



## Waiting for Wages

### Analysis of Future Wage Developments in Germany

The [German labour market](#) has been doing well in recent years: unemployment is at historical lows, employment is high. Even the Covid-induced slump did not deflect Germany from this positive long-term path.

Wages, however, are not developing in a way that a favourable overall economic context and high labour demand would suggest. While in general, collective bargaining has recently resulted in [higher wage agreements than in the late 1990s](#), and while [nominal and real wages increased faster than the EU27 average](#), vast differences between economic sectors remain. A look at [gross hourly wages](#) reveals a similar picture. Given the favorable labour market situation, the Bundesbank therefore assesses the development of hourly wages agreed through collective bargaining as "[moderate](#)" (annual average of 2.4% between 2014 and 2017); the same holds for the effective earnings (2.7% annual average between 2014 and 2017).

In the wake of the Covid crisis, increasing commodity prices and rising inflation, [unit labor costs in Germany stagnated](#) in 2021, with [real wages declining by 0.1% year-on-year](#). With the war in Ukraine, fears of rising consumer prices have increased once again, and the impact of refugees on the labour market is so far difficult to predict. All of this will have a lasting impact on the [upcoming collective bargaining rounds](#) and wage negotiations as a whole.

Against this backdrop, the question arises:

#### How will wages in Germany develop in the upcoming years?

We are offering a **prize of €2,500** for the best answer to this question. The focus of your paper should be on the **quantitative analysis of wage indicators** and should be presented in a **maximum of 2,500 words** (excluding data sets & sources, which can be added to the appendix).

Evaluation criteria are:

- Empirical foundation of the analysis
- Contextualization and qualification of the analysis
- Clarity and strength of the argument
- Readability of the text
- Add on: accessible and insightful visual presentation of the data

Consideration should include wage trends for 2022 and 2023, but may go beyond.

The text can be written in **German or English**. The winning analysis will be published on our website. The deadline for submission is **31/5/2022, 12 p.m. CET**. Please send your work in **PDF format** to [info@dezernatzukunft.org](mailto:info@dezernatzukunft.org) (subject: "Call for Papers Wages"). If you have any questions, please contact Pola Schneemelcher ([pola.schneemelcher@dezernatzukunft.org](mailto:pola.schneemelcher@dezernatzukunft.org)).