CHILD CARE, TAXATION AND NORMATIVE COMMITMENTS: EXCAVATING THE CHILD CARE EXPENSE DEDUCTION DEBATE

Lois Harder

Are contemporary social forces such that reproduction, sexuality, and emotional work are likely to become more commodified and the social order more fractured and individualistic—in short, more masculinist for women and men alike?... Or are the social forces such that the sovereign, rights-bearing subject of liberalism is likely to be increasingly challenged both as an empirical fiction and a normative ideal, a challenge that could signify the breakdown of historically masculinist norms governing political life?1

In recent years, the income tax system has enjoyed increased prominence in the delivery of Canada’s social programs. Its current popularity stems from its unique capacity to incorporate both the federal and provincial governments in social policy with relatively little jurisdictional tension, its delivery of means-tested social programs without stigma, and its efficiency.2 A key problem with this mode of service delivery, however, is that the technicality and apparent neutrality of the tax system tends to obscure the gendered underpinnings of tax-delivered social programs.

The disappearance of gender equity as anything more than a symbolic policymaking objective for Canadian governments has been frequently noted in recent feminist scholarship.3 Neoliberal governance, with its emphasis on market facilitation and its delegitimation of demands for redistribution and recognition, provides much of the explanation for this development. Inattention to gender inequality is further exacerbated by the delivery of social benefits through the tax system. The genderless language that describes the formal unit of taxation in Canada as the individual, but requires that family income be used as the basis for determining many tax benefits, implies
that adult family members have full access to income and benefits and that
decisions about how income is acquired and caring is conducted are mat-
ters of personal preference. Further, the general understanding of taxation as
rules governing what counts as income, what might be excluded from
income and what percentage of income will be taken by the state, obscures
the differential effects of these rules on men and women. As Bakker and
Elson have noted in the context of budgets (but it is equally applicable to
income tax) “there is no particular mention of women, but no particular
mention of men, either.” Indeed, when provisions of the Income Tax Act
have attempted to make specific reference to women, as occurred in the original
formulation of the Child Care Expense Deduction, they have been chal-
enged as incidents of discrimination.

In addition to the role of neoliberal governance and indirect methods of
service delivery in erasing gender equity from the policy agenda, feminists’
strategic choices and normative commitments have also, ironically, con-
tributed to the inattention to gender in contemporary policy debates. Wendy
McKeen, for example, has argued that when some feminists chose to link
their struggles to those of antipoverty activists in the 1980s, they were com-
pelled to trade a commitment to women’s autonomy, broadly understood,
for a narrower focus on the plight of low-income women and single moth-
ers. In the context of fiscal restraint, one of the casualties of this trade-off
was the pursuit of universal social provision in favour of targetted programs
that might at least ensure some ongoing support for the economically mar-
ginalized. Subsequent efforts to reassert the importance of universality have
been dismissed as anachronistic by both fellow policy advocates and gov-
ernment officials. In the British context, but also applicable to Canada,
Alexandra Dobrowolsky has observed feminists’ strategic choice to use con-
temporary attention on children to advance gender equity objectives. Here
again, however, feminists risk a key focus of their cause—challenging a patri-
archal gender order—by reinforcing the traditional understanding that
women not only do, but “should” bear primary responsibility for children.

The Child Care Expense Deduction (CCED), in both its operation and
the debates that have surrounded it, offers a useful site at which to interro-
gate how seemingly gender-neutral tax-delivered social programs can reinforce
an antiquated gender order. Further, to the extent that the most recent incarnation of the debate around the CCED has concerned the tax treatment of unpaid labour, I want to argue that feminists who take up the call to reform the CCED so as to apply to all families with children risk co-optation by conservative advocates of the “traditional” family. But the challenge to the efficacy of the CCED also provides feminists with an important opportunity: an opportunity to speak to an overwhelming need for universally available, high quality child care not only for the developmental needs of children and the support of workforce participation, but to ensure a more equitable gender balance for the responsibilities of both earning and caring. At the most general level, I want to explore, as per the epigraph, how we might be able to expose the degendered liberal subject as an empirical fiction of contemporary policy and make some strides towards challenging the masculinist and patriarchal norms governing political life.

