

The Forum: Measuring the Economic Impact of Child Care

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Wisconsin Department of Children and Families

Early Care & Education

- Home visiting/Family Foundations Home Visiting (FFHV)
- Parenting Support & Service Navigation
- Health Programs
- Early Intervention/Special Education
- Head Start/Early Head Start
- 4-Year-Old Kindergarten
- Child Care



Return on Investment

Economists have found a positive return on early care and education investments of **\$7 - \$17 for every one dollar invested**.

- Less remedial education
- Higher graduation rates
- Lower teen pregnancy
- Lower rates of incarceration
- Higher employment rates
- Higher rates of home ownership
- Less likelihood of dependence on public assistance
- Better long-term health outcomes





Measuring the Economic Impact of Child Care

Pre-COVID 19: Child Care Crisis

- 78% of parents of children under 3 are in the workforce
- \$57B in lost earnings, productivity and revenue
- 86% of working parents said problems with child care hurt efforts and time commitment at work – falling behind, missed work, absences
- 1/3 of “high potential” women drop out of the workforce every year because of child care challenges



Connecting the Dots: WI's Economy and Child Care



Connecting the Dots: WI's Economy and Child Care



Access: February 2020



Statewide

- 4,500 programs
- 172,000 slots

Rural communities

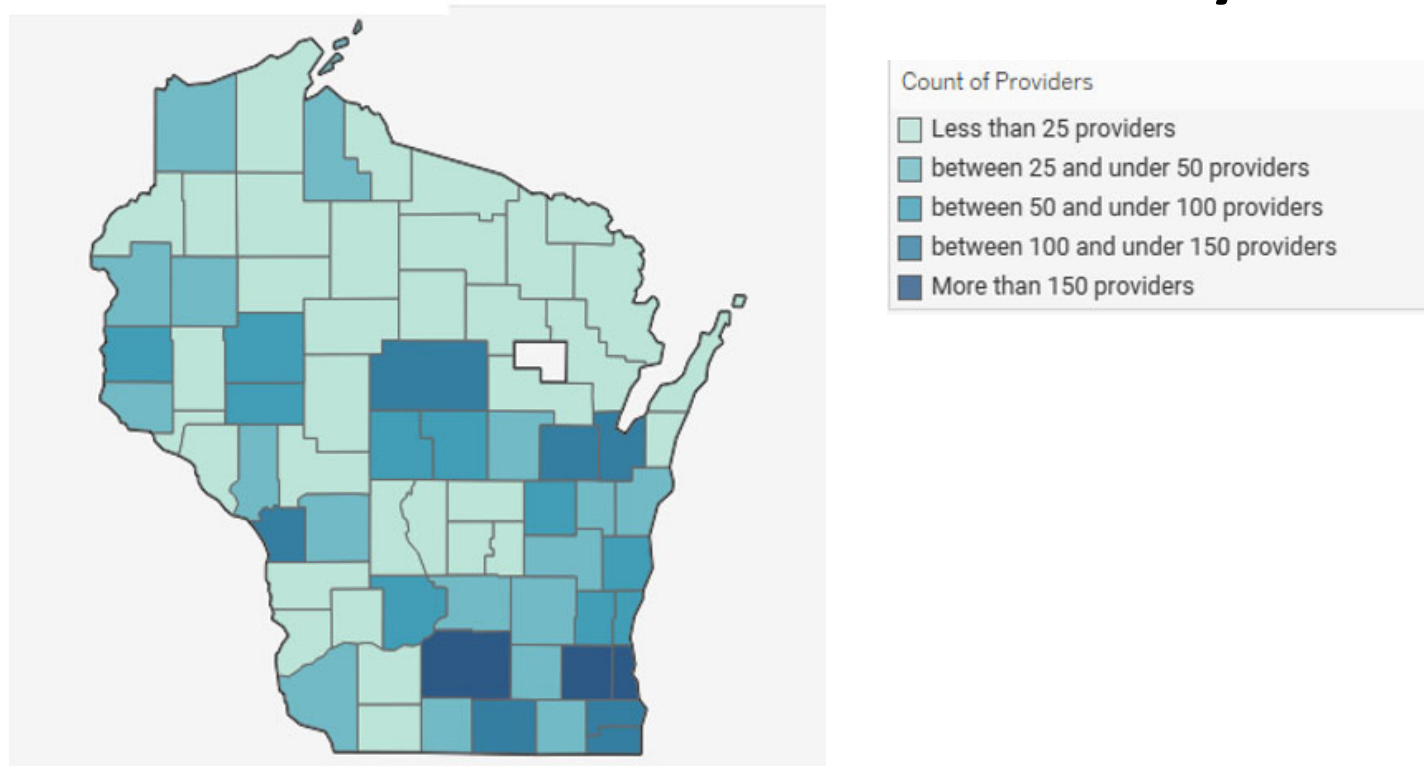
- Almost 80% live in desert

2010-2020

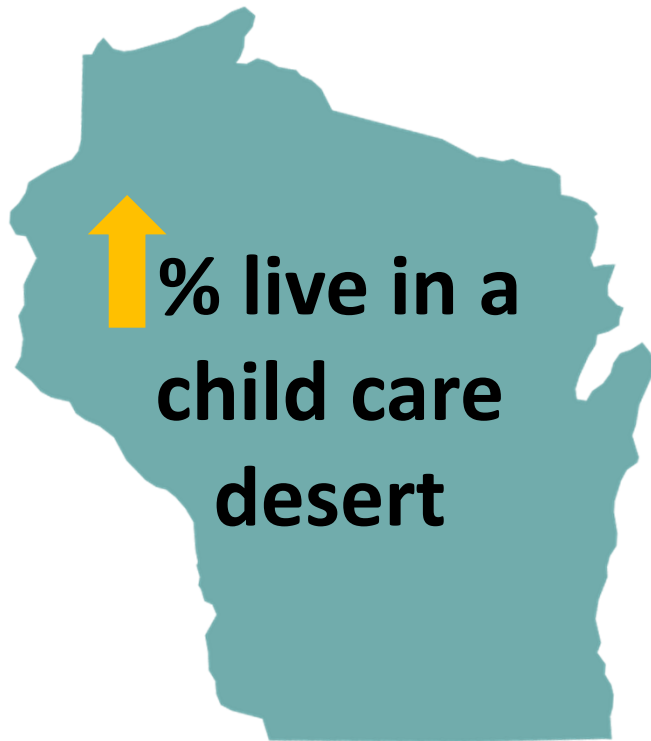
- 9% decrease in group programs
- 68% decrease in family programs



Access: February 2020



Access: May 2020



Statewide

- 2,500 programs
- 85,000 slots

SE urban communities

- Lost 61% of group programs (41,000 slots)

