

## Handout 14: Interpret the slope and intercept of regression model with categorical predictors

```
round(summary(lm(wages~race+education+I(age-25), data=earnings))$coef,2)
```

##	Estimate	Std. Error	t value	Pr(> t )
## (Intercept)	12.06	0.16	74.41	0.00
## raceBlack	-3.82	0.13	-30.32	0.00
## raceLatino	-1.92	0.11	-17.24	0.00
## raceAsian	0.68	0.16	4.23	0.00
## raceIndigenous	-1.41	0.33	-4.32	0.00
## raceOther/Multiple	-0.62	0.31	-2.02	0.04
## educationHS Diploma	3.97	0.16	25.29	0.00
## educationAA Degree	6.54	0.18	35.51	0.00
## educationBachelors Degree	15.45	0.17	92.42	0.00
## educationGraduate Degree	22.23	0.18	122.61	0.00
## I(age - 25)	0.23	0.00	79.09	0.00

Interpret the slope on Black in a single sentence:

Interpret the slope on BA degree in a single sentence:

Interpret the intercept in a single sentence:

Name (Print and Sign): \_\_\_\_\_