

Public Services International

Tax Justice and Anti-Corruption Declaration (Buenos Aires, 26 April 2014)

The provision of quality public services is a right for all. Ensuring that these services are adequately funded and free from corruption is essential to their provision.

Increasingly the burden for funding public services is falling on workers and pensioners. Multinationals and wealthy individuals are able to dodge taxes with impunity, leaving ordinary people to disproportionately carry the burden of taxes required to resource social services, meet the needs of citizens and fund essential economic development.

The prevailing national and international tax rules and practices are no longer able to ensure that very wealthy individuals and companies pay their fair share. Multinational companies can manipulate internal pricing to shift profits away from where the value is created. Tax havens are used by these companies and the very rich to avoid taxes and hide wealth. The same processes are used to launder the proceeds of corruption, often associated with bribes paid for corrupt privatisations. The global institutions that should be regulating these activities are not doing enough to fix these problems.

National governments are increasingly giving tax benefits to these companies, at the expense of the common good. Tax holidays and subsidies are given to large companies while workers are forced to take lower wages and bear more of the tax burden. Often this results from threats from companies to remove their investment and sometime it is simply the results of corrupt decisions. Increasingly, these benefits are given to friends and donors of the political class.

The implementation of austerity measures which aggravate poverty and inequality everywhere increases the urgent need for tax justice. The public are being made to pay for a financial crisis they are not responsible for.

The role of public control workers and tax collectors is critical to this task. No government can ensure adequate revenue is collected without adequate resources to do so. The workers in these bodies must be able to conduct their work free from fear of retribution and free to denounce corruption when they uncover it. The right to organise and form free trade unions is essential for these public workers. The right to security of employment is paramount.

We must hold our governments to account. They alone can ensure that the very rich pay their fair share. Our governments must ensure that the global institutions create fair rules that guarantee that multinational companies pay their taxes and that international systems and policies that support tax avoidance and tax havens are eliminated.

Governments must enforce fair, progressive, transparent and sufficiently resourced tax administrations.

We commit to taking action to pressure our governments to listen.

We commit to ensure the people of every country receive our fair share in public services and social protection.