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The Mixed Impact of Care Work on the Finances of Low-income Canadians: Insights from the Canadian Financial Diaries Research Project

Jerry Buckland^{1*} , Wendy Nur² and Jodi Dueck-Read²

¹Redekop School of Business, Canadian Mennonite University, Winnipeg, Mb., Canada; International Development Studies, MS College, University of Winnipeg, Winnipeg, Mb., Canada and ²Menno Simons College, Canadian Mennonite University, Winnipeg, Mb., Canada

*Email: j.buckland@uwinnipeg.ca

Family and community care work – mentoring, feeding, and nurturing – is a critical activity in any society. It is, and it enables, productive and reproductive acts that hold society together and enable economies to function. Its importance is magnified for people with low income in that their economic options, outside the home, are more limited than for people with higher incomes. We conducted a year-long financial diaries project with twenty-eight mainly low-income Canadians and found that care work was critically important for them and their families and communities. However, we found that this work was often stigmatised: it is not well paid (if at all, it involves costs to the provider; and it can lead people to become dependent on predatory loans. We argue that Canadian social policy must broaden its conception of care work and expand support for persons, particularly women, who have older children, and community commitments.

Keywords: Care work, poverty, personal finances, financial diaries

Introduction

Caring for self and others – ‘care work’ – is vital to human survival. Feminist scholars and scholars of intersectionality have shown that care work is not evenly shared by men and women, it is undervalued, and it encumbers people with vulnerabilities (Waring, 1988; Poole and Isaacs, 1997; hooks, 2000; Himmelweit, 2002; Nash, 2008; Eisler, 2012; Folbre, 2012; Lee *et al.*, 2015; Bahn *et al.*, 2020; Heintz *et al.*, 2021). This article addresses the role of care work in the household economy of low- and modest-income individuals, and the ways that performing this work influences people’s everyday finances. We draw on one year of research undertaken with fifteen individuals with low or modest incomes who participated in the Canadian Financial Diaries research project. We focus on the care work undertaken by these participants (‘diarists’), consisting primarily of unpaid care work but also some paid care work. There are important differences in these two forms of care work, but our goal is to understand how this work affects the finances of the diarists. Furthermore, definitions of care work vary and the nature of care work varies across life stages; here we define it as work that involves activities, goods and relationships intended to support and strengthen family and community lives, livelihoods and finances.¹

Despite being low- or modest-income earners, participants included in this analysis continued to invest significant personal resources – time, labour and/or finances – in the well-being of others. Caregiving informed their financial decision making and, for most, directly shaped their financial well-being, in some cases harming it. By financial well-being, we mean a financial state associated with a set of material outcomes (managing a budget, credit use, and savings) and non-material

outcomes (having a sense of control, feeling a sense of self-efficacy). When studying the qualitative data of Canadian Financial Diaries participants, we selected those who showed they extended themselves in caring for others by using personal resources such as time or money. The fifteen diarists who met this criterion were primarily women.²

We found that, when diarists with low incomes engaged in care work, they experienced it as an activity that was stigmatised, expensive, sometimes leading to debt accumulation and, if involving paid work, poorly remunerated. So while care work is essential to maintain society and the economy, diarists with low incomes experienced one or more burdens that sometimes overlapped, diminishing benefits and expanding the costs they faced. This demonstrates the resilience of low-income carers who despite multiple barriers continue to care for family, friends and community.

Gendered care work

Many studies that link care work and household finances recognise the importance of gender relations in the functioning of the household economy. Waring's (1988) seminal work opened the door to a variety of scholarship, including feminist economics, on the importance of care work in the economy (Waring, 1988; Himmelweit, 2002; Folbre, 2012; Allon, 2014; Schmitt *et al.*, 2018; Folbre *et al.*, 2021; Heintz *et al.*, 2021). In this review of the literature on care work and household finances, we draw especially on relevant studies from the household finance and feminist economics literature.

Caring is treated differently than most other marketed services, and scholars argue that this arises from the distinction made between 'productive' and 'reproductive' work – the latter has historically been relegated to the domestic sphere and therefore not considered as contributing quantitatively (Folbre, 2012). Care work upholds families and societies, encompassing a multitude of responsibilities to feed, clothe, nurture and otherwise attend to basic personal needs (Lynch and Lyons, 2008; Chopra and Sweetman, 2014). Care work supports the household economy, the natural economy and the volunteer economy (Himmelweit, 2002). Yet because much of what falls under care work is seen as domestic activity, it has been discounted in the greater economic picture (Folbre, 2012). People perform care work in the home and community, sometimes for pay but oftentimes without remuneration.

