

Cost-of-Living Statement

Department for Social Justice
Catholic Bishops' Conference of England and Wales

27 October 2023

Introduction

“The Lord hears the cry of the poor!” (Psalm 34)

In September 2022, the Department for Social Justice of the Catholic Bishops' Conference of England and Wales issued a statement and associated briefing paper expressing concern about the increasing cost of living. Since that time, some pressures have eased. However, inflation has remained high and has had a devastating effect on many families, as have subsequent events such as increases in mortgage rates and rents.

We are also conscious that, for those families who live in or close to poverty, even an easing of the extreme events of 2022 is of little comfort. Too many people live in situations where they lack financial security and, without a transformation in their circumstances, they will continue to risk falling into a vicious cycle of poverty and debt.

Nobody should be without the basic goods and services necessary for a dignified life. As the Second Vatican Council document *Gaudium et Spes* proclaimed: “everyone must consider his every neighbour without exception as another self, taking into account first of all his life and the means necessary to living it with dignity, so as not to imitate the rich man who had no concern for the poor man Lazarus.”¹

The cost-of-living crisis reveals long-term structural problems

The cost-of-living crisis, like the Covid-19 pandemic before it, has revealed longer-term structural challenges and injustices that governments need to address. Even before the recent sharp rise in energy and food prices, nearly 10 per cent of adults of working age and 7 per cent of children lived in low-income households which also had insufficient resources to buy the basics for a decent life.² Recent events have exacerbated this situation. The twelve months to April 2023, for example, saw a nearly 40 per cent increase in foodbank use.³

As we noted in our 2022 statement, increased poverty is leading to a worsening of mental health. Family members have often had to increase their working hours and, therefore, are not always able to care for children or other family members, thus putting further pressure on both social services and family life.

¹ *Gaudium et Spes, Pastoral Constitution on the Church in the Modern World, Second Vatican Council, 1965, §27.*

² See: <https://www.gov.uk/government/statistics/households-below-average-income-for-financial-years-ending-1995-to-2022/households-below-average-income-an-analysis-of-the-uk-income-distribution-fye-1995-to-fye-2022>

³ See: <https://www.trusselltrust.org/news-and-blog/latest-stats/end-year-stats/>

We understand that the Government faces difficult decisions. The pandemic was followed by the Russian invasion of Ukraine, which contributed to the huge rise in the prices of those daily necessities on which families with more limited resources spend a large part of their income. Over a much longer time period, an ageing population will continue to create significantly increased costs for health, social care and pensions. The fracturing of families is both a cause of, and a consequence of, some of the economic pressures we face.

In addition, the Government has a duty to adopt policies that will reduce carbon emissions. These policies will lead to additional costs for households and the public purse. Pope Francis has reiterated the urgency of taking action in this regard, including most recently in his message *Laudate Deum*.⁴ Despite the other pressures we face, addressing climate change cannot be neglected.

All these factors have led to a rising tax burden on families as well as reduced support through the welfare system for the less well-off, especially for those of working age.

Yet the fact that many of the pressures facing the Government are long term in nature heightens, rather than lessens, the case for ensuring that the “preferential option for the poor” is at the forefront of the Government’s priorities. This principle requires that policies are scrutinised for their impact on the poor: “Whoever oppresses the poor shows contempt for their Maker, but whoever is kind to the needy honours God” (Proverbs 14:31). And, in this difficult environment, new policy options should be considered that will promote human dignity and the common good more effectively.

Priorities for His Majesty’s Government

It is not within the competence of the bishops to comment on the technical detail of economic policy, and we accept that there are difficult political and economic trade-offs. Catholics who contribute to political life can legitimately have different views on these matters. However, based on our pastoral experience and the principles of Catholic social teaching, we would encourage the Government to ensure the following priorities are addressed in the forthcoming Autumn Statement:

- The taxation system should treat justly those with family, child-rearing and other caring responsibilities.
- The Government should examine with urgency and seriousness how policies relating to the provision of housing can reduce costs for families and ensure that families can have a stable and decent home. Housing costs today are at their highest levels relative to incomes since the 1870s.
- The Government should not neglect the need for a just transition to greener energy but should also consider carefully how different sections of society bear the costs.

⁴ *Laudate Deum*, Apostolic Exhortation, Pope Francis, 2023

- The world's poorest people should not be further victims of the cost-of-living crisis in our own country. The Government should return to spending 0.7 per cent of national income on foreign aid.
- Welfare benefits should be fully uprated to reflect increases in the cost of living, with priority being given to families with children.
- The two-child cap on universal credit payments should be removed or, at the very least, suspended pending a review of its impact.

More generally, we ask the Government to consider how the principle of subsidiarity can be applied to our centralised system of welfare and public services to help welfare provision become more responsive to the real needs of those whom it is serving. This principle has long been part of Catholic social teaching and was raised by Pope Benedict XVI in his encyclical letter *Caritas in Veritate*: “[By applying the principle of subsidiarity] with the active participation of private individuals and civil society... it is actually possible to improve social services and welfare programmes, and at the same time to save resources”.⁵ This will also help empower people and communities to take effective action at a local level to tackle the crisis.

Moreover, Government policy must recognise the contribution that faith and other civil society groups make to the amelioration of suffering and the building of flourishing societies and ensure that their vital role is protected and supported.

