

Poverty & Inequality

Scottish Action Against Council Tax is a non party-political pressure group dedicated to the abolition of the **present system of Council Tax**. (CT)

SAACT, while autonomous, has historical links with, and corresponding aims to, the Isitfair group in England and Wales. i.e. Scrap this tax in favour of a fair system.

We believe that the Council Tax is grossly unfair. We contend that the whole basis of this regressive tax is flawed and therefore no amount of tinkering with the system, aimed at giving it a veneer of fairness for short term political gain, can be justified.

Where Are We Now?

Our campaign for the demise of council tax has apparently stalled. The Scottish Government's position on the subject is, as far as we know, to delay the progression of an alternative to CT until 2016 when additional tax powers are due to be held by the Scottish Government, irrespective of the forthcoming referendum result.

Meanwhile, unfortunately, consequences of increasing poverty (including that of children) are being suffered by all but the wealthy, as the welfare system is being progressively and opportunistically further dismantled by the present UK Government under the guise of correcting the nation's debt. This, despite the fact that the debt continues to rise at an alarming rate, demonstrating to all but those who do not wish to see, that radical governmental policy change is required if the rise in UK debt is to be halted.

Council Tax Poverty.

While, in the past, much has been spoken of fuel poverty, it should be recognised that poverty is poverty, no matter how it comes about. While quantifying sources of poverty is not an exact science, it is generally accepted that, in the case of domestic fuel, a cost of 10% or more of a

family's or person's disposable income constitutes fuel poverty.

It can reasonably be argued that, since the possible consequences of non-payment of CT are at least as severe as that of non-payment of domestic fuel, 10% or more of disposable income is also an appropriate definition of CT poverty.

Consequences of CT Poverty.

Just as a fuel bill of less than 10% of disposable income in no way implies that a family is wealthy, so less than 10% of disposable income going in CT does not imply that a family is paying either a fair or unfair amount in local taxation.

Likewise, just as worsening food poverty and fuel poverty are very real and constitute serious familial deprivation, so also does CT poverty. It is widely accepted that, were it not for CT benefit, there would be widespread street demonstrations and protests against this regressive tax as there were against the Poll Tax.

Prevalence of CT Poverty.

Verified, reliable statistics are not available for the prevalence of CT poverty as defined above. Evidence from SAACT supporters, however, suggests that it is widespread among the huge section of families and elderly couples and individuals who are some little way out-with the income or savings bands that qualify for CT benefit.

CT Poverty and Inequality.

We are constantly being told by the independence "No" campaign that we would be worse off were we to be independent, yet we, the citizens of the UK, are acknowledged to live in the 4th most unequal income society in the developed world. This inevitably leads to, and is reflected by, utterly disgraceful levels of such severe societal ills as food poverty, child poverty, homelessness, lower life expectancy, poorer health, and increased crime. If you doubt the truth of this we suggest that you take a look at current statistics and the following URLs and book reference.

www.informationclearinghouse.info/article36224.htm

and/or

www.equalitytrust.org.uk/

and/or the Penguin book “The Spirit Level” by Professors Richard Wilkinson and Kate Pickett. See the following pages for samples of the well researched data sets featured within this book. The charts (Figures) are numbered as they appear in the book. They illustrate some examples of the heinous results of government policy which does not take positive measures to limit inequality. The book was published in 2009/2010 and therefore the data are a few years old, but the UK inequality is no less today.

Surely we should ask ourselves questions such as:

By taking positive steps to reduce inequality in a true democracy, should not a main role and aim of government be to eliminate deprivations such as the above for the benefit of the population?

and

Do you really believe that this role has been pursued diligently by successive UK governments in the past decades, in this undoubtedly rich nation or is likely to be pursued by future UK governments?

and

What can we, the people of Scotland, do about this disgraceful situation?

What We *Can* Do About It.

The first thing we can do is to lobby our MSPs to ensure that positive principles of equality are actively pursued by the Scottish Government and not just paid lip service to.