Care work is also gendered, meaning that men's and women's contributions differ in value and composition (Waring, 1988; Eisler, 2012; Folbre, 2012). Historically, women have performed care work in the home without pay. Feminist scholars have noted that unpaid care work contributes to the well-being of families and communities while at the same time is often not recognised as economically valuable (Waring, 1988; Himmelweit, 2002; Eisler, 2012; Lee *et al.*, 2015; Workplace Gender Equality Agency, 2016; Bahn *et al.*, 2020).

Care work, financialisation and intersectionality

Allon notes how current understanding of finances overlooks gender relations, assuming a 'rational and disinterested actor ("economic man") interacting with similarly defined others in a neutral and efficient sphere of action ("the market")' (2014: 12). She points to the need to understand how cultural views and expectations of genders, and power dynamics between them, inform financial decision making and financial well-being. The traditional and persistent view that certain types of work are feminine in nature, Allon argues, has a direct parallel in the 'feminisation' of financial inclusion. Financial inclusion is the strategy of integrating previously excluded people into the mainstream financial system, which includes banks and other institutions that offer transaction, credit, savings, and investment services. The process of inclusion can have unexpected outcomes, such as leading women into a growing reliance on credit and the accumulation of debt.

Feminist scholars are sceptical about the benefits to women from both financial inclusion and the economy-wide phenomenon of financialisation, which refers to the rising use of financial products and the growing influence of financial motives. Allon observes that ‘financialization is a gendered process that reproduces familiar gender inequalities and divisions’ (2014: 13). Women are considered risk- and credit-averse while expected to be what Allon terms financial ‘shock-absorbers’ in times of financial constraint.

Women are more likely to repay debt and are also more likely to be targeted for ‘predatory’ credit. She is critical of practices such as micro-lending, which, she argues, lean on the stereotype of the woman as an ‘inexhaustible resource’. While billed as a form of financial inclusion, such lending practices have failed to address the root causes of gender (and consequently financial) inequity. This becomes especially salient in situations where women increasingly take on debt within a cultural context that still imposes gendered expectations: ‘men compete and women care’ (Allon, 2014: 20).

Callegari *et al.* (2020), using the concept of ‘sexually-transmitted’ debt, point to studies that indicate that while men are more likely to take on debt and are often the final decision makers regarding debt, women are more likely to bear the responsibility of managing it. Men are more likely to take greater financial risks, and the debts they acquire are more likely to be connected to business; women are less likely to take on debt, and when they do, this debt is more often associated with household and caring needs.

The authors attribute these differences to gendered expectations and power relationships within households.³ Women in heterosexual relationships disproportionately carry the burdens of caring for children and the household, including debt management, yet often find themselves coerced into debt by their partners.⁴ Women are also responsible for balancing the household finances, sometimes in circumstances where they have less access to the household finances and limited financial resources and must therefore cut back on their own discretionary spending (Callegari *et al.*, 2020).⁵ Caring for children, an essential part of a functioning family, is a responsibility borne principally by women, who are also more likely than men to allocate finances towards caring for their children (Folbre, 2012).

In the event of separation, women are often left with a legacy of debt (Fehlberg, 1997, as cited by Callegari *et al.*, 2020). Studies show that divorced women are more likely than divorced men to suffer from the impacts of long-term debt; family break-up is often associated with deteriorating finances for the female partner but improved finances for the male partner (Callegari *et al.*, 2020).

From an intersectional perspective, different identities – female, newcomer, Indigenous, LGBTQ+ – can multiply vulnerability, and can, in complex and compounding ways, aggravate financial outcomes (Nash, 2008; Folbre, 2020).⁶ Crenshaw originally highlighted the multiplicative disadvantage faced by Black women (Crenshaw, 1989: 140, cited in Nash, 2008: 6). But class, identity and sexual orientation can interact with gender and race in a way that has a further multiplicative effect (Nash, 2008). Having several vulnerable identities is likely to compound a declining financial position, including further indebtedness.

