



FES-PSI
Tax Justice workshop
June 27 to 29, 2016
Kingston, Jamaica



Promoting prosperity for all

The context

In 2015, world leaders signed on to a number of key agreements:

1. The 2030 Agenda for Sustainable Development, a universal development framework applicable to all countries in each region of the world.
2. The Financing for Development (FfD) conference, which produced the Addis Ababa Action Agenda (AAAA)
3. The first ever universal, legally binding global climate deal, the Paris Agreement on Climate Change

We all have a stake in these agreements: no matter what part of the world you live in. All this has happened in the face of increasing inequalities and increased poverty worldwide. While some have prospered, even more are struggling to survive. The Caribbean is no exception to this. And as Caribbean economies grapple with high debt, low growth, the devastating effects of climate change, marginalisation and a fragile regional integration movement, policy makers and the general public struggle to find the answers.

In the early days of independence Caribbean economies prospered. Governments invested in education, roads, communications, health care and other key public services to build countries and raise the living standards of people. Austerity is now the norm. The public is being asked to accept cuts to services that they desperately need, while at the same time being asked to pay more taxes. Governments are re-thinking how they collect taxes. Large corporations – many of them bigger than governments - are dictating what happens. And they don't pay their fair share of taxes. Multi-national corporations (MNCs)/Multi-National Enterprises (MNEs), operating in a globalised world are using 80-year old rules to keep more and more profits in the hands of a few.

These large companies avoid taxes through a range of strategies that are usually linked. They may threaten to withhold investment in countries if they do not receive tax holidays, they use secrecy jurisdictions and tax havens and have complicated corporate structures that shift profits to low tax jurisdictions. The Panama Papers and other recent scandals have put tax avoidance, tax evasion and corruption in the spotlight. And the public is asking questions and calling for change. Multinationals must pay their fair share.

PSI's position and strategy

Public Services International is a global trade union federation representing 20 million working women and men who deliver vital public services in 150 countries. PSI champions human rights, advocates for social justice and promotes universal access to quality public services. PSI works with the United Nations system and in partnership with labour, civil society and other organisations. In the Caribbean, PSI has 23 affiliates in 20 countries and territories. In Jamaica, PSI's two affiliates are the Jamaica Association of Local Government Officers (JALGO) and the Jamaica Civil Service Association (JCSA).

Since 2013 PSI has played a leadership role in the growing tax justice movement. Working with civil society and the broader labour movement, PSI has played a unique role in bridging the gap between the two. PSI also benefits from being the global union representing tax administrators. PSI's unique leadership role has included:

- Chairing the Council of Global Unions (CGU) Quality Public Services (QPS) Working Group that oversees global union co-operation on tax justice
- Founding member of the civil society Base Erosion Profit Shifting (BEPS) Monitoring Group
- Working with TUAC to monitor BEPS for the trade union movement,
- Founding Committee Member of the Independent Commission on Reform of International Corporate Taxation (ICRICT) representing global unions
- Close collaboration with the Global Alliance on Tax Justice (including PSI holding the trade union position on the GATJ Global co-ordinating committee)
- Joint work with FES, the Debt and Development movement, Oxfam, Action Aid and others to build capacity in unions on tax justice and the related issue of anti-corruption.

Objectives

PSI's general secretary, Rosa Pavanelli, articulates PSI's position on tax justice.

"Tax justice is about social justice and fighting inequality. Tax justice is about redistributing wealth by funding the vital public services such as health and education that help end poverty and inequality. Reforming national, regional and international tax systems and removing counter-productive tax incentives will lead to substantially increased budgets for countries to finance the post-2015 agenda and pay for improved public services including education, healthcare, clean water and sanitation, energy, housing, transportation, and development initiatives."

PSI has aligned its anti-corruption campaign to the fight for global tax justice and the need to protect whistleblowers because it recognises that corruption does not exist in a vacuum. People working in financial services may have seen early warning signs which, had policies been in place for these to be dealt with in a stringent and robust way by the companies, could have prevented the 2008 crisis that has been used to justify extreme austerity policies.

