

1. This dataset contain 15 columns and 32561 rows. It was extracted from the census bureau database at <http://www.census.gov/ftp/pub/DES/www/welcome.html>. And the reason for creating this dataset is to analyze the relationship between variables such as income, hours worked per week and other variables.
2. Can we predict hours_per_week by relationship and occupation?
3. Hours_per_week, relationship and occupation are included my model since what I want to research is the relationship between hours_per_week and relationship, occupation. I try to fit relationship and occupation with hours_per_week in a regression model respectively. So I can know whether there is a statistical significant associations between the two variables. And then generate another regression model with hours_per_week, relationship and occupation together.
4. For the final regression model, we have

$$\begin{aligned}
 \beta_0 &= 41.67 \\
 \beta_{\text{Armed-Forces}} &= 2.28 \\
 \beta_{\text{Craft-repai}} &= 2.34 \\
 \beta_{\text{Exec-managerial}} &= 5.18 \\
 \beta_{\text{Farming-fishi}} &= 7.65 \\
 \beta_{\text{Handlers-clea}} &= 0.38 \\
 \beta_{\text{Machine-op-in}} &= 1.74 \\
 \beta_{\text{Other-service}} &= -2.48 \\
 \beta_{\text{Prive-house-}} &= -4.49 \\
 \beta_{\text{Prof-specia}} &= 3.26 \\
 \beta_{\text{Protective-se}} &= 3.26 \\
 \beta_{\text{Sale}} &= 2.20 \\
 \beta_{\text{Tech-support}} &= 0.56 \\
 \beta_{\text{Transport-mov}} &= 4.84 \\
 \beta_{\text{Not-in-family}} &= -2.44 \\
 \beta_{\text{Other-relativ}} &= -5.16 \\
 \beta_{\text{Own-child}} &= -9.44 \\
 \beta_{\text{Unmarried}} &= -3.58 \\
 \beta_{\text{Wife}} &= -5.75
 \end{aligned}$$

- The intercept is the estimated expected hours_per_week occupation is Adm-clerical and relationship is Husband.
- The coefficient for Armed-Forces is the estimated expected difference in hours_per_week when occupation change from Adm-clerical to Armed-Forces, holding sex constant.
- The coefficient for Craft-repair is the estimated expected difference in hours_per_week when occupation change from Adm-clerical to Craft-repair, holding sex constant. But its p-value is so large that we shouldn't apply this in this model.
- The coefficient for Exec-managerial is the estimated expected difference in hours_per_week when occupation change from Adm-clerical to Exec-managerial, holding sex constant.
- The coefficient for Farming-fishing is the estimated expected difference in hours_per_week when occupation change from Adm-clerical to Farming-fishing, holding sex constant.
- The coefficient for Handlers-cleaners is the estimated expected difference in hours_per_week when occupation change from Adm-clerical to Handlers-cleaners, holding sex constant. But its p-value is so large that we shouldn't apply this in this model.
- The coefficient for Machine-op-inspect is the estimated expected difference in hours_per_week when occupation change from Adm-clerical to Machine-op-inspect, holding sex constant.
- The coefficient for Other-service is the estimated expected difference in hours_per_week when occupation change from Adm-clerical to Other-service, holding sex constant.
- The coefficient for Prive-house-serv is the estimated expected difference in hours_per_week when occupation change from Adm-clerical to Prive-house-serv, holding sex constant.

- The coefficient for Prof-specialty is the estimated expected difference in hours_per_week when occupation change from Adm-clerical to Prof-specialty, holding sex constant.
- The coefficient for Protective-serv is the estimated expected difference in hours_per_week when occupation change from Adm-clerical to Protective-serv, holding sex constant.
- The coefficient for Sales is the estimated expected difference in hours_per_week when occupation change from Adm-clerical to Sales, holding sex constant. But its p-value is so large that we shouldn't apply this in this model.
- The coefficient for Tech-support is the estimated expected difference in hours_per_week when occupation change from Adm-clerical to Tech-support, holding sex constant.
- The coefficient for Transport-moving is the estimated expected difference in hours_per_week when occupation change from Adm-clerical to Transport-moving, holding sex constant.
- The coefficient for Not-in-family is the estimated expected difference in hours_per_week when relationship change from Husband to Not-in-family, holding occupation constant.
- The coefficient for Other-relative is the estimated expected difference in hours_per_week when relationship change from Husband to Other-relative, holding occupation constant.
- The coefficient for Own-child is the estimated expected difference in hours_per_week when relationship change from Husband to Own-child, holding occupation constant.
- The coefficient for Unmarried is the estimated expected difference in hours_per_week when relationship change from Husband to Unmarried, holding occupation constant.
- The coefficient for Wife is the estimated expected difference in hours_per_week when relationship change from Husband to Wife, holding occupation constant.

$$\begin{aligned}
 \hat{\beta}_1 &= \frac{\sum(x - \bar{x})(y - \bar{y})}{\sum(x - \bar{x})^2} = \frac{\sum(xy - x\bar{y} - \bar{x}y + \bar{x}\bar{y})}{\sum(x^2 - 2\bar{x}x + \bar{x}^2)} = \frac{\sum xy - \bar{y}\sum x - \bar{x}\sum y + n\bar{x}\bar{y}}{\sum x^2 - 2\bar{x}\sum x + n\bar{x}^2} \\
 &= \frac{\sum xy - n\bar{x}\bar{y} - n\bar{x}\bar{y} + n\bar{x}\bar{y}}{\sum x^2 - 2n\bar{x}^2 + n\bar{x}^2} = \frac{\sum xy - n\bar{x}\bar{y}}{\sum x^2 - n\bar{x}^2} = \frac{\frac{1}{n}\sum xy - \bar{x}\bar{y}}{\frac{1}{n}\sum x^2 - \bar{x}^2} = \frac{E(XY) - E(X)E(Y)}{E(X^2) - E^2(X)} \\
 &= \frac{E(XY) - E(X)E(Y)}{\sigma_X^2} \\
 \text{corr}(X, Y) &= \frac{E(XY) - E(X)E(Y)}{\sigma_X \sigma_Y} = \frac{E(XY) - E(X)E(Y)}{\sigma_X^2} \cdot \frac{\sigma_X}{\sigma_Y} = \hat{\beta}_1 \cdot \frac{\sigma_X}{\sigma_Y}
 \end{aligned}$$

$$\text{So, } \frac{\text{corr}(X, Y)}{\hat{\beta}_1} = \frac{\sigma_X}{\sigma_Y}$$

The ratio of the covariance and slope is equal to the ratio of the variance of X and the variance of Y