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Social Science Research Center
Berlin



Measuring Ethnic Discrimination: Correspondence Studies in the German Labour Market

The Danish Institute For Human Rights and The Danish Anti-Discrimination Unit

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Orientation

Introduction

- German Labour Market Situation

1 Study

- Expert Council of German Foundations on Integration and Migration
- Ethnic Discrimination in the Vocational Market
- 2013

2 Study

- Social Science Research Center Berlin
- Ethnic Discrimination in the Labour Market
- Ongoing

Labour Market Situation: Poorer opportunities for migrants in Germany

- As of 2012, **1/5** of the German population has migration background. However, more than **1/3** of the unemployed have migration background.
(Federal Employment Agency, March 2014)
- Differing amounts of human capital (language skills, education level) do not always fully account for disadvantages on the labour market.
(Burkert & Seibert, 2007; Uhlendorff & Zimmermann, 2006; Kogan, 2004)



Labour Market Situation: Expected shortage of skilled workers

- Ageing population, declining size of workforce, and increasing shortages of skilled labour (Constant & Rinne, 2013).
- Study of ethnic discrimination shows that when applying for an internship in Germany, a German-sounding name increases the probability for callbacks by 14% (Kaas & Manger, 2011).

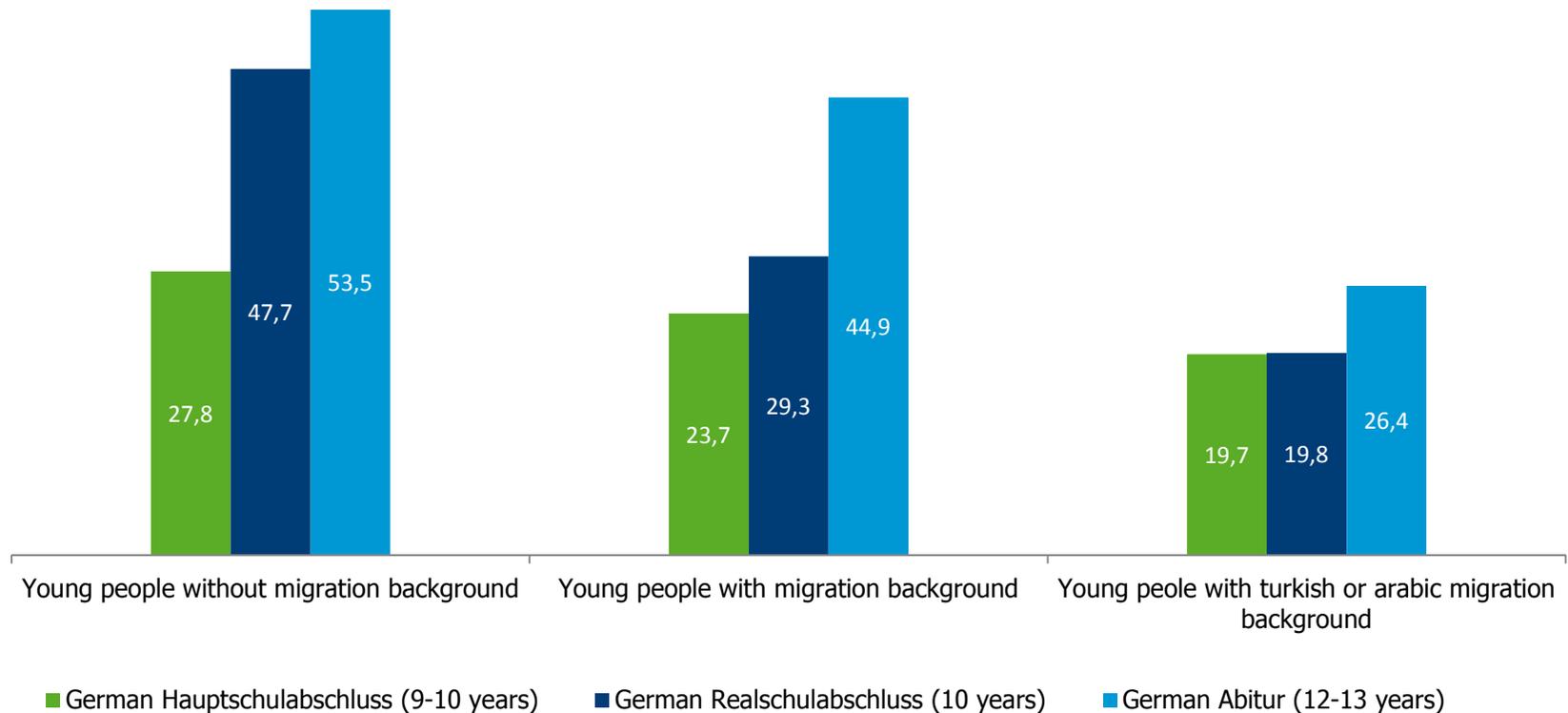


1 Study

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- 2013

Young people with migration background have poorer chances of finding an apprenticeship in the dual system than young people without migration background.

Figure: BA/ BIBB- Survey 2010 on access to dual apprenticeship by schooling.

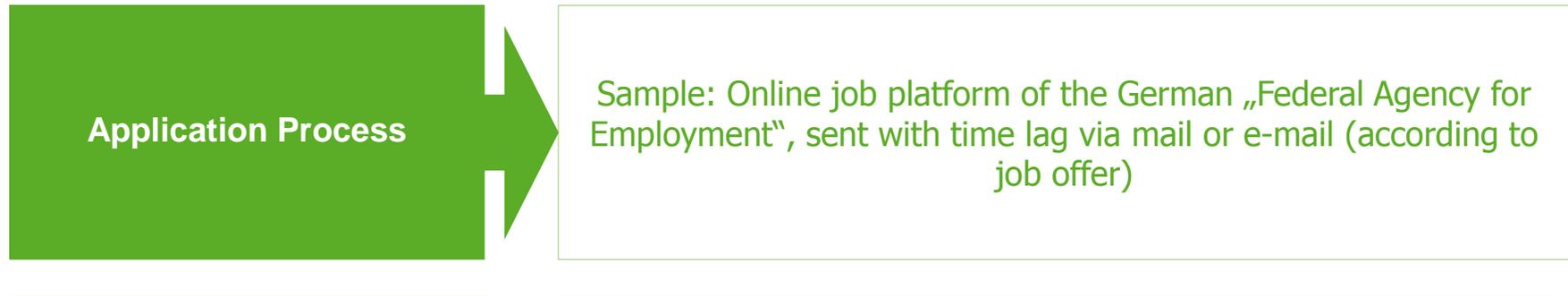


Reference: Own representation based on Beicht 2011

We tested the hypothesis of ethnic discrimination in the vocational market by conducting a correspondence test.

Apprenticeship Trade	Companies	Applications
Office Clerk	898	1.796
Automotive Mechatronic	896	1.792
Σ	1.794	3.588

