

## Faith leaders say charity won't fix the cost of living crisis and urge bolder government action

Politicians must show leadership and take bolder action to tackle the structural causes of the cost of living crisis, including providing more support on energy and incomes and a "moral reevaluation" of the tax system, a group of senior leaders from different faiths across the UK have warned.

The warning comes in an open letter from a group of over 40 senior leaders from different faiths, including former Archbishop of Canterbury Rowan Williams, which calls for higher taxes on the wealthy and the expansion of government support to tackle the cost of living crisis [1].

The open letter, which has been sent to Prime Minister Rishi Sunak and Leader of the Opposition Sir Keir Starmer ahead of the Spring Budget, argues that the cost of living crisis "isn't seasonal - it is structural" and that as we move into spring, millions will continue to be unable to afford a decent standard living unless urgent action is taken.

The answer, the leaders say, is to demonstrate "political will" and "face up to" choices on tax. They urge the government to raise taxes on those who can afford to pay in order to fund additional support.

The letter is coordinated by the Stop the Squeeze campaign, a coalition of over 50 civil society groups, including Oxfam, Save the Children and Christians Against Poverty, who are calling on the government to tackle the cost of living crisis by guaranteeing affordable energy, boosting incomes, and raising taxes on wealth.

It comes as some Conservative MPs and others renew calls for tax cuts in the Budget on March 15th.

Signatories of the letter argue that tax is a "moral" issue:

"With a record number of billionaires, the UK has never been more comfortable for the extremely wealthy, while living standards for most people are sharply declining".

Wealth taxes are popular and credible and draw support from a wide range of civil society organisations, economists, and faith groups including 62% of Conservative voters [2].

The letter also calls for reforms to the energy market and a rapid roll out of cheap renewable energy in order to guarantee clean, affordable energy for all, and for increases to the minimum wage and social security payments to create a Living Income which would create a floor below which nobody could fall.



# Bishop Mike Royal, General Secretary of Churches Together in England said:

"Our communities are doing all they can to support those struggling with the cost of living crisis, but charity alone can't fix structural economic problems like low incomes and a broken energy system. It's time for reforms of the tax system so that those with the broadest shoulders pay their fair share."

### Rabbi René Pfertzel of Kingston Liberal Synagogue said:

"The government must use this budget to support households and address the structural roots of the cost of living crisis, even if that means asking the wealthiest to pay more in tax. Millions of people will struggle to pay their bills and put food on the table this year, while there are a record number of billionaires. These issues are moral as well as economic, which is why faith leaders are urging the government to ignore those who want to scale back support in favour of tax cuts, and choose instead to offer a lifeline to those who need it most."

# Dr Sayed Razawi, Chief Imam and Director General of the Scottish Ahlul Bayt Society said:

"As faith leaders, it becomes a moral responsibility to stand with the millions struggling to put food on the table for their families, especially when we are experience heightened wealth disparity. Our tax system currently seems to reward those who already have the most by under-taxing wealth, starving our safety net of money needed to support the vulnerable. In this Budget, we urge the government to take greater responsibility and work towards enhancing equity."

# **ENDS**

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## **Notes to Editors:**



- 1. The full text of the letter and list of signatories can be found <a href="here">here</a>.
- 2. <a href="https://uploads-ssl.webflow.com/63357e2a3f369bd320e28ebe/635a3674f6c2d267c01a18b7">https://uploads-ssl.webflow.com/63357e2a3f369bd320e28ebe/635a3674f6c2d267c01a18b7</a> <a href="https://uploads-ssl.webflow.com/estate/">https://uploads-ssl.webflow.com/estate/<a href="https://uploads-ssl.webflow.com/estate/">https://uploads-ssl.webflow.com/estate/<a href="https://uploads-ssl.webflow.com/estate/">https://uploads-ssl.webflow.com/estate/<a href="https://uploads-ssl.webflow.com/estate/">https://uploads-ssl.webflow.com/estate/<a href="https://uploads-ssl.webflow.com/estate/">https://uploads-ssl.webflow.com/estate/<a href="https://uploads-ssl.webflow.com/estate/">https://uploads-ssl.webflow.com/estate/<a href="https://uploads-ssl.webflow.com/estate/">https://uploads-ssl.webflow.com/estate/<a href="https://uploads-ssl.webflow.com/estate/">https://uploads-ssl.webflow.com/estate/<a href="https://uploads-ssl.webflow.com/estate/">https://uploads-ssl.webflow.com/est
- 3. Stop the Squeeze is a coalition campaign, the full list of supporting organisations can be found at <a href="https://www.stopthesqueeze.uk">www.stopthesqueeze.uk</a>

Supporter organisations have signed up to support the campaign launch statement and the demands of the campaign, they do not necessarily support every policy proposal that may be mentioned by the campaign.

Stop the Squeeze has been formed by a core steering group consisting of <u>The Economic Change Unit</u>, the <u>New Economics Foundation</u>, and <u>Tax Justice UK</u>.

A range of spokespeople are available from organisations supporting Stop the Squeeze.

A Living Income is the idea of creating an 'income floor' which allows people to afford life's essentials and which nobody can fall below, whether they are in or out of work. More information can be found <a href="here">here</a>.

The campaign is on Twitter <a>OStopTheSqueeze</a>.