Title: The Impact of COVID-19 Lockdown on Employment and Mental Health

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2. Abstract
   Enforcing social distancing via economy-wide lockdown is considered as an effective measure to prevent transmission of the novel coronavirus COVID-19. Consequently, accompanied by a large number of job losses, a lockdown has severe labor market and economic implications. This is evident from a globally observed sharp increase in unemployment. In New Zealand (NZ), where the unemployment rate hovered around 4 per cent in the past ten years the same is predicted to reach 15 percent, despite the generous wage subsidies extended by the government to support businesses and employees. Our study investigates the impact of a nationwide lockdown in NZ that commenced on March 26, 2020, on employment, income, and mental health in NZ. We focus on the persistence of the employment shocks in the succeeding months to identify both immediate and longer-term impacts of the lockdown. For our analysis, we will be using administrative tax data from the Inland Revenue, which tracks individuals’ employment and earnings information on a monthly basis. By accounting for information on prior employment history, classification by industry and occupation, our study aims to identify the heterogeneity in the scarring effect of a large-scale economic lockdown. We use the identified employment and income effect from the lockdown to study subsequent effects on mental health outcomes. This information will be accessed from the Ministry of Health’s administrative records of mental health referrals. Our results will inform policymakers of the extent of the adverse economic and well-being consequences that resulted from the lockdown. Moreover, the study will provide key insights into identifying the population that would require public assistance to recover from the economic and mental health implications of an unprecedented lockdown.

3. Data description
   This research project will be utilizing a range of New Zealand related administrative data, which are hosted in the Integrated Data Infrastructure (IDI) by Stats NZ. To analyse the labor market outcomes of individuals, we will be utilizing NZ’s Inland Revenue data that documents people’s earnings and employment information on a monthly basis. To measure the impact on mental health, we will be using the “Programme for the Integration of Mental Health Data”, that contains data about the referral and what services (activities) were provided. Source is the Ministry of Health. The demographic characteristics will be accessed from IDI’s ‘Personal Details’ files and Census 2018 data.

4. JEL Codes: J01; E24; I12; I18;

5. Keywords
   COVID-19, employment shocks, mental health, lockdown, , administrative data