022)	0.004 (0.018)	0.011 (0.019)
Proxy for CSE	155.951*** (10.492)	69.356* (38.146)	-25.312 (26.480)	19.768 (42.271)	-17.472 (31.085)	20.315 (24.910)	16.625 (21.788)	-2.525 (22.574)	-7.510 (21.097)	-5.612 (21.255)	-3.131 (18.020)	-5.245 (15.405)	-20.109 (15.525)	-16.115 (13.887)	-13.452 (13.505)	-14.123 (13.170)	-7.312 (12.015)	-6.085 (10.373)
Mean, dep. var.	40.500	41.034	40.857	39.930	40.217	40.026	40.063	39.980	39.975	39.753	39.727	39.708	39.670	39.868	39.834	39.951	39.968	40.161
Obs.	20	29	42	57	92	117	159	205	238	271	319	370	433	486	541	607	680	746
Av. obs.	2.2	2.2	2.3	2.4	2.4	2.4	2.5	2.6	2.8	2.9	2.8	2.9	2.9	3.0	3.1	3.1	3.1	3.2
Fathers	9	13	18	24	38	48	63	78	84	95	112	129	148	162	176	197	217	235
Adj. R-square	0.979	0.797	0.193	0.234	0.104	0.020	-0.013	0.023	0.021	0.039	0.029	0.022	0.027	0.025	0.024	0.024	-0.000	0.007

Notes: Standard errors are clustered at individual level. Singletons are excluded. All money values are given in €2009. Individual's age as a second order polynomial, year fixed effects, and education in years are always included. Single fathers are always excluded. Significance levels: * 10%; ** 5%; * 1%; Data: IAB-PASS wave 11

Table A.14: FE-regressions: Expected hourly wage

Sample restriction	Expected hourly wage (a parent is willing to work for)														
	none	none	none	Without single par- ents	Indebted hh	Without children in hh	1-per- son hh	At least voc. educ.	Without migrants	≤35	Age at 1st indication: child entitled to CS				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	≤34	≤33	≤35 (male)	≤34 (male)	≤33 (male)
Bonus (EB)	0.092 (0.066)	0.127 (0.085)	0.140 (0.085)	0.161* (0.094)	0.184** (0.086)	0.031 (0.076)	-0.019 (0.141)	0.371*** (0.125)	0.150 (0.117)	0.179*** (0.068)	0.164** (0.081)	0.150* (0.082)	0.146** (0.074)	0.147 (0.095)	0.094 (0.088)
SSR for unempl.	-0.030* (0.016)	-0.038** (0.019)	-0.038** (0.019)	-0.040* (0.021)	-0.040* (0.021)	-0.024 (0.018)	-0.010 (0.026)	-0.088*** (0.030)	-0.031 (0.023)	-0.045*** (0.016)	-0.043** (0.020)	-0.030 (0.019)	-0.038** (0.018)	-0.037 (0.025)	-0.017 (0.023)
Proxy for CSE	-3.383 (3.625)	-5.241 (4.225)	-5.152 (4.326)	-5.956 (4.652)	-4.578 (4.757)	-6.603 (6.924)	-8.271 (9.707)	-3.013 (5.662)	-4.162 (6.758)	-4.950 (4.807)	-3.880 (5.456)	-6.775 (6.138)	-5.399 (4.687)	-4.555 (5.315)	-7.251 (5.982)
No. of children entitled to CS		-0.951*** (0.321)	-1.009** (0.392)	-0.994** (0.425)	-0.192 (0.340)	-0.748 (0.583)	-0.419 (0.777)	-0.857* (0.468)	-1.185** (0.585)	-0.554* (0.309)	-0.541* (0.312)	-0.554* (0.328)	-0.219 (0.326)	-0.143 (0.325)	-0.027 (0.356)
Survey month	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Federal states	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Region size	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Partner	no	no	yes	yes	yes	yes	no	yes	yes	yes	yes	yes	yes	yes	yes
Children in hh	no	no	yes	yes	yes	no	no	yes	yes	yes	yes	yes	yes	yes	yes
Amount of debt	no	no	no	no	yes	no	no	no	no	no	no	no	no	no	no
Obs.	1,412	1,402	1,402	1,307	793	798	593	805	910	990	874	761	844	739	646
Av. obs.	3.1	3.1	3.1	3.1	2.9	3.1	3.1	3.1	3.2	3.3	3.3	3.3	3.4	3.4	3.5
Parents	460	458	458	427	277	261	194	259	288	302	266	230	246	215	187
Adj. R-square	0.015	0.013	0.019	0.020	0.061	0.004	-0.006	0.047	0.003	0.027	0.021	0.017	0.012	0.009	-0.000

