Tax Working Group
Te Awheawhe Tāke

Tax Working Group Public Submissions Information Release

Release Document

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In preparing this Information Release, the Treasury has considered the public interest considerations in section 9(1) of the Official Information Act.

THE SUBMSISSIONS TO THE TAX WORKING GROUP (TWG) FROM LOWELL MANNING

30 APRIL 2018

[1]

ABOUT THE WRITER:

Lowell Manning has tertiary qualifications in Civil Engineering, Sociology and Psychology and has run a small construction business for about forty years. From 1986-late 1992 he was on the executive of the Electoral Reform Coalition, chairing it from 1990 until August 1992 when the then National government formally pledged to hold referenda on proportional representation in 1992 and 1993. For most of the period 1986-2005 he was on the executive of the New Zealand Democratic Party and for most of that time chaired its policy committee. He was on the Alliance executive and policy committee for most of the period from its formation in late 1990 until early 2005. He has had no political party affiliation since early 2005. He is presently president of Basic Income New Zealand Incorporated, a non-partisan organisation established in 2015 to promote the introduction of basic income in New Zealand.

DISCLAIMER: These submissions are made as a private submitter and do not purport to reflect the views of Basic Income New Zealand Incorporated, its committee or its members.

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1. EXECUTIVE SUMMARY

Transformation begins with a change in thinking.

The world is facing major changes. Alongside the rapidly worsening disconnects between work, jobs, incomes and taxes that are rapidly increasing the vulnerability and marginalisation of many if not most workers, there are the growing impacts of climate change, pollution and automation.

Business as usual, in the form of existing monetary and economic policy and tax settings are unlikely to be sufficient to deal with the major changes that are upon us. The 5-10 year time frame the TWG is asked to consider "*in particular*" will need to embody transformative approaches to government funding, income security and the relationships among the four capitals if there are to be meaningful responses to the issues while keeping total tax at "*around its historical level*". Otherwise there will be no money to deal with them.

Transformation does not happen by itself. It involves thinking that extends outside the existing ideology and economic dogma that some see as an underlying cause of income and wealth inequality and the social, human and environmental deficits we see around us.

Some of the integrated submissions in this document may at first sight appear unorthodox. We need perhaps to try something different because the current orthodox approach has led us to where we are now. We can do better.

The submissions are not meant to be definitive. They can be adapted, mixed and matched any way TWG thinks fit. ***They show how full income support replacement + $60/week + across the board indexation at 5%/year can be introduced without any net tax increases whatever.*** After 10 years the income security (basic income) for a family of two adults and two children could be about $1330/week, achieved without any substantive increase in taxation. That is an astoundingly different outcome from the current objections to basic income on the basis of cost.

The submissions also provide for transformational redistribution of income that will be needed for the economy to adjust to the impacts of automation on the one hand and the restoration of the public commons, especially the physical, social and human environments on the other hand and the vast resources that will be needed to progress that restoration.

This can all be done within a high growth economy where the growth is directed toward the "goods" of the four capitals rather than the "bads" as has been the case in recent decades. By "goods" I mean improvements that enhance our collective wellbeing. By "bads" I mean the impacts that detract from our collective wellbeing like crime, violence, ill health, pollution and much more.

Only 3 of the submissions below involve additional tax spending. The first is submission 3 that seeks to restore tax to its historical level of around 33% of GDP that is still below the level of most countries we compare ourselves with. Of the 32 countries listed in the submissions background paper (Figure 2 data) only 9 have tax levels below 32%, the main one being Australia (28.2%). (The others are Ireland, Japan, Korea, Mexico, Slovakia, Czech Republic, Turkey, US and Chile). New Zealand is listed at 33% for 2015. The second is at Submission 16 where the amount needed for indexation could exceed the savings from across-the board implementation of the basic income at least in the early years. The indexation might require a temporary increase in tax from 33% towards 34% but there are other options such as reducing the indexation below 5% for a year or two. The third is the cost to government of increasing the minimum wage (submission 18). Indexation of the minimum wage is assumed to be funded from the natural tax increase from growth.

Table of Submissions, savings and applications

Submission	Description	$billion saving	Applied to
1	methodology	0	Not applicable
2	methodology	0	Not applicable
3	Restore average tax at historical 33% using capital gain/asset taxes	Up to $8 billion extra spending	Government services especially health, education, social
4	Reduce low income tax increase high income tax	Unspecified	Redistribution (vertical equity)
5	Change GST to 5% Financial Transactions tax	$ 21 billion switched	Redistribution
6	Income and tax neutral basic income replaces income support	$ 1.5 billion	To indexation of basic incomes 16
7 & 8	Replace government bank debt with RBNZ public money	$3.4 billion	$60 basic income for children from conception to age 18
9 & 10	Fund government capital investment with RBNZ public money	$10 billion	Submission 14,15, 17 $60 Basic income for those aged 18-65
11,12,13	Pollution taxes	Vast expense – more than 5% of GDP?	Redistribution / reduction in personal taxation up to half of personal tax?
14,15,17	$60/week basic income for adults 18-65	Additional savings to 16	$10 billion switched from 9 and 10 - No extra tax needed
16	Basic income indexation for entire population including superannuatants (year 1)	(3 billion) Any shortfall from 6, 14,15,17 funded from nominal tax growth	Increasing basic incomes at nominal GDP growth + 1%
18	Progressively increase minimum wage by 5% annually	(0.6 billion) from natural tax growth	Keeping minimum wage ahead of basic incomes
19	Diversion of Kiwisaver funds	(0.15 billion) before counting substantial benefits	Social housing
20	Relocation of families from Auckland	(0.35 billion) before counting substantial benefits	Relocation 10000 families from AS areas 1 and 2 to AS areas 3 and 4

2. TERMS OF REFERENCE

The Terms of Reference (ToR) released by Hon Grant Robertson Minister of Finance on Thursday 23 November 2017 as updated 8 March 2018 place increasing the rate of GST, inheritance tax, taxing the family home/land and adequacy of the personal tax system and its interaction with the transfer system ***outside*** the scope of the TWG review. At the same time, the ToR specify that total tax should remain "*around its historical level of 30% of GDP".* That means that under the ToR the TWG is focused on the "*structure, fairness and balance*" of the tax system in a way that promotes economic sustainability and productivity, and that is balanced, efficient and fair with "*special regard to housing affordability*". The tax and transfer system is to be *"progressive*".