Paid care work and the gendered labour market

While paid work is a secondary aspect of this article, we note that it is poorly remunerated (Himmelweit, 2002; Faraday *et al.*, 2020; Folbre *et al.*, 2021; Heintz *et al.*, 2021). There is growing concern that women living in poverty or who are precariously employed are at increased risk of developing debt burdens, and that a gendered lens is critical if we are to avoid perpetuating patterns of inequality and financial exclusion for women (Callegari *et al.*, 2020). Folbre (2012: 606) points out that women have less time for paid work because of contributions to unpaid care work. Women still suffer disadvantages in the labour market: they earn less, they tend to be more precariously employed and their employment is often viewed by heterosexual spouses as less

important. Where this work is undervalued because it is considered ‘feminine’, it is also underpaid (Callegari *et al.*, 2020).

Paid helping and nurturing work – the caring professions – includes jobs like primary school teaching, nursing and social work. While people of all genders perform this work, the caring professions have often been deemed ‘women’s work’ and seen as ways to extend care work from the home into the public sphere (Faraday *et al.*, 2020). This also includes work as home health care aides, disability support workers and childcare workers.

Methods

A range of methods can be used to understand the household economy. Surveys are probably the most popular approach, but long-term qualitative methods substantially improve our understanding of context, which can then inform theory building (Millar, 2021; Patrick *et al.*, 2021). Mixed methods offer some of the benefits of the survey along with some of the benefits of qualitative study (Creswell and Plano Clark, 2018). The data used in this article were generated by financial diaries, a well-established mixed methods approach for understanding household finances (Collins *et al.*, 2009; Morduch and Schneider, 2017).

The Canadian Financial Diaries research project is a multi-year investigation that examines the financial lives of low- and modest-income households in Canada. This article draws on results from phase one, which worked with twenty-eight participants between March 2018 and October 2019.⁷ Diarists met with interviewers on a weekly or bi-weekly basis for one year. Participants who fit the study criteria – having a low or modest income and being willing to engage in the study for one year – were recruited through local non-profit organisations, a local drop-in income tax clinic, social media advertising and word of mouth.

For the duration of their involvement in the project, diarists kept a ledger of their daily finances (inflows and outflows), then shared this quantitative data with interviewers at (bi-)weekly meetings. Qualitative data came from interviewer logs of the meetings and from the diarists’ responses to three structured interviews.⁸ The interviews focused on diarists’ experience with submitting an income tax return and knowledge about their income tax return statement; thoughts about financial literacy and financial well-being; and, as part of the exit interview, how participating in the project might have affected them. Over the course of regular meetings, a level of relational trust was established between the research team and diarists, who shared about not only their finances but also some of their personal experiences.

Analysis of data began with individual diarists, followed by analysis based on categories such as casually employed, fully employed. Topics that cut across several diarists were also identified, including that of being substantially involved in care work.⁹ The fifteen diarists who evidenced significant involvement in the care economy are the focus of this article.

Once the diarists who were engaged in care work were identified, the complete set of qualitative data was analysed using a qualitative content analysis to identify themes related to their care work (Bryman and Bell, 2019). Coding was completed by Nur, who drafted a set of themes, which were finalised after discussion with the co-authors. While this article draws primarily on the qualitative data, quantitative results are also referred to in the sections that follow.

Participants’ socio-economic background

The fifteen diarists had diverse cultural backgrounds, ages and income levels, and most faced many vulnerabilities. All had low or modest incomes (Table 1), averaging \$19,000 (CAD), which fell below the Canada’s official income poverty line of just under \$30,000, for a single person in 2018 (Statistics Canada, 2022a), and far below the median net income of just over \$62,000 (Statistics Canada, 2022b). Five of the diarists were considered precariously employed.¹⁰ Three received Employment and Income Assistance (EIA),¹¹ and three received ‘disability’ EIA.

Table 1 Income and income sources for participants in study, Canadian dollars

Pseudonym	Income	Income source
Annette	\$9,000	EIA* Disability**
Arretta	\$26,000	Full-time employed
Donna	\$18,000	Retired CPP*** & private pension
Eniola	\$45,000	Full-time employed
Fernanda	\$25,000	Precariously employed
Frida	\$12,000	EIA*
Izara	\$2,000	Precariously employed
Jacquelyn	\$23,000	Precariously employed
Kateryna	\$17,000	Precariously employed, Rent Assist
Melissa	\$19,600	EIA* Disability**
Nita	\$41,400	Precariously employed
Ochieng	\$9000	EIA* Disability**
Rupi	\$8,800	EIA*
Sarah	\$21,000	Full-time employment
Sylvie	\$8,200	EIA*

*EIA, Employment and Income Assistance, which is the Manitoba (provincial) government, Canada, social assistance program for unemployed people without employment insurance.

