



IAAEU

Institute for Labour Law
and Industrial Relations
in the European Union

Universität Trier

**TRIER UNIVERSITY
INSTITUTE FOR LABOUR LAW AND INDUSTRIAL RELATIONS
IN THE EUROPEAN UNION**

WORKSHOP on *Subjective Survey Data in Labour Market Research*

**October 07-08, 2016
IAAEU TRIER**



Final Programme



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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 (Economic Team). Depending on the research question and the available data the economists rely on experimental data drawn from the experiments conducted in the institute's laboratory or on survey and corporate data. 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 for the Study of Labor (IZA) and the CESifo Group Munich.

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

**Workshop on Subjective Survey Data
in Labour Market Research
Oct. 07-08, 2016, IAAEU TRIER**



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Workshop on Subjective Survey Data in Labour Market Research Oct. 07-08, 2016, IAAEU TRIER

Schedule

Thursday, October 06, 2016

19:00 Get-together at
Bitburger Wirtshaus
Kornmarkt 1-3, 54290 Trier

Friday, October 07, 2016

09:00 – 09:30 Registration
09:30 – 09:45 Welcome and Opening

09:45 – 10:45 Parallel Sessions 1
11:00 – 12:00 Parallel Sessions 2

12:00 – 13:00 Lunch
13:00 – 14:00 Poster Session

14:00 – 15:00 Parallel Sessions 3
15:15 – 16:45 Parallel Sessions 4

17:00 – 18:00 Keynote Lecture

18:00 – 19:00 Reception in the Institute
19:30 Wine Tasting & Conference Dinner

Saturday, October 08, 2016

09:30 – 10:30 Parallel Sessions 5
10:45 – 11:45 Parallel Sessions 6

12:00 – 13:00 Final Session

13:00 – 14:00 Farewell Lunch

15:00 – 17:00 Guided City Tour (optional)

All sessions will take place at Trier University, Campus II,
Building H, 7th floor, in rooms H714 and H730.



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Programme

Friday, October 07, 2016

09:00 – 09:30
Registration

09:30 – 09:45
Welcome and Opening

09:45 – 10:45

Session 1A (H714): Economic Uncertainty

Marcel Garz: „EFFECTS OF UNEMPLOYMENT NEWS ON CONSUMERS”

Cornelia Strüwing: „SMOKING BANS, POLITICAL PREFERENCES AND ECONOMIC CONCERNS: EVIDENCE FROM A NATURAL EXPERIMENT”

Session 1B (H730): Atypical Employment

René Petilliot: „HOW IMPORTANT IS THE TYPE OF WORKING CONTRACT FOR JOB SATISFACTION OF AGENCY WORKERS?”

Fabio Berton: „ESTIMATING THE MARGINAL RATE OF SUBSTITUTION BETWEEN WAGE AND EMPLOYMENT PROTECTION”

10:45 – 11:00
Coffee Break

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**Workshop on Subjective Survey Data
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11:00 – 12:00

Session 2A (H714): Working Time

Daniel Arnold: „WORKING FROM HOME AND QUALITY OF WORK AND PRIVATE LIFE”

Anthony Lepinteur: „THE SHORTER WORKWEEK AND WORKER WELLBEING: EVIDENCE FROM PORTUGAL AND FRANCE”

Session 2B (H730): Job Satisfaction

Maike Rubin: „SOCIAL COMPARISONS OF WAGE INCREASES AND JOB SATISFACTION”

Ludivine Martin: „EXPOSURE VERSUS PARTICIPATION IN HRM PRACTICES: WHICH IS MORE IMPORTANT FOR EMPLOYEE SATISFACTION AND COMMITMENT?”

12:00 – 13:00

Lunch



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13:00 – 14:00
Poster Session

Adrian Chadi: „SEEKING SHELTER? PERCEIVED JOB INSECURITY AND UNION MEMBERSHIP“

Judit Kalman: „HOW WELL THEY COPE? EFFECTS OF EDUCATION AND LABOR MARKET STATUS ON SUBJECTIVE WELL-BEING OF THE YOUTH IN EUROPE“

Olga Lorenz: „DOES COMMUTING MATTER TO SUBJECTIVE WELL-BEING?“

Thomas Mathä: „ACTIVE LABOUR MARKET POLICIES DURING THE ECONOMIC AND FINANCIAL CRISIS: EVIDENCE FROM A SURVEY AMONG LUXEMBOURG FIRMS“

Bhaskaran Rajeev: „PARADOX OF EDUCATION INCLUSION: INFERENCES FROM THE SCHEDULED CASTE AND SCHEDULED TRIBE STUDENTS IN THE SELF-FINANCING ENGINEERING COLLEGES IN KERALA“