Notes: Standard errors are clustered at individual level. Singletons are excluded. All money values are given in €2009. Individual's age as a second order polynomial, year fixed effects, and education in years are always included. Indicators for survey months, German federal states, and region sizes (BIK-classification) are included in specifications (2)-(15). The region categories are: < 2,000, 2,000-4,999, 5,000-19,000, 20,000-49,999, 50,000-99,999, 100,000-499,999, ≥ 500,000. Indicator for partner is zero when parent has no partner in the household; 1 otherwise. "Children in the household" includes the number of biological or step/adopted children of any age. Additionally, indicators for their ages are included: 6-14, 15-17, and under 18 years of age. Amount of total debt at the household level includes debt indicators in €1,000 increments. Single parents are excluded in columns (4)-(15). Respondents are all those who are looking or have at some time searched for a job. Students are excluded. Expected net income is measured by the questions: For jobseekers: "What income do you expect to earn? What is realistic: What do you expect to earn monthly?" For those who are not currently looking for a job: "Let's assume you are looking for a job, what is a realistic expectation: What monthly net income do you expect?" Expected working time is measured by the question: "Let's assume you would earn the expected net income (XXXXX Euro), how many hours a week would you have to work for it?" Expected hourly wage is calculated on the basis of a 4-week month.

Significance levels: * 10%; ** 5%; * 1%; Data: IAB-PASS wave 11

Table A.15: FE-regressions: Expected hourly wage, fathers with one child entitled to child support

	Expected hourly wage (a parent is willing to work for)																	
Age restriction	≤ 23	≤ 24	≤ 25	≤ 26	≤ 27	≤ 28	≤ 29	≤ 30	≤ 31	≤ 32	≤ 33	≤ 34	≤ 35	≤ 36	≤ 37	≤ 38	≤ 39	≤ 40
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
Bonus (EB)	-0.875** (0.271)	-1.088*** (0.331)	0.320** (0.114)	-0.002 (0.153)	0.041 (0.115)	0.024 (0.099)	0.040 (0.073)	0.032 (0.064)	0.048 (0.050)	0.034 (0.057)	0.001 (0.061)	-0.080 (0.075)	0.028 (0.087)	-0.041 (0.077)	-0.028 (0.084)	-0.006 (0.074)	-0.015 (0.064)	-0.118 (0.100)
SSR for unempl.	-0.057*** (0.016)	-0.037*** (0.011)	-0.259* (0.136)	-0.282** (0.110)	-0.071 (0.088)	0.101 (0.096)	0.107 (0.076)	-0.011 (0.019)	-0.015 (0.015)	-0.015 (0.015)	-0.006 (0.014)	0.015 (0.011)	0.001 (0.014)	0.009 (0.009)	0.010 (0.009)	0.009 (0.009)	0.009 (0.007)	0.008 (0.008)
Proxy for CSE	-60.206 (39.894)	17.754 (33.357)	4.311 (17.277)	26.778* (15.404)	-1.553 (12.118)	-2.429 (9.436)	-8.246 (8.475)	-7.765 (8.026)	-10.199 (7.254)	-9.973 (7.007)	-7.186 (6.184)	-5.725 (5.957)	-6.012 (5.107)	-4.181 (4.572)	-0.396 (5.835)	0.387 (5.364)	0.781 (4.809)	1.446 (4.229)
Mean, dep. var.	8.30	7.84	7.93	7.87	8.39	8.37	8.25	8.33	8.49	8.55	8.64	8.88	8.93	8.99	9.05	9.10	9.11	9.13
Obs.	20	29	42	57	92	115	155	200	231	264	308	360	417	471	524	588	657	721
Av. obs.	2.2	2.2	2.3	2.4	2.4	2.4	2.5	2.6	2.8	2.8	2.8	2.8	2.9	2.9	3.0	3.0	3.1	3.1
Fathers	9	13	18	24	38	47	62	77	83	94	109	127	145	160	173	194	213	230
Adj. R-square	0.651	0.395	0.423	0.299	-0.052	0.036	0.068	0.092	0.115	0.034	0.017	0.005	0.015	0.021	0.013	0.017	0.019	0.023

