

**Web Appendix for “Minimum Wages and Earnings Inequality in Urban Mexico” by Mariano Bosch and Marco Manacorda**

This table reports OLS estimates of equation 1 in the text. In addition to the specifications reported in Tables 2 and 3 in the text we also report one specification (in column 11) that includes all quarters (as opposed only to the first quarter of each year).

Table A1: The impact of minimum wages on earnings differentials: Mexico 1989-2001. OLS estimates

|                            | Baseline sample     |                     | (3)                 | (4)                 | Unweighted (5)      | All municipalities (6) | Males (7)           | Females (8)         | Formal (9)          | Informal (10)        | All quarters (11)   |
|----------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|------------------------|---------------------|---------------------|---------------------|----------------------|---------------------|
|                            | (1)                 | (2)                 |                     |                     |                     |                        |                     |                     |                     |                      |                     |
| p10-p70                    | 0.778***<br>(0.063) | 0.762***<br>(0.056) | 0.837***<br>(0.045) | 0.948***<br>(0.052) | 0.812***<br>(0.046) | 0.524***<br>(0.083)    | 0.881***<br>(0.042) | 0.757***<br>(0.059) | 0.658***<br>(0.067) | 0.133<br>(0.083)     | 0.794***<br>(0.022) |
| p20-p70                    | 0.651***<br>(0.056) | 0.666***<br>(0.065) | 0.748***<br>(0.038) | 0.852***<br>(0.039) | 0.722***<br>(0.041) | 0.453***<br>(0.069)    | 0.790***<br>(0.039) | 0.779***<br>(0.042) | 0.572***<br>(0.071) | 0.155***<br>(0.053)  | 0.727***<br>(0.026) |
| p30-p70                    | 0.542***<br>(0.054) | 0.561***<br>(0.073) | 0.637***<br>(0.038) | 0.749***<br>(0.036) | 0.639***<br>(0.042) | 0.381***<br>(0.053)    | 0.684***<br>(0.039) | 0.669***<br>(0.038) | 0.480***<br>(0.063) | 0.163***<br>(0.043)  | 0.624***<br>(0.029) |
| p40-p70                    | 0.477***<br>(0.043) | 0.499***<br>(0.063) | 0.580***<br>(0.041) | 0.711***<br>(0.041) | 0.590***<br>(0.051) | 0.300***<br>(0.039)    | 0.589***<br>(0.041) | 0.535***<br>(0.048) | 0.349***<br>(0.062) | 0.179***<br>(0.054)  | 0.549***<br>(0.030) |
| p50-p70                    | 0.352***<br>(0.034) | 0.396***<br>(0.051) | 0.444***<br>(0.037) | 0.564***<br>(0.031) | 0.471***<br>(0.054) | 0.220***<br>(0.026)    | 0.447***<br>(0.030) | 0.391***<br>(0.043) | 0.250***<br>(0.054) | 0.172***<br>(0.044)  | 0.429***<br>(0.030) |
| p60-p70                    | 0.234***<br>(0.020) | 0.258***<br>(0.028) | 0.298***<br>(0.028) | 0.396***<br>(0.031) | 0.300***<br>(0.039) | 0.130***<br>(0.013)    | 0.302***<br>(0.033) | 0.272***<br>(0.037) | 0.095**<br>(0.044)  | 0.087**<br>(0.036)   | 0.276***<br>(0.022) |
| p80-p70                    | 0.023<br>(0.024)    | -0.012<br>(0.033)   | 0.027<br>(0.041)    | 0.140**<br>(0.054)  | 0.034<br>(0.050)    | -0.046***<br>(0.016)   | -0.009<br>(0.056)   | 0.089*<br>(0.048)   | -0.039<br>(0.056)   | -0.105**<br>(0.048)  | 0.028<br>(0.035)    |
| p90-p70                    | 0.024<br>(0.048)    | -0.007<br>(0.066)   | 0.031<br>(0.071)    | 0.203**<br>(0.092)  | 0.059<br>(0.113)    | -0.137***<br>(0.036)   | -0.007<br>(0.087)   | 0.202**<br>(0.084)  | -0.031<br>(0.074)   | -0.391***<br>(0.073) | 0.028<br>(0.061)    |
| Observations               | 819                 | 819                 | 819                 | 819                 | 819                 | 1773                   | 819                 | 819                 | 819                 | 819                  | 819                 |
| Municipality fixed effects | yes                 | yes                 | yes                 | yes                 | yes                 | yes                    | yes                 | yes                 | yes                 | yes                  | yes                 |
| State X Year               |                     | yes                 | yes                 | yes                 | yes                 | yes                    | yes                 | yes                 | yes                 | yes                  | yes                 |
| Municipality trends        |                     |                     | yes                 | yes                 | yes                 | yes                    | yes                 | yes                 | yes                 | yes                  | yes                 |
| Municipality controls      |                     |                     |                     | yes                 |                     |                        |                     |                     |                     |                      |                     |
| F-test - linear            | 14.04<br>(0.000)    | 7.898<br>(0.001)    | 18.37<br>(0.000)    | 13.87<br>(0.000)    | 15.79<br>(0.000)    | 33.43<br>(0.000)       | 19.28<br>(0.000)    | 12.58<br>(0.000)    | 18.78<br>(0.000)    | 15.06<br>(0.000)     |                     |
| F-test - qwaudratic        | 1.045<br>(0.358)    | 1.841<br>(0.167)    | 1.601<br>(0.210)    | 1.448<br>(0.243)    | 2.324<br>(0.106)    | 3.225<br>(0.042)       | 1.158<br>(0.321)    | 1.138<br>(0.327)    | 1.344<br>(0.268)    | 1.882<br>(0.161)     |                     |

