Minimum Wages and Racial Inequality
Online Appendix*

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Abstract

This Appendix supplements our paper "Minimum Wages and Racial Inequality."

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Contents

Appendix A Minimum Wage Database (1950-2017)

Content and access. We contribute a new minimum wage database for the United States at the state, industry and gender level. We believe this database improves previously released minimum wage databases[70] in three ways: (i) it starts in 1950, allowing for greater historical depth in the study of minimum wage effects than before;[71] (ii) it includes the information on minimum wage rates not only for the industries covered by the initial 1938 Fair Labor Standards Act, but also separately for the industries covered by subsequent amendments (1961, 1966, and 1974). Therefore, the minimum wage rates are industry-specific,[72] and this is particularly relevant for the period 1950-1974 ; (iii) it includes gender-specific minimum wage rates. This variation is also particularly relevant before 1980, after which minimum wage legislation no longer varies by gender. We build the database in nominal terms at the monthly level, then collapse it to the annual level. [73]. We hope this database will help foster future research on the long-run evolution of minimum wages.

Sources. *Federal level*. The minimum hourly wage rates for employees covered by the 1938 Fair Labor Standards Act, the 1961 amendments, and the 1966 and subsequent amendments at the federal level are taken from the Department of Labor website.[74]

State-level. The minimum hourly wage rates at the state level are taken from different sources, depending on the period of interest. From 1950 to 1980, we use tables published in the Report of the Minimum Wage Study Commission (1981) to get information on the minimum wage at the state, industry and gender level.[75] We digitize and analyze in particular the information contained in Volume II, "State Minimum Wage Laws, 1950-1980," written by Aline O. Quester, Appendix Table 1A "State Minimum Wage Laws, 1950-80" (pp.32-121), Appendix Table 3A "Basic State Minimum Wage as a Fraction of Basic Federal Minimum Wage, 1950-1980" (pp.129-141) and Appendix Table 4A "New York State Minimum Wage

[70] There are, to our knowledge, two main published minimum wage databases for research purposes: (i) Vaghul and Zipperer (2016) dataset (1974-2016) (available at https://github.com/equitablegrowth/VZ_historicalminwage/releases) and (ii) Neumark (2018) dataset (1960-2017) (available at http://www.economics.uci.edu/~dneumark/datasets.html)

[71] Vaghul and Zipperer (2016) starts in May 1974 and Neumark (2018) in 1960.

[72] The industry classification used in the database is the one of the March CPS. See Appendix B for more details.

[73] Both databases and Stata do-files used to create them are available on at: clairemontialoux.com/flsa

[74] See Department of Labor, Wage and Hour Division, History of Federal Minimum Wage Rates Under the Fair Labor Standards Act, 1938-2009: https://www.dol.gov/whd/minwage/chart.htm.

[75] Volumes I & II are available at: https://babel.hathitrust.org/cgi/pt?id=uiug.30112011667935;view=1up;seq=21 All other volumes are available from: https://catalog.hathitrust.org/Record/001304563.

Law" (pp.142-152). The coverage and exemption rules of the Fair Labor Standards Amendments we use are detailed in Appendix Table 2A (pp.122-128). Starting in 1980, we use the minimum wage dataset produced by Vaghul and Zipperer (2016). We update the values of the state minimum wage in 2017 using Neumark (2018).

Classification of industries by date of FLSA coverage. Which industries were covered by each subsequent amendment of the Fair Labor Standards Act? Appendix Table A1 shows the list of industries available in CPS 1962-1981 in the first column, and how we classify them in terms of coverage by the Fair Labor Standards Act and its amendments (1961, 1966, 1974 and 1986) in the second column.[76] This classification is necessarily imperfect due to the complexity of the minimum wage legislation on the one hand and the characteristics we can or cannot observe in the CPS on the other hand.[77] Our objective is to make the best possible choices given these constraints. We clarify our choices below. This classification of industries is important for our analysis as our empirical strategy relies on the comparison between previously covered industries (covered in 1938) and newly covered industries (covered in 1967). Our main results are robust to slight changes in this classification.

The 1938 Fair Labor Standards Act stipulated that the minimum wage should be applied to "employees engaged in interstate commerce or engaged in the production of goods destined for the interstate commerce." Drawing on these lines, together with the list of exemptions specified in the law,[78] we consider the following industries covered by the 1938 FLSA: mining, manufacturing (durable and non-durable), transportation, communication and other utilities,[79] wholesale trade, finance, insurance and real estate, and business and repair services. These industries form our control group.

The 1961 Amendments to the Fair Labor Standards Act extended coverage to all employees

[76] FLSA as amended available at: https://www.dol.gov/whd/regs/statutes/FairLaborStandAct.pdf.

[77] Minimum wage legislation varies not only by industry, but also, in the retail sector, by a sales threshold per establishment (see below paragraph on 1961 Amendments). The legislation also differs by workers' overtime status, age, etc.

[78] For a full list of exemptions, see: Appendix Table 2A p.122 in Report of the Minimum Wage Study Commission (1981), Volume II. Note that the list of exemptions to the minimum wage has evolved over time. In particular, the 1949 Amendments, effective January 1950 expanded exemptions to laundry and dry cleaning establishments and retail and service establishments.

[79] A minority of workers in transportation were, however, not covered by the 1938 FLSA. Some transportation workers, originally not covered, became covered before the period we analyze, and it is therefore appropriate to include them in the control group. This is the case of employees of air carriers who were covered in 1950. Other transportation workers were excluded from coverage even after our CPS analysis period begins, including workers transporting fruits and vegetables from farm to first processing, or those transporting other workers to and from farms for harvesting purposes. Because these workers represent a minority of transportation workers and we are not able to identify them in the CPS data, we believe this approximation is not a threat to our empirical strategy.

of retail trade enterprises[80] with sales over $1m and to small retailers under certain conditions.[81] They also increased coverage to construction enterprises with sales over $350,000. Retail trade establishments and construction were therefore only partially covered in 1961 and were further affected by the 1966 and subsequent amendments.[82] Because we do not have information in the CPS on the sales amount realized by the enterprise the worker is employed in, we are not able to identify retail trade or construction workers affected by the 1961 amendments versus by later amendments. We must therefore make a choice about how to classify retail trade and construction workers as a whole. Because the 1961 amendments were the most important in terms of coverage extension for both of these types of workers, we classify retail trade and construction workers as treated in 1961. Retail trade and construction workers are therefore excluded from our main analysis that compares industries covered in 1938 to industries covered in 1967.[83]

The 1966 Amendments to the Fair Labor Standards Act extended coverage to enterprises engaged in "a common business practice" that included hospitals and institutions engaged in the care of the sick, aged, mentally ill or physically handicapped; elementary and secondary schools, whether public or private[84]; agriculture; and service enterprises with sales above $500,000. We therefore categorize the following industries as covered by the 1966 amendments: agriculture, restaurants, hotels, laundries and other personal services, entertainment and recreation services, nursing homes, and other professional services, hospitals, schools and other educational services. Below, we discuss where we had to make choices and the strengths and limitations of these choices.

Agriculture. Agriculture was covered for the first time in 1967. However, some exemptions applied in the agricultural sector, mainly for small farms.[85] The minimum wage in agriculture

[80] Here, retail trade excludes eating and drinking places that were specifically exempted from the minimum wage in 1961.

[81] Small retailers are covered if (i) less than 50% of their sales are within state, (ii) more than 75% of their sales are for resale, or (iii) less than 75% of their sales are retail.

[82] The 1966 amendments extended coverage to retail trade enterprises with sales over $500,000. In 1969, this threshold was reduced to $250,000. It was further increased to $350,000 in 1981, and to $500,000 in 1990. See p.25 in Neumark and Washer (2008) for a history of minimum wage laws in the retail sector. The $500,000 threshold is still in place today, see Department of Labor website: https://www.dol.gov/whd/regs/compliance/whdfs6.pdf.

[83] 50% of all retail trade became covered in 1961, 24% were covered by the 1966 amendments and the remaining 26% were covered later. Source: see Table 2. p. 22 in Minimum Wage and Maximum Hours Standards Under the Fair Labor Standards Act (1973), Survey conducted by the Labor Statistics for the Employment Standards Administration.

[84] The 1972 higher Education Act extended the minimum wage coverage to "preschools" (representing roughly 150,000 individuals), see p.126 of the Report of the Minimum Wage Study Commission (1981), Volume II.

[85] There were four notable exemptions in agriculture: (i) employees of farms employing less than 500

was introduced at a lower rate than the federal rate and fully converges to the federal rate only ten years later (see Figure 3).

Services. There are two potential concerns about classifying restaurants, hotels, laundries and other personal services, entertainment and recreation services as industries covered in 1967: one might worry that these services were (i) already partially covered by the 1961 amendments, and (ii) that the 1966 amendments only partially covered these sectors, as service enterprises with annual sales below $500,000 were not covered. Regarding (i): Although it is true that the 1961 Amendments introduced coverage in service enterprises with sales greater than $1m, the amendments also excluded the following industries from coverage, regardless of the amount of gross sales: hotels, motels, restaurants, laundry and dry cleaning establishments, seasonal and recreational establishments. Therefore, a closer reading of the 1961 amendments allows for the interpretation that the services listed above were not covered by the 1961 amendments and were only covered beginning in 1967. Regarding (ii): What the 1966 amendments do is introduce coverage in these sectors for enterprises with sales greater than $500,000. These services were therefore partially treated in 1967, except for laundries and dry cleaning services which were fully covered – regardless of any sales amount. We estimate that the share of coverage in restaurants, hotels, and entertainment and recreation services was high. Last but not least, a tipped minimum wage was introduced in restaurants and hotels in 1967. Hourly wages of tipped employees may legally be adjusted to reflect allowance of up to 50 % of the minimum wage for tips actually received. Because we observe annual earnings in the CPS, and this measure includes all tips, we do not think the fact that the tipped minimum wage was introduced in these industries is a threat to our results.

The 1974 Amendments to the Fair Labor Standards Act extend coverage to employees of all public agencies (federal, state and local) and to private household domestic service workers. We therefore classify federal workers and domestic service workers as covered in 1974.[86] Importantly, we did not classify state and local government workers as covered in 1974. Rather, we include them in the database in 1986. This is because shortly after minimum

"mandays" of nonexempt labor in the highest quarter of the previous year; (ii) family members; (iii) local hand harvest laborers paid on a piece rate basis who worked less than < 13 weeks in the preceding year; (iv) employees in range production of livestock. The agriculture exemption was further reduced in the 1974 amendments, by including within the 500 manday count the employment of local hand harvest labor.

[86] Not all federal workers and domestic workers were covered by the 1974 Amendments. Among federal workers: a few federal employees were already covered by a minor amendment in 1966, in very special circumstances. Some others, such as federal criminal investigators were excluded from coverage, as is still the case today, see https://webapps.dol.gov/elaws/whd/flsa/screen75.asp. Among domestic workers: only domestic service workers who met Social Security qualifications were covered by the 1974 amendments. The minimum wage extension essentially applies to housekeepers, day workers, chauffeurs, full-time babysitters and cooks. Babysitters on a casual basis are still excluded from minimum wage coverage today.

Table A1: List of industries used in March CPS (1962-1987), and year of coverage by FLSA

1	Agriculture	1967
2	Forestry and Fishing	1967
3	Mining	1938
4	Construction	1961
5	Durable manufacturing	1938
6	Food manufacturing	1938
7	Other non-durable manufacturing	1938
8	Transportation, Communication, and Other Utilities	1938
9	Wholesale Trade	1938
10	Restaurants	1967
11	Retail Trade	1961
12	Finance, Insurance, and Real Estate	1938
13	Business and Repair Services	1938
14	Private households	1974
15	Hotels, laundries and other personal services	1967
16	Entertainment and Recreation Services	1967
17	Nursing homes and other professional services	1967
18	Hospitals	1967
19	Schools and other educational services	1967
20	Federal government	1974
21	State or local government	1986
22	Postal service	1938
23	Other	1938

Source: Authors' analysis of March CPS 1962-1987 and of the Fair Labor Standards Act and its amendments.
Notes: The retail trade sector excludes restaurants. Control group industries are listed in dark blue. Treated industries are listed in light blue.

wage coverage was extended to state and local government workers starting in May 1974, the Supreme Court in the National League of Cities v. Usery ruled that the Fair Labor Standards Act could not be applied to state and local government employees engaged in activities which are traditional government functions (i.e. fire prevention, police protection, sanitation, public health and parks and recreation).[87] Coverage was extended to state and local government workers from January 1, 1986, after the U.S. Supreme Court reversal of its former decision.[88]

[87] See Supreme Court in the National League of Cities v. Usery (6/24/76): https://supreme.justia.com/cases/federal/us/426/833/.

[88] Note that certain state and local employees started to be covered by the minimum wage by the 1966 Amendments. In September 1975, before the coverage was overturned by the U.S. Supreme Court, the Employment Standard's Administration estimated that 3.1 million state and local government workers were covered under the 1966 amendments and 3.8 million more under the 1974 amendments. In September 1976, after coverage was overturned by U.S. Supreme Court, the Employment Standard's Administration estimated that there were only 116,000 covered workers under the 1966 amendments and 221,000 under the 1974 amendments. See p.126 of the Report of the Minimum Wage Study Commission (1981), Volume II. Because of these specificities, and because we could not identify clearly the state and local government workers covered by the 1966 Amendments, we have focused our analysis on the private sector, and we exclude all public administration workers.

Uses. We are interested in knowing which minimum wage rate applies to each worker depending on his/her state, industry and gender. We merge our minimum wage database with March CPS files (1962-1980). We are also interested in knowing the average minimum wage that applies in each state. Therefore, we calculate several measures of the minimum wage that we include in the minimum wage database.

The minimum wage by year y, month m, industry j, state s, and gender g, denoted mw_{ymjsg}, is obtained by analyzing the data sources described above.

The minimum wage by year y, month m, industry j, state-group S and gender g, denoted mw_{ymjSg} is calculated by averaging the minimum wage at the state level mw_{ymjsg} across state groups, depending on the number of workers N_{sjg} working in each of the K states within a state group S:[89]

$$mw_{ymjSg} = \frac{1}{\sum_{s=1}^{K} N_{jsg}} \sum_{s=1}^{K} mw_{ymjsg} \tag{8}$$

The minimum wage by year, month, industry, and state-group , denoted mw_{ymjS} is calculated by averaging the minimum wage at the state-group level mw_{ymjS} across genders, depending on the number of female and male workers N_{jSg} in each state group:

$$mw_{ymjS} = \frac{1}{\sum_{g=1}^{2} N_{jSg}} \sum_{g=1}^{2} mw_{ymjSg} \tag{9}$$

The minimum wage by year, month, industry, denoted mw_{ymj} is calculated by averaging the minimum wage at the state-group level mw_{ymjS} across industries, depending on the number of workers N_{jS} within M state-groups:

$$mw_{ymj} = \frac{1}{\sum_{S=1}^{M} N_{jS}} \sum_{S=1}^{M} mw_{ymjS} \tag{10}$$

[89] Note that we have no direct information on the number of workers by state, industry and gender N_{sjg}, due to the limitations of the March CPS files (see Appendix B). Instead, we have information on the number of workers at the state-group, industry and gender levels in the March CPS. We approximate N_{sjg} by assuming that (1) within each state-group, the number of workers at the state level is proportional to the size of the population in that state and (2) the share of male and female workers in each state is similar to the male and female employment share at the state-group level. The data on the size of the population at the state level is given by the Census Bureau: from 1950 to 1999, we scraped the text files containing the data from https://www2.census.gov/programs-surveys/popest/tables/; from 2000 to 2009, we download "st_est00int-01.csv" from https://www2.census.gov/programs-surveys/popest/tables/. From 2010-2017, we use "nst-est2017-01.xlsx" from https://www2.census.gov/programs-surveys/popest/tables/2010-2017/state/totals/. For the years 1950, 1960, 1970, 1980, 1990, 2000, and 2010, we use the census counts on April 1st. For the remaining years, we use intercensal estimates as of each July 1.

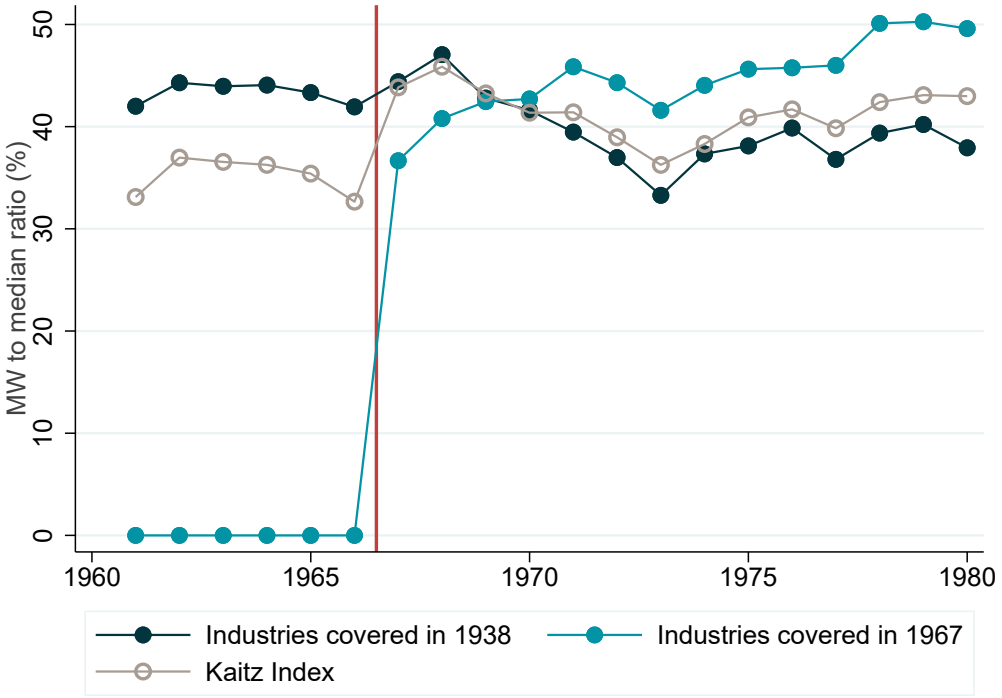
The minimum wage by year, month, industry type T (whether control or treatment), denoted mw_{ymT} is calculated by averaging the minimum wage at the industry level mw_{ymj} across industry type (control or treatment), depending on the number of workers N_j within control (c) or treatment (t) industries:

$$mw_{ymT} = \frac{1}{\sum_{T=j_c}^{t} N_{j_T}} \sum_{T=j_c}^{j_t} mw_{ymj} \tag{11}$$

Finally, we convert nominal minimum wage rates into real minimum wage rates using the CPI-U-RS.[90] Figure A1 depicts the minimum to median wage ratio for the industries covered in 1938, the industries covered in 1967, and the weighted federal minimum to median wage ratio using the industry composition of the economy.

[90] The annual CPI-U-RS series are available since 1947 at: https://www2.census.gov/programs-surveys/demo/tables/p60/ (as of September 11, 2019), folder 259.

Figure A1: Minimum wage to median ratio



Source: March CPS 1962-1981 for median wages. For the values of the minimum wage, see Department of Labor, Wage and Hour Division, History of Federal Minimum Wage Rates Under the Fair Labor Standards Act, 1938-2009, available at: https://www.dol.gov/whd/minwage/chart.htm.

Sample: Adults 25-55, black or white, worked more than 13 weeks last year and 3 hours last week, not self-employed, not in group quarters, not unpaid family worker, no missing industry or occupation code.

Notes: Minimum wage legislation at the federal level. Industries covered in 1967, except agriculture. Full-time (40 hours a week), full-year (52 weeks workers per year) MW to median ratio. The medians are calculated separately for the industries covered in 1938 and the industries covered in 1967. The Kaitz Index is defined here as the weighted federal minimum wage to median ratio using industry composition of the economy. The index can written as follows: Kaitz Index$_y = \sum_j \frac{N_{yj}}{N_y} * \frac{\text{min.wage}_{yj}}{\text{median wage economy}}$, with N_{yj} as the number of workers working full-time full-year in our sample by industry type j (i.e. either industries covered in 1938 or industries covered in 1967), N_y as the number of workers working full-time full-year in all industries in each year y, min.wage$_{yj}$ as the min. wage law that applies at the federal level in industry type j, in each year y, and "median wage economy" as the economy-wide median wage for full-time full-year workers in our sample.

Appendix B March CPS (1962-1981)

This paper uses data from the March Current Population Survey (CPS) to analyze the effect of the 1966 Fair Labor Standards Act on annual earnings, employment, and racial inequality.[91] As noted in the IPUMS documentation,[92] the early CPS files (1962-1967) were not officially released by the U.S. Census Bureau as public use files. Because these files were used by researchers at the University of Wisconsin, they were preserved in the data archive at the Center for Demography and Ecology at the University of Wisconsin. The most recent version of these early files has been made public by IPUMS on February 23, 2009.[93] In particular, the IPUMS version of the CPS early files contains a harmonized industry variable.

B.1 Sample of Interest

Figure B1 displays how we divide the CPS sample into four categories of individuals for the purpose of our analysis: (i) Not in universe, (ii) employed, (iii) unemployed, and (iv) not in the labor force.

Not in universe. We exclude from our analysis all minors, i.e. children,[94] and teenagers below 21,[95] and older individuals (aged 66 and above). We also remove self-employed workers from our universe of interest, as the minimum wage does not apply to them. Finally, we exclude all unpaid family workers, all individuals in grouped quarters, all workers working less than 13 weeks a year[96] and more than 3 hours a week, and all individuals with a missing industry or occupation.

Employed. We include all adult workers (21-64), whether employed and at work last week or employed but not at work last week. Our analysis sample – the sample on which we conduct the bulk of our analysis of the effect of the 1967 reform on wages, employment and the racial earnings gap, is conducted on prime-age workers (25-55).

Unemployed or not in the labor force. When analyzing the employment effects of the 1967

[91] Sarah Flood, Miriam King, Steven Ruggles, and J. Robert Warren. Integrated Public Use Microdata Series, Current Population Survey: Version 5.0 [March CPS]. Minneapolis, MN: University of Minnesota, 2017. https://doi.org/10.18128/D030.V5.0.

[92] See https://cps.ipums.org/cps/asec_sample_notes.shtml

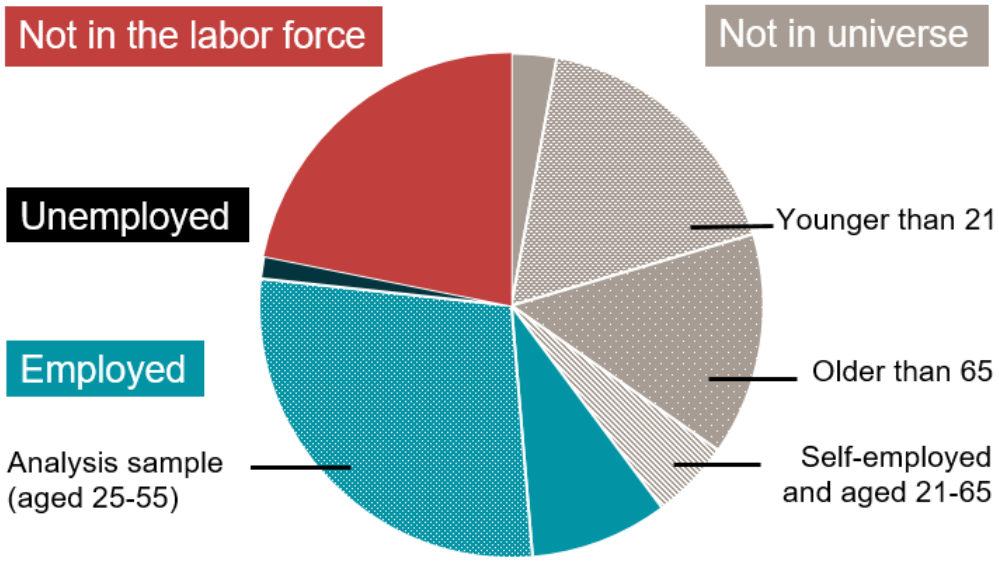
[93] See https://cps.ipums.org/cps-action/revisions

[94] From March CPS 1962 to 1979, the lowest age cut-off for employment questions is 14. It is 15 starting in 1980. For more information on the evolution of the universe of CPS employment questions, see: https://cps.ipums.org/cps-action/variables/IND#universe_section.

[95] Minimum wage legislation for minors is very different from that for adults; we exclude teenagers so that we do not introduce this layer of heterogeneity into the treatment.

[96] Starting in 1967, the minimum wage was introduced in agriculture, except for some employees, in particular, for local hand harvest laborers paid on a piece-rate basis who worked less than 13 weeks in the preceding year. See report of the minimum wage study commission (1981), volume II, p.124.

Figure B1: Analysis sample, before the reform (1966)



Source: Authors' analysis of March CPS 1967.

reform, we look at the probability of being employed vs. unemployed (or vs. unemployed or not in the labor force) and restrict the sample of analysis to adults aged 25-55.

B.2 State Crosswalks

In some years, states are identified with their Federal Information Processing Standard (FIPS) state codes, and in some others (March CPS 1962, 1968-1971, 1972, and 1973-1976) some states are grouped together. This makes it impossible to uniquely identify the state to which the interviewee belonged. For example, in March CPS 1968-1971, Minnesota and Iowa are identified as a group—we do not know whether the individuals surveyed in those years were living in Minnesota or Iowa. We only know that they were living in one of those two states. In addition, the state groupings differ across years. To overcome the state grouping limitation and the inconsistent coding of the state group variable across time, we have built a new variable that identifies homogeneous state groups for our period of interest. In total, we are able to identify 21 state groups (see Appendix Table B1). States were not grouped in the CPS at random: states grouped together are geographically close to each other, and the borders of state-groups never cross division or region lines (see Appendix Figure B2). To a certain extent, the state groups share similar economic conditions.[97]

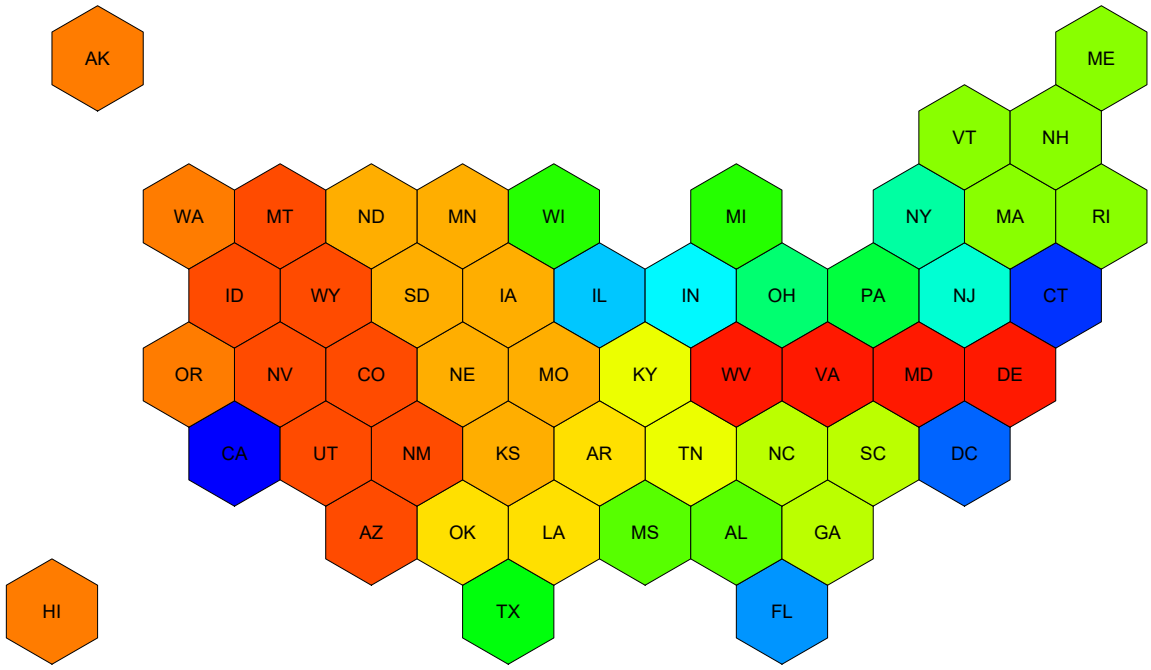
[97] A detailed crosswalk, for every year of the CPS, is available online at: http://clairemontialoux.com/flsa.

Table B1: List of state groups used in March CPS (1962-1980)

1	California	West
2	Connecticut	Northeast
3	District of Columbia	South
4	Florida	South
5	Illinois	Midwest
6	Indiana	Midwest
7	New Jersey	Northeast
8	New York	Northeast
9	Ohio	Midwest
10	Pennsylvania	Northeast
11	Texas	South
12	Michigan-Wisconsin	Midwest
13	Alabama-Mississippi	South
14	Maine-Massachusetts-New Hampshire-Rhode Island-Vermont	Northeast
15	North Carolina-South Carolina-Georgia	South
16	Kentucky-Tennessee	South
17	Arkansas-Louisiana-Oklahoma	South
18	Iowa-N Dakota-S Dakota-Nebraska-Kansas-Minnesota-Missouri	Midwest
19	Washington-Oregon-Alaska-Hawaii	West
20	Montana-Wyoming-Colorado-New Mexico-Utah-Nevada-Arizona-Idaho	West
21	Delaware-Maryland-Virginia-West Virginia	South

Source: Authors' analysis of March CPS 1962-1980.

Figure B2: State groups used in March CPS (1962-1980)



Source: Authors' analysis of March CPS 1962-1980.

States not identified. In March CPS 1963, 1964 and 1972, there are a few observations for which the state of the person interviewed was not reported and marked as "not identified." Within our sample of interest,[98] a few workers were in a state that was not identified: 25 in March CPS 1963 (0.2% of the representative sample of interest), 40 in March CPS 1964 (0.3%), and 13 in March CPS 1972 (0.04%). These observations are dropped from our analysis. Given the small number of workers involved, we do not believe this restriction introduces any bias into our results.

B.3 Industry Crosswalks

There are several industry codes available in CPS IPUMS, and their classification varies across years. We create our own industry variable, harmonized across years, and consistent with the 1950 Census Bureau industrial classification system.

To construct a harmonized industry code, we use two industry variables available in CPS IPUMS: variable IND from March CPS 1962-1967,[99] and variable IND1950 from March

[98] Our sample of interest is the sample we use to perform our analysis: Adults 25-55, black or white, worked more than 13 weeks last year and 3 hours last week, not self-employed, not in group quarters, not unpaid family worker, no missing industry or occupation code.

[99] See: https://cps.ipums.org/cps-action/variables/IND#description_section.

1968-1981.[100] In both cases, the industry variable reports the industry in which the person performed his or her primary occupation. In both cases as well, the classification system used is consistent with the 1950 Census Bureau industrial classification system.[101]. However, the two industry codes differ by their precision: Codes for March CPS 1962-1967 are two digits, and the classification scheme uses 44 codes. Codes for March CPS 1968-1981 are three digits, and the classification scheme uses 148 codes. Therefore our harmonized industry code cannot be more precise than the industry code for 1962-1967. Our final industry classification uses 23 codes (see Table A1 above). Importantly, this classification allows us to disentangle industries covered by the Fair Labor Standards Act from those covered by its subsequent amendments.[102]

B.4 Topcoding

For confidentiality reasons, the income of individuals with extremely high incomes is top-coded in the CPS.

Before 1996, no replacement is provided in the CPS. We replace the topcoded values by 1.5 the value of the highest non-topcoded income. This replacement is done by industry type (covered in 1938, 1961, 1966, 1974 or 1986)[103]. Among employed individuals in March CPS 1962-1972,[104] less than 1% of the sample has topcoded incomes. This share increases progressively in the 1970s and reaches almost 5% in 1978, 8% in 1979, and peaks at 10% in 1980. Starting in 1981, this share is consistently below 5% (except for the years 1992-1994 where it is between 5% and 8%).

After 1996, topcoded values are replaced with values that vary with individual characteristics (gender, race, and full-time/part-time status).[105]

[100] See: https://cps.ipums.org/cps-action/variables/IND1950#description_section.

[101] For a confirmation that the IND variable for March 1962-1967 is consistent with the 1950 Census Bureau classification system, see the sentence "IND classifies industries according to the contemporary Census Bureau classification systems" here: https://usa.ipums.org/usa-action/variables/IND#comparability_section. The variable IND1950 is consistent with the 1950 Census Bureau industrial classification system by construction, see discussion in the Section "Integrated Occupation and Industry Codes and Occupational Standing Variables in the IPUMS" here: https://usa.ipums.org/usa/chapter4/chapter4.shtml.

[102] The detailed industry crosswalk is available online at: http://clairemontialoux.com/flsa.

[103] This is consistent with assuming that the distribution of incomes is Pareto distributed, with a Pareto coefficient of 3, that is typically used in the literature on top-income earners (Piketty et al., 2018).

