

Some Experiences with ILO Discrimination Testing

August Gächter

Centre for Social Innovation (not ILO)

www.zsi.at

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Successive steps

- Step 1: Voice inquiry – the testers call to inquire about the availability of the position
- Step 2: Written application – the testers submit formal applications for the job
- Step 3: Job interview – face to face interaction with the prospective employer

At each point preference of the one over the other could occur.

Countries studied

- So far the full three-step procedure employing ILO methodology was carried out in the **Netherlands, Belgium, Spain, Denmark, Italy, France, and Sweden**
- Denmark without ILO involvement
- Only the first two steps in **Germany**
- Only the written applications (step 2) in **Switzerland** (correspondence testing, no ILO involvement)

Minority groups studied

- Usually men in their early twenties, first generation born in the country, citizens (not in Italy for reasons of plausibility)
- Usually of North African descent, in Denmark Turkish and Pakistani, in Germany Turkish
- In some cases extra research into women, and into other descent groups

Jobs studied

- Semi-skilled jobs, operatives
Diploma requirements cannot be fulfilled
- Recently services only, i.e. restaurants, retailing, delivery, previously also manufacturing, construction, crafts
- Advertised positions, usually in newspapers
- No jobs agencies

Does this 'represent' the labour market?

- Not an attempt to represent the entire labour market
- Unskilled and semi-skilled jobs
- Young labour market entrants
- Quota sampling

Challenges

- Overall: Sticking to the prescribed method
- Thus assuring comparability
- Selection, training, monitoring of testers
- Application requirements: German vs. Danish approach, ILO approach
- Plausibility of legal status? Citizenship not plausible in Italy, nor in-country birth

Achilles heel?

- Precise matching of the pairs of testers
 - Not only at selection time but along the learning curve: takes keen monitoring!
- Do we know which characteristics employers perceive to be productivity enhancing?
- What are employers really looking for in the labour market?

Intercountry comparability

- Quota sampling enhances comparability: comparing like with like
- German results not comparable because of liberties with the method
- Larger differences between cities than between countries

Comparability over time

- OECD labour markets have moved on since the early 1990s
- Less skilled jobs now highly concentrated in services
- Next they might move into households
- We had to change the sampling quotas

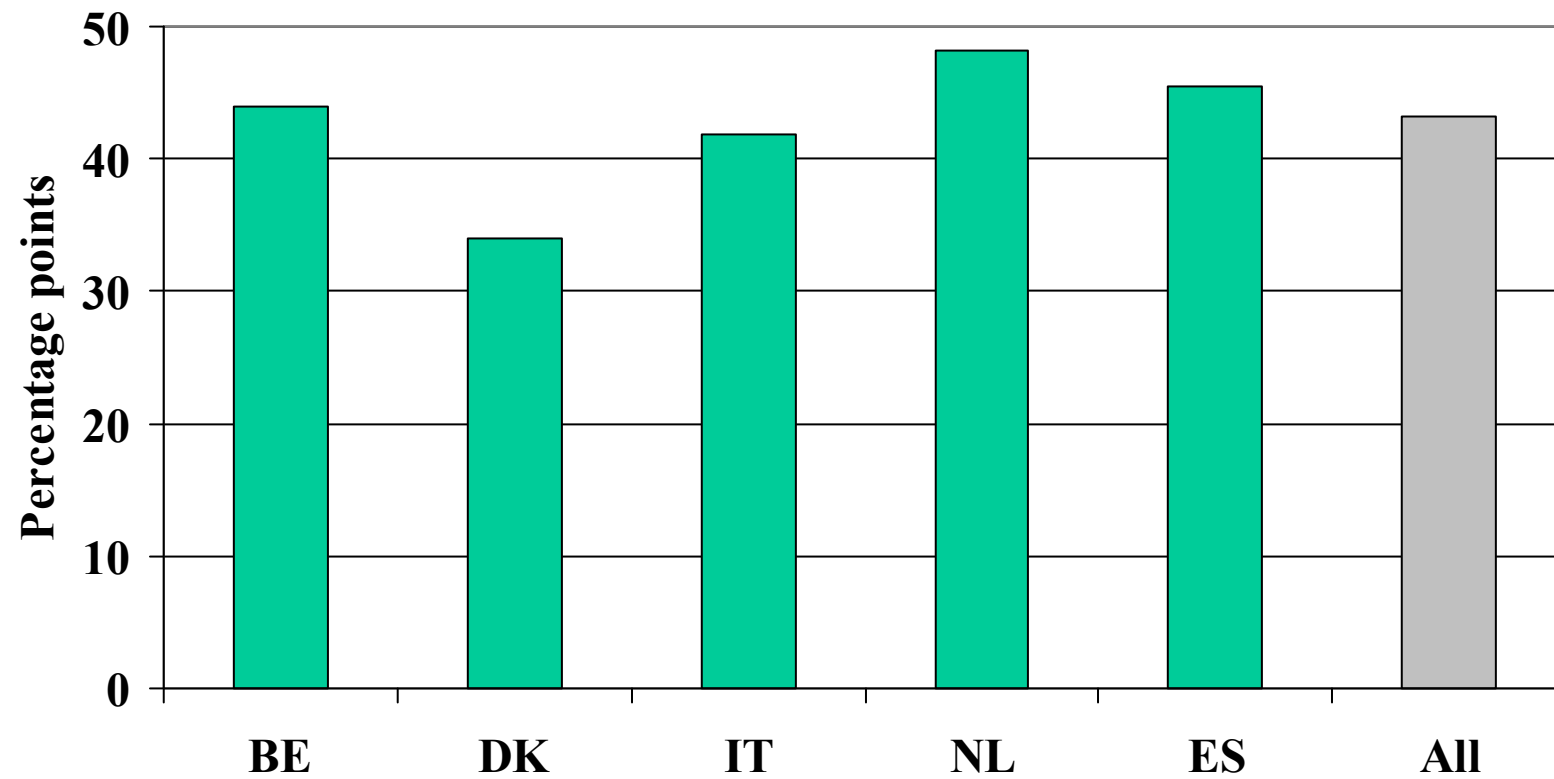
How do we present results?

