

2019 Amendments to Ontario's Construction Act

September 30, 2019

On October 1, 2019 amendments to Ontario's Construction Act will take effect and will create a series of new legal rights and obligations for parties involved in construction projects in Ontario.

Chief among these amendments is the creation of a prompt payment regime which requires owners to pay general contractors within 28 days of receipt of a proper invoice, and which further requires payments between general contractors, subcontractors, and sub-subcontractors to be made within seven days of receipt of payment. The amendments also create a mandatory dispute adjudication process allowing parties to refer certain course of construction disputes to an adjudicator empowered to make an interim determination which is binding on the parties unless the dispute is otherwise determined by a court, arbitrator, or by an agreement between the parties.

Parties involved in construction project's in Ontario should ensure they are aware of these amendments and how they may impact their business operations. If you have any questions regarding these, or any other amendments to the Construction Act, please contact a member of <u>BLG's Construction Group</u>.

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BLG Offices

Calg	ary	

Centennial Place, East Tower 520 3rd Avenue S.W. Calgary, AB, Canada T2P 0R3

T 403.232.9500 F 403.266.1395

Montréal

1000 De La Gauchetière Street West Suite 900 Montréal, QC, Canada H3B 5H4

T 514.954.2555 F 514.879.9015

Ottawa

World Exchange Plaza 100 Queen Street Ottawa, ON, Canada K1P 1J9

T 613.237.5160 F 613.230.8842

Toronto

Bay Adelaide Centre, East Tower 22 Adelaide Street West Toronto, ON, Canada M5H 4E3

T 416.367.6000 F 416.367.6749

Vancouver

1200 Waterfront Centre 200 Burrard Street Vancouver, BC, Canada V7X 1T2

T 604.687.5744 F 604.687.1415

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