

	Coeff.	St.error
Number of workers (log)	0.12 ^{***}	0.03
New machine (dummy)	-0.22	0.61
Log residual wage of workers (as of 1989)	-9.28*	4.94
New machine × log residual wage	26.67 ^{***}	10.4
Number of observations (person-years)	231	
Year effects	Yes	
Bootstrap replications	200	
Mean and standard deviation of the		
- dependent variable	5.46	0.49
- log residual wage	0.036	0.027
Effect of the new machine dummy		
at percentiles of the residual wage		
25 th	-0.14	
50 th	1.20	
75 th	1.38	
Adjusted R ²	0.70	

Linear regression. Sample: Monthly data for 5 types of loom (2 old and 3 new types). The residual wage was measured by regressing log payments by results in 1989 on age, age squared and type of machine fixed effects, and averaging the residual for workers employed at the given type of machine. Output is measured with million pics/month.