**EIA Disability is social support that is modestly higher for people with mental or physical disabilities.

***CPP, Canada Pension Plan, a federal government sponsored retirement savings plan

Three were employed full-time, and one was retired. Three identified their cultural background as Indigenous; eight described themselves as newcomers to Canada. Fourteen were female and one was male. They ranged in age from nineteen to their late fifties.

Results

Four themes emerged from the data. Firstly, even though care work is important, carers are often stigmatised and undervalued. Secondly, people who spend a lot of time in care work face personal costs and lose opportunities. Thirdly, the costs of caring faced by care workers can be quite steep. And finally, care work can lead to unexpected outcomes, such as bankruptcy or relying on predatory lenders. We work through each of these results below. The principal ways in which participants enacted their care work is discussed in each section and listed in Table 2.

Care work can lead to stigmatisation

Ironically, while care work is generally considered important, those who perform unpaid care work can feel stigmatised. The stigmatisation comes indirectly through how the care worker generates income. Participants who carried heavy caring burdens relied on government social assistance for income. Without this income they would be unable to provide as much care. While not arguing that either care work or unemployment came first, we are noting a correlation between the two.

Some diarists felt shame about relying on government benefits. This was the case even though these benefits were very modest, often leading to income levels well below the official poverty line.

Table 2 Some visible and invisible contributions to family/friends, by participant

Pseudonym	Visible Contributions/Paid Work	Invisible Contributions/Unpaid Work
Annette	Unemployed	Full-time volunteer for non-profit for which she receives \$100/month; cares for partner who has cancer (and spends personal finances to do so); 3 adult children; pays for adult daughter's health insurance
Arretta	Multiple part-time jobs at first; Later, a full-time job	Provides shelter, food and education costs for 19-year-old brother; will provide in her home for her mother when she arrives from Nigeria; gives financial resources to family and friends
Donna	Retired Educational Assistant	Raised 4 children as a single parent; 4 pets (3 dogs, 1 cat); lends finances to her children
Eniola	Started at \$14,000 as disability support worker but rose to \$45,000/professional position	Gives financially to family and friends; single, no children
Fernanda	No work permit	Does cleaning job with her husband, paid under the table; manages the household finances; no children
Frida	Student; Casual, contract work doing research	Full-time carer for severely disabled son; hosting the son of a colleague in Nigeria, who is attending university in Canada (cooking, housing, etc. without charge)
Izara	Student/Part-time retail job	Lends finances to her family; single, no children, lives with parents
Jacquelyn	Worked for temporary agency prior to EIA*	Raised 3 children as a single parent. Frequent one-sided lending to family members. Sometimes borrows from others
Kateryna	Various term positions through temporary employment agency in the past, currently unemployed	1 adult child and 1 grandchild who sometimes come to stay with her
Melissa	Unemployed	Single parent to one son; volunteer work; contributes to RESP** for her son
Nita	Foster parent to 3 children	Assists adult children by caring for grandchildren/ helps with transportation; provides housing/food for adult son with addiction; lends finances to adult children, pays for their utilities, purchases food for them
Ochieng	Occasional casual work	Holds multiple volunteer positions at local non-profit organizations
Rupi	Informal economy; Part-time restaurant work 'under the table'	Single parent to her daughter (16 yrs.); contributes to RESP** for her daughter
Sarah	Early childhood education	Raised 2 children as a single parent, one of whom was seriously ill for an extended period
Sylvie	Occasional casual work (beading)	Single parent raising six children; also lives with/provides housing for her teenage daughter who gave birth to Sylvie's first grandchild

*EIA, Employment and Income Assistance, which is the Manitoba (provincial) government, Canada, social assistance program for unemployed people without employment insurance.

**RESP, Registered Education Savings Plan, is a federally registered program to encourage parents to save for their children's education.

The shame we noticed seemed to relate to the social stigma associated with depending on government assistance instead of pursuing formal employment.

Participants like Rupi and Sylvie reflected this view. Rupi, a newcomer Canadian, single parent and casually employed participant, found it difficult to not have a job, revealing that she missed the identity that comes with having a 'respectable job'. Rupi also worried about not having a job because her income was so low from social assistance and because of the stigma she experienced. She commented:

It's like day to day and month to month because I don't have money to plan now. I wish and I pray that I have some kind of money amount coming, like if I work, get a job and some money, fixed money's coming, then you can plan. Now you cannot plan with this kind of amount.

