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A NARRATIVE ACCOUNT OF LEGISLATED SOCIAL SECURITY CHANGES FOR GERMANY

May 25, 2016

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ABSTRACT

Exploiting official historical records of the German Bundestag and Bundesrat, the Federal Ministry of Labour and Social Affairs and the German statutory pension insurance scheme, we construct a narrative of legislated social security changes for Germany between 1970 and 2013 in order to identify important discretionary shocks to the social security system. The historical account covers major changes in transfers and social security benefits and contributions for pensions, health care, long-term care and unemployment insurance on the German federal level and thus complements the tax narrative of Uhl (2013). Based on the provided information we are able to code a rich bottom-up time-series of fiscal policy shocks for empirical macroeconomic analysis, addressing the identification problem. Therefore, we collect information regarding the underlying motivation, the dates of the legislative process and the prospective financial impact, closely following the methodology of Romer and Romer (2010) and Uhl (2013).

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A Narrative Account of Legislated Social Security Changes for Germany

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Abstract. Exploiting official historical records of the German Bundestag and Bundesrat, the Federal Ministry of Labour and Social Affairs and the German statutory pension insurance scheme, we construct a narrative of legislated social security changes for Germany between 1970 and 2013 in order to identify important discretionary shocks to the social security system. The historical account covers major changes in transfers and social security benefits and contributions for pensions, health care, long-term care and unemployment insurance on the German federal level and thus complements the tax narrative of Uhl (2013). Based on the provided information we are able to code a rich bottom-up time-series of fiscal policy shocks for empirical macroeconomic analysis, addressing the identification problem. Therefore, we collect information regarding the underlying motivation, the dates of the legislative process and the prospective financial impact, closely following the methodology of Romer and Romer (2010) and Uhl (2013).

Keywords. Narrative Record Identification; Action-Based Approach; Social Security

JEL classification. E62, H20, H30, H55, N00

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1 Introduction

This paper provides a rich quarterly dataset of discretionary legislative shocks in the German social security system from 1970 to 2013. We include major legislations for pensions, health care, long-term care, unemployment insurance and transfers at the German federal level. Additionally, we update the existing dataset on legislative tax policy changes by Uhl (2013) for the more recent years.

Relying on several chronicles for all subdivisions of social security, we conduct a list of key legislations in the social security system. In setting up our narrative we follow Romer and Romer (2010), who originally proposed the bottom-up identification strategy for fiscal policy shocks with the intention to reduce the endogeneity bias resulting from uncertain budget elasticities and endogenous discretionary policy responses in the traditional top-down approach as pioneered by Blanchard and Perotti (2002). Based on legislative texts, presidential speeches and congressional reports, Romer and Romer (2010) identify the size, timing, and motivation of major legislated tax changes for the United States and construct a tax shock series from these narrative information. Thus, in our historical account for the German social security system we also collect specific details regarding the underlying motivation, the dates of the legislative process and the prospective financial impact. However, some modifications to the methodology with regard to idiosyncrasies of the social security system and reporting standards in the German legislative system had to be made.

This paper serves as a companion to Gechert et al. (2016) where we estimate effects of tax and social security shocks on output for Germany within the bottom-up and top-down methodology. Nonetheless, the information herein can be exploited for other applications.

The paper is organized as follows. In section 2 we describe our principles of the data construction. Section 3 provides an overview of the coded shock series for social security. Section 4 has the detailed information for each law listed in the chronicles. Finally, we

augment the historical account of German tax legislations by Uhl (2013) for the years 2011 to 2013 in section 5 in order to adjust the tax shock series to our sample in Gechert et al. (2016).

2 Methodology for coding the social security narrative shock series

In contrast to the construction of the tax shock series, expected impacts of discretionary policy changes in transfers and social security contributions are not listed in the annual budgetary report of the Federal Ministry of Finance (*Bundesfinanzberichte*). In order to identify major changes to social security and transfer legislation, we therefore rely on chronicles from the Federal Ministry of Labour and Social Affairs (Bundesministerium für Arbeit und Soziales 2011), various *Sozialberichte*, the chronicle of the German Statutory Pension Insurance (2011) as well as Steffen (2013), who provides a chronicle of major legislations for all subdivisions of social security. From these chronicles, we set up a list of major legislations for pensions, health care, long-term care and unemployment insurance at the German federal level for the period 1970 to 2013. For each law listed in the chronicles, we then work through draft legislations, bills, parliamentary protocols, speeches and newspapers in order to collect information regarding the underlying motivation (i), the dates of the legislative process (ii) and the prospective financial impact (iii). These are described in more detail below:¹

(i) A central advantage of the bottom-up approach is that one can readily select discretionary measures and separate them from all automatic fluctuations of the budget. However, discretionary measures can still be endogenous reactions to changing circumstances, which would harm the causal interpretation of estimation results. Following Romer and Romer (2010) we assign each law an exogenous or endogenous underlying motivation. In line with Hayo and Uhl (2014) we classify those measures as endoge-

¹For an extensive description of the methodological characteristics of the narrative framework see Romer and Romer (2010) or Uhl (2013)

nous, which are either driven by policies that contemporaneously affect other budgetary positions with interfering effects but which are outside the information set of the narrative (spending-driven (SD) or revenue-driven (RD)² motivation), countercyclical policies (CC) or reactions to other macroeconomic shocks (MS), like the financial crises, oil price shocks, etc. Refraining to consider these measures in the shock series should rule out likely biases from omitted variables. The relevant exogenous changes that lend themselves to a causal interpretation with respect to short-run multiplier effects are those that are motivated by attempts to budgetary consolidation (C), structural and ideological reasons or rulings of the court (S).

(ii) From the information of the law, we are able to detect the timing of implementation of a measure in order to determine the quarter of the shock in our data set. Similarly to Hayo and Uhl (2014), we take record of different implementation dates of individual measures within a law code if applicable and check whether they are temporary or permanent. In the event that measures are of a temporary nature, the date of its expected expiration is recorded as well and provides the timing where we set the respective counter-shock of the same size. As far as temporary measures are prolonged, a new shock with the new expiration date is included. Announcement effects are coded uniformly for all measures of a law. The publication date of the draft lends itself to determining the announcement date, as it provides detailed information and usually comes with newspaper coverage. If there are additional information that point to an earlier or later announcement date, we take them into account.

(iii) The size of the shock and the economic relevance of each law is determined by its total prospective full-year impact (*Volle Jahreswirkung*) divided by annual nominal GDP in the year of the shock. The total prospective full-year impact is defined, assuming no change in the tax base. Note that, on the contrary, the Mertens and Ravn (2014)

²The Romer and Romer (2010) or Uhl (2013) narrative does not include the RD motivation, as they only cover the revenue side. Our full set of social security shocks includes benefits and transfer changes which are in some instances endogenously driven by changes to revenue components.

shocks are sized to 1% of GDP of tax revenues, *including the initial feedback on the tax base*. Since the feedback is likely to be negative, the Mertens and Ravn (2014) shock size is effectively larger.

The best available information on the full-year impact is given in the draft(s) of each law. As a general caveat, it should be noted that these figures are ex-ante evaluations that are prone to uncertainty and probably to political bias. There is a more specific caveat regarding the difference of tax legislations and social security legislations. As opposed to tax laws, for social security and transfer legislations there is no consistent reporting of the full-year effect; drafts often merely display the expected impact in forthcoming years (mostly $t+3$). Moreover, to our knowledge there is no comparable source as the *Bundesfinanzberichte* that provide an ex-post listing of budgetary effects of all tax laws within a year. However, a comparison of tax law drafts and *Bundesfinanzberichte* shows that, first, in the vast majority of cases they provide similar figures, such that the ex-ante numbers are seldom prone to revision; second, the published full-year impact mostly equals the estimated impact at the end of the horizon for forthcoming years. Thus, whenever the full-year impact is not explicitly included in the drafts, we generally rely on the estimated impact at the end of the displayed horizon as the full-year effect of a measure for our shock series. There are however some exceptions:

If a draft of a bill only includes one value for the financial impact for one year and displays no time horizon it is straightforward that the value represents our total impact on an annual basis after full implementation. If the stated financial impact is given for several years and remains persistent, we follow the same procedure as above and take this value for granted as total effect. But in many cases the stated impact changes over the time horizon. If these changes are only minor, we take the initial value as our expected total impact on an annual basis after full implementation. If there are major changes to the financial impact over years, which is often due to distinct implementation dates of some measures of the law bundle, we account for them as additional shocks at their

implementation date. In some cases, however, only the consolidated financial impact of the law is given, and a direct assignment of the change in the financial impact to single measures is impossible. In these cases we consider the difference between the financial impacts of the years in question as a separate shock, subtracting a steady state growth component of the nominal value. Another special case applies to shocks implemented during the year, i.e. in the second to fourth quarter. If the financial effect for the first year given in the draft evidently states that it displays only the impact until the end of the year, the first year's value cannot be interpreted as the total impact on an annual basis after full implementation. In this case we therefore consider either the second year as our shock size or, if necessary, we use the first year value as starting point and add separate shocks in later periods as described above.

Following Hayo and Uhl (2014), we restrict our attention to all laws in the shock series with an expected total impact after full implementation above or just slightly below 0.1% of annual nominal GDP at the quarter the law was implemented. We also include laws where substantial budgetary impacts of single measures are cancelled out by each other or by temporary measures.

Some laws included in the tax shock series by Hayo and Uhl (2014) entail changes to social security contributions and transfers, which we take on board for our series. In these cases, we follow Hayo and Uhl (2014) in their assessment of the general motivation behind these laws and their collection of the relevant dates.

Some changes to revenues and expenditures are implemented by law or orders, but actually only enforce a given rule like the formula to determine pensions. In these cases we refer to a hypothetical “steady state” growth path defined by the rule, and following the rule does not establish a shock. Only deviations from or changes of the rule are interpreted as shocks. Often a rule, like the balanced-budget rule of the pension system provides some leeway as to the means to obey to the rule. Measures could for example change contribution rates or benefits, or even change the limits of the buffer stock.

Effectively, the timing and choice of measures is very much driven by circumstances and ideology. This indeterminacy requires a case-by-case evaluation, as to whether a measure is part of the steady state or a shock.

In this spirit, one could intervene that a Ricardian agent in general forms expectations about the financing needs of the social security system and will thus expect a certain contribution rate or pension level. For example, the agent may expect that the current path of revenues does not cover expenditures and thus anticipate a change in the contribution rate. So, such changes in the contribution rate that are motivated by long-term financing needs may not be regarded as shocks, while subsidies from the public budget to the pension system to cover the funding gap could qualify as shocks. However, assuming a fully Ricardian agent would also imply that all tax shocks may be anticipated as they cover the financing needs of the public budget. Thus, even the tax shocks identified by the narrative approach would be anticipated and could not be counted as shocks. Moreover, for a fully Ricardian agent a subsidy from the public budget to the pension system's budget would bring a financing gap in the public budget and thus involve an inherent future tax liability, too. In a fully rational setting with a representative agent, the latter could not be regarded as a shock either. However, as argued above, there is uncertainty about the concrete measure and hence its beneficiaries and victims. Therefore our procedure does not imply full anticipation of shocks. This allows for a coherent treatment of tax and social security shocks in the narrative approach.

3 Dataset at a glance

Table 1 lists all relevant legislations, their announcement date, motivation and overall impact, without detailing single measures of the law and their respective implementation dates. Entries with an impact of "0" refer to fully transitory changes, whose long-run impact is zero.

Table 1: Overview of relevant legislations

| Anno. Date | Legislation Title | Motiv | | Anno. Impact bn € |
|-----------------------|---|--------------|------|----------------------------------|
| 03.04.1970 | Gesetz zur Änderung des zweiten Gesetzes zur Förderung der Vermögensbildung der Arbeitnehmer | S | Exo | -0.11 |
| 22.05.1970 | Zweites Gesetz über die Anpassung der Leistungen des Bundesversorgungsgesetzes (Zweites Anpassungsgesetz - 2. AnpG KOV) | RD | Endo | -0.14 |
| 04.09.1970 | Zweites Krankenversicherungsänderungsgesetz vom 21.12.1970 (2. KVÄG) | S | Exo | 0.39 |
| 08.12.1971 | Gesetz zur weiteren Reform der gesetzlichen Rentenversicherungen | S | Exo | 0.15 |
| 30.12.1971 | Gesetz zur Weiterentwicklung des Rechts der gesetzlichen Krankenversicherung (Gesetz über die Krankenversicherung der Landwirte - KVLG) | S | Exo | -0.25 |
| 09.11.1973 | Gesetz über die Angleichung der Leistungen zur Rehabilitation | S | Exo | -0.5 |
| 08.10.1975 | Gesetz zur Verbesserung der Haushaltsstruktur | C | Exo | 3.63 |
| 11.03.1977 | Zwanzigstes Rentenanpassungsgesetz – 20 th RAG | C | Exo | 1.68 |
| 11.03.1977 | Gesetz zur Dämpfung der Ausgabenentwicklung und zur Strukturverbesserung in der gesetzlichen Krankenversicherung | S | Exo | 1.29 |
| 24.04.1978 | Gesetz über die Anpassung der Renten aus der gesetzlichen Rentenversicherung | MS | Endo | -0.11 |

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|------------|---|----|------|-------|
| 24.04.1978 | Zehntes Gesetz über die Anpassung der Leistungen des Bundesversorgungsgesetzes | RD | Endo | 0.68 |
| 05.03.1979 | Gesetz zur Einführung eines Mutterschaftsurlaubs | S | Exo | -0.74 |
| 20.05.1981 | Gesetz über die Anpassung der Renten der gesetzlichen Rentenversicherung im Jahr 1982 (24 th RAG) | RD | Endo | -3.73 |
| 28.09.1981 | Gesetz zur Konsolidierung der Arbeitsförderung (Arbeitsförderungs-Konsolidierungsgesetz - AFKG) | MS | Endo | 3.71 |
| 28.09.1981 | Kostendämpfungs-Ergänzungsgesetz - KVEG | MS | Endo | 0.75 |
| 01.03.1982 | Gesetz über steuerliche und sonstige Maßnahmen für Arbeitsplätze, Wachstum und Stabilität (Beschäftigungsförderungsgesetz - BeschäftFG) | S | Exo | 0.72 |
| 30.11.1982 | Gesetz zur Wiederbelebung der Wirtschaft und Beschäftigung und zur Entlastung des Bundeshaushalts (Haushaltsbegleitgesetz 1983) | MS | Endo | 0.02 |
| 02.09.1983 | Haushaltsbegleitgesetz 1984 | S | Exo | 5.32 |
| 07.09.1985 | Gesetz über die Gewährung von Erziehungsgeld und Erziehungsurlaub | S | Exo | -1.43 |
| 12.11.1985 | Siebtes Gesetz zur Änderung des Arbeitsförderungsgesetzes | S | Exo | -1.22 |
| 29.04.1987 | Gesetz zur Verlängerung des Versicherungsschutzes bei Arbeitslosigkeit und Kurzarbeit | CC | Endo | -0.45 |
| 29.04.1987 | Gesetz über Leistungen der gesetzlichen Rentenversicherung ... (Kindererziehungsleistungs-Gesetz – KLG) | S | Exo | -1.66 |
| 28.04.1989 | Gesetz zur Reform der gesetzlichen Rentenversicherung (Rentenreformgesetz 1992 - RRG 1992) | S | Exo | 3.16 |
| 07.03.1991 | Gesetz zur Änderung der Beitragssätze in der gesetzlichen Rentenversicherung und bei der Bundesanstalt für Arbeit (BeitrS. RV/BA ÄndG) | SD | Endo | 5.47 |

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|------------|--|----|------|-------|
| 29.05.1991 | Gesetz zur Herstellung der Rechtseinheit in der gesetzlichen Renten- und Unfallversicherung (Renten-Überleitungsgesetz - RÜG) | S | Exo | -3.91 |
| 14.05.1992 | Gesetz zum Schutz des vorgeburtlichen/werdenden Lebens, zur Förderung einer kinderfreundlicheren Gesellschaft, für Hilfen im Schwangerschaftskonflikt und zur Regelung des Schwangerschaftsabbruchs (Schwangeren- und Familienhilfegesetz) | MS | Endo | -7.92 |
| 07.09.1992 | Gesetz zur Änderung von Fördervoraussetzungen in Arbeitsförderungsgesetz und in anderen Gesetzen | C | Exo | 2.83 |
| 20.04.1993 | Gesetz zur Umsetzung des Föderalen Konsolidierungsprogramms | C | Exo | 1.3 |
| 04.09.1993 | Erstes Gesetz zur Umsetzung des Spar-, Konsolidierungs- und Wachstumsprogramms | MS | Endo | 6.43 |
| 04.09.1993 | Gesetz zur sozialen Absicherung des Risikos der Pflegebedürftigkeit | S | Exo | 16.05 |
| 27.10.1993 | Verordnung zur Bestimmung der Beitragssätze in der GRV 1994 | SD | Endo | 8.76 |
| 20.07.1994 | Verordnung zur Bestimmung des Beitragssatzes 1995 | SD | Endo | -4.5 |
| 02.11.1995 | Verordnung zur Bestimmung des Beitragssatzes 1996 | SD | Endo | 4.76 |
| 10.05.1996 | Gesetz zur Entlastung der Beiträge in der gesetzlichen Krankenversicherung | RD | Endo | 4.44 |
| 10.05.1996 | Gesetz zur Förderung eines gleitenden Übergangs in den Ruhestand | S | Exo | 1.99 |
| 10.05.1996 | Gesetz zur Umsetzung des Programms für mehr Wachstum und Beschäftigung in den Bereichen der Rentenversicherung und Arbeitsförderung (Wachstums- und Beschäftigungsförderungsgesetz - WFG) | S | Exo | 4.14 |

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|------------|--|----|------|-------|
| 26.08.1996 | Jahressteuergesetz 1997 | S | Exo | 0.19 |
| 01.10.1996 | Gesetz zur Reform des Arbeitsförderungsgesetz | S | Exo | 8.12 |
| 12.11.1996 | Zweites Gesetz zur Neuordnung von Selbstverwaltung und Eigenverantwortung in der gesetzlichen Krankenversicherung (2.GKV-Neuordnungsgesetz - 2.GKV-NOG) | C | Exo | 1.02 |
| 22.11.1996 | Verordnung zur Bestimmung der Beitragssätze 1997 | SD | Endo | 3.78 |
| 24.06.1997 | Gesetz zur Reform der gesetzlichen Rentenversicherung (Rentenreformgesetz 1999 - RRG 1999) | S | Exo | -3.35 |
| 17.11.1998 | Gesetz zur Korrekturen in der Sozialversicherung und zur Sicherung der Arbeitnehmerrechte | S | Exo | -5.16 |
| 19.01.1999 | Gesetz zur Neuregelung der geringfügigen Beschäftigungsverhältnisse | S | Exo | 2.61 |
| 31.08.1999 | Gesetz zur Sanierung des Bundeshaushalts (Haushaltssanierungsgesetz - HSanG) | C | Exo | 8.42 |
| 24.10.2000 | Gesetz zur Neuregelung der sozialversicherungsrechtlichen Behandlung von einmalig gezahltem Arbeitsentgelt (Einmalzahlungs-Neuregelungsgesetz) | S | Exo | -1.69 |
| 14.11.2000 | Gesetz zur Reform der gesetzlichen Rentenversicherung und zur Förderung eines kapitalgedeckten Altersvorsorgevermögens (Altersvermögensgesetz - AVmG) | S | Exo | 10.27 |
| 01.01.2001 | Beitragssatzverordnung | S | Exo | -1.71 |
| 05.11.2002 | Erstes und Zweites Gesetz für moderne Dienstleistungen am Arbeitsmarkt | S | Exo | 6.46 |
| 05.11.2002 | Gesetz zur Sicherung der Beitragssätze in der gesetzlichen Krankenversicherung und in der gesetzlichen Rentenversicherung (Beitragssatzsicherungsgesetz) | C | Exo | 7.27 |
| 05.11.2002 | Zwölftes Gesetz zur Änderung des Fünften Buches Sozialgesetzbuch | C | Exo | 0 |

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|------------|--|----|------|--------|
| 02.09.2003 | Gesetz zu Reformen am Arbeitsmarkt | S | Exo | 1.1 |
| 08.09.2003 | Gesetz zur Modernisierung der gesetzlichen Krankenversicherung (GKV-Modernisierungsgesetz - GMG) | C | Exo | 7.19 |
| 01.10.2003 | Drittes Gesetz für moderne Dienstleistungen am Arbeitsmarkt | S | Exo | 0.18 |
| 01.10.2003 | Viertes Gesetz für moderne Dienstleistungen am Arbeitsmarkt | S | Exo | 4.2 |
| 01.10.2003 | Gesetz zur Einordnung des Sozialhilferechts in das Sozialgesetzbuch | S | Exo | 0.06 |
| 23.10.2003 | Zweites Gesetz zur Änderung des Sechsten Buches Sozialgesetzbuch und anderer Gesetze | C | Exo | 3 |
| 23.10.2003 | Drittes Gesetz zur Änderung des Sechsten Buches Sozialgesetzbuch und anderer Gesetze | C | Exo | 0.75 |
| 26.02.2004 | Gesetz zur Sicherung der nachhaltigen Finanzierungsgrundlagen der gesetzlichen Rentenversicherung (RV-Nachhaltigkeitsgesetz) | S | Exo | 5.27 |
| 03.09.2004 | Gesetz zur Berücksichtigung der Kindererziehung im Beitragsrecht der sozialen Pflegeversicherung (Kinder-Berücksichtigungsgesetz – KiBG) | S | Exo | 0.7 |
| 06.09.2004 | Gesetz zur Anpassung der Finanzierung von Zahnersatz | SD | Endo | 1.14 |
| 29.11.2005 | Gesetz zur Änderung des Zweiten Buches Sozialgesetzbuch und anderer Gesetze | S | Exo | 0.37 |
| 13.12.2005 | Gesetz zur Verbesserung der Wirtschaftlichkeit in der Arzneimittelversorgung | C | Exo | 1.79 |
| 03.03.2006 | Gesetz über die Weitergeltung der aktuellen Rentenwerte ab 1. Juli 2006 | CC | Endo | -2 |
| 17.03.2006 | Haushaltsbegleitgesetz 2006 | S | Exo | -13.95 |
| 09.05.2006 | Gesetz zur Fortentwicklung der Grundsicherung für Arbeit-suchende | S | Exo | 0.85 |
| 20.06.2006 | Gesetz zur Einführung des Elterngeldes | S | Exo | -1.6 |

