

Table: Oaxaca Decomposition of the White-Black Gap in Earnings according to Firm Effects in Wages and Hours

	White/Black Gap in Earnings	<u>Mean Firm</u>		<u>Mean Firm</u>		<u>Oaxaca Decomposition</u>			
		White	Black	White	Black	<u>Wages</u>		<u>Hours</u>	
All	0.21	0.17	0.14	0.27	0.26	0.04	-0.01	0.01	0.01
<i>By Different Age Groups</i>									
Age <=30	0.12	0.10	0.08	0.24	0.24	0.02	-0.01	0.00	0.01
Age in (30;40]	0.22	0.19	0.15	0.28	0.27	0.03	0.00	0.00	0.01
Age >40	0.20	0.19	0.17	0.28	0.26	0.03	-0.01	0.01	0.01
<i>By Different Periods</i>									
2002-2006	0.20	0.17	0.15	0.26	0.25	0.03	0.00	0.01	0.01
2007-2010	0.21	0.16	0.14	0.27	0.26	0.03	-0.01	0.01	0.01
2011-2014	0.22	0.16	0.12	0.28	0.27	0.04	-0.01	0.01	0.01

Note: This table reports results from an Oaxaca decomposition of the gender gap in Earnings. We start by taking the gender gap in firm-premia in earnings between men and women. The latter can be written as the sum of the firm premia in wages and hours. We then decompose each wage and hours component into a sorting channel and a bargaining channel, see text for details. Each row denotes a different group to which we apply the Oaxaca decomposition. All firm effects have been normalized so that firms in the Accommodation-Food sector pay zero rents (in both hours and wages) on average. Sample corresponds to person-year observations of workers in WA who received at some point a UI check (for whom we have demographic characteristics) and whose corresponding employer belongs to the dual connected set, i.e. we can identify its male-specific and female-specific firm effect in the corresponding leave-out sample. This corresponds to a sample with 4,003,606 person-year observations, 783,173 workers and 7,447 (dual-connected) firms.