Notes: Standard errors are clustered at individual level. Singletons are excluded. All money values are given in €2009. Individual's age as a second order polynomial, year fixed effects, and education in years are always included. Single fathers are always excluded. Significance levels: * 10%; ** 5%; * 1%; Data: IAB-PASS wave 11

A.6. Likelihood to be in debt

Table A.16: Descriptive statistics, sample used in Tables A.20 and A.21, Column (1)

Variable	Mean	Std.Dev.	Std.Dev. (within)	Min	Max	Obs
Sex (0=female;1=male)	0.824	0.381	0.400	0	1	1,873
Age	33.626	4.721	1.426	18	40	1,873
Age at entry [†]	31.974	4.657	0	17	40	1,873
Yrs in education	10.750	2.229	0.256	7	18	1,873
Education (CASMIN)	3.631	1.904	0.206	1	9	1,868
Religious affiliation (0=no;1=yes)	0.505	0.500	0.180	0	1	917
West Germany	0.695	0.461	0.060	0	1	1,873
Survey year	2012.057	2.923	1.422	2006	2017	1,873
Survey month	4.288	1.770	1.393	1	12	1,873
Full-time employment (≥ 30 hrs per week)	0.370	0.483	0.265	0	1	1,706
Full-time employment (≥ 36 hrs per week)	0.308	0.462	0.251	0	1	1,706
Not employed (≤ €400/450)	0.533	0.499	0.269	0	1	1,732
Monthly net income	1294.37	576.94	210.64	0.00	4751.87	634
Monthly gross income	1871.46	975.57	350.04	0.00	7603.00	637
Household income	1510.85	1456.97	868.53	0.00	45798.20	1,865
Work experience in yrs	10.603	5.766	0.286	1	29	368
Mini-job (0=no;1=yes)	0.107	0.309	0.214	0	1	1,736
Exp. weekl. working hrs	39.221	7.437	4.540	3	80	1,522
Expected hourly net wage	9.02	3.48	2.30	1.87	63.02	1,490
Household: No savings	0.488	0.500	0.328	0	1	1,851
Missing: the amount of debt (indication at the household level)	0.341	0.474	0.310	0	1	1,873
Household size	2.338	1.484	0.449	1	10	1,873
No. of children outside hh	1.429	0.696	0.217	1	5	1,861
No. of children in hh	0.673	1.064	0.305	0	6	1,865
Child 6-14 yrs old in hh (0=no;1=yes)	0.197	0.398	0.169	0	1	1,873
Child 15-17 yrs old in hh (0=no;1=yes)	0.036	0.186	0.109	0	1	1,873
Child younger than 18 yrs old in hh (0=no;1=yes)	0.380	0.486	0.178	0	1	1,873
Partner living in the hh	0.470	0.499	0.178	0	1	1,873
Partner: not employed (≤ €400/450)	0.556	0.497	0.222	0	1	701
Partner: gross income	1,663.55	815.41	284.03	0.00	5,364.39	257
Partner outside the hh	0.388	0.488	0.320	0	1	985
SSR, employed	932.19	33.78	23.20	840.91	787.09	1,873
SSR, unemployed	767.96	23.70	19.38	728.11	1029.72	1,873
Bonus in gainful employment (EB)	164.23	25.26	13.93	112.81	190.07	1,873
Proxy for CSE	0.207	0.059	0.022	0.070	0.360	1,873

Notes: Children in the household are not necessary own biological children. Person's sample weights are not used here. All money values are given in €2009. [†] stands for the age at first indication in the working sample.

