



ALBERTA
SERVICE ALBERTA

*Office of the Minister
MLA, Strathcona-Sherwood Park*

December 1, 2020

I don't need to tell you how the lack of a prompt payment system is a big and growing problem in the construction industry. Members of the construction industry have been telling the Alberta government about this for years. I'm pleased to say that we have heard you and, better yet, we have taken action to fix the problem. As you may be aware, Alberta's government tabled long-awaited legislation to address your concerns about prompt payment in October and, I'm pleased to report, that legislation passed at the end of November.

For those who are not aware, the updated (and newly renamed) *Prompt Payment and Construction Lien Act* introduces a 28-7-7-7 payment timeline, similar to what Ontario has; introduces mandatory adjudication to help resolve issues of non-payment; and extends lien periods from 45 to 60 days (90 days for concrete).

This legislation is all about strengthening the construction industry in Alberta. It is all about protecting your jobs. It is about giving all parties on a construction project confidence and certainty, whether they are a project owner, a general contractor, or a subcontractor. I am confident these changes will help job creators and employers expand their businesses and attract investment, both of which will help create more jobs. On a related note, I am confident these changes ensure that small, medium, and large construction companies all across Alberta will be in a strong financial position and be better equipped to face whatever challenges may arise in the years to come.

We could not have gotten to where we are today without the advocacy and collaboration of so many of you and I want to take this opportunity to thank you for your input. But the work is not done yet. I and my staff have continued working with and listening to members of the construction industry throughout this process and we won't stop until the legislation and its corresponding regulations are where they need to be in preparation for a July 1, 2021 coming into force date. Thank you for all that you do to build Alberta's future. Alberta's government has got your back.

Nate Glubish, Minister of Service Alberta