



Do Justice!!

“Do Justice, Love Kindness and Walk Humbly With Your God” Micah 6:8

A Newsletter on Social Justice Issues

Welcome to the October 2017 edition of Do Justice. This newsletter, prepared by Auckland Diocesan Social Justice Group, looks at various Social Justice Issues.

Progressive Income Tax, does it have a future?

At last month's Auckland Synod, the Social Justice Group proposed a motion advocating for a progressive income tax system linked to the Living Wage with a top marginal of 60% on incomes over \$588,000 or 14 times the Living Wage. The motion passed with little opposition.

Obviously, the time is not yet right for major income tax reform in New Zealand. Of the parties that got back into Parliament, only the Greens were suggesting any changes to income tax and that a fairly mild introduction of a new marginal rate of 40% for those earning over \$150,000.

Last month we reported on the decision by the Seattle City council to introduce a new rate of income tax on high earners and since then it has become apparent that a number of other Cities and States in the USA do in fact have reasonably progressive income tax regimes,

Perhaps even more significant is that the Scottish Government is seriously looking at reforming the income tax system in Scotland following the devolving of tax setting powers for Scotland to the Scottish Parliament. Only the small Conservative party in the Scottish Parliament is opposing any changes, claiming that if Scotland increases income tax it will drive away the big international investors. The Scottish First Minister Nicola Sturgeon responded by saying on the contrary international investors are looking for excellent infrastructure, both physical and social, before they will invest and Scotland will need to increase income tax to pay for the infrastructure.

An interesting, and refreshing, approach to income tax. By making our tax system more progressive we can not only significantly reduce inequality but also attract overseas investment. Interestingly, there is no mention of trade deals.

The future for TPP 11.

“New Zealand First says the only way to save the TPPA is to go back to the small group of countries who came up with the original concept and finalise a trade agreement without

non-trade projects and agendas getting in the way,”¹ says Mr. Peters. He made this statement on 17 May 2017 one hopes he remembers this when he sits down with Bill English to discuss a coalition.

Last month's Synod agreed to a motion that called for a binding referendum before TPP 11 is ratified.

Housing.

It is difficult to work out exactly what the National Party proposed to do to solve the housing crisis during the election campaign except to deny that there is a crisis. The stories told at one election meeting in Manurewa about housing issues and the lack of not just affordable housing but affordable dry warm clean housing were heart breaking. Many families are spending over 70% of their disposable income on accommodation, and these were families with both parents working.

The real irony was that all the major contesting parties were represented at the meeting - NZ First, Labour, Maori and the Greens but National refused to send a representative.

One of the issues which did not get a full airing during the campaign is the size of the new houses that are being built. Over the last 30 years the average size of a typical house has increased significantly and is now around 150sq meters. Many of the houses being built in the various developments in Auckland including those the so called Special Development areas, are significantly bigger.

So, it was interesting to read a few days before election day that Nathan Orr has started a web site Landshare. The idea comes out of the increasing availability of small houses as Nathan Orr explains “A small house, relative to a normal conventional house, is quite cheap ... the land part of the equation is the really expensive part. Using an alternative like tiny houses, if you can get on to the property ladder by buying the house first and not necessarily the land, you can then save up to a position where you might be able to own your own piece of land.

Landshare is designed to put landlords with land available in touch with people who want a small house and can afford a tiny house often built on wheels.

¹ http://www.nzfirst.org.nz/english_hoodwinked_into_early_tppa

It is good to see that some innovative thinking is beginning to arise to address the housing crisis. However, although Nathan Orr's initiative will help it will not solve the basic problems that we are facing as far as housing is concerned.

Despite Working for Families, Accommodation Supplements and other "tax/benefit" devices we still have far too many families, families with one or more member in paid employment, not being able to afford decent housing. The Housing Corporation is supposed to be the government department that addresses this situation but the Housing Corporation seems to be more concerned with becoming a developer and providing dividends for the Government.

