

Outline for Discussion

New Economy Chapter

Context:

At spring 2022 conference an enabling motion passed which read:

Conference instructs Policy Development Committee to facilitate policy development, which will be delegated to the Tax & Fiscal Policy Working Group and the Economy Subgroup of the Climate Emergency Policy Working Group. Together they will bring a Draft Voting Paper and Voting Paper to future conferences to revise the Economy Chapter and propose changes to other chapters to ensure consistency.

The updated chapter will use the framework of a Wellbeing Economy and ensure that policies align to the goals of achieving a socially just and environmentally sustainable society. It will also clarify the role that tax and government finance play in reaching zero carbon.

On taxation, the new chapter will broadly retain the purposes and principles set out in the current Tax & Fiscal Policy section (EC700–705) as well as the principles of the party’s monetary policy (EC660–679) and will seek to resolve the current inconsistency between these.

The new Economy Chapter will aim to be under 5,000 words. Additional information will be in a background paper.

The Tax & Fiscal Working Group and the Economy subgroup of the Climate Emergency Policy Working Group will seek the opinions and involvement of members of the Party with interest or expertise in these fields, and the views of external and other relevant organisations, including those of the Green Parties of Scotland and Northern Ireland, professionals in the field as well as other internal groups recognised by the party.

The provisional structure will be as follows, within which we will aim to develop a logical and compelling “story” or “flow”, making it easier to be followed by interested parties both within and outside the Green Party:

- Background/Context
 - Principles
 - Aims
 - Our Economy
 - International Context
 - Fiscal Policy
 - Taxation Policy
 - Banking and Financial Regulation
 - Intellectual Property
-

This document is working towards a Draft Voting paper which will proposed new text for the 'Economy' chapter of [Policies for a Sustainable Society](#) (PSS). The intention is to put a rough first Draft Voting Paper to Autumn 2023 conference and then a more complete draft to Spring 2024 conference. There is a list of '[important areas for consideration](#)' posted on the [Tax & Fiscal PWG Space](#) (you will need to join the PWG by clicking 'become a member' in the top right to access). Document relating to Economy Chapter re-write are being published in [this folder](#).

This document outlines for the structure for the new economy chapter, and flags potential principles and points to cover. It is very much still a work in progress with various section still being drafted by subgroups and some text yet to be finalised/agreed. At the end of the proposed you chapter there is reference information. Lengthy background material which will end up in background paper is at the very end of document, but for time being shorter notes can be collated at the end of each section (e.g. flagging relevant other policy references).

For list of outstanding asks, and how to volunteer, please see:

<https://spaces.greenparty.org.uk/content/perma?id=143340>

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Draft Voting Paper

Note: This is an initial draft, to start consultation process.

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Text in italics are notes, relevant cross-references and denote unfinished sections.

=== Start of Draft Voting Paper ===

Synopsis: This is the first Draft Voting Paper for the Economy Chapter Enabling Motion which passed in Spring 2022. It is a work in progress for initial feedback on structure/style and there are many points of detail which have yet to be properly discussed, let alone, a consensus reached.

Motion:

Delete all of existing Economy Chapter and replace it with the following text up until "=== End of Economy Chapter ===":

Economy Chapter

Context

(narrative introduction and context)

<Brief summery of economic context and vision for economy that works for people & planet>

ECO01 All human economic activity and social and cultural wellbeing are dependent on the integrity and self-sustaining, self-managing natural systems. Continually increasing resource extraction, industrial throughput and waste production is entirely incompatible with ecological sustainability.

ECO02 The industrialised countries must actively reduce the physical burden they place on the planet and must, by example, encourage and support the less industrialised countries in adopting development strategies.

Definition 'Need' should stated in Context GPEW view of economic equality/fairness (Cross referencing PB)

Government shapes our economy through Regulation, Direct Commission/Provision, Tax/Subsidies (incentives/disincentives) and Education/Information.

Objectives of our Economy

EC101 Our Economy must deliver all of the following:

- Ecological sustainability
- Wellbeing for all
- Equity and social justice
- Community agency through democracy
- Self-reliance with interdependence

EC102 There are inherent tensions between the pursuit of all these objectives together.

Prioritising some in the short term at the expenses of others can, in some cases, make re-addressing the balance much harder, if not impossible, in the longer term. Therefore economic policies should resist the temptation to leave delivering of some aims to future governments. Our democracy must acknowledge and confront the difficult trade-offs, tensions and compromises inherent in these aims.

Principles

Principles for guiding economic decision making in pursuit of the above aims.

Our society's economy within planetary boundaries

- EC201 Human economic activities must observe these boundaries if we do not wish to make the planet inhospitable for humankind. Economy policy must therefore be fashioned in the context of both finite and dynamic planetary boundaries.
- EC202 All economic activities have impacts and our economic systems must provide accurate information on these impacts to allow for informed business decisions.
- EC203 Current levels of material and energy consumption in the UK and most of Europe are clearly unsustainable and must be rapidly reduced.
- EC204 Therefore a sufficiency approach where wellbeing for all is the first priority for economic capacity should be pursued.

Global Justice

- EC211 We as UK Citizens share the planet with the rest of humanity and all of humanity must benefit equitably from what economic activity our planetary boundaries allow.
- EC212 There is a need to address existing and historic economic structures that allow benefits of human economic activity to accrue disproportionately to industrialised countries as this imbalance is both unfair and unsustainable.
- EC213? The UK should undertake global public investments to support the wellbeing of all, globally, into the future.

Social Justice

- EC231 Ecological sustainability is compatible only with much reduced consumption. To ensure universal acceptance, and in the interests of fairness, the benefits of economic activity must be shared equally.
- EC232 Therefore business models should be focused on the delivery of good or services that support people's wellbeing and not on the extracting of rent from ownership of scarce assets.

Localisation

- EC241 Economic power should be devolved to the lowest most appropriate level for a given activity and context.
- EC242 Increased community self-reliance, through prioritising local economies and provisioning, will allow reduction in international trade and increase regional resilience.

Democracy and Decision-Making

- EC251 The public must exercise ultimate economic power and elected government must play a leading role in shaping our economy.
- EC252 Every individual, company, and government body has some level of influence over the shape and nature of our economy. Transparency over which actors have more than average influence and how they use that influence is critical for democracy.
- EC253 The UK's current systems of governance and democracy are not fit for purpose to deliver objectives laid out in EC101, so reform is necessary.
- EC254 Information flows must support informed decisions by being accurate and inclusive (in ways that the market price mechanism cannot capture) and be characterised by transparency.
- EC255 Global problems require global cooperation.
- EC256 The precautionary principle should be applied where the impacts of activity or potential activity present unknown but potentially very severe danger for wellbeing compared to that activity not happening.
- EC257 Our Economy is a complex dynamic system which is linked to multiple other economies as well as earth systems, so it needs to be managed in a joined up, coordinated way.

Type of Economy / The Economic Mix

- EC261 Economic policy is the servant of political objectives.
- EC262 Economic policy should promote sustainability and fairness.
- EC263 There should be a presumption in favour of collective provision of public goods, especially in respect of "natural" monopolies.

Taxation

EC271 Taxes and Taxation as a whole should be:

- Simple
- Fair / Equitable
- Easy to collect / Difficult to evade / avoid
- Universally accepted
- Progressive / redistributive
- Have minimal unintended impacts
- Be necessary to deliver the aims in EC101

Global governance and trade

- EC281 International trade should be reduced alongside a shift from globalisation to localisation
- EC282 The resolution of global economic and ecological crises requires a new order of cooperation between nations with the development of new international institutions and agreements.

Our Economy

What should we measure?

<what we don't want to measure...> <intro sentence to the below two sections> <policy of aggregate indicators verse dashboard approaches>

Social Foundation – Well-being Indicators

EC301 Adequate (*perhaps a minimum standard*) provision of the following: water, food, health, education, income and work, peace and justice, political voice, social equity, gender equality, housing, networks and energy tend to indicate well-being.

EC302 The well-being of individuals, communities and ultimately the whole world depends on an adequate provision of some or all of the above, depending on the culture and condition of the countries and societies to which they apply.

EC303 The official definition of well-being is 'the experience of health, happiness and prosperity. It includes having good mental health, high life satisfaction, a sense of meaning or purpose, and the ability to manage stress.'

EC304 The following indicators of well-being should be considered: connect, be active, take notice, keep learning and give.

Ecological Ceiling – Planetary Boundaries

EC310 Boundaries – There are no external constraints, only boundaries that our society can choose whether to cross. There are some internal constraints, such as what the public will and won't accept without civil unrest.

EC311 There are limitations to what can and can't be usefully assigned a monetary value, and implications of doing so – See MC201

Planetary Boundaries include:

- Climate Change (CC016)
- Novel Entities
- Stratospheric Ozone Depletion
- Atmospheric Aerosol Loading
- Ocean Acidification
- Biochemical Flows (Nitrogen / Phosphorous Pollution)
- Freshwater Use
- Land-System Disruption/Change
- Biosphere Integrity: (See RR1000-1006)
 - Biodiversity Intactness Index (BII)
 - Extinction Rate /Million Species-Years (E/MSY)

EC3?? Policies for a Sustainable Society as a whole is a response to this, but governance for our economies in particular must ensure human civilisation operates within these boundaries. To do this the following will be necessary:

- Redistribution of wealth and access to material resources to decrease the overall negative impacts of the UK population.
- A shift from globalisation to relocalisation to increase resilience and community self-reliance.
 - See MC350
- Stronger governance of corporations as a key determinant of overshoot.
 - See: NR428, NR531
- Use of regulation to impose change where necessary due to the urgency and scale of change required. Use of systems of incentive and disincentive such as taxation where change can be smaller or more gradual.
 - See: CC120–1, CC130, CC141, CC150, IN408, MC376, NR423, NR424, ST334, EN080, EN082, EN084, LD200, PL103, TR, WH, FA
- Public investment in green technology but only to deliver sufficiency rather than green growth:
 - See CC130, CC160, CC170, ST211, EN051, EN081

Notes

- *May need to cross reference back to here: LP154*
- *Existing EC policy relevant: EC610–2, EC654, EC771–2, EC776–9*

Governance and Accountability

This section should provide context for the next section on redistribution/resource allocations and to some degree frames the rest of the chapter.