Family child care programs

- 84% still operating
- 11,000 slots

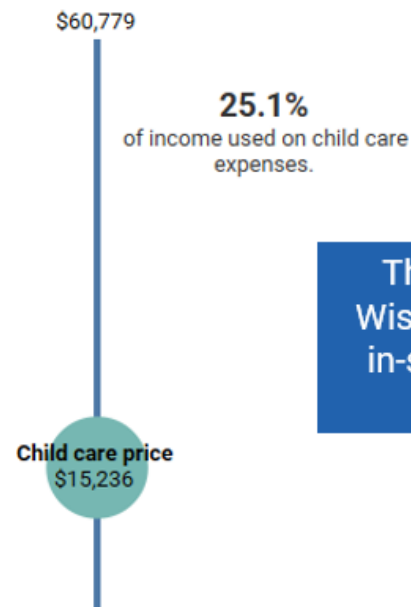


Connecting the Dots: WI's Economy and Child Care



Affordability

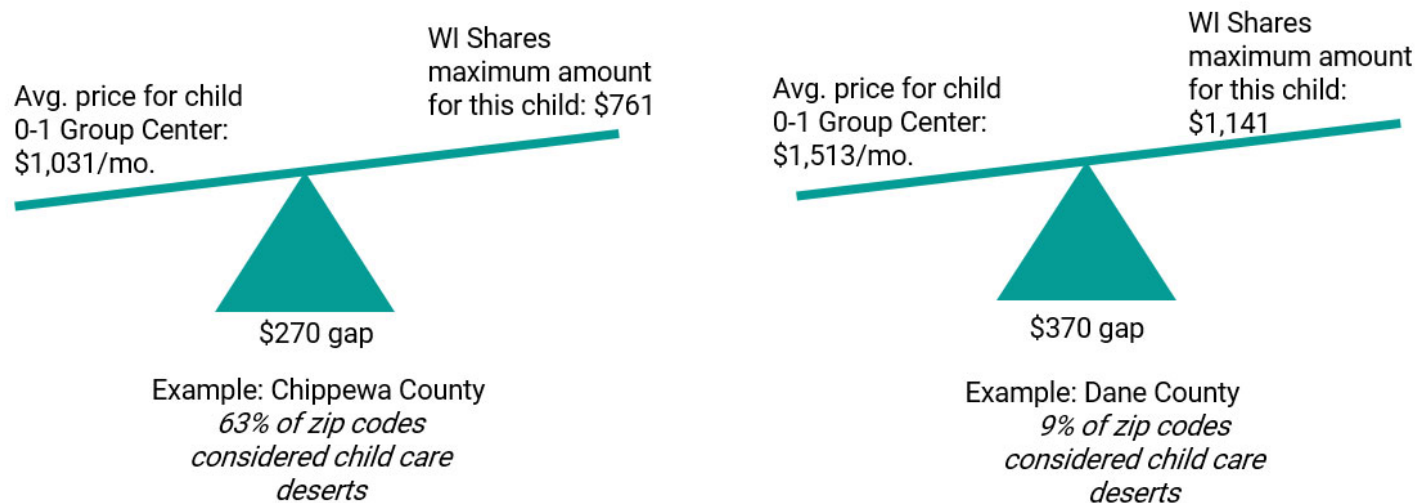
Median Income Comparison to the Cost of Infant Care at Licensed Group Centers



The average annual cost of infant care in Wisconsin significantly exceeds the average in-state tuition for a 4-year public college & average annual rent.



Affordability



Families may be unable to afford the difference.
Families may be unable to find YoungStar-participating providers and with openings.
Families may be unable to find any providers with openings.

