



Wisconsin's Child Care Landscape

Child care is foundational early learning for our youngest children during their most critical developmental period. It's also a vital support for working parents and caregivers and a business and economic tool. Despite being essential and critical, decades of limited public investments have created a failing child care market, which was further damaged by the effects of the pandemic.

So, what exactly is going on and why should you care?



Far too many people can't afford child care.

A median Wisconsin family with one infant will use nearly 1/5 of their annual income for child care. A typical family with an infant and 4-year-old will spend 1/3 of their income on child care.



It ranges from difficult to nearly impossible to find.

Child care "deserts" exist across more than 50% of the state and 70% in Wisconsin's rural areas. This means there are more than three children under age five for every licensed child care slot.



Early childhood educators are critical yet are paid far too little.

Nearly half of Wisconsin's early childhood educators have some form of higher education but earn an average of \$11 to \$13 an hour while rarely accessing benefits. They are as critical as K-12 public school teachers but many could earn more by seeking an entry-level job in the service industry. This leads to a more than 40% turnover rate for child care professionals.



The child care business model is broken.

Child care programs' budgets are funded predominantly by parent fees and therefore operate on razor-thin margins. Programs do not "make money" off of parents/fees - the money has to support all staff salaries in addition to rent, utilities, food and other necessary operational needs. As a result, programs often cannot offer benefits.



This creates an economic ripple effect.

When families struggle with child care challenges, they are less reliable and effective employees. Some are forced to drop out of the workforce entirely. This affects business productivity and regional and state economies. The long-term economic impact of Wisconsin's child care crisis is estimated at \$4.2 to \$6.4 billion.



For more information on Raising Wisconsin and its infant toddler policy agenda, visit: raisingwisconsin.org

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Sources: Economic Policy Institute. Center for American Progress. Center for the Study for Child Care Employment; Institute for Research on Poverty (Studies of the Wisconsin Early Education Workforce). Bipartisan Policy Center.