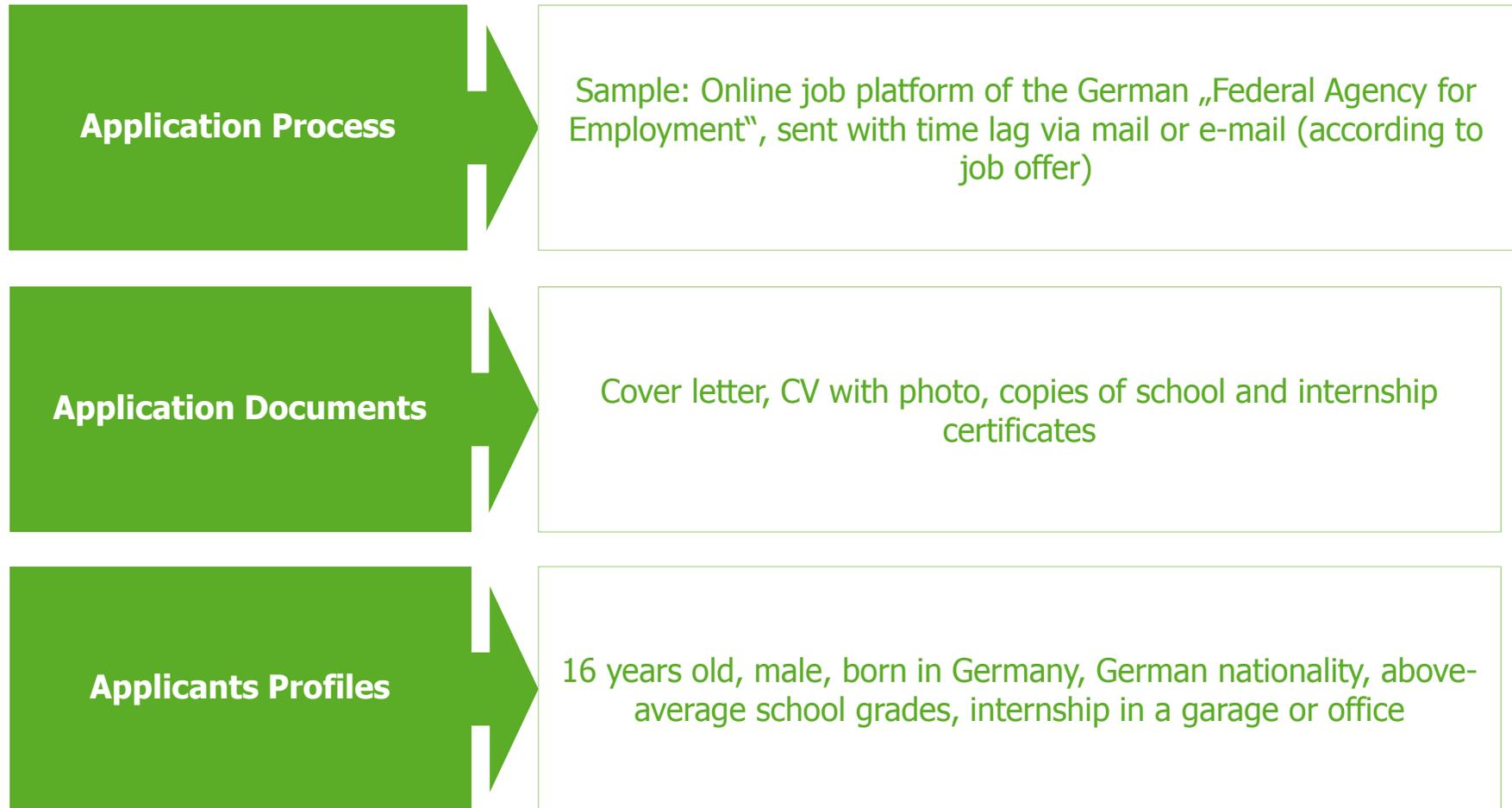
The application process has been thoroughly prepared to create the identities of the fictitious candidates.



The application documents consisted of a cover letter, a CV with photo and copies of school and internship certificates.



The applicants profiles were created to be appealing to employers.



Photos and names were randomly assigned and equally distributed according to profession.



Ahmet Aydin
Lukas Heumann



Tim Schultheiß
Hakan Yilmaz



There were 16 possible combinations of applicants and cities.

	Photo 1 Fulda	Photo 2 Fulda	Photo 1 Hildesheim	Photo 2 Hildesheim
Tim (mechatronic)				
Hakan (mechatronic)				
Lukas (clerk)				
Ahmet (clerk)				

The results show that callbacks are correlated with names and professions.

