

Measuring Business Exits During the COVID-19 Pandemic

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12/10/21

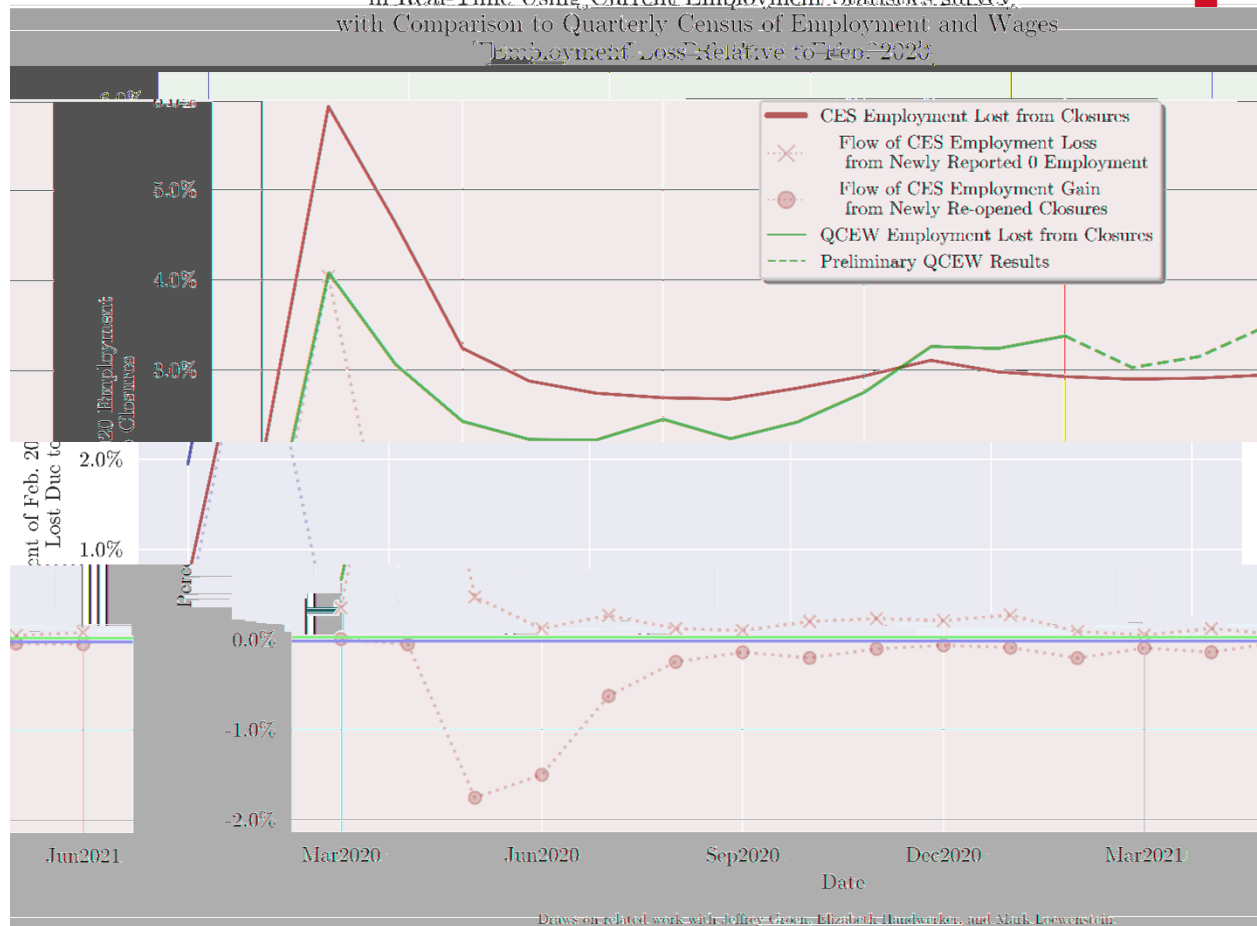
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Research Estimates: Real-time Closure Employment Using Monthly CES

Estimating Employment Lost due to Closures
in Real-Time Using Current Employment Statistics survey,
with Comparison to Quarterly Census of Employment and Wages
Employment Loss Relative to Feb. 2020