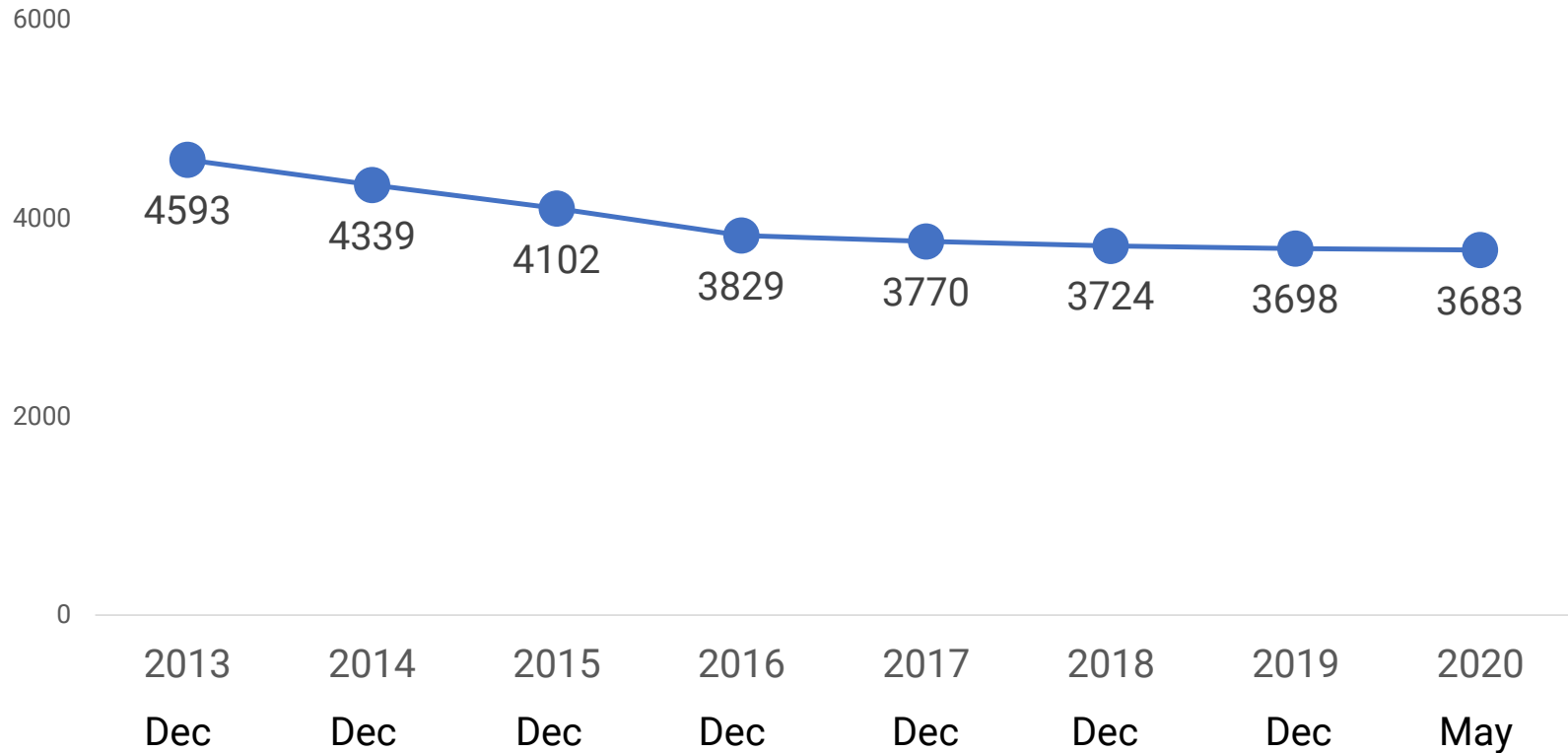


Connecting the Dots: WI's Economy and Child Care



Quality

Number of YS Participating Providers



20% Decrease in
Number of
YoungStar
Participating
Providers Between
December 2013 &
May 2020



Quality



Connecting the Dots: WI's Economy and Child Care



Workforce

- 52% of child care teachers have at least an Associate Degree or more
- Earning \$10.72/hour vs. \$18/hour (\$2,000 less than US average)
- 53% of child care teachers receive at least one form of public assistance
- Close to a 40% turnover rate for all child care teachers



Connecting the Dots: WI's Economy and Child Care



Funding Period
(All)

Child Care Counts: COVID-19 Emergency Payment Program

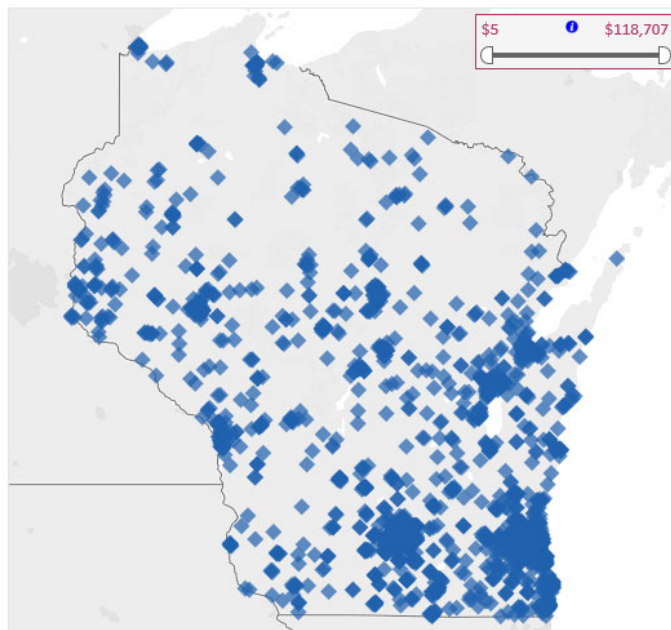


Wisconsin set aside **\$51 Million** for the Child Care Counts program

To date, **\$46,888,080** has been paid **\$** to **2,635 child care providers** affected by COVID-19



