POVERTY SOLUTIONS
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FACT SHEET

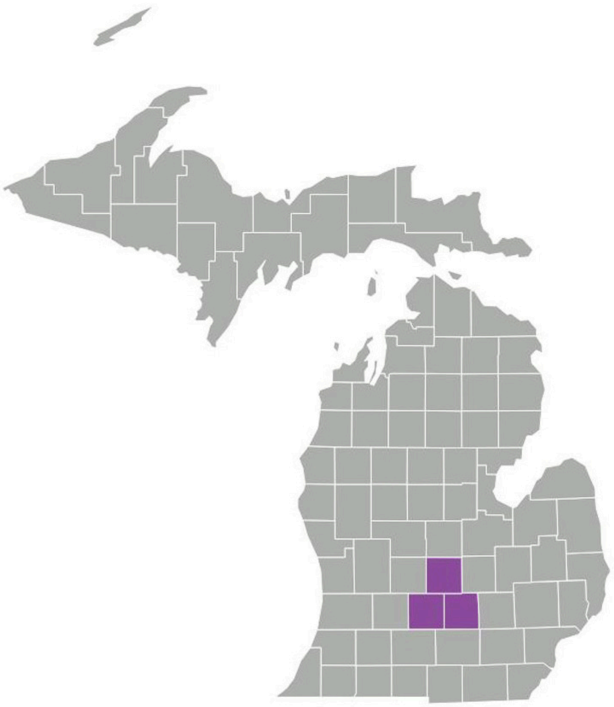
Michigan Poverty & Well Being Map: South Central Region

The South Central Region includes: Clinton, Eaton, and Ingham counties.
Learn more about the map at poverty.umich.edu.

Investing in Childcare can Bolster Lansing's Workforce and Attract Talent to the Area

The South Central Region aligns with statewide averages across most poverty and well-being indicators. However, this comparison obscures important variation within the region. Compared to statewide averages, Ingham County has a lower median household income and higher rates of poverty and of Asset Limited, Income Constrained, Employed (ALICE) households that are above the poverty line yet still struggle to afford necessities. The City of Lansing, in particular, has higher poverty rates. Strikingly, 35.5% of Lansing households make less than $40,000 per year, compared to 26.9% of Michigan households.[1]

High cost and limited availability of childcare in the South Central Region, particularly in Ingham County, compound these challenges for many families. The average cost of center-based childcare for infants and toddlers in the region is about $10,000 a year.[2] Consequently, families earning their county's median household income spend between 10% and nearly 15% of their incomes on childcare. The Department of Health and Human Services defines "affordable childcare" as costing no more than 7% of a household's income, meaning childcare is cost-prohibitive for many families in the region. Furthermore, inaccessible childcare contributes to lower labor force participation rates for women aged 16 to 44 with children under 6. While 85% of women aged 16 to 44 in the region without children participate in the labor force, only 77% of women with children under 6 do so.[3]



	State	Region
Population	10,077,761	472,669
Median Household Income	$72,336	$72,110
Children in Poverty	17.7%	15.1%
Population in Poverty	13.4%	14.1%
ALICE	26.3%	24.5%
ALICE + Poverty	39.7%	38.2%
Households Receiving Food Stamps / SNAP	13.5%	10.7%
Housing Cost Burdened	32.7%	32.9%
Adults Without Insurance	7.1%	6.2%
Single- Parent Households	30.6%	29.4%

Thus, expanding access to childcare could allow more women to work and increase their households' income and financial stability.

Investing in an affordable, accessible childcare network is also an opportunity for the South Central Region to attract working adults, which is a priority as the local population ages. The number of working-age adults is expected to decline in the coming years across all three counties.[4] At the same time, the number of seniors is increasing for all three counties, especially in Clinton and Eaton.[5]

Beyond high costs, childcare in the region remains difficult to access due to limited capacity. Importantly, for every child 4 years or younger, there is only one child care slot available for every 3.7 children. In a recent survey of child care providers by Public Sector Consultants, 77% of respondents reported staffing shortages, and 35% reported being unable to operate at full capacity due to those shortages.[6] These workforce challenges may be a response to relatively low wages in the sector. Childcare workers in Michigan earn a median hourly wage of $14.02, compared with a statewide median wage of $22.57.[7] These findings suggest that assisting childcare providers in expanding their workforce and paying workers may increase childcare capacity in the region.

The Child Development and Care (CDC) Subsidy provides childcare payment assistance for Michigan families. Michigan also offers funding and support for licensing, planning, and staff education for childcare providers.[8] Significantly, less than 65% of people who are eligible for CDC Subsidy actually receive a subsidy.[9] The South Central Region is now part of Michigan's Tri-Share Program, which allows employers to opt into a program in which the government, employer, and employee split childcare costs equally. While evidence suggests this program's reach is limited, bringing it to the region can help local businesses attract workers.

References

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2 National Database of Childcare prices, United States Department of Labor. https://catalog.data.gov/dataset/national-database-of-childcare-prices

3 American Community Survey, 5-Year Estimates; U.S. Census Bureau. Presence of Own Children Under 18 Years by Age of Own Children Under 18 Years by Employment Status for Females 20 to 64 Years, 2024. Prepared by Social Explorer. https://www.socialexplorer.com/reports/socialexplorer/en/report/e75c263c-7ed3-11f1-9c5a-3f0c3ad43c82

4 *Lansing Region Population Study.* Lansing Area Economic Partnership, 2025. *https://www.purelansing.com/population/*

5 *Ibid*

6 *Regional Action Plan: Capital Area Child Care Coalition.* Public Sector Consultants, July 30, 2024. https://publicsectorconsultants.com/regional-action-plan-caccc/

7 *The Economic Impact of Child Care by State*. St. Louis Federal Reserve, April 15, 2025. https://www.stlouisfed.org/community-development/child-care-economic-impact

8 Child Care Mapping Project. Michigan State University, Engaged Research and Evaluation Center. https://erec.msu.edu/projects/child-care-mapping-project

9 *Annual Report of Key Program Statistics: FY 2024*. Michigan Department Health and Human Services. https://www.michigan.gov/mdhhs/inside-mdhhs/reports-stats/key-stats-annual