- Net discrimination rate (percentage points difference)
 - No. of cases with preference for majority minus no. of cases with preference for minority divided by no. of cases
 - In the published results aborted cases were included in the denominator
- Share of cases with preference (percent)
- Job applications per case of being given preference

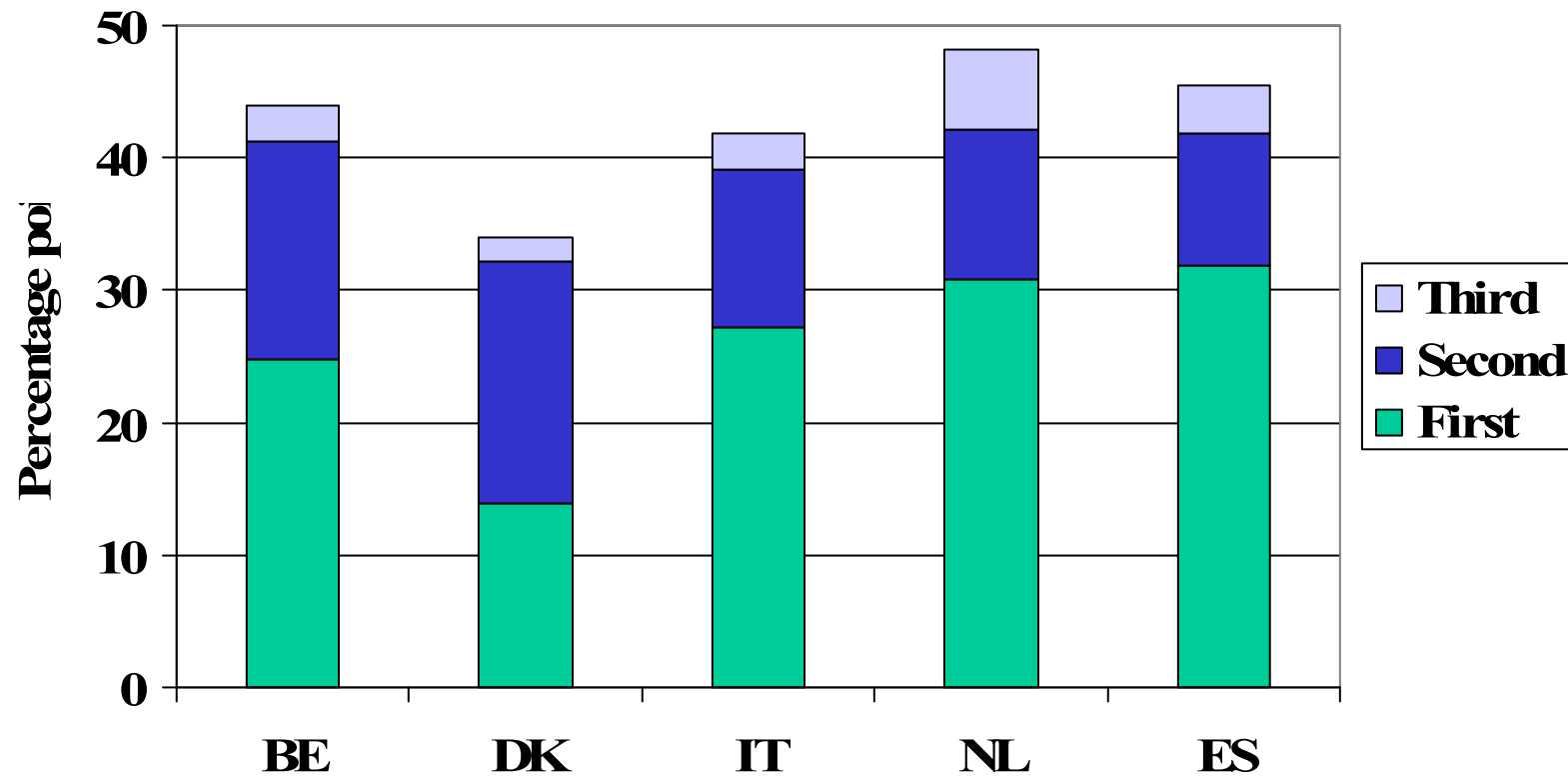
Results

- The numbers reported below may be slightly higher than in the published reports
- because there is always a small percentage of cases that has to be abandoned along the way
- These are here excluded from the case total while in the published reports they were included

