

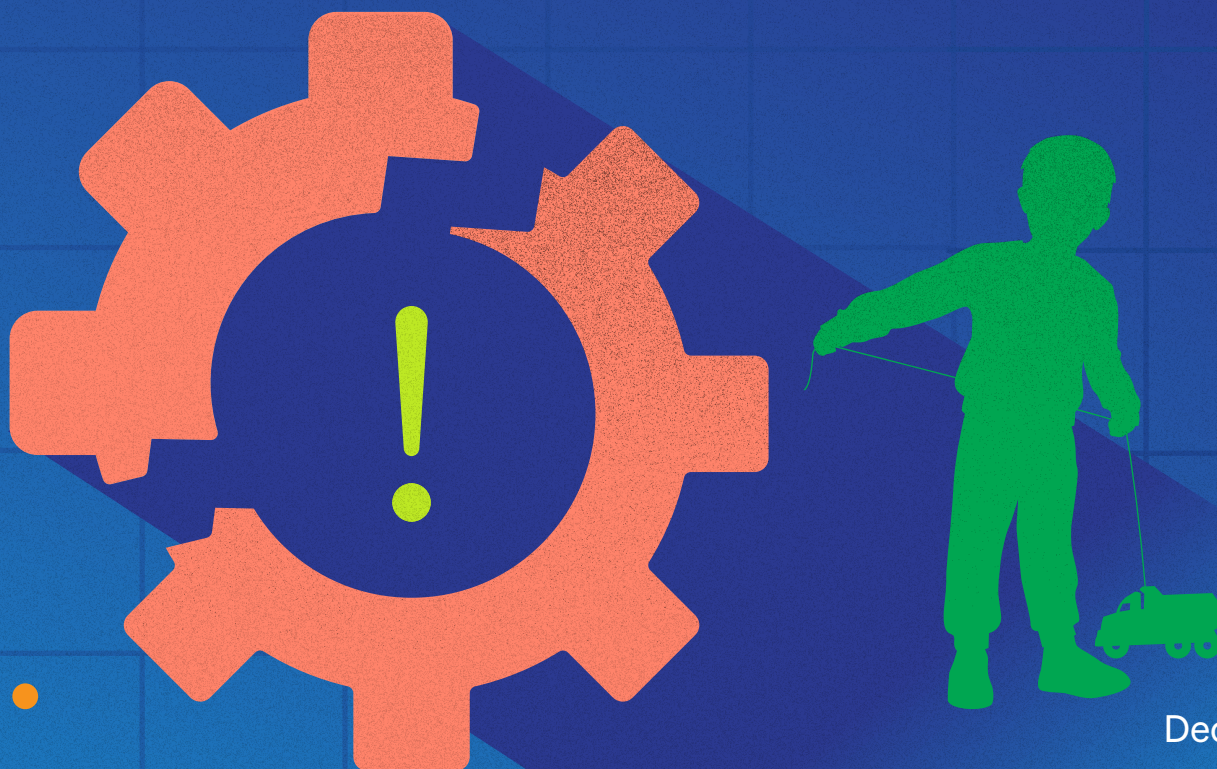


MONITORING POVERTY AND WELL-BEING IN NYC

SPOTLIGHT ON:

Parental job loss during COVID-19 and effects on children's behavioral health

Contributors: Eunho Cha, Jeanne Brooks-Gunn, Kathryn Neckerman, and Jane Waldfogel



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INTRODUCTION

After the COVID-19 pandemic began in March 2020, New York City experienced a historic decline in employment, losing nearly a million jobs.¹ This massive job loss exposed many New York City children to the economic insecurity associated with parental job loss, which could have harmful effects on children’s development.² Although New York City regained its pre-pandemic employment levels by late 2023,³ there is still much to learn about how the economic disruptions of the pandemic affected children during their early years. For families, schools, and community agencies aiming to support children’s post-COVID developmental recovery, it is crucial to understand the implications of whether children who experienced parental job loss during the pandemic faced more developmental challenges, necessitating additional support.

