

Table and Figures for Problem Set 3

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Table 1: SAMPLE DESIGN AND RESPONSE RATES

	Stores in:		
	All	MJ	PA
<i>Wave 1, February 15-March 4, 1992:</i>			
Number of stores in sample frame:	415	335	80
Number of refusals:	5	4	1
Number interviewed:	410	331	79
Response rate (percentage):	86.7	90.9	72.5
<i>Wave 2, November 5 - December 31, 1992:</i>			
Number of stores in sample frame:	410	331	79
Number closed:	6	5	1
Number under renovation:	2	2	0
Number temporarily closed:	0	0	0
Number of refusals:	1	1	0
Number interviewed:	401	325	78

Notes: See details on p. 774. of original paper.

Interpretation: The purpose of this table is to showcase distribution and quality of the sample for the analysis. This sample is survey data and as it can be seen in the table we have a rather complete data set and almost no refusals.

Table 2: MEANS OF KEY VARIABLES

	Stores in:		
	NJ	PA	t
<i>1. Distribution of Store Types (percentages):</i>			
a. Burger King	44.3	41.1	.7
b. KFC	15.2	20.5	-1.5
c. Roy Rogers	21.5	24.8	-.9
d. Wendy's	19	13.6	1.7
e. Company-owned	35.4	34.1	.3
<i>2. Means in Wave 1:</i>			
a. FTE employment	10.2 (10.78)	10.2 (7.96)	2.3
b. Percentage full-time employees	.3 (.24)	.3 (.23)	.6
c. Starting wage	4.6 (.35)	4.6 (.35)	.4
d. Wage = 4.25 (percentage)	100 (0)	100 (0)	.
e. Price of full meal Number of refusals:	3 (.6)	3.4 (.64)	-3.8
f. Hours open	14.5 (2.95)	14.4 (2.78)	.3
g. Recruiting bonus	()	()	
<i>3. Means in Wave 2:</i>			
a. FTE employment	10.2 (10.78)	7.7 (7.96)	2.3
b. Percentage full-time employees	.3 (.24)	.3 (.23)	.6
c. Starting wage	4.6 (.35)	4.6 (.35)	.4
d. Wage = 4.25 (percentage)	1 (0)	1 (0)	.
e. Wage = 5.05 (percentage)	1 (0)	1 (0)	.
f. Price of full meal Number of refusals:	3 (.6)	3.4 (.64)	-3.8
g. Hours open	14.5 (2.95)	14.4 (2.78)	.3
h. Recruiting bonus	()	()	

Notes: Standard errors are shown in parentheses. See details on p. 776.

Interpretation: The purpose of this table is simply to give the reader an idea what the most important variables in the dataset are and to statistically summarize (distribution and mean) them.

Table 3: AVERAGE EMPLOYMENT PER STORE BEFORE AND AFTER THE IN NEW JERSEY MINIMUM WAGE

Variable	Stores by state			Stores in New Jersey			Differences in NJ	
	PA (i)	NJ (ii)	Difference, NJ-PA (iii)	Wage = \$4.25 (iv)	Wage = \$4.26-\$4.99 (v)	Wage = \$5 (vi)	Low- high (vii)	Midrange- high (viii)
1. FTE employment before, all available observations	20.01 (1.34)	17.12 (0.49)	-2.89 (0.84)	20.54 (1.93)	19.28 (2.18)	20.48 (2.93)	0.07 (1.0)	-1.2 (0.75)
2. FTE employment after, all available observations	17.75 (0.9)	17.91 (0.5)	0.16 (0.41)	16.96 (1.71)	18.63 (1.46)	17.33 (1.92)	-0.35 (0.21)	1.31 (0.46)
3. Change in mean FTE employment	-2.2 (1.27)	0.54 (0.48)	2.7 (0.79)	-1.93 (1.8)	-2.15 (2.25)	-2.62 (2.75)	0.68 (0.95)	0.46 (0.5)
4. Change in mean FTE employment, balanced sample of stores	-2.49 (1.24)	0.45 (0.46)	2.94 (0.78)	-2.34 (1.76)	-2.16 (2.19)	-2.62 (2.75)	0.28 (0.99)	0.45 (0.57)
5. Change in mean FTE employment, setting FTE at temporarily closed stores to 0	-2.68 (1.24)	0.57 (0.46)	3.26 (0.78)	-2.34 (1.76)	-2.16 (2.19)	-3.66 (2.74)	1.32 (0.98)	1.5 (0.55)

Notes: Standard errors are shown in parentheses. The sample consists of all stores with available data on employment. FTE (full-time-equivalent) employment counts each part-time worker as half a full-time worker. Row 1-3 contain the full sample. Row 4 includes observations for which at the point of the survey data for "nregisters11" is missing. Row 5 includes closed stores.

Interpretation: Table 3 shows that in NJ stores employment increased after the minimum wage raise, whereas in PA employment decreased. Moreover, in NJ and PA stores that had no initial wage gap (ie unaffected by the minimum wage) employed less workers (overall decrease of employment). Arguably this decrease was a result of the economic recession of that time. For stores having a initial wage gap, employment increased.