Source: IAB-PASS wave 11

Table A.17: Descriptive statistics, sample used in Tables A.20 and A.21, Column (13)

Variable	Mean	Std.Dev.	Std.Dev. (within)	Min	Max	Obs
Age	32.122	4.493	1.597	18	40	1,037
Age at entry [†]	30.098	3.973	4.255	17	35	1,037
Yrs in education	10.829	2.319	0.294	7	18	1,037
Education (CASMIN)	3.637	1.910	0.240	1	9	1,033
Religious affiliation (0=no;1=yes)	0.460	0.499	0.202	0	1	491
West Germany	0.641	0.480	0.076	0	1	1,037
Survey year	2012.473	2.899	1.584	2006	2017	1,037
Survey month	4.325	1.772	1.406	1	12	1,037
Full-time employment (≥ 30 hrs per week)	0.420	0.494	0.290	0	1	947
Full-time employment (≥ 36 hrs per week)	0.348	0.477	0.277	0	1	947
Not employed (≤ €400/450)	0.499	0.500	0.285	0	1	974
Monthly net income	1,322.60	580.11	233.11	0.00	4,751.87	406
Monthly gross income	1,902.81	963.16	377.92	0.00	7603.00	409
Household income	1,517.24	1,779.05	1,109.28	0.00	45,798.20	1,032
Work experience in yrs	8.497	4.505	0.391	1	20	171
Mini-job (0=no;1=yes)	0.105	0.306	0.212	0	1	974
Exp. weekl. working hrs	40.006	6.097	4.251	8	70	887
Expected hourly net wage	9.09	3.24	2.10	1.95	45.23	869
Household: No savings	0.458	0.498	0.349	0	1	1,031
Missing: the amount of debt (indication at the household level)	0.348	0.477	0.320	0	1	1,037
Indebted prob. due to CS (indication at the household level)	0.252	0.434	0.321	0	1	1,037
Household size	2.177	1.455	0.423	1	10	1,037
No. of children outside hh	1.365	0.637	0.216	1	5	1,037
No. of children in hh	0.556	1.006	0.295	0	6	1,037
Child 6-14 yrs old in hh (0=no;1=yes)	0.129	0.336	0.143	0	1	1,037
Child 15-17 yrs old in hh (0=no;1=yes)	0.023	0.150	0.096	0	1	1,037
Child younger than 18 yrs old in hh (0=no;1=yes)	0.310	0.463	0.177	0	1	1,037
Partner living in the hh	0.439	0.496	0.177	0	1	1,037
Partner: not employed (≤ €400/450)	0.579	0.494	0.226	0	1	368
Partner: gross income	1,632.47	785.60	290.67	0.00	3,486.71	140
Partner outside the hh	0.408	0.492	0.326	0	1	579
SSR, employed	935.71	33.58	24.21	840.91	1,190.19	1,037
SSR, unemployed	768.54	23.85	20.34	728.11	1,029.72	1,037
Bonus in gainful employment (EB)	167.17	24.03	14.38	112.81	190.07	1,037
Proxy for CSE	0.204	0.056	0.022	0.070	0.360	1,037

Notes: Children in the household are not necessary own biological children. Person's sample weights are not used here. All money values are given in €2009. [†] stands for the age at first indication in the working sample.