This analysis focuses on the 1999 hearings of a Parliamentary subcommittee established to examine the impact of the tax and transfer system on Canadian families with children. But before undertaking that discussion, the paper outlines the substance of the CCED and provides a brief overview of the deduction’s development, its place within the broader context of child care funding in Canada, and the events that shaped the positions articulated in the contemporary debate.

The Child Care Expense Deduction  Introduced in 1972, the CCED was designed to reduce the costs of child care, thereby supporting the labour force participation of women with children.9 The provision allows for a portion of receipted child care expenses to be deducted from net income. In its initial formulation, the CCED could be claimed only by women, except in cases in which wives were unable to care for their children because they were infirm, imprisoned, divorced, or dead.10 However, this provision was altered in response to a finding of the Canadian Human Rights Tribunal that the requirement discriminated against men.11 Under the current law, then, in two-parent families, the deduction must be claimed by the person with the lower net income. As of the 2002 tax year, the deduction was calculated on the basis of the least of the following three possibilities:
The number of children under age seven multiplied by $7000 plus the number of children between ages seven and 16 multiplied by $4000;  
2) The amount paid in child care expenses, and  
3) 2/3 of the claimant's earned income.12

From the Carter Commission to Symes  The introduction of a tax deduction for child care was, in some ways, a curious choice on the part of the Liberal government. The Royal Commission on Taxation (the Carter Commission) had argued, in its 1966 Report, that child care was a personal expense and thus, in order to ensure equity within the tax code, child care expenses should not be deductible from income.13 The Royal Commission on the Status of Women (RCSW) had also recommended against the use of a child care expense deduction, but objected to the Carter Commission's assessment of child care as purely personal.14 The RCSW argued that offsetting child care expenses through a tax deduction meant that higher income earners would receive a greater benefit than lower income earners. Because of this effect, the vast majority of working women would receive only a modest benefit from a child care expense deduction because of their generally low wages. And indeed, this effort to limit the size of the benefit was a key rationale in the federal government's decision to use the deduction design in addressing child care.15 The RCSW preferred the establishment of a government-funded national daycare system. However, if the government did want to pursue the use of tax measures, the RCSW recommended that offsetting the costs of child care should be done through the use of a tax credit rather than a tax deduction.16

In a progressive tax system, one in which people with greater earnings are expected to pay a larger percentage of their incomes in taxes, deductions are worth more to taxpayers with higher incomes. This is because they are taxed at a higher rate. If, for example, the tax rate is 50 percent and the allowable deduction is $7,000, this deduction will reduce the taxable income of the taxpayer by $3,500. If the person claiming the deduction earns less money and hence is taxed at a lower rate, say 20 percent, her taxable income will only be reduced by $1,400.17 Tax credits, by contrast, are worth the same
dollar amount for every claimant. Nonetheless the value of the credit is generally considered to be higher for lower-income taxpayers, because they have less disposable income. In effect, $3,000 means more to someone earning $20,000 than it does to someone earning $80,000.

Of course the Child Care Expense Deduction has not been the only means through which the federal government has addressed the costs that children represent to families and the growing child care needs of Canadians. The universal Family Allowance program, implemented in 1945, expanded in 1973 and then systematically reduced until its abolishment in 1993, is among the most well-known measures. As well, beginning in 1918, Canadian families were eligible for a child tax exemption. In 1988 this deduction was converted to a $65 non-refundable credit but this was also abolished in 1993. In 1978, with the onset of deficit reduction initiatives, the Trudeau government implemented a refundable child tax credit targeted to low-income Canadian families. The Mulroney government subsequently enriched this credit in 1988 and it has since been retooled as the Canada Child Tax Benefit, a key component of the National Child Benefit. It is important to note that these entitlements arose from the presence of children rather than the need for and costs of care that result from labour force participation. The CCED is distinct from these measures because its explicit object is the costs of care that arise from paid work.

