THE CONSTRUCTION ACT COMES INTO EFFECT ON JULY 1, 2018

AS OF JULY 1, 2018, THE CONSTRUCTION LIEN ACT WILL BE KNOWN AS THE CONSTRUCTION ACT. IT HAS BEEN MODERNIZED AND WILL INCLUDE ADJUDICATION AND PROMPT PAYMENT. OUR FRIENDS AT GOWLINGS WLG HAVE COMPILED IMPORTANT INFORMATION FOR YOUR CONSIDERATION. FOR A COMPREHENSIVE OVERVIEW, LOG ON TO HTTPS://OGCA.CA/GOVERNMENT-RELATIONS/THE-CONSTRUCTION-ACT-WHAT-YOU-NEED-TO-KNOW/

CURRENT STATUS OF BILL 142

OCT. 1, 2019

Prompt payment,
adjudication
requirements and
no more liens on
municipalities to come
into force

JULY 1, 2018

"Modernization"
amendments to come
into force

APRIL 25, 2018

Final regulations approved by the Province

MARCH 2018

Deadline for comments on draft regulations

FEB. 2018

Draft regulations released

DEC. 12, 2017

Received Royal Assent

MAY 31, 2017

Introduced in legislature and passed first reading

HOW TO PREPARE FOR MODERNIZATION

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Review and update template contracts and supplementary conditions



Review and update forms



Set up a trust account



Implement trust accounting/record keeping protocols



Consider bondability for public projects and project models



Choose payment timelines for holdback



GET READY FOR PROMPT
PAYMENT AND ADJUDICATION

HERE ARE SOME PROMPT PAYMENT REGULATIONS TO KEEP IN MIND:

- Owners must pay within 28 days of receipt of proper invoice.
- If a contractor is paid by an owner, the contractor must pay subcontractors within 7 days after receiving payment (if you do not pay on time, you will pay statutory interest).