“Corruption undermines the public funding of public services, transparency and credibility of government, ultimately undermining democratic institutions. Corruption will never be addressed seriously if we cannot protect those who stand up against exploitation, crime and capture of the state. This is why PSI campaigns for the creation of an international labour standard for the protection of whistleblowers. We need to ensure the labour protection of whistleblowers to safeguard their employment status, as well as their current and future income. The creation and adoption of such a standard by countries will be the real measure of their commitment to fight corruption.”

Rosa Pavanelli, PSI general secretary

This workshop, organised with the support of the Friedrich Ebert Stiftung (FES), continues our work in building union capacity to advocate for tax justice and to influence global tax policy through advocacy at national and global levels.

Participants

The majority of participants are drawn from PSI’s two affiliates: JALGO and the JCSA. There are also representatives from the national centre, the Jamaica Confederation of Trade Unions (JCTU). Trade unionists from selected Caribbean countries as well as Canada are also taking part to share their perspectives as well as to work in partnership to develop a Caribbean campaign on tax justice. These trade union representatives are part of the leadership of their organisations. They also work in agencies and institutions that are involved in tax administration, audit, policy units and agencies responsible for negotiating treaties.

Aims of the workshop

At the end of the workshop, participants will:

- understand the important role of trade unions in effectively influencing national, regional and international tax policy;
- have agreed on clear policy positions on tax justice;
- have developed plans for campaign work on the issues;
- have recommend strategies to collaborate with private sector unions and civil society.

The workshop seeks to drill down and unpack the issues from a national and Caribbean-wide perspective, while making important linkages to global campaigns. PSI in the Caribbean also recognises that traditional approaches, arguments and solutions will not be sufficient to deal with these ‘new’ issues and overcome the complex and interconnected challenges we face. Therefore, the workshop embraces innovative and creative thinking, challenges the status quo and promotes progressive thought.

Our intention is to create a “slow thinking space” to build a community of thought and action that will help us to achieve the above aims and contribute to the broad objectives.

Draft annotated programme

Monday June 27		
8:45 am	Networking An opportunity for participants to mingle and start to build connections.	
9:00 am	Welcome <ul style="list-style-type: none"> • <i>Helene Davis-Whyte</i>, Jamaica Confederation of Trade Unions (JCTU) • <i>Roland Ignacio</i>, ABVO Curaçao 	
9:10 am	Participant Introductions	
9:20 am	About the workshop <ul style="list-style-type: none"> • <i>Sandra Massiah</i>, PSI in the Caribbean Expected outcomes, methodology	Click or tap for more info on PSI's global campaign on tax justice and public funding
9:30 am	Gender and Tax Justice <ul style="list-style-type: none"> • <i>Judith Wedderburn</i>, Institute of Law and Economics (ILE) <p>A key aspect of the tax justice campaign is to highlight the strong gender dimension. Economic inequality is strongly gendered and women and girls disproportionately use public services and social protection floors. Development strategies that ignore gender are likely to be less successful. Therefore, a key aspect is to strengthen the debate about tax and gender. PSI wants to train and develop a group of men and women who can advocate for gender perspectives in the tax debate.</p>	Taxing men and women: why gender is crucial for a fair tax system , Christian Aid Why is tax a feminist issue? Gender Issue of tax Justice Focus

