Over past decades, parental leave mandates have witnessed an awe-inspiring boost in a lot of developed countries. The average length of parental leave across OECD countries increased from 15 to 63 weeks between 1970 and 2015. While previous literature is quite inconclusive about long-run impacts on children’s educational attainment and labor market outcomes, nothing is known about long-run health effects. In order to expand and clarify the literature, we evaluate the impact of an expansion in maternity leave coverage from two to six months on children’s long-term health outcomes in Germany. We combine a regression discontinuity with a difference-in-difference approach in order to estimate a causal effect: health outcomes of children, who were born shortly before and after the implementation of a policy reform, are compared to the outcomes of children who are born in the same calendar months but in a year in which no legislative change took place. Subsequently, we apply a life-course approach, investigate heterogeneous intention-to-treat effects and explore potential mechanisms through which the reform affected long-run health outcomes. By using 21 waves from the German Socio-Economic Panel (SOEP) we obtain first results that suggest a negative effect of the length of maternity leave on several measures of subjective health. In contrast, we find little evidence for the hypothesis that the length of maternity leave affects children's objective or biometric health outcomes.

Currently, we are extending the analysis by applying the same identification strategy to other datasets. For that purpose, we use the German Micro Census, Europe's largest household survey, and hospital administrative data, which contains detailed information about all inpatients' socio-demographic characteristics, diagnoses and treatment in Germany over the past 19 years.