

McGuinty Government Hammers Ontario Tradespeople with \$84 Million Trades Tax

Historic new tax offers no benefit to hard working tradespeople

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Toronto - The Ontario Construction Employers Coalition is calling a proposal to impose membership fees on the province's skilled trades workers and employers nothing short of an \$84 million tax grab that should be scrapped.

"This is a huge amount of money the McGuinty government wants to pick from the pockets of Ontarians who work hard to make their living in the skilled trades," said Sean Reid, Coalition chair.

The McGuinty government's newly created Ontario College of Trades has asked for responses by Sunday, June 3rd, for proposed membership fees.

"A scant list of five bullets of proposed "benefits" doesn't even come close to justifying an \$84 million price tag for Ontario tradespeople and their employers. The Ontario College of Trades has yet to demonstrate any benefits to our industry that don't already exist today without the College," said Karen Renkema, Coalition vice chair.

The reality is \$84 million is a conservative estimate based on Ministry of Training, Colleges and Universities figures, only counting registered apprentices, journeymen and employers today. It does not include the 100s of thousands of skilled Ontario tradespeople who are not currently registered, and whom the College aspires to tax as soon as possible. If this occurs, the \$84 million tax will balloon exponentially.

What makes the proposed tax all the more brazen is that it's for benefits the government either can't possibly deliver, or for services it is already charging tradespeople for today through the Ministry of Training, Colleges and Universities. "While the College's benefits are highly questionable, the College's future as a job killer is certain," said Reid.

The Ontario College of Trades is proposing to impose the following annual membership fee ranges:

- \$50 - \$100 for Apprentices
- \$100 - \$200 for Journeypersons
- \$100 - \$600 for Employers depending on whether they are small, medium or large
- \$50 - \$100 for a new class of Tradesworkers (compulsory and voluntary)

In its formal submission to the Ontario College of Trades, the Coalition outlines several concerns, including a lack of transparency and information around the College's budgetary requirements, future business plans, and how the College will be financially accountable to

Ontarians.

“Without transparency, accountability, or explanation of any real benefits to the skilled trades sector, the College is in no position to impose a new \$84 million tax on Ontario trades workers and employers, and we’re in no position to accept it. This entire process is flawed,” Reid added, “and that’s why this membership fee proposal must be scrapped.”

About the Ontario Construction Employers Coalition

Members of the Ontario Construction Employers Coalition employ more than 80,000 skilled tradespeople across Ontario.

The Coalition includes:

- HCAT - Heavy Construction Association of Toronto
- Merit Ontario
- OEL - Ontario Electrical League
- OGCA - Ontario General Contractors Association
- ORBA - Ontario Road Builders Association
- OSWCA - Ontario Sewer & Watermain Contractors Association
- PCA - Progressive Contractors Association of Canada
- RESCON - Residential Construction Council of Ontario

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