Sonja Schatz: „PRECARIOUS EMPLOYMENT, HEALTH AND SATISFACTION – A SPILLOVER CROSSOVER PERSPECTIVE“

Gabriel Schultze: „YOUNG, GIFTED AND LAZY? THE ROLE OF ABILITY AND LABOR MARKET PROSPECTS IN STUDENT EFFORT DECISIONS“

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**Workshop on Subjective Survey Data
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14:00 – 15:00

Session 3A (H714): Relative Income

Devrim Dumludag: „RELATIVE INCOME AND LIFE SATISFACTION OF TURKISH IMMIGRANTS: THE IMPACT OF A COLLECTIVISTIC CULTURE”

Markus Knell: „INEQUALITY, PERCEPTION BIASES AND TRUST”

Session 3B (H730): Career and Productivity

Irina Frei: „PROFESSOR, MANAGER OR ENTREPRENEUR – CAREER INTENTIONS OF GERMAN PHD STUDENTS IN THE STEM DISCIPLINES”

Francesco Sarracino: „HAPPINESS MATTERS: THE ROLE OF WELL-BEING IN PRODUCTIVITY”

15:00 – 15:30

Coffee Break



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15:30 – 16:30

Session 4A (H714): Politics

Caspar Kaiser: „WELFARE STATE GENEROSITY, HAPPINESS, AND HEALTH: TEMPORAL EFFECTS ACROSS NATIONS”

Louisa von Reumont: „EMBEDDING EFFECTS IN THE OECD BETTER LIFE INDEX”

Session 4B (H730): Labor Supply

Daniel Mahler: „DO PEOPLE CARE ABOUT THEIR SUBJECTIVE WELL-BEING WHEN CHOOSING THEIR LABOR SUPPLY?”

Tobias Wolf: „TIME USE, EXPERIENCED WELL-BEING AND LABOR MARKET STATUS”

16:30 – 17:00

Coffee Break

17:00 – 18:00

Keynote Lecture (Andrew Clark)

18:00 – 19:00

Reception in the Institute

19:30

Wine Tasting & Conference Dinner

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Saturday, October 08, 2016

09:15 – 09:30

Welcome Coffee

09:30 – 10:30

Session 5A (H714): Socio-economic Systems

Lars Hornuf: „THE (TRUE) LEGACY OF TWO REALLY EXISTING ECONOMIC SYSTEMS”

Benjamin Radcliff: „SUBJECTIVE WELL-BEING AND LABOUR MARKET REGULATIONS IN LESS DEVELOPED COUNTRIES”

Session 5B (H730): Methods and Applications

Adrian Chadi: „HOW TO IDENTIFY ATTRITION BIAS USING DIFFERENT TYPES OF PANEL REFRESHMENTS”

Jörg Schwiebert: „A SAMPLE SELECTION MODEL FOR FRACTIONAL RESPONSE VARIABLES”

10:30 – 10:45

Coffee Break



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10:45 – 11:45

Session 6A (H714): Retirement

Martha Ottenbacher: „RETIRING INTENTIONS: THE ROLE OF CONFLICTS WITH THE BOSS AND HEALTH STATUS AS A MODERATOR”

Pekka Ilmakunnas: „HEALTH, RETIREMENT, AND ANTICIPATED RETIREMENT”

Session 6B (H730): Unemployment

Milena Nikolova: „DOES YOUR SPOUSE’S UNEMPLOYMENT MAKE YOU UNHAPPY?”

Clemens Hetschko: „THE ROLE OF INCOME AND LEISURE IN LABOR SUPPLY DECISIONS”

11:45 – 12:00

Coffee Break

12:00 – 13:00

Final Session (H714)

Lecture (Conchita D’Ambrosio)

Concluding Discussion

13:00 – 14:00

Farewell Lunch

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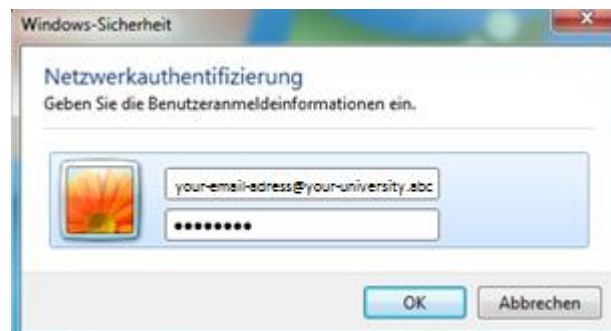


Organisational Information

Internet access

→Via the eduroam network

- Please make sure your WLAN function is enabled
- Select “eduroam” and click “Connect”
- Log in with these details:
 - Username:
<your-username@your-university.Suffix>
e.g. my-address@my-university.edu
 - Password :
<password for your account at your university>



→Guest account:

Instructions will follow.



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Get-together

The Get-together on Thursday evening from 19:00 will take place at Bitburger Wirtshaus (Kornmarkt 1-3, 54290 Trier).

Lunch and Conference Dinner

Lunch on Friday will take place at the Petrisberg cafeteria. The Conference Dinner on Friday evening will take place in the restaurant "Weinstube Kesselstatt" (Liebfrauenstraße 10, 54290 Trier) in the city centre. After the lectures on Saturday, there will be a sandwich bar at the workshop venue.