Sylvie, a low-income single parent with casual employment, chose to rely on social assistance rather than seek formal employment so she could stay home to care for her six children. Whether this was because she would find childcare for her children unaffordable or difficult to access or whether this was a personal choice was unclear. Receiving social assistance enabled Sylvie to dedicate her time to parenting. Without the government support, she would have had to raise income from some other source, which would have aggravated her vulnerability. As the sole caregiver, Sylvie was more susceptible to being poorly remunerated and precariously employed and thus having an unstable income. In addition, Sylvie had only recently given birth and regained custody of her children, who had been with the child custody authority while she was receiving treatment for addictions and abuse. The commonly held notion that household caring is not a real economic contribution stigmatises Sylvie's choice to care for her own children rather than seek formal employment; however, the risk of precarious employment is that an unstable income leaves caregivers like Sylvie vulnerable. From an intersectional lens, the lives of Rupi and Sylvie demonstrate how various vulnerabilities, including low income, single parenthood and newcomer status, compound one another and diminish their financial wellbeing.

Care work is underpaid

Not only is unpaid care work seen as not economically valuable, paid care work is generally poorly paid. This no- or low-pay situation relates to how care work is seen as 'feminine' and therefore somehow less valuable than 'masculine' types of work (Workplace Gender Equality Agency, 2016; Callegari *et al.*, 2020). And this judgement is applied whether women or men undertake the work. Not only did many of the diarists perform unpaid care work, but many engaged in volunteering, and many worked in caring professions. These activities are often considered feminine, and the jobs are underpaid (Callegari *et al.*, 2020).

Eniola, a newcomer Canadian who originally came to the country as a student, was a disability support worker. Taking care of people with disabilities is work that is traditionally viewed as feminine, and therefore both undervalued and underpaid. But she was able to hold down several of these jobs, working up to seventy hours per week. This commitment enabled her to advance her career and eventually obtain a better paying and professional position. This time commitment and juggling of several jobs was partly possible because Eniola was independent. If she had been performing a lot of unpaid care work, such as caring for minor children or for elderly family members, this would not have been possible. The literature shows that balancing unpaid care work with paid employment often leads to underpaid and insecure employment opportunities (Callegari *et al.*, 2020).

Rupi, introduced in the previous section, was unemployed and relied on government social assistance. Despite physical health challenges, she felt pressure to earn money to save towards her daughter's future education. After joining the diaries project, Rupi found a job cooking for

a local restaurant. She described this work as difficult and precarious. She was poorly paid, and, as it was an informal position, she had to negotiate for overdue wages. She left this job and later found employment working casually as a school lunch monitor. Rupi's many disadvantages – a newcomer, casually employed, having physical disabilities – compounded one another and help to explain her very challenging finances.

Care work is expensive

Unpaid care work hinders the ability of women to participate in the workforce and impacts the quality and security of their paid work, along with remuneration for it. Several diarists had raised, or were still raising, children as single parents. Most were precariously employed and/or relying on government income support (Table 2).

Annette was unemployed and received government social assistance. However, she worked nearly full-time as a volunteer for a local non-profit organisation, provided care for her family and community, and cared for her ill partner. She did this on a very limited annual income (\$9,000), which came at a personal sacrifice. Though Annette spent very little on herself, she bought expensive items like fresh fruit for her boyfriend, who was ill with cancer. She also spent significantly on transportation to visit him in the hospital. Annette shared her worries about receiving less money once she turned sixty-five, when her government welfare benefits would end.¹²

Annette wanted to be able to help her adult children when they had problems. While she was able to assist her adult daughter with monthly payments of \$15 for long-term insurance, Annette longed to extend additional financial help to her children.

Being able to help my kids when they . . . really need help, that would be huge because right now I can't help them out if they're in trouble. And that bothers me. I'd like to be able to help them out.

Annette noted that she enjoyed strong community support – she was involved with a local church, had friends who lived near her and benefitted from a good relationship with the landlords of the rooming house in which she lived. She had relied on disability social support for fifteen years and had been working as a full-time volunteer for over a year at a local non-profit, where her contribution was quite substantial.

Nita was a long-term foster parent and as such engaged in paid care work. However, she also connected to family and friends through unpaid care work. Nita would offer financial help beyond the limits of her personal financial well-being, taking on the responsibilities of childcare, transportation and providing meals for her children and grandchildren, even to the point of personal cost. These behaviours are in keeping with the expectations placed on women to continue giving even after they are depleted, because they are viewed as inexhaustible resources (Allon, 2014). Nita's financial well-being, both short and long term, was impacted by her concession to gendered expectations (Allon, 2014; Callegari *et al.*, 2020). Nita expressed her desire to help others:

Even if it's just part time for starters, I want to get back in the community and maybe even do volunteering somewhere, even if it's just an hour a week or so for starters, because . . . for four years I've been basically taking care of kids, or five years actually. And to me that's something too, cause I get up and you know, help the kids out and with the school is important and their needs are important too.