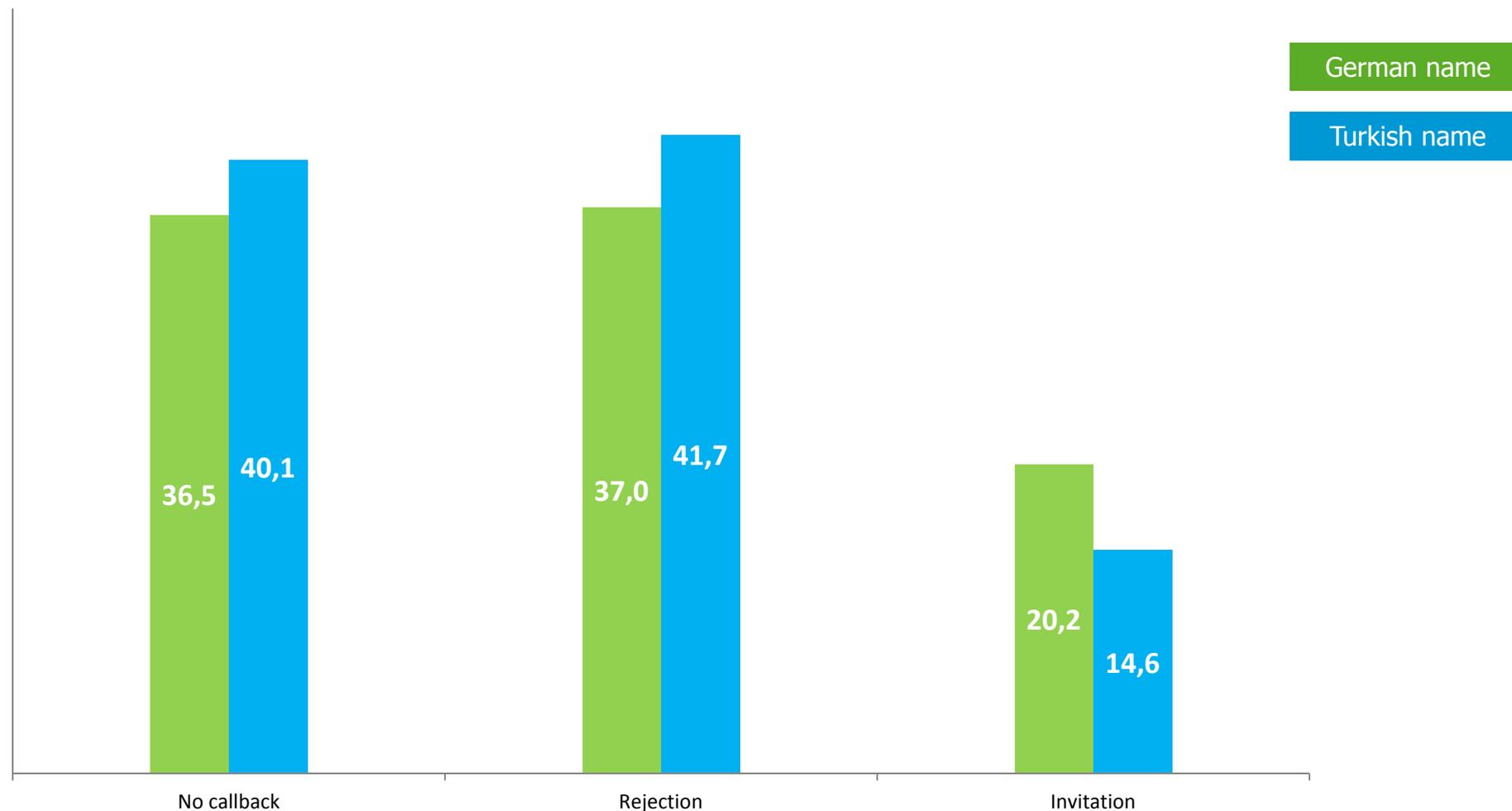
	<i>At least one callback</i>			<i>Net discrimination</i>	
	<i>Both</i>	<i>Only G</i>	<i>Only T</i>	<i>Difference (%-Points)</i>	<i>Level of significance</i>
All Firms	77,0 %	14,1 %	8,9 %	5,2	$p \leq 0.001$
Office Clerk	81,2 %	10,9 %	7,9 %	3,0	$p \leq 0.1$
Automotive Mechatronic	72,6 %	17,4 %	10,0 %	7,4	$p \leq 0.001$

A crucial factor is firm size; net discrimination is highest in small firms.



	<i>At least one callback</i>			<i>Net discrimination</i>	
<i>Firm size</i>	<i>Both</i>	<i>Only G</i>	<i>Only T</i>	<i>Difference (%-Points)</i>	<i>Level of significance</i>
< 6 employees	74,4 %	18,4 %	7,2 %	11,2	$p \leq 0.01$
6 - 50 employees	75,6 %	14,1 %	10,3 %	3,8	$p \leq 0.05$
> 50 employees	80,6 %	12,4 %	7,0 %	5,4	$p \leq 0.05$

