

21 October 2022

The Hon. Anthony Albanese MP
Prime Minister
PO Box 6022
Parliament House
CANBERRA ACT 2600

Dear Prime Minister

Open letter from faith-based charities on tax cuts

On behalf of Australia's leading faith-based charitable networks, we are writing to you about the impact and projected cost of the Government's planned tax cuts.

Together, our agencies provide support to millions of people in need across the country. As organisations that speak for the nation's most disadvantaged people, we are disappointed that the opportunity to tackle poverty has been overlooked in favour of costly and unfair tax cuts.

Australia has never been more prosperous, yet we are facing growing inequality. Over three million Australians live in poverty, and wealth inequality is now the worst it has been in seventy-five years. [A recent report commissioned by UnitingCare Australia](#) unpacks the unconscionably high rates of financial stress in Australia, showing the cohorts that will benefit from the planned tax cuts are amongst the least stressed. This will worsen inequality, making our tax system less progressive and more unfair.

We note that the cost of the tax cuts has now blown out to over a quarter of a trillion dollars. These funds would be better spent supporting people out of poverty. [A Fairer Tax and Welfare System in Australia](#), commissioned by the St Vincent de Paul Society, models three different options that would lift up to one million people out of poverty by increasing working age payments and Commonwealth Rent Assistance. All three options require the tax cuts to be scrapped.

Other [costings collated by Anglicare Australia](#) show that working age payments could be raised to the poverty line, lifting 2.3 million Australians out of poverty. That includes 840,000 children. They also show that the Government could build 36,000 social homes each year. This program would end the shortfall and provide affordable homes to hundreds of thousands of people. Both measures would cost \$208 billion over ten years, well below the \$254 billion cost of the tax cuts.

These actions would give your Government the power to tackle poverty and housing stress for tens of thousands of people.

This debate clearly shows that poverty in Australia is a policy choice. We can afford a safety net and a secure home for those in need.

We urge you not to proceed with the planned tax cuts in the October Budget. Instead, we hope to work with you towards a fairer and more equal Australia.

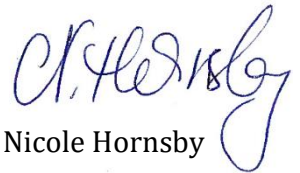
Yours faithfully



Kasy Chambers
Executive Director
Anglicare Australia



Monique Earsman
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Catholic Social Services Australia



Nicole Hornsby
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Claerwen Little
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Toby O'Connor
CEO
St Vincent Paul Society National
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Cc: The Hon. Jim Chalmers MP