



Please reply to: Taigh na Torraig
Conisby,
Bruichladdich
Isle of Islay PA49 7UN
phone: 01496 850006
email: ScotFriends@gmail.com

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Dear ,

We are writing because we are very concerned about the effects of the current and anticipated spending cuts, especially for the worst off in society. Our concern springs from our strong belief as Quakers that all human beings are of equal worth.

We recognise that the budget deficit cannot be allowed to grow indefinitely, and that the gap between income and expenditure has to be closed. We are not against all cuts: for example we would like to see the Trident programme cut and we would like not to waste money keeping minor offenders in prison for ineffective short sentences rather than rehabilitating them. In other areas, however, we believe that there is too much emphasis on cutting expenditure, and not enough on raising income through progressive taxation and efficient collection of taxes.

Many cuts are likely to affect poorer people more than the better-off. This is partly because some services, such as social services and children's services, are used mainly by poorer people. However, even cuts which affect people on all incomes will have a disproportionate effect on the poor. The better-off may mourn the loss of a library, but they will still be able to afford books; the same library closure will cut off some of the poorest from their only source of books. Furthermore, cuts may be false economy. For example, withdrawing support for children in their early years is likely to lead to them having greater problems later in life – which will be a personal tragedy and costlier for society to fix.

We would like to see a greater proportion of tax collected from the relatively well-off in order to protect services for all. The forthcoming rise in income tax for higher earners is a welcome step, but we are aware that many large multinational companies are able to pay much lower rates of tax on their profits than the VAT rate paid by everyone else. These companies should pay their fair share (and we would commend to you the book *Treasure Islands: Tax Havens and the Men Who Stole the World* by Nicholas Shaxson, which deals directly with this issue). However, we are concerned that the recent VAT increase has a disproportionate effect on those surviving on benefits.

We commend the approach of increasing progressive taxation, which will tend to decrease the level of inequality, the ratio of the net income of the richest 20% to the poorest 20%. Reducing inequality is a spiritual imperative for us as Quakers, but there is also evidence that it is actually in everyone's interests to make society more equal. In their book *The Spirit Level: Why Equality is Better for Everyone*, Richard Wilkinson and Kate Pickett show that in richer societies, greater levels of equality correlate with greater life expectancy, greater happiness and lower levels of violence, but there is no correlation between these outcomes

and the per-capita national income. Furthermore, greater equality appears not just to benefit the poor at the expense of the rich: there is evidence that people of all social classes have longer life expectancy in more equal countries.

We hope you are persuaded of the need for greater taxation for some to provide services for all and that you will rise to the challenge of convincing the electorate of this. We would like to hear what your views are on this.

With all good wishes,

Robin Waterston
Clerk,
General Meeting for Scotland of the Religious Society of Friends (Quakers)