

## **Excess Demand For Subsidized Child Care In Germany**

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In this paper the excess demand for subsidized child care slots for preschool children in Germany is estimated on the basis of a partial observability model in the style of Abowd and Farber (1982). The results show that among children aged up to 3 years, about 45 percent are queuing for child care slots, whereas only 16 percent of children aged between 3 and 6 years are not offered a child care slot although their parents demand one. Considering only children up to 3 years with working mothers or mothers who wish to work as soon as possible, about 245,000 child care slots are missing. This number comes very close to the government's plan to expand subsidized child care by 230,000 slots for children in this age group.

**Key-Words:** child care, excess demand, partial observability model

**JEL Classification:** J13, C35, D12