Nita also noted that the reason that she wanted to work outside the home was to save money for later in life, as her children already had enough to worry about in supporting themselves and she did not want to place expectations on them. But working outside of the home was not something Nita could do, considering the amount of potential working time she spent doing unpaid care work.

Care work can lead to accumulated debt

Jacquelyn was left with long-term debt and a payment on a former partner's phone plan, and she continued to engage in one-sided lending (lending but not borrowing)¹³ with both her children and her partner – the latter being evidence of the gendered dynamic of indebtedness described by Callegari *et al.* (2020). Jacquelyn estimated her annual gross income at \$23,000. As a casual worker in a temporary agency, her income was unpredictable – she could be placed in various positions at variable wage rates. Although she had a good contract at the beginning of her participation in the diaries project, Jacquelyn was without work for several weeks once the contract ended and needed to rely on EIA. According to Jacquelyn, losing her well-paid position negatively impacted her mental health. She had had various health issues in the recent past that also contributed significantly to periods of income loss. She experienced periods of financial stability and instability; when she was laid off, she borrowed money to pay bills.

Although she was earning more money at the time of her participation in the diaries project than she had previously, Jacquelyn had accumulated considerable personal debt and had a poor credit rating. Payday loans and communication bills (cellphone bills with data overages amounting to \$3,000) from years ago had gone to collections, amounting to approximately \$20,000 in total. She was receiving Rent Assist (a provincial programme providing financial support for rent to people with low incomes), but a higher income in the previous year reduced the amount she was receiving. Although Jacquelyn regularly borrowed money when her income was not sufficient, she would also lend to family members. Jacquelyn recounted an occasion when she gave her daughter grocery money and subsequently had very little for her own groceries the following week. She described herself as a giver, saying she helps when she can do so.

Jacquelyn, among other participants, faced several challenges: the legacy of colonisation,¹⁴ one-sided lending relationships and accumulated debt. The financial household literature shows that women who spend more time doing unpaid care work are more likely to miss opportunities for stable employment (Workplace Gender Equality Agency, 2016). In addition, women often acquire unwanted debt because of their partners' choices (Callegari *et al.*, 2020) and become responsible for managing this debt. They also suffer more long-term financial distress because of these debts than do their male partners (Callegari *et al.*, 2020). How true this was for Jacquelyn is difficult to say; however, the fact that she was still trying to pay for a cellphone plan taken out by a former partner points to this pattern. We also see evidence of stereotypical 'altruism and self-sacrifice (of the female financial actor' (Callegari *et al.*, 2020: 747). In one interview Jacquelyn commented:

Over a few years, there were a few bills . . . [and] others where I was in a relationship and got money out of payday loans when I was in a tight spot using those as a last resort. And those do build a lot of credit. Inquiries about your credit does affect your credit as well.

In some cases debt is accumulated within an intimate relationship by one partner, but when the relationship ends the more responsible partner bears an unfair responsibility. For instance, Sarah found she was never able to recover financially after her divorce. While she had managed businesses prior to her divorce, afterwards she was left with debt and young children to raise as a single parent. Sarah shared that because of these circumstances, she was unable to extricate herself from a low-income bracket. Long-term debt, lack of professional certification and ongoing health concerns were factors that she felt limited her efforts to make financial progress towards her desired goals, which were to pay her debts and become a homeowner.

In her mid-fifties, Sarah was employed full-time in early childhood education. She described herself as a lifelong budgeter. Sarah revealed that after the marriage to her children's father ended, her son fell ill. Unexpectedly finding herself a single mother of two young children (ages six and eight), Sarah became overburdened with medical bills for her son and had to declare bankruptcy. In Sarah's view, this was a pivotal point in her financial well-being:

So that kind of got me behind the eight ball and I ended up having to declare bankruptcy so that I could pay the medical bills. From there, I've just never had extra. I've always been in the low-income spectrum; I guess you'd say.

