Online Appendix for:

Distributional Impacts of the Covid-19 Pandemic and the CARES Act

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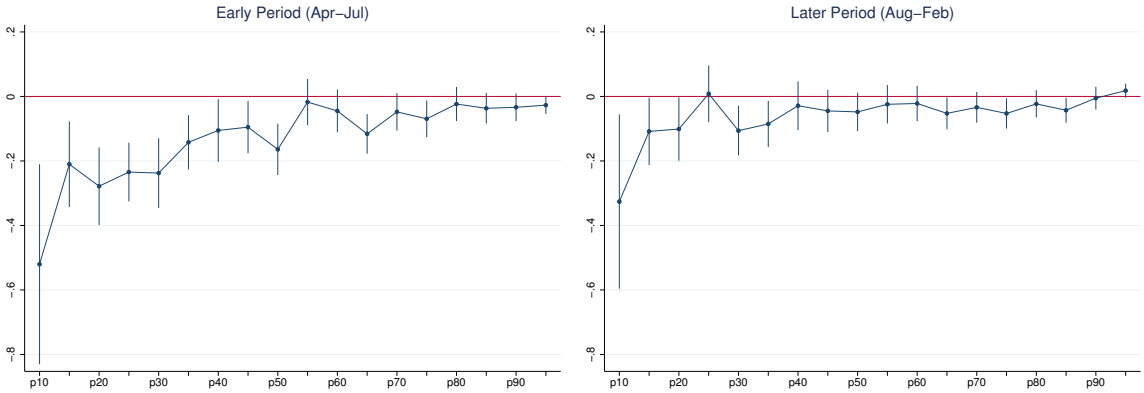
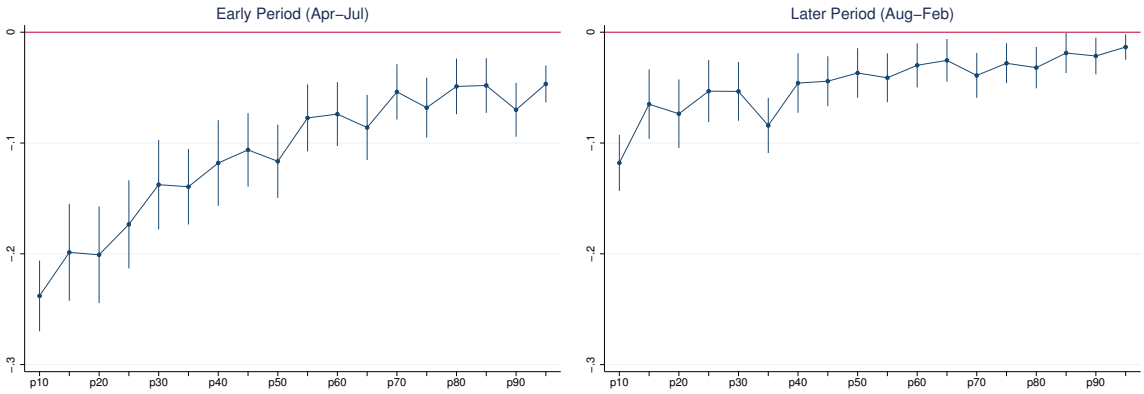
Figure A.1: Distributional Impact of the Pandemic, Estimated Using Ventile-Specific Linear Time Trends instead of Ventile-Specific Year Fixed Effects

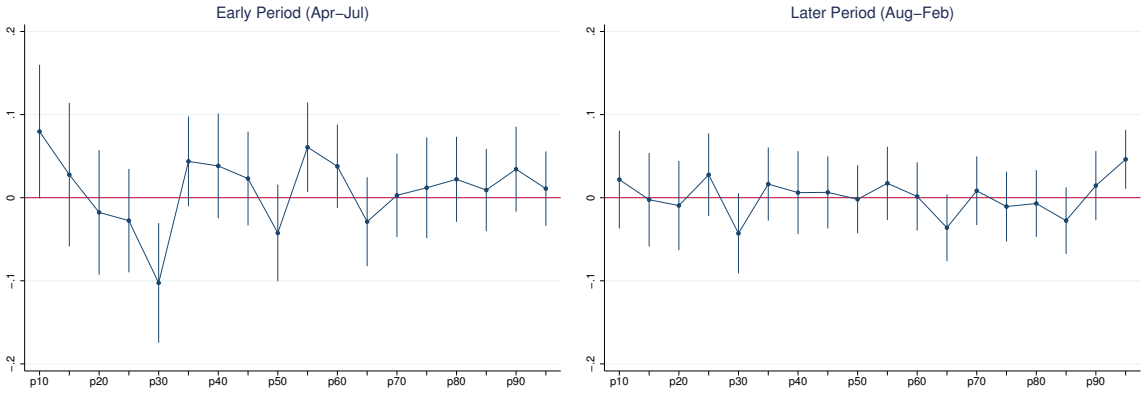
Panel A: Impact of the Pandemic on Labor Earnings Growth Rates (%)



