

# Measuring Business Exits During the COVID-19 Pandemic

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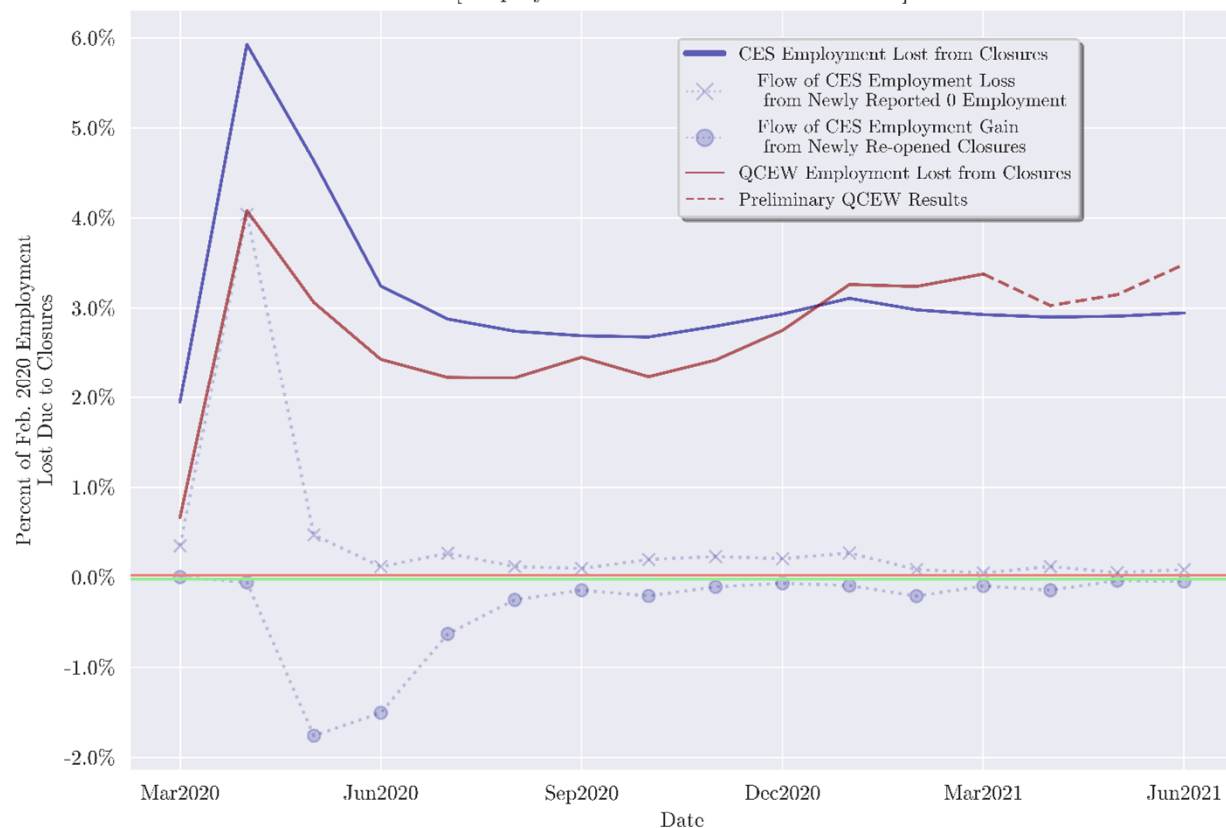
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**Views expressed do not reflect those of the Bureau of Labor Statistics**



# 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]



Draws on related work with Jeffrey Groen, Elizabeth Handwerker, and Mark Loewenstein

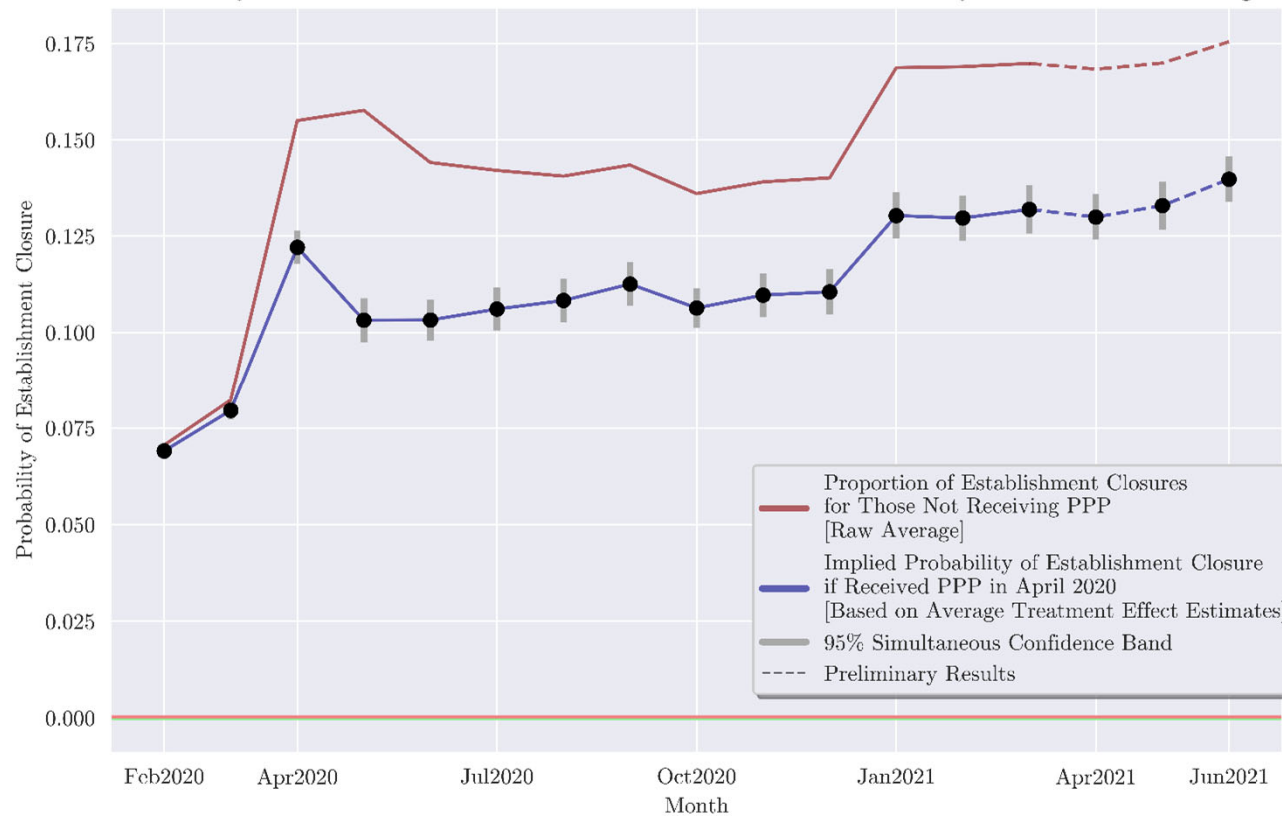
## ■ CES Estimates

- ▶ ~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