EC401 Ensuring effective and appropriate economic governance and accountability systems are in place is critical to maintaining a functioning democracy, let alone delivering the economic objectives set out in EC101. The purpose of these systems and the public administration structures that support them is to steer economic activities in an environmentally sustainable and socially just direction, while minimising imbalances in economic power and their associated corruption, misappropriation and regulatory capture.

Economic Governance

EC402 All levels of government share responsibility for economic governance. Just as our proposals for subsidiarity, decentralisation, direct participation and greater freedom of information will radically transform democratic processes (PA101–07, PA912), economic activity in a Green society will have to take place amid closer accountability at multiple levels. In particular, no individual or company will be permitted to rely on devices such as limited liability to evade the costs of environmentally damage caused by their economic activities (ECnnn)

EC403 Such accountability is an element of the partnership that must exist between business and government if they are to cooperate effectively in evolving workable responses to social and environmental imperatives, such as climate emergency mitigation plans (ECnnn, C110). This cooperation will be especially important at local levels, and will be backed up by the involvement of Community Banks (ECnnn) and third-sector enterprises (ECnnn).

EC404 An ethos of cooperation will favour mutualisation of larger companies. This trend will be promoted by legislation to correct the disadvantages currently faced by co-operatives, and facilitated by simpler conversion procedures (Ecnnn). Along with the effects of the Living Wage this will create fairer pay differentials by curbing the current excesses of senior manager and executive remuneration in many companies (Ecnnn), in effect creating a localised form of the wider redistributive measures set out immediately below.

Notes:

- See: PA001-7
- Government at all levels shares responsibility for economic governance. The Public Administration Chapters lay out proposals to make our general systems of governance more accountable.
- Devolved Economic power by
- Who decides what indicators of progress/well-being for all should be?
- How will community gain some control of their economies?

Managing complex systems

<insert policy points here>

Economic Democracy and Deliberation

<insert policy points here>

Economic Transparency and Accountability

<insert policy points here>

Notes:

- **Governance:** the way that organisations or countries are managed at the highest level, and the systems for going this. (Cambridge Dictionary)
- **Accountability:** the fact of being responsible for what you do and able to give a satisfactory reason for it, or the degree to which this happens. (Cambridge Dictionary)
- Points to cover:
 - Long term goal to reduce national government intervention to a "safety net" (part of subsidiarily)
 - Managing changes to Income vs cost of living (links to inflation)
- PSS reference which support/justify: PA, PA850-7, PA912-8
- Relevant bits of existing Economy Chapter: EC100, EC110-1, EC401, EC510, EC512, EC520, EC550, EC551, EC600, EC620, EC650-8, EC662, EC662, EC710-1, EC800-6, EC900-3,
- International Governance: EC970, CC110

Resource Allocation

EC501 To deliver the economic objectives set out in EC101 it is crucial that a proportion of economic resources are allocated for public goods and ensuring well-being for all. Taxation policy (EC###) determines how these resources are collected, and overall must ensure that contributions are fairly collected based on ability to pay. This not only helps correct the

inequitable drift of the last decades, but also adjusts distribution of wealth and opportunity without our economy. In order to effect the reduced consumption of physical resources which must accompany the shift to living within ecological limits, there is a need to ensure everyone has access to sufficient resources to support their well-being before others can accrue significant luxuries. This applies within communities, across the UK, and globally.

EC502 Globally, redistribution will take the form of global public investment (IP224, 226), including debt relief (IP230), and especially measures to address the UK's historic contribution to a situation where those most at risk from the climate emergency are those who have done least to cause it (CC014).

EC503 Inequalities between different areas of the UK will require a redistribution of wealth and resources between districts and regions in order to ensure that public services can be fairly and adequately paid for across the whole country. This redistribution should be overseen by a commission, independent of central government (PA403, LD301), and should take account of criteria such as net migration, poverty and social deprivation, industrial base, natural resources, and environmental damage, as well as the capacity of a local or regional authority to raise its own funds.

EC504 Across and within the UK, collective provisioning and resource distribution will be delivered through:

- a) provision of public services (EC###)
- b) price controls (e.g. H401b)
- c) subsidies (e.g. TR102) and removal of existing subsidies (TR541)
- d) taxation of wealth (EC###)
- e) taxation of personal income (EC###)
- f) taxation of material and energy consumption (EC###)
- g) taxation of pollution and goods/services harmful to public and associated public dividends (EC###)
- h) Taxation of Business Profits/surpluses or the distribution of them (EC###)
- i) Citizen's Income and Citizen's Pension (EC### and EC###)

EC505 Of the mechanisms outlined in EC###4 the most significant will be the provision of public services (a), Citizen's Income and Citizen's Pension (i) as collective goods using revenue generated by taxations (d-h). Overall taxation should be progressive in the sense that those with greater means, make a proportionally bigger contribution to funding of collective goods.

Setting terms of engagement

EC601 <insert policy points here>...

Notes on what this section should cover:

- *Redefining purpose of companies*
 - *Companies, ownership & the stakeholder principle*
 - *Co-operatives, the third sector, social enterprises*
 - *Legal right to buy out companies and convert to Co-Ops. Also option for government to use “golden share” to force redirection of a particular company.*
- *Public Institutions:*
 - *Bank Of England*
 - *new duty on Bank of England to use levers to constrain house price growth.*
 - *NR425: Standards Commission*
- *Stopping Exploitative Business Practices (inc Payday loans, Gig Economy)?*
- *Social and environmental auditing*
- *Reforming Intellectual Property rules*
- *Commerce / Retail*
- *Crypto-currency Regulation*
- *IP244 Commodity market reform.*
- *Redefining legitimate space for advertising*

Banking

This section is currently just the existing policy, but need editing to make concise, consistent, and ensure the following is covered:

- *inc Community Banks and Credit Unions*

EC661 Banks should be required to limit their role to taking deposits and making loans that facilitate economic activity. We would immediately legislate to separate retail and investment banking. Institutions would not be permitted to operate in both markets simultaneously. Retail banks should be required to limit their role to taking deposits and making loans that facilitate economic activity. Investment banks should take the form of partnerships rather than limited companies.

EC662 A Green government would restore strict divisions between different kinds of financial activity, such as banking, brokerage, commodities trading, and futures and derivatives transactions. No bank will be permitted, either directly or indirectly through affiliates and subsidiaries, to engage in brokerage, to trade on their own account, create or own hedge funds or undertake private equity transactions. In all fields we would subject the ‘shadow’ banking sector, such as hedge funds and money market funds, to similar regulations to those affecting the banks.

EC663 We would introduce limits on the sizes of banks: no bank operating in the UK would be permitted to have access to more than 10% of the domestic market or 5% of the global market. Since the worst failures in the banking crisis of 2007–08 were associated with ‘wholesale’

interbank funding, while mutual banks and others that mainly rely on customer deposits were relatively unharmed, we would tightly reduce the permitted scope of interbank transactions, both in lending and financial derivatives.

EC664 A Green government would retain ownership of nationalised banks and direct these to create a permanent and genuinely national bank out of one or more of the currently 'nationalised' banks. This People's Bank would form an exception to the percentage-based size-restriction specified in EC668: it would be available as a guaranteed safe-haven to deposit money in for any and all citizens. Most citizens seek safety for their money, not a risky high rate of return, and the People's Bank would offer this in perpetuity. The People's Bank would offer current accounts and all other basic banking services. Its lending and other policies would ensure it acts as a non-profit, seeking where necessary to restrict or to relax credit in the national interest. It would in effect be a high street branch of the Bank of England. Its *raison d'être* above all would be to act prudently in the interests of all its depositors, to ensure that there was no risk of a bank run ever endangering their money. This would be achieved by the People's Bank being constitutionally limited to low-risk activities, and by the fact that it would be owned and guaranteed by the state. A Green government would seek to bring all banking institutions into social control.

EC665 Mutual financial institutions are preferable to those owned by shareholders, since they are more likely to serve customer interests. The Green Party would provide financial incentives for governments at all levels to use mutually owned banks and financial intermediaries for their own business, and to encourage citizens to do the same.

EC666 In the interests of economic and financial stability, strict controls should be placed on lending by all banks, including lending to individuals. For example, mortgage loans should be at fixed rates throughout their terms (as is required in certain European countries), in order to place interest-rate risks on the lender, not the borrower; there should be ceilings on the percentages of a property's value and borrower's income that may be lent on mortgage; and strict limits on the issue and use of credit cards, such as already apply in numerous European countries.

EC667 The derivatives markets should be strictly controlled, with specific approval required for each derivative product. The onus will lie on the product's originator to demonstrate that it is beneficial and there is no alternative way of achieving the same purpose. All derivatives must be transparently traded on public exchanges with approved clearing arrangements. Banks and shadow banks will not be permitted to engage in any futures trades except as clients of approved brokers on a public exchange. Swaps and securitisation instruments will have to be specifically approved, as just described. They must be included in the bank's or shadow bank's balance sheet.

EC668 All banks will be required to observe a fiduciary duty towards their clients, which can only be varied for specific ethical reasons agreed with a client. All banks will have to take direct

responsibility for their own credit assessments rather than relying on fallible external rating agencies.

EC669 All banks and shadow banks that are found to be in breach of these market restrictions should be liable to lose their licences and not be permitted to reapply for them for a period of up to ten years.

EC670 In the longer term the banking system should be largely brought under democratic control, preferably at a local level. This will allow the process to work in the best interests of the community as a whole, rather than principally in the interests of commercial banks and their shareholders.

EC671 As an interim measure, before the programme of reform described in [EC 664](#) has been implemented, the Monetary Policy Committee of the Bank of England will be instructed to monitor the need for increase (or decrease) in the money supply, based initially on maintaining the amount of money existing at the time of implementation of these measures. Criteria will be developed in the light of experience, aiming to avoid both inflation and deflation. It will accordingly instruct the Bank of England to create any supplement needed, on a monthly basis, and credit it to the Treasury to be spent by the government on projects that help society and environment. If the occasion arises that a surplus is threatening to cause inflation, the Bank of England will receive back and cancel an appropriate amount of money.

EC672 As an interim measure, before the programme of reform described in [EC 664](#) has been implemented, the Bank of England will continue to be the institution for the regulation of the national currency and the setting of base interest rates. However, it will not focus on narrow economic indicators such as the rate of inflation, but instead will take a broader view on the impact of its decisions on the economy as a whole. Final decisions on the setting of base interest rates will be made by a democratically accountable committee made up of representatives selected from the different regions of the country.