Panel B: Impact on Probability of Remaining Employed (Extensive Margin)



Panel C: Impact on Earnings Conditional on Remaining Employed (Intensive Margin)

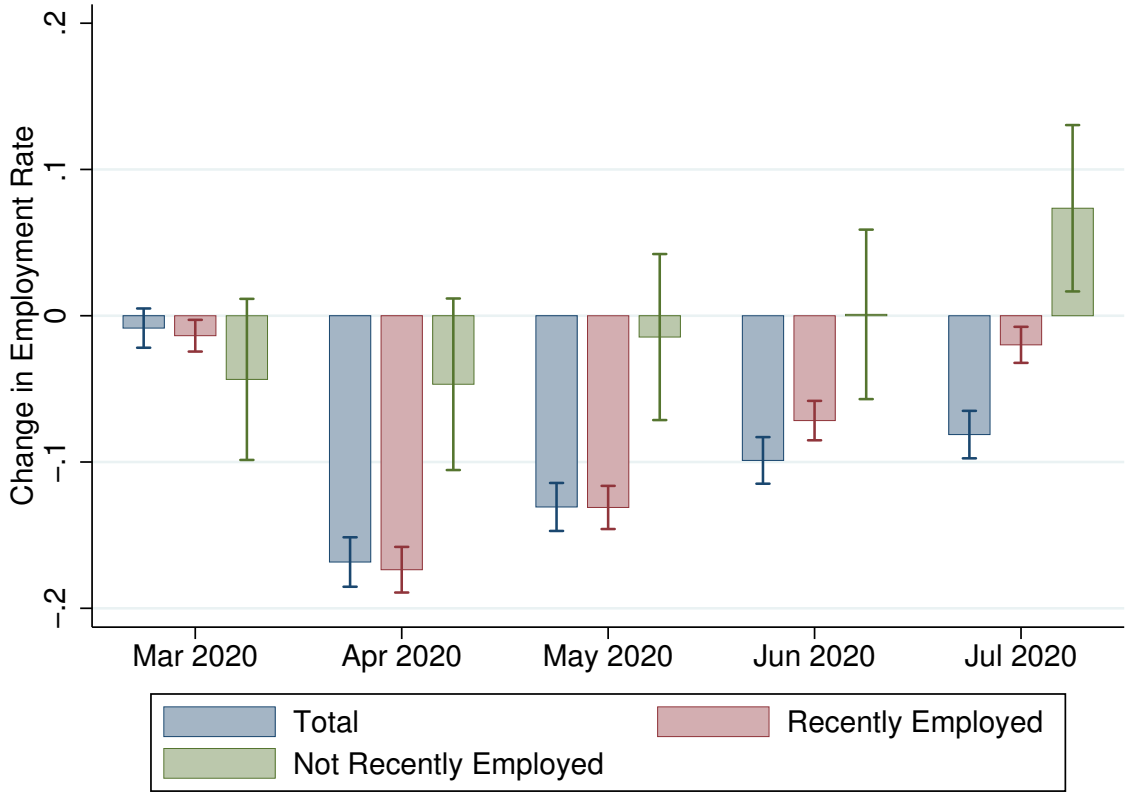


Note: The figure plots estimated coefficients and 95% confidence intervals for the impact of the pandemic throughout the earnings distribution, based on the estimation of Equation (1), but where the ventile-year fixed effects are replaced by ventile-specific linear time trends. The estimation uses data from January 2015 to February 2021. The x-axis represents ventiles of the pre-pandemic earnings distribution (the top and bottom two ventiles are grouped into deciles). The dependent variable in Panel A is the within-individual percentage change in real weekly earnings for all individuals who were employed in their fourth month-in-sample, including those who transition out of employment (294,123 observations). Panel B uses the same sample; the dependent variable is the probability of remaining employed between month-in-sample 4 and month-in-sample 8. The sample in Panel C only includes individuals who are employed in both their fourth and their eighth month-in-sample (264,968 observations). The dependent variable is the within-individual change in log real weekly earnings.

