

Government proceeds from windfall tax must do more for those on lowest incomes, Greens say

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Responding to the Chancellor's announcement of a windfall tax on the profits of energy companies to help people pay rising costs [1], Green Party deputy leader Amelia Womack said:

"While we welcome the fact that the government has finally seen sense over taxing the 'dirty profits' made by oil and gas companies to help people pay their soaring energy bills, this announcement has come far too late and ultimately fails to get to the root of the problem.

"The government has delayed and dithered far too long over this, with a devastating impact on households up and down the country. They seem totally out of touch with the millions of people forced to choose between feeding their children or paying their bills.

"The money raised from this windfall tax should be wholly targeted towards those on the lowest incomes, who are currently facing a much higher rate of inflation because they are forced to spend so much of their income on energy costs.

"This is why we have repeatedly called not just for the restoration of the Universal Credit £20 increase but doubling it to £40 – on a permanent basis – and making sure those on legacy benefits see the same increase. We need to see a serious and permanent intervention to address the shocking and rising rates of poverty that disfigure our society.

"Now the government has finally seen sense over rising taxes to help the poorest, it must go on to look at the positive impacts even larger tax reforms could have. Well-implemented wealth, land value and carbon taxes would provide genuine support for people and planet, to ensure we tackle the energy crisis and move towards a sustainable future.

"What this Conservative government still does not understand is that the cheapest bill is the one you don't have to pay. Rishi Sunak seems to have completely missed the memo about the energy crisis and the need for energy efficiency. He should be using the money raised from fossil fuel companies to fund the evolution towards a low-energy and renewable-energy future.

"The massive profits made by the fossil companies could be used to insulate our leaky homes and to invest in renewables so that we are resilient in the face of future energy shocks."

ENDS

Notes

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