[104] We refer here to employed individuals in our analysis sample: Adults 25-55, black or white, worked more than 13 weeks last year and 3 hours last week, not self-employed, not in group quarters, not unpaid family worker, no missing industry or occupation code.

[105] For CPS samples starting in 1996, see replacement values here for the variable INCWAGE: https://cps.ipums.org/cps/topcodes_tables.shtml#1996rep.

B.5 Consistency between CPS and Census Data

We check the consistency between the CPS (and in particular the early files of the CPS) and Census data.

We start by comparing the unadjusted racial earnings gaps in the Census and in the March CPS from 1960 to today. We show the two data sources are remarkably aligned and paint a consistent picture (see Figure 1).

We then compare decennial Census of Population data from 1960 to 1980 (covering earnings data from 1959 to 1979) and the March CPS from 1962 to 1981 (covering earnings data from 1961 to 1980) to check the quality of CPS files on several dimensions. Employment counts are similar across the two data sets, see Appendix Table B2. One notable exception, however, is the first two years of the CPS, where the employment counts are much lower than in the 1960 Census and much lower than in later years of the CPS (starting in the March CPS 1964). A fraction of workers in the 1962 and 1963 CPS have been categorized – wrongly – as not in the labor force. On all other dimensions, however, the first two years of the CPS are similar to the 1960 Census. Appendix Table B2 shows that the 1960 Census and the 1962 and 1963 March CPS match well in terms of relative shares of white and black workers, male and female workers, or their annual earnings. We exclude the March CPS 1963 (i.e. corresponding to earnings earned in the year 1962) from our analysis as it also suffers from a lower number of observations and lacks demographic information (such as education) for the entire population.

Table B2: Observations, employment, and wages in the March CPS and in the Census

	Observations	Employment	Employment shares				Earnings ($2017)			
			White	Black	Men	Women	White	Black	Men	Women
March CPS										
1962	13,540	24,086,400	0.90	0.10	0.68	0.32	46,038	19,523	53,696	21,113
1963	9,638	22,277,274	0.90	0.10	0.68	0.32	37,607	18,865	42,412	21,267
1964	14,222	34,344,403	0.89	0.11	0.68	0.32	38,736	21,529	44,216	21,343
1965	14,126	34,637,727	0.89	0.11	0.68	0.32	39,708	22,997	45,420	22,158
1966	30,113	37,407,666	0.89	0.11	0.68	0.32	41,196	23,168	47,224	22,461
1967	19,191	38,490,848	0.89	0.11	0.68	0.32	42,575	24,522	49,036	23,091
1968	30,277	39,451,389	0.89	0.11	0.66	0.34	43,219	26,019	50,127	24,098
1969	30,808	40,044,846	0.89	0.11	0.66	0.34	44,579	28,242	52,076	24,935
1970	29,626	40,963,562	0.90	0.10	0.66	0.34	47,062	29,253	55,248	26,015
1971	29,130	40,594,657	0.89	0.11	0.65	0.35	47,565	30,486	55,874	26,946
1972	28,214	41,861,238	0.90	0.10	0.65	0.35	47,460	30,936	55,969	27,039
1973	28,025	42,659,268	0.89	0.11	0.64	0.36	49,744	33,601	59,060	28,255
1974	27,620	43,773,753	0.90	0.10	0.64	0.36	49,965	33,810	59,857	28,155
1975	26,474	43,108,371	0.90	0.10	0.63	0.37	48,364	34,284	58,235	27,912
1976	28,407	44,987,015	0.90	0.10	0.62	0.38	47,557	33,346	57,386	27,866
1977	33,944	46,526,101	0.90	0.10	0.61	0.39	48,197	34,215	58,382	28,390
1978	33,936	48,250,592	0.89	0.11	0.61	0.39	48,588	34,812	59,187	28,665
1979	34,468	50,109,925	0.90	0.10	0.60	0.40	48,789	36,335	59,923	29,044
1980	41,137	51,461,168	0.90	0.10	0.58	0.42	48,862	36,004	60,306	29,636
1981	41,859	53,389,185	0.90	0.10	0.58	0.42	47,624	34,640	58,541	29,490
US Census										
1960	1,662,241	33,244,820	0.90	0.10	0.69	0.31	35,857	19,429	40,231	20,684
1970	403,015	40,301,500	0.90	0.10	0.65	0.35	46,243	30,102	54,341	26,724
1980	2,613,374	52,267,480	0.89	0.11	0.58	0.42	46,870	36,367	57,205	29,905

Sources: March CPS 1962-1981. US Censuses 1960 (5% sample), 1970 (1%), and 1980 (5%).

Sample: Adults 25-65, black or white, worked more than 13 weeks last year and 3 hours last week, not self-employed, not in group quarters, not unpaid family worker, no missing industry or occupation code.

Notes: Number of observations, employment numbers and shares refer to the years 1962 to 1981 in the March CPS and to the years 1960, 1970 and 1980 in the decennial Censuses. The March CPS 1962-1981 covers earnings data from 1961-1980. The decennial Censuses of 1960, 1970 and 1980 cover earnings data for 1959, 1969 and 1979. Annual earnings in $2017, deflated using annual CPI-U-RS series.

Table B3: Employment and earnings by race, 1967

	Employment		Employment shares		Earnings ($2017)	
	Number	Percent	White	Black	White	Black
All industries	38,490,848	1.00	0.89	0.11	42,575	24,522
Industries covered by 1938 FLSA	20,663,098	0.54	0.92	0.08	46,469	29,174
Manufacturing	13,134,427	0.34	0.91	0.09	45,622	30,322
Transportation	2,960,552	0.08	0.93	0.07	47,750	28,620
Finance, Insurance	1,783,952	0.05	0.96	0.04	46,021	22,923
Wholesale Trade	1,445,985	0.04	0.94	0.06	53,229	25,547
Business, Repair	921,756	0.02	0.90	0.10	44,334	23,764
Mining	377,885	0.01	0.97	0.03	47,433	35,444
Forestry, fishing	38,539	0.00	0.83	0.17	34,261	15,804
Industries covered by 1961 FLSA	6,336,330	0.16	0.92	0.08	39,854	23,701
Retail trade	3,961,711	0.10	0.93	0.07	35,438	24,463
Construction	2,374,619	0.06	0.89	0.11	47,520	22,868
Industries covered by 1966 FLSA	7,962,920	0.21	0.86	0.14	33,435	21,405
Schools	2,913,630	0.08	0.90	0.10	38,560	30,513
Nursing homes	1,419,030	0.04	0.91	0.09	37,928	23,684
Hospitals	1,260,220	0.03	0.79	0.21	27,767	20,939
Hotels, laundries	741,447	0.02	0.76	0.24	25,581	16,667
Restaurants	777,805	0.02	0.86	0.14	22,344	15,777
Agriculture	599,313	0.02	0.75	0.25	24,406	11,685
Entertainment	251,475	0.01	0.87	0.13	44,099	22,524
Public Administration	2,848,719	0.07	0.87	0.13	46,944	35,436
Domestic service	679,782	0.02	0.31	0.69	10,054	8,381

Source: 1967 March CPS.

Sample: Adults 25-55, black or white, worked more than 13 weeks last year and 3 hours last week, not self-employed, not in group quarters, not unpaid family worker, no missing industry or occupation code.

Notes: Employment numbers and employment shares refer to the year 1967. Because the CPS collects information on earnings received during the previous calendar year, annual earnings reported in this table were earned in 1966. Annual earnings in $2017, deflated using annual CPI-U-RS series.

B.6 Aggregate Employment Trends in CPS

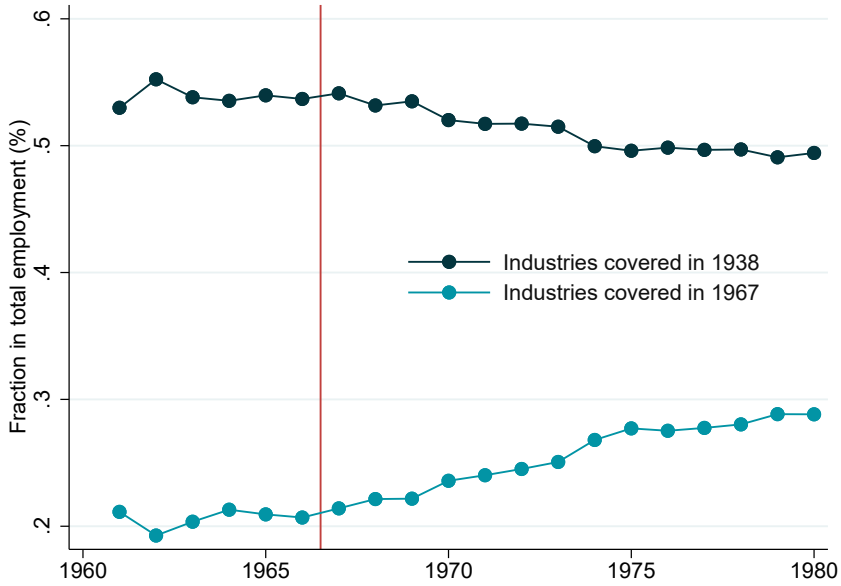
In this Section, we present aggregate evidence of stable employment trends in the CPS.

Appendix Figure B3 shows that employment shares across industry type (industries covered in 1938 vs. covered in 1967) and race are relatively stable from the early 1960s to 1980. In particular, Appendix Figure B3a shows that there is no discontinuity in the aggregate shares of workers in the treated vs. control industries around the 1967 reform. Appendix Figure B3b shows there is no discontinuity in the share of black workers (in total black and white employment) within treated or control industries around 1967.

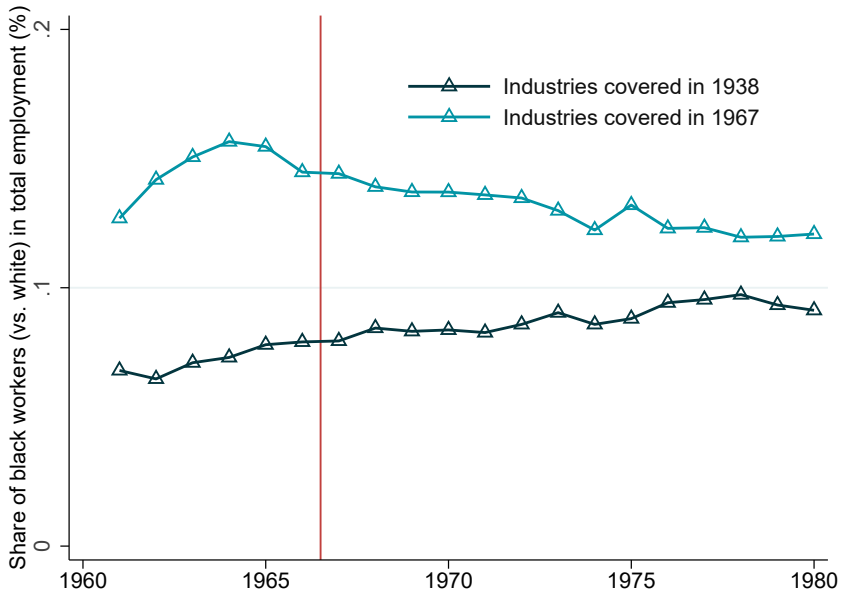
Appendix Figure B4 further decomposes these aggregate employment trends by gender. Appendix Figure B5 shows the relative stability of employment status in industries covered in 1938 and 1967 (employment, unemployment and not in the labor force) by race and gender.

Figure B3: Evolution of black and white employment in treated and control industries

(a) Employment shares in control vs. treated industries



(b) Black share of employment within 1938 and 1967 industries



Source: March CPS 1962-1981.

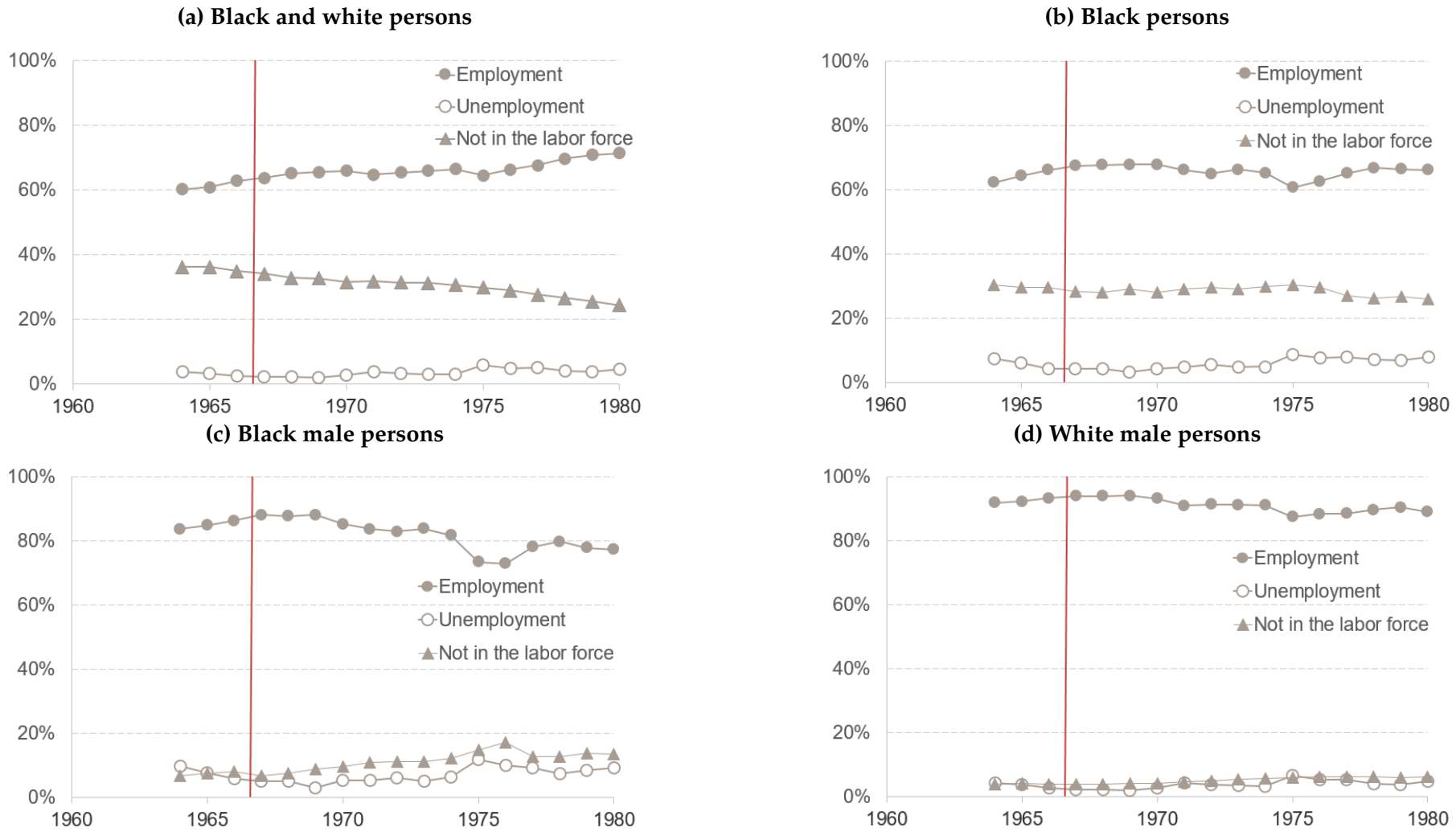
Sample: Adults 25-65, black or white, worked more than 13 weeks last year and 3 hours last week, not self-employed, not in group quarters, not unpaid family worker, no missing industry or occupation code.

Figure B4: Aggregate employment shares

Source: March CPS 1962-1981.

Sample: Adults 25-65, black or white, worked more than 13 weeks last year and 3 hours last week, not self-employed, not in group quarters, not unpaid family worker, no missing industry or occupation code.

Figure B5: Employment status in industries covered in 1938 and 1967



Source: March CPS 1962-1981.

Sample: Adults 25-65, black or white, worked more than 13 weeks last year and 3 hours last week, not self-employed, not in group quarters, not unpaid family worker, no missing industry or occupation code.

Appendix C BLS Hourly Wage Data

Content and access. We contribute a new database on hourly wages for the United States in the 1960s by digitizing a large set of BLS industry wage reports. We believe this database fills a gap as, first, it provides information on hourly wages as opposed to annual earnings. To date, the primary source for wages in the 1960s has been the March CPS micro-files—which only contains direct information on annual earnings. The CPS started to collect information on hourly and weekly earnings in 1973 in the May supplement of the survey. In 1979, the earnings questions were asked each month for people in the outgoing rotation groups. Second, the BLS data provide information based on employer payroll records—as opposed to information self-declared by the worker—as is the case in the CPS and the National Longitudinal Survey data. We digitized BLS data for two separate analyses, which we discuss below.

First, we drew on data on average hourly earnings in the industries covered in 1967 and a subset of industries covered in 1938 to complement our main wage analysis in the CPS and show the 1967 reform's impact on hourly earnings, not just annual earnings. A graphic showing the reports we digitized is displayed in Figure C1). Not all 1938 industries for which reports were available could be included in our analysis. To be included, an industry's reports needed to fulfill the following minimum requirements: contain hourly earnings data, be available both pre- and post-reform, and have geographic, gender, and occupational breakdowns that could be harmonized across years. In addition to industries whose reports fulfilled these criteria, we also included movie theaters ("Motion Picture Theaters") and schools ("Educational Institutions: Non-teaching Employees"), two treated industries with reports only in the post- or pre-period and show that our results are robust to excluding them.

We include a table below that shows the universe of BLS industry wage surveys between 1961 and 1970. In the grey cells at the bottom are those industries which failed to meet our criteria; column 6 provides the specific criterion the report failed to meet. Altogether, the reports we digitized cover over 80% of all BLS industry wage surveys published between 1961 and 1970 and draw from both durable and non-durable 1938 industries. Therefore, we believe these requirements are unlikely to induce substantial selection bias in the analysis. The fact that the results from this analysis, reported in Table 4 are highly consistent with our analysis in the CPS, where all control industries are included, is also reassuring on this front.

Industry	Covered1967	Month	Year	Digitized	Reason for exclusion
Educational Institutions: Nonteaching Employees	1	October	1968	1	
Educational Institutions: Nonteaching Employees	1	March	1969	1	
Eating and Drinking Places	1	June	1963	1	
Eating and Drinking Places	1	October	1966	1	
Eating and Drinking Places	1	April	1967	1	
Hospitals	1	July	1966	1	
Hospitals	1	March	1969	1	
Hotels and Motels	1	June	1963	1	
Hotels and Motels	1	October	1966	1	
Hotels and Motels	1	April	1967	1	
Laundries and Cleaning Services	1	June	1963	1	
Laundries and Cleaning Services	1	Mid-year	1966	1	
Laundries and Cleaning Services	1	April	1967	1	
Laundries and Cleaning Services	1	April	1968	1	
Motion Picture Theaters	1	April	1966	1	
Nursing and Personal Care Facilities	1	April	1965	1	
Nursing and Personal Care Facilities	1	October	1967	1	
Nursing and Personal Care Facilities	1	April	1968	1	
Candy and Other Confectionery Products	0	September	1965	1	
Candy and Other Confectionery Products	0	August	1970	1	
Cigar Manufacturing	0	April-May	1961	1	
Cigar Manufacturing	0	April-May	1964	1	
Cigar Manufacturing	0	March	1967	1	
Cotton and Man-Made Fiber Textiles	0	May	1963	1	
Cotton and Man-Made Fiber Textiles	0	September	1965	1	
Cotton and Man-Made Fiber Textiles	0	September	1968	1	
Fabricated Structural Metal	0	October-November	1964	1	
Fabricated Structural Metal	0	October-November	1969	1	
Fertilizer Manufacturing	0	April	1962	1	
Fertilizer Manufacturing	0	March-April	1966	1	
Flour and Grain Mill Products	0	November	1961	1	
Flour and Grain Mill Products	0	February	1967	1	
Hosiery	0	February	1962	1	
Hosiery	0	September-October	1964	1	
Hosiery	0	September	1967	1	
Hosiery	0	September	1970	1	
Iron and Steel Foundries	0	November	1962	1	
Iron and Steel Foundries	0	November	1967	1	
Leather Tanning and Finishing	0	March	1963	1	
Leather Tanning and Finishing	0	January	1968	1	
Meat Products	0	November	1963	1	
Meat Products	0	January	1969	1	
Men's and Boys' Shirts (Except Work Shirts) and Nightwear	0	May-June	1961	1	
Men's and Boys' Shirts (Except Work Shirts) and Nightwear	0	April-June	1964	1	
Men's and Boys' Shirts (Except Work Shirts) and Nightwear	0	October	1968	1	
Men's and Boys' Suits and Coats	0	October	1963	1	
Men's and Boys' Suits and Coats	0	April	1967	1	
Men's and Boys' Suits and Coats	0	April	1970	1	
Men's and Women's Footwear	0	April	1962	1	
Men's and Women's Footwear	0	April	1965	1	
Men's and Women's Footwear	0	March	1968	1	
Miscellaneous Plastic Products	0	June	1964	1	
Miscellaneous Plastic Products	0	August	1969	1	
Motor Vehicles and Motor Vehicle Parts	0	April	1963	1	
Motor Vehicles and Motor Vehicle Parts	0	April	1969	1	
Nonferrous Foundries	0	June-July	1965	1	
Nonferrous Foundries	0	June	1970	1	
Paints and Varnishes	0	May	1961	1	
Paints and Varnishes	0	November	1965	1	
Paints and Varnishes	0	November	1970	1	
Paperboard Containers and Boxes	0	November	1964	1	
Paperboard Containers and Boxes	0	March	1970	1	
Pressed or Blown Glass and Glassware	0	May	1964	1	
Pressed or Blown Glass and Glassware	0	May	1970	1	
Pulp, Paper, and Paperboard Mills	0	January	1962	1	
Pulp, Paper, and Paperboard Mills	0	October	1967	1	
Southern Sawmills and Planing Mills	0	June	1962	1	
Southern Sawmills and Planing Mills	0	October	1965	1	
Southern Sawmills and Planing Mills	0	October	1969	1	
Structural Clay Products	0	July-August	1964	1	
Structural Clay Products	0	September	1969	1	
Synthetic Fibers	0	May	1963	1	
Synthetic Fibers	0	September	1965	1	
Synthetic Fibers	0	February-April	1966	1	
Synthetic Fibers	0	December	1970	1	
Textile Dyeing and Finishing Plants	0	April-May	1961	1	
Textile Dyeing and Finishing Plants	0	Winter	1965	1	

Textile Dyeing and Finishing Plants	0	December	1970	1	
West Coast Sawmilling and Logging	0	June	1964	1	
West Coast Sawmilling and Logging	0	October	1969	1	
Women's and Misses' Coats and Suits	0	August	1962	1	
Women's and Misses' Coats and Suits	0	August	1965	1	
Women's and Misses' Coats and Suits	0	August	1970	1	
Women's and Misses' Dresses	0	March-April	1963	1	
Women's and Misses' Dresses	0	March	1966	1	
Women's and Misses' Dresses	0	August	1968	1	
Wood Household Furniture	0	July	1962	1	
Wood Household Furniture	0	May-June	1965	1	
Wood Household Furniture	0	October	1968	1	
Wool Textiles	0	June	1962	1	
Wool Textiles	0	November	1966	1	
Work Clothing	0	May-June	1961	1	
Work Clothing	0	May-June	1964	1	
Work Clothing	0	February	1968	1	
Bituminous Coal	0	November	1962	1	
Bituminous Coal	0	January	1967	1	
Auto Dealer Repair Shops	0	Aug-Oct	1964	1	
Auto Dealer Repair Shops	0	August	1969	1	
Contract Cleaning Services	0	Summer	1961	1	
Contract Cleaning Services	0	Summer	1965	1	
Contract Cleaning Services	0	July	1968	1	
Communications	0		1961	1	
Communications	0		1962	1	
Communications	0		1963	1	
Communications	0		1964	1	
Communications	0		1965	1	
Communications	0		1966	1	
Communications	0		1967	1	
Communications	0		1968	1	
Communications	0		1969	1	
Communications	0		1970	1	
Electric and Gas Utilities	0	July	1962	1	
Electric and Gas Utilities	0	October-November	1967	1	
Basic Iron and Steel	0	March	1962	0	Regional breakdown not available
Basic Iron and Steel	0	September	1967	0	Regional breakdown not available
Fluid Milk	0	September-October	1964	0	No post-reform report available
Industrial Chemicals	0	November	1965	0	No post-reform report available
Machinery Manufacturing	0	March-May	1961	0	Geography of women’s wages not consistent across years
Machinery Manufacturing	0	March-May	1963	0	Geography of women’s wages not consistent across years
Machinery Manufacturing	0	March-May	1964	0	Geography of women’s wages not consistent across years
Machinery Manufacturing	0	April-June	1965	0	Geography of women’s wages not consistent across years
Machinery Manufacturing	0	September-November	1968	0	Geography of women’s wages not consistent across years
Machinery Manufacturing	0	Winter	1970	0	Geography of women’s wages not consistent across years
Petroleum Refining	0	December	1965	0	No post-reform report available
Hospitals	1	Mid-year	1963	0	Occupational breakdown not harmonizable with other reports
Eating and Drinking Places	1	June	1961	0	Geography not harmonizable with other reports
Hotels and Motels	1	June	1961	0	Geography not harmonizable with other reports
Laundries and Cleaning Services	1	June	1961	0	Geography not harmonizable with other reports
Banking	0	Nov-Dec	1964	0	No hourly workers
Banking	0	November	1969	0	No hourly workers
Cigarette Manufacturing	0	July-August	1965	0	Geography not harmonizable with other reports
Machinery Manufacturing	0	March-June	1963	0	Geography not harmonizable with other reports
Machinery Manufacturing	0	Mid-year	1966	0	Geography not harmonizable with other reports
Oil and Gas Extraction	0	August	1967	0	Post-period observations only
Life Insurance	0	May-July	1961	0	No hourly workers
Life Insurance	0	October-November	1966	0	No hourly workers
Scheduled Airlines	0	August	1970	0	Post-period observations only

Second, we built a database of hourly wage distributions for the industries covered in 1967, which we used to estimate employment effects in treated industries using a bunching estimator (see Section 5.2). The BLS data contain information on the distribution of hourly wages and focus on production and nonsupervisory workers. Hourly wage data exclude tips and the value of free meals, rooms, and uniforms, if provided, and premium pay for overtime and for work on weekends, holidays, and late shifts. Service charges added to customer bills and distributed by the employer to his employees are included. By contrast, annual earnings measured in the CPS correspond to total pre-tax wage and salary income—i.e. wages, salaries, commissions, cash bonuses, tips and other money income received from an employer; payments-in-kind and reimbursements for business expenses are not included.

The reports provide us with the percent of workers in each 5- or 10-cent hourly wage bin, as well as the total number of workers in the corresponding industry (see Figure C2 to see the format of the raw data for laundries in the South). We are therefore able to construct a database with information on the number of workers by detailed hourly wage bins.

In the future, this database could be improved in two ways: first, although we have only digitized the information on wages for the purpose of this project, the reports contain a wealth of information on establishment practices and supplementary wage provisions (overtime premium pay, paid holidays, paid vacations, health, insurance, and pensions plans, bonuses), shift work and supplementary benefits provisions, and the distribution of weekly hours. Second, although we have digitized most of the information on hourly wages from 1961 to 1969, these data exist in a similar form from the 1930s to the 1980s. BLS industry wage reports were first published in the 1930s when the Work Progress Administration began to monitor working conditions in low-wage industries after the 1934 general strike in the cotton textile industry. The series ended in the 1980s when the BLS began collecting some of this information through a variety of new programs (e.g., the Occupational Employment Statistics, which provide national estimates of employment and wages by occupation for more than 700 occupations; the Current Employment Statistics, a monthly survey of the payroll records of business establishments, providing national estimates of average weekly hours and average hourly and weekly earnings; or the Quarterly Census of Employment and Wages, which provide annual and quarterly average wage data by detailed industry for the US, states, counties and many metropolitan areas).

The 1940s BLS reports have been used by Goldin and Margo (1992) to make inferences about the timing and the causes of the narrowing of the wage structure (the "Great Compression") in the 1940s. A more comprehensive database could foster our knowledge of

the long-run evolution of gender inequality, regional convergence, the rural-urban gap, the wage-price inflation, and the trade-off between wage vs. non-wage compensation, etc.

Sources. We collected the BLS Industry Wage reports from: https://fraser.stlouisfed.org/series/5293#4603. Another resource is: https://libraryguides.missouri.edu/pricesandwages/1970-1979. Because the reports are approximately a hundred pages long each, we developed an algorithm to extract the tabulations we were interested in. We then digitized the corresponding tables.

Uses. We have used the BLS industry wage reports to (i) conduct a robustness check on our main wage analysis in the CPS, presented in Table 4; (ii) provide graphical evidence of how the minimum wage affects the distribution of hourly wages—Figures C3, C4, C5, C6, C7, C8, C9, C10, C11, C12 below show how the spikes in the hourly wage distributions move with minimum wage legislation in a variety of sectors, regions and worker types; and (ii) estimate the employment effects of the 1967 reform using a bunching estimator. Additional employment results using this design are detailed in the next section.

Figure C1: BLS industry wage reports

Source: Bureau of Labor Statistics Industry Wage Reports.

Notes: Figure shows the industries whose reports we digitized and the years their reports are available, from 1961 to 1970. We included all reports for industries covered in 1938 and 1967 that had hourly earnings data, were available both pre- and post-reform, and whose geographic, gender, and occupational coverage could be harmonized across years. We also included movie theaters and schools, two industries covered in 1967 with reports only in the post- or pre-period. Estimated wage effects are robust to excluding these two industries and years where only 1938 or 1967 industries are available.

