

1975

c 44 The Ministry of Transportation and Communications Creditors Payment Act, 1975

Ontario

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CHAPTER 44

**The Ministry of Transportation
and Communications Creditors
Payment Act, 1975**

Assented to July 3rd, 1975

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

I. In this Act,

Interpre-
tation

- (a) "claimant" means a creditor who has sent a notice under subsection 1 of section 2;
- (b) "contract" means a written agreement between the Minister and a person for the performance of work and under which the Minister is obligated to pay for the total cost thereof;
- (c) "contractor" means a person who enters into a contract with the Minister;
- (d) "creditor" means a person who supplies labour, materials or services used or reasonably required for use in the performance of work as set out in a contract;
- (e) "Minister" means the Minister of Transportation and Communications;
- (f) "Ministry" means the Ministry of Transportation and Communications;
- (g) "person" means an individual, partnership or corporation but does not include a municipal corporation;
- (h) "surety" means a person who guarantees to the Minister the payment of creditors under a bond with the Minister;

- (i) "work" means a construction, reconstruction, improvement, alteration, expansion, addition to, repair or maintenance of property.

Service of
notice of
non-payment

2.—(1) Where a contractor does not pay a creditor in accordance with his obligation to do so under the contract, the creditor may, not later than 120 days after the last day on which the labour, materials or services were provided, send to the appropriate office of the Ministry by registered mail a notice setting out the nature and amount of his claim.

Payment
of claim

(2) The Minister may, after notice in writing to the contractor and surety, if any, pay the claimant the amount settled upon and deduct the amount so paid from any moneys due or that may become due to the contractor on any account or from the moneys or securities, if any, deposited by the contractor with the Ministry, and, if there are insufficient moneys due or to become due to the contractor to permit of such deduction, the surety, if any, shall pay to the Ministry upon demand an amount sufficient to make up the deficiency.

Amount
paid final

(3) In paying a claim under subsection 2, the Minister may act upon any evidence that he considers sufficient and may compromise any disputed liability, and such payment is not open to dispute or question by the contractor or the surety, if any, but is final and binding upon them.

Minister
may demand
list of
creditors

3. The Minister may, in writing, require a contractor to send to him by registered mail, within fifteen days from the date of the mailing of the demand, a list of the names of and the amounts owing to his creditors.

Contractors
to display
s. 2 (1)

4. Every contractor shall display and keep displayed in a conspicuous place where the work is being performed a copy of subsection 1 of section 2.

Offences

5. A contractor who does not file a list when required to do so under section 3 or who does not display and keep displayed a copy of subsection 1 of section 2 as required by section 4 is guilty of an offence and on summary conviction is liable to a fine of not less than \$10 and not more than \$100 for every day during which the default continues.

Regulations

6.—(1) The Lieutenant Governor in Council may make regulations,

- (a) extending or reducing the periods of time referred to in sections 2 and 3;

- (b) providing for and requiring notices in addition to the notice mentioned in section 2;
- (c) respecting any matter necessary or advisable to carry out effectively the intent and purpose of this Act.

(2) Any regulation made under subsection 1 or any ^{Application} provision thereof may be made applicable in respect of any class or classes of contractor.

7.—(1) This Act comes into force on a day to be named ^{Commence-} by proclamation of the Lieutenant Governor. _{ment}

(2) This Act does not apply in respect of contracts ^{Application} entered into before this Act comes into force or to sub-contracts entered into directly or indirectly under such contract.

8. This Act may be cited as *The Ministry of Trans-^{Short title} portation and Communications Creditors Payment Act, 1975.*