11:00 am	B R E A K	
11:20 am	<p>Small group activity: Tax is not a dirty word</p> <ul style="list-style-type: none"> • <i>Sandra Massiah</i>, PSI (15 mins) • Group activity (40 mins) • Discussion (35 mins) • Respondents: <i>O'Neil Grant</i>, Jamaica Civil Service Association (JCSA); <i>Winnifred Meeks</i>, Jamaica Association of Local Government Officers <p>Mention taxes, and many cringe - individuals and companies alike. Why?</p> <p>In small groups, participants will explore views about taxation and the type of tax systems in their countries. The discussions and information provided will help participants to develop a better understanding and be clearer on why we need public spending.</p>	<p>“Tax is not a dirty word; it’s a privilege: Mallick”</p> <p>Oxfam’s paper on the role of public services in fighting inequality</p> <p>Why we need public spending</p>
1:00–2:15 pm	L U N C H	
2:20 pm	<p>Jamaica’s Tax Policy and Tax System</p> <ul style="list-style-type: none"> • <i>Monica Walker</i>, Senior Technical Specialist, Tax Administration Jamaica (TAJ) • <i>Ian Scarlet and Pamela Folkes</i>, Tax Reform Unit, Ministry of Finance • Moderator: <i>Tifonie Powell</i>, Jamaica Civil Service Association (JCSA) <p>Taxation and tax reform are hot topics in Jamaica. Not only because of recent changes in the system, but equally so because of Jamaica’s current arrangement with the IMF. Tax and tax issues also feature prominently in the debates on high debt and low growth across the wider Caribbean.</p> <p>Where will the money come from to fund public services?</p> <p>Areas to be covered include:</p> <ul style="list-style-type: none"> ▪ Brief history of the tax system in Jamaica ▪ Jamaica’s tax policy 	<p>Tax Administration Jamaica</p> <p>Tax Reform Jamaica</p> <p>Foreign Account Tax Compliance Act (FATCA)</p>

	<ul style="list-style-type: none"> ▪ The impact of the Foreign Account Tax Compliance Act (FATCA) on the work of TAJ ▪ The regime of tax incentives. Who benefits? ▪ The rate of tax compliance in Jamaica (a) for individuals; (b) for corporations ▪ The role of the Tax Reform Unit ▪ The impact of the reforms 	
4:00 pm	<p>Round Table Discussion 1: Paradise lost? Tax treaties, tax havens and secrecy jurisdictions</p> <ul style="list-style-type: none"> • <i>Ricardo Kellman</i>, National Union of Public Workers, Barbados • <i>Kiel Connor</i>, Anguilla Civil Service Association • Moderator: <i>Sandra Massiah</i>, PSI <p>The revelations from the Panama Papers have added to the growing concerns about tax havens and secrecy jurisdictions. The Caribbean has figured very prominently in these discussions with a number of countries in the sub-region being labelled as tax havens. A number of these countries have negotiated tax treaties, with Barbados having as many as 15 double taxation treaties.</p> <p>At the same time, British Overseas Territories are under close scrutiny, including the fact that British tax payers are not happy that aid goes to countries that charge “... <i>no income, capital gains or any other form of direct taxes on residents or companies...</i>”</p> <p>Questions to be answered include:</p> <ul style="list-style-type: none"> ▪ What is the history and purpose of double taxation treaties (DTTs)? ▪ How do these countries respond and react to the label of “Tax haven”? What are the views of young people? ▪ Is enough being done to ensure that there is an end to double non-taxation? ▪ What impact has the so-called ever-shifting goal posts had on public sector agencies charged with negotiating tax treaties and regulating tax compliance of MNCs? 	<p>Panama Papers</p> <p>Barbados has as many as 15 double taxation treaties</p> <p>large sums of direct investment in Barbados,</p> <p>Canadians for Tax Fairness</p> <p>low or no tax jurisdictions</p> <p>UK government did not approve the country's budget. It was subsequently approved in April 2016.</p> <p>Public service perspective on the Panama Papers</p> <p>Why unfair tax treaties hold back developing countries</p> <p>Commonwealth Roundtable focuses on the impact of international tax policies</p>
5:15 pm	END OF DAY ONE	

