



SPC News

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SPC News articles can be read in full at socialpolicyconnections.com.au

Colebatch on tax reform



Tim Colebatch at SPC Forum 21 October 2015

The Turnbull government has the best opportunity in many years for a sensible reform of the tax system to ensure improved outcomes for most people and put Australia on a sustainable economic track.

As Tim Colebatch, former economics editor of the *Age*, said at a forum of Social Policy Connections on 21 October, key community sectors have been engaging in worthwhile conversations about what needs to be done to raise enough tax revenue to improve living conditions and plan for an increasing population. (See our website for YouTube clips of Tim Colebatch's address.)

Colebatch suggested key areas for tax reform, including the GST. He said that, although it was an "inevitably regressive" tax, it was the total package that mattered, with a progressive compensation scheme to ensure low- and middle-income groups are not penalised. He noted that it was the Howard government which exempted food from the GST on political and equity grounds.

He urged that it was critical to clean up the "rorts" in the existing tax system, particularly in the unfair superannuation schemes, that meant working families were subsidising the living standards of people living off untaxed superannuation.

Colebatch thought negative gearing did more damage than any other form of tax minimisation. It had made housing in Australia "ridiculously expensive", and forced many young people and families to become renters, rather than allowing them access to home ownership.



social policy connections

SPC AGM

Wednesday 2 December 7pm
34 Bedford Street Box Hill

The AGM will be followed at 7:30 by an address by an eminent speaker.

Refreshments will be served afterwards.



Yarra
Theological
Union



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Serious about social justice?

Consider study at Yarra Theological Union (YTU), or at other colleges within the University of Divinity in Melbourne. Undergraduate to higher degrees.

YTU units include :

- ☐ Justice & Human Rights
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- ☐ Inter-Religious Dialogue
- ☐ Social Teaching & Aboriginal Australians

Contact the Dean of Studies Yarra Theological Union 98 Albion Road Box Hill 3128 | admin@ytu.edu.au | 03 9890 3771.

Download the YTU handbook (www.ytu.edu.au) and a list of other University of Divinity colleges (www.divinity.edu.au).

He recognised the political difficulties of reforming negative gearing, with 1.5 million people being negatively geared landlords.

Capital gains tax concessions were extremely generous at 50 per cent, and Colebatch thought that perhaps reducing them to 25 per cent might be politically possible. And he saw no reason for trusts to be taxed more favourably than companies.

Tony French concurred with Colebatch about the need and opportunity for tax reform. As a tax professional, Tony sketched in our November and September editions of *SPC News* the background to the tax debate and what might be done.

The UN Climate Change Conference COP21 in Paris

Climate change remains a contested area, as world leaders prepare for the Paris Climate change conference in late November. **Nicholas Rowley** from the University of Sydney suggests how to clean up Australia's climate policy "mess", while **Steve Hatfield-Dodds** argues that Australia can have economic growth, as long as it is sustainable, with steady material throughput. However, collective choices will need to reshape changes in consumption and production. **Bruce Duncan** notes how Pope Francis is also highlighting the need to address global warming as an urgent moral crisis. In another article, he reflects on what Tony Abbott's Margaret Thatcher Lecture in London reveals about our former prime minister.



Tax-the-1-percent-d, Darya Mead, flickr cc.

Taxing talk, or tax reform?

Tony French

While we continue to talk ineffectually about the pressing need for tax reform, the tax base continues to shrink. Tim Colebatch reminds us that there is

a prevalent attitude that it's okay to pay little or no tax, encouraged by advisers and tax havens. There are plenty of tax minimisation opportunities onshore, too – super, negative gearing, trusts, and companies. Any notion that there might be some moral basis for paying tax is, well, absurd. Prior to their fiscal tragedy, the Greeks infamously used to say, only the dumb pay tax. Here, the people who don't have options to minimise their tax are wage and salary earners.



Marshall Center walks to stop domestic violence, George C Marshall European Center for Security Studies, flickr cc.

