

## **Public Sector Wage Premiums in a Federal System: Empirical Evidence from Switzerland**

We examine wage differentials between the public administration and private sector in Switzerland. By means of matching procedures and subsequent quantile regression, the public sector wage premium relative to the private sector is isolated for the federal, cantonal and municipal administration. For all three levels premiums which are decreasing in income, are identified. In general, the premium is highest in the federal administration and smallest in the municipal administrations. Further we examine effect heterogeneity due to educational attainment, gender, age, and changes over time.