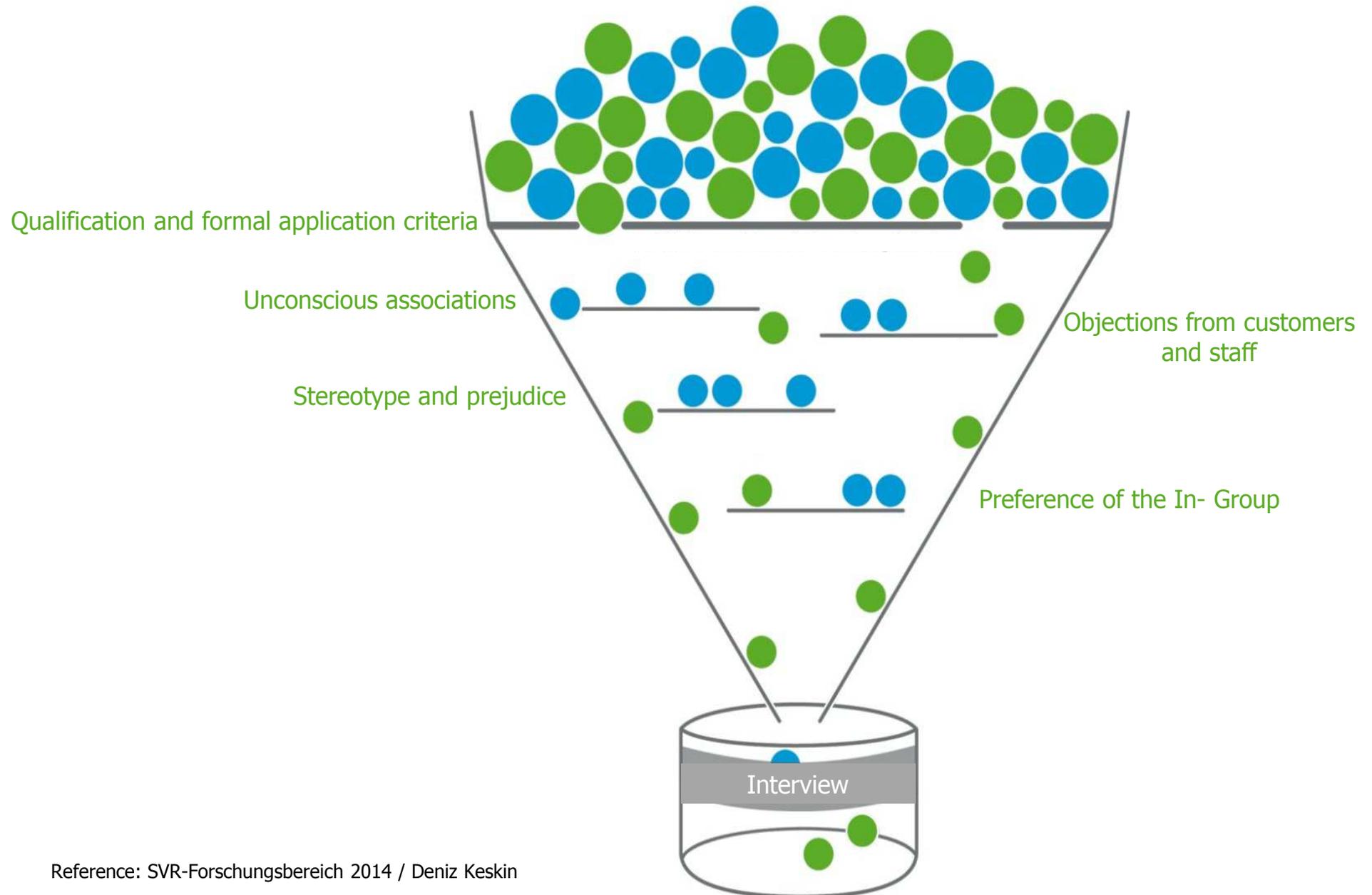
Responses were to the disadvantage of the applicants with Turkish names in all measured categories.