This brief examines how COVID-era parental job loss affected children’s behavioral health development, using data from the Early Childhood Poverty Tracker (ECPT), a representative, longitudinal study of families with young children born in New York City. The report draws on three ECPT surveys that followed families from before the pandemic in 2019 to the early and middle phases of COVID-19 in 2020 and 2021. We address two questions:

1. How common was parental job loss among New York City children after the COVID-19 pandemic began in 2020?
2. Did children who experienced parental job loss have more behavioral health problems than their peers who did not experience parental job loss?

Key Findings

- Among young children in New York City, roughly a third lived in families in which at least one parent stopped working after the onset of the COVID-19 pandemic.
- In 2021, a year after the pandemic began, children in two-parent families where both parents (or the sole working parent) stopped working had more reported peer problems than children from two-parent families that did not experience parental job loss.
- The link between parental job loss and children’s peer problems was not found among children from single-parent families.

¹ Bhat and Welch, “How’s New York City Doing? Tracking our pandemic recovery.”

² Kalil and Ziol-Guest, “Parental employment circumstances and children’s academic progress”; Ruiz-Valenzuela, “The Effects of Parental Job Loss on Children’s Outcomes”; Schaller and Zerpa, “Short-Run Effects of Parental Job Loss on Child Health.”

³ New York City, “Mayor Adams Announces NYC Hits All-Time High in Total Jobs, Recovery of Nearly 1 Million Jobs Lost During Pandemic.”

About Early Childhood Poverty Tracker

The Early Childhood Poverty Tracker (ECPT), a collaboration between Robin Hood and Columbia University, is a longitudinal study of New York City families with young children. Launched in 2017 when the children were between the ages of 0 and 3, the ECPT is following a representative sample of families with young children in New York City, to provide a detailed description of the challenges and resources that shape the development of children during the critical early years of life. The ECPT study uses repeated surveys with the same parents to understand how families' circumstances change as their children grow and develop. The baseline survey included 1,576 parents, each of whom reported on a "focal child" who was 0–35 months old in June 2017 or was born in the subsequent year. Since the baseline survey, parents have been surveyed several times per year about the focal child's health and development, enrollment in school or child care, and family circumstances, including economic conditions, health, and well-being. When statistically weighted, as they are for Figure 1 of this report, the ECPT children are representative of children born in New York City during the specified period and living in New York City in 2017-18. For more details about the methods used in the ECPT and for a profile of our sample, see our baseline report.⁴

About this report

In the summer of 2020, the ECPT surveyed parents about their employment status before and after the onset of the COVID-19 pandemic. Respondents were first asked if they and their spouse or domestic partner (if applicable) had been employed at any point since January 2020. If they were employed, they were asked about their employment status a few months after the pandemic began. Respondents could choose from the following options: (1) still working at the same job they held in March 2020, (2) furloughed, (3) laid off, (4) voluntarily quit their job, or (5) ceased working for other reasons. Respondents who selected response options (2) through (5) were coded as experiencing job loss. Thus, our measure of job loss includes both voluntary and involuntary departures from employment. (See the appendix for detailed percentages of the different types of job loss.)

Parental job loss could impact different kinds of families differentially. For instance, job loss may be more disruptive if both parents in a dual-income household lose their jobs or the breadwinner parent in a one-income household loses their job. The effect of parental job loss may also differ in single-parent and two-parent households. Our analysis focused on the family categories below.

⁴Neckerman, Brooks-Gunn, Doran, Kennedy, Maury, Waldfogel, and Wimer, "The Youngest New Yorkers: The Early Childhood Poverty Tracker."

Two-parent families

No parental job loss	In a one-income or two-income family, no parents stopped working
One parent stopped working, the other continued work	In a two-income family, one parent stopped working and the other parent continued work
All working parents stopped working	In a two-income family, both parents (or the sole working parent) stopped working

Single-parent families

Parent continued working	In a single-parent family, the parent continued working
Parent stopped working	In a single-parent family, the sole working parent stopped working

We used the Strengths and Difficulties Questionnaire (SDQ) to measure children's behavioral health before and after the onset of the COVID-19 pandemic. The SDQ uses parent reports for children aged 3 years and older to measure four behavioral health dimensions: emotional symptoms, conduct problems, hyperactivity, and peer problems.⁵ Each of these dimensions is assessed with five questions about the child's behaviors, with higher scores indicating more behavior problems (see the appendix for the questionnaire items). To analyze children's behavioral health, we use a subset of the ECPT sample with both pre- and post-COVID SDQ scores, excluding some children who were too young for SDQ assessment in 2019.