In addition to the CCED, funding for non-parental care was also provided through the child care provisions of the Canada Assistance Plan (CAP). This program provided the means through which the federal and provincial governments shared the costs of funding social assistance and related programs until 1996. Because CAP was effectively a funding mechanism for poor relief, the child care provided under its auspices was generally understood as enabling the labour force participation of low-income parents. Employment support, rather than gender equity or child development, was the objective of this funding. The logic of the program provided little opportunity to universalize child care provision. Hence, public support for child care was (and continues to be) divided between the provision of direct funding to child care centres under the auspices of aid to the poor, while higher
income earners could access the CCED and choose their preferred form of care (as long as receipts were provided). This two-track funding approach created a class distinction in child care provision.\textsuperscript{19}

The most concerted effort to develop a national child care strategy was undertaken by the Mulroney government. Departing from the understanding of access to professionally provided, high quality child care as essential to healthy child development—a position that child care advocates had advanced throughout the 1980s—the Mulroney government’s plan advocated “choice.” One component of the plan proposed increasing child care spaces by 200,000 over seven years and the second component included a package of tax measures. Conservative MPs of the day asserted that Canadians did not want their child care choices to be limited to institutional care settings and that Canadian parents should be able to choose the kind of care that would best meet their needs.\textsuperscript{20} The proposed tax measures thus included an increase to the CCED as well as a $200 increase in the Child Tax Credit, an increase spun as a support for the care work of stay-at-home mothers.\textsuperscript{21}

This justification for the enrichment of the Tax Credit pushed a longstanding tension within Canadian child care policy into the foreground. The child care subsidies that were provided under CAP and that the Mulroney government proposed to extend (though within a fixed cost framework rather than the uncapped 50-50 sharing arrangement), underscored the belief that low-income women had little choice but to work and thus child care was necessary to support their labour force participation. But the unspoken assumption in this formulation is that women who were better off, and especially women who had high earning partners, did have a choice. The CCED might then be interpreted as supporting the labour force activities of women who could afford to stay at home to care for their children. It was a small step to the assertion that women “should,” in fact, be staying at home to care for their children.\textsuperscript{22} But if limiting women’s labour force participation was a political non-starter, then at least the child care work undertaken by women who did make the choice to stay at home should be supported.

The rhetoric, however, did not match the chosen policy mechanism. The amount of the Child Tax Credit was not sufficient to meaningfully support
this choice since, even with the $200 increase, it would have been worth only $759 per child under six.\textsuperscript{23} Moreover, because the credit was phased out once family incomes reached $24,090, it was more likely to be used to defray the child care expenses for families whose care providers did not provide receipts rather than supporting the unpaid child care work of “traditional” families.\textsuperscript{24}

Interestingly, while the directly funded portion of the Mulroney national child care strategy was never implemented, the proposed tax measures were put into place. At the time, Susan Phillips observed that because of the tax system’s capacity to fulfil a variety of policy objectives, the tax measures were likely to be firmly entrenched. Regardless of child care advocates’ observations regarding the inattention that such measures gave to the supply side of the issue, the Mulroney government was interested in at least symbolically acknowledging stay-at-home mothers while recognizing the legitimacy of child care expenses as a cost of earning income, and respecting provincial authority in the social policy realm.\textsuperscript{25}

If the Mulroney child care strategy gave voice to the neoconservative view of child care and its subsuming of women’s autonomy in the interests of caring for children, Beth Symes’ legal challenge to the exclusion of child care expenses from the business expense deduction provisions of the Income Tax Act illuminated the difficulties that tax deductions for child care posed for feminists. Symes, a feminist lawyer, argued that she should be able to deduct the expenses associated with the employment of a nanny for her children, because the nanny’s services were necessary to ensure that Symes could carry out her business. If golf games and expensive dinners constituted justifiable business expenses, surely child care should also be allowable. By not recognizing the costs of child care as a business expense, except under the limited provisions of the CCED, the Income Tax Act was, in fact, violating women’s equality rights under section 15 of the Charter. In its defence, the federal government argued that having children was a matter of personal choice and that how children were cared for was a personal rather than a business decision and hence not an allowable business expense.\textsuperscript{26} For its part, the Supreme Court ultimately contested the federal government’s formulation of the “choice” involved in having children. Nonetheless, the Court’s
ruling denied Symes’ claim, arguing that the CCED constituted a “complete code” —that child care expenses in excess of those claimable under the CCED could not be claimed under the business expense provisions. Moreover, with regard to Symes’ equality challenge, the majority of the Court ruled that while the burden of caring for children might fall disproportionately on women, it was not apparent that the burden of child care “expenses” fell more to women than to men.27