In assessing fairness, "*income, assets and wealth*", the balance between the "*productive economy and the speculative economy*" and the "*integrity of the income tax system*" in relation to the" *taxing [of] companies, trusts and individuals*" are to be considered. The TWG is to consider "*in particular*" a 5-10 year time frame, taxing capital gains/land "*or other housing tax measures*" (other than the family home), progressive company tax and the role tax can play in delivering "*positive environmental and ecological outcomes*".

3. THE BACKGROUND PAPER AND DATA

I found the Submissions Background Paper (SBP) to be thorough, informative and well presented. it does, however, have one major drawback in that the submitter is being invited to consider the ToR issues on the basis of the current economic ideology as it has been adopted around the world. The comparative data is impressive and it is natural to compare New Zealand's tax system with other systems as they are today. Showing how New Zealand is faring against other countries in current market, social and environmental outcomes may not be of much help if those outcomes reflect a common ideological status quo. The SBP background data show hints of longitudinal profiles in Figures 1, 3, 12 and 13 that go back to the period before the election of the Labour Government in 1984 when the economy had a rather different "shape" than it has today; that the current policy settings are not the only ones possible. In Figure 13, for example, inequality has increased sharply since the neoliberal reforms were implemented. It is possible that the longitudinal comparative data for New Zealand may be as important as the contemporary international comparative data when considering the issues raised by the ToR.

SUBMISSION 1. ***That TWG gives at least equal weight to comparative consideration of the historical tax system and social outcomes in New***

Zealand as it does to comparative consideration of the current tax systems and social outcomes elsewhere.

4. AN INCONSISTENCY IN THE TERMS OF REFERENCE

The statement in the ToR that tax should be "*around its historical level of 30% of GDP"* is inaccurate. According to the data for SBP Figure 3 the average tax to GDP ratio from 1986-2014 (29 years) was 33.42%. I haven't found any evidence of a historical level of "*around 30%"* over the past 30 years. In 2016 the figure was 32.1%. The only years when tax was "around *30%"* were 2009-2011 when the recent national-led government introduced tax cuts beginning 1 April 2009. Those percentages increased in the following years despite efforts to constrain spending. The tax cuts proposed by the National-led government for the 2018-19 fiscal year would have again brought the current figure somewhat closer to 30% but they have been cancelled by the new Labour-led government.

The term "*around 30%"* condemns New Zealand to the ongoing austerity and relatively "small" government that are hallmarks of neoliberal ideology. The current GDP is in excess of $270 billion. 3.4% (33.42%-30%) of that is more than $9 billion. That is enough to keep New Zealand's health and education systems running smoothly, enable the new Government's Best Start for young people to be progressively extended to age 18 and much more. I appreciate that the TWG remit is about the structure of the tax system rather than the amount of tax but it is reasonable for TWG to promote compliance with the government's own ToR. I'm concerned that by stating what appears to be an arbitrary tax "goal" the ToR might be unnecessarily hindering the TWG considerations.

SUBMISSION 2. ***That TWG seeks clarification from the government on the ToR wording that limits tax to the historically inaccurate figure of "around 30% of GDP".***

SUBMISSION 3 ***That depending on the clarification in Submission 2, TWG recommends to the government to restores taxation to the historical level (say, 33%) by way of introducing capital gains and/or asset taxes on all other assets (including equities) other than the family home.***

Explanation: One form of capital gains tax was proposed by Labour in 2014 but it was not well articulated and later withdrawn. The absence of capital gains tax does provide free riding for investors who tend to also be in the upper income groups. It is not unreasonable to apply capital gains tax on assets, including equities not being traded by entities subject to business taxation. Many countries New Zealand compares itself to, do. The tax income generated, say, up to 3% of GDP or about $8 billion/year once the policy is fully implemented. That is enough to restore New Zealand's health, education and social services to the level the country enjoyed prior to the on-going austerity measures of past governments.

5. THE FOUR CAPITALS

I understand and support the use by Treasury of the Living Standards Framework (LSF) and the four capital stocks: Social Capital, Natural capital, Human capital, and Financial and Physical Capital and I understand that its implementation is a work in progress.

Adopting the LSF means the "*established criteria that have been used in past tax reviews*" (SBP p19) may no longer be sufficient for purpose. There is a risk that the historical criteria might somehow take priority over consideration of the capital stocks unless the foci of the criteria are amended. "*[T]o* "*maximise national welfare*" no longer means considering only financial and physical capital as has been the case in the past. The terms "efficiency", "equity and fairness", "integrity" "fiscal adequacy" and "coherence" urgently need to be reassessed when maximising national welfare within the far broader context the LSF requires.

The Living Standards Framework suggests a profound shift in the way tax is considered and the way the "established criteria" have been interpreted. I give just one example to illustrate the point. In New Zealand "fairness" appears to have been interpreted to mean "as near equal tax rates as possible" whereas in most of the developed world (especially Europe) the criterion is interpreted to mean "tax rates according to ability to pay". The income and other tax structures in many comparable countries are quite different from ours. Many have much higher effective marginal tax rates on higher incomes (generally 45% or more) and much lower effective marginal tax rates on lower incomes than we do. Some, like France also have a variety of other taxes on capital gains and wealth. Referring to overall tax levels as in SBP Figure 5, is insufficient. I submit that the New Zealand interpretation of the "established criteria" needs to diverted away from the current economic agenda that, due to its emphasis on economic austerity, is fundamentally antithetical to the LSF.

SUBMISSION 4. ***That to maximise national welfare the "established criteria" for tax (SBP p19), particularly what is referred to as "vertical equity", be reassessed to more appropriately redistribute the tax burden from low income earners to high income earners and the investment sector.***

6. REVERSING THE ONGOING ENCLOSURE (PRIVATISATION) OF THE COLLECTIVE COMMONS

The dominant, albeit usually unspoken, rationale underpinning most modern tax systems, and especially the New Zealand tax system, is the enclosure of our collective commons for private profit. While the process of enclosure has been ongoing for thousands of years it has accelerated exponentially over the past several decades. By enclosure I refer to the privatisation for economic rent of the primary elements that together comprise the four capitals. The process is driven by the "dominant revenue" of French economist Francois Perroux. By "dominant revenue" Perroux means the asymmetrical power, wealth and income wielded by the small elite, (the 1% of the Occupy movement) that, for the time being, most strongly influences government, business and finance.

The main difference between the dominant revenue of the past and that of the present is that today's dominant revenue pervades every aspect of our daily lives. Most of our collective commons that can be monetised for profit have been or are being monetised for profit. As our commons are consumed for private gain, the waste and degradation that private use generates is left behind in the form of human, social, natural and financial and physical public losses. The losses are treated as "externalities". Introduction of the Living Standards Framework means that what are presently uncounted externalities will have to be valued. The public at large who collectively own the commons can reasonably expect appropriate rent for their ongoing use and restoration of past damage based on their true value. One form of payment might be in the form of a basic income for all. By basic income I mean an unconditional, universal and regular payment made as of right to every legal resident. Payments for ongoing use could be levelled against the productive economy. Payments for past damage and restitution for past use could be levied against the investment sector as a whole that has accumulated wealth, income and power from the ongoing process of enclosure.