Tuesday June 28		
8:45 am	Networking	
9:00 am	Review of Day 1	
9:30 am	<p>Fighting corruption – Roles of the social partners</p> <ul style="list-style-type: none"> • <i>Helene Davis-Whitely</i>, Jamaica Confederation of Trade Unions (JCTU) • Representative of the Commission for the prevention of corruption (tbc) • Representative of Civil Society Forum (tbc) • Moderator: (tbc) <p>PSI has aligned its anti-corruption campaign to the fight for global tax justice and the need to protect whistleblowers because it recognises that corruption does not exist in a vacuum. People working in financial services may have seen early warning signs which, had policies been in place for these to be dealt with in a stringent and robust way by the companies, could have prevented the 2008 crisis that has been used to justify extreme austerity policies.</p> <p>Discussants will cover:</p> <ul style="list-style-type: none"> ▪ Brief history of the Commission, highlighting the role it is expected to play ▪ Main provisions of the Prevention of Corruption Act ▪ Highlights of the protections for whistle blowers ▪ The impact of the provisions ▪ Views and concerns about corruption and the delivery of services ▪ Thoughts on the role of trade unions in the fight against corruption ▪ Recommendations to the Commission 	<p>Commission for the prevention of corruption</p> <p>Transparency International – country profiles</p> <p>OAS convention against corruption</p> <p>protect whistleblowers</p>

11:00 am	B R E A K	
11:30 am	<p>Tackling tax avoidance and tax evasion</p> <ul style="list-style-type: none"> • <i>Scott Chamberlain</i>, Association of Canadian Financial Officers (ACFO) <p>ACFO has played a key role in Canada and internationally on tax avoidance, tax evasion and whistle blowing.</p> <p>This session highlights practical examples of the union's work on these issues.</p>	<p>ACFO and Whistle blowing</p> <p>Panama papers underscore importance of internal work</p> <p>Funding democracy summit</p> <p>ACFO, KPMG and the Isle of Man</p> <p>Tax loopholes cost Canada billions in lost revenue</p>
1:00–2:15 pm	L U N C H	
2:20 pm	<p>Small Group activity: Building trade union power</p> <ul style="list-style-type: none"> • <i>Sandra Massiah</i>, PSI (15 mins) • Group activity (45 mins) • Discussion (30 mins) • Discussion leaders: <i>Roland Ignacio</i>, ABVO Curaçao; <i>Helene Davis-Whyte</i>, JCTU; <i>Scott Chamberlain</i>, ACFO <p>The role of trade unions in relation to whistleblowing is frequently seen as reactive and defensive. Some suggest a more proactive and collective role for trade unions would be to negotiate whistleblowing policies and procedures at the workplace.</p> <p>In this session, participants will explore what their unions can and should do in a number of areas:</p> <ul style="list-style-type: none"> ▪ Organising and representing members who are responsible for auditing, tax administration and similar functions; ▪ The whistleblowing process; ▪ Building the capacity of activists in dealing with these issues; ▪ Building alliances with civil society organisations and others to promote tax justice and in the fight against corruption 	

4:00 pm	<p>Engaging the public: Where does the money come from? What is it spent on?</p> <ul style="list-style-type: none"> • <i>Dwayne Gutzmer</i>, Institute of Law and Economics (ILE) • Respondents: <i>Shamir Brown</i>, JALGO; <i>Camelia Bryson</i>, JCSA; <i>Ricardo Kellman</i>, NUPW Barbados; <i>Kiel Connor</i>, ACSA <p>The ILE will demonstrate its work on the Citizens' Budget.</p> <p>"The basic objective of this publication, is to provide you with a guide to understanding the National Budget so that you can explore and better understand the data provided by the Government of Jamaica, and with greater confidence."</p> <p>Is this useful for our work in the trade union movement to explain how money is spent on public services?</p> <p>Is it an example of the type of communications media we should use to inform and educate people about taxes and taxation issues?</p>	The Citizens' Budget
5:20 pm	Wrap up and conclusions	
5:30 pm	END OF WORKSHOP	

On Wednesday June 29 from 9:30 am to 12:30 pm, PSI affiliates will meet in a de-briefing session to plan national actions for the Tax Justice campaign.

The agenda will be circulated separately.