Directions

The lectures will take place on Campus II, Trier University, in building H (Behringstraße).

From downtown Trier, the following bus to the workshop venue is recommended:

On Friday: **Bus 4** towards Irsch Hockweiler Str. (from the main station bus platform 4 or from the Porta Nigra bus platform 1) to the University Campus II, travel time from the Porta Nigra: about 20 min., from the main station: about 15 min.

Recommended bus:

Departure at Porta Nigra on October 7: 08:45

Departure at main station on October 7: 08:48

On Saturday: **Bus 85** towards Pluwig, Ruwerstraße (from main station bus platform 5) to Behringstraße

Recommended bus:

Departure at main station on October 8: 08:45

Please note that there is no direct connection from the Porta Nigra to Campus II on Saturdays!

Guided City Tour

After the end of the workshop, we invite you to a guided city tour. The city tour will start and end at the Porta Nigra (15:00-17:00).

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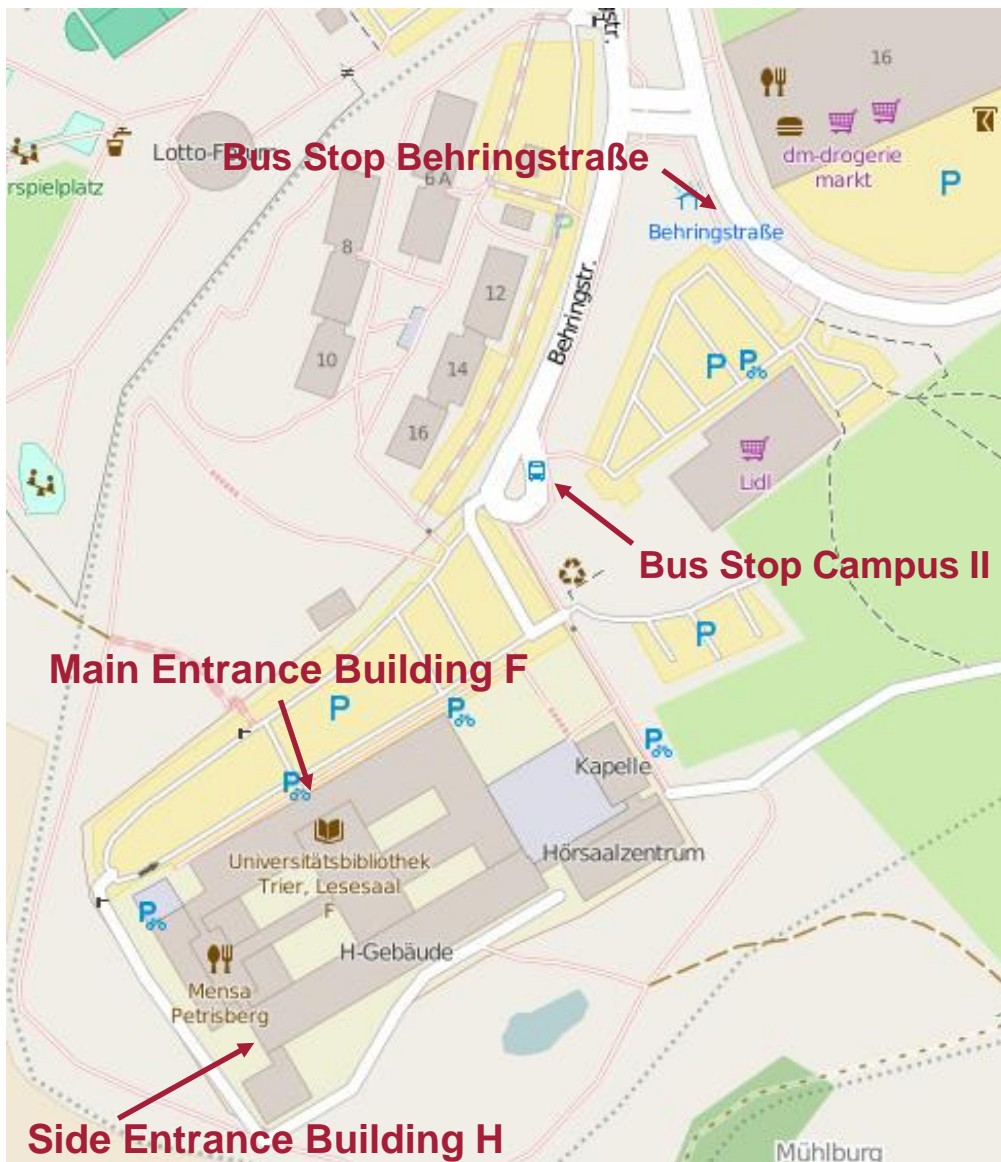


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Overview: Campus II



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Directions to the IAAEU



**Main Entrance to
Building F**



**Go left past the map in the
foyer and look to your right**



**The stairs next to the
library entrance lead up
one story (1.0 OG)**



**...at the top of the stairs
turn to the right and follow
the hallway...**



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You'll have to pass through a couple of glass doors...