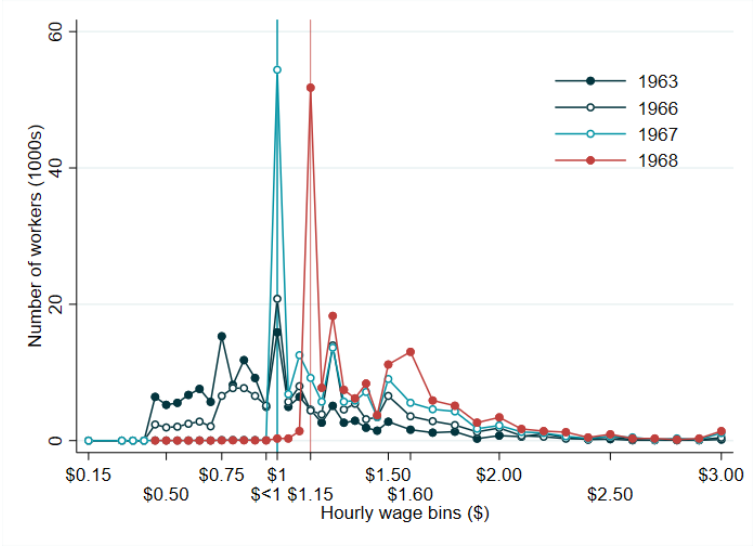
Figure C2: Original format of the BLS data – the example of laundries

Average hourly earnings [1]	United States						Northeast	
	April 1967			April 1968			April 1967	April 1968
	Total	Men	Women	Total	Men	Women		
Under $1.00	0.3	0.4	0.2	0.1	0.3	0.1	0.2	0.2
$1.00 and under $1.05	14.9	6.0	17.5	.2	.3	.2	1.8	.1
$1.05 and under $1.10	2.0	.6	2.4	.1	([2])	.1	.1	([2])
$1.10 and under $1.15	4.1	1.6	4.8	.4	.3	.5	.8	.1
$1.15 and under $1.20	3.6	1.6	4.1	15.0	5.2	17.8	.9	2.1
$1.20 and under $1.25	2.4	1.2	2.7	2.9	1.1	3.4	.7	.7
$1.25 and under $1.30	7.2	5.1	7.8	7.2	4.3	8.0	4.2	1.9
$1.30 and under $1.35	3.1	1.4	3.6	3.1	1.2	3.6	1.5	1.0
$1.35 and under $1.40	4.2	1.9	4.8	3.2	1.5	3.6	2.6	1.1
$1.40 and under $1.45	7.1	4.0	7.9	5.6	2.9	6.4	9.2	5.4
$1.45 and under $1.50	4.2	2.3	4.8	2.6	1.5	2.9	4.7	2.5
$1.50 and under $1.55	9.2	8.7	9.4	5.8	4.6	6.2	18.3	4.5
$1.55 and under $1.60	3.6	2.8	3.8	2.4	1.3	2.8	7.1	2.6
$1.60 and under $1.65	4.2	4.3	4.2	10.5	8.5	11.1	6.2	21.7
$1.65 and under $1.70	2.6	2.6	2.5	6.4	4.3	7.0	3.1	8.0
$1.70 and under $1.75	2.3	2.9	2.1	3.4	3.3	3.4	2.8	5.1
$1.75 and under $1.80	3.2	4.8	2.8	4.3	4.0	4.4	4.0	5.2
$1.80 and under $1.85	2.0	2.6	1.8	2.2	2.6	2.1	2.6	3.0
$1.85 and under $1.90	2.0	2.9	1.7	2.4	3.0	2.2	2.5	3.2
$1.90 and under $1.95	1.4	2.5	1.0	1.6	2.4	1.4	1.7	2.3
$1.95 and under $2.00	1.1	1.7	.9	1.3	1.5	1.2	1.4	1.4
$2.00 and under $2.10	3.6	6.6	2.7	4.9	9.4	3.5	4.9	5.9
$2.10 and under $2.20	1.9	4.0	1.3	2.2	4.4	1.5	2.6	2.9
$2.20 and under $2.30	1.7	3.9	1.1	2.0	4.7	1.2	2.4	2.6
$2.30 and under $2.40	1.1	2.4	.7	1.4	2.8	1.0	1.5	1.9
$2.40 and under $2.50	.9	2.0	.5	.9	1.9	.6	1.4	1.4
$2.50 and under $2.60	1.7	4.6	.9	2.0	4.9	1.2	2.9	3.4
$2.60 and under $2.70	.8	2.1	.4	.8	1.9	.5	1.4	1.3
$2.70 and under $2.80	.7	1.9	.4	.7	2.0	.3	1.5	1.3
$2.80 and under $2.90	.5	1.7	.2	.5	1.3	.3	.9	1.0
$2.90 and under $3.00	.2	.6	.1	.5	1.3	.2	.4	.6
$3.00 and over	2.4	8.3	.8	3.5	11.1	1.0	4.0	5.5
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Number of workers	440,779	99,165	341,614	441,931	99,702	342,229	107,063	109,859
Average hourly earnings [1]	$1.55	$1.91	$1.44	$1.67	$2.04	$1.56	$1.77	$1.88

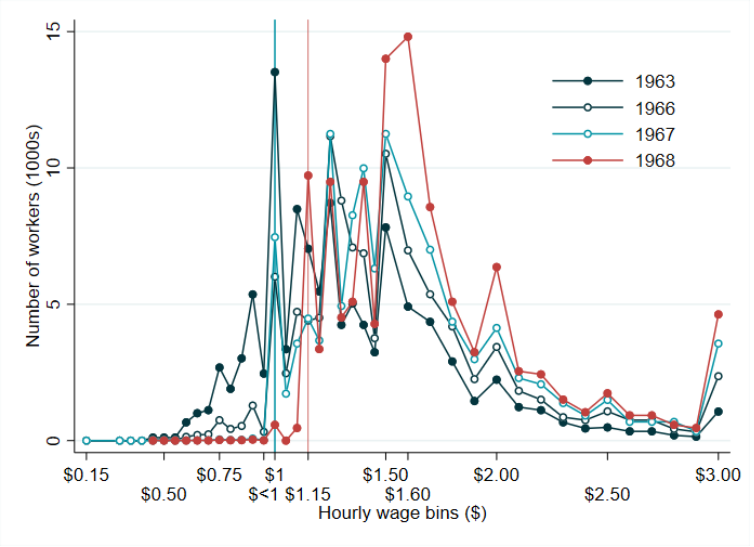
Source: Bureau of Labor Statistics Industry Wage Reports.

Notes: Figure shows an example of hourly wage tabulations for laundries, a sector in which the minimum wage was introduced at $1 in 1967. These tabulations provide information on the hourly wage distribution by 5- or 10-cent bins. The number of workers in each bin can be easily computed using the information on the percent of workers in each bin and the total number of workers at the bottom of the table.

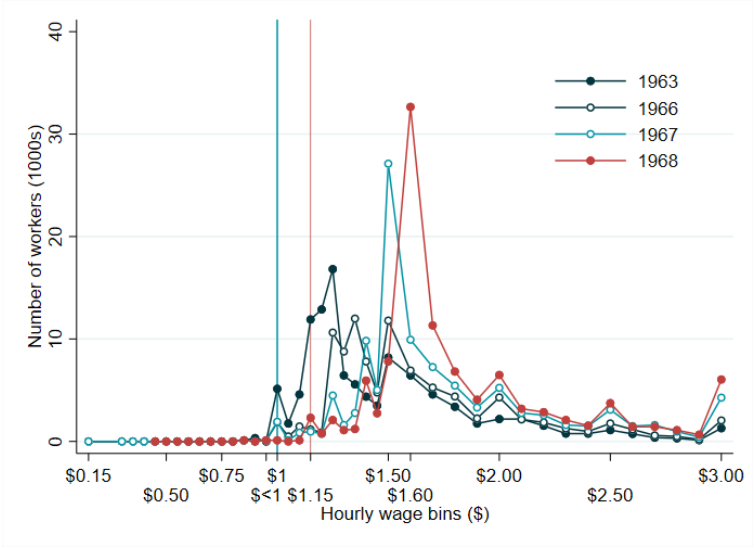
Figure C3: Earnings distributions in laundries, by region



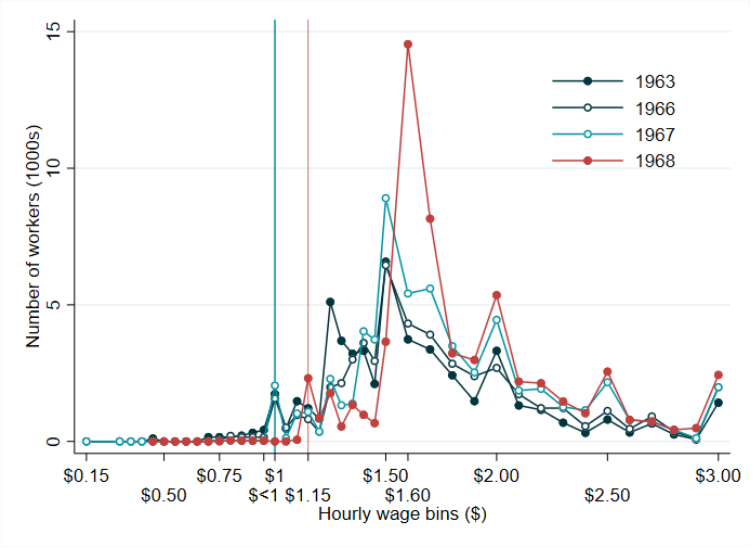
(a) South



(b) Midwest



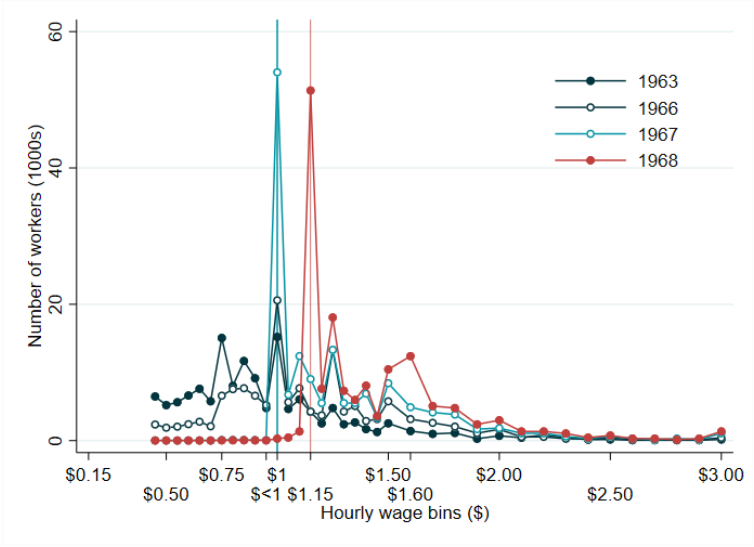
(c) Northeast



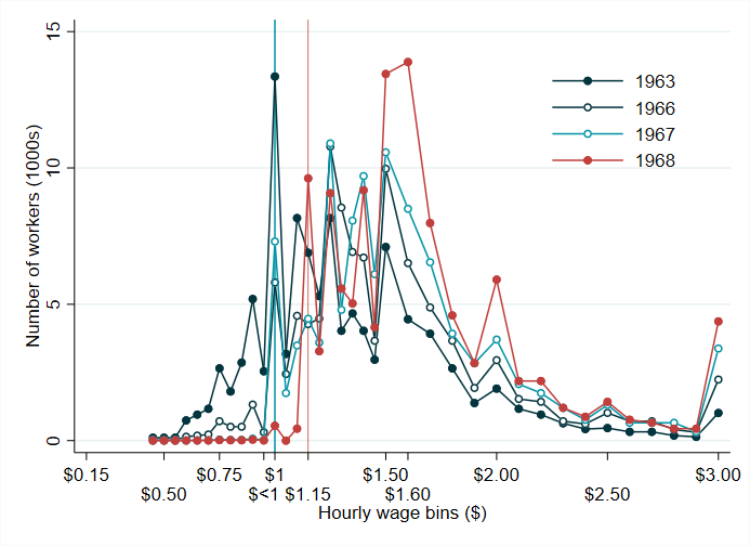
(d) West

Source: BLS Industry Wage Reports. Sample: All nonsupervisory workers. Notes: The minimum wage was introduced at $1 in 1967 (blue solid line). It reached $1.15 in 1968 (red solid line).

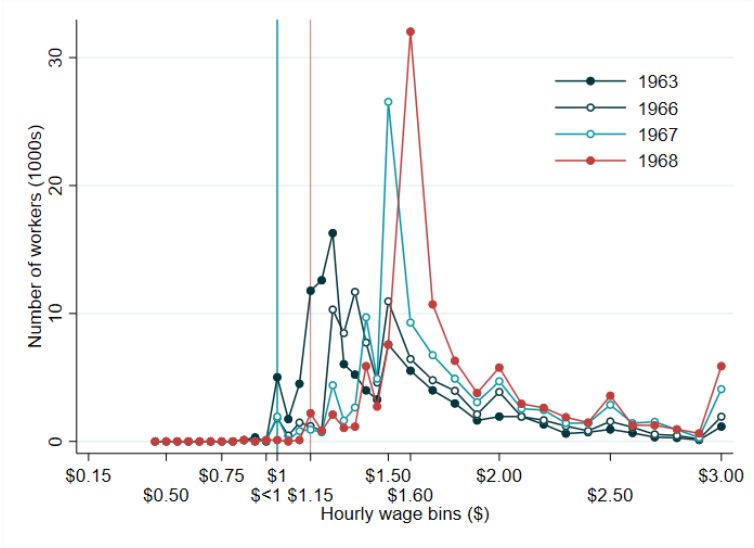
Figure C4: Earnings distributions in laundries (inside plant workers), by region



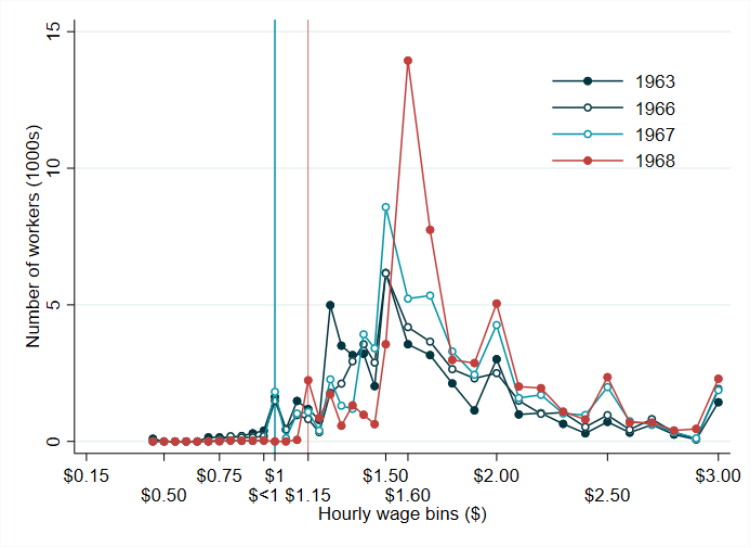
(a) South



(b) Midwest



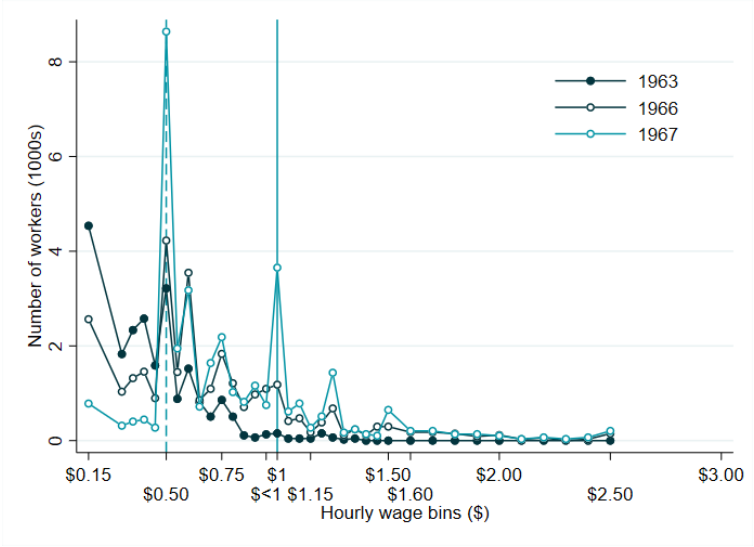
(c) Northeast



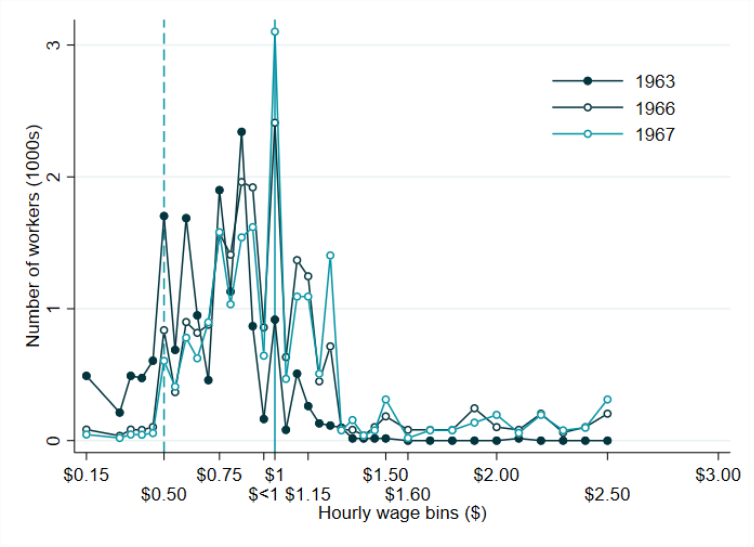
(d) West

Source: BLS Industry Wage Reports. Sample: All inside plant workers in laundries. Notes: The minimum wage was introduced at $1 in 1967 (blue solid line). It reached $1.15 in 1968 (red solid line).

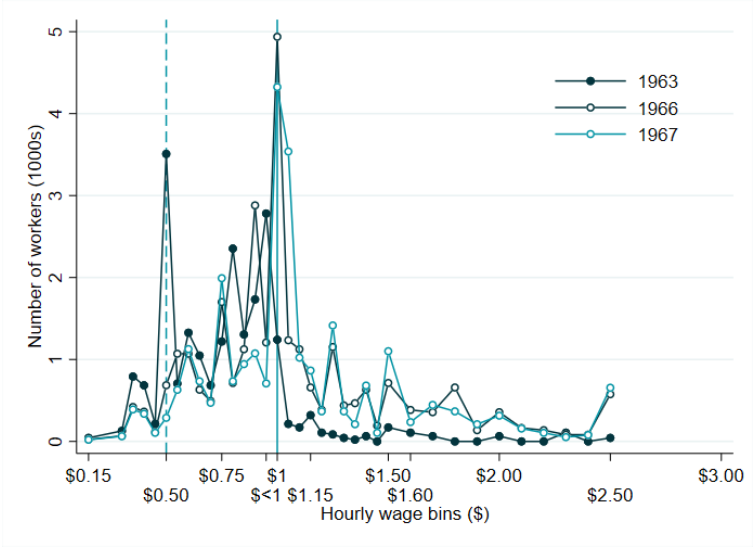
Figure C5: Earnings distributions in hotels (tipped workers), by region



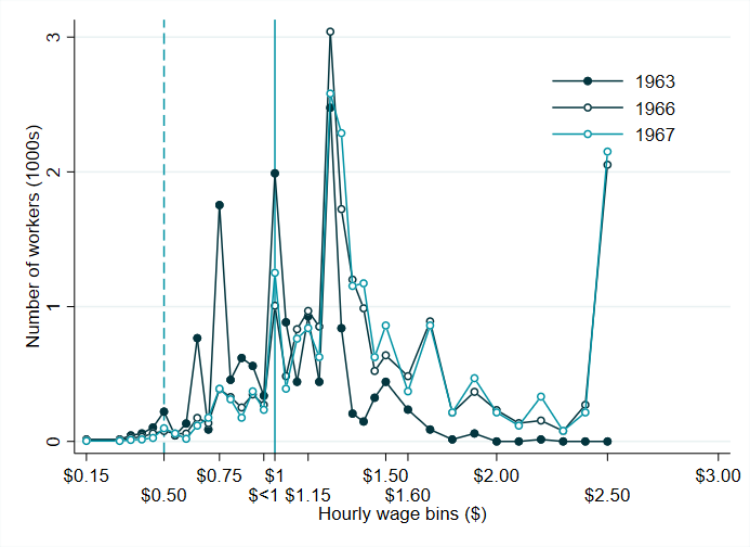
(a) South



(b) Midwest



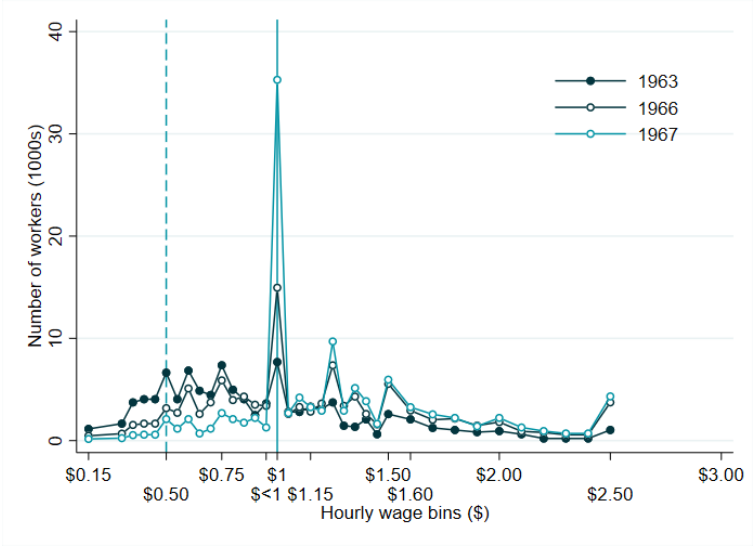
(c) Northeast



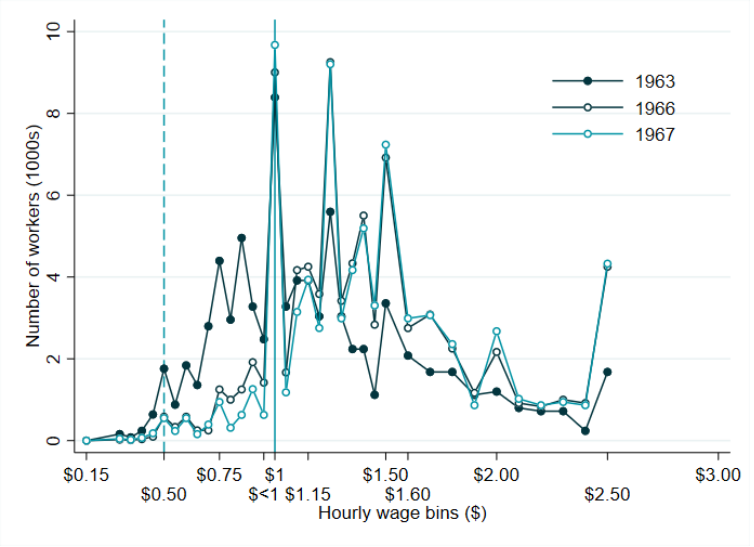
(d) West

Source: BLS Industry Wage Reports. Sample: All nonsupervisory tipped workers in year-round hotels, motels, and tourist courts. Notes: The minimum wage was introduced at $0.50 (dashed line) for tipped workers in hotels in 1967. For non-tipped workers, the minimum wage was introduced at $1 (solid line).

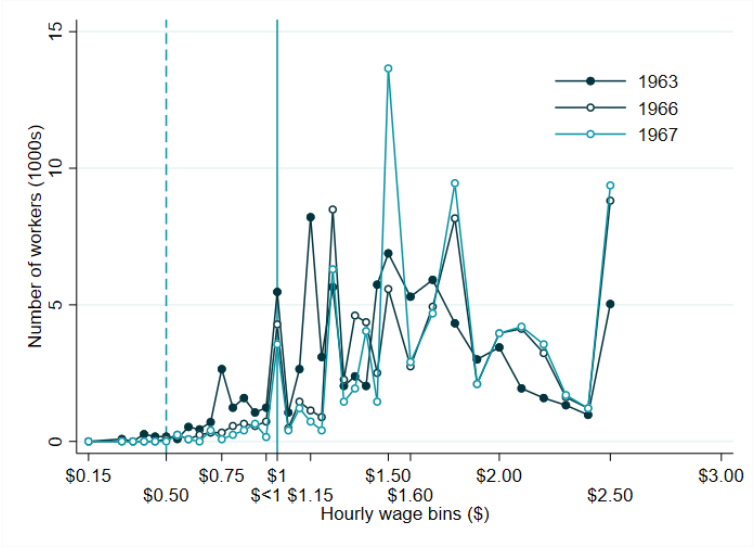
Figure C6: Earnings distributions in hotels (non-tipped workers), by region



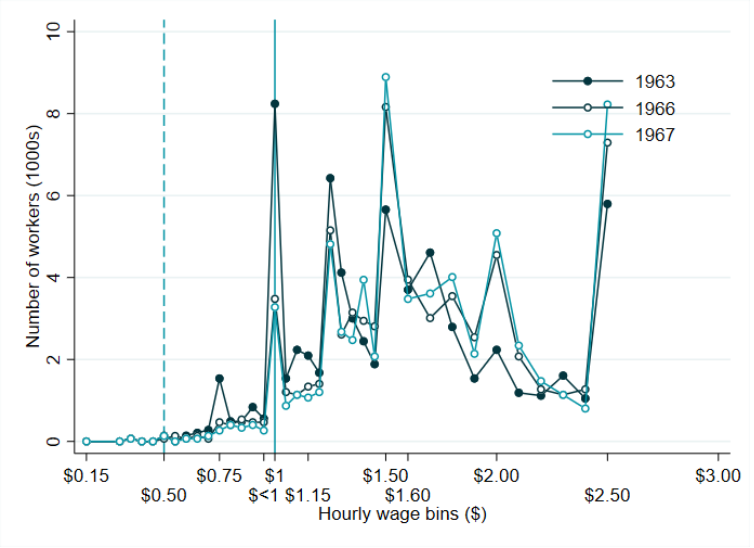
(a) South



(b) Midwest



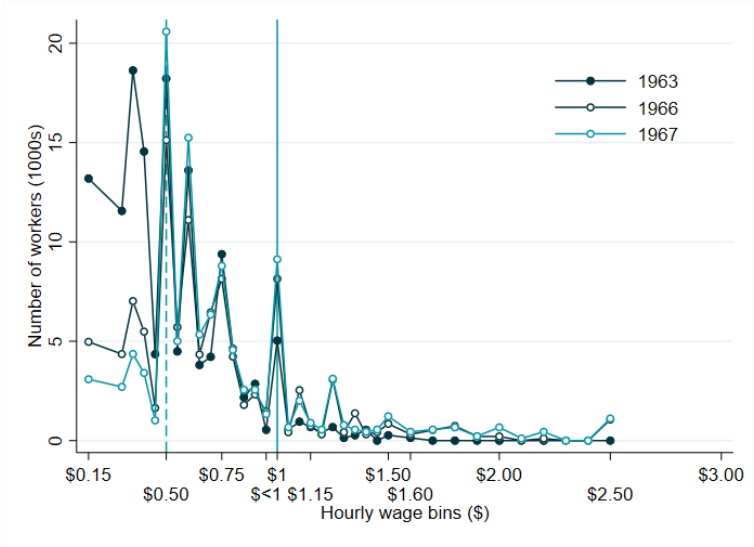
(c) Northeast



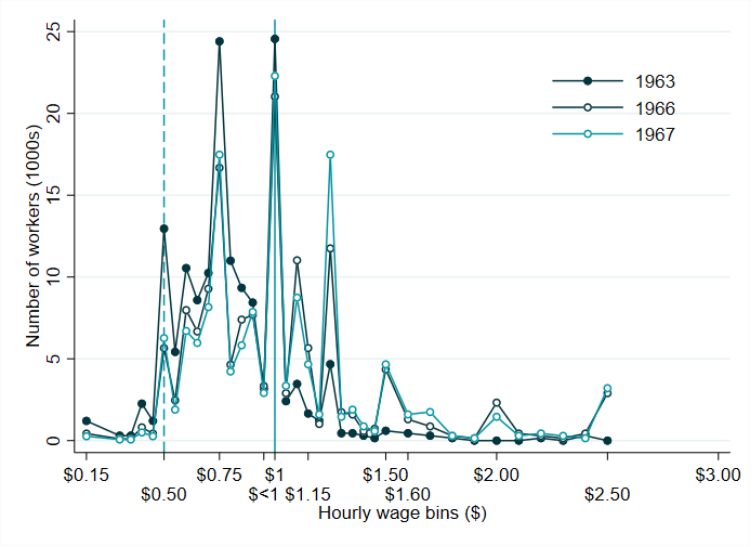
(d) West

Source: BLS Industry Wage Reports. Sample: All nonsupervisory non-tipped workers in year-round hotels, motels, and tourist courts. Notes: The minimum wage was introduced at $0.50 (dashed line) for tipped workers in hotels in 1967. For non-tipped workers, the minimum wage was introduced at $1 (solid line).

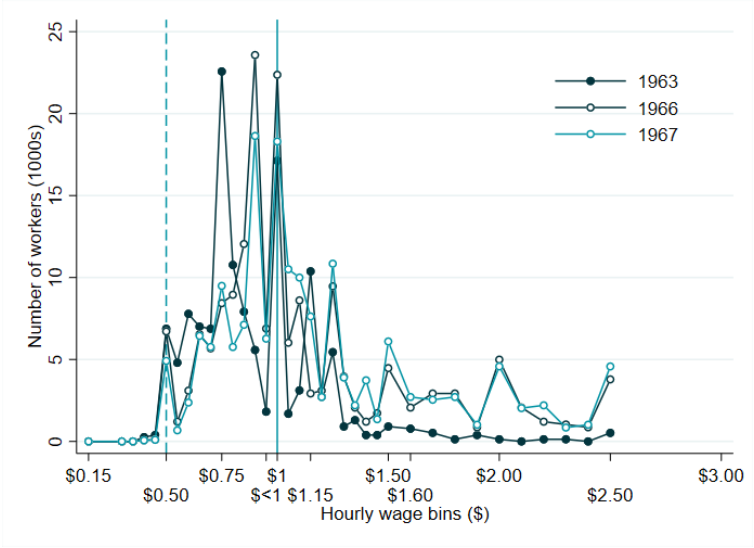
Figure C7: Earnings distributions in restaurants (tipped workers), by region



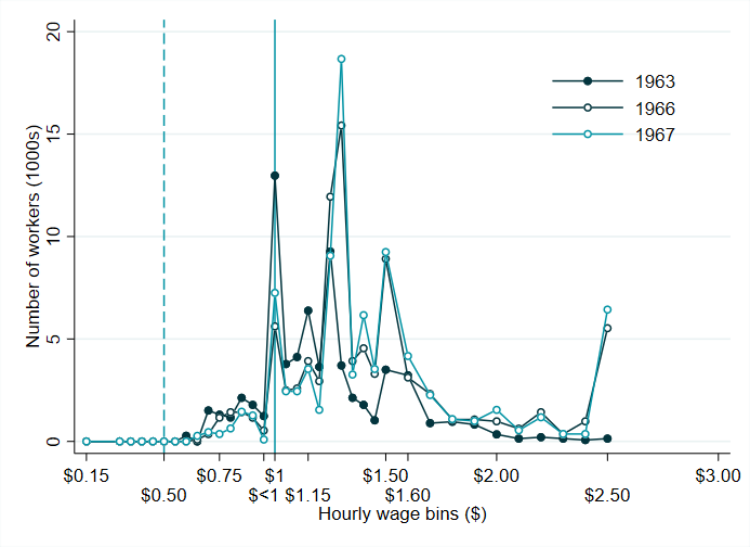
(a) South



(b) Midwest



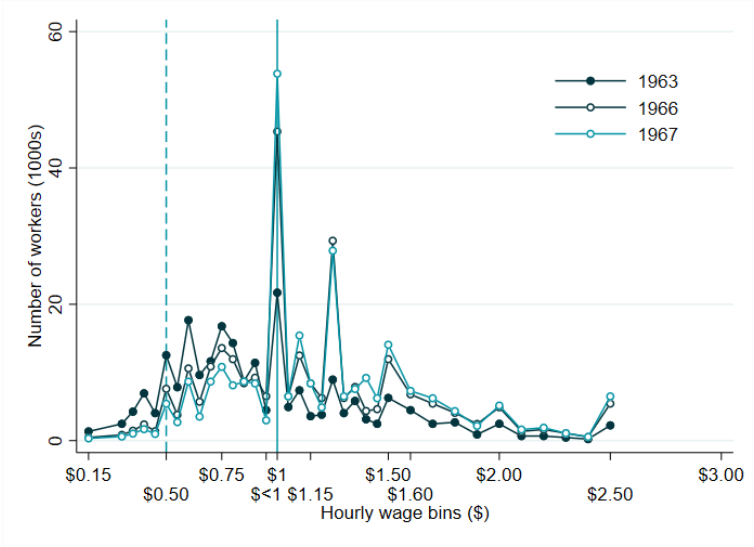
(c) Northeast



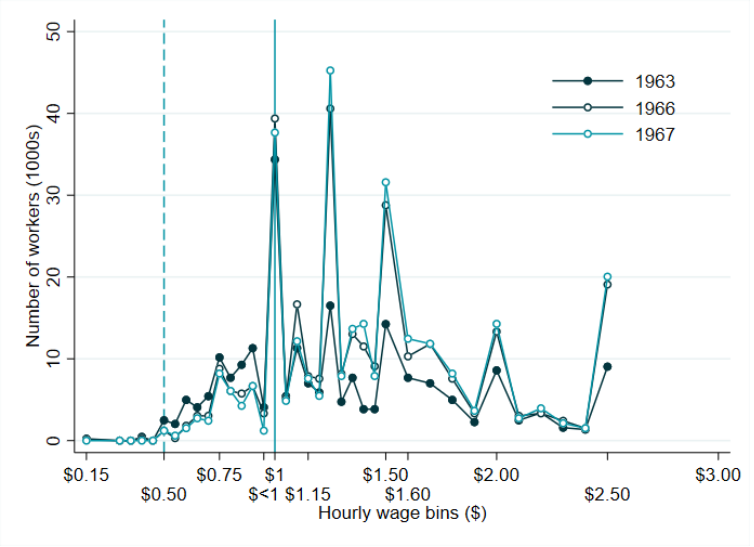
(d) West

Source: BLS Industry Wage Reports. Sample: All nonsupervisory tipped workers in restaurants. Notes: The minimum wage was introduced at $0.50 (dashed line) for tipped workers in restaurants in 1967. For non-tipped workers, the minimum wage was introduced at $1 (solid line).

