

Trade unions to Commissioner Semeta: Progress on addressing tax fraud and FTT needed

(24 June 2013) Progress is needed on the proposal of the European Commission on the Financial Transaction Tax (FTT) argued the trade union group in its meeting with EU tax **Commissioner Semeta**. The union delegation drew attention to [the position of the trade unions](#) and hundreds of civil society organisations that support the FTT. A recent report of the European Parliament also demonstrated cross-party support.

The Commissioner stated *"The Parliament's opinion shows that there is still strong support for an FTT at EU level."* He added that *"Bankers should work in the interest of the real economy, and our proposal would create strong incentives for them to do this."*

ETUC reiterated its [position](#) that the FTT must have the largest possible scope. It has to cover derivatives, the « repo » market, « market making » activities, intra-group transactions, the OTC market, pension funds and government bonds.

The union group also addressed the Tax action plan of the European Commission. More transparency, more binding measures and more sanctions for violators are required. In particular the unions mentioned the importance of common definitions of tax havens and dealing with profit shifting. A mandatory public registry of tax dodgers, exclusion of violators from public procurement and state funds, country by country reporting of multinational corporations on what they contribute to society in taxes are some of the measures that should be taken further. Commissioner Semeta argued that *"Fairness in taxation is crucial"*, responding to the unions point that whereas many workers are hit by austerity measures, corporations and wealthy individuals escape paying their taxes. The Commissioner stressed that the Commission proposal is ambitious and that we need Member State support to live up to it.

For EPSU **Jan Willem Goudriaan** drew attention to the discrepancy between the words and the reality as governments have [cut 50.000 jobs](#) since 2008. In the UK

close to a third of jobs have been cut, so seriously affecting the capacity of tax administrations to do their work and this questions words of good intentions announced at the G8. Governments are presenting companies with a huge present and it shows how austerity measures actually help tax fraud and avoidance. EPSU will remain in dialogue with the Commission on what can be done to strengthen tax administrations.

Last but not least the union group voiced its disappointment and anger over the [unbalanced](#) nature of the recently established [Tax Good governance group](#) which will address Tax havens and Aggressive Tax planning. While the trade union side has only one representative, our employers have several. The trade union side complained and pointed to the unrest and opposition this has created [elsewhere](#).

The trade union delegation included Veronika Nilsson, ETUC Confederal Secretary, EPSU's Deputy General Secretary Jan Willem Goudriaan, Andreas Botsch, ETUI and ETUC advisor and Elena Crasta, TUC and Robin Hood tax campaigner. The meeting took place 20 June 2013, Brussels

- For the Commission website: [Fight against tax fraud](#)
- [Country Specific Recommendations \(linked to the Annual Growth Survey and European Semester\) includes a section on tax reform](#)
- For the [EPSU position on the tax action plan of the Commission](#)
- Joint TUC - ETUC - EPSU letter to Commissioner Algirdas Šemeta
 - [Joint letter to COM Šemeta](#)
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