To get to these two elevators



The IAAEU is on the 7th floor



The entrance to the IAAEU will be open for the duration of the workshop.

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Abstracts

Friday, 09:45 – 10:45

Session 1A (H714): Economic Uncertainty

Marcel Garz: „EFFECTS OF UNEMPLOYMENT NEWS ON CONSUMERS”

This study uses psychologically important thresholds in the number of unemployed to identify effects of unemployment news on consumers. The great news value of these “milestones” causes the media to report more about unemployment than usually. I also show that the amount of reports decreases when competing newsworthy events occur at the time of the release of the monthly unemployment statistics. IV estimates using German state-level data indicate that a 1 SD increase in coverage accounts for about a quarter of the average monthly change in people’s economic perceptions. Moreover, I present evidence of effects on sales of consumer goods.

Bas van Aarle, Cindy Moons: „EFFECTS OF ECONOMIC SENTIMENT AND EMPLOYMENT UNCERTAINTY ON THE EURO AREA ECONOMY”

This paper considers the effects of economic sentiment and employment uncertainty on the Euro Area economy during the Financial Crisis and Great Recession. Using Euro Area data from business and consumer surveys of the The Joint Harmonised EU Programme of Business and Consumer Surveys, a VAR model of unemployment, output, economic sentiment and employment uncertainty felt by consumers and producers is constructed. Evidence is found that sentiment and uncertainty have non-negligible effects on employment and output. Finally also some additional evidence is provided by studying four individual countries: Germany, Greece, France and the UK.



Friday, 09:45 – 10:45

Session 1B (H730): Atypical Employment

René Petilliot: „HOW IMPORTANT IS THE TYPE OF WORKING CONTRACT FOR JOB SATISFACTION OF AGENCY WORKERS?“

Previous research has found that agency workers are less satisfied with their job than regular workers on a permanent contract. These studies, however, neglect agency workers' contract type. This paper analyzes whether differences in job satisfaction can be explained by the contract type. Three results develop. First, differences in job satisfaction cannot be explained by the contract type. Second, agency workers on a permanent contract are significantly less satisfied with their job than regular workers on the same contract. Third, agency workers on a fixed-term contract do not differ in reported job satisfaction from regular workers on both fixed-term and permanent contracts.

Fabio Berton, Matteo Migheli: „ESTIMATING THE MARGINAL RATE OF SUBSTITUTION BETWEEN WAGE AND EMPLOYMENT PROTECTION“

Empirical evidence suggests that workers have a preference for job security, but underexplores the issue of how much they are willing to pay. This is the aim of this paper. Using conjoint analysis on data from a dedicated survey, we find that: i) workers require a compensation to accept a temporary contract; ii) they display lexicographic preferences: when compared contracts differ along many dimensions, the required compensation does not depend on contract duration; iii) the estimated MRS between wage and contract duration is 257 Euros per month for a one-year shorter employment relationship.

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Friday, 11:00 – 12:00
Session 2A (H714): Working Time

Daniel Arnold, Susanne Steffes: „WORKING FROM HOME AND QUALITY OF WORK AND PRIVATE LIFE”

In this paper we empirically investigate the relationship between working from home (WFH) and conflicts between work and family life. As in the psychological literature, we differentiate work interfering with family life (work-to-family conflicts) from family life interfering with work (family-to-work conflicts). Furthermore we want to see whether WFH affects life domains differently during working and leisure time. We use a representative linked employer-employee data set from Germany (LPP) and control for self-selection into WFH by restricting the control group to non-users who have a preference for WFH. Applying a matching approach to make treatment and control group comparable, we find that WFH during working time reduces work-to-family conflicts, while WFH during leisure time it reduces family-to-work conflicts. This suggests that WFH during leisure time is a family resource, while WFH during working time it is rather a work resource.

Anthony Lepinteur: „THE SHORTER WORKWEEK AND WORKER WELLBEING: EVIDENCE FROM PORTUGAL AND FRANCE”

Mandatory reductions in the workweek can be used by governments to reduce unemployment and are usually assumed to improve the well-being of workers. Nevertheless, the net impact of shorter workweeks on worker welfare is ambiguous ex-ante and little empirical effort has been devoted to identify how worker satisfaction changes with mandatory reductions in working time. Using data from the European Community Household Panel, this paper evaluates the impact of the exogenous reductions in weekly working hours induced by reforms implemented in Portugal and France. Difference-in-difference estimation results suggest that reduced working hours generated significant and robust increases in job and leisure satisfaction of the workers affected in both countries, with the rise in the former mainly being explained by greater satisfaction with working hours and working conditions.



