**Slide 1: ~~Executive~~ Summary -> gambarnya bisa dikecilkan spy lebih fokus ke teks nya**

~~B A C K G R O U N D & F I N D I N G S~~ -> OBJECTIVE AND CONTRIBUTION

* To empirically evaluate regional wage convergence of 34 Indonesian provinces by applying the club convergence technique (Phillips and Sul, 2007, 2009) on the proxy of real wage data at province level from 2008-2020.
* To explain the influencing factors of club convergence of regional wage
* Previous convergence studies in Indonesia focus on GDP per capita. The present paper provides new perspective in seeing regional labor market through the lens of convergence in real wages.

METHOD AND DATA

* Club convergence (Phillips and Sul, 2007, 2009)
* Ordered logit model
* Data: provincial average of real income per month (in thousand rupiahs) of employee and laborer from January 2008 to December 2020

~~C O N T R I B U T I O N~~ -> FINDINGS

* No overall convergence, but three significant club convergence in regional wage
* Estimates from ordered logit model inform that the formation of club convergence is significantly explained by the following variables: initial level of wage, share of employment on manufacturing sector, investment share to GDP and labor force participation rate

**Slide 2: R E S U L T 0 1 : ~~C L U B D I V I S I O N~~ -> CLUB CONVERGENCE IDENTIFICATION**

We find three significant ~~initial~~ clubs that represent the convergence dynamics of regional wage across Indonesian provinces. The results of club convergence…

TRANSITION PATH (TP): All clubs

TP CLUB 1: High wage provinces TP CLUB 2: Middle wage provinces TP CLUB 3: Low wage provinces

**Slide 3: R E S U L T 0 2 :** **~~I N F L U E N C I N G F A C T O R S~~ -> INFLUENCING FACTORS OF CLUB CONVERGENCE**

* Regarding our club convergence identification results, the selected explanatory variables largely explain the probability of membership in club 2 (middle) and club 3 (low), while the probability of membership in club 1 (high) remain unexplained due to small sample
* MANUFACTURE EMPLOYMENT SHARE: It has a positive effect for club 1 and club 2, while it shows negative effect for club 3 which means the province with higher manufacture employment share has a higher wage tha~~t~~n the rest of provinces
* Urutan penjelasan: INITIAL VALUE OF WAGE, MANUFACTURE EMPLOYMENT SHARE, INVESTMENT SHARE TO GDP, LABOR FORCE PARTICIPATION RATE

**Slide 3: C L O S U R E -> CONCLUSION**