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|------------|---|----|------|--------|
| 24.10.2006 | Gesetz zur Stärkung des Wettbewerbs in der gesetzlichen Krankenversicherung (GKV-Wettbewerbsstärkungsgesetz – GKV-WSG) | S | Exo | 7.5 |
| 07.11.2006 | Gesetz über die Senkung des Beitrags zur Arbeitsförderung, die Festsetzung der Beitragssätze in der gesetzlichen Rentenversicherung und der Beiträge und Beitragszuschüsse in der Alterssicherung der Landwirte für das Jahr 2007 | S | Exo | 1.24 |
| 11.12.2007 | Siebtes Gesetz zur Änderung des Dritten Buches Sozialgesetzbuch und anderer Gesetze | S | Exo | 1.37 |
| 18.10.2007 | Sechstes Gesetz zur Änderung des Dritten Buches Sozialgesetzbuch und anderer Gesetze | S | Exo | -7 |
| 07.12.2007 | Gesetz zur strukturellen Weiterentwicklung der Pflegeversicherung (Pflege-Weiterentwicklungsgesetz) | S | Exo | 0.26 |
| 08.04.2008 | Gesetz zur Rentenanpassung 2008 | S | Exo | 0 |
| 08.10.2008 | Verordnung zur Festlegung der Beitragssätze in der gesetzlichen Krankenversicherung (GKV-Beitragsatzverordnung 2009) | MS | Endo | 4 |
| 05.11.2008 | Maßnahmenpaket „Beschäftigungssicherung durch Wachstumsstärkung“ | CC | Endo | 0 |
| 07.11.2008 | Gesetz zur Senkung des Beitragssatzes zur Arbeitsförderung | CC | Endo | -2.4 |
| 07.11.2008 | Verordnung über die Erhebung von Beiträgen zur Arbeitsförderung nach einem niedrigeren Beitragssatz (Beitragsatzverordnung 2009) | CC | Endo | 0 |
| 27.01.2009 | Gesetz zur Sicherung von Beschäftigung und Stabilität in Deutschland | CC | Endo | -17.27 |
| 21.04.2009 | Gesetz zur Änderung des Gesetzes zur Errichtung eines Sondervermögens „Investitions- und Tilgungsfonds“ | CC | Endo | -3.5 |
| 26.05.2009 | Gesetz zur Änderung des Vierten Buches Sozialgesetzbuch, zur Errichtung einer Versorgungsausgleichskasse und zur Änderung anderer Gesetze | CC | Endo | 0.6 |

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|------------|---|----|------|-------|
| 05.11.2009 | Verordnung zur Festsetzung des Umlagesatzes für das Insolvenzgeld für das Kalenderjahr 2010 | MS | Endo | 2 |
| 31.03.2010 | Gesetz zur Änderung krankensicherungsrechtlicher und anderer Vorschriften | C | Exo | 0 |
| 06.07.2010 | Gesetz zur Neuordnung des Arzneimittelmarktes in der gesetzlichen Krankenversicherung (Arzneimittelmarktneuordnungsgesetz - AMNOG) | CC | Endo | 2 |
| 27.09.2010 | Haushaltsbegleitgesetz 2011 | CC | Endo | 1.13 |
| 28.09.2010 | Gesetz zur nachhaltigen und sozial ausgewogenen Finanzierung der Gesetzlichen Krankenversicherung (GKV-Finanzierungsgesetz - GKV-FinG) | CC | Endo | 7.32 |
| 29.09.2010 | Bundesbesoldungs- und -versorgungsanpassungsgesetz 2010/2011 (BBVAnpG 2010/2011) | S | Exo | 0 |
| 26.10.2010 | Gesetz zur Ermittlung von Regelbedarfen und zur Änderung des Zweiten und Zwölften Buches Sozialgesetzbuch | CC | Endo | 1.22 |
| 05.11.2010 | Verordnung zur Festsetzung des Umlagesatzes für das Insolvenzgeld für das Kalenderjahr 2011 | MS | Endo | -2.8 |
| 24.06.2011 | Gesetz zur Verbesserung der Eingliederungschancen am Arbeitsmarkt | S | Exo | 1.64 |
| 08.11.2011 | Gesetz zur Wiedergewährung der Sonderzahlung | S | Exo | 0 |
| 16.11.2011 | Verordnung zur Bestimmung der Beitragssätze in der gesetzlichen Rentenversicherung für das Jahr 2012 (Beitragssatzverordnung 2012 - BSV 2012) | S | Exo | -2.6 |
| 23.04.2012 | Gesetz zur Neuausrichtung der Pflegeversicherung (Pflege-Neuausrichtungsgesetz - PNG) | S | Exo | 0.15 |
| 07.11.2012 | Gesetz zur Regelung des Assistenzpflegebedarfs in stationären Vorsorge- oder Rehabilitationseinrichtungen | S | Exo | -1.75 |
| 16.11.2012 | Gesetz zur Festsetzung der Beitragssätze in der gesetzlichen Rentenversicherung für das Jahr 2013 (Beitragssatzgesetz 2013) | S | Exo | -6.3 |

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| Tax shocks (extension of Hayo and Uhl (2014) shock series) | | | | |
|--|--|----|------|-------|
| 16.03.2009 | Gesetz zur verbesserten steuerlichen Berücksichtigung von Vorsorgeaufwendungen (Bürgerentlastungsgesetz Krankenversicherung) | MS | Endo | 16 |
| 27.09.2010 | Haushaltsbegleitgesetz 2011 | CC | Endo | 1.3 |
| 28.09.2010 | Kernbrennstoffsteuergesetz | SD | Endo | 1.3 |
| 07.12.2011 | Gesetz zum Abbau der kalten Progression | S | Exo | -0.83 |

Figure 1 summarizes our exogenous shock series at implementation dates from 1970 to 2013. For social security contributions (Socrev) the mean is positive but very low with 0.006 (standard deviation: 0.07) and for social security benefits (Socexp) 0.018 (sd: 0.10), positive and close to zero as well. Volatility is low for both social security shock series.

Figure 2 includes those shocks for Socrev and Socexp which are endogenously motivated. The endogenous series of Socrev also has a mean close to zero with -0.012 (sd: 0.24), Socexp -0.007 (sd: 0.08). Endogenous policy actions to the social security system were concentrated at the beginning of the 1980s, the mid 1990s and after the financial crises.

Figure 1: Exogenous Shocks to Social Security at Implementation Date (% GDP)

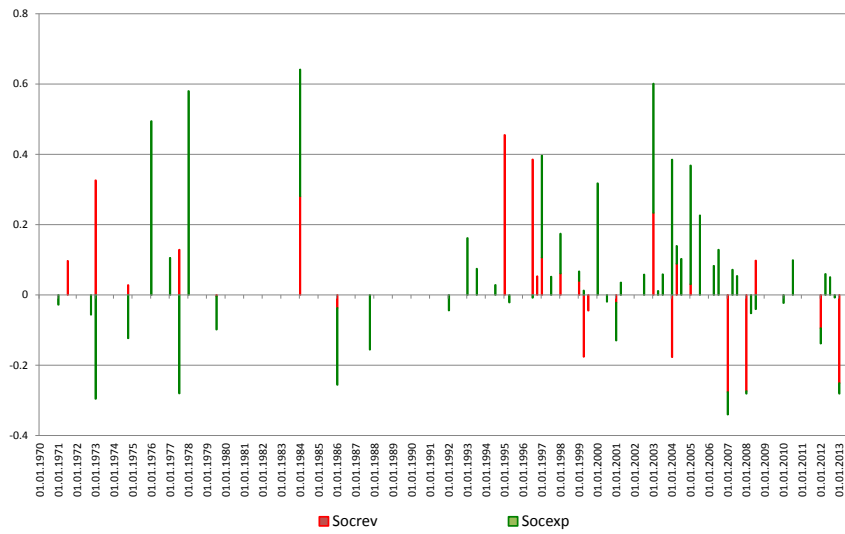
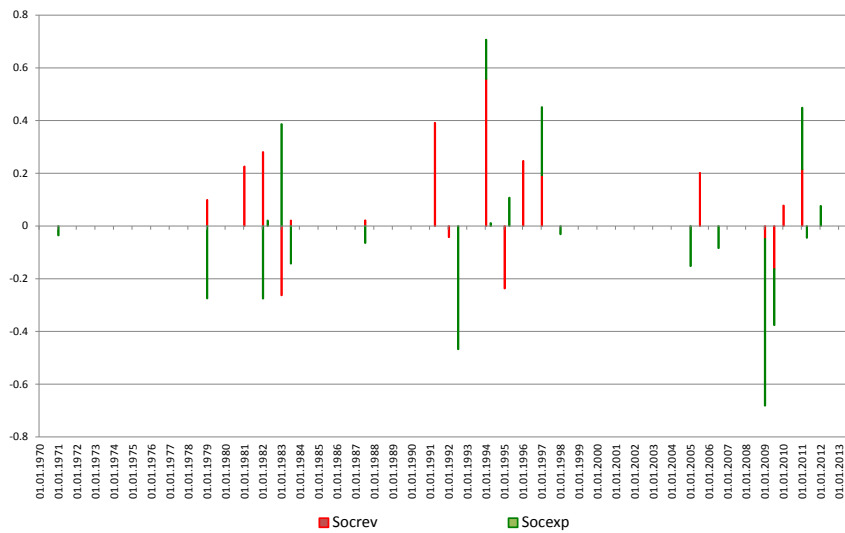


Figure 2: Endogenous Shocks to Social Security at Implementation Date (% GDP)



4 Narrative Account of Important Legislative Changes in the German Social Security System

Zweites Gesetz über die Anpassung der Leistungen des Bundesversorgungsgesetzes (Zweites Anpassungsgesetz – 2. AnpG KOV)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|-----------|
| 22.05.1970 | 14.07.1970 | 01.01.1971 | RD | €-0.14 bn |

The law included an adjustment of the workers pension income to the development of wages and salaries between 1965 and 1967. They increased by 5.5%. The financial impact of the measure was €-0.14 bn according to the draft.

The motivation of the law is endogenous, because the adjustment is related to a steady path and did not include unexpected shocks.

<http://dipbt.bundestag.de/doc/btd/06/007/0600798.pdf>

Zweites Krankenversicherungsänderungsgesetz (2. KVÄG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|----------|
| 04.09.1970 | 21.12.1970 | 01.07.1971 | S | €0.39 bn |

The law included changes to the health insurance system. According to the draft, the main reason of the law was to reassess and automatize the threshold for employees at which point health insurance is mandatory. Also it reorganised the employer fees in this regard. The total financial impact of the law cumulates to €0.39 bn.

The motivation of the law is structural.

<http://dipbt.bundestag.de/doc/btd/06/011/0601130.pdf>

Gesetz zur Änderung des zweiten Gesetzes zur Förderung der Vermögensbildung der Arbeitnehmer

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|-----------|
| 03.04.1970 | 30.06.1970 | 30.06.1970 | S | €-0.11 bn |

Given that this law is included in Uhl (2013), the other measures have to be considered in our narrative, even though the financial impact is very low. The additional shock yields €-0.11 bn, caused by

“Prämienmehrausgaben” (premium excess expenditures).

With regard to the assessment of Uhl (2013), the motivation is structural.

<http://dipbt.bundestag.de/doc/btd/06/006/0600601.pdf>

Wiedergutmachung nationalsozialistischen Unrechts in der Sozialversicherung

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 30.04.1970 | 22.12.1970 | 01.02.1971 | | - |

No substantial financial impact.

Gesetz über Unfallversicherung für Schüler und Studenten sowie Kinder in Kindergärten

| Draft | Publication | Implementation | Motivation | Impact |
|-------|-------------|----------------|------------|--------|
| ? | 23.03.1971 | 01.04.1971 | | - |

No financial impact identifiable.

Gesetz zur weiteren Reform der gesetzlichen Rentenversicherungen

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|----------|
| 08.12.1971 | 16.10.1972 | 01.01.1973 | S | €0.15 bn |

Although this law, which did changes to the pension system, had in total no substantial financial impact, it is still included in the narrative because it implemented many significant measures. For instance, it introduced a flexible retirement age, an additional year for women and some changes to the calculation of the retirement payment, all disburdening employees. These measures were in sum €-1.44 bn. However, according to the draft, the changes have to be seen in the context of the decision to increase fees to 18% by the 01.01.1973 agreed on in the “Drittes Rentenversicherungsänderungsgesetz” in 1969. The total financial impact after full implementation for this measure is according to the draft €1.59 bn.

Given that the law includes long-term changes to the structure of the pension system, it is classified as structural. However, in the context of the fee raise, one could also discuss to categorise this measure as revenue-driven. Nonetheless, the total financial impact is in sum minor and the issue therefore less substantial.

<http://dipbt.bundestag.de/doc/btd/06/029/0602916.pdf>

Gesetz zur Weiterentwicklung des Rechts der gesetzlichen Krankenversicherung (Gesetz

über die Krankenversicherung der Landwirte – KVLG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|-----------|
| 30.12.1971 | 10.08.1972 | 01.10.1972 | S | €-0.25 bn |

According to the draft of the law, the self-employed farmers and their working family members were not adequately enough protected from their economic risk connected with illness. The government's subsidy to finance the changes given to the health insurance of farmers yielded a total annual financial impact after full implementation of €-0.25 bn, which is just over the threshold of the narrative at that time.

Given the problem described above, the law is clearly exogenous and therefore classified as structural.

<http://dipbt.bundestag.de/doc/btd/06/030/0603012.pdf>

Zweites Gesetz zur Änderung und Ergänzung des Arbeitsförderungsgesetzes (2. AFG-Novelle)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 12.10.1071 | 19.05.1972 | 01.05.1972 | | - |

No substantial financial impact.

Betriebsverfassungsgesetz

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 29.01.1971 | 15.01.1972 | 16.01.1972 | | - |

No substantial financial impact.

Gesetz zur Regelung der gewerbsmäßigen Arbeitnehmerüberlassung (Arbeitnehmerüberlassungsgesetz – AÜG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 15.06.1971 | 07.08.1972 | 07.10.1972 | | - |

No substantial financial impact.

Gesetz über Betriebsärzte, Sicherheitsingenieure und andere Fachkräfte für Arbeitssicherheit

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 26.02.1973 | 12.12.1973 | 01.01.1975 | | - |

No substantial financial impact.

Gesetz zur Verbesserung von Leistungen in der gesetzlichen Krankenversicherung (Leistungsverbesserungsgesetz – KLVG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 21.03.1973 | 19.12.1973 | 01.01.1974 | | - |

No substantial financial impact.

Gesetz über die Angleichung der Leistungen zur Rehabilitation

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|----------|
| 09.11.1973 | 07.08.1974 | 01.10.1974 | S | €-0.5 bn |

The law included harmonisation and improvement of the rehabilitation benefits for disabled people. The different measures implied expenditure increases by the amount of €-0.67 bn. However, these changes are partially offset by changes on the revenue side from increasing insurance premiums.

The motivation is straightforward. The government stated that the measures were necessary and responsible steps towards modern social policies, which has to protect disabled persons and integrate them more easily into the job market and the society as a whole. Hence, the motivation is long-term and structural.

<http://dipbt.bundestag.de/doc/btd/07/012/0701237.pdf>

Neufassung des Schwerbehindertengesetzes

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 10.05.1973 | 29.04.1974 | 01.05.1974 | | - |

No substantial financial impact.

Gesetz über Konkursausfallgeld (3. AFG-Novelle)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 01.03.1974 | 17.07.1974 | 18.07.1974 | | - |

No substantial financial impact.

Gesetz zur Verbesserung der betrieblichen Altersversorgung

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 26.11.1973 | 19.12.1974 | 01.01.1975 | | - |

No substantial financial impact.

Gesetz über die Sozialversicherung Behinderter

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 16.04.1974 | 07.05.1975 | 01.07.1975 | | - |

No substantial financial impact.

Gesetz über die Krankenversicherung der Studenten (KVSG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 16.12.1974 | 24.06.1975 | 01.10.1975 | | - |

No substantial financial impact.

Gesetz zur Änderung des Arbeitsförderungsgesetzes und des Arbeitnehmerüberlassungsgesetzes

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 21.01.1975 | 25.06.1975 | 01.07.1975 | | - |

No substantial financial impact.

Sozialgesetzbuch (SGB) – Allgemeiner Teil

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 27.06.1973 | 11.12.1975 | 01.01.1976 | | - |

No substantial financial impact.

Gesetz zur Verbesserung der Haushaltsstruktur (Haushaltsstrukturgesetz – HStruktG)

| Draft | Publication | Implementation | Motivation | Impact |
|-----------|-------------|----------------|------------|-----------|
| 8.10.1975 | 20.12.1975 | 01.01.1976 | C | € 2.95 bn |
| | | 01.01.1977 | C | € 0.67 bn |

The law implemented measures concerning the tax system, which are included in the database of Uhl (2013), as well as changes in the social security system.

The highest financial impact was caused by an increase in the unemployment insurance fees, which was

forecasted to save €2.35 bn on an annual basis. The measure was implemented in two steps, the first amounts to €1.04 bn in 1976 and the remaining phase-in shock of €0.47 bn in 1977. Another important measure was a change of the Employment Promotion Act, it saved €0.65 bn on an annual basis after full implementation. The additional measures caused only minor financial impacts.

The measures were implemented to consolidate the budget of the federal and municipality level, as well as the Bundesanstalt für Arbeit (BA). Therefore, Uhl (2013) categorised the law as exogenous consolidation shocks. Nonetheless, the government put emphasis on the worldwide recession in the years before. They explained that the law is a reaction to an increase in budget deficits caused by the recession. Under consideration of these aspects, it is possible to argue that the law is typical countercyclical saving in the upturn and hence, endogenous. However, with respect to the evaluation of Uhl (2013) and for comparability reasons we stick to the exogenous motivation.

<http://dip21.bundestag.de/dip21/btd/07/041/0704127.pdf>

Gesetz zu dem Übereinkommen Nr. 138 der Internationalen Arbeitsorganisation vom 26. Juni 1973 über das Mindestalter für die Zulassung zur Beschäftigung

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 21.10.1974 | 28.01.1976 | 29.01.1976 | | - |

No substantial financial impact.

Gesetz zum Schutze der arbeitenden Jugend (Jugendarbeitsschutzgesetz – JArbSchG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 21.06.1974 | 12.04.1976 | 01.05.1976 | | - |

No substantial financial impact.

Gesetz über die Mitbestimmung der Arbeitnehmer (Mitbestimmungsgesetz – MitbestG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 29.04.1974 | 04.05.1976 | 01.07.1976 | | - |

No substantial financial impact.

Gesetz über die Entschädigung für Opfer von Gewalttaten (OEG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 27.08.1974 | 11.05.1976 | 12.05.1976 | | - |

No substantial financial impact.

Erstes Gesetz zur Reform des Ehe- und Familienrechts (1. EheRG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 01.06.1973 | 14.06.1976 | 01.07.1977 | | - |

No substantial financial impact.

Sozialgesetzbuch (SGB) – Gemeinsame Vorschriften für die Sozialversicherung

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 08.10.1975 | 23.12.1976 | 01.07.1977 | | - |

No substantial financial impact.

Gesetz zur Dämpfung der Ausgabenentwicklung und zur Strukturverbesserung in der gesetzlichen Krankenversicherung

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|----------|
| 11.03.1977 | 27.06.1977 | 01.07.1977 | S | €1.18 bn |
| | | 01.01.1978 | S | €0.11 bn |

The law has to be evaluated in the context of the “Zwanzigstes Rentenanpassungsgesetz - 20. RAG”. Together they implemented structural and consolidation motivated measures. The increase in the health insurance contribution ceiling and measures to reduce expenditures summed up to a shock of €1.18 bn in July 1977. In the beginning of 1978, this law further integrated changes to the regulation of subsidies for investment costs in hospitals, with a financial impact of €0.11 bn.

In the draft of the law, it stated that the costs of the health system should be reduced in order to decrease the burden on contributors and the economy. Therefore, the motivation is structural.

<http://pdok.bundestag.de/extrakt/ba/wp8/1537/153752.html>

Zwanzigstes Rentenanpassungsgesetz – 20th RAG

| Draft | Publication | Implementation | Motivation | Impact |
|------------------|-------------|----------------|------------|-----------|
| Draft 11.03.1977 | 27.06.1977 | 01.07.1977 | C | €-2.14 bn |
| | | 01.01.1978 | C | €3.82 bn |

The 20th RAG re-evaluated the pension payments, implemented at the beginning of July 1977, which reduced the burden of the pension insurance by €5.39 bn. That is counted against the pension adjustment

in that year, €-8.22 bn. Furthermore, the law included the postponement of the 21st adjustment of the pension payments which reduced expenditures by €3.99 bn, effective at the beginning of 1978. Further minor measures included new terms for the child subsidies within the old age insurance (financial relief of €0.28 bn), changes to the foreign pension regulations (savings of €0.09 bn) and other regulations for cures within the pension insurance (financial impact on annual basis of €0.3 bn)

Normally, the payment adjustments within the pension insurance are not considered as exogenous shocks in our narrative series as they can be seen as a steady state path. Nonetheless, the 20th RAG included significant consolidation measures to finance current and future pension payment adjustments. As the adjustment and the consolidation measures have to be seen in context, we decided the law to be exogenous. Even though some measures within the code can be seen as structural, the general tendency behind the reasoning of the government is the consolidation of the budget. Hence the law is categorised as consolidation. However, given the recessionary pressure and the slow development of wages at that time and similar expectations for the future, one could also discuss to categorise this measure in the context of a macroeconomic shock.

<http://pdok.bundestag.de/extrakt/ba/WP8/1537/153751.html>

Viertes Gesetz zur Änderung des Arbeitsförderungsgesetzes

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 29.08.1977 | 22.12.1977 | 01.01.1978 | | - |

No substantial financial impact.

Gesetz über die Anpassung der Renten aus der gesetzlichen Rentenversicherung (21st RAG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|-----------|
| 24.04.1978 | 25.07.1978 | 01.01.1979 | MS | €-1.98 bn |
| | | 01.01.1981 | MS | €1.87 bn |

Like other RAGs, the 21st RAG passed an endogenous pension adjustment. In sum, this caused a total financial impact of €-5.81 bn on an annual basis dated at the beginning of 1979. However, the government was under severe saving pressure. Therefore, similar to the consolidation line of the 20th RAG, they implemented a saving programme. Thus, the adjustment deviated from the steady state path. Also, the law implemented a change to the tax base. Both measure together caused lower expenditures compared to baseline of €4.18 bn. Moreover, the law implemented an increase of the contribution rate from 18%

to 18.5% in 1981 with a total impact of € 1.87 bn. The remainder is mainly determined by the increasing burden of the changes for the federal budget, cumulating to €-0.4 bn. Thus, in sum the measures of the law almost cancel each other out. The law carried on with the consolidation requirements implemented by the 20th RAG. Nonetheless, the consolidation pressure was due to the financial stress caused by the current and expected slower growth environment related to the oil crisis. Hence, we categorise this law endogenous in the context of a macroeconomic shock.

