



PSI / FES Global Labour Tax Summit

17-18 September 2015

International Labour Organisation (ILO), Geneva, Switzerland

CONCEPT NOTE

Public Services International, Friedrich Ebert Stiftung, unions from across the globe and the leadership of our civil society partners will convene for two days in Geneva in September to discuss recent global developments and unprecedented opportunities for workers and organised labour in the fight for tax justice.

Taxes are the price we pay to live in a civil society. Taxation funds the schools, healthcare and water essential for our communities and the infrastructure, roads, ports and energy that enables our economies. Tax promotes stability through funding justice, constrains the powerful through regulatory authorities and provides opportunity by ensuring quality public services are available on the basis of need, not ability to pay. Tax redistributes wealth so that power and privilege is not concentrated into the hands of the few. In short, tax funds democracy.

But today's tax system is unfit for purpose. It does not generate the revenue required to avoid debt or damaging austerity. In the developing world, it has failed to provide the funds needed for adequate and just development. Inadequate revenue is a cause, and an excuse, for privatisation and private sector intrusion into public services provision, despite private sector inefficiency and poor social outcomes.

Inequality soars while the richest in our world avoid paying their fair share through off-shore tax havens. Multinational companies with ever growing profits manipulate their accounts and corporate structures to exploit legal loopholes and facilitate massive theft from the communities that have generated the wealth. Tax avoidance and corruption have become increasingly intertwined.

This summit comes at a unique point in recent history. Tax scandals have become common in the past few years. Within twelve months, the world will see the next iteration of the Sustainable Development Goals and the next climate change agreement; the success of both will require significant resource mobilisation.

At the same time, the Financing for Development agenda and the G20 / OECD's review of multinational corporate tax rules will conclude. Tax has never been so prominent.

We recall that the labour movement was instrumental in the radical project to build the welfare state, which entailed a new progressive taxation system. Our challenge today is similar: to build a tax system that reflects the people's needs in the new era of global capital.

The summit will examine global tax issues from the perspective of workers and organised labour. It will feature expert presentations and strategic discussions about the role that multinational corporations play, examine national and international government actors who set the current inadequate rules, look for alternatives and commit to action.

It will build on the already substantial and growing tax justice movement including the recently launched Trento Declaration from the Independent Commission on the Reform of International Corporate Taxation (ICRICT) <http://www.icrict.org/> and the work of the Global Alliance for Tax Justice (GATJ) <http://www.globaltaxjustice.org/>.

The summit is targeted at union leaders across the globe who want to find workable answers and build political power to make sure that the wealthiest pay their fair share. Participants will be expected to commit to action when they return home, including making allies with civil society and other unions, influencing national union centres and campaigning and lobbying national, regional and international government bodies.

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