

United Brotherhood of Carpenters and Joiners of America (UBC)

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Carpenters to Kick Off Protests Against Tax Fraud Across Canada and the United States

Washington, D.C. – The United Brotherhood of Carpenters and Joiners of America (UBC) announced that its regional council affiliates will hold more than 100 Days of Action events in the U.S. and Canada, April 13 – 15, to protest against construction industry tax fraud. Details on the actions can be found at StandingUpToTaxFraud.net.

“April 15 is the date when individual tax returns are due in the U.S., said Frank Spencer, General Vice President of the UBC. “However, throughout the industry, many crooked construction companies routinely fail to deduct and pay income and employment taxes on at least 1.5 million U.S. construction workers per year. Some 1.2 million workers are simply paid off-the-books.

“We will not sit idly by while crooked contractors and labor brokers steal jobs and commit fraud—fraud that rips off workers, good employers, our provincial, state and federal governments and taxpayers,” Spencer added.

The UBC’s best estimate, based on studies done at the state level, is that in the U.S. the underground economy in the construction industry (which includes failure to properly withhold state and federal taxes and underpayment of unemployment insurance and workers compensation premiums) amounts to some \$148 billion. According to Statistics Canada, the residential construction industry there is the largest contributor to the underground economy there, accounting for just over a quarter of the total, or \$13.7 billion.

Examples of planned Days of Action events include informing taxpayers about fraud in the construction industry when they drop off their returns at post offices on April 15. At the state capitol in Harrisburg, Pennsylvania, carpenters will be joined by legislative leaders and Attorney General Josh Shapiro, all of whom will speak on the fraud problem. Carpenters also will rally at Freedom Plaza in Washington, D.C., with speakers from city government. In Toronto, Ontario, carpenters will be at City Hall urging policymakers to fight back against fraud.

“Good employers and their employees shouldn’t lose work to crooked contractors who cheat on their taxes and insurance premiums and commit wage theft,” Spencer said

“The money being lost to tax fraud can be put to work fixing our infrastructure and building schools.” It can care for our veterans, our kids, our security and our social safety net. It’s not just construction workers and law-abiding businesses who lose out, it’s everyone,” Spencer said.

“It’s tax fraud, because it’s the taxes that you and I pay that are being manipulated,” said Joe Hogsett, Mayor of Indianapolis. “From neighborhood-based programs, to major initiatives, to the public/private partnerships that drive our city forward – all of these things are only possible when everyone pays their fair share.”

“We need to fully fund our tax and employment law enforcement agencies and hold contractors responsible,” said Spencer. “All we and law-abiding contractors and taxpayers are asking for is fairness.”

The United Brotherhood of Carpenters represents over 500,000 members and strives to build a strong construction industry with contractors across the United States and Canada.

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