EC673 In order to help bring about the democratisation of the banking system, and in pursuit of our policies to support the growth of local economies, a network of local Community Banks will be established. These will be democratically accountable non-profit-making trusts, which will be able to provide low-cost finance both at district and regional levels. Any operating surplus arising from these Community Banks will be reinvested in their local communities. They will also be able to create their own local currencies, to operate alongside the national currency, where this is supported by the local community.

EC674 In order to bring about a more socially equitable society, it is important that poorer citizens have access to affordable credit, which can give them an opportunity to increase their basic living standards. Alongside Community Banks, measures to help facilitate this will include the promotion and support of credit unions and micro-credit schemes in which small groups of people cooperate to provide guaranteed small loans to each other.

Meeting the social foundation

Well-being Policies

EC701 This section need writing...

See: DY500, ROPS 2008, ROPS 2009, ROPS 2015

Universal Public Services

EC7#1 The provision of public services is key for limiting inequality, meeting basic human needs, and distributing surpluses. See Universal Public Services below (EC###). The principle of universal access to essential services, either free at the point of delivery or at below market price, will be retained and, to keep pace with changes in society, extended, e.g, to communications technologies (CM672) and social care (SW609).

EC7#2 Whilst there should be scope for regional and local governments to enhance and diversify public service provision within their jurisdiction (PA111, PA380-6, PA400-4, PA413-4, PA500-3), universal access to, at minimum, the following public services should be guaranteed across England and Wales:

- National Health Service – See Health Chapter (HE###)
- Education for All – See Education Chapter (ED###)
- Public Transport – See Transport chapter (TR###)
- Water/Sanitation?...
- Housing?
- ...

Citizen's Income / Social Security

EC7#1 Every citizen would receive an unconditional Citizen's Income or Citizen's Pension to secure their basic social security (see EC730-733 below). Citizen's Income is an unconditional, non-withdrawable income payable free of tax to each individual as a right of legal residence in the UK. It will not be subject to means testing and there will be no requirement to be either working or actively seeking work. A reduced amount will be payable for each child to a parent or legal guardian. People with disabilities or special needs, and single parents, will receive a supplement.

EC7#3 Universal Basic Income sufficient to cover an individual's basic needs will be introduced. Universal Basic Income is an unconditional, non-withdrawable income payable to each individual as a right of legal residence in the UK. It will not be subject to means testing and there will be no requirement to be either working or actively seeking work.

EC7#4 Universal Basic Income will eliminate the unemployment and poverty traps, as well as acting as a safety net to enable people to choose their own types and patterns of work (See EC400). Universal Basic Income will thus enable the welfare state to develop towards a welfare community, engaging people in personally satisfying and socially useful work.

EC7#5 Children will be entitled to a reduced amount which will be payable to a parent or legal guardian. People with disabilities or special needs, and single parents will receive a supplement.

EC7#6 Initially, the housing benefit system will remain in place alongside Universal Basic Income (see HO600-02) and will also cover contributions towards mortgage repayments for people in those situations previously covered by the Support for Mortgage Interest scheme. This will subsequently be reviewed to establish how housing benefit could be incorporated into Universal Basic Income.

EC7#7 We appreciate that introducing Universal Basic Income as a sudden single change is probably not feasible. Instead we would propose to gradually introduce its main features into the existing social security system, beginning with removing conditionality, reducing the number and complexity of payments, and reducing withdrawal rates.

EC78 Consolidated Income Tax Personal allowances could be adjusted and perhaps eventually removed to take account of the introduction of Universal Basic Income.

See: RR709, SW200, SW402, SW905, HO600

Businesses and Financial Services

EC7#1 *This section need writing...*

See: IN601

Goods and Services

EC7#1 *This section need writing...*

See: ED127, HE1413, DR402, ROPS 2010, IN405-6, NR423, TRO65, TRO67, TR541-2, ROPS 2010, ROPS 2016, ROPS 2018

Additional Pensions

EC71 *This section need writing...*

See: Health Chapter (HE104, HE130, HE1301, HE1412), Workers Rights Chapter, Housing (HO519), Education Chapter, Food & Agriculture Chapter, Media Chapter, Crime & Justice (CJ500), Culture Media & Sport (CMS672, CMS641)

Thriving within planetary boundaries

EC8#1 Management of our economy is a central enabler of a transition to a society which thrives within planetary boundaries and is based on key principles EC201–203 and CC120. This management takes several forms:

- public expenditure to manage the transition to a lower energy society
- use of levers including taxation and regulation to change behaviour and social practice
- change the purpose of institutions such as banks and businesses
- a shift away from globalisation and international trade towards more localisation
- support global action towards a liveable planet for all
- drive a narrative for our Economy which shifts public understanding and expectations

EC8#2 Public expenditure will be directed towards change in the following key areas:

- investment in a clean energy system (see Energy chapter)
- investment in public transport and active travel infrastructure (See Transport chapter)
- retrofit of buildings to increase energy efficiency and to shift to clean electricity (CC130, ENO20, ENO21)
- changes to land use (see Land Use, Forestry, Wildlife and Habitats chapters and CC141)
- a shift from intensive to regenerative agriculture (see Food and Agriculture, Wildlife and Habitats chapters)
- investment in R&D for new technologies (see CC160, CC170, ENO51, ENO81, ST211, NR427)
- reskilling the workforce for the transition (EC610, ENO60)

EC8#3 Investment will be reduced in areas which are unhelpful to staying within planetary boundaries (see chapters on Transport, Local Planning and the Built Environment, Housing, Peace, Security and Defence).

EC8#3 Levers to drive behavioural and social change range from taxation through to regulation prohibiting damaging activities. The balance of these will shift according to the evolving nature of the planetary crises and the urgency of action.

Taxation Policies

Carbon Tax (EC777, CC121, ENO80)

Green/eco taxes, carbon border tariffs, import duties (EC776, IN405, EC779)

Land Value Tax (IN408, EC???)

Natural Resource Tax (NR423)

Locally applied taxes (EC791)

Tax Relief Policies

On products that are zero carbon and zero waste (IN406, EC771)

On improving energy and water efficiency to homes (HO405)

Regulation

Industrial production (IN407)

Waste Avoidance and Recycling Act (NR424)

The implementation of statutory targets via a Standards Commission (NR425)
 Manufacturer responsibility for reuse, recycling or safe disposal (EC1033)
 Mandatory auditing (EC654) and changes to accounting (xxx)
 Building regulations (ENO22)
 Sustainable accounting rules [*Interim policy – incorporate*]

EC8#4 The purpose of institutions will be aligned to staying within safe planetary boundaries.

- changes to financial institutions (see Banking section)
- requirement to divest from fossil fuels by pensions and investment funds (CC150)
- changes to companies (Industry and Jobs chapter and Corporate Governance [*if we decide to keep that within Economy chapter*])
- legal rights of nature (RR1000–1006 and WH100)

EC8#5 Localisation will be supported by policies in the section: Local and Regional Policy

EC8#6 Global action will be supported by policies in the section: International Interactions – Pink Book

EC8#7 Alongside our economic policies themselves, the language we use to communicate economic policy will gradually shift the public and media understanding and expectations. See Context, Objectives of our Economy, Principles and What Should We Measure.

International interactions – Pink Book

EC911 The UK should strive to build common global structures and alliances to deliver a safer, just and environmentally stable international system (PDG) at the same time as aiming develop a UK economy that is self-reliant, meeting its international obligations and secure.

Trade (inc trade agreements)

EC921 A Green government will encourage trading of resources between countries to deliver just outcomes and to fight the climate and biodiversity emergency. This will include increased cross border electricity transfer (EN011) and cooperation in managing waste flows (PL400).

EC922 As part of these a green government will work towards a trading system that does not shift our problems aboard (CY510, EU450), though dangerous disposal of waste (PL400 NR431), exporting carbon emissions(EN112) or depend on exploitation (IP235) and environmental destruction (CC150).

EC923 Governments, or firms trading with the UK will need to respect human and environmental rights (EU101,IN616,IN617) and trade agreements should support countries sustainable development (PP112, I233). Specifically this should respect the rights of indigenous peoples (N431).

EC924 Specifically, the UK government will withdraw from the current energy treaty and IDSS arrangements.

EC925 To ensure safe and sustainable products the UK will work with other countries towards common standards ensuring products imported into the UK meet the same standards as those produced in the UK.

EC926 The UK should work with other countries to establish carbon border taxes to prevent carbon leakage. (EN110)

EC927 Part of UK's global public investment should be in infrastructure for appropriate levels of low carbon trade including rail and shipping

Strategies for self-reliance

EC931 With some economic activities the UK should aim predominantly for self-reliance and security. These include:

- energy provision (EN015 and IP2243)
- food provision (Fa101, Fa201 and Fa501)
- provision of key workers in the health sector

EC933 To meet social objectives we will end the export and import of certain products that do not perform a useful function in the global system these include: animals for slaughter (Ar404, Ar408), Foie gras(Ar413), fur, Ar1414, race horses (Ar28) and any tradable good from international wildness areas such as Antarctica (N4431).

EC934 There are also various activities that we would encourage, such as: sustainable travel and tourism (Ht021), educational goods, health information and conservation

EC935 Greens support local governance and this can mean local control of business this includes: community right to buy, measures by local communities to control their local high street and particular measures to support local businesses or cooperatives.

International economic management

EC941 International trade requires cross governmental cooperation to ensure regulation. The power governing international trade should rest with governments and society and not with transnational corporations.

EC942 All corporations should respect human rights and the natural persons controlling them should be accountable for their actions wherever they take place in the world and aim for sustainable outcomes alongside shareholder profit(See the reform to the companies motion that is not yet policy)

EC943 International regulation should prevent transfer pricing (IN616) and ensure minimum taxation on corporate profits (Tax policy passed at conference but not on the website as far as

I can see but also EU445) this should be captured by the countries where firms are operating (IP235).

EC944 UK should work towards common global arrangements and standards on shipping, fossil fuel non-proliferation, payment for nature, Carbon accounting, ESG standards, climate risk and trade union representation. However, given the urgency of the climate emergency we will work with like-minded countries to support initiatives and ensure a level playing field for economic actors participating

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Global agencies

International finance

EC951 International finance like other sectors should be regulated by national governments and international arrangements. Secrecy and tax havens should be abolished(EU424, In616).

EC9352 Finance flows out of the city of London should be clear about their climate and biodiversity impacts and risks. This would likely include ending financing of and insurance of new fossil extraction and divestment from their assets in these sectors. It would also likely involve greater flows of climate finance and technology to global south countries(EN111).

