

This paper presents an empirical exercise for Britain on the mechanisms through which wage inequality within the particular establishment affects a given worker's satisfaction. The contribution of the paper is rather limited. For what appears in the references there is a large body of evidence on the relationship between wage inequality and satisfaction in Britain. Unluckily the paper fails to describe what its actual contribution actually is in comparison with the existing evidence on the matter available for Britain or even for other developed countries.

The analysis appears to be correctly made but the main difficulty for a reader is that the authors do not explain, at any point, why they use a particular estimation methodology such as the random effects ordered probit model where one would think that, for instance, a maximum likelihood ordered probit would do the job. It appears that authors need the random effect to include the establishment effect in the estimation but this is never explained at all! Thus, a reader does not know if this is what is done most commonly in the literature or it is a particular contribution of their approach.

The paper main strengths are the following:

- 1) The subject is of interest in terms of giving hints on the attitudes towards wage redistribution in firms and thus, most probably in a given society.
- 2) The paper presents a relevant and up-to-date literature review on the subject.
- 3) The paper is adequately written in English

The paper main weaknesses are the following:

- 1) The authors do not detail their particular contribution to the literature in a clear way.
- 2) The authors do not explain why they use a particular estimation methodology, not even why they include two other particular specifications (correcting for what they call "Mundlak correction" and a linear fixed effect model).
- 3) The paper fails at explaining how wage inequality is actually introduced in the estimation, the only reference is seen directly in Table 2 where authors specify regressors named "pride" or "envy" where it appears that the differences in wages within the establishment are included.
- 4) The paper makes very little discussion on the evidence for Britain and elsewhere in other developed countries on its main results.