Grader's comments (Homework #6)

#1.
c.

$sal = \beta_1 + beta_2 GPA + \beta_3 METRICS + \beta_4 FEMALE + \beta_5 METRICS * FEMALE + error$

#2.
Everyone did well.

#3.
It's stared; I think there are numerical answers available on the interweb.

b. Interprete the coefficients; i.e. analyze the coefficients from a log-linear form.
If the model is $ln(y) = b_1 + b_2 x + \epsilon$, then

$$\frac{dy}{dx}\frac{1}{y} = b_2$$

#4.
d. $F = 0.743$ and reject.
e.

$ln(wage) = .4780 + 0.1309 EDUC + 0.06452 EXPER - 0.0007128 EXPER^2 - 0.001443 EXPER * EDUC$

#5.
A model with an omitted variable is still valid so long as the omitted variable is not correlated with other regressors.