

International Compensation Comparisons

Abowd and Kaplan (JEP, 1999)

Definitions

Country: country of employee

Position: job held by employee

Source: compensation data source

Year: year of compensation data measurement

Month: month of measurement

LC_D_AAv: market exchange rate local currency/dollar, annual average for year

PPP_OECD: purchasing power parity local currency/dollar, annual average for year

CPI_OECD: consumer price index for OECD 1990=1.00

CPI_US: consumer price index for the US 1990=1.00

TotComp: total compensation lc

BaseBon: base+bonus lc

VolBen: voluntary benefits lc

CompBen: compulsory benefits lc

Perqs: perquisites lc

Longterm: long term compensation lc

EE_Ptax: employee's part payroll tax lc

EE_Itax: employee's income taxes lc

Pub_Val: public benefit value/person lc (except pension)

Pen_repl: pension/final salary proportion

Pub_pen: public part of pension proportion

Cor_rtax: corporate marginal income tax rate

Per_rtax: personal marginal income tax rate

SS_rtax: employer+employee marginal ss tax rate

Ann_pens: annuity value pension(.02,40,15)

Dsk_rcco=((totcomp/lc_d_aav)/cpi_us)

Dsk_eeat=((basebon+volben+perqs+longterm
-ee_ptax-ee_itax+4*pub_val+ann_pens*pub_pen)/
ppp_oecd)/cpi_us