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Friday, 11:00 – 12:00

Session 2B (H730): Job Satisfaction

Christian Grund, Maïke Rubin: „SOCIAL COMPARISONS OF WAGE INCREASES AND JOB SATISFACTION”

We investigate whether relative wage increases in the sense of differences between individual wage increases and wage increases of either peers in the same firm or of employees in other firms are related to managers` job satisfaction. Using a panel data set of managers in the German chemical industry, we find that the comparison of own wage increases with those of other employees is indeed associated to reported job satisfaction. The relation is relevant for managers with lower absolute wage levels in particular.

Laetitia Hauret, Ludivine Martin, Nessrine Omrani, Donald Williams: „EXPOSURE VERSUS PARTICIPATION IN HRM PRACTICES: WHICH IS MORE IMPORTANT FOR EMPLOYEE SATISFACTION AND COMMITMENT?”

This paper examines the relationships between the Human Resource Management (HRM) strategy of the employer and employee job satisfaction and organizational commitment. Existing evidence focuses on either the presence of HRM practices in the organization, or employees effective participation. This paper is the first to exploit distinct information on both exposure and participation. The results show that a high exposure to HRM is not sufficient to improve employee attitudes and that effective employee participation is required. We also find that differences in the level of employee involvement in HRM influence the way they value their personal, occupational and workplaces characteristics.

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Friday, 13:00 – 14:00
Poster Session

Adrian Chadi, Laszlo Goerke: „SEEKING SHELTER?
PERCEIVED JOB INSECURITY AND UNION MEMBERSHIP”

One goal of unions is to protect their members' jobs. Being concerned about job security might thus encourage workers to join a union. By empirically investigating this idea, we contribute to the debate about the role of unions in today's labour market. We analyse representative data from the German Socio-Economic Panel Study (SOEP) and exploit data on regional unemployment rates as a source of exogenous variation in reported job security levels. We obtain robust evidence that perceived job insecurity increases the probability of being a member of a trade union.

Judit Kalman: „HOW WELL THEY COPE? EFFECTS OF
EDUCATION AND LABOR MARKET STATUS ON SUBJECTIVE
WELL-BEING OF THE YOUTH IN EUROPE”

Youth unemployment, NEETS, study-work transitions are major problems across the EU, with different policy answers, however the topic is so far neglected and under-developed in the academic literature on well-being. Using data from the brand new EU-SILC 2013 special module effects of their labor market status as well as education level on the subjective well-being of European youth are investigated via micro-econometric methods (both OLS and ordered logit/probit). Results become comparable with results from other measurements of well-being such as OECD's Better Life Initiative, or studies relying on the World Values Survey or ESS. By adding the institutional dimension on different labor market policies and a cross-country analysis, it provides important policy conclusions to help mitigating school-to work transition, job insecurity, better targeting of unemployment benefits/social policy tools etc.



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Olga Lorenz: „DOES COMMUTING MATTER TO SUBJECTIVE WELL-BEING?“

This paper analyses the relation between commuting and subjective well-being by considering several cognitive (e.g., satisfaction with family life, leisure time, income, work, health) and affective (e.g., happiness, anger, worry, sadness) components of subjective well-being. Fixed-effects models are estimated with German Socio Economic Panel data for the period 2007 – 2013. In contrast to previous papers in the literature, according to which commuting is bad for overall life satisfaction, we find no evidence that commuting is associated with a lower life satisfaction, in general. Rather, it appears that longer commutes only influence satisfaction with particular life domains, especially family life and leisure time. Reduced time for leisure activities and sleep mediate the association of commuting with well-being.

Konstantinos Efstathiou, Thomas Mathä, Cindy Veiga, Ladislav Wintr: „ACTIVE LABOUR MARKET POLICIES DURING THE ECONOMIC AND FINANCIAL CRISIS: EVIDENCE FROM A SURVEY AMONG LUXEMBOURG FIRMS“

We analyse the firm-specific determinants of use of active labour market policy (ALMP) measures during the crisis years. The likelihood of ALMP use is higher for large, multi-establishment, domestically oriented firms and firms facing strong demand and labour cost pressures. Second, the use of time work arrangements surged. The likelihood increases with demand volatility and the share of workers with permanent contracts and long tenure, and is higher for firms that cannot shift workers between establishments or that are more export oriented. Firms reported that between 20-25% of jobs involved in STWA were saved by this measure.

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D. Rajasenon, Bhaskaran Rajeev: „PARADOX OF EDUCATION INCLUSION: INFERENCES FROM THE SCHEDULED CASTE AND SCHEDULED TRIBE STUDENTS IN THE SELF-FINANCING ENGINEERING COLLEGES IN KERALA”

The article illuminates innumerable impacts inherent in the engineering self-financing education processes leading to exclusionary trend of Scheduled Caste and Scheduled Tribe students. The article gives an insight into the different components of the cost of education and concomitant problems faced by the SC-ST students such as dropouts, failure and employability issues. The article uses 300 samples amassed from SC-ST students from the self-financing engineering colleges of Kerala. The article empirically endorses that the students find difficulty in meeting private cost of education. It is also evidential that dropouts, failure and employment exclusion are rampant in the system.

