

**"As long as they are cheap:
Experimental evidence on the demand for migrant workers"**

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How does demand for migrant vs native workers change with price? We conduct an experiment with 56,000 Danish households (over 2 percent of all households in the country), who receive an advertisement from a cleaning company whose operators vary randomly across areas but meet the same quality standards and have equal customer ratings. When the operator has a migrant background, we find that demand is significantly lower than when the operator is a native. The gap, however, is highly sensitive to price, with demand for the migrant increasing steeply as the price falls. For an hourly pay close to the 25th percentile of the earnings distribution in similar occupations (24 USD per hour), demand for the migrant is one-fifth of the demand for the native. A 25 percent reduction in the price makes the gap in demand disappear.