<http://pdok.bundestag.de/extrakt/ba/WP8/1543/154373.html>

Gesetz zur Herabsetzung der flexiblen Altersgrenze in der gesetzlichen Rentenversicherung für Schwerbehinderte

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 22.09.1978 | 06.11.1978 | 31.12.1978 | | - |

No substantial financial impact.

Zehntes Gesetz über die Anpassung der Leistungen des Bundesversorgungsgesetzes

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|----------|
| 24.04.1978 | 11.08.1978 | 01.01.1979 | RD | €0.68 bn |

The law implemented an adjustment of the pension benefits ("Versorgungsbezüge"), causing a shock to revenues of €0.68 bn.

The law was dominated by the measure concerning the steady-state adjustment of the "Versorgungsbezüge". Partly, there were also structural measures taken to increase other benefits, especially for curative treatments and war victim aid. However, one can not directly assign a financial impact to these measures. Moreover, the financial impact of the endogenous measures were more significant and the year 1979 was concerned with the oil price shock. Therefore, we categorise the law as endogenous.

<http://pdok.bundestag.de/extrakt/ba/WP8/1543/154377.html>

Gesetz zur Einführung eines Mutterschaftsurlaubs

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|-----------|
| 05.03.1979 | 25.06.1979 | 01.07.1979 | S | €-0.74 bn |

The law introduced a six month maternity leave for women in work after the birth of the child. It also improved the job protection for mothers.

The government clearly stated that it wants to reduce the dual burden for women after pregnancy. Hence, the motivation is straightforward, structural.

<http://pdok.bundestag.de/extrakt/ba/WP8/1544/154478.html>

Neufassung des Arbeitsgerichtsgesetzes

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 24.05.1977 | 06.11.1978 | 31.12.1978 | | - |

No substantial financial impact.

Fünftes Gesetz zur Änderung des Arbeitsförderungsgesetzes (5. AFG-ÄndG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 07.03.1979 | 28.07.1979 | 01.08.1979 | | - |

No substantial financial impact.

Gesetz über die Gleichbehandlung von Männern und Frauen am Arbeitsplatz und über die Erhaltung von Ansprüchen bei Betriebsübergang

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 06.11.1979 | 13.08.1980 | 14.08.1980 | | - |

No substantial financial impact.

Sozialgesetzbuch-Verwaltungsverfahren

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 04.08.1978 | 26.08.1980 | 01.01.1981 | | - |

No substantial financial impact.

Gesetz über die Sozialversicherung der selbstständigen Künstler und Publizisten (Künstlersozialversicherungsgesetz – KSVG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 27.11.1980 | 01.08.1981 | 01.01.1983 | | - |

No substantial financial impact.

Gesetz über die Anpassung der Renten der gesetzlichen Rentenversicherung im Jahre 1982 (24th RAG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|----------|
| 27.11.1980 | 01.08.1981 | 01.01.1982 | RD | €-3.9 bn |

The 24th RAG generally enacted the adjustment of pension payments to the development of wages and salaries within the steady state path, an increase of old age benefits with a financial impact on an annual basis of €-4.05 bn at the beginning of 1982. Other adjustments within the law had only minor financial impacts, mainly concerning the foreign pension law and some rulings of the federal constitutional court.

Even though some measures were enacted by the constitutional court and are therefore exogenous, these changes only had a very minor financial impact. Against the background that the chronicles we rely on list RAGs only if they have additional regulations included, this law was categorized as a cyclical adjustment and therefore endogenous in our narrative. Moreover, the year 1982 was a recession for Germany and consequently even structural adjustments would have to be turned into a macroeconomic shock.

<http://pdok.bundestag.de/extrakt/ba/WP9/1469/146958.html>

Sechstes Gesetz zur Änderung des Arbeitsförderungsgesetzes (Wartezeitgesetz)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 08.05.1981 | 03.08.1981 | 01.01.1983 | | - |

No substantial financial impact.

Gesetz zur Bekämpfung der illegalen Beschäftigung

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 09.09.1981 | 15.12.1981 | 01.01.1982 | | - |

No substantial financial impact.

Gesetz zur Konsolidierung der Arbeitsförderung (Arbeitsförderungs-Konsolidierungsgesetz – AFKG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|----------|
| 28.09.1981 | 22.12.1981 | 01.01.1982 | MS | €3.71 bn |

Implemented at the beginning of 1982, the AFKG mainly incorporated measures targeting the employment promotion to improve the financial sustainability of the unemployment insurance.

The main measure of the law was an increase of contribution fees, yielding a financial impact of €1.64

bn on an annual basis. The second highest impact were expenditure cuts related to the individual sponsorship of professional education, €0.64 bn. Other important measures, concerning the BA, were for instance cuts to individual sponsorship of professional rehabilitation and to employment benefits. Furthermore, the law implemented the omission of the insurance exemption level for low-income jobs, leading to higher revenues of €0.28 bn for the pension insurance. The remainder of the total financial impact derives from other small measures within the law, causing either higher revenues or lower expenditures for the BA, the pension insurance, the health insurance or the compensation insurance.

According to the arguments in the draft, one could classify the law as structural measures. There was an increasing abuse of the unemployment insurance combined with a poor labour market situation. However, as pointed out above, we categorize 1982 as macroeconomic shock, hence the law is an endogenous shock in our narrative.

<http://pdok.bundestag.de/extrakt/ba/wp9/1470/147015.html>

Gesetz zur Änderung des Gesetzes zur wirtschaftlichen Sicherung der Krankenhäuserpflegesätze (Krankenhaus-Kostendämpfungsgesetz)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 12.06.1981 | 22.12.1981 | 01.07.1982 | | - |

No substantial financial impact.

Kostendämpfungs-Ergänzungsgesetz – KVEG

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|----------|
| 28.09.1981 | 22.12.1981 | 01.01.1982 | MS | €0.75 bn |

With a total financial impact on an annual basis of €0.75 bn, the financial impact of the KVEG was low. Nonetheless, we decided to include the impact in the narrative as the measures are the continuation of the cuts implemented by the “Gesetz zur Dämpfung der Ausgabenentwicklung und zur Strukturverbesserung in der gesetzlichen Krankenversicherung” from 1977. Moreover, the financial impact is only very slightly below the 0.1% of GDP threshold and some measures within the law included a range of financial impact estimations, where we decided for the amount in the middle.

The most important measures of the law were the increase of the co-payments to pharmaceutical products and the expenditure limit on cures with €0.18 bn and €0.15 bn.

Again, according to the explanations in the draft of the KVEG the measures are implemented to improve

the financial stability of the health insurance and consolidate the budget in order to avoid fee increases in the future. Hence, the law should be exogenous within our narrative shock series. Nonetheless, 1982 can be considered as macroeconomic shock, in line with the other bills in that year, also the KVEG is set endogenous.

<http://pdok.bundestag.de/extrakt/ba/WP9/1470/147012.html>

Gesetz über steuerliche und sonstige Maßnahmen für Arbeitsplätze, Wachstum und Stabilität (Beschäftigungsförderungsgesetz – BeschäftFG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|----------|
| 01.03.1982 | 03.06.1982 | 01.01.1984 | S | €0.72 bn |

The BeschäftFG mainly included tax law changes. Therefore, it is obviously included in the tax shock series of Uhl (2013). Nonetheless, the structural changes also had an impact on social security. Financially, this mainly concerned the contribution of pensioners to the cost of their health insurance.

In accordance with the judgement of Uhl (2013), the law is structurally motivated in our narrative. Nonetheless, the draft of the law addresses the weak growth perspectives of the German economy which could also justify an endogenous motivation. However, the goal of the law was long-term change and can not merely be seen in the short-term stabilization context.

<http://pdok.bundestag.de/extrakt/ba/WP9/1470/147063.html>

Sozialgesetzbuch (SGB) – Zusammenarbeit der Leistungsträger und ihre Beziehungen zu Dritten

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 13.01.1981 | 04.11.1982 | 01.07.1983 | | - |

No substantial financial impact.

Gesetz zur Wiederbelebung der Wirtschaft und Beschäftigung und zur Entlastung des Bundeshaushalts (Haushaltsbegleitgesetz 1983)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|-----------|
| 30.11.1982 | 12.12.1982 | 01.01.1983 | MS | €5.21 bn |
| | | 01.07.1983 | MS | €-0.97 bn |

The Haushaltsbegleitgesetz 1983 included a vast amount of measures related to the whole social security

system. For instance, it included a contribution rate increase prior to planned before, a postponement of the pension payment adjustment for half a year, a new regulation for the contribution of pensioners to the health insurance, a cut to the tax base regarding the contributions to the old age insurance by the BA for people receiving unemployment benefits and many more.

As pointed out in Uhl (2013), the Haushaltsbegleitgesetz 1983 was a reaction of the new government to its assessment of the fiscal position in the context of a worsening of the exogenous economic conditions. Hence, we categorize the law also as macroeconomic shock, following our methodology for this period from before and Uhl (2013).

<http://pdok.bundestag.de/extrakt/ba/WP9/1471/147160.html>

Gesetz über Maßnahmen zur Entlastung der öffentlichen Haushalte und zur Stabilisierung der Finanzentwicklung in der Rentenversicherung sowie über die Verlängerung der Investitionshilfeabgabe (Haushaltsbegleitgesetz 1984)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|----------|
| 02.09.1983 | 22.12.1983 | 01.01.1984 | S | €5.32 bn |

The measures passed in the Haushaltsbegleitgesetz 1984 with the most financial impact concerned increases to contributions related to special payments such as holiday or Christmas bonuses (€1.77 bn), cuts to pension payments due to a change to the tax base calculation (€0.98 bn), decreases of the benefit rate for recipients in unemployment, short time work or bad weather compensation for people without children (€0.55 bn) and tighter conditions for the entitlement to BU/EU pensions (€0.6 bn). The remainder of the total financial impact consists of various other small measures and consecutive effects on other bodies of the social security system.

Following the information provided by the draft of the law, the measures are straightforward exogenous. The majority of measures within the bill are structurally motivated, others seem more for consolidation purposes.

<http://pdok.bundestag.de/extrakt/ba/WP10/1297/129774.html>

Gesetz zur Förderung der Vermögensbildung der Arbeitnehmer durch Kapitalbeteiligungen (Vermögensbeteiligungsgesetz)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 02.09.1983 | 28.12.1983 | 01.01.1984 | | - |

No substantial financial impact.

Das Vierte Vermögensbildungsgesetz

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 02.09.1983 | 06.02.1984 | 07.02.1984 | | - |

No substantial financial impact.

Gesetz zur Erleichterung des Übergangs in den Ruhestand

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 14.12.1983 | 13.04.1984 | 01.05.1984 | | - |

No substantial financial impact.

Gesetz zur Neuordnung der Krankenhausfinanzierung (Krankenhaus-Neuordnungsgesetz – KHNG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 10.10.1984 | 20.12.1984 | 01.01.1985 | | - |

No substantial financial impact.

Gesetz zur Änderung von Vorschriften des Arbeitsförderungsgesetzes und der gesetzlichen Rentenversicherung (Arbeitsförderungs- und Rentenversicherungs-Änderungsgesetz)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 07.02.1984 | 20.12.1984 | 01.01.1985 | | - |

No substantial financial impact.

Beschäftigungsförderungsgesetz

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 11.10.1984 | 26.04.1985 | 01.05.1985 | | - |

No substantial financial impact.

Gesetz zur Neuordnung der Hinterbliebenenrenten sowie zur Anerkennung von Kindererziehungszeiten in der gesetzlichen Rentenversicherung (Hinterbliebenenrenten- und Erziehungszeiten-Gesetz – HEZG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 28.12.1984 | 11.07.1985 | 01.01.1986 | | - |

No substantial financial impact.

Gesetz über die Gewährung von Erziehungsgeld und Erziehungsurlaub (Bundserziehungsgeldgesetz - BErzGG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|-----------|
| 07.09.1985 | 06.12.1985 | 01.01.1986 | S | €-1.43 bn |

Implemented at the beginning of 1986, the BErzGG introduced child-raising benefits in order to give one parent the opportunity to dedicate more time for child care and education at the important time at the beginning of the child's life. The financial impact aggregated to €-1.43 bn as a shock on an annual basis.

The government clearly decided on that measure to support the early years of the child's life and support the family in raising their children. Hence, the motivation is structural.

<http://pdok.bundestag.de/extrakt/ba/WP10/1324/132435.html>

Siebttes Gesetz zur Änderung des Arbeitsförderungsgesetzes

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|-----------|
| 12.11.1985 | 20.12.1985 | 01.01.1986 | S | €-1.22 bn |

Essentially, the law improved the social security conditions for elderly and long-run unemployed people and included contribution rate decreases to the BA. Furthermore, it included measures to promote career training and job-related education.

The measure which caused the highest financial impact within the bill was the prolongation of unemployment benefits for people older than 45, with a total effect of €-0.56 bn on an annual basis. Measures targeting professional education cumulated to €-0.38 bn financial impact. The decrease of contribution rates had also an expansionary financial impact of €-0.38 bn. The remainder consists of different small effects to the BA and the federal budget.

The motivation of the law is structural. The goals of the measures were the improvement of the conditions for elderly and long-run unemployed persons in the social security system and a lower burden with regard to the contribution payments for the unemployment insurance.

<http://pdok.bundestag.de/extrakt/ba/WP10/1330/133097.html>

Gesetz zur Sicherung der Neutralität der Bundesanstalt für Arbeit bei Arbeitskämpfen

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 31.01.1986 | 15.05.1986 | 16.05.1986 | | - |

No substantial financial impact.

Verordnung über gefährliche Stoffe (Gefahrstoff-Verordnung)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 19.12.1985 | 26.08.1986 | 01.10.1986 | | - |

No substantial financial impact.

Das Zweite Gesetz zur Förderung der Vermögensbildung der Arbeitnehmer durch Kapitalbeteiligungen (Zweites Vermögensbildungsgesetz)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 08.09.1986 | 19.12.1986 | 20.12.1986 | | - |

No substantial financial impact.

Gesetz zur Verlängerung des Versicherungsschutzes bei Arbeitslosigkeit und Kurzarbeit

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|-----------|
| 29.04.1987 | 27.06.1987 | 01.07.1987 | CC | €-0.45 bn |

The “Gesetz zur Verlängerung des Versicherungsschutzes bei Arbeitslosigkeit und Kurzarbeit” included an increase in the period where unemployed persons are entitled to benefits and it prolonged the length of entitlement for short-time work payments to workers in the steel industry. The latter was set temporary from 1987 to the end of 1989. However, the financial impact stated in the legislative process of both measures can not be clearly separated. Therefore it is not possible to determine a counter shock for the measure. For further analysis that does not cause a problem as the law is, as further below argued, endogenous. Moreover the total financial impact is comparatively low as the two above mentioned measures (€-1.4 bn) were partly cancelled out by a change to the development worker law, causing lower expenditures for the federal level of €0.72 bn. Generally the changes of the law caused minor positive effects on the revenues of the health and old age insurance.

Nonetheless, both expansionary measures can be seen as a signal that the government wanted to coun-

teract the recessionary pressure and secure employment in the affected industries. Therefore, the law as such is categorized as countercyclical. Also, the draft of the law clearly addresses the recession. The fact that the prolongation for short-time work payments was set temporary is another indication of a stabilization measure. However, the other measure can be alternatively interpreted as structural. But, the fact that the financial impact of both measures can not clearly be separated, suggests to interpret the whole law as endogenous.

<http://pdok.bundestag.de/extrakt/ba/WP11/1071/107154.html>

Gesetz über Leistungen der gesetzlichen Rentenversicherung für Kindererziehung an Mütter der Geburtsjahrgänge vor 1921 (Kindererziehungsleistungsgesetz – KLG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|-----------|
| 29.04.1987 | 16.07.1987 | 01.10.1987 | S | €-1.66 bn |

The KLG had a total financial impact of €-1.66 bn on an annual basis. The central measure of the law was the appreciation of parenting for mothers born before 1921 within the old age insurance.

The draft of the law states that the changes were made in order to appreciate the effort from mothers for the education of their children. Hence, the motivation is structural.

<http://pdok.bundestag.de/extrakt/ba/WP11/1044/104496.html>

Gesetz zur Verlängerung von Auslaufzeiten in der Montan-Mitbestimmung

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 15.05.1987 | 23.07.1987 | 20.09.1987 | | - |

No substantial financial impact.

Gesetz zur Ergänzung der arbeitsmarktpolitischen Instrumente und zum Schutz der Solidargemeinschaft vor Leistungsmissbrauch (8. Gesetz zur Änderung des Arbeitsförderungsgesetzes)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 06.10.1987 | 14.12.1987 | 01.01.1988 | | - |

No substantial financial impact.

Gesetz zur finanziellen Sicherung der Künstlersozialversicherung

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 28.09.1987 | 18.12.1987 | 01.01.1988 | | - |

No substantial financial impact.

Gesetz zur Bildung von Jugend- und Auszubildendenvertretungen in den Betrieben

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 11.11.1987 | 13.07.1988 | 14.07.1988 | | - |

No substantial financial impact.

Gesetz zur Änderung des Künstersozialversicherungsgesetzes

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 26.09.1988 | 20.12.1988 | 01.01.1989 | | - |

No substantial financial impact.

Gesetz zur Änderung des Arbeitsförderungsgesetzes und zur Förderung eines gleitenden Übergangs älterer Arbeitnehmer in den Ruhestand

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 27.09.1988 | 20.12.1988 | 01.01.1989 | | - |

No substantial financial impact.

Gesetz zur Änderung des Betriebsverfassungsgesetzes über Sprecherausschüsse der leitenden Angestellten und zur Sicherung der Montan-Mitbestimmung

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 27.09.1988 | 20.12.1988 | 01.01.1989 | | - |

No substantial financial impact.

Gesetz zur Strukturreform im Gesundheitswesen

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 15.06.1988 | 29.12.1988 | 01.01.1989 | | - |

The structural reform of the health insurance system is in sum cost neutral. Hence there is no substantial financial impact on the private sector.

Gesetz zur Einführung eines Dienstleistungsabends

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 26.09.1988 | 10.09.1989 | 01.10.1989 | | - |

No substantial financial impact.

Gesetz zur Einführung eines Sozialversicherungsausweises und zur Änderung anderer Sozialgesetze

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 21.06.1989 | 06.10.1989 | 01.01.1990 | | |

No substantial financial impact.

Gesetz zur Anpassung von Eingliederungsleistungen für Aussiedler und Übersiedler (Eingliederungsanpassungsgesetz – EinglAnpG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 31.08.1989 | 22.12.1989 | 01.01.1990 | | - |

No substantial financial impact.

Gesetz zur Reform der gesetzlichen Rentenversicherung (Rentenreformgesetz – RRG 1992)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|-----------|
| 28.04.1989 | 18.12.1989 | 01.01.1992 | S | € 3.16 bn |

The RRG 1992 re-organized the old age insurance. The law consisted of various measures, e.g. the rearrangement of non-contributing periods, the abolishment of supplementary insurance for new cases, the introduction of partial retirement pensions with additional income thresholds, pension adjustments related to net wage developments, prolongation of the recognition of child-raising periods and many others.

The shock size of the law as net financial impact on an annual basis is mainly determined by the net adjustment of the structural reform, which is €-3.99 bn. The value is derived from the cumulative effect of the financial impact listed in the draft of the law in relation to the cumulative GDP development. The remainder consists of various other measures with only small expansionary impacts in sum.

The law was implemented to react to the demographic changes within the society and the following budgetary problems for the old age insurance in the future. The bill also targeted the simplification of the laws regarding the old age insurance. Hence, the motivation is set as structural.

<http://pdok.bundestag.de/extrakt/ba/WP11/1184/118469.html>

Gesetz zur Anpassung von Eingliederungsleistungen für Aussiedler und Übersiedler

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 31.08.1989 | 22.12.1998 | 01.01.1990 | | - |

No substantial financial impact.

Gesetz zur Änderung der Beitragssätze in der gesetzlichen Rentenversicherung und bei der Bundesanstalt für Arbeit (BeitrS. RV/BA ÄndG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|-----------|
| 07.03.1991 | 22.03.1991 | 01.04.1991 | SD | €6.19 bn |
| | | 01.01.1992 | SD | €-0.72 bn |

The law was passed in order to finance the increase in social spending to support workers in unemployment and short-time work in the Neue Länder of Germany in the aftermath of the German reunification. The solution to finance such an increase was the change in the rate of contribution of the statutory pension system, namely a decrease from the 1st of April 1991 of 1 pp to 17.7% and simultaneously a temporary increase in the rate of contribution of the unemployment insurance scheme from 2.5% to 6.8% on the 1st of April 1991 followed by a posterior reduction to 6.3% from the 1st of January 1992. The law is hence spending-driven.

<http://pdok.bundestag.de/extrakt/ba/WP12/950/95037.html>

Gesetz zur Änderung arbeitsförderungsrechtlicher und anderer sozialrechtlicher Vorschriften

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 11.03.1991 | 21.06.1991 | 01.07.1991 | | - |

No substantial financial impact.

Gesetz zur Herstellung der Rechtseinheit in der gesetzlichen Renten- und Unfallversicherung (Renten-Überleitungsgesetz - RÜG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|-----------|
| 29.05.1991 | 25.07.1991 | 01.01.1992 | S | €-3.91 bn |

The goal of this law was to reconcile both the pension system and the accident insurance. To that end and in order to prepare the system to the upcoming modifications in the Rentenreformgesetz 1992,

several spending increases were approved. First, the retirement age in the new Länder was established at 65, which entailed an increase of €1.17 bn; second, an increase in the pensions of the disabled by 50% which meant another increase of €0.65 bn and lastly an increase of dependents' pensions, amounting to €2.09 bn.

Since the law has a long-term character in that it harmonizes the pension and the accident insurance systems, it is categorized as structural.

<http://pdok.bundestag.de/extrakt/ba/WP12/951/95136.html>

Gesetz zur Einführung des passiven Wahlrechts für Ausländer bei den Sozialversicherungswahlen und zur Änderung weiterer Vorschriften

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 03.06.1992 | 10.08.1992 | 15.08.1992 | | - |

No substantial financial impact.

Gesetz über die Rehabilitierung und Entschädigung von Opfern rechtsstaatswidriger Strafverfolgungsmaßnahmen im Beitrittsgebiet

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 15.11.1991 | 29.10.1992 | 04.11.1992 | | - |

No substantial financial impact.

Gesetz zum Schutz des vorgeburtlichen Lebens

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|-----------|
| 14.05.1992 | 27.07.1992 | 05.08.1992 | MS | €-7.92 bn |

This law was passed with the objective of providing more information, advice, social insurance and help to women who find themselves in a conflicting situation when they need to decide whether they go on with a pregnancy or aboard the child. This law entailed an increase in the spending of the Länder, federal government, municipalities and the unemployment insurance of €7.92 bn. Due to the economic context of the deep recession in 1992, the law is categorized as endogenous because of the macroeconomic shock.

