## 1st Session, 15th Legislature, Alberta 12 Elizabeth II

# **BILL 123**

A Bill to Afford Protection for the Payment of Wages, Materials and Services on Public Works

HON. MR. MANNING

## **Explanatory Note**

General. This Bill will authorize the Government to apply money payable under a public works contract directly to the payment of labourers, material suppliers, etc., when the contractor has not paid them within 90 days after he is obliged to.

2. Definitions.

3. Notice of the claim against the contractor is to be given within 90 days after the last day on which the labour, material or services were provided.

# BILL

#### No. 123 of 1964

An Act to Afford Protection for the Payment of Wages, Materials and Services on Public Works

#### (Assented to

, 1964)

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

1. This Act may be cited as "The Public Works Creditors Payment Act".

#### 2. In this Act,

- (a) "claimant" means a creditor who has sent a notice under subsection (1) of section 3;
- (b) "contractor" means a person who performs work in the construction, alteration, repair and maintenance of a public work under a contract between the person and the Crown, and includes any subcontractor engaged in such a work;
- (c) "creditor" means a person who supplies labour, materials or services used or reasonably required for use in the performance of a contract with the Crown for the construction, alteration, repair or maintenance of a public work;
- (d) "Crown" includes a board, commission or agency of the Crown;
- (e) "public work" has the same meaning as in *The Surveys and Expropriation Act* and includes any undertaking by the Crown at the expense of any person or municipality;
- (f) "surety" means a person who guarantees to the Crown the payment of creditors under a bond with the Crown.

#### 3. (1) Where

- (a) a person provides labour, materials or services used or reasonably required for use in the performance of a contract with the Crown for the construction, alteration, repair or maintenance of a public work, and
- (b) the contractor does not pay that person in accordance with his obligation to do so,

4. The Crown may pay the claims properly owing and deduct the amount paid from any moneys due the contractor or if that is insufficient from the surety.
5. The contractors may be required to provide the Crown with a list of creditors.
6. A copy of section 3 is to be displayed at the public work.
7. Offences and penalty.

8. Regulations may be made.

that person may send a notice of his claim to the department, board, commission or agency of the Crown that is responsible for the public work.

- (2) The notice of the claim
- (a) shall be sent by registered mail not later than ninety days after the last day on which the labour, material or services were provided, and
- (b) shall set out the nature and amount of the claim against the contractor.
- 4. (1) Fifteen days after giving notice in writing to the contractor and surety, the Crown may 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 Crown.
- (2) Where 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 Crown upon demand an amount sufficient to make up the deficiency.
- (3) In paying a claim under subsection (1), the Crown may act upon any evidence that it deems 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.
- 5. The Crown may, in writing, require a contractor to send to it 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.
- 6. Every contractor shall display and keep displayed in a conspicuous place,
  - (a) on the public work, or
- (b) at any place prescribed by the regulations, a copy of section 3.

#### 7. A contractor

- (a) who does not file a list when required to do so under section 5, or
- (b) who does not display and keep displayed a copy of section 3 as required by section 6,

is guilty of an offence and is liable on summary conviction to a fine of not less than ten dollars and not more than one hundred dollars for every day during which the default continues.

8. (1) The Lieutenant Governor in Council may make regulations

9. Commencement of Act.

- (a) extending or reducing the periods of time referred to in sections 3, 4 and 5,
- (b) providing for and requiring notices in addition to the notice mentioned in section 3, and
- (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 provision thereof may be made applicable in respect of any class or classes of contractor.
- 9. This Act comes into force on the day upon which it is assented to.

## FIRST SESSION

## FIFTEENTH LEGISLATURE

12 ELIZABETH II

1964

# BILL

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Hon. Mr. Manning