

Hours and Occupations*

Andrés Erosa[†]

IMDEA Social Sciences Institute

Luisa Fuster[‡]

IMDEA Social Sciences Institute

Gueorgui Kambourov[§]

University of Toronto and NBER

Abstract

There is a negative mean-dispersion relationship between the log of mean annual hours in an occupation and the standard deviation of log annual hours in that occupation. We document this pattern using data from the 1976-2011 Current Population Survey (CPS) and various Survey of Income and Program Participation (SIPP) waves from 1984 till 2004. This pattern holds over time and across age, education, and gender groups and is observed both at the intensive (weekly hours) and extensive (number of weeks) margins. Occupations have hardly changed their position in the mean-dispersion space over the 1976-2011 time period. However, the fraction of those working in the high mean-low dispersion occupations has increased substantially, mostly due to a change in the fraction of women across these sectors. We provide a simple model which illustrates the relative importance of three mechanisms in understanding these facts and individuals' decisions to sort into different sectors (occupations) in the economy – differences in occupation-specific fixed costs of work, in the individuals' sectoral comparative advantage, and in the utility of leisure.

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[†]IMDEA Social Sciences Institute, Calle Isaac Newton 2, Tres Cantos, 28760 Madrid, Spain. E-mail: andres.erosa@imdea.org

[‡]IMDEA Social Sciences Institute, Calle Isaac Newton 2, Tres Cantos, 28760 Madrid, Spain. E-mail: luisa.fuster@imdea.org

[§]University of Toronto, 150 St. George St., Toronto, ON, M5S 3G7 Canada. E-mail: g.kambourov@utoronto.ca.