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WANT BETTER PAY? LEARN TO SIT IN FRONT OF A COMPUTER

New Brookings Institution research links wages with the level of digital literacy needed to do a job

By Sarah Chaney and Sharon Nunn November 16, 2017

Sitting in front of a computer may be bad for your health, but it's great for your paycheck.

Jobs that have become the most digital in the past decade have seen the fastest wage growth, while those that use computers less frequently have seen pay increase sluggishly, according to a Brookings Institution paper.

Highly digital jobs clocked more than 2.6 percent wage growth between 2010 and 2016. Over the same period, jobs with medium digital scores saw average wages grow by 1.4 percent and those with low digital scores by just 1.3 percent.

These low- and medium-skill jobs accounted for nearly 80 percent of employment across all industries in 2016.

Worker productivity is an important driver behind the difference in pay gains, according to the research.

In essence, Americans who use computers at work tend to be more productive. That helps explain why some health-care professionals are experiencing faster pay increases than plumbers or truck drivers.

"All things being equal...the more digital skills a worker has, the greater their productivity and pay," said Mark Muro, a senior fellow at Brookings and one of the authors of the paper. "Most productive firms and organizations are rapidly rolling their processes into digital platforms."

For a worker to advance in this environment, he or she needs some digital skills, Mr. Muro said.

The study scores a job's digital level by looking at how crucial computers and technology are to the job's work tasks. For example, a software developer spends most of the job using a computer and receives a high score, while a truck driver may only use a computer for logging hours or the weight of a truck load, so that occupation receives a lower digital score.

The mean annual wage for workers in highly digital jobs was \$72,896 in 2016, while workers in mid-level digital jobs earned about \$48,274 and those in low-digital positions earned \$30,393. In the U.S., the mean annual wage across all occupations was \$49,630 in 2016, according to the Labor Department.

Companies automating many of their repetitive tasks may contribute to a decline in midlevel digital jobs, such as office clerks. This, in turn, could further contribute to the hollowing of the middle class, as workers in higher-skilled and higher-paid jobs spur demand for lower-paid services, creating jobs in this lower category.

"Say, a software developer in Seattle, who has fast pay increases, spends a lot on her house and adds to demand for building and grounds-keeping. She maybe has a personal trainer and goes out to eat a lot," Mr. Muro said. "Some of those people working in some of those lower-end, less digital occupations are working there because their middle-tier occupation wound down. That's the circuit."