

# An Economy for Life



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## **Our Vision:**

Our government makes economic decisions that put people first: decisions that are good for creation, that lift people out of poverty and fairly share our country's wealth.

The economy serves the well-being and flourishing of all people.

## Our hopes:

- Everyone has a roof over their heads and food on the table.
- People and families struggling to make ends meet are not degraded, diminished, demonised or driven into poverty. We support each other through our relationships and our economic system.
- We have a fair distribution of wealth supported by a fair tax system. Everyone contributes taxes so we can have the country we want.
- We have a social security system that supports people who have retired, those with disabilities, those raising children and those locked out of the paid employment market.
- Those that have more wealth contribute more and there are no loopholes. Corporations give back to our common wealth too. We all play by the same set of rules, contributing according to our means.
- Taxes collected by governments deliver the things ordinary people care most about, including
  - » All children can receive a quality education from their local school
  - » Universities and TAFEs are there for all students, not just the fortunate
  - » Health, transport and other essential services are well funded and meet the needs of their communities.

## Witness from the Bible

- Israel's Covenant law clearly enshrines principles which ensure that all members of society are able to benefit from the economy and the means of production. This includes such provisions as the remission of debts after 7 years (**Deuteronomy 15: 1 – 2**), the return of property in the Jubilee year (**Leviticus 25: 13 – 17**), or rules prohibiting taking a millstone (the means of food production) as a surety (**Deuteronomy 24: 6**). There are also numerous provisions for those in need, such as leaving a proportion of crops in the field (**Leviticus 19: 9 – 10, Deuteronomy 24: 19 – 22**), or laws against withholding the wages of the poor or taking their clothes as surety (**Deuteronomy 24: 14 – 15, 17**).
- Similarly Jesus regularly taught that financial

gain was by far secondary to the obedience to God (**Luke 12: 13 – 31**), one significant part of which was the obligation to care for those in need (**Matthew 25: 31 – 46; Mark 10: 17 – 22; Luke 6: 30; 12: 33 – 34; 14: 12 – 14**).

- The early followers of Jesus made a clear priority of sharing their resources so that none should be in need (**Acts 2: 44 – 45; 4: 32 – 35**).
- Paul and other writers of the New Testament epistles regularly highlight the importance of sharing wealth and the blessing that this creates. See for example **2 Corinthians 9: 6 – 12; 1 Timothy 6: 17 – 19; James 2: 14 – 17**. Even Paul's injunctions regarding the Lord's Supper are informed by his concern that differing levels of resource are creating divisions in the Corinthian church (**1 Corinthians 11: 20 – 34**).

## What the UCA has said

### The Statement to the Nation (1977)

"We pledge ourselves to seek the correction of injustices wherever they occur. We will work for the eradication of poverty and racism within our society and beyond...

We will challenge values which emphasise acquisitiveness and greed in disregard of the needs of others and which encourage a higher standard of living for the privileged in the face of the daily widening gap between the rich and poor."

### An Economy of Life: Re-Imagining Human Progress for a Flourishing World

"An economy of life is marked by regard for the common good. Individualism, competition and greed deny human flourishing because the fullness of our humanity is not found in wealth but in relationship with each other and the world around us..."

In God's household people are safe, secure, cared for and valued. The household shares all it has with concern for those most in need..."

As we seek to address the failings of the current global economic system, the values of an economy of life would find their expression in an economic system which places the needs of people and the planet before profit."

# The State of the Nation

## Our Tax System favours the wealthy

- Australia is a low taxing country by comparison to other wealthy countries. Australian Governments collected 27.8% of Gross Domestic Product (GDP) in tax in 2016, compared to the average of wealthy (OECD) countries of 34.2%. Amongst OECD countries, only the governments of the USA, Korea, Turkey, Ireland, Chile and Mexico collect less tax as a proportion of GDP.
- Many features of our tax system favour people who are already wealthy and add to growing inequality. These include negative gearing on rental properties, the Capital Gains Tax discount that taxes profits on investments at half the rate of income generated by work and the superannuation system with its flat tax rate of 15%.

### Key Actions:

1. A fairer tax and superannuation system including the introduction of laws which target tax evasion and avoidance.
2. Greater transparency on corporate tax.

## Poverty and inequality continue to grow in Australia

- There are just over 3 million people (13.2%) living below the poverty line of 50% of median income – including 739,000 children (17.3%). In dollar figures, this poverty line works out to \$433 a week for a single adult living alone; or \$909 a week for a couple with two children.<sup>28</sup>
- Many of those affected are living in deep poverty – on average, this is a staggering \$135 per week below the poverty line.
- The group of people experiencing poverty the most are those relying on Government allowance payments such as Youth Allowance and Newstart.
- Newstart has not increased in real terms for 24 years and is now worth \$278 a week. The cost of basic essentials like housing, groceries, energy, transport, and clothing have risen, and is a minimum of \$433 per week for a single unemployed person. Over half of people receiving Newstart live below the poverty line.<sup>29</sup>
- In the 2016 Census, over 116,000 people were

homeless in Australia. Nearly 16,000 were under the age of 12.<sup>30</sup>

### Key Actions:

1. Better support for people locked out of work, particularly for vulnerable groups exposed to compounding pressures.
2. Raising the single rate of Newstart, Youth Allowance and related payments.
3. Provide universal access to quality early learning to all children aged three and four.

## Discussion Starters

You may like to ask one or more of the following questions in a small group discussion or select one or more to put to MPs or community leaders.

1. What should be done to ensure that multinational corporations pay the taxes they should?
2. What priorities will your party or organisation focus on to direct tax income back into the community?
3. What can and should be done to address homelessness in Australia?
4. How can we increase support to people locked out of paid work?
5. How can we better ensure there is adequate support for people in Australia with disabilities and mental health issues?
6. What reforms should be introduced to the tax and superannuation systems to make them fairer?
7. What local initiatives are there, or could there be to assist people in your community who are experiencing financial hardship or homelessness?

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## Thanks go to...

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See also

<https://nswact.uca.org.au/social-justice/the-social-justice-forum/>

<http://unitingearthweb.org.au/>

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Uniting Church members are encouraged to visit the websites of all the above groups to further explore the issues and questions that arise as we consider what it means to live and act justly.