For feminists, the Symes case posed a number of difficulties. The National Action Committee on the Status of Women (NAC) was particularly concerned with the effects that the Symes’ case might have on a series of core feminist principles and urged Symes to withdraw the case. According to Rebecca Johnson, NAC’s objections included the fact that a challenge to tax provisions would only reinforce the private character of child care, that it would undermine feminist solidarity in the demand for a national child care system, and that Symes’ case would intensify feminism’s existing race and class divisions.28 Because Symes was a woman of considerable privilege, feminists who supported her might be understood to be advancing the claims of white, middle-class women while disregarding the very real and pressing child care needs of low-income women. Yet Symes’ defeat could hardly be read as a feminist success. Both the terms through which the federal government mounted its prosecution and the justifications provided in the majority ruling of the Supreme Court reinforced atomized visions of responsibility for child care, masculinized norms of work, and asserted that choice rather than prevailing patriarchal norms, governed decisions concerning family finances, and the division of unpaid labour.

**Taxing Equal Earning Families Equally** In the most recent debate around the CCED, many of these arguments from neoconservatives and feminists have reappeared, though in new guises, while additional lines of argumentation have been advanced by neoliberals. In this latest context, the debate was driven by the Reform/Alliance Party and emphasized tax “fairness” and tax reductions in the face of budget surpluses. The language of equality was appropriated in order to make the claim that “equal earning families
should be taxed equally.” Thus, a new tool for obscuring the gendered inequities surrounding the care of children and labor force participation was added to the language of individual responsibility and “choice.”

In the spring of 1999, the Liberal government established a subcommittee of the Standing Committee on Finance to “study the tax and transfer system as it applies to families with dependent children.” This committee was established in response to an Opposition motion calling on the government to end tax discrimination against single-income families with children. Because the CCED has come to be viewed as “the only remaining tax provision which relates directly to the costs of raising children,” but is designed to offset the costs of child care provided by a third party, the deduction became the central source of contention among members of the Subcommittee and among the groups and individuals that made presentations at its hearings.

Neoconservatives in the Reform/Alliance Party and advocacy groups supporting the traditional family led the charge in demanding that the CCED be redesigned to ensure the equal tax treatment of one-earner and two-earner families. And while it became apparent that this demand was, in fact, a strategic attempt to reduce the tax burden of affluent patriarchs, neoconservatives framed their argument in terms of the need to recognize the unpaid labour of stay-at-home mothers. At the heart of their argument was the claim that the tax system should provide horizontal equity—that people in like situations should be treated the same way. According to this logic, a father who supports his family on an income of $60,000 should not have to pay higher taxes than a family in which husband and wife each earn $30,000. However, due to Canada’s progressive tax rates and the use of the individual as the basic unit of taxation, higher income earners pay more tax.

The claim that “equal earning families should be treated equally” is deceptive in its simplicity. First, a central tenet of liberal democracies is equality of individuals, not families. It is individuals who must exercise responsibility for their actions and who are accorded the entitlements of citizenship. Of course, most individuals do live in multimember households, at least in part because of the economic benefits that arise from such collective arrangements and in order to accommodate relations of (inter)dependency. However, these
arrangements are as distinct as the people who form them, with considerable deviation from the patriarchal family model assumed in the neoconservative argument. Moreover, even in situations where income is shared, it is not necessarily the case that both parties have equal control over the spending decisions, with women and their generally weaker earnings capacity bearing the brunt of this inequality. If family members are aggregated for the purposes of taxation, disparities of income and power between family members become obscured. The presumption that all, or at least most, families pool their incomes and, hence, that the tax system should equate families rather than individuals is thus highly contentious.