<http://pdok.bundestag.de/extrakt/ba/WP12/954/95464.html>

Gesetz zur Aufhebung des Gesetzes über die Errichtung und das Verfahren der Schieds-

stellen für Arbeitsrecht und zur Änderung des AFG

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 06.11.1991 | 20.12.1991 | 29.12.1991 | | - |

No financial impact identifiable.

Gesetz zur Änderung von Förderaussetzungen im Arbeitsförderungsgesetz und in anderen Gesetzen

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|----------|
| 07.09.1992 | 18.12.1992 | 01.01.1993 | C | €2.83 bn |

This law introduced spending and revenues measures in order to foster long-term budget sustainability. These measures included general cuts to integration services for immigrants from Eastern Europe with a German heritage that led to a relief of the benefits paid by the unemployment insurance scheme (€1.53 bn) but increased costs for the federal budget (€-0.51 bn); measures related to individual promoting vocational training and retraining (€0.77 bn), a limit to the amount of funding of the training (€0.28 bn), a transformation of the funding conditions (€0.41 bn), a tightening of the eligibility criteria in promoting vocational rehabilitation (€0.26 bn), the deletion of §40 b AFG – Employment Promotion Act (€0.03 bn), the introduction of a refund claim with respect to wrongly paid health contributions to the unemployment insurance (€0.01 bn), the authorization for the unemployment insurance scheme to introduce a fee when issuing work permits for contract workers (€0.01 bn), measures for the relief of the budget of the unemployment insurance scheme from unemployment costs in some cases (€0.05 bn).

The measures were introduced for reasons of budget consolidation.

<http://pdok.bundestag.de/extrakt/ba/WP12/955/95528.html>

Gesetz zur Umsetzung des Föderalen Konsolidierungsprogramms

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|---------|
| 20.04.1993 | 23.06.1993 | 27.06.1993 | C | €1.3 bn |

This legislation is already in the Uhl (2013) database. The bill introduces a consolidation program, aiming at adjusting the state and the economy to the new conditions and tasks after the reunification. The additional parts of the law with respect to social security are: cuts to child-raising benefits (€0.34 bn), to housing benefits (€0.04 bn), to basic welfare benefits (€0.86 bn) and changes in the Arbeitsförderungsgesetz (€0.07 bn).

Motivation in accordance with Uhl is considered as driven by consolidation needs.

<http://pdok.bundestag.de/extrakt/ba/WP12/959/95955.html>

Gesetz zur Vereinheitlichung der Kündigungsfristen von Arbeitern und Angestellten

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 03.06.1993 | 07.10.1993 | 15.10.1993 | | - |

No substantial financial impact.

Erstes Gesetz zur Umsetzung des Spar-, Konsolidierungs- und Wachstumsprogramms

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|----------|
| 04.09.1993 | 21.12.1993 | 01.01.1994 | MS | €4.17 bn |
| | | 01.04.1994 | MS | €0.2 bn |
| | | 01.06.1995 | MS | €2.0 bn |

The bill introduced cuts to unemployment insurance from 1994 onwards and fixed the contribution rate at 6,5% from 1993 onwards. The draft also mentions a temporary implied increase in costs for basic welfare benefits of €-2 bn, which would be compensated within 1.5 years. Lastly, the bill contained a one-off lump-sum payment to beneficiaries of the statutory accident insurance.

Despite the name of this bill, its motivation is endogenous since the German economy experienced a substantially weaker and unexpected economic development in the first half of 1993. The economy suffered from a deterioration of domestic demand which led to more unemployment and an increase in short-time jobs. This is in line with Uhl (2013)

<http://pdok.bundestag.de/extrakt/ba/WP12/963/96398.html>

Beschäftigungsförderungsgesetz 1994

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 17.05.1994 | 26.07.1994 | 01.08.1994 | | - |

The costs of the bill are neutral.

Gesetz zur Änderung des AFG im Bereich des Baugewerbes

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 17.05.1994 | 20.09.1994 | 29.09.1994 | | - |

No substantial financial impact.

Gesetz zur Vereinheitlichung und Flexibilisierung des Arbeitsrechts

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 13.10.1993 | 06.06.1994 | 01.07.1994 | | - |

No substantial financial impact.

Gesetz über die Aufhebung rechtstaatswidriger Verwaltungsentscheidungen im Beitrittsgebiet die daran anknüpfenden Folgeansprüche

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 19.05.1993 | 23.06.1994 | 01.08.1991 | | - |

No substantial financial impact.

Gesetz zur Änderung des Gesetzes zur Bekämpfung der Schwarzarbeit und zur Änderung anderer Gesetze

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 17.05.1994 | 26.07.1994 | 01.08.1994 | | - |

No financial impact identifiable.

Gesetz zur sozialen Absicherung des Risikos der Pflegebedürftigkeit

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|------------|
| 04.09.1993 | 26.05.1994 | 01.01.1995 | S | € 8.64 bn |
| | | 01.04.1995 | S | € -0.41 bn |
| | | 01.07.1996 | S | € 7.41 bn |
| | | 01.04.2004 | S | € 0.41 bn |

With this law, the Federal Government introduces a new institution in the social security system to deal with long-term care. The contribution rate of the long-term care insurance is first set at 1% for 1995, which in the draft is expected to be increased by 0.7 pp at the beginning of 1996. In the final version of the law, the increase was postponed until the 1st of July 1996. The law also fixes temporary yearly capital expenditures of €0.41 bn from the 1st of April 1995 until the 31st of March 2004. The motivation of the law is clearly structural.

<http://pdok.bundestag.de/extrakt/ba/WP12/963/96387.html>

Gesetz zur Reform der Agrarsozialen Sicherung

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 13.10.1993 | 29.07.1994 | 01.01.1994 | | - |

No substantial financial impact.

Zweites Gesetz zur Umsetzung des Spar-, Konsolidierungs- und Wachstumsprogramms

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 04.09.1993 | 21.12.1993 | 01.01.1994 | | - |

No substantial financial impact.

Verordnung zur Bestimmung der Beitragssätze in der GRV 1994

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|-----------|
| 27.10.1993 | | 1.01.1994 | SD | € 8.76 bn |

This order consisted of two measures. On the one hand, the rate of pension contributions was increased from 17.5% to 19.2% for 1994, meaning a revenue increase of €9.82 bn and on the other hand, pensions were adjusted, which meant a permanent increment in the costs of €1.06 bn. Both measures followed the standing rule in the pension system, thus the motivation is spending-driven.

https://www.gesetze-im-internet.de/bsv_1994/BJNR198700993.html

Verordnung zur Bestimmung des Beitragssatzes 1995

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|----------|
| 20.07.1994 | | 01.01.1995 | SD | €-4.5 bn |

This order reduced the contribution rate of the statutory pension insurance scheme (gesetzliche Rentenversicherung) from 19.2% to 18.6%, which implied a reduction of the revenues in the amount of €4.5 bn. The order was enforced by the standing rule in the pension system in the case of reduced costs, thus the motivation is spending-driven.

https://www.gesetze-im-internet.de/bsv_1995/BJNR343800994.html

Gesetz zur Anpassung arbeitsrechtlicher Bestimmungen an das EG-Recht

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 02.03.1995 | 20.07.1995 | 28.07.1995 | | - |

No substantial financial impact.

Zweites Gesetz zur Änderung des Arbeitsförderungsgesetzes im Bereich Baugewerbe

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 24.10.1995 | 15.12.1995 | 01.01.1996 | | - |

No substantial financial impact.

Verordnung zur Bestimmung der Beitragssätze 1996

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|-----------|
| 02.11.1995 | | 01.01.1996 | SD | € 4.76 bn |

This order increased the rate of contribution from 18.6% to 19.2% for 1996, meaning a revenue increase of € 4.76 bn. As the standing rule required an increase in contribution rates following increased costs, the motivation of the legislation is spending-driven

https://www.gesetze-im-internet.de/bsv_1996/BJNR158400995.html

Gesetz zur Reform des Rechts der Arbeitslosenhilfe

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 27.11.1995 | 24.06.1996 | 01.04.1996 | | - |

No substantial financial impact.

Gesetz zur Änderung des SGB VI und anderer Gesetze

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 05.12.1995 | 28.10.1996 | 01.01.1996 | | - |

No substantial financial impact.

Gesetz zur Förderung eines gleitenden Übergangs in den Ruhestand

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|------------|
| 15.04.1996 | 27.03.1996 | 01.08.1996 | S | € -0.15 bn |
| | | 01.01.1998 | S | € 2.81 bn |
| | | 01.01.1999 | S | € -0.66 bn |

The practice of the early retirement in Germany led to increasing costs for the unemployment and pension insurance scheme. The law thus introduced the possibility of a smoothing retirement, enabling

the introduction of shorter hours for early retirees. The expected financial impacts of the law show a negative effect on the budget of the social security institutions for the first years after its implementation, yet the financial impacts after full implementation are calculated with the expected positive final impact.

It is argued that the early retirement practice in its former form endangered the future stability of the social security system, thus the law is categorized as a structural measure.

<http://pdok.bundestag.de/extrakt/ba/WP13/627/62707.html>

Arbeitsrechtliches Beschäftigungsgesetz

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 10.05.1996 | 25.09.1996 | 01.10.1996 | | - |

No substantial financial impact.

Gesetz über zwingende Arbeitsbedingungen bei grenzüberschreitenden Dienstleistungen

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 25.09.1995 | 26.02.1996 | 01.03.1996 | | - |

No financial impact identifiable.

Gesetz zur Entlastung der Beiträge in der gesetzlichen Krankenversicherung (Beitragsentlastungsgesetz - BeitrEntlG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|------------|
| 10.05.1996 | 01.11.1996 | 01.01.1997 | RD | € 5.08 bn |
| | | 01.01.1998 | MS | € -0.64 bn |

The goal of the law was the reduction of the expenses of the statutory pension scheme, which would then enable a reduction of its rate of contribution. The measures implemented were reduction in expenses (€3.14 bn), the consolidation of parts of pension finances, which was temporary (€0.64 bn), the limitation of management fees (€0.08 bn) and a reduction of costs for in-patient treatment (€1.23 bn). Since the law was explicitly motivated by reduction in contribution rates, while these could not be identified in the narrative, it is given a revenue-driven motivation.

<http://pdok.bundestag.de/extrakt/ba/WP13/629/62949.html>

Verordnung zur Bestimmung der Beitragssätze 1997

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|----------|
| 22.11.1996 | | 01.01.1997 | SD | €3.78 bn |

This order increased the rate of pension contributions from 19.2% to 20.3% for 1997, meaning a revenue increase of € 3.78 bn. The order was forced by increased costs, thus a spending-driven motivation applies.

https://www.gesetze-im-internet.de/bsv_1997/BJNR208500996.html

Gesetz zur Einordnung des Rechts der gesetzlichen Unfallversicherung in das Sozialgesetzbuch

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 24.08.1995 | 07.08.1996 | 21.08.1996 | | - |

No substantial financial impact.

Gesetz zur Umsetzung der EG-Rahmenrichtlinie Arbeitsschutz und weiterer Arbeitsschutz-Richtlinien

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 22.01.1996 | 07.08.1996 | 21.08.1996 | | - |

No financial impact identifiable.

Gesetz zur Umsetzung des Programms für mehr Wachstum und Beschäftigung in den Bereichen der Rentenversicherung und Arbeitsförderung (Wachstums- und Beschäftigungsförderungsgesetz - WFG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|-----------|
| 10.05.1996 | 01.01.1997 | 01.10.1996 | S | €1.02 bn |
| | | 01.01.1997 | S | €3.89 bn |
| | | 01.01.1998 | S | €-0.56 bn |
| | | 01.01.1999 | S | €-0.2 bn |

The draft 13/4610 announces the adjustment and reduction of costs in the pension system and the promotion of jobs through limits on non-wage labor costs. The measures implemented on the side of the statutory pension system were to accelerate the increase in the retirement age for early retirement to 65 years (€1.28 bn), restrictions on benefits not based on contribution payments (€1.28 bn), returning the expenditure for rehabilitation to the level of 1993 (€1.18 bn), abolition of the co-payment of spa treatments (€0.10 bn), raising contributions of students (€0.26 bn), postponing reimbursement of con-

tributions by two years (€0.20 bn), more timely retroactive insurance for former soldiers (€0.23 bn), earlier monthly date for payment of contributions (€1.02 bn) and to subsidize pension contributions of short-term unemployed (€-0.20 bn). Additional measures introduced were an acceleration of arrear payments (€0.26 bn), which had a temporary impact, lowering subsidies for vocational rehabilitation services (€0.26 bn) and a one-year moratorium of the increase in wage replacement benefits, with an impact of €0.08 bn.

The draft of this law states clearly that its goals are pushing potential growth and creating jobs. The motivation is therefore structural.

<http://pdok.bundestag.de/extrakt/ba/WP13/629/62941.html>

Gesetz über Europäische Betriebsräte

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 05.06.1996 | 28.10.1996 | 01.11.1996 | | - |

No substantial financial impact.

Gesetz zur Stabilisierung der Krankenhausaussgaben

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 22.11.1995 | 29.04.1996 | 01.01.1996 | | - |

No substantial financial impact.

8. SGB-V-ÄndG

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 06.02.1996 | 28.10.1996 | 31.10.1996 | | - |

No substantial financial impact.

1.SGB-XI-ÄndG

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 06.02.1996 | 14.06.1996 | 25.06.1996 | | - |

No substantial financial impact.

Gesetz zur Reform des Sozialhilferechts

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 27.09.1995 | 23.07.1996 | 01.08.1996 | | - |

No financial impact identifiable.

Gesetz zur Änderung Ladenschluß und Neuregelung Bäckereien und Konditoreien

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 28.03.1996 | 30.07.1996 | 01.11.1996 | | - |

No substantial financial impact.

6. SGB-V-ÄndG

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 05.12.1996 | 28.10.1996 | 01.01.1996 | | - |

No substantial financial impact.

Gesetz zur Reform des Arbeitsförderungsgesetz

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|-----------|
| 01.10.1996 | 24.03.1997 | 01.01.1997 | S | € 3.78 bn |
| | | 01.01.1998 | S | € 2.98 bn |
| | | 01.01.1999 | S | € 1.43 bn |

The goals of the bill are the following: to improve employment opportunities of the unemployed and prevent unemployment, to increase the efficiency and effectiveness of the BA, to fight against illegal employment, to develop the Employment Promotion Law and to relief contributors. To that end, most of the measures introduced cuts in the spending of both the unemployment insurance and the federal budget. The Table of the draft from the SPD Drucksache 13/4941 on page 255 provides the financial impact per measure after full implementation.

The motivation of the bill is clearly structural.

<http://pdok.bundestag.de/extrakt/ba/WP13/635/63537.html>

Gesetz zur Förderung der ganzjährigen Beschäftigung im Baugewerbe

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 24.06.1997 | 22.10.1997 | 01.11.1997 | | - |

No substantial financial impact.

Erstes Gesetz zur Änderung des Drittes Buches Sozialgesetzbuch

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 01.10.1997 | 16.12.1997 | 01.01.1998 | | - |

No financial impact identifiable.

Gesetz zur Reform der gesetzlichen Rentenversicherung (Rentenreformgesetz 1999 - RRG 1999)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|-----------|
| 24.06.1997 | 16.12.1997 | 01.01.1998 | S | €-1.72 bn |
| | | 01.01.2000 | S | €-1.64 bn |

The draft announced to reduce the rate of contribution of the pension fund system by 2.9% during the following years, yet there is no confirmation of such a reduction having been implemented. On the other hand, the law introduces increased spending for child-rearing periods (€-1.72 bn). Moreover, the reform of pension eligibility criteria leads to a stronger utilization of the unemployment insurance and long-term unemployment benefits (€-1.64 bn). The law is linked to the “Gesetz zur Finanzierung eines zusätzlichen Bundeszuschusses zur gesetzlichen Rentenversicherung”, which is part of the Uhl (2013) narrative. Uhl deemed those parts of the latter law that were linked to the measures of the Rentenreformgesetz as spending-driven. Since our narrative provides the missing information, we change the motivation of the tax shock to structural.

As the law aims at an overhaul of the long-term sustainability of the pension system, the motivation is structural.

<http://pdok.bundestag.de/extrakt/ba/WP13/656/65676.html>

Jahressteuergesetz 1997

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|----------|
| 26.08.1996 | 20.12.1996 | 01.01.1997 | S | €0.19 bn |

Most of the measures referred to changes in taxes – the suspension of the wealth tax and the changes in the income tax. The bill also introduced incentives to simplify the procedures of domestic employment for workers, inducing a yearly revenue impact of €0.19 bn. This impact is way below threshold, but we include it to complete the shocks in Uhl (2013) referring to the same law.

As Uhl (2013) argues, the motivation of this law is straightforward, since the draft mentioned the need to implement structural measures that would boost domestic output.

<http://pdok.bundestag.de/extrakt/ba/WP13/627/62708.html>

Erstes GKV-Neuordnungsgesetz

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 08.10.1996 | 23.06.1997 | 01.07.1997 | | - |

No substantial financial impact.

Zweites Gesetz zur Neuordnung von Selbstverwaltung und Eigenverantwortung in der gesetzlichen Krankenversicherung (2.GKV-Neuordnungsgesetz - 2.GKV-NOG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|----------|
| 12.11.1996 | 26.03.1997 | 01.07.1997 | C | €1.02 bn |

The law is concerned with stabilizing the financial situation of the public health insurance. After the expiration of the Stabilisation Act 1996 the administrative court considered that the future public health expenses would jeopardize the stability of the contribution rate of the GKV and thus decided to introduce out of pocket payments for certain aids, leading to public spending cuts (€1.02 bn).

Motivation is straightforward. It driven by consolidation requirements.

<http://pdok.bundestag.de/extrakt/ba/WP13/640/64029.html>

Gesetz zur sozialen Absicherung flexibler Arbeitszeitregelungen

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 09.02.1998 | 06.04.1998 | 01.01.1998 | | - |

No substantial financial impact.

Erstes Gesetz zur Anpassung der Bedarfssätze der Berufsausbildung

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 12.03.1998 | 25.06.1998 | 01.01.1999 | | - |

No substantial financial impact.

Gesetz zur Änderung des Bürgerlichen Gesetzbuches und des Arbeitsgerichtsgesetzes

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 30.03.1998 | 29.06.1998 | 03.07.1998 | | - |

No substantial financial impact.

Gesetz zur Korrekturen in der Sozialversicherung und zur Sicherung der Arbeitnehmerrechte

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|-----------|
| 17.11.1998 | 19.12.1998 | 01.01.1999 | S | €0.82 bn |
| | | 01.04.1999 | S | €-5.98 bn |
| | | 01.07.1999 | S | €-0.92 bn |
| | | 01.01.2001 | S | €0.92 bn |

The measures included in this bill consisted of the abandonment of the demographic factor in the pension system until the 31st of December 2000 (€-0.92 bn), the inclusion of fake self-employed workers in the compulsory pension insurance (€0.82 bn), a general cost reduction for the pension system (€0.26 bn) as well as a lowering of the rate of contribution, which implied a decrease in the revenues of €6.24 bn.

The law points to a need to lower the non-wage labour costs which have become very high and burden the labour market, hence the law is labeled structural. This law is closely linked to the “Gesetz zum Einstieg in die ökologische Steuerreform”, which is in the Uhl (2013) dataset. Uhl categorized the Gesetz zum Einstieg in die ökologische Steuerreform as a spending driven measure, since it was partially approved to enable a reduction in social insurance contributions. Since we provide the missing narrative information, we can change the tax shock to a structural change in line with our assessment.

<http://pdok.bundestag.de/extrakt/ba/WP14/438/43830.html>

1.SGB-III-ÄndG

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 01.10.1997 | 16.12.1997 | 01.01.1998 | | - |

No financial impact identifiable.

Erstes Gesetz zur Änderung des Medizinproduktegesetzes

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 20.04.1998 | 06.08.1998 | 11.08.1998 | | - |

No substantial financial impact.

Gesetz zur Stärkung der Solidarität in der GKV

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 09.11.1998 | 19.12.1998 | 01.01.1999 | | - |

No substantial financial impact.

Gesetz zur Stärkung der Finanzgrundlagen der GKV in den neuen Ländern

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 09.12.1997 | 24.03.1998 | 01.01.1999 | | - |

No substantial financial impact.

Entlassungentschädigungs-Änderungsgesetz (EEÄndG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 22.02.1999 | 24.03.1999 | 01.04.1999 | | - |

No substantial financial impact.

Gesetz zur Neuregelung der geringfügigen Beschäftigungsverhältnisse

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|-----------|
| 19.01.1999 | 24.03.1999 | 01.04.1999 | S | € 2.61 bn |

The goal of the law is to improve the social and working conditions of marginal employment. In order to do that, and apart from tax changes, the employer is forced to pay 10% to the statutory health insurance (€1.15 bn) and 12% to the statutory pension system (€1.46 bn).

The motivation is straightforward. The law is structurally motivated. The law is already in the Uhl (2013) dataset. Uhl categorized those tax shocks as spending driven. Since we provide the missing narrative information, we can change the tax shock to a structural change in line with our assessment.

<http://pdok.bundestag.de/extrakt/ba/WP14/452/45205.html>

Zweites Gesetz zur Änderung des Dritten Buches Sozialgesetzbuch

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 30.04.1999 | 21.07.1999 | 01.08.1999 | | - |

No substantial financial impact.

Gesetz zur Neuregelung der Förderung der ganzjährigen Beschäftigung in der Bau-

wirtschaft

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 29.09.1999 | 23.11.1999 | 01.01.1999 | | - |

No substantial financial impact.

Gesetz zur Fortentwicklung der Altersteilzeit

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 20.10.1999 | 20.12.1999 | 01.01.2000 | | - |

No financial impact identifiable.

Gesetz zur Förderung der Selbständigkeit

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 26.10.1999 | 20.12.1999 | 01.01.1999 | | - |

No substantial financial impact.

Gesetz zur Sanierung des Bundeshaushalts (Haushaltssanierungsgesetz - HSanG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|-----------|
| 31.08.1999 | 02.12.1999 | 01.01.2000 | C | € 8.42 bn |

The deficit of the federal government grew above the 3% threshold (€40.9 bn). The government presented a long-term plan, which was put into force through the implementation of consolidation measures concerning mainly changes in taxes, but changes in social spending as well that amounted to €8.42 bn.

Due to its long-term approach and its goal of reducing the deficit, this bill is categorized as a consolidation measure.

<http://pdok.bundestag.de/extrakt/ba/WP14/519/51990.html>

Gesetz zur Bekämpfung der Arbeitslosigkeit Schwerbehinderter (SchwbBAG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 23.06.2000 | 29.09.2000 | 01.10.2000 | | - |

No substantial financial impact.

