Measuring Business Exits During the COVID-19 Pandemic

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Research Estimates: Real-time Closure Employment Using Monthly CES

- 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

Draws on related work with Jeffery Green, Elizabeth Humphries, and Mark Loewenstein.
Effect of Paycheck Protection Program on Closure Status

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