Figure A.2: Pandemic Impact on Nominal Weekly Earnings Changes

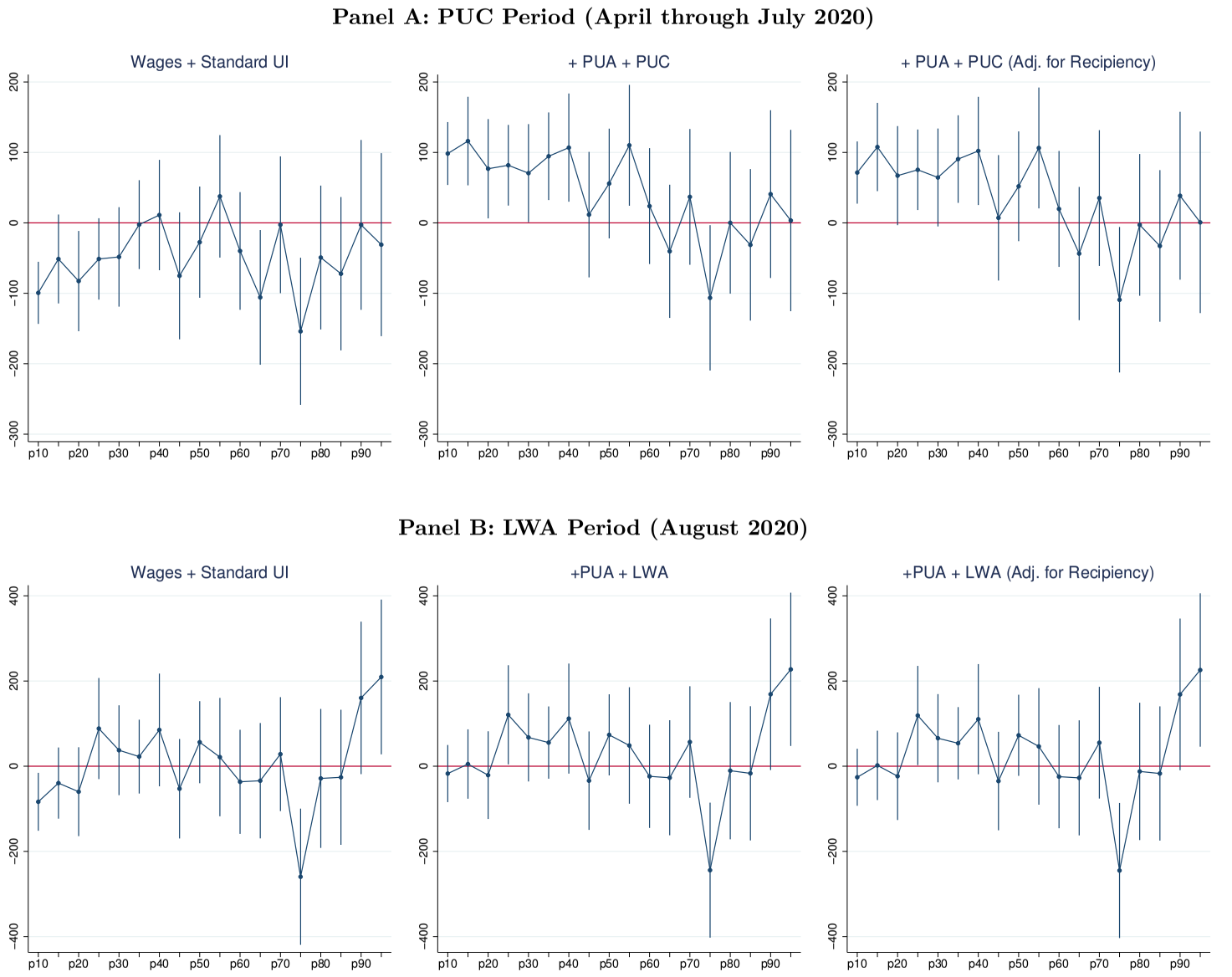
Note: The figure plots the estimated coefficients and 95% confidence intervals from Equation (1) using individual-level data on year-on-year changes in nominal earnings from January 2015 until February 2021. The x-axis represents ventiles of the pre-pandemic earnings distribution (the top and bottom two ventiles are grouped into deciles). The panels provide estimates of the impact of the pandemic on the probability of experiencing an earnings cut, an earnings increase, or no change in earnings, respectively. Earnings cuts and increases are based on changes of at least \$10 in weekly earnings. The sample includes individuals who are employed in both month-in-sample 4 and month-in-sample 8 (264,968 observations).