The level of uncounted externalities is stupendous. Applying the LSF suggests that quite different thinking is needed and that the existing economic and social modelling is well and truly outdated and needs to be abandoned without delay.

To illustrate my point, I list some of the public commons that have been enclosed or are being progressively enclosed. It is far from complete and is offered to disclose the global reach of privatisation within the capitalist system.

- Human Capital: Enforced work in a low wage low productivity economy resulting in structural unemployment and poverty. The annual current externality in New Zealand is more than 4.6% (structural unemployment) x $270 billion (GDP) or $12 billion. There are also immense losses from the enclosure of knowledge represented by patents, copyrights and the like that restrict competition and, in many cases, seriously inflate prices. There is also widespread use of unpaid work and further large externalities created through reduced mental and physical health and insufficient education and training.

- Financial Capital (money): nearly all money is bank money in the form of electronic cash ***LENT*** into circulation for profit. Public or sovereign money is/would be the same electronic cash ***SPENT*** into circulation without net cost. Private bank money is radical, an historic anomaly (dating from 1694); public money is the historical norm and has been around for thousands of years. The annual current externality is more than 1.75% (the OCR) x $500 billion (domestic credit) or $9 billion. The 1956 "Report of the Royal Commission on the Monetary, Banking and Credit Systems" was explicit at Paragraph 438: "*There is, of course the possibility of bringing about the necessary expansion of the money supply entirely by financing government expenditure from Reserve Bank credit, and by at the same time preventing trading banks from expanding their lending through a rigid application of the reserve ratio*". I emphasis that trillions of dollars of ***quantitative easing*** as public money is sometimes called these days has been issued by central banks around the world in recent years. I also emphasise that public money does not need to be issued at zero coupon rate (zero interest). In the past, (in 1956 for example) when public money was still used to exchange goods and services, much of the economy was still cash based, bank debt levels were numerically low, most investment was done on a Savings and Loan basis and the publicly owned Bank of New Zealand was by far the largest trading bank. The Royal Commission declined to recommend the use of the Reserve Bank public money on grounds of maintaining competition in the financial sector. These days the situation in 1956 has been reversed. The economy is entirely dependent on bank debt, the use of non-bank cash has been almost eliminated and there is very little competition from within the public sector. To provide and maintain competition in the financial sector we submit public money ***should*** be used.

- Physical Capital (Infrastructure): The rent paid on privatised strategic public assets (ports, airports, energy, resources, roads, rail, Air NZ, BNZ, NZ Steel, Telecom and many more) is substantial. I acknowledge differing views about such sales and the use, for example, of "Public Private Partnerships" but there is little doubt they have been ideologically motivated. The loss to the public is (in round terms) their annual return on investment plus at least some of their capital gains. I have not attempted to assess the annual value of the externality but it is likely to be $billions.

- Natural capital: The literal enclosure, seizure, colonisation and use of land, resources, water, air, biodiversity and their permanent loss or degradation. Militarism and war are also an enclosure of natural capital though they do not (fortunately) currently apply to New Zealand. The natural externalities are becoming the subject of wider public debate as the vast costs of remediation become better understood. Efforts are underway to begin remediation, much of that on the basis of voluntary effort which, itself, can be considered a form of enclosure. The annual costs of just a small part of the externalities, namely pollution and waste, far exceed any current taxpayer funded budgets for them. Their annual value can safely also be counted in many billions of dollars. The total externalities under natural capital clearly add up to a substantial share of national output.

- Social Capital: The externalities from the enclosure of social capital arise from the breakdown of family and community and the resulting violence and alienation, crime and substance abuse throughout society. The common human values of caring, community and creativity (Max Harris, "The New Zealand Project") have been progressively eroded by the emphasis on selfishness, competition and individual gain embodied in the neoliberal economic and social models promoted by the Mont Pelerin Society and Ayn Rand. The social externality costs are also very large and represent a substantial part of the health, prison, social development and courts budgets. In addition, the annual externality cost of family violence alone has been estimated to be between $4 billion and $7 billion https://nzfvc.org.nz/news/report-identifies-economic-cost-family-violence-new-zealand

- Trade: The enclosure of trade and traditional business itself through corporatisation, mergers, takeovers and multinational trade agreements traverses the boundaries of the four capitals. We submit that trade is fine but the use of trade to externalise costs both at home and abroad is not. Privatisation of trade is particularly egregious when corporations are given rights, such as those in Investor-State Disputes Settlement clauses that can overrule national and international law. Such trade agreements are not about trade: they are about the exercise of the "dominant revenue" on a world scale.

Cumulatively, the annual public loss from privatisation and enclosure is likely to exceed 10% of GDP. We submit there are ways for the TWG to respond to such a monumental task within the ToR.

SUBMISSION 5. ***That GST be replaced with a 5% Financial Transactions Tax (FTT) automatically deducted whenever money leaves a bank account (unless it is a transfer between accounts in the same name(s)).***

Explanation: It may be that FTT has been avoided in the past ***because*** it proportionately taxes the investment sector. In terms of tax fairness and equity a powerful case is being made throughout the developed world that the investment sector should be taxed as well as incomes. One basis for establishing the TWG appears to be to bring some degree of balance between the "*productive economy* *and the speculative economy*". Historically the tax system has developed incrementally layer by layer guided principally by the ability to collect the various taxes and by the power of the "dominant revenue" to directly tax toward those least able to pay them, or at least away from the dominant revenue. If TWG accepts the time has come to step away from current neoliberal thinking, FTT is one great opportunity to do so.

The FTT would broaden the tax base to about 1.6 x GDP when all investment transactions are included. I assume short term speculative transactions would disappear. 5% FTT would raise about 1.6 x 5% x $270 b GDP or $21.6 billion in revenue. The net revenue will be 21.6- 20.6 (GST 2017) = $1 billion which would offer a minor but not substantive increase in tax revenue that could potentially be offset by reductions in other taxes.

Since the FTT is a layered tax rather than a "pass the parcel" tax like GST, there may be some one-off inflation as the FTT is initially worked through intermediate production stages. The inflation will be less than the 10% price reduction for most consumers (15% GST-5% FTT) by the proportion of FTT paid by the investment sector. FTT favours local production over complex goods and services with multiple stages and high transport costs so it has positive regional development outcomes.

