

CPS1985

## Determinants of Wages Data (CPS 1985)

### Description

Cross-section data originating from the May 1985 Current Population Survey by the US Census Bureau (random sample drawn for Berndt 1991).

### Usage

```
data ("CPS1985")
```

### Format

A data frame containing 534 observations on 11 variables.

wage

Wage (in dollars per hour).

education

Number of years of education.

experience

Number of years of potential work experience ( $\text{age} - \text{education} - 6$ ).

age

Age in years.

ethnicity

Factor with levels "cauc", "hispanic", "other".

region

Factor. Does the individual live in the South?

gender

Factor indicating gender.

occupation

Factor with levels "worker" (tradesperson or assembly line worker), "technical" (technical or professional worker), "services" (service worker), "office" (office and clerical worker), "sales" (sales worker), "management" (management and administration).

sector

Factor with levels "manufacturing" (manufacturing or mining), "construction", "other".

union

Factor. Does the individual work on a union job?

married

Factor. Is the individual married?

## Source

StatLib.

[http://lib.stat.cmu.edu/datasets/CPS\\_85\\_Wages](http://lib.stat.cmu.edu/datasets/CPS_85_Wages)

## References

Berndt, E.R. (1991). *The Practice of Econometrics*. New York: Addison-Wesley.

## See Also

CPS1988, CPSSW

## Examples

```
data("CPS1985")

## Berndt (1991)
## Exercise 2, p. 196
cps_2b <- lm(log(wage) ~ union + education, data = CPS1985)
cps_2c <- lm(log(wage) ~ -1 + union + education, data = CPS1985)
```

```

## Exercise 3, p. 198/199
cps_3a <- lm(log(wage) ~ education + experience + I(experience^2),
  data = CPS1985)
cps_3b <- lm(log(wage) ~ gender + education + experience + I(experience^2),
  data = CPS1985)
cps_3c <- lm(log(wage) ~ gender + married + education + experience +
  I(experience^2),
  data = CPS1985)
cps_3e <- lm(log(wage) ~ gender*married + education + experience +
  I(experience^2),
  data = CPS1985)

## Exercise 4, p. 199/200
cps_4a <- lm(log(wage) ~ gender + union + ethnicity + education + experience
+ I(experience^2),
  data = CPS1985)
cps_4c <- lm(log(wage) ~ gender + union + ethnicity + education * experience
+ I(experience^2),
  data = CPS1985)

## Exercise 6, p. 203
cps_6a <- lm(log(wage) ~ gender + union + ethnicity + education + experience
+ I(experience^2),
  data = CPS1985)
cps_6a_noeth <- lm(log(wage) ~ gender + union + education + experience +
  I(experience^2),
  data = CPS1985)
anova(cps_6a_noeth, cps_6a)

## Exercise 8, p. 208
cps_8a <- lm(log(wage) ~ gender + union + ethnicity + education + experience
+ I(experience^2),
  data = CPS1985)
summary(cps_8a)
coeftest(cps_8a, vcov = vcovHC(cps_8a, type = "HC0"))

```