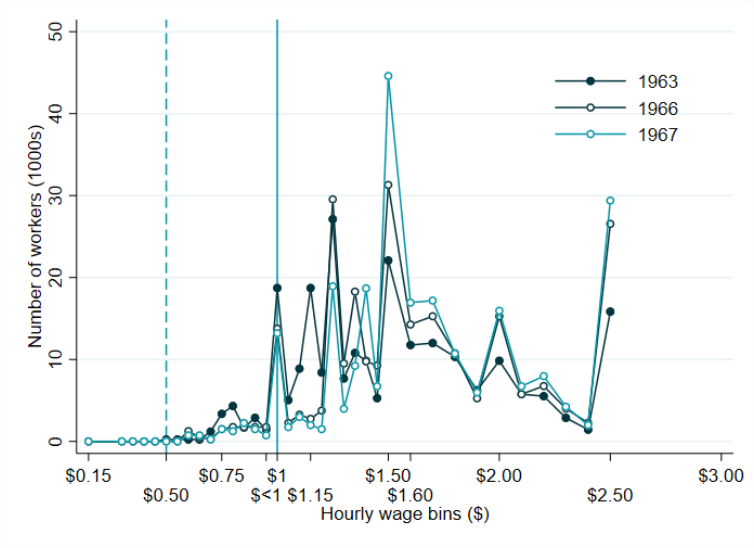
Figure C8: Earnings distributions in restaurants (non-tipped workers), by region



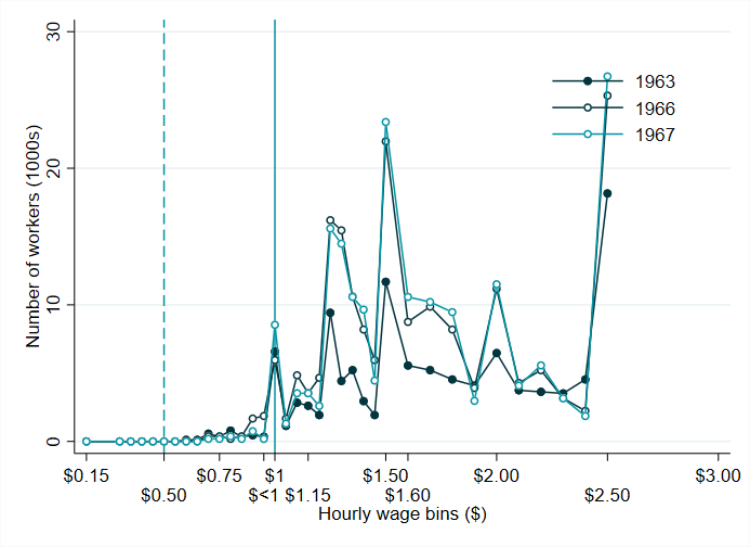
(a) South



(b) Midwest



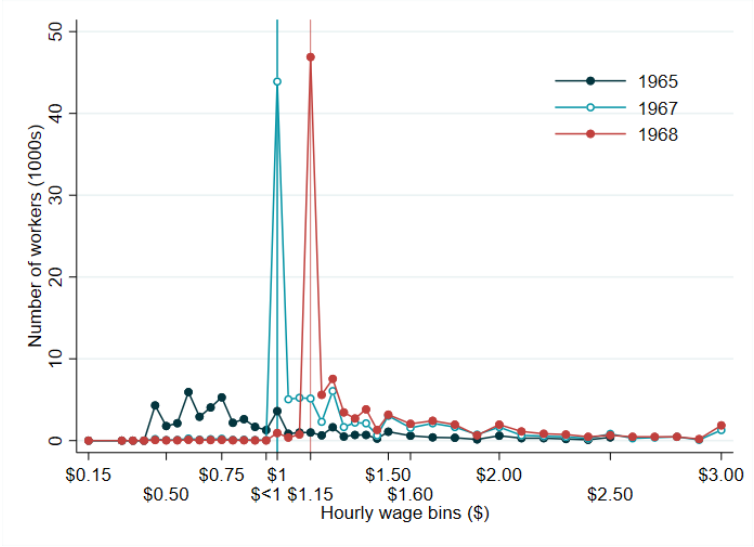
(c) Northeast



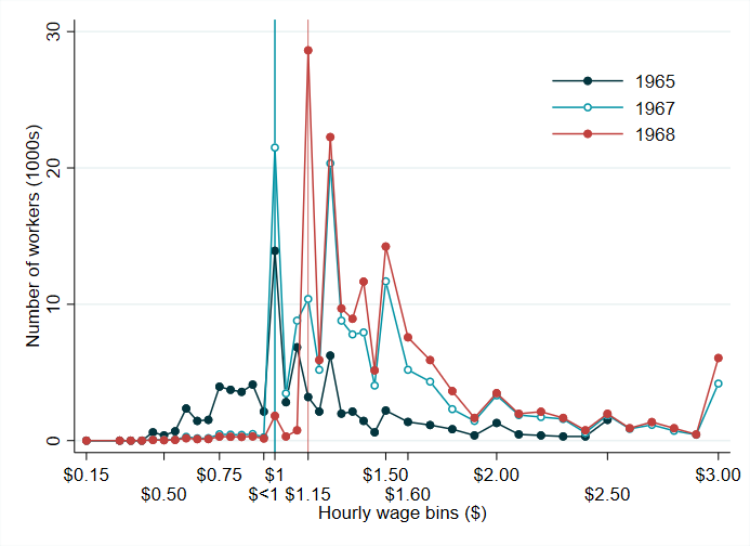
(d) West

Source: BLS Industry Wage Reports. Sample: All nonsupervisory non-tipped workers in restaurants. Notes: The minimum wage was introduced at $0.50 (dashed line) for tipped workers in restaurants in 1967. For non-tipped workers, the minimum wage was introduced at $1 (solid line).

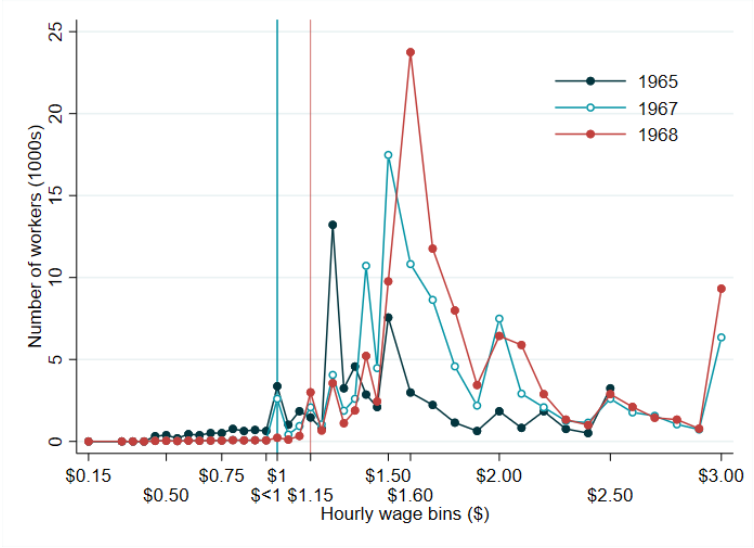
Figure C9: Earnings distributions in nursing homes, by region



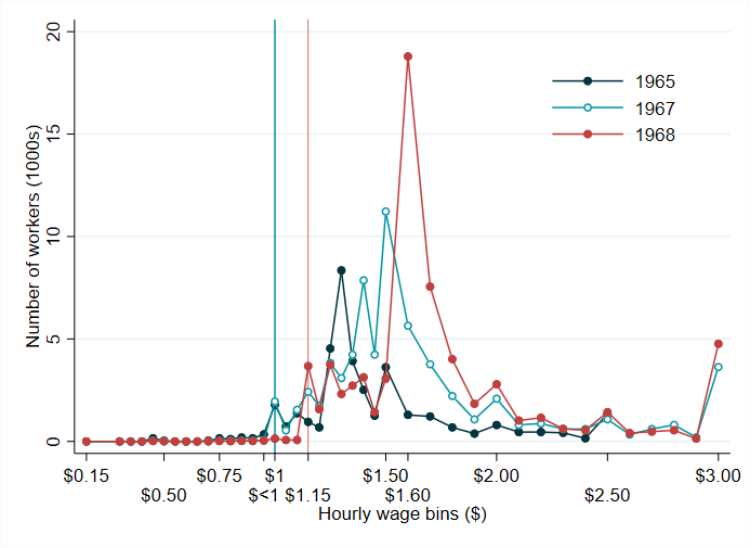
(a) South



(b) Midwest



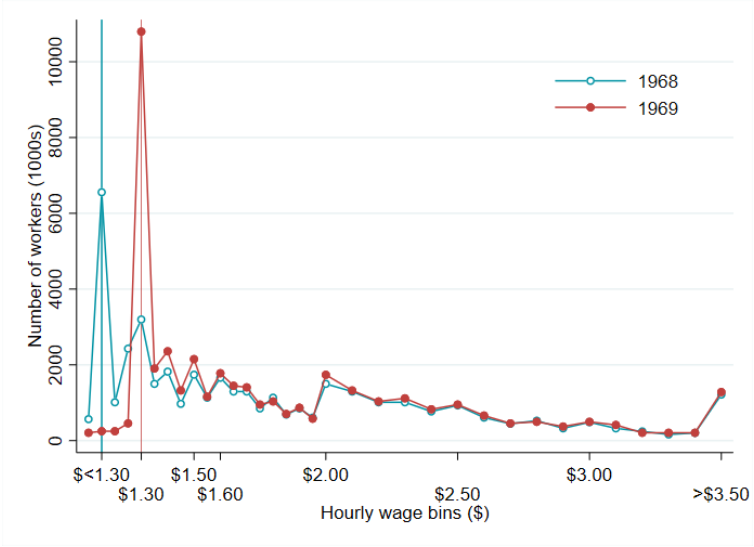
(c) Northeast



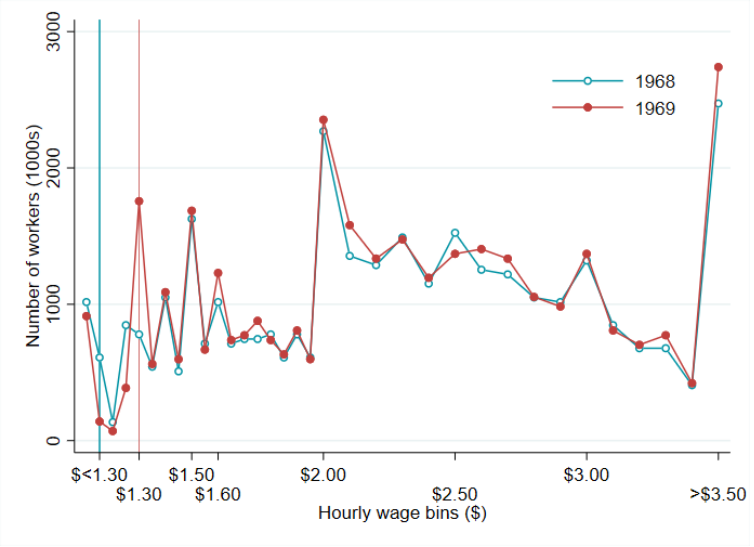
(d) West

Source: BLS Industry Wage Reports. Sample: All nonsupervisory employees in nursing homes and related facilities. Notes: The minimum wage was introduced at $1 in 1967 (blue solid line). It reached $1.15 in 1968 (red solid line).

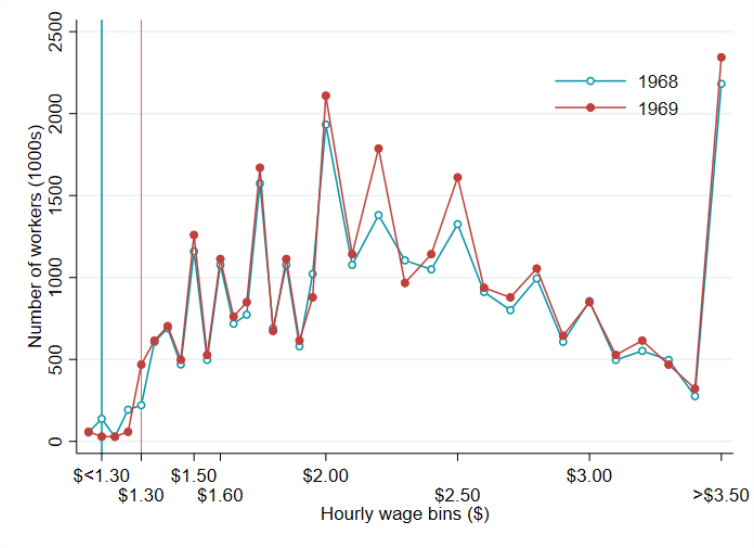
Figure C10: Earnings distributions in schools, by region



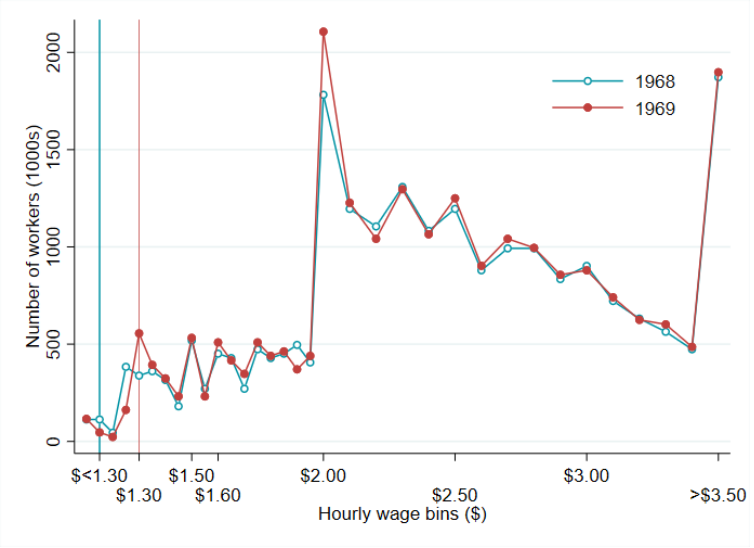
(a) South



(b) Midwest



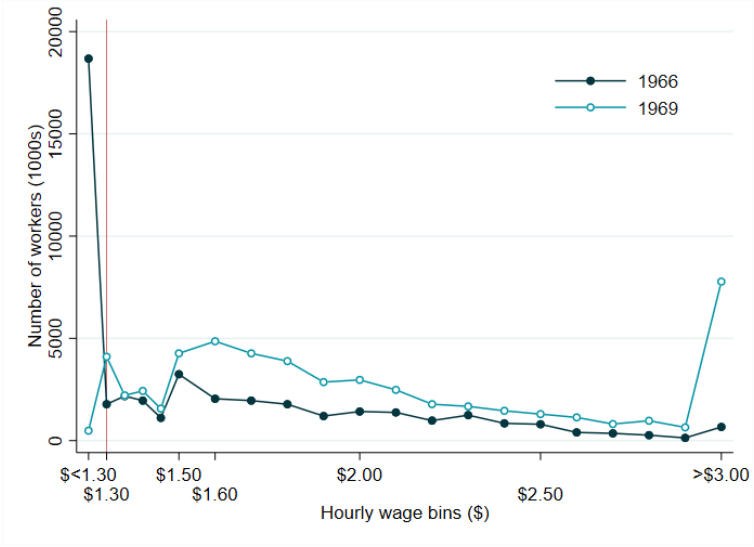
(c) Northeast



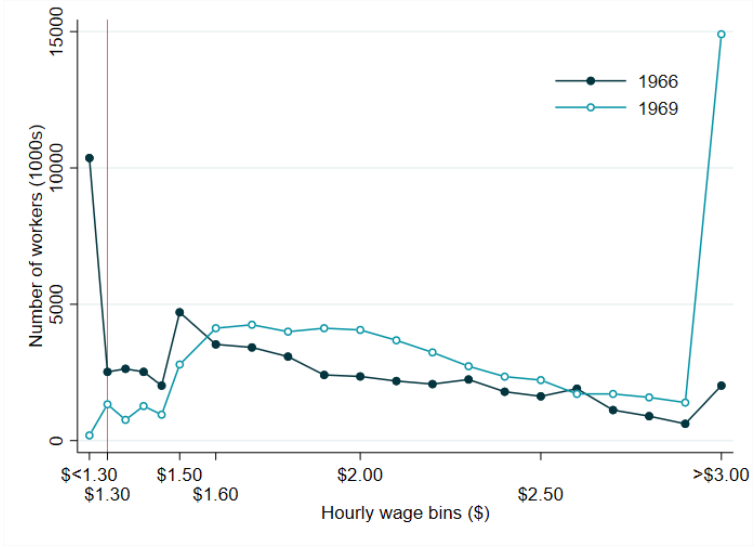
(d) West

Source: BLS Industry Wage Reports. Sample: All nonsupervisory non-teaching employees in elementary and secondary schools (e.g., custodial employees, food service employees, office clerical employees, skilled maintenance employees, bus drivers) in schools. Notes: The minimum wage was $1.15 in 1968 (blue solid line), and $1.30 in 1969 (red solid line).

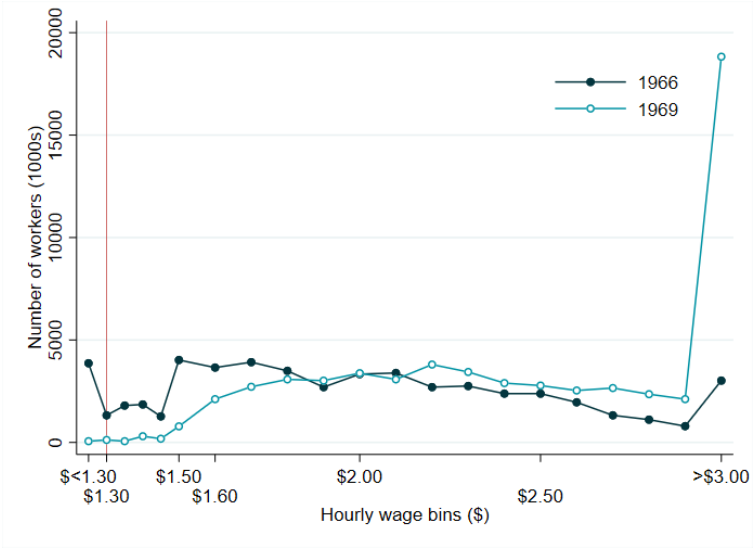
Figure C11: Earnings distributions in hospitals, by region



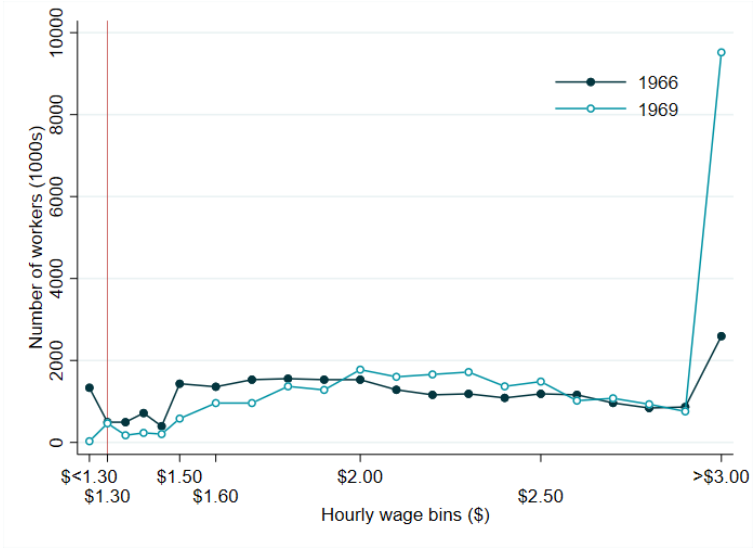
(a) South



(b) Midwest



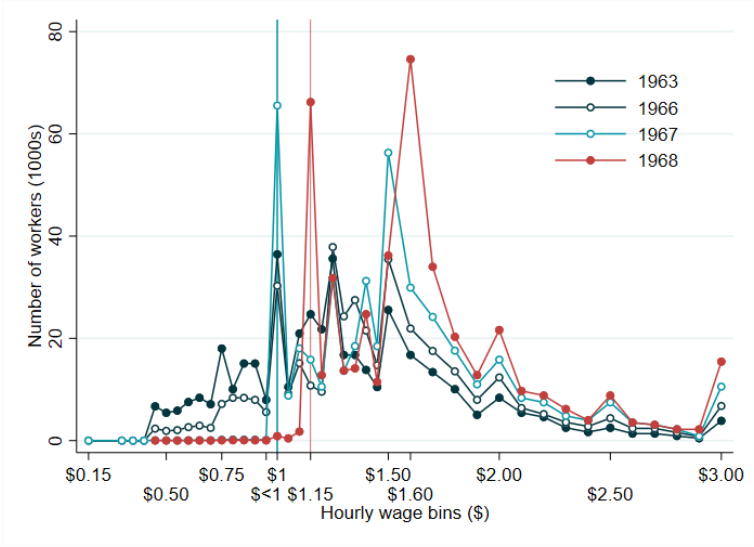
(c) Northeast



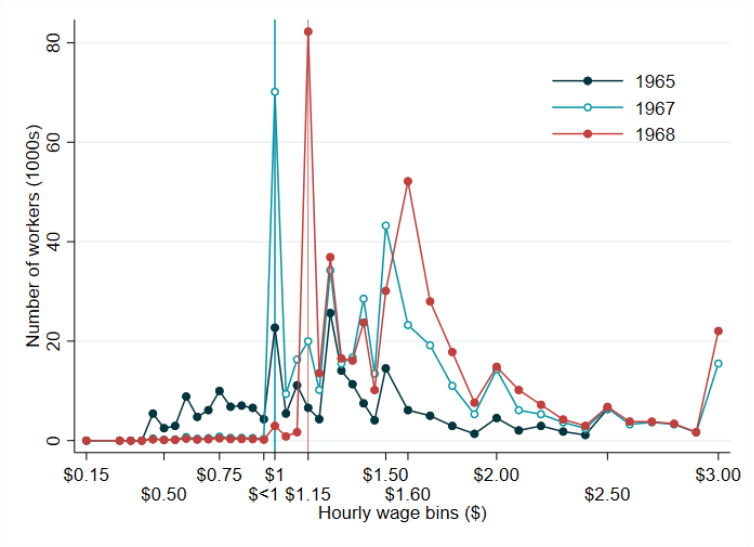
(d) West

Source: BLS Industry Wage Reports. Sample: All nonsupervisory employees in all hospitals except federal hospitals, e.g., nursing aids, porters, maids, kitchen helpers, dishwashers, practical nurses, medical social workers, and dietitians, etc. Notes: The minimum wage was $1.30 in 1969 (red solid line).

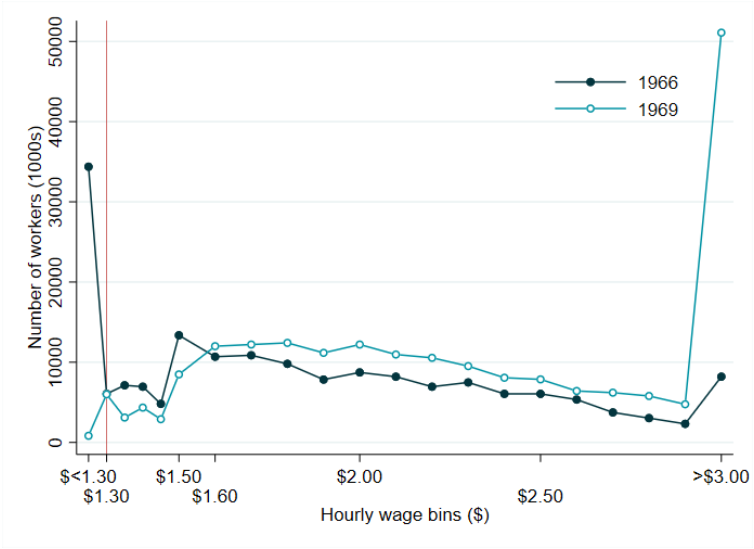
Figure C12: Hourly earnings distributions in the U.S., by industry



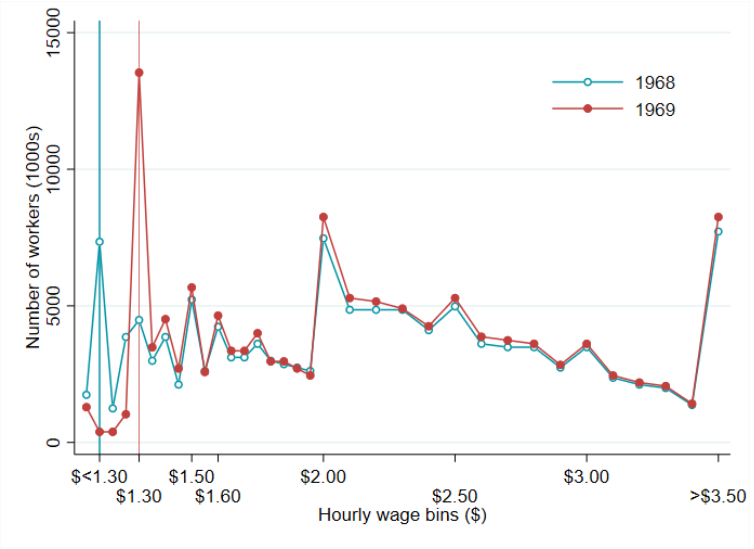
(a) Laundries



(b) Nursing homes



(c) Hospitals



(d) Schools

Source: BLS Industry Wage Reports. Sample: All nonsupervisory employees. Notes: The minimum wage was $1 in 1967, $1.15 in 1968, and $1.30 in 1969 (solid lines).

Appendix D Additional Evidence on Wages and the Adjusted Racial Gap

Figure D1 shows that adding or removing individual-level controls to our baseline wage regression does not affect the magnitude of our estimates, at least in the medium-run.

Figure D2 shows the evolution of log annual earnings in industries covered in 1938 (control) and in industries covered in 1967 (treated). On this figure, we've normalized log annual earnings to 0 in the prerefrom year 1965 for control and treated industries.[106] We believe this graph is the most transparent way to illustrate the time path of wages in the treated and the control industries. It is effectively a version of Figure 5, that does not include any individual level controls. The figure shows that there is wage growth in both types of industries before the reform, and that the mean log average earnings evolve in parallel in the years leading up to the reform. In 1967, there is wage growth in the treated industries above and beyond wage growth in control industries. It does not appear that the 1967 extension of the minimum wage led to large spillover increases in wages in the control industries. Moreover, since the minimum wage that is introduced in 1967 in the newly covered industries is *lower* than the minimum wage that applies to previously covered industries (see Figure 2 in the paper), we do not expect such wage spillover effects. Large spillover effects could in theory appear if there were large wage compensating differentials between the two types of industries. Given the empirical evidence, such large compensating differentials appear unlikely.

Table D1 displays the results of our analysis of the 1967 reform on annual earnings by quartiles. We run a triple difference-in-differences, using our cross-industry design. The triple interaction is the interaction of being in a newly treated industry, in the post period (either 1967-72 or 1973-1980), and in a specific quartile of the 1966 (prereform) annual earnings distribution (either 1st, 2nd, 3rd or 4th quartile). The quartiles refer to the quartiles of the distribution of annual earnings for all workers, black or white. We find that the increase in annual earnings is concentrated in the lowest quartile of the distribution. We do not see any effect above the median in any of our three specifications. This is true whether we look at all workers, at white workers only, or at black workers only. We find a small positive effect on earnings effect between the 25th percentile and the median (+2.1 log points for the second quartile vs. +6.8 log points for the first quartile), which can can be interpreted as resulting

[106] The average earnings is 10.52 log points in control industries in 1965 (i.e. $43,842 in $2017), and 10.01 log points in treated industries (i.e. $30,402 in $2017).

from spillover effects of the minimum wage (that is, workers just above the minimum wage may have seen their earnings grow a bit as a result of the reform). Overall, we view these results as an additional falsification test that complements our analysis of the effect of the reform across skill groups.

Figure D3 decomposes the effect of the 1967 reform on log annual earnings by race. It compares the evolution of annual earnings for black (respectively, white) workers in the industries covered in 1967 to the evolution of annual earnings for both black and white workers in the industries covered in 1938. It differs from Figure 6b which was comparing the evolution of annual earnings for black (white) workers in the industries covered in 1967 to the evolution of annual earnings for black (white) workers only in the industries covered in 1938. It shows, as expected, that the wage effect is larger in this design (as opposed to the design used in Figure 6b) because annual earnings for black workers have continuously increased during the Civil Rights Era for reasons that go beyond the 1967 reform (e.g., due to the role of anti-discrimination policies and improvements in education).

Figures D4a and D4b show that, as expected, the wage effect of the 1967 reform is concentrated among low-education workers. This is true among black and white workers separately.

Figure D5a shows that, as expected, the decline in the adjusted racial gap is concentrated among low-education workers within the treated industries and that there is no change in trend for high-education workers. By contrast, Figure D5b shows that the decline in the adjusted racial earnings gap is smooth for both high and low-education workers within the control industries.

Table D2 reports the impact of the 1967 reform on earnings unconditional on working, i.e., including people who are unemployed or not in the labor force, in order to formally investigate the effects of the reform on the racial income gap. We show a positive impact on earnings unconditional on working, with a confidence interval excluding zero. However, as we argue in what follows, we believe that these calculations pose several challenges and depart quite a bit from our baseline empirical strategy. They also lead to noisy estimates. We view those results as yet another piece of evidence that the 1967 was effective at advancing black-economic conditions, on top of the evidence discussed in the paper of large wage gains combined with small disemployment effects. To calculate the effect on earnings conditional and unconditional on working, we proceed as follows:

1. We use our baseline cross-state design, as opposed to the cross-industry design (because we cannot allocate an unemployed person or a person who is not in the labor force to a

specific treated or a control industry).

2. To compute the earnings effect of the reform on all workers (including those with zero earnings), we average earnings at the state-group $\times$ year level.[107]

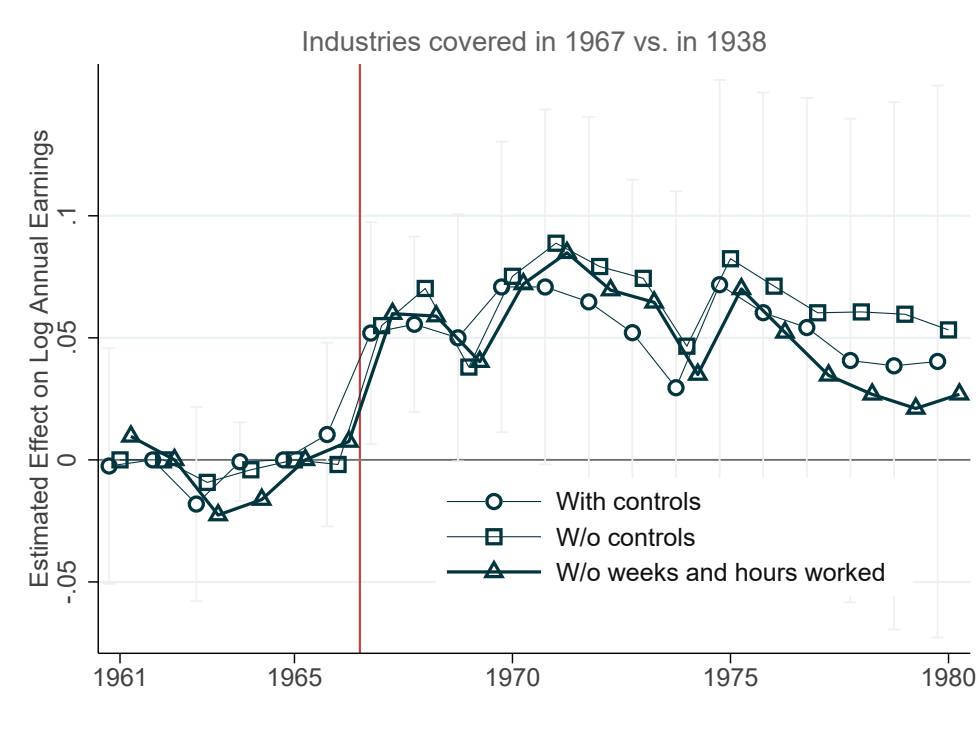
3. We use controls that are defined for all workers (including unemployed and not in the labor force) as opposed to the full set of controls that we usually use to estimate the earnings effect on people with positive wage.

Note that (ii) and (iii) mechanically increase the standard errors of our point estimate compared with our baseline cross-industry strategy.

Table D2 Column (1) shows that 1967 reform increased annual earnings by 3.8 log points for workers, using our full set of controls (i.e., average age in the state, fraction of men, fraction of white persons, average number of years of schooling, fraction of married persons, fraction of full-time full-year workers). Column (2) shows that this earnings effect is slightly bigger when the regression is estimated with a subset of controls that we can use for both workers and the civilian population as a whole. The earnings effect of the reform is 5.2 log points, conditional on working. Column (3) shows that the earnings effect of the reform is 6.9 log points unconditional on working. It is slightly higher that the earnings effect conditional on working shown in column (2)—consistent with the positive point estimate we obtain when analyzing the employment effects of the reform (see bottom employment elasticities in Table 6 or Column 1 in Appendix Table E.4 in the Online Appendix). The point estimates in col. 2 and 3 are not statistically different. Finally, column (3) indicates that the lower bound of the earnings effect unconditional on working is $+1$ log point.

[107] An alternative would be to apply transformations such as the inverse hyperbolic sine and run the regression at the individual level. The inverse hyperbolic sine transformation makes coefficients hard to interpret and to compare across specifications; it can also lead to biased semi-elasticity estimates (see e.g. Bellego, C. and L. Pape (2019), "Dealing with the log of zero in regression models", *Serie des Documents de Travail #2019-13*).