FTT is transformative as it shifts the tax burden away from ordinary consumption toward investment. It reduces the tax burden on low income earners and those with little or no wealth (as shown on SBP Figure 17). For others it conceptually replaces GST in substantial part with a combined capital gains/wealth tax with 100% progressivity because FTT is collected only when money is spent. Since it is collected automatically there is considerable saving to business and government alike from reduced compliance and administration costs. FTT is a powerful disincentive to speculation, particularly housing speculation. With respect to the family home, FTT can perhaps be viewed as a one-off stamp duty applied on a generally similar scale to that used in Australia except that in some places there the first home is exempt and the stamp duty is applied on a sliding scale.

The only way to avoid FTT is to revert to cash transactions. Few will do that with the FTT set at around 5% but if they did, one response would be to be to remove $50 and $100 notes from circulation. That would suit the banks well and potentially also reduce crime and black-market activity by encouraging those holding notes for criminal use to "wash" them through the banks.

I submit that the 5% FTT proposed above could be the start of a wider process whereby in future all tax other than social. pollution and resource taxes (collected at source) could be replaced by FTT. There need be no company tax, no personal tax and no GST. In 2017 (from SBP Figure 4), the FTT would become a flat tax of about 17.5% on all transactions based on total transactions of 1.6 x GDP. The saving in this to individuals, business and government is truly immense as large parts of the services sector (IRD, accountancy, legal, administration) would become redundant.

The savings are theoretically quantifiable and would surely run to tens of billions of dollars annually.

SUBMISSION 6. ***That human capital be respected and improved by the introduction of a basic income to replace all income support such that household incomes remain the same as they do now whether or not those in the household have paid work.***

Explanation: Basic income in this proposal refers to "*an individual regular and unconditional payment made as of right to all legal residents that is sufficient to meet their basic needs and participate in their communities*".

Fully respecting the ToR, the basic income I propose here is both income and tax neutral as shown as a first approximation in Table 1. Table 1 does not include the government's Best Start programme that is a "add-on" universal payment for young children over and above the neutral basic income in Table 1

TABLE 1. INDICATIVE WEEKLY BASIC INCOMES NEEDED TO REPLACE EXISTING INCOME SUPPORT COMPARED TO CURRENT INCOME SUPPORT[1]

HOUSE HOLD	INCOME SUPPORT	BI TOTAL	CALCULATION	HOUSE HOLD	INCOME SUPPORT	BI TOTAL	CALCULATION
1A	213	213	1A213	2A	354	356	2A178
1A+1C	428	429	SP329+1C100	2A+1C	477	478	2A189+1C100
1A+2C	528	529	SP329+2C100	2A+2C	577	578	2A189+2C100
1A+3C	629	629	SP329+3C100	2A+3C	678	678	2A189+3C100
1A+4C	729	729	SP329+4C100	2A+4C	778	778	2A189+4C100
1A+5C	829	829	SP329+5C100	2A+5C	879	878	2A189+5C100
1A+6C	929	929	SP329+6C100	2A+6C	979	978	2A189+6C100
1S	390	388	S388	2S	600	602	2S301
3A		534	3A178	4A		677	4A169
5A		840	5A168	6A		996	6A166
SLadd-on		80	Adds to A,SP,C	1S+1A	571	568	2S284

Numbers refer to NZ$ weekly taking into account the May 2017 budget. In New Zealand, income support includes Superannuation, family tax credits, in-work tax credits, and the main benefits including jobseeker, sole parent, young parent/youth [treated as adults if living independently], supported living payment (93000 at cost $1.536 billion 2017) . orphans/unsupported child, student allowances, veterans. These are included in Table 1. Some extra ***individual*** specific temporary benefits like childcare assistance, disability assistance, hardship assistance, (total $1.20 billion 2017) and Accommodation Assistance ($1.11 billion 2017) are excluded. Child support payments are not included.

There will be minor additional funding needed for (mostly small) groups that do not fall readily into the household framework shown in Table 1. For example, youths 16/17 years old living independently might be classed as adults. The single adult basic income is higher than existing student and young adult allowances and that difference paid to students and young adults may need to be funded or a separate basic income created for them. The orphan's/unsupported child benefit is quite a bit higher than the child basic income so a separate provision might need to be made for them. Multiple families living in a single dwelling might be treated as separate households or a separate provision could be created for them too. The SLadd-on BI in Table 1 is not a perfect match but it is a reasonable first approximation.

The separate basic income applying universally to the different categories in Table 1 result from the complexity of the current income support system. Some consolidation may be possible. I have not done that as it would compromise the strict neutrality of the proposal.

Because of the proposal's universality, budget neutrality, and net-income neutrality the tax rates on earned income would be increased to offset the basic income paid to income earners. The process is set out in the following expressions:

Existing income support + Existing earned income – Existing tax

= Basic income + Existing earned income – New tax ***(A)***

By definition, no additional funding beyond existing income support is needed in expression (A). There is no change to net household income when the basic income is introduced.

If there is no earned income, as in existing beneficiary households, (and so no earned income tax) expression (A) becomes:

Existing income support = Basic income ***(B)***

From expression (A), the tax in households that get some of their income from income support such as tax credits and some of their income from earned income will increase by an amount equal to their basic income less their current income support.

Extra tax on existing earned income = Basic income – Existing income support[2] ***(C)***

Such a "bottom line" (budget neutral) basic income would apply to all households whatever their earned incomes are now or may become at any time in the future. It provides all the benefits of basic income except that it does not directly reduce poverty or inequality because there is no income redistribution.

There is no risk in this to either the government or those participating in the trial.

[2] A policy decision will be needed to apportion existing income support where there is more than one income earner in the household. One solution would to apportion the income support pro rata with earned income.