International Debt

EC953 The UK government should facilitate the cancelation of some international debt (IN233) and in some circumstances reparations for actions of the UK government in its former colonies [*reparations motion*].

Global Public Investment

EC955 A Green government would commit to a fair share of global public investment as a replacement for 'overseas development finance'.

See ([full list of cross references](#)):

- *Bans*: AR404/8, EN1110, EU448, FA502
- *Labelling*: HTO81, IN611
- *Trade*: C140, EN01/011/15/111, EU101/2/20e/213d/e/g/424/5iv/444-5/463/523-5, FA101/201/501, IN616, IP122-3/244
- *Global Public Investment ('AID')*: CC150, EN112, IP233/5-6
- *IP235 (Annual wealth transfer)*, CY510, EU131, HTO16/32/40
- *Check chapter / PSS as a whole sufficiently cover*:
 - *global economic governance*
 - *global subsidiary*
 - *IMF/WorldBank policy*

Investment Rules – Green Book

Policies should cover:

- *Green book is about rules on investment:*
 - *these need to change and apply to private as well as public sector*
 - *The rules for public commissioning/procurement here would be covered by strengthened green book rules for investment. So new investment has to fit within carbon budgets and deliver a just transition.*
- *Want to remove the ability of exploitative investment (e.g. exploiting people on zero hour contracts, speculating on a new oil well)*
- *Investing in people rather than capital assets (Need to shift nature of economy from growths structure that invests in capital to drive growth that trickles down to address inequality (and doesn't, so requires a separate set of social policies) to one that provides wellbeing more directly through investing in wellbeing and jobs.)*
- *Green Book must apply to Public & private investment.*
- *Investment in SME & Local Economies*
- *Cross reference to Transitional use of national public expenditure to build a green society. (See Section of Thriving within Limits – 'Public Commissioning/provision')*

National Fiscal and Monetary Policy – Blue Book

EC1001 Government should manage taxation (fiscal) and monetary policy in a coordinated fashion in order to manage inflation, fund government expenditure, regulate the banking sector and ensure adequate liquidity in the wider economy.

Monetary policy

EC1011 It is the responsibility of government to assume democratic control of the processes of money creation, and to ensure that new money gets put to good economic use.

EC1012 A Green government would therefore seek to curtail the creation of credit especially towards the expansion of harmful economic activity (e.g. fossil fuel exploitation) and the purchase of financial assets in secondary markets (e.g. mortgages, leveraged stock market operations, etc). And instead we would promote the creation of credit towards funding the Green transition, scientific and technological innovation, and developing and sustaining vibrant and resilient local economies. *[Etc...]*

EC1013 This may be achieved through harnessing or extending already existing mechanisms of monetary control already available to the Bank of England over the financial system overall; or if those mechanisms prove insufficient, a Green government would take more direct control over the credit creation decisions, for example through the establishment of a National Monetary Authority that is accountable to Parliament.

EC1014 All national currency (cash and electronic) will be created, free of any associated debt, by a National Monetary Authority (NMA) that is accountable to Parliament. The members of the National Monetary Authority will be appointed – for fixed terms – by a Select Committee of Parliament. The independence and integrity of the National Monetary Authority will be assured by law requiring members and staff to be free of any conflict of interest; mandating full transparency of decisions; and prohibiting lobbying or undue influence of National Monetary Authority members or staff by government, financial institutions, corporations or any other private interest.

EC1015 The 1844 Bank Charter Act should be updated to prohibit banks from creating national currency in the form of electronic credit. To finance their lending, investment or proprietary trading activities, banks will have to borrow or raise the necessary national currency from savers and investors.

EC1016 The NMA will be mandated by law to manage the stock of national currency so that it is sufficient to support full employment, while avoiding excessive general inflation in prices. This should take into account the development of local currencies and inflation in the value of land and other investment assets (Ref. paragraph [EC678](#)).

EC1017 Any new money created by the NMA will be credited to the account of the Government as additional revenue, to be spent into circulation in the economy in accordance with the budget approved by Parliament.

EC1018 As an interim measure, before the programme of reform described in [EC 664](#) has been implemented, variable reserves and other macro-prudential controls should be reintroduced as instruments of monetary policy, permitting greater flexibility than the present reliance on interest rates alone.

See: CC101, CC150, EU445, HO401 d), IP420, TR543, ROPS 2009, ROPS Spring 2022

Taxation Policy

EC1021 The main reasons for taxation are:

- to provide money to fund public expenditure,
- to redistribute income and wealth,
- to influence behaviour, including behaviour that promotes ecological sustainability and public health, and
- to support broader management of the economy.

(See EC###, ...)

EC1022 A simple and fair tax system which makes it hard to evade or avoid paying what is owed will tend to have few exemptions and allowances. Exemptions and allowances should be confined to cases where there are clear environmental or social aims, or where fairness demands them. For example, avoiding double taxation, or where they make taxes easier to collect.

EC1023 The proceeds of particular taxes should not normally be specifically allocated to particular areas of spending, and nor should the spending on a particular area be restricted to the proceeds of a particular tax. In cases where such hypothecation is a precondition of public acceptance or where transparency and accountability make it desirable, there must be a duty on the level of government concerned to provide reliable and verifiable information on the extent to which the policy of earmarking is being respected in practice.

EC1025 We recognise that some of the changes to taxation we propose will need to be introduced gradually and in stages and in many cases with appropriate transitional measures.

EC1026 Approaches and measures to promote tax compliance will include:

- a general anti-avoidance principle;
- obliging banks to provide information about companies automatically to HMRC;
- abolishing the rule that allows non-domiciled residents not to pay tax on foreign income (though we would respect the normal double taxation conventions);
- internationally, pursuing efforts through the G20 and other bodies to secure an international agreement to eliminate or restrict the pernicious effects of tax havens; and domestically, requiring offshore companies to reveal their beneficial ownership before being accepted as competitors for publicly funded contracts.

Taxes on Personal Income

EC1031 The current complex system of individual taxation whereby different sources of income are taxed differently should be replaced with a far simpler and fairer system of income taxation and social security support. This would have two principal elements:

- Every citizen would receive an unconditional Universal Basic Income to secure their basic social security (see EC### above); and
- A new Consolidated Income Tax (see EC##2).

EC1032 Consolidated Income Tax will apply to all income, benefits in kind and realised gains received by an individual. It will exclude transfers related to disability (which would continue).

The Consolidated Income Tax will cover:

- earned income, such as wages, salaries;
- private pensions;
- income from self-employment after the deduction of reasonable expenses;
- unearned income, such as interest, rental income and dividends; and
- realised capital gains.

EC1033 Personal allowances could be adjusted and perhaps eventually removed to take account of the introduction of Universal Basic Income. There will be a small, standard personal tax-free allowance for capital gains from non-financial products. Tax will be levied on all consolidated income above any personal allowances.

EC1034 Tax rates will be banded and will increase progressively so that those on higher consolidated incomes pay higher marginal rates of tax.

EC1035 As a consequence of the Consolidated Income Tax, Capital Gains Tax and Employee National Insurance will be abolished.

Taxation of Wealth

Land Value Tax

EC1041 A Land Value Tax will be introduced on all land. This will ensure that the holders of land contribute to the common good. The rate will apply to the capital value of the land itself, not including any buildings etc. built upon it.

EC1042 Local authorities may levy an additional local percentage (subject to EC792?) for which they would receive all the revenues.

EC1043 The Land Value Tax will be collected by the relevant Common's Trust (see LD303) but surplus revenue will be distributed to local and regional government (see EC###).

EC1044 Land Value Tax will be introduced gradually and in time, replace other land- and property-based taxes (see [HO603](#)). There will be no exemptions for different land uses from this policy. Where obligations are placed on landowners to conserve wildlife habitats, archaeological sites or other landscape features, the capital value of the land may be assessed as zero or negative, and LVT would then become a subsidy. The effect of LVT on UK Agriculture will be managed through changes to farming subsidies in line with objectives laid out in the [Food and Agriculture chapter](#). As a transitional measure, where land necessarily attached to a domestic dwelling was subject to a mortgage on the day the tax was introduced, the tax would apply only to the value of the land net of the mortgage. Owner occupiers aged over 65 years will not be exempt, but they will be able to 'roll over' payments until the home is sold. (See HO401, HO603, IN408, TM043)

Annual tax on financial and material wealth

EC1051 There should be a progressive wealth tax applied to the wealth of all UK residents above a certain threshold (excluding Land – See LVT, EC###). In addition, we would work with governments around the world to agree a global wealth tax.

Taxation of material and energy consumption

EC1052 The main UK tax on consumption of goods and services is Value Added Tax:

- a) The broad structure of both VAT and duties should be retained;
- b) Other taxes to compensate for the regressive tendency of VAT;
- c) VAT rates and levy duties should be set at higher levels for luxury goods and lower levels, including exemption, for essentials;

- d) VAT should have higher rates and duties should be imposed to discourage harmful behaviour, in particular environmentally damaging and ecologically unsustainable behaviours and consumption;
- e) It is critical to recognise that c and d above may conflict in particular cases (e.g. domestic energy, and if so, seek to achieve a balance between them; and
- f) Duties should be used in preference to VAT where it is primarily the physical quantity we want to control, and the supply chain provides a convenient point for doing so.

EC1052 In an effort to promote sustainable behaviours, we will seek to reduce VAT on, or the prices of, non-polluting and pollution-reducing goods and services by up to the amount raised by any eco-taxes introduced or increased (EC776).

Taxation of pollution and harmful goods/services

EC1053 Taxes designed to encourage changes in behaviour do not, if they are successful, provide large amounts of Government revenue in the longer term. Their effectiveness should be judged in conjunction with other non-fiscal measures that aim to reduce the prevalence or impacts of the behaviour that is being tackled.

EC1054 Taxes on the consumption of alcohol and tobacco will be extended to other recreational drugs that remain or become legal, to the extent that their use imposes costs on the health system. Taxes on alcoholic drinks will be broadly proportional to their alcoholic content.

EC1055 Resources will be provided at a cost-effective level to ensure that the aims of this kind of taxation are not undermined by smuggling from countries where a lighter regime prevails or where enforcement is weak.

EC1056 The current range of environmental tax measures (such as taxation of pollution) will be expanded to promote sustainability and combat pollution more effectively. These taxes too will be combined with remedial measures such as regulation, as set out, for example, in the Energy chapter. They will take a variety of forms, but the common aim will be to ensure that the environmental costs of emitting and polluting activity are borne by those responsible, and hence, to promote more environmentally benign processes. In cases of local pollution, taxes may be imposed and collected locally (EC796).

