

Macro Roundup Article

Headline: [Workers' Pay Globally Hasn't Kept Up with Inflation](#)

Article

Link: <https://www.wsj.com/articles/workers-pay-globally-hasnt-kept-up-with-inflation-e6df92d>

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Publication	Wall Street Journal
Publication Date	February 21, 2023

Tweet: Labor's share of output is shrinking across advanced economies as inflation continues to outpace wage gains. US average hourly earnings growth in the 12 months ending January was 4.4% vs. consumer price inflation of 6.4%. @WSJecon

Summary: Workers' purchasing power—their average inflation-adjusted wage—was lower last year than in 2019, before the pandemic, according to the report. So, despite strong demand for workers and ultralow unemployment, labor's share of economic output shrank in many advanced economies. Average hourly earnings for private-sector nonfarm workers rose 4.4% in the 12 months through January, down from 5.6% last March and less than the 6.4% rise in consumer prices in the year through January.

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