

APPENDIX 4: Earnings Equations, Including Annual Bonuses (SES 1995, 2002).

<i>Variables / Data set:</i>	SES 1995	SES 2002
Intercept	1.935** (0.028)	2.395** (0.024)
Education:		
Primary or no degree	Reference	Reference
Lower secondary	0.054** (0.004)	0.038** (0.004)
General upper secondary	0.150** (0.005)	0.112** (0.005)
Technical/Artistic/Prof. upper secondary	0.137** (0.004)	0.116** (0.005)
Higher non university short type, higher artistic training	0.242** (0.006)	0.204** (0.006)
University and non-university higher education, long type	0.412** (0.007)	0.352** (0.007)
Post-graduate	0.539** (0.021)	0.515** (0.023)
Prior experience:		
Simple	0.017** (0.001)	0.018** (0.001)
Squared/10 ²	-0.038** (0.005)	-0.048** (0.004)
Cubed/10 ⁴	0.023* (0.010)	0.037** (0.006)
Seniority in the company:		
Simple	0.020** (0.000)	0.020** (0.000)
Squared/10 ²	-0.025** (0.001)	-0.028** (0.001)
Hours paid (ln)	0.002 (0.005)	-0.046** (0.004)
Bonus for shift work, night work and/or weekend work (Yes)	0.058** (0.004)	0.041** (0.003)
Overtime paid (Yes)	0.018** (0.004)	0.026** (0.005)
Contract:		
Unlimited-term employment contract	Reference	Reference
Limited-term employment contract	-0.046** (0.007)	-0.092** (0.008)
Apprentice/Trainee contract	-0.700** (0.092)	-0.329** (0.027)
Other employment contract	-0.047° (0.026)	-0.055** (0.009)
Female (Yes)	-0.114** (0.003)	-0.124** (0.003)
Occupation (Isco 2 digit)	Yes (22 dummies)	Yes (22 dummies)
Region:		
Brussels	Reference	Reference
Wallonia	-0.040** (0.004)	-0.031** (0.004)
Flanders	-0.047** (0.003)	-0.005 (0.003)
Supervises the work of co-workers (Yes)	0.113** (0.004)	/
Size of the establishment (ln)	0.030** (0.001)	0.028** (0.001)
Level of wage bargaining		
Collective agreement only at the national and/or sectoral level	Reference	Reference

Collective agreement at the company level	0.029** (0.003)	0.053** (0.003)
Other	-0.019** (0.004)	0.015* (0.008)
Industry effects (Nace 3-digit)	Yes (174 dummies)	Yes (179 dummies)
Adjusted R ²	0.733	0.662
F-test	612.7**	490.0**
Number of observations	67,023	102,594

Notes: White (1980) heteroscedasticity consistent standard errors are reported between brackets.

**/*/*: coefficient significant at the 1, 5 and 10%, respectively.

Interpretation: (1995) Δ var. dép. = $\ln(w)$

1) Education

Example: dummy (lower secondary) = 0,054

→ modèle log-lin avec dummy

$$\rightarrow \text{semi-élast} = [\text{Exp}(0,054) - 1] * 100 = 5,55\%$$

càd. personnes avec diplôme second inf. gagnent salaire médian qui est de 5,55% supérieur à celui de la cat. de ref (individus avec diplôme primaire ou inférieur).

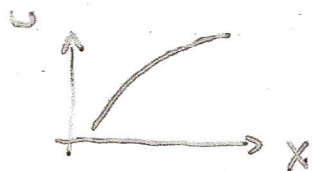
2) Seniority

Years → modèle log-lin (mais var. expl. polyn.)

$$\text{semi-élasticité} = [0,020 * X + (-0,00025) X^2] * 100$$

p. ex. si X (ancienneté) = 1

$$\text{semi-élasticité} = [0,020 * 1 - 0,00025 * 1^2] * 100 = 1,975\%$$



càd. 1 année suppl. d'ancienneté ↑ sal. de 1,975% en moyenne mais effet diminue lorsque X ↑ (concavité)