Whatever the outcome of the coalition discussions, the new Government is going to have to address the house issue as a priority, hopefully without the mumbo jumbo of "Social Investment and Social Housing". In the longer term, the new government should also be addressing the underlying issue of the low wage economy. We have now had nearly thirty years of a "free" labour market which is a low wage market and the only winners have been the landlords, the corporations and the wealth. Addressing the low wage economy will also help to address the wider inequality in New Zealand.

MMP and all that.

Over the week end two countries who use the MMP method of voting to help minorities to be part of the national government structure. Both Germany and New Zealand are now into stage two of the electoral process - coalition forming.

Whereas in Germany Angela Merkel is certain to remain Chancellor, the Germany equivalent of Prime Minister, she still must put together a coalition government. For the last four years she has headed up a "Grand Coalition" of the two largest parties in the Bundestag or Parliament, A bit like National and Labour going into a coalition in New Zealand. But this time the Social Democratic Union, the "Labour" part of the Grand Coalition, has made it clear that they do not want another 4 years as the minor player in government and want to be in opposition.

Angela Merkel's task is not made any easier by the success of a far-right anti-immigration party, the Alliance for Germany (AfG), winning some 13% of the seats in the Bundestag. The AfG are beyond the pale as far as coalition partners are concerned.

Unlike New Zealand, the Social Democratic are in no position to gather together a coalition which may make Merle's task a little easier.

As things appear to stand at the moment it looks as if we will either have a National/New Zealand First Government or a Labour/Greens New Zealand First Government. And the pivot appears to be one man – Winston Peters. During the election campaign, there appeared to be more synergy between Labour the Greens and New Zealand First on many issues. Just one example they all supported a Living Wage

for the core Public Service at meetings in Auckland and Wellington and party representatives signed statements to that effect at those meetings. National has made it clear that they do not support the Living Wage for anyone!

Although there are some obvious policy differences between NZ First and the Labour/Green position, Maori seats is one, there are many areas of policy where NZ First are much closer together than NZ First and the National Party. What will be interesting to see as the coalition negotiations progress is how important personalities and the "baubles of office", become.

It should also be remembered that Winston Peters was a very good Foreign Minister and International Aid Minister in the last Clark Government. Compared to his two National successors he was brilliant!!!

From Just War to Just Peace

Friday 13th October at 7:30pm in the Bishop Selwyn Chapel at Holy Trinity Cathedral. Dorothy Brown Memorial Lecture by Maira Leadbeater, long time New Zealand Peace Activist: Nuclear free New Zealand at 30: historic achievement compromised by 'follow the leader' foreign and defence policy.

Saturday 14th October 8:30am to 5:00pm in the Bishop Selwyn Chapel, Holy Trinity Cathedral.

A Study Day organised by the NZ Christian Network, Aotearoa New Zealand Peace and Conflict Studies Centre Trust, Pax Christi and the Anglican Pacifist Fellowship including presentations from

- **Professor Peter Jackson.** Professor of Peace Studies and Director of the National Centre for Peace and Conflict Studies, University of Otago: ***The Pacifist State***
- **Professor Peter Lineham** Professor of History at Massey University: ***The Legacy of the Just War in the New Zealand State***
- **Dr Katerina Standish** Deputy Director of the National Centre for Peace and Conflict Studies at the University of Otago: ***War Education***
- **Dr Geoffrey Troughton** Senior Lecturer in Religious Studies at Victoria University: ***The Roots of Christian Pacifism and Peace Traditions in New Zealand***
- **Dr Zain Ali** Head of the Islamic Studies Research Unit at the University of Auckland: ***Is there an Islamic Approach to Pacifism?***
- **Dr Heather Devere** Director of Practice in the National Centre for Peace and Conflict Studies, University of Otago: ***The pursuit of justice: through war or peace?***
- **Hon. Graeme MacCormick** Retired District Court Judge with a Family Court warrant: ***War, Anzac Day and the Gospels.***

Cost \$25:00 including morning and afternoon tea and lunch.

Registration essential: <barfoots@xtra.co.nz> Pay at door