Source: IAB-PASS wave 11

Table A.18: Differences by being in debt presumably due to CS obligations, sample used in Tables A.20 and A.21, Column (13)

Indebted due to CS obligations ^E	Mean		Difference	N	
	no	yes		no	yes
Age	32.151	32.034	0.116	776	261
Age at entry [†]	30.107	30.073	0.034	776	261
Yrs in education	10.830	10.828	0.002	776	261
Education (CASMIN)	3.656	3.583	0.073	774	259
Religious affiliation	0.476	0.409	0.067	376	115
West Germany	0.643	0.636	0.007	776	261
Survey year	2012.528	2012.310	0.218	776	261
Survey month	4.326	4.322	0.004	776	261
Full-time empl. (30 hrs)	0.446	0.344	0.102***	706	241
Full-time empl. (36 hrs)	0.381	0.253	0.128***	706	241
Not employed (\leq €400/450)	0.472	0.578	-0.107***	725	249
Monthly net income	1310.78	1367.88	-57.10	322	84
Monthly gross income	1856.86	2077.96	-221.11*	324	85
Household income	1550.42	1419.23	131.19	771	261
Work experience in yrs	8.808	7.512	1.295*	130	41
Mini-job	0.109	0.093	0.016	726	248
Exp. weekl. working hrs	39.625	41.051	-1.426***	650	237
Expected hourly net wage	9.18	8.85	0.33	635	234
Household: No savings	0.438	0.515	-0.077**	771	260
Missing: the amount of debt	0.463	0.008	0.455***	776	261
Debt due to purchases ^A	0.269	0.241	0.028	776	261
Business loans ^B	0.105	0.111	-0.006	774	261
Bank loan ^C	0.304	0.318	-0.014	776	261
Overdraft credit ^D	0.110	0.138	-0.028	775	261
Household size	2.144	2.276	-0.132	776	261
No. of children outside hh	1.335	1.452	-0.117**	776	261
No. of children in hh	0.514	0.682	-0.168**	776	261
Child 6-14 yrs old in hh	0.116	0.169	-0.053**	776	261
Child 15-17 yrs old in hh	0.021	0.031	-0.010	776	261
Child younger than 18 yrs old in hh	0.304	0.326	-0.022	776	261
Partner living in the hh	0.439	0.437	0.003	776	261
Partner: not employed	0.547	0.678	-0.131**	278	90
Partner: gross income	1561.85	1902.78	-340.92*	111	29
Partner outside the hh	0.424	0.359	0.065	434	145
SSR, employed	936.63	932.97	3.66	776	261
SSR, unemployed	769.27	766.36	2.91*	776	261
Bonus in gainful employment (EB)	167.36	166.61	0.75	776	261
Proxy for CSE	0.205	0.200	0.005	776	261

Notes: Children in the household are not necessary own biological children. Person's sample weights are not used here. All money values are given in €2009. [†] stands for the age at first indication in the working sample. Variables ^{A-D} are explained in Subsection 4.2.

Source: IAB-PASS wave 11

Table A.19: Differences by number of children entitled to CS, sample used in Tables A.20 and A.21, Column (13)