Figure A.3: Change in Employment Rate by Employment History



Note: The figure plots the estimated impact of the pandemic (along with 95% confidence intervals) on the employment rate for different groups of workers. Recently employed are individuals who were employed at some point in the last three months, while not recently employed are the balance.

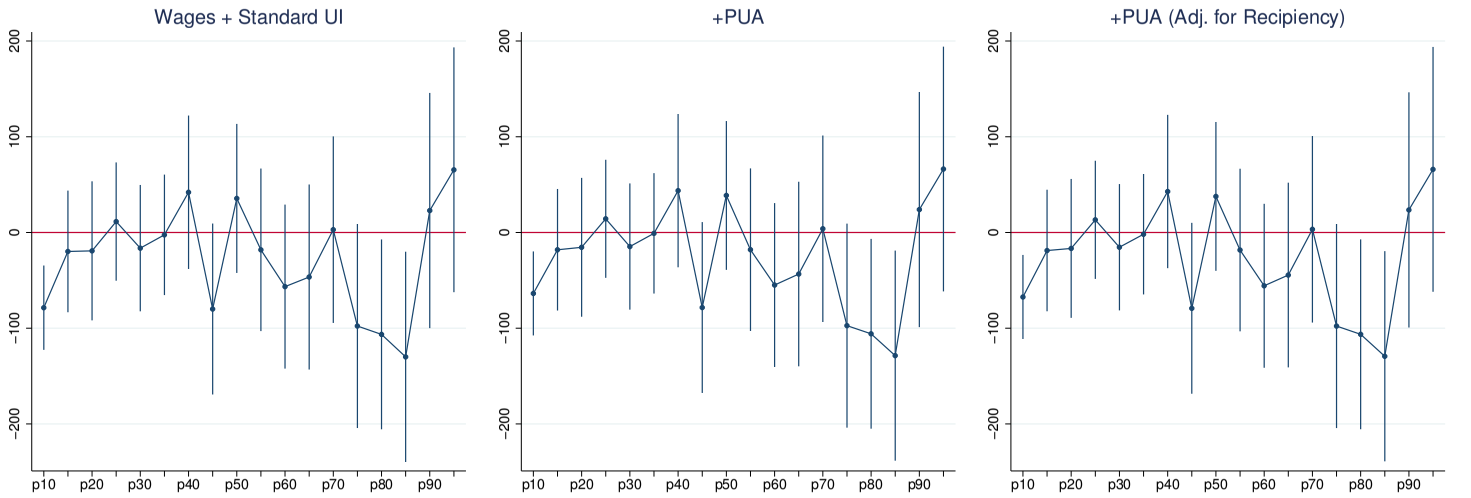
Figure A.4: Impact on Year-Over-Year Dollar Change in Labor Earnings and Simulated Benefits, April through August 2020