Table A2: List of panel municipalities in the sample

| Municipality                | State            | MW zone |
|-----------------------------|------------------|---------|
| Tijuana                     | Baja California  | A       |
| Torreón                     | Coahuila         | C       |
| Chihuahua                   | Chihuahua        | C       |
| Juárez                      | Chihuahua        | A       |
| Azcapotzalco                | Distrito Federal | A       |
| Coyoacán                    | Distrito Federal | A       |
| Gustavo A. Madero           | Distrito Federal | A       |
| Iztacalco                   | Distrito Federal | A       |
| Iztapalapa                  | Distrito Federal | A       |
| Magdalena Contreras         | Distrito Federal | A       |
| Alvaro Obregón              | Distrito Federal | A       |
| Tláhuac                     | Distrito Federal | A       |
| Tlalpan                     | Distrito Federal | A       |
| Xochimilco                  | Distrito Federal | A       |
| Benito Juárez               | Distrito Federal | A       |
| Cuauhtémoc                  | Distrito Federal | A       |
| Miguel Hidalgo              | Distrito Federal | A       |
| Venustiano Carranza         | Distrito Federal | A       |
| Gómez Palacio               | Durango          | C       |
| Lerdo                       | Durango          | C       |
| León                        | Guanajuato       | C       |
| San Francisco del Rincón    | Guanajuato       | C       |
| Guadalajara                 | Jalsico          | B       |
| Tlaquepaque                 | Jalisco          | B       |
| Tonalá                      | Jalisco          | B       |
| Zapopan                     | Jalisco          | B       |
| Atizapán de Zaragoza        | Estado de Mexico | A       |
| Ecatepec de Morelos         | Estado de Mexico | A       |
| Naucalpan de Juárez         | Estado de Mexico | A       |
| Nezahualcóyotl              | Estado de Mexico | C       |
| Tlalnepantla de Baz         | Estado de Mexico | A       |
| Cuautitlán Izcalli          | Estado de Mexico | A       |
| Apodaca                     | Nuevo Leon       | B       |
| San Pedro Garza García      | Nuevo Leon       | B       |
| General Escobedo            | Nuevo Leon       | B       |
| Guadalupe                   | Nuevo Leon       | B       |
| Monterrey                   | Nuevo Leon       | B       |
| San Nicolás de los Garza    | Nuevo Leon       | B       |
| Santa Catarina              | Nuevo Leon       | B       |
| Amozoc                      | Puebla           | C       |
| Cuautlancingo               | Puebla           | C       |
| Puebla                      | Puebla           | C       |
| San Andrés Cholula          | Puebla           | C       |
| San Pedro Cholula           | Puebla           | C       |
| San Luis Potosí             | San Luis Potosí  | C       |
| Soledad de Graciano Sánchez | San Luis Potosí  | C       |
| Ciudad Madero               | Tamaulipas       | B       |
| Matamoros                   | Tamaulipas       | A       |
| Nuevo Laredo                | Tamaulipas       | A       |
| Tampico                     | Tamaulipas       | B       |
| San Pablo del Monte         | Tlaxcala         | C       |
| Boca del Río                | Veracruz         | C       |
| Camerino Z. Mendoza         | Veracruz         | C       |
| Córdoba                     | Veracruz         | C       |
| Fortín                      | Veracruz         | C       |
| Ixtaczoquitlán              | Veracruz         | C       |
| Nogales                     | Veracruz         | C       |
| Orizaba                     | Veracruz         | C       |
| Rafael Delgado              | Veracruz         | C       |
| Río Blanco                  | Veracruz         | C       |
| Veracruz                    | Veracruz         | C       |
| Mérida                      | Yucatan          | C       |
| Progreso                    | Yucatan          | C       |

Notes: the table reports the list of municipalities in the panle sample, with the State and the Minimum wage area (A, B and C, with A being the highest minimum wage area and C being the lowest) they belong to. Data available at [www.sat.gob.mx](http://www.sat.gob.mx).