Sonja Schatz: „PRECARIOUS EMPLOYMENT, HEALTH AND SATISFACTION – A SPILLOVER CROSSOVER PERSPECTIVE”

An Actor-Partner Interdependence Model is estimated to analyse if precarious employment has consequences concerning satisfaction and health which first spill over to the home domain and then cross over to the partner through social interaction. The results show that women have a worse mental health status and men a worse physical health status if the partner is working in precarious employment. Additionally, it is found that women and men are less satisfied with their family life if the partner is precariously employed. These findings support the underlying theory of the Spillover-Crossover Model by Bakker and Demerouti (2013).



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Adrian Chadi, Marco de Pinto, Gabriel Schultze: „YOUNG, GIFTED AND LAZY? THE ROLE OF ABILITY AND LABOR MARKET PROSPECTS IN STUDENT EFFORT DECISIONS”

This paper applies an economic perspective on the decision process of students to understand what determines an individual's willingness to provide effort. Theoretical modelling predicts ability and job market prospects to be positive determinants of students' effort. Analyzing a novel dataset on thousands of German students, however, we find no positive but a significantly negative effect of ability on effort. It seems that the marginal gain of increasing effort in terms of higher expected income after studying is lower for high-ability students compared to low-ability students. In regard of the second determinant, the evidence rejects a similar argument, according to which great job market prospects may impair student effort, so that we can confirm our prediction on the positive role of perceived employment prospects.

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Friday, 14:00 – 15:00
Session 3A (H714): Relative Income

Devrim Dumludag, Ozge Gokdemir, Maarten Vendrik:
„RELATIVE INCOME AND LIFE SATISFACTION OF TURKISH IMMIGRANTS: THE IMPACT OF A COLLECTIVISTIC CULTURE”

This study examines the effects of social comparison with a wide range of reference groups on the life satisfaction of Turkish immigrants in the Netherlands. Perceived importance of income comparison with Dutch natives is positively correlated to life satisfaction, supporting an interpretation of this comparison as a positive emancipatory stimulus in the pursuit of self-improvement of the Turkish immigrants. On the other hand, Turkish immigrants who have a higher household income than relatives are significantly less satisfied with their life, suggesting the unattractiveness of deviating too much from one's relatives.

Markus Knell, Helmut Stix: „INEQUALITY, PERCEPTION BIASES AND TRUST”

We present a theoretical framework that links trust, trustworthiness and inequality. An individual's level of trust is assumed to be related to expected trustworthiness among his reference group and trustworthiness is assumed to decrease with interpersonal income differences. Therefore inequality affects trust via the individual-specific perception of inequality and not necessarily via aggregate inequality (e.g. the Gini coefficient). We work out the implications of our model for empirical estimations of the trust-inequality nexus and show that such regressions are very likely to understate the true effect of inequality. Survey data from Austria strongly support the predictions of our framework.



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Friday, 14:00 – 15:00

Session 3B (H730): Education

Irina Frei, Johannes Martin: „PROFESSOR, MANAGER OR ENTREPRENEUR – CAREER INTENTIONS OF GERMAN PHD STUDENTS IN THE STEM DISCIPLINES”

Using a unique dataset from a survey of German academics, we analyze the determinants of the career intentions of PhD students in the STEM fields. We find that the majority prefer careers outside academia, in managerial jobs or as entrepreneurs. A preference for non-academic careers is associated with the presence of research projects with partners from the private sector. In contrast, doctoral students who perceive strong social support within their department and/or who are internationally mobile are more likely to stay in academia. We also find evidence for career-specific personality profiles among PhD students.

Eylem Gevrek, Pinar Kunt, Heinrich Ursprung: „EDUCATION AND EMIGRATION INTENTIONS: EVIDENCE FROM A NATURAL EXPERIMENT IN TURKEY“

We investigate the causal effect of education on emigration intentions. An education reform in Turkey mandated an increase in compulsory schooling from 5 to 8 years. We find that an additional school year increases the probability that a person reports a desire to emigrate by 24 percentage points. We provide evidence indicating that the effect of education on migration intentions does not operate through financial motives but rather through dissatisfaction with a bleak political environment that better educated people are more keenly aware of.

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Friday, 15:15 – 16:45
Session 4A (H714): Politics

Cornelia Strüwing: „SMOKING BANS, POLITICAL PREFERENCES AND ECONOMIC CONCERNS: EVIDENCE FROM A NATURAL EXPERIMENT”

During 2007 and 2008 public smoking bans were gradually implemented in all of Germany’s sixteen federal states to prohibit smoking in bars, restaurants, and dance clubs. We exploit this regional variation to identify effects of smoking bans on political interest, party support, and economic concerns. Difference-in-differences estimates show an increase in political interest following the introduction of a smoking ban. When taking into account heterogeneous effects across different subgroups, we find female smokers having a higher probability to report economic development concerns. Women employed in the hospitality industry were more likely to suffer from job insecurity.

