



Data file for “The Long-Term Unemployed and the Wages of New Hires”

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Log of New Hire Earnings

VARIABLES	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Long-term UR					-2.330**	-1.152**	-0.748	-1.554***	-0.819***	-0.627***
					(0.956)	(0.535)	(0.463)	(0.303)	(0.204)	(0.161)
Short-term UR					-1.318***	-0.727***	-0.680**	-1.026***	-0.645***	-0.448***
					(0.178)	(0.160)	(0.261)	(0.236)	(0.159)	(0.139)
UR	-1.816***	-0.936***	-1.292***	-0.733***						
	(0.531)	(0.304)	(0.204)	(0.128)						
Constant	7.066***	6.889***	7.036***	6.669***	7.049***	6.881***	7.306***	7.027***	6.666***	7.114***
	(0.0383)	(0.0372)	(0.0163)	(0.0710)	(0.0255)	(0.0342)	(0.0311)	(0.0153)	(0.0720)	(0.0711)
Observations	2,895	55,987	2,895	55,843	2,895	55,987	31,701	2,895	55,843	31,621
R-squared	0.954	0.836	0.970	0.927	0.954	0.836	0.825	0.970	0.927	0.923
Years	1994-2013	1994-2013	1994-2013	1994-2013	1994-2013	1994-2013	2005-2013	1994-2013	1994-2013	2005-2013
Weighted	-	-	Employment	Employment	-	-	-	Employment	Employment	Employment
State FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Sector FE	-	Yes	-	Yes	-	Yes	Yes	-	Yes	Yes
Time Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Cluster	State	State	State	State	State	State	State	State	State	State
P-value for equality					0.25	0.40	0.87	0.14	0.51	0.33

Source: Current Population Survey (CPS); U.S. Census Quarterly Workforce Indicators (QWI); authors' calculations.

Notes: OLS regression of the log of new hire earnings on alternative measures of unemployment. Earnings of new hires by state and sector are from Census QWI and are quarterly averages of monthly earnings. New hires exclude recalls. Unemployment measures are quarterly averages by state of monthly unemployment from BLS CPS microdata. Specifications (1)-(4) include the overall unemployment rate and indicated fixed effects using the entire sample from 1994-2013. Columns (5), (6), (8) and (9) decompose the overall unemployment rate as short- and long-duration and also use the full sample years of 1994Q1-2013Q1. Long-duration is 26 or more weeks unemployed. Columns (7) and (10) report the results using the period starting in 2005Q1 when all states (excluding Massachusetts) reported data. Each specification reports standard errors clustered at the state level. The last row reports the p-value associated with testing the equality of the decomposed coefficients in columns (5)-(10). Columns (3), (4), (8)-(10) report results weighted by employment from the QWI. ***, **, * indicate statistical significance at the 1, 5 and 10% levels, respectively.



Log of New Hire Earnings

VARIABLES	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Long-term UR					-2.286**	-1.114**	-0.731	-1.620***	-0.842***	-0.618***
					(0.931)	(0.520)	(0.456)	(0.297)	(0.206)	(0.158)
Short-term UR					-1.173***	-0.639***	-0.638**	-1.051***	-0.645***	-0.416***
					(0.164)	(0.166)	(0.260)	(0.234)	(0.165)	(0.142)
Want a job UR					-0.910**	-0.558*	-0.423	-0.114	-0.140	-0.282*
					(0.426)	(0.304)	(0.359)	(0.295)	(0.187)	(0.161)
UR	-1.481***	-0.779***	-0.991***	-0.573***						
	(0.449)	(0.257)	(0.182)	(0.111)						
Constant	7.096***	6.906***	7.051***	6.679***	7.071***	6.895***	7.316***	7.030***	6.670***	7.120***
	(0.0487)	(0.0415)	(0.0210)	(0.0727)	(0.0343)	(0.0374)	(0.0343)	(0.0205)	(0.0733)	(0.0718)
Observations	2,895	55,987	2,895	55,843	2,895	55,987	31,701	2,895	55,843	31,621
R-squared	0.954	0.836	0.970	0.927	0.955	0.836	0.825	0.970	0.927	0.923
Years	1994-2013	1994-2013	1994-2013	1994-2013	1994-2013	1994-2013	2005-2013	1994-2013	1994-2013	2005-2013
Weighted	-	-	Employment	Employment	-	-	-	Employment	Employment	Employment
State FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Sector FE	-	Yes	-	Yes	-	Yes	Yes	-	Yes	Yes
Time Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Cluster	State	State	State	State	State	State	State	State	State	State
P-value for equality					0.04	0.40	0.75	0.00	0.02	0.19

Source: Current Population Survey (CPS); U.S. Census Quarterly Workforce Indicators (QWI); authors' calculations.

