

**Title:** *Item-non-response and Imputation of Labor Income in Panel Surveys: A Cross-National Comparison*

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Using data on annual individual labor income from three representative panel datasets (German SOEP, British BHPS, Australian HILDA) we investigate a) the selectivity of item-non-response (INR) and b) the impact of imputation as a prominent means to cope with this type of measurement error on prototypical analyses (income inequality, income mobility and wage regressions) in a cross-national setting. Given the considerable variation of INR across surveys as well as the varying degree of selectivity build into the missing process, there is substantive and methodological interest in an improved harmonization of (income) data production as well as of imputation strategies across surveys. All three panels make use of longitudinal information in the imputation procedure, however, there are marked differences in the implementation. Our empirical investigation provides evidence for the probability of INR to vary across countries and to depend on survey-related aspects as well as on indicators for variability and complexity of labor income composition. Longitudinal analyses yield a positive correlation of INR on income data over time as well as provide evidence of INR being a predictor of subsequent unit-non-response, thus supporting the “cooperation continuum” hypothesis in all three panels. Applying various mobility indicators there is a robust picture about earnings mobility being significantly understated using information from completely observed cases only. Regression results for wage equations based on observed (“complete case analysis”) vs. all cases and controlling for imputation status, indicate that individuals with imputed incomes, *ceteris paribus*, earn significantly above average in SOEP and HILDA, while this relationship is negative using BHPS data. Concluding, we argue for improved cross-national harmonization of imputation techniques.