Payment Assistance to Child Care Providers



Helped keep over 19,000 child care workers employed and receiving pay



[Need help finding child care?](#)

Enabled child care to continue for nearly 75,000 Wisconsin children



Almost 3,000* child care providers applied for the Child Care Counts program, seeking financial assistance due to COVID-19

Nearly 2,000 for the Essential Workers payment program
Over 1,800 for the Incentive Pay program
and over 700 for the Temporary Closures program

*This is a unique count, as providers could apply for multiple programs, depending on their circumstances

\$ Ranges	Provider Count	Total Payments
Less than \$10,000	2,166	\$16,193,764
\$10,000-\$20,000	771	\$11,189,269
\$20,000-\$30,000	305	\$7,502,392
\$30,000-\$40,000	136	\$4,739,490
\$40,000-\$50,000	68	\$3,051,407
\$50,000-\$75,000	67	\$3,905,799
\$75,000-\$100,000	4	\$305,960



Opportunities: Preschool Development and Pritzker Grants

All Wisconsin families will have access to high-quality, affordable, local early care and education opportunities

2023

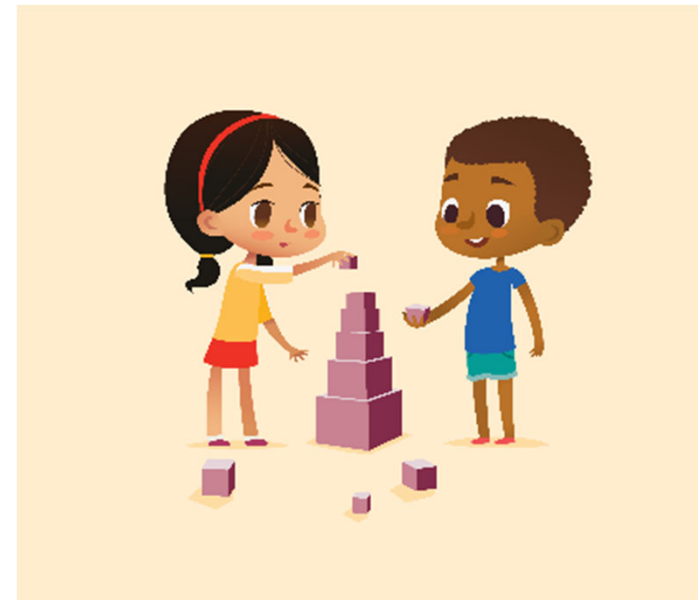


Build a Bigger Table

Connecting dots across all sectors to reopen and strengthen WI's economy

Focus: Business community leaders

- Developing a statewide and regional needs assessments
- Creating statewide and regional strategic plans
- Informing parents, businesses and other stakeholders about local options and opportunities
- Sharing best practices across communities
- Improving access, affordability, quality, and workforce issues



Opportunities for the Business Community

Short-term

- Share information from your business perspective to inform regional needs assessment and strategic plan
 - <https://dcf.wisconsin.gov/childcare/pdg/listening-sessions>
- Review recruitment/retention strategies, employee benefits (e.g., subsidized child care, purchasing slots for employees), and family friendly workplace policies



Opportunities for the Business Community

Long-term

- Improve your benefits and family friendly workplace policies
- Develop or participate in a shared services model (e.g., Jackson County)
- Invest in child care programs close to your site
- Subsidize employees' child care costs
- Use your influence to move policy and state investments



Who's Involved?

Anyone
Parents
Educators
Everyone
Advocates
Faith Leaders
Business leaders
Mental Health Professionals
Professional
Birth-3 Workers
Teachers
County Leaders
Senators
Nurses
Mayors
Pediatricians
Head Start Professionals
Law Enforcement
Special Educators
Doctors
City Council Members
Para-Educators
Non-Profit Organizations
Elected Officials
Family Medicine Practitioners
Special Educators
Early Childhood Special Educators
Pediatricians
Healthcare Specialist
Military Personnel
Home Visitation Specialists
Public Health Workers
Philanthropists
Early Childhood