Sarah's debt load limited her ability to improve her financial well-being. As Callegari *et al.* (2020) discuss, debt incurred during the period of a relationship often has a greater harmful impact on a woman's finances. Sarah was caught in a cycle of poverty: she could not pursue education to gain better paying employment because she was burdened with debt, and she could not reduce her debts on her current low income. How much of this was due to the debt from her previous relationship and how much was possibly connected to having to devote herself to unpaid care work raising her children alone and caring for a sick child is not clear, but the literature has shown that both issues are barriers for women in terms of improving their financial well-being (Allon, 2014; Callegari *et al.*, 2020).

Donna also struggled with debt. She was able to find work that provided her with a pension and was able to purchase a home. As a single parent, however, Donna was still alone in her efforts to financially assist her children. Because of this, she drew on money from her Home Equity Line of Credit (HELOC), leaving her with debt (or in her case, diminished equity). Donna communicated that she could borrow up to 80 per cent of the total value of her home. She stated that she did not pay off her debt 'religiously' and that she was aware that she paid more interest because of that. She also expressed some concern about drawing on her HELOC to cover expenses. It was unclear if this concern was linked to a sense of shame about this practice. Donna explained that she engaged in this borrowing behaviour to provide her children with down payments for new homes, but this left her with an ongoing debt on her HELOC.

The financial household literature shows that women are generally more debt-averse than men and that when women do acquire debt, it is generally related to family spending. In cases where household income is low, new debt can be incurred in this way (Allon, 2014; Callegari *et al.*, 2020). While drawing extensively on one's HELOC might damage one's own financial well-being, this type of spending might seem reasonable to Donna, who on her own not only raised her children to adulthood but also assisted them in becoming homeowners and thereby improving their financial well-being. If as a younger parent Donna had been able to focus her resources on her own education and training, she could have attained a position with a higher income and pension. The literature reveals a direct correlation between the amount of unpaid care women perform and job quality, security and remuneration – and ultimately, pension and benefits (Callegari *et al.*, 2020).

Annette told researchers that in the past she had spent many years in abusive (heterosexual) relationships. She learned financial management while in relationships where she was placed in a position of financial hardship by her partner. Her comments about this and her subsequent debt aversion corroborate the findings of Callegari *et al.* (2020), who noted that the gendered ways into debt include men's lesser aversion to debt, which sometimes coerces their partners into debt, and the reality that women are often the ones left to manage the repayment of debt while simultaneously managing household resources (Callegari *et al.*, 2020). Although Annette did not state that she had been coerced into debt, women in abusive relationships are sometimes subjected to financial abuses such as taking on unwanted debt burdens (Callegari *et al.*, 2020).

The accumulation of debt is a powerful illustration of how overlapping vulnerabilities – low income, minimal or no employment, relationship break-up – culminate in an outcome that is worse than their simple sum, both literally and figuratively. Debt adds anxiety to people's lives, which creates a mental burden, and through interest, literally compounds the value of the principal.

Conclusion

Most of the diarists included in this analysis were women with low incomes and precarious situations, and many were newcomer Canadians or Indigenous people. They were engaged in various types of care work to support their family and/or community members, whether through

activities, material resources or relationships. Several diarists were caring for children, grandchildren, friends and even their community into their later years. Many had had or continued to carry long-term debt. They were in care work but were weakly remunerated for it, if at all.

While care work itself does not seem to be stigmatised, diarists who relied on government support to provide care to their families experienced stigma. People with low income and minimal employment options have few choices but to seek government assistance, which often carries connotations of lack of motivation. The result is that they are enabled to care but forced to deal with poverty and stigma. The evidence from this small group of diarists is that care work is not valued by society.

Paid care work is weakly remunerated, as we saw with Eniola and Rupi. Eniola, through incredible effort (seventy-hour work weeks) was eventually able to move into a professional and better-paid position. Compared to Eniola, Rupi was less satisfied with her situation and ended up working informally for a local restaurant. Eniola was younger and, unlike Rupi, did not have children, which perhaps enabled her to achieve what she did.

Annette's and Nita's situations demonstrate the sometimes surprising costs associated with care work, in the broad sense of the term. These costs involve personal sacrifices to enable time to help others, and forgoing spending on oneself so the money can go to others. Annette bought expensive fruit for her boyfriend but did not do the same for herself. Nita supported both her children and grandchildren even though this led her to accumulate debt. Jacquelyn borrowed from a variety of sources, including payday lenders, to make ends meet. Her debt was at least partly relationship driven, a burden she bore because of a partner's debt preference.

