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Over One Third of Wisconsinites Struggling to Make Ends Meet Financially

Third United Way of Wisconsin ALICE® Report shows many faced financial insecurity before COVID-19

MADISON, WI—July 27, 2020—34 percent of Wisconsin’s 2.4 million households are struggling to afford basic necessities like housing, child care, food, transportation, and internet access. The astounding statistic was revealed in the state’s third ALICE report, released today by United Way of Wisconsin in partnership with United For ALICE and local United Ways across the state.

ALICE, which stands for **A**sset **L**imited, **I**ncome **C**onstrained, **E**mloyed, describes households earning more than the Federal Poverty Level (FPL) but less than the state’s basic cost of living, which the report calls the ALICE Threshold. In Wisconsin, 549,313 (~23%) are ALICE, while another 262,960 (~11%) fall below the FPL.

Published every two years since 2016, the latest report features data collected in 2018 and focuses on the financial struggle of ALICE families statewide since 2010. New statistics suggest improvement, with a shift from 38% of Wisconsin households falling below the ALICE Threshold in 2016 to the latest figure of 34% in 2018. However, the unprecedented financial challenges caused by the COVID-19 pandemic have undoubtedly upended any momentum built in the interim.

Due to factors such as wage insecurity, disruption of child care services and barriers to working or attending school virtually, households below the ALICE Threshold face acute hardship as the pandemic’s devastating economic effects unfold. The difficulties currently burdening ALICE households and many others have reinforced the issue of economic fragility and its pervasiveness throughout the state today.

Key Takeaways:

- **59% of Wisconsin jobs pay less than \$20 an hour**, despite a cost of living that increases faster than inflation.
- **Annual home-based (\$9,873) and center-based (\$12,552) child care costs for an infant are greater than annual tuition at an in-state public 4-year university (\$9,080).**
- **Black (66%) and Hispanic (48%) households have disproportionately high ALICE rates** compared to White households (32%).
- **33% of households with income below the ALICE Threshold still do not have an internet subscription**, making work-from-home and virtual education alternatives nearly impossible during COVID-19.

“Even before COVID-19, our ALICE neighbors were working hard to provide for their families,” said United Way of Wisconsin Executive Director Charlene Mouille. “The current crisis is only highlighting that despite this hard work, constant uncertainty and the struggle of financial hardship are the reality faced by more than one in three Wisconsin households.”

Beginning as a pilot program in New Jersey, United For ALICE has grown to include 21 states and more than 648 United Ways. Each statewide study uses the same methodology for documenting financial need and hardship, building on the original ALICE report developed by United Way of Northern New Jersey in partnership with Rutgers University.

“The ALICE report continues to expose how many families in our communities are facing obstacles like stagnating wages, rising costs of living, and a lack of available resources,” said United For ALICE National Director Stephanie Hoopes, Ph.D. “The work being done by local United Ways nationwide to inform community members about this reality and address the needs of ALICE households is more important now than ever.”

Throughout Wisconsin, local United Ways are committed to improving the lives of ALICE families and those in poverty by promoting resources for health, education, and financial stability. Addressing these issues will not only help advance the quality of life for those suffering from continued financial hardship, but also uplift communities as a whole.

“We’re committed to changing the way we view our neighbors experiencing financial distress,” Mouille explained. “By challenging commonly held beliefs around poverty and economic hardship, we can begin to understand the factors holding so many Wisconsinites back and what we need to do as communities to build a better future.”

**United Way
of Wisconsin**



To read an embargoed copy of the report and find county-by-county and town-level data on the size and demographics of the Wisconsin ALICE population, as well as the community conditions and costs disproportionately affecting these families, visit www.neuepro.com/Wisconsin. For more information on how COVID-19 is impacting ALICE households and their communities, visit UnitedForALICE.org/COVID19.

United For ALICE is funded and supported by AT&T, Atlantic Health System, Deloitte, Entergy, Johnson & Johnson, Novartis and UPS. The Wisconsin ALICE Report was supported by Thrivent Foundation, U.S. Venture/Schmidt Family Foundation, and local United Ways throughout Wisconsin.

Visit www.unitedwaywi.org to learn more about current initiatives to address the financial hardship experienced by ALICE families and how you can work with your local United Way to help.

About United Way of Wisconsin: United Way goes beyond temporary fixes to create lasting change in communities throughout Wisconsin. United Way fights for the health, education, and financial stability of every person in every community. Connect with your local United Way to learn more about the organization's progress in advancing common good in your community. The United Way of Wisconsin (UWWi) is the statewide organization providing member support services to the local and independent United Ways in Wisconsin. Through UWWi member support services, local United Ways in Wisconsin and their community partners individually and collectively strive to strengthen communities.

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