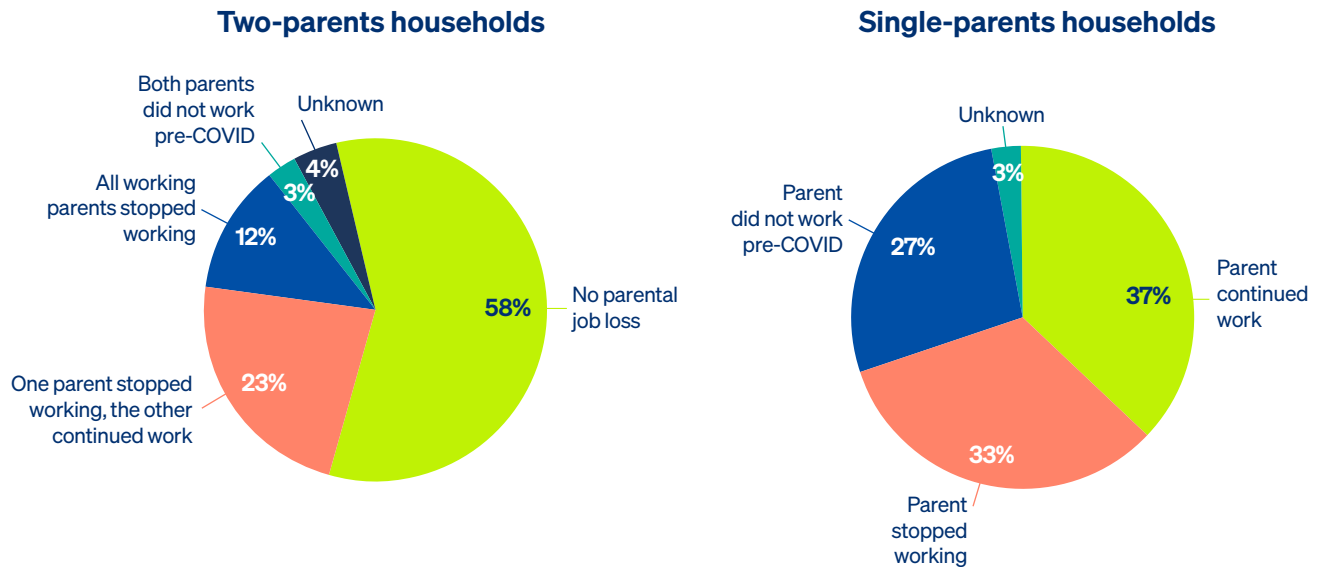
A third of young children experienced parental job loss during the COVID-19 pandemic

Figure 1 illustrates the prevalence of parental job loss in 2020 among children aged 4-6 who were born or living in New York City in 2017. Among children living with two parents, approximately 35% experienced at least one parent's job loss. Specifically, about 23% were in dual-earner families where one parent lost their job. Nearly 12% of children were in families where both working parents (or the sole working parent) stopped working, including 8% in families where the sole breadwinner lost their job and 4% in families where both parents lost their jobs. Among children in single-parent households, around 33% experienced a parental job loss.

⁵ Goodman and Goodman, "Strengths and Difficulties Questionnaire as a Dimensional Measure of Child Mental Health."

Figure 1

Percentage of children with parent(s) who lost their job due to COVID-19



Source: ECPT 2nd Child Annual Survey, administered in the summer of 2020, when the focal children were approximately ages 4-6. Note: The sample size was N=834 for two-parent households and N=282 for single-parent households. In figures for two-parent households, “One parent stopped working, the other continued work” refers to dual-earner families in which one parent stopped working during the pandemic; while “All working parents stopped working” includes dual-earner families where both parents stopped working as well as sole breadwinner families in which the only working parent stopped working. Figures are weighted at the child level.

