Table 4
Relationship between Components of Wages and Mean Log Value Added per Worker

	Basic Specification (1)	Basic + Major Industry/City (2)	Basic + Detailed Industry/City (3)
A. Combined sample (n = 2,252,436 person-year observations at 41,120 firms):			
Log hourly wage	.250	.222	.187
	(.018)	(.016)	(.012)
Estimated person effect	.107	.093	.074
	(.010)	(.009)	(.006)
Estimated firm effect	.137	.123	.107
	(.011)	(.009)	(.008)
Estimated covariate index	.001	.001	.001
	(.000)	(.000)	(.000)
B. Less educated workers (n = 1,674,676 person-year observations at 36,179 firms):			
Log hourly wage	.239	.211	.181
	(.017)	(.016)	(.011)
Estimated person effect	.089	.072	.069
	(.009)	(.009)	(.005)
Estimated firm effect	.144	.133	.107
	(.015)	(.013)	(.008)
Estimated covariate index	.000	.000	.000
	(.000)	(.000)	(.000)
C. More educated workers (n = 577,760 person-year observations at 17,615 firms):			
Log hourly wage	.275	.247	.196
	(.024)	(.020)	(.017)
Estimated person effect	.137	.130	.094
	(.016)	(.013)	(.009)
Estimated firm effect	.131	.113	.099
	(.012)	(.009)	(.010)
Estimated covariate index	−.001	−.001	−.001
	(.000)	(.000)	(.000)

NOTES.—Entries are coefficients of mean log value added per worker (at current firm) in regression models with dependent variables listed in the row headings. Standard errors are clustered by firm (in parentheses). The sample in panel B includes males with less than completed secondary education at firms in the connected set for less educated workers. The sample in panel C includes males with a high school education or more at firms in the connected set for more educated workers. The sample in panel A includes males in either the panel B or the panel C sample. All models control for cubic in experience and unrestricted education × year dummies. Models in col. 2 also control for 20 major industries and two major cities (Lisbon and Porto). Models in col. 3 also control for 202 detailed industry dummies and 29 Nomenclature of Territorial Units for Statistics region 3 location dummies.