



**EPSU/PASYDY Press release, 06 December, Nicosia, Cyprus**

**Austerity facilitates tax dodging in Europe  
Public service unions' campaign to crack down on tax dodgers  
not public sector workers**

(6 December, Cyprus) A delegation of EPSU, the European Federation of Public Service Unions, in cooperation with its Cypriot affiliate, PASYDY, meet yesterday on 5 December in Nicosia to implement the EPSU campaign against tax fraud and avoidance. The meeting coincides with the European Commission's new plan to tackle tax fraud including tax heavens expected to be published today.

Amid recent scandals involving companies such as Starbucks, Google, Amazon that are using tax heavens and accounting rules to avoid paying their fair share of corporate tax, EPSU highlights the link between the scale of tax fraud and job cuts in tax services in Europe.

*"Europe is facing many crisis but not a cash crisis, there is money and lots of it around that governments must recoup as a matter of urgency to finance public services and restore growth and jobs especially for the young."* says **Carola Fischbach Pyttel**, EPSU general secretary

Every year, it is estimated that € 1 trillion ( €1000 billion) of public revenues are lost in tax fraud, which is illegal, and tax avoidance, which can be legal but not acceptable.

The missing €1Trillion represents twice the EU national public deficits, 19 times EU development aid spending, and the equivalent of all healthcare spending.

Yet instead of being tough on tax dodging and investing in tax services that bring in much revenue, most EU governments cut jobs in tax services from a high -20% down to -2%.

**Glaftos Hadjipetrou**, General Secretary of PASYDY said *"Instead of investing in tax services, supporting an EU tax on financial transactions, and taking bold actions against tax dodging and low corporate tax, the government opts for austerity for the majority and tax amnesty for the very rich. My union actively supports the EPSU campaign. Fighting tax dodging is a central alternative to the cuts ideology in most EU countries including Cyprus as part of the Troika loan conditions."*

The EPSU campaign seeks to expand national tax justice campaign across Europe and contribute to a policy change to austerity. It is part of a tax justice agenda for fair and progressive taxation including a European tax on financial transactions, a common corporate tax and the eradication of tax heavens. The website of the campaign [www.notaxfraud.eu](http://www.notaxfraud.eu)

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*EPSU is the European Federation of Public Service Unions. It is the largest federation of the ETUC and comprises 8 million public service workers from over 275 trade unions; EPSU organizes workers in the energy, water and waste sectors, health and social services and local and national administration, in all European countries including in the EU's Eastern Neighborhood. EPSU is the recognized regional organization of Public Services International (PSI).*