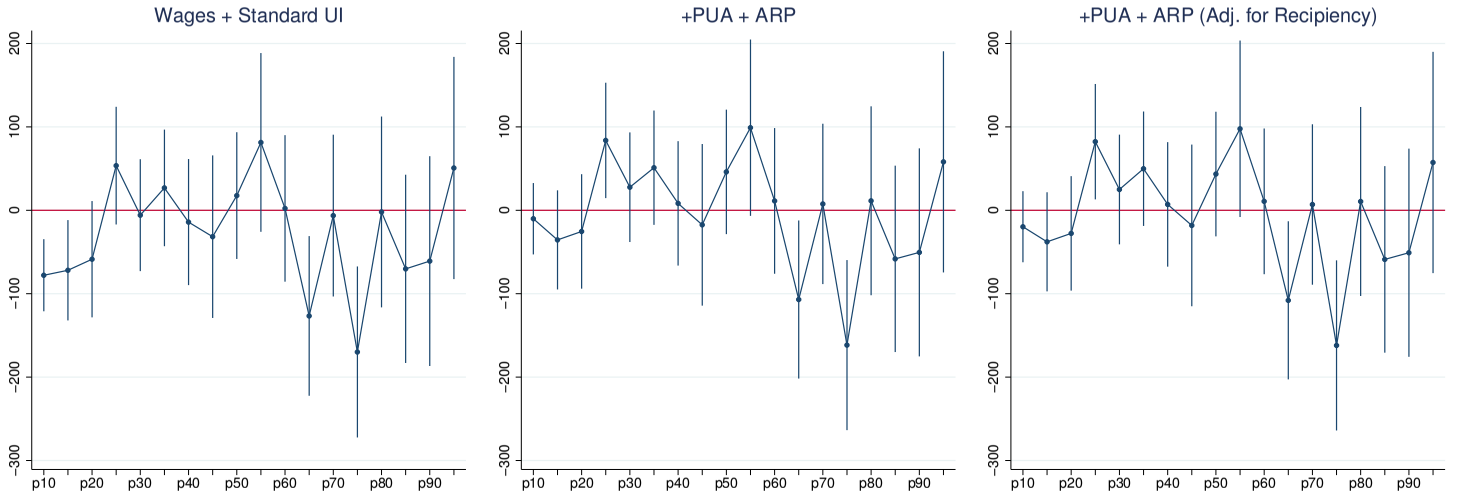
Note: PUA = Pandemic Unemployment Assistance (eligibility expansion), PUC = Pandemic Unemployment Compensation (additional $600 per week), LWA = Lost Wage Assistance (additional $300 per week). The figure plots the estimated coefficients and 95% confidence intervals for the changes during the pandemic throughout the earnings distribution, based on the estimation of Equation (1) using data from January 2015 until February 2021. The x-axis represents ventiles of the pre-pandemic earnings distribution (the top and bottom two ventiles are grouped into deciles). The dependent variable is the within-individual change in real weekly earnings plus benefits (dollar amount). Figures in the left column are based on actual earned wages (including zeros) plus estimated standard UI benefits. Figures in the center column are based on the above plus estimated PUA benefits and weekly top-ups (which vary across periods). Figures in the right column are adjusted for estimated recipiency rates.

Figure A.5: Impact on Year-Over-Year Dollar Change in Labor Earnings and Simulated Benefits, September 2020 through February 2021

Panel C: No Top-Up (September through December 2020)

