Connecticut

Impact of the Child Care Industry in Connecticut

- There are 7,860 market-based child care providers with revenue of $718 million in Connecticut. This includes 6,931 sole proprietors (family child care home-based providers) and 929 child care centers.

- $718 million in direct revenue generated within the market-based child care industry is estimated to support about $674 million in spillover or related productivity in other industry sectors for an estimated combined total economic impact of about $1.39 billion in Connecticut.

- In terms of jobs, 21,100 sole proprietors and wage and salary employees in the child care sector are estimated to support about 4,970 workers in other industries for a total jobs impact of 26,069.

- The $372 million in employee compensation and proprietors’ earnings generated directly within the child care industry is estimated to support about $205.7 million in additional earnings across the state for a total earnings impact of $577.1 million.

Child Care Usage in Connecticut

- There are 602,794 children under age 15 (183,321 under age 5 and 419,473 between ages 5 and 14) in Connecticut who may require paid child care services.

- About 171,713 children under age 15 are in paid care – 72,797 (39.7%) under age 5 and 98,915 (23.6%) between the ages of 5 and 14.

- About 61.2% of children birth to age 5 in Connecticut are in non-parental care for at least 10 hours every week.

Cost of Child Care & Labor Force Participation

The cost of care in Connecticut remains a hurdle for many parents seeking to enter or stay in the labor force.

- The average annual cost of child care for an infant is $15,132 in a child care center and $10,556 in a family child care home.

- The average annual cost of infant center-based care is 122.1% of the cost of tuition and fees at a 4-year Connecticut college.

- Center-based infant care is 21.1% of state median income.

- Since 2010, family child care homes have increased from 6,709 to 6,931 in 2016 – an increase of 3.3%. For working families, home-based care offers less expensive care options for families.

The Link Between the Paid Child Care Sector and the State Economy

- Access to affordable child care can increase labor force participation and support state and regional economic growth.

- Access to affordable child care can support parents seeking additional education and training, which contribute to higher earnings over an individual’s lifetime.

- Increased subsidy payments trigger state level responses in wage rates, the mix of low- and high-skilled labor used in the state, prices of goods and services, and trade flows.

Note: Regulations for child care licensing vary by state. The economic information provided through the U.S. Census Bureau Economic Census includes employers and sole proprietors who report child care business income. This does not mean such entities are regulated by the state or are in compliance with state law. Therefore, state regulatory lists may vary from child care business data reflected in the Census Bureau data.