Number of children entitled to CS obligations	Mean		Difference	N	
	1	> 1		1	> 1
Age	31.724	33.075	-1.351***	732	305
Age at entry [†]	29.757	30.918	-1.161***	732	305
Yrs in education	10.954	10.530	0.425***	732	305
Education (CASMIN)	3.768	3.328	0.440***	732	305
Religious affiliation	0.463	0.455	0.008	348	143
West Germany	0.665	0.584	0.082**	732	305
Survey year	2012.417	2012.610	-0.193	732	305
Survey month	4.273	4.449	-0.176	732	305
Full-time empl. (30 hrs)	0.452	0.342	0.111***	672	275
Full-time empl. (36 hrs)	0.372	0.291	0.081**	672	275
Not employed (\leq €400/450)	0.471	0.566	-0.095***	686	288
Monthly net income	1,336.68	1,279.51	57.17	306	100
Monthly gross income	1,908.50	1,885.68	22.82	307	102
Household income	1,516.67	1,518.61	-1.94	728	304
Work experience in yrs	8.099	9.460	-1.361	121	50
Mini-job	0.090	0.139	-0.049**	686	288
Exp. weekl. working hrs	39.724	40.648	-0.924**	617	270
Expected hourly net wage	9.17	8.90	0.27	601	268
Household: No savings	0.433	0.518	-0.086**	726	305
Missing: the amount of debt	0.380	0.272	0.108***	732	305
Debt due to purchases ^A	0.268	0.249	0.019	732	305
Business loans ^B	0.089	0.148	-0.059**	731	304
Bank loan ^C	0.295	0.338	-0.043	732	305
Overdraft credit ^D	0.114	0.125	-0.011	731	305
Indebted prob. due to CS ^E	0.219	0.331	-0.113***	732	305
Household size	2.265	1.967	0.298***	732	305
No. of children outside hh	1.000	2.239	-1.239***	732	305
No. of children in hh	0.604	0.443	0.161**	732	305
Child 6-14 yrs old in hh	0.141	0.102	0.039*	732	305
Child 15-17 yrs old in hh	0.025	0.020	0.005	732	305
Child younger than 18 yrs old in hh	0.339	0.239	0.099***	732	305
Partner living in the hh	0.462	0.384	0.078**	732	305
Partner: not employed	0.543	0.685	-0.141**	276	92
Partner: gross income	1,562.60	1,938.82	-376.21	114	26
Partner outside the hh	0.392	0.441	-0.049	393	186
SSR, employed	935.72	935.70	0.02	732	305
SSR, unemployed	768.84	767.83	1.01	732	305
Bonus in gainful employment (EB)	166.88	167.87	-0.99	732	305
Proxy for CSE	0.203	0.206	-0.003	732	305

Notes: Children in the household are not necessary own biological children. Person's sample weights are not used here. All money values are given in €2009. [†] stands for the age at first indication in the working sample. Variables ^{A-D} are explained in Subsection 4.2.

Source: IAB-PASS wave 11

Table A.20: FE-regressions: Likelihood to be in debt

Sample restriction	Likelihood to incur debt														
	none	none	none	Without single par- ents	Without single par- ents	Without children in hh	1-per- son hh	At least voc. educ.	Without migrants	≤35	Age at 1st indication: child entitled to CS				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	≤34	≤33	≤35 (male)	≤34 (male)	≤33 (male)
Bonus (EB)	0.007 (0.013)	0.006 (0.012)	0.003 (0.012)	-0.003 (0.012)	-0.004 (0.012)	0.011 (0.010)	0.012 (0.017)	0.035*** (0.009)	0.013 (0.018)	0.001 (0.014)	0.001 (0.018)	-0.007 (0.025)	0.011 (0.019)	0.010 (0.036)	0.009 (0.035)
SSR for unempl.	-0.001 (0.003)	-0.000 (0.003)	0.000 (0.003)	0.001 (0.003)	0.001 (0.003)	0.000 (0.003)	0.000 (0.002)	-0.005* (0.003)	-0.001 (0.004)	-0.001 (0.003)	0.000 (0.004)	0.001 (0.005)	-0.003 (0.004)	-0.002 (0.007)	-0.003 (0.007)
Proxy for CSE	0.816* (0.477)	0.822* (0.479)	0.886* (0.478)	0.777 (0.528)	0.702 (0.532)	0.650 (0.801)	0.271 (0.953)	0.823 (0.683)	1.386** (0.599)	0.958 (0.618)	0.928 (0.667)	0.784 (0.795)	1.040 (0.753)	0.942 (0.811)	0.867 (0.950)
No. of children entitled to CS		0.068* (0.038)	0.087** (0.040)	0.087** (0.041)	0.091** (0.042)	0.055 (0.057)	0.042 (0.085)	0.081 (0.057)	0.110** (0.052)	0.115** (0.045)	0.123*** (0.047)	0.108* (0.055)	0.129** (0.055)	0.145** (0.057)	0.145** (0.070)
Partner	no	no	yes	yes	yes	yes	no	yes	yes	yes	yes	yes	yes	yes	yes
Children in hh	no	no	yes	yes	yes	no	no	yes	yes	yes	yes	yes	yes	yes	yes
Other debt	no	no	no	no	yes	no	no	no	no	no	no	no	no	no	no
Obs.	1,873	1,859	1,859	1,707	1,699	1,014	725	1,053	1,197	1,254	1,116	952	1,037	917	7860
Av. obs.	3.2	3.2	3.2	3.2	3.2	3.2	3.3	3.2	3.3	3.5	3.5	3.6	3.6	3.6	3.6
Parents	577	574	574	526	523	319	222	325	358	357	317	268	285	252	216
Adj. R-square	0.008	0.010	0.019	0.016	0.022	0.008	-0.006	0.019	0.026	0.023	0.029	0.012	0.022	0.028	0.008