In the contemporary moment, after a long history of struggling for individual freedom and witnessing the atomizing effects of capitalism and liberal rights discourse, it has become centrally important to advance a political project that re-envisions our political and personal relationships in terms of interdependence and connection. But a vision of discursively mediated individuals coming together to form mutually agreeable partnerships is not the one that neoconservatives have in mind, in their desire to defend the integrity of the family. Rather, in making the claim that families should be equated rather than individuals, the neoconservative position appears to invoke a Lockean notion of man’s legal personality residing in his ownership of property and control over his household. As such, the family itself is subsumed in its patriarch. An insistence on formal and substantive gender equality is thus a strategic imperative in contesting both the neoconservative vision and a liberal governing tradition that simultaneously assert the autonomy and rationality of citizens while undermining the individuality and legal personhood of women. Thus, in the context of taxation there are compelling reasons for feminists to insist that the admittedly problematic category of the individual be upheld in the determination of tax liability and benefits.

A more technical shortcoming of the equal-earning families argument is its assertion that families with the same income are, in fact, similarly situated—that they enjoy the same ability to pay. But equating a sole earner with a salary of $60,000 with dual earners each making $30,000 is sophistry. The claim presumes that families choose how they divide the
responsibility for earning income and that if one partner of the dual-earner family left the workforce, her lost wages would be made up by her partner. One does not, however, move readily from an annual salary of $30,000 to $60,000. Indeed, neither member of the dual-earner couple may have the experience, opportunity, or ability to earn $60,000. In fact, the comparison of the individual earner making $60,000 and the individual earner making $30,000 underscores the very different class locations of the people being compared and it demonstrates the strategic value in using family income as the point of departure for the neoconservative argument.

There are two additional reasons to be critical of the claim that equal-earning families should be taxed equally. First, the equal-earning families argument ignores the costs incurred by a dual-earner family in going to work, and second, it discounts the economic benefits that arise from having one partner at home. If both parents are employed in the paid workforce, child care must be arranged and, generally, purchased. Other forms of domestic labour including cooking and cleaning, for which there is less time, must either be accessed in the market or performed in addition to paid work. Additionally, there are the costs of transportation and clothing that accompany labour force participation. Not surprisingly, while dual-earning families may pay lower taxes than single-earner families with the same family income, they have less disposable income. Work-related expenses are generally understood to be acknowledged through the basic personal amount that all wage earners may deduct from their gross earnings. However, single earners may claim a spousal deduction, which, while less than the basic personal amount, does further lessen the alleged inequity between these family forms.

The value of work performed by a mother who stays at home must also be considered when assessing the claim that one- and two-earner families with the same earnings are similarly situated. Using time-use data from Statistics Canada, Kathleen Lahey notes that non-waged mothers spend an average of 7.5 hours per day, seven days a week performing unpaid labour, employed women 3.2 hours and employed men 1.8 hours. She notes that if this work is valued at only $4 per hour, the single-income family will produce approximately $13,578 in untaxed household work per year where-
as dual-earner couples will produce approximately $8,223.41. The claim that single-earner families are subject to relatively unfair tax treatment thus becomes more problematic. Of course, taxing unpaid labour (or imputed income as it is described by tax analysts) has been resisted on the basis that its value is too difficult to assess and, one imagines, due to the certainty of negative popular reaction. Nonetheless, its appearance in the political debate does open the door to the recognition of the economic value of unpaid work.

When one considers that the CCED is of greatest benefit to high income earners, and that families enjoying the maximum advantage of the deduction would have both earners in the highest tax bracket, the neoconservatives’ negative judgement regarding women’s “choice” to engage in paid labour is reinforced. Some expression of this view was evident in the debate surrounding Bill C-256, a 1994 private member’s bill that would have instituted income splitting in order to ensure that the non-income-earning spouse would qualify for deductions like the CCED and lowering the overall tax liability of the single-income family. The bill’s sponsor, Paul Szabo, argued that this measure would allow women to leave the workforce, thus freeing up jobs for “those who urgently need[ed] them” and would also increase the number of available child care spaces for single mothers or women in low-income families.42

This overtly patriarchal sentiment was less obvious in the most recent debate in which the language of fairness for families is more evident. Indeed, a growing appreciation of the need to broaden its electoral support has resulted in an Alliance Party proposal to convert the CCED to a refundable credit available to all families with children.43 Nonetheless, this measure continues to be motivated by a desire to support two-parent, single-earner families and is accompanied by demands to increase the spousal deduction such that it is on par with the personal deduction. As such, its proponents ignore or deny the financial constraints and lack of adequate child care facing mothers in the paid workforce, regardless of their earnings, and strategically avoid the fact that the family form that they are supporting represents only 18.25 percent of Canadian families.44