Gesetzes zur Einführung des Euro im Sozial- und Arbeitsrecht sowie zur Änderung anderer Vorschriften

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 24.10.2000 | 21.12.2000 | 01.01.2001 | | - |

No substantial financial impact.

Gesetz zur Neuordnung seuchenrechtlicher Vorschriften (Seuchenrechtsneuordnungsgesetz – SeuchRNeuG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 19.01.2000 | 20.07.2000 | 01.01.2001 | | - |

No substantial financial impact.

Gesetz zur Neuregelung der sozialversicherungsrechtlichen Behandlung von einmalig gezahltem Arbeitsentgelt (Einmalzahlungs-Neuregelungsgesetz)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|-----------|
| 24.10.2000 | 1.12.2000 | 01.01.2001 | S | €-2.05 bn |
| | | 22.06.2000 | S | €-0.41 bn |
| | | 01.04.2001 | S | €0.77 bn |

The law includes one-off wage payments (e.g. bonuses like Christmas bonus) in the basis for assessment of unemployment benefits (ALG1, SGB3), sickness benefits (SGB5), interim allowances (SGB6) and injury benefits (SGB7).

The law was introduced to fulfill some rulings of the federal court of justice of 1998 and early 2000. However, the ruling of the court only stated that the law needed to be introduced up until 30.06.2001 and 01.01.2001 respectively. So even if there was an announcement by the court of justice to rule out the existing law, it was not clear then, what rule would follow and when. It is thus plausible to use the draft date as announcement.

Parts of the law (Art2) regarding sickness benefits were paid retroactively from 22.06.2000 already. Since the law follows a ruling of the court, it is structurally motivated.

<http://pdok.bundestag.de/extrakt/ba/WP14/492/49268.html>

Gesetz zur Reform der Renten wegen verminderter Erwerbsfähigkeit

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 09.10.2000 | 20.12.2000 | 01.01.2001 | | - |

No substantial financial impact.

Gesetz zur Verbesserung der Zusammenarbeit von Arbeitsämtern und Trägern der Sozialhilfe

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 04.07.2000 | 20.11.2000 | 01.12.2000 | | - |

No substantial financial impact.

Gesetz zur Vereinfachung und Beschleunigung des arbeitsrechtlichen Verfahrens

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 23.03.1999 | 30.03.2000 | 01.05.2000 | | - |

No substantial financial impact.

Zweites Gesetz zur Fortentwicklung der Altersteilzeit

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 10.04.2000 | 27.06.2000 | 01.07.2000 | | - |

No substantial financial impact.

Drittes Gesetz zur Änderung des Bundeserziehungsgeldgesetzes

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 07.06.2000 | 12.10.2000 | 01.01.2001 | | - |

No substantial financial impact.

Gesetz zur Reform der gesetzlichen Rentenversicherung und zur Förderung eines kapitalgedeckten Altersvorsorgevermögens (Altersvermögensgesetz – AVmG) und Gesetz zur Ergänzung des Gesetzes zur Reform der gesetzlichen Rentenversicherung und zur Förderung eines kapitalgedeckten Altersvorsorgevermögens (Altersvermögensergänzungsgesetz – AVmEG) und Gesetz über eine bedarfsorientierte Grundsicherung im Alter und bei Erwerbsminderung (Grundsicherungsgesetz, GSiG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------------|--------------|-----------------------------|------------|----------|
| 14.11.2000 | 29.06.2001 | 01.07.2002 (AVmG, AVmeG) | S | €1.28 bn |
| (SPDGrüen wie in | (AVmG, GSiG) | 01.01.2003 (GSiG) | S | €-0.4 bn |
| Uhl (2013), | 26.03.2001 | 01.07.2003 | S | €1.31 bn |
| DS 14/4595) | (AVmEG) | 01.07.2004 | S | €1.33 bn |
| | | 01.07.2005 | S | €1.33 bn |
| | | 01.07.2006 | S | €1.34 bn |
| | | 01.07.2007 | S | €1.35 bn |
| | | 01.07.2008 | S | €1.36 bn |
| | | 01.07.2009 | S | €1.39 bn |

According to the Beschlussempfehlung (DS 14/5146) the law was split into two parts, the AVmG with the GSiG, which had to be approved by the Bundesrat and the AVmEG without an impact on the Länder.

The law had substantial impact on tax deductions to promote private pensioning and these financial impacts are already in the Uhl (2013) shock series. Effectively, the following changes to the statutory pension system counterbalanced the tax allowances for private pensions introduced by the law.

However, the law also changed the path of pension payments by de-indexing them from inflation towards an indexing on a modified version of gross labor income diminished by the Altersvorsorgeanteil (AVA), the share of income that workers should save privately for their pension with the implementation of the reform. According to the draft these changes amounted to a flatter increase of pensions by 5 pp in 2010. This is equivalent to a shock of 0.63 pp of lower pension increases each year in 8 steps from 2002 to 2009, as verified by another source:

http://www.sozialpolitik-aktuell.de/tl_files/sozialpolitik-aktuell/_Politikfelder/Alter-Rente/Dokumente/2010_06_03%20Anpassungsfaktoren.pdf

In the first year of implementation 2002 this amounts to only €1.28 bn, but the value increases each year and the full effect in 2009 is €10.68 bn. This is a phasing-in shock.

The path was later changed by 2 other laws, namely the RV-Nachhaltigkeitsgesetz and the Gesetz zur Rentenanpassung 2008 and we record these shocks as well. (source: <http://www.portal-sozialpolitik>.

de/uploads/sopo/pdf/2013/2013-04-03-Die_Anpassung_der_Renten_2003_bis_2013_PS.pdf)

An additional measure, the so-called Ausgleichsfaktor which should have reduced pension levels in the future by a substantial amount of 6 pp in the long run, did not come into effect, as the Beschlussempfehlung clarifies (DS 14/5146).

We follow Uhl (2013) in giving the law a structural motivation.

<http://pdok.bundestag.de/extrakt/ba/WP14/563/56399.html>

Gesetz über eine bedarfsorientierte Grundsicherung im Alter und bei Erwerbsminderung (Grundsicherungsgesetz, GSiG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 24.01.2001 | 24.01.2001 | 01.01.2003 | | - |

This law is part of the above Altersvermögensgesetz.

Beitragsatzverordnung 2001 (V. v. 21.12.2000 BGBl. I S. 1877; 2001 I 260; Geltung ab 01.01.2001)

| Draft | Publication | Implementation | Motivation | Impact |
|-------|-------------|----------------|------------|-----------|
| | 21.12.2000 | 01.01.2001 | S | €-1.71 bn |

The order decreased the contribution rate to the pension fund system by 0.2 pp in accordance with the Haushaltssanierungsgesetz 1999 (BGBl. 2534) (HSanG 1999), which gave the administration control over the contribution rate within the limits of §287 stating that the contribution rate has to take care of meeting a stable buffer stock. As the measure is based on the HSanG 1999 it should have the same motivation. Yet the measure is expansionary, so a consolidation-motivation would be misleading. Thus, we opt for a structural motivation.

https://www.gesetze-im-internet.de/bsv_2001/_2.html

Gesetz zur Anpassung der Regelungen über die Festsetzung von Festbeträgen für Arzneimittel in der gesetzlichen Krankenversicherung (Festbetrags-Anpassungsgesetz – FBAG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 14.05.2001 | 27.07.2001 | 03.08.2001 | | - |

No substantial financial impact.

Gesetz zur Ablösung des Arznei- und Heilmittelbudgets

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 19.06.2001 | 19.12.2001 | 31.12.2001 | | |

No substantial financial impact.

Gesetz zur Eindämmung illegaler Betätigung im Baugewerbe

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 16.11.2000 | 30.08.2001 | 31.08.2001 | | |

No substantial financial impact.

Gesetz zur Reform der arbeitsmarktpolitischen Instrumente (Job-AQTIV-Gesetz)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 24.09.2001 | 10.12.2001 | 01.01.2002 | | - |

No substantial financial impact.

Gesetz zur Reform und Verbesserung der Ausbildungsförderung– Ausbildungsförderungsreformgesetz (AföRG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 24.11.2000 | 19.03.2001 | 01.04.2001 | | - |

No substantial financial impact (about 1bn=0.05% GDP).

Gesetz zur Verbesserung des Hinterbliebenenrentenrechts

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 15.05.2001 | 17.07.2001 | 18.07.2001 | | - |

No substantial financial impact .

Sozialgesetzbuch - Neuntes Buch - (SGB IX) Rehabilitation und Teilhabe behinderter Menschen

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 16.01.2001 | 22.06.2001 | 01.07.2001 | | - |

No substantial financial impact.

Zweites Gesetz zur Änderung und Ergänzung des Anspruchs- und Anwartschaftsüberführungsgesetzes

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 23.03.2001 | 27.07.2001 | 01.05.1999 | | - |

No substantial financial impact (about 1bn=0.05% GDP temporary and about 0.4 bn permanently), retroactive implementation.

Bekanntmachung der Neufassung des Betriebsverfassungsgesetzes

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 02.04.2001 | 25.09.2001 | 25.09.2001 | | - |

No substantial financial impact.

Bekanntmachung der Neufassung des Zehnten Buches Sozialgesetzbuch

| Draft | Publication | Implementation | Motivation | Impact |
|-------|-------------|----------------|------------|--------|
| ? | 18.01.2001 | 18.01.2001 | | - |

No substantial financial impact.

Gesetz zur Änderung des Bundesversorgungsgesetzes

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 09.11.2001 | 16.04.2002 | 17.04.2002 | | - |

No substantial financial impact.

Gesetz zur Qualitätssicherung und zur Stärkung des Verbraucherschutzes in der Pflege

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 23.02.2001 | 22.06.2001 | 01.01.2002 | | - |

No substantial financial impact.

Gesetz zur Ergänzung der Leistungen bei häuslicher Pflege von Pflegebedürftigen mit erheblichem allgemeinem Betreuungsbedarf

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 17.10.2001 | 14.12.2001 | 01.01.2002 | | - |

No substantial financial impact.

Gesetz zur Bestimmung der Schwankungsreserve in der Rentenversicherung der Arbeiter und der Angestellten

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 06.11.2001 | 20.12.2001 | 01.01.2002 | | - |

The law decreased the lower limit of the buffer stock of the pension system in order to prevent an increase in the contribution rate. According to our general procedure (only counting effective changes to spending and revenues) and to the prevailing uncertainty about what measure would be implemented, the lowering of the buffer stock cannot be interpreted as a shock. After all, no change to private sector disposable income took effect.

<http://pdok.bundestag.de/extrakt/ba/WP14/566/56633.html>

Arbeitslosenhilfeverordnung

| Draft | Publication | Implementation | Motivation | Impact |
|-------|-------------|----------------|------------|--------|
| ? | 20.12.2001 | 01.01.2002 | | - |

The order changed the limits for allowances for private wealth for means-testing regarding long-term unemployment benefits (former Arbeitslosenhilfe, now ALG II). The order closed down exemptions for some categories of wealth while lifting those for old age precautionary savings. However, on average the level of allowances was lowered, and thus overall benefits should shrink such that a contractionary impulse should be expected. However, orders do not require a calculation of the financial impact. Therefore we have to classify the order as having no substantial financial impact.

Gesetz zur Einführung des diagnose-orientierten Fallpauschalensystems für Krankenhäuser (Fallpauschalengesetz – FPG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 12.11.2001 | 23.04.2002 | | | - |

No substantial financial impact.

Gesetz zur Änderung der Vorschriften zum diagnose-orientierten Fallpauschalensystem für Krankenhäuser (Fallpauschalenänderungsgesetz – FPÄndG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 17.03.2003 | 17.07.2003 | | | - |

No substantial financial impact.

Erstes und Zweites Gesetz für moderne Dienstleistungen am Arbeitsmarkt (Hartz 1+2)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|----------|
| 05.11.2002 | 23.12.2002 | 01.01.2003 | S | €6.46 bn |

Both laws were introduced and announced coevally. The fiscal impact described is based on the very same measures. Thus we treat both laws as one. The laws introduced numerous budget cuts for the Bundesanstalt für Arbeit and the federal budget.

The motivation of the law can be deemed structural when reading the draft, as they claim efficiency gains. However, the Hartz reforms were announced by the time when the German economy was rather weak and motivated by consolidation/structural efforts and vast unemployment at the same time. The draft says on page 25 that the recession demands budget cuts. In fact this is a procyclical motivation.

Since the Zweites Gesetz für moderne Dienstleistungen am Arbeitsmarkt is in the Uhl (2013) dataset we treat the law as structurally motivated, in accordance with Uhl (2013).

<http://pdok.bundestag.de/extrakt/ba/WP15/332/33258.html> <http://pdok.bundestag.de/extrakt/ba/WP15/343/34358.html>

Gesetz zur Sicherung der Beitragssätze in der gesetzlichen Krankenversicherung und in der gesetzlichen Rentenversicherung (Beitragssatzsicherungsgesetz)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|----------|
| 05.11.2002 | 23.12.2002 | 01.01.2003 | C | €7.27 bn |

The law introduced some expenditure cuts in health costs amounting to about €3 bn. Moreover, an increase in the contribution rate to the pension system of 0.4 was decided. This is below the increase of 0.8 pp that would have been necessary according to the ruling of the HSanG 1999, which demands that the receipts of the pension system cover expenditures such that the buffer stock is constant year-on-year. The remainder to close the gap was financed by raising the contribution cap for high earners and by lowering the buffer stock. The draft claims that raising the contribution rate less than what would have been necessary reflects an expansionary measure. It is not straightforward to decide whether this reasoning is plausible. It depends on whether households and firms would have anticipated the rise in the contribution rate or not. Some newspapers reported on the inevitable rise in the contribution rate, drawing on forecasts by the Schätzerkreis Rentenversicherung. FAZ reported on a necessary rise of about 0.4 pp in May 2002. <http://www.faz.net/aktuell/wirtschaft/renten-rentenbeitrag-wird-doch-steigen-1103708.html>. This number increased during the year. In that sense, it seems plausible

to argue that the private sector may have anticipated the rise and may be eased by the milder increase. On the other hand, the definite change that was decided was an increase in the rate. Up to this point there was much uncertainty, how large the gap would be and through which measures it would be closed. Therefore, in line with our general decision we regard the very change in the rate as a shock and not the attenuation of the possible increase. We had to calculate the financial impact of the increase of the contribution rate by 0.4 pp on our own. We used the data by the Deutsche Rentenversicherung to calculate the financial impact of a 1 pp increase to be about €8.6 bn from 2002 to 2003. A rate increase of 0.4 pp thus equals €3.443 bn. These numbers are very much in line with the draft's calculation that the attenuation of the rate increase (not 0.8 but 0.4 pp) would save the private sector some €3.4 bn disposable income. There are some additional changes. The increase of the cap will bring some additional €1 bn, and there are some tiny changes to revenues and expenditures of the pension system of farmers.

Deciding on a motivation does not appear to be straightforward. In line with a motion for resolution by one of the parties of the opposition (FDP), the draft holds bad economic performance of the German economy and the world economy responsible for the need for action. On the other hand, the law is part of a bigger bundle of social reforms (Agenda 2010, Hartz Reforms), announced and implemented at the same time that had an overall structural or consolidation motivation. In view of the econometric reasoning for choosing a narrative approach to solve the identification problem, it would be inconsistent to take only some of the laws with an equal implementation/announcement date to be driven by macroeconomic circumstances, while others are given an exogenous motivation. Thus, we consider the law to be motivated by consolidation efforts in line with the other laws.

<http://pdok.bundestag.de/extrakt/ba/WP15/346/34667.html>

Zwölftes Gesetz zur Änderung des Fünften Buches Sozialgesetzbuch

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|-----------|
| 05.11.2002 | 17.06.2003 | 17.06.2003 | C | €0.25 bn |
| | | 01.01.2004 | C | €-0.25 bn |

The law announced two major changes: 1. a transitory cap to administrative costs of health insurance funds in 2003 amounting to savings of €0.2 to 0.3 bn. 2. a price fixing for patented pharmaceuticals that should save some 10% of annual turnover of this market (which should have been about €11 bn in 2003, according to a secondary source (Wissenschaftliches Institut der AOK 2011) so the cut would have been about €1.1 bn) However, the price fixing wasn't realized after all, since the Bundesrat (federal council)

did not pass that part of the bill. Thus, only the cap to administrative costs was enacted. Thus only a small shock is left. However, since the law was in fact co-introduced with the Gesetz zur Sicherung der Beitragssätze, we add the temporary shock.

The motivation should be in line with the former law. It is driven by consolidation needs.

<http://pdok.bundestag.de/extrakt/ba/WP15/289/28957.html>

Drittes Gesetz für moderne Dienstleistungen am Arbeitsmarkt (Hartz 3)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|----------|
| 01.10.2003 | 23.12.2003 | 01.01.2004 | S | €0.18 bn |

In general, the law restructured the Bundesagentur für Arbeit. The law also had a minor financial impact due to changes to unemployment benefits. We nevertheless included it as it is part of the substantial Hartz laws.

Regarding motivation, the same ambiguous reasoning is given as in the drafts of Hartz 1+2. The Hartz reforms were announced by the time when the German economy was rather weak and motivated by consolidation/structural efforts and vast unemployment at the same time. The draft on page 1 states that due to bad cyclical conditions and structural problems reforms to the system of unemployment benefits are necessary. As with the other Hartz laws, we opt for a structural motivation.

<http://pdok.bundestag.de/extrakt/ba/WP15/373/37304.html>

Viertes Gesetz für moderne Dienstleistungen am Arbeitsmarkt (Hartz 4)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|---------|
| 01.10.2003 | 23.12.2003 | 01.01.2005 | S | €4.2 bn |

The law introduced major restructurings to responsibilities regarding the payment of long term unemployment benefits and housing benefits between the federal state and the municipalities. The main financial impact came through cutting these benefits at the same time. In the draft the the law was announced to come into effect by July 2004, thus all calculations in the draft regarding financial impact started in 2004. However, the law was only implemented in January 2005 such that we only referred to the financial impact starting from 2005 onwards. Calculations in the draft for half of the year of 2004 basically gave half of the financial impact of the full year 2005, so no structural difference occurs from our choice. According to the draft the overall effect was €6.5 in 2007 onwards. However, these calculations included assumptions about the medium term success of the program to bring down unemployment

rates. We thus focused on the figures according to the first year of full implementation, which is 2005. These figures summed up to €4.2 bn.

The Hartz reforms were announced by the time when the German economy was rather weak and motivated by consolidation/structural efforts and vast unemployment at the same time. The draft on page 1 states that due to bad cyclical conditions and structural problems reforms to the system of unemployment benefits are necessary. As with the other Hartz laws, we opt for a structural motivation.

<http://pdok.bundestag.de/extrakt/ba/WP15/348/34819.html>

Gesetz zu Reformen am Arbeitsmarkt

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|---------|
| 02.09.2003 | 30.12.2003 | 01.01.2004 | S | €1.1 bn |

The law is connected to the bunch of laws of the Hartz reforms. Besides changes to dismissals protection without a financial shock, it lowered the time period during which beneficiaries are eligible for short term unemployment benefits from 32 months 12 or 18 month respectively.

As with the other Hartz laws, we opt for a structural motivation.

<http://pdok.bundestag.de/extrakt/ba/WP15/346/34605.html>

Gesetz zur Einordnung des Sozialhilferechts in das Sozialgesetzbuch

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 01.10.2003 | 27.12.2003 | 01.01.2005 | S | €0.06 |

The law is connected to the bunch of laws of the Hartz reforms. The net financial impact is rather small but it can be considered as part of the other Hartz laws. In general, the law streamlines some redundant or intransparent rulings regarding social benefits. The benefits for long-term unemployed are indexed to pensions and, every five years, calibrated to a periodic statistic (Einkommens- und Verbrauchsstichprobe, EVS) that helps to calculate the sociocultural subsistence level in Germany.

As with the other Hartz laws, we opt for a structural motivation.

<http://pdok.bundestag.de/extrakt/ba/WP15/356/35626.html>

Gesetz über die Berufe in der Krankenpflege und zur Änderung anderer Gesetze

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 25.10.2002 | 16.10.2003 | 01.01.2004 | | - |

No substantial financial impact.

Gesetz zur Modernisierung der gesetzlichen Krankenversicherung (GKV-Modernisierungsgesetz – GMG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|-----------|
| 08.09.2003 | 14.11.2003 | 01.01.2004 | C | € 3.69 bn |
| | | 01.01.2005 | C | € 3.5 bn |

The law introduced substantial changes to spending and revenues of health insurance. Some benefits had to be paid completely out of pocket afterwards, amounting to a decrease in transfers of € 2.5 bn; for some (pharmaceuticals) co-payments were increased, and access fees were introduced, lowering transfers by € 3.2 bn in general; moreover co-payments for dental prosthesis were introduced, amounting to consolidation of € 3.5 bn from 2005 on. Pensioners now had to pay contribution rates to health insurance, amounting to an increase in contributions of € 1.6 bn. Some structural savings were identified that by and large should freeze or lower prices of pharmaceuticals and administrative costs, amounting to € 2 bn in 2005. The draft announces a temporary investment in smartcards and related infrastructure for all insureds, amounting to € 0.7 bn in 2006. However, introduction was postponed in 2005 due to concerns of data security. A special increase in the contribution rate of 0.5 pp effective January 2006, targeted at employees was set up, such that parity of contributions was effectively given up and the burden of additional contributions was shifted towards employees. The measure was later increased to 0.9pp and pulled forward by the Gesetz zur Anpassung der Finanzierung von Zahnersatz. As the measure was intended to lower the “normal” contribution rate and merely shifts the burden between employees and employers, there is no direct net effect on the private sector as a whole, even though there are clear distributional effects. After all, what matters for the shock series is the change in the overall contribution rate.

The savings should be used to consolidate the budgets of health insurance funds and should also be used to lower contribution rates. No definite decrease in the contribution rate was decided. However, according to Forschungsportal der Deutschen Rentenversicherung (2014), average overall contribution rates fell by some 0.58pp as a full year effect that set in beginning 2004.

The law also announced that parts of the budget of social insurance funds covering extraordinary benefits should be covered by the federal budget instead. Such a change of responsibility is not a shock to the

private sector per se. However, according to the law other spending increases should be counter-financed by an increase in tobacco taxation. The tobacco taxation shock is already in the Uhl (2013) shock series.

The draft states that long-term demographic developments and possible efficiency gains motivate the law and require cuts to benefits as well as increased contribution rates. Thus the motivation is clearly consolidation-based.

