A compensating wage premium provides employers with incentives to reduce the risk on the job, and the calculus of the marketplace allows workers and employers to trade the costs of reducing workplace risk against the benefits associated with the risk reduction. When large numbers of workers reveal wage-risk tradeoffs a researcher can calculate the implied value of a statistical life, or the wage reduction associated with reducing by one worker the expected number of deaths. When basing policy on estimates of the price of risk the precision and accuracy of the estimates can be important. Keywords: wages, displacement risk, concessions. JEL Classification: J31, J65. Suggested Citation: Suggested Citation. Carneiro, Anabela Jesus Moreira and Portugal, Pedro, Wages and the Risk of Displacement (January 2006). IZA Discussion Paper No. 1926. Available at SSRN: https://ssrn.com/abstract=878334. Wages may stagnate or fall in declining occupations. Although we do not model shifts in relative wages across occupations, the basic economics of labor supply and demand suggests that this should be the case for occupations in which labor demand declines. Our analysis shows that most job growth in the United States and other advanced economies will be in occupations currently at the high end of the wage distribution. Some occupations that are currently low wage, such as nursing assistants and teaching assistants, will also increase, while a wide range of middle-income occupations will have the