Notes: OLS regression of the log of new hire earnings on alternative measures of unemployment. Earnings of new hires by state and sector are from Census QWI and are quarterly averages of monthly earnings. New hires exclude recalls. Unemployment measures are quarterly averages by state of monthly unemployment from BLS CPS microdata. Specifications (1)-(4) include the overall unemployment rate and indicated fixed effects using the entire sample from 1994-2013. Columns (5), (6), (8) and (9) decompose the overall unemployment rate as short- and long-duration as well as the "want a job" rate which we define as the number of nonparticipants who report wanting a job divided by the labor force. Note that the "new" labor force includes the sum of unemployed, employed and nonparticipants who report wanting a job. Columns (5), (6), (8) and (9) also use the full sample years of 1994Q1-2013Q1. Long-duration is 26 or more weeks unemployed. Columns (7) and (10) report the decomposed results using the period starting in 2005Q1 when all states (excluding Massachusetts) reported data. Each specification reports standard errors clustered at the state level. The last row reports the p-value associated with testing the equality of the decomposed coefficients in columns (5)-(10). Columns (3), (4), (8)-(10) report results weighted by employment from the QWI. ***, **, * indicate statistical significance at the 1, 5 and 10% levels, respectively.

Log Difference of New Hire Earnings and Continuer Earnings

VARIABLES	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Long-term UR					-1.003 (0.605)	-0.197 (0.281)	0.0521 (0.238)	-0.517** (0.246)	-0.101 (0.140)	0.0778 (0.125)
Short-term UR					-0.562*** (0.168)	-0.134 (0.132)	-0.0625 (0.155)	-0.404 (0.308)	0.0181 (0.147)	-0.0668 (0.179)
UR	-0.779** (0.330)	-0.165 (0.159)	-0.461** (0.195)	-0.0420 (0.102)						
Constant	-0.515*** (0.0232)	-0.365*** (0.0160)	-0.530*** (0.0140)	-0.411*** (0.0143)	-0.523*** (0.0159)	-0.366*** (0.0152)	-0.354*** (0.0129)	-0.531*** (0.0168)	-0.413*** (0.0151)	-0.389*** (0.0145)
Observations	2,895	55,987	2,895	55,843	2,895	55,987	31,701	2,895	55,843	31,621
R-squared	0.790	0.311	0.838	0.511	0.790	0.311	0.336	0.838	0.511	0.535
Years	1994-2013	1994-2013	1994-2013	1994-2013	1994-2013	1994-2013	2005-2013	1994-2013	1994-2013	2005-2013
Weighted	-	-	Employment	Employment	-	-	-	Employment	Employment	Employment
State FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Sector FE	-	Yes	-	Yes	-	Yes	Yes	-	Yes	Yes
Time Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Cluster	State	State	State	State	State	State	State	State	State	State
P-value for equality					0.46	0.83	0.65	0.78	0.56	0.56

Source: Current Population Survey (CPS); U.S. Census Quarterly Workforce Indicators (QWI); authors' calculations.

Notes: OLS regression of the log difference of new hire earnings and continuer earnings on alternative measures of unemployment. Earnings of new hires and continuers by state and sector are from Census QWI and are quarterly averages of monthly earnings. New hires exclude recalls. Continuers held the same job for the entire quarter. Unemployment measures are quarterly averages by state of monthly unemployment from BLS CPS microdata. Specifications (1)-(4) include the overall unemployment rate and indicated fixed effects using the entire sample from 1994-2013. Columns (5), (6), (8) and (9) decompose the overall unemployment rate as short- and long-duration and also use the full sample years of 1994Q1-2013Q1. Long-duration is 26 or more weeks unemployed. Columns (7) and (10) report the decomposed results using the period starting in 2005Q1 when all states (excluding Massachusetts) reported data. Each specification reports standard errors clustered at the state level (in parenthesis). The last row reports the p-value associated with testing the equality of the decomposed coefficients in columns (5)-(10). Columns (3), (4), (8)-(10) report results weighted by employment from the QWI. ***, **, * indicate statistical significance at the 1, 5 and 10% levels, respectively.