This organisation (SAACT) has repeatedly encouraged Holyrood to activate a fair system of local authority funding. It is our belief that the fairest system so far suggested is by progressive income taxation, whether this be on a local or national level. We fully recognise that this would go but a small way towards the required significant reduction in income inequality, but it would be an important start which could be built upon and at the same time would alleviate a glaring unfairness and source of inequality.

The second thing we can do is to consider seriously our voting options in September and the much wider options which the result of the September referendum vote might bring. i.e. whether we want the same leading Westminster parties to preside over Scottish affairs and to believe the various and varied rhetorical versions of new and greater devolved powers that would emerge from a “No” vote.

Past experience has surely taught us that it would be foolish to believe promises that, even in the unlikely event of their being fulfilled, would result in inadequate powers over our own affairs.

The SAACT organisation is, and will continue to be, non party-political, but this does in no way inhibit us from declaring our opinion on important issues of national policy.

This is especially the case when such matters directly affect methods of local government finance. In our view, an independent Scotland would find it easier to introduce fair local government taxation. Fair local government taxation will, no doubt, be one of the factors that SAACT supporters will be considering when deciding how to vote in September. We fully appreciate that many of our members do not necessarily support some policies of the SNP. We must emphasise that the Independence Referendum is not simply an endorsement of SNP policy, but a vote for the right of Scotland to have a fully functional, democratically elected government.

PS. While the present Scottish Government's CT freeze undoubtedly alleviates the situation to some extent, it is no real substitute for a properly administered progressive taxation system.

SAACT website

For all aspects of the SAACT campaign visit our website: www.saaact.org.uk

Membership of SAACT and Feedback Request

We hope you have found this issue of the SAACT Newsletter both interesting and thought provoking. If so, please pass it on to your friends and consider joining our mailing list or even taking a more active part in our campaign.

Please inform us (by email, post or 'phone) of your continuing support for SAACT?

Also, comments on the contents of our website would be most appreciated.

New supporters simply send your e-mail and/or postal address to the Secretary to receive future issues.

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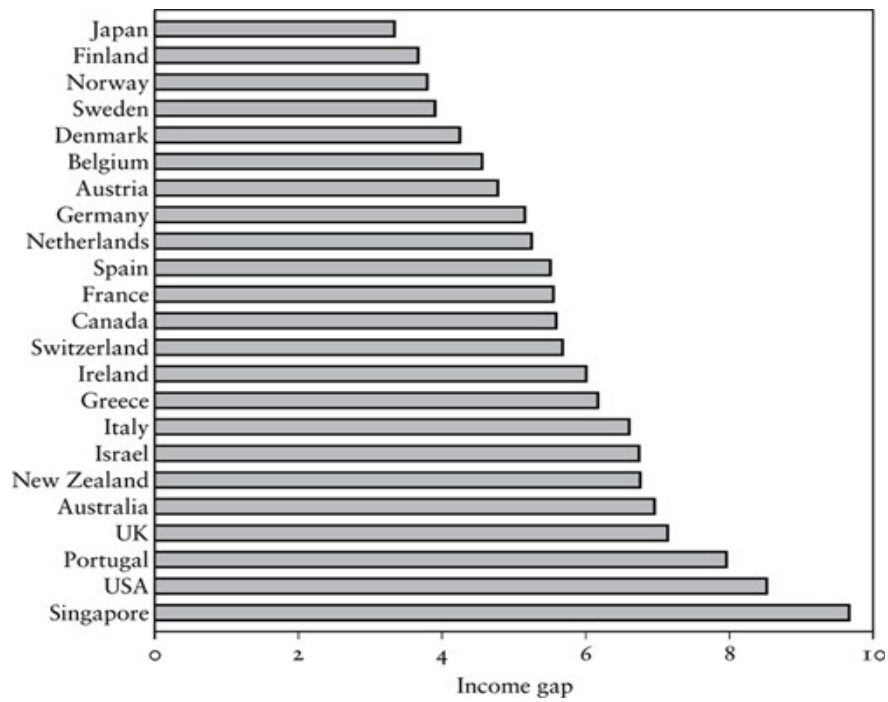