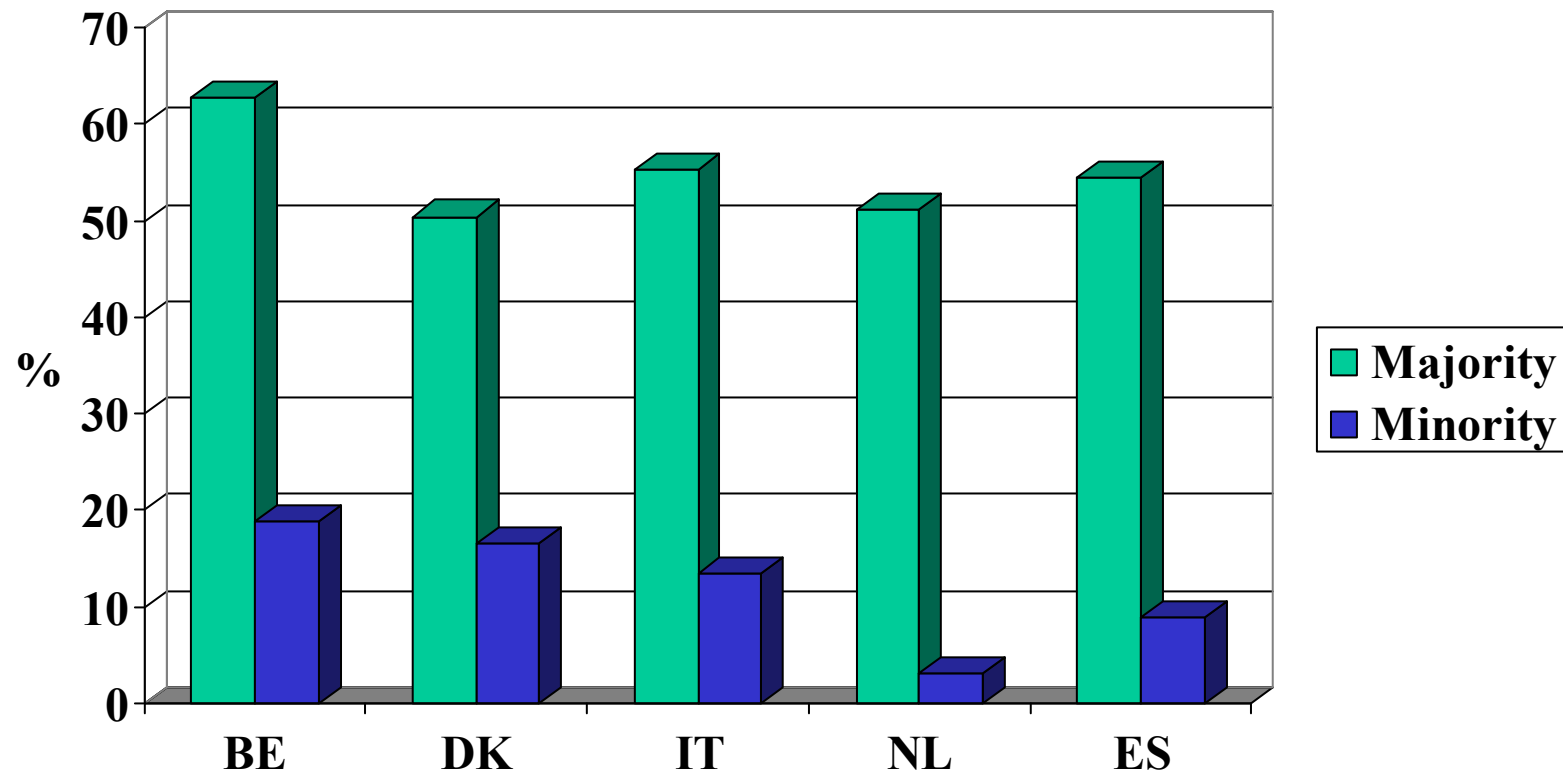
Net discrimination rate



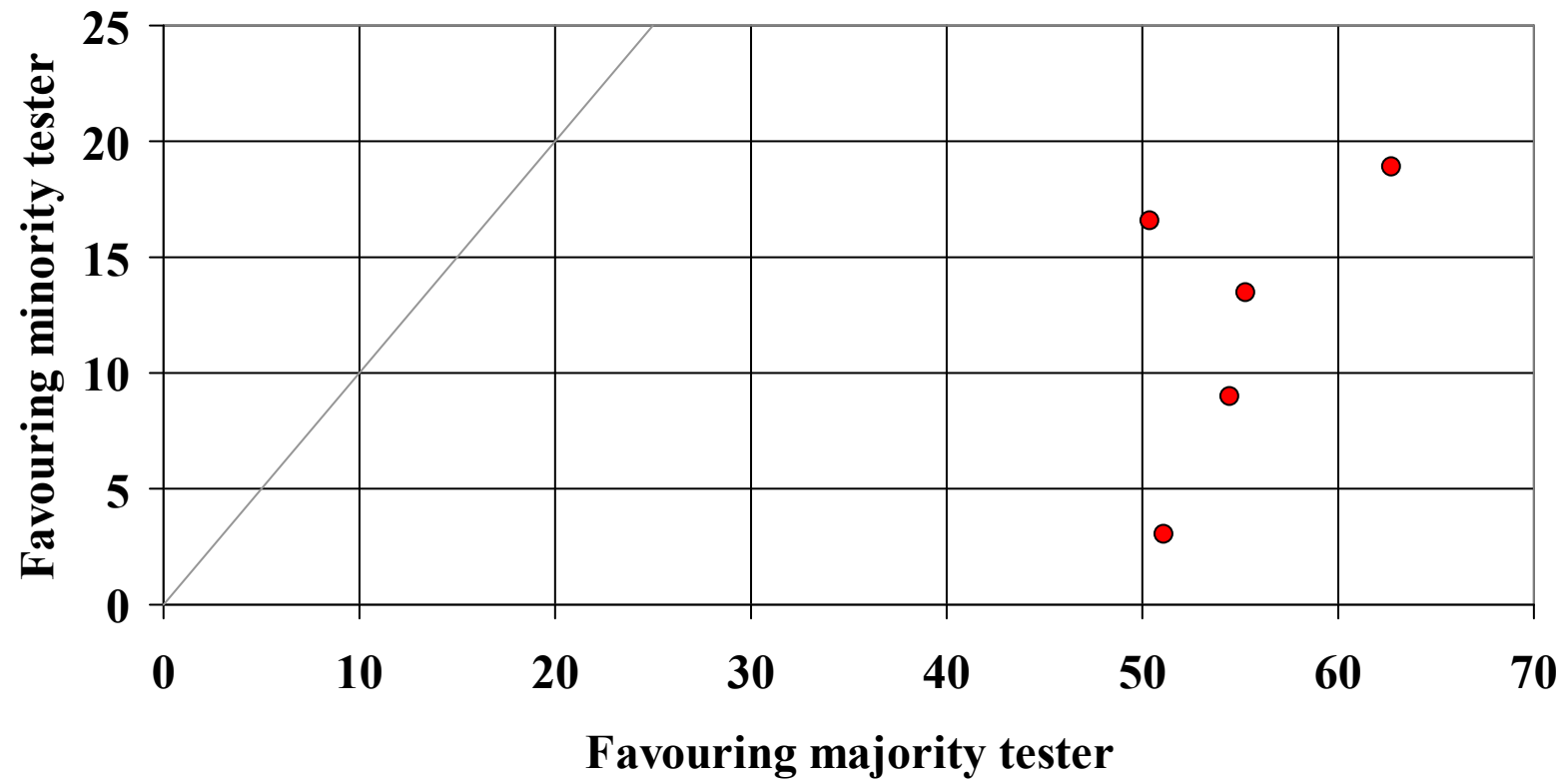
Net discrimination rate by step



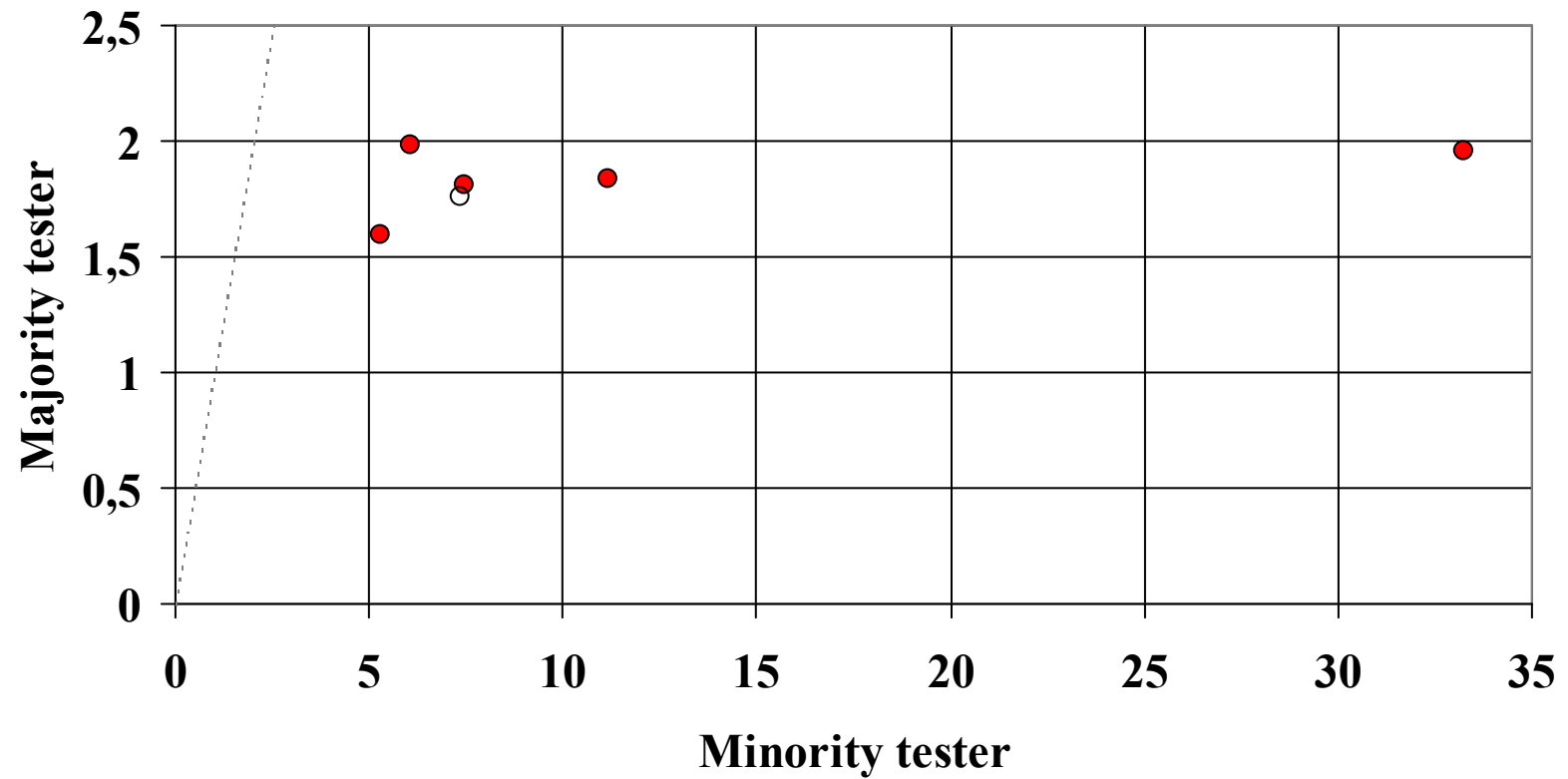
