Online Appendix for “Low-Skilled Immigration and the Labor Supply of Highly Skilled Women”*

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December 18, 2010

This appendix describes in more detail the samples used in our paper “Low-Skilled Immigration and the Labor Supply of Highly Skilled Women”, the definition of our main variables, and one additional table that complements Table 8 in the main text. In the main paper we present a description of the sample period, the sources used for the data and the empirical specifications. The main results are also presented in the main text. Codes and data files are available from the journal’s website.

Table 1-Online Appendix corresponds to Table 8 in the main text, but it also presents the results of the same regressions with and without the additional controls. As it can be seen there, the results are robust to the use of the basic or the additional controls. For each dependent variable the first column presents the results with the basic controls and the second column presents the results with the additional controls (which the specification presented in the main text of the paper).

1 Sample Selection

Recall that we define an immigrant as someone who reports being a naturalized citizen or not being a citizen. Furthermore, for our regressions when constructing the dependent variables we restrict our attention to people with ages between 16 and 64 years old and who report being part of the labor force and not enrolled in school.

1. Sample selection for the Census regressions: Natives ages 20-64, who reported not being in group quarters and not attending school.

2. Sample selection for the construction of the instrument:

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(a) For the 1970 distribution component: all immigrants (no restrictions on age or labor force status).

(b) For the stock component of the instrument for 1980-2000: high school dropout immigrants aged 16-64 that reported being in the labor force and not in group quarters.

(c) Countries: All countries included in the 1970 classification; we exclude groups such as South America n.s./n.e.c. that do not allow us to assign them to a specific country. We aggregate values for West and East Germany for 1980.

2 Construction of key variables

In this section we detailed the construction of the most important variables used in the regressions presented in the paper. The names given in italics correspond to the original IPUMS name for the specific variable.

1. Immigrant:

   (a) 1980-2000 Census: reported not being a citizen or reported being a naturalized citizen (citizen equal to 2 or 3).

   (b) 1970: reported being born outside the US (bpld > 15000)

2. Labor Force: We use the variable labforce, which includes those who had a job or looked for work during the previous week (labforce= 2)

3. Hours worked a week: We use the variable uhrswork, which reports the number of hours per week that the respondent usually worked, if the person worked during the previous year. We would have liked for the labor force and hours per week variables to refer to the same time period; unfortunately, the variable that reports hours worked last week (hrswork1) is not available for the year 2000.

4. Hourly wage: We construct it using the yearly wage and salary income (inc_wage) divided by the hours worked per year, calculated as the product of uhrswork and wkswork1 (weeks worked last year). We exclude observations with uhrswork or wkswork1 equal to zero.

5. Education levels: we combine the variable educrec (available for all years) with higrade (available for 1980) and educ99 (available for 1990-2000):

   (a) High school drop:

      i. 1970-2000: educrec less than 7
(b) High school graduate:
   i. 1980-2000: \textit{educrec} equal to 7 (we include people who completed 12th grade but did not get a diploma)

(c) Some college:
   i. 1980-2000: \textit{educrec} equal to 8

(d) College graduate:
   i. 1980: anyone with a value of \textit{educrec} equal to 9 and \textit{higrade} equal to 19
   ii. 1990-2000: \textit{educ99} equal to 14

(e) Master’s Degree:
   i. 1980: \textit{higrade} = 20 or 21
   ii. 1990-2000: \textit{educ99} equal 15

(f) Professional Degree or Ph.D.
   i. 1980: \textit{higrade} larger than 21
   ii. 1990-2000: \textit{educ99} larger than 15
<table>
<thead>
<tr>
<th>Occupation Level Vars.</th>
<th>No. Obs.</th>
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</thead>
<tbody>
<tr>
<td>Top 10%</td>
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<td>Controls</td>
<td>212208</td>
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</tbody>
</table>

Notes: Table reports the coefficient of \( \log (\text{Low-skilled Immigrants} + \text{Low-skilled Natives} / \text{Labor Force}) \). Each number comes from a different regression. All estimations include city, decade*region fixed effects and demographic controls: age, age squared, black dummy, married dummy, dummy for having a child 5 or younger, dummy for having a child 17 or younger. Add. Controls are the following variables constructed for 1970 interacted with time dummies: share of workers in the agricultural sector, in the manufacturing sector, and in high skilled services sector, log of hourly wage of college graduate, share of women with a college degree, and LFP of college educated women. Errors are clustered at the city*decade level. To choose the occupations included in the table, we first rank occupations by the relevant criteria. Then, we start including occupations at the top of the ranking and go down until our chosen set represents 25 (or 10) percent of the population of male workers.