Figure D1: Wage effect of the 1967 reform with different sets of controls

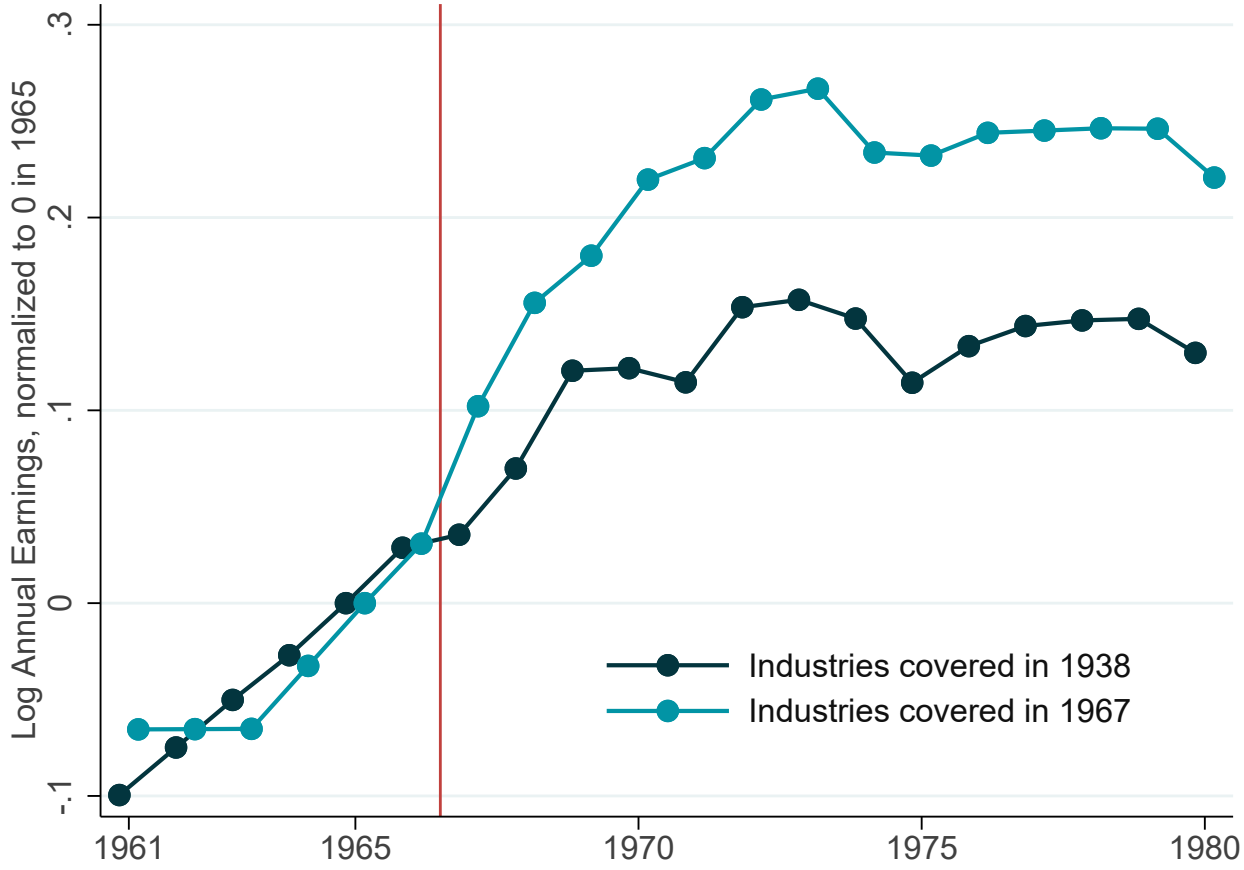


Source: March CPS 1962-1981.

Sample: Adults 25-55, black or white, worked more than 13 weeks last year and 3 hours last week, not self-employed, not in group quarters, not unpaid family worker, no missing industry or occupation code.

Notes: This regression uses a cross-industry design and includes industry and time fixed effects. Because the CPS collects information on earnings received during the previous calendar year, we report estimates of the wage effect calculated in the 1962 CPS in the year 1961 above. The year 1962 is excluded and set to zero. Standard errors are clustered at the industry level. Annual earnings in $2017, deflated using annual CPI-U-RS series. The regression with individual-level controls controls for gender, race, years of schooling, a cubic in experience, full-time/part-time status, number of weeks and hours worked, occupation and marital status.

Figure D2: Impact of the 1967 reform on annual earnings, in levels



Source: March CPS 1962-1981.

Sample: Adults 25-55, black or white, worked more than 13 weeks last year and 3 hours last week, not self-employed, not in group quarters, not unpaid family worker, no missing industry or occupation code.

Notes: This figure shows the evolution of log annual earnings in industries covered in 1938 (control) and in industries covered in 1967 (treated), normalized to 0 in the prerefrom year 1965. The average earnings is 10.52 log points in control industries in 1965 (i.e. $43,842 in $2017), and 10.01 log points in treated industries (i.e. $30,402 in $2017). Annual earnings were previously deflated in $2017, using annual CPI-U-RS series.

Table D1: Effect of 1967 reform on Annual Earnings, by Quartiles

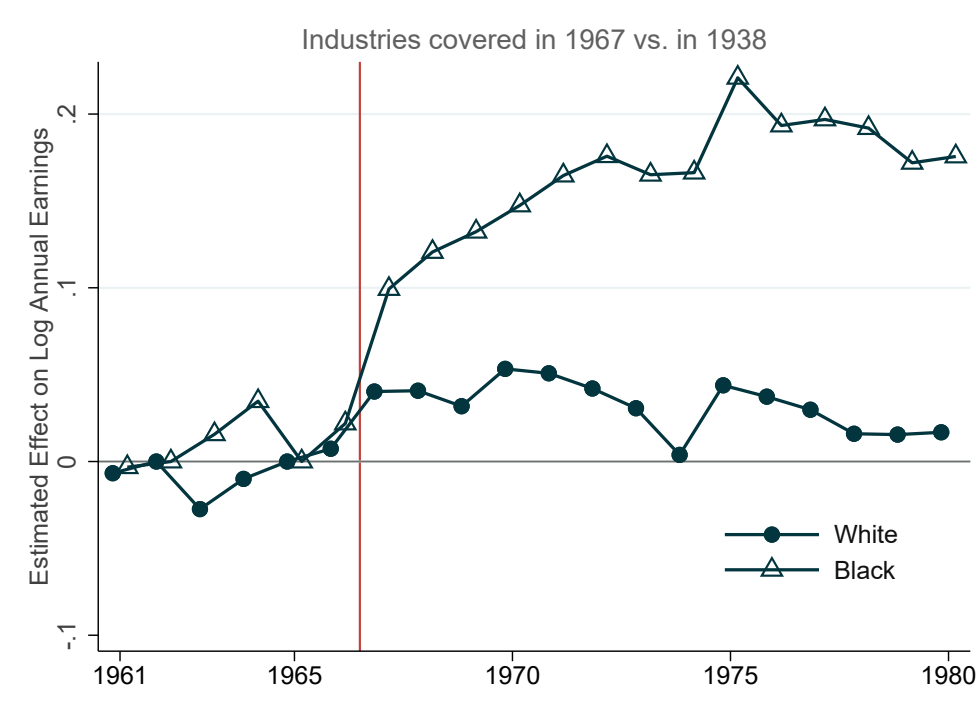
	All			Black			White		
Model	(1)	(2)	(3)	(1)	(2)	(3)	(1)	(2)	(3)
Covered in 1967 × 1967-1972									
1st Quartile	0.068***	0.067***	0.067***	0.082**	0.080**	0.086**	0.057***	0.057***	0.054***
	(0.015)	(0.014)	(0.015)	(0.035)	(0.035)	(0.036)	(0.015)	(0.015)	(0.015)
2nd Quartile	0.021***	0.019***	0.017***	0.027*	0.017	0.017*	0.021***	0.020***	0.017**
	(0.005)	(0.005)	(0.005)	(0.014)	(0.012)	(0.010)	(0.006)	(0.006)	(0.006)
3rd Quartile	0.005	0.006	0.003	-0.015	-0.022	-0.045**	0.007	0.008	0.005
	(0.005)	(0.005)	(0.005)	(0.012)	(0.013)	(0.017)	(0.005)	(0.005)	(0.005)
4th Quartile	0.000	0.000	0.000	0.022	0.025	0.030	0.000	0.001	-0.000
	(0.013)	(0.013)	(0.013)	(0.034)	(0.036)	(0.034)	(0.013)	(0.013)	(0.012)
Covered in 1967 × 1973-1980									
1st Quartile	0.131***	0.131***	0.132***	0.153***	0.149***	0.153***	0.120***	0.120***	0.119***
	(0.026)	(0.025)	(0.026)	(0.048)	(0.046)	(0.044)	(0.022)	(0.022)	(0.022)
2nd Quartile	0.014	0.013	0.013	0.006	-0.004	-0.003	0.016	0.016	0.015
	(0.009)	(0.010)	(0.010)	(0.021)	(0.017)	(0.013)	(0.012)	(0.013)	(0.013)
3rd Quartile	-0.007	-0.007	-0.007	-0.016	-0.032*	-0.049**	-0.005	-0.005	-0.005
	(0.005)	(0.005)	(0.005)	(0.015)	(0.016)	(0.021)	(0.005)	(0.005)	(0.005)
4th Quartile	-0.015	-0.015	-0.013	-0.015	-0.017	-0.015	-0.015	-0.015	-0.013
	(0.032)	(0.031)	(0.030)	(0.035)	(0.036)	(0.029)	(0.033)	(0.033)	(0.032)
Observations	407,823	407,823	407,823	37,770	37,770	37,770	370,053	370,053	370,053
Controls	Y	Y	Y	Y	Y	Y	Y	Y	Y
Time FE	Y	Y	Y	Y	Y	Y	Y	Y	Y
Industry FE	Y	Y	Y	Y	Y	Y	Y	Y	Y
State FE	N	Y	N	N	Y	N	N	Y	N
State-by-year FE	N	N	Y	N	N	Y	N	N	Y

Source: March CPS 1962-1981.

Sample: Adults 25-55, black or white, worked more than 13 weeks last year and 3 hours last week, not self-employed, not in group quarters, not unpaid family worker, no missing industry or occupation code.

Notes: The outcome variable is log annual earnings (in $2017, deflated using annual CPI-U-RS). Individual-level controls are gender, race, years of schooling, a cubic in experience, full-time/part-time status, no. of weeks and hours worked, occupation and marital status. The quartiles refer to quartiles of the annual earnings distribution for black *and* white workers calculated pre-reform, in 1966. The percentiles do not vary across race. Standard errors are clustered at the industry level.

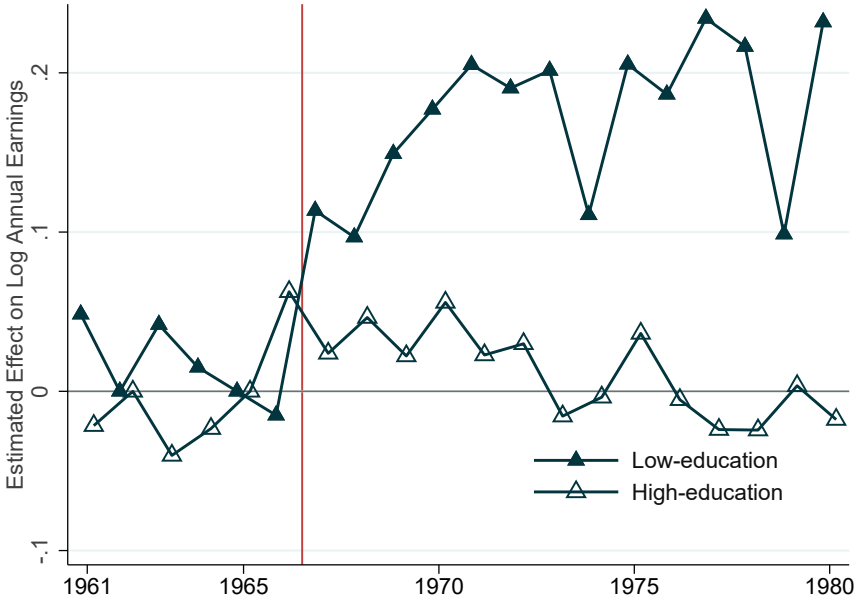
Figure D3: Impact of the 1967 reform on annual earnings by race



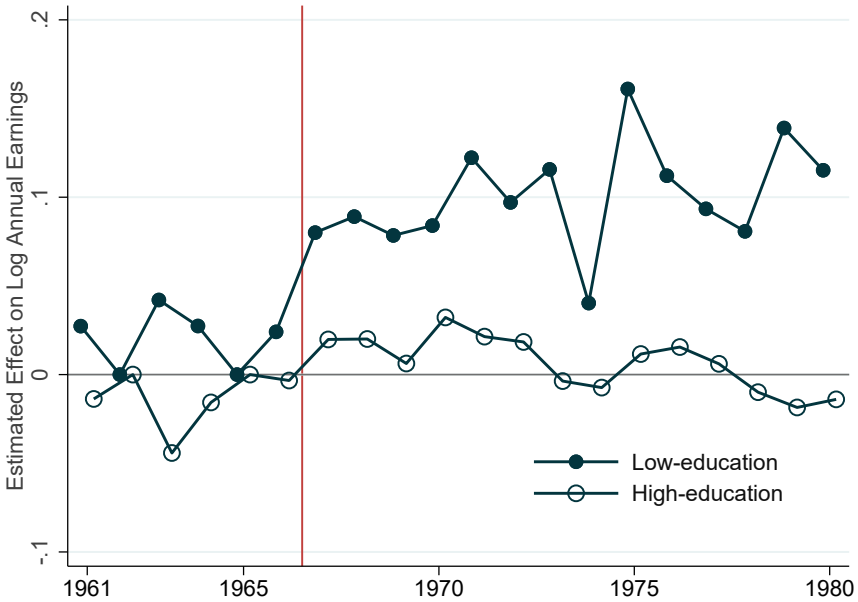
Source: March CPS 1962-1981.
Sample: Adults 25-55, black or white, worked more than 13 weeks last year and 3 hours last week, not self-employed, not in group quarters, not unpaid family worker, no missing industry or occupation code.
Notes: This graph differs from Figure 6b: the control group for black workers is composed here by black and white workers in the industries covered in 1938, whereas in figure 6b, the control group for black workers is composed of black workers only in the industries covered in 1938. This regression uses a cross-industry design and includes industry and time fixed effects. Because the CPS collects information on earnings received during the previous calendar year, we report estimates of the wage effect calculated in the 1962 CPS in the year 1961 above. The year 1962 is excluded and set to zero. Annual earnings in $2017, deflated using annual CPI-U-RS series.

Figure D4: Heterogeneity in the wage effect by level of education

(a) Among black workers



(b) Among white workers



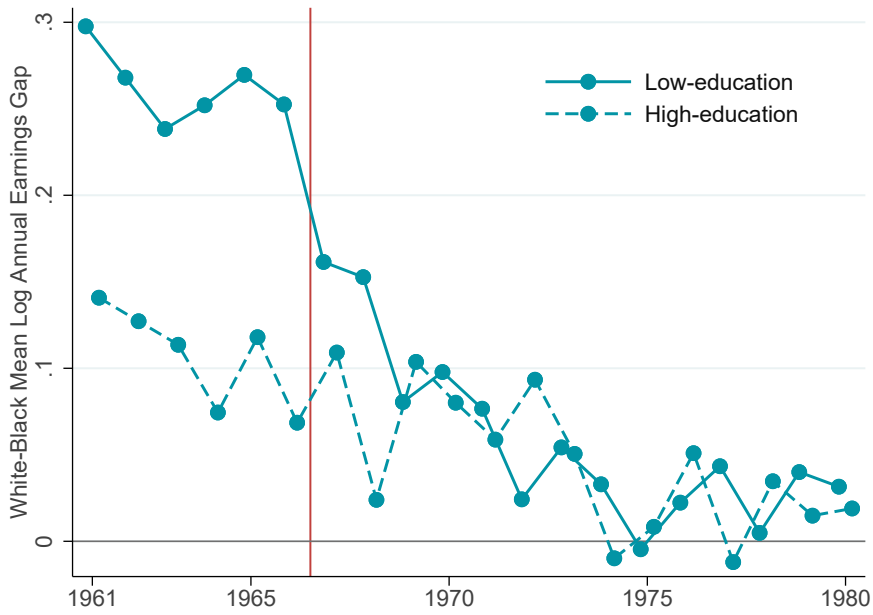
Source: March CPS 1962-1981.

Sample: Adults 25-55, black or white, worked more than 13 weeks last year and 3 hours last week, not self-employed, not in group quarters, not unpaid family worker, no missing industry or occupation code.

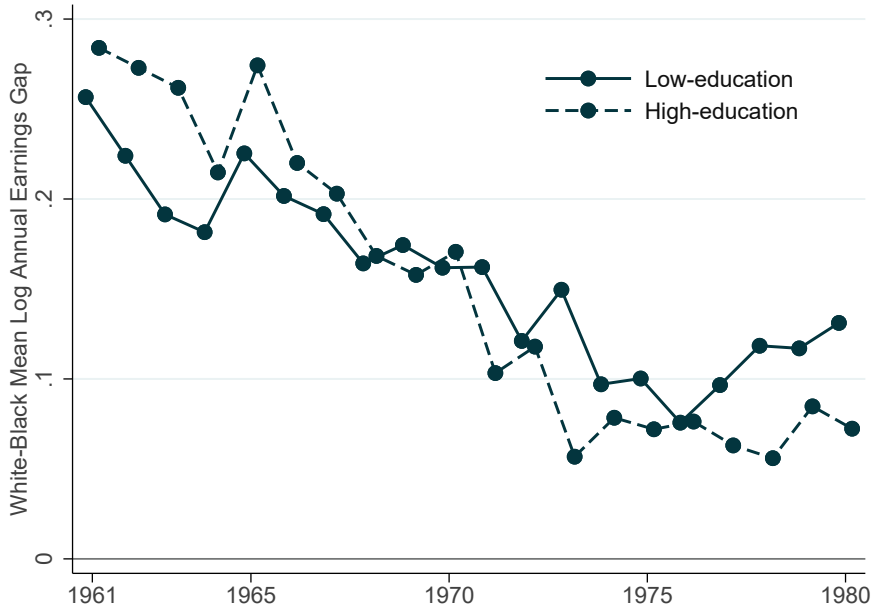
Notes: These regressions use a cross-industry design and control for gender, years of schooling, a cubic in experience, full-time/part-time status, number of weeks and hours worked, occupation and marital status. The regression includes industry and time fixed effects. Low-education is defined as 11 years of schooling or less. High-education is defined as more than 11 years of schooling. Because the CPS collects information on earnings received during the previous calendar year, we report estimates of the wage effect calculated in the 1962 CPS in the year 1961 above. The year 1962 is excluded and set to zero. Standard errors are clustered at the industry level. Annual earnings are in $2017, deflated using annual CPI-U-RS series.

Figure D5: Adjusted racial wage gaps, by level of education

(a) White-black earnings gap (adjusted) in treated industries



(b) White-black earnings gap (adjusted) in control industries



Source: March CPS 1962-1981.

Sample: Adults 25-55, black or white, worked more than 13 weeks last year and 3 hours last week, not self-employed, not in group quarters, not unpaid family worker, no missing industry or occupation code.

Notes: Racial earnings gap measures adjusted for gender, race (panel (b) only), number of years of schooling, experience, full-time or part-time status, number of weeks and hours worked, industry, occupation and marital status. Low-education is defined as 11 years of schooling or less. High-education is defined as 11 years of schooling or more. Annual earnings are in $2017, deflated using annual CPI-U-RS series.

Table D2: Impact on Earnings (Conditional and Unconditional on Working), 1961-1980

	Workers		Civilian pop.
Strongly treated × 1967-1972	0.038*	0.052**	0.069**
	(0.020)	(0.022)	(0.028)
Observations	399	399	399
Controls (all)	Y	N	N
Controls (subset)	N	Y	Y
Time FE	Y	Y	Y
State FE	Y	Y	Y

Source: March CPS 1962 to March CPS 1981.

Sample: (i) For regressions on workers (columns 1 & 2): adults 25-65, black or white, worked more than 13 weeks last year and 3 hours last week, not self-employed, not in group quarters, not unpaid family worker; (ii) For regressions on the civilian population (i.e. workers, persons unemployed or not in the labor force): adults 25-65, black or white, employed, unemployed or not in the labor force.

Notes: All regressions cover earnings from 1961 to 1980. In columns 2 & 3, controls include: average age in the state, fraction of men, fraction of white persons, average number of years of schooling in the state, fraction of married persons. In column 1, controls include all those listed for columns 2 & 3, plus fraction of full-time full-year workers. Persons classified not in the labor force or unemployed have 0 annual earnings. Standard errors are clustered at the state level.

Appendix E Additional Employment Evidence using CPS Data

E.1 Cross-Industry Design

We report the employment effects of the 1967 reform using a cross-industry design in Table E1 below. We run the cross-industry design described in section 4.1 at the industry × state × year level.[108] Our outcome of interest is the log number of workers in each industry × state × year cell. The table shows there is no detectable effect of the reform on employment (column (1)). This result is robust to the inclusion of state fixed effects (column (2)), and state-by-year fixed effects (column (3)). Overall, these findings are in line with the evidence presented in the main text of the paper using cross-state designs at the individual level and our bunching methodology. Using our cross-industry design at the aggregate level, we are able to rule out labor demand elasticities greater than -0.29.

[108] It is not possible to run our cross-industry design at the individual level as the industry of an unemployed person is not known.

Table E1: Main effects of 1966 FLSA on employment using a cross-industry design (CPS), industry × state × year level

	Cross-industry design		
Model	(1)	(2)	(3)
Covered in 1967 × 1967-1972			
Earnings	0.078**	0.073**	0.074**
	(0.031)	(0.033)	(0.033)
Employment	-0.003	-0.005	-0.005
	(0.007)	(0.007)	(0.007)
Emp. elasticity	-0.04	-0.06	-0.06
se	(0.11)	(0.12)	(0.11)
lower bound	-0.26	-0.29	-0.29
upper bound	0.17	0.17	0.16
Industry-by-State-Year Obs	6,090	6,090	6,090
Has Controls	Y	Y	Y
Has Time FE	Y	Y	Y
Has Industry FE	Y	Y	Y
Has State FE	N	Y	N
Has State-by-year FE	N	N	Y

Source: March CPS 1962-1981.

Sample: Adults 25-55, black or white.

Notes: For regression on earnings, the outcome is the log of annual earnings. For regression on employment, the outcome is the log of number of workers employed. In both cases, outcomes are calculated at the industry × state-group × year level. Controls for the employment regression include: share of men, share of white workers, share of married persons, average years of schooling within state and industry. Controls for the earnings regression include: controls for the employment regression, and share of full-time full-year workers.

E.2 Cross-State Designs

E.2.1 Definition of Treatment

Baseline cross-state design: strongly vs. weakly treated states. A state is strongly treated if it had no minimum wage law applying to men or women as of January 1966, as reported in the Report of the Minimum Wage Study Commission (1981) and the Department of Labor Handbook on Women Workers (1965). A state-group is strongly treated if the states making up the state-group had no minimum wage law for more than 50% of the population in the state-group.

The strongly treated state groups are the following ones: Florida, Illinois, Texas, Alabama-Mississippi, North Carolina-South Carolina-Georgia, Kentucky-Tennessee, Iowa-North Dakota-South Dakota-Nebraska-Kansas-Minnesota-Missouri, Delaware-Maryland-Virginia-West Virginia, Arkansas-Louisiana-Oklahoma (see Figure 7). The share of workers working at or below the 1967 federal minimum wage pre-reform (i.e. in 1966) is twice as large in the strongly treated states (11.2%) as in the weakly treated states (5.7%).

We also show that, as expected, the earnings effect measured using our main cross-industry design is higher among the newly covered industries (6.7%) than in the control industries (3%) (see Appendix Table E2). Consistent with our cross-industry design, the earnings effect is also much higher for black workers (12.3%) than for white (2.5%) and concentrated among low-education workers (14.8% vs. 2.2%).

Table E2: Wage effect in treated and control industries, by race and education level, using the baseline cross-state design

	All	Treated	Control	Black	White	Low-educ.	High-educ
Strongly treated states × 1967-1972	0.040***	0.067**	0.030***	0.123***	0.025***	0.144***	0.022**
	(0.010)	(0.024)	(0.007)	(0.025)	(0.008)	(0.033)	(0.010)
Observations	534,977	134,896	272,896	51,666	483,311	23,793	361,895
Controls	Y	Y	Y	Y	Y	Y	Y
Time FE	Y	Y	Y	Y	Y	Y	Y
State FE	Y	Y	Y	Y	Y	Y	Y

Source: March CPS 1962-1981.Sample: Adults 25-55, black or white, worked more than 13 weeks last year and 3 hours last week, not self-employed, not in group quarters, not unpaid family worker, no missing industry or occupation code. Notes: Controls for years of schooling, a cubic in experience, full-time/part-time status, number of weeks and hours worked, occupation and marital status. Standard errors are clustered at the state level.

Alternative cross-state design #1: Kaitz index at the state level in 1966. In order to see how the effects of the 1967 reform varied with a more precise definition of the *intensity* of the treatment, we developed an alternative cross-state design that uses the state-level Kaitz Index in 1966 as the treatment variable. As described in the main text, the Kaitz index is a weighted minimum-to-median-wage ratio that takes state-, demographic- and industry-specific minimum wages and composition of the workforce (e.g., each worker's state, demographic group, and industry) into account. We note that the economy-wide Kaitz Index that takes into account state minimum wage laws exhibits a jump in 1967 (see figure E1).

The Kaitz Index at the state level is defined here as:

$$\text{Kaitz Index}_{s1966} = \sum_{j} \frac{N_{sj1966}}{N_{s1966}} * \frac{\text{min.wage}_{sj1966}}{\text{median wage economy}_{1966}} \tag{12}$$

with N_{sj1966} the number of workers working full-time and full-year in our sample by industry type j (i.e. either industries covered in 1938 or industries covered in 1967) in state s, N_{s1966} the number of workers working full-time full-year in all industries in 1966 in state s, min.wage_{sj1966} the minimum wage law that applies at the state level in industry type j (i.e., taking into account all the differences in minimum wage legislation at the industry $\times$ state $\times$ gender level) in 1966, and $\text{median wage economy}_{1966}$ the economy-wide median wage for full-time, full-year workers in our sample.

We provide the values of this state level Kaitz index in Appendix Table E3.

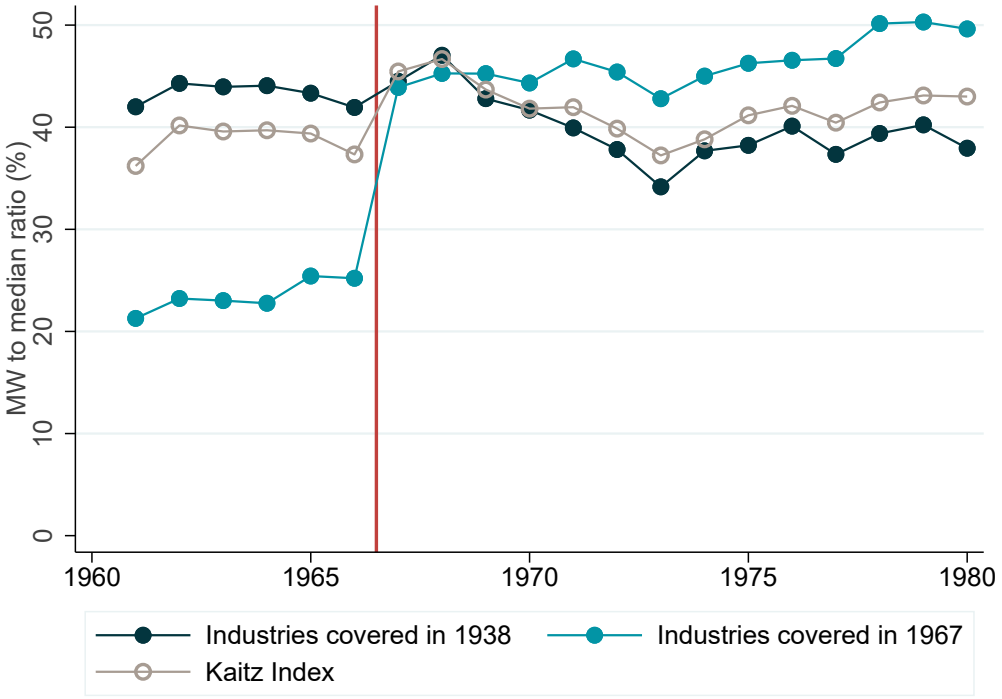
Alternative cross-state design #2: Share of workers with wages below $1.60 in 1966. Another way to capture the state-level variations in the intensity of the 1967 reform is to take the fraction of affected workers as a treatment variable. We use here the share of workers with wages below $1.60 in 1966, as in Bailey et al. (2020).[109]

E.2.2 Wage and Employment Effects using Cross-State Designs by Gender, Education Level, and Cohort

Results on wage and employment effects by gender, education level and cohort using our main cross-state designs are reported in Appendix Table E4 and Figures E3a, E2b and E3b below. In particular, employment elasticities with respect to average wage are either slightly positive or negative, but are not distinguishable from 0 across any of the subgroups considered (except a slight positive employment elasticity for low-education workers when the outcome

[109] See their Table 1 p.26.

Figure E1: Minimum wage to median ratio using state minimum wage laws



Source: March CPS 1962-1981 for median wages.
Sample: Adults 25-55, black or white, worked more than 13 weeks last year and 3 hours last week, not self-employed, not in group quarters, not unpaid family worker, no missing industry or occupation code.
Notes: This figure depicts the minimum-to-median-wage ratio for full-time (40 hours a week) and full-year (52 weeks per year) workers, taking state minimum wage legislation into account. The medians are calculated separately for the industries covered in 1938 and the industries covered in 1967. The Kaitz Index is defined here as: Kaitz Index$_y = \sum_j \frac{N_{yj}}{N_y} * \frac{\text{min.wage}_{yj}}{\text{median wage economy}}$, with N_{yj} as the number of full-time, full-year workers in our sample by industry type j (i.e. either industries covered in 1938 or industries covered in 1967), N_y as the number of full-time, full-year workers in all industries in each year y, min.wage$_{yj}$ as the minimum wage law that applies at the state level in industry type j (i.e., taking into account all differences in minimum wage legislation at the industry $\times$ state $\times$ gender $\times$ month level), in each year y, and the "median wage economy" as the economy-wide median wage for full-time, full-year workers in our sample.

is measured as the probability of being employed vs. unemployed or not in the labor force, as noted in Section 5.1 in the main text).

Our results using the alternative cross-state designs, using the 1966 state-level Kaitz Index measure and the share of workers with wages below $1.60 in 1966 are reported in Tables E5 and E6 respectively. The pattern of the results across subgroups is consistent with our main

Table E3: Values of state-level Kaitz index in 1966 (percent)

District of Columbia	15.24	South
Washington-Oregon-Alaska-Hawaii	26.17	West
Delaware-Maryland-Virginia-West Virginia	29.04	South
Montana-Wyoming-Colorado-New Mexico-Utah-Nevada-Arizona-Idaho	29.99	West
California	30.31	West
Illinois	30.98	Midwest
Ohio	31.74	Midwest
Iowa-N Dakota-S Dakota-Nebraska-Kansas-Minnesota-Missouri	33.46	Midwest
Texas	33.58	South
New Jersey	33.82	Northeast
Florida	35.64	South
Michigan-Wisconsin	35.65	Midwest
Pennsylvania	35.71	Northeast
New York	35.82	Northeast
Indiana	37.38	Midwest
Connecticut	37.42	Northeast
Arkansas-Louisiana-Oklahoma	39.19	South
Maine-Massachusetts-New Hampshire-Rhode Island-Vermont	39.29	Northeast
Kentucky-Tennessee	41.83	South
North Carolina-South Carolina-Georgia	43.42	South
Alabama-Mississippi	46.46	South

Source: Authors' analysis of March CPS 1962-1980.
Notes: See definition of the 1966 Kaitz Index in equation 12.

cross-state design. The cross-state design comparing the strongly treated states vs. weakly treated states is therefore robust to alternative specifications.

