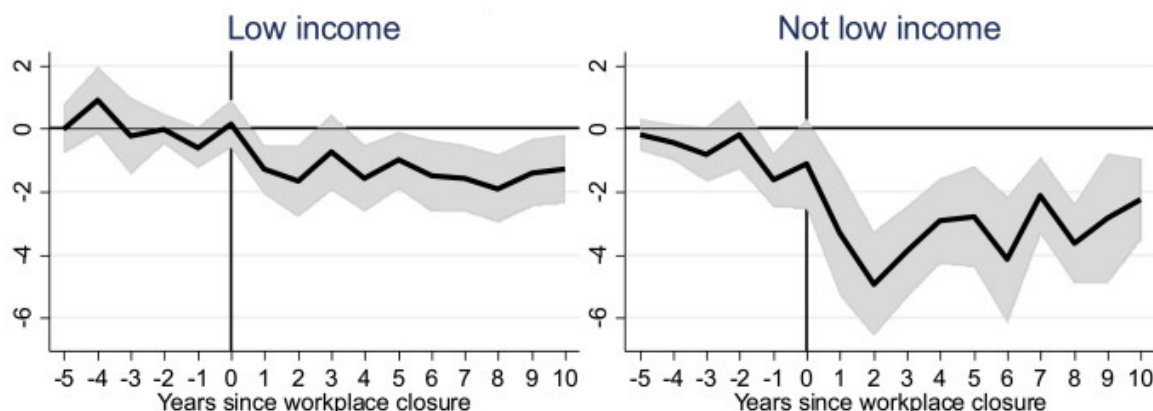


Swedish children protected when parents lose their jobs



- Swedish children's health and educational outcomes are not severely affected by parental job loss.
- Parents experience worse health, worse labour market outcomes and more separations.
- Limited effects on family disposable income suggest that welfare institutions successfully insure families, in particular those with low income.

Disposable income for fathers



Development of disposable income for low income families and other families before and after job loss. Disposable income of low-income families is less affected by job loss. Note: Low income defined as families with 25% lowest disposable income.

The researchers study the consequences of mothers' and fathers' job loss for parents, families, and children. Rich Swedish administrative data is used to identify workplace closures and to account for non-random selection of displaced workers. The study finds limited effects on children, although parents and families are negatively affected in terms of parental health, labour market outcomes and separations. No effects of parental job loss on childhood health are found. While educational and early adult outcomes are unaffected by *paternal* job loss, small negative effects of *maternal* job loss are found. Limited effects on family disposable income suggest that welfare institutions successfully insure families, in particular, those with low income, thus protecting the family environment. The Swedish dual earner norm and strong incentives for female labour supply may contribute to the absence of positive effects of maternal job loss seen in other countries.

For more information please contact Professor Eva Mörk: eva.mork@nek.uu.se

To download the full article "Consequences of parental job loss on the family environment and on human capital formation-Evidence from workplace closures", please visit:

<https://www.sciencedirect.com/science/article/pii/S0927537120301159>