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A.F. of L. - C.I.O. - C.L.C.

LiUNA! Local 506

February 21st, 2025

Toronto City Hall 100 Queen Steet West M5H 2N2

Attention:

Mayor Olivia Chow and General Government Committee

RE: Proposed Five-Year Ban on Duron Ontario Ltd.

I am the business manager of the Labourers' International Union of North America, Local 506 ("Union"), a trade union comprised of over 9,000 dedicated members, the majority of whom are proud, tax-paying residents of the City of Toronto and its surrounding regions.

We write to express our concerns regarding the proposed five-year ban on our signatory contractor, Duron Ontario Ltd. ("Duron"), from bidding on or obtaining public works contracts with the City of Toronto.

To be clear, this letter is not intended to condone or minimize the City's concerns about Duron's billing practices, nor to diminish the importance of integrity in public procurement. However, we urge Council to consider the broader consequences of this ban, particularly its disproportionate impact on Local 506 members.

Duron employs approximately 150 of our members, many of whom work on significant public works projects, including critical civic infrastructure and other essential services. By eliminating Duron's ability to bid on these projects, the City is not just penalizing the company—it is jeopardizing the livelihoods of hardworking tradespeople, Torontonians, who played no role in the billing irregularities under investigation. The reality is that the proposed ban would effectively eliminate Duron's main line of business, almost certainly leading to layoffs and the loss of gainful employment for a significant number of our members.

Duron has acknowledged its mistakes and indicated its willingness to take full responsibility for its billing practices, including repayment of overcharges and coverage of the audit costs. The company has also implemented internal changes to prevent future misconduct. We trust that they have learned their lesson, and we believe they should have the opportunity to demonstrate their commitment to ethical business practices going forward.

CARMEN PRINCIPATO
Business Manager

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SECRETARY TREASURER

ROLY BERNARDINI
PRESIDENT

LUIS PIMENTEL
VICE PRESIDENT

SAVERIO REPOLE
RECORDING SECRETARY

FABRIZZIO MASSARI Executive Board Member

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Moreover, we must consider the economic climate in which this decision is being made. Amidst a cost-of-living and inflation crisis, stable employment is more critical than ever. A sweeping ban on Duron could undermine the livelihoods of our members, leading them to more reliance on City, Provincial and Federal supports.

The City has many means at its disposal to penalize and monitor Duron aside from imposing an outright ban. Enhanced oversight, stricter auditing requirements, increased financial penalties, and mandatory compliance reporting could serve as effective deterrents while allowing the company to continue employing skilled workers and contributing to public infrastructure projects. We have no objection to the City imposing appropriate measures to ensure compliance, but we strongly urge that those measures be proportionate and mindful of their unintended consequences.

We respectfully urge City Council to take a balanced approach—one that holds Duron accountable for their actions while also recognizing the unintended harm that overly punitive measures may inflict on innocent workers. We ask that Council consider alternative remedies that ensure compliance and restitution while preserving jobs for Local 506 members who rely on these projects for their livelihoods.

We appreciate your time and consideration and welcome the opportunity to discuss this matter further.

Yours Very Truly,

Carmen Principato Business Manager

cc: Jack Oliveria, Business Manager, LIUNA OPDC

ce: Victoria Mancinelli, Director of Public Relations, Communications,

Marketing and Strategic Partnerships

cc: Sean McFarling, General Counsel, LIUNA OPDC

cc: Ryan Ehrenworth, Legal Counsel, LIUNA, Local 506