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## Canada Prompt Payment Act Passes at Senate—Heads to House of Commons for Consideration

**May 5<sup>th</sup>, 2017 (OTTAWA)** Canada’s construction community is applauding the Senate of Canada for passing Bill S-224, *The Canada Prompt Payment Act*, at third reading. After debate in the chamber and careful consideration at the Senate Standing Committee on Banking, Trade and Commerce the bill was passed yesterday evening.

“The Senate has shown incredible leadership by passing this bill,” said John Galt, Chair of the National Trade Contractors Coalition of Canada. “Trade contractors, tradespeople, suppliers, and any of the 1.2 million Canadians in the construction industry who work on federal government projects will benefit tremendously if the House of Commons also passes S-224.”

The bill was introduced in April, 2016 by Senator Donald Plett. “It has become an accepted and tolerated practice in the construction industry that unpredictable delays in payment down the contractual chain are just part of the normal course of doing business,” he said yesterday. “Nearly all jurisdictions in the Western world have prompt payment legislation,” he added.

Senator Howard Wetston, a member of the Committee that reviewed the bill added “Where there is a market failure, it requires a response from the government... I believe the bill and the amendments create a very balanced bill that addresses this particular problem.”

“Right now, there are trade contractors being forced to make less competitive bids on projects, hiring fewer new staff and apprentices, and delaying investments on capital goods because of payment delays,” added Galt. “We are optimistic that the government will support this bill in the House of Commons to do the right thing by correcting this imbalance for small businesses like ours.”

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The National Trade Contractors Coalition of Canada (NTCCC) represents 10 national industry associations, which collectively represent businesses employing over 400,000 people in Canada’s construction trades.

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