EC1057 A carbon tax will be introduced whereby a steadily rising price will be placed on sources of greenhouse gas emissions in the UK, and those embedded in imports (EC779). The exception to this will be all (non-built environment) emissions from land and livestock

management, which will be discouraged via land management investment support (see FA301, FA602, LD505), or restricted via the planning system (see LD502, LD504).

EC1058 Fuel duties currently address different detrimental effects of road traffic – congestion, local pollution and noise, accidents and greenhouse gas emissions. Only the last of these is appropriately tackled by a uniform nationwide tax. It only takes account of engine efficiency and miles travelled. The others will gradually become a local responsibility, underpinned by increased local authority powers to tax, charge and regulate vehicle movements (EC791).

EC1059 Import duties will be levied on both raw materials and finished products which will reflect the ecological and social impact of the production, extraction and transportation of such goods where sufficient eco-taxes are not considered to have been levied in their country of origin, or ecological or social regulation is inadequate.

Taxation of Business Profits/Surpluses

EC1061. Corporation Tax will continue to be levied on the net profits declared by companies operating in the UK. In addition, any profits distributed abroad, which currently avoid further UK incomes taxes, will be subject to an additional 'withholding tax'. This should seek to equalise the overall rate of tax levied with the basic rate of Consolidated Income Tax.

EC1062 We would extend Stamp Duty on Shares to all shares. This will include all publicly traded shares, as well as shares in private companies with an annual turnover in excess of £100million, with the exception of 'market-maker' and similar intermediary transactions.

EC1063 We would retain the Bank Asset Tax (Bank Levy), levied at a rate sufficient to capture a large part of the value of public assets, subsidies and protections routinely extended to the banking sector.

Local Government Finance and Taxation

EC1071 For reasons of democratic accountability, taxes should be levied at the level of government at which they are to be spent. There needs to be transparency about what proportion of local spending reflects the local authority acting effectively as an agent of central government, and how much is due to local political initiative. The sources of funding should reflect this distinction.

EC1072 Central government must distribute adequate funds from central taxation to fund centrally imposed obligations, and allow local authorities to raise taxes to fund their own initiatives. We would establish a menu of possible taxes that local authorities would be allowed

to use under local democratic control, including land and property taxes and local pollution and congestion taxes (EC776 and EC778).

EC1073 Allocation of central funds should include a redistributive element in favour of less well-off areas. A distribution formula that takes into account the capacity of a local authority to raise its own funds should operate in a consistent and non-partisan way, at arm's length from the Treasury.

Managing Inflation

EC### Policy on overall fiscal/macro economic management...

See: EU445. ROPS 2010

Notes:

- As part of consultation we need to discuss with Europe PWG the policy contradiction around joining the Euro as part of joining Europe.

Local and Regional Policy

EC1081 Some vision for localisation and decoupling from economy global here?

This section needs to include policies covering:

- Local economic management and planning
- Local investment
- Local government finance
- Local taxation (with redistribution of revenue – Common's Trusts or a commission?)
- See: PA501, PA 503, LD400, TR069-70, TR542

Other:

EC1091 There maybe some odds and ends of economic policy that don't fit anywhere else in structure above and need including at the end. Follow topics are cover in existing chapter and might be worth including her if not elsewhere:

- The 'Personal', 'Informal', & 'home' Economy
- Policies and research into home-based economy and enterprise
- Post Office

EC1092 In a Green society the informal sector will eventually gain in significance so that formal transactions and money generally will have a lesser role than at present.

=== End of Economy Chapter ===

Consistency Changes to other parts of party policy

Philosophical Bases

If any...

Policies for a Sustainable Society

To be determined...

Record of Policy Statements

To be determined...

=== End of Draft Voting Paper ===

Annexes

Generalised Economic Policy Scope:

- Areas of investment / divestment:
 - [Health, Education, transitions in energy, transport, agriculture, retrofit, green technology]
- Incentives:
 - [not clearly outlined]
- Disincentives:
 - [a raft of taxes, notably carbon tax, Land Value Tax, eco taxes – taxes also used for redistribution]
- Regulation:
 - [environmental cost accounting, monetary policy – constraint on banks, Patent Law, employment rights, protecting ecosystems, change to Company Law, Monopolies and Mergers Law, regulation on Trans-National Corporations, Bank Charter Act]
- Mechanisms for redistribution:
 - [UBI, wealth tax, living wage, higher public sector wages]
- Point of intervention (national, local):
 - [principle stated of devolving power to the most local level but this is a key area of tension across the PSS – see “Tensions” discussion paper]
- Structures and institutions:
 - [public ownership of health service and schools; reform of global structures: IMF, World Bank etc]
- Measurement:
 - [dashboard of indicators to replace GDP; degrowth implied; inherent value in ancient woodland, marine environments etc]
- Transparency and Anti-corruption:
 - [Public registers, capital controls?, Land / asset purchase restrictions]

Philosophical Basis – key references to Principles for Our Economy

Green Politics PB106 The pursuit of economic growth as a force driving over-exploitation of the Earth must cease to be an automatic aim of human societies. We should instead aim to develop sustainable economies, which improve well-being focused on human values rather than consumerism. Traditional measures of economic activity, such as GDP, should be replaced by new indicators that measure progress towards this aim.

Humans in Society

PB308 Basic Material Security for All

Society should guarantee access to basic material security for all and should provide a wide range of opportunities for personal fulfilment in both a material and non-material sense. If hardship is even a possibility, a sense of insecurity will prevent individuals from acting in accordance with ecological constraints. A guarantee of security will not ensure voluntary ecological behaviour, but it is a necessary precondition.

Wealth

PB410 The Green Party recognises that our wealth must be more broadly defined than simply including payment of money. We benefit as a nation from the wealth of natural resources around us such as clean air, rainfall, energy from the sun and the planet's biodiversity. Our society also depends upon the unpaid work provided by carers and volunteers.

PB411 We reject the view that wealth can be measured solely in monetary units, a view which allows its adherents to think it consists primarily of the results of human labour. This error has caused successive governments to pursue objectives which appear to increase the nation's wealth while in fact they reduce it. Symbols of wealth, like money, reinforce the error and dominate political decision making. Economic growth is a poor guide to human welfare.

PB412 New economic ideas, institutions and organisations are needed to reduce our dependence on such symbols. Economic policy should be directed not to maximising the forms of wealth that can be measured in monetary terms, but to ensuring that the needs of all are met.

PB413 A sustainable society can be prosperous, but it cannot have continually rising affluence. We accept that there is a limit to the wealth each person can receive, and this is true no matter how much or how little work needs to be done to produce that wealth. Some redistribution of income will be required. What wealth there is must be shared in such a way that everyone has a guarantee of economic security, otherwise people will not heed ecological restraints in their daily lives.

Conservation

PB420 Under the present system, economic growth is supported by unlimited consumption of both renewable and non-renewable resources. However, in a finite world there is not an infinite supply of natural resources. The Green Party recognises limits to growth. Limits to growth are likely to be imposed primarily by resource depletion and the ever-increasing costs of pollution. Furthermore, land also is in limited supply. An expanding world population demands expanding food supplies. Irresponsible land use planning, degradation of land through human activity and changes in land quality and availability due to the climate emergency, mean that land must be managed in such a way as to ensure sustainable human development and safeguard biodiversity'

Other References in the PSS directly relevant to Economic Policy

Core Values

9) Success of society is based on quality of life for all people, not narrow economic indicators.

Philosophical Basis (expanded above)

PB101 Implied value of the natural world over money

PB103 Conventional political and economic policies are fundamentally flawed

PB104 Economic growth has not resulted in equality of affluence

PB106 Economic growth should not be the aim; well-being not consumerism; replace GDP with well-being indicators

PB111 Reform economic structures

PB410 Definition of wealth to include natural resources and unpaid work

PB411 Economic growth a poor guide to human welfare; rejection of wealth measures solely in monetary units

PB412 Economic policy should be geared to meet the needs of all

PB413 There should be limits to affluence; income redistribution; economic security for all

PB420 Limits to growth

PB450 Common goods to be managed by community

PB461 Access to creative, rewarding work

PB462 Employment policies – quality as well as quantity

Climate Change

CC100 Reduction of domestic emissions – state funding required

CC101 Economic stimulus and jobs needed in the short term for transition

CC120 Encouragement of small families, circular economy, less consumption; shift to low carbon products, services and processes

CC121 Carbon tax and dividend, possibly carbon rationing; advertising to carry environmental health warning

CC141 Compensation for farmers when converting to less intensive agriculture and grassland to forest

CC150 Finance sector – climate risk on investments; divestment of fossil fuels in pension and investment funds

CC160 Develop CCS

CC170 Fund and pilot NETs, solar radiation and artificial meat

The Rural Economy

CY511-527 Replacement of CAP with support for small scale, environmentally benign systems

Health

HE201 Devise new economic models using quality of life and health indicators

Housing

HO401 Stabilisation of house prices and rents through various policies, taxes, role of Bank of England

HO405 Removal of VAT on refurbishment and maintenance of properties to improve energy and water efficiency

Industry & Jobs

IN101 No need for further economic growth

IN203 Industrial production to be based on social needs rather than maximising profit and ever increasing consumption

IN405 Green taxes

IN406 Incentives for zero carbon and zero waste production

IN415–417 Community banks

IN601 Instead of low corporate tax – alternative focussed on investment in infrastructure and a skilled workforce

IN602 Corporate governance structures

IN604 Public ownership of NHS, water, railways, energy

IN606 Company law, environmental audits, ecological balance sheets

IN611 Eco labelling

IN626 Stakeholder value

IN627 Mandatory triple bottom line reporting

Land

LD203 –206 and 400–403 Land Value Taxation

Natural Resources and Waste Management

NR204 Environmental cost accounting

NR423 Natural Resource Tax; zero VAT rating for recycled materials and reused packaging

NR424 and 425 Waste Avoidance and Recycling Act to include recovery charges and refundable deposits

NR427 Grants for research into recycling technology, renewable energy and other resource-saving strategies

Pollution

PL100–103 Economic growth should be limited

Science & Technology

ST211 Investment in R&D to min 1% of GDP

ST334 Taxation policy to take account of environmental cost

Social Welfare

SW905 Carer Income Guarantee

Transport

TR060–070 Tax policies

Workers' Rights and Employment

WR101 Work includes unpaid work and work in the informal economy

WR362 Maximum wage x10 that of lowest paid worker. Bonus should not exceed annual wage of lowest paid worker.

