

July 17, 2018

The Honourable David Eby
Attorney General of British Columbia
Office of the Attorney General, BC Legislature

cc: Premier John Horgan

Delivered by hand and via email

Dear Mr. Attorney General,

RE: PROMPT PAYMENT LEGISLATION IS COMING TO BC'S CONSTRUCTION INDUSTRY

We write to demonstrate clearly and without hesitation that all sectors and representatives of BC's construction industry are united in agreement on the following statements regarding prompt payment:

- 1) There is a significant prompt payment issue in BC's construction sector which places undue risk burden on contractors and negatively impacts cash flow throughout our industry and the provincial economy;
- 2) Payment security and promptness is a fundamental requirement of successful business operations;
- 3) The best way forward is to conduct a timely analysis on how to implement prompt payment legislation in British Columbia, based on Ontario's *Construction Lien Amendment Act 2017* and benefiting from the extensive research conducted to inform that legislation.

We seek to work closely in partnership with government to determine the optimum solution for BC and to harmonize the prompt payment issue nationally.

To achieve this goal we respectfully request that the Attorney General's office fund and manage a comprehensive review of the Ontario report and subsequent legislation for the purpose of making informed recommendations to BC's provincial government and construction sector at large. For your consideration, we encourage the provincial government to contract the team of Bruce Reynolds and Sharon Vogel, who have been at the center of the process in Ontario (authoring "Striking the Balance: Expert Review of Ontario's Construction Lien Act") and are considered Canada's leading experts on the topic. BC would benefit from their expertise and the rapport they enjoy with both industry and governments.

Working with Reynolds and Vogel will allow British Columbia to move forward towards legislation much faster. We hope that our government will recognize the urgency of resolving this long-standing issue and proceed with enabling legislation during the Spring 2019 legislative session.

There's a lot at stake. Construction contributes 8.6% of BC's GDP and employs nearly a quarter million British Columbians. Our industry is at the heart of every community and every local economy in the

province: with an estimated \$4 billion in risk premiums, lack of prompt payment in BC is a problem too big to continue.

Thank you for your continued support on this issue and your consideration of our proposal.

Sincerely,

Chris Atchison
President
British Columbia
Construction Association



Deborah Cahill
President
Electrical Contractors
Association of BC



Dana Taylor
Chief Executive Officer
Mechanical Contractors
Association of BC



Dana Taylor
Coordinator
Prompt Payment BC



Mary Van Buren
President
Canadian Construction
Association



Jim Laurence
President and COO
General Contractors
Alliance of Canada



Sandra Skivsky
Chair
National Trade
Contractors Coalition of
Canada



Bob Sloat
Director Business
Development
Surety Association of
Canada



Tom Sigurdson
Executive Director
BC Building Trades



Barbette Igonia
President & CEO
BC Electrical Association



Brian Hofler
Executive Director
BC Insulation Contractors
Association



Kelly Scott
President
BC Road Builders & Heavy
Construction Association



Jeff Triggs
Executive Director
BC Wall & Ceiling
Association



Jamie McKenzie
Western Regional
Manager
Canadian Automatic
Sprinkler Association



Kevin Kohut
BC Provincial Director
Christian Labour
Association of Canada



Clyde Scollan
President
Construction Labour
Relations Association



Carolyn Campbell
Executive Director
Concrete BC



Dr. Dave Baspaly
President
Council of Construction
Associations



Arthur Chung
Chief Executive Officer
BCCA Employee Benefit
Trust



Zana Gordon
Executive Director
Fenestration Association
of BC



Chris Gardner
President
Independent Contractors
and Business Association



Paul de Jong
President
Progressive Contractors
Association of Canada



Bryan Wallner
Chief Executive Officer
Roofing Contractors
Association of BC



Bruce E. Sychuk
Executive Director
BC Sheet Metal Association
(SMACNA-BC)



Scott Bone
Chief Executive Officer
Northern Regional
Construction Association



Jason Henderson
Chief Executive Officer
Southern Interior
Construction Association



Rory Kulmala
Chief Executive Officer
Vancouver Island
Construction Association



Fiona Famulak
President
Vancouver Regional
Construction Association