While the gendered subtext of the neoconservative position on the CCED is readily disclosed, it is not as clear in neoliberal arguments. Since neoliber-
als are less wedded to the gendered division of labour and more committed to the ideal of formal equality, they do not necessarily share the neoconservatives’ support for women’s absence from the paid workforce. However, neoliberals and neoconservatives do find common cause in the desire to reduce taxes and to limit the role of the state. Moreover, since the single-income earner in a two-parent family tends to have higher earnings than the average worker, neoliberals who assert the positive, stimulative effects of tax breaks to the rich will be particularly supportive of the deduction design of the CCED and its extension to “traditional” families. The lost productivity (narrowly defined) arising from women’s ongoing domesticity is offset by policies that limit the state and support wealth accumulation.

The C.D. Howe Institute’s submission to the subcommittee is instructive in this regard. The Institute recommended a $2000 deduction for all parents with children and a corresponding reduction in the CCED. As the subcommittee report itself notes, the deduction design of the proposal provides a disproportionate benefit to high income earners, while those with no taxable income would receive no benefit at all. In short, the C.D. Howe Institute recommendation does little to ease the costs of child care for any Canadian family nor does it enable low- or middle-income two-parent families to have one parent exit the labour force. It does, however, provide some tax relief to high income earners. Similarly, the fact that both the Progressive Conservative and the Reform/Alliance parties framed their position on the CCED in the language of “familial” choice and tax reductions demonstrates the degree to which such a policy is perceived to be primarily a means of delivering a tax reduction with only the most oblique enhancement in the care of children or acknowledgement of women’s unpaid labour, and no recognition of the desperate lack of child care facilities for mothers in paid employment. Ultimately, these proposals rest on the view that it is only individuals with significant incomes who would be able to “choose” to support a family on a single-income and hence would benefit from the extension of the provision.

**Feminist Interventions** Feminists have also entered into this most recent debate surrounding the CCED, though they are neither united in their
position on the deduction nor in their opposition to the neoconservative and neoliberal positions. In particular, “maternal” feminists have found some common ground with the neoconservative position. The maternal feminist argument begins from the premise that women’s responsibility for children is a social reality that should be acknowledged, even as it may be challenged. In terms of the CCED, they argue that women’s unpaid work represents an important contribution and should be recognized. Further, if the state is to truly respect women’s claims to citizenship, it should provide them with the opportunity, regardless of their economic situation, to choose whether or not they want to stay at home with their children or participate in the paid labour force. Indeed, if such social recognition was attributed to reproductive labour, the ascription of caring work to women could be disrupted and a more equitable gender order might emerge.

The intervention of “maternal feminists” in the debate concerning the CCED challenges the understanding of equality articulated in the equal tax on equal earning families argument. Rather than framing the issue of fairness in terms of income, “maternal feminists” draw our attention to the inequities emerging from the division of work into productive and reproductive labour; paid and unpaid work. In this context, extending the CCED to all families with children is a means for the state to acknowledge the value of unpaid labour, both as a social good and in its contribution to the overall strength of the economy. Unlike the neoconservatives, “maternal feminists” are more amenable to the imputed income analysis, since it draws attention to the value of unpaid labour. This is not to say that “maternal feminists” support the taxation of imputed income, but that the recognition of its existence and value in the overall income of the family and the national accounts would have implications for social policy development and determinations of general well-being.

Among the best known advocates for the “valuing” of unpaid labour is New Zealand economist and former parliamentarian Marilyn Waring. Her work has inspired a growing awareness of the importance of accounting for unpaid labour and, indeed, has contributed to the inclusion of a Canadian census question concerning the number of hours that people regularly devote
to unpaid labour. Recently, however, Waring has begun to rethink the ascription of monetary value to unpaid work. She now wonders whether the commodification of caring work follows the logic of capitalism too closely and is concerned that the fetishization of the labour relation goes too far when applied to the work we do in the service of our families and communities. Indeed, as Luxton and Vosko note, this concern regarding the “acceptance of capitalist terms of reference” was already present in an earlier iteration of the need to recognize unpaid labour—the wages for housework debate. Waring’s alternative is to break work into units of time rather than assigning tasks a cash value. In this way, the distinction between productive and reproductive work would disappear, as would the ascription of higher value to certain kinds of work over others.

