



Programme



IAAEU
Institute for Labour Law
and Industrial Relations
in the European Union

Mainz-Trier Workshop on Labour Economics
November 7th & 8th, 2024

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Institute for Labour Law and Industrial Relations in the European Union (IAAEU)
Trier University, Campus II
Behringstraße 21
54296 Trier

Welcome to the Institute for Labour Law and Industrial Relations in the European Union

The Institute for Labour Law and Industrial Relations in the European Union (IAAEU) was established as a public foundation in 1983 and is funded by the state government of Rhineland-Palatinate. While being a public foundation, the IAAEU is also a research institute of Trier University and is situated in the heart of the Petrisberg Technology Park on Campus II. The IAAEU comprises two working groups of which one engages in research in the area of European labour law (Legal Team) and one engages in the theoretical and empirical analysis of personnel and labour economic issues (Economics Team).

Since January 2012 Laszlo Goerke is one of the directors of the IAAEU and head of the Chair of Personnel Economics at Trier University. He is also a research fellow of the Institute of Labor Economics (IZA) and the CES ifo Group Munich.

For detailed information have a look at our website: <http://www.iaaeu.de/en>

About TriECON

TriECON is a workshop series initiated and conceptualized by the Institute for Labour Law and Industrial Relations in the European Union (IAAEU) in cooperation with the Chair of Personnel Economics at Trier University. Each workshop is designed to offer a platform for scientific exchange on a particular topic. The workshop series supports the networking among scientists and promotes the exchange of research ideas and results with other scientists as well as with the wider, interested public.

We hope you will have a pleasant event and gain some new insights!

For information about the upcoming workshops, we invite you to visit the corresponding [website](#).

November 7th and 8th, 2024

Venue:

IAAEU

Trier University, Campus II (Building H)

Behringstraße 21

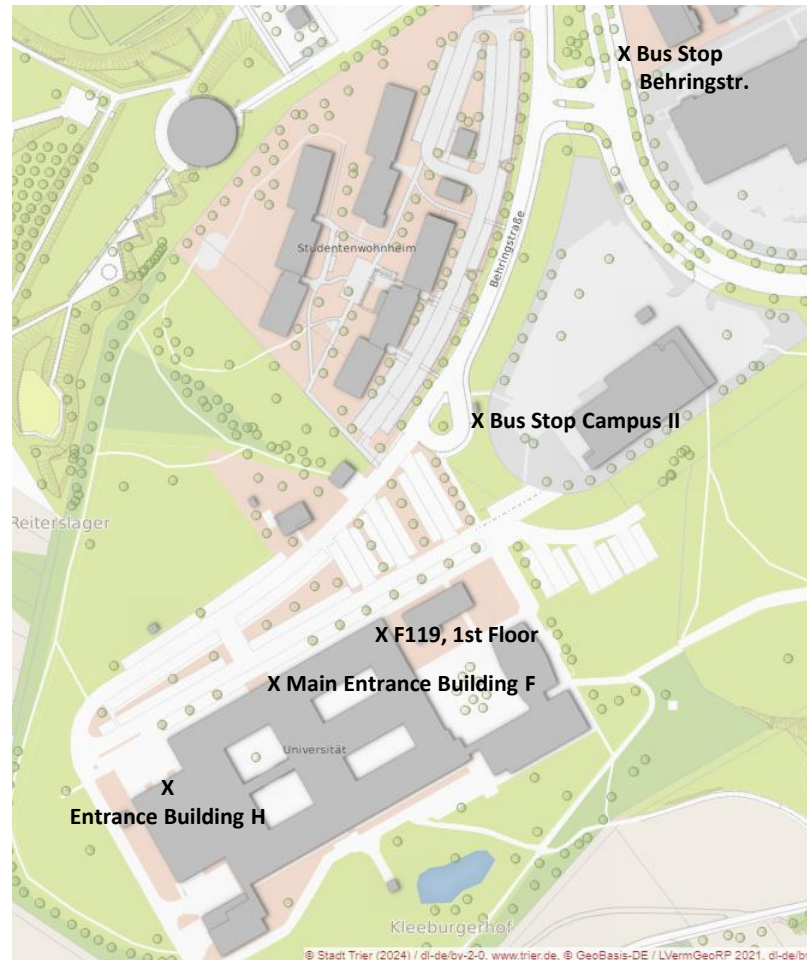
54296 Trier

Meeting Room:

F 119 (Building F , 1th Floor)

How to find Room F119:

- Enter Main Entrance Building F
- Go straight ahead and pass the map on the wall at its left
- Walk on the stairs at your right to 1st floor
- Keep left and take the first option to the right
- Room F119 is at the end of the corridor



Programme Thursday, 7th November, 2024

14:00 – 14:15	Welcome
	Session I
14:15 – 15:00	Alexander Moog: „Internal Migration after a Uniform Minimum Wage Introduction “
15:00 – 15:45	Theresa Geißler: „Tuition Fees and Educational Mismatch “
15:45 – 16:15	Coffee Break
	Session II
16:15 – 17:00	Yue Huang: „Industrial Relations and Working from Home in Germany During the COVID-19 Pandemic“ <i>(co-authored by Laszlo Goerke, Markus M. Grabka & Viola Hilbert)</i>
17:00 – 17:45	Vivien Voigt: „During and after COVID-19: What happened to the Home Advantage in Germany’s First Soccer Division?“ <i>(co-authored by Christian Orthey & Thorsten Schank)</i>
19:30	Dinner at Ristorante Fornelli

Programme Friday, 8th November, 2024

Session III

- 09:00 – 09:45 **Sven Hartmann:** „Fog or Smog? The Impact of Uncensored Reporting on Pollution on Individuals' Environmental Awareness“
- 09:45 – 10:30 **Ying Liang:** „Firms' Risk Adjustments to Minimum Wage: Financial Leverage and Labor Share Trade-off“
- 10:30 – 11:00 *Coffee Break*

Session IV

- 11:00 – 11:45 **Marco Clemens:** „Trade Union Membership and Bonus Payments“ (*co-authored by Laszlo Goerke*)
- 11:45 – 12:30 **Stefan Schwarz:** „The Effect of the German Minimum Wage on Transitions out of Unemployment“
- 12:30 – 12:45 *Farewell*

Organizational Information

Instructions for Presenters:

- We scheduled 45 minutes for each paper
- 30 minutes for your presentation and 15 minutes for discussion

Dinner on Thursday, 7th November, 2024

- Thursday, 7th November, 19:30
- Ristorante Fornelli (Italian Menu)
- Jakobstr. 34, 54290 Trier
- <https://www.fornelli.de/>

Organizational Information – Bus / Transfer

From Main Station to Conference Location

Departure Day/Time	Departure Station	Line	Exit Station	Exit Estimated Time
Thursday, 13:13	Hauptbahnhof	4 – Irsch, Hockweiler Straße	Universität Campus II	13:31
Thursday, 13:22	Hauptbahnhof	13 – Kürenz, Am Weidengraben	Kohlenstraße	13:34 + 15 Min. Walk
Friday, 08:13	Hauptbahnhof	4 – Irsch, Hockweiler Straße	Universität Campus II	08:31
Friday, 08:22	Hauptbahnhof	13 – Kürenz, Am Weidengraben	Kohlenstraße	08:34 + 15 Min. Walk

Transfer to the Dinner Location

Departure Time	Departure Station	Line	Exit Station	Exit Estimated Time
18:25	Behringstraße	88 – Trier, Hauptbahnhof	SWT Stadtwerke Trier	18:38 + 10 Min. Walk
18:55	Behringstraße	88 – Trier, Hauptbahnhof	SWT Stadtwerke Trier	19:08 + 10 Min. Walk