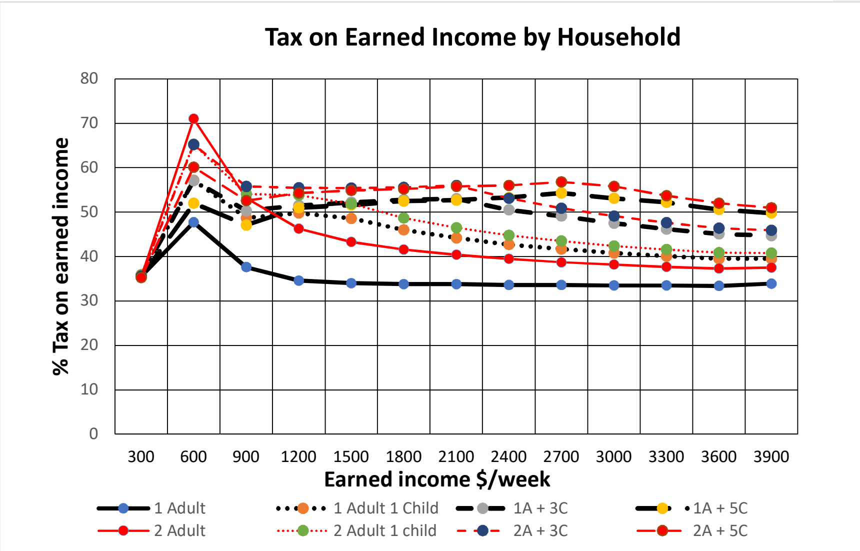
The tax “claw back” in expressions (A) and (C) is simply the mechanism used to maintain existing incomes. It does not change the household financial outcome.

An indicative first approximation of individualised tax on earned income is shown in Figure 1. ***The tax on total income including the basic income does not change***.

The peaks shown in Figure 1 (which is indicative only) for those on low earned income ($600/week) relate to the ability to earn some income before benefit abatement starts and the current effective marginal tax rates on that income and relevant income support payments. The peaks may be inaccurate and need further work. In practice there could be some smoothing of the curves. To maintain neutrality and keep the proposal strictly within the ToR, this has not been done in Figure 1.

The income and tax neutral basic income could be initiated by a permanent trial in one or more electorates, such as, for example, East Coast, before being progressively expanded across the country. To achieve fairness and equity the basic income would be indexed at a rate equal to the indexation of current income support. Preferably both existing income support and the basic income should, we submit, be indexed by least the rate of nominal GDP growth.

FIGURE 1 INDICATIVE TAX ON EARNED INCOME TO MAINTAIN FUNDING- NEUTRAL BASIC INCOME[3]



[3] Figures for other household types are available. The data is designed to show there is a unique easily calculated tax solution for every household and income. Figure 1 may need updating and adjusting prior to implementation.

The neutral basic income can be considered as a first step in a process leading to a larger basic income by implementing and extending "add-on" universal incomes like the government "Best Start" as a way to further improve the equity and balance in the tax system complementary to our Submission 5.

Individualisation of tax on paid work is simple to manage by way of a tax calculator or equivalent. Technology to do this is already available. The primary data needed is the household structure for each address.

The evidence supporting the implementation of basic income may be well-known to the TWG members. On an income neutral level, basic income is about the emancipatory effects of the proposal. As Professor Guy Standing who is perhaps the leading world authority on basic income said at the World Economic Forum in Davos, Switzerland, January 2016:

"*We have done pilots, covering thousands of people and most fundamentally we found that the emancipatory value of a basic income is greater than the money value. It gives people a sense of control of their time, so that the values of work grow relative to the demands of labour. The values of learning and public participation grow, the values of citizenship are strengthened ….*" .

Basic income can be a major factor in improving human capital. Aside from the manifold measurable emancipatory effects from its introduction there are substantial measurable monetary savings too.

ADMINISTRATION

Once the trial starts, most of the administration can be done by the staff no longer needed for existing WINZ functions. With the basic income in place only the accommodation supplement, special benefits and child youth and family issues will need to be administered through the existing WINZ offices. That way many staff can be retained for when the proposed trial ends (if it does).

ESTABLISHMENT EXPENSES FOR INITIAL ELECTORATE TRIAL

Estimating the research and establishment expenses for an electorate level trial is beyond the scope of this work. They can be broadly divided into the operational elements. They appear to be in the millions or low tens of millions of dollars. (East Coast: 95000 people, 35000 households, 27000 children)

i) Electoral roll: Provide to enrol those not enrolled and check accuracy of current enrolment. Create online and written forms for change of address and make them readily available.
ii) Create household register: This can be done together with i) but it is a bigger job. The starting data is electoral roll + previous census. A check for the number of children is available from the population age distributions and school rolls. The Ministry for Social Development and Revenue Department already have a range of data for those

currently receiving income support but that information may need to be upgraded and collated. Create online and written forms for changes to household structure, distribute them to households and develop procedures for processing the changes.

iii) Births and deaths: Create cross-linkage between existing registry and household register.

iv) Opt-out: Create online and written "opt-out" form (if desired) and internal process for applying it.

v) Bank accounts: Co-ordinate with Kiwibank. Create bank accounts and distribute cards and develop the process for paying basic income into the bank accounts. This basically involves adapting what is already in place. Provide advice and assistance to those who do not presently use debit cards. Ensure ATM machines are available and accessible throughout the trial area.

vi) Migration to and from the trial area: This would be done as part of ii).

vii) There are existing processes for travel abroad and other temporary absences that can be adapted to the trial.

viii) Fraud: A separate audit unit might be established to check for abuse of the household structure when claiming the basic income. Otherwise the existing provisions for investigation and compliance could be adapted to fit.

ix) Legislative expenses: The trial will need enabling legislation to authorise the systemic changes and taxation provisions.

x) Research and evaluation: There will be some additional research and evaluation expenses because the trial will be running in parallel with the existing nationwide income support system.

xi) Adjust the tax provisions. Create online tax calculator and tax booklet for distribution to businesses and households.

xii) There will be modest staff retraining costs

MEASURING THE COSTS AND BENEFITS OF AN ELECTORATE LEVEL BASIC INCOME TRIAL

This submission cannot offer a detailed benefit/cost analysis for basic income implementation since that is one of the purposes of a trial. Nor does it presume to present targets. Some of the benefits are intangible but many can be quantified over time.

A few examples of potential benefits that are quantifiable may put these costs into perspective. The figures below are conjectural only but give some idea of possible direct benefits.

The NZ Treasury VOSL (Value of Statistical Life) is $3.85 million. While the VOSL is mainly an accounting device, avoiding a handful of unnecessary deaths in the trial area annually would cover a considerable part of the trial costs even at $1 million/life. That is a realistic expectation.

Nationally, assume 3/electorate x 71 electorates = 213 deaths (saved from suicide, drugs, traffic, accidents, and other causes), say $200 million.

The Ministry of Health average hospital inpatient DRG (Diagnosis Related Group) provision is about $5000/inpatient stay. Reduced hospital admissions can save a lot of money in the health sector. Reducing inpatient admissions by a handful each week could save more than a million dollars each year.

Nationally $1m x 71 electorates is $70 million

Savings in the on-going out-patient costs of childhood disease, obesity and mental health can save millions more. With poverty reduced through the elimination of the poverty trap the savings will be very large.