What we see through the diarists is the many costs of unpaid care work borne by people with low incomes. Performing unpaid care work can be associated with stigma, it can be expensive, it can lead to debt accumulation, and it can be associated with poorly paid care work. But unpaid care work can also be all these things at once: stigmatising, expensive, leading to debt, and associated with poorly remunerated paid care work. Considering the compounding nature of unpaid care work helps to understand how poverty persists among highly resilient people such as those who participated in the diaries project. Added obstacles to financial well-being, such as the harms of colonisation or settlement barriers for newcomers, intersect with these costs and exacerbate the burden placed upon the individual.

As an unemployed, single woman relying on government social assistance, Annette is officially considered 'economically inactive'. But when we consider Annette through the caring economy lens, we recognise that she performed important care work. She volunteered nearly full time at a local non-profit that advocates for those living in poverty, where researchers noted she was 'vital to the running of the project'. Despite her limited resources, she paid for health insurance for her adult daughter and expended time, energy and personal resources to the point of her own financial hardship in order to care for her unwell partner. Through both her volunteering and her care work, Annette contributed significantly to the welfare of others.

As the results from the Canadian Financial Diaries project so clearly show, low-income women and men continue to face barriers in attaining sufficient income while caring for others. This points to a need to revisit governmental support programs in Canada for people engaged in care work. Currently, retired Canadians and parents with young children receive higher levels of support than other Canadians who rely on social support (Simpson, 2021: 255). Parents of young children receive higher levels of support in part because it is recognised that they engage in important care work (and partly to address high child poverty rates in Canada). Our research suggests that there are other Canadians who would benefit from higher levels of support: not just parents of children, but also those caring for older children, adults and seniors; people with low incomes who engage in care work but face stigmatisation, poor remuneration, high costs, and possibly cycles of debt. Providing 'caring' benefits to all caregivers with low incomes, and perhaps particularly directing this towards women, would be one way to support a larger share of care workers. This type of investment would tangibly recognise the importance of care work to society and the economy, and help to reduce poverty.

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Notes

- 1 We are grateful to an anonymous reviewer for this definition.
- 2 Phase one of the Canadian Financial Diaries project had a total of twenty-eight participants; of these, twenty-three (82.1 per cent) were women.
- 3 This article is based on findings within heterosexual households; same-sex households display more equal sharing of household and caring tasks (Solomon *et al.*, 2005; Burns *et al.*, 2008; Jonathan, 2009). Studies on the role of debt in same-sex relationships are meagre.
- 4 In same-sex relationships, many of which include dual labourers/earners, there is less economic dependency between partners and the burden of care work is more evenly carried out by both partners (Burns *et al.*, 2008).
- 5 The behaviour of a woman who is responsible for debt repayment but whose husband controls household finances might appear to an outsider to be a form of 'tunnelling'. But in this case, it is the result of a gender bias in the division of financial management.
- 6 For a consideration of practices of care among transgender people, please see Hines (2007).
- 7 Phase one of the Canadian Financial Diaries project received research ethics board approval in fall 2017.
- 8 In writing this article, we sought to distinguish between our voices and the voices of the participants, and to present accurate stories. The Financial Diaries research team assigned a pseudonym to each participant to maintain anonymity. Specific terms used to express the frequency of certain concepts/themes are defined as follows: *most* applies to more than eight of the fifteen participants reported; *many* applies to a significant portion of participants, but not necessarily a majority; *select* applies to a specific number of participants; *some* applies to a smaller group of participants; *few* applies to fewer than eight of the fifteen participants included in the report.
- 9 Another cross-cutting theme was trauma and finances; see Nur *et al.*, 2022.
- 10 One participant was considered both retired and precariously employed, as she was no longer formally employed but continued to be a long-term foster parent.
- 11 The name of the welfare or social assistance programme in the Province of Manitoba (Canada).
- 12 We are grateful to the anonymous reviewer who noted that Annette's income might increase when she turns sixty-five years old. Annette was not aware of this, however.
- 13 Some participants consistently lent (or gave) money to family and friends, but this was not regularly reciprocated. This was particularly surprising when the recipient was apparently better off than the diarist.
- 14 Like Jacquelyn, Nita self-identified as an Indigenous person and shared traumatic experiences associated with colonisation. Europeans began colonising the Americas in 1492, triggering a deep transformation of local Indigenous Peoples and their societies. Subsequent government policies and programmes such as the *Indian Act* (1985, c.I-5), the reserve system and residential schools have undermined Indigenous economy, society, and ways of knowing. Many Indigenous people in Canada today have been negatively impacted by these colonisation processes (Talaga, 2018).

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