WR600–604 Support for a more mutual economy and new economic structures and systems

WR633–639 Support for co-operatives

Scope of Economy Voting Paper

Points highlighted in green should be covered in New Chapter Outline.

Policy areas covered by existing Economy Chapter to remain in scope:

New indicators to replace GDP

The 'Personal', 'Informal', & 'home' Economy

- Exploitative Business Practices (inc Payday loans, Gig Economy)
- Interest rates on loans
- Policies and research into home-based economy and enterprise

The Local Economy

- Policies to promote reduced consumption
- Local economic management and planning
- Local investment, inc Community Banks and Credit Unions
- Social and environmental auditing
- Post Office
- Local government finance
- Local taxation with commission to oversee redistribution

The National Economy

- Long term goal to reduce national government intervention to a "safety net" (part of subsidiarity)
- Transitional use of national public expenditure to build a green society.
- Supply-side and infrastructure, including role of national public expenditure.
- The 'third sector'
- Companies, ownership & the stakeholder principle

Making Corporations Responsible

- Fair remuneration and pensions; living wage required by medium and large companies
- Social and environmental auditing

Co-operatives

Monetary policy

Private Financing of Public Services

- Creation of a Green National Investment Bank
- Opposition to private financing schemes; use of public money instead

Tax

- Tax Principles
- Fiscal Policy
- Taxes on Personal Income and Wealth
- Universal Basic Income (Citizen's Income [align terminology])
- Taxes on Businesses and Financial Services
- Taxation of Goods and Services and Eco-taxes
- Land Value Tax
- Local Government Finance and Taxation

- Collecting Taxes

Pensions

The European Dimension

The Global Economy

- Strategies for self-reliance
- International economic management
- Global agencies
- Trade
- International finance
- Debt
- Trans-national corporations
- Aid

Intellectual Property

Commerce / Retail (formally e-commerce)

New policy areas to add to Economy Chapter scope (and remove/cross reference in other chapters):

- Crypto-currencys
- Managing changes to Income vs cost of living
- Transparency and Anti-corruption
- Legal right to buy out companies and convert to Co-Ops. Also option for government to use "golden share" to force redirection of a particular company.
- Carbon tax:
 - referenced as a source for spending commitments
 - Progressive element to carbon tax (CC120)
- Various proposed taxes and levies not referenced in Economy Chapter, eg NR423: A system of Resource Taxation will be introduced to impose a levy at the earliest possible point in the harvesting or extraction processes for all natural resources. The Natural Resource Tax will be applied at the forest, quarry, mine or port of entry, with the Natural Resources Department advising the Treasury on the levels at which it should be set. ... zero or reduced rate on recycled materials and ... a zero rate on reused products
- Circular economy referenced in several chapters (but with little detail on what exactly it is and how to deliver it)
- New green taxes would be balanced by incentives for zero carbon and zero waste production (IN305)
- Marine ecosystems have unquantifiable rights and values, and we cannot and should not place a monetary value on sustaining them (MC201)

- PA501: an independent commission should negotiate a rational allocation of taxation between different levels of Government, as well as any redistribution of wealth between different areas which is considered necessary.
- IP235 Annual wealth transfer write-off (as well as debt write-off).
- IP244 Commodity market reform.
- Bank of England:
 - new duty on Bank of England to use levers to constrain house price growth.

Economic Policy areas cover by other chapters to be cross referenced/tidied up:

- Areas of major spending, notably Health, Education, Green Industrial Transition, green technology, transport modal shift, agriculture transition.
- Employment (Works Rights Chapter not in economy chapter):
 - Higher wage commitments
 - Maximum wage 10x that of lowest paid worker (WR362) and restriction on bonuses to annual wage of lowest paid worker.
 - Assumptions around employment levels and working longer (PP114)
 - Strengthening of Workers' Rights and employment regulation, notably around working hours
 - Entitlements for self-employed, eg unemployment, maternity pay
- Reduced defence budget
- Expectation of reduced NHS cost (20% currently spend on illnesses driven by social welfare issues)
- HO519 Measures to increase housing affordability. Rent controls, abolition of Help to Buy, abolition of Buy to Let tax breaks, Council Tax premiums on 2nd homes,
- Media Policies: abolish TV licence and replace with funding from general taxation, controls around media ownership, support small and regional media, universal broadband access.
- Deprivatise healthcare. Fund NHS entirely via taxation (HE104 and HE1301).
- Abolition of prescription charges – fund via tax system.

Could be Economy Chapter or could be Industry Chapter or Workers rights chapter:

- NR425: A Standards Commission will be established incorporating the British Standards Institute, the Design Council and the Patents Office, whose duties will be: ... to determine

rates for Recovery Charges on packaging and short-life disposable products; ... to investigate the feasibility of an amortisation tax applied to consumer goods which rises inversely with the length of useful life of the article; ... to ensure that the ownership of patent rights are not used to restrict the application of socially and environmentally useful inventions.

Table Mapping Existing EC section onto other PSS Chapters

Helpfully compiled by David W.

See next page

EC Section	PPS/ROPS reference	Implication for EC
Monetary Policy EC660-79		
<p>EC660 decentralise banking and monetary policy</p> <p>EC661 stock of money a vital common resource</p> <p>EC662 existing banking system undemocratic, unfair and damaging</p> <p>EC663 power to create money to be removed from private banks</p> <p>EC664 banking reform principles (a-f)</p> <p>EC665 interim macro-prudential controls</p> <p>EC666 separate retail and investment banking, limit roles</p> <p>EC667 restore strict divisions between different kinds of financial activity</p> <p>EC668 limits on the sizes of banks</p> <p>EC669 create a permanent national bank</p> <p>EC670 prefer mutual financial institutions</p> <p>EC671 strict lending controls</p> <p>EC672 derivatives markets strictly controlled</p> <p>EC673 fiduciary duty towards banks' clients</p> <p>EC674 loss of licence for breach of market restrictions</p> <p>EC675 long term – local democratic control</p> <p>EC676 interim monitoring of money supply</p> <p>EC677 interim BoE regulatory role</p> <p>EC678 network of local Community Banks</p> <p>EC679 access to affordable credit</p>	<p>CC101 The transformation needed for the climate emergency mitigation will provide significant benefits. In the short-term the work needed will provide economic stimulus and satisfying and secure work for many workers.</p> <p>CC150 To encourage long-term ecological thinking in the finance sector the UK should: ... Require all managers of pension and investment funds based in the UK to divest themselves of holdings in fossil fuel companies, most urgently from coal.</p> <p>EU445 Rather than promoting the mobility of capital, keeping it local should be preferred. Democratic control over capital is the key to providing the money for governments and communities to improve environmental and social conditions and job opportunities. There should be: ...</p> <p>ii) Broader re-regulation of finance capital Europe wide, including controls on capital flows, taxes on short-term speculative transactions, tightening of easy credit that allows speculators to multiply the size of their "bets" well beyond the cash required to cover them. ...</p> <p>iv) A limiting of corporation size, plus community reinvestment legislation.</p> <p>v) Community Banks and Credit Unions will be vigorously promoted.</p> <p>HO401 d) introduce a new duty for the Bank of England to constrain house price growth through its monetary and financial policy levers, rather than allowing finance to push up prices as has happened in recent decades through policies such as quantitative easing and cheap credit, aiming for house price stability while balancing this with other objectives;</p> <p>IP420 The British Government should: institute capital controls to ensure money made by TNCs in Britain is re-invested here. ...</p> <p>TR543 ... The Green Party opposes the lifting of public sector borrowing restrictions on local authority controlled airports as this would encourage inappropriate development. ...</p> <p>ROPS 2009 'Campaigning for an alternative economic strategy'</p> <p>The Green Party will actively campaign [for]</p> <p>The creation of a monopoly on the creation</p>	<p>CC101 <i>May imply we should actively dampen demand in other sectors for the duration to avoid overheating/inflation (or is that simplistic?) Examples at EN050-70.</i></p> <p>EU445 <i>I've put in just one example from the EU chapter as much of it is moot since Brexit. We need to work closely with the <u>Europe PWG</u> who I think are working on a rewritten chapter. We may want to add a short paragraph at ECnnn saying tax (etc.) measures which would widen divergence with EU norms would be avoided, absent any preponderant reason to the contrary.</i></p> <p>HO401 d) <i>do we know which monetary policy levers?</i></p> <p>TR543 <i>Don't know if that belongs here, but the EC chapter as a whole barely mentions public sector borrowing.</i></p> <p><i>This policy statement has more on democratically controlled local banks, powers to control investment policies, alternative vehicles for the provision of credit, and requirements to invest in government</i></p>

EC Section**PPS/ROPS reference****Implication for EC**

of credit, both for corporate and retail banking, operated by the Bank of England under the direction of the Government.

bonds.

ROPS Spring 2022 'Eliminating Fossil Fuel assets from the finance sector' has sections on

- Banking regulation
- The role the Bank of England
- Strengthening the green bonds market

EC Section	PPS / ROPS reference	Implication for EC
Tax Principles EC700-05		
EC700 four main reasons for taxation EC701 tax system principles (a-f)	NR204 In order to achieve increased waste avoidance and higher recycling rates, the government needs to ... ensure that the cost of using natural resources takes account of the environmental costs of their extraction or harvesting, processing and disposal.	NR204 <i>Aka internalising negative externalities, words not used in EC700-05, though taxation is a prime means of doing so</i>
EC702 limit exemptions and allowances	ST334 Taxation policy (see EC700s) will ensure that the prices of products will incorporate the real costs of the use of non-renewable resources, transport, any pollution caused and eventual safe disposal (e.g. recycling).	ST334 <i>As per NR204, but here taxation policy invoked explicitly.</i>
	DR402 A Green government will: ... Reduce VAT on alcohol sold in pubs and restaurants in order to promote small businesses and incentivise safer alcohol consumption in communal settings	(EC702) DR402 <i>Can we justify this as an exception on social policy grounds to the general avoidance of tax breaks? cf. HO531 below.</i>
EC703 against hypothecation	HO401 ... Reducing excessive demand [in the housing market] requires a range of policies covering taxation, the money supply, regional economic development, and housing provision: ... b) deter speculative investors by introducing rent controls and more secure tenancy agreements (see HO519), abolishing any national and/or local tax breaks for Buy-to-Let investors and landlords that relate to mortgage and purchase costs (see HO521), ...	HO401 b. <i>would remove a tax break.</i> <i>Salient examples of exceptions on social policy (HO531) and environmental (HO405) grounds to the general avoidance of tax breaks (EC702). HO405 could count as both.</i>
	HO405 ... In the short term we would seek to remove VAT from repair and refurbishment to remove the disincentive for this option.	
	HO531 The Green Party would increase the tax-free amount on the 'Rent a Room' scheme to a level sufficient to reduce repossession, provide more affordable housing and make better use of the existing housing stock, and would increase the level thereafter by inflation each year. ...	(EC703) CJ500 iv. b. <i>essentially a hypothecated tax by another name. Ditto 'levies' at CMS672 and HE130.</i>

EC704 consistency with international obligations
EC705 gradual introduction / transition

CJ500 iv. b. The cost of medical and psychological tests must be borne by the applicant [for a gun licence], together with a new **annual fee** which is sufficient to repay the economic damage - to police, court and NHS - inflicted on it by the abuse of guns generally.

