Stock and Watson's Introduction to Econometrics, 3rd Updated Edition

Documentation for CPS12 Data

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).

The survey conducted each March is more detailed than in other months and asks

questions about earnings during the previous year. The file CPS12 contains the data for

2012 (from the March 2013 survey). These data are for full-time workers, defined as

workers employed more than 35 hours per week for at least 48 weeks in the previous

year. Data are provided for workers whose highest educational achievement is (1) a high

school diploma, and (2) a bachelor's degree.

Series in Data Set:

FEMALE:

1 if female; 0 if male

YEAR:

Year

AHE :

Average Hourly Earnings

BACHELOR: 1 if worker has a bachelor's degree; 0 if worker has a high school degree