Accepted Manuscript

Reconciling the divergence in aggregate U.S. wage series

Julien Champagne, André Kurmann, Jay Stewart

PII: S0927-5371(17)30270-1
DOI: 10.1016/j.labeco.2017.08.002
Reference: LABECO 1577

To appear in: *Labour Economics*

Received date: 14 June 2016
Revised date: 26 March 2017
Accepted date: 3 August 2017

Please cite this article as: Julien Champagne, André Kurmann, Jay Stewart, Reconciling the divergence in aggregate U.S. wage series, *Labour Economics* (2017), doi: 10.1016/j.labeco.2017.08.002

Highlights

- Three commonly used series of average hourly wages for the U.S. have diverged markedly over the past 40 years, both in trend growth and volatility.
- The divergence between the wage series is due in large part to differences in earnings concept and worker coverage.
- Employer-paid supplements and irregular earnings of high-income workers are more volatile than wages and have grown more rapidly, accounting for a large part of the divergences.
- The differences have important implications for the appropriate choice of average hourly wage series for macroeconomic analysis.