Figure 2.1 How much richer are the richest 20 per cent than the poorest 20 per cent in each country

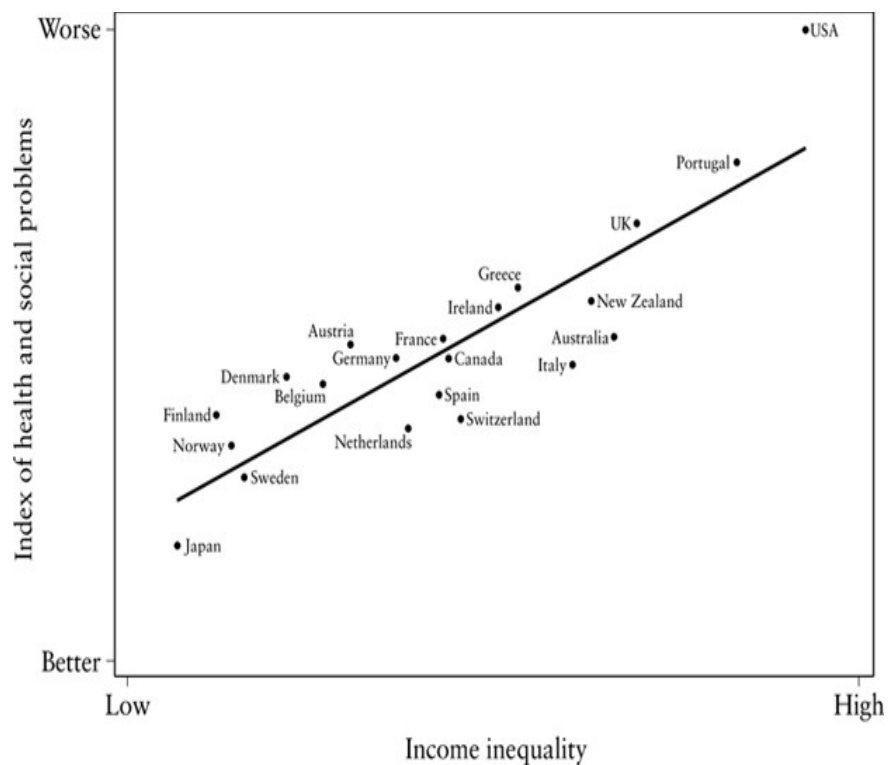


Figure 2.2 Health and social problems are closely related to inequality among rich countries

