



AN ECONOMY FOR LIFE



“ 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 an affordable roof over their heads and food on their table.
 - People and families living in financial poverty are not belittled, diminished or demonised. We support each other through our relationships and our economic and social support infrastructure.
 - All people who are willing and able to participate in economic activity have the opportunity to do so (full employment), and those in paid work receive remuneration and conditions of employment which allow them and their families to thrive.
 - We have a fair distribution of wealth supported by a fair tax system. Everyone contributes taxes on an equitable basis so we can have the country we want.
 - We have a social security system and universal services that support people to live well, including access to income support for those who need it.
 - Those that have more wealth contribute more and there are no loopholes in the tax system. 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 have access to quality early childhood education and receive a quality education through early childhood education and care services, as well as through primary and secondary schooling.
 - » Universities and TAFEs are accessible and deliver quality higher education to all.
 - » Health, transport, disability and mental health services, aged care and other essential services are sustainably funded to meet demand and diverse community needs.
- collected 29.4% of Gross Domestic Product (GDP) in tax in 2022, compared to the average of wealthy (OECD) countries of 34.0%. Amongst OECD countries, only the governments of the USA, Türkiye, Ireland, Chile, Colombia, Costa Rica, Switzerland, and Mexico collect less tax as a proportion of GDP¹.
- The lack of government revenue inhibits the ability of government to deliver the services that many people need.
 - 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%.
 - These tax arrangements encourage speculative investment in assets such as housing, leading to growing wealth inequalities and undermining economic resilience. Capital Gains Tax concessions and negative gearing benefits people who can afford to invest, increasing wealth inequalities, driving up house prices and household debt, and leaving people living on low incomes languishing in an expensive rental market. Removing these unfair tax breaks will not only help grow the revenue base to fund services but will redirect money away from tax sheltered locations into productive areas that support a stronger economy and more equitable wealth distribution.
 - Current tax and superannuation arrangements compound gender-based inequalities in income and wealth, and this contributes to the wealth inequalities that women experience over their lifetime². Future cuts to personal income tax will further deepen these gender-based inequalities
 - Billions in tax credits and subsidies support fossil fuel industries each year, including the fuel tax credit scheme and direct subsidies to specific industries³.

Poverty and inequality continue to grow in Australia

- The World Inequality Database (<https://wid.world/country/australia/>) shows that income distribution in Australia has matched the global trend for wealthy countries. Between the First World War and 1980, the share of income for the bottom 50% of Australians increased from 15.3% to 18.7%. The income share of the top 10% decreased from 36.6% to 24.9%. After 1980, the trend reversed with the rise of neoliberal economics favouring the wealthy.

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

By 2022, the neoliberal economic policies pursued by Australian governments saw the income share of the bottom 50% of Australians drop to 16.4%, while the top 10% had their share increase to 32.9%. As French professor of economics Thomas Piketty has argued, "History shows that inequality is essentially ideological and political, not economic or technological."

- The group of people experiencing poverty the most are those relying on Government allowance payments⁴.
- Age Pensioners who rent are also at greater risk of poverty⁵.
- In the 2021 Census, over 122,000 people were homeless in Australia⁶.
- Renters are almost twice as likely to live in poverty as home-owners, with public housing tenants at greatest risk. The number of people in the private rental market is increasing. Among low-income households in the private rental market, 50% are facing rental stress and are therefore at risk of homelessness⁷.
- The rate of poverty for First Peoples remains higher than the broader community⁸.
- In 2021 the Federal Government increased JobSeeker and related payments by \$50 a fortnight, lifting the base rate to \$44 a day, still leaving people in poverty⁹.

The Cost-of-living crisis is also hitting the paid workforce and contributing to in-work poverty. Wage growth is struggling to keep ahead of inflation.

- The Senate Inquiry into Job Security stated: - "Job insecurity is at a crisis point in Australia. It is damaging the physical and mental health of Australian workers, and it is holding back Australian wages and the Australian economy"¹⁰.
- The variety of insecure work arrangements is expanding, but the psychological impact on workers remains consistent. Job insecurity has been associated with an increased likelihood of psychological distress and psychiatric morbidity.
- Through the use of labour hire intermediaries, gig platforms and dependent contracting, many

workers experiencing job insecurity cannot access their workplace rights, and do not have protection or bargaining power.¹¹

- Relief Centres across the Uniting Church in Australia are seeing waged people lining up for food support and emergency relief as their rents steepen and the latest bill shock hits. Whether it is power bills or the ability to fill the tank with petrol or unexpected medical bills, the reality is that more Australians are finding it harder to make ends meet.
- Women are more likely to be underemployed or in insecure employment, with ramifications for the gender pay gap and superannuation inequity.
- Women are also concentrated in industries with lower overall rates of pay, such as the care workforce.¹²
- Whilst there have been advances for aged and child care workers wages in the past year, there is still much work to do to address this disparity.
- Ten years of stagnant wages have started to turn but with inflation high and relative wage increases still lower, it is hard for people on low incomes to catch up.¹³

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 24:22), 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).
- Possession of wealth leads to political power. Jesus challenges the model of seeking power over other people. In the Beatitudes, he states, “Blessed are the meek, for they will inherit the earth” (Matthew 5:5). “Meek” here means “afflicted, poor, bowed down”. God’s reign will allow such people to “inherit the earth”.¹⁴

WHAT THE UCA 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.”

OUR ASKS

1. A fairer tax and superannuation system to address growing financial inequality including the introduction of laws which target tax evasion and avoidance.
2. Address growing inequality in access to decent and affordable housing.
3. Phase out fossil fuel subsidies and ensure tax arrangements support the transition to a clean economy.
4. Government policy must aim to not only reduce unemployment and underemployment, but also to improve the quality and stability of new jobs.
5. Labour standards should be maintained, or strengthened where necessary, to ensure the quality of work: ensuring employment is safe, sustainable and fair. Workers should have jobs they and their families can rely on, with fair and predictable pay and hours of work, and access to important protections and conditions.
6. Investment in the care workforce should not only increase employment opportunities but should be sufficient to increase pay and improve conditions.
7. Better support for people to re-enter the workforce, particularly for vulnerable groups exposed to compounding risks for long term unemployment.
8. Raising, and appropriately indexing, rates of income support and related payments including Jobseeker, Youth Allowance, Parenting Payments and rental assistance, to ensure they keep pace with the cost of living.
9. Remove taxation and other subsidies that add to inflationary pressures in the housing market and commit to a significant boost in funding to build and maintain more social housing.
10. Continue to review and address inequities in superannuation arrangements so that every worker benefits from an increase in financial security on retirement.

CONVERSATION 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 priorities will your party or organisation focus on to direct government revenue back into the community?
2. What will your party do to stem growing income and wealth inequality in Australia, given it erodes social cohesion?
3. What can and should be done to address homelessness and housing affordability in Australia?
4. How can we increase support for people who experience barriers to gaining paid work, given that our economic philosophy requires that some people are locked out of paid employment?

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