

# Income splitting looms as next big child-care policy battle [CA]<sup>[1]</sup>

**Author:** Naumetz, Tim

**Source:** CanWest News Service

**Format:** Article

**Publication Date:** 28 Jan 2007

## AVAILABILITY

See text below.

## EXCERPTS

The new frontier in the battle over child care begins this week in Parliament's venerable West Block, the dust still swirling from the fight over \$100-a-month payments for children under six.

The new fight goes by a different name - income splitting. But the front lines have the same armies that went toe-to-toe over the choice between a national child-care plan and universal allowances in the last election campaign. Traditional stay-at-home parents on one side, advocates for publicly funded care and learning on the other.

In the thick of the fray is Garth Turner, the firebrand Independent MP who led the charge for splitting pension incomes last fall.

...

The former Conservative is officially hosting Tuesday's conference on income splitting, but he has a small and formidable cadre of supporters drawing participants from across Canada.

On the surface, Turner's latest campaign looks only like tax reform.

He wants the federal government to allow all families to split their salaries for tax purposes, the same break he wrested from Flaherty last year for pensioners.

...

Below the surface are the forces that lined up in the debate over the Conservative child payments - Real Women of Canada, Home By Choice, Kids First Canada and an entire division of like-minded activists.

A 34-year-old Kemptville, Ont., woman with three kids at home and a husband commuting to a computer job in Ottawa is the chief organizer for the Parliament Hill conference Turner hosts Tuesday.

Sara Landriault, national coordinator of Care of the Child Coalition, says spouses who care for children at home, the vast majority being women, should be paid through the tax system for their work.

...

She acknowledges a sobering fact Turner himself discovered in a research paper he commissioned from the Library of Parliament. Though he calls the income-splitting scheme a tax reform for the middle class, the library document shows it is actually the upper - maybe upper-upper - classes that would benefit most.

"Sure, they pay more taxes, they're going to get more of it back," says Landriault.

And that doesn't even take into account lone-parent families, the majority of whom are headed by a woman and many of whom live below the poverty line, says Martha Friendly, one of Landriault's staunchest opponents and co-ordinator of the Childcare Resource and Research Unit at the University of Toronto.

"Low-income single mothers, they don't get anything out of this," says Friendly, noting with apprehension that Turner's own research shows the move would take \$5 billion out of federal revenues when it's combined with income-splitting for pensioners. "It's cutting taxes for people who have more money."

Turner says the option would have to be available to families with no children. That, opponents say, could make it even more attractive than the universal child payment for an election campaign, this year or next.

- reprinted from the CanWest News Service

**Region:** Canada<sup>[2]</sup>

**Tags:** funding<sup>[3]</sup>

**Source URL (modified on 27 Jan 2022):** <https://childcarecanada.org/documents/child-care-news/07/01/income-splitting-looms-next-big-child-care-policy-battle-ca>

#### Links

[1] <https://childcarecanada.org/documents/child-care-news/07/01/income-splitting-looms-next-big-child-care-policy-battle-ca> [2]

<https://childcarecanada.org/taxonomy/term/7864> [3] <https://childcarecanada.org/category/tags/funding>