Caspar Kaiser, Maarten Vendrik: „WELFARE STATE GENEROSITY, HAPPINESS, AND HEALTH: TEMPORAL EFFECTS ACROSS NATIONS”

This paper estimates the effects of changes in the welfare state Benefit Generosity Index (BGI) of Scruggs (2007) on subjective well-being (SWB) and subjective health (SH) over time in a micro-macro country panel of 22 OECD countries from 1980 to 2010. Moreover, we decompose the SWB and SH effects of BGI into those of its three components for unemployment (UBGI), sickness (SBGI), and pension (PBGI) benefits. We find positive effects of changes in BGI on life satisfaction (LS) and SH and an insignificant effect on happiness (H). These effects are driven by positive effects of PBGI on LS and SH and positive effects of UBGI and PBGI and a negative effect of SBGI on H.



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Clemens Hetschko, Louisa von Reumont, Ronnie Schöb:
„EMBEDDING EFFECTS IN THE OECD BETTER LIFE INDEX”

The OECD aims to foster “better policies for better lives” – which it hopes to achieve by enabling citizens to evaluate 11 different well-being dimensions according to their individual preferences. This paper investigates the reliability of the Better Life Index (OECD BLI), an interactive web application, implemented as a tool to elicit users’ preferences. Applying a field experiment replicating the OECD BLI, we discover that the valuation process yields embedding effects which severely bias the outcomes of the OECD BLI. Our results challenge the reliability of the OECD BLI and its usefulness in providing meaningful policy recommendations.

Friday, 15:15 – 16:45

Session 4B (H730): Labor Supply and Productivity

Charles Henri DiMaria, Chiara Peroni, Francesco Sarracino:
„HAPPINESS MATTERS: THE ROLE OF WELL-BEING IN PRODUCTIVITY”

This article studies the link between people’s subjective well-being, defined as life satisfaction, and productivity. We adopt Data Envelopment Analysis to compute TFP and efficiency indices using European Social Survey and AMECO data for 20 European countries. We conclude that subjective well-being is an input and not an output to production.

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Daniel Mahler: „DO PEOPLE CARE ABOUT THEIR SUBJECTIVE WELL-BEING WHEN CHOOSING THEIR LABOR SUPPLY?“

Studies using subjective well-being (SWB) rather than revealed preferences to measure welfare has grown substantially the past decade. This paper attempts to bridge the gap between these two types of studies by empirically investigating if SWB is a determinant of individuals' choices. In particular, the paper seeks to determine if individuals choose their labor supply *as if* they care about their SWB. Data from the GSOEP is used to structurally estimate a utility function with income, leisure and SWB as arguments. The paper finds that SWB enters positively into this utility function, suggesting that SWB can help explain individuals' behavior.

Tobias Wolf, Maria Metzger, Richard Lucas: „TIME USE, EXPERIENCED WELL-BEING AND LABOR MARKET STATUS“

We investigate the role of labor market status for experienced well-being of employed and unemployed workers. The innovation sample of the German Socio-economic panel (SOEP-IS) allows us to assess individual time use and accompanying well-being by the day reconstruction method (DRM). In contrast to previous DRM studies, we can rely on representative data as well as annual panel structure. By calculating the share of total time in pleasurable activities, we propose a self-rated measure for experienced well-being. We find that being at work and other work related activities like commuting and housework are among the least pleasurable activities. Aggregating the average experienced well-being for employed and unemployed yields that unemployed experience more pleasurable time on an average day.



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Saturday, 09:30 – 10:30

Session 5A (H714): Socio-economic Systems

Dan Ariely, Ximena Garcia-Rada, Lars Hornuf, Heather Mann:
„THE (TRUE) LEGACY OF TWO REALLY EXISTING
ECONOMIC SYSTEMS”

By running an experiment among Germans collecting their passports or ID cards in the citizen centers of Berlin, we find that individuals with an East German family background cheat significantly more on an abstract task than those with a West German family background. The longer individuals were exposed to socialism, the more likely they were to cheat on our task. While it was recently argued that markets decay morals (Falk and Szech, 2013), we provide evidence that other political and economic regimes such as socialism might have an even more detrimental effect on individuals' behavior.

Andre Audette, Patrick Flavin, Alexander Pacek, Benjamin Radcliff: „SUBJECTIVE WELL-BEING AND LABOUR MARKET REGULATIONS IN LESS DEVELOPED COUNTRIES”

A large literature examines the connection between the size and scope of government in the advanced industrial democracies and human well-being, with the preponderance of evidence suggesting that traditional social democratic policies—including pro-worker regulation of the labor market—promote higher levels of life satisfaction. In this paper, we extend this inquiry to non-OECD countries. We first develop a theoretical argument for why labor market regulations (rather than social welfare spending or the general size of government) are the appropriate locus of attention outside of the industrial democracies. We then empirically evaluate the impact of such regulations on several different measures of subjective well-being. Examining both individual and aggregate-level data from the Gallup World Poll and the World Values Survey, we find robust evidence that people live more satisfying lives in countries that more stringently regulate their labor market. The implications for labor policy and the study of well-being are discussed.

