

Referee report on the paper “Is There Publication Selection Bias in Minimum Wage Research during the Five-year Period from 2010 to 2014?” by Georgios Giotis and Michael Chletsos

The paper reviews empirical literature on the impact of minimum wage on employment published in refereed journals between 2010 and 2014. The authors identify 45 such studies yielding 1068 estimates of employment elasticities and 484 of employment coefficients. Employing meta-regression analysis (MRA) techniques, the authors test for the publication bias and explain the heterogeneity in the estimates.

The results show presence of publication bias in the sub-sample of employment elasticities, while no publication bias is detected for employment coefficients. After correcting for publication bias, the effect of minimum wage on employment remains negative, albeit small. This confirms the results of the previous meta-analysis by Doucouliagos and Stanley (2009) for the U.S. covering studies published between 1972 and 2007.

The paper addresses a topical issue, is well written and well structured.

I have only few comments:

- 1) It is not clear why the t-statistics is used as dependent variable in meta-analysis regressions (see equation (2) and Tables 6 to 7). If the main variable of interest is employment elasticity, which is by construction comparable across different studies, why not use it directly as the dependent variable? It would be also useful to mention in the paper which dependent variables are used in the MRA by Doucouliagos and Stanley (2009).
- 2) Next, in case Doucouliagos and Stanley (2009) use employment elasticities and partial correlation coefficient, it would be natural if the authors of this study use the same variables as well, in order to have their results fully comparable with Doucouliagos and Stanley (2009). If the authors prefer to use different dependent variables than Doucouliagos and Stanley (2009), then (i) the reason should be explained and (ii) as robustness check, the authors should provide regressions results using exactly the same dependent variables as in Doucouliagos and Stanley (2009).
- 3) When investigating the effect of minimum wage on employment for the period 2010-2014, which was marked by the strongest recession since the WWII, a question arises as to which extent employment was affected by the crisis. Perhaps the authors could discuss how such developments affected the labor markets and the results of their analysis.
- 4) To control for the business cycle conditions, the authors use variable UR equal to 1 “if a model includes an unemployment measure as a business cycle indicator” (Table 5). However, regression results (Table 6 and 7) do not contain UR. It is unclear whether this variable is truly insignificant or simply correlated with some other explanatory variables. It would be helpful if the author check for correlation among the explanatory variables.
- 5) Eventually, the authors could also discuss which variables (elasticities versus coefficient) are more “robust” with respect to the effect of business cycle conditions.
- 6) A number of European countries have adopted recession-related policies, for example short-time working scheme (Kurzarbeit) aimed at protecting employment. It would be useful to comment on the effect of such measures on the results.