



PRESS RELEASE

Brussels, 3 December 2015

Taxpayers are lovin' it: Commission opens state aid investigation into McDonald's tax arrangements

Today a Coalition of European and American trade unions formed by SEIU, EPSU and EFFAT, joined by the anti-poverty campaign group War on Want, applauded the European Commission as it formally opened a state aid investigation to scrutinise McDonald's tax arrangements in Europe.

This Coalition, representing 15 million workers globally in different sectors of the economy, urges the Commission to pursue the case vigorously, and ensure that McDonald's is held accountable.

"For too long, McDonald's has stashed billions in tax havens and ducked contributing to state coffers while simultaneously imposing poverty wages on its workers. McDonald's has a clear record of mistreating workers and communities virtually everywhere it operates, and it's time that the company be held accountable" said Scott Courtney, organising director at SEIU.

Earlier this year, the Coalition had provided market information to the European Commission and the European Parliament and launched the "Unhappy Meal" report which highlighted how McDonald's dodged up to €1 billion in tax payments in Europe in the period 2009-2013.

In its press release, the European Commission notes that McDonald's Europe Franchising has paid virtually no corporate tax in Luxembourg nor in the US since a tax ruling with Luxembourg in 2009.

McDonald's tax arrangements have attracted the attention of tax authorities across the world. Investigations have been initiated in at least 6 countries since 2005, including in France, where tax authorities launched an investigation into Luxembourg-Swiss structure in 2013.

At the same time, McDonald's is under global scrutiny for its mistreatment of workers, such as the 'zero-hours' contracts it forces on staff in the UK, and bad corporate citizenship.

In August, one of Brazil's most powerful unions, the General Workers' Union (UGT), [filed a complaint](#) asking Brazil's public prosecution service to open a civil inquiry into allegations of tax dodging, unfair competition, and violations of franchise laws by McDonald's. The tax complaint was filed just days before McDonald's workers and elected officials from around the world testified at an unprecedented global hearing before the Brazilian Federal Senate on the negative social impact of McDonald's business model worldwide.

Background

The [Unhappy Meal](#) report was published in January 2015 by a coalition of European and American trade unions, representing more than 15 million workers in different sectors of the economy in 40 countries, and War on Want, the UK-based anti-poverty campaign group. It was the first time they had joined forces to highlight an example of corporate tax avoidance, a critical issue affecting the future of democracy and the welfare state.

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About EPSU:

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 265 trade unions; EPSU organises workers in the energy, water and waste sectors, health and social services and local, regional and central government, in all European countries including the EU's Eastern Neighborhood

EPSU is the recognized regional organization of Public Services International (PSI).

For more information please go to: <http://www.epsu.org>

About SEIU:

The Service Employees International Union (SEIU) unites 2 million diverse members in the United States, Canada and Puerto Rico. SEIU members working in the healthcare industry, public sector and in property services believe in the power of joining together on the job to win higher wages, benefits and create better communities, while fighting for a more just society and an economy that works for all of us, not just corporations and the wealthy.

About EFFAT:

EFFAT is the European Federation of Trade Unions in the Food, Agriculture and Tourism sectors. As a European Trade Union Federation representing 120 national trade unions from 35 European countries, EFFAT defends the interests of more than 22 million workers towards the European Institutions, European employers' associations and transnational companies. EFFAT is a member of the ETUC and the European regional organisation of the IUF. www.effat.org

About War on Want:

War on Want fights poverty in developing countries in partnership with people affected by globalisation. We campaign for human rights and against the root causes of global poverty, inequality and injustice.

War on Want works with some of the bravest and most inspiring groups in the world. In rural communities, in factories and sweatshops, in conflict zones and on the margins of society, we work with people fighting for real, lasting change