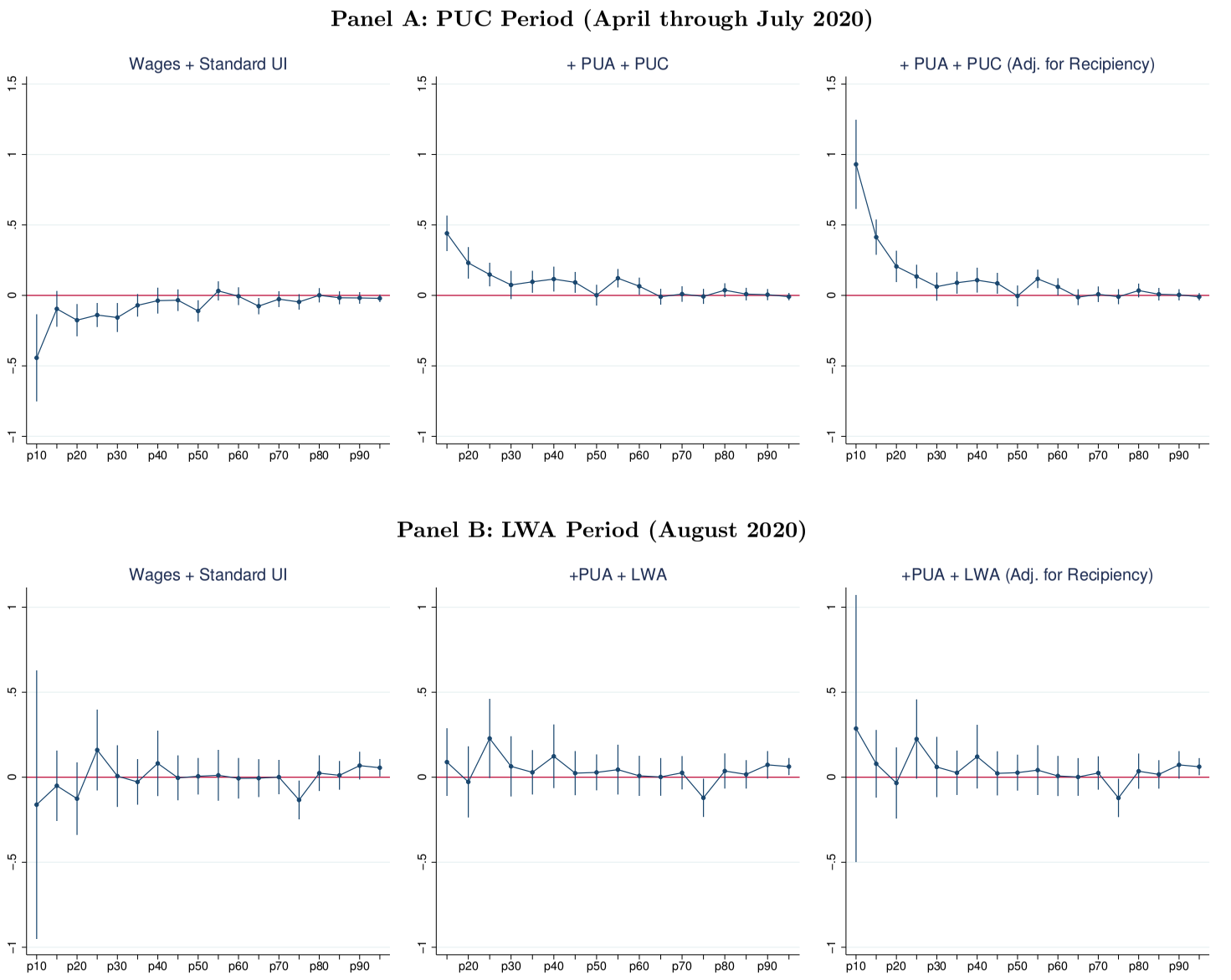


Panel D: ARP Period (January through February 2021)



