

Minimum Wage and the Labor Market Effects of Immigration : Evidence From France

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Abstract

This paper provides direct evidence of the important role played by the minimum wage in shaping the labor market effects of immigration on native outcomes. We based our analysis on France, a country characterized by a high minimum wage, and we study the impact of immigration along the distribution of native wages over the last two decades. Whereas immigration has a negative average impact on the wages of competing natives by around 1%, we find heterogeneous effects over the French wage distribution. In accordance with the prevalence of a high minimum wage, a labor supply shock induced by immigration has no significant effect on the earnings of natives below the 10th percentile. Instead, we show that immigration decreases the employment opportunity of the natives who are affected by the minimum wages.

Keywords: wage, immigration, quantile regressions

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