

Ontario Cutting Red Tape to Support Jobs and Growth in the Construction Industry

Changes Will Help Workers and Businesses Resolve Disputes Faster and Get Paid on Time

NEWS

July 18, 2019

TORONTO — Today, Attorney General Doug Downey announced an essential next step to the full implementation of a first-in-Canada prompt payment regime to support jobs and growth in the construction industry. This regime will help cut through red tape, help create and protect jobs and attract investment to the province.

The implementation of these changes will prevent payment disputes from delaying work on construction projects, speed up the payment process and reduce time and money spent on litigation for businesses.

Following a fair and open selection process, [ADR Chambers](#) was selected as the successful candidate to serve as the Authorized Nominating Authority. This new body will oversee the adjudication process for construction disputes, including the training and qualification of adjudicators.

This adjudication system brings into force a new process that will give people and businesses a cost-effective and efficient alternative to settling payment disputes in court. Starting October 1, 2019, subject to applicable transition rules, parties to construction contracts and subcontracts will be able to receive a binding decision from an experienced construction adjudicator in approximately six weeks, a process that could take months or even years in the court system.

“Ontario is open for business and open for jobs, and our government is implementing industry-leading changes to the construction sector as part of our plan to restore the province as an economic powerhouse,” said Attorney General Downey. “The new construction adjudication system, as overseen by the Authorized Nominating Authority, will cut through the red tape that slows down the dispute resolution process – getting projects back on track and ensuring workers are paid on time.”

QUICK FACTS

- The Construction Act is intended to regulate how payments are made, to help ensure that workers who have provided services or materials during a construction project are paid for their work.
- The Authorized Nominating Authority will be self-funded and operate independently of government.
- ADR Chambers has provided dispute resolution services across Canada for over 20 years.
- Ontario’s construction industry employs more than 400,000 people and accounts for nearly seven per cent of the province’s GDP.

WHAT INDUSTRY IS SAYING

“ADR Chambers is honoured to have been selected as the Nominating Authority for Ontario’s prompt payment framework. We look forward to drawing on our expertise and experience as we work with the Ministry of the Attorney General and the construction community to realize full implementation of this exciting endeavour.”

- *Allan Stitt, President, ADR Chambers*

“The appointment of the Authorized Nominating Authority is an important step in the creation of the dispute resolution system that is scheduled to be in place on October 1, 2019. We applaud our government for making this announcement and we look forward to working with the Ministry of the Attorney General and the ANA going forward.”

- *Ian Cunningham, President, Council of Ontario Construction Associations*

“OGCA welcomes the appointment of the ANA as the vital last step in implementing the new Construction Act. It will oversee and implement mandatory adjudication of construction disputes for the prompt payment requirements that will be in effect this October. The Construction Act is the biggest change to construction law in a generation and we require the ANA to provide quality adjudication services to ensure a smooth transition.”

- *Clive Thurston, President, Ontario General Contractors Association*

“Prompt Payment Ontario would like to thank the entire Ford Government for its commitment to delivering prompt payment in Ontario. The announcement of the Adjudication Nominating Authority has been highly anticipated and we are pleased that this crucial milestone has been reached. Prompt payment and the new adjudication regime will be a monumental change that will create a more positive and fair business environment in Ontario’s construction industry. PPO looks forward to the October 1st when prompt payment comes into effect.”

- *Sandra Skivsky, Spokesperson for Prompt Payment Ontario*

ADDITIONAL RESOURCES

[Learn more about the changes to the Construction Act](#)

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