

Article

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The value of a statistical life in Chile

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Abstract

In this article, we estimated the value of a statistical life and the value of a statistical injury (VSI) for Chilean workers using a combination of data from the year 2006 from the Chilean National Socio-Economic Survey, which provides workers' characteristics, and annual statistics from the Chilean Safety Association, which provide labor accident risk data. We estimated a hedonic log-wage equation taking into account of selection bias and endogeneity. The estimated value of a statistical life was US\$4,625,958, which increased by almost a factor three after correcting for endogeneity (US\$12,826,520). On the other hand, the estimated VSI was US\$30,840. The uncorrected results were lower than the values reported by other authors for various developed countries, but greater than those estimated using indirect approaches for Chile.

Keywords

Value of a statistical life Value of a statistical injury Hedonic wages