Share of cases with preference



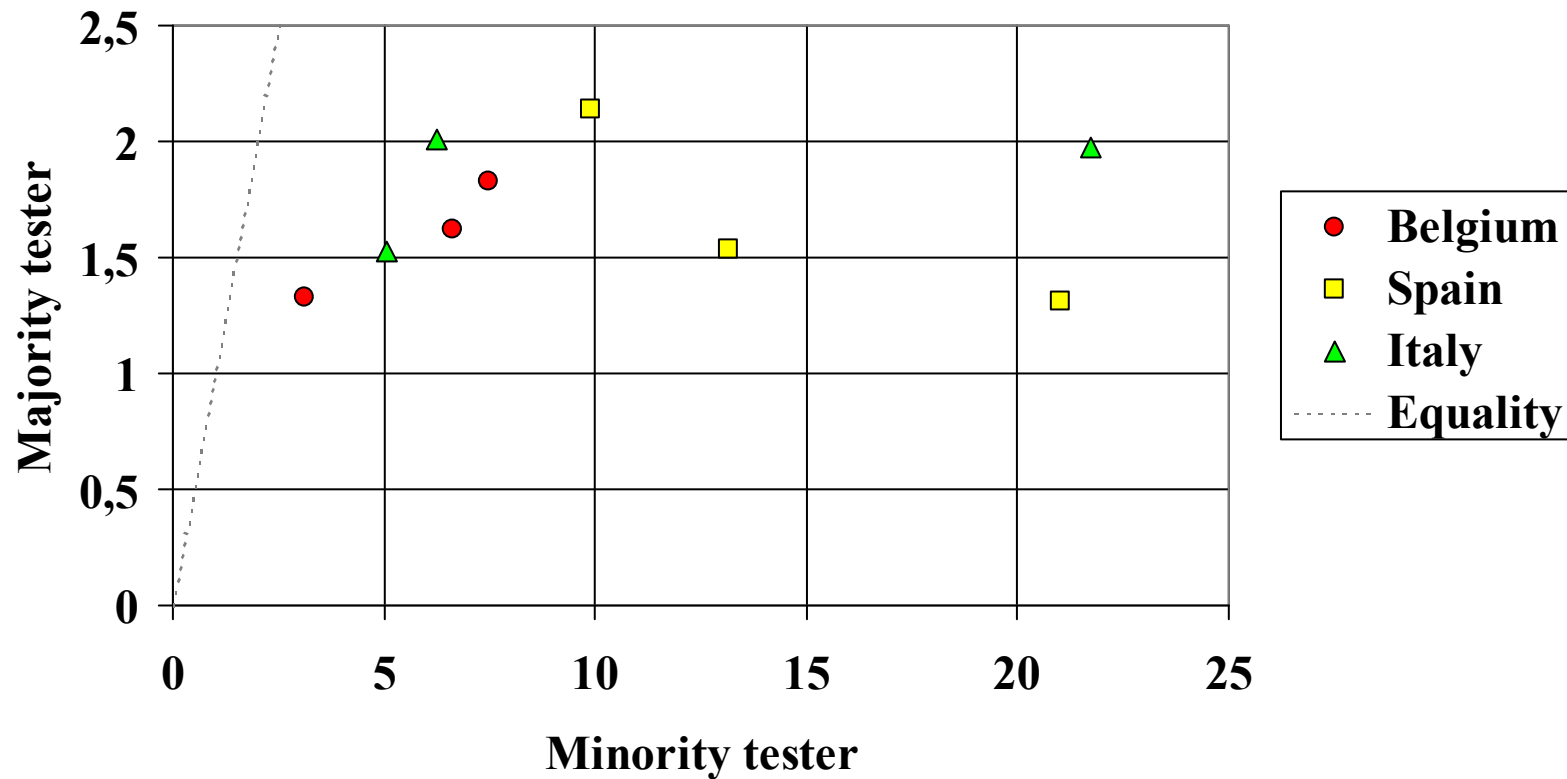
Share of cases with preference



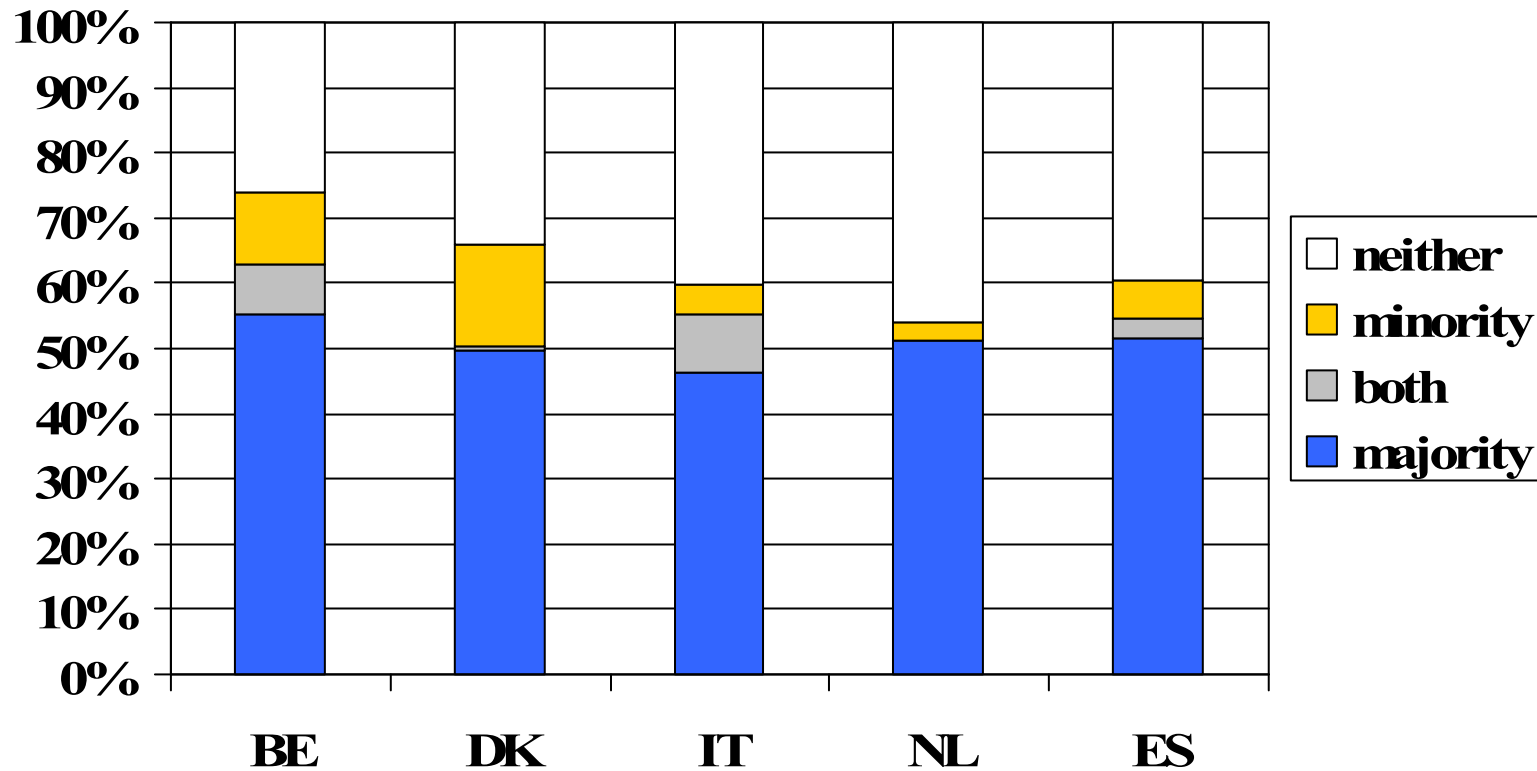
Applications per preference



City results, males, applications per preference



Preferences per 100 applications



Although we do not propose to explain discrimination ...

- Attention to deskilling in the hiring process
- Prejudice against city quarters
- Monitoring of media activity just before and during testing
- Does local inequality influence outcomes?
- Do seasonal and business cycles matter?
- Does the formality of skill acquisition?

Suggested reading

P. A. Riach & J. Rich

Field Experiments of Discrimination in the
Labour Market

Economic Journal Vol. 112, p. F480-F518

November 2002