

[PRESS RELEASE]

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Trade Contractors support Feds' Prompt Payment Proposal

Plan benefits from sector-wide support; aims to pass bill before next election.

OTTAWA—Members of the National Trade Contractors Coalition of Canada (NTCCC) are expressing support for the federal government's plan to legislate prompt payment requirements on all federal construction projects. The move comes after months of collaborative work between contractor groups, civil servants and Parliamentary champions. Steven MacKinnon, Parliamentary Secretary to the Minister of Public Services and Procurement, hosted stakeholder groups to announce the initiative today at the department headquarters in Gatineau, Quebec.

"Trade contractors have been encouraging the government to take action on this initiative for years," said John Galt, Chair of NTCCC. "The proposal put forward by the Parliamentary Secretary and MPs today will result in trade contractors taking on less risk on federal projects, being able to put forward more competitive bids, and tradespeople and apprentices will benefit as a result."

The Government of Ontario passed Bill 142, which amended the Construction and Lien Act, in December after thorough review and sector-wide consultation. The Bill will ensure general contractors receive payment from owners in a timely fashion, and that sub-contractors and suppliers benefit from similar prompt payment terms.

"There is tremendous momentum across Canadian jurisdictions to advance prompt payment legislation," added Galt. "Other highly industrialized countries and 49-of-50 U.S. states have some sort of prompt payment legislation on the books, so we're very glad to be moving in that direction."

Ontario's Bill 142 was supported by groups representing all segments of the construction sector including general contractors, trade contractors, suppliers, and labour groups. The federal government intends to follow a similar framework to achieve consensus by consulting widely, and moving legislation forward efficiently.

"We have benefitted from the support of many champions to get to this point and want to thank Senator Don Plett and MP Judy Sgro for their tireless efforts to encourage action on this file," said Galt. "We know that prompt payment enjoys support from all parties and we look forward to helping the politicians and regulators in finding the best possible legislative solution."

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