

Abstract:

We show that the prominent but disputed discontinuity in the distribution of female income shares within couples at the point where the women outearns her partner is to a large extent driven by income misreporting in surveys. Drawing on unique Swiss data combining survey and administrative information for the same individual, we find that couples where the woman outearns her partner misreport their incomes to comply with the male breadwinner norm. This norm does, however, not seem to affect real labor market decisions around this margin. The resulting bias leads to a considerable overestimation of policy relevant measures like the gender earnings gap.