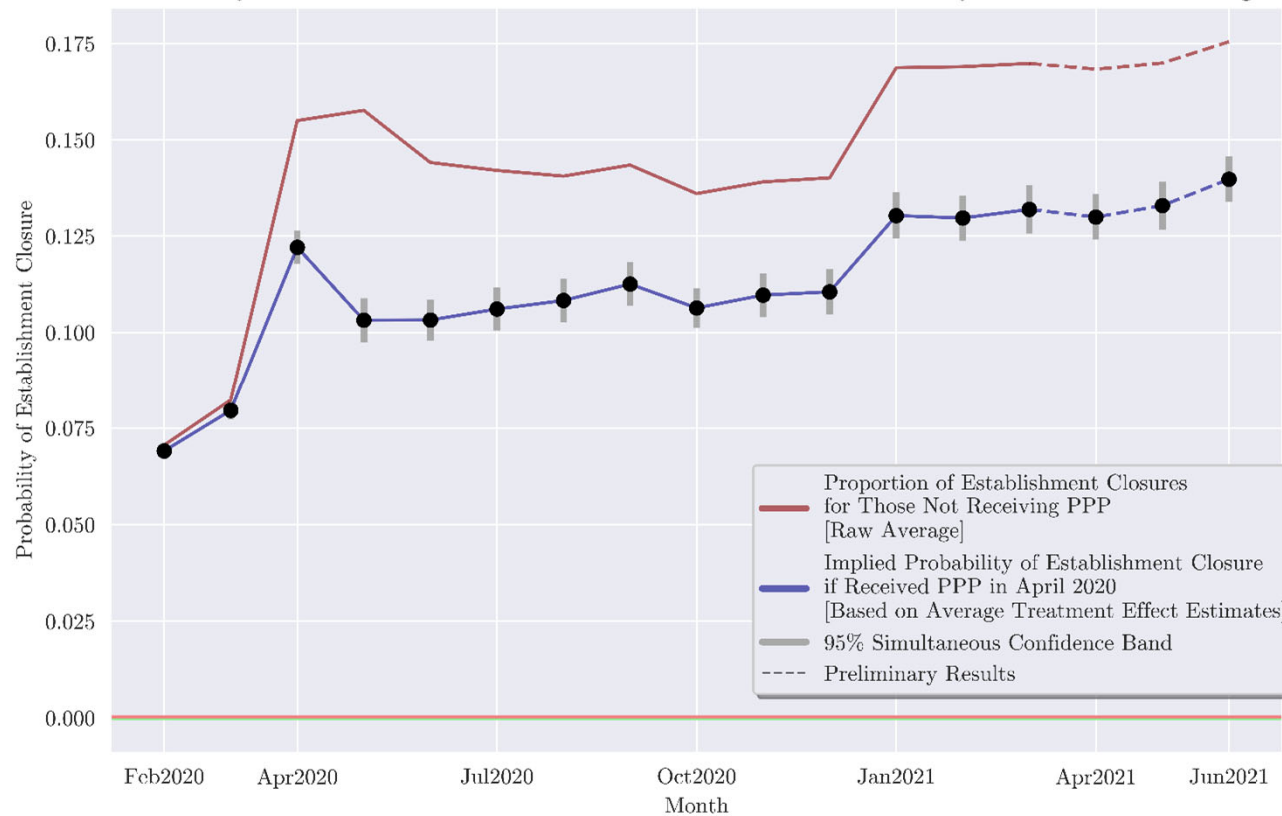
■ CES Estimates

- ▶ ~3 week lag from collection to estimate
 - **QCEW** has ~5 month lag
- ▶ Three components:
 - Reported 0 employment
 - Estimated closure employment loss from nonresponses
 - Historical relationship between CES nonresponse and closures
 - Dependent on same-month reported 0 employment and nonresponse rate
 - By calendar month, sector, and size
 - Flows into and out of closure each month
- ▶ Uses CES longitudinal design



Effect of Paycheck Protection Program on Closure Status

Probability of Establishment Closure Each Month,
Based on Dynamic Diff-in-Diff Treatment Effect Estimates of the Paycheck Protection Program



Draws on Dalton, 2021. "Putting the Paycheck Protection Program into Perspective."

- Estimated using QCEW
- Persistent effect of PPP on closure status into June 2021
- ▶ Implies overall reduction of ~10 percent in permanent closures