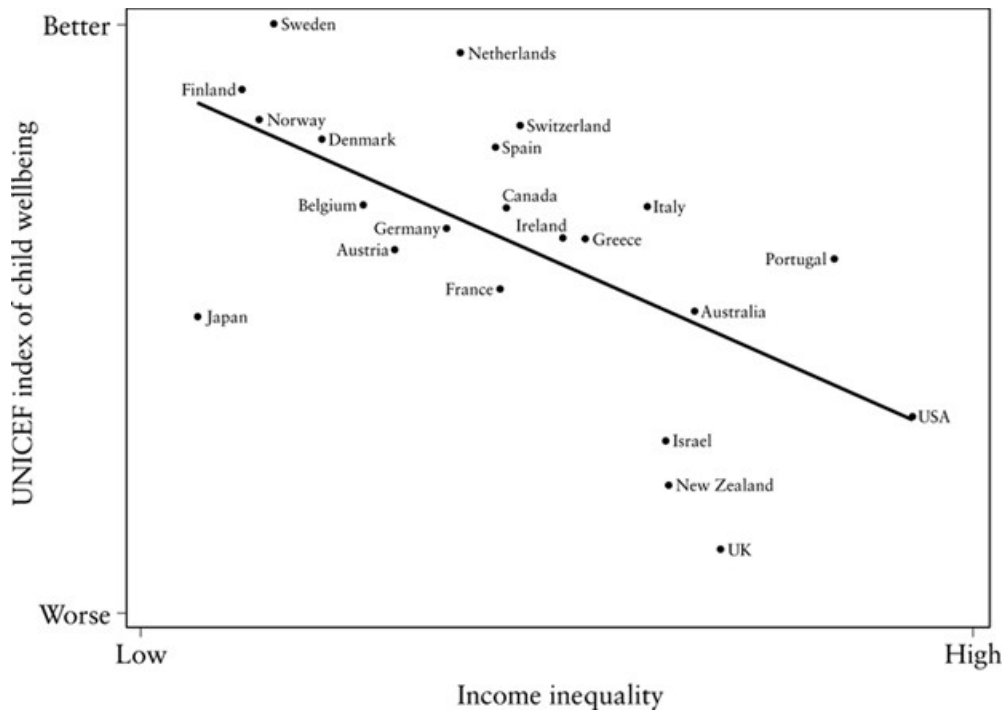


Figure 2.6 The UNICEF index of child well-being in rich countries is related to inequality

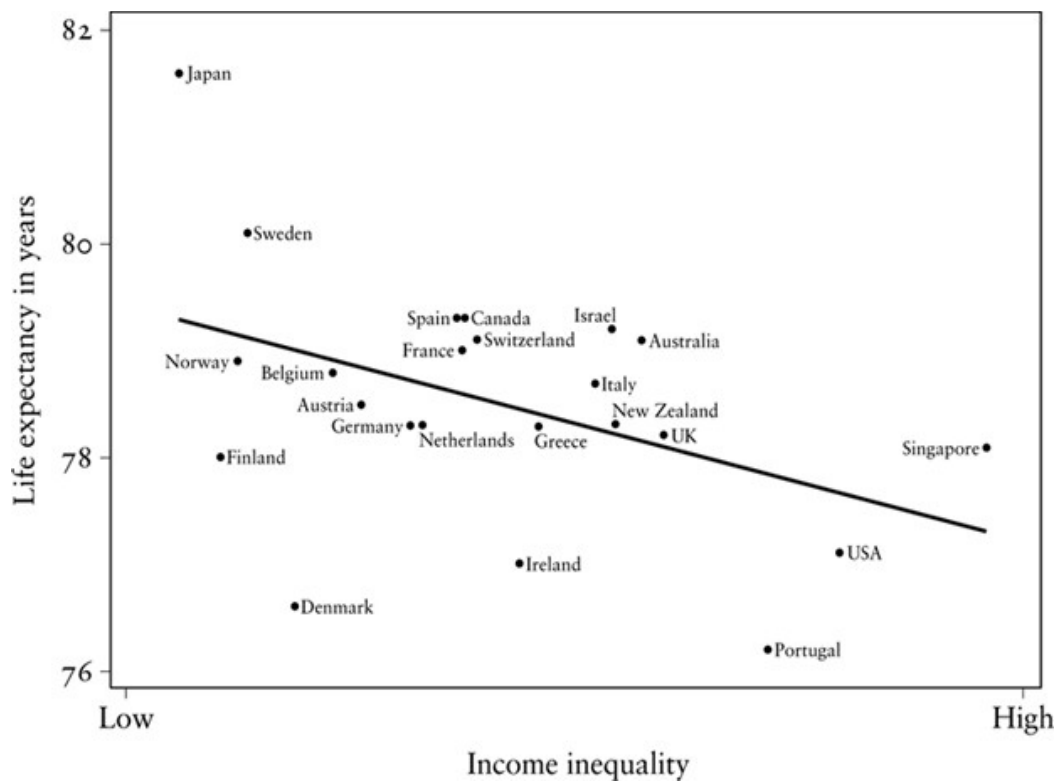


Figure 6.3 Life expectancy is related to inequality in rich countries