Notes: Standard errors are clustered at individual level. Singletons are excluded. All money values are given in €2009. Individual's age as a second order polynomial, year fixed effects, and education in years are always included. Indicator for partner is zero when parent has no partner in the household; 1 otherwise. "Children in the household" includes the number of biological or step/adopted children of any age. Additionally, indicators for their ages are included: 6-14, 15-17, and under 18 years of age. Single parents are excluded in columns (4)-(15).

Significance levels: * 10%; ** 5%; * 1%; Data: IAB-PASS wave 11

Table A.21: FE-regressions: Likelihood to be in debt; federal states as an additional control variable

Sample restriction	Likelihood to incur debt														
	none	none	none	Without single par- ents	Without single par- ents	Without children in hh	1-per- son hh	At least voc. educ.	Without migrants	≤35	Age at 1st indication: child entitled to CS				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	≤34	≤33	≤35 (male)	≤34 (male)	≤33 (male)
Bonus (EB)	0.007 (0.013)	0.006 (0.012)	0.003 (0.012)	-0.003 (0.012)	-0.004 (0.013)	0.011 (0.010)	0.012 (0.017)	0.036*** (0.009)	0.013 (0.018)	0.002 (0.014)	0.001 (0.018)	-0.007 (0.025)	0.014 (0.018)	0.013 (0.035)	0.010 (0.035)
SSR for unempl.	-0.001 (0.003)	-0.000 (0.003)	0.000 (0.003)	0.001 (0.003)	0.001 (0.003)	0.000 (0.003)	0.000 (0.003)	-0.005* (0.003)	-0.001 (0.004)	-0.001 (0.003)	0.000 (0.004)	0.001 (0.005)	-0.003 (0.004)	-0.003 (0.006)	-0.003 (0.007)
Proxy for CSE	0.816* (0.477)	0.785 (0.581)	0.820 (0.579)	0.681 (0.635)	0.632 (0.633)	0.623 (0.868)	0.089 (1.086)	0.902 (0.808)	1.714** (0.752)	0.878 (0.704)	0.862 (0.773)	0.508 (0.866)	0.902 (0.829)	0.805 (0.904)	0.485 (1.039)
No. of children entitled to CS		0.062 (0.039)	0.080** (0.041)	0.080* (0.042)	0.084** (0.042)	0.040 (0.058)	0.042 (0.085)	0.067 (0.059)	0.104* (0.054)	0.107** (0.046)	0.118** (0.048)	0.106* (0.057)	0.115** (0.057)	0.136** (0.061)	0.141* (0.075)
Federal states	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Partner	no	no	yes	yes	yes	yes	no	yes	yes	yes	yes	yes	yes	yes	yes
Children in hh	no	no	yes	yes	yes	no	no	yes	yes	yes	yes	yes	yes	yes	yes
Other debt	no	no	no	no	yes	no	no	no	no	no	no	no	no	no	no
Obs.	1,873	1,859	1,859	1,707	1,699	1,014	725	1,053	1,197	1,254	1,116	952	1,037	917	786
Av. obs.	3.2	3.2	3.2	3.2	3.2	3.2	3.3	3.2	3.3	3.5	3.5	3.6	3.6	3.6	3.6
Parents	577	574	574	526	523	319	222	325	358	357	317	268	285	252	216
Adj. R-square	0.008	0.011	0.020	0.017	0.023	0.010	-0.002	0.017	0.020	0.022	0.027	0.011	0.024	0.029	0.011