Arguments in support of acknowledging and accounting for unpaid labour are persuasive. Caution must be exercised, however, when they are advanced in the service of troubling the patriarchal assumptions of neo-conservatives. In such engagements, it is particularly important to challenge the separation of mothers in paid work from those who remain at home. All mothers care for their children, and the vast majority of mothers will only be temporarily absent from the paid labour force. Moreover, in the context of the debate over the CCED, the claim that valuing unpaid work would be at least partially achieved by extending the deduction to all families with children does a disservice to both the cause of unpaid work and the struggle for quality child care. According to the federal government’s own analysis of the value of tax expenditures, the CCED produced a benefit of only $685 per average taxable claimant. Thus, the CCED is already inadequate for the task for which it was established; it provides the least benefit to the people who need it most and it does nothing to address the dearth of quality child care spaces and public resources for families with children, whether or not mothers are engaged in paid employment. Certainly the CCED could and should be redesigned, but if that reform was to entail a simple extension of the deduction to all families with children it would participate in further obscuring the gendered division of labour in the care of children and reinforce the normatively laden “choice” in child care. Ultimately, the CCED is too narrow a frame in which to make the case for...
the value of unpaid labour and, to the extent that the context ignores the unpaid work that women who claim the CCED continue to do, it does an injustice to the breadth of the issue.

Concerns surrounding these articulations of maternalism and the political opportunity that they represent for neoconservatives have been voiced by “equity feminists.” While “equity feminists” also seek to enable choice in child care arrangements—a choice that they insist should be extended to the poor and affluent alike—they are particularly concerned that the high incidence of women’s labour force participation, and the costs of child care that are incurred as a result of that participation, be addressed in public policy. According to advocates of this position, labour force participation has been central to women’s achievement of a level of personal autonomy and authority. If gender equality is to be realized, public policy should ensure that women are able to fully participate in the market. Moreover, in doing so, the arbitrary assignment of childrearing to women will be brought into focus and the social value of child care, a value that accrues to both men and women, will require public acknowledgement. Hence, the extension of the CCED to families in which women stay home to raise their children is inadequate as it does not substantially broaden child care options and it obscures the particular challenges faced by mothers in the paid workforce.

Equity feminists share the “maternal feminist” concern regarding the recognition of reproductive labour. However, they have focused on ensuring that child care choices are available to all families, regardless of income and that policies are developed to ease the child care challenges faced by mothers in the paid workforce. The Child Care Advocacy Association, for example, argues that “all parents, whether at home full time or in the paid labour force perform countless hours of unpaid work caring for their children and families and this work needs to be recognized…all families need complementary social, fiscal and tax policies that expand and support real parental choice—and support women’s social and economic equality.” One means to achieve both of these objectives was advanced by the Canadian Centre for Policy Alternatives (CCPA). The CCPA recommended that the CCED be retained since it contributed to reducing a significant barrier to labour force participation. But they also advocated the recognition of unpaid work
through a separate taxable benefit.\footnote{As the previous analysis suggests, however, the deduction design of the CCED does little to address the needs of low-income people and is unlikely to reduce the child care costs associated with their labour force participation.}

There is much to recommend the “equity feminist position.” The recognition that paid work is an economic necessity as well as a primary means for women to lay claim to some social and personal authority is centrally important to the struggle for gender equality. Moreover, it reasserts the importance of gender equity—an issue that has been unacceptably absent in recent political debate and policy development. In the context of the CCED, however, proponents of the equity position give insufficient consideration to the tax context in which the debate is being played out. Of course, matters of gender equity, reproductive labour and child care are not issues that can be adequately addressed through tax measures and require struggles beyond the narrow frame of the CCED. But at the same time, because the tax system is increasingly important in the delivery of social policy, “equity feminists” must also engage in a critique of its operation. In particular, “equity feminists” cede ground to the neoconservative and neoliberal positions by failing to challenge the regressivity of the CCED, by a reluctance to argue that those proposing to extend the CCED to all families with children are more invested in tax breaks than child care provision and in not interrogating the rationale behind the requirement that non-institutional child care providers provide a Social Insurance Number (a stipulation not required for business expense deductions).\footnote{As a result, those who might be persuaded by the “equity feminist” concern for gender, class and racial equality are left no wiser regarding the operation of the CCED nor are they offered any analysis that queries the substance of the equality and choice being advanced by neoconservatives and neoliberals.}