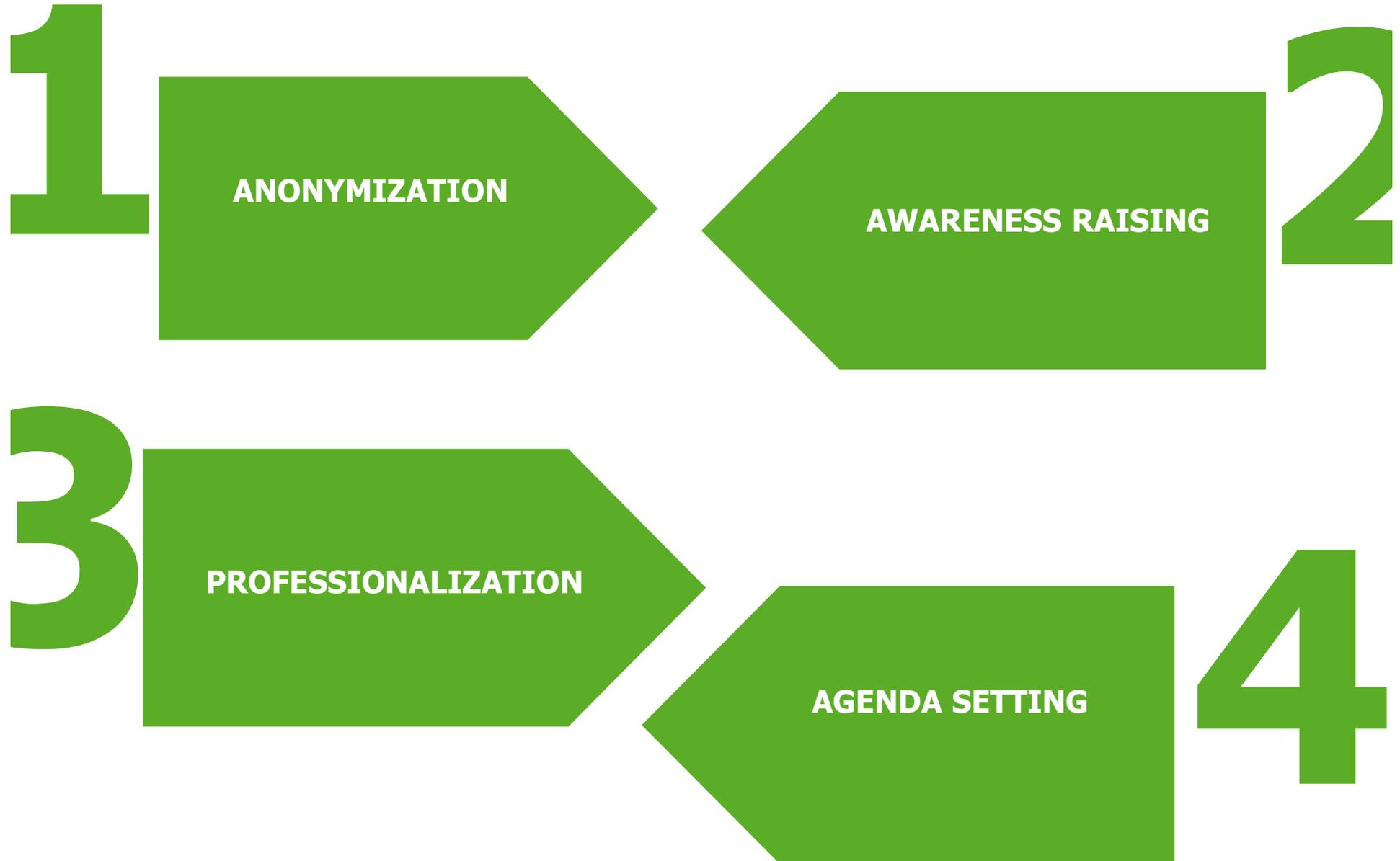
Applicants with a Turkish name have to write more applications to get an invitation for an interview.



In the second part of the study we conducted focus groups to better understand employers decision making during the recruiting process.



The study recommends several steps to tackle discrimination and addresses various actors.



2 Study

- Social Science Research Center Berlin
- Ethnic Discrimination in the Labour Market
- Ongoing

The aim of our study is to further decompose discrimination.

- Decomposing discrimination (phenotype, language, religion, ...) in order to explain **ethnic hierarchies** in discrimination of 2nd generation immigrants
- Across **gender, occupational fields** (8 professions), **regions** (with varying employment markets and ethnic compositions)
- **Statistical** versus **taste-based** mechanisms

Two main hypotheses are discussed in the literature.

Taste-based discrimination driven by intrinsic dislike of an out-group or robust stereotypes about their inferiority

Levels of discrimination vary with socio-cultural distance or group size

Two main hypotheses are discussed in the literature.

Statistical discrimination driven by productivity concerns and risk avoidance: uncertainty about job-relevant qualities of minority applicants and generalization of aggregate knowledge about minority groups

Levels of discrimination **decrease** with positive information about the qualities of individual applicants (e.g., school grades, job experience, German language skills)

Higher levels of discrimination against groups with lower aggregate qualification levels

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Images

- Picture-alliance/dpa. (2013). Opinion: Germany's labor market is split [Photo]. Retrieved from <http://dw.de/p/18Pe4>
- Picture-alliance/dpa (2012). German labor market shaky October hiring slows [Photo]. Retrieved from <http://dw.de/p/16ZOm>

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Thank you!