Notes: Standard errors are clustered at individual level. Singletons are excluded. All money values are given in €2009. Individual's age as a second order polynomial, year fixed effects, and education in years are always included. Indicator for partner is zero when parent has no partner in the household; 1 otherwise. "Children in the household" includes the number of biological or step/adopted children of any age. Additionally, indicators for their ages are included: 6-14, 15-17, and under 18 years of age. Single parents are excluded in columns (4)-(15).

Significance levels: * 10%; ** 5%; * 1%; Data: IAB-PASS wave 11

Table A.22: FE-regressions: Likelihood to be in debt, fathers with one child entitled to child support

	Likelihood to incur debt																	
Age restriction	≤ 23	≤ 24	≤ 25	≤ 26	≤ 27	≤ 28	≤ 29	≤ 30	≤ 31	≤ 32	≤ 33	≤ 34	≤ 35	≤ 36	≤ 37	≤ 38	≤ 39	≤ 40
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
Bonus (EB)	0.108 (0.113)	-0.028 (0.038)	0.004 (0.024)	0.005 (0.024)	0.021 (0.019)	0.018 (0.018)	0.018 (0.015)	0.012 (0.013)	0.017 (0.014)	0.015 (0.013)	0.014 (0.012)	-0.032 (0.037)	-0.025 (0.037)	-0.008 (0.025)	-0.001 (0.024)	-0.003 (0.022)	-0.006 (0.021)	-0.005 (0.019)
SSR for unempl.	-0.006 (0.011)	0.002 (0.033)	-0.042* (0.023)	0.002 (0.003)	-0.004 (0.004)	-0.001 (0.003)	-0.005 (0.004)	-0.004 (0.003)	-0.002 (0.004)	0.000 (0.004)	-0.001 (0.004)	0.007 (0.007)	0.005 (0.007)	0.003 (0.006)	0.001 (0.005)	0.002 (0.005)	0.003 (0.005)	0.004 (0.004)
Proxy for CSE	0.070 (4.364)	2.539 (4.524)	10.008** (3.809)	4.306* (2.394)	1.369 (2.202)	1.965 (2.413)	1.239 (2.193)	0.691 (1.965)	0.451 (1.781)	0.870 (1.673)	0.436 (1.533)	0.494 (1.365)	1.194 (1.173)	0.921 (1.057)	0.809 (0.952)	0.564 (0.885)	0.251 (0.838)	0.340 (0.686)
Mean, dep. var.	0.061	0.045	0.066	0.098	0.179	0.188	0.209	0.225	0.223	0.224	0.231	0.226	0.234	0.229	0.226	0.217	0.213	0.211
Obs.	33	44	61	82	123	154	206	253	287	330	394	460	534	599	667	755	845	931
Av. obs.	2.2	2.2	2.3	2.3	2.4	2.4	2.5	2.6	2.8	2.8	2.8	2.9	3.0	3.1	3.2	3.2	3.3	3.3
Fathers	15	20	27	36	52	64	83	96	101	117	139	159	178	194	210	237	258	279
Adj. R-square	0.556	0.119	0.299	0.081	0.126	0.084	0.073	0.093	0.040	0.003	0.020	0.006	0.015	-0.002	-0.002	0.005	0.008	0.008

Notes: Standard errors are clustered at individual level. Singletons are excluded. All money values are given in €2009. Individual's age as a second order polynomial, year fixed effects, and education in years are always included. Single fathers are always excluded.

Significance levels: * 10%; ** 5%; * 1%; Data: IAB-PASS wave 11