When parents lost jobs, some young children experienced more peer problems

One year after the peak of the COVID-19 pandemic, we assessed whether parental job loss in 2020 was associated with children’s behavioral health. For three of the behavioral health measures examined—emotional symptoms, conduct problems, and hyperactivity—there was little difference between children who experienced parental job loss and those who did not.

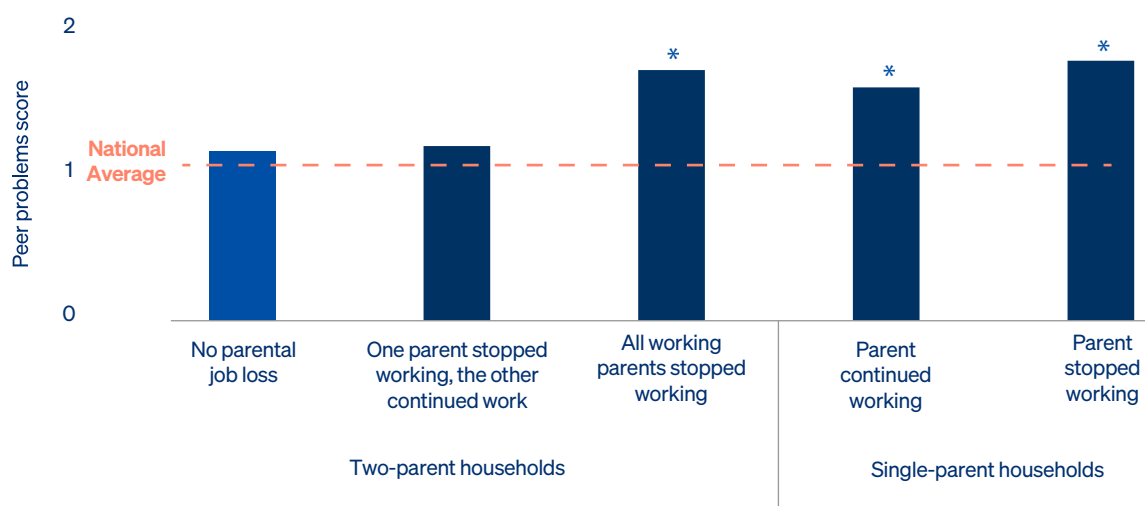
However, among children in two-parent families, parental job loss did predict poorer peer relationships (Figure 2). Peer problems were measured using a score that is scored higher (poorer peer relationships) if the parent reports that the child prefers to play alone, is bullied by peers, gets along better with adults than peers, lacks at least one good friend, or is generally not liked by other children with a range from 0 to 10. In two-parent families, when both working parents (or the sole working parent) stopped working, children had significantly higher peer problems on average. If only one parent lost a job and the other continued working, children did not exhibit significantly higher peer problems in 2021 compared to children in families where neither parent lost their job.⁶

⁶ As mentioned above, the figure adjusts for pre-existing differences in behavior problems measured before the pandemic between the two groups, as well as various demographic characteristics of children and families.

Among children in single-parent households, parental job loss did not significantly predict reported peer problems for children. However, among families with no job loss, children in single-parent families had significantly higher reported peer problems than children in two-parent families. These elevated levels of peer problems may reflect the intense challenges that single parents faced balancing paid work and family responsibilities.

Figure 2

Children's peer problems in 2021, by the experience of parental job loss



Source: ECPT 3rd Child Annual Survey, administered in 2021 and early 2022, and 2022 National Health Interview Survey (NHIS). Note: The sample includes children with both pre- and post-COVID behavior problem scores. N=565. The bar graph shows children's peer problem scores in 2021 in the ECPT; the dashed horizontal line shows the national average peer problem score derived from the NHIS (2022) among children aged 5-8, aligning with the age range of the ECPT sample. The peer problems score is the sum of five items, each rated on a 3-point scale: 0 ("Not true"), 1 ("Somewhat true"), and 2 ("Certainly true"). The maximum score is 10, but the graph's axis is truncated to a range of 0 to 2. Asterisks (*) above the bars indicate statistically significant differences at the 95% confidence level compared to the reference group—children in two-parent families who did not experience parental job loss. The scores are adjusted for children's pre-existing peer problems scores measured before COVID-19 (in 2019), child's age and gender, parent race and ethnicity, parent education, parent immigrant status, parent age, parent gender, and 2019 poverty status. While families in which neither parent worked pre-COVID are included in the analysis, they are not included in this figure, because the focus is on comparing working families that did not experience parental job loss versus those that did. In figures for two-parent households, "One parent stopped working, the other continued work" refers to dual-earner families in which one parent stopped working during the pandemic; while "All working parents stopped working" includes dual-earner families in which both parents stopped working as well as sole breadwinner families in which the only working parent stopped working.

