

JANUARY 2019

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Making Progress on Insolvency Act Reform

COCA Director and Chair of our Construction Lien Act Task Force, Ted Dreyer (Madorin Snyder LLP), first raised the issue of much needed reforms to the federal Bankruptcy and Insolvency Act more than two year ago. Shortly after Ted raised the issue, informal discussions took place with the senior leadership of the Canadian Construction Association (CCA). Subsequently to that, we were successful in convincing the CCA to place this matter of the agenda for their March 2018 conference held in Banff, Alberta where an engaging session was held. Then, with some prodding from COCA, the CCA decided to include this issue among the three or four key policy matters that were presented to approximately 100 MPs and senior federal government officials during meetings held as part of their industry lobby day on Parliament Hill in November 2018.

All the while Ted kept the issue alive at meetings of both with his “home” organization, the Grand Valley Construction Association (GVCA), and with COCA.

Then in December 2018 the A1 Asphalt case found its way into the discussion. This was the appeal of a lower court decision to the Ontario Court of Appeal. It featured two very deep pocketed companies, the Royal Bank of Canada on one side and The Guarantee Company of North America on the other.

No decision had been made by the Court of Appeal prior to COCA’s December 2018 Board of Directors meeting. However, Ted Dreyer was convinced that the decision of the Court of Appeal would be appealed to the Supreme Court of Canada (SCC) regardless of the way it went. This was because the stakes are very high and because it involves the competing interests of two very deep pocketed companies who have the resources to “go the distance”. So at its December meeting, COCA’s Board of Directors decided to allocate \$20,000 towards engaging legal counsel to seek intervenor status in the very likely event of an appeal to the Supreme Court of Canada.

Discussions were held with a number of highly regarded construction lawyers and it looks like we will be engaging the services of Sharon Vogel of Singleton Reynolds Vogel LLP.

JANUARY 2018 - GOVERNMENT RELATIONS UPDATE

(Sharon's name should be well known to COCA members as Bruce Reynolds partner in the review of the Construction Lien Act that led to the creation of the new Construction Act.)

The Ontario Court of Appeal recently released its decision, in favour of The Guarantee Company. Two excellent articles about the case can be found at the following links:

<https://www.canadianunderwriter.ca/inspress/announcing-recent-case-law-in-favour-of-the-guarantee/>

<https://www.theguarantee.com/en/news/article/announcing-recent-case-law-in-favour-of-the-guarantee>

Most in-the-know experts agree with Ted, that an appeal by the Royal Bank of Canada of the Court of Appeal decision is highly likely. It is estimated that the total cost of our intervenor status initiative will be between \$75,000 and \$100,000. As noted above, COCA has already budgeted \$20,000. So, we will be soliciting financial support from your association and from others all across Canada. We have had positive communications with the CCA and because the CCA requires a formal letter from one of their "integrated member" associations, the GVCA has submitted that letter and has also committed \$5,000 towards the cause.

This is an issue that the whole industry can get behind.

Municipalities Get Help with Asset Management Plans

The Ontario Minister of Infrastructure, Monte McNaughton, recently announced that 58 rural and northern municipalities will have new access to in-person expert infrastructure planning assistance in the development of their asset management plans. All 444 Ontario municipalities are required to have asset management plans in place by July 1, 2019 and this represented a challenge for many smaller municipalities. These infrastructure plans must be carried out by July 1, 2024. The province has budgeted \$2.1 million over three years to help about 250 small municipalities to improve their asset management planning.

25 Retailers Win Chance for First Cannabis Stores

The Alcohol and Gaming Commission recently solicited expressions of interest from retailers interested in securing Retail Operators Licences for the sale of cannabis in the Province of Ontario. The names of all eligible applicants were put in a pool and then five were randomly selected for the East Region, five for the Toronto Region, six for the GTA Region, two for the North Region, seven for the West Region. Wait lists of eligible applicants were also established for each region.

For complete details and the names of the future weed dealers in your neighbourhood click on

<https://www.agco.ca/cannabis/expression-interest-lottery-selection-results>

Naqvi Named CEO of Citizenship Institute

According to an article published in the Ottawa Sun on January 23, 2019, former Ontario Attorney General Yasir Naqvi has accepted the position of CEO of the Institute for Canadian Citizenship, a national non-profit organization. Naqvi, a friend of COCA, a COCA Construction Hard Hat Special Achievement Award recipient, took up the challenge of Construction Lien Act reform and prompt payment legislation and delivered for our industry for which we are grateful.

This new position takes Naqvi out of the running for the leadership of the Ontario Liberal Party.

Parliamentary Calendar for February and March

February/février

Sun dim	Mon lun	Tue mar	Wed mer	Thu jeu	Fri ven	Sat sam
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28		

March/mars

Sun dim	Mon lun	Tue mar	Wed mer	Thu jeu	Fri ven	Sat sam
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						