**Why Unions Care?**

**GRI Global Reporting Standards and Tax Transparency**

Multinational tax avoidance is a clear example of abusive corporate power and why unions need to fight to change the rules. ***Unions, pension funds, responsible employers and other allies must support strong proposed GRI standards for tax transparency.*** Comments need to be submitted [here](https://www.globalreporting.org/standards/media/2160/public-comment-form-exposure-draft-standard-for-tax-and-payments-to-governments.pdf) before the **15 March 2019** deadline. Materials for outreach to pension funds and investment managers and a guide to help quickly submit comments are [here](http://www.cictar.org/GRI).

Corporations that aggressively minimise tax are frequently hostile to unions and abuse workers’ rights. Corporate tax dodging has real consequences for the ability of governments to fund essential public services – like schools, universities, hospitals, aged care, public transport and other physical and social infrastructure – and provide decent jobs for workers providing those services. Tax avoidance through profit shifting – the number one tool that multinationals use – means less money on the table for unions to bargain for wage increases. Companies that do pay taxes and treat workers with respect also face an unfair competitive disadvantage from those who don’t. Corporate tax dodging intensifies inequality and drives down global standards for everyone.

The new proposed GRI standards are a significant opportunity to get multinationals to publicly disclose if tax is paid, where and how much. This won’t end tax dodging, but it will put tax avoidance in the public spotlight and make a clear case for changing the broken rules that let multinationals steal from our public coffers and undermine workers’ ability to win fair wages.

**Background: GRI & Public Country by Country Reporting (CbCR)**

The Global Reporting Initiative (GRI) has produced new DRAFT reporting standards on tax –

which include public Country by Country Reporting (CbCR) for multinationals – and is seeking public comment. This is a strong proposal, but multinationals will argue against it to try and keep the people in the dark. It is vital that ***unions voice their support, through a simple and easy on-line form, before the 15th of March.*** Unions should also encourage **pension funds, investment managers and responsible employers** to support greater tax transparency.

The GRI is an independent international organisation whose mission is to “empower decisions that create social, environmental and economic benefits for everyone.” Since 1997, GRI Standards have become the world’s most widely adopted global standards for sustainability reporting. Ninety-three percent of the world’s largest 250 corporations now report on sustainability. GRI standards are used by over 4,000 organisations in over 90 countries.

Many of the world’s largest and most dominant economic units are multinationals, not national governments. A majority of global trade is now between the subsidiaries of the same multinationals in different countries. While most government and domestic company accounts are relatively transparent, the global accounts of most multinationals are not. CbCR levels the playing field by requiring multinationals to provide a country level breakdown of activities, profits declared, and taxes paid. The reporting clarifies where corporations conduct real business activity and where profits are booked. This makes it easier to identify profit shifting for tax avoidance and jurisdictions which seek to benefit at the expense of other countries. The proposed GRI standards would dramatically enhance tax transparency for multinationals.