Nationally, the savings might be 5 x the hospital savings, say $350 million

Past basic income trials show a large reduction in crime. It costs about $100,000/year to keep someone in prison in New Zealand and the average cost of convictions for minor offences is around $20,000. Keeping 10 people out of prison annually and reducing the number of minor convictions by 50 saves around $2 million each year.

Nationally $2 million x 71 electorates, say $140 million

The cost of accidents in New Zealand is prohibitive. The average cost per claim is more than $2000 and there are nearly 2 million new claims each year. There are 71 general electorates. That’s 28000 accidents in each electorate on average. It is reasonable to assume that better health and well-being and higher self-esteem will help reduce the accident rate, especially vehicle accidents. 1000 (4%) fewer accidents saves $2 million.

Nationally $2 million x 71 electorates, say $140 million.

Past trials have shown large improvements in labour productivity (up to 25%). Even a 0.1% annual increase in productivity would amount to about $3.6 million in the trial area. Little, if anything is known about ongoing effects of basic income on productivity but there will be some, if only because people will become better skilled as time passes.

Nationally $3.6 million x 71 electorates = $250m

There are substantial administrative savings, though not at the trial level. Once the income neutral basic income is introduced nationwide a substantial part of the Ministry of Social Development can be dismantled. There would still be an audit unit to monitor household composition and residual functions such as accommodation supplements and special needs as well as its residual child, youth and family functions.

Nationally an annual saving of at least one third of the current Social development Budget or around $300 million might not be unreasonable.

It may also be possible to directly measure the value of new business start-ups and employment gains.

The total direct savings and benefits are likely to be in excess of $1.5 billion/year before taking the vast array of social economic, and environmental benefits into account that add to Human Capital.

The main benefit from the trial is likely to be an improvement in the level of caring, community participation and creativity of the people in the trial area. Such psychological and social responses may be qualitative as much as quantitative but they are very real and can also be measured [4].

SUBMISSION 7. ***That to enhance New Zealand's financial capital, public money be spent into circulation to repay Crown debt as it falls due and to fund new government capital expenditure.***

SUBMISSION 8***. That the tax saving ($3.4 billion/year) from the retirement of Crown debt be used to fund an "add-on" Best Start programme of $60/week for all those from conception to age 18 not already receiving it . (see also submission 6)***

Explanation: The use of public money in lieu of existing Crown debt eliminates the cost of interest on existing borrowed bank money. According to the 2017 Budget the funding cost of Crown debt is $3.4 billion. Retiring Crown debt over time will reduce government expenditure annually by up to $3.4 billion.

While I appreciate that the adequacy of the personal tax system and its interaction with the transfer system falls outside the scope of the TWG, the use of existing tax saved does not. The additional cost of extending Best Start (over and above the existing $290 million Best Start commitment) from conception to age 18 at $60/week (before future indexation) is 1100000 (children under 18, 2017) x $60 (weekly payment) x 52(weeks) or $3.4 billion/year.

Not only is there an impressive benefit to the financial capital, the payment of Best Start from conception through to age 18 will ensure the Government rapidly exceeds its child poverty reduction target which is a major benefit to New Zealand's human capital.

There is no impact on private bank lending capacity and no cost to government though there is evidently a corresponding reduction in bank profit. Most Crown debt is offshore debt which is cancelled out of existence as the debt is progressively repaid.

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[4] See, for example, https://psychagainstausterity.files.wordpress.com/2015/03/paa-briefing-paper.pdf

I appreciate that the domestic banks need to make reasonable profits if they are to expand lending to the private sector for its purchase of the use of private bank money. The banks might seek to compensate for the loss in domestic profit in part by increasing their bank spread by a small amount (subject to regulatory supervision). Domestic crown debt is relatively small so the change in the banks' spread (the difference between what they pay depositors and the gross interest they charge could increase by a proportionately small amount. Moreover, the margin could be offset by reducing the OCR by a similar percentage.

SUBMISSION 9. ***That, to improve New Zealand's physical capital and provide effective competition to the private banking sector, new Government capital expenditure will be funded through RBNZ (subject to available human and material resource limitations)***

SUBMISSION 10. ***That the public money made available under Submissions 7 and 9 will be backed by low interest or zero-interest perpetual bonds issued by the Reserve Bank of New Zealand (RBNZ).***

Explanation: A strong case can be made to improve physical capital by funding ongoing government capital expenditure using public money. Budget 2017 estimates capital expenditure at $10.08 billion. Funding through RBNZ at net zero interest saves taxpayers (to the extent capital expenditure is presently funded from taxation) an amount up to $10.08 billion/year that can either be redirected ***to fund a basic income for adults as set out in Submissions 14 to 17.***

3.7% of GDP is typically within the range of nominal GDP growth so it is fiscally and economically responsible to use public money to this extent as long as the lending capacity of the private banking system is monitored and, where necessary, restricted by the application of supplementary capital adequacy ratios. The ability of the Government and RBNZ to do this was recognised at least as far back as the 1956 Royal Commission report. What, if any, compensation is made available to the banking system for its reduced rate of bank money creation (and consequential loss of profit) is a matter of policy. I propose only that the use of public money in this fashion will go some way toward correcting the vast imbalance in the money power that has developed between the private and public sectors through the enclosure (privatisation) of money.

SUBMISSION 11. ***That to restore and improve New Zealand's natural capital, producers will progressively pay the full cost of the externalities they create through the introduction of pollution taxes (which may***

include a carbon tax in lieu of the existing ETS or incorporated alongside the ETS).

SUBMISSION 12. ***That pollution taxes may be negative (as in the cases of forest planting and other carbon sinks) and could be based on the NZ Unit (1 metric tonne of carbon dioxide equivalent)***

SUBMISSION 13. ***That the pollution taxes will be offset by an across the board reduction in personal taxation.***

Explanation: If New Zealand's natural resources are not to be further degraded through "externalities" the quantum of those externalities will need to be established and their cost fairly distributed among those that create them. As a general concept I propose applying the "polluter pays" principle in its broadest sense. I understand this is an extremely complex area for TWG to consider but I submit it does lie at the heart of tax fairness and equity issues. Producers will tend to pass on the pollution taxes to consumers so that there is an incentive both for producers to reduce pollution (and hence their product prices) and for consumers to consider reducing consumption of those products in response to the price signals.

There will be debate about the equivalence among different pollutants but it is one that must be faced to give coherence to the concept of natural capital. It may be that the equivalence is initially a multiple of the NZU price (spot price currently around $21) for the time being (2023 futures at around $25), but the pollutant price schedule would need to be stable over a long enough term to provide market certainty.