<http://pdok.bundestag.de/extrakt/ba/WP15/379/37919.html>

Zweites Gesetz zur Änderung des Sechsten Buches Sozialgesetzbuch und anderer Gesetze

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|---------|
| 23.10.2003 | 27.10.2003 | 01.04.2004 | C | €2.0 bn |
| | | 01.07.2004 | C | €1.0 bn |

Besides measures to decrease the lower limit of the buffer stock (no shock according to our definition), the law suspended the (usually indexed) increase of pensions, amounting to savings of approx. €1 bn, effective July 2004. Moreover, it cancelled the subsidies to pensioners' contributions to the long-term care system, amounting to €2 bn effective April 2004.

The law is part of the general social reform agenda that has structural or consolidation-driven motives but comes at a time of weak business cycle performance. In accordance with the other laws, we decide for a consolidation-driven motivation.

<http://pdok.bundestag.de/extrakt/ba/WP15/373/37305.html>

Drittes Gesetz zur Änderung des Sechsten Buches Sozialgesetzbuch und anderer Gesetze

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|----------|
| 23.10.2003 | 27.10.2003 | 01.04.2004 | C | €0.75 bn |

The law defers the date of the monthly payment of pensions for new pensioners from the beginning of the month to the end of the month, effective April 2004, which is in effect a suspension of payment of 1 month as compared to the counterfactual. According to the draft the savings amount to €0.75 bn for each of the next 20 years. Motivation is in accordance with the Zweites Gesetz zur Änderung des Sechsten Buches Sozialgesetzbuch und anderer Gesetze.

<http://pdok.bundestag.de/extrakt/ba/WP15/349/34991.html>

Gesetz zur optionalen Trägerschaft von Kommunen nach dem Zweiten Buch Sozialgeset-

zbuch (Kommunales Optionsgesetz)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 30.03.2004 | 30.07.2004 | 06.08.2004 | | |

No substantial financial impact.

Gesetz zur Neufassung der Freibetragsregelungen für erwerbsfähige Hilfebedürftige (Freibetragsneuregelungsgesetz)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 10.05.2005 | 14.08.2005 | 01.09.2005 | | - |

No substantial financial impact.

Gesetz zur Berücksichtigung der Kindererziehung im Beitragsrecht der sozialen Pflegeversicherung (Kinder-Berücksichtigungsgesetz – KiBG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|---------|
| 03.09.2004 | 15.12.2004 | 01.01.2005 | S | €0.7 bn |

The law increases the contribution rate for the long-term care system of childless insurants by 0.25pp which raises additional contributions of about €0.7 bn.

<http://pdok.bundestag.de/extrakt/ba/WP15/403/40394.html>

Gesetz zur Vereinfachung der Verwaltungsverfahren im Sozialrecht (Verwaltungsvereinfachungsgesetz)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 03.09.2004 | 21.03.2005 | various | | - |

No substantial financial impact.

Gesetz zur Neuordnung der Sicherheit von technischen Arbeitsmitteln und Verbraucherprodukten

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 29.09.2003 | 06.01.2004 | | | - |

No substantial financial impact.

Berichtigung des Gesetzes zur Neuordnung der Sicherheit von technischen Arbeitsmitteln

und Verbraucherprodukten

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 05.11.2003 | 11.02.2004 | | | - |

No substantial financial impact.

Gesetz zur Anpassung der Finanzierung von Zahnersatz

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|----------|
| 06.09.2004 | 15.12.2004 | 01.01.2005 | SD | €-3.5 bn |
| | | 01.07.2005 | SD | €4.64 bn |

The law changed the out of pocket financing of dental prosthesis that was introduced by the Gesetz zur Modernisierung der gesetzlichen Krankenversicherung (GKV-Modernisierungsgesetz – GMG) which should have taken effect January 2005 and which would have led to consolidation of €3.5 bn. Thus the implementation effect of the GMG is simply cancelled out, while there is still an announcement effect of some quarters. The draft mentions respective necessities to counter-finance the measure that should lead to increased contributions.

The law moreover aggravated the increase in the special contribution rate to the health care funds that would be solely paid for by employees to 0.9pp (the GMG introduced it at a rate of 0.5pp). The measure was intended to lower “normal” contribution rate by the same amount in order to have a neutral overall effect. However, these reductions did not fully come into effect. As a net effect the overall average contribution rate (including the special contribution by employees) increased by about 0.48pp according to Forschungsportal der Deutschen Rentenversicherung (2014). This implies an amount of €4.64 bn in increased contributions, but this is an ex post effect that was not intended by the law and cannot be directly assigned to it.

Overall, the law was motivated by balancing a shift in the focus of general health care expenditures away from dental care and a redistribution of contributions between employees and employers and was accompanied by countervailing changes to contributions and expenditures. It thus falls under either the category of spending driven or revenue driven legislations.

<http://pdok.bundestag.de/extrakt/ba/WP15/403/40395.html>

Gesetz zur Förderung der Ausbildung und Beschäftigung schwerbehinderter Menschen

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 09.01.2004 | 23.04.2004 | 01.05.2004 | | - |

No substantial financial impact.

Gesetz zur Neuordnung der einkommensteuerrechtlichen Behandlung von Altersvorsorgeaufwendungen (Alterseinkünftegesetz – AltEinkG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 09.12.2003 | 09.07.2004 | various | | - |

Already in the Uhl (2013) dataset.

Gesetzes zur Organisationsreform in der gesetzlichen Rentenversicherung (RVOrgG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 24.08.2004 | 09.12.2004 | 01.01.2005 | | - |

No substantial financial impact.

Gesetz zur Sicherung der nachhaltigen Finanzierungsgrundlagen der gesetzlichen Rentenversicherung (RV-Nachhaltigkeitsgesetz)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|----------|
| 26.02.2004 | 21.07.2004 | 01.07.2005 | S | €3.87 bn |
| | | 01.07.2010 | S | €1.4 bn |

The main implication of the law is a substantial change in the pension formula that effectively reorients the pension system from a defined-benefit system towards a defined-contribution system. The effect is a lowered path of pension increases due to the so-called “Nachhaltigkeitsfaktor” that takes into account the ratio of beneficiaries to contributors. The factor thus introduces a procyclical element to pension payments as it increases pensions more strongly than labor income in phases when unemployment is low (many contributors) and increases them less in phases of high unemployment. A lower-bound (Schutzklausel) prevents the new elements of the formula to trigger pension decreases.

Structurally, the overall level of pensions is lowered in the long run and the medium term perspective, according to the draft is a decrease in payments worth 0.4 pp of contributions. This amounts to approx. €3.87 bn.

Due to some technical details the law moreover prolonged the effects of the Altersvermögensgesetz by

another year to 2010. Thus there is an additional lowering of pension payments, a permanent shock of €1.4 bn in 2010. (source: http://www.portal-sozialpolitik.de/uploads/sopo/pdf/2013/2013-04-03-Die_Anpassung_der_Renten_2003_bis_2013_PS.pdf)

Motivation again is not straightforward. The draft of SPD/Grüne discusses the role of unexpectedly bad economic performance that takes into question the assumptions that were made in the Altersvermögensgesetz – AvmG of 2001 and that would necessitate further reforms. On the other hand the draft declares long term demographic changes to trigger the reform steps which would favor a structural motivation. Since the law is part of a bigger bundle of socioeconomic reforms, in line with the other laws, we opt for a structural motivation.

<http://pdok.bundestag.de/extrakt/ba/WP15/372/37233.html>

Gesetz zur Verbesserung des unfallversicherungsrechtlichen Schutzes bürgerschaftlich Engagierter und weiterer Personen

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 14.10.2004 | 09.12.2004 | | | - |

No substantial financial impact.

Viertes Gesetz zur Änderung des Dritten Buches Sozialgesetzbuch und anderer Gesetze

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 06.09.2004 | 19.11.2004 | | | - |

Weiter-Förderung Ich AGs, Vermittlungsgutschein, Existenzgründungszuschuss, Erhöhung Grundfreibetrag zur Schonung des Vermögens minderjähriger Kinder.

No substantial financial impact.

Zweites Gesetz zur Änderung der Vorschriften zum diagnose-orientierten Fallpauschalensystem für Krankenhäuser und zur Änderung anderer Vorschriften (Zweites Fallpauschalenänderungsgesetz – 2. FPÄndG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 03.09.2004 | 15.12.2004 | | | - |

No substantial financial impact.

Gesetz zur Organisationsstruktur der Telematik im Gesundheitswesen

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 22.02.2005 | 27.06.2005 | | | - |

No substantial financial impact.

**Berichtigung des Gesetzes zur Organisationsstruktur der Telematik im Gesundheitswesen
Bekanntmachung über den Schutz von Mustern und Marken auf Ausstellungen**

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 13.04.2005 | 26.08.2005 | | | - |

No substantial financial impact.

Gesetz zur Änderung des Vierten und Sechsten Buches Sozialgesetzbuch

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 31.05.2005 | 03.08.2005 | 01.01.2006 | | - |

Contributions to social security are now to be transmitted earlier each month by firms. No substantial financial impact.

Gesetz zur Neufassung der Freibetragsregelungen für erwerbsfähige Hilfebedürftige (Freibetragsneuregelungsgesetz)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 12.05.2005 | 14.08.2005 | | | - |

No substantial financial impact.

Gesetz zur Reform der beruflichen Bildung (Berufsbildungsreformgesetz – BerBiRefG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 20.10.2004 | 23.03.2005 | | | - |

No substantial financial impact.

Gesetz zur Vereinfachung der Verwaltungsverfahren im Sozialrecht (Verwaltungsvereinfachungsgesetz)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 17.11.2004 | 21.03.2005 | | | - |

No substantial financial impact.

Neuntes Gesetz zur Änderung des Wohngeldgesetzes

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 19.04.2005 | 07.07.2005 | | | - |

No substantial financial impact.

Fünftes Gesetz zur Änderung des Dritten Buches Sozialgesetzbuch und anderer Gesetze

| Draft | Publication | Implementation | Motivation | Impact |
|-----------------------|-------------|----------------|------------|--------|
| 30.05.2005/29.11.2005 | 22.12.2005 | 01.01.2006 | | - |

The law prolongs the payment of subsidies for small-sized start-ups and some part-time subsidies for elderly employees, which have been introduced as a temporary measure by the law “Zweites Gesetz für moderne Dienstleistungen am Arbeitsmarkt”. Thus, the temporary shocks of the earlier law are prolonged. The first draft of 30.05.2005 announces a temporary expansionary shock of €1 bn that phases out after 2 years. The second draft, after the change of government in the fall of 2005, announced a much shorter prolongation of the measures which thus have a smaller impact of about €0.27 bn. The “Zweites Gesetz für moderne Dienstleistungen am Arbeitsmarkt” announced that the subsidies would be cost-neutral as they are paid instead of unemployment benefits. In general the law at hand has only very little impact and should thus not be considered.

No substantial financial impact.

Allgemeines Gleichbehandlungsgesetz

| Draft | Publication | Implementation | Motivation | Impact |
|-------|-------------|----------------|------------|--------|
| ? | 14.08.2006 | | | - |

No substantial financial impact.

Gesetz zur Umsetzung der Regelungen über die Mitbestimmung der Arbeitnehmer bei einer Verschmelzung von Kapitalgesellschaften aus verschiedenen Mitgliedstaaten

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 12.10.2006 | 21.12.2006 | | | - |

No substantial financial impact.

Gesetz über die Weitergeltung der aktuellen Rentenwerte ab 1. Juli 2006

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|----------|
| 03.03.2006 | 15.06.2006 | 01.07.2006 | CC | €-2.0 bn |

The law discretionarily changes the formula of pension payments for one year, as otherwise, the standing rule would have brought a negative growth rate of pensions, because unemployment was so high that contributions were low. This ruling is not to be mixed up with the lower-bound for pensions (Schutzklausel) that was introduced by the RV-Nachhaltigkeitsgesetz, as the latter only prevents pensions from falling if this would be caused by the “Nachhaltigkeitsfaktor” or the “Riester-Treppe”.

The law effectively sets the growth in pensions to zero for the following year. The draft provides no information on the financial impact, since the precise numbers of the counterfactual were not available around the time. According to merkur online, the net effect was expected to be an expansionary shock of €2 bn <http://www.merkur-online.de/aktuelles/politik/keine-rentenkuerzung-2006-198980.html>. Motivation is clearly endogenous. The bad economic performance would have led to the lowering of pensions and its prevention is a clear countercyclical measure.

<http://dipbt.bundestag.de/extrakt/ba/WP16/61/6173.html>

Gesetz zur Änderung des Betriebsrentengesetzes und anderer Gesetze

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 23.06.2006 | 02.12.2006 | | | - |

The law changed some details in the pension formula with respect to irregular jobs.

No substantial financial impact.

Gesetz zur Änderung des Zweiten Buches Sozialgesetzbuch und anderer Gesetze

| Draft | Publication | Implementation | Motivation | Impact |
|------------|---------------------------------------|----------------|------------|----------|
| 29.11.2005 | 24.03.2006 (BGBl I 2006/14/S. 558) | 01.07.2006 | S | €0.37 bn |

The law increased long-term unemployment benefits paid in the Neue Länder to equal those of the Alte Länder (effect €-0.23 bn). Moreover it introduced cuts to young people benefiting from long-term unemployment benefits and some other changes (effect €+0.6 bn). There were cuts to the pension contributions of the long-term unemployed paid by the state but these are mere internal transfers between the state and the pension system. (<http://dipbt.bundestag.de/extrakt/ba/WP16/50/5078.html>)

Motivation of the law is clearly exogenous, partly structural partly consolidation-driven. The law itself

only has a small financial impact, however, the law is part of a bigger reform agenda that in sum has a substantial impact (primarily Haushaltsbegleitgesetz 2006).

<http://dipbt.bundestag.de/extrakt/ba/WP16/50/5078.html>

Gesetz zur Änderung des Zweiten Buches Sozialgesetzbuch und des Finanzausgleichgesetzes

| Draft | Publication | Implementation | Motivation | Impact |
|------------|--|----------------|------------|--------|
| 07.11.2006 | 21.12.2006 (BGBl I 2006/Nr.65/S.3376) | | | - |

The law changes responsibilities and financial flows between municipalities and federal state regarding housing benefits for long-term unemployed.

No financial impact on the private sector.

Gesetz zur Änderung des Zwölften Buches Sozialgesetzbuch und anderer Gesetze

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 25.09.2006 | 02.12.2006 | | | - |

No substantial financial impact.

Gesetz zur Förderung ganzjähriger Beschäftigung

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 24.01.2006 | 24.04.2006 | | | - |

No substantial financial impact.

Gesetz zur Fortentwicklung der Grundsicherung für Arbeitsuchende

| Draft | Publication | Implementation | Motivation | Impact |
|---|-------------|----------------|------------|----------|
| 09.05.2006 / 1.05.2006 (Beschlussempf) | 20.07.2006 | 01.08.2006 | S | €0.85 bn |

The law introduced several sanctions and control mechanisms to prevent fraudulent use of long-term unemployment benefits. These sanctions are according to the draft said to save approx. €1.3 bn per year. The Beschlussempfehlung changed some details and announced an additional measure to promote start-ups (maybe a prolongation of the temporary measures), amounting to additional spending of €0.45 bn. The law itself only has a small financial impact; however, the law is part of a bigger reform agenda

that in sum has a substantial impact (primarily Haushaltsbegleitgesetz 2006).

The motivation of the law is structural according to the draft.

<http://dipbt.bundestag.de/extrakt/ba/WP16/73/7349.html>

Haushaltsbegleitgesetz 2006

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|------------|
| 17.03.2006 | 29.06.2006 | 01.07.2006 | S | €0.51 bn |
| | | 01.01.2007 | S | €-13.88 bn |
| | | 01.01.2011 | S | €-0.58 bn |

The law is already in the Uhl (2013) database. Relevant changes are an increase in VAT and insurance tax of 3 pp worth €24 bn. Parts of that money were earmarked to finance a lowering in contributions to unemployment benefits of 2pp. Uhl (2013) thus deemed that part of the changes to be spending driven. With our shock series we can include both sides and deem the whole €24 bn of tax changes as an exogenous increase in tax revenues.

Summing up, the private sector bears €24 bn of tax increases (already in Uhl (2013) database, but the full sum should be given the C motivation), and €0.52 bn of increased contributions to social security (wages from unusual working time and those from occasional jobs are now charged with a higher rate), and €0.51 bn of lowered benefits for public employees (temporary until end of 2010, however, the measure was prolonged by the end of 2010, see the BBVAnpG 2010/2011). The private sector is discharged by €14.4 bn of lowered contributions to unemployment insurance.

Moreover, the draft announced that a large part of the additional revenues would be used to finance the so called €25 bn Impulsprogramm or Wachstumsprogramm. This however, is not an annual figure, but the sum of measures over the years 2006 to 2010. According to BDS 16/2326, the measures refer to some tax allowances for households that are already in the Uhl (2013) database, the lowering of the contribution rate to unemployment insurance, the introduction of the parental leave benefit in 2007 and maintaining the prevailing level of public investment (which in our definition is not a shock). Since all these shocks are either in Uhl (2013)'s or in our dataset, a spending driven motivation can be ruled out.

The motivation of the law is structural according to the draft.

<http://dipbt.bundestag.de/extrakt/ba/WP16/84/8460.html>

Gesetz über die Senkung des Beitrags zur Arbeitsförderung, die Festsetzung der Beitragsätze in der gesetzlichen Rentenversicherung und der Beiträge und Beitragszuschüsse in der Alterssicherung der Landwirte für das Jahr 2007 (Beitragssatzgesetz 2007)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|----------|
| 07.11.2006 | 21.12.2006 | 01.01.2007 | S | €1.27 bn |

The law introduced an increase in contributions to pensions funds, the rate rose from 19.5pp to 19.9 pp with a financial impact of €3.4 bn. Moreover, the law lowered the contribution rate for unemployment insurance further from 4.5 pp to 4.2 pp (in the Steffen (2013) chronicle, this measure appeared under “Änderung des Haushaltsbegleitgesetzes 2006”). No financial impact of the latter measure was given, so we calculated €2.16 bn on our own, referring to the calculations given in the Haushaltsbegleitgesetz 2006.

The motivation of the law is structural/consolidation based according to the draft.

<http://dipbt.bundestag.de/extrakt/ba/WP16/80/8077.html>

Gesetz zur Verbesserung der Wirtschaftlichkeit in der Arzneimittelversorgung

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|-----------|
| 13.12.2005 | 26.04.2006 | 26.04.2006 | C | €1.48 bn |
| | | 01.05.2006 | C | €0.5 bn |
| | | 01.01.2008 | C | €-0.19 bn |

The law introduced some rules to dampen the development of prices for pharmaceuticals and medical care worth €2 bn in sum. The motivation is straightforward, it is consolidation-driven.

<http://dipbt.bundestag.de/extrakt/ba/WP16/50/5079.html>

Gesetzes zur Stärkung des Wettbewerbs in der gesetzlichen Krankenversicherung (GKV-Wettbewerbsstärkungsgesetz)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|---------|
| 24.10.2006 | 21.12.2006 | 01.01.2007 | S | €5.7 bn |
| | | 01.04.2007 | S | €1.8 bn |

The law introduced some price fixings and some other cost-reducing measures worth €2.1 bn while on the other hand, some other benefits were increased. The more important change is an increase in the contribution rates which came with the law, even though the law did not fix the rates, but only

allowed health care funds to set contribution rates more freely. The intention of the law, according to the draft and the newspapers was to lower contribution rates by means of increased competition, however, the funds decided to increase their rates in order to balance their budget. The effect, according to Forschungsportal der Deutschen Rentenversicherung (2014) is a contractionary shock worth €5.7 bn.

Motivation of the law is structural.

<http://dipbt.bundestag.de/extrakt/ba/WP16/72/7246.html>

Gesetz zur Einführung des Elterngeldes

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|----------|
| 20.06.2006 | 05.12.2006 | 01.01.2007 | S | €-1.6 bn |

The law introduced an income-related instead of the former means-tested (Bundeserziehungsgeld) parental-leave benefit, by which employed parents should have an increased incentive to have children. The new benefit came with comparably higher overall costs; however the draft only reports overall budgeting for the new measure, without specifying the additional costs as compared to the previous ruling. However, we determined the shock by identifying the targeted budget for the former ruling as announced in the 2006 federal budget draft. The former ruling had a budget of €2.8 bn while the new law according to the draft would require a budget of €4.4 bn. Thus the shock of a full year would be an expansionary €1.6 bn. This is in line with the estimates of the German Joint Economic Forecast Spring 2007 (Gemeinschaftsdiagnose).

Motivation of the law is structural, as the intention was to increase fertility rates.

<http://dipbt.bundestag.de/extrakt/ba/WP16/74/7459.html>

Drittes Gesetz zur Änderung des Zweiten Buches Sozialgesetzbuch

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 23.10.2007 | 27.12.2007 | | | - |

No substantial financial impact.

Gesetz zur Änderung des Vierten Buches Sozialgesetzbuch und anderer Gesetze

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 28.09.2007 | 19.12.2007 | | | - |

No substantial financial impact.

Gesetz zur Förderung der zusätzlichen Altersversorgung

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 10.08.2007 | 10.12.2007 | | | - |

No substantial financial impact.

Gesetz zur Verbesserung der Beschäftigungschancen älterer Menschen

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 12.12.2006 | 19.04.2007 | | | - |

No substantial financial impact.

Gesetz zur Anpassung der Regelaltersgrenze an die demografische Entwicklung und zur Stärkung der Finanzierungsgrundlagen der gesetzlichen Rentenversicherung (RV-Altersgrenzenanpassungsgesetz)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 23.02.2007 | 20.04.2007 | | | - |

The law introduced a slow change to the pension age from 65 to 67 years. It moreover allowed compensation for not-implemented (though implied by the pension formula) decreases to pensions in later years (Nachhol-Faktor). For example, such an exemption was made by the “Gesetz über die Weitergeltung der aktuellen Rentenwerte ab 1. Juli 2006”. The implied decreases can now become effective in later years by offsetting them against implied pension increases in accordance with the pension formula. The major changes however, only take slow effect or are not predictable so no shock can be derived here. Applications of the ruling will be found in later laws (e.g. Gesetz zur Rentenanpassung 2008)

No substantial financial impact.

Viertes Gesetz zur Änderung des Dritten Buches Sozialgesetzbuch – Verbesserung der Qualifizierung und Beschäftigungschancen von jüngeren Menschen mit Vermittlungshemmnissen

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 19.06.2007 | 10.10.2007 | | | - |

No substantial financial impact.

Zweites Gesetz zur Änderung des Zweiten Buches Sozialgesetzbuch

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 19.06.2007 | 10.10.2007 | | | - |

No substantial financial impact.

Fünftes Gesetz zur Änderung des Zweiten Buches Sozialgesetzbuch

| Draft | Publication | Implementation | Motivation | Impact |
|-------|-------------|----------------|------------|--------|
| ? | 24.12.2008 | | | - |

No substantial financial impact.