CMS672 Funding for marginal 'uneconomic' lines may come from **a small levy** on every [broadband] access line.

HE130 Therefore companies, including pharmaceutical companies, employing or using NHS-trained healthcare professionals outside the NHS, will have to pay an additional **training levy** for each person-hour during which they employ or use NHS-trained staff outside the NHS. This will take the form of a levy for each person-hour during which they employ or use NHS-trained staff outside the NHS.

CMS641 The primary public service broadcaster will remain the BBC (and S4C in Wales) funded wholly by public money. The existing **licence fee** will be **abolished** and replaced by a guaranteed inflation linked payment from general taxation.

HE1412 Prescription, and other charges, are wrong in principle, unfair in practice, and generate little income for the Health Service. They will be abolished as soon as possible. The **taxation system will require adjustment** to compensate the Health Service for the revenue lost.

TR062 Funds raised from transport taxes and charges will be **hypothecated** (i.e. allocated for specific expenditure) for investment in and subsidies of environmentally friendly modes of transport until such time that the necessary changes in transport needed to meet our objectives have occurred. This shall include paying for redressing the negative environmental, social and health consequences of transport.

NR424 A Waste Avoidance and Recycling Act will include

CMS641 A rare example of a policy to de-hypothecate a tax. Ditto **HE1412**

*We probably need to discuss some kind of criterion for choosing between cases meriting direct charges and those representing exceptions in EC703, perhaps incorporating the revenue point at EC773. Note **TR062** mentions taxes and charges together.*

NR424 Arguably a hypothecated tax. Rate setting mentioned in NR425. Revenue distribution relevant to EC790-2 below.

EC704 **EU445 i** 'international constraints' no longer include EU membership, but we may want to say something along the lines of associating the UK with EU tax initiatives that

measures to ... impose a variable **Recovery Charge** on all packaging and short-life disposable products (such as newspapers), including on imported goods, with the revenue distributed to District Councils on a per-capita basis to finance waste recovery schemes.

*respect EC700-05. See also **EU445 iii** below at EC796.*

EU445 There should be: ... i) A Europe wide **Tobin Tax on international capital transactions** to curb currency speculators.

TR543 The Green Party supports the **removal** of the various **direct and indirect subsidies** for air travel, and the adoption instead of **fuel taxation and/or charges or levies**. We recognise that achieving enough **international agreement** to make this practicable is difficult, and would seek in the first instance to impose such taxes in the UK. Taxation, charges and/or levies will be easier to introduce and more effective if it is done at a European or even global level, so the Green Party would work with institutions at those levels, as well as the air transport industry bodies such as ICAO and IATA, to introduce them more widely. We would...introduce **specific UK levies on air freight** as well as working towards European and global agreements. Where investment is necessary, notably in air traffic control services and developing public transport links to airports, the **expenditure** should be **recouped through charges** on those providing and using air transport, not from general taxation.

Fiscal Policy EC710-11

EC710 government expenditure as % of GDP
EC711 money creation powers of National Monetary Authority

ROPS 2010 'Living Within Our Means'

... it is important that we recognise the current **fiscal deficit** as a consequence of a policy based on monetary inflation without respect to ecological limits; for our policy to be consistent we cannot rely on growing our way out of debt ...

Has more on the fiscal deficit, whereas the current EC chapter does not mention it or the National Debt. It has a single reference to public borrowing (EC683) and six to inflation, mostly in the

Taxes on Personal Income and Wealth EC720-28

EC720 present system
EC721 aim of individual
taxation (UBI and CIT)
EC722 scope of consolidated
income x5
EC723 CIT offset against CT
already paid
EC724 personal allowances
EC725 CIT rates banded and
progressive
EC726 abolition of CGT and
Inheritance Tax
EC727 abolition of employee
NICs
EC728 annual household
wealth tax

DY500 The Green Party
recognises that the majority of
disabled people live in poverty
and will work towards ensuring
that this is addressed through
its **income policies** and by
ensuring effective equality of
opportunity in education,
training and employment.

ROPS 2008 'Minimum/Max-
imum Wage'

The Green Party will campaign
for ... a new **top rate of income
tax** to be levied on incomes
over 10 times the National Min-
imum Wage

ROPS 2009 'Campaigning
for an alternative economic
strategy'

... A **direct taxation** policy aimed
at steadily reducing **income and
wealth differentials**

Full implementation of the **Cit-
izens' Income Scheme** as
quickly as possible.

ROPS 2015 'Private
Healthcare'

... While private health insur-
ance still exists, it should be a
taxable employment benefit
where offered.

Universal Basic Income EC730-34

EC730 what UBI is
EC731 eliminate
unemployment and poverty
traps
EC732 children's entitlement

RR709 Social Security: Whilst
the Green Party would expect
the introduction of a **Basic In-
come Scheme** (**EC750s**) to in-
crease the take-up of benefits
by Travellers, the situation
would be closely monitored to
ensure that this proved to be
the case, and additional meas-
ures would be taken if this
proved necessary.

SW200 In so far as it is pos-
sible to remedy social problems
purely by financial means, the
Green Party's **Citizen's Income**
(see **Economy**), when imple-
mented will enable people to
have a more flexible approach

DY500 'income
policies' i.e. UBI

**RR709 and
SW200/402/90
5** inconsistent nam-
ing of UBI. Also
'Citizens' Income
Scheme' at HO801
cf. HO600 below.

*Description of UBI
at SW201.
SW402 also men-
tions scope for
voluntary work.*

EC733 relationship with housing benefit system
 EC734 gradual introduction

to work, retirement and caring for others.

Description at SW201.

SW402 The Green Party's **Citizen Income** scheme would enable retirement age to be completely flexible recognising that some want to retire as soon as possible and others want to continue working. (see **EC732**) ... [*and simialrly mentions scope for voluntary work*]

SW905 A Green government will, in addition to granting everyone a **Citizens' Income**, look at supplementing this amount for unpaid carers.

HO600 In the long term **Universal Basic Income** (see EC730 and subsequently) will be reviewed to establish how **housing benefit** (and the housing element of Universal Credit) could be incorporated into Universal Basic Income.

EC733 **HO600** *The issue of UBI and housing benefit is unresolved, but outside TFPWG's sole remit – one for a separate ROPS statement based on consultation with the Housing and UBI groups?*

Taxes on Businesses and Financial Services

EC760-63

EC760 Corporation Tax
 EC761 phase out employers' NICs
 EC762 extend Stamp Duty on Shares
 EC763 increase Bank Asset Tax

IN601 The UK currently seeks to support **businesses with low tax**. We propose an **alternative** focused on investment in infrastructure and a skilled workforce.

Taxation of Goods and Services and Eco-taxes EC770-79		
<p>EC770 retain VAT and duties, i - vi EC771 reduce VAT on non-polluting and pollution-reducing goods</p>	<p>ED127 Schools which remain in the private sector would be classed as a business and have all charitable status removed; they would pay all relevant taxes such as VAT and Corporation Tax. ...</p>	<p>EC770-71 ED127, HE1413 DR402 <i>VAT is now, post-Brexit, 5% on sanitary products</i></p>
	<p>HE1413 Sanitary Products will no longer be classed as a 'luxury' product, and VAT will no longer be added to their retail price. DR402 A Green government will: ...</p> <ul style="list-style-type: none"> • Increase alcohol duties to reflect the cost of harm caused by alcohol use on society • Reduce VAT on alcohol sold in pubs and restaurants in order to promote small businesses and incentivise safer alcohol consumption in communal settings ... 	
<p>EC772 explore applying VAT to currently exempt sectors</p>	<p>ROPS 2010 'Community Pubs, Pub Goers and Alcohol Policy'</p> <p>The Green Party of England and Wales supports CAMRA's Beer Drinkers and Pub Goers Charter and will campaign to: ...</p> <ul style="list-style-type: none"> • Support the rebalancing of alcohol taxation to protect well-run community pubs, small brewers and traditional cider producers. ... • Supports beer as a low alcohol product, creating a zero duty rate for beers of 2.8% abv and below. • Support for the retention of small breweries' relief. ... 	<p>EC772 explicitly mentions 'exploring' VAT on aviation whereas TR chapter does not. It is unclear why aviation should be singled out here. Perhaps a Frequent Flyer Levy (below at EC776) would come within 'VAT or an equivalent'. FFL has a progressive element, unlike VAT</p>
<p>EC773 limited revenue from behaviour taxes EC774 alcohol and tobacco taxes extended to other recreational drugs EC775 prevent taxes being undermined by smuggling EC776 eco-taxes combined with remedial measures</p>	<p>Supports the revision of the EU Excise Duty Directive allowing the UK Government to introduce a preferential duty rate for all alcoholic drinks sold in pubs.</p> <p>IN405 The Green Party supports green incentives and taxes which would reduce resource use, limit pollution and discourage wasteful economic growth whilst promoting equality, decentralisation and creative patterns of work</p> <p>IN406 New green taxes would be balanced by incentives for zero carbon and zero waste production.</p> <p>NR423 A system of Resource Taxation</p>	<p>EC773 – see also argument under 'hypothecation' (EC703) above</p> <p>EC776 IN405 links to EC780, surely an error.</p> <p>IN406 links to EC771</p> <p><i>The cross-reference in NR423 is to LVT, but EC776 looks more correct. See also NR424 above at 'hypothecation' (EC703)</i></p>

