

Parental Economic Insecurity And Children's Non-Cognitive Skills: A Panel Study Of 2 To 5 Year-Olds In Canada

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Paper Abstract: Using data from the Statistics Canada National Longitudinal Survey of Children and Youth (NLSCY), 47% of households with young children worry about whether they have enough money to support their families. This paper explores the relationship between economic insecurity and children's inattentive/hyperactive and anxious behaviours in Canada. Results suggest that these behaviours are positively associated with parental economic insecurity. The size of the association between parental economic insecurity and children's inattentive/hyperactive behaviours are comparable to divorce shock. Boys exhibit more inattentive/hyperactive behaviours than girls, but girls are more sensitive to changes in parental economic insecurity. A potential channel through which parental economic insecurity affects children is their parenting behaviour. Less "positive" and more "negative" parenting strategies are apparent when parents experience economic insecurity.