

```
NOTES: This dofile creates the firm-level analysis dataset
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Last updated: 21.01.2022
cap log close
log using "$log save\create firm level", replace
use "$saveaddress data\merged ind panel", clear
cap drop n
cap drop n id
egen n id=group(id new)
cap drop n_fid
egen n_fid=group(taxrefno)
*Code From Marlies
gen totalperiodsinyearofassessment1 = subinstr(totalperiodsinyearofassessment, ".", "
> ", .)
cap drop totpy
destring totalperiodsinyearofassessment1 , gen(totpy) force
gen totalperiodsworked1 = subinstr(totalperiodsworked, ".", " ", .)
cap drop totpwork
destring totalperiodsworked1, gen(totpwork) force
replace totpy=abs(totpy)
replace totpwork=abs(totpwork)
gen frac=totpwork/totpy
gen totpy_annual=totpy
replace totpy_annual=totpy*2 if totpy==26
gen frac annual = totpwork/totpy annual
* create monthly earnings
gen monthly_earnings=(a3601_income/frac)/12
*create total wages per firm
bys n fid taxyear: egen double tot 3601 = total(a3601 income)
bys n fid taxyear: egen double tot kerr = total(kerr income) if kerr emp inc==1
*identify minimum wage workers (workers earning below 2274 in 2012)
sort id new taxyear
br id_new taxyear monthly_earnings
drop if id new == ""
cap drop mw_worker_2012
gen mw worker 2012 = monthly earnings<2274 & taxyear ==2013
cap drop mw_worker_2012_tg
by id new: egen mw worker 2012 tg = max(mw worker 2012)
* number of workers in firm
bysort n fid taxyear: egen firm size=count(n id)
*gen fraction affected - which min wage value to take?
cap drop FA
bysort n fid taxyear: egen FA=count(n id) if monthly earnings<2274
cap drop mw_count_2012
gen mw_count_2012 = FA if taxyear == 2013
replace mw count 2012 = 0 if mw_count_2012 ==.
cap drop mw_count_2013
gen mw_count_2013 = FA if taxyear == 2014
replace mw_count_2013 = 0 if mw_count_2013==.
cap drop mw_count_2012_tag
bys taxrefno: egen mw count 2012 tag = max(mw count 2012)
cap drop mw_count_2013_tag
bys taxrefno: egen mw count 2013 tag = max(mw count 2013)
*Compliance is the proportion of minimum wage workers who recieved and the minimum wag
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cap drop compliance
gen compliance = mw_count_2013_tag/mw_count_2012_tag
tab taxyear
br id new taxyear FA mw count 2012
gen fraction_affected=FA/firm_size
egen prop affected=max(fraction affected), by (n fid taxyear)
replace prop_affected=0 if prop_affected==. & FA==.
bro n id n_fid taxyear FA fraction_affected prop_affected
cap drop prop_affected_2012
gen prop_affected_2012 =0
replace prop_affected_2012 = prop_affected if taxyear==2013
cap drop fa use
bys taxrefno: egen fa_use = max(prop_affected_2012)
cap drop n_fid
egen n_fid = group(taxrefno)
cap drop n
bys n fid taxyear : gen n = n
keep if n ==1
cap drop n
tab taxyear
*SAVE ANALYSIS DATASET.
save "$saveaddress_data\analysis_firm.dta", replace
```