CONCLUSION

Parental job loss during COVID-19 caused significant disruptions for children and families. Among families in the ECPT study, approximately one-third of young children experienced at least one parent's job loss after the pandemic began in 2020 (Figure 1).

For three of the behavioral health measures examined—emotional symptoms, conduct problems, and hyperactivity—there was little difference between children who experienced parental job loss and those who did not. However, parental job loss did predict poorer peer relationships among children in two-parent families (Figure 2). In two-parent families, if both working parents (or the sole working parent) stopped working, children had significantly higher peer problems. Children in single-parent families had elevated levels of peer problems regardless of the parent's employment status. As parents and educators continue to grapple with the toll of the pandemic on children's development, these results support a focus on children's interpersonal skills and peer relationships and suggest that economically vulnerable families may be at higher risk of these impacts.

To address the economic impact of the pandemic, policy packages like the CARES Act and the American Rescue Plan Act provided essential income support, through expanded unemployment insurance, economic impact payments, food stamps, and child tax credits. These policies likely mitigated the financial strain of job loss during the pandemic.⁷ Nevertheless, our findings highlight a critical need for more comprehensive and sustained support during economic crises, particularly for families who lose all sources of earned income.

⁷ Karpman and Acs, "Unemployment Insurance and Economic Impact Payments Associated with Reduced Hardship Following CARES Act."; Cooney and Shaefer, "Material Hardship and Mental Health Following the COVID-19 Relief Bill and American Rescue Plan Act."; Parolin, Ananat, Collyer, Curran, and Wimer, "The Initial Effects of the Expanded Child Tax Credit on Material Hardship."

APPENDIX

Appendix Table 1.

Percentage of children with parents who continued, lost, or quit their jobs due to COVID-19

	Mother	Father
Furloughed	7.31%	5.41%
Laid off	5.10%	4.96%
Voluntarily quit job	4.95%	1.15%
Stopped work for other reasons	6.12%	3.77%
Continued working	46.40%	49.89%
Continued not working	29.10%	9.07%
Not present in the household	0.00%	22.99%
Unknown	1.02%	2.75%
Total	100.00%	100.00%

Source: ECPT 2nd Child Annual Survey, administered in the summer of 2020. Note: The sample size is N=1,116. Figures are weighted at the child level.

In the Strengths and Difficulties Questionnaire (SDQ), parents are asked the extent to which the following behaviors are characteristic of their child:

Emotional Symptoms	Conduct Problems
→ “Often complains of headaches, stomachaches or sickness”	→ “Often loses temper”
→ “Many fears, easily scared”	→ “Generally well behaved, usually does what adults request” (reverse-scored)
→ “Many worries or often seems worried”	→ “Often fights with other children or bullies them”
→ “Often unhappy, depressed or tearful”	→ “Often lies or cheats”
→ “Nervous or clingy in new situations, easily loses confidence”	→ “Steals from home, school or elsewhere”
Hyperactivity-inattention	Peer Problems
→ “Restless, overactive, cannot stay still for long”	→ “Rather solitary, prefers to play alone”
→ “Constantly fidgeting or squirming”	→ “Has at least one good friend” (reverse-scored)
→ “Easily distracted, concentration wanders”	→ “Generally liked by other children” (reverse-scored)
→ “Thinks things out before acting” (reverse-scored)	→ “Picked on or bullied by other children”
→ “Good attention span, sees work through to the end” (reverse-scored)	→ “Gets along better with adults than with other children”

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