

## **Abstract**

Although paternity leave policies have already been in place in a majority of European Countries, paternity leave in the Czech Republic was introduced through legislation change only in February 2018. In this thesis, we focus on an evaluation of expected costs and benefits of paternity leave in the Czech Republic. Given the recent nature of the policy change, we provide an ex ante analysis. This analysis compares the actual situation as of 2016 with a hypothetical situation of implementing paternity leave already in that year. Unlike the European Commission studies analysing the introduction of paternity leave in other European countries, we take into account heterogeneous propensities of different socio-economic groups taking paternity leave, different scenarios of overall take-up rates and different on-the-job substitution rates for fathers. We show that the lowest expected yearly costs were 427 million CZK, while the highest calculated costs were 1.28 billion CZK. The lowest costs go hand in hand with the lowest take-up rate and a higher substitution rate. On the contrary, the highest costs were calculated for the highest take-up rate and a lower substitution rate.