An exhortation to those in public life

It is essential that political parties, and all in public life, place the common good over party interest. As the Second Vatican Council taught: “Political parties, for their part, must promote those things which in their judgement are required for the common good; it is never allowable to give their interests priority over the common good”.⁶ This means that the focus of political action and public life must be the creation of those relationships and conditions that are necessary for all to flourish and reach perfection. True flourishing goes beyond the satisfaction of material need and requires strong families, local communities and voluntary associations which, in turn, make their own contribution to human flourishing and the building of the common good.

Many Catholic organisations and Catholics in public life have done excellent work which can assist the Government in developing policy responses that truly prioritise the common good above factionalism. These include the Catholic Union of Great Britain and Caritas Social Action Network which have undertaken work on taxation and the family and housing policy respectively.

The responsibilities of employers

We recognise the responsibilities of employers at this time. Businesses, especially the owners of small and medium-sized businesses and the self-employed, may themselves be struggling with increased costs. Nevertheless, Catholic social

⁵ *Caritas in Veritate*, Encyclical Letter, Pope Benedict XVI, 2009, §60

⁶ *Gaudium et Spes*, Pastoral Constitution on the Church in the Modern World, Second Vatican Council, 1965, §75

teaching demands that, if an enterprise can afford it, it should pay a living wage to its staff. We also ask employers and managers to be aware of the stress that their staff may be under and respond with compassion and understanding at this difficult time.

Charity, social action and the work of the Church

All Catholics can play a part in influencing Government policy. As Christ said: “You are the light of the world. A town built on a hill cannot be hidden. Neither do people light a lamp and put it under a bowl. Instead they put it on its stand, and it gives light to everyone in the house” (Matthew 5:14-16).

We can vote, join political parties, stand for office and also take part in advocacy such as the recent campaigns by Caritas Social Action Network⁷. We are grateful for the work of all Catholics involved in public life and political life and in charitable and civil society movements.

More generally, we must all play our part in promoting the common good. The virtue of solidarity animates the work of Christian communities and the lives of all Christians. Pope John Paul II described how this virtue could be exercised by all, without exception, whilst noting the somewhat different responsibilities of those who are able to live more comfortably. In his encyclical letter, *Sollicitudo Rei Socialis*, John Paul II wrote: “The exercise of solidarity within each society is valid when its members recognize one another as persons. Those who are more influential, because they have a greater share of goods and common services, should feel responsible for the weaker and be ready to share with them all they possess. Those who are weaker, for their part, in the same spirit of solidarity, should not adopt a purely passive attitude or one that is destructive of the social fabric, but, while claiming their legitimate rights, should do what they can for the good of all”.⁸ Pope Benedict XVI, in an encyclical letter *Deus Caritas Est*, described how the Christians of the early Church made offerings in accordance with their means and how those offerings were used to support orphans, widows, the sick and those who, for other reasons, found themselves in need.⁹

Whatever our situation in life, we can all contribute to promoting the dignity of others and help others live a fulfilled life. This is so, even if our circumstances limit us to praying for others or offering up our own suffering. Our works of charity bring us closer to God and deepen our relationship with Him.

The history of the Church in our country is a history of devotion to God and the practice of good works by faithful Catholics, often collaborating with other Christians and all people of goodwill. This has continued throughout the current crisis. For example, the network of diocesan Caritas agencies in England and Wales has been working to support families with emergency food supplies, clothing and housing. They have been providing more debt advice than ever before as people face increased bills. Staff and volunteers from the Caritas network have been supporting

⁷ See, for example, CSAN’s letter writing campaign: <https://www.csan.org.uk/guidance/template-letter-to-your-mp/>

⁸ *Sollicitudo Rei Socialis*, Encyclical Letter, Pope John Paul II, 1987, §39

⁹ *Deus Caritas Est*, Encyclical Letter, Pope Benedict XVI, 2005, §22

refugees and people seeking asylum who are accommodated in hotels, often isolated on the edges of our towns and cities. One of the networks largest Catholic grassroots charities, the Saint Vincent de Paul Society, has been focused increasingly on social justice, especially the priority areas of digital and in-work poverty, migrants and refugees.¹⁰

We urge all Catholics to support these efforts through our wonderful network of Catholic charities and to respond to new needs in new ways at local and national level, whilst always bearing in mind that the greatest needs are not always material needs.

Once again, we applaud the work of Catholic schools that have long been supportive of, and responsive to, children in families who might be struggling financially or in other ways, and encourage them in this work.

We should never forget the spiritual needs of the poor and their special gifts. As Pope Francis wrote in *Evangelii Gaudium*: “The great majority of the poor have a special openness to the faith; they need God and we must not fail to offer them his friendship, his blessing, his word, the celebration of the sacraments and a journey of growth and maturity in the faith”.¹¹ Our parish communities must always be open to those suffering from hardship who will be in particular need of companionship and spiritual support at this time.

Finally, we offer our prayers for all those who are suffering from the cost-of-living crisis. We also offer our prayers for His Majesty’s Government, that it will govern with wisdom, justice and humility and find ways, both long term and short term, to alleviate this crisis which is having a devastating effect on so many people.

St. Thomas More, pray for our servants in public life

St. Francis of Assisi, pray for the poor

St. Elizabeth of Hungary, pray for the homeless

¹⁰ For more information on the charitable work of all Caritas Social Action Network members, please visit: <https://www.csan.org.uk/member>

¹¹ *Evangelii Gaudium*, Apostolic Exhortation, Pope Francis, 2013, §200