

Construction Lien Act Review Process

Aon, in partnership with the London and District Construction Association (LDCA), was pleased to sponsor a breakfast meeting for its construction clients and LDCA members on November 25, 2015. This meeting was held to discuss Ontario's Construction Lien Act review process that is currently underway.

The informative and lively session was facilitated by a panel of leading construction law lawyers, including Geza Banfai of McMillan LLP, Brendan Bowles of Glaholt LLP, and Marcia Oliver of Advocates LLP. All panel members are certified by the Law Society of Upper Canada as specialists in construction law and recognized by Best Lawyers Canada and Lexpert as leaders in the area of construction law. Aon is grateful to Geza, Brendan, and Marcia for donating their time and expertise.

Those in attendance echoed the construction industry's frequently voiced concerns; in particular, how the construction industry is significantly impacted by the late/non-payment of accounts and how the window in which to exercise lien rights is too short. In conclusion, Aon heard that the Construction Lien Act is no longer responsive to the industry's needs and the Construction Lien Act review is long overdue.

First introduced in 1983, and having not been amended in any material way since that time, the Construction Lien Act (Ontario), is desperately in need of an overhaul. In February 2015, in response to the construction industry's increasing concerns, including significant pressure from some sectors for the introduction of prompt payment legislation, the Ontario Government commissioned a review of the Construction Lien Act. Since that time, the review, led by lawyer Bruce Reynolds of Borden Ladner Gervais LLP, has been receiving submissions and meeting with stakeholders. In addition, Mr. Reynolds has been in consultation with an expert advisory group, who provide subject-matter expertise in respect to legal issues. On March 31, 2016, Mr. Reynolds is expected to deliver a comprehensive report on the review process along with his legal opinion. It is expected that the report will be made public very soon after it has been submitted to the attorney general and minister of economic development, employment, and infrastructure. The construction industry is anxiously waiting for the results from this report.

Further information regarding the Construction Lien Act review can be found on the following website: <http://www.constructionlienactreview.com>.

Aon is committed to the success of its clients and the construction industry in which they conduct their business. Stay tuned for more Aon sponsored opportunities to learn about and discuss the issues facing the construction industry today.

If you have any questions or wish to receive information on the construction insurance/traditional bonding marketplace, other evolving forms of performance security or construction risk management services in general, please contact

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