**Deregulation of fR**

**Unemployment is falling unlike in the fully distorted case, where there is a sharp rise.**

**Suggests there is a limited degree to which time varying benefits can help as there is no effect on the decline in consumption. This suggests that this is where ‘efficiency’ comes into play. In both the OE economy with fixed benefits and the OE economy with time-varying benefits, the decline in consumption is lower.**

**However, unemployment falls by a greater degree (-1 versus -0.3) in the here (fully distorted with time-varying benefits) than in the OE economy with fixed benefits. This suggests that time-varying unemployment benefits are more effective when there are other distortions present in the economy.**

**Deregulation of firing**

**No tangible benefits from time varying benefits. This might indicate that they are substitutes in some sense?**

**Joint deregulation**

There doesn’t seem to be any benefit from time-varying unemployment benefits compared to the fully distorted case (also a slightly more negative effect on consumption).