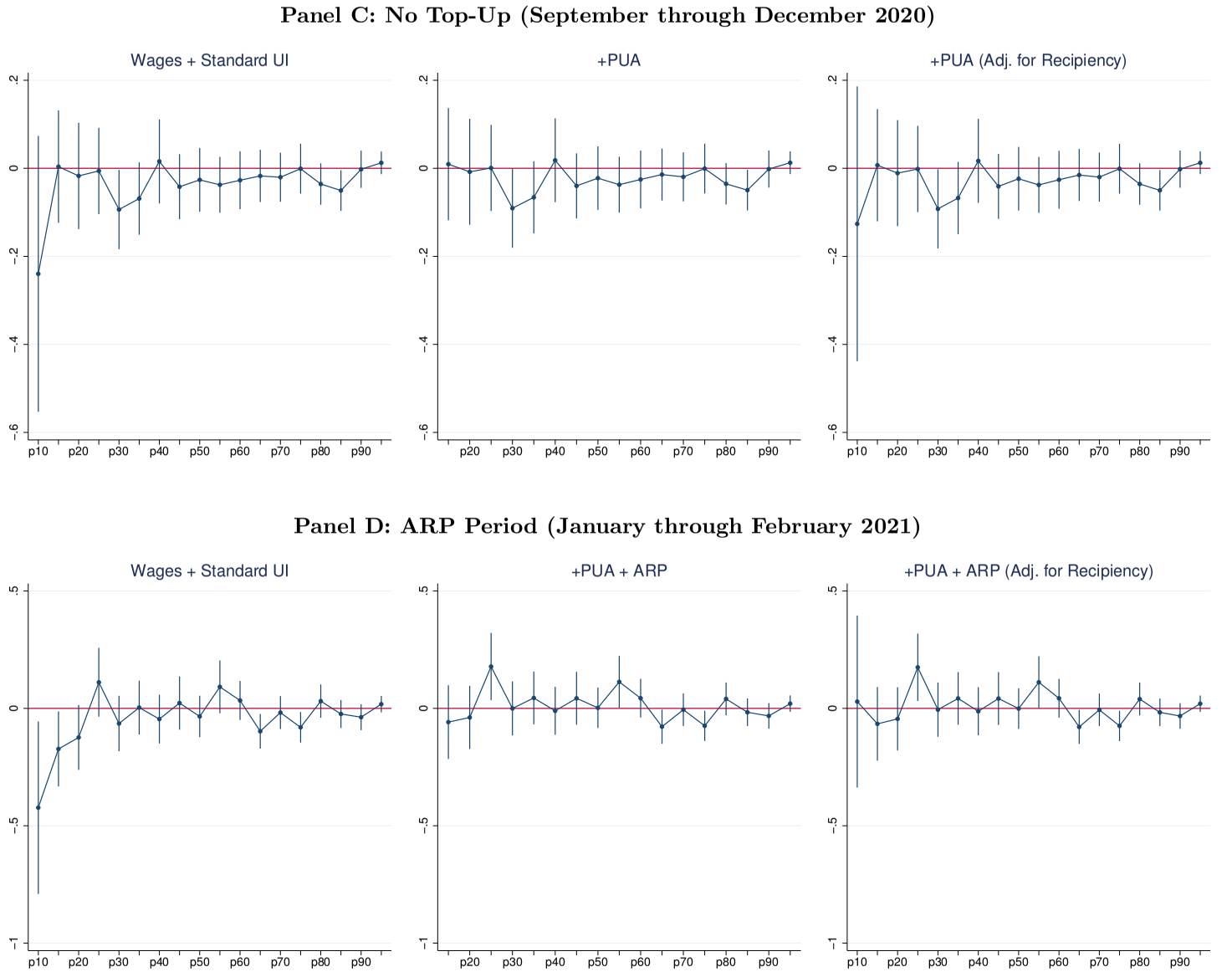
Note: PUA = Pandemic Unemployment Assistance (eligibility expansion), ARP = American Rescue Plan (additional $300 per week). The figure plots the estimated coefficients and 95% confidence intervals for the changes during the pandemic throughout the earnings distribution, based on the estimation of Equation (1) using data from January 2015 until February 2021. The x-axis represents ventiles of the pre-pandemic earnings distribution (the top and bottom two ventiles are grouped into deciles). The dependent variable is the within-individual change in real weekly earnings plus benefits (dollar amount). Figures in the left column are based on actual earned wages (including zeros) plus estimated standard UI benefits. Figures in the center column are based on the above plus estimated PUA benefits and weekly top-ups (which vary across periods). Figures in the right column are adjusted for estimated recipiency rates.

Figure A.6: Distributional Impacts of UI Policies during the Pandemic Period, April through August 2020 Estimated with Time Trends



Note: PUA = Pandemic Unemployment Assistance (eligibility expansion), PUC = Pandemic Unemployment Compensation (additional $600 per week), LWA = Lost Wage Assistance (additional $300 per week). The figure plots the estimated coefficients and 95% confidence intervals for the changes during the pandemic throughout the earnings distribution, based on the estimation of Equation (1), but where the ventile-year fixed effects are replaced by ventile-specific linear time trends. The estimation uses data from January 2015 to February 2021. The x-axis represents ventiles of the pre-pandemic earnings distribution (the top and bottom two ventiles are grouped into deciles). The dependent variable is the within-individual percentage change in real weekly earnings plus benefits. Figures in the left column are based on actual earned wages (including zeros) plus estimated standard UI benefits. Figures in the center column are based on the above plus estimated PUA benefits and weekly top-ups (which vary across periods). Figures in the right column are adjusted for estimated recipiency rates.

