

**RESOLUTION No. 4**  
**Institutional Reform –**  
**Social Safety Nets and Taxation/Fiscal Policy**

The Second Regional General Council of the International Trade Union Confederation – Asia Pacific held in Bangkok from 4 – 6 November 2008:

- NOTED WITH** deep concern the growing inequality and inequity in the region and globally that is mainly due to the weak redistribution mechanisms of national wealth and income including inadequate social safety nets and inefficient fiscal policy and taxation;
- NOTED WITH** regret that the coverage of social safety nets in many countries in the region is not universal and usually exclude people in the informal economy, agriculture workforce, migrant and atypical workers;
- REAFFIRMS** that social safety nets are mechanisms reflecting universal minimum floor for decent work and decent standard of living and are essential parts of government policy on social development where national revenue from taxes and other sources should be extensively used;
- CONCERNED** that the impacts of taxes on redistribution of national income is limited and that there is a trend towards less taxation on assets, more taxation on consumption, the reduction of corporate tax; and the inadequate government budgetary allocations for social expenditure such as education and training, and health as opposed to the larger allocations for military expenditure and debt servicing;
- DEMANDS** institutional reforms for better and adequate social safety nets and fiscal policy including taxation with equity considerations leading to equitable redistribution of national wealth and where gender equity is assured as well as that where applicable such reforms should not be compromised in meeting the policy recommendations of international financial institutions by governments;
- DEMANDS** that employers share gains from production and other operations with their workers and that they pay the proper taxes to government;
- CALLS** for the involvement of trade unions in such institutional reforms in their engagement with governments and regional, global agencies and employers' organisations for equitable development as trade unions being democratic and membership-based organizations represent a vital section of society i.e. workers;

**DEMANDS**

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**URGES ON**

ITUC and ITUC-AP to support national actions for raising awareness of social safety nets and taxation/fiscal policies and appropriate trade union action.