

### Documentation for CPS Data Used in Chapter 8

Each month the Bureau of Labor Statistics in the U.S. Department of Labor conducts the “Current Population Survey” (CPS), which provides data on labor force characteristics of the population, including the level of employment, unemployment, and earnings. Approximately 65,000 randomly selected U.S. households are surveyed each month. The sample is chosen by randomly selecting addresses from a database comprised of addresses from the most recent decennial census augmented with data on new housing units constructed after the last census. The exact random sampling scheme is rather complicated (first small geographical areas are randomly selected, then housing units within these areas randomly selected); details can be found in the *Handbook of Labor Statistics* and is described on the Bureau of Labor Statistics website ([www.bls.gov](http://www.bls.gov)).

The survey conducted each March is more detailed than in other months and asks questions about earnings during the previous year. These data are from the March 2009 survey.

Series in Data Set:

Female	1 if female; 0 if male
Age	Age (in Years)
Ahe	Average Hourly Earnings in 2004
Yrseduc	Years of Education
Northeast	1 if from the Northeast, 0 otherwise
Midwest	1 if from the Midwest, 0 otherwise
South	1 if from the South, 0 otherwise
West	1 if from the West, 0 otherwise