Gesetz zur Änderung des Bundeskindergeldgesetzes

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 22.04.2008 | 24.09.2008 | | | - |

No substantial financial impact.

Gesetz zur Förderung von Familien und haushaltsnahen Dienstleistungen

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 07.11.2008 | 22.12.2008 | | | - |

Already in the Uhl (2013) database.

Gesetz zur Modernisierung der gesetzlichen Unfallversicherung

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 08.05.2008 | 30.10.2008 | | | - |

No substantial financial impact.

Gesetz zur Neuregelung des Wohngeldrechts und zur Änderung des Sozialgesetzbuches

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 28.09.2007 | 24.09.2008 | | | - |

No substantial financial impact.

Gesetz zur Rentenanpassung 2008

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|-----------|
| 08.04.2008 | 26.06.2008 | 01.07.2008 | S | €-1.36 bn |
| | | 01.07.2009 | S | €-1.39 bn |
| | | 01.07.2012 | S | €1.39 bn |
| | | 01.07.2013 | S | €1.36 bn |

The law offsets the effects of the Altersvermögensgesetz for 2 years (Riestertreppe). It thus increases pensions by more than expected. This is a phasing-in shock worth €2.75 bn. The shock, however, is temporary as the effects are compensated in 2012 and 2013.

The motivation of the law should be in line with the Altersvermögensgesetz which it changed. The motivation is thus structural.

<http://dipbt.bundestag.de/extrakt/ba/WP16/134/13409.html>

Gesetz zur strukturellen Weiterentwicklung der Pflegeversicherung (Pflege-Weiterentwicklungsgesetz)

| Draft | Publication | Implementation | Motivation | Impact |
|----------------------|-------------|----------------|------------|----------|
| 07.12.2007 (16/7439) | 28.05.2008 | 01.07.2008 | S | €1.46 bn |
| | | 01.01.2010 | S | €-0.6 bn |
| | | 01.01.2012 | S | €-0.6 bn |

The law extends the benefits of long-term care insurance and by the same time raises the contribution rate by 0.25 pp, which means a permanent contractionary shock on the revenue side of €2.5 bn for a full year. Spending increases stepwise in each subsequent year leading to an increase, in line with revenues, in the long run.

The motivation of the law is structural, as it says that long-term care benefits and their financing are adapted to changed needs.

<http://dipbt.bundestag.de/extrakt/ba/WP16/105/10591.html>

Gesetz zur Verbesserung der Rahmenbedingungen für die Absicherung flexibler Arbeitszeitregelungen

| Draft | Publication | Implementation | Motivation | Impact |
|-----------------------|-------------|----------------|------------|--------|
| 22.09.2008 (16/10289) | 21.12.2008 | 01.01.2009 | | - |

No substantial financial impact.

Gesetz zur Verbesserung der Rahmenbedingungen für die Absicherung flexibler Arbeitszeitregelungen

| Draft | Publication | Implementation | Motivation | Impact |
|-----------------------|-------------|----------------|------------|--------|
| 22.09.2008 (16/10289) | 21.12.2008 | 01.01.2009 | | - |

No substantial financial impact.

Gesetzes zur Umsetzung steuerrechtlicher Regelungen des Maßnahmenpakets “Beschäftigungssicherung durch Wachstumsstärkung”

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 13.11.2008 | 29.12.2008 | 01.01.2009 | | - |

This law is already in the Uhl (2013) database and there are no additional measures to be taken into account by us.

Siebtes Gesetz zur Änderung des Dritten Buches Sozialgesetzbuch und anderer Gesetze

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|-----------|
| 11.12.2007 | 08.04.2008 | 12.04.2008 | S | €-1.34 bn |

The law introduced prolonged payments of short-term unemployment insurance for elderly workers and some further benefits amounting to around €1 bn of additional expenses. Overall, there was only minor impact, however, the law was part of a broader package of legislations and thus should be added. The rulings of the law were connected to the “Sechstes Gesetz zur Änderung des Dritten Buches Sozialgesetzbuch und anderer Gesetze”.

The motivation of the law is similar to the “Sechstes Gesetz”. Both a procyclical as well as a structural interpretation would be possible.

<http://dipbt.bundestag.de/extrakt/ba/WP16/113/11393.html>

Viertes Gesetz zur Änderung des Zweiten Buches Sozialgesetzbuch

| Draft | Publication | Implementation | Motivation | Impact |
|-------|-------------|----------------|------------|--------|
| ? | 28.07.2008 | | | - |

The rulings of the “Gesetz zur Änderung des Zweiten Buches Sozialgesetzbuch und des Finanzausgleichsgesetzes” that were only temporary in the first place are made permanent by this law.

No financial impact on the private sector.

Sechstes Gesetz zur Änderung des Dritten Buches Sozialgesetzbuch und anderer Gesetze

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|----------|
| 18.10.2007 | 22.12.2007 | 01.01.2008 | S | €-7.0 bn |

Most importantly the law further decreased the contribution rate to unemployment insurance from 4.2 to 3.3 pp (the first draft only spoke of a decrease to 3.9pp). This amounts to an expansionary revenue shock of €7 bn according to the Beschlussempfehlung. The law moreover changed some accountabilities and financial flows between unemployment insurance and municipalities without an impact on the private sector. According to the Beschlussempfehlung, elder workers' entitlement to short-term unemployment benefits should be prolonged up to 24 months, depending on prior retention time on the job. These changes however, became part of the "Siebtes Gesetz zur Änderung des Dritten Buches Sozialgesetzbuch und anderer Gesetze".

The draft states that the good cyclical performance has lowered unemployment which gives leeway to reduce contribution rates. The motivation could be classified procyclical, however this depends on how one interprets the reduction in unemployment in Germany. A structural motivation could also apply.

<http://dipbt.bundestag.de/extrakt/ba/WP16/98/9815.html>

Verordnung zur Änderung der Arbeitslosengeld II/Sozialgeld-Verordnung

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 10.12.2008 | | | | - |

There were several such orders in the period between 2008 and 2012 and we lump them together here for efficient documentation. None of them had a substantial financial impact.

No substantial financial impact.

Gesetz zur Senkung des Beitragssatzes zur Arbeitsförderung

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|----------|
| 07.11.2008 | 20.12.2008 | 01.01.2009 | CC | €-2.4 bn |

Most importantly the law further decreased the contribution rate to unemployment insurance from 3.3 to 3.0 pp . This amounts to an expansionary revenue shock of €2.4 bn according to the draft. The related Beitragssatzverordnung 2009 moreover temporarily reduced the contribution rate further to 2.8pp for the period 2009 and 2010.

The law came by the time of the beginning of the financial crisis and the deep 2009 recession in Germany. Motivation should be classified as countercyclical.

<http://dipbt.bundestag.de/extrakt/ba/WP16/162/16293.html>

Verordnung über die Erhebung von Beiträgen zur Arbeitsförderung nach einem niedrigeren Beitragssatz (Beitragssatzverordnung 2009)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|----------|
| 07.11.2008 | 21.12.2008 | 01.01.2009 | CC | €-1.6 |
| | | 01.01.2011 | CC | €1.76 bn |

The order temporarily reduced the contribution rate to unemployment insurance further to 2.8pp for the period 2009 until mid-2010. This amounts to a temporary shock of €1.6 bn. The related “Gesetz zur Sicherung von Beschäftigung und Stabilität in Deutschland” prolonged the temporary measure until the end of 2010. In order to reduce complexity, in our shock series we simply take the whole temporary shock (until end 2010) on board here and leave it out of the other laws impact. In fact both laws are implemented within the same quarter.

Motivation is chosen in line with Gesetz zur Sicherung von Beschäftigung und Stabilität in Deutschland. It is countercyclical.

http://www.bgb1.de/xaver/bgb1/start.xav?startbk=Bundesanzeiger_BGB1&jumpTo=bgb1108s2979.pdf

Verordnung zur Festlegung der Beitragssätze in der gesetzlichen Krankenversicherung (GKV-Beitragssatzverordnung 2009)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|---------|
| 08.10.2008 | 29.10.2008 | 01.01.2009 | MS | €4.0 bn |

The order increases the contribution rate to health insurance by 0.6pp amounting to a shock to the private sector of about €4 bn. From 2009 onwards the “Gesundheitsfond” came into force as part of the “GKV Wettbewerbsstärkungsgesetz”. This effectively introduced a central funding scheme, also centralizing the decision on contribution rates again. The order was set up after a commission identified consolidation needs for the budgets of the health insurance schemes.

The law came by the time of the beginning of the financial crisis and the deep 2009 recession in Germany. It should be classified as influenced by a macroeconomic shock.

http://www.bgbl.de/xaver/bgbl/start.xav?startbk=Bundesanzeiger_BGB1&jumpTo=bgbl108s2109.pdf

Maßnahmenpaket “Beschäftigungssicherung durch Wachstumsstärkung” – Konjunkturpaket I

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|----------|
| 05.11.2008 | 29.12.2008 | 01.01.2009 | CC | €-1.8 bn |
| | | 01.01.2011 | CC | €1.98 bn |

This package is also part of the Uhl (2013) database referring to the “Gesetz zur Umsetzung steuerrechtlicher Regelungen des Maßnahmenpakets ‘Beschäftigungssicherung durch Wachstumsstärkung.’ ” Apart from the tax legislations there were some further measures to extend short-term work arrangements, financed by the unemployment scheme, plus some additional public investment assignments amounting to an overall €1.8 bn annually for two years. Moreover, there was an extension of the facilities of the public investment bank KfW. The latter, however, do not constitute a direct public shock in our reading (and also in the reading of the German joint forecasters 2/2009).

Motivation is straightforward, the measure was meant as a countercyclical stimulus.

<https://www.bmwi.de/BMWi/Redaktion/PDF/W/wachstumspaket-breg-november-08,property=pdf,bereich=bmwi,sprache=de,rwb=true.pdf>

Gesetz zur Sicherung von Beschäftigung und Stabilität in Deutschland

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|------------|
| 27.01.2009 | 05.03.2009 | 06.03.2009 | CC | €-13.55 bn |
| | | 01.02.2009 | CC | €-1.4 bn |
| | | 01.07.2009 | CC | €-4.34bn |
| | | 01.08.2009 | CC | €-0.8 bn |
| | | 01.01.2011 | CC | €2.43 |
| | | 01.01.2012 | CC | €0.39 bn |

This law is also part of the Uhl (2013) database as it partly consists of tax measures, namely a one-off child benefit, a reduction of the tax rate and extension of the tax-free amount of earnings. Moreover, the law included a substantial temporary provision of public investment worth €17.3 bn (4 bn direct federal investment + 10 bn given to Länder with the requirement of co-financing of 25% which releases another 3.3 bn.) as well as €1.4 bn for R&D and another €1.5 bn for a cash for clunkers programme, called Umweltprämie. So the overall temporary shock, assuming that the provisions to the Länder are actually

released, is €20.2 bn (from which 13.55 bn are expected to be released in 2009 and the rest in 2010). The whole volume of public spending was subsumed under the heading of a special fund (Investitions- und Tilgungsfond ITFG). The fund had a max. volume of €21 bn as it also included a provision of expected interest payments. However, interest payments have consistently not been taken into account in this database for any of the measures. Usually they are not reported in drafts. This is why we leave them out here as well.

Moreover the law introduced several temporary expansionary measures in the sphere of social security. Notably, there was extension of short-time work with allowances for social security contributions + some additional spending on qualifications of laid-off workers, worth €1.4 bn in sum. Additionally, 5000 new job agents should be employed by the BA, which, according to the Abendblatt <http://www.abendblatt.de/nachrichten/article143641/Konjunkturpaket-Die-wichtigsten-Beschluesse.html> should cost an additional €0.8 bn.

Moreover, benefits for children of long-term unemployed were temporarily increased. Most notably, contribution rates to health insurance were lowered by 0.6pp, amounting to an expansionary shock of €4 bn after netting out some counter-effects through implied lower tax allowances and flows within the governmental sector. This actually reverses the equivalent increase in contribution rates of 0.6 by the GKV Beitragssatzverordnung 2009. The extension of the temporary lowering of contribution rates to unemployment insurance until end of 2010 that came into force by the “Beitragssatzverordnung 2009” has already been subsumed under the latter.

Motivation is straightforward, the measure was meant as a countercyclical stimulus.

<http://dipbt.bundestag.de/extrakt/ba/WP16/179/17946.html>

Gesetz zur Änderung des Gesetzes zur Errichtung eines Sondervermögens “Investitions- und Tilgungsfonds” (Ausweitung Umweltprämie)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|----------|
| 21.04.2009 | 25.06.2009 | 01.07.2009 | CC | €-3.5 bn |

This law is an extension of the German cash-for-clunkers program called Umweltprämie, which was introduced as part of the Gesetz zur Sicherung von Beschäftigung und Stabilität in Deutschland. The present law increased the volume of the cash for clunkers by €3.5 bn (a one-off measure for 2009). Another €0.7 bn are reserved for interest payments due to the debt financing. However, interest payments have consistently not been taken into account in this database for any of the measures. Usually they

are not reported in drafts. This is why we leave them out here as well. The law has no bearing on social security itself, however, it is part of a bigger package of laws that entailed tax measures and social security measures.

Motivation is straightforward, the measure was meant as a countercyclical stimulus.

<http://dipbt.bundestag.de/extrakt/ba/WP16/194/19445.html>

Rentenwertbestimmungsverordnung

| Draft | Publication | Implementation | Motivation | Impact |
|-------|-------------|----------------|------------|--------|
| | 17.06.2009 | 01.07.2009 | S | - |

This order sets the base value to calculate pension benefits. It puts into effect the rulings of the pension formula, altered by the temporary changes of the Gesetz zur Rentenanpassung 2008. This is therefore an expected change, no shock at all.

Motivation is straightforward, the measure is structural.

<http://dipbt.bundestag.de/extrakt/ba/WP16/195/19581.html>

Gesetz zur Änderung des Vierten Buches Sozialgesetzbuch, zur Errichtung einer Versorgungsausgleichskasse und zur Änderung anderer Gesetze

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|----------|
| 26.05.2009 | 15.07.2009 | 16.07.2009 | CC | €-0.6 bn |

The law was first drafted under the name “Drittes Gesetz zur Änderung des Vierten Buches Sozialgesetzbuch und anderer Gesetze” with very minor financial impact. However, in the constitutional process some relevant changes were made with respect to the short-time work scheme during the crisis. Allowances for social security contributions under the short-time work scheme were extended for short-time work lasting longer than 6 months. According to an estimation of the “Bundesagentur für Arbeit” that was mentioned in the “Beschlussempfehlung” (p.27) this would amount to an annual €0.5-0.7 bn. Of course, this amount cannot be deemed as permanent, since it is only relevant in recessions. This measure strengthens the automatic stabilizers.

Moreover, the deep crisis could have led to negative growth of pensions and the law introduces an extended lower bound (erweiterte Schutzklausel, Garantieklausel) that generally prevents pensions from falling even in the case when gross wages fall. The “Nachhol-Faktor” introduced by the “RV-Alters-

grenzenanpassungsgesetz”, however, ruled that the impact of the lower bound would have to be compensated by a lower growth of pensions in the future (Ausgleichsbedarf). The general impact of this measure is not predictable. In general, it leads to a strengthening of automatic stabilizers since pensions will cease to go down in a downturn and will grow slower in the upturn as long as compensation is indicated.

Motivation is clearly driven by the impacts of the financial crisis and the measures are largely counter-cyclical.

<http://dipbt.bundestag.de/extrakt/ba/WP16/184/18417.html>

Gesetz zur Neuausrichtung arbeitsmarktpolitischer Instrumente

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 08.11.2008 | 21.12.2008 | 01.01.2009 | S | - |

No substantial financial impact.

Gesetz zur Verbesserung der Rahmenbedingungen für die Absicherung flexibler Arbeitszeitregelungen und zur Änderung anderer Gesetze (Flexi II Gesetz)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 22.09.2008 | 21.12.2008 | 01.01.2009 | S | - |

The law introduced some ruling for flex-time wage records (Wertguthaben, Arbeitszeitkonten) regarding portability of these accounts to other firms, insolvency protection etc.

No substantial financial impact.

Gesetz zur Neuregelung des Wohngeldrechts und zur Änderung des Sozialgesetzbuches

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 23.04.2008 | 24.09.2008 | 01.10.2008 | S | - |
| | | 01.01.2009 | S | - |

The law reviewed and slightly increased housing benefits for low-income households.

No substantial financial impact.

Gesetz zur Förderung von Familien und haushaltsnahen Dienstleistungen (Familienleistungsgesetz – FamLeistG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 07.11.2008 | 22.12.2008 | 01.01.2009 | S | - |

This law is already in the Uhl (2013) database. No further measures.

Zweite Verordnung zur Änderung der ALG-II-Verordnung

| Draft | Publication | Implementation | Motivation | Impact |
|-------|-------------|----------------|------------|--------|
| | 29.07.2009 | | S | - |

No substantial financial impact.

Gesetz zur Stabilisierung der Finanzlage der Sozialversicherungssysteme und zur Einführung eines Sonderprogramms mit Maßnahmen für Milchviehhalter sowie zur Änderung anderer Gesetze (Sozialversicherungs-Stabilisierungsgesetz – SozVersStabG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 25.01.2010 | 14.04.2010 | 15.04.2010 | CC | - |

The law regulated some financial flows between the federal budget and health and unemployment insurance schemes with no direct financial impact on the private sector. The state grant to the health insurance fund that was introduced by the “Gesetz zur Sicherung von Beschäftigung und Stabilität in Deutschland” to finance the lowered contribution rate was prolonged, amounting to €4 bn per year. Moreover, an existing loan to the unemployment insurance scheme was transformed into a grant, which should amount to approximately €16 bn. The measures that have an impact on the private sector, with respect to the stabilization of the milk market (€0.2 bn) and the eased eligibility criteria for the long-term unemployment scheme (higher exemptions for old-age provisions) (€0.2 bn), are of minor importance only.

The motivation is clearly countercyclical, according to the draft the rulings are necessary to counter the great recession.

No substantial financial impact.

Gesetz zur Abschaffung des Finanzplanungsrates und zur Übertragung der fortzuführenden Aufgaben auf den Stabilitätsrat sowie zur Änderung weiterer Gesetze

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 21.04.2010 | 27.05.2010 | 28.05.2010 | S | - |

The law reviewed and slightly increased benefits for long-term unemployed in case of sustained hardships. The impact is expected to be €0.1 bn.

No substantial financial impact.

Verordnung zur Bestimmung der Rentenwerte in der gesetzlichen Rentenversicherung und in der Alterssicherung der Landwirte zum 1. Juli 2010 (Rentenwertbestimmungsverordnung 2010 – RWBestV 2010)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 23.04.2010 | 22.06.2010 | 01.07.2010 | S | - |

The order puts into execution the changes to pensions as ruled by the pension formula. No discretionary changes apply, so there is no shock.

Verordnung zur Festsetzung des Umlagesatzes für das Insolvenzgeld für das Kalenderjahr 2010

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|---------|
| 05.11.2010 | 18.12.2009 | 01.01.2010 | MS | €2.0 bn |

During the recession insolvencies have substantially increased and the mutual fund that dampens the effects of insolvencies on workers has built up a substantial deficit. Thus the contribution rate that firms have to pay is increased from 0.1% to 0.41%. No financial impact is mentioned in the draft, but the effects can be calculated indirectly from the information given by German joint forecasters (2/2011) who calculate an impact of the subsequent lowering of the contribution rate in 2011. From these figures, the increase in 2010 should have a contractionary impact of €2 bn. The measure is generally classified as permanent; however, one year later, the rate was lowered even below its pre-2010 level.

In fact, this is a procyclical measure, yet the motivation is categorized as macroeconomic shock to point out the endogeneity of the measure.

https://www.gesetze-im-internet.de/bundesrecht/insogeldfestv_2011/gesamt.pdf

Dritte Verordnung zur Änderung der Arbeitslosengeld II/Sozialgeld-Verordnung

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 15.04.2010 | | | S | - |

The order introduced allowances for children of long-term unemployed to earn additional money during

the holidays which is exempt from the usual means-testing.

No substantial financial impact.

Vierte Verordnung zur Änderung der Arbeitslosengeld II/Sozialgeld-Verordnung

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 03.12.2010 | | | S | - |

The order changed a technical detail of the parental leave benefits for long-term unemployed that would have led to distorted exemptions for some beneficiaries.

No substantial financial impact.

Gesetz zur Änderung des Grundgesetzes (Artikel 91e) and Gesetz zur Weiterentwicklung der Organisation der Grundsicherung für Arbeitsuchende

| Draft | Publication | Implementation | Motivation | Impact |
|-----------------------|-------------|----------------|------------|--------|
| 07.06.2010/04.05.2010 | 21.07.2010 | 22.07.2010 | S | - |

The laws changed a technical detail regarding the responsibilities for long-term unemployed benefits within the federal structure.

No substantial financial impact.

Gesetz zur Änderung krankensicherungsrechtlicher und anderer Vorschriften

| Draft | Publication | Implementation | Motivation | Impact |
|-----------------------|-------------|----------------|------------|-----------|
| 31.03.2010/16.06.2010 | 24.07.2010 | 30.07.2010 | C | € 1.15 bn |

The first draft only attempted to change some technical details. During the legislative process, however, additional (and relevant) measures were discussed which can be found in the “Beschlussempfehlung”. Thus, announcement is dated at the publication of the Beschlussempfehlung. Most importantly, a temporary price cap for drugs was decided, which should save €1.15 bn annually. The measure was supposed to run out at the end of 2013. The impact is below the usual threshold, but the law is part of a bigger package of health care reform, planned in 2010 and implemented over 2010 and 2011.

The motivation according to the draft is structural due to some EU rulings that the German law needs to comply to. The relevant measure announced in the Beschlussempfehlung refers to consolidation needs, and we therefore opt for the latter.

<http://dipbt.bundestag.de/extrakt/ba/WP17/245/24509.html>

**Gesetz zur Neuordnung des Arzneimittelmarktes in der gesetzlichen Krankenversicherung
(Arzneimittelmarktneuordnungsgesetz – AMNOG)**

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|---------|
| 06.07.2010 | 22.12.2010 | 01.01.2011 | CC | €0.3 bn |
| | | 01.01.2012 | CC | €1.7 bn |

The law seeks to reduce expenditures of the health insurance scheme for pharmaceuticals due to a strong increase of costs per unit in some segments (special purpose compounds), where costs are substantially above the European average. Effectively the law fixes prices. According to the draft this should save approximately €2 bn per year. This is somewhat below the usual threshold, however, the law is part of a bigger reform package that comes with the Haushaltsbegleitgesetz and the GKV-Finanzierungsgesetz.

Motivation should thus be in line with those laws, it is countercyclical.