Abstracts

Session I:

Alexander Moog: *“Internal Migration after a Uniform Minimum Wage Introduction”*

Internal migration is an essential aspect to study labor mobility. I exploit the German statutory minimum wage introduction in 2015 to estimate its push and pull effects on internal migration using a 2% sample of administrative data. In a conditional fixed effects Poisson difference-in-differences framework with a continuous treatment, I find that the minimum wage introduction leads to an increase in the out-migration of low-skilled workers with migrant background by 25% with an increasing tendency over time from districts where a high share of workers are subject to the minimum wage (high-bite districts). In contrast the migration decision of native-born low-skilled workers is not affected by the policy. However, both native-born low-skilled workers and those with a migrant background do relocate across establishments, leaving high-bite districts as their workplace. In addition, I find an increase for unemployed individuals with a migrant background in out-migrating from high-bite districts. These results emphasize the importance of considering the effects on geographical labor mobility when implementing and analyzing policies that affect the determinants of internal migration.

Theresa Geißler: *“Tuition Fees and Educational Mismatch”*

This paper provides the first empirical analysis of the impact of tuition fees on post-graduate outcomes in Germany, with a specific focus on educational mismatch. Leveraging the quasi-experimental introduction of tuition fees in selected federal states between 2006 and 2014, the study examines how these fees influence the likelihood of educational (mis)match. The findings reveal that graduates from fee-charging states are significantly more likely to be overeducated and less likely to be matched. These results are robust to a variety of sensitivity tests, and are not driven by local labor market conditions at the time of graduation. Additionally, by incorporating data on internal migration and first-time enrollment trends across states, the analysis mitigates concerns related to selection bias. Heterogeneity analyses highlight that the effects are particularly pronounced in the states of Bavaria and Baden-Württemberg.

Abstracts

Session II:

Markus M. Grabka, Laszlo Goerke, Viola Hilbert, Yue Huang, : *“Industrial Relations and Working from Home in Germany During the COVID-19 Pandemic”*

In this paper, we investigate the role of industrial relations in the extent of working from home during the COVID-19 pandemic in Germany. We use data from the German Socio-Economic Panel (SOEP) from the 2020 regular survey and special COVID-surveys for 2020 and 2021. There are three main findings: first, we find that employees covered by a collective bargaining agreement are less likely to work from home and do so less frequently than uncovered individuals. This negative correlation may point to generally more formalized regulations in companies with collective bargaining agreements, which lead to less flexibility. Second, the incidence and frequency of working from home are positively associated with co-determination at the plant level, especially in 2021, i.e., the second year of the pandemic. This could indicate that companies with a works council respond more flexibly to challenges such as a pandemic. And third, union membership has no bearing on whether an employee works from home. The results presented are relevant in showing which instruments effectively limit the increasing polarization in the labour market concerning the possibility of remote work.

Christian Orthey, Thorsten Schank, Vivien Voigt: *“During and after COVID-19: What happened to the Home Advantage in Germany’s First Soccer Division?”*

The existence of a home advantage (HA) in many sports, the phenomenon that the local team performs better than the visiting team, is a well-established fact. In the aftermath of the COVID-19 outbreak, spectators were banned from football matches, which we leverage as a natural experiment to examine the impact of spectators on HA. Using data from the German Bundesliga for the seasons 2016/17 to 2023/24, we are the first to take a longer perspective and cover not only the first but all three seasons subject to visitor regulations. We confirm previous studies regarding the disappearance of home advantage in the last nine matches of the 2019/20 season. The drop in HA materializes almost entirely through a reduction in home goals. The home advantage in the 2020/21 season (with no spectators in most matches) was very close to that of the pre-COVID-19 season 2018/19, indicating that teams became accustomed to the absence of spectators. For the 2021/22 season, with varying attendance regulations, we detect a U-shaped relationship between HA and the stadium utilization rate, where HA increases considerably for matches with medium stadium utilization due to a larger difference in running distance between the home and away teams.