Since its inception, the CCED has been a lightening rod for the anxieties and hopes accompanying postindustrial and feminist disruptions to the gender order. By some measures, the extent and intensity of the debate to which the CCED has given rise is out of proportion to the benefit that it delivers. Moreover, because this approach to child care provision is hidden in the neutral technicalities of taxation, it becomes even more tempting to dismiss
the claims that surround it as overblown political posturing. And yet such a judgement misses the larger point. Indeed, so sidelined is the commitment to gender equity, so strategic the desire to support child development and so absent is a public commitment to support families with children that we feel compelled to struggle over the few crumbs of public support that remain. This struggle reveals a profound societal ambivalence towards women's work and child care. But the ambivalence can only be resolved if the consequences of inattention to reproduction are made clear. Feminists must be among the people to do this work. But in undertaking such a task, we must advance alternatives and develop strategies and arguments that illuminate contemporary conditions and the tensions to which they give rise, rather than tacitly participating in nostalgic fictions.

Notes

11. Ibid.
12. Revenue Canada, “Interpretation Bulletin 495R2,” (13 January 1997). For families with a disabled child, the amount is $10,000 regardless of age.
22. Teghtsoonian, “Promises, Promises.”
24. Ibid.
26. For a detailed analysis of the Symes case, see Johnson, *Taxing Choices*. The arguments in the case were much more complex than can be rendered here.
28. Ibid., p. 52.
31. Sub-Committee on Tax Equity, “For the Benefit of Our Children,” p. 2. The National Child Benefit is designed to offset the costs of raising children for low-income families, but it also has a strong work incentive component that mediates its purported child-centred focus.
32. In the context of the subcommittee’s hearings, this position was advanced by the Christian Heritage Party of Canada, Focus on the Family, REAL Women of Canada, and the Canada Family Action Coalition, among others.
35. For an overview of feminist critiques of liberal individualism, see Brown, “Liberalism’s Family Values,” especially pp. 136-41.
38. Canada, House of Commons, Sub-Committee on Tax Equity, “For the Benefit of Our Children.” Figures provided by the Federal Department of Finance to the Sub-Committee demonstrated that while a single-earner family making $60,000 paid $5,874 more in income tax than a dual-earner family with the same total income, the dual-earner family had $4,704 less in disposable income after tax.
Studies in Political Economy


40. Lahey, *Benefit/Penalty Unit*, p. 33.

41. Ibid., p. 34.


44. This figure is for 1998 and is derived from Statistics Canada. nd. “Census families, number and average size” http://www.statscan.ca/english/Pgdb/People/Families/famil50b.htm and “Distribution and average income of husband-wife families by number of earners,” http://www.statscan.ca/english/Pgdb/People/Labour/labour02a.htm.

45. In 1998, men’s average earnings for full-time full-year workers were $45,070. The average income of husband-wife single-earner families was $57,113. The use of earnings and income may skew the comparison to some degree, but the general point is nonetheless valid. Statistics Canada, “Average earnings by sex and work pattern,”; Statistics Canada, “Distribution and average income of husband-wife families by number of earners.”

46. Canada, House of Commons, Sub-Committee on Tax Equity, “For the Benefit of Our Children,” p. 10.

47. Ibid.


50. For an iteration of three policy options to achieve such an objective, see Nancy Fraser, “Gender Equity and the Welfare State: A Postindustrial Thought Experiment,” in S. Benhabib, (ed.), *Democracy and Difference: Contesting the Boundaries of the Political* (Princeton: Princeton University Press, 1996).


53. Ibid., p. 51.


61. Cited in Ibid.


63. Claire Young suggests that this requirement is not, in fact, a tax enforcement measure, but rather “an attempt to enforce the Immigration Act and to ensure only those with legal status in Canada…are able to work in Canada,” Women, Tax and Social Programs, pp. 24-25.