<http://dipbt.bundestag.de/extrakt/ba/WP17/280/28069.html>

Gesetz zur nachhaltigen und sozial ausgewogenen Finanzierung der Gesetzlichen Krankenversicherung (GKV-Finanzierungsgesetz – GKV-FinG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|----------|
| 28.09.2010 | 22.12.2010 | 01.01.2011 | CC | €7.32 bn |

The law has two substantial impacts: first, the contribution rate for the health insurance scheme is raised by 0.6 pp amounting to a contractionary shock of €5.5 bn (6.3 bn minus resulting tax allowances minus contributions by public employment).

Second, expenditures of the health system are reduced. This amounts to €1.8 bn for the full year effect.

The motivation according to the draft is consolidation based. On the other hand the draft explicitly refers to the effects of the financial crisis and the necessary budget deficits that now would have to be compensated. This would speak in favor of a countercyclical measure. In fact, contribution rates should have been increased already in 2009 by the GKV-Beitragssatzverordnung 2009, but were kept lower during the crisis as a countercyclical measure, subsidized by the federal budget through the Gesetz zur Sicherung von Beschäftigung und Stabilität in Deutschland and the Sozialversicherungs-Stabilisierungsgesetz. Taking back these countercyclical measures should be interpreted as countercyclical as well.

<http://dipbt.bundestag.de/extrakt/ba/WP17/294/29433.html>

Haushaltsbegleitgesetz 2011

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|----------|
| 27.09.2010 | 09.12.2010 | 01.01.2011 | CC | €1.13 bn |

This law has also substantial impact on tax revenues and is part of our extended taxshock series as well. With respect to social security, the law reduces benefits to long-term unemployed (abolition of subsidies for pension contributions, abolition of buffer payments during transition from the short-term to the long-term unemployment scheme (€0.21 bn), low-income housing subsidies (€0.26 bn) and for parental leave (€0.655 bn). How to treat the abolition of subsidies for pensions of long-term unemployed persons? The measure will generally reduce the statutory pensions of beneficiaries. Private income will thus only be affected with a substantial lag. On the other hand, beneficiaries may be forced to privately save for old-age due to the ruling. Yet, this requires their ability to save. Moreover, beneficiaries who have been in the scheme for a long time may not be able to contribute enough to the pension system for their pension to surpass the subsistence level which would make them eligible for welfare schemes during old-age as well. In this case the measure would have no effect at all. To conclude, the abolition of the subsidies should not be treated as a shock. This decision is in line with the assessment of the measure by the German joint forecasters (2011/2) who do not list the measure.

The transitory grant to the health care fund represents no direct shock to the private sector in accordance with our general criteria.

The motivation according to the draft is consolidation based. In fact, the law has been announced as a measure to comply with the new debt brake. On the other hand the draft explicitly refers to the effects of the financial crisis and the necessary budget deficits that now would have to be compensated. This would also speak in favor of a countercyclical measure. Since the law is announced and implemented contemporarily and in a bundle with the GKV-Finanzierungsgesetz – GKV-FinG, we treat it as a countercyclical measure, too.

<http://dipbt.bundestag.de/extrakt/ba/WP17/291/29166.html>

Bundesbesoldungs- und -versorgungsanpassungsgesetz 2010/2011 (BBVAnpG 2010/2011)

| Draft | Publication | Implementation | Motivation | Impact |
|-----------------------|-------------|----------------|------------|----------|
| 27.05.2010/29.09.2010 | 19.11.2010 | 01.01.2011 | S | €0.58 bn |

The law implements the usual change in salaries of public servants in line with regular wage growth. This is not a shock in our definition. However, with the “Beschlussempfehlung” came an extension of a temporary cut of the Christmas bonus as of the Haushaltsbegleitgesetz 2006 that was originally terminated until the end of 2010. The law extends this cut until end of 2014. So we prolong this shock. (Note that one year later, the “Gesetz zur Wiedergewährung der Sonderzahlung” reverses this decision, thus the measure effectively stops by the end of 2011.)

The motivation should be in line with the Haushaltsbegleitgesetz 2006 (structural), whose measure is extended. It should be noted, however, that the law is contemporary to the Haushaltsbegleitgesetz 2011.

<http://dipbt.bundestag.de/extrakt/ba/WP17/263/26366.html>

Gesetz zur Ermittlung von Regelbedarfen und zur Änderung des Zweiten und Zwölften Buches Sozialgesetzbuch

| Draft | Publication | Implementation | Motivation | Impact |
|-----------------------|-------------|----------------|------------|-----------|
| 26.10.2010/29.11.2010 | 24.03.2011 | 01.04.2011 | CC | €-1.22 bn |

The law implements changes to benefits for long-term unemployed due to ruling of the court of justice. The changes entail extensions of benefits for education, basic needs and some exemptions for earnings all in all worth €1.2 bn on an annual basis. The law has only minor financial impact, but compensates for some of the rulings of the contemporary Haushaltsbegleitgesetz 2011.

Therefore, its motivation should be in line with the Haushaltsbegleitgesetz 2011 (countercyclical). It should be noted however, that the measure follows a ruling of the court, which could justify a structural motivation.

<http://dipbt.bundestag.de/extrakt/ba/WP17/303/30306.html>

Gesetz für bessere Beschäftigungschancen am Arbeitsmarkt – Beschäftigungschancengesetz

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 07.06.2010 | 24.10.2010 | 01.04.2011 | CC | - |

The law mainly prolongs short-term work benefits for another year. The impact however is negligible. All other changes are also of minor importance. The motivation is clearly countercyclical.

No substantial financial impact.

Verordnung zur Bestimmung der Rentenwerte in der gesetzlichen Rentenversicherung und

in der Alterssicherung der Landwirte zum 1. Juli 2011 (Rentenwertbestimmungsverordnung 2011 – RWBestV 2011)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 23.04.2011 | 22.06.2011 | 01.07.2011 | S | - |

The order puts into execution the changes to pensions as ruled by the pension formula. No discretionary changes apply, so there is no shock.

Verordnung zur Festsetzung des Umlagesatzes für das Insolvenzgeld für das Kalenderjahr 2011

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 05.11.2010 | 17.12.2010 | 01.01.2011 | MS | €-2.8 |

Since the end of the recession insolvencies have lowered and the mutual fund that dampens the effects of insolvencies on workers has built up a substantial surplus. Thus the contribution rate that firms have to pay is lowered to zero, amounting to an expansionary shock of €2.8 bn according to German joint forecasters (2/2011).

In fact, this is a procyclical measure, yet the motivation is categorized as macroeconomic shock to point out the endogeneity of the measure.

https://www.gesetze-im-internet.de/bundesrecht/insogeldfestv_2011/gesamt.pdf

Gesetz zur Verbesserung der Eingliederungschancen am Arbeitsmarkt

| Draft | Publication | Implementation | Motivation | Impact |
|-----------------------|-------------|----------------|------------|----------|
| 24.06.2011/29.11.2010 | 20.12.2011 | 01.04.2012 | S | €1.64 bn |

The law basically reduces the significance of a measure of active labor market policies that allows grants for short-term unemployed who try to start their own business. The measure isn't abolished completely, but the eligibility criteria are tightened. This should save some €1.3 bn annually in the budget of the unemployment insurance scheme. Some further measures should have a direct contractionary impact of €0.34 bn annually. With the "Beschlussempfehlung" come some minimal changes to the estimated impact, however, they are not detailed there. We thus stick to the original figures from the draft.

The motivation according to the draft is structural as efficiency gains are the central aim.

<http://dipbt.bundestag.de/extrakt/ba/WP17/361/36161.html>

Gesetz zur Einführung eines pauschalierenden Entgeltsystems für psychiatrische und psychosomatische Einrichtungen (Psych-Entgeltgesetz – PsychEntgG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 14.03.2012 | 21.07.2012 | 01.01.2013 | | - |

No substantial financial impact.

Verordnung über die Bezugsdauer für das Kurzarbeitergeld

| Draft | Publication | Implementation | Motivation | Impact |
|-------|-------------|----------------|------------|--------|
| | 07.12.2012 | 08.12.2012 | | - |

No substantial financial impact.

Verordnung zur Bestimmung der Beitragssätze in der gesetzlichen Rentenversicherung für das Jahr 2012 (Beitragssatzverordnung 2012 – BSV 2012)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|----------|
| 16.11.2011 | 07.12.2011 | 01.01.2012 | S | € 2.6 bn |

The order lowered the contribution rate to the pension system from 19.9% to 19.6%. This amounts to an expansionary shock of € 2.6 bn according to the draft. The timing of the announcement is somewhat questionable here. There were some early rumors already in April 2011 in “Der Spiegel” <http://www.spiegel.de/wirtschaft/soziales/konjunkturschub-rentenbeitrag-koennte-schon-2012-sinken-a-759267.html>, citing the head of the pension fund, who spoke of a possible lowering of the rate by 0.3pp. However, similar rumors were already apparent in 2010 regarding a rate cut in 2011 that after all did not take place. We therefore stick to the timing of the official announcement.

With respect to motivation, the order states that there is no alternative to the rate cut due to the pension fund rules. The buffer stock exceeds the maximum level so a rate cut is indicated. In line with our general rules, we however treat the measure as a shock, since it is still a discretionary policy option to either cut the rate or increase the ceiling of the buffer stock (both options have been used in the past) and (as opposed to a change in the buffer stock ceiling) the rate cut has a direct financial impact. The motivation is therefore structural.

https://www.gesetze-im-internet.de/bundesrecht/bsv_2012/gesamt.pdf

Verordnung zur Bestimmung der Rentenwerte in der gesetzlichen Rentenversicherung und in der Alterssicherung der Landwirte zum 1. Juli 2012 (Rentenwertbestimmungsverord-

nung 2012 – RWBestV 2012)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 23.04.2011 | 22.06.2011 | 01.07.2011 | S | - |

The order puts into execution the changes to pensions as ruled by the pension formula. No discretionary changes apply, so there is no shock.

Gesetz zur Neuausrichtung der Pflegeversicherung (Pflege-Neuausrichtungs-Gesetz – PNG)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|-----------|
| 23.04.2012 | 23.10.2012 | 30.10.2012 | S | €-0.21 bn |
| | | 01.01.2013 | S | €0.12 bn |

The law increases benefits of the long-term care system while at the same time increasing contributions. Overall there is a close to zero net effect, however, the single effects (both about €1.2 bn) are non-negligible. This is still below the usual threshold; however, the law happens to be contemporary with a substantial decrease in pension system contributions and should thus not be ignored. During the legislative process some additional benefits, with only a minor financial impact, were added.

Motivation of the law is clearly structural due to the reference to changing demographics and therefore changing needs with respect to care.

<http://dipbt.bundestag.de/extrakt/ba/WP17/438/43814.html>

Gesetz zur Wiedergewährung der Sonderzahlung

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|---------|
| 08.11.2011 | 20.12.2011 | 01.01.2012 | S | €0.6 bn |

The law reverses the decision by the “BBVAnpG 2010/2011” to prolong the cut of Christmas bonuses to public servants until end of 2014. With the new ruling, the original transitory shock of the Haushaltsbegleitgesetz 2006 comes to an end, with the same financial impact in percent of GDP.

The motivation should be in line with the original measure of the Haushaltsbegleitgesetz 2006 or the BBVAnpG 2010/2011.

<http://dipbt.bundestag.de/extrakt/ba/WP17/399/39911.html>

Gesetz zur Stärkung der Finanzkraft der Kommunen

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 26.09.2010 | 06.12.2011 | 01.01.2012 | S | - |

The law substantially changed responsibilities for basic social insurance, shifting a large part of the costs from the municipal to the federal level in four consecutive steps, while lowering the fixed contributions of the federal budget to the short-term unemployment fund. No direct shock to the private sector is indicated here.

No substantial financial impact.

Verordnung zur Fortschreibung der Regelbedarfsstufen (RBSFV 2012) (RBSFV)

| Draft | Publication | Implementation | Motivation | Impact |
|-------|-------------|----------------|------------|--------|
| | 17.10.2011 | 01.01.2012 | | - |

After the “Gesetz zur Ermittlung von Regelbedarfen und zur Änderung des Zweiten und Zwölften Buches Sozialgesetzbuch”, the benefits of long-term unemployed became indexed to the price level and the wage level. Since then, an annual order puts in effect the relevant changes. The shock that came with the changing of the rules has been captured as a permanent shock. All annual changes by orders are now part of this permanent shock. Thus there is no additional shock here.

No substantial financial impact.

Gesetz zur Festsetzung der Beitragssätze in der gesetzlichen Rentenversicherung für das Jahr 2013 (Beitragssatzgesetz 2013)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|----------|
| 16.11.2012 | 05.12.2012 | 01.01.2013 | S | €-6.3 bn |

The law lowered the contribution rate to the pension system from 19.6% to 18.9%. The first draft announced a reduction to only 19.0%, which would have amounted to an expansionary shock to the private sector of €5.4 bn according to the draft. However, with the Beschlussempfehlung came the additional lowering to 18.9%. That is, the overall effect should be €6.3 bn.

With respect to motivation, the law states that the rate cut is warranted due to the pension fund rules. The buffer stock exceeds the maximum level so a rate cut is indicated. In line with our general rules, we however treat the measure as a shock, since it is still a discretionary policy option to either cut the rate or increase the ceiling of the buffer stock (both options have been used in the past) and (as opposed to a change in the buffer stock ceiling) the rate cut has a direct financial impact. The motivation is therefore

structural.

<http://dipbt.bundestag.de/extrakt/ba/WP17/470/47080.html>

Haushaltsbegleitgesetz 2013 (HBeglG 2013)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 03.09.2012 | 20.12.2012 | 01.01.2013 | | - |

The law only shifted some financial flows between the federal budget and the social security system.

No substantial financial impact.

Gesetz zu Änderungen im Bereich der geringfügigen Beschäftigung

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 25.09.2012 | 05.12.2012 | 01.01.2013 | | - |

No substantial financial impact.

Gesetz zur Regelung des Assistenzpflegebedarfs in stationären Vorsorge- oder Rehabilitationseinrichtungen

| Draft | Publication | Implementation | Motivation | Impact |
|-------------------------|-------------|----------------|------------|-----------|
| 07.11.2012/(24.09.2012) | 20.12.2012 | 01.01.2013 | S | €-1.75 bn |

The law's only financially relevant measure abolished the consulting fee of €10 per visit to the doctor per quarter, which was introduced back in 2004. This measure was not announced in the draft which only dealt with very minor financial changes to other rulings. The Beschlussempfehlung then introduced the relevant measure which should have an annual financial impact of €1.5-2 bn. We take the mean value of this range for the shock series. This is below the usual threshold, however, the law is announced and introduced contemporarily with other major shocks to which it adds.

As announcement date we opt for the date publication of the Beschlussempfehlung.

The law takes back a measure that was introduced as a structural change to prevent abuse of the health system. As the measure was found to be inefficient and given up, its abolition should be structural as well.

<http://dipbt.bundestag.de/extrakt/ba/WP17/467/46721.html>

Gesetz zur Beseitigung sozialer Überforderung bei Beitragsschulden in der Krankenver-

sicherung

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 16.04.2013 | 15.07.2013 | 01.08.2013 | | - |

No substantial financial impact.

Zweites Gesetz zur Änderung des Zwölften Buches Sozialgesetzbuch

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|--------|
| 29.05.2013 | 01.10.2013 | 09.10.2013 | | - |

No substantial financial impact.

Verordnung zur Fortschreibung der Regelbedarfsstufen (RBSFV 2013) (RBSFV)

| Draft | Publication | Implementation | Motivation | Impact |
|-------|-------------|----------------|------------|--------|
| | 17.10.2012 | 01.01.2013 | | - |

After the Gesetz zur Ermittlung von Regelbedarfen und zur Änderung des Zweiten und Zwölften Buches Sozialgesetzbuch", the benefits of long-term unemployed became indexed to the price level and the wage level. Since then, an annual order puts in effect the relevant changes. The shock that came with the changing of the rules has been captured as a permanent shock. All annual changes by orders are now part of this permanent shock. Thus there is no additional shock here.

No substantial financial impact.

5 Tax legislation changes

In our econometric analysis in Gechert et al. (2016) we span the sample period from 1974 to 2013. In contrast, the narrative account for legislative tax changes for Germany by Uhl (2013) stops in 2010. Therefore, we update the tax shock chronicle for the recent years, up to 2013. Furthermore, due to the innovation of the narrative for social security changes some minor alterations of the database by Uhl (2013) have to be made referring to spending-driven shocks related to the social security system. In the following we list these changes and elaborate on the included legislated tax changes with substantial

financial impact.

Gesetz zum Einstieg in die ökologische Steuerreform

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|------------|
| 17.11.1998 | 29.03.1999 | 01.04.1999 | S | € 6.212 bn |

The law increased taxes for energy. While it was partly implemented to create ecological-friendly incentives, the lawmakers clearly stated the need to finance a reduction of labor costs via lower social security contributions. Therefore, the law is spending driven in Uhl (2013).

Nonetheless, we evaluate the connected decrease in social security contributions enforced in the “Gesetz zur Korrekturen in der Sozialversicherung und zur Sicherung der Arbeitnehmerrechte” in our narrative. We change the motivation to structural in accordance to our assessment due to the inclusion of social security shocks.

Compare Uhl (2013: 35).

Gesetz zur Neuregelung der geringfügigen Beschäftigungsverhältnisse

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|-------------|
| 19.01.1999 | 29.03.1999 | 01.04.1999 | S | € -1.079 bn |

The law cut income taxes for wages below a certain threshold entirely. Also, as pointed out in 4, increases to social security contributions for employers to generate additional revenue were introduced.

Therefore, Uhl (2013) states that the tax decreases cannot be viewed in isolation. Since we provide the missing narrative information, we can change the tax shock to a structural change in line with our assessment.

Compare Uhl (2013: 35).

Haushaltsbegleitgesetz 2006

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|------------|
| 24.02.2006 | 30.06.2006 | 01.01.2007 | C | € 7.648 bn |

As pointed out by Uhl (2013), one-third of the increase in the value-added tax rate was implemented to finance cuts to social security contribution rates. With our shock series that covers the cut in contribution rates, we cover both sides and deem the whole € 24 bn of tax changes as an exogenous increase in tax revenues.

In line with Uhl (2013)'s and our assessment of the law we change the motivation to consolidation.

Compare Uhl (2013: 19).

Gesetz zur verbesserten steuerlichen Berücksichtigung von Vorsorgeaufwendungen (Bürgerentlastungsgesetz Krankenversicherung)

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|-------------------------|----------------|
| 16.03.2009 | 16.07.2009 | 17.07.2009 | MS (S in Uhl (2013)) | Uhl (2013: 16) |

This law is already in the Uhl (2013) database. There is no further substantial financial impact. However, a change in the motivation is warranted, also for the tax shocks. Even though the measure follows a ruling of the court, its announcement and implementation happen during the deepest phase of the financial crisis. Thus, we opt for an endogenization due to the macroeconomic shock.

<http://dipbt.bundestag.de/extrakt/ba/WP16/184/18406.html>

Haushaltsbegleitgesetz 2011

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|-----------|
| 27.09.2010 | 09.12.2010 | 01.01.2011 | CC | €1.92 bn |
| | | 01.01.2013 | CC | €-0.62 bn |

The tax legislation changes of this law concentrate on the air transportation tax and energy taxes. The changes within the air transportation tax regulations amount to a financial impact of €1.0 bn. The changes of the energy tax amount to a financial impact of €0.62 bn, however, only temporary for the years 2011 and 2012. In 2013 the allowance of the European Commission phase-outs and a new regulation needs to be implemented. Furthermore, there is a change of the bankruptcy code implied, amounting to a financial impact of €0.3 bn.

In the legislative process it is referred to the effects of the financial crisis and the necessary subsequent budget deficits, which afterwards have to be compensated. This speaks in favour of an endogenous cyclical measure.

<http://dipbt.bundestag.de/extrakt/ba/WP17/291/29166.html>

Kernbrennstoffsteuergesetz

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|---------|
| 28.09.2010 | 14.12.2010 | 01.01.2011 | SD | €1.3 bn |

The law introduced a tax on the use of reactor fuels. While the draft forecasted an impact of €2.3 bn, the ex-post Finanzbericht of 2012 lists a revenue-shock of €1.3 bn. Given that the bill only integrates one single measure, the implementation of the reactor fuels tax, the measure is considered in our narrative even though it falls below the threshold.

In general, the law was implemented in order to generate additional revenues to consolidate the budget. Partly, however, the revenues are supposed to finance the rehabilitation of the reactor Asse II, according to the statement of the government in the draft of the bill. Therefore the motivation of the law is not straightforward. The given information does not state clearly how much of the financial impact will be used for the construction work. Under consideration of German newspaper reports before introduction of the law, the costs of rehabilitation seemed to be significantly higher than the financial impact of the Kernbrennstoffsteuergesetz. Therefore, we decided to categorize the law as spending-driven. However, an alternative motivation would clearly be the general budget consolidation at the time.

<http://dipbt.bundestag.de/extrakt/ba/WP17/294/29443.html>

Gesetz zum Abbau der kalten Progression

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|------------|
| 07.12.2011 | 25.02.2013 | 01.01.2013 | S | €-0.825 bn |

The Gesetz zum Abbau der kalten Progression relieved the tax payer from the systemically caused additional income tax burden due to wage increases which adjusted only for inflation. The law makers expected a reduction of tax revenues by €6.11 bn after full implementation.

The law included two steps to increase the tax exemption limit. The first step in January 2013 raised the limit to €8,130 and the second step in January 2014 to €8,354 . The implementation effect was significantly lower with respect to the expected effect at the draft and publication stage. The Finanzbericht 2014 quoted a revenue effect after full implementation of €-2.57 bn which yielded about 0.1% of GDP. Therefore the law is integrated into the shock series. However, due to the reason that only the first shock is within our time horizon, we take the effect size of the budgetary year 2013 listed in the Finanzbericht at the beginning of 2013 as our shock, its size is €-0.825 bn.

Considering that this tax reduction was timed after the general expansive reaction to the financial crisis of 2008 and the recession in Germany was overcome, it can be seen as exogenous. Hence the motivation

behind the law is structural.

<http://dipbt.bundestag.de/extrakt/ba/WP17/412/41263.html>

Gesetz zur Finanzierung eines zusätzlichen Bundeszuschusses zur gesetzlichen Rentenversicherung

| Draft | Publication | Implementation | Motivation | Impact |
|------------|-------------|----------------|------------|-----------|
| 07.10.1997 | 23.12.1997 | 01.04.1998 | S | €5.778 bn |

The expected revenues from the rise in value-added taxes were supposed to finance a grant to the pension system, therefore Uhl (2013) categorised the law as spending driven.

However, since our narrative provides the missing information on the spending side, we change the motivation of the tax shock to structural.

Compare Uhl (2013: 36).

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