ABOUT ASSOCIATED EQUIPMENT DISTRIBUTORS (AED)

AED is the international trade association representing companies that sell, rent, service and manufacture construction, farm, energy, mining, forestry and industrial equipment and related supplies. The Canadian equipment distribution industry, which is dominated by small-medium-sized, family-owned businesses, has more than 420 locations across Canada that employ over 27,000 workers and accounts for at least $8 billion in annual economic activity.

REBUILDING CANADA’S INFRASTRUCTURE

Canada needs a long-term approach to investing in infrastructure to improve the quality, accessibility and sustainability of services that Canadians use every day and significantly contributes to the country's economic prosperity, job creation and international competitiveness. AED strongly supports the federal government’s Investing in Canada plan which provides $180 billion in infrastructure funding over 12 years. However, AED urges the government to ensure year-over-year consistency and long-term predictability in funding critical infrastructure projects. Furthermore, the federal government must improve coordination between provincial and municipal governments to more efficiently deliver funding and implement a more streamlined process to speed the start of projects. Particular attention should be paid to trade infrastructure, which will allow all goods, including machinery and agriculture products to be transported more efficiently.

INDUCING GROWTH THROUGH TAX POLICY

Tax and regulatory policy that incentivizes capital investment is a necessary component to ensure sustained growth. The United States’ enactment of the Tax Cuts & Jobs Act put Canadian businesses at a significant disadvantage. AED strongly supported and commends the government’s decision to triple first-year deduction for equipment purchases from 15 percent to 45 percent. The policy has allowed Canadian companies to increase cash flow, which is used for further capital investment (more machinery, expanding operations, etc.), that creates jobs and increases wages for current workers. However, AED continues to advocate for further pro-growth modifications that simplify the tax code while incentivizing investment and entrepreneurship. These policies won’t only support the equipment industry, but will also spur growth in the broader construction, agriculture and energy sectors.
PROVIDING REGULATORY RELIEF FOR EQUIPMENT DEALERS

AED strongly supports efforts to reduce the regulatory burden on job creators and pursue regulatory harmonization with the United States. Policymakers must strike the correct balance between health, safety and environmental regulations and economic growth. The government should also reform current hours-of-service (HOS) rules to allow greater flexibility, particularly for individuals such as equipment service technicians. Service technicians spend 80 percent or more of their duty time on non-driving activities, such as repairing and maintaining equipment and related administrative duties, and do not face the same demands or fatigue concerns as long-haul truck drivers. For these drivers, operating a vehicle is incidental to their primary job responsibilities and they should be granted relief from the burdensome HOS regulations.

ADDRESSING THE SKILLED LABOUR SHORTAGE

The Canadian equipment industry is facing a shortage of skilled workers, particularly service technicians. The labour shortage encumbers the ability of AED members to service customers, hindering growth, delaying the completion of infrastructure projects and jeopardizing the ability of farmers to cultivate their land and harvest efficiently. While the federal government has made targeted investments in apprenticeships, more must be done to encourage all Canadians to consider careers in the skilled trades. AED is continuously advocating for investments in apprenticeships and public awareness campaigns around the opportunity in skilled trade careers. The government must also pursue policies to ensure better collaboration between post-secondary institutions and employers and incentivize individuals to enter the skilled trades.

SUPPORTING CANADA’S NATURAL RESOURCE SECTORS

Natural resources are necessary to Canada’s international competitiveness and future growth. AED supports climate action; however, particular attention must be paid to continuing Canada’s economic growth and supporting energy development. Furthermore, the federal government must establish a predictable and comprehensive approval process that provides certainty to companies seeking to invest in major projects of all kinds, from pipelines to hydroelectric dams.
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