

NEWS RELEASE For Immediate Release

Construction Association of Nova Scotia concerned that contractors and buyers of construction are still not compliant with the Builders' Lien Act.

Halifax, NS – (11/21/2017) Despite it being the law, the Construction Association of Nova Scotia (CANS) is concerned that contractors and buyers of construction are still not compliant with the new regulations of the Builders' Lien Act. Earlier this year, the Province of Nova Scotia included and proclaimed all three industry recommended amendments to the Builders' Lien Act, which came into full effect on June 30, 2017.

"The process of implementing new regulations for the Builders' Lien Act took nearly six years, a complex process that industry has been very supportive of," says CANS President Duncan Williams. "It is disappointing that after all this hard work, contractors and buyers of construction are still not compliant with the regulations that are now law."

The Builders' Lien Act is intended to protect subcontractors and suppliers who perform work or supply materials at a construction project if the person with whom they directly contracted defaults on the contract.

Amendments are aimed at improving how money flows once certain stages of a construction project are reached and include:

- Changing the way a finishing holdback is calculated.
- Allowing for early release of holdbacks to sub-contractors who complete their work at an early stage in the construction project.
- Creating authority to make regulations to require notice be given to parties when a contract is substantially performed and when a sub-contract is certified as complete.

As of June 30, 2017 it was required by law that all contractors and buyers of construction use a single site of publication – www.substantialperformance.com – ensuring notice is given to parties when a contract is substantially performed and when a sub-contract is certified as complete.

"This is where we're seeing a lack of compliance – contractors and buyers of construction are still not posting their contracts that are substantially performed or complete," says Williams. "There are currently only 40 notices listed on www.substantialperformance.com and there should be many more."

CANS <u>www.substantialperformance.com</u> is a mandatory industry-based centralized site where contractors register for an automated message advising them of the milestone being achieved, saving a substantial amount of time for all parties concerned. There are no associated costs to use the website and it is very user friendly.

"The majority of companies engaged in the industrial commercial sector are small to medium sized enterprises. This centralized site enables them to better direct their resources, invest in their employees and ultimately grow the economy," says Williams. "It also minimizes confusion in the marketplace for all parties concerned, reducing the opportunity to practice unethically and/or illegally, and has a significant and positive impact on productivity for all parties."

For more information about the Builders' Lien Act regulations, visit: www.cans.ns.ca/substantialperformance/

CANS represents more than 780 large and small companies that build, renovate and restore non-residential buildings, roads, bridges and other engineering projects. We are an industry trade association representing the interests of contractors, suppliers and service providers throughout Atlantic Canada and across the country. Construction is a \$3.8 billion a year industry in Nova Scotia and employs over 30,000 men and women from across the province. For more information about the Construction Association of Nova Scotia visit www.cans.ns.ca.

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