Table E4: Effect of the 1966 FLSA using strongly vs. weakly treated states

	All	Black	White	Men	Women	Low-educ.	High-educ
Strongly treated states × 1967-1972							
Earnings	0.040***	0.123***	0.025***	0.041***	0.038***	0.050***	0.024**
	(0.010)	(0.025)	(0.008)	(0.010)	(0.011)	(0.015)	(0.011)
Emp. (vs. unemp.)	-0.001	-0.012	-0.001	-0.002	0.001	-0.003	0.001
	(0.002)	(0.009)	(0.002)	(0.003)	(0.003)	(0.004)	(0.002)
Emp. (vs. unemp/nilf)	0.002	0.007	0.003	-0.000	0.004	0.013**	-0.000
	(0.004)	(0.011)	(0.005)	(0.003)	(0.008)	(0.006)	(0.006)
Annual Hours	0.006	-0.000	0.006	0.003	0.014	0.001	0.000
	(0.006)	(0.013)	(0.006)	(0.005)	(0.009)	(0.009)	(0.006)
Obs	534,885	51,658	483,227	336,047	198,838	143,997	548,135
Controls	Y	Y	Y	Y	Y	Y	Y
Time FE	Y	Y	Y	Y	Y	Y	Y
State FE	Y	Y	Y	Y	Y	Y	Y
Emp. (vs. unemp.) elasticity	-0.03	-0.10	-0.04	-0.05	0.02	-0.07	0.05
se	(0.06)	(0.07)	(0.10)	(0.08)	(0.08)	(0.07)	(0.10)
lower bound	-0.16	-0.24	-0.24	-0.20	-0.14	-0.21	-0.14
upper bound	0.09	0.04	0.16	0.10	0.18	0.07	0.25
Emp. (vs.unemp/nilf) elast.	0.06	0.09	0.15	-0.00	0.24	0.39	-0.00
se	(0.16)	(0.13)	(0.26)	(0.09)	(0.48)	(0.20)	(0.34)
lower bound	-0.25	-0.17	-0.37	-0.18	-0.69	0.00	-0.67
upper bound	0.38	0.34	0.66	0.17	1.17	0.77	0.66
Annual Hours elasticity	0.15	-0.00	0.26	0.07	0.36	0.03	0.30
se	(0.16)	(0.11)	(0.28)	(0.12)	(0.29)	(0.17)	(0.33)
lower bound	-0.16	-0.21	-0.29	-0.15	-0.22	-0.31	-0.35
upper bound	0.45	0.21	0.81	0.30	0.94	0.37	0.94

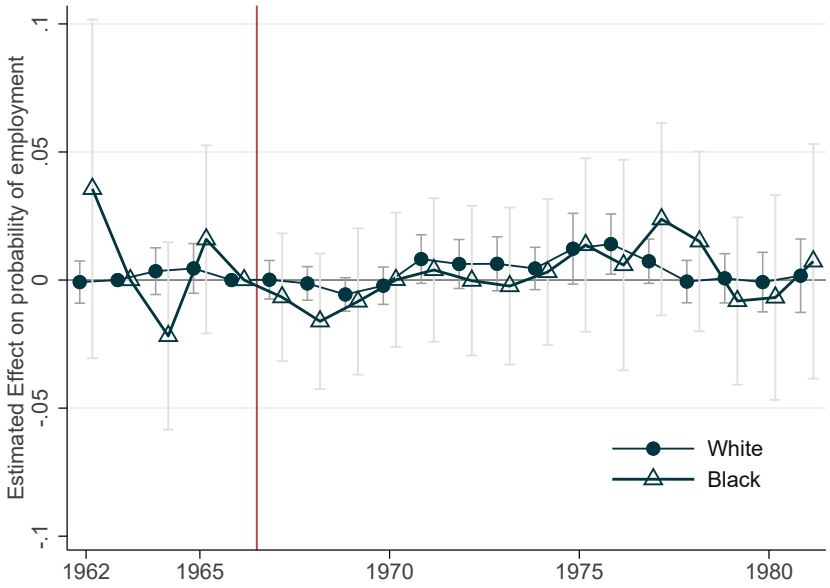
Sources: March CPS 1962-1981.

Sample: For regressions on log annual earnings and on log annual number of hours worked per year regressions: adults 25-55, black or white, worked more than 13 weeks last year and 3 hours last week, not self-employed, not in group quarters, not unpaid family worker, no missing industry or occupation code. For regressions on employment (measured as probability of being employed vs. unemployed or vs. unemployed or not in the labor force): adults 25-55, black or white, either employed, unemployed or not in the labor force.

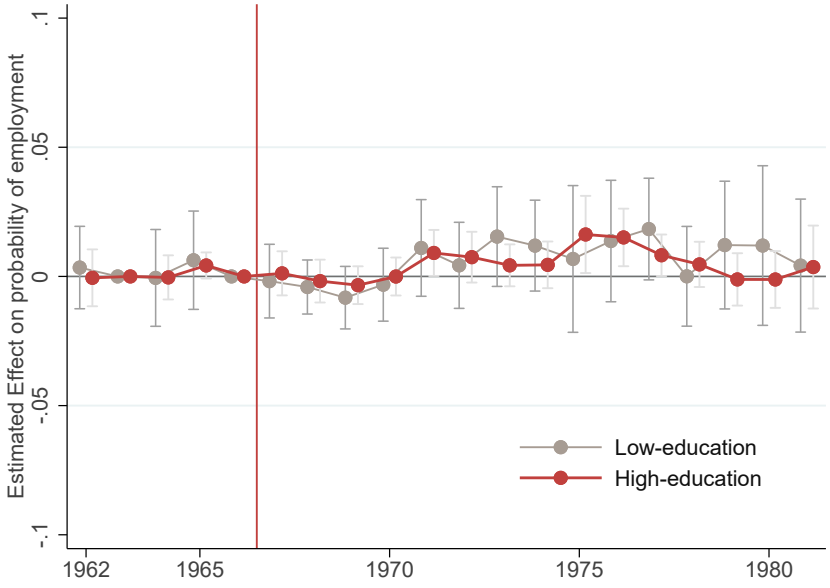
Notes: This table reports the coefficient on the interaction between the period 1967-72 and strongly treated states. Controls for earnings regression are gender, race, years of schooling, a cubic in experience, full-time/part-time status, number of weeks and hours worked, occupation and marital status. Controls for employment regressions are gender, race, years of schooling, a quadratic in age and marital status. Controls for regressions on log annual hours are gender, race, years of schooling, a cubic in experience, occupation and marital status. Standard errors are clustered at the state level. Low-education: 11 years of schooling or less. High-education: more than 11 years of schooling.

Figure E2: Impact of the 1966 FLSA on employment across subgroups (1/2)

(a) Black vs. white workers



(b) Low-education vs. high-education



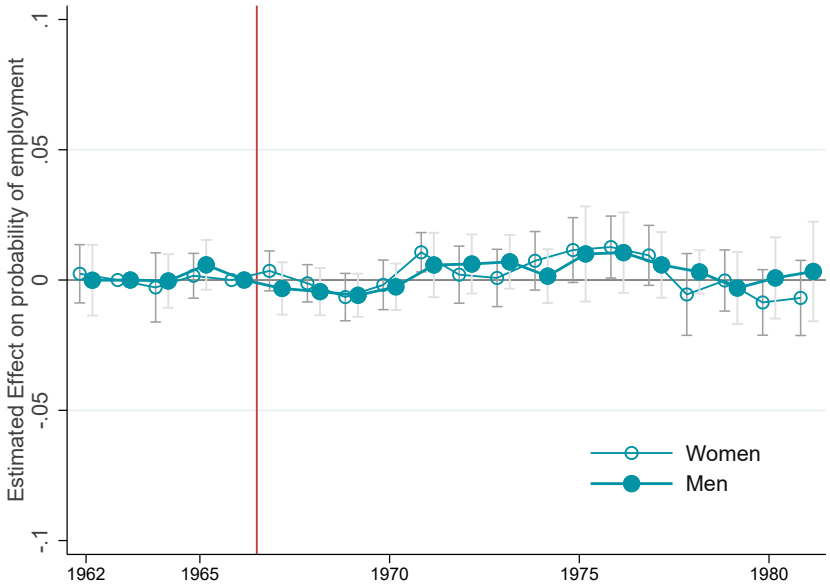
Source: CPS 1962-1981.

Sample: Adults 25-55, black or white, either employed or unemployed.

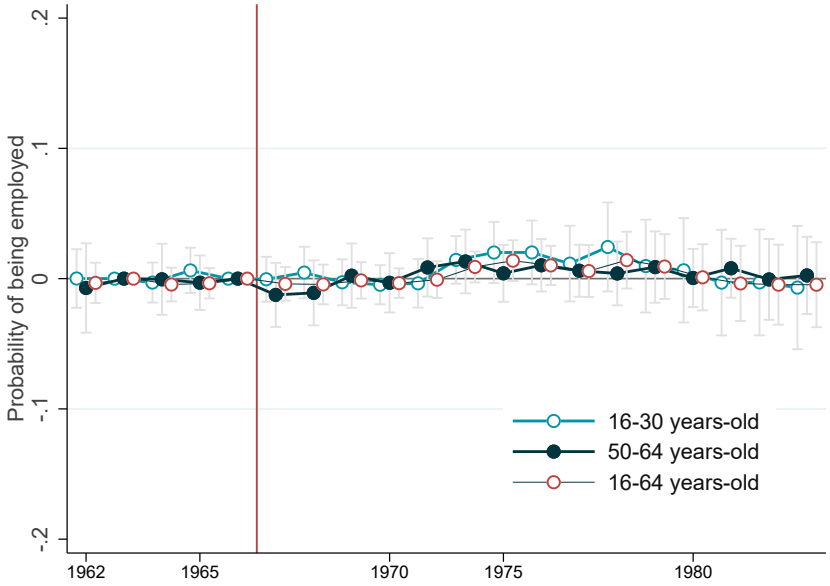
Notes: The outcome of interest is the probability of being employed vs. unemployed. Controls for gender, race (panel (b) only), years of schooling, a quadratic in age and marital status. Employment effects measured relative to the year 1966. Includes state and time fixed effects. Standard errors are clustered at the state level. Low-education: 11 years of schooling or less. High-education: more than 11 years of schooling.

Figure E3: Impact of the 1966 FLSA on employment across subgroups (2/2)

(a) By gender



(b) By cohort



Source: CPS 1962-1981.

Sample: Adults 25-55, black or white, either employed or unemployed.

Notes: The outcome of interest is the probability of being employed vs. unemployed. Controls for gender, race (panel (b) only), years of schooling, a quadratic in age and marital status. Employment effects measured relative to the year 1966. Includes state and time fixed effects. Standard errors are clustered at the state level. Low-education: 11 years of schooling or less. High-education: more than 11 years of schooling.

Table E5: Effect of 1966 FLSA using the 1966 Kaitz index

	All	Black	White	Men	Women	Low-educ.	High-educ
1966 Kaitz Index × 1967-1972							
Earnings	0.014***	0.051***	0.006	0.014**	0.013***	0.030***	0.000
	(0.005)	(0.013)	(0.004)	(0.005)	(0.004)	(0.005)	(0.005)
Emp. (vs. unemp.)	-0.001	-0.008*	-0.000	-0.001	-0.002*	-0.003**	0.001
	(0.001)	(0.004)	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)
Emp. (vs. unemp/nilf)	0.001	-0.003	0.002	0.000	0.001	0.004	0.001
	(0.002)	(0.005)	(0.002)	(0.002)	(0.003)	(0.003)	(0.003)
Annual Hours	0.000	-0.003	0.001	0.000	0.002	0.003	-0.002
	(0.003)	(0.010)	(0.003)	(0.002)	(0.005)	(0.005)	(0.003)
Obs	534,885	51,658	483,227	336,047	198,838	143,997	389,378
Controls	Y	Y	Y	Y	Y	Y	Y
Time FE	Y	Y	Y	Y	Y	Y	Y
State FE	Y	Y	Y	Y	Y	Y	Y
Emp. (vs. unemp) elast.	-0.09	-0.16**	-0.09	-0.04	-0.15	-0.12	n.a.
se	(0.07)	(0.08)	(0.19)	(0.09)	(0.08)	(0.05)	n.a.
lower bound	-0.24	-0.31	-0.47	-0.21	-0.31	-0.21	n.a.
upper bound	0.06	-0.01	0.29	0.13	0.01	-0.02	n.a.
Emp. (vs. unemp/nilf) elast.	0.09	-0.09	0.44	0.03	0.23	0.21	n.a.
se	(0.23)	(0.14)	(0.59)	(0.12)	(0.56)	(0.14)	n.a.
lower bound	-0.36	-0.37	-0.72	-0.20	-0.87	-0.07	n.a.
upper bound	0.54	0.19	1.61	0.26	1.34	0.49	n.a.
Annual Hours elasticity	0.02	-0.06	0.21	0.02	0.15	0.09	n.a.
se	(0.24)	(0.20)	(0.64)	(0.16)	(0.39)	(0.17)	n.a.
lower bound	-0.45	-0.44	-1.05	-0.30	-0.62	-0.24	n.a.
upper bound	0.50	0.33	1.48	0.34	0.91	0.42	n.a.

Sources: March CPS 1962-1981.

Sample: For regressions on log annual earnings and on log annual number of hours worked per year regressions: adults 25-55, black or white, worked more than 13 weeks last year and 3 hours last week, not self-employed, not in group quarters, not unpaid family worker, no missing industry or occupation code. For regressions on employment (measured as probability of being employed vs. unemployed or vs. unemployed or not in the labor force): adults 25-55, black or white, either employed, unemployed or not in the labor force.

Notes: Table reports the coefficient on the interaction between the period 1967-72 and the 1966 Kaitz index. Effects on earnings, employment and hours measured as the effect of one standard deviation increase in the treatment variable. The mean is 0.35, the standard deviation is 0.048. Controls for earnings regression are gender, race, years of schooling, a cubic in experience, full-time/part-time status, number of weeks and hours worked, occupation and marital status. Controls for employment regressions are gender, race, years of schooling, age, age square and marital status. Controls for regressions on log annual hours are gender, race, years of schooling, a cubic in experience, occupation and marital status. Standard errors are clustered at the state level. Low-education: 11 years of schooling or less. High-education: more than 11 years of schooling.

Table E6: Effect of 1966 FLSA using share of workers below $1.60 in 1966

	All	Black	White	Men	Women	Low-educ.	High-educ
Share wages below $1.60 × 1967-1972							
Earnings	0.022***	0.064***	0.012***	0.023***	0.020***	0.037***	0.008
	(0.004)	(0.012)	(0.004)	(0.004)	(0.005)	(0.004)	(0.006)
Emp. (vs. unemp.)	-0.001	-0.010**	0.000	-0.000	-0.001	-0.002*	0.001
	(0.001)	(0.004)	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)
Emp. (vs. unemp/nilf)	0.001	-0.004	0.003	0.000	0.002	0.005	0.001
	(0.002)	(0.005)	(0.002)	(0.002)	(0.004)	(0.003)	(0.003)
Annual Hours	-0.000	-0.011	0.001	-0.001	0.002	-0.001	-0.002
	(0.002)	(0.007)	(0.002)	(0.002)	(0.004)	(0.004)	(0.003)
Obs	534,885	51,658	483,227	336,047	198,838	143,997	389,378
Controls	Y	Y	Y	Y	Y	Y	Y
Time FE	Y	Y	Y	Y	Y	Y	Y
State FE	Y	Y	Y	Y	Y	Y	Y
Emp. (vs. unemp) elasticity	-0.03	-0.17**	0.01	-0.01	-0.05	-0.07	0.17
se	(0.05)	(0.06)	(0.10)	(0.06)	(0.07)	(0.03)	(0.21)
lower bound	-0.13	-0.28	-0.19	-0.13	-0.20	-0.14	-0.24
upper bound	0.08	-0.06	0.21	0.11	0.09	-0.00	0.58
Emp. (vs. unemp/nilf) elast.	0.06	-0.08	0.30	0.00	0.24	0.22	0.10
se	(0.16)	(0.11)	(0.30)	(0.08)	(0.40)	(0.14)	(0.48)
lower bound	-0.24	-0.31	-0.29	-0.15	-0.54	-0.05	-0.84
upper bound	0.37	0.14	0.88	0.16	1.02	0.50	1.05
Annual Hours elasticity	-0.01	-0.17	0.05	-0.04	0.09	-0.01	-0.24
se	(0.11)	(0.13)	(0.18)	(0.08)	(0.23)	(0.11)	(0.44)
lower bound	-0.22	-0.43	-0.30	-0.19	-0.36	-0.23	-1.10
upper bound	0.20	0.10	0.41	0.11	0.53	0.20	0.62

Sources: March CPS 1962-1981.

Sample: For regressions on log annual earnings and on log annual number of hours worked per year regressions: adults 25-55, black or white, worked more than 13 weeks last year and 3 hours last week, not self-employed, not in group quarters, not unpaid family worker, no missing industry or occupation code. For regressions on employment (measured as probability of being employed vs. unemployed or vs. unemployed or not in the labor force): adults 25-55, black or white, either employed, unemployed or not in the labor force.

Notes: Table reports the coefficient on the interaction between the period 1967-72 and the share of workers with wages below $1.60 in 1966. Effects on earnings, employment and hours measured as the effect of one standard deviation increase in the treatment variable. The mean is 0.17, the standard deviation is 0.008. Controls for earnings regression are gender, race, years of schooling, a cubic in experience, full-time/part-time status, number of weeks and hours worked, occupation and marital status. Controls for employment regressions are gender, race, years of schooling, age, quadratic and cubic in experience and marital status. Controls for regressions on log annual hours are gender, race, years of schooling, a cubic in experience, occupation and marital status. Standard errors are clustered at the state level. Low-education: 11 years of schooling or less. High-education: more than 11 years of schooling.

E.3 Heterogeneity in Employment Effects across Labor Markets using Cross-State Designs

How do the effects of the minimum wage vary across states with different initial economic conditions? We investigate geographic differences in the employment effects of the 1967 reform. We first present results on how employment effects vary depending on the initial tightness of the labor market. We then present results on employment effects by region.

Employment effects by initial tightness of the labor market. We use the 1966 unemployment rate at the state level as a proxy for the initial tightness of the labor market. Labor markets are considered tight when their 1966 unemployment rate is below the median. We digitized state-level unemployment rates from the Social Security Bulletin reports.[110]

We run the following triple difference-in-differences model at the individual-level:

$$\begin{aligned}\mathbb{1}\{\text{Emp}_{ist}\} = \alpha &+ \sum_k \gamma_k \text{Strongly}_s \times \delta_{t+k} \\ &+ \eta \text{Strongly}_s \times \mathbb{1}\{\text{Unemp. rate below median}_s\} \\ &+ \sum_k \rho_k \mathbb{1}\{\text{Unemp. rate below median}_s\} \times \delta_{t+k} \\ &+ \sum_k \beta_k \text{Strongly}_s \times \mathbb{1}\{\text{Unemp. rate below median}_s\} \times \delta_{t+k} \\ &+ \mathbb{X}'_{ist}\Gamma + \delta_k + \delta_s + \varepsilon_{ist}\end{aligned} \tag{13}$$

where $\mathbb{1}\{\text{Unemp. rate below median}_s\}$ is a dummy variable equal to 1 in states with an unemployment rate below the median in 1966.[111] We measure $\mathbb{1}\{\text{Emp}_{ist}\}$ as the probability of being employed vs. unemployed, as in Table 6.

Table E7 shows that the effect of the 1967 reform on employment in states where the labor market is not tight (i.e., states with a pre-reform unemployment rate above the median) is not statistically different from zero. However, this masks some heterogeneity across racial groups. The employment effect is not statistically different from zero for whites, but is negative for

[110] Unemployment rates in the SSA reports are measured as insured unemployment as a percent of employment covered by unemployment insurance. The SSA reports are available at https://www.hathitrust.org/. For example, the 1967 report with statistics for the year 1966 is available here: https://hdl.handle.net/2027/uc1.c060906894. The 1966 unemployment rates are available in Table 16 here: https://hdl.handle.net/2027/uc1.c060906894?urlappend=%3Bseq=712. Note that the BLS Local Area Unemployment Statistics include state-level unemployment rates back to January 1976, but BLS does not publish unemployment rates at the state level for the 1960s.

[111] We alternatively constructed this dummy variable as below vs. above the 1962-1966 average unemployment rate (as opposed to the 1966 unemployment rate). This led to the same results as the states grouping is unchanged across these 2 measures of initial tightness.

African-Americans. Using our baseline cross-state design, we find that the reform lowered the probability of being employed among African-Americans by 3 percentage points in states with tight labor markets. This result is robust across our two cross-state designs. The reform had a positive effect (although not statistically significant) in states with tight labor markets (i.e., states with a pre-reform unemployment rate below the median).

We obtain identical results when defining initial labor market tightness using the 1962-1966 average unemployment rate as opposed to the 1966 unemployment only.

Table E7: Main effects of 1966 FLSA on employment conditional on a state being below vs. above the median 1966 unemployment rate

	Baseline cross-state design Strongly vs. weakly treated states			**Alternative design #1** Kaitz index			**Alternative design #2** Fraction of affected workers		
	All	Black	White	All	Black	White	All	Black	White
Treatment var. × 1967-1972									
Among above median states	-0.003	-0.030***	0.001	-0.001	-0.011**	-0.000	-0.001	-0.007**	0.000
	(0.005)	(0.008)	(0.006)	(0.002)	(0.005)	(0.002)	(0.002)	(0.003)	(0.002)
Below median × 1967-1972									
	-0.003	0.014	-0.005	-0.002	0.006	-0.004	-0.002	0.010	-0.004
	(0.004)	(0.019)	(0.004)	(0.003)	(0.009)	(0.003)	(0.002)	(0.008)	(0.003)
Treatment var. × 1967-72									
× Below median	0.004	0.015	0.001	-0.002	0.006	-0.001	0.000	-0.009	0.000
	(0.006)	(0.022)	(0.007)	(0.002)	(0.007)	(0.002)	(0.002)	(0.010)	(0.003)
Obs	693,449	65,939	627,510	693,449	65,939	627,510	693,449	65,939	627,510
Controls	Y	Y	Y	Y	Y	Y	Y	Y	Y
Time FE	Y	Y	Y	Y	Y	Y	Y	Y	Y
State FE	Y	Y	Y	Y	Y	Y	Y	Y	Y

Source: CPS 1962-1981. Social Security Bulletins for unemployment rates at the state-level.

Sample: Adults 25-55, black or white, employed or unemployed.

Notes: The three treatment variables used are respectively: strongly treated state vs. weakly treated state, the Kaitz index in 1966 at the state level and the share of workers working below $1.60 in 1966. Further details are provided in Appendix E.2. The effect on employment and earnings using the two alternative designs is the effect of one standard deviation increase in the treatment variable. For the design using the 1966 Kaitz index, the mean is 0.35, the standard deviation is 0.048 in both the employment and the earnings samples. For the design using the fraction of affected workers, the mean is 0.17, the standard deviation is 0.08 in both the employment and the earnings samples. Controls for employment regressions are gender, race, years of schooling, age, age square and marital status. The coefficient on the double interaction Treatment var$_s$ × $\mathbb{1}\{$Unemp. rate below median$_{st}\}$ is not reported in this table, as it is collinear with state fixed effects – and therefore is dropped from the regression.

Employment effects by region. We are interested in whether the employment effect varies across regions. In particular, we want to know whether employment effects were more pronounced in the South, where the bite of the reform was likely greater. We run the same regression as above (with the dummy $\mathbb{1}\{\text{South}\}$ used instead of $\mathbb{1}\{\text{Unemp. rate below median}_{st}\}$).

Table E8 shows that there is no statistically significant effect of the reform on employment in states that are strongly treated relative to weakly treated states in all states that are not in the South (row 1).[112]

The positive coefficients on the double interaction $\mathbb{1}\{\text{South}\} \times$ 1967-72 (row 2, columns "All") may reflect the fact that Southern states were booming relative to Northern states. The negative coefficient on this same double interaction for Black persons indicate that Black persons in weakly treated states in the South[113] had worse employment outcomes in 1967-72 than Black persons in weakly treated states not located in the South. However, this result is not robust to our alternative cross-state designs and appears to be, in any case, small. Finally, and most interestingly, we are not able to detect any statistically negative employment effects associated with the 1967 reform in the South in any of our cross-state designs (row 3), except for Black persons in our alternative design #2.

Overall, we conclude that—if anything—the employment effects of the reform may be heterogenous across space, with more adverse effects on Black persons in the South. However, this result is not robust across our cross-state designs. We believe this triple difference-in-difference strategy is too demanding for our data as we only have 21 state-groups, and the majority of the strongly treated states are in the South. The heterogeneity of the employment effects across region is best analyzed using our bunching methodology (see section 5.2).

[112] Row 1 in Table E8 effectively compares employment outcomes in two strongly treated state groups (i) Illinois and ii) Iowa-North Dakota-South Dakota-Nebraska-Kansas-Minnesota-Missouri with employment outcomes in all other state-groups that are not in the South.

[113] i.e. District of Columbia and Arkansas-Louisiana-Oklahoma.

Table E8: Main effects of 1966 FLSA on employment conditional on a state being in the South vs. not

	Baseline cross-state design Strongly vs. weakly treated states			**Alternative design #1** Kaitz index			**Alternative design #2** Fraction of affected workers		
	All	Black	White	All	Black	White	All	Black	White
Treatment var. × 1967-1972	-0.003	-0.003	-0.003	-0.001	0.013	-0.002	-0.003	0.010	-0.002
Among states not in the South	(0.002)	(0.008)	(0.002)	(0.002)	(0.014)	(0.002)	(0.003)	(0.011)	(0.002)
South × 1967-1972	0.004*	-0.016*	0.004	0.003	-0.015	0.002	0.007**	-0.007	0.003
	(0.002)	(0.009)	(0.003)	(0.002)	(0.011)	(0.003)	(0.003)	(0.014)	(0.004)
Treatment var. × 1967-72	-0.002	0.002	-0.001	-0.001	-0.023	0.001	-0.002	-0.031**	0.001
× South	(0.003)	(0.012)	(0.004)	(0.002)	(0.015)	(0.002)	(0.003)	(0.013)	(0.003)
Obs	692,381	65,748	626,633	692,381	65,748	626,633	692,381	65,748	626,633
Controls	Y	Y	Y	Y	Y	Y	Y	Y	Y
Time FE	Y	Y	Y	Y	Y	Y	Y	Y	Y
State FE	Y	Y	Y	Y	Y	Y	Y	Y	Y

Source: CPS 1962-1981.

Sample: Adults 25-55, black or white, employed or unemployed.

Notes: The three treatment variables used are respectively: strongly treated state vs. weakly treated state, the Kaitz index in 1966 at the state level and the share of workers working below $1.60 in 1966. Further details are provided in Appendix E.2. The effect on employment and earnings using the two alternative designs is the effect of one standard deviation increase in the treatment variable. For the design using the 1966 Kaitz index, the mean is 0.35, the standard deviation is 0.048 in both the employment and the earnings samples. For the design using the fraction of affected workers, the mean is 0.17, the standard deviation is 0.08 in both the employment and the earnings samples. Controls for employment regressions are gender, race, years of schooling, age, age square and marital status. The coefficient on the double interaction Treatment var$_s \times \mathbb{1}\{\text{South}_{st}\}$ is not reported in this table, as it is collinear with state fixed effects – and therefore is dropped from the regression.

E.4 Estimating the white-black elasticity of substitution

The elasticity of substitution between white and black workers can be written as:

$$\sigma = -\frac{d\log(L_W/L_B)}{d\log(W_W/W_B)} = \frac{d\log(L_W/L_B)}{d\log(W_B/W_L)} = -\Delta(\frac{L_W}{L_B}) \times \frac{L_B}{L_W} \times \frac{1}{d\log(W_W/W_B)}$$

It captures the response of the relative shares of white and black workers (denoted $d\log(L_W/L_B)$) to a change in the relative annual earnings of white and black workers (denoted $d\log(W_W/W_B)$) following the 1967 minimum wage reform. We present estimates of this elasticity in Table E9, using two measures of the evolution of the relative shares of white and black workers.

First measure of white/black shares. First, employers may change the composition of their workforce and employ relatively more white workers than black workers following the introduction of the 1967 minimum wage. This effect is captured by an employment regression that has the white share workers as the outcome variable. More specifically, we run the following regression, separately for all workers, men and women:

$$\mathbb{1}\{\text{White worker}_{ist}\} = \alpha + \delta_k + \sum_k \beta_k \text{Strongly}_s \times \delta_{t+k} + \mathbb{X}'_{ist}\Gamma + \delta_s + \varepsilon_{ist} \tag{14}$$

where $\mathbb{1}\{\text{White worker}_{ist}\}$ is a dummy variable taking the value of 1 if the worker is White and 0 if the worker is African-American. In this case, $\hat{\beta}_k = \Delta(L_W/L_B)$ and $\hat{\omega}_k = \log(W_W/W_B)$ (see earnings regression below), so for k = 1967-72, we estimate σ to be

$$\hat{\sigma} = -\hat{\beta}_k \times s_B/s_W \times \hat{\omega}_k = -\hat{\beta}_k \times (1 - s_W)/s_W \times \hat{\omega}_k$$

s_W is the share of white workers among black and white workers over the 1967-72 period. We estimate is to be $s_W = 90.07\%$. Table E9 (column 1, row 1) shows that the share of white (vs. black) workers increased by 1pp as a result of the 1967 minimum wage reform.

Second measure of white/black shares. Second, employers may hire relatively fewer black persons who were previously unemployed or not in the labor force than white persons. This is captured by an employment regression that has the employment-population gap between black and white workers as an outcome. More specifically, we run the following regression, separately for all workers, men and women:

$$\begin{aligned}\mathbb{1}\{\text{Emp}_{ist}\} = \alpha + \delta_k + \sum_k \beta_k \text{Strongly}_s \times \delta_{t+k} \times \mathbb{1}\{\text{White}_{ist}\} + \sum_k \gamma_k \text{Strongly}_s \times \delta_{t+k} \\ + \sum_k \eta_k \text{Strongly}_s \times \mathbb{1}\{\text{White}_{ist}\} + \sum_k \rho_k \mathbb{1}\{\text{White}_{ist}\} \times \delta_{t+k} + \mathbb{X}'_{ist}\Gamma + \delta_s + \varepsilon_{ist}\end{aligned} \tag{15}$$

where $\mathbb{1}\{\text{Emp}_{ist}\}$ is a dummy variable taking the value 1 is the person is employed, and 0 if the person is unemployed or not in the labor force. We are interested here by the coefficient β_k on the triple interaction $\text{Strongly}_s \times \delta_{t+k} \times \mathbb{1}\{\text{White}_{ist}\}$. In this case, $\hat{\beta}_k = \Delta(L_W/L_B)$ and $\hat{\omega_k} = \log(W_W/W_B)$ (see earnings regression below), so for $k =$ 1967-72, we estimate σ to be

$$\hat{\sigma} = -\hat{\beta}_k \times s_B/s_W \times \hat{\omega_k} = -\hat{\beta}_k \times \text{EPOP}_B/\text{EPOP}_W \times \hat{\omega_k}.$$

EPOP_B (EPOP_W) is the employment-population ratio among black (white) workers. Over the 1967-72 period, and in our sample, $\text{EPOP}_B = 70.07\%$ and $\text{EPOP}_W = 69.18\%$.[114] Table E9 (column 1, row 2) shows that the black-white gap in the employment-population ratio narrowed by 0.7pp as a result of the 1967 minimum wage reform.

Earnings. The earnings regression we run is the following:

$$\begin{aligned}\log(W_{ist}) = \alpha + \delta_k + \sum_k \omega_k \text{Strongly}_s \times \delta_{t+k} \times \mathbb{1}\{\text{White}_{ist}\} + \sum_k \gamma_k \text{Strongly}_s \times \delta_{t+k} \\ + \sum_k \eta_k \text{Strongly}_s \times \mathbb{1}\{\text{White}_{ist}\} + \sum_k \rho_k \mathbb{1}\{\text{White}_{ist}\} \times \delta_{t+k} + \mathbb{X}'_{ist}\Gamma + \delta_s + \varepsilon_{ist}\end{aligned} \tag{16}$$

Table E9 (column 1, row 3) shows that the black-white earnings gap declined by 8.9% as a result of the 1967 minimum wage reform (i.e. in strongly treated states relative to weakly treated states).

White-black elasticities of substitution. The white-black elasticity of substitution with respect to relative average annual earnings is very close to zero, and in the majority of cases, is not statistically different from it. This result holds in our baseline cross-state design and is robust to two alternative cross-state designs. It also holds among men and women separately. Using our first measure of labor-labor elasticity, we are able to rule out that a 1% increase in average annual earnings caused an increase in the relative share of white workers of more than 0.02% in our baseline model (and 0.05% in the alternative design using the Kaitz index by state as a measure of the bite of the minimum wage). Across all our designs, we can rule out white-black elasticities of more than 0.05 for men and 0.06 for women.

Using our second measure of labor-labor elasticity, we are able to rule out that a 1% increase in average annual earnings caused an increase in the white-black gap in employment-population ratios of more than 0.34% in our baseline model. Across all our designs, we can rule out white-black elasticities of more than 0.39 for men and 0.66 for women.

[114] For men only: over 1967-72, $\text{EPOP}_B = 70.07\%$ and $\text{EPOP}_W = 69.18\%$.