There have been some reports that repairing dairy pollution alone could be cost$15billion(https://www.stuff.co.nz/business/farming/agribusinessadd/68124994/nzs-dairy-pollution-cost-may-be-15b-report while air annual air pollution costs may exceed $4 billion http://www.hrc.govt.nz/news-and-media/media/updated-report-about-impacts-air-pollution-released. They are but 2 of many forms of pollution. Remediating existing pollution and waste issues and maintaining the environment into the future creates a whole new sector of the economy that can provide jobs for those displaced by automation.

Applying polluter pays (greenhouse gasses only) to agricultural export products has represented a challenge due to concerns that pollution taxes would substantially increase prices. In respect of diary, assuming 2kg of CO2 emission/kg of product (purely for illustration) the price impact on a tonne of diary product would be about 2 tonne x$21(NZU price) or $42/tonne. At current average market prices around NZ$5000/tonne the potential price increase would be 42/5000 which is less than 1%, well below the variations in fortnightly global diary auction prices so that the actual impact of the ETS on dairy may be somewhat exaggerated. On the other hand, meat production has a larger emissions footprint and consideration may need to be given to how the cost of meat emissions is to be shared if meat exports are to continue into the future.

SUBMISSION 14. ***That social capital be enhanced by progressively implementing a basic income for adults between 18 and 65 years of age.***

SUBMISSION 15. ***That the basic income will start at $60/week.***

SUBMISSION 16. ***That the basic income be indexed to nominal GDP growth or higher, say 5%.***

SUBMISSION 17. ***That the basic income be funded from the savings ($10.08 billion/year) resulting from Submissions 9 and 10.***

Explanation: There are presently about 3,050,000 adults between 18 and 65. A basic income of $60/week requires funding of 3.05 million people x $60/week x 52 weeks or $9.5 billion/year. This is currently 3.5% of GDP and less than nominal GDP growth. There is $10 billion/year tax revenue made available by using public credit for Government capital investment as set out in Submissions 9 and 10.

Assuming an average of 2% inflation and 2% GDP growth, average nominal GDP growth over time would be 4%. Suppose the basic income is indexed at 5%. Indexation at the end of the first year is 5% x $9.5 billion or $480 million, which is less than the amount available ($10 billion less $9.5 billion). After 10 years the basic income will have grown from $60/week to $98/week and the annual indexation will be $784 million. By then the government capital expenditure will also have increased (perhaps by a similar proportion to, say $10billion x 1.05^10(1.63) or $16.3 billion allowing the basic income to be increased beyond $98/week before taking account of population growth if that is what the public desires.

Indexation also needs to be applied to the income neutral basic income, to the basic income for children and for the basic income for superannuatants, so, in effect, the whole population. The total value of the basic income is around $60 billion in year 1, (to be confirmed by further analysis) so 5% indexation is $3 billion/year. Much of that can be funded from the savings from the introduction of the basic income (submissions 6,14,15,17) but there may be a shortfall for indexation, especially in the early years. The additional national tax increase from 4% growth is 4% x $270 billion GDP x 33% tax, or $3.6 billion some of which may need to be applied to the basic income indexation. There are many options depending on public opinion. The options range from reducing the indexation for a year or two to temporarily raising taxes from 33% to about 34%.

The adult basic income can be funded without tax increases of any kind. Any concerns about inflation can be addressed by staging the introduction to ensure productive capacity matches consumption capacity.

Aside from the obvious Keynesian economic expansion the basic income will generate there are all the emancipatory benefits from basic income referred to by Guy Standing. I can supply a wide range of evidence from basic income trials already completed around the world in support of those and other direct benefits such as those referred to in Submission 6.

SUBMISSION 18. ***That the minimum wage be progressively increased up to and beyond the Living Wage to ensure the integrity of the basic income is not undermined by regressive wage and employment conditions.***

Explanation: The minimum wage needs to keep ahead of the basic income to ensure there is a positive incentive to work. There are about 350,000 state sector employees. For the sake of this submission increases in the minimum wage are assumed to promulgate through the whole sector. If the minimum wage is indexed at 5% the increase is 5% x $16.5 x 350,000 x 40 hours/week x 52 weeks/year or $600 million/year. This is assumed to be funded from natural tax growth so that it does not require changes to tax rates.

7. HOUSING

SUBMISSION 19. ***That Kiwisaver Cash and Default funds be government guaranteed and used to help fund social housing (subject to human and material resource constraints).***

Explanation: These funds are predominantly concentrated in low risk low return deposits. I submit that (in the absence of using further public credit) the government matches the returns on these funds and uses them to fund social housing. According to the Financial Markets Authority (FMA) annual report for the year ended 31 March 2017 there were $5.1 billion invested in such accounts.

If 75% ($3.8 billion) of that passive money were invested into social housing it would make a worthwhile contribution to New Zealand's social housing needs. The return on those funds (at, say, around 4% net of tax, or $150 million) would need to be taxpayer funded from existing revenue.

SUBMISSION 20. ***That first home buyers be granted a deposit on their first home if they move to a provincial or rural area within accommodation supplement areas 3 and 4 and take up a permanent job there.***

Explanation: House prices in New Zealand are not strictly determined by supply and demand. That is why they have responded rather poorly to changes in government and RBNZ policy settings. House prices are dependent on what the banks will lend to their customers. That's why ***aggregate*** house price increases have very closely followed the increase in the broad money supply in recent decades. Relative prices between one area and another are reflected by supply and demand but not the aggregate. Those who bought houses just a few years ago for $400000 who now see their homes worth $600000 automatically have a $200000 equity. They are able to trade up to a million-dollar home because they have (under current policy) the 20% deposit needed to purchase the more expensive property. That means the LVR ratio has had the perverse outcome of ***preventing*** new prospective home owners from gaining home ownership. That is one major reason why the rate of increase in domestic credit has fallen over the past several years compared with previous years.

As banks have funded ever higher house prices (because they consider their lending safe with the 20% deposit requirement together with their assessment of their customers' ability to fund the property at market interest rates) housing affordability has declined. There are no longer as many creditworthy buyers in major price centres like Auckland where prices have approached saturation point. Overall, however, aggregate prices nationwide are still rising albeit at a somewhat slower rate as reflected in domestic credit growth. Slowing immigration may be accentuating the effect too.

RBNZ has recently floated the prospect of using of mandated LIR (Loan to income ratios). That would potentially have a larger effect on home ownership than the LVR but would again disproportionately affect those attempting to buy their first home.

