

### Notes:

- This exercise uses the datafile TrainExer21 and requires a computer.
- The dataset TrainExer21 is available on the website.

### Questions

- (a) Use dataset TrainExer21 to regress log-wage on a constant and the gender dummy 'Female', and check the result presented in Lecture 2.1 that  $\log(\text{Wage}) = 4.73 - 0.25\text{Female} + e$ .
- (b) Let  $e$  be the series of residuals of the regression in part (a). Perform two regressions:
- (i)  $e$  on a constant and education;
  - (ii)  $e$  on a constant and the part-time job dummy.
- (c) Comment on the outcomes of regressions (i) and (ii) of part (b).