

# NTCCC Prompt Payment Summit and Advocacy Day Highlights

## Support for Federal Prompt Payment Legislation

*Group Pushes for Increased Efficiency in Government's Historic Infrastructure Investments*

### FOR IMMEDIATE RELEASE

**April 21<sup>st</sup>, 2016 (OTTAWA)**—The National Trade Contractors Coalition of Canada (NTCCC) held the 2016 Prompt Payment Summit from April 17<sup>th</sup>-20<sup>th</sup> in Ottawa, following in the footsteps of the successful summit held in 2015. The event engaged trade contractor associations and observers from across the country to discuss the urgent need for Federal prompt payment legislation and to discuss the progress that has been made provincially. This year, the event was capped off by an advocacy and awareness push on Parliament Hill where attendees met with nearly 40 Parliamentarians and senior ministerial advisors to discuss the issue of payment delays in Canada's construction sector. Meetings focused on generating support for Bill S-224, the 'Canada Prompt Payment Act', a landmark piece of legislation for the construction industry, recently tabled by Manitoba Senator Don Plett.

"Payment delays in construction don't just affect our members", said Richard McKeagan, NTCCC Director and CEO of the Mechanical Contractors Association of Canada. "The lack of prompt payment legislation is hurting small businesses, preventing job growth, and limiting apprenticeship access across the country." Trade contractors play a vital role in the construction industry, performing well over 80% of the work in the sector. Despite this, they regularly face cash flow problems stemming from parties who add undue delays to the payment process. This has limited the number of contractors who can bid on projects. As a result, governments end up paying more for their infrastructure projects. Delays also limits employment and apprenticeship opportunities, and have forced many small businesses into bankruptcy. The summit allowed trade contractors to share cases from across Canada in which delayed payments resulted in small business failures. Attendees agreed that, while awareness is much higher than in previous years, now is the time for the government to take action.

"We were thrilled to have Senator Plett table Bill S-224 this month, which would enact Federal legislation in support of prompt payment," added McKeagan. "This Bill supports small businesses and employment in the trades in Canada, and underlines the principle that people who do good work deserve to be paid in a timely manner." The Bill concerns contracts where the Federal government is the owner, which encompasses a large number of construction projects in Canada. It follows Australia, New Zealand, Ireland, the United Kingdom, The United States federally and virtually every U.S. State who have already enacted prompt payment legislation. Canada has been an outlier for many years.

"NTCCC Representatives received overwhelmingly positive feedback from Parliamentarians who are looking forward to supporting the Canada Prompt Payment Act as it moves through the Senate and House of Commons," said John Blair, Executive Director of the Canadian Masonry Contractors Association. "Parliamentarians demonstrated strong knowledge about the need for this legislation, and many affirmed their support because this is the right thing to do."

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*The National Trade Contractors Coalition of Canada (NTCCC) was established in 2004 to provide an organized forum for Canada's national trade organizations to share information, resources, and to collaborate on issues that are of common interest to all. The membership is currently comprised of: Canadian Roofing Contractors Association, Canadian Automatic Sprinkler Association, Canadian Masonry Contractors Association, Canadian Electrical Contractors Association, Mechanical Contractors Association of Canada, Interior Systems Contractors Association, Thermal Insulation Association of Canada, Heating Refrigeration and Air-Conditioning Institute of Canada-Contractors Division, Sheet-Metal Contractors Association, and the Canadian Institute of Steel Construction*

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