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**Subject:** FW: AMO Breaking News - Bill 69, The Prompt Payment Act Put Aside ; Government Announces Construction Liens Act Review  
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## **TO THE IMMEDIATE ATTENTION OF THE CLERK AND COUNCIL**

April 2, 2014

### **Bill 69, The Prompt Payment Act Put Aside ; Government Announces Construction Liens Act Review**

Today, the Standing Committee on Regulations and Private Bills of the Ontario Legislative Assembly voted on a motion to set aside Bill 69, *The Prompt Payment Act*. Bill 69 was introduced in May 2013 by MPP Steven Del Duca to change the way payments were made under contracts in the construction industry. AMO and municipal governments across Ontario raised significant concerns with this legislation and AMO is optimistic that members of the committee will not bring the Bill back for further consideration.

At the Standing Committee, as well as prior to, municipal governments brought attention to the difficulty Bill 69 provisions would create for construction owners. Bill 69's payment timelines, progress payment provisions and lack of recognition for payments tied to construction milestones would have created challenges for municipalities in the management of public funds in construction contracts.

AMO, joined with several other public and private sector owner organizations, said the Bill should not proceed and that a proper government policy review be conducted to deal with prompt payment issues so that the perspectives of all interested parties could be input. Linked to this discussion, the Attorney General of Ontario announced last Friday that it would begin a review of the *Construction Liens Act*, under an independent party and to begin in spring 2014. AMO is awaiting details on this review process.

In addition, AMO President Russ Powers received a recent letter from the Ontario General Contractors' Association (OGCA) that explained its position on Bill 69, particularly apologizing to AMO for not reaching out to it and other construction owners when the issues in the Bill were under discussion within the construction industry. At Committee, it had also requested more time for examination of the issues and consultation with affected parties. Like AMO, OGCA has also called for more time for discussion and a more consultative process to discuss prompt payment issues instead of Bill 69.

We thank all the many municipal governments who sent letters on Bill 69 to the Standing Committee and all the political parties. It was very helpful. AMO will continue to work to ensure the interests and needs of our members are part of the future discussions regarding prompt payment for construction contracts.

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