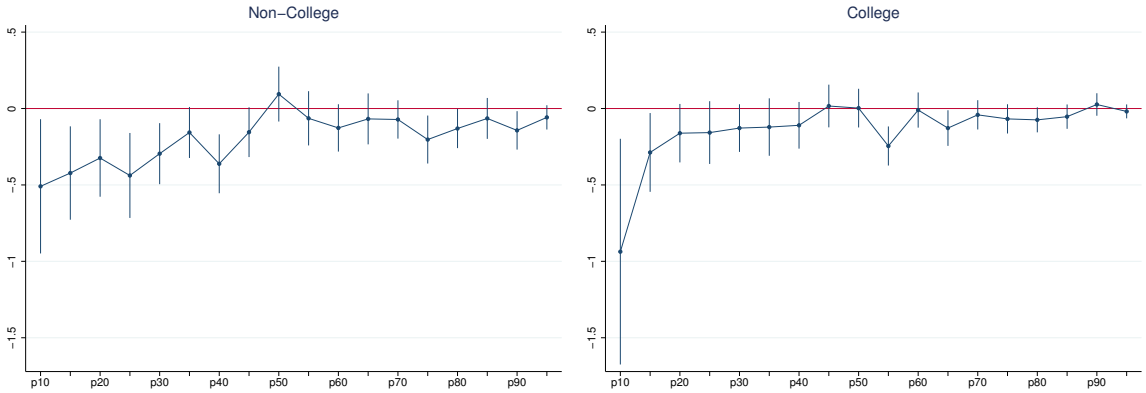
Figure A.7: Distributional Impacts of UI Policies during the Pandemic Period, September 2020 through February 2021 Estimated with Time Trends



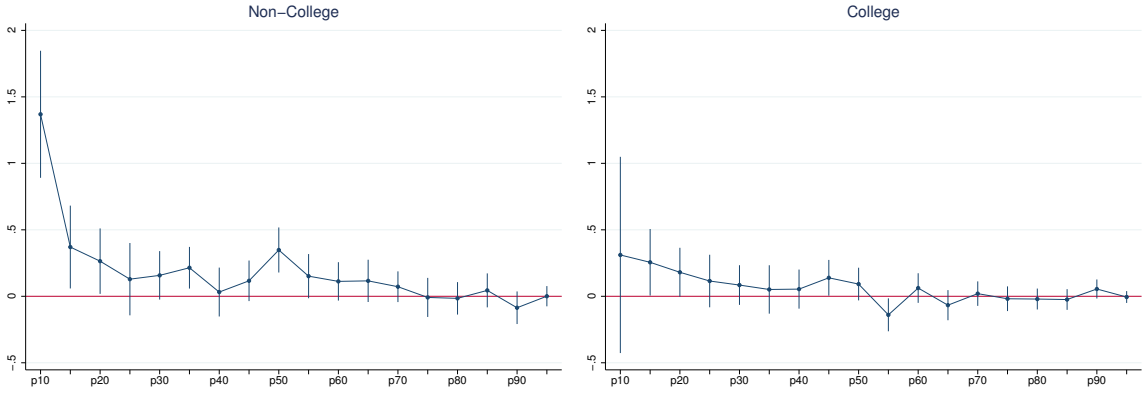
Note: PUA = Pandemic Unemployment Assistance (eligibility expansion), ARP = American Rescue Plan (additional $300 per week). The figure plots the estimated coefficients and 95% confidence intervals for the changes during the pandemic throughout the earnings distribution, based on the estimation of Equation (1), but where the ventile-year fixed effects are replaced by ventile-specific linear time trends. The estimation uses data from January 2015 to February 2021. The x-axis represents ventiles of the pre-pandemic earnings distribution (the top and bottom two ventiles are grouped into deciles). The dependent variable is the within-individual percentage change in real weekly earnings plus benefits. Figures in the left column are based on actual earned wages (including zeros) plus estimated standard UI benefits. Figures in the center column are based on the above plus estimated PUA benefits and weekly top-ups (which vary across periods). Figures in the right column are adjusted for estimated recipiency rates.

Figure A.8: Distributional Impact within Education Groups (Early Pandemic Period)

Panel A: Impact on Labor Earnings Growth Rates



Panel B: Impact on Total Income including Benefits (Adjusted for Recipiency)



Note: The figure plots estimated coefficients and 95% confidence intervals for the impact of the pandemic throughout the earnings distribution, based on the estimation of Equation (1) using data from January 2015 to February 2021, estimated separately for individuals who have at most a high school degree (left panels; 95,211 observations) and for individuals with at least some college education (right panels; 198,912 observations). The x-axis represents ventiles of the pre-pandemic earnings distribution (the top and bottom two ventiles are grouped into deciles) within each education group. The dependent variable in Panel A is the within-individual percentage change in real weekly earnings for all individuals who were employed in their fourth month-in-sample, including those who transition out of employment. Panel B uses the analogous change when including unemployment benefits and top-ups provided by the CARES Act and adjusting for recpiency. The estimates are for the early pandemic period (April to July 2020).