Table E9: Main effects of 1966 FLSA on white-black elasticity of substitution

	Baseline cross-state design Strongly vs. weakly treated states			**Alternative design #1** Kaitz index			**Alternative design #2** Fraction of affected workers		
	All	Men	Women	All	Men	Women	All	Men	Women
Treatment var. × 1967-1972									
Relative W/B shares of workers	0.010**	0.010*	0.011*	0.006*	0.006*	0.006	0.005***	0.006***	0.005
	(0.004)	(0.005)	(0.006)	(0.003)	(0.003)	(0.004)	(0.002)	(0.002)	(0.003)
	662,539	410,128	252,411	662,539	410,128	252,411	662,539	410,128	252,411
Relative W/B epop gap	-0.007	-0.009	-0.008	0.004	-0.000	0.009*	0.005	0.003	0.007
	(0.011)	(0.015)	(0.019)	(0.004)	(0.007)	(0.005)	(0.004)	(0.005)	(0.007)
	944,981	449,200	495,781	944,981	449,200	495,781	944,981	449,200	495,781
Relative W/B earnings	-0.089***	-0.091***	-0.092***	-0.030***	-0.032***	-0.029**	-0.038***	-0.043***	-0.033***
	(0.026)	(0.032)	(0.026)	(0.009)	(0.009)	(0.012)	(0.010)	(0.011)	(0.010)
	534,977	336,099	198,878	534,977	336,099	198,878	534,977	336,099	198,878
L-L elast. (emp. shares)	0.01	0.01	0.01	0.02	0.02	0.03	0.02	0.01	0.02
se	(0.01)	(0.01)	(0.01)	(0.02)	(0.01)	(0.02)	(0.01)	(0.01)	(0.01)
lower bound	0.00	0.00	-0.00	-0.01	-0.01	-0.01	0.00	0.00	-0.01
upper bound	0.02	0.02	0.03	0.05	0.05	0.06	0.03	0.02	0.04
L-L elast. (epop gap)	0.10	0.08	0.18	-0.06	0.01	-0.21	-0.08	-0.05	-0.07
se	(0.12)	(0.16)	(0.25)	(0.14)	(0.19)	(0.17)	(0.11)	(0.12)	(0.24)
lower bound	-0.14	-0.23	-0.30	-0.33	-0.37	-0.54	-0.29	-0.28	-0.54
upper bound	0.34	0.38	0.66	0.22	0.39	0.11	0.14	0.18	0.40

Source: CPS 1962-1981.

Sample: For regressions on (i) share of whites among all workers and (ii) probability of being employed vs. unemployed or nor in the labor force (in order to look at white-black gap in employment-population ratio): Adults 25-55, black or white, employed, unemployed ((ii) only) or not in the labor force ((ii) only). For regression on log annual earnings: Adults 25-55, black or white, worked more than 13 weeks last year and 3 hours last week, not self-employed, not in group quarters, not unpaid family worker, no missing industry or occupation code.

Notes: see notes of Table 6.

E.5 Statistics on occupational segregation

Table E10 provides descriptive evidence on occupational segregation using the decennial 1960-1980 US Censuses. Occupational segregation remained high in both treated and control industries over this period. Historical studies reference the separation—particularly in the service and retail industries—of white and black workers into customer-facing "front-of-the-house" vs. less desirable "back-of-the-house" jobs. A canonical example from the restaurant industry is waiting tables vs. cooking or bussing dishes.

Table E10 indicates that black workers made up 14% of treated industries but only 8% of waiters and waitresses in 1960 (5% in 1980), while making up 27% of cooks in 1960 (21% in 1980).

Table E11 provides descriptive statistics on workers' occupations in the treatment and control groups, and across racial groups. This table supplements descriptive statistics presented in Table 1, that was using CPS files instead of Census files.[115]

[115]Census data have more detailed occupation codes than March CPS 1962-1967.

Table E10: Occupational segregation, 1960-1980

	Census 1960				Census 1970				Census 1980			
	Control		Treatment		Control		Treatment		Control		Treatment	
	White	Black	White	Black	White	Black	White	Black	White	Black	White	Black
Operatives	0.91	0.09	0.67	0.33	0.87	0.13	0.70	0.30	0.85	0.15	0.80	0.20
Operative and kindred workers (n.e.c.)	0.91	0.09	0.77	0.23	0.87	0.13	0.75	0.25	0.84	0.16	0.81	0.19
Drivers & deliverymen	0.89	0.11	0.79	0.21	0.87	0.13	0.84	0.16	0.86	0.14	0.86	0.14
Laundry and dry cleaning operatives	0.78	0.22	0.57	0.43	0.70	0.30	0.57	0.43	0.74	0.26	0.65	0.35
Other Operatives	0.92	0.08	0.90	0.10	0.89	0.11	0.87	0.13	0.88	0.12	0.84	0.16
Craftsmen	0.97	0.03	0.92	0.08	0.94	0.06	0.90	0.10	0.92	0.08	0.90	0.10
Clerical and kindred	0.98	0.02	0.95	0.05	0.95	0.05	0.92	0.08	0.91	0.09	0.89	0.11
Managers, officials and proprietors	0.99	0.01	0.97	0.03	0.99	0.01	0.95	0.05	0.97	0.03	0.93	0.07
Professional, Technical	0.99	0.01	0.93	0.07	0.98	0.02	0.91	0.09	0.95	0.05	0.91	0.09
Teachers, professors and instructors	0.99	0.01	0.91	0.09	0.94	0.06	0.91	0.09	0.93	0.07	0.91	0.09
Nurses	0.99	0.01	0.93	0.07	0.96	0.04	0.91	0.09	0.93	0.07	0.92	0.08
Other professional and technical	0.99	0.01	0.95	0.05	0.98	0.02	0.91	0.09	0.95	0.05	0.91	0.09
Sales workers	0.99	0.01	0.97	0.03	0.98	0.02	0.94	0.06	0.96	0.04	0.95	0.05
Service workers	0.45	0.55	0.58	0.42	0.66	0.34	0.67	0.33	0.78	0.22	0.80	0.20
Practical nurses and hospital attendants	0.84	0.16	0.73	0.27	0.55	0.45	0.68	0.32	0.69	0.31	0.71	0.29
Waiters and waitresses	0.63	0.37	0.92	0.08	0.68	0.32	0.94	0.06	0.84	0.16	0.95	0.05
Cooks, except private household	0.62	0.38	0.73	0.27	0.67	0.33	0.75	0.25	0.72	0.28	0.79	0.21
Janitors, porters, and cleaners	0.56	0.44	0.71	0.29	0.70	0.30	0.72	0.28	0.77	0.23	0.70	0.30
Other Service workers	0.85	0.15	0.75	0.25	0.81	0.19	0.74	0.26	0.82	0.18	0.86	0.14
Laborers and farmers	0.73	0.27	0.74	0.26	0.75	0.25	0.78	0.22	0.81	0.19	0.86	0.14
Total	0.93	0.07	0.86	0.14	0.92	0.08	0.86	0.14	0.90	0.10	0.88	0.12

Source: US Census from 1960 to 1980.

Sample: Adults 25-65, black or white, worked more than 13 weeks last year and 3 hours last week, not self-employed, not in group quarters, not unpaid family worker, no missing industry or occupation code, in either an industry covered in 1938 or in 1967 (note in particular that the retail sector –where most of sales workers work – is not in our sample). Notes: This table reports occupations as denominated in the 1950 Census Bureau occupational classification system. The occupation labelled "Drivers & deliverymen" effectively combines "taxicab drivers and chauffers" (occupation code 682), "truck and tractor drivers" (683), "bus drivers" (625), "delivery men and routemen" (632), "brakemen (railroad)" (624) and "attendants (auto service and parking)" (621). The occupation labelled "Janitors, porters, and cleaners" effectively combines "Janitors and sextons" (770), "Porters" (780), "Charwomen and cleaners" (753), "Housekeepers and stewards, except private households" (764), and "Bootblacks" (751).

Table E11: Occupation by race and treatment status, 1960-1980

	Census 1960				Census 1970				Census 1980			
	Control		Treatment		Control		Treatment		Control		Treatment	
	White	Black	White	Black	White	Black	White	Black	White	Black	White	Black
Operatives	0.34	0.49	0.05	0.14	0.31	0.50	0.03	0.08	0.25	0.42	0.03	0.04
Operative and kindred workers (n.e.c.)	0.23	0.31	0.01	0.01	0.20	0.35	0.01	0.02	0.16	0.28	0.01	0.01
Drivers & deliverymen	0.06	0.11	0.01	0.02	0.05	0.09	0.01	0.01	0.05	0.08	0.01	0.01
Laundry and dry cleaning operatives	0.00	0.00	0.02	0.10	0.00	0.01	0.01	0.05	0.00	0.00	0.01	0.02
Other Operatives	0.06	0.07	0.00	0.00	0.05	0.06	0.00	0.00	0.04	0.05	0.00	0.00
Craftsmen	0.21	0.11	0.03	0.02	0.20	0.13	0.03	0.02	0.18	0.14	0.02	0.02
Clerical and kindred	0.17	0.06	0.13	0.04	0.17	0.11	0.16	0.08	0.19	0.18	0.16	0.14
Managers, officials and proprietors	0.08	0.01	0.05	0.01	0.09	0.01	0.04	0.01	0.12	0.04	0.06	0.03
Professional, Technical	0.09	0.01	0.41	0.19	0.11	0.02	0.45	0.27	0.12	0.06	0.48	0.34
Teachers, professors and instructors	0.00	0.00	0.20	0.12	0.00	0.00	0.22	0.13	0.00	0.00	0.23	0.17
Nurses	0.00	0.00	0.05	0.03	0.00	0.00	0.06	0.04	0.00	0.00	0.07	0.04
Other professional and technical	0.08	0.01	0.15	0.05	0.11	0.02	0.18	0.10	0.12	0.06	0.18	0.13
Sales workers	0.06	0.01	0.01	0.00	0.07	0.02	0.01	0.00	0.08	0.03	0.00	0.00
Service workers	0.01	0.09	0.25	0.45	0.02	0.08	0.23	0.45	0.02	0.06	0.22	0.39
Practical nurses and hospital attendants	0.00	0.00	0.04	0.09	0.00	0.00	0.04	0.12	0.00	0.00	0.05	0.14
Waiters and waitresses	0.00	0.00	0.06	0.03	0.00	0.00	0.05	0.02	0.00	0.00	0.03	0.01
Cooks, except private household	0.00	0.00	0.04	0.08	0.00	0.00	0.03	0.07	0.00	0.00	0.03	0.06
Janitors, porters, and cleaners	0.01	0.07	0.03	0.08	0.01	0.05	0.04	0.09	0.02	0.04	0.03	0.10
Other Service workers	0.01	0.02	0.08	0.16	0.01	0.02	0.08	0.17	0.01	0.01	0.07	0.08
Laborers and farmers	0.04	0.23	0.07	0.16	0.03	0.12	0.05	0.08	0.04	0.08	0.03	0.04
Total	100	100	100	100	100	100	100	100	100	100	100	100

Source: US Census from 1960 to 1980.

Sample: Adults 25-65, black or white, worked more than 13 weeks last year and 3 hours last week, not self-employed, not in group quarters, not unpaid family worker, no missing industry or occupation code, in either an industry covered in 1938 or in 1967 (note in particular that the retail sector –where most of sales workers work – is not in our sample). Notes: This table reports occupations as denominated in the 1950 Census Bureau occupational classification system. The occupation labelled "Drivers & deliverymen" effectively combines "taxicab drivers and chauffers" (occupation code 682), "truck and tractor drivers" (683), "bus drivers" (625), "delivery men and routemen" (632), "brakemen (railroad)" (624) and "attendants (auto service and parking)" (621). The occupation labelled "Janitors, porters, and cleaners" effectively combines "Janitors and sextons" (770), "Porters" (780), "Charwomen and cleaners" (753), "Housekeepers and stewards, except private households" (764), and "Bootblacks" (751).

E.6 Comparison of CPS employment effects to Bailey et al. (2020) and broader minimum wage literature

In contemporaneous work, Bailey et al. (2020) study how the high nationwide minimum wage mandated by the 1966 FLSA affected earnings and employment, using CPS data and exploiting state-level differences in the bite of the national minimum wage due to differences in standard of living across states. The bite of the minimum wage is proxied by the share of workers below the 1968 minimum wage ($1.60) pre-reform.

The results in Bailey et al. (2020) are overall consistent with our findings. Bailey et al. (2020) note that "[they] consistently find little effect on employment in the March CPS reference week" (see p.25 in their paper). This is in line with our findings on the employment effects of the reform, both overall and by subgroups (by race, education level, age, and gender).

In their preferred specification Bailey et al. (2020), report small disemployment effects of the reform among black men. They can rule out demand elasticities lower than -0.46. To put this result in perspective, Appendix Figure E4 compares this elasticity with our own demand elasticities and those found in the literature. The lower bound of their employment elasticity for black men is comparable to our lower bound (we are able to rule out demand elasticities lower than -0.24 among black workers in our preferred specification, see middle panel of Appendix Figure E4).[116] This employment elasticity is small compared to the literature (see bottom panel of Appendix Figure E4).

The small difference between the estimates in Bailey et al. (2020) for black workers and ours is mainly due to the fact that Bailey et al. (2020) use a non-standard measure of employment. In their preferred specification, Bailey et al. (2020) focus on whether people have worked at least one week over the last year. The standard measure of employment is being employed during the reference week. When employment is defined this way, the negative effect of the reform on the employment of black workers found by Bailey et al. (2020) disappears. In our paper, we use employment during the reference week as our outcome of interest. This is the measure of employment used by the International Labor Organization (see International Labour Organization guidelines, which are in particular applied by the US Census Bureau and the US Bureau of Labor Statistics). It is also the measure of employment used in the

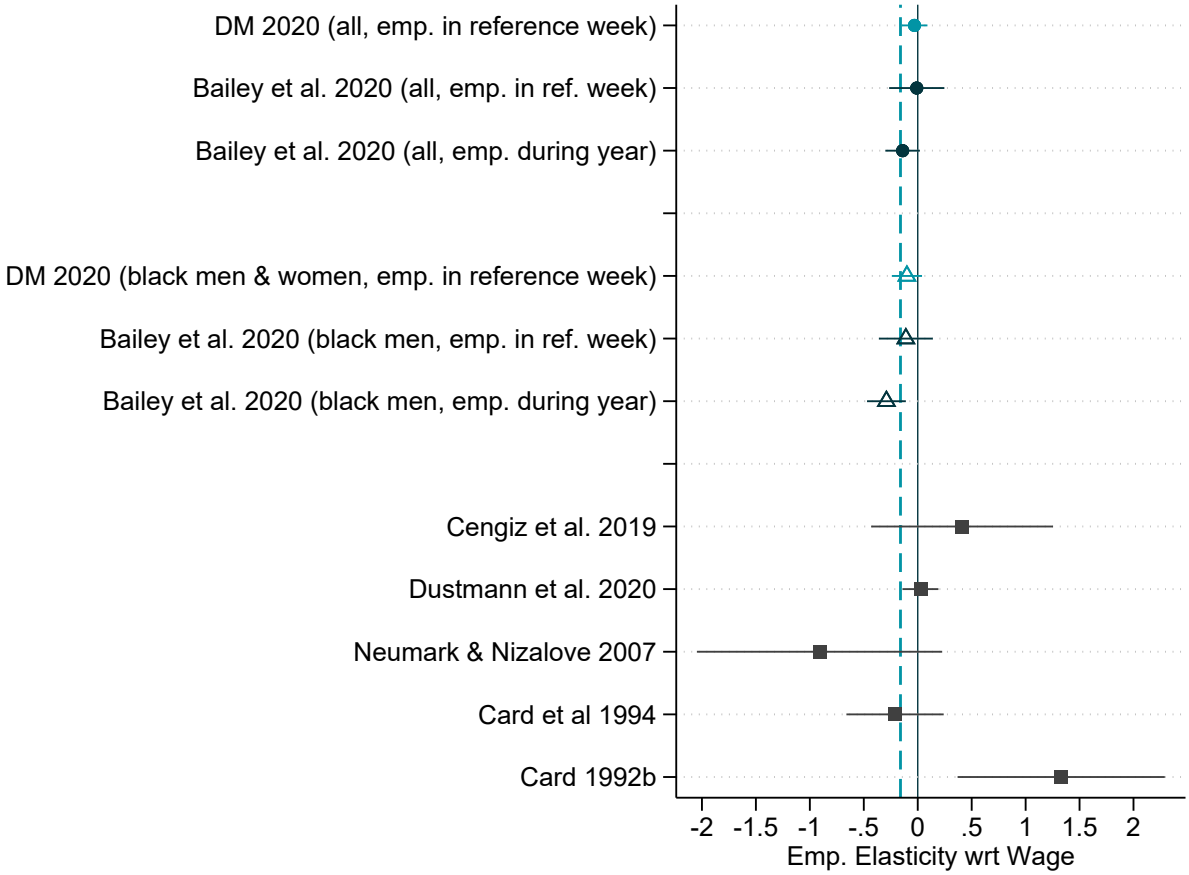
[116] Across all our alternative cross-state designs, the lowest lower bound we obtain on black persons is -0.37 (see Table 6). This lower bound is obtained using the cross-state design that has the Kaitz index as the treatment variable. The point estimate for that employment elasticity is not statistically significantly different from zero. We think of that lower bound as small, following Dube (2019a, p.27) who offers the following heuristic for values of own-wage elasticities (OWE): "While all categorizations are inherently arbitrary, we can roughly think of an OWE less negative than -0.4 as small in magnitude, between -0.4 and -0.8 as medium, and more negative than -0.8 as large."

minimum wage literature (see e.g. Cengiz et al. (2019) and Card (1992)).

The remaining differences between Bailey et al. (2020) and our work can be explained by differences in sample selection (workers aged 25-54 in our sample vs. men aged 16-64 in their sample), different sets of controls (age at the individual level our paper vs. time-varying birth cohorts fixed effects in their specification), and differences in the level of analysis (individual level data in our paper vs. data aggregated at the state level in Bailey et al. (2020)).

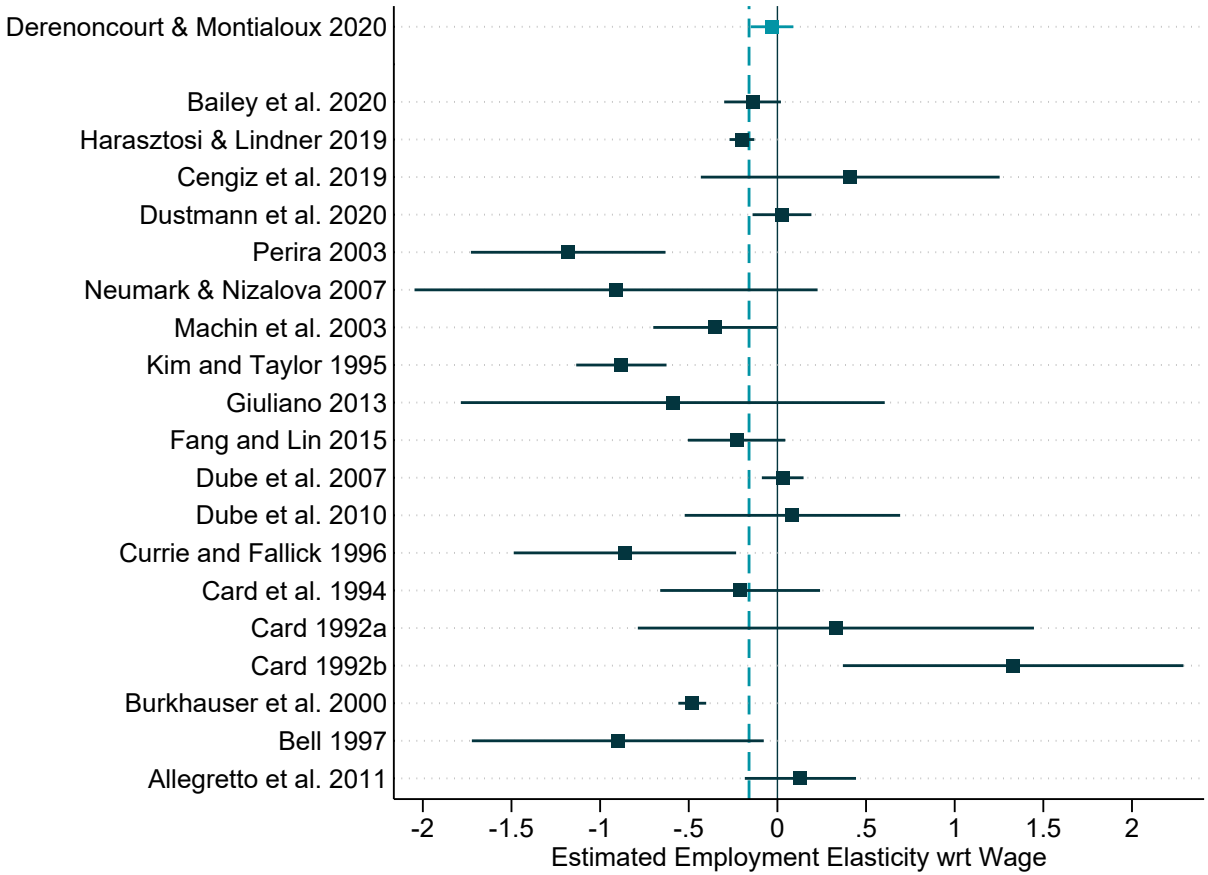
Finally, we show how our results are situated within the broader minimum wage literature. Figure E5 extends estimates of employment elasticities with respect to the wage collected by Harasztosi and Lindner (2019) to include our estimate, that of Bailey et al. (2020) (Table 3, column (3)), and that of Cengiz et al. (2019) (Table 1, column (1)). As depicted in the figure, our estimates fall exactly in the range found in the broader literature. The dotted line depicts the lower bound of our benchmark employment elasticity, approximately -0.16.

Figure E4: Employment elasticities wrt wage among all workers and black workers in this paper, in Bailey et al. (2020), and in the literature



Notes: This figure summarizes the estimated employment elasticities with respect to average wage and compares it to the previous literature. The estimates in the literature were collected by Harasztosi and Lindner (2019). We add our baseline CPS employment estimate (noted as DM 2020), as well as estimates in Bailey et al. (2020) (Table 3, columns (3) raws A and B, and Table 5 column (2)) and Cengiz et al. (2019) (Table 1, column (1)). The dashed vertical line shows the lower bound of our benchmark estimate for the whole sample. The plain dark line displays a zero employment effect.

Figure E5: Employment elasticities wrt wage in the literature and in this paper



Notes: This figure summarizes the estimated employment elasticities with respect to average wage and compares it to the previous literature. The estimates in the literature were collected by Harasztosi and Lindner (2019). We add our baseline CPS employment estimate, as well as estimates in Bailey et al. (2020) (Table 3, column (3)) and Cengiz et al. (2019) (Table 1, column (1)). The dashed vertical line shows the lower bound of our benchmark estimate. The plain dark line displays a zero employment effect.

Appendix F Additional Employment Evidence using BLS Data

This Appendix provides further details on how we constructed our counterfactual hourly wage distributions in our bunching methodology. It then provides additional evidence on the employment effects of the 1967 Reform i) using alternative assumptions on the spillover effects of the reform to construct our bunching estimator, ii) using a different sample that excludes outlier industry-region observations, and iii) using an alternative employment estimator.

F.1 Methodology for Nominal Wage Adjustment for Bunching Estimator

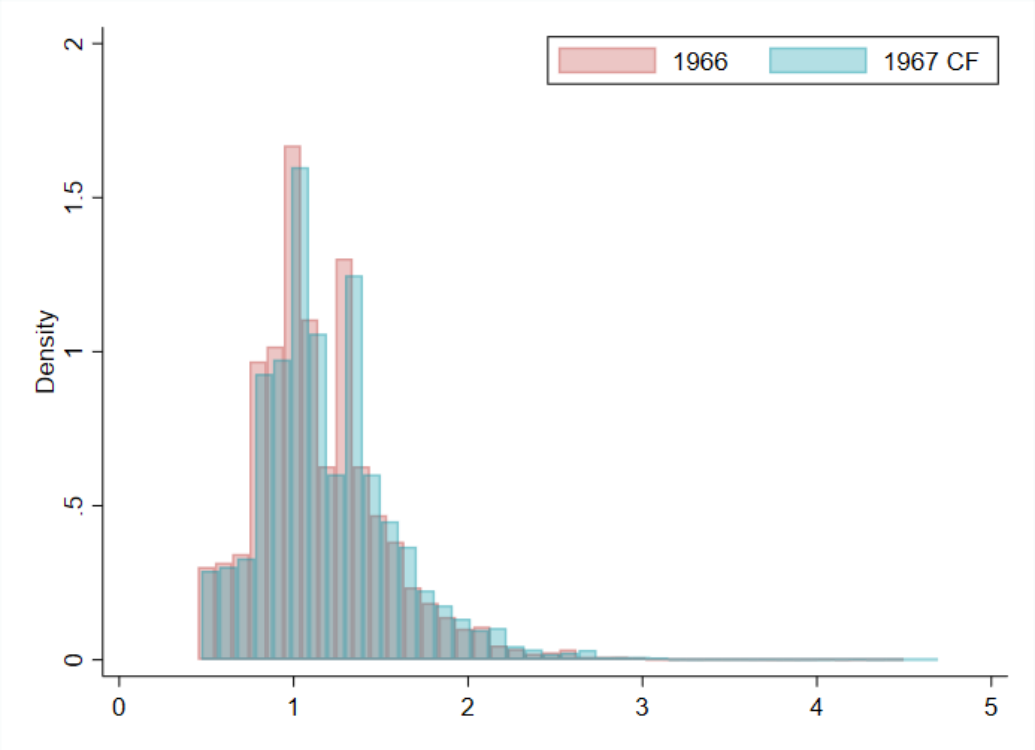
We construct a no-reform counterfactual distribution of wages for the industry-by-region groups by assuming that wages grew according to the 1966-67 national income per capita growth rate of 4.4%. In this section, we describe how we operationalize this approach. Because our data are at the wage-bin level and not the individual level, we inflate the wage distribution in three steps. First, we simulate individual-level data using the observed number of workers per bin and imposing the assumption that wages are uniformly distributed within bins. Second, we adjust wages by the per capita nominal income growth rate from 1966 to 1967. Finally, we collapse the data back into the original nominal bins. The resulting wage-bin-level data have the same nominal bin thresholds as before, but an altered number of workers per bin. Figure F1 demonstrates this shifting of the wage distribution for workers in laundries in the South.

Our assumption of a uniform distribution ignores bunching in the wage distribution at round numbers. We therefore likely over-estimate the average wage of low-wage workers in the counterfactual distribution and as a consequence, underestimate the wage effect of the reform. We do not feel, however, that this assumption systematically biases our employment effect estimates due to our methodology. The movement of jobs away from below \$1 is likely to be minor as is the change in the number of jobs at and up to $1.15 \times$ the minimum wage. This methodology does predict large swings in employment in the bin containing *exactly* \$1 because the growth rate of 4.4% pushes most of the workers in that bin to the following bin, \$1.05 to \$1.10.

F.2 Robustness Checks using Alternative MW Spillovers Threshold

Figure F2 plots missing versus excess jobs assuming spillover effects of the reform up to 120% of the minimum wage. Once again the number of excess jobs is close to the number of missing jobs across industry and region groups. Using 120% as the threshold generates a slightly

Figure F1: Simulation of individual observed and counterfactual wages in laundries in the South



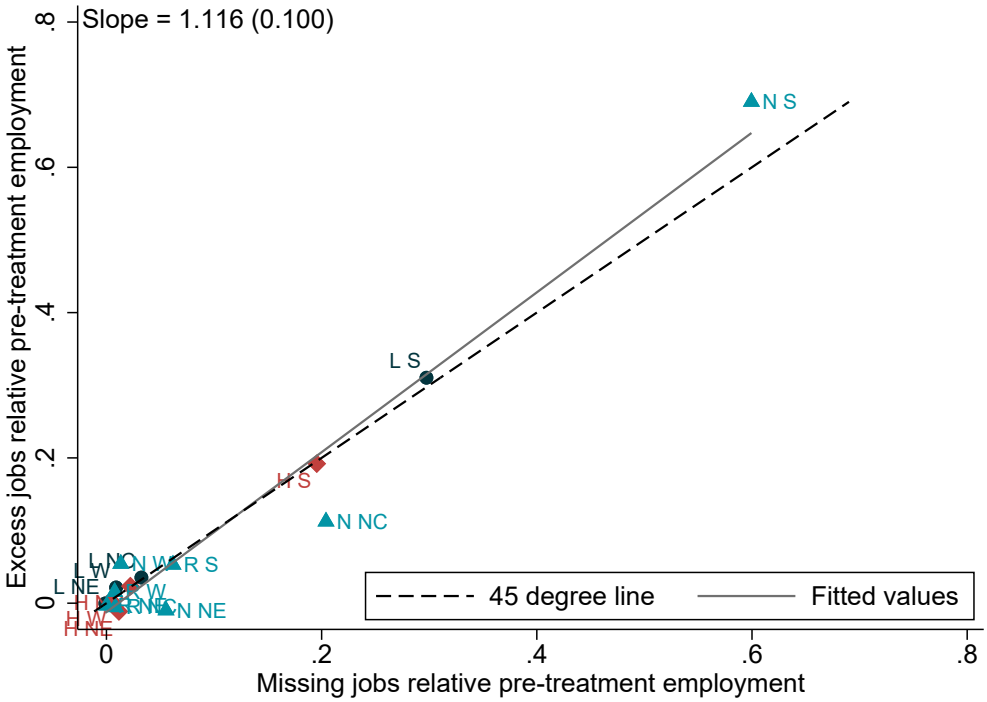
Source: BLS Industry Wage Reports.
Notes: This figure plots a histogram of wages for a simulated population of workers in laundries in the South. In blue are observed 1966 wages and in red is a counterfactual distribution of wages in 1967 where wages are assumed to grow according to the national income per capita growth rate between 1966 and 1967.

greater fitted slope across the 16 points, indicating a slightly more positive employment elasticity overall. The graph also indicates heterogeneity in the employment effect across industries and especially across regions. For example, nursing homes in the Midwest show a slight decline in employment with the number of excess jobs below that of missing jobs.

F.3 Robustness Checks excluding Outlier Industry-Region observations

We present an alternative version of Figure 9b that excludes the 4 outlier industry-region observations: nursing homes in the South ("S"), laundries in the South, hotels in the South, and nursing homes in the Midwest ("NC" for north central in the figure labels). It is important to note that the change in missing and excess jobs for these remaining industries is very small. In the original figure, the axes ranged from 0 to 80% of pre-treatment employment. The axes below run from 0 to 8% of pre-treatment employment. Importantly, the alternative

Figure F2: Missing and excess jobs in the BLS industry wage reports



Source: BLS Industry Wage Reports.

Notes: This figure shows the excess jobs (relative to pre-treatment total employment in that cell) above the new minimum wage and the magnitude of missing jobs below for different industry-region cells. The black dashed line is the 45-degree line where the number of excess jobs equal the number of missing jobs, indicating a zero employment effect. Points above the line indicate positive employment effects while points below the line indicate negative employment effects. Missing and excess jobs are plotted for laundries (L), hotels (H), and restaurants (R) in the South (S), Midwest (denoted "NC" for "North Central" region as in the original BLS reports), Northeast (NE), and West (W) regions. Sample: All nonsupervisory workers, except routemen, in laundries; all non-tipped, nonsupervisory employees in year-round hotels, motels and tourist courts. The minimum wage was introduced at $1 in nominal terms in 1967.

figure show that the relationship between missing and excess jobs still clusters around the 45-degree line for most industry-region cells, even after dropping the high leverage points. The two exceptions are nursing homes in the West ("W"), with a positive change in employment (above the 45-degree line) and nursing homes in the Northeast ("NE"), with a negative change in employment (below the 45-degree line). To put these two outlier employment changes into perspective, we included their estimated employment elasticities (see Table 7) in parentheses. For nursing homes in the West, we calculate a positive employment elasticity of 0.45 and for nursing homes in the Northeast, we calculate a negative employment elasticity

of -0.41. Thus, these outlier points thus represent modest employment responses well within the range estimated in the literature (see Figure E5).