	<p>will be introduced (see EC780s), to impose a levy at the earliest possible point in the harvesting or extraction processes for all natural resources. The Natural Resource Tax will be applied at the forest, quarry, mine or port of entry, with the Natural Resources Department advising the Treasury on the levels at which it should be set. ... zero or reduced rate on recycled materials and ... a zero rate on reused products.</p> <p>TR065 The Green Party will introduce a vehicle purchase tax on the purchase of all new vehicles, which would be steeply graded according to a vehicle's pollution level, fuel consumption and type of fuel.</p> <p>TR067 Goods vehicle duty should be related to vehicle size, axle load and pollution to better reflect their external costs and remove the cross-subsidy of larger vehicles by smaller ones.</p> <p>TR541 The Green Party supports the widespread introduction of neighbourhood parking schemes (controlled parking zones) that entail residents being charged for on-street parking.</p> <p>TR542 The Green Party supports emission charges and increased landing charges on aircraft, including Air Traffic congestion charges, to reflect the full cost of the damage their use does to the environment. ...</p>	<p>See also TR069-70 below at EC791 Should TR542 read 'non-residents'?</p>
<p>EC777 carbon tax and dividend</p>	<p>ROPS 2010 'The Landfill Communities Fund'</p> <p>Landfill Tax is a tax and it should not be seen as a way for a polluter to gain positive publicity. Distribution of Landfill Tax funds should be taken away from polluters directly or indirectly including the control of where the funds are allocated. ...</p>	<p>See also https://www.gov.uk/government/publications/landfill-tax-rates-for-2023-to-2024</p> <p>See also Frequent flyer levies to decarbonise travel Green World</p> <p><i>The Declaration and its proposed tax may be superseded by a combination of CT and the UN Loss and Damage Fund (COP27)</i> https://unfccc.int/news/cop27-reaches-breakthrough-agreement-on-new-loss-and-damage-fund-for-vulnerable-countries</p>
<p>EC778 fuel duties EC779 import duties to reflect ecological and social impacts</p>	<p>ROPS 2016 'Frequent Flier Levy' The Green Party would replace the Air Passenger Duty (APD) with a Frequent Flyer Levy (FFL), which would vary depending on the number of previous flights taken by an individual. The Frequent Flyer Levy would be zero for an individual's first outbound flight in each year and increase continually for each subsequent outbound flight.</p> <p>ROPS 2018 'Climate Change Damages' The Green Party supports the Climate Change Damages Declaration calling for: ... • the introduction of an equitable fossil fuel extraction charge – or</p>	<p>EC777 CC121 FA301</p> <p>EC778 TR063-34 aviation fuel duties mentioned also at TR543 (at EC703 above).</p>

	<p>Climate Damages Tax – levied on producers of oil, gas and coal to pay for the damage and costs caused by climate change when these products are burnt, implemented nationally, regionally or internationally</p> <ul style="list-style-type: none"> the use of the substantial revenues raised to be allocated through the appropriate UN body, such as the Green Climate Fund or similar financial mechanism, for the alleviation and avoidance of the suffering caused by severe impacts of climate change in developing countries, ... <p>CC121 To drive change throughout society the UK should combine a carbon tax and dividend with publicity campaigns and possible carbon rationing. ... The carbon tax ... should have a progressive element to deter high individual emitters.</p> <p>FA301 We will introduce a carbon tax and this will apply both to agricultural inputs and to agricultural products based on the net greenhouse gases released during their production.</p> <p>TR063 The Green Party would increase road fuel tax incrementally until the revenue of fuel tax covers a high proportion of road traffic's external costs, with adjustments for transport use and the nature of the fuel.</p> <p>TR064 The Green Party supports the introduction of fuel tax on aviation fuel and emission charges and increased landing charges on aircraft.</p>	
<p>Land Value Tax (LVT) EC780-82</p>		
<p>EC780 setting LVT rate</p>	<p>HO401 ... Reducing excessive demand [in the housing market] requires a range of policies covering taxation, the money supply, regional economic development, and housing provision:</p> <p>a) gradually introduce a Land Value Tax (see LD400) to reduce profits from speculation on existing homes and development sites, ...</p> <p>c) ensure there are no incentives for owning multiple properties over one, through policies such as requiring council tax premiums on second homes and long-term empty homes</p> <p>HO603 As an immediate response to concerns about the fairness of Council Tax, and to the growing housing crisis (particularly in London and the South East), Greens support the following modifications to Council Tax/National Non-Domestic Rates (NDR): ...</p> <p>b) creation of new Council Tax bands</p>	<p>HO401 a. <i>refers to LD400 but not EC780f</i></p> <p>EC780 will 'seek ... to replace other land- and property based taxes' by LVT 'in the long run'. Will doing so resolve the issues in HO401 c. and HO603? Maybe 'in the long run' lets us off the hook.</p>

<p>EC781 no exemptions for different land uses; effect on Agriculture</p> <p>EC782 distribution of proceeds</p>	<p>above H to ensure that as property values get progressively higher so does the tax paid on them;</p> <p>c) reform of the multiplier rates applied to the bands, to make the tax paid more proportionate to the value of the house;</p> <p>d) all land holding bodies, public, Housing Association or private, shall be made liable for the payment of Council Tax/NNDR for all properties under their control (although this should not affect reliefs currently given to charities, non-profit making bodies and small rural businesses).</p> <p>IN408 Current land rights encourage unsustainable industrial activity ... A Land Value Tax would redress this problem.</p> <p>TM043 The Green Party's policy of Land Value Tax has no reduction or exemption for properties which are left vacant. It will deter the ownership of second 'holiday' homes and encourage greater use of underused buildings. (see EC793)</p> <p>LD203 The Green Party believes that the unearned benefits from land-use should be shared amongst the community, and that the community should collect such unearned benefits through a system of Land Value Taxation. Revenues raised by Land Value Taxation would be in substitution of, and not in addition to, other revenue.</p>	<p>EC781 TM043 despite EC781, the FA chapter¹ doesn't actually mention LVT.</p> <p>Last sentence of LD203 implies LVT revenue-neutral which is not mentioned in EC780-2. LD104 provides effective justification for LVT without mentioning it. More benefits at LD205-6, details of scope at LD400 and levying assessment and distribution at LD401-3 (not entirely consistent with EC780-2?) We might combine the LD paras and much of EC780-2 in a ROPS statement.</p>
<p>Local Government Finance and Taxation EC790-92</p>		
<p>EC790 taxes levied at level of government they are to be spent</p> <p>EC791 central taxation to fund centrally imposed obligations ...</p> <p>EC792 ... to include redistributive element</p>	<p>PA501 An independent commission should negotiate a rational allocation of taxation between different levels of Government, as well as any redistribution of wealth between different areas which is considered necessary.</p> <p>PA503 Within a list agreed by the Constitutional Commission, councils will have discretion over which (if any) revenue raising powers they wish to use . Levels of taxation will thus be set by the persons answerable to the electorate from whom such funding is to be raised, and for whom such services are to be provided.</p> <p>TR069 In the short term, road charging should be introduced where road space is most congested and where traffic causes</p>	<p>NR424 (above at EC703) on distribution to District Councils of Recovery Charge on packaging and short-life disposable products also relevant here</p> <p>EC791 TR069-70 - 'local pollution and congestion taxes'</p>

1 At least as stated at <https://policy.greenparty.org.uk/our-policies/long-term-goals/food-and-agriculture/> . The up-to-dqteness or otherwise of the text at policy.greenparty ... is a caveat here and elsewhere.

	<p>most pollution. These would be expected to be in urban areas and in areas that attract large numbers of tourists.</p> <p>TR070 The Green Party supports a non-residential parking levy to be levied on off-street parking. The introduction of parking levies would need to be done over wide areas to ensure local economies are not adversely affected by these.</p> <p>TR542 ... We consider that local authorities should be empowered to levy [charges on] aircraft landing at airports in their area because of the localised damage and that done by related ground travel.</p>	
<p>Collecting Taxes EC795-97</p>		
<p>EC795 HMRC independent agency answerable to Parliament EC796 measures to promote tax compliance x5 EC797 reduce aggressive tax avoidance and evasion by corporations x2</p>	<p>EU445 There should be ... iii) A Europe wide and co-ordinated attack on corporate tax evasion, including offshore banking centres, ...</p>	<p>EC796 EU445 iii <i>'Tax havens' same as 'offshore banking centres'? On 'international agreement' re EU, see EC704 above.</i></p>

Long Material for Background Paper

Definitions

Revenue –

Tax – A compulsory contribution to state revenue levied by government

Levy – A fee, fine or contribution

Money – A medium of exchange

Monetary Policy – Policy on management of the supply of money as a medium of exchange within our economy.

Fiscal – Relating to Government Revenue (e.g. from taxation) ([see](#))

Fair –

Equality –

Planetary Boundaries

Planetary boundaries are not hard constraints but choosing to cross them has significant implications for life on earth. This means there is a moral imperative to treat them as constraints and to organise our economy accordingly. Time should also be treated as a constraint because we need to act decisively within 10 years to avoid reaching tipping points and triggering runaway climate change. Whilst the boundaries are global, the UK should operate within its 'fair share'².

The 9 planetary boundaries are expressed slightly differently in the work by the Stockholm Resilience Centre and by Kate Raworth in Doughnut Economics, with the latter generally seen as more accessible language for the general public. There is complex interaction between the 9 boundaries.

Stockholm Resilience Centre

Climate Change
 Ocean Acidification
 Biosphere Integrity
 Land-System Disruption/Change
 Novel Entities
 Stratospheric Ozone Depletion
 Atmospheric Aerosol Loading
 Biochemical flows
 Freshwater Use

Doughnut Economics

Climate Change
 Ocean Acidification
 Biodiversity Loss
 Land Conversion
 Chemical Pollution
 Ozone Layer Depletion
 Air Pollution
 Nitrogen and Phosphorus Loading
 Freshwater Withdrawals

The key principles that derive from this approach are:

Take account of impacts across all planetary boundaries rather than focusing on single problems and solutions

Adopt a principle of sufficiency by prioritising reductions in energy and material resource use alongside increased resource sharing, reuse and recycling and prioritising public over private provision.

Adopt the precautionary principle³ for new technology

Truthfully inform the public of the implications of crossing planetary boundaries and actively engage citizens in creating change.

Ensure that policies in all other chapters adhere to the same principles.