Abstracts

Session III:

Sven Hartmann: *“Fog or Smog? The Impact on Uncensored Reporting on Pollution on Individuals’ Environmental Awareness”*

This paper analyzes the effect of exposure to foreign mass media on environmental awareness and pro-environmental behavior. We exploit a natural experiment occurring in the German Democratic Republic, where geographic characteristics determined the reception of Western TV. Western media provided information on environmental pollution, a topic censored in East German state media. Using data from the German Socio-Economic Panel (SOEP), we find a positive and persistent effect of Western TV exposure on environmental awareness and the likelihood of participating in environmental organizations. The analysis of survey data conducted before the fall of the Iron Curtain supports these findings. By examining county-level data, we show that Western TV induced individuals to submit complaint letters related to environmental protection to local authorities. Moreover, regions that could receive Western TV exhibited higher electoral outcomes for the Green Party in the first two federal elections of reunified Germany.

Ying Liang : *“Firms’ Risk Adjustments to Minimum Wage: Financial Leverage and Labor Share Trade-off”*

This paper evaluates the impact of the German minimum wage policy on firms' financial leverage. By using a comprehensive firm-establishment-employee linked dataset and a difference-in-differences estimation with firm-level variation in treatment intensity, the analysis shows that the average minimum wage level reduces firms' financial leverage by about 0.5 to 0.9 percentage points, corresponding to 1 to 2 percent of the mean of financial leverage. Further investigation of the mechanism shows that the minimum wage does not lead to significant capital-labor substitution; therefore, the labor share increases. Firms react to the increased labor share by deleveraging. The results suggest that while the minimum wage benefits workers by allocating more earnings to the labor force, it also introduces greater operating risks and encourages conservative financial behavior among firms.

Abstracts

Session IV:

Marco Clemens, Laszlo Goerke: *“Trade Union Membership and Bonus Payments: German Survey Evidence”*

This study provides the first comprehensive investigation of the relationship between trade union membership and non-performance-oriented bonuses. We expect a positive impact of union membership because members benefit from special regulations, increased bargaining power and informational advantages. Using data from the German Socioeconomic panel (GSOEP), we observe that union members are more likely to receive at least one bonus payment per year, a higher number of bonuses, and a higher amount than comparable non-members. We also observe the positive union membership effect for employees covered by collective bargaining or co-determination via works councils and in an IV-setting. Bonus payments are no substitutes for wage increases.

Stefan Schwarz: *“The Effect of the German Minimum Wage on Transition out of Unemployment”*

In the aftermath of the nationwide minimum wage introduction in Germany in 2015, plenty of research has been conducted to evaluate the minimum wage effects on a variety of outcomes. Surprisingly, the empirical evidence on the effect for the unemployed is scarce. Using administrative data from Germany (“Integrated Employment Biographies”) and a regional difference-in-differences approach my results reveal that transitions out of nonemployment decreased more strongly in regions which were more affected by the reform. Transition rates into employment decreased in regions with high minimum wage bite by about 5-10% more compared to regions with average minimum wage bite. This effect is almost exclusively driven by the lower transition rates of the long-term unemployed.

Participants

Last Name	First Name	Affiliation
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Deole	Sumit	IAAEU Trier & Trier University
Geißler	Theresa	IAAEU Trier & Trier University
Goerke	Laszlo	IAAEU Trier & Trier University
Hartmann	Sven	IAAEU Trier & Trier University
Hase	Carl	Johannes Gutenberg University Mainz
Huang	Yue	IAAEU Trier & Trier University
Lauer	Catalina	Johannes Gutenberg University Mainz
Liang	Ying	Johannes Gutenberg University Mainz
Moog	Alexander	Johannes Gutenberg University Mainz
Schank	Thorsten	Johannes Gutenberg University Mainz
Schwarz	Stefan	Johannes Gutenberg University Mainz
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