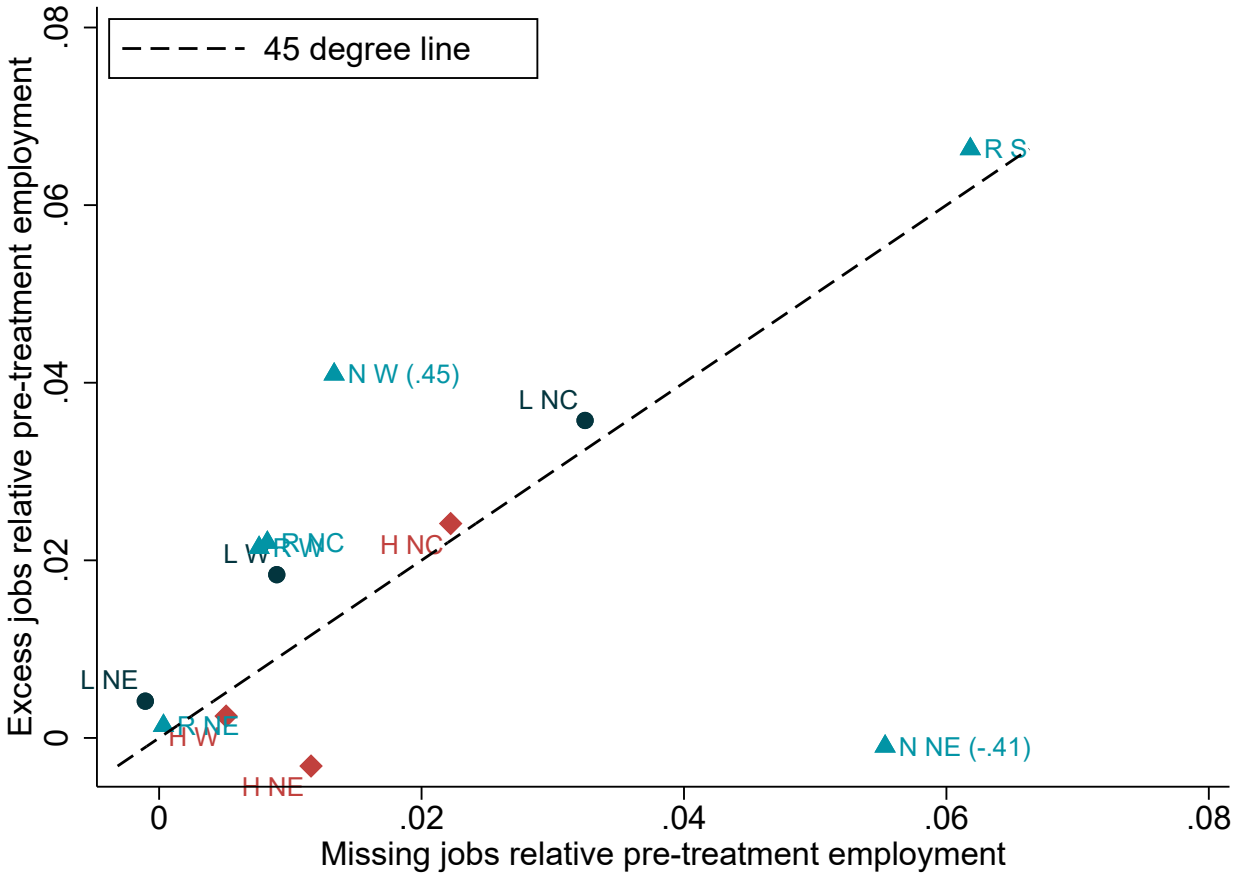
Why might the employment changes for nursing homes be more volatile across regions compared to the other industries and the no-employment change benchmark (45-degree line)? There are two reasons we believe this is the case. First, out of the 4 industries for which we can calculate regional employment elasticities, nursing homes is the only industry for which we lack a 1966 report from which to construct counterfactual 1967 employment (see a description of our methodology in Section 5.1). Instead we use the 1965 report and 1965-1967 national income per capita growth rates as opposed to the 1966-1967 growth rate we were able to use for the other industries. Second, Medicare was introduced in 1966 and between 1965 and 1967, employment in nursing homes nearly doubled in the US (from 227,001 to 407,381) quite possibly as a result of this expansion in demand. Because of this industry-specific shock and the lack of data for 1966, our estimates of employment elasticities in nursing homes may be more volatile and subject to noise than for the other industries. Nevertheless, our estimates there are well within the bounds of employment elasticities calculated in the minimum wage literature across a variety of historical and geographic contexts.

F.4 Robustness Checks using Alternative Employment Estimator in BLS

We develop an alternative employment estimator and show it produces results consistent with our baseline bunching estimator.

We proceed as follows. We first build counterfactual hourly wage distributions for treated industries, as described in our baseline bunching estimator, i.e. using the nominal 1966-1967 growth rate of per adult U.S. national income (+ 4.4%). We then count the number of workers at the bottom of the wage distribution in 1966 (i.e., at wage levels affected by the minimum wage, adjusted for the growth of the economy) and compare this count to the number of workers observed in 1967 at these same wage levels. We perform a similar computation at the top of the distribution (i.e., at wage levels not affected by the minimum wage). By comparing the 1966-1967 growth rate of employment at the bottom vs. at the top, we can assess the effect of the minimum wage on the number of low-wage workers employed. The identification assumption is that absent the reform, the number of people employed at the bottom of the distribution would have evolved similarly to the number of people employed at the top within treated industries between 1967 and 1968.

Figure F3: Missing and excess jobs in the BLS industry wage reports, excluding high leverage points



Source: BLS Industry Wage Reports.

Sample: All nonsupervisory workers, except routemen, in laundries; all non-tipped, nonsupervisory employees in year-round hotels, motels and tourist courts. The minimum wage is introduced at $1 in nominal terms in 1967.

Notes: This figure shows the excess jobs (relative to pre-treatment total employment in that cell) above the new minimum wage and the magnitude of missing jobs below for different industry-region cells. The black dashed line is the 45-degree line where the number of excess jobs exactly equals the number of missing jobs, indicating a zero employment effect. Points above the line indicate positive employment effects while points below the line indicate negative employment effects. Missing and excess jobs are plotted for laundries (L), hotels (H), and restaurants (R) in the South (S), Midwest (denoted "NC" for "North Central" as in the original BLS reports), Northeast (NE), and West (W) regions. Four high-leverage points, where employment changes exceeded 10% of pre-treatment employment are excluded: laundries, hotels, and nursing homes in the South and nursing homes in the Midwest.

As in our baseline bunching estimator, we assume that the part of the distribution affected by the minimum wage is the entire distribution up to 1.15 times the federal minimum wage,

i.e. up to $1.15 in 1967. We also assume that the minimum wage does not have any impact in the top 30% of the distribution for treated industries overall, which roughly corresponds to wages above $1.70 in 1967.[117] We investigate how varying the first, second, or both assumptions together affects the results.

Table F1 estimates employment effects by applying the methodology described above.

The top panel presents results for laundries in the South. We find that employment below $1.15 in 1967 is 1.5% higher than 1966 employment below $1.10 (i.e., adjusted for the observed economy-wide nominal growth rate). Similarly, 1967 employment above $1.30 (roughly the top 30% of the distribution) is 3% higher than 1966 employment above $1.25. Assuming that absent the reform, employment at the bottom would have grown at the same rate as at the top (i.e., by 3.0%) we conclude that the reform had small dis-employment effects. With a wage increase for treated workers of +18.2%, the implied employment elasticity is -0.08. This result is somewhat sensitive to the assumptions made about the spillover effect of the minimum wage, however. If we assume there is no spillover, we find a zero effect of the reform on employment (+2.8% compared to +3% at the top, with an average wage increase of +27.1%, i.e., an employment elasticity of -0.01).[118] Although it is not possible to obtain a robust employment elasticity in that particular sector, the key fact is that employment in laundries in the South at and up to 1.3 times the minimum wage grew substantially between 1966 and 1967. This drove an overall expansion in that sector: total employment grew +11.5%, which can be decomposed into +16.8% below $1.30 and +3.0% above.

The bottom panel presents results for laundries, hotels and restaurants combined, for the United States as a whole.[119] Total employment grew by 2.2% in our sample of treated industries between 1966 and 1967, very close to the growth rate observed in the other sectors of the economy (2.0%). Low-wage jobs (those paying less than 1.15 times the minimum wage) also grew by 2.2% between 1966 and 1967. Employment above $1.70 (roughly the top 30% of the distribution) grew slightly more slowly, by 0.8%, implying a positive employment elasticity of 0.16; see Table F1. Our result of a small employment elasticity overall is also robust to varying assumptions on the spillover effects of the minimum wage. As reported in Table F1, considering spillover effects up to 120% of the minimum wage leads to a small

[117] This wage level also corresponds to 1.15 times the highest state minimum wage in force in 1967 ($1.50 minimum in New York).

[118] Allowing for spillover effects through to $1.30, however, implies large positive employment effects, as employment below $1.30 grows by 16.8% between 1966 and 1967.

[119] The estimating sample accounts for 20% of the workforce of the treated industries. For restaurants and hotels, we restrict our sample to non-tipped workers, as we are interested in capturing the effects of the minimum wage increase at $1.

negative employment elasticity (-0.28).[120]

One potential concern with our approach is that there may be complementarity between low-wage workers and workers at the top of the distribution (that we use to compute counterfactual employment growth rates at the bottom). For example, the reform may have had negative employment effects of low-skill individuals and led employers to fire some of their supervisors. To address this concern, we assess whether overall employment in the treated industries increased or declined compared to overall employment in the control industries, using CPS data at the industry $\times$ year level. Figure B3a shows that prior to the reform, treated vs. control industries were on similar trends and that in 1967 and 1968 they continued to grow at the same rate. From 1969 onwards, treated industries began growing slightly faster than control industries. We obtain similar results in the BLS industry wage reports data for the sub-sample of BLS industries for which we can track total employment over time. These results suggest that our bunching design is unlikely to under-estimate the dis-employment effect of the reform.

[120]We have also checked that, assuming there are no spillover effects, we obtain a zero employment elasticity (-0.03). This finding suggests that labor-labor substitution (e.g., substitution of $1 workers by slightly higher skilled individuals) is not driving our estimates of small employment elasticities.

Table F1: Effect of 1967 reform on total number of jobs

	Threshold for Bottom	
Laundries, South	1×MW	1.15×MW
Employment		
1966-67 Change, Bottom (%)	2.8	1.5
1966-67 Change, Top [$1.30+] (%)	3.0	3.0
1966-67 Change, Total (%)	11.5	11.5
Average Wages		
Bottom in 1966 ($)	0.79	0.88
Bottom in 1967 ($)	1.01	1.04
1966-67 Change (%)	27.06	18.2
Employment Elasticity	0.48	-0.08
All industries, U.S.	1.15×MW	1.20×MW
Employment		
1966-67 Change, Bottom (%)	2.2	-1.3
1966-67 Change, Top [$1.70+] (%)	0.8	0.8
1966-67 Change, Total (%)	2.2	2.2
Average Wages		
Bottom in 1966 ($)	0.9	0.9
Bottom in 1967 ($)	0.96	0.98
1966-67 Change (%)	8.73	7.36
Employment Elasticity	0.16	-0.28

Source: BLS Industry Wage Reports. See figure C1 for the set of tabulations digitized.
Sample: All industries are composed of laundries, restaurants (non-tipped workers) and hotels (non-tipped workers).
Notes: The bottom of the distribution is the part of the distribution that is affected by the minimum wage: for example, it varies from 100% × the value of the minimum wage to 115% × the value of the minimum wage for laundries. The top of the distribution is the part of the distribution that is not affected by the minimum wage. For laundries in the South, we define the top of the distribution as the part of the distribution where hourly wages are at or above $1.30 an hour in 1967 (i.e. the top 34% of the distribution). For all industries in the U.S., we define the top of the distribution as the part of the distribution where hourly wages are at or above $1.70 an hour in 1967 (i.e. the top 28% of the distribution). The employment elasticity is calculated for the bottom of the distribution as the ratio between the employment change at the bottom and the average wage increase at the bottom.

Appendix G Derivation of the Decomposition of the Economy-Wide Racial Gap

We define the economy-wide racial earnings gap as the mean log wage difference between white and black workers in the industries covered in 1938 and in 1967 combined.
We denote this economy-wide racial earnings gap by G^{total}. It is defined as:

$$\begin{aligned} G^{\text{total}} &= \frac{1}{N_w}\sum_i log(\omega_i^w) - \frac{1}{N_b}\sum_i log(\omega_i^b) \\ &= \bar{X_w} - \bar{X_b} \end{aligned} \tag{17}$$

with $log(\omega_i^w)$ (respectively, $log(\omega_i^b)$) as the log of wages of white (black) workers ; N_w (N_b) as the number of white vs. black workers. We denote $\bar{X_w}$ ($\bar{X_b}$) as the average log wages of white (black) workers.

By noting that overall average log wages can be decomposed into a treatment and a control group component, we write:

$$\begin{aligned} \bar{X_w} &= \frac{1}{N_w}\sum_i log(\omega_i^w) \\ &= \frac{N_w^c}{N_w}\cdot\frac{1}{N_w^c}\sum_{i,w} log(\omega_i^c) + \frac{N_w^t}{N_w}\cdot\frac{1}{N_w^t}\sum_{i,w} log(\omega_i^t) \\ &= s_w^c\cdot\frac{1}{N_w^c}\sum_{i,w} log(\omega_i^c) + s_w^t\cdot\frac{1}{N_w^t}\sum_{i,w} log(\omega_i^t) \end{aligned} \tag{18}$$

With s_w^c (s_b^c) the share of white (black) workers working in the control group, s_w^t (s_b^t) the share of white (black) workers working in the treatment group. Note that: $s_w^c + s_w^t = 1$. Similarly, $s_b^c + s_b^t = 1$. It follows that:

$$\begin{aligned} G^{\text{total}} &= s_w^c\bar{X}_w^c + s_w^t\bar{X}_w^t - s_b^c\bar{X}_b^c - s_b^t\bar{X}_b^t \\ &= (s_w^c\bar{X}_w^c - s_b^c\bar{X}_b^c) + (s_w^t\bar{X}_w^t - s_b^t\bar{X}_b^t) \\ &= (s_w^c\bar{X}_w^c - s_w^c\bar{X}_b^c) + (s_w^t\bar{X}_w^t - s_w^t\bar{X}_b^t) + s_w^c\bar{X}_b^c - s_b^c\bar{X}_b^c + s_w^t\bar{X}_b^t - s_b^t\bar{X}_b^t \\ &= s_w^c G_c + s_w^t G_t + \underbrace{\bar{X}_b^c(s_w^c - s_b^c) + \bar{X}_b^t(s_w^t - s_b^t)}_{=\lambda} \end{aligned} \tag{19}$$

$$
\begin{aligned}
\lambda &= s_w^c G_c + s_w^t G_t + \bar{X}_b^c (s_w^c - s_b^c) + \bar{X}_b^t (s_w^t - s_b^t) \\
&= s_w^c \bar{X}_b^c - s_b^c \bar{X}_b^c + s_w^t \bar{X}_b^t - s_b^t \bar{X}_b^t \\
&= s_w^c \bar{X}_b^c - s_w^c \bar{X}_b^t + s_w^c \bar{X}_b^t - s_b^c \bar{X}_b^c + s_w^t \bar{X}_b t - s_b^t \bar{X}_b^t - (s_b^c \bar{X}_b^c - s_b^c \bar{X}_b^t + s_b^c \bar{X}_b^t - s_w^t \bar{X}_b^t) \\
&= s_w^c G_b^{ct} + s_w^c \bar{X}_b^t - s_b^t \bar{X}_b^t - (s_b^c G_b^{ct} + s_b^c \bar{X}_b^t - s_w^t \bar{X}_b^t) \\
&= s_w^c G_b^{ct} - s_b^c G_b^{ct} + \bar{X}_b^t \times (\underbrace{s_w^c + s_w^t}_{=1} - (\underbrace{s_b^c + s_b^t}_{=1})) \\
&= s_w^c G_b^{ct} - s_b^c G_b^{ct}
\end{aligned}
\tag{20}
$$

Therefore:

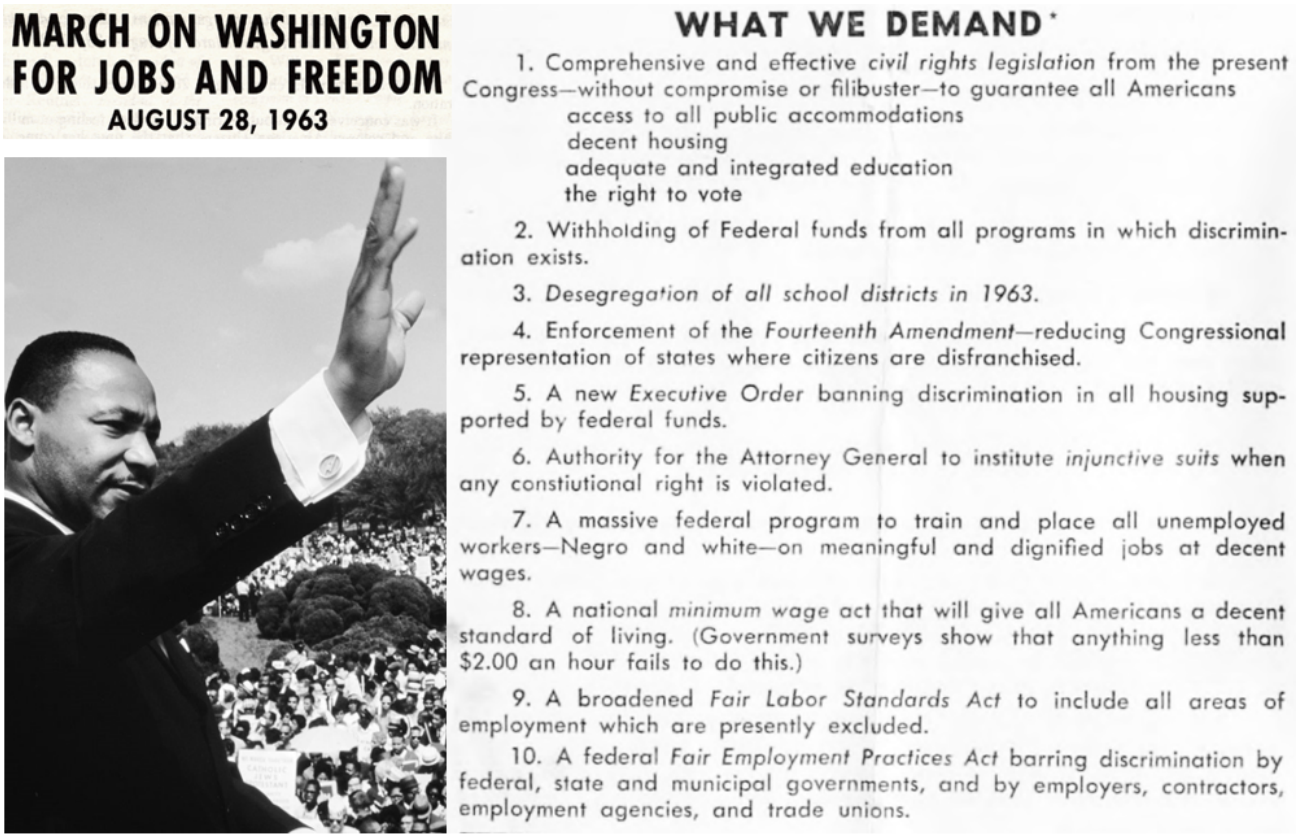
$$
G^{\text{total}} = s_w^c G_c + s_w^t G_t + G_b^{ct} (s_w^c - s_b^c) \tag{21}
$$

This is the formula we use in Section 6.1.

Appendix H The March on Washington for Jobs and Freedom

The 9th demand of the 1963 March on Washington for Jobs and Freedom read: "[We demand] a broadened Fair Labor Standards Act to include all areas of employment which are presently excluded," see Figure H1 and Section 3.1.

Figure H1: The 10 demands of the March on Washington for Jobs and Freedom, August 1963



Source: National Center for Civil and Human Rights in Atlanta, Georgia.

Appendix I Replication files

All the data, programs, and tex files used in this paper are available at: clairemontialoux.com/flsa.

In what follows, we list all the figures and tables displayed in this paper and the appendix, as well as the name of the program that generated them.

Number	Title	file	do file
Main Figures and Tables			
Figure 1	Economy-wide white-black unadjusted wage gap in the long-run, in the CPS and in the decennial Censuses	unadj_rg_all_1949_2017.pdf	2a_cps_census_descriptives
Figure 2a	White-black unadjusted wage gap in the long-run, economy-wide	unadj_rg_all_1961_2015.pdf	3c_cps_racial_gaps
Figure 2b	White-black unadjusted wage gap in the long-run, by type of industry	unadj_rg_tc_1961_2015.pdf	3c_cps_racial_gaps
Figure 3	Expansions in minimum wage coverage, and real values of the minimum wage 1938-2017 (\$2017)	reform_1986.pdf	spd_mwdescriptives.xls
Figure 4a	Share of workers covered by the minimum wage, by industry	share_workers_covered.png	2a_cps_census_descriptives
Figure 4b	Share of workers covered by the minimum wage, by fraction black, in 1967	share_workers_covered_by_race.png	2a_cps_census_descriptives
Figure 5	Impact of the 1967 reform on annual earnings	aw_industry_design.pdf	3a_cps_wage
Figure 6a	Heterogeneity in the wage effect of the 1967 reform, by level of education	aw_lshs.pdf	3a_cps_wage
Figure 6b	Heterogeneity in the wage effect of the 1967 reform, by race	aw_black_white.pdf	3a_cps_wage
Figure 7	States with no minimum wage laws as of January 1966	map_strongly_weakly_treated_states.png	2a_cps_census_descriptives
Figure 8a	Impact of the 1966 FLSA on employment, intensive margin	ahours.pdf	3b_cps_employment
Figure 8b	Impact of the 1966 FLSA on employment, extensive margin	emp_all.pdf	3b_cps_employment
Figure 9a	Case study: laundries in the South	laundries_s_all_mf.png	2b_bls_descriptives
Figure 9b	Missing and excess jobs in the BLS Industry Wage Reports	laundries_cf_actual_s_1.png	2b_bls_descriptives
Figure 10	1967 reform reduced overall racial gap by 20%	figure12a.png	>figures>spd_gaps.xls
Figure 11a	Adjusted racial wage gaps, wage effects in levels by race and treatment status	aw_levels_black_white_tc.pdf	3c_cps_racial_gaps
Figure 11b	Adjusted racial wage gaps, by treatment status	adj_rg_tc_1961_1980.pdf	3c_cps_racial_gaps
Table 1	Workers characteristics, 1965-66	table_sum_stats.tex	2a_cps_census_descriptives
Table 2	Wage effect: Main results and robustness checks	table_aw_industry_design.tex	3a_cps_wage
Table 3	Predicted wage effect	table_aw_predictions_demog.tex	3a_cps_wage
Table 4	Hourly wage effect using BLS data	table_hw_bls_2models.tex	4a_bls_wage
Table 5	Wage effect by race	table_aw_black_white_wwosfesyfe.tex	3a_cps_wage
Table 6	Main effects of the 1966 FLSA on employment and robustness checks using cross-state designs	table_emp_cps_mef.tex	3b_cps_employment
Table 7	Employment elasticties by industry and region using baseline bunching methodology	tab_bunching_mef.tex	4a_bls_employment
Appendix tables and figures			
Figure A1	Minimum wage to median ratio	mw_to_median_ratio_DC_federal.pdf	2a_cps_census_descriptives
Figure B1	Analysis sample, before the reform (1966)	figure_sample.png	2a_cps_census_descriptives
Figure B2	State groups used in March CPS (1962-1980)	map_state_groups_cps.pdf	2a_cps_census_descriptives
Figure B3a	Evolution of black and white employment in treated and control industries, emp. Shares in control vs. treated industries	emp_share_tc.pdf	2a_cps_census_descriptives
Figure B3b	Evolution of black and white employment in treated and control industries, black vs. white emp. Shares within 1938, 1967 ind	emp_black_share_tc.pdf	2a_cps_census_descriptives
Figure B4a	Aggregate employment shares, by industry type and by race	agg_emp_shares_by_ind_by_race.ong	2a_cps_census_descriptives
Figure B4b	Aggregate employment shares, all industries by race	agg_emp_shares_all_ind_by_race.ong	2a_cps_census_descriptives
Figure B4c	Aggregate employment shares, 1938 industries by race	agg_emp_shares_1938_ind_by_race.ong	2a_cps_census_descriptives
Figure B4d	Aggregate employment shares, 1967 industries by race	agg_emp_shares_1967_ind_by_race.ong	2a_cps_census_descriptives
Figure B5a	Employment status in industries covered in 1938 and 1967, black and white persons	emp_status_all_ind_all_race1964.png	2a_cps_census_descriptives
Figure B5b	Employment status in industries covered in 1938 and 1967, black persons	emp_status_all_ind_black_1964.png	2a_cps_census_descriptives
Figure B5c	Employment status in industries covered in 1938 and 1967, black male persons	emp_status_all_ind_black_male1964.png	2a_cps_census_descriptives
Figure B5d	Employment status in industries covered in 1938 and 1967, white male persons	emp_status_all_ind_white_male1964.png	2a_cps_census_descriptives
Figure C1	BLS industry wage reports	bls_digitization.png	figures>bls_digitization.png
Figure C2	Original format of the BLS data - the example of laundries	laundries_data.png	figures>laundries_data.png
Figure C3a	Earnings distributions in laundries, South	laundries_s_all_mf.png	2b_bls_descriptives
Figure C3b	Earnings distributions in laundries, Midwest	laundries_nc_all_mf.png	2b_bls_descriptives
Figure C3c	Earnings distributions in laundries, Northeast	laundries_ne_all_mf.png	2b_bls_descriptives
Figure C3d	Earnings distributions in laundries, West	laundries_w_all_mf.png	2b_bls_descriptives
Figure C4a	Earnings distributions in laundries, inside plant workers, South	laundries_s_ipt_mf.png	2b_bls_descriptives
Figure C4b	Earnings distributions in laundries, inside plant workers, Midwest	laundries_nc_ipt_mf.png	2b_bls_descriptives
Figure C4c	Earnings distributions in laundries, inside plant workers, Northeast	laundries_ne_ipt_mf.png	2b_bls_descriptives
Figure C4d	Earnings distributions in laundries, inside plant workers, West	laundries_w_ipt_mf.png	2b_bls_descriptives
Figure C5a	Earnings distributions in hotels (tipped workers), South	hotels_s_td_mf.png	2b_bls_descriptives
Figure C5b	Earnings distributions in hotels (tipped workers), Midwest	hotels_nc_td_mf.png	2b_bls_descriptives
Figure C5c	Earnings distributions in hotels (tipped workers), Northeast	hotels_ne_td_mf.png	2b_bls_descriptives
Figure C5d	Earnings distributions in hotels (tipped workers), West	hotels_w_td_mf.png	2b_bls_descriptives
Figure C6a	Earnings distributions in hotels (non-tipped workers), South	hotels_s_ntd_mf.png	2b_bls_descriptives
Figure C6b	Earnings distributions in hotels (non-tipped workers), Midwest	hotels_nc_ntd_mf.png	2b_bls_descriptives
Figure C6c	Earnings distributions in hotels (non-tipped workers), Northeast	hotels_ne_ntd_mf.png	2b_bls_descriptives
Figure C6d	Earnings distributions in hotels (non-tipped workers), West	hotels_w_ntd_mf.png	2b_bls_descriptives
Figure C7a	Earnings distributions in restaurants (tipped workers), South	rest_s_td_mf.png	2b_bls_descriptives
Figure C7b	Earnings distributions in restaurants (tipped workers), Midwest	rest_nc_td_mf.png	2b_bls_descriptives

Figure C7c	Earnings distributions in restaurants (tipped workers), Northeast	rest_ne_td_mf.png	2b_bls_descriptives
Figure C7d	Earnings distributions in restaurants (tipped workers), West	rest_w_td_mf.png	2b_bls_descriptives
Figure C8a	Earnings distributions in restaurants (non-tipped workers), South	rest_s_ntd_mf.png	2b_bls_descriptives
Figure C8b	Earnings distributions in restaurants (non-tipped workers), Midwest	rest_nc_ntd_mf.png	2b_bls_descriptives
Figure C8c	Earnings distributions in restaurants (non-tipped workers), Northeast	rest_ne_ntd_mf.png	2b_bls_descriptives
Figure C8d	Earnings distributions in restaurants (non-tipped workers), West	rest_w_ntd_mf.png	2b_bls_descriptives
Figure C9a	Earnings distributions in nursing homes, South	nursing_s_all_mf.png	2b_bls_descriptives
Figure C9b	Earnings distributions in nursing homes, Midwest	nursing_nc_all_mf.png	2b_bls_descriptives
Figure C9c	Earnings distributions in nursing homes, Northeast	nursing_ne_all_mf.png	2b_bls_descriptives
Figure C9d	Earnings distributions in nursing homes, West	nursing_w_all_mf.png	2b_bls_descriptives
Figure C10a	Earnings distributions in schools, South	schools_s_all_mf.png	2b_bls_descriptives
Figure C10b	Earnings distributions in schools, Midwest	schools_nc_all_mf.png	2b_bls_descriptives
Figure C10c	Earnings distributions in schools, Northeast	schools_ne_all_mf.png	2b_bls_descriptives
Figure C10d	Earnings distributions in schools, West	schools_w_all_mf.png	2b_bls_descriptives
Figure C11a	Earnings distributions in hospitals, South	hospitals_s_all_mf.png	2b_bls_descriptives
Figure C11b	Earnings distributions in hospitals, Midwest	hospitals_nc_all_mf.png	2b_bls_descriptives
Figure C11c	Earnings distributions in hospitals, Northeast	hospitals_ne_all_mf.png	2b_bls_descriptives
Figure C11d	Earnings distributions in hospitals, West	hospitals_w_all_mf.png	2b_bls_descriptives
Figure C12a	Earnings distributions in the U.S. by industry, Laundries	laundries_us_all_mf.png	2b_bls_descriptives
Figure C12b	Earnings distributions in the U.S. by industry, Nursing Homes	nursing_us_all_mf.png	2b_bls_descriptives
Figure C12c	Earnings distributions in the U.S. by industry, Hospitals	hospitals_us_all_mf.png	2b_bls_descriptives
Figure C12d	Earnings distributions in the U.S. by industry, schools	schools_us_all_mf.png	2b_bls_descriptives
Figure D1	Wage effect of the 1966 FLSA with different sets of controls	aw_industry_design_with_and_without_controls_wohours.pc	3a_cps_wage
Figure D2	Impact of the 1967 reform on annual earnings, in levels	aw_levels_no_controls_normalized.pdf	3a_cps_wage
Figure D3	Impact of the 1966 FLSA on annual earnings by race	aw_black_white_nonsep.pdf	3a_cps_wage
Figure D4a	Heterogeneity of the wage effect by level of education, among black workers	aw_lshs_black.pdf	3a_cps_wage
Figure D4b	Heterogeneity of the wage effect by level of education, among white workers	aw_lshs_white.pdf	3a_cps_wage
Figure D5a	Adjusted racial wage gaps, by level of education, White-Black earnings gap (adjusted) in treated industries	adj_rg_t_skill_highs_1961_1980.pdf	3c_cps_racial_gaps
Figure D5b	Adjusted racial wage gaps, by level of education, White-Black earnings gap (adjusted) in control industries	adj_rg_c_skill_highs_1961_1980.pdf	3c_cps_racial_gaps
Figure E1	Minimum wage to median ratio using state minimum wage laws	mw_to_median_ratio_DC_state.pdf	2a_cps_census_descriptives
Figure E2a	Impact of the 1966 FLSA on employment across subgroups (1/2), black vs. white workers	emp_black_white.pdf	3b_cps_employment
Figure E2b	Impact of the 1966 FLSA on employment across subgroups (1/2), low-education vs. high-education	emp_ls_hs.pdf	3b_cps_employment
Figure E3a	Impact of the 1966 FLSA on employment across subgroups (2/2), men vc. Women workers	emp_men_women.pdf	3b_cps_employment
Figure E3b	Impact of the 1966 FLSA on employment across subgroups (2/2), by cohorts	emp_cohorts.pdf	3b_cps_employment
Figure E4	Employment elasticities wrt wage among all workers and black workers in this paper, in Bailey et al. (2020), and in the literatı	appendix_figureF1.pdf	3b_cps_employment
Figure E5	Employment elasticities wrt wage in the literature and in this paper	emp_elasticities.pdf	3b_cps_employment
Figure F1	Simulation of individual observed and counterfactual wages in laundries in the South	laundries_s_1966_1967cf_wage_distributions.png	4b_bls_employment
Figure F2	Missing and excess mass in the BLS industry wage reports	missing_excess_mass_all_120_1.png	4b_bls_employment
Figure F3	Missing and excess mass in the BLS industry wage reports, excluding high leverage points	missing_excess_mass_all_115_1_excl_ns_ls_hs_nnc.png	4b_bls_employment
Figure H1	The March on Washington for Jobs and Freedom	WashingtonMarch.png	
Table A1	List of industries used in March CPS (1962-1987) and year of coverage by FLSA	table_list_industries.tex	tables>table_list_industries.tex
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