The effect of minimum wage using DID

-The effect of minimum wage using DiD is the increase in employment.

What is the treatment in this research?

-The treatment in this study is the increase in the minimum wage in New Jersey in 1992

Find the treatment group and control group.

-Treatment group is New Jersey compared to Pennsylvania as the control group where the minimum wage remained unchanged.

Find main τ in this paper and replicate it in two ways.

What can be the problem in this research?

-In late 1991, the employment levels in New Jersey and Pennsylvania were similar; however, over the next three years, Pennsylvania's employment declined relative to New Jersey(before the government rises the minimum wage).

-This suggests that, under the assumption of no minimum wage policy, the differences between Pennsylvania and New Jersey make Pennsylvania an unsuitable counterfactual for New Jersey in the absence of the minimum wage increase.