

## **EPSU urges the European Commission to speed up investigation into McDonalds as exploitation of workers and tax dodging continue**

(4 September 2017) Workers at McDonalds in the UK, US and many other places are out on strike today 4 September, US Labor Day Holiday. They protest against zero-hour contracts and low pay in McDonalds. This large multinational company not only robs workers of a decent wage. It avoids paying its fair share of taxes thus undermining the financing of our vital public services. EPSU co-produced the *Unhappy Meal* report in 2015 which revealed the company avoided paying 1 billion Euros in taxes between 2009 and 2013. An update of this report (2016) showed McDonald's tax dodging is growing and reached a total of €1.5 billion in 2015. The effective tax rate on the company went down from 1% in 2014 to just 0.7% in 2015.

The European Commission opened a state aid investigation into the company in December 2015. It is time for the Commission to publish its results and to move forward and broaden its investigation as earlier this year consumer groups have lodged complaints in several Member States against the franchise system the company uses. This system leads to high rents for the operators which translates in pressure on workers and higher prices for consumers. The European Parliament has equally shown an interest in these findings having investigated the company in its special tax committee hearings.

***We reject the low wage, tax avoidance business model of McDonalds and other companies says Jan Willem Goudriaan, General Secretary of EPSU, Europe's largest union group of public service workers. We respect the Commission is to operate carefully in its investigation, but it is now over a year and half since the state aid enquiry has been launched. The exploitation and tax dodging continue.***

### **Background**

The strikes are organised by fastfood workers in McDonalds. The protests will be joined by hospital, home care and other workers in the US. They demand 15 dollars an hour minimum wage. For the first time in the history of the McDonalds UK

workers will strike in Cambridge and Crayford. These workers seek a 10 Pound an hour minimum wage.

There is a long list of complaints against McDonalds, the world's second largest employer. Its exploitation of workers through low pay has been well documented. Women have complained of sexual harassment in its stores. Lack of proper health and safety has caused injuries and burns from grease. It has a history of preventing its workers to organize in trade unions.

For an overview of actions 4 September please check the [website of Fightfor15](#) or follow on twitter @fightfor15 or #McStrike

For more information on [McDonalds tax avoidance](#) and the reports of a coalition on union groups

For information of [the Commission investigation of McDonalds](#)

For the national consumer complaints "[Fat rent excesses at McDonalds should raise EU attention](#)" and the [McLandlord report](#)

Workers [Abuse in McDonalds \(Google\)](#) and [a report](#)

The Interest of the European Parliament in [McDonalds tax avoidance](#) and [working condition policies](#)

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