

# 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/](https://ogca.ca/government-relations/the-construction-act-what-you-need-to-know/)

## CURRENT STATUS OF BILL 142



## HOW TO PREPARE FOR MODERNIZATION

- ✓ 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).**



Have questions?  
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