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Union Carpenters and Allies Hold Events Across the United States and Canada to Protest Employer Tax Fraud and Worker Abuse in Construction, April 12–18

Washington, D.C. — The United Brotherhood of Carpenters and Joiners of America (UBC) announced that its regional affiliates will hold Days of Action events April 12 – 18, 2025, to educate the public and protest widespread construction employer tax fraud and abuse of workers in the United States and Canada.

Details of the events can be found at StopTaxFraud.net/StandUp.

State and federal tax losses reach at least \$10 billion a year due to schemes used by perpetrators of fraud and abuse. Many employers deliberately misclassify workers as independent contractors or pay them off the books to avoid paying employment taxes.

A 2023 [national study](#) gives evidence of the toll that tax fraud takes. Using conservative estimates, the study found that up to 2.1 million construction workers, or 19 percent, are misclassified as independent contractors or paid off the books. Workers are deprived of \$1.9 billion in overtime wage theft, and working families suffer a \$5.1 billion tax increase because crooked employers shift their own responsibility to pay employment taxes onto their workers' backs. In addition, workers' compensation insurers lose \$5 billion to employer premium fraud.

In addition, according to a [new study](#) by the Economic Policy Institute, a typical construction worker who is paid as an independent contractor can expect to lose as much as \$19,526 per year in income and benefits compared with what they would have earned as a W-2 employee.

Other fraud schemes include using shell companies and shady banking practices, laundering money, refusing to pay overtime, labor trafficking, child labor, and falsifying workers' compensation data to avoid paying premiums. Immigrant workers are especially vulnerable to abuse and often fear standing up for their rights.

Tax fraud is a scourge in Canada as well. According to a recent study, Ontario alone loses up to \$3.1 billion a year in federal and provincial taxes and Workplace Safety Insurance Board (WSIB) premiums. Nationwide, Statistics Canada indicates the underground economy amounts to \$61.2 billion. Twenty-six percent of that, or \$13 billion, is in the residential construction industry.

Another recent study documents [tax fraud's devastating toll](#). The University of California Berkeley Labor Center found that 39 percent of U.S. construction worker families, about three million, rely on one or more taxpayer-funded safety-net programs like Medicaid and the earned income tax credit, due to low-road employment practices and fraud. This is costing state and federal taxpayers \$28 billion a year.

“Employers at every level are involved, from the smallest subcontractors and labor brokers to the largest developers and construction company owners,” said UBC General President Douglas J. McCarron. “They all know it’s happening and there is no doubt they know it is wrong.”

Examples of Tax Fraud Days of Action events in 2025 include:

- On April 15, Missouri members of the Mid-America Carpenters Regional Council will take part in a demonstration at the state capitol in Jefferson City, and in front of the main post office in St. Louis. In addition, banner events, jobsite rallies and public-awareness demonstrations will take place at some 30 post offices and government buildings in the two states.
- On April 15, the Northern California Carpenters Regional Council will host a member event on the steps of the state capitol in Sacramento, featuring several public officials including State Senator Jesse Arreguin, Sacramento County District Attorney Thien Ho and Deputy Commissioner Eric Charlick of the California Department of Insurance, Enforcement Branch.
- Throughout the Days of Action campaign, in New York, workers and supporters will hold rallies and events in over a dozen cities and towns, including at the State Capitol in Albany, and in Goshen, Ithaca, Buffalo, Syracuse, New York City and other locations.

- On April 15, members of the Hawaii Regional Council of Carpenters will demonstrate at the state capitol in Honolulu.
- On April 14, members of the Southeastern Carpenters Regional Council will educate the public about construction industry tax fraud at a job site in Atlanta.
- On April 15, members of the North Atlantic States Regional Council of Carpenters will protest against tax fraud in Salem, New Hampshire, and in Lexington and Worcester, Massachusetts.
- On April 14, representatives of the Central Midwest Regional Council of Carpenters will visit jobsites with local elected officials in Lexington, Kentucky, to discuss the tax fraud crisis.
- Events in Iowa include a demonstration on April 15 in front of the Davenport City Hall.

The United Brotherhood of Carpenters and Joiners of America represents 500,000 skilled workers throughout North America. For more information on the United Brotherhood of Carpenters, please visit: www.carpenters.org

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