On 7 November 2016, the previous government announced it would spend $300m on 1,400 "emergency housing" beds over four years of which only 600 were earmarked for Auckland. This was, I submit, an inefficient and ineffective short-term response to the housing crisis when a better alternative might be available that could help reduce the need for "emergency housing" beds.

Submission 19 would grant eligible families a lump sum deposit, identical for all applicants and sufficient to purchase a home priced up to, say, $350,000 in accommodation supplement (AS) areas 3 and 4. Those areas can be found listed at https://www.msd.govt.nz/about-msd-and-our-work/newsroom/2017/budget-2017.html

Low income families renting in Areas 1 and 2, who receive the maximum accommodation supplement, will be keen as the goal of home ownership is still very strong. Recent Government proposals to tighten visa rules for immigrant labour mean that permanent jobs may be available in rural areas for those who choose to relocate and (re)train under this proposal. A fixed grant would encourage such families to buy homes that cost less than $350,000 because it gives them more equity in their home.

If the government also offers a loan guarantee for a specified term, the banks could perhaps be persuaded (or permitted) to lend on a ten per cent deposit. The grant to each family would then be $35000. Affordable new housing can still be built in AS area 4 (and probably in some parts of AS area 3) for under $350,000 making the proposal sustainable in the long-term. New housing construction would be limited by resource constraints so the proposal would need to be progressively implemented over several years. There are thousands of homes for sale in AS areas 3 and 4 some of which could be suitable for relocated households.

By way of example, rehousing 10,000 families requiring a 10 per cent deposit for a home ($35,000 for each family), would result in a notional one-off cost of $350 million. This compares very favourably to the estimated $300 million needed to provide just 1400 "emergency housing" beds over four years as announced by the previous Government in late 2016. Ten thousand families means up to 30,000 people can be relocated, making the proposal nearly 20 times more economically efficient than the provision of 1400 beds in Auckland.

To ensure that families who agree to move can meet interest payments over the short term, the proposal could also provide for existing AS payments be continued for several years. This incurs no additional fiscal cost as the government is already paying such families the maximum accommodation supplement.

The cost of the proposal is mitigated by savings in future infrastructure and building costs as well as social costs in Auckland and elsewhere. Resettling just 10,000 families will lessen the demand for rental accommodation in Auckland and likely have a substantial impact on rental costs there. It will also have a profound, positive effect on the lives of the families who relocate as well as simplifying the implementation of basic income in the future. I have not attempted to quantify the benefits but they will be very large indeed, exceeding the relocation costs many times over.

8. THE FIVE KEY QUESTIONS

What does the future of tax look like to you?

The tax system will need to evolve to meet the future. Ways will need to be found to give value and coherence to the Living Standards Framework. Our submissions 5-20 go some considerable way to achieving that but they do mean letting go preconceived tax and economic dogma to enable TWG members to consider them on their merits. Except for Submission 3 and possibly Submissions 16 and 18 the submissions keep strictly to the Terms of Reference in that there is little no change to the total tax.

In the longer run, the tax system as it is now could, in its current form, become redundant. With a full public money system (where the banks act as Savings and Loan intermediaries and do not create bank money for profit) all government expenditure would be funded by public money provided through the reserve bank. The excess would be continuously taxed back and cancelled by applying a single

Financial Transactions Tax (FTT) on all payments from bank accounts as proposed in a limited form in Submission 5.

The beauty of the FTT is that it is extremely easy to administer, costs very little, and is 100% progressive across the whole of the productive and investment sectors of the economy. On 2017 budget figures and taking into account these submissions the FTT (including that in Submission 5) would be in the vicinity of 17.5%, not all that much more than GST is now.

What is the purpose of tax?

The purpose of tax is to fund government. Our submissions fit very well with the detailed questions set out in the TWG video clip. They seek to improve simplicity, create transformational changes by applying the Living Standards Framework and will dramatically and positively influence behaviour.

Are we taxing the right things?

I have not specifically addressed issues relating to charities and companies located in overseas jurisdictions in the submissions. Nor have I considered the issue of Trusts or the myriad tax avoidance schemes that do weigh heavily on New Zealand's tax revenue and do need to be addressed.

I submit that in an ideal world of the future there would be no tax exemptions and no need for Trusts. I did consider including in our submissions a Financial Transactions Surcharge (FTS) on all offshore payments, possibly in addition to the Financial Transactions Tax I have considered. All transactions initiated in New Zealand would have to be completed in New Zealand to avoid "bundling" and netting out of transactions offshore. An FTS would have as a main objective the correction of New Zealand's persistent current account deficit and the corresponding stabilisation of New Zealand's exchange rate. Another great advantage would be that for the first time those spending money offshore (for air travel and the importation of luxury goods, for example) would pay the true cost of that expenditure. At the moment those businesses and individuals are being subsidised in various ways by those who spend all their money locally. The revenue raised by the FTS would be used to offset domestic taxes to ensure it remains tax neutral.

Can tax make housing more affordable?

I have addressed this matter at some length in our submissions 18 and 19 under Section 7 Housing. I submit there is no such thing as affordable housing. We can make houses smaller, we can make them of lesser quality, we can perhaps reduce compliance costs though that last may be difficult given recent issues in the construction industry. We can encourage new technology such as 3-D printing of houses, though that is not as simple as in other parts of the world either given our earthquake codes. We can use modular designs and prefabrication but they have been available for decades and made little commercial progress in New Zealand.

Nor can land prices be reduced without causing serious issues in New Zealand's investment sector. The best we can do is, by managing the banking system, providing social housing, and ethically reducing population growth (in part through lower immigration) to reduce ***future increases*** in land prices.

Commented [M1]:

We can, however, reduce rental pressures, both by proposals like Submission 19 and especially by switching from electronic bank cash to electronic public cash as discussed in the submissions. Public money properly administered in the public interest will enable investment interest rates to fall to as little as 2-3% while at the same time stabilising inflation below 1%. With the money supply and inflation properly managed, the rate of return on rental housing would fall to 3% or below, reversing over time the serious imbalance between incomes and rental expectations

What tax issues matter most to you?

The most important single tax related issue is the implementation over time of a basic income that is sufficient to meet basic needs and participate in society. It can be built to a level higher than the current living wage (for various households) eliminating poverty for everyone. (We would also expect the Living Wage itself to increase beyond its current level in real terms). Capital gains tax is covered under the Financial Transactions Tax (FTT) submissions. Issues surrounding fair taxation of automation are also dealt with in part by the FTT. Under the proposals embodied in these submissions, automation should be welcomed with open arms. Not only does it provide the possibility of enhanced free time, it will free up the human capital we will need to build a society based on the core values incorporated in care, community and creativity.

30 April 2018