Seventy-six women have died from violence this year

Jenny Begent

It's unbelievable, yet all too true. I am so enmeshed in the family violence sector that, when the news of yet another family violence homicide is reported, I

find it increasingly difficult to believe. Despite the investment in advocacy, money, and political will to prevent it over the last two years, I wonder if we will ever see the end of this blight on humanity.



20130528_07_Waterloo, David Clarke, flickr cc.

Australians can be sustainable without sacrificing lifestyle or economy

Steve Hatfield-Dodds, courtesy of *The Conversation*

A sustainable Australia is possible, but we have to choose it. That's the finding of a paper published in *Nature*, the result of a project delivering the first *Australian National Outlook Report*, also released by CSIRO. The study looked at whether sustainability will require shifting values, and at the contributions of individual and collective choices (such as energy consumption and emissions policies).



Syrian Refugees in Vienna Trainstation, Josh Zakary, flickr cc.

Mr Abbot unveiled: his Thatcher speech

Bruce Duncan

What worried Catholics, among others, was Abbott's apparent neglect of core Christian social values about care for the distressed and vulnerable, social equity, and justice. We wondered how his government could treat

asylum seekers so cruelly. We were further confounded by the first Abbott budget which hit poor sections of the community hard, while favouring the well-off.

Youth Collaboration Network

A new collaborative network of youth groups building capacity by sharing skills and resources to maximise each group's ability to assist the community.

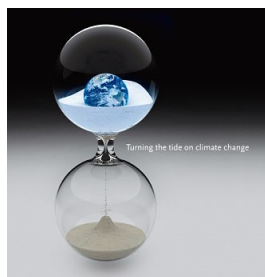
Forum 1 Wednesday 25 November 8:15-12:30 (lunch)
St Vincent de Paul Society Victoria, Gerald Ward House,
43 Prospect Street, Box Hill

Communities of practice:

establishing sustainable collaboration

For key people in your organisation responsible for developing youth and education policy, structure, and operations.
Up to 3 people per organisation.

RSVP Wednesday 18 November michael.walter@svdp-vic.org.au, advising dietary requirements



Turning the tide on climate change by Robert Kandel, Philippe 2009, flickr cc.

Cleaning up the mess in climate policy

Nicholas Rowley

More than ten years ago, analysis by Ken Henry under then Treasurer Peter Costello recommended a national emissions trading scheme. The advice was ignored. In 2006, John Howard asked Peter Shergold, then Head of the Department of Prime Minister & Cabinet, to

examine the most effective ways to achieve the emissions reductions required. He, too, concluded that an emissions trading scheme was necessary. Wanting to adopt his own approach, the advice was ignored by incoming Prime Minister Rudd.



16.MoralClimateAction. WDC. 24September2015, Elvert Barnes, flickr cc

Pope Francis prioritising social justice

Bruce Duncan

The Synod of Bishops issued a statement on 26 October, appealing for purposeful action at the UN Climate Change Conference (COP21), to be held in Paris late-November, when

international leaders meet to sign commitments to reduce greenhouse gas emissions.

Representatives from the world's five continental areas appealed for a "fair, legally-binding, and truly transformational agreement" to address global warming and avoid the catastrophic consequences of climate change threatening millions of people.

Synod members called for complete decarbonisation of the economy by 2050, and for new models of lifestyle and development.

Books at SPC

admin@socialpolicyconnections.com.au

- *Working with disaster: clergy & bushfires* Dr Lisa Jacobson \$10+\$5 postage & handling.
- *Social justice & the churches: challenges & responsibilities* Edited by John D'Arcy May \$25+\$5 postage & handling.
- *A world united or a world exploited? Christian perspectives on globalisation* Edited by Peter Price \$20+\$5 p&h.
- *Social justice: fuller life in a fairer world* Bruce Duncan \$25+\$5 p&h.
- *Young people, faith, & social justice* Joan Daw \$20+\$5 p&h.
- *Sufficient for the day: towards a sustainable culture* Geoff Lacey \$15+\$5 p&h.
- *Towards a better world* Arthur Gibbs \$10+\$5 p&h.