

# UNISON WALES BRIEFING: ROBIN HOOD TAX

## SUMMARY

**Eight Welsh councils (including Cardiff, Swansea, Bridgend, Caerphilly) currently back the *Bring Robin Home* campaign, calling on the government to introduce a Robin Hood Tax (i.e. financial transactions tax) in order to raise billions to fund public services. For more information, please visit the campaign website [www.robinhoodtax.org.uk/bringrobinhome](http://www.robinhoodtax.org.uk/bringrobinhome).**

### WHAT IS THE FINANCIAL TRANSACTIONS TAX (FTT)?

The Robin Hood Tax (RHT) - Financial Transactions Tax - would roll out the current tax on the purchase of shares to other financial assets, such as bonds and derivatives. This could raise £25 billion<sup>1</sup> of additional revenue every five year parliament, potentially providing a new source of funding for local councils. The RHT would also help encourage traditional longer term approaches to investment as opposed to extremely short-term, speculative behaviour that characterised the conditions that led to the financial crisis. The UK already has an FTT on share sales, but loopholes mean a large portion of

this is lost. Extending this FTT would not require an entirely new system to be introduced.

### HOW COULD THIS BENEFIT WALES?

With a Robin Hood Tax raising an additional £25bn every 5 years, its impact on investment in public services and infrastructure could be huge!

- The extra money from four months of an improved UK FTT could reverse all cuts to total Welsh Government spending since austerity began<sup>2</sup>
- The extra money from two weeks of an improved UK FTT could prevent the need for further cuts to Welsh Government spending on public services over the next few years<sup>3</sup>
- The extra money from ten days of an improved UK FTT could return adult social care services for each vulnerable older person in Wales to the level provided before austerity began<sup>4</sup>
- The extra money raised from six weeks of an improved UK FTT could replace all funding currently provided by the EU for development in rural and deprived parts of Wales<sup>5</sup>

 **THEROBINHOODTAX** 

  
**UNISON**  
*Cymru Wales*

## HOW CAN WE HELP MAKE THE ROBIN HOOD TAX A REALITY?

Lobby your councillors! We're asking UNISON members and branches to lobby their councillors, encouraging them to pass a motion at Full Council meetings that calls on the government to modernise the existing FTT to raise billions for public services.

Here's the short version of the motion:

*This council notes the suffering forced upon local residents as a result of this government's cuts programme and asserts that there is an alternative to its ideologically driven attack on public services – namely the levy of a Financial Transactions Tax on the speculative activities that have accelerated the recent enrichment of the few to the detriment of the many. The council therefore calls upon Government to enact the FTT and use the revenues from this measure to reverse ongoing shrinkage in the block grant to Wales, so that the Welsh Government can pass on fair funding for our council.*

For more information on how to lobby your council on the Robin Hood Tax, please visit our campaign website: [www.robinhoodtax.org.uk/bringrobinhome](http://www.robinhoodtax.org.uk/bringrobinhome)

For interested councillors, why not visit our Councillors Hub here (including a template motion, press release, fast facts etc.): <https://www.robinhoodtax.org.uk/local-councillors-hub>

Any questions? Drop us an email at [action@robinhoodtax.org.uk](mailto:action@robinhoodtax.org.uk)

<sup>1</sup> Intelligence Capital, Improving Resilience, Increasing Revenue: The Case for Modernising the UK's Stamp Duty on Shares (2017), via [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=2908464](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2908464)

<sup>2</sup> £1.7bn cuts between 2010/11 TME of £15.8bn (£18.6bn in 2016 prices) and 2017/18 TME of £16.9bn (2016 prices) (TME includes RDEL, CDEL and AME)

<sup>3</sup> £175m cuts projected between 2017-19 to Welsh Government RDEL and CDEL spending (AME not included) (2017 prices)

<sup>4</sup> £130m to return per capita social care spending levels for over 65s to 2010 levels: [http://www.walespublicservices2025.org.uk/files/2017/03/Wales-health-and-social-care-final\\_amended\\_04-2017.pdf](http://www.walespublicservices2025.org.uk/files/2017/03/Wales-health-and-social-care-final_amended_04-2017.pdf)

<sup>5</sup> £500m cost to replace all EU funding for rural and regional development schemes after Brexit: <https://www.ifs.org.uk/uploads/publications/docs/IFS%20report%20R120.pdf>