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Saturday, 09:30 – 10:30

Session 5B (H730): Methods and Applications

Adrian Chadi: „HOW TO IDENTIFY ATTRITION BIAS USING DIFFERENT TYPES OF PANEL REFRESHMENTS”

Selective attrition out of longitudinal datasets is a concern for empirical researchers. This paper discusses a simple way to identify both direction and magnitude of potential sample bias in household panels. The idea is to exploit multiple types of simultaneous entries into the panel. The little known phenomenon of natural refreshments, which adds to entries through refreshments induced by data collectors, allows disentangling attrition bias from measurement errors connected to differences in participation experience (i.e. panel conditioning). A demonstrative application on subjective data from the German Socio-Economic Panel Study (SOEP) serves as an example and offers insights on health-related attrition.

Jörg Schwiebert: „A SAMPLE SELECTION MODEL FOR FRACTIONAL RESPONSE VARIABLES”

This paper develops a sample selection model for fractional response variables, i.e., variables taking values between zero and one. It is shown that the proposed model is consistent with the nature of the fractional response variable, i.e., it generates predictions between zero and one. A simulation study shows that the model performs well in finite samples and that competing models, the Heckman selection model and the fractional probit model (without selectivity), generate biased estimates. An empirical application to the impact of education on women's perceived probability of job loss illustrates that the choice of an appropriate model is important in practice. In particular, the Heckman selection model and the fractional probit model are found to underestimate (in absolute terms) the impact of education on the perceived probability of job loss.



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Saturday, 10:45 – 11:45
Session 6A (H714): Retirement

Martha Ottenbacher: „RETIRING INTENTIONS: THE ROLE OF CONFLICTS WITH THE BOSS AND HEALTH STATUS AS A MODERATOR”

From a firm’s perspective retirement intentions may be an indicator for the wish of older employees to stay longer in the workforce. Thus, an employee’s retirement intentions and its influencing factors are being analysed. Estimation results of SOEP data show that conflicts matter as well as an individual’s subjective health status when considering the probability of retirement. Having conflict with the boss rises the probability of retiring intentions significantly, even after accounting for a wide set of controls. Split into subgroups, there is a slight but notable moderating role of health status: Among healthy employees conflict with the boss raises retirement intentions even more. This suggests that healthy people may well be able to continue working but not necessarily do so because social factors – namely conflict with the boss – become more important.

Pekka Ilmakunnas, Seija Ilmakunnas: „HEALTH, RETIREMENT, AND ANTICIPATED RETIREMENT”

We examine the relationship of self-assessed health (SAH) to expected and actual retirement age, and expectation error. The subjective data (health and expected retirement) are from Finnish cross-sectional surveys (2003, 2008), and actual retirement from longitudinal registers (2003-2013). SAH is positively correlated with actual and anticipated retirement age, and negatively with expectation error. Using other health indicators as instruments for SAH shows that measurement error biases the results downwards. An exogenous health shock, days of sickness absence in the follow-up period, is negatively related to expectation error. Initial bad subjective health and later objective health shock therefore have opposing effects.

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Saturday, 10:45 – 11:45
Session 6B (H730): Unemployment

Milena Nikolova, Sinem Ayhan: „DOES YOUR SPOUSE’S UNEMPLOYMENT MAKE YOU UNHAPPY?”

Few studies examine within-couple well-being spillover effects of unemployment. Using German panel data on cohabiting couples for 1991-2013 and information on exogenous job termination induced by company closure, we show that spousal unemployment decreases the life satisfaction of the indirectly affected partner, with the effect being slightly more pronounced for indirectly affected women. Life domain satisfaction regressions show that for both genders, life satisfaction led to declines in satisfaction with household income and living standards but not in terms of housework, leisure, and own health. Public policy programs mitigating the negative consequences of unemployment should consider such within-couple spillovers.

Adrian Chadi, Clemens Hetschko: „THE ROLE OF INCOME AND LEISURE IN LABOR SUPPLY DECISIONS”

This paper exploits rich longitudinal survey data to provide a comprehensive discussion of the assumptions and implications of the most influential models of labor supply. Assuming that leisure, home production and consumption are crucial factors for employment decisions appears questionable for various reasons. Analyzing people’s daily time allocation and their income situation, we first reveal the objective consequences of job loss. In a second step, we complement this analysis using subjective data, among other things, on people’s satisfaction with their free time and their income. Finally, we analyze the predictive power of several potential factors – both objective and subjective – in future job take-up among non-employed people.



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