APPENDIX

Using all available monthly Illinois samples from January 2006 to July 2020 in IPUMS CPS, we estimate a logistic regression to show that conditional on age, race, sex, educational attainment, metropolitan status, marital status and the presence of children in the household, the probability of being a labor force participant has decreased.

Formally,

$$D_{i,t} = \alpha + \delta COVID_t + \beta X_{i,t} + \eta_t + \theta_t + state + \epsilon_{i,t}$$

Where $D_{i,t}$ is the dependent variable. In this case it is a dummy variable that takes the value 1 if an individual is employed, and 0 otherwise. $COVID_t$ is a dummy variable that takes the value 1 for each month since April 2020, $X_{i,t}$ is a vector of individual characteristics, η_t are month fixed effects to control for seasonal variations in employment, θ_t are year fixed effects and $\epsilon_{i,t}$ is the error term.

Employment	Marginal Effects
Employed=1, Not employed=0	
COVID	-0.024 ***
Number of observations	492,403
Pseudo R-squared	0.26

Both regressions include state, month and year fixed effects, sex, educational attainment, race, age, metropolitan status, marital status, the presence of children in the household.

*** Indicates the coefficient is statistically significant at the 1% level, ** statistically significant at the 5% level, * statistically significant at the 10% level

Illinois labor force participation would have been 3.8% higher in the absence of the COVID-19 induced economic downturn.

Variable	July	Counterfactual	Difference
Labor force participation rate	62.7%	65.1%	3.8%
Labor force participants	6,259,716	6,497,585	237,869