

From: AMO Communications [<mailto:communicate@amo.on.ca>]
Sent: March 19, 2014 2:28 PM
To: clerk@hamilton.ca
Subject: AMO MEMBERS UPDATE - Bill 69 - The Prompt Payment Act

TO THE IMMEDIATE ATTENTION OF THE CLERK AND COUNCIL

March 19, 2014

AMO Calls for Rethink on Bill 69 - *The Prompt Payment Act*

Today, AMO President Russ Powers [called](#) on the Standing Committee on Regulations and Private Bills to withdraw Bill 69 - *The Prompt Payment Act*, legislation that, if passed, will amend the payment terms of construction contracts in Ontario.

In his [remarks](#) to the Standing Committee, President Powers noted that the Bill was flawed, constructed without consultation with AMO, municipalities and the broader public sector and creates significant concerns for municipalities for the prudent management of public funds.

AMO's [submission](#) to the legislative committee outlined several substantive problems with the legislation that must be dealt with to ensure that municipalities can continue to exert due diligence over the payments for construction projects that are undertaken for the benefit of residents. These include:

- Workable timelines to allow municipalities to review work done and certify payments properly.
- Continuing to allow holdbacks to remedy construction deficiencies.
- Allowing construction payments to continue to be tied to project milestones.
- Ensuring payment applications are based on accurate information regarding work performed or materials delivered.
- Exempting municipalities from the requirement to provide up-to-date financial information for each project without limit as municipal budgets are public documents.

AMO has [joined](#) with a group of public and private sector organizations to call for an alternative consultative process led by the provincial government that engages all affected stakeholders.

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